



# Q2 2023 Report

01 April to 30 June 2023

RMA (CAMBODIA) PLC.



**RMA CAMBODIA**

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## FINANCIAL OVERVIEW

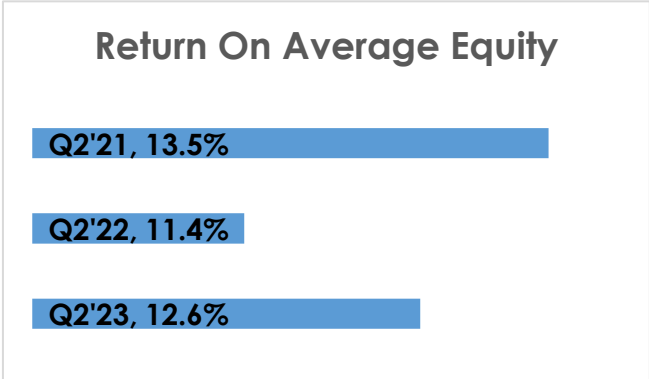
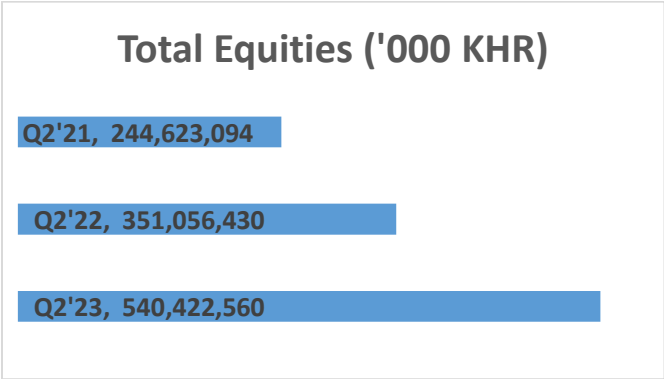
