

The logo graphic consists of a stylized 'S' formed by multiple concentric, slightly offset lines in shades of purple, blue, and green. To the right of the 'S' are two concentric circles, also composed of multiple offset lines in similar colors. The entire logo is centered within a thin orange hexagonal border.

Setia

CREATING SPACES  
THAT SHAPE US

INTEGRATED  
REPORT  
2024

# Our 50-Year Milestones...

Incorporation of  
**Syarikat Pembinaan  
Setia Sdn Bhd.**



Launched **Setia Alam**, a pioneering  
master-planned township.



Entered **Australia**  
with **Fulton Lane** in  
**Melbourne.**

1974

1993

1996

2004

2008

2011

2012

2017

2018

2020

2021

2022

2023



Listed on **Kuala Lumpur  
Stock Exchange**, marking  
our entry into the public  
market.

Builder of Distinction  
**Setia**  
SP SETIA BHD GROUP

Shifted focus  
to property  
development  
and assumed its  
current name,  
**S P Setia Berhad.**



**Regional expansion into  
Vietnam**, with the launch  
of **EcoLakes** at MyPhuoc  
Industrial Park.



**PNB** ♦ **PNB** emerges as  
the largest single  
shareholder, fuelling  
growth and expansion.  
♦ Partnered with Sime  
Darby Property Berhad  
and Employees  
Provident Fund to  
co-develop the  
**Battersea Power  
Station** project in  
London, UK.

♦ Acquisition of  
**I&P Group**



**I & P Group**



**Regional  
expansion into  
Japan.**

**D'Network**

Launched **D'Network @ Setia Eco Park**, the  
world's first **solar-powered hybrid F&B hub** in  
Setia Alam township.

Enhanced  
**Sustainability  
Framework.**



**SetiaGO**

♦ Launched **Setia GO  
app**, paving the way  
for **integrated smart  
property solutions.**

♦ His Majesty the  
King of Malaysia  
officiates opening  
of **Battersea  
Power Station.**

♦ Expanded **ESG commitments**  
with **Setia Sustainability Day**  
and **Setia eGreenLiving.**  
♦ Ventured into **Green Industrial  
Developments.**  
♦ Joint venture with **Mitsui  
Fudosan** to develop  
commercial land in  
**Setia Federal Hill, Bangsar,  
Kuala Lumpur.**

## Cover Rationale

The cover represents 50 years of excellence, innovation, and sustainability. The monstera leaves reflect Setia's commitment to eco-conscious, livable spaces, symbolising growth and renewal. At the center, the stylised "50" with rainbow gradient represents adaptability, progress, and transformation, while the golden hexagon signifies stability and structured growth.

The tagline, "**Creating Spaces That Shape Us,**" highlights Setia's role in shaping not just physical spaces but communities and experiences. With a clean and modern aesthetic, the cover design celebrates Setia's legacy while looking ahead to a sustainable and forward-thinking future.



**2024**  
**SETIA 50<sup>TH</sup> ANNIVERSARY**

IN THE YEAR OF 2024...

# SETIA 50<sup>TH</sup> ANNIVERSARY CELEBRATING SPACES



Scan the QR code  
to watch video

For five decades, **S P Setia** has been at the forefront of creating spaces that go beyond bricks and mortar. These are living, breathing environments that nurture communities, spark innovation, and empower individuals to thrive in all aspects of life — **livelearnworkplay**.

As we commemorate our golden anniversary, we honour the **50 years** of defining moments, initiatives and innovations that have shaped who we are today. Through these milestones, we reaffirm our belief that great spaces are not just built; they are crafted with **purpose**, driven by **passion**, and built with **people** at the heart of it all.

SPACES that shape  
**GROWTH**

SPACES that shape  
**REST**

SPACES that shape  
**LEARNING**

SPACES that shape  
**BALANCE**

SPACES that shape  
**BONDS**

**live** **learn** **work** **play**

# SETIA RAYA BATIK, RAYA CANTIK OPEN HOUSE

For half a century, S P Setia has been more than just a developer, it has been a curator of experiences, a preserver of traditions and a champion of unity. From the electrifying presence of Era DJs Nabil, Haniff, and Ray to the unforgettable performances by Tomok, Amy Mastura and Harmonik Perdana, every moment was a tribute to the shared memories and strong bonds that define the S P Setia community.



The Batik runway featuring SAMYAMA by John Ang, batikTEKTURA and Hani Nazeera Design showcased the beauty of Malaysia's heritage, proving that innovation and tradition can walk hand in hand, just as S P Setia has done for the past 50 years.

The night's flashmob performance by Team Setia symbolised the spirit of togetherness and resilience, embodying the unity that has fueled S P Setia's journey through five decades.



Scan the QR code to watch video



• JULY 2024

# SETIA'S GOLDEN JUBILEE CELEBRATION

S P Setia marked its glorious **50-year milestone** with an extraordinary **Golden Jubilee** campaign and celebrations, launched at Setia City Convention Centre (SCCC) in Setia Alam on July 19, 2024. This momentous occasion was followed by the headlining event, "**Celebrating Spaces**," held at the Oval Lawn, SCCC, on July 21, 2024—a spectacular gathering that reinforced **Setia's legacy** and strengthened its brand presence among stakeholders.



The celebrations kicked off with the **#SetiaQubies Roadshow**, a nationwide brand engagement tour across Klang Valley, Penang, and Johor, culminating in the highly anticipated "**Celebrating Spaces**" concert on July 21, 2024. The electrifying event drew over **5,000 attendees** to the Oval Lawn at SCCC, hosted by the dynamic duo Baki Zainal and Nadia Hassan. The evening was filled with captivating performances by legendary artists including Dato' Awie, Ella, Danny Koo, and the beloved children's favourite, Didi & Friends, alongside an array of exciting activities.

• August to September 2024

## SETIA HOMEFEST A CELEBRATION OF HOME OWNERSHIP



In conjunction with its **50<sup>th</sup> anniversary**, S P Setia launched its major sales campaign — **Setia Homefest** — running across selected galleries nationwide from August 17 to September 17, 2024.



This month-long celebration brought homeownership aspirations closer to reality, making it a memorable part of **Setia's golden milestone**.



## PROMOTING WELLNESS & COMMUNITY #SETIA4MALAYSIA UNITY RUN 2024

Reinforcing its commitment to a healthy, active, and united community, S P Setia hosted the **#Setia4Malaysia Unity Run 2024** on September 29, 2024, at Setia EcoHill Walk, Semenyih. The event, designed to foster wellness and togetherness, welcomed over 5,000 enthusiastic runners and visitors.



# What You Will Find In This Report

Setia EcoHill, Semenyih, Selangor

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# Basis of This Report

S P Setia Berhad (“S P Setia”, “Setia”, “the Company” or “the Group”) is proud to present our Integrated Annual Report for the financial year ended 31 December 2024 (“FY2024”). This report provides a comprehensive, transparent and objective assessment of our business strategies as well as our financial and non-financial performance throughout the year. We remain committed to creating value over the short, medium and long term while striving to foster sustainable communities and enrich lifestyles, in line with our vision.

Our Sustainability Statement has been audited internally by Group Internal Audit and selected sustainability indicators have been externally assured by Deloitte Malaysia in a limited assurance exercise. For information about the selected indicators, refer to the Independent Assurance Statement on pages 212 - 225 of this report.

The disclosures in this report are aligned with the requirements of established reporting frameworks, ensuring compliance with industry standards and best practices:

### REPORTING FRAMEWORK

Reporting Frameworks Reporting	Integrated Reporting	Sustainability
International Integrated Reporting Council's ("IIRC") Integrated Reporting (<"IR">) Framework	✔	
Bursa Malaysia's Main Market Listing Requirements ("MMLR")	✔	✔
Bursa Malaysia's Corporate Governance Guide (4 <sup>th</sup> edition)	✔	
Malaysian Code on Corporate Governance 2021 ("MCCG")	✔	
Companies Act 2016 ("CA 2016")	✔	
Malaysian Financial Reporting Standards ("MFRS")	✔	
Bursa Malaysia's Sustainability Reporting Guide (3 <sup>rd</sup> edition)		✔
Global Reporting Initiative ("GRI") Sustainability Reporting Standards		✔
United Nations' Sustainable Development ("UN SDG")		✔

### FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that reflect our expectations regarding future performance. These statements are formulated based on existing conditions and assumptions which may evolve over time. Various external factors, including economic shifts, regulatory changes and market dynamics, may cause actual outcomes to differ from anticipated projections.

### SCOPE & BOUNDARY

This report encompasses the activities and initiatives undertaken by the Group, including our subsidiaries and joint ventures, during FY2024, covering the period from 1 January 2024 to 31 December 2024. In pursuing a well-rounded perspective on factors that affect our ability to generate value, we have adopted a materiality-based approach. Material matters have been identified through an extensive stakeholder engagement process, ensuring alignment with our stakeholders' key concerns and the Group's overall performance.

### ASSURANCE

To uphold the integrity and reliability of this report, we adhere to rigorous internal control and governance frameworks. Assurance is reinforced through oversight by our management, internal audit function and the Board of Directors ("Board"), including an independent external auditor of our financial statements conducted by Ernst & Young PLT Malaysia.

# Basis of This Report

### MATERIALITY

Material issues are critical considerations for both our stakeholders and S P Setia; they shape factors that influence our business's long-term resilience. Our reporting on these matters follows a structured and thorough approach, integrating stakeholder concerns, risk assessments and opportunities while aligning with our strategic objectives.

### BOARD RESPONSIBILITY STATEMENT


The Board acknowledges our responsibility for upholding the integrity of this report. The report provides a comprehensive overview of all material matters relevant to the Group's ability to create value while accurately reflecting integrated performance. Furthermore, the Board affirms that the report has been prepared in alignment with the Guiding Principles of the IIRC's <"IR"> Framework.

This report received the Board's approval on 7 March 2025.

### FEEDBACK & CONTACT POINT

We appreciate your feedback and are committed to addressing any inquiries regarding our reporting. For any comments or questions, please reach out to:

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

Our Integrated Annual Reports can also be accessed online at:  
 <https://spsetia.com/en-us/investor-relations>

This report is interactive. You'll find these tools throughout the report:

 Go to the page within the document

 Access additional information on the web

### NAVIGATE THIS REPORT

#### OUR KEY CAPITALS

 Refer to pages 66 - 67 for more information



##### 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 avenues for growth opportunities and long-term value creation.



##### Manufactured

Our extensive physical assets, advanced technological infrastructure, diversified landbanks and investment portfolio form the backbone of our operations, enabling us to drive efficiency, expand opportunities and sustain profitability across all 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 the driving force behind our success.



##### Intellectual

Our commitment to continuous learning, expertise enhancement and strategic investments in technology, systems and innovation demonstrate our disciplined business approach, ensuring a competitive edge and reinforcing our position as an industry leader.



##### Social & Relationship


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



##### Natural

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

#### MATERIAL MATTERS

 Refer to pages 87 - 89 for more information



##### Emissions



##### Environment



##### Occupational Health & Safety



##### Customer Satisfaction



##### Economic Performance



##### Innovation



##### Community & Social Impacts

#### STAKEHOLDERS OF S P SETIA

 Refer to pages 70 - 75 for more information



Shareholders, Analysts & Investment Community



Customers & Clients



Local Communities



Financiers



Suppliers & Contractors



Governments & Regulators



JV & Collaboration Partners




Media



Employees

#### OUR KEY RISKS

 Refer to pages 90 - 95 for more information



##### Market Risk



##### Competition Risk



##### Development & Product Mitigation Risk



Project Planning, Feasibility & Development Strategy Risk



Sustainability Risk



Funding & Liquidity Risk



Political & Regulatory Risk



Cyber Security Risk



Work Health & Safety Risk



Geopolitical Risk

#### OUR CORE STRATEGIES

 Refer to page 96 for more information

S P Setia aspires to lead in shaping sustainable communities and redefining modern living. This vision is anchored on four strategic pillars - land bank management, regional growth expansion, advancing industrial expansion and identifying REIT-worthy assets. These pillars strengthen our capital allocation strategy, elevate our brand equity and reinforce our commitment to sustainability. Simultaneously, we are accelerating digitalisation and innovation, key enablers that will propel us forward in the near to medium term.

# WE ARE S P SETIA

S P Setia is a pioneering force in property development, united by our purpose and vision of building sustainable environments and enriching lifestyles.

Our influence extends globally, spanning Malaysia, Australia, Vietnam, the United Kingdom ("UK"), Singapore, Japan and China, reflecting our dedication to creating diverse, impactful developments that meet the unique needs of communities worldwide.

Our extensive portfolio showcases our versatility in meeting the evolving demands of contemporary living, spanning townships, integrated developments, eco-sanctuaries, luxury enclaves and high-rise residences, as well as cutting-edge commercial, retail and industrial spaces.

Central to our identity is a comprehensive philosophy encapsulated by **livelearnworkplay**, emphasising our holistic approach to meeting the demands of modern lifestyles. Seamlessly blending sustainable practices, community engagement and visionary design, we contribute to a future where each development is uniquely S P Setia.

**Our Purpose**  
Creating Sustainable Communities

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

Setia

The Red Diamond

A Symbol of Legacy and Transformation

At the heart of S P Setia lies the red diamond, a symbol of strength, innovation and vision. More than a design element, it represents Setia's evolution in creating spaces that shape lives.

From a simple geometric form, the red diamond transforms into a dynamic, three-dimensional space, signifying Setia's holistic approach to urban living. It reflects our commitment to innovation,

resilience and excellence, a foundation upon which communities grow and aspirations take flight.

As we step into the future, the red diamond sparks a story of transformation, guiding our journey toward sustainable, purposeful living.

The story begins with the red diamond. **The future is built upon it.**

### Our Mission

<b>P</b> Product	<b>L</b> Leader in Transforming Real Estate	<b>A</b> A+ People	<b>C</b> Communities at Heart	<b>E</b> E-nnovation & Technology	<b>S</b> 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

### Core Values

We have embedded values that shape our decisions and behaviours

<b>S</b> Setia's Work Ethics	<b>C</b> Customers	<b>R</b> Responsibilities	<b>I</b> Integrity	<b>P</b> Professionalism	<b>T</b> 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

Sapphire by The Gardens, Australia

Our Investment Case

Our Investment Case

2024

KEY HIGHLIGHTS

Financial  
Highlights

Sales

RM5.02  
billion

exceeded FY2024 sales target of  
RM4.4 billion

Revenue

RM5.29  
billion

FY2023: RM4.37 billion

Profit Before Tax

RM1.12  
billion

FY2023: RM 656 million

Borrowings

RM8.6  
billion

FY2023: RM10.1 billion

Net Gearing

0.35x

FY2023: 0.49x

Dividend Per Share

2.88  
sen

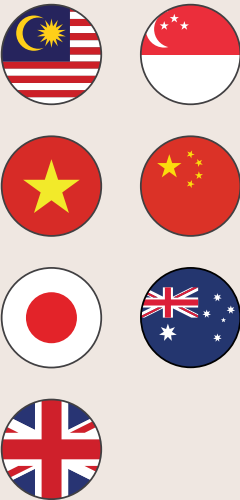
FY2023: 1.34 sen

Business  
Highlights

Ongoing Projects

42

Over 7 countries



Refer to pages 34 - 35 for more  
information



Remaining  
Land Bank

5,451  
acres

Gross Development Value (GDV)

RM128.59  
billion

2024 Launched Gross Development Value  
(GDV)

RM5.13  
billion

Unbilled sales

RM4.09  
billion

Our Investment Case

Sustainability Highlights



Recorded  
**ZERO**  
confirmed incidents of  
**corruption** in 2024

**100%**  
of procurement budget was spent on  
**local suppliers**

Received  
**ZERO**  
substantiated complaints  
concerning breaches of  
**customer privacy**  
or losses of **customer data**



Implemented the  
**eDew system**  
to enable digital data collection for  
**water management, waste management,  
energy emissions and carbon emissions**

A total of  
**4,749**  
**trees**  
were planted and  
transplanted

Recorded a total of  
**2,015.97**  
**tCO<sub>2</sub>e**  
in gross Scope 3 (other  
indirect) greenhouse gas  
(GHG) emissions



Recorded  
**ZERO**  
number of cases of  
**work-related fatalities**  
for employees and non-employees

Invested  
**RM500,418**  
in surrounding communities, benefiting  
3,184 beneficiaries

Achieved a  
**Construction Performance  
Assessment (CPA)** score of  
**77.48%**  
for our construction projects,  
**surpassing our target of  
75%**

Awards & Recognitions

- 2023 Putra Brand Awards**  
Award : Silver, Property Development  
Winner: S P Setia Berhad
- Alpha Southeast Asia 17<sup>th</sup> Annual Best Deal & Solution Awards 2023**  
Award : Sukuk Wakalah of the Year, Best Corporate  
Winner: S P Setia Berhad
- Low Carbon Township Award Ceremony 2023**  
Award : Diamond, Design  
Winner:
  - Setia Warisan Tropika
  - Setia Eco Templer
- FIABCI World Prix d'Excellence Awards 2024**  
Award : Gold Winner, Heritage  
Winner: Battersea Power Station
- The Edge Malaysia Best Managed & Sustainable Property Awards 2024**  
Award : Silver, 10 years & Above: Retail Category  
Winner: Setia City Mall  
  
Award : Gold, Below 10 Years: Multiple Owned Strata Residential  
Winner: Essex Gardens, Setia Eco Templer
- BCI Asia Awards 2024**  
Award : Top 10 Developers  
Winner: S P Setia Berhad
- National Corporate Governance & Sustainability Awards 2024 (NACGSA)**  
Award : Overall Excellence  
Winner: S P Setia Berhad
- Malaysia Developer Awards 2024**  
Award : Best in Qualitative Category  
Winner: S P Setia Berhad  
  
Award : Top-of-the-Chart Top 10 Award Category  
Winner: S P Setia Berhad
- Triple A Awards Islamic Finance 2024**  
Award : Best Sukuk – Real Estate, Malaysia  
Winner: S P Setia Berhad
- PropertyGuru Vietnam Real Estate Awards**  
Award : Best Eco-friendly housing development  
Winner: EcoLakes My Phuoc
- The Edge Malaysia Property Excellence Awards 2024**  
Award : Outstanding Overseas Project  
Winner: Sapphire by the Gardens  
  
Award : Top 10 Developers  
Winner: S P Setia Berhad
- Malaysia Property Award™ 2024 by FIABCI Malaysia**  
Award : Housing Residential Landed Category  
Winner: Setia Eco Templer



Sustainability @ Setia

Sustainability @ Setia



Setia Eco Park, Shah Alam, Selangor

We position ourselves as a leading Malaysian property developer focused on crafting sustainable developments and townships to enhance community lifestyles. Our portfolio spans carefully planned townships, eco-sanctuaries, luxury enclaves, high-rise residences and versatile commercial, retail and industrial spaces. Guided by our purpose to create sustainable communities and our development philosophy of 'LiveLearnWorkPlay', we deliver integrated developments designed to meet diverse needs.

Our commitment to sustainability is reflected in our aspiration to lead in creating sustainable communities and enriching lifestyles. We aim to generate value for stakeholders while delivering lasting positive impacts for people and the planet. To address the evolving nature of sustainability, we have implemented a structured approach to consistently evaluate and enhance our strategies.

Our Group-wide Sustainability Framework, refreshed in 2022, serves as the foundation for strategies that deliver shared value across our business, people, communities and the planet. The framework is built on three pillars – Economic, Environmental and Social – and aligns with relevant UN SDGs and High-Priority Material Matters. It is also guided by our sustainability governance structure, driving our efforts towards achieving the goal of creating sustainable communities.

In 2024, we conducted our first Double Materiality Assessment to identify the materiality impact and financial impact of our sustainability issues. Material sustainability issues are integral to this framework, ensuring alignment with our vision of sustainable value creation. These issues are embedded within our overarching purpose, guiding us in addressing the risks and opportunities that could influence short, medium and long-term value creation.

Furthermore, to align with our forward-looking sustainability agenda, we have integrated measures to review and enhance our sustainability framework regularly. By doing so, we ensure our ability to adapt to stakeholder expectations and remain resilient in the face of global sustainability challenges.

SETIA SUSTAINABILITY FRAMEWORK



Sustainability @ Setia

Sustainability @ Setia

SUSTAINABILITY GOVERNANCE

At S P Setia, we recognise the importance of sustainability governance in ensuring accountability, providing strategic direction and strengthening our commitments to a sustainable future. Our governance structure draws on the expertise of the Board of Directors, Board Sustainability Committee, Management Sustainability Committee and Sustainability Working Group. Together, these bodies ensure sustainability is integrated into our business practices, supporting responsible operations and long-term value creation.



The Board of Directors oversees S P Setia’s sustainability agenda by approving strategies, providing direction and monitoring performance. This ensures alignment with S P Setia’s vision and mission while maintaining accountability at the highest level.

The Board Sustainability Committee supports this agenda by overseeing the sustainability framework, strategies, targets and policies. The Committee’s responsibilities include monitoring the integration of sustainability into existing business processes.

In 2024, the Board Sustainability Committee published the Human Rights Policy, Setia Sustainability Policy and Setia Climate Change Policy. The Board Sustainability Committee is currently working on establishing the Setia Biodiversity Policy, which is expected to be completed by mid-2025. The Board Sustainability Committee also enhanced the 2023 Group ESG KPI scorecard in 2024.

The Management Sustainability Committee, led by the CEO and senior executives, is responsible for driving the Group’s sustainability strategies. It ensures that sustainability efforts are effectively implemented and integrated into daily operations.

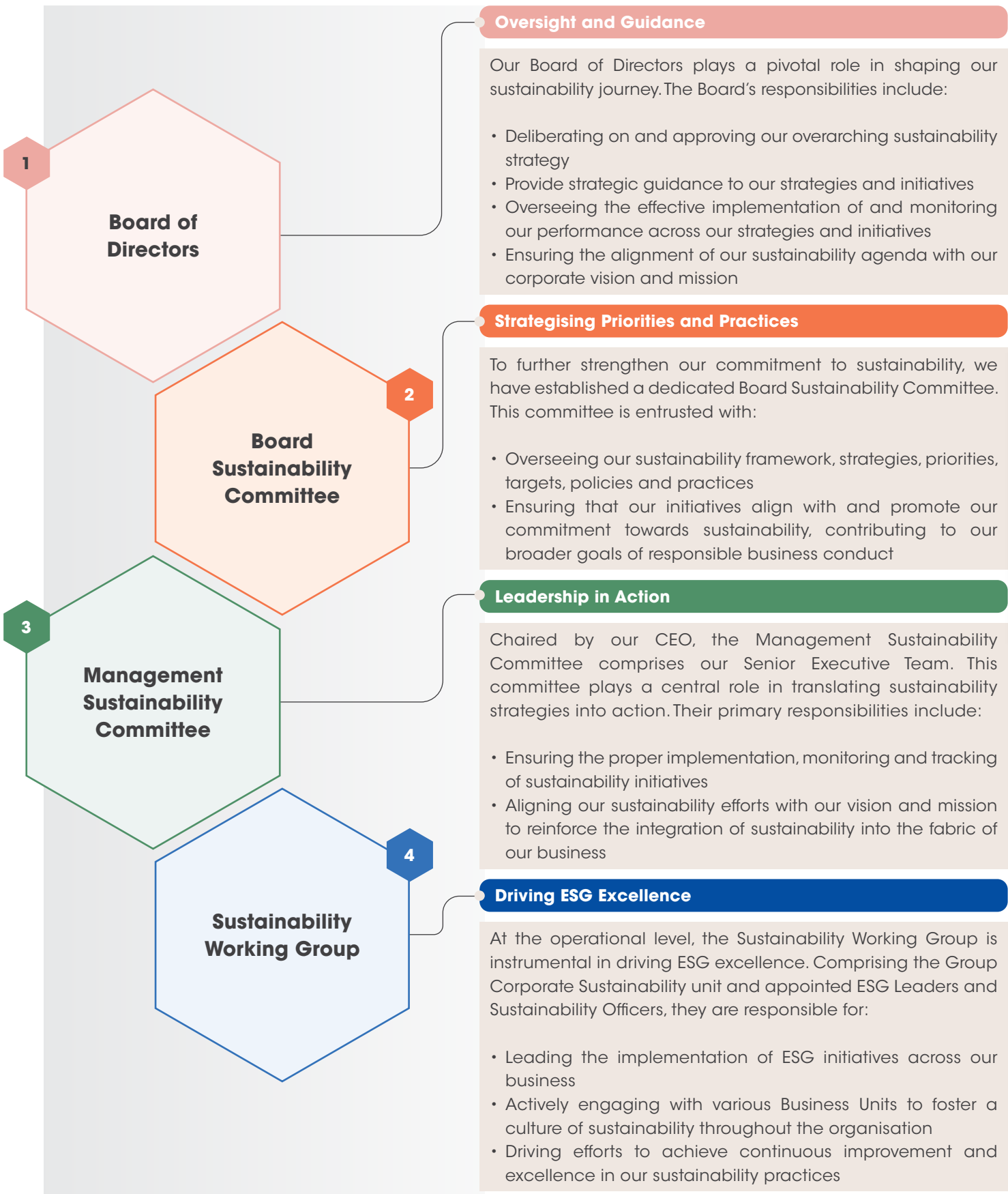
The Sustainability Working Group, comprising the Group Corporate Sustainability Unit, ESG Leaders and Sustainability Officers, leads ESG initiatives, collaborates with business units and supports efforts to enhance sustainability performance across the organisation.

In 2024, we also redefined sustainability champions as Sustainability Officers and appointed representatives from every business unit and corporate function to ensure all parties play an active role in our sustainability journey. Both the Sustainability Officers and representatives are appointed by the CEO, with their roles and responsibilities outlined in appointment letters and the newly introduced ESG Operating Procedures (SOP) for data collection. Furthermore, we also introduced specific KPIs to align ESG Leaders, Sustainability Officers and business practices with S P Setia’s sustainability goals.

With the rollout of the eDew system, we also implemented a SOP for data collection every quarter to ensure alignment with the upcoming International Sustainability Standards Board (ISSB) requirements.

- Corporate Governance Overview Statement on page 256
- Statement of Risk Management and Internal Control on pages 280 - 290
- Additional Compliance Information on page 291

Our sustainability governance structure is visualised below:



Sustainability @ Setia

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	2019	2020	2021 - 2022	2023 - 2024	2024 - 2025
Implementing Sustainability Reporting	Improving Our Approach	Expanding Our Capacities	Strengthening Our Processes	Towards Full Integration	Advancing Sustainable Excellence
<ul style="list-style-type: none"><li>Published our first sustainability statement, structured based on Bursa Malaysia's Sustainability Reporting Guide</li></ul>	<ul style="list-style-type: none"><li>Launched our Sustainability Framework to adopt a more structured approach towards long-term value creation</li><li>Reaffirmed our material matters through our first stakeholder impact analysis</li><li>Widened our scope of reporting to include all International Business Units ("IBU")</li><li>Enhanced our data collection and analysis processes</li></ul>	<ul style="list-style-type: none"><li>Established a dedicated Sustainability Unit under our Group Risk Integrity &amp; Governance division</li><li>Established a playbook to facilitate enhanced Group-wide data compilation</li><li>Leveraged our enhanced capabilities to close gaps in our sustainability reporting</li></ul>	<ul style="list-style-type: none"><li>Established our Sustainability Committee to provide Group-wide oversight and steering to our sustainability agenda, strategies and initiatives</li><li>Refreshed our materiality matrix and enhanced our Sustainability Framework to reflect the evolving priorities of our business and our stakeholders</li><li>Established processes to drive integration of sustainability into business strategies, including the introduction of sustainability-related KPIs</li><li>Implemented sustainability initiatives based on prioritised areas and periodic reporting mechanisms</li></ul>	<ul style="list-style-type: none"><li>Improved the implementation, tracking and monitoring of sustainability initiatives</li><li>Fostered a culture that embraced and strived for excellence in sustainability</li><li>Leveraged innovation and digital transformation to improve our products and the customer experience</li><li>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</li><li>Finalised our baseline and devised mid-term targets for our Scope 3 emissions</li></ul>	<ul style="list-style-type: none"><li>Enhanced existing ESG KPI scorecard to align with evolving sustainability requirements</li><li>Published the Setia Labour Rights Policy for public access</li><li>Established, formalised and published:<ul style="list-style-type: none"><li>Setia Sustainability Policy</li><li>Health, Safety and Environment (HSE) Policy</li><li>Setia Climate Change Policy</li></ul></li><li>Developed and implemented internal Standard Operating Procedures (SOPs) for ESG data capture and management</li><li>Digitised ESG data collection and analysis by setting up and configuring the eDew system</li><li>Formalised the appointment of Material Matter Leads and Sustainability Officers, ensuring direct sustainability representation across all business and corporate units</li><li>Conducted a group-wide sustainability awareness training programme</li><li>Provided specialised sustainability training for teams across the Group, including dedicated sessions for management and the Board</li><li>Conducted a TCFD study to identify climate-related risks and opportunities</li><li>Completed a double materiality assessment to align with stakeholder expectations and refresh Setia's material matters</li><li>Established a Scope 3 emissions baseline for both landed and high-rise developments</li><li>Engaged with the supply chain to drive Scope 3 material replacement, leading to the adoption of green cement and green concrete</li><li>Organised Sustainability Day to promote ESG awareness among all employees</li></ul>

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: <ul style="list-style-type: none"><li>Bursa Malaysia's Main Market Listing Requirements in relation to the enhanced sustainability reporting framework</li><li>The Malaysian Code on Corporate Governance 2021</li><li>The GRI Standards</li><li>The IIRC's Integrated Reporting (&lt;IR&gt;) Framework</li><li>Task Force on Climate-Related Financial Disclosures</li><li>The National Financial Reporting Standards (NFRS)</li><li>The transition to ISSB IFRS S1 &amp; S2 standards</li></ul>	<b>Why?</b> 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	<b>Why?</b> 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	<b>Why?</b> To enable more cohesive, integrated efforts in driving sustainability across the Group



Performance Scorecard

ECONOMIC

Sustainable,  
Innovative & Quality  
Development

<div> Economic Performance</div>						
Goals	Measures	Target	Results		Achievement	Impact & Outcome/Next Action Plan
1) Ensure sustainability of business 2) Preferred “green” stock on Bursa Malaysia	25% of Group sales from properties incorporating green features.	Short-term – 25% of Group Sales Target Medium-term – 35% of Group Sales Long-term – >50% of Group Sales	Achieved target as of September 2024 Green sales contributed from: <ul style="list-style-type: none"><li>Bandar Setia Alam RM80 million</li><li>Eco Park RM62 million</li><li>Setia Alamimpian RM25 million</li><li>Kota Bayuemas RM113 million</li><li>Bandar Kinrara RM163 million</li></ul>	<ul style="list-style-type: none"><li>Arundina RM10 million</li><li>Ecohill RM41 million</li><li>Setia Eco Garden RM29 million</li><li>Setia Eco Cascadia RM118 million</li><li>Setia Tropika RM63 million</li><li>Taman Rinting RM28 million</li><li>Taman Pelangi Indah RM34 million</li><li>* Total RM766 million</li></ul>	<div><div></div></div>	In line with Setia’s Green Roadmap and our commitment to reducing Scope 3 embodied emissions in our products.
	Set up Sustainable Financing Framework & obtain Green Financing.	Short-term – Formalise	<ul style="list-style-type: none"><li>The Sustainable Financing Framework (“SFF”) approved by the Board in August 2024.</li><li>SFF is to be launched in 2025 and published on our website after launching.</li></ul>		<div><div></div></div>	In alignment with the group’s commitment to internationally recognised green financing frameworks, we have established green financing taxonomies to guide our sustainable investment strategies.
<div> Innovation</div>						
1) Promote a culture of innovation and drive digital transformation for the best products and user experience, towards becoming a market leader in ESG initiatives	Two new innovative initiatives for products:	Short-term – 50% to 60% IBS Score Medium-term – 60% to 70% IBS Score Long-term – >70% IBS score	<ul style="list-style-type: none"><li>Obtained an average IBS score of 52% for all our Business Units.</li><li>94% of our development projects, totalling 2,405 units/31 out of 33 of our development projects utilised Green Cements.</li></ul>		<div><div></div></div>	Setia has prepared for the early adoption of Scope 3 emission reduction methodologies for embodied carbon by leveraging new technologies and influencing the supply chain. This includes integrating cost-effective green materials in construction projects.
	1) Obtain 50-50% Industrialised Building System (IBS) Score for all our Business Units. 2) To use Green Cements for 33 of our development projects, totalling 2,620 units.				<div><div></div></div>	
		Implementing ESG Data Monitoring System (eDew system) to monitor our ESG performance.	Short-term – Basic modules Medium-term – Advance modules	<ul style="list-style-type: none"><li>Phase 1 (Emission) – The monitoring system became operational in June 2024.</li><li>Phase 2 (Environmental) – The monitoring system became operational in October 2024.</li><li>Phase 3 (Occupational, Health and Safety) – The monitoring system became operational in November 2024.</li></ul>		<div><div></div></div>

ENVIRONMENTAL

Best Practices in Environmental Management

Environment					
Goals	Measures	Target	Results	Achievement	Impact & Outcome/Next Action Plan
1) To achieve a clean, healthy and safe environment in building sustainable communities	Implementing real-time monitoring of environmental pollutants using Internet of Things (IoT) devices for all active construction sites within 500m of residential or commercial areas. The system will detect non-compliance and flag it for immediate corrective action.	Short-term – Pilot testing Medium-term – Regional implementations	<ul style="list-style-type: none"><li>Implemented pilot testing of real-time environmental pollutant monitoring with a higher learning institution at Setia Bayumas project site.</li></ul>	<div></div>	This will assist Setia in successfully testing evaluate feasibility and cost impact on the organisation. This assessment will determine the viability of group-wide adoption by comparing technology costs against project expenses. Additionally, the study will assess the system's effectiveness, identify weaknesses and explore future expansion to align with Setia's needs and requirements.
	Embark on biodiversity study.	Short-term – Establish policy Medium-term – Roll out	<ul style="list-style-type: none"><li>Conducted a biodiversity study which led to the development of S P Setia's Biodiversity Policy. The policy was then presented at the 5<sup>th</sup> Sustainability Committee ("SC") Meeting.</li></ul>	<div></div>	To align with investor requirements and Setia's core belief in creating habitats of flora that would attract fauna in an urban setting. This initiative seeks to achieve sustainability goals by fostering closer connections with nature within communities.
	Implementing the planting of IUCN Red List trees initiative to preserve species at risk, alongside developing tree planting guidelines for carbon sequestration.	Short-term – Establish guidelines (2024) and 5% to 10% IUCN trees planted in a project (2025) Medium-term – 11% to 15% IUCN trees planted in a project Long-term – >15% IUCN trees planted in a project	<ul style="list-style-type: none"><li>List of IUCN trees have been identified based on availability study and subsequently disseminated to all BU's landscape head as guidelines for landscape planning and implementation in July 2024.</li></ul>	<div></div>	To safeguard tree species nearing extinction and integrate them into urban settings, such as development townships and similar projects, ensuring their survival in these environments.
	Establishing a database for tracking and monitoring waste sent to landfill.	Short-term – Digitise and identify recycling vendors Medium-term – Operationalise	<ul style="list-style-type: none"><li>Starting from August 2024, waste management can now be monitored and tracked via eDew system.</li></ul>	<div></div>	Setia has successfully digitised waste data collection for future tracking and target setting, enabling the planning and execution of circular economy initiatives such as recycling.

ENVIRONMENTAL  
Best Practices in Environmental Management

SOCIAL  
Positive, Sustained Community and Social Impacts

Emissions					
Goals	Measures	Target	Results	Achievement	Impact & Outcome/Next Action Plan
1) To achieve carbon neutrality by 2030 2) To achieve Net Zero Carbon by 2050	1) Establish an emissions inventory baseline for Setia's operations to identify high-emission activities across all scopes and implement initiatives for measurement, control, and monitoring the operations. 2) Phase 2 focuses on high-rise developments.	Short-term – Complete study	<ul style="list-style-type: none"><li>Baseline study completed by ARUP and presented to SC on 2 February 2024.</li></ul>	<div></div>	Establishing the baseline will help Setia set targets and monitor embodied carbon emissions in our products, serving as a key step in strengthening the Setia Green Roadmap.
	Tracking and monitoring of Scope 1 and 2 emission reduction, using data from 2023 as baseline.  Target: 1) Scope 1 emissions – 5% reduction from baseline 2) Scope 2 emissions – 15% reduction from baseline	Short-term – 45% reduction by 2030 Medium-term – 70% reduction by 2040 Long-term – Net Zero by 2050	<ul style="list-style-type: none"><li>Total Scope 1 emission reduction: 46 tCO<sub>2</sub>e (10%)</li><li>Total Scope 2 emission reduction: 33,770 tCO<sub>2</sub>e (5.3%)</li></ul>	<div>Scope 1</div> <div>Scope 2</div>	This will assist Setia's aim to transition organisations. While the original Scope 2 target was a 15% reduction, only 5.3% was achieved due to delays in energising installed solar panels. However, the benefits are expected to extend into 2025.
	Tracking and monitoring of Scope 3 emissions.	Set 2024 as Baseline	Total Scope 3 emissions - 2,016 tCO <sub>2</sub> e (for Category 6 and 7 – employee commuting and business travel).	<div></div>	Setia has identified the impact of employee commuting and business travel emissions on the Group. This data will help streamline future work arrangements, aligning with staff commuting distances to reduce absolute Scope 3 emissions under Category 6 and Category 7.
Occupational Health & Safety					
1) Ensure a safe and conducive environment for all stakeholders (employees, workers, etc) 2) Inculcate a safety and health culture throughout the organisation and amongst all employees and stakeholders	Zero fatality: Work-Related Incident Which Result to Fatality	Zero Fatality	<ul style="list-style-type: none"><li>Zero fatality cases.</li></ul>	<div></div>	Continue to prioritise safety compliance and the implementation of Hazard Identification, Risk Assessment and Control (HIRAC) for high and medium-risk work activities.
	LTI CASE: Work-Related Incident Which Result to Lost Time Injury (LTI)	Zero High Risk LTI Rate	<ul style="list-style-type: none"><li>Zero LTI for high risk activities. 2 LTI received for office operation and 1 LTI at a project site.</li></ul>	<div></div>	
	1) Achieved zero Stop Work Orders related to occupational safety, health and environmental compliance issued by authorities. 2) Minimise notices from authorities on occupational safety and health matters. 3) Maintain zero cases of monetary fines for non-compliance with environmental laws and regulations.	Zero monetary fines	<ul style="list-style-type: none"><li>Zero Stop Work Orders.</li><li>Zero notices from authorities.</li><li>Zero monetary fine.</li></ul>	<div></div>	Continue to monitor and execute projects with strict adherence to our ISO 14001 and ISO 45001 procedures.
	Ensure 30% of our contractors who are awarded contract by S P Setia obtain ISO 14001 and ISO 45001 certification.	Short-term – 30% Medium-term – 60% Long-term – 70%	30% active and main infrastructure contractors obtained ISO 14001 and ISO 45001 certification as of December 2024.	<div></div>	Setia successfully influenced key infrastructure and building contractors to comply with environmental laws and regulations.

SOCIAL

Positive, Sustained  
Community and  
Social Impacts

<div><div></div><div>Customer Satisfaction</div></div>							
Goals		Measures	Target	Results		Achievement	Impact & Outcome/Next Action Plan
1) Enhance customer loyalty and trust 2) Create shared values by delivering excellent customer experience through quality products and services	Achieve 75% - 80% satisfaction rate from house buyers.	Short-term – 70% to 80% Medium-term – 80% to 85% Long-term – >85%	Achieved 71.5% satisfaction rate from house buyers.		<div></div>	Our existing methodologies for measuring consumer sentiment have provided valuable insights into customer preferences and areas for improvement and we are committed to leveraging this data to enhance our products and better serve our customers in the future.	
	Achieve a 75% Construction Performance Assessment (CPA) score from the Construction Industry Development Board (CIDB) on an annual basis.	Short-term – 75% CPA score or 75% QLASSIC score Medium-term – 80% QLASSIC score Long-term – >85% QLASSIC score	Achieved an average CPA score of 77.48%.		<div></div>	We have surpassed our internal assessment targets and will transition to external QLASSIC assessments by CIDB starting in 2025, incorporating this transformation into all our new tenders for building works.	
<div><div></div><div>Community &amp; Social Impacts</div></div>							
1) Balance profitability and social investment to enhance shared values and impact communities 2) Build diverse, equitable and inclusive workplaces	Receive zero official complaints on non-compliance to labour rights.	Zero Complaints	Received zero official complaints in 2024.		<div></div>	Aligned with the International Labour Organisation’s standards and Permodalan Nasional Berhad’s sustainability framework, we are committed to achieving zero non-compliance and adhering to responsible labor and investment practices.	
	Maintain at least 40% women representation in leadership positions within our Senior Management by 2026.	Short-term – 34% to 40% Medium-term – 40%	As of December 2024, 38% of our leadership position within our senior management are represented by women.		<div></div>	We aspire to have 40% women in leadership roles and will prioritise women for senior management vacancies within the group, whether through internal transfers, new hires, or succession planning, based on their qualifications, experience and suitability for the role.	
1) Balance profitability and social investment to enhance shared values and impact communities 2) Build diverse, equitable and inclusive workplaces	To encourage employees to actively participate in volunteer work, targeting a 5%-7% increase from the baseline of 3,898 hours.	Short-term – 5% to 10% Medium-term – 11% to 15%	As of December 2024, a total of 4,907 volunteer hours were recorded, indicating a 25% increase from the previous year’s baseline.		<div></div>	We will continually instill a caring culture within the group to foster a sustainable community.	
	Setia Foundation to organise a minimum of 20 social engagement programmes with targeted beneficiaries, including youths, underprivileged students, Orang Asli, the elderly, persons with disabilities (OKUs), B40 children and students, as well as B40 patients and their families.	20 social engagement programmes	Conducted 20 social engagement programmes as of December 2024.		<div></div>	We have carefully designed programmes specifically benefiting vulnerable communities outside our core business and target consumer groups, with the goal of enhancing societal well-being through our CSR initiatives.	
	S P Setia Group to organise three major and three medium-sized community engagement programmes to promote neighbourhood unity.	3 major events and 3 medium events	<b>Major Events</b> i. Setia 50 Homefest ii. Celebrating 50 <sup>th</sup> Anniversary with launch of SPACES iii. Minggu Saham Amanah Malaysia	<b>Medium-sized Events</b> i. Collaboration with Astro Radio for SYOK Festival ii. Unity Run iii. Appreciation Events with purchasers during VP	<div></div>	We have successfully organised initiatives that benefit all members of the public, regardless of whether they are existing customers, or former customers of Setia by enhancing the vibrancy of a place and future development of our townships and promoting community growth.	

# Our Presence

## ONGOING PROJECTS

42

as at 31 December 2024

 Malaysia

Property Central

- Setia Alam
- Setia Alaman
- Setia City
- Setia EcoHill
- Setia EcoHill 2
- Setia Eco Park
- Precinct Arundina @ Setia Eco Park
- Setia Eco Templer
- Setia Eco Glades
- KL Eco City
- Bandar Kinrara
- Temasya Glenmarie
- Setia AlamImpian
- Setia Alamsari
- Setia Bayuemas
- Alam Damai
- Setia Mayuri
- Setia Safiro
- Setia Warisan Tropika

Property South

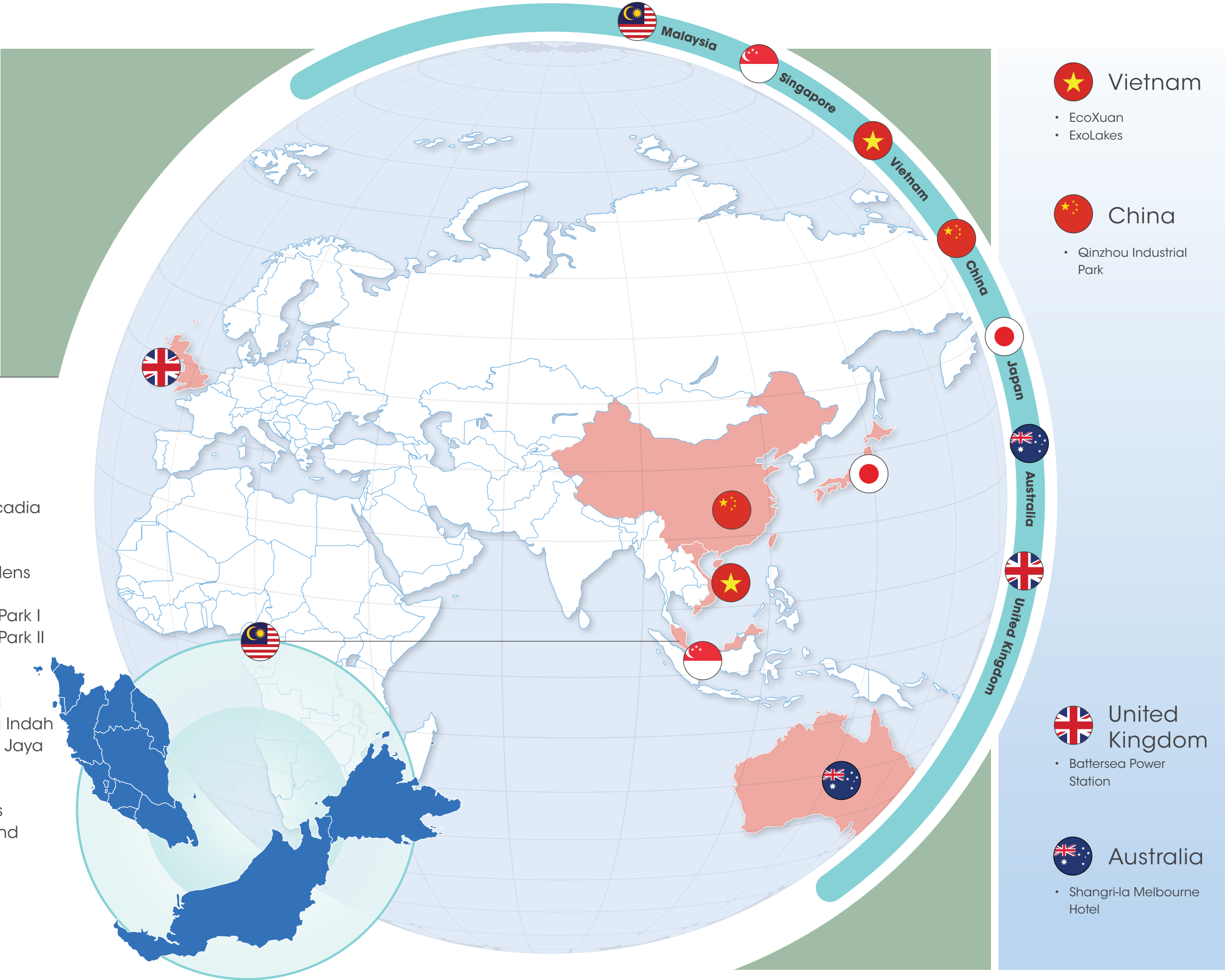
- Setia Eco Cascadia
- Setia Tropika
- Setia Indah
- Setia Eco Gardens
- Bukit Indah
- Setia Business Park I
- Setia Business Park II
- Taman Perling
- Taman Rinting
- Taman Pelangi
- Taman Pelangi Indah
- Taman Industri Jaya

Property North

- Setia Fontaines
- Setia Pearl Island
- Setia Greens
- Setia Sky Vista
- Setia Sky Ville

Property East

- Aeropod



# What We Do

We have garnered acclaim for our outstanding township developments, with Setia Alam standing as a prime example. Setting ourselves apart as pioneers, S P Setia has consistently been at the forefront of eco-themed developments, exemplified by the iconic Setia Eco Park. In addition to these achievements, our diverse portfolio includes integrated developments, showcasing our commitment to innovation, versatility and creating communities that transcend traditional living experiences.

- We are a leading Malaysian property developer dedicated to creating sustainable living environments within the homes and communities we build.
- Positioned as a prominent publicly listed property player in the country, we boast a robust portfolio encompassing well-planned townships, eco-sanctuaries, premium and exclusive enclaves, residences, commercial and retail properties, as well as integrated and transit-oriented developments strategically located in densely populated urban and rapidly growing areas.



Total GDV  
launches in FY2024  
**RM5.13**  
billion

Sales achieved  
in FY2024  
**RM5.02**  
billion

Unbilled sales  
in FY2024  
**RM4.09**  
billion

# What We Do

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



Township Developments



Eco-themed Developments



Eco Industrial Developments



Integrated Developments



Niche Developments

## Our Core Business Segments

### Property Development

Our property development segment spans townships, integrated, industrial, eco-themed and niche projects in Malaysia, Singapore, Vietnam, Australia and the UK.

Our presence in Malaysia is underpinned by our success in the Central Region, specifically our flagship development Setia Alam – an award-winning, wholesome, integrated and self-contained township with nature-inspired sanctuaries in Shah Alam, Selangor. In addition, we have a property development footprint in the Northern (Penang), Southern (Johor) and Eastern (Sabah) regions of Malaysia.

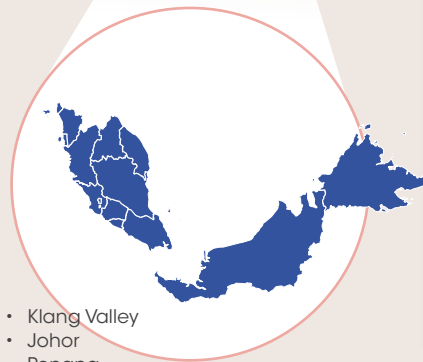
Our latest project – a JV partnership with Mitsui Fudosan in FY2023 – will see us develop 2.67 acres of prime commercial land in Setia Federal Hill, Bangsar, Kuala Lumpur, infusing a fresh wave of vitality into the vicinity.

In addition, we are part of a consortium with Sime Darby Property Berhad and Malaysia’s Employees Provident Fund (“EPF”) for the redevelopment of the iconic Battersea Power Station in London, UK.

### INTERNATIONAL PRESENCE



- Australia
- Vietnam
- United Kingdom
- Singapore
- China
- Japan



- Klang Valley
- Johor
- Penang
- Sabah

MALAYSIA

### Eco Industrial Development

Our Eco Industrial Development segment is designed to align with the growing demand for sustainable and forward-thinking industrial solutions. With a strong presence in key regions such as Penang, Selangor and Johor, we focus on developing eco-industrial parks and innovative infrastructure tailored for data centers, industrial land plots and self-sustaining structures. Through strategic joint ventures and co-development initiatives, we create high-value industrial spaces that support Malaysia’s industrial growth agenda, including projects like the Tanjung Kupang Industrial Park, rezoned in 2023. By integrating environmental considerations with cutting-edge design, we are setting new benchmarks for industrial development that cater to both economic and sustainability goals.

### Investment Properties

Our property-related businesses include a diversified portfolio of investment properties encompassing retail, education, hotels, convention centres and offices.



# Distinctive Developments

## Our Property Development Portfolio Highlights



Township  
Developments



Eco-themed  
Developments



Eco Industrial  
Developments



Integrated  
Developments



Niche  
Developments



Scan for view  
information online



Setia Bayuemas, Klang, Selangor

### Highlights

Our Central Region developments, spanning across Kuala Lumpur and Selangor, constitute the largest contributor to the Group, accounting for 42% or

**RM2.1  
billion**

of our total Group sales in 2024

In the UK, the Battersea Power Station was named the overall winner of the

**New  
London  
Awards  
2023**

## Distinctive Developments



### 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



Bukit Indah, Johor Bahru, Johor



Setia Warisan Tropika, Sepang, Selangor



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



### INTEGRATED DEVELOPMENTS

#### CENTRAL

- KL Eco City
- Setia Federal Hill

#### EASTERN

- Aeropod

Distinctive Developments



ECO INDUSTRIAL  
DEVELOPMENTS

- CENTRAL
- Setia Alaman, Selangor
- NORTHERN
- Setia Fontaines, Penang
- SOUTHERN
- Tanjung Kupang, Johor



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



Distinctive Developments

Our Investment  
Properties  
Highlights

OFFICES

- Corporate Headquarters, Setia Alam, Selangor
- Mercu 2 in KL Eco City, Kuala Lumpur

RETAIL

- Key retail developments include:
- Setia City Mall, Shah Alam, Selangor (in partnership with Lendlease)
  - Setia EcoHill Mall, Semenyih, Selangor
  - INC KL Eco City, Bangsar, Kuala Lumpur



CONVENTION CENTRES

- Setia City Convention Centre I and II, Setia Alam, Selangor
- Setia SPICE Convention Centre, Penang

HOTELS

- Amari Kuala Lumpur, Bangsar, Kuala Lumpur
- Amari SPICE Penang, Bayan Lepas, Penang
- Shangri-la Hotel, Melbourne, Australia

EDUCATION

- International Schools Partnerships ("ISP") in:
- Tenby Setia Eco Park Shah Alam, Selangor
  - Tenby Setia EcoHill Semenyih, Selangor
  - Tenby Setia Eco Gardens, Gelang Patah, Johor

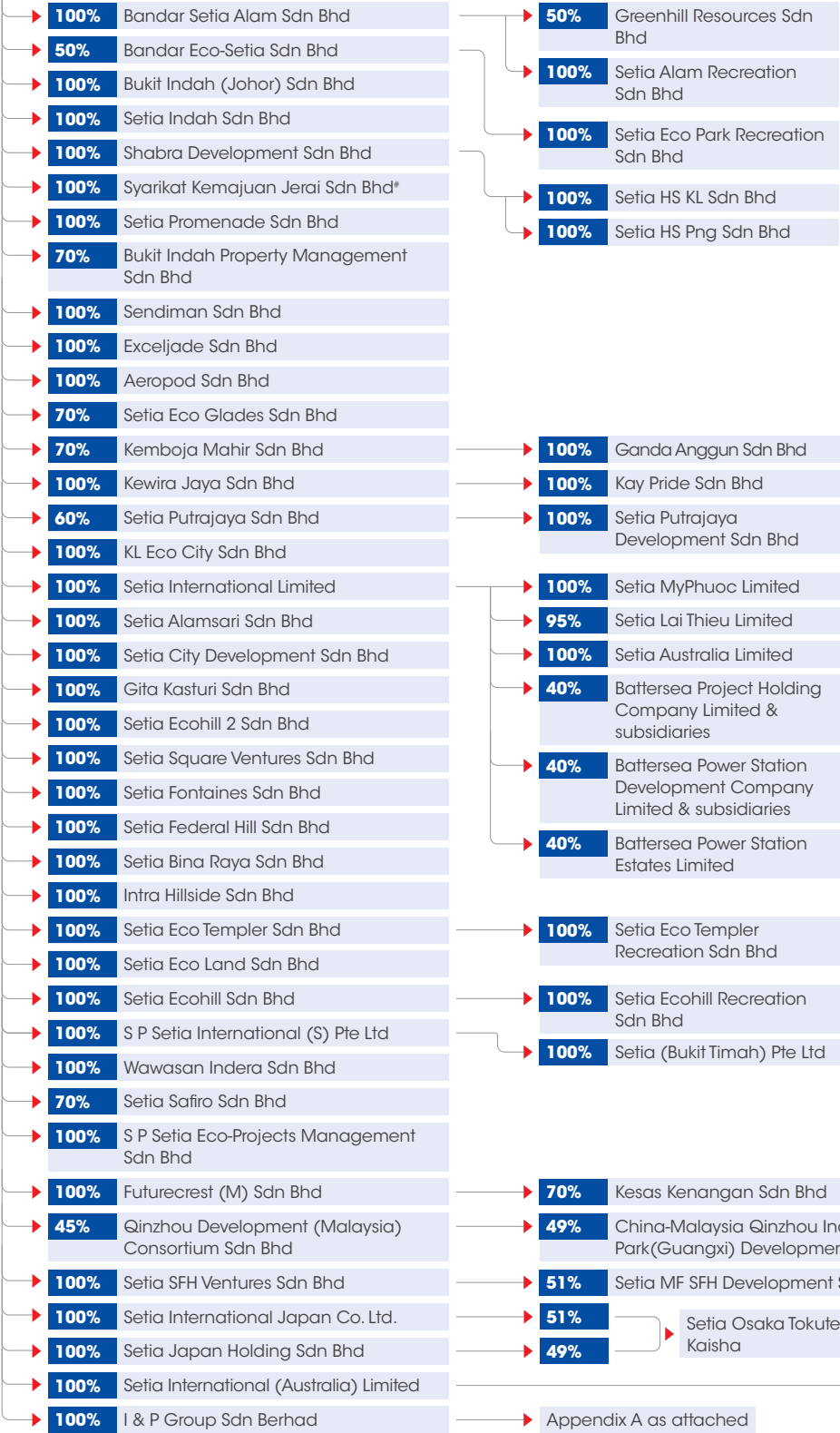


# Corporate Structure

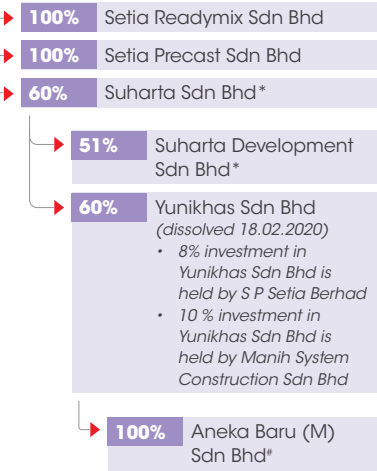
As at 26 March 2025

# Setia

## PROPERTY DEVELOPMENT



## CONSTRUCTION

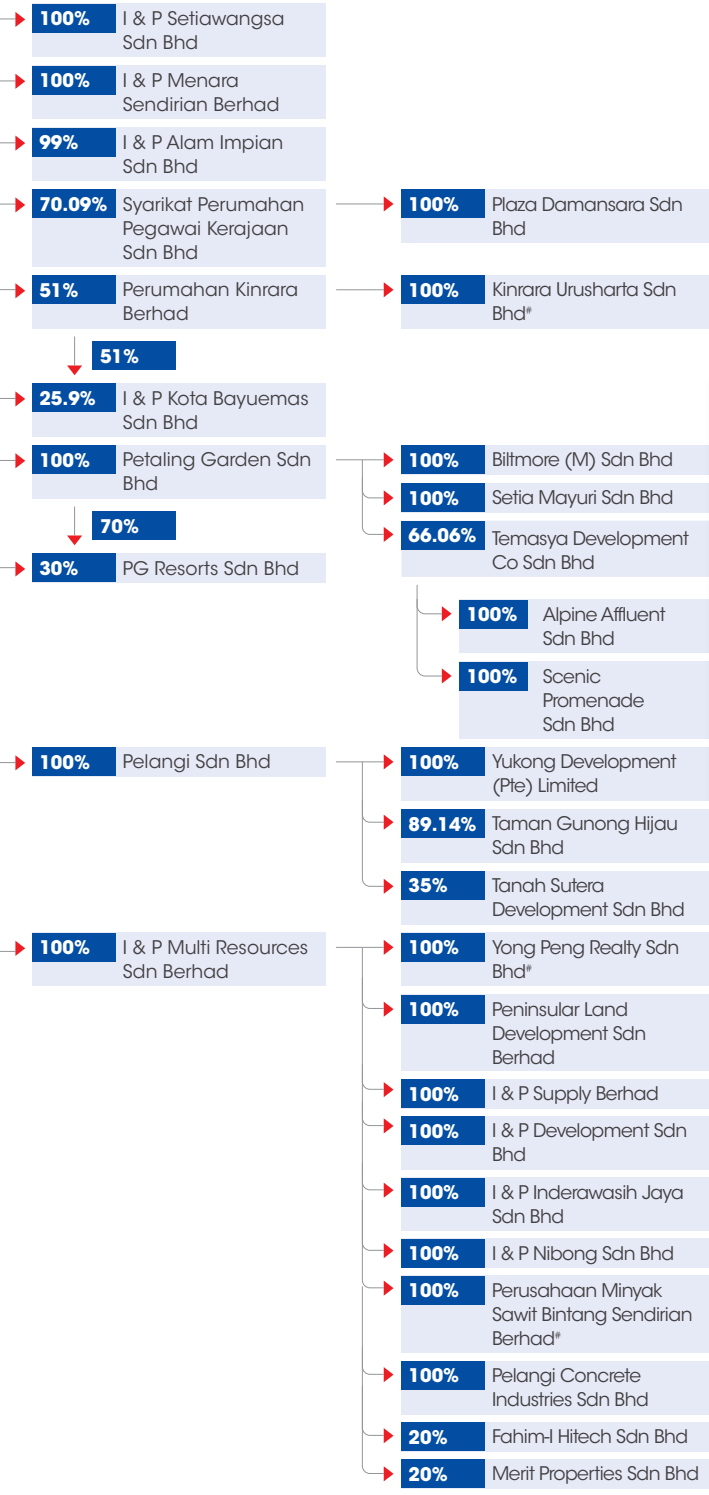


## MANUFACTURING/INVESTMENT & PROPERTY HOLDING/PROPERTY MANAGEMENT/OTHERS



## APPENDIX A (from page 42)

### 100% I & P GROUP SDN BERHAD



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

# Our Competitive Advantage


As at 31 December 2024

Multi-Award-Winning Developer

in Malaysia and the Region



Presence in  
**7**  
Countries



Unbilled Sales  
**RM4.09 billion**

Leading the way  
in sustainable  
eco-themed  
development in Malaysia





Building  
**World-Class  
Developments**  
Around the Globe

Land Bank assets  
**RM128.59 billion in  
GDV**  
5,451 acres of gross remaining land

Resilient  
property  
portfolio

navigating diverse  
market cycles:

- Township developments
- Eco Industrial Developments
- Offices
- Convention centres
- Hotels
- Malls
- Schools

Expanding into the  
**Locations**

- Setia Fontaines, Penang
- Setia Alaman, Selangor
- Tanjung Kupang, Johor

# Joint Ventures & Partnerships\*

# Indices Representation & Credit Ratings







\* Key selected partners


2024 Key Significant Events

2024 Key Significant Events

JANUARY

**Setia AlamImpian rings in 2024 with Epic Concert**


Setia AlamImpian celebrated the coming New Year with an Epic Finale countdown concert in the township's LakePoint Club.



APRIL


**Royal Inauguration of LakePoint Complex by the Sultan of Selangor**

LakePoint Complex @ AlamImpian has been officiated and graced by the Sultan of Selangor, His Royal Highness Sultan Sharafuddin Idris Shah Al-Haj Iboni Almarhum Sultan Salahuddin Abdul Aziz Shah Al-Haj on April 20, 2024.




MAY



**#RayaBatikRayaCantik at Oval Lawn Setia City Park**




**Flashmob Series at KLIA 2 in Batik Outfit during Hari Raya Celebration**




Setia GO App Relaunch with Ant Digital & JaGaSolution for Smart Community



Setia 50<sup>th</sup> Anniversary Media Launch




**S P Setia celebrates 50 years with renewed commitments**



NOVEMBER

**Exclusive Preview of Setia Federal Hill Phase 1**


Held an exclusive preview event for potential buyers to showcase the first phase of this major development in Kuala Lumpur.



OCTOBER

**Launch of Atlas Melbourne project**


Unveiled a mixed-use development featuring a 73-storey skyscraper located at 383 La Trobe Street in Melbourne CBD.



SEPTEMBER


**#Setia4Malaysia Unity Run 2024**

Hosted our fourth annual #Setia4Malaysia Unity Run on Sunday, 29 September, at Setia EcoHill Walk in Semenyih, Selangor.



**Inaugural Sincerely, Setia Youth Synergy Programme Finale**


Concluded a two-month unity programme at Setia AlamImpian, where university students and primary school students from Setia's adopted schools collaborated on unity performances.



AUGUST

**Homefest Series at 17 sales galleries**

Launched a nationwide sales carnival as part of our 50<sup>th</sup> anniversary celebrations, aimed at boosting sales across developments.



**Minggu Saham Amanah Malaysia (MSAM) 2024 at Setia City Convention Centre, Shah Alam. (22 - 25 August, 2024)**

Chairman’s Message

DEAR SHAREHOLDERS,

2024 marked a significant milestone for S P Setia as we celebrated 50 years of excellence, innovation and value creation. It was a year that demonstrated our ability to adapt and thrive in an evolving landscape, leveraging our strengths to drive sustained growth while staying true to our vision of building thriving communities.



Setia Eco Park, Shah Alam, Selangor

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

Despite global uncertainties, Malaysia's economy showed resilience, with Gross Domestic Product growth of 5.1% in 2024. The property market remained robust, underpinned by government initiatives supporting homeownership, infrastructure expansion and a stable Overnight Policy Rate. These favourable conditions provided a strong foundation for S P Setia to accelerate our strategic ambitions, positioning us for continued success.

CELEBRATING 50 YEARS OF SHAPING  
THE FUTURE

S P Setia’s 50-year journey has been defined by resilience, adaptability and a commitment to excellence. As we look ahead, we remain focused on delivering sustainable growth, leveraging strategic partnerships and creating long-term value for our stakeholders. With strong fundamentals, a diversified portfolio and a forward-thinking approach, we are confident in our ability to navigate the evolving landscape and continue shaping the future of real estate.

TOTAL SALES  
(RM billion)

5.02

TOTAL REVENUE  
(RM billion)

5.29

TOTAL PROFIT  
BEFORE TAX  
(RM billion)

1.12

Chairman’s Message

EXCEEDING EXPECTATIONS IN SALES  
AND PERFORMANCE

We are pleased to report that S P Setia achieved **RM5.02 billion** in sales for FY2024, surpassing our initial target of RM4.4 billion. This achievement underscores the strength of our brand, the confidence of our customers and our ability to meet market demand with the right offerings. The highest contribution came from our developments in the central region, reflecting our strategic focus on high-growth regions and strategically positioned developments. Our performance in 2024 was further driven by active land bank management and strategic partnerships.

UNLOCKING VALUE THROUGH STRATEGIC  
LAND BANK MANAGEMENT

A key driver of our success has been the strategic management of our land bank through catalytic partnerships, enabling us to unlock value and accelerate development execution. Notable transactions in 2024 include:

01 Completion of 500-acre land sale to Mah Sing Group Berhad for **RM392 million**, demonstrating strong market confidence in our assets in line with asset-light strategy by S P Setia.

02 **Cross-sector strategic collaborations** in Bandar Setia Alam, which is evolving into an integrated city with upcoming developments in education (college/university/private schools), healthcare (pet hospital) and commercial hubs (offices, retail and F&B clusters).

03 Setia AlamImpian, where we are **replicating the success of Bandar Setia Alam** by enhancing the development to align with evolving market demand and customer preferences.



Unveiling the brand new LakePoint Complex in Setia AlamImpian, Shah Alam

Chairman’s Message



EXPANDING OUR PRESENCE IN INDUSTRIAL  
& INVESTMENT PROPERTIES

Recognising the rising demand for industrial spaces, we have intensified our focus on eco-industrial park developments as a new growth avenue. Our eco-industrial portfolio now includes:

Setia Alaman

Central Region

**399 acres** with a Gross Development Value (GDV) of **RM3.09 billion**, targeted for completion between 2024–2029. Strategically located, infrastructure-ready and well-connected to mature townships such as Bukit Raja and Shah Alam.

Tanjung Kupang

Southern Region

**307 acres** with a target GDV of **RM9 billion**. A prime industrial location with discussions underway with potential partners for the development of data centres.

Setia Fontaines

Northern Region

**323 acres** with a GDV of **RM1.68 billion**, spanning an 8-year development timeline (2026–2034). A key industrial hub catering to high-value industries.

Our industrial business model includes multiple revenue options tailored to our customers’ needs including industrial plot sales, built-to-lease, built-to-suit and a combination of lease-and-sell models.

Additionally, we are evaluating the potential listing of a Real Estate Investment Trust (REIT) as part of our long-term strategy to generate recurring income. We have identified several assets that could contribute to a strong REIT portfolio, creating a vertical value chain that integrates our industrial developments as a future pipeline.

ADVANCING SUSTAINABILITY AND CLIMATE RESILIENCE

Sustainability remains a core pillar of S P Setia’s long-term strategy, shaping the way we create communities and deliver value. In 2024, we continued to embed sustainability across our operations, reinforcing our commitment to responsible development and climate resilience.

We took a significant step forward in biodiversity conservation with the development of the **Setia Biodiversity Policy**, which is expected to be finalised by mid-2025. This policy will serve as a guide for integrating biodiversity considerations into our projects, ensuring that development is carried out responsibly while preserving ecological balance.

Our commitment to climate resilience is further demonstrated by our alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. This initiative is strengthening our risk management framework, ensuring that climate-related risks and opportunities are well understood and integrated into our long-term planning. As part of this effort, we are progressively aligning with IFRS S2 standards under the National Sustainability Reporting Framework to enhance climate-related disclosures and transparency. We also rolled out the eDew system, establishing Standard Operating Procedures for ESG data collection and monitoring, ensuring alignment with ISSB sustainability standards.

Digital sustainability and innovation have also been a key focus area. For instance, we have integrated digital technologies such as Building Information Modelling (BIM) and Defect Monitoring System Apps, improving construction efficiency and quality control. Concurrently, the Setia eGreenLiving initiative has been expanded to include smart and sustainable home features such as EV-ready infrastructure, solar integration and energy-efficient designs, reinforcing our leadership in **sustainable property development**.

Our people are at the heart of our success. In 2024, we reinforced our commitment to employee engagement, diversity, equity and inclusion (DEI) and labour rights. We formalised our Human Rights Policy, expanded our ESG leadership structure by appointing dedicated Sustainability Officers across business units and strengthened our community engagement initiatives. These efforts reflect our ongoing commitment to fostering an inclusive and responsible corporate culture.

STRENGTHENING GOVERNANCE AND INTEGRITY

At S P Setia, **strong governance remains the foundation of our sustainable growth**. We continued to embed a culture of integrity across our operations through a series of targeted initiatives. The Setia Integrity Roadshows were conducted nationwide, bringing together Business Associates—including contractors, consultants, vendors and suppliers—to reinforce our commitment to ethical business practices.

To further enhance internal accountability, we launched the Integrity Healthcheck @ Setia 2024, an interactive online compliance assessment for all employees, alongside the S P Setia Integrity Awareness Quiz 2024, which ties into staff KPIs as part of the ERM KPI framework. We also held Setia Integrity Clinics to provide guidance on ethical decision-making. Employees reaffirmed their commitment through the Annual Declaration Form, covering the Acceptance of Code of Conduct & Business Ethics, Conflict of Interest Disclosure and Individual Corruption-Free Pledge.

In line with our commitment to risk management excellence, we launched Setia’s New Risk Management Portal in December 2024. This platform serves as a centralised hub for risk insights, industry developments and best practices, equipping employees with tools and frameworks for proactive risk mitigation. Governance awareness was also reinforced through the S P Setia Integrity Video Awareness Initiative, an engaging tool designed to enhance employee understanding of compliance and integrity in an interactive format.

■ The Setia Integrity Roadshows were conducted nationwide, bringing together Business Associates to reinforce our commitment to ethical business practices.



Chairman’s Message

SINCERELY, SETIA: EMPOWERING COMMUNITIES WITH PURPOSE

At S P Setia, corporate social responsibility (CSR) is more than just an obligation—it is an enduring commitment to **fostering meaningful change**. Sincerely, Setia, launched in 2023 as the flagship initiative of Setia Foundation, embodies this spirit of generosity and social impact. Through targeted efforts in Disaster Relief, Community & Health, Education and Unity, we have strengthened our outreach, ensuring that underserved communities receive the support they need to thrive. With RM500,418.19 invested in community initiatives in 2024 and 3,184 beneficiaries supported, Sincerely, Setia continues to exemplify our mission of spreading kindness and empowering lives.

01

Disaster Relief

Supporting Communities in Times of Need

In times of crisis, Sincerely, Setia swiftly mobilises aid to provide relief and facilitate recovery. In December 2024, Setia Foundation partnered with the GLC/ GLIC Disaster Response Network (GDRN) to provide RM99,935 in post-flood relief assistance for affected communities in Kelantan, benefitting 831 households. This initiative ensured the rapid deployment of essential supplies, reinforcing our role as a responsible corporate citizen in disaster response.

02

Community & Health

Strengthening Well-being for Underserved Groups

Our commitment to social well-being is evident through sustained engagements with marginalised communities. The Sincerely Setia Healthcare & Wellbeing initiative collaborated with Hospital Selayang and Hospital Kuala Lumpur (HKL) to provide medical assistance and essential aid to B40 families. In total, 1,598 beneficiaries received support through our community and health programmes. Additionally, our Sincerely Setia Festive Assistance (SSFA) provided relief to elderly residents in old folks’ homes across multiple celebrations, ensuring they were not left behind during festive seasons.

03

Education

Bridging the Gap for Future Generations

Education remains a cornerstone of Sincerely, Setia, empowering underprivileged students with the tools they need to excel. The Setia Caring School Programme (SCSP), active since 2015, continued to support students through multiple initiatives. In April 2024, educational aid worth RM150 per student was distributed to alleviate the financial burden on B40 families, benefitting a total of 900 B40 students under the SCSP educational aid. Further reinforcing academic excellence, the Sincerely, Setia Tuition Mission - Pecutan Akhir SPM provided intensive tuition and resources to 157 SPM candidates, ensuring they had the necessary support ahead of their examinations.

04

Unity

Fostering Social Cohesion Through Culture & Inclusion

Promoting cultural appreciation and social harmony is at the heart of our unity-focused initiatives. The SCSP Unity in Diversity programme celebrated major festivals—including Chinese New Year, Hari Raya and Deepavali—with underprivileged students, fostering inclusivity and understanding. Additionally, the inaugural Sincerely, Setia Youth Synergy Programme engaged 125 students from July to September 2024. 7 university student groups were awarded a RM5,000 grant to train SCSP B40 students for a cultural unity performance. The duo from UiTM Shah Alam and SK Semenyih Selangor emerged as the champions, securing the first prize of RM8,000.

Chairman’s Message



AWARDS AND RECOGNITION

S P Setia continues to set benchmarks in the property development industry, earning prestigious recognition on both the international and domestic fronts in 2024. These accolades affirm our commitment to delivering excellence, innovation and sustainability in every development.

On the global stage, Battersea Power Station (BPS) was honoured with the World Gold Winner (Heritage Category) at the FIABCI World Prix d’Excellence Awards 2024, a testament to our ability to transform historical landmarks into world-class urban developments. In addition, Sapphire by the Gardens, our Australian development, secured the Outstanding Overseas Project Award at The Edge Malaysia Property Excellence Awards 2024, reinforcing our presence as a leading international developer.

Domestically, we were once again recognised for our industry leadership, winning the Malaysia Property Award™ 2024 by FIABCI Malaysia in the Housing Residential Category, reflecting our excellence in crafting high-quality homes. Our flagship retail development, Setia City Mall (SCM), also received the 10 Years & Above: Retail Category Award at The Edge Malaysia Best Managed & Sustainable Property Awards 2024, demonstrating our long-term commitment to sustainable, well-managed properties. Furthermore, our sustained excellence was acknowledged with a Silver Award in the Property Category at the 2023 Putra Brand Awards, underscoring our strong brand equity and customer trust.

ACKNOWLEDGEMENTS

As we close this milestone year, I would like to extend my heartfelt appreciation to all our stakeholders who have been integral to S P Setia’s success. To our valued shareholders, partners, customers and employees—your unwavering trust has been the cornerstone of our achievements. Our ability to navigate a dynamic business environment and achieve new milestones is a testament to the collective dedication and resilience of Team Setia.

I would also like to thank my fellow Board members for their support and insights. We express our sincere gratitude to Dato’ Philip Tan Puay Koon, who retired as an Independent Director on 10 September 2024 after completing his nine-year tenure with S P Setia. His contributions and insights have played a crucial role in shaping Setia’s governance and growth. Datuk Ir. Khairil Anwar Bin Ahmad was appointed as Senior Independent Non-Executive Director on 11 September 2024, succeeding Dato’ Philip Tan Puay Koon.

In addition, we welcome, Datin Grace Yeoh Cheng Geok, who joined us as an Independent Director on 21 June 2024 and Encik Mohamad Abdul Halim Bin Ahmad who also joined as an Independent Director on 1 October 2024.

These appointments bring valuable expertise and leadership experience that will guide S P Setia into its next phase of growth. We look forward to their contributions in steering S P Setia towards continued excellence and innovation.

# President & Chief Executive Officer’s Review

## DEAR SHAREHOLDERS,

2024 marked a defining chapter for S P Setia as we celebrated 50 years of shaping Malaysia’s property landscape while propelling us towards strategic growth. It was a year characterised by resilience, transformation and progress, demonstrated the introduction of our new brand narrative, *Shaping Spaces That Shape Us All* - a reaffirmation of our commitment to building thriving communities and enriching lives.



Datuk Choong Kai Wai  
President & Chief Executive Officer

Setia EcoHill Semenyih, Selangor

# President & Chief Executive Officer’s Review

While we have grown into a larger, future-oriented entity since our establishment in 1974, our core purpose remains unchanged. Our ability to adapt and innovate has enabled us to deliver strong financial performance, strengthen market leadership and lay the foundation for the next generation of sustainable, community-centric developments.

## 2024 IN PERSPECTIVE

**01 Sales Achievement**  
We exceeded our sales target by **14%**, achieving **RM5.02 billion** in total sales, demonstrating our market leadership and adaptability to evolving consumer demand.

**02 Strengthening Financial Position**  
Disciplined de-gearing initiatives remained a priority as we reduced borrowings to **RM8.6 billion (2023: RM10.1 billion)** in 2024. This strengthened our balance sheet and investor confidence.

**03 Optimised our Land Bank Strategy**  
We unlocked new value through strategic land management which generated cash flow and accelerated catalytic developments, while also forging strategic quality partnerships to drive sustainable growth.

**04 Township Development Excellence**  
Our expertise, experience and innovative approach continued to shape thriving, integrated townships that foster dynamic, resilient communities while enriching lifestyles.



Setia Eco Templer, Rawang, Selangor

**05 Industrial Expansion**  
Strong progress was made in developing high-value eco industrial parks, capturing business opportunities by positioning them as key hubs for manufacturing, warehousing or distribution facilities. At the same time, we actively pursued investment opportunities and strategic partnerships to unlock the potential of land earmarked future development.

**06 Regional Growth**  
Our expansion into high-growth international markets gained traction with strong take-up for Atlas Melbourne while the successful Eco Xuan handover strengthened our presence in Vietnam.

**07 Strategic Collaborations and Synergy**  
High-impact partnerships opened new opportunities, strengthened capital efficiency and enabled long-term value creation across our portfolio.

**08 Setia Green Roadmap, Sustainability and Digitalisation**  
We made progressive strides in our sustainability journey towards Net Zero Carbon by 2050, finalising our Scope 3 initiatives, implementing clear emission reduction milestones and greener solutions. Simultaneously, we expanded our digital ecosystem, enhancing smart community living with seamless connectivity and technology-driven innovations.

President & Chief Executive Officer’s Review

OPERATING ENVIRONMENT AND  
MACRO TRENDS

Malaysia’s economy grew by 5.1% in 2024, driven by strong investment flows, export recovery and improved consumer spending due to favourable labour conditions and targeted policy measures. Headline inflation moderated to 1.8% with Bank Negara Malaysia (BNM) maintaining the Overnight Policy Rate (OPR) at 3.0%, ensuring financial stability while balancing economic growth.

Against this backdrop, the Malaysian property market demonstrated resilience and sustained confidence in 2024, supported by proactive government initiatives, economic momentum and strategic infrastructure developments. The residential sector witnessed a 10.4% increase in transaction values, reaching RM49.43 billion, reflecting stable market sentiment boosted by economic stability and rising wages, particularly in high-growth regions such as Johor and the Klang Valley.

Meanwhile, the commercial sector experienced robust recovery, with transaction values rising by 41.5% year-on-year, driven by the return of business activities and foreign direct investment (FDI). Similarly, the industrial property segment expanded by 23.4% due to the rising demand for logistics and warehousing facilities, reinforcing Malaysia’s position as a regional supply chain hub.

Malaysia’s Budget 2024 introduced key policy measures to stimulate the property sector, including an increased RM10 billion allocation for the Housing Credit Guarantee Scheme (HCGS) to enhance homeownership accessibility and the implementation of a flat 4% stamp duty rate for non-citizens.

TOTAL SALES  
(RM billion)

5.02

TOTAL REVENUE  
(RM billion)

5.29

TOTAL PROFIT  
BEFORE TAX  
(RM billion)

1.12

Additionally, the upcoming Johor-Singapore Special Economic Zone (JS-SEZ) is poised to unlock new investment opportunities, driving demand for premium residential and commercial properties in Johor Bahru by leveraging enhanced cross-border connectivity with Singapore. Further strengthening the high-value residential market, the Malaysia My Second Home (MM2H) programme underwent revisions during the year, broadening investment accessibility to attract high-net-worth expatriates and retirees. This initiative has amplified demand for premium properties.

Challenges in affordable housing supply and evolving regulations continue to shape the property sector, with government policies on financing and rentals playing a key role. Nevertheless, consumer sentiment remained stable despite affordability concerns, with improved financing options and rising wages boosted purchasing power. Lower unemployment further stimulated residential demand, particularly in central and southern regions where we have a strong presence.



Setia Alam, Shah Alam, Selangor

President & Chief Executive Officer’s Review

INDUSTRY TRENDS AND POLICIES THAT SHAPED OUR STRATEGY

Throughout 2024, we navigated a dynamic property landscape shaped by major infrastructure developments, government-led housing policies and the accelerating shift towards sustainability and technology. Through a forward-thinking approach, we seized opportunities to strengthen our market presence, delivering value to homebuyers, investors and communities while reinforcing resilience in a competitive sector.



Setia City Convention Centre, Setia Alam, Selangor

Major Infrastructure Expansion

The expansion of major infrastructure projects such as the East Coast Rail Link (ECRL) and the Johor-Singapore Rapid Transit System (RTS) is reshaping Malaysia’s property market by improving connectivity and driving investment into high-growth corridors. Recognising these opportunities, we strategically positioned our developments in regions set to benefit from enhanced accessibility, particularly in Johor, where rising economic activity is fuelling demand for residential, commercial and industrial properties.

This translated into strong land management opportunities, allowing us to generate substantial revenue through strategic land sales. These efforts not only contributed significantly to our financial performance but also supported our capital management strategy by strengthening liquidity and reducing debt exposure. Furthermore, the influx of FDIs, particularly in high-growth sectors such as data centres and semiconductors, has reinforced market confidence and propelled demand in key development zones.

Expanding Affordable Housing

Housing affordability remains a national priority, with RM2.47 billion allocated for public housing projects in Budget 2024. In support of this agenda, we expanded our affordable housing portfolio, creating accessible homeownership opportunities for first-time buyers and middle-income earners. By aligning with national policies, we not only strengthened our competitive position but also contributed to a more inclusive property landscape.

Driving Digital and Green Innovation

As consumer expectations evolve, the demand for greener, more efficient developments continues to grow. Sustainability and technology are increasingly shaping the real estate landscape, influencing how people choose to live and invest.

Harnessing digital solutions, we have integrated smart technologies and sustainable construction practices across our projects. We adopted green building technologies, modular construction and low-carbon solutions to improve efficiency and minimise our environmental impact. Our approach not only supports global sustainability goals but also attracts eco-conscious buyers.

President & Chief Executive Officer’s Review

FINANCIAL, OPERATIONAL AND SUSTAINABILITY  
PERFORMANCE HIGHLIGHTS

We strengthened our market leadership through strategic land management, capital management and a commitment to sustainability and digital innovation.

**01 Improving Financial Strength**  
We exceeded our sales target by **14%** through strategic land management and higher revenue from key regions that strengthened our financial position. Asset disposals further optimised cash flow, mitigating pressures and supporting long-term growth.

**02 Operational Expansion and Progress**  
We launched projects with a total Gross Development Value (GDV) of RM5.13 billion and expanded into high-growth industrial developments, further solidifying our market leadership. Our ventures in Vietnam and Australia continue to show strong growth potential, with both markets expected to contribute positively to S P Setia’s overall performance. Additionally, our commitment to operational excellence has resulted in increased staff productivity and significant advancements in innovation and transformation initiatives, reinforcing our position as a forward-thinking and agile organisation.

**03 Sustainability, Digitalisation and Innovation**  
We set clear emissions targets with the Setia Green Roadmap and Setia Sustainability Policy 2024, assessed key areas for carbon reduction and advanced Setia eGreen Living. Our 1,000 acres eco-industrial parks leverage solar energy to reduce carbon emission annually while championing circular economy principles. On the digital front, the launch of the Setia GO App strengthened smart community living and reinforced our leadership in tech-enabled urban solutions.

Amidst intensifying market competition, we executed aggressive marketing campaigns and enhanced customer engagement strategies, successfully achieving RM5.02 billion in sales, 14% more than our sales target of RM4.4 billion. Unbilled sales stood at RM4.09, reinforcing strong earnings visibility for the short to mid-term.

With a robust development pipeline, we introduced 5,128 units, including our new development in Australia, which secured a 27% take-up rate within two weeks. Our land bank currently stands at 5,451 acres, with a remaining gross GDV of RM128.59 billion. Through disciplined execution, we launched 3,073 unit with Gross Development Value (GDV) of RM 5.13 billion.



