

# UNAUDITED RESULTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

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**Disclaimer:**

The contents of this presentation include materials which may be capable of being interpreted as forward-looking statements. Such statements are merely estimates and targets, based on circumstances and reasonable assumptions which apply only at the date of such statements. Accordingly, no reliance should be placed on any forward-looking statements, express or implied, contained in this presentation.



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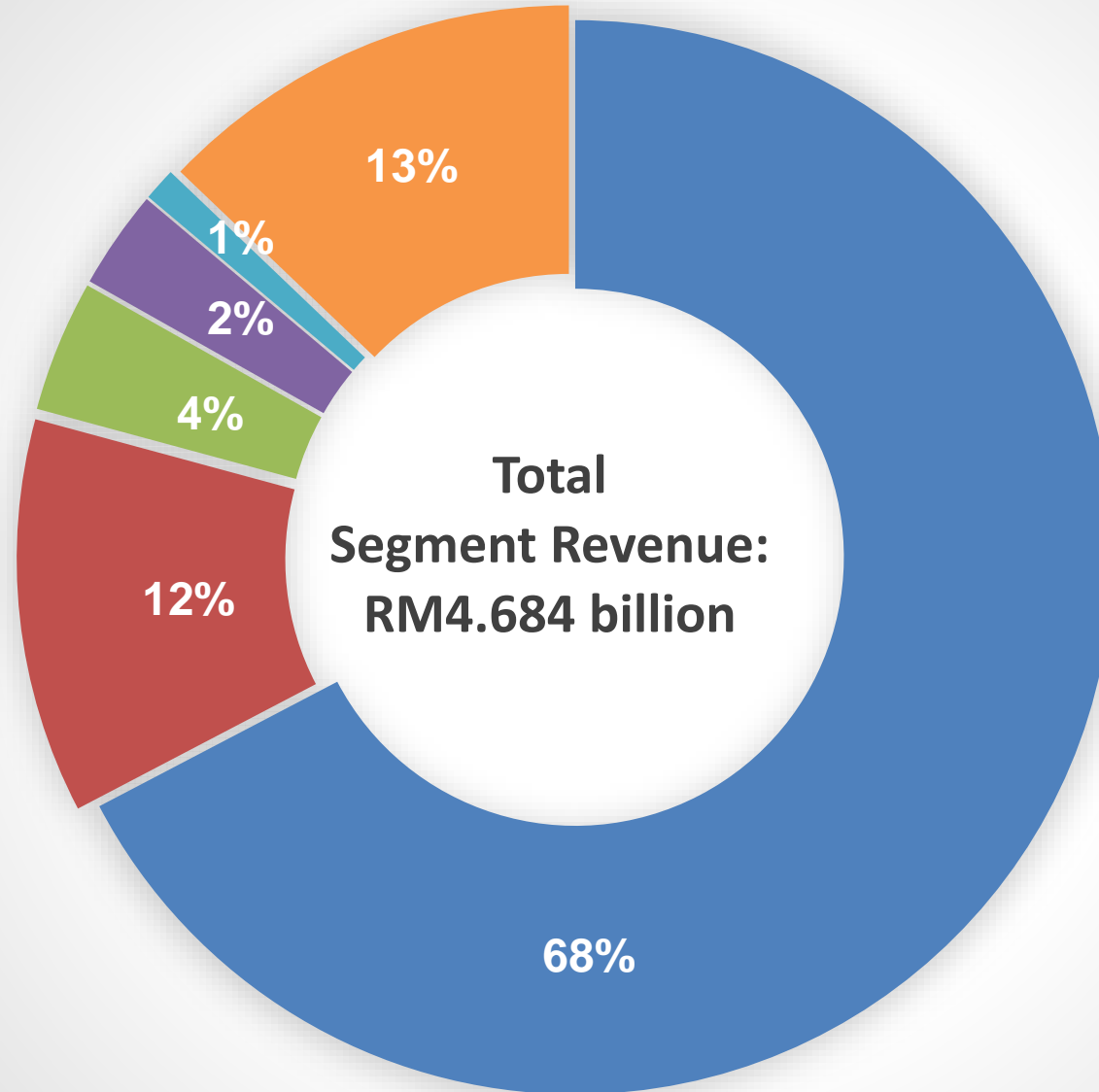
# GROUP FINANCIAL HIGHLIGHTS

