

# **Investor Relations & Media Presentation 1H2021 Results**

**6 September 2021**

# Our Legacy

## A TRIBUTE TO THE LATE DATO' TEO CHIANG QUAN



Dato' Teo was an entrepreneur and a trailblazer who knew that the pleasure of adventure and risk-taking must be anchored by integrity and clear direction. Although he is no longer with us, his legacy will continue to live on.

In the words of our late Chairman and Founder Dato' Teo Chiang Quan,

“When we provide positive value to our stakeholders, we will gain their trust. Only then, can we deliver meaningful outcomes which will sustain us for a long time to come.”

**THE LATE DATO' TEO CHIANG QUAN**  
Chairman & Executive Director  
(1949 - 2021)

# Board & Senior Executive Changes



**Quah Chek Tin**

Chairman

&

Independent Non - Executive Director

**Benjamin Teo**

Deputy Group Chief Executive Officer

# Overview 1H2021

# 1H2021 Highlights

Revenue (continuing ops)

**RM279.3m**

YOY ▲ 50%

PBT (continuing ops)

**RM21.0m**

YOY ▲ 1344%

Profit for the year

**RM11.1m**

YOY ▼ 98%



Property Sales

**RM309m**

YOY ▲ 62%



Projects Launched

**RM119m**

YOY ▼ 59%

Average Take-Up Rate



**80% ^**

30 Jun 2020: 72%



Unbilled Sales

**RM1bn**

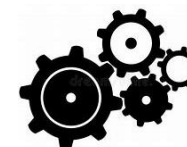
YOY ▲ 18%



Remaining Land Bank

**551.1 acres**

Potential GDV RM7.6 bn



Debt to Total  
Equity Ratio

Gross **0.58x**  
Net **0.43x**

**Note:**

^ Represented the percentage of units sold for on going projects undertaken by PCB's subsidiaries as at 30 June 2021 (excluding ATWATER commercial as it is intended to be sold en bloc).

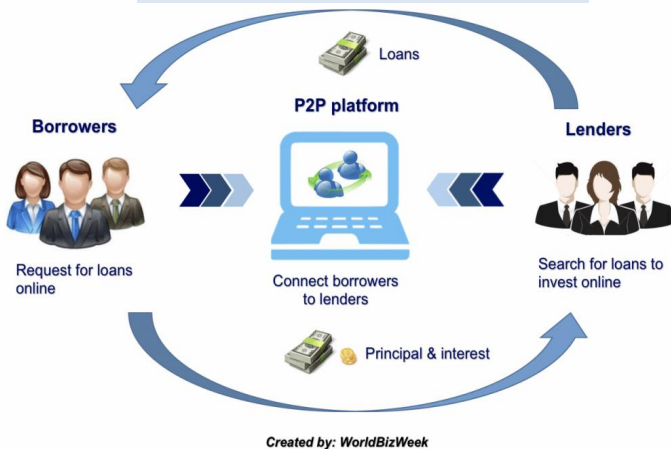


# 1H2021 Corporate Developments

## Entry into Fintech

-Seek new source of earnings & to future proof business

### Peer to Peer Financing



Invested RM13.7m in Omegaxis → owns 63.5% of Peoplender (Fundaztic)



Paramount 30%: P2P Venture 70%



Business model scalable for local and regional growth



Tremendous growth potential for P2P financing market

**fundaztic**  
PEER-TO-PEER FINANCING

Where smart investors and entrepreneurs connect.



# 1H2021 Corporate Developments (cont'd)

## Applied for Digital Banking Licence

-Seek new source of earnings & to future proof business

### Reimagining the future of banking

- 01 A socially responsible bank contributing to socioeconomic development of the country
- 02 Futuristic vision supported by a tech-enabled strategy, engineered for agility
- 03 Scalable and financially sustainable business
- 04 Strong consortium partners
- 05 Diverse and experienced leadership team



Everyone can bank	Same day disbursement	Customers dictate the rates
All transactions are digitally enabled without a physical branch		
Achieving a cost to income ratio of 20%		
Paramount, Star Media Group Berhad, Prosper Palm Oil Mill Sdn Bhd, RCE Capital Berhad and a technology partner are a list co or a substantial shareholder of list co		
Industry ecosystem approach		



BNM will grant up to 5 licences in 1Q2022

Foundational Stage (3 – 5yrs)  
Minimum capital funds:  
RM100m unimpaired by losses

Post Foundational Stage  
Minimum capital funds:  
RM300m unimpaired by losses

# Awards and Industry Recognitions

## MSWG-ASEAN Corporate Governance Scorecard Award 2020

- ✓ Ranked 13<sup>th</sup> among the top 100 public listed companies
- ✓ Ranked 1<sup>st</sup> for Excellence award for CG disclosure : Market Cap above RM300m to RM1bn
- ✓ Ranked 1<sup>st</sup> for Industry Excellence Award – Property segment





## Awards and Industry Recognitions (cont'd)

### ESG ratings of PLCs assessed by FTSE Russell



Top 26-50% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell



### EdgeProp-ILAM Malaysia's Sustainable Landscape Awards 2021

Hill park @ Bukit Banyan was the gold winner under the landscape planning category

