



**TAN CHONG MOTOR HOLDINGS BERHAD**

## **2Q FY2023 Financial Results**

**August 2023**

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.



# Table of Contents

- Financial Highlights & Results
- Segmental Results
- Sales Performance
- Operation Review



# **2Q FY2023 Financial Highlights & Results**

# Key Performance Indicators



(RM'million, unless otherwise stated)

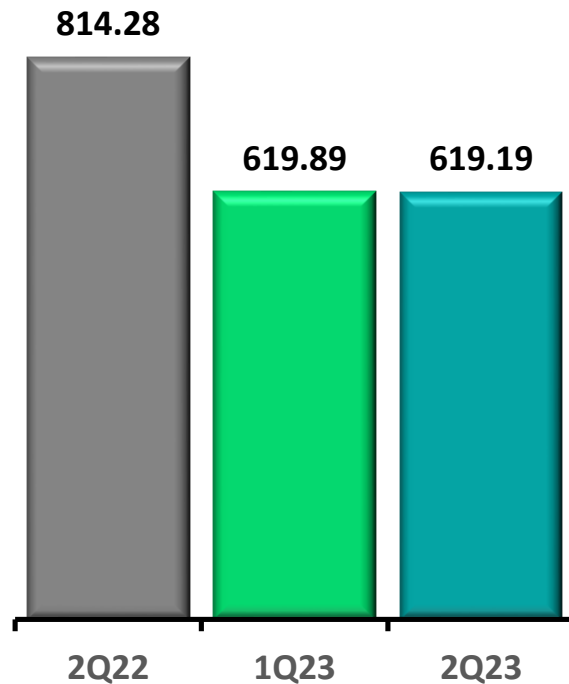
Y-o-Y

Q-o-Q

## Revenue

-24.0%

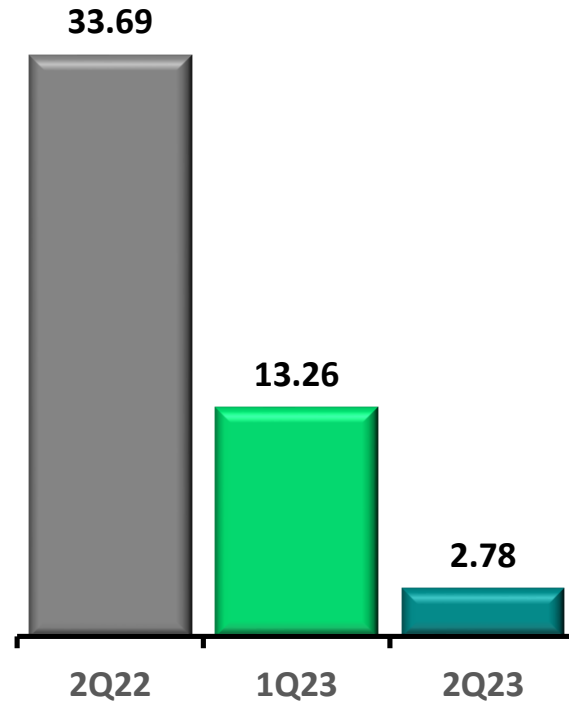
-0.11%



## Operating Profit

-91.7%

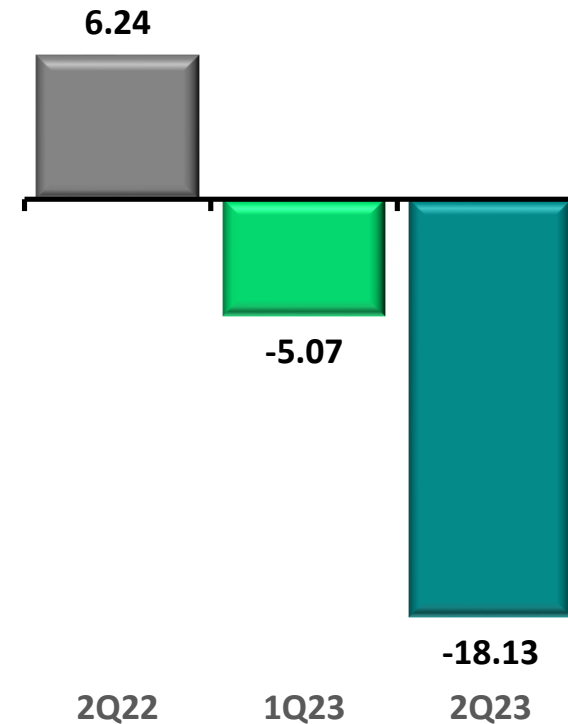
-79.1%



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

> -100%

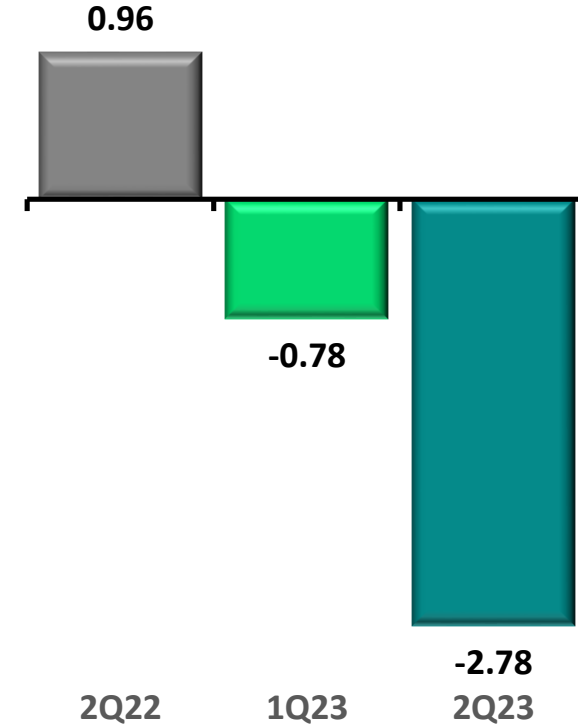
> -100%



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

> -100%

> -100%



# QoQ Financial Review



In RM'000	1Q23	2Q23	% Change
Revenue	619,885	619,191	-0.1%
Operating Profit	13,258	2,776	-79.1%
Profit / (Loss) before Tax	2,549	(8,049)	> -100%
Loss Attributable to Owners of the Company	(5,065)	(18,134)	> -100%
Loss per Share (Sen)	(0.78)	(2.78)	> -100%
Shareholders' Funds	2,872,850	2,848,136	-0.9%
Net Assets per Share (RM)	4.41	4.37	-0.9%

- Decrease in profit (QoQ) attributable to lower margins resulting from weaker Ringgit during the quarter.

# YoY Financial Review



In RM'000	YTD 30-Jun-22	YTD 30-Jun-23	% Change
Revenue	1,583,581	1,239,076	-21.8%
Operating Profit	28,159	16,034	-43.1%
Profit / (Loss) before Tax	8,060	(5,500)	> -100%
Loss after Tax	(17,031)	(25,762)	-51.3%
Loss Attributable to Owners of the Company	(13,277)	(23,199)	-74.7%
Loss per Share (Sen)	(2.04)	(3.56)	-74.5%

- The Group recorded a LBT of RM5.5million in 1H2023, mainly due to lower revenue, weaker Ringgit and higher operating expenses.



