



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

**By jointly-controlled entity, Axis AME IP*



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:

- 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: 94%

Facilities & services:

- 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)

**By jointly-controlled entity, Axis AME IP*



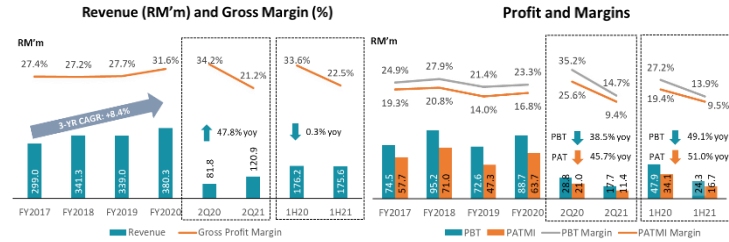
Est. GDV: Phase 3: RM456.0m
P108: RM120.0m
Area: Phase 3: 85.4 acres
P108: 15.0 acres
Est. Completion: 2023
Take-up: - 83% (Sold: 66%, Leased: 17%)
P108 - 30% (Sold: 30%, Booked: 70%)

i-Park@Senai Airport City (Phase 1, 2, 3 & The Jacaranda)



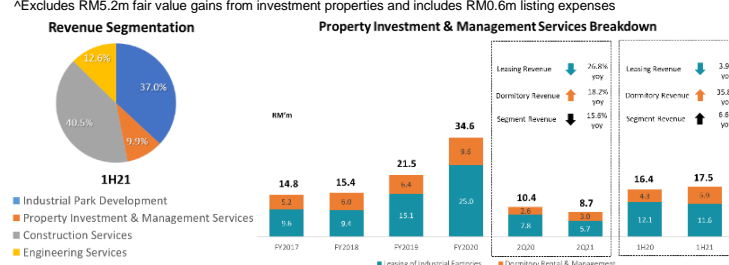
Est. GDV: RM1,340.0m
Area: 188.6 acres
Est. Completion: 2025
Take-up: Phase 1 & 2 - 84% (Sold: 57%, Leased: 27%)
Phase 3 - 9% (Sold: 6%, Leased: 3%)
The Jacaranda - 81% (Sold: 81%)

FINANCIAL PERFORMANCE



AME's 2Q21 core net profit rose 8.4% to RM17.7m* (2Q20: RM16.3m*), while revenue expanded 47.8% to RM120.9m (2Q20: RM81.8m), driven mainly by stronger contributions from i-Parks. 1H21 revenue and profit lower due to inactivity in property development, construction and engineering segments in 1Q21 due to MCO; fair value gain in 1H20. The property development segment led growth in contribution with 16.4% higher revenue of RM64.9m in 1H21 (1H20: RM55.8m) on higher stage of works completed for ongoing i-Park developments as activity resumed in 2Q21.

*Includes realization of RM6.2m fair value from sale of investment properties
*Excludes RM5.2m fair value gains from investment properties and includes RM0.6m listing expenses



RECENT DEVELOPMENTS

- Securing new contract awards from existing and new i-Park clients
 - From October to November 2020, awarded new contracts for:
 - Smart technologies provider JStar Motion's fourth facility in i-Park@Indahpura
 - V.S. Industry's new facilities in i-Park@Senai Airport City
 - Solar tracking system manufacturer Shengda New Energy's second plant in i-Park@Senai Airport City
- Axis REIT to acquire industrial properties in i-Park@Indahpura
 - On 19 November 2020, AXIS REIT announced acquisition of three industrial properties currently under lease to i-Park clients, for RM28.2 million
- Pursuing landbanking opportunities for expansion
 - On 9 October 2020, proposed to buy 169.8-acre land in Johor from UEM Sunrise for RM434.3 million
- Proposed establishment of REIT on Bursa Malaysia
 - To comprise identified assets of existing industrial leasing properties at i-Parks
 - Allows investors access to growing portfolio of high quality, high occupancy assets
 - Unlocking of investment value to further support AME's i-Park expansions

UTILISATION OF PROCEEDS

Purposes	Initial proposed utilisation as at 30.09.20 (RM'000)	%	Revised proposed utilisation as at 30.09.20 (RM'000)	%	Actual utilisation as at 30.09.20 (RM'000)	Balance unutilised as at 30.09.20 (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	62.2	-	69,050	Within 36 months
II. Working capital for i-Park@Senai Airport City development project	23,000	20.7	24,344	21.9	-	22,353	Within 12 - 36 months
- Partially fund construction of clubhouse	9,000	-	9,000	-	9,000	-	-
- Payment to external consultants and contractors to commence development of Phase 3	12,000	-	13,344	-	1,991	-	-
- Marketing expenses	2,000	-	2,000	-	-	-	-
III. Complete the expansion of precast concrete fabrication capacity	9,000	8.1	9,000	8.1	-	9,000*	Within 12 months
IV. Estimated listing expenses	10,000	9.0	8,656	7.8	8,656	-	Within 6 months
Total	111,050	100.0	111,050	100.0	10,647	100,403	

*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; *The Board is in the midst of evaluating expansion plan for precast concrete fabrication capacity

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 expansion 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 Dec 2020	
Share Price (RM)	2.27
Market Cap (RM 'm)	969.6
P/E (ttm)	20.9
P/B	1.5