



4th Quarter Ended 31 December 2020 Results

26 February 2021

Scope

1 Group financials

2 Operations review

SECTION 1

Group financials

Consolidated income statement summary

- The Group's businesses in 4Q20 remained challenging amid the ongoing prolonged COVID-19 pandemic.
- The Group's revenue for 4Q20 was lower by 3% due to lower contribution from Credit Financing, Automotive, Trading and Building Materials Divisions whilst the revenue for the year was affected by lower contribution from all Divisions except for Plantation Division.
- However, operating profit for 4Q20 and for FY 2020 were higher than last year with higher contribution from Plantation and Property Divisions.
- 4Q19 and FY2019 PBT and PAT included RM472 million gain from the disposal of HS Credit Melbourne. Excluding this gain, PAT for 4Q20 and FY 2020 would be 60% and 7% above last year respectively.

(RM' Million)	4Q20	4Q19	Change	2020	2019	Change
Revenue	1,724.1	1,773.9	(3%)	5,850.3	7,096.1	(18%)
Gross profit ¹	650.7	436.3	49%	1,751.9	1,728.5	1%
EBITDA	504.5	339.6	49%	1,430.2	1,378.6	4%
Operating profit ²	464.9	304.8	53%	1,260.4	1,185.1	6%
Finance expenses	(57.9)	(79.3)	(27%)	(247.1)	(262.3)	(6%)
Profit before tax	501.7	774.8	(35%)	1,106.9	1,476.8	(25%)
Taxation	(123.7)	(66.5)	86%	(308.1)	(257.4)	20%
Profit after tax	378.0	708.3	(47%)	798.8	1,219.4	(34%)
Attributable to shareholders	352.0	681.9	(48%)	750.2	1,162.9	(35%)
Attributable to MI	26.0	26.4	(1%)	48.6	56.5	(14%)
EPS (sen)	14.14	27.39	(48%)	30.13	46.71	(35%)

Note:

1. Includes share of Inverfin's PBIT
2. Includes Interest Income, Share of Inverfin's PBIT by Property Division and share of associate and JV's PAT by Hafary; and share of JV's PAT by MMSB.

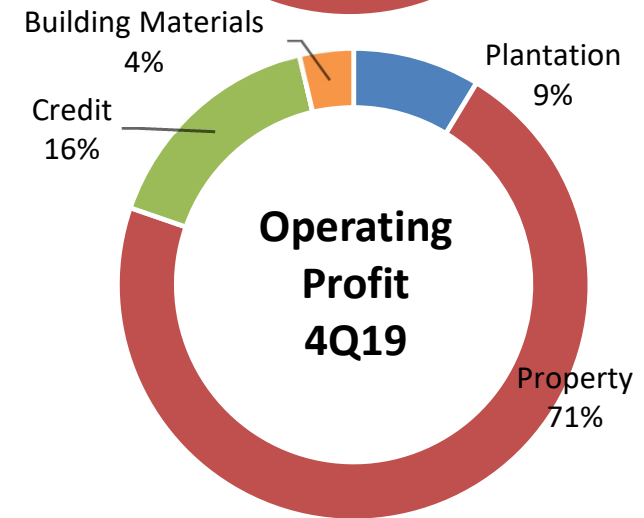
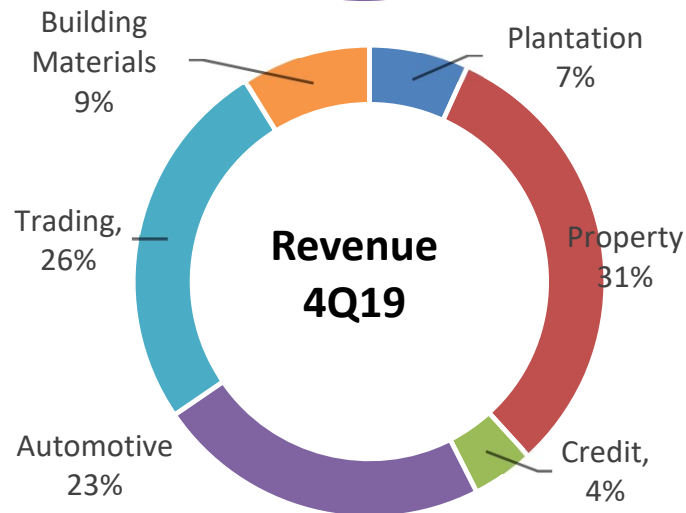
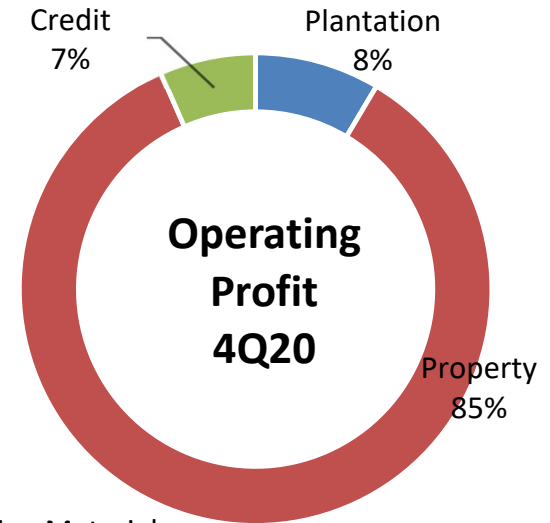
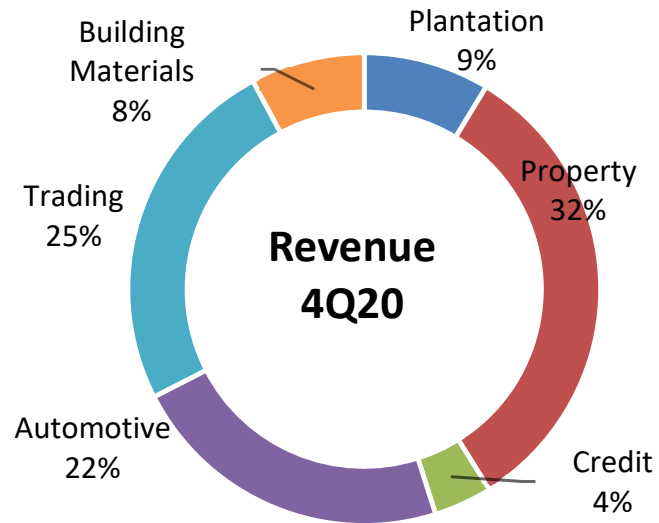
Group segment results

