



# TAN CHONG MOTOR HOLDINGS BERHAD

## 3Q FY2022 Financial Results

November 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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# **3Q FY2022 Financial Highlights & Results**

# Key Performance Indicators



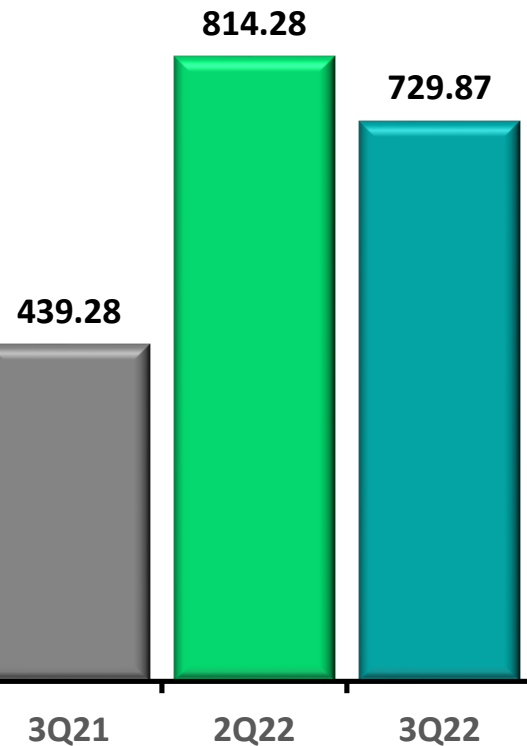
(RM'million, unless otherwise stated)

