

# Unaudited 9M2021 Results

25<sup>th</sup> November 2021

# 9M2021 Results

## 3Q2021 vs 3Q2020 Financial Results

		3Q2021	3Q2020 (Restated)	+/-	%
<b>Continuing</b>					
Revenue	RM'Mil	84.8	218.9	(134.1)	-61%
Profit before tax	RM'Mil	6.4	37.1	(30.7)	-83%
EBITDA	RM'Mil	15.9	46.2	(30.3)	-66%
Profit after tax	RM'Mil	5.8	26.5	(20.7)	-78%
Profit for the period	RM'Mil	5.8	26.5	(20.7)	-78%
Profit attributable to ordinary equity holders of the company	RM'Mil	0.3	20.2	(19.9)	-99%
Earnings per share	Sen	0.04	3.30	(3.26)	-99%
Dividend per share	Sen	0.00	0.00	0.00	0%

For 3Q2021, the Group registered a revenue from continuing operations of RM84.8 million, which was 61% lower than the same period last year of RM218.9 million. The Group achieved a profit before tax (PBT) from continuing operations of RM6.4 million (3Q2020: RM37.1 million) and a profit attributable to ordinary equity holders of the Company of RM0.3 million (3Q2021: RM20.2 million). The Group's financial performance in 3Q2021 were adversely affected by the lower levels of construction activities and property sales as a result of containment measures taken to curb the spread of the COVID-19 virus.

## 9M2021 vs 9M2020 Financial Results

		9M2021	9M2020 (Restated)	+/-	%
<b><u>Continuing</u></b>					
Revenue	RM'Mil	364.0	405.2	(41.2)	-10%
Profit before tax	RM'Mil	27.4	38.6	(11.2)	-29%
EBITDA	RM'Mil	56.0	65.2	(9.2)	-14%
Profit after tax	RM'Mil	16.9	26.8	(9.9)	-37%
<b><u>Discontinued</u></b>					
Profit after tax	RM'Mil	0.0	470.6	(470.6)	-100%
<b>Profit for the period</b>					
	RM'Mil	16.9	497.4	(480.5)	-97%
<b>Profit attributable to ordinary equity holders of the Company</b>					
	RM'Mil	4.2	482.9	(478.7)	-99%
Earnings per share	Sen	0.68	78.81	(78.13)	-99%
Dividend per share	Sen	0.00	29.00	(29.00)	-100%
Net asset per share	RM	2.28	2.31	(0.03)	-1%
Shareholders' funds	RM'Mil	1,413.7	1,418.1	(4.4)	0%
ROE	%	0.3	42.4	(42.1)	-99%
Gross Debt/Equity Ratio	Times	0.55	0.47	0.08	17%

