



TAN CHONG MOTOR HOLDINGS BERHAD

4Q FY2022 Financial Results

February 2023

Brands:





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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.



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4Q FY2022 Financial Highlights & Results

Key Performance Indicators



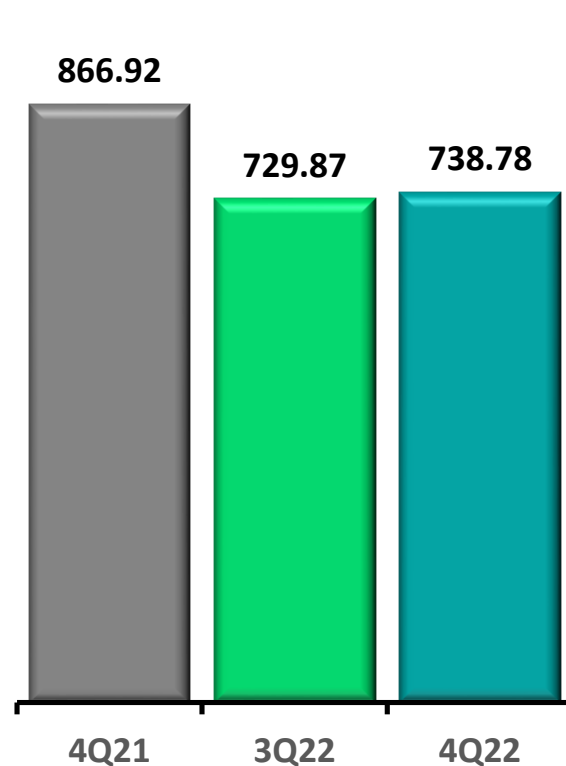
(RM'million, unless otherwise stated)

Y-o-Y

Q-o-Q

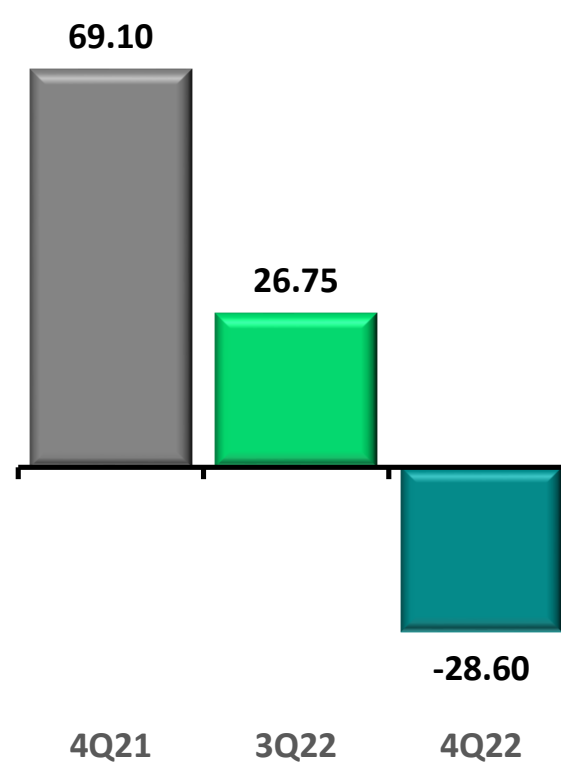
Revenue

-14.8%
+1.2%



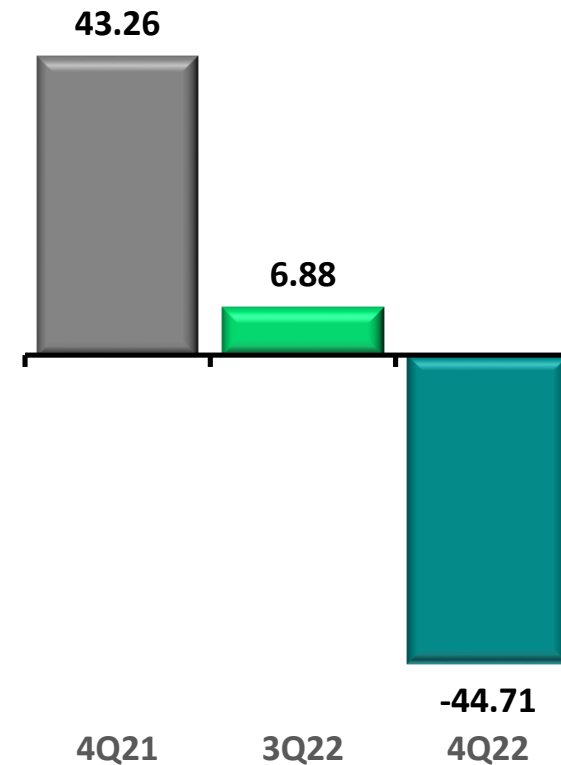
Operating Profit / (Loss)