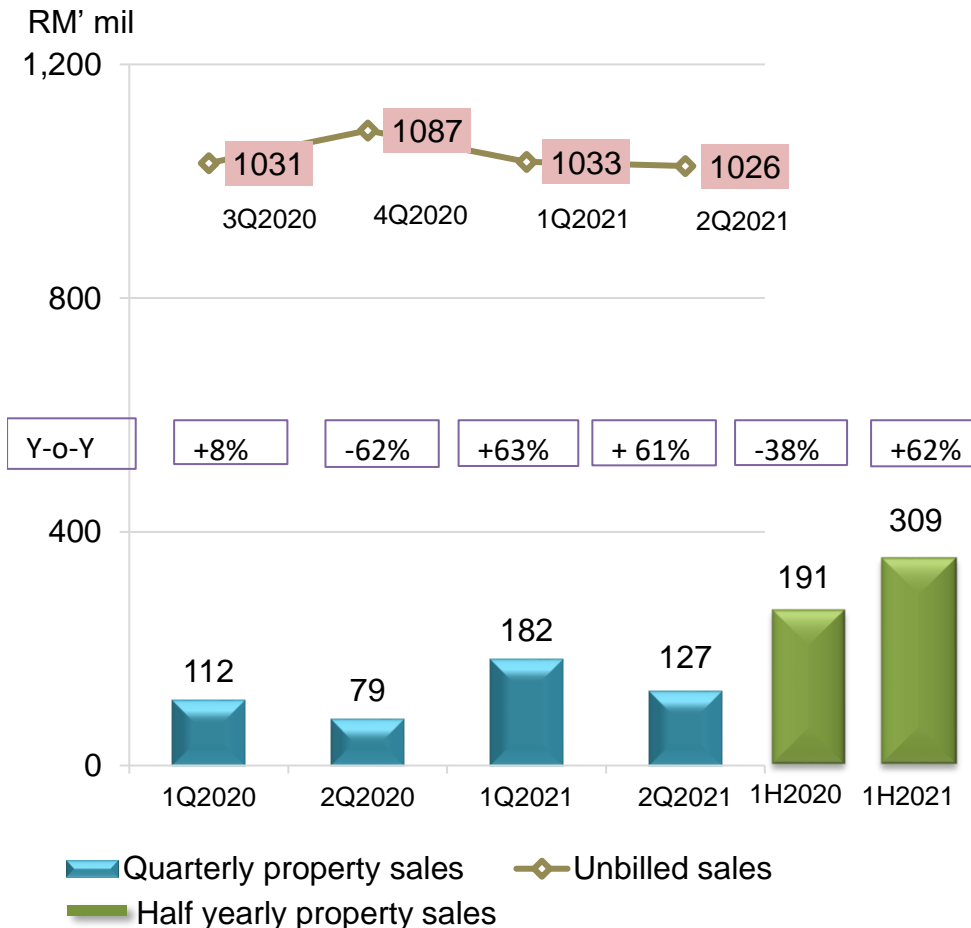


# Operational Review

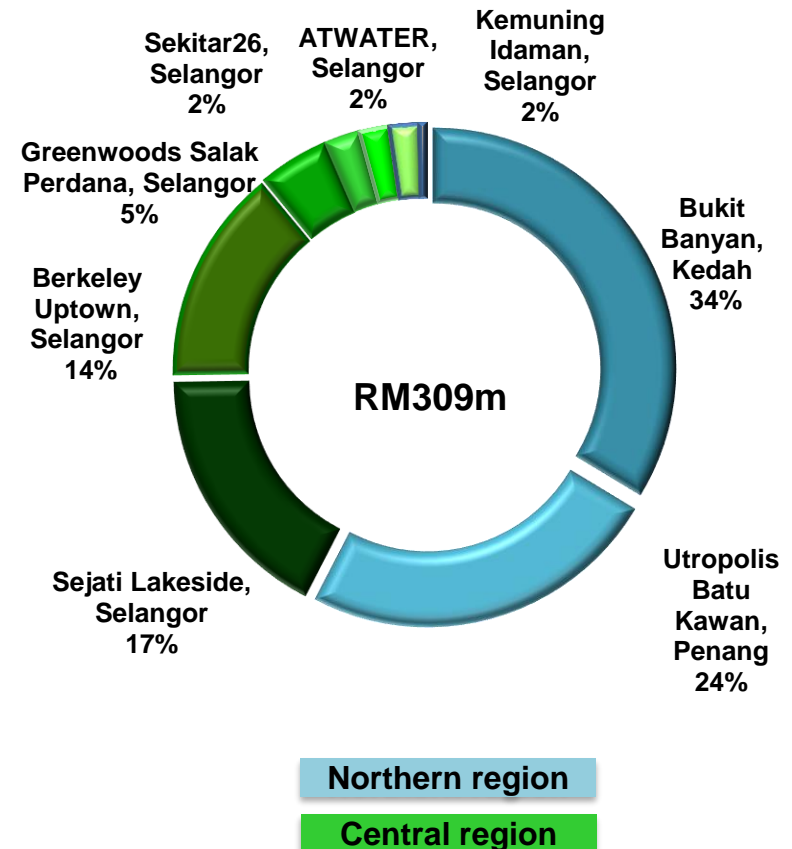
# Property Sales & Unbilled Sales

62% Y-o-Y growth in sales for 1H2021; Unbilled sales steady at above RM1bn

## Q-o-Q Sales and unbilled sales



## 1H2021 Sales



# Take up rates and Launches in 1H2021

Encouraging take-up rate at 80%; on-going GDV at RM2.0bn<sup>#</sup>

	Existing projects by subsidiaries	On-going GDV RM'm	Launched in 1H2021		Take up rates As at 30 Jun 2021 % <sup>^</sup>	2H2021 Tentative Launches GDV RM'm	Type of development	Locations
			GDV RM'm	Quarter				
Central	GREENWOODS Salak Perdana	138	-	-	96	-	Township	Sepang, Selangor
	A Berkeley UPTOWN	386	-	-	99	-	Integrated	Section 13, PJ, Selangor
	KEMUNING IDAMAN	367	-	-	47	-	Integrated	Klang, Selangor
	SEJATI LAKESIDE CYBERJAYA	113	-	-	94	-	Rumah SelangorKu	Shah Alam, Selangor
		292	-	-	99	248	Landed residential	Cyberjaya, Selangor
Northern	BANYAN	205	119	1Q & 2Q 2021	83	50	Township	Sungai Petani, Kedah
	UTROPOLIS	263	-	-	74	246	Integrated	Batu Kawan, Penang
	<b>TOTAL</b>	<b>1,764<sup>#</sup></b>	<b>119</b>	<b>-</b>	<b>80</b>	<b>544</b>		
Associate company								
Thai	NA REVA	84	-	-	25	-	High-rise	Na Reva, Bangkok

## Notes:

<sup>^</sup> Represented the percentage of units sold for on going projects undertaken by PCB's subsidiaries as at 30 June 2021 (excluding ATWATER commercial as it is intended to be sold en-bloc).

