

**Tan Chong
Motor
Holdings
Berhad**

FY2020 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 Product Launch



ALL-New Almera



Business Review

1Q20 Sales Performance & Operation Review

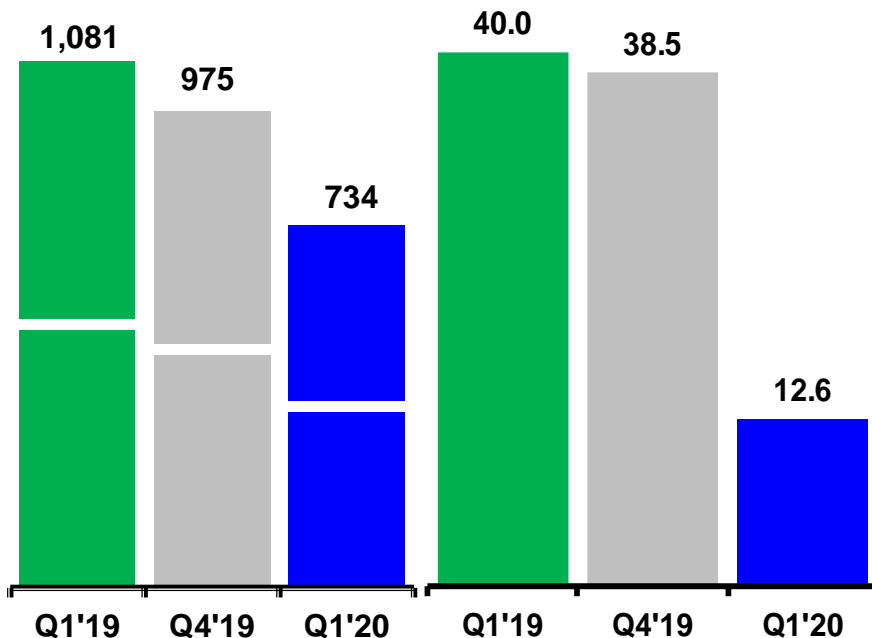
Key Performance Indicators

(RM'million, unless otherwise stated)