(RM' Million)	REVENUE			OPERATING PROFIT			REVENUE			OPERATING PROFIT		
	4Q20	4Q19	Change	4Q20	4Q19	Change	2020	2019	Change	2020	2019	Change
Plantation	153.3	124.9	23%	50.8	32.7	55%	467.6	418.6	12%	110.9	39.4	182%
Property ¹	577.3	576.2	-	503.9	268.0	88%	1,776.4	2,068.4	(14%)	1,134.6	929.2	22%
Credit Financing	70.9	78.0	(9%)	39.0	60.1	(35%)	285.8	315.2	(9%)	209.9	259.1	(19%)
Automotive	397.3	420.9	(6%)	(24.3)	(20.3)	(20%)	1,378.9	1,494.4	(8%)	(65.1)	(34.4)	(89%)
Trading ²	439.3	471.2	(7%)	(67.1)	(15.1)	(345%)	1,753.2	2,453.5	(29%)	(65.2)	24.8	(363%)
Building Materials ³	138.8	162.1	(14%)	(32.6)	13.8	(336%)	404.2	591.8	(32%)	(28.4)	50.0	(157%)
Subtotal	1,776.9	1,833.3	(3%)	469.7	339.2	38%	6,066.1	7,341.9	(17%)	1,296.7	1,268.1	2%
Consolidation adjustments & others	(52.8)	(59.4)		(4.8)	(34.4)		(215.8)	(245.8)		(36.3)	(83.0)	
Group	1,724.1	1,773.9	(3%)	464.9	304.8	53%	5,850.3	7,096.1	(18%)	1,260.4	1,185.1	6%

