



**IOI PROPERTIES**  
Trusted.

# **IOI PROPERTIES GROUP BERHAD**

**Q2 FY2024**

**GROUP UPDATE & FINANCIAL HIGHLIGHTS**

***28 February 2024***

# Overview of IOI Properties Group Berhad

**Largest market capitalization  
property company listed  
on Bursa Malaysia**

## Core Business Segments



Property Development



Property Investment



Hospitality & Leisure

## Geographical Presence



**Building  
Connections  
Expanding  
Horizons**



# 6M FY2024 Financial Highlights

## Profitability



### Revenue

**RM1.25 billion**  
(vs RM1.36 bil in 6M FY2023)



### Profit Before Tax

**RM405 million**  
(vs RM1.16 bil<sup>^</sup> in 6M FY2023)  
*<sup>^</sup>Underlying PBT of RM535m*



### GP Margin

**43%**  
(vs 46% in 6M FY2023)



### PATAMI

**RM296 million**  
(vs RM1.04 bil<sup>^</sup> in 6M FY2023)  
*<sup>^</sup>Underlying PATAMI of RM414m*

## Balance Sheet Position



### Total Assets

**RM43.53 billion**  
(vs RM42.62 bil in FY2023)



### Net Gearing Ratio

**0.72x**  
(vs 0.68x in FY2023)



### Cash Balance

**RM2.10 billion**  
(vs RM2.71 bil in FY2023)



### Net Asset Per Share

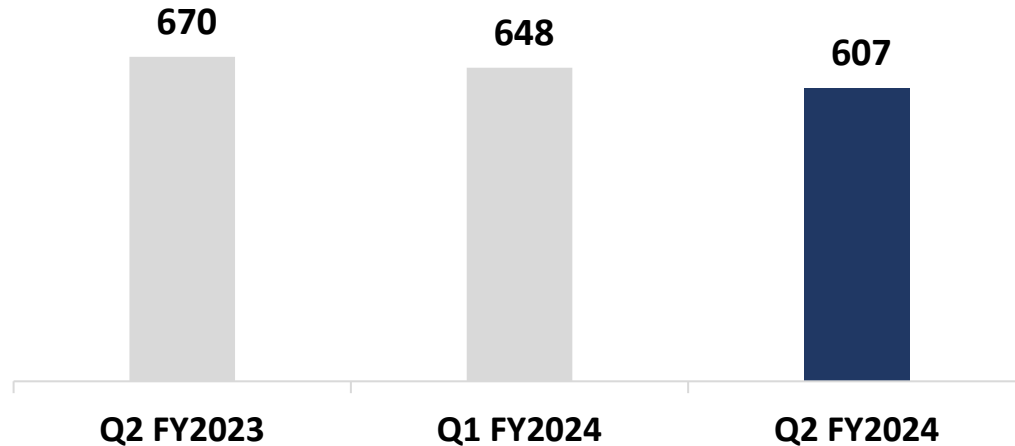
**RM4.06**  
(vs RM4.05 in FY2023)

# Q2 FY2024 Financial Performance

## Revenue

RM'mil

▼ 9% YoY  
▼ 6% QoQ



### Q2 FY2024 vs Q2 FY2023 (YoY):

- Revenue declined by 9% YoY mainly due to lower contributions from the property development and hospitality & leisure segments

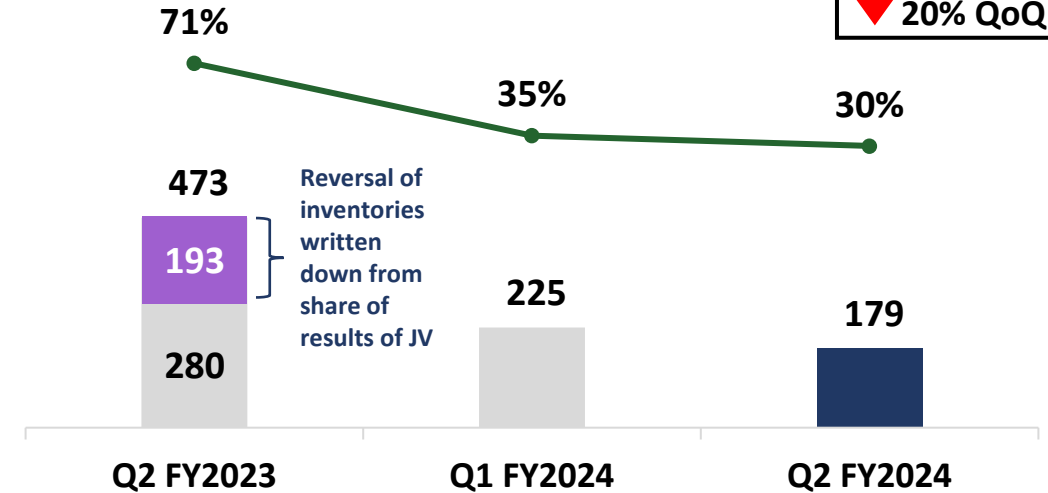
### Q2 FY2024 vs Q1 FY2024 (QoQ):

- Revenue declined by 6% QoQ primarily due to the lower contribution from property segment as a result of lower contributions from China

## Profit Before Tax & Margin

RM'mil

▼ 62% YoY  
▼ 20% QoQ



### Q2 FY2024 vs Q2 FY2023 (YoY):

- Profit before tax declined by 62%, primarily due to a reversal of inventories written down of RM193mil which was recognised in Q2 FY2023, coupled with lower contributions from the property development and hospitality & leisure segments
- Notably, the property investment segment recorded a 19% surge in revenue, supported by the high secured occupancy rate of IOI City Mall Phase 2 at 94%

### Q2 FY2024 vs Q1 FY2024 (QoQ):

- Profit before tax declined 20%, mainly attributable to the lower contribution from the property development segment as a result of lower contributions from China

# 6M FY2024 Financial Performance

## Revenue

RM'mil

1,362

1,255

▼ 8%  
YoY

6M FY2023

6M FY2024

- In 6M FY2024, revenue contracted marginally by 8%, mainly attributable to lower contributions from the property development and hospitality & leisure segments
- The lower contribution from the property development segment was mainly due to the lower sales in China

## Profit Before Tax & Margin

RM'mil

85%

1,163

628

535

- 1) FV Gain on IP
- 2) Reversal of inventories written down from share of results of JV
- 3) Impairment loss on PPE