OUR GROWTH DRIVERS

In a constantly evolving property landscape, we remain focused on strategic growth initiatives that drive long-term value for our stakeholders. Our ability to achieve strong sales, expand our market presence and strengthen financial resilience is underpinned by four key drivers:



Our capital management helped offset financial pressures from Battersea Power Station, London, through strategic land management and asset disposals. This approach strengthened cash flow while aligning international portfolio with long-term growth objectives. Additionally, the disposal of assets in Taman Pelangi, Taman Pelangi Indah 2 and Glengowrie, Semenyih generated RM926 million, while the divestment of our 50% equity stake in Retro Highland Sdn Bhd resulted in a RM56 million profit, enhancing overall capital efficiency.

Amidst a shifting economic landscape, we remained focused on financial discipline, actively reducing our debt while optimising capital allocation. While rising interest rates continued to pose challenges, we mitigated their impact through prudent cost management and a structured approach to land management, ensuring liquidity and financial stability. We remain committed to strengthening cash flow as this allowed us to continue investing in high-impact projects and sustaining long-term value creation.

Amidst a shifting economic landscape, we remained focused on financial discipline, actively reducing our debt while optimising capital allocation.

Strengthening Financial Resilience

2024 was a year of disciplined financial management. We took decisive steps to reinforce financial strength, ensuring a robust balance sheet and strong liquidity to navigate the macroeconomic challenges. Through our de-gearing initiatives, we reduced our debt from RM10 billion in 2023 to RM8.6 billion, improving our net gearing ratio from 0.49x to 0.35x. This lowered exposure to interest rate fluctuations, strengthened cash flow management and enhanced investor confidence in our long-term growth potential.

Our financial performance was anchored on strategic land management, robust township development and an expanding investment property portfolio. Sales remained strong, driven by sustained demand in key mature townships across the Central and Southern regions.

Accelerating Township Developments and Land Management

We continued to unlock value through targeted land bank management, strategic developments and key investments that drive long-term growth. From industrial expansion at Setia Alaman to high-impact projects like Setia Federal Hill and our regional presence in Australia and Vietnam, we strengthened our portfolio to meet evolving market demand. Our ongoing residential and commercial developments enabled sustainable revenue generation and capital efficiency.

President & Chief Executive Officer’s Review

● Accelerate Township Developments and Key Investments

We continued to optimise our 5,451 acres land bank, with a total GDV of RM128.59 billion, focusing on strategic township developments and high-impact land management. With 42 ongoing projects, including Setia Alam, Bandar Kinrara, Setia Ecohill, Setia Eco Templer, Setia AlamImpian, Setia Fontaines, Setia Tropika and Setia Eco Gardens, we expanded our residential and commercial offerings to meet evolving market demand.

Strategic launches such as Le Jardine, Ferrous, Indah Prime 2, Anggun Villa 2, Perumahan Kinrara Berhad and commercial units in the central region, alongside a commercial development, Aurinia, Arell and Palmwood 2 in the south, capitalised on high-growth corridors, strengthening take-up rates and ensuring an efficiently managed inventory pipeline.

● Execute Industrial Expansion

The industrial segment remains a key growth driver, providing a strong foundation for long-term revenue diversification. As demand for the logistics, high-tech manufacturing and data centre sectors accelerates, we continue to strategically expand into world-class eco-industrial park to tap into new markets and cater to evolving industry needs. With an expected revenue contribution spanning five to eight years, these developments will further strengthen our recurring income streams.

As a pioneer of the circular eco-industrial park concept in Malaysia, we made significant progress in developing our 1,029 acres industrial portfolio across three prime locations as follows:

- **Setia Alaman Eco-Industrial Park:** Covering 399 acres in the Bukit Raja-Klang-Shah Alam corridor, we are in joint-venture discussions with international partners to strengthen its position as a hub for light-to-medium industries.

- **Tanjung Kupang Eco-Industrial Park:** Spanning 307 acres within the Iskandar Malaysia economic corridor, Tanjung Kupang Industrial Park is poised to become a key industrial hub. Strategically positioned near the Malaysia-Singapore Second Link and major highways, the park has received approval-in-principle for industrial use, making it an attractive destination for global investors, particularly in the data centre sector. Designed with essential infrastructure, including flood-free zones, stable power land management supply, reliable water resources and fibre connectivity, this development is well-suited for high-value investments through land sales, built-to-lease agreements and joint ventures.
- **Setia Fontaines:** This 323 acres industrial Park in Penang is undergoing rezoning to support the state’s industrial expansion.

These projects integrate eco industrial park concepts such as renewable energy solutions, carbon reduction initiatives and smart infrastructure solutions to drive sustainable growth and long-term economic impact.



Setia AlamImpian, Shah Alam, Selangor

● Drive Catalytic, Strategic Collaborations and Optimising Land Bank Management

Throughout the year, we accelerated high-value developments and strategic land management initiatives to maximise returns and strengthen financial agility. Setia Alam City and Setia AlamImpian are undergoing mixed-use transformations as we integrated commercial, educational and retail components to enhance drive vibrancy.

The joint venture with Mitsui Fudosan for Setia Federal Hill, with an estimated GDV of RM1.4 billion, reaffirmed our focus on large-scale, high-impact urban development, expanding market reach while attracting environmentally conscious investors and buyers. The first phase is scheduled to begin in early 2025.

President & Chief Executive Officer’s Review

● Strengthen International Presence

We broadened our global footprint across Australia, Vietnam, China, Japan, the UK and Singapore, leveraging large-scale developments to drive revenue diversification and mitigate market concentration risks.

Our Atlas Melbourne, with a GDV of RM2.7 billion, has gained strong market traction. Strategically located in Melbourne’s central business district (CBD), this 73-storey mixed-use development integrates premium residential, retail and lifestyle components, leveraging Melbourne’s population expansion and infrastructure investments.

To further solidify our presence in Australia, we acquired prime sites in St Leonard’s in Sydney and Carlton, Melbourne. The St Leonard’s project, with a GDV of RM655 million, marked our entry into Sydney, where property values significantly outpace those in Melbourne, offering long-term growth potential. Meanwhile, the Carlton land, which is currently in the planning stages, is strategically located within Melbourne’s education district and near an upcoming metro station, ensuring excellent connectivity and accessibility. We plan to introduce 2,500 additional apartment units and are in the process of acquiring land in Maribyrnong, Melbourne, further reinforcing our footprint in high-growth urban corridors.

In Vietnam, the successful handover of Eco Xuan strengthened our foothold in a market driven by a young demographic and rising foreign investment.

Meanwhile, our Battersea Power Station continues to highlight S P Setia’s global expertise in urban regeneration, transforming 41.67 acres in London into a vibrant mixed-use development. Since 2022, this development has attracted over 26 million visitors, with footfall rising 11% year-on-year in 2024. Phase 3B has recorded 63% residential sales and 47% office leasing thus far, with 15.15 acres earmarked for future development, reinforcing its position as a thriving urban hub.

Our retail, commercial and hospitality assets remain as key contributors, with Setia City Mall, Setia Spice Convention Centre and Amari Kuala Lumpur delivering stable rental income and strong occupancy rates.

Enhancing Recurring Income Through Investment Properties

We continued to optimise our investment property portfolio, enhancing recurring income streams and reinforcing a diversified revenue model. Our retail, commercial and hospitality assets remain as key contributors, with Setia City Mall, Setia Spice Convention Centre and Amari Kuala Lumpur delivering stable rental income and strong occupancy rates. Positioned in high-demand locations, these assets maintain high occupancy and stable rental yields, leveraging their prime locations and growing urban populations.

We are also working towards establishing the SETIA REIT, as a structured platform for management and support capital recycling. Encompassing retail complexes, office buildings, schools and the convention centre, this REIT is expected to strengthen earnings visibility, reduce reliance on cyclical property sales and generate steady rental income while retaining ownership. This initiative will result in immediate cash flow and long-term financial gains through dividends.



Setia City Mall, Setia Alam, Shah Alam, Selangor

President & Chief Executive Officer’s Review

OPTIMISING OUR DIGITAL JOURNEY

In 2024, we continued to drive our Digital Optimisation strategy through a three-pronged approach, intensify sales and marketing, elevate operational excellence and innovate the future. Leveraging data-driven decision-making, automation and strategic technology adoption, we enhanced customer engagement, optimised performance and delivered seamless digital experiences across our ecosystem.

01 Innovating the Future with the Setia GO App

The launch of the Setia GO App in 2024 embodied our vision for smart, connected living. By integrating essential services such as on-demand childcare, solar energy solutions, pet insurance and property management tools, this digital platform simplifies everyday tasks while fostering collaboration with innovative startups. It enhances user convenience, strengthens community engagement and sets new benchmarks for modern, tech-enabled lifestyles.

02 Strengthening Sales and Operational Excellence

Through frontline digitisation and advanced Marketing Technology solutions, particularly through the development and launch of the Setia GO App, we streamlined workflows, enhanced data-sharing capabilities and improved customer insights, enabling efficient cross-selling and targeted engagement. We also conducted system optimisations to further reduce costs and enhance defect management, ensuring a higher standard of delivery and operational excellence.

03 Building Cyber Resilience

On a broader note, we prioritised robust cybersecurity measures to safeguard data integrity and operational continuity. This included comprehensive governance protocols, advanced system hardening and regular employee training to improve awareness. These initiatives ensured resilience against digital threats while maintaining stakeholder trust.

OUR 2025 OUTLOOK

As we move into FY2025, we remain focused on strengthening our market position amidst evolving economic conditions. The property sector is expected to experience headwinds from inflationary pressures, interest rate fluctuations and geopolitical uncertainties. These factors may influence consumer sentiment and purchasing power, making it imperative to adopt proactive and agile approach in project launches, pricing strategies and capital deployment. Additionally, heightened competition and regulatory shifts in housing policies will require adaptability to sustain growth and profitability.

Despite these challenges, we maintained steadfast in seizing new opportunities. Our strong brand reputation and differentiated offerings, anchored in sustainability, community-centric designs and integrated technology enable us to stand out in an increasingly competitive market. By prioritising developments that enhance the quality of life, we will continue to shape dynamic, future-oriented integrated townships that foster thriving communities.

Our retail, commercial and hospitality assets remain as key contributors, with Setia City Mall, Setia Spice Convention Centre and Amari Kuala Lumpur delivering stable rental income and strong occupancy rates.

On the international front, we will step up effectively on key developments in Australia and Vietnam to strengthen our presence in high-growth markets while reducing our reliance on the domestic sector. Sustainability will remain central to our strategy, guided by the Setia Green Roadmap, ensuring eco-friendly solutions are embedded across all our developments. Integrating green technologies and sustainable practices will not only enhance our market appeal but also create long-term value.

At the same time, digitalisation will continue transforming how we engage with customers and manage our communities. The Setia GO App is set to enhance residents’ experiences, streamline property management and create smarter, more connected living space.

With a diversified portfolio, a strong focus on sustainability and an evolving digital ecosystem, we are well-positioned to drive growth and shape the future of urban living.

President & Chief Executive Officer’s Review

2025 STRATEGIC PRIORITIES

As we navigate 2025, we remain committed to reinforcing our market leadership by leveraging our diversified portfolio, optimising capital efficiency and expanding our presence across high-growth segments.

Our strategy is anchored on four key priorities:

01	02	03	04
Accelerate township developments	Unlock new revenue streams	Drive eco industrial growth	Strengthen regional impact
We will continue to fast-track the development of catalytic townships, leveraging strategic partnerships to create vibrant, integrated communities. By aligning with evolving market demands, we will enhance development efficiency and maximise value creation across key growth corridors.	We will focus on establishing stable revenue streams by creating the Setia REIT and development management services. By monetising investment properties and diversifying income sources, we will strengthen financial resilience and drive sustainable long-term growth.	We are committed to expanding large-scale eco industrial projects in Setia Fontaines, Tanjung Kupang and Setia Alaman. These eco-industrial parks will integrate sustainability and innovation, positioning us at the forefront of environmentally responsible developments and capturing demand in high-growth sectors.	We will continue contributing to regional economic development through infrastructure-enhancing projects and community-driven initiatives. By deepening our presence across key markets and fostering strategic collaborations, we will create long-term value for S P Setia and the communities we serve.



Setia Alam, Shah Alam, Selangor

ACKNOWLEDGEMENTS

In 2024, we marked a defining milestone - 50 years of building vibrant communities, guided by our **livelearnworkplay** philosophy. This anniversary was not just a celebration of our past but the beginning of a renewed journey, one where we continue to push boundaries, reimagine possibilities and create spaces that inspire.

Our new brand commitment, Shaping Spaces That Shape Us All, reflects our unwavering pursuit of excellence. It propels us towards “the grand surge”, which is essentially our ambitious drive to elevate growth across multiple dimensions of our business.

As I reflect on this remarkable year, I am reminded that our greatest strength is our people, the passion, resilience and commitment of Team Setia. Every success, every milestone, is a testament to your dedication.

I believe that the journey ahead will be filled with even greater opportunities. With a clear vision and well-defined strategy in place, I have no doubt that together, we will set new benchmarks and achieve extraordinary success.

Our Approach to Value Creation

Our Approach to Value Creation

Our holistic value creation approach focuses on identifying and addressing stakeholder needs through strategic foresight and a resilient business model.

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.

01

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 79-86 for more details

02

Stakeholder Engagement

As a leading property developer, we acknowledge the far-reaching impact of our decisions on stakeholders, including shareholders, customers, regulators, employees and local communities. Through continuous engagement, we actively gather feedback, communicate our objectives and values and foster strong relationships, laying a solid foundation for long-term, mutual value creation.

Refer to "Stakeholder Engagement" on page 70-75 for more details

03

Risks & Opportunities

We proactively identify, monitor, and mitigate risks within our operating environment through a robust risk management framework. By transforming potential challenges into opportunities, we drive operational improvements and enhance long-term value creation.

Refer to "Key Risks and Mitigation" on pages 87-89 for more details

04

Materiality Determination

We identify and define material matters that are critical to our strategy, governance, performance and future prospects. These factors play a key role in shaping stakeholder decisions and influencing our ability to create sustainable value.

Refer to "Material Matters" on pages 90-95 for more details

07

Strategy Development

By carefully considering these factors, we develop strategies that create holistic value for our stakeholders, drive business growth and align with global best practices and sustainability standards.

Our business strategy is underpinned by four strategic pillars:

01Land bank management

02Regional and Industrial expansion

03Growth mindset

04REIT-able assets

Refer to "Our Strategic Roadmap" on page 96 for more details

06

Key Capitals

In our growth strategy, we prioritise the effective management and allocation of our six capitals – Financial, Manufactured, Intellectual, Human, Social & Relationship and Natural – acknowledging their vital role in sustainable value creation.

Refer to "Our Key Capitals" on pages 66-67 for more details

05

Sustainability Integration

We embed ESG best practices into our operations, aligning with the global sustainability agenda to strengthen stakeholder trust, enhance corporate reputation and drive long-term value creation.

Refer to "Sustainability Statement" on pages 128-225 for more details

Our Key Capitals



FINANCIAL  
CAPITAL

Our robust and prudently managed fund pool – derived from property development, land management and recurring income and fortified by equity and debt investments – empowers S P Setia to capitalise on new value and growth opportunities.

Total assets  
RM27.60 billion

Total equity attributable to owners of the Company  
RM14.61 billion

Cash balance  
RM3.1 billion  
(including short-term deposits)

Net gearing ratio  
0.35x



MANUFACTURED  
CAPITAL

Our physical assets, technological infrastructure, land bank, property products and investment portfolio play a vital role in delivering optimal value and ensuring sustained productivity and profitability across our core business segments.

Gross Remaining land Bank (acres)  
5,451

Gross Remaining GDV  
RM128.59 billion

Number of ongoing projects  
42



HUMAN CAPITAL

Our strategic focus on cultivating a culture that supports personal growth while prioritising professional development, well-being, diversity and inclusion elevates the collective competencies of our workforce and fosters innovation through diverse perspectives, empowering our people as integral drivers of the Group’s success.

Total number of employees  
1,441

Average training hours per employee  
31.3 hours



INTELLECTUAL  
CAPITAL

Our ongoing investments in enhancing our knowledge and expertise, coupled with a long-term strategic approach to technologies, processes, systems and innovation, are integral components of our prudent and judicious business management, providing us with a competitive edge.

- **Optimising online marketing:** Amplifying lead generation and customer engagement through website revamps, web analytics and search engine optimisation
- **Spearheading data-driven marketing:** Harnessing customer insights for target marketing via data infrastructure, data literacy training and insights dashboards
- **Advancing operation excellence:** IT infrastructure modernisation, digital workspace and the implementation of Robotic Process Automation (“RPA”)
- **Fortifying cybersecurity:** Security posture assessment, security infrastructure upgrades and employee security awareness programmes
- **Elevating homebuyer experiences:** Reimagining the Setia GO App
- **Driving innovation via AI, green IT and strategic partnerships:** Paperless e- printing and e-signs, integration of smart living technology and the introduction of green designs in our Setia eGreenLiving products



SOCIAL & RELATIONSHIP  
CAPITAL

Our active engagement with a diverse network of stakeholders – including employees, customers, shareholders, investors, suppliers, contractors, business partners, governments, regulators, media and communities – is vital to understanding and addressing their interests, needs and expectations concerning S P Setia, which in turn shapes our strategies and decision-making processes.

Total investment for communities by Setia Foundation  
RM500,418.19

Number of beneficiaries  
3,184

Corporate volunteers involved  
327

Total corporate volunteers hours logged  
4,907



NATURAL  
CAPITAL

Our initiatives to minimise environmental impact and enhance resource efficiency across our land bank – including pollution control, energy efficiency, water conservation, waste management and urban biodiversity preservation – align with our purpose of creating sustainable living environments for a healthier, more resilient future.

Total trees planted  
4,749

Total energy consumption (MJ)  
162,136,401

Total water consumption (ML)  
1,868.76

Our Value Creating Business Model

Our Value Creating Business Model

**Our Purpose**  
Creating sustainable communities

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

**Our Mission**  
**P** Product   **L** Leader in Transforming Real Estate   **A** A+ People   **C** Communities at Heart   **E** E-nnovation & Technology   **S** Shareholders' Value

OUR SIX CAPITALS

**FINANCIAL CAPITAL**

- Total assets: RM27.6 billion
- Total equity: RM14.6 billion
- Cash balance: RM3.1 billion
- Net gearing ratio: 0.35x

**MANUFACTURED CAPITAL**

- Total Gross Remaining Land Bank: 5,451 acres
- Gross Remaining GDV: RM128.59 billion
- Number of ongoing developments: 42

**HUMAN CAPITAL**

- A competent, diverse and agile workforce of 1,441 employees (as at Dec 2024)
- 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: RM500,418.19
- Hours spent on community impact programmes: 4,907

**NATURAL CAPITAL**

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

ENABLE VALUE-ADDING  
ACTIVITIES THAT CREATE...

**Material Matters**

- Human Rights
- Customer Satisfaction
- Emissions
- Employee Health and Safety
- Ecological Impacts
- Business Ethics
- Workforce Management
- Climate Change
- Energy Management and Transition
- Financial Performance and Business Resilience
- Water Management and Effluents
- Biodiversity
- Waste Management
- Innovation
- Sustainable Product Offering
- Regulatory Compliance

**Key Risks**

- Supply Chain Management
- Technology
- Contribution to Society and Local Community
- Privacy and Data Protection
- Market Risk
- Competition Risk
- Development & Product Innovation Risk
- Project Planning, Feasibility & Development Strategy Risk
- Human Capital Management Risk
- Sustainability Risk
- Funding & Liquidity Risk
- Political & Regulatory Risk
- Cyber Security Risk
- Work Health & Safety Risk
- Geopolitical Risk

**International Presence**

**Property Development**

**Investment Properties & REIT-able assets**

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

- Retail
- Education
- Hotels
- Convention Centres
- Offices

**OUTCOMES**

- Maximised profitability and sustained financial health
- Enhanced overall financial performance and competitiveness
- Consistent and sustainable dividend growth
- Strategic market expansion and diversification

- Higher operational efficiency and cost-effectiveness
- Enhanced manufacturing processes backed by innovative technologies
- Substantive progress in creating sustainable developments and communities
- Consistent delivery of high-quality projects

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

- A cultivated culture of innovation and branding of S P Setia as an industry leader in intellectual property and innovative solutions
- Effective knowledge-sharing practices
- Enhanced product/service enhancements and market competitiveness
- Bolstered intellectual capabilities and operational efficiency

- High levels of customer satisfaction
- Positive contributions to local communities
- Strong and collaborative relationships with suppliers
- 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
- Alignment with sustainable and natural resource-conscious practices

... VALUE FOR OUR STAKEHOLDERS

OUTPUTS

- Revenue: RM5.29 billion
- Sales: RM5.02 billion
- Unbilled sales: RM4.09 billion
- Profit before tax: RM1.12 billion
- Profit after tax and non-controlling interest: RM631 million

- Total GDV launched: RM5.13 billion
- Total number of units launched: 3,073

- Workforce demographics comprise:
  - Gender: Male: 52.81%, Female: 47.19%
  - Ethnicity: Bumiputera: 64.2%, Chinese: 29.4%, Indian: 6.0%, Others 0.4%
- Average training hours per employee: 31 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: RM500,418.19
- Number of beneficiaries: 3,184
- Corporate volunteers involved: 327
- Total corporate volunteers hours logged: 4,907

- Total energy consumption: 162,136,401 MJ
- Total water consumption: 1,868.76 ML
- Total trees planted: 4,749



Stakeholder Engagement

	Engagement Platforms	Key Concerns	Our Responses	Material Matters	Our Capitals	
<div> SUPPLIERS AND CONTRACTORS</div>	<p><b>Who They Are</b> Suppliers and contractors play a crucial role in providing critical resources for property development and production operations, as well as delivering key services to customers.</p> <p><b>Why We Engage</b> Ongoing engagement and open communication with suppliers and contractors are vital for understanding mutual needs. This promotes timely delivery of high-quality products, improves efficiency and strengthens partnerships towards shared goals.</p>	<ul style="list-style-type: none"><li>● Emails and calls</li><li>● Meetings and briefings</li><li>● Tender briefings</li><li>● Contract and legal discussions</li><li>● Project updates and meetings</li></ul>	<ul style="list-style-type: none"><li>A. Fair compensation and clear agreements.</li><li>B. Long-term growth and innovation.</li><li>C. Commitment to social and environmental responsibility.</li><li>D. Open communication and responsive feedback.</li></ul>	<ul style="list-style-type: none"><li>A. We emphasise fair remuneration and transparent contractual agreements to build responsible partnerships with suppliers and contractors.</li><li>B. We pursue strategic collaborations and innovation to enhance the growth and resilience of our supplier and contractor ecosystem.</li><li>C. We mandate adherence to principles of ethics, labour rights, human rights, inclusivity, health, safety and environmental stewardship, promoting community welfare and sustainability.</li><li>D. We maintain open communication and an effective feedback system to foster trust and mutual understanding with suppliers and contractors.</li></ul>	<div></div>	<div></div>
<div> MEDIA</div>	<p><b>Who They Are</b> Media entities, including commercial publications, brand communities and advocacy platforms, deliver reliable and timely updates regarding S P Setia.</p> <p><b>Why We Engage</b> Fostering robust ties with these channels which directly engage shareholders, customers and critical stakeholders, enhances S P Setia’s reputation and broadens the visibility of its strategies and initiatives.</p>	<ul style="list-style-type: none"><li>● Corporate and media announcements</li><li>● Press releases</li><li>● Media briefings</li><li>● Project launches and corporate events</li><li>● Interviews</li><li>● Company website</li><li>● Annual Reports</li></ul>	<ul style="list-style-type: none"><li>A. Consistent and clear communication of performance, strategies and outlook.</li><li>B. Adherence to stringent quality benchmarks in property development.</li><li>C. Meaningful contribution to community advancement.</li><li>D. Proactive environmental stewardship through sustainable practices.</li></ul>	<ul style="list-style-type: none"><li>A. We maintain regular dialogue with the media, providing transparent updates on our progress, plans and future direction to build trust and foster informed engagement.</li><li>B. We uphold quality by delivering property developments that surpass stringent standards, strengthening our reputation for excellence.</li><li>C. We focus on initiatives that create meaningful benefits for local communities, reflecting our steadfast commitment to social responsibility.</li><li>D. We integrate sustainability into our operations by implementing environmentally responsible strategies to minimise our ecological footprint.</li></ul>	<div></div>	<div></div>
<div> LOCAL COMMUNITIES</div>	<p><b>Who They Are</b> Local communities encompass the surrounding populations with whom we maintain direct interactions through our operations. These communities are integral to our purpose of delivering social and economic benefits.</p> <p><b>Why We Engage</b> Setia is committed to building thriving and inclusive communities, recognizing that a well-integrated approach to social impact creates long-term value for both the community and the organisation. Our efforts focus on:</p> <ol style="list-style-type: none"><li>1. <b>Reinforcing Core Values:</b> Supporting underserved communities embodies our principles of ethical responsibility and social contribution.</li><li>2. <b>Enhancing Lifestyles:</b> Targeted initiatives to improve the well-being of underprivileged individuals and B40 families.</li><li>3. <b>Fostering Inclusion:</b> We address diverse needs by supporting groups such as B40 students, youths, families, OKUs and the elderly, promoting equity and participation.</li><li>4. <b>Strengthening Relationships:</b> Sustainable partnerships through impactful community programmes, building trust and fostering long-term collaboration.</li><li>5. <b>Driving Social Impact:</b> Our initiatives tackle pressing challenges, creating meaningful benefits for underprivileged communities.</li><li>6. <b>Encouraging Collective Action:</b> Strategic collaborations and the involvement of Setia volunteers to mobilise shared responsibility for community betterment.</li></ol>	<p>Enhancement and integration on community and social impact initiatives at S P Setia level to ensure greater benefits for local communities beyond Setia Foundation’s current efforts.</p>	<p>Setia recognizes the importance of broadening its community and social impact initiatives beyond the efforts of Setia Foundation. To achieve this, S P Setia is actively exploring ways to strengthen and integrate initiatives at the group level, ensuring a more strategic and cohesive approach</p>	<div></div>	<div></div>	

Engagement Platforms & Frequency

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

Stakeholder Engagement





Stakeholder Engagement

	Engagement Platforms	Key Concerns
<div> GOVERNMENT AND REGULATORS</div>	<p><b>Who They Are</b> Government authorities at the federal, state and local levels in the regions where we operate, along with regulatory agencies overseeing our sectors.</p> <p><b>Why We Engage</b> Consistent, proactive interaction with regulators ensures we remain abreast of regulatory shifts, maintaining compliance with both established and emerging standards across our operations.</p>	<ul style="list-style-type: none"><li>● Industry associations</li><li>● Regulatory requirement reporting</li><li>● Compliance reporting</li><li>● Site inspections and visits</li><li>● Government and regulatory events</li><li>● Roundtable discussions</li></ul> <ul style="list-style-type: none"><li>A. Ongoing compliance with regulatory standards and government policies.</li><li>B. Generation of social value through impactful initiatives.</li><li>C. Active contribution to communities via corporate social responsibility ("CSR") initiatives.</li><li>D. Commitment to environmental stewardship through sustainable practices.</li><li>E. Alignment with national priorities and support for key development goals.</li><li>F. Engagement with industry and private-public collaboration to establish and promote best practices.</li></ul>
<div> EMPLOYEES</div>	<p><b>Who They Are</b> Our employees are the cornerstone of our organisation, fuelling our strategies, performance and long-term success through their expertise, dedication and alignment with S P Setia's strategic goals.</p> <p><b>Why We Engage</b> Engaging with and addressing the needs of our employees fosters an empowering work environment that boosts satisfaction and motivation. This approach not only leads to higher retention but also strengthens our ability to attract and retain top-tier talent in the industry.</p>	<ul style="list-style-type: none"><li>● Employee engagement activities</li><li>● Succession planning</li><li>● Corporate activities – e.g. festive luncheons and CEO dialogues</li><li>● Email announcements</li><li>● Onboarding programmes</li><li>● Performance and leadership development programmes</li><li>● Individual performance reviews</li><li>● People Pulse Surveys</li></ul> <ul style="list-style-type: none"><li>A. Attractive compensation packages and comprehensive benefits.</li><li>B. Robust opportunities for career development and progression.</li><li>C. Safe, secure and conducive work environments.</li><li>D. Prioritisation of holistic well-being with extensive support for mental and physical health.</li></ul>

Engagement Platforms & Frequency

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

Stakeholder Engagement

Our Responses	Material Matters	Our Capitals
<ul style="list-style-type: none"><li>A. We ensure strict adherence to legal requirements and uphold ethical business practices across all operations.</li><li>B. We create job opportunities, develop housing and generate social and economic benefits through our projects, making a positive impact on the communities we serve.</li><li>C. We engage with various CSR activities, focusing on improving the quality of life and well-being of residents and stakeholders.</li><li>D. We adopt sustainable practices and efficient resource management to reduce our environmental footprint.</li><li>E. We support national agendas by actively contributing to initiatives that foster the development and progress of the countries where we operate.</li><li>F. We collaborate with industry peers and public-private partnerships to drive the establishments and promotion of best practices within our sectors.</li></ul>		
<ul style="list-style-type: none"><li>A. We consistently acknowledge the contributions of our employees and ensure they are appropriately compensated for their efforts.</li><li>B. We cultivate an environment that promotes ongoing professional development and skill enhancement for our employees.</li><li>C. We maintain rigorous safety standards and protocols to safeguard employee well-being.</li><li>D. We provide extensive programmes focused on supporting mental and physical health, fostering a balanced work-life dynamic.</li></ul>		

Value We Create

SHAREHOLDERS, ANALYSTS & INVESTMENT COMMUNITY

**VALUE CREATED FOR SHAREHOLDERS, ANALYSTS & INVESTMENT COMMUNITY**

- Timely and accurate disclosure of our financial and non-financial information enables analysts to formulate balanced recommendations for their clients, while our investors are empowered to make well-informed decisions regarding their investment positioning for their respective time horizons
- Our robust financial performance and solid financial position contribute to the potential for attractive returns in the form of share price appreciation

**VALUE FOR S P SETIA**

- Notable increase in foreign shareholding (Dec'24: 11.58% vs Jan'24: 7.73%)
- Increased mindshare of ESG-conscious investors through the communication of S P Setia's sustainability-driven initiatives among their community

Map to:  
Capitals

Material Matters

UN SDGs

FINANCIERS

**VALUE CREATED FOR FINANCIERS**

- Timely and accurate disclosure of our financial and non-financial information enables our financiers to assess S P Setia's creditworthiness and manage their risk appetite
- Prompt principal and interest repayments ensure steady returns for our debt providers
- New financial opportunities in emerging markets allow our financiers the chance to participate in S P Setia's growth prospects

**VALUE FOR S P SETIA**

- Consistent creditworthiness
- A deeper understanding of the current financing and credit landscape, as well as our financiers' perspectives on S P Setia, our peers and the property sector as a whole
- Ongoing access to funds for current business operations and future growth opportunities

Map to:  
Capitals

Material Matters

UN SDGs

JV & COLLABORATION PARTNERS

**VALUE CREATED FOR JV & COLLABORATION PARTNERS**

- Increased engagement with our partners streamlines negotiations and discussions, fostering symbiotic relationships
- Leveraging the combined expertise, experience and connections of all parties opens up various opportunities for learning, networking and knowledge-sharing
- Positive co-branding enhances the profiles of all parties involved

**VALUE FOR S P SETIA**

- Expansion of our reach in new areas and markets through new connections from our partners' contacts and business networks
- Strengthened branding of S P Setia's projects and products after leveraging our JV partners' reputations
- Lower capital outlay and exposure to financial risk in projects as a result of capital and funds provided by our JV and collaboration partners

Map to:  
Capitals

Material Matters

UN SDGs

Value We Create

CUSTOMERS & CLIENTS

**VALUE CREATED FOR CUSTOMERS & CLIENTS**

- Delivering high-quality products in sustainable townships that meet customer requirements and demands contributes to customer satisfaction and long-term community well-being
- Providing safe and sustainable townships that embody **livelearnworkplay** ethos caters to diverse resident needs and preferences

**VALUE FOR S P SETIA**

- Healthy take-ups and sales of launched properties, driving our revenue, profits and cash flows toward business continuity and future growth
- Enhanced business reputation through positive customer experiences, allowing S P Setia to capture market share
- Enhanced product offerings that incorporate customer feedback

Map to:  
Capitals

Material Matters

UN SDGs

SUPPLIERS & CONTRACTORS

**VALUE CREATED FOR SUPPLIERS & CONTRACTORS**

- Promoting a fair and transparent tendering and procurement process ensures integrity and trust
- Ensuring a safe working environment and conditions for contractors at construction sites prioritises employee well-being and project efficiency
- Leveraging the branding of S P Setia's projects enhances market visibility and attracts stakeholders
- Meeting developer expectations and avoiding unnecessary rectification works and extra unbudgeted costs creates added value for all parties involved

**VALUE FOR S P SETIA**

- Gain quality supplies, materials and services that enable the development of products that meet and exceed our customers' expectations
- Delivery of supplies, materials and services in a timely fashion to meet product delivery timelines
- Increased understanding of the market landscape covering various aspects of the property development supply chain

Map to:  
Capitals

Material Matters

UN SDGs

MEDIA

**VALUE CREATED FOR MEDIA**

- Providing regular, comprehensive information about S P Setia's products, finances, initiatives and sustainability efforts enhances the media's understanding of our journey and achievements, in turn encouraging the production of engaging and useful news and analysis for its audiences

**VALUE FOR S P SETIA**

- Increased public awareness of S P Setia's branding and products
- Enhanced business reputation through campaigns, product launches, corporate initiatives and strategic transactions/collaborations with the media
- Establishes S P Setia's reputation as a leading property developer that creates sustainable communities, through media outreach

Map to:  
Capitals

Material Matters

UN SDGs

Value We Create

LOCAL COMMUNITIES

**VALUE CREATED FOR LOCAL COMMUNITIES**

- Local communities within the vicinity of S P Setia's project can gain access to S P Setia's CSR activities
- Concerns surrounding the environmental impact of S P Setia's developments on the surrounding communities are assuaged
- Engagement forums, meetings and festive events create a platform for local communities to connect with S P Setia, local authorities and other stakeholders

**VALUE FOR S P SETIA**

- Opportunity to reach out and give back to vulnerable communities through Setia Foundation's programmes
- Enhanced business reputation and branding in the eyes of the general public
- Improved social scores in the FTSE4Good Bursa Malaysia Index
- Enhanced public awareness of S P Setia's CSR initiatives
- New connections with the surrounding neighbourhoods and communities via CSR programmes

Map to:  
Capitals

Material Matters

UN SDGs

GOVERNMENTS & REGULATORS

**VALUE CREATED FOR GOVERNMMENTS & REGULATORS**

- Ensuring compliance with rules and regulations set by regulatory bodies and governments at the federal, state and local municipality levels promotes a transparent and ethical business environment
- Constant engagement provides insight and updates on developments within the property sector, facilitating a collaborative approach to achieving national development goals
- Participation in government initiatives (e.g., NIMP and NETR) fosters a conducive environment for sustainable ecosystems

**VALUE FOR S P SETIA**

- Able to proceed with developments and projects following the stipulated timeframes due to prompt approvals from the relevant authorities, ensuring timely launches and subsequent delivery to customers and clients
- Ensured business continuity and enhanced standing in the eyes of regulators as a result of compliance with rules and regulations
- Engages in nation-building and provides input into policy-making

Map to:  
Capitals

Material Matters

UN SDGs

EMPLOYEES

**VALUE CREATED FOR EMPLOYEES**

- Structured employee training programmes and skill development initiatives provide opportunities for growth and development
- Improved living standards and well-being for our construction workers, ensuring compliance with the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 (Act 446)
- Ongoing efforts to maintain high employee morale and satisfaction, along with improvements to operational processes for enhanced safety and efficiency nurtures higher productivity and job satisfaction

**VALUE FOR S P SETIA**

- Alignment of workforce to our overarching business goals
- Bolstered organisational success as a result of our high-performance culture
- Strengthened talent pipeline for succession planning and business sustainability
- Enriched social well-being for all related parties in the ecosystem

Map to:  
Capitals

Material Matters

UN SDGs

Market Landscape



The International Monetary Fund (“IMF”) projects global GDP growth to remain steady at 3.2% for both 2024 and 2025. This reflects a continuation of stable but subdued economic activity, shaped by monetary easing and lacklustre global demand. Nevertheless, heightened geopolitical risks persist as a significant downside factor, amplifying uncertainties in the macroeconomic environment.

Malaysia’s economy is expected to grow between 4.5% and 5.5% in 2025, driven by resilient domestic expenditure, steady household spending and a recovery in exports. Growth is expected to benefit from the global tech upcycle, robust demand for non-electrical and electronics (E&E) goods and higher tourist spending. Investment activity is set to gain traction, supported by multi-year infrastructure projects, realisation of approved investments and catalytic initiatives under national master plans.

However, downside risks remain, including weaker-than-expected external demand, geopolitical tensions and lower commodity output, while upsides include stronger tourism activity, greater tech sector spillovers and accelerated project implementation. Inflation is projected to stay manageable in 2025, with tourism-led services anticipated to be a key growth driver.

Market Landscape

MALAYSIA

MACROECONOMIC OUTLOOK

2024 Performance

- Robust economic performance in 2024 stemmed from solid growth, low inflation and a stable unemployment rate.
- GDP grew 4.80–5.30%, driven by resilient investment, robust exports, and strong domestic demand.
- Inflation is expected at 2.0% and 3.5%, with price pressures contained.
- Unemployment remained stable, reflecting a stable job market.
- Overnight Policy Rate (“OPR”) held at 3.0% until the end of 2024.

2025 Outlook

- GDP growth is projected between 4.5 and 5.5% for Malaysia, reflecting an optimistic market outlook.
- Inflation is expected to remain manageable, supported by easing global costs and stable domestic demand.
- OPR expected to remain unchanged at 3%.

PROPERTY SECTOR OUTLOOK

2024 Performance

Residential

- Residential sector transaction value increased by 10.4%, reaching RM49.43 billion.
- Government initiatives such as the Housing Credit Guarantee Scheme and stamp duty exemptions for first-time buyers, enhance homeownership accessibility.
- Growing emphasis on affordable housing, particularly in suburban areas, as urban property prices rise.

Commercial Properties

- Commercial property segment experienced 41.5% year-on-year growth, reaching RM23.71 billion in transaction values.
- Retail and office spaces gained investor interest as businesses resumed in-person operations.
- Strong FDI inflows, supported by Malaysia’s stable economic environment, boosting confidence in the commercial real estate market.

Industrial Properties

- Industrial sector grew by 23.4%, reaching RM13.50 billion in transaction value.
- Ongoing industrialisation and infrastructure projects are fuelling demand for industrial spaces.
- E-commerce and logistics growth has increased interest in industrial properties, particularly in Johor and Penang.

Hospitality Sector

- Luxury hospitality segment is poised for strong growth, driven by higher occupancy rates and new international hotels.
- Increased interest in serviced residences and hotels, especially in Klang Valley and Penang, reflects a positive outlook for the sector.

2025 Outlook

Malaysia’s property market in 2025 is set for a dynamic year characterised by:

Infrastructure Development

- Continued investments in infrastructure projects, such as the Mass Rapid Transit (MRT) and Light Rail Transit (LRT) expansions are set to enhance connectivity and boost property values in surrounding areas.

Demand for Affordability

- Strong demand from the residential segment, especially affordable housing, is anticipated, with government initiatives supporting first-time homebuyers.

Strategic Developments

- The JS-SEZ initiative is set to attract investments and create job opportunities in Johor.
- Corporate exercises in 2025 may include healthcare business listings and property investments by major developers.

Developer Sentiment

- Positive sentiment among real estate developers for the first half of 2025, driven by carry-forward transactions and cautious optimism for new project launches.

Government Initiatives and Budget 2025:

- Budget 2025 focused on stimulating the property market through affordable housing programmes, tax relief for first-time homebuyers, infrastructure investments and sustainability initiatives to encourage green building practices. These programmes include Affordable Housing Programs and Housing Credit Guarantee Scheme (SJKP).

Sources

1. Economic and Financial Developments in Malaysia in the Third Quarter of 2024 - Bank Negara Malaysia
2. Monetary Policy Statement - Bank Negara Malaysia
3. Malaysia’s property sales surge 23.8% y-o-y to RM105b in 1H2024, says Naptic
4. Henry Butcher Malaysia: Local property market will remain stable and grow at a gradual pace in 2024
5. Property developers more optimistic on 1H2025 than 2H2024 — Rehda survey

Market Landscape

AUSTRALIA

MACROECONOMIC OUTLOOK

2024 Performance

- GDP growth is projected to be relatively low, with an increase of 0.9% by mid-year and 1.7% by the end of the year, reflecting modest expansion amid rising inflation and a tight labour market.

2025 Outlook

- GDP growth is expected to recover, reaching 2.0% by mid-year and 2.3% by year end, as inflation moderates and household income increases.

PROPERTY SECTOR OUTLOOK

2024 Performance

- Interest rate hikes played a significant role in cautious purchasing behaviour.
- Chronic housing undersupply continues, driving up prices and rents.

2025 Outlook

- Strong population growth sustains housing demand, while construction challenges, including high material costs and labour, limit supply.
- Supply constraints are expected to lead to upward pressure on prices and rent.

Sources

1. Outlook | Statement on Monetary Policy – May 2024 | RBA
2. KPMG quarterly economic outlook forecasts tepid growth - KPMG Australia
3. <https://nhsac.gov.au/sites/nhsac.gov.au/files/2024-05/state-of-the-housing-system-2024.pdf>
4. <https://assets.kpmg.com/content/dam/kpmg/au/pdf/2024/kpmg-residential-property-market-outlook-june-2024.pdf>

VIETNAM

MACROECONOMIC OUTLOOK

2024 Performance

- Robust recovery is expected, with GDP growth forecasted between 6.0% and 6.5% for the year, driven by strong external demand, FDI and accommodative government policies.

2025 Outlook

- Positive economic outlook with GDP growth projected at 6.1% to 6.5%.
- Growth is supported by robust manufacturing and strong exports, alongside government reforms that enhance resilience.

PROPERTY SECTOR OUTLOOK

2024 Performance

- Residential property prices remain resilient, despite fewer transactions, indicating sustained demand.
- Land transactions surged by 28% in Q1 2024, highlighting investor interest in suburban areas, driven by regulatory reforms and long-term growth potential.

2025 Outlook

- Property market recovery is expected from Q2 2025, fuelled by easing interest rates and improved liquidity.
- Apartment segment is likely to see strong investor interest, as buyers prioritise affordability and legal clarity in property transactions.
- South Vietnam’s industrial property market is poised for growth, driven by strategic location and enhanced infrastructure.

Sources

1. <https://www.worldbank.org/en/news/press-release/2024/08/26/viet-nam-s-economy-is-forecast-to-grow-6-1-in-2024-wb>
2. <https://english.thesaigontimes.vn/adb-maintains-vietnam-growth-forecasts-for-2024-2025/>
3. Ho Chi Minh City Real Estate Market Faces Mixed Performance Amid Growing Supply: CBRE Vietnam Q3 2024 Report - Cambodia Investment Review
4. Real estate market to recover in Q2 2024, accelerate in 2025, experts predict - Phat Dat Corporation Real estate Development (HoSE: PDR)
5. Big rebound forecast for southern industrial property market in 2025

Market Landscape

UNITED KINGDOM

MACROECONOMIC OUTLOOK

2024 Performance

- GDP growth is expected at 1.0%, constrained by cautious consumer spending and high savings rates, limiting consumption growth despite improved real incomes and employment.

2025 Outlook

- Economic recovery is forecasted to grow between 1.2% and 1.5%, supported by anticipated interest rate cuts and increased consumer confidence from government budget measures.
- Central banks, including the Bank of England, will likely lower interest rates as inflation stabilises. This enhances borrowing conditions, stimulating both consumer spending and business investment.

PROPERTY SECTOR OUTLOOK

2024 Performance

- Average house prices reached a record high of £298,083, with a 4.8% annual growth, indicating a robust rebound in the housing market.
- Property transactions surged to 100,410 October 2024, the highest since November 2022. This increase reflects a resurgence in both buyer and seller activity, contributing to a more dynamic market environment.

2025 Outlook

- Anticipated rise in house prices by 2% to 4%, with regional variations. Mainstream markets may see growth of 4%, while prime London properties could decline by 4% due to market pressure.
- Lower mortgage rates is anticipated to improve affordability and stimulate housing demand, as the Bank of England's base rate is expected to decrease further.

Sources

- GDP first quarterly estimate, UK - Office for National Statistics
- UK Economic Outlook - KPMG UK
- UK economy growth slowed due to weak consumer spending | EY - UK
- The global economy is forecast to grow solidly in 2025 despite trade uncertainty | Goldman Sachs
- UK property market performed 'better than expected' in 2024
- UK housing market beat expectations in 2024 finds Halifax as it publishes review and outlook for 2025 - IFA Magazine
- UK Property Market Review: Housing Trends, & 2025 Outlook
- Halifax UK housing market review and outlook for 2025 - Lloyds Banking Group plc

INDUSTRIAL DEVELOPMENT : AN ENGINE FOR NATIONAL GROWTH

Description

Industrial development is central to Malaysia's growth strategy, highlighted by initiatives such as NIMP 2030 to strengthen the manufacturing sector, the NETR to facilitate clean energy transition and rising adoption of the China Plus One strategy. This approach encourages businesses to diversify their supply chains and manufacturing operations outside China to mitigate geopolitical and operational risks.

Potential Impact

- Rising demand for industrial properties, through our strategic locations at Setia Fontaines, Setia Alaman and Tanjung Kupang.

Our Response

- Designated over 900 acres of land banks across Penang, Selangor and Johor, with plans to offer built-to-suit and lease, built-to-suit, lease and sell, and sale of land plots.

Outlook

Malaysia's industrial sector is poised for further expansion, fuelled by the ongoing shift of manufacturing bases from China to ASEAN. Key infrastructure developments such as the KL-SG HSR, Johor-Singapore Special Economic Zone and Rapid Transit System, West Coast Expressway and the East Coast Rail Link will enhance connectivity and stimulate development. Combined with the long-term impact of NIMP 2030, NETR and the 12th Malaysian Plan ("12MP"), these initiatives establish a solid foundation for continued growth of the industrial property market.

Market Landscape

MEGATRENDS AND OPPORTUNITIES



GLOBAL MACROECONOMIC TRENDS

Description

In response to persistent inflationary pressures, the Federal Reserve in the United States implemented a series of interest rate cuts throughout 2024. As of December 18, the Fed is set to announce a reduction of 25 basis points, lowering the federal funds rate to a target range of 4.25% to 4.5%. This marks the third consecutive rate cut in 2024, following reductions in September and November. The rate adjustments are designed to address inflation, which remains above the Fed's 2% target while supporting economic growth, which is estimated at approximately 3%. The Federal Reserve's cautious approach reflects its goal of balancing inflation control with continued expansion, amid signs of a cooling labour market.

In Malaysia, Bank Negara Malaysia (BNM) has kept the Overnight Policy Rate (OPR) steady at 3% since May 2023. Economists expect this rate to remain unchanged throughout 2024, influenced by global economic dynamics and inflationary trends. In 2024, both headline and core inflation averaged 1.8%. Looking ahead, inflationary pressures will largely hinge on domestic policy adjustments such as subsidies and price controls, as well as global commodity price fluctuations.

The Reserve Bank of Australia (RBA) has maintained its cash rate at 4.35%, aiming to bring inflation back within the target range of 2% to 3%. The RBA continues to monitor key economic indicators to guide its future monetary policy decisions.

In 2024, the interbank rates in Vietnam experienced fluctuations due to various economic factors and interventions by the State Bank of Vietnam (SBV). For instance, in November 2024, the overnight interbank rate reached a 19-month high of 5.5% before declining to 3.3% by the end of the month due to liquidity injections by the SBV.

Potential Impact

- The global macroeconomic conditions could influence our cash management and affect our refinancing strategies.
- Increased finance costs may result in potential margin compression.
- Weak consumer spending could reduce demand in the housing market.

Our Response

- Implement cost-saving initiatives to offset the impact of rising finance costs.
- Focus on de-gearing to ensure sustainable overall performance.

Outlook

The IMF projects global GDP growth to remain steady at 3.2% for both 2024 and 2025, a revision from its previous projection of 2.9% for 2024. This reflects global economic despite persistent challenges. However, in Emerging and Developing Asia, growth is expected to decelerate from 4.8% in 2024 to 4.6% in 2025, driven mainly by ongoing issues in China's property sector and weakened domestic demand. This economic outlook highlights the importance of implementing robust cost management strategies and minimising exposure to adverse market fluctuations.

Market Landscape

EVOLVING CUSTOMER PREFERENCES

<p><b>Description</b></p> <p>The escalating climate crisis has raised environmental consciousness, prompting consumers to prioritise properties that align with their values. This shift is fuelling demand for developments incorporating smart, energy-efficient technologies and renewable energy solutions. Concurrently, property developers are integrating green technologies and sustainable practices into their projects, to meet growing consumer demand for environmentally-responsible living spaces.</p> <p>Additionally, evolving global trends and technological advancements are shaping consumer preferences. Urbanisation, demographic shifts and advancements in digital solutions are reshaping property expectations, with smart home technologies now seen as essential. Buyers now expect homes equipped with intelligent systems that provide greater convenience, security and energy efficiency.</p>	<p><b>Potential Impact</b></p> <ul style="list-style-type: none"><li>Capitalise on the growing demand for eco-friendly and sustainable properties.</li><li>Changing consumer preferences may intensify competition from new entrants with specific and attractive selling propositions.</li><li>Inability to adapt may result in customer loss, revenue decline and reputational damage.</li></ul> <p><b>Our Response</b></p> <ul style="list-style-type: none"><li>Introduced Setia eGreen Living, a range of sustainable home features such as smart home systems, Green Switch, rainwater harvesting systems and readiness for EV and solar power use, across all future developments to enhance energy efficiency and reduce carbon footprint.</li><li>Utilised customer insights to refine product development, deliver market-ready sustainable solutions and strengthen marketing initiatives.</li></ul> <p><b>Outlook</b></p> <p>The property sector will increasingly prioritise sustainability, digital solutions and contemporary designs to meet evolving customer demands. By focusing on innovation and sustainable solutions, we will be able to strengthen our market position.</p>
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SHIFTING POLICY ENVIRONMENT

<p><b>Description</b></p> <p>The growth of Malaysia's property development sector is significantly influenced by government policies. In this regard, the 2025 Budget, allocated a record RM421 billion to stimulate economic recovery and sustainable growth. It emphasises substantial support for affordable housing and critical infrastructure developments, addressing the nation's housing needs and driving economic expansion. However, property developers are facing rising operational costs due to policy revisions, such as an increase in the sales and services tax (SST) from 6% to 8% and the imposition of a 4% stamp duty on foreign buyers, potentially affecting profitability and pricing strategies in the sector.</p>	<p><b>Potential Impact</b></p> <ul style="list-style-type: none"><li>Increase in SST and stamp duty may adversely impact our financial performance.</li><li>Leverage government incentives to expand homeownership accessibility, thereby widening our target market and boosting revenue.</li></ul> <p><b>Our Response</b></p> <ul style="list-style-type: none"><li>Implemented targeted pricing strategy, discounts, rebates, campaigns and special offers to attract homebuyers and increase market share.</li></ul> <p><b>Outlook</b></p> <p>Budget 2025 has outlined initiatives to create a sets a foundation for a mmore resilient and inclusive real estate market in Malaysia, which include:</p> <ul style="list-style-type: none"><li>Expand the Housing Credit Guarantee Scheme (SJKP) Expansion to enhance affordability for first-time buyers.</li><li>Increase infrastructure funding is expected to drive demand in both residential and commercial markets.</li><li>Offer tax Relief, including mortgage interest deductions and personal income tax relief, to alleviate financial pressures on buyers.</li><li>Promote the adoption of IBS in construction to improve efficiency and reduce development costs.</li><li>Focus on green building practices and eco-friendly developments to align with global trends and meet rising consumer demand for environmentally-conscious responsible living spaces.</li></ul>
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Market Landscape

DIGITALISATION & TECHNOLOGY

<p><b>Description</b></p> <p>Digital technology is redefining the property development landscape, effectively becoming a critical factor in improving competitive advantage. Developers are integrating advanced smart home systems and leveraging digital platforms to optimise sales and marketing strategies. This innovation not only enhances operational efficiency and brand visibility but also reduces environmental footprint, aligning with consumer expectations and industry standards.</p>	<p><b>Potential Impact</b></p> <ul style="list-style-type: none"><li>Face increased pressure to meet growing customer expectations for improved service and efficiency throughout the pre-purchase, purchase and after-sales stages, driven by the proliferation of digital technologies.</li><li>Invest strategically in cutting-edge technologies and upskill employees to fully harness the benefits of digital transformation.</li><li>Capitalise on these advancements to boost productivity, accelerate sales growth, enhance employee engagement and reinforce our industry position.</li></ul> <p><b>Our Response</b></p> <ul style="list-style-type: none"><li>Allocated resources to incorporate "smart home" capabilities into the design phase under the updated Terms of Reference (TOR) to align with market demand.</li><li>Rolled-out digitally integrated solutions like Setia eGreen Living, combining technology-driven elements, to improve sustainability and living standards.</li><li>Enhanced customer engagement by deploying tools across customer relationship management, data collection and content management workflows.</li><li>Expedited digital transformation through the Setia Go platform and strategic collaborations with ecosystem players and innovative startups.</li></ul> <p><b>Outlook</b></p> <p>We will continue to prioritise investments in tailored digital solutions that enhance customer outcomes while driving operational efficiencies. By leveraging these technologies, we aim to improve both time and cost effectiveness across our operations. Further to this, we will explore innovative ways to harness technology in achieving our sustainability objectives, ensuring alignment with long-term environmental goals.</p>
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Market Landscape

GROWING IMPORTANCE OF SUSTAINABILITY

**Description**

Sustainability, especially climate action, has become a critical priority for today's corporate environment. Investors are now placing greater weight on the sustainability credentials of companies when making investment decisions, while stricter ESG regulations at both national and global levels intensify the pressure for companies to adapt.

**Potential Impact**

- Face increased pressure to meet growing customer expectations for improved service and efficiency throughout the pre-purchase, purchase and after-sales stages, driven by the proliferation of digital technologies.
- Invest strategically in cutting-edge technologies and upskill employees to fully harness the benefits of digital transformation.
- Capitalise on these advancements to boost productivity, accelerate sales growth, enhance employee engagement and reinforce our industry position.

**Our Response**

- Allocated resources to incorporate "smart home" capabilities into the design phase under the updated Terms of Reference (TOR) to align with market demand.
- Rolled-out digitally integrated solutions like Setia eGreen Living, combining technology-driven elements, to improve sustainability and living standards.
- Enhanced customer engagement by deploying tools across customer relationship management, data collection and content management workflows.
- Expedited digital transformation through the Setia GO platform and strategic collaborations with ecosystem players and innovative startups.

**Outlook**

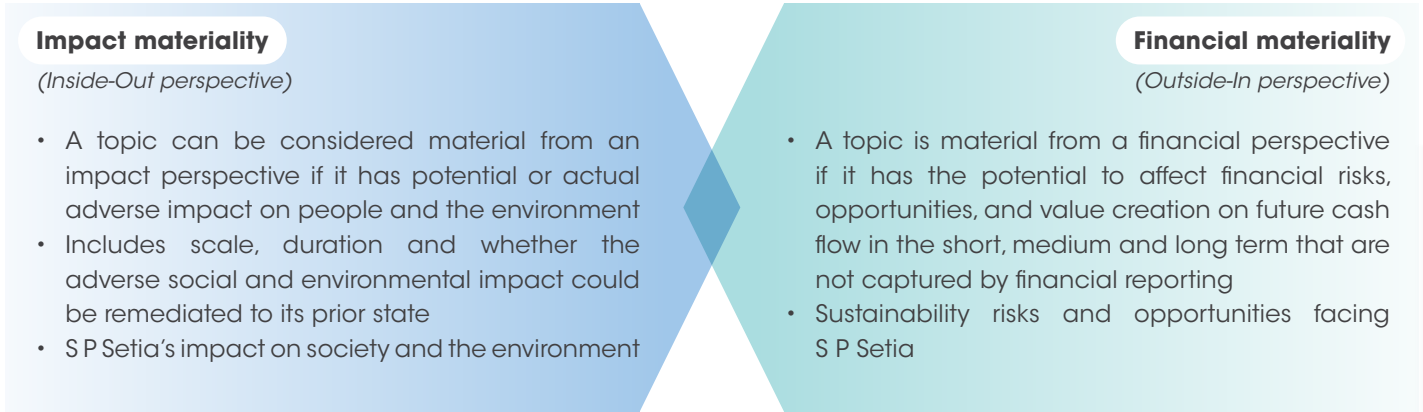
We foresee heightened stakeholder expectations and increasingly stringent regulatory frameworks surrounding ESG practices and reporting in the coming years. The introduction of the NETR in 2023 provides a pivotal opportunity to expedite our transition to clean energy. Our commitment to sustainability remains steadfast, with a focus on aligning our initiatives with global standards and advancing our environmental goals.

In line with our commitment to reducing our carbon emissions, we will complete our baseline emissions assessment and establish clean, actionable carbon reduction pathways to achieve our goal of becoming a Net Zero Carbon company by 2050 Setia Green Roadmap. Additionally, we are committed to maintaining zero cases of environmental fines and ensuring that all major infrastructure contractors are certified under ISO 14001:2015 (Environmental Management System) and ISO 45001:2018 (Occupational Health and Safety).

Material Matters

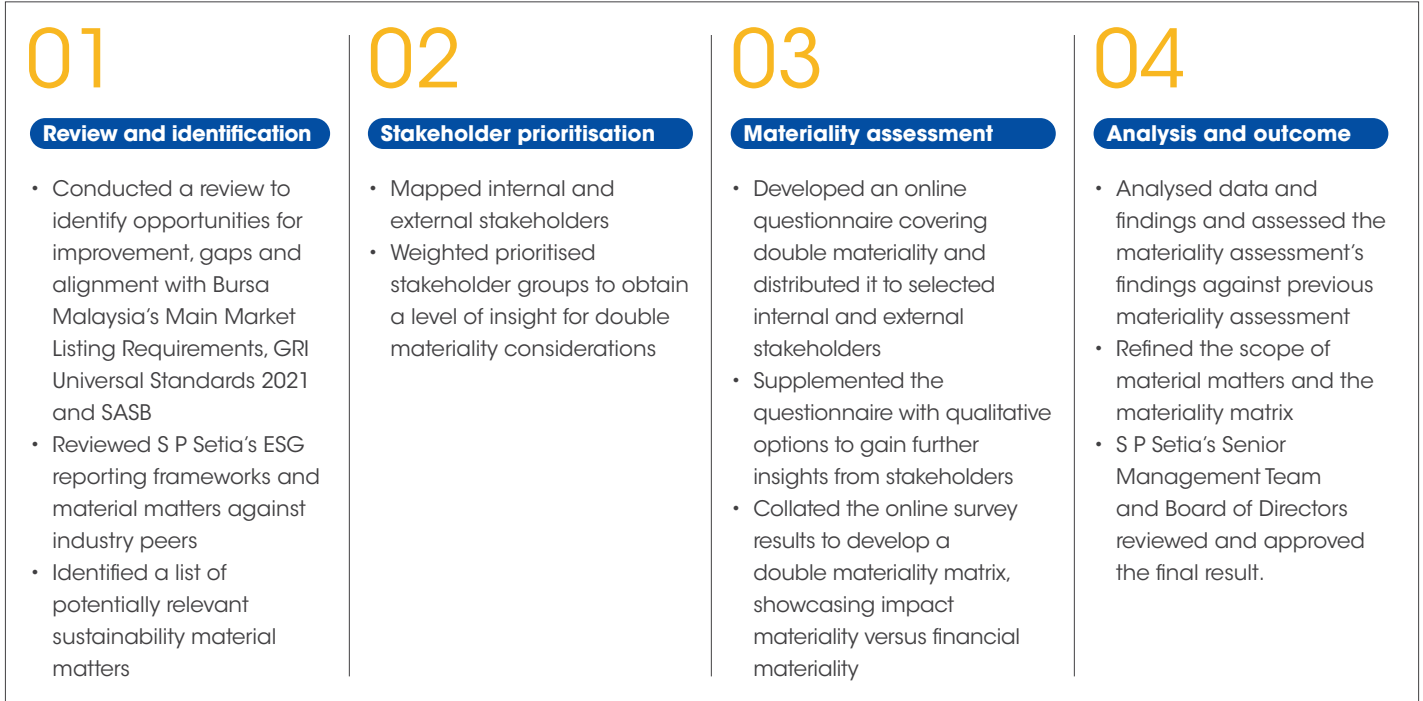
Materiality assessments are vital to our sustainability journey as we seek long-term growth and continuous value creation for our business and stakeholders. We conduct a materiality assessment once every two years to ensure we remain relevant and aligned with the latest regulatory requirements, sustainability reporting frameworks and industry peers. The process also allows us to identify risks and seize opportunities.

In 2024, we held our first double materiality assessment to identify the impact materiality and financial materiality of our business. The assessment, which is in line with the requirements of Bursa Malaysia and the International Financial Reporting Standards (IFRS), explains how sustainability or environmental, social and governance (ESG) risks and opportunities can be material from an impact perspective, a financial perspective, or both. Issues that are material from an environmental or social perspective can have a direct or indirect positive and/or negative impact on S P Setia's current and future financial performance. By undertaking a double materiality assessment, S P Setia can improve its transition to IFRS S1, an anticipated future requirement.



Double Materiality Assessment Process

Our double materiality assessment process involved a four-step process, as illustrated by the following infographic. It took into consideration international trends, industry peer review and current regulatory requirements with guidance from the Bursa Sustainability Reporting Guide (3<sup>rd</sup> Edition), GRI Universal Standards 2021 and Sustainability Accounting Standards Board (SASB).



Material Matters

S P Setia's 13 Material Matters

Following the findings of our double materiality assessment and further internal discussions among Senior Management, we consolidated the identified 20 material matters to 13 material topics to align with our sustainability framework.



Economic (EE)

Environmental (EN)

Social (S)

Governance (G)

Rank	Legend	Material topic
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

Rank	Legend	Material topic
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 and plans to manage a transition towards net zero through appropriately managed and reduced greenhouse gas (GHG) emissions and sustainable management of energy sources
Waste and Water Management	Our ability and plans to appropriately manage and reduce waste, as well as sustainable management of water consumption shared water resources and water effluents
Biodiversity	The impacts on biodiversity through our business activities, such as loss of biodiversity and initiatives to increase biodiversity through managing the environmental impacts of our business activities
Economic Performance	Our ability to distribute economic value to our business operations and the relevant stakeholders including community and employees through revenues generated by our businesses
Business Model Resilience	Our ability to ensure that a sustainable, forward-looking business model is successfully implemented so that we can deliver financial value to stakeholders. It also covers our ability to safeguard our human capital resources to ensure sustainable business growth
Supply Chain Management	Our ability to ensure supply chain sustainability engagement and compliance
Innovation	Our commitment to product innovation to maintain our competitive edge and meet current and future market demands
Product Design and Lifecycle Management	Our ability to provide a diverse range of products, solutions and services that meet customer needs, with a focus on quality, safety and eco-efficiency. In addition, it refers to our commitment to increasing sustainable product development, including sustainable raw materials and low-carbon buildings
Employee Health and Safety	Our ability to create and maintain a safe and healthy workplace environment that safeguards the physical and mental well-being of all employees through robust health and safety protocols, ensuring a corporate culture that supports professional and personal lives
Customer Satisfaction	Our ability to meet customer expectations by ensuring satisfaction, loyalty and brand reputation
Business Ethics	Upholding our code of conduct and guiding principles in the strategic and operational management of the business. This includes promoting good governance and integrity, prohibiting bribery, corruption and anti-competitive behaviour in our operations and supply chain and instilling a strong compliance culture
Human Rights	Our commitment to complying with national standards, laws and regulations to protect human rights, including prohibiting child and forced labour and promoting human rights across our value chain
Community	Our ability to regularly engage with the local community where we operate and contribute to their development by creating positive impacts such as providing job opportunities

Key Risks & Mitigation

In line with Setia’s long-term business strategy, operating environment and key stakeholder concerns, we are committed to addressing the risks as this is fundamental to protecting our competitive advantage in the industry.

For 2024, we have introduced a new key risk category – Human Capital Management Risk to reflect the changing dynamics of the workforce and the growing importance of effectively managing this area. Additionally, we have re-assessed the Cyber Security Risk, elevating its risk movement status from “Caution” to “Attention,” and its risk priority from “No Movement” to “Upward.” This reclassification is a result of the increasingly complex and dynamic nature of cyber security threats, reinforcing the need for focused attention and proactive risk management.

For more details on our risk management approach, please refer to the Statement on Risk Management and Internal Control on pages 280 - 290.

Immediate Attention Required | Attention Required | Caution | For Notation | No Movement | Upward | Downward

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, i.e. 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.

IMPLICATIONS TO VALUE CREATION

- Revenue Volatility: Fluctuations in sales and revenue.
- Profitability Challenges: Changes in the market, such as increased competition or pricing pressures, can affect a company's profitability.
- Devaluation of Assets: Market downturns in the market can lead to decreased property values.
- ESG and Long-Term Value Creation should the properties are not environmentally resilient.
- Capital Impacts: Potential long-term impacts on capital.

IMPACT ON CAPITALS

RESPONSE & MITIGATION ACTIONS

- 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
- Closely monitoring property trends in our markets of operation and planning developments that align with current and future demand trends.
- Offering a diverse range of residential and commercial units tailored to different demographics and expectations, while strategically phasing developments according to market conditions and demands.
- Utilising digital initiatives to enhance marketing efficiency to ensure targeted outreach to the appropriate audience.
- Introducing various features on Setia GO such as property progress tracking and exclusive curated deals to better attract potential purchasers.
- Proactively engaging our existing purchasers through a variety of events to keep them informed and enthusiastic about their status as a Citizen Setia.
- Setia’s developments integrate ESG principles, incorporate eGreen Living and sustainable building practices across our projects and communities.

OPPORTUNITIES

- Expanding into green and sustainable real estate to align with the growing demand for eco-friendly real estate solutions.
- Catering to changing needs brought about by shifting demographics, such as multigenerational households and assisted living for senior citizens.
- Explore Real Estate Investment Trusts (“REITs”) as a new income stream.
- Embracing technological advancements in our property development and management processes, enhancing our efficiency and empowering us to stay competitive in a rapidly evolving real estate landscape.

Key Risks & Mitigation

COMPETITION RISK

RISK PRIORITY | RISK TREND

DESCRIPTION

Risks arising from intensifying competition with 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.

IMPLICATIONS TO VALUE CREATION

- Reduced Sales and Revenue: Loss of market share which directly impacts our overall value as a company.
- Increased Customer Acquisition Costs: Heightened competition may lead to increased competition which then may impact the overall value of each property buyer.
- Price Wars: Fierce competition may lead to aggressive pricing strategies can emerge as companies fiercely compete and attempt to undercut each other.

IMPACT ON CAPITALS

RESPONSE & MITIGATION ACTIONS

- Continuously monitoring the competitive landscape and analysing our competitors’ strategies.
- Conducting market intelligence surveys to gain insights into market requirements and understand market needs.
- Aligning our product offerings according to market trends and demand utilising creative marketing approaches that align with economic conditions and market demands, including hybrid property launches and interesting offerings, rewards and convenience placed in our Setia GO mobile application.
- Continuously maintaining the excellence of our products and services while delivering offerings with a strong value proposition.

OPPORTUNITIES

- Intense competition encourages companies to innovate and differentiate their products or services.
- Intense competition also necessitates a focus on building and strengthening brand equity.
- Intense domestic competition may drive companies to explore international and alternative markets.

DEVELOPMENT & PRODUCT INNOVATION RISK

RISK PRIORITY | RISK TREND

DESCRIPTION

Potential challenges and uncertainties associated with developing high-quality, innovative products and delivering them within set timeframes, market expectations, regulatory restrictions and execution challenges (increase project cost, delays in project completion) to meet the demands and needs of our customers and other stakeholders.

IMPLICATIONS TO VALUE CREATION

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

IMPACT ON CAPITALS

RESPONSE & MITIGATION ACTIONS

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

OPPORTUNITIES

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

Key Risks & Mitigation

PROJECT PLANNING, FEASIBILITY & DEVELOPMENT STRATEGY RISK

RISK PRIORITY  | RISK TREND

DESCRIPTION

Risks relating to our ability to achieve successful implementation of high investment value projects and achieve our targeted quality, product quality and investment return standards and stakeholder's expectations.

IMPLICATIONS TO VALUE CREATION

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

IMPACT ON CAPITALS

RESPONSE & MITIGATION ACTIONS

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

OPPORTUNITIES

- Embracing new technologies and innovative practices to boost project efficiency, reduce costs and gain competitive advantages.
- Streamlining internal processes to improve organisational efficiency and set the stage for more successful future projects.
- 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.

IMPLICATIONS TO VALUE CREATION

- Failing to implement sustainable practices may lead to escalated long-term operational and financial costs.
- Non-compliance with environmental regulations may harm our reputation and resilience.
- Ignoring sustainability trends could result in missed market opportunities.
- Environmental risks in our supply chain may disrupt our operations and lead to reputational risks.

IMPACT ON CAPITALS

RESPONSE & MITIGATION ACTIONS

- Establishing a Sustainability Committee ("SC") with Board representation for oversight of our sustainability initiatives.
- Forming a Management Sustainability Community ("MSC") involving Executive Vice Presidents ("EVPs") and C-suite members to ensure alignment of our sustainability implementation and monitoring efforts with our vision and mission.
- Setia's long-term Green Roadmap outlines interim targets of reducing Scope 1 emissions by 45% by 2030 and Scope 2 emissions by 70% by 2040, based on a 2024 baseline.
- Development of a centralised data collection system for sustainability data designed to gather, organise, and manage all sustainability-related metrics and information across Setia.
- Alignment of relevant Setia' ESG KPI to the Green Roadmap to ensure that sustainability initiatives are measurable, actionable, and directly contribute to the roadmap's overarching goals.
- Emphasising the use of green materials in our developments to enhance sustainability while ensuring the structural, functional and financial requirements of product planning and construction are effectively met.

OPPORTUNITIES

- Attracting a broader base of Socially Responsible Investors ("SRIs") due to the increasing preference for environmental, social and governance ("ESG") investments.
- Enhancing our brand reputation and creating a positive brand image by demonstrating leadership in environmental responsibility.
- Bridging the gap in the market by catering to the growing demand for sustainable products and properties.
- Ensuring business continuity and protecting our long-term value by reducing our vulnerability to climate change.

Key Risks & Mitigation

HUMAN CAPITAL MANAGEMENT RISK

RISK PRIORITY  | RISK TREND

DESCRIPTION

Risk relating to the:

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

IMPLICATIONS TO VALUE CREATION

- Operational Impacts: Workflow Disruptions, decreased productivity, and increased error rates.
- Reputational Impacts: Potential impact to brand and reputation due to labor rights violations or high turnover rates.
- Legal and Financial Impacts: Potential fines, legal actions, and financial losses.

IMPACT ON CAPITALS

RESPONSE & MITIGATION ACTIONS

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

OPPORTUNITIES

- Effectively identifying high-potential individuals and fostering their growth through structured development programs.
- Ensuring a skilled and agile workforce to meet evolving business needs.
- Addressing leadership gaps and providing structured career advancement opportunities.
- Upholding a strong track record in compliance and ethical business practices.

CYBER SECURITY RISK

RISK PRIORITY  | RISK TREND

DESCRIPTION

Risk relating to potential data breaches and other malicious activities that can impact the 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.

IMPLICATIONS TO VALUE CREATION

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

IMPACT ON CAPITALS

RESPONSE & MITIGATION ACTIONS

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

OPPORTUNITIES

- Conducting regular risk assessments and cybersecurity health checks to proactively identify and mitigate potential vulnerabilities.
- Conduct regular simulation to ensure the effective of the Disaster Recovery strategy and preparedness for potential disruption.
- 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.
- Investing in advanced security infrastructure and solutions to ensure secure and sustainable integration of cybersecurity into our ecosystems.
- Continuous training for security personnel to ensure they are equipped with the required knowledge and improve the incident response capability.

Key Risks & Mitigation

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.

IMPLICATIONS TO VALUE CREATION

- Our ability to meet our financial obligations on time may be compromised.
- Our funding sources may become unavailable or expensive.
- Our revenue and competitiveness may be negatively affected.
- Our ability to adapt and thrive in dynamic environments requiring investments may be affected.
- Investor confidence may be eroded.

IMPACT ON CAPITALS



RESPONSE & MITIGATION ACTIONS

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

OPPORTUNITIES

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

POLITICAL AND REGULATORY RISK

RISK PRIORITY  | RISK TREND

DESCRIPTION

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

IMPLICATIONS TO VALUE CREATION

- Political and regulatory uncertainty hampers long-term planning, posing challenges in creating and delivering sustainable value.
- Higher compliance costs can diminish profitability, impeding our ability to generate optimal value for shareholders.
- 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 & MITIGATION ACTIONS

- Regularly monitoring political and regulatory developments at local, national and international levels.
- Annually reviewing our business plans to ensure compliance with new regulations.
- Maintaining ongoing communication with all stakeholders regarding changes in regulations and our corresponding actions in response to these changes.
- Fostering strong relationships with government officials, policymakers and regulatory authorities.
- Work with local partners and developer's association who understand the regulatory environment and can help navigate complexities.
- Investing in legal expertise to ensure full compliance with existing regulations.

OPPORTUNITIES

- Monitoring political and regulatory landscapes to anticipate changes and adapt our strategies accordingly.
- Establishing positive relationships with regulatory bodies to foster opportunities for dialogue and a better understanding of upcoming regulatory changes.
- Compliance with regulations often drives innovation and open market opportunities.
- Embracing responsible and ethical business practices.
- Aligning with ESG initiatives while adding enhanced value to our products.

Key Risks & Mitigation

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.

IMPLICATIONS TO VALUE CREATION

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

IMPACT ON CAPITALS



RESPONSE & MITIGATION ACTIONS

- Outlining clear health and safety policies and procedures for S P Setia including on-going inspection at workplaces.
- Consistently fostering awareness of health and safety through training sessions and awareness programmes.
- Continuously adopting safer construction methods and ensured contractors were well-versed in current best practices and new regulations and requirements.
- 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).

OPPORTUNITIES

- Remained up-to-date with local, national and international health and safety regulations.
- Proactively identified and mitigated potential risks to prevent accidents and incidents.
- Aligned our health and safety practices with our environmental sustainability efforts.

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.

IMPLICATIONS TO VALUE CREATION

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

IMPACT ON CAPITALS



RESPONSE & MITIGATION ACTIONS

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

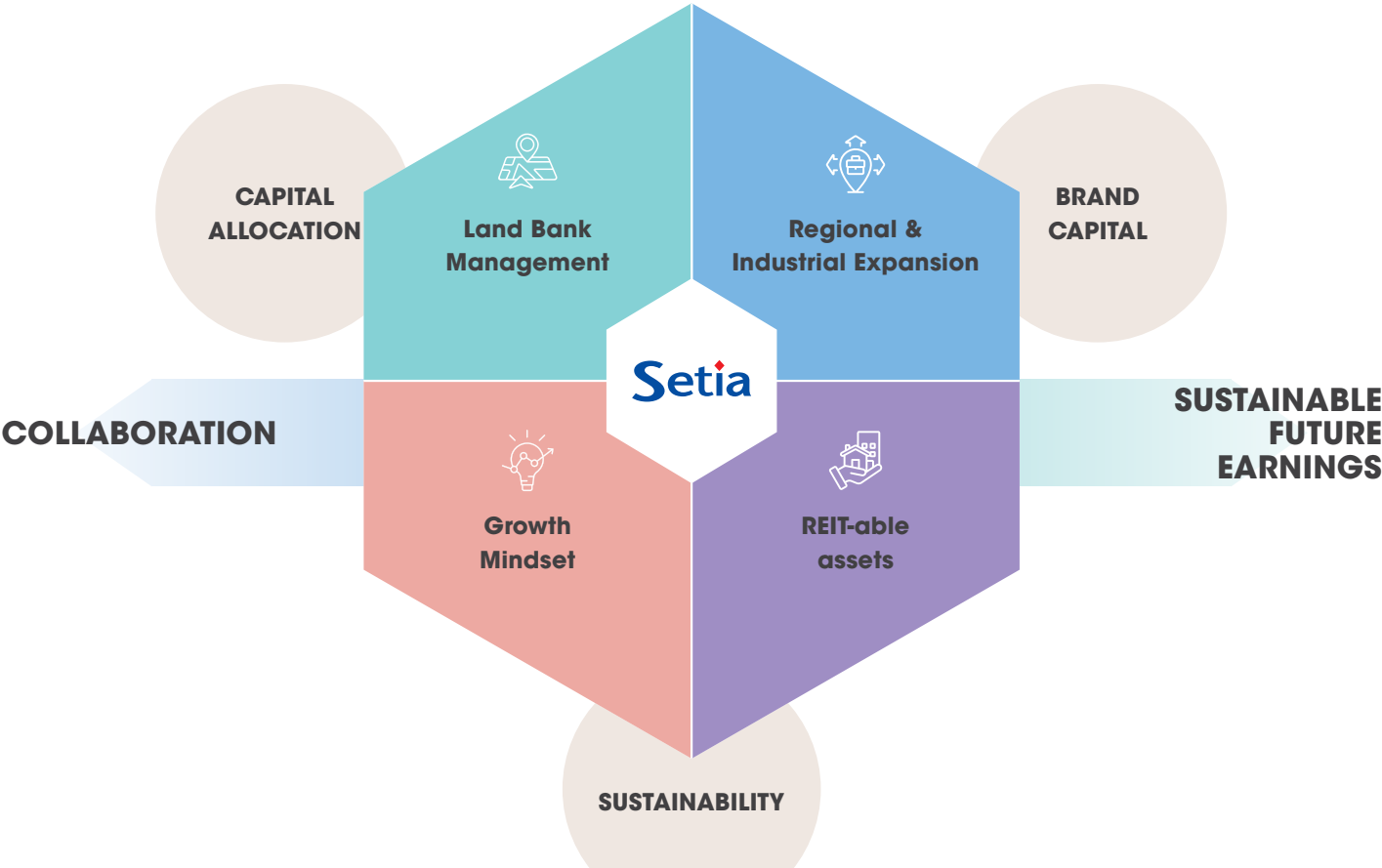
OPPORTUNITIES

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

# Our Strategic Roadmap

In striving towards our goal of being the leader in developing sustainable communities and pioneering innovative lifestyles, our efforts are guided by four strategic pillars: land bank management, regional growth, industrial expansion and unlocking the value of our investment property assets via a potential Real Estate Investment Trust (“REIT”).

This cohesive strategic framework serves to optimise our capital allocation, enhance brand capital and reinforce our commitment to sustainability. The framework is further underpinned by an active pursuit of digitalisation and innovation, which has been identified as a key enabler for achieving our objectives.



STRATEGIC OBJECTIVES

**Capital Allocation**

Effective capital allocation holds paramount importance for S P Setia, as efficient deployment of financial resources has a substantial impact on our growth and profitability. Our well-executed capital allocation strategy ensures that we utilise resources in alignment with our strategic priorities, enhancing shareholder value and nurturing long-term organisational success.

**Brand Capital**

In our commitment to creating sustainable communities that “livelearnworkplay” together, we are intensifying our efforts to accelerate the development of sustainable townships. This objective aims to enrich the lifestyles of our communities as we enhance our brand capital and customer loyalty.

**Sustainability**

We have adopted a holistic approach that strategically integrates our sustainability goals into our business practices, while consistently reviewing our initiatives to respond effectively to change. Our overarching goal is to create sustainable value for all stakeholders and generate a long-lasting positive impact for both people and the planet.

KEY ENabler

**Digitisation & Innovation**

Recognising digitisation and innovation as a key enabler for our continued success, we are focused on optimising online marketing, spearheading data-driven strategies, advancing operational excellence, fortifying cybersecurity and elevating homebuyer experiences through the application of innovative digital tools and technologies.

# Strategic Performance Review

## Land Bank Management

We currently hold 5,451 acres of land banks with a gross remaining GDV of RM128.59 billion as of 31 December 2024, positioning us for robust revenue generation potential for the future.

Through consistent and rigorous reviews, we focus on optimisation and rationalisation efforts to maximise the efficient use of our land banks by:

- Identifying non-core undeveloped land banks for value creation.
- Accelerating developments and unlocking value through self-development and/or strategic partnerships with suitable parties of synergy.
- Enabling cash flow opportunities for de-gearing and capital recycling
- Investing in projects for optimal returns.
- Engaging in catalytic development potential projects with other industry players to deliver sustainable long-term value to the greater community.

### FOCUS IN 2025

- Delivering quality homes and real estate properties to meet market demand in our townships and residential enclaves.
- Maintaining our brand as a major integrated property developer in city areas, Setia Federal Hill projects in Bangsar, Kuala Lumpur.
- Seeking high-value potential buyers and exploring opportunities for land and collaboration with future business partners.

### ACHIEVEMENTS IN 2024

- S P Setia successfully monetised land assets worth **RM926 million**, optimising its land bank and enhancing financial flexibility.
- Key Transactions:
  - Taman Pelangi – RM167 million
  - Taman Pelangi Indah 2 – RM564 million
  - Pelangi Junction – RM157 million
  - Sungai Nibong – RM38 million

## INDUSTRIAL EXPANSION

Our entry into the eco-industrial sector marks a strategic diversification for S P Setia, tapping into the promising growth prospects within the industrial sector. This move is well-aligned with the Malaysian government’s NIMP 2030 and NETR, which is expected to catalyse increased domestic and foreign direct investment activity in the country.

The aim of our eco-industrial parks is to foster an ecosystem consisting of companies across the logistics and manufacturing industries spectrum. To date, we have identified over 900 acres of potential land banks for our eco-industrial parks, with an estimated total GDV of approximately RM6 billion.

### FOCUS IN 2025

- Obtaining approval for the rezoning of Setia Alaman Industrial Park from residential and commercial (mixed development) to industrial.
- Identifying and engaging potential strategic partners with a proven track record and strong financial capabilities to co-develop our industrial parks.
- Identifying and engaging potential buyers for the sale of industrial plots.

### ACHIEVEMENTS IN 2024

- Established an industrial park strategy with a proposed business model involving a combination of land sales and JVs for co-development.

Strategic Performance Review

REGIONAL GROWTH

We are strategically expanding our regional presence, capitalising on promising real estate opportunities and substantial growth potential in Australia and Vietnam.

- In Melbourne, S P Setia has become a recognised household brand. We are now making significant inroads into Sydney through our acquisition of a 1,374 sq m (14,790 sq ft) land site in St Leonards.
- In Vietnam, we have established our presence in the property market through two development projects – the EcoLakes eco-themed township and the EcoXuan boutique strata development, both located near Ho Chi Minh City.

ACHIEVEMENTS IN 2024

- Successfully launched **ATLAS Melbourne**, a 73-storey mixed-use development strategically located in Melbourne’s Central Business District (CBD), further solidifying S P Setia’s global footprint.

For more information, please refer to <https://atlasmelb.com/>

FOCUS IN 2025

- Exploring further opportunities for land acquisition, particularly within the Melbourne vicinity.
- Reinforcing S P Setia branding in Ho Chi Minh City via digital marketing.
- Focusing on launching catalytic commercial components in our Vietnam projects.

STRENGTHENING INVESTMENT PROPERTIES

We possess a diverse portfolio of investment property assets, encompassing various building types such as office buildings (Mercu 2), educational facilities (Tenby Schools), retail spaces (Setia City Mall, Ecohill Walk Mall and INC KL Eco City Mall), hotels (Amari Kuala Lumpur and Amari SPICE Penang) and convention centres (Setia City Convention Centre and Setia SPICE Convention Centre).

The reinforcement of our investment property portfolio underscores our diversification strategy, enabling us to enhance our recurring income streams. This strategic approach also creates the potential for S P Setia to sell investment properties to a REIT in the future, providing a ready exit platform to realise gains and recycle capital for long-term sustainability.

ACHIEVEMENTS IN 2024

- S P Setia is actively evaluating the establishment of a **Real Estate Investment Trust (REIT)** as part of its strategy to unlock asset value and generate sustainable income streams.
- The company remains focused on **developing stable and recurring revenue streams**, ensuring long-term financial resilience and diversification beyond traditional property development.

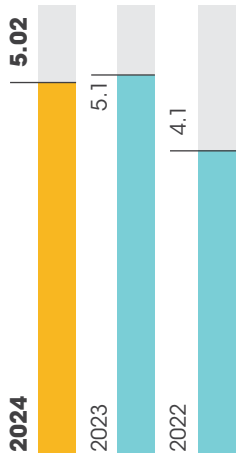
FOCUS IN 2025

- Focusing on the optimisation of Net Property Income (“NPI”) yields for our respective investment property segments through the securing of a good tenant mix.

