



PROTON
INSPIRING CONNECTIONS



Investment in EV : Opportunities & Challenges

Invest Malaysia Kuala Lumpur 2022

**PIVOTING FOR THE FUTURE
– IMKL SERIES 2: THE ROAD TO EV
9 November 2022**

Global Shift to CASE* - Reshaping The Automotive Industry

Strategic partnership will enable growth - new technologies, ecosystem, human capital

CASE*: Connectivity, Autonomous, Shared mobility, Electrification



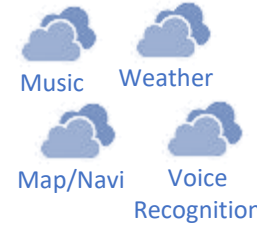
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- Level 0 – no automation
- Level 1 – hands-on/shared control
- Level 2 – hands-off
- Level 3 – eyes off
- Level 4 – mind off
- Level 5 – steering wheel optional

Financial Products and Services

Car and battery leasing schemes,
Charging infra development

Autonomous



Connected

Shared



Community Building

Car Sharing Scheme,
Car Pooling



Battery

Leasing, Recycling,
Energy Storage

Electric



Charging Points

Public, Private

Key areas of emphasis

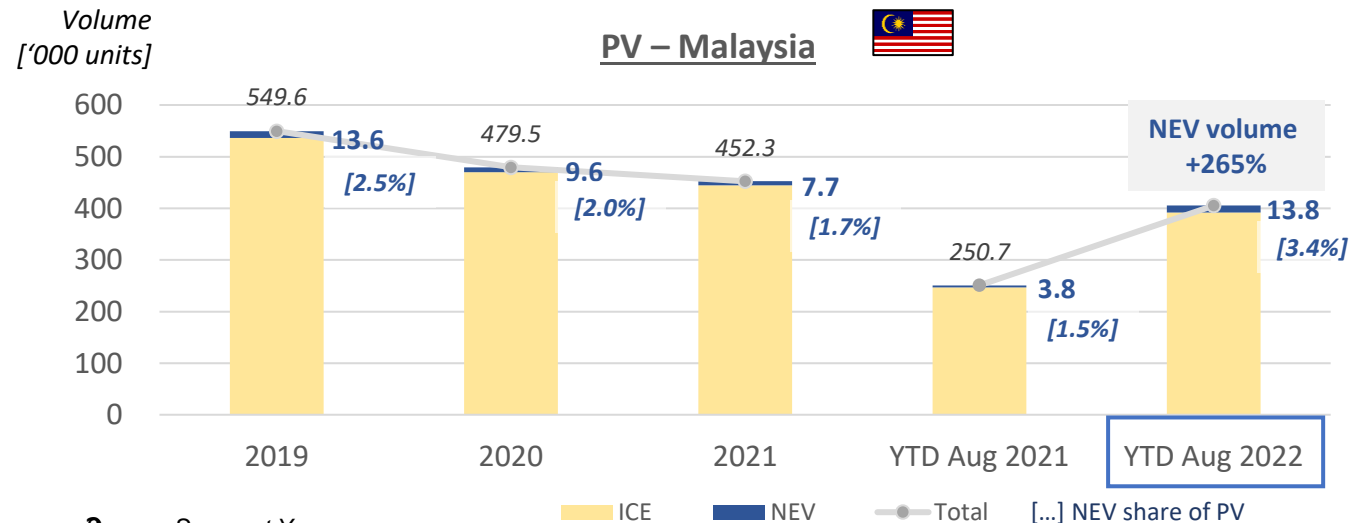
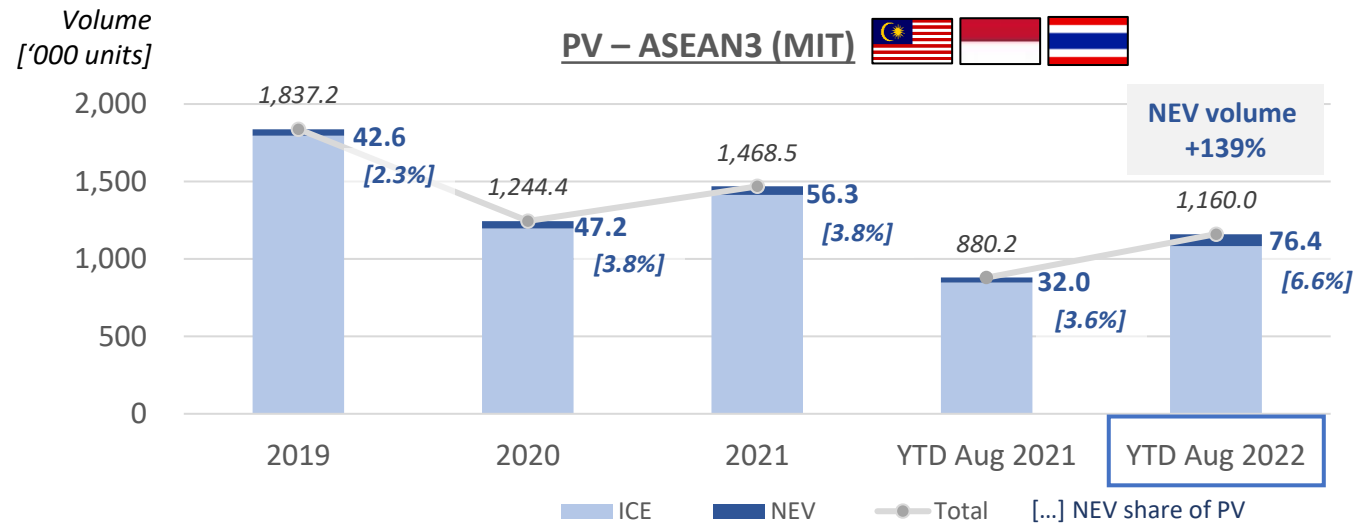
1. Finalization of strategic direction
2. Investment in new technologies
3. Ecosystem inclusiveness
4. Infusion of digital application
5. Engagement with key stakeholders
6. Human capital development
7. New business model

