



# TAN CHONG MOTOR HOLDINGS BERHAD

## 3Q FY2023 Financial Results

November 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.



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# New Nissan 3S Flagship Store, PJ



President and CEO of Nissan Motor Co., Ltd, Mr. Makoto Uchida officiates the Grand Opening of the New Nissan 3S Flagship Store in PJ.



ETCM's Nissan 3S Flagship Store with new Nissan Retail Concept (NRC)



Nissan Global Award 2023  
Region's Outstanding Performer  
in Sales and After-sales categories



# UD Trucks Launch Event



*Tan Chong Industrial Equipment (“TCIE”) and UD Trucks celebrated the 45th anniversary of business partnership*







## Model Launches



- The launch of Euro 5 UD Quester and Croner trucks upgraded line-up focuses on improving uptime, reducing fuel consumption, and offering reliable business workhorses.
- These upgrades minimise the vehicle's environmental impact and enhancing the truck ownership's economic viability.

## Starting Production in Vietnam



TQ-Wuling N300P



King Long Euro 5 Bus

## Subscription



1 Brand  
4 Models  
15 Plans



Various Brands &  
Models  
7 Standard Plans

- Largest car subscription company in Malaysia with more than 3,000 fleet.
- Subscription demand remains robust with high utilisation rate at above 80%.
- Experienced EV program with models, i.e. Tesla model Y, Nissan Leaf & etc.
- GoEV has partnered 3 largest CPOs in Malaysia (Gentari / JomCharge, ChargeEV and Shell Recharge) to enable the integration of the charging network to our GoCar app.



# **3Q FY2023 Financial Highlights & Results**

# Key Performance Indicators



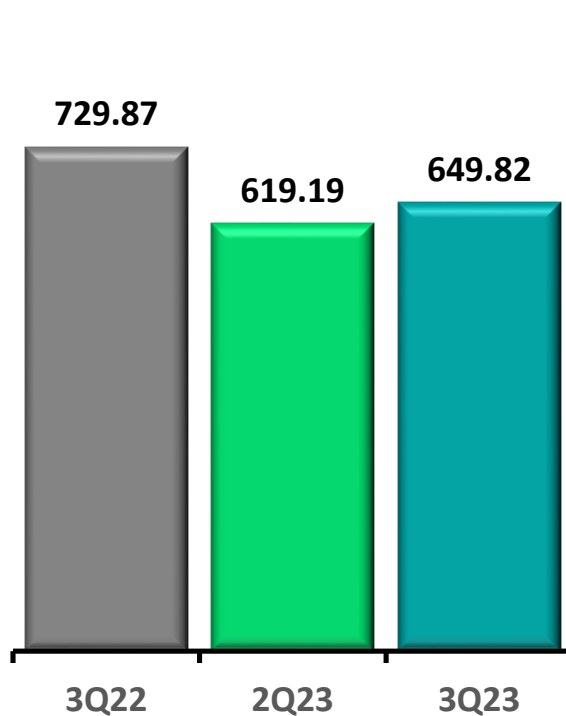
(RM'million, unless otherwise stated)