> -100%
> -100%



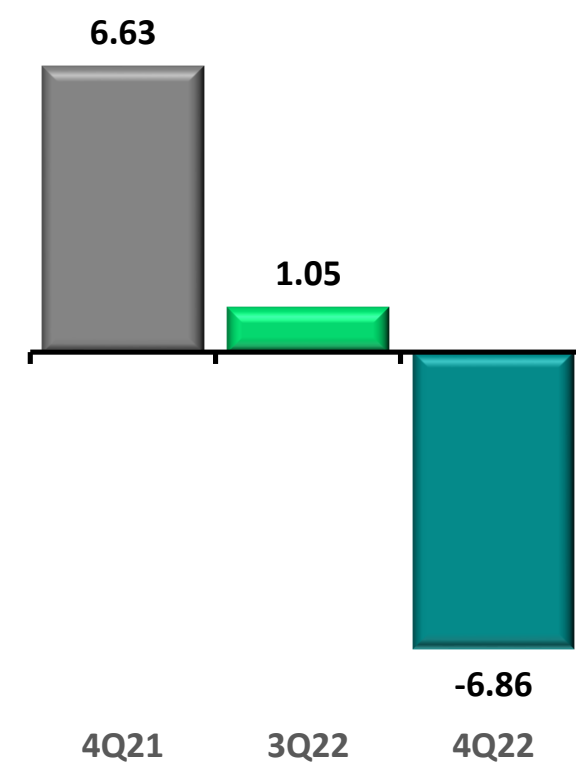
Profit / (Loss) Attributable to Owners of the Company

> -100%
> -100%



Earnings / (Loss) per Share (Sen)

> -100%
> -100%



QoQ Financial Review



In RM'000	3Q22	4Q22	% Change
Revenue	729,872	738,782	1.2%
Operating Profit / (Loss)	26,748	(28,602)	> -100%
Profit / (Loss) before Tax	15,727	(37,952)	> -100%
Profit / (Loss) Attributable to Owners of the Company	6,878	(44,711)	> -100%
Earnings / (Loss) per Share (Sen)	1.05	(6.86)	> -100%
Shareholders' Funds	2,752,558	2,923,003	6.2%
Net Assets per Share (RM)	4.22	4.48	6.2%

- Decrease in Profitability (QoQ) attributable to higher foreign exchange loss in the current quarter under review.

YoY Financial Review



In RM'000	YTD 31-Dec-21	YTD 31-Dec-22	% Change
Revenue	2,537,307	3,052,235	20.3%
Operating Profit	63,884	26,305	-58.8%
Profit / (Loss) before Tax	19,134	(14,165)	> -100%
Loss after Tax	(20,216)	(54,861)	> -100%
Loss Attributable to Owners of the Company	(15,417)	(51,110)	> -100%
Loss per Share (Sen)	(2.36)	(7.84)	> -100%
Dividend per Share (Sen)	1.50	3.00	100.0%

- Without factoring in the unfavourable forex rate and the one-off compensation for litigation in Cambodia, the Group recorded a healthy PBT for the period under review.



4Q FY2022 Segmental Results

Segmental Performance



In RM'000	YTD 31-Dec-21	YTD 31-Dec-22	% Change
Revenue			
Automotive	2,456,235	2,972,210	21.0%
Financial services	69,595	66,368	-4.6%
Other operations	11,477	13,657	19.0%
	2,537,307	3,052,235	20.3%
EBITDA			
Automotive	128,587	132,875	3.3%
Financial services	31,861	27,493	-13.7%
Other operations	51,136	29,812	-41.7%
	211,584	190,180	-10.1%
EBITDA Margin			
Automotive	5.2%	4.5%	
Financial services	45.8%	41.4%	
Other operations	> 100%	> 100%	
	8.3%	6.2%	