<sup>#</sup> The on-going GDV as at 30 June 2021 was RM2.0bn if included the GDV of ATWATER commercial of RM275m that is to be sold en-bloc.

# Co-labs Coworking & Scalable Malaysia

New space at Tropicana Gardens Mall & maiden contribution from Scalable Malaysia

## Co-labs Coworking



- 5 outlets in Klang Valley
- 114,945 sq ft lettable
- Collaborative ecosystem & holistic work environment

### Locations

### Opening date

### Lettable Floor Area (sq ft)

**Co-labs Coworking Tropicana Gardens, Kota Damansara**

Jan 2021

17,338

**Co-labs Coworking The Starling Plus, Uptown 7**

Oct 2019

15,547

**Co-labs Coworking Naza Tower, Platinum Park**

Jun 2019

27,712

**Co-labs Coworking Shah Alam, Sekitar26 Enterprise**

Jun 2019

34,358

**Co-labs Coworking The Starling, Damansara Uptown**

Jul 2018

19,990

## Scalable Malaysia



## One-stop workspace solutions provider

### Start your customised workspace solutions journey with us

#### 1 CONSULT

Needs analysis & proposal

#### 2 DESIGN

Infrastructure, interior design and fit-out work

#### 3 BUILD

Construction & project management

#### 4 MANAGE

Ready to move-in space managed by a team of experts

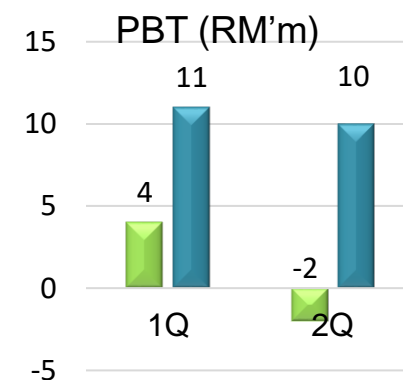
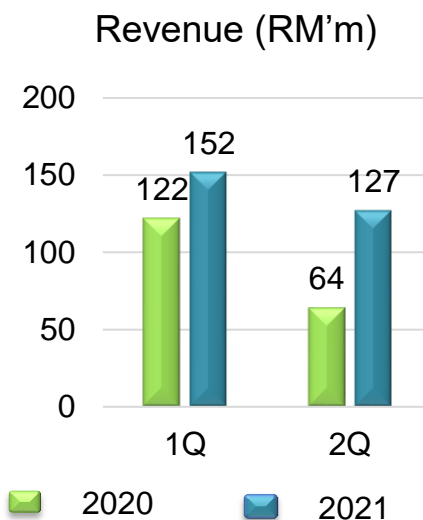


# Financial Review

# Financial Overview

Improved performance from low base of last year and less severe disruptions

	1H2021 RM'000	1H2020 RM'000 (restated)*	Variance %
Revenue	279,225	186,313	+50
Operating profit b4 depreciation	40,426	16,809	+141
Depreciation	(9,511)	(8,904)	+7
Net interest expense	(9,578)	(8,655)	+11
Share of (loss)/ profit of associates & JV	(300)	2,207	-114
Profit before tax	21,037	1,457	+1344
Tax	(9,965)	(1,201)	+730
Profit after tax – Continuing Operations	11,072	256	+4255
Profit after tax – Discontinued Operations	-	470,628	-100
Profit for the period	11,072	470,884	-98



**Note:**

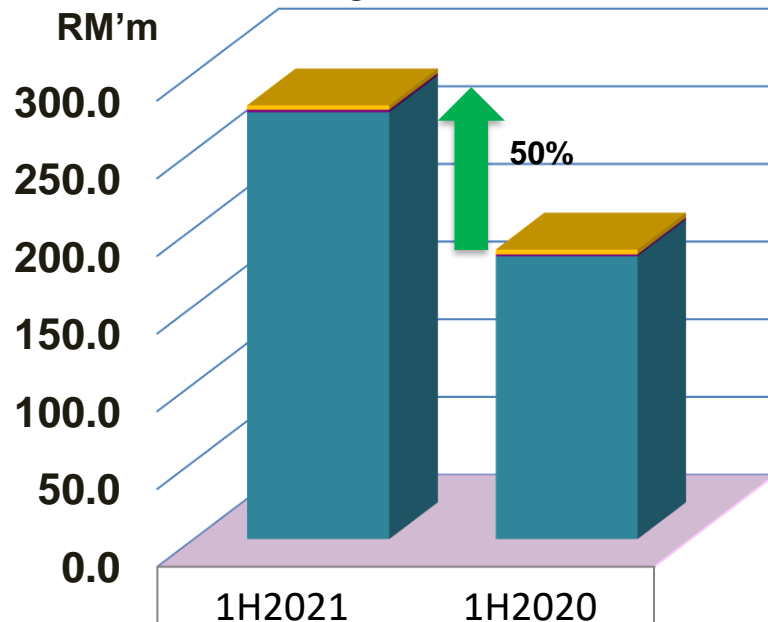
\* The restatement was in relation to the retrospective adjustments made to comply with the Agenda Decision on Borrowing Costs.

