



TAMBUN INDAH LAND BERHAD

3Q21 CORPORATE UPDATE

November 2021

Strictly Private & Confidential

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OPERATIONS REVIEW

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3Q21 OPERATIONS REVIEW

Achieved take-up rate of 63.4% on total GDV of RM607.7 million... New sales of RM147.4 million for 9M21

Ongoing Gross Development Value (GDV)
@ 30-Sep 21

RM607.7 mil

(RM453.5 mil @ 31-Dec 20)

9M21 New Sales
@ 30-Sep 21

RM147.4 mil

(RM168.2 mil for FY 31-Dec 20)

Average Take-up Rate
@ 30-Sep 21

63.4%

(54.8% @ 31-Dec 20)

Unbilled Sales
@ 30-Sep 21

RM89.1 mil

(RM92.8 mil @ 31-Dec 20)

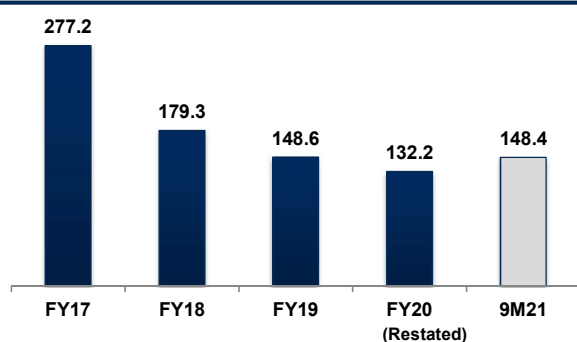
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FINANCIAL HIGHLIGHTS

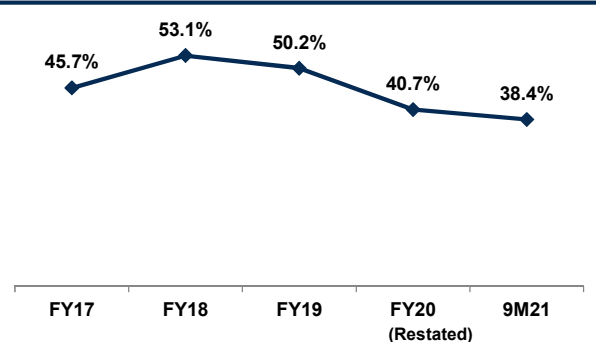
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REVENUE AND PROFIT TRENDS

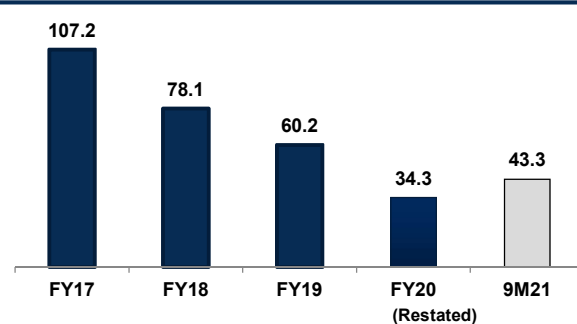
Group Revenue (RM'mil)



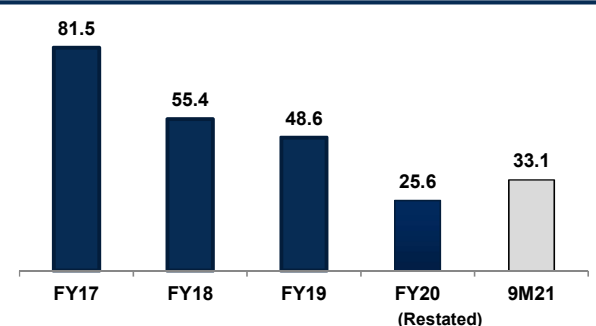
Group Gross Profit Margin (%)



Group PBT (RM'mil)



Group PATMI (RM'mil)