Y-o-Y

Q-o-Q

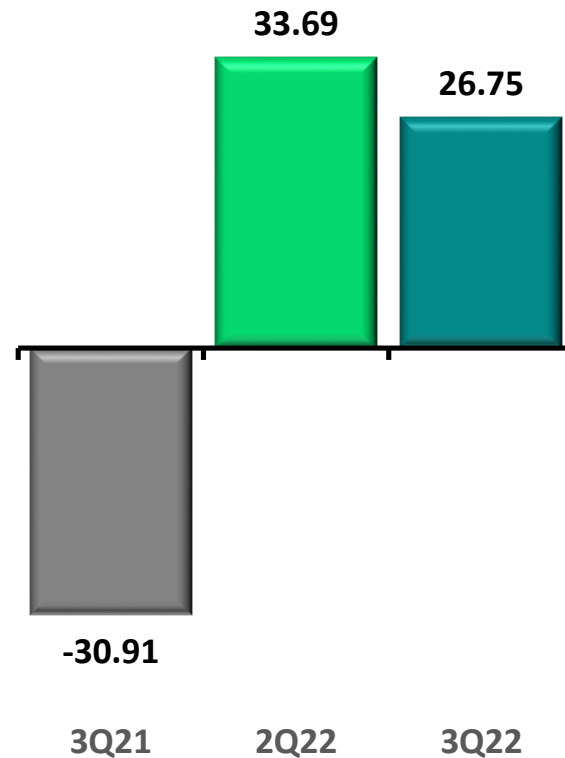
## Revenue

+66.2%  
-10.4%



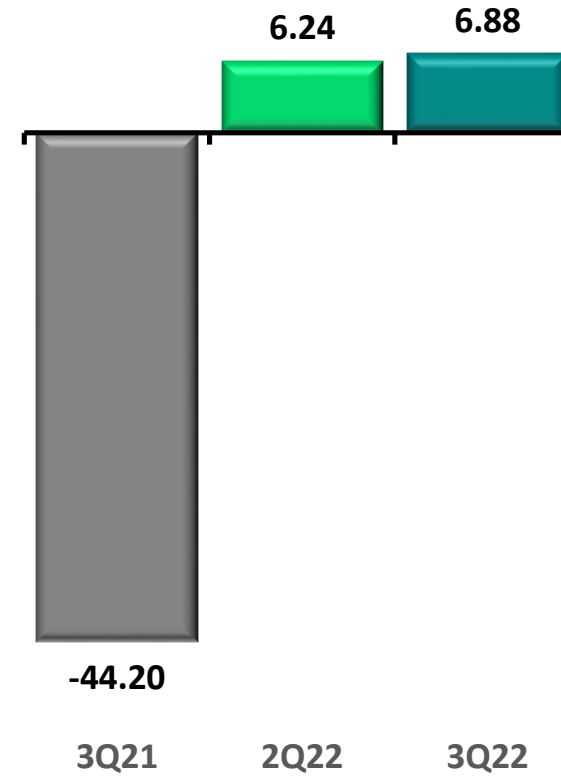
## Operating (Loss) / Profit

> +100%  
-20.6%



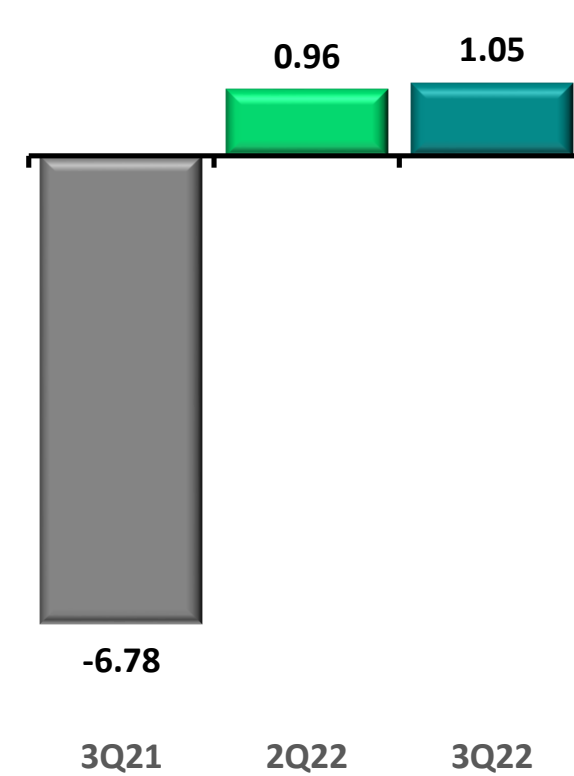
## (Loss) / Profit Attributable to Owners of the Company

> +100%  
+10.3%



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

> +100%  
> +9.7%



# QoQ Financial Review



In RM'000	2Q22	3Q22	% Change
Revenue	814,280	729,872	-10.4%
Operating Profit	33,691	26,748	-20.6%
Profit before Tax	21,377	15,727	-26.4%
Profit Attributable to Owners of the Company	6,244	6,878	10.2%
Earnings per Share (Sen)	0.96	1.05	9.4%
Shareholders' Funds	2,757,515	2,752,558	-0.2%
Net Assets per Share (RM)	4.23	4.22	-0.2%

- Decrease in PBT (QoQ) in line with lower sales in the quarter, unfavourable sales mix and higher purchase cost.
- PAT and EPS increased as a result of lower tax expense for the quarter.

# YoY Financial Review



In RM'000	YTD 30-Sep-21	YTD 30-Sep-22	% Change
Revenue	1,670,386	2,313,453	38.5%
Operating (Loss) / Profit	(5,219)	54,907	> 100%
(Loss) / Profit before Tax	(38,862)	23,787	> 100%
Loss after Tax	(66,250)	(11,671)	82.4%
Loss Attributable to Owners of the Company	(58,677)	(6,399)	89.1%
Loss per Share (Sen)	(9.00)	(0.98)	89.1%

- The Group recorded a PBT of RM23.79 million compared to LBT of RM38.86 million for same period preceding year, which was impacted by the Covid-19 lockdown.
- In addition, YTD Sep'22 profitability was also affected by the Cambodia's litigation provision.



# **3Q FY2022 Segmental Results**

# Segmental Performance



In RM'000	YTD 30-Sep-21	YTD 30-Sep-22	% Change
<b>Revenue</b>			
Automotive	1,611,354	2,254,049	39.9%
Financial services	51,148	49,703	-2.8%
Other operations	7,884	9,701	23.0%
	1,670,386	2,313,453	38.5%
<b>EBITDA</b>			
Automotive	65,787	76,715	16.6%
Financial services	14,447	24,778	71.5%
Other operations	26,872	77,030	> 100%
	107,106	178,523	66.7%
<b>EBITDA Margin</b>			
Automotive	4.1%	3.4%	
Financial services	28.2%	49.9%	
Other operations	> 100%	> 100%	
	6.4%	7.7%	

