



**LAGENDA**  
PROPERTIES

**4QFY22 Results Briefing | 28 Feb 2023**

## LAUNCHES



- **4Q2022: ~1,500 units launched with GDV RM422.4 mil**
- **FY2022: ~4,800 units launched with GDV RM1.1 bil**

## SALES



- **4Q confirmed sales RM234 million**
- **FY2022 confirmed sales of RM788 million 4% higher than FY2021**

## TRANSACTIONS



- **Proposed Acquisition of 1,075 acres in Kulai from PNB to be completed in 12 months**
- **Landbank to increase by 30% to almost 4,800 acres**

## DIVIDEND



- **Total declared for FY2022 RM54.4 mil vs RM53.9 mil FY2021**
- **FY2022 payout ratio ~31%, above dividend policy of 25%**

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- 2022 launches
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## PART 3

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- Acquisition of Kulai Land

## PART 4

### KEDAH UPDATES & ESG

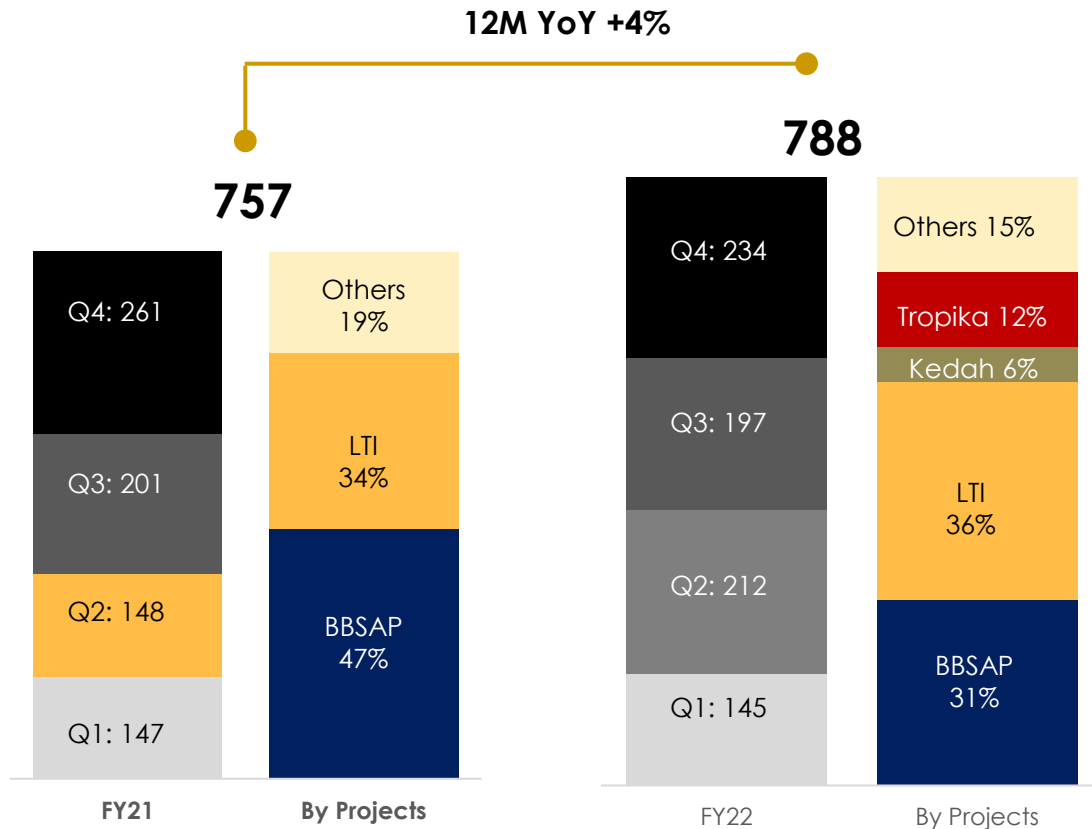
- Darulaman Lagenda
- ESG Updates



# OPERATIONAL & PROJECT UPDATES

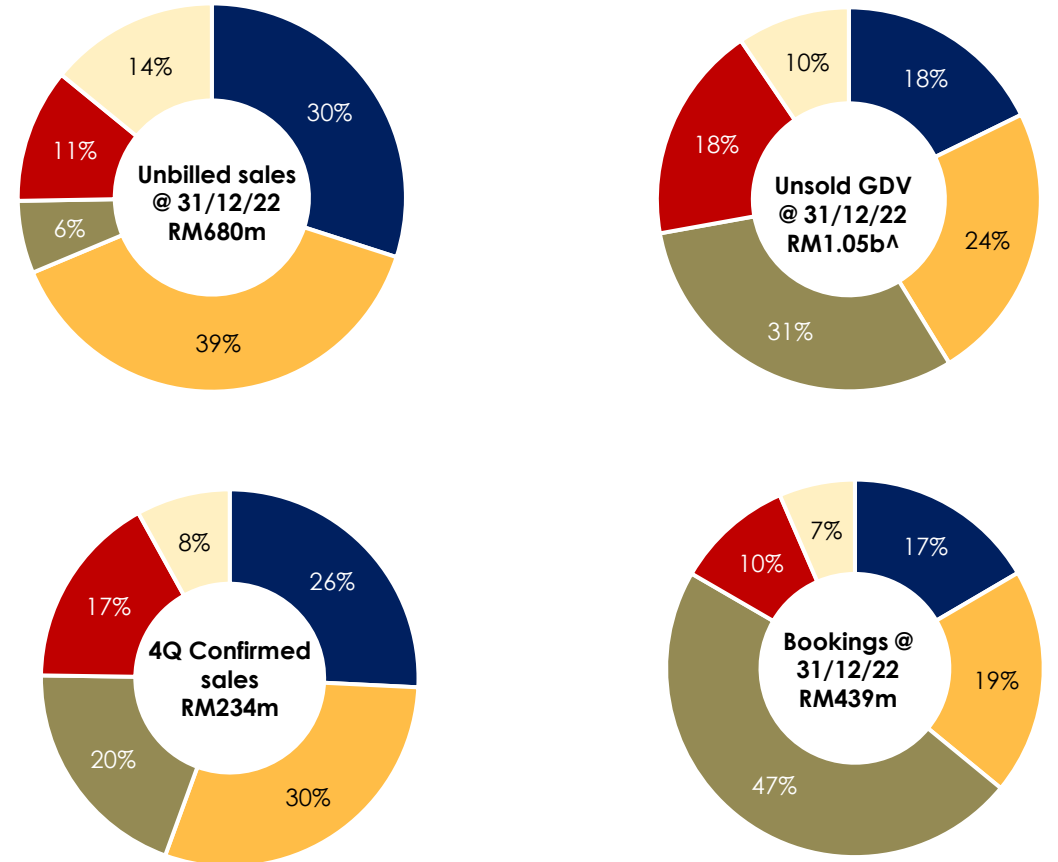
# KEY OPERATING DETAILS

## YoY Confirmed Sales (RM'mil)



Total GDV launched FY2022: ~ RM1.1bil  
 Total units launched FY2022: ~ 4.8K

## 4Q 2022 Statistics



■ BBSAP   
 ■ LTI   
 ■ Darulaman Legenda   
 ■ Tropika   
 ■ Others

<sup>^</sup> Unsold GDV = Launched GDV – Confirmed Sales

# OPERATIONAL UPDATES : BBSAP & LTI



## BANDAR BARU SETIA AWAN PERDANA

1.3K Acres  
GDV Launched: RM 2.32 billion

- Older phases (1D, 2B, 2C, 2D, 3A/B/C) launched before 2022 achieved 96% take up rate while take-up rate for phase 4A is 68% @ 31 Dec 2022
- Phase 4B which was slated for 2022 launching was launched in 1Q2023