32%

405

▼ 65%  
YoY

6M FY2023

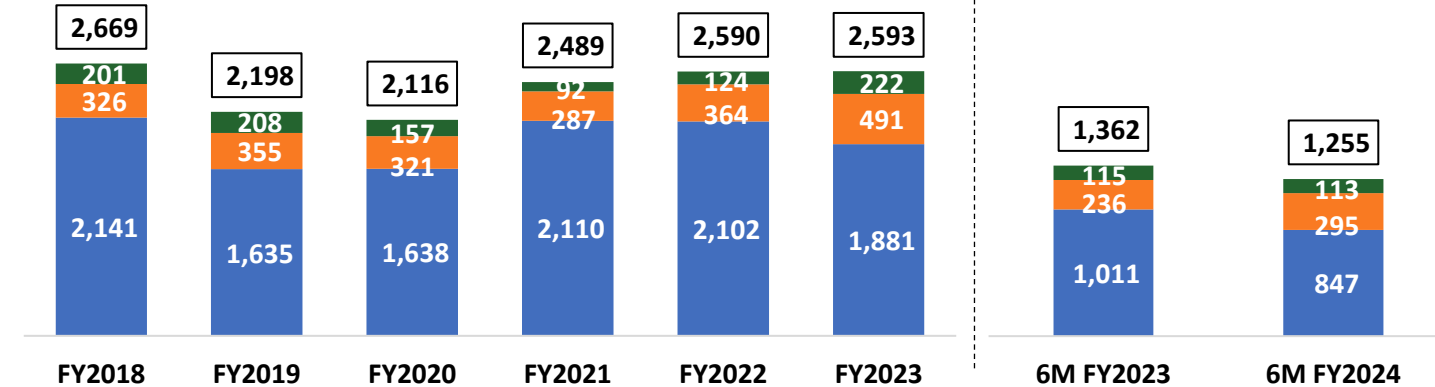
6M FY2024

- In 6M FY2024, profit before tax declined 65%, which is a significantly larger compared to revenue, due to fair value gain on an investment property, reversal of inventories written down and impairment loss on PPE amounting to a total of RM628mil recognised in 6M FY2023. Excluding the exceptional items would result in a 24% decline in the underlying PBT
- Notably, property investment recorded a 40% growth in operating profit, supported by the high secured occupancy rate of IOI City Mall Phase 2, which has matured since its commencement in Aug'22

