

**Tan Chong
Motor
Holdings
Berhad**

FY2018 Fourth-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

4Q18 Sales Performance & Operation Review

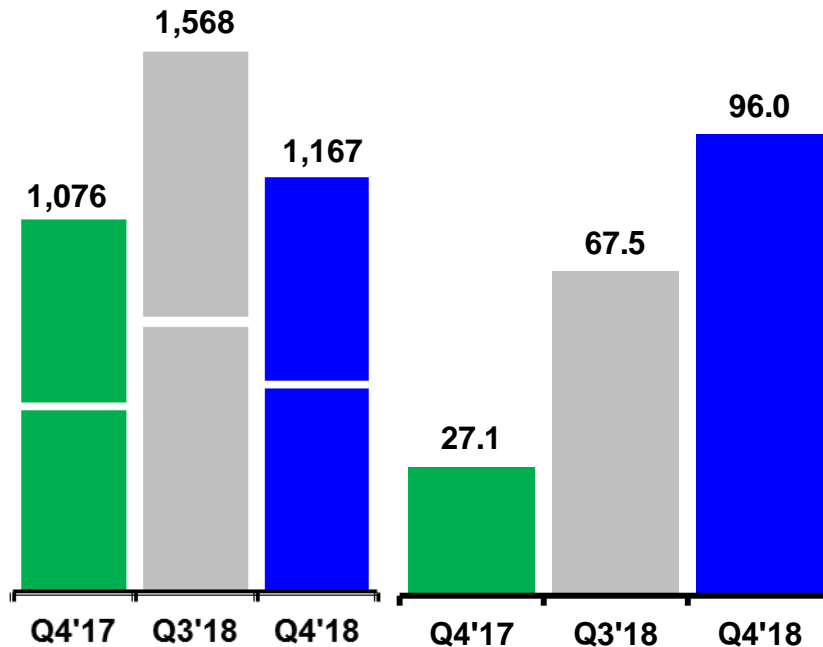
Key Performance Indicators

(RM'million, unless otherwise stated)

Y-o-Y
Q-o-Q

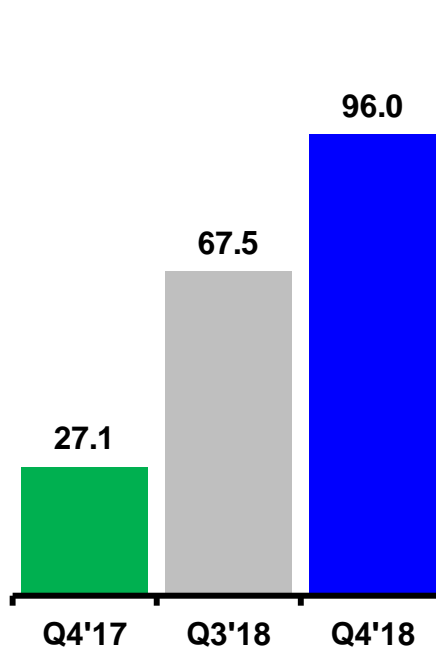
Revenue

8.4%
-25.6%



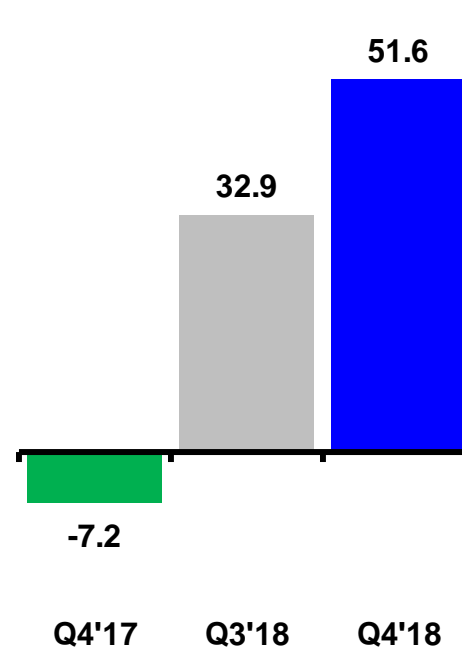
Operating Profit

254.7%
42.3%



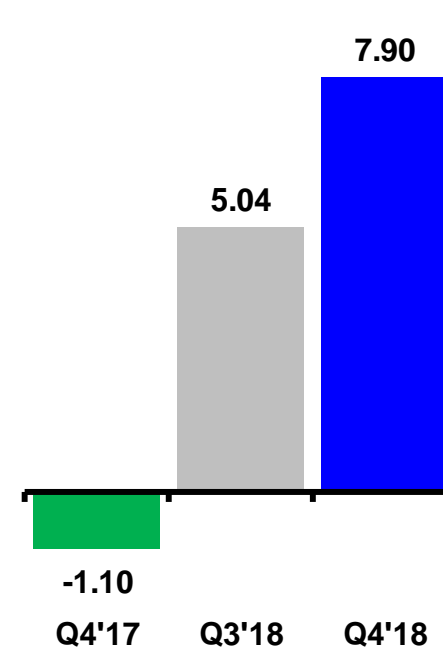
Profit/ (Loss) Attributable to Owners of the Company

