

58th ANNUAL GENERAL MEETING

via Virtual Telecast

Date: 30 August 2023

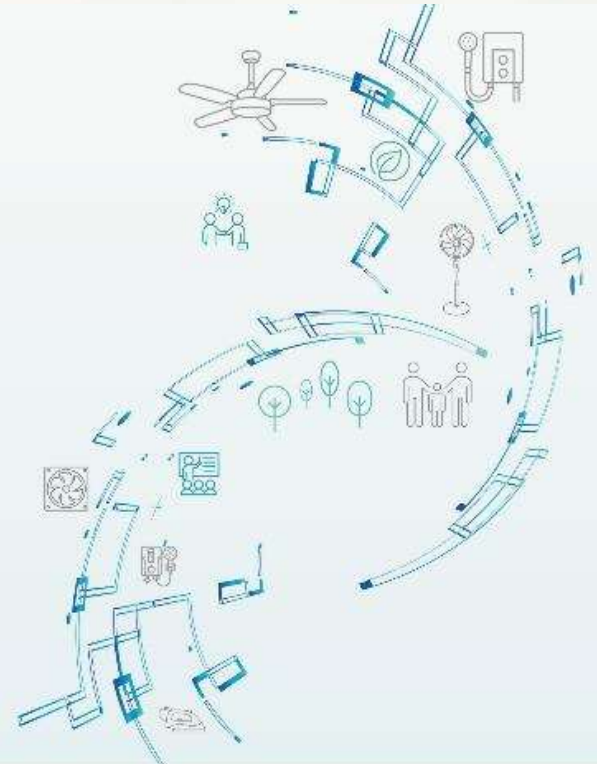
Time: 10:00 a.m

Panasonic

Panasonic Manufacturing Malaysia Berhad
(Registration No.: 196501000304 (6100-K))

SHAPING A THRIVING FUTURE

Live Your Best



SHAPING A THRIVING FUTURE

An edgy and dynamic design that emanates power and confidence. The bold arcs show movement to reflect change and transformation. From raw shapes, icons develop to indicate how continuous improvements in products are continuously being deployed to reinvent new possibilities.

AGENDA



FINANCIAL RESULTS

OPERATION REVIEW
AND BUSINESS OUTLOOK




SUSTAINABILITY
REPORTING




FINANCIAL HIGHLIGHTS


RM991,628
+14.1%

Revenue 


RM91,338
+72.2%

PBT 

122 sen
+39 sen

Dividend Rate 

RM794,926
+3.9%

Shareholders' Fund 


RM13.09
+RM0.49

Net Assets Per Share 

132 sen
+47 sen

Earnings per Share 

RM90,713
+RM72,883

Free Cash Flow 

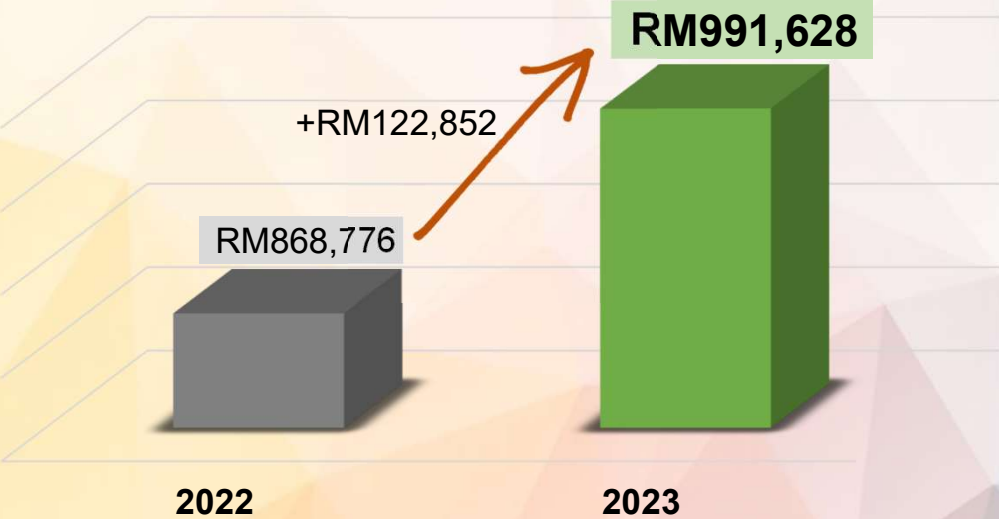
“Amidst an economic background which remains challenging, the Company persevered and managed to deliver commendable performance in the FYE 31 March 2023”

