

# 3Q20 Results Review

## November 2020



GHL Systems Berhad  
the [ASEAN](#) Payment People

Property of GHL Systems Berhad



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## Group Overview

1. At the forefront of ASEAN's cutting edge Fintech, GHL empowers the payment revolution that is shaping today's spending habits.
2. From new-generation cashless to personalised value-added solutions, GHL offers extensive payment options, both offline and online, to fulfill payment needs.
3. GHL aspires to uplift businesses byway of enhancing transactional operations while delivering convenience to consumers in order to enhance their shopping experience

**1994**

Founded

**2003**

Listed since

**2014**

Started TPA

**2020**

In 7 countries

# [ The group's business pillars



## Transaction Payment Acquisition

Merchant acquisition for



- Scheme card payments



- Mobile payments



- Prepaid top-ups and bill collection



- Online payment gateway



## Shared Services

Smart all-in-one payment acceptance devices

- Sale
- Rental
- Maintenance
- MPOS



## Solutions Services

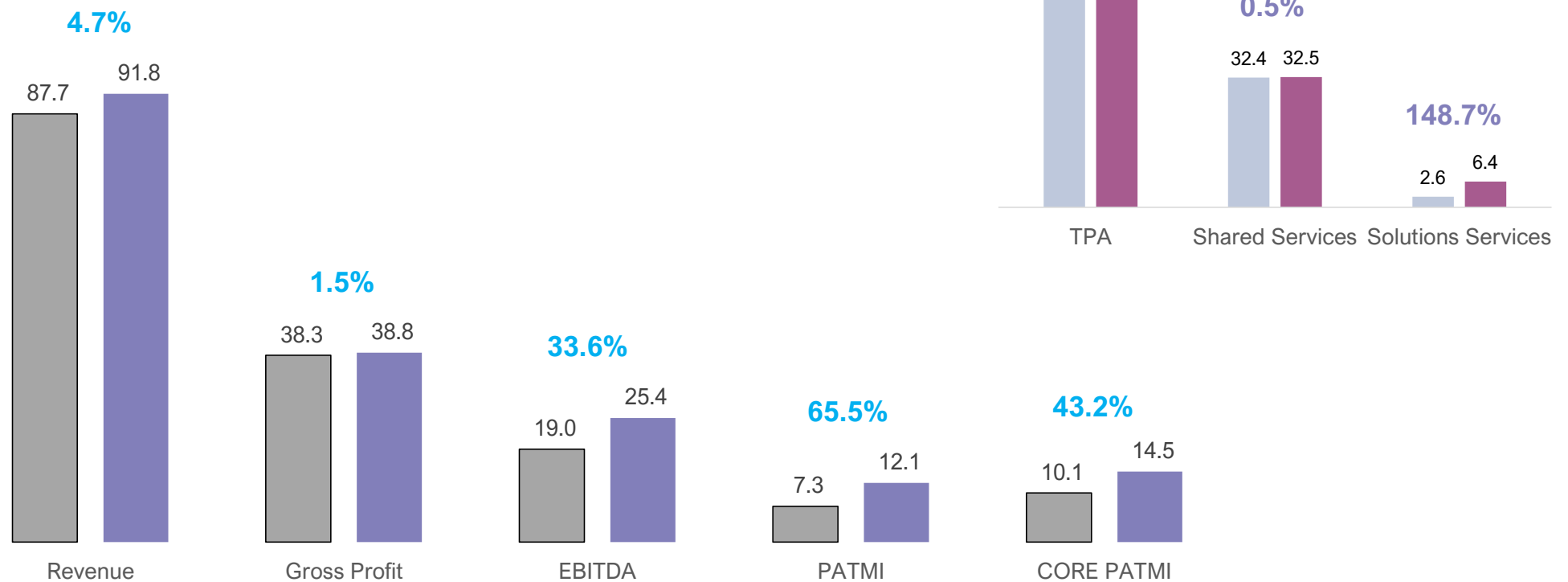
Conceptualised and deliver proprietary payment solutions (hardware and software) for

- Secure payment networks
- Loyalty platforms
- Loan repayments
- Other client specific requirements



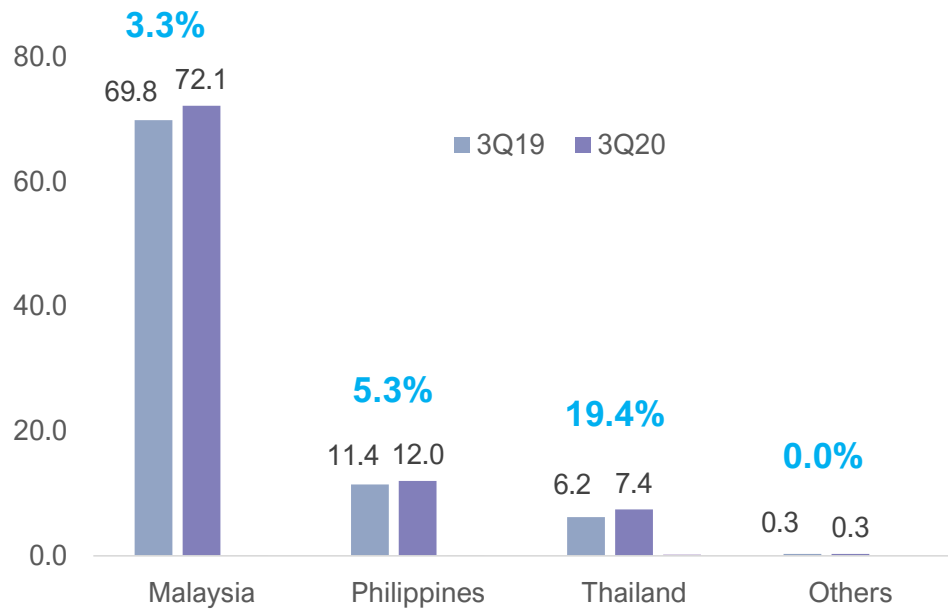
# 3Q20 headline performance

## Financial Performance (YoY Growth)



## 3Q20 geographical performance

Revenue growth by country (yoy)



