

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

Interim Financial Report
31 March 2026

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Interim Financial Report - 31 March 2026

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S P SETIA BERHAD
 (Company No: 197401002663 (19698-X))
 (Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026
(The figures have not been audited)

	Unaudited As At 31/03/2026 RM'000	Audited As At 31/12/2025 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	711,712	719,114
Right-of-use - property, plant and equipment	654	748
Investment properties	2,059,736	2,060,083
Right-of-use - investment properties	48,203	48,203
Inventories - land held for property development	11,668,988	11,696,127
Intangible assets	17,623	17,872
Investments in joint ventures	2,474,263	2,547,128
Investments in associated companies	631,005	624,505
Other investments	96	96
Amounts owing by joint ventures	206,356	210,714
Trade receivables	-	669
Other receivables, deposits and prepayments	87,653	88,514
Deferred tax assets	259,654	278,582
	<u>18,165,943</u>	<u>18,292,355</u>
Current assets		
Trade receivables	567,432	1,032,788
Contract assets	406,285	469,095
Other receivables, deposits and prepayments	230,502	258,645
Inventories - land held for sales	-	40,356
Inventories - property development costs	2,751,259	2,818,825
Inventories - completed properties and others	1,206,350	1,228,137
Contract cost assets	204,513	188,577
Amounts owing by joint ventures	105,466	104,948
Current tax assets	71,017	77,525
Short-term deposits	701,906	511,072
Cash and bank balances	2,304,571	2,061,074
	<u>8,549,301</u>	<u>8,791,042</u>
TOTAL ASSETS	<u>26,715,244</u>	<u>27,083,397</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	9,239,185	9,239,169
Share capital - RCPS-i A	1,086,744	1,086,760
Share capital - RCPS-i C	202,957	202,957
Reserves		
Reserve on acquisition arising from common control	(1,295,884)	(1,295,884)
Exchange translation reserve	(148,156)	(133,724)
Retained earnings	5,561,227	5,698,564
Equity attributable to owners of the Company	<u>14,646,073</u>	<u>14,797,842</u>
Non-controlling interests	1,316,947	1,290,833
Total equity	<u>15,963,020</u>	<u>16,088,675</u>
LIABILITIES		
Non-current liabilities		
Redeemable cumulative preference shares	21,000	21,000
Other payables and accruals	76,039	86,188
Long-term borrowings	6,223,165	4,887,043
Lease liabilities	9,344	9,353
Deferred tax liabilities	413,207	412,167
	<u>6,742,755</u>	<u>5,415,751</u>
Current liabilities		
Redeemable cumulative preference shares	17,817	17,603
Trade payables	1,285,664	1,472,374
Contract liabilities	147,081	97,645
Other payables and accruals	841,046	815,040
Short-term borrowings	1,647,686	3,031,162
Lease liabilities	5,175	5,126
Current tax liabilities	64,352	139,373
Amounts owing to related parties	648	648
	<u>4,009,469</u>	<u>5,578,971</u>
Total liabilities	<u>10,752,224</u>	<u>10,994,722</u>
TOTAL EQUITY AND LIABILITIES	<u>26,715,244</u>	<u>27,083,397</u>
Net assets per share attributable to owners of the Company	<u>2.67</u>	<u>2.70</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 2025 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 31 MARCH 2026
(The figures have not been audited)

	3 MONTHS ENDED	
	31/03/2026	31/03/2025
	RM'000	RM'000
Revenue	826,542	770,696
Cost of sales	(583,273)	(489,202)
Gross profit	243,269	281,494
Other operating income	61,307	61,506
Selling and marketing expenses	(9,675)	(8,924)
Administrative and general expenses	(69,128)	(98,776)
Operating profit	225,773	235,300
Gain/(loss) on foreign exchange:		
- Realised	(5,871)	(27)
- Unrealised	(14,419)	4,835
Share of results of joint ventures	(18,840)	(18,589)
Share of results of associated companies	5,639	5,794
Finance costs	(84,502)	(85,845)
Profit before tax	107,780	141,468
Taxation	(50,132)	(52,110)
Profit for the period	57,648	89,358
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	(14,842)	35,155
- Net loss on net investment hedge	-	(7,925)
Total comprehensive income for the period	42,806	116,588
Profit attributable to:		
Owners of the Company	31,124	67,023
Non-controlling interests	26,524	22,335
	57,648	89,358
Total comprehensive income attributable to:		
Owners of the Company	16,692	94,260
Non-controlling interests	26,114	22,328
	42,806	116,588
Earnings per share attributable to owners of the Company		
- Basic earnings per share (sen)	0.62	1.34
- Diluted earnings per share (sen)	0.59	1.27

