



PECCA

G R O U P B E R H A D

RESULTS BRIEFING | Q 4 F Y 2 4

AUGUST 23, 2024

OVERVIEW

COMPANY OVERVIEW

FINANCIAL REVIEW

OUTLOOK & STRATEGY

SUSTAINABILITY UPDATE














INVESTMENT HIGHLIGHTS



COMPANY OVERVIEW



MILESTONES & ACHIEVEMENTS

									 RM1 billion market capitalisation  Production Organisation Approval Reference No. EASA.21G.0075  PECCA GEMILANG INDONESIA Acquisition in PT Pecca Gemilang Indonesia
	 IATF 16949 Certificate, OEM & Oversea Footprints		 Smart Fit (SF) development & product penetration to Japan		 PGB Listing on Bursa		 Manufacturing and distribution of facemask and healthcare products		
2000	2004	2009	2010	2011	2016	2017	2020	2022	2023
 PECCA LEATHER Manufacturing leather upholstery for automotive		 PECCA AVIATION SERVICES Provide Aviation services		 P-PLUS Supply of car seat trim covers & other products to aftermarket		 CAAM Approved Maintenance Organisation Reference No. AMO/2017/12		 EVOLUSI MOBILITI SDN BHD  PECCA EV Import, distribute of EV cars and products	

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

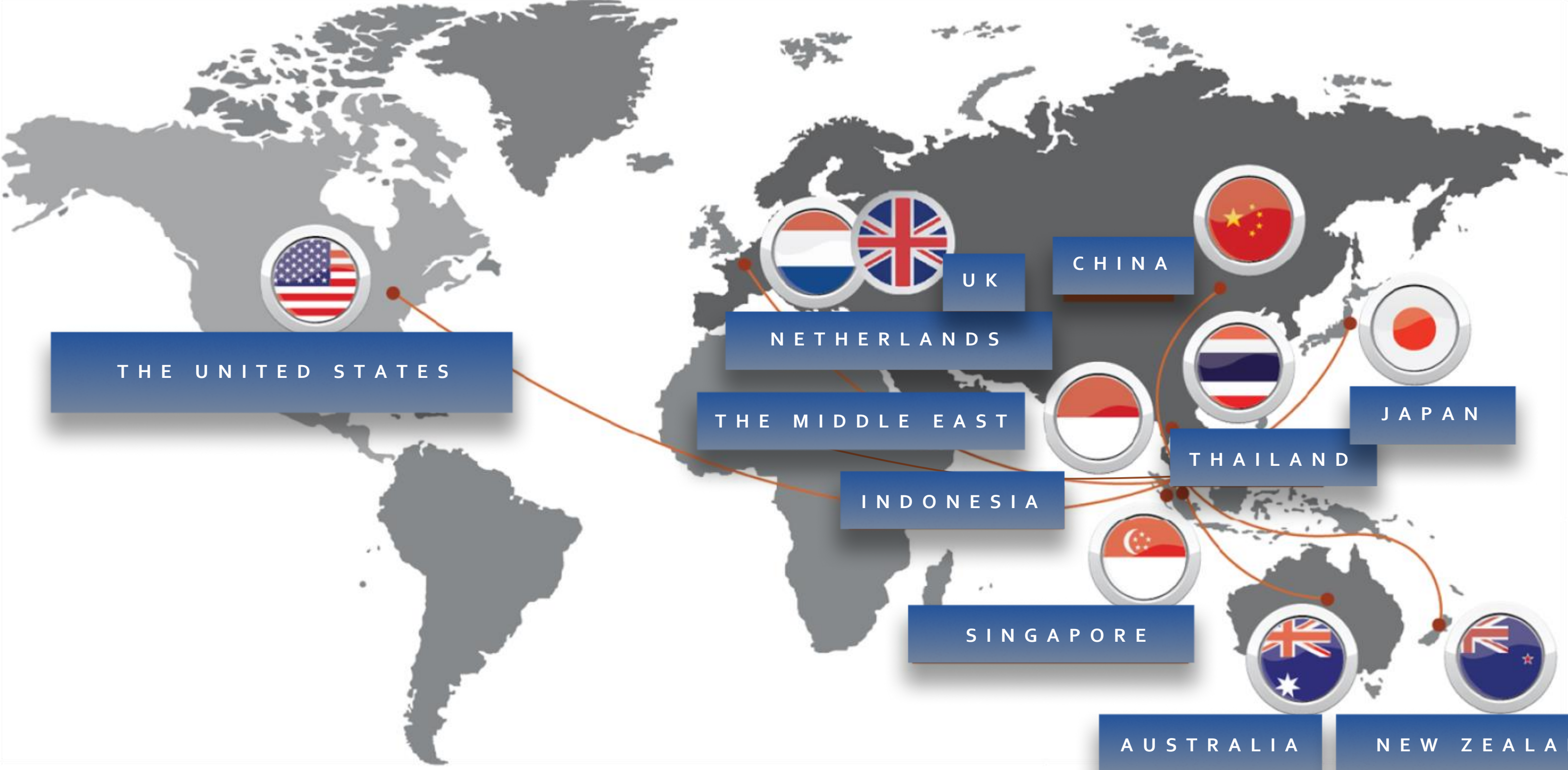
N E W M O D E L S

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

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)







































1ST TIER


































PRE-DELIVERY
INSPECTION (PDI)














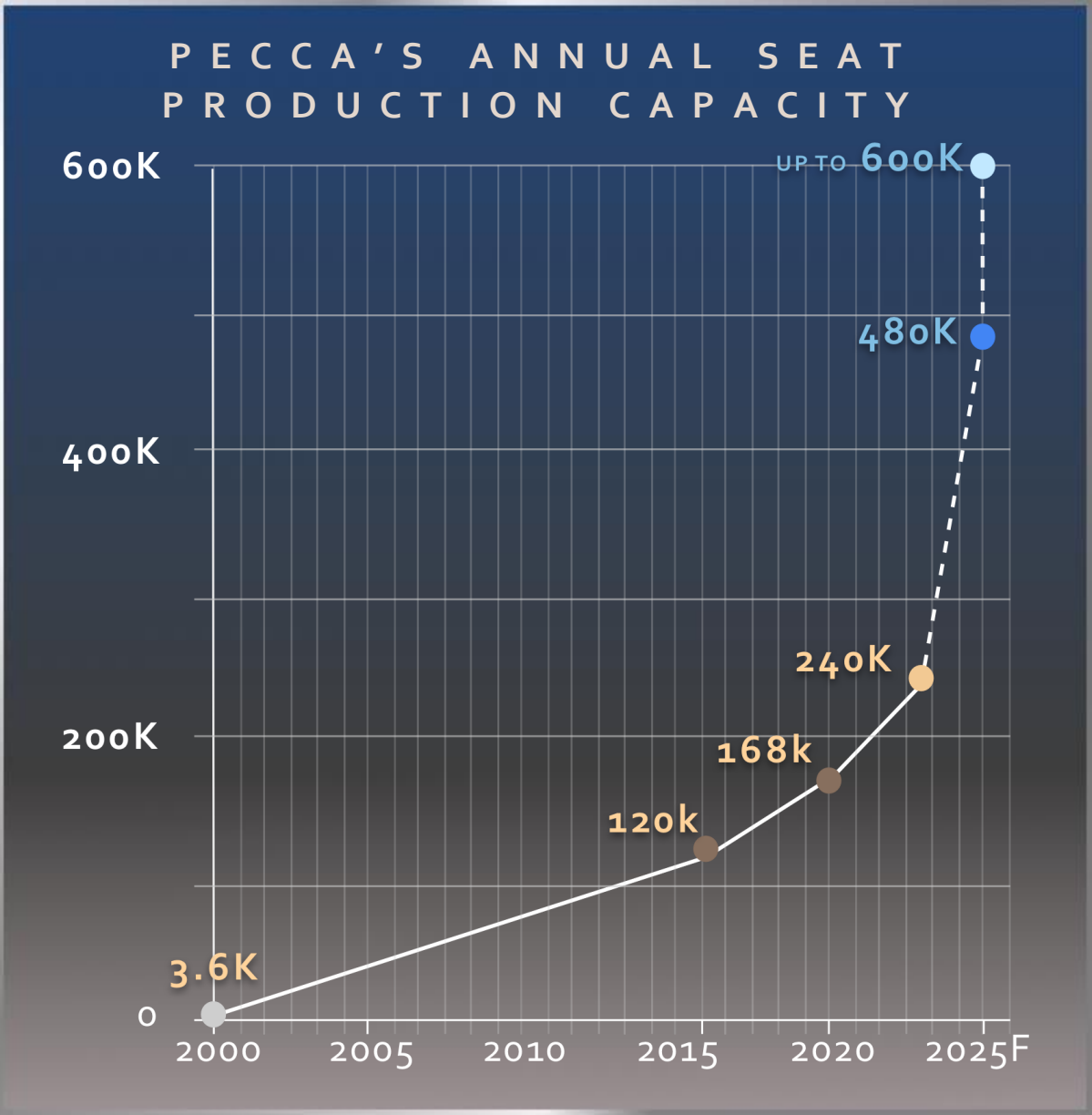
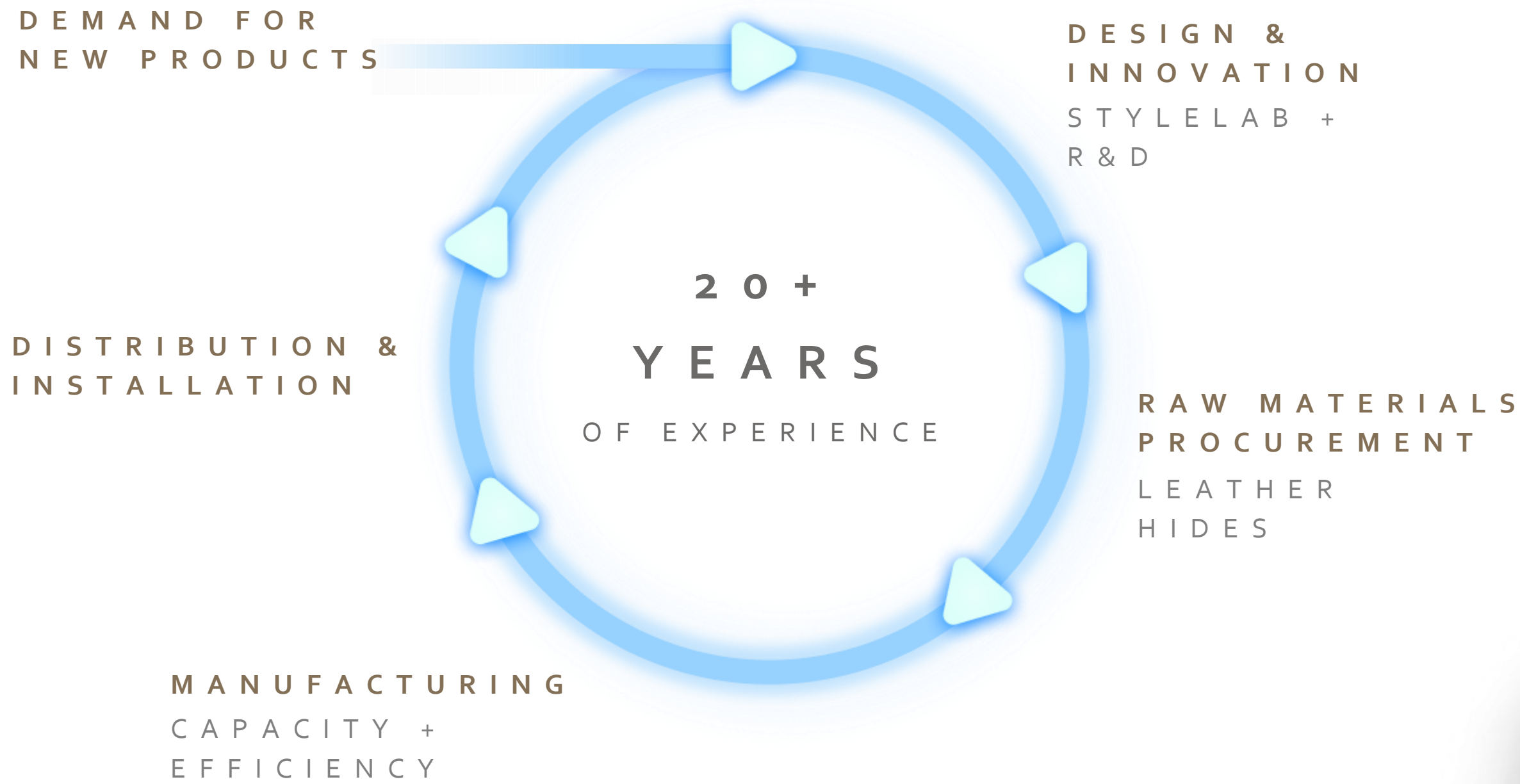






