

S P SETIA BERHAD
Company No: 197401002663 (19698-X)
(Incorporated in Malaysia)

Interim Financial Report
30 June 2025

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Interim Financial Report - 30 June 2025

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S P SETIA BERHAD
 (Company No: 197401002663 (19698-X))
 (Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025
(The figures have not been audited)

	Unaudited	Audited
	As At	As At
	30/06/2025	31/12/2024
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	733,801	751,792
Right-of-use - property, plant and equipment	3,044	2,709
Investment properties	2,008,050	2,000,932
Right-of-use - investment properties	30,688	38,000
Inventories - land held for property development	12,263,130	12,278,601
Intangible assets	16,997	15,480
Investments in joint ventures	2,843,741	2,842,942
Investments in associated companies	618,410	619,728
Other investments	96	96
Amounts owing by joint ventures	95,684	69,785
Trade receivables	6,149	6,202
Other receivables, deposits and prepayments	92,014	88,232
Deferred tax assets	260,168	263,291
	<u>18,971,972</u>	<u>18,977,790</u>
Current assets		
Trade receivables	545,754	499,803
Contract assets	462,187	628,074
Other receivables, deposits and prepayments	235,075	228,391
Inventories - land held for sales	674	14,483
Inventories - property development costs	2,352,611	2,436,899
Inventories - completed properties and others	1,282,782	1,315,821
Contract cost assets	210,817	172,093
Amounts owing by joint ventures	116,167	130,141
Amounts owing by related parties	-	1,080
Current tax assets	63,491	57,759
Short-term deposits	750,712	733,400
Cash and bank balances	2,011,371	2,408,076
	<u>8,031,641</u>	<u>8,626,020</u>
TOTAL ASSETS	<u><u>27,003,613</u></u>	<u><u>27,603,810</u></u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	9,238,541	9,238,060
Share capital - RCPS-i A	1,087,363	1,087,363
Share capital - RCPS-i C	202,982	203,463
Reserves		
Reserve on acquisition arising from common control	(1,295,884)	(1,295,884)
Exchange translation reserve	(32,250)	(33,637)
Retained earnings	5,396,330	5,414,491
Equity attributable to owners of the Company	<u>14,597,082</u>	<u>14,613,856</u>
Non-controlling interests	1,273,533	1,229,895
Total equity	<u><u>15,870,615</u></u>	<u><u>15,843,751</u></u>
LIABILITIES		
Non-current liabilities		
Redeemable cumulative preference shares	38,172	38,432
Other payables and accruals	82,016	80,522
Long-term borrowings	5,493,978	6,382,707
Lease liabilities	2,551	2,021
Deferred tax liabilities	454,027	461,501
	<u>6,070,744</u>	<u>6,965,183</u>
Current liabilities		
Trade payables	1,391,922	1,550,858
Contract liabilities	252,364	57,642
Other payables and accruals	666,110	887,195
Short-term borrowings	2,664,578	2,203,749
Lease liabilities	592	806
Current tax liabilities	86,041	94,252
Amounts owing to related parties	647	374
	<u>5,062,254</u>	<u>4,794,876</u>
Total liabilities	<u><u>11,132,998</u></u>	<u><u>11,760,059</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>27,003,613</u></u>	<u><u>27,603,810</u></u>
Net assets per share attributable to owners of the Company	<u>2.66</u>	<u>2.66</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes in this report.)

S P SETIA BERHAD
 (Company No.: 197401002663 (19698-X))
 (Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025
(The figures have not been audited)

