


# TAN CHONG MOTOR HOLDINGS BERHAD

## 43<sup>rd</sup> Annual General Meeting

27<sup>th</sup> May 2015

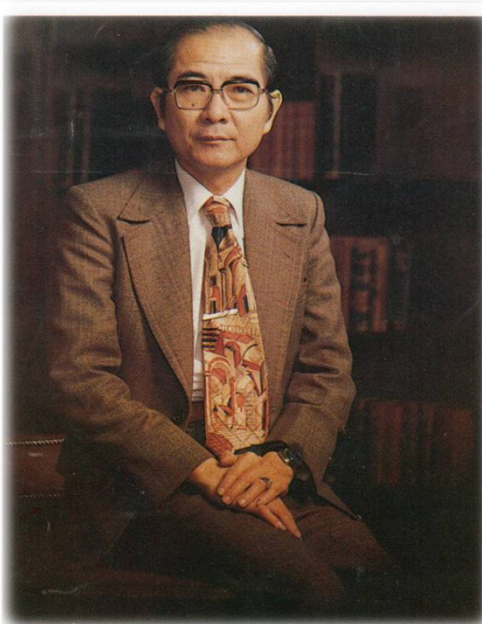




Humble Beginnings in 1957

**1957. THE BIRTH OF A NATION.  
AND THE START OF AN  
AUTOMOTIVE LEGACY.**





Building with  
vision, courage  
and integrity.





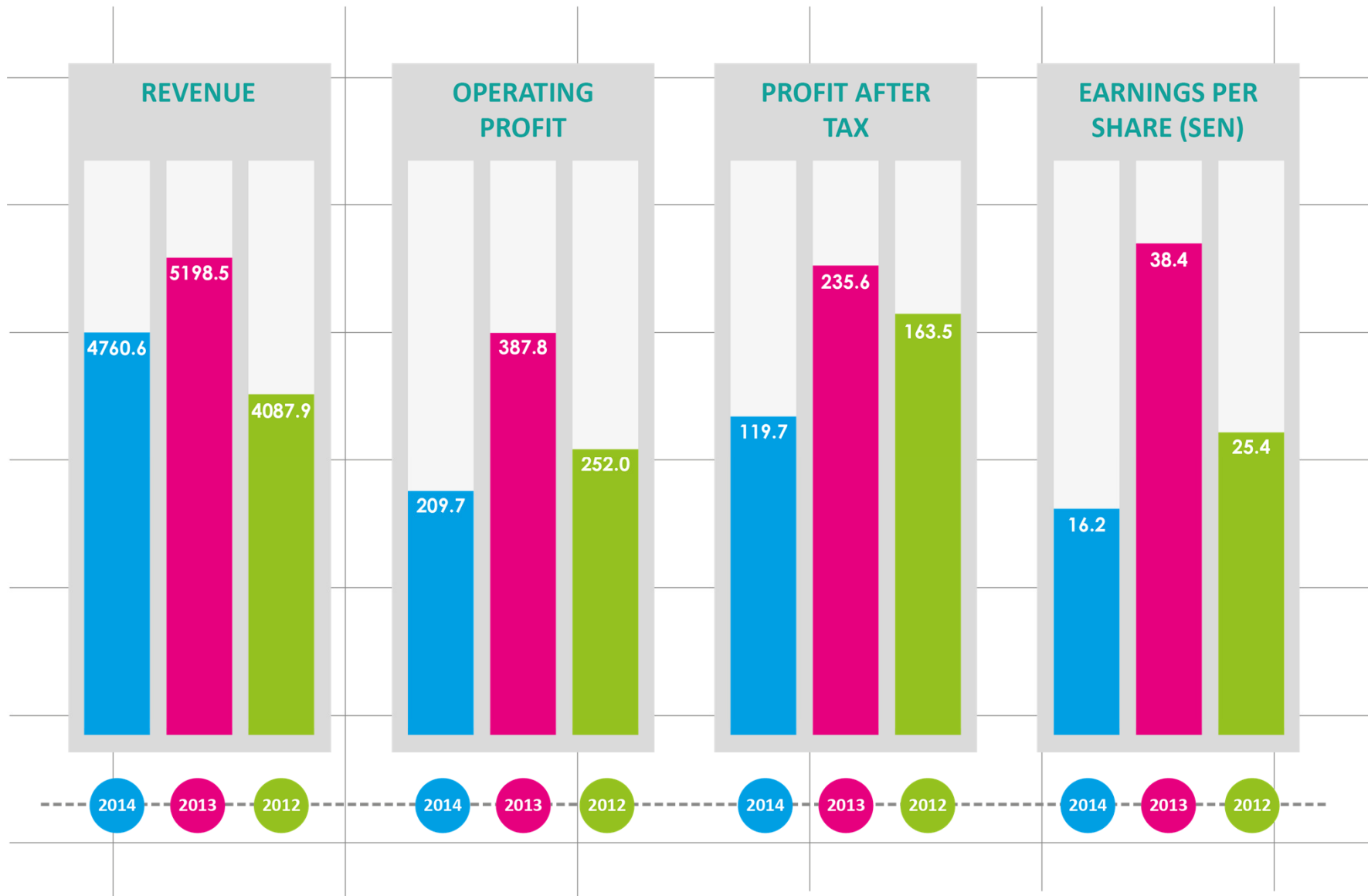
**Overview of 2014 Performance and Key Initiatives**

