



# PPB GROUP BERHAD

## 55<sup>th</sup> ANNUAL GENERAL MEETING

Presented by :

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# IMPORTANT NOTICE

Information in this presentation may contain projections and forward looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on current assumptions which are subject to various risks and which may change over time. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those projected.

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# AGENDA

**FY2023 Key Financial Highlights**

Key Business Performance Review

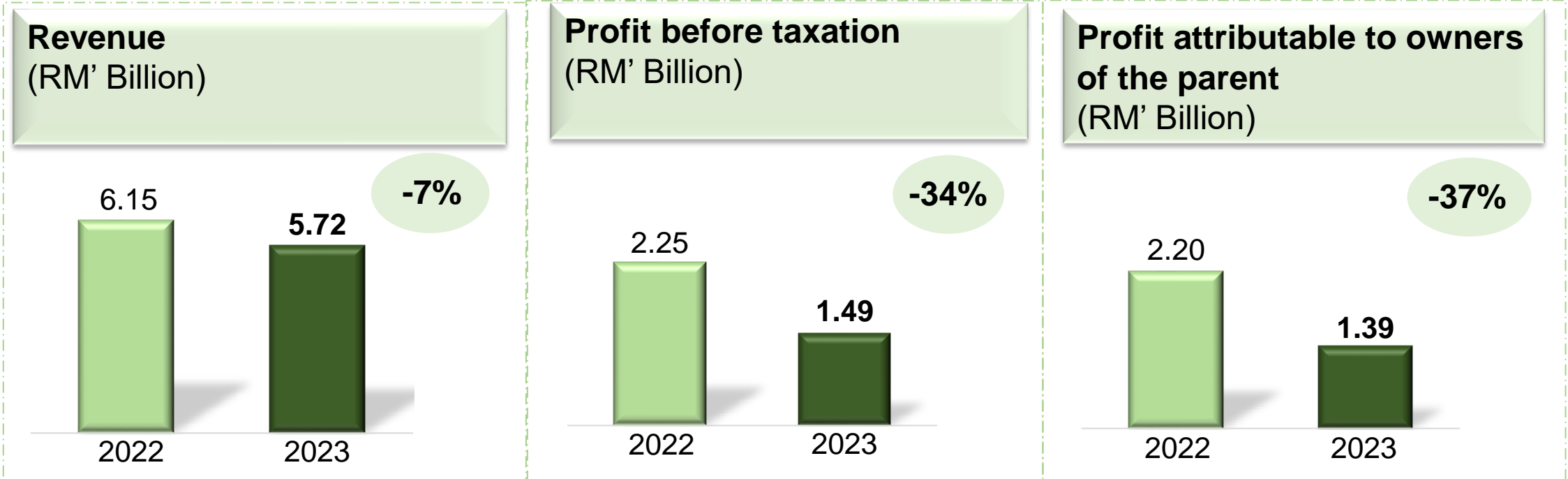
Key Business Outlook

ESG Highlights

# FY2023 Key Financial Highlights



## Evolving Capabilities Towards Greater Opportunities

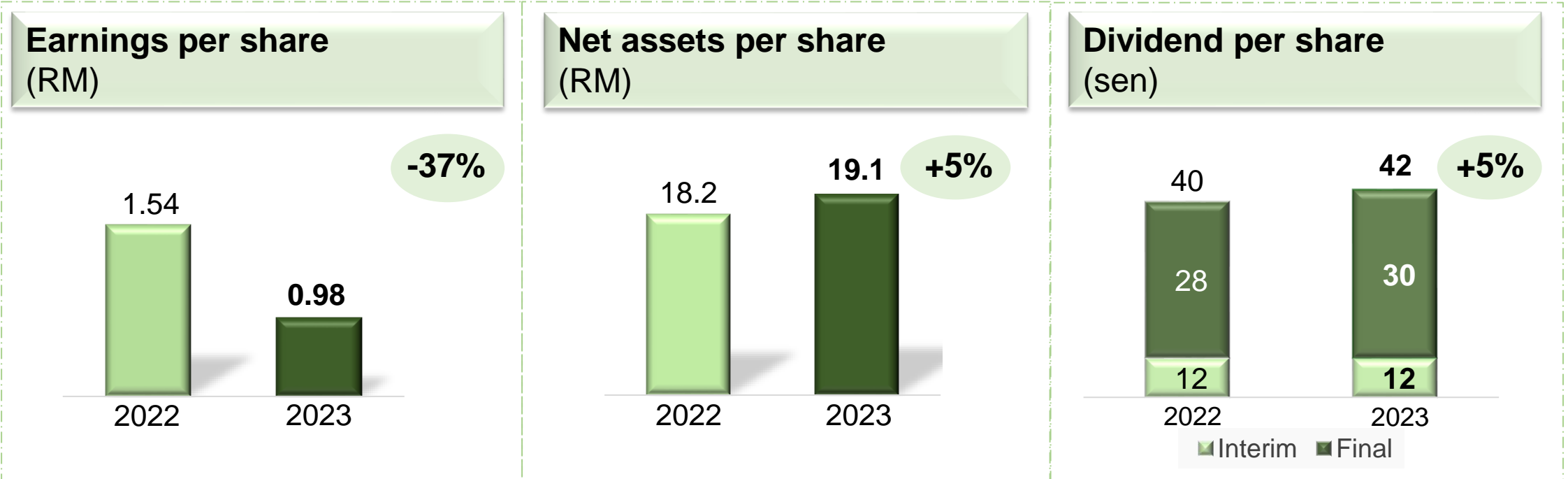


- Revenue declined by 7%, to RM5.72 billion, mainly due to lower contribution from the divested Indonesian flour operations.
- Group pre-tax profit decreased by 34% to RM1.49 billion.
  - Contribution from our 18.8% associate, Wilmar International Limited was lower at RM1.30 billion, down 38%.
  - The Group's core businesses recorded a healthy 25% increase in profit to RM189 million.

# FY2023 Key Financial Highlights



## Evolving Capabilities Towards Greater Opportunities



- A final cash dividend of 30 sen per share is proposed in this meeting.
- Together with the interim dividend of 12 sen, total dividend for FY2023 amounts to 42 sen per share or a total of RM597 million, up 5%.



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## Major Segments at a Glance

### Grains and agribusiness

**Flour milling and manufacturing of animal feed, wheat & maize trading, production of day-old-chicks, eggs & other related downstream activities**

Capacity			
Flour milling	Animal feed milling	Livestock farming	
4,870 mt/day	66,000 mt/month	2.8 mil DOC/month	20.5 mil eggs/month

### Segment revenue (RM'000)

<u>2023</u>	<u>2022</u>	<u>%</u>
4,255,957	4,655,906	-9

### Segment profit (RM'000)

<u>2023</u>	<u>2022</u>	<u>%</u>
229,911	74,329	+209

- Excluding the divested Indonesian flour operations, revenue increased by 1.6% to RM3.8 billion in FY2023.
- Profit was higher by 209% to RM230 million, mainly due to improved performance at the flour, feed and livestock sub-segments.



