



IOI PROPERTIES

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PRESS RELEASE

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IOI Properties Group Records Sustainable Performance

- **Boost in Property Investment Segment Revenue by 31% with Overall Revenue Contracted Marginally by 6% in Q1 FY2024**

Putrajaya - IOI Properties Group Berhad (“IOIPG”) recorded a revenue of RM648.0 million for first quarter of financial year 2024 (“Q1 FY2024”) which ended on 30 September 2023. Though revenue in property development segment has declined by 15%, the contraction is partially offset by the impressive performance observed in the property investment segment which improved by 31%. Despite closure of **Palm Garden Hotel, A Tribute Portfolio Hotel** and **Putrajaya Marriott Hotel**, the revenue from the hospitality and leisure segment was maintained and supported by higher contributions from other hotels.

Recorded profit before tax (“PBT”) in Q1 FY2024 is 67% lower at RM225.2 million compared to RM689.7 million reported in Q1 FY2023. After excluding the fair value gain and impairment loss, the underlying PBT in Q1 FY2023 is computed at RM254.2 million, where the PBT in the current quarter is only 11% lower. The lower PBT is largely due to the weaker contribution from the property development segment in Malaysia and the People’s Republic of China (“PRC”) recording lower sales. Nevertheless, the weaker performance of the property development segment is partially offset by the significant improvement in the property investment segment. This demonstrates the Group’s agility and robustness in enhancing the performance cycle of its diverse business segments in a fluctuating economic cycle.

“We are delighted with the resilient effort of Team IOI in achieving the results in Q1 FY2024, starting the financial year on the right track. We take cognisance that the operating environment both within and outside Malaysia will continue to face some headwinds. However, our wide property product offerings diversified across three countries, recurring earnings from established property investment portfolios and improving prospects for the hospitality and leisure segment will provide the Group with a strong foundation for sustained earnings ahead.” highlighted Mr Lee Yeow Seng, Group Chief Executive Officer of IOIPG.

For Q1 FY2024, the property development segment achieved sales of RM587.0 million. Local projects contributed RM572.6 million, which is 98% of the total sales, while overseas projects in PRC contributed RM14.4 million, or the remaining 2%. In Malaysia, the sales secured were largely from the Johor region at RM400.5 million, led by the sales of agriculture land at Kulai while established townships at **Bandar Putra Kulai** and **Taman Kempas Utama** continued to outperform. The sales of the agriculture land at Kulai, which is expected to be completed in current financial year, bodes well for IOIPG as it allows swift monetization of future land bank which has no immediate development plan and the cash proceeds can be redeployed for working capital purposes. Over in Klang Valley region, the on-going projects registered sales of RM163.1 million led by the established township at **Bandar Puteri Puchong** in Selangor and our integrated development at **IOI Resort City** in Putrajaya. RM1.13 billion worth of properties were launched during the period.

Mr Lee said, *“In addition to strategically timing our launches to obtain a good take-up rate, IOIPG remains focused on reducing the inventories further with promotional sales campaign such as IOI Buy with Tenant Program 2.0.”*

Trusted.

Upcoming launches include the highly anticipated 2-storey terraced houses and 3-storey town houses at **16 Sierra @ Puchong South**. The priority previews in September 2023 have garnered strong interest and together with the addition of **Sierra Fresco**, the 10-acre commercial hub that houses a selection of popular brands will provide sustainable lifestyle options to the community. As the amenities improved and 16 Sierra Mass Rapid Transit (“MRT”) Station provides added convenience and greater connectivity to the community of **16 Sierra @ Puchong South**, a transit-oriented development (“TOD”) is also slated to be launched. The first phase will comprise service apartments, curated specifically for metropolitan lifestyles.

IOI City Mall continues to outperform for the property investment segment as it gains recognition as the go to place for retail, entertainment and dining activities. In addition to having strong footfalls and wide range of tenant mix, the GBI-certified mall also won the Nation’s Best Lifestyle Shopping Mall category in The Brand Laureate Best Brands Awards 2022-2023. Committed tenancy for a total net lettable area of 2.5 million square feet remains high, exceeding 95%.

Tourism Malaysia is eyeing to attract 16.1 million international tourist arrivals this year, with a target of more than RM49.2 billion in tourism receipts. The pickup in tourism-related activities have benefitted the hospitality and leisure segment where **Le Meridien** in Putrajaya continues to attract travellers, boosted by its close proximity to **IOI City Mall**. The synergy effects have augured well and uplifted the hotel’s occupancy rates and average room rates. The recently refurbished **Palm Garden Hotel, A Tribute Portfolio Hotel** in Putrajaya is also aptly positioned to capture some of these tourism receipts.

