

**Tan Chong
Motor
Holdings
Berhad**

FY2019 Third-Quarter Financial Results



Cautionary Statement with Respect to Forward-Looking Statements

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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.

Business Review

3Q19 Sales Performance & Operation Review

Key Performance Indicators

(RM'million, unless otherwise stated)

Y-o-Y

Q-o-Q

Revenue

Operating Profit

Profit Attributable to Owners of the Company

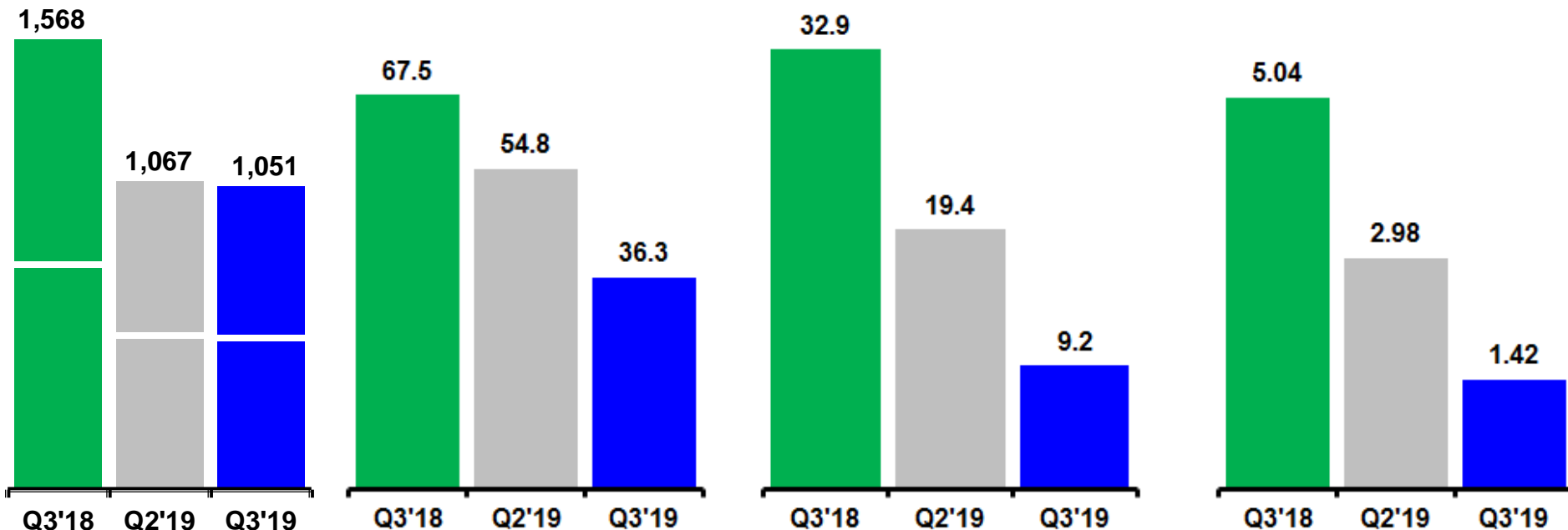
Earning Per Share (Sen)

-33.0%
-1.5%

-46.2%
-33.7%

-71.9%
-52.4%

-71.8%
-52.3%



QoQ Financials Review

In RM'000, unless stated otherwise

	2Q19	3Q19	Changes
Net Revenue	1,066,674	1,050,557	-1.5%
Operating Profit	54,768	36,290	-33.7%
Profit Before Tax	40,807	20,849	-48.9%
Profit Attributable to Owners of the Company	19,428	9,248	-52.4%
Earnings per Share (Sen)	2.98	1.42	-52.3%
Shareholders' Fund	2,857,123	2,852,539	-0.2%
Net Asset per Share (RM)	4.38	4.37	-0.2%

- Revenue decreased due to stiff competition in the automotive market.

YoY Financials Review

<i>In RM'000 , unless stated otherwise</i>	30-Sep-18	30-Sep-19	Changes
Revenue	3,691,368	3,197,836	-13.4%
Operating Profit	130,785	131,100	0.2%
Profit Before Tax	94,858	91,383	-3.7%
Profit After Tax	49,642	44,185	-11.0%
Profit Attributable to Owners of the Company	49,478	44,657	-9.7%
EPS (Sen)	7.58	6.84	-9.8%

- Revenue was lower in Q3 2019 mainly due to higher sales during tax holiday period in Q3 2018.