	3 MONTHS ENDED		6 MONTHS ENDED	
	30/06/2025	30/06/2024	30/06/2025	30/06/2024
	RM'000	RM'000	RM'000	RM'000
Revenue	943,732	1,494,562	1,714,428	2,970,512
Cost of sales	(561,952)	(836,588)	(1,051,154)	(1,975,460)
Gross profit	<u>381,780</u>	<u>657,974</u>	<u>663,274</u>	<u>995,052</u>
Other operating income	61,486	70,422	122,992	131,616
Selling and marketing expenses	(7,019)	(7,983)	(15,943)	(20,741)
Administrative and general expenses	(125,615)	(123,460)	(224,391)	(229,696)
Operating profit	<u>310,632</u>	<u>596,953</u>	<u>545,932</u>	<u>876,231</u>
Gain/(loss) on foreign exchange				
- Realised	(146)	(414)	(173)	388
- Unrealised	2,997	(9,159)	7,832	(4,153)
Share of results of joint ventures	(46,455)	(101,013)	(65,044)	(121,767)
Share of results of associated companies	8,797	8,044	14,591	12,093
Finance costs	(80,156)	(83,928)	(166,001)	(171,113)
Other gains	-	56,346	-	56,346
Profit before tax	<u>195,669</u>	<u>466,829</u>	<u>337,137</u>	<u>648,025</u>
Taxation	(74,530)	(156,544)	(126,640)	(243,880)
Profit for the period	<u>121,139</u>	<u>310,285</u>	<u>210,497</u>	<u>404,145</u>
Other comprehensive income/(loss), net of tax:				
Item that may be reclassified to profit or loss in subsequent periods:				
- Exchange differences on translation of foreign operations	(22,434)	14,847	12,721	29,658
- Net (loss) on net investment hedge	(3,444)	1,717	(11,369)	(8,887)
Total comprehensive income for the period	<u>95,261</u>	<u>326,849</u>	<u>211,849</u>	<u>424,916</u>
Profit attributable to:				
Owners of the Company	99,801	295,033	166,824	372,360
Non-controlling interests	21,338	15,252	43,673	31,785
	<u>121,139</u>	<u>310,285</u>	<u>210,497</u>	<u>404,145</u>
Total comprehensive income attributable to:				
Owners of the Company	73,951	311,697	168,211	393,315
Non-controlling interests	21,310	15,152	43,638	31,601
	<u>95,261</u>	<u>326,849</u>	<u>211,849</u>	<u>424,916</u>
Earnings per share attributable to owners of the Company				
- Basic earnings per share (sen)	<u>1.99</u>	<u>6.30</u>	<u>2.52</u>	<u>7.03</u>
- Diluted earnings per share (sen)	<u>1.90</u>	<u>5.70</u>	<u>2.39</u>	<u>6.34</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes in this report.)

S P SETIA BERHAD
 (Company No.: 197401002663 (19698-X))
 (Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025
(The figures have not been audited)

	← Attributable to owners of the Company →								
	← Non-Distributable →				Distributable				
	Share Capital RM'000	Share Capital - RCPS-i A RM'000	Share Capital - RCPS-i C RM'000	Reserve on Acquisition Arising from Common Control RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
Balance at 01.01.2025	9,238,060	1,087,363	203,463	(1,295,884)	(33,637)	5,414,491	14,613,856	1,229,895	15,843,751
Total other comprehensive income for the period represented									
by exchange differences on translation of foreign operations	-	-	-	-	12,756	-	12,756	(35)	12,721
Net change on hedge of net investments	-	-	-	-	(11,369)	-	(11,369)	-	(11,369)
Profit for the period	-	-	-	-	-	166,824	166,824	43,673	210,497
Transactions with owners:									
Conversion of RCPS-i C into ordinary shares	481	-	(481)	-	-	-	-	-	-
RCPS-i A preferential dividends paid	-	-	-	-	-	(35,327)	(35,327)	-	(35,327)
RCPS-i C preferential dividends paid	-	-	-	-	-	(5,572)	(5,572)	-	(5,572)
Dividends paid	-	-	-	-	-	(144,086)	(144,086)	-	(144,086)
Balance at 30.06.2025	9,238,541	1,087,363	202,982	(1,295,884)	(32,250)	5,396,330	14,597,082	1,273,533	15,870,615
Balance at 01.01.2024	8,722,775	1,087,363	718,748	(1,295,884)	222,158	4,994,999	14,450,159	1,212,622	15,662,781
Total other comprehensive income for the period represented									
by exchange differences on translation of foreign operations	-	-	-	-	29,842	-	29,842	(184)	29,658
Net change on hedge of net investments	-	-	-	-	(8,887)	-	(8,887)	-	(8,887)
Profit for the period	-	-	-	-	-	372,360	372,360	31,785	404,145
Transactions with owners:									
Conversion of RCPS-i C into ordinary shares	323,316	-	(323,316)	-	-	-	-	-	-
RCPS-i A preferential dividends paid	-	-	-	-	-	(35,327)	(35,327)	-	(35,327)
RCPS-i C preferential dividends paid	-	-	-	-	-	(17,446)	(17,446)	-	(17,446)
Dividends paid and payable	-	-	-	-	-	(59,674)	(59,674)	(4,688)	(64,362)
Balance at 30.06.2024	9,046,091	1,087,363	395,432	(1,295,884)	243,113	5,254,912	14,731,027	1,239,535	15,970,562

