S P SETIA BERHAD

Company No: 197401002663 (19698-X)

(Incorporated in Malaysia)

Interim Financial Report
30 September 2026

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Interim Financial Report - 30 September 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 30 SEPTEMBER 2026
(The figures have not been audited)

	Unaudited As At 30/09/2026 RM'000	Audited As At 31/12/2025 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	686,144	719,114
Right-of-use - property, plant and equipment	540	748
Investment properties	2,022,959	2,060,083
Right-of-use - investment properties	41,844	48,203
Inventories - land held for property development	11,711,140	11,696,127
Intangible assets	17,843	17,872
Investments in joint ventures	2,430,458	2,547,128
Investments in associated companies	641,593	624,505
Other investments	96	96
Amounts owing by joint ventures	278,666	210,714
Trade receivables	-	669
Other receivables, deposits and prepayments	87,653	88,514
Deferred tax assets	275,175	278,582
	18,194,111	18,292,355
Current assets		
Trade receivables	478,399	1,032,788
Contract assets	237,783	469,095
Other receivables, deposits and prepayments	291,686	258,645
Inventories - land held for sales	-	40,356
Inventories - property development costs	2,914,286	2,818,825
Inventories - completed properties and others	1,174,117	1,228,137
Contract cost assets	185,762	188,577
Amounts owing by joint ventures	109,605	104,948
Current tax assets	115,607	77,525
Short-term deposits	989,426	511,072
Cash and bank balances	1,727,713	2,061,074
	8,224,384	8,791,042
TOTAL ASSETS	26,418,495	27,083,397
EQUITY AND LIABILITIES		
EQUITY		
Share capital	9,277,687	9,239,169
Share capital - RCPS-i A	1,086,744	1,086,760
Share capital - RCPS-i C	164,455	202,957
Reserves		
Reserve on acquisition arising from common control	(1,295,884)	(1,295,884)
Exchange translation reserve	(88,608)	(133,724)
Retained earnings	5,652,070	5,698,564
Equity attributable to owners of the Company	14,796,464	14,797,842
Non-controlling interests	1,271,140	1,290,833
Total equity	16,067,604	16,088,675
LIABILITIES		
Non-current liabilities		
Redeemable cumulative preference shares	21,000	21,000
Other payables and accruals	76,039	86,188
Long-term borrowings	6,050,972	4,887,043
Lease liabilities	9,334	9,353
Deferred tax liabilities	424,972	412,167
	6,582,317	5,415,751
Current liabilities		
Redeemable cumulative preference shares	17,566	17,603
Trade payables	1,336,379	1,472,374
Contract liabilities	142,708	97,645
Other payables and accruals	729,893	815,040
Short-term borrowings	1,464,761	3,031,162
Lease liabilities	5,272	5,126
Current tax liabilities	71,348	139,373
Amounts owing to related parties	647	648
	3,768,574	5,578,971
Total liabilities	10,350,891	10,994,722
TOTAL EQUITY AND LIABILITIES	26,418,495	27,083,397
Net assets per share attributable to owners of the Company	2.68	2.70

(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 30 SEPTEMBER 2026

(The figures have not been audited)