Segmental Performance

<i>In RM'000</i>	9M18	9M19	Change (%)
Sales			
Automobiles	3,610,418	3,123,755	-13.5%
Financial services	69,610	62,240	-10.6%
Other operations	11,340	11,841	4.4%
	3,691,368	3,197,836	-13.4%
EBITDA			
Automobiles	190,474	215,632	13.2%
Financial services	17,553	19,870	13.2%
Other operations	10,463	13,553	29.5%
	218,490	249,055	14.0%
EBITDA margin			
Automobiles	5.3%	6.9%	
Financial services	25.2%	31.9%	
Other operations	92.3%	114.5%	
	5.9%	7.8%	

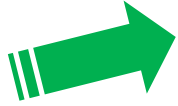
Geographical Performance

<i>In RM'000</i>	9M18	9M19	Change (%)
Sales			
Malaysia	3,087,283	2,466,271	-20.1%
Vietnam	434,656	455,812	4.9%
Others	169,429	275,753	62.8%
	3,691,368	3,197,836	-13.4%
EBITDA			
Malaysia	206,652	246,640	19.4%
Vietnam	3,554	(17,938)	N/A
Others	8,284	20,353	145.7%
	218,490	249,055	14.0%
EBITDA margin			
Malaysia	6.7%	10.0%	
Vietnam	0.8%	-3.9%	
Others	4.9%	7.4%	
	5.9%	7.8%	

Malaysia Sales Performance

Q-o-Q

+1.6%



5,622

2Q19

5,711

3Q19



5,293 units
+1%



UD TRUCKS

111 units
+10%



RENAULT

307 units
+2%



0 units
N/A

Y-o-Y

-23.7%



22,093

2018

16,864

2019



15,676 units
-24%



UD TRUCKS

288 units
-47%



RENAULT

896 units
+15%



4 units
-89%

Malaysia Sales Performance (Cont'd)

Malaysia

- **YoY -23.7% : Due to overall competitive business environment.**
- **QoQ +1.6%: Due to more vehicles sold in Q3.**