**Outlook**

**Our Strategy**



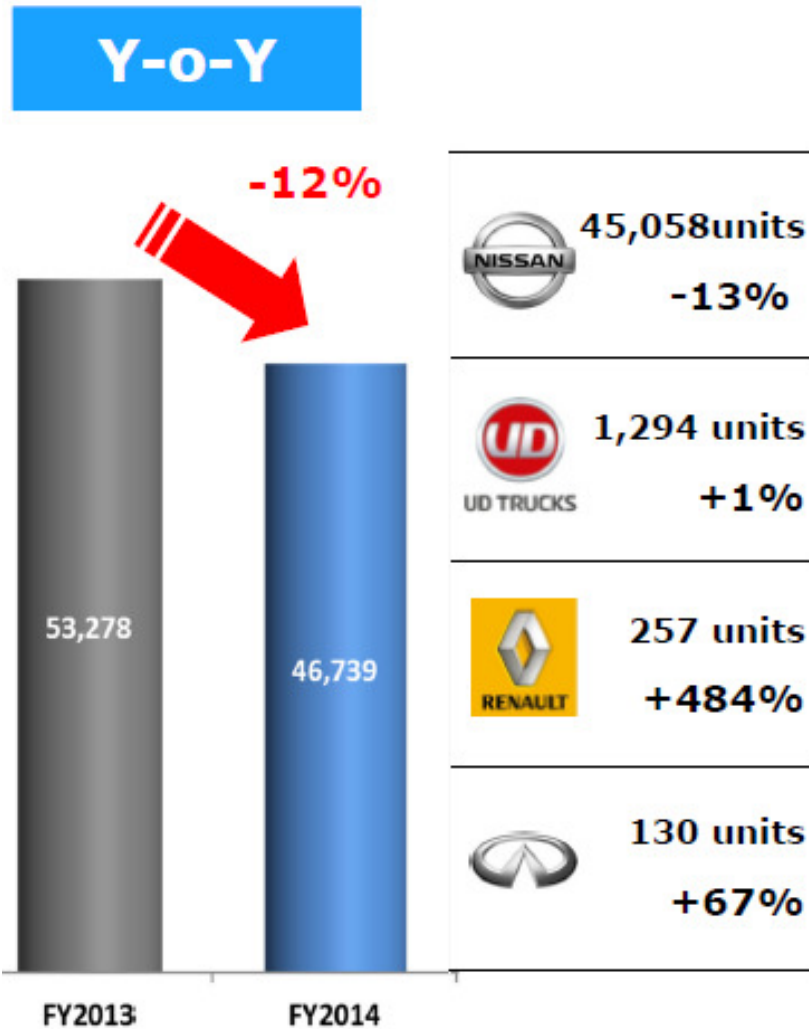
# Key Performance Indicators (RM'million)



