



# TAN CHONG MOTOR HOLDINGS BERHAD

## 1Q FY2022 Financial Results

May 2022

Brands:





## Cautionary Statement with Respect to Forward-Looking Statements

Information contained in this presentation is intended solely for your reference. Such information is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning the Company. **Such statements are not and should not be construed as a representation, warranty or undertaking as to the future performance or achievements of the Company and the Company assumes no obligation or responsibility to update any such statements.**

Statements or comments made during this presentation that are not historical facts are forward-looking statements that reflect our plans and expectations. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to differ materially from that anticipated in these statements.

These factors include (but without limitation to) (i) changes in economic conditions, currency exchange rates, the laws, regulations, government policies, or political instability in the markets where the Group operates; (ii) market demand and the competitive environment affecting the automotive markets in which the Group operates; (iii) circumstances relating to our ability to introduce, in a timely manner, and achieve market acceptance of new products; and (iv) shortage of fuel or interruptions in transportation systems, labor strikes, work stoppages, or other business and operational risks, etc.



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# **1Q FY2022 Financial Highlights & Results**

# Key Performance Indicators



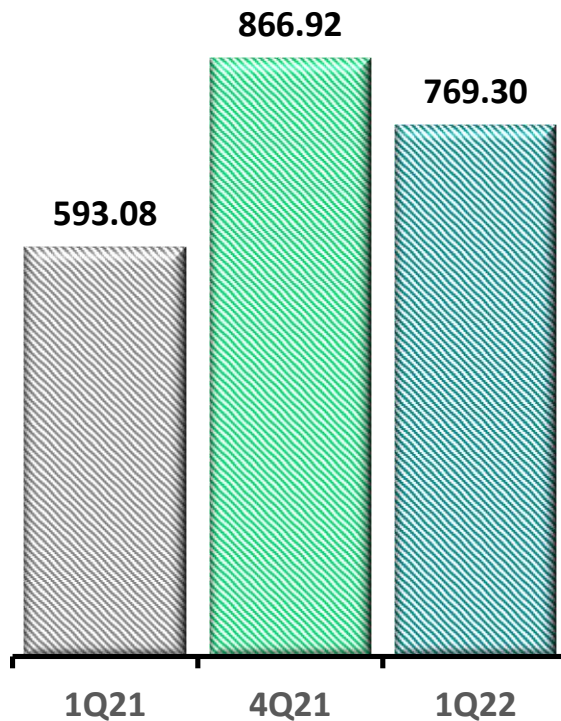
(RM'million, unless otherwise stated)

Y-o-Y

Q-o-Q

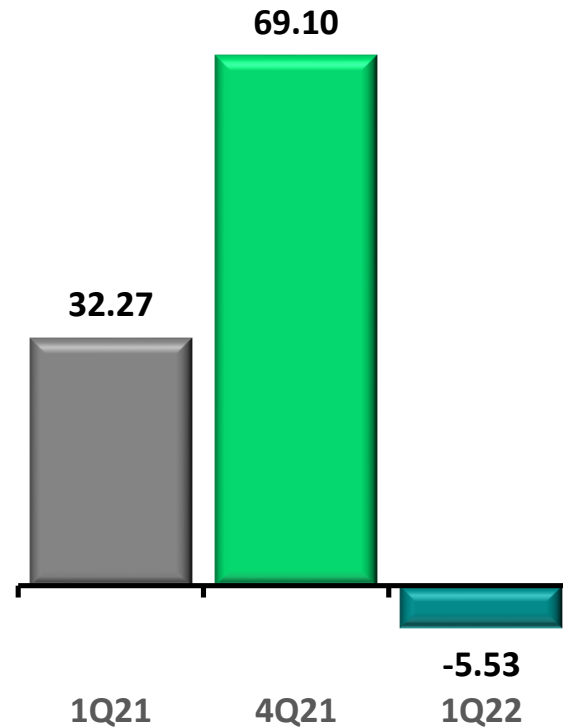
## Revenue

+29.7%  
-11.3%



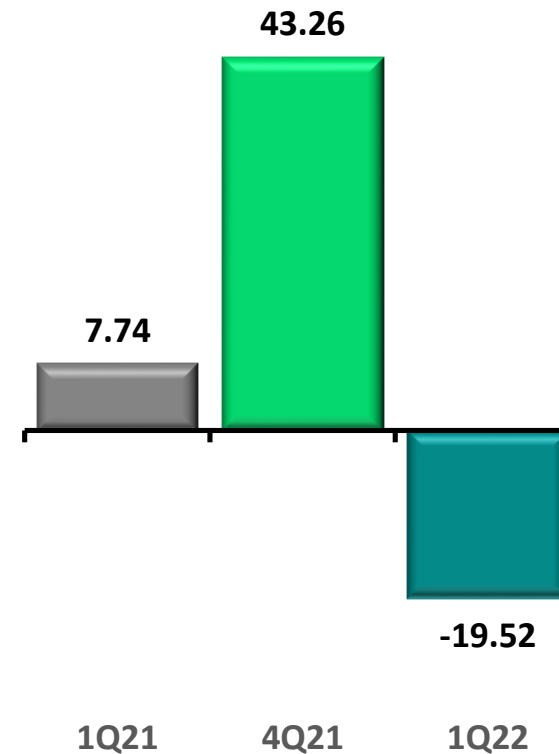
## Operating Profit / (Loss)

