



PECCA

G R O U P B E R H A D

RESULTS BRIEFING | Q3 FY2024

MAY 28, 2024

OVERVIEW

COMPANY OVERVIEW

FINANCIAL REVIEW

OUTLOOK & STRATEGY

SUSTAINABILITY UPDATE

INVESTMENT HIGHLIGHTS

COMPANY OVERVIEW



Automotive

Aviation

Healthcare & Medical

Overseas Office



2000

2011

2022

2022

2009

2020

2014

2023

Pecca Leather Sdn Bhd

Pecca Plus Sdn Bhd

Evolusi Mobiliti Sdn Bhd

Pecca EV Sdn Bhd

Pecca Aviation Services Sdn Bhd

Pecca Leather Sdn Bhd

Pecca Leather (Thailand) Limited

PT Pecca Gemilang Indonesia

Styling, manufacturing, distribution and installation of automotive leather upholstery, furniture upholstery and supply of leather cut piece

Supply of car seat trim covers and other products to the automotive aftermarket

Importation of motor vehicles, logistics, vehicle pre-delivery inspection (PDI)

Distribution and trading of electric motor vehicles and EV chargers, spare parts, and after-sales services

Manufacturing, repair, refurbishment, distribution and installation of aircraft seat trim covers and other related products

OEM manufacturing of facemask and healthcare products

Currently dormant, intended to support export business activities

Upholstery leather wrapping and seat covers for the automotive industry in Indonesia

MILESTONES & ACHIEVEMENTS

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

OEM

PDI

REM

DEVELOPMENT & PRODUCTION PHASE

PRE-DELIVERY PHASE

AFTERMARKET PHASE

OUR CUSTOMERS

OEM & TIER I

OEM & DISTRIBUTORS

SUPPLIERS & WORKSHOPS

SEATS MANUFACTURED FOR

FACELIFTS

SPECIAL EDITIONS

REPAIRS/REPLACEMENT

NEW MODELS

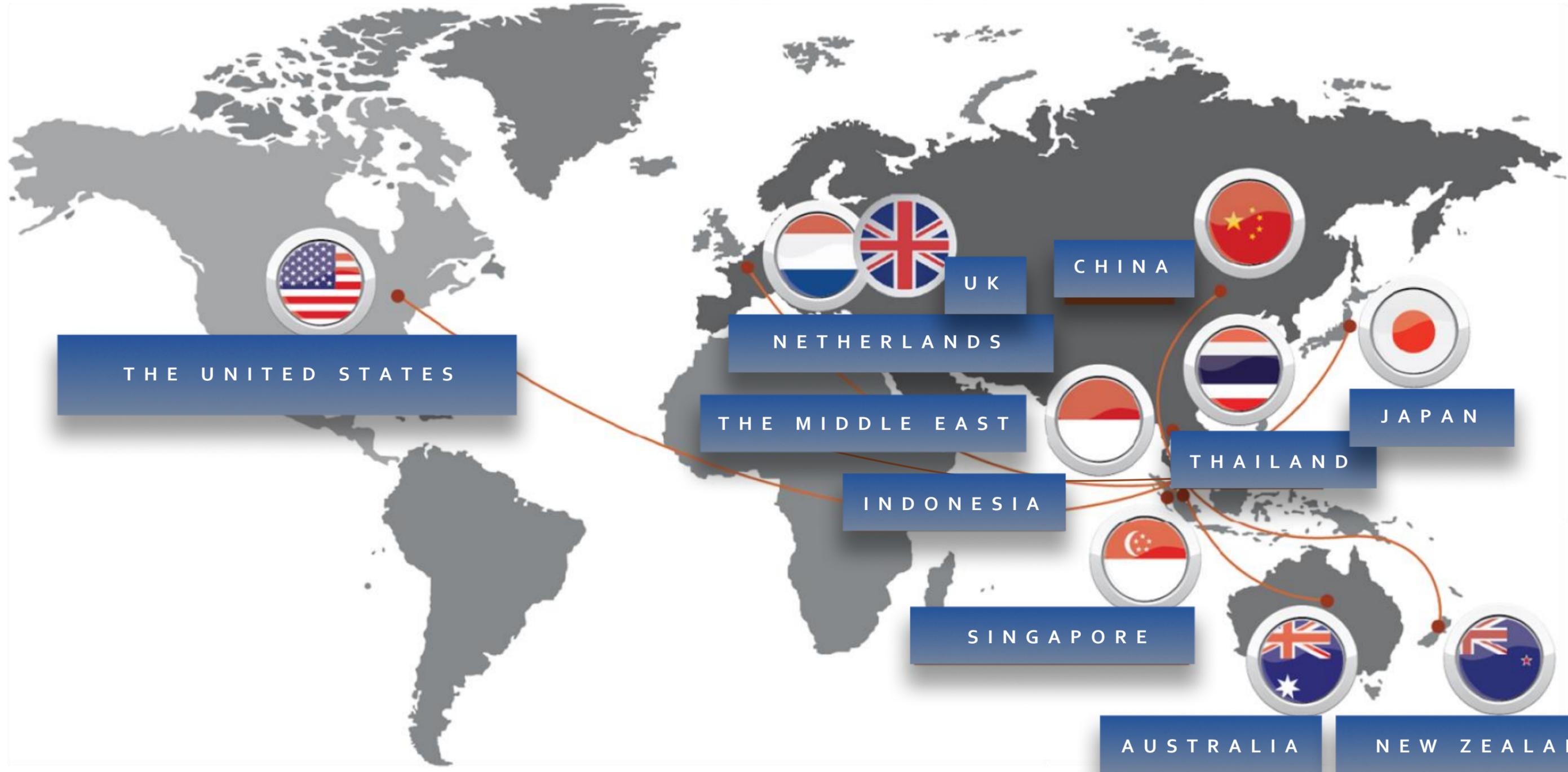
OPTIONAL ACCESSORY

CUSTOMIZATION

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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)



1ST TIER



PRE-DELIVERY INSPECTION (PDI)