# Segmental Breakdown

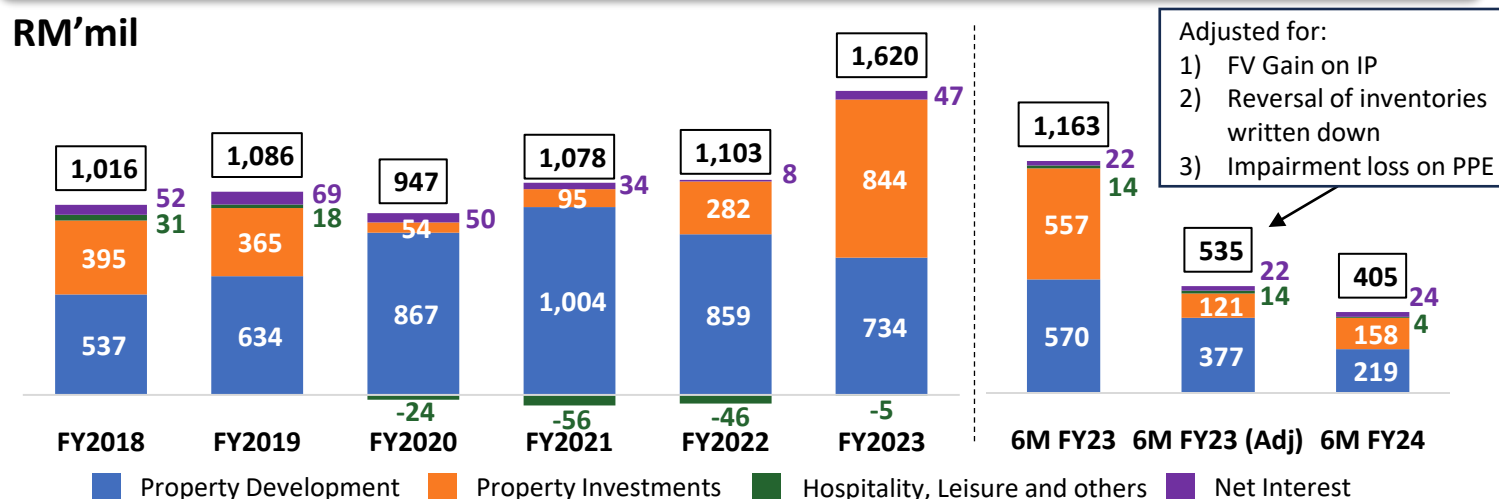
## Revenue by Segments

RM'mil



## Profit Before Tax by Segments

RM'mil

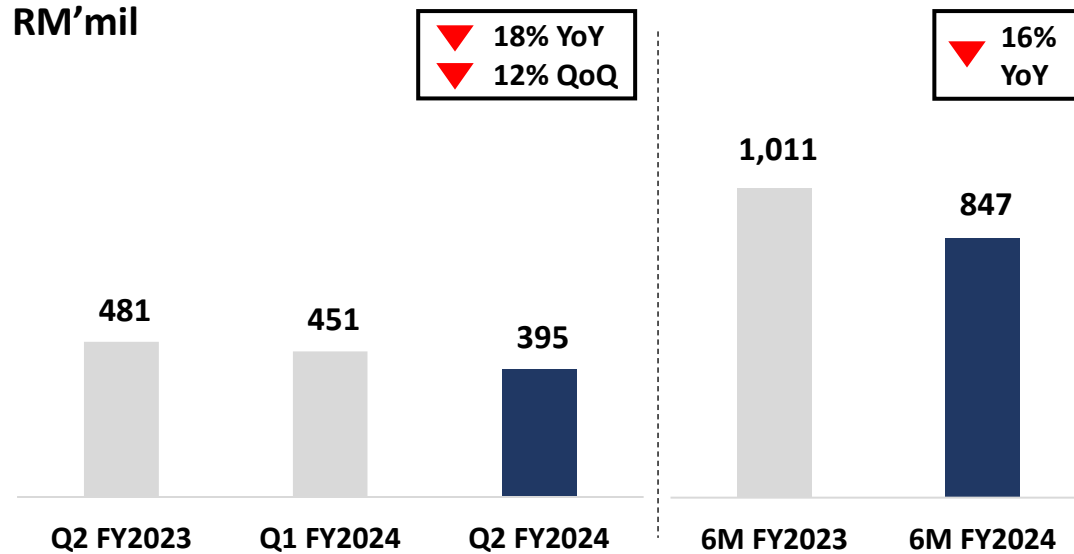


## Key Highlights

- Consistent growth in both revenue and profit before tax following the recovery from the Covid-19 pandemic
- Property development remains the key contributor for the Group with 67% and 54% contributions to the Group's revenue and profit before tax in 6M FY2024
- It is worth noting that the spike in profit before tax in FY2023 and 6M FY2023 was due to:
  - Property development was boosted by a reversal of inventories written down of RM193mil in 6M FY2023
  - Property investment was boosted by a fair value gain of investment properties of RM717mil in FY2023 and RM470mil in 6M FY2023
- Excluding the exceptional items and an impairment loss on PPE of RM35mil, the property investment segment recorded a 31% growth in profit before tax in 6M FY2024 as compared to 6M FY2023, on the back of the strong contribution of IOI City Mall Phase 2

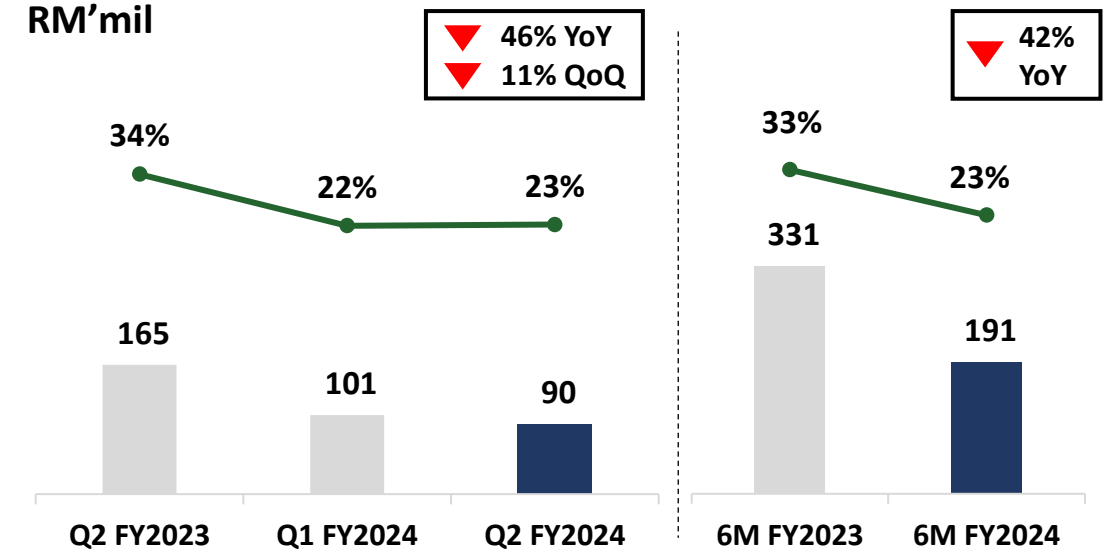
# Property Development: Financial Highlights

## Revenue



- In 6M FY2024, revenue recorded of RM847 million was approximately 16% lower compared to RM1.01 billion in 6M FY2023
- This is mainly attributable to the lower sales in China
- China experienced lower sales due to the challenging economic environment and intense competition in the local market

## Operating Profit & Margin

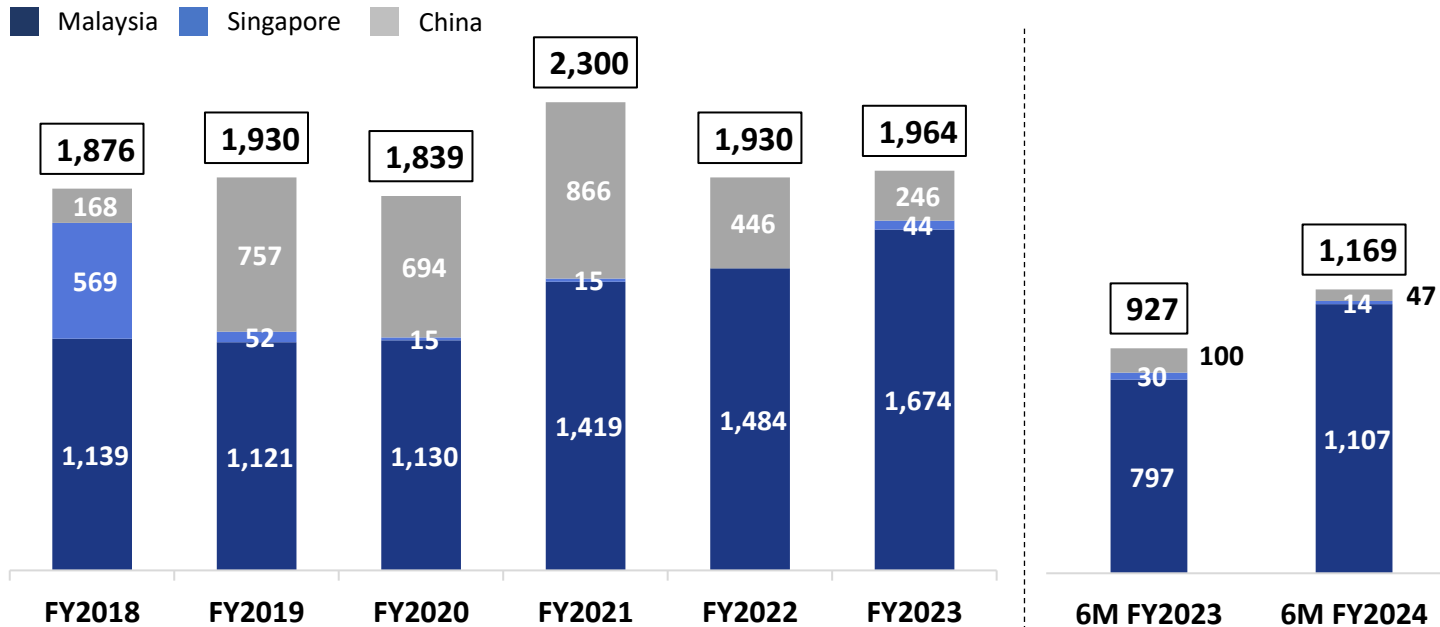


- In 6M FY2024, operating profit of RM191 million declined by 42% compared to RM331 million in 6M FY2023
- This decline is significantly larger compared to revenue, primarily due to a reversal of provision for contingency sum which boosted the results in 6M FY2023

