



FY2021 Results Announcement

Analyst Briefing: Third Quarter Ended 31 March 2021

25 May 2021



Delivering
Sustainable Futures

Sime Darby Berhad Group Results

FY2021 Financial Results



Reported Profit: 9 months ended 31 March 2021

In RM Million	9M FY2021	9M FY2020	YoY %
Revenue	33,141	28,113	17.9
PBIT	1,753	1,092	60.5
Finance income	32	33	
Finance costs	(89)	(136)	
Profit before tax	1,696	989	71.5
Taxation	(397)	(305)	
Profit after tax	1,299	684	89.9
Non-controlling interests	(85)	(41)	
Net profit attributable to owners of the Company	1,214	643	88.8

FY2021 Financial Results



Core Profit: 9 months ended 31 March 2021

In RM Million	9M FY2021	9M FY2020	YoY %
Reported PBIT	1,753	1,092	60.5
Adjustments			
• Fair value loss on financial assets (MES)	2	11	
• Loss on disposal of Jining ports	2	-	
• Gain on disposal of Tesco	(294)	-	
• Singapore Motors GST refund	(39)	-	
• Share of results/loss on disposal of E&O	(33)	62	
• Forex (gain)/loss on settlement of net investment	(2)	1	
Core PBIT	1,389	1,166	19.1
Net finance costs	(57)	(103)	
Taxation	(374) ¹	(305)	
Non controlling interests	(85)	(41)	
Core Net Profit	873	717	21.8

Adjustments :

1. Tax adjustments: Disposal of Tesco (RM22m), Disposal of Jining ports (RM1m)

FY2021 Financial Results



Segmental PBIT: 9 months ended 31 March 2021

In RM Million	9M FY2021			9M FY2020			Reported PBIT	Core PBIT
	Reported PBIT	Adjustments	Core PBIT	Reported PBIT	Adjustments	Core PBIT	YoY %	YoY %
Industrial	663	2 ¹	665	763	11 ¹	774	(13.1)	(14.1)
Motors	755	(39) ²	716	380	-	380	98.7	88.4
Logistics	9	2 ³	11	7	-	7	28.6	57.1
Healthcare	19	-	19	45	-	45	(57.8)	(57.8)
Others	354	(327) ⁴	27	(62)	62 ⁴	-	>100.0	-
Corporate	(49)	-	(49)	(40)	-	(40)	(22.5)	(22.5)
Forex	2	(2)	-	(1)	1	-	>100.0	-
PBIT	1,753	(364)	1,389	1,092	74	1,166	60.5	19.1

Adjustments :

1. Fair value loss on financial assets (RM2m in 9MFY2021, RM11m in 9MFY2020)
2. Singapore Motors GST refund (RM39m in 9MFY2021)
3. Loss on disposal of Jining ports (RM2m in 9MFY2021)
4. Gain on disposal of Tesco (RM294m in 9MFY2021) and, share of results/loss on disposal of E&O (RM33m in 9MFY2021, RM62m in 9MFY2020)

FY2021 Financial Results



Reported Profit: Quarter ended 31 March 2021

In RM Million	Q3 FY2021	Q3 FY2020	YoY %
Revenue	11,021	8,428	30.8
PBIT	463	265	74.7
Finance income	11	10	
Finance costs	(28)	(51)	
Profit before tax	446	224	99.1
Taxation	(121)	(96)	
Profit after tax	325	128	>100.0
Non-controlling interests	(25)	(13)	
Net profit attributable to owners of the Company	300	115	>100.0

FY2021 Financial Results



Core Profit: Quarter ended 31 March 2021

In RM Million	Q3 FY2021	Q3 FY2020	YoY %
Reported PBIT	463	265	74.7
Adjustments			
• Fair value loss on financial assets (MES)	-	2	
• Singapore Motors GST refund	(39)	-	
• Share of results/loss on disposal of E&O	(21)	40	
Core PBIT	403	307	31.3
Net finance costs	(17)	(41)	
Taxation	(121)	(96)	
Non controlling interests	(25)	(13)	
Core Net Profit	240	157	52.9