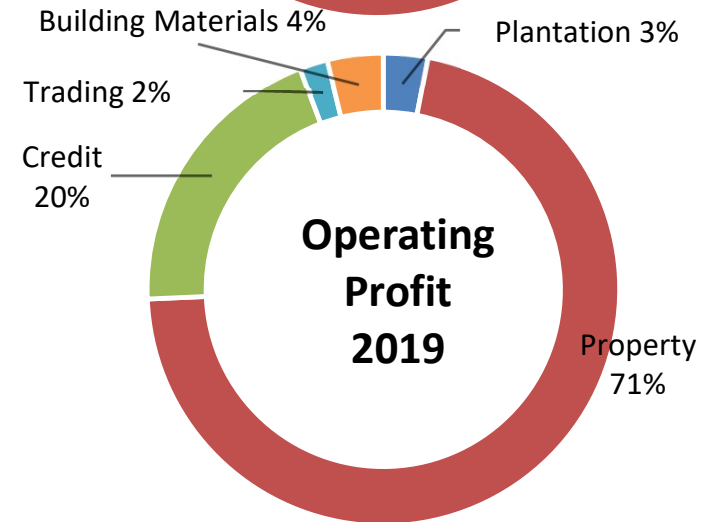
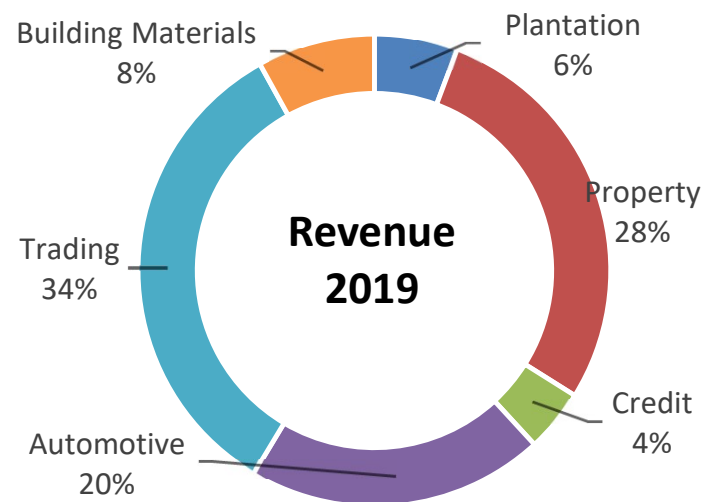
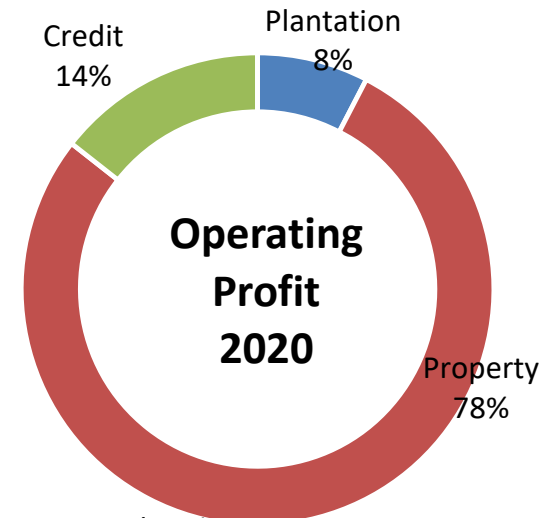
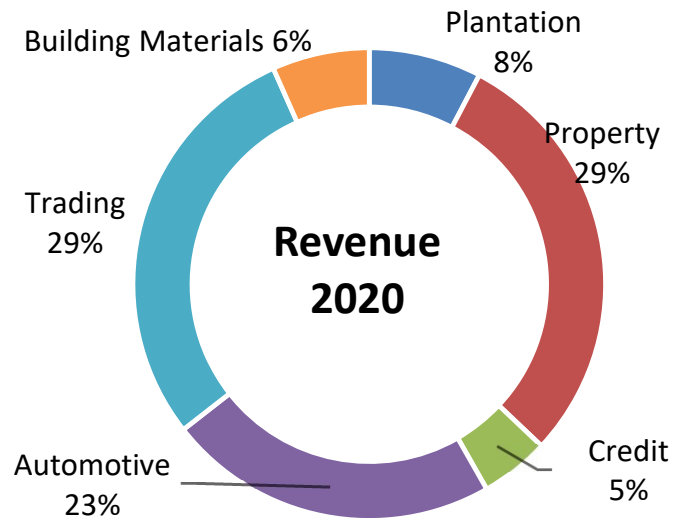
Note:

1. Includes share of Inverfin's PBIT from Menara Citibank
2. Includes share of JV's results by MMSB
3. Includes share of associate and JV's results by Hafary

Group segment results – 4th Quarter



Group segment results – Full Year



SECTION 2

Operations review

Plantations

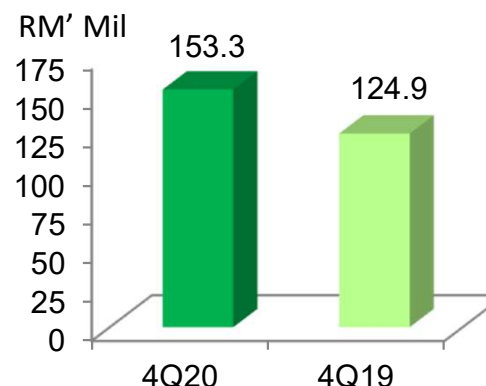
Results supported by higher selling prices

- Revenue and Operating Profit for 4Q20 and FY 2020 benefitted from higher average selling prices of CPO and PK, but dampened by lower sales volume of both CPO & PK due to lower production volume.
- The lower production volume of CPO and PK were in tandem with lower FFB production volume due to seasonal yield trend, mitigated by higher FFB purchased. OER and KER for the year at 20.64% and 4.78% were marginally lower than last year of 20.95% and 4.88% respectively.

