

Ipmuda Berhad Records Profit in Q3FY2021 *A turnaround during the pandemic*

KUALA LUMPUR, May 27, 2021 – Ipmuda Berhad recorded a turnaround in its performance with a profit after tax of RM107,000 for its third quarter ended 31 March 2021, a significant improvement compared to the RM 7.3 million loss after tax reported in the same period last year. Profit before tax (PBT) came in at RM18,000 compared to a loss before tax of RM7.2 million.

The quarter's profit, although modest, is significant to Ipmuda as it marks the turnaround of Ipmuda Berhad, which has not been profitable since 2015. This accomplishment under the stewardship of its new management team was primarily achieved through disciplined cost cutting measures, refocusing on a range of higher margin products, right-sizing of its corporate and financial structures as well as the optimisation of its assets and resources.

Jeffri Muhamad Yusup, Chief Executive Officer, said, "The management team has worked double time over these past three quarters to improve the Group's financial performance and to strengthen its capital in order to prepare the Group to undertake its diversification programmes. Key areas that we focused on included fiscal management in terms of strengthening debt management and most importantly, reducing operational cost. We are pleased to note that we have been able to turn the company around during this challenging time."

Revenue saw a 36% reduction to RM12.3 million compared to the prior year's corresponding quarter. This reduction is due to both, the impact of the COVID-19 pandemic on the construction and property development industries, coupled with the Group's strategic shift, to focus on high margin instead of high-volume low margin products.

For the nine-month period ended 31 March 2021, the Group posted a lower loss after tax of RM5.9 million, marking a 79.5% improvement from a loss of RM28.8 million in FY2020. The Group's loss before tax was also lower at RM6.0 million while revenue came in at RM24.7 million.

"We are pleased to record our return to profitability, having reported annual losses for the last five financial years. We are confident that this marks the beginning of a new era for Ipmuda. Moving forward, we will be firing on all cylinders to make progress on our strategy to diversify our business streams to include the Renewable Energy and Healthcare segments as well as to recalibrate the allocation of our assets and resources," Jeffri concluded.

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