



PPB GROUP BERHAD



QUARTERLY REPORT 04

Investor Update 2020

FROM THE DESK

DEAR SHAREHOLDERS,

PPB GROUP'S REVENUE DECLINED BY 11% TO RM4.19 BILLION IN FY2020 (FY2019 : RM4.68 BILLION) MAINLY ATTRIBUTED TO LOWER REVENUE FROM THE FILM EXHIBITION AND DISTRIBUTION SEGMENT DUE TO THE PROLONGED TOTAL AND PARTIAL CLOSURE OF CINEMAS AND DEFERMENT OF MOVIE TITLES DURING THE YEAR ARISING FROM THE COVID-19 PANDEMIC.

The Group achieved an unaudited profit before tax of RM1.42 billion which is 12% higher than FY2019 (RM1.27 billion) mainly due to higher profit contribution from our 18.6% associate, Wilmar International Limited (Wilmar) which contributed RM1.24 billion for FY2020 (FY2019 : RM960 million).

Profit after tax for FY2020 was RM1.36 billion and earnings per share was 92.57 sen.

The PPB Board has recommended a final dividend of 22 sen per share, and a special dividend of 16 sen per share for FY2020 subject to approval by shareholders at the 52nd Annual General Meeting scheduled to be held on 11 May 2021. The special dividend of 16 sen per share was recommended following the proposed payment of special dividend of SGD0.065 per share by Wilmar. The final and special dividends are payable on 1 June 2021 to shareholders whose names appear in the Record of Depositors on 17 May 2021.

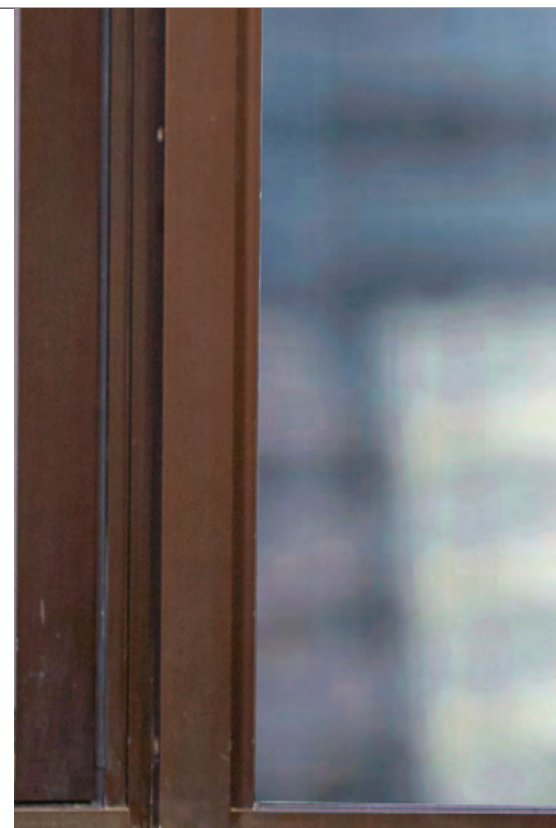
Together with the interim dividend of 8 sen per share, total dividends paid and payable for FY2020 would be 46 sen per share (FY2019 : 31 sen per share).

GOING FORWARD

The **Grains and agribusiness** segment is expected to weather the volatile commodities market. The segment, which is in the business of production and distribution of staple food, is expected to perform satisfactorily, riding on its strong technical competency, extensive marketing and distribution network as well as in-depth procurement experience.

The **Consumer products** segment is expected to perform satisfactorily as the Group endeavours to expand sales into the food service channel and e-commerce marketplace.

The **Film exhibition and distribution** segment performance will be weighed down by intermittent cinema closures, operating with reduced seating capacity due to strict adherence to maintaining social distancing, and deferment of movie title releases. Management is confident that the movie industry will start to recover as COVID-19 cases are brought under control, and after the planned rollout of the vaccination programme in February 2021. We remain resilient during this transitory period and continue to work on revenue diversification and cost optimisation initiatives, in addition to stringent cash flow management.



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

Performance of the **Property** segment remains challenging, both in the area of investment properties and property development. Management will continue to work on various initiatives to improve footfall in our malls as well as to increase sales of our development properties.

The COVID-19 pandemic will continue to weigh on our **Film exhibition and distribution** and **Property** segments. The other main business segments, which are mainly in the production and distribution of staple food and services, are expected to perform satisfactorily. Wilmar's performance will continue to contribute substantially to the overall profitability of the Group.

OF THE CHAIRMAN



CORPORATE SOCIAL (CSR) ACTIVITIES *COVID-19 Initiatives*

To support the community during the COVID-19 pandemic, PPB and its subsidiaries ("PPB Group") undertook various initiatives in 2020 and spent a total of RM2.6 million in food products; and PPEs such as coveralls for red and yellow zones as well as N95 facemasks; reusable fabric facemasks; hand sanitisers; and cleaning detergents. In addition, PPB Group distributed 1.5 million Massimo Primo buns and assisted welfare homes and needy families in paying their outstanding electricity bills.

Others

During the quarter under review, PPB Group organised/participated in several CSR activities, amongst them being :

- PPB sponsored the construction of an edible garden at the compound of the Community Service Centre for the Deaf (CSCD), for students to learn gardening skills as well as earn sustainable income for the Centre.
- Cheras LeisureMall organised a blood donation drive in response to the National Blood Bank's call to the public to donate blood as its stock had been impacted by the MCO.
- Contribution of basic necessities to underprivileged communities and purchase of electrical appliances requested by welfare homes in conjunction with Deepavali and Christmas celebrations.

Tan Sri Datuk Oh Siew Nam
Chairman

10 March 2021

HAPPENINGS

FFM Marketing Sdn Bhd (FFMM) launched two new products during the quarter under review, viz Marina Pasta Sauce with Tuna in 3 variants; and Massimo Lemon Krunch Cream Roll.

On 20 October 2020, PPB conducted a webinar for its in-house directors' training session which was attended by 126 participants comprising directors, senior managers and officers of PPB group companies and affiliates. The content are topical and relevant to the Group, and aimed to keep directors and management abreast with market and regulatory developments, as well as other subjects of interest.

The Group firmly believes in operating its businesses based on high standards of integrity as well as strong governance and internal controls. During the

year, our Anti-Bribery and Corruption (ABAC) Framework encompassing the ABAC Policy and ABAC Manual was rolled out throughout the Group. A mandatory three-step ABAC training programme for all employees in the Group comprised the training session itself, quiz and signing of an integrity pledge.

The Group is committed in treating its employees fairly, with dignity, respect, zero tolerance against all forms of discrimination and full compliance with all applicable labour laws, rules and regulations. As a natural progression, the Group expects the same level of commitment from its suppliers in the Malaysian operations and therefore, has implemented a Human Rights Policy in its supply chain.

