



4Q20

RESULTS BRIEFING

3 March 2021



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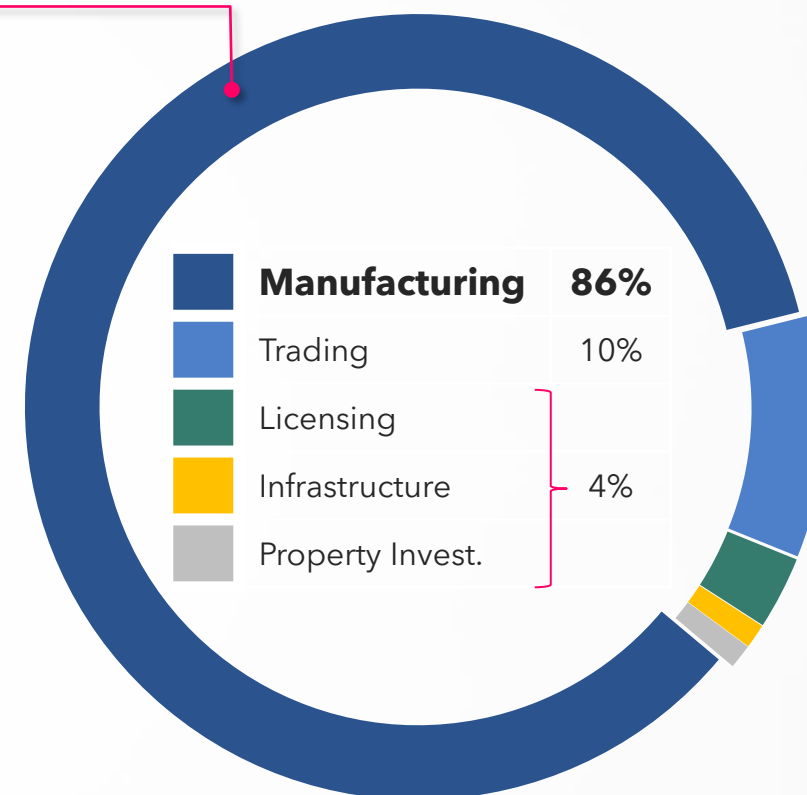
Financial Highlights