> -100%  
> -100%



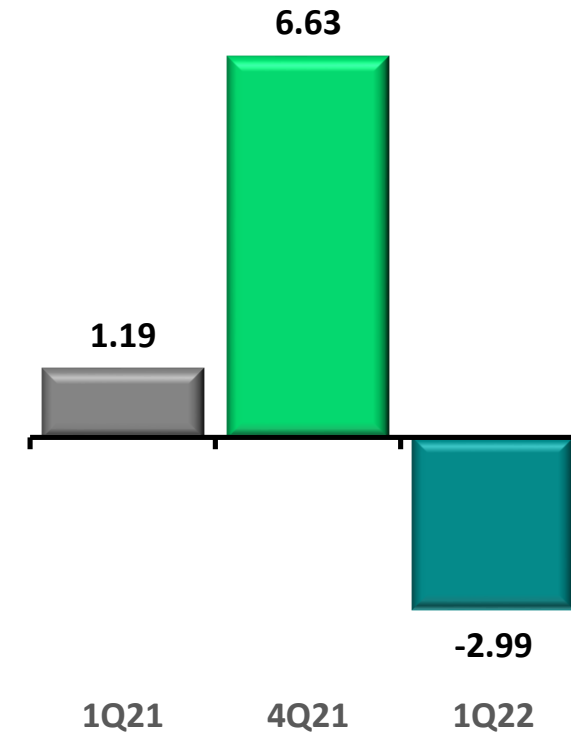
## Profit / (Loss) Attributable to Owners of the Company

> -100%  
> -100%



## Earnings / (Loss) per Share (Sen)

> -100%  
> -100%



# QoQ Financial Review



In RM'000	4Q21	1Q22	% Change
Revenue	866,921	769,301	-11.3%
Operating Profit / (Loss)	69,103	(5,532)	> -100%
Profit / (Loss) before Tax	57,996	(13,317)	> -100%
Profit / (Loss) Attributable to Owners of the Company	43,260	(19,521)	> -100%
Earnings / (Loss) per Share (Sen)	6.63	(2.99)	> -100%
Shareholders' Funds	2,791,522	2,771,558	-0.7%
Net Assets per Share (RM)	4.28	4.25	-0.7%

- Profitability was lower affected by lower sales volume arising from the supply chain disruptions and higher operating costs.
- The lower profitability was also affected by one-off compensation for the litigation involving ETCM (C) Pty Ltd and TCM (Cambodia) Pty Ltd.

# YoY Financial Review



In RM'000	YTD 31-Mar-21	YTD 31-Mar-22	% Change
Revenue	593,079	769,301	29.7%
Operating Profit / (Loss)	32,269	(5,532)	> -100%
Profit / (Loss) before Tax	22,100	(13,317)	> -100%
Profit / (Loss) after Tax	5,401	(21,441)	> -100%
Profit / (Loss) Attributable to Owners of the Company	7,735	(19,521)	> -100%
Earnings / (Loss) per Share (Sen)	1.19	(2.99)	> -100%

- Despite having higher YTD revenue (YoY), the Group recorded a LBT of RM13.3 million mainly due to unfavourable sales mix, lower foreign exchange gain, higher operating expenses and impact arising from the compensation for litigation.



# **1Q FY2022 Segmental Results**



# Segmental Performance



In RM'000	YTD 31-Mar-21	YTD 31-Mar-22	% Change
<b>Revenue</b>			
Automotive	571,768	749,686	31.1%
Financial services	18,804	16,921	-10.0%
Other operations	2,507	2,694	7.5%
	593,079	769,301	29.7%
<b>EBITDA</b>			
Automotive	38,835	16,338	-57.9%
Financial services	12,334	8,349	-32.3%
Other operations	20,413	11,186	-45.2%
	71,582	35,873	-49.9%
<b>EBITDA Margin</b>			
Automotive	6.8%	2.2%	
Financial services	65.6%	49.3%	
Other operations	> 100%	> 100%	
	12.1%	4.7%	

# Geographical Performance

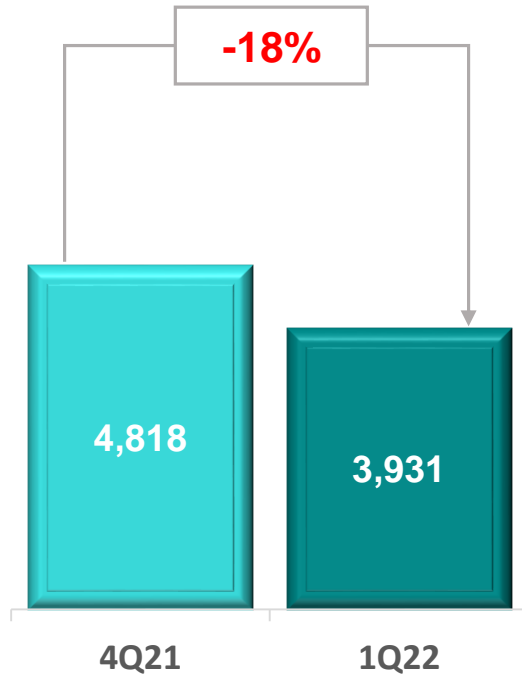





In RM'000	YTD 31-Mar-21	YTD 31-Mar-22	% Change
<b>Revenue</b>			
Malaysia	501,430	649,992	29.6%
Vietnam	57,176	65,654	14.8%
Others	34,473	53,655	55.6%
	593,079	769,301	29.7%
<b>EBITDA</b>			
Malaysia	74,810	52,935	-29.2%
Vietnam	(4,946)	(724)	85.4%
Others	1,718	(16,338)	> -100%
	71,582	35,873	-49.9%
<b>EBITDA Margin</b>			
Malaysia	14.9%	8.1%	
Vietnam	-8.7%	-1.1%	
Others	5.0%	-30.5%	
	12.1%	4.7%	