EBITDA growth by country (yoy)

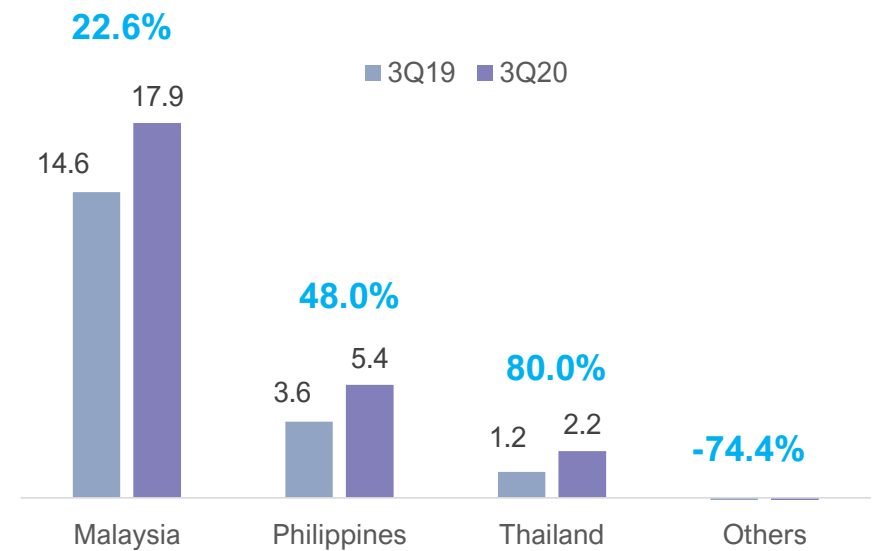


Illustration only

# 3Q20 core earnings

## 3Q20 Core operating