*Dato' Azman
Chairman*

REVENUE

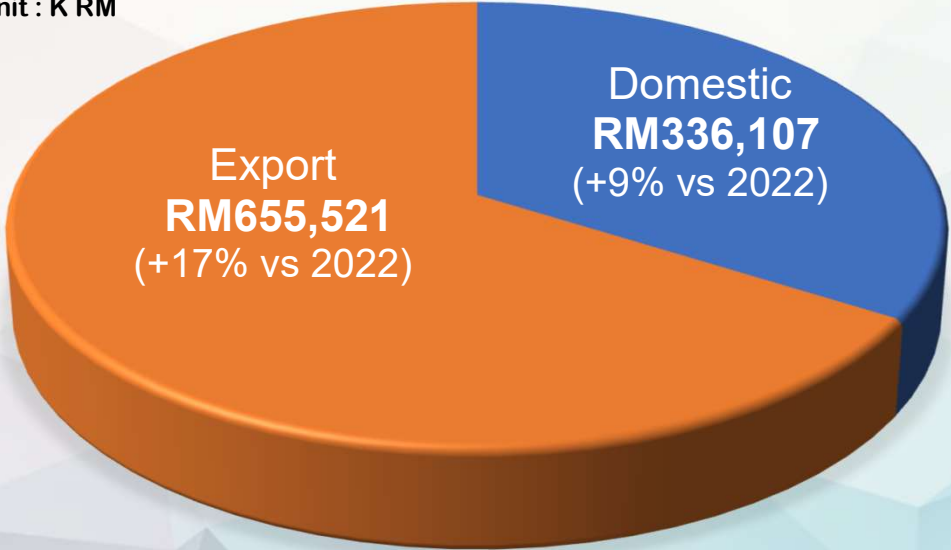
Sales increased by 14.1%

Unit : K RM



Geographical distribution

Unit : K RM



HIGHER REVENUE ACHIEVED

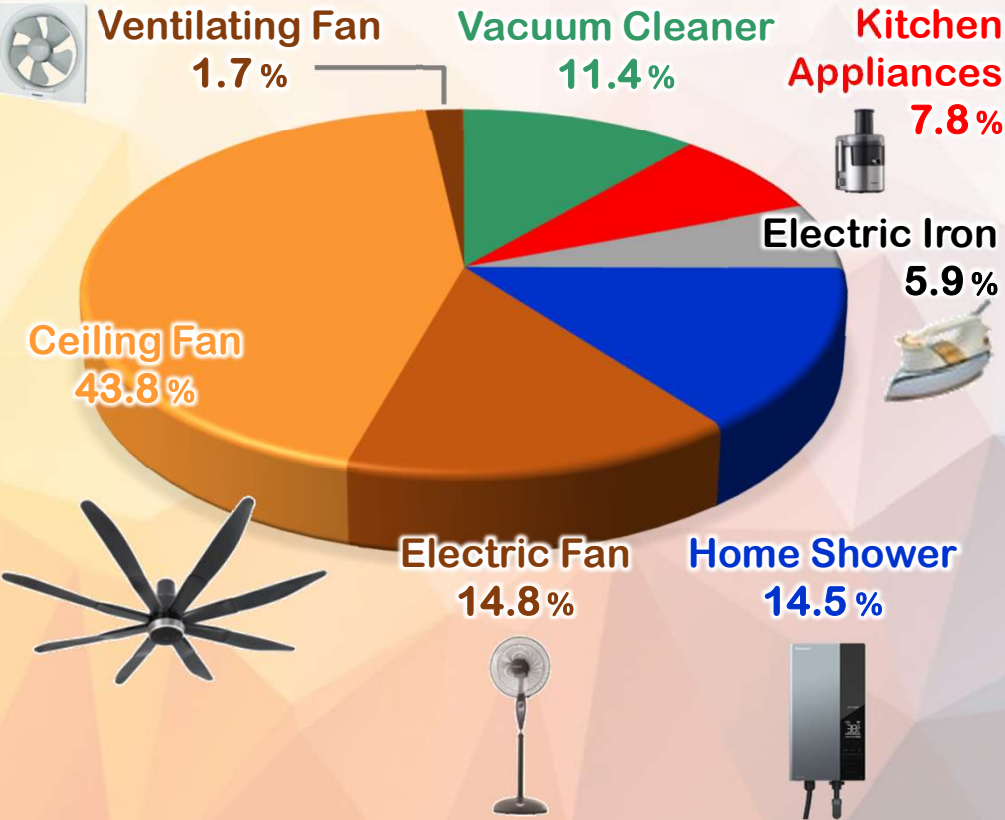
Last year's sales and production operation impacted by various mobility and capacity restriction