As at Aug-2022 for ASEAN3, NEV Commands 6.6% of Passenger Vehicles



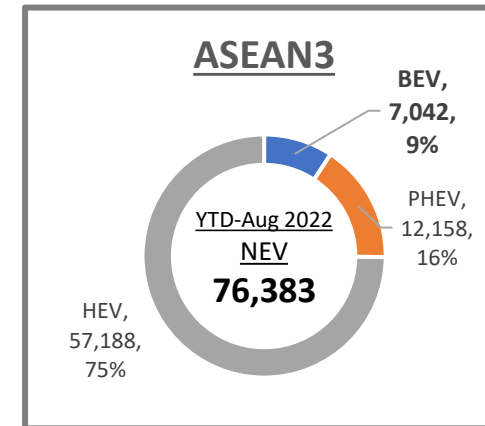
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- NEV penetration in Malaysia increased to 3.4% with 13.8k units
- Hybrid EV (HEV) remains popular but Battery EV (BEV) improving traction in the market

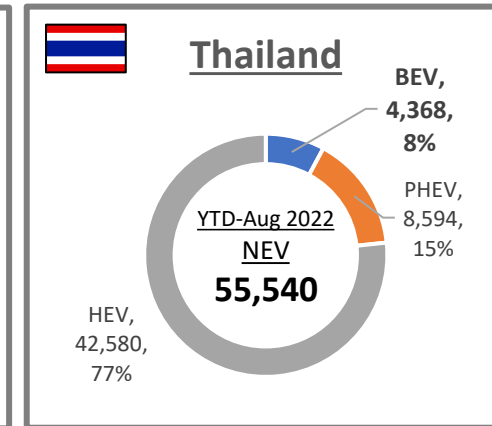


Source: Segment Y

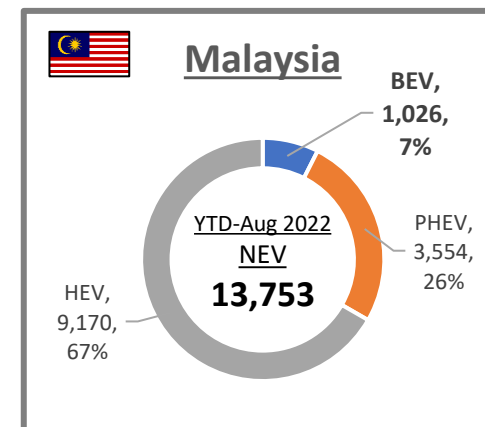
NEV Passenger Vehicle, YTD Aug-2022



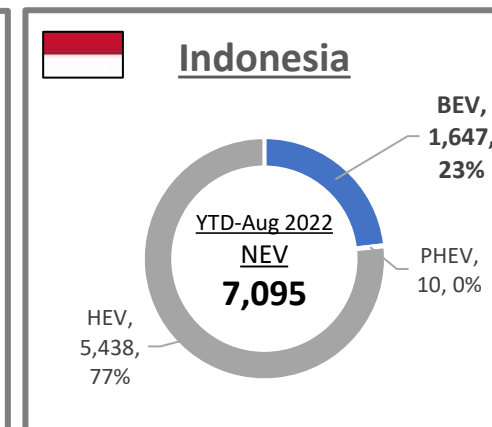
BEV is 9.2% among NEV market



BEV is 7.9% among NEV market;
Top BEV is an entry-level EV model



BEV is 7.5% among NEV market;
Top BEV is a premium EV model



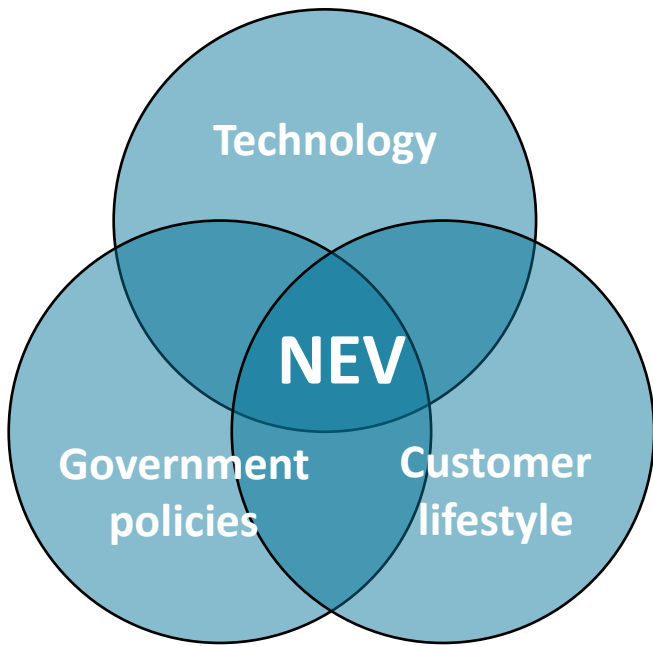
BEV is 23.2% among NEV market;
Top BEV is a mid-size EV model

New Energy Vehicles (NEV): Key Success Factors

Solutions for these NEV challenges required strong support from Government, industry readiness and customer preference shift towards EV



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Consumer wants...	OEM to deliver...	Industrialization Support
<ol style="list-style-type: none"> 1. Attractive design 2. Affordable 3. EV range > 300km 4. Cost and convenience of ownership 5. Lifestyle upscaled 	<ol style="list-style-type: none"> 1. Design & engineering 2. Cost competitiveness 3. EV technology 4. Ecosystem development, engagement and investment promotion scheme 5. Business