HAPPENINGS

1 —

MARINA PASTA SAUCE WITH TUNA

In mid-November 2020, FFM Marketing Sdn Bhd launched the first pasta sauce with tuna chunks, MARINA PASTA SAUCE WITH TUNA. This new product comes in Italian, Carbonara and Shoyu sauces complete with tuna, and all three types are packed in a box. It is convenient, easy to store, fuss-free and a good blend of various types of pasta sauce. Now available in a box of 3 cans of 165g each.



2 —

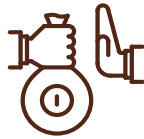
MASSIMO LEMON KRUNCH CREAM ROLL

Massimo launched a new variant of cream roll, Massimo lemon cream roll in October 2020. This new product has a tangy lemon cream filling with crunchy sugar bits which can be served as a snack or a quick meal.



HAPPENINGS

3



ANTI-BRIBERY AND CORRUPTION PROCESSES

Pursuant to Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and the issuance of the Guidelines on Adequate Procedures by the Prime Minister's Office, PPB has further improved and strengthened its governance and internal controls in managing bribery and corruption risks.

A dedicated Integrity Unit was established under the Enterprise Risk Management Department and this was followed by the issuance of PPB's Group Anti-Bribery and Corruption ("ABAC") Framework, ABAC Policy and ABAC Manual.

As part of the awareness programme, the ABAC Policy, which contains PPB's stance against bribery and corruption has been communicated to all employees and business associates of PPB and its subsidiaries ("PPB Group"), for example –

- zero-tolerance against all forms of bribery and corruption;
- managing conflicts of interest;
- policy on gifts, hospitality and entertainment;
- donations and sponsorship; and
- handling facilitation payment requests and whistleblowing

Thereafter a mandatory three-step ABAC training programme for employees (including PPB's foreign subsidiaries in Singapore, Indonesia and Vietnam, both in-person and via video conferencing), which comprised the training session itself, followed by a quiz and the signing of an integrity pledge, was carried out.

To foster greater awareness, PPB Head Office also organised a slogan contest amongst employees. The winning slogan; **"Say No to Corruption, #JanganBeri, #JanganTerima"** will be used as part of the corporate slogan across the PPB Group.

PPB will endeavour to continuously strengthen and sustain the integrity culture within the Group.

HAPPENINGS

4



IMPLEMENTATION OF HUMAN RIGHTS POLICY IN SUPPLY CHAIN

PPB and its subsidiaries (the “Group”) are committed to treating their employees fairly, with dignity, respect, zero-tolerance against all forms of discrimination and full compliance with all applicable labour laws, rules and regulations.

To formalise this commitment, the Group has adopted a Human Rights Policy (“HRP”) in 2018 which is guided by the principles in the Universal Declaration of Human Rights. The HRP can be viewed on PPB’s website at www.ppbgroup.com.

It was a natural progression for the Group to require the same level of commitment on human rights from its suppliers and in July 2020, the Group commenced implementation of the HRP in the supply chain of its Malaysian operations.

5



DIRECTORS’ TRAINING

An in-house directors’ training was held on 20 October 2020. For the first time, the training was conducted entirely as a webinar due to the imposition by the Malaysian government of the conditional movement control order. The training was participated by 126 participants comprising directors, senior managers and officers of PPB group companies and affiliates.

The first session entitled “Harnessing recovery path to the next normal” was presented by Mr Lee Heng Guie, Executive Director of the Socio-Economic Research Centre. Mr Lee shared with the participants his views on the global and regional economies, and the financial and other implications of the COVID-19 pandemic.

This was followed by a presentation entitled “An introduction to Integrated Reporting” by Mr Ong Chee Wai, Partner and Assurance Leader, Ernst & Young Malaysia and Ms Arina Kok, Director Climate Change and Sustainability Services, Ernst & Young Malaysia. They shared with the participants an overview of integrated reporting, and the benefits and challenges of adopting and implementing it.

The last item for the day was a talk entitled “Applied Resilience - Mental health and emotional capacity building for the future” by Mr Paul Jambunathan, a Consultant Clinical Psychologist. Mr Jambunathan spoke on building resilience during a crisis and the importance of maintaining mental well-being.

CSR ACTIVITIES



PPB GROUP COVID-19 INITIATIVES

SINCE THE IMPLEMENTATION OF THE MOVEMENT CONTROL ORDER (MCO) IN MARCH 2020, PPB AND ITS SUBSIDIARIES (“PPB GROUP”) HAVE BEEN ACTIVELY EXTENDING SUPPORT TO THE COMMUNITY VIA VARIOUS INITIATIVES.

The COVID-19 initiatives undertaken by PPB Group in 2020 are summarised as follows :-

- **“Food Aid” Project**

- PPB reached out to more than 1,100 needy families in the 2nd and 4th quarters of 2020 and provided food provisions, which helped relieve their financial burden.
- With the assistance of Kuok Foundation and the Malaysian Relief Agency, PPB contributed 2,000 sets of food packages to 2,000 needy families in Kota Kinabalu, Tuaran, Beaufort, Sipitang, Tawau, Semporna and Sandakan in Sabah. The food packages consist of rice, sugar, Seri Murni cooking oil, Marina baked beans and sardines, FFM flour and V-soy.
- FFM Group collaborated with the Sunway group to sponsor 5,000 kg of food products to the #SunwayforGood Food Bank programme, whereby the products were distributed to the needy through NGOs such as Food Aid Foundation, The Lost Food and DHRRA Malaysia.
- FFM contributed Care Packages comprising Kart’s Quick Meal-to-go, Meadow Fresh milk, V-Soy soyabean milk, and Super coffee to frontliners in 6 government hospitals, the Royal Malaysia Police and Malaysian Armed Forces in April 2020. FFM also contributed food products to students who were stranded in institutions of higher learning in the 2nd quarter of 2020.
- PPB and FFM distributed a total of 1,500,000 pieces of Massimo Primo Sandwich Rolls to the B40 community, underprivileged students and refugees.
- GSC collaborated with Food for Gelendangan and contributed more than 10,000 snack items to the residents of Selangor Mansion and 700 homeless recipients in March/April 2020. GSC also partnered with Mytown Shopping Centre and sponsored more than 16,000 units of beverages to frontliners in Hospital Kuala Lumpur. In the last quarter of 2020, GSC donated a variety of food products and healthy beverages to foodbanks, welfare homes and NGOs.

- **“Frontliners, We Care For You” Project**

In appreciation of our frontliners who have sacrificed their time and lives, PPB donated the following personal protective equipments (PPE) :-

- 60,000 pieces of N95 facemasks to 14 government hospitals, 10 government clinics, 3 prisons and a fire department.
- 7,760 pieces of coveralls to the KLIA Health Office, 9 government hospitals and 2 prisons.
- 600 litres of hand sanitiser to 10 government hospitals and 1 government clinic.

