



Q3 2021 Report

01 July to 30 September 2021

RMA (CAMBODIA) PLC.



RMA CAMBODIA

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FINANCIAL OVERVIEW

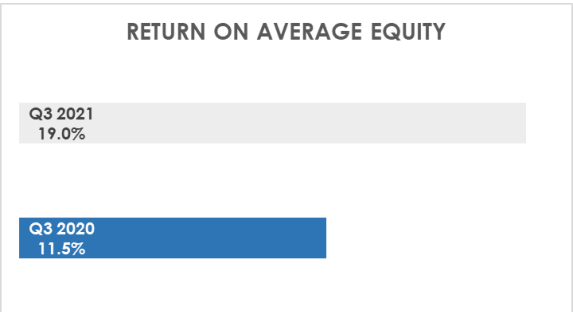
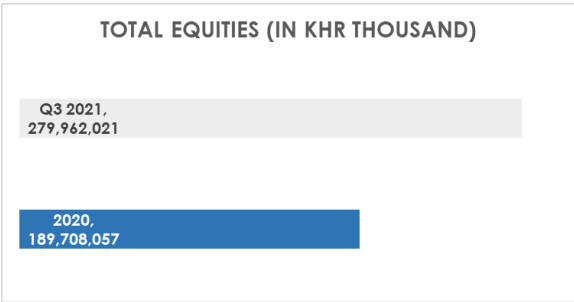
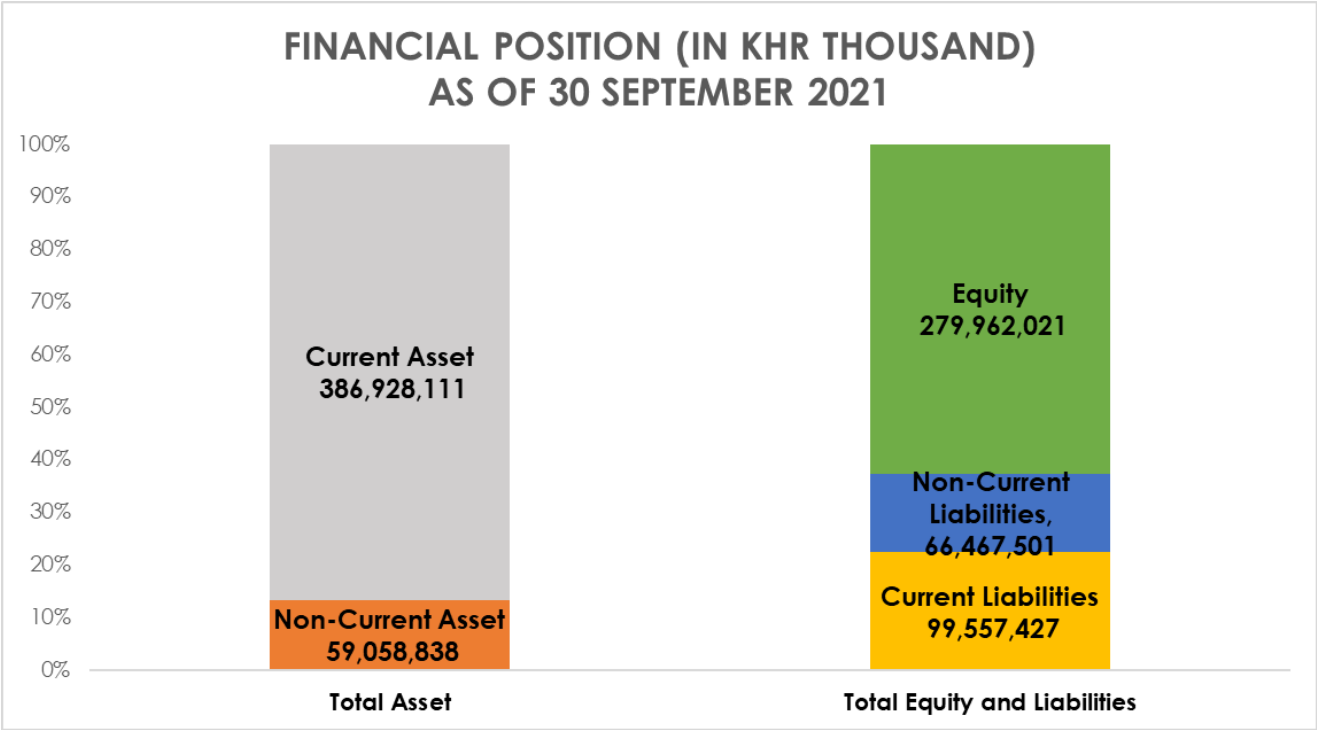
Financial Position (in KHR Thousand)	Quarter 3 2021	2020
Total assets	445,986,949	418,929,577
Total Liabilities	166,024,928	229,221,520
Total Shareholders' equity	279,962,021	189,708,057