Full market reopening and recovery

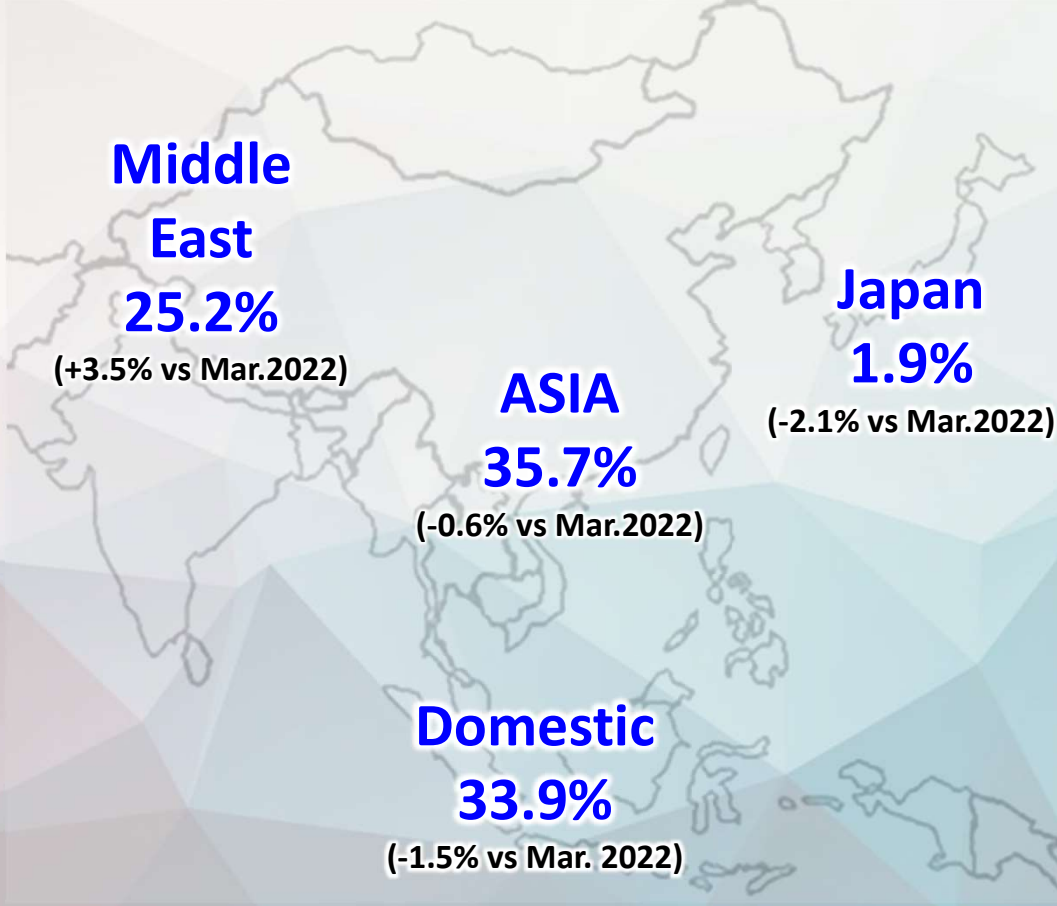
Fulfilment of backlog orders arising from flood incident in December 2021

REVENUE OF DISTRIBUTION BY PRODUCT TYPE AND REGION

Product Type



Region



STATEMENT OF PROFIT AND LOSS (COMBINED)

