



## TAMBUN INDAH LAND BERHAD

### 1H22 CORPORATE UPDATE

25 August 2022

Strictly Private & Confidential

### CONTENTS



- Operations Review
- Financial Highlights
- Growth Strategies
- Investment Case
- Appendix

## OPERATIONS REVIEW

3

## 1H22 OPERATIONS REVIEW



Achieved take-up rate of 78.9% on total GDV of RM604.6 million... New sales of RM44.3 million for 1H22

**Ongoing Gross Development Value (GDV)**  
@ 30-June 22

**RM604.6 mil**  
(RM699.2 mil @ 31-Dec 21)

**1H22 New Sales**  
@ 30-June 22

**RM44.3 mil**  
(RM297.9 mil for FY 31-Dec 21)

**Average Take-up Rate**  
@ 30-June 22

**78.9%**  
(76.1% @ 31-Dec 21)

**Unbilled Sales**  
@ 30-June 22

**RM68.5 mil**  
(RM131.0 mil @ 31-Dec 21)

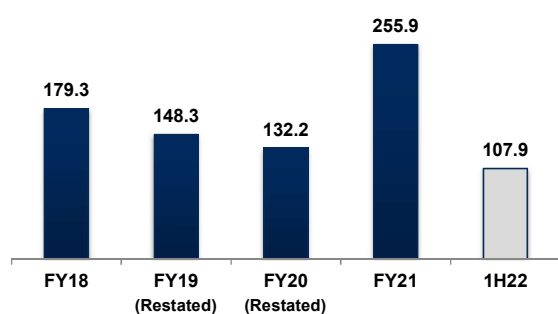
4

## FINANCIAL HIGHLIGHTS

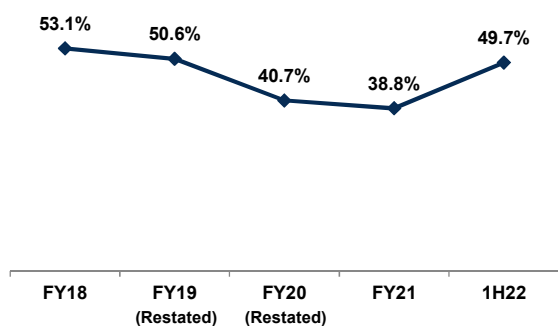
5

## REVENUE AND PROFIT TRENDS

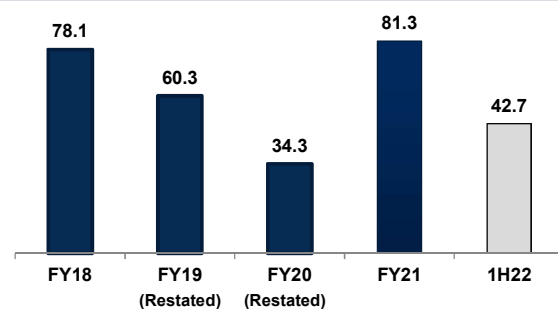
Group Revenue (RM'mil)



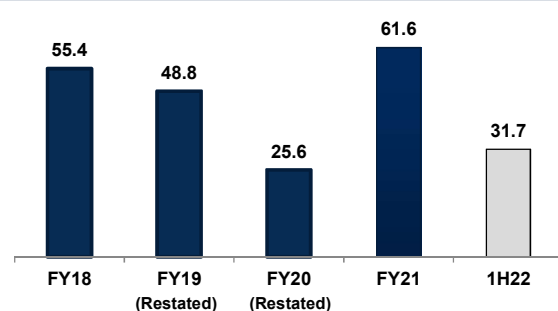
Group Gross Profit Margin (%)



Group PBT (RM'mil)



Group PATMI (RM'mil)



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

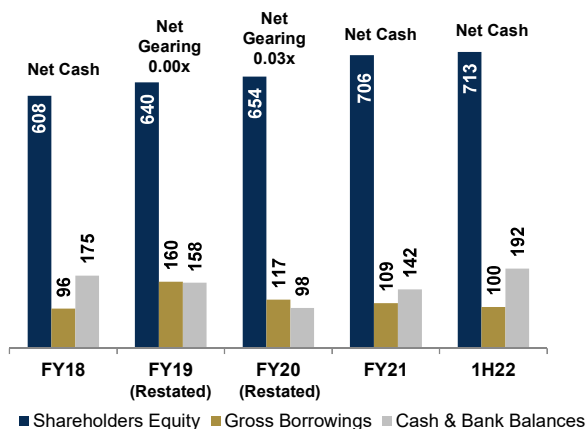
Note 2: The figures have been restated following the adoption IFRS Interpretations Committee ("IFRIC") Agenda Decision on IAS 23 Borrowing Costs.