PPB Properties donated two units of powered air-purifying respirators to Hospital Pulau Pinang.

- **“Mask Up, Stay Safe” Project**

PPB contributed 5,000 pcs of reusable facemasks to 60 welfare homes and NGOs.

CSR ACTIVITIES

• “Keep Clean. Let’s Beat COVID-19 Together!” Project

PPB and its 55%-subsidiary, Chemquest Sdn Bhd jointly contributed various cleaning products to Sungai Buloh Prison, and the Food Aid Foundation (FAF). The products were distributed by FAF to about 127 welfare homes, 3 orang asli communities and a prison. They included laundry detergent, dish-washing liquid, toilet bowl cleaner, surface disinfectant, bar soaps as well as hand sanitisers.

Chemquest Group also gave hand sanitisers and cleaning aids to 33 welfare homes and 211 families from the orang asli community.

PPB Properties donated 5-litre hand sanitisers to Klinik Keluarga Kerajaan in Georgetown.

• “Lighting Up Homes” Project

PPB assisted 20 welfare homes and 64 needy families by paying their outstanding electricity bills.

• “Foodbank” Project

PPB contributed essential food items namely rice, eggs and infant/children milk powder to 4 foodbanks/soup kitchens – Food Aid Foundation, Grace Food Bank, Kechara Food Bank and Pertiwi Soup Kitchen as well as an orang asli village in Pahang, for a period of 3 months. These items are especially hard to come by and foodbanks find it challenging to get sponsors for them.

GSC Group also distributed more than 35,000 curry puffs to the same 4 foodbanks/soup kitchens.



CSR ACTIVITIES

2



SPONSORSHIP OF EDIBLE GARDEN FOR THE COMMUNITY SERVICE CENTRE FOR THE DEAF

IN THE LAST QUARTER OF 2020, PPB SPONSORED THE BUILDING OF AN EDIBLE GARDEN IN THE COMPOUND OF THE COMMUNITY SERVICE CENTRE FOR THE DEAF (CSCD). THIS PROJECT IS PART OF THE CSCD'S REVITALIZATION PROJECT WHICH STARTED IN 2019 AND IS AIMED TO PROVIDE A WIDER PLATFORM FOR THE DEAF AND B40 COMMUNITIES INCLUDING THE DIFFERENTLY-ABLED COMMUNITY.

The construction of the edible garden enables members of Silent Teddies and students of CSCD to learn gardening skills as well as create sustainable income for the Centre. Silent Teddies is a social enterprise started by CSCD to reduce dependence on public funding through self-help projects.

The edible garden initial crops were sweet corn and vegetables planted by CSCD's volunteers. Planting of pineapples and herbs is in the pipeline. The pineapples will be used to make the fillings for their popular jam tarts.



CSR ACTIVITIES



3



BLOOD DONATION CAMPAIGN

ON 13 DECEMBER 2020, CHERAS LEISUREMALL COLLABORATED WITH KWANGSI ASSOCIATION OF SELANGOR & KUALA LUMPUR (YOUTH DIVISION) TO ORGANISE A BLOOD DONATION CAMPAIGN FOR THE SECOND TIME IN 2020.

The event was held at the concourse at Level 2 LeisurePlex, with physical distancing and safety measures observed throughout the session. The campaign drew a positive response and collected 100 pints of blood.

4



DEEPAVALI CELEBRATION 2020

IN CONJUNCTION WITH THE DEEPAVALI CELEBRATION, PPB CONTRIBUTED ELECTRICAL APPLIANCES AND GROCERIES TO RUMAH KEBAJIKAN ANBU ILLAM AND RUMAH KEBAJIKAN KARUNAI ILLAM, BOTH ORPHANAGES MANAGED BY PERSATUAN SAIVA SIDDHANTA MALAYSIA.

PPB also purchased large capacity ovens for two needy mothers to help boost their home bakery business. PPB strives to empower women to build better livelihoods.



CSR ACTIVITIES

5



CHRISTMAS CELEBRATION 2020

TO SUPPORT THE COMMUNITY IN NEED, THE LINC KL COLLABORATED WITH TENDER HEARTS TO PRODUCE 2,000 JARS OF HOMEMADE CHRISTMAS COOKIES, BAKED BY YOUTH WITH SPECIAL NEEDS FROM ITS TRAINING CENTRE. THE COOKIE REDEMPTION PROGRAMME GARNERED POSITIVE RESPONSE FROM SHOPPERS.

At Cheras LeisureMall, shoppers were invited to donate Christmas gifts to over 300 children from 4 children's homes through the mall's annual community initiative, "Toy Bank, A Gift of Love". At the end of December 2020, 800 gifts were delivered to the participating homes.

Due to the MCO, PPB could not organize the usual movie and shopping outings for the orang asli but decided to present 190 orang asli from Tasik Chini, Pahang with Christmas gifts from KEEPSAKE, GSC's online store.



SHARE ANALYSIS

The domestic equity markets trended higher during the quarter. Notably, the improved outlook for the global deployment of COVID-19 vaccines in 2021 more than offset financial market concerns on the impact from renewed containment measures to address rising COVID-19 infections globally.

This led to recoveries in equity prices of sectors which were more severely affected by the pandemic, as investors priced in expectations for an eventual normalisation of economic activities. As at end-December, the FBM KLCI increased by 8.1% to close at 1,627.2 points (end-September: 1,504.8 points).