Y-o-Y
Q-o-Q

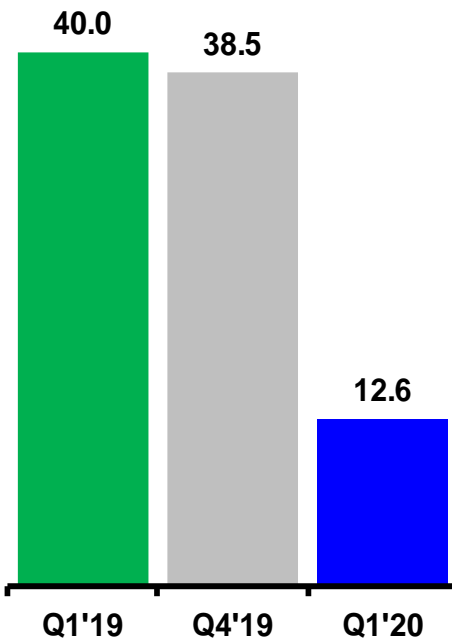
Revenue

-32.0%
-24.7%



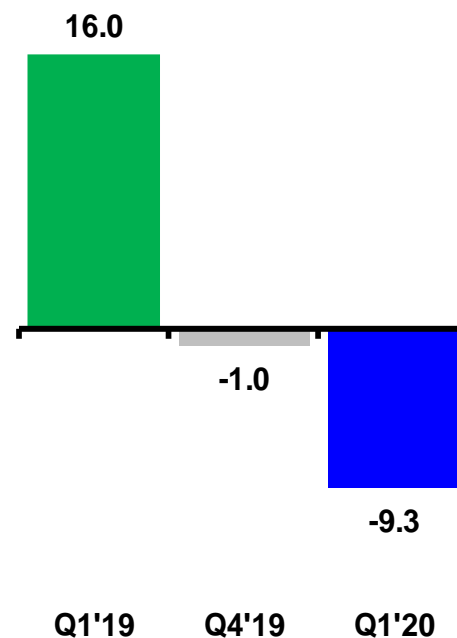
Operating Profit

-68.5%
-67.3%



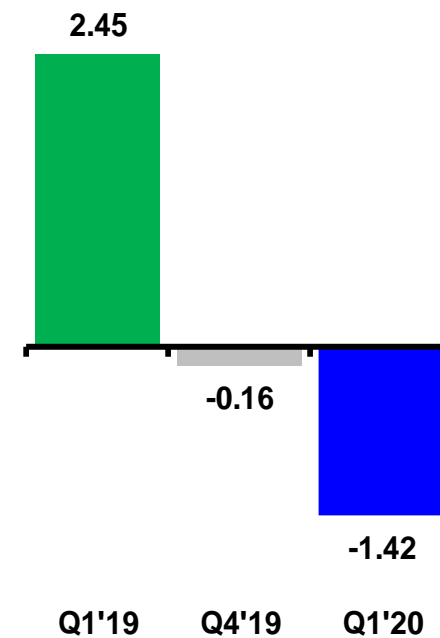
Profit/(Loss) Attributable to Owners of the Company

-158.0%
-815.1%



Earning/(Loss) Per Share (Sen)

-158.0%
-787.5%



QoQ Financial Review

| <i>In RM'000, unless stated otherwise</i> | 4Q19 | 1Q20 | Changes |
|---|------------------|------------------|----------------|
| Net Revenue | 974,611 | 734,287 | -24.7% |
| Operating Profit | 38,457 | 12,594 | -67.3% |
| Profit before Tax | 22,944 | 199 | -99.1% |
| Loss Attributable to Owners of the Company | (1,012) | (9,261) | -815.1% |
| Loss per Share (Sen) | (0.16) | (1.42) | -787.5% |
| Shareholders' Fund | 3,019,580 | 2,996,563 | -0.8% |
| Net Asset per Share (RM) | 4.63 | 4.59 | -0.9% |

- Revenue and profitability were affected by the competitive operating environment and movement control orders implemented in various countries that the Group are operating in.

YoY Financial Review

| <i>In RM'000, unless stated otherwise</i> | YTD 31-Mar-19 | YTD 31-Mar-20 | Changes |
|--|---------------|---------------|---------|
| Revenue | 1,080,605 | 734,287 | -32.0% |
| Operating Profit | 40,042 | 12,594 | -68.5% |
| Profit before Tax | 29,727 | 199 | -99.3% |
| Profit/(Loss) after Tax | 17,217 | (14,788) | -185.9% |
| Profit/(Loss) Attributable to Owners of the Company | 15,981 | (9,261) | -158.0% |
| Earning/(Loss) per Share (Sen) | 2.45 | (1.42) | -158.0% |

- Revenue and profitability (YoY) were lower mainly due to the Covid-19 pandemic which has seen various countries implementing social restriction orders that has stalled economic activities.

Segmental Performance

| <i>In RM'000</i> | 3M19 | 3M20 | Change (%) |
|-------------------------|------------------|----------------|-------------------|
| Sales | | | |
| Automobiles | 1,054,939 | 709,491 | -32.7% |
| Financial services | 22,380 | 19,003 | -15.1% |
| Other operations | 3,286 | 5,793 | 76.3% |
| | 1,080,605 | 734,287 | -32.0% |
| EBITDA | | | |
| Automobiles | 69,174 | 27,768 | -59.9% |
| Financial services | 5,921 | 3,834 | -35.2% |
| Other operations | (2,617) | 16,243 | 720.7% |
| | 72,478 | 47,845 | -34.0% |
| EBITDA Margin | | | |
| Automobiles | 6.6% | 3.9% | |
| Financial services | 26.5% | 20.2% | |
| Other operations | -79.6% | 280.4% | |
| | 6.7% | 6.5% | |

