

BUILDING ON SUCCESS

ANALYST BRIEFING

THURSDAY, 29 AUGUST 2024



MBM Resources Berhad
Registration No. 199301029757 (284496-V)





DISCLAIMER

The information and opinions contained in this presentation are provided as at the date of the document.

Certain statements in this presentation, particularly those regarding the future prospects of MBM Resources Berhad (“MBMR” or “the Company”), returns, pricing, acquisitions, divestments, industry growth or other trend projections are or may be forward-looking statements. These forward-looking statements are not historical facts, nor are guarantees of future performance. Such statements are based on current expectations and belief and, by their nature, are subject to a number of known and unknown risks and uncertainties which may cause actual results, prospects and developments of MBMR to differ materially from those expressed or implied by these forward-looking statements.

Except as required by any applicable law or regulation, MBMR expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this presentation to reflect any change in MBMR’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

All information in the presentation remain as the property of MBMR and may not be reproduced or recorded without prior written permission of the Company. Nothing contained in the presentation constitutes or shall be deemed to constitute an offer or invitation to invest in or otherwise deal in any shares or other securities of MBMR.

An aerial photograph of a cityscape. On the left, a tall, modern skyscraper with a blue facade and 'MBMR' logo at the top stands out. Below it, a multi-lane highway curves through the city. The background is filled with other high-rise buildings and greenery.

Agenda

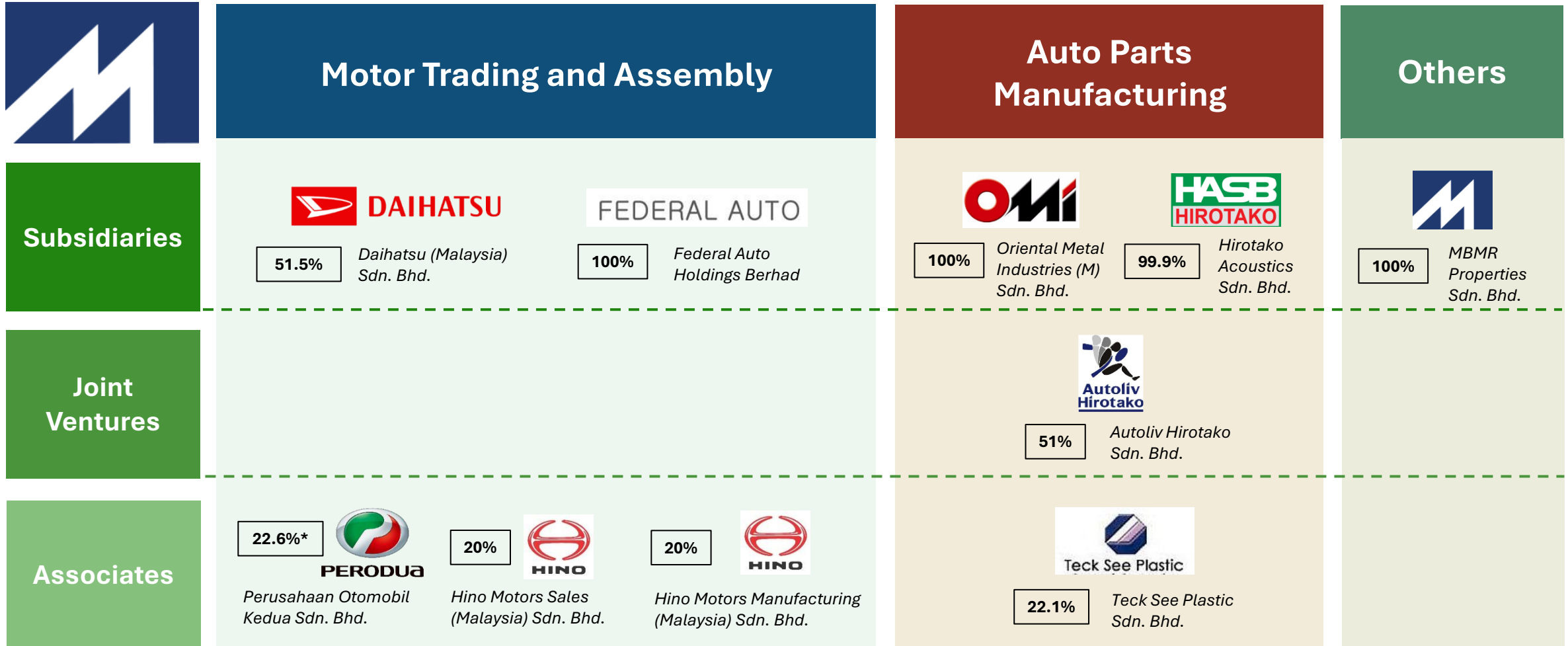
- 1) Our Group
- 2) Segmental Review
- 3) Group Financial Highlights
- 4) Sustainability
- 5) Conclusion



Our Group

Our Group

The Complete Automotive Group



*Effective shareholding via 20% held by MBMR and 5% held by Daihatsu (Malaysia)

Diagram is not exhaustive, does not include intermediate holding companies and dormant companies

Key Highlights



Q2 2024

for the financial year ending 31 Dec 2024

Revenue

RM569.2m (+5.5% y-on-y)

Return on Equity

3.2%

Group PBT*

RM80.4m (+30.2% y-on-y)

Dividend

6 Sen First Interim
10 Sen Special

PATAMI*

RM67.6m (+30.3% y-on-y)

YTD 30 Jun 2024

for the financial year ending 31 Dec 2024

Revenue

RM1,186.4m (+8.3%)

Return on Equity

6.9%

Group PBT*

RM175.4m (+12.9%)

Dividend

6 Sen First Interim
10 Sen Special

PATAMI*

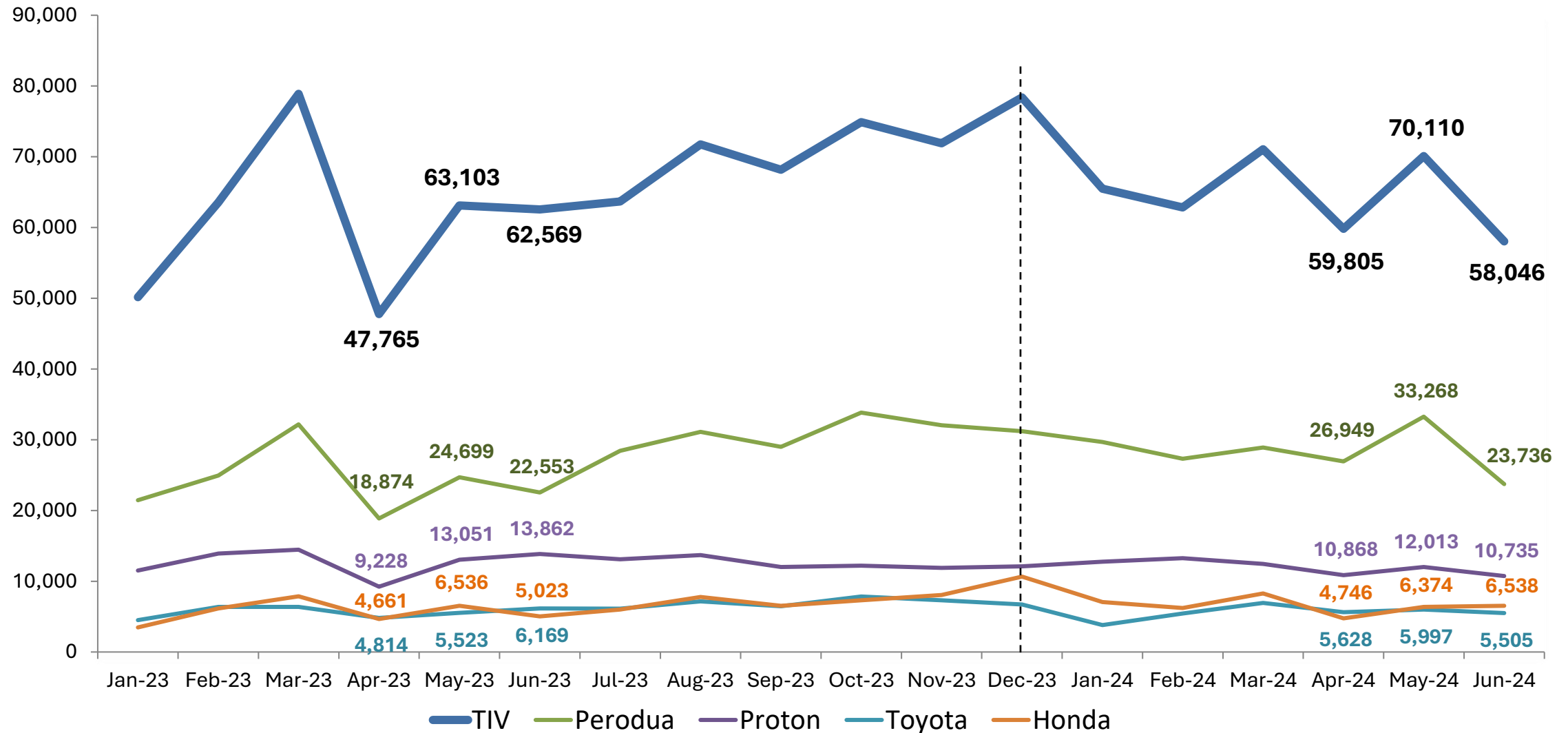
RM147.9m (+12.1%)

* Including share of joint venture and associates results.



Segmental Review: Motor Trading & Assembly

Market Performance



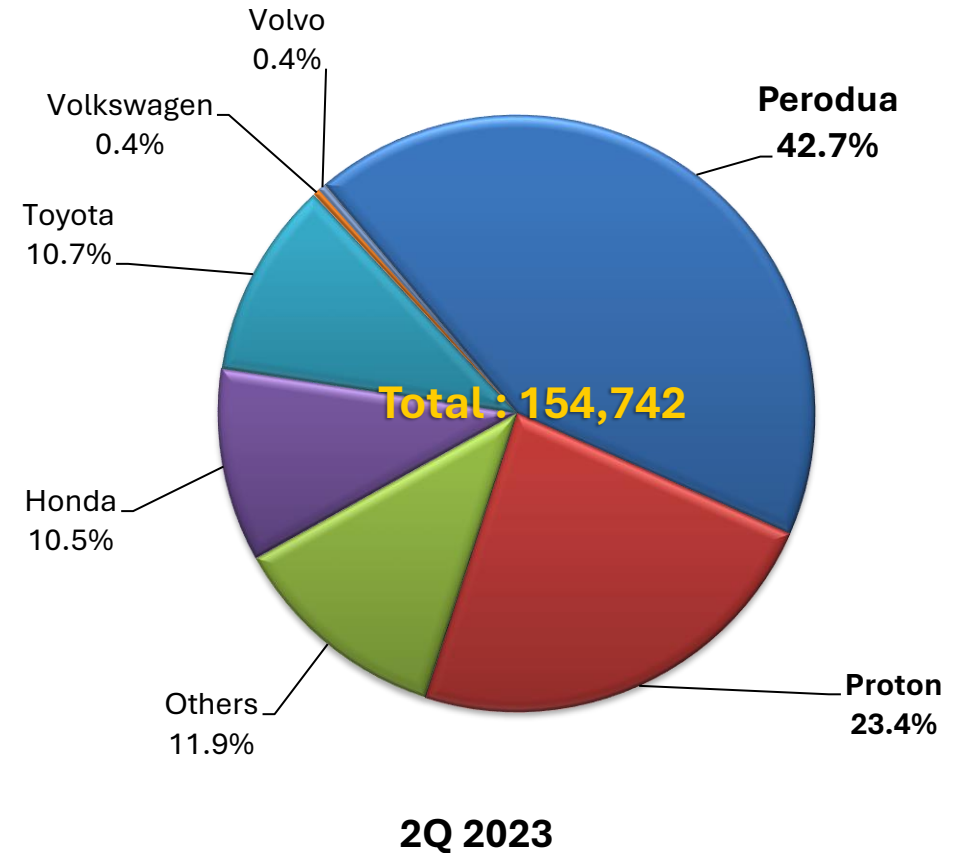
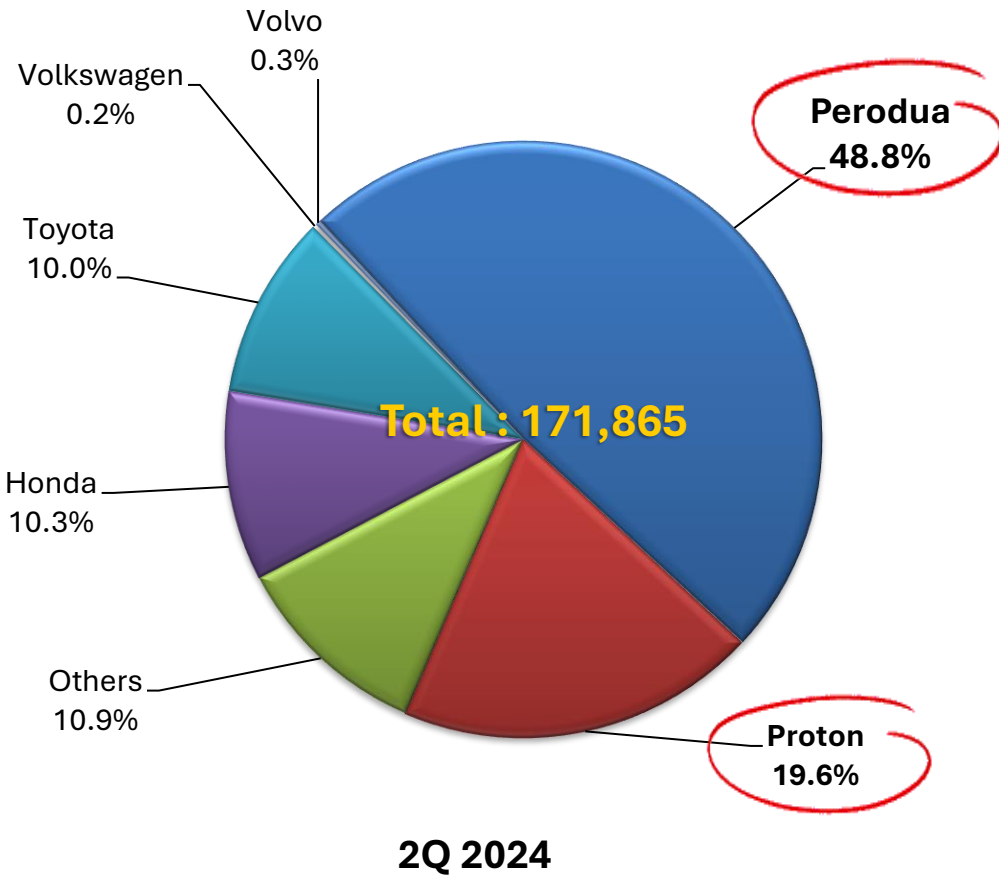
Source : Malaysian Automotive Association, 2023 – 2024 (Sales by Registration)



Market Performance

- Passenger Vehicles Market Share (Quarter)
(Sales by registration)

For Q2 '24, Perodua increased market share by 6.1%, mainly taken from Proton etc.



