

AME net profit jumps 96.0% in 1Q20

- *Integrated industrial property solutions provider benefits from Malaysian economic growth, investments in manufacturing sector and US-China trade tensions*
- *Set to list on the Main Market of Bursa Malaysia Securities Berhad (Bursa Securities) on 14 October 2019*

Johor Bahru, Malaysia, 8 October 2019 - Integrated industrial property solutions provider AME Elite Consortium Berhad (AME, the Group, 腾宇集团) reported a significant 96.0% jump in net profit attributable to shareholders to RM13.1 million in the first quarter of the financial year ending 31 March 2020 (1Q20), as it benefitted from higher demand for industrial properties resulting from Malaysia's economic growth, in addition to investments in the manufacturing sector and ongoing US-China trade tensions.

The bottomline hike was almost double of the RM6.7 million recorded in the previous year's corresponding quarter. Group revenue rose 60.8% to RM94.4 million in 1Q20 compared to RM58.7 million a year ago.

Revenue from the property development segment increased to RM36.5 million from RM2.7 million previously. This was due to the sale of commercial shop lots and increase in sale of industrial properties.

In addition, revenue from the engineering services segment also rose by 175.7% to RM11.8 million from RM4.3 million a year ago due to higher contributions from steel engineering works, precast concrete works as well as mechanical and electrical engineering works. The construction services revenue amounted to RM40.0 million on near-completion of existing projects and newly-secured projects being in early stages of construction.

Notably, the Group's rental income from additional factory units leased by customers and additional workers' dormitories that commenced in 1Q20, resulted in revenue from the property investment and management segment increasing 20.3% to RM6.0 million from RM5.0 million previously.

“Our 1Q20 financial performance highlights AME's ability to ride the wave of incoming foreign direct investment from multinational corporations into Malaysia, in addition to local enterprises.

This has given rise to improved sales and lease at our i-Parks on top of contributing to a higher recurring rental income stream through enhanced occupancy in the i-Stay workers' accommodations and increased value of our investment properties.

Therefore, we will continue to put our growth plans in motion, including expanding our industrial parks, developing facilities and services to enhance attractiveness, and increasing the capabilities in our engineering and property management segments to better serve our clients.”

Kelvin Lee Chai (李志财)

Group Managing Director, AME Elite Consortium Berhad

In August 2019, AME completed the acquisition of a 76.59-acre parcel of land for RM135.1 million for the Phase 3 development of i-Park @ Senai Airport City, bringing the total acreage of i-Park @ Senai Airport City to approximately 189 acres. AME expects to commence the development of Phase 3 by the fourth quarter of FY2020 after obtaining all relevant approvals for the construction.

In the previous financial year ended 31 March 2019, AME posted RM339.0 million revenue and RM47.3 million net profit attributable to shareholders.

According to the Malaysian Investment Development Authority, Malaysia's approved foreign direct investment (FDI) increased by 97.2% to RM49.5 billion in the first half of 2019 from RM25.1 billion in the same period last year.

Specifically, approved manufacturing FDI rose by 74.2% to RM33.1 billion during the first half of 2019, from RM19.0 billion in the same period last year, with 75.8% coming from foreign investments and the remaining 24.2% from domestic sources.

Kelvin concluded: "Our positive financial performance in 1Q20 coupled with our upcoming listing and enhanced profile in the public eye positions us to capitalise on new market opportunities created by increasing FDI into the country. With the manufacturing sector a huge beneficiary, our strong track record in the customisation of manufacturing facilities should give us an edge in securing new contracts and clients."

AME is scheduled to be listed on the Main Market of Bursa Securities on 14 October 2019, at an issue price of RM1.30 per share. AME's market capitalisation would be RM555.2 million at IPO.

From the total proceeds raised of RM111.1 million, RM69.1 million will be allocated for future industrial property development and investment projects, RM23.0 million will be utilised as working capital for the i-Park @ Senai Airport City development, RM9.0 million will be set aside to complete the expansion of the Group's precast concrete fabrication capacity, and the remaining RM10.0 million for the defraying of listing expenses.

**About AME Elite Consortium Berhad (<https://ame-elite.com>)**

Established since 1995, AME provides integrated and comprehensive solutions encompassing the design and construction of large manufacturing plants, the development of gated and guarded industrial parks, and the sale and lease of industrial factory units.

AME possesses in-house construction and engineering expertise, including mechanical and electrical (M&E) engineering, and industrialised building system (IBS) involving steel structure and pre-cast concrete fabrication. AME's solutions include rental of industrial properties as well as rental and management of workers' dormitories.

Among notable projects completed include i-Park @ SiLC, i-Park @ Indahpura (Phase 1 and 2) and District 6 in Johor. The Group is also currently constructing i-Park @ Senai Airport City in Johor.

AME received multiple awards including World Silver Winner in Industrial Category (i-Park @ Indahpura) at the 2019 FIABCI World Prix d'Excellence Awards, Malaysia Property Award™ 2018 (Industrial Category) by FIABCI-Malaysia, Malaysia's Responsible Developer: Building Sustainable Development Award 2018 by Edge Property and The Iskandar Malaysia Accolades (TIMA) 2016/17: Platinum Winner for "Most Conducive Workplace" (i-Park @ Indahpura).

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