Key Indicators

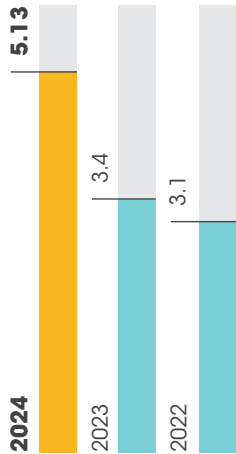
FINANCIAL INDICATORS

Sales Achieved (RM billion) \*



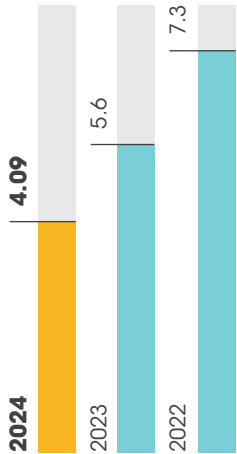
Property development and land sales directly contribute to our revenue generation. By monitoring and analysing our sales performance, we can seek opportunities to drive improvements to our earnings.

Value of Project Launches (RM billion) \*



Launches of S P Setia’s property products in strategic locations to meet market demand, consequently driving revenue and earnings.

Unbilled Sales (RM billion) \*



Unbilled sales act as an indicator of future sales recognition, underpinning our earnings visibility.

NON-FINANCIAL INDICATORS

Customer Satisfaction Survey (%)



This survey score represents the proportion of S P Setia’s homebuyers who would recommend purchasing S P Setia properties to friends and relatives. It reflects the reliability of our products and ability to nurture customer loyalty.

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



Training is aimed at improving employee capabilities, driving organisational performance, accelerating productivity and bringing us closer to our performance goals.

Health, Safety & Environment (“HSE”) Inspection Score (%)



To drive continuous improvement in our HSE performance, we have established the HSE Inspection Score, a monthly score issued to each respective project across S P Setia.

\* as of December 2024

# Group Financial Review

## 5-YEAR FINANCIAL SUMMARY

In accordance with the approved accounting standards, S P Setia 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 S P Setia. 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 and profits streams to S P Setia in FY2022 and FY2023. Sapphire by the Gardens was successfully completed with hand overs mostly in FY2022 and spilling into FY2023. UNO Melbourne was fully completed in September 2023 with units progressively handed over to UNO buyers commencing from end of FY2022 and is substantially sold by 2024 year end.

In the UK, S P Setia which has 40% interest in the redevelopment of the Battersea Power Station (“BPS”) also delivered the completion of Phase 2, Phase 3A and the latest being Phase 3B. In Year 2021, the residential and commercial properties under Phase 2 were gradually handed over from May 2021 onwards to the unit owners. For Phase 3A, the residential units were progressively handed over to all home buyers from year 2022. In November 2023, S P Setia commenced handing over of residential properties under Phase 3B to the buyers. Phase 3B residential sales has continued to gain good traction in FY2024. 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. S P Setia does not consolidate the revenue of BPS as it is a jointly controlled-entity but the results will be equity accounted into S P Setia’s results.

In Singapore, we embarked on our third development project which is known as Daintree in Year 2017. The remaining profit contribution from this project in FY2023 is minimal after the vacant possession of the units were handed over to the owners in Dec 2022. Following the completion of Daintree, the scale of operations in Singapore is relatively lower in FY2024.

Malaysia remains S P Setia’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 development achievement profile of the portfolio of projects at work.

For FY2020, the global outbreak of COVID-19 pandemic had posed unprecedented disruption to the operations of S P Setia in the property development, retail malls and construction sectors both in Malaysia and overseas. As a result, certain old completed stocks in Johor Bahru were written down by RM140 million as an integral part of a repricing exercise to clear old stocks. Similarly, S P Setia also shared an impairment of inventories recognised by BPS, i.e. RM336 million (representing 40% of S P Setia share) in 2020. Excluding the aforesaid impairment provisions, S P Setia would have a positive contribution in FY2020.

Due to the emerging variants of the COVID-19 viruses, further targeted lockdowns were sporadically imposed in FY2021 thus hindering the full recovery of the economy. The recovery rates of our business segments were varied due to the different adaptations and compliance requirements imposed by the authorities for different economic sectors. Against the challenges, S P Setia finished the FY2021 commendably by achieving a profit before tax that is as good as the pre-covid performance in FY2019.

# Group Financial Review

FY2022 was another challenging year for the property sector as the eruption of Russian-Ukraine war resulted in the 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 labours 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, S P Setia is able to deliver another set of improved financial results in FY2022 as compared to preceding year.

In FY2023, S P Setia further reduced our borrowings by RM1.30 billion bringing down the gearing ratio to 0.49x from 0.57x in FY2022. Despite the challenges of interest rates hikes and foreign exchange rate volatilities, S P Setia managed to

achieve a set of financial results for FY2023 that is close to that achieved in FY2022. S P Setia successfully navigated these challenges by divesting a few parcels of non-strategic lands and pursued cost optimization initiatives.

FY2024 was a record year for S P Setia with revenue and profit at new highs over the past 5-year period. S P Setia recorded revenue and profit attributable to shareholders at RM5.3 billion and RM576 million respectively on the back of a few major land sales and the robust performance of the development business supported by 42 ongoing projects. Consequently, S P Setia’s net gearing ratio 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 S P Setia on a stronger financial footing.

PROFIT BEFORE TAX  
**RM1,122 million**  
2023: RM656 million  
**+71%**



5-Year Group Financial Summary

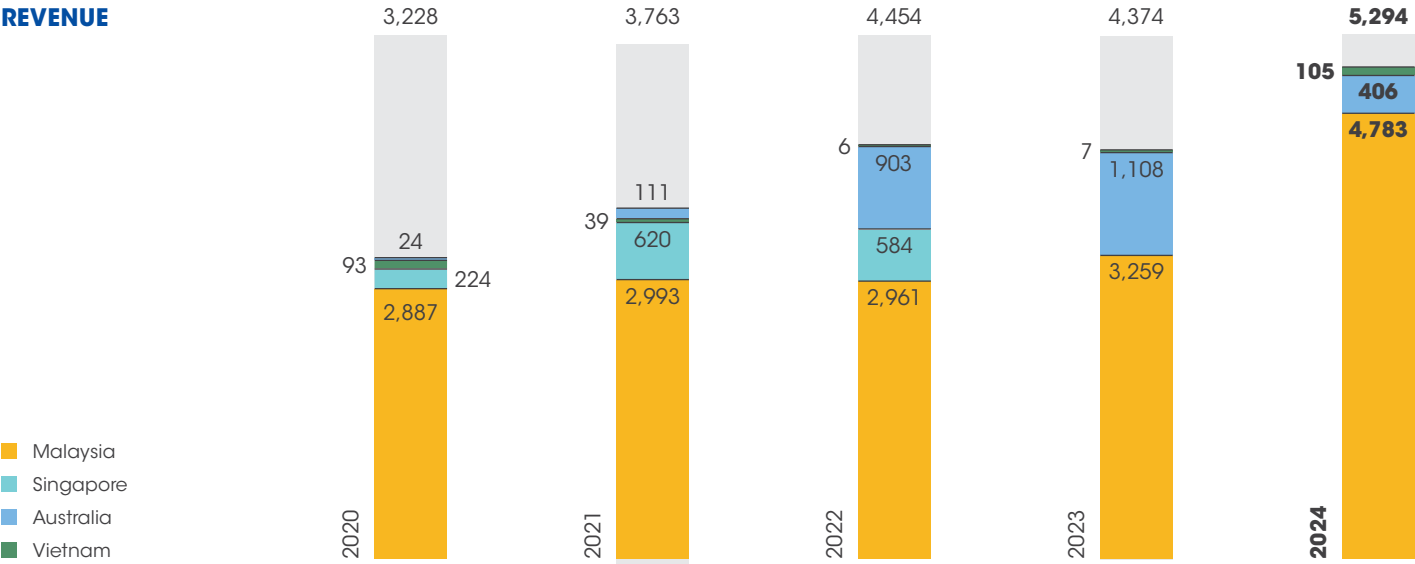
	← As per respective years' audited financial statements →				
	31 December 2020	31 December 2021	31 December 2022	31 December 2023	31 December 2024
Revenue	3,228	3,763	4,454	4,374	5,294
Gross Profit	657	1,007	1,065	1,341	1,801
Profit Before Tax - Before significant impairment provisions	319	542	580	656	1,149
Significant impairment:					
- write-down in inventories	(140)	-	(16)	-	(27)
- 40% share of inventories impairment at Battersea Power Station	(336)	-	-	-	-
Profit Before Tax - After significant impairment provisions	(157)	542	564	656	1,122
Profit After Tax	(245)	347	364	357	631
Profit Attributable to Owners of the Company	(321)	284	308	299	576
Share Capital	8,468	8,490	8,500	8,723	9,238
Share Capital - RCPS-i A	1,087	1,087	1,087	1,087	1,087
Share Capital - RCPS-i B	1,035	1,035	-	-	-
Share Capital - RCPS-i C	-	-	937	719	203
Equity Attributable to Owners of the Company	13,922	14,176	14,083	14,450	14,614
Total Assets Employed	30,381	31,184	29,819	29,006	27,604
Total Net Tangible Assets	15,327	15,618	15,333	15,648	15,828
Earnings Per Share (sen)	(11.2)	3.7	3.6	4.8	10.2
Dividend Per Share (sen)	-	0.65	1.47	1.34	2.88
Net Assets Per Share Attributable to Owners of the Company (RM)	2.91	2.96	2.96	2.90	2.66
Return on equity (%)	(2.3)	2.0	2.2	2.1	3.9
Net gearing ratio (times)	0.59	0.61	0.57	0.49	0.35
Dividend payout ratio (%)*	#	55.7	64.0	58.1	39.7
Share Price – High (RM)	1.56	1.72	1.42	1.06	1.80
– Low (RM)	0.55	0.85	0.41	0.51	0.79

\* Total RCPS-i A & B dividends paid out for FY2020 amounted to RM132 million. As FY2020 financial results are in loss position, hence there is no dividend payout ratio computed.

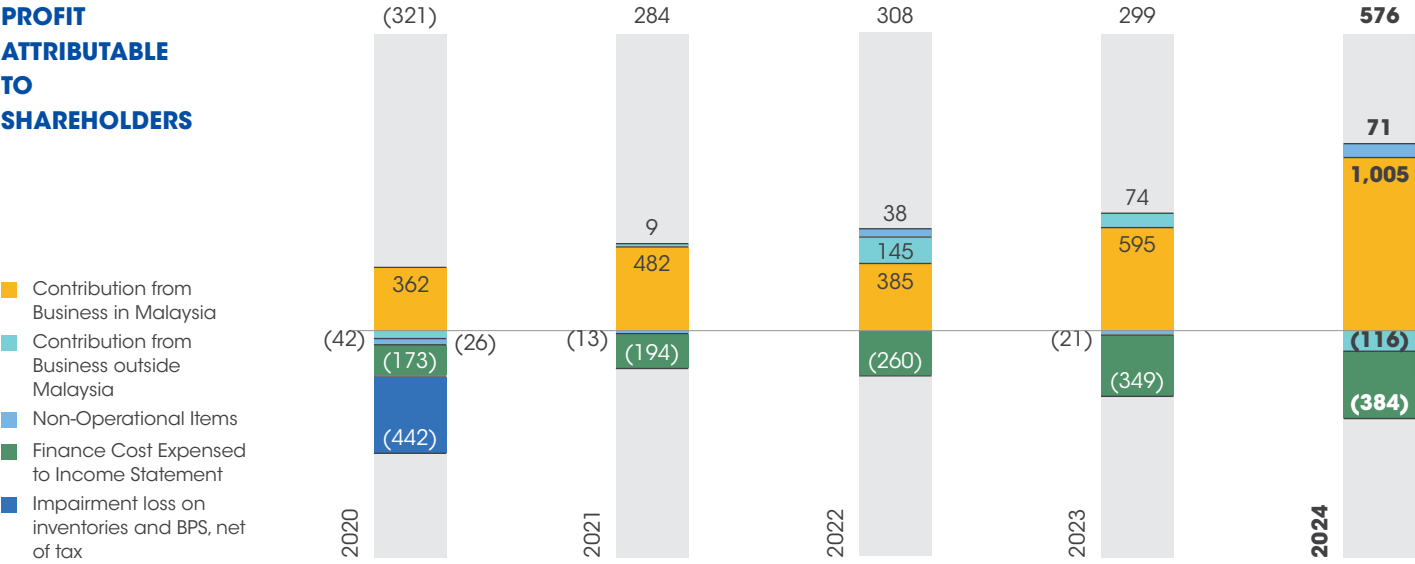
\* Inclusive of RCPS-i A, B & C dividend.

5-Year Group Financial Highlights

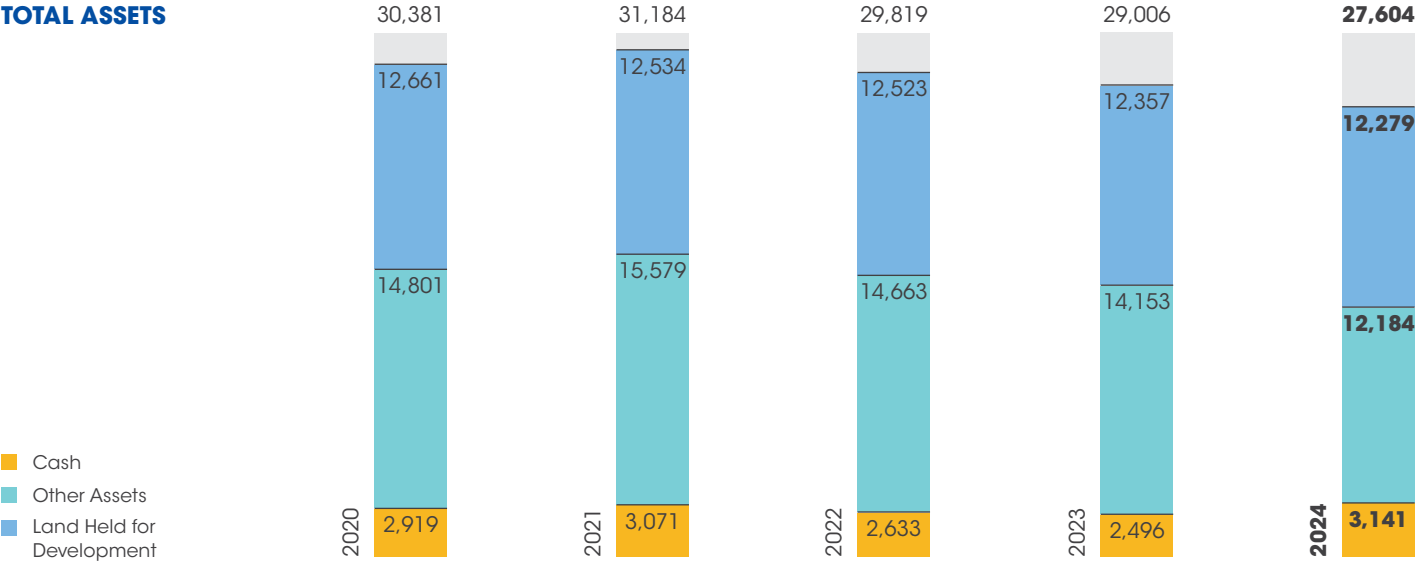
REVENUE



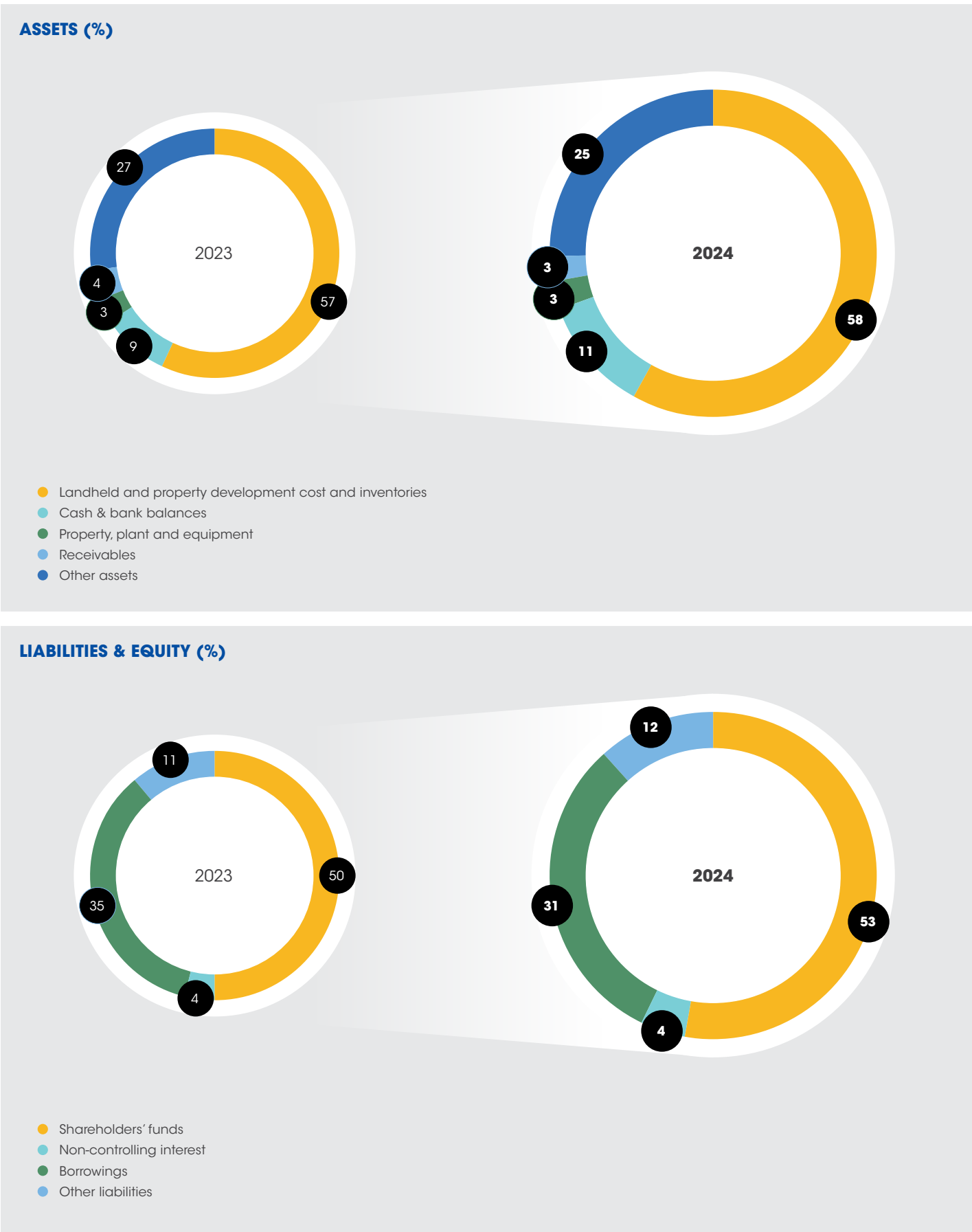
PROFIT ATTRIBUTABLE TO SHAREHOLDERS



TOTAL ASSETS



# Simplified Group Statements of Financial Position



# Quarterly Segmental Performance

## FINANCIAL RESULTS

RM' million	1Q FY2024 31-Mar-24	2Q FY2024 30-Jun-24	3Q FY2024 30-Sep-24	4Q FY2024 31-Dec-24	FY2024 Total
Revenue	1,476	1,495	1,259	1,064	5,294
Operating profit	279	597	339	349	1,564
Share of results from joint ventures & associates	(17)	(93)	(52)	35	(126)
Other gains/(losses)	6	47	19	(4)	68
Profit before interest and tax	268	551	307	380	1,506
Profit before taxation	181	467	205	269	1,122
Profit after taxation	94	310	116	111	631
Profit attributable to owners of the Company	77	295	100	104	576

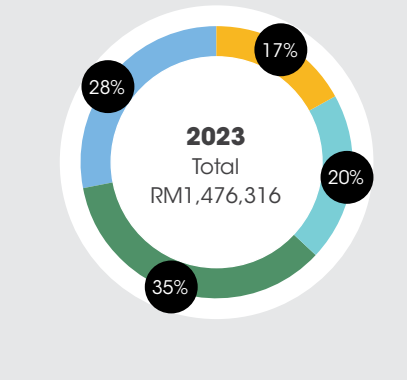
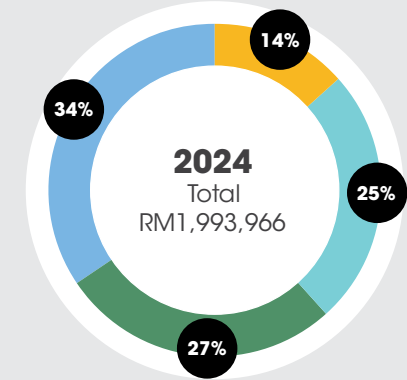
## SEGMENTAL RESULTS

RM' thousand	1Q FY2024 31-Mar-24	2Q FY2024 30-Jun-24	3Q FY2024 30-Sep-24	4Q FY2024 31-Dec-24	FY2024 Total
Revenue					
Property Development	1,407,173	1,426,299	1,193,526	999,995	5,026,993
Construction, Investment Holding & Others	68,777	68,263	65,278	64,257	266,575
Total	1,475,950	1,494,562	1,258,804	1,064,252	5,293,568
Profit/(loss) before tax					
Property Development	180,774	426,098	192,935	265,393	1,065,200
Construction, Investment Holding & Others	422	40,731	12,405	3,166	56,724
Total	181,196	466,829	205,340	268,559	1,121,924

# 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	FY2023 RM'000	FY2024 RM'000
<b>VALUE ADDED:</b>		
Revenue	4,373,642	<b>5,293,568</b>
Purchase of goods and services	(3,100,473)	<b>(3,551,511)</b>
Value added by the Group	1,273,169	<b>1,742,057</b>
Other income	249,442	<b>378,124</b>
Share of result of associates	37,273	<b>55,079</b>
Share of result of joint ventures	(83,568)	<b>(181,294)</b>
<b>Total value added available for distribution</b>	<b>1,476,316</b>	<b>1,993,966</b>
<b>DISTRIBUTION:</b>		
To employees		
– Salaries and other staff costs	253,131	<b>269,438</b>
To government & society		
– Income Tax	298,606	<b>491,248</b>
– Zakat & Donation	3,502	<b>7,190</b>
To provider of capital		
– finance cost	349,080	<b>384,142</b>
– dividend	161,364	<b>156,462</b>
Retained for future reinvestment & growth		
– depreciation & amortisation	53,520	<b>54,810</b>
– retained profits	298,573	<b>575,954</b>
– minority interest	58,540	<b>54,722</b>
<b>Total Distributed</b>	<b>1,476,316</b>	<b>1,993,966</b>
<b>RECONCILIATION:</b>		
Profit for the year	357,113	<b>630,676</b>
Add: Depreciation & amortisation	53,520	<b>54,810</b>
Finance costs	349,080	<b>384,142</b>
Dividend	161,364	<b>156,462</b>
Staff cost	253,131	<b>269,438</b>
Income Tax	298,606	<b>491,248</b>
Zakat & Donation	3,502	<b>7,190</b>
<b>Total Value Added</b>	<b>1,476,316</b>	<b>1,993,966</b>



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

# Financial Calendar



# Business Review

## Malaysia:

# Central Region

Setia Eco Park, Shah Alam, Selangor

Ongoing Projects

19

Undeveloped land bank

3,003 acres

GDV: RM64.39 billion

S P Setia is recognised for its diverse portfolio of award-winning property developments strategically located in prime areas across the Klang Valley, including Shah Alam, Klang, Bangi, Cyberjaya, Bangsar, Cheras, Puchong, Rawang, Semenyih and Salak Tinggi. As of 31 December 2024, S P Setia's gross undeveloped land bank in the Central Region spans 3,003 acres, with an estimated gross development value ("GDV") of approximately RM64.39 billion.



Setia Alamsari, Kajang, Selangor

Business Review

Business Review

THE KEY AREAS THAT COVER THE CENTRAL REGION

Shah Alam & Klang Corridor	Semenyih and Bangi Corridor	KL Eco City, Bandar Kinrara and Others
<ul style="list-style-type: none"><li>Key townships:<ul style="list-style-type: none"><li>Setia Alam</li><li>Setia Alamimpian</li><li>Temasya Glenmarie</li><li>Setia Bayuemas</li><li>Setia Eco Park</li><li>Precinct Arundina</li></ul></li><li>Industrial Park: Setia Alaman Industrial Park</li></ul>	<ul style="list-style-type: none"><li>Townships and residential enclaves:<ul style="list-style-type: none"><li>Setia Eco Hill 1 and 2</li><li>Setia Mayuri</li><li>Setia Alamsari</li></ul></li></ul>	<ul style="list-style-type: none"><li>Eco-themed residential developments:<ul style="list-style-type: none"><li>Setia Eco Glades</li><li>Setia Safiro</li><li>Setia Warisan Tropika</li><li>Setia Eco Templer</li><li>Alam Damai</li><li>Bandar Kinara</li></ul></li><li>Integrated Mixed Development: Setia KL Eco City</li></ul>

BUSINESS PERFORMANCE REVIEW 2024 KEY FOCUS AREAS

Key Initiatives

Accelerated Developments	Key Investments
<ul style="list-style-type: none"><li>Offered a diverse product mix across townships to meet customers’ needs from various market segments.</li><li>Maintained flexibility in managing launches to align with market conditions.</li><li>Focused on offering landed residential homes and commercial shop offices.</li></ul>	<ul style="list-style-type: none"><li>KL Eco City<ul style="list-style-type: none"><li>Maximised the value of ViiA Residences</li><li>Optimised performance across integrated developments.</li></ul></li><li>Setia Federal Hill<ul style="list-style-type: none"><li>Engaged proactively with strategic investors</li><li>Explored opportunities with domestic and international developers as well as institutional investors.</li></ul></li></ul>
Diversified Portfolio Expansion	Land Bank Management & Value Unlocked
<ul style="list-style-type: none"><li>Transformed 399 acres into a eco-industrial park with a GDV of RM3.09 billion.</li><li>Enhanced recurring income by optimising investment portfolio performance.</li><li>Progressed with the development of an ambulatory care centre at Setia City, Setia Alam.</li></ul>	<ul style="list-style-type: none"><li>Strategically categorised S P Setia’s land bank into core and collaborative segments.</li><li>Unlocked value through the management of non-core land assets.</li><li>Fostered growth by attracting potential buyers and investors to Setia enterprise land through strategic collaborations.</li></ul>

Achievements

<p>The Central Region recorded an impressive total sales of <b>RM2.10 billion</b> in 2024, contributing significantly to the overall sales performance of the company.</p> <p>Top-Contributing Projects:</p> <ul style="list-style-type: none"><li><b>Setia Alaman</b> led the sales momentum, contributing a remarkable <b>RM467 million</b>.</li><li><b>Bandar Kinrara</b> also demonstrated strong performance, securing <b>RM194 million</b> in sales.</li></ul> <p>The Central Region closed 2024 with <b>unbilled sales</b> amounting to <b>RM2.81 billion</b>, ensuring a strong revenue pipeline and sustained future earnings.</p>
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CHALLENGES AND MITIGATING ACTIONS

Challenges	Mitigating Actions
<ul style="list-style-type: none"><li>Faced with decline in profit margin and financial returns due to a 20% to 30% surge in construction costs, compared to pre-pandemic levels.</li><li>Encountered delays in land bank development, potentially impacting future profitability.</li><li>Managed slow-moving inventories.</li><li>Accelerated delivery of commercial amenities and infrastructure development in select townships.</li></ul>	<ul style="list-style-type: none"><li>Implementing pricing strategies to safeguard margins by leveraging our strong brand and reputation for quality.</li><li>Rezoning ‘non-residential’ land to ‘residential’ to unlock development opportunities.</li><li>Introducing the L.E.A.P. programme, allowing potential and current tenants to lease with an option to purchase.</li><li>Employing placemaking strategies to accelerate commercial development and attract increased traffic to townships.</li></ul>

OUTLOOK AND PROSPECTS

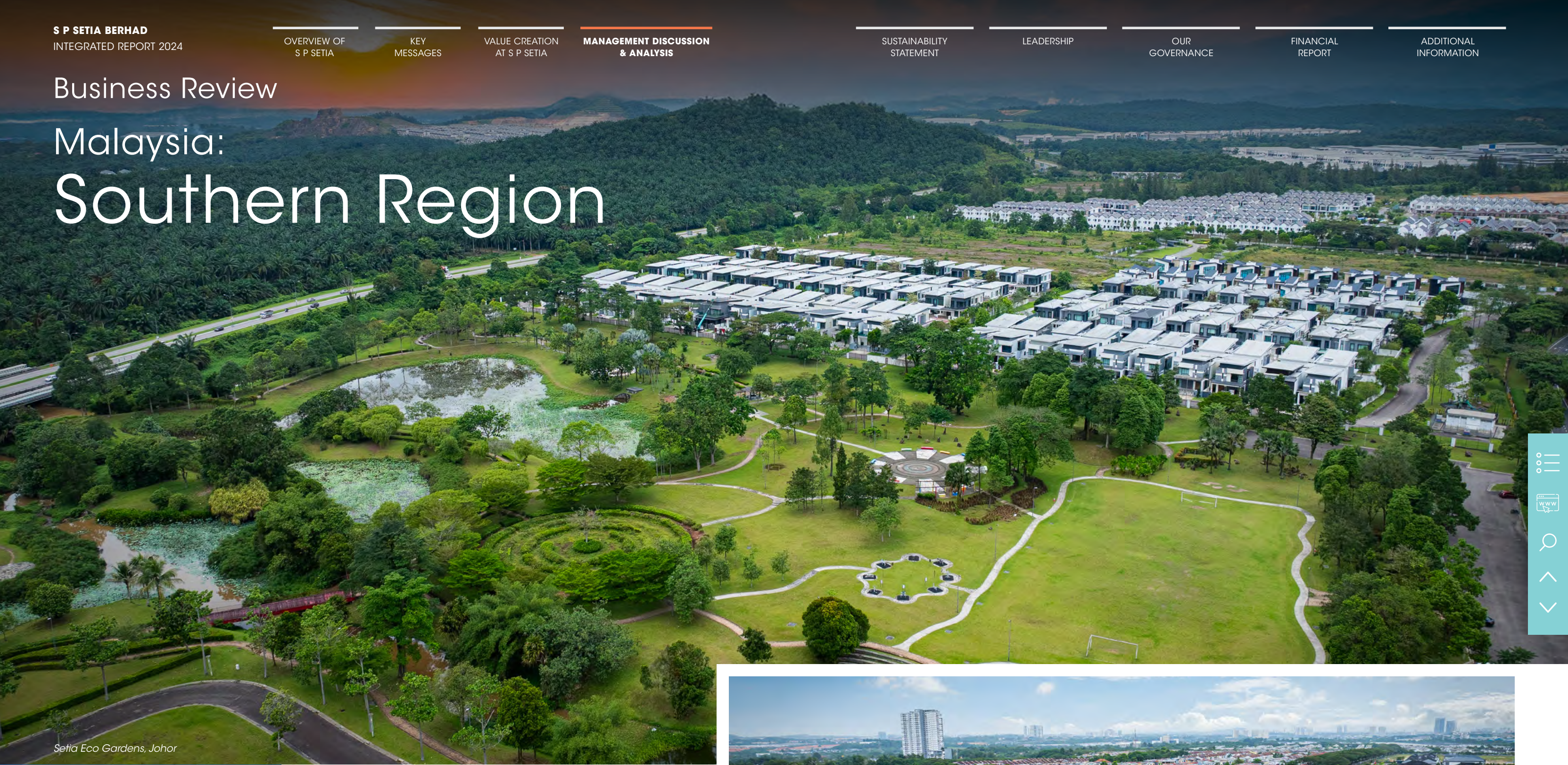
Malaysia’s residential property market is expected to experience steady growth, amplified by post-pandemic recovery and government initiatives to improve homeownership and address affordability concerns. Against this backdrop, we expect resilient demand for diverse housing options in the Central Region and will maintain a flexible approach to new launches.

Based on market trends identified by CBRE WTW, we will expand our Setia eGreenLiving portfolio in the Klang Valley, integrating highly sought-after sustainable features such as solar water heating, rainwater harvesting and EV port-readiness. For Setia’s eco-industrial parks, particularly Setia Alaman, we will focus on a combination of land sale and joint-venture developments, as this will attract diverse investors and unlock new income streams.



# Business Review

## Malaysia: Southern Region



Setia Eco Gardens, Johor

Ongoing Projects

12

Undeveloped land bank

1,120 acres

Gdv: RM10.42 billion

S P Setia’s presence in the Southern Region is focused on the capital of Johor, Johor Bahru and Iskandar Malaysia, a key development corridor poised to become a global hub for business and innovation. With upcoming projects such as the Johor-Singapore Rapid Transit System (“RTS”) Link, the development of Special Economic Zone, the KL-Singapore High Speed Rail integrated infrastructure projects and strategic collaborations, the region is primed for rapid economic and infrastructure growth. As of 31 December 2024, our remaining gross undeveloped land banks in the Southern Region amounted to 1,120 acres, with an estimated Gdv of RM10.42 billion.



Setia Tropika, Johor Bahru, Johor

Business Review

THE KEY AREAS THAT COVER 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
- Industrial Park: Tanjung Kupang

BUSINESS PERFORMANCE REVIEW 2024 KEY FOCUS AREAS

Key Initiatives

Accelerated Developments

- Offered a diverse product mix across townships to meet the needs of customers from various market segments.
- Maintained flexibility in managing launches to align with market conditions.
- Focused on offering landed residential homes and commercial shop offices.

Diversified Portfolio Expansion

- Identified 307 acres of land in Tanjung Kupang for eco-Industrial Park development, with a Target Industrial GDV up to **RM9 billion**.

Land Bank Management & Value Unlocked

- Strategically categorised S P Setia's land bank into core and collaborative segments.
- Unlocked value through the management of non-core land assets.
- Fostered growth by attracting potential buyers and investors to Setia enterprise land through strategic collaborations.

Achievements

The Southern Region recorded an impressive **RM1.89 billion** in sales, securing its position as the second-highest revenue contributor within the group.

The successful **monetisation of land in Taman Pelangi Indah 2, Johor**, played a pivotal role in driving profitability and optimising asset value.

The continued success of **Setia Tropika and Setia Indah in Johor Bahru** reflects the company's dedication to developing well-planned, thriving communities that enhance urban living.

CHALLENGES AND MITIGATING ACTIONS

Challenges

- Faced with a decline in profit margin and financial returns due to a 20% to 30% surge in construction costs compared to pre-pandemic levels.

Mitigating Actions

- Implementing pricing strategies to safeguard margins by leveraging our strong brand and reputation for quality.

Business Review

OUTLOOK AND PROSPECTS

The property outlook for Johor shows a positive growth trajectory, driven by robust economic initiatives that will fuel growth. Transformative initiatives such as the Johor-Singapore RTS Link and the Johor-Singapore Special Economic Zone (JS-SEZ) are poised to act as key catalysts, enhancing cross-border connectivity, attracting investments and creating new areas for development.

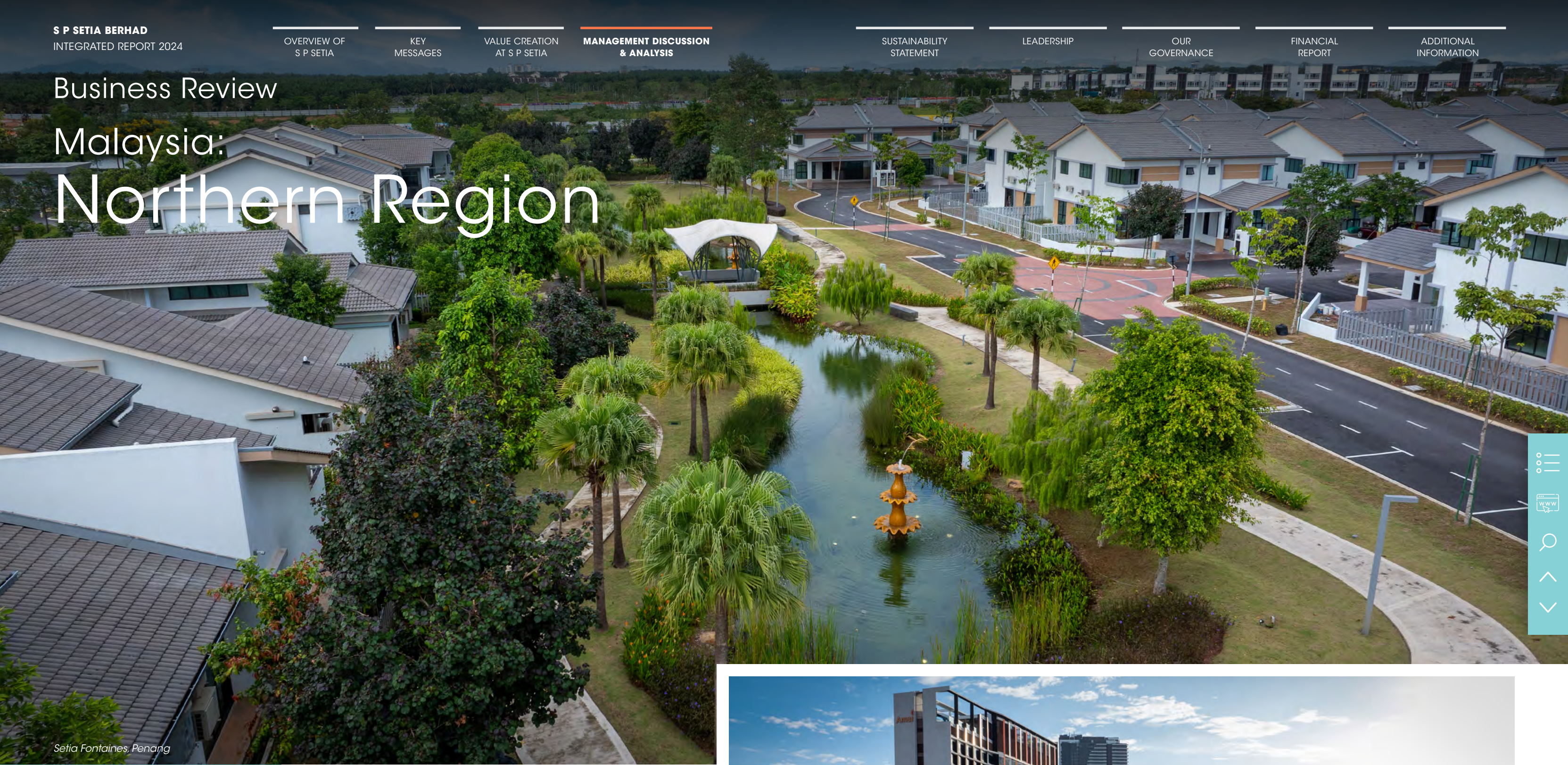
Demand for landed property is expected to remain strong, especially for double-storey terraced houses which continue to dominate the residential market, particularly in high-growth areas such as Iskandar Puteri and Tebrau. Newly launched high-rise properties in Johor Bahru are receiving significant attention—especially from Malaysians commuting to Singapore. This trend is expected to strengthen further with the improved connectivity that the RTS Link will provide.



# Business Review

## Malaysia:

# Northern Region



Setia Fontaines, Penang

Ongoing Projects

5

Undeveloped land bank

1,229 acres

GDV: RM15.66 billion

S P Setia's presence in the Northern Region is anchored on Penang Island, with strategic expansion into Seberang Prai on the mainland through the launch of Setia Fontaines in 2018. The region offers strong growth potential, supported by infrastructure enhancements, economic initiatives and urban expansion. As of 31 December 2024, S P Setia's gross undeveloped land bank in the region stood at 1,229 acres, with an estimated GDV of RM15.66 billion, reinforcing its position as a significant contributor to S P Setia's long-term growth strategy.



Amari SPICE Penang, Bayan Lepas, Penang

Business Review

THE KEY AREAS THAT COVER THE NORTHERN REGION

<b>Penang Island</b> <ul style="list-style-type: none"><li>Key developments:<ul style="list-style-type: none"><li>Pangsapuri Rimbun</li><li>Setia SPICE (convention centre)</li><li>Amari SPICE Penang (hotel)</li><li>Setia Pearl Island</li><li>Setia Sky Vista</li><li>Setia Greens</li><li>Setia Sky Ville</li></ul></li></ul>	<b>Penang Mainland</b> <ul style="list-style-type: none"><li>Key Projects:<ul style="list-style-type: none"><li>Setia Fontaines</li></ul></li><li>Eco-industrial development</li></ul>
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BUSINESS PERFORMANCE REVIEW 2024 KEY FOCUS AREAS

Key Initiatives

<b>Accelerated Developments</b> <ul style="list-style-type: none"><li>Offered a diverse product mix across townships to meet the needs of customers from various market segments.</li><li>Maintained flexibility in managing launches to align with market conditions.</li><li>Focused on offering landed residential homes and commercial shop offices.</li></ul>	<b>Diversified Portfolio Expansion</b> <ul style="list-style-type: none"><li>Optimised performance to enhance recurring income within the investment portfolio.</li><li>Identified at least 300 acres of land in Setia Fontaines, Bertam for a eco-Industrial Park development with a GDV of RM1.68 billion.</li></ul>	<b>Land Bank Management &amp; Value Unlocked</b> <ul style="list-style-type: none"><li>Strategically categorised the Group's land bank into core and collaborative segments.</li><li>Unlocked value through the management of non-core land assets.</li><li>Fostered growth by attracting potential buyers and investors to Setia enterprise land through strategic collaborations.</li></ul>
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Achievements

Achieved <b>RM119 million</b> in sales, reinforcing the company's steady market performance.
Secured <b>RM226 million</b> in unbilled sales, ensuring a strong revenue pipeline and financial stability.
S P Setia is gearing up for exciting new project launches, primarily from <b>Setia Fontaines in Bertam</b> , aiming to capture increasing demand for industrial land in the Northern region.
Demonstrating a strong commitment to industrial property growth, S P Setia is <b>actively expanding its industrial portfolio</b> and fortifying its position in the sector to capitalise on emerging opportunities.

CHALLENGES AND MITIGATING ACTIONS

<b>Challenges</b> <ul style="list-style-type: none"><li>Faced with a decline in profit margin and financial returns due to a 20% to 30% surge in construction costs, compared to pre-pandemic levels.</li><li>Lack of qualified contractors.</li></ul>	<b>Mitigating Actions</b> <ul style="list-style-type: none"><li>Implementing pricing strategies to safeguard margins by leveraging our strong brand and reputation for quality.</li><li>Expanding the contractor pool by inviting firms from other states, including the Klang Valley.</li></ul>
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Business Review

OUTLOOK AND PROSPECTS

Penang's property market outlook for 2025 remains cautiously optimistic, with major infrastructure projects and a thriving industrial sector providing some upside for the residential market. Key developments such as the ongoing Penang Silicon Island reclamation, the Penang Light Rail Transit (LRT) and the expansion of the Penang International Airport are set to play a pivotal role in sustaining the state's growth trajectory. These initiatives are expected to enhance connectivity and drive property values across the region.

Complementing this is the government's focus on promoting affordable housing and encouraging green certifications for new developments, aligning with evolving buyer preferences for sustainable and accessible living options.

As the region undergoes this transformation, we remain focused on capitalising on these market dynamics to strengthen our portfolio, create value and contribute meaningfully to Penang's growth.



Setia Fontaines, Penang

# Business Review

## Malaysia:

# Eastern Region



Aeropod, Kota Kinabalu, Sabah

### Ongoing Project

1

### Undeveloped land bank

44 acres

Gdv: RM3.08 billion

S P Setia's presence in East Malaysia is centred in Kota Kinabalu, Sabah's vibrant capital, with a focus on Aeropod, the city's first and largest fully integrated development. Designed as a transit-oriented development (TOD), Aeropod is positioned next to Kota Kinabalu International Airport (KKIA) and near the Tanjung Aru Railway Station, which connects Tanjung Aru to Tenom along Sabah's west coast. Its prime location not only serves as a gateway to the island of Borneo but also as a business hub given its accessibility and strong connectivity.



Aeropod, Kota Kinabalu, Sabah

Business Review

THE KEY AREAS THAT COVER THE EASTERN REGION

Launched in 2012, Aeorpod is strategically located on 41.8 acres of land next to Kota Kinabalu International Airport (KKIA)KIA and just 5km away from the city. Set across 60 acres of land in Kota Kinabalu, Aeorpod features a mix of boutique retail/offices, small office, versatile office (SOVO), retail lots, a shopping and entertainment mall as well as high-rise residential towers and hotels.

It is close to the Tanjung Aru railway station on the Western Sabah Railway Line, which stretches approximately 134 kilometres from Tanjung Aru on the west coast to Tenom. Aeorpod also enjoys a prominent position on Jalan Kepayan, which links Kota Kinabalu to the southern growth areas.

BUSINESS PERFORMANCE REVIEW 2024 KEY FOCUS AREAS

Key Initiatives

Accelerated Developments

- Carried out targeted sales promotions to accelerate clearing unsold properties within Aeorpod.
- Implemented strategic launches for developments in the Eastern Region, ensuring that offerings are tailored to align with evolving market demand.

Achievements

The Eastern Region contributed **RM25 million** in sales, reinforcing its role in the company’s diverse portfolio.

CHALLENGES AND MITIGATING ACTIONS

Challenges

Mitigating Actions

- Faced with a decline in profit margin and financial returns due to a 20% to 30% surge in construction costs compared to pre-pandemic levels.
- Implementing pricing strategies to safeguard margins by leveraging our strong brand and reputation for quality.



Aeorpod, Kota Kinabalu, Sabah

Business Review

OUTLOOK AND PROSPECTS

Sabah’s property market is anticipated to sustain steady growth, supported by strong domestic consumption, increasing public and private investments and a recovering tourism sector.The residential segment continues to be a key contributor, accounting for a significant share of transaction volume.

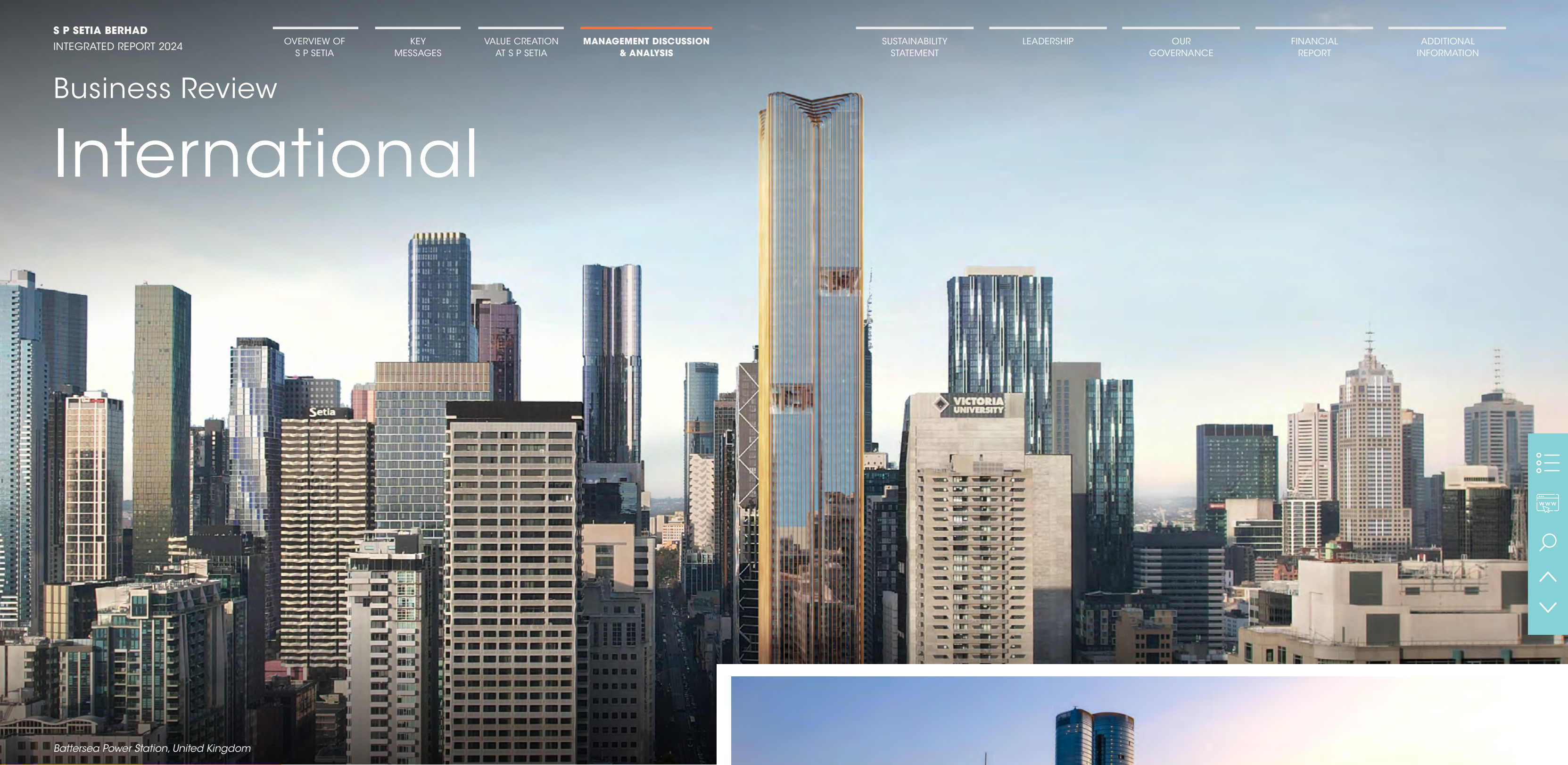
In line with substantial infrastructure investments outlined in the 2025 Budget, including enhancements to water supply, transportation and energy infrastructure, the market is expected to see an uplift property values of up to 10%.This will help elevate median home prices in Sabah and further strengthen the region’s property market.



Aeorpod, Kota Kinabalu, Sabah

Business Review

# International



Battersea Power Station, United Kingdom

Ongoing Projects

5

Undeveloped land bank

56 acres

GDV: RM35.05 billion

S P Setia’s international footprint spans six key markets—Australia, Vietnam, China, Japan, the United Kingdom and Singapore—reflecting a strategic focus on growth and diversification. Australia and Vietnam remain S P Setia’s primary regional growth drivers.

In Australia, S P Setia has established a strong presence in Melbourne, the capital of Victoria and Australia’s second-largest city, while expanding into Sydney with the acquisition of a prime land parcel in the sought-after suburb of St Leonards.

S P Setia has also built a strong presence in Vietnam with two signature developments near Ho Chi Minh City—EcoLakes, an eco-themed township and EcoXuan, a boutique strata project.

In the United Kingdom, our Battersea Power Station development continues to thrive as a premier lifestyle destination, attracting over 26 million visitors since its opening in October 2022. By November and December 2024, footfall had risen 11% year-on-year.



Sapphire by the Gardens, Melbourne, Australia

Business Review

KEY INTERNATIONAL MARKETS

Australia

- Completed Projects
  - Fulton Lane (Melbourne Central Business District “CBD”)
  - Parque (St Kilda)
  - Maison (Carnegie)
  - Marque (Pahran)
  - UNO Melbourne (Melbourne CBD)
  - Sapphire by the Gardens and Shangri-La Hotel (Melbourne CBD)
  - Altas Melbourne
- Upcoming Projects
  - 20 Atchison Street (St Leonards, Sydney)
    - Secured a prime 1,374 sq m (14,790 sq ft) freehold land in September 2023 for AUD73.3 million (RM220 million)
    - Proposed a residential development with secondary commercial and retail use with an estimated GDV of AUD236 million (RM708 million)

Vietnam

- EcoLakes:
  - Developed an urban integrated township inspired by Setia Eco Park in Selangor, Malaysia, showcasing comprehensive planning and design
  - Strategically located on 116 acres in Ben Cat, Binh Duong, approximately 40km north of Ho Chi Minh City
  - Formed a joint venture with the Investment & Industrial Development Joint Stock Corporation (Becamex)
- EcoXuan:
  - Delivered a boutique strata development project
  - Located on 27 acres of land situated in Lai Thieu, 16km north of Ho Chi Minh City

United Kingdom

- Battersea Power Station:
  - Landmark venture backed by a consortium of investors comprising
    - S P Setia Berhad (40%)
    - Sime Darby Property Berhad (40%)
    - Employees’ Provident Fund (EPF) (20%)
  - Excuted a phased development strategy to improve the project’s vibrant mixed-used development
    - Phase 1:
      - Delivered Circus West Village commercial development featuring 753 residential units, fully sold and completed in 2017
    - Phase 2
      - Transformed The Power Station into a vibrant commercial development comprising 254 fully completed residential units
    - Phase 3A
      - Developed Electric Boulevard, a commercial development with over 540 residential units
    - Phase 3B
      - Electric Boulevard office, consisting KOA residential development

BUSINESS PERFORMANCE REVIEW 2024 KEY FOCUS AREAS

Key Initiatives

Accelerated Developments

- Aligned strategic launches in Vietnam with market demand, focusing on townships and residential enclave developments.

Key Investments

- Drive performance optimisation of Battersea Power Station, UK.

Land Bank Management & Value Unlocked

- Leveraged our experience and track record of completed projects to accelerate expansion and land acquisition in Australia.

Achievements

Contributed **RM785 million** in sales, further strengthening the company’s global presence and market leadership.

Secured **RM510 million** in unbilled sales, ensuring a solid revenue pipeline and sustained financial stability.

S P Setia Berhad’s international excellence was underscored by winning the prestigious **Heritage Award at the FIABCI World Prix D’Excellence Awards** for the iconic Battersea Power Station in London, a testament to the company’s commitment to world-class developments.

Successfully launched **ATLAS Melbourne**, an 839-unit high-rise development at 383 La Trobe St in October, reinforcing its footprint in the Australian property market.

CHALLENGES AND MITIGATING ACTIONS

Challenges

- Faced heightened interest rates in foreign markets, potentially softening consumer spend and housing demand.
- Encountered rising raw material costs, which negatively impacted project margins.

Mitigating Actions

- Implementing cost-saving initiatives to offset the effects of elevated financing costs.
- Exercised effective cost control and adopted prudent financial management practices to sustain healthy margins.

OUTLOOK AND PROSPECTS

Australia’s residential market is set for significant growth, driven by the government’s target of delivering 1.2 million new homes over the next five years to address a critical housing shortage. This increase in supply is expected to align with rising demand, fuelled by new residents settling in Melbourne and Sydney.

In Vietnam, the residential sector is poised for expansion, supported by ongoing infrastructure development in Hanoi and Ho Chi Minh City. Research by global real estate services provider Savills indicates these advancements will provide a strong foundation for future residential growth.

In the United Kingdom, the residential market is expected to improve as interest rates ease, benefiting developments like Battersea Power Station, where the upcoming residential phase is set to attract strong demand.



Sustainability Statement



ECONOMIC  
SUSTAINABLE, INNOVATIVE  
AND QUALITY DEVELOPMENT



Solar panel inspection at S P Setia Corporate HQ



As a major property developer with local and international operations, we create substantial value for economies, people and the environment by maximising its impact through responsible management, innovation and consistent quality standards.

Sustainability Statement

ECONOMIC PERFORMANCE

Our property development and related businesses generate economic value through tax contributions, staff wages and benefits, dividends and community investments, creating impact across Malaysia and our international operations.


WHY IT MATTERS

Economic performance is important to S P Setia’s sustainable value creation and market position. It drives growth opportunities, operational efficiency and market competitiveness, enabling shareholder returns and stakeholder value while ensuring our ability to manage economic changes, secure development opportunities and maintain project delivery. Neglecting these aspects could expose S P Setia to risks of financial instability, reduced market competitiveness and limited development capabilities. Furthermore, without proper financial management, we will undoubtedly face challenges in cash flow, investments and operations, thus affecting our ability to compete in product innovation, cost management and talent retention.

To this end, we are committed to maintaining a sound financial strategy and resilience measures to sustain long-term growth, attract investment capital and enhance operational efficiency. This allows us to strengthen stakeholder confidence while ensuring we are ready to tackle market fluctuations and industry evolution that aligns with our sustainable development objectives.

OUR APPROACH

Our approach to economic performance is premised on sound business strategies and strong corporate governance, encompassing a robust risk management system and a zero-tolerance stance against bribery and corruption. Our Anti-Bribery Management System (ABMS) ISO 37001:2016 and Business Continuity Planning (BCP) ensure transparent, ethical operational decisions and business practices while the Enterprise Risk Management (ERM) system enables the implementation of risk management procedures across our financial, operational and strategic functions. Furthermore, the BCP establishes crisis management protocols to enable us to promptly respond to market disruptions.

 For more information on our corporate governance and policies, kindly refer to pages 142 - 150

OUR INITIATIVES

Launched  
**42 phases of projects,**  
comprising 3,073 residential and commercial units with a  
**total gross development value (GDV) of RM 5.13 billion.**

Conducted regular operational cost reviews to  
**identify optimisation opportunities in areas**  
such as process streamlining, supplier contract negotiations and technology-enabled productivity enhancements.

Established continuous improvement programmes to  
**eliminate waste, optimise resource utilisation and enhance construction productivity**  
through systematic efficiency protocols.

**Developed financial roadmaps**  
that align with our corporate objectives, encompassing long-term revenue targets, capital allocation plans and growth objectives to ensure sustainable financial health.

Explored funding diversification for  
**Setia Fontaines’ township through Syndicated Loan**  
arrangements that allow for financial risk distribution and greater flexibility in the loan amount, maturity, repayment schedule and covenants.

Sustainability Statement

OUR RESULTS AND ACHIEVEMENTS

Bolstered by resurgent demand for property in Malaysia, we achieved our target of RM4.4 billion in annual sales for 2024, creating greater value for our stakeholders and the economy. During the past year, we launched 42 phases of projects, comprising 3,073 residential and commercial units, totalling a gross development value ("GDV") of RM5.13 billion.

Direct Economic Value Generated (RM' billion)

	2022	2023	2024
Revenue	4.45	4.37	5.29
Net Profits	0.36	0.35	0.63

Economic Value Distributed (RM' billion)

	2022	2023	2024
Operating Costs	3.38	3.10	3.55
Employee Wages and Benefits	0.21	0.25	0.27
Payments to Providers of Capital	0.45	0.51	0.54
Payments to Government	0.20	0.30	0.50

Note: The data above reflects only our Malaysian operations.

GOING FORWARD

In the future, we aim to strengthen economic performance and operational excellence by maintaining financial stability, optimising cost management and enhancing engagement with minority shareholders. Our strategy includes ensuring sufficient cash reserves, streamlining supply chain efficiencies and upholding transparent financial reporting of performance metrics, strategic initiatives and risk management frameworks. Additionally, we will continue advancing Team Setia awareness programmes and sustainability initiatives, including solar installations, EV infrastructure, digital workflow transformation and corporate governance enhancements to support long-term value creation.



Sustainability Statement

INNOVATION

We are committed to continuous innovation, enhancing our product offerings and service standards through digital technology and efficient cost, time and resource management to maintain our position as a leading property developer and achieve sustainable growth for our stakeholders.

WHY IT MATTERS

A strong, innovation foundation empowers S P Setia drive market growth with breakthrough ideas, exceed customer expectations through forward-thinking solutions, generate value from operational challenges and strengthen our adaptability to changing market conditions. Leveraging innovation enables us to streamline operations, reduce costs and speed up project timelines. Additionally, we can advance our sustainability commitments with responsible developments through innovation, as it allows us to embrace sustainable practices such as incorporating of energy-efficiency designs, smart systems and eco-friendly materials into our buildings, meeting the demand for green buildings and environmental regulations. This will enable us to attract investors, enhance customer experience and ultimately ensure long-term business growth.

Neglecting innovation would impair our ability to address evolving market demands and maintain industry competitiveness, leading to missed opportunities and failure to meet customer demand.

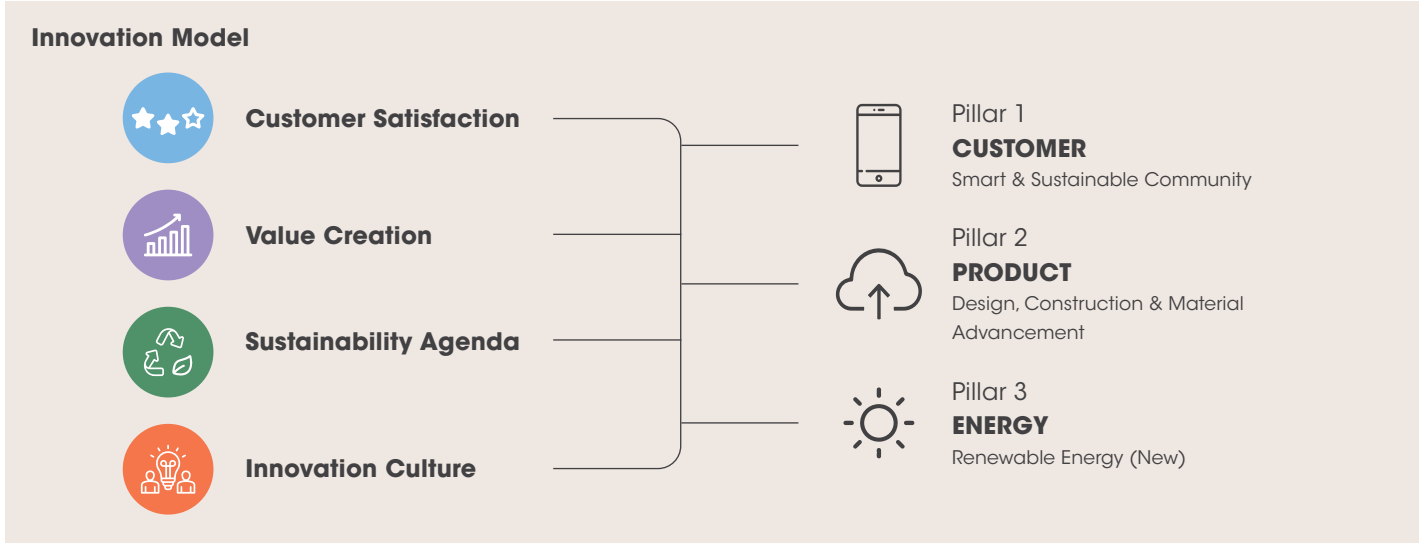
For this reason, we leverage digital solutions to enhance operational efficiency, improve project execution and strengthen our adaptability in the property development sector. This, in turn, allows us to create long-term value, reinforce our industry competitiveness and incorporate sustainable design and practices into our developments.

OUR APPROACH

Our approach to innovation is driven by a strong, innovative culture embedded across all Business Units, ensuring we stay ahead in the industry. From project conception to construction and marketing strategies, we embrace digital transformation by streamlining processes, leveraging advanced digital marketing tools and adopting efficient construction techniques.

We are guided by the S P Setia Green Roadmap, Standard Operating Procedures and Setia eGreenLiving initiatives to advance innovation across our operations. Our Innovation Unit collaborates with our Business Units to develop and implement solutions, fostering continuous innovation throughout S P Setia. Our Digital Sustainability team advances sustainability through digital solutions such as "eDew" for ESG data collection and explores AI, data analytics and IoT for improved environmental monitoring. In the same year, we also created a dedicated Innovation Unit and set Key Performance Indicators (KPIs) to drive Group-wide innovation.

Building on what we have achieved, we enhanced our Innovation Framework and Workstream implementation across S P Setia in 2024, focusing on three strategic pillars - Customer, Product and Energy. Our structured approach encompasses the development of smart, sustainable communities, design advancement and renewable energy initiatives to deliver measurable value creation, a strengthened innovation culture and advancement of our sustainability agenda.



Sustainability Statement

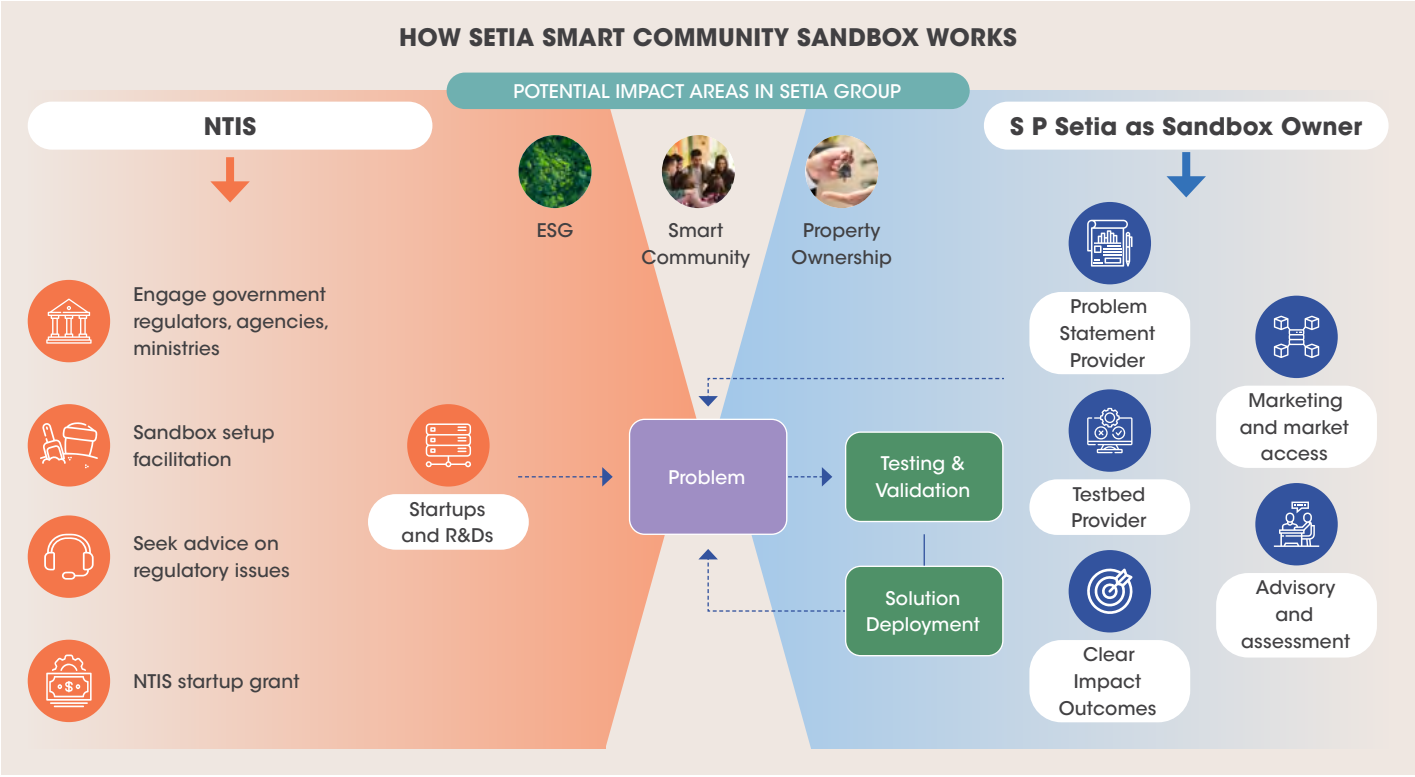
Furthermore, we formed the Tech & Innovation Panel (TIP), a senior executive steering committee to deliver strategic oversight, governance and sponsorship of technological and innovation initiatives aligned with the framework’s objectives and key directives.

TIP is supported by the Group Digital (GD), which collaborates with Subject Matter Experts (SME) in generating and developing innovative concepts for TIP approval. The Technical Excellence Committee (TEC) and Customer Experience Committee (CEC) provide additional innovative solutions by reviewing product offerings, process improvements and service enhancements identified across Business Units. Upon TIP’s approval, the Innovation Team engages directly with Business Units for implementation, ensuring innovations remain actionable and value-generating. Regular assessments conducted by TEC and CEC validate innovation outcomes and strategic alignment with organisational objectives.

OUR INITIATIVES

Setia Smart Community Sandbox

We collaborated with the Malaysian Research Accelerator for Technology & Innovation (MRANTI) and National Technology and Innovation Sandbox (NTIS) to launch the new Setia Smart Community Sandbox to connect and collaborate with startups and technology partners for new sustainable living solutions in the industry. This is done across three key impact areas - ESG performance, smart community development and property ownership enhancement. NTIS provides comprehensive support through government regulatory engagement, sandbox facilitation, regulatory guidance and startup grant allocation.



Sustainability Statement

Pioneered a Holistic Approach to Sustainable Living

Our Smart and Sustainable Developments (SSD) initiative leverages smart technologies to enhance resident well-being, foster community connections, and reduce resource consumption. Overseen by the Setia Technical Excellence Committee, SSD focuses on six key impact areas:

<b>Health</b> Building communities that are surrounded by greenery, water and air features to promote healthy lifestyles.	<b>Community</b> Providing spaces, including clubhouses, where customers can connect and build stronger community bonds.	<b>Safety</b> Prioritising the safety of residents by introducing advanced security technologies including smart locks.
<b>Mobility</b> Introducing key features like public transport access, walkways and quality roads to provide our customers with a variety of transportation options.	<b>Green Energy</b> Enabling residents to reduce their emissions by making our properties solar-ready while supporting the use of electric vehicles (“EV”) through the installation of EV chargers.	<b>Water</b> Integrating natural features, including self cleaning water features and ponds, to bring residents closer to nature and enhance quality of life.




The Parc, Setia EcoHill, Semenyih


Sustainability Statement

Introduced Smart Sustainable Home Features


We integrate innovative urban development concepts into projects by incorporating smart infrastructure such as EV charging stations in our townships and developments. This is demonstrated through our Setia eGreenLiving initiative, which currently has 1,157 units of homes being built across S P Setia Group. The sustainability-focused smart home features in our upcoming developments are:




**Smart Home System**  
A system that enables residents to control multiple switches and power plugs via a mobile app.




**Smart Lock**  
Locks which can be controlled remotely and unlocked using fingerprint scanning, card, password and physical key.




**Solar Panel**  
Pre-installed solar photovoltaic panels for residents to power their homes with renewable energy.




**Solar Switch**  
Infrastructure that enables residents to easily install solar photovoltaic panels and power their homes with renewable energy.




**Rainwater Harvesting System**  
A designated tank to harvest rainwater, connected to an outdoor tap for plant watering, car washing and other purposes.




**EV Port**  
An electrical connector which residents can use to charge their electric vehicle.



**Box 366**  
A drop box that can be used for contactless delivery of food and parcels.



**Air Management System**  
A system to improve ventilation and indoor air quality.



**Green Switch**  
A master switch which residents can use to activate or deactivate all lights instantly.

In 2024, we collaborated with Business Units and Subject Matter Experts (SME) to conduct strategic Proof of Concept (POC) initiatives across identified testbeds. The initiatives include IoT applications, Waste-to-Energy systems, Solar EV charging infrastructure and e-bike mobility programmes, alongside digital transformation initiatives. These initiatives are explored to improve operational efficiency, customer experience excellence, product quality advancement and meeting the carbon emission reduction targets.

Setia City Convention Centre was selected as a POC for installing footfall counting sensors, flood sensors and waste counting sensors to track the number of visitors and measure the amount of general waste thrown into the rubbish bin. The floor sensors gauge the rise of water levels in the Oval Lawn lake and then trigger flood alerts in the Setia Alam area.



Sustainability Statement

We also partnered with startups to launch our enhanced Setia GO digital platform, advancing smart and sustainable community development across our residential portfolios. Setia GO serves as a virtual testbed for innovators, startups and tech enablers, providing a space to co-create, experiment and launch solutions that redefine how communities live and thrive. Using real-world data, it drives smart living, sustainability and community engagement to bring future property technology solutions to life. The platform upgrade introduces advanced functionalities to transform digital residential experiences, creating connected and efficient living environments through integrated innovative solutions, including streamlined daily task management, resident communication systems and comprehensive smart home integration capabilities.

To complement this, we also launched the new Setia GO mobile app on 30 May 2024. This app marks a significant milestone in our journey towards creating smart communities, further enhancing digital connectivity and seamless integration within our developments. Key features of the app include:

01

The app is powered by mPaaS platform, enabling mini-programs and new services to enhance the home-buying journey. This technology integration ensures a reliable and scalable platform. Through partnerships with innovative startups, the app offers a comprehensive range of services, including zero home rental, home solar solutions, pet insurance, childcare services, home warranty and home cleaning services. These collaborations expand the app's ecosystem, delivering value-added services and fostering continuous engagement with homebuyers and potential customers.



02

The app features a next-generation rewards system designed to incentivise user engagement and loyalty.

03

The app includes a digital referral programme to drive digital platform growth and encourage downloads. This feature utilises word-of-mouth marketing to effectively expand our user base.

Additionally, we engaged with the Ministry of Housing and Local Government (KPKT) through roundtable sessions to align development objectives and explore innovative solutions for creating smart, sustainable communities. Building on initiatives from previous years, we have installed 6.6 MWp of solar panels on the roofs of targeted business units, including offices and sales galleries. These panels are currently pending energisation by the relevant authority, which is expected to be completed by mid-2025.

As part of our sustainable home initiative, we utilise sustainable materials for our buildings and these include green-certified materials such as green cement, low Volatile Organic Compound (VOC) paint, fibre cement planks, tiles, metal deck roof and low Visible Light Transmission (VLT) glass. We have also attained green RE certifications for our launched and upcoming projects, Rumma & Rumma 2, ForesTree, Setia Arundina and Setia Federal Hills.

**Improved Customer Service**  
We launched the Customer Experience Centre Plus (CEC+) in 2023 to enhance our customer service standards. This platform consolidates customer data from multiple systems, enabling real-time visibility of customer enquiries and faster response times by our Setia Ambassadors.

Building on the achievements of CEC+ in 2023, we have made considerable progress in 2024 by expanding its capabilities across the Group. This enhancement has strengthened our ability to provide proactive customer support while reducing our environmental impact.

Additionally, our Setia Ambassadors have completed advanced training programmes in sustainability and digital proficiency, equipping them to deliver excellent service while promoting environmentally responsible practices. These efforts have contributed to a measurable reduction in our carbon footprint and resource consumption. The enhancements to CEC+ in 2024 have not only improved our customer service delivery but have also advanced our sustainability goals, reflecting our commitment to creating a more sustainable future for all stakeholders.

Sustainability Statement

Implemented Comprehensive Quality Management Systems

We advanced innovation by upholding quality excellence through the SIRIM ISO 9001:2015 Quality Management System standards. Our project teams follow quality benchmarks set by the S P Setia's quality standards and the Construction Industry Development Board ("CIDB") through their Quality Assessment System in Construction ("QLASSIC") framework.

Quality assurance is maintained by the Group Quality Management ("GQM") team through two key assessments: In-process Construction Quality ("ICQ") audits and Construction Performance Assessments ("CPA"). ICQ audits are conducted bi-monthly to evaluate ongoing construction projects. At the same time, CPA reviews architectural work in completed projects with a minimum required score of 75% for contractors. These assessments ensure our projects meet Quality Standards and specific requirements.

For all new building projects commencing in 2024, CPA will be replaced with QLASSIC inspections. This requirement has been mandated through contractual obligations for all building projects.



Setia Sustainability Day

Enhanced Construction Techniques

Industrialised Building System ("IBS")

Effective management of construction activities and transportation can significantly reduce carbon emissions in the development sector. In line with our commitment to reducing carbon emissions by 45% by 2030, S P Setia has launched initiatives to advance the Industrial Building System (IBS) across our developments. Our innovation plan for IBS begins with comprehensive groupwide training, strategic reviews, and the provision of guidelines for adoption, targeting a minimum IBS score of 50. This foundational step is essential before we can focus on achieving higher performance and optimisation.

In 2024, we initiated comprehensive training and engagement with industry stakeholders to identify challenges and solutions. As a result, we successfully achieved the targeted average IBS score groupwide.

This milestone marks the beginning of our next phase, where we aim to enhance the impact of IBS on emission reduction and product quality. Our future efforts will focus on optimising IBS capabilities through advanced technological approaches and continuous exploration.

Building Information Modelling ("BIM")

We have mandated using IBS for all current and future projects in Setia through internal SOPs. We previously instructed all consultants to adopt BIM during the design stage to support this. BIM is employed for clash analysis studies during project planning to avoid delays and adjustments during construction. This process identifies and resolves conflicts between different building components, improving efficiency across all construction projects and ensuring the delivery of quality homes and buildings on time. Consultants who fail to comply with BIM adoption are disqualified from our approved consultant list. This effort has been successfully reinforced through the monitoring of our supply chain and GQM audits of all project planning departments.

Defect Monitoring System

During the implementation stage of our projects, we utilised the Defect Monitoring System app, a mobile tool for construction inspections. This has significantly reduced paper usage in project execution and improved efficiency by enabling project stakeholders to promptly respond to and address comments and queries during site inspections.

Sustainability Statement

Improved Operational Efficiency

To enhance our sales operations, we utilise Power BI. This backend information management system assists in decision making by allowing users to access historical sales data to gain insights for future planning purposes. We also employ e-signing features to ensure a seamless process of obtaining signatures within the organisation. Additionally, we adopt a lead management system that helps our sales teams manage and handle the volume of leads generated from various marketing campaigns. We have also established an official WhatsApp account for selected projects to engage with prospective and existing customers. Some of our business units are advertising via Out of Home (OOH) advertising solutions to expand our reach to potential customers.

OUR RESULTS AND ACHIEVEMENTS

In 2024, we achieved an average IBS score of 52% across the Group, with 31 out of 33 projects launched in 2024, adopting green cement to reduce embodied carbon emissions.

Our developments also recorded an average CPA score of 77.48%. Of the 22 total developments, 6 achieved scores above 80%, while 12 fell within the 75% to 79.99% range. Meanwhile, 4 projects received scores below 75%.

CPA Score	Total Developments
>80%	6
75% to 79.99%	12
<75%	4
Total Parcels	22

GOING FORWARD

TIP will spearhead our innovation strategies and initiatives through technological advancement, operational excellence and business alignment initiatives. Our strategic roadmap, guided by TIP's governance framework, will prioritise digital transformation acceleration, sustainable technology adoption and competitive innovation development to drive market leadership and long-term growth objectives.

We aim to set specific innovation goals, apply green certification criteria for our developments, and continuously look for innovations that can scale across multiple projects once proven effective. We aspire to integrate BIM into all stages of development, from design to construction and maintenance, to improve accuracy, collaboration and effective project outcomes. Further, we aim to explore modular or prefabricated construction methods to reduce construction time, minimise waste and lower labour cost. We also aim to adopt existing recommendations from green building standards, integrate user-friendly smart technologies, create customisable options and build communities that align with lifestyle trends such as co-living, wellness-oriented spaces or green community projects, which can appeal to modern tenants and buyers.

Sustainability Statement

PRODUCT DESIGN & LIFECYCLE MANAGEMENT

*S P Setia integrates sustainability into every aspect of its developments, ensuring environmentally responsible practices while meeting the growing demand for eco-friendly properties. By leveraging technology, the company drives innovation, enhances efficiency and embeds sustainable solutions into its operations, strengthening its long-term competitiveness in a dynamic market.*

WHY IT MATTERS

At S P Setia, we recognise that our decisions and actions impact our reputation, cost management and innovation potential while responding to the increasing demand for environmentally responsible developments. A strong approach to lifecycle management ensures that sustainability is embedded across the entire product journey, from material selection to end-of-life disposal. This approach aligns with the UN Sustainable Development Goals (SDGs). It also enhances cost efficiency, attracts investment and strengthens long-term competitiveness.

Furthermore, product design is key to delivering developments that balance innovation, functionality and sustainability. By integrating smart design principles, automation and data-driven decision-making, we optimise resource efficiency, minimise environmental impact and reduce operational costs. These efforts support the shift towards sustainable developments that appeal to eco-conscious buyers and investors while meeting evolving regulatory expectations. A well-planned product design strategy enhances market positioning and strengthens investor confidence in the sustainability of our projects.

For this, we are committed to continuously improving product design and lifecycle management by adopting emerging solutions that enhance efficiency, reduce waste and extend the lifespan of our developments. Proactive management in these areas mitigates risks, optimises resources and ensures long-term business resilience. Without this focus, inefficiencies, higher costs and missed innovation opportunities could weaken competitiveness and limit future investment potential.

OUR APPROACH

Our efforts align with the UN SDGs and are guided by S P Setia’s Sustainability Policy, S P Setia Green Roadmap and Setia Climate Change Policy. As consumer demand for environmentally responsible properties continues to rise, these frameworks ensure a structured approach to embedding energy efficiency, eco-friendly designs and resource conservation into our developments.

We integrate lifecycle management by incorporating sustainable materials such as 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. These materials reduce environmental impact while improving indoor air quality, creating healthier living environments for our customers.

Product design plays a crucial role in embedding sustainability into our developments, supported by a multidisciplinary approach led by Group Digital, with input from the Technical Excellence Committee, Customer Excellence Committee and Innovation Unit. Our strategy focuses on integrating innovative solutions that enhance efficiency, support sustainability and improve customer experience. In 2024, we introduced the Digital Source Channel Sales KPI to optimise marketing efforts by shifting towards digital platforms, reducing reliance on traditional marketing channels for greater cost-effectiveness.

Sustainability is also embedded into product design through a structured framework that supports green building initiatives and enhances resource efficiency. By integrating sustainable design principles, we minimise environmental impact while achieving broader sustainability objectives. Collaborations with like-minded partners further strengthen our ability to innovate, improving both operational performance and sustainability outcomes.

To stay ahead of industry advancements, we invest in employee training, seminars and conferences focused on emerging technologies and design trends. Equipping employees with the latest knowledge ensures the effective adoption of new tools, reinforcing our ability to drive innovation, enhance sustainability and maintain our competitive edge.

Sustainability Statement

OUR INITIATIVES

Our initiatives focus on integrating technology, sustainability and innovative construction methods to enhance project outcomes and customer satisfaction:

01

Building Information Modelling (BIM)

We have implemented Building Information Modelling (BIM) during project planning for all projects in S P Setia. This includes clash analysis studies to prevent conflicts between architectural, structural, mechanical and electrical layouts before construction begins. BIM also improves project outcomes by avoiding rework, reducing construction waste through better material planning and selection and minimising wastage. Additionally, it enables innovative building designs by providing a comprehensive 3D modelling overview. This approach reduces the risk of additional costs, enhances efficiency and ensures resources are optimised.

02

AI Sales Chatbot

In 2024, Group Digital launched an AI chatbot on the Setia Corporate and Business Unit websites to enhance customer engagement. Operating 24/7, it provides instant responses to property enquiries, supports Sales teams by nurturing leads, and analyses interactions to refine strategies. Continuously learning, the chatbot improves efficiency, aligns with our digital transformation, and drives customer satisfaction, sales productivity, and sustainable growth.

03



Setia GO App

We have relaunched the Setia GO App, further enriching the experience for our supporters and loyal customers. Designed to provide seamless access to our services, the app enhances customer engagement by ensuring efficient communication and easy interaction with our company anytime, anywhere.

Setia GO App is more than just a property management tool, it is a smart community platform developed in collaboration with Ant Digital Technologies and JaGaSolution, aimed at redefining how homeowners interact with their living spaces. The app offers comprehensive digital solutions that streamline property management, improve community engagement and enhance the overall living experience for Setia homeowners.

For details on the innovative services available through SetiaGO, please refer to page 141.

04

Defect Monitoring System App

We utilise the Defect Monitoring System App as a digital construction inspection tool across project implementations, supporting pre- and post-construction activities. For pre-construction, the app is used for material approvals, joint inspection tracking, daily site diary submissions, weather chart recording, defect issuance, rectification and closure and inspections for certificates of practical completion. For post-construction, it is used to record defects after vacant possession of properties, manage customer complaints during the defects liability period and track issue resolutions and defect approvals by clients. The app is used by technical and project employees, contractors, consultants, internal safety and quality auditors and Business Units’ Customer Care departments. Defect Monitoring System Apps is provided free of charge to contractors and consultants, ensuring seamless collaboration and contributing to maintaining high construction standards and improving project execution.

05

Setia Management Executive Dashboard

In 2024, Group Digital launched a unified dashboard to provide Management with a centralised view of key business metrics. By consolidating data from various departments, the system enables near real-time monitoring and analysis, improving efficiency and supporting data-driven decision-making. By reducing manual data consolidation, it allows Management to focus on insights. Designed for scalability, the platform also supports future analytics initiatives, reinforcing our commitment to technology and data-driven growth.

06

Green Materials Exploration

The manufacturing of construction materials significantly impacts carbon emissions. Green materials, such as green cement, help reduce this impact through improved manufacturing processes and the use of eco-friendly raw materials. By incorporating green cement, reliance on traditional cement is reduced, lowering the overall carbon footprint and enhancing construction sustainability.

In 2024, we began evaluating green materials for project implementation. After thorough reviews with experts and manufacturers, green cement emerged as a viable option. A pilot test was conducted across landed house developments, while green concrete is being reviewed with stakeholders for high-rise projects.