CORE BUSINESS

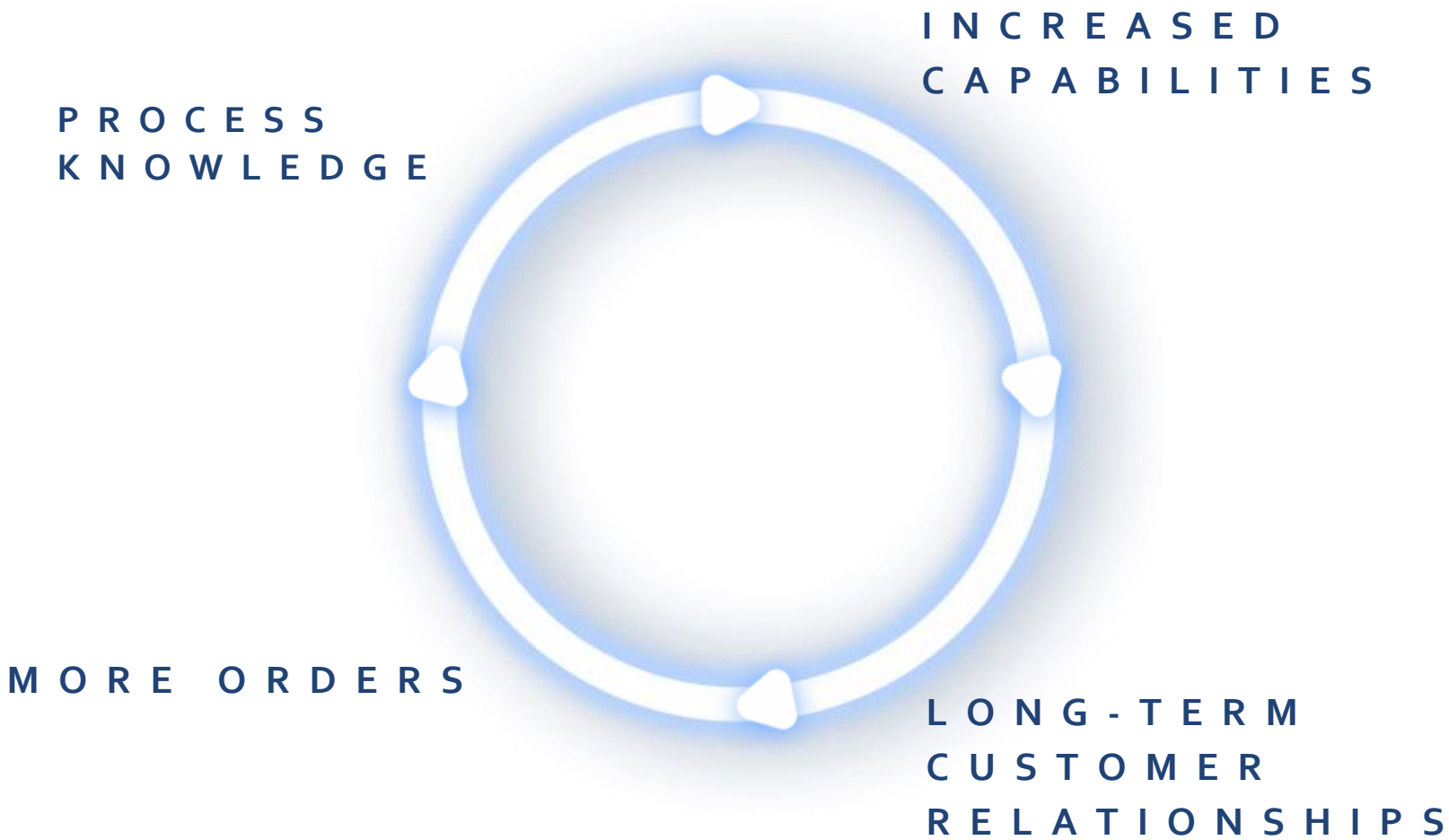
DELIVERING A ONE-STOP SOLUTION



INCREASINGLY ADVANCED DESIGN, INNOVATION & PRODUCTION CAPABILITIES

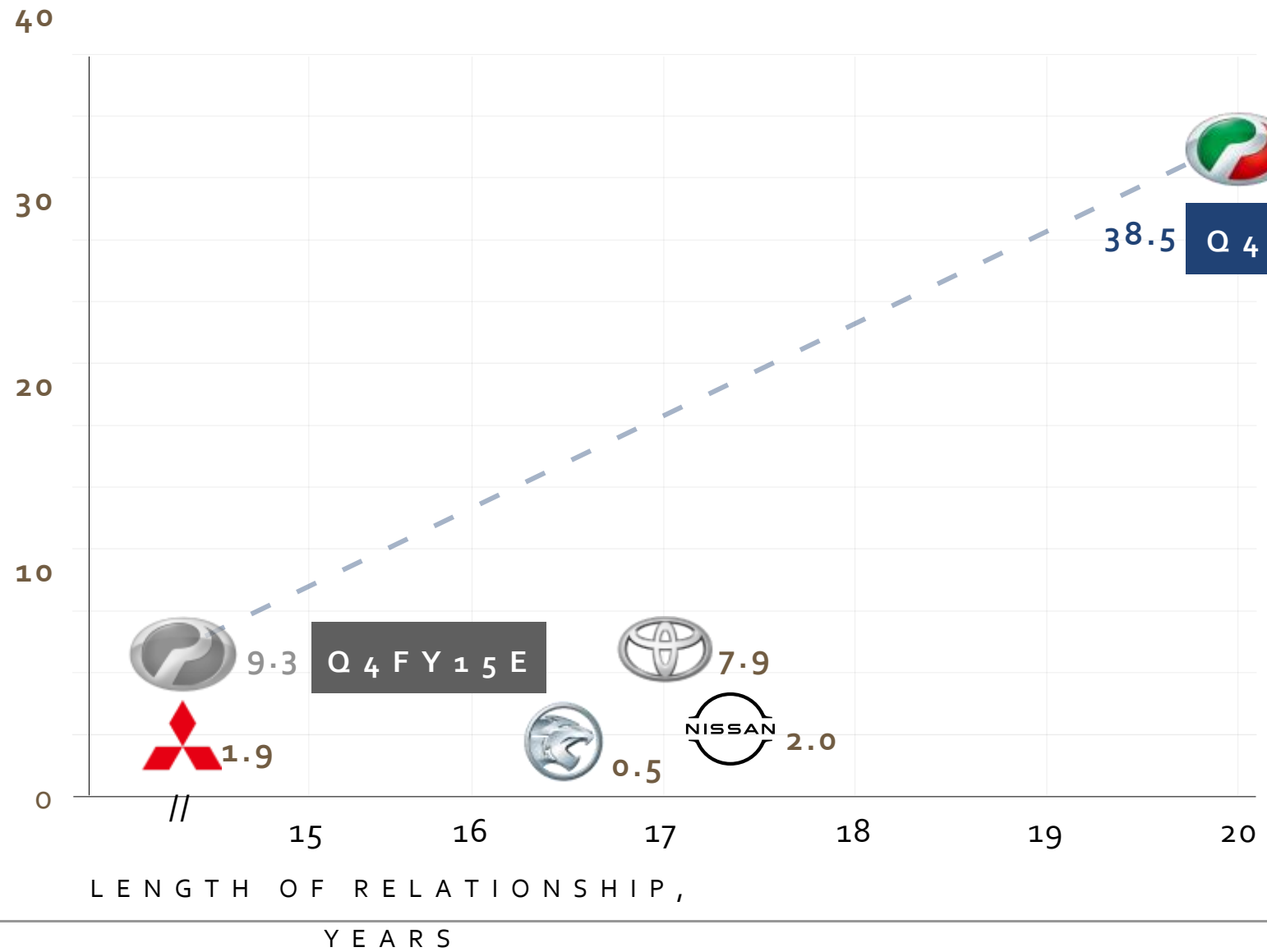
CORE BUSINESS

IMPROVED CAPABILITIES UNLOCK FURTHER GROWTH



OUR LARGEST CUSTOMERS HAVE BEEN WITH US FOR OVER A DECADE

Q 3 F Y 2 4 , R E V E N U E C O N T R I B U T I O N , R M M I L L I O N S



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

- + Q4 FY24 marked our 8th consecutive quarterly net profit record since Q1 FY23
- + FY24 net profit was a record RM55.0 million, up 55.4% from FY23
 - + Cash position at RM153.7 million, up 38.2% from end-FY23
- + Completed first PO to service Europe-registered Airbus A320, as part of collaboration with Aero Cabin Solutions (“ACS”)

FINANCIAL REVIEW

FINANCIAL PERFORMANCE

EARNINGS REVIEW

	Q4FY24	Q4FY23	QoQ	FY24	FY23	YoY
REVENUE (RM MILLION)	54.99	54.33	+1%	242.42	221.26	+10%
PBT (RM MILLION)	18.78	13.52	+39%	72.16	46.95	+54%
PAT (RM MILLION)	14.57	10.10	+44%	55.03	35.43	+55%
NP MARGIN (%)	26.5%	18.6%	+42%	22.7%	16.0%	+42%
EPS (SEN)	1.94	1.34	+45%	7.32	4.71	+55%

FY24 & Q4FY24 revenue was impacted by these items:

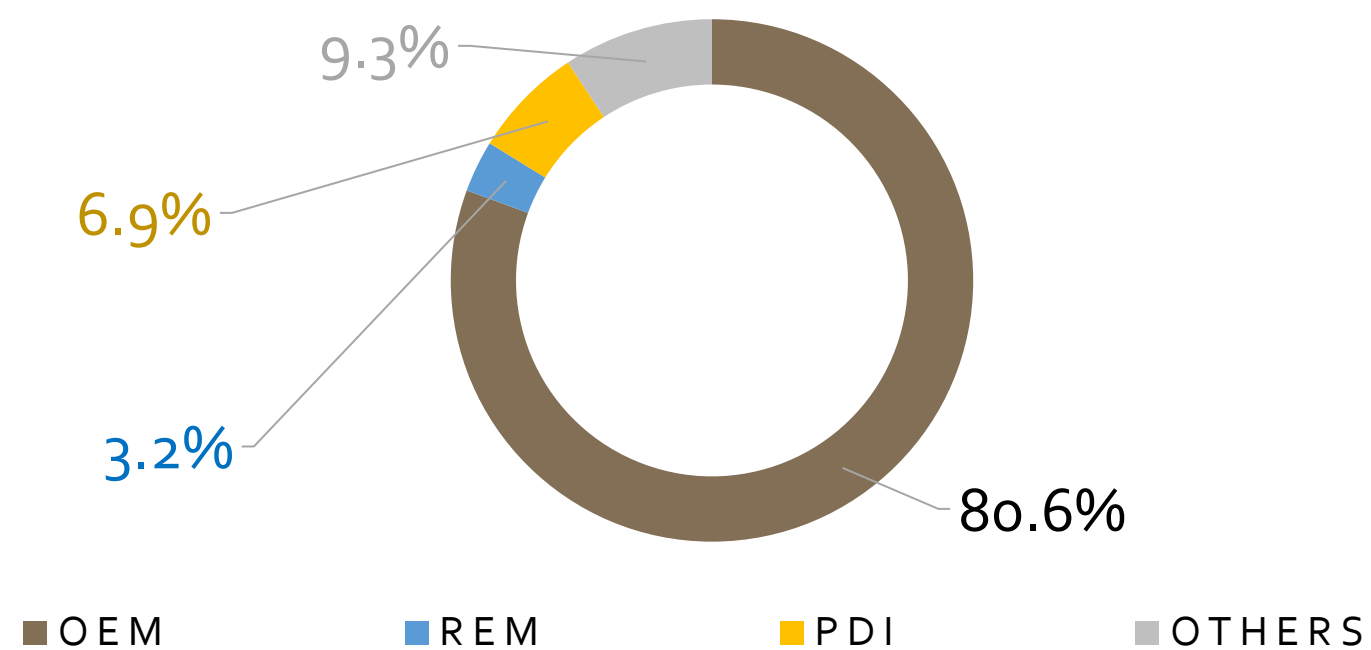
+ higher sales volume in Automotive segment

FY24 & Q4FY24 PAT was mainly impacted by these items:

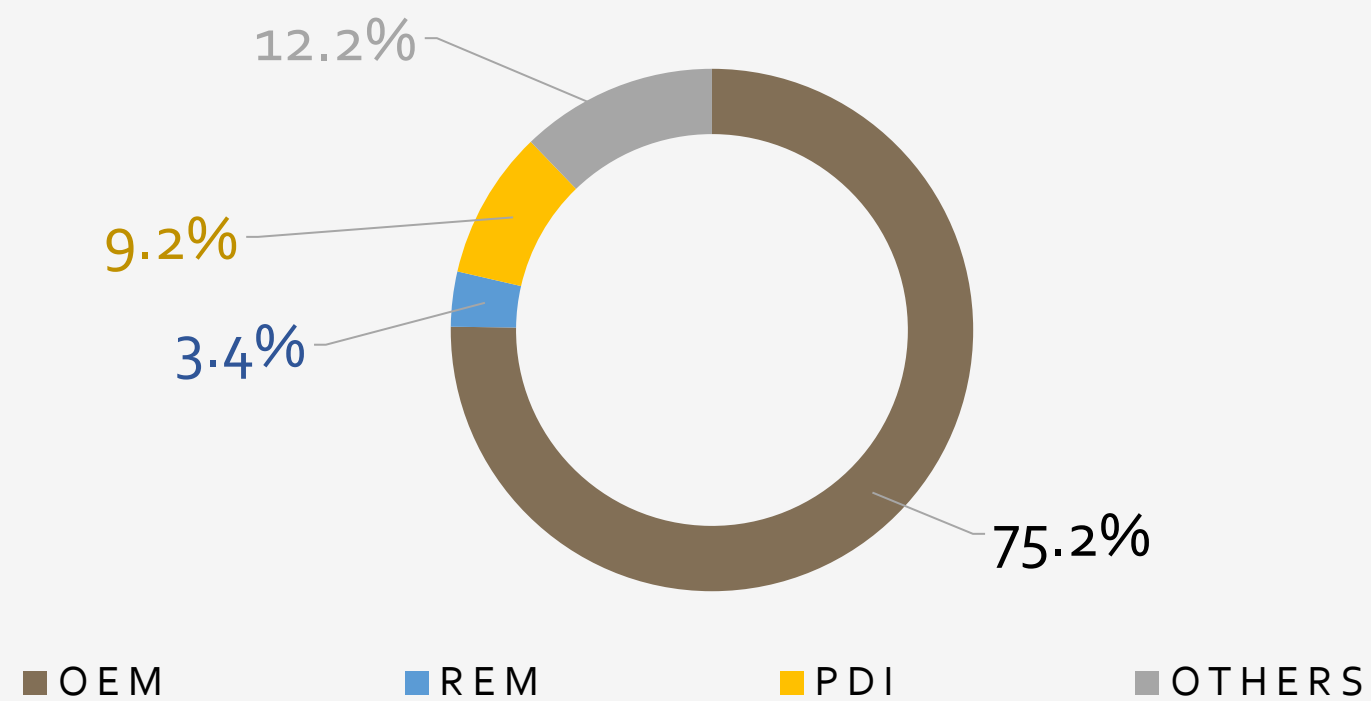
- + better production cost efficiency
- + higher Group revenue