# Segmental Analysis

Property division is the core contributor to the improved financial performance

## Group Revenue

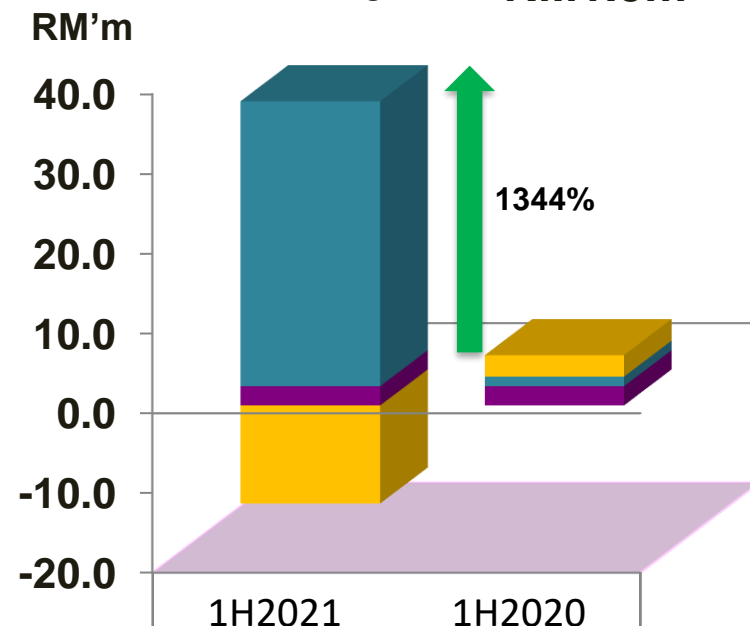
RM279.2m RM186.3m



	1H2021	1H2020
Investment & others *	2.9	3.1
Co-labs Coworking *	1.5	1.2
Property	274.8	182.0

## Group PBT

RM21.0m RM1.5m



	1H2021	1H2020
Investment & others	-12.3	2.7
Co-labs Coworking	-2.4	-2.4
Property	35.7	1.2

\* Derived after inter-segment elimination

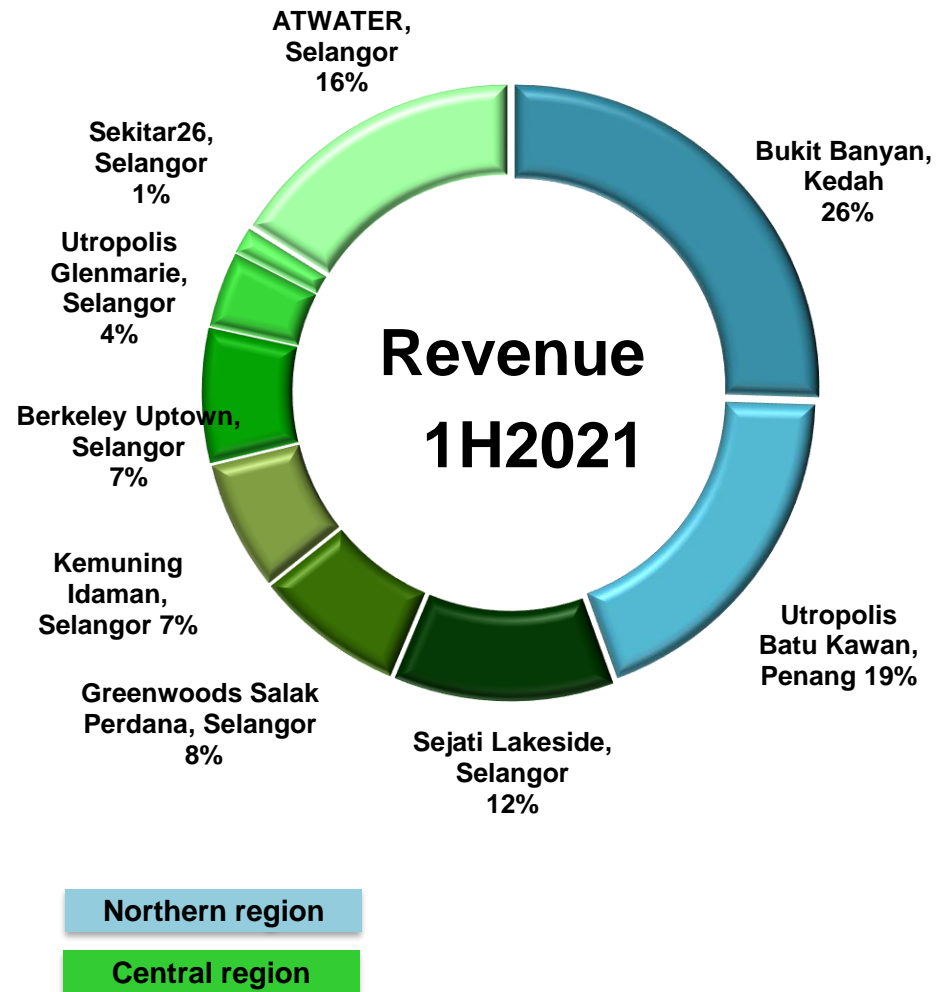
# Property Division

Geographically diverse property division remain resilient despite pandemic

## Yr on Yr

- Revenue RM274.8m ▲ 51%
- PBT RM35.7m ▲ 2875%
- PBT margin 13% ▲ 12%

- Improved financial performance in 1H2021 mainly due to the higher level of construction progress recognised, coupled with the higher sales achieved given the low base of last year
- Revenue by geographical locations :  
Kedah 26%: Penang 19%: Selangor : 55%



