



TAN CHONG MOTOR HOLDINGS BERHAD

2Q FY2022 Financial Results

August 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.**

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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



Price Starts from RM149,888*

*Peninsular Malaysia, 2.0L Highway Star OTR without Insurance

**NEW NISSAN SERENA
WITH 360° SAFETY SHIELD**

FOR WONDERFUL MOMENTS TOGETHER





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2Q FY2022 Financial Highlights & Results

Key Performance Indicators



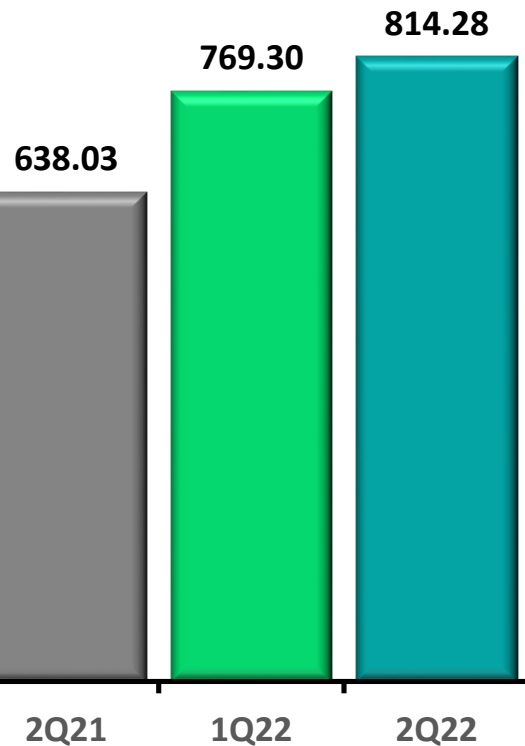
(RM'million, unless otherwise stated)