# **2Q FY2023 Segmental Results**



# Segmental Performance



In RM'000	YTD 30-Jun-22	YTD 30-Jun-23	% Change
<b>Revenue</b>			
Automotive	1,544,098	1,194,661	-22.6%
Financial services	33,413	33,255	-0.5%
Other operations	6,070	11,160	83.9%
	1,583,581	1,239,076	-21.8%
<b>EBITDA</b>			
Automotive	51,154	60,984	19.2%
Financial services	20,153	10,887	-46.0%
Other operations	40,904	35,143	-14.1%
	112,211	107,014	-4.6%
<b>EBITDA Margin</b>			
Automotive	3.3%	5.1%	
Financial services	60.3%	32.7%	
Other operations	> 100%	> 100%	
	7.1%	8.6%	

# Geographical Performance

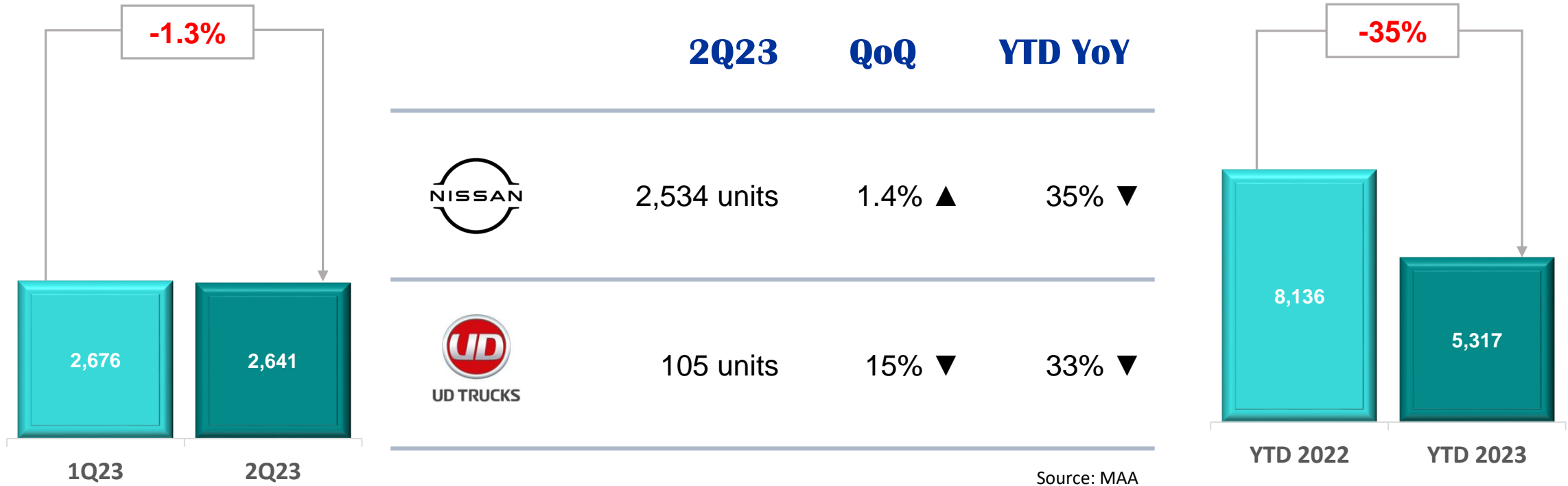


In RM'000	YTD 30-Jun-22	YTD 30-Jun-23	% Change
<b>Revenue</b>			
Malaysia	1,336,104	1,107,038	-17.1%
Vietnam	160,547	86,615	-46.1%
Others	86,930	45,423	-47.7%
	1,583,581	1,239,076	-21.8%
<b>EBITDA</b>			
Malaysia	134,117	125,072	-6.7%
Vietnam	(1,129)	(14,287)	> -100%
Others	(20,777)	(3,771)	81.9%
	112,211	107,014	-4.6%
<b>EBITDA Margin</b>			
Malaysia	10.0%	11.3%	
Vietnam	-0.7%	-16.5%	
Others	-23.9%	-8.3%	
	7.1%	8.6%	



# **2Q FY2023 Sales Performance**

# Sales Performance - Malaysia



- QoQ -1.3% & YoY -35% :

Lower sales in 2Q23, affected by the prolonged supply chain disruptions for certain models and stiffer competition faced in domestic market.