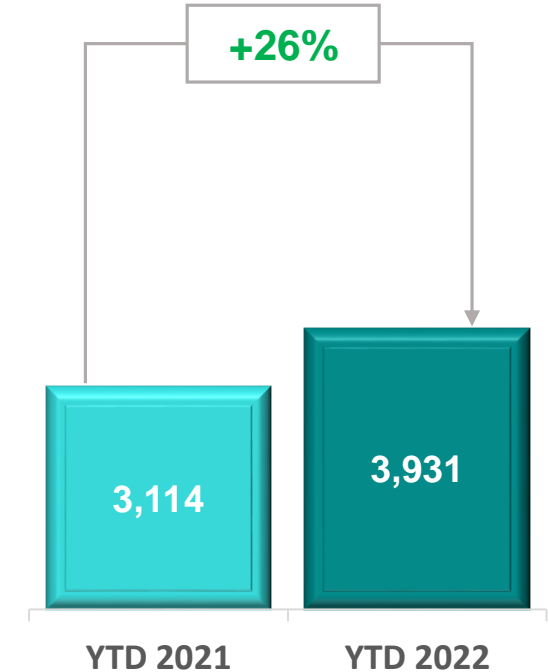


# **1Q FY2022 Sales Performance**

# Sales Performance - Malaysia



	1Q22	QoQ	YoY
 NISSAN	3,766 units	18% ▼	38% ▲
 UD TRUCKS	150 units	18% ▼	5% ▲
 RENAULT	15 units	21% ▼	94% ▼



Source: MAA

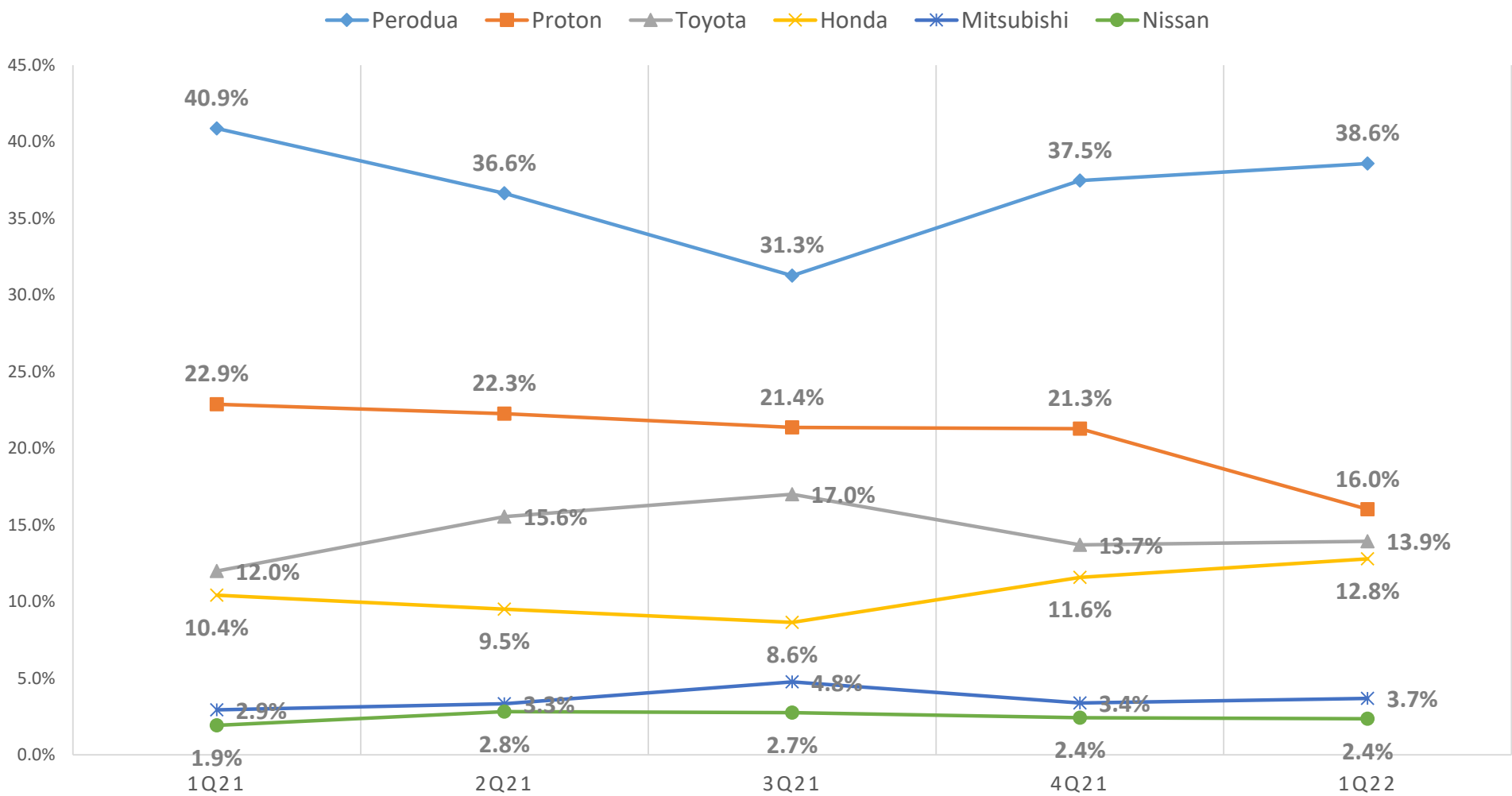


- QoQ -18% : Lower sales in tandem with lower TIV for the quarter.
- YoY +26% : Higher sales attributable to recovery in vehicle sales.