Profit/(Loss) (in KHR Thousand)	Quarter 3 2021	Quarter 3 2020
Total revenues	469,910,384	285,018,965
Gross profit	72,298,626	39,254,837
Profit from operations	55,678,289	24,566,302
Finance costs	2,032,721	3,515,724
Profit/(Loss) before tax	53,645,568	21,050,578
Profit/(Loss) after tax	44,451,427	16,861,246
Total Comprehensive Income	44,555,248	17,115,386

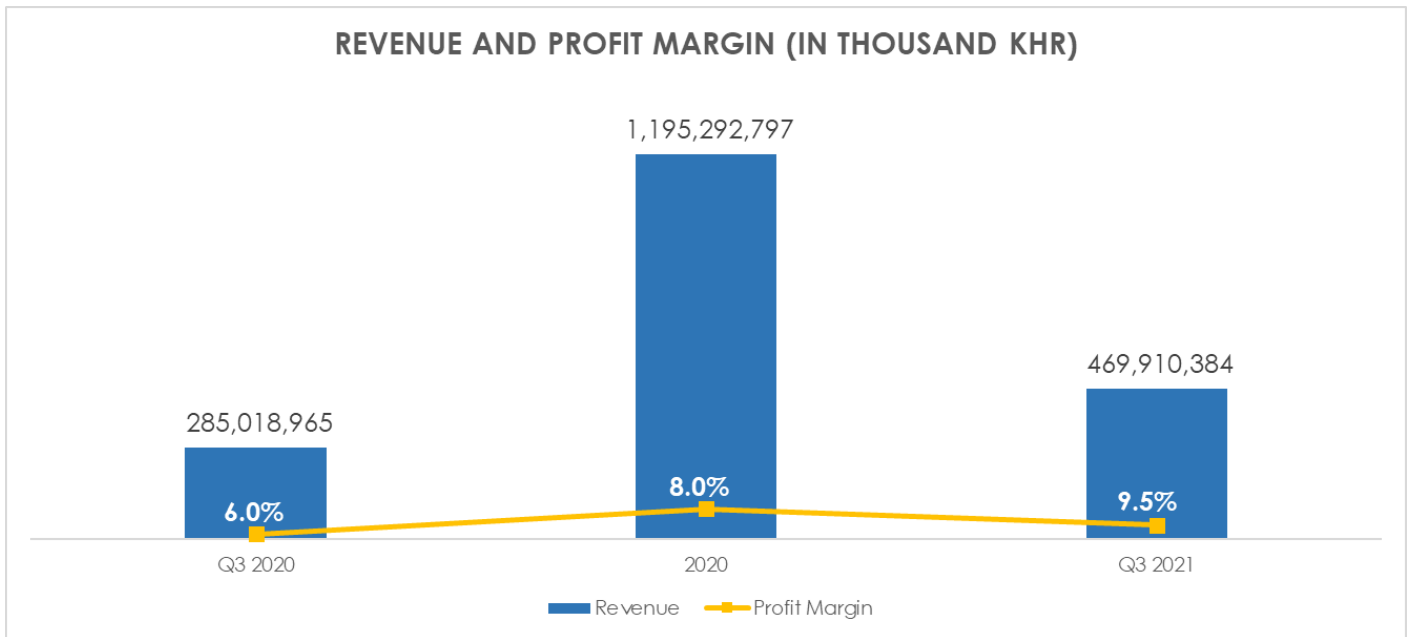
Financial Ratio	Quarter 3 2021	2020
Solvency Ratio	0.59	1.21
Current Ratio	3.89	2.34
Quick Ratio	2.53	1.32