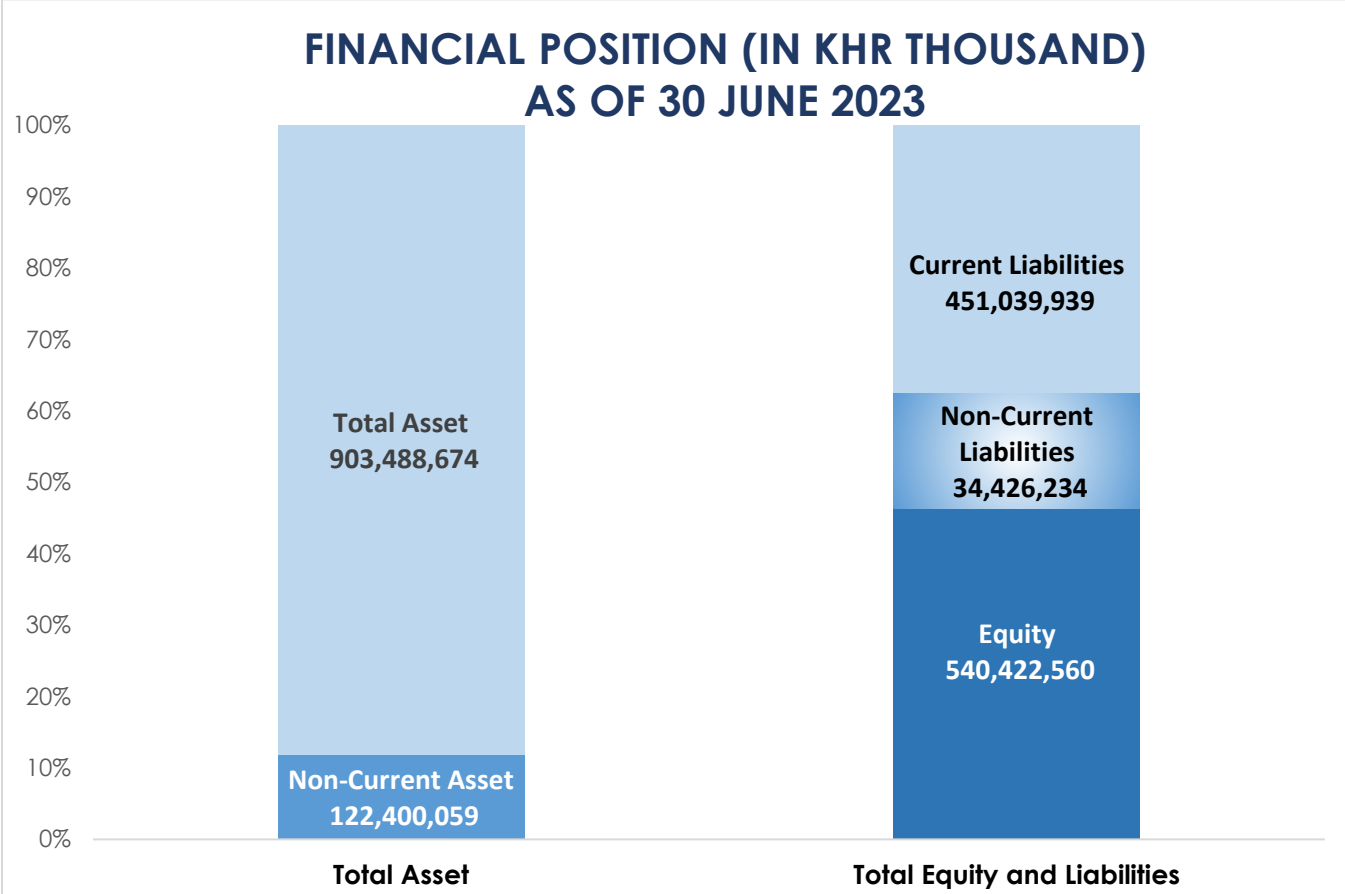
Financial Position (in KHR Thousand)	Quarter 2 2023	2022	2021
Total assets	1,025,888,733	889,295,232	608,159,530
Total Liabilities	485,466,173	451,392,433	322,240,820
Total Shareholders' equity	540,422,560	437,902,799	285,918,710