## Electric Vehicles (EVs)

- The Group has launched the latest versions of the fully electrified Nissan Leaf & Renault Zoe in 1H2023 as part of our efforts to raise the EV adoption in the country either through direct retailing or through subscription mode.



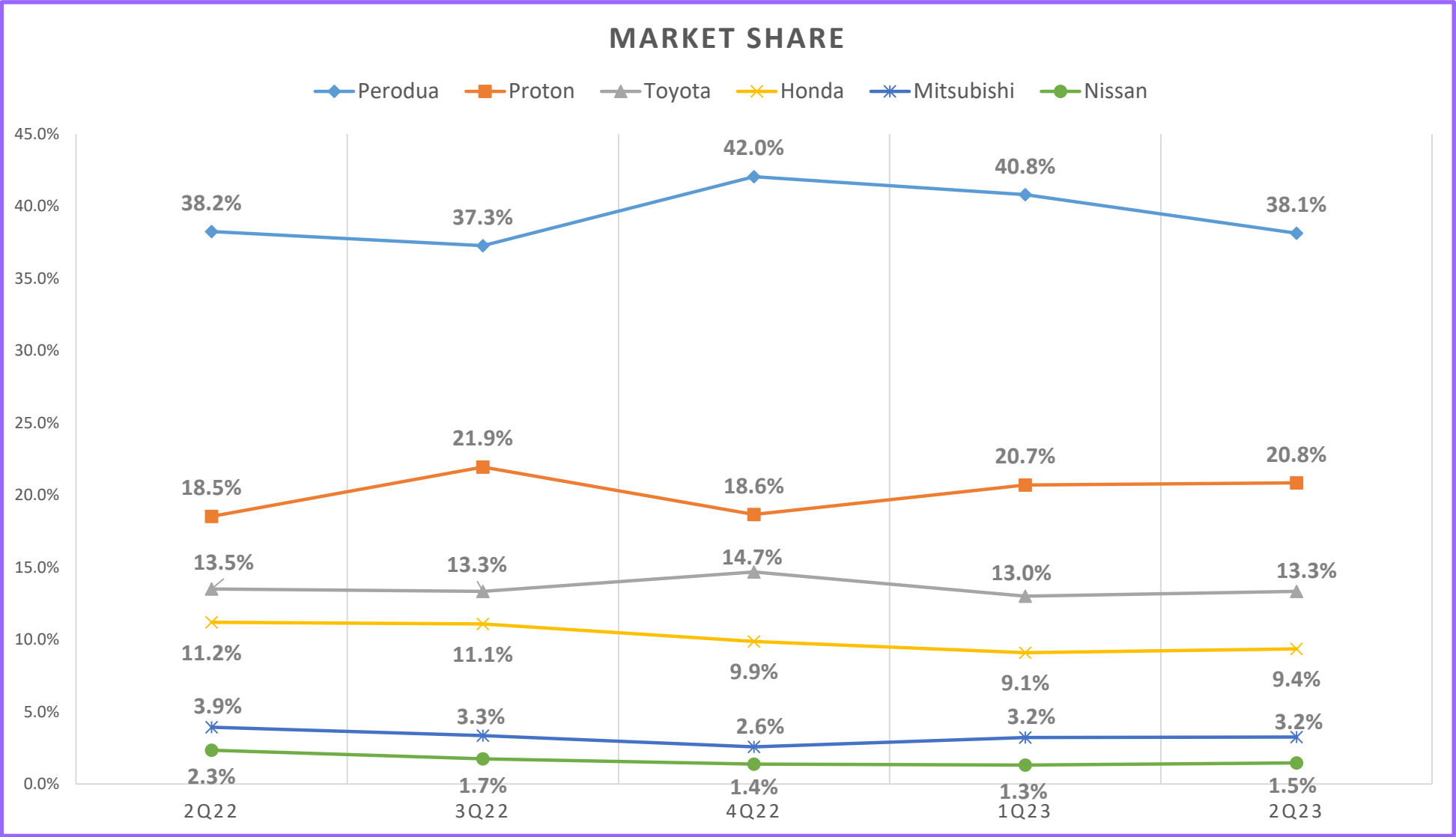
*Renault Zoe*

## Renewable Energy - Solar

- The Group is on target to meet the commissioning date of end December 2023 for the 20MW floating solar plant under the LSS4. Once completed, the solar plant is expected to supply 883,000MWh of green electricity and contributing to a reduction of 728,500 tonnes of CO<sub>2</sub> emissions to the environment (or equivalent to reducing 158,000 units of cars on the roads).
- The energy harnessed from our Serendah plant's rooftop solar panel amounting to 1,193.24MWh, has also contributed in the cost reduction of RM892,541 and estimated reduction of 815.36 tonnes of CO<sub>2</sub> emissions in FY2022.