	3 MONTHS ENDED		9 MONTHS ENDED	
	30/09/2026	**30/09/2025**	**30/09/2026**	**30/09/2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	672,551	872,256	2,320,478	2,586,684
Cost of sales	(418,209)	(547,467)	(1,502,788)	(1,598,621)
Gross profit	254,342	324,789	817,690	988,063
Other operating income	68,700	62,461	210,512	185,453
Selling and marketing expenses	(12,895)	(6,847)	(32,965)	(22,790)
Administrative and general expenses	(123,285)	(111,197)	(304,154)	(335,588)
Operating profit	186,862	269,206	691,083	815,138
Gain/(loss) on foreign exchange:				
- Realised	208	(32)	(5,521)	(205)
- Unrealised	1,956	(6,306)	(4,614)	1,526
Share of results of joint ventures	(34,285)	(36,119)	(85,198)	(101,163)
Share of results of associated companies	7,271	6,277	23,245	20,868
Finance costs	(68,871)	(80,514)	(227,671)	(246,515)
Other gains		8,479	-	8,479
Profit before tax	93,141	160,991	391,324	498,128
Taxation	(44,966)	(62,416)	(163,464)	(189,056)
Profit for the period	48,175	98,575	227,860	309,072
Other comprehensive income/(loss), net of tax:				
Items that may be reclassified to profit or loss in subsequent periods:				
- Exchange differences on translation of foreign operations	27,571	(20,441)	44,605	(7,720)
- Net loss on net investment hedge	-	4,191	-	(7,178)
Total comprehensive income for the period	75,746	82,325	272,465	294,174
Profit attributable to:				
Owners of the Company	32,614	68,031	161,797	234,855
Non-controlling interests	15,561	30,544	66,063	74,217
	48,175	98,575	227,860	309,072
Total comprehensive income attributable to:				
Owners of the Company	60,283	51,816	206,913	220,027
Non-controlling interests	15,463	30,509	65,552	74,147
	75,746	82,325	272,465	294,174
Earnings per share attributable to owners of the Company				
- Basic earnings per share (sen)	0.65	1.36	3.22	4.69
- Diluted earnings per share (sen)	0.62	1.29	3.09	4.46

(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 30 SEPTEMBER 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 income for the period represented by exchange differences on translation of foreign operations	-	-	-	-	45,116	-	45,116	(511)	44,605
Profit for the period	-	-	-	-	-	161,797	161,797	66,063	227,860
Transactions with owners:									
Conversion of RCPS-i A into ordinary shares	16	(16)	-	-	-	-	-	-	-
Conversion of RCPS-i C into ordinary shares	38,502	-	(38,502)	-	-	-	-	-	-
RCPS-i A preferential dividends paid	-	-	-	-	-	(70,613)	(70,613)	-	(70,613)
RCPS-i C preferential dividends paid	-	-	-	-	-	(10,093)	(10,093)	-	(10,093)
Dividends paid	-	-	-	-	-	(127,585)	(127,585)	(85,245)	(212,830)
Balance at 30.09.2026	9,277,687	1,086,744	164,455	(1,295,884)	(88,608)	5,652,070	14,796,464	1,271,140	16,067,604
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	-	-	-	-	(7,650)	-	(7,650)	(70)	(7,720)
Net change on hedge of net investments	-	-	-	-	(7,178)	-	(7,178)	-	(7,178)
Profit for the period	-	-	-	-	-	234,855	234,855	74,217	309,072
Transactions with owners:									
Conversion of RCPS-i C into ordinary shares	506	-	(506)	-	-	-	-	-	-
RCPS-i A preferential dividends paid and payable	-	-	-	-	-	(70,654)	(70,654)	-	(70,654)
RCPS-i C preferential dividends paid and payable	-	-	-	-	-	(11,141)	(11,141)	-	(11,141)
Dividends paid	-	-	-	-	-	(144,088)	(144,088)	(9,588)	(153,676)
Balance at 30.09.2025	9,238,566	1,087,363	202,957	(1,295,884)	(48,465)	5,423,463	14,608,000	1,294,454	15,902,454

(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 30 SEPTEMBER 2026
(The figures have not been audited)

