

**Tan Chong
Motor
Holdings
Berhad**

FY2019 First-Quarter Financial Results



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.

New Facelifted Product



Model	OTR without Insurance*
Nissan X-Trail 2.0L 2WD	RM133,888
Nissan X-Trail 2.0L 2WD MID	RM145,888
Nissan X-Trail 2.5L 4WD	RM153,888
Nissan X-Trail 2.0L Hybrid 2WD	RM159,888

** Tentative official prices*

Business Review

1Q19 Sales Performance & Operation Review

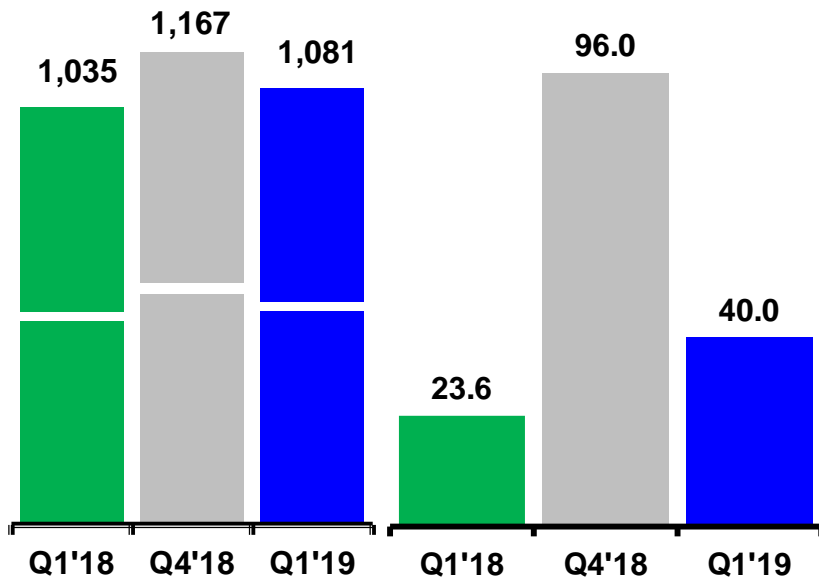
Key Performance Indicators

(RM'million, unless otherwise stated)