earnings (RM m)

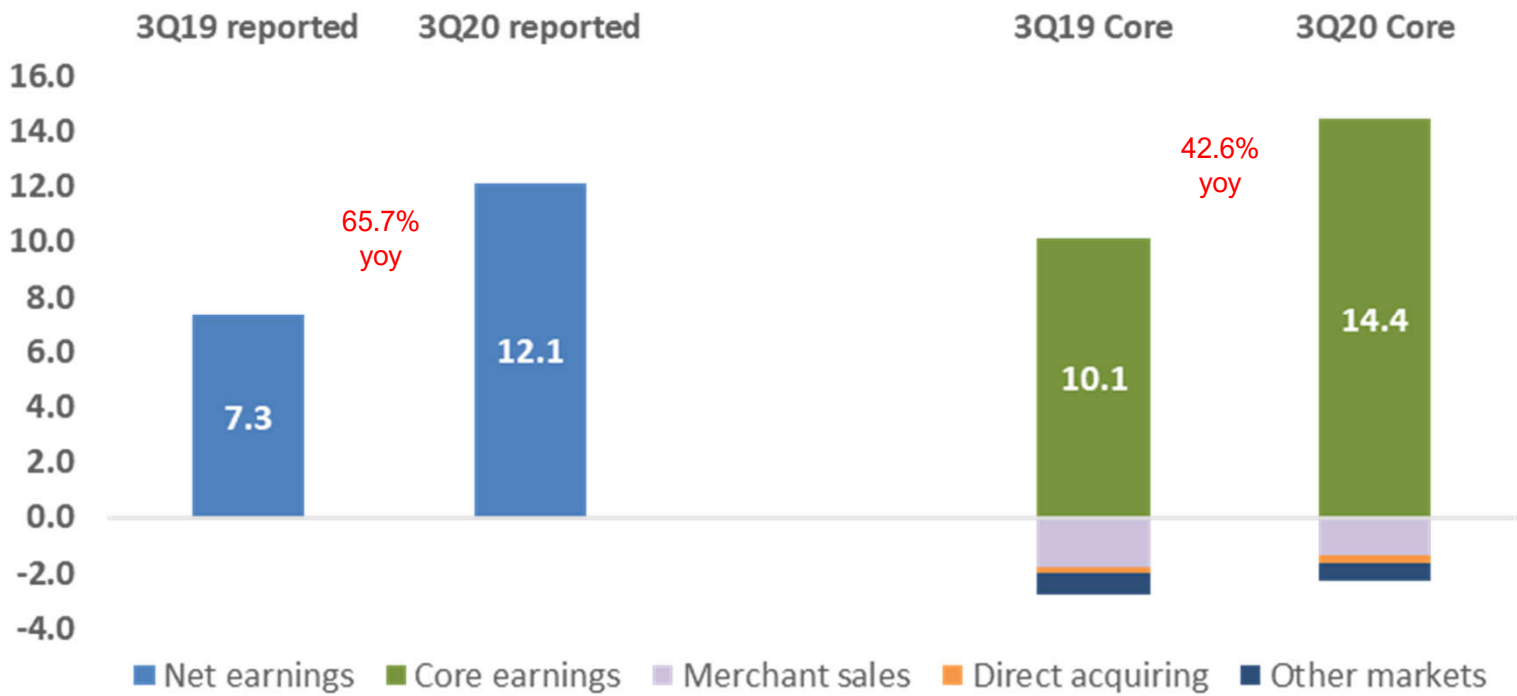
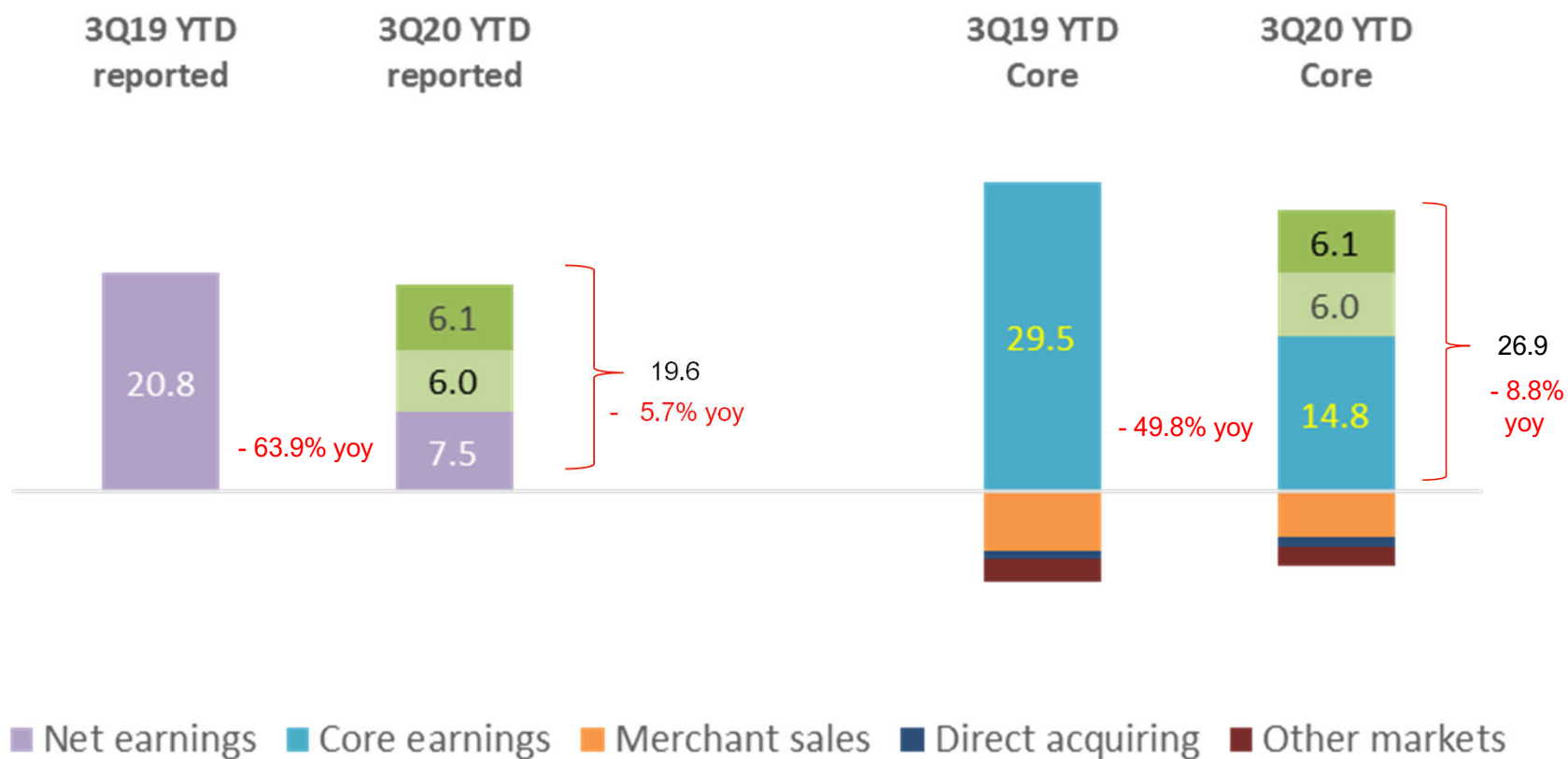
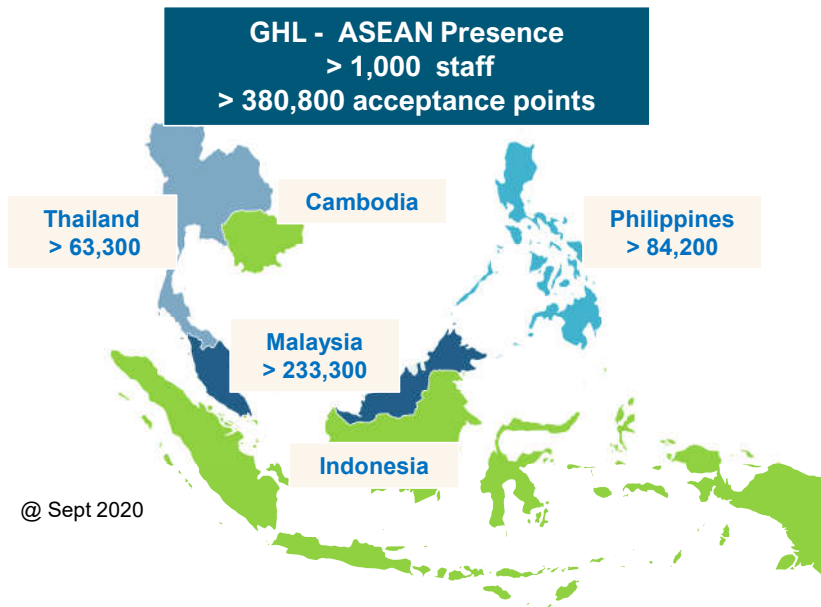


