



TAN CHONG MOTOR HOLDINGS BERHAD

1Q FY2023 Financial Results

May 2023

Brands:





Cautionary Statement with Respect to Forward-Looking Statements

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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.

New Product Launch



NEW NISSAN LEAF

100% ELECTRIC. 0% WORRY

Starting from

RM168,888

Subscribe to freedom

RM1,800 / month

- Zero down payment
- Freedom for new Nissan vehicle every 3 years



*Terms apply.

NISSAN.DISCOVER EXCITEMENT



MADE IN JAPAN
- >600,000 GLOBAL UNITS SOLD
- 0 MAJOR BATTERY INCIDENTS

NISSAN
INTELLIGENT
MOBILITY

New Product Launch



RENAULT ZOE

Starting from
RM165,000





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1Q FY2023 Financial Highlights & Results

Key Performance Indicators



(RM'million, unless otherwise stated)

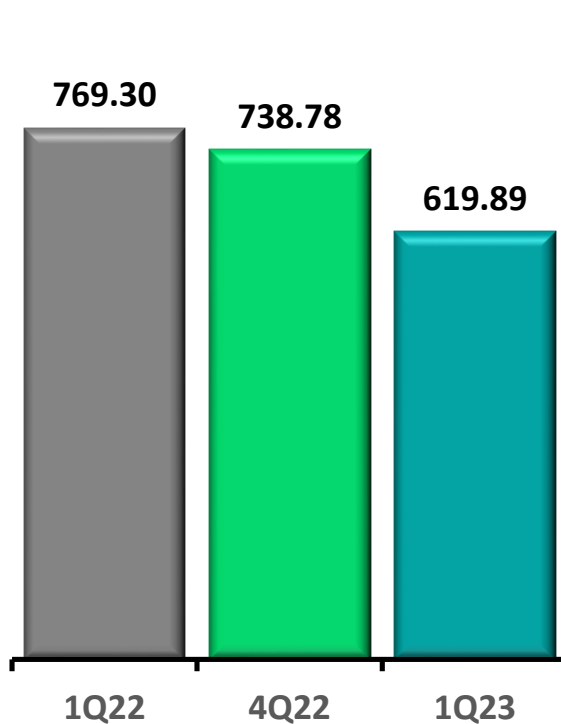
Y-o-Y

Q-o-Q

Revenue

-19.4%

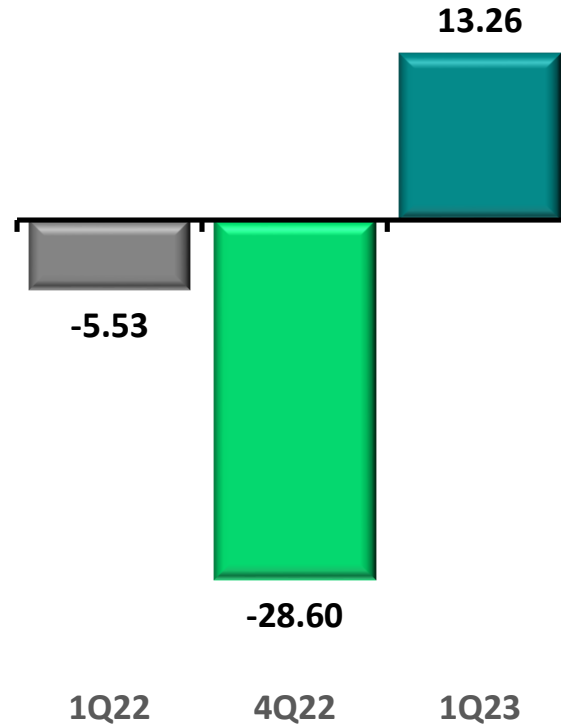
-16.1%



Operating (Loss) / Profit

> +100%

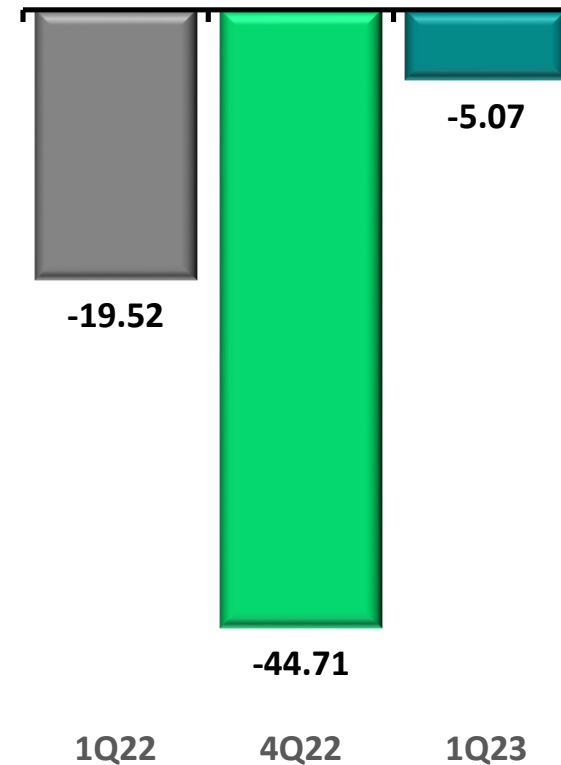
> +100%



Loss Attributable to Owners of the Company

+74.0%

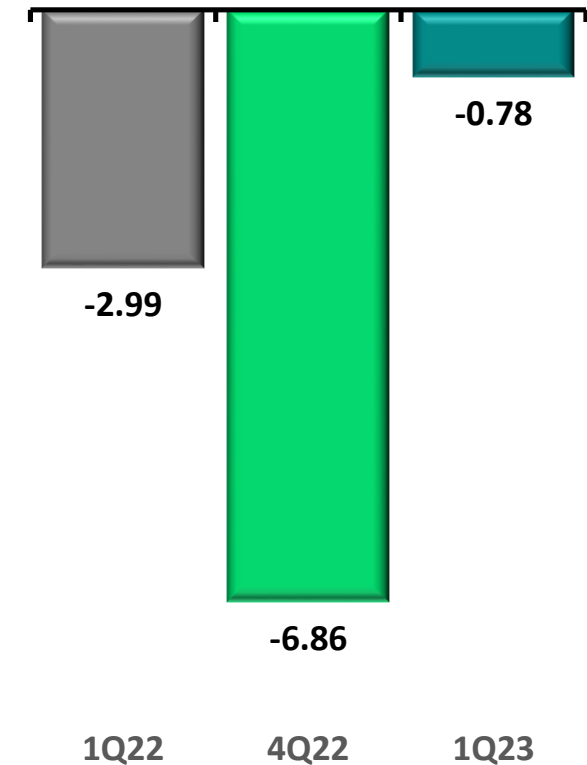
+88.7%



Loss per Share (Sen)

+73.9%

+88.6%



QoQ Financial Review



In RM'000	4Q22	1Q23	% Change
Revenue	738,782	619,885	-16.1%
Operating (Loss) / Profit	(28,602)	13,258	> +100%
(Loss) / Profit before Tax	(37,952)	2,549	> +100%
Loss Attributable to Owners of the Company	(44,711)	(5,065)	88.7%
Loss per Share (Sen)	(6.86)	(0.78)	88.6%
Shareholders' Funds	2,872,276	2,872,850	0.02%
Net Assets per Share (RM)	4.40	4.41	0.2%

- Decrease in revenue (QoQ) mainly due to stiffer competition faced and supply shortage from principals in both domestic and overseas markets.