Y-o-Y

Q-o-Q

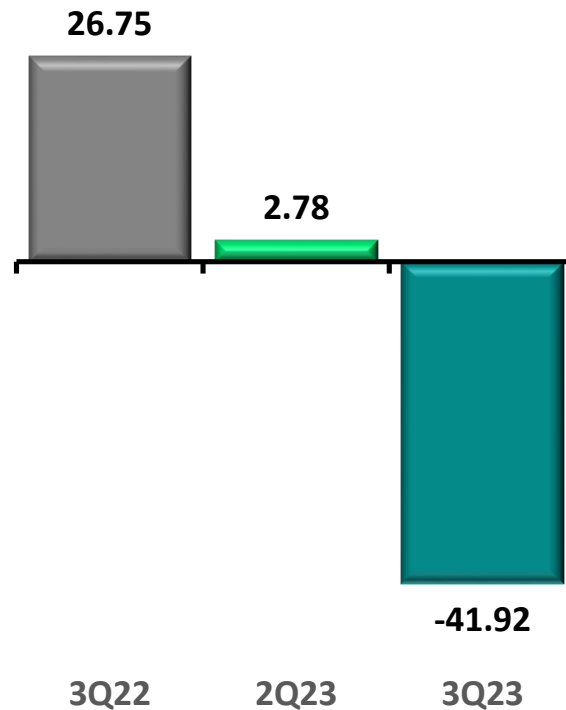
## Revenue

-11.0%  
+4.9%



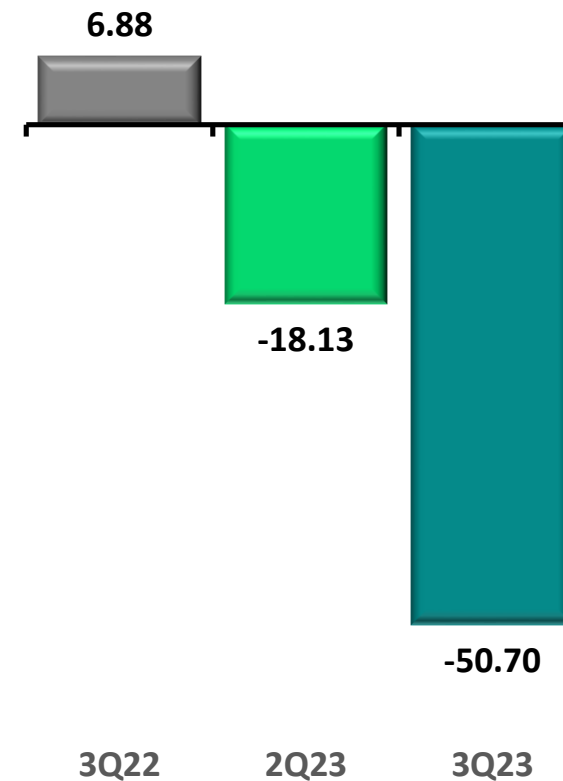
## Operating Profit / (Loss)

> -100%  
> -100%



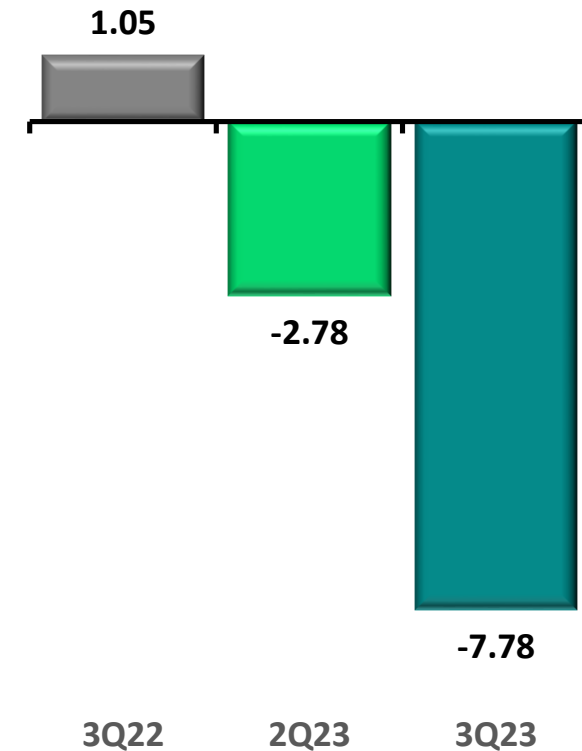
## Profit / (Loss) Attributable to Owners of the Company

> -100%  
> -100%



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

> -100%  
> -100%





# QoQ Financial Review



In RM'000	2Q23	3Q23	% Change
Revenue	619,191	649,820	4.9%
Operating Profit / (Loss)	2,776	(41,923)	> -100%
Loss before Tax	(8,049)	(52,331)	> -100%
Loss Attributable to Owners of the Company	(18,134)	(50,696)	> -100%
Loss per Share (Sen)	(2.78)	(7.78)	> -100%
Shareholders' Funds	2,848,136	2,789,471	-2.1%
Net Assets per Share (RM)	4.37	4.28	-2.1%

- Financial performance (QoQ) was negatively affected, attributable to a net forex loss of RM6.2mil arising due to stronger USD during the quarter, compared to net forex gain of RM35mil in Q2'23.
- Financial position remains strong with shareholders' funds stood around RM2.8bil as at end of the quarter.