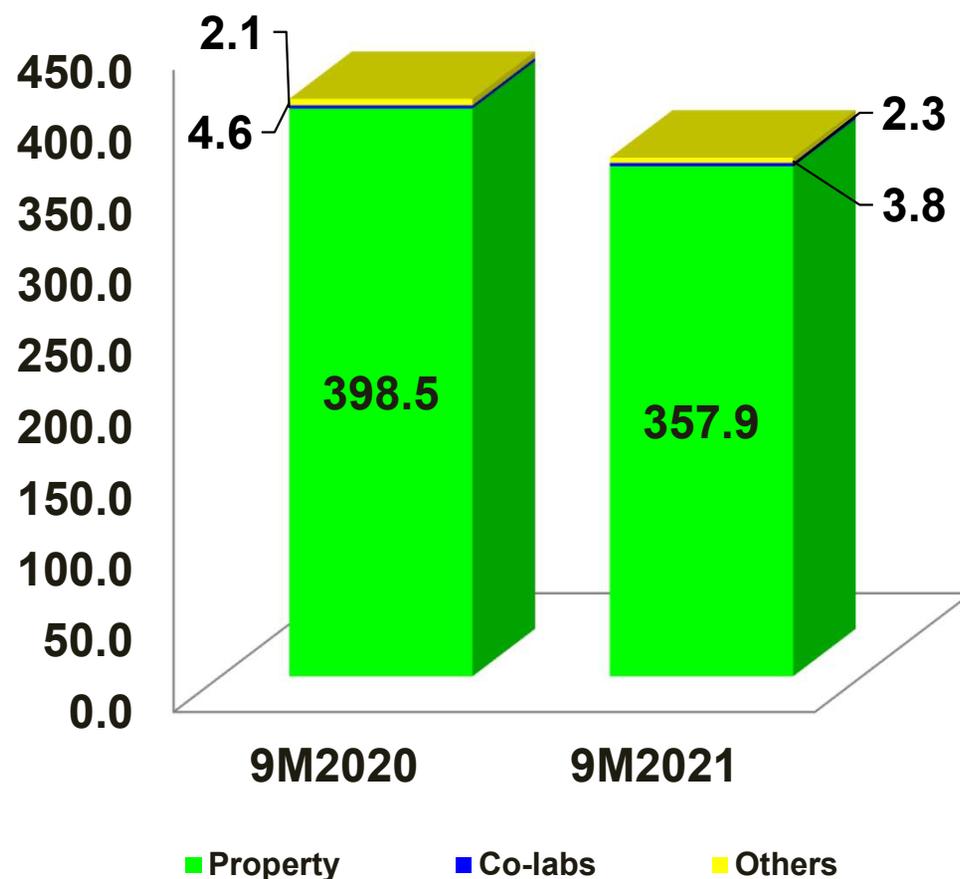
## 9M2021 vs 9M2020 Financial Results

### **Continuing operations**

For the 9M2021, the Group achieved a revenue of RM364.0 million (9M2020: RM405.2 million) and a PBT of RM27.4 million (9M2020: RM38.6 million), which were 10% and 29% lower than the same period last year. Hence, the Group recorded a profit attributable to ordinary equity holders of the Company of RM4.2 million (9M2020: RM482.9 million) mainly due to the higher losses recorded by the investment & others division and without the RM460.6 million gain on disposal that was recognised in 1Q2020 from the divestment of the pre-tertiary business. The higher losses incurred by the investment & others division in 9M2021 compared to the same period last year was mainly attributable to the higher non-recurring expenses, lower profit contributions from the associates and without the profits and interest income associated with the divestment of the pre-tertiary education business that were recognised in 2020.

# Revenue – continuing operations

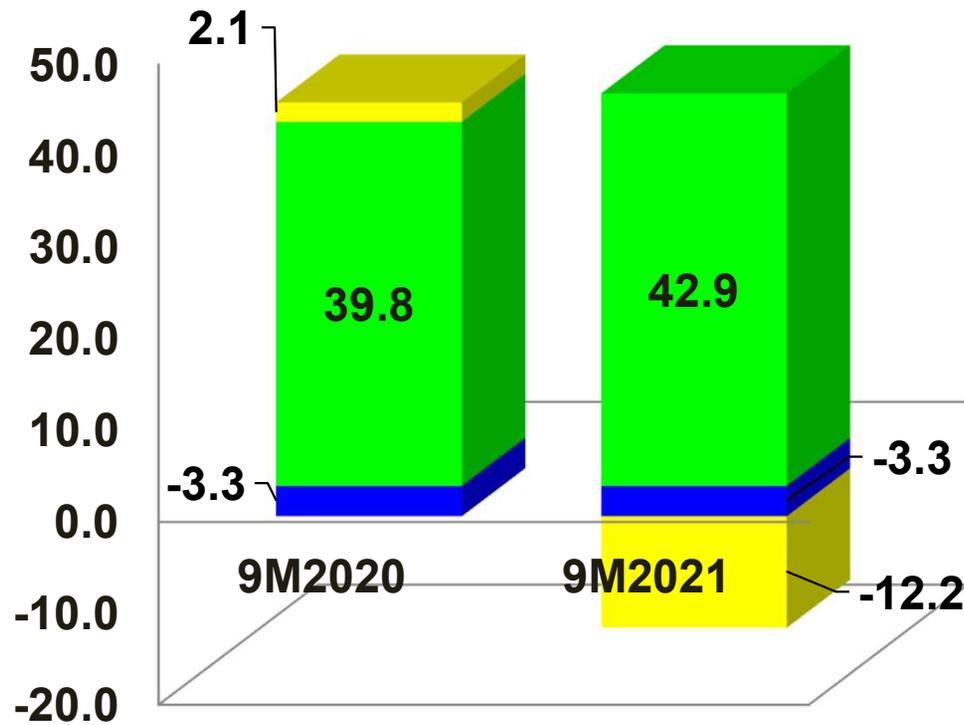
Revenue By Division (RM'Million)