# FINANCIAL RESULTS

FOR THE YEAR ENDED 31 DEC 2019

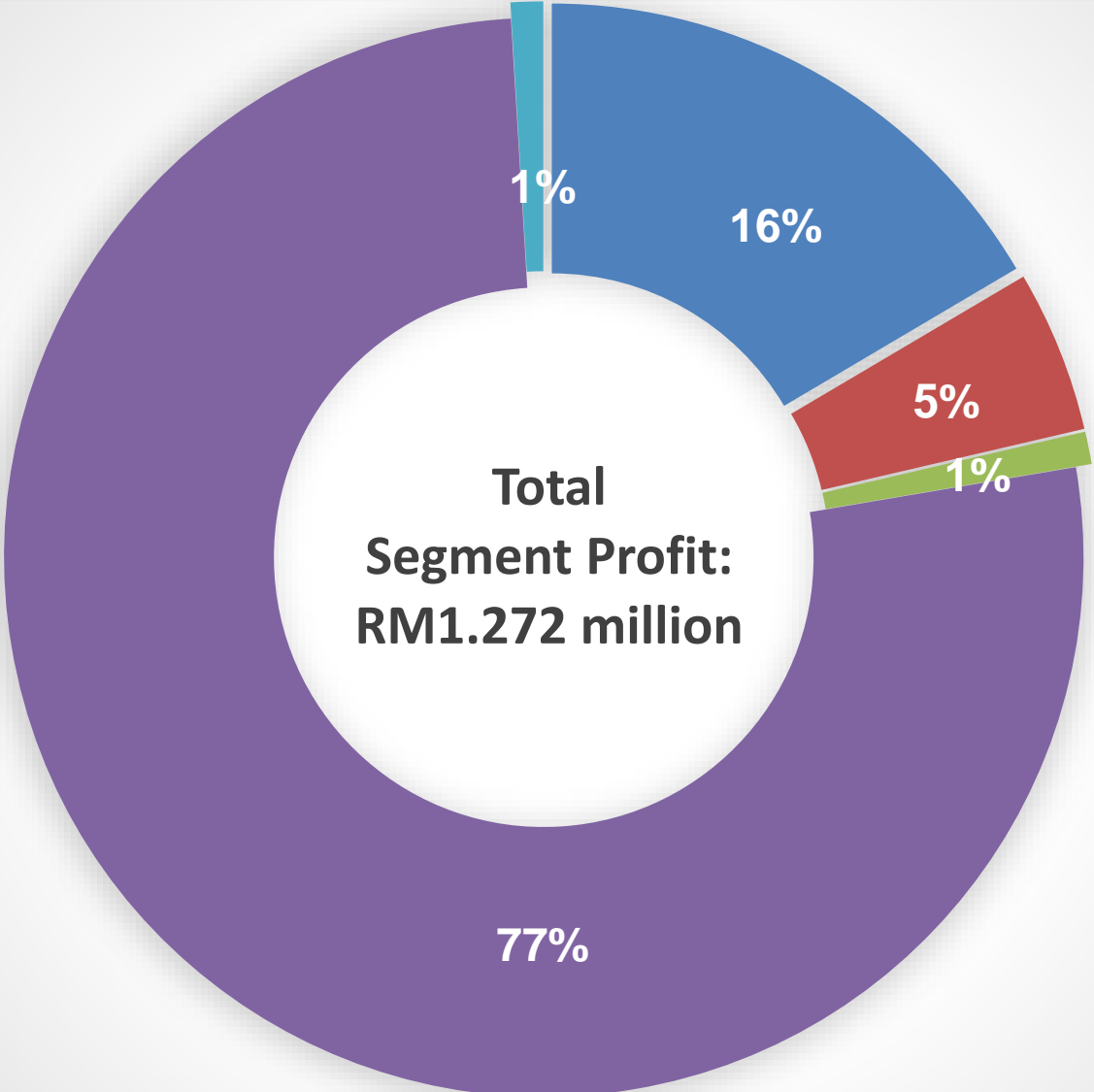
<b>(Figures in RM)</b>	<b>2019</b>	<b>2018</b>	<b>Change</b>
Revenue	<b>4.68 bil</b>	4.53 bil	3%
Operating Expenses	<b>4.48 bil</b>	4.35 bil	3%
Share of Wilmar's Profit	<b>0.96 bil</b>	0.84 bil	15%
PBT	<b>1.27 bil</b>	1.17 bil	9%
Profit attributable to owners of the parent	<b>1.20 bil</b>	1.10 bil	7%
EPS	<b>81.02 sen</b>	75.57 sen	7%