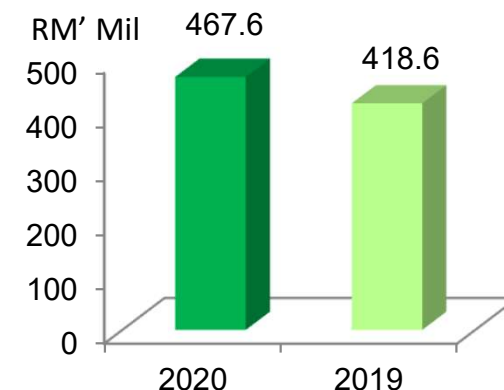
	4Q20	4Q19	FY 2020	FY 2019
Average Prices				
• CPO	3,148	2,376	2,788	2,143
• PK	2,027	1,435	1,681	1,311
Sales Volume				
• CPO	41,842	45,577	144,840	170,461
• PK	9,343	10,079	33,692	36,051
Production Vol.				
• FFB	178,081	187,128	637,131	675,587
• CPO	39,141	40,925	144,977	152,017
• PK	9,078	9,444	33,594	35,402

- Unit production costs of CPO for FY 2020 was higher at RM1,682/mt (FY 2019: RM1,482/mt) mainly due to lower production volume, higher manuring costs and higher FFB purchase costs.
- Operating profit for the year included gain of RM12.9 mil arising from sale of agriculture land & fixtures thereon to Property Division.