Sustainability Statement

Utilising Waste for Landscaping Efforts

In line with the circular economy, we repurpose construction waste for landscaping activities within our properties, reducing the need for additional materials. Recent examples of this initiative include:



**Setia Alamsari**  
Using stones excavated from the site by repurposing them as decorative elements for roadside landscapes, parks and waterways. Glass Fibre Reinforced Polymer (GFRP) reinforcement has been used to replace metal reinforcement BRC (British Reinforcement Concrete) mesh for all non-suspended structures, such as walkways in new landed housing developments and parks. GFRP BRC offers superior corrosion resistance, lightweight properties, high tensile strength, non-conductivity and a longer lifespan compared to metal BRC.



**Setia EcoPark**  
Using food waste diverted from the Setia City Convention Centre, composting it and reusing it as fertiliser in the landscaped areas to promote circular resource use and sustainability.

Implementation of Setia eGreenLiving

We integrate smart urban development concepts with features such as photo sensor garden lights in the Parks and EV charging stations.

In 2024, we continued implementing the Setia eGreenLiving initiative by integrating sustainable features into 1,157 units of residential properties across our ongoing development projects.

- Key features under the Setia eGreenLiving initiative include:
- Smart home systems.
  - Rainwater harvesting systems.
  - Readiness for solar power and electric vehicle (EV) infrastructure.

For more information, kindly refer to Innovation from page 134

Engaging Suppliers for Sustainable Product Briefings

To promote the adoption of sustainable materials and technologies, we actively invite suppliers to provide product briefings on sustainable solutions, fostering collaboration and knowledge sharing within our supply chain.

In 2024, we engaged with sustainability system providers from Malaysia and Singapore, an international company linked to the United Nations, risk software providers, key concrete and cement suppliers, vendors across various sustainability-focused sectors. We observed that the Malaysian value chain for green products remains underdeveloped, lacking the maturity to provide essential data for emissions reduction and green certification. To address this, we leverage our influence to guide suppliers in preparing the necessary information to meet future market demands, driven by the rising need for sustainable products at competitive prices.

Sustainability Statement

GOING FORWARD

We will ensure all business units adopt technologies guided by Group Digital to enhance efficiency, sustainability and governance. A task force will assess market trends to identify cost-effective solutions. At the same time, training programmes will equip employees with the skills to leverage emerging technologies. We will integrate sustainable materials, advance circular economy practices and maintain systematic records to improve material selection. Likewise, for our future key commercial developments.



What's new in SetiaGO

**BlueDuck**  
Zero Home Rental Platform

**Sols Energy**  
Home Solar Provider

**Oyen Insurance**  
Pet Insurance Provider

**Go Services**  
Powering Mini Programs & New Services to Complement Home Buying Journey

**Kiddocare**  
Childcare Platform Provider

**GrabMaid**  
Home Cleaning Service

**Handibee**  
Home Warranty Service

**Go Rewards**  
Paving Wave to Next Generation of Citizen Setia Loyalty Rewards

**Go Refer**  
Driving Platform Growth and Encourage Downloads



Scan the QR code to learn more about the Setia GO App.

Sustainability Statement

BUSINESS ETHICS

Upholding good business ethics is vital for the sustainability of business organisations. We prioritise good business ethics across our operations and supply chain by ensuring regulatory compliance, mitigating bribery and corruption, and safeguarding the personal data of our stakeholders.



WHY IT MATTERS

Ethical business practices are at the core of S P Setia's commitment to integrity, accountability and sustainable development. Compliance with regulations protects our reputation, safeguards stakeholder interests and ensures business continuity. At the same time, preventing bribery, corruption and unethical practices is essential for maintaining trust with our stakeholders. Data privacy is equally critical, as homebuyers entrust us with their personal and financial information throughout their property journey. Any lapse in these areas could lead to financial penalties, reputational damage and a loss of confidence that could impact our long-term success.

For this, we are committed to taking a proactive approach to upholding strong governance by ensuring compliance with legal and industry standards, embedding ethical business conduct and strengthening data protection measures. This allows us to protect our operations, employees and customers while reinforcing transparency and accountability, building lasting trust, enhancing our reputation and creating a secure and responsible business environment for all.

OUR APPROACH

Regulatory Compliance

At S P Setia, our approach to regulatory compliance is grounded in strong corporate governance, which is fundamental to achieving long-term shareholder value while balancing the interests of all stakeholders. Our governance framework is built on the Terms of Reference (ToR) of the Board Sustainable Committee, complemented by clearly defined Authority Limits, ToR of the Management Sustainability Committee and comprehensive policies and procedures to ensure accountability and operational efficiency.

We also have an Integrity and Governance Unit (IGU), led by the Chief Risk, Integrity and Governance Officer, who serves as the foundation of Setia's anti-corruption framework. Reporting to the Risk Management Committee (RMC), which provides updates to the Board, the IGU ensures Board-level oversight of anti-corruption initiatives.

Sustainability Statement

We recognise that a healthy corporate culture and a strong governance framework are essential to maintaining operational efficiency and addressing the complexities of a challenging business environment. In line with this, we remain focused on enhancing governance practices to effectively navigate these challenges. By prioritising governance, we ensure the sustainable performance of S P Setia's operations, maximise stakeholder returns and create long-term economic value.

Furthermore, we conduct regular reviews of our governance structure, practices and processes to ensure they remain relevant and aligned with evolving regulatory requirements, market conditions and the expectations of the communities we serve.

For more information, kindly refer to the Corporate Governance Overview Statement on page 254

Anti-Corruption

Our anti-corruption framework is built on a governance structure led by the Integrity and Governance Unit (IGU). Headed by our Chief Risk, Integrity and Governance Officer, the IGU consists of qualified Certified Integrity Officers and reports to the Risk Management Committee ("RMC"), which updates the Board, ensuring Board-level oversight of our anti-corruption efforts.

Core Functions of IGU

The IGU is the cornerstone of our integrity framework through four essential functions. In its complaints management role, the unit receives and responds to all reports of potential violations, ensuring thorough information processing regarding improper conduct. Through detection and verification, the IGU identifies and verifies complaints, reports criminal offences to enforcement agencies and ensures appropriate actions are taken.

The unit strengthens integrity across the organisation by implementing and institutionalising integrity concepts within Setia while addressing bribery, corruption and malpractice issues. Its governance function includes conducting periodic policy reviews, ensuring alignment with authority requirements and implementing continuous improvements.

Policy Framework

Our approach is anchored by comprehensive policies that guide ethical conduct across all operations. The Anti-Bribery and Corruption Policy, aligned with the MACC Act Section 17A works in tandem with our Code of Conduct and Business Ethics (CoCBE) to establish clear standards. Supporting these core policies are specific guidelines governing gifts, hospitality, donations and sponsorships, alongside robust third-party engagement policy. Our whistleblowing system adheres to ISO 37002:2021 standards, ensuring best practices in reporting and investigation procedures.

To ensure the effective implementation of these policies across the organisation, we have appointed 36 Integrity and Governance Champions throughout our Business Units and corporate functions. These champions serve as frontline advocates, building a culture of integrity within their respective areas and ensuring 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>

Sustainability Statement

Setia’s Anti-Corruption Plan 2024-2026

The Board’s approval of our new three-year Setia’s Anti Corruption Plan (SACP) 2024 - 2026 marks a significant step forward in our integrity journey. Building on our previous Organisational Anti-Corruption Plan (2021-2023), this new framework encompasses 78 initiatives under TRUST guiding principles.

The SACP addresses five key risk areas:

Interaction with government officials: Enhancing open dialogue and transparent communications.	Third-party management: Centralising due diligence processes to minimise corruption risk exposure.	Procurement and kickbacks: Increasing transparency through centralised procurement processes.	Sponsorship and donations: Implementing interactive awareness modules and structured consultation procedures.	Gifts and hospitality: Strengthening awareness through interactive training and systematic transaction reviews.
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Monitoring and Compliance

Our commitment to ethical business practices is sustained through monitoring mechanisms as part of our compliance framework. Throughout the year, we conduct quarterly assessments that evaluate risks across our operations while tracking the implementation and effectiveness of control measures.

These assessments feed into detailed action plans, with progress monitored through each stage of execution. Our reporting structure ensures direct communication of findings and recommendations to the Management Risk Team, with regular updates provided to the Risk Management Committee and Board of Directors. This multi-layered oversight approach enables effective responses to emerging concerns while maintaining essential standards of corporate governance.

We have put in place clear whistleblowing procedures to encourage reporting of any actual or suspected incidents of bribery and corruption. The Group’s Whistleblowing Policy, which has been enhanced since 2022, is aligned with ISO 37002:2021 Whistleblowing Management Systems. Additionally, the policy supports the Group’s stance on anti-competitive behaviour in the industry. The policy ensures complete confidentiality and protection from reprisals for all whistleblowers, including employees, Business Associates, residents of our developments and members of the public to file complaints or reports of suspected or actual misconduct through multiple reporting channels:




	Whistleblowing e-Form available at <a href="https://whistleblowing.spsetia.com.my/whistleblowing/eWhistleblowing.aspx">https://whistleblowing.spsetia.com.my/whistleblowing/eWhistleblowing.aspx</a>
	Dedicated IGU line: 012 - 302 0742 (Monday - Friday, 9am - 5pm)
	Direct communication with the Chairman of RMC at <a href="mailto:jivsammanthan@spsetia.com">jivsammanthan@spsetia.com</a> or IGU
	IGU email: <a href="mailto:igu@spsetia.com">igu@spsetia.com</a>
	Walk-in/appointment options with IGU or the Chairman of RMC

Sustainability Statement

Data Privacy

To address evolving cybersecurity risks, we deploy advanced security technologies that safeguard customer information from loss, theft, misuse and unauthorised access, usage, alteration and destruction. We adhere strictly to the Personal Data Protection Act (“PDPA”), ensuring our data retention practices align with our Privacy Policy requirements to minimise potential data breaches across our operations.

Our privacy and data protection efforts are led by Group Legal, Group Digital and Business Unit heads through systematic threat monitoring and response protocols. We also recognise our workforce’s vital role in data protection and implement targeted initiatives to enhance protection practices. These include:

	Talks and roadshows by qualified legal personnel on the criticality of data privacy and the repercussions that may occur in the event of a breach.
	Review all relevant documents and correspondence involving customers by Group Legal to ensure PDPA compliance.
	Regular communications from Group Legal via email on outcomes and learnings from the reviews.

Furthermore, our employees undergo regular cybersecurity training, including a monthly Cybersecurity Awareness eLearning programme conducted by Group Digital to strengthen protection standards and practices in their day-to-day work.

OUR INITIATIVES

Strengthening Governance Through Regulatory Compliance

S P Setia adheres to the highest standards of corporate governance, complying with statutory requirements, guidelines and best practices outlined in the Malaysian Code on Corporate Governance (MCCG). For FY2024, the Company applied most of the Practices encapsulated in the MCCG, as detailed in the Corporate Governance (CG) Report. This compliance demonstrates our commitment to maintaining transparency, accountability and robust governance processes across the organisation.

The Corporate Governance Overview Statement for FY2024 was prepared per MCCG and includes key areas of governance:

Board Leadership and Effectiveness
Effective Audit and Risk Management
Integrity in Corporate Reporting and Meaningful Stakeholder Engagement

In addition to the MCCG, the Group adheres to the following frameworks:

Bursa Malaysia’s Corporate Governance Guide (4 <sup>th</sup> Edition)
Companies Act 2016 (“CA 2016”)
Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”)

These frameworks provide the foundation for the governance processes and control mechanisms implemented within the Group, ensuring that S P Setia remains focused on long-term value creation for all stakeholders while upholding the highest standards of integrity and accountability.

 This statement is to be read alongside the CG Report, which is available at pages 248 - 279

Sustainability Statement

Awareness and Training on Anti-Bribery and Anti-Corruption

Our training framework embeds ethical practices across every level of our organisation. New team members begin their journey with mandatory Code of Conduct and Business Ethics sessions and anti-corruption briefings, formalising their commitment through our Individual Corruption-Free Pledge. Board members receive anti-corruption policy briefings during onboarding, while our existing workforce participates in continuous education programmes focused on evolving regulatory requirements and compliance standards.

- In 2024, we implemented the following key training initiatives:
- Annual CEO/COO Dialogue featuring integrity reminders from the President and CEO.
  - MACC-led talk on "Facilitation Payment: Is It Really Necessary?" during the Business Associates dialogue.
  - Four series of Setia Integrity Clinic sessions.
  - Implementation of online annual acceptance for Individual Corruption-Free Pledge, CoCBE and Conflict of Interest Disclosure.
  - Distribution of 21 materials including two interactive videos via Integrity@Setia portal.

Setia Integrity Roadshows

We extend our ethics framework to our business partnerships through targeted engagement initiatives. Our Setia Integrity Roadshows serve as a platform to communicate our anti-bribery and anti-corruption policies to Business Associates. These partners demonstrate their commitment by signing the Setia Integrity Pledge, ensuring our ethical standards are maintained across all business interactions with the Group Round Table Discussions.

- Our Round Table Discussion (RTD) programme, a key IGU initiative, serves three crucial objectives:
- Gathering direct feedback on integrity values awareness and application.
  - Assessing threats of fraud, improper conduct and corruption.
  - Strengthening defensive mechanisms through collaborative input.

In 2024, we conducted 35 RTD sessions across Corporate Units at HQ and 12 Business Units, engaging 582 staff members. These interactive sessions introduced participants to fraud identification and prevention techniques, including the fraud tree concept. Each session included refreshers on Corporate Liability Provisions under Section 17A of the MACC Act 2009 and our whistleblowing system.

The programme's success led to its extension to our hospitality operations, with dedicated modules for Amari Hotel Kuala Lumpur and Amari SPICE Penang employees.

ISO 37001 Certification Achievement

On 6 December 2024, we achieved ISO 37001 certification for our Anti-Bribery Management System from NIOSH Certification Sdn Bhd. This milestone followed an extensive journey including:

Training and Development

- Specialised sessions by IGU and external subject matter experts.
- Detailed process reviews with Business Units and Corporate Units.
- Integration of international best practices.

Implementation and Verification

- Nine peer audits examining policy effectiveness.
- Systematic evaluation of control measures.
- Documentation of compliance procedures.

Post-Certification Activities

- 25 awareness sessions reaching 779 employees.
- Focused briefings for Business Unit and Corporate Unit heads.
- Continuous monitoring and improvement protocols.

Sustainability Statement

This certification validates our anti-bribery management system against international standards while reinforcing our commitment to maintaining the highest levels of business integrity.



Strengthening Cybersecurity Awareness Across the Group

We have implemented various training sessions and awareness campaigns to enhance cybersecurity knowledge among employees. As part of this initiative, we established the S P Setia Cyber Security Awareness e-Learning Program, a mandatory monthly training for all staff across the Group. This program ensures continuous education on cyber threats and best practices, reinforcing our commitment to safeguarding digital security.

Sustainability Statement

Setia Integrity Day

The inaugural Setia Integrity Day on 27 August 2024 at Lakepoint Club, Setia Alam Impian marked a significant milestone. This landmark event brought together Board members, Senior Management and Central Region employees, with Y.A.M. Tan Sri Dato’ Seri Syed Anwar Jamalullail, Chairman of S P Setia Berhad officiating. Dato’ Alias Salim, State Director of MACC Selangor attended as guest of honour.

- Key highlights included:
- Refreshing Setia’s Corporate Integrity Pledge led by our Chairman.
  - Launching the “Setia Zero Tolerance to Bribery and Corruption” logo.
  - Signing ceremony involving Directors and Senior Management.



IGC Conference 2024

The IGC Conference held on 27 November 2024 at Setia HQ marked a significant milestone in our integrity journey. The event brought together 26 champions and featured the appointment of 13 new IGCs who received their certificates from the President and CEO of S P Setia Berhad, Datuk Choong Kai Wai.

- The conference agenda included:
- Refresher sessions on integrity policies and latest initiatives.
  - Knowledge-sharing by the Head of IGU.
  - Special presentation by MACC Kuala Lumpur Senior Officer on “Rasuah: Punca dan Akibat Menanti”.
  - Study tour to MACC HQ Putrajaya.
  - Briefing from MACC’s Community Education Division.

This event, following our previous conference in 2022, reinforced our commitment to maintaining strong integrity governance across the organisation.

Stakeholder Engagement

We expanded our engagement with authorities through structured dialogues and partnerships in 2024. Notable engagements included:

- Open Dialogue sessions with 13 government agencies.
- Collaboration with PUTRA Business School on Human Governance Module.
- Co-hosting of PNB Integrity Solidarity event at Setia Alam Impian.
- Regular engagement with regulatory bodies and municipal authorities.

Recognition of excellence in integrity leadership culminated in the presentation of an Integrity award to our top Integrity and Governance Champion during Setia’s Annual Dinner 2024.

Sustainability Statement

Our Impact Story

In 2024, our commitment to integrity was demonstrated through 44 engagement programmes across all levels of our organisation.

OUR RESULTS AND ACHIEVEMENTS

Whistleblowing Performance

Our Malaysian operations demonstrated strong performance across all aspects of business ethics and anti-corruption in 2024. We received a total of 24 complaints via our whistleblowing channels. Four cases involved allegations of improper conduct and were investigated by an internal team. Where applicable, actions were taken in line with our Group Human Resource disciplinary procedures for proven cases. The remaining 20 cases were related to customer complaints about our products or services. These were referred to the respective Business Units or corporate functions for further action.

Corruption Risk Assessment

In 2024, we completed corruption risk assessments, covering 16 (100%) of the ongoing business operations fully controlled in Malaysia.

	2022 %	2023 %	2024 %
Percentage of operations assessed for risks related to corruption	100	100	100

Communication on anti-corruption policies and procedures			
	2022 %	2023 %	2024 %
Total percentage of Board of Directors, employees and business partners who have been informed about S P Setia’ Anti-Corruption Policies and Procedures.			
Board Members (including C-Suite)	N/A		100.00
Senior Management	N/A	94.74	100.00
Management	N/A	93.72	100.00
Junior Management	N/A	85.02	100.00
Executive	N/A	97.76	100.00
Non-Executive	N/A	99.28	100.00

Consumer Privacy and Customer Data

In 2024, we received **ZERO substantiated complaints** concerning breaches of consumer privacy or losses of customer data, either from outside parties or regulatory bodies

There were **ZERO confirmed incidents of corruption reported** and no corrective actions were required

Sustainability Statement



Authority Engagement

Throughout 2024, we strengthened our relationships with regulatory bodies through strategic engagements. We established productive dialogues with several key authorities:

- Collaboration with Unit Integriti, PTG Selangor on land matters.
- Partnership with Majlis Bandaraya Klang on municipal compliance.
- Engagement with Integrity Department, Tenaga Nasional Berhad.
- Coordination with Unit Integriti, Pejabat Tanah Daerah Petaling.
- Consultation with Unit Integriti, Jabatan Pengairan dan Saliran Selangor.
- Dialogue with Unit Integriti, Jabatan Ukur dan Pemetaan Malaysia.

We also established an academic collaboration with Putra Business School.

Confirmed Incidents of Corruption

The Malaysia Anti-Corruption Commission has confirmed through their letter dated 21 December 2024 that there were zero confirmed incidents of corruption involving the Group during 2024. Consequently, no employees were terminated, or business contracts were cancelled or left unrenewed due to corruption-related issues.

**GOING FORWARD**

From now on with the ISO 37001:2016 Anti-Bribery Management System certification in place, Setia will continuously strive to embed a high-integrity culture across the Group, aligning with our aspiration to uphold the highest standards of transparency and governance.

Furthermore, we will continue to strengthen data protection by enhancing security measures, ensuring compliance with the Personal Data Protection Act (PDPA) and staying ahead of evolving cybersecurity threats. Ongoing employee training and continuous monitoring will help safeguard customer information, reduce data breach risks and maintain trust in our property transactions.

Sustainability Statement

SUPPLY CHAIN MANAGEMENT

*We engage a diverse range of suppliers across our operations, ensuring the efficient and timely delivery of products and services that meet high standards. Our procurement practices are designed to select suppliers who align with our quality requirements and strive to embrace sustainable practices.*

WHY IT MATTERS

Supplier engagement and regulatory compliance are central to our commitment to sustainable value creation. As responsible corporate citizens, we consider them among the priorities of our sustainability agenda. At S P Setia, we recognise that effective supply chain management governance directly influences the reliability of our operations, the quality of our products and services and the integrity of our reputation. A well-managed supplier network also ensures the timely delivery of quality products and services while supporting compliance with social and environmental standards. Furthermore, by prioritising local suppliers registered in Malaysia, we create economic value that cascades to subcontractors and other businesses, contributing to local economic growth. This approach benefits our business by reducing costs and time spent on supply chain processes, lowering our carbon footprint and promoting efficient supplier communication.

Building on this understanding, we are committed to maintaining stringent procurement practices that prioritise suppliers who meet our quality expectations, practice ethical and sustainable management and ensure compliance with all regulatory requirements. This approach reduces the risk of unnecessary costs, penalties and reputational damage while supporting a supply chain that enhances long-term business growth.

**OUR APPROACH**

Our approach to supply chain management is centred on maintaining sustainability and ensuring that our commitments are upheld across our operations. To achieve this, we have embedded various social and environmental considerations into our supplier screening and evaluation processes.

In this regard, all third parties we engage, along with their subcontractors, are required to adhere to our Code of Conduct and Business Ethics (CoCBE), which outlines the values we expect, including compliance with human rights principles and the avoidance of conflicts of interest. Suppliers are expected to adhere to all relevant regulatory requirements at federal, state and municipal levels, comply with industry standards for workmanship quality and adopt best practices in minimising environmental and social impacts. These expectations cover Health, Safety and Environment (HSE) considerations and include commitments to conserve the environment and reduce noise, land and air pollution.

Contractors are also screened during the tendering stage by Group Contracts and Procurement (GCP). The screening process evaluates their financial standing, past performance and experience, compliance with environmental laws and regulations, adherence to health and safety procedures and alignment with Setia’s internal policies, per ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. All relevant documents are incorporated into the final contract upon award of a project.

After the contractors are appointed, we carry out comprehensive monitoring and assessment processes to ensure standards are upheld across the project lifecycle. To this end, we conduct monthly audits at all project sites. At the same time, a Contractor Performance Evaluation (CPE) is carried out twice a year to assess contractors, focusing on HSE criteria, including their environmental and social impacts throughout the project lifecycle. We also ensure contractors submit monthly progress reports to enable us to identify and solve any issues that might appear in the project to ensure adherence to our safety and environmental objectives.

Based on the CPE, most of our contractors comply with the required HSE criteria. Contractors who did not meet the requirements were put on watch list by the Group.

Sustainability Statement

OUR INITIATIVES

In 2024, we established the Vendor Management Unit (VMU), a centralised department dedicated to screening and overseeing Setia’s direct supply chain. This newly formed unit aims to strengthen supply chain management, enhance vendor due diligence, and ensure compliance with ethical and sustainability standards. The VMU will be crucial in optimising supplier relationships, mitigating risks and improving overall supply chain transparency and efficiency.

OUR RESULTS AND ACHIEVEMENTS

	2022	2023	2024
Percentage (%) of procurement spent on local suppliers, defined as contractors whose businesses are registered in Malaysia.	100%	100%	100%*

\* In 2024, we expanded the scope from only contractors to include all consultants involved in construction activities, such as architects, engineers, planners and landscape consultants.

GOING FORWARD

In the future, we plan to introduce an environmental and social due diligence screening questionnaire to enhance the monitoring of supply chain practices within S P Setia. We will continue engaging with our central infrastructure and building contractors to adopt ISO 14001:2015 and ISO 45001:2018. Additionally, we will use our position as a leading developer to encourage the broader supply chain to adopt ESG principles, expand the production of green products and services and enhance sustainability practices across the industry.

Sustainability Statement



ENVIRONMENT  
BEST PRACTICES IN  
ENVIRONMENT MANAGEMENT



The building and construction industry is a major contributor to environmental impact, making it essential for us to adopt practices that protect the planet and its people. By aligning with global best practices, we aim to minimise our footprint while creating communities that deliver lasting value for customers, employees and the business.

Sustainability Statement

EMISSIONS AND ENERGY MANAGEMENT

At S P Setia, we are dedicated to reducing emissions across our operations, developments and supply chain, guided by clear targets and strategies to achieve net zero by 2050. We prioritise energy management and transition as key components of our environmental strategy, focusing on reducing emissions, enhancing efficiency and advancing renewable energy solutions to build sustainable and resilient developments.



WHY IT MATTERS

The escalating global climate crisis is manifesting through rising temperatures, extreme weather events and environmental degradation. The United Nations Environmental Programme highlights that the Building and Construction Industry (BCI) accounted for 37% of global energy and process-related CO<sub>2</sub> emissions in 2021. As a responsible property developer, we recognise that our decisions and actions directly influence the environmental footprint of the properties we develop. By mitigating these impacts and reducing emissions across our operations and supply chain, we aim to drive innovation, energy efficiency and a thriving market of eco-conscious buyers, contributing to a resilient and sustainable business that benefits both society and S P Setia. We are committed to managing emissions through strategies that transform lives, uplift underserved groups and create shared economic value, while aligning with global sustainability goals and supporting national and international climate targets such as PNB's emission reduction objectives and the Paris Agreement.

Proactively addressing energy use through efficiency and renewable solutions supports operational cost savings, regulatory compliance and the growing demand for sustainable buildings. Incorporating energy-efficient systems enhances customer appeal, attracts green investment and strengthens competitiveness in an environmentally conscious market. Our efforts will involve implementing energy-efficient technologies, advancing renewable energy adoption and creating shared economic value while positioning the business for long-term resilience in a sustainability-driven market.

OUR APPROACH

Emissions Management

Recognising the need to decarbonise our business, we have set clear targets for Scope 1, 2 and 3 carbon emissions reduction within S P Setia:

- 45% reduction in Scope 1 and Scope 2 carbon emissions by 2030 and 70% by 2040, using 2024 as the baseline.
- 20% reduction in Scope 3 embodied carbon emissions, measured by intensity, by 2030 (landed property only).

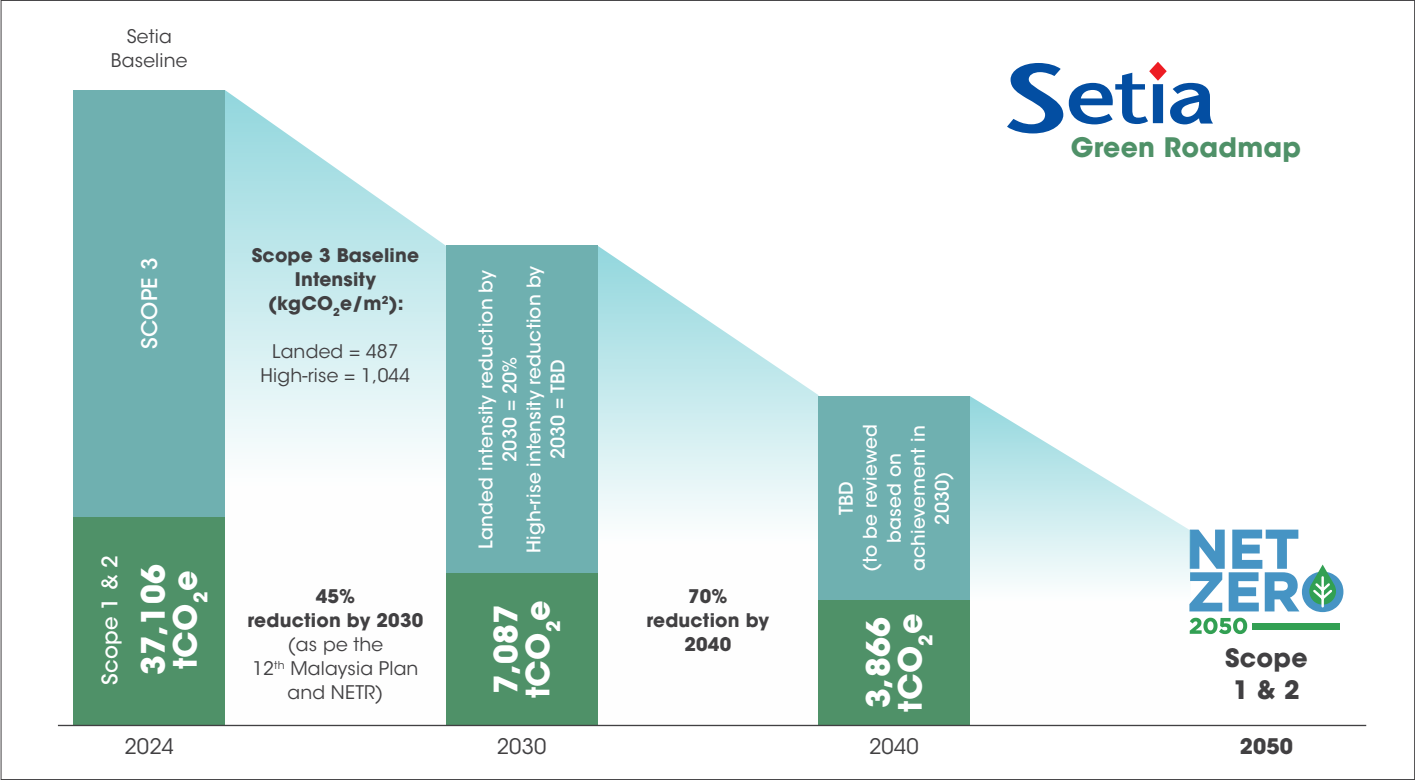
Our long-term objective is to achieve net zero emissions by 2050. This aligns with Malaysia's Nationally Determined Contribution (NDC) and the National Energy Transition Roadmap (NETR) pledge to reduce greenhouse gas (GHG) emissions intensity of GDP by 45% before 2030, based on a 2005 baseline.

In 2023, we established a Group-wide baseline for Scope 1 and 2 emissions. This serves as a reference point to assess the progress of our emissions reduction efforts. We also developed a comprehensive emissions data collection process, which is now being implemented across our Business Units.

Sustainability Statement

In 2024, we established the eDew system and digitised the data collection process. The boundary for energy and emissions data collection was also extended. The Group also established 2024 as the baseline year for its Scope 3 GHG emissions intensity. To enhance alignment and accuracy in setting emissions reduction targets, we have updated the baseline year for the absolute GHG emissions of Scopes 1 and 2 from 2023 to 2024.

Our reduction targets are outlined in the Setia Green Roadmap, illustrated in the following infographic:



Energy Management

At S P Setia, our approach to energy management is guided by established standards and methodologies to ensure accuracy, consistency and transparency in measuring and reporting energy use and emissions. In this regard:

We adhere to the GHG Protocol for energy management, enabling consistent measurement, monitoring and reporting of energy consumption across our operations. Assumptions are derived from typical energy consumption patterns, industry averages and historical data.

To estimate and track energy usage across the value chain, we utilise energy consumption databases, carbon footprint calculators and energy audits.

We use national databases and industry-specific reports, alongside global standards, to apply conversion factors that reflect local energy and emissions contexts. This ensures our calculations reflect local conditions, allowing us to identify inefficiencies, implement improvements and align with both regulatory requirements and our sustainability objectives.

For example, we regularly track and monitor the performance of our green buildings, such as the S P Setia Headquarters building, KL Eco City Mercu Office Tower, KL Eco City Mall and Setia City Convention Centre 1 (SCCC1), to ensure they maintain high energy efficiency standards.

In 2024, we established our ESG Standard Operating Procedures (SOP) for data management and tracking. Among its key components is energy tracking through the eDew system. Data owners are responsible for recording the data, which is then reviewed and approved by Sustainability Officers before being escalated for Group-level tabulation of energy usage and emissions. The SOP has standardised the data collection process, enabling more effective tracking of energy usage across the organisation.

Sustainability Statement

OUR INITIATIVES

Reducing our Emissions

Setia Climate Change Policy

We have established the Setia Climate Change Policy as an initiative to reduce emissions. This policy represents a structured approach to addressing climate-related impacts and demonstrates our commitment to minimising emissions in line with sustainability objectives.

Designing Sustainable and Resilient Communities

During the pre-construction phase, we strategically oriented our houses to face north or south to minimise heat exposure. Our developments are surrounded by green barriers and integrated with waterways and ponds to provide flood mitigation and natural cooling. Parks are located within walking distance of homes and connected by cycling paths or walkways to reduce vehicle usage and promote walking and cycling, contributing to lower emissions. Additionally, we implement the Industrialised Building System (IBS) in our housing projects to minimise waste, reduce reliance on foreign labour and accelerate construction while ensuring high-quality developments.



Integrating Sustainable Technologies in Our Development



In 2024, we reduced embodied carbon emissions by replacing conventional construction materials with green alternatives, which included monitoring and encouraging the use of green cement in our projects through contractual provisions. We engaged major green cement suppliers, securing commitments for reasonable pricing and guaranteed supply to ensure competitive costs. Negotiations and studies were also conducted to explore the replacement of conventional concrete with green concrete. From our Scope 3 baseline study, we identified key contributors to embodied carbon emissions and worked with material suppliers to source certified eco-friendly materials. Leveraging our position as a major developer, we utilised Group-level capacity to generate sufficient volume for the supply chain to produce green materials and products at competitive costs, reducing the financial burden on contractors.

Sustainability Statement

Advancing Operational Efficiency Through Sustainable Practices

We are implementing practical measures to reduce emissions and optimise resource use across our operations. For example, in Property South, we transitioned to electrical supply from diesel for our machinery, which significantly lowered our carbon footprint while enhancing energy efficiency. Similarly, electrical supply is being introduced in living quarters to replace generator sets, minimising reliance on fossil fuels and reducing noise pollution. Additionally, we installed solar panels in our offices and sales galleries in 2024 to reduce Scope 2 emissions.

In line with our commitment to resource conservation, we actively promote the principles of reuse, reduce and recycle. To monitor and manage emissions within our operations, we utilise a digital platform that collects data on emission levels on a quarterly basis, supported by an established SOP for the data collection process. This enables us to identify areas for improvement and implement targeted strategies to reduce our environmental impact.

REDUCING OUR ENERGY CONSUMPTION

To minimise Group-wide energy consumption and improve the energy efficiency of our properties, we have implemented the following measures:



Smart Lighting and Air Conditioning

These advanced systems utilise IoT-based monitoring to detect and turn off a specific light or air conditioning unit when not in use, thus saving energy.



Double-Glazed Windows and Louvres

By installing double-glazed windows and louvres, we reduce heat gain by buildings, thus reducing the need for air conditioning.



Sun-Facing Designs

We utilise sun path analysis when designing our properties to maximise natural sunlight exposure, reducing the need for lighting.



Solar Water Heating Sytems

By using solar energy to heat water, we reduce the amount of electricity required to carry out this daily process.

This is part of our Setia eGreenLiving concept and represents a comprehensive framework of sustainable home features that are standardised across all upcoming developments. Key elements include pre-installed solar panels, green switches and infrastructure for electric vehicle chargers, enabling homeowners to adopt sustainable living practices with ease. We aim to integrate these technologies and approaches across all upcoming developments to minimise energy consumption. This initiative serves two purposes: home purchasers benefit from lower operational energy costs, while as a developer, we support the government's net zero targets and promote energy efficiency.

 For more information on Setia eGreenLiving, refer to Innovation on page 134

OUR RESULTS AND ACHIEVEMENTS

Renewable Energy and Energy-Efficient Solutions

We commenced installation of solar power panels at our office buildings, sales galleries and malls to enhance on-site renewable energy generation. We target to complete the installation by 2025.








We conducted physical roadshows across all Business Units to raise awareness on sustainability, including energy and water conservation and waste reduction. Additionally, we organised the Setia Sustainability Day to further promote awareness of our initiatives.

Sustainability Statement

Energy-Efficient Buildings: Setia Federal Hill — Redefining Urban Living

Setia Federal Hill is a collaborative development with Mitsui Fudosan, featuring energy-efficient buildings designed to enhance urban living. Spanning 2.67 acres on Jalan Bangsar, Kuala Lumpur, the first phase, comprising two residential towers, was previewed on 23 November 2024 and is targeted for official release in 2025.

Green features

-  Energy-Efficient Envelope – Laminated tinted glass (RET<sub>V</sub> ≤ 22W/m<sup>2</sup>) reduces heat gain.
-  Renewable Energy – Solar power for common areas.
-  Rainwater Harvesting – Cuts portable water use by 30%.
-  Natural Ventilation & Daylighting – Reduces lighting needs by 70%.
-  Efficient Cooling & Lighting – 5-star AC & sensor-based lighting.
-  EV Charging & Green Transport – EV stations & priority parking.
-  Heat Island Reduction – Solar Reflective Index (SRI) materials and greenery to lower temperature.



In 2024, we closely monitored the implementation of IBS across our projects to enhance efficiency and sustainability. In addition, we initiated the use of green cement in all developments, with 31 out of 33 projects launched in 2024 already adopting this eco-friendly material to reduce carbon emissions.

To embed sustainability within our corporate culture, we conducted an extensive awareness programme in July 2024, where our Group Corporate Sustainability team engaged with all Business Units to promote sustainability practices. These sessions emphasised energy conservation, water usage reduction and waste management, encouraging employees to adopt a more sustainable mindset in their daily operations.

For Scope 1 emissions, as presented in the table next page, the total emissions consist of 913.37 tCO<sub>2</sub>e from mobile combustion, covering all operations in Malaysia, and 1,857.43 tCO<sub>2</sub>e from fugitive emissions, with boundaries limited to all convention centres operated by the Group.

For Scope 3 emissions, we undertook a comprehensive survey to collect data on employee commuting and business travel. Additionally, we established a structured approach to sustainability data management, including:

- Developing a SOP for data collection.
- Assigning Sustainability Officers across all Business Units and Corporate Units.
- Implementing the eDew data management system for ESG data tracking.
- Conducting stakeholder training for data and process owners to enhance sustainability reporting accuracy and compliance.

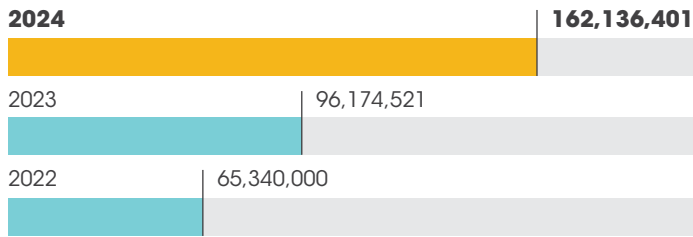
Through these efforts, we are committed to strengthening environmental stewardship, operational sustainability and corporate responsibility across the Group.

Sustainability Statement

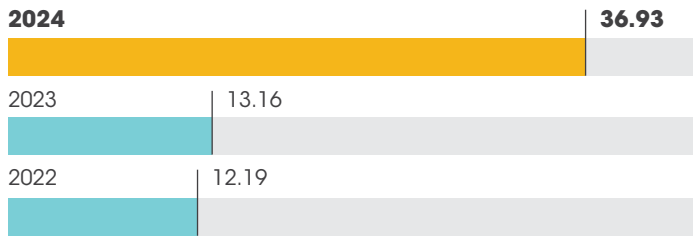
	2023	2024
Scope 1 (tCO <sub>2</sub> e)	457	2,770*
Scope 2 (tCO <sub>2</sub> e)	12,429	34,335
Gross other indirect (Scope 3) GHG emissions (tCO <sub>2</sub> e)	N/A	2,015.97*

\* Fugitive emissions under Scope 1 are currently reported only for SCCC1, SCCC2 and Spice  
\* Scope 3 indirect emissions (Category 6 & 7)

Group-wide energy consumption (electricity, MJ)



Energy intensity ratio for the organisation (kW/h over m<sup>2</sup>)



Note: The increase in energy consumption in 2024 is attributed to the expansion of our reporting boundary, incorporating additional business units and operational sites.

GOING FORWARD

Moving forward, we are committed to reducing emissions by strengthening our targets and addressing key areas of impact. Our focus includes achieving Scope 1 and Scope 2 reductions of 45% by 2030 and 70% by 2040, with a clear pathway to net zero by 2050. As part of this effort, we are also planning to implement a compulsory energy reduction target for all Business Units in 2025, as reducing energy consumption directly contributes to lowering Scope 2 emissions. Efforts will further extend to addressing Scope 3 emissions through strategies targeting supply chain and end-user activities. We will prioritise employee education on emissions reduction to improve outcomes and ensure alignment with sustainability goals. These integrated actions will reduce risks, deliver long-term benefits and align with global climate goals, positioning the business for success in an increasingly green-conscious market.

We will be advancing renewable energy adoption and enhancing energy efficiency as part of our long-term sustainability strategy. To achieve this, we will partner with green energy providers to source sustainable electricity and prioritise the integration of solar technologies in future developments. Additionally, we will continue to engage with residents, tenants and stakeholders to co-create and support initiatives that promote energy-saving practices. Encouraging eco-friendly habits, such as switching off unused lights and electronics, will further contribute to reducing energy consumption.

By increasing the adoption of green technologies and energy-efficient systems, we aim to build sustainable and resilient developments that align with our environmental objectives and meet stakeholder expectations.

Sustainability Statement

Sustainability Statement

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

As the effects of climate change increasingly affect global economic activities, businesses are taking proactive steps to mitigate long-term climate risks. A key approach to building climate resilience is identifying climate-related risks and opportunities to adapt to climate change. In 2023, S P Setia began aligning its climate-related disclosures with the recommendations of the TCFD. The company is committed to continuously enhancing its climate reporting by progressively adopting the International Financial Reporting Standards (IFRS S2) to meet the requirements of the National Sustainability Reporting Framework within the required timeframe.

The enhancement of S P Setia’s climate journey reflects its commitment to keeping its stakeholders informed of its climate strategy, enabling them to make informed decisions about the company. This initiative also promotes transparency and emphasises S P Setia’s dedication in ensuring that its business is climate resilient and adaptable to climate change in the long term.

Governance

Strategy

Risk Management

Metrics & Targets

- Establish a governance structure in the oversight of identification and management, including assessing and managing climate-related risks and opportunities, in line with Bursa Malaysia requirements.
- Continue incorporating climate as a formal Board Committee agenda.
- Undertake IFRS-specific training for the Board of Directors.

- Align climate-related disclosures with IFRS standards.

- S P Setia’s climate-related risks are embedded within our Enterprise Risk Management Framework, which evaluates the risk likelihood and impact to prioritise mitigation measures.

- S P Setia is committed to strengthening its sustainability framework by identifying key metrics aligned with the Setia Green Roadmap to effectively assess climate-related risks and opportunities. In parallel, the company is actively developing climate-related targets to establish robust climate resilience plans across all business operations, ensuring long-term environmental and financial sustainability.
- Establish internal carbon pricing by 2025/2026 and climate-related remuneration policies to align Executive compensation with the Group’s metrics and targets.
- Mandate supply chain screening for active building contractors and main infrastructure contractors.

Sustainability Statement

Governance

The Board has oversight of the Group’s sustainability-related matters and oversees the deliberation and approval of the Group’s overarching sustainability strategy. It provides strategic guidance and oversees the effective implementation and performance of sustainability strategies and initiatives across the Group. The Board also ensures that S P Setia’s sustainability agenda aligns with its corporate vision and mission.

Sustainability is led by the Sustainability Committee (SC), which oversees S P Setia’s sustainability-related policies, framework, strategies, priorities, targets and practices. The SC has oversight of climate-related risks and opportunities and receives update from Group Risk Management and Group Corporate Sustainability on climate-related risks every quarter of the year. It ensures that the Group’s sustainability initiatives demonstrate S P Setia’s commitment to sustainability, contributing to the Group’s goal of responsible business conduct. The Board and the Senior Management receive updates from the SC on the progress of the implementation of the climate-related action plan every quarter of the year. In addition, both the Board and the Risk Management Committee are kept informed by the Management Risk Team (MRT) about the Group’s key risk areas, progress of risk action plans and emerging risk and trends, including risks and trends related to sustainability. The Board and the RMC have oversight of risk management and set the strategic direction for risk roles, responsibilities and reporting structure, including sustainability risk, which is a key risk in the Group.

For more information on S P Setia’s risk management, refer to the Corporate Governance Overview Statement from page 265 and the Statement on Risk Management and Internal Control from pages 280 - 290

Sustainability Governance Structure	Frequency of Meeting
<b>Board of Directors</b> Oversees overall sustainability strategy and performance.	Every quarter
<b>Sustainability Committee</b> Oversees our strategy, priorities, policies and targets, including climate-related risks and opportunities.	
<b>Risk Management Committee</b> Oversees sustainability risks, ensuring that they are integrated into the organisation’s risk management framework and aligned with corporate strategy and stakeholder expectations.	
<b>Audit Committee</b> Reviews the results of assurance of the Sustainability Statement and approves the Statement of Assurance, which forms part of the Sustainability Statement.	Annually
<b>Management Sustainability Committee</b> Ensures proper implementation, monitoring and tracking of initiatives.	Every quarter
<b>Management Risk Team</b> 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.	
<b>Sustainability Working Group</b> Implements initiatives across the Group.	

Supporting the Sustainability Committee is the Management Sustainability Committee, which is tasked to roll out sustainability strategies. Chaired by the CEO and comprising the Senior Executives, the Management Sustainability Committee ensures that sustainability initiatives are implemented, monitored and tracked. This includes aligning sustainability efforts with the Group’s vision and mission to better embed sustainability across S P Setia’s operations.

At the operational level, the Sustainability Working Group leads the implementation of ESG initiatives across the business. The Sustainability Working Group consists of the Group Corporate Sustainability and appointed ESG Leaders and Champions. It engages actively with various Business Units to foster a culture of sustainability throughout the organisation and drive continuous improvement in S P Setia’s sustainability practices. This includes the assessment and management of climate-related risks and opportunities.

Sustainability Statement

Strategy

To enhance its climate strategy, S P Setia undertook its first climate change scenario analysis in 2024 to identify the related physical and transition risks at the organisational level. The qualitative scenario analysis provides a high-level view on potential impacts to the Group’s properties under three scenarios chosen from the Intergovernmental Panel on Climate Change’s (IPCC) commonly used Shared Socioeconomic Pathways (SSPs). Integrating scenario analysis into decision-making processes will enable the Group to better address climate-related risks, identify opportunities for sustainable development and demonstrate its climate preparedness to investors, shareholders and other stakeholders.

The scenario analysis was conducted using Malaysia-specific climate data derived from the World Bank’s Climate Change Knowledge Portal’s SSPs and NASA’s sea-level change projections. Impact was assessed qualitatively based on the perceived impact and likelihood of events occurring. This involved assessing potential impacts under each time horizon and climate scenario, focusing on factors such as flood, heat and precipitation. Sea level rise and coastal flooding were evaluated under the three chosen SSPs in Kuala Lumpur and Penang, the two key states where S P Setia’s landbanks are concentrated. The projected outcomes provided potential unmitigated impacts on S P Setia, detailing the potential risks and impacts that S P Setia and its supply chain may face due to climate change.

The analysis shows that while S P Setia may not be affected by sea level rise and coastal flooding in the long term, the Group could experience increased heat impacts in the coming decades. The three scenarios chosen are not forecasts but merely advanced socioeconomic narratives meant to guide S P Setia in assessing potential outcomes and risks.



Sustainability Statement

Sustainability Statement

Risks & Opportunities

S P Setia’s risk analysis was conducted based on physical risks and transition risks. Risks such as extreme weather and temperature rise are physical and liability risks while transition risks refer to carbon tax and cost of resources.

Physical Risks

Physical risks are risks related to climate events which can physically impact the organisation’s development. Physical risks are categorised into acute and chronic risks.

Type of Physical Risk	Potential Impact	Potential Mitigation Strategies
Acute		
<b>Extreme weather</b> Increased likelihood of extreme weather events (floods, heavy rain, heat waves) as a result of climate change	<ul style="list-style-type: none"><li>Disruption to supply chain and construction schedule, causing delays to project completion.</li><li>Physical damage to buildings, assets and construction sites, compromising safety of buildings and workers.</li><li>Increased costs and higher insurance premiums.</li></ul>	<ul style="list-style-type: none"><li>Rolled out the Setia Green Roadmap with the goal of achieving net zero by 2050 and contributing to the mitigation of global climate change impacts that can cause the increase in likelihood of extreme weather events.</li></ul>
Chronic		
<b>Sea level rise</b> Increased risk of coastal/ river flooding for properties/ landbanks near the coasts or rivers	<ul style="list-style-type: none"><li>Decreased land bank viability/value for seafront landbanks.</li><li>Higher construction costs.</li><li>Lower property value.</li></ul>	<ul style="list-style-type: none"><li>Exploring the design protection measures for future new properties located in coastal flood-prone areas (if any).</li><li>Rolled out the Setia Green Roadmap with the goal of achieving net zero by 2050 and contributing to the mitigation of global climate change impacts.</li></ul>
<b>Temperature rise</b> Increased temperatures due to climate change, primarily driven by increased GHG emissions, deforestation and land-use changes	<ul style="list-style-type: none"><li>Increased energy demand for cooling.</li><li>Increased demand for water and reduced water supply.</li><li>Shorter working hours due to intense heat.</li></ul>	<ul style="list-style-type: none"><li>Existing green building design features in our owned assets.</li><li>Exploring the implementation of worker protection measures from heat by rescheduling outdoor working hours or periods during hotter months (if required in future).</li><li>Engaging regularly with local authorities to align initiatives.</li><li>Implementing landscaping in townships which can reduce the urban heat island effect.</li></ul>
<b>Change in precipitation patterns</b> Increase/decrease in precipitation due to higher evaporation rates caused by warmer temperatures	<ul style="list-style-type: none"><li>Disruption in water supply due to drought.</li><li>Increased risk of floods and landslides.</li></ul>	<ul style="list-style-type: none"><li>Rolled out the Setia Green Roadmap with the goal of achieving net zero by 2050 and contributing to the mitigation of global climate change impacts.</li></ul>

Transition Risks and Opportunities

Transition risks refer to financial and operational risks that arise from the process of moving towards a lower-carbon economy.The four types of transition risks are policy and legal risk, technology risk, market risk and reputation risk.Transition risks and opportunities related to the shift towards low-carbon economies can rise gradually over time or be triggered by sudden events such as climate change, regulatory changes or changes in consumer behaviour. By identifying and disclosing its transition risks and opportunities, S P Setia will enable its investors to better understand the exposure of its assets to such risks and opportunities.The transition risk analysis conducted in 2024 was a qualitative assessment from the climate change scenario analysis, which helped S P Setia determine the potential impacts, mitigation strategies and growth opportunities. Going forward, S P Setia will further explore the effects of these identified transition risks on its business and financial planning.

Transition Risks

Type of Transition Risk	Potential Impact	Potential Mitigation Strategy
<b>Policy &amp; Legal</b> Heightened regulations for mandating green products and services, increased demand for transparency and accountability and the introduction of carbon tax	<ul style="list-style-type: none"><li>Higher production and operating costs to meet regulatory and reporting compliance.</li><li>Non-compliance will lead to risk of fines or penalties and reduced stakeholder confidence.</li><li>Increased operating costs due to a potential future government-mandated carbon tax on high-carbon emission activities.</li></ul>	<ul style="list-style-type: none"><li>Ensuring regulatory compliance by staying abreast of latest changes in national and global regulations and practices.</li><li>Maintaining transparent and ethical reporting.</li><li>Ongoing implementation of initiatives from the Setia Green Roadmap will reduce carbon tax expenses, should it be implemented and enforced by the government in the near future.</li></ul>
<b>Technology</b> Higher cost for research and development in green products, adoption of new technologies in construction and homes and implementation of low-emission technologies	<ul style="list-style-type: none"><li>Increased costs for research and development, technology adoption and investments in low-carbon or carbon-neutral townships to meet sustainability demands.</li><li>Financial impacts from asset write-offs, early retirements and the need for investment due to evolving policies.</li></ul>	<ul style="list-style-type: none"><li>Adopting renewable energy to reduce emissions and energy cost from non-renewable energy in operations.</li><li>Introduced Setia eGreen Living (Setia’s collection of smart and sustainable home elements), which includes initiatives such as the green switch and electric vehicle charging ports.</li></ul>
<b>Market</b> Rising costs of raw materials, energy and debt linked to sustainability standards, growing consumer demand for sustainable products and services, and carbon reduction upgrades and investments to reduce energy costs and carbon taxes	<ul style="list-style-type: none"><li>Loss of revenue and market share due to inability to offer green products.</li><li>Rising costs from limited supply of green materials, higher debt servicing for low green building standards and potential revenue impact from passing energy or carbon costs to customers.</li></ul>	<ul style="list-style-type: none"><li>Implementing of Setia eGreen Living to enable us to meet the growing market demand for sustainable properties by integrating the relevant green features in the development.</li></ul>

Sustainability Statement

Type of Transition Risk	Potential Impact	Potential Mitigation Strategy
<b>Reputation</b> Rising stakeholder concern over corporate responsibility in climate change and a shift in consumer preferences for companies with green reputations	<ul style="list-style-type: none"><li>• Reputational damage could lead to reduced revenue.</li><li>• Inability to adapt to the shift in market and consumer preferences may affect competitiveness.</li></ul>	<ul style="list-style-type: none"><li>• Continuously roll out the Setia eGreen Living in our development to build our reputation as a sustainable property developer among our peers and public communities.</li><li>• Continuously explore other sustainability initiatives to enhance our product offerings.</li></ul>

Transition Opportunities

Type of Opportunities	Potential Impact
Investor interest in ESG initiatives	<ul style="list-style-type: none"><li>• Retention and attraction of investors.</li></ul>
Becoming a leader in resource efficiency	<ul style="list-style-type: none"><li>• Reduced costs of abatement and emissions.</li></ul>
Energy transition in line with, or beyond, national commitments	<ul style="list-style-type: none"><li>• Increased investment costs and reliance on third-party maintenance fees while benefiting from medium- to long-term energy cost and GHG savings.</li></ul>
Green finance participation	<ul style="list-style-type: none"><li>• Formal green taxonomy could open/restrict funding sources.</li></ul>
Sustainable products and services	<ul style="list-style-type: none"><li>• Greater revenue from increased demand for green products.</li></ul>
Enhanced reputation	<ul style="list-style-type: none"><li>• Increased market share from leading products and services.</li></ul>



Sustainability Statement

Risk Management

S P Setia has a structured approach for managing risks, including climate-related risks and ensures that they are assessed and addressed in line with the Group’s business goals. Risk profiles, action plans and status updates are presented on a quarterly basis and deliberated upon by the Management Risk Team, Risk Management Committee and the Board.

Risk assessment is done according to the process set out in S P Setia’s Enterprise Risk Management (ERM) Framework. The ERM Framework provides a structure to identify, assess and manage key risks facing the Group. Sustainability risk, including climate-related risk, is one of the key risks identified under the framework and is monitored continuously at both Management and Board level. Clear targets related to emissions and other climate-related metrics have been established within the Setia Green Roadmap to ensure that the Group mitigates climate-related risks and achieves its climate ambitions.

For more information on risk management, refer to the Statement on Risk Management and Internal Control on pages 280 - 290

Metrics & Targets

S P Setia’s baseline for Scope 1 and 2 GHG emissions are calculated based on the GHG Protocol. In 2024, the Group completed the process of establishing a baseline for Scope 3 GHG emissions from landed and high-rise properties. The baseline for landed properties is 487 kgCO<sub>2</sub>e/m<sup>2</sup> while the baseline for high-rise properties is 1,044 kgCO<sub>2</sub>e/m<sup>2</sup>. The emissions for Scope 3 are calculated by intensity to facilitate comparison with international standards for reporting embodied carbon emissions.

**In addition to establishing 2024 as the baseline year for Scope 3 GHG emissions intensity, the Group has also updated the baseline year from 2023 to 2024 for Scopes 1 and 2 to align the baseline across all the three scopes and improve accuracy of emission reduction targets.**

**S P Setia’s Carbon Emissions Reduction Targets Against the 2024 Baseline**

Reduce		
Scope 1 and Scope 2	Scope 1 and Scope 2	Scope 3*
by 45%	by 70%	by 20%
by 2030	by 2040	by 2030

\* The reduction target is limited to landed properties, as S P Setia is currently assessing a feasible reduction target for high-rise properties.

For more information on our GHG emissions, refer to Emissions on pages 154 - 159

Sustainability Statement

Waste and Water Management

*S P Setia integrates waste and water management into its broader sustainability strategy to minimise environmental impact while maintaining operational efficiency, without compromising regulatory compliance, resource availability or the long-term sustainability of its developments.*

WHY IT MATTERS

As a responsible developer, we recognise that effective waste and water management is essential for business continuity, environmental stewardship and maintaining stakeholder trust. Proper waste handling reduces the amount of waste directed to landfills, prevents pollution and supports regulatory compliance, while responsible water use helps minimise impacts on local resources and protects quality of water discharged to the waterways. To achieve this, we are committed to implementing sustainable waste disposal methods and responsible water extraction, consumption and discharge practices across our operations and development projects, ensuring long-term environmental sustainability.

OUR APPROACH

At S P Setia, we employ a systematic framework for managing waste across our operations, guided by our Setia Sustainable Policy and Setia Green Roadmap for emissions reductions. Our Environmental Management System (EMS), based on the ISO 14001:2015 standard, provides a systematic approach to managing waste and

minimising its environmental impact. We use established frameworks such as the Green Building Index (GBI) and LEED as reference guidelines during our planning stage to adopt sustainable design, construction and operational practices.

Our strategy aligns with the Environmental Quality Act 1974, supported by compliance monitoring and verification. We maintain oversight through regular site inspections and compliance checks, with specific 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 waste disposal documentation to verify proper disposal at authorised locations. This differentiated approach to data collection enables us to maintain appropriate oversight while driving continuous improvements in our waste management practices.

Our waste footprint spans various categories with distinct management approaches:



Office/Domestic Waste

Waste such as paper, printer cartridges, packaging materials and food waste from our offices and properties are sorted and recycled or disposed of in a legal landfill.



Construction Waste

Waste generated as debris from our construction activities, such as concrete, bricks, wood, steel and plastic, or from unused materials. Waste of this type is sent to a legal landfill for disposal.



Maintenance Waste

Waste generated from the maintenance of our properties, including landscape maintenance activities, food waste from convention centres and malls, and other organic materials. These wastes are managed through appropriate disposal channels based on the type of waste and local authorities requirements.



Scheduled Waste

Hazardous waste refers to waste that can potentially damage the environment, such as spilled oil, contaminated soil and oil-soaked rags. This waste category is handled by licensed contractors and reported to the Department of Environment (DOE) in accordance with regulatory requirements.



Clubhouse Waste

General waste, recyclables, organic waste and single-use plastics generated during events and daily activities. Waste of this type is sent to a legal landfill for disposal.

Sustainability Statement



Our water strategy treats water as a shared resource that demands thoughtful management. We focus on progressive consumption reduction while maximising reuse opportunities across our operations. We draw water primarily from municipal supply networks and supplement this with rainwater harvesting and catchment systems. This water serves multiple purposes across our operations, including drinking water supply, general cleaning and sanitation, landscape maintenance and construction activities such as dust control. Our discharge is managed through sewerage treatment plants and approved drainage systems.

Our approach is grounded in the Setia Sustainability Policy, which emphasises sustainable water stewardship across all developments. We maintain stringent discharge management practices to protect waterways and water dependent flora and fauna. Our approach adheres strictly to the Environmental Quality Act 1974 and Sewerage Services Act 1993, with all discharges requiring prior approval from the Department of Environment and compliance with specific pollutant limits. Our minimum standards are guided by Environmental Impact Assessment (EIA) Approval Conditions and the National Water Quality Standard (Class IIA). Regular Environmental Monitoring Reports include discharge point water sampling and monitoring key parameters such as pH, dissolved oxygen levels, temperature and the presence of pollutants.

Additionally, in Selangor, we comply with the new 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. P.U 19/2024], which came into force on 20 June 2024.

We benchmark our performance against the National Water Quality Index and align with international standards including those set by GBI, LEED, Greenmark and GreenRE certification systems. Furthermore, we have integrated Sustainable Drainage Systems principles into our development designs to ensure environmentally beneficial water management.

Our drainage systems in townships are designed to comply with MASMA (Manual for Sewerage and Urban Drainage Management). This comprehensive approach integrates flood mitigation, water quality management and environmental protection while creating new biodiversity locations and habitats. The design incorporates networks of small ponds to reduce water runoff and control stormwater during peak periods. Where appropriate, we utilise natural ground waterways instead of drain culverts, increasing ground permeability and improving township groundwater recharge. Water quality is enhanced through installed gross pollutant traps (GPTs) and integrated sediment traps. In areas designated as Kawasan Tadahan Air in our Kebenaran Merancang (KM), we develop wetlands, bio-swales and landscape parks to enhance aesthetics and improve biodiversity.

Through our eDew platform, we maintain comprehensive monitoring of water consumption across our offices and sales galleries. This system also tracks water quality discharge from construction sites based on EIA parameters, monitoring key indicators including air, noise and water data. The platform's analytical capabilities help detect irregularities, enabling early warning alerts for prompt remedial action. This data-driven approach helps us align our practices with local regulations, the ISO 14001:2015 standard and where applicable, green building guidelines such as LEED and GBI.

Sustainability Statement

Our water data collection employs rigorous methodologies across different operational areas. For office facilities, consumption is measured through detailed monthly utility bills from utility providers. At construction sites and townships, water discharge monitoring involves sample collection by DOE-approved third-party service providers at fixed monitoring points including ponds, silt trap ponds and waterways. These samples are then analysed by separate DOE-approved laboratories, with detailed analytical reports provided within days of collection. This dual-approval process ensures the highest standards of data integrity and regulatory compliance.

Our technical solutions are complemented by stakeholder engagement, working closely with our employees, residents and communities to promote sustainable water practices. Regular monitoring and measurement of our water impacts ensure we maintain effectiveness while identifying new opportunities for improvement.

OUR INITIATIVES

Construction Excellence

We continue to advance our adoption of the Industrialised Building System (IBS) construction technique across our development projects. Based on our KPI scorecard, we achieved an average IBS score of 52% across the Group, demonstrating our commitment to more efficient and precise material forecasting through systematic modelling, precasting and prefabrication of building components. Complementing this approach, we maintain sorting protocols at our project sites and monitor construction waste management through regular site inspections. We incorporate sustainable construction methods in our planning and development processes.

Office Environmental Stewardship

Our corporate locations demonstrate our commitment to waste reduction through strategically placed recycling stations that facilitate waste segregation by paper, plastic and glass. The ongoing digitalisation of our operations, including the adoption of Microsoft

365 and OneDrive for document management, continues to reduce paper consumption as we progress towards paperless offices. We have implemented e-registration and e-brochure systems, alongside dedicated old cloth collection areas for textile recycling.

Our vehicle management policy ensures sustainable disposal of company vehicles. Our food waste management initiatives include a dedicated composting system at Setia City Convention Centre, where food waste is processed at Setia Ecopark's composting facility. The resulting compost supports landscape maintenance activities across our developments.



Compost produced at D'Network @ Setia Eco Park

Community-Focused Solutions

We continue to implement circular economy initiatives across our developments. Notable implementations include:

- The recycling facility at Setia Fontaines Heritage Park, complemented by innovative waste management solutions including the transformation of fallen leaves, coffee grounds and tea leaves into compost fertiliser.
- Community engagement programmes including collaboration with Tzu Chi for Recycle Day events and comprehensive awareness campaigns for residents.
- The successful food composting facility at D'Network @ Setia, with enhanced food waste reduction through RSVP systems for events and structured food diversion programmes.
- Implementation of digital solutions including e-registration and e-brochures to reduce paper consumption.
- Our innovative fabric recycling programme, which transforms used textiles into corporate gifts.
- Business Unit-level waste awareness programmes and educational initiatives for staff and residents.

Sustainability Statement

Third-Party Waste Management

We work with licensed waste management partners through established procurement and contracting processes. For scheduled waste, all documentation is submitted to the Department of Environment as per regulatory requirements. Regular site inspections ensure ongoing compliance with our standards and regulatory requirements.

OUR RESULTS AND ACHIEVEMENTS

Waste

In 2024, we continued to monitor and measure our waste management performance across all our operations. We diverted 11.37 tonnes of waste from disposal and directed 509.84 tonnes to disposal. Through our food waste recycling initiatives, we processed 2.19 tonnes of food waste.



Food waste composter machine

Waste Management	2022	2023	2024
Bursa C10(a) Total waste generated (tonnes)	N/A	2,730.70	521.21
Bursa C10(a)(i) Total waste diverted from disposal (tonnes)	N/A	2,001.70	11.37
Bursa C10(a)(ii) Total waste directed to disposal (tonnes)	N/A	729.00	509.84

Food Waste	2022	2023	2024
Food waste recycled (tonnes)	36.50	24.74	2.19

Key Achievements:

In 2024, we strengthened our waste management foundations by:

Establishing new KPIs for waste management.

Implementing the eDew system for systematic waste data collection.

Developing SOPs for standardised waste data recording, analysis and monitoring.

Creating a structured framework for consistent waste data reporting across operations.

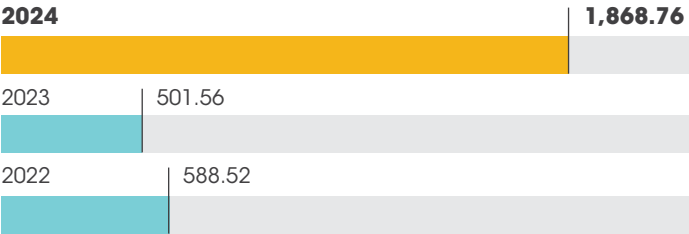
In 2024, we continued to witness the positive impact of our food composting facility at D'Network @ Setia Eco Park. This initiative stands as a testament to our commitment to innovative waste management solutions. The facility processes food waste from the development, converting it into nutrient-rich fertiliser for landscape maintenance.

Sustainability Statement

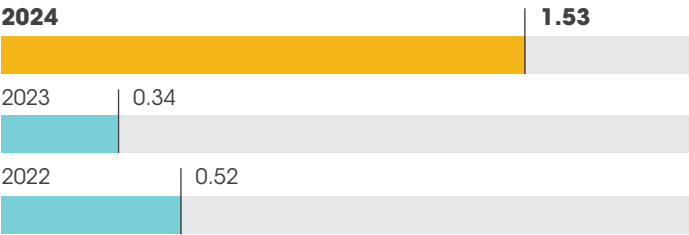
Water

In 2024, we continued to monitor and manage our water impacts across all areas of operation. The implementation of our new ESG data management system has enhanced our data collection processes, resulting in adjusted operational boundaries for measurement. Our total water consumption reached 1,868.76 megalitres, with no operations in water-stressed areas.

Total Water Consumption (ML)



Water Intensity Ratio (m³ over m²)



Note: The increase in water consumption in 2024 is attributed to the expansion of our reporting boundary, incorporating additional business units and operational sites.

GOING FORWARD

Going forward, we are shifting our focus towards addressing waste management at its source rather than relying on end-point solutions. We will prioritise preventive measures, particularly at the project planning stage for construction projects, to minimise waste generation from the outset. We are also expanding our use of digital solutions to enhance efficiency and reduce waste, including:

**BIM 3D software implementation** for clash analysis during the design phase, allowing for better planning and waste reduction.

**Defect Monitoring System applications** for pre- and post- construction monitoring, tracking and management.

**Digital solutions** to reduce paper waste across office operations and project implementation.

Alongside waste reduction, we are also strengthening water management by improving measurement processes across offices, sales galleries, malls and convention centres. Digitising water data will enhance analysis, management and target setting, with 2024 data serving as the baseline for future indicators. Additionally, we will continue sourcing water for construction activities, such as road and vehicle cleaning, from ponds within our townships to support sustainable resource use. These initiatives align with our broader sustainability commitments, ensuring continuous improvement in waste and water management while maintaining operational efficiency, reducing environmental impact and optimising the use of materials and water resources across our operations.

Sustainability Statement

BIODIVERSITY

Biodiversity is essential for sustaining ecosystems that provide services such as clean air, water, fertile soil and climate regulation, making its preservation critical for protecting natural habitats and environmental health while supporting the long-term viability of our developments. We strive to balance urban development with sustainable practices that protect biodiversity, restore ecosystems and enhance the well-being of communities surrounding it.



WHY IT MATTERS

Biodiversity is essential for sustaining ecosystems that provide vital services such as clean air, water, fertile soil and climate regulation. Its degradation disrupts habitats, harms fauna and contributes to issues like soil erosion, water scarcity and climate risks. These impacts threaten environmental health, human well-being and the viability of developments while increasing costs, delaying projects and risking reputational damage to S P Setia. Furthermore, preserving biodiversity ensures compliance with regulations, enhances community well-being and strengthens our reputation as a sustainable developer.

Neglecting biodiversity protection exposes S P Setia to significant operational and financial risks, including penalties, higher restoration costs and reduced stakeholder trust. To mitigate these risks, we are committed to prioritising biodiversity management across all projects, aligning our operations with global environmental goals and supporting the restoration of resilient ecosystems. Furthermore, sustainable land-use practices, biodiversity conservation, ecosystem restoration and the use of green technologies ensure that urbanisation progresses in balance with ecosystem health, contributing to a resilient and sustainable future for the planet.

OUR APPROACH

Our efforts are aligned with the UN SDGs and Malaysia's Environmental Quality Act 1974 (Act 127) while our practices are aligned with the ISO 14001:2015 Environmental Management Systems standard, enabling us to implement a structured approach to managing environmental responsibilities, ensuring compliance with regulatory requirements. We remain guided by the S P Setia Sustainability Policy, S P Setia Green Roadmap, S P Setia Sustainability Framework and S P Setia Climate Change Policy. We also promote biodiversity conservation through community engagement and programmes.

We take a balanced approach to managing biodiversity impacts across our developments. While our operations involve the use and transformation of natural landscapes, we prioritise minimising long-term damage and protecting ecosystems. To this end, we actively invest in conserving and restoring natural habitats within our landbanks to create communities where humans, flora and fauna can coexist harmoniously. Through these efforts, we enhance the quality of life for our residents and demonstrate leadership in sustainable development, setting a positive benchmark for other developers in the region.

Sustainability Statement

To minimise disruptions to natural habitats, we evaluate a range of potential impacts, including:

Impact	Description
Ecosystem Disruption	We undertake land clearing to build our developments, leading to the removal of vegetation and the disruption of existing ecosystems. This can lead to the complete loss of habitat for various plant and animal species.
Air Pollution	Machinery, vehicles and construction materials may release particulate matter and emissions that contribute to air pollution.
Water Pollution	Runoff from our sites may carry pollutants into nearby water bodies, impacting aquatic ecosystems.
Noise Pollution	Noise pollution from our construction activities may disturb wildlife and alter the behaviour of animals.
Reduction of Flora and Fauna Species	The destruction of natural habitats during construction may threaten existing flora and fauna species, leading to population decline or extinction.

At S P Setia, we take an integrated approach to minimising environmental impacts by utilising technological solutions, applying industry best practices and maintaining active engagement with key stakeholders.

Our efforts to protect flora and fauna commence at the earliest stages of new project lifecycles. During the pre-development phase, we conduct in-house ecological assessments and identify mature trees that can be preserved by transplanting them to alternative locations such as parks, roadside green areas or green buffer zones. Only non-invasive mature tree species are used in these efforts and we review biodiversity-related risks and opportunities to ensure sustainable development practices. This enables our teams to coordinate with consultants from various fields and adjust the development design to be less disruptive to nature. By introducing urban greenery and creating new habitats to attract desirable fauna such as birds, butterflies and bees, we minimise habitat disruption while enhancing the appeal of developments for customers.

Environmental Impact Assessments (EIAs) are also conducted to evaluate the potential effects of our developments on natural environments, including biodiversity. These assessments are undertaken as required throughout the project lifecycle to ensure environmental considerations remain a priority.

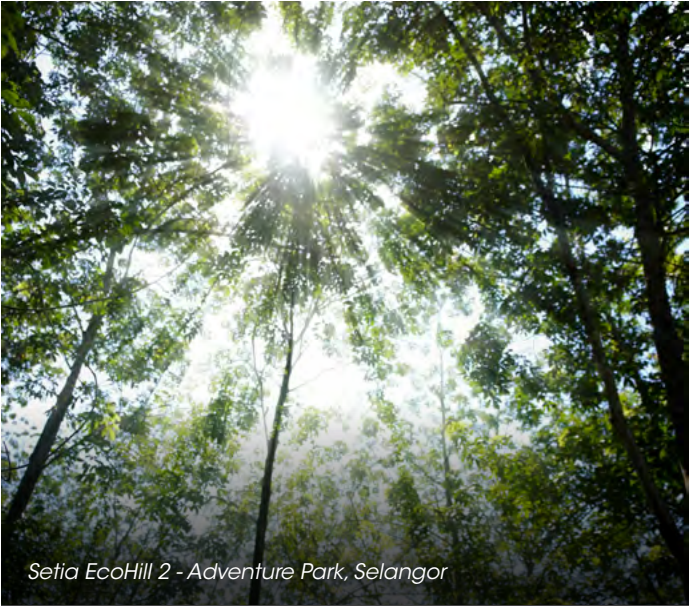
OUR INITIATIVES

Biodiversity Conservation and Habitat Protection

S P Setia actively incorporates biodiversity preservation into its developments, balancing built and natural environments to minimise ecological disruption. At Setia Fontaines, 36 acres of green park and 63 acres of water body have been preserved to protect habitats on land and underwater, while sustainable practices are maintained throughout the process. In this regard, we worked with environmental consultants and landscape architects to integrate effective biodiversity protection measures and conduct thorough EIAs during the design stage, addressing potential risks to local ecosystems, wildlife habitats and natural resources.

We work closely with business partners to ensure compliance with environmental standards. Contractors are encouraged to obtain ISO 14001:2015 and ISO 45001:2018 certifications, with these requirements specified in contractual documents and communicated during tender clarifications before commencing any project-related activities.

Sustainability Statement



Tree Transplanting and Preservation

Wherever possible, existing trees are transplanted to suitable locations to preserve green spaces and reduce environmental impact. For example, 108 *Samanea saman* trees were transplanted to Setia Fontaines due to road widening works, with damaged or dying trees relocated to Revival Park for nurturing. Since 2020, 5,238 trees have been planted at Setia Fontaines, contributing to biodiversity restoration. In addition, our reforestation initiatives include replanting native plants and fruit trees in public parks to restore habitats and attract and invite local wildlife and pollinating faunas back to the area.

Restoration and Rehabilitation of Natural Habitats

Once developments are completed, our focus shifts to restoring and rehabilitating natural habitats. Across our projects, we invest in extensive tree-planting initiatives to enhance biodiversity and attract animal species to return. One notable initiative is the Adventure Park at Setia EcoHill 2, an 18-acre forest hosting a variety of native tree species alongside eco-friendly amenities such as jogging tracks and mountain biking lanes. This area, once part of a rubber estate, has been transformed into a diverse habitat that supports thriving wildlife populations and offers recreational spaces for the community.

Preservation of Natural Habitats

We incorporate forest parks, wetlands, natural hills and waterways into our developments to preserve and enhance local biodiversity. Examples include Adventure Park and EcoHill Park at Setia EcoHill, as well as Canal Park and Pixel Park, which feature protected natural environments that integrate seamlessly with urban development.

Green Infrastructure and Eco-Friendly Designs

We integrate green infrastructure solutions into our projects to address both biodiversity and climate goals. Initiatives include energy-efficient buildings, rainwater harvesting systems and solar photovoltaic (PV) installations to reduce reliance on non-renewable resources. At Setia Fontaines, water-saving technologies and renewable energy sources are actively implemented to reduce the township’s environmental footprint.

Furthermore, we collaborate with engineers, landscape architects and environmental consultants to create green corridors, pocket parks and habitats for pollinators and other species. For example, the TownPark at Alam Impian merges engineered infrastructure with public recreational spaces, including a retention pond designed with natural aesthetics and habitats for aquatic life.



Sustainability Statement

Urban Green Spaces

Our urban designs prioritise native plants, green corridors and landscaped areas that provide habitats for wildlife. Notable examples include South Creek at Setia EcoHill 2, Canal Park and Pixel Park, where sustainable landscaping supports local biodiversity while enhancing the aesthetic and functional value of these spaces. At least 10% of our project areas are designated as green spaces to promote biodiversity, provide recreational spaces and align with global environmental frameworks such as the Kunming-Montreal Global Biodiversity Framework. For certain Business Units, such as the Eco Series, this allocation increases to be more than 15%.



Sustainable Landscaping

Sustainable landscape designs are prioritised across developments, focusing on the use of native plants that require minimal maintenance, reducing the need for chemical fertilisers and pesticides and supporting local biodiversity. In Setia Fontaines, cleared vegetation and oil palm leaves are composted for use as fertiliser in park and landscape areas. Water-efficient landscaping practices, such as rainwater harvesting and irrigation systems, further minimise environmental impacts and reduce resource consumption.

Monitoring and Reporting

We employ systems such as the eDew monitoring platform to track environmental pollutants in real time during construction and operation. This helps us quickly address potential issues, ensuring minimal harm to ecosystems. Furthermore, we implemented ongoing monitoring and adaptive management strategies to ensure the long-term sustainability of ecosystems and biodiversity, supported by periodic reporting to stakeholders to maintain transparency and accountability.

Recycling and Upcycling Initiatives

We repurpose unimportant tree trunks from site clearing into features such as walkways, while boulders uncovered during earthworks are used to create habitats for aquatic life. In Alamsari, the boulders are also used as decorative elements in landscaped areas and parks within the township.

Community Engagement

We actively engage the community through tree-planting events, eco-workshops and awareness campaigns. Initiatives like GreenDay @ Setia and recycling campaigns for staff and residents promote sustainable practices and foster environmental stewardship across our developments.



Sustainability Statement

OUR RESULTS AND ACHIEVEMENTS

Advancing Biodiversity and Sustainable Landscaping Initiatives

As part of our commitment to environmental sustainability, we have initiated a Biodiversity Policy for the Group, aligning with investor expectations and market requirements.

To enhance our landscape strategy, we have established a policy for the planting of trees in the International Union for Conservation of Nature and Natural Resources (IUCN) Red List, contributing to the preservation of species at risk. Additionally, we have introduced Tree Planting Guidelines for Carbon Sequestration, ensuring our green initiatives support carbon capture efforts.

To facilitate implementation, a list of IUCN Red List trees was disseminated to all Business Unit landscape heads in July 2024, serving as a guideline for landscape planning and execution across our developments.

GOING FORWARD

Going forward, we will continue to support government initiatives by disclosing our environmental performance and strategies for managing biodiversity risks and opportunities. We will develop biodiversity plans to ensure no net loss or achieve net positive outcomes while integrating green infrastructure such as green roofs, wetlands and habitat corridors into our developments. Our approach will include sustainable construction methods, preservation of native ecosystems and the adoption of green-certified designs to reduce environmental impact.

We will also engage with communities and collaborate with organisations to promote biodiversity awareness and conservation. We will leverage advanced tools to monitor and protect biodiversity while focusing our efforts on climate resilience through ecosystem restoration and water management solutions. We will set clear biodiversity targets, with progress reported transparently to align with global sustainability goals.



Sustainability Statement



SOCIAL  
POSITIVE, SUSTAINED COMMUNITY  
AND SOCIAL IMPACTS



Creating thriving communities remains at the heart of our purpose. We believe our business is only sustainable when we put people first and make a lasting difference for them.

Sustainability Statement

EMPLOYEE HEALTH AND SAFETY

At S P Setia, we uphold high standards of occupational health and safety through structured governance and effective management systems. We actively monitor risks and implement targeted measures to protect our employees, business associates, customers and the general public. Beyond managing workplace safety, we also create healthy environments that support both physical and mental well-being.



WHY IT MATTERS

As a responsible corporate citizen, employee health and safety is vital to our business operations and ensuring our licence to operate. In high-risk industries such as construction and real estate development, occupational health and safety (OHS) measures are essential to minimising accidents, legal liabilities and compensation costs. By managing workplace risks effectively, we safeguard S P Setia's financial health and operational continuity, while promoting accountability and responsibility across all levels of the organisation. This not only ensures the safety of our people, contractors and customers, but also strengthens our reputation, supporting operational efficiency, financial resilience and stakeholder trust.

Building on this understanding, we are dedicated to implementing stringent health and safety measures that prevent illnesses and injuries, enhance productivity and promote public confidence, while ensuring compliance with occupational safety and health (OSH) regulations to support a safe, sustainable and successful work environment.

OUR APPROACH

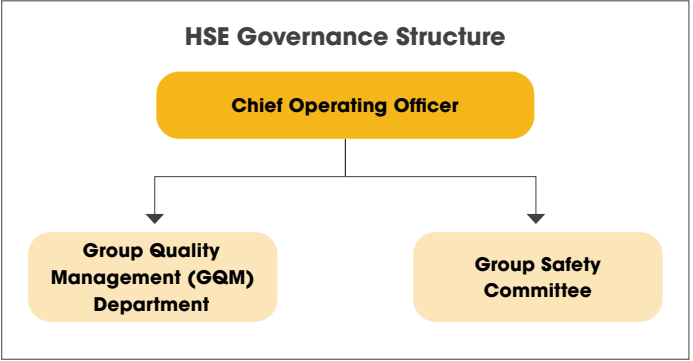
We comply with the Occupational Safety and Health (Amendment) Act 2022, while aligning with the ISO 45001:2018 Occupational Health and Safety Management Systems standard. To reflect this commitment, we established the Health, Safety and Environment (HSE) Policy, alongside detailed safety procedures such as Objectives and Targets and Programmes, Hazard Identification, Risk Assessment and Risk Control (HIRARC) and Office Environmental Plan and Inspection. These procedures are underpinned by a structured Health, Safety and Environment (HSE) Standard Operating Procedure that covers 14 key processes.

We also established an HSE policy, which is available on our website, to provide guidance on health, safety and environmental management. To this end, OSH risks are assessed and a risk profile is generated for monitoring across the Group.

Sustainability Statement

Our approach to OSH is guided by a Health, Safety and Environment (HSE) Governance Structure, which enables effective oversight and response to health and safety matters across all Group levels. The framework consists of OHS Committees at Group-level and Business Unit levels, which are responsible for risk monitoring and initiative implementation across our project sites and offices.

The Business Unit committees meet monthly to address evolving work environments and maintain dialogue with site managers and employees, ensuring adherence to our health and safety standards. Furthermore, all OHS Committees report to the Group Safety Committee, overseen by our Chief Operating Officer and supervised by Group Quality Management (GQM) and HSE representatives, ensuring consistent implementation of policies across operations.



Each project site also maintains an HSE Committee. These committees, chaired by project managers with HSE officer support, meet monthly and include representatives from employers and employees. We also implemented a Group-level OHS Management System, aligned with ISO 45001:2018 and ISO 14001:2015, ensuring safe practices across all operations. This system protects permanent, contract and contractor employees at project sites, incorporating additional measures for highly specialised work with unique risks.

To drive continuous improvement, we conduct regular audits, inspections and management reviews to address potential risks. Employees are encouraged to engage in safety initiatives, such as hazard reporting, incident investigations and safety training. Coupled with health and wellness programmes, these efforts strengthen a culture of safety, reduce risks and enhance operational excellence.

OUR INITIATIVES

Strengthening Our Safety Commitments

We conduct regular management reviews to assess and enhance our system's performance across our Business Units and project sites. These evaluations focus on:

Legal and regulatory compliance.

Employee management of hazards, risks and opportunities.

Group-level objective achievements.

Effectiveness of operational controls.

Within the GQM department, a team from Group Safety performs monthly HSE audits across the Group Business Units project sites to ensure compliance with established standards and contractor practices. Audit findings are shared with the Business Unit Project Team, who implement corrective actions and communicate necessary information to workers and their representatives to ensure collective understanding and action. We then conduct verification checks to assess the effectiveness of these measures.

We also document HSE performance systematically across sites to enable continuous process improvements. Additionally, we conduct a minimum of one internal audit annually at the Group level to evaluate the effectiveness of our policies and procedures against HSE objectives. This process is complemented by third-party auditors for the renewal of our ISO 14001:2018 and ISO 45001:2015 certifications.

Furthermore, to drive continuous improvement in HSE performance, we established the HSE Inspection Score, a monthly assessment for each project across the Group. In 2024, we achieved 85.9%.

Sustainability Statement

Conducting Hazard Identification and Risk Assessment

Each project site and its Business Unit office presents specific risks to employees, contractors and the environment, making it essential to maintain thorough processes for identifying site-specific hazards and risks. To this end, we conduct regular worksite inspections, named Hazard Identification, Risk Assessment and Risk Control (HIRARC), to identify and assess potential hazards. Based on inspection findings, we prioritise hazards using a risk matrix, assessing importance through potential impact and likelihood of occurrence, enabling us to channel resources towards the most critical issues first.

We maintain a strong focus on safety and compliance by integrating the following risk management practices into our daily operations:

- Daily risk assessments conducted by project site operations teams, with prompt action on non-compliance.
- Monthly audits by the GQM OSH's department to identify improvement areas and update risk controls as projects evolve.
- Regular reviews of risk assessments, with immediate re-evaluations triggered by changes in processes, equipment or work environments.
- Routine inspections of the workplace.

To strengthen our risk mitigation efforts, we also consider input from project teams, consultants and employees to maintain a balanced view of project site hazards and risks.

Managing Incident Response and Investigation

S P Setia's Workplace Incidents Framework

01

When workplace incidents occur, competent persons and the Emergency Response Team (ERT) take immediate action to ensure individual safety and mitigate further risks.