# SEGMENTAL INFORMATION FOR THE YEAR ENDED 31 DEC 2019



- Grains & Agribusiness
- Film Exhibition & Distribution
- Environmental Engineering & Utilities
- Investments & Other Operations
- Property
- Consumer Products

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PPB GROUP BERHAD

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# REVIEW OF MAJOR OPERATIONS

- Financial Performance**
- Key Events in 2019**
- Developments in 2020**

# FINANCIAL PERFORMANCE

**+ 5%**

**Revenue**

FY19 RM3.30 bil

FY18 RM3.15 bil

**+17%**

**Segment Profit**

FY19 RM213 mil

FY18 RM183 mil

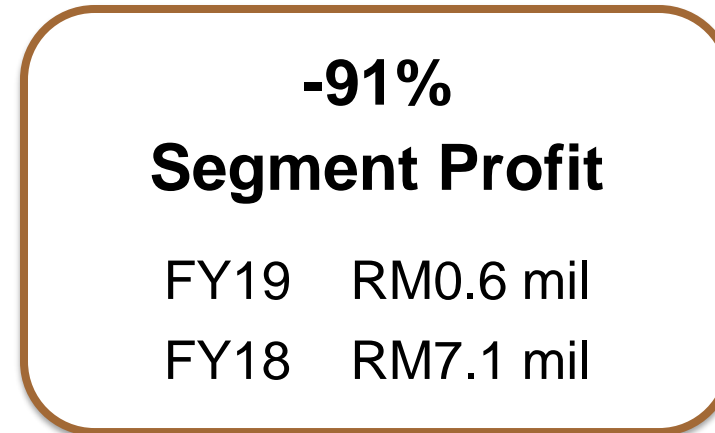
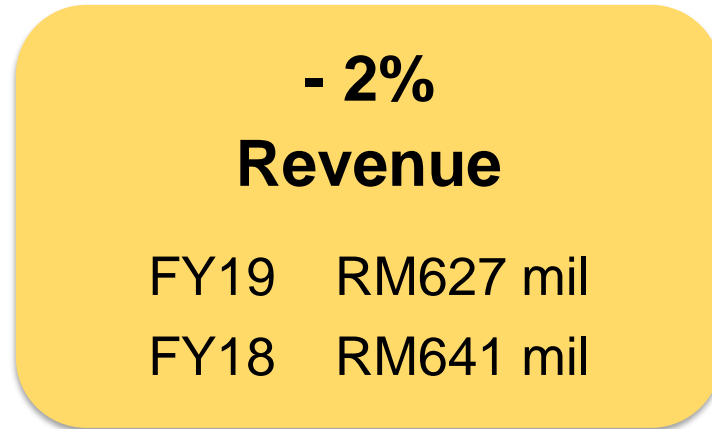
- Segment revenue increased mainly attributable to higher contribution from the flour business.
- Improved segment profit due to higher flour prices, partially offset by higher raw material costs.