6

	March 2023 (RM'000)		March 2022 (RM'000)
Revenue	991,628	122,852 14%	868,776
Operating expenses	(966,145)	+109,103 +13%	(857,042)
Other operating income	43,130	+24,600 +133%	18,530
Fair value gain/(losses) on derivative financial instruments	(179)	(1,172) (120%)	993
Results from operating activities	68,434	+37,177 +119%	31,257
Finance cost	(3)	(2) (40%)	(5)
Finance income	13,605	+5,648 +72%	7,957
Share of results of associated company (net of tax)	9,302	(4,526) (33%)	13,828
Profit before taxation	91,338	+38,301 +72%	53,037

Key Highlights

- Improved results from operating activities despite challenging environment
 - Higher revenue achievement
 - Higher operating income
 - Insurance claim 22.3mil from flood incidents
 - Claim from PC Japan 14.4 mil on restructuring loss

Challenges faced: higher raw material costs, labor and utilities

- Higher finance income due to recent interest rate hikes announced by BNM.
- Decline in share of results of associated company despite higher sales achieved, due to higher marketing cost and other operational expenditures (IT) incurred.

REVENUE AND PROFIT BY SEGMENT

Living Appliances and Solutions (LAS)

Unit : K RM	2023		2022
Revenue	RM249,152	(RM57,307)	RM306,459
PBT	RM22,174	+RM18,788	RM3,386
Profit/Sales (%)	9%	+8%	1%

Revenue

Unit : Mil RM

Existing Business	+ 43.7
Terminated Business	(101.0)
2022 → 2023	(57.3)

Key Highlights

- Reduction in revenue mainly due to discontinuance and closure of rice cooker (RC) and kitchen appliances (KA) products, however, mitigated partially by higher sales in vacuum cleaner and electric iron products (Existing Business)
- Improved profitability contributed from higher revenue for certain products and claims received for KA business termination

PBT

Unit : Mil RM

Existing Business	+ 4.4
KA Claim from Japan	+ 14.4
2022 → 2023	+ 18.8

REVENUE AND PROFIT BY SEGMENT

Heating and Ventilation A/C (HVAC)

Unit : K RM	2023		2022
Revenue	RM741,538	+RM180,679	RM560,859
PBT	RM52,609	+RM19,613	RM32,996
Profit/Sales (%)	7%	+1%	6%

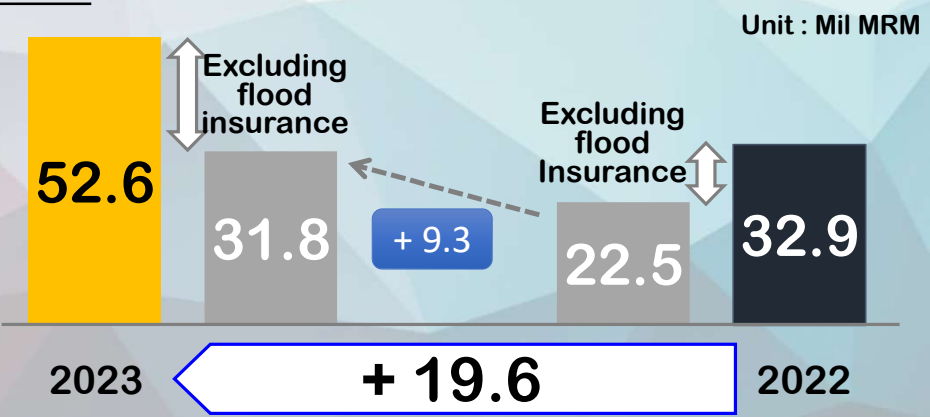
Revenue

	Unit : Mil RM
Domestic	+ 67.6
Export	+113.1
2022 → 2023	+180.7

Key Highlights

1. Improved in revenue mainly higher export sales in Fan products especially to Hong Kong, Singapore and Middle East market destinations. Production of Fan products was impacted by flood incidents in last year.
2. Profit Before Tax including flood insurance claims increased by RM 19.6 million. Excluding the insurance claims, profitability increased by RM 9.3 million.