02

The incident is recorded and the Person in Charge (PIC), who is typically a safety officer or supervisor, is promptly notified.

03

Within 24 hours, then PIC will inform their Superior, Head of the Group Safety Committee and Group Safety Committee Secretary for review and follow-up.

04

The Group Safety Committee, ERT and Business Unit representatives commence an investigation into the matter.

05

Using root cause analysis, the Group Safety Committee, ERT and Business Unit representatives examine factors contributing to the incident, including procedures, equipment and employee actions.

06

Corrective measures are developed and insights are shared across project sites to prevent similar incidents from occurring in the future.

Empowering Employees for a Safer Workplace

We value our project implementation teams' input as an essential enabler towards creating more effective processes and safer workplaces, as they have a frontline view of hazards and risks.

Employees at all project sites and Business Unit offices are represented in their respective OHS Committees, which meet monthly for site committees and quarterly for office committees. They actively participate in safety meetings, hazard and risk assessments and control measure development, enabling open, two-way communication of concerns. They also join weekly toolbox meetings to discuss safety issues and share experiences informally.

Sustainability Statement

Health and Safety Committees at each project site have decision-making authority on health and safety procedures, implementation and initiatives. As committee members, project site employees collaborate with management to identify workplace hazards and conduct regular safety inspections. This involvement allows them to suggest safety training programmes that address specific on-site challenges.

Providing OSH Training

We organise regular health and safety training programmes for our staffs and project employees to create a safety-centric culture across the Group. The programmes offered include:

 <b>Safety Induction</b>  All new employees and workers at all Setia offices and project sites are required to attend a full safety and health induction.	 <b>Ongoing Safety Training Sessions</b>  Regular sessions to reinforce fundamental safety practices and raise awareness about potential workplace hazards.	 <b>Emergency Response Training</b>  In-depth training on emergency response procedures, including evacuation plans, first aid and proper use of emergency equipment.	 <b>HIRARC Training</b>  Specific guidance for employees to conduct a Job Safety Analysis for the identification and mitigation of safety risks.	 <b>Legal Compliance Training</b>  Up-to-date information on relevant occupational health and safety laws, regulations and compliance requirements.
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Project site employees, including contractor employees, must attend compulsory training in scaffolding, machinery operation, working at height and emergency response procedures. This critical training ensures they have the skills to minimise safety risks on the job.

We observe OHS Day at construction sites. On this day, all site personnel participate in activities such as enhanced safety briefings, sharing of practical tips and updates on new tools. The event also includes the recognition of contractor groups that excel in adhering to safety practices.

Furthermore, we encourage health and safety excellence by rewarding high-performing employees with the chance to complete safety certification programmes. Supervisors and managers receive safety leadership training, equipping them with the knowledge and skills to promote a safety culture in their workplace.



Occupational Health and Safety (OSH) Day at Setia Alamsari, Kajang, Selangor

Sustainability Statement

Encouraging Employee Health and Well-being

Beyond workplace safety, we encourage our employees to live a holistic and balanced life. To this end, we offer comprehensive programmes, benefits and services that promote mental and physical well-being.

For physical well-being, we provide comprehensive educational resources on health topics, including healthy lifestyle choices, nutrition and exercise. We organise periodic voluntary fitness and wellness challenges that foster camaraderie among employees.

Complementing these initiatives is our comprehensive health insurance coverage for all employees, covering preventive care, routine check-ups and specialist consultations. We also provide healthcare navigation services to help employees select suitable healthcare providers.

Strengthening Contractor Safety Standards

We work with a variety of suppliers and business partners across our projects and understand that any discrepancies in health and safety standards can increase the risks faced by employees of both parties and the public. In view of this, we place utmost importance on ensuring that our contractors uphold the same high standards of health and safety practices as we do.

S P Setia Contractor's Risk Management Framework

During the bidding process, potential contractors are required to outline their health and safety management processes as part of the selection criteria, including compliance with Occupational Safety and Health (Amendments) Act 2022 and, for building and major infrastructure contractors, obtaining ISO 14001:2015 and ISO 45001:2018 certifications.

Upon contract award

Contractors must submit a detailed HSE plan for management review and ensure their employees complete induction training on our standards.

S P Setia conducts a comprehensive risk assessment to identify potential risks associated with the contractor's health and safety processes, with appropriate preventive measures implemented, including engineering controls, administrative controls and personal protective equipment (PPE).

Furthermore, we extend our internal practices to contractors to maintain standards throughout project progression. This includes continuous practice monitoring, regular site audits and ongoing health and safety communications. Contractor employees also receive ongoing training and awareness sessions tailored to project-specific risks and have access to incident reporting mechanisms.



Occupational Health and Safety (OSH) Day at Setia Alamsari, Kajang, Selangor

Sustainability Statement

OUR RESULTS AND ACHIEVEMENTS

In 2024, we recorded zero cases of work-related fatalities for employees and non-employees. Our Lost Time Incident Rate (LTIR) was 0.16 for employees and 0.01 for non-employees.

In addition, 345 of our employees and 496 non-employees received training on our health and safety standards, representing a marked decrease from the corresponding figures in 2023 and 2022, in line with our commitment to driving continuous improvement in managing occupational hazards and risks.

	2022	2023	2024
Number of work-related fatalities (Employees)	0	0	0
Number of work-related fatalities (Non-employees)	0	0	0
Lost Time Incident Rate (LTIR) (Employees)	N/A	0.68	0.16
Lost Time Incident Rate (LTIR) (Non-employees)	N/A	0.02	0.01
Number of employees trained on health and safety standards (Employees)	N/A	943	345
Number of employees trained on health and safety standards (Non-employees)	51	2,535	496
Total man-hours worked for the reporting period (Employees)	N/A	3,217,528	3,153,856
Total man-hours worked for the reporting period (Non-employees)	17,279,761	18,495,158	17,327,905

GOING FORWARD

Moving forward, we aim to enhance workplace health and safety through initiatives such as scaffold training, working at height training, emergency response training and the 2025 at all of our Business Units. Regular risk assessments, safety audits and training sessions will continue to be conducted to identify and mitigate hazards, with measures implemented to reduce risks. Contractors will be engaged through budget allocations under the Safety Bill of Quantities (BQ) for safety facilities and training. At the Group level, we plan to standardise the safety function across all Business Units to streamline coordination, monitoring and the implementation of new OSH initiatives. Furthermore, current health and safety practices will be reviewed during HSE committee and management meetings to identify areas for improvement, ensuring a safe, compliant and productive work environment for our workforce.

Sustainability Statement

BUSINESS MODEL RESILIENCE

Our people are key to S P Setia's business model resilience, ensuring the organisation remains strong, adaptable and well-positioned for long-term success. As the driving force behind our high-quality standards, corporate culture and strategic objectives, our workforce's capabilities and well-being enable us to navigate industry changes, sustain operational excellence and create lasting value for all stakeholders.



WHY IT MATTERS

A resilient business model depends on a strong, skilled and adaptable workforce. Attracting, developing and retaining talent not only ensures business continuity, but also drives innovation and strengthens our ability to navigate change. Furthermore, creating an inclusive and supportive work environment allows employees to feel valued, stay engaged and contribute to long-term success.

Our commitment extends beyond our direct employees, as we work to uphold ethical labour practices across our supply chain. Through succession planning and talent development, we equip our workforce with the right skills to support business growth, while ensuring the organisation remains adaptable and resilient in a changing business environment.

OUR APPROACH

We manage our workforce through well-defined policies and procedures that integrate employee development with labour standards, ensuring a strong and adaptable workforce that supports business model resilience. Our

management framework, overseen by Group Human Resources (HR), aligns workforce practices with business strategy, equipping employees with the skills needed to sustain long-term growth.

Employee Development Framework

We allocate 2% of our Annual Gross Salary towards training and development programmes, developing initiatives based on business needs and competency requirements. Our Group HR department leads this process, communicating development priorities through established channels and measuring programme effectiveness through specialised systems.

Our remuneration practices ensure employees receive competitive packages aligned with their capabilities and responsibilities. Our structured approach places employees within a salary range according to job grade, complemented by performance-based rewards determined through KPI achievement. All employees receive standardised benefits, including leave entitlements, healthcare coverage, professional development support and staff purchase privileges.

Sustainability Statement

Building a Diverse Workplace

Our approach to diversity centres on creating environments where unique talents are valued and equal opportunities prevail. We maintain clear policies ensuring equal access to rewards and resources, regardless of race, gender or religion, while actively working to eliminate workplace discrimination.



Labour Rights Framework

Our Labour Rights Policy, implemented in July 2023, establishes clear standards across six material areas: fair wages, freedom of association, forced labour prevention, diversity, safety and education. This framework governs relationships with both employees and business associates, ensuring consistent employment practices and regulatory compliance across our operations.

For more information on our Labour Rights Policy, kindly refer to our Labour-Rights-Policy on our website

We maintain protocols to prevent forced and child labour, aligning our practices with the Core Labour Standards of the International Labour Organisation and Malaysia's Children & Young Persons (Employment) Act 1966. This includes rigorous screening of labour agents, mandatory social compliance training for recruitment personnel and monitoring mechanisms to identify potential risks.

The policy mandates clear disciplinary consequences, including legal action, against any party enabling forced labour situations. Regular audits and preventive controls, combined with immediate remediation protocols for any violations, protect worker rights throughout their employment life cycle. We also uphold freedom of association in full compliance with local labour laws, demonstrating our commitment to ethical employment practices.

Forced and Child Labour	Diversity and Inclusion	Right to Freedom of Association
Safety and Health	Fair Wages and Benefits	Upskilling and Education

For more information on child labour and forced labour, kindly refer to Human Rights on pages 195 - 196

Labour Management Standards

We maintain labour standards across nine key areas to ensure consistent and fair treatment:

- **Working Hours:** Clear guidelines on standard hours and overtime compensation.
- **Benefits and Wages:** Competitive remuneration, aligned with market standards.
- **Employee Contracts:** Comprehensive written agreements protecting all parties.
- **Labour Rights:** Protection of fundamental worker rights and freedoms.
- **Leave Management:** Balanced policies supporting work-life integration.
- **Training and Development:** Structured approaches to career advancement.
- **Whistleblowing Procedures:** Protected channels for reporting concerns.
- **Health and Safety Standards:** Rigorous workplace safety protocols.
- **Anti-Harassment Policies:** Clear guidelines preventing workplace harassment.

Sustainability Statement

OUR INITIATIVES

In 2024, we advanced our workforce management agenda through programmes and enhancements that support professional growth, employee well-being and workplace satisfaction.

Nurturing Our Talent

We continue to invest in training and development programmes, aligned with our business objectives. In 2024, we aimed to strengthen the talent pipeline, enhance leadership continuity and improve technical and soft skills, which align with S P Setia's evolving business needs and sustainable growth goals.



We conducted six training and development programmes, namely:

Navigating Forward Workshop

A workshop for Senior, Middle and Junior Management to foster collaboration and goal alignment. Participants used business model canvassing to align their objectives with the PCEO's message, encouraging shared ownership and unifying teams across functions. The initiative aimed to develop commitment and instil a sense of purpose and direction for the future.

- **Target Participants:** Executives and above across various functions.
- **666 participants, 5 sessions**

QLASSIC Awareness for Managers

Similar to the practical training for our technical employees, this training was targeted at managers, equipping them with knowledge of QLASSIC protocols to ensure a top-down approach to quality enhancement.

- **Target Participants:** Managers in technical roles and project implementation.
- **47 participants, 2 sessions**

Effective Project Supervision

This training focused on quality improvement in trades. Its purpose was to execute processes and procedures compliant with contract requirements, ensure quality throughout the construction process, understand construction project and site management best practices and define the roles and responsibilities of contract-based construction supervisors.

- **Target Participants:** Technical staff (site supervisors), project implementation teams.
- **130 participants, 4 sessions**

QLASSIC Awareness and Practical Training

A programme for our technical employees, including those in the Project Implementation teams and Site Supervisors. It provided participants with a clear understanding of QLASSIC assessment protocols and score calculations, crucial for improving the quality of ongoing and upcoming projects.

- **Target Participants:** Technical staff (site supervisors), project implementation teams, customer relations (site supervisors).
- **93 participants, 4 sessions**

IBS Score CIS 18: 2023 in Sustainable Construction

This training focused on carbon emissions optimisation, IBS calculation standardisation, quality improvement and sustainability. Its objectives were to optimise IBS for carbon emissions, costs and quality; improve product quality through standardised building elements; standardise IBS score calculations; accelerate construction timelines and productivity and reduce material wastage and environmental impact.

- **Target Participants:** Technical staff, project implementation and project planning teams.
- **90 participants, 4 sessions**

Construction Work Design and Management (CWDM)

This training focused on compliance to the Occupational Safety & Health in Construction Industry Management (OSHCIM). Its objectives included ensuring contractors' compliance with the OSH Amendment Act 2022, streamlining safety reporting and prevention through design, enhancing overall project safety performance, defining CWDM roles and responsibilities for principal, client, designer and contractor and conducting a design risk assessment (DRA).

- **Target Participants:** Quantity surveyors or contract administration and project planning teams.
- **71 participants, 2 sessions**  
**(In February 2025: 34 participants, 1 session)**

Sustainability Statement

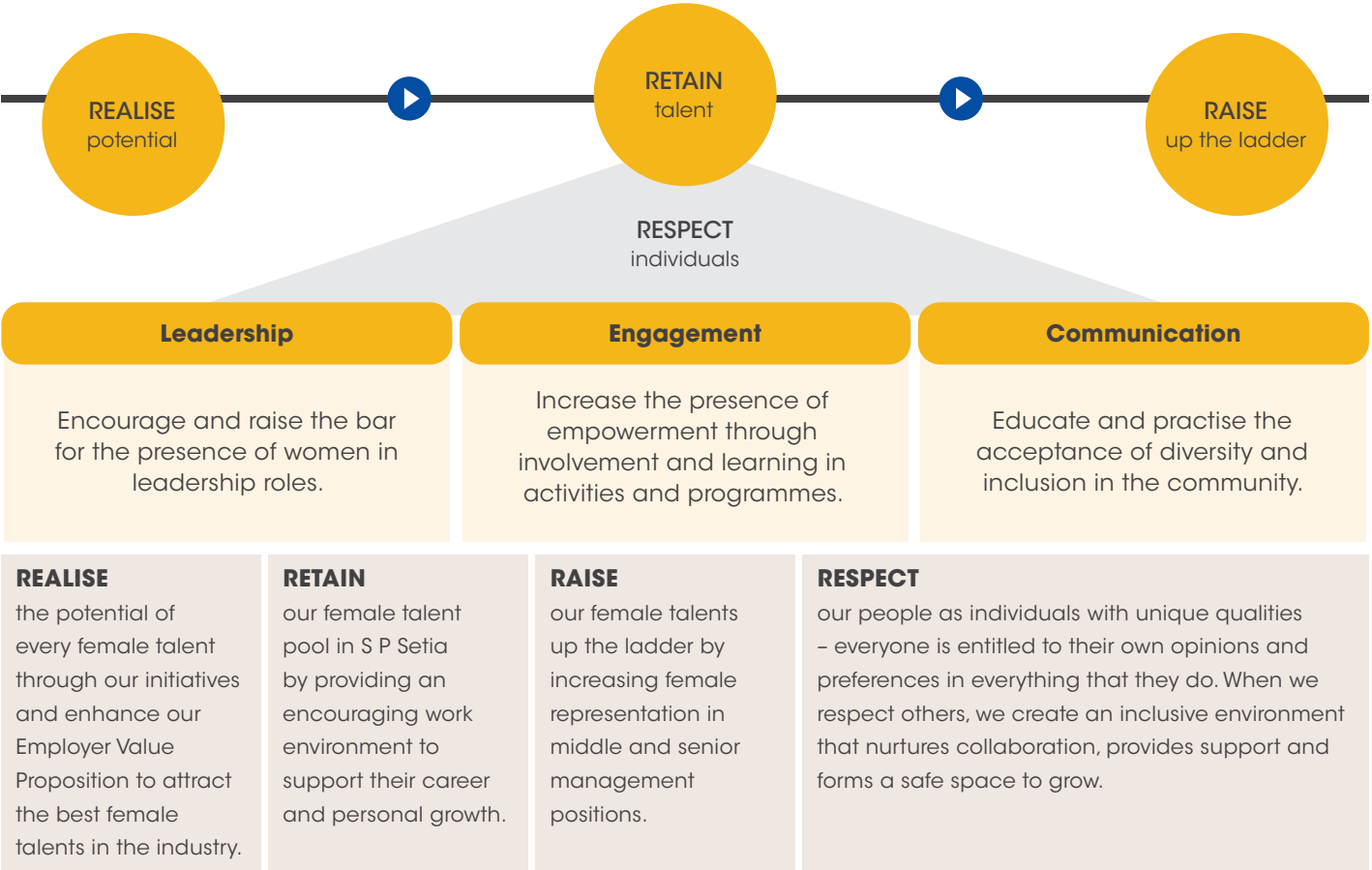
Advancing Gender Diversity and Inclusion

Our Women of Inspiration (WIN) initiative continues to lead our gender diversity agenda, addressing workplace challenges and opportunities for women. Established in 2017, WIN operates through three strategic pillars — Leadership, Engagement and Communication — delivering resources and opportunities that strengthen women’s leadership competencies and create an inclusive mindset across our organisation.

The initiative supports our 4Rs framework: Realising women’s potential, Retaining female talent, Raising them up the management ladder and building a Respectful, inclusive environment. This structured approach ensures systematic progress towards gender equity at all levels of our organisation.

WIN’s governance structure reflects its strategic importance, with oversight from our Board of Directors, sponsorship from our PCEO and leadership from our COO. Our committee of diversity advocates, known as DiVas, drives implementation of programmes and activities throughout the year.

In 2024, we celebrated International Women’s Day (IWD) by organising an event called the BeYOUteaful tea party at our respective business units, offering a half-day unrecorded leave for all female employees. The tea party featured food and activities, including biscuit decorating, to promote the message of diversity and inclusion.



Providing Workplace Flexibility

Our three-tiered approach to flexible working arrangements continues supporting work-life integration:

Flexible Working Hours allows employees to manage their schedules while maintaining core hours from 10 a.m. to 5 p.m. Work From Anywhere enables staff to operate from different S P Setia offices, reducing commute challenges. Our Working From Home policy supports employees during circumstances requiring remote work, from health considerations to family responsibilities.

Sustainability Statement

Flexible Working Hours

Employees have the flexibility to manage their working hours, provided that:

- They are in the office during the core hours (10 a.m. to 5 p.m.), and
- They complete nine working hours at the office, including their lunch break.

Work From Anywhere

This arrangement allows employees to work from another S P Setia office instead of travelling to their base office, helping them to avoid heavy traffic. They may also arrange their work schedules to meet their commitments at home and foster greater work-life integration.

Approval is subject to the nature of the employees’ work and availability of office space.

Working From Home

This arrangement is applicable to employees who are required to be physically away from the office under the following circumstances:

- Office unavailability due to a natural disaster (e.g. flood, earthquake, fire).
- A pandemic that causes the office to be closed.
- Crisis situations that prevent employees from coming to the office (e.g. hostage situation, blackout).
- Other unavoidable circumstances not listed above that require employees to work from home. For example:
  - An employee who is infected or who has had close contact with a person infected with a contagious disease.
  - An employee who is attending to a personal issue, such as a death in the family.

Enabling Open Communication

We maintain clear channels for employees to raise concerns through our established grievance procedure. This system ensures issues can be escalated appropriately from immediate supervisors through to senior management when necessary, with confidentiality protected throughout the process.

Promoting Employee Engagement

Regular engagement activities strengthen workplace relationships and cultural alignment. In 2024, we conducted our annual Group HR event, which focuses on engaging with the ground through a different theme each year. This year, Group HR collaborated with Group Digital under the theme "Digital Creates Possibilities" to introduce digital initiatives designed to enhance productivity for S P Setia’s employees.



Sustainability Statement

OUR RESULTS AND ACHIEVEMENTS

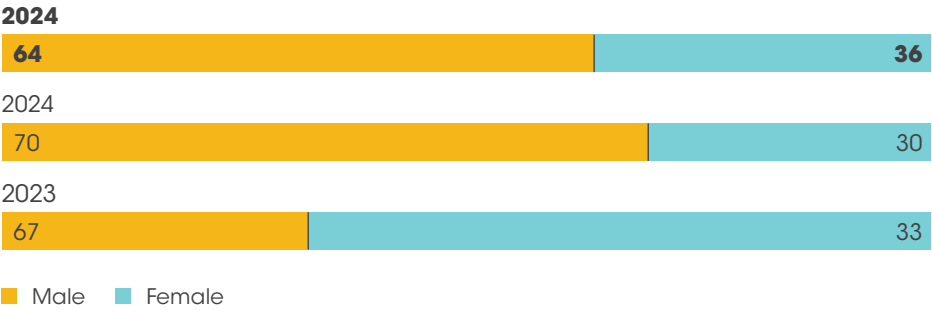
In 2024, we continued to track and measure our workforce performance across key areas.

Workforce Composition

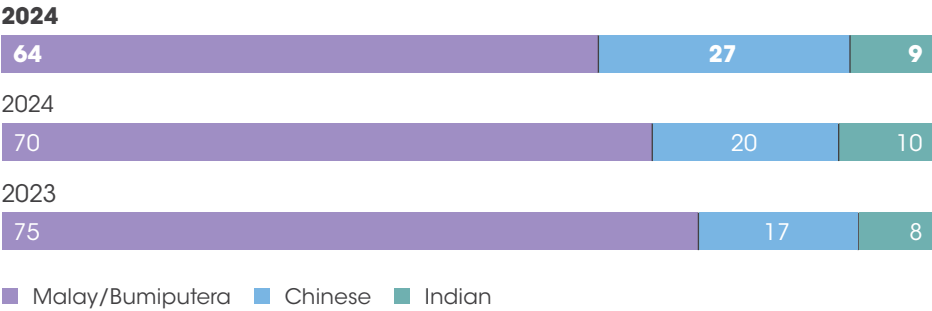
Our total workforce comprised 1,441 employees, with 98.20% permanent employees and 1.80% on contract basis. By gender, 47.19% of our employees were female and 52.81% were male.

In 2024, the Board maintained 38% female representation, supporting our commitment to gender diversity at leadership levels.

Percentage of Board Members by Gender (%)

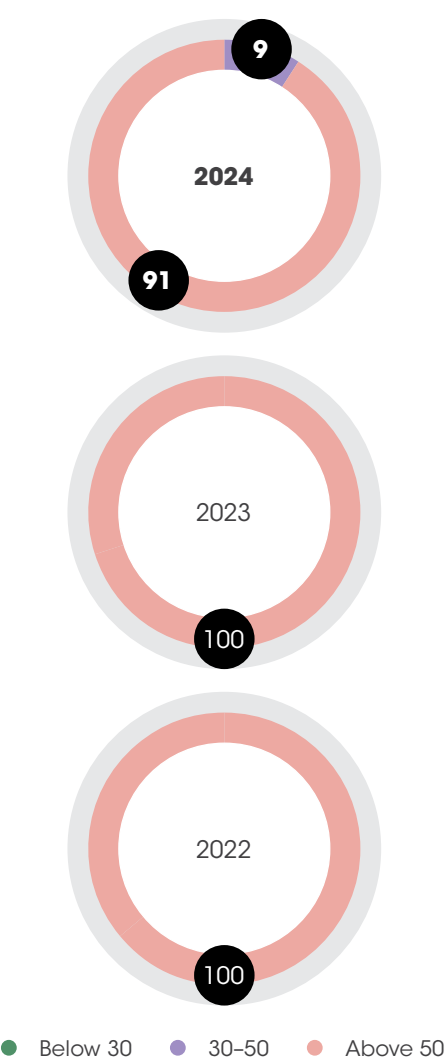


Percentage of Board Members by Ethnicity (%)



Our employee diversity data reflects demographic analysis across age groups and gender. While the reporting in 2022 followed GRI guidelines with percentages calculated against total employee numbers, our 2023 – 2024 approach aligns with Bursa Malaysia's sustainability reporting requirements and GRI standards. This refined methodology calculates percentages within each employee category, providing more granular insights into our workforce composition.

Percentage of Board Members by Age (%)



Sustainability Statement

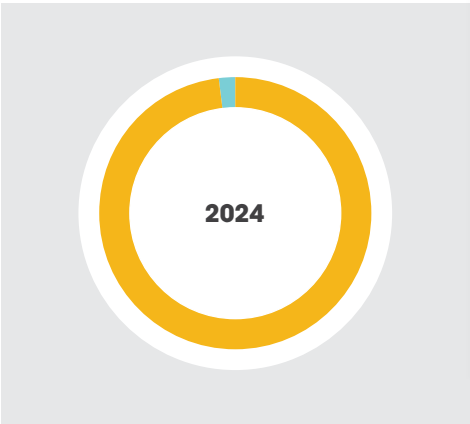
Gender Diversity by Employee Category

Employees – Gender Diversity by Employee Category (%)	2022	2023	2024
Senior Management - Male	0.70	63.10	57.89
Senior Management - Female	0.30	36.84	42.11
Management - Male	6.20	56.52	51.76
Management - Female	4.30	43.48	48.24
Junior Management - Male	13.40	50.81	49.25
Junior Management - Female	12.20	49.19	50.75
Executive - Male	19.70	49.51	46.68
Executive - Female	19.70	50.49	53.32
Non-Executive - Male	15.00	65.71	68.51
Non-Executive - Female	8.50	34.29	31.49



Workforce by Type of Employment

Employees – Types of Employment (%)	2022	2023	2024
Permanent	96.90	97.19	98.20
Contract	3.00	2.81	1.80
Part Time	0.10	0.00	0.00



Age Diversity by Employee Category

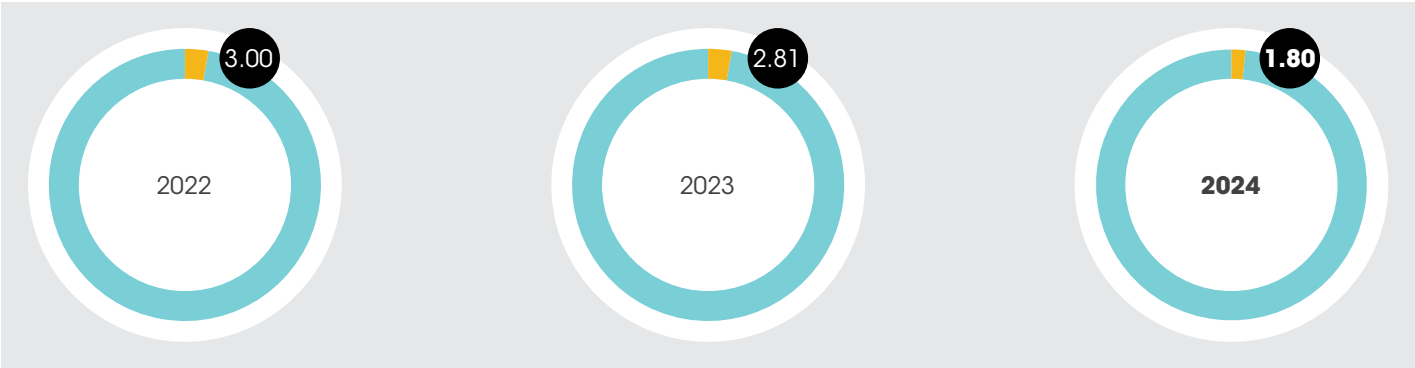
Employees – Ages by Employee Category (%)	2022	2023	2024
Senior Management - Below 30	0.00	0.00	0.00
Senior Management - 30–50	0.30	26.32	26.32
Senior Management - Above 50	0.66	73.68	73.68
Management - Below 30	0.00	0.00	1.18
Management - 30–50	7.36	70.53	65.29
Management - Above 50	3.13	29.47	33.53
Junior Management - Below 30	0.55	1.42	1.49
Junior Management - 30–50	22.23	86.44	86.07
Junior Management - Above 50	2.82	12.15	12.44
Executive - Below 30	9.27	19.86	14.02
Executive - 30–50	27.22	71.89	78.41
Executive - Above 50	2.97	8.25	7.56
Non-Executive - Below 30	3.07	11.51	6.17
Non-Executive - 30–50	16.23	68.82	77.92
Non-Executive - Above 50	4.18	19.66	15.91



Sustainability Statement

Bursa Common Indicator – Labour Practices and Standards (C6 (b))

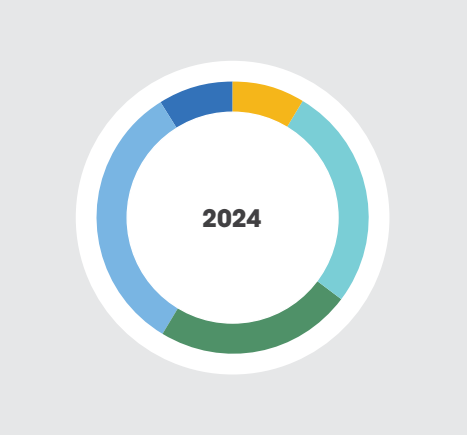
Percentage of Employees Who Are Contractors or Temporary Staff (%)



New Hires and Turnover

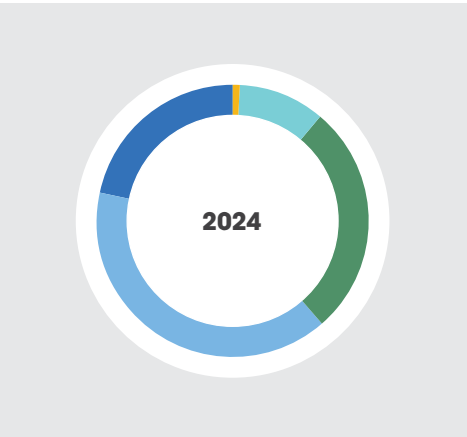
A total of 34 employees were hired in 2024 compared to 131 in 2023.

New Hires by Employee Category	2024
Senior Management	3
Management	9
Junior Management	8
Executive	11
Non-Executive	3
Total new hires	34



In 2024, our workforce transitions totalled 369 employees across all employment categories compared to 252 employees in 2023.

Bursa C6(c) Total Number of Employee Turnover by Employee Category	2022	2023	2024
Senior Management	N/A	5	4
Management	N/A	30	38
Junior Management	N/A	55	101
Executive	N/A	120	147
Non-Executive	N/A	42	79
Employee Attrition	N/A	252	369
Average Training Hours per Employee	25	29	31
Total New Hires	215	131	34



Sustainability Statement

Training and Development

In 2024, we reinforced our commitment to professional development by delivering 43,361.30 total training hours across our workforce, representing an average of 31.3 training hours per employee. This builds on our achievement of 29.3 hours per employee in 2023, reflecting our sustained investment in enhancing workforce capabilities.

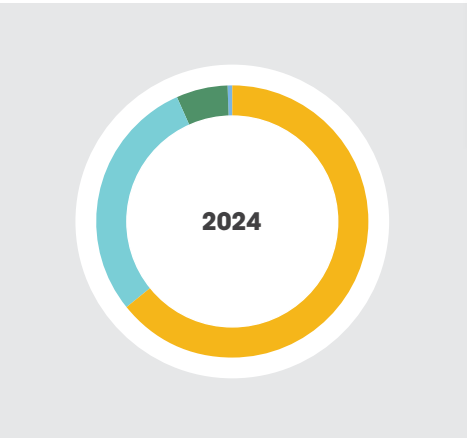
Bursa C6(a) Total Hours of Training by Employee Category	2022	2023	2024
Male	N/A	22,372	22,372
Female	N/A	27,021.00	20,990
Senior Management	563.00	728.10	670
Management	9,242.00	8,389.40	8,018
Junior Management	N/A	15,144.30	18,256
Executive	N/A	21,987.60	13,423
Non-Executive	N/A	8,065.00	2,993



	2022	2023	2024
Average Training Hours per Employee	25	29	31

Employees by Ethnicity

Employees - Ethnicity	2024
Malay	925
Chinese	423
Indian	87
Others	6



Sustainability Statement

Employee Engagement

The 2024 People Pulse Survey yielded an engagement score of 71%, measuring employee sentiment across multiple dimensions, including workplace satisfaction, professional development opportunities and organisational culture. This assessment helps us to evaluate the impact of our workforce initiatives, while identifying areas for enhancement in our pursuit of being an employer of choice.

People Pulse Survey

	2022	2023	2024
People Pulse Survey – Engagement Score	75%	72%	71%

Note: All data presented relates to our Malaysian operations only.

GOING FORWARD

Looking ahead to 2025, we will focus on strengthening workforce management to ensure our business remains resilient and adaptable. Expanding professional development initiatives will help employees build future-ready skills, supporting both individual growth and the organisation’s long-term sustainability.

Diversity and inclusion will continue to be a priority, with efforts to increase female representation in management and create a workplace that can respond to changing industry needs. The Setia Cares programme will be refined to better support employees, along with improvements to flexible working arrangements based on feedback. We will also enhance workplace policies by strengthening monitoring systems, expanding labour rights training and improving grievance mechanisms.



Sustainability Statement

HUMAN RIGHTS

At S P Setia, respecting human rights is central to fostering a just, inclusive and ethical workplace, ensuring the protection of individuals and the sustainability of our operations.



WHY IT MATTERS

Respecting human rights is essential for ensuring S P Setia operates in a just, inclusive and sustainable environment. A strong commitment to human rights supports ethical business practices, fostering peace, stability and the protection of individuals from harm. Without these principles, the organisation risks enabling exploitation, fostering inequality and failing to protect individuals from harm, which can lead to loss of stakeholder trust, reputational damage and weakened long-term sustainability. By upholding human rights, we create a foundation for responsible growth and a workplace that values dignity, fairness and equality.

OUR APPROACH

At S P Setia, we uphold a zero-tolerance policy towards forced labour, child labour and all related unethical labour practices, including modern slavery, bonded labour and human trafficking. Our practices align with the Core Labour Standards of the International Labour Organisation and Malaysia’s Children & Young Persons (Employment) Act 1966. These frameworks provide clear standards to ensure ethical labour practices across all operations.

In line with our Code of Conduct and Business Ethics (CoCBE), we have established comprehensive governance measures to address and prevent any instances of forced or compulsory labour. Our policies ensure that all employees are afforded their rights, including the ability to leave their workplace premises after completing their workday and the freedom to terminate employment with reasonable notice. These policies serve as a foundation for fostering a fair and compliant workplace environment.

Sustainability Statement

OUR INITIATIVES

S P Setia takes active measures to eliminate unethical labour practices and uphold the highest standards of compliance:

**Standing Against Child Labour**  
We ensure that any person below the age of 15 ceases work immediately upon discovery. Our operational standards actively prevent the hiring of underage workers through rigorous screening and monitoring processes.



Sincerely, Setia Youth Synergy Programme Finale at Setia Alam Impian, Shah Alam, Selangor

**Eradicating Forced or Compulsory Labour**  
We implement a series of actions to address and prevent forced labour, including:

Taking disciplinary or legal action against individuals found profiteering or exploiting workers.

Training recruitment personnel on social compliance standards to ensure ethical hiring.

Introducing mechanisms to identify and prevent forced labour practices in our operations.

Subjecting labour agents to strict screening processes to ensure ethical recruitment.

To uphold these standards, we conduct regular reviews of recruitment practices and labour compliance processes, ensuring adherence to social compliance standards while fostering accountability across the organisation. Furthermore, we provide all employees with training on the CoCBE and social compliance standards, equipping them to recognise and report violations effectively. These proactive measures reinforce our commitment to creating a fair, ethical and sustainable workplace.

In 2024, we audited convention centres and workers' labour quarters across all business units. Minor issues were identified, tracked and resolved within the year. Resolutions included improving contractors' workers' living conditions through infrastructure upgrades and enhancing the Centralised Labour Quarters (CLQ) entry and exit monitoring system. This includes addressing and improving employment conditions for temporary labour engaged by third-party vendors during events at Setia City Convention Centre (SCCC).

OUR RESULTS AND ACHIEVEMENTS

	2022	2023	2024
Number of substantiated complaints concerning human rights violations	0	0	0

GOING FORWARD

Going forward, we will continue strengthening our human rights practices by upholding strict compliance with ethical labour standards and reinforcing governance measures against forced and child labour. Regular audits, enhanced monitoring of recruitment and employment conditions and continuous training on the CoCBE will ensure accountability across all operations.

Sustainability Statement

CUSTOMER SATISFACTION

Customer satisfaction drives our commitment to delivering quality homes and exceptional service throughout our property development journey.



WHY IT MATTERS

Customer satisfaction is integral to S P Setia's brand reputation, business sustainability and long-term success. As a trusted property developer, we recognise it as the cornerstone of both our development excellence and homebuyer loyalty. Quality homes and positive experiences enhance our market reputation, drive growth and create sustainable value. Neglecting customer satisfaction risks damaging credibility, increasing customer churn and reducing market share, impacting our reputation.

To address this, we are committed to maintaining customer satisfaction through strict construction quality, timely project delivery and transparent business practices to strengthen confidence in the S P Setia brand. This also allows us to retain our customer base, sustain market competitiveness and align with our core values of sustainability, quality and community-focused developments.

OUR APPROACH

Our approach to customer satisfaction is rooted in S P Setia's Sustainability and Quality Assurance Framework. This framework ensures that our developments meet or exceed customer expectations, delivering high-quality products and sustainable communities while reinforcing trust and loyalty.

We measure customer satisfaction through annual surveys vetted by Group Quality Management's (GQM) survey frameworks and biannual assessments across six key aspects of the customer journey. These insights, complemented by regular service benchmarking and customer service audits conducted by internal and external bodies, help us to evaluate and improve our service standards. To enhance customer experience, our frontline teams adopt the 5-Star Setia Service Excellence Standard and remain guided by S P Setia's Customer Service Handbook, ensuring a consistent and exceptional customer experience.

Sustainability Statement

In 2024, our Group Quality Department reviewed and enhanced the survey questions to improve understanding of consumer behaviour and needs. The updated questions will be implemented in 2025.

Furthermore, we set clear customer service key performance indicators (KPIs) and provide regular training programmes for our teams, equipping them with the skills to meet evolving customer expectations. Findings from audits and feedback are translated into actionable improvements to refine these processes further.

Sales and Marketing Department	Credit Administration Department	Customer Relation Department performance
Site Supervisor performance	Product Quality	The likelihood of customers repurchasing the product

OUR INITIATIVES

Customer Engagement and Feedback Mechanisms

- Conducted regular surveys to gather feedback on customer experiences, product satisfaction and areas for improvement. These efforts provided us with valuable insights to help us refine our products and services, allowing us to align them with customer expectations.
- Organised interactive focus groups and community forums to inculcate two-way dialogue that helped the company to better understand customer needs and expectations, creating an open platform for customers to share their views and enabling us to address concerns proactively and strengthen relationships between S P Setia and its customers.
- Launched an online feedback portal that offered customers a convenient, accessible platform to share concerns, suggestions and feedback, ensuring their voices were heard and addressed promptly, while contributing to a more responsive service experience.
- Utilised the Defect Monitoring System App, a digital construction inspection tool to streamline pre- and post-construction processes. Pre-construction applications included material approvals, joint inspection tracking, site diary submissions, weather chart recording, defect management and practical completion inspections. Post-construction, the app supported defect recording, customer complaint management during the defects liability period and tracking issue resolutions and client defect approvals.

For more information on Defect Monitoring System App, kindly refer to Technology from page 139

Enhancing Customer Service Standards

- Implemented clear service standards, including answering calls within three rings, addressing customers by name and offering refreshments during visits.
- Conducted regular training programmes for employees to improve customer service best practices, soft skills and product knowledge.

Delivering Personalised Customer Experience

- Leveraged customer data to tailor communications and offers based on individual preferences, ensuring customers received relevant and meaningful engagement, thus enhancing customer satisfaction and loyalty to the S P Setia brand.
- Integrated Setia eGreen Living features into new property developments to promote sustainable living.
- Collaborated with local organisations to support community-driven initiatives that enhanced customer experiences.

OUR RESULTS AND ACHIEVEMENTS

Our Customer Satisfaction Index in 2024 was 71.5%, down from 75.5% in 2023. We have identified the root causes and taken steps to improve our service moving forward. On a positive note, our construction projects achieved a Construction Performance Assessment (CPA) score of 77.48%, surpassing our target of 75%.

Starting in 2025, we will adopt QCLASSIC scores for our construction projects to further enhance quality standards.

Sustainability Statement

GOING FORWARD

Moving forward, S P Setia will strengthen customer satisfaction initiatives by enhancing feedback mechanisms through surveys, online platforms and community meetings, supported by AI-driven tools to identify recurring issues and refine processes proactively. Employee training will be reinforced to align with the Setia Service Excellence Standard, while negative feedback will be investigated to improve service quality.

A customer portal or app will be developed to provide real-time updates, property management tools and sustainability guides, alongside regular progress reports to ensure clear communication on project milestones and any changes. Furthermore, we will conduct quarterly assessments to monitor customer satisfaction metrics and set goals for improvement. We will also conduct regular meetings with Resident Associations and review purchaser feedback periodically to address customer concerns.

COMMUNITY

Community advancement stands at the core of our business philosophy. Our purpose of creating sustainable communities goes beyond building developments and offering lifestyles — it shapes our entire business approach and drives positive change for communities across Malaysia.



WHY IT MATTERS

Community advancement plays a vital role in our operations as it reflects our core purpose of creating sustainable communities. It drives meaningful impact by addressing the needs of disadvantaged groups, enhancing educational outcomes, promoting unity and providing support during crises. These efforts not only contribute to Malaysia’s socioeconomic advancement, but also strengthen our position as a trusted community partner. Neglecting these priorities could harm our reputation and brand, potentially resulting in loss of customer trust and revenue. Such impacts could undermine our ability to create sustainable developments and positively influence the communities we serve.

We are committed to strengthening our stakeholder relationships and driving national development through initiatives centred on social responsibility. By fostering these efforts, we aim to enhance our brand as a socially responsible organisation, create long-term benefits for the communities we engage with and ensure the delivery of lasting value, sustained stakeholder confidence and resilience in addressing evolving societal needs.

Sustainability Statement

OUR APPROACH

Our community initiatives are led by the Setia Foundation, our dedicated charity arm. The Setia Foundation’s mission is to create a brighter future for communities through four key areas that are aligned with our ESG agenda:



**Disaster Relief**

- Mobilising resources to provide timely assistance during times of natural disasters and other emergencies.
- Forging partnerships and building networks for the efficient distribution of emergency supplies to affected communities.
- Offering support to communities as they recover from the event.



**Community and Health**

- Providing essentials to ease the burden faced by B40 families.
- Helping underprivileged communities celebrate festive occasions by supplying festive baskets and providing financial aid.
- Building the capacity of communities through skills and knowledge transfer initiatives.
- Providing assistance and support to ensure B40 patients receive quality healthcare in times of need.



**Education**

- Adopting schools and providing comprehensive support to B40 students, including back-to-school assistance and an annual stipend, while organizing activities and initiatives to foster a more engaging and enjoyable learning environment.
- Providing free tuition to students from B40 families to enhance their academic performance and close learning gaps.



**Unity**

- Fostering interaction, understanding and harmony among youth through sports, arts and cultural initiatives.
- Bringing diverse people and entities together to support those in need during festive seasons and through community engagement programmes.

Furthermore, we support the Setia Foundation’s initiatives by promoting employee volunteerism across our workforce. Our employees can seek approval to participate in community activities during work hours, and our Group HR department provides volunteer leave for weekend participation.

In addition, we conduct activities under our flagship initiative, “Sincerely, Setia”, which embodies our commitment to spreading kindness and love to underserved Malaysians.

OUR INITIATIVES

Disaster Relief

On 23 December 2024, the Setia Foundation collaborated with the GLC/GLIC Disaster Response Network (GDRN) to provide post-flood relief assistance in Kelantan and Terengganu. The contribution of RM99,935.00 to address the immediate needs of flood victims, enabling the procurement and distribution of essential resources.

No. of beneficiaries  
831  
Households

Sustainability Statement

Community and Health

No. of beneficiaries	Amount invested
1,598	RM61,308.28
No. of S P Setia volunteers who participated in the initiatives	Total volunteer hours
192	1,382



- On 16 February 2024, the Sincerely, Setia Children’s Day Celebration marked the handover of the Pusat Perubatan Universiti Malaya (PPUM) Garden at PPUM. The initiative provided patients seeking treatment at PPUM with access to a tranquil outdoor space designed to enhance their well-being and recovery experience.
- On 26 February 2024, the Sincerely, Setia Festive Assistance (SSFA) provided support to elderly residents at old folks’ homes during the Chinese New Year celebration.
- On 18 and 19 April 2024, the Sincerely, Setia Special Celebration commemorated World Autism Day through two initiatives. The first was the donation of a Sensory Corner to the National Autism Society of Malaysia (NASOM) Setia Alam branch to support autistic children through sensory therapy and specialised resources. The second was an Autism Awareness Talk aimed at educating and supporting B40 parents with autistic children.
- On 2 May 2024, the SSFA extended Hari Raya Aidilfitri support to elderly residents at old folks’ homes.
- On 7 June 2024, the SSFA provided essential aid to underprivileged communities during the Kaamatan festival, celebrating local traditions while addressing the needs of underserved groups.
- On 4 July 2024, the Sincerely, Setia Special Celebration (World Environment Day) organised activities for underprivileged students in S P Setia’s Corporate Social Responsibility Programme (SCSP) schools.
- On 25 October 2024, the SSFA brought festive cheer and essential aid to elderly residents at old folks’ homes during the Deepavali celebration.
- On 6 December 2024, the Sincerely, Setia Healthcare & Wellbeing collaborated with Hospital Selayang to deliver healthcare support and essential aid to B40 families, addressing their immediate needs and improving access to healthcare resources.
- On 6 December 2024, the Sincerely, Setia Healthcare & Wellbeing partnered with Hospital Kuala Lumpur (HKL) to assist B40 families, ensuring they received essential support and better access to medical care.
- On 13 December 2024, the SSFA extended support to the elderly residing in an old folks’ home during the Christmas celebration.

## Sustainability Statement

## Education

**No. of beneficiaries**

1,091

**No. of S P Setia volunteers who participated in the initiatives**

57

### Amount invested

RM208,577.63

### Total volunteer hours

1,782

- From 1 to 30 April 2024, the Setia Caring School Programme (SCSP) provided educational assistance worth RM150 to underprivileged students in SCSP schools to alleviate financial burdens and support their academic needs.
- From 17 March until 17 July 2024, Sincerely, Setia Capacity Building (Amari KL) conducted programmes to empower B40 students through internship opportunity at a 5-star hotel. These initiatives focused on skills development, educational support and creating opportunities for growth within underserved communities.
- On 28 August 2024, the SCSP Schools Outing took place in conjunction with Setia Sustainability Day. The event engaged underprivileged students from SCSP schools in educational and interactive activities to improve understanding on of sustainability and environmental stewardship.
- Between 10 and 14 November 2024, the Sincerely, Setia Tuition Mission — Pecutan Akhir SPM was held to support B40 students preparing for their SPM examinations. The programme focused on providing intensive tuition and academic resources to enhance their readiness for this critical milestone.



Sincerely, Setia Tuition Mission Pecutan Akhir SPM at  
Aeropod, Kota Kinabalu, Sabah

## Sustainability Statement

## Unity

**No. of beneficiaries**

495

**No. of S P Setia volunteers who participated in the initiatives**

78

### Amount invested

RM130,597.28

### Total volunteer hours

1,743

- On 7 February 2024, the Setia Caring School Programme (SCSP) Unity in Diversity initiative celebrated the Festive Discovery Chinese New Year with underprivileged students in SCSP schools based in Selangor.
- On 26 April 2024, the SCSP Unity in Diversity initiative celebrated the Festive Discovery Raya with underprivileged students in SCSP schools based in Penang.
- On 26 September 2024, the Setia Foundation conducted its inaugural Sincerely, Setia Youth Synergy programme at Setia Alam Impian, empowering 125 participants, including students from the SCSP, to enhance unity among the younger generations through arts and culture. Each shortlisted university was granted RM5,000 to implement their projects, mentor SCSP children and report their milestones, culminating in a friendly competition at the finale. The initiative, which ran from July to September, aimed to promote diversity, creativity and unity within communities. The finale featured vibrant cultural performances and an award ceremony recognising UiTM Shah Alam (Team 2) and SK Semenyih Selangor as winners, alongside other participants for their creative contributions to arts, culture and unity.
- On 7 November 2024, the SCSP Unity in Diversity initiative celebrated the Festive Discovery Deepavali with B40 students. The programme focused on fostering inclusivity and cultural appreciation through festive activities.



SCSP Unity in Diversity - Festive Discovery Deepavali 2024 at SJK (T) Semenyih, Selangor

Sustainability Statement



OUR RESULTS AND ACHIEVEMENTS

In 2024, we invested a total of RM500,418.19 in community-based initiatives, positively impacting 3,184 individuals and 831 households. Our goal was to execute a minimum of 20 social engagement programmes, as approved by the Board of Trustees of Setia Foundation.

By December 2024, we successfully completed all 20 programmes, reaffirming our dedication to social responsibility, community well-being and sustainable development.

	2021 (RM)	2022 (RM)	2023 (RM)	2024 (RM)
Total amount invested in community initiatives	1,160,000	405,154	520,000	500,418.19
Total number of beneficiaries of the investment in communities	-	-	5,044	3,184

Note: 100% of the total amounts stated above went to beneficiaries that are external to the Group.

GOING FORWARD

Moving forward, we will continue to impact the community around us through targeted social initiatives that align with our ESG agenda. We will strengthen our partnerships, expand our outreach efforts and enhance stakeholder relationships while addressing community needs. Furthermore, our commitment to education, disaster relief, healthcare and unity initiatives will ensure we continue to support socioeconomic advancement, while reinforcing S P Setia's role as a responsible and trusted community partner in this country.

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 12 and 226
	GRI 2-2	Entities included in the organisation's sustainability reporting Page 12
	GRI 2-3	Reporting period, frequency and contact point Page 12
	GRI 2-4	Restatements of information Page 155, 167, 208-211
	GRI 2-5	External assurance Pages 12 and 212-225
	Activities and workers	
	GRI 2-6	Activities, value chain and other business relationships Pages 35-45
	GRI 2-7	Employees Page 192
	GRI 2-8	Workers who are not employees Page 192
	Governance	
	GRI 2-9	Governance structure and composition Page 23
	GRI 2-10	Nomination and selection of the highest governance body Page 259
	GRI 2-11	Chair of the highest governance body Page 228
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts Pages 22-23
	GRI 2-13	Delegation of responsibility for managing impacts Pages 22-23
	GRI 2-14	Role of the highest governance body in sustainability reporting Pages 13, 22-23
	GRI 2-15	Conflicts of interest Pages 272-275
	GRI 2-16	Communication of critical concerns Page 144
	GRI 2-17	Collective knowledge of the highest governance body Pages 22 and 258
	GRI 2-18	Evaluation of the performance of the highest governance body Pages 22 and 250-264
	GRI 2-19	Remuneration policies Pages 25 and 263-264
	GRI 2-20	Process to determine remuneration Page 263
	Strategy, policies and practices	
	GRI 2-22	Statement on sustainable development strategy Page 50
	GRI 2-23	Policy commitments Pages 143, 286
	GRI 2-24	Embedding policy commitments Pages 143-149
	GRI 2-25	Processes to remediate negative impacts Pages 144, 280-290
	GRI 2-26	Mechanisms for seeking advice and raising concerns Page 144
	GRI 2-27	Compliance with laws and regulations Pages 142-149, 248-279
	GRI 2-28	Membership associations Page 45
	Stakeholder engagement	
	GRI 2-29	Approach to stakeholder engagement Pages 70-75
MATERIAL TOPICS		
GRI 3: Material Topics 2021	GRI 3-1	Process to determine material topics Pages 87-89
	GRI 3-2	List of material topics Page 89



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ECONOMIC – SUSTAINABLE, INNOVATIVE AND QUALITY DEVELOPMENT			
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GRI 201: Economic Performance 2016	GRI 201-1	Direct economic value generated and distributed	Page 130
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Product Design & Lifecycle Management			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 138-141
Business Ethics			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 142-145
GRI 205: Anti-corruption 2016	GRI 205-1	Operations assessed for risk related to corruption	Page 149
	GRI 205-2	Communication and training about anti-corruption policies and procedures	Page 149
	GRI 205-3	Confirmed incidents of corruption and actions taken	Page 149
GRI 418: Customer Privacy 2016	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 149
Supply Chain Management			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Page 151
GRI 204: Procurement Practices 2016	GRI 204-1	Proportion of spending on local supplier	Page 152

ENVIRONMENT – BEST PRACTICES IN ENVIRONMENT MANAGEMENT			
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GRI 302: Energy 2016	GRI 302-1	Energy consumption within the organisation	Page 159
	GRI 302-3	Energy Intensity	Page 159
GRI 305: Emissions 2016	GRI 305-1	Direct (Scope 1) GHG emissions	Page 159
	GRI 305-2	Energy indirect (Scope 2) GHG emissions	Page 159
	GRI 305-3	Other indirect (Scope 3) GHG emissions	Page 159
GRI 201: Economic Performance 2016	GRI 201-2	Financial implications and other risks and opportunities due to climate change	Pages 164-166
Waste and Water Management			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 168-170
GRI 303: Water and Effluents 2018	GRI 303-1	Interactions with water as a shared resource	Page 171
	GRI 303-2	Management of water discharge-related impacts	Page 171
	GRI 303-5	Water Consumption	Page 172
GRI 306: Waste 2020	GRI 306-1	Waste generation and significant waste-related impacts	Page 168
	GRI 306-2	Management of significant waste related impacts	Page 170
	GRI 306-3	Waste generated	Page 171
	GRI 306-4	Waste diverted from disposal	Page 171
	GRI 306-5	Waste directed to disposal	Page 171

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ENVIRONMENT – BEST PRACTICES IN ENVIRONMENT MANAGEMENT			
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GRI 101: Biodiversity 2024	GRI 101-2	Management of biodiversity impacts	Page 175
SOCIAL – POSITIVE, SUSTAINED COMMUNITY AND SOCIAL IMPACTS			
Employee Health and Safety			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 179-180
GRI 403: Occupational Health and Safety 2018	GRI 403-1	Occupational health and safety management system	Page 179
	GRI 403-2	Hazard identification, risk assessment, and incident investigation	Page 181
	GRI 403-3	Occupational health services	Page 181
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	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 183
	GRI 403-8	Workers covered by an occupational health and safety management system	Page 180
	GRI 403-9	Work-related injuries	Page 184
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Business Model Resilience			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 185-186
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	GRI 2-8	Workers who are not employees	Page 192
GRI 401: Employment 2016	GRI 401-1	New employee hires and employee turnover	Page 192
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees	Pages 188-189
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GRI 405: Diversity and Equal Opportunity 2016	GRI 405-1	Diversity of governance bodies and employees	Page 190
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GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 197-199
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GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Page 199
GRI 203: Indirect Economic Impacts 2016	GRI 203-1	Infrastructure investments and services supported	Pages 199-204
	GRI 203-2	Significant indirect economic impacts	Pages 199-204

Bursa Malaysia Sustainability Reporting Guide

Indicators Index

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Board Members (including C-Suite)	Percentage	-	90.00	100.00
Senior Management	Percentage	-	94.74	100.00
Management	Percentage	-	93.72	100.00
Junior Management	Percentage	-	85.02	100.00
Executive	Percentage	-	97.76	100.00
Non-Executive	Percentage	-	99.28	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer				
	MYR	405,154.00	520,000.00	500,418.19
Bursa C2(b) Total number of beneficiaries of the investment in communities				
	Number	-	5,044	3,184
Employees that participated in community impact programmes	Number	-	391	327
Total hours spent on community impact programmes	Hours	-	3,898	4,907
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Below 30				
Senior Management	Percentage	0.00	0.00	0.00
50				
Senior Management 30-50	Percentage	0.30	26.32	26.32
Above 50				
Senior Management	Percentage	0.66	73.68	73.68
Management Below 30	Percentage	0.00	0.00	1.18
Management 30-50	Percentage	7.36	70.53	65.29
Management Above 50	Percentage	3.13	29.47	33.53
Junior Management	Percentage	0.55	1.42	1.49
Below 30				
Junior Management 30-50	Percentage	22.23	86.44	86.07
Above 50				
Junior Management	Percentage	2.82	12.15	12.44
Executive Below 30	Percentage	9.27	19.86	14.02
Executive 30-50	Percentage	27.22	71.89	78.41
Executive Above 50	Percentage	2.97	8.25	7.56
Non-Executive Below 30	Percentage	3.07	11.51	6.17
Non-Executive 30-50	Percentage	16.23	68.82	77.92
Non-Executive Above 50	Percentage	4.18	19.66	15.91
50				

Internal assurance

External assurance

No assurance

(\*)Restated

Bursa Malaysia Sustainability Reporting Guide

Indicators Index

Indicator	Measurement Unit	2022	2023	2024
Gender Group by Employee Category				
Senior Management Male	Percentage	0.70	63.16	57.89
Senior Management Female	Percentage	0.30	36.84	42.11
Management Male	Percentage	6.20	56.52	51.76
Management Female	Percentage	4.30	43.48	48.24
Junior Management Male	Percentage	13.40	50.81	49.25
Junior Management Female	Percentage	12.20	49.19	50.75
Executive Male	Percentage	19.70	49.51	46.68
Executive Female	Percentage	19.70	50.49	53.32
Non-Executive Male	Percentage	15.00	65.71	68.51
Non-Executive Female	Percentage	8.50	34.29	31.49
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	67.00	70.00	64.00
Female	Percentage	33.00	30.00	36.00
Below 30	Percentage	0.00	0.00	0.00
30-50	Percentage	0.00	0.00	9.00
Above 50	Percentage	100.00	100.00	91.00
Employees - Types of Employment - Permanent (%)	Percentage	96.90	97.19	98.20
Employees - Types of Employment - Contract (%)	Percentage	3.00	2.81	1.80
Employees - Types of Employment - Part Time (%)	Percentage	0.10	0.00	0.00
Employees - Disabilities - Male (%)	Percentage	0.00	0.00	0.00
Employees - Disabilities - Female (%)	Percentage	0.00	0.00	0.00
Employees - Ethnicity - Malay/Bumiputera	Number	1,135	1,106	925
Employees - Ethnicity - Chinese	Number	629	544	423
Employees - Ethnicity - Indian	Number	140	128	87
Employees - Ethnicity - Others	Number	80	74	6
Board - Disabilities - Male (%)	Percentage	0.00	0.00	0.00
Board - Disabilities - Female (%)	Percentage	0.00	0.00	0.00
Board - Ethnicities - Malay/Bumiputera	Percentage	75.00	70.00	64.00
Board - Ethnicities - Chinese	Percentage	17.00	20.00	27.00
Board - Ethnicities - Indian	Percentage	8.00	10.00	9.00
Board - Ethnicities - Others	Percentage	0.00	0.00	0.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption				
	Megawatt	18,150.00	26,715.14	45,037.89
Bursa C4(a) Total energy consumption				
	Megajoules	65,340,000.00	96,174,521.00	162,136,401.00

Internal assurance

External assurance

No assurance

(\*)Restated

Bursa Malaysia Sustainability Reporting Guide Indicators Index

Indicator	Measurement Unit	2022	2023	2024	
Bursa (Health and safety)					
Bursa C5(a) Number of work-related fatalities	Number	0	0	0	
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	-	0.68	0.16	
Bursa C5(c) Number of employees trained on health and safety standards	Number	-	943	345	
Bursa C5(a) Number of work-related fatalities (Non-employees)	Number	0	0	0	
Bursa C5(b) Lost time incident rate ("LTIR") (Non-employees)	Number	-	No Data Provided	No Data Provided	^
Bursa C5(c) Number of employees trained on health and safety standards (Non-employees)	Number	51	2,535	496	
Total manhours worked for the reporting period (Employees)	Hours	-	3,217,528	3,153,856	
Total manhours worked for the reporting period (Non-Employees)	Hours	17,279,761	18,495,158	17,327,905	
Bursa C5(b) Lost time incident rate ("LTIR") (Non-employees)	Rate	-	0.02	0.01	
Bursa (Labour practices and standards)					
Bursa C6(a) Total hours of training by employee category					
Senior Management	Hours	563	728	670	
Management	Hours	9,242	8,389	8,018	
Junior Management	Hours	No Data Provided	15,144	18,256	
Executive	Hours	No Data Provided	21,988	13,423	
Non-Executive	Hours	No Data Provided	8,065	2,993	
Male	Hours	No Data Provided	27,293	22,372	#
Female	Hours	No Data Provided	27,021	20,990	#
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	3.00	2.81 *	1.80	
Bursa C6(c) Total number of employee turnover by employee category					
Senior Management	Number	-	5	4	
Management	Number	-	30	38	
Junior Management	Number	-	55	101	
Executive	Number	-	120	147	
Non-Executive	Number	-	42	79	
Employee Total Attrition	Number	-	252	369	
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0	
Average training hours per employee	Hours	25	29	31	
Total new hires	Number	215	131	34	

Bursa Malaysia Sustainability Reporting Guide Indicators Index

Indicator	Measurement Unit	2022	2023	2024	
Bursa (Supply chain management)					
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	100.00	100.00	
New suppliers that were screened using environmental criteria	Percentage	-	No Data Provided	No Data Provided	+
Suppliers assessed for environmental impacts	Number	-	No Data Provided	No Data Provided	+
New suppliers that were screened using social criteria	Percentage	-	No Data Provided	No Data Provided	+
Suppliers assessed for social impacts	Number	-	No Data Provided	No Data Provided	+
Bursa (Data privacy and security)					
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	
Bursa (Water)					
Bursa C9(a) Total volume of water used	Megalitres	588.520000	501.560000	1,868.760000	
Bursa (Waste management)					
Bursa C10(a) Total waste generated	Metric tonnes	-	2,730.70	521.21	
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	2,001.70	11.37	
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	729.00	509.84	
Bursa (Emissions management)					
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	457.00	2,770.80	
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	12,429.00	34,334.86	
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	2,015.97	
Customer Satisfaction					
Customer satisfaction index	Percentage	75.20	75.50	71.50	
Materials					
Total food waste recycled	Tonnes	36.50	24.74	2.19	

Disclaimer:

^ Unable to remove this item due to system limitations

# Items are not externally assured. Unable to change in the ESG Platform due to system limitations

+ For future disclosures and reporting

Independent Assurance Statement

Independent Assurance Statement



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INDEPENDENT PRACTITIONER’S LIMITED ASSURANCE REPORT ON SUBJECT MATTER INFORMATION IN S P SETIA BERHAD’S INTEGRATED REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

To the Board of Directors of S P Setia Berhad

We have been engaged by S P Setia Berhad (“Setia”) to perform an independent limited assurance engagement on selected sustainability indicators for certain business units (collectively, the “Subject Matter Information”) as reported by Setia in its Integrated Report for the year ended 31 December 2024 (the “Integrated Report 2024”).

The Subject Matter Information in the Integrated Report 2024 on which we provide limited assurance is included in the Appendix to this report which has been stamped for identification purpose.

Limited Assurance Conclusion

Based on the procedures we have performed as described under the “Summary of the work we performed as the basis of our assurance conclusion” and the evidence we have obtained, nothing has come to our attention that causes us to believe the Subject Matter Information contained in Setia’s Integrated Report 2024, has not been prepared, in all material respects, in accordance with the Applicable Criteria.

We do not express an assurance conclusion on information in respect of earlier periods included in, linked to, or from the Integrated Report 2024 or any other information accompanying the said document.

Applicable Criteria

The Subject Matter Information as included to the attached Appendix needs to be read and understood together with the Applicable Criteria, which Setia is exclusively responsible for selecting and applying.

- The Applicable Criteria used for the reporting of the Subject Matter Information are as follows:
- Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”)
  - The Global Reporting Initiative (“GRI”) Universal Standards 2021 disclosures;
  - The Bursa’s Sustainability Reporting Guide (3<sup>rd</sup> Edition).

Independence and Quality Management

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“MIA”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Malaysian Standard on Quality Management 1 (“ISQM-1”) Quality Management for Firms that Perform Audits or Reviews of Historical Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

(Forward)

Management’s Responsibilities

- Management of Setia is responsible for:
- Selecting or establishing the suitable Applicable Criteria for preparing the Subject Matter Information;
  - Preparing the Subject Matter Information included in the Integrated Report 2024 in accordance with the Applicable Criteria; and
  - Designing, implementing, and maintaining internal control over information relevant to the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

Our responsibility is to form a conclusion whether, based on the procedures performed, anything has come to our attention that causes us to believe Subject Matter Information contained in the Setia’s Integrated Report 2024, has not been prepared, in all material respects, in accordance with the Applicable Criteria. We conducted our engagement in accordance with the approved standard for assurance engagement in Malaysia: International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (“ISAE 3000 (Revised)”). That standard requires that we plan and perform this engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) involves assessing the suitability in the circumstances of Setia’s use of the Applicable Criteria as the basis for the preparation of the Subject Matter Information, assessing the risks of material misstatement whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of Subject Matter Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Summary of the work we performed as the basis of our assurance conclusion

- Our engagement included such procedures as we consider necessary in the circumstances, including, but not limited to:
- Evaluating the suitability in the circumstances of Setia’s use of the Applicable Criteria, as the basis for preparing the Subject Matter Information;
  - Through inquiries, obtained an understanding of Setia’s control environment, processes and information systems relevant to the preparation of the Subject Matter Information, but we did not evaluate the design, implementation or operating effectiveness of any particular control activity;
  - Evaluating whether Setia’s methods for developing estimates are appropriate and had been consistently applied. Our procedures did not include testing the data on which the estimates were based and we did not separately develop our own estimates against which to evaluate Setia’s estimates;
  - Testing a number of selected items to or from supporting records, as appropriate;
  - Performing analytical procedures by comparing the expected targets to actual emissions or consumption, and by comparing current period to prior period, and made inquiries of management to obtain explanations for any significant differences we identified; and
  - Considering the presentation and disclosure of the Subject Matter Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Subject Matter Information report has been prepared, in all material respects, in accordance with the Applicable Criteria.

(Forward)

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Inherent Limitations

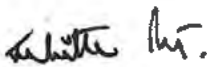
The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Subject Matter Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Subject Matter Information needs to be read and understood together with the Applicable Criteria and Reporting Standards, set out in the Integrated Report 2024, which Setia has used to prepare the Subject Matter Information.

Restriction on Use

This report is made solely to the Board of Directors of Setia in accordance with the terms of our engagement. Our work has been undertaken for the purpose of providing a limited assurance conclusion on the Subject Matter Information. As a result, this report may not be suitable for another purpose. We consent to the inclusion of this report in the Setia's Integrated Report 2024 to be disclosed on the website of Setia at <https://spsetia.com/en-us/investor-relations/report-archives>, to assist the Board of Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Subject Matter Information for 2024.

We do not accept or assume responsibility to anyone other than the Board of Directors of Setia for our work, for this limited assurance report, or for the conclusions we have reached.



DELOITTE PLT (LLP0010145-LCA)  
Chartered Accountants (AF 0080)  
Kuala Lumpur  
28 February 2025

Independent Assurance Statement

Appendix

Subject Matter Information

The Subject Matter Information reported in the Setia's Integrated Report 2024 on which we provide limited assurance, consists of:

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount	Reference to Integrated Report (Page No.)				
Governance								
Anti-corruption	GRI 205-1 Operations assessed for risks related to corruption (Selected Business Unit in Malaysia)	<div><div>1. Setia Ecohill and Mayuri</div><div>2. Bandar Setia Alam</div><div>3. Setia Warisan Tropika</div><div>4. SPICE</div><div>5. Setia Fontaines</div><div>6. KL Eco City</div><div>7. Setia City Convention Centre</div><div>8. Setia Eco Glades and Setia Safiro</div><div>9. Niche</div><div>10. Setia Eco Park and Precint Arundina</div><div>11. Setia Eco Templer</div><div>12. Bandar Kinrara</div><div>13. Setia Alam Impian</div><div>14. Setia Alamsari</div><div>15. Property East</div><div>16. Property South</div></div>	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Percentage of operations assessed for risks related to corruption</td><td>100%</td></tr></table>	Indicator	2024	Percentage of operations assessed for risks related to corruption	100%	Page 149
Indicator	2024							
Percentage of operations assessed for risks related to corruption	100%							
Anti-corruption	GRI 205-3 Confirmed incidents of corruption and actions taken (All Business Units in Malaysia)	<div><div>1. Setia Ecohill and Mayuri</div><div>2. Bandar Setia Alam</div><div>3. Setia Precast</div><div>4. Setia Warisan Tropika</div><div>5. SPICE</div><div>6. Setia Fontaines</div><div>7. KL Eco City</div><div>8. Setia City Convention Centre</div><div>9. Setia Eco Glades and Setia Safiro</div><div>10. Niche</div><div>11. Setia Eco Park and Precint Arundina</div><div>12. Setia Eco Templer</div><div>13. Bandar Kinrara</div><div>14. Setia Alam Impian</div><div>15. Setia Alamsari</div><div>16. Property East</div><div>17. Setia Wood and Marketing</div><div>18. Property South</div></div>	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Confirmed incidents of corruption and action taken</td><td>Zero</td></tr></table>	Indicator	2024	Confirmed incidents of corruption and action taken	Zero	Page 150
Indicator	2024							
Confirmed incidents of corruption and action taken	Zero							

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Appendix

Subject Matter Information (continued)

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount	Reference to Integrated Report (Page No.)														
Anti-corruption	GRI 205-2 Communication and training about anti-corruption policies and procedures (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri 2. Bandar Setia Alam 3. Setia Precast 4. Setia Warisan Tropika 5. SPICE 6. Setia Fontaines 7. KL Eco City 8. Setia City Convention Centre 9. Setia Eco Glades and Setia Safiro 10. Niche 11. Setia Eco Park and Precint Arundina 12. Setia Eco Templer 13. Bandar Kinrara 14. Setia Alam Impian 15. Setia Alamsari 16. Property East 17. Setia Wood and Marketing 18. Property South	<table><tr><td>Total percentage of the Board of Directors and employees who have received training on Anti-corruption</td><td>2024</td></tr><tr><td>Board Members (including C-Suite)</td><td>100%</td></tr><tr><td>Senior Management</td><td>100%</td></tr><tr><td>Management</td><td>100%</td></tr><tr><td>Junior Management</td><td>100%</td></tr><tr><td>Executive</td><td>100%</td></tr><tr><td>Non-Executive</td><td>100%</td></tr></table>	Total percentage of the Board of Directors and employees who have received training on Anti-corruption	2024	Board Members (including C-Suite)	100%	Senior Management	100%	Management	100%	Junior Management	100%	Executive	100%	Non-Executive	100%	Page 149
Total percentage of the Board of Directors and employees who have received training on Anti-corruption	2024																	
Board Members (including C-Suite)	100%																	
Senior Management	100%																	
Management	100%																	
Junior Management	100%																	
Executive	100%																	
Non-Executive	100%																	
Data privacy and security	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri 2. Bandar Setia Alam 3. Setia Precast 4. Setia Warisan Tropika 5. SPICE 6. Setia Fontaines 7. KL Eco City 8. Setia City Convention Centre 9. Setia Eco Glades and Setia Safiro 10. Niche 11. Setia Eco Park and Precint Arundina 12. Setia Eco Templer 13. Bandar Kinrara 14. Setia Alam Impian 15. Setia Alamsari 16. Property East 17. Setia Wood and Marketing 18. Property South	<table><tr><td>Indicator</td><td>2024</td></tr><tr><td>Number of substantiated complaints concerning breaches of customer privacy and losses of customer data</td><td>Zero</td></tr></table>	Indicator	2024	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Zero	Page 149										
Indicator	2024																	
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Zero																	

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Subject Matter Information (continued)

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount	Reference to Integrated Report (Page No.)												
Social																
Community/ Society	GRI 201-1 Direct economic value generated and Distributed (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri 2. Bandar Setia Alam 3. Setia Precast 4. Setia Warisan Tropika 5. SPICE 6. Setia Fontaines 7. KL Eco City 8. Setia City Convention Centre 9. Setia Eco Glades and Setia Safiro 10. Niche 11. Setia Eco Park and Precint Arundina 12. Setia Eco Templer 13. Bandar Kinrara 14. Setia Alam Impian 15. Setia Alamsari 16. Property East 17. Setia Wood and Marketing 18. Property South	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Total amount invested in the community where target beneficiaries are external to the listed issuer</td><td>RM 500,418.19</td></tr></table>	Indicator	2024	Total amount invested in the community where target beneficiaries are external to the listed issuer	RM 500,418.19	Page 204								
Indicator	2024															
Total amount invested in the community where target beneficiaries are external to the listed issuer	RM 500,418.19															
Diversity	GRI 405-1 Diversity of governance bodies and Employees (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri 2. Bandar Setia Alam 3. Setia Precast 4. Setia Warisan Tropika 5. SPICE 6. Setia Fontaines 7. KL Eco City 8. Setia City Convention Centre 9. Setia Eco Glades and Setia Safiro 10. Niche 11. Setia Eco Park and Precint Arundina 12. Setia Eco Templer 13. Bandar Kinrara 14. Setia Alam Impian 15. Setia Alamsari 16. Property East 17. Setia Wood and Marketing 18. Property South	<table><tr><th>Percentage of directors by gender and age group (%)</th><th>2024</th></tr><tr><td>Directors (Male)</td><td>64.00</td></tr><tr><td>Directors (Female)</td><td>36.00</td></tr><tr><td>Directors (Below 30)</td><td>0.00</td></tr><tr><td>Directors (30-50)</td><td>9.00</td></tr><tr><td>Directors (Above 50)</td><td>91.00</td></tr></table>	Percentage of directors by gender and age group (%)	2024	Directors (Male)	64.00	Directors (Female)	36.00	Directors (Below 30)	0.00	Directors (30-50)	9.00	Directors (Above 50)	91.00	Page 190
Percentage of directors by gender and age group (%)	2024															
Directors (Male)	64.00															
Directors (Female)	36.00															
Directors (Below 30)	0.00															
Directors (30-50)	9.00															
Directors (Above 50)	91.00															

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Appendix

Subject Matter Information (continued)

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount		Reference to Integrated Report (Page No.)
Diversity	GRI 405-1 Diversity of governance bodies and Employees (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri 2. Bandar Setia Alam 3. Setia Precast 4. Setia Warisan Tropika 5. SPICE 6. Setia Fontaines 7. KL Eco City 8. Setia City Convention Centre 9. Setia Eco Glades and Setia Safiro 10. Niche 11. Setia Eco Park and Precint Arundina 12. Setia Eco Templer 13. Bandar Kinrara 14. Setia Alam Impian 15. Setia Alamsari 16. Property East 17. Setia Wood and Marketing 18. Property South	Employees - Gender Diversity by Employee Category (%)	2024	Page 191
			Senior Management - Male	57.89	
			Senior Management - Female	42.11	
			Management - Male	51.76	
			Management - Female	48.24	
			Junior Management - Male	49.25	
			Junior Management - Female	50.75	
			Executive - Male	46.68	
			Executive - Female	53.32	
			Non-Executive - Male	68.51	
			Non-Executive - Female	31.49	

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Subject Matter Information (continued)

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount		Reference to Integrated Report (Page No.)
Diversity	GRI 405-1 Diversity of governance bodies and Employees (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri 2. Bandar Setia Alam 3. Setia Precast 4. Setia Warisan Tropika 5. SPICE 6. Setia Fontaines 7. KL Eco City 8. Setia City Convention Centre and Setia Safiro 9. Setia Eco Glades and Setia Safiro 10. Niche 11. Setia Eco Park and Precint Arundina 12. Setia Eco Templer 13. Bandar Kinrara 14. Setia Alam Impian 15. Setia Alamsari 16. Property East 17. Setia Wood and Marketing 18. Property South	Employees - Age Diversity by Employee Category (%)	2024	Page 191
			Senior Management - Below 30	0.00	
			Senior Management - 30-50	26.32	
			Senior Management - Above 50	73.68	
			Management - Below 30	1.18	
			Management - 30-50	65.29	
			Management - Above 50	33.53	
			Junior Management - Below 30	1.49	
			Junior Management - 30-50	86.07	
			Junior Management - Above 50	12.44	
			Executive - Below 30	14.02	
			Executive - 30-50	78.41	
			Executive - Above 50	7.56	
			Non-Executive - Below 30	6.17	
			Non-Executive - 30-50	77.92	
			Non-Executive - Above 50	15.91	

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Appendix

Subject Matter Information (continued)

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount	Reference to Integrated Report (Page No.)												
Labour practices and standards	GRI 401 Employment (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri	<table border="1"><tr><th>Types of Employment (%)</th><th>2024</th></tr><tr><td>Permanent</td><td>98.20</td></tr><tr><td>Contract</td><td>1.80</td></tr></table>	Types of Employment (%)	2024	Permanent	98.20	Contract	1.80	Page 191						
		Types of Employment (%)		2024												
		Permanent		98.20												
		Contract		1.80												
		2. Bandar Setia Alam														
		3. Setia Precast														
		4. Setia Warisan Tropika														
		5. SPICE														
		6. Setia Fontaines														
		7. KL Eco City														
		8. Setia City Convention Centre														
		9. Setia Eco Glades and Setia Safiro														
		10. Niche														
		11. Setia Eco Park and Precint Arundina														
		12. Setia Eco Templer														
		13. Bandar Kinrara														
		14. Setia Alam Impian														
		15. Setia Alamsari														
16. Property East																
17. Setia Wood and Marketing																
18. Property South																
Labour practices and standards	GRI 401-1 New employee hires and employee Turnover (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri	<table border="1"><tr><th>Total Number of Employee Turnover by Employee Category</th><th>2024</th></tr><tr><td>Senior Management</td><td>4</td></tr><tr><td>Management</td><td>38</td></tr><tr><td>Junior Management</td><td>101</td></tr><tr><td>Executive</td><td>147</td></tr><tr><td>Non-Executive</td><td>79</td></tr></table>	Total Number of Employee Turnover by Employee Category	2024	Senior Management	4	Management	38	Junior Management	101	Executive	147	Non-Executive	79	Page 192
		Total Number of Employee Turnover by Employee Category		2024												
		Senior Management		4												
		Management		38												
		Junior Management		101												
		Executive		147												
		Non-Executive		79												
		2. Bandar Setia Alam														
		3. Setia Precast														
		4. Setia Warisan Tropika														
		5. SPICE														
		6. Setia Fontaines														
		7. KL Eco City														
		8. Setia City Convention Centre														
		9. Setia Eco Glades and Setia Safiro														
		10. Niche														
		11. Setia Eco Park and Precint Arundina														
		12. Setia Eco Templer														
13. Bandar Kinrara																
14. Setia Alam Impian																
15. Setia Alamsari																
16. Property East																
17. Setia Wood and Marketing																
18. Property South																

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Subject Matter Information (continued)

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount	Reference to Integrated Report (Page No.)																
Labour practices and standards	GRI 404-1 Average hours of training per year per employee (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri	<table><tr><th>Total hours of training by employee category</th><th>2024</th></tr><tr><td>Male</td><td>22,372</td></tr><tr><td>Female</td><td>20,990</td></tr><tr><td>Senior Management</td><td>670</td></tr><tr><td>Management</td><td>8,018</td></tr><tr><td>Junior Management</td><td>18,256</td></tr><tr><td>Executive</td><td>13,423</td></tr><tr><td>Non-Executive</td><td>2,993</td></tr></table>	Total hours of training by employee category	2024	Male	22,372	Female	20,990	Senior Management	670	Management	8,018	Junior Management	18,256	Executive	13,423	Non-Executive	2,993	Page 193
		Total hours of training by employee category		2024																
		Male		22,372																
		Female		20,990																
		Senior Management		670																
		Management		8,018																
		Junior Management		18,256																
		Executive		13,423																
		Non-Executive		2,993																
		2. Bandar Setia Alam																		
		3. Setia Precast																		
		4. Setia Warisan Tropika																		
		5. SPICE																		
		6. Setia Fontaines																		
		7. KL Eco City																		
		8. Setia City Convention Centre																		
		9. Setia Eco Glades and Setia Safiro																		
		10. Niche																		
11. Setia Eco Park and Precint Arundina																				
12. Setia Eco Templer																				
13. Bandar Kinrara																				
14. Setia Alam Impian																				
15. Setia Alamsari																				
16. Property East																				
17. Setia Wood and Marketing																				
18. Property South																				
Labour practices and standards	Bursa Malaysia Sustainability Reporting Guide C6(d) Number of substantiated complaints concerning human rights violations (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Number of substantiated complaints concerning human rights violations</td><td>0</td></tr></table>	Indicator	2024	Number of substantiated complaints concerning human rights violations	0	Page 196												
		Indicator		2024																
		Number of substantiated complaints concerning human rights violations		0																
		2. Bandar Setia Alam																		
		3. Setia Precast																		
		4. Setia Warisan Tropika																		
		5. SPICE																		
		6. Setia Fontaines																		
		7. KL Eco City																		
		8. Setia City Convention Centre																		
		9. Setia Eco Glades and Setia Safiro																		
		10. Niche																		
		11. Setia Eco Park and Precint Arundina																		
		12. Setia Eco Templer																		
		13. Bandar Kinrara																		
		14. Setia Alam Impian																		
		15. Setia Alamsari																		
		16. Property East																		
17. Setia Wood and Marketing																				
18. Property South																				

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Independent Assurance Statement

Independent Assurance Statement

Appendix

Subject Matter Information (continued)

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount	Reference to Integrated Report (Page No.)						
Health and Safety	GRI 403-9 Work-related Injuries (All Business Units in Malaysia)	<ul style="list-style-type: none"><li>1. Setia Ecohill and Mayuri</li><li>2. Bandar Setia Alam</li><li>3. Setia Precast</li><li>4. Setia Warisan Tropika</li><li>5. SPICE</li><li>6. Setia Fontaines</li><li>7. KL Eco City</li><li>8. Setia City Convention Centre</li><li>9. Setia Eco Glades and Setia Safiro</li><li>10. Niche</li><li>11. Setia Eco Park and Precint Arundina</li><li>12. Setia Eco Templer</li><li>13. Bandar Kinrara</li><li>14. Setia Alam Impian</li><li>15. Setia Alamsari</li><li>16. Property East</li><li>17. Setia Wood and Marketing</li><li>18. Property South</li></ul>	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Number of work-related fatalities (Employees)</td><td>0</td></tr><tr><td>Number of work-related fatalities (Non-employees)</td><td>0</td></tr></table>	Indicator	2024	Number of work-related fatalities (Employees)	0	Number of work-related fatalities (Non-employees)	0	Page 184
			Indicator	2024						
Number of work-related fatalities (Employees)	0									
Number of work-related fatalities (Non-employees)	0									
Health and Safety	GRI 403-9 Work-related injuries (All Business Units in Malaysia)	<ul style="list-style-type: none"><li>1. Setia Ecohill and Mayuri</li><li>2. Bandar Setia Alam</li><li>3. Setia Precast</li><li>4. Setia Warisan Tropika</li><li>5. SPICE</li><li>6. Setia Fontaines</li><li>7. KL Eco City</li><li>8. Setia City Convention Centre</li><li>9. Setia Eco Glades and Setia Safiro</li><li>10. Niche</li><li>11. Setia Eco Park and Precint Arundina</li><li>12. Setia Eco Templer</li><li>13. Bandar Kinrara</li><li>14. Setia Alam Impian</li><li>15. Setia Alamsari</li><li>16. Property East</li><li>17. Setia Wood and Marketing</li><li>18. Property South</li></ul>	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Lost time incident rate ("LTIR") (Employees)</td><td>0.16</td></tr><tr><td>Lost time incident rate ("LTIR") (Non-employees)</td><td>0.01</td></tr></table>	Indicator	2024	Lost time incident rate ("LTIR") (Employees)	0.16	Lost time incident rate ("LTIR") (Non-employees)	0.01	Page 184
			Indicator	2024						
Lost time incident rate ("LTIR") (Employees)	0.16									
Lost time incident rate ("LTIR") (Non-employees)	0.01									

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Appendix

Subject Matter Information (continued)

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount	Reference to Integrated Report (Page No.)						
Health and Safety	GRI 403-5 Worker training on occupational health and safety (All Business Units in Malaysia)	<ol style="list-style-type: none"><li>1. Setia Ecohill and Mayuri</li><li>2. Bandar Setia Alam</li><li>3. Setia Precast</li><li>4. Setia Warisan Tropika</li><li>5. SPICE</li><li>6. Setia Fontaines</li><li>7. KL Eco City</li><li>8. Setia City Convention Centre</li><li>9. Setia Eco Glades and Setia Safiro</li><li>10. Niche</li><li>11. Setia Eco Park and Precint Arundina</li><li>12. Setia Eco Templer</li><li>13. Bandar Kinrara</li><li>14. Setia Alam Impian</li><li>15. Setia Alamsari</li><li>16. Property East</li><li>17. Setia Wood and Marketing</li><li>18. Property South</li></ol>	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Number of employees trained on health and safety standards (Employees):</td><td>345</td></tr><tr><td>Number of employees trained on health and safety standards (Non-employees):</td><td>496</td></tr></table>	Indicator	2024	Number of employees trained on health and safety standards (Employees):	345	Number of employees trained on health and safety standards (Non-employees):	496	Page 184
Indicator	2024									
Number of employees trained on health and safety standards (Employees):	345									
Number of employees trained on health and safety standards (Non-employees):	496									
Environment										
Water	GRI 303-5 Water consumption (All Business Units in Malaysia)	<ol style="list-style-type: none"><li>1. Setia Ecohill and Mayuri</li><li>2. Bandar Setia Alam</li><li>3. Setia Precast</li><li>4. Setia Warisan Tropika</li><li>5. SPICE</li><li>6. Setia Fontaines</li><li>7. KL Eco City</li><li>8. Setia City Convention Centre</li><li>9. Setia Eco Glades and Setia Safiro</li><li>10. Niche</li><li>11. Setia Eco Park and Precint Arundina</li><li>12. Setia Eco Templer</li><li>13. Bandar Kinrara</li><li>14. Setia Alam Impian</li><li>15. Setia Alamsari</li><li>16. Property East</li><li>17. Setia Wood and Marketing</li><li>18. Property South</li></ol>	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Total volume of water used</td><td>1,868.76 Megalitres</td></tr></table>	Indicator	2024	Total volume of water used	1,868.76 Megalitres	Page 172		
Indicator	2024									
Total volume of water used	1,868.76 Megalitres									

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Independent Assurance Statement

Independent Assurance Statement

Appendix

Subject Matter Information (continued)

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount	Reference to Integrated Report (Page No.)				
Energy Management	GRI 302-1 Energy consumption within the Organization (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri 2. Bandar Setia Alam 3. Setia Precast 4. Setia Warisan Tropika 5. SPICE 6. Setia Fontaines 7. KL Eco City 8. Setia City Convention Centre 9. Setia Eco Glades and Setia Safiro 10. Niche 11. Setia Eco Park and Precint Arundina 12. Setia Eco Templar 13. Bandar Kinrara 14. Setia Alam Impian 15. Setia Alamsari 16. Property East 17. Setia Wood and Marketing 18. Property South	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Group-wide energy consumption</td><td>162,136,401 MJ</td></tr></table>	Indicator	2024	Group-wide energy consumption	162,136,401 MJ	Page 159
Indicator	2024							
Group-wide energy consumption	162,136,401 MJ							
Emissions Management	GRI 305-1 Direct (Scope 1) Greenhouse Gas emissions (Selected Business Unit in Malaysia)	<u>Mobile Combustion</u> 1. Setia Ecohill and Mayuri 2. Bandar Setia Alam 3. Setia Precast 4. Setia Warisan Tropika 5. SPICE 6. Setia Fontaines 7. KL Eco City 8. Setia City Convention Centre 9. Setia Eco Glades and Setia Safiro 10. Niche 11. Setia Eco Park and Precint Arundina 12. Setia Eco Templar 13. Bandar Kinrara 14. Setia Alam Impian 15. Setia Alamsari 16. Property East 17. Setia Wood and Marketing 18. Property South  <u>Fugitive Emissions</u> 1. SPICE 2. Setia City Convention Centre	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Total Scope 1 emissions</td><td>2,770 tCO2e</td></tr></table>	Indicator	2024	Total Scope 1 emissions	2,770 tCO2e	Page 159
Indicator	2024							
Total Scope 1 emissions	2,770 tCO2e							

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Appendix

Subject Matter Information (continued)

Common Sustainability Matters	Applicable Criteria	Business Units subjected to Limited Assurance	Reported amount	Reference to Integrated Report (Page No.)						
Emissions Management	GRI 305-1 Direct (Scope 1) mobile combustion Greenhouse Gas emissions (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri 2. Bandar Setia Alam 3. Setia Precast 4. Setia Warisan Tropika 5. SPICE 6. Setia Fontaines 7. KL Eco City 8. Setia City Convention Centre 9. Setia Eco Glades and Setia Safiro 10. Niche 11. Setia Eco Park and Precint Arundina 12. Setia Eco Templar 13. Bandar Kinrara 14. Setia Alam Impian 15. Setia Alamsari 16. Property East 17. Setia Wood and Marketing 18. Property South	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Total Scope 1 mobile combustion emissions</td><td>913.37 tCO2e</td></tr></table>	Indicator	2024	Total Scope 1 mobile combustion emissions	913.37 tCO2e	Page 158		
Indicator	2024									
Total Scope 1 mobile combustion emissions	913.37 tCO2e									
Emissions Management	GRI 305-1 Direct (Scope 1) fugitive emissions (Selected Business Unit in Malaysia)	1. SPICE 2. Setia City Convention Centre	<table><tr><th>Total Scope 1 fugitive emission</th><th>2024</th></tr><tr><td>SCCC 1 &amp; SCCC 2</td><td>1,857.43 tCO2e</td></tr><tr><td>SPICE</td><td>0</td></tr></table>	Total Scope 1 fugitive emission	2024	SCCC 1 & SCCC 2	1,857.43 tCO2e	SPICE	0	Page 158
Total Scope 1 fugitive emission	2024									
SCCC 1 & SCCC 2	1,857.43 tCO2e									
SPICE	0									
Emissions Management	GRI 305-2 Energy indirect (Scope 2) Greenhouse Gas emissions (All Business Units in Malaysia)	1. Setia Ecohill and Mayuri 2. Bandar Setia Alam 3. Setia Precast 4. Setia Warisan Tropika 5. SPICE 6. Setia Fontaines 7. KL Eco City 8. Setia City Convention Centre 9. Setia Eco Glades and Setia Safiro 10. Niche 11. Setia Eco Park and Precint Arundina 12. Setia Eco Templar 13. Bandar Kinrara 14. Setia Alam Impian 15. Setia Alamsari 16. Property East 17. Setia Wood and Marketing 18. Property South	<table><tr><th>Indicator</th><th>2024</th></tr><tr><td>Total Scope 2 emissions</td><td>34,335 tCO2e</td></tr></table>	Indicator	2024	Total Scope 2 emissions	34,335 tCO2e	Page 159		
Indicator	2024									
Total Scope 2 emissions	34,335 tCO2e									

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Corporate Information

BOARD OF DIRECTORS

**Y.A.M. Tan Sri Dato’ Seri Syed Anwar Jamalullail**  
(Non-Independent Non-Executive Chairman)

**Datuk Choong Kai Wai**  
(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)

**Dato’ Sheranjiv Sammanthan**  
(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)  
Dato’ Sheranjiv Sammanthan  
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

Dato’ Sheranjiv Sammanthan (Chairman)  
Dato’ Merina Binti Abu Tahir  
Datuk Ir Khairil Anwar Bin Ahmad  
Mr Lim Fu Yen  
Dato’ Tengku Marina Binti Tunku Annuar

SUSTAINABILITY COMMITTEE

Dato’ Tengku Marina Binti Tunku Annuar (Chairman)  
Dato’ Sheranjiv Sammanthan  
Mr Lim Fu Yen  
Datin Wan Daneena Liza Binti Wan Abdul Rahman

TENDER AND PROJECTS COMMITTEE

Datuk Ir Khairil Anwar Bin Ahmad (Chairman)  
Datuk Choong Kai Wai  
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 | Fax: +603-27839222  
Email: is.enquiry@vistra.com

BANKERS

Affin Bank Berhad  
Affin Hwang Investment Bank Berhad  
Affin Islamic Bank Berhad  
Alliance Bank Malaysia Berhad  
Alliance Islamic Bank Malaysia Berhad  
Ambank (M) Berhad  
Amlslamic 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  
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  
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 Hishammudin 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 & RATING

Bursa Malaysia  
FTSE4GOOD  
MARC

WEBSITE

www.spsetia.com

Board at a Glance

As at 26 March 2025

ETHNICITY

Bumiputera

7

Chinese

3

Indian

1

Bumiputera Chinese Indian

BOARD GENDER DIVERSITY

GENDER

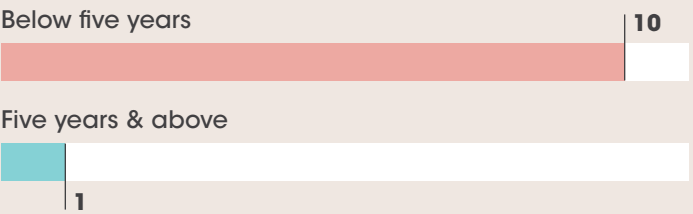
Male

Female

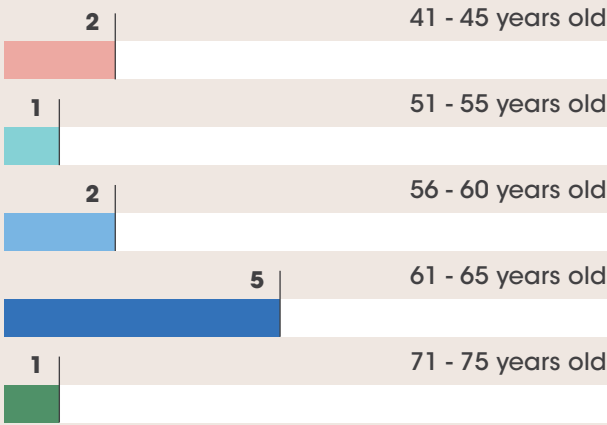
BOARD COMPOSITION

Independent Non-Executive Directors	6
Non-Independent Non-Executive Directors	2
Senior Independent Non-Executive Director	1
Non-Independent Non-Executive Chairman	1
President and Chief Executive Officer	1

LENGTH OF DIRECTORSHIP TENURE



AGE



BOARD NATIONALITY



100%  
MALAYSIAN

Profile of Board of Directors

As at 26 March 2025



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

Non-Independent Non-Executive Chairman

AGE	GENDER	NATIONALITY
73	Male	Malaysian
DATE OF APPOINTMENT		LENGTH OF SERVICE:
3 January 2019		6 years and 2 months
MEMBERSHIP OF BOARD COMMITTEE:		NUMBER OF BOARD MEETINGS ATTENDED:
Nil		10/10

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
- Independent Director, Bangkok Bank Berhad
- Independent 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 2024.