817.2%
56.9%



Earning/ (Loss) Per Share (Sen)

818.2%
56.7%



QoQ Financials Review

In RM'000, unless stated otherwise

	3Q18	4Q18	Changes
Net Revenue	1,568,434	1,166,838	-25.6%
Operating Profit	67,490	96,013	42.3%
Profit Before Tax	56,592	83,728	48.0%
Profit Attributable to Owners of the Company	32,863	51,556	56.9%
Earnings per Share (Sen)	5.04	7.90	56.7%
Shareholders' Fund	2,808,243	2,847,027	1.4%
Net Asset per Share (RM)	4.30	4.36	1.4%

- Revenue decreased due to sales pulled ahead by the 'tax holiday' in Malaysia in 3Q18.
- Profit improved due to better sales mix and improved margins.

YoY Financials Review

<i>In RM'000 , unless stated otherwise</i>	31-Dec-17	31-Dec-18	Changes
Revenue	4,341,228	4,858,206	11.9%
Operating (Loss)/ Profit	(18,709)	226,798	1312.2%
(Loss)/ Profit Before Tax	(72,811)	178,586	345.3%
(Loss)/ Profit After Tax	(96,389)	102,537	206.4%
(Loss)/ Profit Attributable to Owners of the Company	(88,597)	101,034	214.0%
(LPS)/ EPS (Sen)	(13.57)	15.48	214.1%

- Revenue (YoY) increased due to new Serena S-Hybrid and 'tax holiday' during the third quarter.
- Profitability improved due to better sales mix and improved margins.

Segmental Performance

<i>In RM'000</i>	3Q18	4Q18	Change (%)
Sales			
Automobiles	1,540,565	1,140,725	-26.0%
Financial services	22,240	22,275	0.2%
Other operations	5,629	3,838	-31.8%
	1,568,434	1,166,838	-25.6%
EBITDA			
Automobiles	88,647	114,586	29.3%
Financial services	5,186	5,713	10.2%
Other operations	1,555	6,798	337.2%
	95,388	127,097	33.2%
EBITDA margin			
Automobiles	5.8%	10.0%	
Financial services	23.3%	25.6%	
Other operations	27.6%	177.1%	
	6.1%	10.9%	

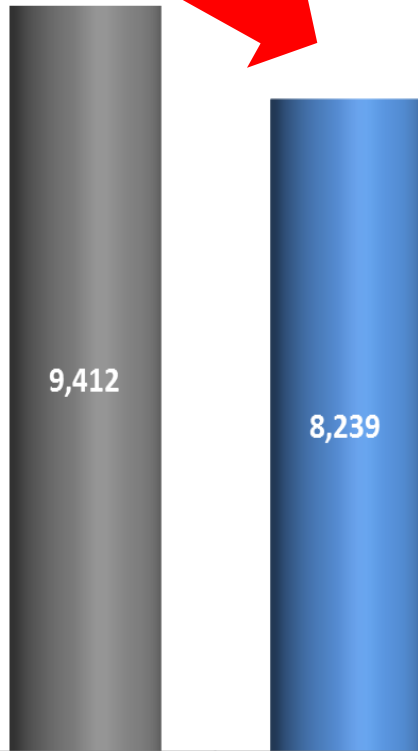
Geographical Performance

<i>In RM'000</i>	3Q18	4Q18	Change (%)
Sales			
Malaysia	1,300,241	867,325	-33.3%
Vietnam	209,068	219,814	5.1%
Others	59,125	79,699	34.8%
	1,568,434	1,166,838	-25.6%
EBITDA			
Malaysia	78,190	114,462	46.4%
Vietnam	16,540	8,875	-46.3%
Others	658	3,760	471.4%
	95,388	127,097	33.2%
EBITDA margin			
Malaysia	6.0%	13.2%	
Vietnam	7.9%	4.0%	
Others	1.1%	4.7%	
	6.1%	10.9%	