# Top 6 Car Manufacturers



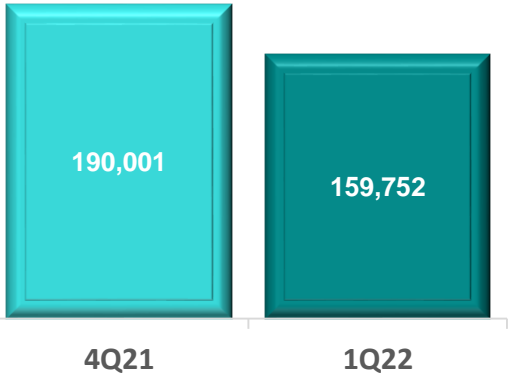
MARKET SHARE



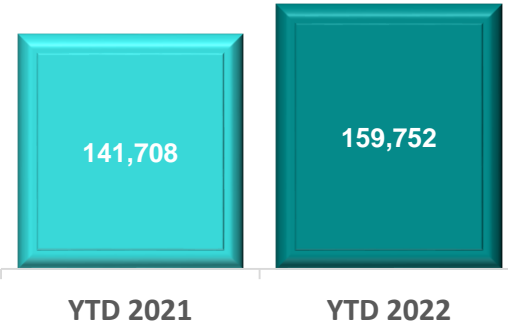
Source: MAA

TIV

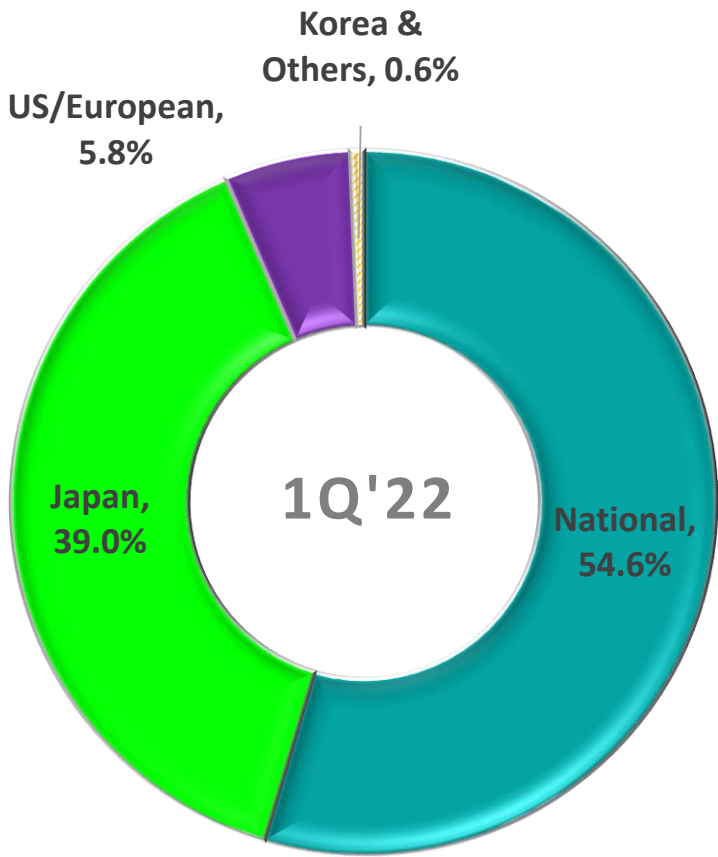
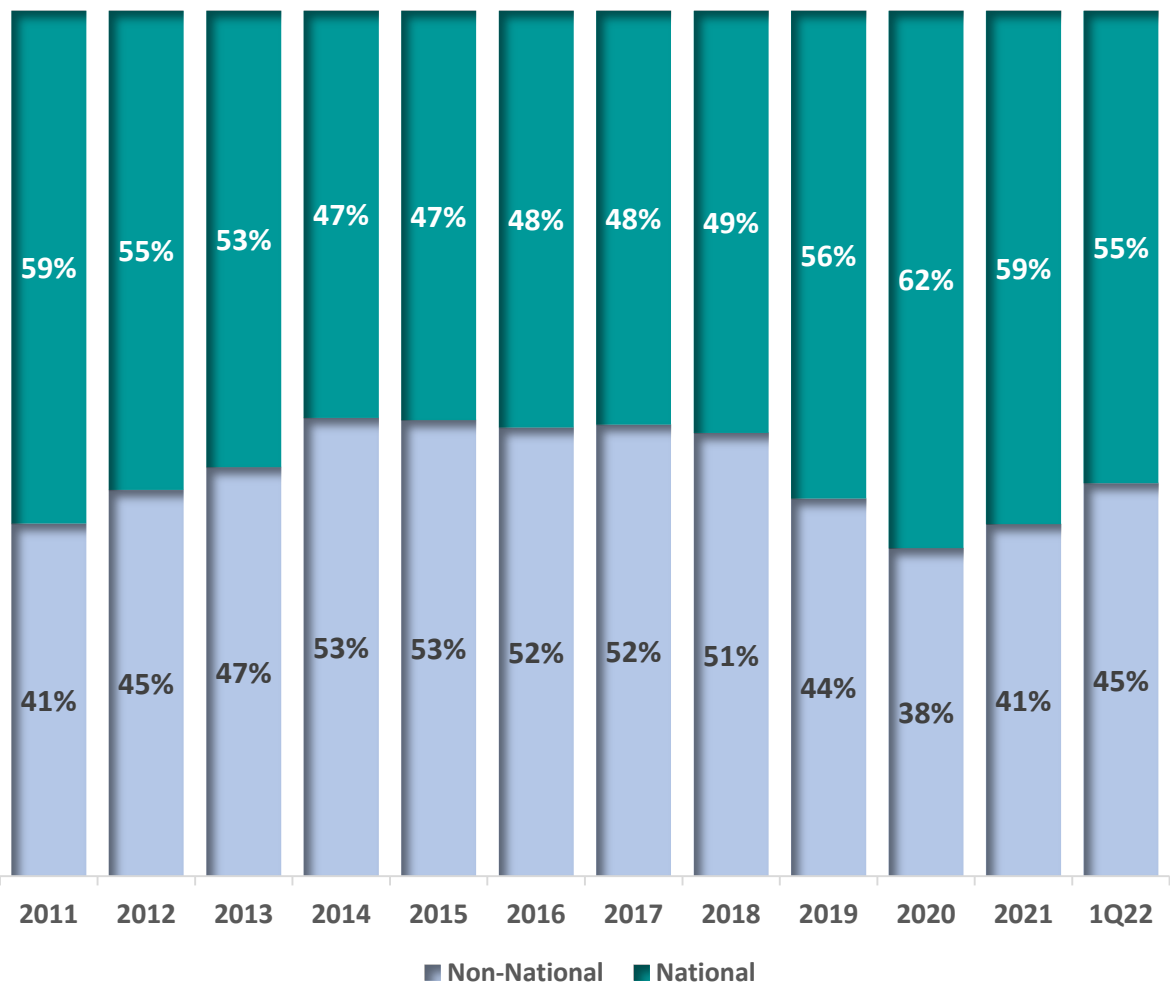
QoQ: -15.9%