# Geographical Performance

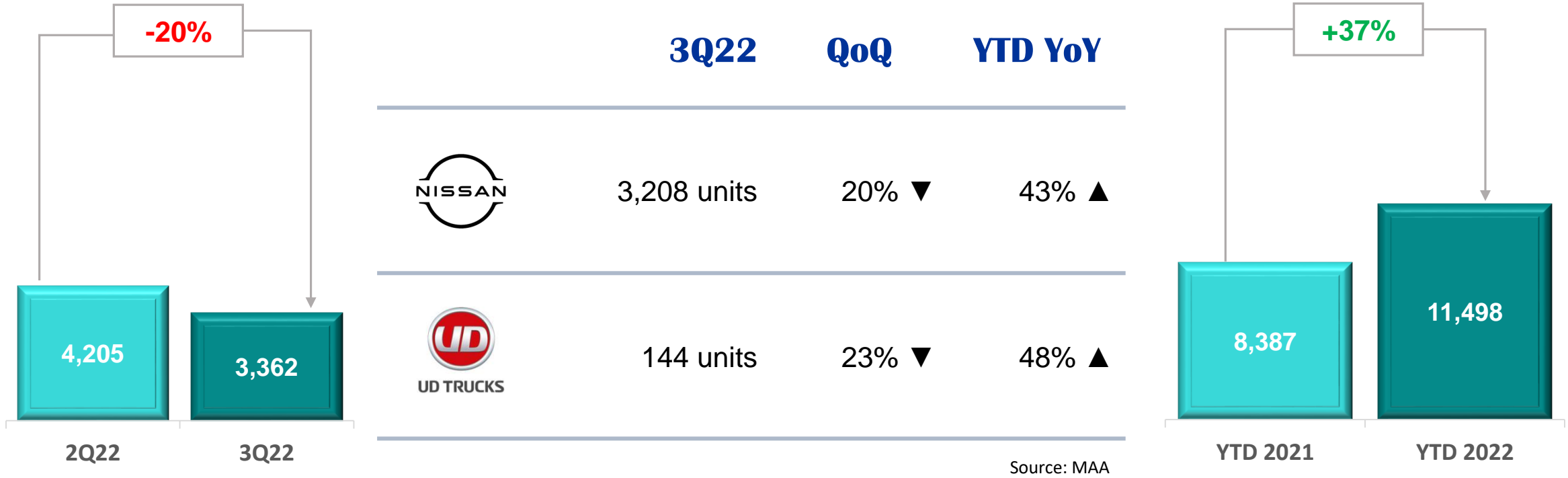


In RM'000	YTD 30-Sep-21	YTD 30-Sep-22	% Change
<b>Revenue</b>			
Malaysia	1,381,931	1,988,413	43.9%
Vietnam	193,948	216,036	11.4%
Others	94,507	109,004	15.3%
	1,670,386	2,313,453	38.5%
<b>EBITDA</b>			
Malaysia	120,510	213,606	77.3%
Vietnam	(5,333)	(10,873)	> -100%
Others	(8,071)	(24,210)	> -100%
	107,106	178,523	66.7%
<b>EBITDA Margin</b>			
Malaysia	8.7%	10.7%	
Vietnam	-2.7%	-5.0%	
Others	-8.5%	-22.2%	
	6.4%	7.7%	



# **3Q FY2022 Sales Performance**

# Sales Performance - Malaysia



- QoQ -20% : Lower sales in 3Q22, which was affected by slower inventory replenishment for certain models due to parts shortage.
- YoY +37% : Higher sales for YTD Sep'22 due to the low base effect as a result of the implementation of MCO in year 2021.
- Sustainability – The Group has continued its electrification plan in rolling out more electric vehicles via its GoEV sharing and subscription platform.

