

**Tan Chong
Motor
Holdings
Berhad**

FY2021 Second-Quarter Financial Results



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.

2Q21 Financial Highlights & Results

Key Performance Indicators

(RM'million, unless otherwise stated)

Y-o-Y

Q-o-Q

Revenue

24.4%
7.6%

Operating (Loss) / Profit

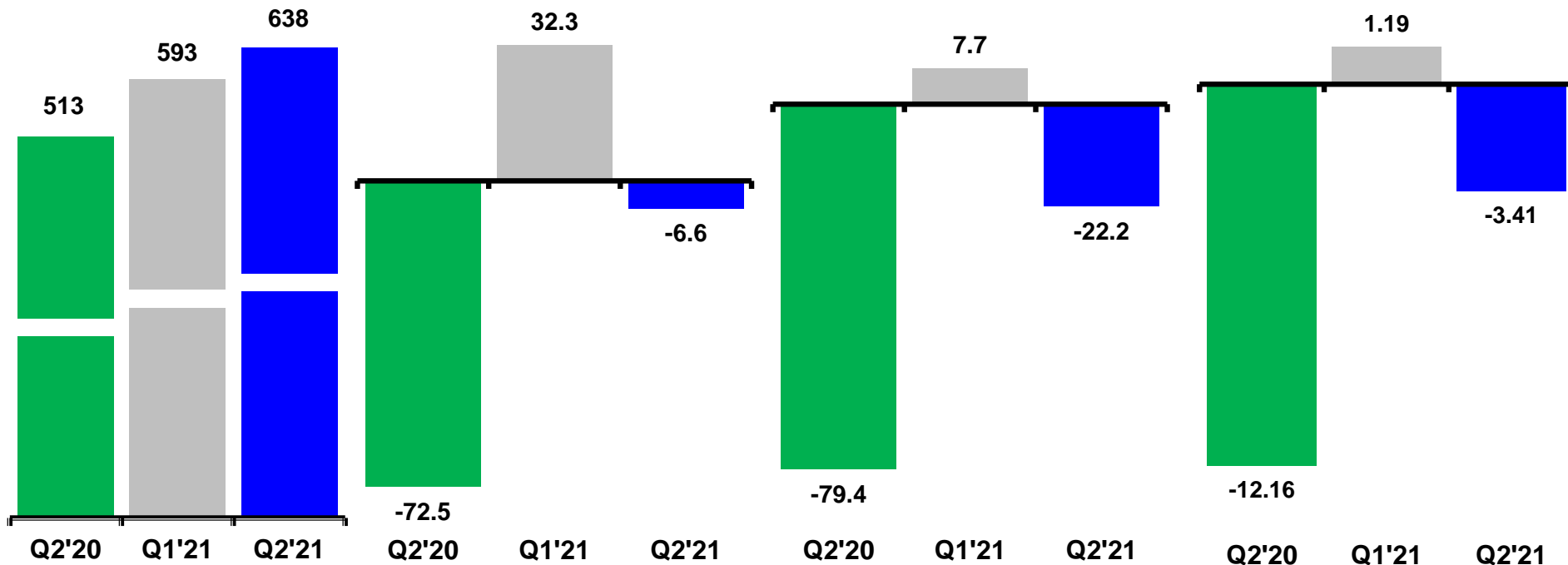
90.9%
> -100%

(Loss) / Profit Attributable to Owners of the Company

72.0%
> -100%

(Loss) / Earning Per Share (Sen)

72.0%
> -100%



QoQ Financial Review

<i>In RM'000, unless stated otherwise</i>	1Q21	2Q21	Changes
Revenue	593,079	638,032	7.6%
Operating Profit / (Loss)	32,269	(6,578)	> -100%
Profit / (Loss) before Tax	22,100	(18,288)	> -100%
Profit / (Loss) Attributable to Owners of the Company	7,735	(22,210)	> -100%
Earning / (Loss) per Share (Sen)	1.19	(3.41)	> -100%
Shareholders' Funds	2,838,179	2,794,278	-1.5%
Net Assets per Share (RM)	4.35	4.28	-1.6%

- Revenue was lifted by improved sales in April and May, but overall profitability was affected as most of our Malaysia-based business operations were affected by the implementation of FMCO.