YoY: +12.7%



# Market Share Analysis



## Q-o-Q Change

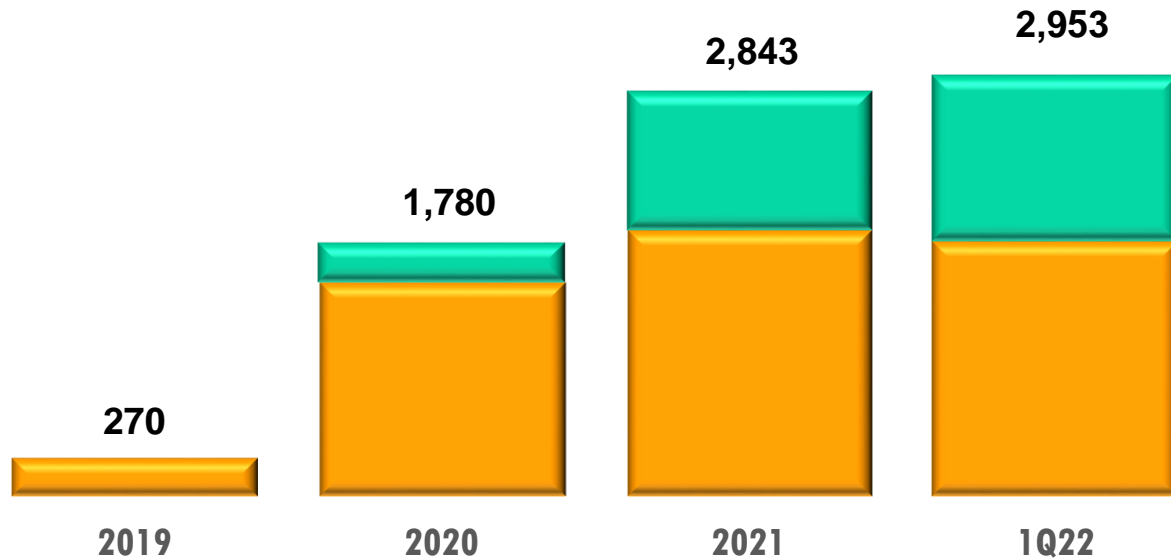
Perodua	13.4% ▼
Proton	36.7% ▼
Toyota	14.4% ▼
Honda	7.1% ▼
Mitsubishi	8.4% ▼
Nissan	18.4% ▼
Isuzu	0.6% ▼
Mazda	0.1% ▼
Ford	13.9% ▼
Volkswagen	40.0% ▲
BMW	27.9% ▼

# Car Subscription Business



Total Fleet Size (in units)