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 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 31 MARCH 2026
(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 01.01.2026	9,239,169	1,086,760	202,957	(1,295,884)	(133,724)	5,698,564	14,797,842	1,290,833	16,088,675
Total other comprehensive loss for the period represented									
by exchange differences on translation of foreign operations	-	-	-	-	(14,432)	-	(14,432)	(410)	(14,842)
Profit for the period	-	-	-	-	-	31,124	31,124	26,524	57,648
Transactions with owners:									
Conversion of RCPS-i A into ordinary shares	16	(16)	-	-	-	-	-	-	-
RCPS-i A preferential dividends paid and payable	-	-	-	-	-	(35,307)	(35,307)	-	(35,307)
RCPS-i C preferential dividends paid and payable	-	-	-	-	-	(5,569)	(5,569)	-	(5,569)
Dividends paid and payable	-	-	-	-	-	(127,585)	(127,585)	-	(127,585)
Balance at 31.03.2026	9,239,185	1,086,744	202,957	(1,295,884)	(148,156)	5,561,227	14,646,073	1,316,947	15,963,020
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 / (loss) for the period represented									
by exchange differences on translation of foreign operations	-	-	-	-	35,162	-	35,162	(7)	35,155
Net change on hedge of net investments	-	-	-	-	(7,925)	-	(7,925)	-	(7,925)
Profit for the period	-	-	-	-	-	67,023	67,023	22,335	89,358
Transactions with owners:									
Conversion of RCPS-i C into ordinary shares	412	-	(412)	-	-	-	-	-	-
RCPS-i A preferential dividends paid and payable	-	-	-	-	-	(35,327)	(35,327)	-	(35,327)
RCPS-i C preferential dividends paid and payable	-	-	-	-	-	(5,572)	(5,572)	-	(5,572)
Dividends paid and payable	-	-	-	-	-	(144,086)	(144,086)	-	(144,086)
Balance at 31.03.2025	9,238,472	1,087,363	203,051	(1,295,884)	(6,400)	5,296,529	14,523,131	1,252,223	15,775,354

(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 2025 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 31 MARCH 2026
(The figures have not been audited)

	3 MONTHS ENDED	
	31/03/2026	31/03/2025
	RM'000	RM'000
Operating Activities		
Profit before tax	107,780	141,468
Adjustments for:-		
Non-cash items	40,703	25,648
Non-operating items	<u>31,874</u>	<u>36,790</u>
Operating profit before changes in working capital	180,357	203,906
Changes in inventories - property development costs, land held for sales and contract cost assets	130,346	63,115
Changes in inventories - completed properties and others	78,970	62,858
Changes in contract assets/liabilities	112,640	169,609
Changes in receivables	497,181	(4,279)
Changes in payables	<u>(310,771)</u>	<u>(222,242)</u>
Cash generated from operations	688,723	272,967
Rental received	5,142	5,318
Interest received	17,075	15,171
Interest paid on lease liabilities	(5)	(33)
Net tax paid	<u>(98,432)</u>	<u>(104,467)</u>
Net cash generated from operating activities	<u>612,503</u>	<u>188,956</u>
Investing Activities		
Additions to inventories - land held for property development	(103,674)	(109,175)
Additions to property, plant and equipment	(1,637)	(1,046)
Additions to investment properties	(75)	(778)
Additions to intangible assets	(165)	(1,547)
Proceeds from disposal of property, plant and equipment	260	71
Repayment from joint ventures	319	9,522
Withdrawal of sinking fund, debt service reserve, escrow accounts and short-term deposits	46,437	33,399
Interest received	7,247	7,167
Rental received	<u>18,539</u>	<u>17,376</u>
Net cash used in investing activities	<u>(32,749)</u>	<u>(45,011)</u>