Y-o-Y
Q-o-Q

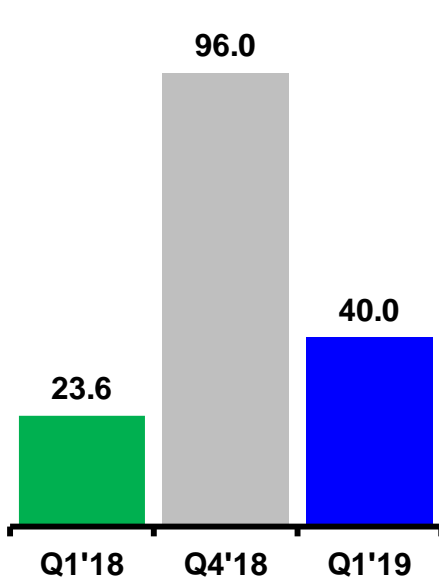
Revenue

4.4%
-7.4%



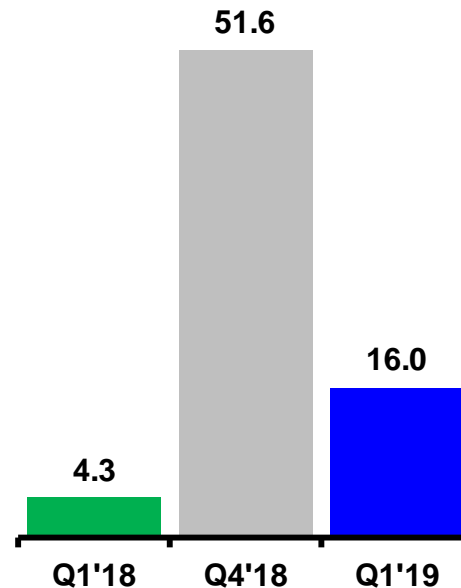
Operating Profit

69.4%
-58.3%



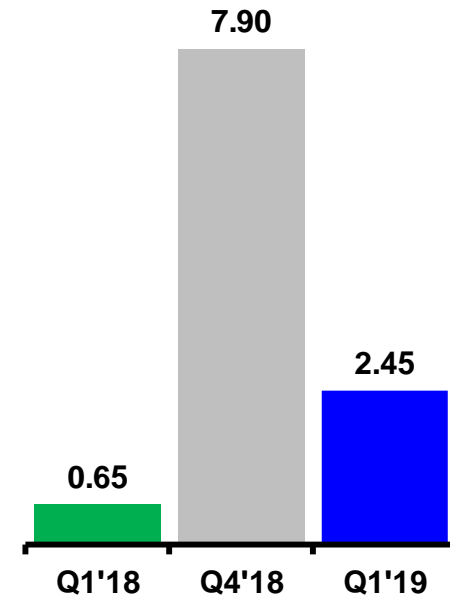
Profit Attributable to Owners of the Company

275.8%
-69.0%



Earning Per Share (Sen)

276.9%
-69.0%



QoQ Financials Review

<i>In RM'000, unless stated otherwise</i>	4Q18	1Q19	Changes
Net Revenue	1,166,838	1,080,605	-7.4%
Operating Profit	96,013	40,042	-58.3%
Profit Before Tax	83,728	29,727	-64.5%
Profit Attributable to Owners of the Company	51,556	15,981	-69.0%
Earnings per Share (Sen)	7.90	2.45	-69.0%
Shareholders' Fund	2,836,591	2,858,248	0.8%
Net Asset per Share (RM)	4.35	4.38	0.7%

- Revenue decreased due to stiff competition in both local and overseas automotive market.
- Profitability was affected by the foreign exchange rate fluctuations.

YoY Financials Review

In RM'000 , unless stated otherwise

	31-Mac-18	31-Mac-19	Changes
Revenue	1,034,618	1,080,605	4.4%
Operating Profit	23,641	40,042	69.4%
Profit Before Tax	13,461	29,727	120.8%
Profit After Tax	2,087	17,217	725.0%
Profit Attributable to Owners of the Company	4,252	15,981	275.8%
EPS (Sen)	0.65	2.45	276.9%

- **Revenue & Profitability (YoY) improved due to better sales mix and improved margins.**

Segmental Performance

<i>In RM'000</i>	4Q18	1Q19	Change (%)
Sales			
Automobiles	1,140,725	1,054,939	-7.5%
Financial services	22,275	22,380	0.5%
Other operations	3,838	3,286	-14.4%
	1,166,838	1,080,605	-7.4%
EBITDA			
Automobiles	114,586	69,174	-39.6%
Financial services	5,713	5,921	3.6%
Other operations	6,798	(2,617)	-138.5%
	127,097	72,478	-43.0%
EBITDA margin			
Automobiles	10.0%	6.6%	
Financial services	25.6%	26.5%	
Other operations	177.1%	-79.6%	
	10.9%	6.7%	

- The lower revenue in automotive division was due to sales impacted by the highly competitive business landscape in the domestic and overseas market as automotive players undertook campaigns for market share.
- EBITDA was also impacted by the foreign exchange rate movements.

Geographical Performance

<i>In RM'000</i>	4Q18	1Q19	Change (%)
Sales			
Malaysia	867,325	830,359	-4.3%
Vietnam	219,814	148,776	-32.3%
Others	79,699	101,470	27.3%
	1,166,838	1,080,605	-7.4%
EBITDA			
Malaysia	114,462	65,537	-42.7%
Vietnam	8,875	(81)	-100.9%
Others	3,760	7,022	86.8%
	127,097	72,478	-43.0%
EBITDA margin			
Malaysia	13.2%	7.9%	
Vietnam	4.0%	-0.1%	
Others	4.7%	6.9%	
	10.9%	6.7%	