- Construction status:

Ongoing Phases	Total Unit	% Completion
2D	1,168	97%
3A	1,074	97%
3C	412	93%
4A	668	34%
4B <sup>1</sup>		0%
<b>Total Ongoing</b>	<b>3,332</b>	

1. BBSAP Phase 4B was launched in Jan'23



## LAGENDA TELUK INTAN

1.8K Acres  
GDV Launched: Rm 1.35 billion

- Older phases (LTI 1 & 2) launched before 2022 achieved 99% take up rate
- Phase 3A (1080 units launched mid 2022): 40% @ 31 Dec 2022
- Phase 4B which was slated for 2022 launching will be launched in 1Q2023
- Construction status:

Ongoing Phases	Total Unit	% Completion
2	2,667	72%
3A	1,080	8%
3B <sup>2</sup>		0%
<b>Total Ongoing</b>	<b>3,765</b>	

2. LTI Phase 3B was launched in Feb'23

# OPERATIONAL UPDATES : DARULAMAN LAGENDA & TROPIKA



## DARULAMAN LAGENDA

229 Acres  
GDV Launched: RM 370 million

- Launched Phase 2 (1.1K units) in December 2022
- Overwhelming response with high percentage booked within a few weeks
- Construction status:

Ongoing Phases	Total Unit	% Completion
1	282	3.37%
2	1,131	0.68%
<b>Total Ongoing</b>	<b>1,413</b>	

- More information in the education segment



## LAGENDA TROPIKA

145 Acres  
GDV Launched: RM 289 million

- Launched end Q2-2022, and achieved 50% take up rate @ 31 Dec 2022
- Groundwork completed, building and infrastructure work in progress
- Construction status:

Ongoing Phases	Total Unit	% Completion
1	1,481	24.21%



## Strong earnings visibility underpinned by sizable GDV & land

**RM12.95** bil<sup>1</sup>

Remaining GDV

**RM680** mil

Unbilled sales

**4,798** acres<sup>1</sup>

Sizeable vacant land

Notes: <sup>1</sup> Including estimated GDV of RM 4 billion from the acquisition of 1,075.48 acres land in Kulai.