# Co-labs Coworking Division

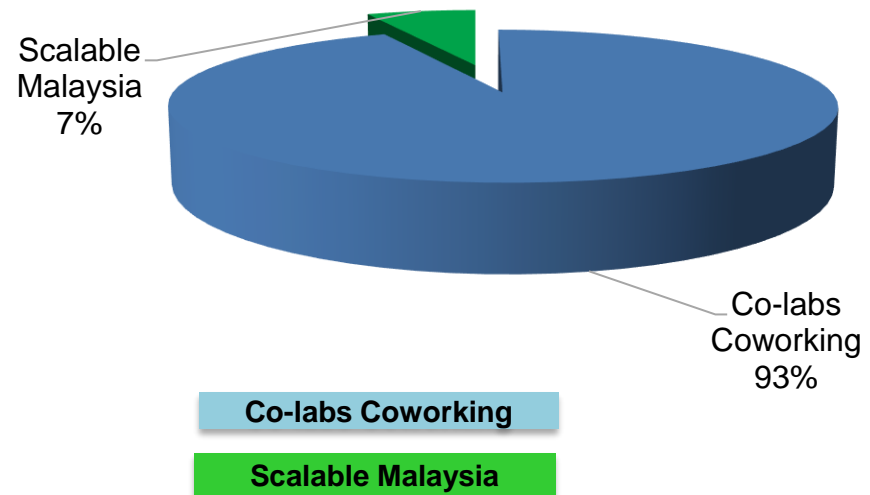
Revenue and EBITDA improved

## Yr on Yr

- Revenue RM2.6m  42%
- EBITDA\* RM0.8m  170%
- LBT RM2.4m  0%

- Maiden contributions from Tropicana Gardens outlet and Scalable Malaysia.
- All other 4 outlets recorded revenue growth. In 1H2020, there were rental rebates to members due to MCO 1.0
- LBT remained unchanged at RM2.4m as the higher revenue was offset by the additional costs for operating the new Tropicana Gardens outlet that was opened in Jan 2021

## Revenue 1H2021



### Note:

\* Represent earnings before interest, tax, depreciation and amortization and excluding the application of Malaysian Financial Reporting Standard 16.



# Financial Position (30 June 2021)

Strong balance sheet and liquidity position



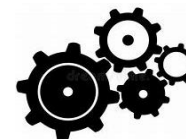
Shareholders'  
funds

**RM1.4bn**



Net current  
assets

**RM597m**



Debt to Total  
Equity ratio\*

Gross 0.58x  
Net 0.43x



Cash & bank  
balances

**RM248m**



Unbilled Sales

**RM1.0bn**



Net cashflow  
from operations

**RM88m**

\* Total equity includes Private Debt Securities of RM249.0 m as at 30 June 2021)

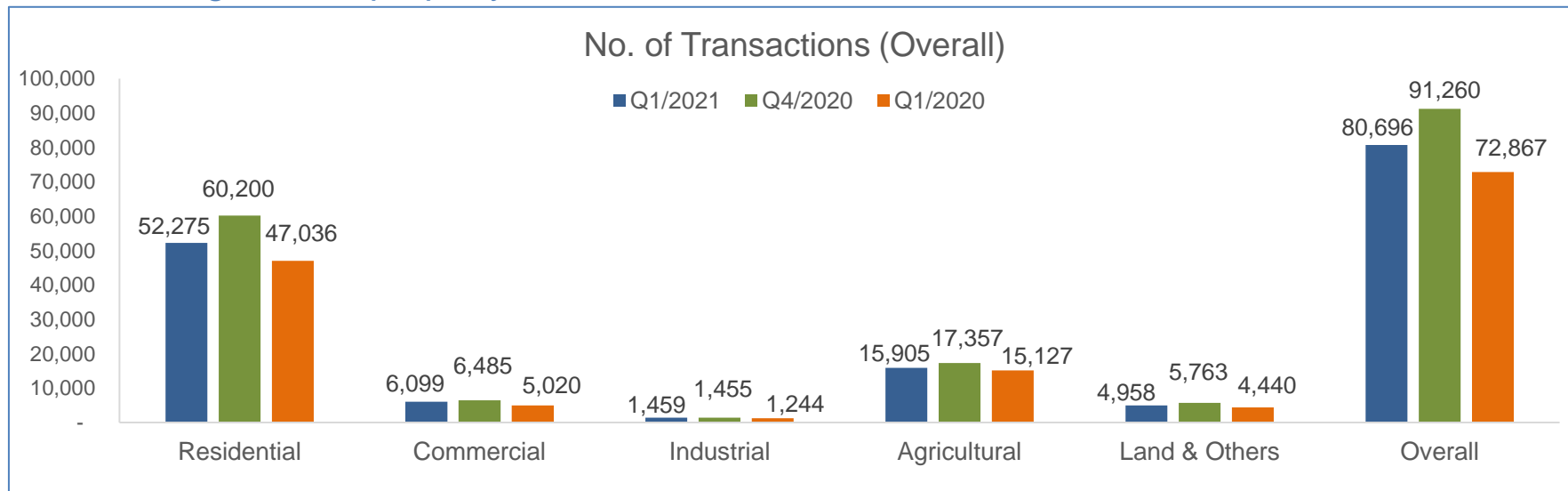
Gross D/E Ratio = Total Borrowings/Total Equity

