



**PPB GROUP BERHAD**

**50<sup>TH</sup> ANNUAL GENERAL MEETING**

Presented by :

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Managing Director

**2018 Financial Highlights**

**Key Business Performance Update**

**Prospects**

## 2018 Financial Highlights

## Key Business Performance Update

## Prospects

## 2018 Financial highlights

(In RM billion)	2018	2017	Change
Revenue	<b>4.53</b>	4.28	6%
Profit before tax	<b>1.17</b>	1.27	-8%
Net profit	<b>1.10</b>	1.22	-9%
Earnings per share (sen)	<b>75.6</b>	83.2	-9%
Net dividend per share (sen)	<b>28.0</b>	30.0	-7%
Net assets per share (RM)	<b>14.8</b>	14.5	2%

❖ Total dividends paid and payable for FYE2018 is RM398 million (FYE2017: RM356 million)

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## Grains and agribusiness

	2018 RM'000	2017 RM'000
Segment revenue	<b>3,148,461</b>	3,005,723
Segment profit	<b>125,952</b>	134,265

- ❖ Increase in revenue attributed to higher sales from all flour mills
- ❖ Lower profit due to higher raw material costs

### Business updates

- ❖ Completed 500-mt/day wheat flour mill expansion in Johor, commenced operations in January 2018
- ❖ In Vietnam, construction of a 500-mt/day wheat flour mill plant is expected to be completed in Q1 2020



## Consumer products

	2018 RM'000	2017 RM'000
Segment revenue	<b>640,567</b>	672,741
Segment profit	<b>15,177</b>	30,154

- ❖ Lower sales of in-house products contributed to the lower revenue
- ❖ Profit was lower due to higher raw material cost & plant maintenance costs
- ❖ Included in FYE2017 profit was a one-time gain from sale of land and building

### Business updates

- ❖ Consumer products distribution
  - Commenced distribution of Goodman Fielder chilled and frozen products in September 2018
  - Commenced distribution of Super Food products in August 2018.



## Film exhibition and distribution

	2018 RM'000	2017 RM'000
Segment revenue	538,352	481,301
Segment profit	63,394	54,035

- ❖ Higher revenue and profit attributed to the strong performance of local Malay titles and contribution from cinemas opened in FYE2017

### Business updates

- ❖ Operates 433 screens in 50 locations across Malaysia and Vietnam
- ❖ Launched Malaysia's first Onyx Cinema LED screen at GSC Mid Valley in 2018
- ❖ Extended 4DX hall in GSC 1 Utama and will roll out at other key locations





## Environmental engineering and utilities

	2018 RM'000	2017 RM'000
Segment revenue	<b>204,600</b>	130,087
Segment profit	<b>14,861</b>	6,387

- ❖ Higher revenue and profits due to progressive profits recognized from on-going water treatment plant projects

### Business updates

- ❖ Successfully completed a sewage treatment plant in i-City, Shah Alam and a sewage network pump station in Damansara, Petaling Jaya
- ❖ Secured 2 sewage projects in Ipoh and Kuantan with total value of RM157 million in FYE 2018
- ❖ Order book stood at RM295 million as of 31 March 2019



## Property

	2018 RM'000	2017 RM'000
Segment revenue	<b>53,218</b>	48,055
Segment profit	<b>12,251</b>	5,696

- ❖ Increase in revenue and profits attributed to higher project management fee income and rentals on completion of the Cheras LeisureMall link bridge extension



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## Prospects

The **Grains and agribusiness segment** is expected to remain competitive on the back of a volatile commodity market and it will continue to focus on volume growth, driving cost efficiencies and maintaining quality products.

The performance of the **Consumer products segment** is expected to remain stable, supported by a widening product range and the introduction of new products into new markets.

The **Film exhibition and distribution segment** will continue to be driven by strong title releases, the opening of new cinemas, the introduction of new cinematic technologies and innovative facilities.

The **Environmental engineering and utilities segment** will focus on replenishing its order book while maintaining its focus on quality work and execution.

Amidst a challenging operating environment, the **Property division** will focus on completing the Megah Rise project in Petaling Jaya, while striving to maintain and improve operating excellence in its existing mall and property management businesses.

While the Group's main business segments are expected to perform satisfactorily in the financial year 2019, overall Group financial results would depend substantially on Wilmar's business performance.