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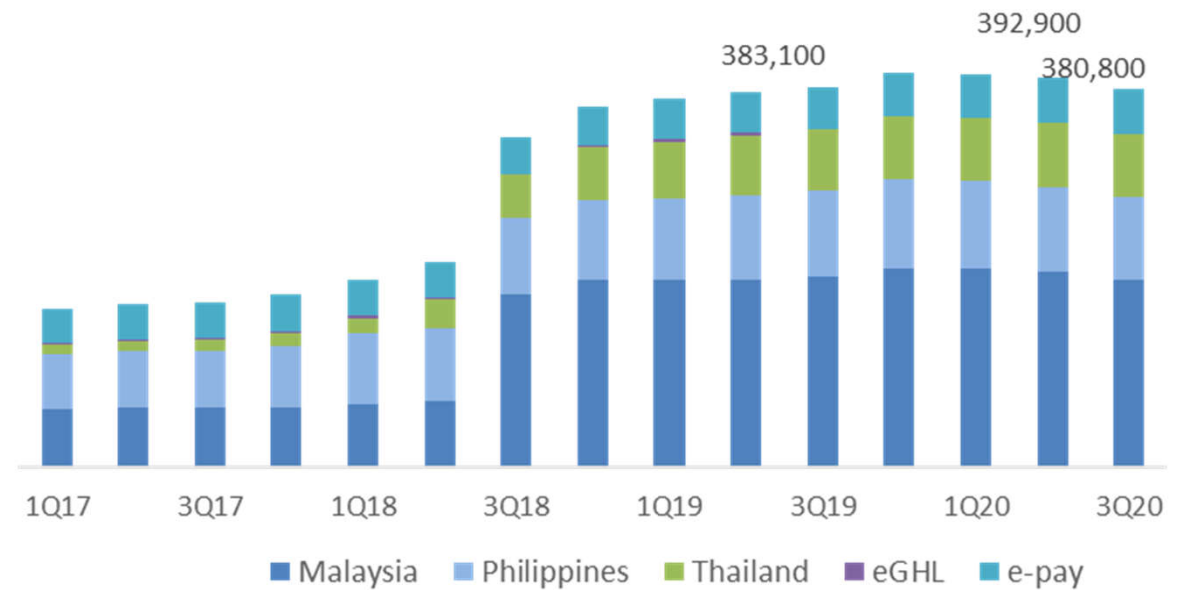
## 3Q20 YTD core operating earnings



## 3Q20 regional footprint



Total acceptance points (ASEAN)