Y-o-Y

Q-o-Q

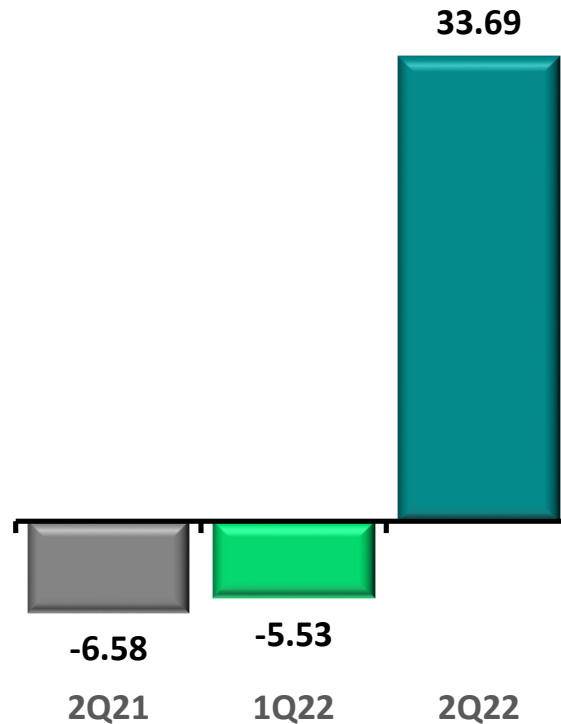
Revenue

+27.6%
+5.8%



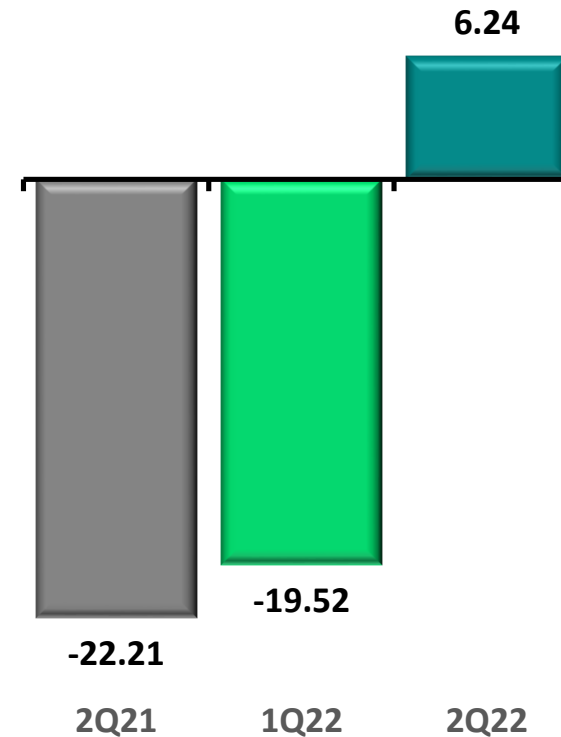
Operating (Loss) / Profit

> +100%
> +100%



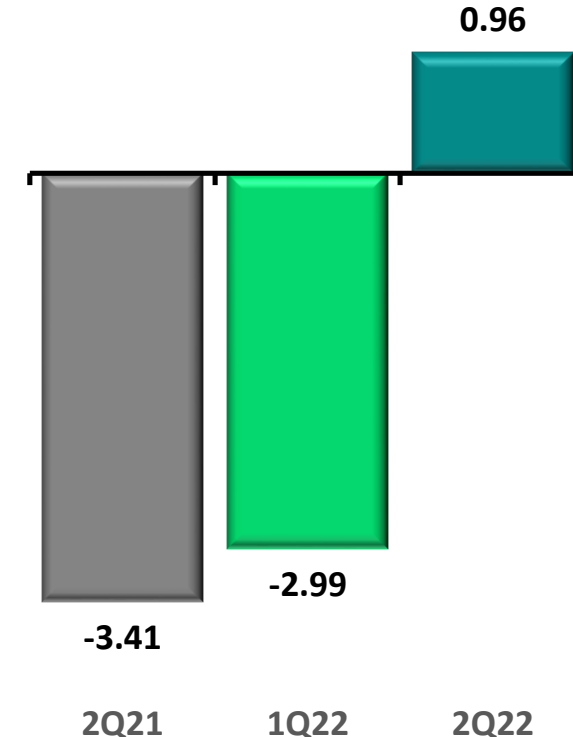
(Loss) / Profit Attributable to Owners of the Company

> +100%
> +100%



Earnings / (Loss) per Share (Sen)

> +100%
> +100%



QoQ Financial Review



In RM'000	1Q22	2Q22	% Change
Revenue	769,301	814,280	5.8%
Operating (Loss) / Profit	(5,532)	33,691	> 100%
(Loss) / Profit before Tax	(13,317)	21,377	> 100%
(Loss) / Profit Attributable to Owners of the Company	(19,521)	6,244	> 100%
(Loss) / Earnings per Share (Sen)	(2.99)	0.96	> 100%
Shareholders' Funds	2,771,558	2,757,515	-0.5%
Net Assets per Share (RM)	4.25	4.23	-0.5%

- Improvement in profitability (QoQ) mainly due higher sales, favourable sales mix and higher net foreign exchange gain.
- To note that 1Q22's profitability was affected by the one-off provision for litigation claim amounted to RM17.8 million.

YoY Financial Review



In RM'000	YTD 30-Jun-21	YTD 30-Jun-22	% Change
Revenue	1,231,111	1,583,581	28.6%
Operating Profit	25,691	28,159	9.6%
Profit before Tax	3,812	8,060	> 100%
Loss after Tax	(19,530)	(17,031)	12.8%
Loss Attributable to Owners of the Company	(14,475)	(13,277)	8.3%
Loss per Share (Sen)	(2.22)	(2.04)	8.1%

- Despite the one-off compensation for litigation in 1Q22, the Group recorded a PBT of RM8.06 million mainly attributable to higher sales achieved in 1H2022.



2Q FY2022 Segmental Results

Segmental Performance



In RM'000	YTD 30-Jun-21	YTD 30-Jun-22	% Change
Revenue			
Automotive	1,190,588	1,544,098	29.7%
Financial services	35,259	33,413	-5.2%
Other operations	5,264	6,070	15.3%
	1,231,111	1,583,581	28.6%
EBITDA			
Automotive	49,763	51,154	2.8%
Financial services	15,558	20,153	29.5%
Other operations	35,444	40,904	15.4%
	100,765	112,211	11.4%
EBITDA Margin			
Automotive	4.2%	3.3%	
Financial services	44.1%	60.3%	
Other operations	> 100%	> 100%	
	8.2%	7.1%	