Note 1: PBT: Profit Before Tax; PATMI: Profit After Tax and Minority Interests

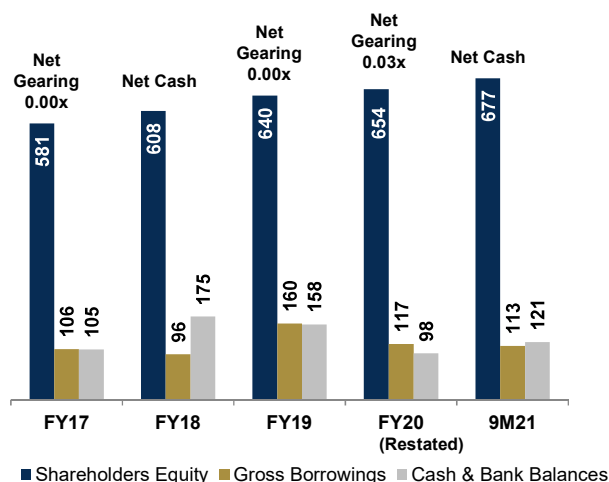
Note 2: The Group has adopted the IFRIC Agenda Decision- Over time transfer of constructed good (IAS 23) in its opening statement of financial position as at 1 January 2020 financial statements. Hence, the FY20 figures were restated.

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BALANCE SHEET

Robust balance sheet... well positioned to finance potential landbank expansion

Group Gearing Level (RM'mil)



Balance Sheet (Snapshot)

(RM' mil)	As at 30-Sep-21	As at 31-Dec-20 (Restated)
Non-Current Assets	446.6	450.6
Current Assets	393.7	340.9
Current Liabilities	74.6	35.3
Non-Current Liabilities	91.6	104.3
Shareholders' Equity	676.6	653.7
Non-Controlling Interest	-2.5	-1.8
Borrowings (ST + LT)	113.2	116.9
Cash & Bank Balances	120.9	97.6
Net Gearing Ratio (x)	Net Cash	0.03x
Net Assets / Share (RM) ⁽¹⁾	1.56	1.50
Return on Average Shareholders Equity ⁽²⁾	7.1%	4.0%

(1) Based on 434.8mil (2020: 434.5 mil) ordinary shares

(2) Trailing 12 months

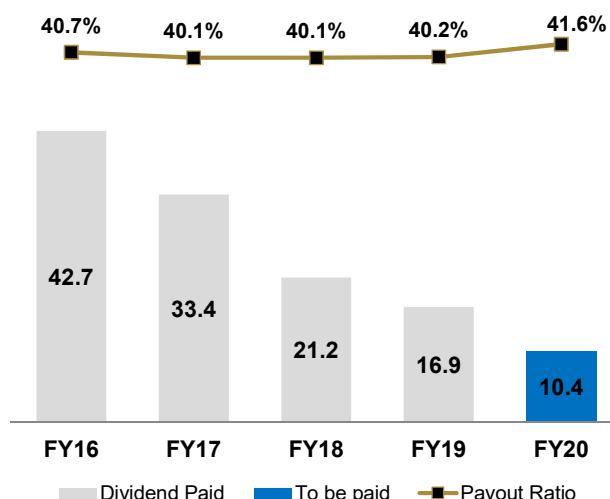
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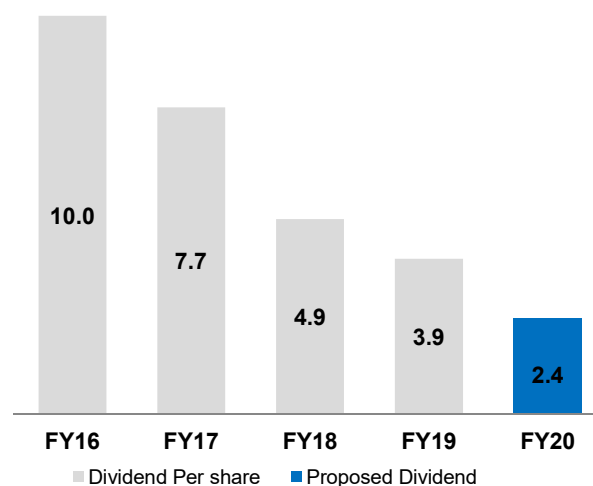
DIVIDEND HISTORY

Progressive dividend policy that pays 40% to 60% of net profit*... final dividend of 2.4 sen/share will be paid in December 2021.