Profitability Ratio	Quarter 3 2021	Quarter 3 2020
Return on average assets	10.3%	3.9%
Return on average equity	19.0%	11.5%
Gross profit margin	15.4%	13.8%
Profit margin	9.5%	6.0%
EPS (in KHR '000)	44,555	17,115
Interest Coverage ratio	27.39	6.99

GRAPHS OF FINANCIAL HIGHLIGHTS



REVENUE AND PROFIT MARGIN (IN THOUSAND KHR)



Board of Directors



Chris Manley

Ngorn Saing

Kevin Whitcraft

Tom Whitcraft

Vichit Ith

Mr. Kevin Whitcraft

Chairman of Board of Director

Mr. Ngorn Saing

Executive Director

Mr. Tom Whitcraft

Non-Executive Director

Mr. Chris Manley

Non-Executive Director

Mr. Vichit Ith

Independent Director

Message from the Chairman

Dear Investors

As for previous quarters, I set out below a brief statement of the financial performance of RMA (Cambodia) Plc, (RMAC) as per the requirements of the Securities and Exchange Commission of Cambodia (SECC).

By end of September 2021, Cambodia had registered just over 100,000 Covid cases. The Cambodian people and economy continued to be in an distressed situation though the Kingdom was leading the way as the country with the highest rate of fully vaccinated population

During the 3rd quarter of 2021, RMAC has performed strongly to KHR 470 Bn which represents a progression of +64.9% versus same quarter 2020, and by +49% compared to 2nd quarter of 2021 sales. Ford Division has outperformed the rest of the division growing by an impressive +58% compared to 2nd quarter of 2021 sales. During the current quarter Ford Division represents 86.8% of RMAC's total sales. Ford's strong performance is due to relative low inventory level encountered in 2nd quarter of 2021 which were replenished the following quarter.

During the period, we are proud to have equipped the Ministry of Health and the Ministry of National Defense with Ford specially modified medical vehicles to fight the Covid pandemic.

I wish to emphasize that RMAC thrives to execute its business strategy of being the leading supplier of world class automobile, construction, agricultural equipment, and materials handling equipment in Cambodia. During the 3rd quarter of 2021, RMAC has continued to fulfill its long-term objectives of meeting our Cambodian consumers' needs by launching exciting new products with a specific focus on technology, lower fuel consumption and with a constant view towards safety.

RMAC ensures a continuous focus of being a major player in the Cambodian economy developing our human resources while understanding our important role and social and environmental responsibilities. During the 3rd quarter of 2021, due to its growing business, RMAC has added 52 headcount and has been active helping replanting over 800 trees as part of RMAC's Green Day !

On behalf of the Board, I thank our loyal & passionate customers who have been on our side during these challenging periods for the Kingdom of Cambodia. We wish the people of Cambodia to keep safe & healthy.


Kevin Whitcraft
Chairman



Date: 12 November 2021

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PART 1.- GENERAL INFORMATION OF THE LISTED ENTITY

A. IDENTIFICATION OF THE LISTED ENTITY

Name of the Listed Entity in Khmer	អ៊ីម អេ (ខេមបូឌា) ម.ក
In Latin	RMA (CAMBODIA) PLC
Standard Code	KH2000121A44
Address	No.27 E1, Street 134, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, Cambodia
Phone	+855 (0) 23 883 488 / 12 867 697
Fax	+855 (0) 23 426 752
Website	www.cambodia.rmagroup.net
Email	saing.ngorn@rmagroup.net
Registration Number	00001121 dated 12 September 2002
Disclosure Document Registration Number	068/20 គ.ម.ក សវសវ SECC dated 02 April 2020
Name of Listed Entity's Representative	Mr. Ngorn Saing
Company Secretary	Mr. Sovan Meas (sovan.meas@rmagroup.net)

B. NATURE OF BUSINESS

RMAC is an automotive, agriculture and heavy equipment-distributor incorporated in Cambodia. It is the distributor and provider of warranty and after-sales service for world-leading brands including Ford, Jaguar Land Rover, John Deere, TCM, JCB, FUSO and Piaggio.

Over the years, the Company has earned a reputation for being the first-choice provider of fleet and retail solutions and services that includes all aspects of vehicular fleet composition, supply, and support.