# Top 6 Car Manufacturers



TIV

QoQ: +7.7%

YoY: +62.1%

171,832

2Q22

185,125

3Q22

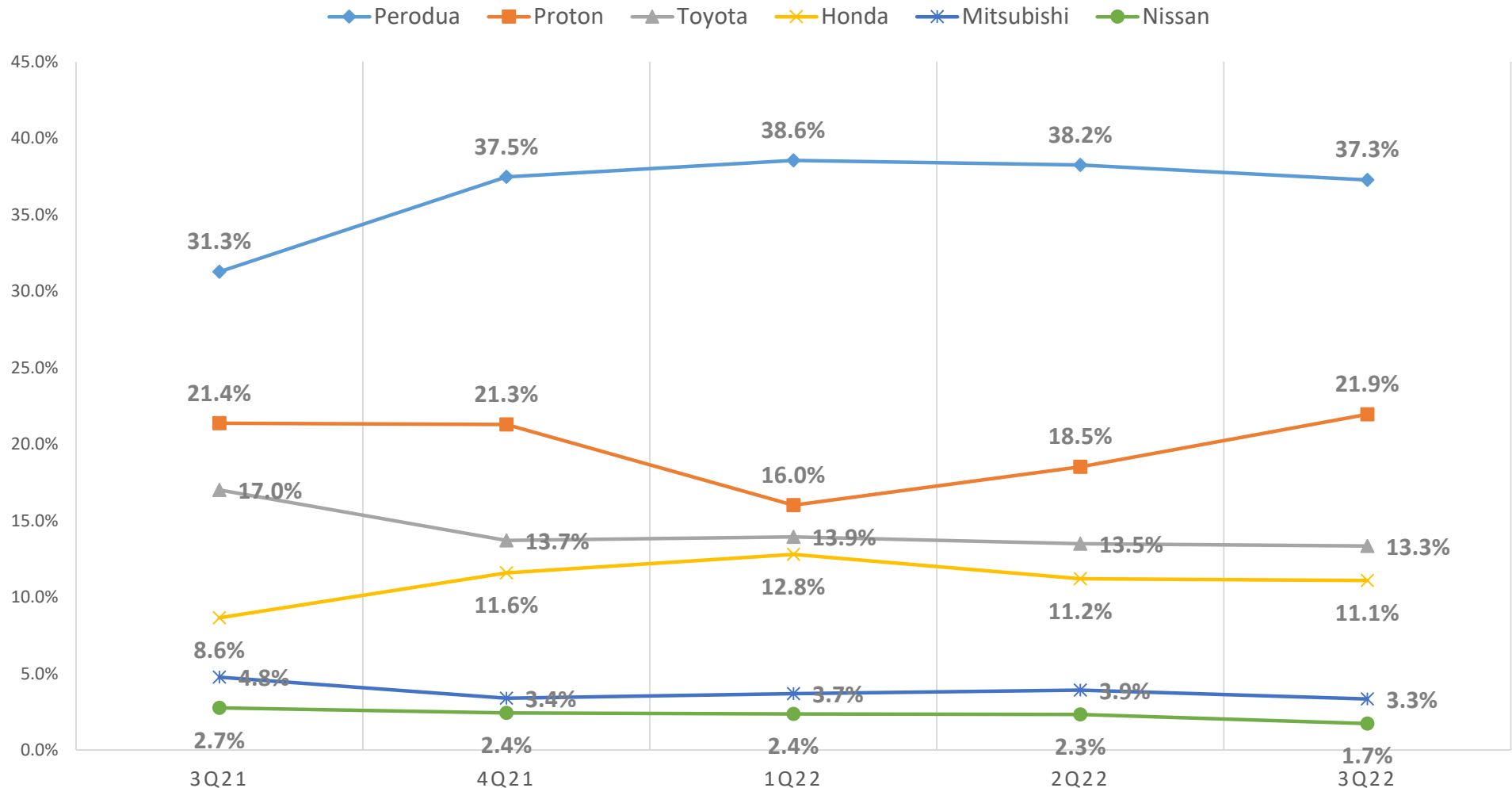