Net D/E Ratio = (Total Borrowings-Cash & Bank Balances)/Total Equity

# Outlook

# Property Sales 1Q2021

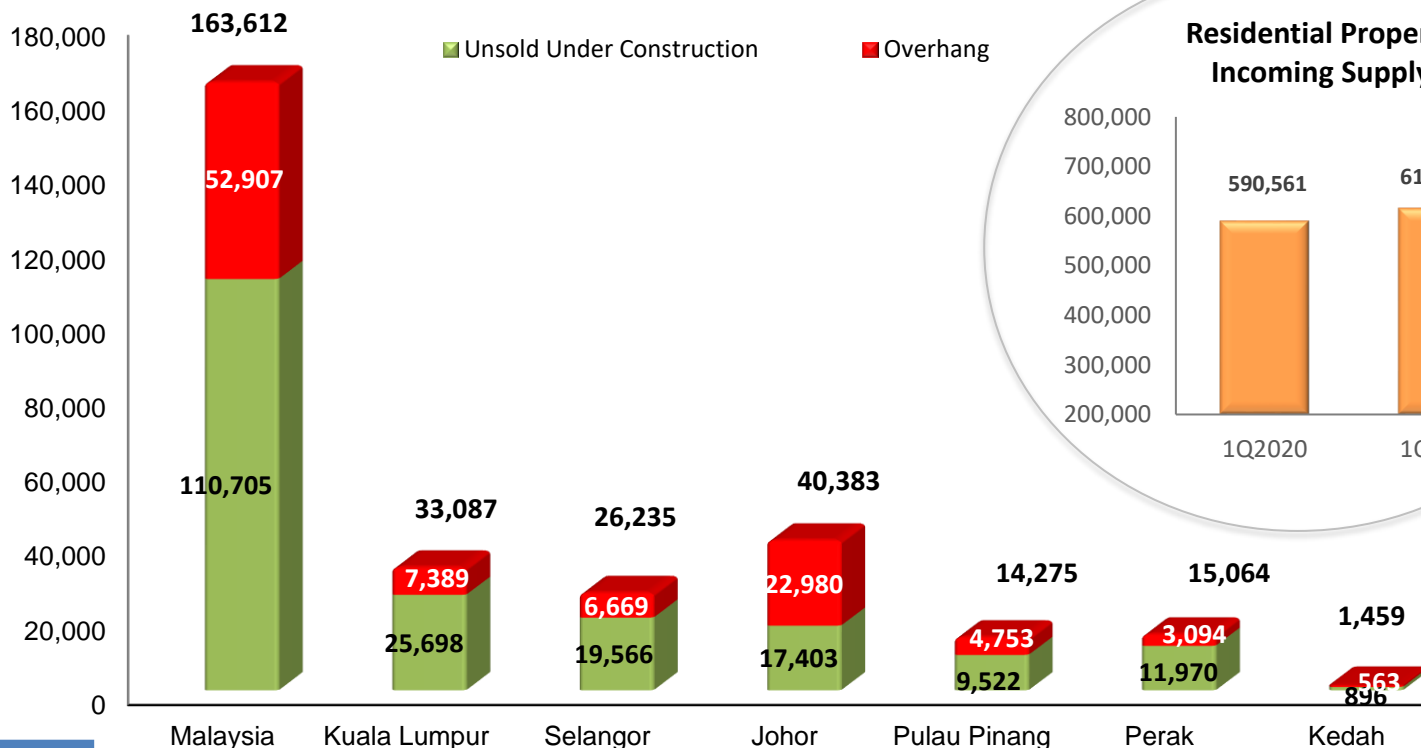
11% Y-o-Y growth in property sales volume



Y-o-Y	11%	21%	17%	5%	12%	11%
Q-o-Q	-13%	-6%	0%	-8%	-14%	-12%

# Unsold Vs Overhang 1Q2021 (residential properties)

Unsold under construction declined Y-o-Y but overhang situation worsens



Y-o-Y							
Unsold under construction	-3.2%	54.5%	0.9%	-25.2%	-9.5%	24.5%	-47.8%
Overhang	8.8%	43.2%	16.1%	27.0%	52.7%	37.1%	59.5%

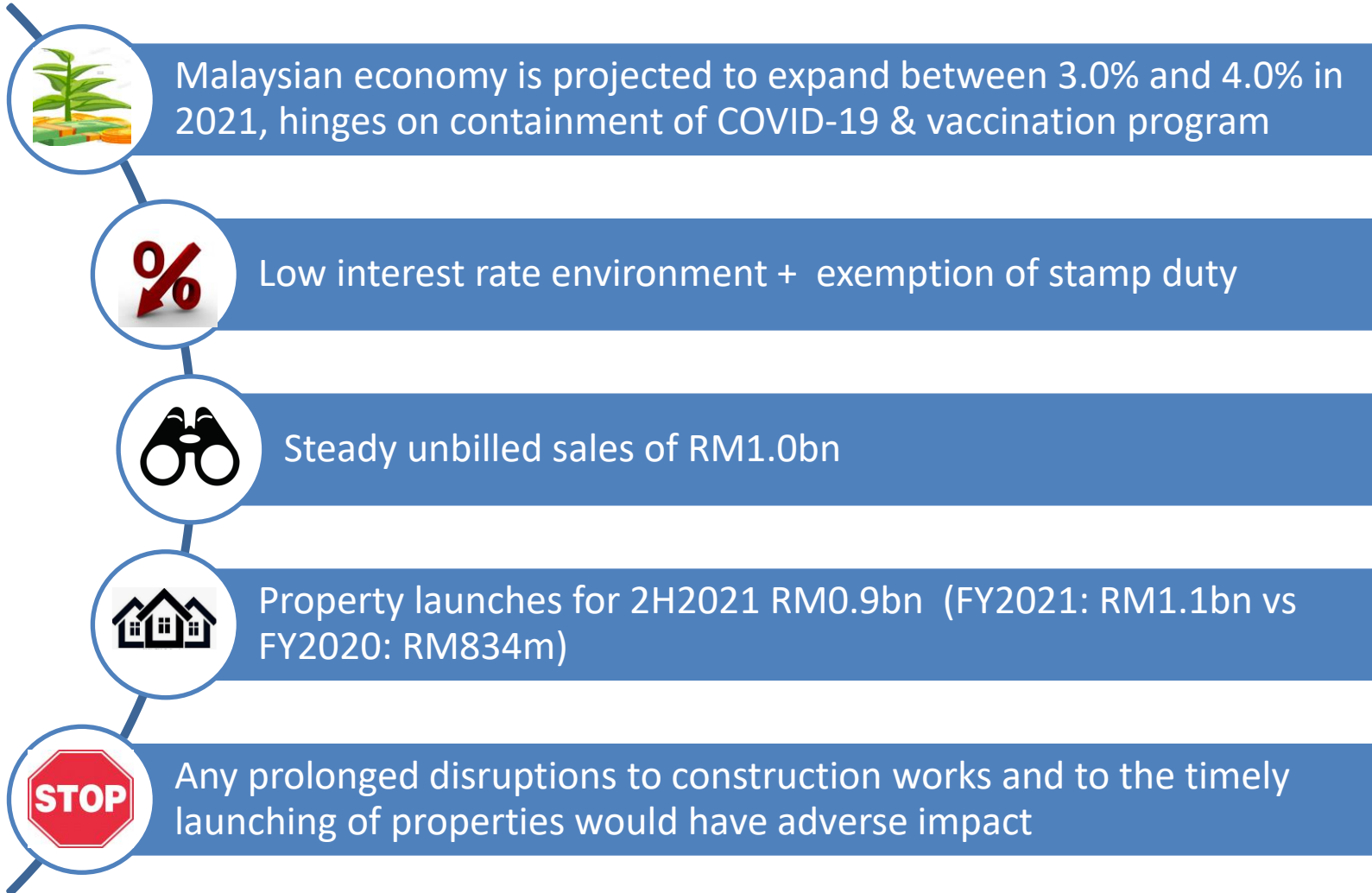
Prepared by Corporate & Strategy Department, Paramount Corporation Berhad