FY2021 Financial Results



Segmental PBIT: Quarter ended 31 March 2021

In RM Million	Q3 FY2021			Q3 FY2020			Reported PBIT	Core PBIT
	Reported PBIT	Adjustments	Core PBIT	Reported PBIT	Adjustments	Core PBIT	YoY %	YoY %
Industrial	211	-	211	216	2 ¹	218	(2.3)	(3.2)
Motors	250	(39) ²	211	103	-	103	>100.0	>100.0
Logistics	-	-	-	(6)	-	(6)	100.0	100.0
Healthcare	(6)	-	(6)	13	-	13	>(100.0)	>(100.0)
Others	22	(21) ³	1	(50)	40 ³	(10)	>100.0	100.0
Corporate	(14)	-	(14)	(11)	-	(11)	(27.3)	(27.3)
Forex	-	-	-	-	-	-	-	-
PBIT	463	(60)	403	265	42	307	74.7	31.3

Adjustments :

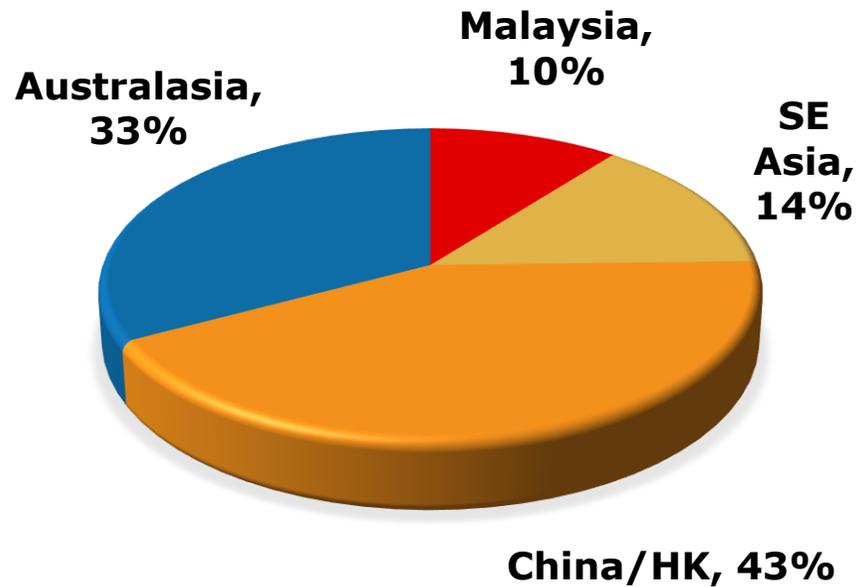
1. Fair value loss on financial assets (RM2m in Q3FY2020)
2. Singapore Motors GST refund (RM39m in Q3FY2021)
3. Share of results/loss on disposal of E&O (RM21m in Q3FY2021, RM40m in Q3FY2020)

Q3 FY2021 Financial Results



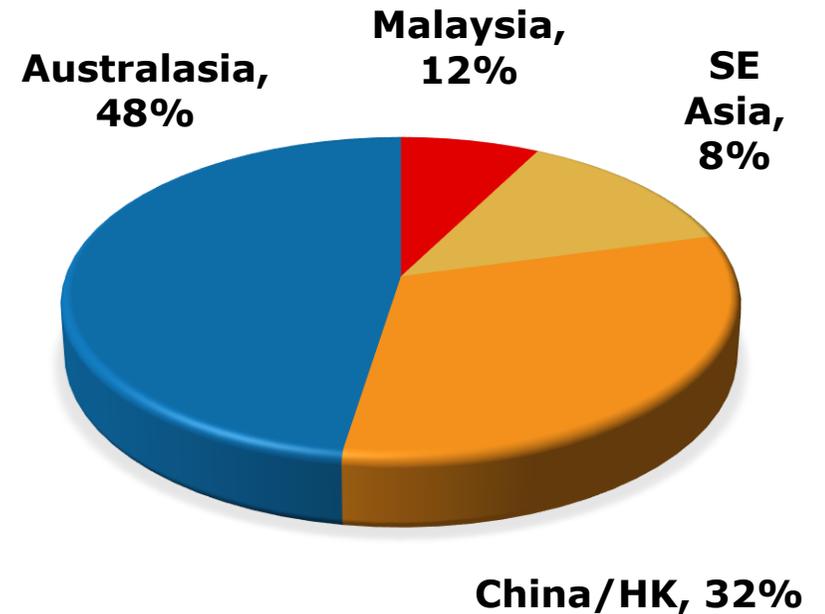
Regional Contribution: Q3FY2021 ended 31 March 2021

