



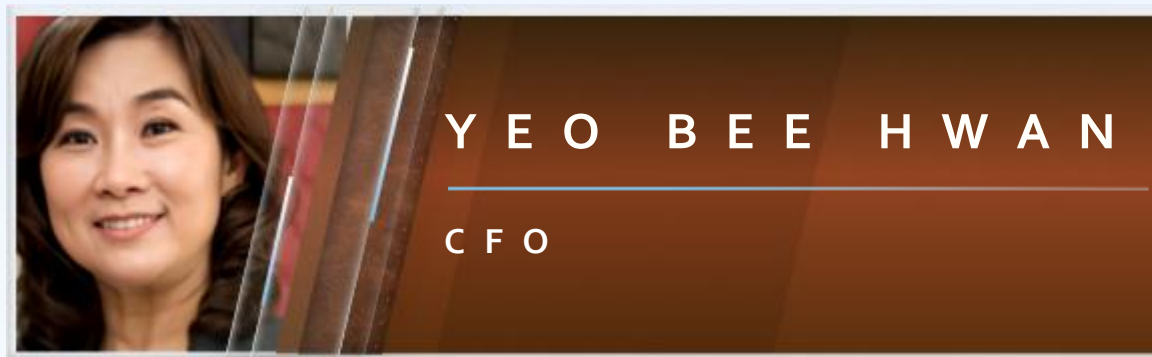
PECCA

G R O U P B E R H A D

R E S U L T S B R I E F I N G | Q 1 F Y 2 0 2 4

N O V E M B E R 2 1 , 2 0 2 3

TODAY'S PRESENTERS



OVERVIEW

COMPANY OVERVIEW

FINANCIAL REVIEW

OUTLOOK & STRATEGY

SUSTAINABILITY UPDATE

INVESTMENT HIGHLIGHTS














COMPANY OVERVIEW





MILESTONES & ACHIEVEMENTS

									 <p>Production Organisation Approval</p> <p>Reference No. EASA.21G.0075</p>
	 <p>IATF 16949 Certificate, OEM & Oversea Footprints</p>		 <p>Smart Fit (SF) development & product penetration to Japan</p>		 <p>PGB Listing at Bursa</p>		 <p>Manufacturing and distribution of facemask and healthcare products</p>		 <p>Acquisition in PT Gemilang Maju Kencana (GMK), Indonesia</p>
2000	2004	2009	2010	2011	2016	2017	2020	2022	2023
 <p>Manufacturing leather upholstery for automotive</p>	 <p>Provide Aviation services</p>		 <p>Supply of car seat trim covers & other products to aftermarket</p>		 <p>Approved Maintenance Organisation</p> <p>Reference No. AMO/2017/12</p>		  <p>Import, distribute of EV cars and products.</p>		

WHO WE ARE
EXPERTS IN AUTOMOTIVE UPHOLSTERY

Steering wheel covers

Dashboard & instrument panel covers

Headrest covers

Leatherette floor mats

Wrapping for door trim

Console box covers

Seat covers

Handbrake covers

Gear shift covers

DISCLAIMER: This image is used to illustrate the depth of Pecca's product range for the automotive market. Products are subject to vary based on models and variants. The image shown is for illustration purposes only and should not be taken as an exact representation of products currently manufactured by Pecca.



CORE BUSINESS

WORLD-CLASS PRODUCTS ACROSS THE VEHICLE LIFECYCLE



VEHICLE PRODUCTION STAGE

VEHICLE END OF LIFE

O E M

P D I

R E M

DEVELOPMENT & PRODUCTION
PHASE

PRE-DELIVERY
PHASE

AFTERMARKET
PHASE

OUR CUSTOMERS

O E M & T I E R 1

O E M & D I S T R I B U T O R S

S U P P L I E R S & W O R K S H O P S

SEATS MANUFACTURED FOR

F A C E L I F T S

S P E C I A L E D I T I O N S

R E P A I R S / R E P L A C E M E N T

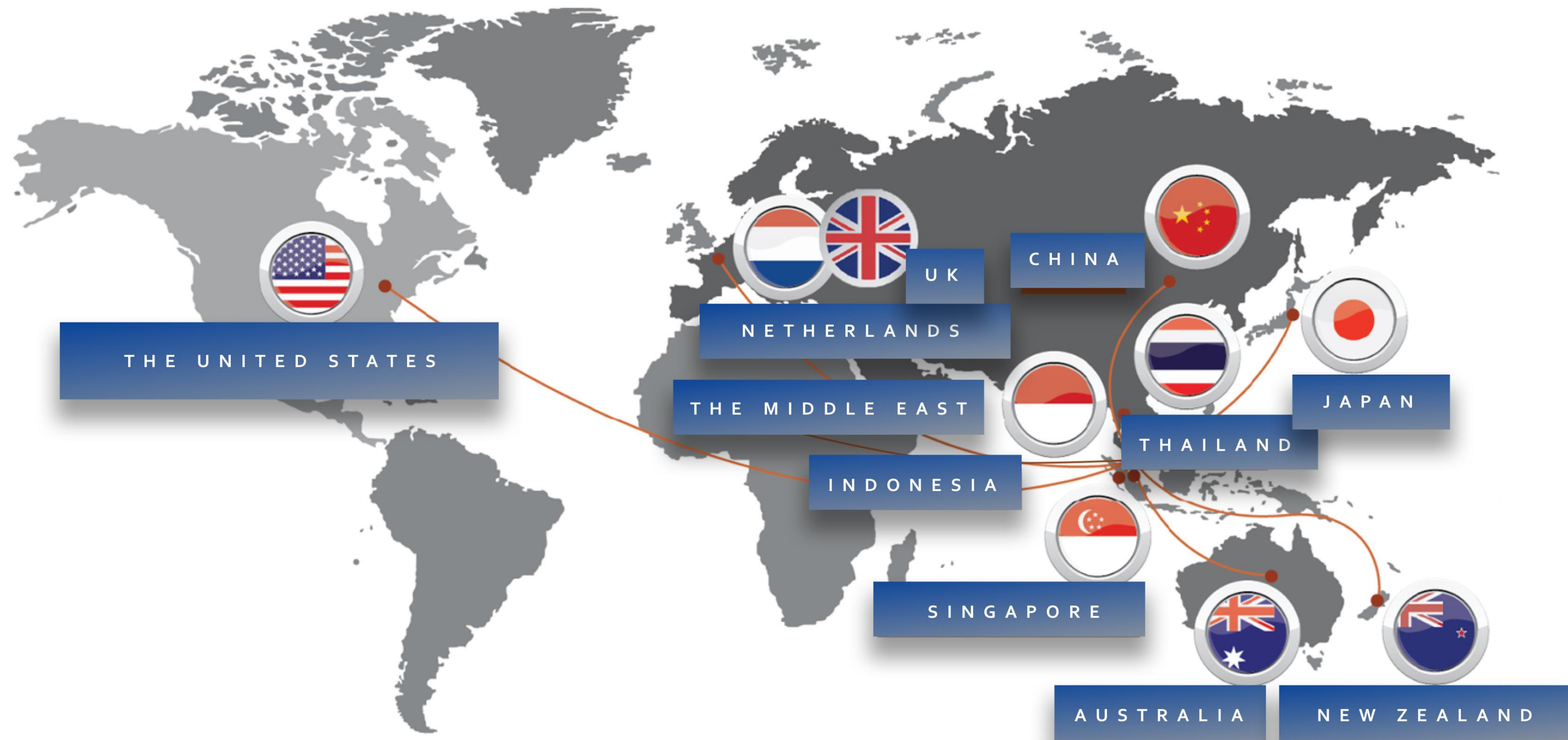
N E W M O D E L S

O P T I O N A L A C C E S S O R Y

C U S T O M I Z A T I O N

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CORE BUSINESS
AN INTERNATIONAL CLIENT BASE



EXPORTS TO USA, CHINA, EUROPE, JAPAN, AUSTRALIA, NEW ZEALAND, THE MIDDLE EAST AND OTHER SE ASIA COUNTRIES INCLUDING THAILAND, INDONESIA AND SINGAPORE



CORE BUSINESS

OUR AUTOMOTIVE CUSTOMERS

ORIGINAL EQUIPMENT
MANUFACTURERS (OEM)



ISUZU



SUBARU



SUZUKI



1ST TIER



PDKM



Since 1992



TOYOTA BOSHOKU



PRE-DELIVERY INSPECTION
(PDI)