RMAC is subsidiary of Clipper Holdings Limited, parent company of the RMA Group, which has its regional operating headquarters in Bangkok, Thailand.

C. QUARTERLY KEY EVENTS

Key quarterly events are set out below.

JULY 2021

Major order delivery event

Handovers for vaccines transportation to **Ministry of Health and Ministry of National Defense**. H.E. Ou Vanndin – Secretary of Ministry of Health and government officers, Ford Cambodia Management Team, Ford Technical Expert from ADC and Service Team joined the handover ceremony.

HAND-OVER OF 60 UNITS OF FORD FRIDGE TRUCK TO MOH



Major order delivery event

July 27th, RMA Cambodia staged a handover event of **90 Ford Ranger XLT Double Cabs** purchased by a large corporate client

FORD DELIVERS LARGE ORDER OF 90 VEHICLE



Health & Safety measures

Ford Cambodia posted a [video of deep clean](#) at showroom in order to show to the public that we have been practice very well of preventing Covid-19 and **following the rules and laws from Ministry of Health and Government**.

COVID 19 – DISINFECTION SPRAY & CLEAN



AUGUST 2021

Provincial Roadshow

Ford Cambodia is continuing with its **City and Provincial Roadshow Events** in Various Locations of Cambodia. This month City and Provincial Roadshow took place in 7 different locations in August 2021

FORD CITY AND PROVINCIAL ROADSHOW AT 7 DIFFERENT LOCATIONS



Product Launch/Promotion

The Special Products Division officially opened a **New Showroom**, which is a joint showroom with PIAGGIO division and Comin Khmère, located along **street 1019, Khan Sen Sok, Phnom Penh, Cambodia**, to show all of SP's products.

GRAND OPENING SPECIAL PRODUCT DIVISION NEW SHOWROOM



Jaguar Land Rover Marketing Campaign

The **new updated version of Jaguar and Land Rover Cambodia's Web Banners** are now advertised on two popular media advertisements, Thmey Thmey and SwiftNews. Jaguar I-Pace, the first fully electric luxury vehicle in Cambodia, and LR Defender are advertised

JLR LED BILLBOARD AIRING AT OLYMPIC TANK TRAFFIC LIGHT



Corporate Social Responsibility

Ford Cambodia held RMA Green Day as a corporate social responsibility endeavor. This event was joined by Ngorn Saing, CEO, RMA Cambodia, Ket Mao, District Governor, Government Officers and members of RMA staff. **860 trees were planted that day.**

Plants on RMA Green Day



SEPTEMBER 2021

Sales & Communication

Baby Care, a leading household name for baby and children's brands and products in Cambodia, selected the **Ford Ranger** for its aspirational appeal amongst its customer base.

NEW FORD RANGER The Vehicle of Choice



Marketing Initiative

Ford Cambodia displayed The **New Ford Ranger Wildtrak 2022** at 5 Branches of **Amret MFI**. This project started since 20 August 2021 and the purpose of this display is to show case The New Ford Ranger Wildtrak 2022 with new exterior design update to the public and to build Ford branding.

NEW FORD RANGER WILDTRAK 2022 DISPLAY AT AMRET MFI



COLLABORATION WITH UNIVERSITY

This **collaboration with Techno Sen Institute** aims to provide local students with comprehensive training to become more competent and proficient in the aspects of intellectual knowledge and ethics to align with the needs of society.

MOU signed with Techo Sen Institute of Public Works and Transportation



PART 2.- INFORMATION ON BUSINESS OPERATIONS PERFORMANCE

A. BUSINESS OPERATION PERFORMANCE INCLUDING BUSINESS SEGMENTS INFORMATION

Key achievements in the Q3 2021 are as follows:

Ford Market Leadership: The Ford brand has further increased its market dominance in Q3 2021 grabbing a market share of **44.2% of the non-luxury new vehicles market** in the period from 1st January 2021 to 30th September 2021, compared with 35.2% on the same period in 2020. The **Ford Ranger** continues to be the **#1 selling vehicle** in the non-luxury new vehicle market in Cambodia.

John Deere: According to our internal sources, John Deere holds the **2nd position** with **24% of the tractor business** in Cambodia and has maintained its leadership in large sized tractors and harvesters.