# YoY Financial Review



In RM'000	YTD 30-Sep-22	YTD 30-Sep-23	% Change
Revenue	2,313,453	1,888,896	-18.4%
Operating Profit / (Loss)	54,907	(25,889)	> -100%
Profit / (Loss) before Tax	23,787	(57,831)	> -100%
Loss after Tax	(11,671)	(79,566)	> -100%
Loss Attributable to Owners of the Company	(6,399)	(73,895)	> -100%
Loss per Share (Sen)	(0.98)	(11.33)	> -100%

- A year-to-date LBT of RM57.8million was recorded, mainly due to lower sales, weaker Ringgit against USD and lower net forex gain.



# **3Q FY2023 Segmental Results**

# Segmental Performance



In RM'000	YTD 30-Sep-22	YTD 30-Sep-23	% Change
<b>Revenue</b>			
Automotive	2,254,049	1,786,549	-20.7%
Financial services	49,703	49,311	-0.8%
Other operations	9,701	53,036	> 100%
	2,313,453	1,888,896	-18.4%
<b>EBITDA</b>			
Automotive	76,715	41,220	-46.3%
Financial services	24,778	14,290	-42.3%
Other operations	77,030	42,411	-44.9%
	178,523	97,921	-45.1%
<b>EBITDA Margin</b>			
Automotive	3.4%	2.3%	
Financial services	49.9%	29.0%	
Other operations	> 100%	80.0%	
	7.7%	5.2%	



# Geographical Performance

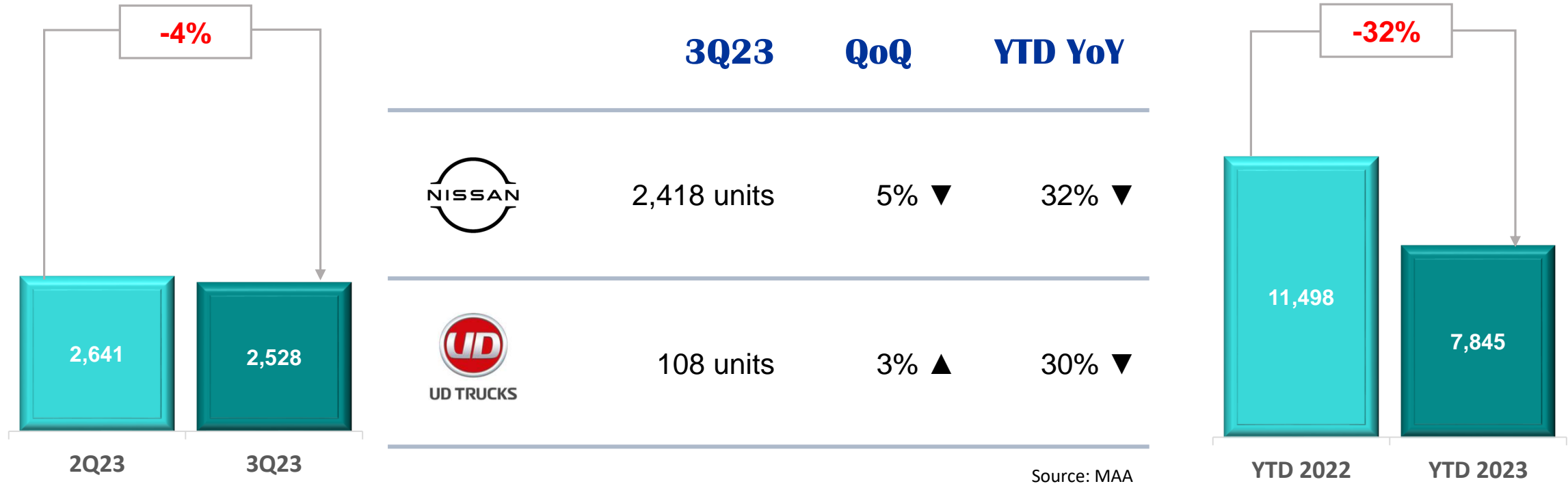


In RM'000	YTD 30-Sep-22	YTD 30-Sep-23	% Change
<b>Revenue</b>			
Malaysia	1,988,413	1,681,618	-15.4%
Vietnam	216,036	143,932	-33.4%
Others	109,004	63,345	-41.9%
	2,313,453	1,888,895	-18.4%
<b>EBITDA</b>			
Malaysia	213,606	135,496	-36.6%
Vietnam	(10,873)	(32,398)	> -100%
Others	(24,210)	(5,177)	78.6%
	178,523	97,921	-45.1%
<b>EBITDA Margin</b>			
Malaysia	10.7%	8.1%	
Vietnam	-5.0%	-22.5%	
Others	-22.2%	-8.2%	
	7.7%	5.2%	