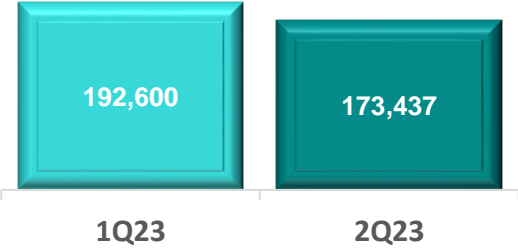
# Car Manufacturers' Market Share



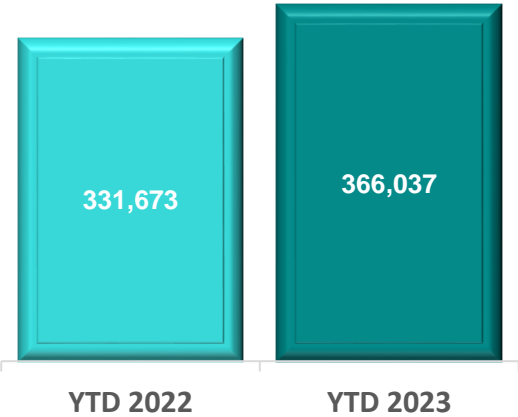
Source: MAA

TIV

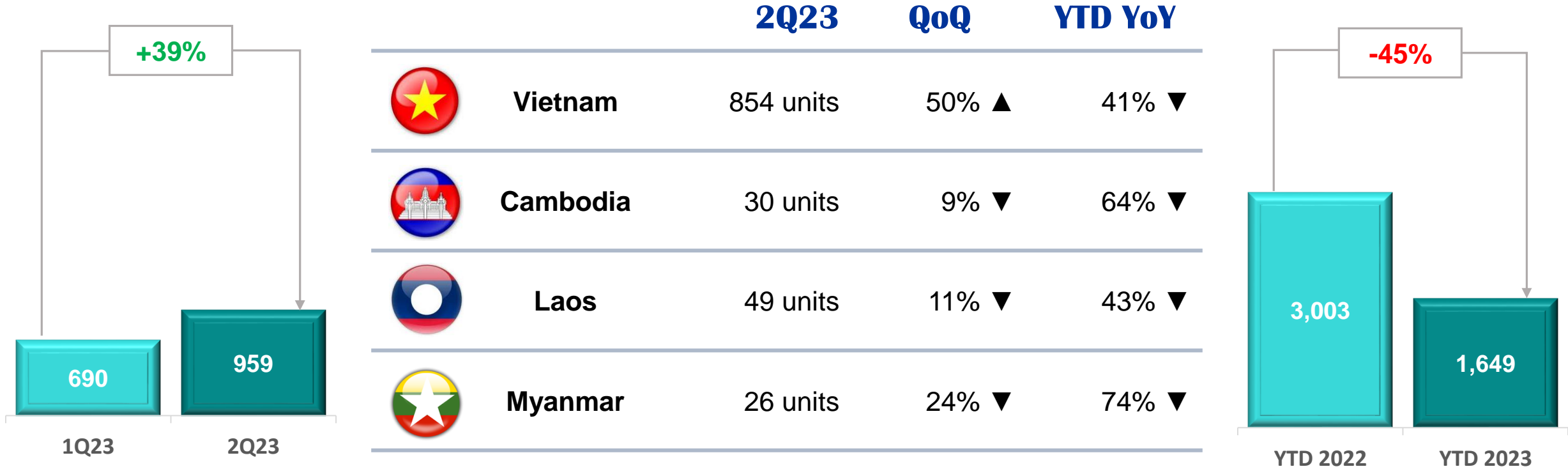
QoQ: -9.9%



YoY: +10%