Manufacturing Contributed 86% to Group Revenue

With 10% Contribution by Trading and 4% by Others

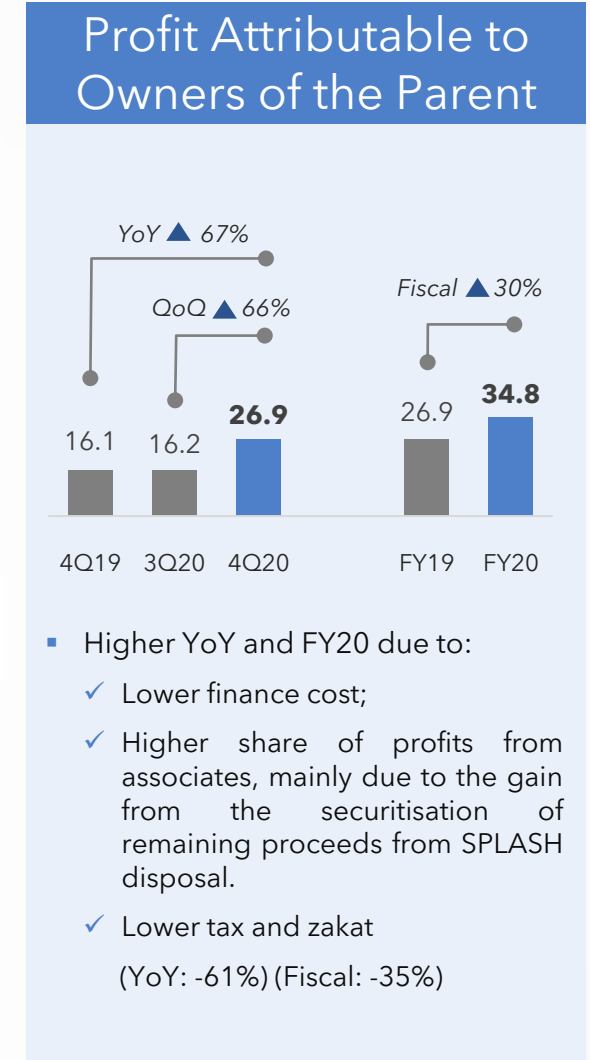
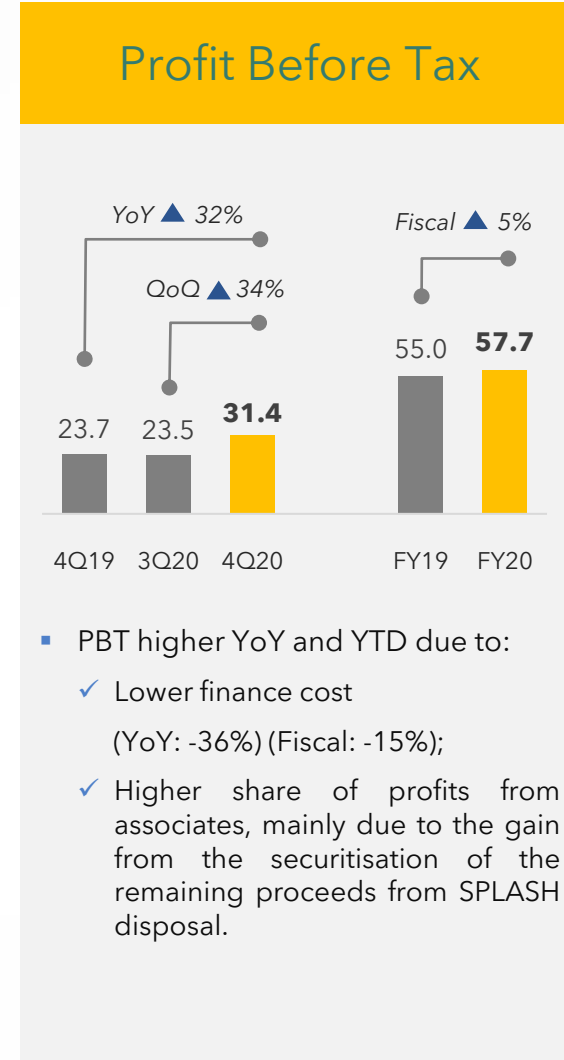
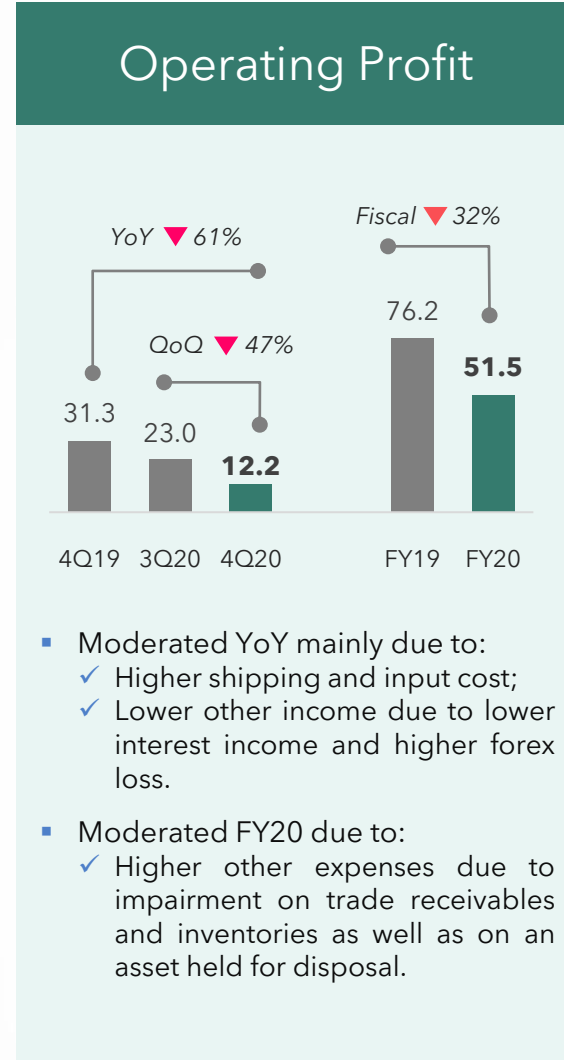
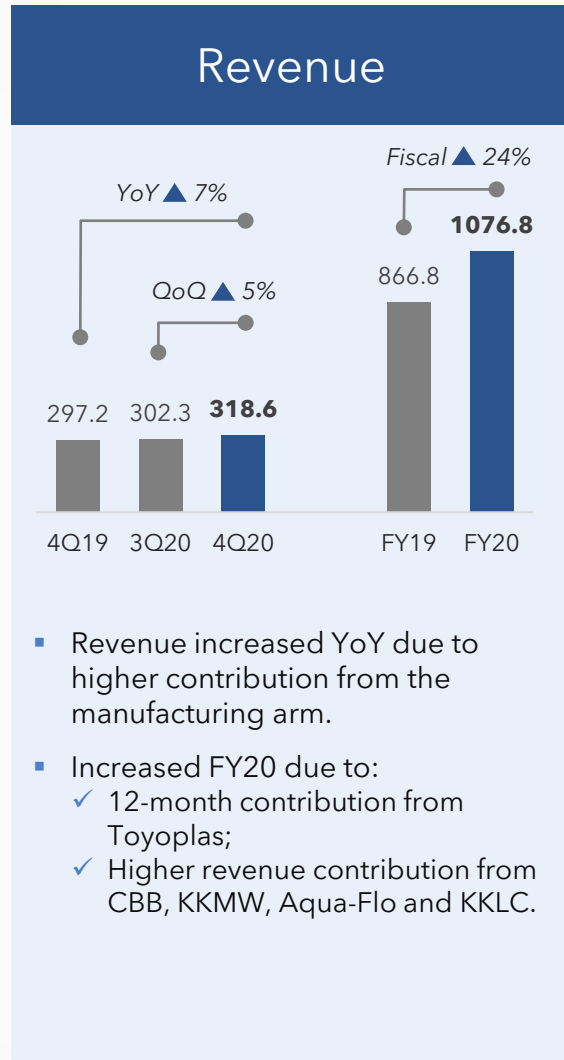
SECTOR	4Q20	4Q19	3Q20	FY20	FY19
 Manufacturing	273.2	▲ 239.4	▲ 258.4	894.6	▲ 650.9
 Trading	31.2	▼ 34.8	▲ 29.9	124.1	▲ 117.4
 Licensing	11.2	▲ 8.7	▲ 8.2	39.2	▲ 36.3
 Infrastructure	0.7	▼ 11.4	▼ 3.6	9.4	▼ 54.7
 Property Inv.	2.3	▼ 2.9	▲ 2.3	9.5	▼ 11.9
TOTAL (RM million)	318.6	▲ 297.2	▲ 302.3	1,076.8	▲ 866.8

4Q20
REVENUE BREAKDOWN BY SECTOR



YTD Revenue Surpassed RM1 Billion Milestone

Group Earnings Supported by Lower Finance Costs and Higher Share of Profits from Associates



