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PRESS RELEASE

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IOI Properties Group Maintains Its Resilience

- **25% Growth in Property Investment Segment Revenue**
- **Moxy Putrajaya, W Kuala Lumpur and Courtyard by Marriott Penang Hotels Set to Capitalise on the Boom in Tourist Arrivals in 2024**

Putrajaya - IOI Properties Group Berhad ("IOIPG") recorded a revenue of RM1.25 billion for first half of financial year 2024 ("6M FY2024") which ended on 31 December 2023. Though revenue in property development segment has declined by 16%, the contraction is partially offset by the impressive performance observed in our property investment segment which improved by 25%. Despite the lower contribution of **Palm Garden Hotel, A Tribute Portfolio Hotel and Putrajaya Marriott Hotel** due to the ongoing refurbishment exercise, the revenue from our hospitality and leisure segment maintained on the back of higher contributions from the other hotels.

Profit before tax ("PBT") in 6M FY2024 was lower by 65% to RM405.0 million compared to RM1.16 billion reported in 6M FY2023. However, excluding fair value gain, reversal of inventories written down and impairment loss, the underlying PBT in 6M FY2023 derived at RM534.7 million, of which the current quarter PBT stands at 24% lower. The PBT is largely due to the weaker contribution from our property development segment in Malaysia and the People's Republic of China ("PRC") recording lower sales. Nevertheless, the weaker performance of our property development segment is partially offset by the better performing property investment segment. This demonstrates IOIPG's farsightedness in its business stratagem and agility as it navigates the global economic uncertainties while maintaining stability in all its business segments in Malaysia, Singapore and China.

"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 our hospitality and leisure segment will continue to provide IOIPG with a strong foundation for sustained earnings ahead." highlighted Mr. Lee Yeow Seng, Group Chief Executive Officer of IOIPG.

In 6M FY2024, our property development segment achieved sales of RM1.17 billion. Local projects contributed the majority of the sales, amounting to RM1.11 billion or 95% of the total sales, while overseas projects in PRC contributed RM47.4 million, accounting to 4% of total sales, and Singapore contributed the remaining RM13.9 million or 1%. Within Malaysia, sales secured were primarily driven by the Johor region at RM543.2 million, led by the sale of two land parcels in Johor and Melaka while established townships at **Bandar Putra Kulai** and **Taman Kempas Utama** continued to outperform. The land sales bode well for IOIPG as it allows swift monetisation of land bank which has no immediate development plan and the cash proceeds can be utilised for working capital purposes. Additionally, on 11 January 2024, Malaysia and Singapore signed a memorandum of understanding (MoU) to establish the Johor- Singapore Special Economic Zone ("JS-SEZ") to strengthen the economic connectivity between Johor and Singapore. This strategic initiative will facilitate cross-border flow of goods and people as well as strengthen the business ecosystem within JS-SEZ to support investments.

Trusted.

Thus, the establishment of JS-SEZ is expected to enhance our townships in Johor, particularly Bandar Putra Kulai. Over in Klang Valley region, our on-going projects registered sales of RM425.3 million led by our integrated development at **IOI Resort City** in Putrajaya and the established township at **Bandar Puteri Puchong** in Selangor. RM1.94 billion worth of properties were launched during the period.

Mr. Lee remarked, *“IOIPG will continue to monitor the market and strategically time our launches to achieve a good take-up rate and maximise returns for IOIPG and its shareholders. Additionally, IOIPG remains focused on monetising completed inventories with more promotional sales campaigns.”*

Our upcoming launches feature the highly anticipated **COVO Residences**, a transit-oriented development serviced apartment situated in **16 Sierra @ Puchong South**. COVO Residences is conveniently positioned just 100 metres away from the 16 Sierra MRT Station and promises seamless connectivity defined by convenience. Other launches include **2Rio Residence**, a strategically located serviced apartment in **Bandar Puteri Puchong**, offering a worry-free lifestyle amidst lush landscapes, seamless accessibility and modern conveniences.

