



# 3<sup>rd</sup> Quarter Ended 30 September 2021 Results

26 November 2021

# Scope

1 Group financials

2 Operations review

# **SECTION 1**

## **Group financials**

# Consolidated income statement summary

- The Group's revenue for 3Q21 and YTD were relatively flat compared to the corresponding period last year with lower contribution from Automotive Division for 3Q21 and lower contribution from Property and Automotive division for the YTD, mitigated by higher contribution from all other divisions.
- Nonetheless, the Group's Operating Profit for 3Q21 and YTD were 75% and 33% above the corresponding period last year respectively with higher profit contribution from all divisions except for Credit Financing Division for the YTD.
- PBT and PAT for 3Q21 and YTD also benefitted from lower finance costs due to lower borrowings and lower costs of fund.
- Consequently, EPS for 3Q21 and YTD at 15.33 sen and 24.10 sen respectively were 97% and 51% above last year.

(RM' Million)	3Q21	3Q20	Change	YTD 2021	YTD 2020	Change
Revenue	1,633.5	1,661.7	(2%)	4,173.4	4,126.3	1%
Gross profit <sup>1</sup>	736.2	424.9	73%	1,471.2	1,101.1	34%
EBITDA	640.8	382.1	68%	1,199.9	925.7	30%
Operating profit <sup>2</sup>	593.8	338.7	75%	1,059.8	795.5	33%
Finance expenses	(37.5)	(60.2)	(38%)	(133.8)	(189.2)	(29%)
Profit before tax	561.5	278.3	102%	935.4	605.2	55%
Taxation	(155.6)	(67.1)	132%	(265.6)	(184.4)	44%
Profit after tax	406.0	211.2	92%	669.8	420.8	59%
Attributable to shareholders	381.6	193.7	97%	599.9	398.2	51%
Attributable to MI	24.4	17.5	40%	69.9	22.6	209%
EPS (sen)	15.33	7.78	97%	24.10	15.99	51%

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.

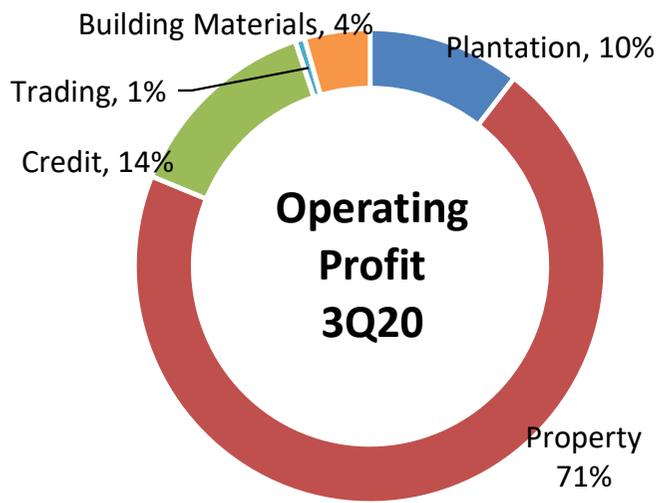
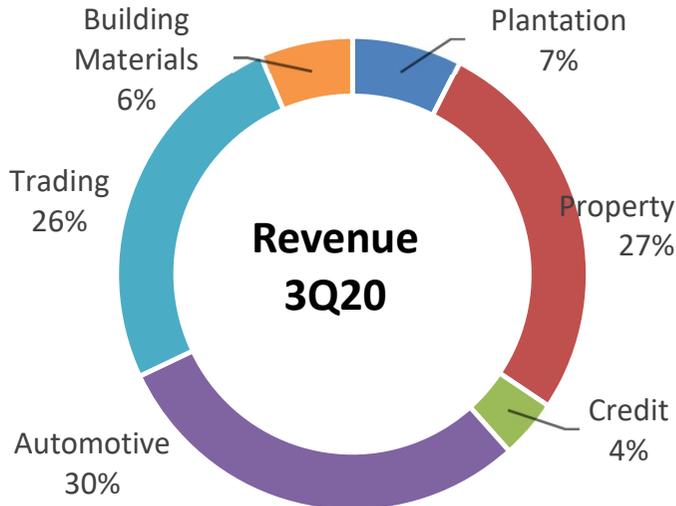
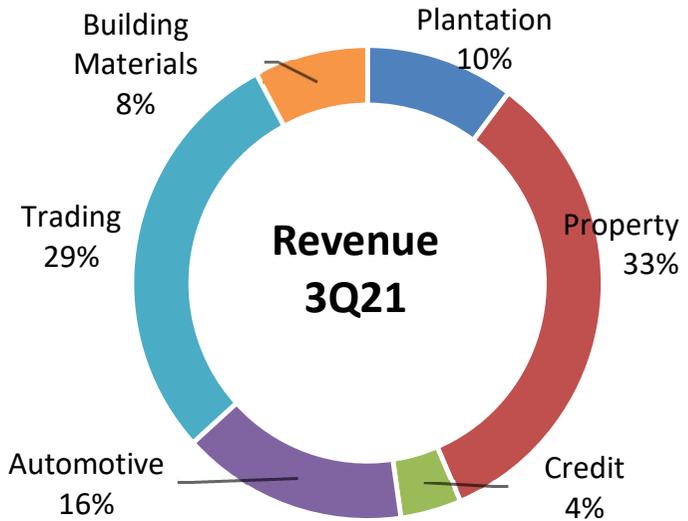
# Group segment results