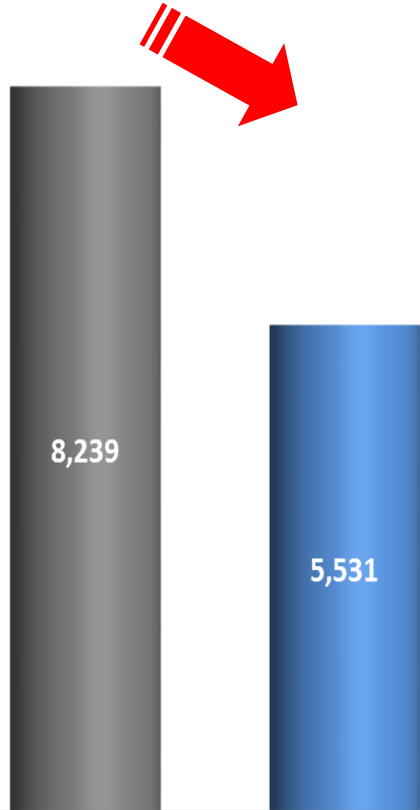
Malaysia Sales Performance

Q-o-Q

Y-o-Y

-32.9%

-1.7%



5,166 units

-34%



UD TRUCKS

76 units

-43%



RENAULT

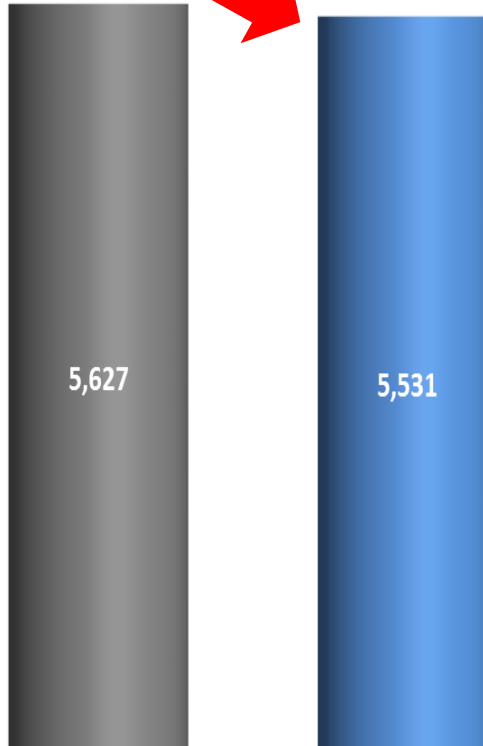
287 units

26%



2 units

0%



5,166 units

-3%



UD TRUCKS

76 units

-53%



RENAULT

287 units

+89%



2 units

-60%

4Q18

1Q19

2018

2019

Malaysia Sales Performance (Cont'd)

Malaysia

- **YoY -1.7% : Due to competitive business environment.**
- **QoQ -32.9%: Due to seasonally slower first quarter.**