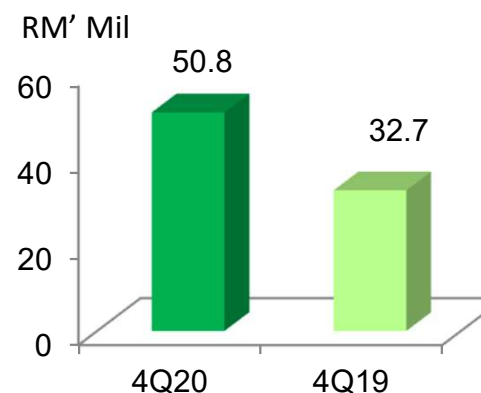
4Q Revenue



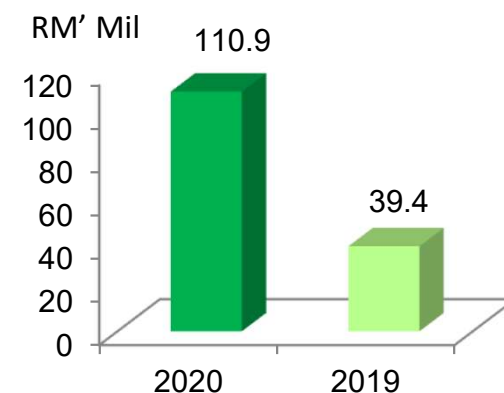
FY Revenue



4Q Operating Profit



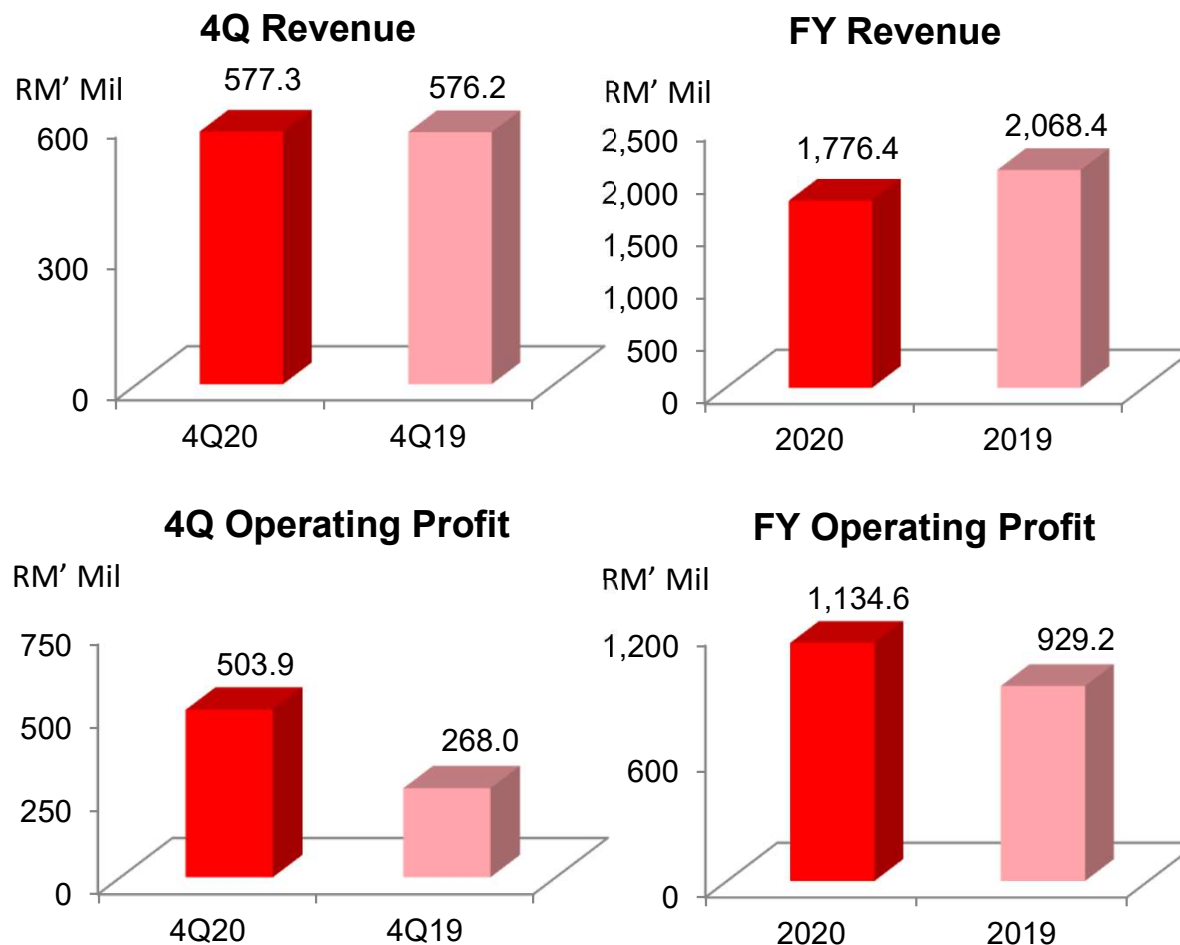
FY Operating Profit



Property Investment and Development

Higher profit from sales of non-strategic properties

- Revenue for 4Q20 and FY 2020 were affected by lower contribution from construction activities and project as a result of the ongoing COVID-19 pandemic.
- Construction activities and on-going property development projects were affected by stringent SOP imposed by the authorities and labour shortage amid the COVID-19 pandemic.
- Investment properties segment recorded higher revenue for both 4Q20 and FY 2020, benefitting from Menara Hap Seng 3 which was completed in March 2020. Other key investment properties such as Menara Hap Seng and Menara Hap Seng 2 in Klang Valley and Plaza Shell in Sabah maintain healthy occupancy and rental yield.
- Operating profit for 4Q20 and FY 2020 also benefitted from higher contribution from sales of non-strategic properties.

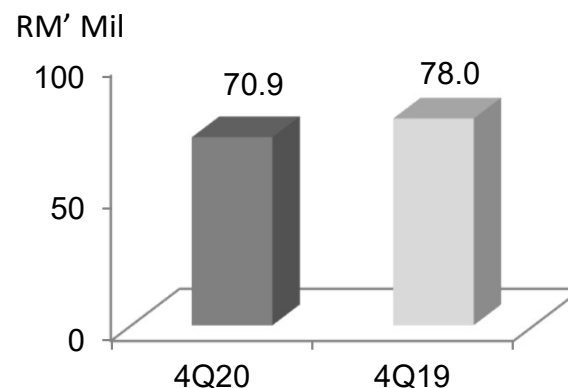


Credit Financing

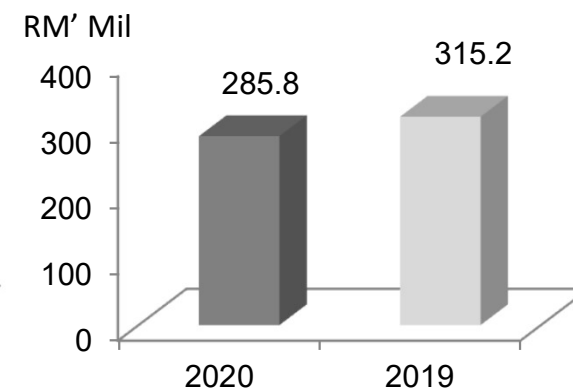
Lower loan base attributed to prudent loan approval process