YoY Financial Review

<i>In RM'000, unless stated otherwise</i>	YTD 30-Jun-20	YTD 30-Jun-21	Changes
Revenue	1,247,179	1,231,111	-1.3%
Operating (Loss) / Profit	(59,906)	25,691	> 100%
(Loss) / Profit before Tax	(86,131)	3,812	> 100%
Loss after Tax	(99,310)	(19,530)	80.3%
Loss Attributable to Owners of the Company	(88,621)	(14,475)	83.7%
Loss per Share (Sen)	(13.58)	(2.22)	83.7%

- **Improvement in profitability (YoY) mainly due to better sales mix performance from all-new Nissan Almera Turbo and Navara MC, lower operating expenses, lower impairment on hire purchase receivables and higher unrealised forex gain.**

2Q21 Segmental Results

Segmental Performance

<i>In RM'000</i>	1H20	1H21	Changes (%)
Revenue			
Automotive	1,202,207	1,190,588	-1.0%
Financial services	34,493	35,259	2.2%
Other operations	10,479	5,264	-49.8%
	1,247,179	1,231,111	-1.3%
EBITDA			
Automotive	10,298	49,763	> 100%
Financial services	(12,952)	15,558	> 100%
Other operations	16,861	35,444	> 100%
	14,207	100,765	> 100%
EBITDA Margin			
Automotive	0.9%	4.2%	
Financial services	-37.5%	44.1%	
Other operations	> 100%	> 100%	
	1.1%	8.2%	

Geographical Performance

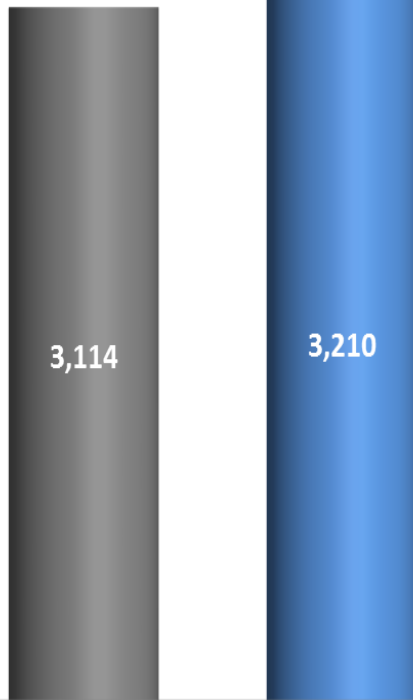
<i>In RM'000</i>	1H20	1H21	Changes (%)
Revenue			
Malaysia	960,229	1,006,914	4.9%
Vietnam	141,358	164,079	16.1%
Others	145,592	60,118	-58.7%
	1,247,179	1,231,111	-1.3%
EBITDA			
Malaysia	39,688	107,127	> 100%
Vietnam	(39,478)	(3,484)	91.2%
Others	13,997	(2,878)	> -100%
	14,207	100,765	> 100%
EBITDA Margin			
Malaysia	4.1%	10.6%	
Vietnam	-27.9%	-2.1%	
Others	9.6%	-4.8%	
	1.1%	8.2%	

2Q21 Sales Performance, Operation Review

Malaysia Sales Performance

Q-o-Q

+3.1%



1Q21

2Q21



3,028 units
+11%



UD TRUCKS

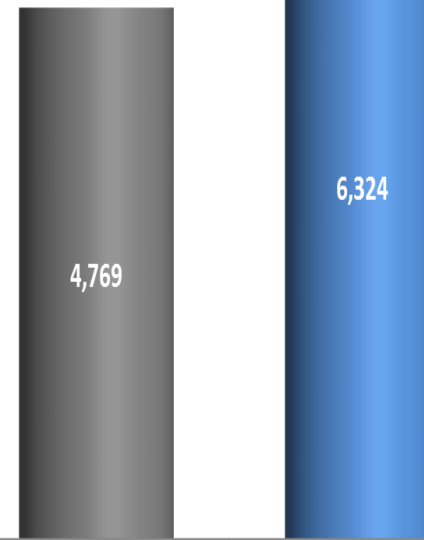
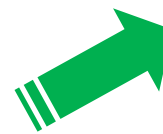
76 units
-47%