Top 5 manufacturers

TIV

Q-o-Q

-0.5%

143,743

4Q18

143,064

1Q19

Y-o-Y

+5.9%

135,140

2018

143,064

2019

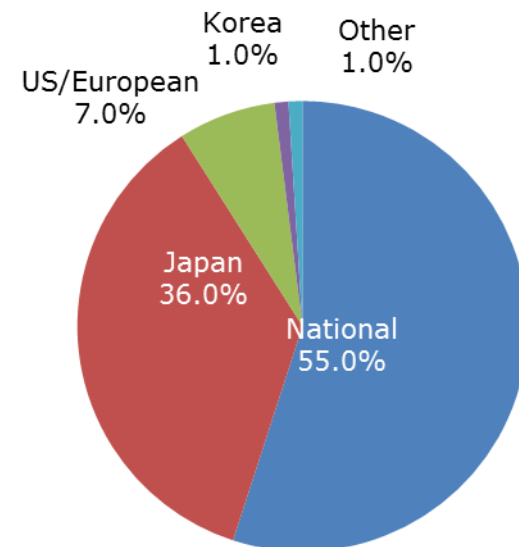
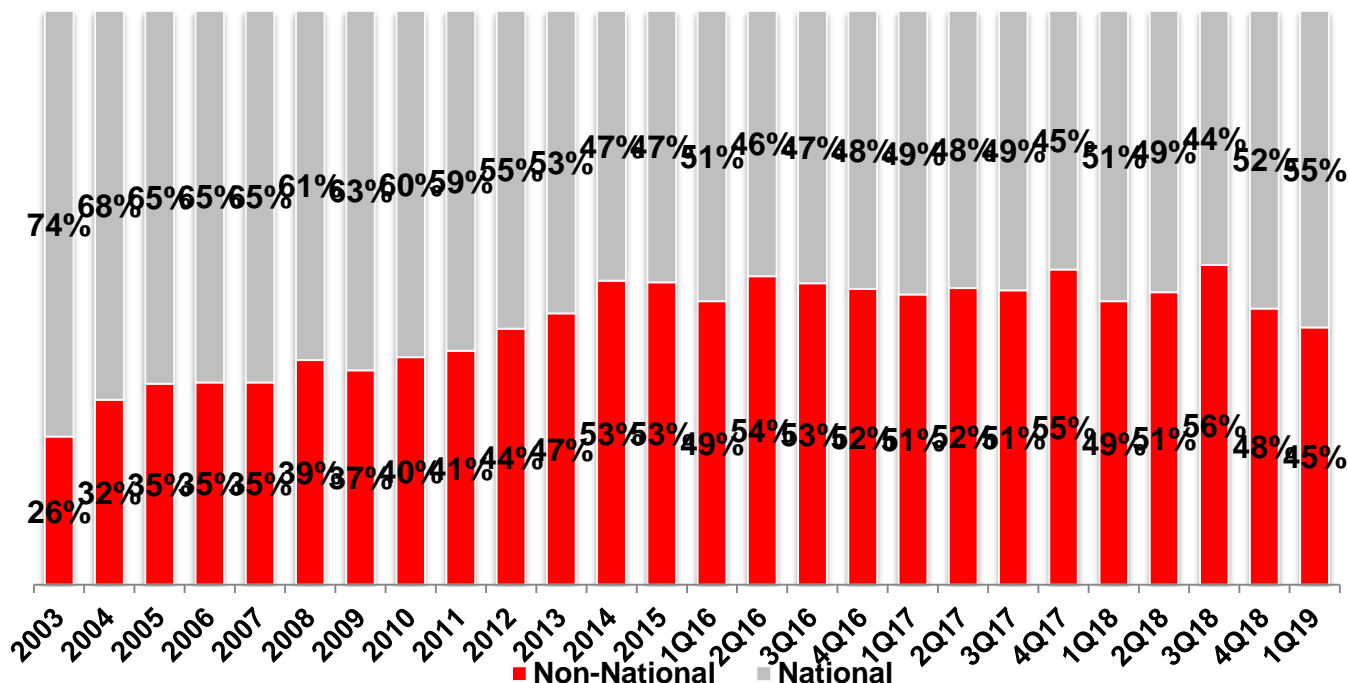
Top 5 manufacturers

	Units			Market Share		
	1Q'19	4Q'18	Changes	1Q'19	4Q'18	2019
Perodua	60,659	59,040	+2.7%	42.4%	41.1%	42.4%
Proton	18,281	15,511	+17.9%	12.8%	10.8%	12.8%
Honda	22,190	22,367	-0.8%	15.5%	15.6%	15.5%
Toyota	13,722	12,902	+6.4%	9.6%	9.0%	9.6%
Nissan	5,166	7,877	-34.4%	3.6%	5.5%	3.6%

Source: MAA

National brands regaining market share

1Q'19



	Q-o-Q %
Perodua	2.7%
Proton	17.9%

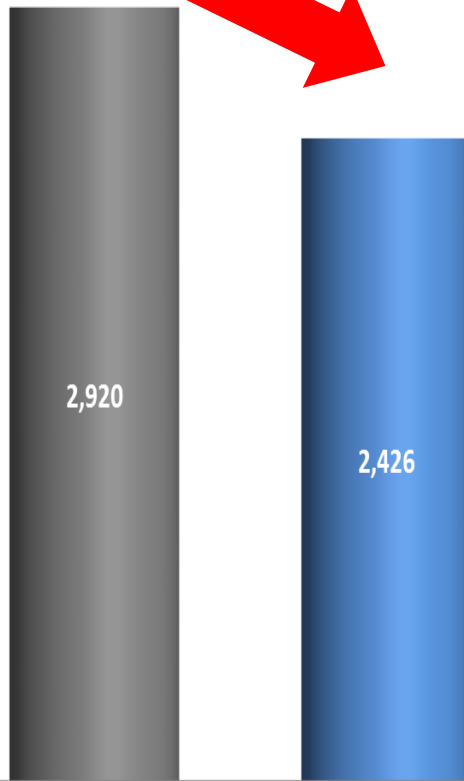
	Q-o-Q %
Toyota	6.4%
Nissan	-34.4%
Honda	-0.8%
Mitsubishi	16.4%
Isuzu	-32.0%
Mazda	-33.7%