IOI City Mall maintains its stellar performance for our property investment segment, as it solidifies its reputation as the premier destination for retail, entertainment and dining activities. In addition to boasting strong footfalls and a diverse tenant mix, the GBI-certified mall was honoured with the Nation’s Best Lifestyle Shopping Mall category in The Brand Laureate Best Brands Awards 2022-2023 and The Edge Malaysia’s Best Managed and Sustainable Property Awards 2023 (Below 10 years – Retail Mall). Committed tenancy rate remains high exceeding 95%, covering over 2.5 million square feet of net lettable area. Notably, the property investment segment contributed 24% of 6M FY2024 revenue.

Tourism Malaysia aims to attract 27.3 million international tourists in 2024, with a target of over RM102.7 billion in tourism receipts. The pickup in tourism-related activities have notably benefitted our hospitality and leisure segment, where **Le Meridien** in Putrajaya continues to attract travellers, thanks to its close proximity to **IOI City Mall**. The resulting synergy effects have boosted our hotel’s occupancy rates and average room rates. Additionally, the recently refurbished **Palm Garden Hotel, A Tribute Portfolio Hotel**, and the recent launch of **Moxy Putrajaya** position the hotels favourably to capitalise on the anticipated tourism receipts. Furthermore, the Group has recently completed the acquisition of **W Kuala Lumpur** in February 2024, while the acquisition of **Courtyard by Marriott Penang** is expected to complete in April 2024. These assets will strengthen our portfolio of hotels with immediate recurring income stream and boost our hospitality and leisure segment.

The outlook in PRC remains subdued as the economic recovery is slower than anticipated. On the monetary policy front, the central bank has taken measures to boost liquidity to support the ailing property sector. Despite these challenges, we continue to strategically 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 seek properties for immediate use. Furthermore, **IOI Business Park Xiamen**, which is expected to be completed in March 2024, boasting a net lettable area of 371,000 square feet and committed tenancy rate at 100%, 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 slated 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 spanning from various industries, including technology, financial services, asset management, FMCG and legal firms. Additionally, the Group will focus on the launch of **Marina View Residences**, being an integrated development with an international branded luxury hotel. Positioned on a prime address, the development is expected to attract resilient demand from the local Singaporean buyers who have strong purchasing power.

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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. IOIPG’s three core businesses are Property Development, Property Investment, and Hospitality and Leisure.

Over the years, the Group’s Property Development segment has successfully developed sustainable townships, industrial parks 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, 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, IOI Central Boulevard Towers, and the upcoming Marina View. While in the PRC, IOIPG 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, IOIPG has a total development landbank of approximately 8,200 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 centered within high population concentration. IOIPG owns and manages IOI City Mall, Putrajaya which stands proud as Malaysia’s largest retail mall in Malaysia. Apart from IOI City Mall, IOIPG also owns and manages IOI Mall Puchong, IOI Mall Kulai, Johor and IOI Mall Xiamen, PRC.

IOIPG’s Hospitality and Leisure segment features seven hotels, offering a total of 2,506 rooms namely Le Meridien Putrajaya, Putrajaya Marriott Hotel, Four Points by Sheraton Puchong, Palm Garden Hotel, Putrajaya, A Tribute Portfolio Hotel, Moxy Putrajaya, W Kuala Lumpur, as well as JW Marriott Hotel Singapore South Beach. IOIPG’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 to delivering quality and excellence, IOIPG 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, IOIPG was awarded the Highest Growth in Profit After Tax Over Three Years Award for ‘Property - RM3 Billion, Above Market Capitalisation’ category at The Edge Billion Ringgit Club (BRC). Moreover, IOIPG won Gold in the Edge Awards 2023 Property Sector under the Equities category, ranked among the Top 10 Developers and ranked 4th Overall at The Edge Malaysia Top Property Developers 2023, and won Bronze in the Property Sector at the Putra Brand Awards 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, IOIPG 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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