Property Division	<p>Adversely affected by various degrees of disruptions such as closure of construction sites and sales galleries</p> <p>Top 3 revenue contributions were Bukit Banyan development in Kedah, Atwater development in Selangor and Utropolis Batu Kawan development in Penang.</p>
Co-labs Coworking Division	<p>Higher revenue mainly due to the newly opened outlet at Tropicana Gardens, Kota Damansara and the maiden contribution from Scalable Malaysia</p>

# PBT - continuing operations

**PBT By Division (RM'Million)**



■ Property    ■ Co-labs    ■ Others

Property Division	Higher PBT was due to lower interest expense and without the impairment loss of an investment property that was recognised in 3Q2020.
Co-labs Coworking Division	Loss before tax remained at RM3.3 million

# Statement of Financial Position

RM'000	30/9/2021	31/12/2020 (Restated)
Non-current assets	1,856,830	1,846,620
Current assets	986,077	1,118,030
Total assets	2,842,907	2,964,650
Current liabilities	434,681	474,935
Net current assets	551,396	643,095
Non-current liabilities	744,845	810,331
Total liabilities	1,179,526	1,285,266
Total equity	1,663,381	1,679,384
Total equity and liabilities	2,842,907	2,964,650

## Debt/Equity Ratio

	30/9/2021	31/12/2020 (Restated)
	RM'Mil	RM'Mil
Borrowings	919.1	954.2
Cash & bank balances	128.3	204.3
Total equity*	1,663.4	1,679.4
	30/9/2021	31/12/2020
Gross D/E ratio	0.55	0.57
Net D/E ratio	0.48	0.45

\*Included Private Debt Securities of RM249 million (2020: RM249 million)

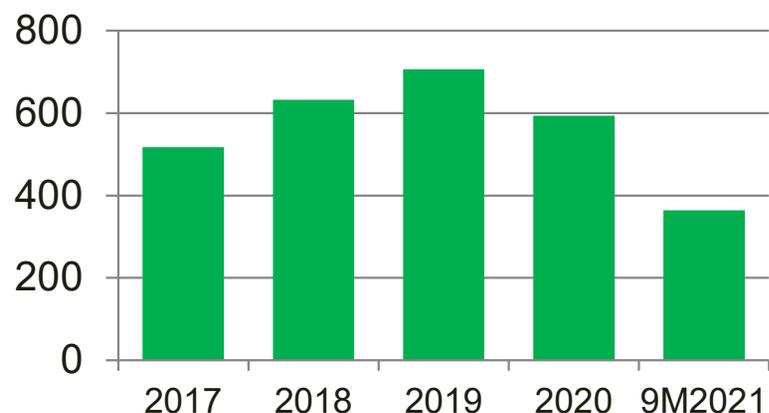
*Gross D/E Ratio = Total Borrowings/Total Equity*