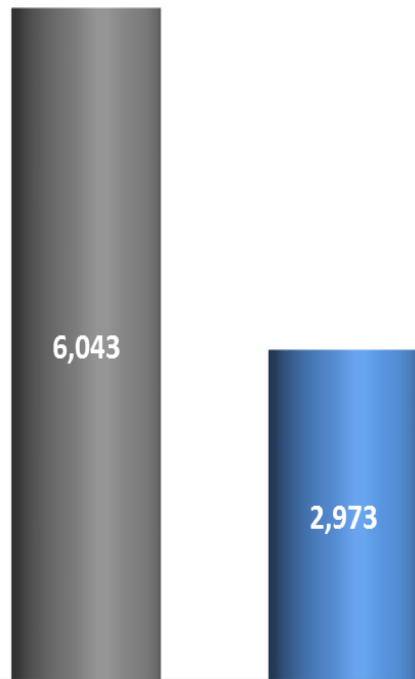
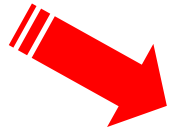
Geographical Performance

| <i>In RM'000</i> | 3M19 | 3M20 | Change (%) |
|-------------------------|------------------|----------------|-------------------|
| Sales | | | |
| Malaysia | 830,359 | 585,988 | -29.4% |
| Vietnam | 148,776 | 52,909 | -64.4% |
| Others | 101,470 | 95,390 | -6.0% |
| | 1,080,605 | 734,287 | -32.0% |
| EBITDA | | | |
| Malaysia | 65,537 | 63,391 | -3.3% |
| Vietnam | (81) | (22,806) | > -100% |
| Others | 7,022 | 7,260 | 3.4% |
| | 72,478 | 47,845 | -34.0% |
| EBITDA Margin | | | |
| Malaysia | 7.9% | 10.8% | |
| Vietnam | -0.1% | -43.1% | |
| Others | 6.9% | 7.6% | |
| | 6.7% | 6.5% | |

Malaysia Sales Performance

Q-o-Q

-50.8%



4Q19

1Q20



2,747 units

-51%



UD TRUCKS

84 units

-47%



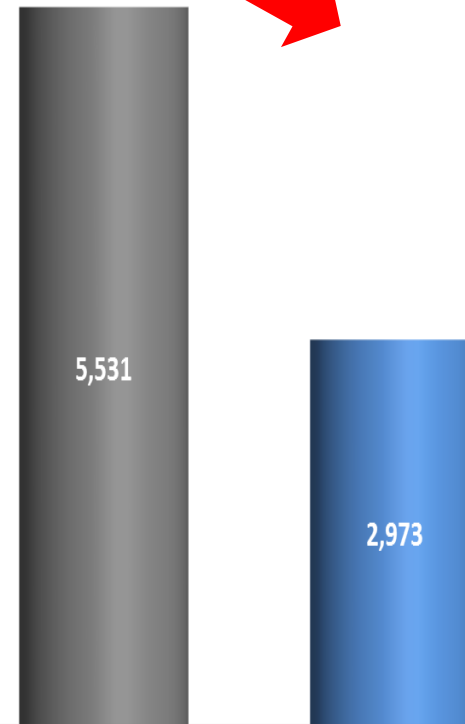
RENAULT

142 units

-56%

Y-o-Y

-46.2%



2019

2020



2,747 units

-47%



UD TRUCKS

84 units

+11%



RENAULT

142 units

-51%

Malaysia Sales Performance (Cont'd)

Malaysia

- **YoY -46.2% : Lower sales due to the MCO since 18th March which has stalled economic activities.**
- **QoQ -50.8% : Lower sales across the board due to MCO.**