Legend

- Chairman Audit Committee Finance and Investment Committee Nomination and Remuneration Committee Risk Management Committee Sustainability Committee Tender and Projects Committee

DATUK CHOONG KAI WAI

President and Chief Executive Officer

AGE	GENDER	NATIONALITY
64	Male	Malaysian
DATE OF APPOINTMENT		LENGTH OF SERVICE:
1 October 2021		3 years and 5 months
MEMBERSHIP OF BOARD COMMITTEE:		NUMBER OF BOARD MEETINGS ATTENDED:
		10/10

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- BSc (Hons), Mechanical Engineering, The City University London, United Kingdom

SKILLS MATRIX AND INDUSTRY EXPERIENCE:

Current Principal Appointments:

- President and Chief Executive Officer of S P Setia Berhad
- Chairman, Perumahan Kinrara Berhad

Past Relevant Experiences:

- Chief Executive Officer of Setia (Melbourne) Development Company Pty Ltd

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 2024.



Profile of Board of Directors



DATUK IR KHAIRIL ANWAR BIN AHMAD

Senior Independent Non-Executive Director

AGE	GENDER	NATIONALITY
62	Male	Malaysian
DATE OF APPOINTMENT 1 June 2023		LENGTH OF SERVICE: 1 year and 9 months
MEMBERSHIP OF BOARD COMMITTEE: TPC NRC RMC		NUMBER OF BOARD MEETINGS ATTENDED: 10/10

- ACADEMIC/PROFESSIONAL QUALIFICATION(S):**
- Honorary Doctor of Civil Law, University of Newcastle upon Tyne
  - Master of Business Administration, Strategic Management, University of Strathclyde, Glasgow
  - BSc Civil & Environmental Engineering, University of Wisconsin-Madison, United States of America
  - 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 2024.

DATO' MERINA BINTI ABU TAHIR

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
59	Female	Malaysian
DATE OF APPOINTMENT 17 November 2021		LENGTH OF SERVICE: 3 years and 4 months
MEMBERSHIP OF BOARD COMMITTEE: AC RMC		NUMBER OF BOARD MEETINGS ATTENDED: 10/10

- 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 Global Council
  - Member, ACCA Global Forum on Governance, Risk & Performance
  - Member, MIA Education Board
- 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. She will recuse herself from participating in any discussion on matters involving the interests of TNB group of companies and AEON Co. (M) Bhd 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 2024.



Profile of Board of Directors



DATO' TENGKU MARINA BINTI  
TUNKU ANNUAR

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
62	Female	Malaysian
DATE OF APPOINTMENT 1 June 2022		LENGTH OF SERVICE: 2 years and 9 months
MEMBERSHIP OF BOARD COMMITTEE: <div>SCNRCRMC</div>		NUMBER OF BOARD MEETINGS ATTENDED: 10/10

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

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 2024.

DATO' SHERANJIV SAMMANTHAN

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
57	Male	Malaysian
DATE OF APPOINTMENT 1 June 2022		LENGTH OF SERVICE: 2 years and 9 months
MEMBERSHIP OF BOARD COMMITTEE: <div>RMCFCSC</div>		NUMBER OF BOARD MEETINGS ATTENDED: 10/10

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor of Commerce, University of Birmingham, United Kingdom
- Fellow, Institute of Chartered Accountants in England and Wales

SKILLS MATRIX AND INDUSTRY EXPERIENCE:

Current Principal Appointments:

- Director, Bank Negara Malaysia
- Co-Founder and Executive Director, Fitrah Capital Associates LLC
- Director, Battersea Project Holding Company Limited
- Trustee, Yayasan Munarah

Past Relevant Experiences:

- Executive Director, Khazanah Nasional Berhad
- Various positions to Partner/Senior Executive Director, PwC Birmingham, London and Kuala Lumpur
- Director, Malaysia Aviation Group
- Shareholders representative and Audit Committee Member - M+S (Pte) Limited, Singapore
- Director, UEM Land Berhad
- Director, Khazanah Europe Investment Limited, United Kingdom
- Executive Director - Taman Tugu Project, Kuala Lumpur
- Trustee, Yayasan Hasanah
- Council Member, Institutional Investors Council Malaysia

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 2024.



Profile of Board of Directors



DATIN WAN DANEENA LIZA BINTI  
WAN ABDUL RAHMAN

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
51	Female	Malaysian
DATE OF APPOINTMENT 17 August 2023		LENGTH OF SERVICE: 1 year and 7 months
MEMBERSHIP OF BOARD COMMITTEE: AC FIC SC		NUMBER OF BOARD MEETINGS ATTENDED: 10/10

- 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:**
- Director, WASCO Berhad
  - Director, PLUS Malaysia Berhad
  - Director, Deutsche Bank Malaysia Berhad
- Past Relevant Experiences:**
- Various positions during her 20-year tenure in Messrs Ernst & Young, Kuala Lumpur before retiring as Senior Audit 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 2024.

LIM FU YEN

Non-Independent Non-Executive Director

AGE	GENDER	NATIONALITY
45	Male	Malaysian
DATE OF APPOINTMENT 11 January 2024		LENGTH OF SERVICE: 1 year and 2 months
MEMBERSHIP OF BOARD COMMITTEE: FIC RMC SC		NUMBER OF BOARD MEETINGS ATTENDED: 9/10

- ACADEMIC/PROFESSIONAL QUALIFICATION(S):**
- Master of Business Administration, Stanford Graduate School of Business, USA
  - B.A. (Honors) in Engineering Science and Honors Economics

- SKILLS MATRIX AND INDUSTRY EXPERIENCE:**
- Current Principal Appointments:**
- Chairman, Malaysian Transformer Manufacturing Sdn Bhd
  - Court Nominated Director, Sapura Energy Berhad
- 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 2024.



Profile of Board of Directors



DATIN GRACE YEOH CHENG GEOK

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
63	Female	Malaysian
DATE OF APPOINTMENT		LENGTH OF SERVICE:
21 June 2024		9 months
MEMBERSHIP OF BOARD COMMITTEE:		NUMBER OF BOARD MEETINGS ATTENDED:
FIC NRC		6/6

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 (1) a Partner of Messrs Shearn Delamore & Co, one of the legal firms in S P Setia Group's panel of solicitors; and (2) sister to Chairman of CIMB Investment Bank Berhad. She will recuse herself from participating in any discussion on matters involving the interests of Messrs Shearn Delamore & Co and CIMB Investment Bank Berhad 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 2024.

MOHAMAD ABDUL HALIM BIN AHMAD

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
64	Male	Malaysian
DATE OF APPOINTMENT		LENGTH OF SERVICE:
1 October 2024		5 months
MEMBERSHIP OF BOARD COMMITTEE:		NUMBER OF BOARD MEETINGS ATTENDED:
AC FIC TPC		3/3

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

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, Amanah CapitaLand 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 2024.



Profile of Board of Directors

AIDA HAZRINA BINTI MOHD  
TAZAAI

Non-Independent Non-Executive Director

AGE	GENDER	NATIONALITY
41	Female	Malaysian
DATE OF APPOINTMENT 3 March 2025		LENGTH OF SERVICE: Less than 1 month
MEMBERSHIP OF BOARD COMMITTEE: NRC TPC		NUMBER OF BOARD MEETINGS ATTENDED: 10/10*

ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor of Science in Accounting and Finance, The London School of Economics & Political Science, UK
- CFA® Charterholder

SKILLS MATRIX AND INDUSTRY EXPERIENCE:

Current Principal Appointments:

- Head of Strategic Investments at Permodalan Nasional Berhad ("PNB") overseeing PNB's Strategic and Core Companies.

Past Relevant Experiences:

- Throughout her tenure of over 16 years in PNB, she held various positions including in the Corporate Finance Department, Office of President & Group Chief Executive, PNB Equity Resource Corporation Sdn Bhd and the Strategic Investments Department.

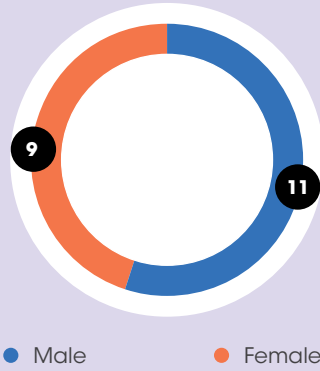
DECLARATION:

- 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 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 2024.

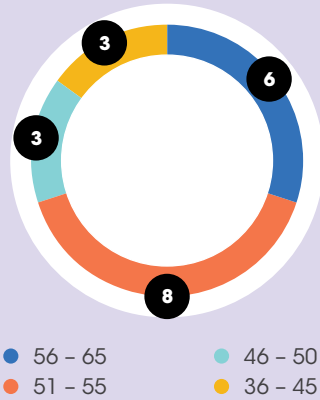
\* Attendance as Alternate Director to Mr Lim Fu Yen"

Key Management Team

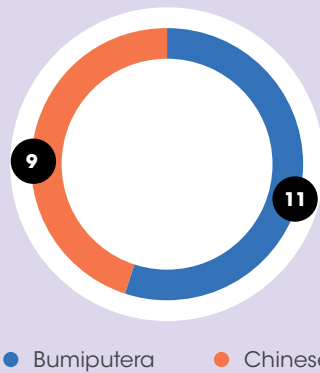
GENDER  
DIVERSITY



AGE  
DIVERSITY



ETHNICITY



DATUK ZAINI YUSOFF

Chief Operating Officer ("COO")  
61 | Male | Malaysian

DATE OF APPOINTMENT

1 July 2023

RELEVANT EXPERIENCE

Datuk Zaini Yusoff brings 34 years of fiscal, strategic, and operational leadership experience to S P Setia. As the current Chief Operating Officer of S P Setia, he has previously served as Divisional General Manager and Executive Vice President, and has held the role of COO at I & P Group. His career spans notable organisations including the Penang City Council, Asia Control System Impac and Shimizu Corporation.

A graduate with a BSc (Hons) in Civil Engineering from Memphis State University in Tennessee, USA, Datuk Zaini combines technical expertise with broad managerial insight. He is actively engaged in professional and community initiatives, serving as an Executive Committee member of REHDA Malaysia, Chairman of REHDA Selangor (2022-2025) and as a board member for both Lembaga Perumahan dan Hartanah Selangor and the Lembaga Zakat Selangor Head Office Development Monitoring Committee.



DATUK YUSLINA MOHD YUNUS

Senior Executive Vice President ("SEVP")  
57 | Female | Malaysian

DATE OF APPOINTMENT

1 July 2023

RELEVANT EXPERIENCE

Datuk Yuslina Mohd Yunus brings dynamic leadership and robust financial expertise to her role as Senior Executive Vice President at S P Setia. With prior experience as Group Managing Director for I & P Group and as an Executive Vice President at S P Setia, she now oversees projects in the Central Region - including Wilayah Persekutuan/Kuala Lumpur, Shah Alam and Semenyih/Bangi. In addition to her operational duties, she contributes to the Management Committee of the S P Setia Foundation.

A proud member of the Malaysian Institute of Accountants, she holds an Advanced Diploma in Accountancy from Institut Teknologi MARA, along with an Executive Master of Business Administration from Universiti Teknologi MARA. Her blend of strategic insight and financial acumen continues to drive sustainable growth and innovation across the company.

Key Management Team



DATUK STANLEY SAW KIM  
SUAN

Executive Vice President ("EVP")  
58 | Male | Malaysian

DATE OF APPOINTMENT

1 July 2020

RELEVANT EXPERIENCE

Datuk Stanley Saw Kim Suan joined S P Setia as a Project Manager in 1997. Over the years, he has led projects both locally and internationally, including the EcoXuan and EcoLakes projects in Vietnam, before advancing to roles as Divisional General Manager for the Property Division (South) and later as Executive Vice President. Currently, he oversees operations for the North and East Region projects in Penang and Sabah.

Datuk Stanley holds a Bachelor of Engineering (Civil) from the University of New South Wales in Australia and an MBA from Nottingham Trent University in the United Kingdom. His extensive technical expertise and leadership experience make him a vital driver of excellence in project management and regional development.



ANNUAR MARZUKI ABDUL  
AZIZ

Chief Financial Officer ("CFO")  
54 | Male | Malaysian

DATE OF APPOINTMENT

1 December 2022

RELEVANT EXPERIENCE

Annuar Marzuki Abdul Aziz offers over 29 years' multifaceted experience spanning audit, treasury, corporate finance and strategic management. His impressive career includes leadership roles such as Head of Corporate Finance at Renong Berhad, General Manager in the Office of the Chief Executive at UEM Group Berhad, and CFO positions at PLUS Expressways Berhad, UEM Group Berhad and KLCC Property Holdings Berhad, Head of Investment, KLCC REIT Management Sdn Bhd.

A Fellow of the Certified Practising Accountant (FCPA) Australia, a member of the Malaysian Institute of Accountants, he also holds a Diploma in Comparative Law, a Bachelor of Accounting (Hons) and an MBA in Finance from the International Islamic University Malaysia. His deep expertise in mergers and acquisitions, investor relations and risk management underpins his commitment to driving financial excellence and strategic growth.



CHRISTINNE LIM

Chief Commercial Officer ("CCO")  
49 | Female | Malaysian

DATE OF APPOINTMENT

1 February 2024

RELEVANT EXPERIENCE

Christinne Lim is a senior management executive with over 25 years' diverse experience across the consumer and media sectors. Known for her results-orientated approach and deep consumer insights, she has successfully delivered innovative products and services throughout her career. Beginning at PriceWaterhouseCoopers Advisory Services with a focus on Corporate Finance, she later joined Astro Malaysia, where she played a key role in launching Astro on Demand and revamping the premium movies business. Advancing to the position of Vice President for Content Strategy and Corporate Marketing. The last held position is Astro Go Shop CEO.

Christinne is a graduate from Lincoln University, New Zealand with a Bachelor of Commerce & Management, majoring in accounting and a first-class honours Bachelor of Commerce in Finance, which underscores her solid academic and professional foundation.



LINDAYANI TAJUDIN

Chief Strategy Officer ("CSO")  
52 | Female | Malaysian

DATE OF APPOINTMENT

16 August 2024

RELEVANT EXPERIENCE

Lindayani Tajudin is a Chartered Accountant with extensive knowledge and experience in the infrastructure industry, both locally and internationally. Before joining S P Setia as Head of Group Strategy & Business Development and later as Chief Strategy Officer, she held senior management roles in various listed companies. In mid-2023, she broadened her experience within the energy sector before rejoining S P Setia as Chief Strategy Officer in September 2024. Her core strengths in strategic planning, business development, project finance and investor relations are further enhanced by her experience in mergers and acquisitions.

Lindayani earned her 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 Malaysian Institute of Accountants. Her leadership continues to drive strategic initiatives and sustainable growth.



NURANISAH MOHD ANIS

Chief Risk, Integrity & Governance  
Officer ("CRIGO")  
52 | Female | Malaysian

DATE OF APPOINTMENT

3 April 2017

RELEVANT EXPERIENCE

With over 27 years of extensive experience, Nuranisah Mohd Anis has developed expertise in enterprise risk management, business continuity and corporate governance. Her career spans multiple public listed companies, government-linked companies and international roles, where she has honed skills 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. Additionally, she is an associate member of IIA Malaysia and a registered Associate Business Continuity Professional with the Disaster Recovery Institute in the USA.

Her academic background includes diplomas in accountancy and an MBA from Universiti Teknologi MARA, equipping her with a balanced approach to risk and governance.



AZLINA BAHAROM

Chief Legal Officer ("CLO")  
57 | Female | Malaysian

DATE OF APPOINTMENT

1 July 2020

RELEVANT EXPERIENCE

Azlina Baharom has been a pivotal member of S P Setia since 2018, initially serving as General Counsel before being appointed Chief Legal Officer, where she heads 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 to both the Supreme Court of Singapore and the High Court of Malaya since 1991.

Her early career in private practice focused on corporate and commercial transactions, followed by key roles in legal and secretarial functions at organisations such as Golden Hope Plantations Berhad and Island & Peninsular Berhad. Prior to her current role, she served as General Manager of Corporate Services and Group Secretary at I & P Group. Azlina's extensive experience in legal, compliance and corporate governance ensures robust oversight and strategic management of the company's legal affairs.

Key Management Team



NATHRAH MOHAMED KALAM

Chief Internal Auditor ("CIA")  
53 | Female | Malaysian

DATE OF APPOINTMENT

16 October 2024

RELEVANT EXPERIENCE

With 28 years in finance, internal controls, governance, risk, corporate finance, strategic planning and audit, her experience has firm fundamentals, trained within PETRONAS Group. Throughout her domestic and international career, pivotal roles in cash flows, treasury, budgeting, strategic and thematic reviews, bond issuance, prospectuses, annual reports, design of group frameworks, authority limits, due diligence, acquisitions, divestments, liquidations, transformations, joint ventures, commercial negotiations, tax, sustainability, ESG and trustee oversight, these part of the multifaceted nature of her financial stewardship.

A Bachelor of Science Accounting graduate from University of East Anglia, United Kingdom, finance professional committee of CA programme, pioneer in finance skills matrix assessments, and a trainer at PETRONAS Leadership Training Centre, a chartered accountant by training, member of Malaysian Institute of Certified Public Accountants (MICPA), Institute of Internal Auditors Malaysia (IIAM), associate member of Institute of Corporate Directors Malaysia (ICDM), and a certified corporate trainer by HR Dev. Corp. (HRDF), clear evidence of her dedication to professional finance fraternity excellence.



ALEX CHI CHONG LIM

Chief Information Digital Officer  
("CIDO")  
45 | Male | Malaysian

DATE OF APPOINTMENT

1 July 2023

RELEVANT EXPERIENCE

Alex Chi Chong Lim is the visionary Chief Information Digital Officer at S P Setia, spearheading the Group ICT and digital transformation since 2019. With over two decades' experience at global Fortune 500 companies, he has consistently enhanced digital capabilities and driven technology innovation. His work has earned prestigious awards from organisations such as WITSA, IDG and PIKOM, while his advisory role with the ASEAN Innovation Business Platform further attests to his expertise.

Alex holds a Bachelor of Science in Technology Management from Universiti Teknologi Malaysia, and he has expanded his strategic perspective through the MBA Essentials programme at the London School of Economics and the Digital Strategies programme at Columbia Business School. His blend of technical acumen and strategic vision positions him to lead S P Setia into a new era of digital excellence.



IRFAN HASHIM

Divisional General Manager ("Div GM")  
41 | Male | Malaysian

DATE OF APPOINTMENT

6 December 2023

RELEVANT EXPERIENCE

Irfan Hashim brings a robust blend of technical and financial expertise to S P Setia after a diverse career in corporate finance and digital transformation. A first-class honours graduate in Electrical Engineering from the University of Southampton in the United Kingdom, he has been a Chartered Financial Analyst (CFA) since 2010.

Irfan began his career as a Management Trainee at Permodalan Nasional Berhad, contributing to various sectors such as banking, infrastructure, oil and gas, and consumer goods. His subsequent roles at KWAP and Lembaga Tabung Angkatan Tentera (LTAT) further honed his skills in financial modelling, corporate strategy and mergers and acquisitions. His in-depth expertise and strategic insights continue to drive innovation and growth, making him a key asset in navigating S P Setia's dynamic market environment.



NEO KENG HOE

Divisional General Manager  
("Div GM")  
54 | Male | Singaporean

DATE OF APPOINTMENT

1 July 2024

RELEVANT EXPERIENCE

Neo Keng Hoe is a seasoned real estate professional with 28 years' industry experience, currently serving as Divisional General Manager at S P Setia. Since joining on 15 October 2008, he has brought significant expertise from previous roles at Far East Organisation and CBRE.

His academic credentials include an MBA from Nanyang Business School at Nanyang Technological University and a Bachelor of Science in Estate Management (Upper Honours) from the National University of Singapore. He has further enhanced his leadership capabilities through the General Management Programme at INSEAD Fontainebleau. Neo's in-depth understanding of property development and strategic management is integral to driving S P Setia's vision for sustainable growth and excellence.



TAN SIOW CHUNG

Divisional General Manager  
("Div GM")  
51 | Male | Malaysian

DATE OF APPOINTMENT

1 July 2020

RELEVANT EXPERIENCE

Tan Siow Chung is an accomplished professional with over 20 years' experience at S P Setia, contributing significantly to the company's development projects. He began his career as a consultant M&E engineer and later as a project engineer with ABB Malaysia, joining S P Setia in 2000 and playing a key role in early projects such as Wawasan Indera in Pusat Bandar Puchong.

His journey has since seen him become integral to flagship developments like Bandar Setia Alam, and he now serves as Divisional General Manager, overseeing major integrated projects in the Central Region, including KL Eco City and Setia Federal Hill.

Tan holds a first-class honours degree in Electrical Engineering from the University of Technology Malaysia, reflecting his strong technical expertise and commitment to operational excellence.



RAZLY MOHAMMAD RUS

Divisional General Manager  
("Div GM")  
48 | Male | Malaysian

DATE OF APPOINTMENT

1 July 2022

RELEVANT EXPERIENCE

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 transitioning 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, Bayuemas and Alam Damai. Following the merger with S P Setia, Razly continued to play a vital role in projects including Setia Bayuemas and Alam Sutera, showcasing 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, further supported by his registration as a Graduate Engineer with the Board of Engineers Malaysia.

Key Management Team



**SANIMAN AMAT YUSOF**  
*Divisional General Manager ("Div GM")*  
53 | Male | Malaysian

**DATE OF APPOINTMENT**  
1 July 2022

**RELEVANT EXPERIENCE**

Saniman Amat Yusof brings extensive engineering expertise to S P Setia, with a career marked by significant contributions in project planning and execution. Beginning at Chase Perdana Berhad and later at Ho Hup Construction Company Berhad, he joined S P Setia in 2000 as a Project Engineer in the Highway Division before transitioning to the Property Division in 2006. Now serving as Divisional General Manager for the Property South division in Johor, Saniman plays a vital role in 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. His blend of hands-on engineering skills and strategic oversight has been instrumental in ensuring successful project delivery and regional growth.



**KOH SOOI MENG**  
*Divisional General Manager ("Div GM")*  
53 | Male | Malaysian

**DATE OF APPOINTMENT**  
1 July 2023

**RELEVANT EXPERIENCE**

Koh Sooi Meng is a seasoned professional with over 27 years' experience in the property development industry, currently serving as Divisional General Manager at S P Setia. 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.



**DATO' MUHAMAD ZAILI MUHAMMAD YUSOF**  
*Divisional General Manager ("Div GM")*  
59 | Male | Malaysian

**DATE OF APPOINTMENT**  
1 July 2024

**RELEVANT EXPERIENCE**

Dato' Muhamad Zaili Muhammad Yusof, currently serving as the Divisional General Manager. He is responsible for the Property North division, which includes overseeing the development of Setia Fontaines and key projects on Penang Island.

Beginning his career in 1990 with I & P Group as a junior executive, he quickly developed deep expertise in township and property management. His contributions include significant developments across Penang, Kuala Lumpur and Johor, and following the merger with S P Setia, his portfolio expanded to encompass projects such as Setia Fontaines, Bandar Kinrara and Setia AlamImpian.

Dato' Muhamad Zaili holds a Bachelor of Arts in Planning, along with a Postgraduate Diploma in Urban Architecture and Planning from the University of South Australia. His comprehensive understanding of urban planning, combined with strategic leadership, has been instrumental in driving successful large-scale developments across diverse regions.



**CHOW YIN SEE**  
*Group Financial Controller ("GFC")*  
56 | Female | Malaysian

**DATE OF APPOINTMENT**  
1 July 2023

**RELEVANT EXPERIENCE**

Chow Yin See is a seasoned financial executive with over 33 years' expertise in finance, taxation, risk management and strategic planning. Before joining SPSB, she accumulated nearly 25 years' experience with an engineering-based infrastructure and services conglomerate, ultimately serving as Director of Finance for a subsidiary. Her career also includes formative experience at Ernst & Young, where she developed strong audit and advisory skills.

As a Chartered Accountant registered with both Chartered Accountants Australia and New Zealand and the Malaysian Institute of Accountants, she holds a degree in Commerce (Accounting) from the University of Canterbury in New Zealand. Her extensive background in financial management and strategic oversight uniquely positions her to deliver robust governance and insights across complex business environments.



**JOYCE TEH PECK IM**  
*Divisional General Manager ("Div GM")*  
43 | Female | Malaysian

**DATE OF APPOINTMENT**  
19 June 2023

**RELEVANT EXPERIENCE**

Joyce Teh is an accomplished finance professional with 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. As a Fellow of FCCA and a member of the MIA, she continues to exemplify excellence in financial stewardship and strategic planning.



**LEE WAI KIM**  
*Group Company Secretary ("GCS")*  
48 | Female | Malaysian

**DATE OF APPOINTMENT**  
1 July 2016

**RELEVANT EXPERIENCE**

Lee Wai Kim is a dedicated corporate governance professional with over 20 years' experience in secretarial and compliance roles. She joined S P Setia Berhad in August 2014 and was appointed as Company Secretary in April 2016. Throughout her career, she has managed governance matters for private limited companies and public listed companies on Bursa Malaysia Securities Berhad as well as international stock exchange. Her experience spans financial institutions and regulatory environments, ensuring robust corporate practices and transparency.

An Associate Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA), she also holds an MBA from Victoria University in Australia. Her commitment to excellence in corporate governance and compliance continues to uphold high standards of accountability and board effectiveness within the organisation.

**Notes:**

1. None of the Senior Management hold any directorship in any public companies and listed issuers other than in S P Setia Group.

2. None of the Senior Management have any family relationship with any Director and/or any major shareholder of S P Setia, nor any conflict of interest with S P Setia.

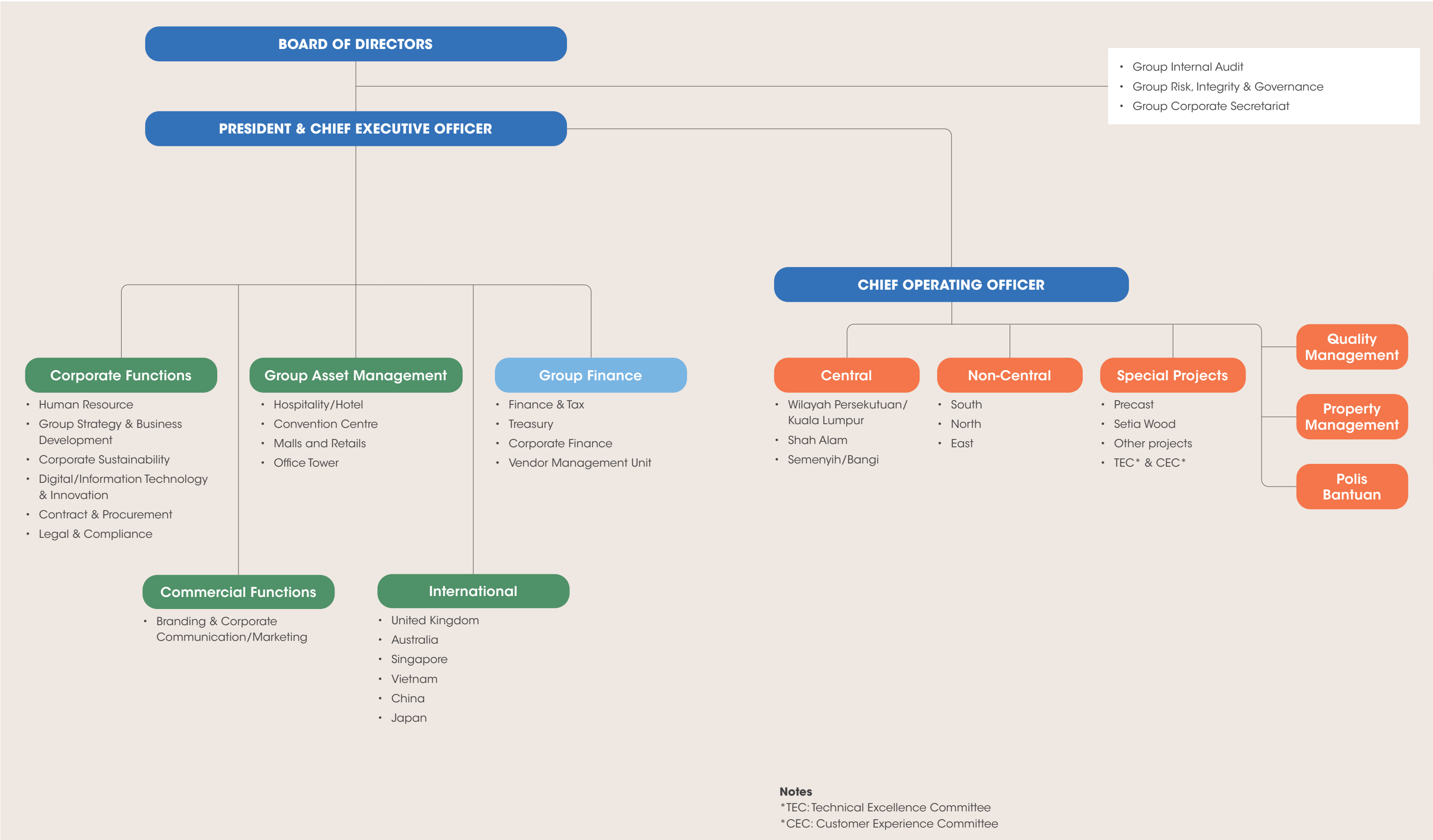
3. None of the Senior Management have been convicted of any offences over the past five years and there was no public sanction or penalty imposed on any of them by the relevant regulatory bodies during the financial year.

Organisation Structure

As at 31 December 2024

Organisation Structure

As at 31 December 2024



Corporate Governance Overview Statement



Dear Valued  
Shareholders,

Corporate governance plays a pivotal role in shaping the Company's ability to deliver consistent performance and drive long-term value creation. In setting our strategic priorities, we remain committed to fostering a governance culture built on integrity, responsibility and a focus on sustainability and continuity.

CHAIRMAN'S INTRODUCTION

The Board of Directors ("the Board") of S P Setia Berhad ("S P Setia" or "Setia") and its group of companies ("the Group") is resolutely focused on maintaining the highest standards of corporate governance, ensuring the Group's resilience and sustainability amidst a dynamic and competitive global landscape. Throughout the financial year ended 31 December 2024 ("FY2024"), the Board has continued to evaluate and enhance its governance frameworks, policies and practices to meet the expectations of stakeholders and drive long-term value creation.

Integrity underpins the Company's operations and decision-making processes, serving as a guiding principle for both leadership and operational activities. Recognising the critical importance of robust governance, the Board has prepared this Corporate Governance Overview Statement ("Statement") in line with statutory requirements, regulatory guidelines and best practices. The Statement provides a detailed account of the governance structures and mechanisms that supported the Group's performance during FY2024, with a focus on three key areas in accordance with the Malaysian Code on Corporate Governance ("MCCG"):



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

Corporate Governance Overview Statement

This Statement not only reflects on the achievements of the past year but also outlines the strategic priorities and activities undertaken by the Board and its Committees to enhance governance and accountability. Stakeholders will gain insight into how the Group's governance framework has been applied to support sustainable growth and ensure compliance with the evolving regulatory landscape.

In addition to the MCCG, the Board has adhered to and incorporated the following governance frameworks into its practices:

Bursa Malaysia's Corporate Governance Guide (4 <sup>th</sup> Edition)	Companies Act 2016 ("CA 2016")	Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities")
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The Board remains committed to fostering diversity within its composition, guided by a structured succession plan initiated in 2022. This plan was designed to ensure a seamless transition and continuity at the Board level in alignment with the nine-year tenure limit, which has resulted in the progressive retirement of the majority of Directors from 2023 through 2025. In 2024, further developments in the Board and Board Committee compositions were effected, including strategic appointments that adhered to the Company's rigorous Board Succession Plan and Diversity Policy.

The Board maintains its focus on enhancing its practices and governance framework, ensuring that its operations continue to reflect the highest standards of corporate governance. These ongoing efforts are integral to maintaining the effectiveness of the Board and its Committees.

COMPLIANCE WITH THE MCCG

The Company has complied with the MCCG for the FY2024. The Board is pleased to confirm that majority of the Practices outlined in the MCCG have been duly applied during the reporting period, as detailed in the Corporate Governance ("CG") Report.

This Statement provides the narrative disclosures required under the MCCG and the MMLR, outlining the Company's governance framework and processes designed to uphold the highest standards of corporate governance.

Stakeholders are encouraged to read this Statement in conjunction with the CG Report, which is available on the Company's website at <https://spsetia.com/en-us/investor-relations#reports>.

Board Leadership Page 250	Division of Responsibilities Pages 252 - 254	Continuing Development and Training Page 258
Audit, Risk and Internal Control Pages 265 - 275	Nomination and Remuneration Pages 259 - 264	Relationship with Stakeholders Pages 276 - 279

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BOARD LEADERSHIP AND EFFECTIVENESS

BOARD LEADERSHIP

S P Setia is governed by a Board that provides strategic oversight and stewardship of the Group’s business and affairs on behalf of shareholders and other stakeholders. The Board’s primary role is to establish the Group’s strategic objectives and policies, ensuring the creation and protection of shareholder value while considering the interests of a broader range of stakeholders, including employees, business partners, regulators, local communities and the general public.

While the ultimate decision-making authority rests with shareholders at the Annual General Meeting ("AGM") where critical matters among others the re-election and remuneration of Directors and the appointment of External Auditors are approved, the Board is accountable to shareholders for the Company’s performance. The Board is entrusted with directing and monitoring the Company’s operations, supported by its guiding documents, the Board Charter and the Discretionary Authority Limits.

The Board Charter articulates the Board’s strategic intent, authority and Terms of Reference, serving as a cornerstone for governance and a reference for induction. It delineates the responsibilities of the Board, its Committees and individual Directors, ensuring clarity and alignment with corporate governance best practices. To remain current and relevant, the Charter is reviewed periodically, with the most recent update conducted in 2023. The Board Charter is publicly accessible on the Company’s website at <https://spsetia.com/en-us/governance>.

The Board oversees and evaluates the Group’s strategic objectives, direction and performance, delegating specific oversight functions to its Committees where appropriate. It ensures that the Group’s strategic plans incorporate considerations for long-term value creation, economic priorities, and environmental, social, and governance ("ESG") factors, thereby embedding sustainability into the Group’s operations. These efforts enhance resilience, enable sustainable value creation and maintain stakeholder confidence. The Board conducts an annual detailed review of the Group’s strategy, reaffirming its purpose and objectives to align with evolving business and societal needs.

To ensure its oversight responsibilities are effectively discharged, the Board periodically evaluates its agenda and priorities, ensuring timely and informed decision-making on critical matters. In collaboration with Management, the Board fosters a governance culture rooted in ethical leadership, professionalism and prudent behaviour across the Group’s business activities.

The Board comprises individuals with diverse skills, experience and knowledge, enabling effective oversight, strategic guidance and constructive challenge of Management’s proposals. Non-Executive Directors ("NEDs") are considered independent in character and judgement, and the Board is confident that all Directors have devoted adequate time to fulfil their responsibilities during the year under review.

While the Board empowers the President and Chief Executive Officer ("PCEO") to implement approved strategies, it ensures that delegations to Board Committees do not dilute its accountability. The Board remains fully engaged and ultimately responsible for all matters within its remit.

BOARD COMPOSITION AND EVALUATION

The composition of the Board surpasses the requirements of Paragraph 15.02 of the MMLR, with more than one-third of its members serving as Independent NED ("INEDs"). Additionally, the Board acknowledges and adheres to the principles outlined in Paragraph 5.2 of the MCCG, which advocates for boards of large companies to comprise a majority of independent directors.

The Board is made up of individuals from diverse backgrounds, offering a breadth of skills, perspectives and corporate experience that enrich the deliberations and decision-making processes. Directors are appointed based on individual merit and their ability to contribute effectively to the Board’s work. The Board is committed to maintaining a collective composition that encompasses a broad mix of skills, expertise and diversity to enhance governance and oversight.

The Board’s size and structure are carefully considered to ensure optimal functionality. This balance facilitates inclusivity of viewpoints, encourages constructive debate and promotes effective decision-making. The composition also supports a shared sense of purpose and responsibility among Directors, ensuring the alignment of efforts towards achieving the Group’s strategic objectives.

BOARD CONDUCT

All Directors are dedicated to upholding the highest standards of ethical conduct and compliance with applicable laws, ensuring the proper use of their authority and maintaining appropriate decorum in their capacity as Board members. They discharge their duties and responsibilities with a strong commitment as fiduciaries, always acting in the best interests of the Company.

Directors are expected to demonstrate integrity, lead by example and remain well-informed of their responsibilities, as well as the Company’s business operations and developments. In overseeing and guiding the Company’s business and affairs, they apply their knowledge and experience with diligence, care and skill, reflecting the Board’s commitment to prudent and effective governance.

BOARD MEETING

The Board operates under a formal schedule of matters reserved exclusively for its approval, covering areas such as the annual business plans and budgets, material acquisitions and disposals, significant capital projects, financial results and dividend recommendations. To facilitate efficient information sharing, the Company utilises a secure electronic platform to provide meeting materials to Directors, ensuring secured, timely and convenient access.

In addition to scheduled Board meetings, urgent matters are addressed through special meetings. Discussions and decisions made during Board meetings are clearly recorded in the minutes, which are prepared promptly and included specific action points for Management. These action points are communicated to the relevant parties following the meetings to ensure swift execution. Draft minutes are reviewed and confirmed at the subsequent meeting, after which they are signed by the Chairman as an accurate record of the proceedings.

The Board ensures that all key transactions and critical decisions are deliberated and resolved during formal meetings. Decisions, along with their rationale and any dissenting views, are documented comprehensively by the Company Secretary. To allow for thorough discussion and informed decision-making, the Board relies on its six principal Committees. At each Board meeting, the agenda includes sufficient time for Committee Chairmen to provide updates on their respective deliberations, present recommendations requiring Board approval and report on actions undertaken.

Senior Management routinely attends Board meetings to present proposals, provide additional context for matters under discussion and report on issues related to their areas of responsibility. This engagement ensures that the Board is fully informed and supported in its decision-making process.

All Directors have access to the services of the Company Secretary and may, through an agreed procedure, seek independent professional advice at the Company’s expense when necessary.

BOARD DIVERSITY

The Board recognises that a truly diverse and inclusive composition is vital to maintaining the Company’s competitive edge. By embracing differences in thought, perspective, knowledge, skills and industry experience, the Board enhances its decision-making processes and ensures alignment with stakeholder interests. Diversity and inclusiveness are considered essential to strengthening the Board’s effectiveness and bringing a broad range of perspectives to bear on critical issues.

The Board also acknowledges that diversity is crucial for ensuring the Company remains relevant and sustainable in a rapidly changing business environment. It is committed to fostering a mix of member profiles across dimensions such as age, ethnicity, gender, academic and professional qualifications and skills. This balance provides the depth of experience and expertise required for effective stewardship, contributing to the long-term success of the Group.

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BOARD LEADERSHIP AND EFFECTIVENESS

In line with this commitment, the Board prioritises diversity when evaluating candidates for new appointments or re-elections. A fair and unbiased assessment is conducted to ensure the most suitable candidates are selected, drawing on a diverse pool of qualified individuals. The recruitment process is designed to consider a range of factors, including:

- Defining specific criteria for recruitment and selection.
- Ensuring the recruitment process actively seeks to include diverse candidates.
- Evaluating the appropriate mix of gender, age, skills, experience, and expertise on the Board addressing any gaps identified.

The Nomination and Remuneration Committee ("NRC") and the Board undertake an annual review of the composition of the Board and its Committees. This review considers the balance of business and industry skills, tenure, experience, age, culture and gender among the existing Directors, ensuring the Board remains well-equipped to fulfil its responsibilities effectively.

DIRECTORS' INDEPENDENCE

The Board acknowledges the vital role that INEDs play in upholding strong corporate governance standards. While all Directors, irrespective of their independent status, are expected to act in the best interests of the Company and exercise unfettered and independent judgement, INEDs contribute a unique perspective and safeguard the integrity of Board deliberations.

The views of INEDs carry significant weight in Board decisions, particularly in scrutinising strategies proposed by Management to ensure they align with the interests of shareholders and stakeholders. Their role is especially pivotal in related party transactions, where their independence and objective impartiality are crucial to protecting the interests of minority shareholders.

For FY2024, the Board was satisfied with the balance between INEDs and Non-INEDs, with a composition reflecting diversity in demographics, skills and experience. Board meetings are characterised by open, active and

robust discussions, fostering an environment where all Directors have the opportunity to participate fully and contribute to the decision-making process.

During FY2024, the NRC conducted an assessment of the independence of INEDs as part of the Board Effectiveness Evaluation ("BEE"). The Board was satisfied with the independence demonstrated by the INEDs, their objective and sound judgement during deliberations and their consistent focus on the best interests of the Group. This was evidenced by their active participation in discussions and their contributions to Board decisions.

The Board Charter stipulates that the tenure of NEDs shall not exceed a cumulative term of nine years from the date of first appointment. As at the date of this Statement, no Director has served on the Board for more than nine years.

In addition to the annual assessment, any potential candidate for appointment as a NED must submit a declaration of independence, where applicable, and confirm their fitness and propriety in line with the criteria outlined in the MMLR and the Company's Fit and Proper Policy. This declaration is reviewed by the Board as part of the appointment process.

DIVISION OF RESPONSIBILITIES

The roles of Chairman and PCEO are distinct and separately held by Y.A.M. Tan Sri Dato' Seri Syed Anwar Jamalullail and Datuk Choong Kai Wai, respectively. This separation ensures a clear demarcation of responsibilities, with the Chairman overseeing the effective functioning of the Board and the PCEO managing the day-to-day operations and strategic execution of the Company's business.

A clear division of responsibilities between executive and non-executive roles is maintained, providing robust accountability and governance oversight. The specific responsibilities of the Chairman, PCEO, Senior INED, and INEDs are comprehensively defined in the Board Charter. These roles are periodically reviewed by the Board to ensure alignment with best governance practices. The Board Charter is accessible 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.



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BOARD LEADERSHIP AND EFFECTIVENESS

GOVERNANCE STRUCTURE

We are committed to conducting our business with openness and transparency. Our established corporate culture underpins a governance framework that is both robust and adaptable, enabling swift decision-making and effective oversight.

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 2024

Y.A.M.Tan Sri Dato’ Seri Syed Anwar Jamalullail	100% 10/10	Dato’ Merina Binti Abu Tahir	100% 10/10	Datin Wan Daneena Liza Binti Wan Abdul Rahman	100% 10/10	Encik Mohamad Abdul Halim Bin Ahmad <sup>(3)</sup>	100% 3/3
Datuk Choong Kai Wai	100% 10/10	Dato’ Tengku Marina Binti Tunku Annuar	100% 10/10	Mr Lim Fu Yen <sup>(1)</sup>	90% 9/10	Puan Aida Hazrina Binti Mohd Tazaai <sup>(1)</sup>	100% 10/10
Datuk Ir Khairil Anwar Bin Ahmad	100% 10/10	Dato’ Sheranjiv Sammanthan	100% 10/10	Datin Grace Yeoh Cheng Geok <sup>(2)</sup>	100% 6/6	Dato’ Philip Tan Puay Koon <sup>(4)</sup>	100% 6/6
Dato’ Azmi Bin Mohd Ali	100% 10/10	Total Meetings Attended					

Board Committee Meeting Attendance 2024

AC	Meetings Attended	NRC	Meetings Attended	SC	Meetings Attended	Joint AC – RMC	Meetings Attended
Chairperson		Chairperson		Chairperson		Member	
Dato’ Merina Binti Abu Tahir	8/8	Y.A.M.Tan Sri Dato’ Seri Syed Anwar Jamalullail	10/10	Dato’ Tengku Marina Binti Tunku Annuar	5/5	Dato’ Merina Binti Abu Tahir	6/6
Member		Member		Member		Datin Wan Daneena Liza Binti Wan Abdul Rahman	6/6
Datin Wan Daneena Liza Binti Wan Abdul Rahman	8/8	Datuk Ir Khairil Anwar Bin Ahmad	10/10	Datuk Ir Khairil Anwar Bin Ahmad	5/5	Encik Mohamad Abdul Halim Bin Ahmad <sup>(3)</sup>	1/1
Encik Mohamad Abdul Halim Bin Ahmad <sup>(3)</sup>	2/2	Dato’ Tengku Marina Binti Tunku Annuar	10/10	Dato’ Sheranjiv Sammanthan	5/5	Dato’ Sheranjiv Sammanthan	6/6
Dato’ Philip Tan Puay Koon <sup>(4)</sup>	6/6	Datin Grace Yeoh Cheng Geok <sup>(5)</sup>	4/4	Mr Lim Fu Yen <sup>(1)</sup>	5/5	Datuk Ir Khairil Anwar Bin Ahmad	6/6
		Dato’ Philip Tan Puay Koon <sup>(4)</sup>	6/6			Mr Lim Fu Yen	5/6
						Dato’ Philip Tan Puay Koon <sup>(4)(7)</sup>	0/0
FIC	Meetings Attended	RMC	Meetings Attended	TPC	Meetings Attended		
Chairperson		Chairperson		Chairperson			
Mr Lim Fu Yen <sup>(5)</sup>	3/3	Dato’ Sheranjiv Sammanthan	4/4	Datuk Ir Khairil Anwar Bin Ahmad	13/13		
Member		Member		Member			
Dato’ Azmi Bin Mohd Ali	10/10	Datuk Ir Khairil Anwar Bin Ahmad	4/4	Datuk Choong Kai Wai	13/13		
Dato’ Sheranjiv Sammanthan	10/10	Dato’ Merina Binti Abu Tahir	4/4	Dato’ Sheranjiv Sammanthan	13/13		
Datin Wan Daneena Liza Binti Wan Abdul Rahman	10/10	Mr Lim Fu Yen <sup>(1)</sup>	4/4	Encik Mohamad Abdul Halim Bin Ahmad <sup>(3)</sup>	3/3		
Datin Grace Yeoh Cheng Geok <sup>(5)</sup>	3/3			Datin Wan Daneena Liza Binti Wan Abdul Rahman <sup>(6)</sup>	9/9		
Dato’ Philip Tan Puay Koon <sup>(4)</sup>	7/7						

<sup>(1)</sup> Appointed on 11 January 2024  
<sup>(2)</sup> Appointed on 21 June 2024  
<sup>(3)</sup> Appointed on 1 October 2024  
<sup>(4)</sup> Resigned on 10 September 2024  
<sup>(5)</sup> Appointed on 11 September 2024  
<sup>(6)</sup> Resigned on 11 September 2024  
<sup>(7)</sup> Recused himself from participating at certain meetings due to conflict of interest

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BOARD LEADERSHIP AND EFFECTIVENESS

SUSTAINABILITY GOVERNANCE

The Company integrates sustainability practices across its business activities, environmental initiatives and community engagements. Guided by a dedicated sustainability framework, the Group strives to address evolving stakeholder expectations and market dynamics. This framework is subject to ongoing review to ensure its relevance and effectiveness. At S P Setia, sustainability is a commitment to long-term growth, creating value for our organisation and stakeholders, while delivering a meaningful and enduring impact on the community, economy, and nation.

Since embarking on our sustainability journey, the Group has institutionalised its approach to sustainability, embedding ESG considerations into business operations and decision-making processes. This commitment is reflected in the sustainable products and solutions offered by the Company, aligning business objectives with ESG principles.

The sustainability strategy is informed by the MMLR, global reporting standards, and the United Nations Sustainable Development Goals (UN SDGs). The Board, through the Sustainability Committee, assumes oversight of the Group's sustainability governance, working collaboratively with

Management to set strategies, establish priorities, and define targets that advance the Group's sustainability agenda.

Our Sustainability Statement is set out from pages 128 to 225 of the Integrated Report 2024 and explains the Group's practices and activities carried out during the FY2024.

DIRECTORS' INDEMNITY

S P Setia maintains indemnification for its Directors and Officers in accordance with the provisions of the CA 2016. Throughout the year under review, the Company provided this indemnification to the extent permitted by law and covered under its Directors' and Officers' Liability Insurance ("D&O"). This insurance safeguards Directors and Officers against liabilities incurred in the performance of their duties on behalf of the Group.

PRINCIPAL BOARD ACTIVITIES IN 2024

At every scheduled Board meeting, the Board receives an update from the Senior Management and the Company Secretary on financial matters, operational and strategic activities and governance. The table below provides examples of significant matters discussed in FY2024.

Topic	Activity and Outcome
Strategic Growth and Sustainability Agenda	<ul style="list-style-type: none"><li>Approved the Group's 5-year strategic plan (from year 2025 to 2029).</li><li>Kept abreast of updates of the Group's Sustainability Roadmap.</li><li>Kept abreast of achievement of Material Matters via ESG Performance Scorecard on a quarterly basis.</li><li>Monitored progress towards achieving the targets set in the Group's Green Roadmap towards Net Zero Carbon Emissions by 2050.</li><li>Approved the Company's Climate Change Policy.</li></ul>
Financial and Business Performance	<ul style="list-style-type: none"><li>Approved the Quarterly Results and Quarterly Press Releases for announcement to Bursa Securities.</li><li>Approved the Group's Business Plan and Budget for FY2025.</li><li>Approved dividends paid in FY2024.</li><li>Approved report/contents of the Integrated Report for FY2023.</li><li>Approved the Group's funding plan and fund raising exercise including Sustainability Financing Framework.</li><li>Approved disposal and acquisition of lands as part of land bank management.</li></ul>

Topic	Activity and Outcome
Governance, Integrity and Risks	<ul style="list-style-type: none"><li>Received the Group's quarterly risk reports as well as updates on whistleblowing cases.</li><li>Approved half-yearly reports for submission to Malaysia Anti-Corruption Commission ("MACC").</li><li>Approved the approach for the annual BEE for FY2024 and discussed the findings arising from the exercise.</li><li>Approved amendments and updates to ToR of Board Committee(s).</li><li>Noted Minutes of Board Committee Meetings and received updates from Chairman of respective Board Committees.</li><li>Noted quarterly declaration of interest by Directors and time commitment.</li><li>Received report on issues relating to alleged misconduct and approved appropriate action plans.</li></ul>
Board and Management Succession Planning	<ul style="list-style-type: none"><li>Received updates on Management transition as well as approved the Organisational Restructuring based on Management Succession Plan.</li><li>Kept abreast of the progress of executing Board Succession Plan.</li></ul>
People and Leadership	<ul style="list-style-type: none"><li>Reviewed the retirement of Directors by rotation and eligibility for re-election and recommended their re-election at the 49<sup>th</sup> AGM held on 25 April 2024.</li><li>Reviewed the trainings attended by Directors on a half yearly basis and identified training needs for the Board for FY2024.</li><li>Approved appointment of new Directors as part of the Board Succession Plan.</li><li>Approved re-composition of Board Committees arising from changes to the composition of the Board.</li><li>Approved Employee Separate Schemes implemented in FY2024 to further improve cost management and operational efficiencies.</li><li>Received report on People Pulse Survey for FY2024.</li><li>Approved KPIs for FY2025 for the Group Company Secretary, Chief Internal Auditor ("CIA") and Chief Risk, Integrity &amp; Governance Officer ("CRIGO").</li><li>Approved KPIs for FY2025 for Group and PCEO and gave feedback for the KPIs for FY2025 of Senior Management Team.</li><li>Approved appointment of key senior management.</li></ul>
Remuneration Matters	<ul style="list-style-type: none"><li>Reviewed and recommended the Directors' Fees and Other Remuneration and Benefits for shareholders' approval at the 49<sup>th</sup> AGM.</li><li>Reviewed the Non-Executive Directors Remuneration Framework benchmarked against peers and other public listed companies.</li><li>Approved bonus, salary increment and promotions for the Group's employees.</li></ul>
Regulatory Updates	<ul style="list-style-type: none"><li>Kept abreast of changes in regulations and laws affecting the Group.</li></ul>

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BOARD LEADERSHIP AND EFFECTIVENESS

CONTINUING DEVELOPMENT AND TRAINING

Newly appointed Directors to the Board participate in a comprehensive onboarding programme designed to provide a thorough understanding of the business. This includes an overview of the Company’s strategies, business segments, and operations, as well as the Group’s corporate governance framework and key risks.

In accordance with Paragraph 15.08 of the MMLR, the Board recognises the importance of ongoing professional development. Directors actively participate in conferences, training programmes, and seminars to stay informed of industry developments, regulatory changes, and statutory requirements relevant to the Group’s operations.

Details of the training sessions, seminars, and conferences attended by Directors during FY2024 are outlined in the Corporate Governance Report, which is available for further reference.

Key Focus Area						
Directors	SGS	RIC	IAG	FAT	LR	PDR
Y.A.M.Tan Sri Dato’ Seri Syed Anwar Jamalullail	✓	✓	✓		✓	✓
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	RIC	IAG	FAT	LR	PDR	
Strategic Growth, Sustainability Agenda and Digital Transformation	Risks and Internal Control	Integrity and Governance	Finance, Accounting and/or Tax Related	Legal/Regulatory	Property Development Related	

NOMINATION AND REMUNERATION COMMITTEE REPORT



Dear Valued Shareholders,

The Company is committed to building a robust talent pipeline to ensure the Group remains future-ready and well-positioned to achieve its long-term objectives. To support this, the Board places significant importance on succession management at both the Board and Management levels. The focused efforts in this area have already facilitated smooth transitions across strategic and operational levels, contributing to the Group’s sustained performance.

DATUK IR KHAIRIL ANWAR BIN AHMAD  
Chairman

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](http://www.spsetia.com).

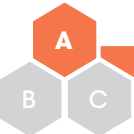
**Members of the NRC**

In FY2024, the NRC was composed entirely of NEDs, with a majority being INEDs, including a Senior Independent NED. Since 31 May 2019, Y.A.M. Tan Sri Dato’ Seri Syed Anwar Jamalullail, a Non-Independent Non-Executive Chairman, has served as Chairman of the NRC, having been appointed by the Board in recognition of his extensive experience, expertise, and leadership in setting, driving, and achieving the objectives of the NRC.

In accordance with Practices 1.4 and 5.8 of the MCCG, Y.A.M. Tan Sri Dato’ Seri Syed Anwar Jamalullail stepped down as Chairman of the NRC on 2 January 2025. Following this transition, Datuk Ir Khairil Anwar Bin Ahmad, the Senior Independent NED, was appointed as the new Chairman of the NRC.

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BOARD LEADERSHIP 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  
Appointed on: 1 June 2023  
Tenure: 2 months  
Tenure: 1 year and 9 months

DATIN GRACE YEOH CHENG GEOK

Independent Non-Executive Director

Appointed on: 11 September 2024  
Tenure: 6 months

DATO' TENGKU MARINA BINTI TUNKU ANNUAR

Independent Non-Executive Director

Appointed on: 1 September 2022  
Tenure: 2 years and 6 months

PUAN AIDA HAZRINA BINTI MOHD TAZAAI

Non-Independent Non-Executive Director

Appointed on: 3 March 2025  
Tenure: Less than 1 month

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

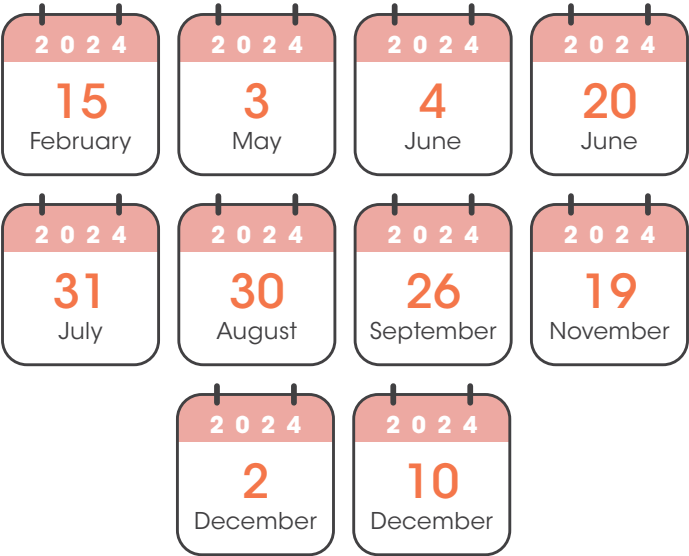
The Company Secretary of the Company is the secretary of the NRC who is in attendance at all NRC Meetings and records the proceedings thereof. The NRC has direct and unrestricted access to the advice and services of the Company Secretary and Senior Management. The NRC may, either collectively or as individual 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.

SUMMARY OF ACTIVITIES OF THE NRC DURING THE YEAR



Details of the NRC members' attendance at the NRC meetings held during FY2024 are disclosed on page 255 of this Integrated Report 2024. The summary of activities of the NRC during FY2024 is as follows:

With regard to nomination and related matters

- (1) The performance of Directors subject to re-election at the 49<sup>th</sup> AGM held on 25 April 2024 was reviewed. Based on this assessment, the NRC recommended to the Board the re-election and re-appointment of Dato' Azmi Bin Mohd Ali, Dato' Merina Binti Abu Tahir, Datuk Ir Khairil Anwar Bin Ahmad, Datin Wan Daneena Liza Binti Wan Abdul Rahman, and Mr Lim Fu Yen in accordance with Clauses 102 and 107 of the Company's Constitution.

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.

As part of the management succession planning process, an assessment of the leadership competency of the senior management team was conducted. The findings were presented to the NRC and the Board in December 2024.

- (3) Reviewed the composition of the Board and assessed the credentials of four potential candidates from diverse ethnic backgrounds, nominated by Directors and independent sources. The Board identified the necessary skill sets, expertise, and experience required to complement the existing Directors, particularly in property development and legal matters. This evaluation was conducted in alignment with the Board Succession Plan and the Board Diversity Policy, both of which have been approved and adopted by the Board.

Following a detailed assessment of each candidate's qualifications, skill sets, expertise, experience, and ability to commit to the role, the NRC recommended the appointments of Datin Grace Yeoh Cheng Geok and Encik Mohamad Abdul Halim Bin Ahmad as INEDs. The Board subsequently approved their appointments, effective 21 June 2024 and 1 October 2024, respectively.

Ahead of their respective appointment dates, both Datin Grace Yeoh Cheng Geok and Encik Mohamad Abdul Halim Bin Ahmad confirmed that they met the independence criteria and complied with the Company's Fit and Proper Policy for Directors.

- (4) Assessed the performance of the Board, its Committees, and individual Directors through a BEE. For BEE 2024, the NRC reviewed the evaluation approach and recommended it to the Board for approval. The BEE exercise was facilitated internally.

The scope of the BEE 2024 covered the Board, Board Skills Matrix, Directors' and Self Peer Assessments, Fit and Proper Assessments, Independence Assessments on INEDs, and Board Committees.

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BOARD LEADERSHIP AND EFFECTIVENESS

- 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’s effectiveness in fulfilling its 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 2024 also highlighted areas for further improvement in the Board’s administration and processes, composition, and management reporting. Action plans were 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.

The progress of actions identified in the Board Improvement Plan for FY2024 was monitored by the NRC and the Board, with any variations duly highlighted and addressed.
- (6) Reviewed the training programmes attended by Directors on a half-yearly basis, recommending relevant areas for further development where necessary.

In FY2024, all Directors participated in the required training programmes and seminars, enhancing their perspectives, skills, and knowledge. They were also kept informed of key changes in the law, regulations, and the broader business environment. A summary of the training attended by the Directors is provided on page 258 of this Integrated Report 2024.
- (7) 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.

Following changes to the Board composition during the year, the NRC recommended adjustments to the composition of the AC, FIC, NRC, RMC, TPC, and SC.
- (8) The Key Performance Indicators (“KPIs”) for FY2025 for the Group CEO, 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.
- (9) Involved in the selection and interview process for shortlisted candidates for certain key positions and, where applicable, made recommendations to the Board for approval.
- (5) 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.

With regard to remuneration and related matters

- 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.
- Building on FY2023, the NRC reviewed certain components of the Group’s Total Reward Framework against market practices and recommended adjustments to the Board for approval. This was to ensure that the Group’s remuneration policy remained current, relevant, and aligned with the goal of attracting, retaining, and motivating employees while driving performance.
- 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 FY2024 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
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, professional membership fee and other claimable benefits

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BOARD LEADERSHIP AND EFFECTIVENESS

The details of the remuneration (excluding Sales and Services Tax) of each Director of the Company who served during the FY2024 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 Choong Kai Wai	2,462	575	-	360	157	3,554
Non-Executive Directors						
1) Y.A.M.Tan Sri Dato' Seri Syed Anwar Bin Jamalullail	-	-	600	178	459	1,237
2) Datuk Ir Khairil Anwar Bin Ahmad	-	-	144	202	8	354
3) Dato' Azmi Bin Mohd Ali	-	-	144	63	16	223
4) Dato' Merina Binti Abu Tahir	-	-	144	139	6	289
5) Dato' Tengku Marina Binti Tunku Annuar	-	-	144	155	11	310
6) Dato' Sheranjiv Sammanthan	-	-	144	260	8	411
7) Datin Wan Daneena Liza Binti Wan Abdul Rahman	-	-	144	147	5	296
8) Mr Lim Fu Yen <sup>(1)</sup>	-	-	140	152	7	300
9) Datin Grace Yeoh Cheng Geok <sup>(2)</sup>	-	-	76	41	3	120
10) Encik Mohamad Abdul Halim Bin Ahmad <sup>(3)</sup>	-	-	36	30	1	67
11) Puan Aida Hazrina Binti Mohd Tazaai <sup>(1)</sup>	N/A	N/A	N/A	N/A	N/A	N/A
12) Dato' Tengku Ab. Aziz Bin Tengku Mahmud <sup>(4)</sup>	-	-	4	5	-	9
13) Dato' Philip Tan Puay Koon <sup>(5)</sup>	-	-	100	149	16	265

Note:  
<sup>(1)</sup> Appointed on 11 January 2024  
<sup>(2)</sup> Appointed on 21 June 2024  
<sup>(3)</sup> Appointed on 1 October 2024  
<sup>(4)</sup> Resigned on 11 January 2024  
<sup>(5)</sup> Resigned on 10 September 2024

For the year 2025, the Company will maintain the existing Remuneration Framework for the NEDs. The remuneration of the top five Senior Management members for FY2024 has not been disclosed in the Integrated Report 2024. The Board will assess the appropriateness of such disclosure in the future.

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EFFECTIVE AUDIT AND RISK MANAGEMENT

Risk Management Framework

The Board has overall responsibility for defining the nature and scope of the Group’s risk management framework and determining the level of risk the Group is prepared to accept in pursuing its strategic objectives. The processes for identifying, assessing, and managing the principal risks faced by the Group are outlined on pages 280 - 281 of this Integrated Report and are subject to regular review by the Board.

The day-to-day operation of the Group’s internal control and risk management systems, encompassing financial, operational, and compliance controls, is delegated to Management. These systems are designed to manage, rather than eliminate, risks that could hinder the achievement of the Group’s business objectives. While they aim to provide reasonable assurance, they do not offer absolute protection against material misstatement or loss.

Internal Control

To uphold the Board’s commitment to maintaining a robust control framework and ensuring the proper conduct of the 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, 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.

**Risk Management**

The oversight of the Group’s risk management framework is jointly undertaken by the Risk Management Committee (“RMC”) and the Board, which establish the strategic direction for risk governance, roles, responsibilities, and reporting structures.

Management, through the Management Risk Team (“MRT”), provides periodic updates on risk management activities to both the RMC and the Board. These updates occur on a quarterly basis and include the following:
- Review of the Group’s risk register, highlighting significant and emerging risks and any changes in exposures during the period.
  - Summary reports and progress updates on the implementation of agreed action plans.

The Group has implemented policies designed to foster good business conduct and a strong corporate culture based on principles of integrity, transparency, and fairness. These include the Code of Conduct and Business Ethics (“COCBE”) and the Whistleblowing Policy. Additionally, decision-making processes at both the Board and Management levels are guided by the Group’s Discretionary Authority Limits (“DAL”), ensuring consistent and accountable governance practices.

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EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE REPORT



**Dear Shareholders,**

**As the Audit Committee, we are committed to upholding a well-structured control environment that supports responsible decision-making and ensures the integrity of our organisation. Strengthening financial and business controls is a key priority, with governance structures designed to enhance operational efficiency and meet regulatory requirements. Through rigorous oversight of financial reporting and risk management, we promote transparency and build trust across all business segments. In addition, we have established clear mechanisms to identify, address and mitigate conflicts of interest, safeguarding governance standards.**

**DATO' MERINA BINTI ABU TAHIR**  
Chairman, Audit Committee

MEMBERSHIP

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"), CIA, Group Financial Controller and the External Auditors.

Dato' Merina Binti Abu Tahir is a member of the Malaysian Institute of Accountants, Association of Chartered Certified Accountants ("ACCA"), Malaysian Institute of Certified Public Accountants ("MICPA") and Institute of Internal Auditors Malaysia ("IIAM").

Terms of Reference

The AC's objectives, authorisations and functions are governed by the TOR which is reviewed annually. The latest review was conducted in 2023.

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 TOR of the AC is available online for reference in the Board of Directors' section of the Company's website at: [www.spsetia.com](http://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 interest.
- Consideration of the internal and external audit programme and results.
- Review of the external audit relationship and provision of audit and non-audit services.

The members of the AC as at the date of this report are as follows:



<b>DATO' MERINA BINTI ABU TAHIR</b> Chairman & Independent Non-Executive Director	<b>DATIN WAN DANEENA LIZA BINTI ABDUL RAHMAN</b> Independent Non-Executive Director	<b>ENCIK MOHAMAD ABDUL HALIM BIN AHMAD</b> Independent Non-Executive Director
Appointed as Chairman: 17 August 2023 Tenure: 1 year and 7 months Appointed on: 17 November 2021 Tenure: 3 years and 4 months	Appointed on: 17 August 2023 Tenure: 1 year and 7 months	Appointed on: 1 October 2024 Tenure: 6 months

SUMMARY OF ACTIVITIES OF THE AC DURING THE YEAR

The AC met eight (8) times during FY2024, as follows:



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EFFECTIVE AUDIT AND RISK MANAGEMENT

Details of the AC members’ attendance at the AC meetings held during FY2024 are disclosed on pages 254 - 255 of the Integrated Report 2024. The summary of activities of the AC during FY2024 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 FY2024 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 FY2024 with the External Auditors and assessed the actions and procedures taken by the External Auditors in respect of those areas.
- (3)

Reviewed the External Auditor’s management observations/points about assessment of the Group’s internal control environment and other significant issues arising from the External Auditor’s 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 corporate tax status update on the Group’s tax matters, transfer pricing, e-invoicing and the action plans undertaken by the Management.
- (5)

Kept abreast of developments and changes to the accounting standards with the External Auditor and updated on new regulatory and statutory requirements affecting the industry via in-house training programmes, discussion with External Auditor, and attending relevant conferences and seminars. Details of the trainings attended by the AC members are set out on page 258 of the Integrated Report 2024 and the Corporate Governance Report.

External Audit

- (6)

Reviewed the External Auditor’s 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 Auditor’s Annual Transparency Report which set out the steps undertaken by the External Auditor to uphold audit quality and manage risks.
- (7)

Recommended to the Board for the reappointment of the External Auditor. The Board had recommended the re-appointment of Messrs. Ernst & Young PLT as the External Auditors of the Company for FY2024 at the Company’s 49<sup>th</sup> Annual General Meeting held on 25 April 2024, which was approved by the shareholders.
- (8)

Reviewed and approved the External Auditor’s scope of work and the audit planning memorandum for FY2024.
- (9)

Reviewed the amount of audit and non-audit fees paid or payable by the Group and its subsidiaries to the External Auditor for FY2024. The accumulated fees quoted for non-audit services were within the allowable limit defined under the External Auditor Policy.
- (10)

Held two (2) private sessions with the External Auditor on 26 February 2024 and 18 November 2024 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.
- (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.
- (3)

Reviewed and recommended the KPIs of the CIA for the year 2025 to the Nomination and Remuneration Committee and the Board for approval.
- (4)

Reviewed and recommended the Audit Committee Report and Statement of Risk Management and Internal Control for inclusion in the Integrated Report 2024 to the Board for approval.
- (5)

Reviewed the 3-year Internal Audit Plan Memorandum and approved the Internal Audit Plan for 2025 including the resource requirement, manpower sufficiency, department budget and adequacy of internal audit scoping. Approved GIA’s revised Annual Plan 2024 to align with the current resources and organisational priorities.

- (6)

Reviewed the status of implementation of the recommendations proposed by IIAM based on the Quality Assessment Review performed as part of GIA’s initiatives.
- (7)

Reviewed the proposed Internal Audit Policy for recommendation to the Board for approval. On 1 March 2024, the Board approved the Internal Audit Policy, which set out the Internal Audit policies and procedures to provide essential guidelines to the Internal Audit staff in performing the internal auditing activities within the Company and its subsidiaries and jointly controlled entities.

- (8)

Held two (2) private sessions with the CIA on 14 May 2024 and 6 November 2024 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 was previously from PETRONAS Group with a cumulative 28 years of experience covering financials and corporate finance, internal controls, governance and risk management, strategic planning, joint venture, mergers and acquisition and audit experience as well as a chartered accountant by training. 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). Prior to this, Ms Thean Yain Peng led the GIA team up to 15 October 2024.

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GIA carries out risk-based audits and provides objective assurance, which are governed by the International Professional Practices Framework ("IPPF"). Key summary of internal audit activities carried out during the FY2024 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	Reported to the AC on review of the potential COI and COI situations related to certain Director and Key Senior Management for FY 2024, along with the measures taken to address the COIs.	Quarterly
4.	Recurring Related Party Transactions	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 27 March 2024.	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.	Bi-annually
7.	Special Reviews	Assisted the Integrity and Governance Unit and performed specific reviews on allegations received through the WB channel.	Adhoc
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.	Adhoc

No.	Internal Audit Activities	Descriptions	Reporting Frequency
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 the Internal Audit Policy for the AC to recommend to the Board for approval.	Annually
		Reported the status updates of the approved 3-year Strategic Plan developed in alignment with the IPPF Practice Guide, ensuring continuous conformance with the IPPF Standards.	Annually
10.	Other Initiatives	Participated in ESG related activities and attended trainings to review the accuracy of the data collected, in accordance with the Bursa Securities disclosure requirements.	Continuous activities
		Jointly organised the Setia Governance, Risk and Audit Forum and Integrity Day with Group Risk, Integrity and Governance Department to create awareness on governance, risk and internal controls to the stakeholders which was held on 27 August 2024.	Annually
		Organised in house corporate training on COSO Framework and Methodology from 17 to 19 December to enhance internal auditors' competencies in reviewing internal control systems and balancing effectiveness of governance, operations and safeguarding business and commercial values.	Adhoc

GIA is resourced with a total of 15 internal auditors and assisted by a senior office executive. 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 (3 auditors possesses professional qualifications (ACCA, CPA, CIA etc)	13
Engineering/Technical experience	1
Information Technology/System Analyst	1
Total	15

The total cost incurred for the internal audit function for FY2024 was approximately RM4.1 million, comprising mainly staff cost and other related audit work expenditure.

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EFFECTIVE AUDIT AND RISK MANAGEMENT

Related Party Transactions & Conflict Of Interests

- (9) Reviewed the proposed Policy and Standard Operating Procedures (“SOP”) on Conflict of Interest (“COI”) and Related Party Transactions (“RPT”) for recommendation to the Board for approval. This is to ensure that the Management established a comprehensive framework for the purposes of identifying, evaluating, approving, reporting and monitoring for COI and RPT. Prior to the establishment of the Policy and SOP, reviewed the COI and RPT, considering: -
- 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.
- (10) Reviewed the procedures for recurrent related party transactions for purposes of ensuring that the processes and controls were in place to ensure that recurrent related party transactions were not more favourable to the related parties than those generally available to the public and were not to the detriment of the minority shareholders.
- (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 FY 2024, 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 COI 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. Dato’ Azmi bin Mohd Ali iii. Mr. Lim Fu Yen iv. Pn. Aida Hazrina Binti Mohd Tazaai (Alternate Director to Mr. Lim Fu Yen)  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 Precast Sdn Bhd and Setia Alamsari Sdn Bhd) maintain banking facilities with Maybank.	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.

No.	Nature of COI	Nature and Extent of Interest of Conflicted Board of Directors/Key Senior Management	Measures Taken to Address COI
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.  Petaling Garden Sdn Bhd, a subsidiary of I & P Group Sdn Berhad, which is wholly owned by S P Setia, has entered into a Land Exchange Agreement with TNB to relocate six (6) existing substations to six (6) new sites.  (b) 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 Binti Abu Tahir duly recused herself and abstained from both deliberation and voting on this transaction.  Additionally, this transaction was supported by a valuation report issued by a certified land valuer to ensure it was conducted at fair value.  Dato’ Merina Binti Abu Tahir did not participate in any deliberation and approval as she is not a member of the Tender & Projects Committee 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.	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).	Dato’ Merina Binti Abu Tahir did not participate in any deliberation and decision making for the transaction entered by the joint venture company.
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.  S P Setia, along with its subsidiary and joint ventures (namely Setia Precast Sdn Bhd and Greenhill Resources Sdn Bhd) maintain banking facilities with Affin Bank Berhad.	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 subsidiary and joint venture companies.

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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.	<p>Datin Grace Yeoh Cheng Geok is a Partner and Shareholder of Shearn Delamore &amp; Co.</p> <p>S P Setia, along with its subsidiary and joint ventures (namely Setia Federal Hill Sdn Bhd, KL Eco City Sdn Bhd, Ganda Anggun Sdn Bhd, Kewira Jaya Sdn Bhd, Setia Promenade Sdn Bhd, Bandar Setia Alam Sdn Bhd, Setia-Wood Industries Sdn Bhd, I &amp; P Alam Impian Sdn Bhd and Intra Hillside Sdn Bhd) engage Shearn Delamore &amp; Co. for legal services related to loan processes, industrial relations, litigation and real estate transactions.</p>	<p>Datin Grace Yeoh Cheng Geok duly recused herself and abstained from both deliberation and voting on these transactions.</p> <p>Datin Grace Yeoh Cheng Geok was not personally involved in providing legal advice for the said transactions.</p>
6.	A Director's brother is the Chairman of CIMB Investment Bank Berhad.	<p>The brother of a Director, Datin Grace Yeoh Cheng Geok, is the Chairman of CIMB Investment Bank Berhad.</p> <p>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.</p>	<p>Datin Grace Yeoh Cheng Geok duly recused herself and abstained from both deliberation and voting on this transaction.</p>
7.	A Director serves on the Board of Directors of UTM Holdings Sdn Bhd ("UTMH"), a wholly owned subsidiary of University Technology Malaysia. UTMH's core activities include property and facilities management, project management, hospitality, research commercialisation and Information & Communication Technology ("ICT") innovation.	<p>Datuk Ir. Khairil Anwar Bin Ahmad is a member of UTMH's Board of Directors.</p> <p>S P Setia Foundation ("Setia Foundation"), a Trust set up by S P Setia Berhad organised an event, namely <i>Sincerely Setia Youth Synergy Programme</i>, and engaged UTMH for a stage performance at the event.</p>	<p>Datuk Ir. Khairil Anwar Bin Ahmad did not participate in or influence any decision related to the day-to-day operation of Setia Foundation.</p> <p>Additionally, Setia Foundation is governed by a Board of Trustees comprising independent Board members.</p>

No.	Nature of COI	Nature and Extent of Interest of Conflicted Board of Directors/Key Senior Management	Measures Taken to Address COI
8.	A member of 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, Southern and Eastern Regions of S P Setia Bhd Group, which are in different geographical locations from his spouse's portfolio.