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes in this report)

S P SETIA BERHAD
 (Company No.: 197401002663 (19698-X))
 (Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025
(The figures have not been audited)

	6 MONTHS ENDED	
	30/06/2025	30/06/2024
	RM'000	RM'000
Operating Activities		
Profit before tax	337,137	648,025
Adjustments for:-		
Non-cash items	88,331	69,662
Non-operating items	66,922	90,907
Operating profit before changes in working capital	<u>492,390</u>	<u>808,594</u>
Changes in inventories - property development costs		
land held for sales and contract cost assets	149,496	868,934
Changes in inventories - completed properties and others	128,492	302,454
Changes in contract assets/liabilities	361,503	433,074
Changes in receivables	(54,299)	(134,668)
Changes in payables	<u>(314,083)</u>	<u>(167,470)</u>
Cash generated from operations	763,499	2,110,918
Rental received	10,264	7,533
Interest received	30,825	31,577
Interest paid on lease liabilities	(64)	(2)
Net tax paid	<u>(145,003)</u>	<u>(151,248)</u>
Net cash generated from operating activities	<u>659,521</u>	<u>1,998,778</u>
Investing Activities		
Additions to inventories - land held for property development	(204,909)	(561,363)
Deposits and part consideration paid for acquisition of development land	-	(35,562)
Additions to property, plant and equipment	(1,864)	(6,075)
Additions to investment properties	(7,321)	(6,536)
Additions to intangible assets	(2,121)	(937)
Proceeds from disposal of property, plant and equipment	99	23,748
Proceeds from disposal of investment properties	-	6,677
Proceeds from disposal of joint ventures	-	59,071
Repayment from joint ventures	(13,416)	57,678
Withdrawal of sinking fund, debt service reserve, escrow accounts and short-term deposits	61,771	30,664
Dividends received from associated companies	10,620	7,350
Interest received	13,447	9,181
Rental received	<u>34,557</u>	<u>25,931</u>
Net cash used in investing activities	<u>(109,137)</u>	<u>(390,173)</u>
Financing Activities		
Drawdown of bank borrowings	222,500	896,947
Repayment of bank borrowings	(686,237)	(1,629,234)
Repayment of lease liabilities	(480)	(553)
Interest paid	(213,910)	(258,543)
Redeemable cumulative preference share dividends paid to non-controlling interests	(684)	(1,734)
Dividends paid to non-controlling interests	-	(40,000)
Dividends paid	(144,086)	(59,674)
RCPS-i A preferential dividends paid	(35,327)	(35,327)
RCPS-i C preferential dividends paid	<u>(5,572)</u>	<u>(17,446)</u>
Net cash used in financing activities	<u>(863,796)</u>	<u>(1,145,564)</u>

S P SETIA BERHAD
 (Company No.: 197401002663 (19698-X))
 (Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025
(The figures have not been audited)

	6 MONTHS ENDED	
	30/06/2025	30/06/2024
	RM'000	RM'000
Net changes in cash and cash equivalents	(313,412)	463,041
Effect of exchange rate changes	(5,903)	(2,756)
Cash and cash equivalents at beginning of the period	2,938,212	2,254,651
Cash and cash equivalents at end of the period	<u>2,618,897</u>	<u>2,714,936</u>
 Cash and cash equivalents comprise the following:		
Short-term deposits	750,712	998,293
Cash and bank balances	2,011,371	1,937,646
Bank overdrafts	<u>(32,469)</u>	<u>(19,520)</u>
	2,729,614	2,916,419
Less: Amount restricted in sinking fund, debt service reserve, escrow accounts and short-term deposits	<u>(110,717)</u>	<u>(201,483)</u>
	<u>2,618,897</u>	<u>2,714,936</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes in this report.)

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

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

The interim financial report is unaudited and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024.

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial period ended 31 December 2024 except for the adoption of the following MFRS and amendments to MFRSs:

Amendments to MFRS 121	The effects of changes in Foreign Exchange Rates - Lack of exchangeability
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The adoption of the above amendments to MFRSs do not have significant financial impact to the Group in this interim financial period.