CORE BUSINESS

DELIVERING A ONE-STOP SOLUTION

DEMAND FOR NEW PRODUCTS

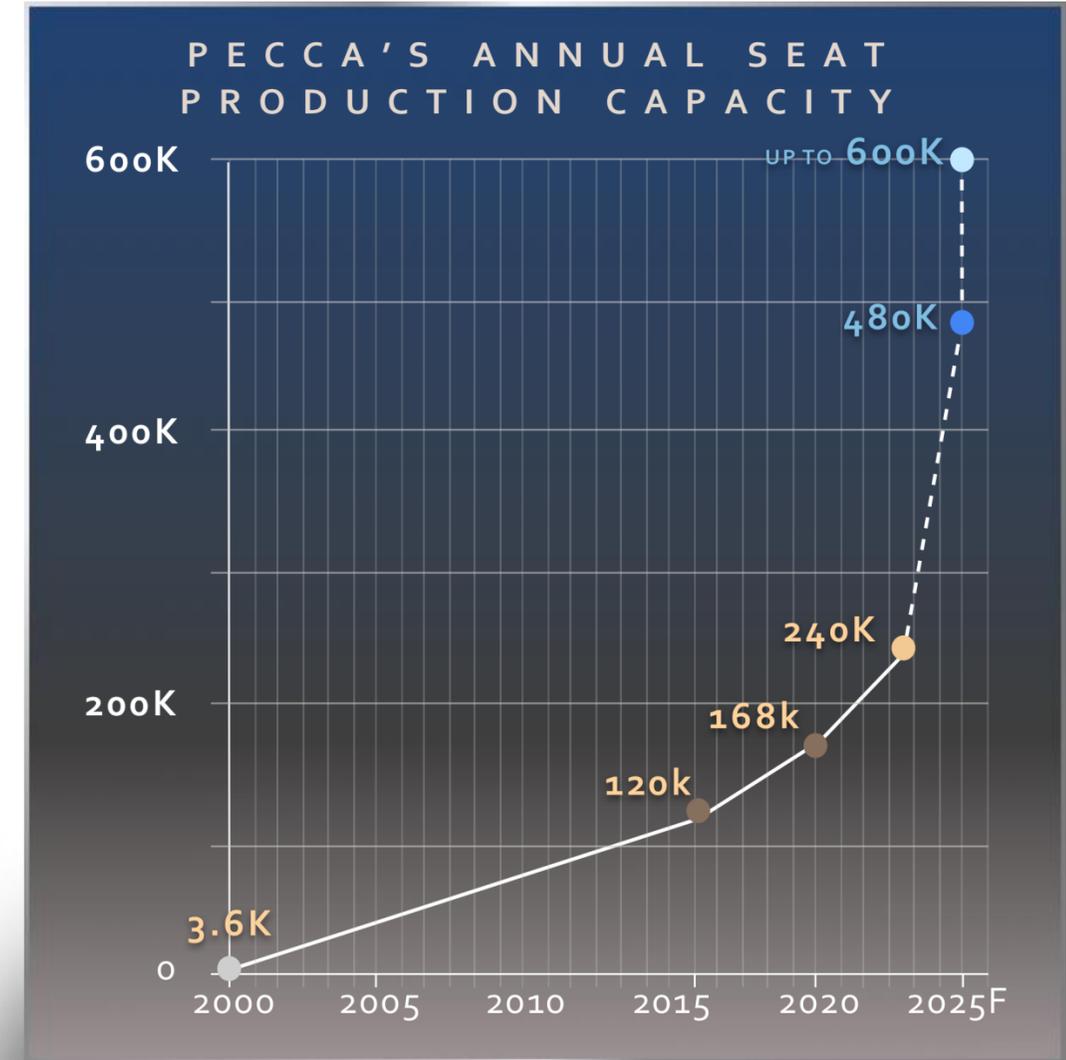
DISTRIBUTION & INSTALLATION

MANUFACTURING CAPACITY + EFFICIENCY



DESIGN & INNOVATION
STYLELAB + R&D

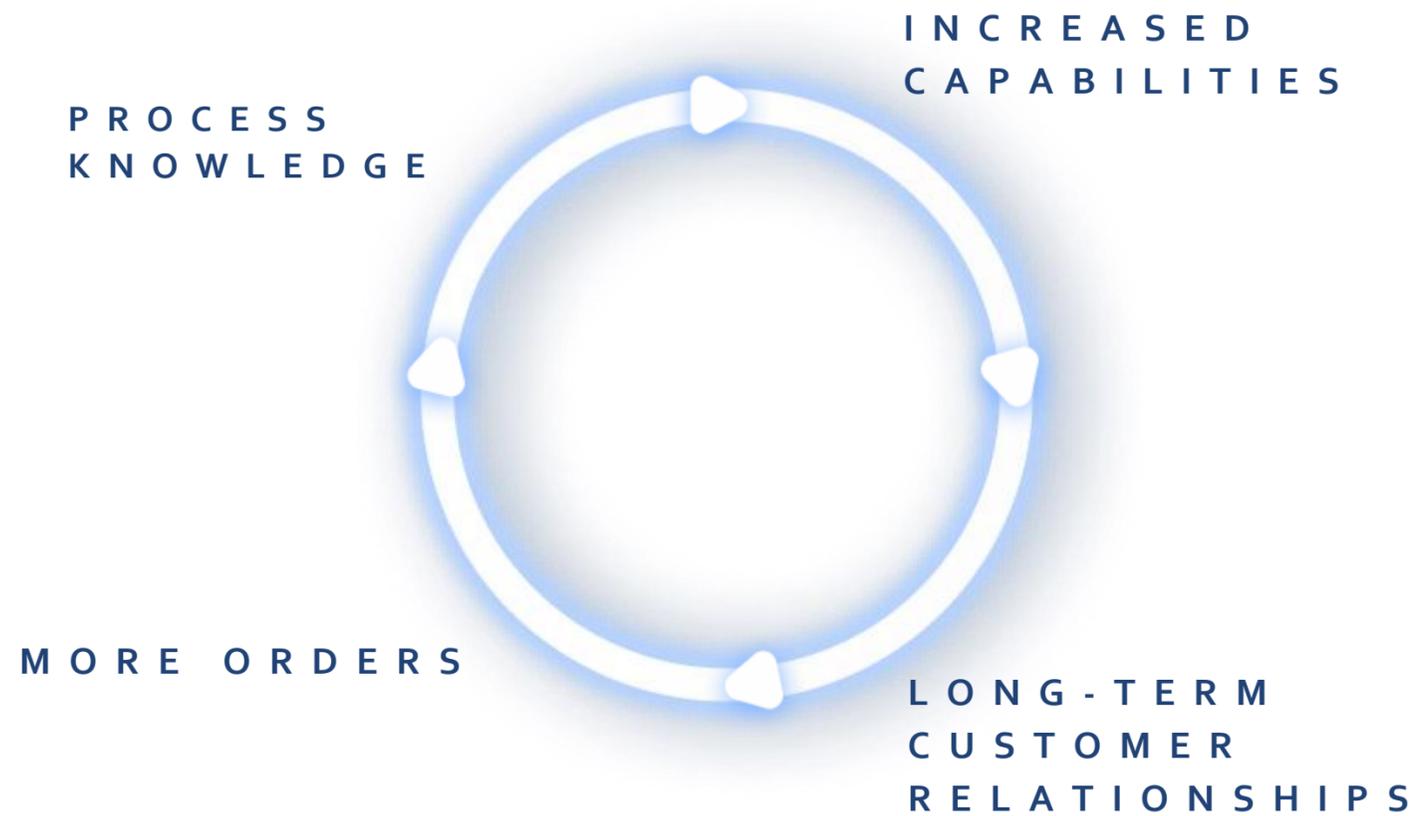
RAW MATERIALS PROCUREMENT
LEATHER HIDES



INCREASINGLY ADVANCED DESIGN, INNOVATION & PRODUCTION CAPABILITIES

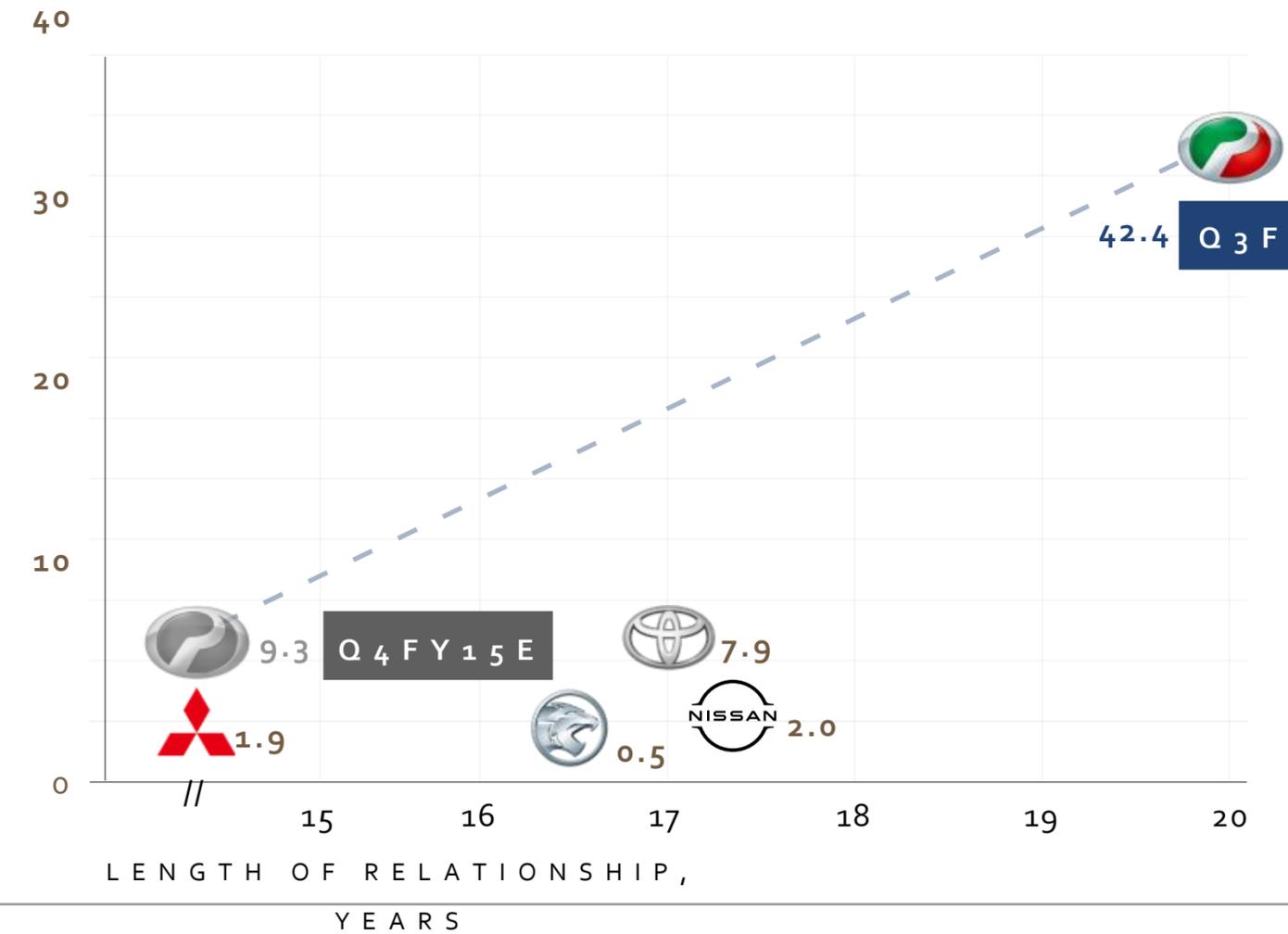
CORE BUSINESS

IMPROVED CAPABILITIES UNLOCK FURTHER GROWTH



OUR LARGEST CUSTOMERS HAVE BEEN WITH US FOR OVER A DECADE

Q3 FY24 REVENUE CONTRIBUTION, RM MILLIONS



CORE BUSINESS

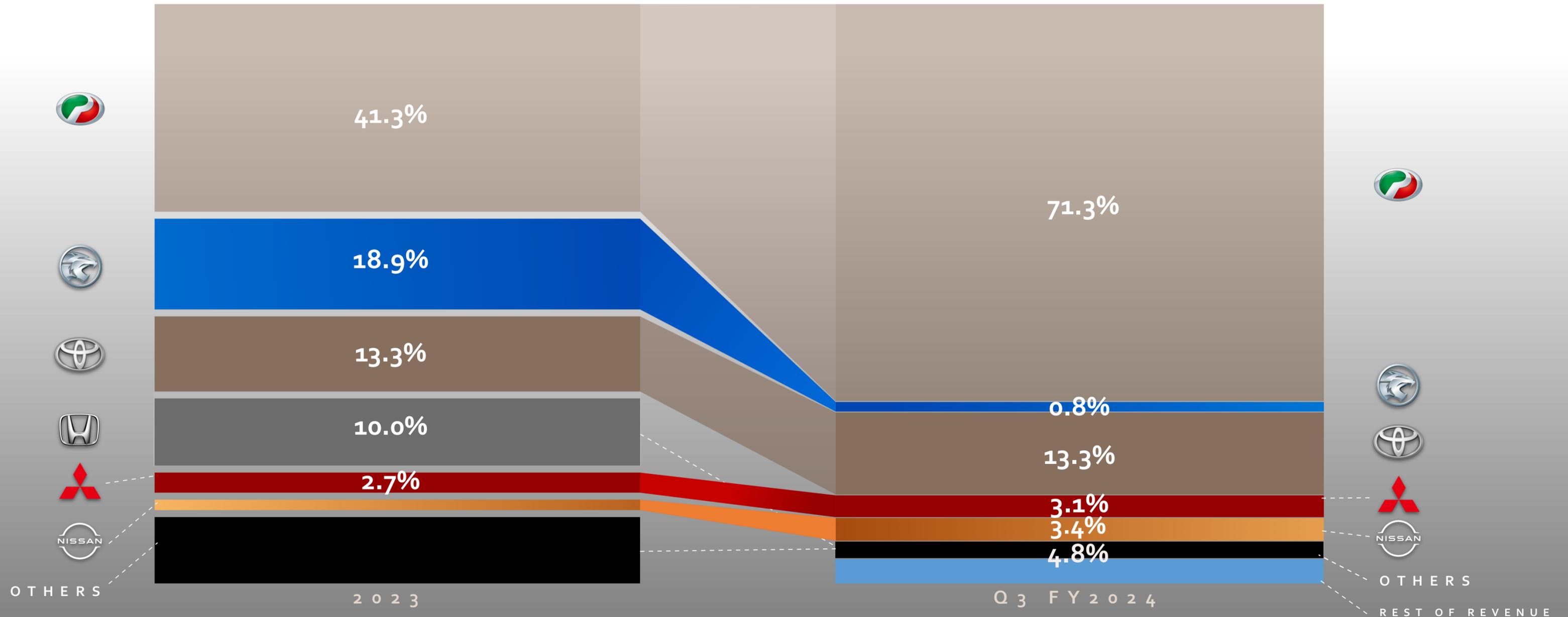
A KEY AUTOMOTIVE SUPPLIER

TOP AUTOMOTIVE BRANDS IN MALAYSIA

BY MARKET SHARE

PECCA'S AUTOMOTIVE CUSTOMERS IN MALAYSIA

BY SHARE OF GROUP TOTAL REVENUE



Source : MAA via Paultan.org, accessed March 5, 2024

HIGHLIGHTS OF Q3 FY2024

+ 7th Consecutive Net Profit Record

- + 9M FY2024 net profit surpasses net profit for entirety of FY2023
- + Cash position at RM141.31 million, up 59% from RM88.80 million at end-Q3 FY2023