Profit/(Loss) (in KHR Thousand)	Quarter 2 2023	Quarter 2 2022	Quarter 2 2021
Total revenues	487,070,615	321,779,718	315,030,751
Profit/(Loss) before tax	49,299,829	41,902,885	32,138,546
Profit/(Loss) after tax	43,603,468	34,723,806	27,579,340
Total Comprehensive Income	52,954,396	36,441,976	29,340,154

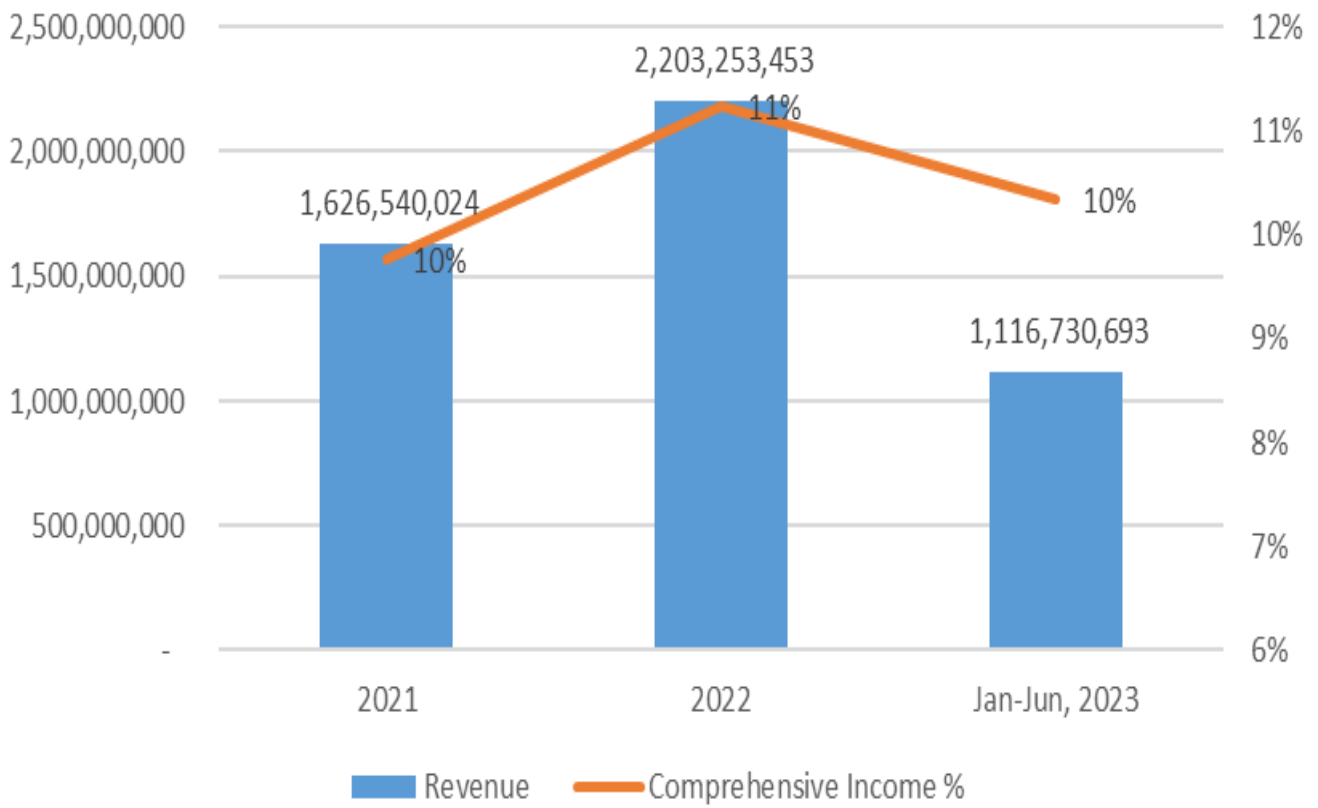
Financial Ratio	Quarter 2 2023	2022	2021
Solvency Ratio	0.9	1.0	1.1
Current Ratio	2.0	2.0	2.0
Quick Ratio	0.6	0.7	1.0

Profitability Ratio	Quarter 2 2023	Quarter 2 2022	Quarter 2 2021
Return on average assets	5.5%	5.7%	6.9%
Return on average equity	10.8%	11.4%	13.5%
Gross profit margin	18.3%	19.1%	14.8%
Profit margin	10.9%	11.3%	9.3%
Interest Coverage ratio	8.4	20.9	15.7

**GRAPHS OF FINANCIAL HIGHLIGHTS**



## Revenue and Comprehensive Income ('000 KHR)



**Board of Directors**



Wiedmann Christian

Ngorn Saing

Kevin Whitcraft

Tom Whitcraft

Vichit Ith

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**Mr. Kevin Whitcraft**  
Chairman of Board of Director

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**Mr. Ngorn Saing**  
Executive Director

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**Mr. Tom Whitcraft**  
Non-Executive Director

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**Mr. Wiedmann Christian**  
Non-Executive Director

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**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 Regulator of Cambodia (SERC).

Recently, the National Bank of Cambodia has revised Cambodia's 2023 Gross Domestic Product (GDP) in early July to 5.5% against 5.6% earlier. NBC has stated the banking system has been resilient during the first half of 2023 while the non-banking sector has grown gradually though the real-estate sector has been negatively affected. The Cambodian economy has been propped by the growth of exports of garment and non-garment manufacturing products, strong growth in services, transport, and communication as well as a recovery in tourism. From January to May 2023, 2.1 million international tourists have visited the country which is already more than the whole of 2022. The banking sector can potentially become a source of concern in terms of economic recovery with the non-performing loan ratio increasing to 2.9 from 2.1% the previous year.