	9 MONTHS ENDED	
	30/09/2026	**30/09/2025**
	RM'000	**RM'000**
Operating Activities		
Profit before tax	391,324	498,128
Adjustments for:-		
Non-cash items	84,035	138,865
Non-operating items	53,751	98,116
Operating profit before changes in working capital	529,110	735,109
Changes in inventories - property development costs, land held for sales and contract cost assets	291,607	254,537
Changes in inventories - completed properties and others	181,802	209,485
Changes in contract assets/liabilities	276,215	290,434
Changes in receivables	548,543	25,488
Changes in payables	(290,761)	(299,395)
Cash generated from operations	1,536,516	1,215,658
Rental received	17,808	15,612
Interest received	46,695	44,691
Interest paid on lease liabilities	(25)	(92)
Net tax paid	(252,657)	(233,425)
Net cash generated from operating activities	1,348,337	1,042,444
Investing Activities		
Additions to inventories - land held for property development	(327,157)	(699,503)
Additions to property, plant and equipment	(4,221)	(3,251)
Additions to investment properties	(152)	(9,244)
Additions to intangible assets	(1,241)	(3,119)
Proceeds from disposal of property, plant and equipment	15,485	112
Proceeds from disposal of investment properties	36,972	-
Proceeds from disposal of associate company	-	94,971
Acquisition of additional shares in joint ventures	-	(127)
Advances to joint ventures	(68,881)	(41,089)
Withdrawal of sinking fund, debt service reserve, escrow accounts and short-term deposits	56,858	37,871
Dividends received from a joint venture company	5,785	13,079
Dividends received from associated companies	12,250	10,620
Interest received	34,494	20,892
Rental received	54,874	51,814
Net cash used in investing activities	(184,934)	(526,974)

S P SETIA BERHAD
(Company No.: 197401002663 (19698-X))
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2026
(The figures have not been audited)

	9 MONTHS ENDED	
	30/09/2026	**30/09/2025**
	RM'000	**RM'000**
Financing Activities		
Repayment to non-controlling shareholder of subsidiary company	(1,050)	-
Proceeds from issuance of Sukuk Wakalah	1,500,000	-
Repayment of Sukuk Wakalah	(650,000)	-
Drawdown of bank borrowings	421,955	972,995
Repayment of bank borrowings	(1,801,081)	(1,445,822)
Repayment of lease liabilities	(214)	(689)
Interest paid	(240,934)	(286,818)
Redeemable cumulative preference share dividends paid to non-controlling interests	(684)	(1,734)
Dividends paid to non-controlling interests	(85,245)	(9,588)
Dividends paid	(127,585)	(144,086)
RCPS-i A preferential dividends paid	(70,613)	(35,327)
RCPS-i C preferential dividends paid	(10,093)	(5,572)
Net issuance of Islamic Commercial Paper	100,000	-
Net cash used in financing activities	(965,544)	(956,641)
Net changes in cash and cash equivalents	197,859	(441,171)
Effect of exchange rate changes	3,991	(5,655)
Cash and cash equivalents at beginning of the period	2,438,288	2,938,212
Cash and cash equivalents at end of the period	2,640,138	2,491,386
Cash and cash equivalents comprise the following:		
Short-term deposits	989,426	772,884
Cash and bank balances	1,727,713	1,859,686
Bank overdrafts	-	(6,565)
	2,717,139	2,626,005
Less: Amount restricted in sinking fund, debt service reserve, escrow accounts and short-term deposits	(77,000)	(134,619)
	2,640,139	2,491,386

(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 *(Amendments to MFRS 9 and MFRS 7)*
Amendments to MFRS 7 & MFRS 9	Contracts Referencing Nature-dependent Electricity *(Amendments to MFRS 9 and MFRS 7)*
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10, and MFRS 107	Annual Improvements to MFRS Accounting Standards *– Volume 11*

The adoption of the above amendments to MFRSs does 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 30 September 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 30 September 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.

- Conversion of 101,320,152 RCPS-i C to 48,391,714 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 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 30 June 2026

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 and another semi-annual RCPS-i A preferential dividend of RM35,306,840 in respect of the financial period from 1 January 2026 to 30 June 2026 were paid in cash on 15 April 2026 and 5 October 2026 respectively.

iii) Islamic Redeemable Convertible Preference Shares ("RCPS-i C") preferential dividend in respect of the financial period from 1 July 2025 to 30 June 2026

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 and another semi-annual RCPS-i C preferential dividend of RM4,523,684 in respect of the financial period from 1 January 2026 to 30 June 2026 were paid in cash on 15 April 2026 and 5 October 2026 respectively.