# Sales Performance - CLMV



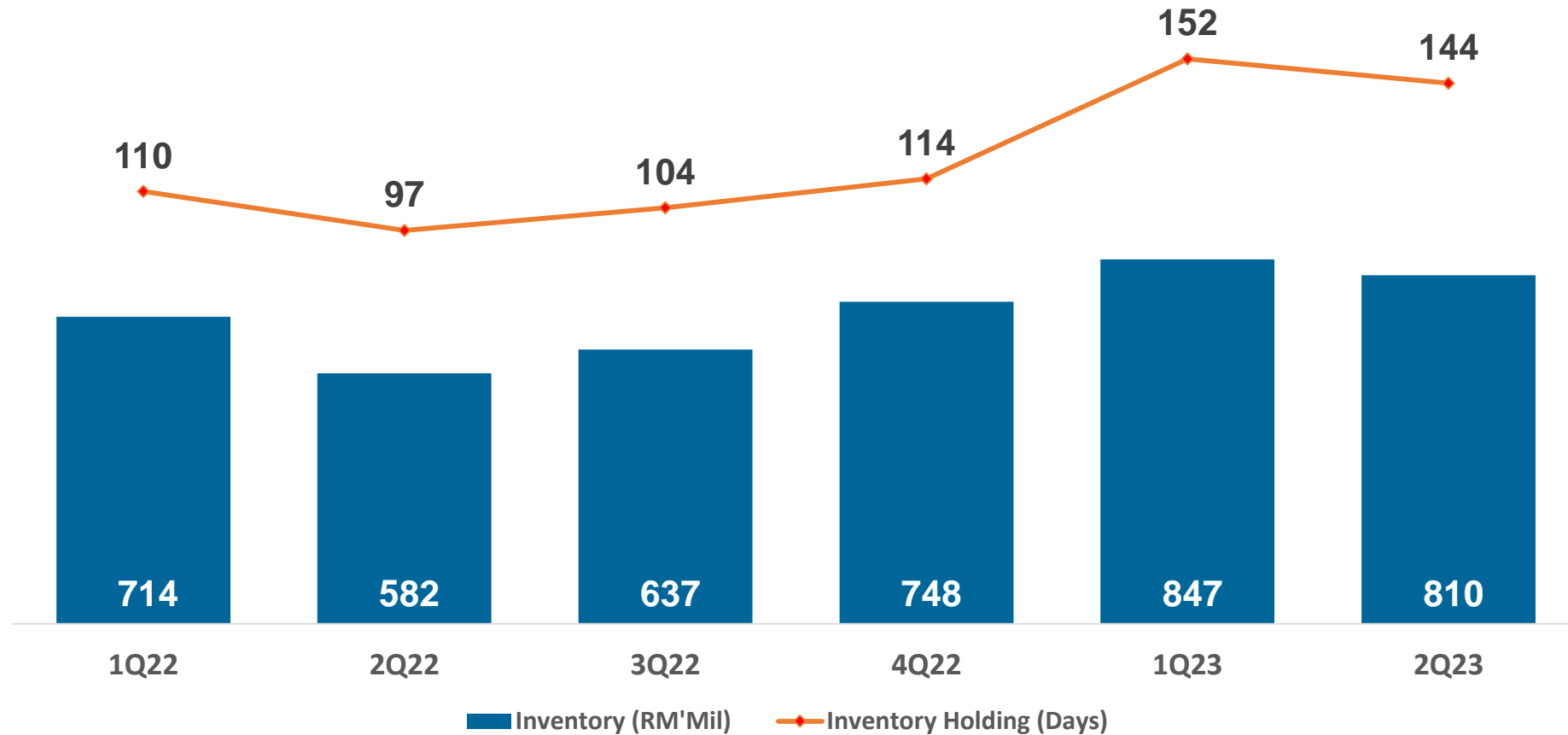
- Overall sales (YoY) in CLMV dropped, attributable to the challenging economic conditions driven by inflation and high interest environment.