GROUP REVENUE MIX | FY 24 VS FY 23

FY 24

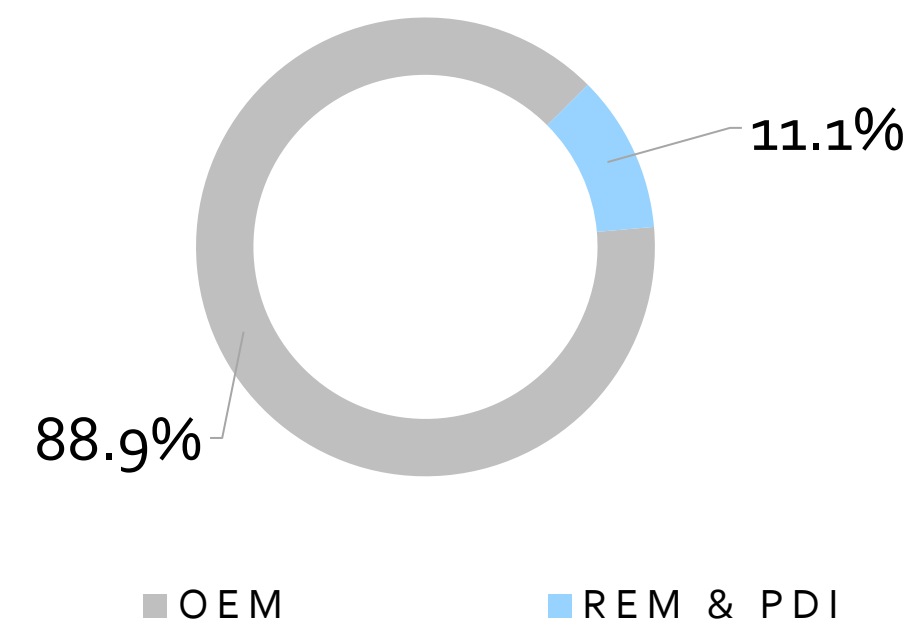


FY 23

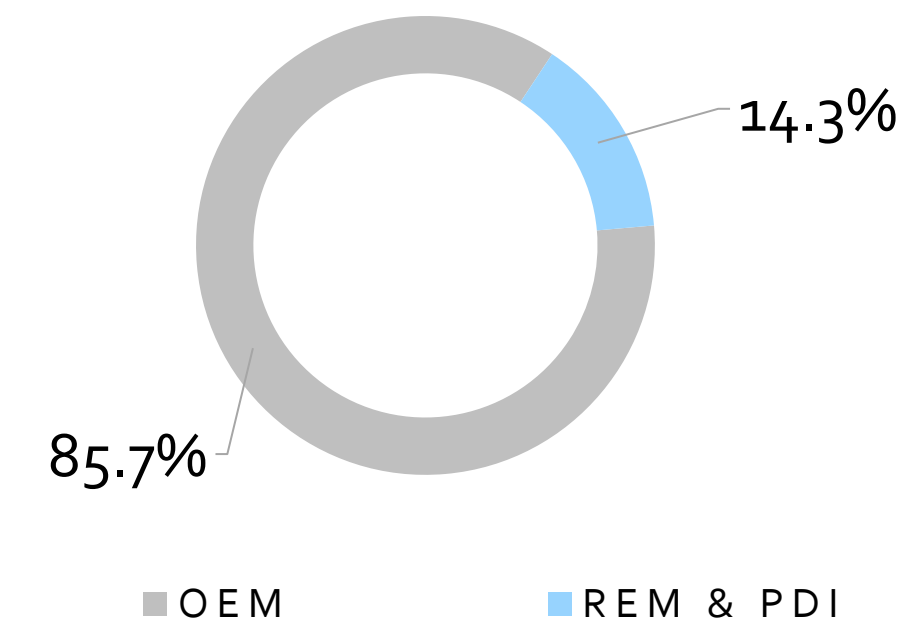


CAR SEAT COVERS SUB-SEGMENT REVENUE MIX

FY 24

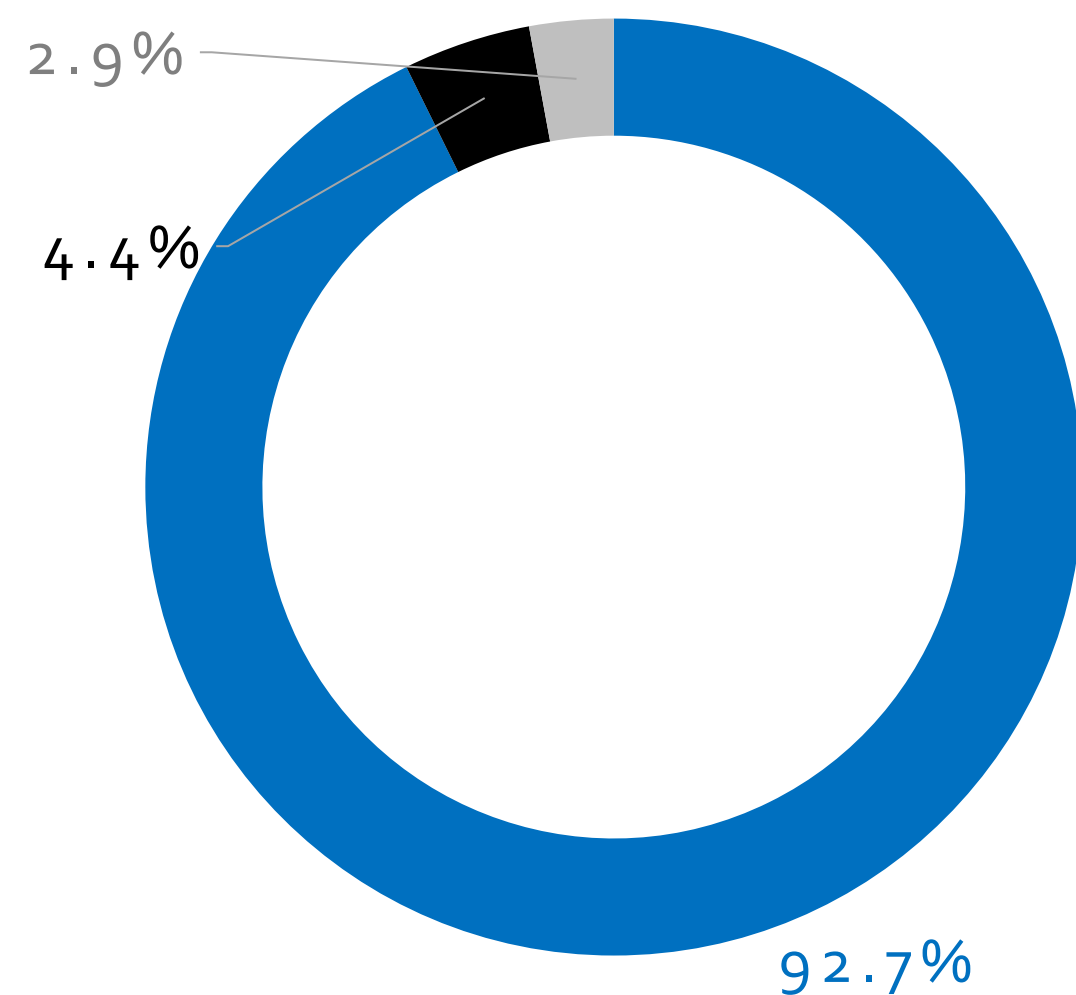


FY 23



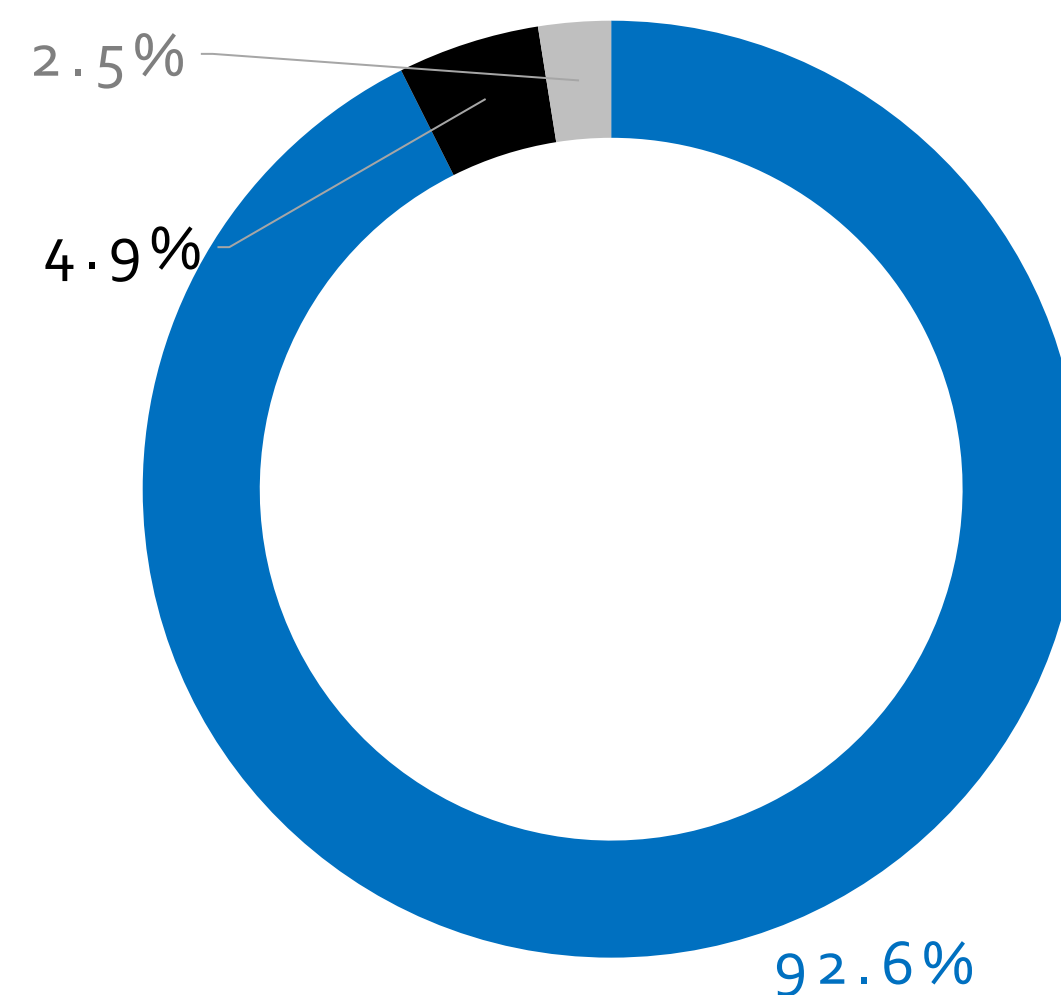
SEGMENT REVENUE MIX, BY BRANDS | FY 24 VS FY 23

FY 24



■ Top 5 car brands ■ Other car brands ■ Other segments

FY 23



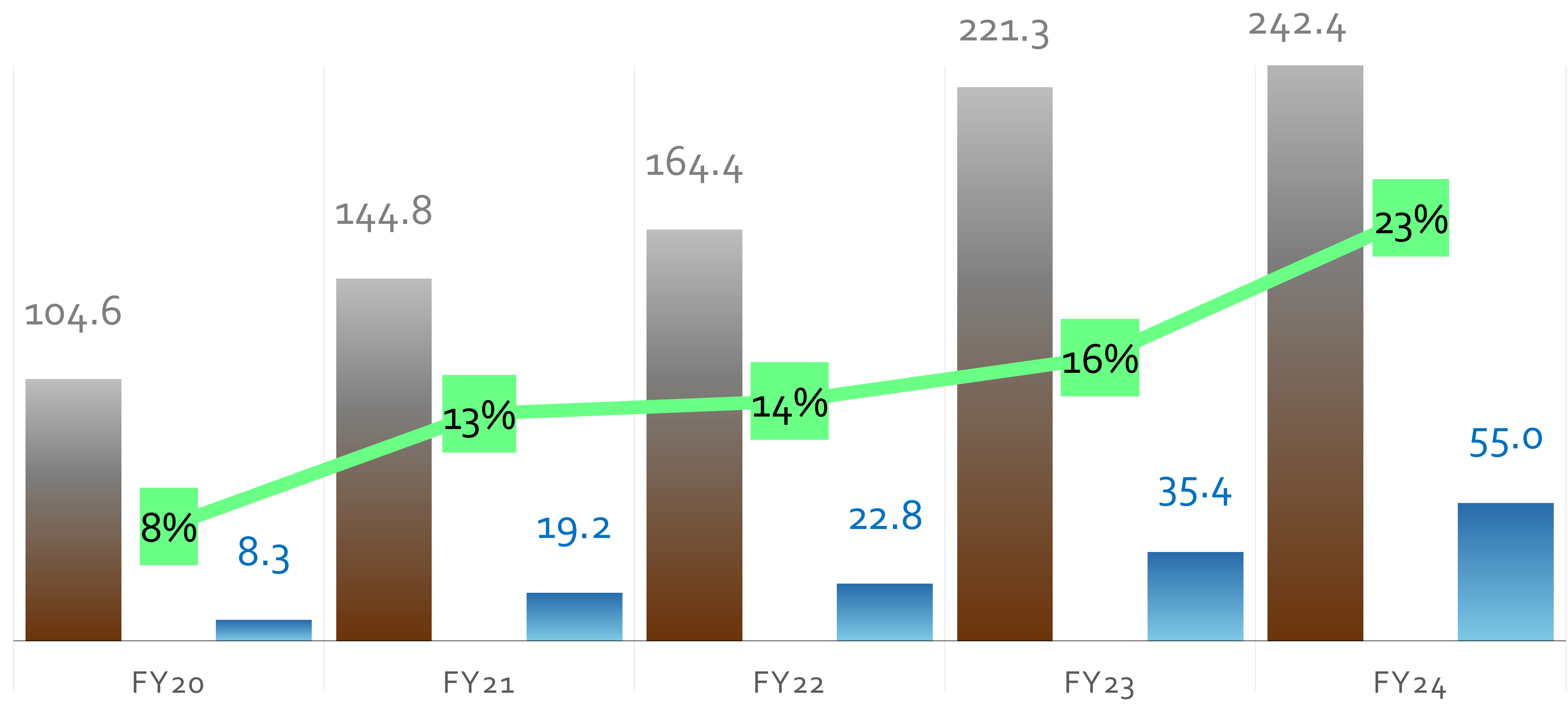
■ Top 5 car brands ■ Other car brands ■ Other segments