 - + Stronger topline contribution from Malaysia & other Asian markets
- + Final stage of product development activity for PO to service Europe-registered Airbus A320, as part of collaboration with Aero Cabin Solutions (“ACS”)

Q 3 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

	Q3FY24	Q3FY23	Y/Y	Q2FY24	Q/Q
REVENUE (RM MILLION)	59.53	58.58	+2%	64.76	-8%
PBT (RM MILLION)	18.34	11.22	+63%	17.82	+3%
PAT (RM MILLION)	14.03	8.56	+64%	13.39	+5%
NP MARGIN	23.6%	14.6%	+62%	20.7%	+14%
EPS (SEN)	1.87	1.14	+64%	1.78	+5%

QoQ and YOY, revenue was impacted by these items:

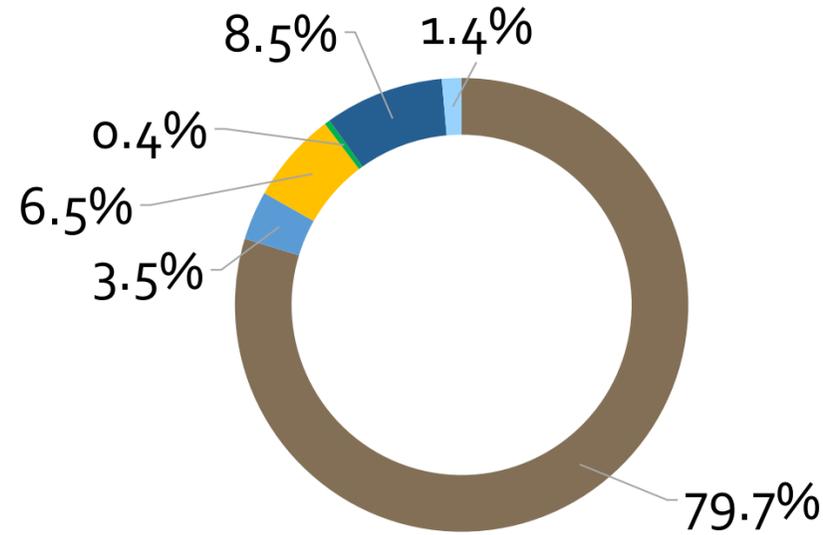
+ higher sales volume in Automotive segment

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

+ higher Group revenue
+ improved operational efficiency

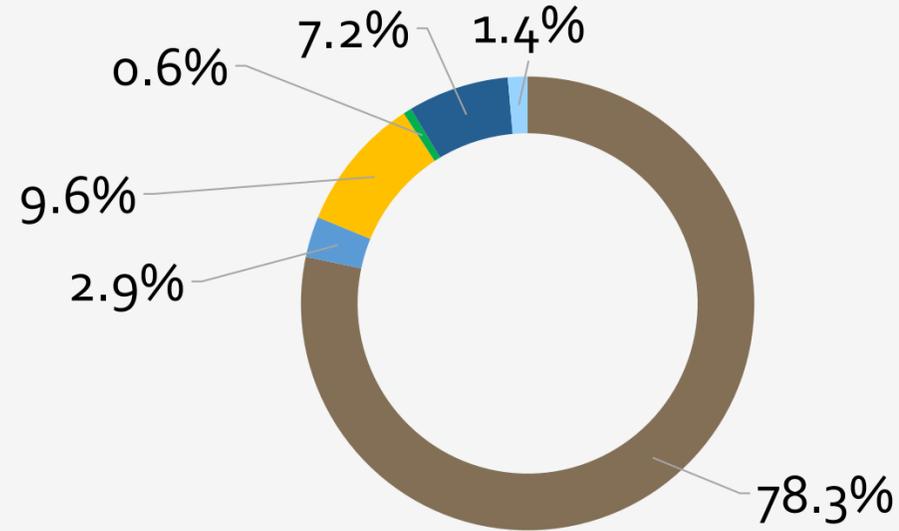
GROUP REVENUE MIX

Q 3
FY 2024



■ OEM ■ REM ■ PDI ■ LEATHER CUT PIECES ■ OTHERS ■ HEALTHCARE

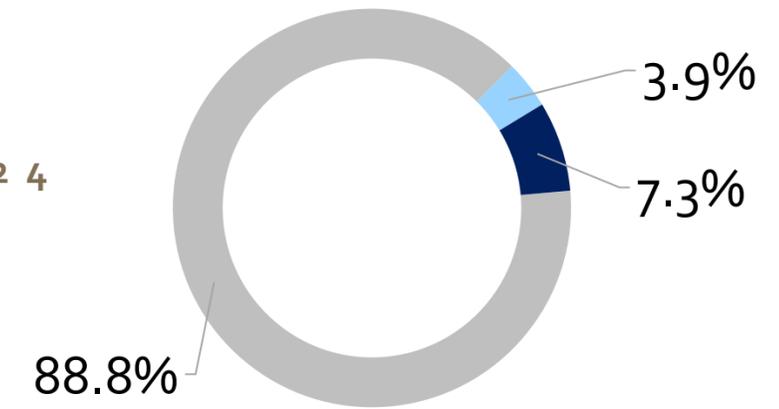
Q 3
FY 2023



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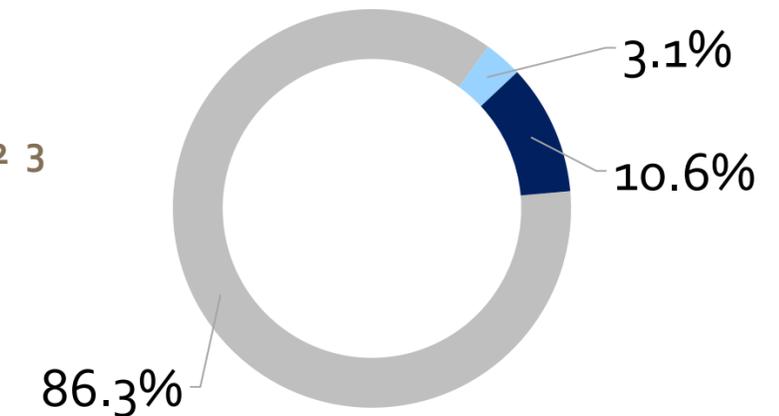
CAR SEAT COVERS SUB-SEGMENT REVENUE MIX