**FINANCIALS**



**4QFY22**

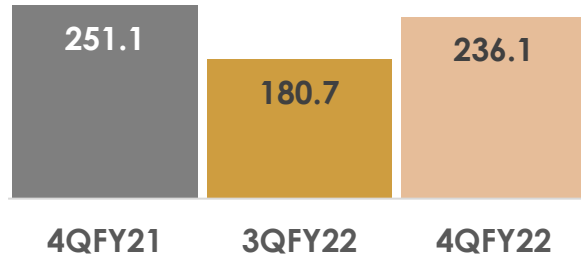
**FINANCIAL RESULTS UPDATE**

# FINANCIAL PERFORMANCE : INCOME STATEMENT

4th Quarter

## REVENUE (RM mil)

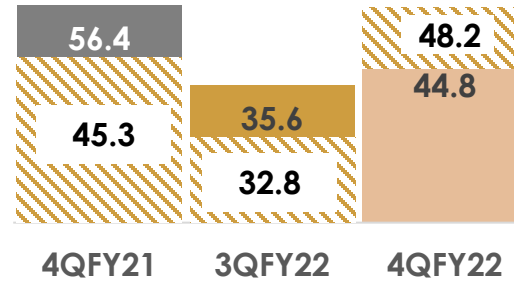
YoY -6.0%  
QoQ 30.6%



## PROFIT AFTER TAX (RM mil)

YoY +6.2%  
QoQ +46.8%

^ Core Profit changes



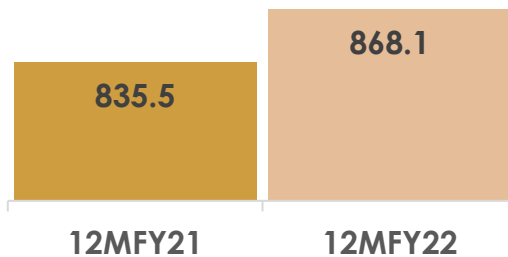
## RESULTS COMMENTARY

- 4QFY22 revenue increased QoQ mainly due to higher sales of units currently under construction.
- Non-core items in 4QFY22 was prosperity tax of RM4.3m and revaluation & acquisition gains of RM0.9m. Core PAT for 4QFY22 is RM48.2m.
- FY2022 revenue increased slightly by 3.9%. Core PAT for the year increased by 0.7% to RM178.3 million.
- Non-core items adjusted are the provision for prosperity tax (FY22:RM9.1m), gain on acquisitions (FY22:RM7.8m, FY21:RM11.1m), LAD income (FY21:RM5.5m) and revaluation gains (FY22: RM0.7m, FY21:RM6.9m).
- Registered core PAT margin of 20.5% for FY22.

YTD 12M

## REVENUE (RM mil)

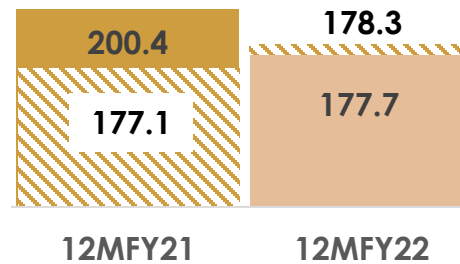
YoY 3.9%



## PROFIT AFTER TAX (RM mil)

YoY^ 0.7%

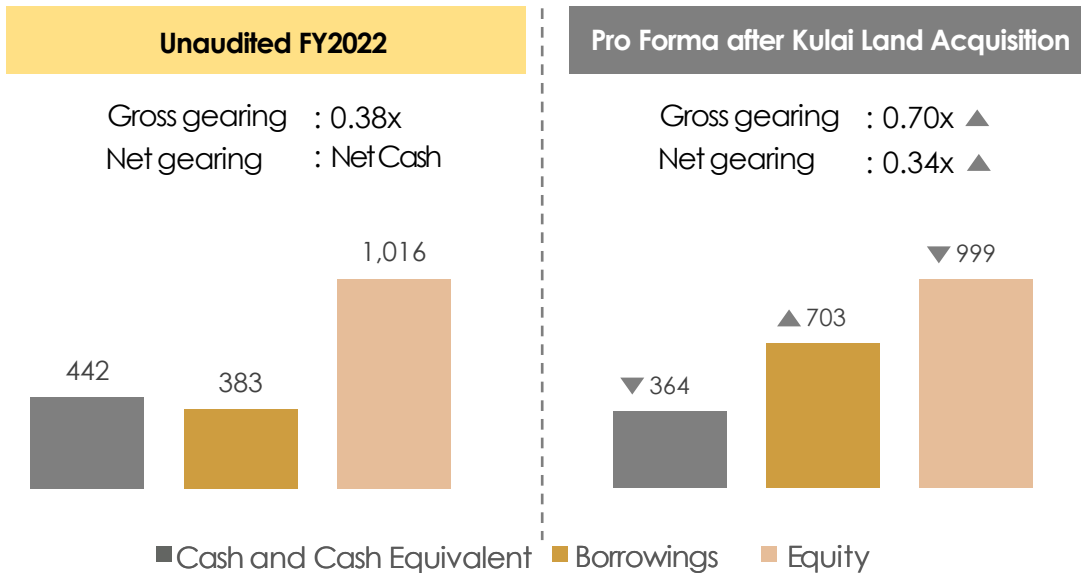
^ Core Profit changes



Core profits after deducting exceptional items

# FINANCIAL PERFORMANCE: BALANCE SHEET

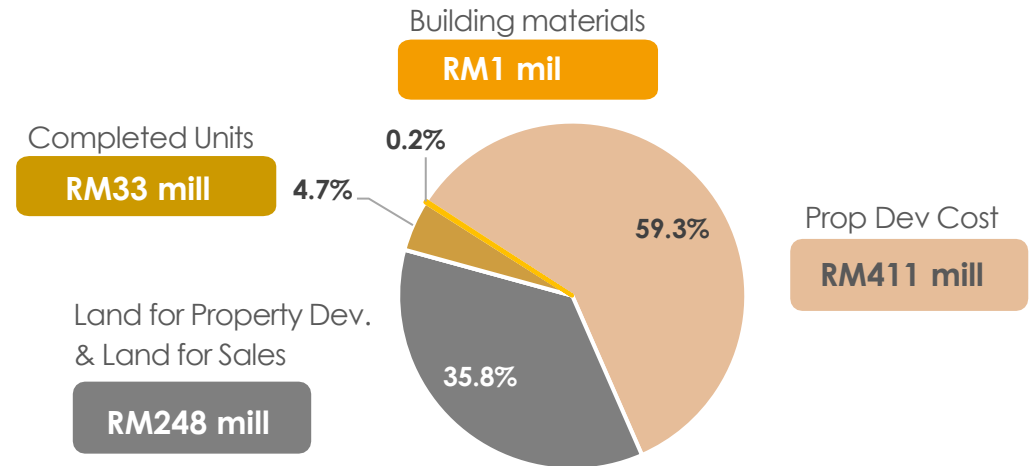
## 4QFY22 Cash, Borrowings & Equity (RM mil)



### Gearing

- Net cash position of RM58.8 million @ 31 Dec 2022
- Payment for 90% of the Kulai land is within 4 months post completion (~ early 2QFY24)