Revenue Breakdown



- Malaysia
- SE Asia ex Malaysia
- China/HK
- Australasia

PBIT Breakdown



- Malaysia
- SE Asia ex Malaysia
- China/HK
- Australasia

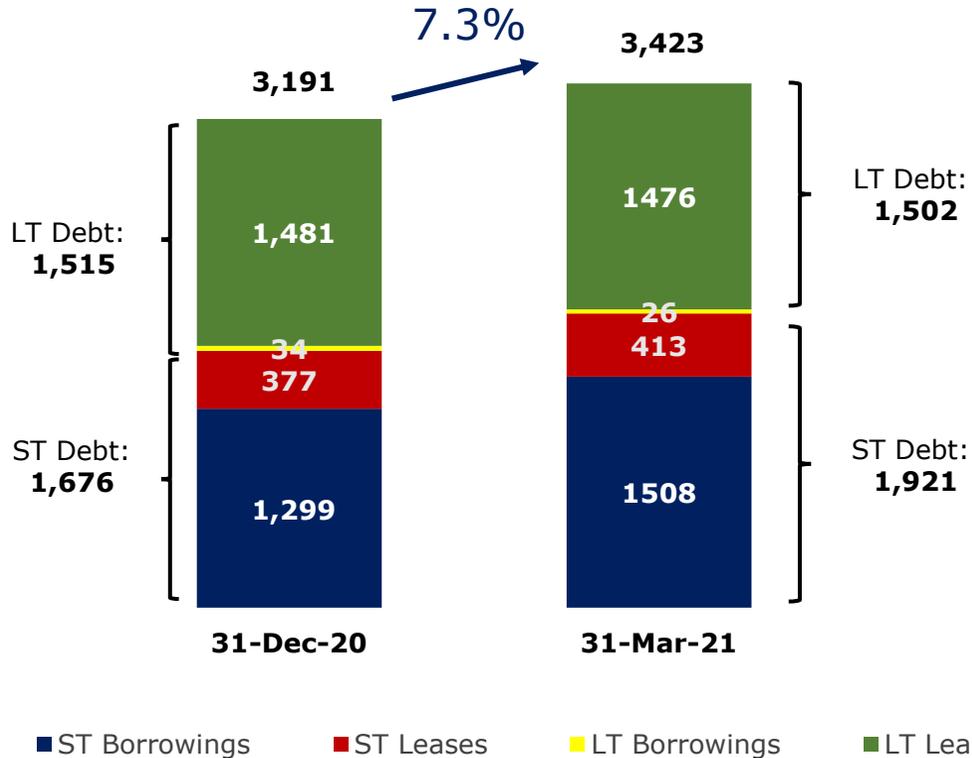
FY2021 Financial Results



Snapshot of borrowing position as at 31 March 2021

Long Term vs Short Term Debt

Total Debt



RM3.4bn

