

AVALAND COMPLETES TURNAROUND AND REPORTS NET PROFIT OF RM66.0 MILLION IN FY2023; HIGHEST IN FIVE YEARS

Subang Jaya, 21 February 2024 - Emerging property developer Avaland Berhad ("Avaland") (formerly known as MCT Berhad) completed its turnaround and reported its highest net profit in five years of RM66.0 million in the financial year ended 31 December 2023 ("FY2023") on revenue of RM608.2 million.

For a comparison, the Group reported net profit of RM0.5 million on revenue of RM224.9 million in FY2022.

The improved financial performance was mainly due to increased contributions on the back of advanced construction progress from the Group's ongoing projects, namely Aetas Damansara, Alira Subang Jaya, Casa Embun and Sanderling.

Meanwhile, for the fourth quarter ended 31 December 2023 ("4Q2023"), revenue increased by more than threefold to RM261.6 million from RM76.5 million in the previous corresponding quarter. This resulted in the Group reporting a net profit of RM37.5 million in 4Q2023 from RM13.5 million in 4Q2022.

Apollo Bello Tanco ("Pol"), Chief Executive Officer of Avaland said, "The stellar financial performance reported in FY2023 is the culmination of years of strategic initiatives aimed at fortifying our operations, enhancing our financial robustness, and sharpening our focus on delivering quality homes.

Despite facing economic and market challenges in 2023 such as the higher overnight policy rate and weaker Ringgit, we not only reported quarterly growth throughout the year but also achieved higher sales for the year. We achieved 7.6% higher sales to RM586.1 million in FY2023 from RM544.7 million in FY2022, mainly contributed by the strong demand from Casa Embun, Sanderling and Alira Subang Jaya due to their strong value proposition and strategic locations.

We are also proud to be included as a constituent of the FTSE4Good Bursa Malaysia and FTSE4Good Bursa Malaysia Shariah Indexes with a three-star ESG Grading. The inclusion into these two indexes was a result of the Group's commitment towards providing sustainable developments."

The improved sales performance was in-line with the encouraging take-up rate of Avaland's ongoing projects, namely Aetas Damansara (98.0%), Sanderling (77%), Casa Embun (84%) and Alira Subang Jaya (85%). Consequently, Avaland unbilled sales as at 31 December 2023 rose to RM863.3 million, providing the Group with earnings visibility over the next few years.

Speaking on the Group's plans for FY2024, **Pol** said "To further bolster our future earnings, we target to launch three new projects namely Amika Residences, Aetas Seputeh and Anja Bangi with a total GDV of RM1.4 billion. The three developments cater to three different segments of the Malaysian property market: (i) Anja Bangi being in the affordable range (avg. <RM600,000); (ii) Amika Residences is in the middle-priced range (between RM600,000 and RM800,000); and (iii) Aetas Seputeh which is in the luxury segment.

We are confident that the new projects will be well accepted by the market considering its strategic location, unique concepts and design for post-pandemic lifestyles.

Moving forward, we remain optimistic of the Group's prospects with the property industry rebounding from the lows during the pandemic as the number of overhang residential properties continue to improve while the interest rate remains stable. Furthermore, the enhanced Malaysia My Second Home programme coupled with higher financial assistance set aside under the Housing Credit Guarantee Scheme are expected to benefit the Group as these would boost demand for homeownership."

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Avaland Berhad

Listed on the Main Market of Bursa Malaysia Securities Berhad since 6 April 2015, Avaland Berhad (“Avaland”) (formerly known as MCT Berhad) is fast emerging to be one of the leading property developers in Malaysia.

Avaland specialises in crafting a diverse portfolio of properties, catering to every market segment with a seamless range, from affordable (**Ava Ria**) and mid-range (**Ava Prime**) residences to luxurious premium (**Ava Luxe**) properties.

Avaland’s developments include Cybersouth, a township covering over 400 acres in Dengkil as well as various high-rise developments at Cyberjaya, Petaling Jaya and Subang Jaya.

In February 2018, Avaland became a subsidiary of Ayala Land Inc. and has since expanded its product offerings to include luxury residences with its development of Aetas Damansara in Petaling Jaya as well as resort living residences, Alira Subang Jaya.

Avaland has also actively expanded its land bank with the acquisition of a 4.02-acre land at Bangi in 2022, while making its first foray in Kuala Lumpur with the acquisition of a 1.57-acre land in Seputeh and subsequently a 3.9-acre land in Taman Desa in 2023.

Avaland holds strong to its vision of being an Innovative and Timeless Value Creator, underscoring the Group’s relentless pursuit of groundbreaking solutions and creative approaches while integrating innovation into every facet of its operations. Its brand purpose of ‘Rediscovering Possibilities’ is about bringing a positive change by creating communities and enhancing lives for generations where people enjoy a complete lifestyle experience.

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