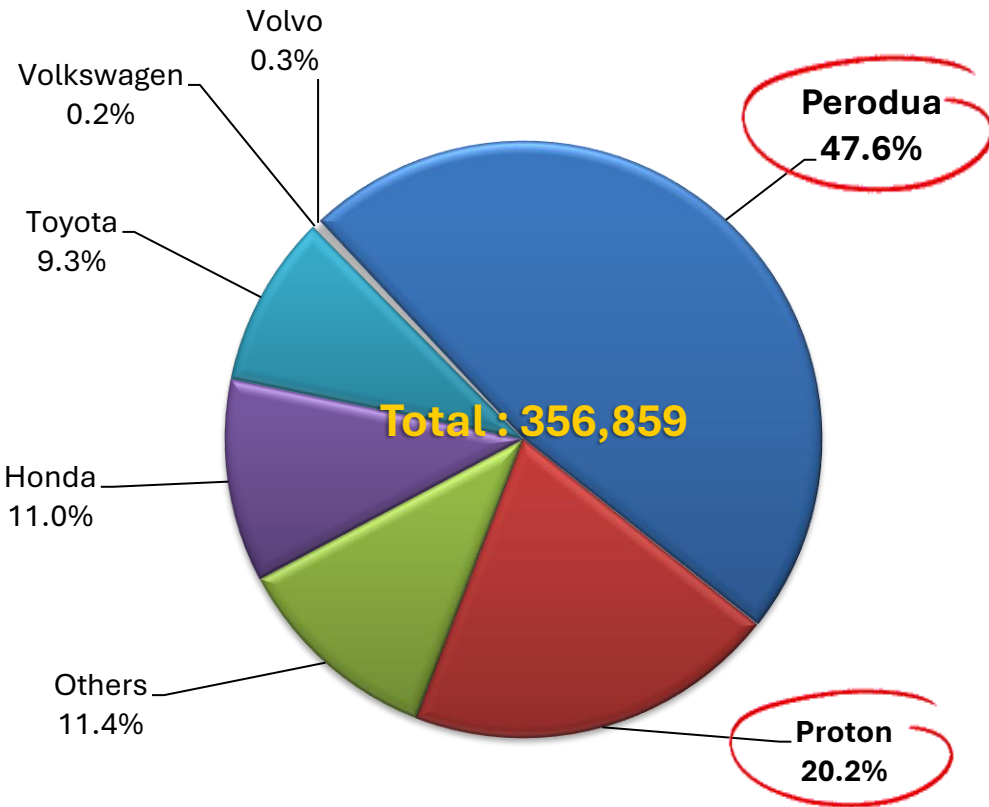
Source : Malaysian Automotive Association, 2023 - 2024



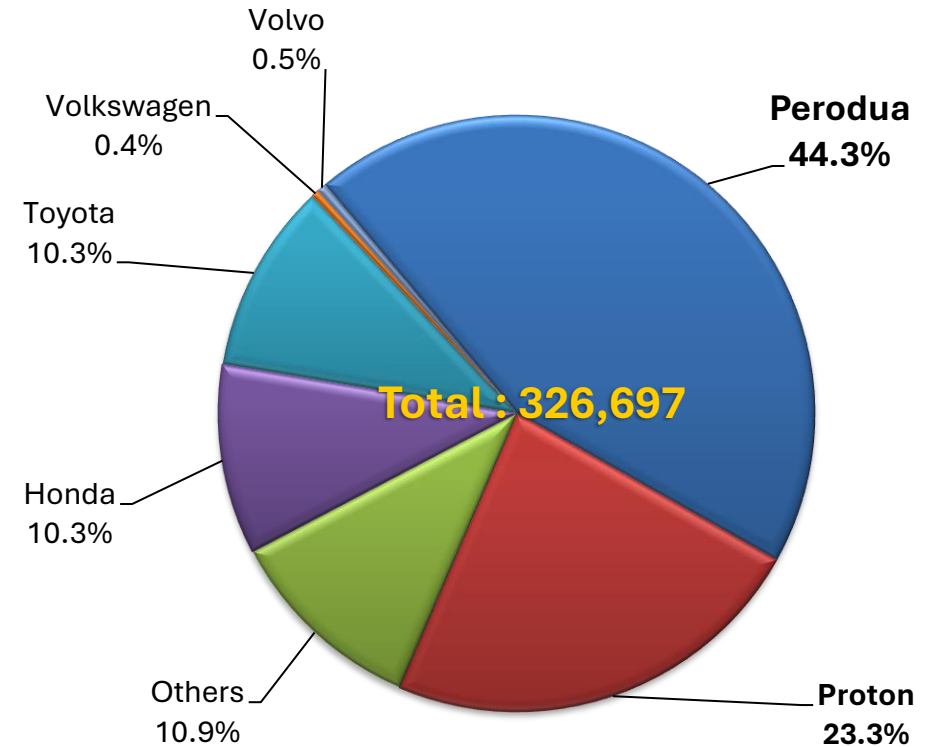
Market Performance

- Passenger Vehicles Market Share (YTD)
(Sales by registration)

YTD Perodua market share also increased by 3.3%



Jun 2024



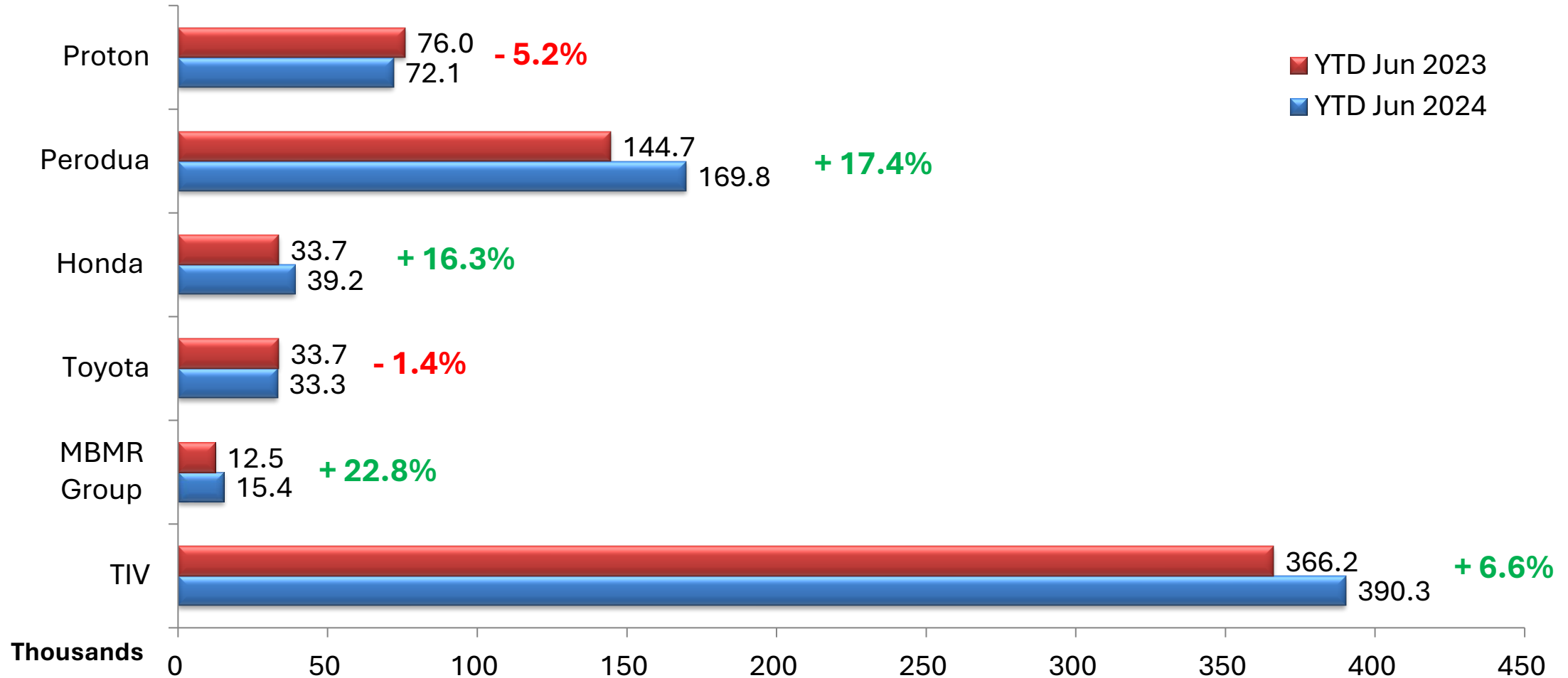
Jun 2023

Source : Malaysian Automotive Association, 2023 - 2024



Market Performance

- National Makes Performance – Sales by Registration (YTD)

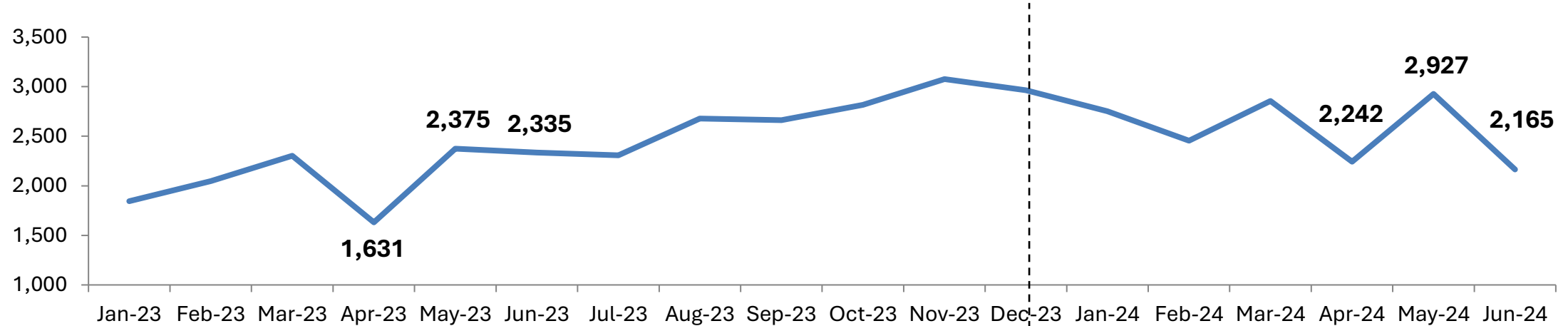


Source : Malaysian Automotive Association, 2023- 2024 (Sales by Registration)

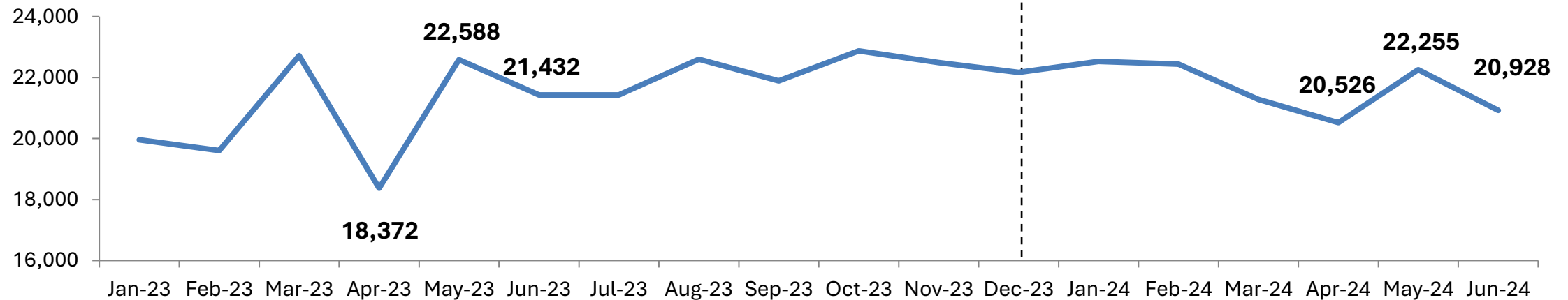
Group Vehicles Sold and Serviced



- Vehicle Sales in units, 2023 to 2024



- Service Throughput in units, 2023 to 2024

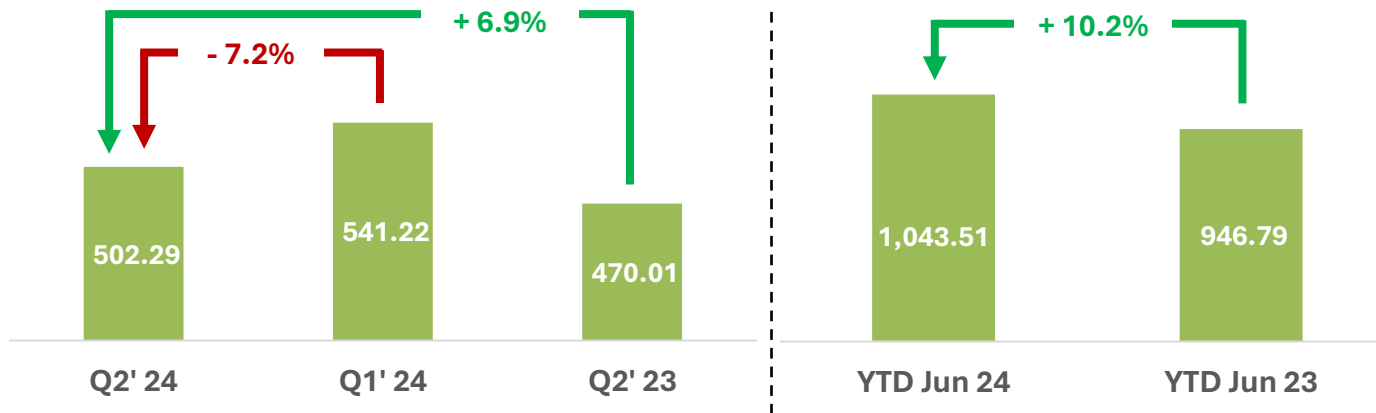




Financials

Motor Trading and Assembly

Revenue (RM Million)