Geographical Performance

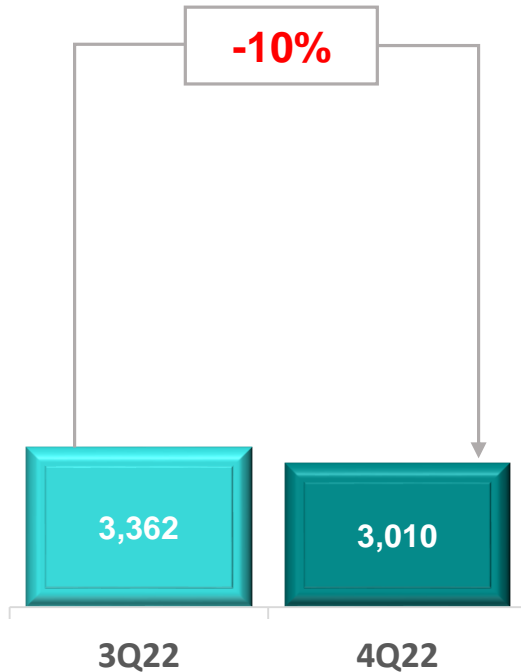


In RM'000	YTD 31-Dec-21	YTD 31-Dec-22	% Change
Revenue			
Malaysia	2,143,358	2,601,848	21.4%
Vietnam	261,232	320,043	22.5%
Others	132,717	130,344	-1.8%
	2,537,307	3,052,235	20.3%
EBITDA			
Malaysia	220,551	227,291	3.1%
Vietnam	(2,812)	(8,434)	> -100%
Others	(6,155)	(28,677)	> -100%
	211,584	190,180	-10.1%
EBITDA Margin			
Malaysia	10.3%	8.7%	
Vietnam	-1.1%	-2.6%	
Others	-4.6%	-22.0%	
	8.3%	6.2%	

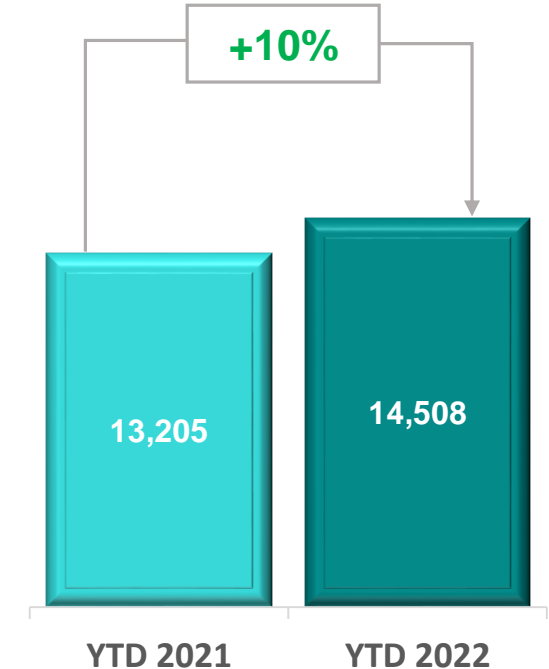


4Q FY2022 Sales Performance

Sales Performance - Malaysia



	4Q22	QoQ	YTD YoY
	2,802 units	13% ▼	12% ▲
	194 units	35% ▲	33% ▲



Source: MAA



- QoQ -10% : Lower sales in 4Q22, which was affected by the prolonged global supply chain disruptions from the principals.
- YoY +10% : Higher sales for YTD Dec'22 due to SST exemption extended until 30th June 2022. Production and sales operations improved as the economy moving out from pandemic lockdowns and enter into endemic phase in 2022.



Electric Vehicles (EVs)

- The Group will launch the latest version of the fully electrified Nissan Leaf in 1H2023.
- With regards to the National Budget 2023, the Group welcomes the government's announcement of further tax exemption on EV.
- The Group will continue play its part in driving up EV adoption in the country either through direct retailing or through subscription mode.