PBT

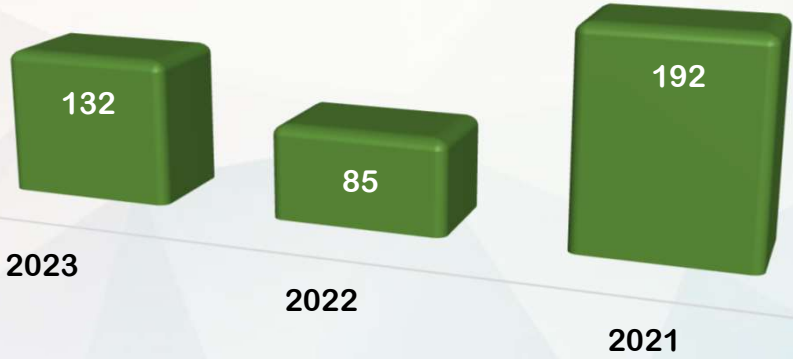


KEY FINANCIAL DATA

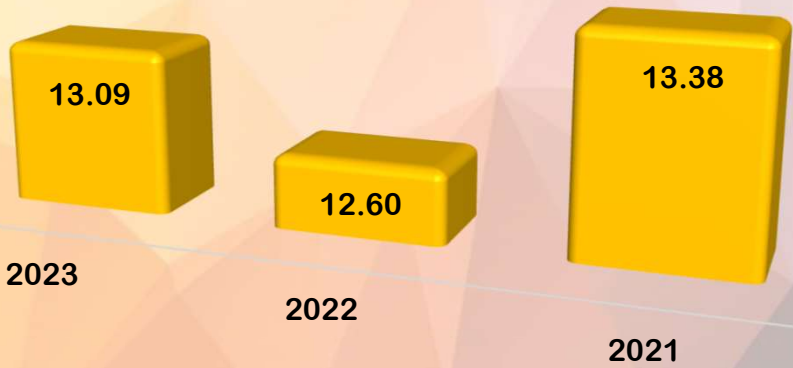
Shareholder's Equity (RM'000)



Earnings Per Share (SEN)



Net Assets Per Share (RM)



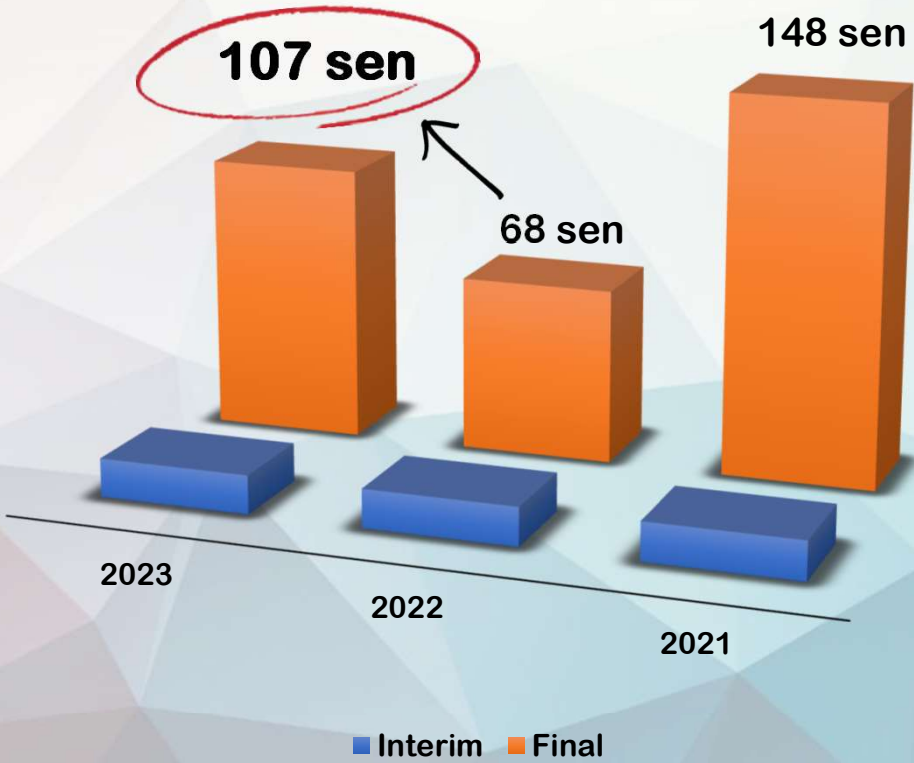
Free Cash Flow (RM'000)



Together we are Strong!