Top 5 manufacturers

TIV

Q-o-Q

-4.3%

153,270

2Q19

146,657

3Q19

Y-o-Y

-2.6%

454,971

2018

442,991

2019

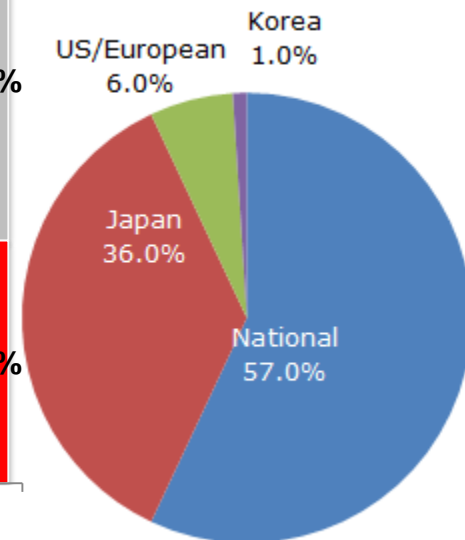
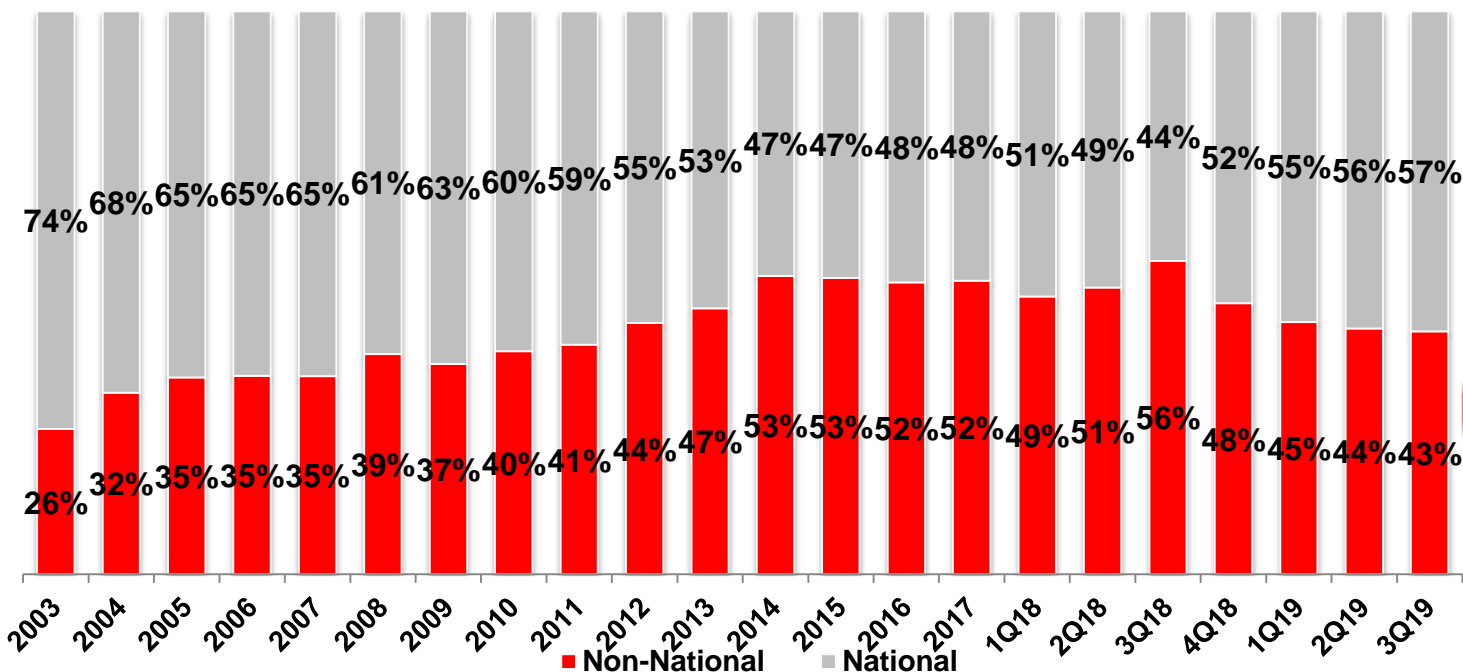
Top 5 manufacturers

	Units			Market Share		
	3Q'19	2Q'19	Changes	3Q'19	2Q'19	2019
Perodua	56,972	61,123	-6.8%	38.8%	39.9%	40.4%
Proton	26,402	25,237	+4.6%	18.0%	16.5%	15.8%
Honda	20,863	22,070	-5.5%	14.2%	14.4%	14.7%
Toyota	16,357	17,529	-6.7%	11.2%	11.4%	10.7%
Nissan	5,293	5,217	+1.5%	3.6%	3.4%	3.5%

Source: MAA

National brands regaining market share

3Q'19



	Q-o-Q %
Perodua	-6.8%
Proton	4.6%

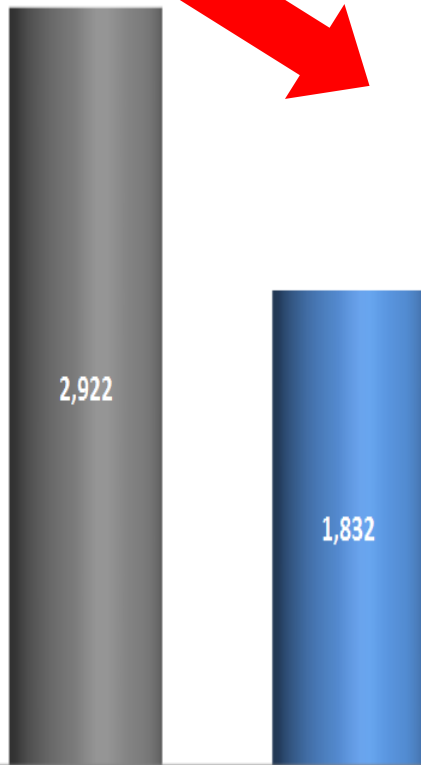
	Q-o-Q %
Toyota	-6.7%
Nissan	1.5%
Honda	-5.5%
Mitsubishi	-9.3%
Isuzu	-8.2%
Mazda	-22.8%