Dividend Payout (RM'mil)



Dividend Per Share (sen)



* Dividend Policy: 40% to 60% of net profit excluding any valuation gain or loss on investment properties for the financial year

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GROWTH STRATEGIES

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GROWTH STRATEGIES

Building up recurring income stream... sustain growth through strategic landbanking

To plan for new project launches

- Ambay Garden – a landed residential development comprising 178 units of double storey terrace houses and semi detached houses with an estimated GDV of RM89.2 million.

To establish recurring income stream through investment properties

- Recurring income stream from investment properties such as GEMS International School, Pearl City Mall, Straits Garden Commercial Lots and Jesselball Sports Centre
- To further develop and promote Pearl City Business Park to enhance recurring income stream

To identify and expand strategic landbank in and outside Penang to sustain growth

- To leverage on township development experience and duplicate success in potential landbanks
- To fully utilize the group's balance sheet when opportunities arise for landbanking



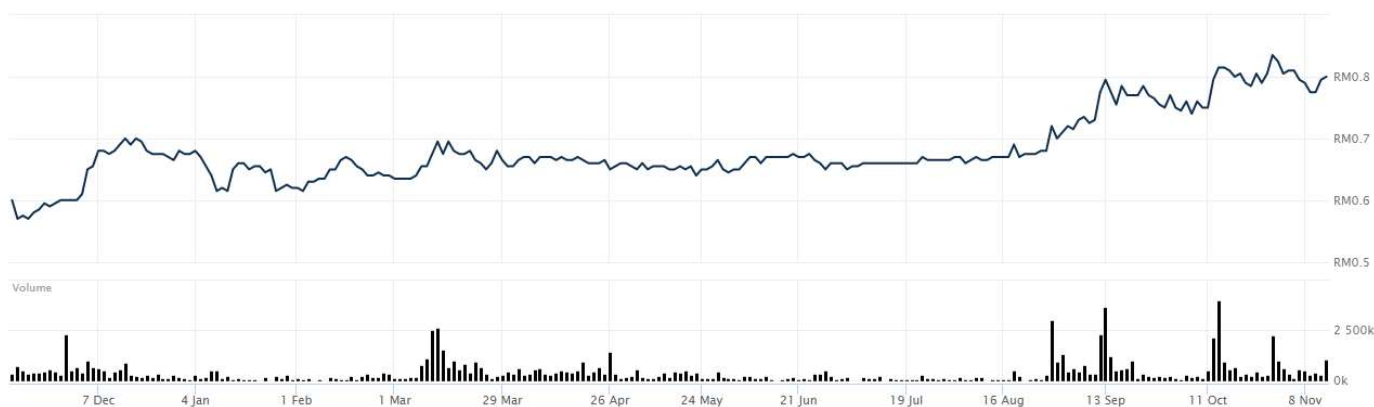
INVESTMENT CASE

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VALUATION



Proxy to the development in Mainland Penang...



Share price @ 12-Nov 2021
Market Cap @ 12-Nov 2021¹
Trailing PE ratio
Price to book ratio²
FY20 Dividend Yield³

RM0.800
RM347.9 mil
7.42x
0.51x
3.0%

¹ Based on 434.8 mil shares

² Based on NTA per share of RM1.56 as at 30-Sept-2021

³ Based on FY20 dividend of 2.4 sen per share

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INVESTMENT MERITS



Attractive proxy to the fast-growing Mainland Penang property market...