HONDA



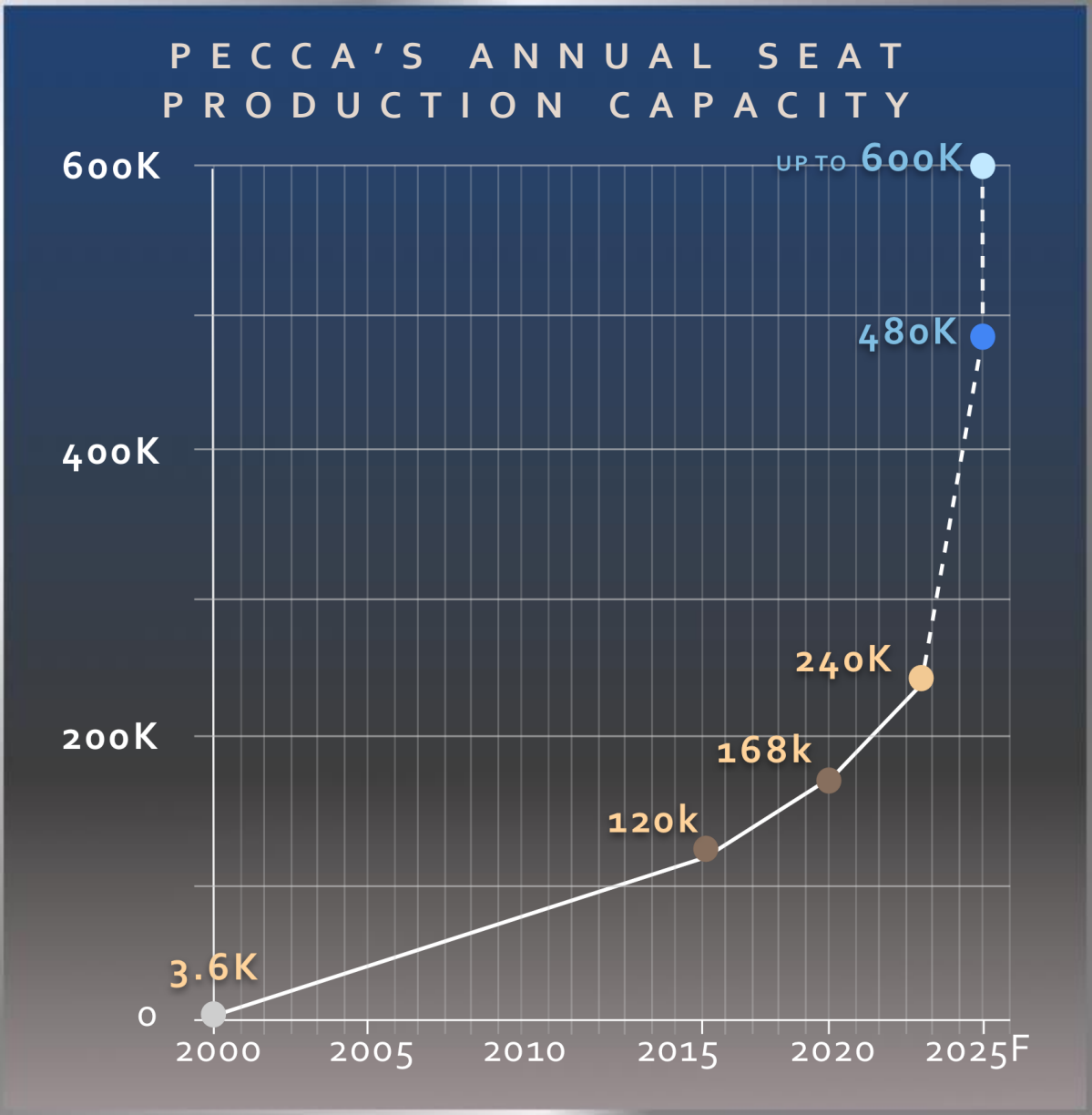
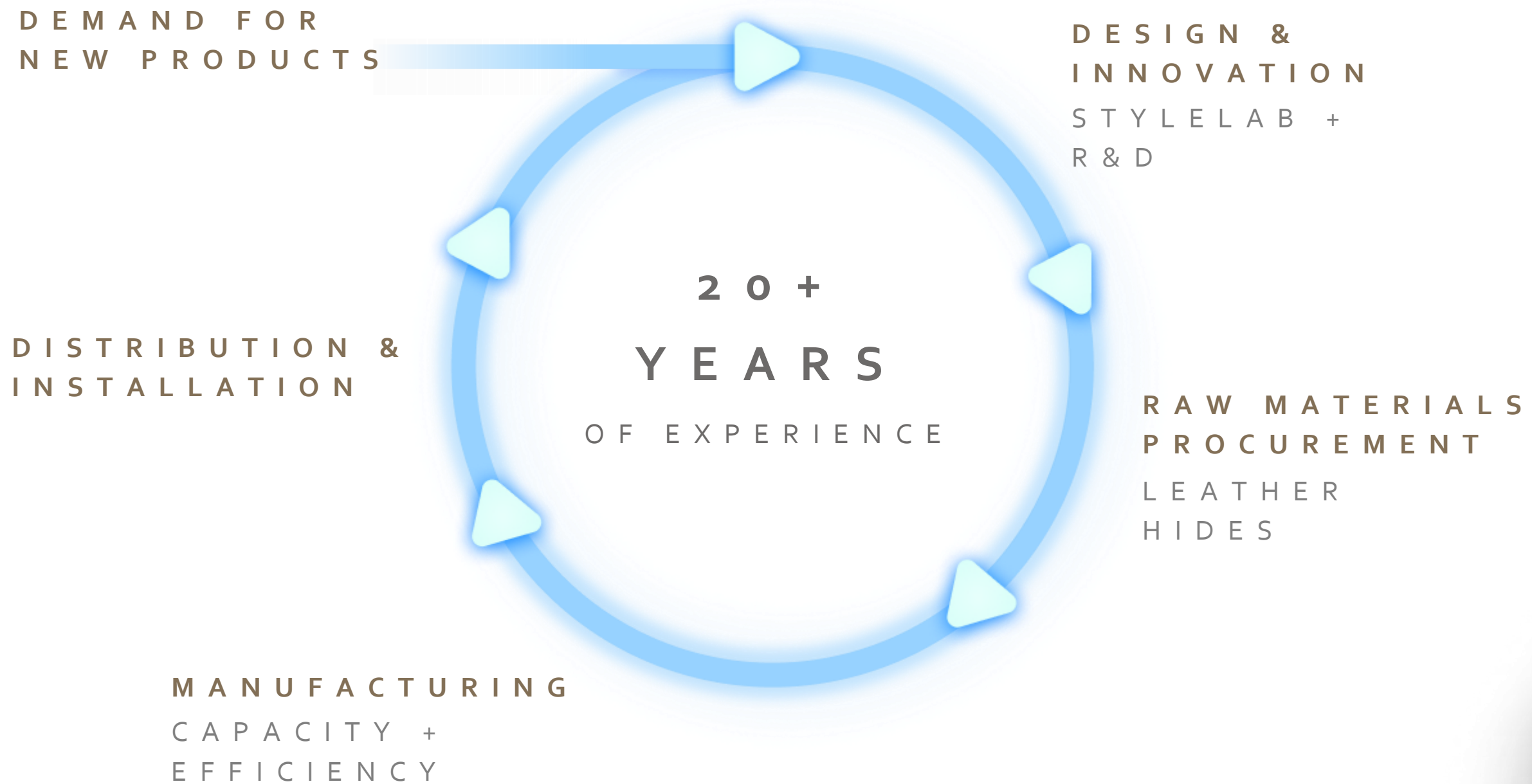
TC EURO CARS
(a wholly-owned subsidiary of Tan Chong Motor Holdings Berhad)



ISUZU

CORE BUSINESS

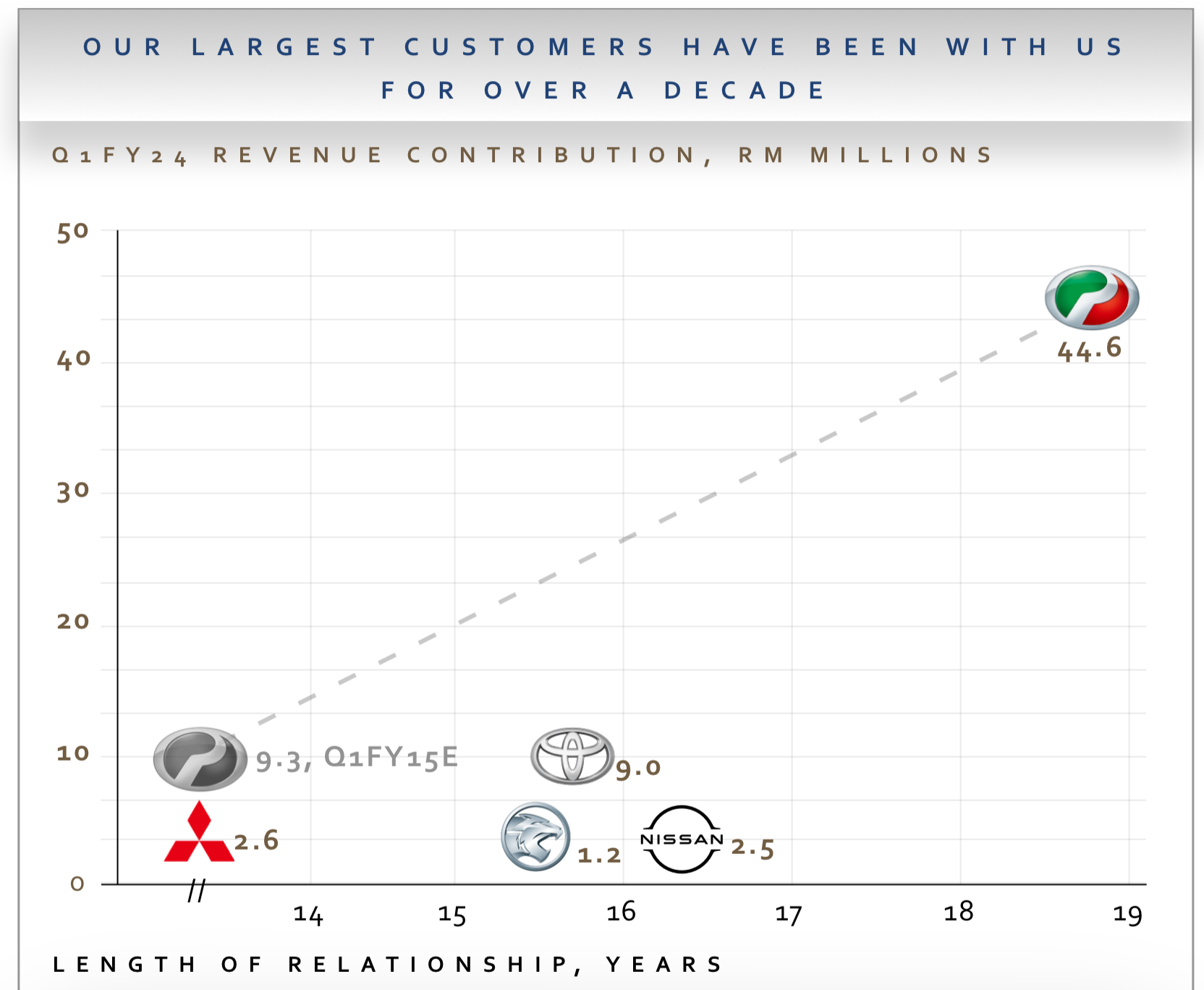
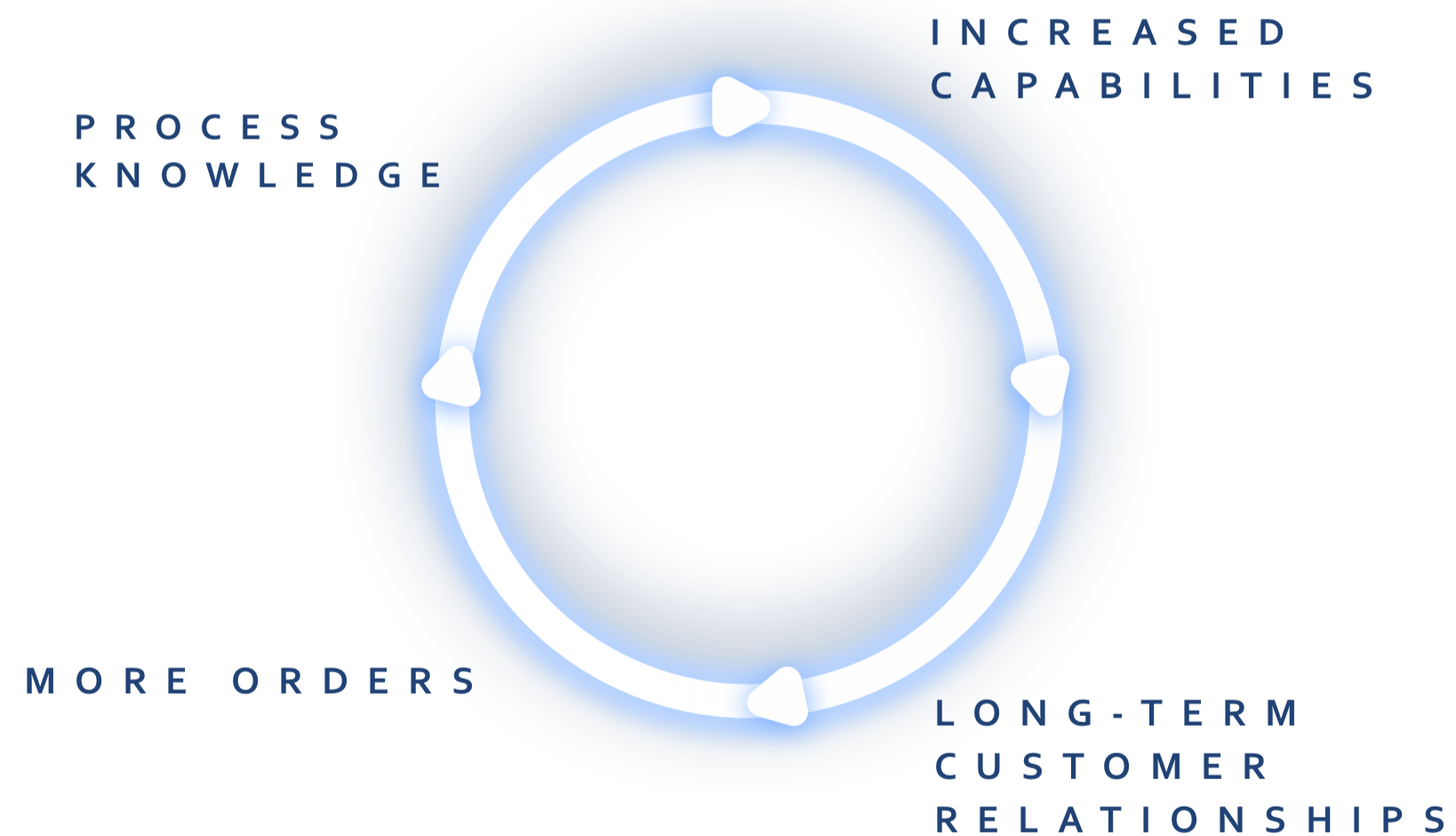
DELIVERING A ONE-STOP SOLUTION