7. Segmental Reporting

The segmental analysis is as follows:

Period ended 30 September 2026	Property Development RM'000	Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
External revenue	2,163,398	157,080	-	2,320,478
Inter-segment revenue	128,988	8,661	(137,649)	-
Total revenue	2,292,386	165,741	(137,649)	2,320,478
Gross profit	755,018	62,672	-	817,690
Other income	175,892	34,620	-	210,512
Operating expenses	(297,397)	(39,722)	-	(337,119)
Gain/(loss) on foreign exchange				
- Realised	(6)	(5,515)	-	(5,521)
- Unrealised	165	(4,779)	-	(4,614)
Share of results of joint ventures	(93,344)	8,146	-	(85,198)
Share of results of associated companies	23,245	-	-	23,245
Finance costs	(195,804)	(31,867)	-	(227,671)
Profit before tax	367,769	23,555	-	391,324
Taxation				(163,464)
Profit for the period				227,860

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	2,320,126	530,833	357,043
International	352	(139,509)	(129,183)
	2,320,478	391,324	227,860

Period ended 30 September 2025	Property Development RM'000	Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
External revenue	2,422,868	163,816	-	2,586,684
Inter-segment revenue	131,853	9,201	(141,054)	-
Total revenue	2,554,721	173,017	(141,054)	2,586,684
Gross profit	934,511	53,552	-	988,063
Other income	164,997	20,456	-	185,453
Operating expenses	(326,844)	(31,534)	-	(358,378)
Gain/(loss) on foreign exchange				
- Realised	(181)	(24)	-	(205)
- Unrealised	1,663	(137)	-	1,526
Share of results of joint ventures	(108,477)	7,314	-	(101,163)
Share of results of associated companies	20,855	13	-	20,868
Finance costs	(218,992)	(27,523)	-	(246,515)
Other gains	-	8,479	-	8,479
Profit before tax	467,532	30,596	-	498,128
Taxation				(189,056)
Profit for the period				309,072

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	2,521,628	643,442	443,517
International	65,056	(145,314)	(134,445)
	2,586,684	498,128	309,072

8. Material Events Subsequent to the End of Financial Period

There were no material transactions or events between the financial period ended 30 September 2026 and 4 November 2026 other than as disclosed in Notes 6 and 10, 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 30 September 2026 except for dissolution of Setia Osaka Tokutei Mokuteki Kaisha, an indirect wholly owned subsidiary of S P Setia Berhad on 10 June 2026.

10. Contingent Liabilities

	As at 30 September 2026 RM'000
Claims pending against the Group (refer to Note 8 Material Litigation (ii))	13,076
Stamp duty and penalties assessed on a subsidiary (Note (i))	15,357
	28,433

i) On October 2026, the Inland Revenue Board ("IRB") had issued five (5) Notices of Assessment ("NoAs") to KL Eco City Sdn Bhd ("KLEC"), a subsidiary of the Company, imposing additional stamp duty of RM14,275,765.00 and penalties of RM1,081,096.80 with a total amount of RM15,356,861.80. The NoAs are in respect of the Privatisation Agreement, Sale and Leaseback Agreement and Intercompany Loan Agreement executed by KLEC more than five (5) years ago before Section 36CA of the Stamp Act 1949 ("SA") came into force on 1 January 2026. Furthermore, the Privatisation Agreement and Sale and Leaseback Agreement were duly stamped, and the stamp duty was paid under the official assessment. The IRB has allowed KLEC's application for an extension of time until 30 November 2026 to pay the additional stamp duty and penalties under the NoAs.

