



AME ELITE CONSORTIUM BERHAD

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BUSINESS OVERVIEW

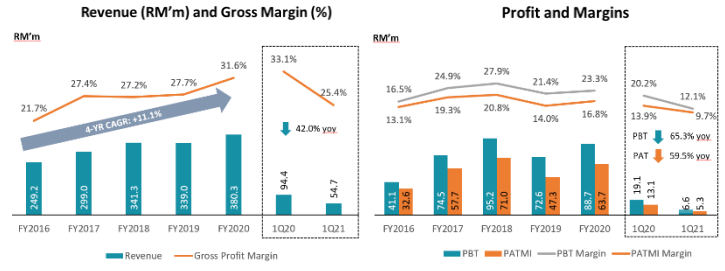
AME Elite Consortium Berhad (AME), established since 1995, is a leading integrated industrial space solutions provider, offering one-stop and comprehensive solutions encompassing the design and construction of customised large manufacturing plants, development of award-winning industrial parks, sale and lease of industrial factory units, as well as rental and management of workers' dormitories within its industrial parks.

AME has completed the construction of more than 200 large manufacturing and industrial buildings for various industries, and four industrial parks. AME is supported by 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.

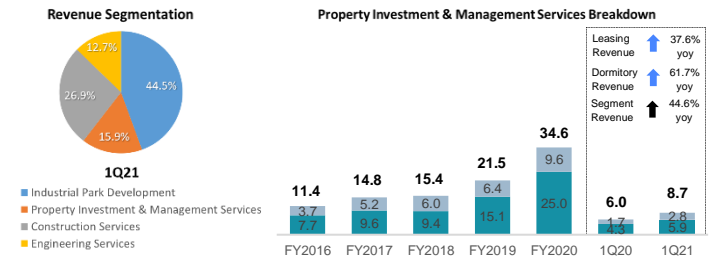
PROJECT OVERVIEW

Completed Industrial Parks			
i-Park@SiLC  GDV: RM80.0m Area: 12.31 acres Take-up: 100% - Sold: 84% - Leased: 16%		i-Park@Indahpura (Phase 1&2)  GDV: RM600.0m Area: 104.84 acres Take-up: 95% - Sold: 81% - Leased: 14%	
District 6  GDV: RM86.0m Area: 7.57 acres Take-up: 50% - Sold: 17% - Leased: 33%		SME City <i>*By jointly-controlled entity, Axis AME IP</i>  GDV: RM192.0m Area: 40.00 acres Take-up: 100% - Sold: 100%	
Completed Workers' Dormitories			
i-Stay@Indahpura  Maximum capacity: 3,206 beds Occupancy rate: 97% Facilities & services: <ul style="list-style-type: none"> - Thumb-print/facial access control - Canteen - Park gymnasium - Automated laundry - Futsal & volleyball courts - First-aid room - Convenience store - Mobile phone store 		i-Stay@Senai Airport City  Maximum capacity: 2,572 beds Occupancy rate: 90% Facilities & services: <ul style="list-style-type: none"> - Thumb-print/facial access control - Canteen - Café - Automated laundry - Multipurpose hall - Park gymnasium - Treatment room - Convenience store - Mobile phone store 	
Ongoing Industrial Parks			
i-Park@Indahpura (Phase 3* & P108) <i>*By jointly-controlled entity, Axis AME IP</i>  Est. GDV: Phase 3: RM456.0m P108: RM120.0m Area: Phase 3: 85.4 acres P108: 15.0 acres Est. Completion: 2023 Take-up: Phase 3 - 80% (Sold: 63%, Leased: 17%) P108 - 30% (Sold: 30%, Booked: 70%)		i-Park@Senai Airport City (Phase 1, 2, 3 & The Jacaranda)  Est. GDV: RM1,340.0m Area: 188.6 acres Est. Completion: 2025 Take-up: Phase 1 & 2 - 84% (Sold: 57%, Leased: 27%) Phase 3 - 6% (Sold: 3%, Leased: 3%) The Jacaranda - 81% (Sold: 81%)	

FINANCIAL PERFORMANCE



During the Movement Control Order and Conditional Movement Control Order in Malaysia from mid March to early June 2020, AME's property development, and construction and engineering services segments were inactive in compliance with local regulations. The inactivity in these segments led to lower 1Q21 revenue of RM54.7m (1Q20: RM94.4m) and decline in net profit to shareholders to RM5.3m (1Q20: RM13.1m). The property investment and management services segment, however, saw revenue grow 44.6% to RM8.7m in 1Q21 (1Q20: RM6.0m) on leasing of additional industrial properties and higher rental income from workers' dormitories.



RECENT DEVELOPMENTS

- Property development, construction and engineering segments resumed full activity in June 2020 after securing approvals from local authorities
- Announced on 16 June 2020 the construction of Switzerland-based EMS player Enics AG's first Southeast Asia manufacturing site in i-Park@Senai Airport City
 - To build new 10,000 sqm floor space high performance/high-volume industrial electronics factory; Enics' 8th factory, complementing its plants in Europe & China
- Announced on 24 July 2020 the construction of HQ Pack Sdn Bhd's expanded facility in i-Park@Indahpura
 - Integrated facility of approximately 60,000 sq ft built up area to encompass production factory, cleanroom, warehouse, and office block
- Investing RM25 million CAPEX to expand i-Stay@Indahpura workers' dormitories
 - Two new dormitory blocks to accommodate approximately 2,700 beds;
 - i-Stay@Indahpura capacity to increase 84% to approximately 5,900 beds
 - Targeted completion in second half of 2021

UTILISATION OF PROCEEDS

Purposes	RM'000	%	Actual utilisation as at 30.06.20 (RM'000)	Balance unutilized as at 30.06.20 (RM'000)	Estimated time frame for utilisation (from listing on 14 Oct 2019)
I. Future industrial property development and investment projects including land acquisitions and joint ventures	69,050	62.2	-	69,050	Within 36 months
II. Working capital for i-Park@Senai Airport City development project	23,000	20.7	-	23,000	
- Partially fund construction of clubhouse	9,000				
- Payment to external consultants and contractors to commence development of Phase 3	12,000				Within 12 - 36 months
- Marketing expenses	2,000				
III. Complete the expansion of precast concrete fabrication capacity	9,000	8.1	-	9,000	Within 12 months
IV. Estimated listing expenses	10,000	9.0	8,656	1,344*	Within 6 months
Total	111,050	100.0	8,656	102,394	

*As the actual listing expenses incurred is lower than the estimated amount of RM10.0m, the balance will be used for working capital for i-Park@Senai Airport City

GROWTH STRATEGIES

- Expanding i-Park business model to other states in Peninsular Malaysia
- Enhancing portfolio of workers' dormitories through capacity expansion, as well as improving quality and services
- Entering solar energy sector via new joint venture

INVESTMENT MERITS & VALUATION

- Niche specialisation in developing and managing industrial parks
- Experienced management team with in-depth industry know-how
- Integrated construction, engineering, leasing, and services capabilities
- Beneficiary of shift in global supply chain to Southeast Asia
- Growing recurring income from rental fees and management services
- Dividend policy to distribute at least 20% of net profit attributable to shareholders (less fair value gain on investment properties)

Valuations @ 1 September 2020	
Share Price (RM)	1.85
Market Cap (RM 'm)	790.2
P/E (ttm)	14.0
P/B	1.2