## [ 3Q20 TPA acceptance points

**TOTAL**  
Acceptance Points

**380,800**

3Q19 : 383,100

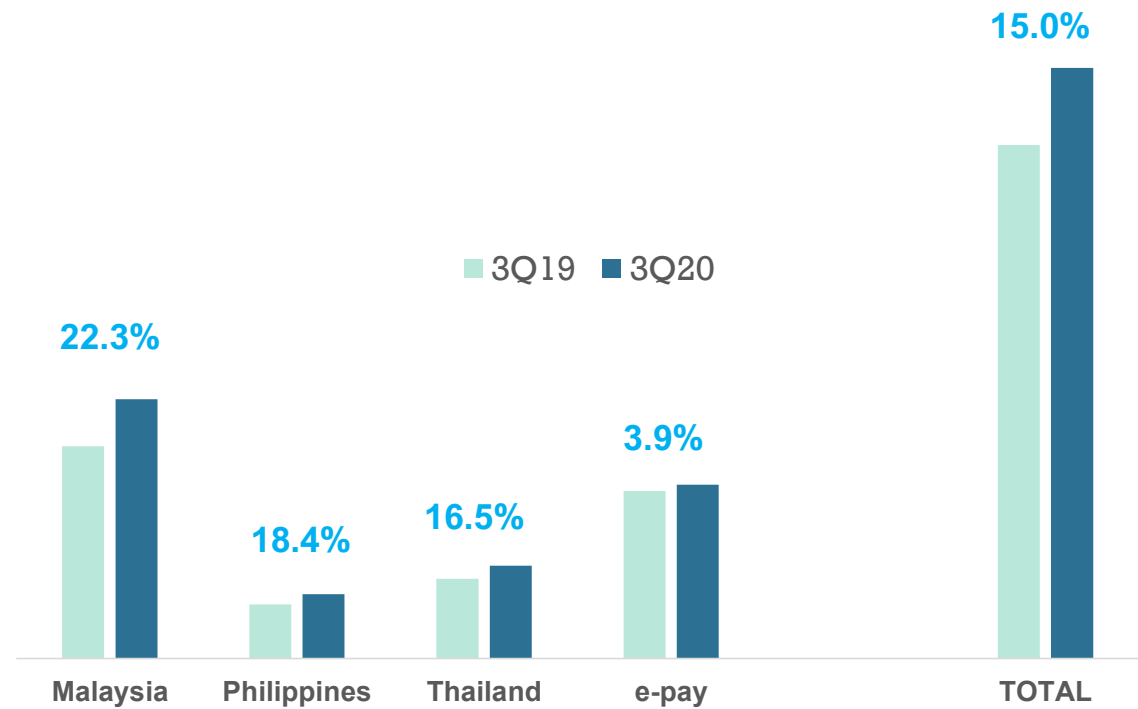
▼ 0.6% yoy

**TPA**  
Acceptance Points

**148,000**

3Q19 : 128,700

▲ 15% yoy



## 3Q20 TPV performance

**TPV**  
Year to date  
**RM 13,930**  
3Q19 : RM 9,796  
**42% yoy**

**TPA**  
Acceptance Points  
**148,000**  
3Q19 : 128,700  
**15% yoy**

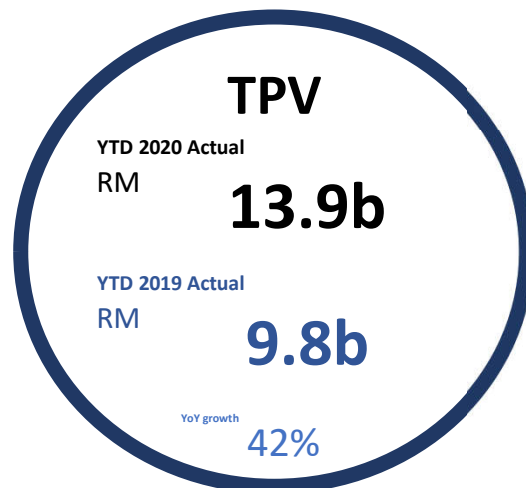
### TPV - Payments and e-pay



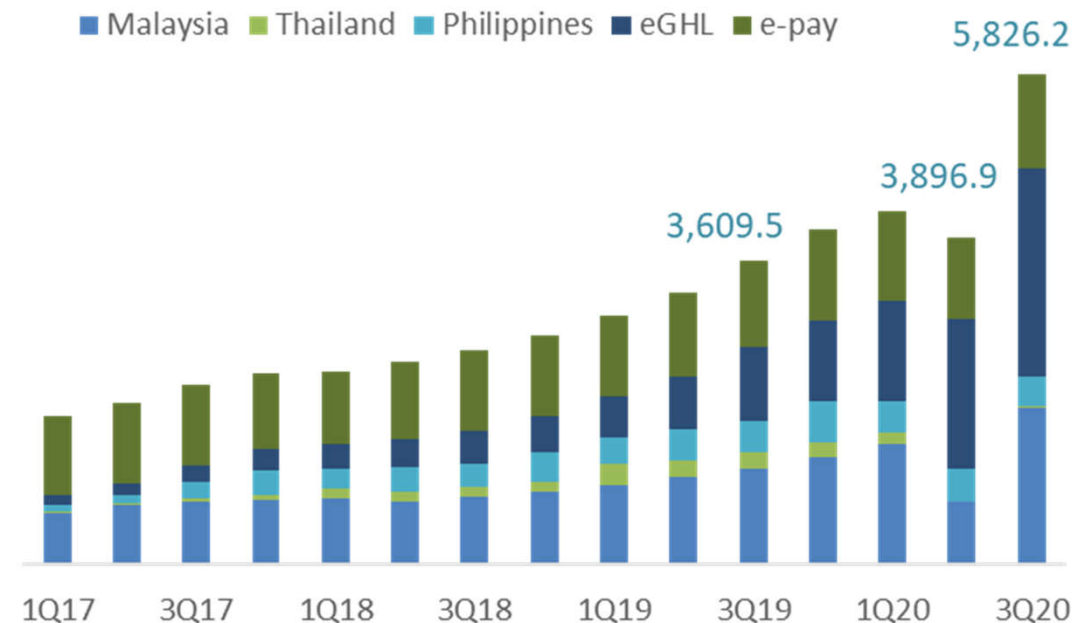
## 3Q20 TPV performance

TPV is the measure of the transaction value captured across GHJ's extensive merchant touchpoints across ASEAN, both physical and online.

- ✓ Debit cards
- ✓ Credit cards
- ✓ E-wallets
- ✓ Online
- ✓ Mobile credit reloads
- ✓ Bill collection
- ✓ Loan collection



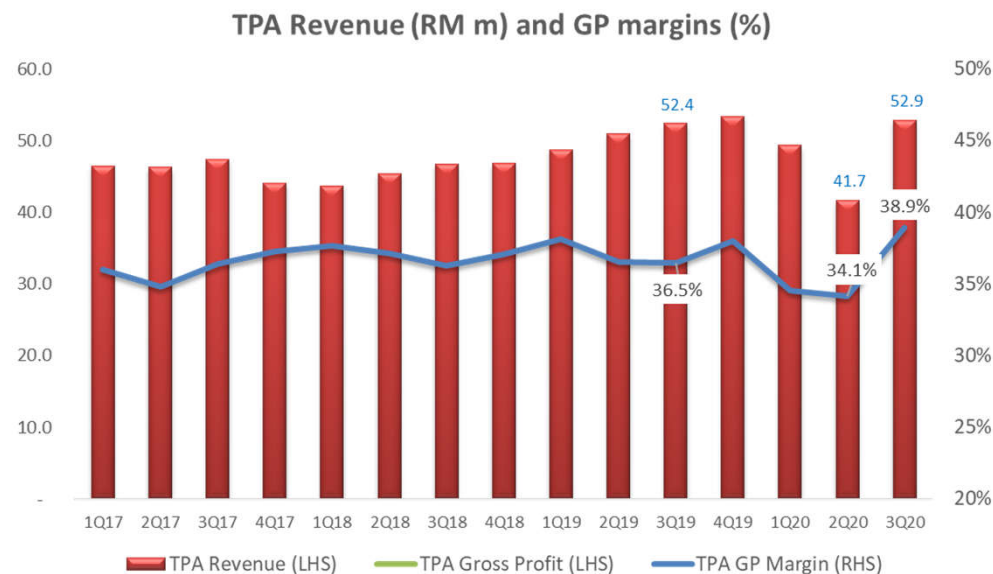
### TPV by Geography (RM m)