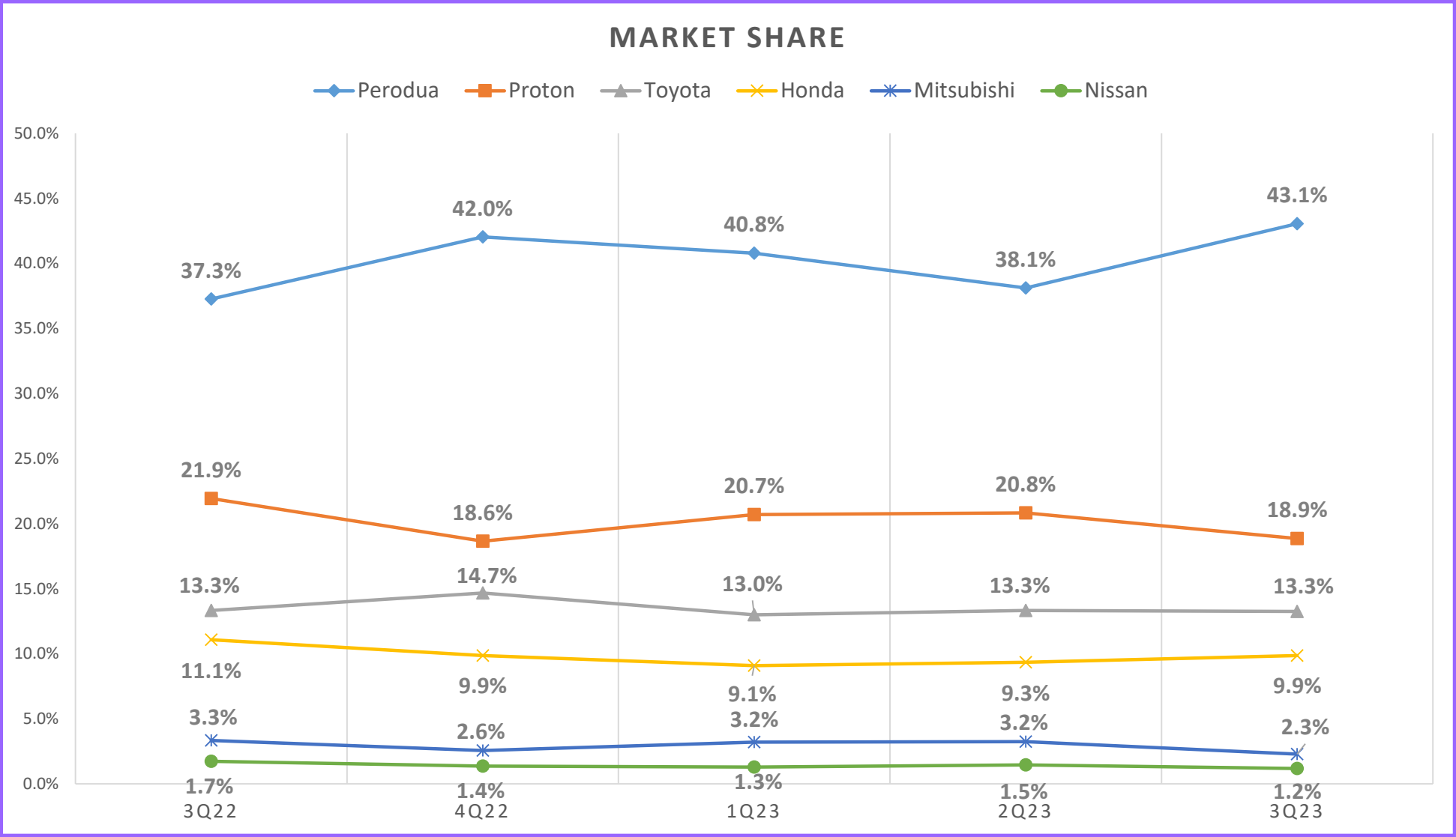
# **3Q FY2023 Sales Performance**

# Sales Performance - Malaysia



- QoQ -4% & YoY -32% :  
Lower sales in 3Q23, largely due to stiffer competition faced in the domestic market.
- The Group has launched the new UD Euro 5 Trucks, namely Quester and Croner trucks in October 2023, fuel-economy & cleaner emission models.