INCREASINGLY ADVANCED DESIGN, INNOVATION & PRODUCTION CAPABILITIES

CORE BUSINESS

IMPROVED CAPABILITIES UNLOCK FURTHER GROWTH



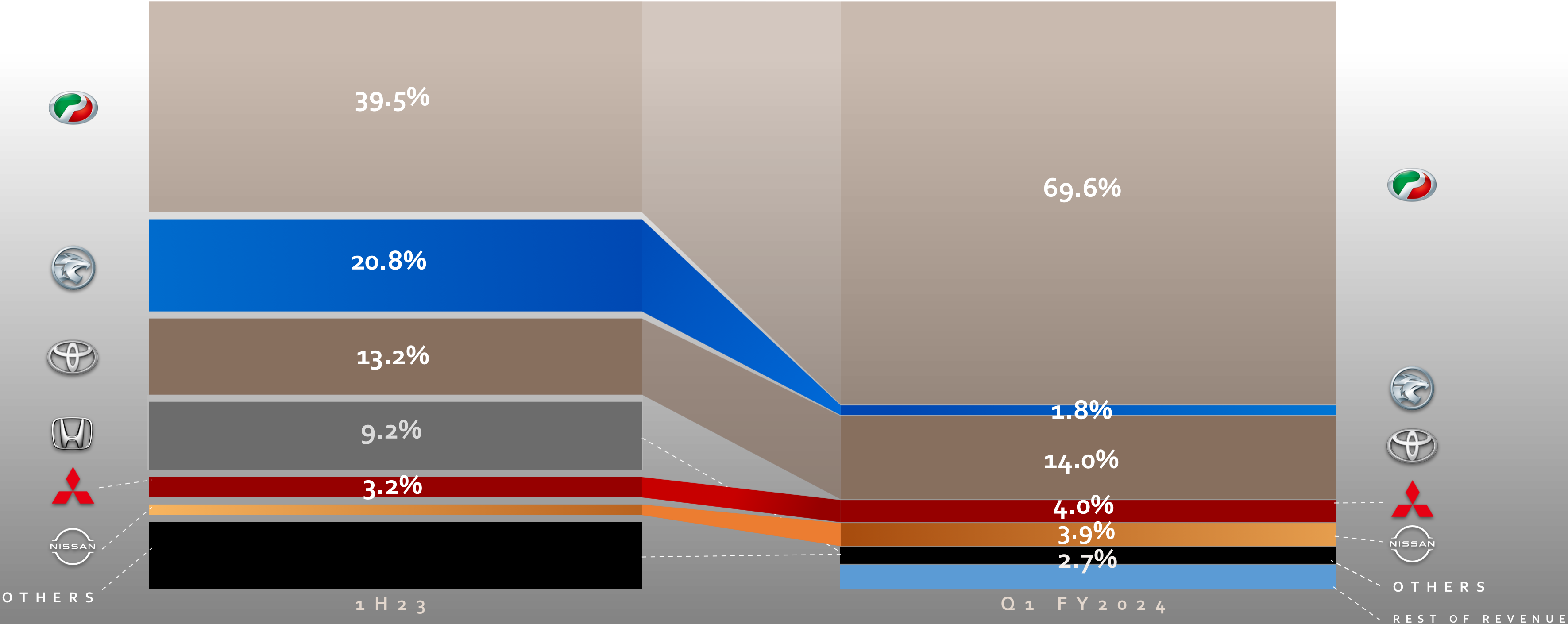


CORE BUSINESS

A KEY AUTOMOTIVE SUPPLIER

TOP AUTOMOTIVE BRANDS
IN MALAYSIA
BY MARKET SHARE

PECCA'S AUTOMOTIVE CUSTOMERS
IN MALAYSIA
BY SHARE OF GROUP TOTAL REVENUE



H I G H L I G H T S O F Q 1 F Y 2 0 2 4

+ 5th Consecutive Net Profit Record

+ Maintained Over 50% Market Share In Malaysia's Automotive Leather Upholstery Market

+ Highest Monthly Sales Volume

+ First Europe-registered Commercial Aviation Customer

+ Participated In SEMA 2023, Las Vegas

+ Continued Progress On 2nd Manufacturing Plant

+ Corporate Incentive Trip For Our Employees

Q 1 F Y 2 0 2 4 F I N A N C I A L R E V I E W

FINANCIAL PERFORMANCE

EARNINGS REVIEW

	Q1FY24	Q1FY23	Y/Y	Q4FY23	Q/Q
REVENUE (RM MILLION)	64.05	54.86	+17%	54.33	+18%
PBT (RM MILLION)	17.22	11.08	+55%	13.52	+27%
PAT (RM MILLION)	13.05	8.35	+56%	10.10	+29%
NP MARGIN	20.4%	15.2%	+34%	18.6%	+10%
EPS (SEN)	1.73	1.11	+56%	1.34	+29%

QoQ and YOY, revenue was impacted by these items:

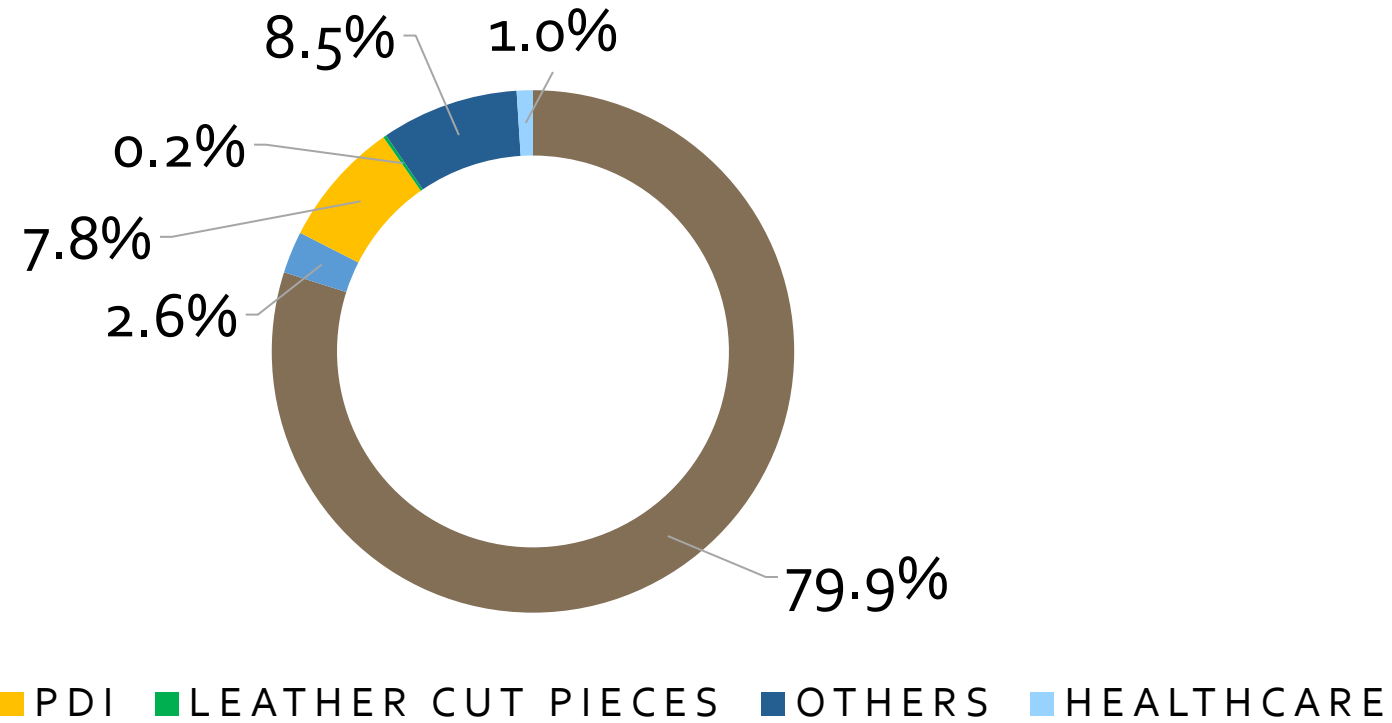
- + higher automotive segment revenue amid strong customer demand

QoQ and YoY, PAT was mainly impacted by these items:

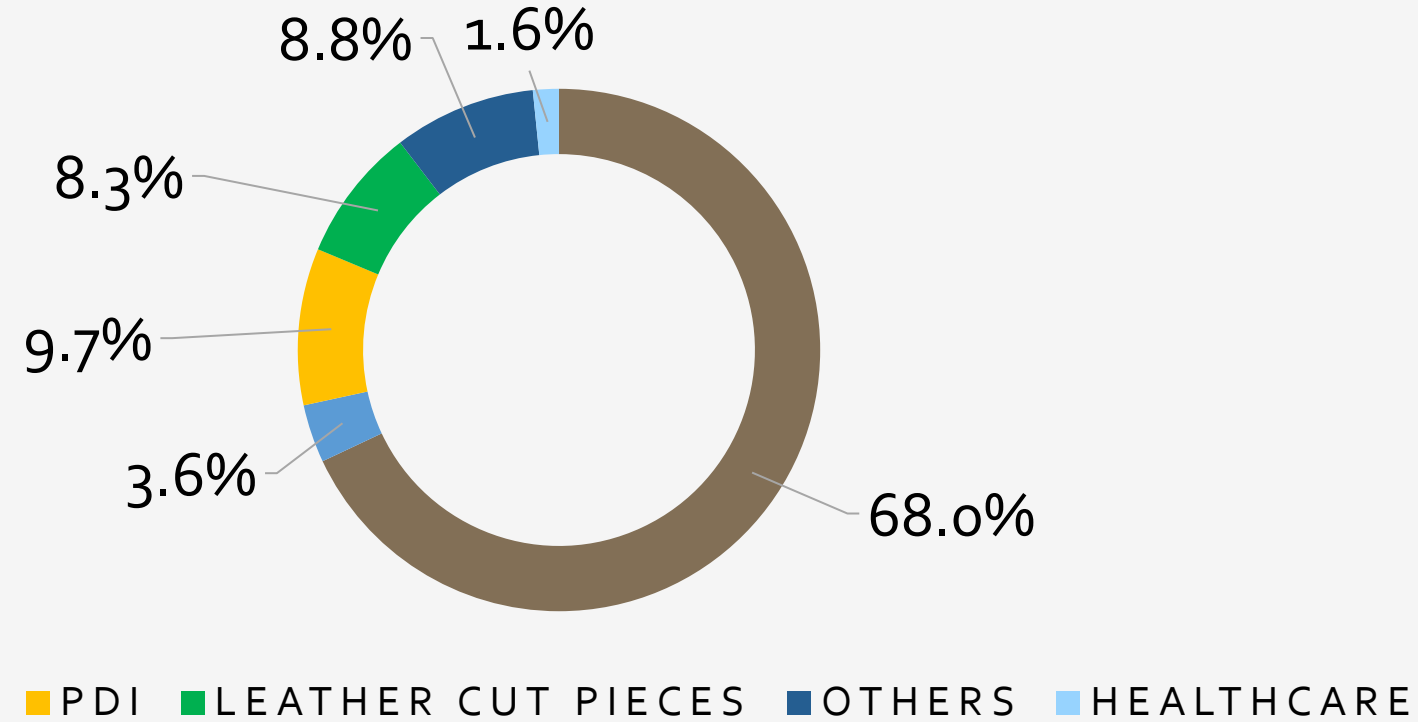
- + higher Group revenue
- + improved operational efficiency