Source from NAPIC's Property Market Status Report: Residential Property Overhang Q1 2021, Unsold Under Construction Properties Q1 2021, Property Stock Report Q1 2021

Residential properties includes SOHO and service apartments.

# Outlook 2H2021

Outlook hinges on containment of COVID-19





# 2H2021 Pipeline Launches (100% residential)

RM944m launches; 57% from existing projects

The Atrium, Kuala Lumpur  
Serviced Apartment  
3Q2021



Utropolis Batu Kawan, Penang  
Serviced Apartment  
Tower B, 3Q2021



Arinna Kemuning Utama, Shah Alam  
High-rise Residential  
4Q2021



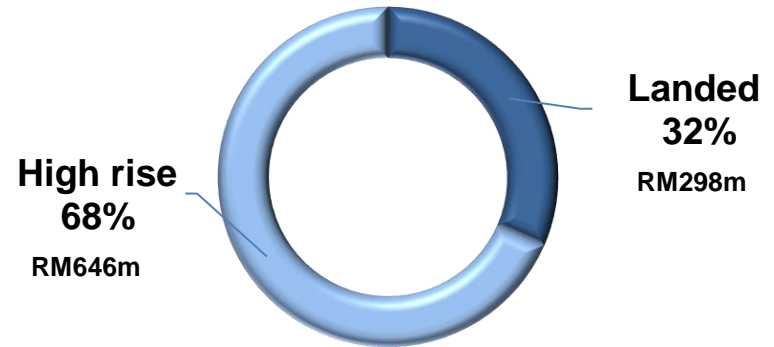
Bukit Banyan, Sungai Petani  
Double storey terrace house  
4Q2021



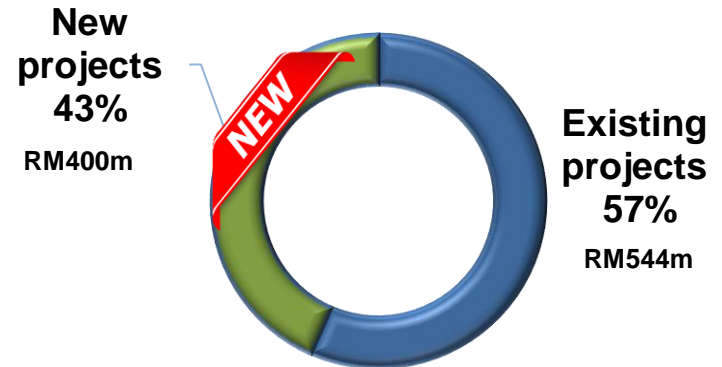
Sejati Lakeside, Cyberjaya  
Landed residential  
Phase 3, 4Q2021



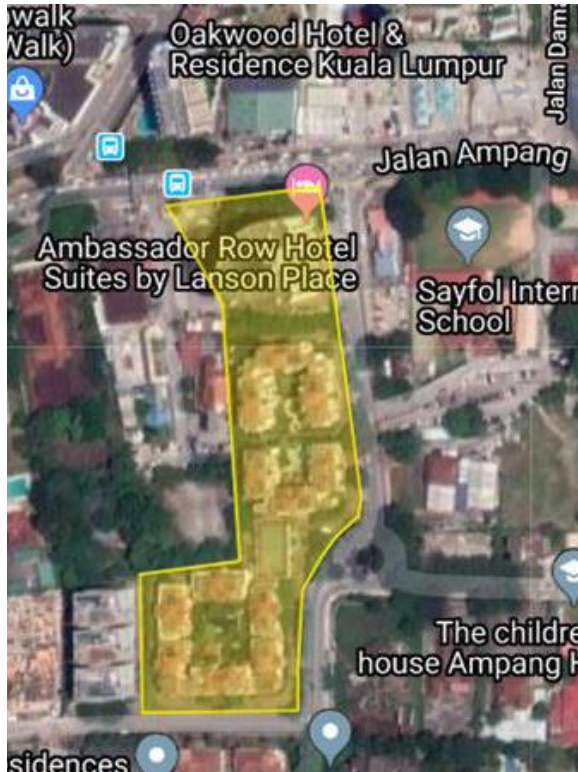
## High rise : Landed



## New projects : Existing Projects



# The Atrium - off Jalan Ampang – “Embassy Row” (KL)



## Unique selling points

Launching in 3Q2021

- 241 units of serviced apartments on 0.91 acres of freehold land
- Located at the prestigious U-Thant enclave of KL which is surrounded by foreign embassies, high commissions, high-end residences, international schools and medical centres.
- A well designed semi-furnished home equipped with smart home system