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

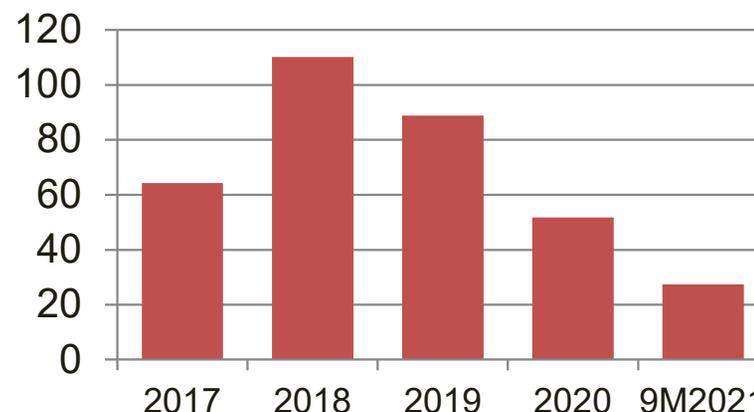
# 5-Year Financial Highlights

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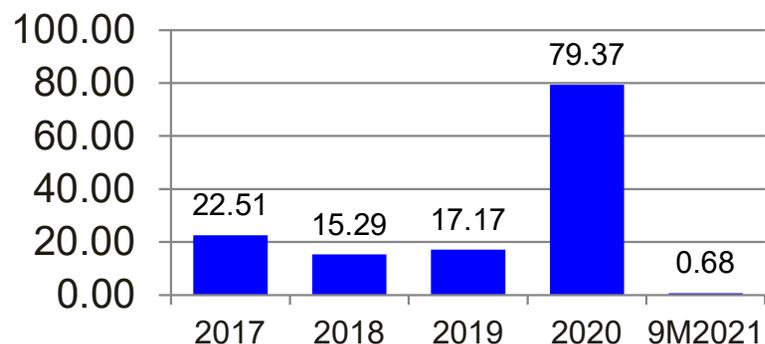
**Revenue (RM'Mil)**