(RM' Million)	REVENUE			OPERATING PROFIT			REVENUE			OPERATING PROFIT		
	3Q21	3Q20	Change	3Q21	3Q20	Change	YTD 2021	YTD 2020	Change	YTD 2021	YTD 2020	Change
Plantation	173.6	128.9	35%	70.6	34.5	105%	476.0	314.3	51%	173.8	60.2	189%
Property <sup>1</sup>	566.9	462.3	23%	445.9	233.2	91%	1,036.4	1,199.1	(14%)	672.9	630.7	7%
Credit Financing	71.0	69.4	2%	52.7	45.1	17%	218.2	214.9	2%	159.8	171.0	(7%)
Automotive	264.4	507.6	(48%)	1.5	(11.5)	113%	841.4	981.6	(14%)	0.3	(40.8)	101%
Trading <sup>2</sup>	491.6	442.3	11%	24.8	2.1	1075%	1,391.7	1,313.9	6%	67.0	1.9	3430%
Building Materials <sup>3</sup>	133.0	109.4	22%	19.4	14.9	31%	386.8	265.4	46%	46.0	4.2	999%
Subtotal	1,700.5	1,719.9	(1%)	614.9	318.3	93%	4,350.5	4,289.2	1%	1,119.8	827.2	35%
Consolidation adjustments & others	(67.0)	(58.2)		(21.1)	20.4		(177.1)	(162.9)		(60.0)	(31.7)	
Group	1,633.5	1,661.7	(2%)	593.8	338.7	75%	4,173.4	4,126.3	1%	1,059.8	795.5	33%