Geographical Performance

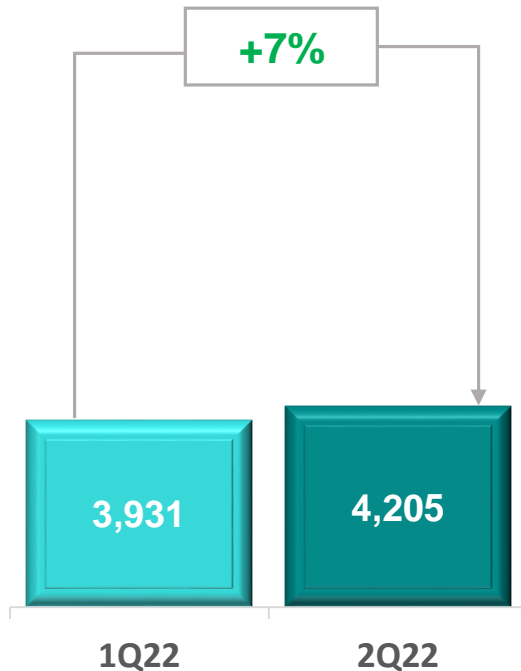




In RM'000	YTD 30-Jun-21	YTD 30-Jun-22	% Change
Revenue			
Malaysia	1,006,914	1,336,104	32.7%
Vietnam	164,079	160,547	-2.2%
Others	60,118	86,930	44.6%
	1,231,111	1,583,581	28.6%
EBITDA			
Malaysia	107,127	134,117	25.2%
Vietnam	(3,484)	(1,129)	67.6%
Others	(2,878)	(20,777)	> -100%
	100,765	112,211	11.4%
EBITDA Margin			
Malaysia	10.6%	10.0%	
Vietnam	-2.1%	-0.7%	
Others	-4.8%	-23.9%	
	8.2%	7.1%	