As at 31 March 2021

RM16.0bn
Total Equity

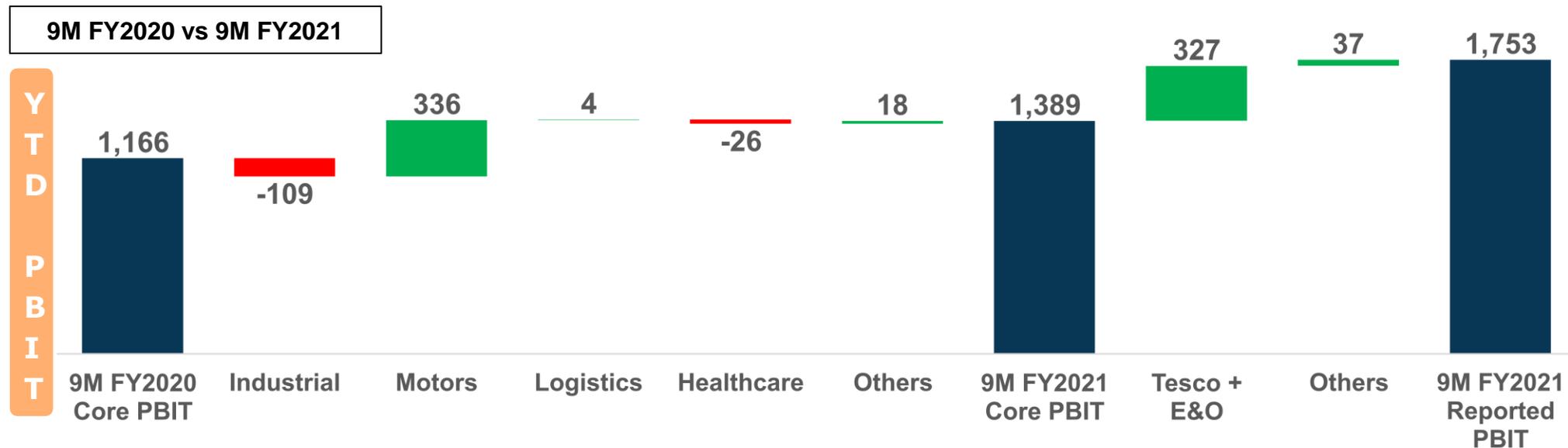
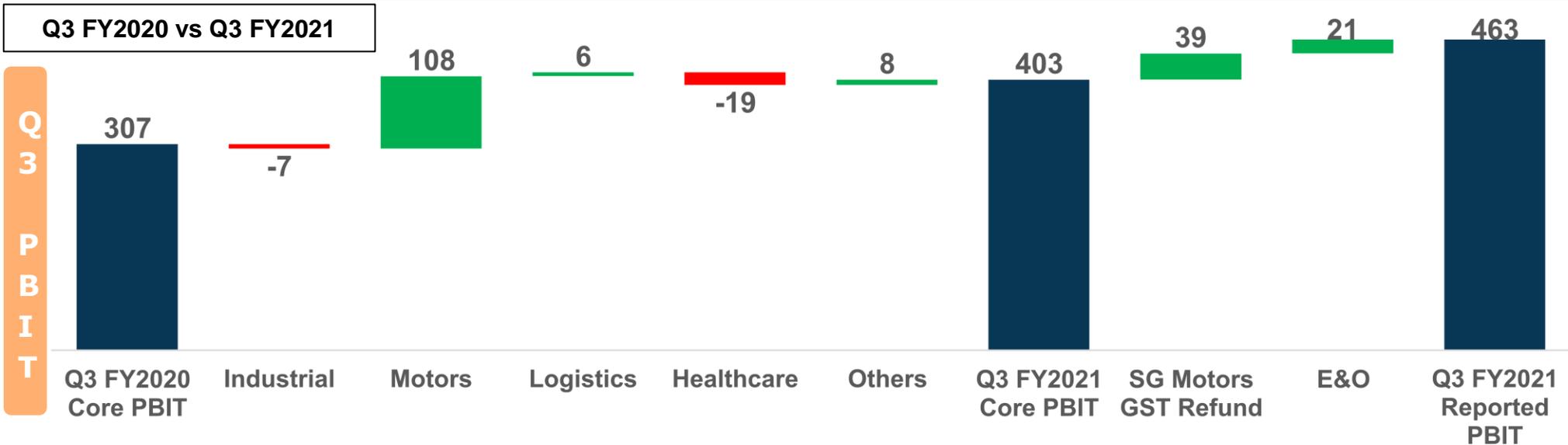
0.21x
Debt/Equity Ratio

RM2.6bn
Bank balances,
deposits and cash

Core and Reported PBIT



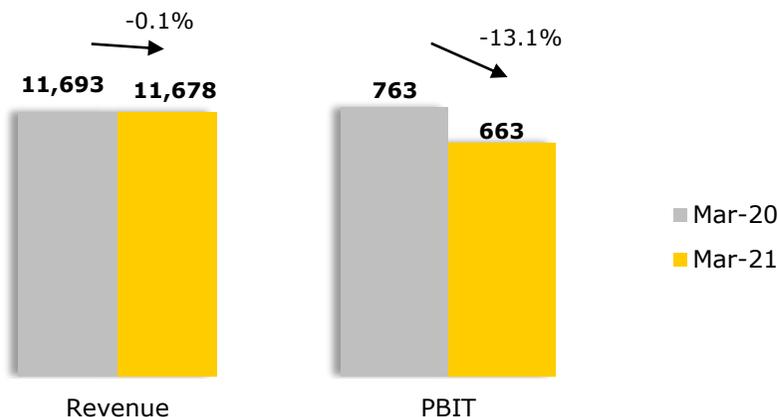
Higher profits driven by record-high performance from Motors