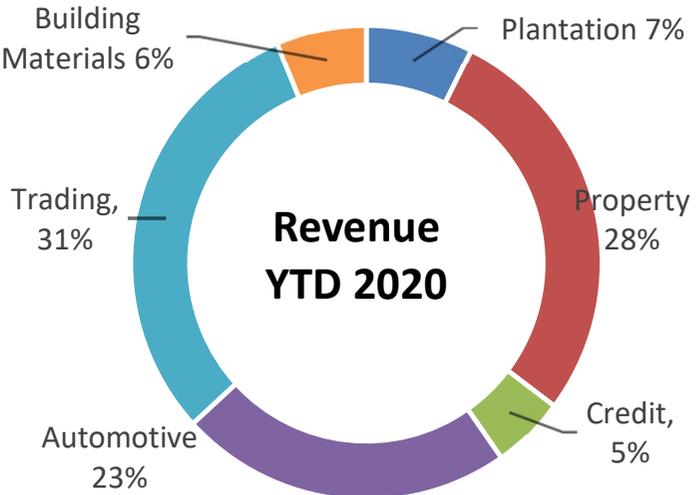
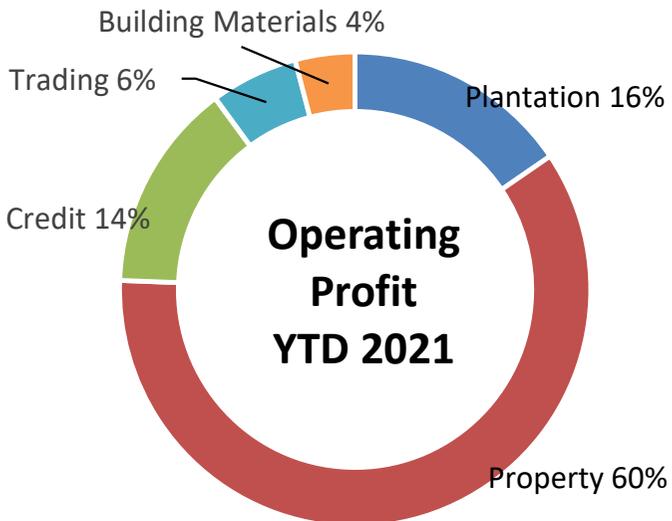
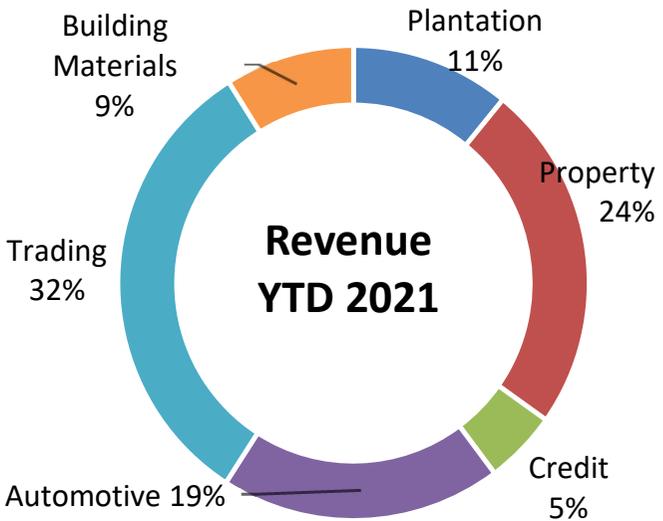
Note:

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 – 3<sup>rd</sup> Quarter



# Group segment results – Year To Date



# **SECTION 2**

## **Operations review**

# Plantations

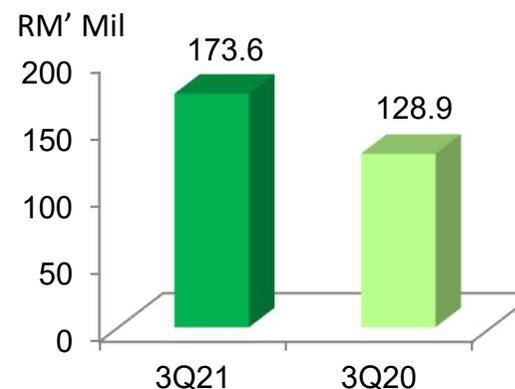
## Results benefitted from higher prices realization

- Revenue for 3Q21 and YTD were 35% and 51% higher than last year respectively with higher average selling prices of CPO and PK, dampened somewhat by lower sales volume of both products due to lower production volume.

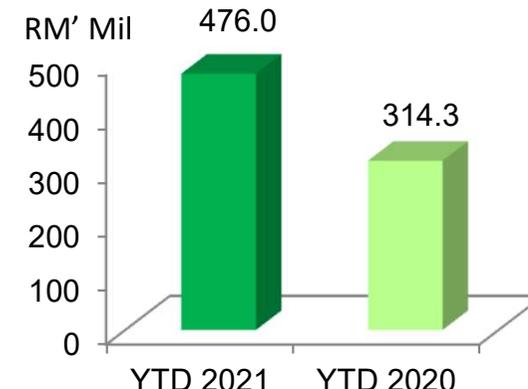
	3Q21	3Q20	YTD 2021	YTD 2020
Average Prices				
• CPO	4,341	2,753	4,217	2,642
• PK	2,615	1,560	2,640	1,548
Sales Volume				
• CPO	34,753	41,057	96,754	102,998
• PK	7,163	9,020	21,877	24,349
Production Vol.				
• FFB	149,280	174,362	428,314	459,050
• CPO	34,055	39,816	96,643	105,836
• PK	7,356	9,256	21,958	24,516