# Property Development: Sales Highlights

## Consistent Sales Performance

Sales Trend by Country (RM'mil)



Property Launches	Units	GDV (RM'mil)	Take-up Rate
Q1 FY2024	1,025	1,131	38%
Q2 FY2024	707	808	38%
<b>Total</b>	<b>1,732</b>	<b>1,939</b>	<b>38%</b>

**As at December 2023:**  
Unbilled Sales of **RM722 million**  
Bookings of **RM385 million**

- Historically, sales achieved has been consistently hovering around the RM2 billion mark
- Despite some headwinds in the operating environment, the Group secured RM1.17 billion sales in 6M FY2024, which has achieved 60% of FY2023 sales
- It is also worth noting that 6M FY2024 sales was partially boosted by land sales in Johor and Melaka with a total contribution of RM365 million. Excluding the land sales would result to RM804 million sales in 6M FY2024
- As a result, sales declined slightly as compared to 6M FY2023, primarily dragged by the lower contributions from Malaysia and China
- Malaysia remains the key contributor of the Group's sales with a contribution of 95% in 6M FY2024

# Property Development: Q1 FY2024 Launches

**RM1.13 billion GDV Launched in Q1 FY2024**



**Conezion Commercial, IOI Resort City**  
424 Units | RM676 mil GDV



**Rumah Bandar Idaman Putra, Bandar Putra Kulai**  
396 Units | RM61 mil GDV



**Condominium #6, IOI Palm International Parkhouse**  
160 Units | RM308 mil GDV



**Park Bo Bay, IOI Palm City**  
41 Units | RM84 mil GDV



**Bungalow Lot, Bandar IOI Segamat**  
4 Units | RM2 mil GDV

# Property Development: Q2 FY2024 Launches

**RM808 million GDV Launched in Q2 FY2024**



**Arawani, Bandar Puteri Bangi**  
151 Units | RM261 mil GDV



**Rumah Bandar Laman Putra, Bandar Putra Kulai**  
346 Units | RM29 mil GDV



**Aster, 16 Sierra**  
121 Units | RM179 mil GDV



**Semi Detached Factory, iSynergy**  
13 Units | RM75 mil GDV

# Property Development: Q2 FY2024 Launches (Cont.)

**RM808 million GDV Launched in Q2 FY2024**



**Commercial Units #8 - #9, IOI Palm International Parkhouse**  
10 Units | RM34 mil GDV



**Shop & Retail #10 - #12, IOI Palm International Parkhouse**  
15 Units | RM15 mil GDV



**Town Villa #3 - #4, IOI Palm International Parkhouse**  
42 Units | RM153 mil GDV



**Shop & Retail #7, IOI Palm International Parkhouse**  
3 Units | RM4 mil GDV

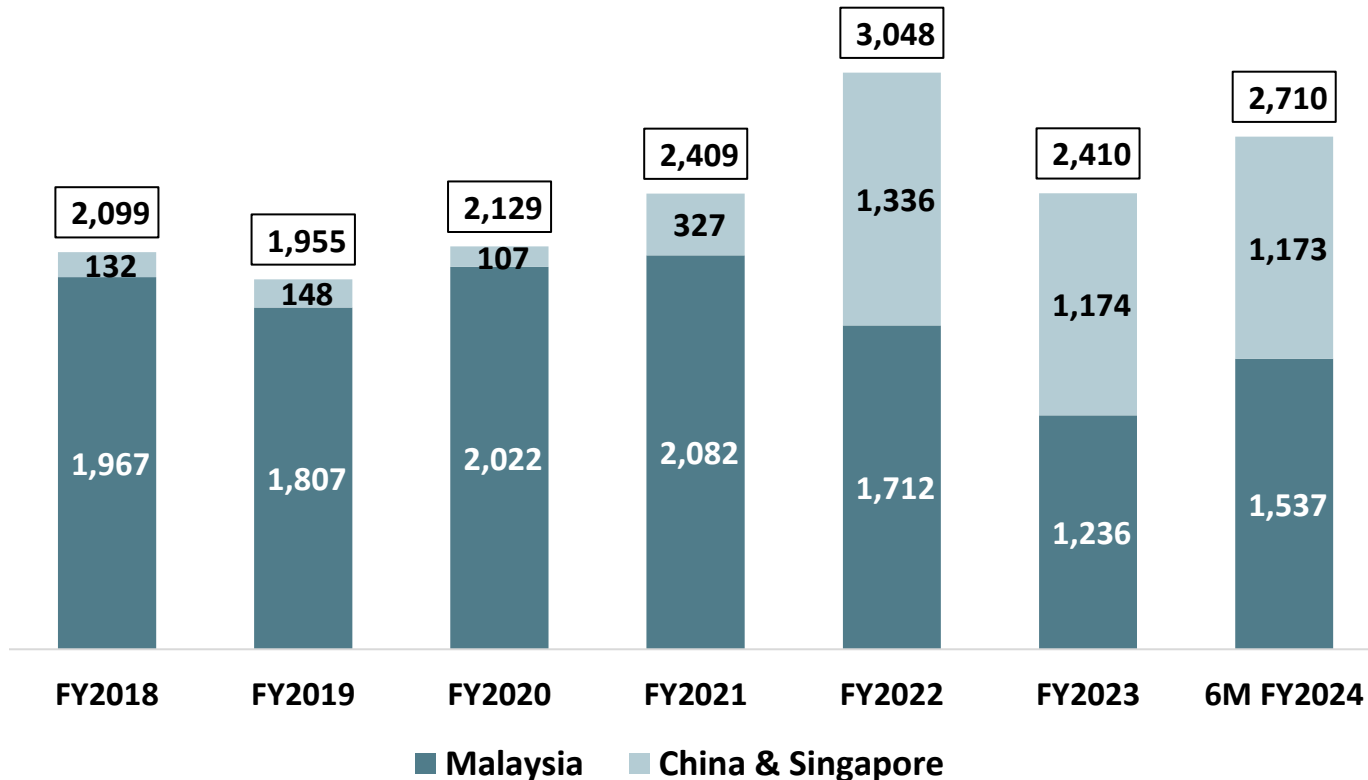


**Villa, IOI Palm City**  
6 Units | RM59 mil GDV

# Property Development: Inventories

## Concerted effort to clear completed inventories

Completed Inventories (RM'mil)