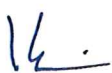
We estimate the new car market in the 1<sup>st</sup> semester of 2023 has grown at a high single digit compared to the same period last year, noting that last year the comparable could be seen as low since the economy was slowly recovering from the full effects of COVID.

During the second quarter of 2023, RMAC delivered strong sales increasing by +51% compared to the same quarter of 2022. The quarter's Net Profit expanded by +25%.

RMAC made some significant announcements with the official launch in April 2023 of the After-Sales distributorship of Mercedes-Benz acquired the previous month. The Mercedes-Benz workshop is located in the state-of-the-art facility located on Hun Sen Boulevard. Also, RMAC's Ford Division launched the amazing Next-Generation 2023 Ranger Raptor 2.0L Bi-Turbo (Diesel) in a grand event set at Premier Centre Sen Sok. In our objective of relentlessly improving customer satisfaction, RMAC has introduced an advanced Call Center utilizing the latest technology to ensure fast and efficient responses and follow-up communication to customer needs.

On the corporate social responsibility side, RMAC Management is proud to have contributed to the renovation of the Krapum Chhuk school building. Ford Cambodia sponsored the SeaGame Athlete trip to Sihanoukville with key representatives of the National Olympic Committee of Cambodia. RMAC actively participated in the TVET (Technical & Vocational Education) to share experiences and attract young students to join our teams.

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



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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	អ៊ិម 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	<a href="http://www.cambodia.rmagroup.net">www.cambodia.rmagroup.net</a>
Email	<a href="mailto:saing.ngorn@rmagroup.net">saing.ngorn@rmagroup.net</a>
Registration Number	00001121 dated 12 September 2002
Disclosure Document Registration Number	068/20 គ.ម.ក លំដាប់ 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, Land Rover, Changan, After-Sales of Mercedes-Benz, John Deere, TCM, JCB, FUSO, and Piaggio. RMAC has recently launched a new division names Automobile Accessories which purpose is to sell high-quality automotive paint for bodyshop works under the brand R-M (part of BASF Group), and automotive batteries under the Korean brand RG Batteries.

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 after sales service 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.

### DIVISION LAUNCH

#### OFFICIAL LAUNCH Mercedes-Benz AFS

Launch campaign of RMAC as authorized service provider for Mercedes-Benz in Cambodia starting March 01<sup>st</sup> 2023



#### OFFICIAL LAUNCH NEXT-GEN RANGER RAPTOR DIESEL ENGINE

Ford Cambodia organized an official launch event for the Ranger Raptor 2.0L Bi-Turbo (Diesel) at the Premier Center Sen Sok with over 3,000 guests.



#### OFFICIAL LAUNCH RMAC Call-Center

The Call Center has been established to service and strengthen the relationship with customers from all Divisions/Services.



## CSR EVENTS

### EDUCATION

RMA Cambodia participated in the TVET Day 2023 (Technical & Vocational Education) where were showcased various RMA business division, including automotive, infrastructure, and industrial equipment.



### SPONSORSHIP

Ford Cambodia sponsored the **SEAGAME Athlete Trip** to the province of Sihanoukville. The event was carried out in the honorary presence of Her Excellency Dr. Koy Pisey, Secretary of State for Tourism and Secretary General of the National Olympic Committee of Cambodia



## PART 2.- INFORMATION ON BUSINESS OPERATIONS PERFORMANCE

### A. BUSINESS OPERATION PERFORMANCE & SEGMENTAL INFORMATION

Key achievements by end of Q2'23 are as follows:

Ford Market: Ford clutched the **#1 top-selling automotive brand** in the new non-luxury Cambodia market with the **Ford Ranger** seeding **#1 in the pick-up segment** in Cambodia during the 1<sup>st</sup> half of 2023.

John Deere: According to our internal sources, John Deere holds the **#2** in terms of market share with in Cambodia and has maintained its leadership in large sized tractors and harvesters.