Malaysia Sales Performance

Q-o-Q

-12.5%



3Q18

4Q18



7,877 units

-11%



UD TRUCKS

133 units

-39%



RENAULT

227 units

-38%

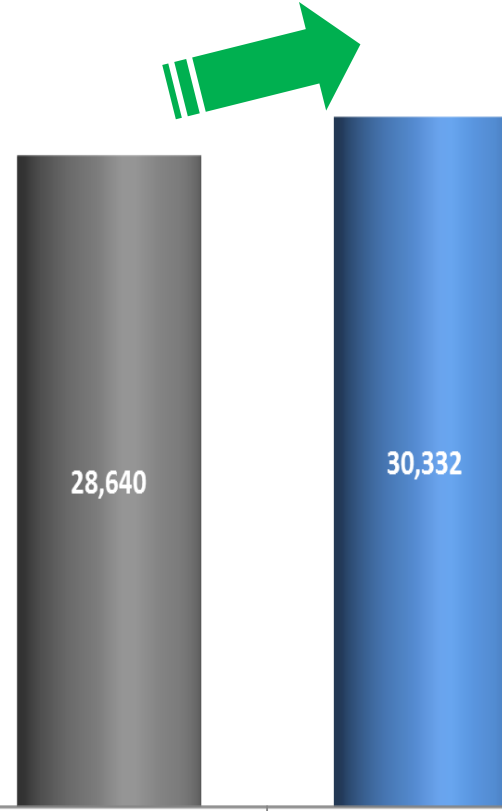


2 units

-91%

Y-o-Y

+5.9%



2017

2018



28,610 units

+5%



UD TRUCKS

676 units

-22%



RENAULT

1,009 units

+70%



37 units

+28%

Malaysia Sales Performance (Cont'd)

Malaysia

- **YoY +5.9% : Increased due to new Serena S-Hybrid and 'tax holiday' during the third quarter.**
- **QoQ -12.5%: Decreased due to sales pulled ahead by the 'tax holiday' in Malaysia in 3Q18.**

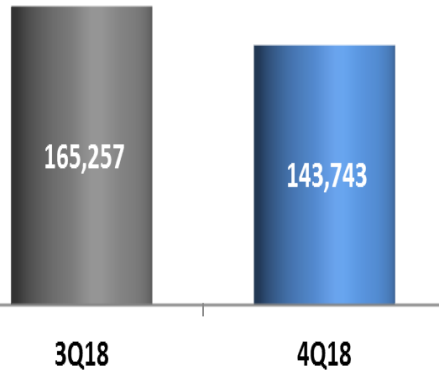


Top 5 manufacturers

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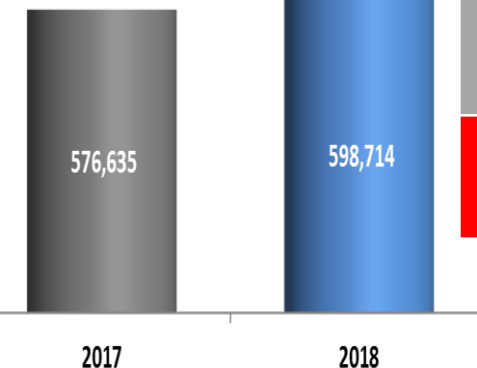
Q-o-Q