model 6. Industrialization 	<ol style="list-style-type: none"> 1. R&D programs 2. Supply chain 3. Technology investment 4. Infrastructure 5. Value chain learning <ul style="list-style-type: none"> - distribution - customer mgmt. - manufacturing - sourcing - IT & digitalization
<p>Major challenges to overcome – requires time and collective effort</p>	<ul style="list-style-type: none"> ❖ Not many affordable EVs, slow adoption by consumers ❖ No clear view on EV charging infrastructure development ❖ Unsurfaced talent pool for EV development ❖ Investments in related technologies were not visible 	

Initial Step: Penetrate EV Through collaboration of 'smart EV'

To establish foundation for EV sales & services, enhance EV awareness among consumers and develop EV capability



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Distributor agreement

- ✓ 19 Jan 2022: signed MOA with smart.
- ✓ 18 Aug 2022 : signed General Distribution Agreement ("GDA") with smart.

New Company (Pro-Net)

- ✓ 16 Aug 2022: Proton New Energy Technology company (Pro-Net) was **officially incorporated**.

Operational preparation

- ✓ Company recruitment started from May 2022
- ✓ Define development scope & cost.
- ✓ Identify IT infrastructure, DMS and function modules
- ✓ Negotiate with potential dealers and charging infra operators and



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“Thank You”