- The YTD production costs of CPO at RM1,872/mt (YTD 2020: RM1,713/mt) was affected by lower CPO production volume arising from lower FFB yield and lower OER at 20.33% (YTD 2020: 20.83%) due to seasonal yield trend and changes in cropping patterns. The lower FFB production was mitigated by higher FFB purchased which was at a higher average cost.
- The higher revenue resulted in significantly higher operating profit for 3Q21 and YTD by 105% and 189% respectively.

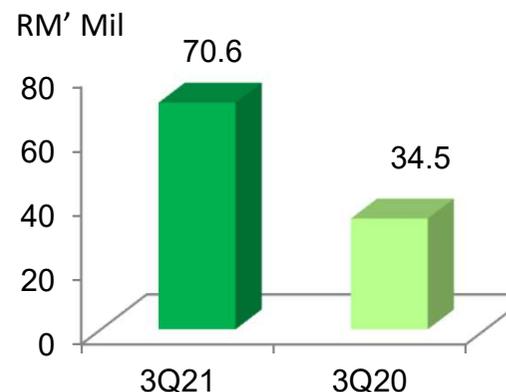
### 3Q Revenue



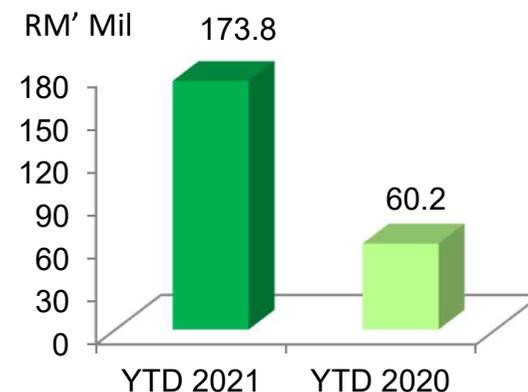
### YTD Revenue



### 3Q Operating Profit



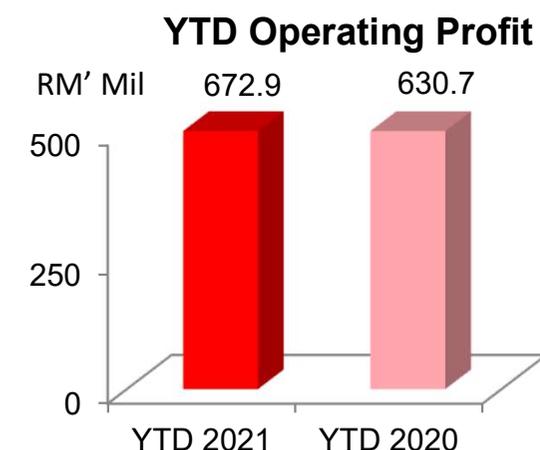
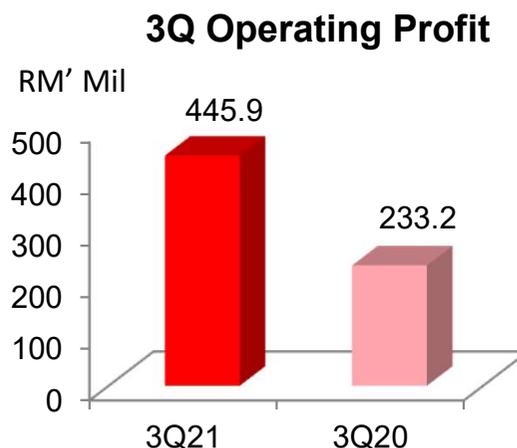
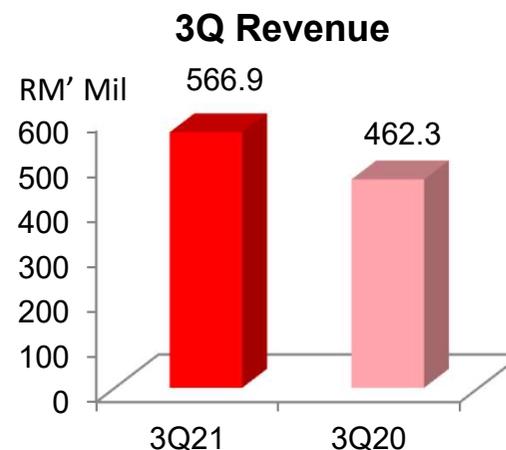
### YTD Operating Profit