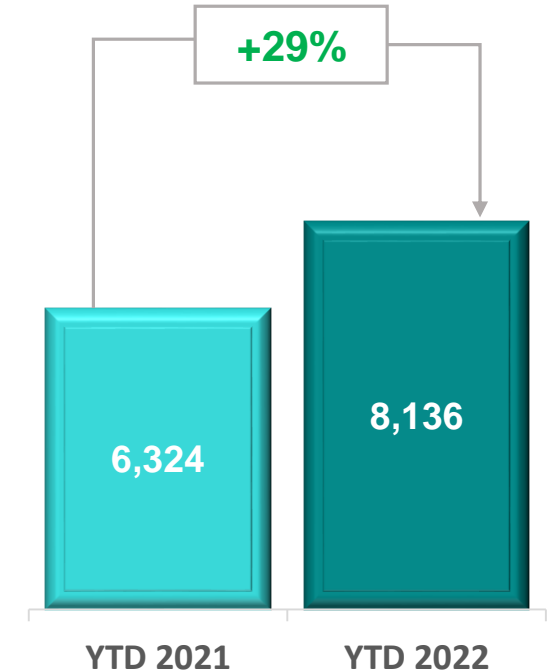


2Q FY2022 Sales Performance

Sales Performance - Malaysia



	2Q22	QoQ	YTD YoY
 NISSAN	4,009 units	6% ▲	35% ▲
 UD TRUCKS	188 units	25% ▲	54% ▲



Source: MAA

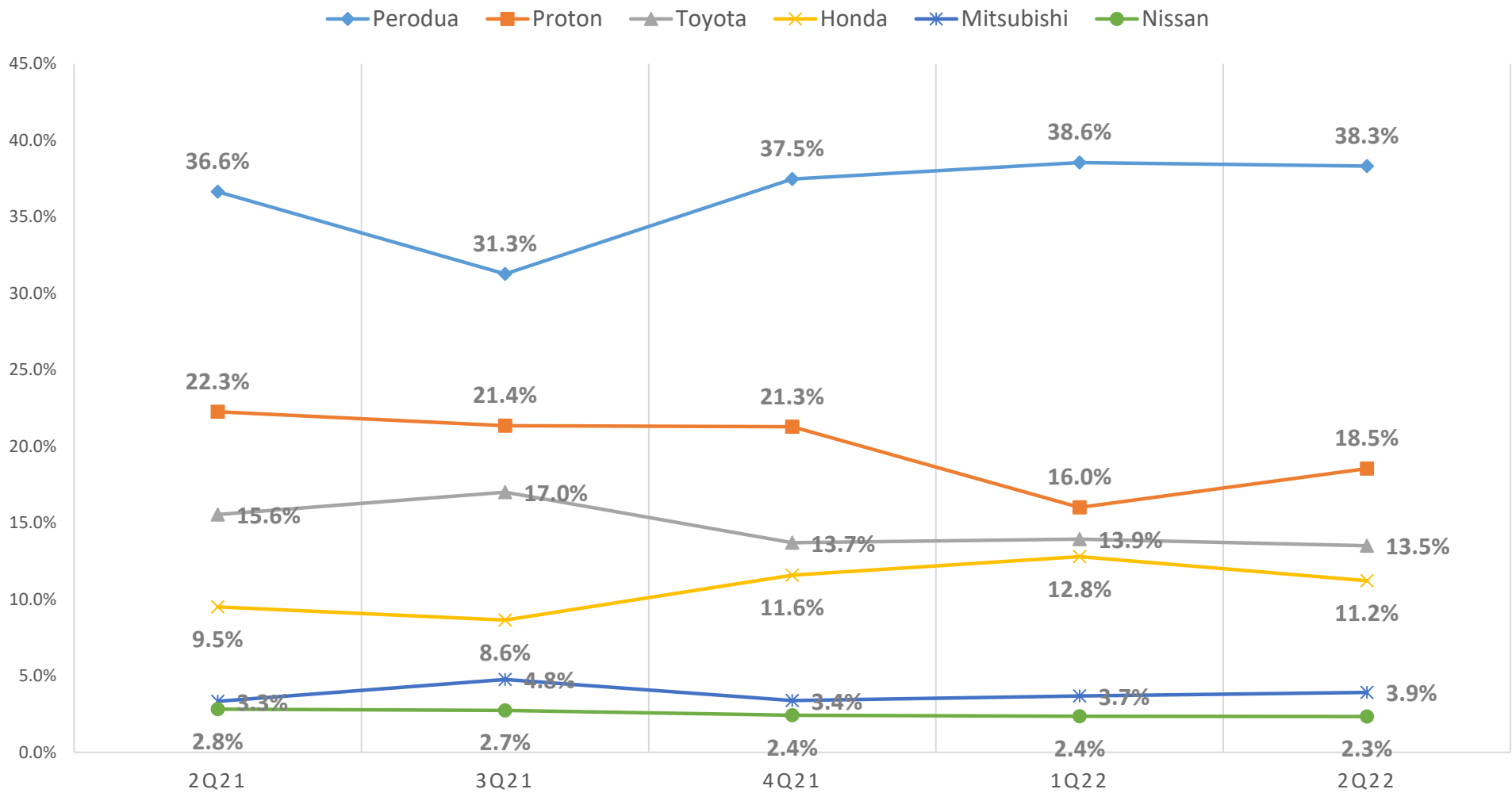


- QoQ +7% & YoY +29% : Higher sales in 2Q22, as customers took advantage of sales tax exemption before its expiry on 30th June 2022.
- As at YTD June 2022, we have a sizeable fleet of over 3,100 units of various brands (Renault, Nissan and others) since we introduced the car subscription programme three years ago.