- ❑ The Division's revenue for 4Q20 and FY 2020 were lower than last year as the Division continue to exercise prudence in its loan approval process in view of the current economic uncertainties amid the COVID-19 pandemic.
- ❑ Loan base as at end 2020 at RM3.72 billion was 4% below last year (December 2019: RM3.88 billion).
- ❑ NPL ratio as at end 2020 of 2.35% was higher than last year (December 2019: 1.34%) as certain sectors in the Division's loan portfolio were negatively affected by the COVID-19 pandemic, resulting in higher provision for impairment.
- ❑ Consequently, the Division's operating profit for 4Q20 and FY 2020 were lower than last year.

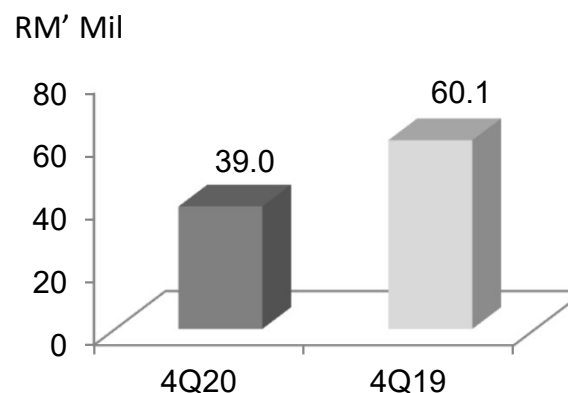
4Q Revenue



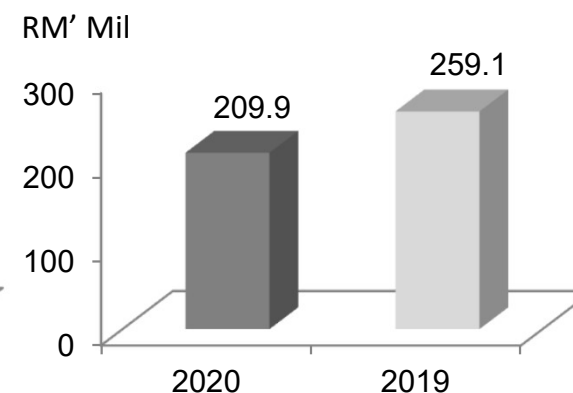
FY Revenue



4Q Operating Profit



FY Operating Profit

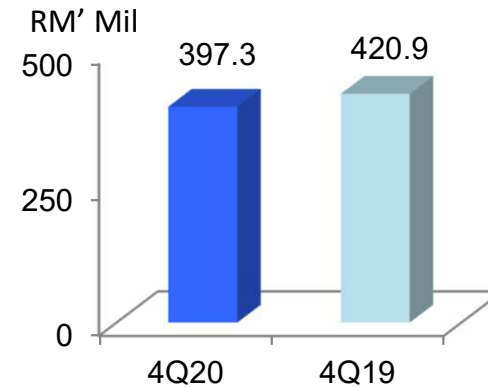


Automotive

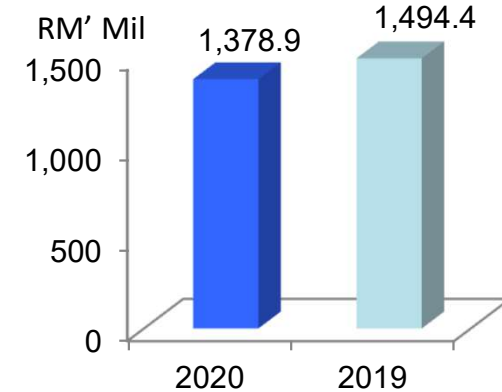
Results affected by weak demand

- ❑ The Division's results for the current year were affected by weak demand arising from the COVID-19 pandemic.
- ❑ Passenger vehicles sales for 4Q20 was up 9% compared to last year, benefitted from the sales tax exemption. However, the revenue for FY 2020 was lower by 3% as compared to last year.
- ❑ Revenue from the after sales segment in 4Q20 was also higher than last year by 3% but lower by 1% for the year.
- ❑ The commercial vehicle ("CV") wholesale distribution and retail businesses recorded lower revenue by 45% for 4Q20 and 28% for FY 2020.
- ❑ Consequently, higher operating losses were recorded for 4Q20 and FY 2020.