Financial Results:

**Q2'23 revenues were KHR 487bn**, which was an increase of **+51%** compared to Q2'22 revenue. **Q2'23 profit after tax was KHR 43.6bn (+25% vs Q2'22)**.

Net cash flow utilized in investing activities is **KHR 17.3 bn in Q2'23**, which includes construction of new showrooms, and purchases of 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, Land Rover, Changan, After-Sales Mercedes-Benz, Fuso, John Deere, JCB and Piaggio.

All the Company revenues are classified into two categories:

1. Sales of goods: Revenues associated with the sale of vehicles and equipment.
2. Service revenues: Revenues associated with repair and maintenance services of the vehicles and equipment.

The table below shows the two categories of revenues for Q2'23 and comparable periods in the last three years.

In KHR Thousand	Quarter 2 2023	% Share	Quarter 2 2022	% Share	Quarter 2 2021	% Share
Sales of goods	471,109,900	96.7%	306,024,182	95.1%	307,851,954	97.7%
Service revenue	15,960,715	3.3%	15,755,536	4.9%	7,178,797	2.3%
Total	487,070,615	100.0%	321,779,718	100.0%	315,030,751	100.0%

**PART 3.- FINANCIAL STATEMENTS REVIEWD BY THE EXTERNAL AUDITOR**

Please refer to the Annex for Condensed Interim Financial Information for the Quarter Ended 30 June 2023.

## PART 4.-MANAGEMENT'S DISCUSSION AND ANALYSIS

### A. OVERVIEW OF OPERATIONS

#### 1. Revenue Analysis

Total **revenue at KHR 487.1bn** increased by +KHR 165.3bn or **+51.4%** in Q2'23 compared to the same quarter in 2022.

#### 2. Revenue by Segment

The great majority of all segments of RMAC has grown double-digits in Q2'23 compared to Q2'22. The Changan division great very strongly in 2023 compared to previous year as this division was just launched in 2022.

#### 3. Profit Before Tax ('PBT') analysis:

In KHR thousand	Quarter 2 2023	Quarter 2 2022	Variance	% Change
Total revenues	487,070,615	321,779,718	165,290,897	51.4%
Gross Profit	89,058,967	61,336,690	27,722,277	45.2%
<b>Gross Profit Margin</b>	<b>18.3%</b>	<b>19.1%</b>		
Operating Expense	33,114,983	17,325,310	15,789,673	91.1%
Finance Costs	6,644,155	2,108,495	4,535,660	215.1%
Profit Before Tax	49,299,829	41,902,885	7,396,944	17.7%
<b>Margin</b>	<b>10.1%</b>	<b>13.0%</b>		

#### 4. Profit After Tax ('PAT') analysis:

In KHR thousand	Quarter 2 2023	Quarter 2 2022	Variance	% Change
Profit Before Tax	49,299,829	41,902,885	7,396,944	17.7%
Tax Expense	5,696,361	7,179,079	(1,482,718)	-20.7%
Profit After Tax	43,603,468	34,723,806	8,879,662	25.6%
<b>Profit After Tax Margin</b>	<b>9.0%</b>	<b>10.8%</b>		

## **B. SIGNIFICANT FACTORS AFFECTING PROFIT**

### *1. Demand and supply conditions analysis*

In general RMAC's customers in Cambodia show strong intention of purchases of RMAC's key brands, Ford, Changan, John Deere and Land Rover.

RMAC currently sufficient inventory to serve the domestic demand. RMAC is monitoring closely its sourcing pipeline for each division.

### *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 Q2'23 and the comparative periods in 2022 is shown in sections of this document and 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 has been no major impact resulting from changes in Government Policy.

The Government is preparing in July 2023 for a significant change in leadership. The outcome may result in changes of policies.

### **G. OTHER EVENTS OF SIGNIFICANCE**


There has been no events of significance during this quarter.



**Signature of Directors of Listed Entity**

Date: 14 August 2023

Read and approved



Kevin Whitcraft  
Chairman of the Board of Directors



Read and approved



Ngorn Saing  
Chief Executive Officer