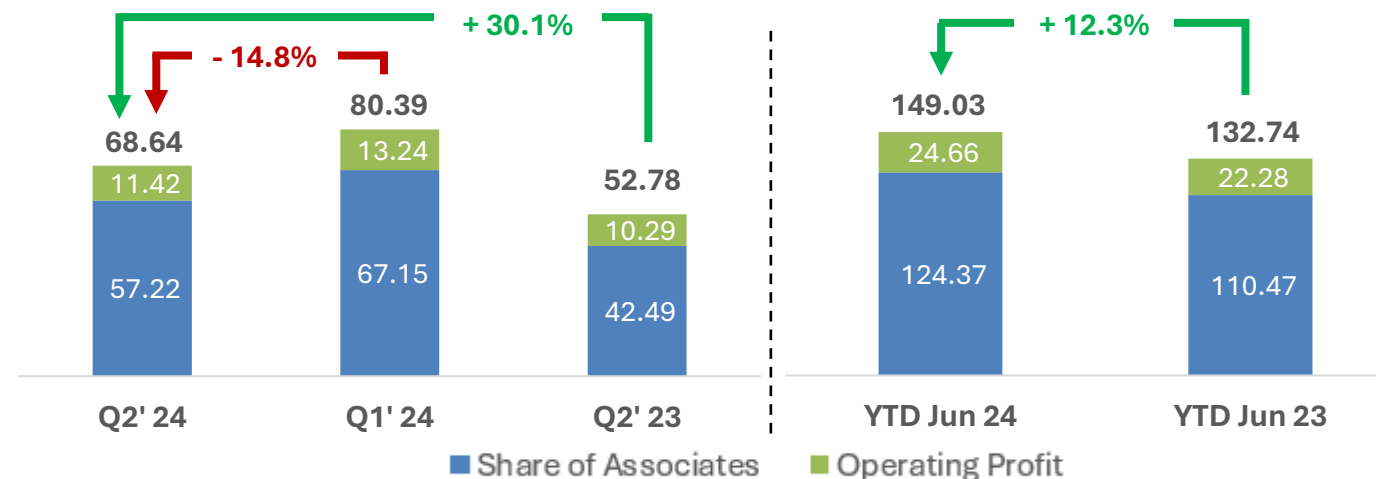
Quarter

- Revenue was higher compared with Q2 2023, driven by higher volume from our Perodua dealership (+19.8%), but offset by slower sales from Volvo and Volkswagen. Aftersales volume also showed an increase.
- Against Q1 2024, the lower revenue was anticipated due to lower vehicle supplies given the scheduled plants shutdowns by major OEM's in April and June 2024 to align with public holidays in both months.

Year to Date

- Revenue was higher compared with YTD Jun 2023, driven by higher volume from our Perodua dealership (+17.2%), but offset by slower sales from Volvo and Volkswagen. Aftersales volume also consistently improved.

Profit Before Tax (RM Million)



Quarter

- Profit before tax for the division was higher in Q2 2024 vs Q2 2023, mainly due to higher sales and production volume from associates. Operating Profit was 10.9% higher, in line with higher revenue.
- Against Q1 2024, PBT was lower in line with the scheduled plants shutdowns during Raya season.

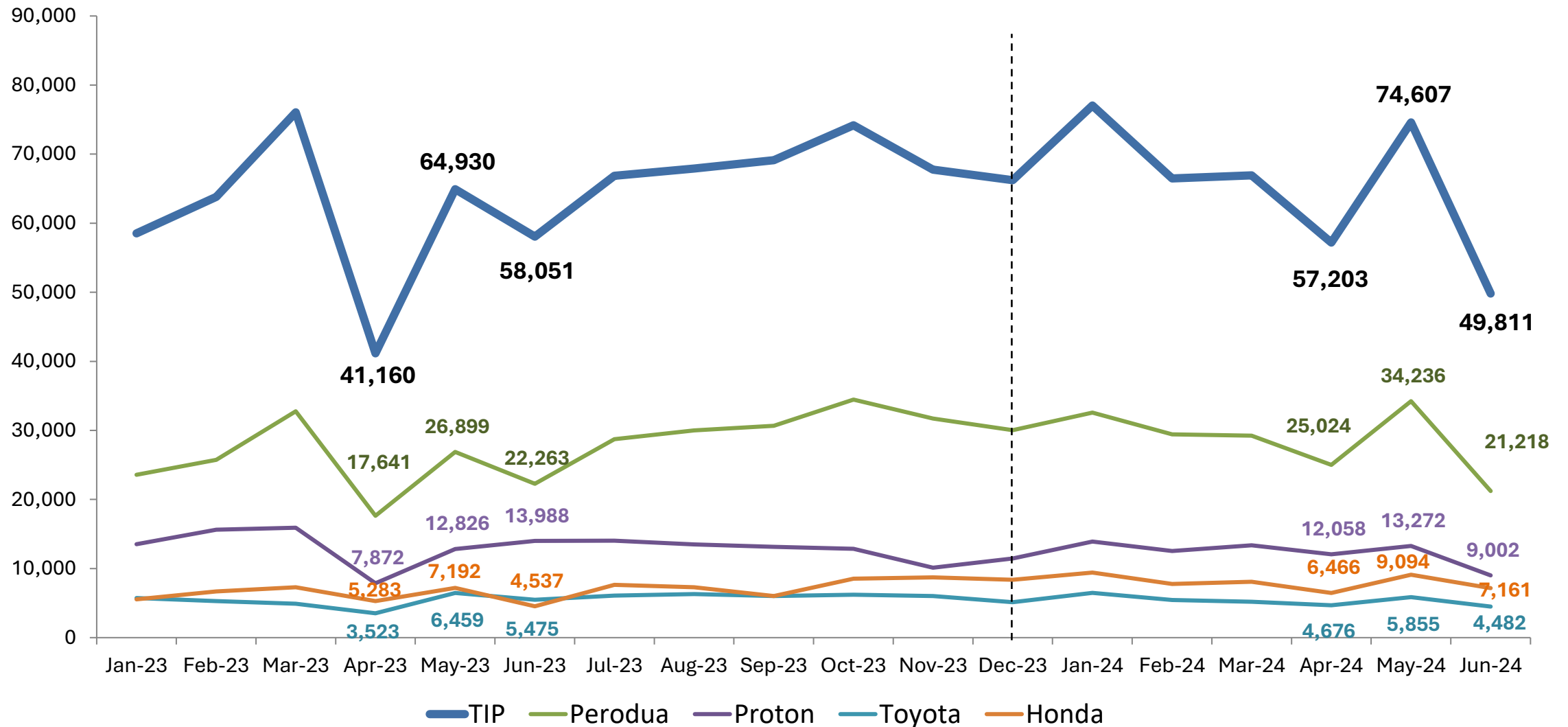
Year to Date

- Profit before tax for the division was higher in YTD Jun 2024 vs YTD Jun 2023, mainly due to higher sales and production volume from associates. Operating Profit was 10.7% higher, in line with higher revenue.



Segmental Review: Auto Parts Manufacturing

Market Performance

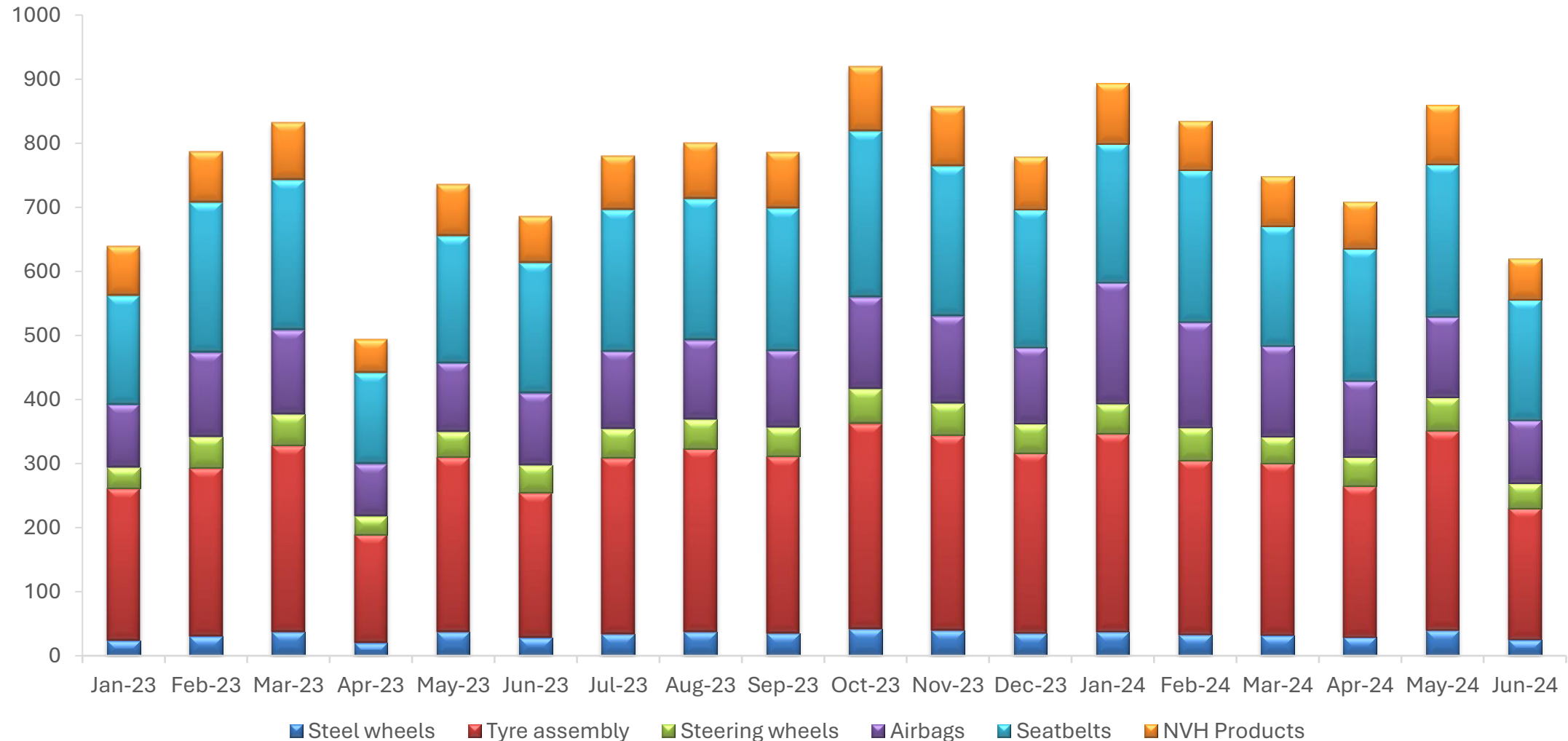


Source : Malaysian Automotive Association, 2023 – 2024 (Production Volume)

Group Auto Parts Sold



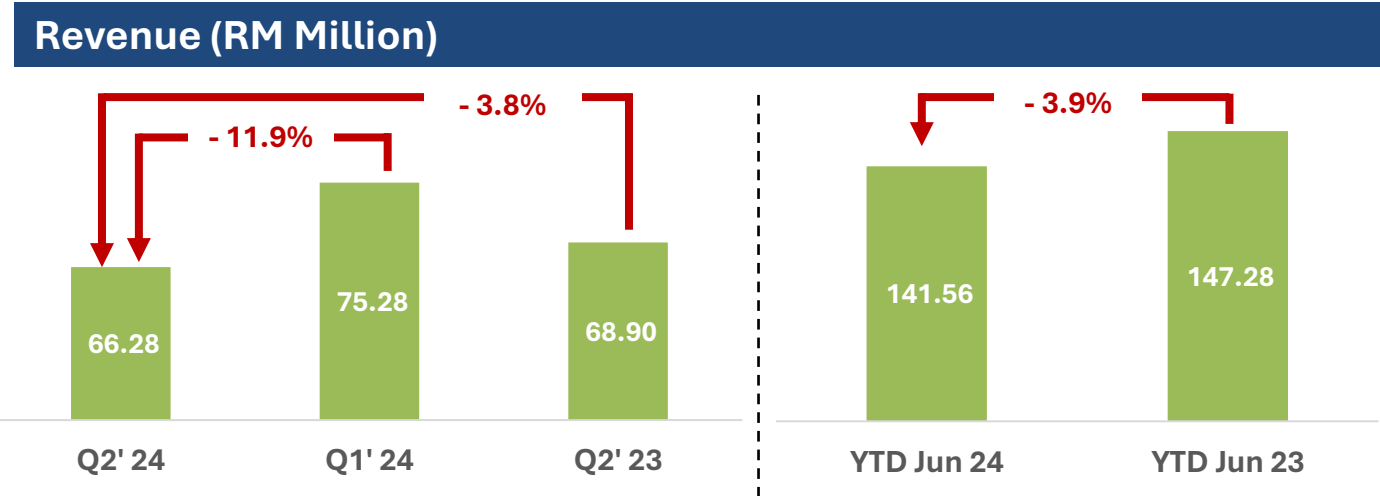
- Auto Parts Sold in units, 2023 to 2024





Financials

Auto Parts Manufacturing

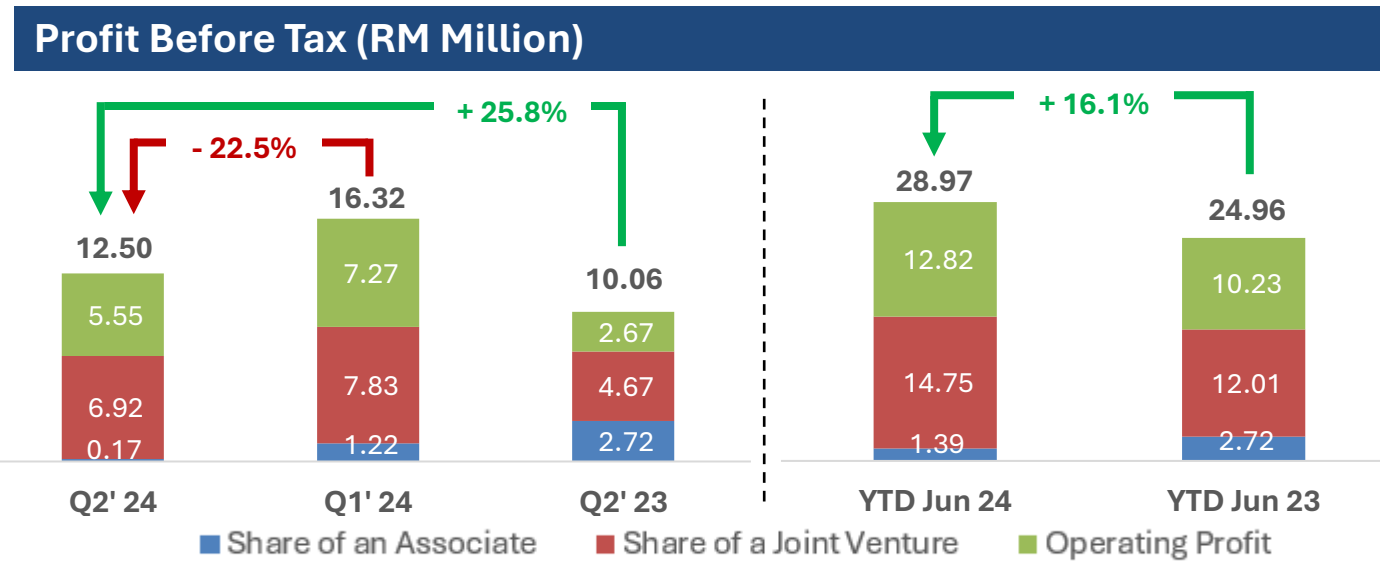


Quarter

- Revenue was slightly lower compared with Q2 2023 despite higher volume, mainly due to customer and model mix changes.
- Against Q1 2024, revenue was likewise lower due to the scheduled seasonal plant shutdowns by major OEM's.