318,910

YTD 2021

516,798

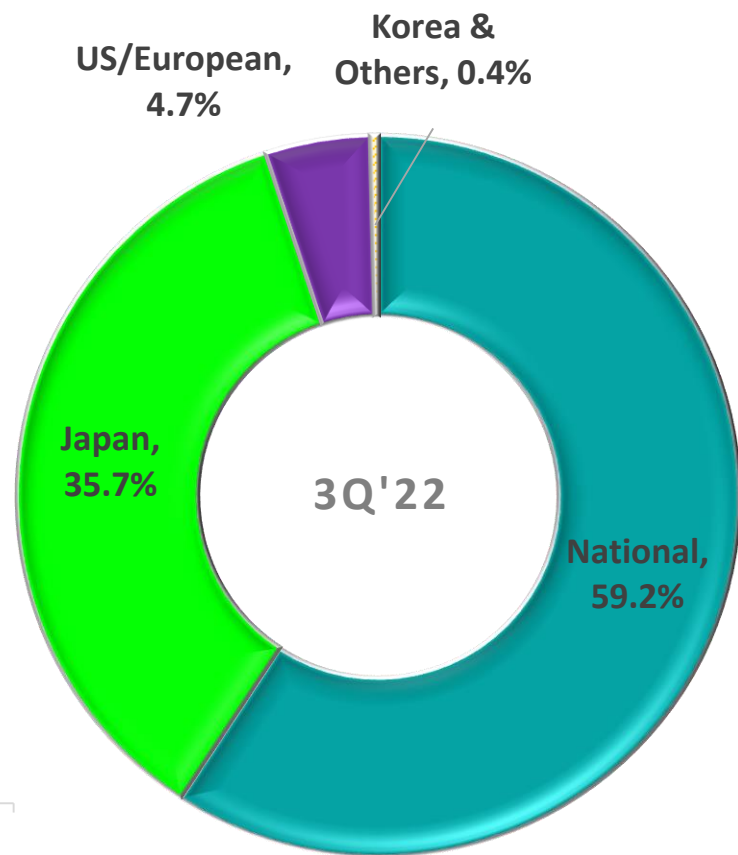
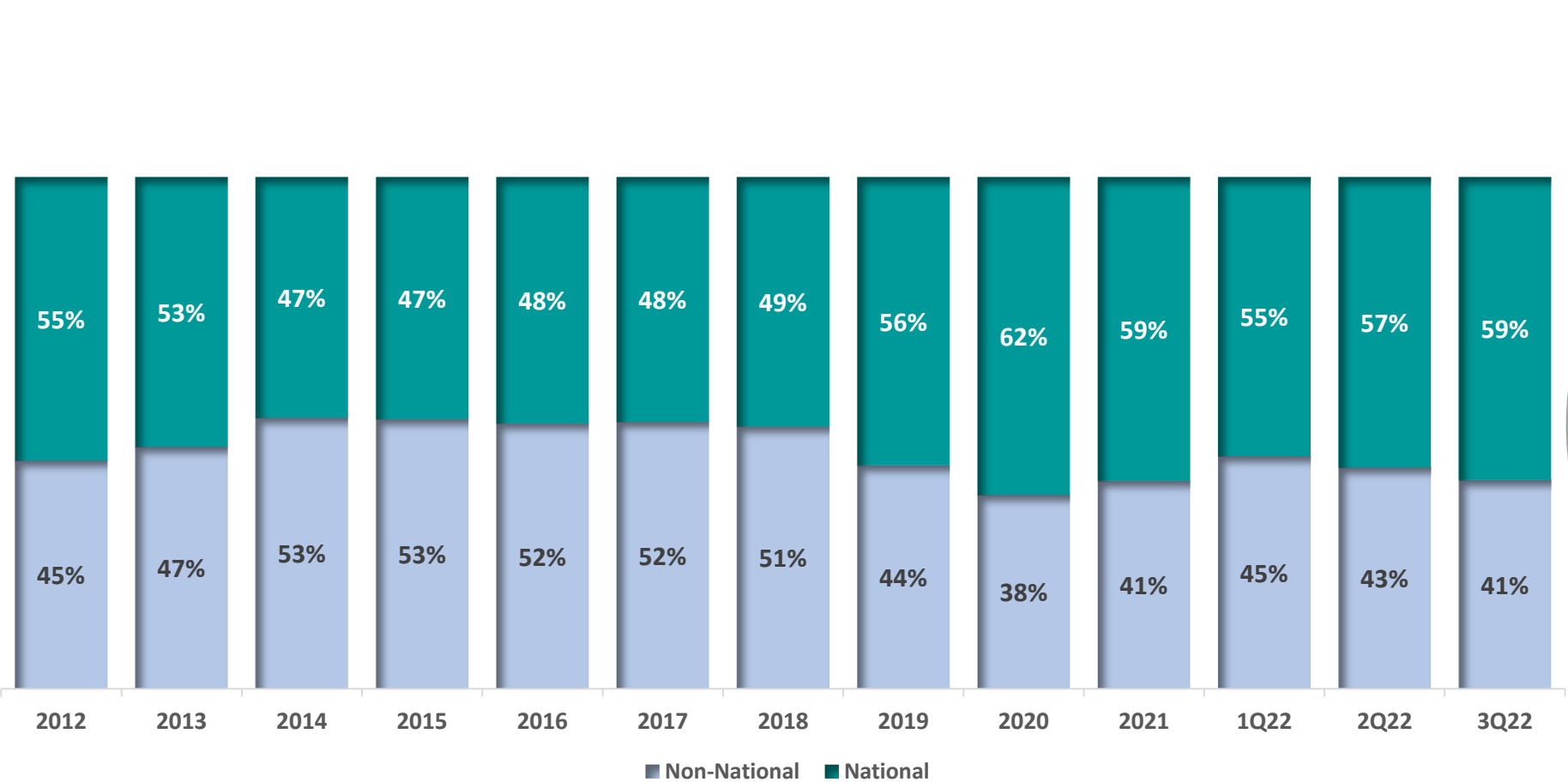
YTD 2022

