



10TH ANNUAL GENERAL MEETING PERFORMANCE OVERVIEW AND OUTLOOK

FYE 31st March 2021

AYS Ventures Berhad

AYS VISION

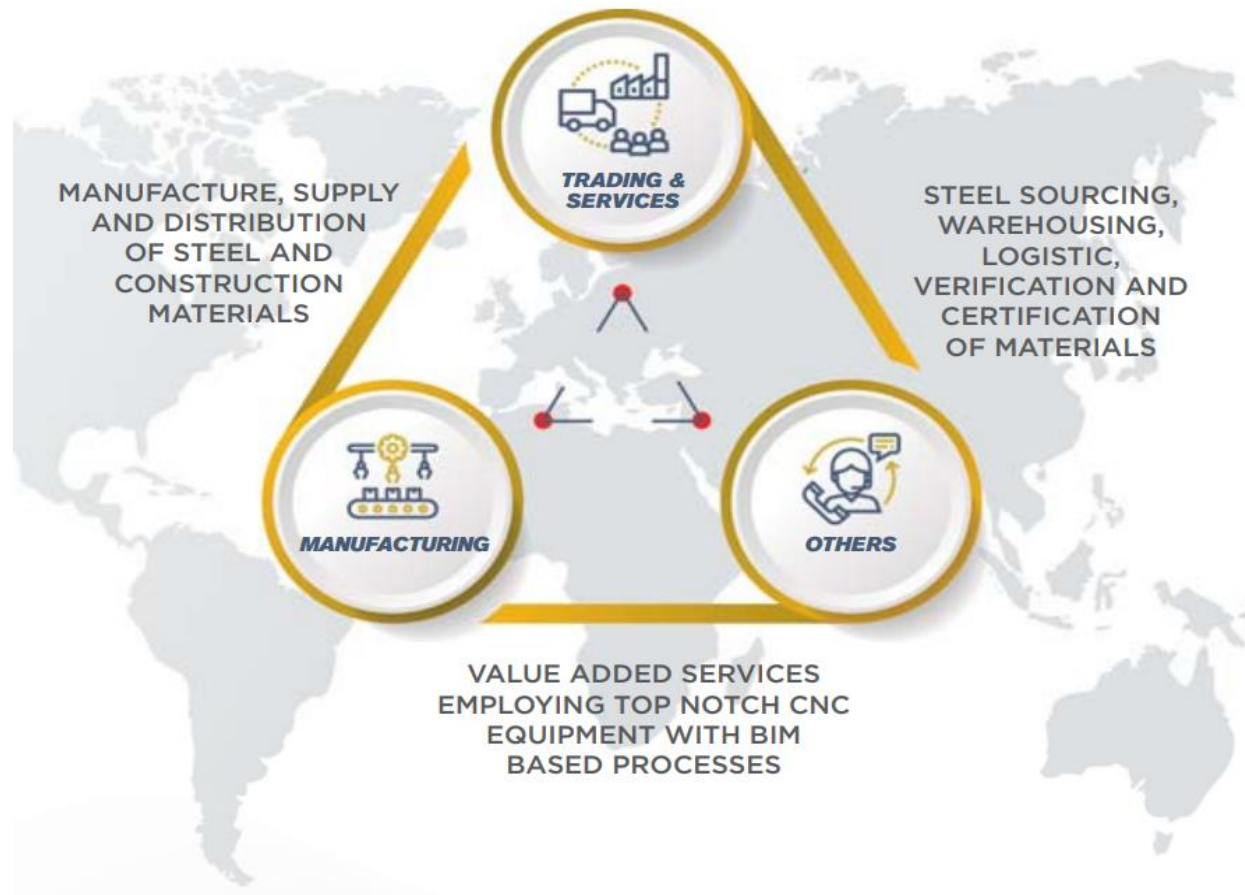
To excel as a regional strategic steel distribution hub catering to the needs of the engineering, fabrication and construction industries

Mission

- Total solutions in quality products & services
- Broaden product range & value add
- Good corporate social responsibilities
- Reward stakeholders

Values & Principles

- Serving customer needs
- Cost effectiveness
- Increase market share
- Teamwork
- Maximise Resources



One Stop Steel Solutions Provider

All steel construction needs under one roof & be cost and time efficient.