GROUP REVENUE MIX

Q 1
FY 2024

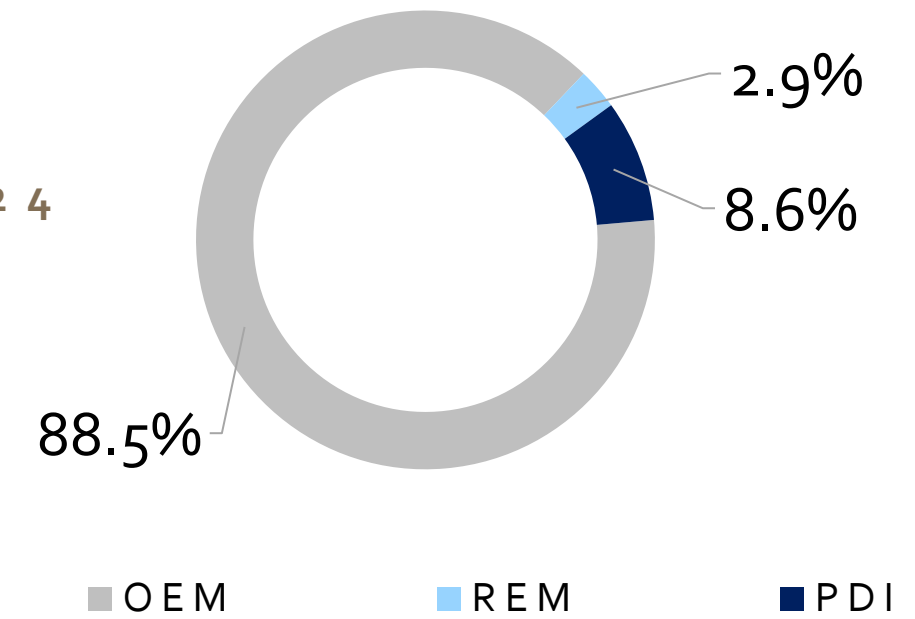


Q 1
FY 2023

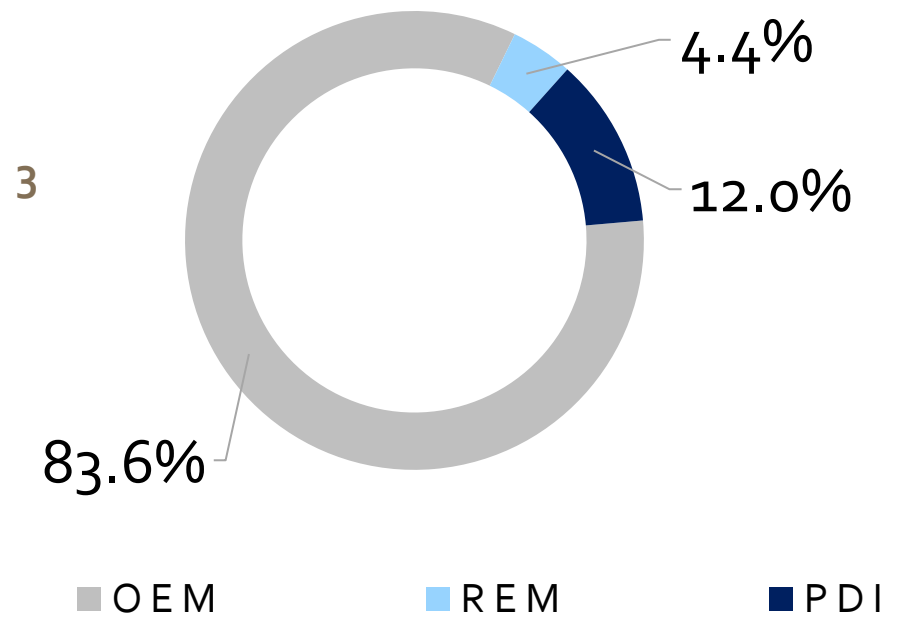


CAR SEAT COVERS SUB-SEGMENT REVENUE MIX

Q 1
FY 2024



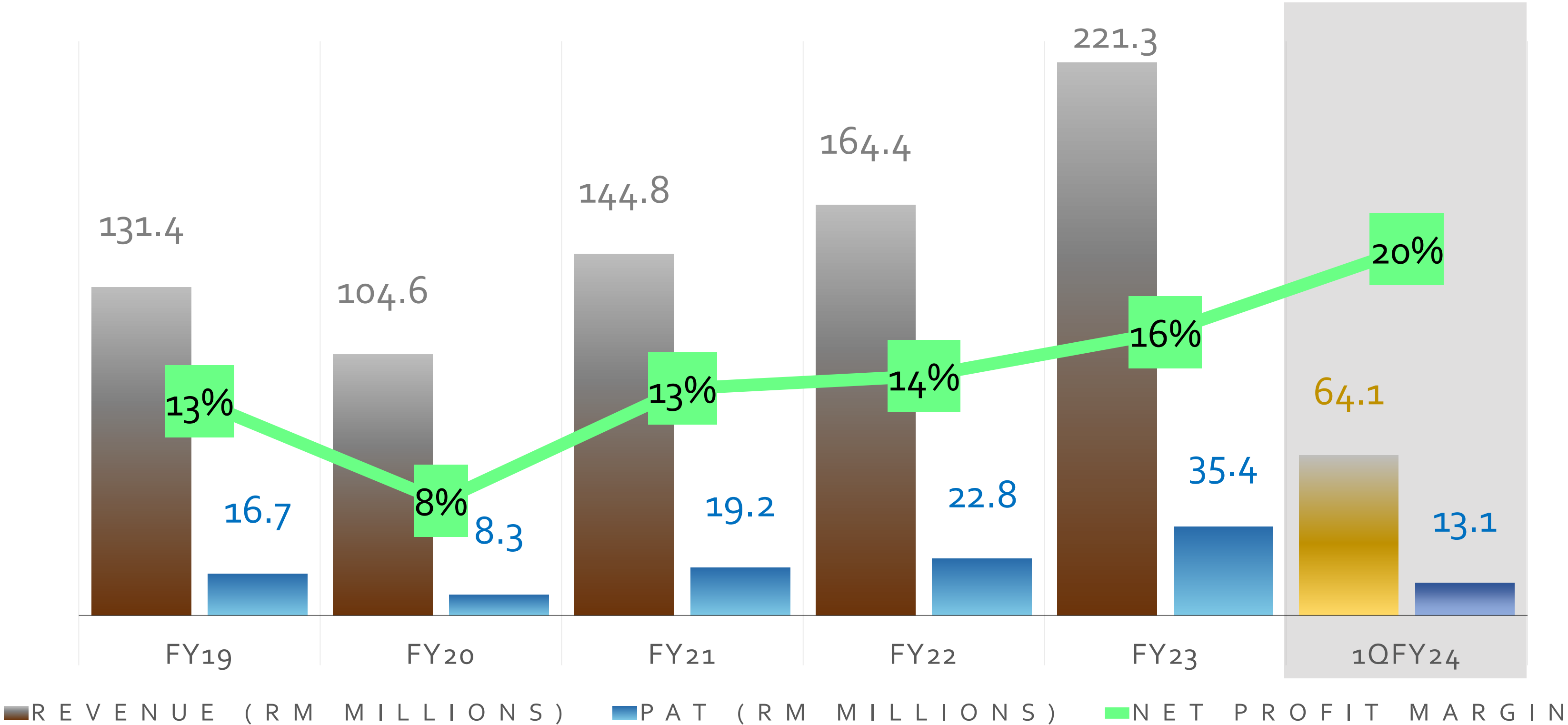
Q 1
FY 2023



FINANCIAL PERFORMANCE

DRIVING STRONG & PROFITABLE GROWTH

FY2019 - FY2023 NET PROFIT CAGR: 16.3%

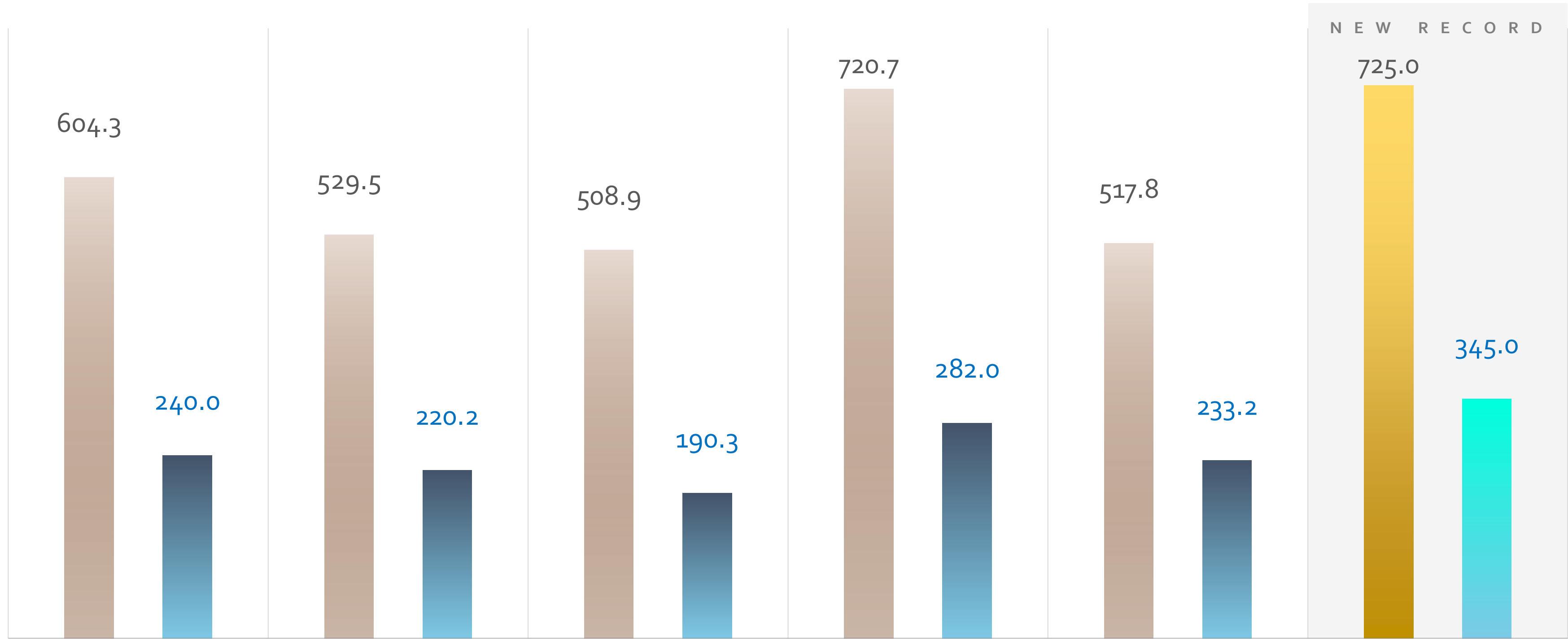




OUTLOOK & STRATEGY

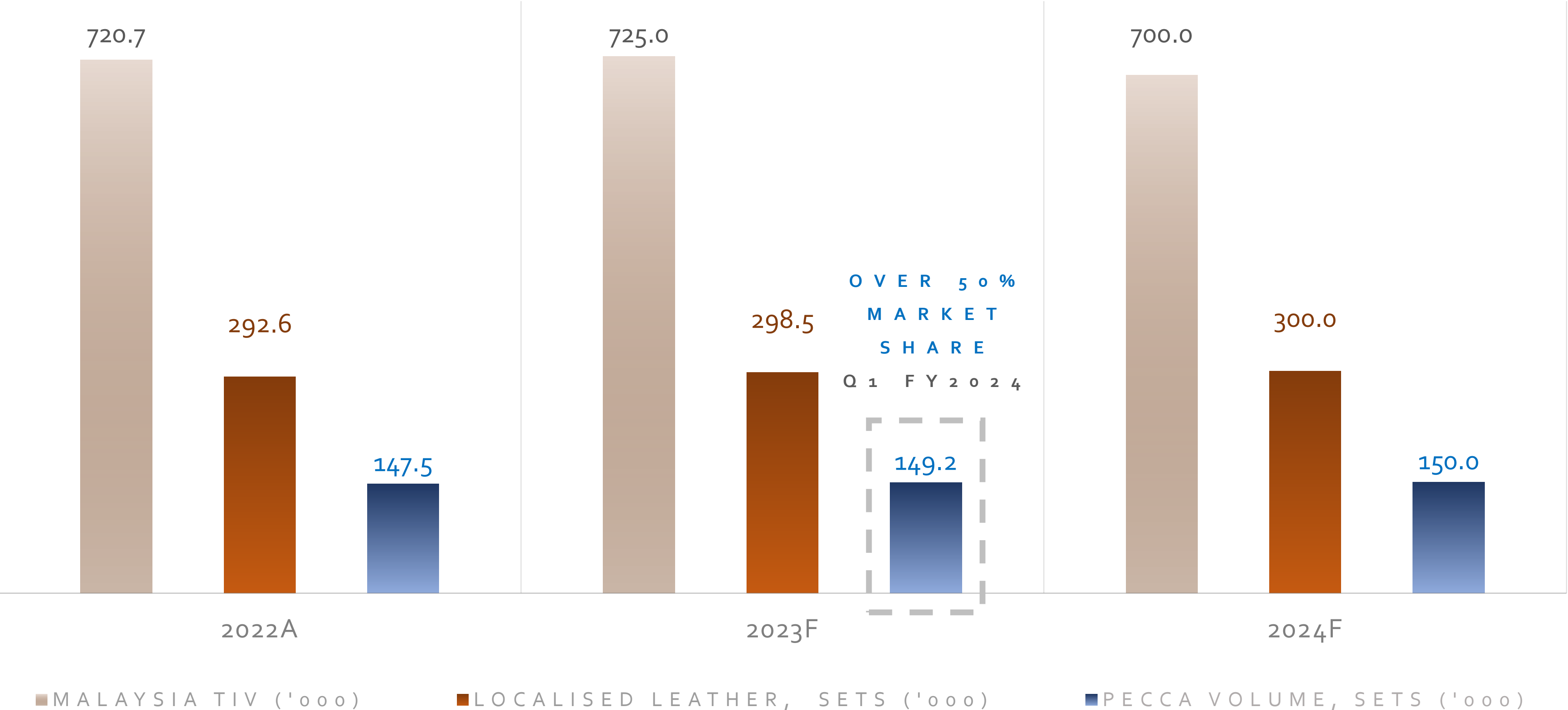
NEAR-TERM OUTLOOK

MALAYSIA ON TRACK FOR RECORD TIV



MALAYSIA TIV, THOUSAND UNITS PERODUA SALES, THOUSAND UNITS

MAINTAINING OUR LEADING MARKET POSITION



Sources: [MAA](#), Pecca Group

PILLAR I EXPANDING OEM BUSINESS

AUTOMOTIVE MARKET

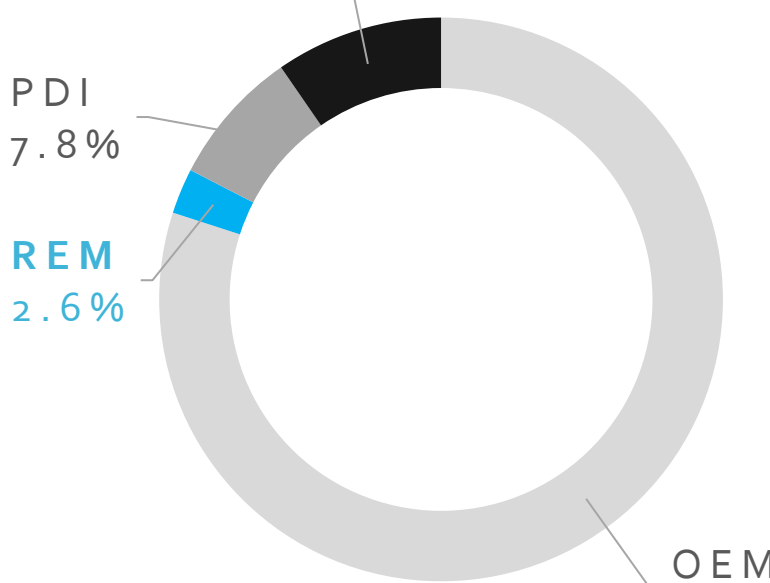
EXISTING CUSTOMERS



MASS MARKET → **LUXURY**

Continue growing with existing OEM customers & penetrate the luxury market

PILLAR II INCREASING REM SALES