Note: Pecca completed the acquisition of PT PGI in May 2023

FINANCIAL PERFORMANCE

ANOTHER RECORD-BREAKING YEAR

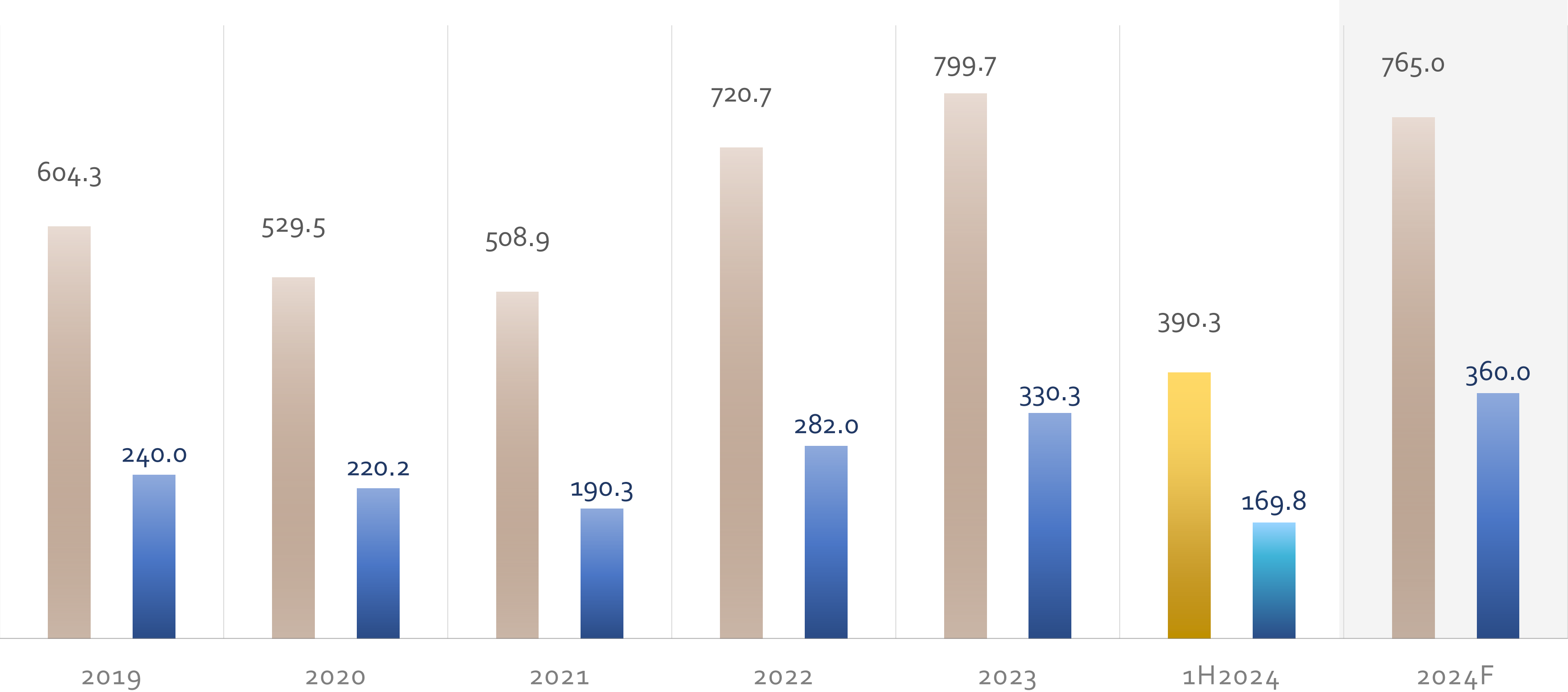
FIVE-YEAR NET PROFIT CAGR: 60.6%



OUTLOOK & STRATEGY

NEAR-TERM OUTLOOK

RESILIENT OUTLOOK FOR MALAYSIA TIV



■ MALAYSIA TIV, THOUSAND UNITS

■ PERODUA SALES, THOUSAND UNITS

Sources: [MAA](#), [Paultan.org \(1\)](#), [Paultan.org \(2\)](#)

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\$104 BILLION
WORLDWIDE, 2024

US\$19.9 BILLION
ASIA PACIFIC, 2024

Source: Oliver Wyman

Highly engineered products & high entry barriers

PILLAR IV NEW BUSINESS & EV

TIER - 2 **TIER - 1**

UPHOLSTERY **WHOLE SEAT**

GLOBAL EV & HYBRID SALES

Year	Sales (M)
2019	2.2M
2021	6.6M
2023	14M
2025F	21M
2030F	41M

Source: IEA (1), (2)

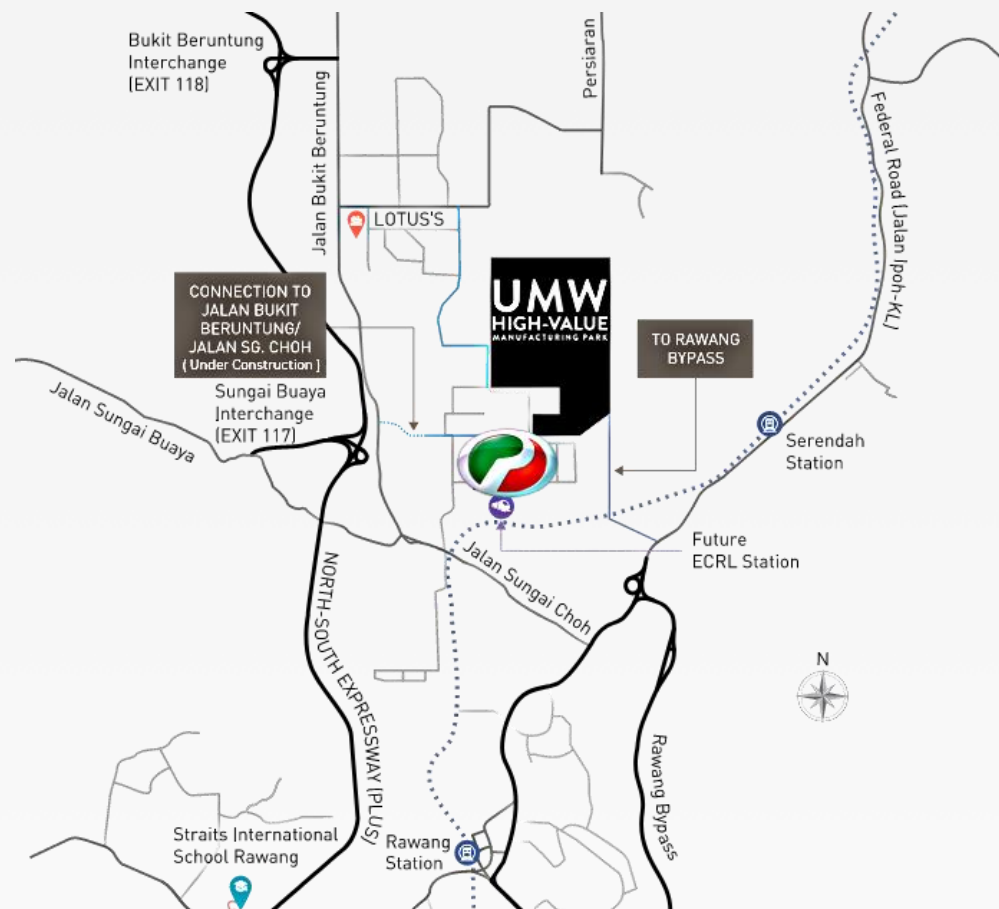
Targeting new business, Tier-1 & the EV market



CORPORATE DEVELOPMENTS

PILLAR I | OEM

- + Developing new plant in UMW High Value Manufacturing Park
- + Extended MOU with MARii for 3 years, up to Nov 2026



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

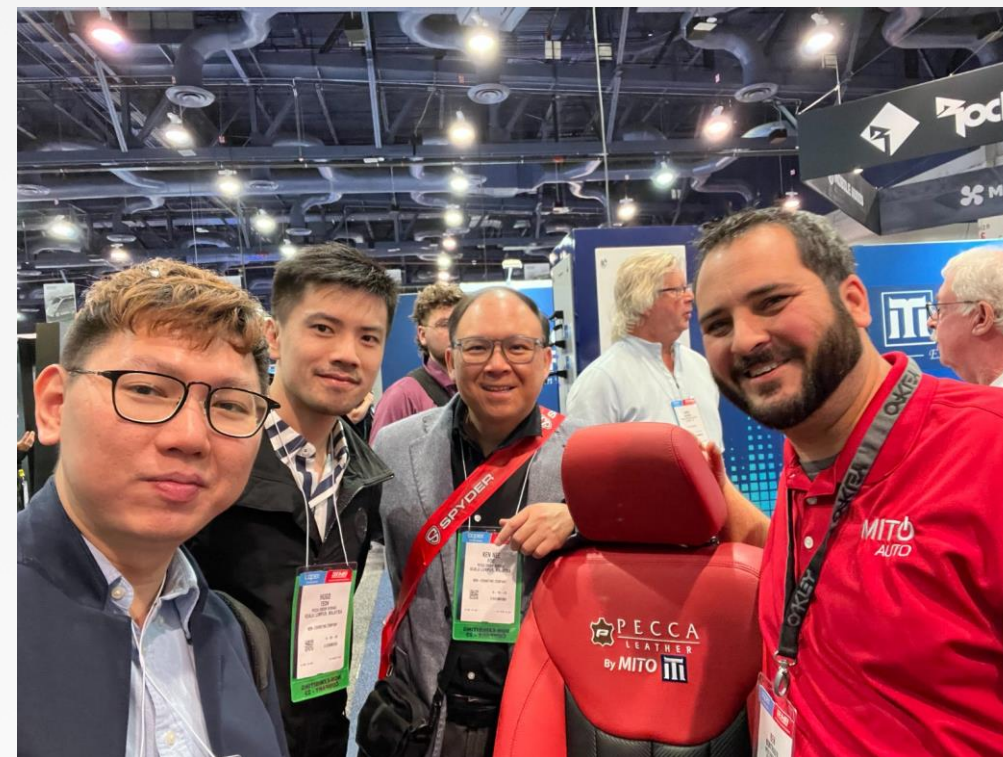
These are estimates and may change based on final quotation and variation orders. Excludes cost of interior design.

SCALING UP TO MEET DEMAND FROM EXISTING AND NEW CUSTOMERS



PILLAR II | REM

- + Expanding to new export markets such as the US, the Middle East & Thailand
 - + To use proceeds from Pecca's 2016 IPO to accelerate expansion
 - + Pursuing partnerships with dealers/distributors in target markets



OUTREACH & BRAND BUILDING ACTIVITIES



PILLAR III | AVIATION

- + Completed first PO to service Europe-registered Airbus A320, as part of collaboration with ACS
- + Targeting more similar opportunities in FY25

ACCELERATING OUR PENETRATION OF THE GLOBAL AVIATION MARKET

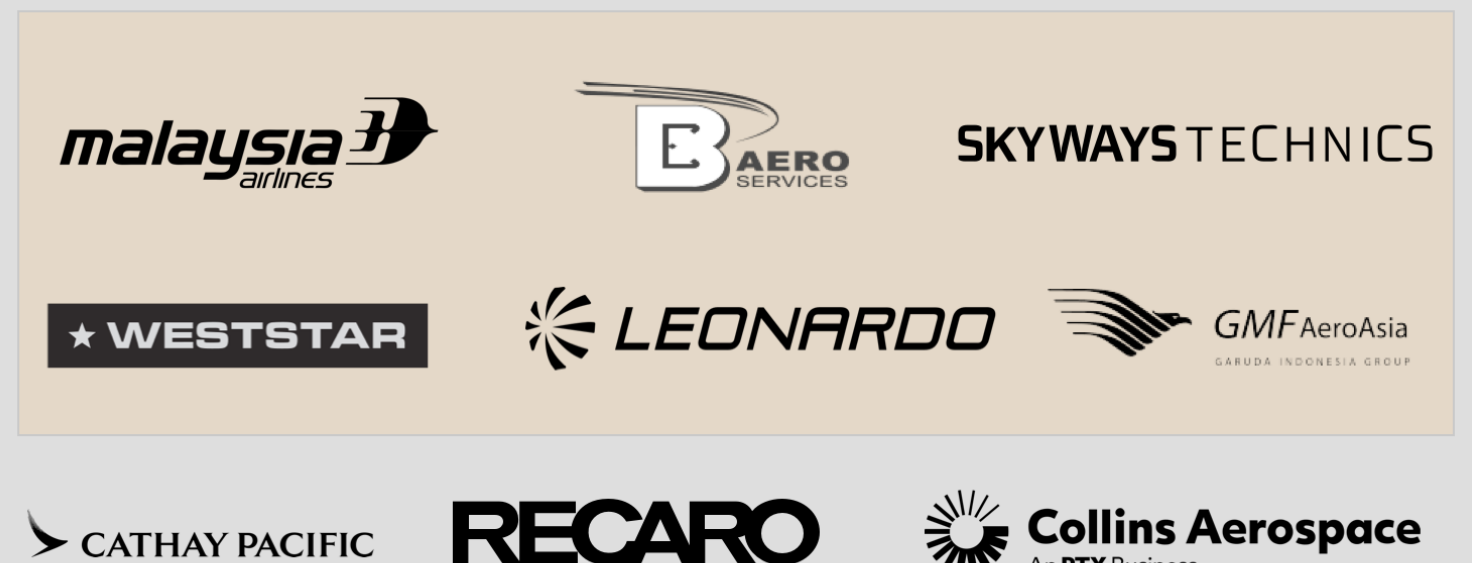
GOVERNMENTS



AIRCRAFT LESSORS AND INVESTORS



AIRLINES



MRO ECOSYSTEM



ACS GCA



PILLAR IV | EMERGING VENTURES

A Synergistic Acquisition

A WIDER PRODUCT PORTFOLIO TO TAP
INDONESIA'S GROWING MARKET

PGI

INTERIOR STRUCTURES

NON-LEATHER UPHOLSTERY

PGI + PECCA

INTERIOR STRUCTURES

NON-LEATHER UPHOLSTERY

LEATHER UPHOLSTERY

PT Pecca Gemilang Indonesia (PT PGI) was formerly known as PT Gemilang Maju Kencana (PT GMK)