Year to Date

- Revenue was lower compared with YTD Jun 2023 despite higher volume, mainly due to customer and model mix changes.



Quarter

- Profit before tax for the division was higher in Q2 2024 vs Q2 2023, mainly due to the robust production demand and absence of certain lump sum costs recovery claims from vendors that was recorded in the corresponding quarter.
- Against Q1 2024, PBT was lower due to scheduled plants shutdowns during Raya season.

Year to Date

- Profit before tax for the division was higher in YTD Jun 2024 vs YTD Jun 2023, mainly driven by enhanced margins coming from the high production demand while maintaining costs efficiencies.



Group Financial Highlights

Group Financial Highlights



Results (Q2 2024 Against Q2 2023)

RM Mil	Q2 2024	Q2 2023	% Changes
Total revenue	569.25	539.57	+ 5.5
Motor Trading & Assembly	11.42	10.29	+ 10.9
Auto Parts Manufacturing	5.55	2.67	+ 108.3
Others	(0.90)	(1.08)	
Total operating profit	16.07	11.88	+ 35.3
Share of results of a joint venture	6.92	4.67	+ 48.1
Share of results of associates	57.39	45.20	+ 27.0
Profit before tax	80.39	61.76	+ 30.2
Profit for the period	76.14	58.44	+ 30.3
Profit attributable to owner's of Co.	67.64	51.93	+ 30.3
Basic EPS (sen)	17.30	13.28	

- The Group closed the current quarter with RM569.2 million in **revenue**, an **improvement of RM29.7 million** or **5.5%** as compared to the corresponding quarter in 2023. The key driver for the higher revenue came from:
 - Consistently strong demand for Perodua vehicles, with 24.1% higher in sales volume in our Perodua unit sales, and we outperformed the market with Total Industry Volume (TIV) reported an 8.3% increase for the same quarter under review.
- Operating profit increased by RM4.2 million** or **35.3%** to RM16.1 million driven by increase in both operating profits from Motor Trading & Assembly and Auto Parts Manufacturing.
 - Higher Perodua sales volume
 - Sustained aftersales volume and margins
 - Robust production volume and demand from the OEMs
 - absence of lump sum costs recovery claims from vendors that was recorded in the corresponding quarter.
- The share of **results in joint venture** posted an **increase** in profit of **RM2.3 million** or **48.1%** to close at RM6.9 million as the **demand** from the **key market leaders remained strong** for the quarter.
- The share of **associates' results** was also **higher** by **RM12.2 million** or **27.0%** as compared to the same quarter last year due to **higher production** and **sales volumes** from all associates. Perodua's sales volume was **27.0%** higher than Q2'2023.

Group Financial Highlights



Results (Q2 2024 Against Q1 2024)

RM Mil	Q2 2024	Q1 2024	% Changes
Total revenue	569.25	617.14	(7.8)
<i>Motor Trading & Assembly</i>	11.42	13.24	(13.7)
<i>Auto Parts Manufacturing</i>	5.55	7.27	(23.7)
<i>Others</i>	(0.90)	(1.68)	
Total operating profit	16.07	18.84	(14.7)
Share of results of a joint venture	6.92	7.83	(11.5)
Share of results of associates	57.39	68.37	(16.1)
Profit before tax	80.39	95.04	(15.4)
Profit for the period	76.14	90.00	(15.4)
Profit attributable to owner's of Co.	67.64	80.24	(15.7)
Basic EPS (sen)	17.30	20.53	

- Compared to the preceding quarter of 2024, the Group's revenue saw a **decline of RM47.9 million or 7.8%, in line with the 7.1% retraction in TIV** against the preceding quarter. The lower revenue was anticipated due to **planned plant shutdowns** by major OEMs' in April and June 2024 to align with the **public holidays** in both months to carry out scheduled plant maintenance.

Group Financial Highlights



Results (6 months YTD ended 30 Jun 2024
Against 6 months YTD ended 30 Jun 2023)

RM Mil	Jun 2024	Jun 2023	% Changes	
Total revenue	1,186.38	1,095.36	+	8.3
Motor Trading & Assembly	24.66	22.28	+	10.7
Auto Parts Manufacturing	12.82	10.23	+	25.4
Others	(2.58)	(2.30)		
Total operating profit	34.91	30.20	+	15.6
Share of results of a joint venture	14.75	12.01	+	22.8
Share of results of associates	125.77	113.18	+	11.1
Profit before tax	175.43	155.40	+	12.9
Profit for the period	166.13	147.30	+	12.8
Profit attributable to owner's of Co.	147.89	131.88	+	12.1
Basic EPS (sen)	37.83	33.74		

- For the 6-month period ended 30th June 2024, the Group achieved RM1,186.4 million in **revenue, RM91.0 million or 8.3% higher** than the corresponding period in 2023. The increase was contributed mostly by **strong Perodua sales, consistent aftersales performance and production demand** from the OEMs.
- The Group's **Operating PBT** for the current period under review likewise increased to RM34.9 mil, **RM4.7 million or 15.6% higher** than the same period in 2023, contributed by **better performance from both** the Motor Trading and Auto Parts Manufacturing Divisions.
- The share of **results in joint venture** posted an **increase** in profit of **RM2.7 million or 22.8%** to close at RM14.8 million as the demand from the key market leaders remained strong for the first half.
- The share of **associates' results** was also **higher** by **RM12.6 million or 11.1%** as compared to preceding year due to higher production and sales volumes. Perodua's sales volume was 17.4% higher than 1H'2023.

Group Financial Highlights



Financial Position (as of 30 Jun 2024 Against as of 31 Dec 2023)

RM Mil	30 Jun 2024	31 Dec 2023	RM Mil	30 Jun 2024	31 Dec 2023
Joint venture	91.45	92.00	Share capital	391.65	391.65
Associates	1,775.53	1,651.99	Reserves	1,825.65	1,736.41
Goodwill	1.10	1.10	<i>Equity attributable to the equity holders</i>	2,217.30	2,128.07
Other Non-current Assets*	305.19	305.39	Non-controlling interests	304.68	297.90
Inventories	172.67	161.04	Non-current liabilities	6.12	6.45
Cash and bank	195.73	197.25	Total	2,528.10	2,432.41
Short term borrowings	(19.41)	(16.37)	NA per share (RM)	5.67	5.44
Net Other CA/(CL)	5.83	40.01	NTA per share (RM)	5.67	5.44
Total	2,528.10	2,432.41	Debt / Equity ratio (%)	0.9	0.8

*Include Property, Plant and Equipment, Prepaid Lease Payments, Investment Properties

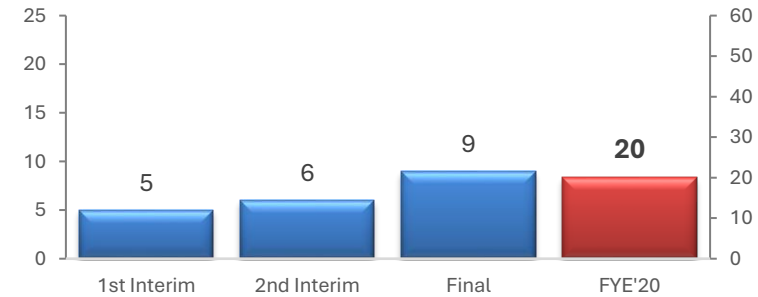
- Net assets per share increased further by 23 sen or 4.2%.
- First Interim and Special Dividends of 6 sen and 10 sen respectively for 2024 will be payable on 26 September 2024.

Group Financial Highlights

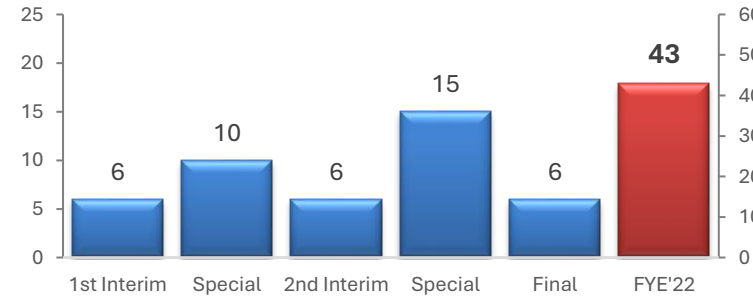


Historical Dividend Paid / Declared (sen per share)

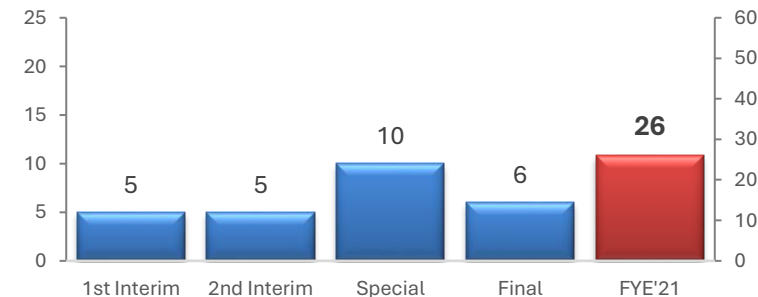
FYE 2020
5.9% Dividend Yield
RM3.39 Closing Share Price
 Payout ratio | Company 118% | Group 49%



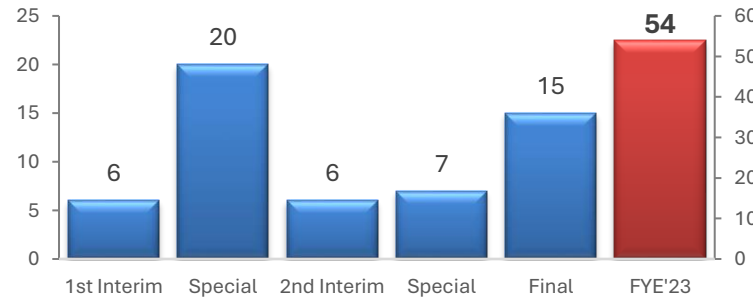
FYE 2022
13.1% Dividend Yield
RM3.28 Closing Share Price
 Payout ratio | Company 108% | Group 60%



FYE 2021
8.1% Dividend Yield
RM3.20 Closing Share Price
 Payout ratio | Company 92% | Group 59%



FYE 2023
12.7% Dividend Yield
RM4.24 Closing Share Price
 Payout ratio | Company 125% | Group 64%



FYE 2024
 (YTD 30 Jun 2024)

3.0% Dividend Yield
RM5.28 Closing Share Price
 Payout ratio | Company 43% | Group 42%

Period	Dividend (sen per share)
1st Interim	6
Special	10
FYE'24	16



Sustainability



KEY INITIATIVES IMPLEMENTED

- Adoption of renewable solar energy with total capacity of 1,127 kWp
- Implementation of rainwater harvesting system at OMI
- MBMR Scholarship Programme which provides scholarship to two deserving students
- Implementation of Health and Safety Programmes which include Health and Safety trainings and inspections
- Employee Engagement Programmes such as Long-Term Service Award and other engagement programmes

ADDITIONAL 2024 INITIATIVES

- Additional renewable solar panels to be installed with additional capacity of 1,070 kWp
- Implementation of rainwater harvesting system at AHSB and DMSB
- Replacement of ICE forklifts to EV forklifts at manufacturing companies
- Measurement of the Group's Scope 3 carbon emission (category 6 and 7)
- Community engagement programmes across the Group in 2024
- Automation and digitalisation initiatives to improve efficiency



Installation of the 330 kWp solar panel at OMI Sg Choh plant

Our Sustainability Pillars



ENVIRONMENT

- Climate Change & Greenhouse Gas Emission
- Waste Management
- Energy Consumption
- Natural Resources

RELATED SDG



SOCIAL

- Diversity & Equal Opportunity
- Health & Safety
- Staff Welfare
- Labour & Working Standards
- Customer Satisfaction & Loyalty
- Community Engagement

RELATED SDG



ECONOMIC

- Supply Chain
- Innovation & Digitalisation

RELATED SDG



GOVERNANCE

- Anti-Corruption
- Corporate Governance
- Data Privacy & Cyber Security

RELATED SDG





Conclusion



Sustained performance in Q2 2024 ...

- Revenue +5.5% vs Q2 '23
- Group PBT +30.2%
- PATAMI +30.3%
- NTA RM2.5 billion

... with promising outlook...