106 units
-57%

Y-o-Y

+32.6%



YTD 2020

YTD 2021



5,755 units
+31%



UD TRUCKS

219 units
+60%



350 units
+40%

Malaysia Sales Performance (Cont'd)

Malaysia

- **QoQ +3.1% : Higher Nissan sales volume was achieved in the month of April and May 2021.**
- **YoY +32.6% : Lower sales in 1H20 as severely impacted by the MCO 1.0 which was first imposed from March 18 to May 3, 2020.**



Top 6 manufacturers

TIV

Q-o-Q

-24.2%

141,708

107,421

1Q21

2Q21

Y-o-Y

+42.5%

174,849

249,129

2020

2021

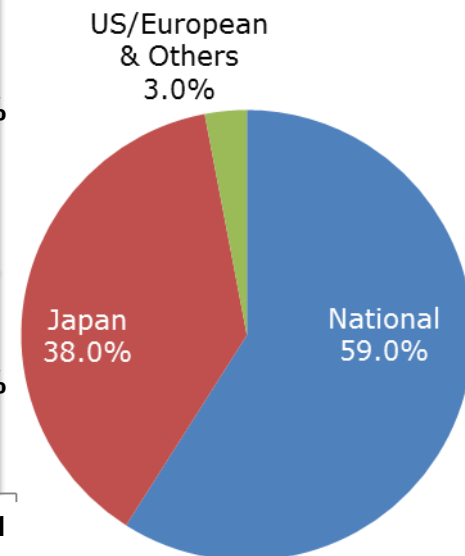
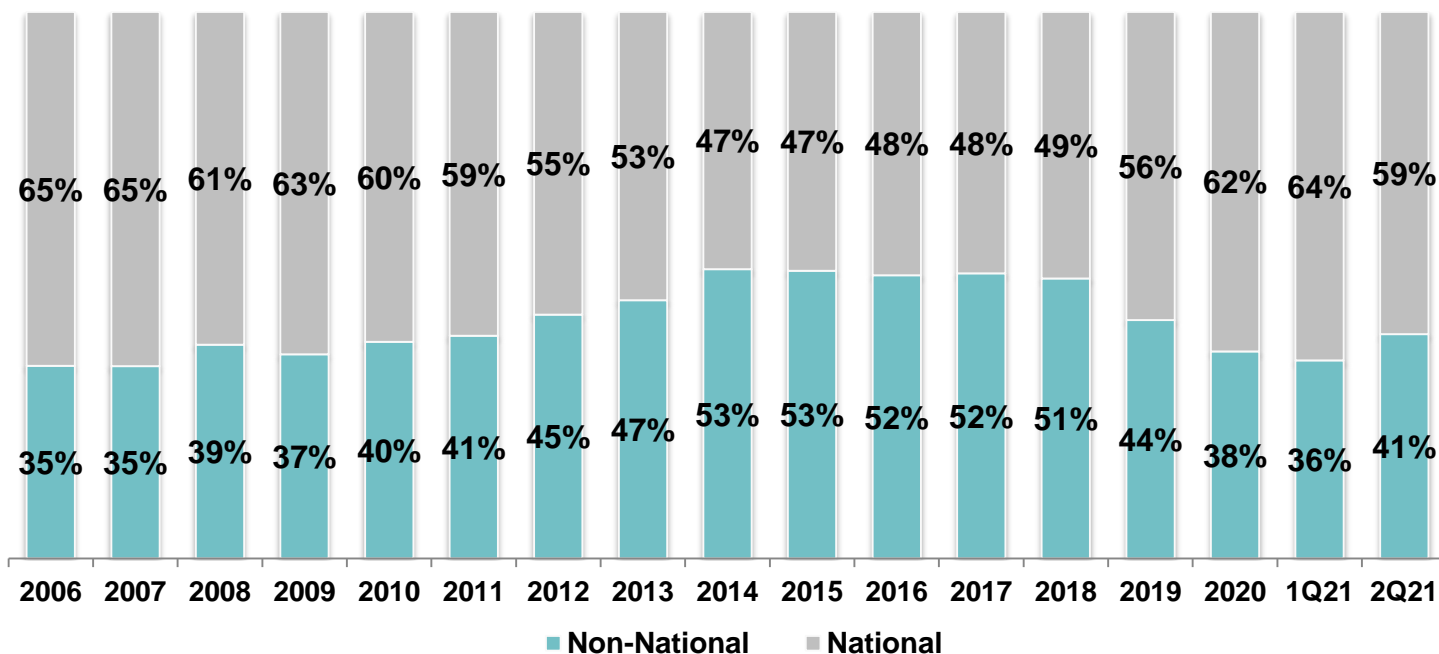
Top 6 manufacturers