# KEY EVENTS IN 2019

- FFM Berhad has been recognised as a “White List” company by the Selangor Islamic Religious Department (JAIS) for 2019.
- FFM (Sabah) Sdn Bhd has been accredited ISO22000:2018 compliant by World Certification Services (WCS) for “Manufacturing (material preparation, pre-mixing, mixing, pelleting, crumbling) of animal feeds for live stocks (chicken, duck, goat, dairy cattle and swine, etc), packed in bags or bulk”.



# FINANCIAL PERFORMANCE



- Segment profit was lower mainly due to lower sales of in-house products and higher operating costs at the bakery division.

# KEY EVENTS IN 2019

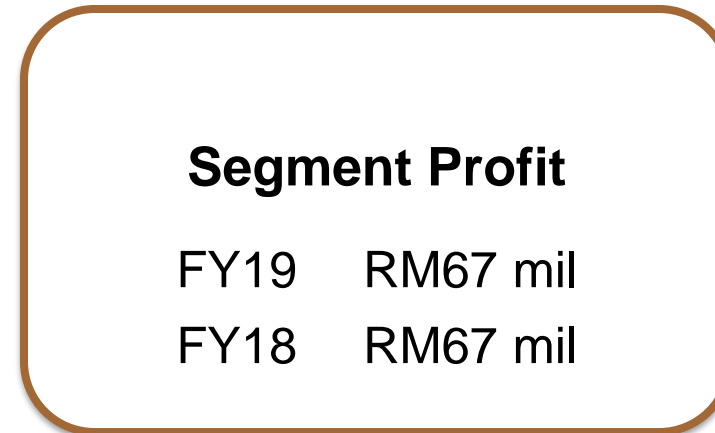
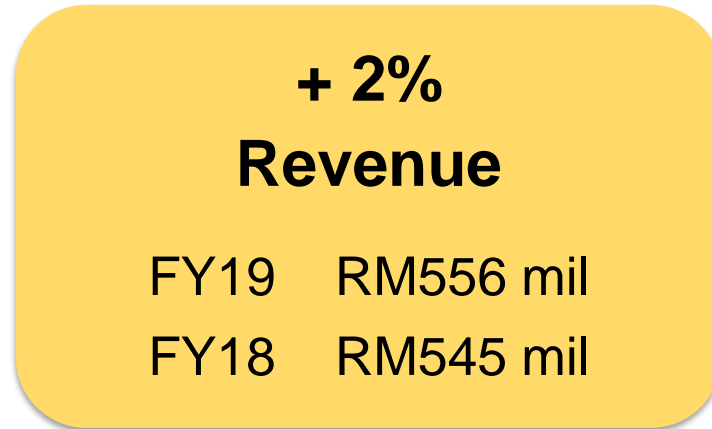
- The Italian Baker Sdn Bhd was awarded the “Excellent Employer” in 2019 by the Employees Provident Fund (EPF).
  
- FFM Marketing Sdn Bhd (FMSSB)
  - launched Neptune Lite in 5kg, V-Soy Low Sugar Soybean Milk and Kart’s Quick Meal To Go (RTE) in October 2019, whilst Meadow Fresh UHT Milk was launched in December 2019.
  
  - commenced the distribution of PreDental-B and Zennlab Pharmasen oral care range of products in December 2019.

# DEVELOPMENTS IN 2020

- A new production facility for halal-certified frozen food is being constructed in Pulau Indah for Kart Food Industries Sdn Bhd at an estimated cost of RM22 million.

(Expected date of completion : 1Q2020)

# FINANCIAL PERFORMANCE



- The higher segment revenue was due to the improved F&B sales and advertising income.
- Despite higher revenue, profit was maintained due to higher operating costs and lower virtual print fee income.