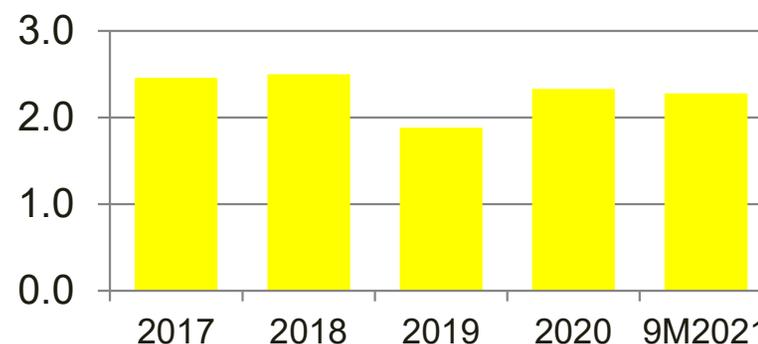
**PBT (RM'Mil)**



**Earnings Per Share (Sen)**



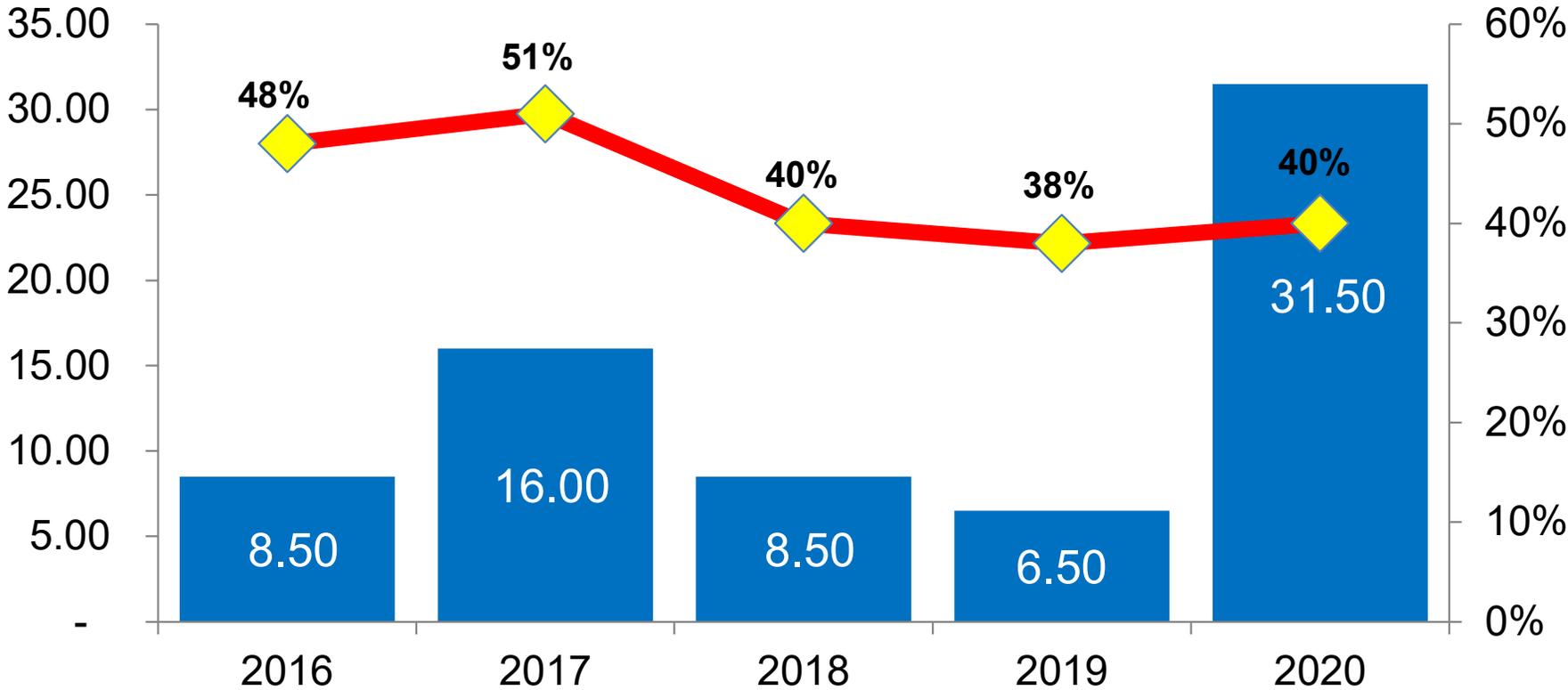
**Net Assets Per Share (RM)**



Note:  
Revenue & PBT – These represent financials from continuing operations

# 5-Year Financial Highlights

Gross Dividend Per Share (sen) and Payout Ratio (%)



# 9M2021 Highlights

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## Property Division

- 682 units of properties were launched in 9M2021 (9M2020: 1,192 units).
- Property sales of 598 units with a sales value of RM354 million, 30% lower than 9M2020 of RM503 million.
- Unbilled sales stood at RM991 million as at 30 September 2021.
- Effective 1 January 2021, the Group had adopted the Agenda Decision on borrowing costs which has also been retrospectively applied

## Co-labs Coworking Division

- New outlet opened at Tropicana Gardens, Kota Damansara in January 2021

# Total landbank & GDV

## Total Landbank & GDV

Projects developed by subsidiary companies	Remaining Gross Undeveloped Lands (Acres)	Remaining GDV* (Million)	Development Period	
			Start	End
<b>On going Developments</b>				
Kemuning Utama, Shah Alam	26.7	418	2004	2026
Sekitar26, Shah Alam	11.6	154	2013	2026
Bandar Laguna Merbok, Sungai Petani	0.0	1	1996	2018
Utropolis Glenmarie, Shah Alam	0.0	7	2013	2020
Bukit Banyan, Sungai Petani	135.8	670	2012	2027
Sejati Residences, Cyberjaya	10.0	463	2013	2025
Greenwoods, Salak Perdana	100.5	640	2015	2027
Utropolis Batu Kawan, Penang	19.3	1,785	2016	2027
Atwater, Petaling Jaya	0.0	279	2018	2022
Berkeley Uptown, Klang	15.4	682	2019	2028
Sejati Lakeside, Cyberjaya	18.9	251	2019	2023
<b>Total</b>	<b>338.2</b>	<b>5,350</b>		

## Total Landbank & GDV

Projects developed by subsidiary companies	Remaining Gross Undeveloped Lands (Acres)	GDV* (Million)	Development Period	
			Start	End
<b>Project in the pipeline</b>				
Ampang Hilir, Kuala Lumpur	4.5	968	2021	2027
<b>Future Projects</b>				
Bukit Banyan II, Sungai Petani	137.1	405	2023	2027
Machang Bubuk, Penang	69.2	420	2023	2027
<b>Total</b>	<b>206.3</b>	<b>825</b>		
<b>Grand Total</b>	<b>549</b>	<b>7,143</b>		