	Units			Market Share		
	2Q'21	1Q'21	Changes	2Q'21	1Q'21	2021
Perodua	39,381	57,909	-32.0%	36.7%	40.9%	39.1%
Proton	23,932	32,420	-26.2%	22.3%	22.9%	22.6%
Toyota	16,715	16,990	-1.6%	15.6%	12.0%	13.5%
Honda	10,225	14,771	-30.8%	9.5%	10.4%	10.0%
Mitsubishi	3,587	4,156	-13.7%	3.3%	2.9%	3.1%
Nissan	3,028	2,727	11.0%	2.8%	1.9%	2.3%

Source: MAA

National brands regaining market share

2Q'21



	Q-o-Q %
Perodua	-32.0%
Proton	-26.2%

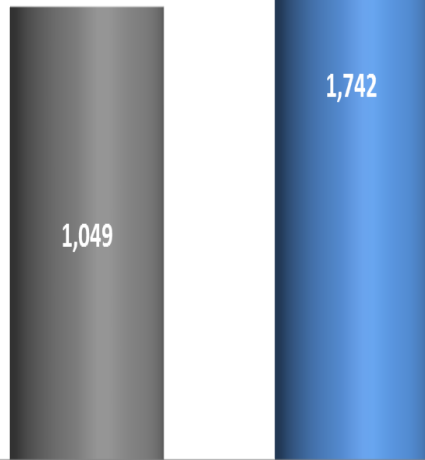
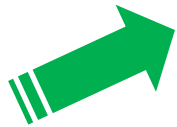
	Q-o-Q %
Toyota	-1.6%
Honda	-30.8%
Nissan	+11.0%
Mitsubishi	-13.7%
Isuzu	-34.9%
Mazda	+27.5%

