



1Q21

RESULTS BRIEFING

4 June 2021



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Table of Contents

01. Financial Highlights
02. Results Segmentation
03. Subsidiary Highlights
04. Prospect for Core Businesses & CAPEX Planning
05. Earnings Guidance








01

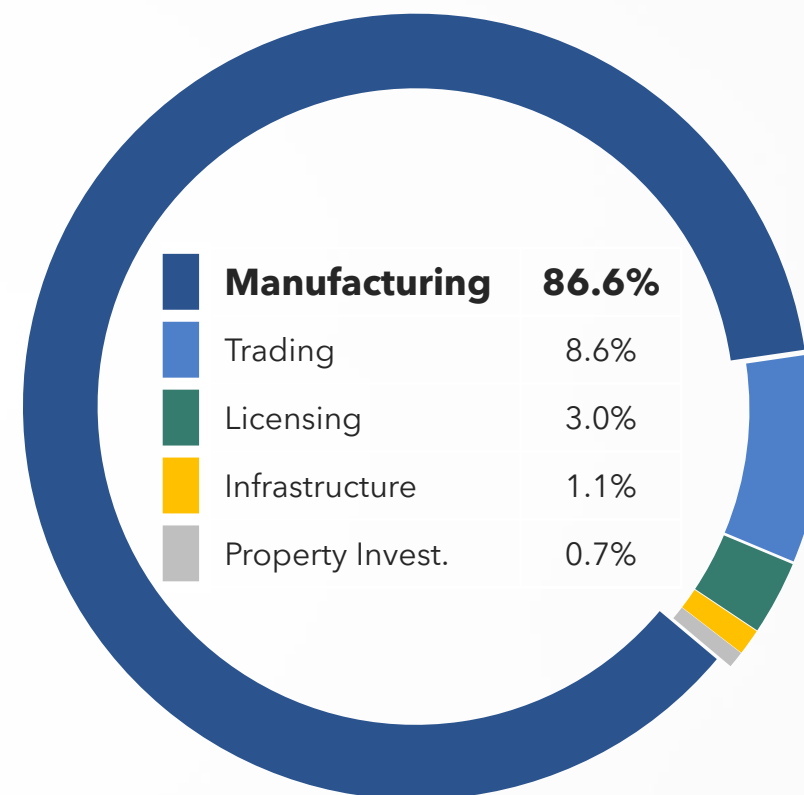
Financial Highlights

Manufacturing Contributed 86.6% to Group Revenue

With 8.6% Contribution by Trading and 4.8% by Others

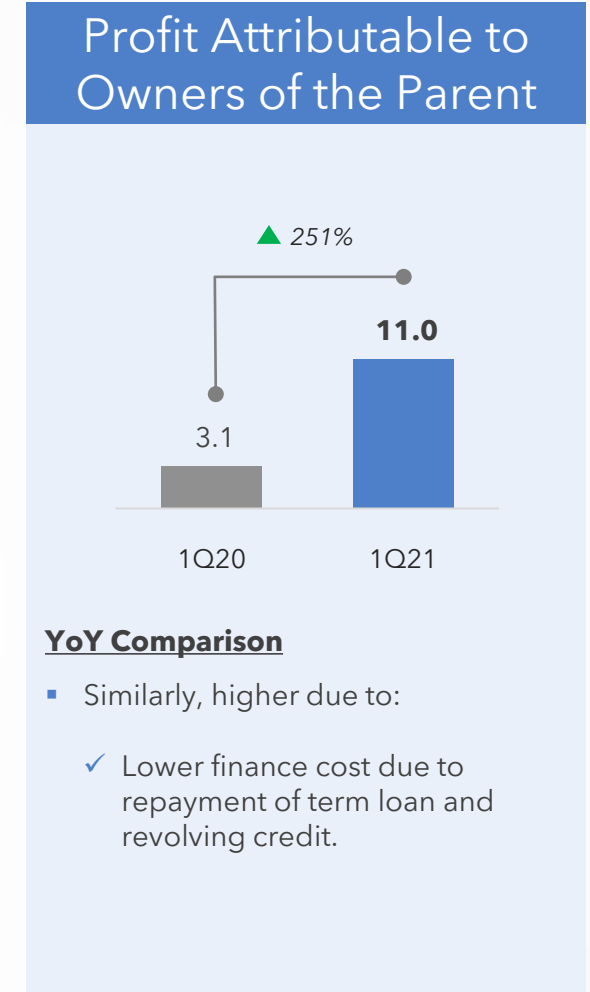
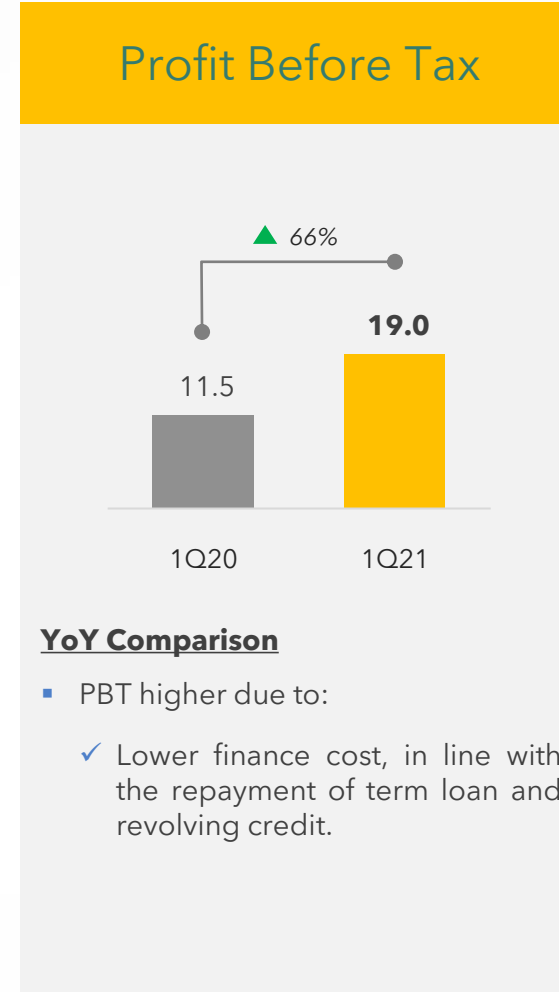