6

## 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-Jun-22	As at 31-Dec-21
Non-Current Assets	443.7	442.3
Current Assets	431.9	405.5
Current Liabilities	84.8	56.5
Non-Current Liabilities	80.5	88.3
Shareholders' Equity	713.5	705.7
Non-Controlling Interest	-3.1	-2.7
Borrowings (ST + LT)	99.9	108.7
Cash & Bank Balances	192.1	141.6
Net Gearing Ratio (x)	Net Cash	Net Cash
Net Assets / Share (RM) <sup>(1)</sup>	1.62	1.62
Return on Average Shareholders Equity <sup>(2)</sup>	9.8%	9.1%

(1) Based on 439.3 mil (2021: 436.0 mil) ordinary shares

(2) Trailing 12 months

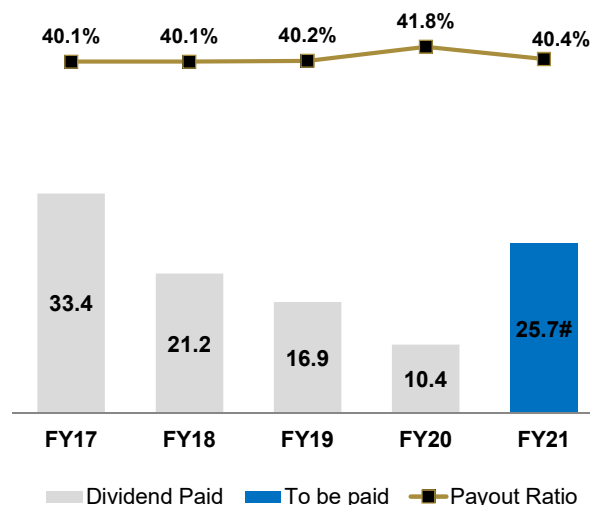
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7

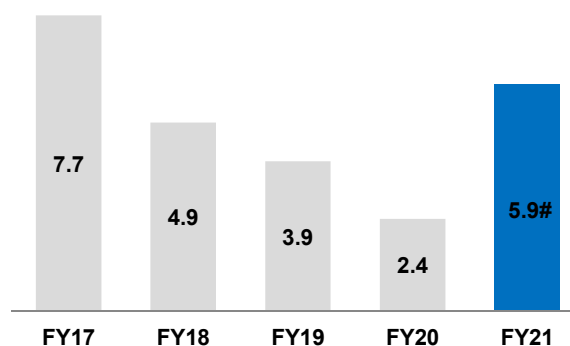
## DIVIDEND HISTORY

Progressive dividend policy that pays 40% to 60% of net profit\*

### 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

# First and Final Dividend of 5.9 sen/share to be paid in September 2022

8

## GROWTH STRATEGIES

9

## GROWTH STRATEGIES

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

### To plan for new project launches

- Pearl Impiana- a landed residential development comprising 148 units of double storey terrace houses and semi detached houses with an estimated GDV of RM78.7 million.



### To establish recurring income stream through investment properties

- Recurring income stream from investment properties such as XCL 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

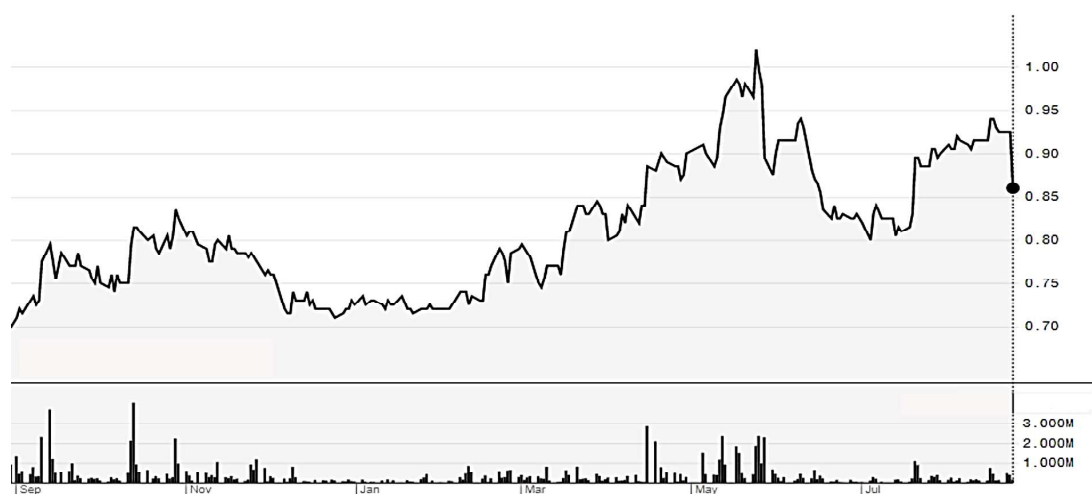
## INVESTMENT CASE

11

## VALUATION



Proxy to the development in Mainland Penang...