OPPORTUNITIES TO EXTRACT VALUE
FROM COMMON MODELS



PERODUA AXIA



TOYOTA AGYA

ADVANCED MANUFACTURING CAPABILITIES + FINANCIAL STRENGTH



PILLAR IV | EMERGING VENTURES

- + Direct Access To Indonesia's Massive & Growing Automotive Market
- + Working to secure new OEM contracts

PGI HAS EXTENSIVE PARTNERSHIPS

TOYOTA CUSTOM GROUP



PT FUJI SEAT



DAIHATSU



TOYOTA-ASTRA MOTOR



ASTRA OTOPARTS



ISUZU



MORIKOKU



ATSUMITEC



DAIHATSU

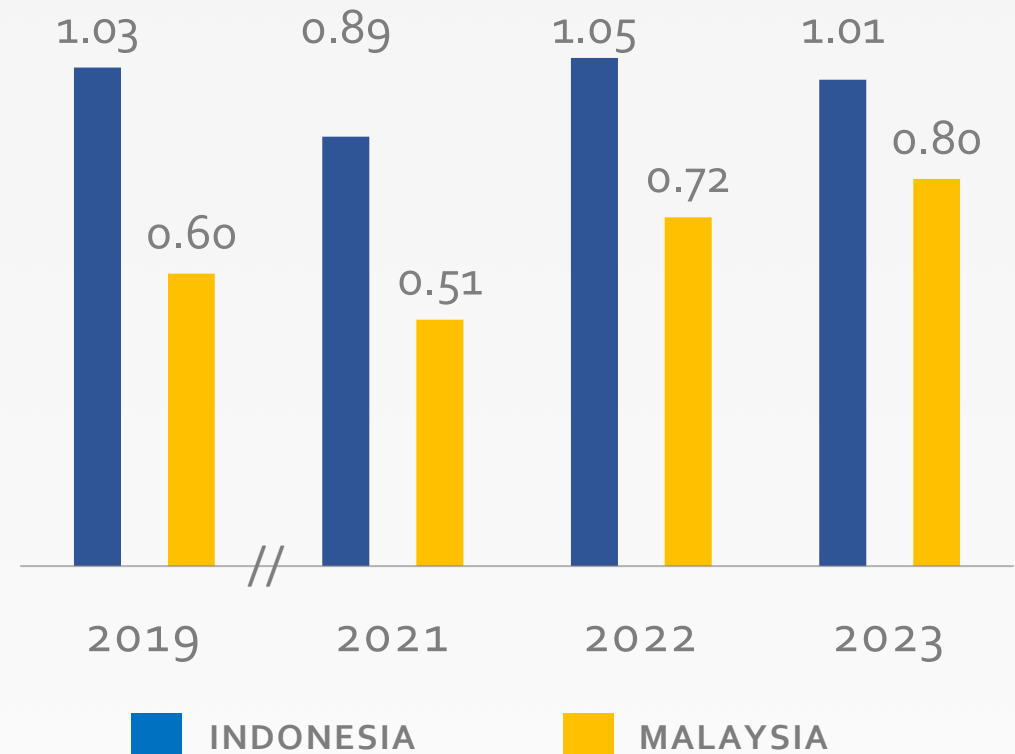


*Formerly known as PT Gemilang Maju Kencana (PT GMK)

This is a non-exhaustive list.