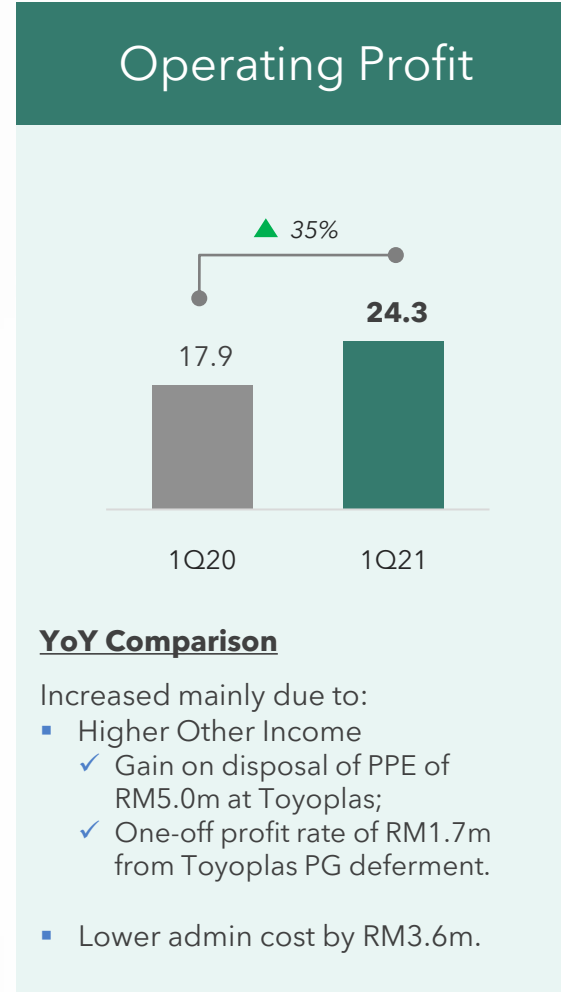
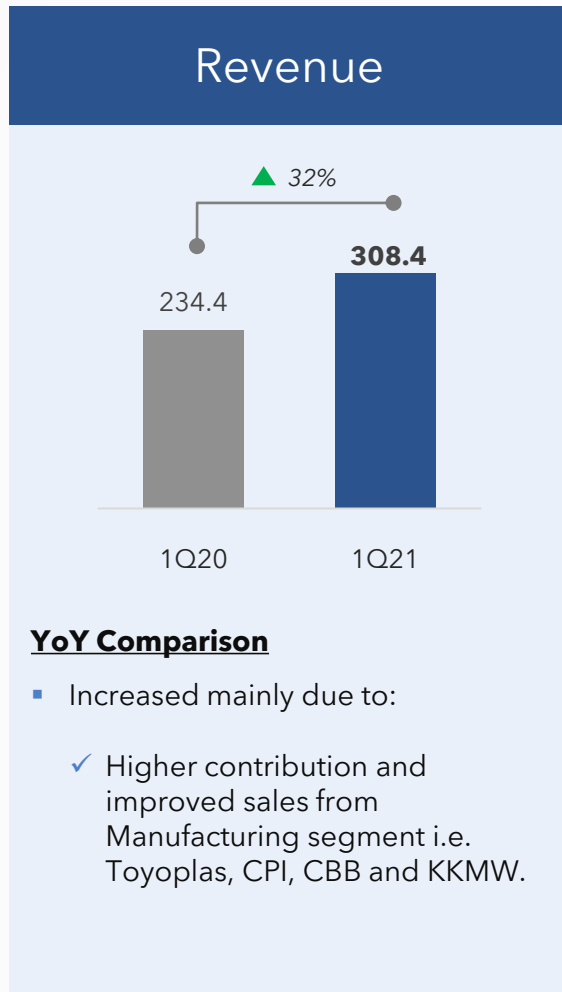
SECTOR	1Q21	1Q20	YoY Growth
 Manufacturing	267.0	185.7	▲ 44%
 Trading	26.6	32.7	▼ 19%
 Licensing	9.4	11.5	▼ 18%
 Infrastructure	3.3	1.8	▲ 83%
 Property Inv.	2.1	2.7	▼ 22%
TOTAL (RM million)	308.4	234.4	▲ 32%