Segmental Results



Profits declined mainly due to lower revenue in Australasia



In RM Million	9M FY2020	9M FY2021
Australasia	7,500	6,883
China	2,849	3,620
Malaysia	760	716
Singapore & Others	584	459
Total Revenue	11,693	11,678
Australasia	571	471
China	129	139
Malaysia	23	21
Singapore & Others	51	34
Total Core PBIT	774	665
FV Loss on Financial Asset	(11)	(2)
Total PBIT	763	663
PBIT margin	6.5%	5.7%
Core PBIT margin	6.6%	5.7%
Annualised ROIC	11.2%	10.1%

Australasia

- Lower mining equipment and parts revenue in Australia.
- Terra Cat contributed revenue of RM765m and PBIT of RM15m.
- Results partly offset by the stronger AUD – 3.05 vs 2.82.
- Fair value loss on financial assets of RM2 million (9MFY2020 – loss of RM11m).

China

- Higher revenue from equipment and parts sales supported by government infrastructure spending.
- However, the China operations continue to face reduced margins due to competitive pricing pressure in the construction sector.

Malaysia

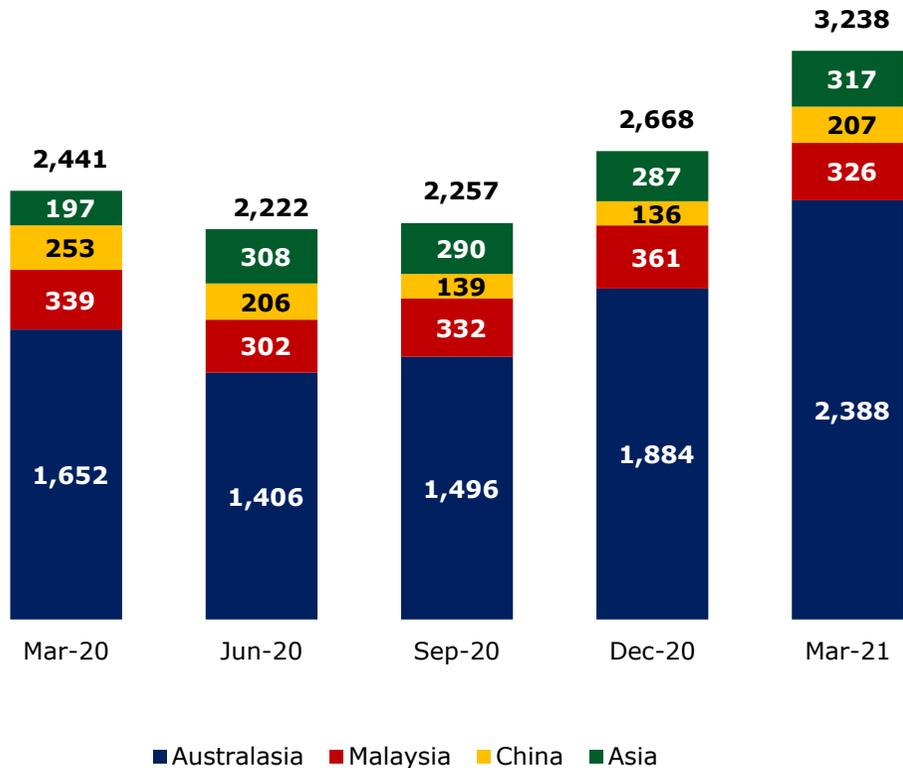
- Slow recovery of sales since the coronavirus outbreak.
- Product support and equipment deliveries heavily impacted by COVID-19 restrictions.

Singapore & Others

- Sales have yet to recover since the COVID-19 outbreak in Singapore.



Order book increased by 21.4% from December 2020



* Mar 2021 includes Terra CAT order book of RM143m.

- AUSTRALASIA**
 - Mixed outlook due to the ongoing political tensions between China and Australia.
 - The Australian economy is showing healthy signs of recovery backed by the government's continued efforts in delivering its Economic Recovery Plan.
 - Outlook for construction industry in New Zealand remains optimistic.
- CHINA**
 - Market outlook remains positive as the economy gain strong growth momentum amid the pandemic.
 - With the roll-out of COVID-19 vaccinations underway, consumer confidence and consumption are likely to revive, supported by government's effort in deploying more vigorous measures to boost domestic consumption.
- MALAYSIA**
 - The construction industry is expected to rebound following the revival of major infrastructure projects such as the Mass Rapid Transit 2, Light Rail Transit 3, West Coast Expressway and Bayan Lepas Light Rail Transit as well as Pan Borneo and Coastal Highways in Sarawak.
- SINGAPORE**
 - Sustained recovery of the construction industry is expected to be driven by public sector projects.
 - Private sector construction demand is expected to improve gradually in line with global economic recovery.