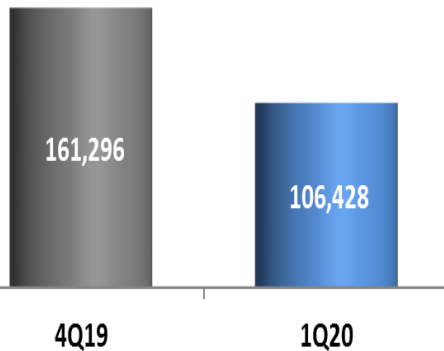


Top 5 manufacturers

TIV

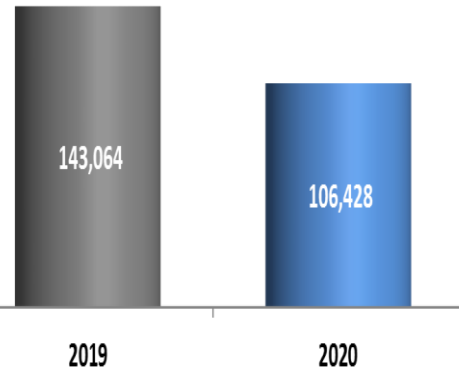
Q-o-Q

-34.0%



Y-o-Y

-25.6%



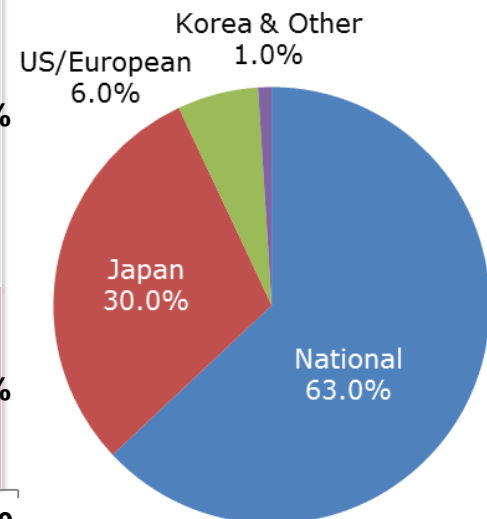
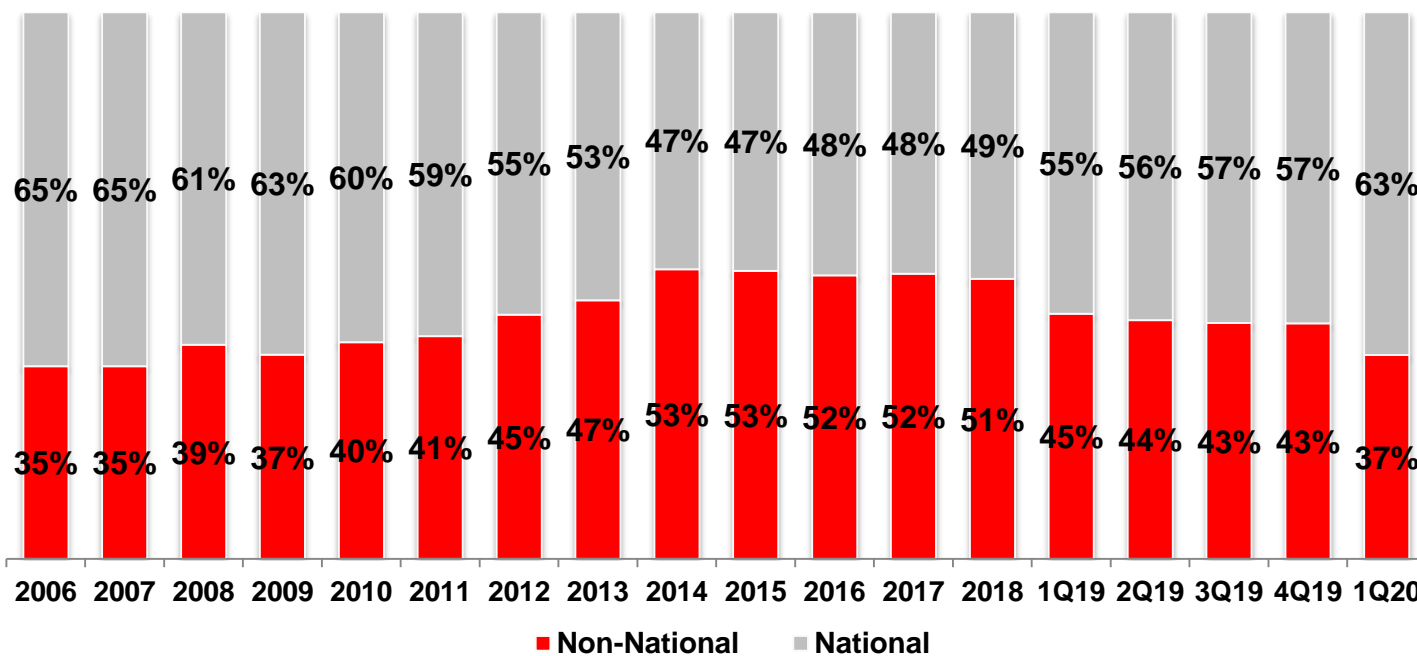
Top 5 manufacturers