	Q-o-Q %
Ford	11.9%
VW	15.1%
BMW	-5.9%
Mercedes	-19.6%

Indochina Sales Performance

Q-o-Q

-37%



2Q'19

3Q'19



1,234 units
-47%

Vietnam



188 units
+14%

Laos



194 units
+14%

Cambodia

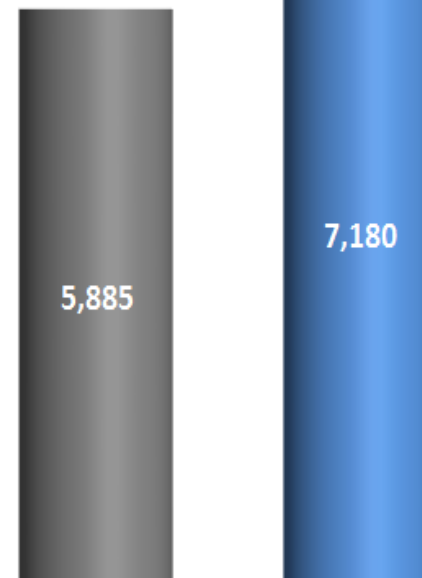
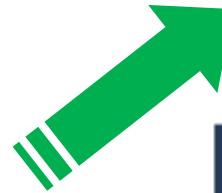


216 units
-15%

Myanmar

Y-o-Y

+22%



2018

2019



5,167 units
+17%

Vietnam



571 units
+36%

Laos



540 units
+60%

Cambodia



902 units
+27%

Myanmar

Ytd Sales

Indochina Sales Performance (Cont'd)

Indochina

- Y-o-Y, sales in Indochina increased by 22% due to the overall improvement in sales across all countries.
- Q-o-Q, sales in Indochina decreased by 37% due to the lower sales in Vietnam.