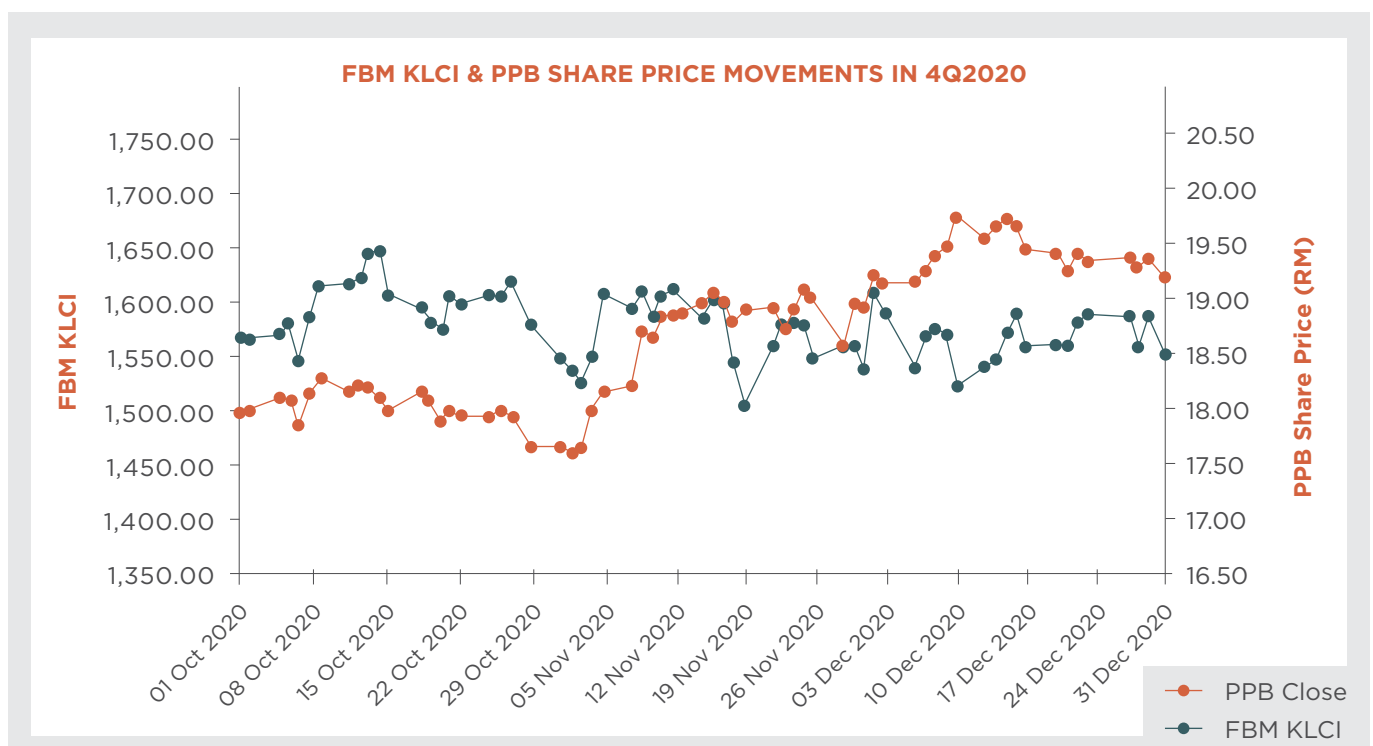
Source : Bank Negara Malaysia website



PPB shares closed at RM18.52 compared to RM19.00 in the preceding quarter and market capitalisation decreased to RM26,354 million. The average daily volume of PPB shares traded during the quarter decreased by 19.69% to 501,380 shares.

SHARE ANALYSIS

	4Q2020	3Q2020	% change
PPB share price (RM)			
Closing price (high)	19.50	19.70	-1.02%
Closing price (low)	18.08	17.58	2.84%
Month end closing price	18.52	19.00	-2.53%
Weighted share price	18.87	18.78	0.47%
Market capitalisation (RM' million)	26,354	27,037	-2.53%
PPB share trading volume (Number of shares)			
Daily volume (high)	2,578,300	2,125,800	21.29%
Daily volume (low)	82,600	73,600	12.23%
Average daily volume	501,380	624,344	-19.69%
FBM KLCI			
FBM KLCI closing (high)	1,684.58	1,611.42	4.54%
FBM KLCI closing (low)	1,461.45	1,490.12	-1.92%
FBM KLCI quarter end closing	1,627.21	1,504.82	8.13%
FBM KLCI volume (Number of shares)			
Daily volume (high)	592,756,400	323,100,600	83.46%
Daily volume (low)	70,670,800	65,973,000	7.12%
Average daily volume	178,742,394	149,531,452	19.53%



GROUP FINANCIAL HIGHLIGHTS

Financial year ended (All figures in RM million)	12 months		
	31-Dec-20	31-Dec-19	Change %
INCOME STATEMENT			
Revenue	4,191	4,684	(11)
Profit before tax	1,421	1,272	12
Profit attributable to owners of the parent	1,317	1,153	14
STATEMENT OF FINANCIAL POSITION			
Non-current assets	21,889	20,429	7
<u>Current assets</u>			
Cash and cash equivalents	1,420	1,501	(5)
Others	1,575	1,650	(5)
Total current assets	2,995	3,151	(5)
Total assets	24,884	23,580	6
<u>Equity</u>			
Share capital	1,429	1,429	-
Reserves	21,389	20,006	7
Equity attributable to owners of the parent	22,818	21,435	6
Non-controlling interests	728	696	5
Total equity	23,546	22,131	6
<u>Non-current liabilities</u>			
Borrowings	25	4	>100
Others	379	360	5
Total non-current liabilities	404	364	11
<u>Current liabilities</u>			
Borrowings	456	357	28
Others	478	728	(34)
Total current liabilities	934	1,085	(14)
Total liabilities	1,338	1,449	(8)
Total equity and liabilities	24,884	23,580	6

GROUP FINANCIAL HIGHLIGHTS

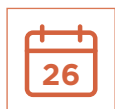
Financial year ended (All figures in RM million)		12 months	
		31-Dec-20	31-Dec-19
RATIOS			
Return on equity attributable to owners of the parent	(%)	5.8	5.4
Earnings per share	(sen)	92.6	81.0
Debt to equity	(times)	0.02	0.02
Net assets per share	(RM)	16.0	15.1
Dividend per share	(sen)	46.0	31.0
STOCK MARKET INFORMATION			
Share price	(RM)	18.52	18.84
Market capitalisation	(RM million)	26,354	26,089

ANNOUNCEMENTS

NOVEMBER 2020



PPB announced that the quarterly report for the 3rd quarter ended 30 September 2020 would be released on 26 November 2020.



Release of PPB's quarterly report for the 3rd quarter ended 30 September 2020.

DECEMBER 2020



PPB announced the commencement of a member's voluntary winding up of Tego Multifil Sdn Bhd, an indirect 100%-owned subsidiary of PPB.



PPB announced the commencement of a member's voluntary winding up of Golden Screen International Sdn Bhd, an indirect 100%-owned subsidiary of PPB.

CONDENSED CONSOLIDATED INCOME STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	4 th Quarter ended 31 December		12 Months ended 31 December	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Revenue	1,132,771	1,180,708	4,190,690	4,683,776
Operating expenses	(1,153,795)	(1,113,998)	(4,168,533)	(4,475,220)
Operating (loss)/profit	(21,024)	66,710	22,157	208,556
Other operating income	13,392	6,522	80,753	62,232
Share of results of associates	415,292	328,666	1,343,138	1,039,614
Share of results of joint venture	465	(6,290)	3,568	(4,960)
Finance costs	(8,001)	(7,001)	(28,683)	(33,814)
Profit before taxation	400,124	388,607	1,420,933	1,271,628
Tax expense	(10,587)	(22,537)	(57,511)	(72,366)
Profit for the period/year	389,537	366,070	1,363,422	1,199,262
Attributable to :				
Owners of the parent	385,389	349,945	1,316,961	1,152,551
Non-controlling interests	4,148	16,125	46,461	46,711
Profit for the period/year	389,537	366,070	1,363,422	1,199,262
Basic earnings per share (sen)	27.09	24.60	92.57	81.02