## MARKET SHARE

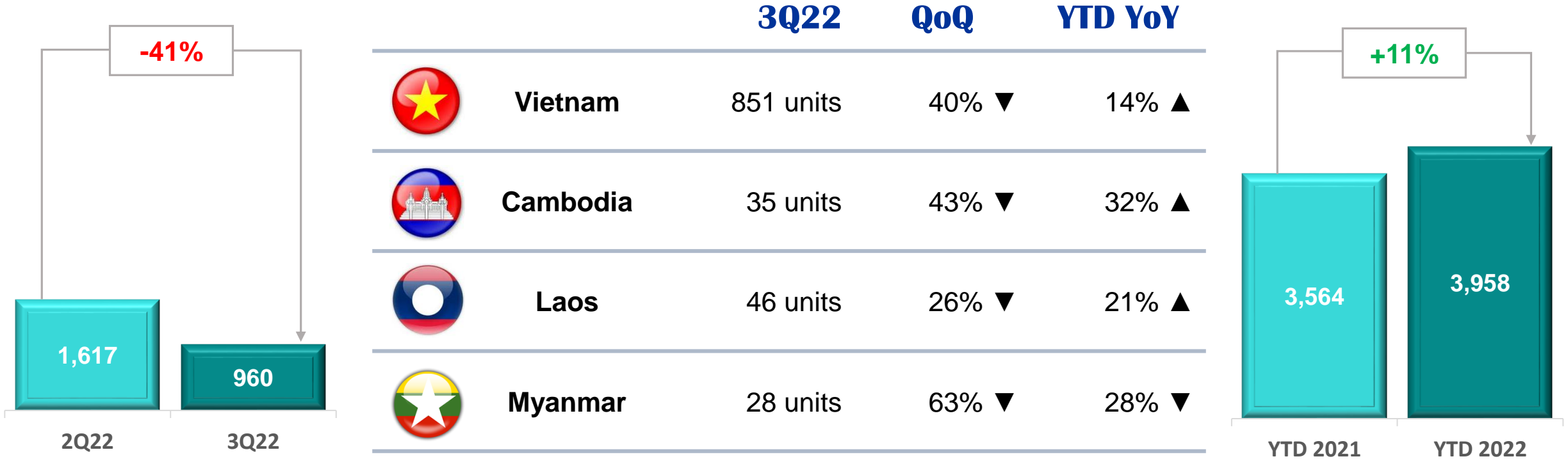


Source: MAA

# Market Share Analysis



# Sales Performance - CLMV

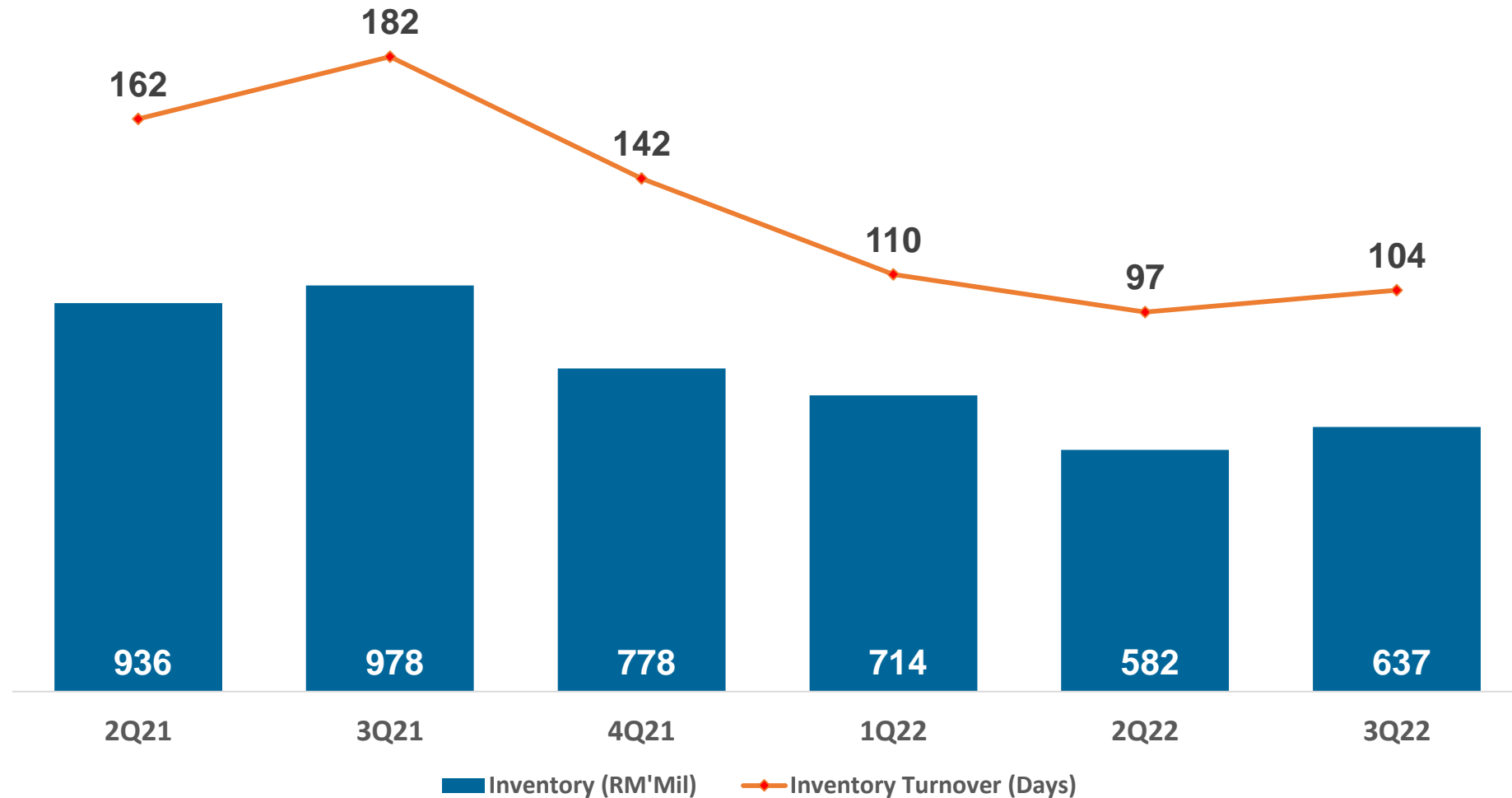


- QoQ -41%: Sales are lower in all countries across CLMV as longer-time inventory replenishment due to supply chain disruptions affecting the auto industry.
- YTD sales in CLMV increased by 11%, attributable to higher sales on MG vehicles in Vietnam and economic recovery in that region.