CAR SALES

MILLIONS OF UNITS



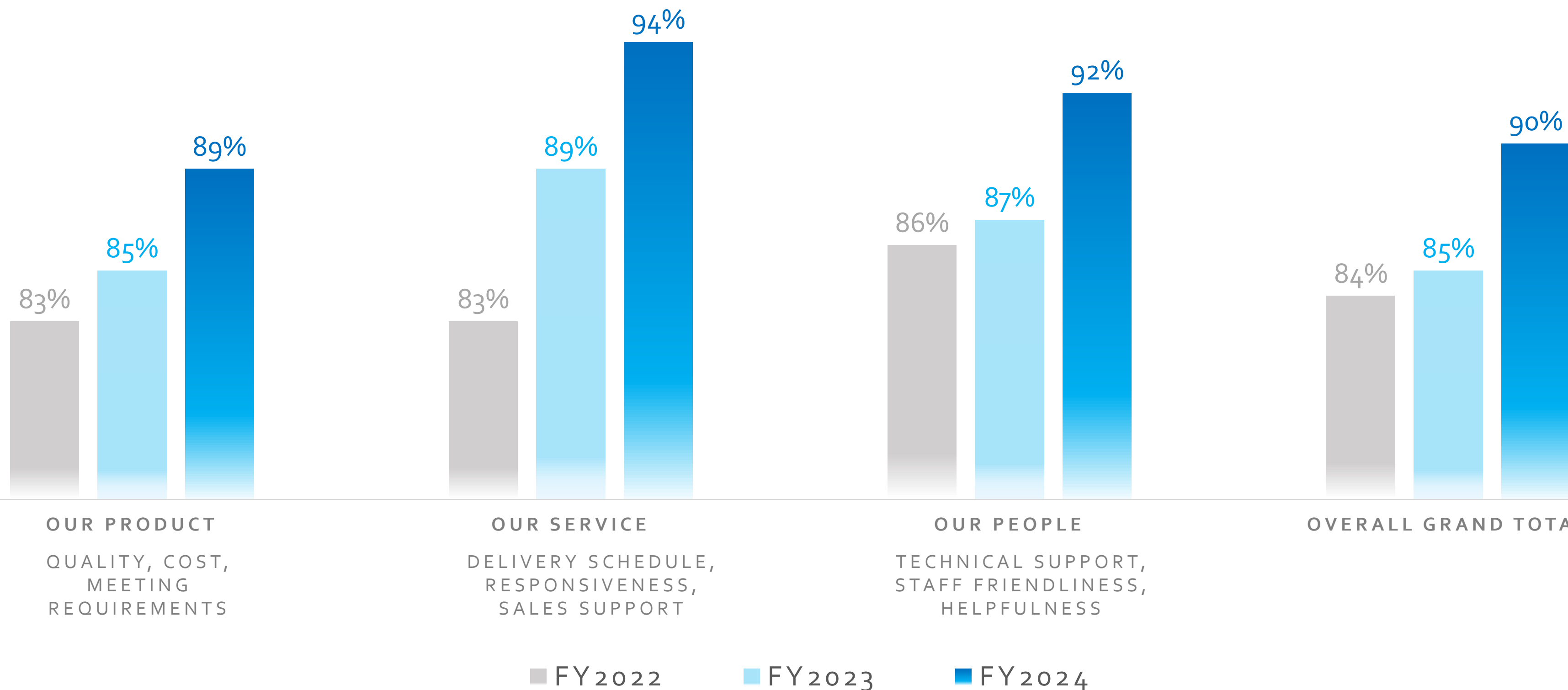
Sources: MarkLines, MAA



SUSTAINABILITY UPDATE

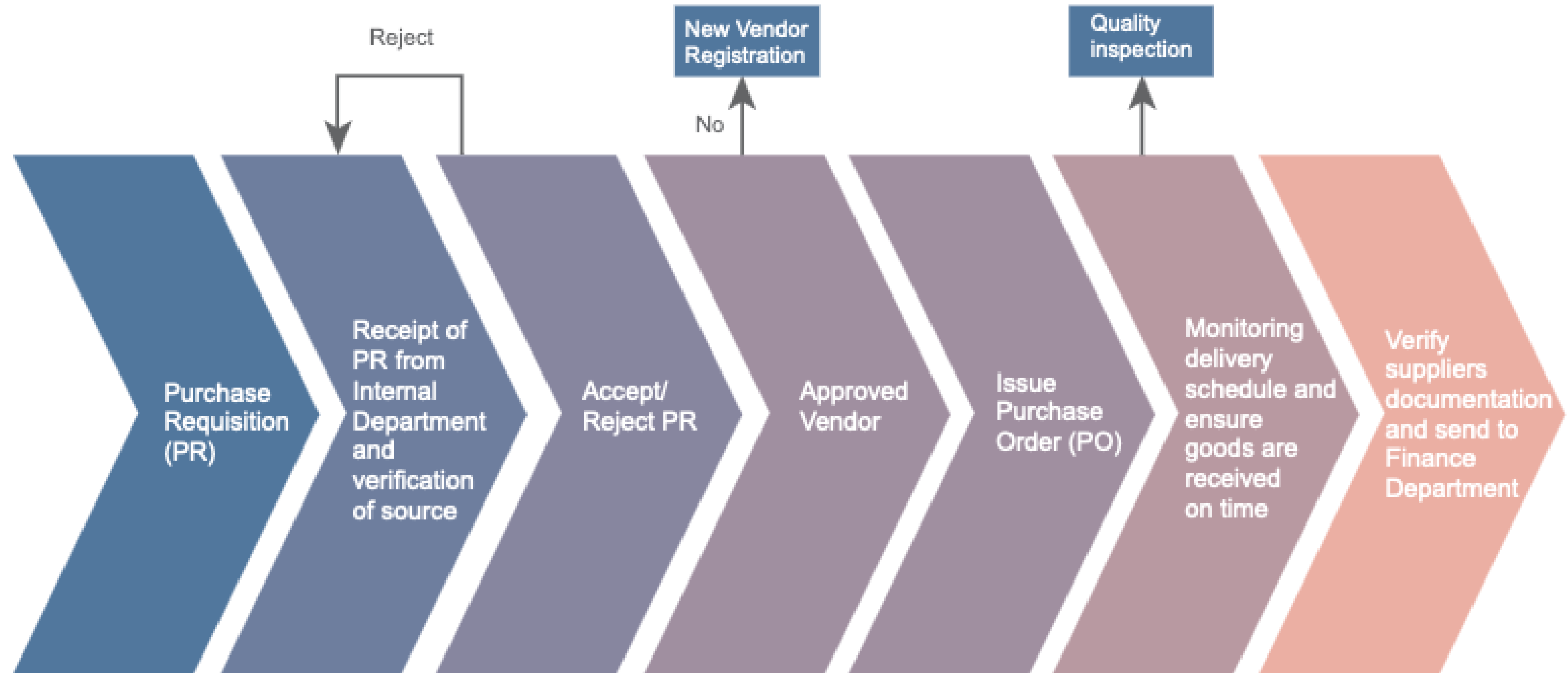
STRENGTHENING OUR CUSTOMER RELATIONSHIPS

RESULTS OF OUR ANNUAL CUSTOMER SATISFACTION SURVEY



STRINGENT PROCUREMENT PROCESS

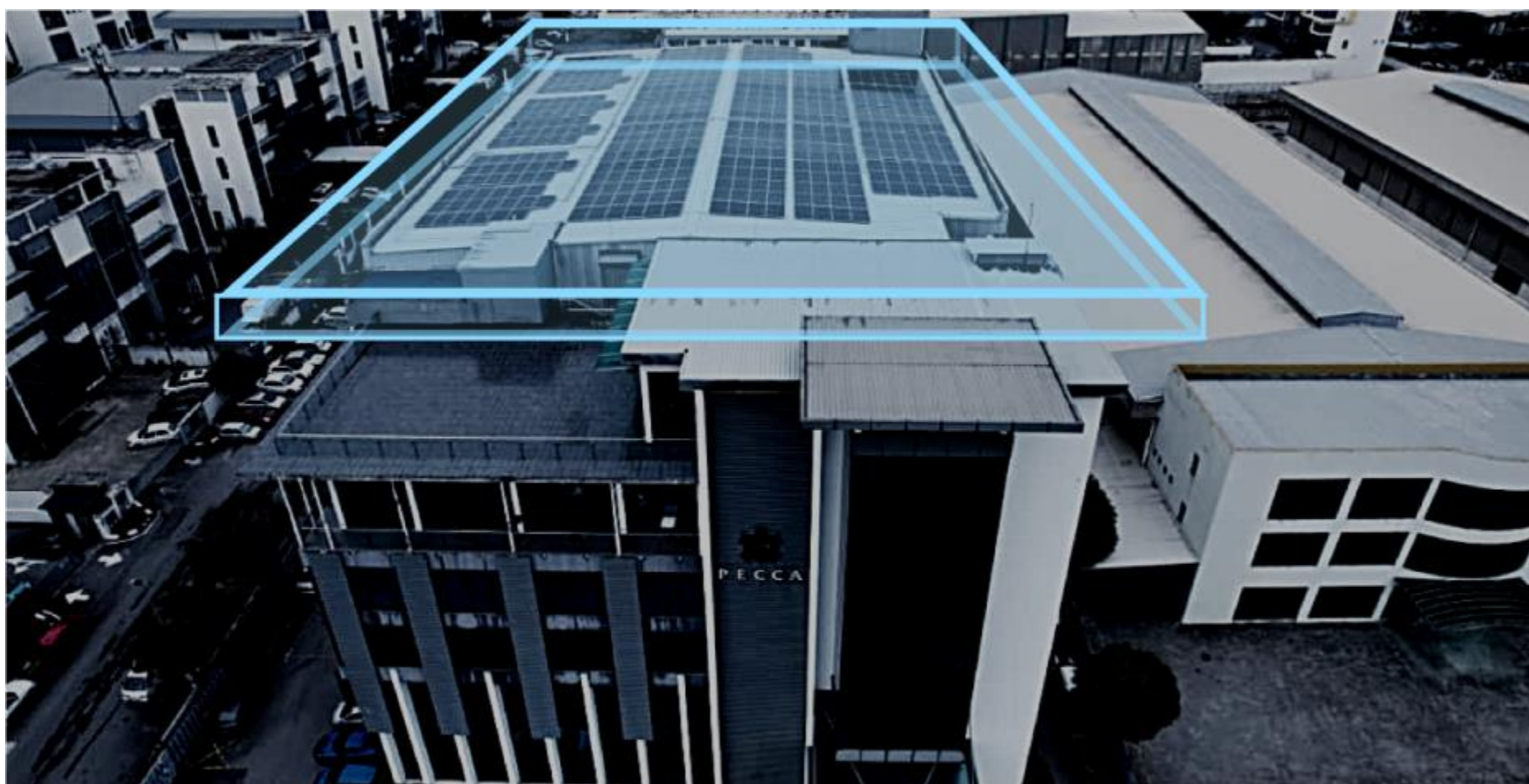
Overview of our Purchasing Processing Flow:



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 FY2024 Sustainability Statement.

PUTTING OUR PEOPLE FIRST

EMPLOYEE DEVELOPMENT



OHS TRAINING



TEAM BUILDING



COMMUNITY ENGAGEMENT



+ Approximately 6,000 hours of training activities in FY24, focused on employee development & occupational health & safety (OHS)

+ team-building activities, dinners, incentive trips, employee awards, & various community impact programs

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

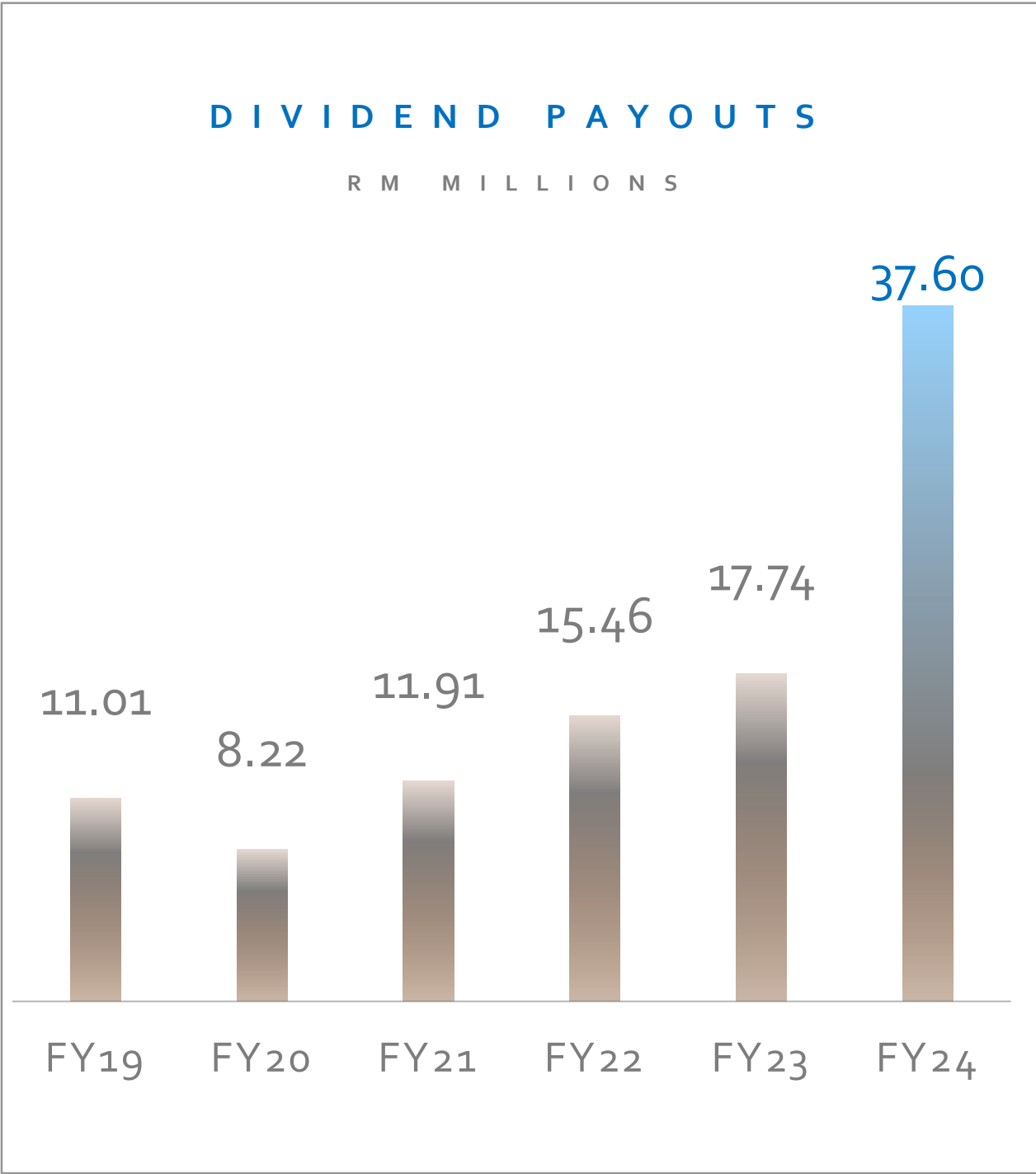
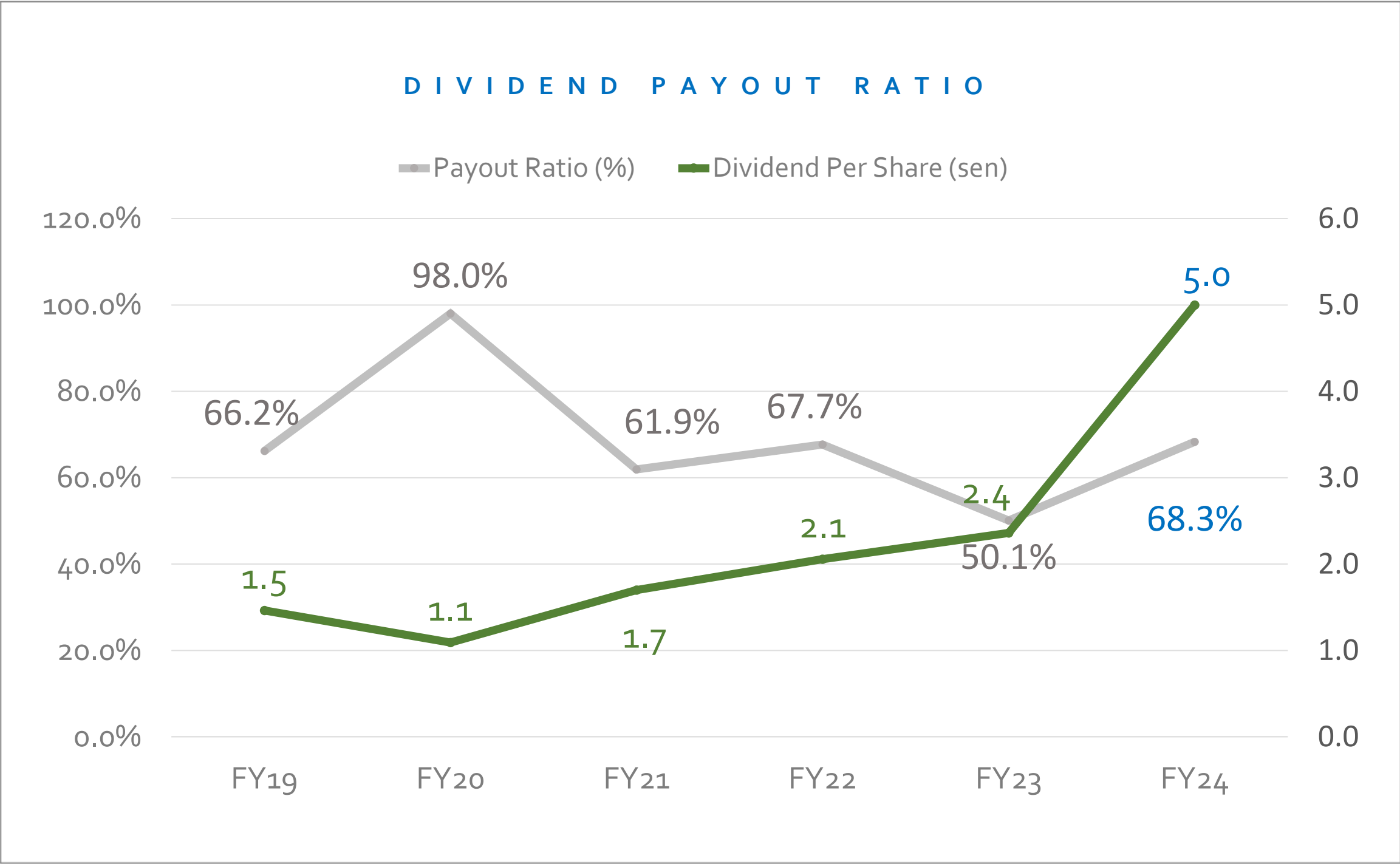
Anti-Bribery and Anti-Corruption Policy