2. Seasonal or Cyclical Factors

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

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

There were no unusual items for the financial period ended 30 June 2025 other than as disclosed in this report.

4. Material Changes in Estimates

There were no material changes in estimates for the financial period ended 30 June 2025.

5. Debts and Equity Securities

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

- Conversion of 1,265,675 RCPS-i C to 604,501 ordinary shares with the conversion ratio of thirty-two (32) new S P Setia Berhad shares for sixty-seven (67) RCPS-i C held.

6. Dividends Paid

i) Dividend in respect of the financial year ended 31 December 2024

A single-tier dividend, in respect of the financial year ended 31 December 2024 of 2.88 sen per ordinary share amounting to RM144,086,446 was paid in cash on 15 April 2025.

ii) Islamic Redeemable Convertible Preference Shares (“RCPS-i A”) preferential dividend in respect of the financial period from 1 July 2024 to 31 December 2024

A semi-annual RCPS-i A preferential dividend of RM35,326,946, in respect of the financial period from 1 July 2024 to 31 December 2024 was paid in cash on 15 April 2025.

iii) Islamic Redeemable Convertible Preference Shares (“RCPS-i C”) preferential dividend in respect of the financial period from 1 July 2024 to 31 December 2024

A semi-annual RCPS-i C preferential dividend of RM5,571,569 in respect of the financial period from 1 July 2024 to 31 December 2024 was paid in cash on 15 April 2025.

7. Segmental Reporting

The segmental analysis are as follows:

Period ended 30 June 2025	Property Development RM'000	Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
External revenue	1,612,026	102,402	-	1,714,428
Inter-segment revenue	78,429	6,864	(85,293)	-
Total revenue	1,690,455	109,266	(85,293)	1,714,428
Gross profit	631,094	32,180	-	663,274
Other income	108,807	14,185	-	122,992
Operating expenses	(223,844)	(16,490)	-	(240,334)
Gain/(loss) on foreign exchange				
- Realised	(172)	(1)	-	(173)
- Unrealised	7,754	78	-	7,832
Share of results of joint ventures	(71,080)	6,036	-	(65,044)
Share of results of associated companies	14,578	13	-	14,591
Finance costs	(147,542)	(18,459)	-	(166,001)
Profit before tax	319,595	17,542	-	337,137
Taxation				(126,640)
Profit for the period				<u>210,497</u>

7. Segmental Reporting (continued)

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

Geographical Segment	Revenue RM'000	Profit before tax RM'000	Profit after tax RM'000
Domestic	1,664,259	434,212	300,639
International	50,169	(97,075)	(90,142)
	1,714,428	337,137	210,497

Period ended 30 June 2024	Property Development RM'000	Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
External revenue	2,833,472	137,040	-	2,970,512
Inter-segment revenue	91,474	225	(91,699)	-
Total revenue	2,924,946	137,265	(91,699)	2,970,512
Gross profit	970,535	24,517	-	995,052
Other income	126,724	4,892	-	131,616
Operating expenses	(227,373)	(23,064)	-	(250,437)
Gain/(loss) on foreign exchange				
- Realised	209	179	-	388
- Unrealised	(1,289)	(2,864)	-	(4,153)
Share of results of joint ventures	(122,814)	1,047	-	(121,767)
Share of results of associated companies	12,093	-	-	12,093
Finance costs	(151,213)	(19,900)	-	(171,113)
Other gains	-	56,346	-	56,346
Profit before tax	606,872	41,153	-	648,025
Taxation				(243,880)
Profit for the period				404,145

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

Geographical Segment	Revenue RM'000	Profit before tax RM'000	Profit after tax RM'000
Domestic	2,627,149	707,473	480,381
International	343,363	(59,448)	(76,236)
	2,970,512	648,025	404,145

8. Material Events Subsequent to the End of Financial Period

There were no material transactions or events subsequent to the financial period ended 30 June 2025 until 13 August 2025 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial report).

9. Changes in the Composition of the Group

There were no changes in the composition of the Group for the financial period ended 30 June 2025 except for dissolution of Tenaga Raya Sdn Bhd, a wholly owned dormant subsidiary of S P Setia Berhad on 25 April 2025.

10. Contingent Liabilities

There were no contingent liabilities in respect of the Group for the financial period ended 30 June 2025.