■ Renault Subscription ■ GoCarSubs



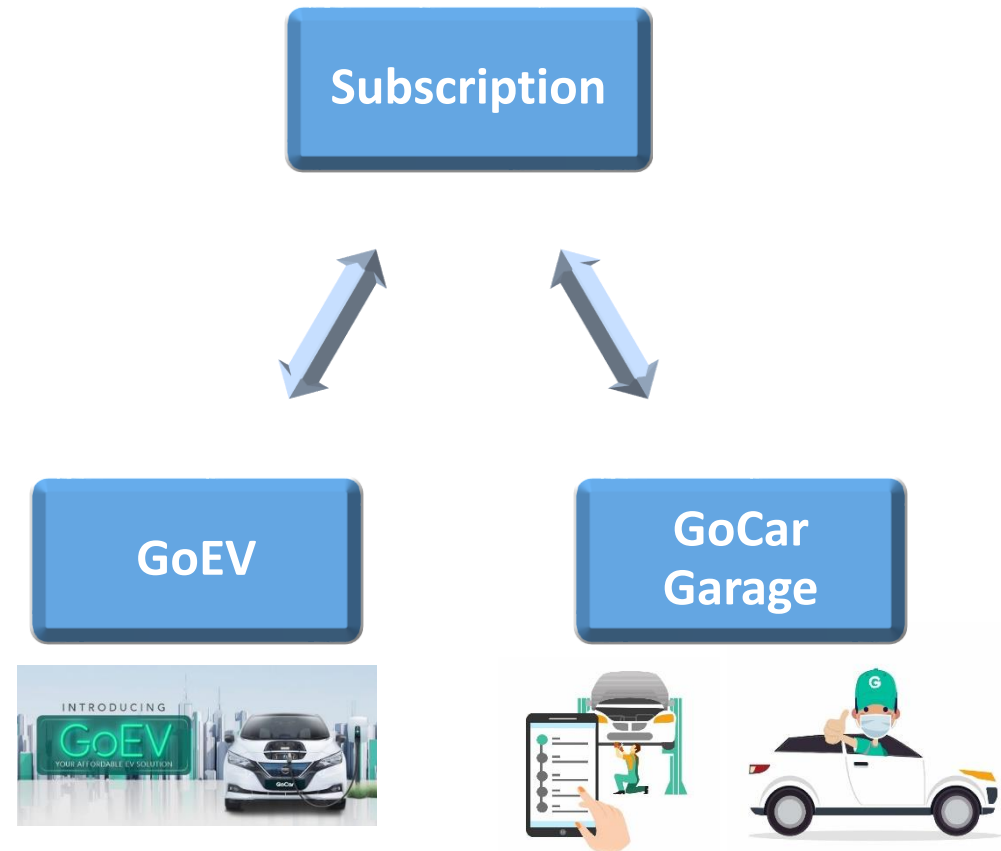
- As at YTD 31 March 2022, the subscription fleet size increased to 2,953 units (Renault: 1,791 units and non-Renault: 1,162 units).
- GoCar Garage mobile app including appointment bookings, quotation, pick-up delivery services and mobile payment options.
- Initiative to further EV adoption in Malaysia by introducing GoEV.



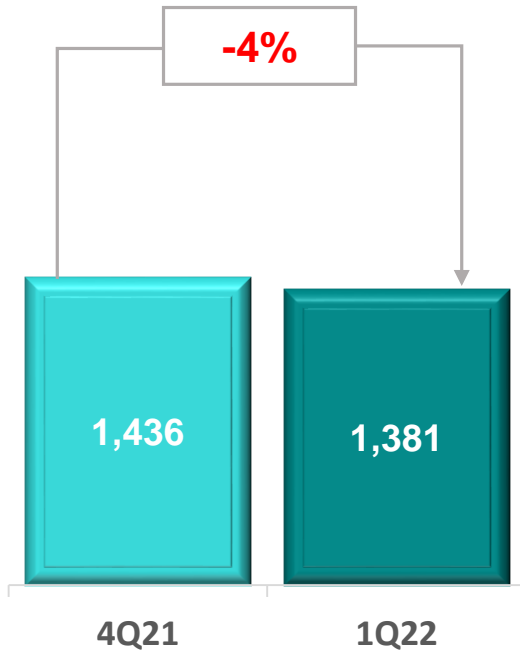
1 Brand  
3 Models  
15 Plans







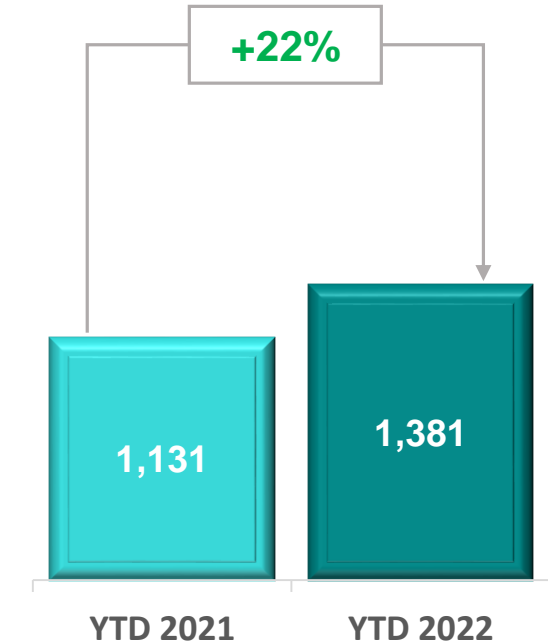
18 Brands  
80 Models  
7 Standard Plans



# Sales Performance - CLMV



	1Q22	QoQ	YoY
 <b>Vietnam</b>	994 units	19% ▼	17% ▲
 <b>Cambodia</b>	112 units	56% ▲	75% ▲
 <b>Laos</b>	120 units	28% ▲	13% ▲
 <b>Myanmar</b>	155 units	>100% ▲	36% ▲