Expand REM globally & locally across Malaysia

PILLAR III AVIATION

GLOBAL MRO MARKET

US\$97 BILLION
WORLDWIDE, 2024

US\$18 BILLION
ASIA PACIFIC, 2024

Source: Oliver Wyman

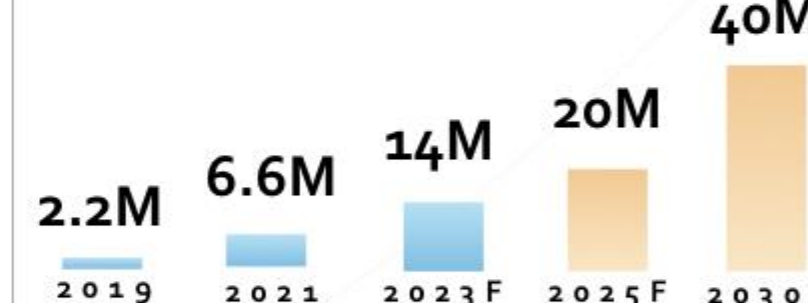
Highly engineered products and high entry barriers

PILLAR IV NEW BUSINESS & EV

TIER-2 → **TIER-1**

UPHOLSTERY → **WHOLE SEAT**

GLOBAL EV & HYBRID SALES



Source: IEA

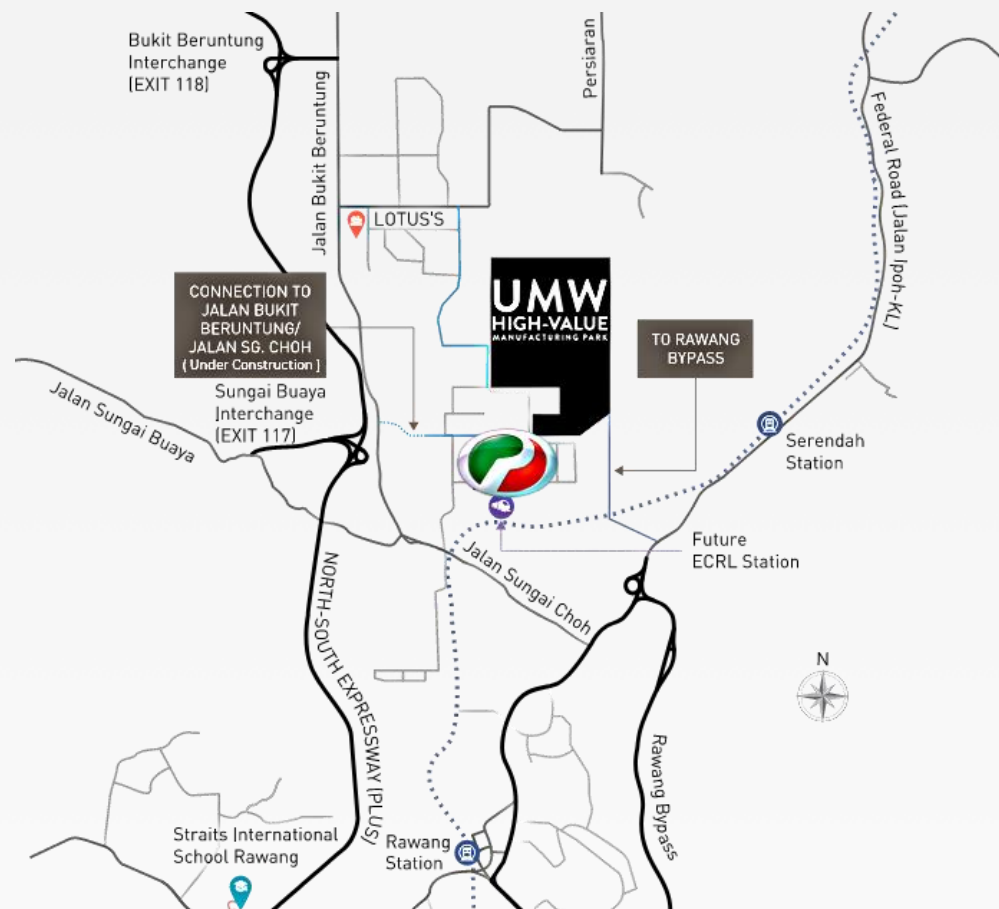
Targeting new business, Tier-1 & the EV market



CORPORATE DEVELOPMENTS

PILLAR I

- + Developing new plant in UMW High Value Manufacturing Park
- + Tentatively expected to commence operations in the middle of 2025



PROJECTED CAPEX	
COMPONENT	COST ('000)
CONSTRUCTION	RM 30,000
NEW MACHINERY	RM 10,000
WORKING CAPITAL	RM 10,000

These are estimates and may change based on final quotation and variation orders. Excludes cost of interior design.