Q 3
FY 2024



■ OEM ■ REM ■ PDI

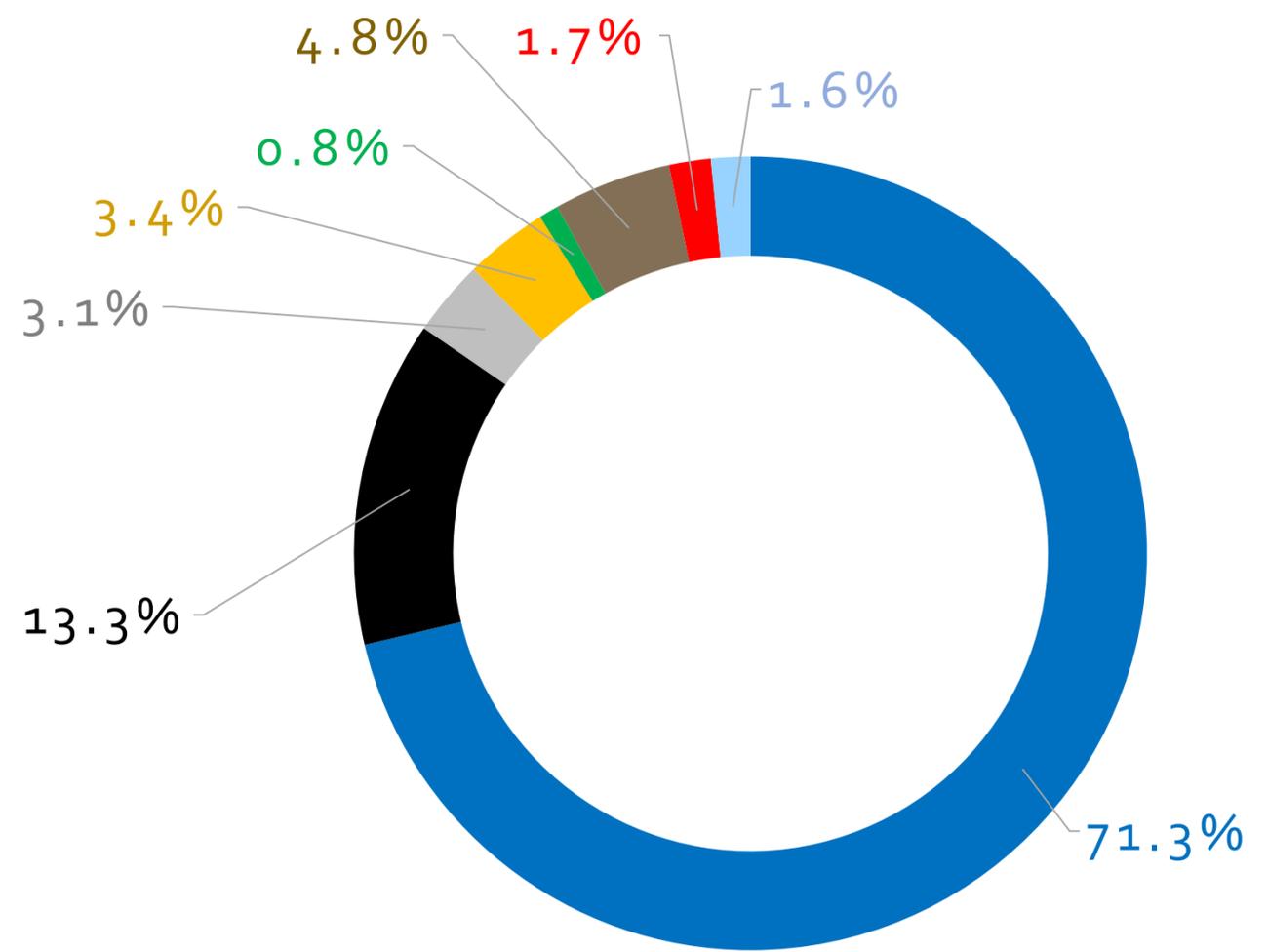
Q 3
FY 2023



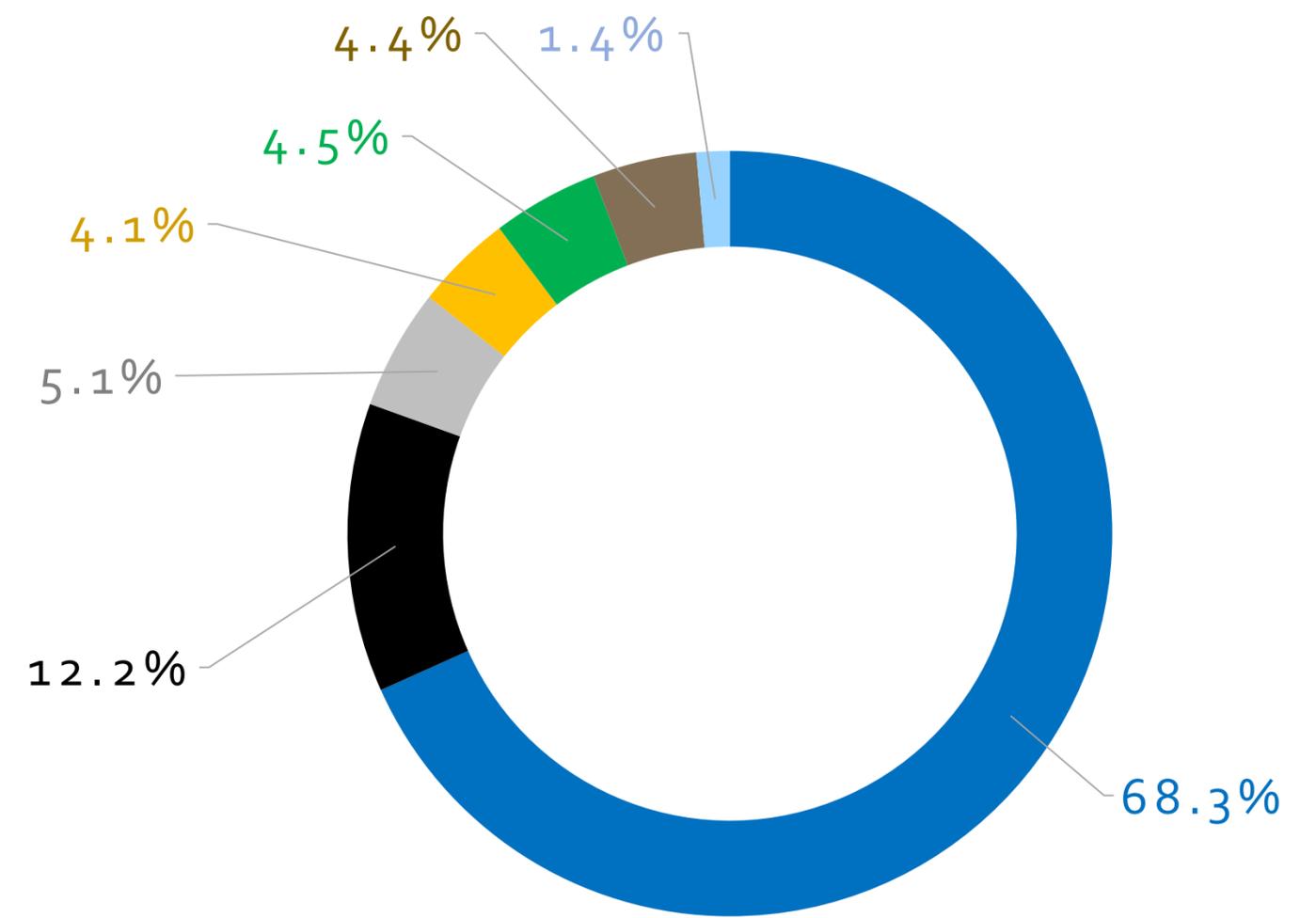
■ OEM ■ REM ■ PDI

SEGMENT REVENUE MIX, BY BRAND

Q3
FY 2024



Q3
FY 2023

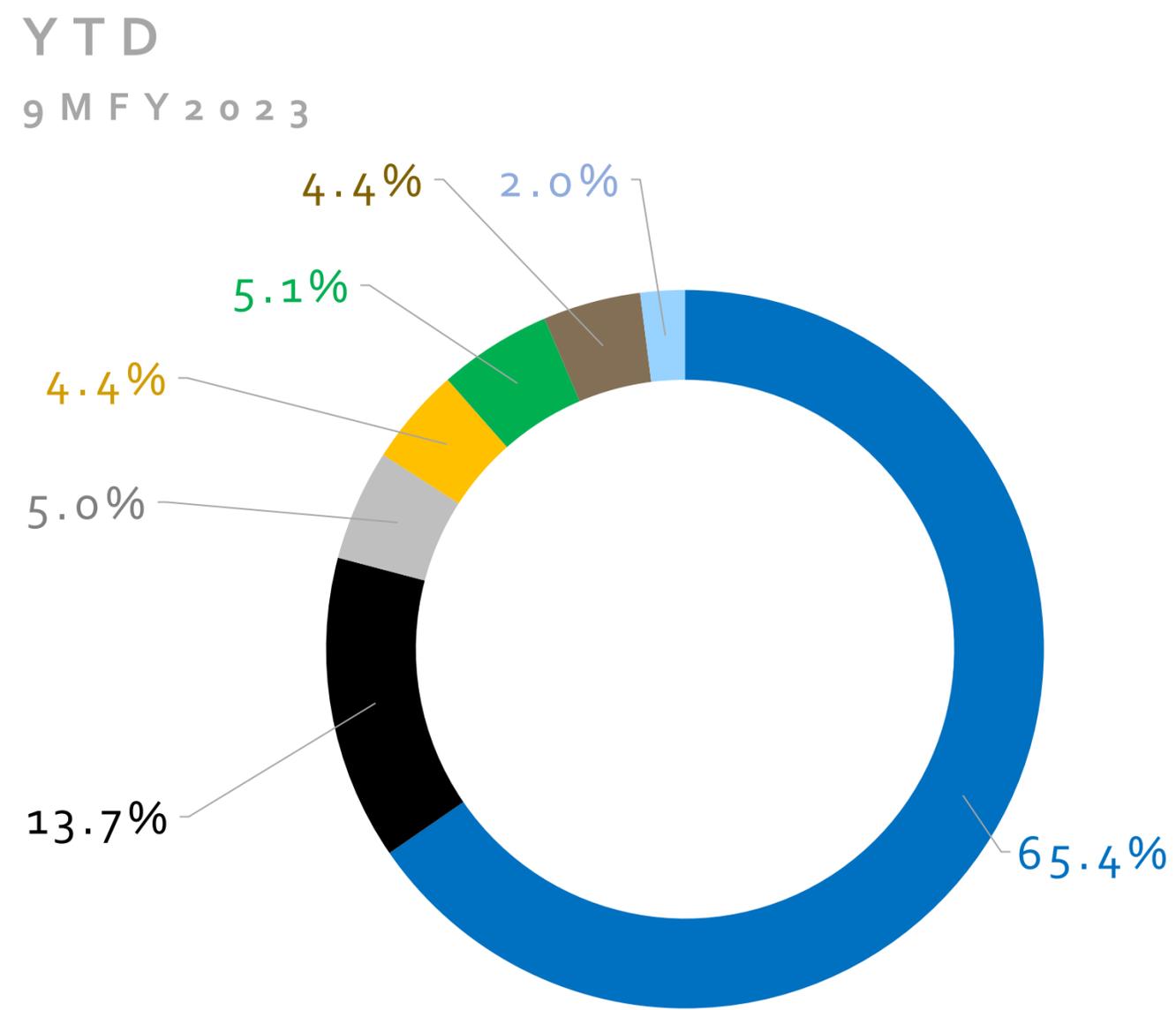
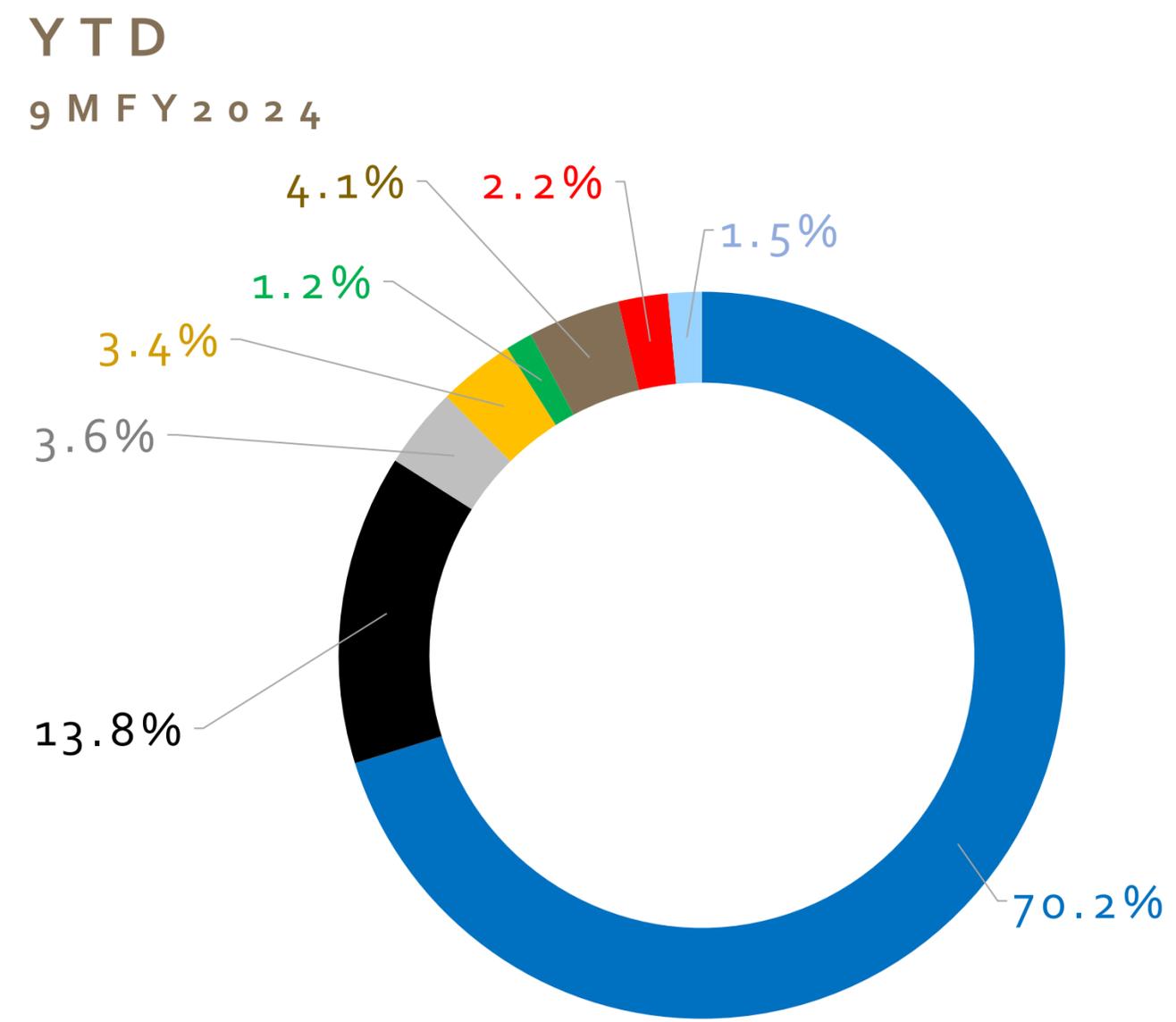