## 3Q20 TPA Revenue performance

- 3Q20 group TPV grew strongly, 61% yoy boosted by post lockdown consumption.
- TPA revenue similarly showed a strong qoq recovery from 2Q20 with online TPV still maintaining good momentum
- However, overall gross margin improved in 3Q20 due to product and merchant mix as well as higher offline transactions.

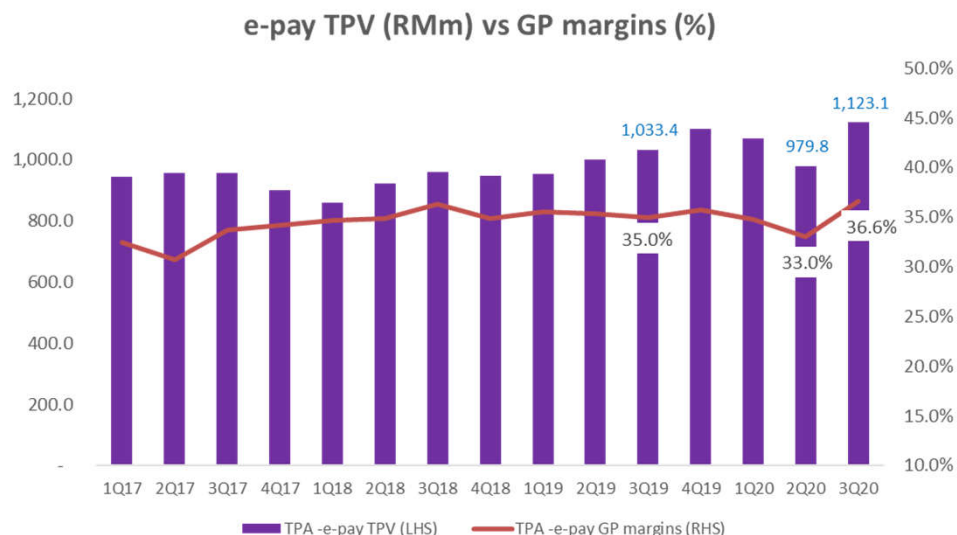


<b>GHL GROUP TPA</b> <i>(All stated in RM'millions unless stated otherwise)</i>	<b>3Q 2019</b>	<b>3Q 2020</b>	<b>% change</b>
Transaction Value Processed (Note 1)	3,609.5	5,826.2	61%
Gross Revenue	52.4	52.9	1%
Gross Revenue / Transaction Value (Note 2)	1.45%	0.91%	-37%
Gross Profit (Note 3)	19.1	20.6	8%
Gross Profit / Transaction Value (Note 2)	0.53%	0.35%	-33%
Merchant Footprint - TPA Only (Thousands)	86.8	148.1	71%

<b>YTD 2019</b>	<b>YTD 2020</b>	<b>% change</b>
9,796.0	13,929.5	42%
152.0	143.8	-5%
1.55%	1.03%	-33%
56.3	51.8	-8%
0.57%	0.37%	-35%
128.7	148.1	15%

## 3Q20 TPA performance (e-pay)

- 3Q20 e-pay TPV was up 8.7% as more foot traffic at more shops post the lockdown in 2Q20
- E-pay revenue was higher given that the change in the product mix and merchant mix which affected the group's MDR and % spread. Different product types generate different GP margins.
- However, overall gross margin has remain stable at mid 30+% and was up both yoy and qoq.