SCALING UP TO MEET DEMAND FROM EXISTING AND NEW CUSTOMERS



PILLAR II

+ Visited existing and potential new international REM customers

+ Participated in SEMA Show, Las Vegas, November 2023



OUTREACH & BRAND BUILDING ACTIVITIES



PILLAR III

+ EASA secured April 2023

+ MOUs with Aero Cabin Solutions (ACS) & Global Component Asia Sdn Bhd (GCA)

ACCELERATING OUR PENETRATION OF THE GLOBAL AVIATION MARKET

GOVERNMENTS



AIRCRAFT LESSORS AND INVESTORS



AIRLINES



MRO ECOSYSTEM



ACS



GCA



PILLAR IV

A Synergistic Acquisition

A WIDER PRODUCT PORTFOLIO TO TAP
INDONESIA'S GROWING MARKET

GMK

INTERIOR STRUCTURES

NON-LEATHER UPHOLSTERY

GMK + PECCA

INTERIOR STRUCTURES

NON-LEATHER UPHOLSTERY

LEATHER UPHOLSTERY

OPPORTUNITIES TO EXTRACT VALUE
FROM COMMON MODELS



PERODUA AXIA



TOYOTA AGYA

ADVANCED MANUFACTURING CAPABILITIES + FINANCIAL STRENGTH



PILLAR IV

Gaining Direct Access To Indonesia's Massive & Growing
OEM & REM Markets via PT Gemilang Maju Kencana (GMK)

GMK HAS EXTENSIVE PARTNERSHIPS

TOYOTA CUSTOM GROUP



PT FUJI SEAT



DAIHATSU



TOYOTA-ASTRA MOTOR



ASTRA OTOPARTS



ISUZU



MORIKOKU



ATSUMITEC



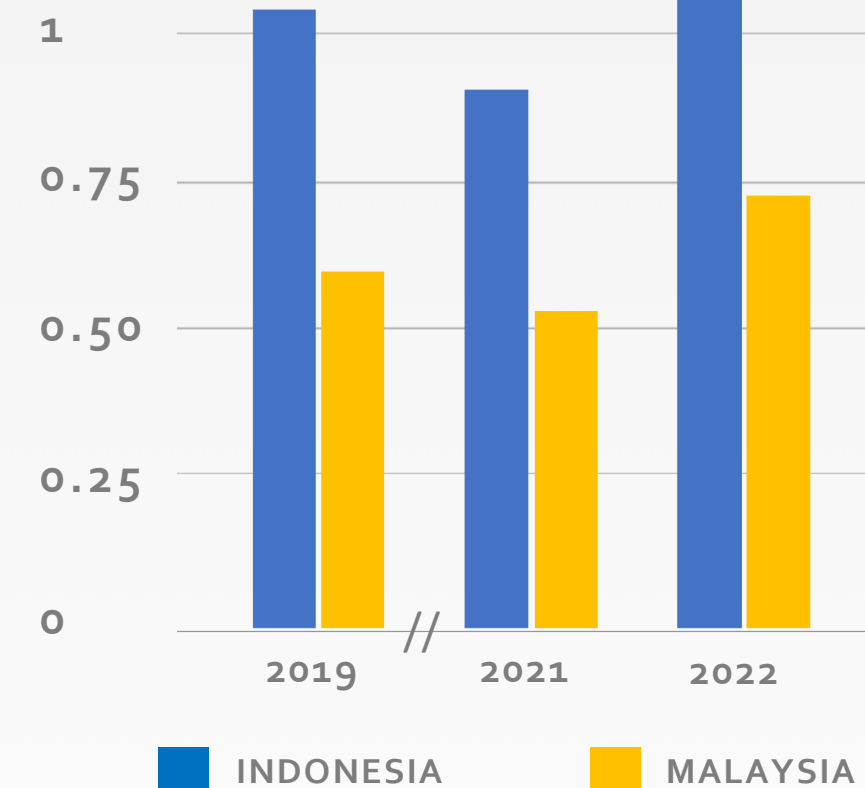
DAIHATSU



This is a non-exhaustive list.

CAR SALES

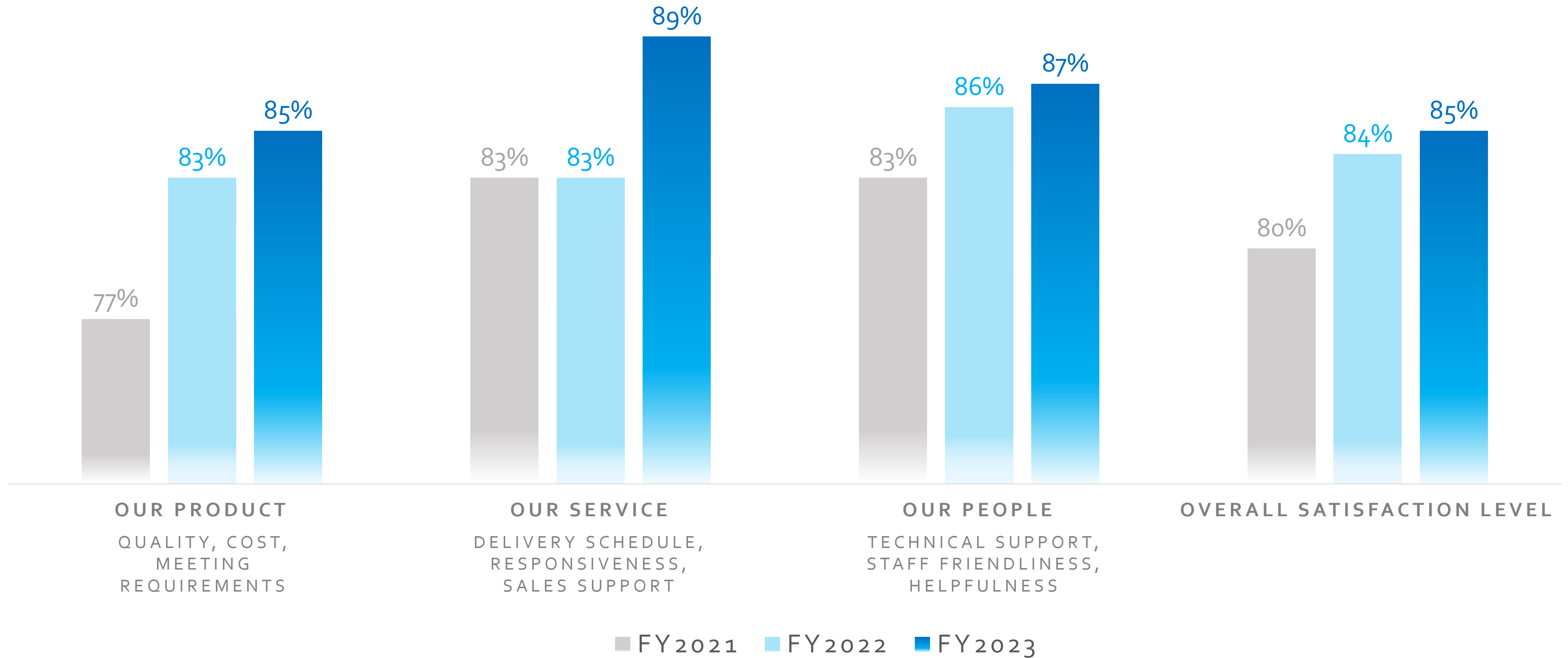
MILLIONS OF UNITS



SUSTAINABILITY UPDATE

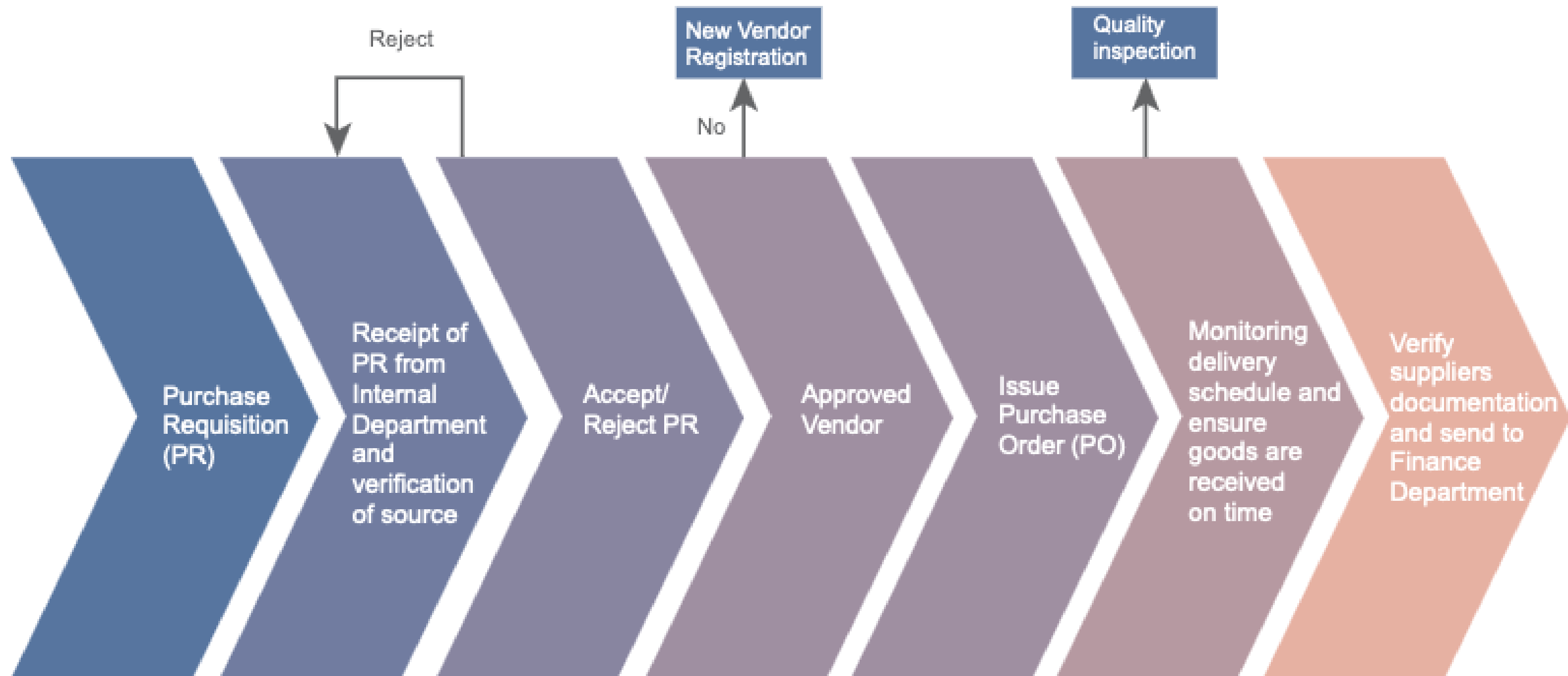
STRENGTHENING OUR CUSTOMER RELATIONSHIPS