- ▶ **Respected brand name** in the Penang property market with an established track record as an innovative and quality developer
- ▶ **Strong growth catalysts in Penang** that will continue to spur property demand, boosted by foreign direct investment and infrastructure projects
 - ❖ Tambun Indah is a good proxy to the Penang Second Bridge's economic impact, with its iconic Pearl City township development
- ▶ **Earnings to be sustained by existing and pipeline projects of approximately RM3.9 billion** supported by land banking to diversify outside of Penang if the opportunity arises.
- ▶ **Committed to creating shareholders' value by constantly seeking market re-rating**
 - ❖ Dividend policy of 40% to 60% of net profit excluding any valuation gain or loss on investment properties for the financial year

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THANK YOU

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APPENDIX

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INCOME STATEMENT

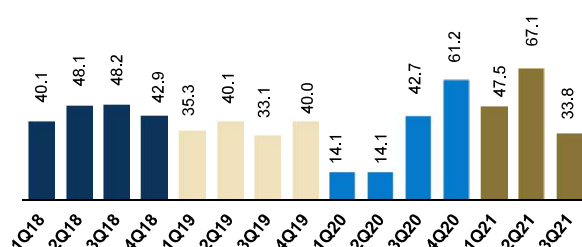


3Q21	3Q20 (Restated)	Change	RM'000	9M21	9M20 (Restated)	Change
33,830	42,683	(20.7%)	Revenue	148,357	70,919	109.2%
13,356	18,881	(29.3%)	Gross Profit	56,947	29,170	95.2%
39.5%	44.2%	(4.7 pt)	Gross Margin	38.4%	41.1%	(2.7 pt)
9,976	13,609	(26.7%)	PBT	43,327	15,020	188.5%
29.5%	31.9%	(2.4 pt)	PBT Margin	29.2%	21.2%	8.0 pt
7,852	10,368	(24.3%)	PATMI	33,082	11,842	179.4%
23.2%	24.3%	(1.0 pt)	Net Margin	22.3%	16.7%	5.6 pt
1.81	2.39	(24.5%)	Basic EPS ¹ (sen)	7.61	2.73	178.6%

¹Based on weighted average no. of ordinary shares issued for each period

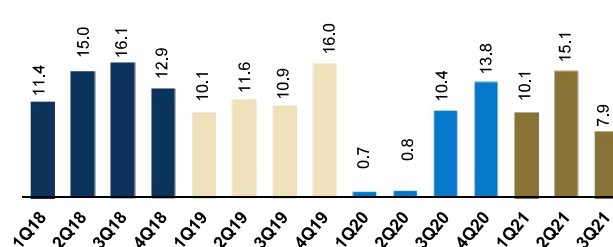
Quarterly Group Revenue

FY2018 – 9M2021 (RM 'mil)



Quarterly Group Net Profit

FY2018 – 9M2021 (RM 'mil)



Note: The Group has adopted the IFRIC Agenda Decision- Over time transfer of constructed good (IAS 23) in its opening statement of financial position as at 1 January 2020 financial statements. Hence, the FY20 figures were restated.

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CORPORATE PROFILE

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CORPORATE OVERVIEW

An established reputation for developing modern, relatively affordable projects... pioneering many firsts in Mainland Penang

- Founded in 1994, Tambun Indah is reputable in Mainland Penang for high-quality, modern design projects at relatively affordable prices
 - Pioneered Penang's first-ever gated & guarded landed community – Taman Tambun Indah (launched in 1994)
 - Also unveiled Seberang Prai's first strata-landed gated community, Palm Villas (launched in 2007)
- Has launched more than 10,000 units with total GDV of approximately RM3.9 billion since inception
- Now developing the first integrated township in Mainland Penang at Simpang Ampat, Pearl City
- Tambun Indah was included in FORBES ASIA's 200 "Best Under a Billion" list for 2013, 2014 and 2015
- Tambun Indah was awarded RHB Top Malaysia Small Cap Companies in year 2013, 2014 and 2016
- Tambun Indah was awarded TheEdge Top 30 Property Developer's Award in 2017