- PERODUA
- TOYOTA
- MITSUBISHI
- NISSAN
- PROTON
- OTHER CAR BRANDS
- PT PGI
- OTHER SEGMENTS

- PERODUA
- TOYOTA
- MITSUBISHI
- NISSAN
- PROTON
- OTHER CAR BRANDS
- OTHER SEGMENTS

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

SEGMENT REVENUE MIX, BY BRAND (YTD)



- PERODUA
- TOYOTA
- MITSUBISHI
- NISSAN
- PROTON
- OTHER CAR BRANDS
- PT PGI
- OTHER SEGMENTS

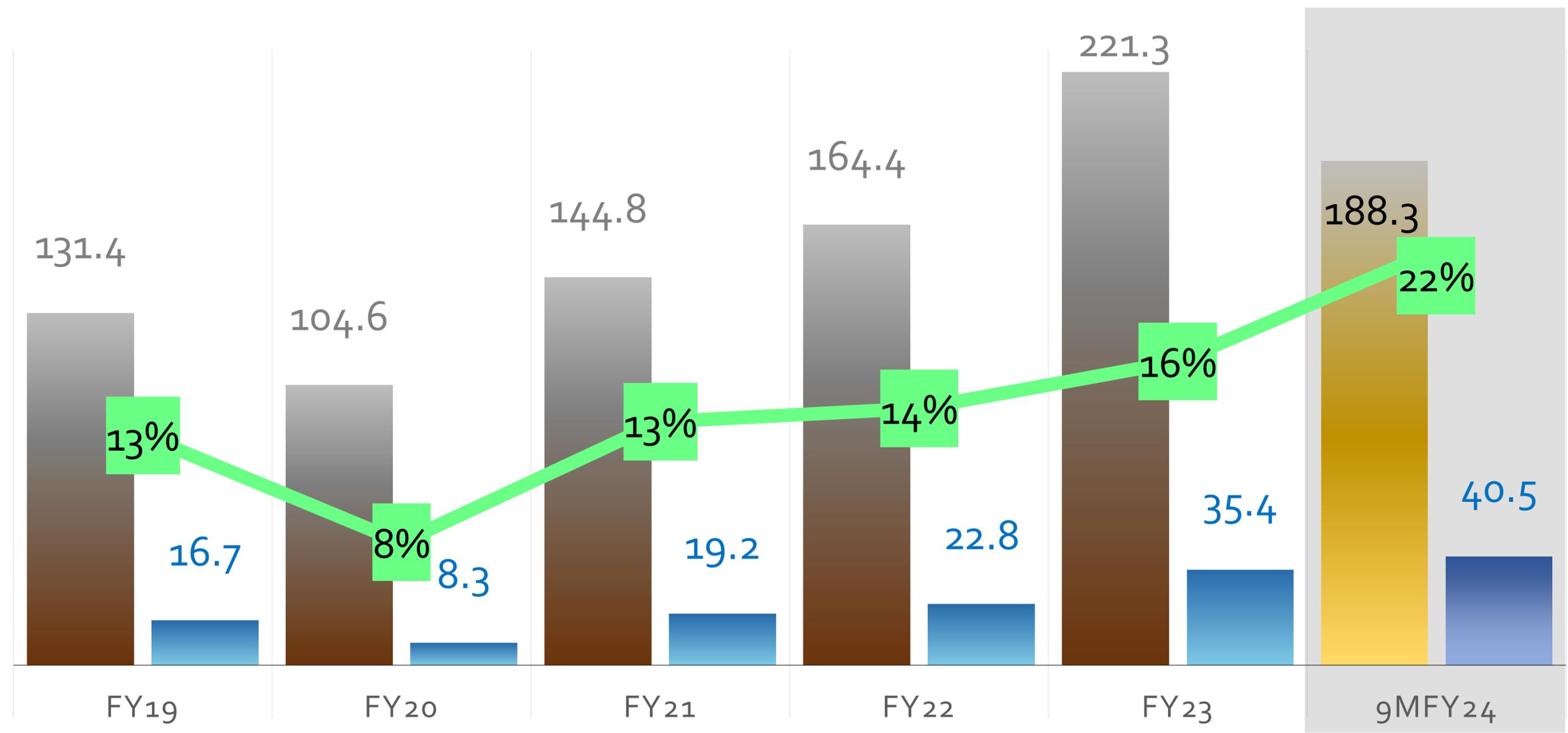
- PERODUA
- TOYOTA
- MITSUBISHI
- NISSAN
- PROTON
- OTHER CAR BRANDS
- OTHER SEGMENTS