# Property Investment and Development

## Operating profit benefitted from higher sale of non-strategic properties

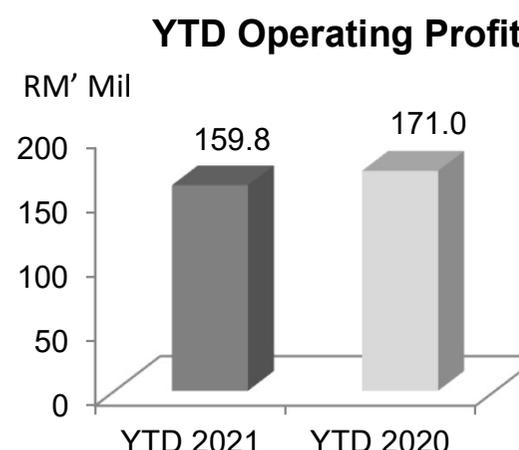
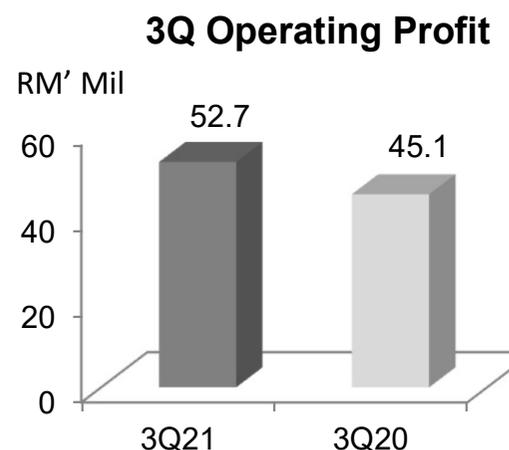
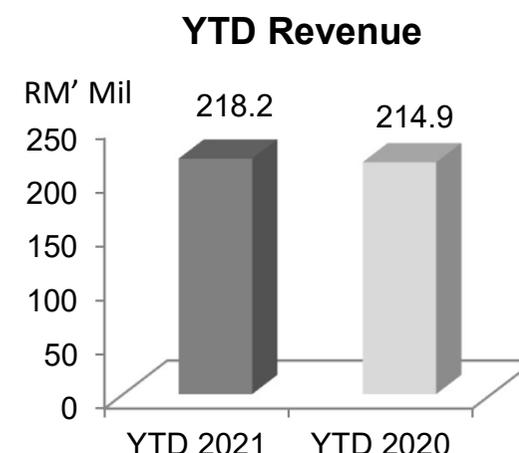
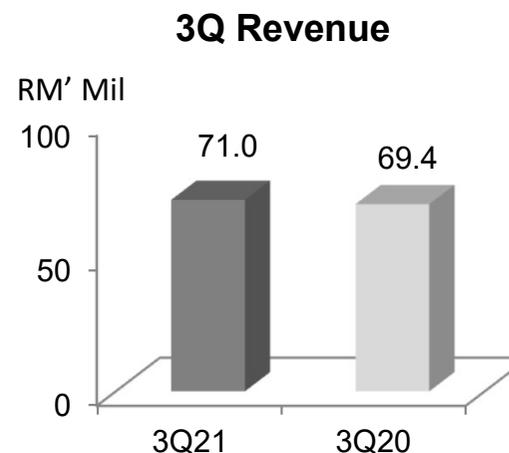
- Revenue for 3Q21 and YTD benefitted from higher contribution from investment properties segment and higher sales of non-strategic properties but dampened by lower contribution from property development segment.
- Investment properties segment benefitted from the newly acquired investment properties in Labuan.
- However, the property development segment registered lower unit sold and lower WIP due to the various movement restrictions. Home buyers also remain cautious due to the economic uncertainties amid the prolonged COVID-19 pandemic.
- The higher Operating profit for 3Q21 and YTD were attributable to higher profit from sale of non-strategic properties.