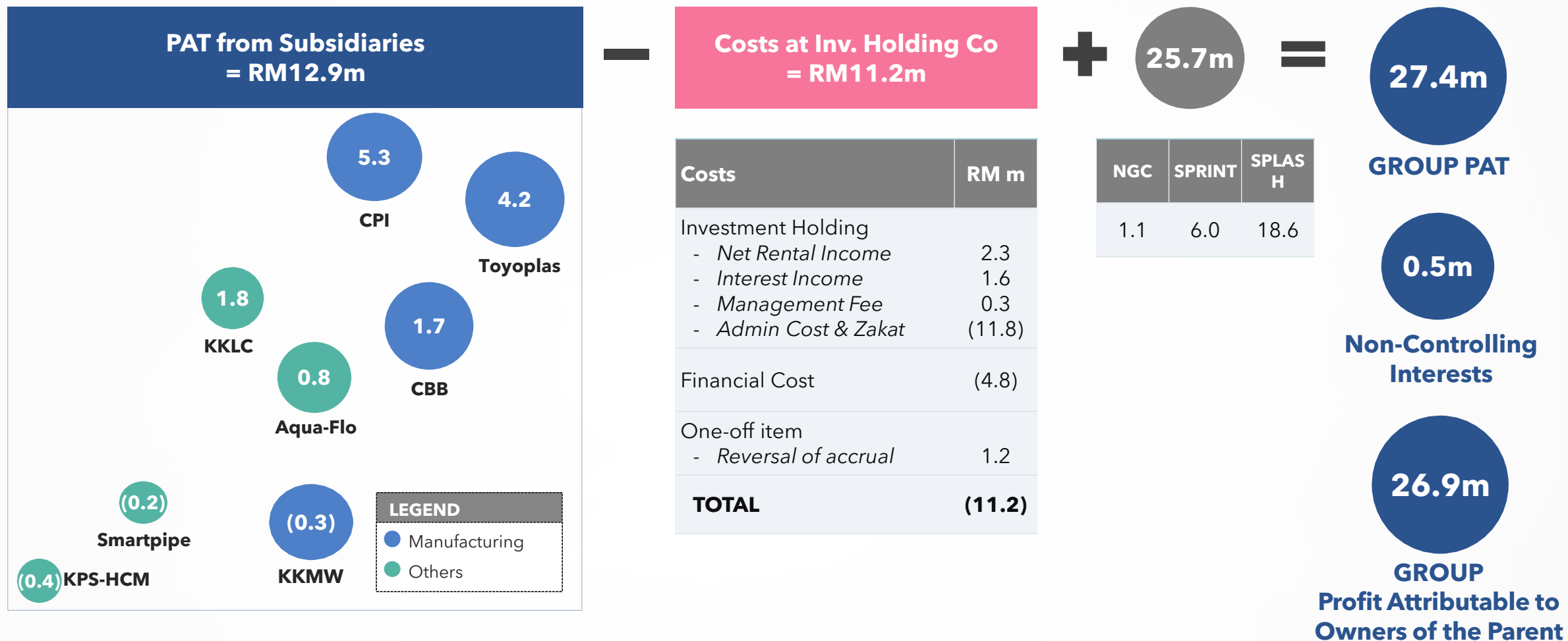


02

Results Segmentation

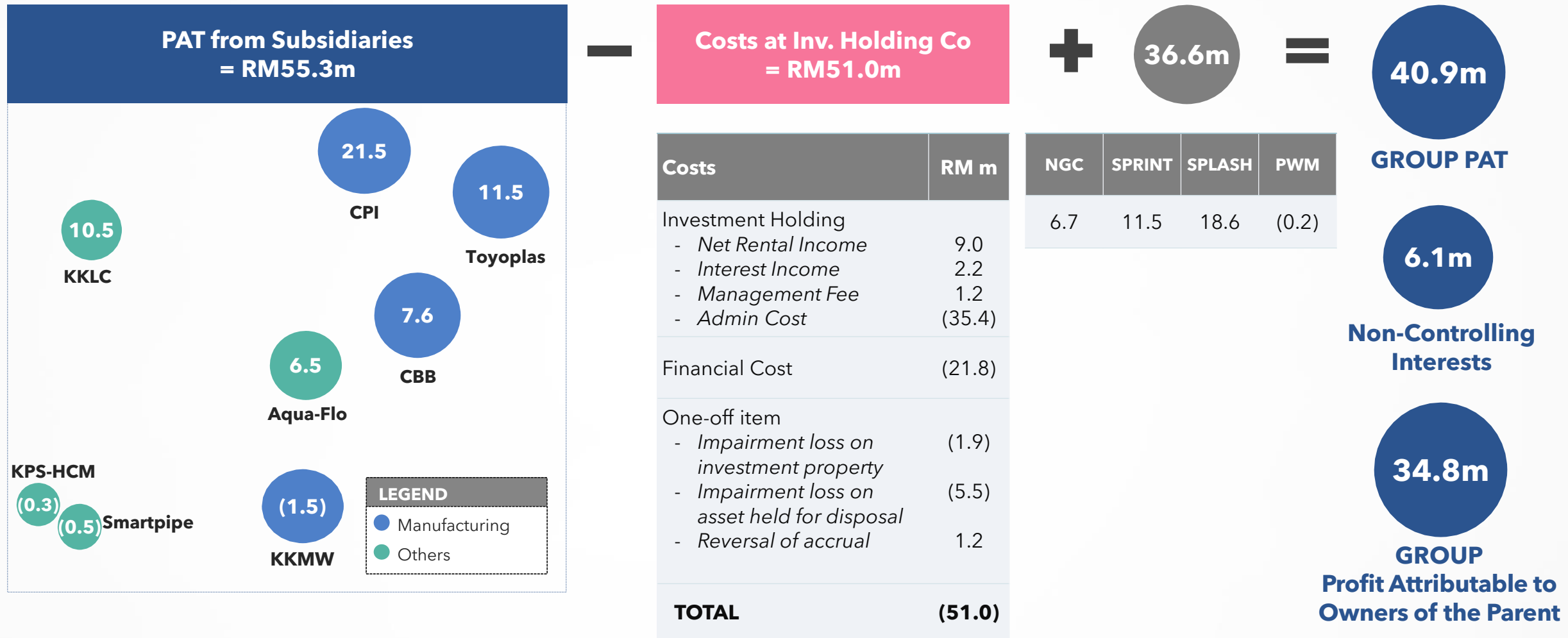
Manufacturing Business Led Group 4Q20 PAT