1Q21
REVENUE BREAKDOWN BY SECTOR



Revenue Growth Led by Improved Sales in Manufacturing

Group Earnings Supported by Higher Other Income, Lower Finance Costs and Admin Cost



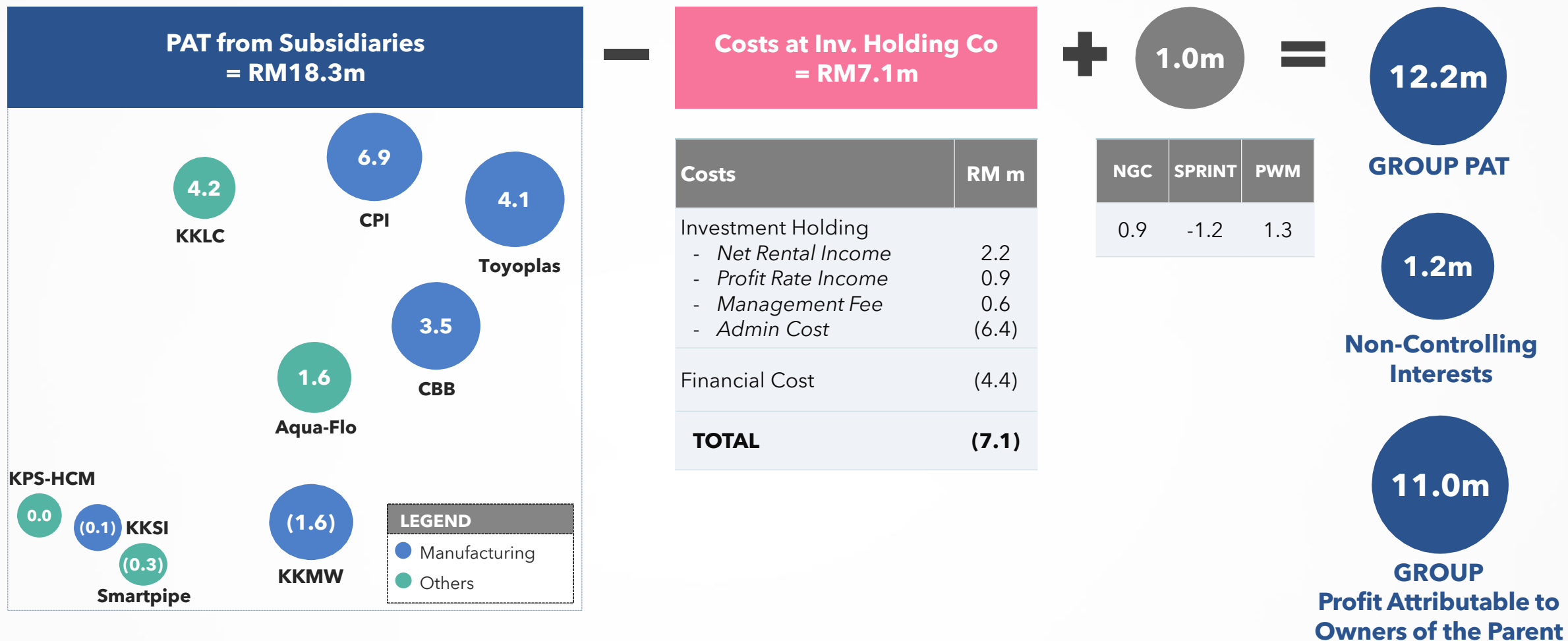


02

Results Segmentation

Manufacturing Business Led Group 1Q21 PAT

Gradual Recovery at Subsidiaries Resulted to Improvement in Earnings





03

Subsidiary Highlights

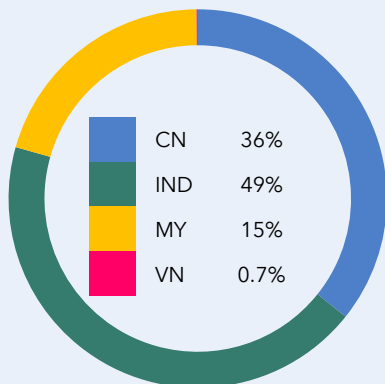
Toyoplas Manufacturing (Malaysia) Sdn Bhd

Revenue Growth Driven by Healthy Order Volume from Industrial Tools Segment, GP Moderated

1Q21 HIGHLIGHTS

- 01** Plant utilisation:
China 70%, Malaysia 55%, Indonesia 80% and Vietnam 10%.
- 02** GP margin moderated due to higher sales of lower margin products.
- 03** Global electronic components shortage.
Mitigation plans: Explore alternative supply sources and potential Group purchase, engage with customers to explore possible alternate materials.