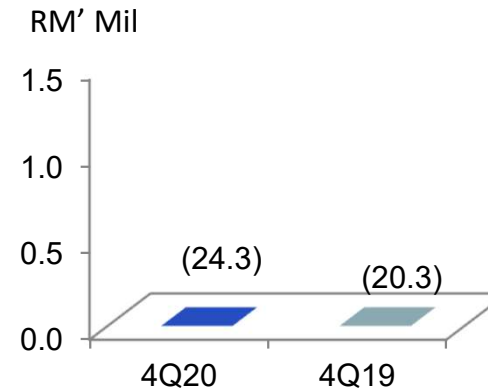
4Q Revenue



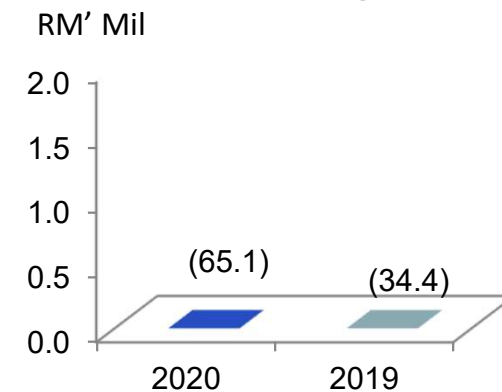
FY Revenue



4Q Operating Profit



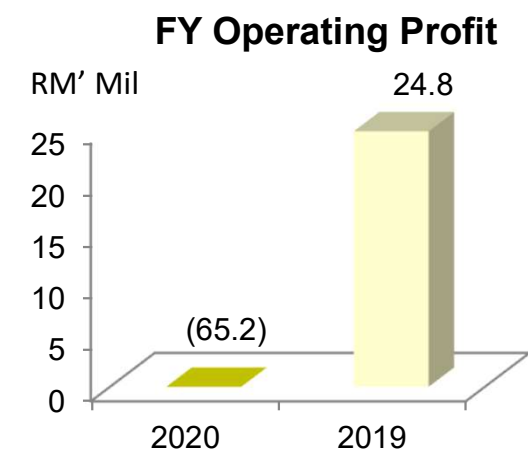
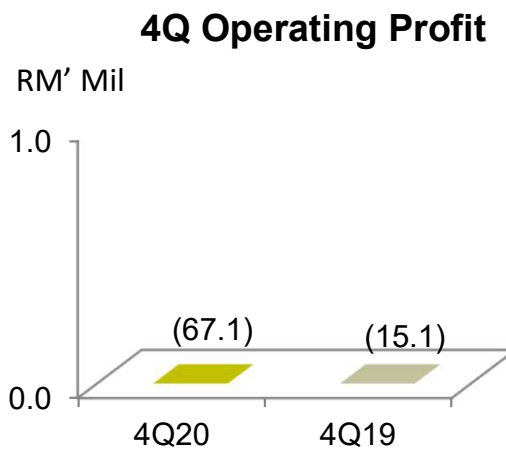
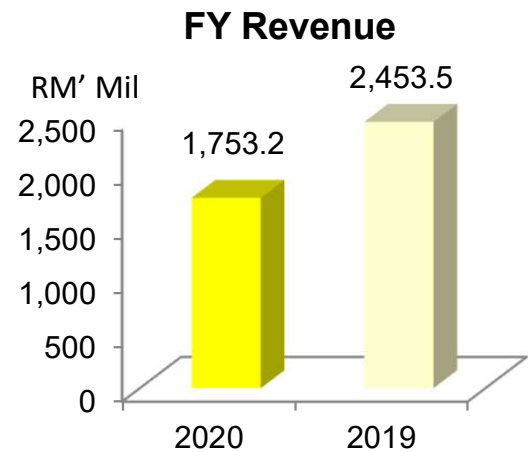
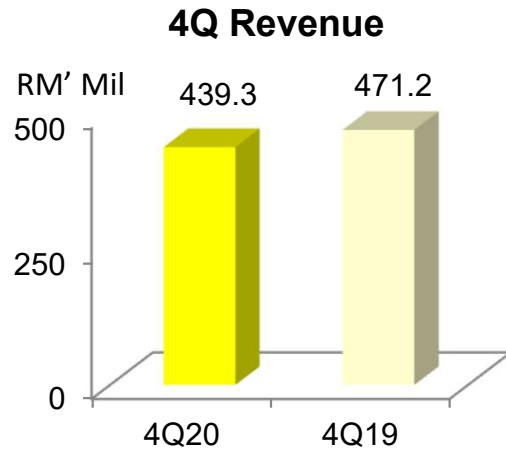
FY Operating Profit