Results Shows Resilience Although Traction Challenged by the Vagaries of External Factors



Manufacturing Business Remained Resilient in 2020 Despite COVID-19

Results Supported by Lower Finance Costs and Strong Share of Profits from Associates





03

Subsidiary Highlights

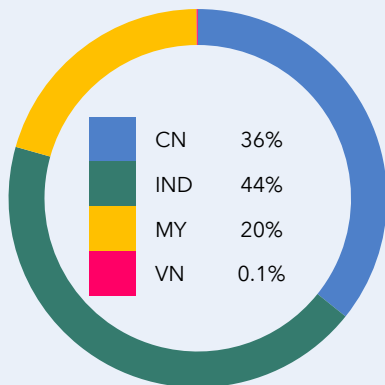
Toyoplas Manufacturing (Malaysia) Sdn Bhd

Revenue Growth Driven by Indonesia Operations, GP Challenged by Higher Input Cost

4Q20 HIGHLIGHTS

- 01** Plant utilisation post COVID-19 stabilised: China 76%, Malaysia 95% and Indonesia 75%.
- 02** Revenue was boosted by Multimedia & Comms, as well as 12-month sale of Industrial Tools. Less dependence on China with Indonesia contributing more to the Group.
- 03** Higher shipping cost incurred to Batam and Vietnam of which sales in the current period were higher, led to higher input costs.

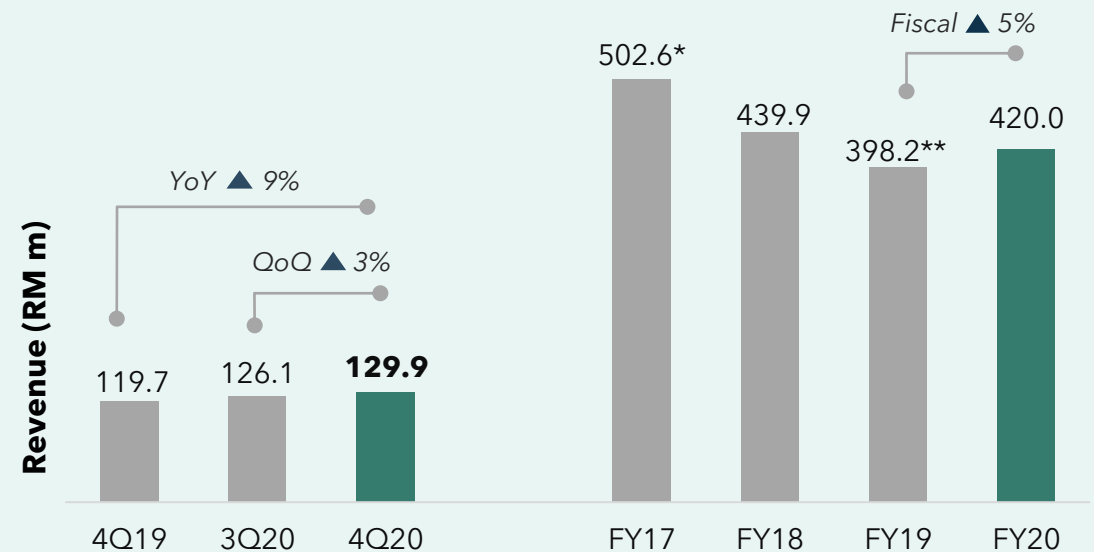
Revenue Breakdown by Country



Revenue Breakdown by Sector



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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 9% mainly due to higher sales from Indonesia and China, as well as new contribution from Vietnam.
- ✓ **Revenue FY20** higher by 5% due to 8-month vs 12-month sales from Techtronics (TTI) in Indonesia.

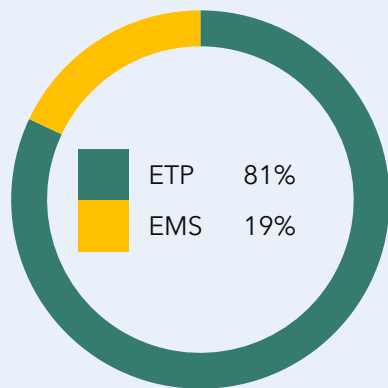
CPI (Penang) Sdn Bhd

Sales Performance Contributed by Increased Sales from All Divisions, GP Remained Comparable

4Q20 HIGHLIGHTS

- 01** Plant utilisation stabilised at 75% in 4Q20.
- 02** Revenue composition is quite balanced, with ETP being the main revenue contributor led by the Automotive division. Higher sales projects converted into turnkey.
- 03** Higher raw material cost. However, GP remain comparable YoY.