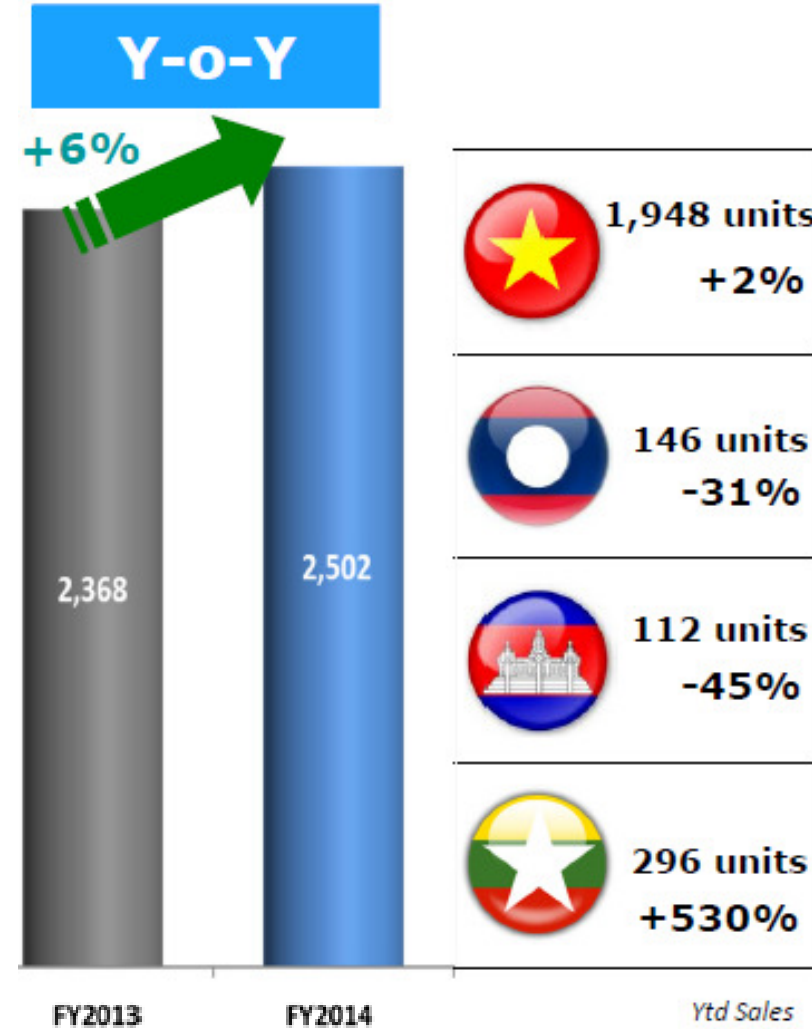
# Sales Performance (Y-o-Y)