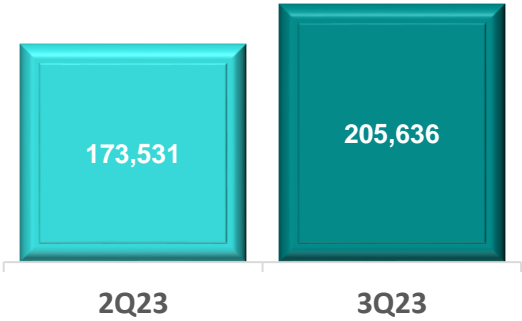
# Car Manufacturers' Market Share



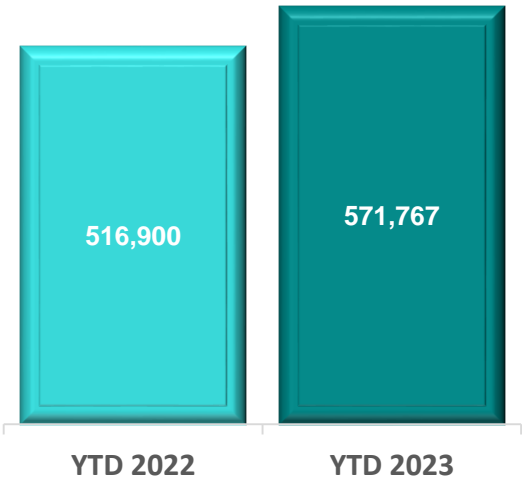
Source: MAA

TIV

QoQ: +19%

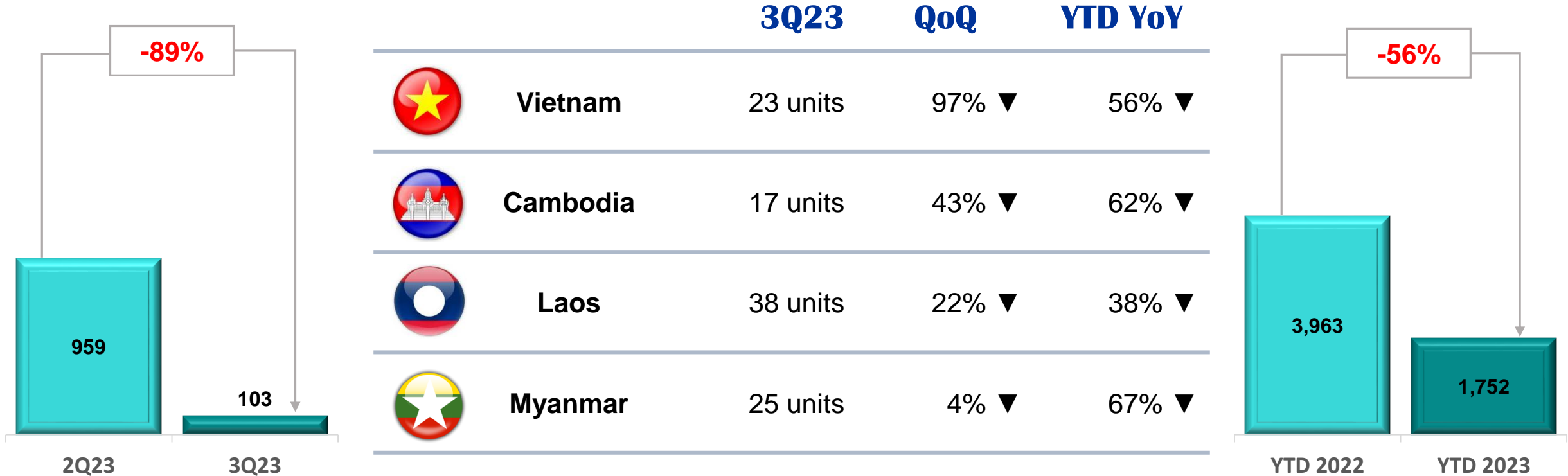


YoY: +11%





# Sales Performance - CLMV

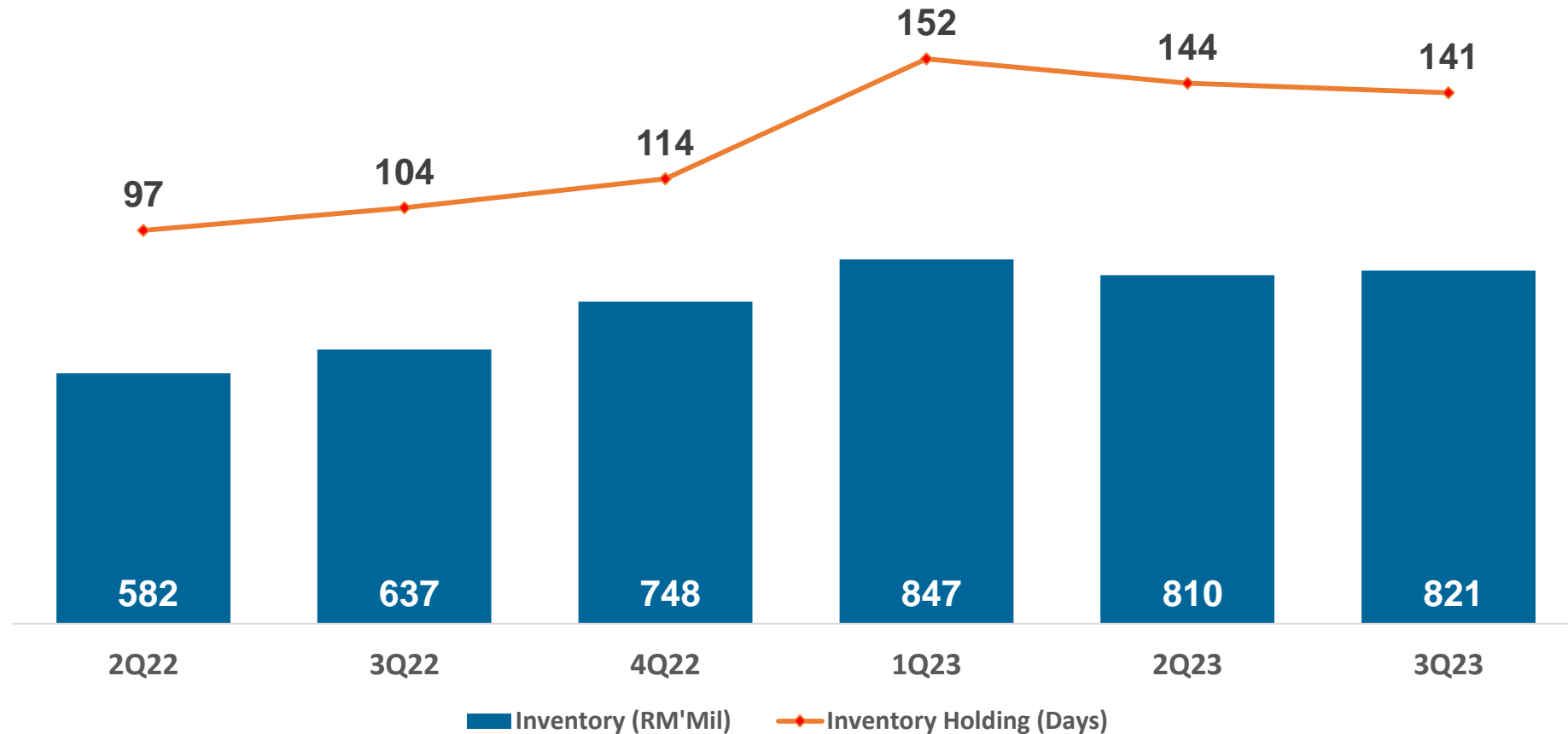


- Overall sales (YoY) in CLMV remain subdued, following the termination of MG sales in Vietnam and softer consumer sentiments driven by the challenging global economic environment.
- On 8 November 2023, the Group officially launched the N300P (a light truck licensed by SAIC-GM-Wuling) in Vietnam. This new model is assembled in the Danang plant under TQ brand and will be the Group's first foray into locally assembled commercial vehicle, which is one of the fastest growing segments in Vietnam.