- New **Jaecoo** dealership
- Continued strong demand of **Perodua**
- **Salary increase** of civil servants starting Dec 2024
- Sustained interest in automotive industry with new model launches

... but cautious of potential headwinds

- Higher Goods Value Tax
- Targeted subsidy rationalisation
- Inflation and higher cost of living



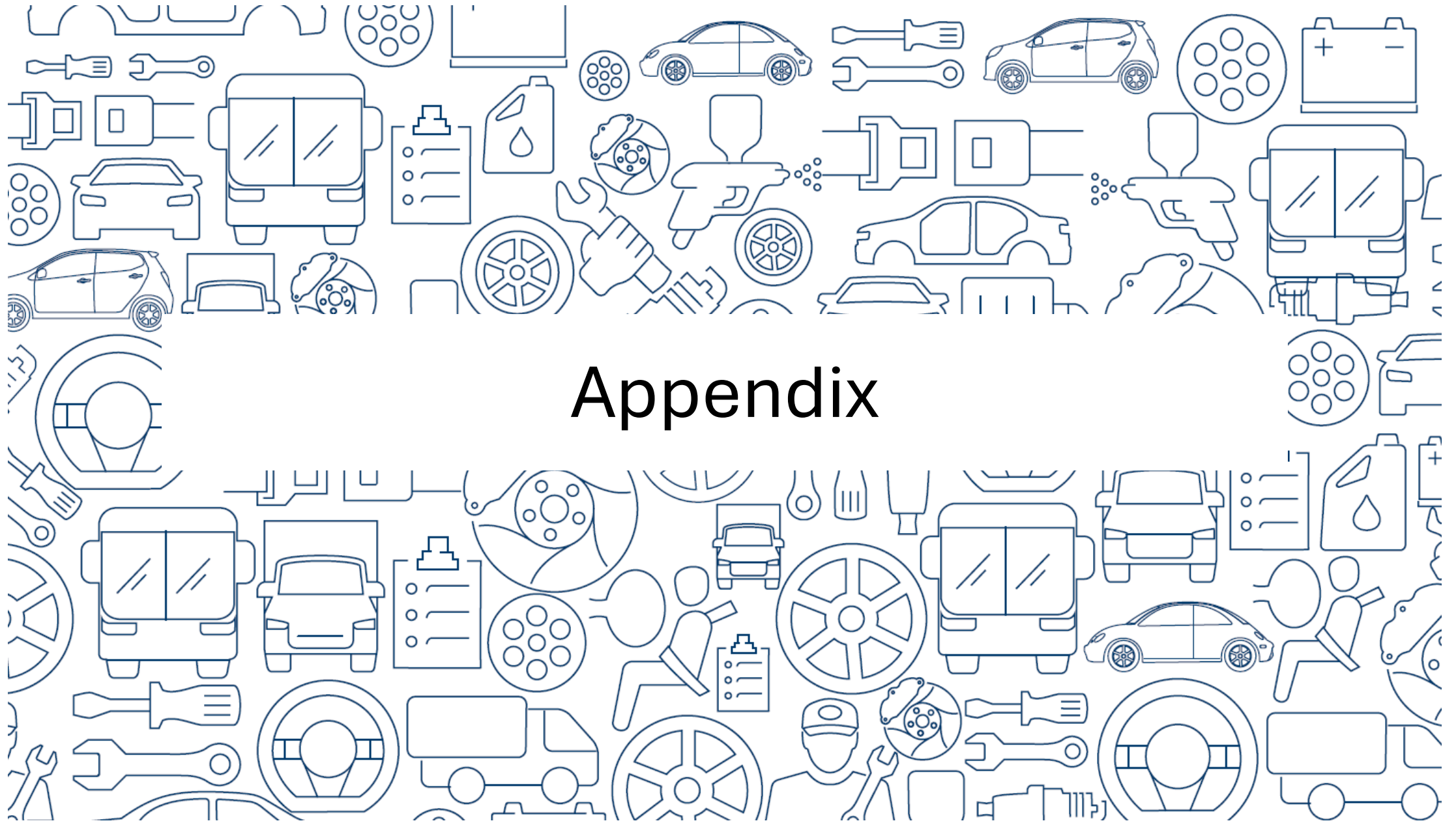
Thank
you



*23-01, Level 23,
Menara MBMR,
1 Jalan Syed Putra,
58000 Kuala Lumpur.*



www.mbmr.com.my



Appendix



Motor Trading



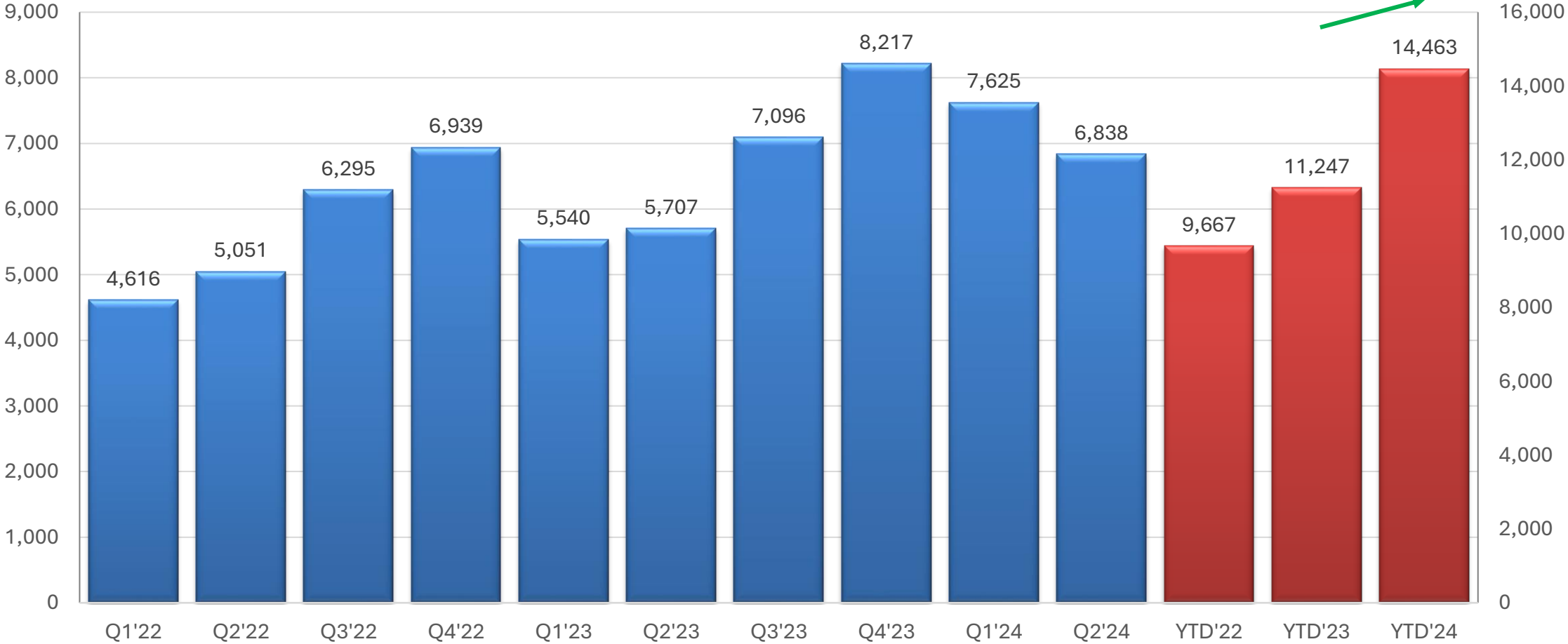
Vehicle Sales Volume

- DMMS – Perodua (dealership)**
Passenger Vehicle Unit Sales



PERODUA

+ 28.6% y-o-y



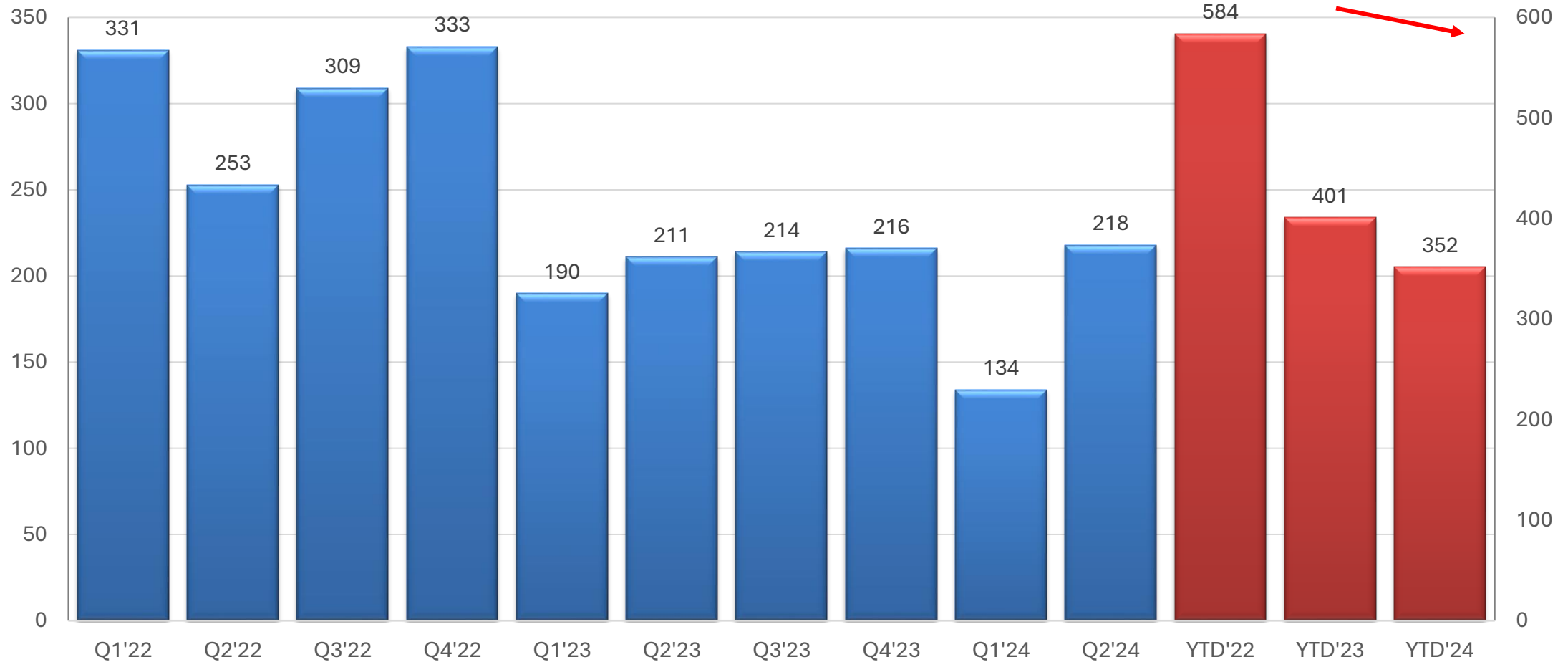


Vehicle Sales Volume

- **DMSB – Daihatsu (distributorship)**
Commercial Vehicle Unit Sales (Invoiced)