# Credit Financing

## 47% higher loan disbursements in 3Q21

- ❑ The Division's revenue for 3Q21 and YTD were both higher than last year by 2%, mainly due to higher revenue from its United Kingdom operations.
- ❑ Loan disbursement was 47% higher in 3Q21 as compared to 3Q20 but offset by higher collections. Thus, Loan base as at end 3Q21 at RM3.56 billion was marginally lower than last year (3Q20: RM3.61 billion).
- ❑ NPL ratio as at end 3Q21 improved to 2.11% (3Q20: 2.46%) resulting in lower provision for loan impairment for 3Q21 and higher operating profit by 17% for 3Q21 compared to 3Q20.
- ❑ However, the YTD operating profit was lower than last year due to higher provision for loan impairment.

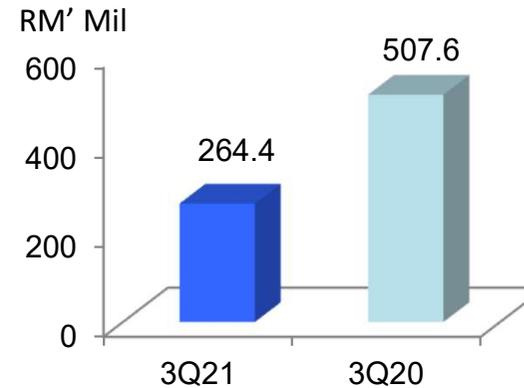


# Automotive

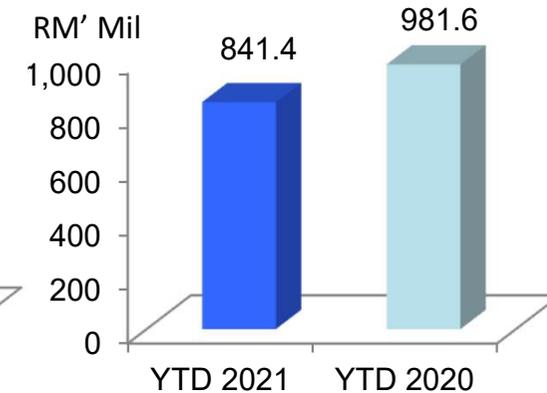
## Results adversely affected by movement restrictions and supply

- Revenue for 3Q21 and YTD were 48% and 14% lower than the corresponding period last year respectively.
- Passenger car revenue in 3Q21 and YTD decreased by 56% and 17% respectively with lower sales volume by 62% and 23% respectively, affected by the lockdown and movement restriction and delay in supply from the principal. The aftersales segment also registered lower revenue for 3Q21 and YTD with 42% and 23% lower throughput respectively due to customers delaying car servicing with the reduced car usage during the lockdown and movement restriction.
- Commercial Vehicles revenue for YTD was 9% higher than last year with higher number of Fuso trucks sold despite 18% lower revenue in 3Q21.
- Despite the lower revenue, the Division registered operating profit for 3Q21 and YTD as compared to losses in last year's periods. Improvement was attributed to higher margin and lower operating costs from both passenger cars and commercial vehicles segments.