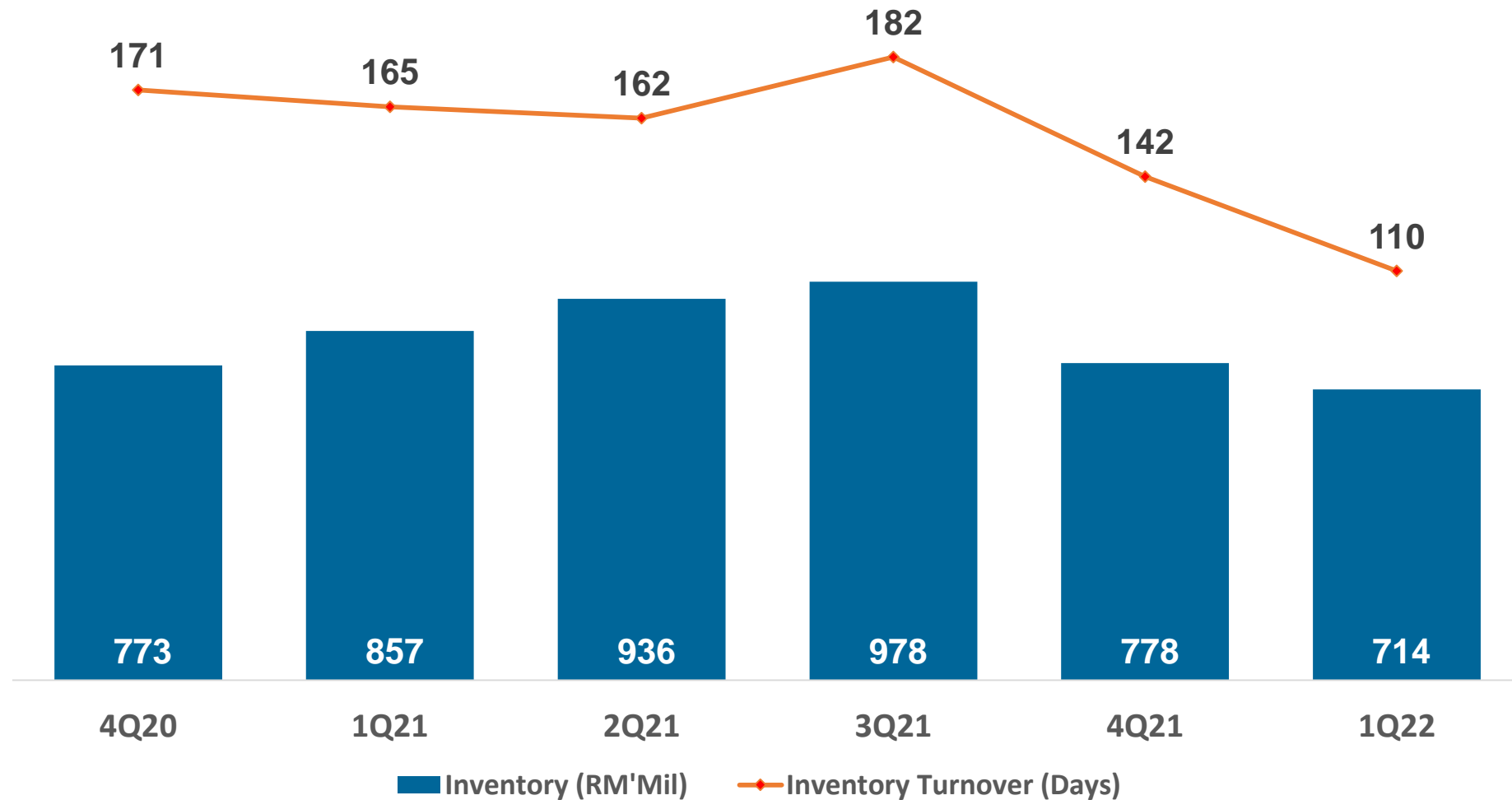
- The newly launched MG5 in March 2022 has been well-received in the Vietnam market.
- YTD sales in CLMV increased by 22% YoY, benefited from the economy reopening and overall recovery in the region.