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	4 th Quarter ended 31 December		12 Months ended 31 December	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Profit for the period	389,537	366,070	1,363,422	1,199,262
Other comprehensive income/(loss), net of tax				
<u>Items that will not be subsequently reclassified to profit or loss</u>				
Fair value gain/(loss) on investment in equity instruments designated as fair value through other comprehensive income	34,160	5,208	(49,601)	(99,797)
Share of associates' other comprehensive income/(loss)	8,351	(11,759)	(60,154)	(25,532)
Gain on disposal of equity instruments at fair value through other comprehensive income	-	6,487	-	6,487
<u>Items that will be subsequently reclassified to profit or loss</u>				
Exchange differences on translation of foreign operations	(670,700)	(402,303)	(400,832)	(171,328)
Share of associates' other comprehensive income/(loss)	1,029,603	166,969	1,025,844	(65,014)
Total comprehensive income	790,951	130,672	1,878,679	844,078
Attributable to :				
Owners of the parent	787,296	112,307	1,824,496	793,513
Non-controlling interests	3,655	18,365	54,183	50,565
Total comprehensive income	790,951	130,672	1,878,679	844,078

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31-Dec-20 RM'000	As at 31-Dec-19 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	1,320,984	1,337,417
Investment properties	300,506	265,770
Right-of-use assets	254,461	245,769
Bearer plant	3,566	3,042
Goodwill	71,201	73,704
Other intangible assets	7,652	9,177
Land held for property development	100,178	100,178
Investment in associates	19,436,825	17,960,226
Investment in joint venture	22,549	17,404
Receivables	675	10,600
Other investments	356,042	405,179
Deferred tax assets	14,605	342
	21,889,244	20,428,808
Current Assets		
Inventories	658,626	802,513
Biological assets	8,635	16,767
Other intangible assets	52	25
Property development costs	32,613	18,881
Receivables	862,380	801,805
Derivative financial assets	360	128
Current tax assets	11,407	9,921
Cash and cash equivalents	1,420,341	1,500,909
	2,994,414	3,150,949
	24,883,658	23,579,757
EQUITY AND LIABILITIES		
Equity		
Share capital	1,429,314	1,429,314
Reserves	21,389,435	20,005,945
Equity attributable to owners of the parent	22,818,749	21,435,259
Non-controlling interests	727,696	695,532
Total equity	23,546,445	22,130,791

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31-Dec-20 RM'000	As at 31-Dec-19 RM'000
Non-current Liabilities		
Borrowings	25,461	4,096
Lease obligations	239,307	227,976
Provision for restoration cost	28,620	29,340
Deferred tax liabilities	110,139	102,191
	403,527	363,603
Current Liabilities		
Payables	387,302	669,190
Derivative financial liabilities	54,009	17,339
Borrowings	455,798	357,075
Lease obligations	28,844	28,540
Provision for restoration cost	1,695	5,200
Current tax liabilities	6,038	8,019
	933,686	1,085,363
Total liabilities	1,337,213	1,448,966
TOTAL EQUITY AND LIABILITIES	24,883,658	23,579,757

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Share capital RM'000	Non-distributable reserves RM'000	Retained earnings RM'000	Attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
12 months ended 31 December 2020						
At 1 January 2020	1,429,314	2,825,928	17,180,017	21,435,259	695,532	22,130,791
Total comprehensive income	-	507,619	1,316,877	1,824,496	54,183	1,878,679
Transfer of reserves	-	(3,338)	3,338	-	-	-
Dividends	-	-	(441,006)	(441,006)	(26,164)	(467,170)
Issue of shares to non-controlling interests	-	-	-	-	4,145	4,145
At 31 December 2020	1,429,314	3,330,209	18,059,226	22,818,749	727,696	23,546,445
12 months ended 31 December 2019						
At 1 January 2019	1,429,314	3,166,516	16,444,244	21,040,074	696,797	21,736,871
Total comprehensive (loss)/income	-	(359,415)	1,152,928	793,513	50,565	844,078
Transfer of reserves	-	18,827	(18,827)	-	(25,904)	(25,904)
Dividends	-	-	(398,328)	(398,328)	(25,926)	(424,254)
At 31 December 2019	1,429,314	2,825,928	17,180,017	21,435,259	695,532	22,130,791

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	12 months ended 31 December	
	2020	2019
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,420,933	1,271,628
Adjustments :		
Non-cash items	(1,140,682)	(856,897)
Non-operating items	(11,301)	(26,009)
Operating profit before working capital changes	268,950	388,722
Working capital changes :-		
Net change in current assets	79,511	97,510
Net change in current liabilities	(278,340)	(38,820)
Cash generated from operations	70,121	447,412
Tax paid	(70,346)	(46,438)
Net cash (used in)/generated from operating activities	(225)	400,974
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment properties, biological assets and other intangible assets	(126,428)	(142,640)
Proceeds from disposal of property, plant and equipment	1,148	5,266
Purchase of investments	(120,097)	-
Proceeds from disposal of investment	438	35,536
Dividends received	509,565	382,169
Income received from short-term fund placements	28,540	34,946
Interest received	7,050	9,266
Repayment from associates	7,973	496
Distribution of profit from joint venture	7,668	7,555
Net cash generated from investing activities	315,857	332,594
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(repayment) of bank borrowings	129,982	(133,285)
Interest paid	(17,403)	(23,814)
Dividends paid	(467,170)	(424,254)
Payment of lease obligations	(43,018)	(42,470)
Shares issued to non-controlling interests of a subsidiary	4,145	-
Net cash used in financing activities	(393,464)	(623,823)
Net (decrease)/increase in cash and cash equivalents	(77,832)	109,745
Cash and cash equivalents brought forward	1,500,571	1,390,711
Effect of exchange rate changes	(2,537)	114
Cash and cash equivalents carried forward	1,420,202	1,500,570
Cash and cash equivalents represented by :		
Cash and bank balances	257,054	180,967
Bank deposits	224,868	174,977
Short-term fund placements	938,419	1,144,965
Bank overdrafts	(139)	(339)
	1,420,202	1,500,570

(The Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019)

NOTES

A1. Accounting policies

The interim financial statements of the Group have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") MFRS 134 Interim Financial Reporting and Chapter 9, Part K of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the audited financial statements for the financial year ended 31 December 2019 except for the adoption of the following Amendments to MFRS that are effective for financial periods beginning on or after 1 January 2020 :

Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 101 and MFRS 108	Definition of Material
Amendments to MFRS 7 and MFRS 9	Interest Rate Benchmark Reform
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the above Amendments to MFRS did not have any material effects to the condensed financial statements in the period of initial application.

The Group has early adopted the Amendments to MFRS16: COVID-19 Related Rent Concessions on 1 January 2020, which is effective for financial periods beginning on or after 1 June 2020.