Financial Results:

Q3'21 revenues were KHR 470bn, which was an increase of **+64.9%** compared to Q3'20 revenue. **Q3'21 profit after tax was KHR 44.5bn**, which was +163.6% higher than same period last year largely due to:

- +KHR 33.0 Bn gross profit in Q3'21 compared to Q3'20 from increased sales in Q3'21 (+KHR 184.9 bn sales generating in the quarter versus last year)
- +KHR 1.5 bn decrease in finance costs in Q3'21 compared to Q3'20, while
- -KHR 1.9 bn increase in operating expense
- -KHR 5.0bn of increase in tax expenses mainly due to the net impact of higher profit and accrued tax incentive in Q3'21.

The unaudited key financials at the end of the quarter are:

- Total Assets attain KHR 446bn increasing by +KHR 27.1bn mainly explained by:
 - +KHR 42.5bn was the increase in our company's cash position which has significantly strengthened to KHR 201.6bn
 - +KHR 8.7bn increase in Amounts due from related companies
 - +KHR 4.1bn increase in property, plant and equipment, while
 - -KHR 17.8bn through the decrease in inventory (from KHR 153bn end December 2020 to KHR 135.2bn by end September 2021)
 - -KHR 8.9bn decrease in deferred tax assets
 - -KHR 1.7bn decrease in Right-of-use assets
- Total Equity achieves KHR 280bn, which is an increase of +KHR 90.3bn compared to 31st December 2020.
- Net Cash Flow from Operations for the third quarter of 2021 is still solid, with +KHR 91.4bn.

Net cash flow used in investing activities is KHR 2.5bn in the nine-month period of 2021, which include the investment in new showroom, new vehicles for operation and additional operating equipment.

B. REVENUE STRUCTURE

RMAC is a diversified company representing a number of world class brands, including Ford, Jaguar Land Rover, Fuso, John Deere and JCB. While other business segments are developing, the Ford business segment is a major segment of the company's current revenue structure. The Ford business segment is made up of vehicle sales, after sales service and spare parts and accounted for 86.8% of Q3'21 revenues (vs 87% Q3'20 revenue).

Revenue by segment is shown in Part 4 of this report.

PART 3.- FINANCIAL STATEMENTS REVIEWD BY THE EXTERNAL AUDITOR

Please refer to the Annex for Condensed Interim Financial Information for the Quarter Ended 30 September 2021.

PART 4.-MANAGEMENT'S DISCUSSION AND ANALYSIS

A. OVERVIEW OF OPERATIONS

1. Revenue Analysis

Total **revenue at KHR 470bn** increased by + KHR 184.9bn or **+64.9%** in Q3'21 compared to the same quarter in 2020.

2. Revenue by Segment

In KHR Thousand	Quarter 3 2021	% Share	Quarter 3 2020	% Share2
Ford	407,889,046	86.8%	248,040,923	87.0%
Other Operations	61,844,300	13.2%	42,669,372	15.0%
Corporate Elimination	(8,333,940)	-1.8%	(5,573,976)	-2.0%
Total	469,910,384	100.0%	285,018,965	100.0%

Ford revenue was up by KHR 159.8bn (+64.4% vs Q3'20), reflecting higher unit sales. Revenue from Other Operations increased to KHR 14.2bn (+44.9% vs Q3'20), with higher volumes for John Deere.

3. Gross Profit Margin

In KHR thousand	Quarter 3 2021	Quarter 3 2020	Variance	% Change
Total revenues	469,910,384	285,018,965	184,891,419	64.9%
Gross Profit	72,298,626	39,254,837	33,043,789	84.2%
Gross Profit Margin	15.4%	13.8%		

Gross profit margin in Q3'21 increased to **15.4%** (vs 13.8% in Q3'20) mainly due to increase in sale of higher margin Ford vehicles.

4. Profit Before Tax ('PBT') analysis:

In KHR thousand	Quarter 3 2021	Quarter 3 2020	Variance	% Change
Total revenues	469,910,384	285,018,965	184,891,419	64.9%
Gross Profit	72,298,626	39,254,837	33,043,789	84.2%
Gross Profit Margin	15.4%	13.8%		
Operating Expense	16,620,337	14,688,535	1,931,802	13.2%
Finance Costs	2,032,721	3,515,724	(1,483,003)	-42.2%
Profit Before Tax	53,645,568	21,050,578	32,594,990	154.8%
Margin	11.4%	7.4%		

Profit before tax margin for Q3'21 at 11.4% increased from 7.4% in Q3'20. The increase in gross profit margin from 13.8% in Q3'20 to 15.4% in Q3'21 was offset by the increase in operating expenses and reduction in finance costs because of the ability to settle bank loans and other long-term loans in shorter period of time resulting in interest savings.