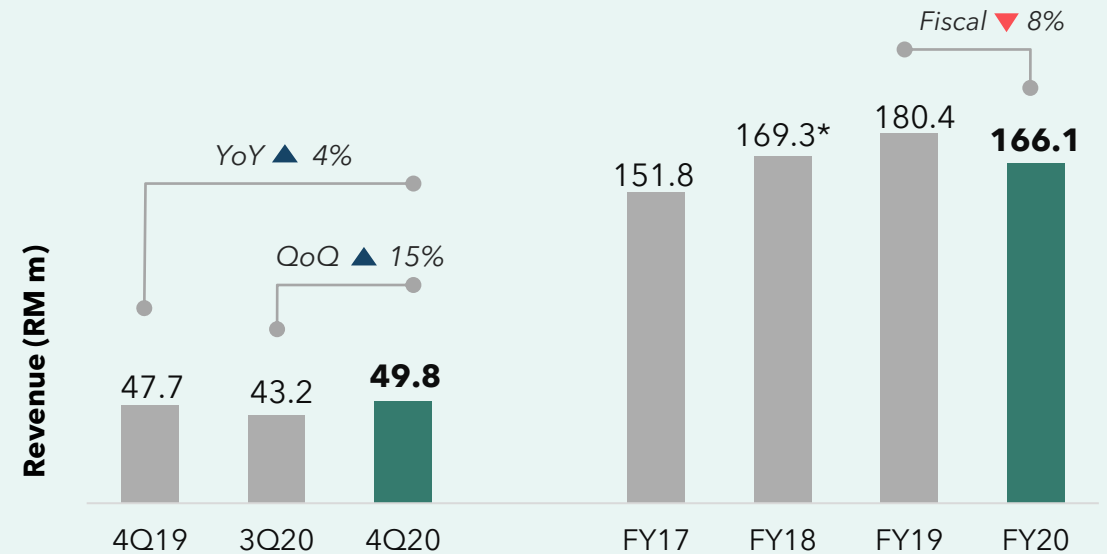
Revenue Breakdown by Segment



Revenue Breakdown by Division

	Automotive	31%
	Comms & IT	22%
	Healthcare	22%
	Others	25%

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

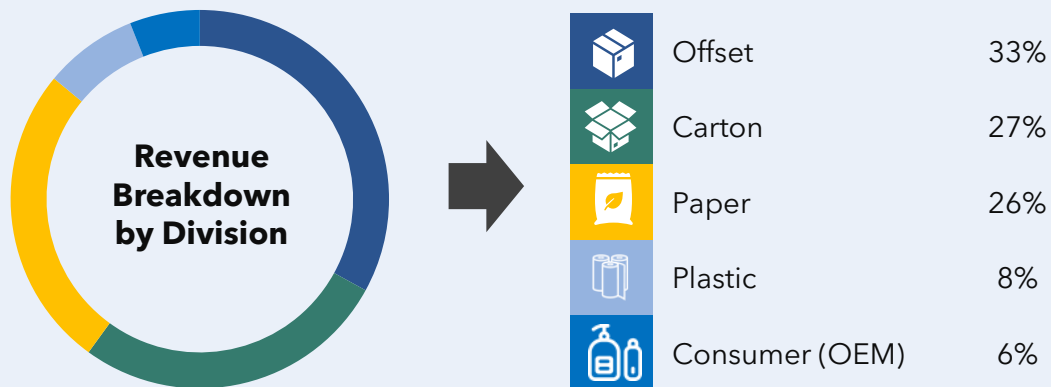
- ✓ **Revenue YoY** higher due to higher sales from Healthcare and Others divisions.
- ✓ **Revenue FY20** was lower due to lower sales in almost all divisions mainly caused by slowdown in both local and global market impacted by COVID-19 pandemic, except for Others division which recorded 20% growth.

Century Bond Bhd

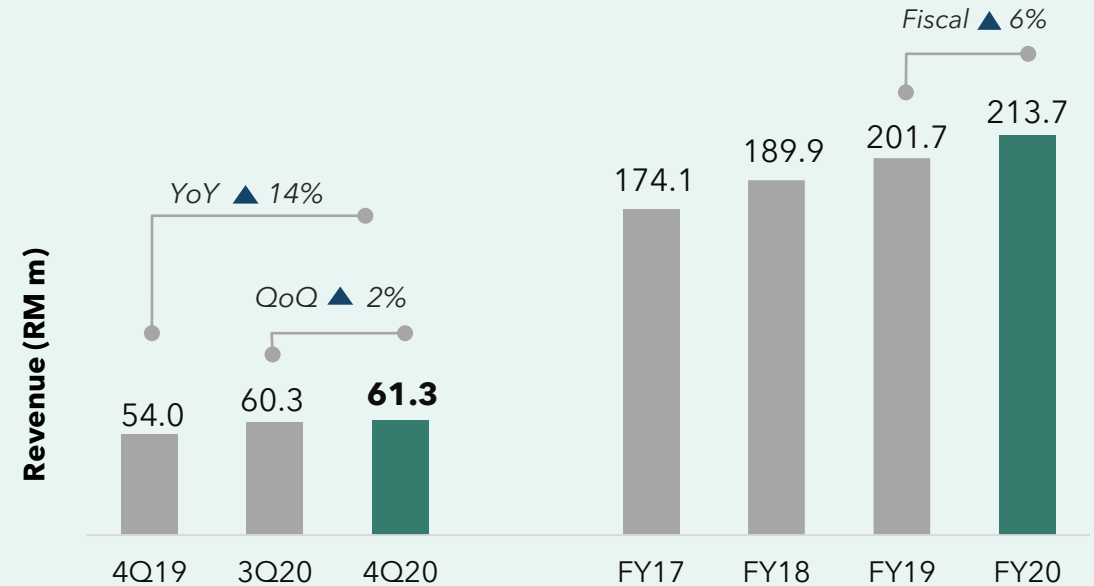
Revenue Growth Driven by Offset Division, GP Challenged by Higher Raw Material Costs

4Q20 HIGHLIGHTS

- 01** Plant utilisation stabilised to an average of 55% across five Divisions.
- 02** Offset continues to lead revenue with stronger demand from the European brand (consumer products). Contribution from Carton stabilised as supplies are mostly for essential services customers. Paper contribution increased due to higher-than-expected sales in Malaysia and Medan.
- 03** Higher material costs i.e. paper roll for Paper and Carton Divisions, as well as resin price for Plastic Division. Delay in operation planning for PT Infinity.