RESULTS OF OUR ANNUAL CUSTOMER SATISFACTION SURVEY



STRINGENT PROCUREMENT PROCESS

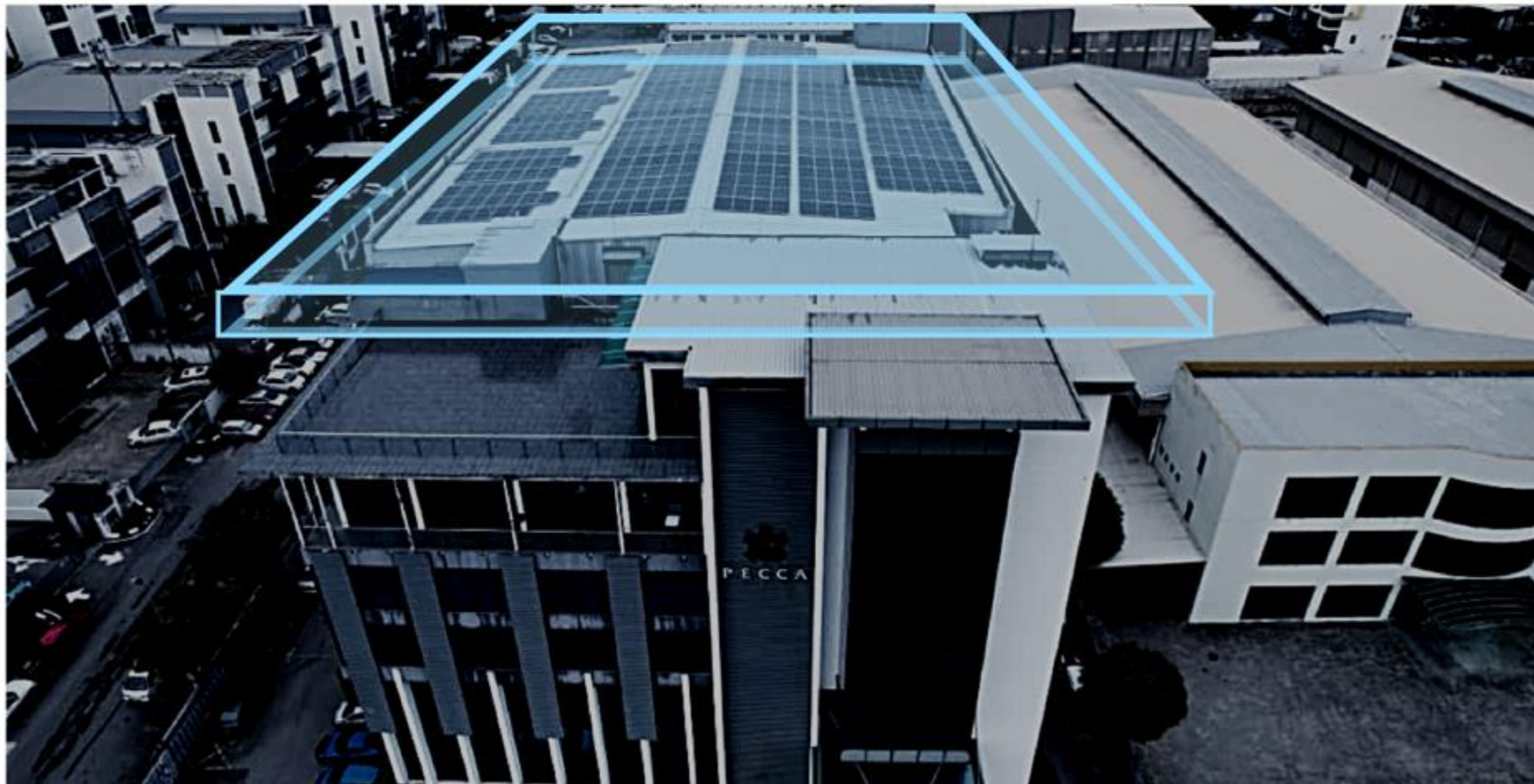
Overview of our Purchasing Processing Flow:



CONSERVING THE ENVIRONMENT

BIODIVERSITY COMMITMENT

- + We source our materials responsibly and promote sustainable ranching practices in our supply chain
- + Leather is a by-product from the meat industry, where unused hides are recycled and manufactured into leather



OUR INITIATIVES

- + Replacing fluorescent lamps with LEDs
- + Installation of Solar PV System at Pecca's manufacturing facility
- + Leveraging virtual machines to optimize hardware utilization
- + Utilizing water cooling system instead of fans or air conditioning systems on our operation floors
- + Implementing 3R (Reduce, Reuse and Recycle) for sustainable effluent and waste management

This is a non-exhaustive list of our environment-related sustainability initiatives. For more details, please refer to Pecca's FY2023 Sustainability Statement.

PUTTING OUR PEOPLE FIRST

TRAINING & EDUCATION

Training Title

Managerial & Executive 2023 Team Building

SLT Member Team Building

Risk Management Mentoring Session

BID Tender Management

ISO 16949:2016 Internal Audit

ISO 16949:2016 Awareness Training

LPS Just in-Time project

Emergency Response Team-Fire Fighting (ERT) Training

Forklift Safety Training

Performance Management & KPIs



FY2021

FY2022

FY2023

Total annual training hours
Average training hours per employee

888
1.54

1,217
2.41

5,516
5.74

EMPLOYEE WELFARE & TEAM-BUILDING



Foreign workers gathering dinner,
Annual Dinner, & various team engagement
activities