Higher profits driven by the strong performance in most markets



In RM Million	9M FY2020	9M FY2021
China, HK, Macau & Taiwan	7,374	10,504
Southeast Asia	3,618	4,039
Malaysia	2,692	3,331
Australasia	2,526	3,400
Total Revenue	16,210	21,274
China, HK, Macau & Taiwan	200	441
Southeast Asia	27	55
Malaysia	89	82
Australasia	64	138
Total Core PBIT	380	716
GST refund	-	39
Total PBIT	380	755
PBIT margin	2.3%	3.5%
Core PBIT margin	2.3%	3.4%
Annualised ROIC	6.3%	13.8%

China, HK, Macau & Taiwan

- Performance of the China operations remain strong with high vehicle sales from the BMW China operations.
- The super luxury segment observed improved margins and increased sales volume.

Southeast Asia

- Higher units sold and improved margins at the Singapore operations.

Malaysia

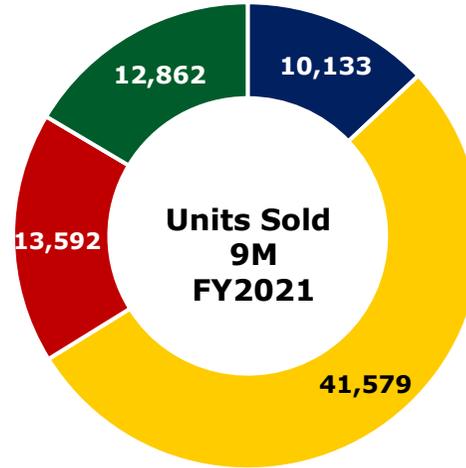
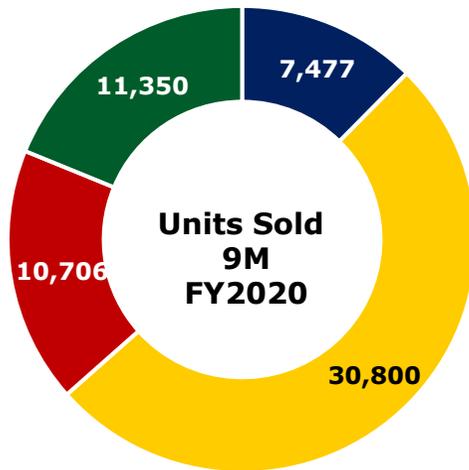
- Higher revenue due to higher units sold supported by the sales-tax exemption provided under the PENJANA Stimulus Package.
- Higher profit from BMW and Porsche are offset against the lower profit from the car rental and assembly operations.

Australasia

- Strong profit from retail operations with higher profit contribution from the acquired Sydney dealerships.
- Lower revenue recorded by the commercial vehicle operations in New Zealand due to shrinking truck market and shortage of supply.



Higher profits driven by the strong performance in most markets



■ Australasia ■ China ■ Malaysia ■ SE Asia

78,166
Units Sold
(9M FY2020: 60,333)

13,476
Units Assembled
(9M FY2020: 21,120)



MALAYSIA

- TIV projected to grow steadily in 2021 supported by the extension of the 100% sales tax exemption on locally-assembled (CKD) models and 50% on fully-imported (CBU) model to 30 June 2021.
- Demand outlook is expected to improve on account of a trust in economic recovery following the rollout of the COVID-19 vaccination programme and Bank Negara's decision to maintain the OPR at 1.75%.



SE ASIA

- Singapore is bound for an uneven economic recovery across sectors. The automotive industry is expected to remain resilient following the shift in consumer mobility preferences towards private mode of transportation.
- Thailand foresee a boost in vehicle sales backed by government stimulus measures and push for EV adoption.



CHINA

- The automotive industry is expected to thrive, fueled by strong pent-up demand and continued stimulus measures by the government to promote the purchase of vehicles in rural areas and trade-ins of used vehicles. Local authorities are also urged to reduce restrictions on vehicle sales.



AUSTRALASIA

- The new car market is set for continued recovery following increased consumer confidence. However, the automotive industry is faced with ongoing supply disruptions and shortages, especially for commercial vehicles.