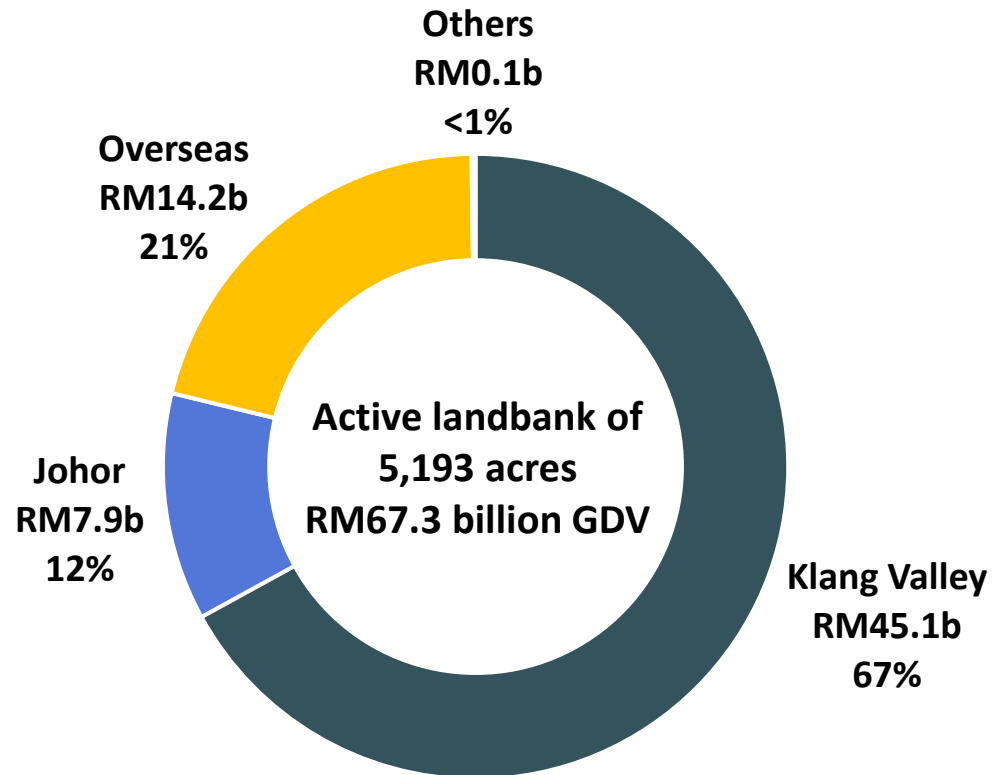


### Trend of Completed Inventories:

- Completed inventories reduced by 21% from FY2022 to FY2023
- Completed inventories in China spiked during the Covid-19 period. Thereafter, the property market was severely impacted due to the extensive lock down and restricted lending. Over time, we expect more interest in our projects as our units are completed and this provides an edge in giving greater confidence to purchasers who are buying for immediate use
- Completed Inventories increased by RM466 million largely due to the reclassification of:
  - Office and retail units in Conezion Commercial from investment properties to inventories of RM317 mil;
  - Agriculture land in Kulai from land held for development to inventories of RM149 mil
- Excluding these reclassifications, completed inventories closed at RM2.24 billion. This represents a clearance of RM167 million over the first six months

## Ample Land Bank for Future Developments

### Our Presence - 21 Projects -



**Note:**

- The above breakdown does not include non-active lands of approximately 3,000 acres which IOIPG has no development plans currently



### Malaysia

#### Klang Valley

1. Bandar Puchong Jaya
2. IOI Resort City
3. Bandar Puteri Puchong
4. 16 Sierra @ Puchong South
5. Bandar Puteri Bangi
6. Warisan Puteri @ Sepang
7. IOI Industrial Park @ Banting

#### Others

1. Desaria, Sungai Ara, Penang
2. Bandar IOI, Bahau, Negeri Sembilan

#### Johor

1. Bandar Putra Kulai
2. Bandar IOI Segamat
3. Taman Lagenda Putra, Kulai
4. Taman Kempas Utama
5. iSynergy, Senai, Kulai
6. The Platino



### Singapore

1. Seascape, Sentosa Cove (JV)
2. Cape Royale, Sentosa Cove (JV)
3. IOI Central Boulevard Towers (UC)
4. Marina View (Upcoming)