Manufacturing, Supply & Distribution of Steel & Construction Materials

- Full range stockholding on Structural Steel
- Manufacturing of Steel Purlins
- Strong networks of suppliers & customers



Value Added Services

- Dedicated 3D BIM office
- Steel Service Centre
- Project management
- Steel storage
- Testing and verification

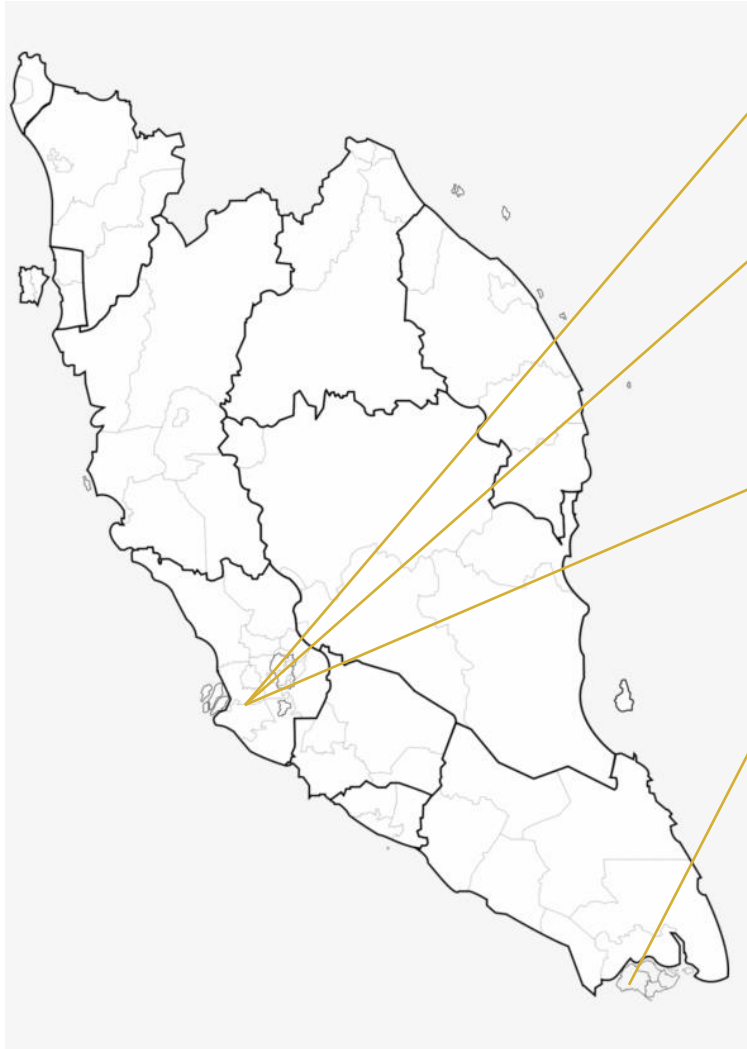


Delivery to Site & Installation

- Transport and logistic services
- Steel Erection & Project Management



Snapshot - AYS operational locations



- 5.1 acres Corporate HQ & Warehouse in Meru, Klang
- 9.3 acres of factory and warehousing space in Kapar, Klang
- 2.2 acres of warehousing space in Bukit Raja, Klang
- 1.6 acres of warehousing space and regional office Steelaris in Singapore
- Owns storage capacity of 120,000 metric tons currently