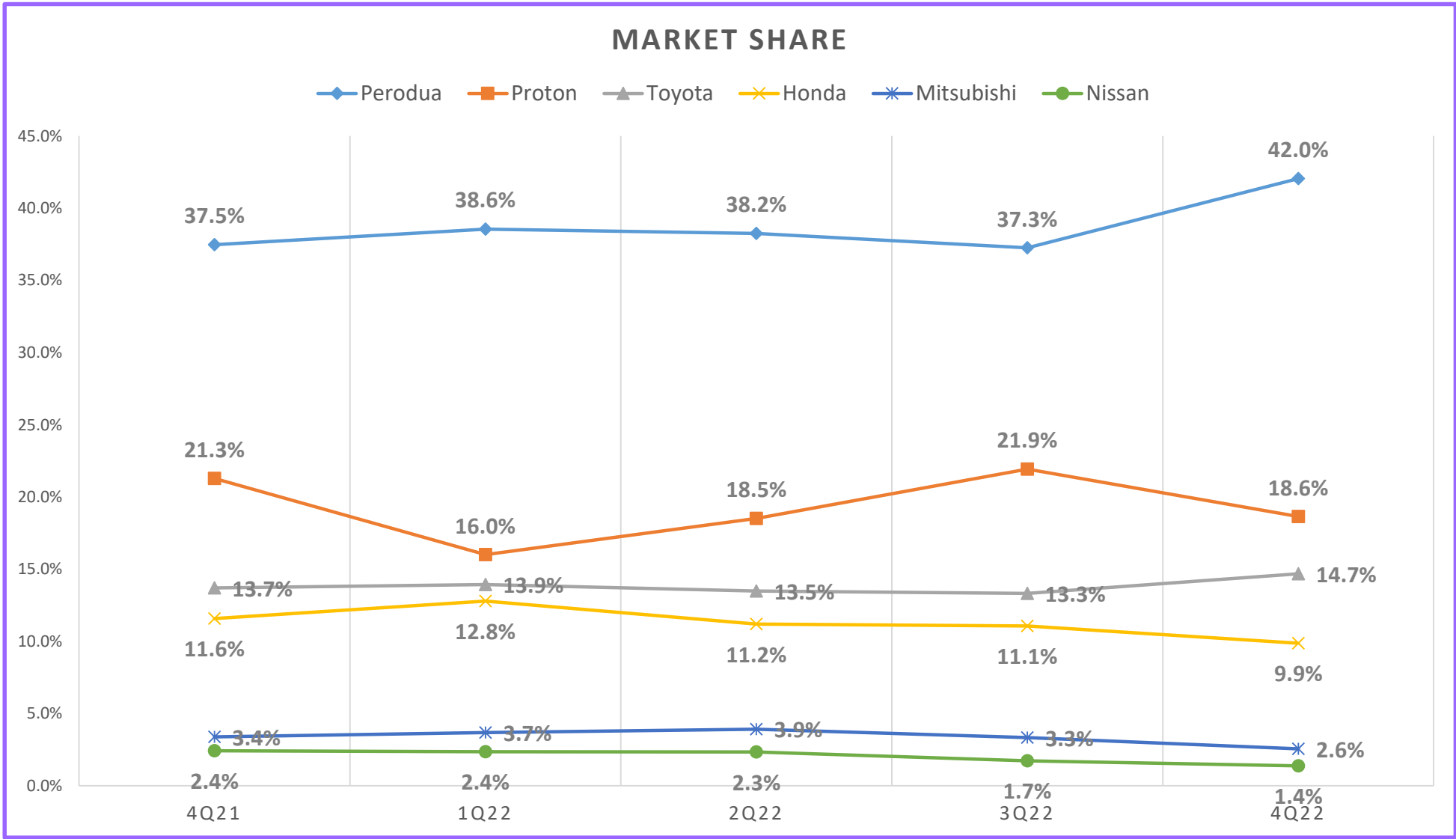
Renault Zoe launched

Large Scale Solar (LSS) Cycle 4

- Scheduled to meet the commissioning date of end December 2023 for the 20MW floating solar plant.
- Once completed, the solar plant is expected to supply 883,000MWh of green electricity and contributing to a reduction of 728,500 tonnes of CO₂ emissions to the environment.



