



# **Sizi Limited**

## **AGM - Key updates**

*30<sup>th</sup> April 2015*

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*switch up!*

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**Figures have been rearranged/regrouped, to facilitate analysis**

# Agenda



*switch up!*

- **Financial summary**
- **Short and medium term objectives**
- **Hard decisions taken**
- **Increased focus on two markets**
- **Risk and other management actions**
- **Watch list - brief**

# Financial Summary: Performance – focus on overheads



USD Mil	FY 2011-12 (15 months)	FY 2012-13 (18 months)	FY 2014 (12 months)
	APR 11 – JUN 12	JUL 12 – DEC 13	JAN 14 – DEC 14
Revenue	1,013	770	362
Operating overheads	117	69	30
Operating EBITDA	(67)	(26)	(6)
Net Cash	19	13	25

- Operating overheads reduced commensurate to reduction in revenue
- Operating EBITDA loss significantly lowered
- Focus on cash realization & retention

*Net cash denotes cash balance net of borrowings.*

## Financial Summary: FY 2014 performance analysis



USD mil	FY 2011-12 (15 months)	FY 2012-13 (18 months)	FY 2014 (12 months)
EBIDTA (Loss) Operating	67	26	6
Other non operating items (Loss-net)	121	32	38
<b>Total PAT (Loss)</b>	<b>188</b>	<b>58</b>	<b>44</b>

**Note** :Other non operating items mainly include : Depreciation, amortization, impairment of intangible assets & other non operating income/expenses.

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# Financial Summary: NTA and share price analysis



switch up!

Particulars	as at 31 Dec 2014	
	SGD'000	Value per share (SGD cents)
Net tangible assets	58,096	1.06
Market capitalization (closing) as at 31st December 2014	21,940	0.40
Market capitalization (closing) as at 28th Apr 2015	10,970	0.20

# Short and medium term objectives



switch up!

- 1. 2015 -16 – period of turn around / consolidation**
  - a) Cut loss making business units**
  - b) Conserve Cash**
  - c) Optimize and grow existing profitable business units**
  - d) Explore new profitable business opportunities**
- 2. Align above actions to enable the share price to NTA value**
- 3. 2017 – to come out of watch list**

# Hard decisions taken



switch up!

1. Discontinue loss making businesses
2. Disengage non strategic businesses
3. Conserve cash



2015 - 16

Turn around the company with a new strategy



# Discontinue loss making businesses



## Cut businesses which are making losses

- To close Indonesia own brand - device business
- Malaysia and Thailand Device - own brand business already closed down
- Focus on conserving Cash via cost optimization