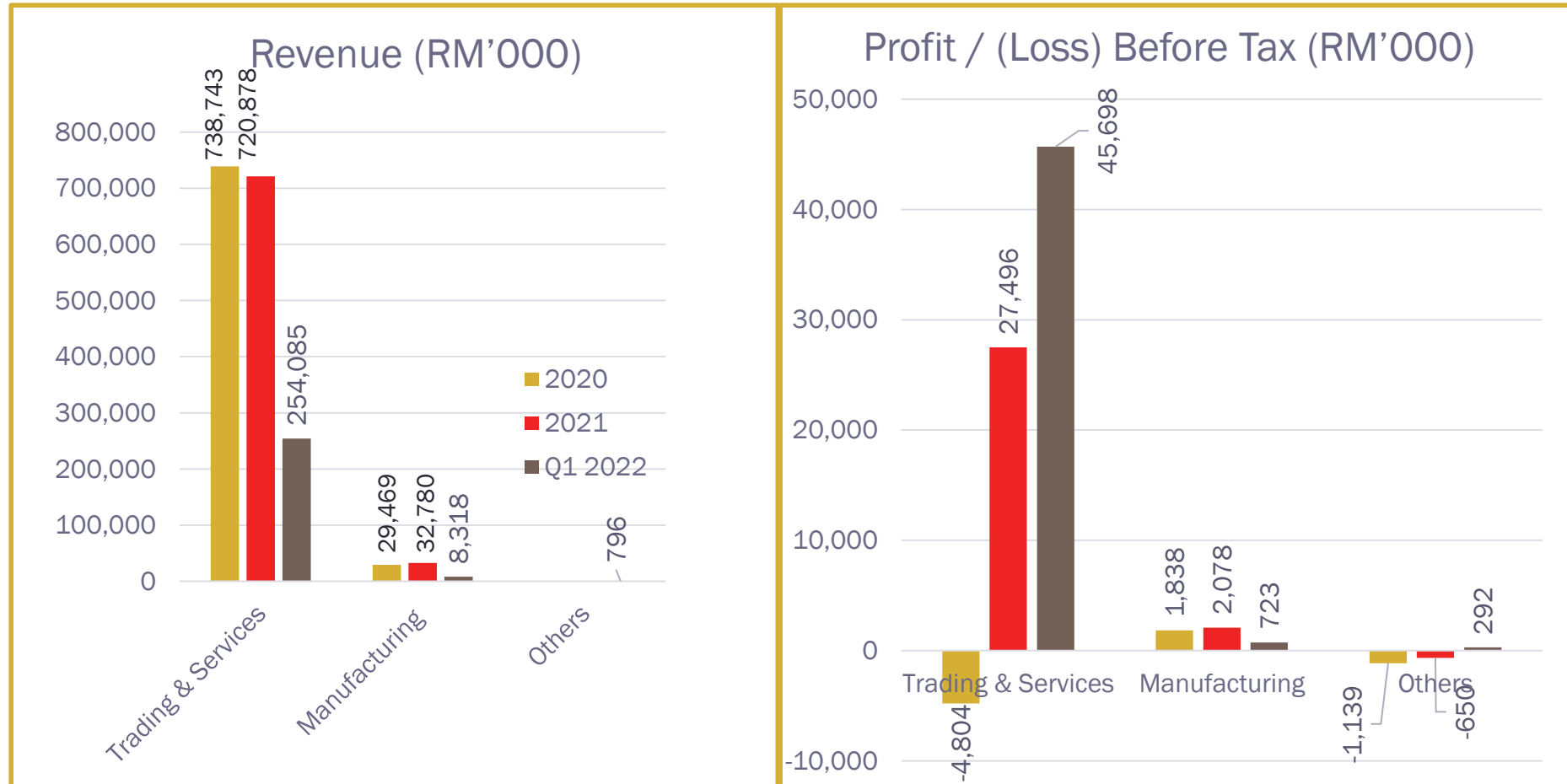
Key Financial Highlights

	FYE 2020	FYE 2021	Q1 FYE 2022
Revenue (RM'000)	768,212	753,658	263,199
Profit/(Loss) Before Tax (RM'000)	(7,781)	28,924	46,713
Profit/(Loss) After Tax (RM'000)	(9,123)	24,572	38,150
Earnings/(Loss) Per Share (sen)	(2.77)	5.00	8.50
Net Assets Per Share (RM)	0.68	0.73	0.81
Gross Gearing Ratio (times)	1.37	1.05	0.97