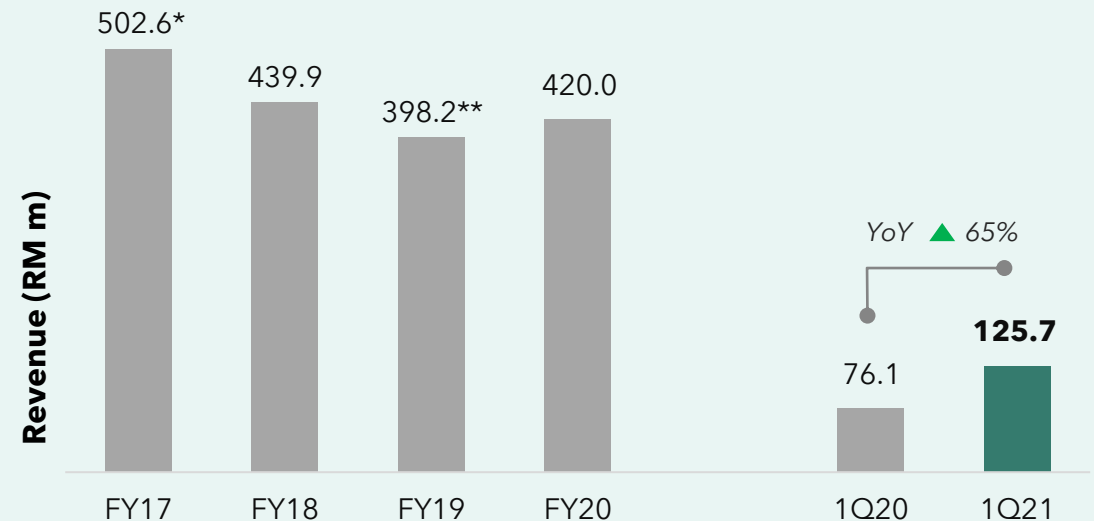
Revenue Breakdown by Country



Revenue Breakdown by Segment



PERFORMANCE



Note:

* Revenue FY'17 was atypically higher mainly from one-off orders from Dyson & Arris.

** 5-month contribution was RM193.6 million.

- ✓ **Revenue YoY** higher by 65% mainly due to higher sales from Indonesia, China, Malaysia, as well as contribution from Vietnam. Indonesia's sales were driven by healthy order volume from Industrial Tools segment and China's sales were higher due to the delay in project transfer to Vietnam.

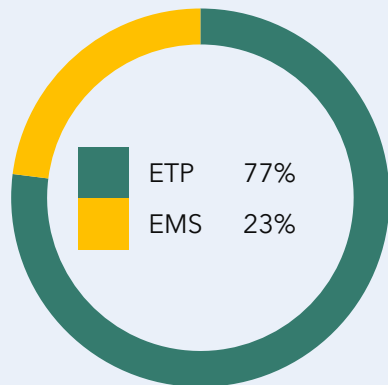
CPI (Penang) Sdn Bhd

Sales Performance Contributed by Higher Sales from Healthcare and Others, GP Moderated

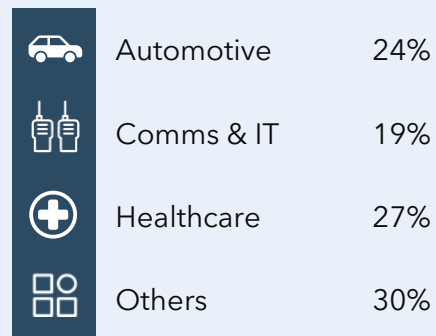
1Q21 HIGHLIGHTS

- 01** Plant utilisation stabilised at 75%.
- 02** GP margin moderated mainly due to the higher raw material cost and shipping cost.
- 03** Higher raw material cost (resin) and shortage of shipping vessels. Mitigation plans: Continuously engaging its customers to explore the use of potential alternative materials, explore the possibility of passing through the price increase to the customers.