Others

- (12) Reviewed the report of 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 associate companies of the Group.
- (14) Reviewed the Limited Assurance Report on selected Sustainability Indicators for FY2023. Reviewed and approved the selected Sustainability Indicators for Limited Assurance by the external assurance provider for FY2024.

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INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

STAKEHOLDER ENGAGEMENT

As a leading property developer, we are aware of how our business decisions affect our stakeholders, which include shareholders, customers, regulators, employees and the local communities. Throughout the year under review, we diligently considered feedbacks and comments gathered and through these encounters gained valuable input on our economic, environmental and social performance. Based on this information, we continuously improved our business processes and created products that our customers appreciated. We continuously engage with our stakeholders to understand their concerns and areas of interest and to obtain feedback through various channels of engagements.

See the Stakeholder Engagement and Value Creation section on pages 70 - 75 to find out more about our stakeholder engagement activities

INVESTOR RELATIONS

S P Setia undertakes proactive engagement with its shareholders, analysts, fund managers and the investment community, providing consistent and vital information on the Group’s financial performance, operations, corporate developments and business strategies. This empowers our stakeholders to make well-informed investment recommendations and decisions.

Our Investor Relations (“IR”) team serves as a vital conduit to our investment community, driving engagement beyond mere disclosures through frequent engagement activities that foster transparent, accurate, timely and clear access to information. These activities also provide support to the Group’s Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and other Senior Management leaders, enabling them to effectively keep investors abreast of S P Setia’s strategic direction, business updates and key developments.

The following is a list of engagement activities carried out by the IR team during 2024.

S P Setia’s  
**49<sup>th</sup>** Annual General Meeting (AGM)

S P Setia’s 49<sup>th</sup> AGM was held on  
**25 April 2024**

- The AGM serves as a platform for shareholders to interact with the Management and seek clarification on the Group’s strategy and financial performance
- Meeting platform: Live-streaming from the broadcast venue at S P Setia’s corporate headquarters office, Setia Alam

Conference calls and virtual and physical meetings

- Small group and one-on-one investor physical meetings with Senior Management provide institutional investors and analysts with a more focused setting to gain insights into the Management’s perspectives on strategy and outlook
- Ad hoc requests for virtual meetings and conference calls were accommodated over the year



Number of conference calls and virtual and physical meetings in 2024: **36**

Investor briefings

- Investor briefings are held following the announcement of quarterly earnings on Bursa Malaysia. In 2024, these briefings were held on:
  - Q4 FY2023: 29 February 2024
  - Q1 FY2024: 16 May 2024
  - Q2 FY2024: 14 August 2024
  - Q3 FY2024: 26 November 2024
  - Q4 FY2024: 28 February 2025
- Primary target audience: Analysts and fund managers
- Meeting platform: Virtual
- S P Setia management in attendance: Group CFO, Group Investor Relations, Group Finance, Group Corporate Finance and Group Treasury
- Presentation materials were provided to attendees and made available on S P Setia’s corporate website (IR page)

Site visits

- Site visits provide our analysts and fund managers the opportunity to engage with company management, tour S P Setia’s projects (both existing and planned) and acquire a deeper understanding of the Group’s operations
- After these site visits, analysts provide write-ups in research reports that summarise their views on our projects, how they contribute to the Group’s overarching strategy and align with their investment thesis on S P Setia
- Crucially, such site visits factor into the decision-making and stock selection process for our institutional investors






Number of site visits in 2024 **4**

Other Communication Channels

- Corporate website (IR page) (<https://spsetia.com/en-us/investor-relations>)
- IR e-mail ([ir@spsetia.com](mailto:ir@spsetia.com))
- Social Media [LinkedIn, Facebook, Instagram and X (formerly Twitter)]

Follow us on

-  [linkedin.com/company/s-p-setia-berhad](https://www.linkedin.com/company/s-p-setia-berhad)
-  [facebook.com/spsetia](https://www.facebook.com/spsetia)
-  [instagram.com/spsetiabhd](https://www.instagram.com/spsetiabhd)
-  [twitter.com/spsetiabhd](https://twitter.com/spsetiabhd)



Corporate Governance Overview Statement

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EFFECTIVE SHAREHOLDER COMMUNICATION

We place significant emphasis on maintaining effective communication with our shareholders and investors, ensuring transparency and accessibility in all interactions.

Information shared with stakeholders is clear, relevant, comprehensive, and disseminated in a timely manner. Communication channels are maintained through press releases, press conferences, timely announcements, and disclosures submitted to Bursa Malaysia Securities. These channels ensure that shareholders, stakeholders, and the public remain informed about key developments.

The Group’s Investor Relations team plays a crucial role in providing regular updates on S P Setia’s activities. It facilitates ongoing dialogue and engagement through meetings, discussions, and site visits with fund managers, financial analysts, shareholders, and the media. These interactions offer financial analysts and fund managers valuable insights into the Group’s operations and strategic direction, enabling constructive dialogue and fostering mutual understanding. Feedback gathered through these engagements is incorporated, where relevant, into the Group’s business decisions.

S P Setia is currently covered by 15 local and international research houses and brokerages. The Group continues to actively participate in investor conferences and roadshows as a key player in the property market.

Analyst briefings are conducted quarterly, following the issuance of press releases, to provide updates on the Group’s performance. These briefings, attended by Senior Management, serve as an opportunity to engage with fund managers and analysts, offering insights into the Group’s financial and operational progress. During the year, the Company also leveraged digital platforms to continue its engagement with the press and analysts.

These initiatives form part of the Group’s ongoing commitment to keeping stakeholders informed of business developments and financial performance. In addition to the Company’s website, Investor Relations enquiries can be directed to the IR mailbox at [ir@spsetia.com](mailto:ir@spsetia.com).

GENERAL MEETING

The AGM and Extraordinary General Meeting (“EGM”) serve as the primary forums for dialogue and communication between the Company and its shareholders, particularly private investors. Shareholders are encouraged to attend these meetings and are provided with ample opportunity to participate in the proceedings, pose questions about the resolutions under consideration, and discuss the operations and performance of the Group. Shareholders can also communicate their expectations or raise any concerns during these meetings.

At the AGM, the PCEO delivers a presentation to update shareholders on the Group’s projects and any proposals requiring shareholder approval. Board members, Senior Management, the Group’s external auditors, and the Company’s advisers are present to address questions raised by shareholders during the AGM or EGM.

The Integrated Report 2023 and the Notice of the 49<sup>th</sup> AGM were published on 27 March 2024, in compliance with the Company’s Constitution and the MMLR. Where applicable, explanatory notes were included in the notice to provide shareholders with the necessary background information regarding the resolutions being tabled for approval.

The Company’s 49<sup>th</sup> AGM, held on 25 April 2024, was conducted entirely via live streaming from the designated Broadcast Venue, leveraging technology to enhance engagement with shareholders. In accordance with the Company’s Constitution, only shareholders whose names appeared in the Record of Depositors as of the specified date were entitled to attend, speak, and vote at the AGM. Shareholders who were unable to participate were entitled to appoint proxies to attend, speak, and vote on their behalf.

The Directors’ attendance at the 49<sup>th</sup> AGM is set out below:

Directors	49 <sup>th</sup> AGM
Y.A.M. Tan Sri Dato’ Seri Syed Anwar Jamalullail	✓
Datuk Choong Kai Wai	✓
Datuk Ir Khairil Anwar Bin Ahmad	✓
Dato’ Azmi Bin Mohd Ali	✓
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 <sup>(1)</sup>	N/A
Encik Mohamad Abdul Halim Bin Ahmad <sup>(2)</sup>	N/A
Puan Aida Hazrina Binti Mohd Tazaai	✓
Dato’ Philip Tan Puay Koon <sup>(3)</sup>	✓

Notes:

<sup>(1)</sup> Appointed on 21 June 2024

<sup>(2)</sup> Appointed on 1 October 2024

<sup>(3)</sup> Resigned on 10 September 2024

CORPORATE DISCLOSURE

Corporate Disclosure Policy

The Company is committed to ensuring that all corporate announcements, circulars to shareholders, and financial results are disseminated to the public in a timely and accurate manner. The Board takes responsibility for presenting a balanced, clear, and comprehensive assessment of the Group’s financial position to shareholders, investors, stakeholders, and regulatory authorities.

The Company releases its quarterly interim and full-year audited financial results within two months of the end of each quarter or financial year. Additionally, the Integrated Report, a key communication channel, is published within four months of the financial year-end. The Integrated Report goes beyond presenting financial and operational data, offering an in-depth analysis of the Group’s performance, operations, and matters of importance to shareholders.

This approach aims to provide shareholders and investors with the context needed to make well-informed decisions, considering both the Group’s historical performance and its strategic direction for the future.

INFORMATION TECHNOLOGY

Leverage Information Technology for Effective Dissemination of Information

The Company maintains a comprehensive website, providing the public with access to information on the latest developments within the Group. Corporate presentations, annual reports, regulatory announcements, and financial information shared during analyst and fund manager briefings are readily available on the Company’s website at [www.spsetia.com](http://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 FY2024. 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](http://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 FY2024.

# Statement on Risk Management and Internal Control

**The Board of Directors (“Board”) of S P Setia is dedicated to upholding a robust internal control and risk management system. Each business unit has implemented its own control processes under the stewardship and oversight of the Chief Executive Officer (CEO), who bears responsibility for ensuring both sound business practices and regulatory governance.**

The Statement on Risk Management and Internal Control was prepared pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“Main LR”) and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”).

### BOARD RESPONSIBILITY

The Board upholds its commitment and responsibility for the Group’s risk management and internal control systems. This oversight extends beyond financial controls, to encompass strategic, operational and regulatory compliance aspects, as well as ensuring the adequacy and effectiveness of these systems to uphold S P Setia’s performance and integrity.

The implementation of these control systems is undertaken by the Management, which regularly reports on key risks identified and actions taken to mitigate and/or minimise such risks. The oversight of these critical areas is carried out by the Sub-Board Committees, namely, the Risk Management Committee (“RMC”) and the Audit Committee (“AC”).

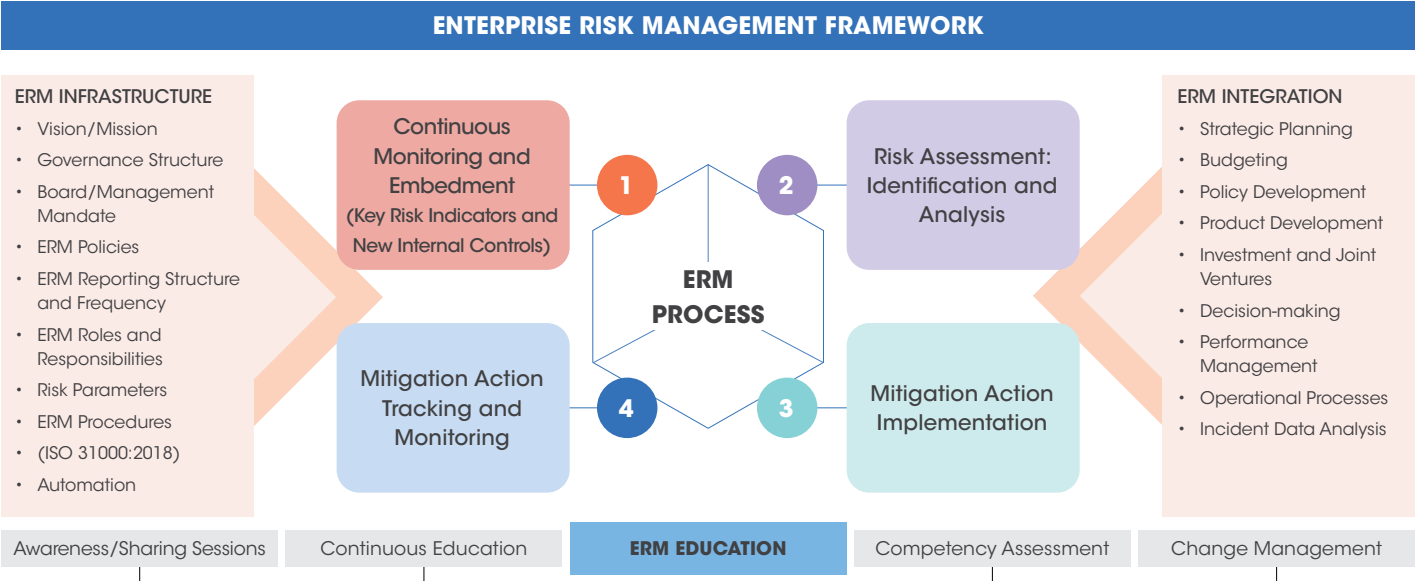
The Group’s risk management and internal control systems are designed to efficiently and effectively manage risks within acceptable parameters, to ensure the achievement of the Group’s business objectives, furnishing accurate information for reporting, decision-making, and ensuring compliance with regulatory and statutory requirements.

The Board also ensures the presence of a robust framework of ongoing risk management processes encompassing the identification, evaluation, and management of significant risks faced by the Group to foster the long-term success of the Company. The design of these systems primarily focuses on the management and mitigation of identified risks, rather than their complete elimination, a strategy which is consistently reviewed and reassessed by the Management.

### Enterprise Risk Management (ERM)

The Group Risk, Integrity and Governance (“GRIG”) has established an Enterprise Risk Management (“ERM”) Framework to proactively and systematically identify, evaluate, and control key risks to acceptable parameters. Aligned with the Group’s commitment to deliver sustainable value, this ERM framework strives for a comprehensive and structured approach across the entire Group. It outlines the ERM methodology in accordance with the Principles and Guidelines of ISO31000:2018 Risk Management, with primary emphasis on fostering risk ownership and continuous monitoring of identified key risks.

The Group’s ERM Framework is summarised as follows:



# Statement on Risk Management and Internal Control

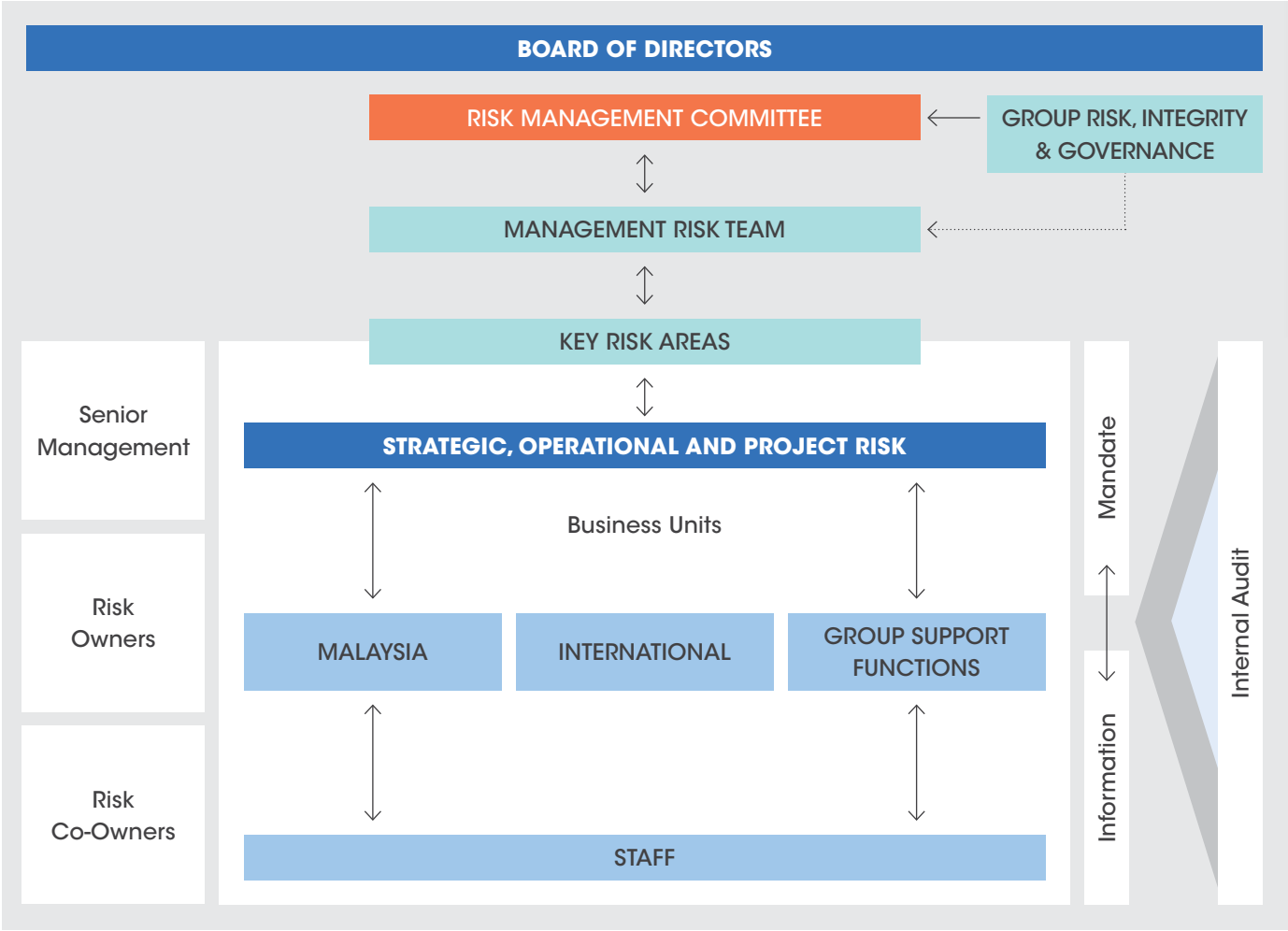
### A. ENTERPRISE RISK MANAGEMENT OVERSIGHT

The oversight role of risk management is carried out by the Risk Management Committee (“RMC”) and the Board. The success of implementing ERM programmes relies significantly on the mandate and commitment from RMC and the Board. These entities set the strategic direction for risk policies, define roles and responsibilities, and establish the structure for risk reporting.

Periodic reporting on risk management initiatives is carried out by the Management Risk Team (“MRT”) to both the RMC and Board which keeps the RMC and the Board apprised on the Group’s key risk areas, progress of risk action plans and emerging risk and trends.

The MRT is supported by GRIG, which plays a crucial role in ensuring the successful and effective implementation of ERM and BCM framework, programmes, and facilitates continuous education and awareness throughout the Group. Furthermore, GRIG provides independent and objective assessment of key risks, along with timely reporting to the MRT, RMC and the Board.

This collaborative effort contributes to a comprehensive and effective risk management and business continuity approach across the organisation.



Statement on Risk Management and Internal Control

B. ENTERPRISE RISK MANAGEMENT POLICY

The Board acknowledges risks inherent in the normal course of the Group’s core businesses, which present both threats and opportunities. The ERM policy has been developed to facilitate the effective implementation of ERM framework, which aligns with the Group’s overarching aspiration in achieving its corporate objectives and meeting shareholders’ expectations. The outlined risk policy serves as a guiding principle for the management of risks and is applicable across all Business Units within the Group:

- To manage risk proactively;
- To manage both adverse and favourable risks;
- To manage risks pragmatically to acceptable parameters, tailoring responses to each situation while maintaining acceptable risk levels;
- To ensure that the process of risk assessment is systematically integrated into the organisational system;
- To manage risk consistently in an integrated and transparent way in accordance with good governance practices; and
- To mandate the creation and upkeep of an effective, formalised risk management framework within S P Setia.

C. RISK REPORTING

The Group’s ERM Framework incorporates periodic reviews and reporting practices. The reports encompass comprehensive information such as the risk profiles, action plans, and status updates. Throughout the reviewed year, these reports were systematically presented on a quarterly basis and deliberated upon by the MRT, RMC and the Board.

D. RISK MANAGEMENT INITIATIVES

As part of the Group’s effort to infuse a proactive risk management culture and encourage ownership, the following initiatives were undertaken during the year under review:

- Series of continuous ERM Culture and Education Programmes which includes ERM technical briefings/ trainings, site visits, awareness and refresher sessions.
- The implementation of the ERM System and SharePoint across the Group aims to enhance accessibility and collaboration between business units and GRIG, ensure consistency in compliance mechanisms, and enable team members across various functions and locations to seamlessly access, share, and update risk-related information, thereby fostering a cohesive and collaborative risk management culture.
- On 27 August 2024, GRIG, in collaboration with Group Internal Audit (GIA), co-organized the Setia Governance, Risk, and Audit Forum (“SGRAF”) under the theme “TRUST: When Governance Meets Excellence.” This forum brought together members of the Board, Management, and Team Setia to engage in knowledge-sharing sessions led by Malaysia Anti-Corruption Corporation (“MACC”), NGOs, and industry practitioners, emphasizing the importance of the TRUST (Top Management Leadership, Corruption Risk Assessment, Undertake Control Measures, Systematic Review and Training and Communication) principles in combating corruption and fraud.

Statement on Risk Management and Internal Control

On the same day, Setia’s Inaugural Integrity Day was held, featuring the Anti-Bribery and Corruption Pledge by the Board, Top Management, GAC members, and Team Setia, reaffirming their commitment to ethical practices. The pledge was officiated by Dato’ TPj Alias bin Salim, Director of the Selangor MACC.



Special Talk by YBRS. Tuan Mohamad Faizal Sadri, Deputy Director, Anti-Money Laundering Division entitled: Buying Clean: The Role of Property Sector



Chairman of Audit Committee: Dato’ Merina Abu Tahir

The Annual Risk and Audit Awards were also presented to recognise the outstanding contributions and achievements in risk management within Setia. Awards were given to the Best Risk Officer, Best Integrity and Governance Champion, and Best Business Unit, acknowledging their exceptional initiatives and efforts in championing risk management practices at their respective business units.

The Risk awards celebrated the individuals and teams who demonstrated a proactive approach to identifying, assessing, and mitigating risks, fostering a culture of accountability, compliance, and resilience across the Group.

Similarly, The Audit Award recognises Divisions, Departments or Business Units that demonstrated exceptional commitment to compliance, robust risk management, and transparent governance. It highlights excellence in implementing effective internal controls, outstanding compliance to audit processes while upholding high ethical and operational standards.

The awards were presented during the Annual Dinner event held on 14 December 2024, serving as an integral part of Setia’s efforts to promote and encourage proactiveness and excellence in risk management practices. This initiative not only highlights exemplary performance but also motivates other units and individuals to actively engage in and contribute to the achievement of Group’s risk management objectives.



Best Risk Officer: Tan Ying Hui, Property North



Best Risk Champion 2024: Property South

Statement on Risk Management and Internal Control

INTEGRITY AND GOVERNANCE

In line with the Government of Malaysia’s aspiration in embarking on a journey to promote good ethical practices and good governance, S P Setia has also established its framework and initiatives for the embedment of high integrity culture and effective management of integrity and governance matters in S P Setia.

The Group Integrity & Governance Unit (“IGU”) of S P Setia Berhad had been established to be in-line with the Prime Minister’s directive to (“the Directive”) all Government Linked Companies (“GLCs”) in October 2018. The IGU will facilitate the compliance to the Corporate Liability provision under Section 17A of the Malaysian Anti-Corruption Commission (“MACC”) Act, 2018 (Amendment), which has been enforced since 1 June 2020.

Based on the Directive and Guideline for the Management of Integrity and Governance Unit issued by the MACC in 2019, the IGU is responsible for the execution of the following four (4) core functions:

- a. Complaints management -To receive and respond to all complaints and information concerning violation of possible criminal, improper conduct and ethics of S P Setia Berhad;
- b. Detection and verification -To identify and verify complaints with regard to possible criminal, improper conduct and the violation of the Code of Conduct and Business Ethics of S P Setia Berhad and ensure appropriate actions are taken. To report criminal and corruption related offences to the relevant enforcement agencies;
- c. Strengthening integrity -To inculcate, institutionalise and implement the concept of integrity within Setia in addition to dealing with issues related to integrity, particularly bribery, corruption, abuse of power or other malpractices; and
- d. Governance functions – periodic review on existing policies based on various requirements by the authorities and best practices for continuous improvements.

The IGU has a direct reporting line to the RMC and ultimately, the Board.

Further to this, there are also the Integrity and Governance Champions (IGCs) appointed across our Business Units and corporate functions. They are entrusted to assist the Group in fostering a culture of integrity within their respective business areas, in alignment with the Group’s aspirations. Additionally, they will assist in ensuring that anti-bribery and anti-corruption policies and procedures are implemented effectively throughout the Group.

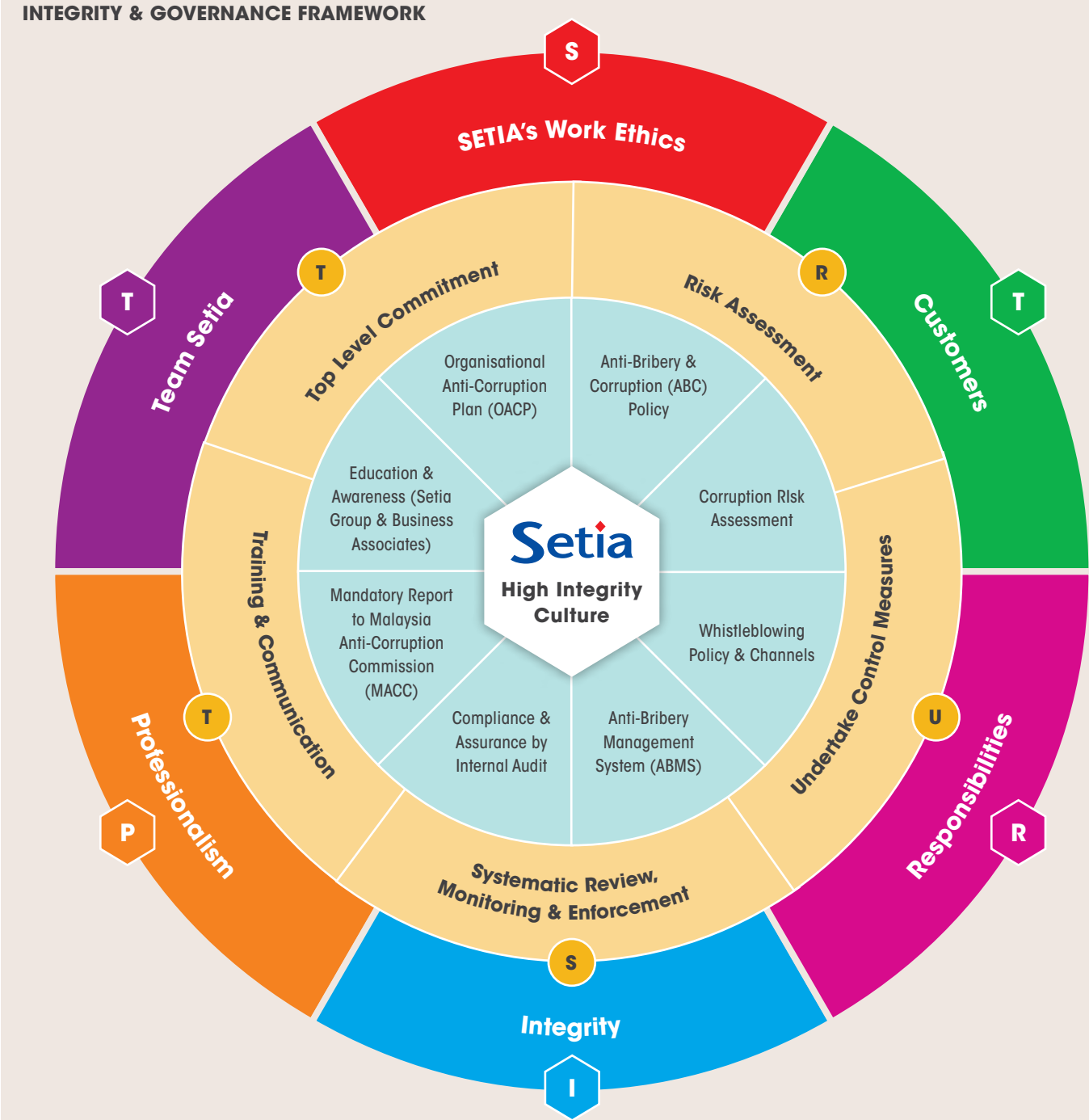
Integrity and Governance Framework

S P Setia’s integrity and governance framework has been established and endorsed by the Board of Directors with specific references to:

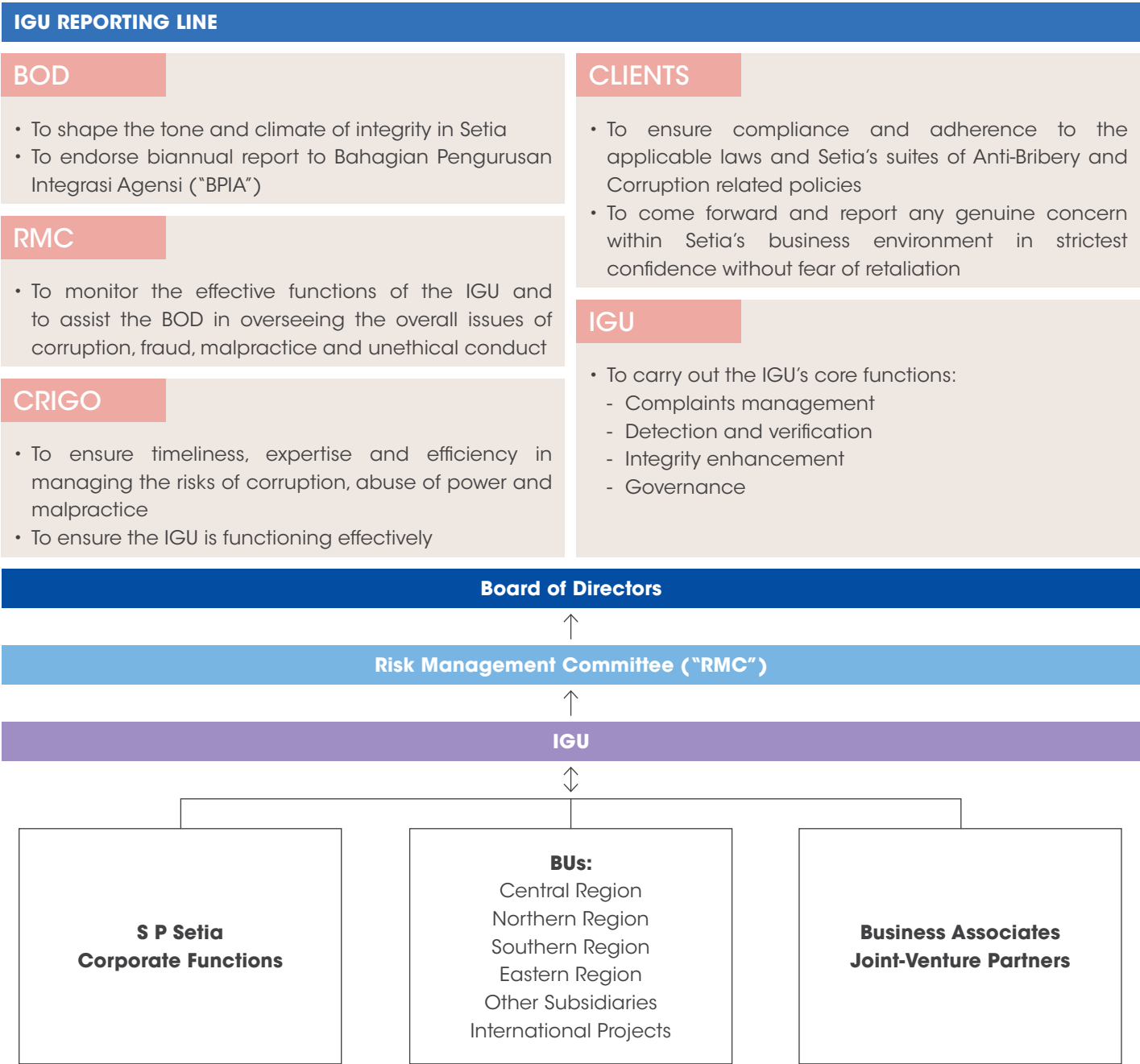
- i. The National Anti-Corruption Plan 2019;
- ii. The Guidelines on Adequate Procedures by the Prime Minister’s Department;
- iii. ISO 37001:2016 on Anti-Bribery Management System (“ABMS”);
- iv. Setia’s core values “SCRIPT”; and
- v. ISO 37002:2021 on Whistleblowing Management Systems – Guidelines.

The framework took into consideration S P Setia’s readiness and preparedness in facing the possible challenges and impact of the enforcement of the Corporate Liability provision. S P Setia is continuously embarking on initiatives to ensure that adequate measures are in place as a defence mechanism based on the TRUST principle under the Guidelines on Adequate Procedures, issued by the Minister of the Prime Minister’s Department. In line with the continuous improvement initiatives, the Board has also approved S P Setia’s 3-Year Anti-Corruption Plan (SACP) covering the period of 2024 – 2026. This is a clear manifestation on the Top-Level Commitment (the first capital ‘T’ of the TRUST principle) in Setia, in ensuring our aspiration to uphold ‘Zero Tolerance’ to bribery and corruption is well prepared and implemented.

Statement on Risk Management and Internal Control



Statement on Risk Management and Internal Control



Statement on Risk Management and Internal Control

Key Internal Control System	Assurance Mechanism/Enabler
Policies, Guidelines and Procedures	<b>Group Quality Management (GQM)</b> Facilitates the establishment and maintenance of the S P Setia Group’s approved policies and standard operating procedures. Establishes and manages an integrated quality, health & safety and environment management system for the Property Divisions. The integrated system is progressively reviewed to ensure its relevance.  GQM supports the Group in accomplishing its objectives by performing regular audits and assisting the Group to progressively improve its business processes relating to product and service quality as well as regulatory compliance.  (The details of GQM’s initiatives i.e. HSE Governance and quality commitment) have been described in the Sustainability Statement under Social section)
	<b>Group Finance</b> <b>Discretionary Authority Limits (“DAL”)</b> 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.
Financial Performance Tracking and Monitoring	<b>Group Finance</b> 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 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.
ICT and Digital Transformation	<b>Group Digital</b> The core roles are to plan, develop, implement, and optimize IT and digital services, driving innovation and empowering the business to: <ul style="list-style-type: none"><li>• Enable revenue growth and workplace productivity</li><li>• Achieve operational excellence and cost efficiencies</li><li>• Strengthen business resilience by mitigating cybersecurity risks</li><li>• Harness the power of data and emerging technologies to unlock new value creation opportunities</li><li>• Spearhead innovation initiatives to explore transformative solutions to foster smarter, more sustainable developments and delighted customer experiences</li></ul> (The details of Digital Transformation initiatives have been described in the Sustainability Statement under Digital Transformation section.)

Statement on Risk Management and Internal Control

Key Internal Control System	Assurance Mechanism/Enabler
Manpower & Talent Management	<b>Group Human Resources (GHR)</b> GHR 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 HR strategy helps organisations effectively manage their workforce, drive performance, and achieve long-term business success.  (The details of GHR initiatives i.e. employee engagement, development focus, etc) have been described in the Sustainability Statement under Social section)
Governance & Compliance	<b>Group Internal Audit (GIA)</b> GIA is an independent internal audit function which provides independent and objective assurance on the adequacy and effectiveness of the internal control systems implemented by the Group.  GIA plays an integral part of the Group’s governance process, internal controls system and risk management, and is headed by a Chief Internal Auditor who reports to the AC at least, on a quarterly basis. The internal audit reviews are performed based on the risk-based annual audit planning approved by the AC. The internal audit reports highlight observations, recommendations and action plans to improve the Group’s internal controls.  GIA proactively engages and contribute to the Group’s effort to create awareness on the importance of upholding high standards of governance culture within the Group.
Corporate Investment & Divestment	<b>Group Strategy &amp; Business Development (GSBD)</b> 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	<b>Vendor Management Unit (“VMU”)</b> VMU conducts a comprehensive due diligence process to ensure potential vendors comply with Setia’s policies and requirements, including Anti-Bribery and Corruption policies, its financial robustness and operational resilience. <ul style="list-style-type: none"><li>• Risk Assessment &amp; Compliance – Evaluating vendors against regulatory and internal compliance standards.</li><li>• Due Diligence – Conducting thorough background checks to mitigate risks related to integrity, financial stability, and operational capacity.</li><li>• Performance Monitoring – Continuously assessing vendor reliability, adherence to contract terms and its performance.</li></ul>

Statement on Risk Management and Internal Control

Key Internal Control System	Assurance Mechanism/Enabler
Procurement Process	<p><b>Group Contract and Procurement (“GCP”)</b></p> <p>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 Setia’s legal and regulatory standards, and enforces ethical sourcing practices.</p> <p>GCP presents key matters to the Tender and Project Committee (TPC), including:</p> <ul style="list-style-type: none"><li>Award of Construction Contracts exceeding RM1.5 Million – Overseeing the procurement and awarding process for construction contracts within the Group.</li><li>Variation Orders exceeding RM1.5 Million – Managing and reviewing all variation orders to ensure they are justified, necessary, and aligned with project objectives and budget constraints.</li></ul>

MONITORING, REPORTING AND REVIEWING

The Group’s system of risk management and internal controls are monitored via periodic management review of financial and operational results, business processes, the state of internal controls and business risk profile by the respective Heads of BUs 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 a quarterly basis.

BOARD COMMENTARY AND OPINION

For the year under review, the Board has received a written assurance from the President and CEO, Deputy President and 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, Deputy President and 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 2024. 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 Paragraphs 41 and 42 of Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is the Statement factually inaccurate. 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 and opinion 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 27 February 2025.

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 2024 are as follows:

	Group (RM’000)	Company (RM’000)
Fees for statutory audits - current year		
- Ernst & Young Malaysia	2,117	185
- Member firms of Ernst & Young Global	725	-
Other non-audit services		
- Ernst & Young Malaysia	349	12

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 2024 are RM11,500 and RM348,700 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 in 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 except as disclosed in note 39 of the financial statements.

RECURRENT RELATED PARTY TRANSACTIONS

At the 49<sup>th</sup> AGM of the Company held on 25 April 2024, the Company 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 25 April 2024 and will continue until the conclusion of the forthcoming AGM of the Company.

At the forthcoming AGM to be held on 24 April 2025, 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 26 March 2025 issued together with the Integrated Report 2024.

Additional Compliance Information

The details of Recurrent Related Party Transactions entered during the financial year ended 31 December 2024 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	Y.A.M. Tan Sri Dato’ Seri Syed Anwar Jamalullail	Purchase of properties	3,060	Y.A.M. Tan Sri Dato’ Seri Syed Anwar Jamalullail is the director of S P Setia Berhad
2	Datuk Choong Kai Wai	Purchase of properties	3,225	Datuk Choong Kai Wai is the director of S P Setia Berhad
3	Dato’ Azmi Bin Mohd Ali	Purchase of properties	802	Dato’ Azmi Bin Mohd Ali is the director of S P Setia Berhad
4	Datuk Zaini Bin Yusoff	Purchase of properties	4,810	Datuk Zaini Bin Yusoff is the director of subsidiary companies of S P Setia Berhad
5	Datuk Yuslina Binti Mohd Yunus	Purchase of properties	1,755	Datuk Yuslina Binti Mohd Yunus is the director of subsidiary companies of S P Setia Berhad
6	Tan Siow Chung	Purchase of properties	3,344	Tan Siow Chung is the director of subsidiary companies of S P Setia Berhad
7	Razly Mohammad Rus	Purchase of properties	3,571	Razly Mohammad Rus is the director of subsidiary companies of S P Setia Berhad
8	Koh Sooi Meng	Purchase of properties	1,702	Koh Sooi Meng is the director of subsidiary company of S P Setia Berhad
9	Chew Eu Sern	Purchase of properties	1,815	Chew Eu Sern is the director of subsidiary company of S P Setia Berhad

# Financial Statements

For The Financial Year Ended  
31 December 2024



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# Directors’ Report

For The Financial Year Ended 31 December 2024

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 2024.

## 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	630,676	434,893
Attributable to:		
Owners of the Company	575,954	434,893
Non-controlling interests	54,722	-
	630,676	434,893

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 49<sup>th</sup> Annual General Meeting (“AGM”) of the Company held on 25 April 2024.

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 1.34 sen per ordinary share each amounting to RM59,674,246 in respect of the financial year ended 31 December 2023 on 23 April 2024. The Company did not offer the DRP for this single-tier ordinary dividend.

Subsequent to 31 December 2024, the Directors declared a single-tier dividend of 2.88 sen per share for the financial year ended 31 December 2024. 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 2025.

# Directors’ Report

For The Financial Year Ended 31 December 2024

## 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 2023 to 31 December 2023. A total of RM52,772,680 was paid in cash on 23 April 2024; 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 2024 to 30 June 2024. A total of RM44,015,390 was paid in cash on 11 October 2024.

Subsequent to 31 December 2024, 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 2024 to 31 December 2024. 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 2025.

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

## EMPLOYEE SHARE GRANT PLAN AND EMPLOYEE SHARE OPTION SCHEME

The Company’s Long Term Incentive Plan (“LTIP” or “Scheme”) is governed by the By-Laws which was approved by the shareholders on 28 February 2013 and is administered by the Nomination and Remuneration Committee (“NRC”) which is appointed by the Board of Directors, in accordance with the By-Laws of LTIP.

On 23 February 2017, the Board of Directors approved the extension of the LTIP for another 5 years pursuant to By-Laws 18.2 of the By-Laws of LTIP and as such the LTIP shall be in force for a period of 10 years up to 9 April 2023.

The final vesting LTIP was completed on 3 April 2023 and the scheme lapsed on 9 April 2023 as disclosed in Note 22 to the financial statements.

## 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  
Datuk Choong Kai Wai  
Dato’ Merina Binti Abu Tahir  
Dato’ Sheranjiv A/L M Sammanthan  
Dato’ Tengku Marina Binti Tunku Annuar  
Datuk Ir Khairil Anwar Bin Ahmad  
Datin Wan Daneena Liza Binti Wan Abdul Rahman  
Lim Fu Yen

(appointed on 11 January 2024)

Directors’ Report

For The Financial Year Ended 31 December 2024

Directors’ Report

For The Financial Year Ended 31 December 2024

DIRECTORS (CONT’D.)

The Directors in office since the beginning of the financial year to the date of this report are: (cont’d.)

Aida Hazrina Binti Mohd Tazaai	(Alternate Director to Lim Fu Yen, appointed on 11 January 2024 and ceased on 3 March 2025)
Aida Hazrina Binti Mohd Tazaai	(appointed on 3 March 2025)
Datin Grace Yeoh Cheng Geok	(appointed on 21 June 2024)
Mohamad Abdul Halim Bin Ahmad	(appointed on 1 October 2024)
Dato’ Azmi Bin Mohd Ali	(resigned on 2 March 2025)
Dato’ Philip Tan Puay Koon	(resigned on 10 September 2024)
Tengku Dato’ Ab. Aziz Bin Tengku Mahmud	(resigned on 11 January 2024)

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 Zaini Bin Yusoff	
Datuk Yuslina Binti Mohd. Yunus	
Datuk Tan Hon Lim	(resigned on 27 February 2024)
Datuk Saw Kim Suan	
Neo Keng Hoe	
Yeo Cheng Jway	(resigned on 2 May 2024)
Sha’ari Bin Hanapi	(resigned on 1 December 2024)
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	
Chow Yin See	
Koh Sooi Meng	
Dato’ Muhamad Zaili Bin Muhammad Yusof	(appointed on 2 May 2024)
Lim Yen Wah	(appointed on 2 May 2024)
Liong Kok Kit	
Li Wai Chee	
Tuan Hj Ahmad Khalif Bin Tan Sri Datuk (Dr) Hj Mustapha Kamal	
Gan Hwa Leong	
Gan Hua Tiong	
Mohamad Azhar Bin Aripin	
Nasleena Binti Mohamad Shariff	
Mohd. Salem Bin Kailany	(resigned on 31 October 2024)
Zizi Binti Alias	(appointed on 9 January 2024)
Iszad Jeffri Bin Ismail	(resigned on 8 January 2024)
Dato’ Beh Hang Kong	
Datin Paduka Kartini Binti Hj. Abdul Manaf	
Ahmad Shahriman Bin Johari	
Tan Sri Dato’ Sri Rodzali bin Daud	
Lt. Gen. (retired) Datuk Dr. William Rangit Stevenson	
Zahrin Bin Zakaria	

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 1.1.2024	Addition*	Disposal	At 31.12.2024
Datuk Choong Kai Wai				
- direct	479,000	150,560	-	629,560

\* conversion of RCPS-i C to Ordinary Shares

	No. of RCPS-i C			
	At 1.1.2024	Addition	Disposal*	At 31.12.2024
Datuk Choong Kai Wai				
- direct	315,235	-	(315,235)	-

\* conversion of RCPS-i C to Ordinary Shares

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	
	2024 RM’000	2023 RM’000	2024 RM’000	2023 RM’000
Directors				
Fees, salaries, bonuses and other emoluments	6,547	6,262	6,547	6,262
Estimated monetary value of benefits-in-kind	697	507	697	507
Share-based payment under the LTIP	-	1	-	1
Total short-term employee benefits	7,244	6,770	7,244	6,770
Post-employment benefits - EPF	389	392	389	392
	7,633	7,162	7,633	7,162

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, other than those arising from the shares or share options granted under the LTIP.

Directors’ Report

For The Financial Year Ended 31 December 2024

Directors’ Report

For The Financial Year Ended 31 December 2024

DIRECTORS’ BENEFITS (CONT’D.)

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 RM30,000,000 and RM70,000 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.

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.

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	185

This report is approved by the Board of Directors on 7 March 2025.

Signed on behalf of the Board of Directors

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

DATUK CHOONG KAI WAI  
Director

Statements of Financial Position

31 December 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	2	751,792	808,271	4,033	3,938
Right-of-use - property, plant and equipment	3	2,709	3,860	-	-
Investment properties	4	2,000,932	1,979,668	4,030	3,438
Right-of-use - investment properties	5	38,000	46,755	-	-
Inventories - land held for property development	6	12,278,601	12,356,946	-	-
Intangible assets	7	15,480	14,285	3,594	1,866
Investments in subsidiary companies	8	-	-	11,307,824	11,851,900
Investments in joint ventures	9	2,842,942	3,138,074	32,751	35,251
Investments in associated companies	10	619,728	583,116	91,058	91,058
Other investments	11	96	96	-	-
Amounts owing by subsidiary companies	12	-	-	3,234,303	3,280,388
Amounts owing by joint ventures	13	69,785	69,785	-	-
Trade receivables	16	6,202	26,015	-	-
Other receivables, deposits and prepayments	18	88,232	90,258	-	-
Deferred tax assets	15	263,291	361,997	3,629	2,515
		18,977,790	19,479,126	14,681,222	15,270,354
<b>Current assets</b>					
Trade receivables	16	499,803	926,137	-	-
Contract assets	17	628,074	971,601	-	-
Other receivables, deposits and prepayments	18	228,391	220,386	3,613	3,259
Inventories - land held for sales	6	14,483	340,303	-	-
Inventories - property development costs	6	2,436,899	2,159,019	-	-
Inventories - completed properties and others	6	1,315,821	1,766,143	-	-
Contract cost assets	19	172,093	480,770	-	-
Amounts owing by subsidiary companies	12	-	-	1,024,350	1,525,124
Amounts owing by joint ventures	13	130,141	133,732	212	59,773
Amounts owing by related parties	14	1,080	579	-	-
Current tax assets		57,759	32,943	1,125	134
Short-term deposits	20	733,400	441,237	150,099	55,675
Cash and bank balances	21	2,408,076	2,054,402	516,048	131,310
		8,626,020	9,527,252	1,695,447	1,775,275
<b>TOTAL ASSETS</b>		<b>27,603,810</b>	29,006,378	<b>16,376,669</b>	17,045,629

The accompanying notes form an integral part of the financial statements.

Statements of Financial Position

31 December 2024

		Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Note					
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	22	<b>9,238,060</b>	8,722,775	<b>9,238,060</b>	8,722,775
Share capital - RCPS-i A	23	<b>1,087,363</b>	1,087,363	<b>1,087,363</b>	1,087,363
Share capital - RCPS-i C	23	<b>203,463</b>	718,748	<b>203,463</b>	718,748
Reserve on acquisition arising from common control	24	<b>(1,295,884)</b>	(1,295,884)	-	-
Exchange translation reserve	24	<b>(33,637)</b>	222,158	-	-
Retained earnings		<b>5,414,491</b>	4,994,999	<b>784,453</b>	506,022
Equity attributable to owners of the Company		<b>14,613,856</b>	14,450,159	<b>11,313,339</b>	11,034,908
Non-controlling interests		<b>1,229,895</b>	1,212,622	-	-
<b>Total equity</b>		<b>15,843,751</b>	15,662,781	<b>11,313,339</b>	11,034,908
<b>Non-current liabilities</b>					
Redeemable cumulative preference shares	25	<b>38,432</b>	38,268	-	-
Other payables and accruals	26	<b>80,522</b>	73,698	-	-
Long-term borrowings	27	<b>6,382,707</b>	7,101,911	<b>2,995,122</b>	3,729,311
Lease liabilities	28	<b>2,021</b>	2,962	-	-
Deferred tax liabilities	15	<b>461,501</b>	473,794	-	-
Amounts owing to subsidiary companies	12	-	-	<b>730,838</b>	705,893
		<b>6,965,183</b>	7,690,633	<b>3,725,960</b>	4,435,204
<b>Current liabilities</b>					
Trade payables	29	<b>1,550,858</b>	1,452,286	-	-
Contract liabilities	17	<b>57,642</b>	112,083	-	-
Other payables and accruals	26	<b>887,195</b>	939,268	<b>38,449</b>	31,540
Short-term borrowings	27	<b>2,203,749</b>	3,043,226	<b>1,175,606</b>	1,475,794
Lease liabilities	28	<b>806</b>	963	-	-
Current tax liabilities		<b>94,252</b>	104,762	-	-
Amounts owing to subsidiary companies	12	-	-	<b>123,315</b>	68,183
Amounts owing to related parties	14	<b>374</b>	376	-	-
		<b>4,794,876</b>	5,652,964	<b>1,337,370</b>	1,575,517
<b>Total liabilities</b>		<b>11,760,059</b>	13,343,597	<b>5,063,330</b>	6,010,721
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>27,603,810</b>	29,006,378	<b>16,376,669</b>	17,045,629

The accompanying notes form an integral part of the financial statements.

Statements of Comprehensive Income

For The Financial Year Ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	30	5,293,568	4,373,642	978,469	463,609
Cost of sales	31	(3,492,445)	(3,032,345)	-	-
Gross profit		1,801,123	1,341,297	978,469	463,609
Other income	32	378,124	249,442	379,037	267,664
Selling and marketing expenses		(43,932)	(63,524)	-	-
Administrative and general expenses		(503,034)	(476,121)	(633,871)	(379,405)
Share of results of joint ventures		(181,294)	(83,568)	-	-
Share of results of associated companies		55,079	37,273	-	-
Finance costs	33	(384,142)	(349,080)	(268,862)	(285,417)
Profit before tax	34	1,121,924	655,719	454,773	66,451
Taxation	36	(491,248)	(298,606)	(19,880)	(10,759)
Profit for the year		630,676	357,113	434,893	55,692
Other comprehensive income, net of tax: (Items that may be reclassified subsequently to profit or loss)					
Exchange differences on translation of foreign operations		(268,602)	280,705	-	-
Net gain/(loss) on net investment hedge		12,664	(47,970)	-	-
Total comprehensive income for the year		374,738	589,848	434,893	55,692
Profit attributable to:					
Owners of the Company		575,954	298,573	434,893	55,692
Non-controlling interests		54,722	58,540	-	-
		630,676	357,113	434,893	55,692
Total comprehensive income attributable to:					
Owners of the Company		320,159	532,380	434,893	55,692
Non-controlling interests		54,579	57,468	-	-
		374,738	589,848	434,893	55,692
Basic earnings per share (sen)	37	10.16	4.80		
Diluted earnings per share (sen)	37	9.63	4.80		

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For The Financial Year Ended 31 December 2024

	Note	Share capital RM'000	Share capital - RCPS-i A RM'000	Share capital - RCPS-i C RM'000	Share-based payment reserve RM'000	Reserve on acquisition arising from common control RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Balance at 1.1.2023		8,499,642	1,087,363	937,201	57,888	(1,295,884)	(11,649)	4,803,896	14,078,457	1,239,044	15,317,501
Total other comprehensive income for the year, represented by exchange differences on translation of foreign operations		-	-	-	-	-	281,777	-	281,777	(1,072)	280,705
Net Change on hedge of net investments		-	-	-	-	-	(47,970)	-	(47,970)	-	(47,970)
Profit for the year		-	-	-	-	-	-	298,573	298,573	58,540	357,113
Transactions with owners: Issuance of ordinary shares		-	-	-	-	-	-	-	-	-	-
- vesting of ESGP		4,680	-	-	(4,680)	-	-	-	-	-	-
Conversion of RCPS-i C into ordinary shares		218,453	-	(218,453)	-	-	-	-	-	-	-
Liquidation of subsidiary companies		-	-	-	-	-	-	-	-	(1)	(1)
RCPS-i A preferential dividends paid	38	-	-	-	-	-	-	(70,654)	(70,654)	-	(70,654)
RCPS-i C preferential dividends paid	38	-	-	-	-	-	-	(30,800)	(30,800)	-	(30,800)
Dividends paid and payable	38	-	-	-	-	-	-	(59,910)	(59,910)	(83,889)	(143,799)
Share-based payment under the LTIP		-	-	-	(53,208)*	-	-	53,894	686	-	686
Balance at 31.12.2023		8,722,775	1,087,363	718,748	-	(1,295,884)	222,158	4,994,999	14,450,159	1,212,622	15,662,781

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

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For The Financial Year Ended 31 December 2024

←----- Attributable to owners of the Company ----->

←----- Non-distributable -----> Distributable

	Note	Share capital		Share capital - RCPS-i A	Share capital - RCPS-i C	Reserve on acquisition arising from common control		Exchange translation reserve	Retained earnings	Total equity	Non-controlling interests	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
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		

The accompanying notes form an integral part of the financial statements.

Statement of Changes in Equity

For The Financial Year Ended 31 December 2024

	Note	Share capital	Share capital - RCPS-i A	Share capital - RCPS-i C	Non-distributable		Distributable		Total
		RM'000	RM'000	RM'000	Share-based payment reserve	Retained earnings	RM'000	RM'000	RM'000
Balance at 1.1.2023		8,499,642	1,087,363	937,201	57,888	610,367	11,192,461		
Total other comprehensive income for the year, represented by profit for the year		-	-	-	-	55,692	55,692		
Transactions with owners:									
Issuance of ordinary shares:									
- vesting of ESGP		4,680	-	-	(4,680)	-	-		
Conversion of RCPS-i C into ordinary shares		218,453	-	(218,453)	-	-	-		
RCPS-i A preferential dividends paid	38	-	-	-	-	(70,654)	(70,654)		
RCPS-i C preferential dividends paid	38	-	-	-	-	(30,800)	(30,800)		
Dividends paid		-	-	-	-	(59,910)	(59,910)		
Share-based payment under the LTIP		-	-	-	(53,208)*	1,327	(51,881)		
Balance at 31.12.2023/1.1.2024		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		9,238,060	1,087,363	203,463	-	784,453	11,313,339		

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

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows

For The Financial Year Ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	1,121,924	655,719	454,773	66,451
Amortisation of intangible assets	942	628	409	93
Allowance for impairment loss on receivables no longer required	(1,996)	-	-	-
Bad debts written off	207	333	-	-
Allowance for impairment loss on receivables	21,682	4,541	99,828	16,156
Depreciation of property, plant and equipment	44,131	38,373	1,376	1,073
Depreciation of right-of-use - property, plant and equipment	982	902	-	-
Net gain on disposal of property, plant and equipment	(53,484)	(1,709)	(1)	-
(Gain)/Loss on fair value adjustment of investment properties	(2,629)	6,615	(592)	-
Gain on disposal of investment properties	(1,199)	-	-	-
Loss/(Gain) on liquidation of subsidiary companies	19	2,839	82	(7,198)
Gain on disposal of a joint venture	(56,346)	-	(53,309)	-
Property, plant and equipment written off	104	256	-	7
Impairment loss - investment in subsidiary companies	-	-	424,406	196,188
Share of results of joint ventures	181,294	83,568	-	-
Share of results of associated companies	(55,079)	(37,273)	-	-
Interest income from financial assets measured at amortised cost	-	-	(381)	(363)
Interest expense on financial liabilities measured at amortised cost	1,282	1,178	-	-
Amortisation of transaction costs on borrowings	2,516	2,641	1,447	2,317
Interest expense on lease liabilities	154	168	-	-
Interest income from deferred payment scheme	(6,412)	(25,531)	-	-
Fair value adjustment on right-of-use - investment properties	8,755	13,617	-	-
Share-based payment	-	686	-	(36)
Unrealised foreign exchange (gain)/loss	(7,497)	14,098	(30,819)	67,072
Write-down in value of completed inventories	5,991	907	-	-
Write-down of other inventories	6,363	1,272	-	-
Write-down of land held for property development	14,606	-	-	-
Reversal of write-down of land held for property development	-	(3,111)	-	-
Reversal of write-down of completed properties	(25)	(28)	-	-

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows

For The Financial Year Ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES (CONT'D.)</b>				
Interest expense	380,190	345,093	267,415	283,100
Dividend income	-	-	(978,469)	(463,609)
Interest income	(85,064)	(72,475)	(207,078)	(180,208)
Rental income	(87,172)	(73,966)	-	-
Operating profit/(loss) before working capital changes	1,434,239	959,341	(20,913)	(18,957)
Changes in inventories - property development costs and contract cost assets	1,053,957	926,005	-	-
Changes in inventories - completed properties and others	542,639	347,094	-	-
Changes in contract assets/liabilities	299,082	553,571	-	-
Changes in receivables	419,053	(254,117)	(373)	(1,314)
Changes in payables	26,375	(37,494)	8,578	1,651
Net cash generated from/(used in) operations	3,775,345	2,494,400	(12,708)	(18,620)
Rental received	22,181	14,800	-	-
Interest received	57,350	44,147	6,488	3,505
Interest paid on lease liabilities	(172)	(152)	-	-
Net tax paid	(437,400)	(251,880)	(21,985)	(6,693)
Net cash generated from/(used in) operating activities	3,417,304	2,301,315	(28,205)	(21,808)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Additions to inventories - land held for property development	(771,016)	(329,750)	-	-
Deposits and part consideration paid for acquisition of development land	(31,660)	(36,455)	-	-
Additions to property, plant and equipment	(11,901)	(57,942)	(1,471)	(878)
Additions to investment properties	(13,451)	(13,651)	-	-
Additions to intangible assets	(2,137)	(1,959)	(2,137)	(1,959)
Proceeds from disposal of property, plant and equipment	69,800	1,901	1	-
Proceeds from disposal of investment properties	8,401	-	-	-
Net cash inflow from disposal of a joint venture	55,809	-	55,809	-
Net cash (outflow)/inflow from liquidation of subsidiary companies	#	7,118	50	6,831
Acquisition of additional shares in joint ventures	-	(127)	-	-
Proceeds from repatriation of capital from joint ventures	-	43,737	-	-
Repayment from an associated company	-	1,135	-	1,135

# Amount less than RM1,000

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows

For The Financial Year Ended 31 December 2024

Statements of Cash Flows

For The Financial Year Ended 31 December 2024

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES (CONT'D.)</b>				
Net repayment from/(advances to) subsidiary companies	-	-	670,771	(148,092)
Net repayment from/(advances to) joint ventures	5,874	(26,046)	59,746	903
Net withdrawal/(placement) of sinking fund, debt service reserve, escrow accounts and short-term deposits	59,661	(58,579)	8,610	(81)
Dividends received from associated companies	11,030	11,035	-	-
Redeemable cumulative preference share dividends received	-	-	1,596	1,596
Interest received	27,714	28,328	3,691	8,055
Dividends received	-	-	1,139,128	318,538
Rental received	54,996	49,615	-	-
Net cash (used in)/generated from investing activities	(536,880)	(381,640)	1,935,794	186,048
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment to non-controlling shareholder of subsidiary companies	(4,164)	-	-	-
Proceeds from issuance of Sukuk Wakalah	-	1,000,000	-	1,000,000
Drawdown of bank borrowings	1,301,103	1,777,274	255,000	330,000
Repayment of bank borrowings	(2,753,306)	(4,173,137)	(1,274,343)	(1,130,272)
Repayment of lease liabilities	(906)	(900)	-	-
Interest paid	(498,199)	(543,136)	(258,351)	(285,254)
Transaction cost on borrowings paid	(6,240)	(15,604)	-	(2,566)
Redeemable cumulative preference share dividends paid to non-controlling interests	(1,734)	(1,734)	-	-
Dividends paid to non-controlling interests	(37,306)	(44,432)	-	-
Dividends paid	(59,674)	(59,910)	(59,674)	(59,910)
RCPS-i A preferential dividends paid	(70,654)	(70,654)	(70,654)	(70,654)
RCPS-i C preferential dividends paid	(26,134)	(30,800)	(26,134)	(30,800)
Net cash used in financing activities	(2,157,214)	(2,163,033)	(1,434,156)	(249,456)
NET INCREASED/(DECREASE) IN CASH AND CASH EQUIVALENTS	723,210	(243,358)	473,433	(85,216)
EFFECT OF EXCHANGE RATE CHANGES	(39,649)	38,671	4,692	(2,015)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	2,254,651	2,459,338	170,384	257,615
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	2,938,212	2,254,651	648,509	170,384

The accompanying notes form an integral part of the financial statements.

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash and cash equivalents included in cash flows comprise the following amounts:				
Short-term deposits	733,400	441,237	150,099	55,675
Cash and bank balances	2,408,076	2,054,402	516,048	131,310
Bank overdrafts (Note 27)	(30,776)	(8,839)	(9,647)	-
	3,110,700	2,486,800	656,500	186,985
Less: Amounts restricted in sinking fund, debt service reserve, escrow accounts and short-term deposits	(172,488)	(232,149)	(7,991)	(16,601)
	2,938,212	2,254,651	648,509	170,384

The accompanying notes form an integral part of the financial statements.

# Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

## 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 2024, the Group and the Company adopted the following amendments to MFRSs:

Effective for annual financial periods beginning on or after 1 January 2024:

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

Adoption of the above amendments to MFRSs did not have any material effect on the financial performance or position of the Group and the Company.

# Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

## 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 121: Lack of exchangeability (Amendments to MFRS 121)	1 January 2025
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 18: Presentation and Disclosure in Financial Statement	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	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 MFRSs and Amendments to MFRSs 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 Amendments to MFRSs 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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 material.

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 2024

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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 2024

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%

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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

- 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 2024

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 downpayments 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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 2024

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).

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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.

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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 on a time proportion basis.

(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 2024

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.

(iii) Share-based payment transactions

The Group operates an equity-settled share-based long term incentive plan ("LTIP" or "Scheme"), which comprises the Employee Share Grant Plan ("ESGP") and Employee Share Option Scheme ("ESOS") for its employees and Executive Directors.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(i) Employee benefits (cont'd.)

(iii) Share-based payment transactions (cont'd.)

ESGP

Employees and Executive Directors are entitled to ESGP in the form of Restricted Share Plan ("RSP") and Performance Share Plan ("PSP") as consideration for services rendered. The RSP is a restricted share plan for employees and Executive Directors, while the PSP is a performance share plan for selected senior management and Executive Directors.

The RSP and PSP are settled by way of issuance and transfer of new shares upon vesting. The total fair value of RSP and PSP granted is recognised as an employee cost with a corresponding increase in the share options reserve within equity over the vesting period after taking into account the probability that the RSP and PSP will vest.

The fair value of RSP and PSP is measured at grant date, taking into account, if any, the market vesting conditions upon which the RSP and PSP were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of shares that are expected to vest on the vesting date.

At each reporting date, the Group revises its estimates of the number of RSP and PSP that are expected to vest on vesting date. It recognises the impact of the revision of original estimates, if any, in profit or loss and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share-based payment reserve.

ESOS

The ESOS allows the Group's employees and Executive Directors to acquire shares of the Company. The total fair value of share options granted is recognised as an employee cost with a corresponding increase in the share options reserve within equity over the vesting period and taking into account the probability that the options will vest.

The fair value of share options is measured at grant date using the binomial model, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At each reporting date, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in profit or loss and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share-based payment reserve.

The fair value of the share options recognised in the share-based payment reserve is transferred to share capital when the share options are exercised, or transferred to retained earnings upon expiry of the share-based payment options.

The proceeds received net of any direct attributable transaction costs are credited to equity when the option are exercised.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 2024

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.

The Group uses loans as a hedge of its exposure to foreign exchange risk on its investments in foreign joint venture. Refer to Note 44(b) for more details.

(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 2024

2. PROPERTY, PLANT AND EQUIPMENT

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.)

Group 2023	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 1.1.2023	34,960	14,242	702,240	37,326	195,176	36,419	48,572	1,068,935
Additions	-	-	1,103	499	10,763	1,403	44,174	57,942
Disposals	-	-	(287)	(1,323)	(1,887)	(2,905)	(17)	(6,419)
Write-offs	-	-	-	(657)	(4,350)	(81)	-	(5,088)
Reclassification	-	-	83,688	-	1,380	-	(85,068)	-
Exchange differences	-	-	566	1	359	13	-	939
At 31.12.2023	34,960	14,242	787,310	35,846	201,441	34,849	7,661	1,116,309
Accumulated depreciation								
At 1.1.2023	-	1,059	83,725	33,483	129,824	31,140	-	279,231
Charge for the year	-	146	18,034	1,061	17,692	2,277	-	39,210
Disposals	-	-	(216)	(1,300)	(1,873)	(2,838)	-	(6,227)
Write-offs	-	-	-	(499)	(4,252)	(81)	-	(4,832)
Exchange differences	-	-	83	-	321	13	-	417
At 31.12.2023	-	1,205	101,626	32,745	141,712	30,511	-	307,799
Accumulated impairment losses								
At 1.1.2023/31.12.2023	-	-	202	-	37	-	-	239
Net carrying amount At 31.12.2023	34,960	13,037	685,482	3,101	59,692	4,338	7,661	808,271

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

2. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Company 2024	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	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
2023				
Cost				
At 1.1.2023	3,963	698	310	4,971
Additions	617	83	178	878
Write-offs	(11)	-	-	(11)
Reclassification	438	-	(438)	-
At 31.12.2023	5,007	781	50	5,838
Accumulated depreciation				
At 1.1.2023	432	399	-	831
Charge for the year	919	154	-	1,073
Write-offs	(4)	-	-	(4)
At 31.12.2023	1,347	553	-	1,900
Net carrying amount At 31.12.2023	3,660	228	50	3,938

Land and buildings of the Group included above at a net carrying amount of RM377,299,000 (2023:RM473,832,000) have been charged to banks to partially secure the long term borrowings, revolving credits and bank overdrafts referred to in Note 27 below.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

3. RIGHT-OF-USE - PROPERTY, PLANT AND EQUIPMENT

	Buildings	
	Group	
	2024 RM'000	2023 RM'000
Cost		
At beginning of the year	9,543	6,455
Additions	-	3,727
Early termination of lease contracts	(18)	(896)
Expirations of lease contracts	-	(54)
Exchange differences	(428)	311
At end of the year	9,097	9,543
Accumulated depreciation		
At beginning of the year	5,683	5,040
Charge for the year	982	929
Early termination of lease contracts	(18)	(448)
Expirations of lease contracts	-	(54)
Exchange differences	(259)	216
At end of the year	6,388	5,683
Net carrying amount At end of the year	2,709	3,860

The Group leases buildings for use as office premises and storage. Leases are generally entered into for a fixed period ranging from 2 to 3 years and may include extension options.

The details of the related lease liabilities are as disclosed in Note 28.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

4. INVESTMENT PROPERTIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Valuation per valuers' reports	2,092,623	2,071,029	4,030	3,438
Less: Accrued rental income	(94,335)	(92,995)	-	-
Add: Prepaid rental received in advance	2,644	1,634	-	-
	2,000,932	1,979,668	4,030	3,438
At beginning of the year	1,979,668	1,972,456	3,438	3,438
Additions	13,451	13,651	-	-
Disposals	(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 & 34)	2,629	(6,615)	592	-
Exchange differences	(1,200)	176	-	-
At end of the year	2,000,932	1,979,668	4,030	3,438
Included in the above are:				
At fair value:				
Freehold land and building	1,207,732	1,180,025	1,473	1,273
Leasehold land and building	785,406	788,422	2,557	2,165
	1,993,138	1,968,447	4,030	3,438
At cost:				
Investment properties under construction	7,794	11,221	-	-
	2,000,932	1,979,668	4,030	3,438

The Group's investment properties at a net carrying amount of RM1,273,413,000 (2023: RM1,290,130,000) 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 2024 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.

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 cost method which is based on current estimates of construction costs less depreciation, obsolescence and existing physical conditions of the respective properties.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

5. RIGHT-OF-USE - INVESTMENT PROPERTIES

	Group	
	2024 RM'000	2023 RM'000
At beginning of the year	46,755	60,372
Changes in fair value (see Note 34)	(8,755)	(13,617)
At end of the year	38,000	46,755
Included in the above are:		
At fair value:		
Leasehold land and building	38,000	46,755

This relates to a lease of an office building by the Group for a remaining tenure of 4 years (2023: 5 years). This office building has been subleased to other tenants.

6. INVENTORIES

	Group	
	2024 RM'000	2023 RM'000
<b>Non-current</b>		
Cost:		
- Land held for property development (Note (a))	11,940,785	12,173,530
Net realisable value:		
- Land held for property development (Note (a))	337,816	183,416
	12,278,601	12,356,946
<b>Current</b>		
Cost:		
- Land held for sales	14,483	340,303
- Property development costs (Note (b))	2,436,899	2,159,019
- Completed properties	1,257,213	1,605,040
- Consumable goods, raw materials and others	2,120	4,277
	3,710,715	4,108,639
Net realisable value:		
- Completed properties	56,488	147,150
- Consumable goods, raw materials and others	-	9,676
	56,488	156,826
	3,767,203	4,265,465
Total inventories	16,045,804	16,622,411

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 629,602,000 (2023: RM 401,174,000).

The following inventories have been charged to various banks to partially secure the borrowings referred to in Note 27 below:

	Group	
	2024 RM'000	2023 RM'000
Land held for property development	1,990,140	2,489,680
Property development costs	55,707	80,769
	2,045,847	2,570,449

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 a write-down of inventories amounting to RM 26,960,000 (2023: RM 2,179,000). The Group also recognised a reversal of previously written-down inventories amounting to RM 25,000 (2023: RM 3,139,000) due to improved project feasibility.

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 capitalized 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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

6. INVENTORIES (CONT'D.)

(a) Land held for property development

Group 2024	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
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)
Transfer to land held for sales	(4,267)	(359)	(9,857)	(14,483)
Reclass from investment property (see Note 4)	4,551	-	415	4,966
Transfer to inventories - property development costs (see Note (b))	(179,850)	(21,623)	(274,808)	(476,281)
Transfer to contract cost assets - costs to fulfil 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
2023				
At 1.1.2023	4,877,600	3,121,553	4,523,576	12,522,729
Additions/(Reversal)	38,713	(2,514)	474,824	511,023
Transfer to land held for sales	(152,412)	-	(60,218)	(212,630)
Transfer to inventories - property development costs (see Note (b))	(172,955)	(15,620)	(230,129)	(418,704)
Transfer to contract cost assets - costs to fulfill contracts with customers (see Note 19)	(26,806)	-	(20,447)	(47,253)
Reversal of amounts previously written-down	-	-	3,111	3,111
Exchange differences	(1,308)	171	(193)	(1,330)
At 31.12.2023	4,562,832	3,103,590	4,690,524	12,356,946

Included in additions incurred during the financial year are borrowing costs of RM118,206,000 (2023: RM180,104,000).

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

6. INVENTORIES (CONT'D.)

(b) Property development costs

	Group	
	2024 RM'000	2023 RM'000
Freehold land at cost	437,784	524,630
Leasehold land at cost	44,940	98,954
Development costs	1,676,295	2,053,070
At 1 January	2,159,019	2,676,654
Costs transferred from inventories - land held for property development (see Note (a))		
- freehold land	179,850	172,955
- leasehold land	21,623	15,620
- development costs	274,808	230,129
Costs transferred to contract cost assets (see Note 19)		
- freehold land	(201,810)	(228,475)
- leasehold land	(18,096)	(15,142)
- development costs	(649,834)	(526,298)
Costs incurred during the year		
- freehold land	285,827	1,757
- leasehold land	2	69
- development costs	695,476	634,557
Exchange differences	(175,779)	63,769
	412,067	348,941
Unsold completed properties transferred to inventories	(134,187)	(866,576)
	2,436,899	2,159,019
At 31 December		
Freehold land at cost	642,689	437,784
Leasehold land at cost	45,585	44,940
Development costs	1,748,625	1,676,295
	2,436,899	2,159,019

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 RM9,529,000 (2023: RM32,705,000).

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

7. INTANGIBLE ASSETS

Group 2024	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	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	-	4,641
Net carrying amount				
At end of the year	11,886	2,328	1,266	15,480

**2023**

Cost				
At beginning of the year	16,025	-	-	16,025
Additions	-	1,491	468	1,959
At end of the year	16,025	1,491	468	17,984
Accumulated amortisation				
At beginning of the year	3,071	-	-	3,071
Charge for the year	535	93	-	628
At end of the year	3,606	93	-	3,699
Net carrying amount				
At end of the year	12,419	1,398	468	14,285

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

7. INTANGIBLE ASSETS (CONT'D.)

Company 2024	Computer software RM'000	Work in progress RM'000	Total RM'000
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

**2023**

Cost			
At beginning of the year	-	-	-
Additions	1,491	468	1,959
At end of the year	1,491	468	1,959
Accumulated amortisation			
At beginning of the year	-	-	-
Charge for the year	93	-	93
At end of the year	93	-	93
Net carrying amount			
At end of the year	1,398	468	1,866

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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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	
	2024 RM'000	2023 RM'000
Unquoted shares in subsidiary companies, at cost	4,735,832	4,738,832
Redeemable convertible preference shares in subsidiaries, at cost	4,218,456	3,771,830
Capital contribution to subsidiary companies, at cost	3,639,696	4,198,271
LTIP granted to employees of subsidiary companies	84,822	92,740
	12,678,806	12,801,673
Impairment losses	(1,370,982)	(949,773)
	11,307,824	11,851,900

During the year, RM446,626,000 (2023: RM3,771,830,000) 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.

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 2024

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 8.5% to 12.5% (2023: 9%) per annum , based on different geographical location of operations of investees;
- 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 RM424,406,000 (2023: RM196,188,000) as disclosed in Note 34 based on recoverable amounts of RM3,445,641,000 (2023: RM723,722,000). The impairment losses arose mainly because the subsidiaries either did not have viable business plans, have scaled down their business plans/activities or have recorded a decline in value of their assets.

The movements in the impairment losses during the financial year are as follows:

	Company	
	2024 RM'000	2023 RM'000
At beginning of the year	949,773	753,664
Impairment loss during the year	424,406	196,188
Liquidation of subsidiary	(3,197)	(79)
At end of the year	1,370,982	949,773

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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			
	2024 %	2023 %	2024 %	2023 %		
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 and 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

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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			
	2024 %	2023 %	2024 %	2023 %		
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 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 property management services
KL Eco City Sdn Bhd	100	100	-	-	Malaysia	Property development and property investment holding
Tenaga Raya Sdn Bhd	100	100	-	-	Malaysia	Under member’s voluntary winding-up
Indera Perasa Sdn Bhd	100	100	-	-	Malaysia	Investment holding, project management services, property and building management

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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			
	2024 %	2023 %	2024 %	2023 %		
Setia Eco Templar 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
Setia Hicon Sdn Bhd	-	100	-	-	Malaysia	Dissolved
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 2024

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			
	2024 %	2023 %	2024 %	2023 %		
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

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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			
	2024 %	2023 %	2024 %	2023 %		
Setia Eco Heights Sdn Bhd	100	100	-	-	Malaysia	Under member’s voluntary winding-up
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

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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			
	2024 %	2023 %	2024 %	2023 %		
Sendiman Sdn Bhd	100	100	-	-	Malaysia	Property development
Setia Ventures Excellence Sdn Bhd	100	100	-	-	Malaysia	Under member’s voluntary winding-up
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

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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			
	2024 %	2023 %	2024 %	2023 %		
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	100	-	-	Singapore	Promotion, marketing and other activities related to property development
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 2024

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			
	2024 %	2023 %	2024 %	2023 %		
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
Perumahan Kinrara Berhad	-	-	51	51	Malaysia	Property development, operation of golf course

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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			
	2024 %	2023 %	2024 %	2023 %		
Kinrara Golf Club Sdn. Bhd.	-	-	-	51	Malaysia	Dissolved
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 2024

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			
	2024 %	2023 %	2024 %	2023 %		
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
<sup>A</sup> Setia Square Ventures Sdn Bhd	100	-	-	-	Malaysia	Investment holding
<sup>A</sup> Setia HS KL Sdn Bhd	-	-	100	-	Malaysia	To supply personnel to support the operations of hotel services at Amari Kuala Lumpur Hotel
<sup>A</sup> Setia HS PNG Sdn Bhd	-	-	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  
<sup>A</sup> 70% directly owned by Petaling Garden Sdn. Bhd. and 30% directly owned by I & P Group Sdn. Berhad  
<sup>A</sup> Newly incorporated subsidiaries during the financial year. Setia HS KL Sdn Bhd and Setia HS PNG Sdn Bhd first audited financial period will be for period ending 31 December 2025.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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	
		2024	2023	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Bandar Eco-Setia Sdn Bhd Group	Malaysia	50%	50%	15,983	18,648	273,747	266,229
Setia Eco Glades Sdn Bhd	Malaysia	30%	30%	3,019	1,702	64,207	61,848
Kesas Kenangan Sdn Bhd	Malaysia	30%	30%	6,514	4,077	86,879	80,365
Perumahan Kinrara Berhad Group	Malaysia	49%	49%	24,559	19,619	492,279	479,970
Syarikat Perumahan Pegawai Kerajaan Sendirian Berhad Group	Malaysia	29.91%	29.91%	536	2,992	156,168	166,699
Temasya Development Co. Sdn. Bhd. Group	Malaysia	33.94%	33.94%	2,340	13,593	138,003	140,075
Individually immaterial subsidiary companies with non-controlling interests				1,771	(2,091)	18,612	17,436
				54,722	58,540	1,229,895	1,212,622

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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:

	2024 RM'000	2023 RM'000
<b>Bandar Eco-Setia Sdn Bhd Group</b>		
Non-current assets	396,369	409,325
Current assets	285,444	293,043
Non-current liabilities	(17,939)	(14,240)
Current liabilities	(116,381)	(155,671)
Net assets	547,493	532,457
Revenue	152,418	124,794
Profit for the year, representing total comprehensive income for the year	31,966	37,295
Dividends declared to non-controlling interests	8,465	40,000
Net cash from operating activities	44,021	49,726
Net cash used in investing activities	(2,489)	(2,006)
Net cash used in financing activities	(80,000)	-
Net (decrease)/increase in cash and cash equivalents	(38,468)	47,720
<b>Setia Eco Glades Sdn Bhd</b>		
Non-current assets	258,801	264,403
Current assets	165,794	147,565
Non-current liabilities	(14,340)	(15,707)
Current liabilities	(196,233)	(190,102)
Net assets	214,022	206,159
Revenue	140,047	85,480
Profit for the year, representing total comprehensive income for the year	10,063	5,674
Dividends declared to non-controlling interests	660	690
Net cash from operating activities	54,635	33,530
Net cash from/(used in) investing activities	68	(5,778)
Net cash used in financing activities	(2,882)	(17,689)
Net increase in cash and cash equivalents	51,821	10,063

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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.)

	2024 RM'000	2023 RM'000
<b>Kesas Kenangan Sdn Bhd</b>		
Non-current assets	414,906	419,234
Current assets	119,234	125,659
Non-current liabilities	(70,000)	(70,000)
Current liabilities	(174,546)	(207,011)
Net assets	289,594	267,882
Revenue	130,585	87,244
Profit for the year, representing total comprehensive income for the year	21,714	13,589
Dividends declared to non-controlling interests	-	-
Net cash from operating activities	69,499	46,326
Net cash used in investing activities	(16,744)	(27,882)
Net cash (used in)/from financing activities	(42,298)	1,553
Net increase in cash and cash equivalents	10,457	19,997
	2024 RM'000	2023 RM'000
<b>Perumahan Kinrara Berhad Group</b>		
Non-current assets	744,691	773,733
Current assets	460,380	371,801
Non-current liabilities	(28,841)	(51,234)
Current liabilities	(171,580)	(114,770)
Net assets	1,004,650	979,530
Revenue	324,415	234,737
Profit for the year, representing total comprehensive income for the year	50,120	40,039
Dividends declared to non-controlling interests	12,250	29,400
Net cash from operating activities	79,357	86,910
Net cash used in investing activities	(35,362)	(23,294)
Net cash used in financing activities	(26,049)	(76,417)
Net increase/(decrease) in cash and cash equivalents	17,946	(12,801)

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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.)

	2024 RM'000	2023 RM'000
<b>Syarikat Perumahan Pegawai Kerajaan Sendirian Berhad Group</b>		
Non-current assets	493,029	473,446
Current assets	41,741	99,429
Current liabilities	(12,643)	(15,540)
Net assets	522,127	557,335
Revenue	34,680	17,100
Profit for the year, representing total comprehensive income for the year	1,792	10,002
Dividends declared to non-controlling interests	11,067	5,982
Net cash from operating activities	27,782	2,616
Net cash from investing activities	13,824	10,975
Net cash used in financing activities	(37,231)	(20,000)
Net increase/(decrease) in cash and cash equivalents	4,375	(6,409)
	2024 RM'000	2023 RM'000
<b>Temasya Development Co. Sdn. Bhd. Group</b>		
Non-current assets	326,816	325,822
Current assets	123,208	117,735
Non-current liabilities	(1,972)	(4,564)
Current liabilities	(41,443)	(26,280)
Net assets	406,609	412,713
Revenue	19,434	78,921
Profit for the year, representing total comprehensive income for the year	6,895	40,051
Dividends declared to non-controlling interests	4,412	6,788
Net cash from operating activities	20,328	8,246
Net cash from investing activities	12,518	8,236
Net cash used in financing activities	(13,000)	(20,000)
Net increase/(decrease) in cash and cash equivalents	19,846	(3,518)

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

9. INVESTMENTS IN JOINT VENTURES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted ordinary shares, at cost	3,207,883	3,210,383	32,751	35,251
Capital contribution to a joint venture, at cost	4,655	3,675	-	-
Group's share of post-acquisition	(421,863)	(236,994)	-	-
Group's share of non-distributable reserves	52,267	161,010	-	-
	2,842,942	3,138,074	32,751	35,251

The joint ventures are as follows:

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2024 %	2023 %	2024 %	2023 %		
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
^ Retro Highland Sdn Bhd	-	50	-	-	Malaysia	Property development
* Battersea Project Holding Company Limited	-	-	40	40	Jersey	Mixed use redevelopment of Battersea Power Station

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

9. INVESTMENTS IN JOINT VENTURES (CONT'D.)

The joint ventures are as follows: (cont'd.)

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2024 %	2023 %	2024 %	2023 %		
# 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

# Audited by a firm other than Ernst & Young PLT or a member firm of Ernst & Young Global  
^ Disposed during the year

Notwithstanding that the Group has ownership of more than half of the equity shareholding in certain companies, they are treated as joint ventures pursuant to the contractual rights and obligations of the respective joint venture agreements.

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:

	2024 RM'000	2023 RM'000
Commitments for Setia City Healthcare Sdn Bhd	-	980
Commitments for Setia MF SFH Development Sdn Bhd	80,581	164,640

There are no contingent liabilities relating to the Group's interest in the joint ventures as at the reporting date.

During the financial year, the Company disposed of its entire equity interest in Retro Highlands Sdn Bhd, for a total net cash consideration of RM55,809,000 and the Group and the Company accounted for a gain on disposal of RM56,346,000 and RM53,309,000 respectively.

