

LBS POSTS SOLID Q3FYE2021 RESULTS

- *Total property sales (22 November 2021: RM1.10 billion) translates to 92% of 2021 sales target (RM1.2 billion)*
 - *20 on-going projects with a Gross Development Value of RM5.65 billion*
 - *Unbilled sales of RM2.17 billion*
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Petaling Jaya, 23 November 2021 – LBS Bina Group Berhad (“LBS” or the “Group”) today announced its third quarter results for the financial year ending 31 December 2021 (“Q3FYE21”).

For the quarter under review, LBS delivered a profit before tax of RM34.0 million and profit after tax of RM20.0 million, a quarter-on-quarter increase of 34.5% and 3.2% respectively. To add on, revenue and profit after tax and minority interest (“PATMI”) clocked in at RM254.0 million and RM18.1 million respectively, despite a quarter whereby sales and construction progress were impacted by COVID-19 related restrictions and the re-implementation of the Full Movement Control Order. The Group reported that development projects within the Klang Valley accounted for more than 81% of the Group’s revenue for the nine months ended 30 September 2021 (“9MFYE21”).

The nine months ended 30 September 2021, revenue and PATMI surged by 15.0% and 153.7% to RM922.4 million and RM60.0 million respectively, as compared to the corresponding period in 2020. The 9MFYE21 PATMI has surpassed 2020’s total PATMI of RM51.3 million. The increase was largely attributable to the positive take-up rates and steady construction progress of the Group’s ongoing development projects at KITA @ Cybersouth, LBS Alam Perdana, Alam Awana Industrial Park, Residensi Bintang Bukit Jalil and Cameron Centrum. LBS’ cash and cash equivalents for 9MFYE21 stood at RM197.4 million, an increase of 30.4% compared to 9MFYE20.

The Group further announced that it currently has 20 on-going development projects with an estimated Gross Development Value (“GDV”) of RM5.65 billion, land bank for future development of 2,794 acres with an estimated GDV of RM24.3 billion and unbilled sales of RM2.17 billion.

Commenting on the results, LBS Executive Chairman Tan Sri Lim Hock San said, “LBS has been able to sustain its earnings growth as a result of carefully planned launches and the team’s relentless effort to push forward with garnering sales and bookings despite the effects of the Covid-19 pandemic. We therefore have been rewarded with a profitable quarter and we hope to keep this going into the final turn of 2021.

As of 22 November 2021, we have secured RM1.10 billion in sales and total bookings in the pipeline of RM950.2 million. Against the bigger picture, we have achieved 92% of our 2021 sales target which is set at RM1.2 billion. This illustrates that we are building in the right areas and delivering affordable housing which satisfies the needs of the general public. As reported by the Housing Bureau Statistics, Malaysia still has a shortage of 1 million units of affordable residential housing. On the back of this, we recently launched Prestige Residence in Seri Kembangan and landed houses in Kita Mesra at KITA @ Cybersouth, whereby we have seen encouraging sales. We are also supportive of the Selangor state government’s plan to build 30,000 affordable homes in strategic locations by 2025. We are launching six Rumah Selangorku Idaman MBI projects which will be constructed using IBS precast concrete, and we hope to be able to work together with the Selangor State Government to build more affordable housing in Selangor in the future.

He added, “While the outlook for the property sector is expected to remain challenging, we are encouraged by Malaysia’s return to normalcy, having achieved over 90% vaccination rate among the adult population. Based on data released by the National Property Information Centre, there was an 18.5% increase in the number of transactions for properties below RM500,000 in the first half of 2021, compared to the corresponding period in 2020. This is a positive sign for the property sector, in particular for affordable housing, as it provides an optimistic view that the property market is on track for recovery.”

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