As a practical expedient, the Group, as a lessee has elected not to assess whether a rent concession that meets conditions as set out in MFRS 16 in a lease modification. As such, any change in lease payments resulting from the rent concession shall be accounted as variable lease payment in the period(s) in which the event or condition that triggers the reduced payment occurs and is recognised directly to profit or loss. The adoption of this amendment had no material impact to the financial statement under review.

A2. Seasonality or cyclicity of interim operations

The Group's operations are not materially affected by any seasonal or cyclical factors.

A3. Exceptional or unusual items

There were no exceptional or unusual items for the financial year ended 31 December 2020.

A4. Nature and amount of changes in estimates

There were no changes in estimates of amounts reported in the previous financial year which have a material effect in the current financial year.

A5. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year.

A6. Dividends paid

During the financial year ended 31 December 2020, a second interim dividend of 23 sen per share in respect of financial year ended 31 December 2019 was paid on 2 June 2020, and an interim dividend of 8 sen per share in respect of financial year ended 31 December 2020 was paid on 29 September 2020.

NOTES

A7. Segmental reporting

Performance of the Group’s business segments for the financial year ended 31 December 2020 is as follows :

Business segments : All figures in RM’000	Grains and agribusiness	Consumer products	Film exhibition and distribution	Environmental engineering and utilities	Property	Other operations	Inter- segment elimination	Total
REVENUE								
External revenue	3,135,779	627,681	114,255	188,912	66,078	57,985	-	4,190,690
Inter-segment sales	155,351	594	-	631	968	3,308	(160,852)	-
Total revenue	3,291,130	628,275	114,255	189,543	67,046	61,293	(160,852)	4,190,690
RESULTS								
Segment results	161,834	32,374	(122,502)	4,629	5,024	21,795	-	103,154
Share of results of associates	109,848	(826)	(13,096)	6,185	(1,084)	1,242,111	-	1,343,138
Share of results of joint venture	-	-	-	3,568	-	-	-	3,568
Unallocated corporate expenses	-	-	-	-	-	-	-	(28,927)
Profit/(Loss) before taxation	271,682	31,548	(135,598)	14,382	3,940	1,263,906	-	1,420,933

A8. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the financial year that have not been reflected in the financial statements under review.

A9. Changes in the composition of the Group

FFM Berhad (“FFM”), an 80%-subsidiary of PPB Group Berhad, had on 24 June 2020 acquired the remaining 70% equity interest not already owned in FFM Further Processing Sdn Bhd (“FFMP”) from BRF Foods GmbH for RM31.5 million. Arising therefrom, FFMP has become a wholly-owned subsidiary of FFM.

Other than the above, there were no material changes in the composition of the Group for the financial year under review.

A10. Changes in contingent liabilities or contingent assets

There were no material changes in contingent assets and liabilities since the end of the previous financial year.

NOTES

A11. Capital and other commitments

Authorised capital and other commitments not provided for in the financial statements as at 31 December 2020 are as follows :

	RM'000
Property, plant and equipment, investment properties and biological assets	
- contracted	64,371
- not contracted	365,248
	429,619
Other commitments	
- contracted	311,683
- not contracted	148,328
	460,011
Total	889,630

A12. Significant related party transactions

Significant related party transactions during the financial year ended 31 December 2020 are as follows :

	RM'000
Transactions with associates	
- Sales of goods	1,537
- Interest income	1,134
- Purchase of goods	26,484
Transactions with subsidiaries of the ultimate holding company	
- Supervision fee income	1,967
- Sales of goods	51,456
Transactions with subsidiaries of associates	
- Purchase of goods	261,135
- Sales of goods	116,461
- Rental income	3,333
- Other services expenses	18,961
- Supervision fees income	2,654
- Freight cost	125,205

NOTES

B1. Performance analysis

Group financial performance by business segment

Business segments : All figures in RM'000	Grains and agribusiness	Consumer products	Film exhibition and distribution	Environmental engineering and utilities	Property	Other operations	Inter- segment elimination	Total
4Q2020								
REVENUE								
External revenue	839,303	156,184	8,990	83,936	29,706	14,652	-	1,132,771
Inter-segment sales	38,134	97	-	200	258	28	(38,717)	-
Total revenue	877,437	156,281	8,990	84,136	29,964	14,680	(38,717)	1,132,771
RESULTS								
Segment results	10,413	11,795	(43,325)	1,925	4,850	3,927	-	(10,415)
Share of results of associates	30,455	463	(3,118)	696	(472)	387,268	-	415,292
Share of results of joint venture	-	-	-	465	-	-	-	465
Unallocated corporate expenses	-	-	-	-	-	-	-	(5,218)
Profit/(Loss) before taxation	40,868	12,258	(46,443)	3,086	4,378	391,195	-	400,124
4Q2019								
REVENUE								
External revenue	787,379	139,957	147,480	63,499	20,699	21,694	-	1,180,708
Inter-segment sales	33,056	914	-	78	420	79	(34,547)	-
Total revenue	820,435	140,871	147,480	63,577	21,119	21,773	(34,547)	1,180,708
RESULTS								
Segment results	49,197	(723)	12,892	2,081	2,912	11,387	-	77,746
Share of results of associates	24,495	(1,096)	(1,314)	891	(2,319)	308,009	-	328,666
Share of results of joint venture	-	-	-	(6,290)	-	-	-	(6,290)
Unallocated corporate expenses	-	-	-	-	-	-	-	(11,515)
Profit/(Loss) before taxation	73,692	(1,819)	11,578	(3,318)	593	319,396	-	388,607
Variance								
Revenue (%)	7%	11%	-94%	32%	42%	-33%	-12%	-4%
Profit/(Loss) before taxation (%)	-45%	>100%	>100%	>100%	>100%	22%	-	3%

NOTES

B1. Performance analysis (Cont'd)

Group financial performance by business segment (Cont'd)