# **1Q FY2022 Operation Review**

# Inventory Management

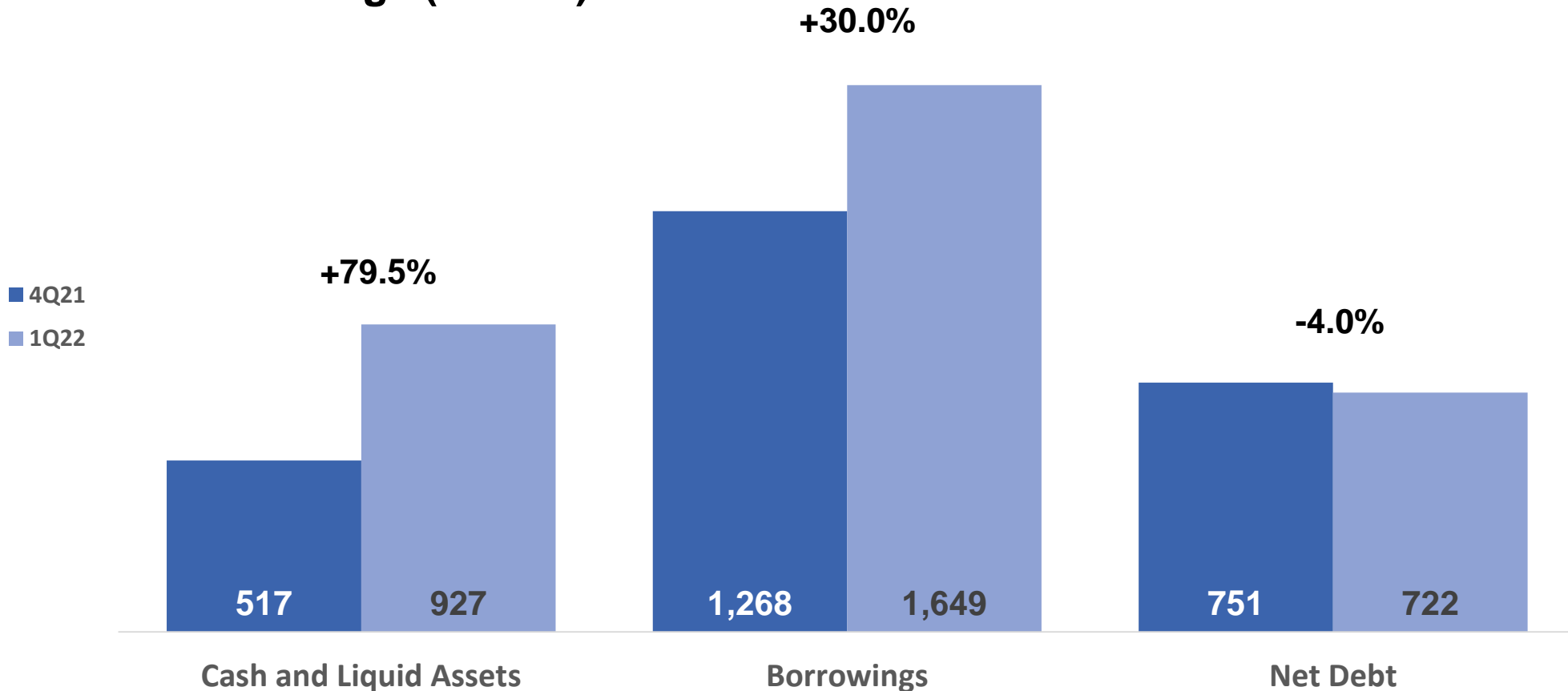


- Inventory turnover days improved resulting from efficient inventory management during the quarter.

# Liquidity Management

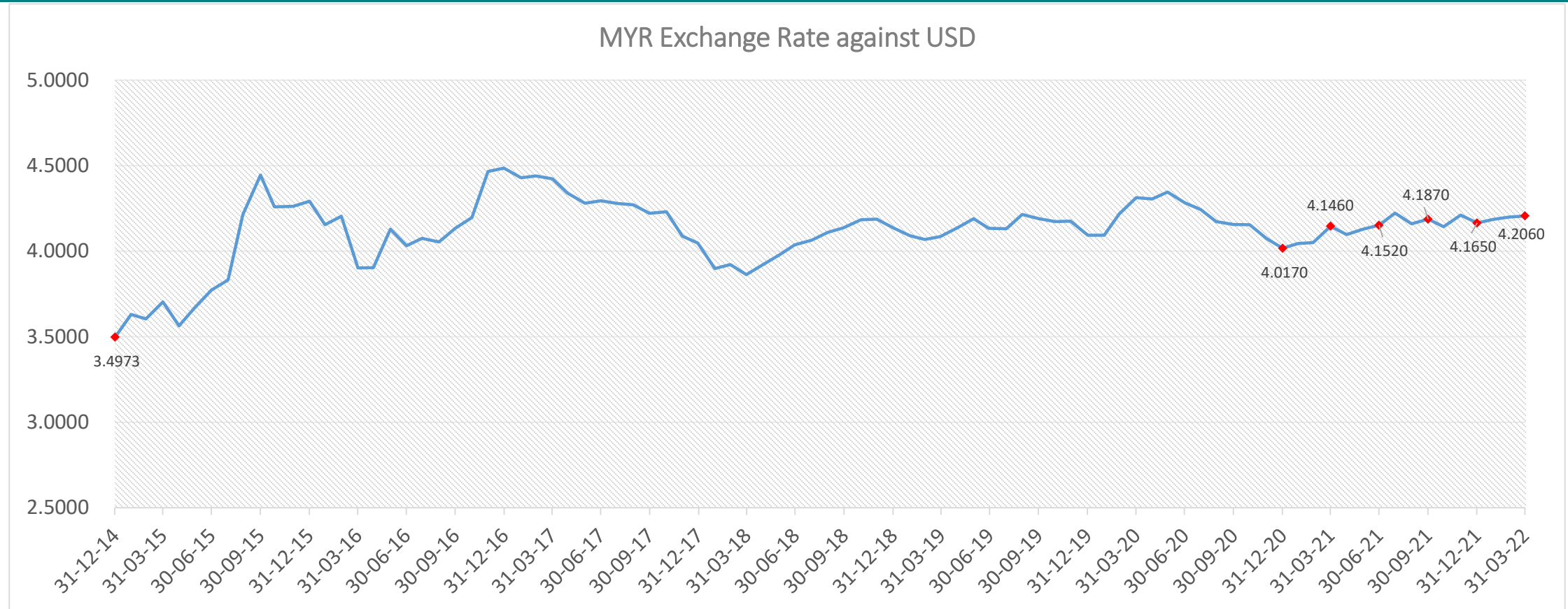


## Cash Balance & Borrowings (RM'Mil)



- Net gearing ratio further improved to 26% as at 31 March 2022.
- The Group issued RM300-million Islamic MTN under the Sukuk Murabahah Programme during the quarter. This has enabled the Group to lock-in long term fixed rate funding at this volatile environment.

# Foreign Exchange Management



Source: Bank Negara Malaysia

- Ringgit depreciated during the quarter as interest rate upcycle by FED has supported the strengthening of the U.S. Dollar.
- The Group continues to take diligent steps to monitor the foreign currency risk and manage our hedging activities prudently.

# Thank you