S P SETIA BERHAD
 (Company No.: 197401002663 (19698-X))
 (Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026
(The figures have not been audited)

	3 MONTHS ENDED	
	31/03/2026	31/03/2025
	RM'000	RM'000
Financing Activities		
Proceeds from issuance of Sukuk Wakalah	1,750,000	-
Drawdown of bank borrowings	11,355	192,000
Repayment of bank borrowings	(1,802,811)	(387,347)
Repayment of lease liabilities	(72)	(233)
Interest paid	(57,967)	(80,167)
Net cash used in financing activities	<u>(99,495)</u>	<u>(275,747)</u>
Net changes in cash and cash equivalents	480,259	(131,802)
Effect of exchange rate changes	509	514
Cash and cash equivalents at beginning of the period	<u>2,438,288</u>	<u>2,938,212</u>
Cash and cash equivalents at end of the period	<u><u>2,919,056</u></u>	<u><u>2,806,924</u></u>
Cash and cash equivalents comprise the following:		
Short-term deposits	701,906	437,134
Cash and bank balances	2,304,571	2,549,272
Bank overdrafts	-	(40,392)
	<u>3,006,477</u>	<u>2,946,014</u>
Less: Amount restricted in sinking fund, debt service reserve, escrow accounts and short-term deposits	<u>(87,421)</u>	<u>(139,090)</u>
	<u><u>2,919,056</u></u>	<u><u>2,806,924</u></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 2025 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 2025.

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 December 2025 except for the adoption of the following MFRS and amendments to MFRSs which are effective for the accounting period beginning 1 January 2026:

Amendments to MFRS 7 & MFRS 9	Amendments to the Classification and Measurement of Financial Instruments (<i>Amendments to MFRS 9 and MFRS 7</i>)
Amendments to MFRS 7 & MFRS 9	Contracts Referencing Nature-dependent Electricity (<i>Amendments to MFRS 9 and MFRS 7</i>)
Annual Improvements to MFRS Accounting Standards – Volume 11	

The adoption of the above amendments to MFRSs do not have any financial impact to the Group in this interim financial period. The Group has not adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 January 2026.

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 31 March 2026 other than as disclosed in this report.

4. Material Changes in Estimates

There were no material changes in estimates for the financial period ended 31 March 2026.

5. Debts and Equity Securities

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

- Conversion of 16,367 RCPS-i A to 5,643 ordinary shares with the conversion ratio of ten (10) new S P Setia Berhad shares for twenty-nine (29) RCPS-i A held.

6. Dividends Paid

i) Dividend in respect of the financial year ended 31 December 2025

A single-tier dividend, in respect of the financial year ended 31 December 2025 of 2.55 sen per ordinary share amounting to RM127,585,015 was paid in cash on 15 April 2026.

ii) Islamic Redeemable Convertible Preference Shares (“RCPS-i A”) preferential dividend in respect of the financial period from 1 July 2025 to 31 December 2025

A semi-annual RCPS-i A preferential dividend of RM35,306,840, in respect of the financial period from 1 July 2025 to 31 December 2025 was paid in cash on 15 April 2026.

iii) Islamic Redeemable Convertible Preference Shares (“RCPS-i C”) preferential dividend in respect of the financial period from 1 July 2025 to 31 December 2025

A semi-annual RCPS-i C preferential dividend of RM5,569,004 in respect of the financial period from 1 July 2025 to 31 December 2025 was paid in cash on 15 April 2026.

7. Segmental Reporting

The segmental analysis is as follows:

Period ended 31 March 2026	Property Development RM'000	Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
External revenue	779,471	47,071	-	826,542
Inter-segment revenue	32,700	3,615	(36,315)	-
Total revenue	812,171	50,686	(36,315)	826,542
Gross profit	227,225	16,044	-	243,269
Other income	50,026	11,281	-	61,307
Operating expenses	(63,319)	(15,484)	-	(78,803)
Gain/(loss) on foreign exchange				
- Realised	(336)	(5,535)	-	(5,871)
- Unrealised	(17,013)	2,594	-	(14,419)
Share of results of joint ventures	(22,867)	4,027	-	(18,840)
Share of results of associated companies	5,639	-	-	5,639
Finance costs	(73,183)	(11,319)	-	(84,502)
Profit before tax	106,172	1,608	-	107,780
Taxation				(50,132)
Profit for the period				57,648