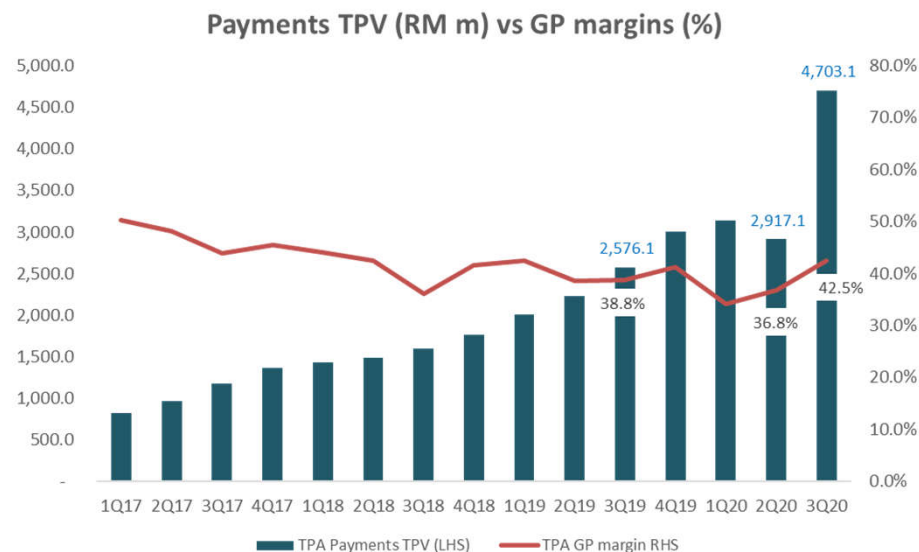


e-pay (All stated in RM'millions unless stated otherwise)	3Q 2019	3Q 2020	% change
Transaction Value Processed	1,033.4	1,123.1	9%
Gross Revenue	31.8	32.1	1%
Gross Revenue / Transaction Value (Note 1)	3.08%	2.85%	-7%
Gross Profit	11.1	11.7	6%
Gross Profit / Transaction Value (Note 1)	1.08%	1.05%	-3%
Merchant Footprint - e-pay Only (Thousands)	42.0	43.6	4%

YTD 2019	YTD 2020	% change
2,986.6	3,173.0	6%
94.7	91.4	-3%
3.17%	2.88%	-9%
33.4	31.9	-5%
1.12%	1.00%	-10%
42.	43.6	4%

## 3Q20 TPA performance (payments)

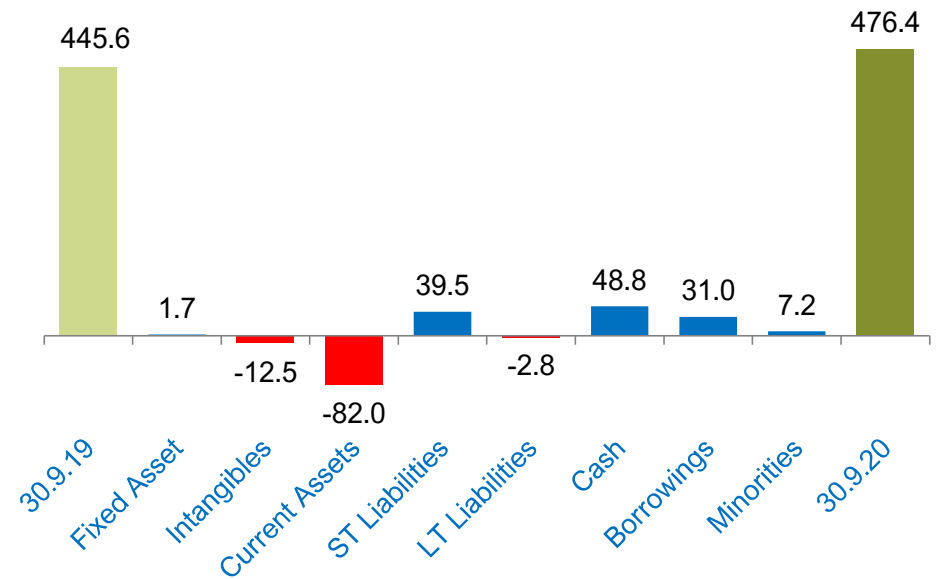
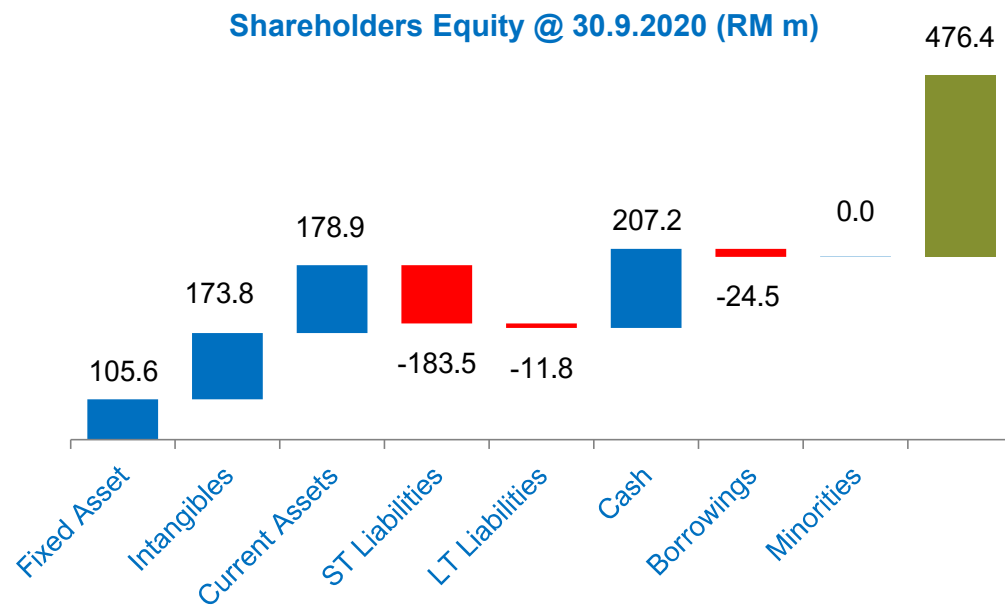
- 3Q20 payments TPV was up 83% yoy driven by online transactions. It was similarly up qoq with offline touchpoints and physical shops reopening.
- TPA revenue was however flat despite the TPV growth. Payment type and merchant mix affected the blended MDR. 3Q20's GP spread (0.19%) was up from 2Q20's (0.16%) .
- However, 3Q20 gross margins improved to 42.5% which was higher both qoq and yoy.