   On 20 October 2026, KLEC has filed its Notices of Objection with the IRB to dispute the NoAs pursuant to Section 38A of the SA and is currently pending the IRB's decision. Concurrently, KLEC has also filed leave applications for judicial review and stay order at the High Court on 22 October 2026 to suspend the obligation to pay the additional stamp duty and penalties in respect of the Privatisation Agreement and Sale and Leaseback Agreement pending disposal of the judicial review proceedings. The hearing for the leave applications and stay order has been fixed on 12 November 2026.

11. Capital Commitments

	As at 30 September 2026 RM'000
Commitments of subsidiary companies:	
Contractual commitment for construction of investment properties	13
Contractual commitment for acquisition of property, plant and equipment, and intangible assets	1,253

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 September 2026 RM'000
Joint ventures:	
Contractual commitment for operations	80,581
Contractual commitment to purchase development land	9,611

12. Significant Related Party Transactions

	1 January 2026 To 30 September 2026 RM'000
Transactions with joint ventures:	
i) Interest received and receivable	12,118
ii) Management fee received and receivable	6,609
iii) Staff secondment fee received and receivable	299
iv) Rental paid and payable	446
v) Event and marketing fee received and receivable	10
Transaction with associates:	
i) Dividend received	12,250
Transactions with Directors of the Company:	
i) Sale of properties to Directors of the Company	10,477
ii) Sale of property to a close family member of a Director of the Company	5,571
iii) Hall rental and amenities to Directors of the Company	20
Transactions with director(s) of the subsidiary companies and key senior management:	
i) Sale of property to a key senior management	2,287
ii) Hall rental and amenities to a key senior management	15
iii) Club membership fee charged to a key senior management	1

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 ("Q3") is analysed as follows:

	3 MONTHS ENDED		9 MONTHS ENDED	
	30/09/2026 RM'000	30/09/2025 RM'000	30/09/2026 RM'000	30/09/2025 RM'000
Revenue				
Property Development	611,551	810,842	2,163,398	2,422,868
Investment Holding and Others	61,000	61,414	157,080	163,816
	672,551	872,256	2,320,478	2,586,684
Profit before tax ("PBT")				
Property Development	68,351	147,937	367,769	467,532
Investment Holding and Others	24,790	13,054	23,555	30,596
	93,141	160,991	391,324	498,128

(a) Performance of the current quarter against the same quarter in the preceding year (Q3 2026 vs Q3 2025)

Property Development

In Q3 2026, the Group's property development segment recorded revenue of RM612 million, 25% lower than RM811 million in Q3 2025, primarily due to slower sales conversion in domestic development projects and absence of land sale transaction in this quarter. The decline also reflected a higher revenue base arising from more project completions against the same quarter in the preceding year.

The lower PBT in Q3 2026 was in line with the decrease in revenue.

Investment Holding and Others

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

PBT for Q3 2026 was higher compared to Q3 2025, mainly due to the non-recurrence of the unrealised foreign exchange loss arising from the retranslation of foreign currency advances recorded in Q3 2025, and a better contribution from joint venture companies.

1. **Review of Group Performance (continued)**

(b) Performance of the nine (9) months ended 30 September 2026 against the nine (9) months ended 30 September 2025

Property Development

The property development segment recorded revenue of RM2.16 billion and PBT of RM368 million, both lower than those of the corresponding period in the preceding year. The decline in revenue was mainly due to slower sales conversion in domestic projects and an expected lower in land sale transactions. Revenue was also set against a high comparative base, which attributed from more project completions in domestic projects and non-recurring contribution from the handover of the Australia projects.

The lower PBT was mainly due to the absence of material land sale profit contribution and unrealised foreign exchange loss arising from the retranslation of foreign currency advances, partially offset by the one-off reversals of employee benefits and foreseeable loss provisions.

Investment Holding and Others

The segment's loss before tax was primarily due to unrealised foreign exchange losses arising from the retranslation of foreign currency advances and increased operating expenses partly offset by higher interest income.