# **3Q FY2023 Operation Review**

# Inventory Management

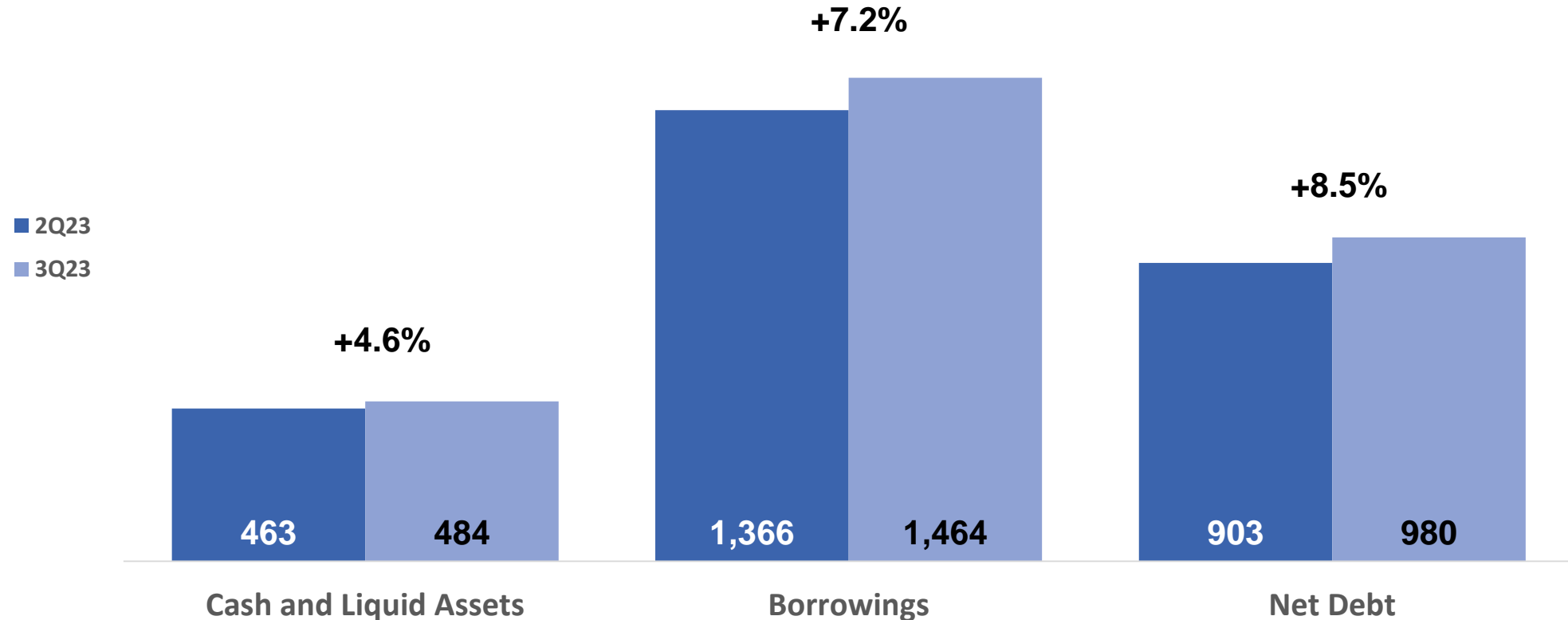


Inventory level and its holding days remain steady compared to last quarter.

# Liquidity Management



## Cash Balance & Borrowings (RM'Mil)



- Net gearing ratio higher at 35.1% 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.





## 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.



*Nissan Leaf*



*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 1,043,114MWh of green electricity and contributing to a reduction of 567,454 tonnes of CO2 emissions to the environment (or equivalent to reducing 123,359 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 CO2 emissions in FY2022.



# Thank you



DISCOVER  
EXCITEMENT

**SERENA**  
NEW **J** **IMPUL**