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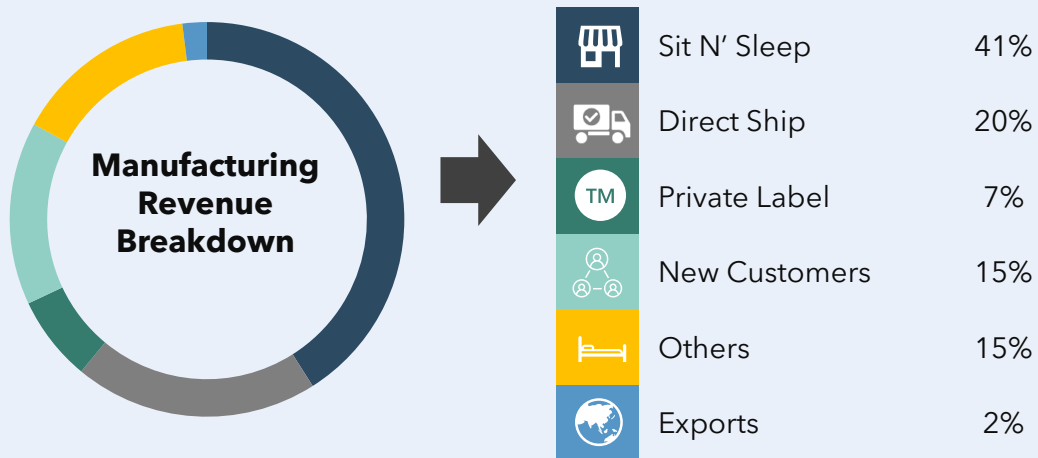
- ✓ **Revenue YoY** was higher due to higher sales contributed mainly by Offset, Carton, Paper and Plastic divisions.
- ✓ **Revenue FY20** was higher mainly due to the consolidation of Offset operators (Taspac + Infinity), as well as higher sales from Hongda (for European brand consumer products). Sales from the Consumer (OEM) divisions were also higher. Lower dependence on paper.

King Koil Manufacturing West LLC.

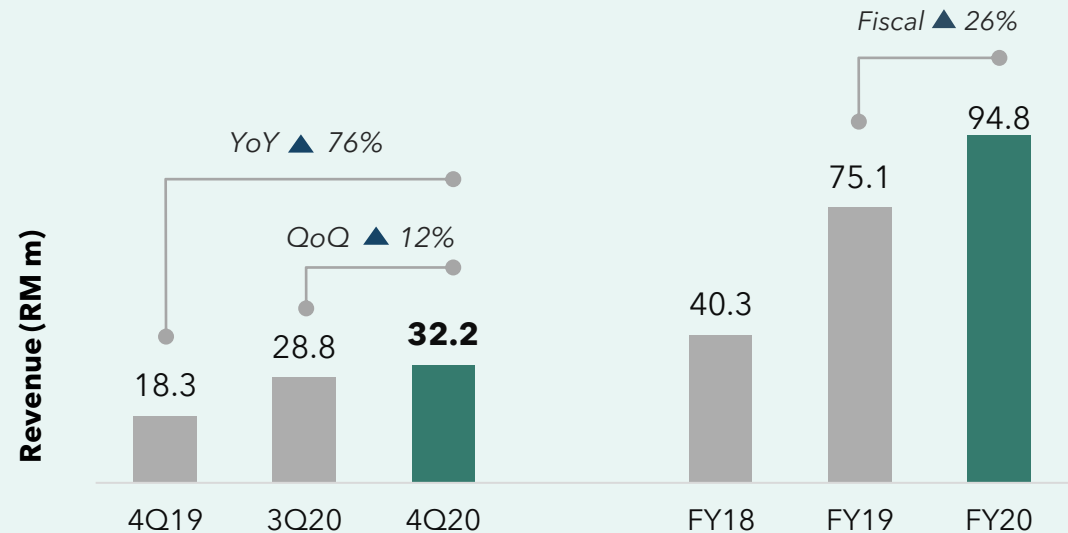
Sales Grew Stronger with New Customers Added, Higher Sales of Premium Line Drove Better GP

4Q20 HIGHLIGHTS

- 01** Plant utilisation stabilised at 46%.
- 02** KKMW continues to focus on higher-value higher-margin products. Strong quarterly sales with addition of new customers.
- 03** Key raw materials shortage due to domestic rationing in the US. Raw materials were imported and stored in additional space on lease.



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- ✓ **Revenue YoY** was higher due to continued robust business from Sit N' Sleep and new key customers added.
- ✓ **Revenue FY20** was higher due to the introduction of the higher-value higher-margin premium lines i.e. SmartLife, Extended Life in FY2020, as well as the addition of new key customers.



04

Industry Outlook, Prospect for Core Businesses & CAPEX Planning

Industry Outlook

Macro Landscape Conducive But Will Remain Cautious due to Lingering Pandemic Impact



Consumer Electronics

- EMS Global market size USD500bil, 5% CAGR for next 5years.
- Vietnam as diversion hub due to trade tension.
- COVID-19 drives EMS market for consumer electronics and medical devices.



Automotive

- Light vehicles LT global growth between 3% and 4% peaking at 110 mil production in 2026.
- Key growth shifted from mature to China and emerging markets, alongside shifting consumer demand and material innovation.
- New Demand: electric cars and shifting of e-hailing to true en-route mobility services.



Healthcare

- Global healthcare spending to grow at 5% CAGR.
- Technological advances and expansion of healthcare systems in developing markets to spur future demand.



Packaging

- Packaging is a USD1 trillion industry globally, growing at annual growth of 3.5% for past 5 years.
- Growth for the carton industry is mainly from the F&B, FMCGs, cosmetics and pharmaceuticals industries in the Asia Pacific, MENA and Latin America.
- COVID-19 has changed consumer dynamics, posing further opportunity for the sector.