## Malaysia



## Indo-China





# Group Results Summary



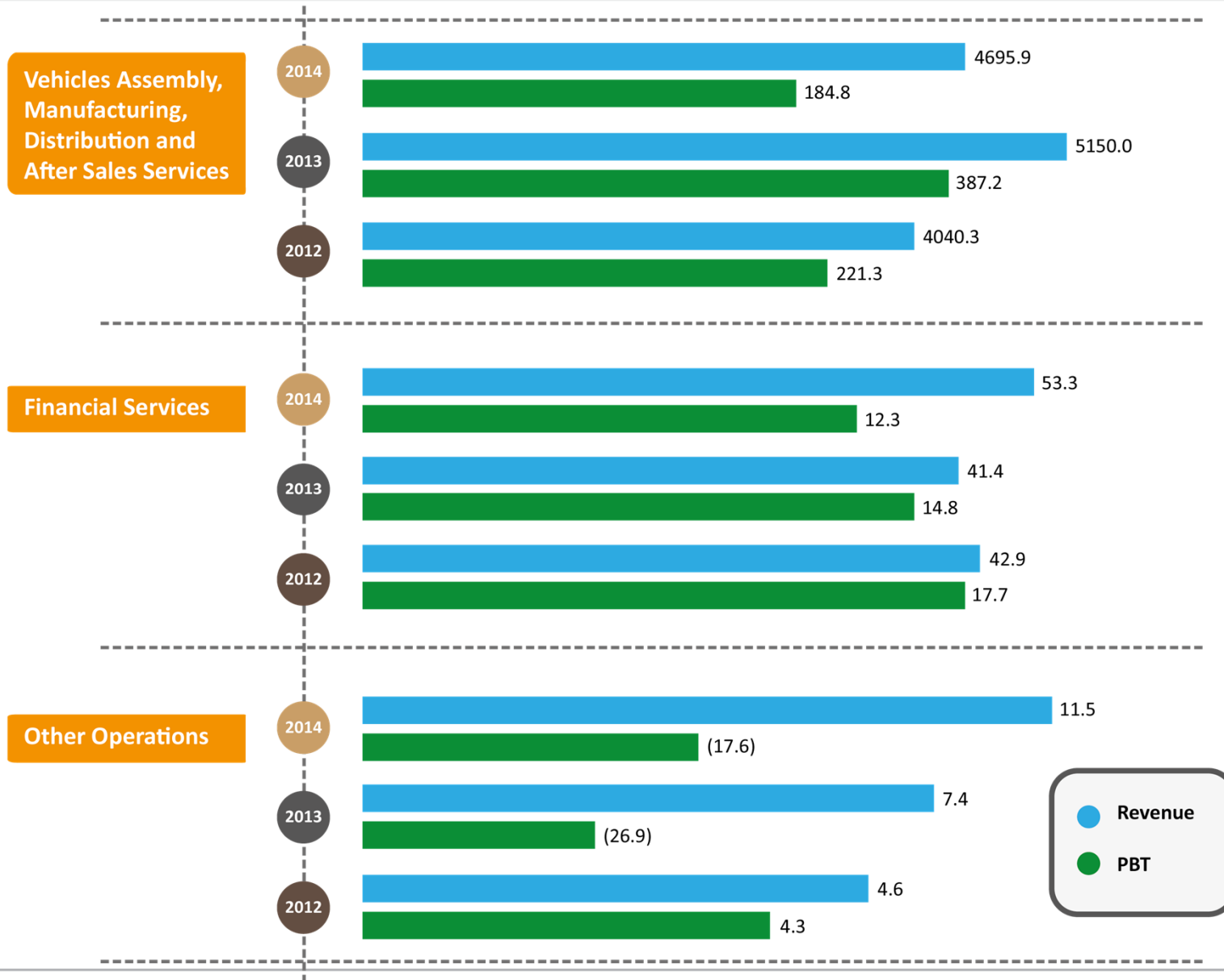
*In RM'000 , unless stated otherwise*

|   | 31-Dec-14 | 31-Dec-13 | Changes |
|---|-----------|-----------|---------|
| <b>Revenue</b>                                      | 4,760,628 | 5,198,491 | -8.4%   |
| <b>Operating Profit</b>                             | 209,655   | 387,798   | -45.9%  |
| <b>Profit Before Tax</b>                            | 170,845   | 360,122   | -52.6%  |
| <b>Profit After Tax</b>                             | 119,654   | 235,627   | -49.2%  |
| <b>Profit Attributable to Owners of the Company</b> | 105,853   | 250,952   | -57.8%  |
| <b>EPS (Sen)</b>                                    | 16.22     | 38.44     | -57.8%  |

- **Year on year (Y-o-Y), top line revenue lower by 8.4% due to highly competitive business environment.**
- **Promotional campaigns costs and higher imported costs affected profit margins, but maintain prudent control over costs.**

|                               | 2014      | 2013      | 2012      | 2011      | 2010      | 2009      | 2008      | 2007      |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                               | RM'000    | RM'000    | RM'000    | RM'000    | RM'000    | RM'000    | RM'000    | RM'000    |
| <b>RESULTS</b>                |           |           |           |           |           |           |           |           |
| Revenue                       | 4,760,628 | 5,198,491 | 4,087,883 | 3,860,071 | 3,505,248 | 2,856,886 | 3,195,826 | 1,863,177 |
| Profit before tax             | 170,845   | 360,122   | 225,351   | 305,033   | 322,753   | 177,226   | 307,210   | 123,074   |
| Tax expense                   | (51,191)  | (124,495) | (61,803)  | (89,612)  | (91,666)  | (22,922)  | (61,489)  | (22,934)  |
| Profit for the financial year | 119,654   | 235,627   | 163,548   | 215,421   | 231,087   | 154,304   | 245,721   | 100,140   |