COMMUNITY ENGAGEMENT



Face mask donation,
blood donation,
Iftar program

COMMITTED TO CORPORATE GOVERNANCE & ETHICS

Board Charter

Code of Ethics of Directors

Director & Senior Management Remuneration Policy

Directors' Assessment Policy

Diversity Policy

External Auditors Assessment Policy

Terms Of Reference - Audit and Risk Management Committee

Terms Of Reference - Nomination Committee

Terms Of Reference - Remuneration Committee

Whistle-blower Policy

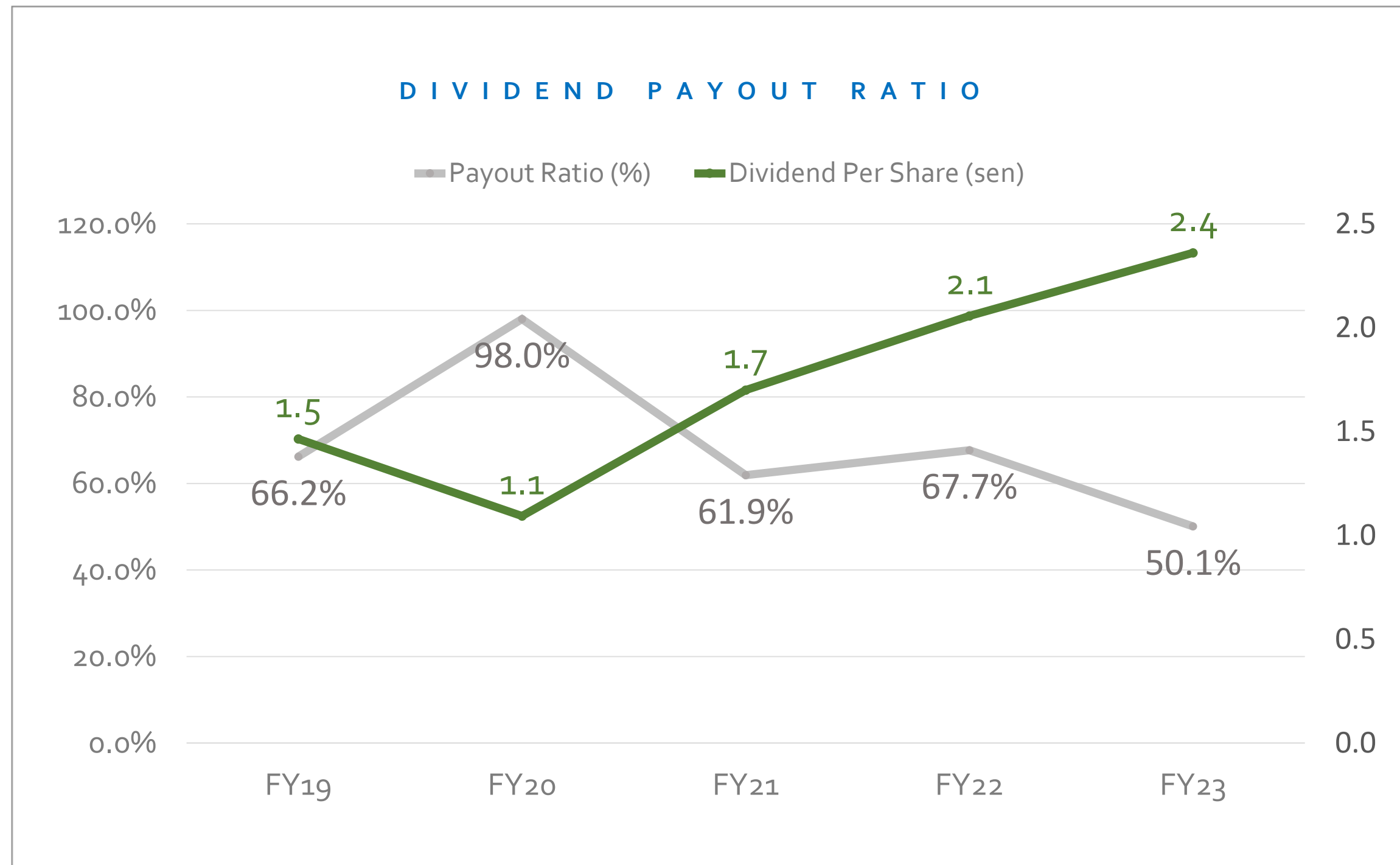
Anti-Bribery and Anti-Corruption Policy

Directors' Fit and Proper Policy

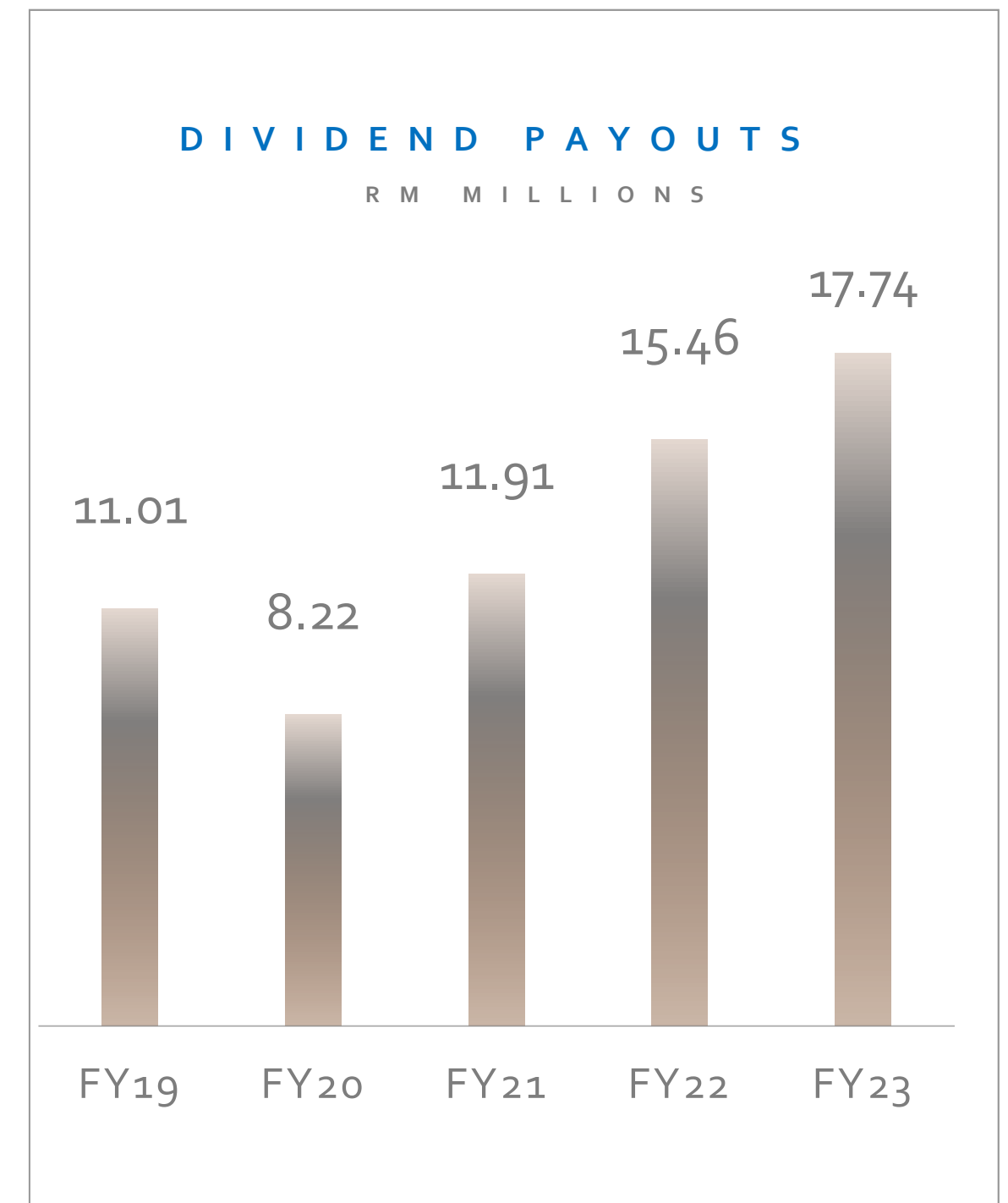
Personal Data Protection Notice

INVESTMENT HIGHLIGHTS

COMMITTED TO SHAREHOLDER WEALTH CREATION

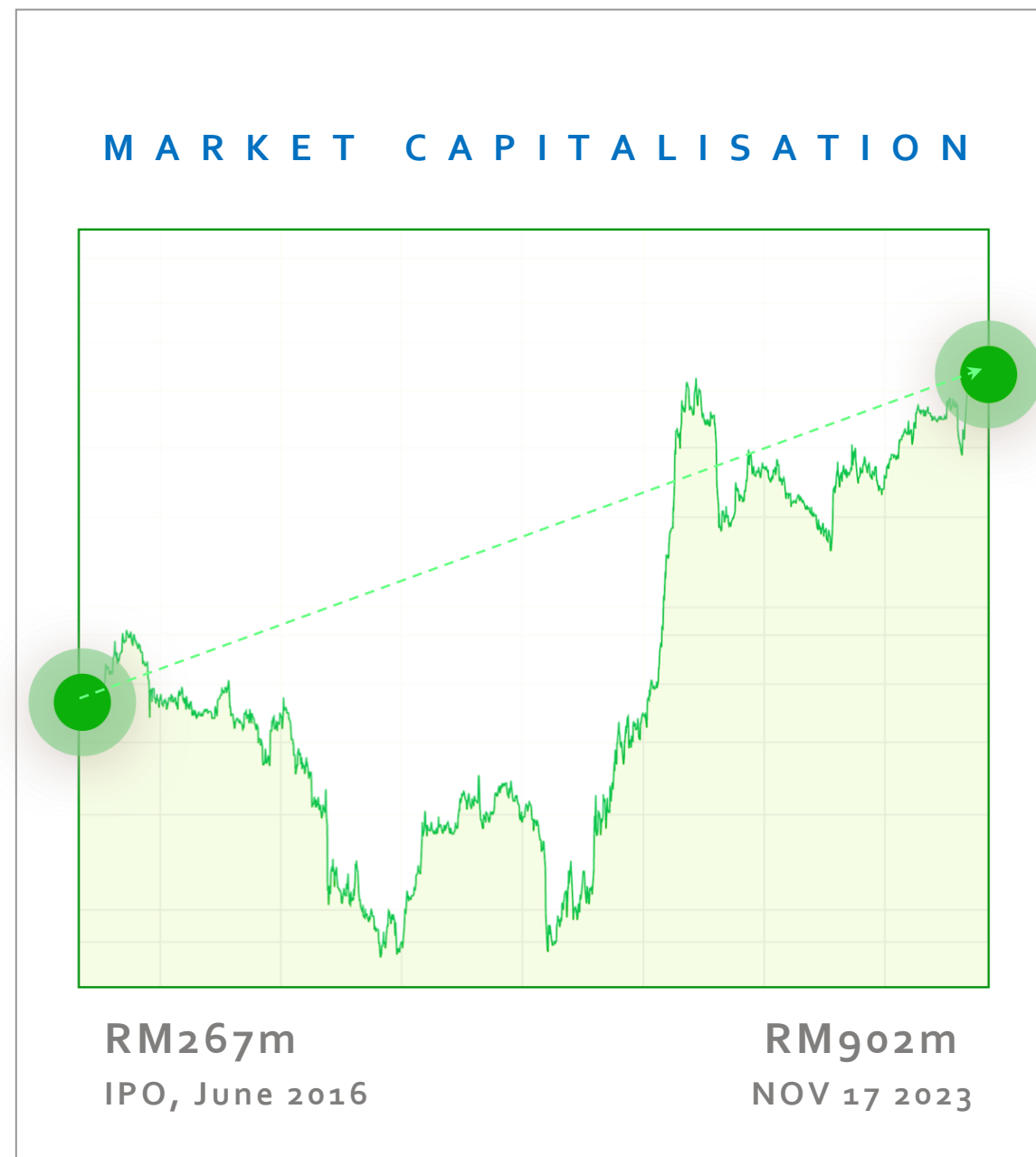


Assumes share base of 752 million

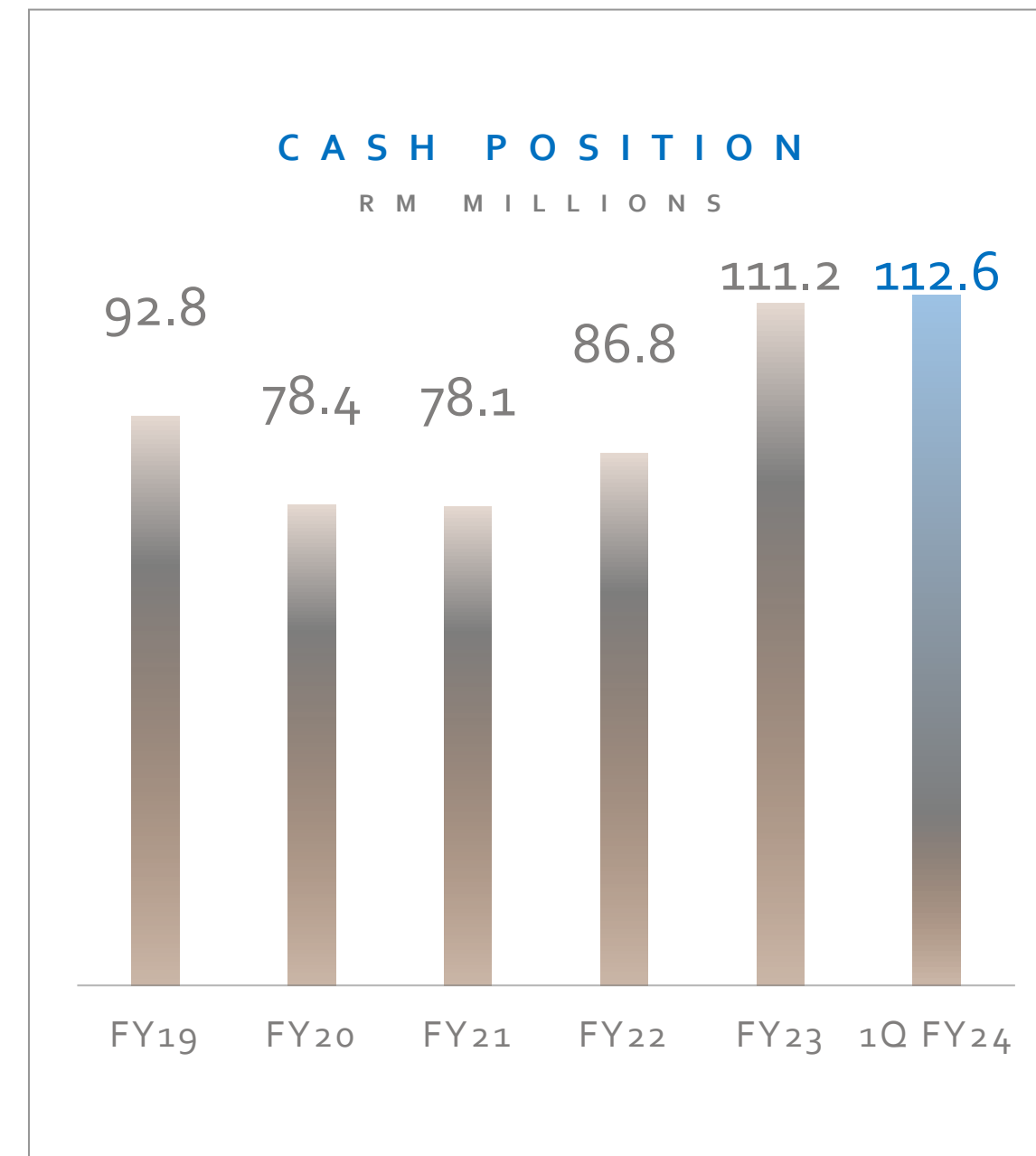


COMMITTED TO DIVIDEND PAYOUT RATIO OF ABOVE 40%

COMMITTED TO SHAREHOLDER WEALTH CREATION



MARKET CAP GROWTH OF
3.4 TIMES IN 7 YEARS



FINANCIAL STRENGTH TO
FIRE UP OUR GROWTH



CERTIFICATION & RECOGNITION



The Edge Industries Products and Services Award

Highest Return to Stakeholders Over Three Years

26 September 2022



Mitsubishi Quality Appreciation Award

Best Quality – Overall Local Vendor

27 October 2022



PD Kawamura Kako Manufacturing Sdn Bhd Appreciation Award

Best Vendor Award

29 December 2022



Mitsubishi Quality Appreciation Award

Best Quality – Local Accessories

15 June 2023



- Mitsubishi Motors Malaysia – Quality Appreciation Awards (Local Accessories) (2023)
- PDKM Best Vendor Award (2022)
- Mitsubishi Motors Malaysia – Quality Appreciation Awards (Overall Local Vendor (2022)
- The Edge – Highest Returns to Shareholders Over Three Years Award. (2022)
- China Press – 2nd Malaysia Golden Entrepreneur Award.
- China Press – 1st Malaysia Golden Entrepreneur Award.
- TS Lear - Outstanding Quality Performance Award.
- TS Lear - Best Overall Performance.
- TS Lear - Best Vave Cost Awards.
- Perodua – Certificated Appreciation Participant for Built-up “Bezza” for KLIMS 2010.
- The Golden Bull Award.
- The 6th International Entrepreneur Excellent Award.
- The 50 Enterprise Award
- Johnson Controls Best Supplier Award.
- Best Vendor Awards – Azman Hamzah Plastik Sdn Bhd.

Q & A



INVESTOR RELATIONS

ANTHONY LEE
SENSE CONSULTANCY
anthony@leesense.com



PECCA
GROUP BERHAD