Mattress

- Global mattress market expected to reach about USD44 billion in value by 2025 at 6.2% CAGR
- Growth boosted by urbanisation and changing demographics having higher disposable income.
- Robust demand from domestic, hospitality and property sector, especially in developing and emerging countries such as India, China and Brazil.

*sources: (a) Global Market Insight (a) EMS Market, July 2020 (b) IHS Markit (c) Deloitte (d) Transparency Market Research, Carton Global Market Analysis (e) Grandview Research Inc, Global Mattress Outlook

Prospect & Outlook for Core Businesses

Focussing on Product Mix, Acquisition of New Customers and Increase Capacity Utilisation



- New prospect from existing customers in:
 - ✓ New technology development (5G & WiFi6)
 - ✓ Industrial Tools
 - ✓ Consumer electronics
- Sales diversification - healthcare sector
- Strengthening footprint in Vietnam, mitigating risks from US-Sino trade tension.



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



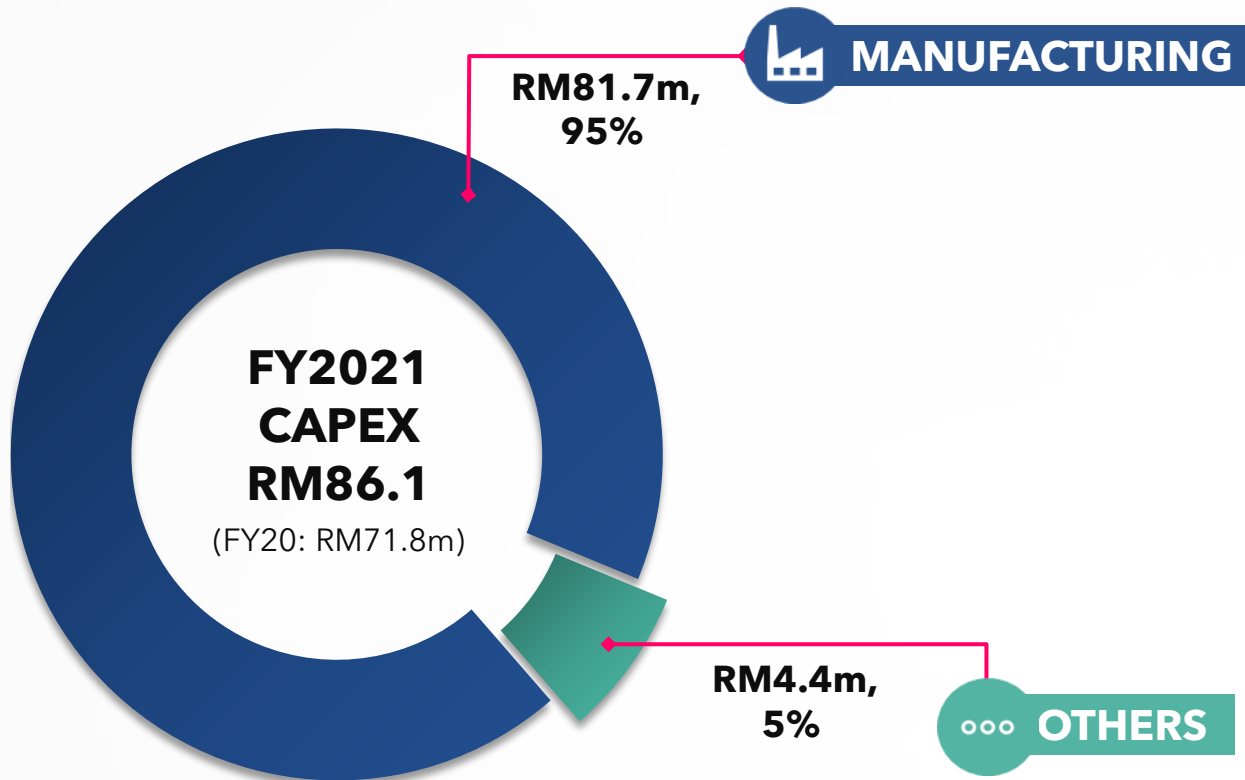
- Offset will continue to drive growth - new customers, new models and products i.e. rigid boxes.
- Tapping into Offset and Carton in Singapore.
- Increase product range and implement e-commerce platform for Leo products.
- New customers for Paper division in Indonesia.



- Six new key accounts will be the driver for growth in 2021
- Implement direct-to-customer e-commerce strategy.
- Strengthen distribution network beyond west coast to Texas and Midwest.
- Enhance plant capacity to support new customers.
- Two new licensees in Europe.

2021 CAPEX Plan

RM86.1 million to Support Business Growth



TOYOPLAS : RM27.2m

- Vietnam Plant 2 Construction
- Machinery & Equipment
- Solar System & Water Treatment
- ERP & Warehouse System

CPI : RM42.9m

- New Factory Construction
- New machineries, new manufacturing system and software

CBB : RM10.4m

- Solar panel
- New machineries, IT software and other office equipment

KING KOIL : RM1.2m

- Additional equipment for manufacturing plant

KPS : RM4.1m

- Plaza Perangsang
- Upgrading of IT Hardware & Software

AQUA-FLO : RM0.3m

SMARTPIPE : NIL






05

Earnings Guidance

Guidance for 2021 to 2024

From Operational and Financial Resilience to Recovery

	Revised 4-Year CAGR	Previous 4-Year CAGR
 REVENUE	High single digit to Low double digit	Low-to-medium double digit
 OPERATING PROFIT	High single digit to Low double digit	Low-to-medium double digit
 PROFIT AFTER TAX	Low-to-medium double digit	Low-to-medium double digit

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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KKLC, Aqua-Flo & Smartpipe

Aqua-Flo and KKLC Continued to Contribute Steadily; Smartpipe Still Lagged for Now

4Q20 HIGHLIGHTS

AQUA-FLO

- ✓ **Revenue YoY** was higher mainly from stronger sales of water chemicals.
- ✓ **Revenue FY20** was higher mainly from higher sales of water chemicals during the raining season from January to April 2020.