7. Segmental Reporting (continued)

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

Geographical Segment	Revenue RM'000	Profit/(Loss) before tax RM'000	Profit/(Loss) after tax RM'000
Domestic	826,197	141,212	91,493
International	345	(33,432)	(33,845)
	<u>826,542</u>	<u>107,780</u>	<u>57,648</u>

Period ended 31 March 2025	Property Development RM'000	Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
External revenue	719,268	51,428	-	770,696
Inter-segment revenue	29,147	3,861	(33,008)	-
Total revenue	<u>748,415</u>	<u>55,289</u>	<u>(33,008)</u>	<u>770,696</u>
Gross profit	265,978	15,516	-	281,494
Other income	53,369	8,137	-	61,506
Operating expenses	(99,750)	(7,950)	-	(107,700)
Gain/(loss) on foreign exchange				
- Realised	(26)	(1)	-	(27)
- Unrealised	4,655	180	-	4,835
Share of results of joint ventures	(19,856)	1,267	-	(18,589)
Share of results of associated companies	5,794	-	-	5,794
Finance costs	(76,841)	(9,004)	-	(85,845)
Profit before tax	<u>133,323</u>	<u>8,145</u>	<u>-</u>	<u>141,468</u>
Taxation				(52,110)
Profit for the period				<u>89,358</u>

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

Geographical Segment	Revenue RM'000	Profit/(Loss) before tax RM'000	Profit/(Loss) after tax RM'000
Domestic	747,563	168,599	114,173
International	23,133	(27,131)	(24,815)
	<u>770,696</u>	<u>141,468</u>	<u>89,358</u>

8. Material Events Subsequent to the End of Financial Period

There were no material transactions or events between the financial period ended 31 March 2026 and 13 May 2026, being the latest practicable date not earlier than seven days from the 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 31 March 2026.

10. Contingent Liabilities

**As at
31 March 2026
RM'000**

Claims pending against the Group (refer to Note 8 Material Litigation (ii))	13,076
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11. Capital Commitments

**As at
31 March 2026
RM'000**

Commitments of subsidiary companies:

Contractual commitment for construction of investment properties	681
Contractual commitment for acquisition of property, plant and equipment, and intangible assets	2,220

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
31 March 2026
RM'000**

Joint ventures:

Contractual commitment for operations	80,581
Contractual commitment to purchase development land	9,366

12. Significant Related Party Transactions

**1 January 2026
To
31 March 2026
RM'000**

Transactions with joint ventures:

i) Management fee received and receivable	1,440
ii) Interest received and receivable	1,005
iii) Rental paid and payable	148
iv) Event and marketing fee received and receivable	4

Transactions with Directors of the Company:

i) Sale of property to a Director of the Company	3,992
ii) Sale of property to a close family member of a Director of the Company	3,109

Transactions with director(s) of the subsidiary companies and key senior management:

i) Sale of property to a Director of the subsidiary companies	2,049
ii) Sale of property to a key senior management	2,287

**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 (“Q1”) is analysed as follows:

	3 MONTHS ENDED	
	31/03/2026	31/03/2025
	RM’000	RM’000
Revenue		
Property Development	779,471	719,268
Investment Holding and Others	47,071	51,428
	<u>826,542</u>	<u>770,696</u>
Profit before tax (“PBT”)		
Property Development	106,172	133,323
Investment Holding and Others	1,608	8,145
	<u>107,780</u>	<u>141,468</u>

Property Development

In Q1 2026, the property development segment recorded revenue of RM779 million representing 8% increase, while profit before tax fell 20% to RM106 million compared to Q1 2025. The revenue of RM779 million was mainly supported by land transactions and stronger contributions from the Central and Southern regions.

Compared to Q1 2025, PBT declined to RM106 million primarily due to lower land profit as well as unrealised foreign exchange losses arising from retranslation of foreign currency advances, reduced by higher reversal of provision for employee benefits in Q1 2026.

Investment Holding and Others

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

Compared to Q1 2025, PBT in Q1 2026 declined mainly due to higher operating expenses, offset by net interest income, higher share of results from joint ventures and higher reversal of provision for employee benefits.