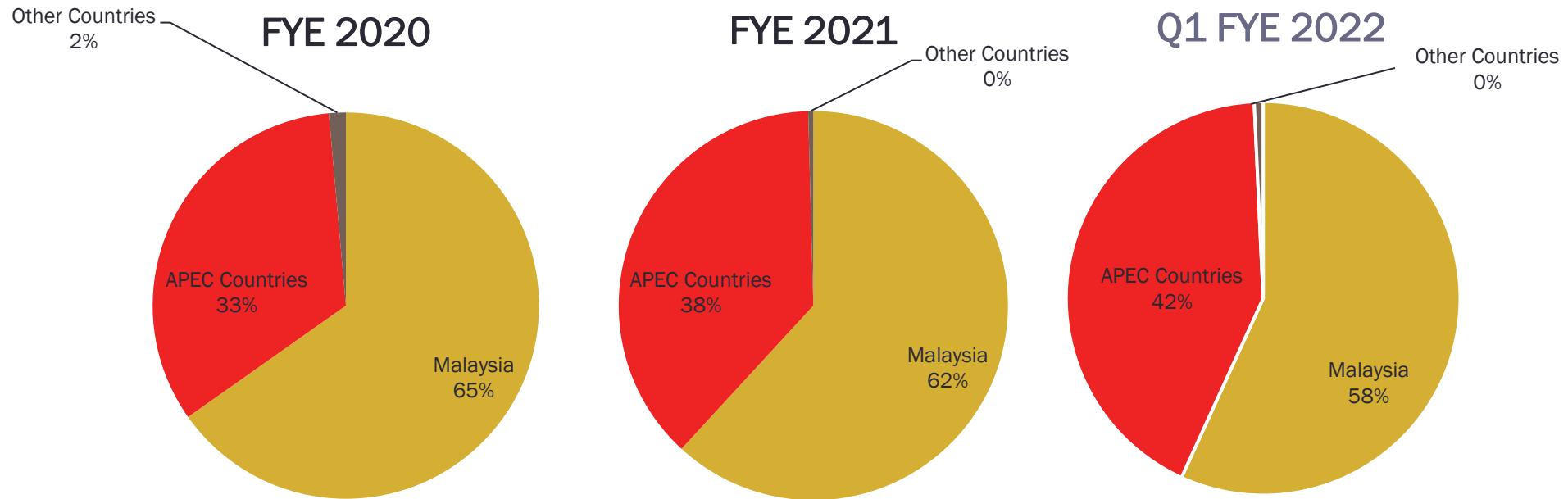
Balance Sheets

<u>(RM'000)</u>	<u>FYE 2020</u>	<u>FYE 2021</u>	<u>Q1</u> <u>FYE 2022</u>
Property Plant & Equipment	101,503	82,099	81,497
Investment Properties	30,368	43,878	43,878
Inventories	336,300	278,048	311,613
Trade receivables	219,162	238,639	259,419
Cash and Cash Equivalents	32,307	31,483	36,503
Borrowings	355,378	293,218	300,744
Trade payables	118,000	93,983	92,211
Total Equity	254,336	278,622	316,862

Segmental Analysis



Geographical Analysis



Group Revenue (RM' million)	FYE 2020	FYE 2021	Q1 FYE 2022
Malaysia	500.997	466.070	149.521
APEC Countries	256.367	284.403	111.757
Other Countries	10.848	3.185	1.921

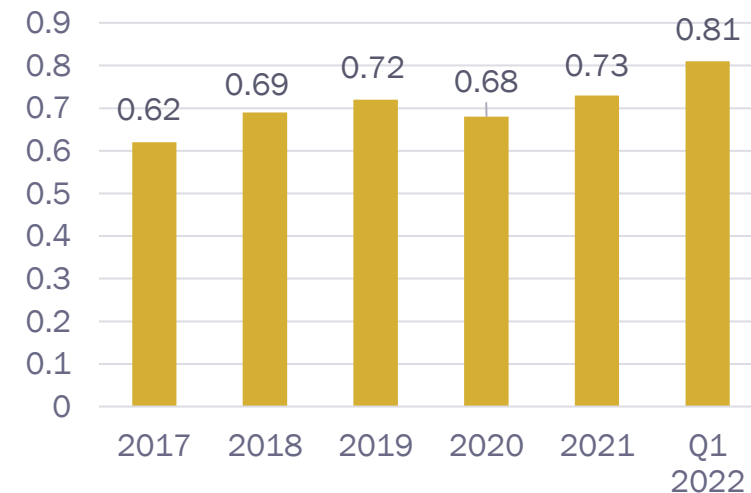
AYS Ventures' Investment Propositions

- Net Assets per Share:
RM0.73 as at 31.03.2021 and;
RM0.81 as at 30.06.2021.
- Earning per share:
5 sen for the FYE 2021 and;
8 sen for the financial period
ended in Q1 FYE 2022.
- P/E at 6.7 on 31.03.2021 and;
P/E at 6.9 on 30.08.2021.

Revenue (RM'000)



Net Assets Per share (RM)



Share Price Performance

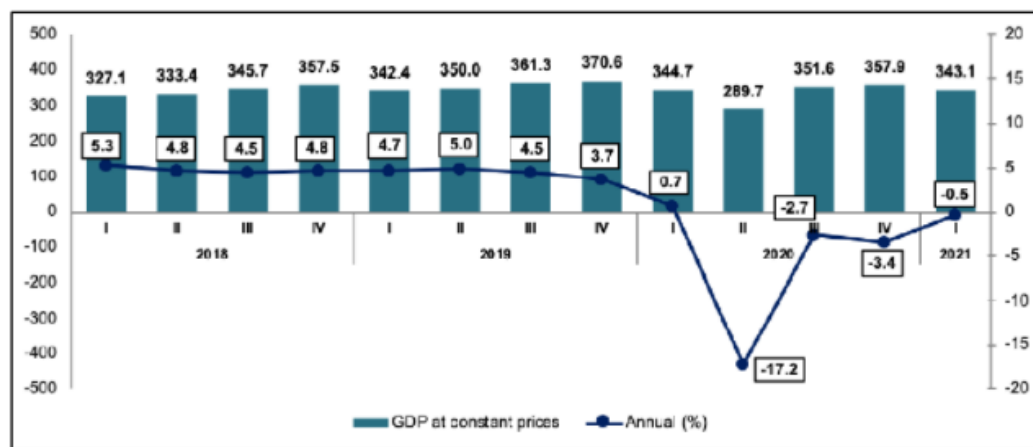


- Increase in trading volume in the Q3 FYE 2021
- Highest closing share price of RM0.595 from 01.04.2020 to 30.08.2021
- Closing share price at RM0.585 as at 30.08.2021