## 4QFY22 Inventory breakdown (RM mil)



### Inventory

- As of 31 Dec 2022, Lagenda's total inventories were valued at RM693 mil of which only RM33 mil is completed units.
- Completed Units as of 31 Dec 2022 account for 4.7% of total inventories



**2023  
PROJECT LAUNCHES**

# UPDATE ON LAUNCHES : FY 2023 Launches

## Deferred from FY22



### PERAK

#### BBSAP 4B

- 900 units  
Launched Jan '23

#### LTI 3B

- 800 units  
Launched Feb '23

~1,700 units



## New launches for FY23



### KEDAH

#### Darulaman Lagenda Ph. 3

- 1,000 units



### PERAK

#### BBSAP 4C/4D

- 1,700 units
- #### LTI
- LTI 4A - 900 units
  - Kg Tersusun - 1,200 lots

#### Lagenda Tapah

- 1,400 units



### JOHOR

#### Mersing

- 600 units

~5,600 Units +  
1,200 Kg Tersusun Lots

Total ~7,300 Units  
+ 1,200 Kg Tersusun Lots



More than RM1.5 Billion GDV

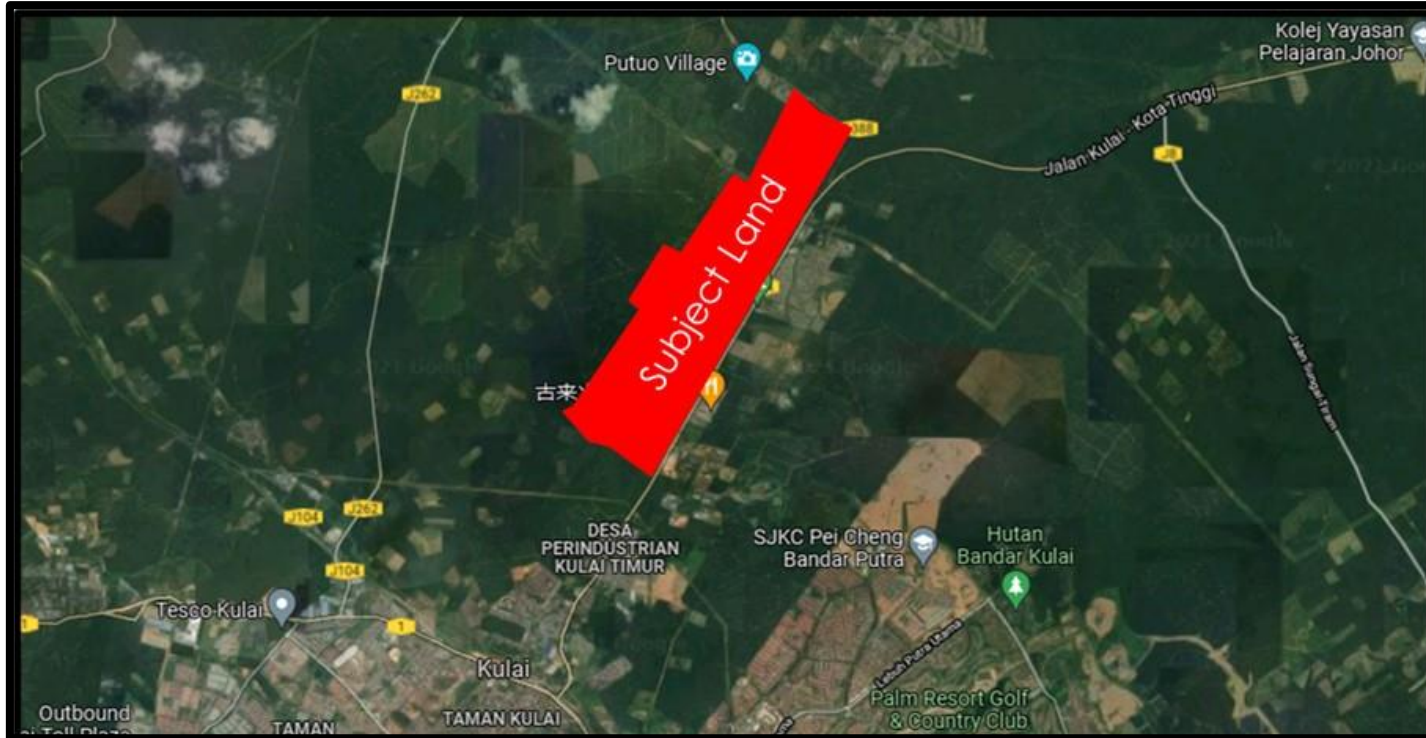


# TRANSACTIONS

- Kulai Land Acquisition

# SUBJECT LAND DETAILS

Proposed acquisition of 1075.48 acres land in Mukim Senai, Kulai district, Johor to build over 12,000 unit of affordable homes. The transaction also comes with Power of Attorney that allows the process of acquisition and planning to be in parallel.



No	Location	Distance
1	Senai International Airport	18 km
2	SAC Industrial Park	19 km
3	Tuas Checkpoint	49 km
4	Johor Bahru City Centre	39 km
5	Woodlands checkpoint	40 km



## PRIME LOCATION & ACCESSIBILITY

- Located in a prime state – Johor
- 18 km away from Senai International Airport
- 39 km away from Johor Bahru City Centre



## PRIME TARGET MARKET

Located near to the capital of Johor – Johor Bahru.