# KEY EVENTS IN 2019

- GSC introduced Aurum Theatre in Southkey Johor Bahru and Mid Valley Garden Mall in November and December 2019 respectively - Malaysia's first ultra-luxe boutique cinemas featuring Getha Lux Suites.
- GSC introduced Jin Gastrobar in December 2019 – a full-service restaurant serving freshly made contemporary continental cuisine.
- GSC opened 2 new cinemas – GSC EkoCheras in July 2019 (8 halls with 1,161 seats) and GSC Southkey in November 2019 which includes Aurum Theatre (total 18 halls with 1,650 seats).
- GSC received the inaugural Platinum Award in Putra Brand Awards 2019 in the Entertainment Category.

# KEY EVENTS IN 2019

- GSC introduced the latest edutainment offering of PlayPlus Hall (81 seats) in GSC IOI Puchong in March 2019 – a family-friendly auditorium with a variety of specially-customised seats and an exclusive play lounge.
- GSC launched Malaysia's first Screen X at GSC One Utama (185 seats) in September 2019 – a 270-degree panoramic cinema experience which expands key scenes of the movie onto the side walls of the auditorium.
- GSC, through an exclusive partnership with VAR Live, a leading VR entertainment provider, launched VAR BOX in October 2019 – a state-of-the-art virtual reality console for a brand new type of VR and AR gaming experience.
- GSC co-produced a local production movie “Wira” which is also the first Malaysian movie to be shown in the immersive 4DX and D-BOX formats.

# KEY EVENTS IN 2019

- Galaxy Studio JSC, Vietnam opened 3 new cinemas –

OPENING DATE	LOCATION	SCREEN	SEATS	AREA	REGION
27-Apr-2019	Trang Thi	4	437	Hanoi	North
26-Jul-2019	Buon Ma Thuot	5	729	Daklak	Central
20-Dec-2019	Long Xuyen	5	540	Long Xuyen	Mekong

# DEVELOPMENTS IN 2020

- Introduction of a new GSC loyalty program in 2Q2020.
- Opening of a new cinema in Sunway Iskandar, Johor with 8 halls (1,140 seats) in 3Q2020
- Major upgrading works at our key sites.

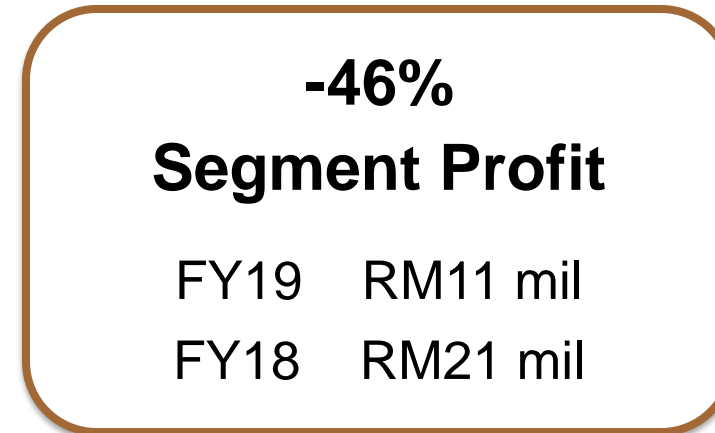
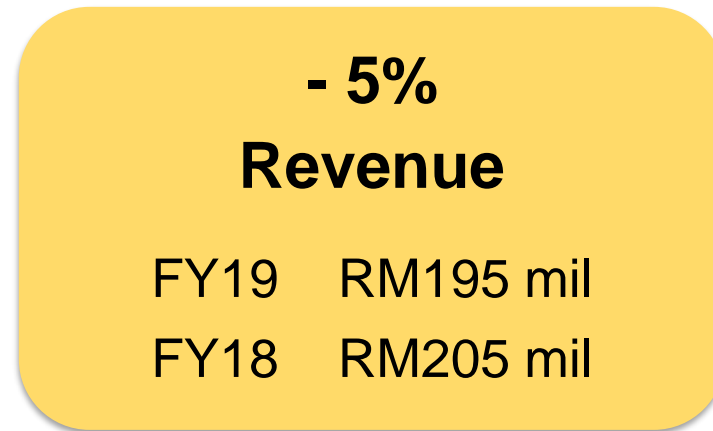