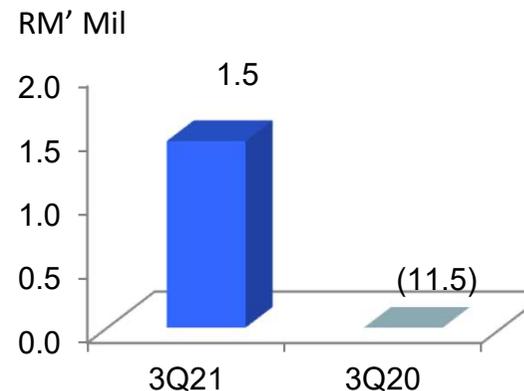
### 3Q Revenue



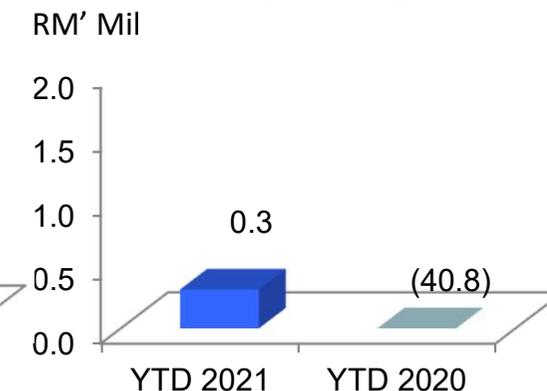
### YTD Revenue



### 3Q Operating Profit



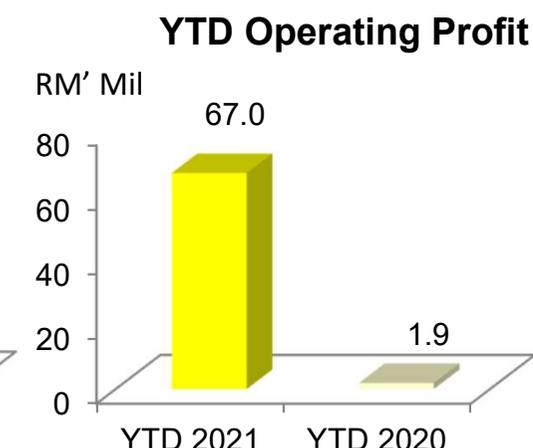
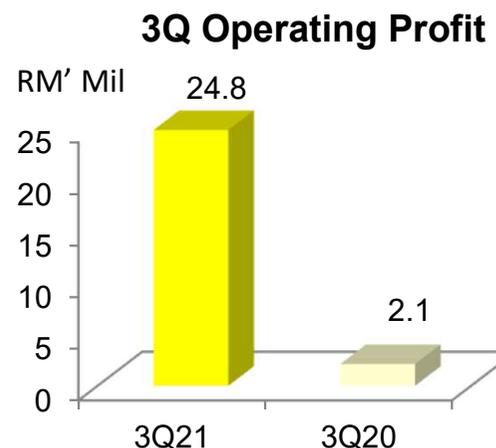
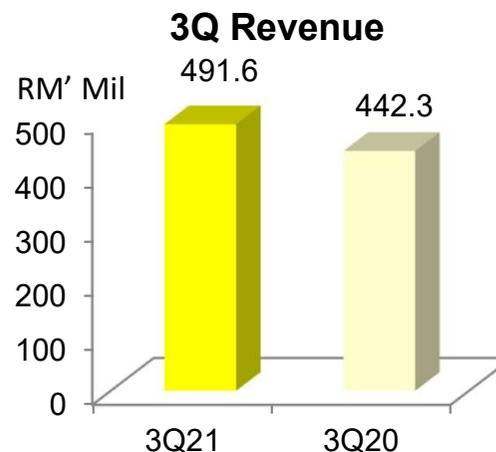
### YTD Operating Profit