## Major Segments at a Glance (continued)

### Consumer products

Marketing and distribution of **edible oils & consumer products**, production and distribution of **frozen food & bakery products**

Consumer Products Distribution	Bakery	Food Processing
450,000 sq ft warehouse capacity	10,000 loaves/hour	6,000 MT/year

### Segment revenue (RM'000)

<u>2023</u>	<u>2022</u>	<u>%</u>
761,035	751,118	+1

### Segment profit (RM'000)

<u>2023</u>	<u>2022</u>	<u>%</u>
25,927	33,607	-23

- Segment revenue increased marginally by 1% to RM761 million.
- Segment profit was lower at RM25.9 million, due mainly to higher trade promotions and operating costs.





## Major Segments at a Glance (continued)

### Film exhibition and distribution

**Exhibition and distribution of movies & content**

Film exhibition	Film distribution
520 screens	102 films

Segment revenue (RM'000)		
<u>2023</u>	<u>2022</u>	<u>%</u>
570,269	514,809	11
Segment loss (RM'000)		
<u>2023</u>	<u>2022</u>	<u>%</u>
(120,400)	(17,088)	->100

- Revenue increased by 11% due to higher admissions.
- The segment recorded a loss of RM120 million:
  - An impairment charge of RM113 million was made in respect of the Malaysian and Vietnam cinema assets.
  - Excluding that, the segment recorded a loss of RM8 million, mainly attributable to higher cinema operating costs.



## Major Segments at a Glance (continued)

### Property

Letting of **commercial properties** and development of **residential & commercial properties**

Investment Properties	Property Development	Project Management
<ul style="list-style-type: none"> <li>• Leisure Mall</li> <li>• Cheras Plaza</li> <li>• New World Park</li> <li>• Whiteaways Arcade</li> <li>• Megah Rise Mall</li> </ul>	<ul style="list-style-type: none"> <li>• Megah Rise Residensi</li> <li>• Taman Tanah Aman</li> <li>• Lumina Bedong</li> </ul>	<ul style="list-style-type: none"> <li>• Southern Marina Residences</li> <li>• The Linc</li> <li>• Megah Rise Mall</li> </ul>

### Segment revenue (RM'000)

<u>2023</u>	<u>2022</u>	<u>%</u>
117,483	140,959	-17

### Segment profit (RM'000)

<u>2023</u>	<u>2022</u>	<u>%</u>
17,400	34,909	-50

- Revenue and profit for the segment declined to RM117 million and RM17 million respectively.
- This is in line with the lower progressive profit recognised from the sale of Megah Rise Residensi Units. The project was completed in August 2022.