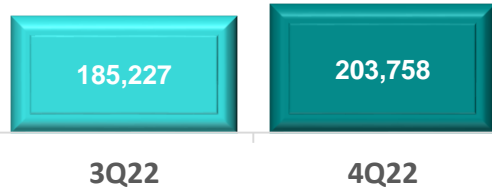
Car Manufacturers' Market Share



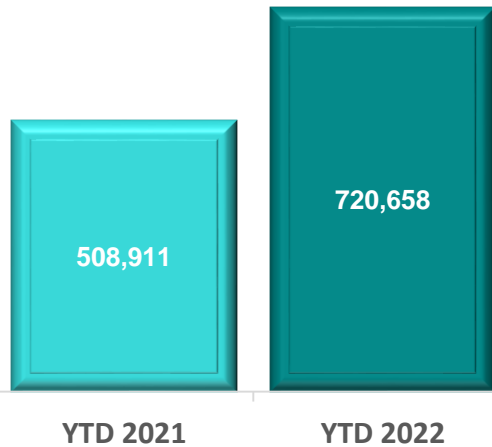
Source: MAA

TIV

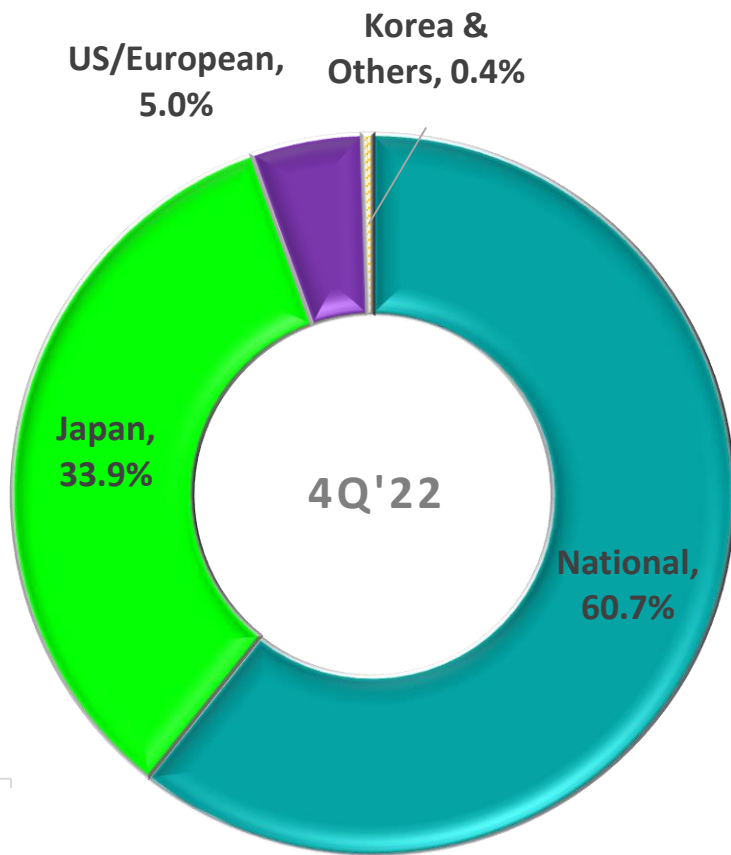
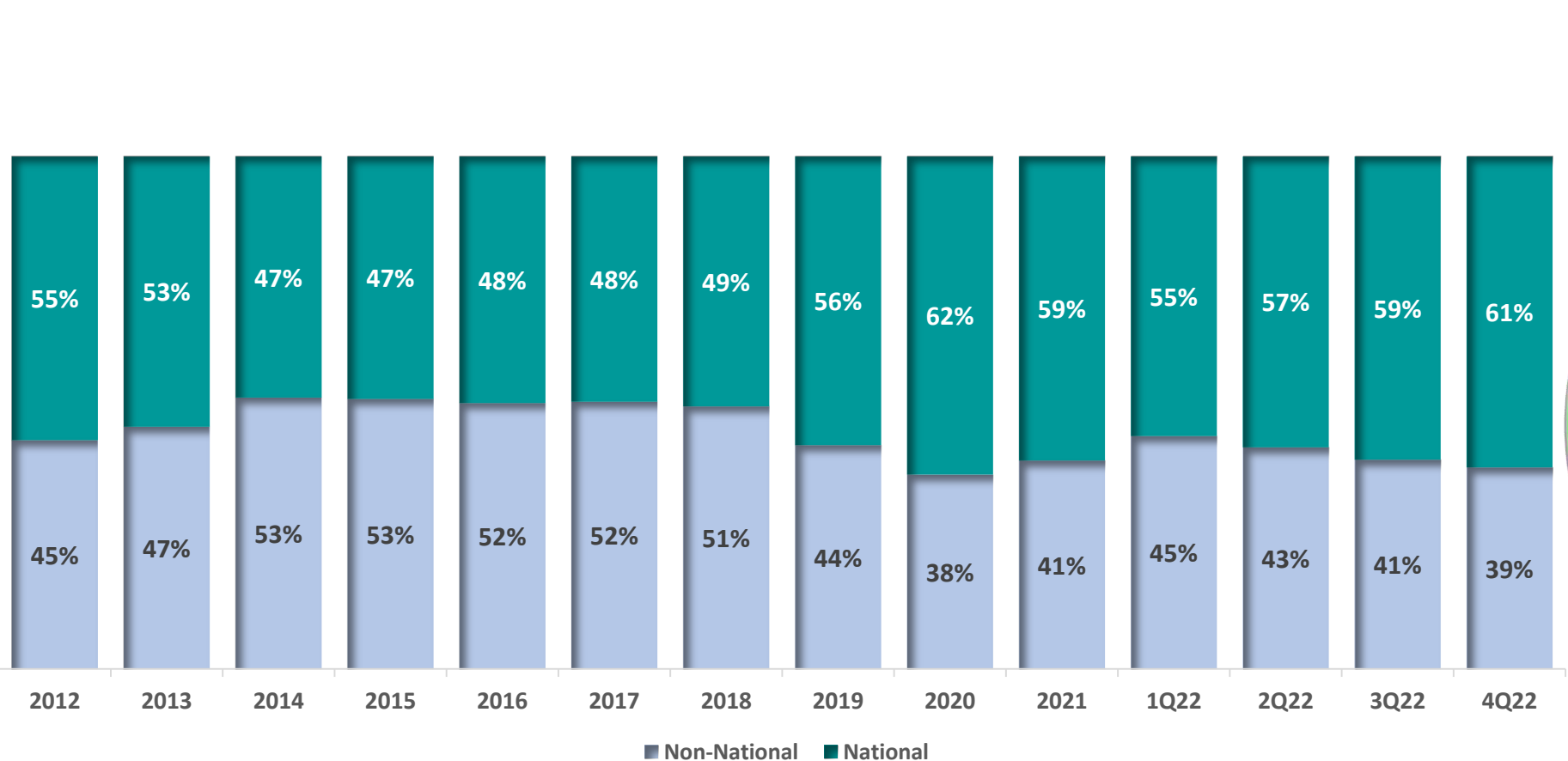
QoQ: +10%