## STATE OF JOHOR

### OVER 1 in 5 HOUSEHOLDS

Without homeownership in Johor possibly due to

### AFFORDABILITY

Johor Average Home Price (4Q 2021) stood at

**RM365,000**

However, the B40 maximum affordability in Johor is

**RM266,907**

Price Mismatch

**(RM98,093)**

## DEVELOPMENT PLAN

Estimated Selling Price:

**Below RM 300,000**

No. of Units:

**Over 12,000 units**

## TERMS OF THE SPA FOR KULAI LAND

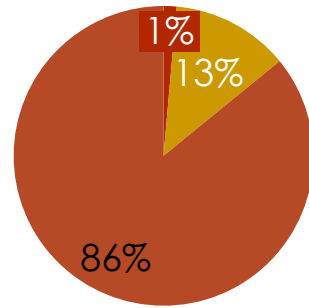
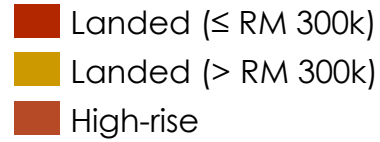
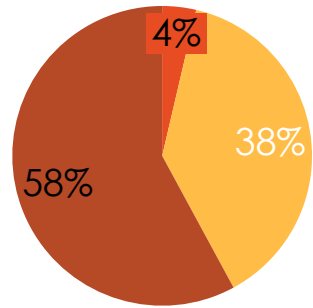
Items	Detail
Purchaser	Lagenda Mersing Sdn. Bhd.
Vendor	Seriemas Development Sdn. Berhad
Land Location	Mukim Senai, Daerah Kulai, Johor
Land Size	1,075.48 acres
Consideration	RM398,027,224.8 (RM8.50psf)
CPs	Approval of EPU, ELB and shareholders or BOD from both parties
CP Period	6 months + 3 months (auto extension)
Payment Terms	CPs completion + 3m + 1m (auto extension)
Limited Power of Attorney ("LPOA")	<ol style="list-style-type: none"> <li>1) Planning</li> <li>2) Development Approval</li> <li>3) APDL Submission</li> <li>4) Removal of illegal occupiers on the land</li> </ol>

# OVERVIEW OF JOHOR HOUSING MARKET – Johor Residential Market

High demand for affordable homes and high supply of 'premium' homes led to demand and supply mismatch

## Overhang Units

Total Units : 20,477 units



- Affordable - RM 300k & Below
- Mid-Tier - RM 300k - RM 700k
- Luxury Above RM 700k

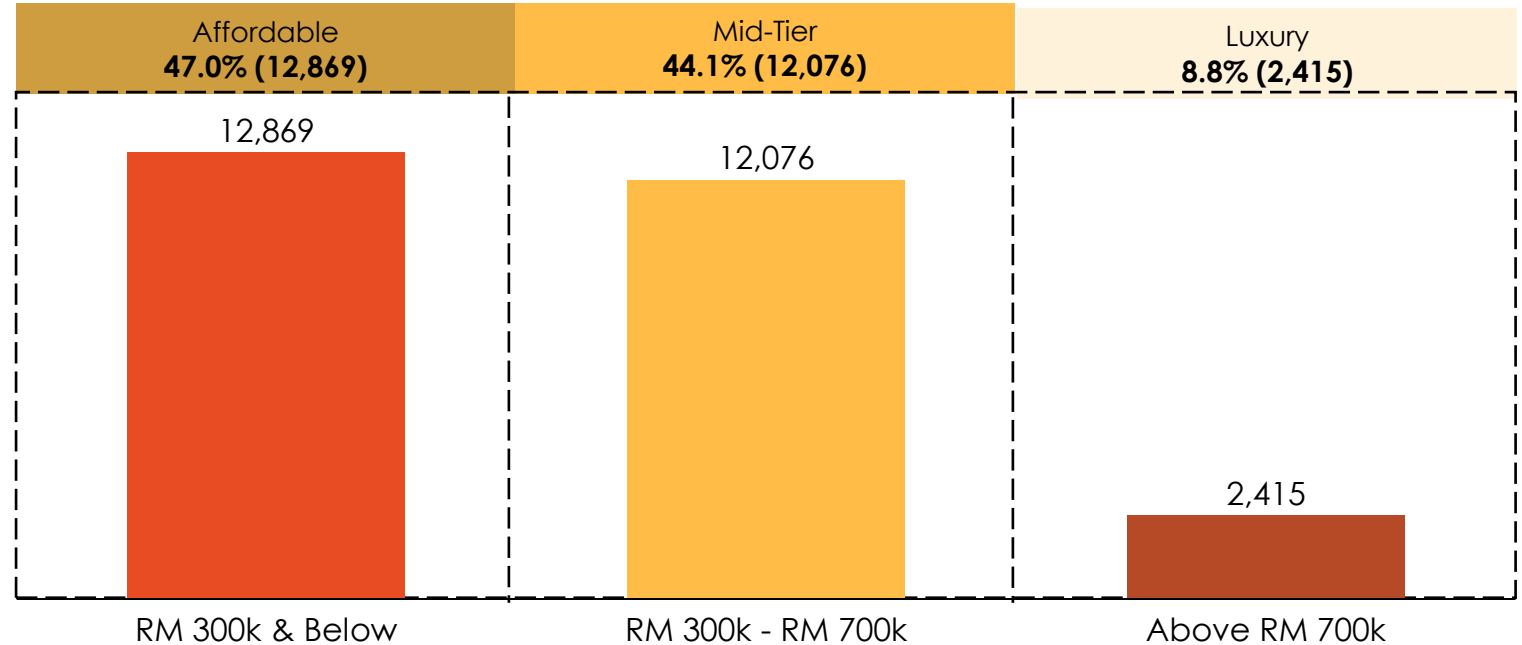
Source: Overhang Data Q3 2022, NAPIC, JPPH

Note: Overhang Data is inclusive of SOHO & Residential Units.