## Major Segments at a Glance (continued)

Other operations	
<p>Contributed mainly by <b>18.8% associate, Wilmar International Limited (“Wilmar”)</b>, one of Asia’s largest integrated agribusiness group</p>	
Wilmar Revenue	Wilmar Pre-Tax Profit
USD 67.2 billion, down 9%	USD 2.0 billion, down 38%

Segment revenue (RM'000)		
<u>2023</u>	<u>2022</u>	<u>%</u>
15,949	88,389	-82
Segment profit (RM'000)		
<u>2023</u>	<u>2022</u>	<u>%</u>
1,370,722	2,153,227	-36
<ul style="list-style-type: none"> <li>▪ The segment recorded a decrease in profit by 36% to RM1.37 billion.</li> <li>▪ This is in line with the lower contribution from Wilmar by 38% to RM1.3 billion.</li> </ul>		



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## Grains and agribusiness

### Outlook

- With more stable world grain prices this year and strong execution capability, the performance of the **Grains & Agribusiness** segment continues to improve this year, particularly the Malaysia operations.
- The segment continues to enhance its warehousing facility and distribution efficiency. In 1Q 2024, FFM Group has completed the purchase of a 3.92-acre industrial land in Pasir Gudang, Johor, to be developed for storage and distribution purposes.
- We expect competition to be intense with possible disruption in the global grain commodity supply primarily influenced by the ongoing risks associated with uncertain weather conditions in major grains-growing countries.
- We will continue to leverage our extensive experience in grains procurement and expertise in product formulation to drive sales volume and improve margins.
- We are cautiously optimistic that the **Grains & Agribusiness** segment will deliver a satisfactory set of results in 2024.



## Consumer products

### Outlook

- The consumer market is expected to face challenges from prevailing consumer sentiment and spending patterns.
- Consumers are more cautious on spending with tendencies for just-in-time purchases and prioritising purchasing based on necessities.
- The segment remains focused on the business of the manufacturing and distribution of consumer staple food and continues to expand our food product range and market reach.
- We expect the performance of **Consumer products** segment to be satisfactory in 2024.



# Consumer products

## New Products Launched



Blue Key  
Pelbagai Guna  
Flour



Marina Chicken  
Popcorn &  
Marina Chicken  
Fingers



V-Oat & V-Soy  
Cocoa



Torta Gula  
Melaka



## Film exhibition and distribution

### Outlook

- Expect 2024 to be a very challenging year for the cinema industry as the actors' and writers' strikes in Hollywood, which ended in the last quarter of 2023, had delayed production and affected the supply of movie contents in 2024.
- However, the impact will be partially cushioned by local and regional releases as well as contributions from events and F&B business.





## Film exhibition and distribution (continued)

As at 31 December 2023

Country	Locations	Screens
Malaysia	55	520
Vietnam	20	117
<b>Total</b>	<b>75</b>	<b>637</b>

- 5 new cinemas opened in 2023:-
  - GSC IOI City Mall (East), Putrajaya
  - GSC Lalaport BBCC
  - Velvet, 163 Retail Park
  - GSC Lotus Kepong
  - GSC IOI Mall Kulai
- 2 cinemas closed in 2023:-
  - GSC Berjaya Times Square
  - GSC Alamanda Putrajaya

## Film exhibition and distribution (continued)

- GSC opened Aurum Theatre, The Exchange TRX on 28 February 2024.



*Hokkaido Table*



*The ScreenX hall*

- GSC will open an 8-screen cinema at KL East Mall on 20 May 2024.
- 4 cinemas closed and identified for closure in 2024:-
  - GSC 3 Damansara
  - GSC Klang Parade
  - GSC Heritage Mall Kota Tinggi, Johor
  - GSC Central Square – June 2024



## Property

### Outlook

- With several property development projects being at various stages of planning, improving mall performance will be the key driver for the **Property** segment in 2024.

## Other operations

### Outlook

- Wilmar's performance will continue to contribute substantially to the overall profitability of the Group.



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# SUSTAINABILITY KEY HIGHLIGHTS



Improved scoring in the **FTSE4Good**



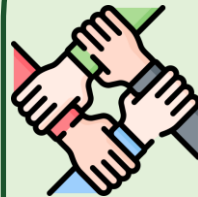
Implemented initiatives in **energy efficiency** across all business segments



Completed 3.7 MWp of solar project, with a total investment of RM9.2 million in **renewable energy**



Recorded **zero work-related fatalities** across the group



Invested RM2.4 million in **corporate social responsibility**



Benefited over 16,000 individuals through **food aid, upskilling, education & medical support**

# Thank You