YoY Financial Review



In RM'000	YTD 31-Mar-22	YTD 31-Mar-23	% Change
Revenue	769,301	619,885	-19.4%
Operating (Loss) / Profit	(5,532)	13,258	> +100%
(Loss) / Profit before Tax	(13,317)	2,549	> +100%
Loss after Tax	(21,441)	(5,745)	73.2%
Loss Attributable to Owners of the Company	(19,521)	(5,065)	74.1%
Loss per Share (Sen)	(2.99)	(0.78)	73.9%

- Despite having lower revenue, the Group recorded a PBT of RM2.55million attributable to favourable sales mix and lower operating expenses during the quarter.
- One-off legal compensation of RM17.1million in Cambodia's operations in 1Q22.



1Q FY2023 Segmental Results

Segmental Performance



In RM'000	YTD 31-Mar-22	YTD 31-Mar-23	% Change
Revenue			
Automotive	749,686	599,098	-20.1%
Financial services	16,921	17,402	2.8%
Other operations	2,694	3,385	25.6%
	769,301	619,885	-19.4%
EBITDA			
Automotive	16,338	42,817	> +100%
Financial services	8,349	6,729	-19.4%
Other operations	11,186	1,696	-84.8%
	35,873	51,242	42.8%
EBITDA Margin			
Automotive	2.2%	7.1%	
Financial services	49.3%	38.7%	
Other operations	> +100%	50.1%	
	4.7%	8.3%	

Geographical Performance

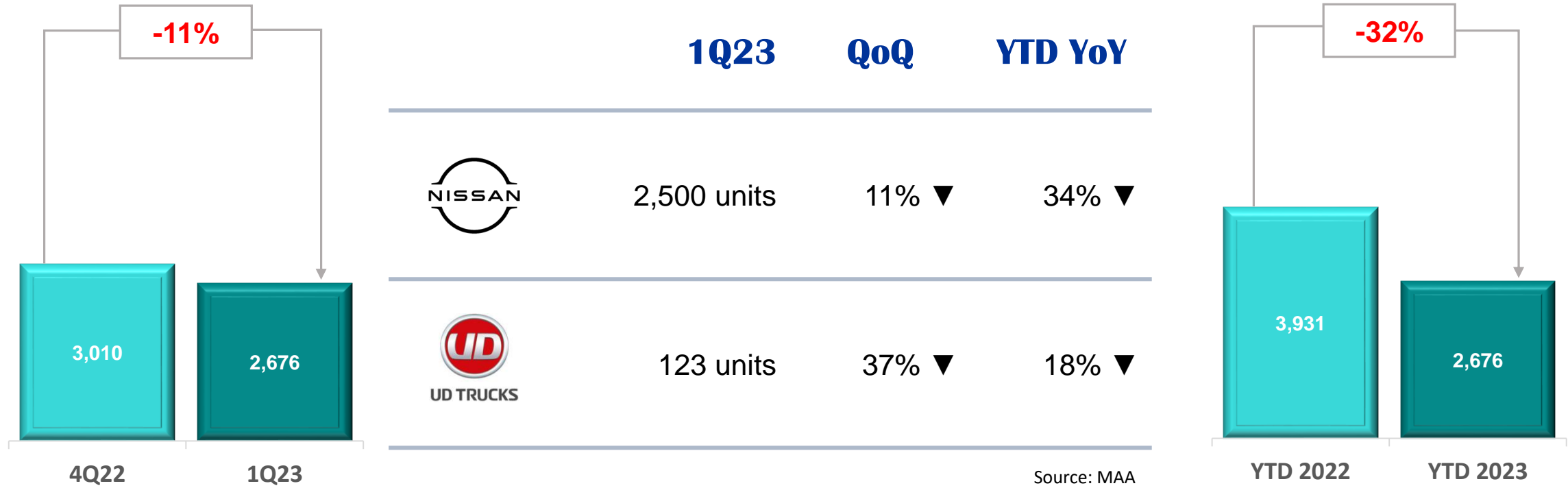


In RM'000	YTD 31-Mar-22	YTD 31-Mar-23	% Change
Revenue			
Malaysia	649,992	556,941	-14.3%
Vietnam	65,654	39,859	-39.3%
Others	53,655	23,085	-57.0%
	769,301	619,885	-19.4%
EBITDA			
Malaysia	52,935	56,568	6.9%
Vietnam	(724)	(4,151)	> -100%
Others	(16,338)	(1,175)	92.8%
	35,873	51,242	42.8%
EBITDA Margin			
Malaysia	8.1%	10.2%	
Vietnam	-1.1%	-10.4%	
Others	-30.5%	-5.1%	
	4.7%	8.3%	



1Q FY2023 Sales Performance

Sales Performance - Malaysia



- QoQ -11% & YoY -32% :

Lower sales in 1Q23, affected by stiffer competition and the shortage of semiconductor chips from the Principal.