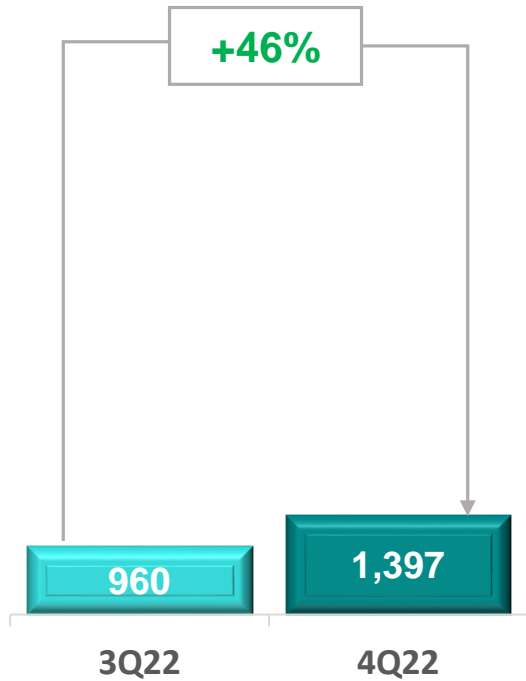
YoY: +42%







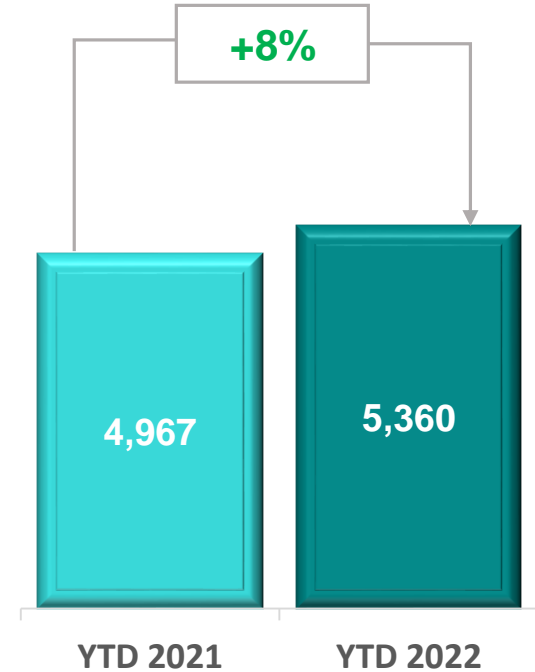
Market Share Analysis



Sales Performance - CLMV



		4Q22	QoQ	YTD YoY
	Vietnam	1,299 units	53% ▲	12% ▲
	Cambodia	20 units	43% ▼	0.4% ▼
	Laos	44 units	4% ▼	4% ▼
	Myanmar	34 units	21% ▲	21% ▼

