

Positive news. Unbilled sales RM650 million and RM612 million new projects ready for launch in FY21

There's many not-so-positive news about the property market. How about a dose of positive news from a property developer, Glomac Berhad which I think could represent some of the medium sized developers listed developers in the market. Glomac was established 32 years ago in 1998. Happy reading.

Press Release: Glomac Closes FY20 with Sales Of RM385m and Unbilled Sales Surges to RM650m

- New sales driven by 121 Residences and existing townships

- Unbilled sales surged to RM650 million, an increase of 37%

- Ready to launch RM612 million new projects in FY21

Glomac Berhad ('Glomac' or 'the Group') today announced its unaudited results for the financial year ended 30 April 2020 ("FY20").

In FY20, Glomac reported a revenue of RM245.8 million, mainly driven by steady construction progress from ongoing phases at Saujana Perdana and Saujana Rawang, as well as Plaza@Kelana Jaya. The Group's net profit* rose to RM37.2 million from RM14.7 million achieved in FY19 before adjusting for RM24.6 million fair value loss on investment properties.

As at 30 April 2020, Glomac's cash position increased to RM176.6 million whilst net gearing decreased to 0.28x against shareholders' funds of RM1.1 billion. Net assets per share attributable to ordinary equity holders of the Company amounted to RM1.42. In respect of FY20, the Board proposed a final single tier dividend of 1.0 sen per ordinary share subject to shareholders' approval at the forthcoming Annual General Meeting.

During the year, the Group achieved new sales of RM385 million, an increase of 19% as compared to FY19. The improvement in sales performance was mainly driven by the success of 121 Residences serviced apartments and affordable landed residential phases at Saujana Perdana.

The commendable sales and financial performance during FY20 were achieved due to the **favorable product mix and strength of Glomac's development**, which are strategically targeted at the affordable and mid-market segments.

Ongoing phases in Glomac's development projects, such as Lakeside Residences and Saujana Perdana, have continued to be well taken up. The Group's **high-rise residential product offerings such as Plaza@Kelana Jaya and 121 Residences were launched with much success and were very well received by the market.**

Looking forward to the coming year, Glomac's **performance is expected to sustain**, backed by **unbilled sales of RM650 million** and RM612 million new projects ready for launch in FY21. The new launches comprise strong mix of affordable high rise like GreenTec Puchong and landed residential projects at Saujana Perdana in Sungai Buloh and Saujana KLIA in Sepang.

On the macro front, the property market is likely to remain challenging as the Group recovers from the negative economic uncertainties brought on by the Covid-19 pandemic and its ensuing Movement Control Orders ('MCO'). However, **the easing of the MCO and lower interest rate environment coupled with the reintroduction of the Home Ownership Campaign ('HOC') and Real Property Gains Tax ('RPGT') waiver** are likely to spur the primary and secondary housing markets in the coming quarters.

With the advent of MCO, Glomac has put in place more **aggressive marketing strategies, especially in the digital sphere**. Acknowledging the effectiveness of digital marketing especially amongst Glomac's target audience, the Group **will push for a greater digital presence of the Glomac brand and develop it as one of the key marketing avenues going forward**. We will also continue to look at further enhancing customer experience via various campaigns and offerings.

Over the longer term, Glomac will continue to pace its new launches strategically, leveraging on a strong development portfolio with a potential estimated GDV of RM8 billion that will sustain the Group for the coming years.

**profit attributable to the owners of the Company* The strong sales performance during the year boosted unbilled sales to RM650 million as at 30 April 2020, a 37% increase from RM476 million in FY19.

— end of press release —

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