<b>GHL Electronic payments TPA</b> <i>(All stated in RM'millions unless stated otherwise)</i>	<b>3Q 2019</b>	<b>3Q 2020</b>	<b>% change</b>
Transaction Value Processed (Note 1)	2,576.1	4,703.1	83%
Gross Revenue	20.6	20.8	1%
Gross Revenue / Transaction Value (Note 2)	0.80%	0.44%	-45%
Gross Profit (Note 3)	8.0	8.8	11%
Gross Profit / Transaction Value (Note 2)	0.31%	0.19%	-39%
Merchant Footprint - TPA Only (Thousands)	86.7	104.5	20%

<b>YTD 2019</b>	<b>YTD 2020</b>	<b>% change</b>
6,809.4	10,756.5	58%
57.3	52.4	-8%
0.84%	0.49%	-42%
22.9	20.0	-13%
0.34%	0.19%	-45%
86.7	104.5	20%

## 3Q20 Balance Sheet



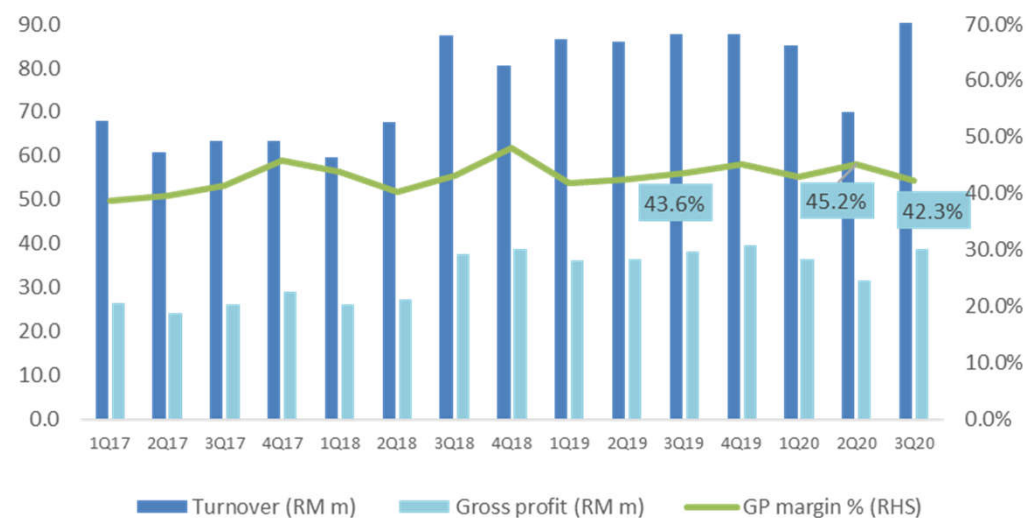
**Balance sheet movement over 12 months (RM m)**

# COVID-19 impact and 3Q20 recovery

## TPA qoq performance

<b>GHL GROUP TPA (QoQ comparison)</b> <i>(All stated in RM'millions unless stated otherwise)</i>	<b>2Q 2020</b>	<b>3Q 2020</b>	<b>% change</b>
Transaction Value Processed (Note 1)	<b>3,896.86</b>	<b>5,826.24</b>	<b>49.5%</b>
Gross Revenue	<b>41.65</b>	<b>52.86</b>	<b>26.9%</b>
Gross Revenue / Transaction Value (Note 2)	<b>1.07%</b>	<b>0.91%</b>	<b>-15.1%</b>
Gross Profit (Note 3)	<b>14.22</b>	<b>20.59</b>	<b>44.8%</b>
Gross Profit / Transaction Value (Note 2)	<b>0.36%</b>	<b>0.35%</b>	<b>-3.2%</b>
Merchant Footprint - TPA Only (Thousands)	<b>147.5</b>	<b>148.1</b>	<b>0.4%</b>
<b>GP margins %</b>	<b>34.1%</b>	<b>39.0%</b>	











































## GHL group performance





eGHL first to launch Mastercard's MDES in ASEAN	6 Jan 2020
Lending business with Axiata Digital in Malaysia	19 Feb 2020
TrueMoney launch with COCA & Mango Tree	20 Feb 2020
eGHL SWIFT – get online in 3 days	31 Mar 2020
Micro financial services with Senang and Takaful Ikhlas	8 April 2020
GHL Philippines obtains lending licence	13 July 2020
GHL INSTANT launch via Penang Cashless wet market campaign	20 July 2020
GHL enables Petron Gasul go cashless	28 July 2020
GHL win BrandLaureate Award for most valued brand in Digital Payment solutions	4 Aug 2020
GHL joins i3 program with UNCDF to aid SME and MSME financial health	24 Aug 2020
GHL GROW – Lending with Aspirasi	1 Sept 2020
GHL GROW – Critical illness by AXA Affin	7 Sep 2020
eGHL widens payments acceptance for McDonalds McDelivery	13 Oct 2020
GHL launches 3 offerings to combat COVID-19	19 Oct 2020

# [ GHL ASEAN COVERAGE .....

TPA Map		Malaysia	Thailand	Philippines	Indonesia, Cambodia and others
Scheme	CREDIT	    <sup>(1)</sup>  <sup>(2)</sup>			
	DEBIT	    	   	  	
e-Wallets	Cross border	 			
	Domestic	        	    	  	  
Internet		            	   		
TPA partners		    	  	 	

(1) Malaysia only (2) Thailand only





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# THANK YOU

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