	Q-o-Q %
Ford	12.6%
VW	4.0%
BMW	-15.3%
Mercedes	-8.0%

Indochina Sales Performance

Q-o-Q

-17%



4Q'18

1Q'19



1,600 units
-30%

Vietnam



218 units
+25%

Laos



176 units
+11%

Cambodia

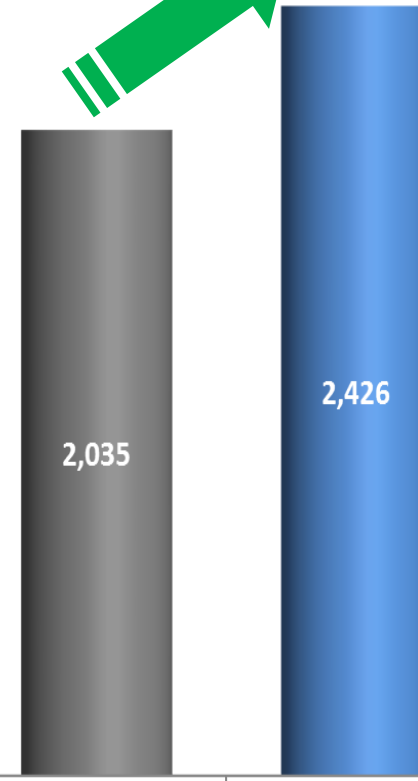


432 units
+37%

Myanmar

Y-o-Y

+19%



2018

2019



1,600 units
+1%

Vietnam



218 units
+56%

Laos



176 units
+64%

Cambodia



432 units
+120%

Myanmar

Ytd Sales

Indochina Sales Performance (Cont'd)

Indochina

- Y-o-Y, sales in Indochina increased by 19% was due to the overall improvement in sales in Myanmar.
- Q-o-Q, sales in Indochina reduced by 17% was due to the lower sales in Vietnam.