Electric Vehicles (EVs)

- The Group has launched the latest version of the fully electrified Nissan Leaf equipped with a new universal charging port in March 2023.
- The Group has also officially launched the facelifted Renault Zoe on 17 May 2023.
- The Group will continue to play its part in driving up EV adoption in the country either through direct retailing or through subscription mode.



Nissan Leaf (facelift) launched

Large Scale Solar (LSS) Cycle 4

- Scheduled to meet the commissioning date of end December 2023 for the 20MW floating solar plant.
- Once completed, the solar plant is expected to supply 883,000MWh of green electricity and contributing to a reduction of 725,000 tonnes of CO₂ emissions to the environment (or equivalent to reducing 158,000 units of cars on the roads / planting 32.94million trees.)

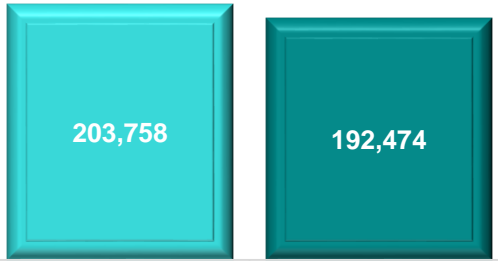


Car Manufacturers' Market Share

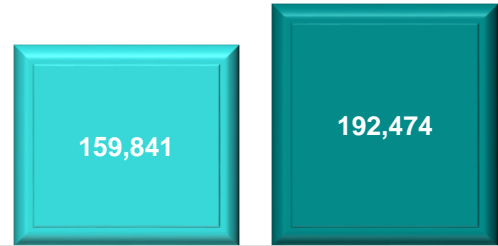


TIV

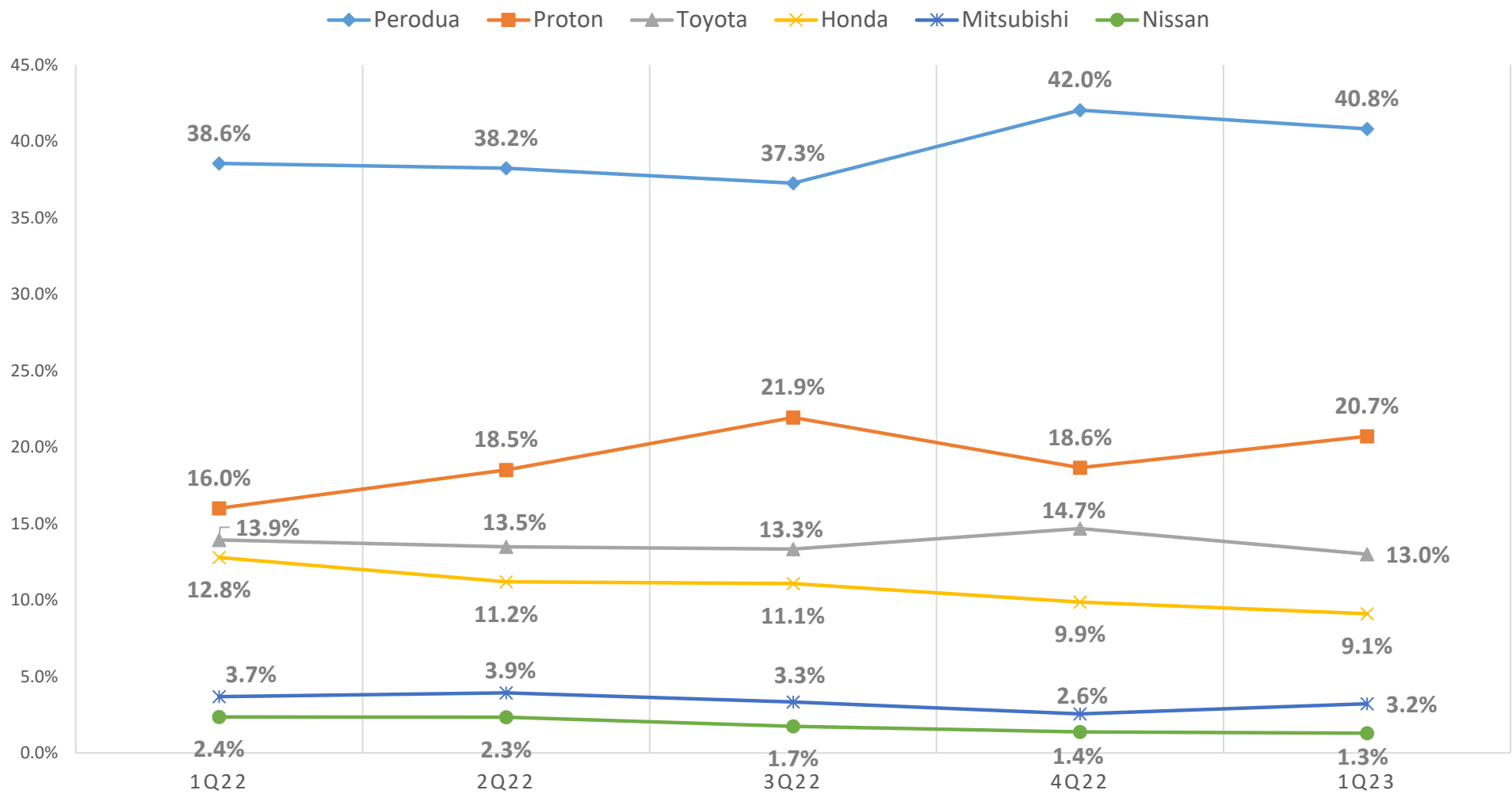
QoQ: -6%



YoY: +20%

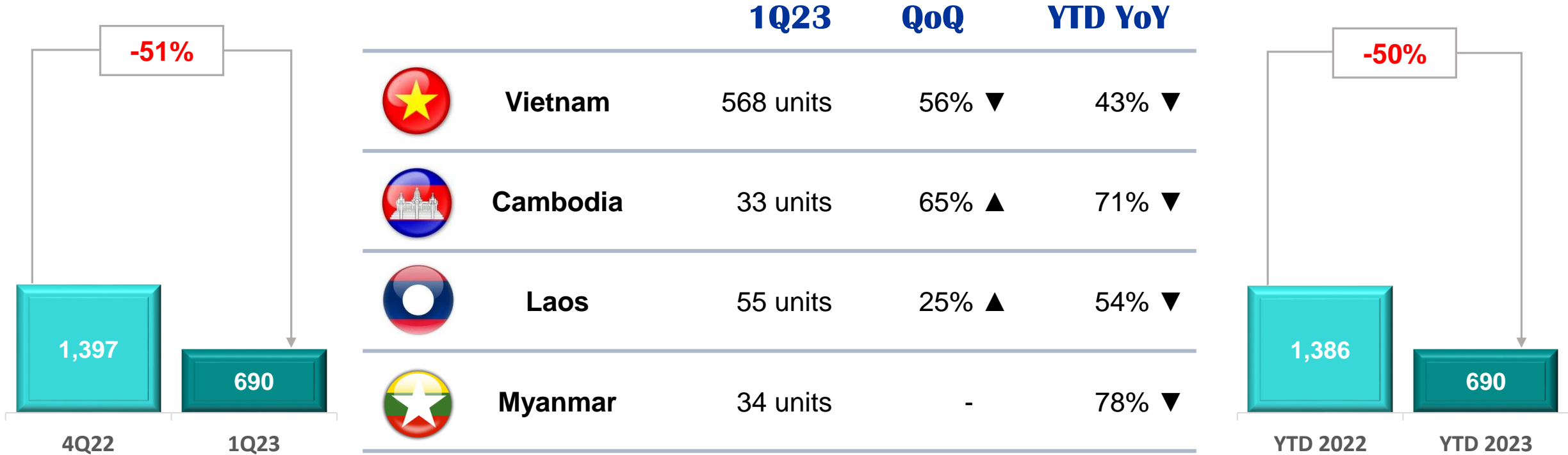


MARKET SHARE



Source: MAA

Sales Performance - CLMV

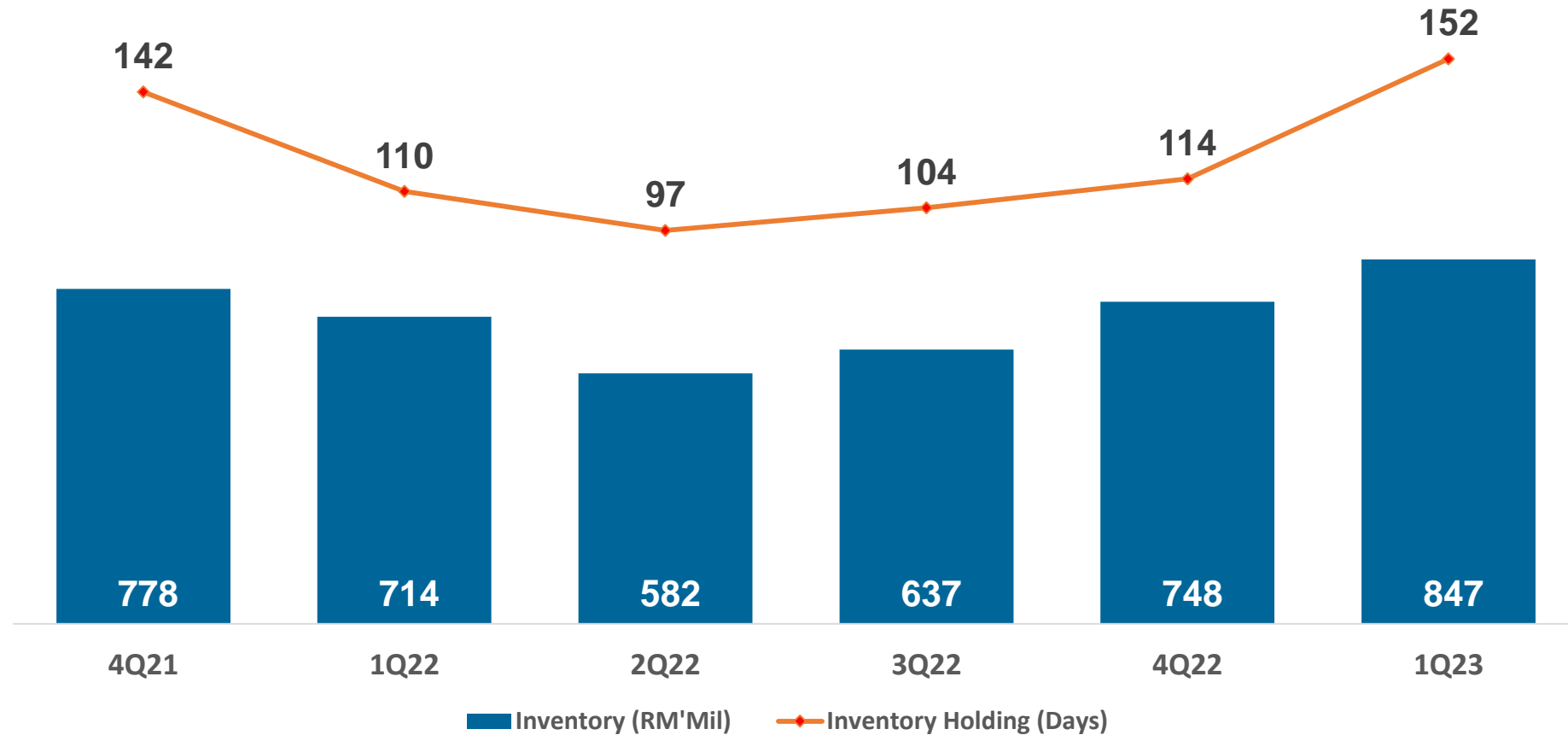


- Lower sales in CLMV (YoY), attributable to global supply chain disruptions and the challenging economic conditions driven by inflation and high interest environment.



1Q FY2023 Operation Review

Inventory Management