Economical Landscape

- COVID-19 restrictions has heavily impacted the economy and Malaysia & Singapore both saw contraction in GDPs in 2020.
- Forex & commodity prices have been very volatile due to political and global economic factors.
- Lockdown measures has impacted the company's performance in Q1 & Q2 of FYE 2021.

Chart 1: GDP (RM Billion) and Annual Percentage Change (%)



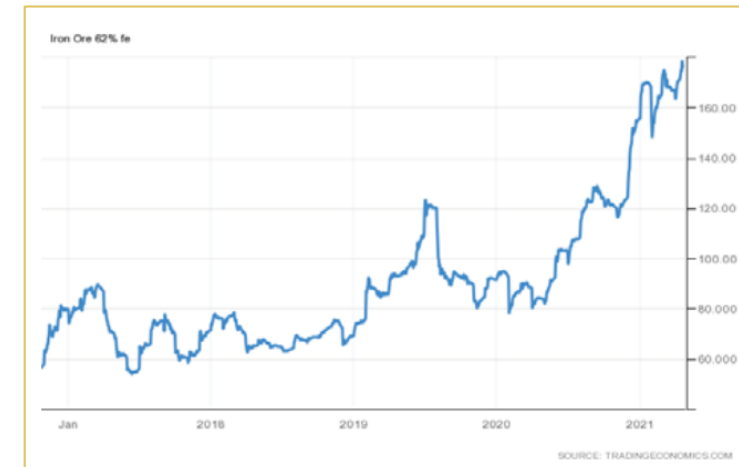
Source: Department of Statistics Malaysia



Steel Price Surged Globally

- Increased global demand due to post-pandemic recovery especially from infrastructure spending in many countries.
- Capacity & production reduction from China's carbon emission policy.
- Increased in freight costs globally
- Iron ore and scrap price hiked driven by demand-pull factor & reduced supply situation

Iron ore price, 2017 - 2021



Other Events

- Disposal of investment properties - 2 pieces of freehold industrial land in Klang for RM13m.
- Cessation of lossmaking pressed steel and fibre reinforced polyester sectional water tanks manufacturing business subsequent to a Group restructuring exercise.
- Change of business model of AYS (FZ) SB's business operations from warehousing to property management.
- Enter into S&P agreement for acquisition of a piece of 23.51 acres freehold land in Kapar, Klang – “Warehouse Rationalisation Programme”.