Top 6 Car Manufacturers



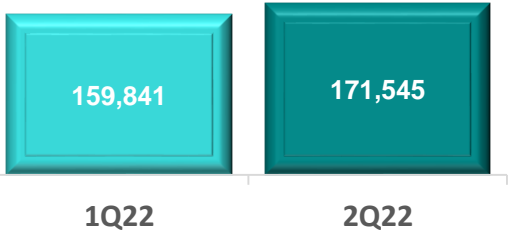
MARKET SHARE



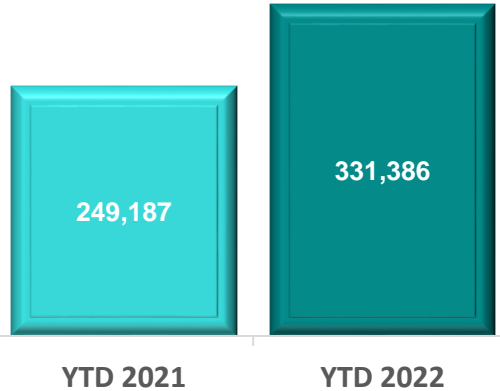
Source: MAA

TIV

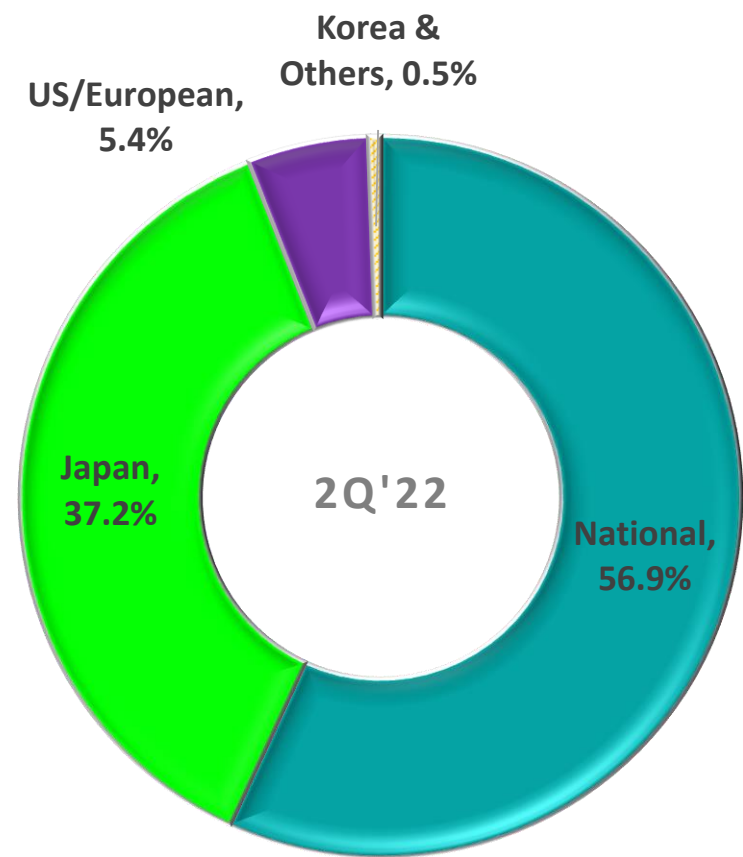
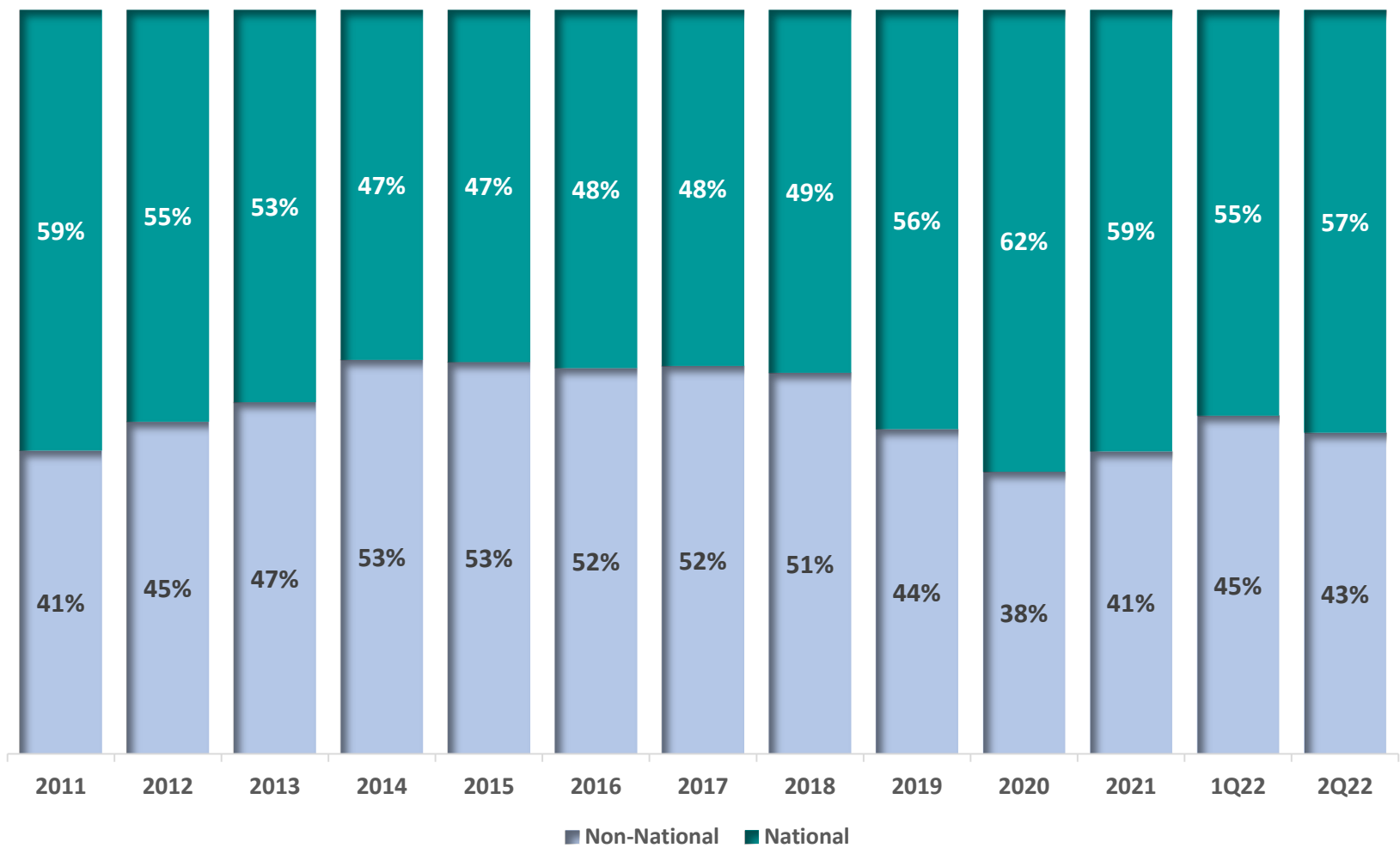
QoQ: +7.3%