Business segments : All figures in RM'000	Grains and agribusiness	Consumer products	Film exhibition and distribution	Environmental engineering and utilities	Property	Other operations	Inter- segment elimination	Total
FY2020								
REVENUE								
External revenue	3,135,779	627,681	114,255	188,912	66,078	57,985	-	4,190,690
Inter-segment sales	155,351	594	-	631	968	3,308	(160,852)	-
Total revenue	3,291,130	628,275	114,255	189,543	67,046	61,293	(160,852)	4,190,690
RESULTS								
Segment results	161,834	32,374	(122,502)	4,629	5,024	21,795	-	103,154
Share of results of associates	109,848	(826)	(13,096)	6,185	(1,084)	1,242,111	-	1,343,138
Share of results of joint venture	-	-	-	3,568	-	-	-	3,568
Unallocated corporate expenses	-	-	-	-	-	-	-	(28,927)
Profit/(Loss) before taxation	271,682	31,548	(135,598)	14,382	3,940	1,263,906	-	1,420,933
FY2019								
REVENUE								
External revenue	3,153,532	624,197	556,127	194,569	63,298	92,053	-	4,683,776
Inter-segment sales	150,615	3,243	-	270	1,337	319	(155,784)	-
Total revenue	3,304,147	627,440	556,127	194,839	64,635	92,372	(155,784)	4,683,776
RESULTS								
Segment results	135,204	6,377	65,287	11,310	13,491	48,655	-	280,324
Share of results of associates	77,806	(5,730)	1,551	4,922	400	960,665	-	1,039,614
Share of results of joint venture	-	-	-	(4,960)	-	-	-	(4,960)
Unallocated corporate expenses	-	-	-	-	-	-	-	(43,350)
Profit before taxation	213,010	647	66,838	11,272	13,891	1,009,320	-	1,271,628
Variance								
Revenue (%)	0%	0%	-79%	-3%	4%	-34%	-3%	-11%
Profit/(Loss) before taxation (%)	28%	>100%	->100%	28%	-72%	25%	-	12%

NOTES

B1. Performance analysis (Cont'd)

Group performance review

For the fourth quarter of 2020, the Group recorded total revenue of RM1.13 billion, 4% lower as compared to 4Q2019 of RM1.18 billion. Pre-tax profit was at RM400 million (4Q2019: RM389 million). Profit contribution from Wilmar International Limited ("Wilmar") increased by RM79 million to RM387 million (4Q2019: RM308 million).

For financial year 2020, Group total revenue was lower by 11% to RM4.19 billion (FY2019: RM4.68 billion) mainly attributable to lower revenue from **Film exhibition and distribution** segment. The Group achieved a pre-tax profit of RM1.42 billion for financial year 2020, 12% higher as compared to RM1.27 billion achieved in 2019. This was mainly attributable to a 29% increase in contribution from Wilmar at RM1.24 billion (FY2019: RM960 million). Core group profit was, however, lower by 43%.

Grains and agribusiness

Segment revenue in 4Q2020 was higher by 7% to RM877 million (4Q2019: RM820 million) mainly due to higher sales of feed, maize and soybean meal. The segment reported lower profit by 45% to RM41 million (4Q2019: RM74 million) mainly due to higher raw material costs, partially offset by higher profit contribution from associates.

Segment revenue for FY2020 was relatively unchanged at RM3.29 billion (FY2019: RM3.30 billion). Segment profit was higher by 28% to RM272 million (FY2019: RM213 million) mainly attributable to lower raw material costs and higher share of profit from associates.

Consumer products

Segment revenue and profit for 4Q2020 was at RM156 million (4Q2019: RM141 million) and RM12 million (4Q2019: loss of RM1.8 million) respectively.

Segment profit for FY2020 was higher at RM32 million (FY2019: RM647,000). The increase was mainly attributable to a one-off gain on step-acquisition of an associate of RM21 million and better performance at the bakery division.

Film exhibition and distribution

Segment revenue for 4Q2020 and FY2020 was at RM9 million (4Q2019: RM147 million) and RM114 million (FY2019: RM556 million) respectively. For 4Q2020 and FY2020, the segment recorded a loss of RM46 million (4Q2019: profit of RM12 million) and RM136 million (FY2019: profit of RM67 million) respectively.

Segment results was significantly impacted by reduced admissions, intermittent closure of cinemas and deferment of movie titles during the year as the country fought the COVID-19 pandemic through the Movement Control Order ("MCO").

Environmental engineering and utilities

Segment revenue and profit for 4Q2020 was at RM84 million (4Q2019: RM64 million) and RM3 million (FY2019: loss of RM3 million) respectively.

For FY2020, segment revenue was lower by 3% at RM190 million (FY2019: RM195 million). However, profit was higher by 28% at RM14 million (FY2019: RM11 million) mainly attributable to share of profit from joint venture as a one-time impairment of an overseas joint venture of RM8.9 million was made in FY2019. Excluding that, performance was affected by slower project activities due to the imposition of MCO during the year.

NOTES

B1. Performance analysis (Cont'd)**Property**

Segment revenue and profit for 4Q2020 was higher at RM30 million (4Q2019: RM21 million) and RM4 million (4Q2019: RM1 million) respectively, mainly due to higher progress billings from the Megah Rise project, partially offset by lower rental income from mall operations.

For FY2020, the segment recorded revenue and profit at RM67 million (FY2019: RM65 million) and RM4 million (FY2019: RM14 million) respectively. This was mainly due to lower rental income and the absence of a one time gain on disposal of property of RM4.7 million in FY2019.

Other operations

The segment achieved a higher profit at RM391 million in 4Q2020 (4Q2019: RM319 million) and RM1.26 billion in FY2020 (FY2019: RM1.01 billion) respectively. Contribution from Wilmar increased by 26% to RM387 million for 4Q2020 (4Q2019: RM308 million) and up 29% to RM1.24 billion for financial year 2020 (FY2019: RM960 million) respectively.

B2. Material changes in the quarterly results compared to the results of the preceding quarter

Group pre-tax profit decreased by 7% to RM400 million for 4Q2020 (3Q2020: RM430 million). This was mainly attributable to lower contribution from Wilmar by 5% to RM387 million (3Q2020: RM409 million).

B3. Prospects

The Malaysian economy recorded a negative growth of 3.4% in the fourth quarter of 2020, attributed largely to the imposition of a Conditional Movement Control Order in a number of states since mid-October 2020. Economic recovery was affected by a resurgence in COVID-19 cases and an introduction of targeted containment measures in several states in the fourth quarter of 2020. Overall performance of the year was at a negative of 5.6% following global restraint orders and border closures.

For 2021, while we expect near term growth to be affected by the re-introduction of stricter containment measures, we believe that the impact will be less severe than what we experienced in 2020.

The growth trajectory is projected to improve from the second quarter onwards. This will be driven by improvement in global demand, turnaround in public and private sector expenditure amidst continuous support from policy measures, higher production from existing and new facilities in the manufacturing and mining sectors. The COVID-19 vaccine rollout from February onwards is also expected to lift sentiment and dampen the spread of the virus.

The **Grains and agribusiness** segment is expected to weather the volatile commodities market. The segment, which is in the business of production and distribution of staple food, is expected to perform satisfactorily, riding on its strong technical competency, extensive marketing and distribution network as well as in-depth procurement experience.

The **Consumer Products** segment is expected to perform satisfactorily as the Group endeavours to expand sales into the food service channel and e-commerce marketplace.

NOTES

B3. Prospects (Cont'd)

The **Film exhibition and distribution** segment performance will be weighed down by intermittent cinema closures, operating in reduced seating capacity due to strict adherence to maintaining social distancing, and deferment of movie titles releases.