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

FINANCIAL PERFORMANCE

ON TRACK FOR ANOTHER RECORD-BREAKING YEAR

FY2019 - FY2023 NET PROFIT CAGR: 16.3%



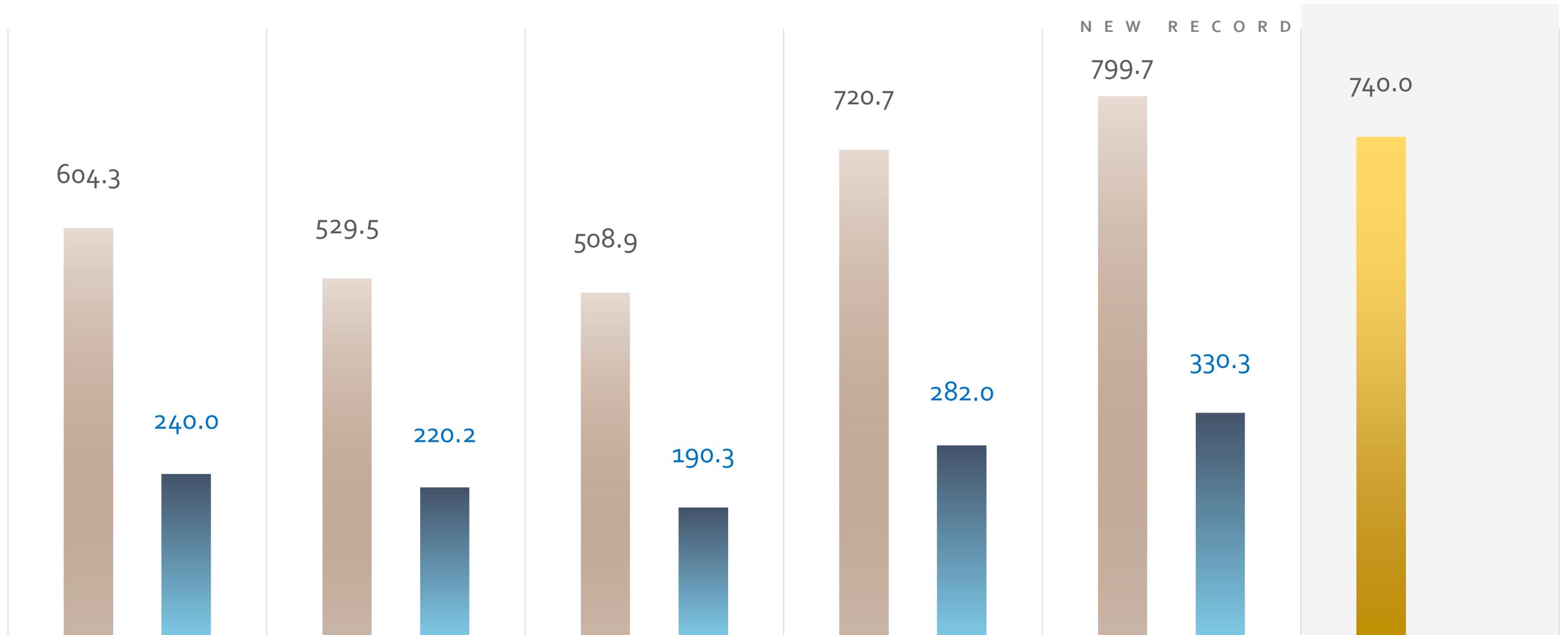
REVENUE (RM MILLIONS) PAT (RM MILLIONS) NET PROFIT MARGIN



OUTLOOK & STRATEGY

NEAR-TERM OUTLOOK

RESILIENT OUTLOOK FOR MALAYSIA TIV



■ MALAYSIA TIV, THOUSAND UNITS

■ PERODUA SALES, THOUSAND UNITS

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

Category	Percentage
OEM	79.7%
Others	10.3%
PDI	6.5%
REM	3.5%

Expand REM globally & locally across Malaysia

PILLAR III AVIATION

GLOBAL MRO MARKET

US\$94 BILLION
WORLDWIDE, 2023

US\$18 BILLION
ASIA PACIFIC, 2023

Source: Oliver Wyman

Highly engineered products & high entry barriers

PILLAR IV NEW BUSINESS & EV

TIER - 2 UPHOLSTERY **TIER - 1** WHOLE SEAT

GLOBAL EV & HYBRID SALES

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

Source: IEA (1), (2)

Targeting new business, Tier-1 & the EV market

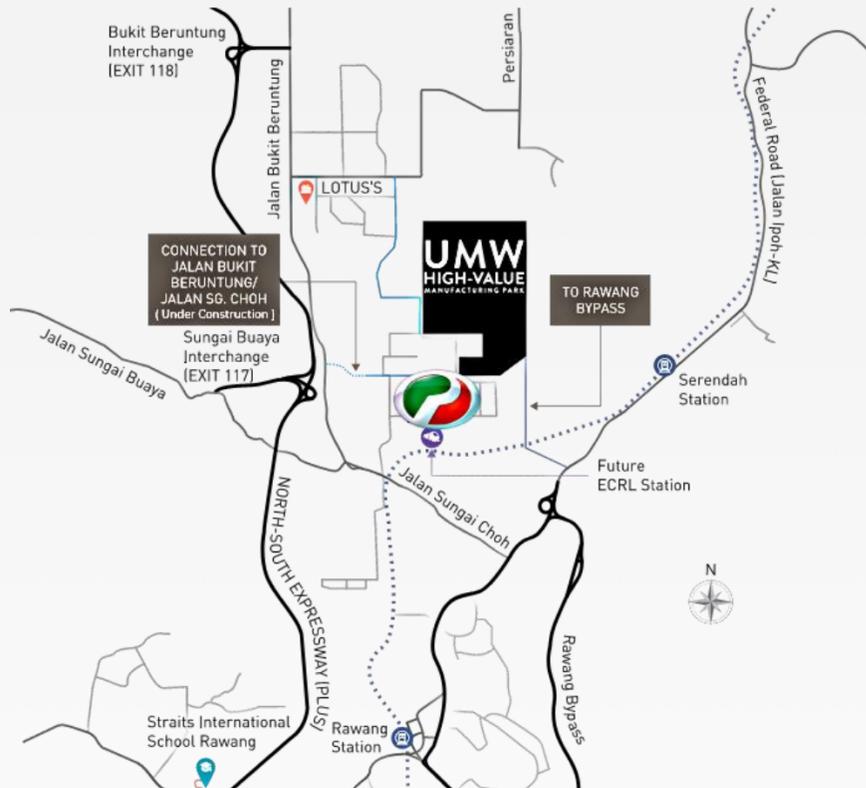




CORPORATE DEVELOPMENTS

PILLAR I

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

- + Expanding to new export markets such as the US, the Middle East & Thailand
- + To use proceeds from Pecca's 2016 IPO to accelerate expansion
- + To ramp up product launches & brand-building activities in 2024



OUTREACH & BRAND BUILDING ACTIVITIES



PILLAR III

- + EASA secured April 2023
- + Aero Cabin Solutions (ACS) PO to provide production case study
- + Entered strategic partnership with Global Component Asia Sdn Bhd (GCA) in Feb 2024

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

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

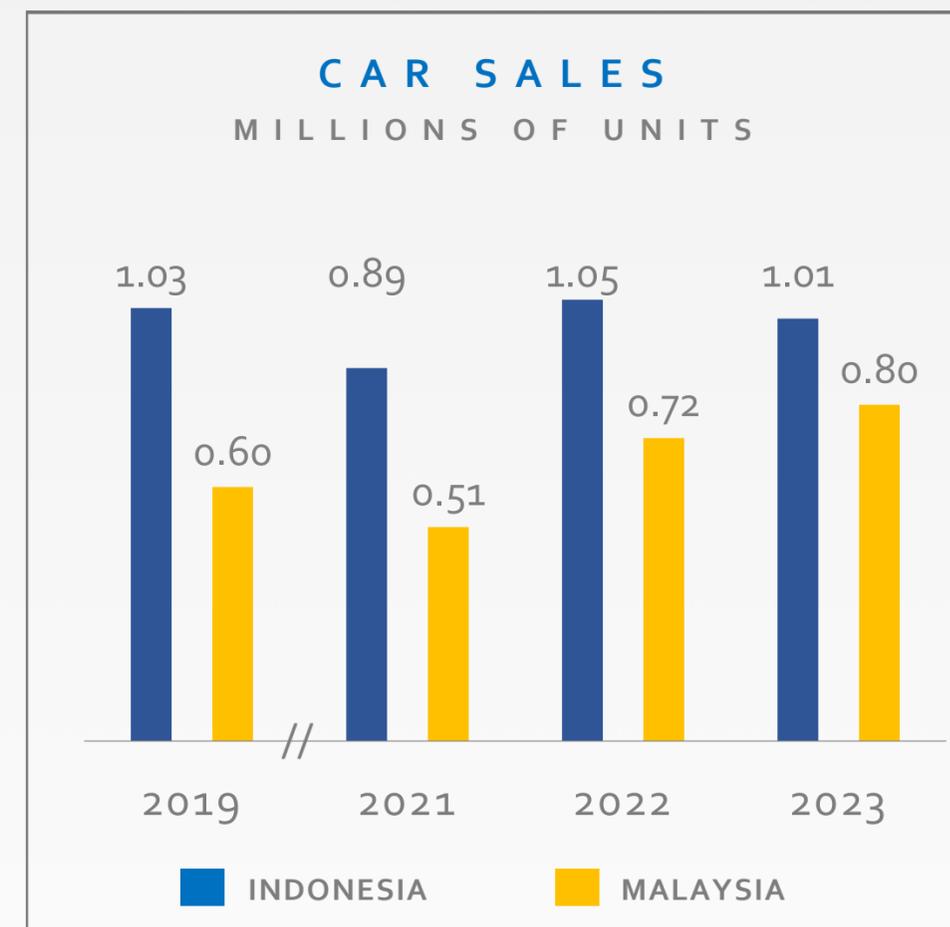


PILLAR IV

Gaining Direct Access To Indonesia's Massive & Growing OEM & REM Markets via PT Pecca Gemilang Indonesia (PT PGI)*

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.