Share price @ 24-August 2022  
Market Cap @ 24-August 2022  
Trailing PE ratio  
Price to book ratio<sup>2</sup>  
FY21 Dividend Yield<sup>3</sup>

RM0.865  
RM380.0 mil  
5.58x  
0.53x  
6.8%

<sup>1</sup> Based on 439.3 mil shares

<sup>2</sup> Based on NTA per share of RM1.62 as at 30-June-2022

<sup>3</sup> Based on FY21 dividend of 5.9 sen per share (to be paid in September 2022)

## 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

13



## THANK YOU

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14

## APPENDIX

15

## INCOME STATEMENT

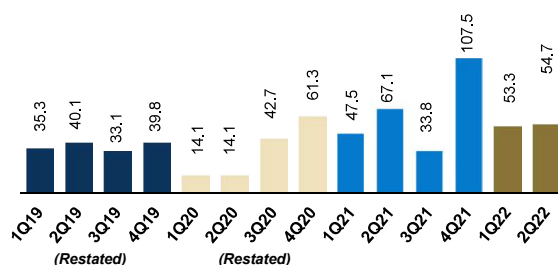


2Q22	2Q21	Change	RM'000	1H22	1H21	Change
54,682	67,045	(18.4%)	Revenue	107,978	114,527	(5.7%)
27,921	24,645	13.3%	Gross Profit	53,650	43,591	23.1%
<b>51.1%</b>	<b>36.8%</b>	<b>14.3 pt</b>	Gross Margin	<b>49.7%</b>	<b>38.1%</b>	<b>11.6 pt</b>
22,322	19,489	14.5%	PBT	42,748	33,351	28.2%
<b>40.8%</b>	<b>29.1%</b>	<b>11.8 pt</b>	PBT Margin	<b>39.6%</b>	<b>29.1%</b>	<b>10.5 pt</b>
16,323	14,875	9.7%	PATMI	31,242	24,804	26.0%
<b>29.9%</b>	<b>22.2%</b>	<b>7.8 pt</b>	Net Margin	<b>28.9%</b>	<b>21.7%</b>	<b>7.3 pt</b>
3.79	3.47	9.2%	Basic EPS <sup>1</sup> (sen)	7.26	5.80	25.2%

<sup>1</sup> Based on weighted average no. of ordinary shares issued for each period

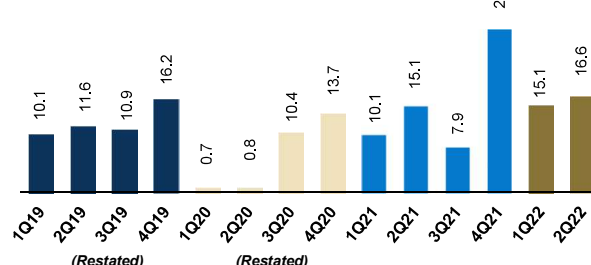
### Quarterly Group Revenue

FY2019 – FY2022 (RM 'mil)



### Quarterly Group Net Profit

FY2019 – FY2022 (RM 'mil)



Note: The figures have been restated following the adoption IFRS Interpretations Committee ("IFRIC") Agenda Decision on IAS 23 Borrowing Costs.

16



## CORPORATE PROFILE

17

## 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 RM4.0 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



18

## PENANG GROWTH CATALYSTS

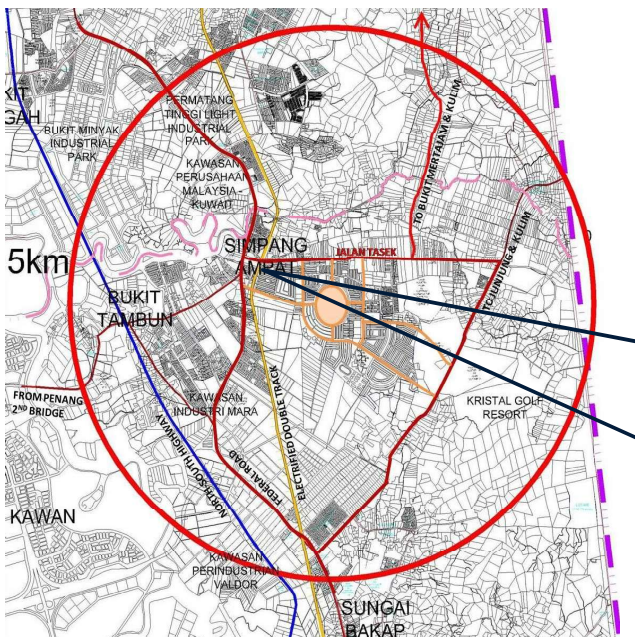
- **Combined approved manufacturing investments of more than RM170 billion since 2010** [Source: MIDA]
- Significant domestic and foreign direct investments (DDI and FDI) include:
  - Aviatron
  - Boon Siew Honda
  - Boston Scientific Medical Device
  - Broadcom
  - Flex
  - Haemonetics Corporation
  - Hewlett-Packard
  - Hotayi Electronic
  - Inari Technology
  - Jabil
  - Lam Research
  - Malaysian Automotive Lighting
  - Micron
  - VAT
  - VITROX Corporation
  - Western Digital and more...
- **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



19

## 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 1<sup>st</sup> & 2<sup>nd</sup> Penang bridges; and
- 1-min drive from Electrified Double Track Commuter Train station



20

# 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