# **2Q FY2023 Operation Review**



# Inventory Management

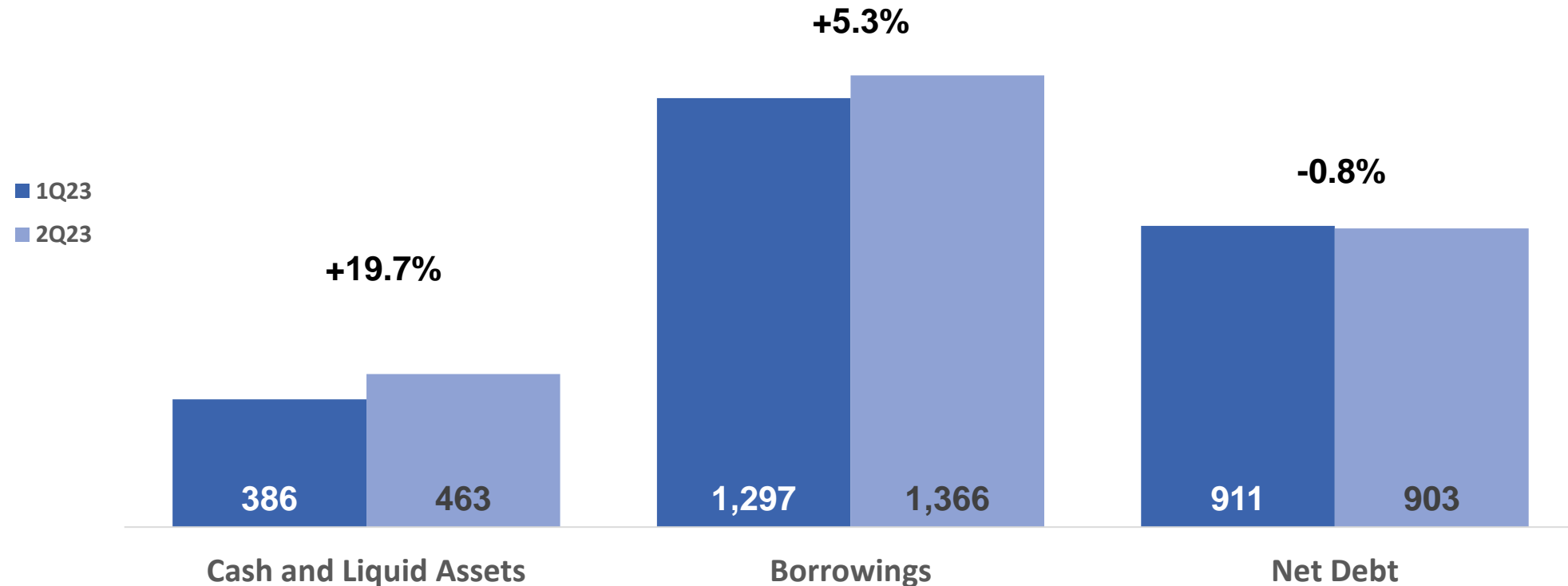


Inventory holding days improved resulting from better stock management during the quarter.

# Liquidity Management



## Cash Balance & Borrowings (RM'Mil)



- Net gearing ratio maintained 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



 **NISSAN**  
**INTELLIGENT**  
**MOBILITY**