# DEVELOPMENTS IN 2020

- Galaxy Studio JSC, Vietnam targets to open the following new cinemas :-

LOCATION	SCREENS	SEATS	AREA	REGION
Coop Sense City D9	6	828	Q.9	HCMC
MM Thang Long	5	600	Thang Long	Hanoi
MM Hiep Phu	5	600	Q.12	HCMC
MM Hong Bang	5	600	Hai Phong	North
MM Rach Gia	4	480	Kien Gang	South
Nguyen Kim Pleiku	4	515	Gia Lai	Hanoi

# FINANCIAL PERFORMANCE



- Segment profit decreased due mainly to one-off impairment of an overseas joint venture.

# KEY EVENTS IN 2019

- Completed two water projects and ten sewage network pump stations with a total contract value of RM272 million.
- Secured three water projects and one infrastructure project with a total contract value of RM544 million.
- Order book of RM600 million as at 31 December 2019.

# DEVELOPMENTS IN 2020

- Tendered for water projects in Peninsular Malaysia and Sarawak valued at RM304 million.
- Continue to focus on opportunities in water, sewage, flood mitigation and infrastructure sectors in Malaysia

# FINANCIAL PERFORMANCE

**+ 14%**  
**Revenue**

FY19	RM65 mil
FY18	RM57 mil

**-57%**  
**Segment Profit**

FY19	RM14 mil
FY18	RM32 mil

- The lower segment profit was mainly attributable to the lower share of profit from an associate.

# KEY EVENTS IN 2019 – Megah Rise

- Megah Rise's construction work has progressed up to Level 10 of the tower block.



PROPERTY

# KEY EVENTS IN 2019 – Southern Marina



# KEY EVENTS IN 2019 – Southern Marina

- Southern Marina Residences (Phase 1) is completed and handed over to buyers.
- Construction of the retail podium is on-going. The retail podium aims to create an experiential waterfront retail space to complement Puteri Harbour area; to serve visitors and the local community.