- 12.2% y-o-y



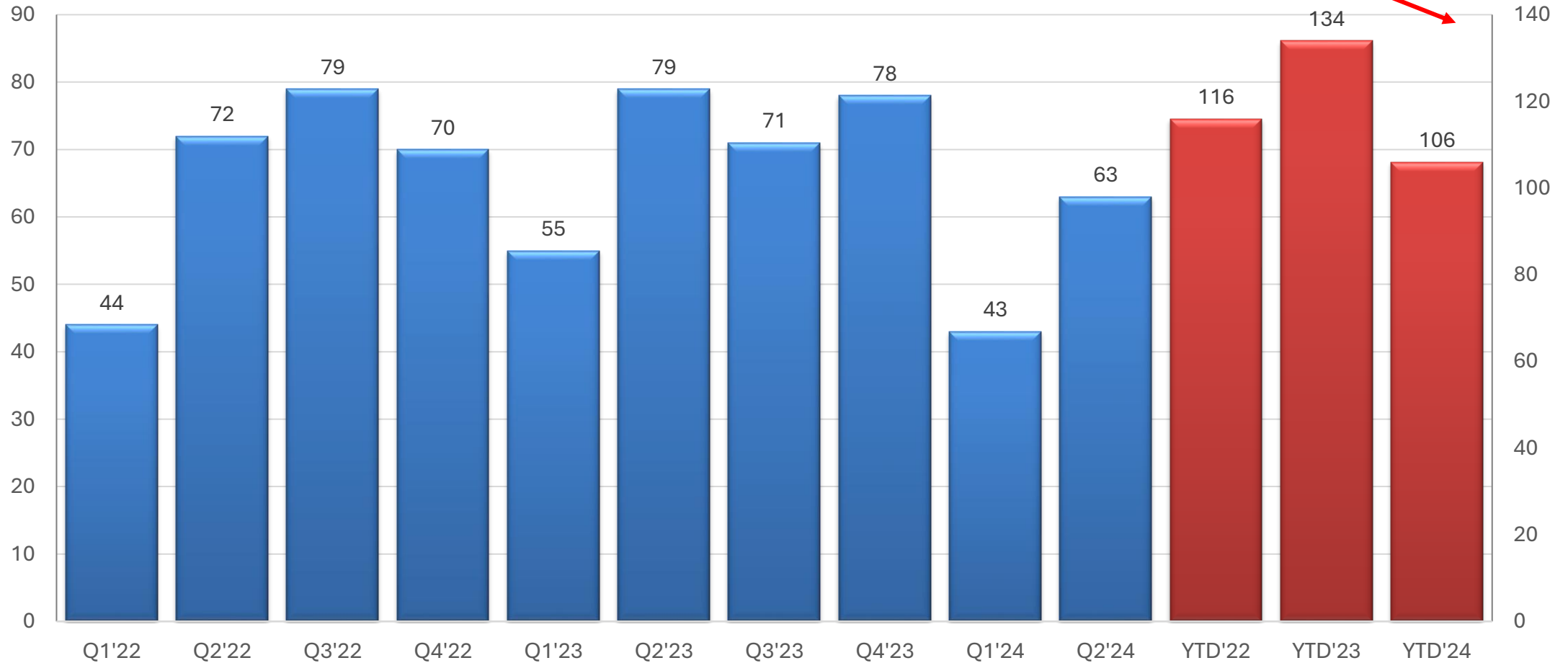


Vehicle Sales Volume

- **DMSB – Hino (dealership)**
Commercial Vehicle Unit Sales



- 20.9% y-o-y



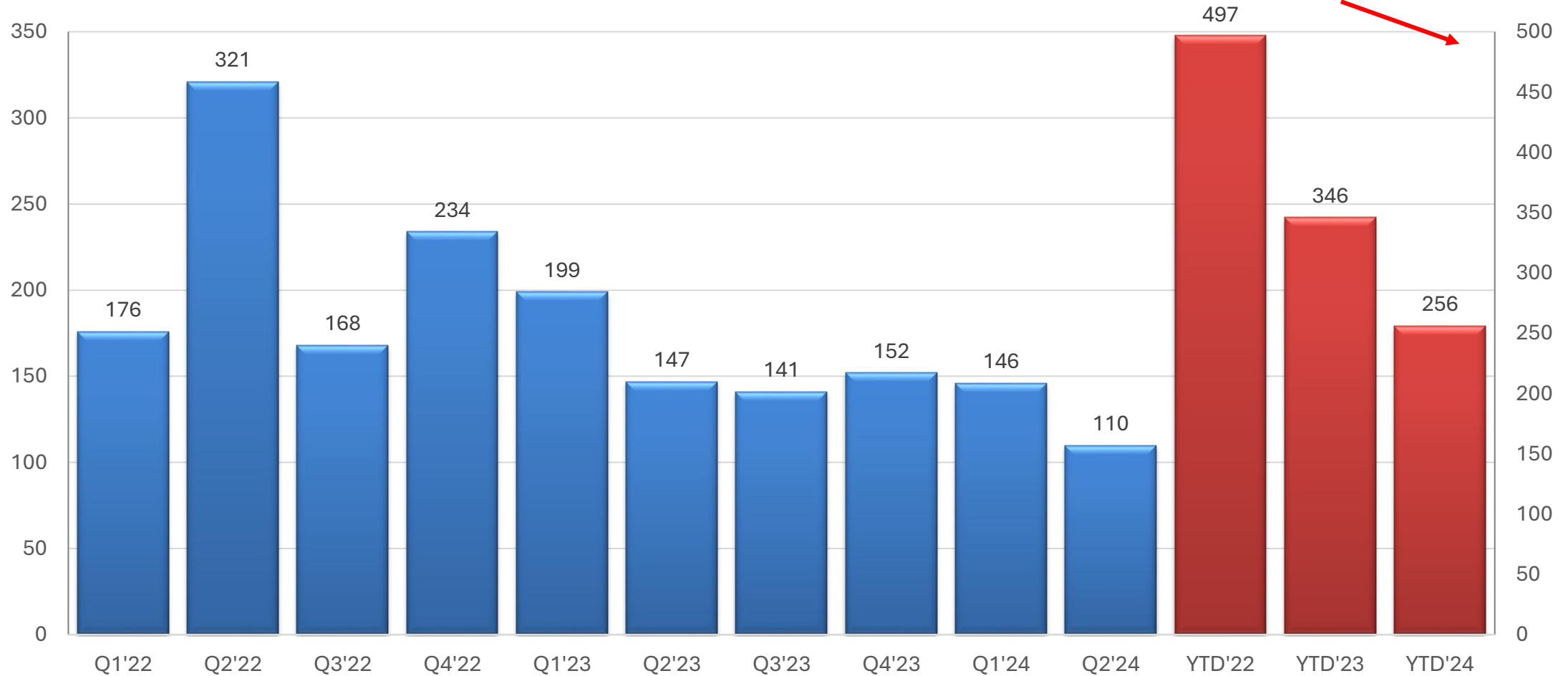


Vehicle Sales Volume

- **FAC – Volvo (dealership)**
Passenger Vehicle Unit Sales



- 26.0% y-o-y

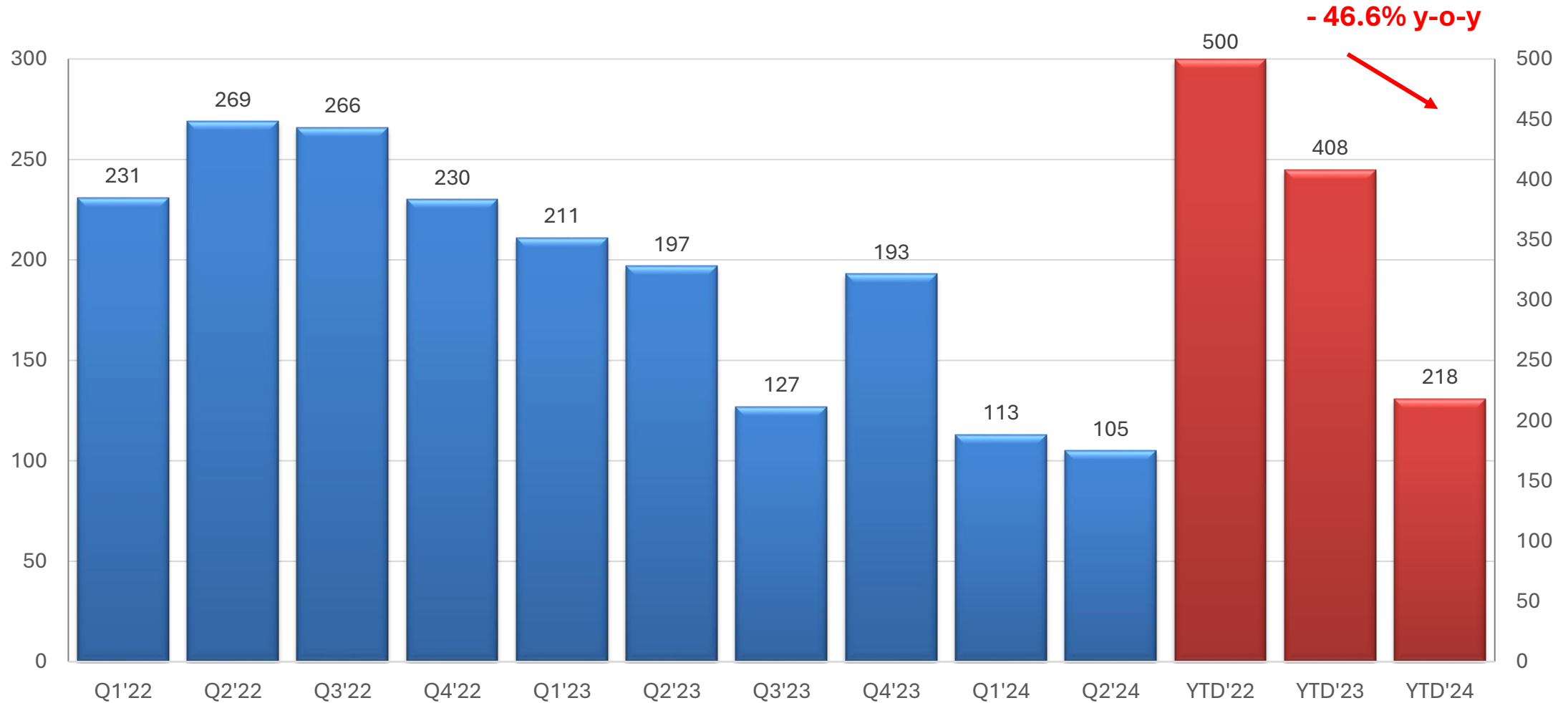


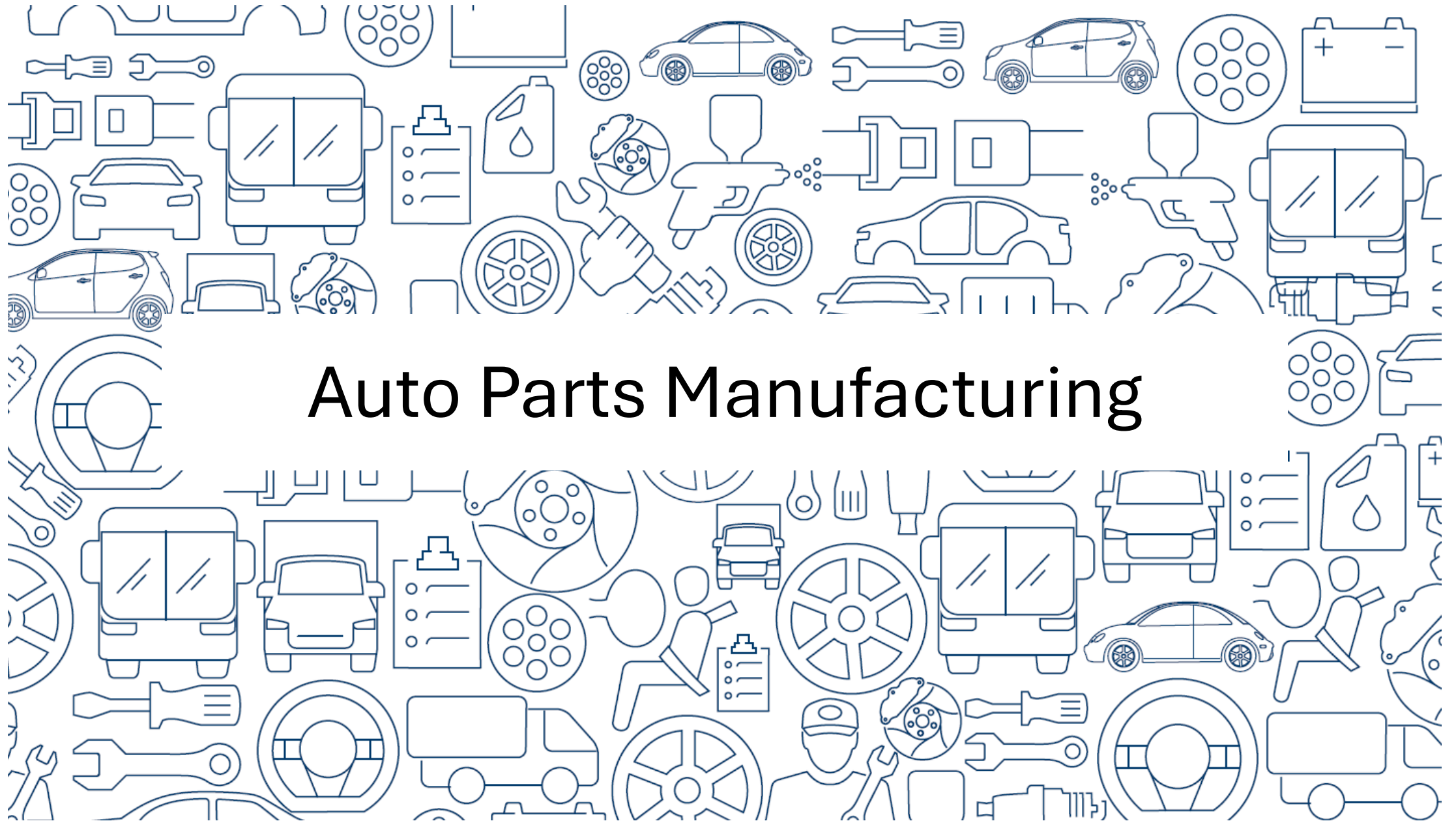


Vehicle Sales Volume



- **FAW – Volkswagen (dealership)**
Passenger Vehicle Unit Sales





Auto Parts Manufacturing



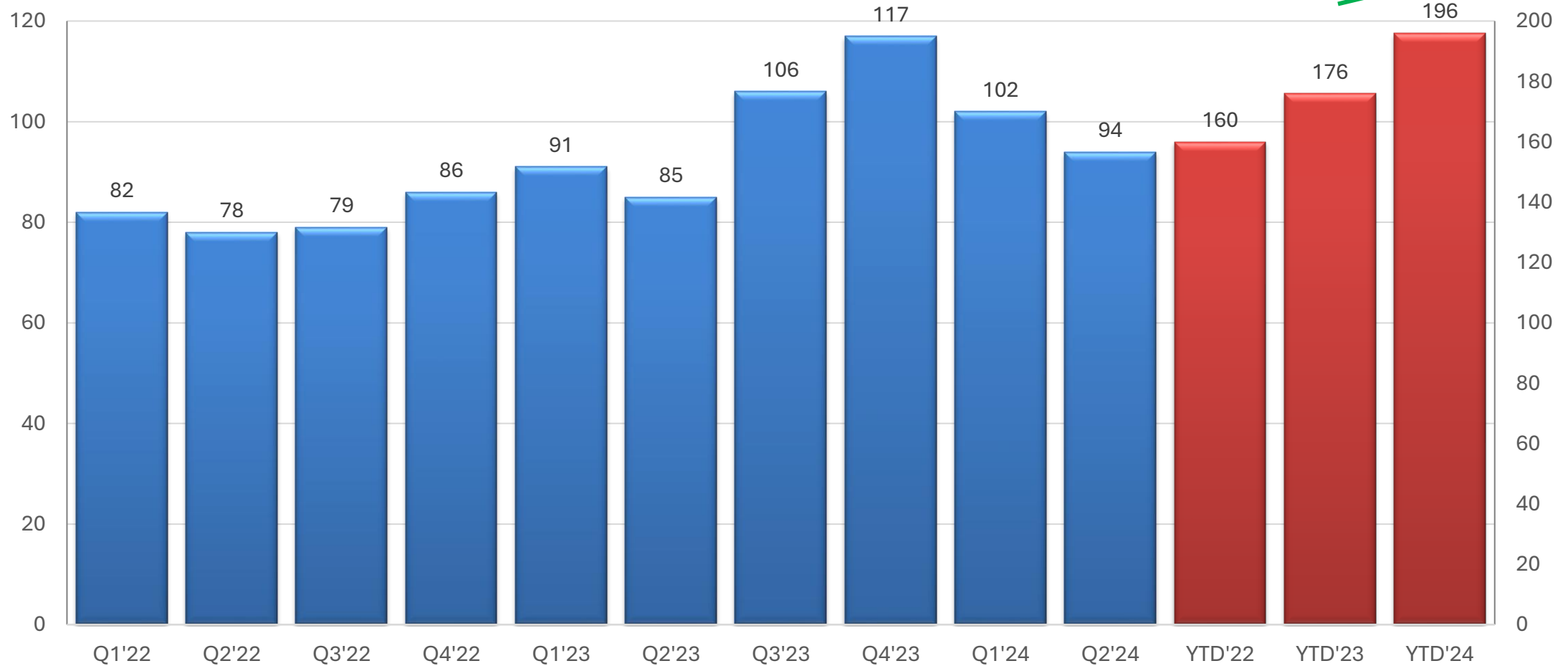
Manufacturing Sales Volume

- OMI - Steel Wheels**

Auto Parts Manufacturing Unit Sales ('000)