Summarised financial information in respect of the Group's material joint ventures which comprise the Battersea Group of companies are set out below.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

9. INVESTMENTS IN JOINT VENTURES (CONT'D.)

Battersea Group of companies

Summarised statements of financial position:

	2024 RM'000	2023 RM'000
<b>Non-current assets</b>	<b>6,195,649</b>	5,970,201
<b>Current assets</b>		
Cash and cash equivalents	<b>255,924</b>	417,966
Other current assets	<b>2,776,877</b>	5,516,247
	<b>3,032,801</b>	5,934,213
<b>Non-current liabilities</b>		
Borrowings	<b>2,225,124</b>	2,463,931
Other non-current liabilities	<b>31,537</b>	59,377
	<b>2,256,661</b>	2,523,308
<b>Current liabilities</b>		
Trade and other payables and provisions	<b>575,479</b>	827,089
Borrowings	<b>372,536</b>	1,782,847
	<b>948,015</b>	2,609,936
<b>Net assets</b>	<b>6,023,774</b>	6,771,170

Summarised statements of comprehensive income:

	2024 RM'000	2023 RM'000
Revenue	<b>1,146,813</b>	1,561,127
Depreciation and amortisation	<b>(5,359)</b>	(5,544)
Interest income	<b>11,699</b>	3,161
Write-down of inventories	<b>(6,949)</b>	(145,088)
Interest expense	<b>(96,138)</b>	(118,920)
Loss before tax	<b>(490,880)</b>	(247,452)
Taxation	<b>(136)</b>	(3,705)
Loss for the financial year	<b>(491,016)</b>	(251,157)
Total comprehensive loss for the financial year	<b>(491,016)</b>	(251,157)
Share of results of joint ventures	<b>(196,406)</b>	(100,463)

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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:

	2024 RM'000	2023 RM'000
Net assets		
At the beginning of the financial year	<b>6,771,170</b>	6,495,634
Capital repatriation	<b>-</b>	(108,728)
Non-distributable reserves	<b>(256,380)</b>	635,421
Total comprehensive loss for the financial year	<b>(491,016)</b>	(251,157)
At end of the financial year	<b>6,023,774</b>	6,771,170
Proportion of ownership interest held by the Group	<b>40%</b>	40%
Carrying amount of the Group's interest in the joint venture	<b>2,409,510</b>	2,708,468

There is no dividend paid by Battersea Group of companies during the financial year (2023: Nil).

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:

	2024 RM'000	2023 RM'000
Profit for the year, representing total comprehensive loss for the financial year	<b>15,112</b>	16,895
Carrying amount of the Group's interest in individually non-material joint ventures	<b>433,432</b>	429,606

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

10. INVESTMENTS IN ASSOCIATED COMPANIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted ordinary shares, at cost	69,766	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	448,384	404,335	-	-
Group's share of non-distributable reserves	11,420	18,857	-	-
	619,728	583,116	91,058	91,058

The associated companies are as follows:

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2024 %	2023 %	2024 %	2023 %		
∞ 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	20	Malaysia	Property development, investment in real properties and providing management services
∞P 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  
P Financial year end 30 June

Summarised financial information in respect of the Group's material associated companies is set out below. The summarised financial information below represents amounts based on the associated companies' financial statements adjusted for any material differences with the Group's accounting policies.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D.)

Summarised statements of financial position:

	Tanah Sutera Development Sdn. Bhd. Group		Merit Properties Sdn. Bhd.	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current assets	745,450	675,421	399,194	392,718
Current assets				
Cash and cash equivalents	372,891	318,366	43,171	39,039
Other current assets	145,563	154,719	932	706
	518,454	473,085	44,103	39,745
Non-current liabilities				
Other non-current liabilities	45,670	41,228	11,993	12,117
Current liabilities				
Trade and other payables and provisions	73,929	53,367	2,692	2,205
Net assets	1,144,305	1,053,911	428,612	418,141

Summarised statements of comprehensive income:

	Tanah Sutera Development Sdn. Bhd. Group		Merit Properties Sdn. Bhd.	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	160,670	177,297	4,088	3,213
Depreciation and amortisation	(1,407)	(1,970)	(55)	(52)
Interest income	12,969	9,473	1,574	1,169
Interest expense	(157)	(52)	(20)	(20)
Profit before tax	144,761	122,879	16,681	19,967
Taxation	(26,367)	(25,049)	(60)	(69)
Profit for the financial year	118,394	97,830	16,621	19,898
Total comprehensive income for the financial year	118,394	97,830	16,621	19,898
Share of results of associated companies	41,438	34,241	3,324	3,980
Dividend from associated companies	9,800	8,575	1,230	2,460

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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.	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Net assets</b>				
At beginning of the financial year	1,053,911	980,581	418,141	410,543
Total comprehensive income for the financial year	118,394	97,830	16,621	19,898
Dividends paid	(28,000)	(24,500)	(6,150)	(12,300)
At end of the financial year	1,144,305	1,053,911	428,612	418,141
Group’s interest in the associated companies	35%	35%	20%	20%
Carrying amount at end of the financial year	400,507	368,869	85,722	83,628

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:

	2024 RM'000	2023 RM'000
Profit/(Loss) for the year, representing total comprehensive loss for the year	10,317	(948)
Carrying amount of the Group’s interest in individually non-material associated companies	43,341	40,461
Capital contribution to an associated company, at cost*	90,158	90,158
	133,499	130,619

\* 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	
	2024 RM'000	2023 RM'000
<b>Non-current</b>		
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 2024

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	
	2024 RM'000	2023 RM'000
Unsecured advances:		
- bearing interest at 4.00% to 8.00% (2023: 3.96% to 8.00%) per annum	3,286,336	3,236,405
- interest free	23,548	22,189
Unquoted redeemable cumulative preference shares	39,078	38,696
	3,348,962	3,297,290
Allowance for impairment loss	(114,659)	(16,902)
	3,234,303	3,280,388

Amounts owing by subsidiary companies included under current assets

	Company	
	2024 RM'000	2023 RM'000
Trade accounts:		
- staff secondment fee	6,240	9,075
Unsecured advances:		
- bearing interest at 4.00% to 8.00% (2023: 3.96% to 8.00%) per annum	383,509	574,338
- interest free	638,009	943,048
	1,027,758	1,526,461
Allowance for impairment loss	(3,408)	(1,337)
	1,024,350	1,525,124

The movement in the allowance for impairment losses during the financial year is as follows:

	Company	
	2024 RM'000	2023 RM'000
At beginning of the year	18,239	3,360
Allowance for impairment loss during the year	99,828	16,156
Liquidation of subsidiary companies	-	(1,277)
At end of the year	118,067	18,239

The trade accounts are expected to be settled within the normal credit periods. Unsecured advances are repayable on demand.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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	
	2024 RM'000	2023 RM'000
Unsecured advances:		
- bearing interest at 3.95% to 6.23% (2023: 3.75% to 5.55%) per annum	600,000	574,085
- interest free	130,838	131,808
	730,838	705,893

Amounts owing to subsidiary companies included under current liabilities

	Company	
	2024 RM'000	2023 RM'000
Unsecured advances:		
- interest free	123,315	68,183
	123,315	68,183

Unsecured advances are repayable on demand.

13. AMOUNTS OWING BY JOINT VENTURES

Amounts owing by joint ventures included under non-current assets

	Group	
	2024 RM'000	2023 RM'000
Unsecured advances:		
- bearing interest at 8.00% (2023: 8.00%) per annum	69,785	69,785

The unsecured advances owing by a joint venture is not repayable within 12 months.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

13. AMOUNTS OWING BY JOINT VENTURES (CONT'D.)

Amounts owing by joint ventures included under current assets

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unsecured advances:				
- bearing interest at 4.00% to 6.00% (2023: 4.00% to 6.50%) per annum	123,870	76,555	-	8,629
- interest free	6,271	57,177	212	51,144
	130,141	133,732	212	59,773

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deferred tax assets	263,291	361,997	3,629	2,515
Deferred tax liabilities	(461,501)	(473,794)	-	-
	(198,210)	(111,797)	3,629	2,515
At beginning of the year	(111,797)	(132,596)	2,515	1,940
(Charged)/Credited to profit or loss	(87,552)	22,101	1,114	575
Exchange rate differences	1,139	(1,302)	-	-
At end of the year	(198,210)	(111,797)	3,629	2,515

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

15. DEFERRED TAX (CONT'D.)

The temporary differences on which deferred tax assets/liabilities have been recognised are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Tax effects of:				
- unabsorbed capital allowances	8,316	8,783	1,641	1,086
- unutilised tax losses	10,002	76,320	-	-
- valuation of development land and property development and construction profits	(129,718)	(115,884)	-	-
- excess of capital allowances claimed over accumulated depreciation on property, plant and equipment	(18,695)	(22,374)	(590)	(446)
- fair value changes on investment properties	(61,627)	(45,752)	(168)	(109)
- others	(6,488)	(12,890)	2,746	1,984
	(198,210)	(111,797)	3,629	2,515

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	
	2024 RM'000	2023 RM'000
Unutilised tax losses	939,083	622,744
Unabsorbed capital allowances	65,575	56,915
Others - deductible temporary differences	237,600	134,994
	1,242,258	814,653

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

15. DEFERRED TAX (CONT'D.)

Tax losses for which the tax effects have not been recognised in the financial statements:

	Group	
	2024 RM'000	2023 RM'000
- Expiring in 2028	213,790	188,222
- Expiring in 2029	103,787	87,142
- Expiring in 2030	133,745	117,817
- Expiring in 2031	153,046	118,067
- Expiring in 2032	96,831	56,263
- Expiring in 2033	132,757	55,233
- Expiring in 2034	105,127	-
	939,083	622,744

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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

16. TRADE RECEIVABLES

	Group	
	2024 RM'000	2023 RM'000
<b>Non-Current</b>		
Gross progress billings receivable	6,202	26,015
<b>Current</b>		
Gross progress billings receivable	373,077	740,628
Gross retention sums receivable	135,475	170,589
Other gross receivables	9,059	17,380
Total gross receivables	517,611	928,597
Allowance for impairment loss	(17,808)	(2,460)
	499,803	926,137
Total	506,005	952,152

The progress billings are due within 14 to 90 days (2023: 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 2 to 3 years and above (2023: 2 to 4 years). Current other gross receivables are due within 7 to 90 days (2023: 7 to 90 days).

Ageing analysis of the Group's trade receivables are as follows:

	Group	
	2024 RM'000	2023 RM'000
Neither past due nor impaired	384,120	852,502
1 to 30 days past due but not impaired	58,298	53,047
31 to 60 days past due but not impaired	25,376	19,776
61 to 90 days past due but not impaired	14,470	10,187
91 to 120 days past due but not impaired	6,226	2,206
More than 121 days past due but not impaired	17,515	14,434
	506,005	952,152
Individually impaired	17,808	2,460
	523,813	954,612

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	
	2024 RM'000	2023 RM'000
At beginning of the year	2,460	1,511
Allowance for impairment loss during the year	17,091	1,724
Reversal of allowance for impairment loss during the year	(1,716)	-
Bad debts written off	(27)	(775)
At end of the year	17,808	2,460

The currency exposure profile of trade receivables net of allowance for impairment losses is as follows:

	Group	
	2024 RM'000	2023 RM'000
Malaysian Ringgit	503,207	868,403
Singapore Dollar	-	83,749
Vietnamese Dong	2,798	-
	506,005	952,152

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

16. TRADE RECEIVABLES (CONT'D.)

Retention sums are expected to be received as follows:

	Group	
	2024 RM'000	2023 RM'000
- not later than one year	94,765	102,420
- later than one year	40,710	68,169
	135,475	170,589

17. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2024 RM'000	2023 RM'000
Contract assets		
Property development (see Note (a))	628,001	970,533
Construction and other contracts (see Note (b))	73	1,068
	628,074	971,601
Contract liabilities		
Property development (see Note (a))	(8,546)	(64,117)
Construction and other contracts (see Note (b))	(49,096)	(47,966)
	(57,642)	(112,083)
	570,432	859,518

(a) Contract assets and contract liabilities from property development activities

	Group	
	2024 RM'000	2023 RM'000
Contract assets	628,001	970,533
Contract liabilities	(8,546)	(64,117)
	619,455	906,416
At beginning of the year	906,416	1,433,263
Consideration payable to customers	76,861	96,092
Revenue recognised during the year	5,026,993	4,064,703
Interest income relating to deferred payment scheme	6,412	25,531
Progress billings during the year	(5,398,644)	(4,721,834)
Exchange rate differences	1,417	8,661
At end of the year	619,455	906,416

17. CONTRACT ASSETS/(LIABILITIES) (CONT'D.)

(a) Contract assets and contract liabilities from property development activities (cont'd.)

An amount of RM56,020,000 (2023: RM15,704,000) included in contract liabilities at the beginning of the financial year has been recognised as revenue for the financial year ended 31 December 2024.

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 2024 is RM1,954,698,000 (2023: RM2,605,843,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2024 RM'000	2023 RM'000
Within 1 year	1,237,678	2,028,232
Between 1 and 4 years	717,020	577,611
	1,954,698	2,605,843

(b) Contract assets and contract liabilities from construction and other contracts

	Group	
	2024 RM'000	2023 RM'000
Contract assets	73	1,068
Contract liabilities	(49,096)	(47,966)
	(49,023)	(46,898)
At beginning of the year	(46,898)	(45,326)
Revenue recognised during the year	46,762	69,024
Progress billings during the year	(48,887)	(70,596)
At end of the year	(49,023)	(46,898)

An amount of RM1,574,000 (2023: RM1,030,000) included in contract liabilities at the beginning of the financial year has been recognised as revenue for the financial year ended 31 December 2024.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

17. CONTRACT ASSETS/(LIABILITIES) (CONT'D.)

Contract expenditure includes the following expenses incurred during the financial year:

	Group	
	2024 RM'000	2023 RM'000
Depreciation of property, plant and equipment	453	837
Depreciation of right-of-use - property, plant and equipment	-	27
Hire of machinery	3	-
Rental expense	-	2

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 2024 is RM49,096,000 (2023: RM47,966,000).

18. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Non-current</b>				
Accrued lease income	88,232	90,258	-	-
<b>Current</b>				
Refundable deposits and part purchase consideration for the acquisition of development land	31,660	36,455	-	-
Dividend receivable	-	-	1,596	1,596
Deposits	87,305	93,619	1,308	1,457
Value Added Tax/Goods and Services Tax receivables	4,637	4,426	-	-
Prepayments	21,140	22,375	-	-
Accrued lease income	6,103	2,737	-	-
Other sundry receivables	91,446	70,420	709	206
	242,291	230,032	3,613	3,259
Allowance for impairment loss	(13,900)	(9,646)	-	-
	228,391	220,386	3,613	3,259
Total	316,623	310,644	3,613	3,259

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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	
	2024 RM'000	2023 RM'000
At beginning of the year	9,646	7,325
Allowance for impairment loss during the year	4,591	2,817
Reversal of allowance for impairment loss during the year	(280)	-
Bad debts written off	(57)	(496)
At end of the year	13,900	9,646

The currency exposure profile of other receivables, deposits and prepayments net of allowance for impairment losses is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysian Ringgit	272,531	262,861	3,613	3,259
Australian Dollar	39,588	45,347	-	-
Singapore Dollar	171	376	-	-
Vietnamese Dong	4,322	2,057	-	-
United States Dollar	11	3	-	-
	316,623	310,644	3,613	3,259

19. CONTRACT COST ASSETS

	Group	
	2024 RM'000	2023 RM'000
Contract cost assets		
Costs to fulfil contracts with customers (Note (a))	170,577	423,338
Costs to obtain contracts with customers (Note (b))	1,516	57,432
	172,093	480,770

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

19. CONTRACT COST ASSETS (CONT'D.)

(a) Costs to fulfil contracts with customers

	Group	
	2024 RM'000	2023 RM'000
At beginning of the financial year	423,338	991,333
Costs transferred from inventories - land held for property development (see Note 6)	477,028	47,253
Costs transferred from inventories - property development costs (see Note 6)	869,740	769,915
Costs incurred during the year	767,960	1,024,710
Costs recognised in profit or loss during the year	(2,359,577)	(2,425,680)
Exchange differences	(7,912)	15,807
At end of the financial year	170,577	423,338

(b) Costs to obtain contracts with customers

	Group	
	2024 RM'000	2023 RM'000
At beginning of the financial year	57,432	105,335
Costs incurred during the year	19,097	23,434
Costs recognised in profit or loss during the year	(72,674)	(73,964)
Exchange differences	(2,339)	2,627
At end of the financial year	1,516	57,432

20. SHORT-TERM DEPOSITS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short-term deposits with licensed banks	733,400	441,237	150,099	55,675

Included in short-term deposits of the Group is an amount of RM7,064,000 (2023: RM17,057,000) 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 2.40% to 5.77% (2023: 1.50% to 6.20%). As at reporting date, the effective interest rates for the Company’s short-term deposits range from 2.45% to 3.80% (2023: 2.75% to 4.27%). All short-term deposits have average maturity periods of 1 to 12 months.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

20. SHORT-TERM DEPOSITS (CONT'D.)

The currency exposure profile of short-term deposits is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysian Ringgit	672,403	314,173	150,099	99
Australian Dollar	2,626	66,410	-	55,576
Vietnamese Dong	58,176	60,464	-	-
United States Dollar	195	190	-	-
	733,400	441,237	150,099	55,675

21. CASH AND BANK BALANCES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances include monies in:				
- Housing Development Accounts	766,965	930,212	-	-
- Sinking Fund Accounts	2,902	4,551	-	-
- Debt Service Reserve Accounts	64,328	86,916	7,991	16,601
- Escrow Accounts	36,366	60,330	-	-
- Revenue Accounts	8,947	7,868	-	-
- Rights and Excess Accounts:				
Sukuk Wakalah and RCPS-i C	6	28	6	28

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 0.82% to 2.76% (2023: 0.45% to 2.75%) 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.

Notes to the Financial Statements

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21. CASH AND BANK BALANCES (CONT'D.)

The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysian Ringgit	2,099,987	1,620,394	494,362	119,193
Singapore Dollar	38,605	184,979	10,055	26
Australian Dollar	231,333	210,140	21	33
Great British Pound	27,077	26,427	10,213	10,611
Vietnamese Dong	8,700	8,281	-	-
United States Dollar	2,252	2,627	1,397	1,447
Japanese Yen	122	1,554	-	-
	2,408,076	2,054,402	516,048	131,310

22. SHARE CAPITAL

	Group/Company			
	2024		2023	
	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	4,354,836	8,722,775	4,075,487	8,499,642
Issuance of shares:				
- vesting of ESGP	-	-	4,781	4,680
Conversion from RCPS-i C (see Note 23)	647,647	515,285	274,568	218,453
At end of the year	5,002,483	9,238,060	4,354,836	8,722,775

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

The Long Term Incentive Plan ("LTIP" or "Scheme") was implemented on 10 April 2013. The LTIP, which comprises the ESGP and ESOS allows the Company to grant shares and/or share options under the ESGP and ESOS respectively to eligible employees and Executive Directors of the Group of up to 15% of the issued and paid-up share capital of the Company. The LTIP is governed by the By-Laws of the LTIP which was approved by the shareholders on 28 February 2013 and is administered by the Nomination and Remuneration Committee ("NRC") which is appointed by the Board, in accordance with the By-Laws.

22. SHARE CAPITAL (CONT'D.)

- (a) On 23 February 2017, the Board of Directors approved the extension of the LTIP for another 5 years pursuant to By-Laws 18.2 of the By-Laws of LTIP and as such the LTIP shall be in force for a period of 10 years up to 9 April 2023. The final vesting of LTIP was completed on 3 April 2023 and the scheme lapsed on 9 April 2023.

The main features of the Scheme are as follows:

- (a) The maximum number of new ordinary shares which may be made available under the Scheme at the point in time when an LTIP award is offered shall not be more than fifteen percent (15%) of the issued and paid-up ordinary share capital of the Company.
- (b) The LTIP awards shall be awarded after taking into consideration the employee's position, contribution and performance (where applicable) or such criteria as the NRC may deem fit subject to the following:
- (i) that the number of new ordinary shares made available under the Scheme shall not exceed the amount stipulated in (a) above; and
- (ii) that not more than ten percent (10%) of the total new ordinary shares to be issued under the Scheme at the point in time when an LTIP award is offered be allocated to any employee or Executive Director who, either singly or collectively through persons connected with him, holds twenty percent (20%) or more in the issued and paid-up share capital of the Company.
- (c) In the case of the ESGP, the shares will be vested with the grantee at no consideration on the vesting date; while in the case of the ESOS, the option price will be determined based on the five (5) days volume weighted average market price of the ordinary shares on the date the ESOS award is offered with a potential discount of not more than ten percent (10%) or any such other limit in accordance with any prevailing guideline issued by Bursa Malaysia Securities Berhad or any other relevant authorities as may be amended from time to time.

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS-i A") AND ("RCPS-i C")

	Group/Company			
	2024		2023	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Issued and fully paid RCPS-i A:				
At beginning/end of the year	1,088,658	1,087,363	1,088,658	1,087,363
Issued and fully paid RCPS-i C:				
At beginning of the year	1,897,135	718,748	2,472,011	937,201
Conversion to ordinary shares (see Note 22)	(1,356,011)	(515,285)	(574,876)	(218,453)
At end of the year	541,124	203,463	1,897,135	718,748

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES (“RCPS-i A”) AND (“RCPS-i C”) (CONT’D.)

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.

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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES (“RCPS-i A”) AND (“RCPS-i C”) (CONT’D.)

RCPS-i A (cont’d.)

- (i) The RCPS-i A confers on holders, the following rights and privileges: (cont’d.)

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.

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

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES (“RCPS-i A”) AND (“RCPS-i C”) (CONT’D.)

RCPS-i A (cont’d.)

- (i) The RCPS-i A confers on holders, the following rights and privileges: (cont’d.)
- (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.
- (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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 previous 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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 2024

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) Share-based payment reserve

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. The final vesting LTIP was completed on 3 April 2023 and the scheme lapsed on 9 April 2023.

- (b) Reserve on acquisition arising from common control

	Group	
	2024	2023
	RM’000	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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

24. RESERVES (CONT'D.)

(c) 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;

(c) upon any resolution for the winding up of the Subsidiaries; and

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 2024

26. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Non-current</b>				
Consideration payable for acquisition of development land	80,522	73,698	-	-
<b>Current</b>				
Unsecured advances	14,027	17,435	-	-
Interest accrued	10,565	12,822	14,565	16,236
Deposits received	72,921	168,608	-	-
Consideration payable for acquisition of development land	231,758	249,420	-	-
Accrued selling and marketing costs	103,863	115,963	-	-
Other sundry payables and accruals	454,061	375,020	23,884	15,304
	887,195	939,268	38,449	31,540
Total	967,717	1,012,966	38,449	31,540

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysian Ringgit	929,823	973,770	37,556	30,070
Vietnamese Dong	8,811	15,771	-	-
Singapore Dollar	1,328	2,083	-	-
Australian Dollar	13,306	19,875	-	249
Great British Pound	913	1,239	893	1,221
Japanese Yen	13,524	223	-	-
United States Dollar	12	5	-	-
	967,717	1,012,966	38,449	31,540

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

27. BORROWINGS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Non-current</b>				
<i>Secured:</i>				
Term loans	1,740,862	1,595,588	-	-
Bridging loans	130,153	24,926	-	-
Medium term notes and commercial paper (Note b)	722,084	773,058	-	-
Hire purchase and finance lease (Note a)	279	396	-	-
<i>Unsecured:</i>				
Term loans	794,207	1,714,239	-	735,607
Sukuk Wakalah (Note c)	2,995,122	2,993,704	2,995,122	2,993,704
	6,382,707	7,101,911	2,995,122	3,729,311
<b>Current</b>				
<i>Secured:</i>				
Term loans	167,149	899,969	-	-
Bridging loans	190,554	19,167	-	-
Revolving credits	435,790	583,235	-	-
Medium term notes and commercial paper (Note b)	73,530	54,852	-	-
Hire purchase and finance lease (Note a)	131	370	-	-
Bank overdrafts	21,129	8,839	-	-
<i>Unsecured:</i>				
Term loans	859,819	1,025,794	720,959	1,025,794
Revolving credits	446,000	451,000	445,000	450,000
Bank overdrafts	9,647	-	9,647	-
	2,203,749	3,043,226	1,175,606	1,475,794
Total borrowings	8,586,456	10,145,137	4,170,728	5,205,105
The borrowings are repayable as follows:				
Not later than one year	2,203,749	3,043,226	1,175,606	1,475,794
Later than one year but not later than five years	5,103,372	4,990,045	2,346,411	2,481,929
Later than five years	1,279,335	2,111,866	648,711	1,247,382
	8,586,456	10,145,137	4,170,728	5,205,105

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

27. BORROWINGS (CONT'D.)

Note a	Group			
	2024 RM'000	2023 RM'000		
The minimum lease payments are as follows:				
Not later than one year	161	402		
Later than one year but not later than five years	341	488		
Total minimum lease payments	502	890		
Amount representing finance charges	(92)	(124)		
Present value of minimum lease payment	410	766		
The present value of payments are as follows:				
Not later than one year	131	370		
Later than one year but not later than five years	279	396		
Present value of minimum lease payments	410	766		
The range of interest rates per annum at the reporting date for borrowings are as follows:				
	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Term loans	1.07 - 9.51	1.05 - 9.42	4.51 - 9.51	4.19 - 9.42
Bridging loans	4.56 - 5.65	4.33 - 5.56	-	-
Revolving credits	4.26 - 5.05	3.66 - 5.39	4.44 - 4.75	3.66 - 5.00
Medium term notes and commercial paper	5.18 - 5.49	4.80 - 5.49	-	-
Hire purchase and finance lease	4.50	4.26 - 4.50	-	-
Bank overdrafts	4.14 - 4.80	4.14 - 4.80	4.38 - 4.51	-
Sukuk Wakalah	3.85 - 4.80	3.85 - 4.80	3.85 - 4.80	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 RM556 million in previous year.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 5.22% to 5.49% (2023: 4.81% 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; and
- (iii) First ranking charge over the Finance Service Reserve Account.

As at 31 December 2024, the outstanding amount of the Alamsari MTN is RM296 million (2023: RM288 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 5.18% to 5.23% (2023: 4.80% 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 2024, the outstanding amount of the Setia Fontaines MTN is RM499 million (2023: RM540 million).

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 will be utilised for refinancing and repayment of existing borrowings of the Group.

The currency exposure profile of borrowings is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysian Ringgit	6,795,052	8,101,335	3,825,269	4,376,040
Great British Pound	1,103,906	1,299,995	345,459	515,090
Australian Dollar	620,607	671,699	-	313,975
Japanese Yen	31,131	35,376	-	-
United States Dollar	35,760	36,732	-	-
	8,586,456	10,145,137	4,170,728	5,205,105

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

28. LEASE LIABILITIES

	Group	
	2024 RM'000	2023 RM'000
<b>Non-current</b>		
Lease liabilities	2,021	2,962
<b>Current</b>		
Lease liabilities	806	963
Total lease liabilities	2,827	3,925

The movement of lease liabilities during the financial year is as follows:

	Group	
	2024 RM'000	2023 RM'000
At beginning of the year	3,925	1,431
Additions	-	3,727
Interest:		
- Charge for the year	154	168
Payments of:		
- Principal	(906)	(900)
- Interest	(172)	(152)
Early termination of lease contract	-	(448)
Exchange differences	(174)	99
At end of the year	2,827	3,925

The Group leases buildings for use as office premises and storage. Leases are generally entered into for a fixed period ranging from 2 to 3 years and may include extension options.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

29. TRADE PAYABLES

	Group	
	2024 RM'000	2023 RM'000
Contractors' claims	176,500	146,729
Retention sums	250,996	240,909
Accrued construction costs	1,001,719	961,484
Others	121,643	103,164
	1,550,858	1,452,286

The normal credit terms extended by contractors and suppliers range from 7 to 60 days (2023: 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 (2023: 14 to 60 days).

The currency exposure profile of trade payables is as follows:

	Group	
	2024 RM'000	2023 RM'000
Malaysian Ringgit	1,531,955	1,430,562
Singapore Dollar	12,717	19,571
Vietnamese Dong	1,593	2,153
Australian Dollar	4,593	-
	1,550,858	1,452,286

Retention sums are expected to be settled as follows:

	Group	
	2024 RM'000	2023 RM'000
- not later than one year	85,016	66,171
- later than one year	165,980	174,738
	250,996	240,909

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

30. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Sale of development properties	5,026,993	4,064,703	-	-
Construction and other revenue	266,575	308,939	-	-
Gross dividend from subsidiary companies	-	-	978,469	463,609
	5,293,568	4,373,642	978,469	463,609
Revenue from contracts with customers	5,246,353	4,330,243	-	-
Revenue from other sources of income	47,215	43,399	978,469	463,609
	5,293,568	4,373,642	978,469	463,609
Disaggregation of the revenue from contracts with customers:				
Timing of revenue recognition:				
At a point in time	2,783,685	1,936,504	-	-
Over time	2,462,668	2,393,739	-	-
	5,246,353	4,330,243	-	-

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	
	2024 RM'000	2023 RM'000
Cost of properties sold	3,277,048	2,754,589
Construction and other cost of sales	215,397	277,756
	3,492,445	3,032,345

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

32. OTHER INCOME

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest income from:				
- subsidiary companies	-	-	196,712	169,414
- joint ventures	9,015	6,709	185	553
- deposits and short-term funds	27,714	28,328	3,691	6,735
- deferred payment scheme	6,412	25,531	-	-
- financial assets measured at amortised cost	-	-	381	363
- other bank accounts	48,335	37,438	6,490	3,506
Rental income from:				
- investment properties	64,991	59,166	-	-
- other operating leases	22,181	14,800	-	-
Hotel income	35,989	26,984	-	-
Gain on disposal of investment properties	1,199	-	-	-
Gain on disposal of property, plant and equipment	53,484	1,709	1	-
Gain on fair value adjustment of investment properties	2,629	-	592	-
Forfeiture income	25,679	24,642	-	-
Gain on liquidation of subsidiary companies	-	-	-	7,198
Gain on foreign exchange				
- realised	4,082	2,385	5,144	-
- unrealised	7,497	-	30,819	-
Management fee	-	-	74,611	73,440
Gain on disposal of joint ventures	56,346	-	53,309	-
Others	12,571	21,750	7,102	6,455
	378,124	249,442	379,037	267,664



Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

33. FINANCE COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest on:				
- bank overdrafts	593	231	55	13
- revolving credits	29,672	16,929	20,118	23,397
- bridging loans	1,902	2,916	-	-
- term loans	242,576	237,014	74,245	117,278
- hire purchase and finance lease	34	60	-	-
- Sukuk Wakalah	100,060	80,928	131,475	110,367
- unwinding of discount	-	-	10,734	2,981
Preference share dividend	1,734	1,734	-	-
Interest expense to subsidiary companies	-	-	30,327	28,943
Interest expense on financial liabilities measured at amortised cost	1,282	1,178	-	-
Interest expense on lease liabilities				
- charge for the year	154	168	-	-
Amortisation of transaction costs on borrowings	2,516	2,641	1,447	2,317
Others	3,619	5,281	461	121
	384,142	349,080	268,862	285,417

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

34. PROFIT BEFORE TAX

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax is stated after charging:				
Fees for statutory audits:				
Current year:				
- Ernst & Young PLT, Malaysia	2,117	2,057	185	185
- member firms of Ernst & Young Global	725	620	-	-
- other auditors	767	803	-	-
Other non-audit services:				
- Ernst & Young PLT, Malaysia	349	554	12	12
Amortisation of intangible assets	942	628	409	93
Bad debts written off	207	333	-	-
Allowance for impairment loss on receivables	21,682	4,541	99,828	16,156
Reversal of allowance for impairment loss:				
- trade receivables	(1,716)	-	-	-
- other receivables	(280)	-	-	-
Depreciation:				
- property, plant and equipment	44,131	38,373	1,376	1,073
- right-of-use - property, plant and equipment	982	902	-	-
Direct operating expenses on:				
- income generating investment properties	17,732	18,067	-	-
- non-income generating investment properties	8	8	8	8
Directors' remuneration				
- Company's Directors:				
- fees and other emoluments	6,936	6,654	6,936	6,654
- share-based payment under LTIP	-	1	-	1
- Other key management personnel:				
- fees and other emoluments	5,913	6,470	2,519	2,568
- share-based payment under LTIP	-	4	-	1
Property, plant and equipment written off	104	256	-	7
Write-down in value of completed properties	5,991	907	-	-
Write-down of land held for property development	14,606	-	-	-
Write-down of other inventories	6,363	1,272	-	-
Reversal of write-down of completed properties	(25)	(28)	-	-
Reversal of write-down of land held for property development	-	(3,111)	-	-

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

34. PROFIT BEFORE TAX (CONT'D.)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Impairment loss on investment in subsidiary companies	-	-	424,406	196,188
Loss on fair value adjustment of right-of-use-investment properties	8,755	13,617	-	-
Loss on fair value adjustment of investment properties	-	6,615	-	-
Loss on liquidation of subsidiary companies	19	2,839	82	-
Expenses relating to leases:				
- short-term leases	288	224	7,008	7,546
- low value assets	1,359	1,636	228	276
Loss on foreign exchange:				
- realised	-	-	-	1,318
- unrealised	-	14,098	-	67,072

Directors' and other key management personnel's remuneration do not include the estimated monetary value of benefits-in-kind as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Company's Directors	697	507	697	507
Other key management personnel	537	390	198	196

35. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Expensed off during the year	269,438	253,131	75,128	66,850
Capitalised during the year	39,042	44,946	-	-
	308,480	298,077	75,128	66,850

Included in employee benefits expense that was expensed off during the year is an amount of RM34,710,000 (2023: RM40,494,000) accounted for under cost of sales.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Salaries, bonus and other emoluments	231,623	236,560	58,454	49,959
Employee severance benefit	21,882	-	-	-
Defined contribution plan	21,483	25,563	6,313	5,378
Share-based payment under the LTIP	-	856	-	134

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 four 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 Under Taxed Payments/Profits Rule (UTPR)

The Subject to Tax Rule is a tax treaty-based rule that generally proposes a Minimum Tax on certain cross-border intercompany transactions that otherwise are not subject to a minimum level of tax.

The new taxing mechanisms can impose a minimum tax on the income arising in each jurisdiction in which an MNE operates. The IIR, UTPR 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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

36. TAXATION (CONT'D.)

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 has performed an assessment of its potential exposure to Pillar Two income taxes based on the group's Country-by-Country Report ("CBCR") for the year ended 31 December 2023 as well as financial statement information for the year ended 31 December 2024 for constituent entities located in Australia and Vietnam. Based on the historical assessment performed, the Group has identified that it can meet Transitional CBCR Safe Harbour for the jurisdictions in which it operates, consequently, the Group does not estimate a significant impact for the year ended 31 December 2024, without prejudice to the relevant administrative burdens that will entail its implementation and numerous areas of uncertainty in the interpretation of the Pillar Two rules.

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Income tax:</b>				
In respect of current year				
- Malaysian income tax	388,661	212,917	19,875	12,528
- foreign income tax	30,787	88,712	-	-
	419,448	301,629	19,875	12,528
(Over)/Under provision in prior years				
- Malaysian income tax	(13,149)	4,219	(70)	(1,194)
- foreign income tax	(7,283)	14,859	-	-
	(20,432)	19,078	(70)	(1,194)
	399,016	320,707	19,805	11,334
<b>Deferred tax:</b>				
- Origination and reversal of temporary differences	66,282	1,603	(1,114)	(524)
- Under/(Over) provision in prior years	21,270	(23,704)	-	(51)
	87,552	(22,101)	(1,114)	(575)
Real Property Gain Tax	3,491	-	-	-
Capital Gain Tax	1,189	-	1,189	-
	491,248	298,606	19,880	10,759

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 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 2024

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Accounting profit (excluding share of results in joint ventures and associated companies)	1,248,139	702,014	454,773	66,451
Taxation at 24% tax rate	299,553	168,483	109,146	15,948
Tax effects arising from:				
Non-deductible expenses	78,742	113,225	144,408	109,049
Non-taxable income:				
- interest income	(2,305)	(459)	-	-
- single tier dividend income	-	-	(234,710)	(111,266)
- others	(5,277)	(6,796)	-	(1,727)
Deferred tax assets not recognised	103,597	13,641	-	-
Recognition and utilisation of tax losses brought forward from previous years, not previously recognised	(972)	-	-	-
Effect on different tax rate used	11,949	14,211	-	-
Deferred tax on fair value of investment properties at real property gain tax rate	443	927	(83)	-
(Over)/Under provision in prior years:				
- income tax	(20,432)	19,078	(70)	(1,194)
- deferred tax	21,270	(23,704)	-	(51)
Effect on Real Property Gain Tax	3,491	-	-	-
Effect on Capital Gain Tax	1,189	-	1,189	-
	491,248	298,606	19,880	10,759

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 2024 were RM57,759,000 and RM1,125,000 (2023: RM32,943,000 and RM134,000) respectively.

The carrying amounts of the Group's tax liabilities as at 31 December 2024 was RM94,252,000 (2023: RM104,762,000).

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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	
	2024	2023
	'000	'000
Profit attributable to owners of the Company (RM)	575,954	298,573
- less: RCPS-i A preferential dividends (RM)	(70,654)	(70,654)
- less: RCPS-i C preferential dividends (RM)	(26,134)	(30,800)
Adjusted profit attributable to equity holders of the Company (RM)	479,166	197,119
Number of ordinary shares at beginning of the year	4,354,837	4,075,487
Weighted average effect of shares issued pursuant to:		
- vesting of ESGP	-	3,458
- conversion of RCPS-i C into ordinary shares	360,954	29,518
Weighted average number of ordinary shares	4,715,791	4,108,463
Basic Earnings Per Share (sen)	10.16	4.80

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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	
	2024	2023
	'000	'000
Profit attributable to owners of the Company (RM)	575,954	298,573
- less: RCPS-i A preferential dividends (RM)	(70,654)	(70,654)
- less: RCPS-i C preferential dividends (RM)	(26,134)	(30,800)
Adjusted profit attributable to equity holders of the Company (RM)	479,166	197,119
Weighted average number of ordinary shares calculated above	4,715,791	4,108,463
Effect of potential exercise of RCPS-i C	258,446	-
Adjusted weighted average number of ordinary shares that would have been in issue	4,974,237	4,108,463
Diluted Earnings Per Share (sen)	9.63	4.80

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

	2024	2023
	RM'000	RM'000
Ordinary Shares Dividends		
In respect of the financial year ended 31 December 2023		
Single-tier dividend of 1.34 sen per share:		
- Payment in cash	59,674	-
In respect of the financial year ended 31 December 2022		
Single-tier dividend of 1.47 sen per share:		
- Payment in cash	-	59,910
	59,674	59,910

Subsequent to 31 December 2024, the Directors declared a single tier dividend of 2.88 sen per ordinary share for the financial year ended 31 December 2024. 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 2025.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

38. DIVIDENDS (CONT'D.)

	2024 RM'000	2023 RM'000
<b>Preferential Dividends</b>		
<i>In respect of the financial period from 1 July 2022 to 31 December 2022</i>		
- RCPS-i A preferential dividend of 6.49% per annum, payment in cash	-	35,327
<i>In respect of the financial period from 24 November 2022 to 31 December 2022</i>		
- RCPS-i C preferential dividend of 5.43% per annum, payment in cash	-	5,310
<i>In respect of the financial period from 1 January 2023 to 30 June 2023</i>		
- 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	-	25,490
<i>In respect of the financial period from 1 July 2023 to 31 December 2023</i>		
- 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	-
<i>In respect of the financial period from 1 January 2024 to 30 June 2024</i>		
- 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	-
	96,788	101,454

Subsequent to 31 December 2024, 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 2024 to 31 December 2024. 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 2025.

Notes to the Financial Statements

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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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Transactions with subsidiary companies</b>				
Interest received and receivable	-	-	196,712	169,414
Interest paid and payable	-	-	30,327	28,943
Event service fee paid and payable	-	-	1,044	947
Dividend received and receivable	-	-	978,469	463,609
Staff secondment fee received and receivable	-	-	6,904	6,134
Group management fee received and receivable	-	-	74,611	73,440
Rental paid and payable	-	-	7,008	7,546
<b>Transactions with associated companies</b>				
Dividend received and receivable	11,030	11,035	-	-
<b>Transactions with joint ventures</b>				
Management fee received and receivable	3,495	960	-	-
Interest received and receivable	9,015	6,709	185	553
Staff secondment fee received and receivable	359	408	-	134
Event and marketing fee received and receivable	110	219	-	-
Contractor claim received and receivable	-	2,011	-	-
Dividend received and receivable	2,372	13,129	-	-

## Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

### 39. RELATED PARTY DISCLOSURES (CONT'D.)

(a) Significant related party transactions during the financial year are as follows: (cont'd.)

[illegible]

## 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 20.47% respectively (2023: 24.34% and 25.91%). 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.

### 39. RELATED PARTY DISCLOSURES (CONT'D.)

(b) Key management personnel remuneration

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<i>Directors</i>				
Fees, salaries, bonuses and other emoluments	6,547	6,262	6,547	6,262
Estimated monetary value of benefits-in-kind	697	507	697	507
Share-based payment under the LTIP	-	1	-	1
Total short-term employee benefits	7,244	6,770	7,244	6,770
Post-employment benefits - EPF	389	392	389	392
	7,633	7,162	7,633	7,162
<i>Other key management personnel</i>				
Fees, salaries, bonuses and other emoluments	5,316	5,883	2,267	2,284
Estimated monetary value of benefits-in-kind	537	390	198	196
Share-based payment under the LTIP	-	4	-	1
Total short-term employee benefits	5,853	6,277	2,465	2,481
Post-employment benefits - EPF	597	587	252	284
	6,450	6,864	2,717	2,765
Total compensation	14,083	14,026	10,350	9,927

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 25 years (2023: 1 to 26 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	
	2024 RM'000	2023 RM'000
Not later than one year	104,573	78,453
Later than one year but not later than five years	193,002	138,440
Later than five years	290,392	292,605
	587,967	509,498

(b) Other commitments

	Group	
	2024 RM'000	2023 RM'000
Contractual commitment for construction of investment properties	19,567	7,925
Contractual commitment for acquisition/construction of property, plant and equipment	2,347	2,275
Contractual commitment for acquisition of development land	284,941	466,244
	306,855	476,444

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

41. CONTINGENT LIABILITIES AND MATERIAL LITIGATION

(a) Corporate Guarantees

	Company	
	2024 RM'000	2023 RM'000
Guarantees given to banks to secure banking facilities granted to subsidiary companies	4,399,704	4,897,150
Guarantees given to banks for performance bonds granted to subsidiary companies	377,430	439,895
	4,777,134	5,337,045

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 (1<sup>st</sup> Defendant)
- 2) Datuk Kow Choong Ming (2<sup>nd</sup> Defendant)
- 3) Dato' Khor Chap Jen (3<sup>rd</sup> Defendant)
- 4) Wilfred Yong Chen Leong (4<sup>th</sup> Defendant)
- 5) Alan Wong Siew Ong (5<sup>th</sup> Defendant)
- 6) Prestigo Properties Sdn Bhd (6<sup>th</sup> Defendant)
- 7) Asia Dream MM2H Sdn Bhd (7<sup>th</sup> Defendant)
- 8) Optimise Profit Sdn Bhd (8<sup>th</sup> Defendant)
- 9) Glorywise Century Sdn Bhd (9<sup>th</sup> Defendant)
- 10) Bigdeal Synergy Sdn Bhd (10<sup>th</sup> Defendant)
- 11) Sinermaju Sdn Bhd (11<sup>th</sup> 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 (1<sup>st</sup> to 3<sup>rd</sup> 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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 Prestigo 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.

As at 5 February 2025, all Defendants have filed their respective Defence to court and 6th Defendant has counterclaimed against 3rd Plaintiff (Aeropod Sdn Bhd), among others, RM32,232,649.73. During the Case Management held on 5 February 2025, the Court was informed that the Plaintiffs will file and serve their Reply to Defence and Defence to Counterclaim by 28 February 2025. Subsequently, the parties have agreed that the filing date of the Reply to Defence and Defence to Counterclaim by the Plaintiffs is on 14 March 2025.

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

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

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

SPD 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 million and PJH is in breach of its obligations under the Development Agreement.

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

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

The case is ongoing.

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For The Financial Year Ended 31 December 2024

42. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

2024 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	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
2023 Group					
Long term and short term borrowings excluding bank overdrafts	11,379,596	(1,411,467)	163,644	4,525	10,136,298
Unsecured advances	17,253	-	-	182	17,435
Redeemable cumulative preference shares	38,113	(1,734)	-	1,889	38,268
Lease liabilities	1,431	(900)	99	3,295	3,925
Total liabilities from financing activities	11,436,393	(1,414,101)	163,743	9,891	10,195,926
Company					
Long term and short term borrowings excluding bank overdrafts, representing total liabilities from financing activities	4,940,569	197,162	63,215	4,159	5,205,105



Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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	
	2024 %	2023 %	2024 %	2023 %
Weighted average interest rate	5.19	5.28	4.70	4.94

A sensitivity analysis has been performed based on the outstanding floating rate bank borrowings of the Group and the Company as at 31 December 2024. 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 RM20,561,000 and RM5,830,000 (2023: RM23,719,000 and RM11,057,000) 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 RM7,241,000 (2023: RM11,994,000).

(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 2024

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, Singapore 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	2024 RM'000	2023 RM'000
Functional currencies of the companies within the Group				
<u>Borrowings</u>				
Ringgit Malaysia	GBP		345,459	515,090
Ringgit Malaysia	AUD		-	313,990
Great British Pound	USD		35,760	23,330
United States Dollar	AUD		138,860	156,995

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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:

		2024 RM'000 Profit before tax	2023 RM'000 Profit before tax
(Decrease)/increase to			
GBP/RM	strengthened by 10%	(34,546)	(51,509)
	weakened by 10%	34,546	51,509
AUD/RM	strengthened by 10%	-	(31,399)
	weakened by 10%	-	31,399
USD/GBP	strengthened by 10%	(3,576)	(2,333)
	weakened by 10%	3,576	2,333
AUD/USD	strengthened by 10%	(13,886)	(15,700)
	weakened by 10%	13,886	15,700

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 2024

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.

2024 Group	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Financial liabilities:</b>				
Trade payables	1,550,858	-	-	1,550,858
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	4,806,498	5,475,027	1,456,668	11,738,193
<b>Company</b>				
<b>Financial liabilities:</b>				
Amounts owing to subsidiary companies	149,002	746,700	-	895,702
Other payables and accruals	38,449	-	-	38,449
Borrowings	1,359,899	2,678,021	686,540	4,724,460
Total undiscounted financial liabilities	1,547,350	3,424,721	686,540	5,658,611

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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.)

2023 Group	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Financial liabilities:</b>				
Trade payables	1,452,286	-	-	1,452,286
Other payables and accruals	939,268	30,986	64,864	1,035,118
Amounts owing to related parties	376	-	-	376
Borrowings	3,350,719	5,591,085	2,262,986	11,204,790
Lease liabilities	1,140	3,280	-	4,420
Redeemable cumulative preference shares	1,734	43,668	-	45,402
Total undiscounted financial liabilities	5,745,523	5,669,019	2,327,850	13,742,392
<b>Company</b>				
<b>Financial liabilities:</b>				
Amounts owing to subsidiary companies	94,282	732,489	-	826,771
Other payables and accruals	31,540	-	-	31,540
Borrowings	1,678,247	2,953,074	1,326,043	5,957,364
Total undiscounted financial liabilities	1,804,069	3,685,563	1,326,043	6,815,675

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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:

2024 Group	At amortised cost RM'000	At fair value through profit or loss RM'000	Total RM'000
<b>Financial assets:</b>			
Other investments	-	96	96
Other receivables and deposits	202,614	-	202,614
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	4,051,101	96	4,051,197
<b>Financial liabilities:</b>			
Trade payables	1,550,858	-	1,550,858
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	11,143,837	-	11,143,837

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

44. FINANCIAL INSTRUMENT (CONT'D.)

(a) Financial assets and financial liabilities (cont'd.)

2023 Group	At amortised cost RM'000	At fair value through profit or loss RM'000	Total RM'000
<b>Financial assets:</b>			
Other investments	-	96	96
Other receivables and deposits	193,585	-	193,585
Trade receivables	952,152	-	952,152
Amounts owing by joint ventures	203,517	-	203,517
Amounts owing by related parties	579	-	579
Short-term deposits	441,237	-	441,237
Cash and bank balances	2,054,402	-	2,054,402
Total financial assets	3,845,472	96	3,845,568
<b>Financial liabilities:</b>			
Trade payables	1,452,286	-	1,452,286
Other payables and accruals	1,012,966	-	1,012,966
Amounts owing to related parties	376	-	376
Long-term borrowings	7,101,911	-	7,101,911
Short-term borrowings	3,043,226	-	3,043,226
Redeemable cumulative preference shares	38,268	-	38,268
Total financial liabilities	12,649,033	-	12,649,033

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

44. FINANCIAL INSTRUMENT (CONT'D.)

(a) Financial assets and financial liabilities (cont'd.)

2024 Company	At amortised cost RM'000	At fair value through profit or loss RM'000	Total RM'000
<b>Financial assets:</b>			
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
<b>Financial liabilities:</b>			
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

2023 Company	At amortised cost RM'000	At fair value through profit or loss RM'000	Total RM'000
<b>Financial assets:</b>			
Other receivables and deposits	3,259	-	3,259
Amounts owing by subsidiary companies	4,805,512	-	4,805,512
Amounts owing by joint ventures	59,773	-	59,773
Short-term deposits	55,675	-	55,675
Cash and bank balances	131,310	-	131,310
Total financial assets	5,055,529	-	5,055,529
<b>Financial liabilities:</b>			
Amounts owing to subsidiary companies	774,076	-	774,076
Other payables and accruals	31,540	-	31,540
Long-term borrowings	3,729,311	-	3,729,311
Short-term borrowings	1,475,794	-	1,475,794
Total financial liabilities	6,010,721	-	6,010,721

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 (2023: GBP88,074,000) which has been designated as a hedge of the net investments in joint venture, Battersea group of companies, beginning 2023. This borrowing is being used to hedge the Group’s exposure to the GBP foreign exchange risk on these investments. Gains or losses on the retranslation of this borrowing are transferred to other comprehensive income to offset any gains or losses on translation of the net investments in the Battersea group of companies in the consolidated financial statements of the Group.

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign exchange risk on the GBP borrowing. The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. The hedge ineffectiveness will arise when the amount of the investment in the Battersea Group of companies becomes lower than the amount of the fixed rate borrowing.

The impact of the hedging instrument on the statement of financial position, 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			Short term borrowings	12,664
Foreign currency denominated borrowings	61,574	345,459		
2023			Long term and short term borrowings	(47,970)
Foreign currency denominated borrowings	88,074	515,090		

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
2023		
Net investments in joint venture	(47,970)	(47,970)

The hedging loss recognised in other comprehensive income before tax is equal to the change in fair value used for measuring effectiveness. There is no ineffectiveness recognised in profit or loss.

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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				
2024				
Commercial properties	-	-	1,993,138	1,993,138
2023				
Commercial properties	-	3,643	1,964,804	1,968,447
Company				
2024				
Commercial properties	-	-	4,030	4,030
2023				
Commercial properties	-	-	3,438	3,438
Right-of-use - Investment Properties				
Group				
2024				
Commercial properties	-	-	38,000	38,000
2023				
Commercial properties	-	-	46,755	46,755

Notes to the Financial Statements

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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

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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	-72% to 25%
Building	Investment method	Estimated rental value per square foot per month	RM0.53 to RM40.00
		Capitalisation/Discount rate	3.50% to 7.50%
		Void allowance	5.00% to 10.00%
Building	Depreciable replacement cost method	Construction cost per square foot	RM50.00 to RM447.00
		Depreciation rate	1.60%

(iii) Fair value reconciliation of non-financial assets measured at Level 3

Investment Properties

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At beginning of the year	1,964,804	1,968,989	3,438	3,438
Additions	3,999	2,430	-	-
Disposals	(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	2,629	(6,615)	592	-
Exchange differences	(1,035)	-	-	-
At end of the year	1,993,138	1,964,804	4,030	3,438

Right-of-use - Investment Properties

Refer to fair value reconciliation disclosed in Note 5.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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:

2024	Group			Company		
	Carrying amount	Fair Value	Fair Value	Carrying amount	Fair Value	Fair Value
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
		Level 2	Level 3		Level 2	Level 3
<b>Financial assets:</b>						
Other investments	96	-	96^	-	-	-
Amounts owing by subsidiary companies	-	-	-	3,234,303	-	#
Amounts owing by joint ventures	69,785	-	#	-	-	-
Trade receivables	6,202	-	#	-	-	-
<b>Financial liabilities:</b>						
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	-	#

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.)

2023	Group			Company		
	Carrying amount	Fair Value	Fair Value	Carrying amount	Fair Value	Fair Value
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
		Level 2	Level 3		Level 2	Level 3
<b>Financial assets:</b>						
Other investments	96	-	96^	-	-	-
Amounts owing by subsidiary companies	-	-	-	3,280,388	-	#
Amounts owing by joint ventures	69,785	-	#	-	-	-
Trade receivables	26,015	-	#	-	-	-
<b>Financial liabilities:</b>						
Redeemable cumulative preference shares	38,268	-	36,784	-	-	-
Other payables and accruals	73,698	-	#	-	-	-
Floating rate long term borrowings	4,107,811	*	-	735,607	*	-
Fixed rate long term borrowings	2,994,100	-	2,965,969	2,993,704	-	2,965,573
Lease liabilities	2,962	-	#	-	-	-
Amounts owing to subsidiary companies	-	-	-	705,893	-	#

\* 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.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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 2024 and 31 December 2023.

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Debt:</b>					
Redeemable cumulative preference shares	25	<b>38,432</b>	38,268	-	-
Long-term borrowings	27	<b>6,382,707</b>	7,101,911	<b>2,995,122</b>	3,729,311
Short-term borrowings	27	<b>2,203,749</b>	3,043,226	<b>1,175,606</b>	1,475,794
		<b>8,624,888</b>	10,183,405	<b>4,170,728</b>	5,205,105
<b>Short-term funds and deposits, cash and bank balances:</b>					
Short-term deposits	20	<b>733,400</b>	441,237	<b>150,099</b>	55,675
Cash and bank balances	21	<b>2,408,076</b>	2,054,402	<b>516,048</b>	131,310
		<b>3,141,476</b>	2,495,639	<b>666,147</b>	186,985
<b>Net debt</b>		<b>5,483,412</b>	7,687,766	<b>3,504,581</b>	5,018,120
<b>Total equity</b>		<b>15,843,751</b>	15,662,781	<b>11,313,339</b>	11,034,908
<b>Gross gearing ratio</b>		<b>0.54</b>	0.65	<b>0.37</b>	0.47
<b>Net gearing ratio</b>		<b>0.35</b>	0.49	<b>0.31</b>	0.45

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/ company to another.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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

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

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

47. SEGMENTAL ANALYSIS (CONT'D.)

(a) Segment results (cont'd.)

	Property Development RM'000	Construction, Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
2023				
External revenue	4,064,703	308,939	-	4,373,642
Inter-segment revenue	179,002	138,063	(317,065)	-
Total revenue	4,243,705	447,002	(317,065)	4,373,642
Gross profit	1,310,114	31,183	-	1,341,297
Other income	229,430	20,012	-	249,442
Operating expenses	(462,235)	(77,410)	-	(539,645)
Share of results of joint ventures	(97,625)	14,057	-	(83,568)
Share of results of associated companies	37,273	-	-	37,273
Finance costs	(306,764)	(42,316)	-	(349,080)
Profit/(Loss) before tax	710,193	(54,474)	-	655,719
Taxation	(267,152)	(31,454)	-	(298,606)
Profit/(Loss) for the year	443,041	(85,928)	-	357,113

(b) Segment assets, liabilities and other information

	Property Development RM'000	Construction, Investment Holding & Others RM'000	Consolidated RM'000
2024			
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)

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

47. SEGMENTAL ANALYSIS (CONT'D.)

(b) Segment assets, liabilities and other information (cont'd.)

	Property Development RM'000	Construction, Investment Holding & Others RM'000	Consolidated RM'000
2023			
Segment assets	23,150,635	1,739,613	24,890,248
Investments in joint ventures	2,863,801	274,273	3,138,074
Investments in associated companies	583,116	-	583,116
Current and deferred tax assets	377,231	17,709	394,940
Consolidated total assets			29,006,378
Segment liabilities	5,596,591	7,168,450	12,765,041
Current and deferred tax liabilities	492,401	86,155	578,556
Consolidated total liabilities			13,343,597
Additions to non-current assets* (other than financial instruments and deferred tax assets)	580,085	8,217	588,302
Interest income	89,426	8,580	98,006
Depreciation and amortisation	(24,720)	(15,183)	(39,903)
Other material non-cash items	(21,305)	(13,711)	(35,016)

\* 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)	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysia	4,782,766	3,258,410	15,805,253	16,137,979
Singapore	-	-	2,574	3,484
Australia	405,890	1,107,860	255,187	13,603
Vietnam	104,912	7,372	111,411	95,788
United Kingdom	-	-	2,409,510	2,708,468
Japan	-	-	54,481	61,911
	5,293,568	4,373,642	18,638,416	19,021,233

Notes to the Financial Statements

For The Financial Year Ended 31 December 2024

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. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 7 March 2025 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 Choong Kai Wai, 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 300 to 428 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 2024 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 7 March 2025

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

DATUK CHOONG KAI WAI  
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 300 to 428 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 7 March 2025 )  
)  
)  
)

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 2024 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 300 to 428.

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 2024, 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.

# 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

#### (a) Revenue and cost of sales from property development activities recognised on percentage of completion method

For the financial year ended 31 December 2024, revenue of RM5,026.99 million and cost of sales of RM3,277.05 million from property development activities account for approximately 95% and 94% 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 2024, the carrying amount of completed properties stood at RM1,313.70 million, which represents 15% 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 2024, the carrying amount of investment properties amounted to RM2,038.93 million, representing approximately 11% and 7% of the Group’s total non-current assets and total assets respectively. The Group had recognised a net fair value loss on its investment properties of RM6.13 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 2024, the carrying amount of the investment in subsidiary companies of the Company amounted to RM11,307.82 million, representing 77% and 69% of the Company’s total non-current assets and total assets respectively. The Company had recognised net impairment loss of investment in subsidiaries of RM424.41 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 matters in respect of the financial statements of the Group (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, 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 activities 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 performance 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, related safeguards.

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.

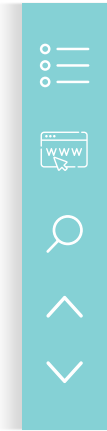
## Other matters

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  
7 March 2025

**Elina Chan Su Yin**  
No. 03508/07/2026 J  
Chartered Accountant



# Analysis of Shareholdings

As at 17 February 2025

Issued and Paid-Up Share Capital : RM10,484,134,403.23 divided into 5,002,516,466 ordinary shares ("Ordinary Shares") and 1,088,657,886 Islamic redeemable convertible preference shares ("RCPS-i A") and 541,055,251 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	1,538	11.65	53,084	0.00
100 - 1,000	2,658	20.13	1,459,186	0.03
1,001 - 10,000	5,751	43.56	26,078,822	0.52
10,001 - 100,000	2,492	18.88	80,851,425	1.62
100,001 to less than 5% of issued shares	760	5.76	2,469,198,896	49.36
5% and above of issued shares	3	0.02	2,424,875,053	48.47
Total	13,202	100.00	5,002,516,466	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	1,020,102,404	20.39
3.	Kumpulan Wang Persaraan (Diperbadankan)	360,180,091	7.20
4.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	226,103,700	4.52
5.	Amanahraya Trustees Berhad Amanah Saham Malaysia	150,785,827	3.01
6.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	146,091,300	2.92
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	70,775,900	1.41
10.	Amanahraya Trustees Berhad Public Ittikal Sequel Fund	57,632,733	1.15
11.	Amanahraya Trustees Berhad Amanah Saham Bumiputera 3- Didik	41,526,059	0.83
12.	HSBC Nominees (Asing) Sdn Bhd Seb AB for Evli Emerging Frontier Fund	40,000,000	0.80

# Analysis of Shareholdings

As at 17 February 2025

	Name of Ordinary Shareholders	No. of Ordinary Shares	%
13.	Citigroup Nominees (Asing) Sdn Bhd Exempt AN for Citibank New York (Norges Bank 19)	37,738,800	0.75
14.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Total International Stock Index Fund	37,656,678	0.75
15.	Amanahraya Trustees Berhad Amanah Saham Bumiputera 2	37,426,792	0.75
16.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Bank Berhad (EDP 2)	34,397,099	0.69
17.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	33,227,945	0.66
18.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (AsianIslamic)	30,985,200	0.62
19.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Allianz Life Insurance Malaysia Berhad (MEF)	29,423,400	0.59
20.	DB (Malaysia) Nominee (Asing) Sdn Bhd Exempt AN for State Street Bank & Trust Company (West CLT OD67)	25,336,400	0.51
21.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Nomura)	23,000,000	0.46
22.	Cartaban Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad for Prulink Strategic Fund	22,474,524	0.45
23.	Amanahraya Trustees Berhad Public Islamic Select Enterprises Fund	21,666,000	0.44
24.	Cartaban Nominees (Tempatan) Sdn Bhd PAMB for Prulink Equity Fund	21,095,759	0.42
25.	Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sdn. Bhd. (AHAM AM 2)	20,496,261	0.41
26.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	19,507,900	0.39
27.	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	18,586,033	0.37
28.	Amanahraya Trustees Berhad Public Islamic Select Treasures Fund	18,200,000	0.36
29.	Cartaban Nominees (Tempatan) Sdn Bhd PBTB for Takafulink Dana Ekuiti	17,449,880	0.35
30.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (CIMB PRIN)	17,174,900	0.35
Total		3,800,037,792	75.96

Analysis of Shareholdings  
As at 17 February 2025

Analysis of Shareholdings  
As at 17 February 2025

DISTRIBUTION OF SHAREHOLDINGS OF RCPS-i A

Size of Shareholdings	No. of Holders of RCPS-i A	%	No. of Holders of RCPS-i A	%
less than 100	54	4.98	1,810	0.00
100 - 1,000	313	28.87	170,792	0.02
1,001 - 10,000	432	39.85	1,579,134	0.15
10,001 - 100,000	179	16.52	6,600,431	0.60
100,001 to less than 5% of issued shares	104	9.59	326,415,213	29.98
5% and above of issued shares	2	0.19	753,890,506	69.25
Total	1,084	100.00	1,088,657,886	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	59.33
2.	Kumpulan Wang Persaraan (Diperbadankan)	108,006,374	9.92
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	3.64
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.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Berhad for AHAM Select Dividend Fund	6,763,800	0.63
13.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Maybank Malaysia Dividend Fund	5,282,233	0.49
14.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB for Ng Paik Pheng (PB)	4,854,700	0.45
15.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Manulife Investment- HW Flexi Fund (270219)	4,599,100	0.43

	Name of Holders of RCPS-i A	No. of RCPS-i A	%
16.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (AberIslamic)	4,533,304	0.42
17.	Maybank Nominees (Tempatan) Sdn Bhd Ting Poi Ling	3,914,000	0.36
18.	Amanahraya Trustees Berhad Public Ittikal Sequel Fund	3,605,132	0.34
19.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Aberdeen)	3,325,537	0.32
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 MSIG Insurance (Malaysia) Bhd (210236)	2,663,667	0.25
22.	Maybank Nominees (Tempatan) Sdn Bhd AHAM Asset Management Berhad for Hong Leong Assurance Berhad (PAR-220082)	2,647,800	0.24
23.	Universal Trustee (Malaysia) Berhad KAF Tactical Fund	2,399,500	0.22
24.	Ho Chua Chai	1,900,100	0.17
25.	Lim Boon Cheng	1,519,700	0.15
26.	Yap Kon Lian	1,189,400	0.12
27.	Len Chui Phin	1,147,900	0.10
28.	Lim Bun Hwa	1,000,000	0.09
29.	Lim Bun Hwa	893,000	0.08
30.	Ng Ho Fatt	825,000	0.08
Total		1,058,433,532	97.22

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	176	15.91	7,369	0.00
100 - 1,000	142	12.84	86,429	0.02
1,001 - 10,000	484	43.76	2,098,748	0.39
10,001 - 100,000	260	23.51	7,347,085	1.36
100,001 to less than 5% of issued shares	43	3.89	31,515,620	5.82
5% and above of issued shares	1	0.09	500,000,000	92.41
Total	1,106	100.00	541,055,251	100.00

Analysis of Shareholdings

As at 17 February 2025

Analysis of Shareholdings

As at 17 February 2025

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	92.41
2.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Insurance Berhad (Equity Fund)	12,260,004	2.26
3.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Investment Dividend Fund (5311-401)	3,429,111	0.63
4.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Insurance Berhad (Managed Fund)	2,418,544	0.45
5.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Commerce Trustee Berhad for Kenanga Shariah Growth Opportunities Fund (50156 TR01)	2,240,970	0.41
6.	CIMB Islamic Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Berhad - Kenanga Syariah Growth Fund	1,843,371	0.34
7.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Investment Growth Fund (4074)	1,206,337	0.22
8.	Citigroup Nominees (Tempatan) Sdn Bhd Lembaga Tabung Haji (UOB)	810,000	0.15
9.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Flexi Invest Fund	585,300	0.11
10.	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund EBTE for The Regents of the University of California	554,459	0.10
11.	Eu Mui @ Ee Soo Mei	480,000	0.08
12.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Manulife Investment - ML Flexi Fund (250283)	363,400	0.07
13.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mohd Salleh Bin Hashim	300,000	0.06
14.	Yap Pei Lin	300,000	0.06
15.	Quah Huat Hock	255,672	0.06
16.	Sin Wee Yong	250,000	0.06
17.	Teoh Guat Lin	235,000	0.05
18.	Lim Khean Beng	215,000	0.05
19.	Sia Tian Poh	206,000	0.04
20.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Teo Chee Haw (Muar - CL)	201,000	0.04
21.	Low Seng Wan @ Loo Chang Yuan	201,000	0.04
22.	Goh Tian Hock	200,000	0.04
23.	Tan Ah Kow @ Tan Chee Lin	200,000	0.03
24.	Ong Chong Chee	180,000	0.03
25.	Chan Kam Seng	175,900	0.03
26.	Lee Yeow Chor	166,495	0.03

Name of Holders of RCPS-i C		No. of RCPS-i C	%
27.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Ng Fook Bee (KKinabalu - CL)	154,950	0.02
28.	Public Nominees (Tempatan) Sdn Bhd Pledged Securites Account for Tee How Huat (E-SKN)	150,000	0.02
29.	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt AN for UOB Kay Hian Pte Ltd (A/C Clients)	145,321	0.02
30.	Guna Seelan A/L Periasamy	140,000	0.02
Total		529,867,834	97.93

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct		% of		Indirect	
	Interest	Issued Shares	Interest	Issued Shares	Interest	Issued Shares
Permodalan Nasional Berhad	1,044,592,558	20.88	-	-	-	-
Amanahraya Trustees Berhad – Amanah Saham Bumiputera	1,020,102,404	20.39	-	-	-	-
Kumpulan Wang Persaraan (Diperbadankan)	363,708,050	7.27	47,153,164	0.94	-	-
Yayasan Pelaburan Bumiputra	-	-	1,044,592,558	20.88	-	-

DIRECTORS AND THEIR SHAREHOLDINGS

Name	No. of Ordinary Shares Held				No. of RCPS-i A Held	No. of RCPS-i C Held
	Direct	%	Indirect	%		
Y.A.M. Tan Sri Dato’ Seri Syed Anwar Jamalullail	-	-	-	-	-	-
Datuk Choong Kai Wai	629,560	0.01	-	-	-	-
Datuk Ir Khairil Anwar Bin Ahmad	-	-	-	-	-	-
Dato’ Azmi Bin Mohd Ali	-	-	-	-	-	-
Dato’ Merina Binti Abu Tahir	-	-	-	-	-	-
Y.M. Dato’ Tengku Marina Binti Tunku Annuar	-	-	-	-	-	-
Dato’ Sheranjiv Sammanthan	-	-	-	-	-	-
Datin Wan Daneena Liza Binti Wan Abdul Rahman	-	-	-	-	-	-
Lim Fu Yen	-	-	-	-	-	-
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 2024

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	2,762,567
2	308, Exhibition St, Melbourne VIC 3000, Australia	Land under development	29/04/2016	44,563	Freehold	1,146,521
3	Mukim 06, Daerah Seberang Perai Utara, Pulau Pinang	Land under development and held for development	22/12/2016 28/07/2020	68,050,860	Freehold	1,064,093
4	Daerah Kelang, Mukim of Klang, Selangor Darul Ehsan	Land under development and held for development	24/10/2001	12,650,414	Freehold	1,051,212
5	HSD184053 & HSD184054 Mukim Beranang, Daerah Ulu Langat, Selangor Darul Ehsan	Land under development and held for development	21/12/2018	13,996,699	Freehold	738,907
6	Lot 39 GRN 45874 Mukim Beranang, Daerah Hulu Langat, Selangor Darul Ehsan	Land under development and held for development	28/11/2012	24,108,006	Freehold	651,468
7	Daerah Klang, Mukim of Klang, Selangor Darul Ehsan	Land held for development	24/10/2001	17,363,452	Freehold	555,489
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	435,670
10	Daerah Kelang, Mukim of Klang, Selangor Darul Ehsan	Land under development and held for development	27/02/2002	8,378,940	Freehold	374,026

\* 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)

SETIA PRECAST SDN BHD  
199501017974 (347177-A)

S P Setia Bhd Corporate HQ, 12, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia  
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S P SETIA FOUNDATION

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CENTRAL REGION

TRIO BY SETIA  
GANDA ANGGUN SDN BHD  
200101001750 (537506-W)

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T +603 3162 3322  
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ALAM DAMAI  
SYARIKAT PERUMAHAN PEGAWAI KERAJAAN SDN BHD  
197101000199 (10586-D)

Eight Kinrara - Block B, Jalan BK5A/1, Bandar Kinrara, 47180 Puchong, Selangor Darul Ehsan, Malaysia  
T +603 8082 9525  
F +603 8082 9500  
E alamdamai@spsetia.com

SETIA WOOD  
SETIA-WOOD INDUSTRIES SDN BHD  
197501001985 (23725-V)

S P SETIA MARKETING SDN BHD  
198801007841 (175198-P)

Lot 5 & 6, Jalan Indah 1/3, Taman Industri Rawang Indah, 48000 Rawang, Selangor Darul Ehsan, Malaysia  
T +603 6092 8022  
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E setiawood@spsetia.com

BANDAR KINRARA  
PERUMAHAN KINRARA BERHAD  
192001000029 (305-P)

Eight Kinrara - Block B, Jalan BK5A/1, Bandar Kinrara, 47180 Puchong, Selangor Darul Ehsan, Malaysia  
T +603 8082 9525  
F +603 8082 9500  
E bandarkinrara@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 ALAM IMPIAN  
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  
E alamimpian@spsetia.com

SETIA ALAM  
BANDAR SETIA ALAM SDN BHD  
200101030381 (566140-D)

SETIA ALAMAN INDUSTRIAL PARK PETALING GARDEN SDN BHD  
195701000208 (3113-T)

S P Setia Bhd Corporate HQ, 12, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia  
T +603 5030 2255  
E bsa-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 sales@setiawarisanthropika.com

SETIA ALAMSARI  
SETIA ALAMSARI SDN BHD  
200901017492 (860589-P)

I & P MENARA SDN BHD  
198301002001 (97237-W)

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 ECO GLADES  
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  
E eco-glades@spsetia.com.my  
safiro-sales@spsetia.com

SETIA ECOHILL  
SETIA ECOHILL SDN BHD  
201001019878 (903607-T)

SETIA ECOHILL 2  
SETIA ECOHILL 2 SDN BHD  
199801010090 (466218-P)

Setia Ecohill Welcome Centre, Kelab 360, 1, Persiaran Ecohill Barat, Setia Ecohill, 43500 Semenyih, Selangor Darul Ehsan, Malaysia  
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Group Directory

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S P SETIA PROPERTY SERVICES SDN BHD  
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SETIA ECOHILL RECREATION SDN BHD  
199901018024 (492924-W)

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Setia Ecohill, 43500 Semenyih,  
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KL ECO CITY  
KL ECO CITY SDN BHD  
198901007838 (185140-X)

Setia International Centre,  
Lot 215, Pantai Baru, Jalan Bangsar,  
59200 Kuala Lumpur, Malaysia  
T +603 2287 5522  
F +603 2287 5225  
E klecocity@spsetia.com

SETIA ECO PARK  
BANDAR ECO-SETIA SDN BHD  
200101030379 (566138-A)

S P SETIA ECO-PROJECTS MANAGEMENT  
SDN BHD  
199401003986 (289665-V)

Setia Eco Park Sales Gallery,  
5A, Jalan Setia Nusantara U13/17,  
Setia Eco Park, Seksyen U13,  
40170 Shah Alam, Selangor Darul Ehsan,  
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F +603 3343 7228  
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SETIA ECO TEMPLER  
SETIA ECO TEMPLER SDN BHD  
201201036071 (1020553-T)

1, Jalan Ipoh-Rawang, KM-20,  
Taman Rekreasi Templer, 48000 Rawang,  
Selangor Darul Ehsan, Malaysia  
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F +603 6092 2289  
E eco-templer@spsetia.com.my

SETIA PUTRAJAYA  
SETIA PUTRAJAYA SDN BHD  
199601029380 (401732-X)

Customer Relations Department,  
5A, 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 Putrajaya Galleria,  
No.5, Jalan P15H, Presint 15,  
62050 Putrajaya, Wilayah Persekutuan  
Putrajaya, Malaysia  
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F +603 8861 7900  
E spj-sales@spsetia.com

SETIA SKY SEPUTEH  
GITA KASTURI SDN BHD  
201101025499 (953635-X)

Setia Sky Seputeh Sales Galleria,  
No.1, Jalan Taman Seputeh Satu,  
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F +603 2276 3232  
E skyseputeh-sales@spsetia.com

BAYU LAKEHOMES  
S P SETIA ECO-PROJECTS MANAGEMENT  
SDN BHD  
199401003986 (289665-V)

Bayu Lakehomes Sales Gallery,  
PT21851, Persiaran Tasik Bayu 1,  
Bayu Lakehomes, 71700 Mantin,  
Negeri Sembilan, Malaysia  
T +6013-3251671  
E sales@bayulakehomes.com

TEMASYAGLENMARIE  
TEMASYA DEVELOPMENT CO. SDN BHD  
197401002695 (19753-K)

Temasya Glenmarie Welcome Centre,  
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E temasyaglenmarie@spsetia.com

EASTERN REGION

AEROPOD BY SETIA  
AEROPOD SDN BHD 200701009762  
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I-1-1, Block I, Level 1,  
Aeropod Commercial Square,  
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88200 Kota Kinabalu,  
Sabah, Malaysia  
T +608 821 8255  
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SOUTHERN REGION

BUKIT INDAH  
BUKIT INDAH (JOHOR) SDN BHD  
199401021581 (307260-V)

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 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 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  
E sbp2-sales@spsetia.com  
tpi-sales@spsetia.com

SETIA SKY 88  
SETIA CITY DEVELOPMENT SDN BHD  
201101005745 (933887-K)

TAMAN PELANGI  
PELANGI SDN BHD  
197201001814 (13509-H)

03 & 05, Jalan Sri Pelangi 3,  
Taman Pelangi, 80400 Johor Bahru,  
Johor Darul Takzim, Malaysia  
T +607 333 2255  
F +607 333 2552  
E sky88-sales@spsetia.com  
pelangi-sales@spsetia.com

SETIA ECO CASCADIA  
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 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 sf-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

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)

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

INTERNATIONAL

AUSTRALIA

UNO MELBOURNE  
SETIA A'BECKETT (MELBOURNE) PTY LTD  
ABN  
83 619 935 723

119 A'Beckett Street, Melbourne,  
Victoria 3000, Australia  
T +613 9616 2525  
F +613 9616 2552  
E melbourne@spsetia.com

SAPPHIRE BY THE GARDENS  
SETIA (MELBOURNE) DEVELOPMENT  
COMPANY PTY LTD  
ACN 143 464 804

63 La Trobe Street, Melbourne  
Victoria 3000, Australia  
T +613 9616 2525  
F +613 9616 2552  
E melbourne@spsetia.com

UNITED KINGDOM

BATTERSEA POWER STATION  
DEVELOPMENT COMPANY

Marketing Suite  
44 Electric Boulevard,  
Battersea Power Station,  
London, SW11 8BJ  
63 La Trobe Street, Melbourne  
Victoria 3000, Australia  
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F +44 20 7501 0699  
E sales@bpsdc.co.uk

SINGAPORE

S P SETIA INTERNATIONAL (S) PTE LTD  
200906303E

1, Harbourfront Place,  
#01-06 Harbourfront Tower One  
Singapore 098633  
T +65 6271 2255  
F +65 6271 3522  
E sg-sales@spsetia.com

VIETNAM

ECOLAKES MY PHUOC  
SETIABECAMEX JOINT STOCK  
COMPANY

SetiaBecamex JSC Sales Gallery  
R11-1 Street, EcoLakes My Phuoc  
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Binh Duong Province, Vietnam  
T +84 274 3577 255  
F +84 274 3577 225  
E ecolakes-sales@setiabecamex.vn

ECOXUAN, LAI THIEU  
SETIA LAI THIEU ONE MEMBER  
COMPANY LIMITED

Sales Gallery  
No. 1A, NB-N1 Street, EcoXuan Lai Thieu,  
Lai Thieu Ward, Thuan An City,  
Binh Duong Province, Vietnam  
T +84 274 366 2255  
F +84 274 377 2255  
E ecouxuan@spsetia.com.vn

JAPAN

SETIA IZUMISANO CITY CENTRE (SICC)  
SETIA OSAKA TOKUTEI MOKUTEKI  
KAISHA  
(0100-05-029392)

Setia Eco Tower  
5A, Jalan Setia Nusantara U13/17  
Setia Eco Park, Setia Alam  
40170 Shah Alam  
Selangor Darul Ehsan, Malaysia  
T +603 3343 2228  
F +603 3343 2555  
E setiaosaka@spsetia.com

Notice of Annual General Meeting

Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the Fiftieth (50<sup>th</sup>) 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 on Thursday, 24 April 2025 at 10.00 a.m.** for the following purposes:

AGENDA

1.

To receive the audited financial statements of the Company for the financial year ended 31 December 2024 together with the reports of the Directors and auditors thereon.
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)

Y.A.M. Tan Sri Dato’ Seri Syed Anwar Jamalullail

(2)

Datuk Choong Kai Wai

(3)

Dato’ Tengku Marina Binti Tunku Annuar
3.

To re-elect the following Directors who retire in accordance with Clause 107 of the Company’s Constitution and, being eligible, offer themselves for re-election:

(1)

Datin Grace Yeoh Cheng Geok

(2)

Mohamad Abdul Halim Bin Ahmad

(3)

Aida Hazrina Binti Mohd Tazaai
4.

To approve the payment of fees and allowances to the Non-Executive Directors for the period from 25 April 2025 up to the date of the next Annual General Meeting.
5.

To approve the payment of Directors’ other remuneration and benefits to the Non-Executive Directors for the period from 25 April 2025 up to the date of the next Annual General Meeting amounting up to approximately RM1,300,000.
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.

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 26 MARCH 2025

“**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

Please refer to  
Explanatory Note A

Resolution 1  
Resolution 2  
Resolution 3  
[Explanatory Note 1]

Resolution 4  
Resolution 5  
Resolution 6  
[Explanatory Note 1]

Resolution 7  
[Explanatory Note 2]

Resolution 8  
[Explanatory Note 3]

Resolution 9  
[Explanatory Note 4]

Resolution 10  
[Explanatory Note 5]

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 26 March 2025) 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

“**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;

Resolution 11  
[Explanatory Note 6]

Notice of Annual General Meeting

Notice of Annual General Meeting

**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

26 March 2025  
Selangor Darul Ehsan

NOTES:

1. 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.

2. 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.

3. 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.

4. 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.
5. 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.

6. The Form of Proxy duly completed and signed must be deposited at the Company’s share registrar, 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 or the drop-in boxes provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time for holding the meeting or any adjournment thereof. You may also submit the Form of Proxy electronically via **TIIH Online** at <https://tiih.online> not less than 48 hours before the time for holding the meeting or any adjournment thereof. Kindly refer to the Administrative Guide for the 50<sup>th</sup> AGM on the procedures for electronic submission of proxy form via **TIIH Online**.

7. Only members whose names appear in the Record of Depositors on 15 April 2025 shall be entitled to participate in the 50<sup>th</sup> AGM of the Company or appoint proxy/proxies to attend and/or vote on his/her behalf.

8. To attend the 50<sup>th</sup> AGM of the Company and appoint proxy/authorised representative, please refer to the Administrative Guide.

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, 3, 4, 5 and 6 - 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. Y.A.M Tan Sri Dato’ Seri Syed Anwar Jamalullail;
2. Datuk Choong Kai Wai;
3. Dato’ Tengku Marina Binti Tunku Annuar;
4. Datin Grace Yeoh Cheng Geok;
5. Mohamad Abdul Halim Bin Ahmad; and
6. Aida Hazrina Binti Mohd Tazaai.

The results of the Board Effectiveness Evaluation (“BEE”) carried out in September 2024 showed that the performance of Y.A.M Tan Sri Dato’ Seri Syed Anwar Jamalullail, Datuk Choong Kai Wai and Dato’ Tengku Marina Binti Tunku Annuar 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.

Datin Grace Yeoh Cheng Geok, Mohamad Abdul Halim Bin Ahmad and Aida Hazrina Binti Mohd Tazaai did not participate in the BEE as they were only appointed in June 2024, October 2024 and March 2025 respectively. Nonetheless, the Board viewed that they have since their appointment added value to the Board’s decision making process.

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. Their profiles are set out on pages 228, 229, 232, 236, 237 and 238 of the Integrated Report 2024. 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 50<sup>th</sup> AGM.

2. Resolution 7 - 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 8 - 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 Fees and Allowances	
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 coverage for critical illness, professional membership and other claimable benefits

### 4. Resolution 9 - Re-appointment of Messrs Ernst & Young PLT (“EY”)

The Audit Committee (“AC”) has in February 2025, undertaken an External Auditors Evaluation to assess the performance of EY for the financial year ended 31 December 2024. 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 2025.

### 5. Resolution 10 - Proposed Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Resolution 10, 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 26 March 2025 which is published together with the Notice of 50<sup>th</sup> AGM.

### 6. Resolution 11 - 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 11, 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 49<sup>th</sup> AGM held on 25 April 2024, the authority of which will lapse at the conclusion of the 50<sup>th</sup> AGM.

Form of Proxy

S P SETIA BERHAD

(197401002663 (19698-X))

No. of Ordinary Shares held

No. of Islamic Redeemable Convertible Preference Shares held

No. of Class C Islamic Redeemable Convertible Preference Shares held

CDS Account Number

For appointment of two (2) proxies, percentage of shareholdings to be represented by each proxy must be indicated below:

First proxy:

Second proxy:

First proxy:

Second proxy:

First proxy:

Second proxy:

I/We \_\_\_\_\_

(full name in block letters)

NRIC No./Company No. \_\_\_\_\_

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 the Fiftieth ("50<sup>th</sup>") 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 on Thursday, 24 April 2025 at 10.00 a.m.** and at any adjournment thereof in the manner as indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
1.	Re-election of Y.A.M. Tan Sri Dato’ Seri Syed Anwar Jamalullail.		
2.	Re-election of Datuk Choong Kai Wai.		
3.	Re-election of Dato’ Tengku Marina Binti Tunku Annuar.		
4.	Re-election of Datin Grace Yeoh Cheng Geok.		
5.	Re-election of Mohamad Abdul Halim Bin Ahmad.		
6.	Re-election of Aida Hazrina Binti Mohd Tazaai.		
7.	Approval for the Directors’ Fees and Allowances for the period from 25 April 2025 up to the date of the next Annual General Meeting.		
8.	Approval for the Payment of Extra Remuneration and Provision of Benefits to Directors of the Company for the period from 25 April 2025 up to the date of the next Annual General Meeting.		
9.	Re-appointment of Messrs Ernst & Young PLT as the Auditors of the Company and to authorise the Directors to fix their remuneration.		
10.	Approval for the Proposed Shareholders’ Mandate as specified in Section 2.3.1 of the Circular to Shareholders dated 26 March 2025.		
11.	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 \_\_\_\_\_ 2025.

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\_\_\_\_\_  
Signature of Member(s) or Common Seal

**NOTES:**

1. 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.
2. 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.
3. 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.
4. 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.
5. 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.
6. The Form of Proxy duly completed and signed must be deposited at the Company's share registrar, 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 or the drop-in boxes provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time for holding the meeting or any adjournment thereof. You may also submit the Form of Proxy electronically via TIH Online at <https://tiih.online> not less than 48 hours before the time for holding the meeting or any adjournment thereof. Kindly refer to the Administrative Guide for the 50<sup>th</sup> AGM on the procedures for electronic submission of proxy form via TIH Online.
7. Only members whose names appear in the Record of Depositors on 15 April 2025 shall be entitled to participate in the 50<sup>th</sup> AGM of the Company or appoint proxy/proxies to attend and/or vote on his/her behalf.
8. To attend the 50<sup>th</sup> AGM of the Company and appoint proxy/authorised representative, please refer to the Administrative Guide.

*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

Malaysia | Vietnam | Australia | Singapore | China | United Kingdom | Japan



**S P Setia Berhad Corporate HQ,**

No. 12, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170

Shah Alam, Selangor Darul Ehsan, Malaysia.

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[www.spsetia.com](http://www.spsetia.com)