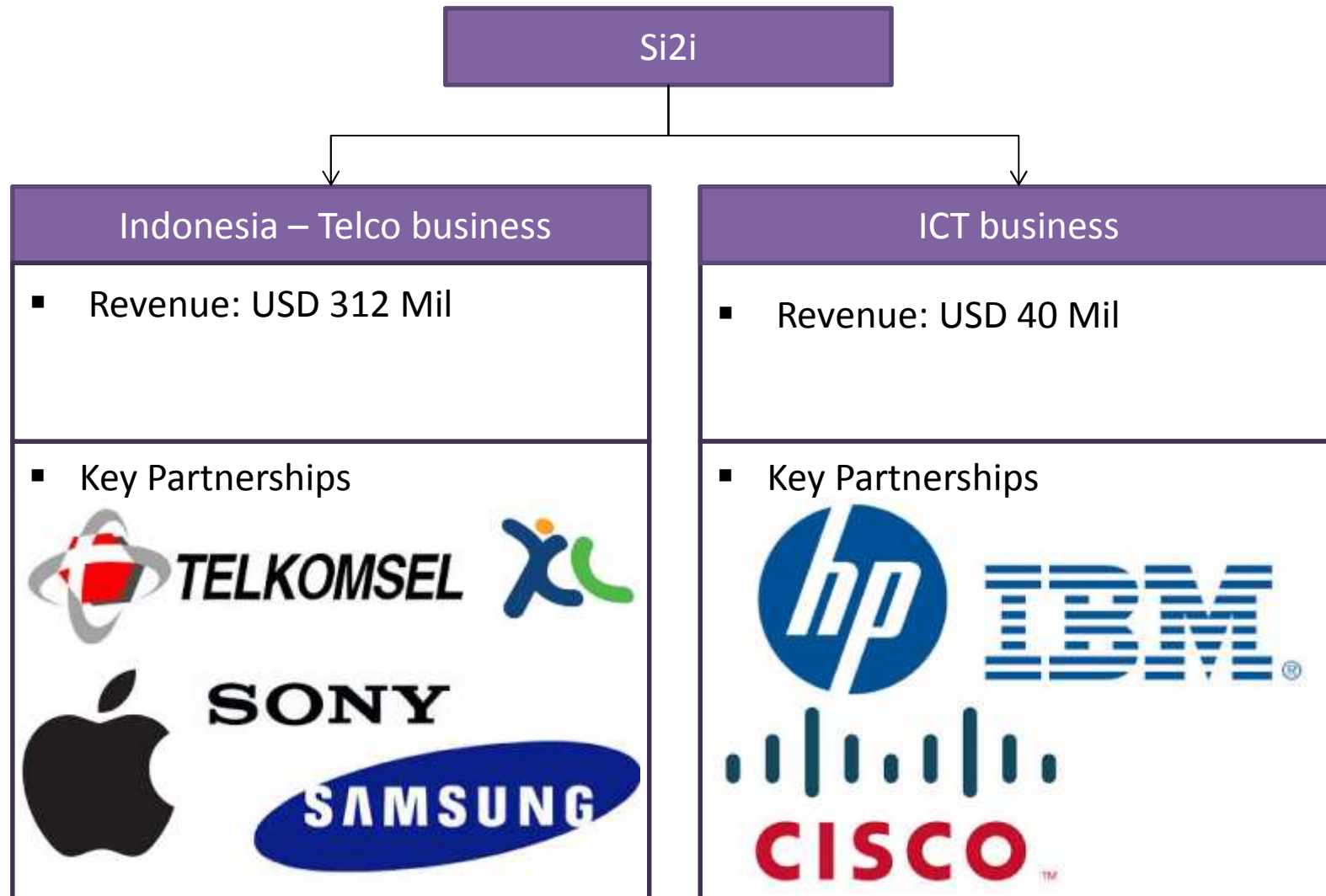
## Move out of non strategic businesses

- Get off the “tread mill” and get on the runway !
- Any business which is a distraction and not performing to the industry standards to be disengaged – conserve cash
- Focus on new lines of growth
- Focus on profitable revenue and on efficient cash management

## Cash! Cash ! And Cash conservation

- Conserve cash as that can help build your company's value in the next phase
  - Continue to optimize cost and grow value in new lines
  - **Turnaround committee is formed and is engaging in fact finding to develop a strategy/ action items**
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# Increased focus on two markets



# Trend analysis on performance indicators



## Revenue

USD mil	FY 2011-12 (15 months)	FY 2012-13 (18 months)	FY 2014 (12 months)
Distribution of operator products & services	387	498	289
ICT distribution & managed services*	93	88	40
Mobile devices distribution & retail	522	183	33

## Operating EBITDA

USD mil	FY 2011-12 (15 months)	FY 2012-13 (18 months)	FY 2014 (12 months)
Distribution of operator products & services	4.5	4.4	5.0
ICT distribution & managed services*	0.07	2.2	(1.3)
Mobile devices distribution & retail	(59.6)	(26.6)	(7.1)

**Note :**

Operating EBITDA numbers are proforma unaudited numbers.

\* Excluding corporate expenses and , SBPO & Sunno operations ( since discontinued )

- Unqualified audit opinion in 2014
  - All ERM actions are closely followed up
  - Follow all compliance processes
  - To have share holder meetings/briefing day with the help of SIAS by Q3 2015
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# Watch List-Summary\*



- An issuer on the watch-list may apply to the Exchange for its removal from the watch-list if it satisfies any one of the following requirements:—
  - (1) the issuer records consolidated pre-tax profit for the most recently completed financial year (based on the latest full year consolidated audited accounts, excluding exceptional or nonrecurrent income and extraordinary items) and has an average daily market capitalisation of \$40 million or more over the last 120 market days on which trading was not suspended or halted. For the purpose of this rule, trading is deemed to be suspended or halted if trading is ceased for the full market day; or
  - (2) the issuer satisfies Rule 210(3) and either one of the following requirements:—
    - (a) cumulative consolidated pre-tax profit of at least \$7.5 million for the last three years, and a minimum pre-tax profit of \$1 million for each of those three years; or
    - (b) cumulative consolidated pre-tax profit of at least \$10 million for the last one or two years. Rule 210(3)(a) applies to the last one year or last two years as the case may be.
- The Exchange may approve the application, or reject the application if the Exchange is of the opinion that there are other factors that justify the continued inclusion of the issuer in the watch-list.

\* Extract from SGX Listing Manual

**Thank you**