+ 11.4% y-o-y





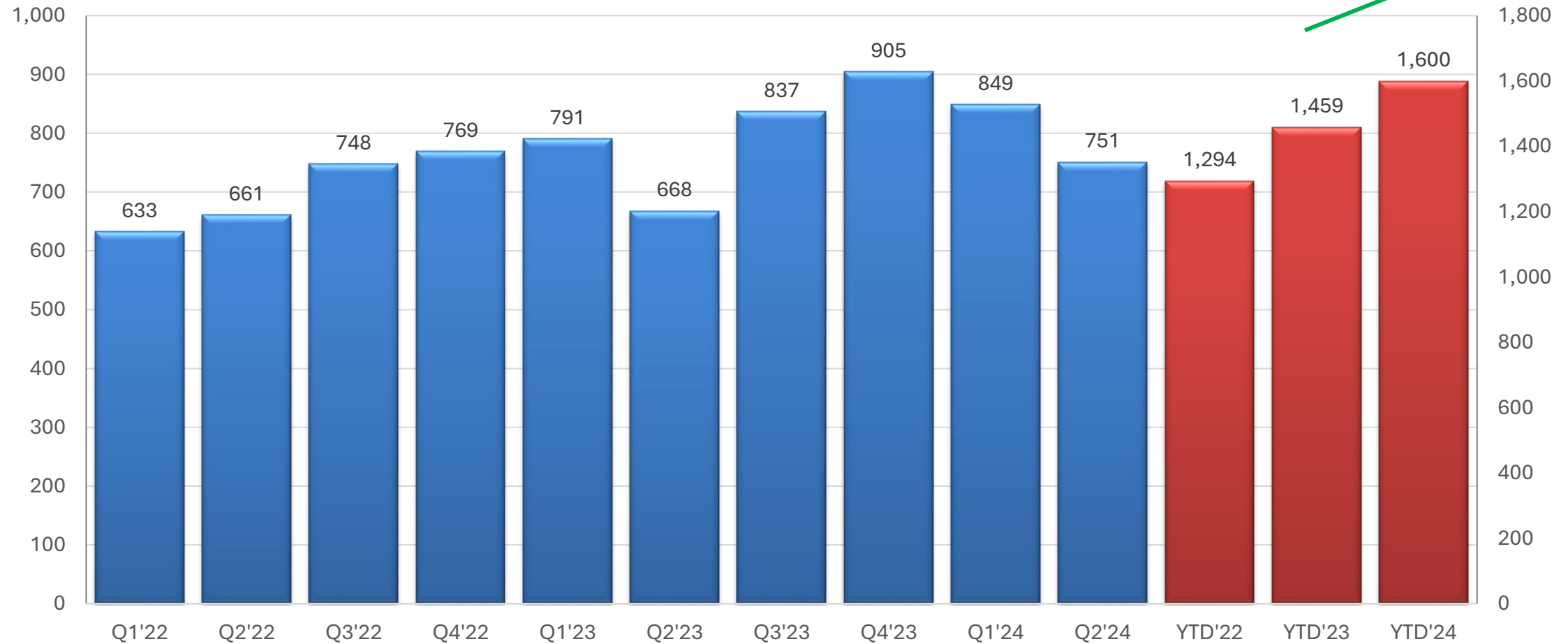
Manufacturing Sales Volume

- OMI - Tyre Assembly**

Auto Parts Manufacturing Unit Sales ('000)



+ 9.7% y-o-y





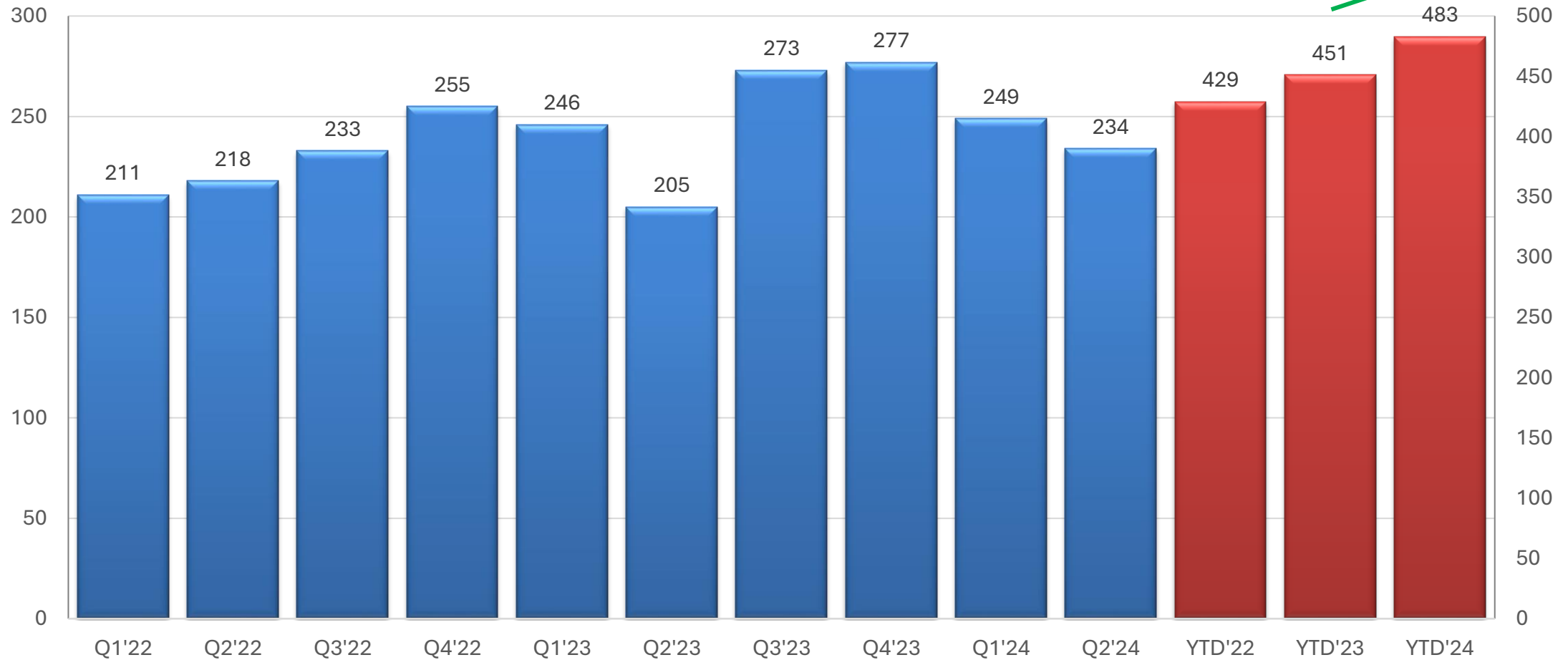
Manufacturing Sales Volume

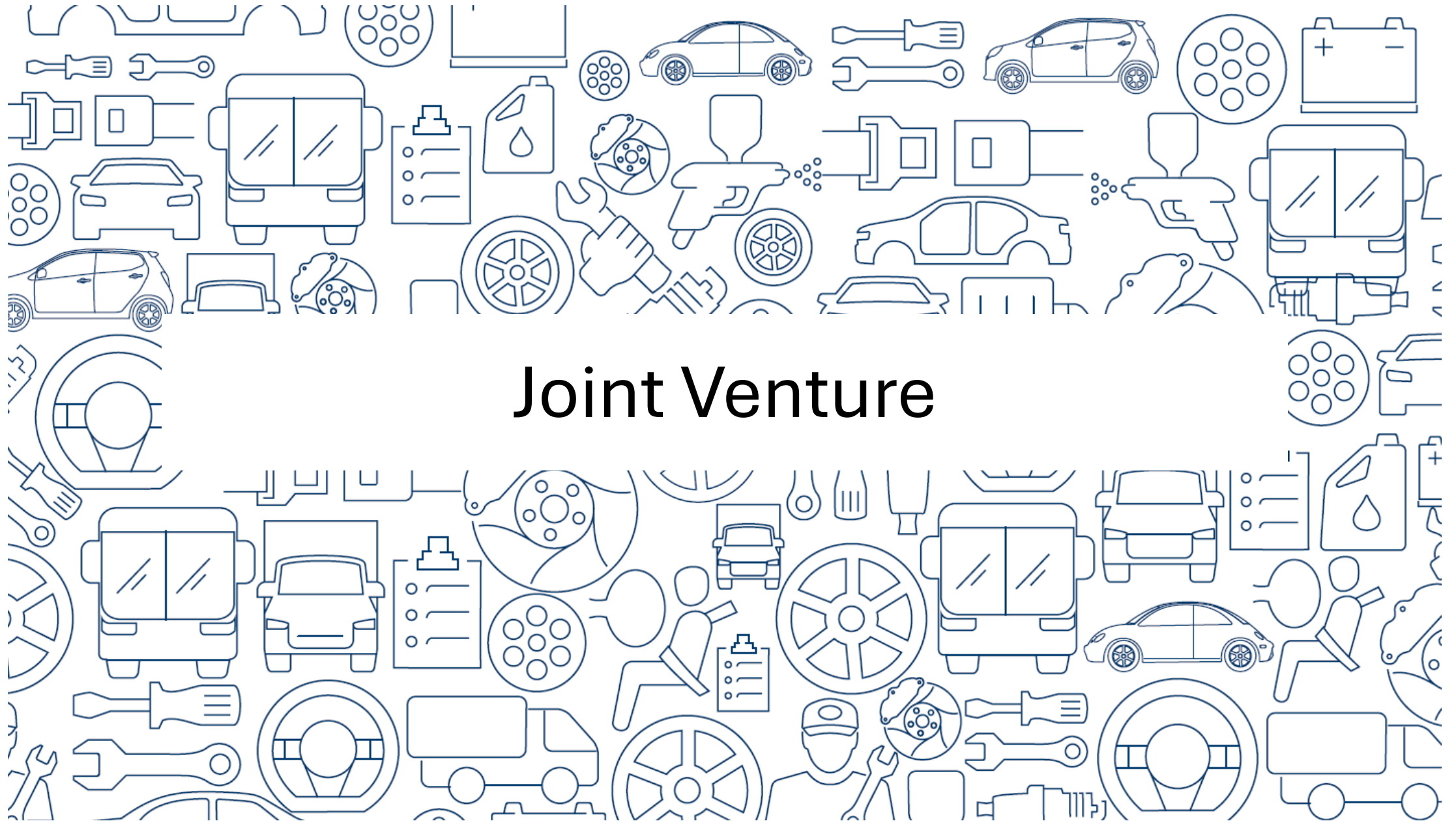
- HASB - NVH Products**

Auto Parts Manufacturing Unit Sales ('000)



+ 7.1% y-o-y





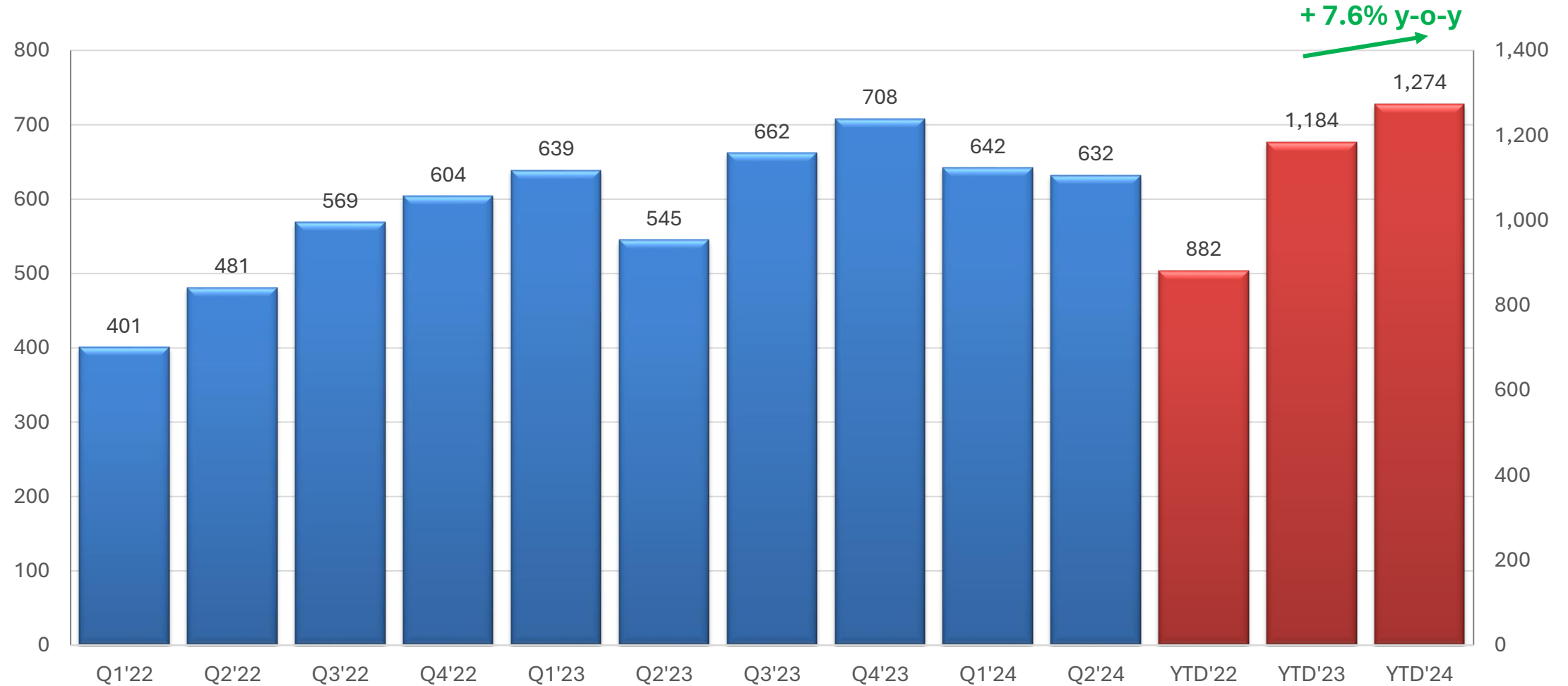
Joint Venture



Manufacturing Sales Volume

- AHSB - Seatbelts**

Auto Parts Manufacturing Unit Sales ('000)