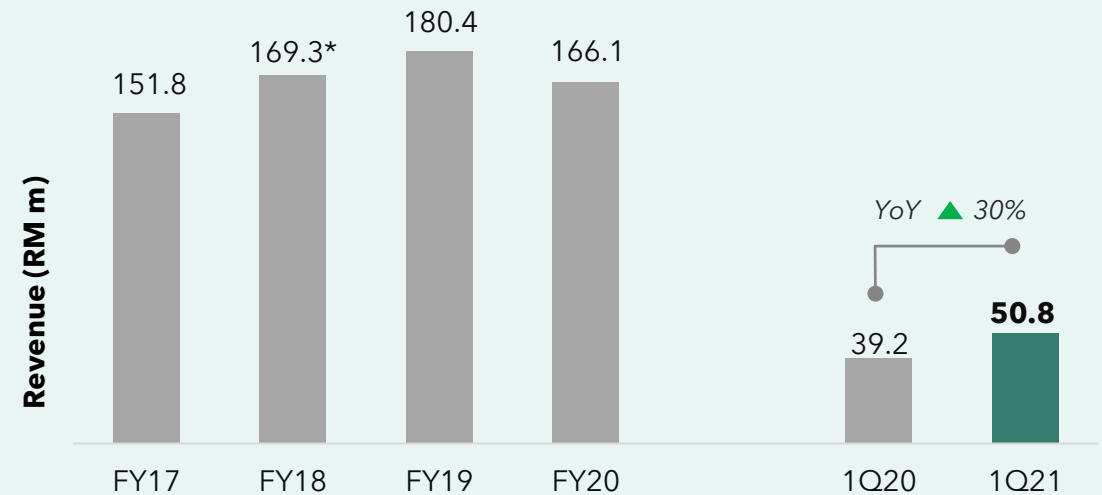
Revenue Breakdown by Division



Revenue Breakdown by Segment



PERFORMANCE



*Note : Figure is based on 12-month contribution. Acquisition completed on 27 March 2018.

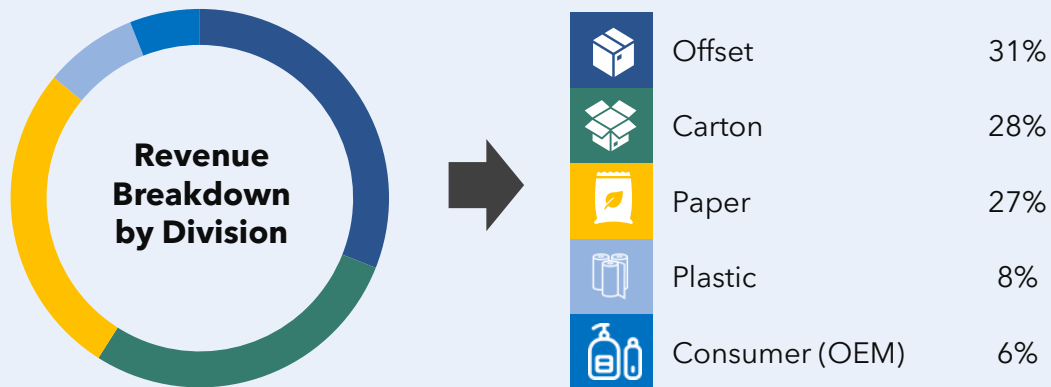
- ✓ **Revenue YoY** higher due to growth in sales in plastic parts for Healthcare segment.
- ✓ Revenue composition is quite balanced, with ETP being the main revenue contributor led by Others and Healthcare segments.

Century Bond Bhd

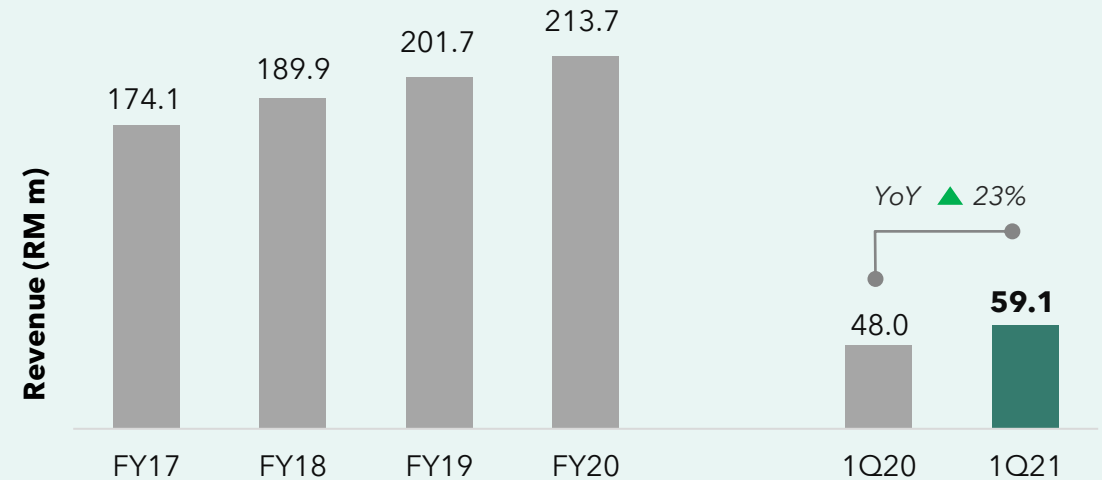
Revenue Growth Driven by Offset and Carton Division, GP Higher YoY