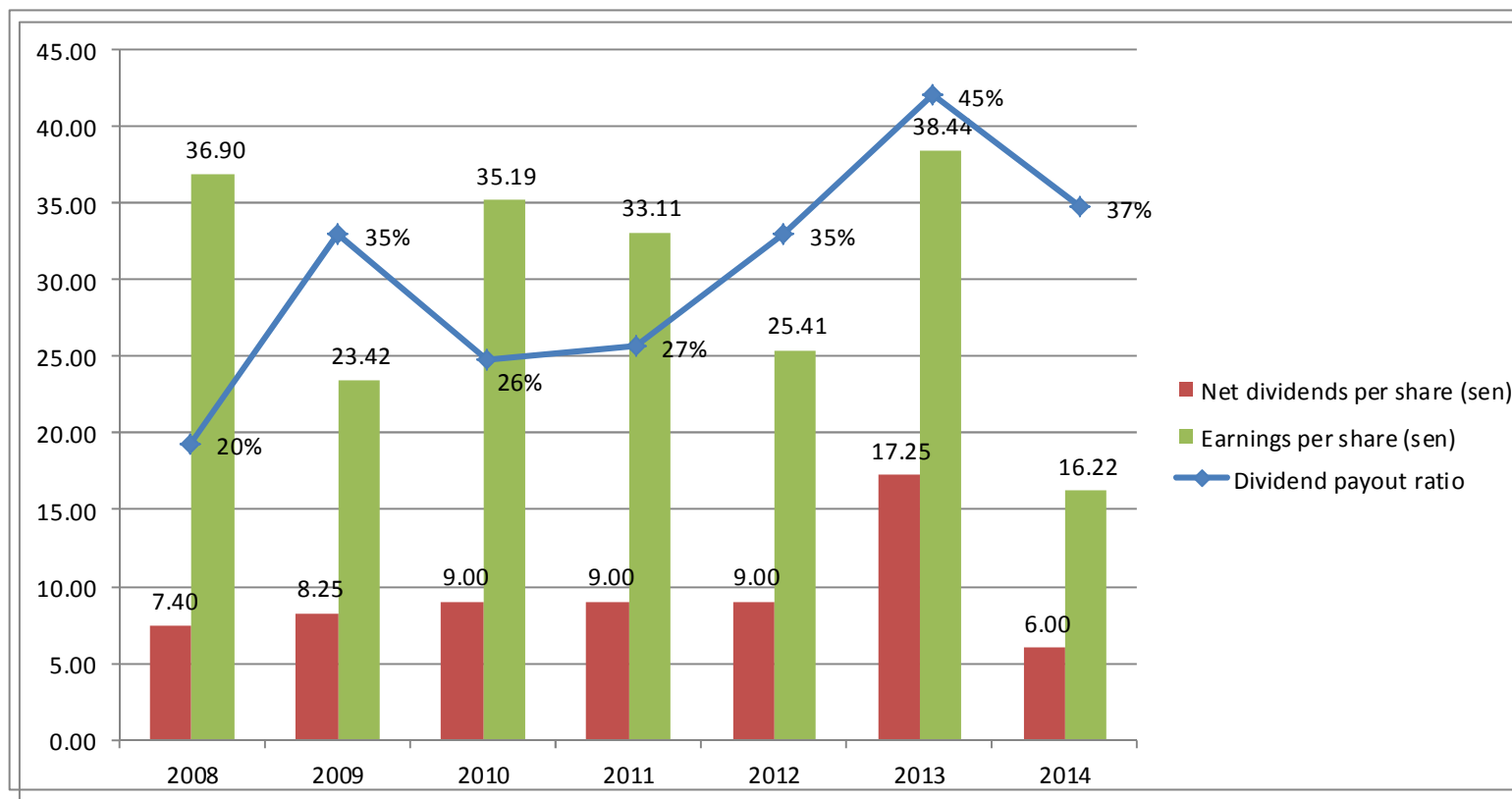
# TCMH Segmental Group Revenue and PBT (RM'million)







# Returns to shareholders



- **Consistent dividends payout ratio ranging from 20% - 45%**  
*(average 32% for last 7 years)*
- **FY 2014 dividend payout ratio is 37%**

