

AME core net profit rises 8.4% to RM17.7 million in 2Q21 on strong demand for i-Park properties

- *Registers resounding recovery in operations and performance post-MCO*
- *i-Parks drawing higher Domestic Direct Investment (DDI); registering increasing interest from foreign corporations expanding in high-growth Southeast Asia*

Johor Bahru, Malaysia, 25 November 2020 - Leading integrated industrial space solutions provider **AME Elite Consortium Berhad** (AME, the Group, 腾宇集团, Bloomberg: AME:MK; Reuters: AMEE.KL) delivered 8.4% growth in core net profit¹ to RM17.7 million in the second quarter ended 30 September 2020 (2Q21) from RM16.3 million in the previous year, driven mainly by stronger contribution from its i-Park@Indahpura and i-Park@Senai Airport City industrial parks.

Group revenue increased 47.8% to RM120.9 million in 2Q21 from RM81.8 million a year ago, on growth across key segments.

Of total 2Q21 group revenue, the property development segment contributed RM40.6 million, up 110.5% from RM19.3 million previously. This was due to higher progress billing and revenue recognition from ongoing development of i-Park industrial properties, which are benefiting from increasing demand from domestic and international companies.

The Group's investment property investment and management services segment, comprising leasing properties and i-Stay workers' dormitories that serve its i-Park clientele, recorded RM8.7 million revenue in 2Q21 versus RM10.4 million previously. The 15.6% lower revenue was attributed to the sale of industrial properties previously leased to i-Park clients, while mitigated by increased occupancy rates of its i-Stay workers' dormitories.

Meanwhile, the construction and engineering segments, which are primarily involved in external projects for industrial properties, contributed a total of RM71.5 million to 2Q21 revenue. The 37.1% revenue growth from RM52.2 million previously is in line with higher stages of completion for ongoing industrial property projects.

Without the one-off adjustments, group 2Q21 net profit stood at RM11.4 million versus RM21.0 million in the previous year.

Compared to the first quarter ended 30 June 2020 (1Q21), AME made a resounding recovery from the financial impact of the halt in its operations during the first quarter ended 30 June 2020 (1Q21) in line with Malaysia's Movement Control Order (MCO) and Recovery MCO phases. On quarter-on-quarter basis, revenue expanded 120.9% while net profit stood 114.0% higher, driven by resumed operations in all segments.

¹ Core net profit includes, net of tax and share by non-controlling interest, the realization of RM6.2 million in fair value from the sale of investment properties in 2Q21, less RM5.2 million in fair value gains from investment properties and one-off listing expenses of RM0.6 million in 2Q20.

AME's Group Managing Director Kelvin Lee Chai said that the Group's i-Parks are preferred investment destinations by prominent domestic and international companies, supported by its industry leading integrated solutions as well as growing repute in Southeast Asia.

“Our i-Park industrial parks are attracting DDI from major companies in Malaysia, as well as continued expansion from existing local and foreign customers in i-Park. This highlights the relevance and importance of our i-Parks in supporting the business growth requirements of some of the most demanding and technologically advanced industries, even amidst the uncertainties posed by the COVID-19 pandemic.

Furthermore, while awaiting the reopening of borders, we continue to receive enquiries from foreign players, including from United States, Europe, China, Taiwan, and Singapore. Among the key factors supporting the strong demand are the increasing focus on expansion in the high-growth Southeast Asian markets, in addition to the diversification of international supply chains.”

Kelvin Lee Chai (李志财)
Group Managing Director, AME Elite Consortium Berhad

AME's ongoing gross development value (GDV) of its property development segment rose to RM2.7 billion in 2Q21 compared to RM2.6 billion in the previous year. Unbilled sales from industrial properties rose 19.9% year-on-year to RM74.1 million compared to RM61.8 million previously, to be recognized progressively over the next 9 months.

The Group's construction and engineering segments orderbook stood at RM232.4 million as at 2Q21 compared to RM402.0 million in the previous corresponding quarter ended 30 September 2019.



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

Established since 1995, AME is an integrated and comprehensive industrial space solutions provider: encompassing the development of gated and guarded industrial parks, the design and construction of large manufacturing plants, the sale and lease of industrial factory units, as well as rental and management of workers' dormitories.

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 has completed 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 has 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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