	Q-o-Q %
Ford	-45.5%
VW	-25.9%

CLMV Sales Performance

Q-o-Q

+66%



1Q'21

2Q'21



**1,567 units
+85%**

Vietnam



**43 units
-59%**

Laos



**41 units
-36%**

Cambodia

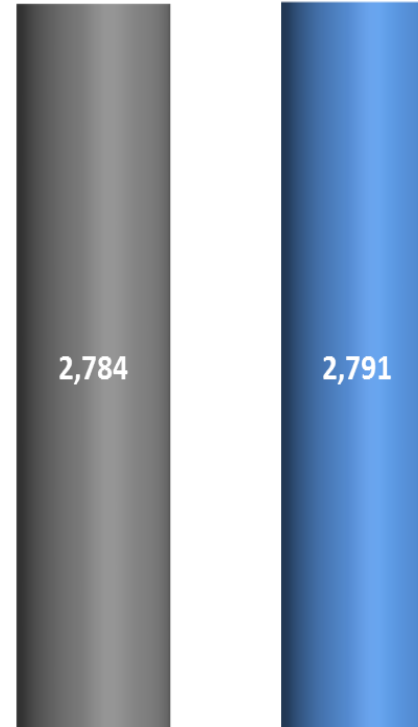


**91 units
> 100%**

Myanmar

Y-o-Y

+0.3%



YTD 2020

YTD 2021



**2,414 units
+51%**

Vietnam



**149 units
-42%**

Laos



**105 units
-46%**

Cambodia



**123 units
-83%**

Myanmar

Ytd Sales

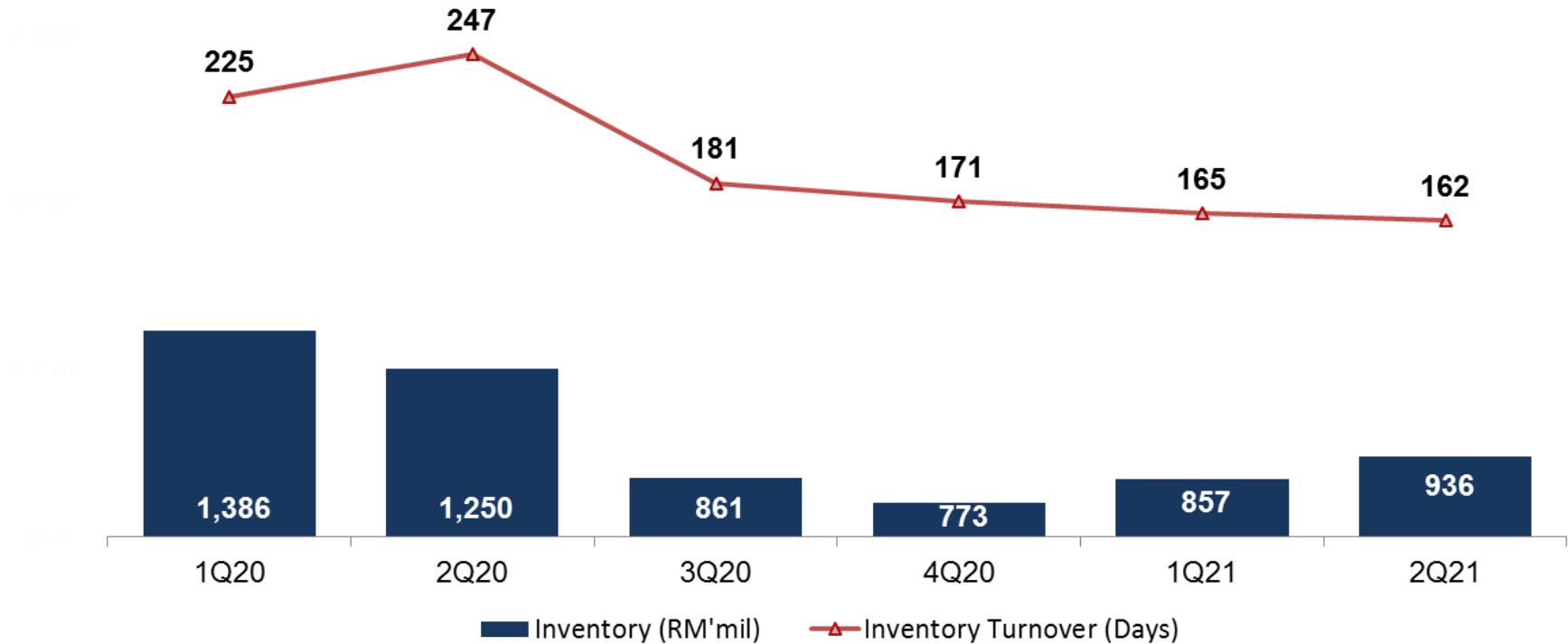
CLMV Sales Performance (Cont'd)

CLMV Countries

- YoY, overall sales in CLMV marginally increased by 0.3% contributed by higher sales in Vietnam despite lower sales in other foreign operations that the Group is operating in.
- QoQ, sales in CLMV increased by 66% driven by higher sales of MG vehicles, which has been well-received in the Vietnam market but lower sales are recorded in other foreign operations as various lockdowns are implemented to curb the number of infections as the new wave of COVID affecting these countries since the beginning of May 2021.