- Legenda's business model is targeting the residential segment with the least overhang units as shown by the chart above, such as:
- Only 4% of overhang unit in Johor is priced below RM 300k;
- Only about 1% overhang units are the landed houses priced below RM 300k;

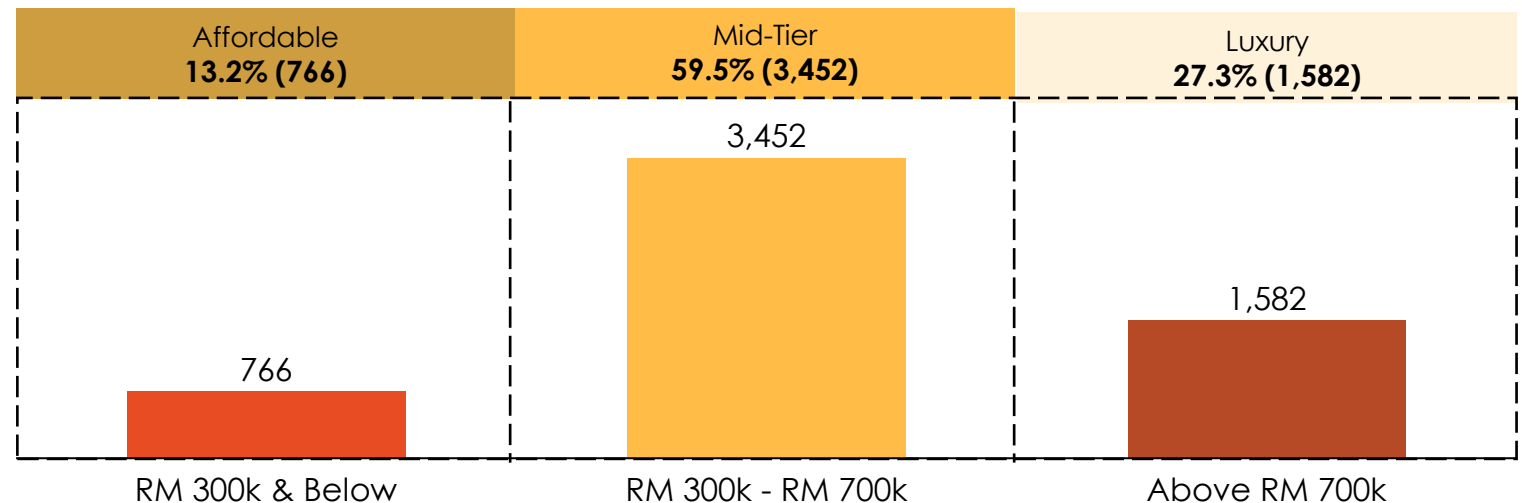
## LTM Number of Transactions (Q4 2021 to Q3 2022) – Johor Secondary Market