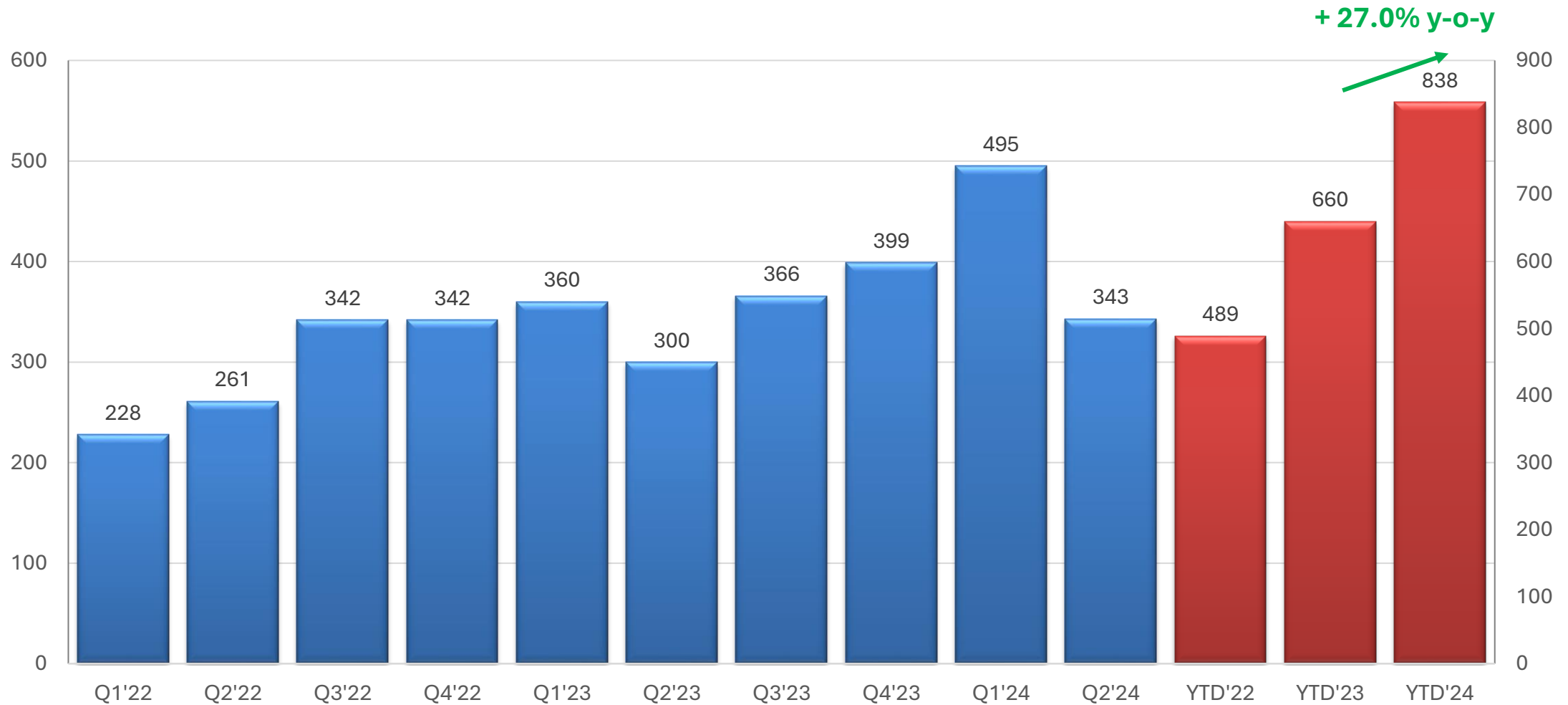




Manufacturing Sales Volume

- AHSB - Airbags**

Auto Parts Manufacturing Unit Sales ('000)



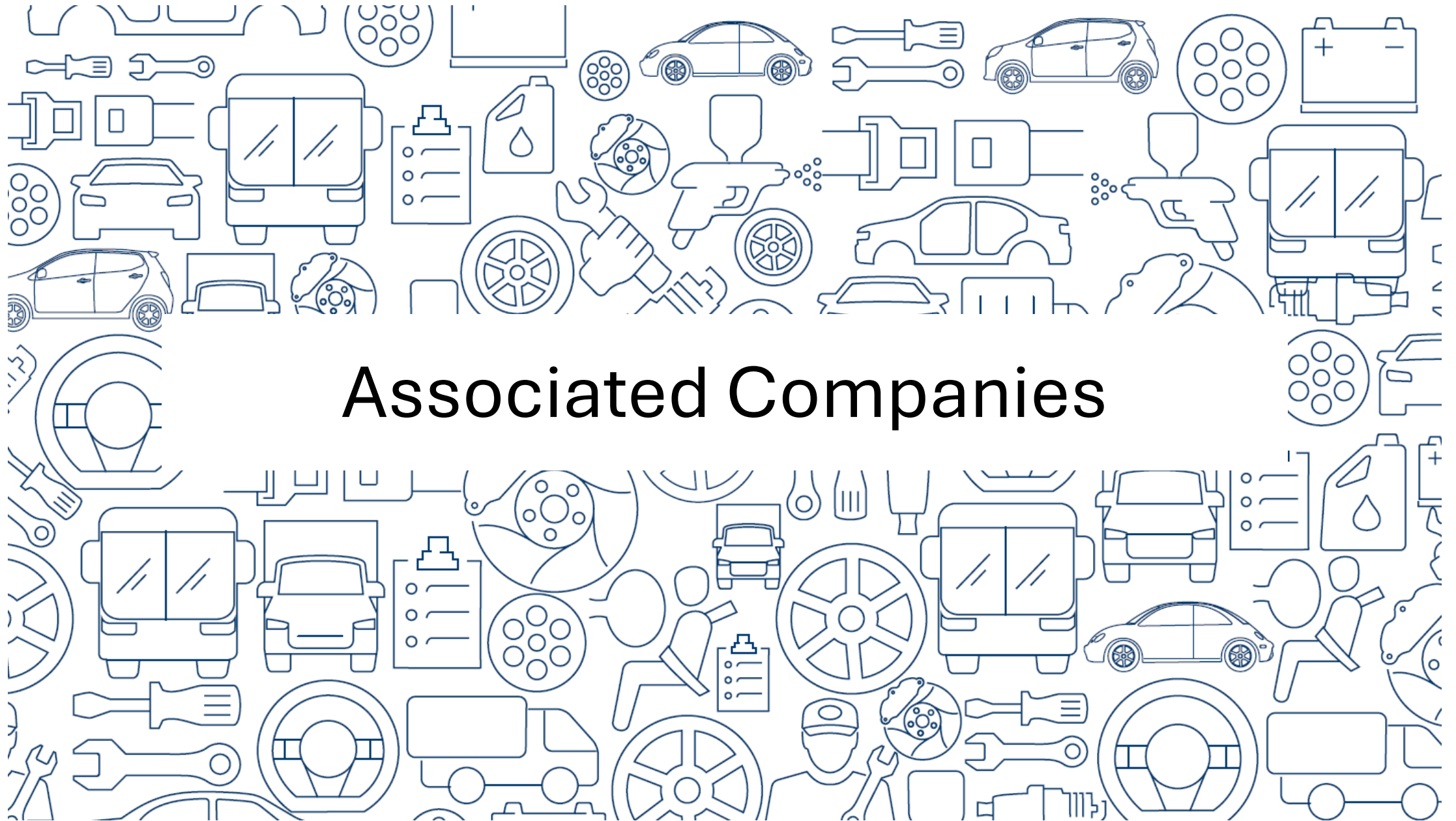


Manufacturing Sales Volume

- AHSB - Steering Wheels**

Auto Parts Manufacturing Unit Sales ('000)





Associated Companies



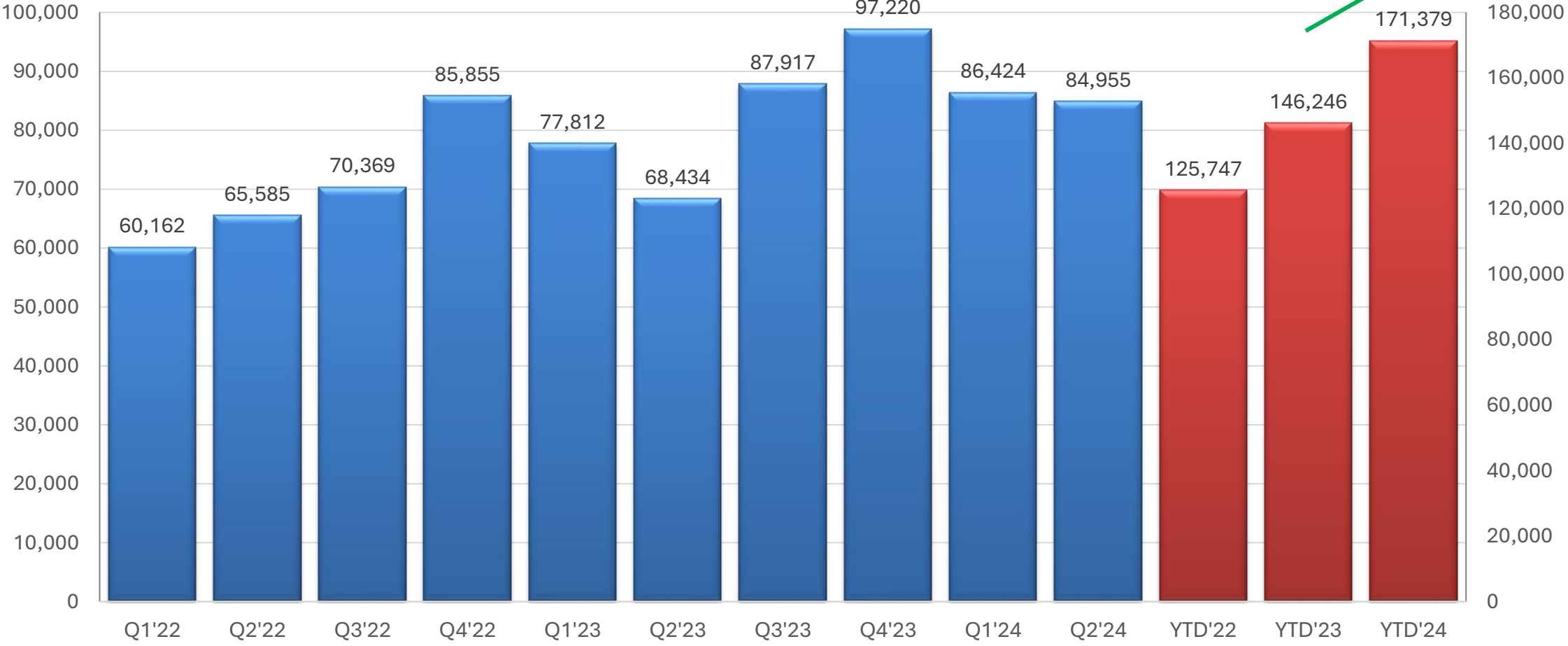
Vehicle Sales Volume

- Perodua (distributorship)**
Vehicle Unit Sales (Invoiced)



PERODUA

+ 17.2% y-o-y

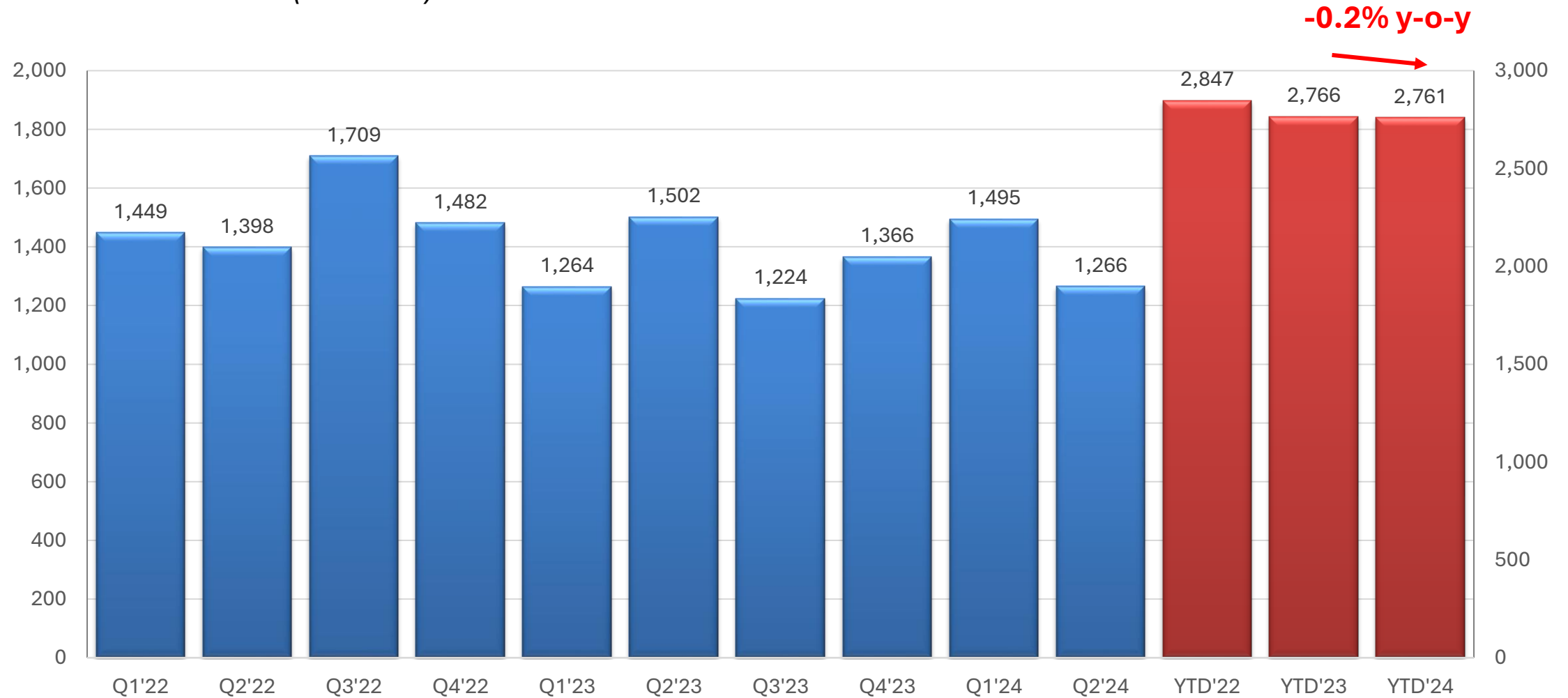




Vehicle Sales Volume



- **Hino Motors Sales (distributorship)**
Vehicle Unit Sales (Invoiced)



-0.2% y-o-y