# Key Initiatives





# Key Initiatives – Nissan models in 2014



## TEANA

- 5 stars Asean NCAP safety rating
- Executive Car of the Year 2014 NST-Maybank



SERENA S-HYBRID



X-GEAR



ELGRAND



SYLPHY

# Key Initiatives – Infiniti model in 2014



**Infiniti Q50**  
*- Family Premium  
Car of the Year 2014  
NST-Maybank*





# Key Initiatives – Renault models in 2014



**RENAULT**  
Passion for life

1. Family Car CKD of the Year 2014 (NST-Maybank)
2. Best Local Assembled Family Car 2014 (Asian Auto Allianz Auto Industry Award)



Fluence



Clio – Best premium sub-compact passenger car 2014 Autoworld



Twizy



Zoe



Megane RS



Koleos

# Key Initiatives – Commercial vehicles in 2014



Quester

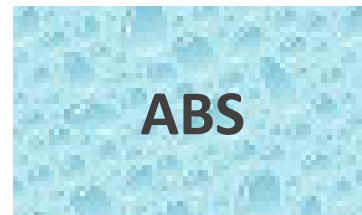




# Key Initiatives – financial standing



- CP/MTN RM1.5b with P1/AA2 rating
- Medium Term Notes (MTN) of RM750m issued in November 2014