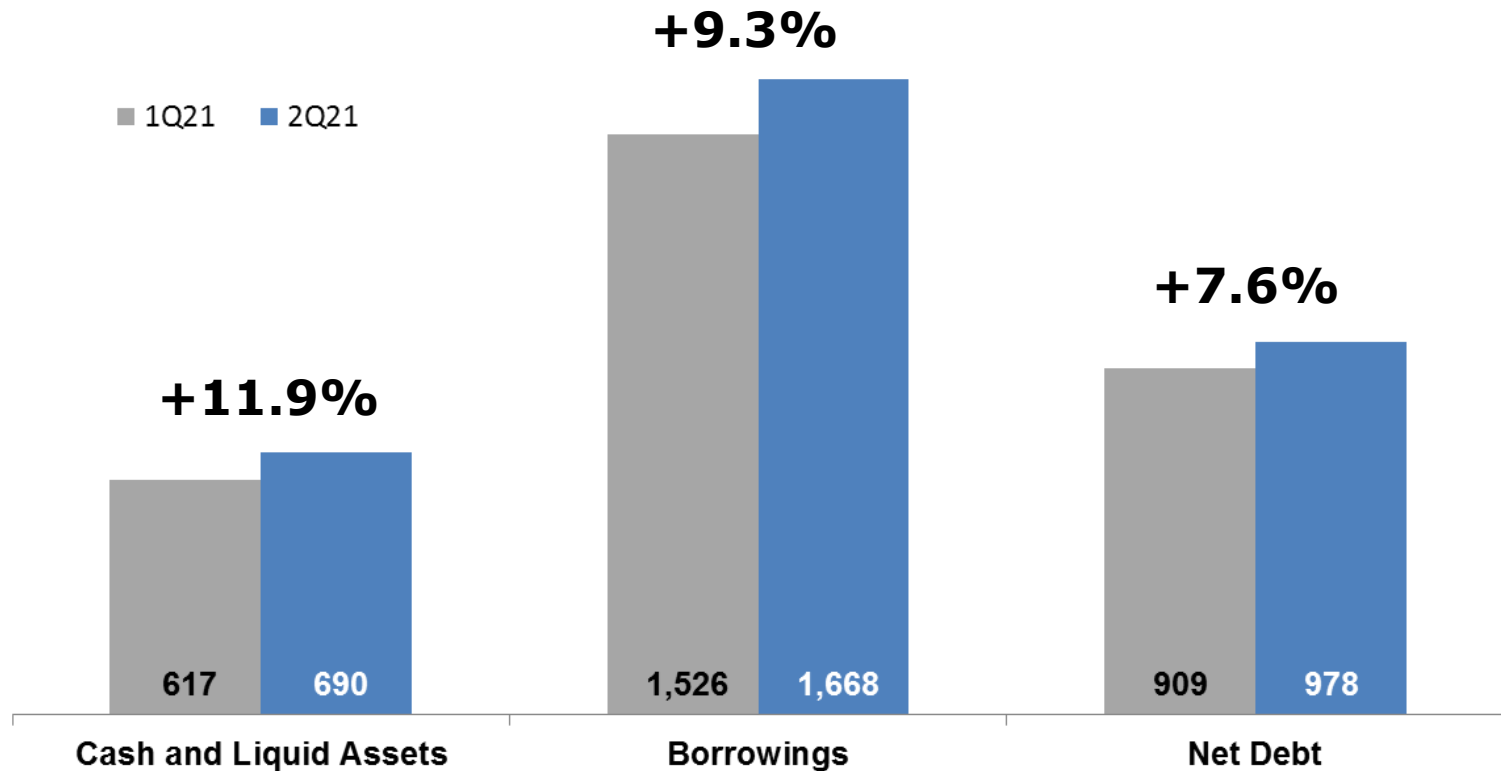


Inventory Management



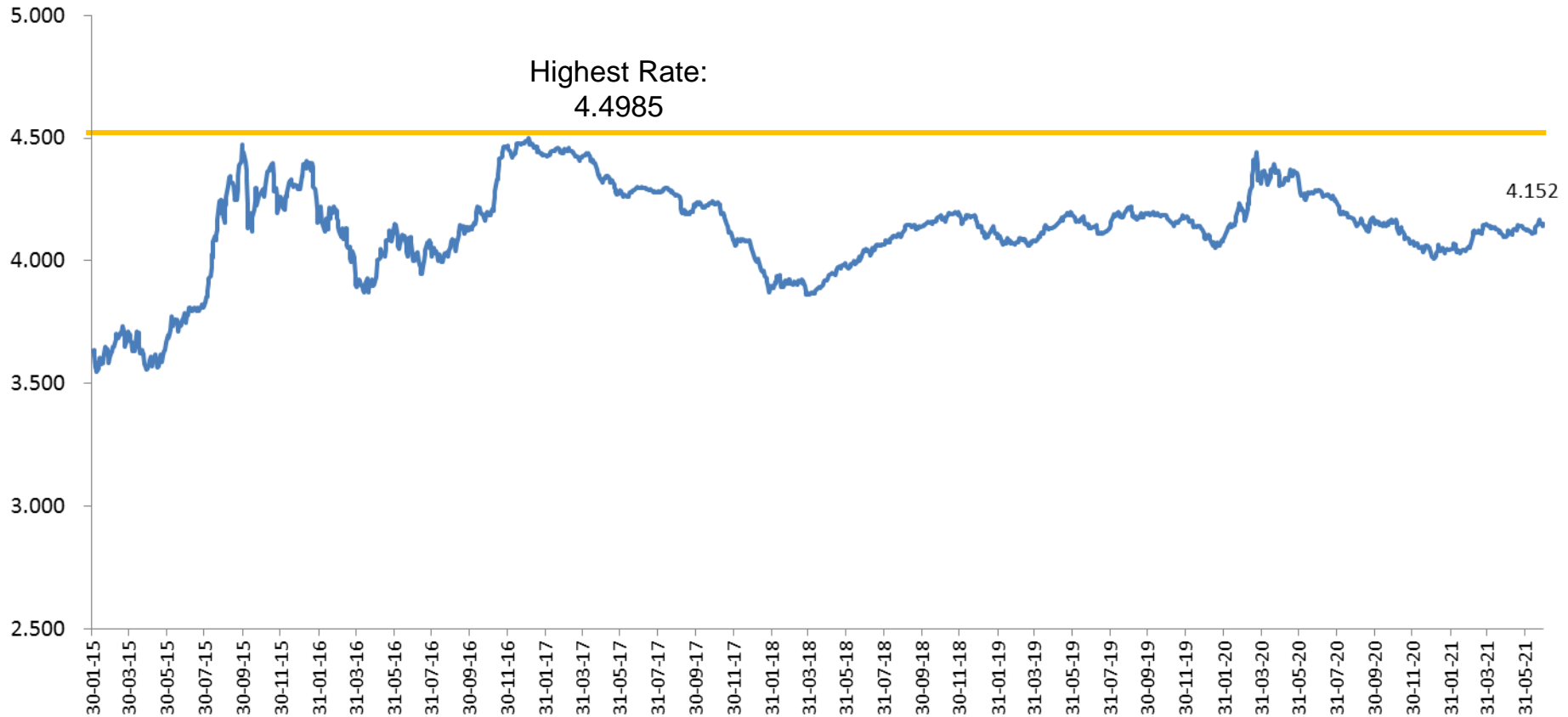
- **Inventory turnover days continued to decrease as the Group maintains its focus on rationalising the operation and conserving more cash.**

Cash Balance & Borrowings (RM'mil)



- Borrowings increased due to further drawdown was needed for working capital purposes.
- Net gearing stood at 35% as at end of the quarter.

Foreign Exchange Management



Source: Bank Negara

- Ringgit continued to soften during the quarter due to the strengthening of the U.S. Dollar and nationwide lockdown since 1st June 2021.
- The Group continues to take diligent steps to monitor the foreign currency risk and manage our hedging activities prudently.

Thank you

