

# Plenitude to remain cost-conscious to sustain financial position: chairman Elsie Chua

By [Sharen Kaur](#) - November 9, 2023 @ 2:46pm



KUALA LUMPUR: Plenitude Bhd will remain cost-conscious and focused on profitability in order to maintain a strong financial position while ensuring long-term business operations.

Plenitude chairman Elsie Chua said despite its encouraging financial year 2023 results, Plenitude acknowledged the prevailing global challenges and sluggish domestic economic landscape.

This includes ongoing concerns over the inflation rate, escalating construction expenses, labour shortages, geopolitical tensions and heightened volatility in financial markets.

Besides property development, the company will continue to expand its hospitality portfolio in the future.

"Acquisition of hotels in strategic locations can provide us with shielding against inflation and increased operational profit. This is evident in our recent acquisitions, including a four-star beach resort in Langkawi and a 13-storey hotel in Seoul, South Korea," Chua said in a statement after its shareholders meeting on Thursday.

Plenitude posted RM361.7 million revenue for the year ended June 30, 2023 (FY2023) as a result of strong landed property sales and higher occupancy and average room rates at its hotels.

Its pre-tax profit jumped 39 per cent to RM58.6 million, up from RM42.3 million in FY2022.

The property development division remained the primary driver, accounting for 60 per cent or RM219 millions of total revenue.

Taman Desa Tebrau in Johor Bahru demonstrated its critical role in the company's financial performance, contributing 55 per cent or RM120 million, to the total revenue of the property division.

The higher contribution was primarily driven by a combination of completed unit sales and ongoing construction projects, such as the recently launched Phase 1 Magnolia, double-storey terraced houses at Impian Hills, Ulu Tiram Johor, which contributed four per cent or RM9.6 million, in the third quarter of 2023 (3Q 2023).

The company is confident and committed to bringing more successful projects and developments to the northern, central, and southern regions, based on its over 20 years of experience in the property development industry.

"With a current land bank spanning about 1,127 acres, we are enthusiastic about sustaining this growth momentum," Chua said.

The hospitality division generated RM136.9 million in revenue, with the remaining RM5.8 million coming from rental income from property investments and dividends received from investments in quoted equity securities.

Chua said revenue in the hotel division increased threefold from RM47.5 million in FY2022 to RM136.9 million in FY2023.

The hotel revenue was evenly distributed across key West Malaysian cities as well as its overseas holdings in Seoul, South Korea and Osaka, Japan.

The company's four Penang hotels contributed 40 per cent of hotel revenue, while three Kuala Lumpur properties contributed 30 per cent.

The remaining 30 per cent was split between Travelodge Ipoh in Perak, Travelodge Myeongdong Euljiro in Seoul, and Travelodge Honmachi Osaka in Osaka.

"The outstanding performance within our hotel division is contributed by increased tourism activities, especially in key tourist destinations in major cities across the region," Chua said.