### China

1. IOI Palm City, Xiamen
2. IOI Palm International Parkhouse, Xiamen

# Property Investment: Financial Highlights

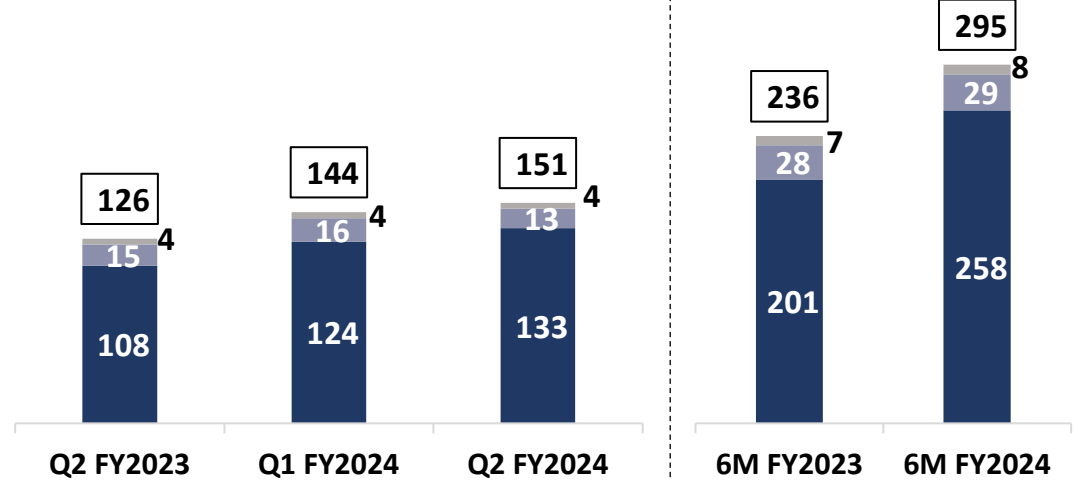
## Revenue

RM'mil

■ Retails ■ Offices ■ Others

▲ 19% YoY  
▲ 4% QoQ

▲ 25% YoY



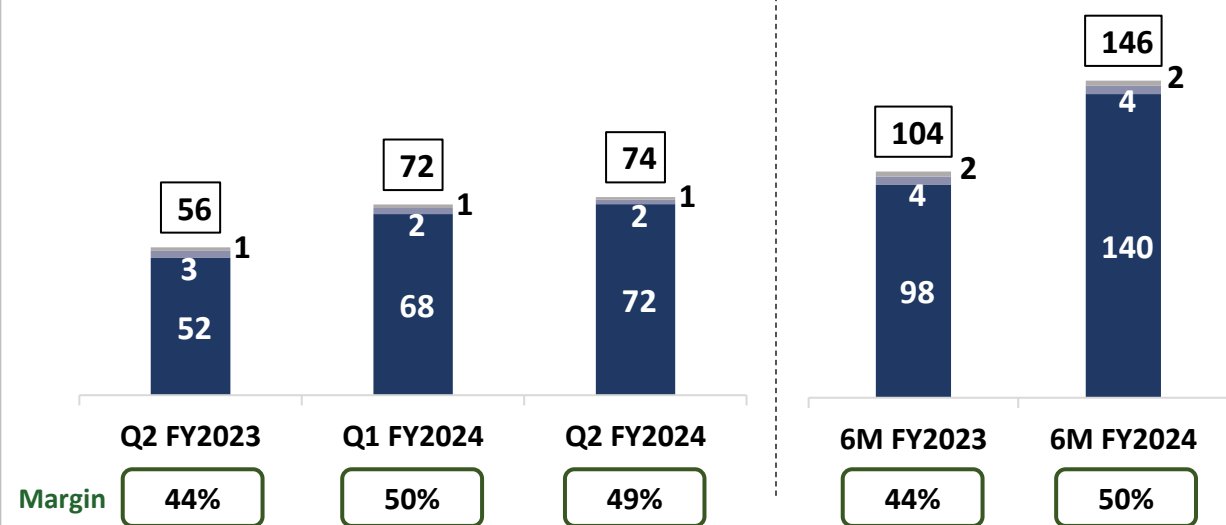
- In 6M FY2024, the property investment segment's revenue of RM295 million is approximately 25% higher compared to RM236 million in 6M FY2023
- The growth was supported by the strong performance of the retail segment, which is supported by the commencement of IOI City Mall Phase 2 with a high secured occupancy rate of 94%

## Operating Profit

RM'mil

▲ 34% YoY  
▲ 4% QoQ

▲ 40% YoY



Margin

44%

50%

49%

44%

50%

- In 6M FY2024, operating profit was RM146 million, which grew approximately 40% compared to RM104 million in 6M FY2023
- The strong growth was in tandem with the higher revenue, and partly due to the commencement of IOI City Mall Phase 2 in Aug 2022 which incurred higher initial operating costs, resulting in a lower operating margin in 6M FY2023

# Property Investment: Portfolio Overview

8 retails with combined NLA of 4.55 million square feet



**IOI City Mall – P1, Putrajaya**  
1,482k sft (138k sqm)



**IOI City Mall – P2, Putrajaya**  
1,018k sft (96k sqm)



**IOI Mall, Puchong**  
902k sft (84k sqm)



**IOI Mall, Kulai**  
264k sft (25k sqm)



**Puteri Mart, Puchong**  
48k sft (4k sqm)



**IOI Mart, Kulai**  
96k sft (9k sqm)



**Lotus's Bangi**  
101k sft (9k sqm)



**IOI Mall, Xiamen**  
639k sft (59k sqm)

# Property Investment: Portfolio Overview (Cont.)

3 offices with combined NLA of 2.28 million square feet



**IOI City Tower 1 & 2, Putrajaya**  
967k sft (90k sqm)



**IOI Square 1 & 2, Putrajaya**  
434k sft (40k sqm)



**Puchong Financial Corporate Centre 1, 2, 4 & 5**  
883k sft (82k sqm)

# Property Investment: Pipeline

- The Group's retail segment is relatively matured with strong occupancy rates
- In addition, there is a growing demand for "Grade A" office spaces in strategic locations from multi-national companies in Singapore. With the completion of IOI Central Boulevard, the Group is poised to capture this growing segment

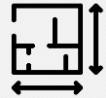
## Current Portfolio



8 Retails



3 Offices



Retail NLA  
6.83m sft  
(635k sqm)



## Offices Under Construction

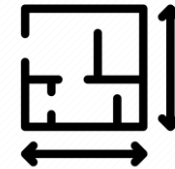


IOI Central Boulevard, Singapore  
1,292k sft (120k sqm)  
Target Completion: Sep 2024



IOI Business Park, Xiamen  
371k sft (34k sqm)  
Target Completion: Mar 2024

## Upon Completion



Retail NLA  
8.49m sft  
(789k sqm)



