



AME ELITE CONSORTIUM BERHAD

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BUSINESS OVERVIEW

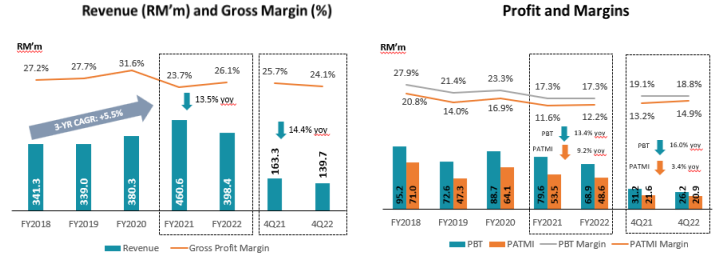
AME Elite Consortium Berhad (AME), established since 1995, is a leading integrated industrial space solutions provider, offering one-stop and comprehensive solutions encompassing the design and construction of customised large manufacturing plants, development of award-winning industrial parks, sale 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	
<p>i-Park@SiLC</p>  <p>GDV: RM80.0m Area: 12.31 acres</p> <p>Take-up: 100% - Sold: 84% - Leased: 16%</p>	<p>i-Park@Indahpura (Phase 1&2)</p>  <p>GDV: RM600.0m Area: 104.84 acres</p> <p>Take-up: 97% - Sold: 81% - Leased: 16%</p>
<p>District 6</p>  <p>GDV: RM86.0m Area: 7.57 acres</p> <p>Take-up: 100% - Sold: 33% - Leased: 67%</p>	<p>SME City <i>*By jointly-controlled entity, Axis AME IP</i></p>  <p>GDV: RM192.0m Area: 40.00 acres</p> <p>Take-up: 100% - Sold: 100%</p>
Completed Workers' Dormitories	
<p>i-Stay@Indahpura</p>  <p>Maximum capacity: 2,290 beds Occupancy rate: 96%</p> <p>Facilities & services: - Thumb-print/facial access control - Canteen - Park gymnasium - Automated laundry - Futsal & volleyball courts - First-aid room - Convenience store - Mobile phone store</p>	<p>i-Stay@Senai Airport City</p>  <p>Maximum capacity: 2,005 beds Occupancy rate: 76%</p> <p>Facilities & services: - Thumb-print/facial access control - Canteen - Café - Automated laundry - Multipurpose hall - Park gymnasium - Treatment room - Convenience store - Mobile phone store</p>
Ongoing Industrial Parks	
<p>i-Park@Indahpura (Phase 3* & P108) <i>*By jointly-controlled entity, Axis AME IP</i></p>  <p>Est. GDV: Phase 3: RM456.0m P108: RM120.0m Area: Phase 3: 85.4 acres P108: 15.0 acres Est. Completion: 2023</p> <p>Take-up: Phase 3 - 95% (Sold: 92%, Leased: 3%) P108 - 100% (Sold: 100%)</p>	<p>i-Park@Senai Airport City (Phase 1, 2, 3 Plus & The Jacaranda)</p>  <p>Est. GDV: RM1,369.0m Area: 191.4 acres Est. Completion: 2025</p> <p>Take-up: Phase 1 & 2 - 98% (Sold: 67%, Leased: 31%) Phase 3 & 3 Plus - 30% (Sold: 26%, Leased: 4%) The Jacaranda - 92% (Sold: 92%)</p>

FINANCIAL PERFORMANCE



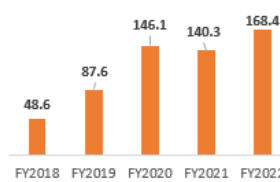
4Q22 recorded RM139.7m revenue (4Q21: RM163.3m) and RM20.9m net profit (4Q21: RM21.6m), led by stronger billings from ongoing construction and engineering projects, as well as higher rental income from property investment and management services. These mitigated lower revenue in the property development segment in line with the stages of work completed and the timing of income recognition.

AME's FY22 revenue and net profit amounted to RM398.4m (FY21: RM460.6m) and RM48.6m (FY21: RM53.5m) respectively, mainly due to lower stages of work completed and timing of income recognition. This was mitigated by resilient property investment which saw an increase in revenue. Gross margins rose from higher contribution from leasing properties and workers' dormitories.

Revenue Segmentation (FY2022)



New Sales (RM'm)



Still, AME recorded best-ever sales of industrial properties worth RM168.4m in FY22 driven by strong FDI and DDI into its i-Parks, on economic recovery and reopening of international borders.

Unbilled sales: RM91.3 mil*
Orderbook: RM399.8 mil*

*Most will be recognised in FY2023

RECENT DEVELOPMENTS

- **Targeting to launch i-Tech Valley in SiLC, Johor in end-June 2022**
 - o GDV potential of RM1.5 billion on 169.8 acres land
 - o Benefiting from rising demand due to supply chain diversification by MNCs and expansion of domestic and foreign companies
- **Secured shareholders' approval for the proposed listing of AME REIT**
 - o Entails listing of and quotation for 520.0 million units on the Main Market of Bursa Malaysia by third quarter of 2022
 - o AME REIT established upon registration with Securities Commission on 23 May 2022

GROWTH STRATEGIES

- **Replicating i-Park model across Peninsular Malaysia**
 - o To continue expanding 212.8 acres balance landbank in Johor
- **Enhancing portfolio of workers' dormitories through capacity expansion, as well as improving quality and services**
 - o Ongoing RM25 million expansion to add 2 new blocks at i-Stay@Indahpura to complete in July 2022

INVESTMENT MERITS & VALUATION

- Integrated construction, engineering, leasing, and services capabilities
- Niche specialisation in developing and managing industrial parks
- Beneficiary of expansion in global supply chain to Southeast Asia
- Strong orderbook and unbilled sales to undergird earnings growth
- Dividend policy to distribute at least 20% of net profit attributable to shareholders (less fair value gain on investment properties).

Valuations @ 27 May 2022	
Share Price (RM)	1.68
Market Cap (RM 'm)	1,076.3
P/E (ttm)	22.2
P/B	1.5