Source: Q3 2022 Sales Report, NAPIC, JPPH



## LTM New Launches (Q4 2021 to Q3 2022) - Johor Primary Market

Source: New Launch Data Q3 2022, NAPIC, JPPH

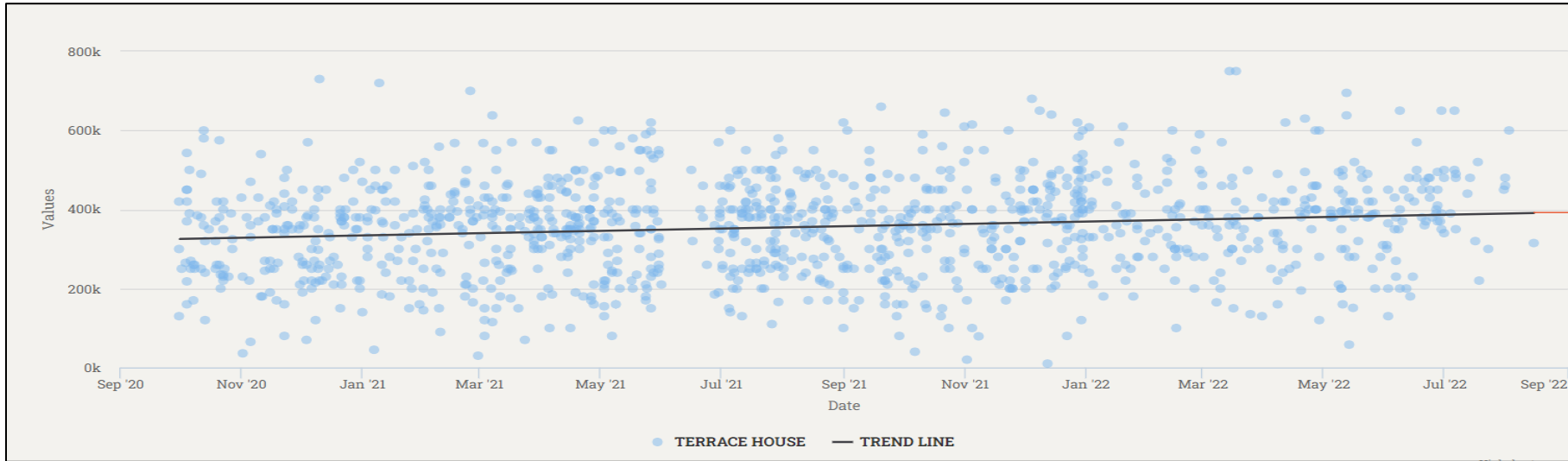




# OVERVIEW OF JOHOR HOUSING MARKET – Kulai Residential Market

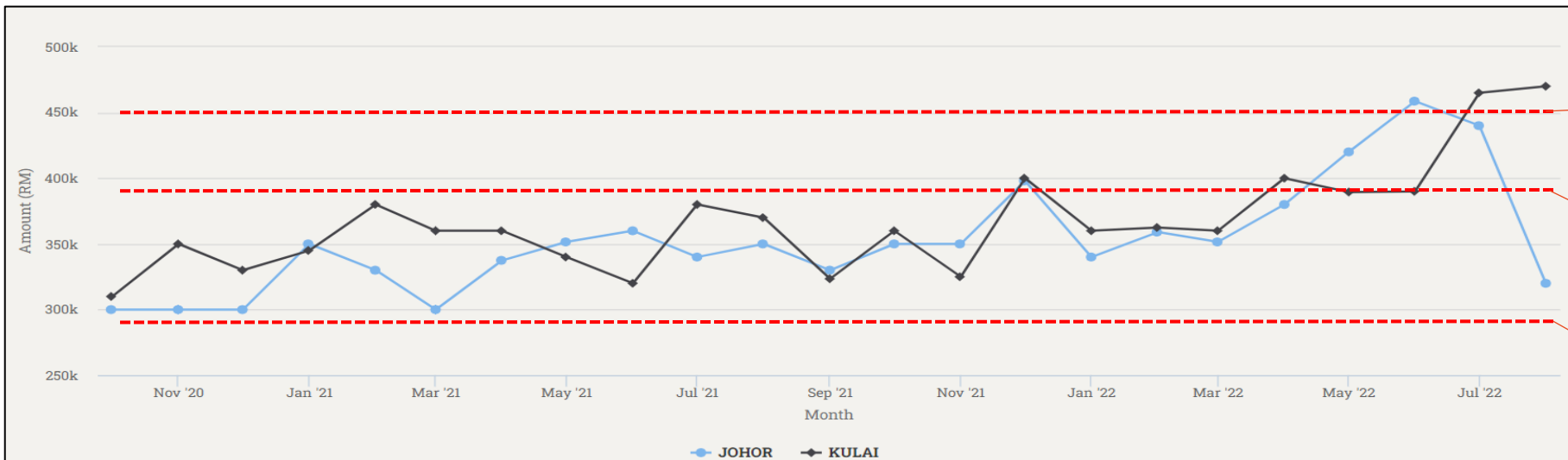
The overall average terraced transaction in Kulai is RM390,000 and the median terraced price is RM380,000.

### Recorded Terraced Transactions in Kulai, Johor



**Average Terraced Transaction in Kulai, Johor: RM390,000**

### Median Terraced Price in Kulai, Johor



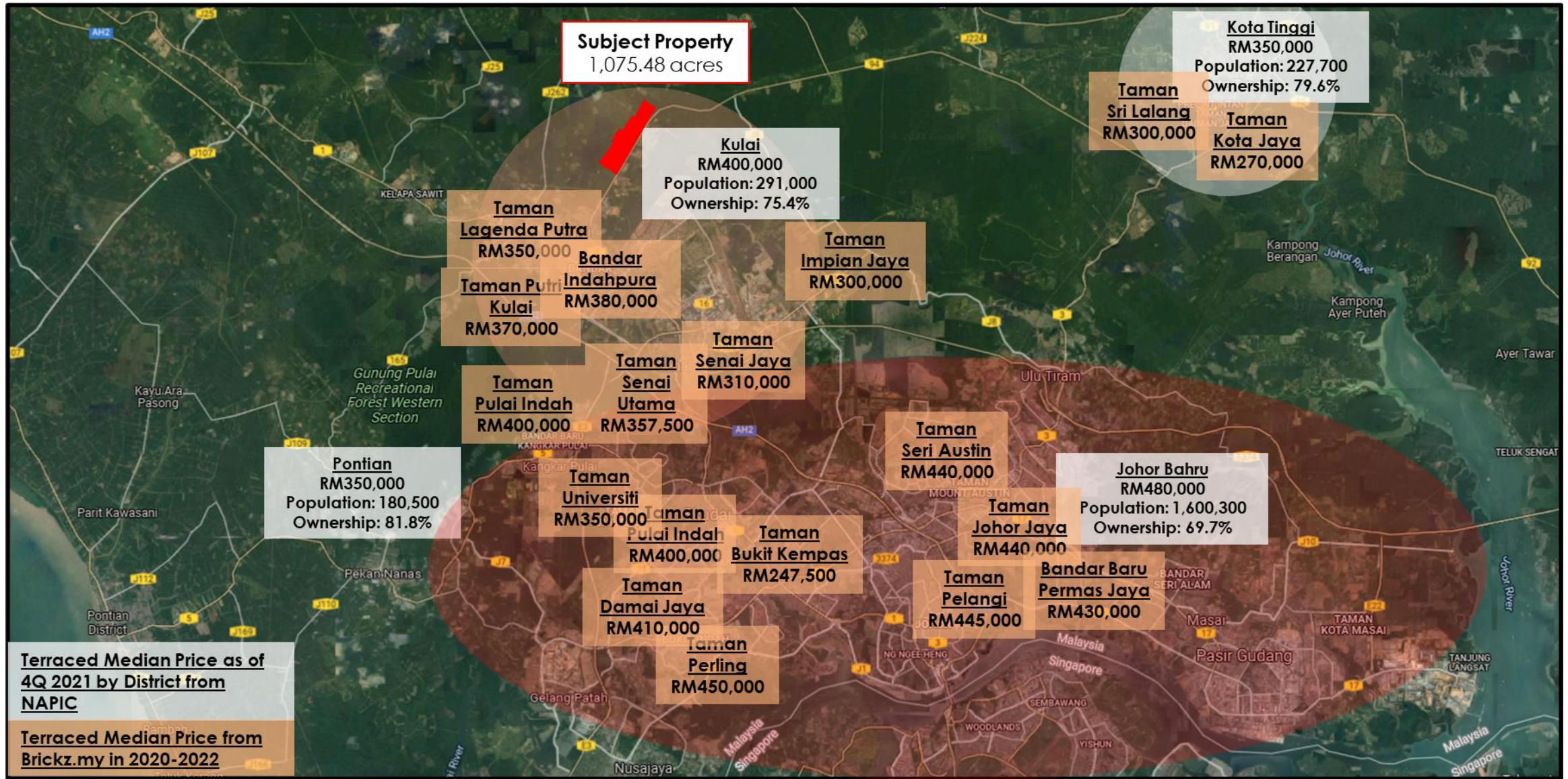
**75<sup>th</sup> Percentile: RM450,000**