8 Retails



5 Offices

# Hospitality & Leisure: Financial Highlights

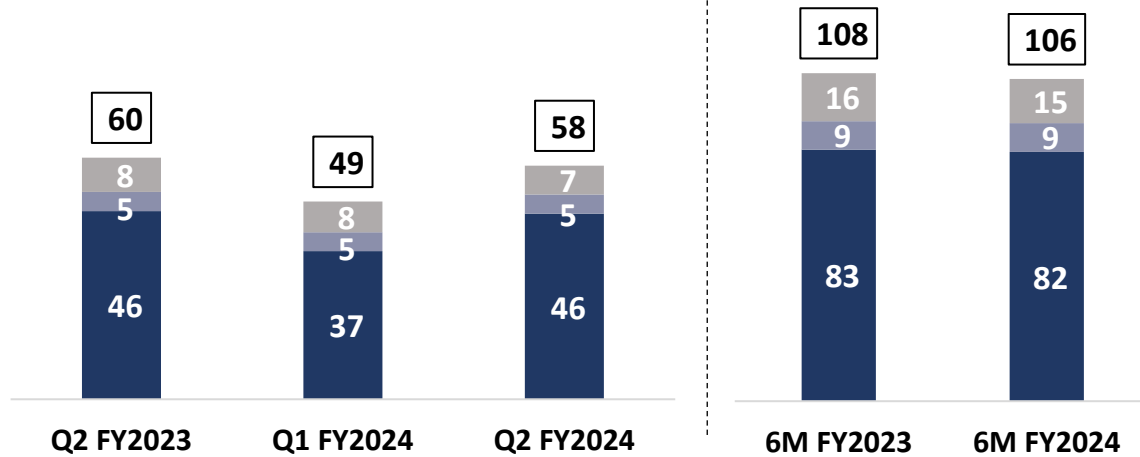
## Revenue

RM'mil

Hotels Golf Courses  
Leisure

▼ 3% YoY  
▲ 18% QoQ

▼ 2% YoY



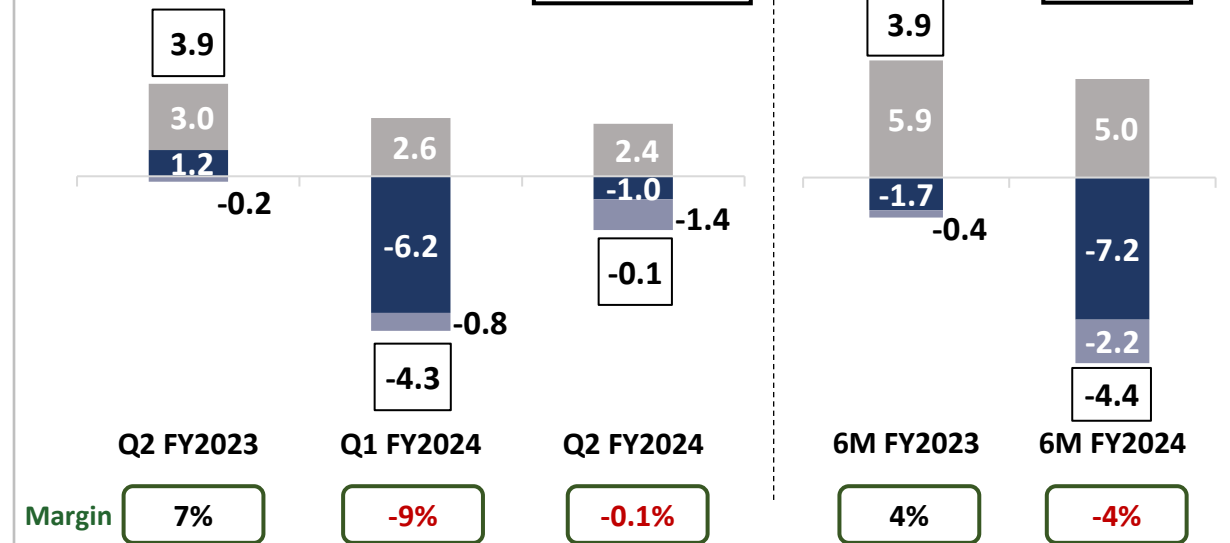
- In 6M FY2024, the hospitality & leisure segment recorded revenue of RM106 million, which was marginally lower by 2% compared to RM108 million in 6M FY2023
- Despite minimal contribution from Palm Garden Hotel and Putrajaya Marriott Hotel due to the ongoing refurbishment exercise, the revenue was supported by higher contribution from other hotels
- It is also worth noting that Palm Garden Hotel has partially recommenced its operations in Nov 2023

## Operating Profit / (Loss)

RM'mil

▼ 102% YoY  
▲ 99% QoQ

▼ 213% YoY



Margin

7%

-9%

-0.1%

4%

-4%

- In 6M FY2024, despite the flattish revenue, the segment recorded an operating loss of RM4.4 million compared to a profit position of RM3.9 million in 6M FY2023
- The loss was primarily attributable to the ongoing refurbishment exercise on Palm Garden Hotel and Putrajaya Marriott Hotel

# Hospitality & Leisure: Portfolio Overview

As economic and travelling activities resumed, the Group has a combination of matured and new hotels to cater for the influx of business travelers and tourists alike



**Palm Garden Hotel**  
152 rooms



**Putrajaya Marriott Hotel**  
488 rooms



**Le Meridien Hotel**  
353 rooms



**W Kuala Lumpur \***  
150 Rooms



**Four Points by Sheraton**  
249 rooms



**Moxy Putrajaya**  
480 rooms



**JW Marriott @ Singapore (JV)**  
634 rooms

\*Acquisition  
completed on  
8 February 2024

## Hospitality & Leisure: Portfolio Overview (Cont.)

**Golf Courses - A touch of green pockets and water bodies to complement the townships**



**IOI Palm Garden Golf Club, IOI Resort City**  
18 holes course | 146 acres



**IOI Palm Villa Golf & Country Club, Kulai**  
18 holes course | 247 acres

# Hospitality & Leisure: Pipeline



## Upcoming Hotels

### Acquisition



**Courtyard by Marriott Penang**  
199 Rooms  
Target Completion: Apr 2024

### Construction in Progress



**Sheraton Grand Xiamen**  
370 Rooms  
Target Completion: Sep 2024



**W Singapore, Marina View**  
350 Rooms  
Target Completion: 2028

**The Group is anticipating an addition of 3 new hotels into its portfolio, bringing its total room offerings up to 3,425**

## Key Events

December 2023

**W Kuala Lumpur**

**Acquisition of W Kuala Lumpur from Tropicana**



The acquisition of W Kuala Lumpur, a 25-storey hotel with 150 rooms, signifies a strategic and cost-effective acquisition, which is expected to contribute positively for the Group.

January 2024

**Courtyard by Marriott Penang**

**Acquisition of Courtyard by Marriott, Penang from Tropicana**



The signing of SPA to acquire Courtyard by Marriott Penang, with 199 room offerings from Tropicana, signifies a strategic and cost-effective acquisition, which is expected to contribute positively for the Group.

## Key Events (Cont.)

January 2024

**COVO Residences, 16 Sierra  
Priority Preview of TOD Service Apartments**



COVO Residences, a Transit Oriented Development (TOD) featuring 601 units of service apartments with a GDV of RM313 million in 16 Sierra, is set to epitomize seamless urban living. Strategically located just 100 meters away from the 16 Sierra MRT station, as well as convenient access to various amenities.

January 2024

**2Rio Residence, Bandar Puteri Puchong  
Priority Preview of Service Apartments**



2Rio Residences offers 632 units of service apartments with a GDV of RM366 million within the heart of Bandar Puteri Puchong. Strategic located with worry-free accessibility to well-established amenities and conveniences, harmonious blend of nature and urban living.