| | Units | | | Market Share | | |
|---------|--------|--------|---------|--------------|-------|-------|
| | 1Q'20 | 4Q'19 | Changes | 1Q'20 | 4Q'19 | 2020 |
| Perodua | 44,977 | 61,587 | -27.0% | 42.3% | 38.2% | 42.3% |
| Proton | 21,757 | 30,263 | -28.1% | 20.4% | 18.8% | 20.4% |
| Honda | 11,100 | 20,295 | -45.3% | 10.4% | 12.6% | 10.4% |
| Toyota | 10,415 | 21,483 | -51.5% | 9.8% | 13.3% | 9.8% |
| Nissan | 2,747 | 5,563 | -50.6% | 2.6% | 3.4% | 2.6% |

Source: MAA

National brands regaining market share

1Q'20



| | Q-o-Q % |
|---------|---------|
| Perodua | -27.0% |
| Proton | -28.1% |

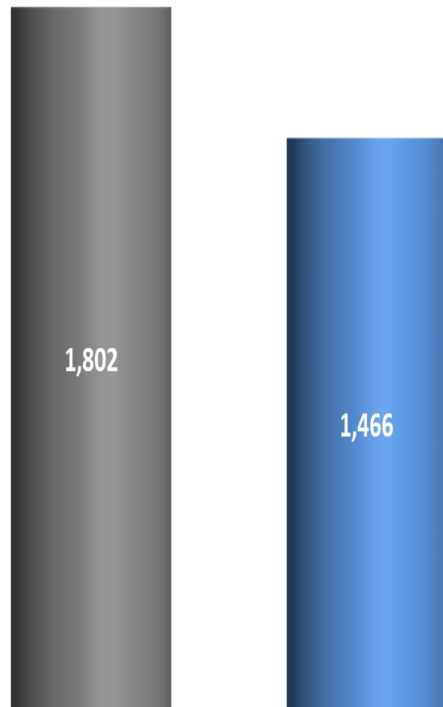
| | Q-o-Q % |
|---------------|---------------|
| Toyota | -51.5% |
| Nissan | -50.6% |
| Honda | -45.3% |
| Mitsubishi | -16.9% |
| Isuzu | -43.6% |
| Mazda | 0.7% |

| | Q-o-Q % |
|----------|---------|
| Ford | -16.5% |
| VW | -46.1% |
| BMW | -17.5% |
| Mercedes | -51.6% |

Indochina Sales Performance

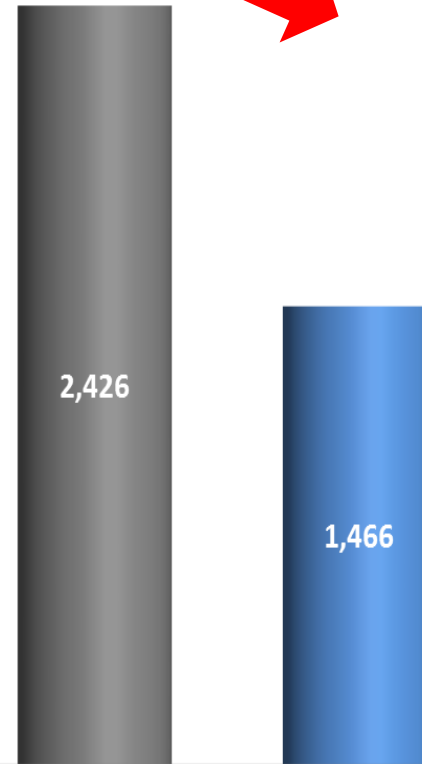
Q-o-Q

-19%



Y-o-Y

-40%



**637 units
-47%**

Vietnam



**177 units
+12%**

Laos



**116 units
-22%**

Cambodia



**536 units
+80%**

Myanmar



**637 units
-60%**

Vietnam



**177 units
-19%**

Laos



**116 units
-34%**

Cambodia



**536 units
+24%**

Myanmar

4Q'19

1Q'20

2019

2020

Ytd Sales

Indochina Sales Performance (Cont'd)

Indochina

- Y-o-Y, sales in Indochina decreased by 40%, affected by the lockdowns to contain the spread of Covid-19.
- Q-o-Q, sales in Indochina decreased by 19% due to the lower sales in Vietnam and Cambodia mainly caused by the spread of Covid-19.