Management is confident that the movie industry will start to recover as the COVID-19 cases are brought under control and after the planned rollout of the vaccination programme towards the second quarter of 2021. We remain resilient during this transitory period and continue to work on revenue diversification and cost optimisation initiatives, in addition to stringent cash flow management.

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

Performance of the **Property** segment remains challenging, both in the area of investment properties and property development. Management will continue to work on various initiatives to improve footfall in our malls as well as to increase sales of our development properties.

The COVID-19 pandemic will continue to weigh on our **Film exhibition and distribution** and **Property** segments. The other main business segments, which are mainly in the production and distribution of staple food and services, are expected to perform satisfactorily. Wilmar's performance will continue to contribute substantially to the overall profitability of the Group.

B4. Variance of actual profit from forecast profit

Not applicable.

B5. Profit before taxation

	4 th Quarter ended 31-Dec-20 RM'000	12 Months ended 31-Dec-20 RM'000
Profit before taxation was stated after charging/(crediting) :		
Interest income and income from short-term fund placements	(6,686)	(34,527)
Dividend income	(1,579)	(5,457)
Net fair value loss on derivatives	30,969	886
Net foreign exchange (gain)/loss	(6,388)	1,881
Allowance for doubtful debts and receivables written off	7,770	9,832
Depreciation and amortisation	58,096	186,617
Interest expense on lease obligations	3,594	11,466

NOTES

B6. Tax expense

	4 th Quarter ended 31-Dec-20 RM'000	12 Months ended 31-Dec-20 RM'000
Taxation comprises :		
Malaysian taxation		
Current	410	43,477
Deferred	1,505	(17,773)
	1,915	25,704
Foreign taxation		
Current	2,081	5,960
Deferred	3,132	9,444
	7,128	41,108
Under/(over) provision in prior year :		
Current	3,869	17,671
Deferred	(410)	(1,268)
	10,587	57,511

The effective tax rate was higher than the statutory tax rate. This was due mainly to underprovision of tax in prior years and provision for withholding tax on undistributed profits on foreign associates.

B7. Status of corporate proposals

There were no corporate proposals announced but not completed as at 19 February 2021.

NOTES

B8. Group borrowings

Total Group borrowings as at 31 December 2020 were as follows :

	Total RM'000	Secured RM'000	Unsecured RM'000
Long-term bank borrowings			
Long-term bank loans	23,708	-	23,708
Long-term bank loans (VND)	1,653	1,653	-
Hire purchase financing	100	100	-
	25,461	1,753	23,708
Short-term bank borrowings			
Bills payable (IDR)	162,305	-	162,305
Short-term loan	52,000	-	52,000
Short-term loan (USD)	119,181	-	119,181
Short-term loan (VND)	122,092	3,848	118,244
Hire purchase financing	81	81	-
	455,659	3,929	451,730
Bank overdrafts	139	-	139
	455,798	3,929	451,869

B9. Derivative financial instruments

(a) Derivative financial assets and financial liabilities

	As at 31 December 2020	
	Contract/ Notional value RM'000	Fair value - Assets/ Liabilities RM'000
<u>Derivative financial assets</u>		
i) Futures contracts	67,984	317
ii) Forward foreign currency contracts	9,014	43
Total derivative assets		360
<u>Derivative financial liabilities</u>		
i) Options contracts	791,982	17,151
ii) Futures contracts	451,541	35,603
iii) Forward foreign currency contracts	115,892	1,255
Total derivative liabilities		54,009

All contracts will mature within one year.

NOTES

B9. Derivative financial instruments (Cont'd)**(a) Derivative financial assets and financial liabilities (Cont'd)**Futures and options contracts

The Group is exposed to market risk mainly from fluctuation in the prices of agricultural commodities, namely wheat and corn which are the key raw materials used in the Group's **Grains and agribusiness** segment. Commodity futures and options contracts are entered into with the objective to mitigate and hedge against the volatility of commodity prices. It is the policy of the Group to hedge only in contracts with corresponding underlying commodities that are used in its grains and agribusiness activities.

Forward foreign currency contracts

The Group enters into foreign currency forward contracts to minimise its exposure to foreign currency risks as a result of transactions denominated in currencies other than its functional currency. Under the Group's policy, foreign currency hedging is only considered for committed transactions and shall not exceed 100% of the committed amount.

There have been no significant changes since the end of the previous financial year ended 31 December 2019 in respect of the following:

- (i) the credit risk, market risk and liquidity risk associated with the derivatives;
- (ii) the cash requirements of the derivatives;
- (iii) the policies in place for mitigating or controlling the risks associated with the derivatives; and
- (iv) the related accounting policies.

(b) Fair value changes of financial instruments

The derivative financial instruments are recognised at fair value on contract dates and subsequently re-measured at fair value through profit or loss. The resulting gain or loss from the re-measurement is recognised in the income statement. Fair value changes are dependent on the market prices of derivatives as at liquidation date and end of reporting period.

For the fourth quarter of 2020, unrealised fair value loss on derivative financial instruments amounted to RM1.1 million (4Q2019: RM0.3 million gain).

For the financial year 2020, unrealised fair value loss on derivative financial instruments amounted to RM13.8 million (FY2019: RM2.3 million).

B10. Material litigation

There were no material litigations as at 19 February 2021.

NOTES

B11. Dividends

The Board of Directors is pleased to recommend a proposed final dividend of 22 sen per share and a special dividend of 16 sen per share for the financial year ended 31 December 2020 (2019: Second interim dividend of 23 sen per share) payable on Tuesday, 1 June 2021 subject to approval of shareholders at the 52nd Annual General Meeting scheduled to be held on Tuesday, 11 May 2021.

Together with the interim dividend of 8 sen per share paid on 29 September 2020, total dividends paid and payable for the financial year ended 31 December 2020 would amount to 46 sen per share (2019 - First interim: 8 sen per share; Second interim: 23 sen per share).

The proposed final and special dividends are payable on Tuesday, 1 June 2021 to shareholders whose names appear in the Record of Depositors at the close of business on Monday, 17 May 2021.

B12. Earnings per share

	4 th Quarter ended 31 December		12 Months ended 31 December	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Net profit for the period	385,389	349,945	1,316,961	1,152,551
Number of ordinary shares in issue ('000)	1,422,599	1,422,599	1,422,599	1,422,599
Basic earnings per share (sen)	27.09	24.60	92.57	81.02

There were no potential dilutive ordinary shares outstanding as at 31 December 2020 and 31 December 2019. As a result, there were no diluted earnings per share for the financial year ended 31 December 2020 and 31 December 2019.

B13. Disclosure of audit report qualification and status of matters raised

The auditors' report for the financial year ended 31 December 2019 was not subject to any qualification.

Kuala Lumpur
25 February 2021

By Order of the Board
Mah Teck Keong
Company Secretary



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