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PENANG GROWTH CATALYSTS

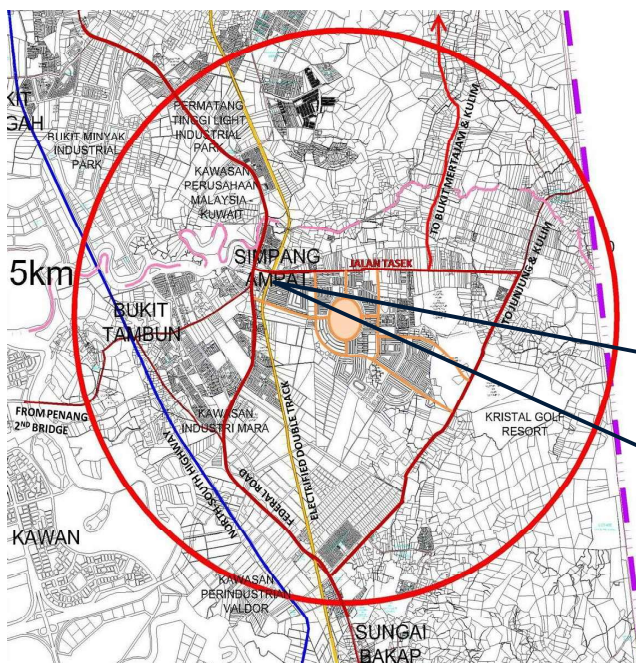
- **Combined approved manufacturing investments of more than RM90 billion since 2010** [Source: MIDA]
- Significant domestic and foreign direct investments (DDI and FDI) include:
 - Aviatron
 - Boon Siew Honda
 - Boston Scientific Medical Device
 - Broadcom
 - Flex
 - Haemonetics Corporation
 - Hewlett-Packard
 - Hotayi Electronic
 - Inari Technology
 - Jabil
 - Malaysian Automotive Lighting
 - Micron
 - UWC
 - VAT
 - VITROX Corporation
 - Western Digital
- **Expansion of Batu Kawan Industrial Park** to generate new manufacturing activities & employment opportunities
- **Tourism and medical tourism** seen as future growth drivers
- **Penang Second Bridge** to spur further economic growth by improving transportation network



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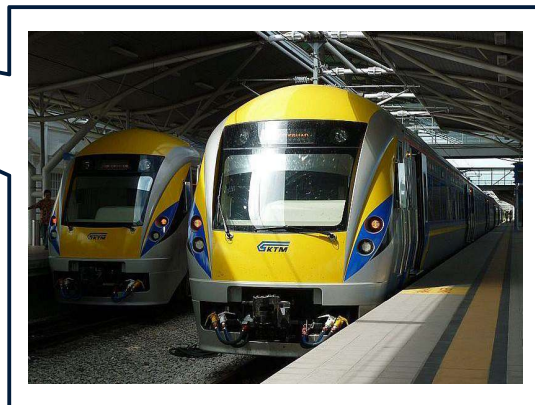
PEARL CITY TRANSPORT INFRASTRUCTURE

Strategically located near existing and future transportation infrastructure...



Pearl City

- 5-min drive from North-South Highway
- 15-min to 20-min drive from 1st & 2nd Penang bridges; and
- 1-min drive from Electrified Double Track Commuter Train station



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PEARL CITY CATCHMENT AREA

Well-placed to tap into the existing and future industrial developments in Mainland Penang...

Pearl City

- 12 industrial parks located within a 15km radius from the project
- These include:
 - Prai Industrial Estate
 - Penang Science Park
 - Bukit Minyak Industrial Estate
 - Bukit Tengah Industrial Estate
 - Batu Kawan Industrial Park
- Surrounding industrial parks capable of generating abundant employment opportunities