# Trading

## Improved results from fertilizers trading and MMSB businesses

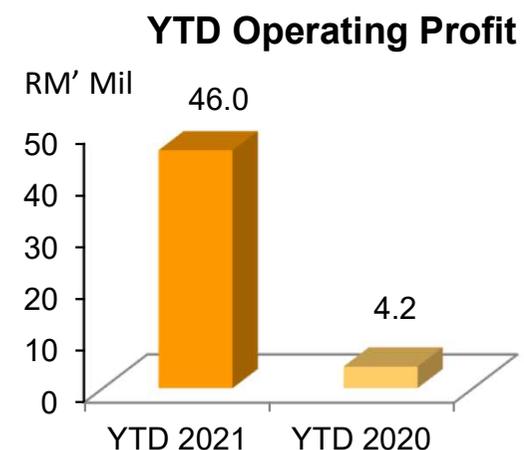
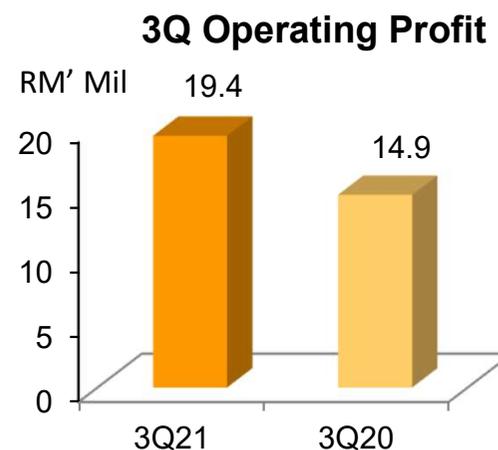
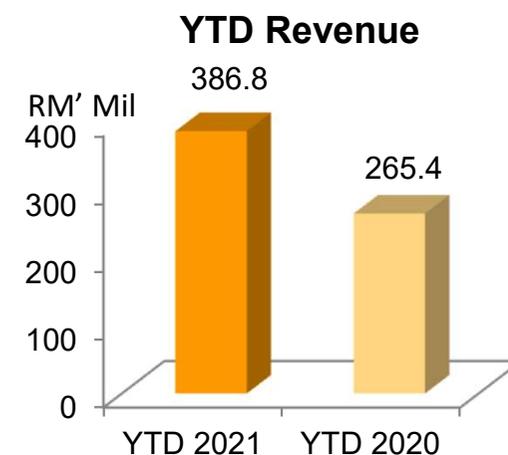
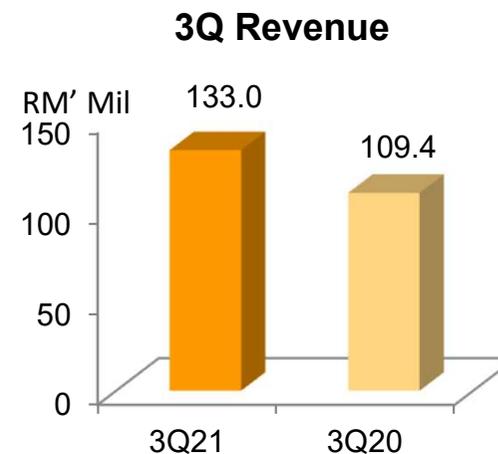
- ❑ The Division comprises the fertilizers trading (“FT”), general trading (“GT”), and ceramic tiles business under Malaysian Mosaics Sdn Bhd (“MMSB”).
- ❑ Division’s revenue for 3Q21 and YTD were higher than last year by 11% and 6% respectively with better performance from FT for 3Q21 and YTD and higher YTD revenue from MMSB.
- ❑ FT’s revenue at RM378.9 mil for 3Q21 and RM1.03b for YTD were 28% and 9% above last year respectively due to higher average selling prices and higher sales volume. Demand boosted by strong CPO prices.
- ❑ The GT and MMSB businesses continued to be affected by the slowdown in property development and construction activities amid the COVID-19 pandemic.
- ❑ GT’s revenue for 3Q21 at RM76.5 mil and YTD at RM225.4 mil were lower than last year by 19% and 12% respectively.
- ❑ MMSB’s revenue for 3Q21 at RM36.2 mil was 30% lower than last year. However the YTD revenue at RM131.5 million was 17% higher than last year supported by stronger results from its overseas operations and higher export sales.
- ❑ The significant improvement in Operating profit for 3Q21 and YTD were attributed to higher revenue and higher average gross profit margin for FT, and lower operating expenses from MMSB due to improved operational efficiency and costs controls.



# Building Materials

## Better results from both QBM & Hafary

- ❑ The Division comprises the quarry, asphalts and bricks businesses (“QBM”); and trading of building materials by Hafary (“Hafary”).
- ❑ Revenue for 3Q21 and YTD were above the corresponding period last year by 22% and 46% respectively with higher contribution from Hafary partly reduced by lower contribution from QBM.
- ❑ Hafary’s revenue for 3Q21 and YTD at RM99.2 mil and RM279.5 mil respectively were above last year by 55% and 86% respectively with higher sales from both project and general sectors, benefitted from increase in construction and renovation activities in Singapore.
- ❑ However, QBM’s revenue for 3Q21 and YTD at RM33.8 mil and 107.2 mil respectively were 25% and 7% below last year respectively, affected by the slow pick up in construction activities.
- ❑ The Division’s operating profit for 3Q21 and YTD were 31% and 999% above last year, benefitted from higher Hafary’s revenue, and improved margins and lower operating costs from QBM.





# Thank You