# **3Q FY2022 Operation Review**

# Inventory Management

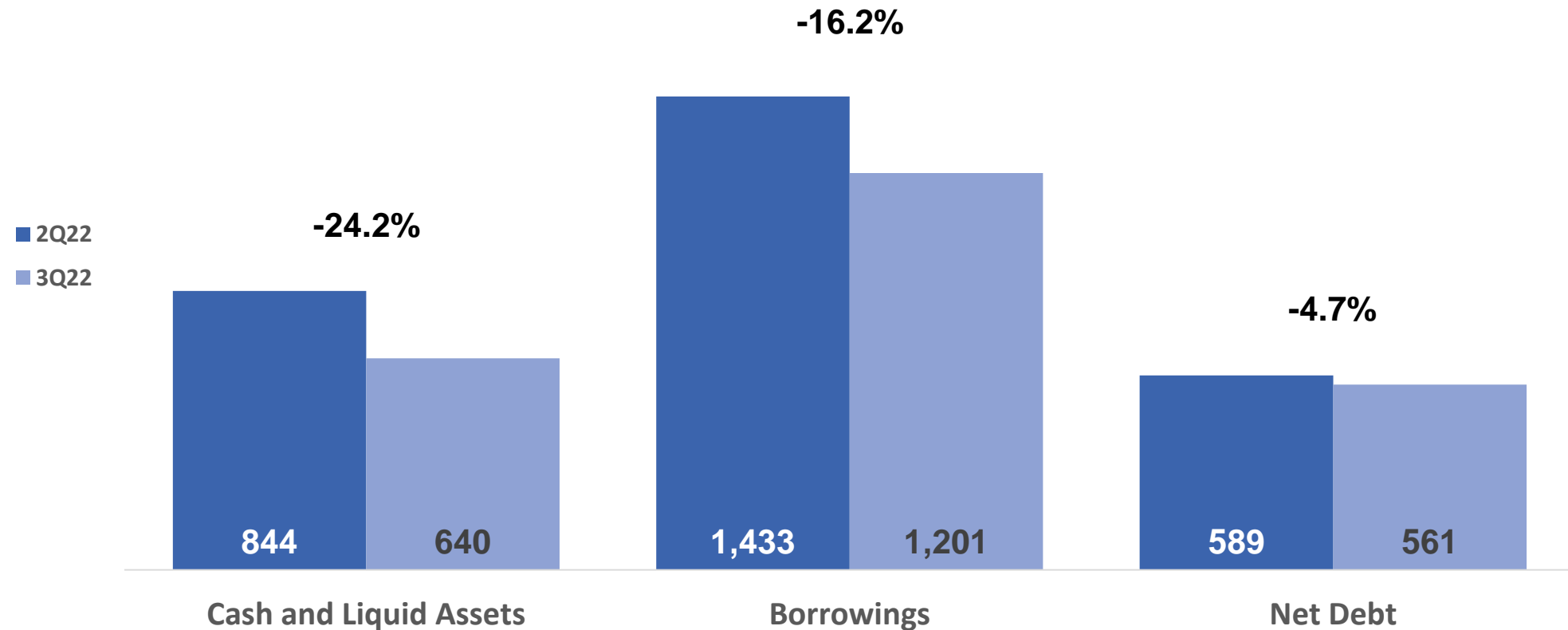


- Inventory turnover days went up as lower sales was recorded during the quarter.

# Liquidity Management

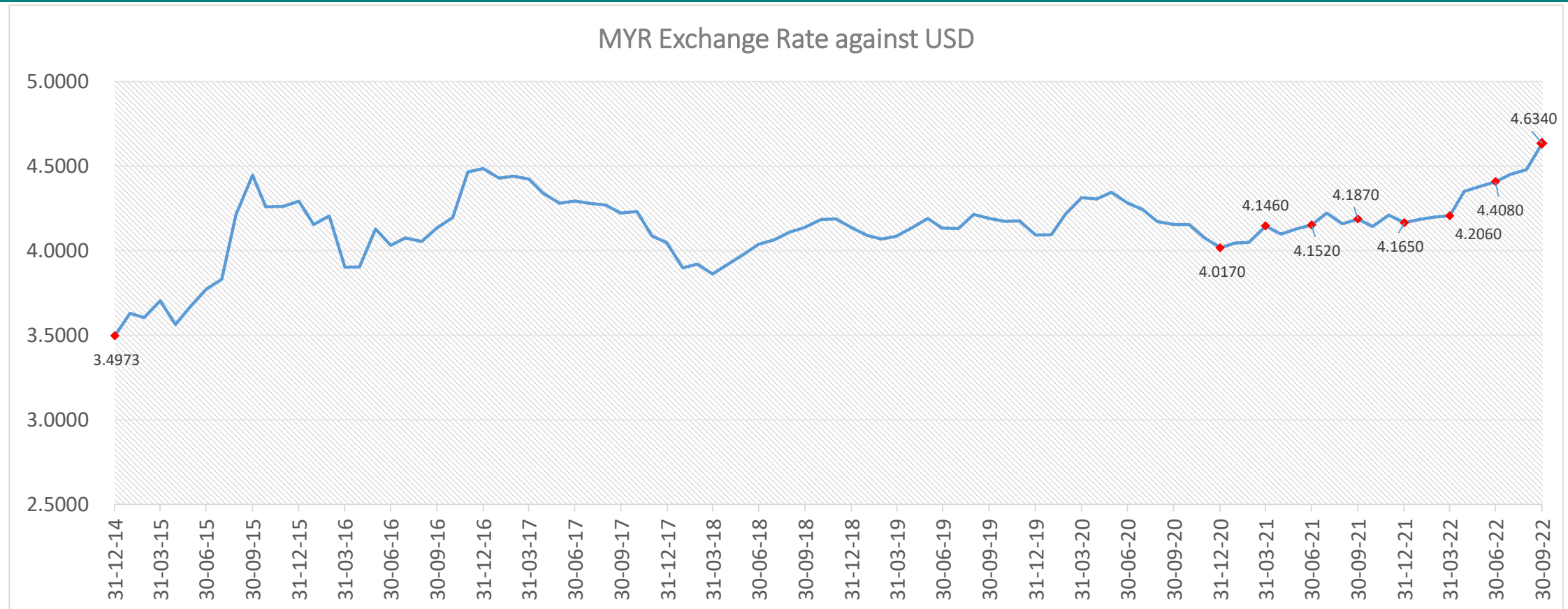


## Cash Balance & Borrowings (RM'Mil)



- Net gearing ratio further improved to 20.4% as at 30 September 2022.

# Foreign Exchange Management



Source: Bank Negara Malaysia

- Ringgit further depreciated during the quarter mainly due to the continued strengthening of the U.S. Dollar against all currencies, as the Dollar index soared to 20-years' high on the back of rising FED interest rate cycle.
- The Group continues to take diligent steps to monitor the foreign currency risk and manage our hedging activities prudently.

# Thank you



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