Trading

Results affected by weak demand and one-off costs

- ❑ The Division comprises the fertilizers trading, general trading (“GT”), and ceramic tiles business under Malaysian Mosaics Sdn Bhd (“MMSB”).
- ❑ Fertilizers trading’s revenue at RM292.6 mil for 4Q20 was 13% higher than last year with higher sales volume. However, the FY 2020 revenue at RM1.2 billion was 12% lower than last year due to lower average selling price achieved by both the Malaysian and Indonesia operations.
- ❑ GT and MMSB businesses were also affected by the weak demand as property development and construction activities slowed down amid the COVID-19 pandemic. GT’s revenue at RM84.1 mil for 4Q20 and RM339.6 mil for FY 2020 were 45% and 56% lower than last year respectively.
- ❑ The MMSB’s revenue at RM62.6 mil for 4Q20 was 6% above last year but the FY 2020 revenue at RM174.5 mil was 36% below last year.
- ❑ Operating losses for 4Q20 and FY 2020 included impairment loss on assets arising from the restructuring & rationalization of its ceramic tiles business.

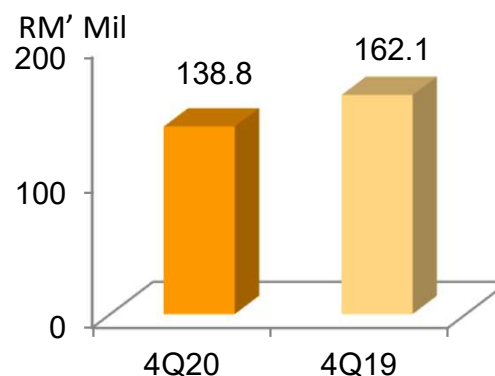


Building Materials

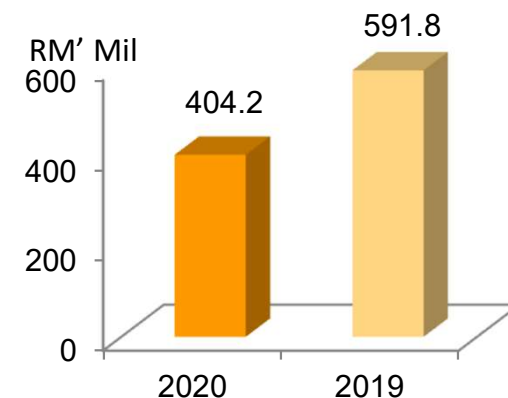
Operating loss affected by impairment loss

- ❑ The Division comprises the quarry, asphalts and bricks businesses (“QBM”); and trading of building materials by Hafary (“Hafary”).
- ❑ Results for 4Q20 and FY continue to be affected by the slow pick up in construction activities in both Malaysia and Singapore amid the COVID-19 pandemic. However, results for Hafary has gradually improved in 4Q20.
- ❑ QBM’s revenue at RM43.2 mil for 4Q20 and RM158.5 mil for FY were 41% and 42% lower than last year respectively.
- ❑ Hafary’s revenue at RM95.5 mil for 4Q20 was 7% above last year but the FY revenue at RM245.7 mil was 23% lower than last year.
- ❑ Operating loss for 4Q20 and FY 2020 included impairment loss on assets arising from the ongoing rationalization exercise of its quarry, asphalt and brick businesses.

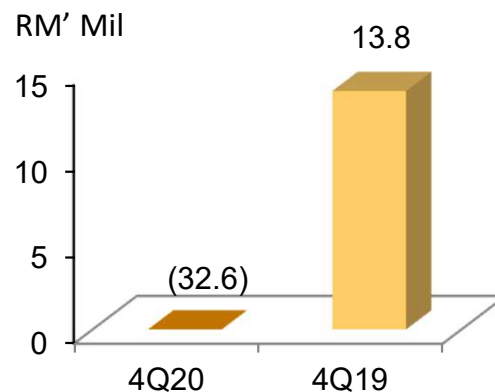
4Q Revenue



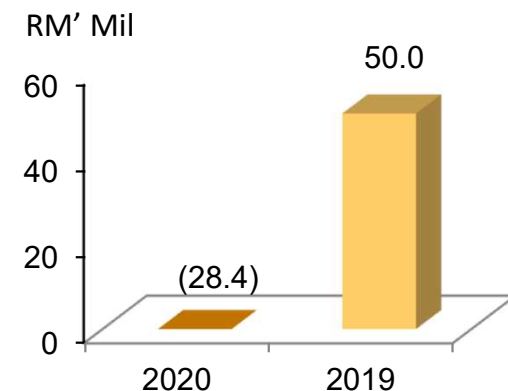
FY Revenue



4Q Operating Profit



FY Operating Profit





Thank You