5. Profit After Tax ('PAT') analysis:

In KHR thousand	Quarter 3 2021	Quarter 3 2020	Variance	% Change
Profit Before Tax	53,645,568	21,050,578	32,594,990	154.8%
Tax Expense	9,194,141	4,189,332	5,004,809	119.5%
Profit After Tax	44,451,427	16,861,246	27,590,181	163.6%
Profit After Tax Margin	9.5%	5.9%		

The profit after tax for Q3'21 is 9.5%, which is higher than Q3'20 rate at 5.9%. This is due to higher profit before tax margin (11.4% in Q3'21 vs 7.4% in Q3'20) and lower effective tax rate in Q3'21 at 17.14% (vs 19.90% in Q3'20)

B. SIGNIFICANT FACTORS AFFECTING PROFIT

1. Demand and supply conditions analysis

The COVID-19 pandemic in Cambodia has impacted both demand and supply conditions starting from Q3'20.

Supply was initially impacted by lock downs, notably at the Ford factory in Thailand, but has subsequently returned to normal starting Q3' 20.

Demand has been impacted by delays and cancellations of major private and public sector projects, a reduction in consumer confidence, loss of the tourism and hospitality business and more cautious bank lending.

To curb with the spread of Covid-19 outbreak, the Government had imposed lockdown starting from 15 April 2021, with several levels of relaxation from the initial lockdown at the end of April 2021. During the lockdown, people were restricted to travel outside their homes, except for essential and emergency purposes. Non-essential businesses in the lockdown areas were not allowed to operate. Therefore, the Company business activities were significantly reduced during the second half of April 2021. From May 2021, the business activities started to recover.

2. Fluctuations in prices of raw materials analysis

There has been no significant fluctuation in prices of raw materials.

3. Tax Analysis

Recently, there have been no significant changes in tax regulations in Cambodia that have had a material impact on our financial performance.

4. Exceptional and extraordinary items analysis

There were no other exceptional and extraordinary items in the period.

C. MATERIAL CHANGES IN SALE AND REVENUE

The revenue for Q3 2021 and the comparative periods in 2020 are shown in sections of this document and also in the Condensed Interim Financial Statements.

D. IMPACT OF FOREIGN EXCHANGE, INTEREST RATES AND COMMODITY PRICES

Exchange rate movements have no material impact on our financial performance as the vast majority of our business is conducted in KHR/USD, with only minimal purchases of imported products purchased in foreign currencies. We are not impacted by Commodity prices as we are not trading in commodities. Interest rates movements in the period have been minimal.

E. IMPACT OF INFLATION

There is no significant impact of inflation on our financial performance.

F. ECONOMIC, FISCAL AND MONETARY POLICY OF ROYAL GOVERNMENT

There have been no major impacts resulting from changes in Government Policy, apart from those relating to COVID-19, involving reduced Government spending and restrictions impacting certain sectors of the economy, such as tourism.

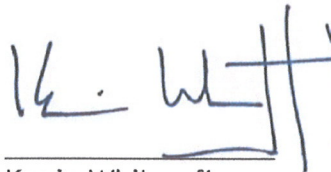
G. OTHER EVENTS OF SIGNIFICANCE

Short term debt finance/future capital of KHR 10.8 Bn KHR in pre-incorporation expenses of yet-to-be incorporated 25% subsidiary RMA Automobile (Cambodia) Co., Ltd (RMAAC).

Signature of Directors of Listed Entity

Date: *12 November 2021*

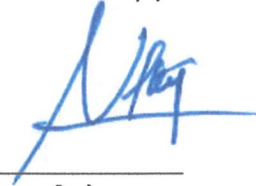
Read and Approved



Kevin Whitcraft
Chairman of the Board of Directors



Read and Approved



Ngorn Saing
Chief Executive Officer