Sources: MarkLines, MAA

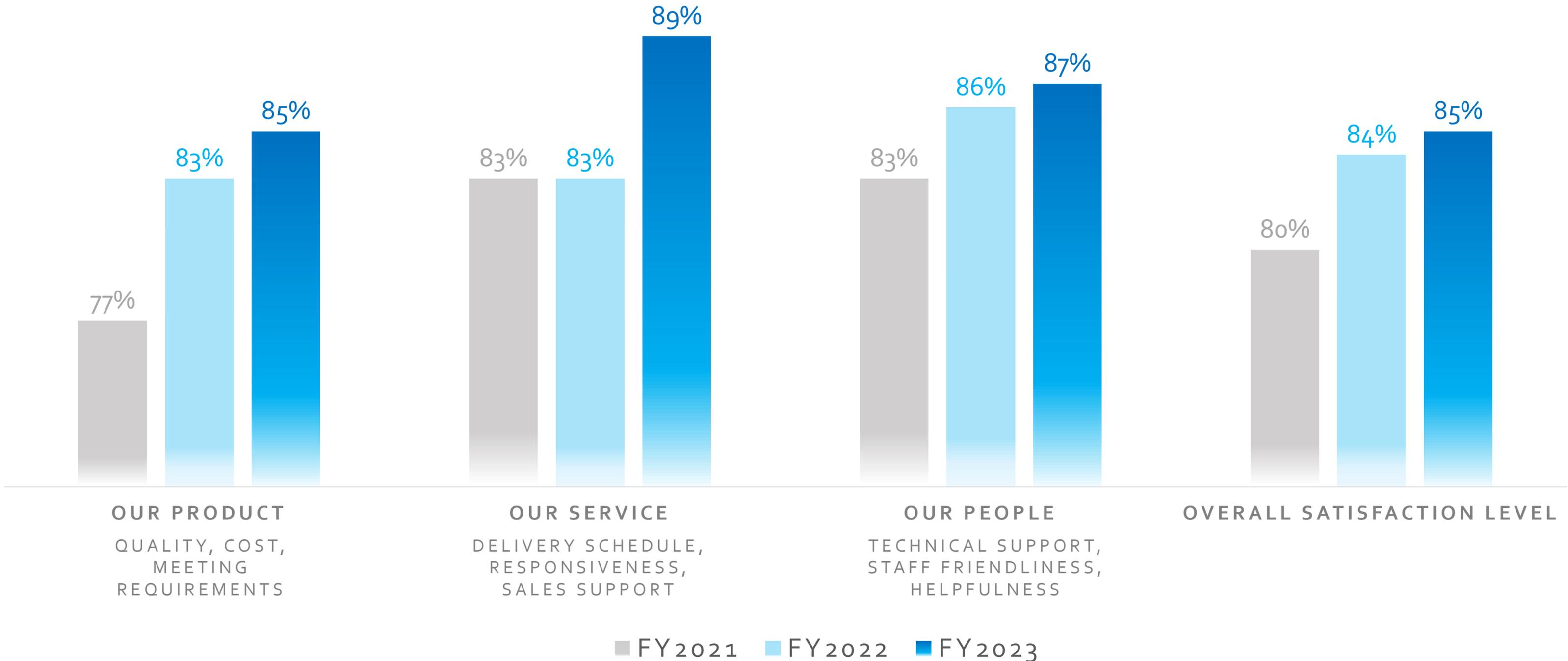




SUSTAINABILITY UPDATE

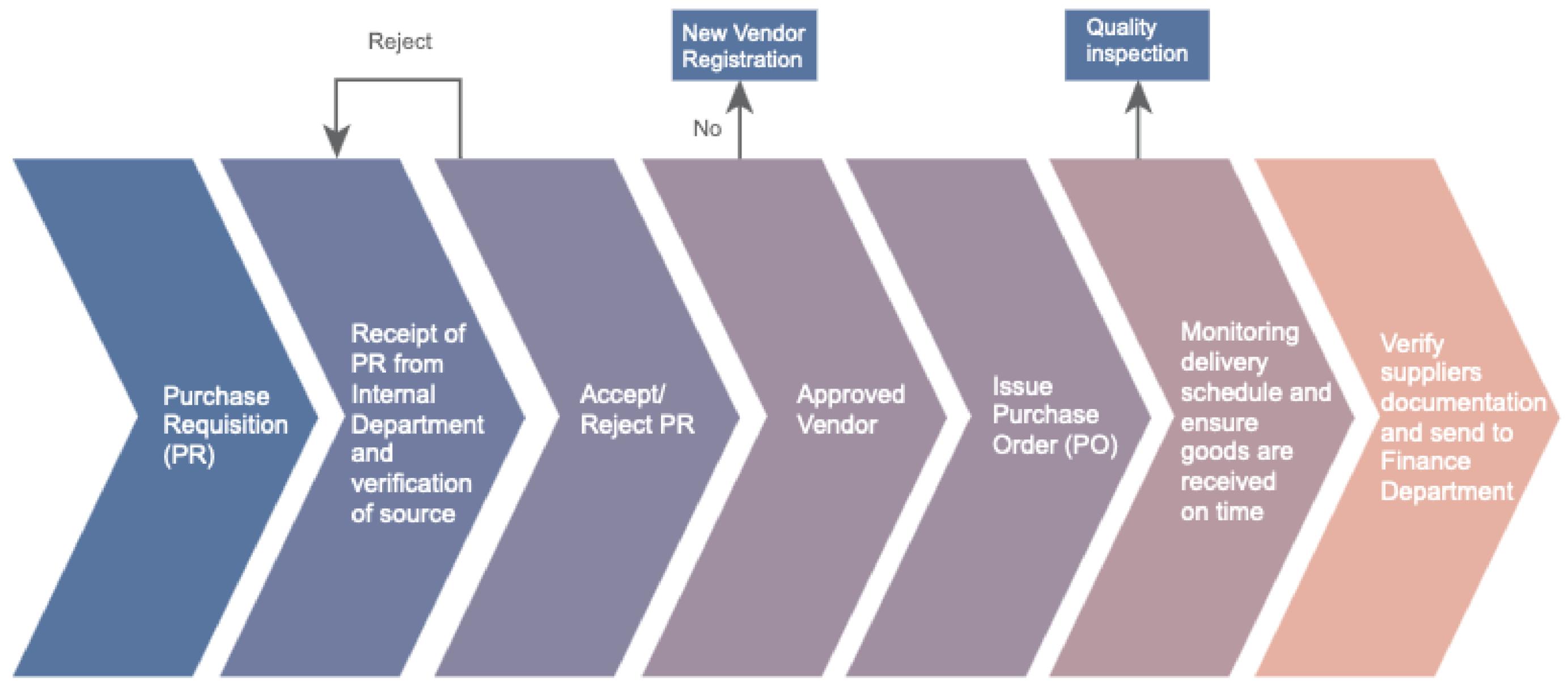
STRENGTHENING OUR CUSTOMER RELATIONSHIPS

RESULTS OF OUR ANNUAL CUSTOMER SATISFACTION SURVEY



STRINGENT PROCUREMENT PROCESS

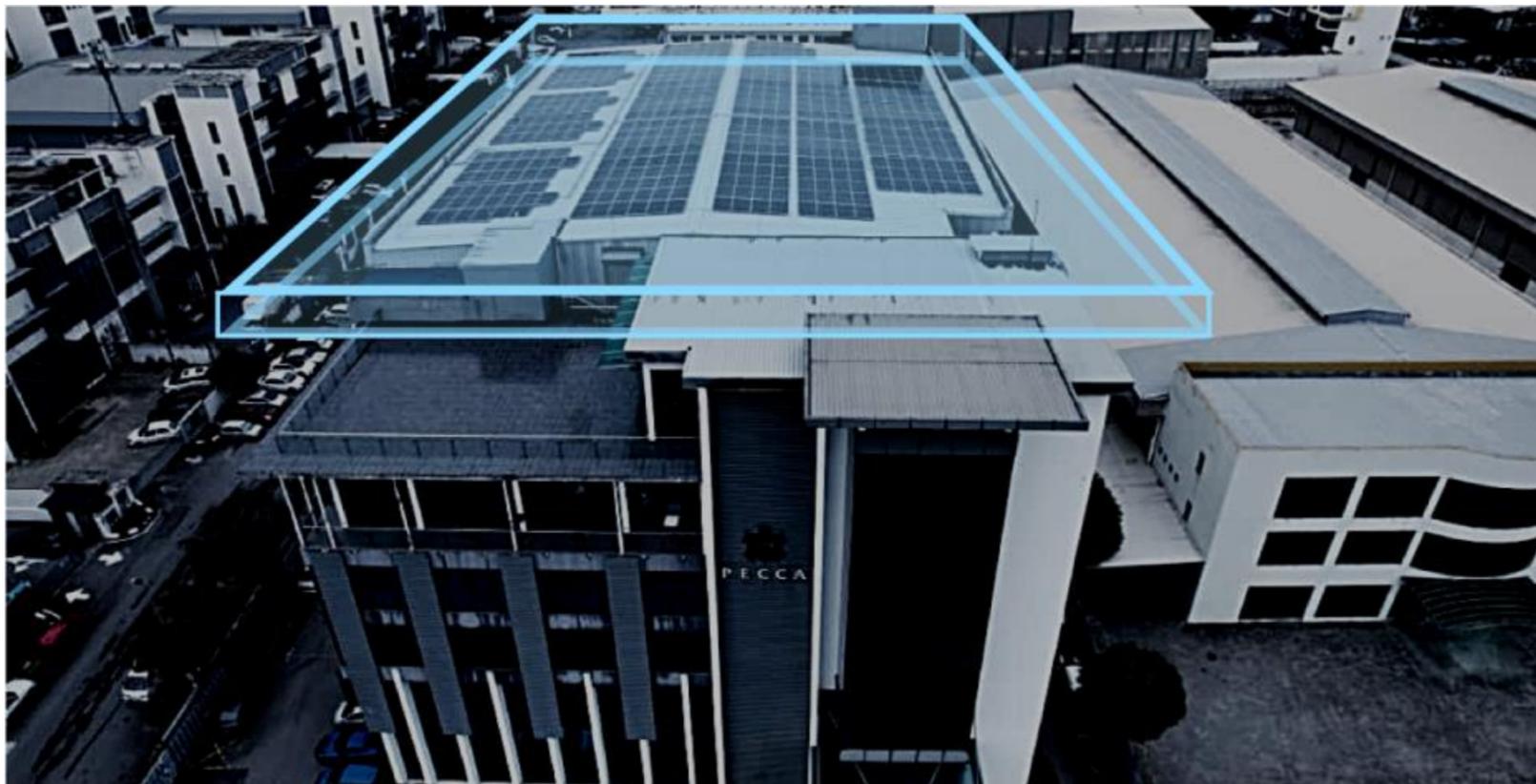
Overview of our Purchasing Processing Flow:



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 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	888	1,217	5,516
Average training hours per employee	1.54	2.41	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