- RM198mil issued in 2014 under RM2bil Asset-backed securitisation program



# Key Initiatives – new ventures in 2014



“MUV” – New business division dealing in Nissan pre-owned vehicles

New business venture to import and distribute Kawasaki motorcycles in Vietnam



Distribute Infiniti cars in Vietnam



# Key Initiatives – asset investments



Infiniti Centre, Ho Chi Minh City, Vietnam



Renault Service Centre, Shah Alam

**Expanding Tan Chong presence domestically and regionally**



**Growth & Expansion**



Nissan 3S, Glenmarie



Stamping plant, Serendah



# Key Initiatives – new 3S centres in 2014/15

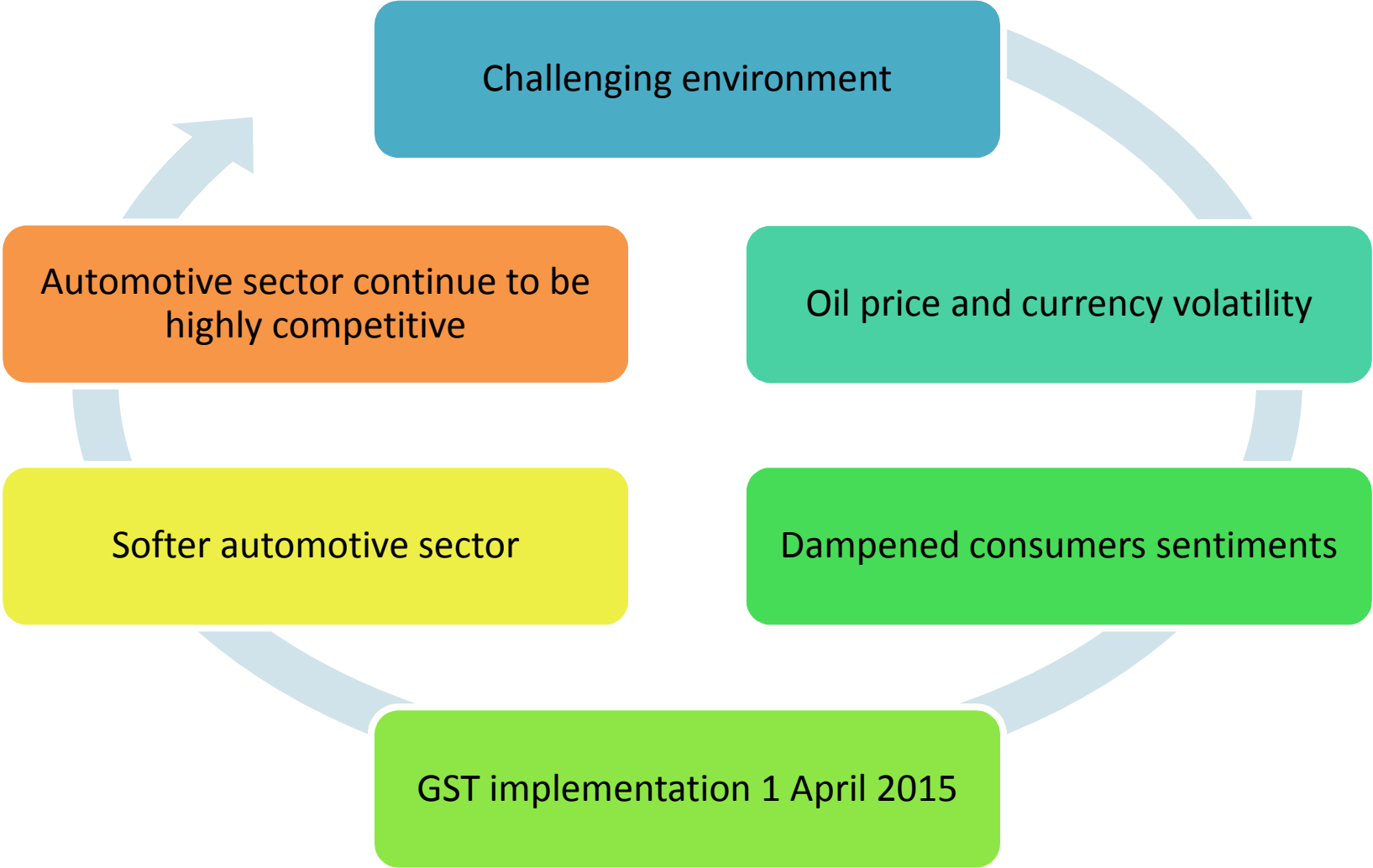


**Growth &  
Expansion**

**Reinforcing our footprint throughout Malaysia**



# Market Outlook



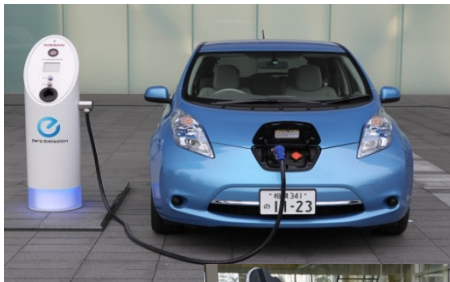


# Going forward....

Strengthening the Brand

Regional and overseas expansion

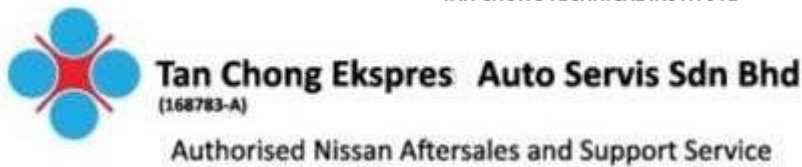
Optimize assets utilization



# Leveraging on our brand name and industry experience



- *After-sales service*
- *Financial services*
- *Education & training*
- *Property services*





# Recent New Launches



**INFINITI QX80**



**ALMERA Face-lift**



**X-TRAIL**



**RENAULT FLUENCE**



# Venturing abroad



Growth & Expansion

Business expansion into Indochina





# Leveraging on our assets for growth

**Growth & Expansion**

**Production plants  
Sales & distribution network  
After-sales service network**





# Invest & develop our talents



Growth & Expansion





---

# Thank you

*[www.tanchonggroup.com](http://www.tanchonggroup.com)*





## Cautionary Statement with Respect to Forward-Looking Statements

Information contained in this presentation is intended solely for your reference. Such information is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning the Company. We do not make representation regarding, and assumes no responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information contained herein.

Statements or comments made during this presentation that are not historical facts are forward-looking statements that reflect our plans and expectations. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to differ materially from that anticipated in these statements.

These factors include (i) changes in economic conditions, currency exchange rates, the laws, regulations, government policies, or political instability in the market place, (ii) circumstances relating to our ability to introduce, in a timely manner, and achieve market acceptance of new products, and (iii) shortage of fuel or interruptions in transportation systems, labor strikes, work stoppages, or other interruptions to or difficulties in the employment of labor in the major markets where we purchase materials, components, and supplies for the production of our products or where our products are produced, distributed, or sold.