1Q21 HIGHLIGHTS

- 01** Plant utilisation: 50% across five Divisions.
- 02** Higher GP margin due to increase in sales price for Carton and Paper products.
- 03** Global shortage of kraft paper and increasing price of paper rolls. Mitigation plans: Explore different type of papers to be used in production as well as procure from various suppliers for paper rolls. CBB has also increased sales price to end customers.



PERFORMANCE



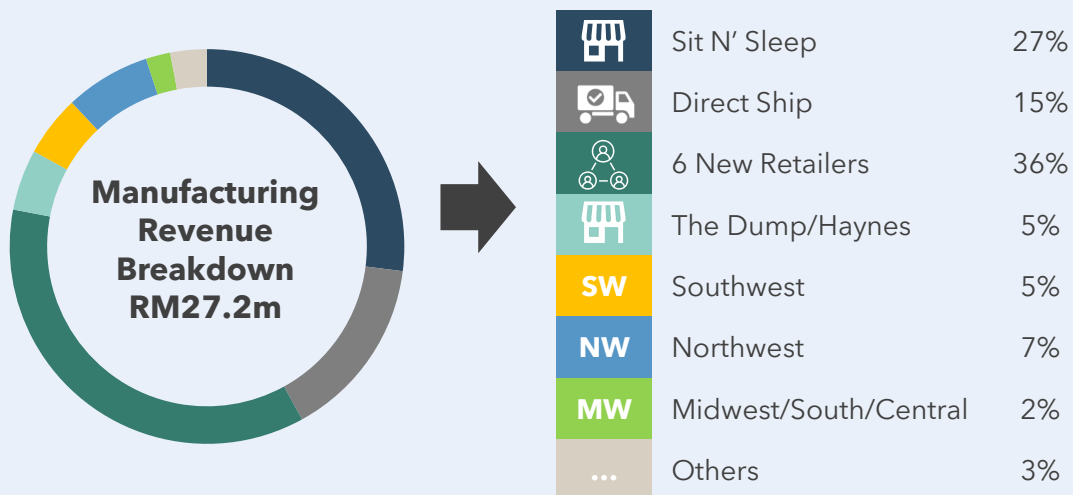
- ✓ **Revenue YoY** : Offset and Carton continued to lead revenue with stronger demand from the American brand consumer appliances and new customers.
- ✓ Contribution from Paper was lower due to lower demand amidst COVID-19.
- ✓ Higher plastics contribution due to higher sales from the customers in the food industry.

King Koil Manufacturing West LLC. & King Koil Sales Inc.

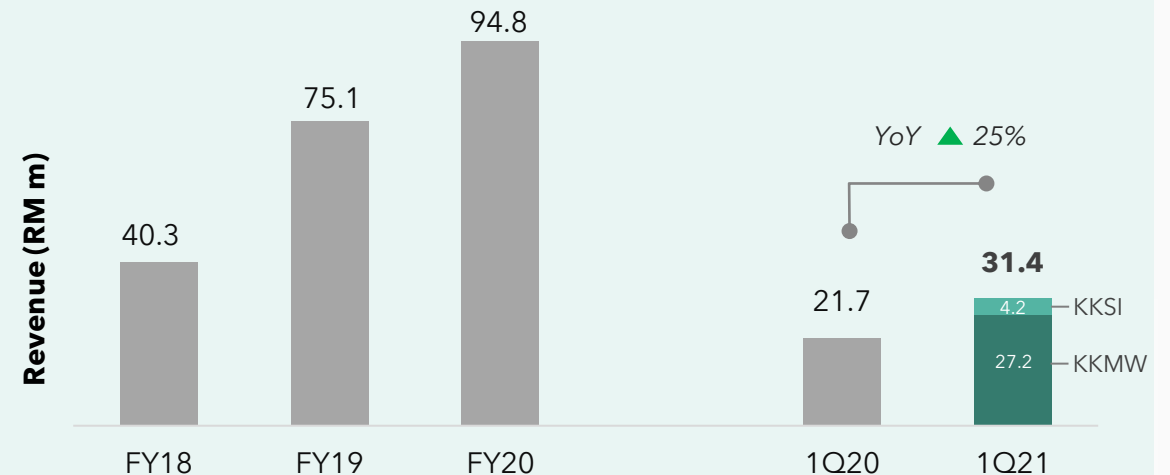
Sales Grew Stronger with Contribution from New Customers, GP Challenged by Shortage of Foam

