



Operations

Review

Leisure

The Leisure segment at Sime Darby Property consists of four key assets, namely the 279-acre award-winning Kuala Lumpur Golf & Country Club (“KLGCC”) and the Sime Darby Convention Centre (“SDCC”) which features a 2,600 pax ballroom – both in the KLGCC Resort, the 142-acre Impian Golf & Country Club (“IGCC”) in Kajang, as well as the Bayuemas Sports and Event Complex (“Bayuemas”), boasting a cricket stadium in Klang.



➔ Aerial view of KLGCC's West Course, Hole 14



➔ A view of the clubhouse at KLGCC

OVERVIEW

As Malaysians were able to resume leisure activities upon the lifting of all lockdown restrictions in 2022, our Leisure assets experienced an increase in footfall – with more events organised as well as enhanced patronage at the food and beverage (“F&B”) outlets. A key event was the official launch of our rebranded KLGCC, the function being graced by Her Majesty Seri Paduka Baginda The Raja Permaisuri Agong. Overall, the segment saw a significant increase in revenue for the year, leading to its first ever operating profit.

KUALA LUMPUR GOLF & COUNTRY CLUB



Malaysia’s premier golf & country club spanning 279 acres within the KLGCC Resort

IMPIAN GOLF & COUNTRY CLUB



A delightful 142-acre golf and country club nestled in the outskirts of the city and filled with luscious greenescapes for all to enjoy.

SIME DARBY CONVENTION CENTRE



Convention Centre

A 17,000 sq. ft. venue located in the KLGCC Resort which features a ballroom with a capacity of 2,600 pax and 17 function rooms.

BAYUEMAS SPORTS AND EVENTS COMPLEX



A sports complex featuring a cricket stadium which has played host to both local and international tournaments.

Overview of Sime Darby Property

Key Messages

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KEY FOCUS AREAS

- Ensure financial stability in the next three years.
- Provide and maintain five-star hospitality.
- Enhance lifestyle services and activities at the heart of the KLGCC Resort township.
- Achieve ISO 45001:2018 Occupational Health and Safety certification.
- Digitalise systems, improve apps and upgrade IT infrastructure.

2022 PERFORMANCE REVIEW

KEY INITIATIVES	RESULTS & ACHIEVEMENTS
Revitalise KLGCC as the nation's premier golf and country club.	<ul style="list-style-type: none"> • Launched the refreshed KLGCC brand on 16 June 2022. • Launched new types of membership and reopened new lifetime membership in May 2022. • Enhanced menu variety and revamped outdoor seating area. • Improved tenancy mix with attractive lifestyle, wellness and F&B offerings by bringing in Flyproject, Petite Maison, Victoria Harbour Seafood Restaurant and QingHeGu Korean Restaurant.
Digitalised operational systems.	<ul style="list-style-type: none"> • New back-end system Albatrozz went live in KLGCC in January 2022 to make operations more efficient.
Diversify business and enhance revenue.	<ul style="list-style-type: none"> • Bayuemas Parcel A was leased out to the Malaysian Cricket Association ("MCA") in July 2022.

FINANCIAL PERFORMANCE

During the year, revenue from the Leisure segment increased by 52.6% to RM84.7 million, compared to RM55.5 million in the year prior. This increase is attributed to normalisation of business activities post-MCO for both golfing activities and F&B outlets.

The segment registered a significant improvement of RM11.3 million in PBT as compared to a loss of RM14.0 million in FY2021. This was derived from a gain of RM8.9 million from the disposal of a leisure property in Vietnam and lower operating costs following a consolidation exercise focusing on manpower and cost optimisation.

HIGHLIGHTS

KLGCC was named:



A Top 50
Platinum Club
in Asia Pacific

A Top 100 Platinum Golf
& Country Club of the
World 2022-2023

The Best Championship
Course in Asia Pacific by
Asian Golf Awards

A Top 100 Golf
Course Asia 2022
(West Course)

CHALLENGES & MITIGATION

CHALLENGES	MITIGATING ACTIONS
<p>Increase in price of raw materials affecting F&B and golf course maintenance.</p>	<ul style="list-style-type: none"> Managing F&B costs by reviewing the menu while maintaining quality. Managing golf course maintenance costs by enhancing business processes, renting and acquiring additional machinery to improve capacity while progressively replacing maintenance machinery to increase efficiency.
<p>Issues with foreign workers' work validity for F&B, housekeeping and golf course maintenance.</p>	<ul style="list-style-type: none"> Ensure all foreign workers have proper licenses and valid work permits.
<p>Competition from nearby golf clubs and event spaces.</p>	<ul style="list-style-type: none"> Continue to keep costs low and focus on event space rental.
<p>Aged buildings and facilities causing safety issues.</p>	<ul style="list-style-type: none"> Continue to come up with new exciting offerings for club members and patrons. Maintained upkeep of buildings with plans for refurbishment.

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Impian Golf & Country Club, Hole 15

OUTLOOK & PROSPECTS

As sporting, dining and other leisure activities completely recover in 2023, our Leisure segment is expected to see further growth in revenue. This will be supported by membership drives at our golf and country clubs combined with upgrades to facilities, products and services as well as efforts to promote their dining outlets. Meanwhile, SDCC will continue to upgrade its technology infrastructure for an enhanced customer experience while creating greater awareness of the venue to leverage pent-up demand for convention facilities. Over in Klang, Bayuemas will further capitalise on the potential of leasing its space while monetising part of its land for leisure expansion plans.