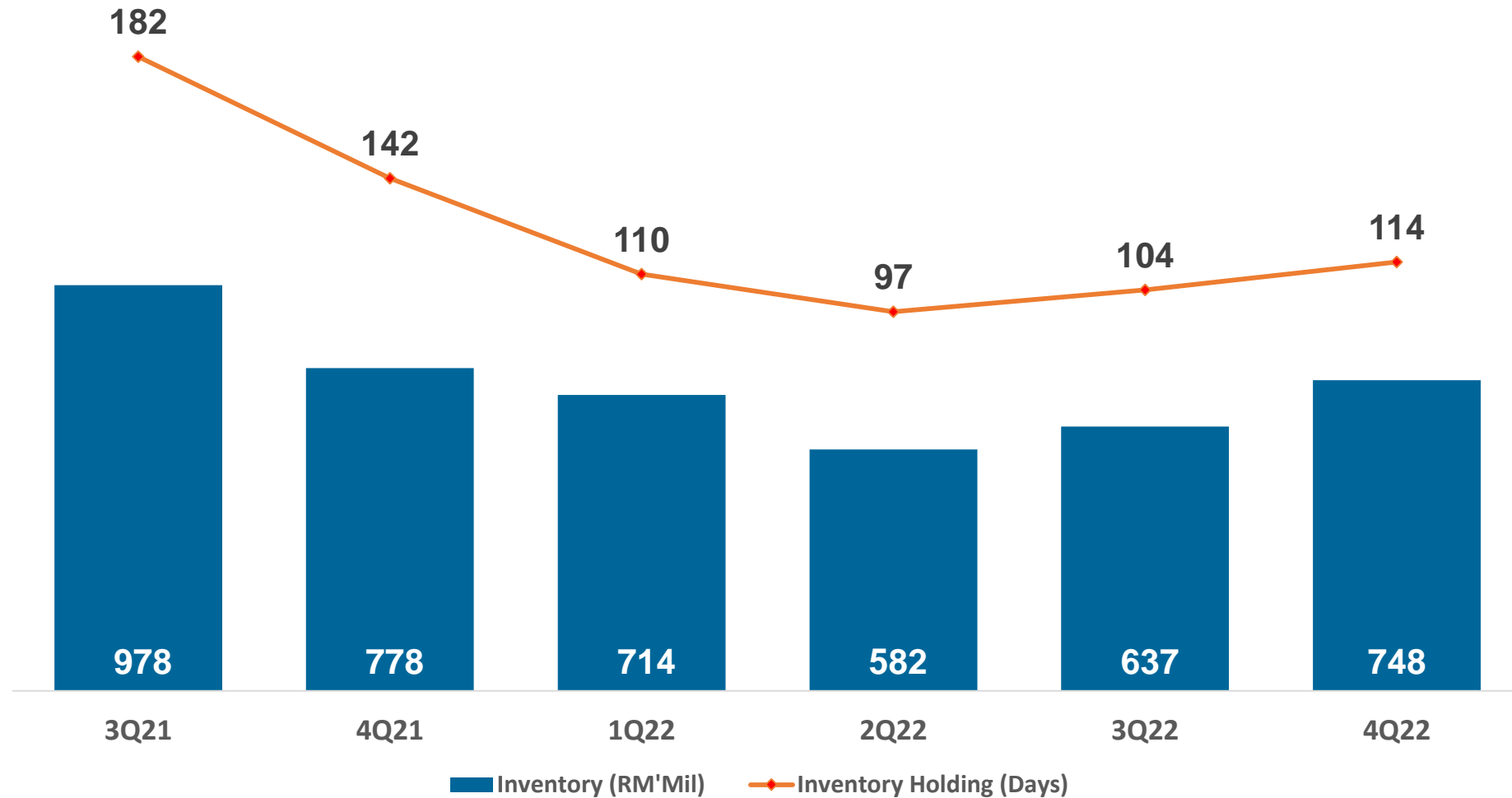


- QoQ +46%: Higher sales in Vietnam due to gradual improvement in supply chain issues.
- YTD sales in CLMV increased by 8%, attributable to higher sales on MG vehicles in Vietnam, partly offset by lower sales from Cambodia and Laos due to challenging economic conditions faced during the year driven by high inflation and softened consumer demands for big ticket items.