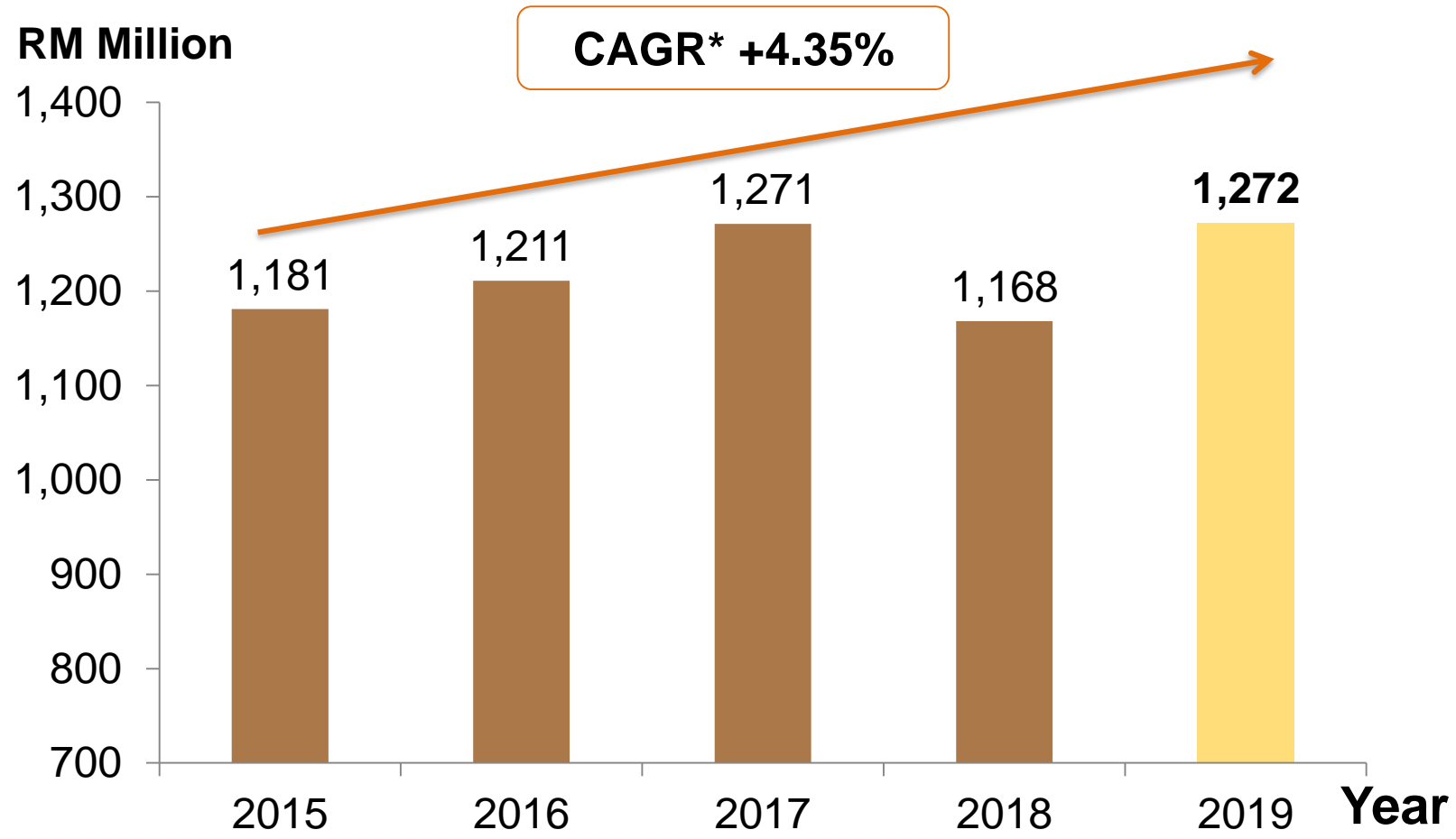




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# 5-YEAR PBT TRACK RECORD

# 5-YEAR PBT OF PPB GROUP



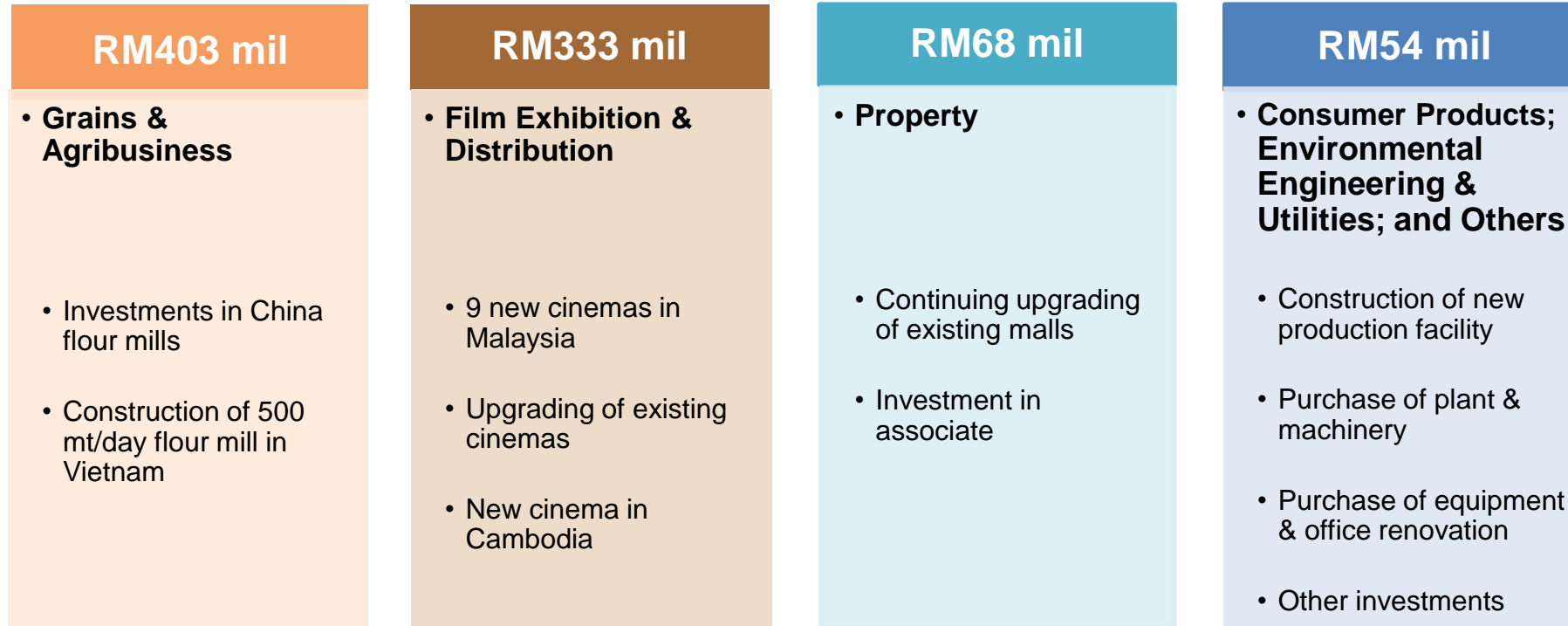
\* CAGR = Compound Annual Growth Rate



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# CAPITAL AND OTHER COMMITMENTS

# CAPITAL AND OTHER COMMITMENTS BY SEGMENT



**TOTAL CAPITAL AND OTHER COMMITMENTS FOR THE NEXT 4 YEARS : RM858 million**



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# DIVIDEND RECORD

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Year	Dividend Per Share (sen)	Dividend Paid/ Payable (RM Million)	Dividend Yield (%)	Payout Ratio	
				Group (%)	Company (%)
<b>2019</b>					
- Interim	<b>8</b>	<b>114</b>	<b>1.6#</b>	<b>38</b>	<b>94</b>
- Final*	<b><u>23</u></b>	<b><u>327</u></b>			
	<b><u>31</u></b>	<b><u>441</u></b>			
2018	28	399	1.6	37	89
2017	30	356	1.7	30	93
2016	25	296	1.6	28	81
2015	25	296	1.6	28	80

- *PPB Board has recommended a final dividend of 23 sen per share for the financial year ended 31 December 2019 payable on 2 June 2020.*

# Dividend yield was based on PPB share price of RM18.84 as at 31 December 2019.



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# STATUS OF SHARIAH COMPLIANCE

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PPB is classified as shariah-compliant based on an updated list of shariah-compliant securities by the Securities Commission's Shariah Advisory Council dated **29 November 2019**.





# PROSPECTS

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***Grains and agribusiness*** segment is expected to perform satisfactorily supported by our well established market position and technical strength in maintaining good and consistent quality products, riding also on the fact that demand for essential basic food products will remain resilient in any economic environment, despite volatile grains commodity and foreign exchange market conditions.

***Consumer products*** segment is expected to be stable with the support of new agency products.

# PROSPECTS

***Film exhibition and distribution*** segment is expected to be impacted by disruptions from the Covid-19 outbreak in the first quarter of the year but this segment is well positioned to maintain its market leadership with the full year performance of new cinemas opened in 2019 and strong lineup of new titles.

***Environmental engineering and utilities*** segment will continue to focus on replenishing its order book and exploring new project opportunities.

***Property*** segment will continue to execute its existing projects and improve yield of its existing investment properties.

# PROSPECTS

While the overall Group financial results depend substantially on Wilmar's business performance, the Group's main business segments are expected to perform satisfactorily in financial year 2020.