The outlook in PRC remains subdued as the economic recovery is weaker than expected. On the monetary front, the central bank has ramped up liquidity injection to boost the ailing property sector. We continue to position our developments at **IOI Palm City** and **IOI Palm International Parkhouse** in Xiamen as completed projects with immediate delivery, providing greater confidence to the Chinese purchasers, who are buying for immediate use. In addition, **IOI Business Park Xiamen** with net lettable area of 371,000 square feet and committed tenancies at 70% will bring higher footfalls and provide more business activities to complement **IOI Mall Xiamen**.

Over in Singapore, **IOI Central Boulevard Towers**, a premium grade A office building is targeted to receive the first phase of Temporary Occupation Permit (“TOP”) in the third quarter of FY2024. To-date, the towers have secured leases with internationally renowned companies as well as from asset management, FMCG, F&B to legal firms. The upcoming **Marina View Residences**, being an integrated development with an international branded luxury hotel is targeted to be launched in the third quarter of FY2024. Sitting on a prime address, the development is expected to attract resilient demand from the local Singaporean buyers who have strong spending and purchasing power, underpinned by Singapore’s robust economy.

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About IOI Properties Group Berhad

IOI Properties Group Berhad (“IOIPG”) is one of the leading public-listed property developers in Malaysia with a legacy of more than four decades in business. The Group’s three core businesses are in property development, property investment, and hospitality and leisure.

Over the years, it has successfully developed sustainable townships and commercial enclaves in sought-after regions of Klang Valley and established a strong presence in Johor, in the southern region of Malaysia as well as Penang, in the northern corridor while continuing to expand abroad. Beyond Malaysia, IOIPG has achieved notable success in Singapore and the People’s Republic of China (PRC). Residential and integrated mixed developments in Singapore include Seascape and Cape Royale in Sentosa Cove, The Triling, and IOI Central Boulevard Towers. While in the PRC, the Group established its presence in Xiamen with IOI Park Bay and IOI Palm City in Jimei; as well as IOI Palm International Parkhouse in Xiang’an. Inclusive of Malaysia, Singapore and the PRC, the Group has a total development landbank of approximately 9,000 acres.

Under its property investment portfolio, it manages a total of approximately 6.8 mil sq. ft. of net lettable area, comprising retail and purpose-built offices amongst others across Malaysia, Singapore, and the PRC. These properties are mostly located in high growth areas, which are well-connected, accessible, and centred within high population concentration. The Group owns and manages IOI City Mall, Putrajaya which stands proud as Malaysia’s largest retail mall in Malaysia. Apart from IOI City Mall, the Group also owns and manages IOI Mall Puchong, IOI Mall Kulai, Johor and IOI Mall Xiamen, PRC.

IOIPG’s hospitality and leisure segment features five hotels, offering a total of 1,876 rooms namely Le Meridien Putrajaya, Putrajaya Marriott Hotel, Four Points by Sheraton Puchong, Palm Garden Hotel, Putrajaya, A Tribute Portfolio Hotel as well as JW Marriott Hotel Singapore South Beach. The Group’s golf courses include Palm Garden Golf Club in IOI Resort City, Putrajaya and Palm Villa Golf and Country Resort in Johor.

In recognition of IOIPG’s commitment in delivering quality and excellence, the Group was ranked 1st for the Top-of-the-Chart Top 10 Award and Best In Quantitative Award in the category of Market Capitalisation of RM1 billion & Above at the Malaysian Developer Awards 2023. Additionally, the Group also received the Highest Growth in Profit After Tax Over Three Years Award for ‘Property - RM3 Billion and Above Market Capitalisation’ category at The Edge Billion Ringgit Club (BRC) and Corporate Awards 2023 and ranked among the Top 10 Developers at The Edge Malaysia Top Property Developers 2023. Apart from these prestigious accolades, IOI City Mall was recognised as the Nation’s Best Lifestyle Shopping Mall at The Brand Laureate Best Brand Awards 2023 and won Gold in The Edge Malaysia Best Managed & Sustainable Property Award 2023. Additionally, the Group was honoured with the Gold Award at The Edge Malaysia ESG Awards 2023 under the Equities Category (Property Sector).

For more information, kindly log on to our corporate website www.ioiproperties.com.my

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