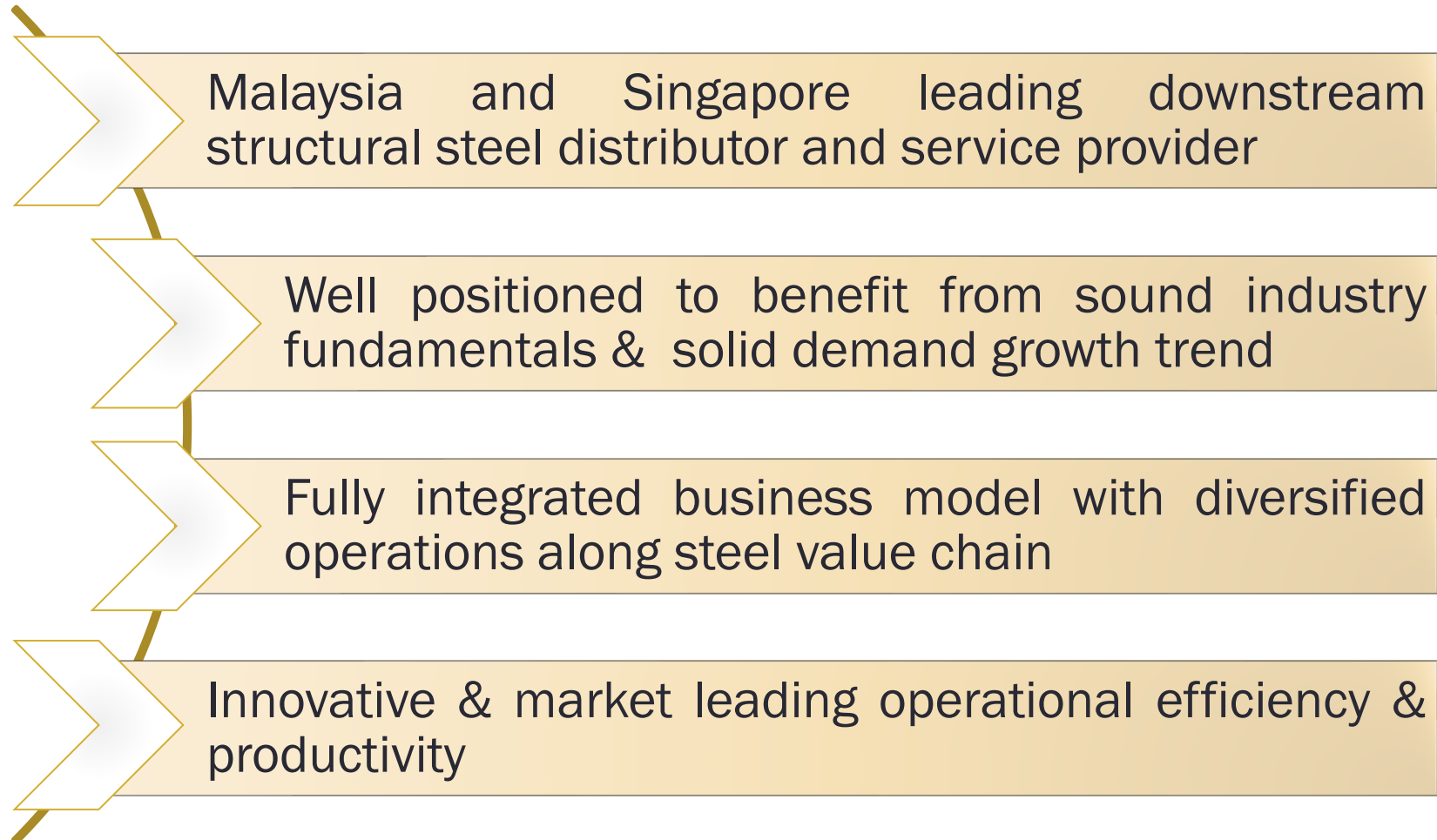
Key Strategies Moving Forward

Business Growth Proposition	Business Enhancement Proposition
<ul style="list-style-type: none">• Regionalisation Distribution & supply chain strategy to serve and expand customer base in the APAC region.• Value-Added businesses Driving market adaptation of “One Stop Steel Solutions” initiative & further exploration in more value-adding businesses.	<ul style="list-style-type: none">• Operational Streamlining Maximising returns across the value chain and improving operating efficiency with integration and consolidation.• Digitalisation and Innovations To drive operational excellence via digitalisation and innovations.



Leveraging on our strengths, assets & partner network to drive Value Creation

AYS Competitive Edge



Well positioned to benefit from sound industry fundamentals & solid demand growth trend

- Structural steel market size show a positive growth during forecast timeframe amongst developing regions along with increased government expenditure on public infrastructure developments.
- The geographical locations that we are operating in are prime gateways to export to regional countries which are amongst the developing nations.
- Malaysia & Singapore alone is also receiving influx of foreign direct investments which we are positioned to benefit from.
- Emerging private sector development firms around the region should also offer positive market growth rate in line with market trends on flexibility, efficiency and sustainability.

Economical Outlook

- Many countries worldwide are entering into post-pandemic recovery as vaccination speeds up.
- The recovery of the Malaysian economy remains challenging as Malaysia continues to grapple with its growing third wave of COVID-19.
- Full-year GDP growth forecast for Malaysia is estimated between 3% and 4% in 2021.
- Infrastructure remains as a pivotal role in developing economic growth, a strong public action in boosting demand and often touted as excellent method of fiscal stimulus.

Steel Industry Outlook

- Global steel demand is expected to grow by 5.8% in 2021 and by a further 2.7% in 2022.
- Steel prices are expected to remain high by analyst, at least for the rest of 2021.
- Domestic market is currently sluggish due to resurgence of Covid-19 and subdued construction activities.
- Malaysia's construction sector is expected to be driven by acceleration and revival of major infrastructure projects.
- Performance leverage with Steelaris Pte Ltd as Singapore enters post-pandemic recovery stages.