2. Material Changes in the Quarterly Results ("Q3 2026") compared to the results of the Preceding Quarter ("Q2 2026")

The Group recorded a PBT of RM93 million in Q3 2026, lower than the RM190 million recorded in the preceding quarter. Q2 2026 had included the one-off reversal of foreseeable loss provisions, which did not recur in the current quarter. Development profit was also lower in line with the lower revenue, partly offset by lower finance costs.

3. Prospects for the Current Financial Year

For the nine months ended 30 September 2026, the Group recorded revenue of RM2.32 billion and profit before tax of RM391 million, with development revenue accounting for 83% of total revenue. Profit before tax was 21% lower than the corresponding period in the preceding year, mainly due to the expected lower contribution from land sales transactions. Sales remained resilient despite softer market demand, reaching RM2.34 billion for the nine-month period, supported by domestic sales of RM1.91 billion (82%) and international sales of RM0.43 billion (18%).

The Group reinforced its long-term commitment to Australia with the groundbreaking of Atlas Melbourne on 17 September 2026. Sales have exceeded 60% of the total units, reflecting strong buyer confidence ahead of construction. Further strengthening its Melbourne development pipeline, the Group is targeting the launch of Sapphire Tower 2's residential units in December 2026, advancing the next phase of the Sapphire by the Gardens precinct. Together with UNO Melbourne, Fulton Lane and Parque Melbourne, these developments deepen Setia's presence in one of its key international markets.

In Vietnam, Setia Edenia in the township of EcoXuan in Ho Chi Minh City 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.

Malaysia's economic outlook for 2027 remains stable, with GDP growth projected to be between 4.8% and 5.3% in 2026 and, between 4.2% and 5.2% in 2027, while approved investments increased by 11.7% in 1H 2026, with Selangor, Johor and Penang remaining key investments destinations. With the Malaysia MADANI agenda's focus on quality investment, connectivity, sustainable urban development and homeownership, these priorities provide a constructive environment for the Group to strengthen its property development activities.

3. Prospects for the Current Financial Year (continued)

Anchored by a diversified portfolio of established townships, eco-industrial parks and international developments, Setia is well positioned to capitalise on Malaysia's supportive economic landscape and selected overseas opportunities. The Group will continue to sharpen its focus on disciplined execution, prudent capital management and earnings resilience as it evolves into a more balanced and integrated real estate platform that delivers sustainable long-term value to shareholders.

4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

5. Taxation

	3 MONTHS ENDED		9 MONTHS ENDED	
	30/09/2026 RM'000	30/09/2025 RM'000	30/09/2026 RM'000	30/09/2025 RM'000
Income tax:				
- current period	52,787	82,969	155,003	221,570
- under/(over) provision in prior years	(4,149)	530	(10,860)	(7,006)
Deferred tax:				
- current period	(5,979)	(18,223)	(5,490)	(21,075)
- under/(over) provision in prior years	2,307	(4,760)	21,653	(6,333)
Real property gain tax	-	-	3,158	-
Capital gain tax	-	1,900	-	1,900
	44,966	62,416	163,464	189,056

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 4 November 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 parties had on 2 November 2026 mutually agreed to further extend the conditional period for fulfilment of the Conditions Precedent by one (1) month from 3 November 2026 to 2 December 2026.

In addition, the parties have agreed that the completion of the SPAs shall, in any event, be no later than 28 December 2026.

7. Group Borrowings and Debt Securities

Total group borrowings and debt securities as of 30 September 2026 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short-term borrowings - Islamic	130,633	679,892	810,525
Short-term borrowings - Conventional	493,236	161,000	654,236
Long-term borrowings - Islamic	1,282,488	3,492,466	4,774,954
Long-term borrowings - Conventional	1,133,858	142,160	1,276,018
Redeemable cumulative preference shares	-	38,566	38,566
	3,040,215	4,514,084	7,554,299

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

	Secured RM'000	Unsecured RM'000	Total RM'000
Malaysian Ringgit	2,320,132	4,371,924	6,692,056
Australian Dollar	720,083	142,160	862,243
	3,040,215	4,514,084	7,554,299

8. Material Litigation

i) The following are the status updates on the contingent liabilities of the Group as of 4 November 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) Sinermaju 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.