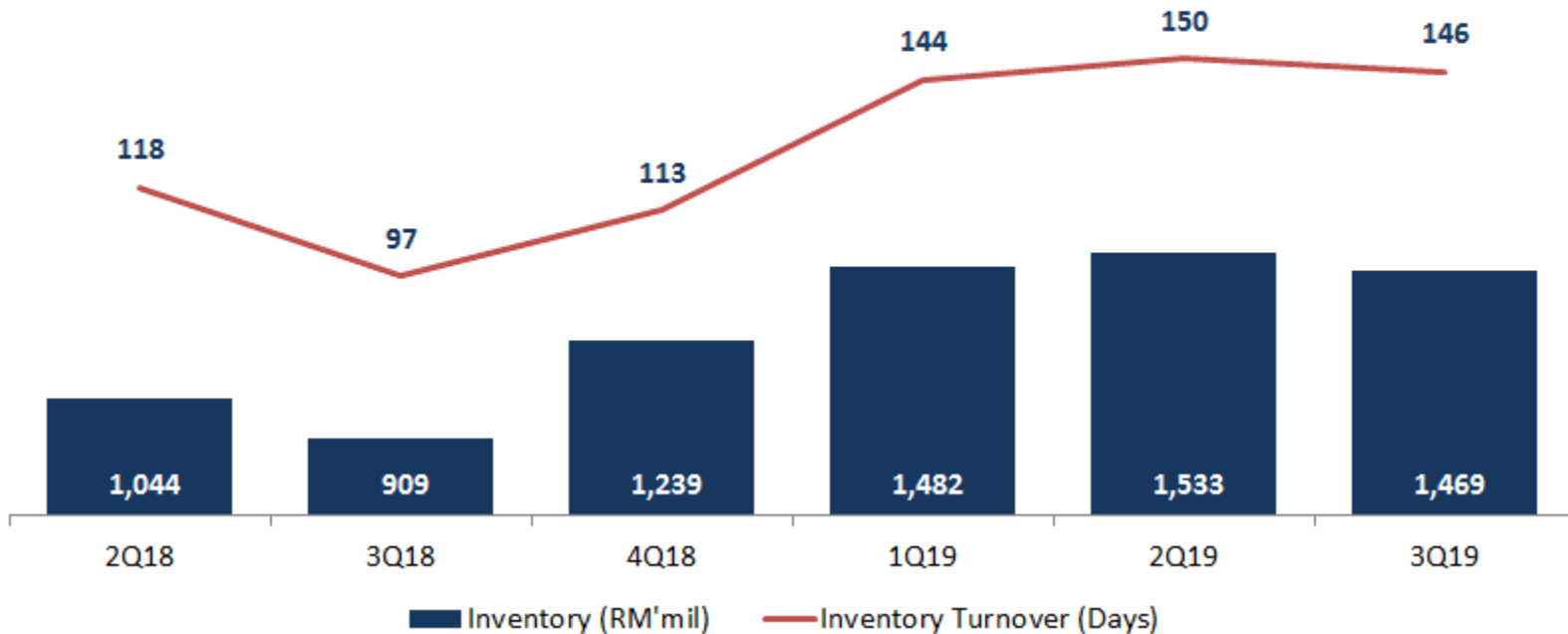


Business Review

3Q19 Sales Performance & Operation Review

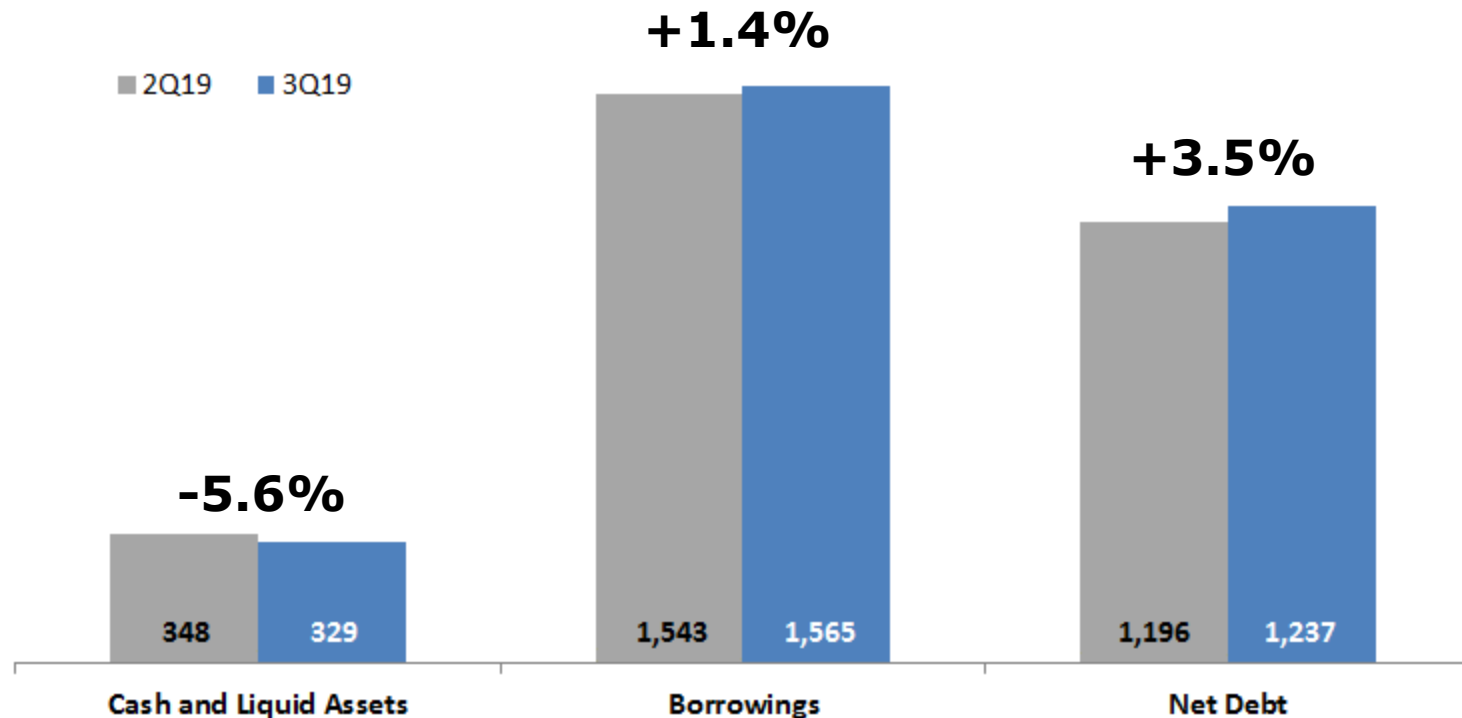
Appendices

Inventory Management



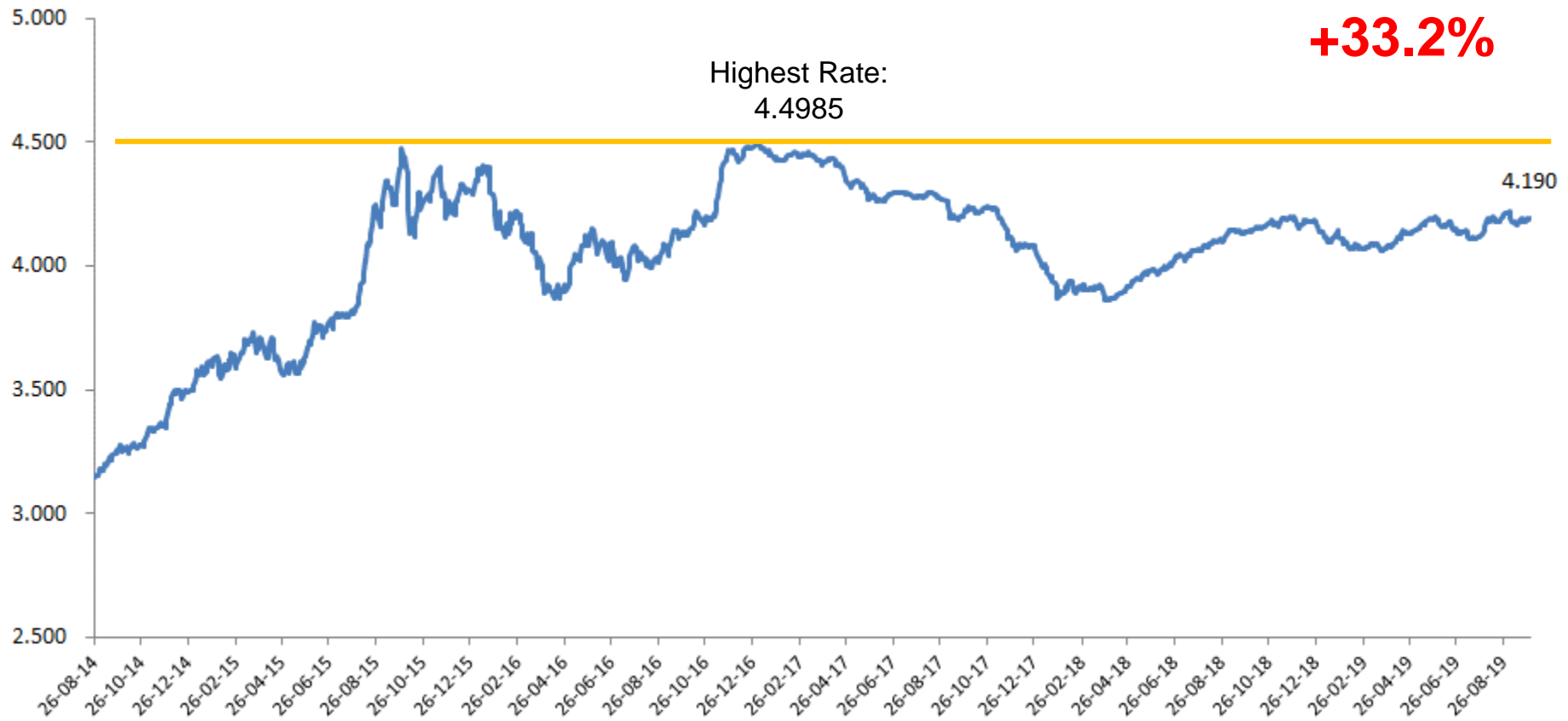
- Decrease in turnover days was due to improved sales model mix.

Cash Balance & Borrowings (RM'mil)



- Total borrowings slightly increased due to further drawdown needed for working capital purposes.
- Net gearing stood at 43.4% as at 30 September 2019.

Foreign Exchange Management



Source: Bloomberg

- 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