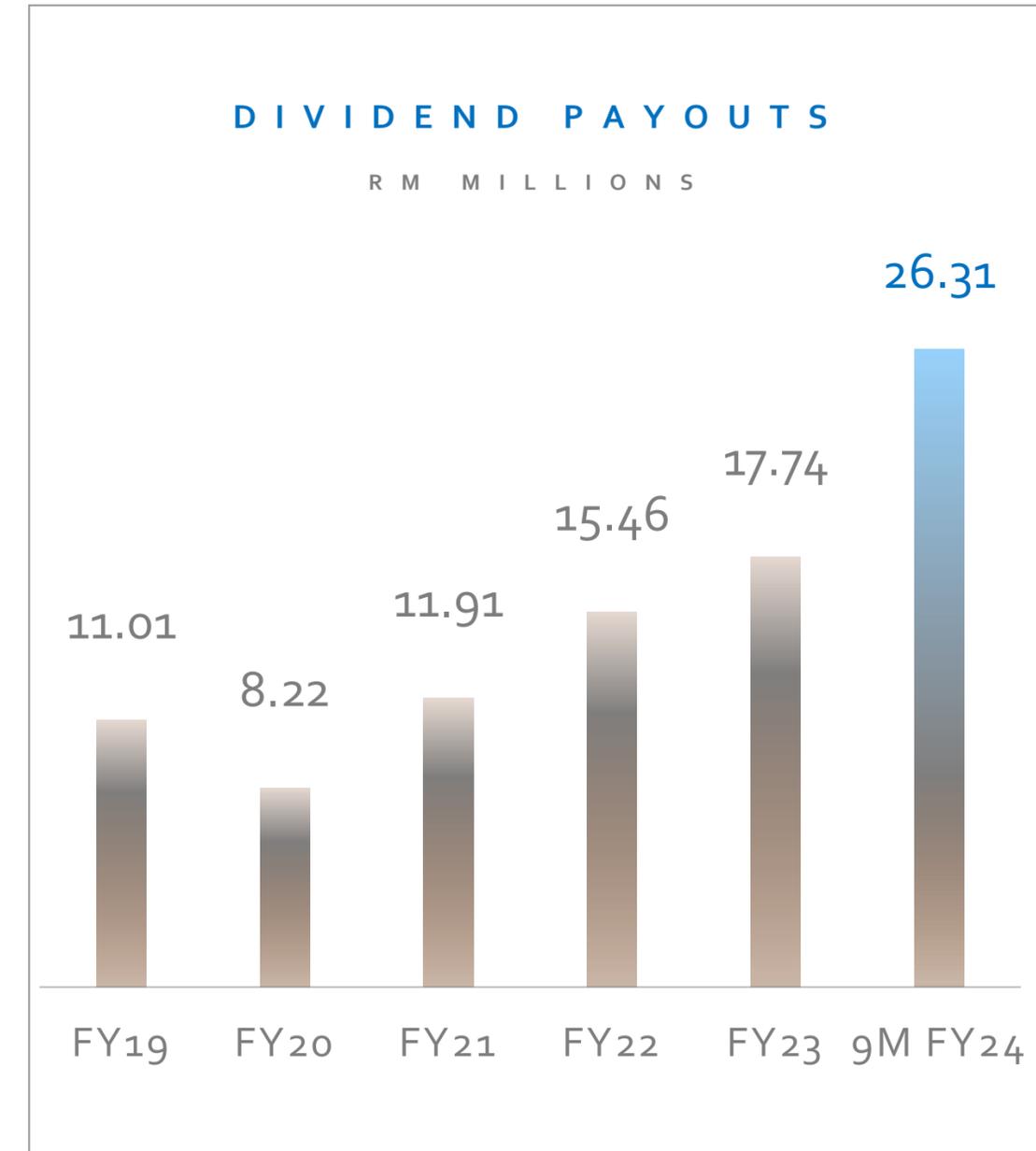
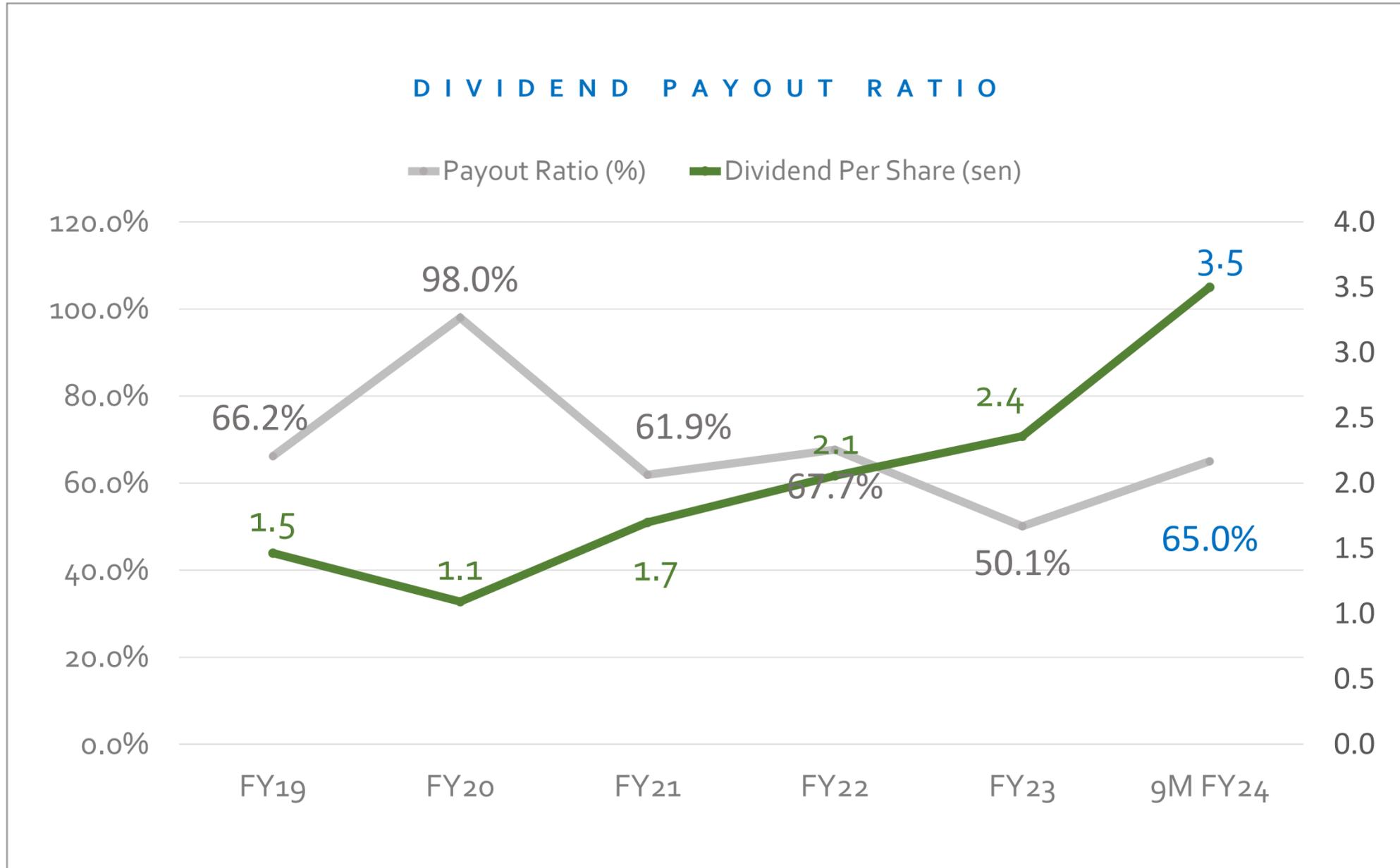
Directors' Fit and Proper Policy

Personal Data Protection Notice



INVESTMENT HIGHLIGHTS

COMMITTED TO SHAREHOLDER WEALTH CREATION



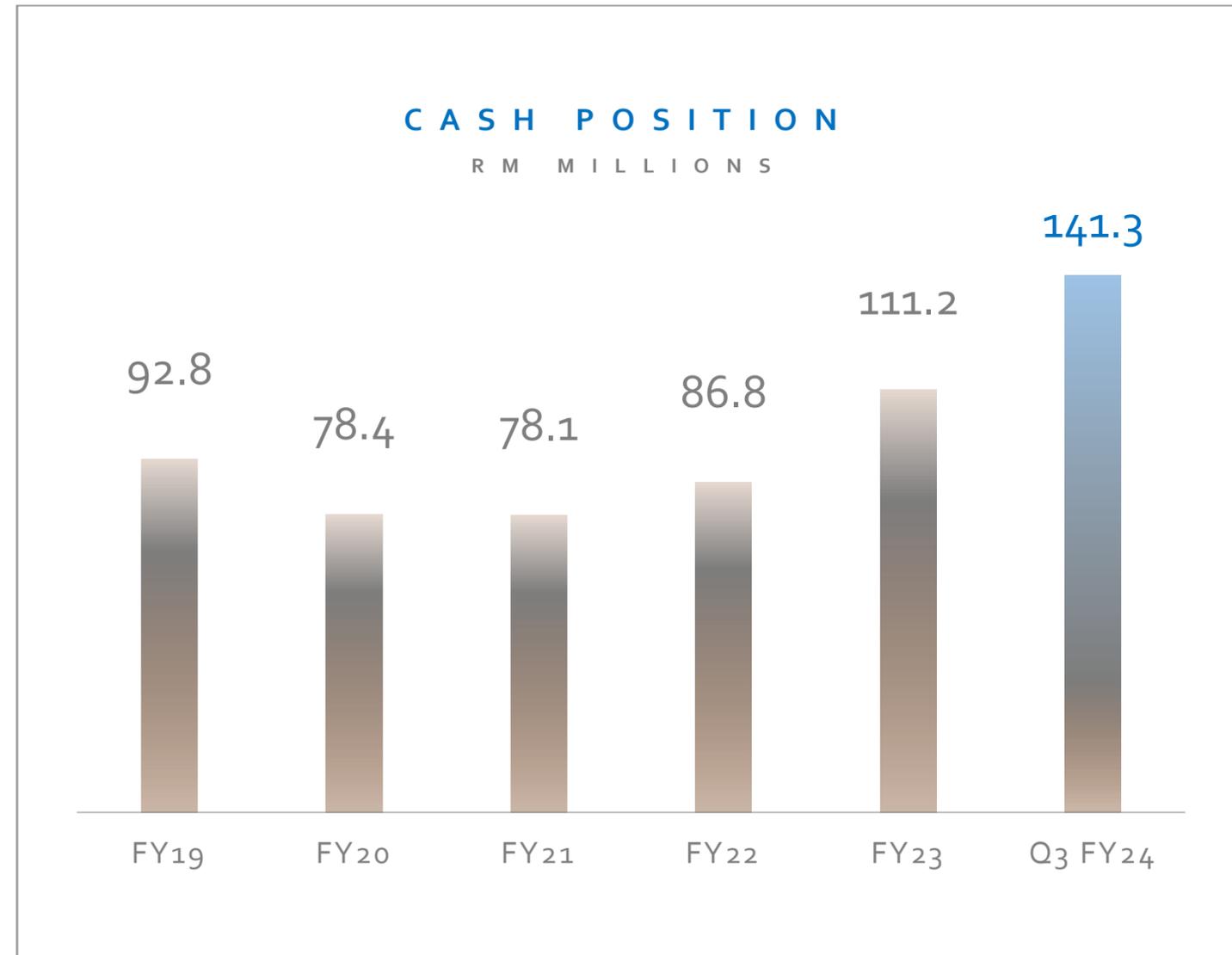
Assumes share base of 752 million

COMMITTED TO DIVIDEND PAYOUT RATIO OF ABOVE 40%

COMMITTED TO SHAREHOLDER WEALTH CREATION



MARKET CAP GROWTH OF
4.2 TIMES IN 8 YEARS



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



Q & A



INVESTOR RELATIONS

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PECCA
GROUP BERHAD