# Notable Awards



**Malaysian Developer Awards 2023**

- Ranked 1<sup>st</sup> Top-of-the-Chart Top 10 Award
- Best In Quantitative Award
- International - IOI Palm City, Xiamen, PRC



**The Edge Malaysia**

- Best Managed & Sustainable Property Award – IOI City Mall



**The Brand Laureate**

- Nation's Best Lifestyle Shopping Mall Award - IOI City Mall



**The Edge Billion Ringgit Club**

- Highest Growth in Profit After Tax Over Three Years Award



**The Edge Awards 2023**

- Property Sector (Gold) under Equities Category



**The Edge Top Property Developer Awards 2023**

- Top 10 – Ranked 4<sup>th</sup> Overall



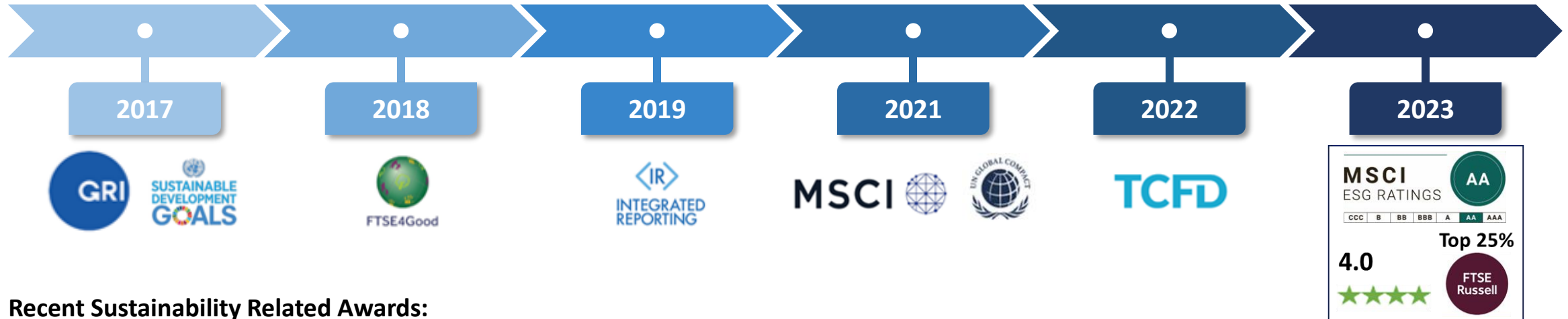
**Putra Brand Awards 2023**

- Property (Bronze)

# Sustainability Journey and Achievements

During the year under review, we advanced our sustainability approach in order to stay relevant to our business and stakeholders

**We aligned sustainability practices and disclosures to globally recognized ESG standards / Frameworks / Benchmarks:**



## Recent Sustainability Related Awards:

<p><b>The Edge Malaysia ESG Awards 2023</b></p> <hr/> <p><b>Gold Award in the Property Sector under the Equities Category</b></p>	<p><b>UNGCMYB Forward Faster Sustainability Awards 2023</b></p> <hr/> <p><b>Pioneer Sustainable Development Action Recognition for GEMS Residences @ IOI Resort City</b></p> <p><b>SDG Reporting Disclosure Recognition for SDG7, SDG11, SDG12, SDG13, SDG15</b></p>	<p><b>National Energy Awards (NEA) 2023</b></p> <hr/> <p><b>PJ midtown (Retail &amp; Office)</b> Runner Up: Energy Efficient Designed</p> <p><b>IOI City Mall Phase 1</b> Merit award of Large Green Building: Energy Efficient</p>	<p><b>Asia Pacific Property Awards 2023/2024</b></p> <hr/> <p><b>IOI Central Boulevard Tower, SG</b></p> <ul style="list-style-type: none"> <li>• The highest industry honour of 5-Stars in the Best Mixed-Use Development (SG)</li> <li>• Best Commercial High Rise Development (SG)</li> <li>• Best Mixed Use Architecture (SG)</li> </ul>
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# Sustainability Initiatives and Goals

## Delivering EXCELLENCE

Achieve prominence in Products & Service Excellence

- **Green buildings certified** by GBI, Green Building Evaluation Label and BCA Green Mark.
- **Quality products** (high Qclassic scores) and value **customer satisfaction**.
- Comply to all applicable compliances and regulations.



## Creating Value for our EMPLOYEES

Maintain a healthy, safe and fair Work Culture

- Utilised the **ILO's human rights self-assessment** to benchmark our corporate social policies & practices.
- We achieved **zero fatality** and **reduced lost time injury** across all employees & contractors.



## Caring for the ENVIRONMENT

Uphold environmental ethics through Green Efforts

- Continue to assess the **TCFD Roadmap**, assessing the transition & physical risks & opportunities
- **Carbon Footprint Assessment** for Gems Residence as the project **produces lower Embodied Carbon** as compared to published data of peers from neighbouring country
- Commissioned more solar PV systems, including IOI Mall in Kulai.
- IOI City Mall is the 1<sup>st</sup> shopping mall in Malaysia assessed by MGBC for **Carbon Score - 44% towards zero carbon building**.



## Developing Sustainable COMMUNITIES

Enhance social well-being via Community Initiatives

- Contributed **RM1.9 million** to **Corporate Social Responsibilities (CSR)** programmes. (as at Q2 FY2024)
- Supported **RM52.8k** of Venue Sponsorship for ESG centric community events. (as at Q2 FY2024)
- Continue investing into **public amenities** e.g. **10 million budgeted IOI Resort City Central Park**.



# IOI Sustainability Roadmap



## IOI Sustainability Roadmap 12 Key Focus Areas



1

**TCFD Roadmap**

5

**Value Chain**

9

**Sustainable Communities**

2

**Climate Resilience**

6

**Resource Management &  
Pollution Control**

10

**Data Integrity**

3

**Net-Zero Aspirations**

7

**Urban Biodiversity**

11

**Sustainability Risks &  
Opportunities**

4

**Sustainable Financing  
Principles**

8

**Wellbeing &  
Workplace Safety**

12

**UN Sustainable  
Development Goals (SDGs)**

# Key Focus Area of IOIPG for FY2024

## Key Focus Areas of the Group

**To optimise on the utilisation  
of current land bank**

**Develop sustainable products  
that integrate lifestyle and  
work at an affordable price**

**Capture pent-up demand  
opportunities for the retail  
and hospitality segments**

### Property Development

- a. To monetise completed inventories
- b. To sustain profit margins
- c. To focus on the launching of Marina View Residences

### Property Investment

- a. To expand the NLA of retail and office sectors
- b. To focus on the completion and build up the occupancy rate of IOI Central Boulevard Towers

### Hospitality & Leisure

- a. To add more hotel rooms
- b. To enhance presence in Singapore and China



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**Thank You**