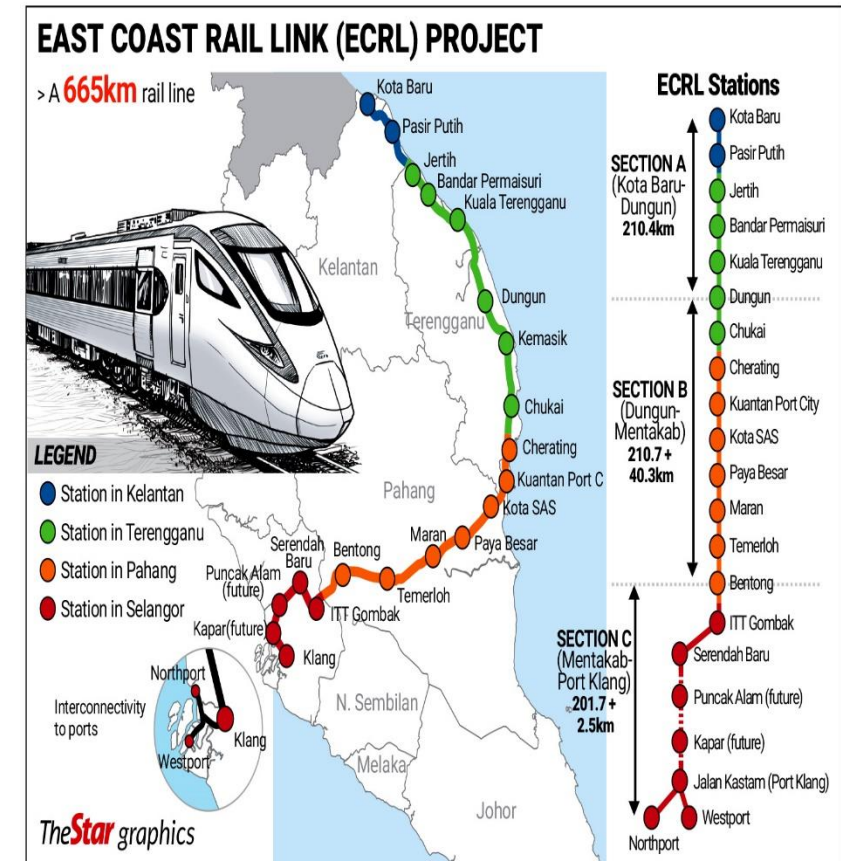
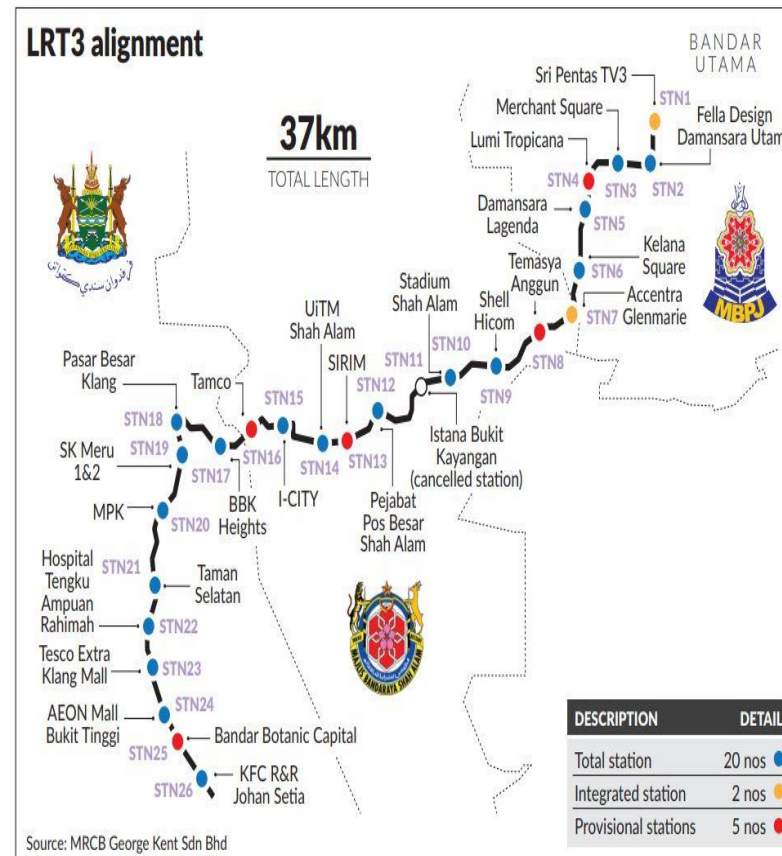
Landmark Project References in Malaysia

- KLCC Lot L & M
- Merdeka 118
- IBN Bukit Bintang
- LRT
- MRT
- ECRL
- Double tracks
- Foreign investment industrial projects