Upcoming model launches expected in Q4 FY2021



The BMW iX
China - Q4 2021



All-New BMW X7 xDrive40i
Malaysia - May 2021



Hyundai Staria
Malaysia - Nov 2021



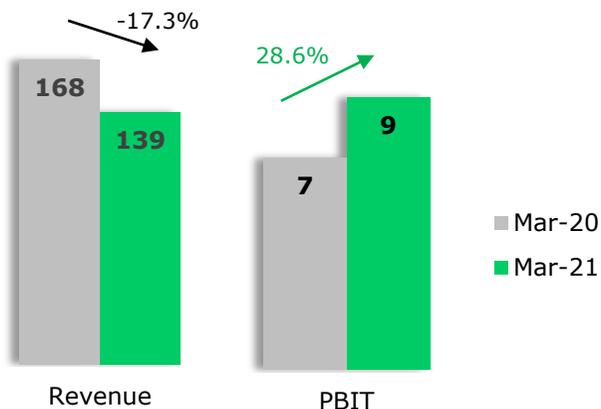
Hyundai Palisade
Malaysia - June 2021₁₆

Logistics and Healthcare

Logistics – Impact of lower throughput was mitigated by forex gain



Logistics



Ports

- Port operations registered lower bulk and container throughput by 38.1% and 36.6% respectively mainly due to stiff competition.

Forex

- Mainly from translation of RMB loans to JVs to HKD.

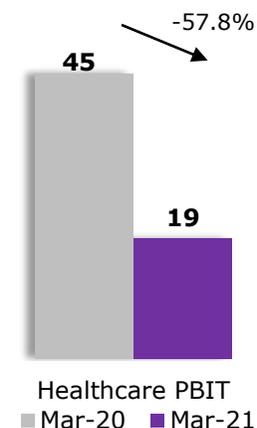
In RM Million	9M FY2020	9M FY2021
Total Revenue	168	139
Ports - Subsidiaries	27	3
Ports – Assoc & JVs	(17)	(2)
Forex	(3)	10
Total PBIT	7	11
Loss on disposal of Jining ports	-	(2)
Total PBIT	7	9
PBIT margin	4.2%	6.5%
Core PBIT margin	4.2%	7.9%
Annualised ROIC	0.5%	0.7%

11.7 million MT
General cargo throughput
(9M FY2020: 18.9 million MT)

83,156 TEU
Container throughput
(9M FY2020: 131,187 TEU)



Healthcare



In RM Million	9M FY2020	9M FY2021
Healthcare PBIT	45	19
Healthcare Annualised ROIC	9.3%	3.8%

- Results include dividend withholding tax and write-down of deferred tax assets during the quarter.
- Patient volumes remain low due to the ongoing coronavirus outbreak.

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Thank you

Appendices

Q3 FY2021 Results Announcement ended 31 March 2021



Q3 FY2021 External Revenue by Region

In RM Million	Q3 FY2021	Q3 FY2020	YoY %
Industrial			
Malaysia	219	237	(7.6%)
SE Asia ex Malaysia	163	189	(13.8%)
China/HK	1,177	750	56.9%
Australia/NZ	2,413	2,546	(5.2%)
	3,972	3,722	6.7%
Motors			
Malaysia	925	836	10.6%
SE Asia ex Malaysia	1,382	1,057	30.7%
China/HK/Macau/Taiwan	3,470	1,815	91.2%
Australia/NZ	1,199	933	28.5%
	6,976	4,641	50.3%
Logistics			
Ports	51	49	4.1%
	51	49	4.1%
Others	22	16	37.5%
TOTAL	11,021	8,428	30.8%

Q3 FY2021 Results Announcement ended 31 March 2021



Q3 FY2021 PBIT by Region

In RM Million	Q3 FY2021	Q3 FY2020	YoY %
Industrial			
Malaysia	9	2	350.0%
SE Asia ex Malaysia	10	17	(41.2%)
China/HK	26	17	52.9%
Australasia	166	180	(7.8%)
	211	216	(2.3%)
Motors			
Malaysia	18	23	(21.7%)
Singapore/Thailand	53	28	89.3%
China/HK/Macau/Taiwan	125	37	237.8%
Australia/NZ	54	15	260.0%
	250	103	142.7%
Logistics			
Ports	2	(5)	(140.0%)
Forex	(2)	(1)	100.0%
Gain on Disposal	-	-	-
	-	(6)	(100.0%)
Healthcare	(6)	13	(146.2%)
Others	8	(61)	(113.1%)
TOTAL	463	265	74.7%

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Thank you