1Q21 HIGHLIGHTS

- 01** Plant utilisation moderated to 36% due to shortage of raw materials, which only resumed after mid-March.
- 02** KKMW continues to focus on higher-value higher-margin products. New customers started contributing this quarter.
- 03** Key raw materials shortage (foam) and increased in price of raw materials in the US, which led to supply chain challenge. Mitigation plans: Continuously expand network suppliers including import and for more competitive prices.



PERFORMANCE



- ✓ **Revenue YoY** was higher due to the addition of new customers.
- ✓ Sales in 1Q21 was lower than expected although demand by end-customers remained strong. The lower-than-expected sales were due to the shortage in foam supply, which is expected to recover by end of 2Q21 / early 3Q21.
- ✓ Revenue from KCSI, whose revenue was previously recognised under the Licensing business.



04

Prospect for Core Businesses & CAPEX Planning

Creating New Opportunities Amidst Lingering Pandemic Impact

CAPEX Outlay of RM86.9 million in 2021 to Support Future Growth

MANUFACTURING : 96%

OTHERS : 4%



TOYOPLAS

CAPEX : RM27.2 mil

- New prospect from existing customers in:
 - ✓ New technology development
 - ✓ Industrial tools
 - ✓ Consumer electronics
- Sales diversification - healthcare sector
- Strengthening footprint in Vietnam.

CPI

CAPEX : RM42.9 mil

- Serving new sub-industries such as acoustic and surveillance.
- Product tiering for customers from the healthcare sector.

CENTURY BOND

CAPEX : RM11.7 mil

- Offset will continue to drive growth - new customers, new products.
- Tapping into Offset and Carton in Singapore.
- Increasing product range and further capitalizing on e-commerce platform for Leo & Hornbill products.

KING KOIL

CAPEX : RM1.2 mil

- Six new key accounts will be the growth driver.
- Strengthen distribution via e-commerce and expanding network beyond west coast.
- Targetting two new licensees in Europe.

AQUA-FLO

CAPEX : RM0.3 mil

- Improving market share in potable water chemicals
- Focussing on new growth area - industrial and municipal water treatment segments.

SMARTPIPE

CAPEX : NIL

- Exploring strategic partnerships with utility specialists.



KPS

CAPEX : RM3.6 mil

- Plaza Perangang
- Upgrading of IT Hardware & Software









05

Earnings Guidance

Guidance for 2021 to 2024 - Are We On Track?

A Commendable Start to Delivering Sustainable and Better Results in 2021

	4-Year CAGR	1Q21 Performance	YoY Growth
 REVENUE	High single digit to Low double digit	RM308.4m (1Q20: RM234.4m)	 32%
 OPERATING PROFIT	High single digit to Low double digit	RM24.3m (1Q20: RM17.9m)	 35%
 PROFIT AFTER TAX	Low-to-medium double digit	RM12.2m (1Q20: RM6.0m)	 105%

Notes:

We take into considerations of below outlook for the calculation of our guidance:

(1) Availability of vaccines, businesses adjusting to the new normal and planning for recovery in 2021.

(2) Logistical challenges expected to moderate given positive outlook for container shipping markets for 2021 (reported by The Maritime Executive).

Thank You

Investor Relations & Strategic Communication

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