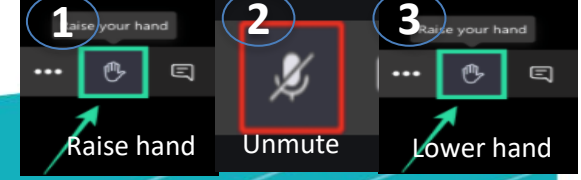




### Unique selling points

Launching in 4Q2021

- 6.02 acre of freehold land for high rise development at Kemuning Utama in Shah Alam for modern living
- High-rise residential with smart home features
- Well-connected to major highways (KESAS, LKSA, ELITE, LDP, NPE, Federal Highway)



## Q&A



**Jeffrey Chew Sun Teong**  
Group Chief Executive Officer



**Benjamin Teo**  
Deputy Group Chief Executive Officer



**Foong Poh Seng**  
Chief Financial Officer



# Appendices



# Diversified Landbank & GDV (30 June 2021)

	Project	Status	Remaining Gross Undeveloped Lands (Acres)	Remaining GDV* (RM'm)	Development Period	
					Start	End
Northern	Bukit Banyan & BLM, Sungai Petani	On-going	135.8	680	2012	2027
	Batu Kawan, Penang	On-going	21.4	1,811	2016	2027
	Kemuning Utama, Shah Alam	On-going	26.7	418	2004	2026
Central	Sejati Residences, Cyberjaya	On-going	10.0	463	2013	2025
	Sekitar26, Shah Alam	On-going	11.6	597	2013	2026
	Utropolis Glenmarie, Shah Alam	On-going	0	7	2013	2020
	Greenwoods, Salak Perdana	On-going	100.5	642	2015	2027
	Atwater, Section 13, PJ	On-going	0.0	279	2018	2022
	Berkeley Uptown, Klang	On-going	15.4	685	2019	2028
	Sejati Lakeside, Cyberjaya	On-going	18.9	253	2019	2023
	Ampang Hilir, KL	In the pipeline	4.5	968	2021	2027
	Bukit Banyan II, Sungai Petani	Future	137.1	405	2023	2027
	Machang Bubuk, Penang	Future	69.2	420	2023	2027
<b>Total</b>			<b>551.1</b>	<b>7,628</b>		

\* Comprising potential GDV from undeveloped lands and GDV from properties launched but remained unsold as at 30 June 2021



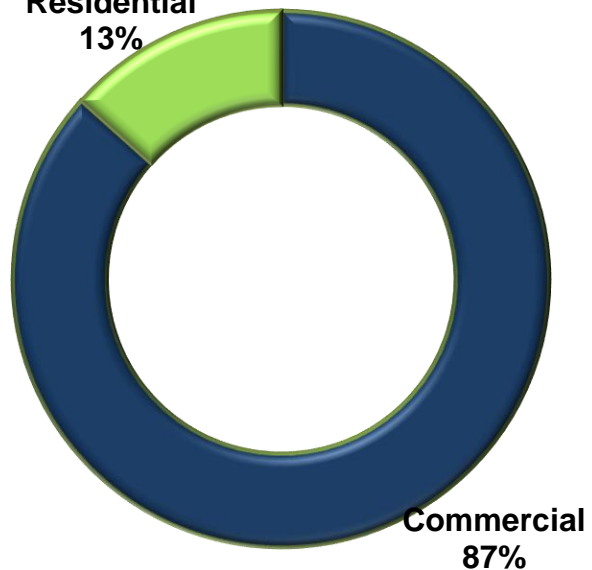
- Lank bank pending completion: 9.6 acre leasehold land located at Section 14 (Estimated GDV RM1bn) to be developed on joint venture basis
- Project undertaken by 49% owned associate company, Navarang Charoennakhon Company Limited: the Group's share of GDV from properties launched but remained unsold as at 30 June 2021 was RM65m

# Inventories (30 June 2021)

Inventories down 22%; 87% as at 30 June was commercial properties

Completed properties  
RM89m

Residential  
13%



Commercial  
87%

	Projects As at	30 June 2021 Cost RM'm	31 Dec 2020 Cost RM'm	Details
Central	SEKITAR 26	41	46	• Stratified commercial lots Leased to <b>Co-labs Coworking (carrying value about RM20m)</b>
	GREENWOODS Salak Perdana	13 4	13 8	• 2 storey shop offices • Double storey terrace house
	ATWATER	11	11	• <b>Sales gallery</b>
	UTROPOLIS	3	4	• Service apartments
	LAGUNA MIDLANDS	*	1	• Project completed; commercial
Northern	The Dunes Residential	1	-	• Landed residential
	BANYAN Up Close To Nature	12 4	13 19	• Commercial units • Service apartments
	UTROPOLIS SALAK PERDANA	77 12 <b>89</b>	84 31 <b>115</b>	
Commercial Residential <b>TOTAL</b>				

Note:

\* Less than RM1m

## Group Debt/Total Equity (D/E) Ratio

	30 June 2021 (Unaudited)	31 Dec 2020 (Audited)
	RM'm	RM'm
Borrowings	968.0	954.2
Cash & bank balances	248.0	204.3
Total equity*	1,663.8	1,679.4
Gross D/E ratio (times)	0.58	0.57
Net D/E ratio (times)	0.43	0.45
Weighted average interest rate (%) - floating - fixed	3.47 N/A	3.45 N/A

\* Included Private Debt Securities of RM249.0 m as at 30 June 2021 & 31 Dec 2020)

Gross D/E Ratio = Total Borrowings/Total Equity

Net D/E Ratio = (Total Borrowings-Cash & Bank Balances)/Total Equity

# Disclaimer

## **Statement Regarding Unaudited Financial Information**

The unaudited financial information set forth above is preliminary and subject to adjustments and modifications.

## **Disclaimer on Forward-Looking Statements**

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. All of these forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those we expected. We therefore caution against placing undue reliance on the forward-looking statements contained in this presentation, which are based on current view of management on future events.

**Thank You**