4Q FY2022 Operation Review

Inventory Management

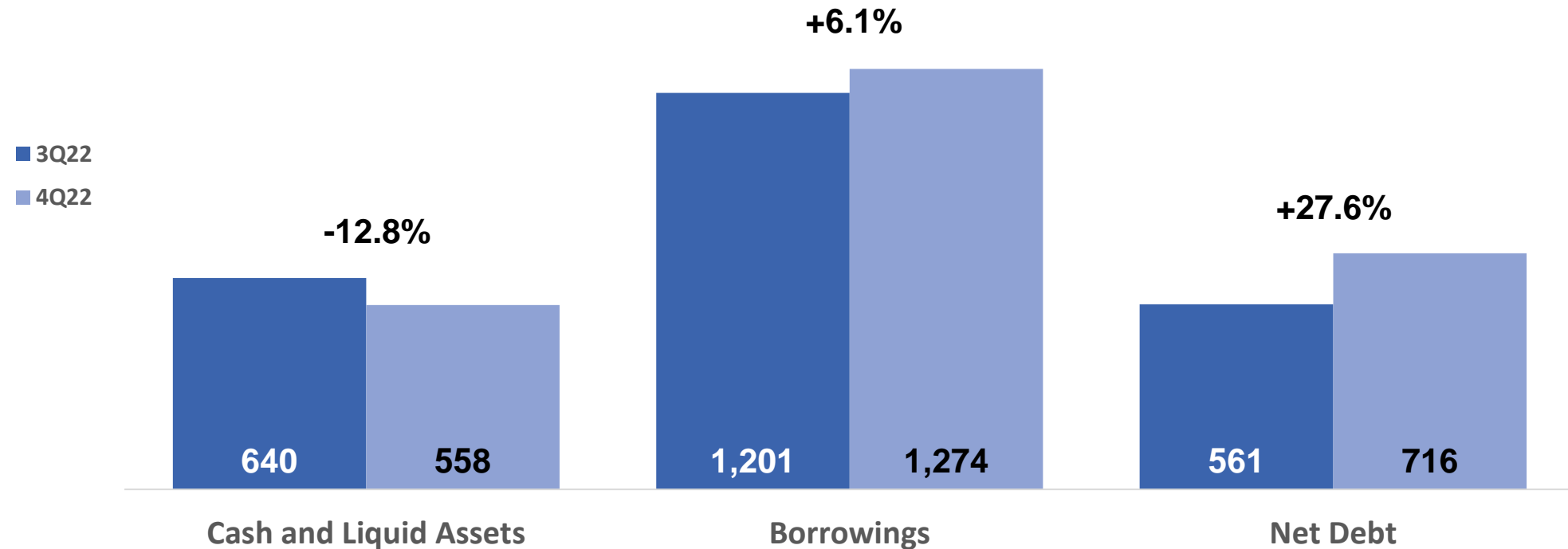


- The Group managed to maintain the inventory level below RM800 million since fourth quarter of year 2021.

Liquidity Management

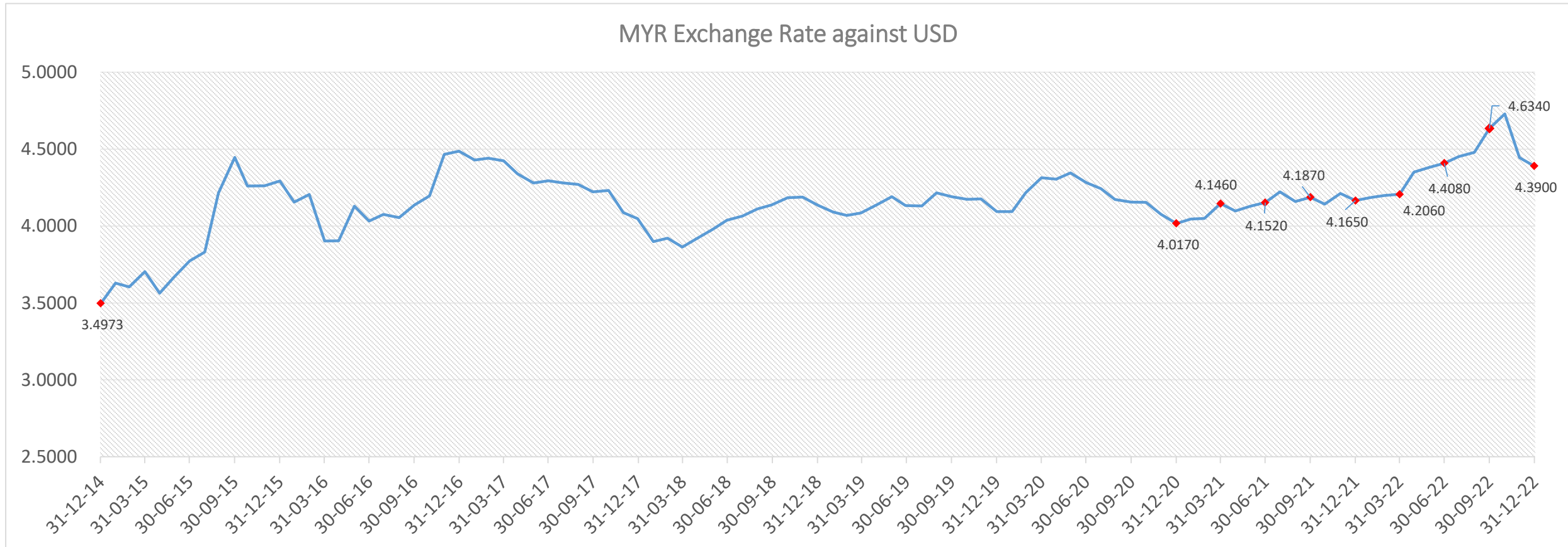


Cash Balance & Borrowings (RM'Mil)



- Increase in borrowings due to further drawdown was needed for working capital purposes.
- Net gearing ratio stood at 24.5% as at end of the quarter.

Foreign Exchange Management



Source: Bank Negara Malaysia

- Ringgit vs US Dollar appreciates during the quarter mainly due to the encouraging global development following the reopening of China's economy and greater domestic political certainty after 15th GE in Nov'22.
- The Group continues to take diligent steps to monitor the foreign currency risk and manage our hedging activities prudently.

Thank you



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MOBILITY