**Median Terraced Price in Kulai, Johor: RM380,000**

**25<sup>th</sup> Percentile: RM280,000**

# OVERVIEW OF JOHOR HOUSING MARKET – Surrounding Median Terraced Home Price

The overall median selling prices within the vicinity are well above RM300,000 per unit for a single storey terraced home



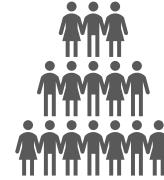
# RATIONALE & BENEFITS OF ACQUISITION

Acquiring the subject land with a strategic land location will allow Lagenda to tap into the sizeable market within a prime state to address the housing pain points and gain high profit margin, while fulfilling the commitment to nation building concurrently.



## Profit Margin

Large land size of over 1,000 acres will come with economies of scale that will provide better margins to Lagenda, just like the existing large townships - BBSAP & LTI.



## Sizeable Market

Over 197,000 of households in Johor do not own a house <sup>[1]</sup>, which is a sizeable target group for Lagenda to cater for.



## Strengthening Presence in a Prime State

In addition to Mersing, securing footing in Kulai will be a second city that Lagenda sets its presence in a prime state – Johor that has the highest GDP per capita in 2021 <sup>[2]</sup>.



## Addressing Housing Pain Points

High mismatch of over RM 98,000 <sup>[3]</sup> between the housing price and the affordability, coupled with the low supply of affordable housing, has made Johor a sweet spot for affordable township development.



## Strategic Land Location

The subject land in Kulai is in the vicinity of economically-happening areas, namely Senai International Airport, SAC Industrial Park, and Johor Bahru City Centre.



## Commitment in Nation Building

Housing affordability has become a socio-economic issue that is ubiquitous in Malaysia in that is specifically tackled by Lagenda.

Note:

1) Source: Household Income Statistics (2019), DOSM

2) Source: Gross Domestic Product (GDP) By State 2021, DOSM

3) Difference between the Johor 1H 2022 Median Housing Price from NAPIC and the B40 affordability that is computed as present value based on borrowings with the assumptions of 3.5% interest rate, 35 years tenure, 30% of Median Income in Johor at RM 3,677 as revealed in Household Income Statistics (2019), .



**DARULAMAN LAGENDA & ESG**

# DARULAMAN LAGENDA – Key Highlights of Phase 1

Our foray in Kedah is excellent as evidenced by the swift digestion of Phase 1, the strategic development partnership and the strong support from the local authorities.

## Swift Take-up Rate



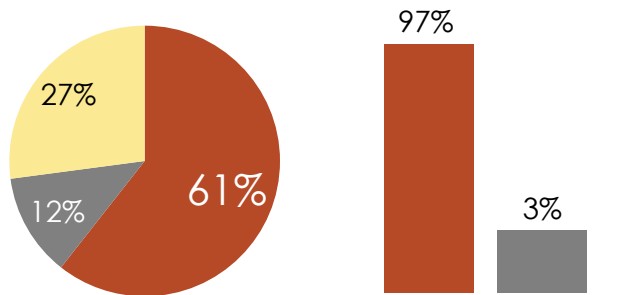
- **Take up rate:** 99.7%
- **Average conversion speed:** < 2 months
- **Average net selling price\*:** RM 220k

Note: \*Including the units with bigger land size

## Homebuyer's Profile



Government Servants	80%
Below 40 years old	94%



■ Kedah  
■ Bumi ■ Non-Bumi  
■ Pulau Pinang  
■ Others

## Lagenda x Inta Bina



- Intention: Preserve margin & improve Lagenda's products quality
- JV's Defined responsibilities – Lagenda only takes lead on costing, all other items is led by Inta Bina



- Higher land cost is not necessarily a negative.



- Importance of early communication with state authorities

## State Authority



- **Strong support** from the state government in providing comfortable homes.
- **Efficient discourse process** from state agencies and federal authorities for the project to be completed as scheduled.

## Surrounding Market



- One of the project within the area that is priced at **affordable range** for B40 and M40 income groups.
- **Prime location** that focuses on B40 and M40 income groups.



- Finding the balance between shareholder returns vs affordability is vital to Lagenda.



- Demand for affordable homes transcends state borders.

# ESG HIGHLIGHTS FY2022

## Sustainability Pillars

## Initiatives

### GOVERNANCE



#### BOARD INDEPENDENCE & DIVERSITY

- **Independent Non-executive Chairman** : Admiral Tan Sri Dato' Seri Panglima Dr. Ahmad Kamarulzaman Ahmad Badaruddin (Rtd)
- Appointment of Puan Myrzela binti Sabtu, former Chief Real Estate Officer Tabung Haji
- **Enhanced Female Board Membership: Two female directors or 33% female representation**

### ENVIRONMENTAL



#### COMMITMENTS TOWARDS ENVIRONMENTAL ISSUES

- **Policies Establishment**  
Biodiversity Policy, Climate Change Policy, and Environmental Policy
- **5R Waste Management Initiative**
- **Tree Planting Initiative**

#### 5R Waste Management: Recycling facilities



#### Tree Planting Initiative



### SOCIAL



#### DIVERSITY AND EQUAL OPPORTUNITY

- **Policies Establishment**  
Employment Policy and Human Right Policy, that aligned with ILO Core Conventions and Labour Standards

#### CONTRIBUTION TO SOCIETY

- **Community Garden**

#### Community Garden Initiative



#### Monthly Upskilling Programme for Local Community





# THANK YOU

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