11. Capital Commitments

	As at 30 June 2025 RM'000
<i>Commitments of subsidiary companies:</i>	
Contractual commitment for construction of investment properties	15,440
Contractual commitment for acquisition / construction of property, plant and equipment	2,535
Contractual commitment for acquisition of development land	<u>282,663</u>

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

	As at 30 June 2025 RM'000
<i>Joint venture:</i>	
Contractual commitment for operation	<u>80,581</u>

12. Significant Related Party Transactions

**1 January 2025
To
30 June 2025
RM'000**

Transactions with joint ventures:

i) Management fee received and receivable	2,215
ii) Event and marketing fee received and receivable	6
iii) Staff secondment fee received and receivable	183
iv) Interest received and receivable	<u>5,528</u>

Transactions with associates:

i) Dividend received and receivable	<u>10,620</u>
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Transactions with director(s) of the subsidiary companies and key senior management:

i) Sale of properties to Directors of the subsidiary companies	2,396
ii) Sale of properties to key senior management	<u>2,299</u>

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

1. Review of Group Performance

The performance of the respective operating business segments for the current quarter (“Q2”) are analysed as follows:

	3 MONTHS ENDED		6 MONTHS ENDED	
	30/06/2025	30/06/2024	30/06/2025	30/06/2024
	RM'000	RM'000	RM'000	RM'000
Revenue				
Property Development	892,758	1,426,299	1,612,026	2,833,472
Investment Holding and Others	50,974	68,263	102,402	137,040
	<u>943,732</u>	<u>1,494,562</u>	<u>1,714,428</u>	<u>2,970,512</u>
Profit before tax (“PBT”)				
Property Development	186,272	426,098	319,595	606,872
Investment Holding and Others	9,397	40,731	17,542	41,153
	<u>195,669</u>	<u>466,829</u>	<u>337,137</u>	<u>648,025</u>

(a) Performance of the current quarter against the same quarter in the preceding year (Q2 2025 vs Q2 2024)

Property Development

In Q2 2025, the Group’s property development segment recorded revenue of RM893 million and PBT of RM186 million. This represents a decrease of 37% in revenue and 56% in PBT compared to Q2 2024. The decline was primarily due to lower contributions from land sales by RM407 million, as well as reduced revenue from projects in Australia and Vietnam following substantial handovers of completed developments in 2024.

The lower PBT in Q2 2025 was in tandem with the decline in revenue and partially offset improved performance from Battersea Power Station.

Investment Holding and Others

Revenue from other operations consist of trading and investment properties such as office towers, retail malls, convention centres, and hotel.

PBT for Q2 2025 was lower compared to Q2 2024, mainly due to the one-off gain from the disposal of shares in Retro Highlands Sdn Bhd that was recognised in May 2024.

1. Review of Group Performance (continued)

(b) Performance of the six (6) months ended 30 June 2025 against the six (6) months ended 30 June 2024

Property Development

The Group recorded revenue of RM1.61 billion and PBT of RM320 million from the property development segment, both lower than the corresponding period in the previous year. The decline was primarily due to major land sales in Glengowrie and Taman Pelangi Indah, as well as higher contributions from Australia and Vietnam in the prior year following substantial handovers of completed projects. Revenue from land sales in the current period is lower by RM765 million compared to the previous period.

The lower PBT in the current period is in line with the decrease in revenue and partially offset by improved performance from Battersea Power Station.

Investment Holding and Others

The decline in the segment's PBT was primarily attributed to the gain on disposal of shares in Retro Highlands Sdn Bhd recorded in the previous period.

2. Material Changes in the Quarterly Results ("Q2 2025") compared to the results of the Preceding Quarter ("Q1 2025")

The Group recorded a PBT of RM196 million for Q2 2025, representing an increase from RM141 million in the previous quarter, mainly due to recognition of land sales in Taman Pelangi in Q2 2025.

3. Prospects for the Current Financial Year

For the six months ended 30 June 2025, the Group secured sales totalling RM1.90 billion. Domestic projects contributed RM1.42 billion, representing approximately 75% of total sales, while international projects contributed RM480 million or 25% of the total sales. In Malaysia, Central region contributed 52% of the Group's sales totalling RM955 million, while the Southern region accounted for RM430 million.