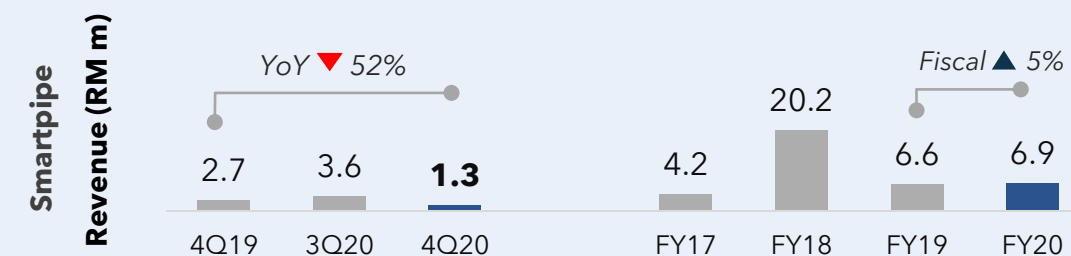
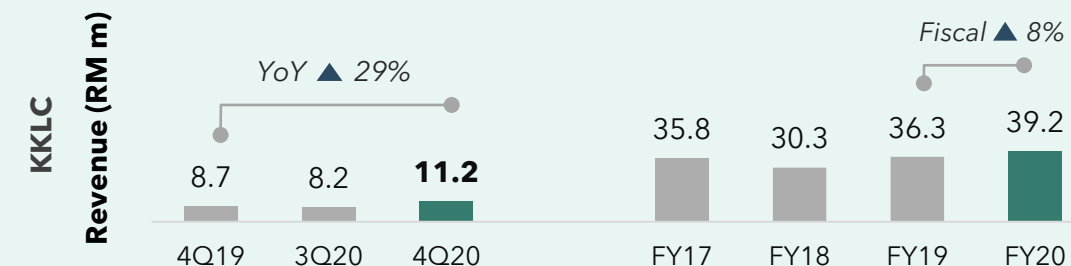
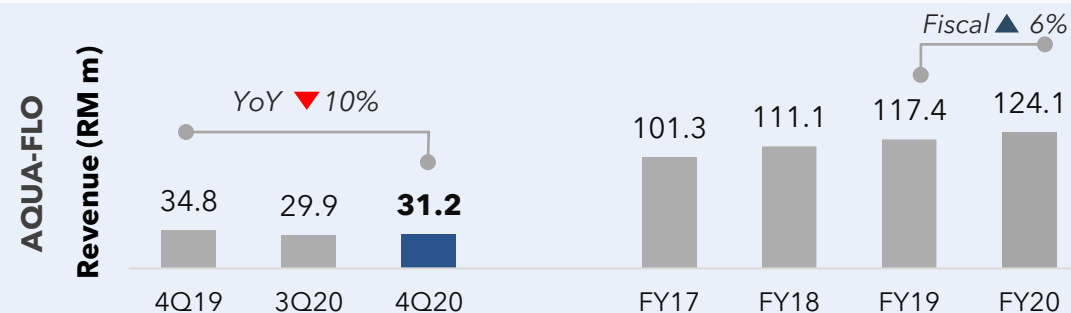
KKLC

- ✓ **Revenue YoY** was higher due to higher Corporate Sales.
- ✓ **Revenue FY20** was slightly higher due to higher international royalty fees.

SMARTPIPE

- ✓ **Revenue YoY** was lower due to the delay in work progress for the Package 12 Pipe Replacement Project.
- ✓ **Revenue FY20** was higher as on-site works for Package 12 Pipe Replacement Project with Air Selangor were nearing completion.

PERFORMANCE



Effective Tax Rate FY20 vs FY19

Slight Improvement in Operating Companies' 2020 Effective Tax Rate ("ETR"). Loss at KKMW in 2019 and higher losses at investment holding and SPV companies had resulted High ETR for Group in 2019

YE 2020

	Operating Companies								+	Co & SPVs	+	Associate				=	Group
RM million	Toyoplas	CPI	CBB	Aqua-Flo	King Koil	KPS-HCM	SPT	Effective		Effective		NGC	SPRI NT	PW M	SPLA SH		Effective
Tax Expense	1.7	7.6	3.4	2.3	1.8	-	-	16.8		(1.5)		n.a	n.a	n.a	n.a		15.3
PBT/(LBT)	13.2	29.1	11.0	9.0	10.8	(0.2)	(0.5)	72.4		(51.3)		6.7	11.5	(0.2)	18.6		57.7
Tax Rate (%)	12.9	26.1	30.9	25.6	16.7	-	-	23.2		n.a		n.a	n.a	n.a	n.a		26.5

YE 2019

	Operating Companies								+	Co & SPVs	+	Associate				=	Group
RM million	Toyoplas	CPI	CBB	Aqua-Flo	King Koil	KPS-HCM	SPT	Effective		Effective		NGC	SPRI NT	PW M	SPLA SH		Effective
Tax Expense	5.8	9.2	6.1	1.9	1.8	1.0	-	25.8		(1.1)		n.a	n.a	n.a	n.a		24.7
PBT/(LBT)	37.6	35.0	18.2	7.9	2.4	2.8	(1.2)	102.7		(62.5)		7.3	7.2	0.2	-		55.0
Tax Rate (%)	15.4	26.3	33.5	24.1	75.0	35.7	-	25.1		n.a		n.a	n.a	n.a	n.a		44.9