8. Material Litigation (continued)

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.

The Defendants' application for discovery is fixed for case managements on 4 November 2026 and 20 November 2026. On 22 October 2026, Setia's application for stay of the Shah Alam proceedings pending the disposal of Aeropod's appeal at the Court of Appeal has been dismissed with costs. Setia has until 23 November 2026 to file its appeal to Court of Appeal against the decision. Meanwhile on 4 November 2026, the High Court has recorded two (2) orders pertaining to the disclosure of certain meeting minutes S P Setia's Board of Directors and subcommittees and documents related thereto with terms to maintain the confidentiality of these minutes and documents.

Full Trial dates remain fixed on 1 to 4 February 2027 and 15 to 19 February 2027.

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.

The Court of Appeal has fixed Aeropod's appeal for Hearing on 25 July 2027.

Aeropod's application for stay of execution was heard on 19 October 2026 and the same is fixed for Decision on 10 December 2026. Meanwhile, Aeropod's solicitors' application to the Kota Kinabalu High Court for an ad hoc admission of Dato' Lim Chee Wee to appear as Aeropod's counsel (*ad hoc* admission to practice) has been fixed for Hearing on 20 November 2026.

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

8. Material Litigation (continued)

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 remain engaged in discussion and negotiations with a view to reaching a possible amicable solution of the dispute.

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		9 MONTHS ENDED	
	30/09/2026 '000	30/09/2025 '000	30/09/2026 '000	30/09/2025 '000
Profit attributable to owners of the Company (RM)	32,614	68,031	161,797	234,855
Weighted average number of ordinary shares in issue	5,051,686	5,003,120	5,025,457	5,002,928
Basic earnings per share (sen)	0.65	1.36	3.22	4.69

9. Earnings Per Share Attributable to Owners of The Company (continued)

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		9 MONTHS ENDED	
	30/09/2026 '000	30/09/2025 '000	30/09/2026 '000	30/09/2025 '000
Profit attributable to owners of the Company (RM)	32,614	68,031	161,797	234,855
Weighted average number of ordinary shares as per Basic Earnings Per Share	5,051,686	5,003,120	5,025,457	5,002,928
Effect of potential exercise of RCPS-i C	209,418	257,810	209,418	257,810
Weighted average number of ordinary shares	5,261,104	5,260,930	5,234,875	5,260,738
Diluted earnings per share (sen)	0.62	1.29	3.09	4.46

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) The Board of Directors has declared preferential dividends of 6.49% per annum for RCPS-i A and 5.43% per annum for RCPS-i C, both payable semi-annually, in respect of the financial period from 1 January 2026 to 30 June 2026. A total of RM35,306,840 and RM4,523,684 preferential dividends respectively were paid in cash on 5 October 2026.

(b) No dividend has been declared in respect of ordinary share for the financial period ended 30 September 2026.

11. Notes to the Statement of Comprehensive Income

	3 MONTHS ENDED 30/09/2026 RM'000	9 MONTHS ENDED 30/09/2026 RM'000
Other income including investment income	43,198	124,199
Interest income	25,349	75,724
Interest expense	(68,871)	(227,671)
Depreciation and amortisation	(9,313)	(27,829)
(Allowance) / Reversal of allowance for impairment loss on receivables	(5,035)	11,656
Gain/(loss) on foreign exchange	2,164	(10,135)
Gain on disposal of investment properties	-	6,472
Gain on disposal of property, plant and equipment	111	5,357
Gain on liquidation of subsidiary company	43	43
Loss on fair value adjustment on investment properties	(3)	(636)
Loss on fair value adjustment of right-of-use investment properties	(2,120)	(6,359)
Write-off property, plant and equipment	(27)	(1,070)
Bad debt written off	(164)	(187)

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.