On 9 July 2025, Bank Negara Malaysia (BNM) has cut the Overnight Policy Rate (OPR) by 25 basis points to 2.75%, its first rate cut in five years. The rate cut signals anticipated growth in the property development industry, particularly in the residential segment, by improving buyer affordability, reducing developers' financing costs, and potentially boosting market sentiment amid heightened, prolonged global uncertainty as well as rising construction costs. Amid the current market challenges, the Group remains cautiously optimistic while looking for opportunities to expand presence across the targeted high-growth segments.

Meanwhile, the Group will continue to accelerate its catalytic township developments, eco-industrial parks, strategic partnerships and capitalising on value creation across its key growth corridors.

On the international front, the Group held a groundbreaking ceremony for its Setia Garden Residences project at its EcoXuan township in Ho Chi Minh City, Vietnam on 26 July 2025. With a gross development value (GDV) of US\$81 million (RM381.1 million), Setia Garden Residences is scheduled for completion in 2027, and is positioned to become a new landmark in the northern corridor of Ho Chi Minh City.

As of 30 June 2025, the Group has unbilled sales pipeline of RM3.9 billion, 42 ongoing projects with a remaining land bank of 5,191 acres, and an effective remaining GDV of RM90.18 billion.

4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

5. Taxation

	3 MONTHS ENDED		6 MONTHS ENDED	
	30/06/2025	30/06/2024	30/06/2025	30/06/2024
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- current period	82,879	162,073	138,601	239,255
- under/(over) provision in prior years	(1,191)	4,465	(7,536)	4,884
Deferred tax:				
- current period	(2,774)	(9,507)	(2,852)	(15,375)
- under provision in prior years	(4,384)	(487)	(1,573)	15,116
	<u>74,530</u>	<u>156,544</u>	<u>126,640</u>	<u>243,880</u>

The Group's effective tax rate (excluding share of results of joint ventures and associated companies) for the financial period is higher than the statutory tax rate mainly due to certain non-tax-deductible expenses and the unrecognized deferred tax assets.

6. Status of Corporate Proposal

There was no corporate proposal announced but not completed as of 13 August 2025 (being the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report).

7. Group Borrowings and Debt Securities

Total group borrowings and debt securities as of 30 June 2025 were as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short-term borrowings - Islamic	125,461	621,067	746,528
Short-term borrowings - Conventional	750,907	1,167,143	1,918,050
Long-term borrowings - Islamic	1,545,577	2,995,847	4,541,424
Long-term borrowings - Conventional	952,554	-	952,554
Redeemable cumulative preference shares	-	38,172	38,172
	<u>3,374,499</u>	<u>4,822,229</u>	<u>8,196,728</u>

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

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Malaysian Ringgit	2,864,819	3,663,270	6,528,089
Great British Pound	-	987,473	987,473
Australian Dollar	477,896	137,750	615,646
United States Dollar	-	33,736	33,736
Japanese Yen	31,784	-	31,784
	<u>3,374,499</u>	<u>4,822,229</u>	<u>8,196,728</u>

8. Material Litigation

- i) The following are the status updates on the contingent liabilities of the Group as of 18 August 2025 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report):

On 27 August 2024, S P Setia and its subsidiaries, Setia Bina Raya Sdn Bhd and Aeropod Sdn Bhd (“Subsidiaries”) filed a civil suit at the Shah Alam High Court (“Court”) against the following defendants:

- 1) Datuk Wong Tuck Wai (1st Defendant)
- 2) Datuk Kow Choong Ming (2nd Defendant)
- 3) Dato’ Khor Chap Jen (3rd Defendant)
- 4) Wilfred Yong Chen Leong (4th Defendant)
- 5) Alan Wong Siew Ong (5th Defendant)
- 6) Pristigo Properties Sdn Bhd (6th Defendant)
- 7) Asia Dream MM2H Sdn Bhd (7th Defendant)
- 8) Optimise Profit Sdn Bhd (8th Defendant)
- 9) Glorywise Century Sdn Bhd (9th Defendant)
- 10) Bigdeal Synergy Sdn Bhd (10th Defendant)
- 11) Siner maju Sdn Bhd (11th Defendant)

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

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

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

On 28 March 2025, the Plaintiffs filed all the Reply to Defence and Defence to Counterclaim (to 6th Defendant’s Counterclaim). On 11 April 2025, the Plaintiffs received the Amended Defence from the 2nd Defendant and consequently, the Plaintiffs filed the Amended Reply to the 2nd Defendant’s Defence on 25 April 2025.