Directors' Fit and Proper Policy

Personal Data Protection Notice

INVESTMENT HIGHLIGHTS

COMMITTED TO SHAREHOLDER WEALTH CREATION

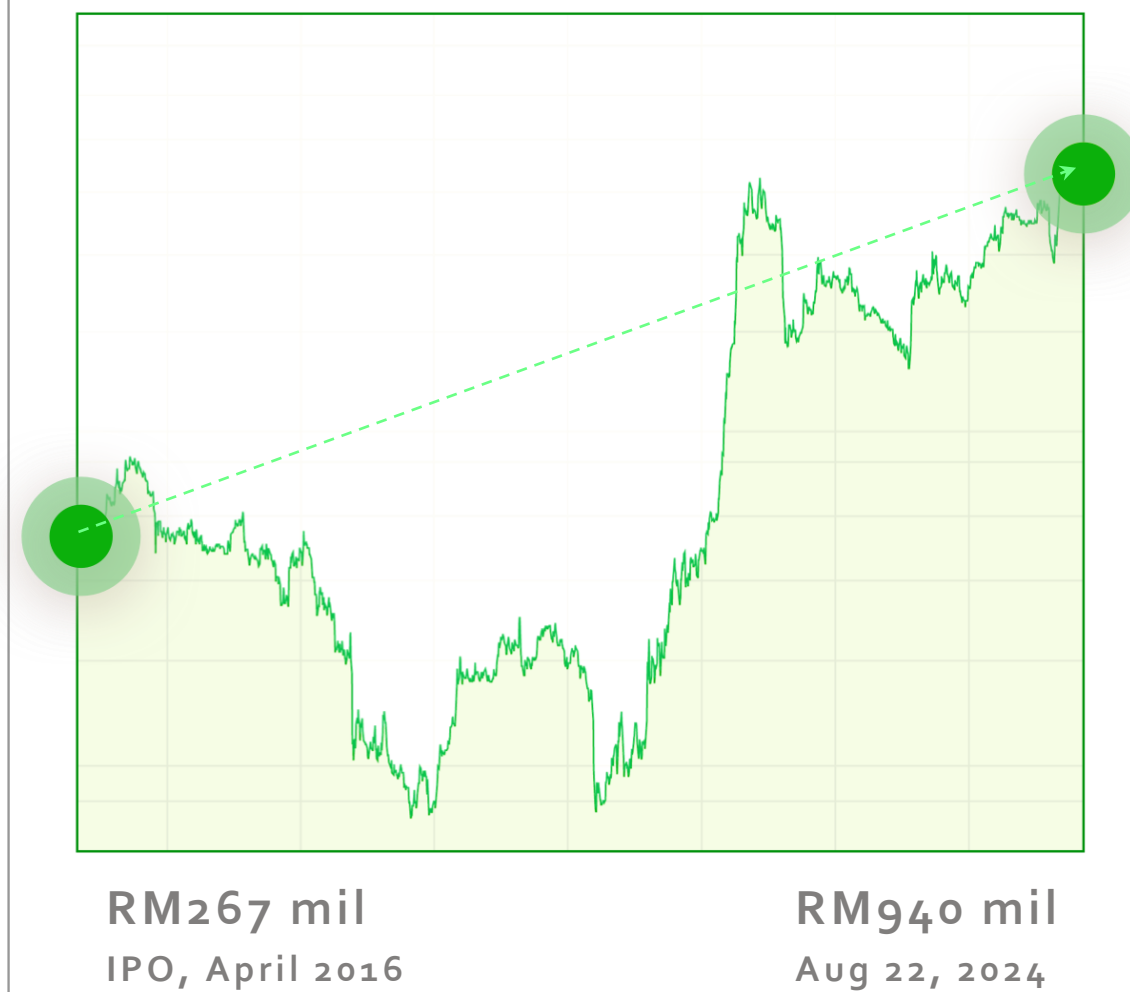


Assumes share base of 752 million

COMMITTED TO DIVIDEND PAYOUT RATIO OF ABOVE 40%

COMMITTED TO SHAREHOLDER WEALTH CREATION

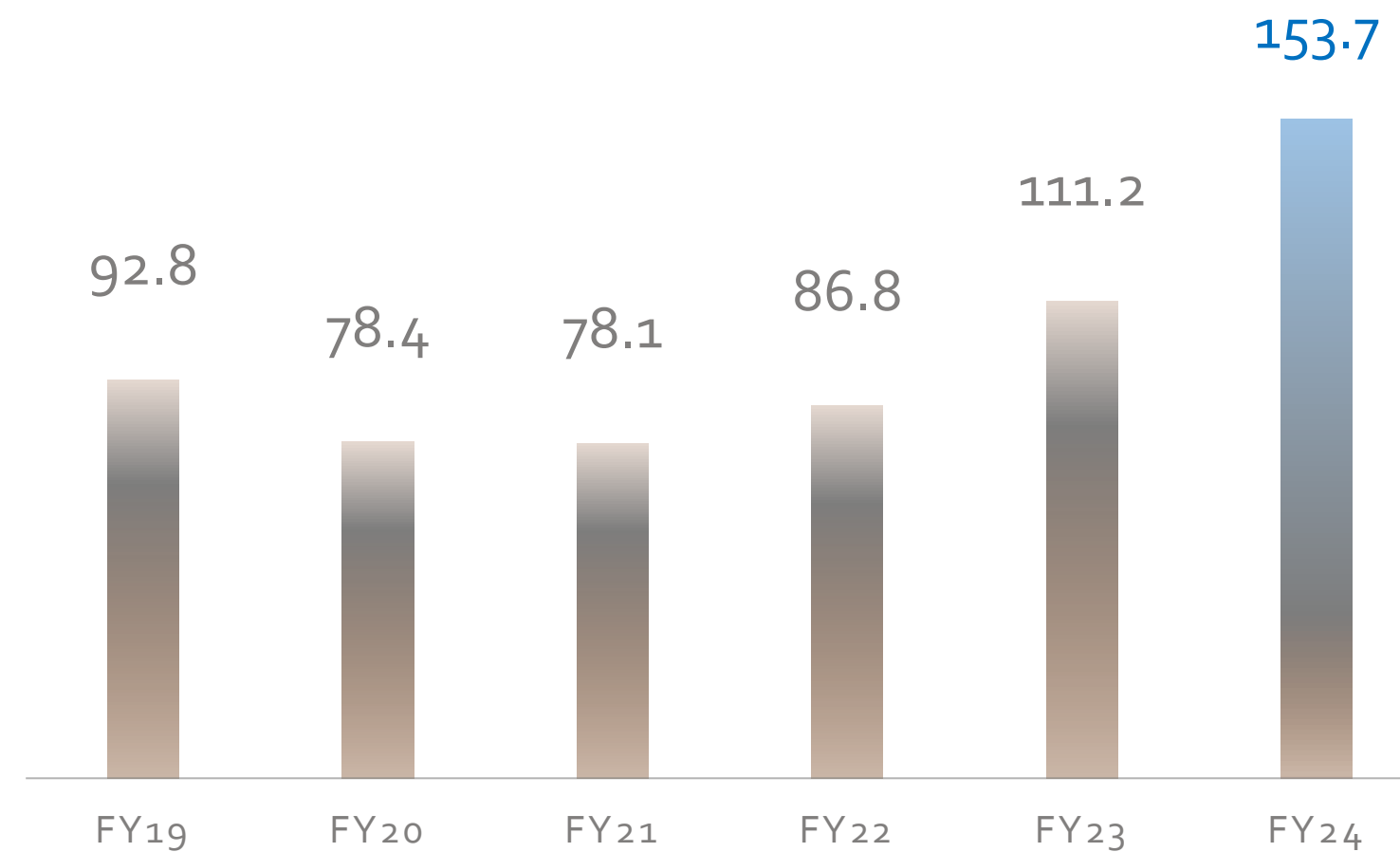
MARKET CAPITALISATION



MARKET CAP GROWTH OF
3.5 TIMES IN 8 YEARS

CASH POSITION

RM MILLIONS



FINANCIAL STRENGTH TO
FIRE UP OUR GROWTH

CERTIFICATION & RECOGNITION

2024



Mitsubishi Best Supplier Award for Local Accessories



Mitsubishi Quality Appreciation Award for Best Quality Local Accessories

2023



Mitsubishi Best Quality Award



PDKM Overall Best Child Part Vendor & Best Vendor Award



TBU Appreciation Award – Quality Month Activity



SEMA SHOW Las Vegas



Chevrolet Spark



Ford Focus



Ford F150



Ford Mustang



Ford Explorer



Chevrolet Camaro

- Mitsubishi Best Supplier Award (2024)
- Mitsubishi Quality Appreciation Award (2024)
- Mitsubishi Best Quality Award (2023)
- PDKM Best Vendor Award (2023)
- PDKM Overall Best Child Part Vendor (2023)
- TBU Appreciation Award – Quality Month Activity (2023)
- PDKM Best Vendor Award (2022)
- Mitsubishi Motors Malaysia – Quality Appreciation Awards (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

AWARDS

THE EDGE CENTURION CLUB CORPORATE AWARDS

HIGHEST RETURNS TO SHAREHOLDERS OVER 3 YEARS

INDUSTRIAL PRODUCTS AND SERVICES

THE **EDGE**
MALAYSIA
CENTURION *Club*
2022

“During the assessment period for *The Edge Malaysia Centurion Club Corporate Awards 2022*, Pecca’s share price (adjusted) **jumped 241%** from 22 sen on March 29, 2019, to 75 sen on March 31, 2022...

The share price gains translated into an adjusted three-year compound annual growth rate of 52.1%, based on awards methodology. This helped the group clinch the award for **Highest Returns to Shareholders Over Three Years** in the industrial products and services sector."



Q & A



INVESTOR RELATIONS

ANTHONY LEE
SENSE CONSULTANCY
anthony@leesense.com



PECCA
GROUP BERHAD