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

## Total Landbank & GDV

Project developed by associate company	Remaining Gross Undeveloped Lands (Acres)	GDV <sup>^</sup> (Million)	Development Period	
			Start	End
Na Reva	-	65	2020	2023

<sup>^</sup> Being the Group's share of GDV from properties launched by Navarang Charoennakhon Company Limited but remained unsold as at 30 September 2021

# Prospect for 2021

# Prospect

The Malaysian economy contracted by 4.5% in the third quarter of 2021 (2Q 2021: +16.1%). This was largely attributable to the strict containment measures particularly in July, under Phase 1 of the National Recovery Plan. Economic activity subsequently picked up as more states transitioned into Phase 2 with less restrictive containment measures. On the supply side, all economic sectors registered a contraction. The construction sector contracted the most due to operating capacity limits.

For 2021, the domestic economy is on track to expand by 3.0% - 4.0%. Growth will be supported by the increase in economic activities as containment measures are progressively relaxed, amid continued policy support. In addition, the strength in global demand will continue to support export growth.

(Source: Press Release from Bank Negara Malaysia on the Economic and Financial Developments in Malaysia in the Third Quarter of 2021)

The property market will be weighed down by the weakened business and consumer sentiments due to the prolonged pandemic situation. In addition, the escalating building material costs could lead to more margin pressure on property developers. However, the opening up of the economy and the gradual easing of the country into accepting COVID-19 as endemic would hopefully restore lives and livelihoods and the economy. The low interest rate environment coupled with stamp duty exemption under the home ownership campaign are expected to continue to spur buying interests in properties. Furthermore, the abolishment of the real property gain tax for disposals in year 6 onwards is expected to help invigorate the property market and eventually translate into a positive multiplier effect on the economy.

## Prospect (cont'd)

### a) Property

With the easing of the COVID-19 restrictions, the Group is hopeful to regain the strong sales momentum that was disrupted by the prolonged movement restrictions. In November 2021, it launched The Atrium, a 20-storey tower service apartments situated along Jalan Ampang and Jalan Ampang Hilir in Kuala Lumpur, a prestigious address in the city and an attractively-priced alternative to properties at KLCC. Another notable launch in November 2021 is the third and final phase of Sejati Lakeside comprising semi-detached, super link and terrace houses. Sejati Lakeside is a 41.4-acre low density landed residential development set against a panoramic 45-acre lake in Cyberjaya.

The Group's unbilled sales of RM991 million as at 30 September 2021 will provide some visibility on the Group's cashflow in the near term, the pace at which this can be converted into billings would depend largely on the construction progress of the projects.

### b) Co-labs Coworking

All five (5) Co-labs Coworking outlets have reopened in mid-September 2021 after Selangor and Kuala Lumpur moved into Phase 2 of the National Recovery Plan. Co-labs Coworking is well positioned to capitalise on opportunities arising from the country's move to an endemic phase as businesses will by now have clearer strategies to manage their workplace requirements under the new normal. Co-labs Coworking has repackaged its membership for greater flexibility, with packages ranging from premium office suites to day pass to allow individuals and organisations to scale up or down their office space requirements and better manage their cashflows.

## Prospect (cont'd)

For so long as COVID-19 infection remains a risk in the community, the Group will continue to be vigilant, safeguard its staff and workers' wellbeing and take actions to minimise disruption to its supply chain. Pursuant to the measures taken by the Group to vaccinate its workers, all its construction sites are now operating at 100% workforce capacity with standard operating policy in place. The Group has also put in place risk mitigation plans and cost rationalisation measures to manage the Group's expenses but will continue to invest for long term business sustainability.

Barring any unforeseen circumstances, the Group is cautiously optimistic of its financial performance for the last quarter of the financial year ending 31 December 2021 as Malaysia gears up for the full reopening of the economy. Any prolonged disruptions involving the closure of construction sites or sales galleries as a result of re-imposed containment measures would have an adverse impact on the Group's financial performance.

## **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**