Parties attended the Case Management on 5 May 2025 whereby the Defendants’ solicitors indicated they intend to seek discovery for further documents. The Court directed parties to provide further updates as to the compliance for filing of pre-trial documents during the next Case Management which is fixed on 20 June 2025.

At the Case Management on 20 June 2025, the judge directed parties to exhaust the necessary filing of cause papers in respect of 2 interim applications and on 15 August 2025, the 2 interim applications were withdrawn. The next Case Management is fixed on 10 September 2025.

8. Material Litigation (continued)

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

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

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

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

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

The case is ongoing.

9. Earnings Per Share Attributable to Owners of The Company

Basic Earnings Per Share

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

	3 MONTHS ENDED		6 MONTHS ENDED	
	30/06/2025	30/06/2024	30/06/2025	30/06/2024
	'000	'000	'000	'000
Profit attributable to owners of the Company (RM)	99,802	295,033	166,824	372,360
- RCPS-i A preferential dividends (RM)	-	-	(35,327)	(35,327)
- RCPS-i C preferential dividends (RM)	-	-	(5,572)	(17,446)
Adjusted profit attributable to owners of the Company (RM)	<u>99,802</u>	<u>295,033</u>	<u>125,925</u>	<u>319,587</u>
Number of ordinary shares at beginning of the period	5,003,002	4,453,303	5,002,484	4,354,837
Weighted average effect of shares issued pursuant to:				
- Conversion of RCPS i-C into ordinary shares	56	226,054	347	188,112
Number of ordinary shares in issue	<u>5,003,058</u>	<u>4,679,357</u>	<u>5,002,831</u>	<u>4,542,949</u>
Basic earnings per share (sen)	<u>1.99</u>	<u>6.30</u>	<u>2.52</u>	<u>7.03</u>

Diluted Earnings Per Share

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

	3 MONTHS ENDED		6 MONTHS ENDED	
	30/06/2025	30/06/2024	30/06/2025	30/06/2024
	'000	'000	'000	'000
Profit attributable to owners of the Company (RM)	99,802	295,033	166,824	372,360
- RCPS-i A preferential dividends (RM)	-	-	(35,327)	(35,327)
- RCPS-i C preferential dividends (RM)	-	-	(5,572)	(17,446)
Adjusted profit attributable to owners of the Company (RM)	<u>99,802</u>	<u>295,033</u>	<u>125,925</u>	<u>319,587</u>
Weighted average number of ordinary shares as per Basic Earnings Per Share	5,003,058	4,679,357	5,002,831	4,542,949
Effect of potential exercise of RCPS-i C	257,842	499,726	257,842	499,726
Weighted average number of ordinary shares	<u>5,260,900</u>	<u>5,179,083</u>	<u>5,260,673</u>	<u>5,042,675</u>
Diluted earnings per share (sen)	<u>1.90</u>	<u>5.70</u>	<u>2.39</u>	<u>6.34</u>

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

10. Dividends Declared

- (a) On 20 August 2025, the Board of Directors has declared preferential dividends in respect of the financial period from 1 January 2025 to 30 June 2025, for the RCPS-i A and RCPS-i C.
- (i) Preferential dividend rate
 - RCPS-i A: 6.49% per annum
 - RCPS-i C: 5.43% per annum
- (ii) Previous corresponding financial period
 - RCPS-i A: 6.49% per annum
 - RCPS-i C: 5.43% per annum
- (iii) Date payable: To be determined later
- (iv) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at a date to be determined later.
- (b) No dividend has been declared in respect of ordinary share for the financial period ended 30 June 2025.

11. Notes to the Statement of Comprehensive Income

	3 MONTHS ENDED 30/06/2025 RM'000	6 MONTHS ENDED 30/06/2025 RM'000
Other income including investment income	39,497	78,604
Interest income	21,989	44,388
Interest expense	(80,156)	(166,001)
Depreciation and amortisation	(10,127)	(20,322)
Provision of doubtful debts for trade and other receivables	(1,874)	(2,675)
Write off property, plant and equipment	(20)	(71)
Write down in value of land held for property development	(10,323)	(10,323)
Loss on dissolution of subsidiary company	(11)	(11)
Fair value adjustment of right-of-use - investment properties	(3,256)	(7,312)
Net foreign exchange gain	2,851	7,659

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

12. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the financial period ended 31 December 2024 was unqualified.