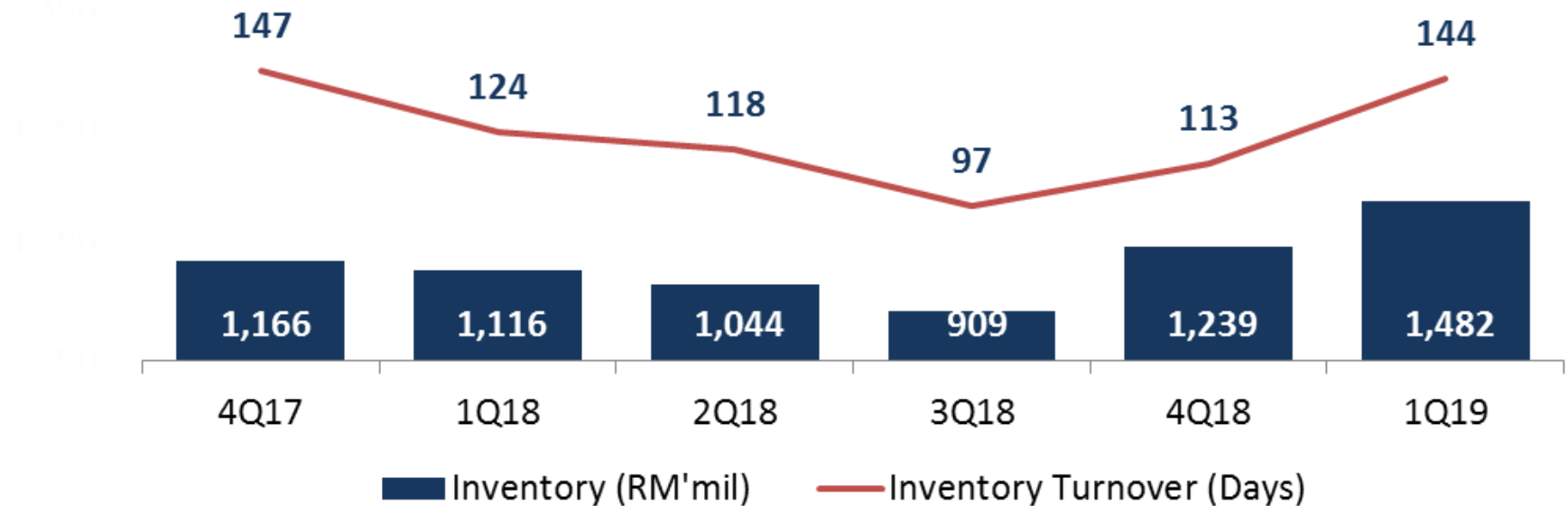


Business Review

1Q19 Sales Performance & Operation Review

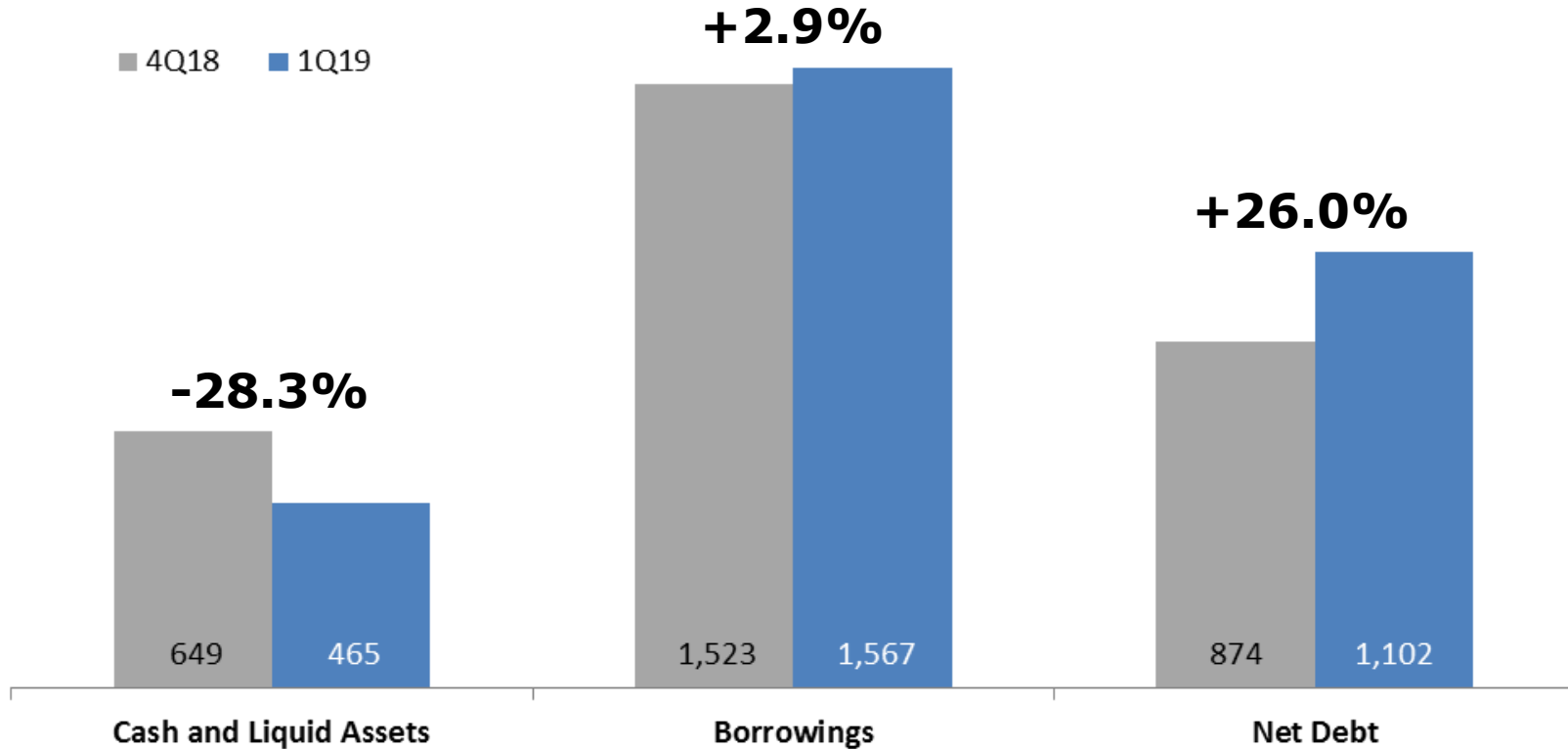
Appendices

Inventory Management



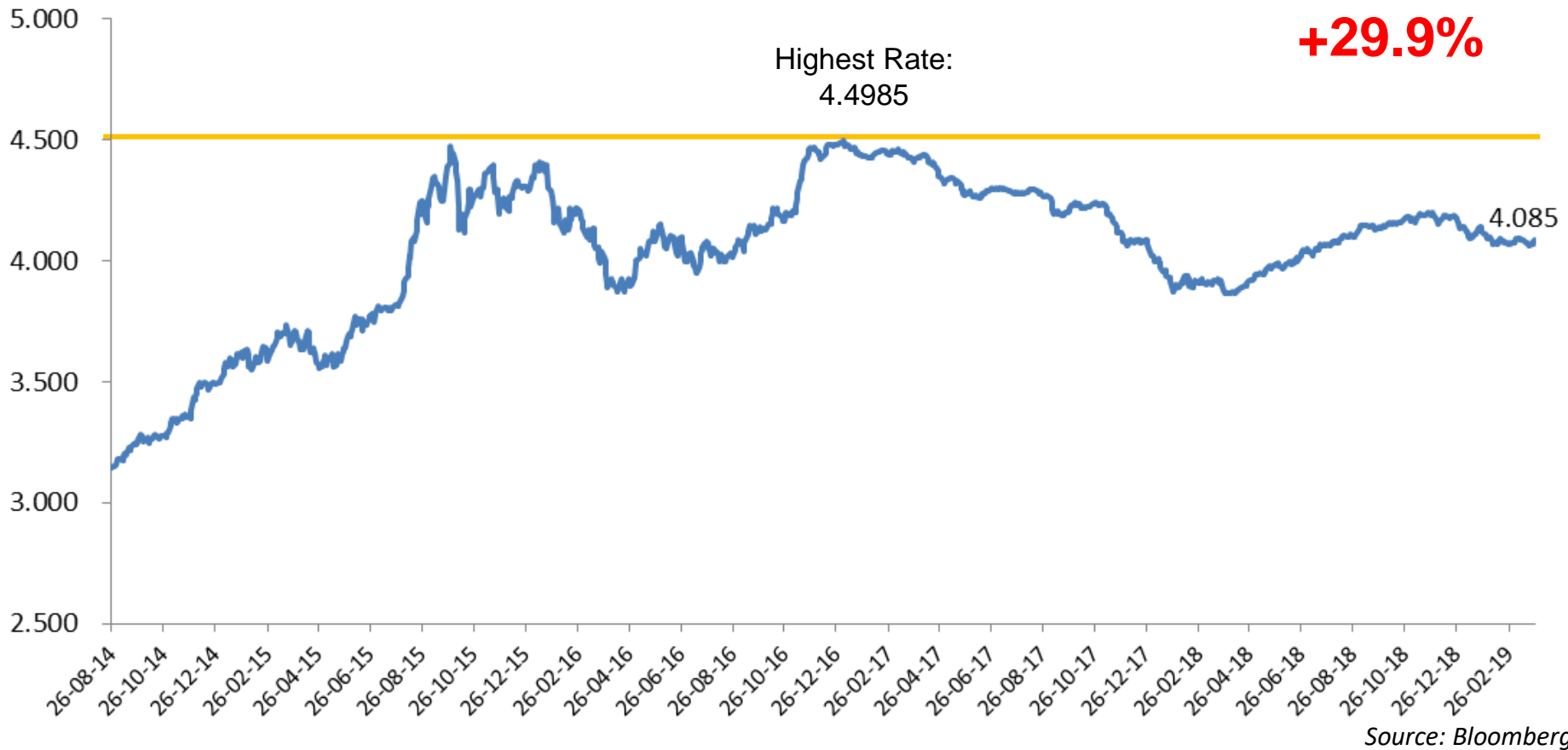
- Turnover days increased due to competitive business environment
- Stock-up for new facelifted X-Trail launch.

Cash Balance & Borrowings (RM'mil)



- Borrowings increased due to further drawdown was needed for working capital purposes.
- Net gearing stood at 38.6% as at 31 March 2019.

Foreign Exchange Management



- Ringgit vs U.S. Dollar fluctuates during the year due to US-China trade wars and uncertainties in Malaysia's economy.
- We will take diligent steps to monitor the foreign currency risk and continue to exercise our hedging activities.

Thank you