2. Material Changes in the Quarterly Results (“Q1 2026”) compared to the results of the Preceding Quarter (“Q4 2025”)

The Group recorded a lower PBT of RM108 million in Q1 2026 compared to RM471 million in the preceding quarter, reflecting the stronger Q4 2025 performance, which was underpinned by a major land transaction and higher contribution from the industrial segment.

3. Prospects for the Current Financial Year

In Q1 FY2026, the Group recorded secured sales of RM555 million, comprising RM500 million (90%) from domestic development and RM55 million (10%) from international development. Within the domestic segment, the Central region led with RM317 million, followed by the Southern region at RM174 million. Overall performance was impacted by lower land sale transactions on a quarter-on-quarter basis.

Setia intends to maintain its plans for new launches of property development over the course of FY2026 across the central, southern, and northern regions, as well as at the international front. Property development remains at the core of S P Setia Berhad, leveraging on its residential and commercial product mix optimisation to drive enhanced profitability. The Group will continue to advance its strategic growth initiatives across key segments. Within the industrial expansion segment, progress is being made on its plans at Setia Fontaines industrial park development in Penang following rezoning approval on 30 October 2025.

On the international front, Setia Edenia in the township of EcoXuan in Ho Chi Minh City, Vietnam remains on track for completion in 2027. The development is poised to emerge as a key landmark in the northern corridor of Ho Chi Minh City.

The Malaysia MADANI Economic Outlook projects GDP growth of 4.0% to 4.5% in 2026, while Bank Negara Malaysia expects inflation to remain moderate at 1.5% to 2.5%, above the government's forecast range of 1.3% to 2.0%, as outlined in its Economic and Monetary Review released on 31 March 2026. This indicates a stable macroeconomic outlook with moderate cost pressures.

Against this backdrop, the Group continues to monitor the US–Iran conflict since late February 2026, with potential cost and market impacts remaining uncertain. Near term exposure is manageable, supported by limited exposure from existing construction contracts, alongside steady project execution, while no significant slowdown in underlying demand observed. While rising construction costs may influence the timing and structuring of new project launches, the Group remains focused on execution through proactive cost management and operational discipline. This includes prioritising cost efficiency and value optimisation, maintaining prudent cash management, strengthening liquidity buffers, and preserving financial flexibility amid ongoing uncertainties. The Group continues to engage with industry stakeholders and regulators to strike a balance between timely project delivery and the preservation of market stability.

Anchored by its long-term strategy, Setia will continue to accelerate catalytic township developments and eco-industrial parks, while strengthening high impact strategic partnerships and optimising value creation across key growth corridors. Supported by these fundamentals, the Group remains committed to its FY2026 sales target of RM4.6 billion, reflecting sustained execution discipline and a measured growth trajectory aimed at delivering long-term shareholder value.

This marks a strategic shift for Setia, from a traditional owner-developer to an integrated real estate player aimed at building more resilient and sustainable income over the long term.

4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

5. Taxation

	3 MONTHS ENDED	
	31/03/2026	31/03/2025
	RM'000	RM'000
Income tax:		
- current period	38,686	55,722
- over provision in prior years	(8,421)	(6,345)
Deferred tax:		
- current period	1,183	(78)
- under provision in prior years	18,684	2,811
	<u>50,132</u>	<u>52,110</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 under-provision of deferred tax in prior year.

6. Status of Corporate Proposal

The following corporate proposal announced but not completed as of 13 May 2026 (being the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report):

- (i) On 3 November 2025, the Company's indirect wholly-owned subsidiary, Petaling Garden Sdn Bhd entered into two (2) inter-conditional sale and purchase agreements ("SPAs") with two (2) wholly-owned subsidiaries of Mah Sing Group Berhad to dispose approximately 275.40 acres in total area of land located in Mukim Beranang, Daerah Ulu Langat, Negeri Selangor for a cash consideration of RM273,514,215.

The completion of the SPAs is pending fulfilment of the conditions precedent as set out in the SPAs. The estimated timeframe for completion is in second half of 2026.