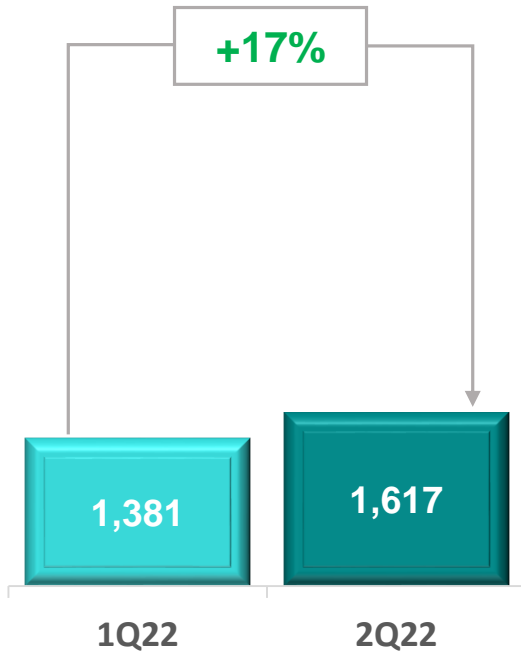
YoY: +33.0%







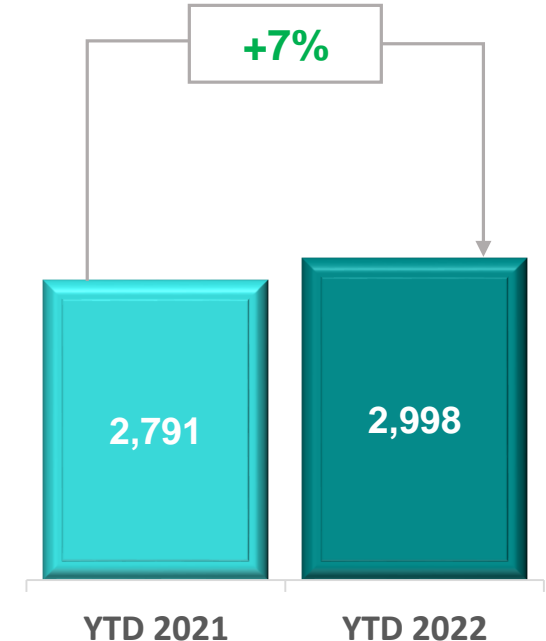
Market Share Analysis



Sales Performance - CLMV



		2Q22	QoQ	YTD YoY
	Vietnam	1,419 units	43% ▲	0%
	Cambodia	61 units	46% ▼	65% ▲
	Laos	62 units	48% ▼	22% ▲
	Myanmar	75 units	52% ▼	87% ▲

