

PRESS RELEASE

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IKHMAS JAYA REPORTS RECORD BREAKING QUARTERLY EARNINGS OF RM11.3 MILLION

PETALING JAYA, 29 NOVEMBER 2017 – IKHMAS JAYA GROUP BERHAD (“Ikhmas Jaya” or “the Group”) today announced its 3rd quarter results ended 30 September 2017 for the financial year ending 31 December 2017 (“Q3FYE2017”) as follows: -

3rd Quarter 2017 vs 3rd Quarter 2016

	Q3 FYE2017 (RM)	Q3 FYE2016 (RM)	%Change
Revenue	60.6million	50.8 million	↑ 19.3%
Earnings Before Interest, Tax, Depreciation and Amortisation (“EBITDA”)	17.1 million	5.9 million	↑ >100.0%
Profit Before Tax (“PBT”)	13.4 million	0.6 million	↑ >100.0%
Profit After Tax (“PAT”)	11.1 million	0.1 million	↑ >100.0%
Profit Attributable to the Owners of the Company (“PATAMI”)	11.3 million	0.2 million	↑ >100.0%

Cumulative 9 Months ended Q3 FYE 2017 vs Cumulative 9 months ended Q3 FYE 2016

	3Q FYE2017 (RM)	3Q FYE2016 (RM)	%Change
Revenue	185.1 million	164.4 million	↑ 12.6%
EBITDA	24.9 million	28.1 million	↓ 11.4%
PBT	16.3 million	13.0 million	↑ 25.4%
PAT	11.8 million	9.3 million	↑ 26.9%
PATAMI	12.2 million	9.7 million	↑ 25.8%

During the quarter under review, the increase in the Group’s revenue was contributed by the increase in its overall construction activities, particularly from 2 major key projects. The significant increase in PBT and PAT was due to one major key project which has an above average industry margin entering into the acceleration phase; thus, giving a stronger earnings accretion to the group.

Besides that, the disposal gains due to replacement cycle of fixed assets and interest income also contributed to the total PBT and PAT. After stripping off these income, the Group’s core PBT and PAT still came in at a commendable RM5.3 million and RM5.0 million respectively

which is higher than last year's Q3 FYE 2016's PBT and PAT by RM4.7 million (>100.0%) and RM4.9 million (>100.0%) respectively.

The Group's balance sheet remains resilient with a current working capital ratio (i.e. current assets/current liabilities) of 1.4 times and a net gearing ratio of 0.25 times. The total outstanding order book is approximately RM700 million which will contribute to the Group's earnings visibility over the next two to three years.

The Group's **Managing Director, Dato' Ang Cheng Siong** remarked, "We are very pleased to announce our strongest quarterly results thus far despite the setbacks from our performance for the first half of 2017 which was due to most of our projects not being in the acceleration phase and rise in costs of raw materials, labour, transport and fuel prices.

Moving forward, the Group is cautiously optimistic of its growth as all our projects have taken off and we anticipate a better outlook for our financial performance within the next twelve months. In addition, the Group has implemented stringent cost control measures to enhance its efficiency. Therefore, barring any unforeseen circumstances, the Group anticipates a better financial outlook within the next twelve (12) months."

About Ikhmas Jaya Group Berhad

Ikhmas Jaya Group Berhad is principally involved in the engineering and construction of piling and foundation, bridges and buildings. Since the Group's establishment, Ikhmas has accumulated an extensive track record with a portfolio of completed projects for both the public and private sector.

Ikhmas is highly recognised in the industry for its diverse expertise and experiences across multiple disciplines of engineering and construction, and have been involved in a number of high-profile projects including our award winning Prai Swing Bridge, the Klang Valley MRT Kajang Line, Kelana Jaya LRT Extension Line, Paradigm Mall, KL Eco City and four major bridges in Putrajaya such as the Putra Bridge. Armed with its own in-house design and engineering professionals, Ikhmas is a competitive and formidable participant in the industry as a total-multi-skilled solutions provider with a competitive edge and versatility to secure projects.

Issued by: Imej Jiwa Communications Sdn Bhd on behalf of Ikhmas Jaya Group Bhd

For more information, please contact:

Jason Chiew

Mobile: [+6017 980 4293](tel:+60179804293)

Email: jason@imejjiwa.com