Infrastructure Projects

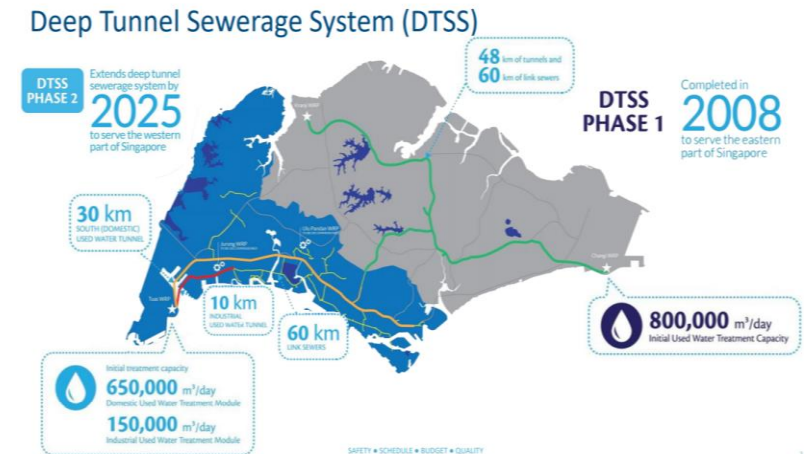
RM15 billion allocations in Budget 2021 to earmark for Mega Infrastructure projects.



Key Project References - Singapore

In 2021, construction projects are projected to grow between SGD23bil to SGD28bil.

- Greater Southern Waterfront (GSW)
- PUB Tuas Waste Rec Plant (TWRP)
- North South Corridor (NSC) 2026
- Tuas Port Mega Dockyard
- Jurong East Integrated Transport Hub
- Changi East Depot
- JB – SG RTS Link
- Labrador Park Substation – Singapore Power
- Global Foundries – SGD5 Billion Wafer Fab
- Liang Court Redevelopment China Con



Tuas Port to be world's largest fully automated terminal when completed in 2040

By Davina Tham

06 Apr 2021 06:16PM
(Updated: 06 Apr 2021 10:35PM)



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STEELARIS
Steelaris Pte Ltd



Singapore

SP Group building Southeast Asia's first large-scale underground substation





THE STRAITS TIMES

BUSINESS

Liang Court site in Clarke Quay to be turned into mixed-use development with 700 apartments



North-South Corridor



The North South Corridor (NSC) will be Singapore's longest Transit Priority Corridor, featuring dedicated bus lanes, cycling trunk routes and pedestrian paths, to serve public bus commuters, active mobility users and pedestrians. Once completed, it will directly connect the Northern region and the city centre. All civil contracts for the construction of the tunnels and viaducts have been awarded and construction is currently underway.

12 May 2021 03:05PM
(Updated: 12 May 2021 03:10PM)

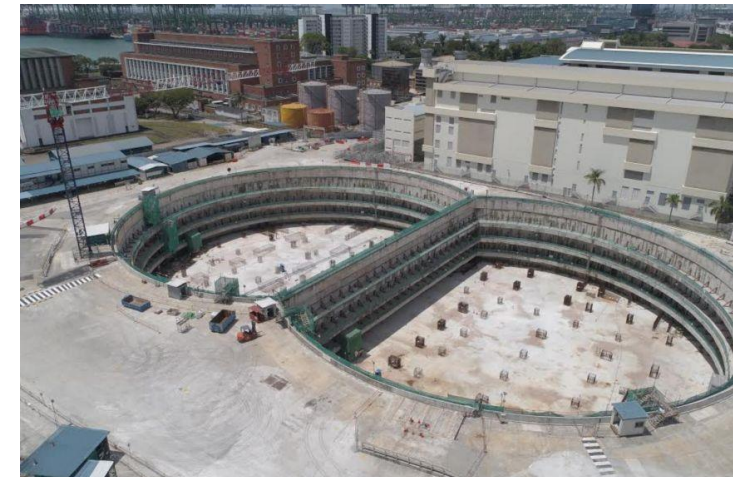


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Singapore

S\$320 million in contracts awarded for works on Johor Bahru-Singapore RTS Link



AYS TEAM sailing it through

- The Board is mindful that the Group may continue to face challenges and will continue to remain vigilant and steadfast, to take proactive steps to improve revenue and implement cost containment measures while strengthening its operational and productivity efficiencies.
- The Group will continue to leverage on technology and digitalisation to improve operations, to provide insight to sharpen the market execution and gain competitive advantage.
- For managing through the pandemic, the management will continue to put the management plans in place that addresses customers, suppliers, employees, finance management and supply chain to meet the Group's strategic goals.



THANK YOU

AYS Ventures Berhad

1 September 2021