Higher dividends this year contributed from higher profitability

	2023	2022	2021
Final	107	68	148
Interim	15	15	15
Total Dividends	122	83	163
Total payout ratio	100%	100%	100%



* Based on Profit After Taxation of PMMA

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REPORTING



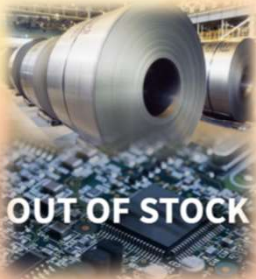


Geopolitical Tensions



Rising of Minimum Wage

Impact on operational cost



Rising Material Costs & Parts Shortage



Utilities Costs

Increase by 40% from January 2023

PRODUCTS LAUNCHED DURING THE YEAR

Ceiling Fan



**1st nanoeX Ceiling Fan
F-M15ME (1st Launch in June 22)**



**Competitive DC model
F-M14FE (1st Launch in Dec 22)**



**Additional line up for Baby Fan
F-M12DE (1st Launch in May 22)**

Home Shower



**Flagship Instant Home Shower
U-Series (1st Launch in Aug 22)**

Vacuum Cleaner



**Cyclone Bagless Canister model
CL600 Series (1st Launch in Aug 22)**

Ceiling Fan



Improve energy efficiency by promoting DC model and add value by nanoe X

Vacuum Cleaner



Expand sales by strengthening product line-up and start inhouse production of stick-type vacuum cleaner

Home Shower



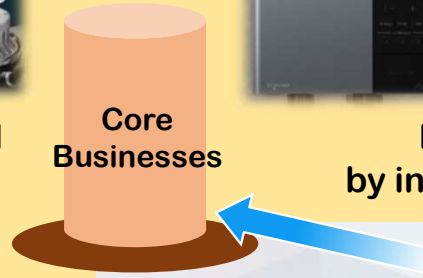
Extend sales & marketing by introducing new product lineup

New Business



Launch of new business that will become a new earnings pillars

Core Businesses





Challenges



Geopolitical Risk

Tensions between countries generate geopolitical conflicts that escalates to worldwide conflicts.



High Inflation

An inflation causing raise of interest rates.



Slower Global Growth

- Global growth expected to grow at a slower pace.
- China slower than expected pace of recovery.

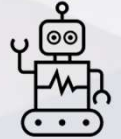


Opportunities



GDP Growth

Malaysia's economic growth to remain moderate in 2H2023, supported by domestic demand amid external headwinds



Automation in Manufacturing

To drive automation in manufacturing and to aim to achieve "Smart Factory" by 2030.



Products Expansion

Expanding new products range.



New Business

Exploring new business opportunities.

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REPORTING



SUSTAINABILITY REPORTING

PMMA uses solar power to reduce CO2 emissions



SA2 completed November 2022

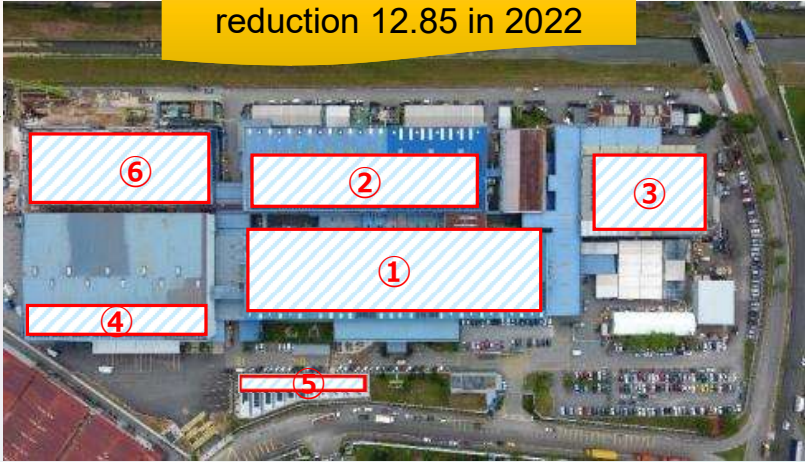


Solving global environment issues



SA1 completion target February 2024

Achieved CO2 index reduction 12.85 in 2022



✓ Sandbags, Flood Barrier and Increasing Machineries Height

🔄 Ongoing flood mitigation activities SA2 Plant

Completed
July 2022

Flood level indicator



Target completion
September 2023

Rebuilding and
strengthening the perimeter
wall



Target completion
December 2023

Installing flood
barrier gates



Flood Mitigation Activities at SA2 Plant



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