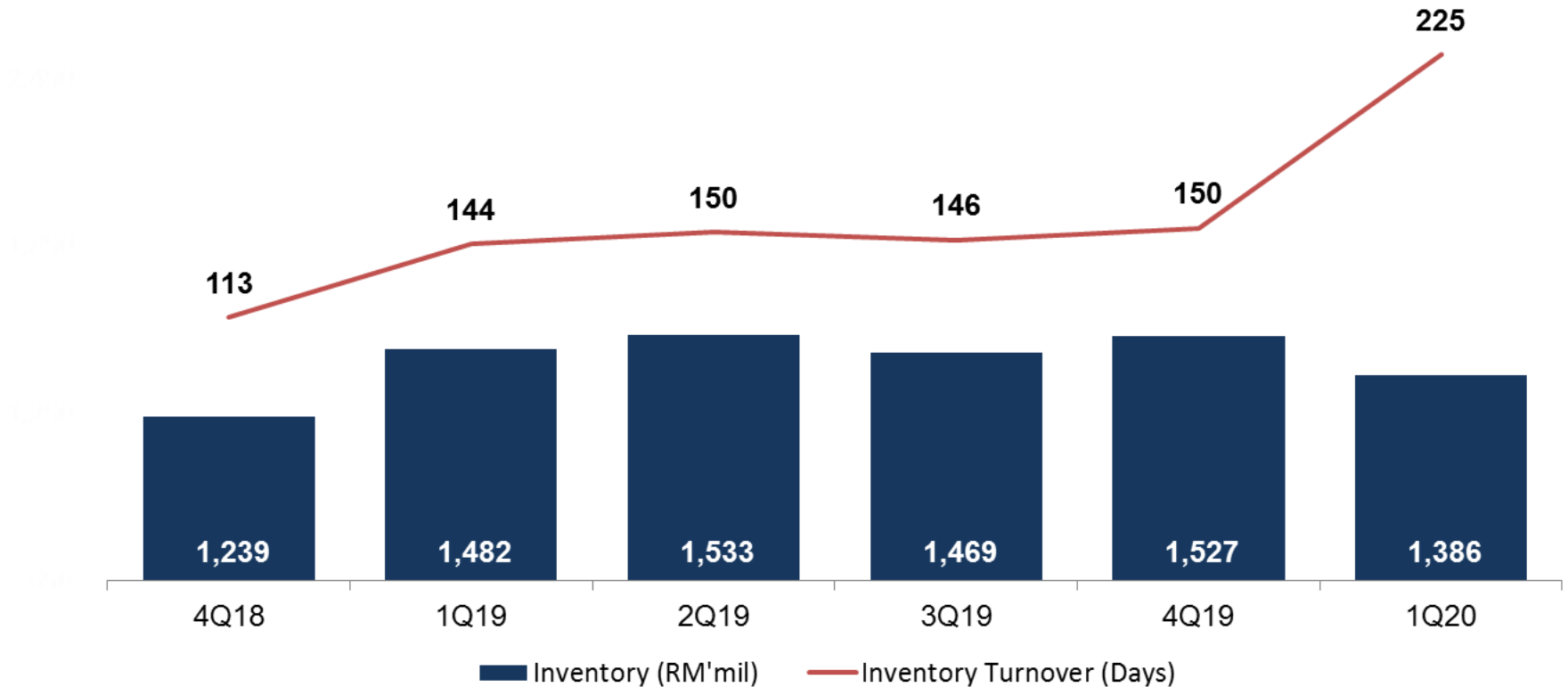


Business Review

1Q20 Sales Performance & Operation Review

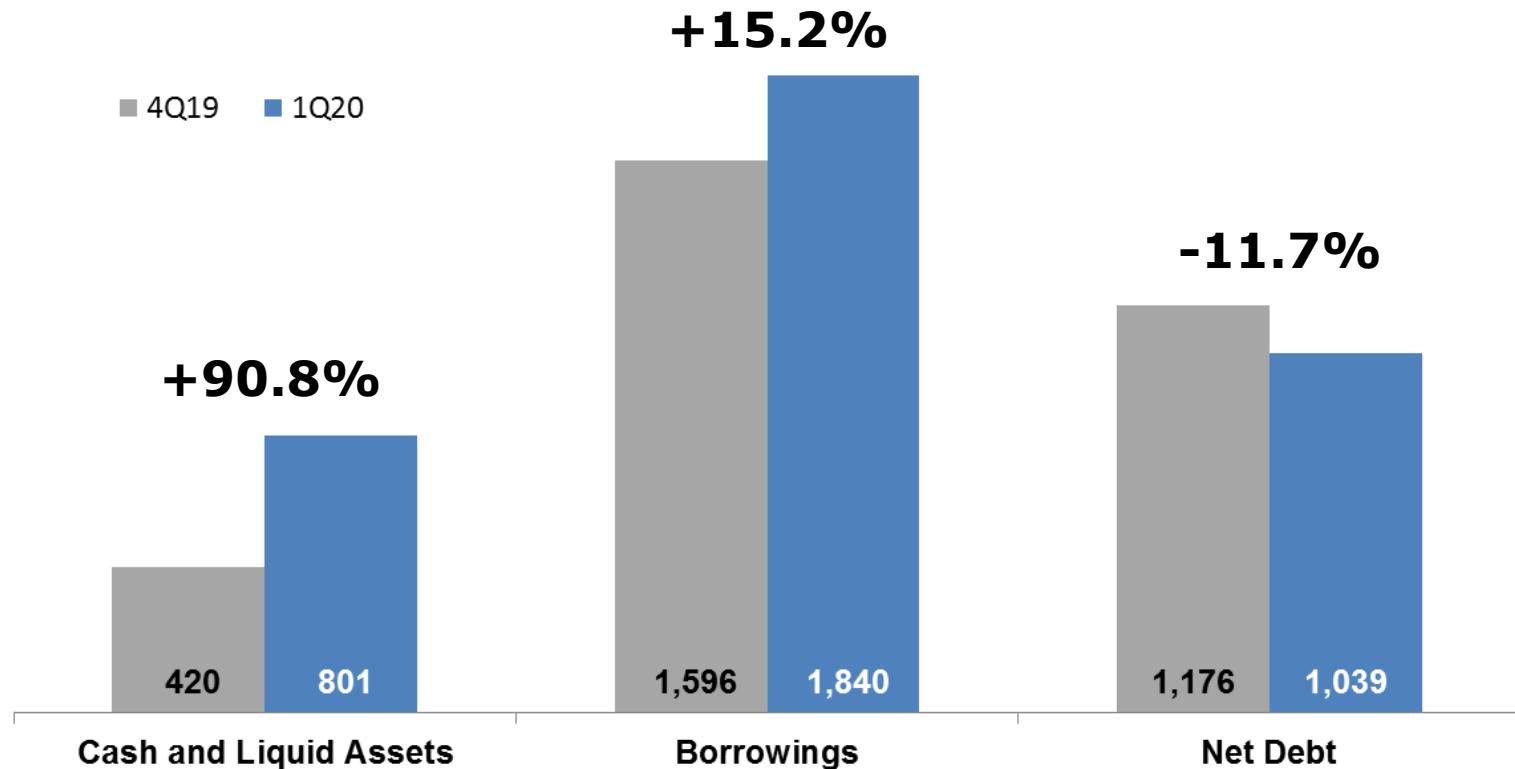
Appendices

Inventory Management



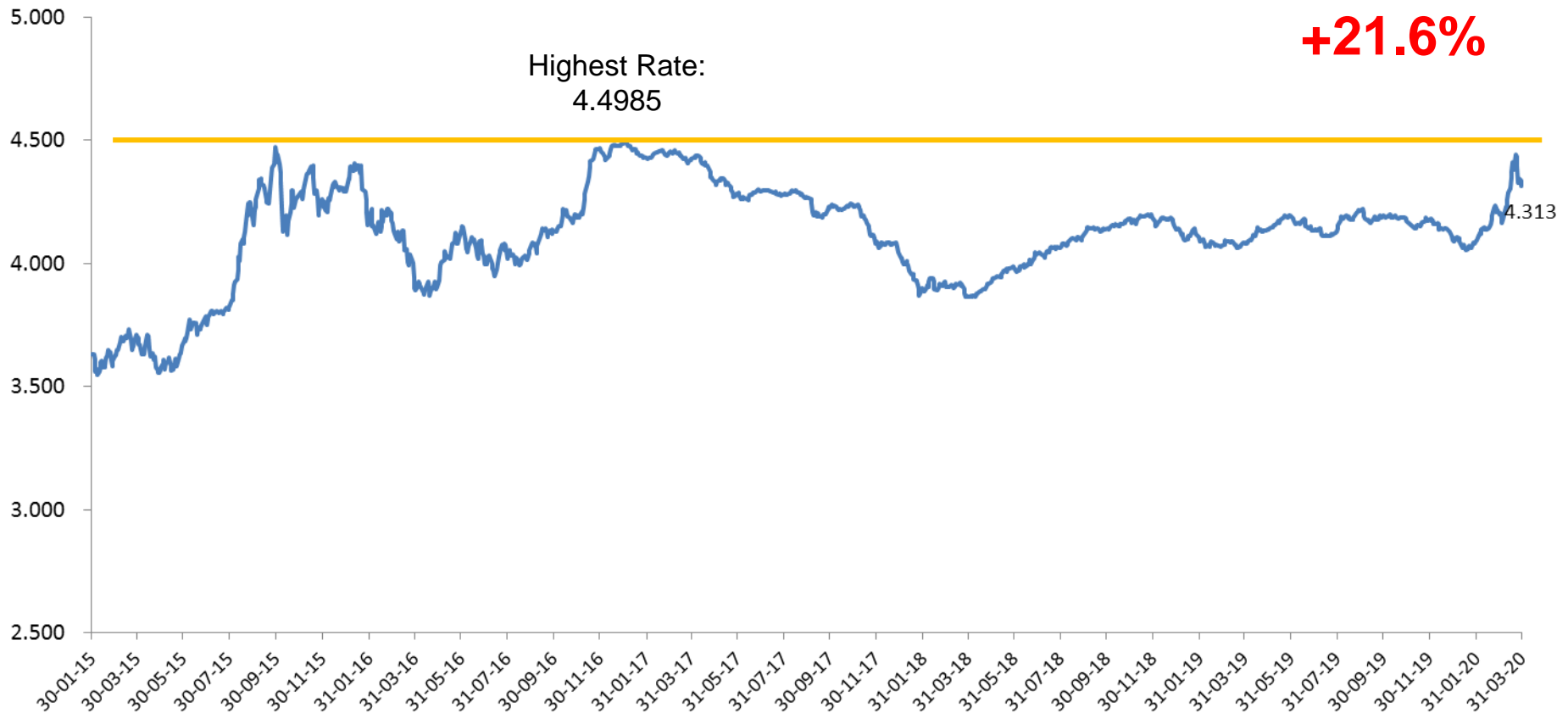
- Significant increase in inventory turnover days due to lower sales recorded during the MCO period starting 18th March 2020.

Cash Balance & Borrowings (RM'mil)



- Borrowings increased due to further drawdown needed for working capital purposes.
- Net gearing reduced slightly and stood at 34.7% as at 31 March 2020.

Foreign Exchange Management



Source: Bank Negara

- **U.S. Dollar inched up during the quarter driven by demand for safe haven assets and uncertainty on the global oil market.**
- **We will continue to take diligent steps to monitor the foreign currency risk and manage our hedging activities prudently.**

Thank you