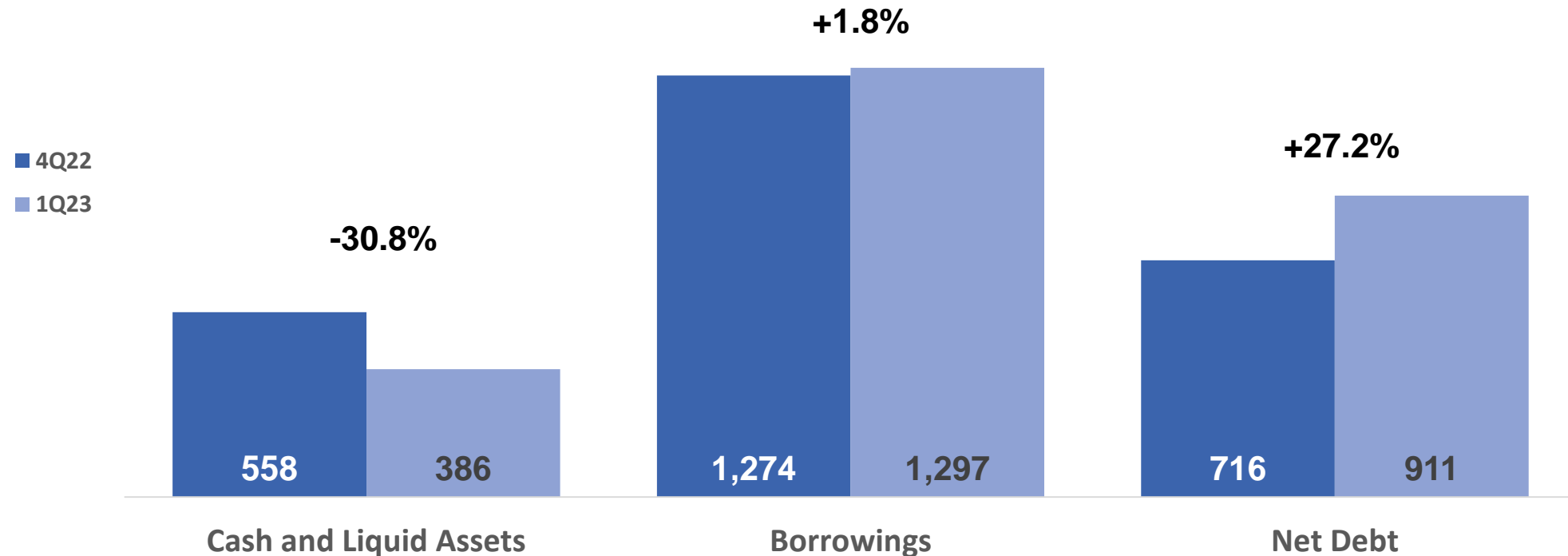


- Inventory holding days went up largely due to timing of stocks replenishments.

Liquidity Management



Cash Balance & Borrowings (RM'Mil)



- Net gearing ratio stood at 31.7% as at end of the quarter.
- The Group will continue to be prudent to ensure sufficient liquidity for the Group while maintain our gearing ratio at a healthy level.

Thank you



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