7. Group Borrowings and Debt Securities

Total group borrowings and debt securities as of 31 March 2026 were as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short-term borrowings - Islamic	255,690	649,866	905,556
Short-term borrowings - Conventional	741,130	1,000	742,130
Long-term borrowings - Islamic	1,319,340	3,842,968	5,162,308
Long-term borrowings - Conventional	922,592	138,265	1,060,857
Redeemable cumulative preference shares	-	38,817	38,817
	<u>3,238,752</u>	<u>4,670,916</u>	<u>7,909,668</u>

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

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Malaysian Ringgit	2,538,398	4,532,651	7,071,049
Australian Dollar	700,354	138,265	838,619
	<u>3,238,752</u>	<u>4,670,916</u>	<u>7,909,668</u>

8. Material Litigation

- i) The following are the status updates on the contingent liabilities of the Group as of 13 May 2026 (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.

Hearing of the Defendants’ application for discovery is fixed on 4 May 2026. Full Trial dates remain fixed on 1 to 4 February 2027 and 15 to 19 February 2027.

8. Material Litigation (continued)

- ii) With regards the aforementioned ring-fenced money, on 26 October 2022, Pristigo Properties Sdn Bhd (“Pristigo”) commenced a civil action against Aeropod Sdn Bhd (“Aeropod”) for, among others, RM26,151,574.27 being part of the ring-fenced money which Pristigo alleged is due and payable by Aeropod. The claim is centred on various agreements between the parties involving the sale of plots of lands in Lintas, Sabah and purchase of Aeropod’s Phase 3A development in Sabah.

On 31 March 2026, the High Court allowed Pristigo’s claim and ordered various interests to be paid, including the contractual interests payable at the agreed rate of 10% per annum from 1 April 2021 to 31 March 2026 i.e. RM13,075,787.09. Statutory interest of 5% per annum from 31 March 2026 to the date of full settlement and costs of RM30,000.00 are also payable.

Aeropod has since filed its appeal to the Court of Appeal on 7 April 2026 against the High Court’s decision above. Aeropod also filed an application for stay of execution of the High Court’s decision on 23 April 2026. The next court dates are being fixed.

Aeropod had previously recorded RM26,151,574 in respect of the ring-fenced money claimed by Pristigo.

- iii) 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 RM69,534,082 and PJH is in breach of its obligations under the Development Agreement.

On 15 August 2024, SPD commenced arbitration proceedings to claim the sum of RM69,534,082 (outstanding as of 31 May 2024) being damages for breach of contract and/or misrepresentation, general damages, interest, cost and other relief the Arbitrator deems fit.

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

The matter is currently pending appointment of arbitrator as parties are still in discussion on the appointment of the arbitrator.

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 over the weighted average number of shares in issue. The effects of the preferential dividend in respect of the period will be adjusted upon entitlement.

	3 MONTHS ENDED	
	31/03/2026	31/03/2025
	'000	'000
Profit attributable to owners of the Company (RM)	31,124	67,023
Weighted average number of ordinary shares in issue	5,003,330	5,002,601
Basic earnings per share (sen)	0.62	1.34

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 over 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. The effects of the preferential dividend in respect of the period will be adjusted upon entitlement.

	3 MONTHS ENDED	
	31/03/2026	31/03/2025
	'000	'000
Profit attributable to owners of the Company (RM)	31,124	67,023
Weighted average number of ordinary shares as per Basic Earnings Per Share	5,003,330	5,002,601
Effect of potential exercise of RCPS-i C	257,810	257,929
Weighted average number of ordinary shares	5,261,140	5,260,530
Diluted earnings per share (sen)	0.59	1.27

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

No interim dividend has been declared in respect of the financial period ended 31 March 2026.

11. Notes to the Statement of Comprehensive Income

	3 MONTHS ENDED	
	31/03/2026	31/03/2025
	RM'000	RM'000
Other income including investment income	36,339	39,107
Interest income	24,345	22,399
Interest expense	(84,502)	(85,845)
Depreciation and amortisation	(9,499)	(10,195)
Gain on disposal of property, plant & equipment	100	-
(Loss)/gain on foreign exchange	(20,290)	4,808
Fair value loss on investment properties	(866)	-
Fair value adjustment of right-of-use - investment properties	-	(4,056)
Allowance of doubtful debts for trade and other receivables	-	(801)
Write-off property, plant and equipment	-	(51)

Other than as disclosed in this report, 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 year ended 31 December 2025 was unqualified.