



PRESS RELEASE
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Land & General Berhad
Building Value for Tomorrow

L&G REVENUE AND PROFIT BEFORE TAX FOR THE 1ST HALF OF FY2024 INCREASED BY 39.5% AND 112.3% YEAR-ON-YEAR

	2nd Quarter ended		Financial year to-date	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	93,352	68,848	132,895	95,287
Operating expenses	(63,282)	(54,121)	(97,557)	(77,924)
Other operating income	925	627	1,695	1,282
Profit from operations	30,995	15,354	37,033	18,645
Fair value change	(344)	(6,445)	(677)	(6,982)
Finance costs	(2,324)	(2,017)	(4,923)	(2,673)
Share of results of joint ventures	(72)	4,653	(251)	4,474
Share of results of associates	(405)	1,108	(910)	798
Profit before taxation	27,850	12,653	30,272	14,262

2nd Quarter Results

- The Group recorded revenues for the 2nd quarter FY2024 of RM93.4 million which represented an increase of 35.6% against the corresponding quarter of the preceding year of RM68.8 million driven by increased revenue from its Property and Education division.
- The higher revenue from its Property division was contributed mainly by the completion of Seresta's construction project as well as the further sales and construction progress for Astoria Phase 2 and Sena Parc 1D. Education division saw an improved in revenue contributed by higher student enrolment in its international and private school in addition to rise of fees from both schools.
- Operating profit for the Group for the 2nd quarter FY2024 of RM31.0 million was 101.9% higher than the corresponding quarter in the preceding year of RM15.4 million. The higher operating profit and margins for the quarter was mainly contributed by higher revenue and profit margins from its Property division, in particular with its Seresta project.
- The Group reported a profit before tax of RM27.9 million for the 2nd quarter which increased by 120.1% compared with the corresponding quarter last year of RM12.7 million mainly due to the completion of Seresta project and lower fair value losses against the corresponding quarter of the preceding year. Meanwhile, the share of losses in its Hidden Valley Pty Ltd joint venture was due to no settlement recorded during the quarter.

Financial Year to-date

- The Group recorded revenue of RM132.9 million for the financial period ended 30 September 2023 representing a 39.5% increase against the preceding financial period ended 30 September 2022 of RM95.3 million.
- The Group recorded higher revenue contribution mainly driven by the construction progress and sales of its Property and Education division.
- Operating profit for the Group for the financial period of RM37.0 million increased by 98.6% against the corresponding period mainly due to higher contribution from both revenue and margins mainly from its Property division.
- As a result, profit before tax for the financial period ended 30 September 2023 was higher at RM30.3 million representing an increase of 112.3% compared with the corresponding period last year.

Future Prospects

- The Malaysian economy expanded by 3.3% in the third quarter of 2023 (2Q 2023: 2.9%). Growth was anchored by resilient domestic demand. Household spending remained supported by continued growth in employment and wages. The Malaysian economy is projected to expand by around 4% in 2023 and 4% – 5% in 2024. The growth outlook however, remains subject to downside risks stemming primarily from weaker- than-expected external demand. Overall, headline inflation has moderated and is expected to average between 2.5% and 3% in 2023 [Source: BNM Malaysian report on Malaysian economy outlook for 2Q2023]. Amid this, the fluctuations in the construction material costs remain an ongoing challenge to the property and construction industry and rising living expenses remain significant bottlenecks to homeownership. Nevertheless, the Group remained focused on its upcoming launches of Wyn Residence at Puchong and Livista@Sri Damansara in the coming quarters. Strategically located within well connected highways, public transportation and mature township, the Group is optimistic that these two launches will achieve good take up rates.

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