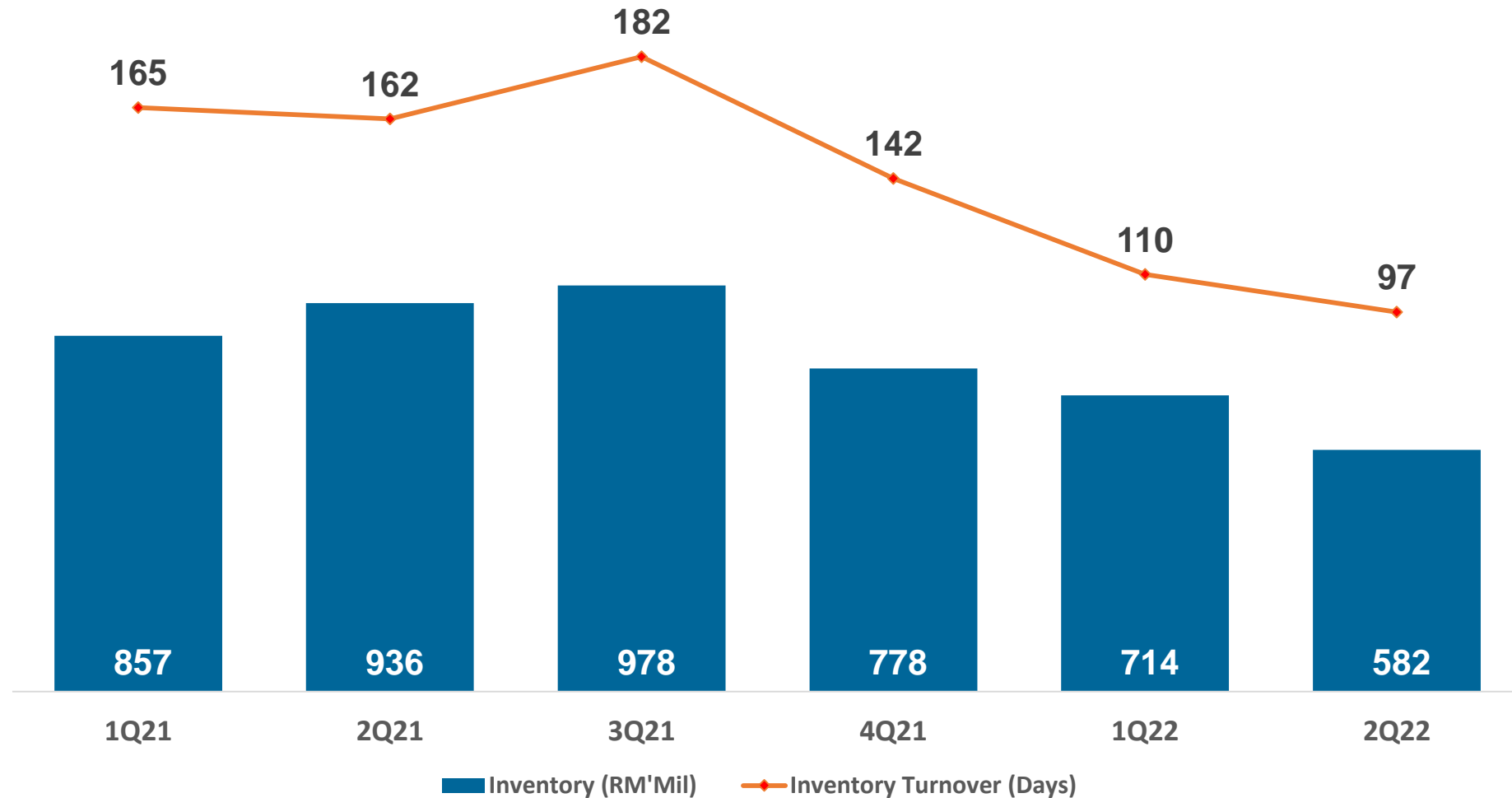


- QoQ +17%: Contributed by higher MG sales in Vietnam market, especially the newly launched of MG5 model (C-segment) in March 2022 and captured 5.3% of market share as of 30 June 2022 in Vietnam.
- YTD sales in CLMV increased by 7% YoY, benefiting from the economy reopening and overall recovery in the region.



2Q FY2022 Operation Review

Inventory Management

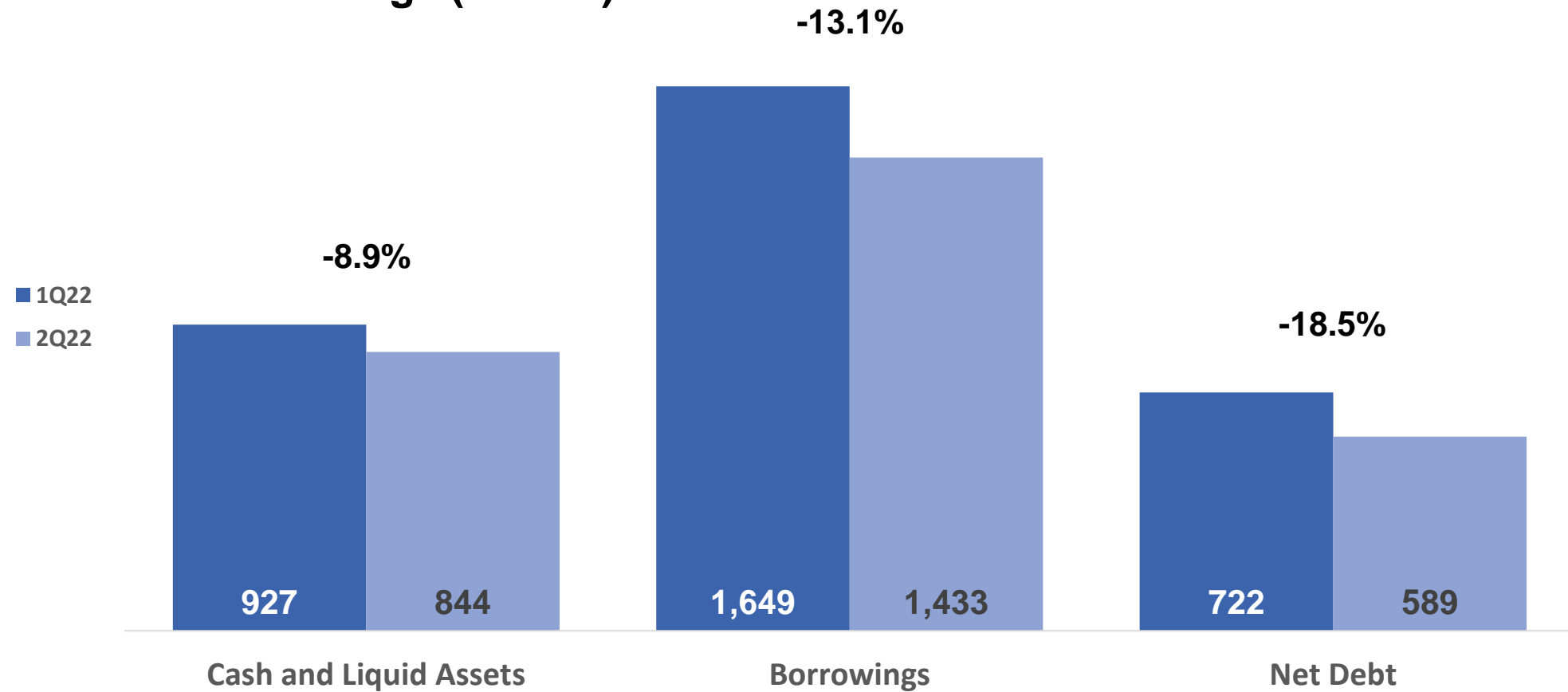


- Inventory turnover days continued to decrease due to efficient inventory management during the quarter.

Liquidity Management

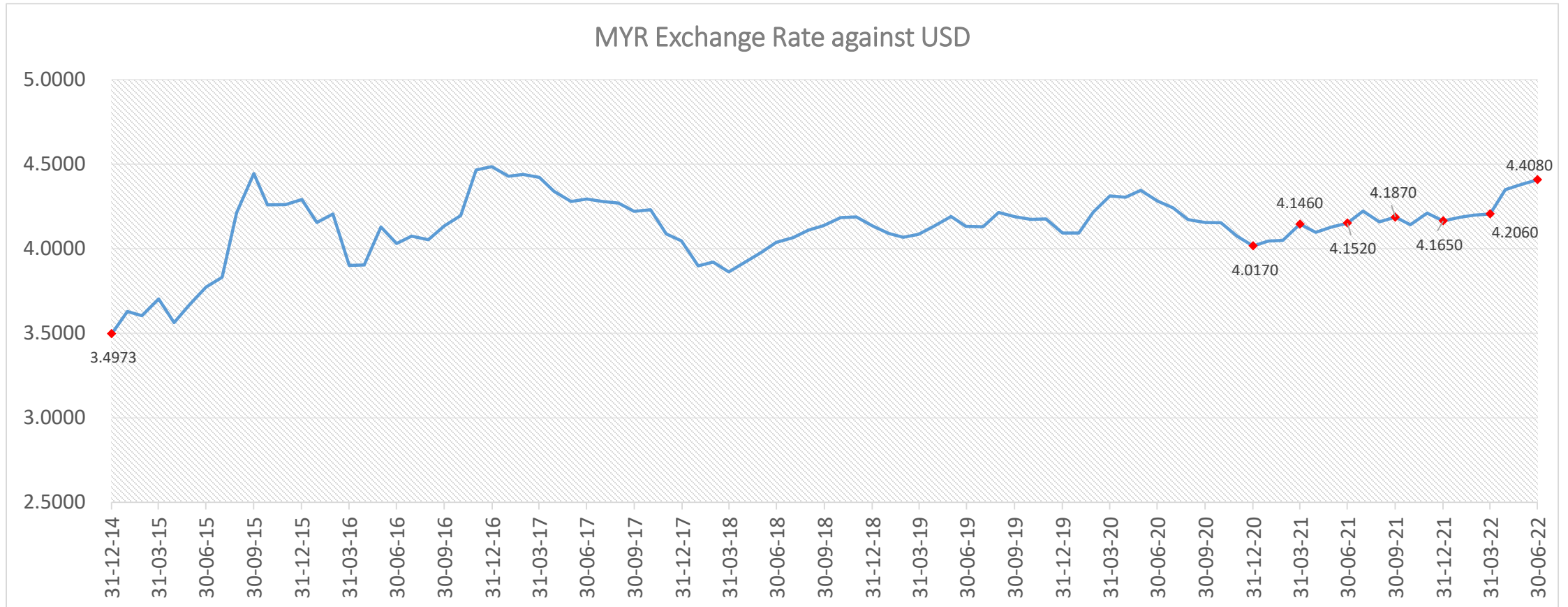


Cash Balance & Borrowings (RM'Mil)



- Net gearing ratio further improved to 21.3% as at 30 June 2022.

Foreign Exchange Management



Source: Bank Negara Malaysia

- Ringgit depreciated during the quarter mainly due to the continued 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



 **NISSAN**
INTELLIGENT
MOBILITY