-13.0%



Y-o-Y

+3.8%



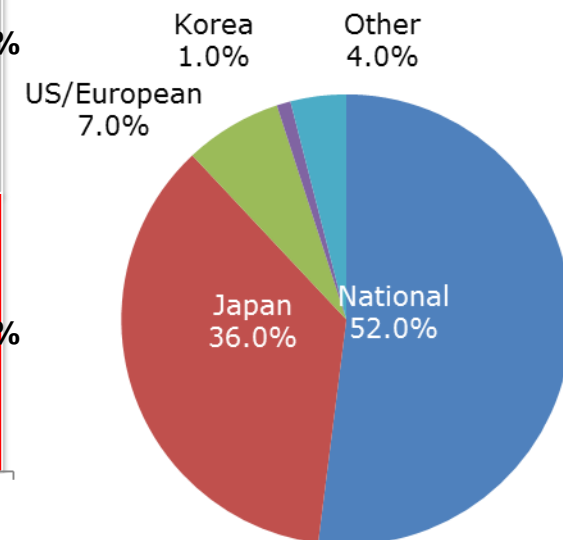
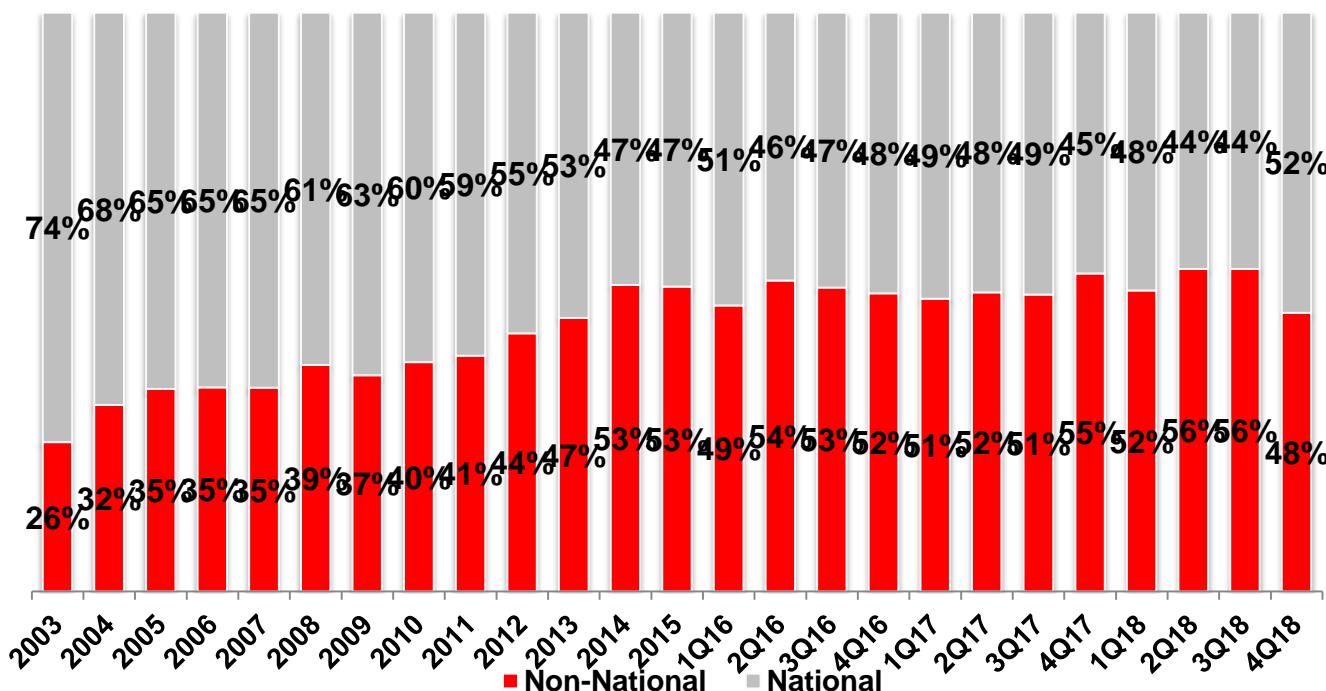
Top 5 manufacturers

	Units			Market Share		
	4Q'18	3Q'18	Changes	4Q'18	3Q'18	2018
Perodua	59,040	51,105	+15.5%	41.1%	30.9%	38.0%
Proton	15,511	22,127	-29.9%	10.8%	13.4%	10.8%
Honda	22,367	28,561	-21.7%	15.6%	17.3%	17.1%
Toyota	12,902	20,940	-38.4%	9.0%	12.7%	10.9%
Nissan	7,877	8,807	-10.6%	5.5%	5.3%	4.8%

Source: MAA

National brands regaining market share

4Q'18



	Q-o-Q %
Perodua	15.5%
Proton	-29.9%

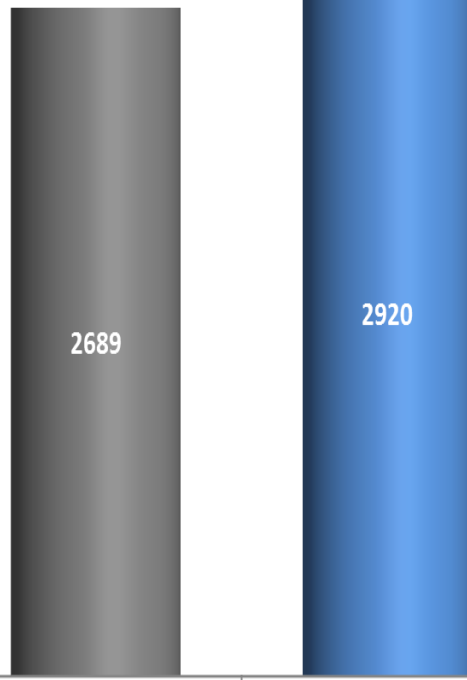
	Q-o-Q %
Toyota	-38.4%
Nissan	-10.6%
Honda	-21.7%
Mitsubishi	-29.0%
Isuzu	-24.1%
Mazda	14.8%

	Q-o-Q %
Ford	-37.5%
VW	-42.6%
BMW	-16.9%
Mercedes	-2.8%

Indochina Sales Performance

Q-o-Q

+9%



3Q'18

4Q'18



**2,271 units
+5%**

Vietnam



**175 units
+38%**

Laos



**158 units
+33%**

Cambodia

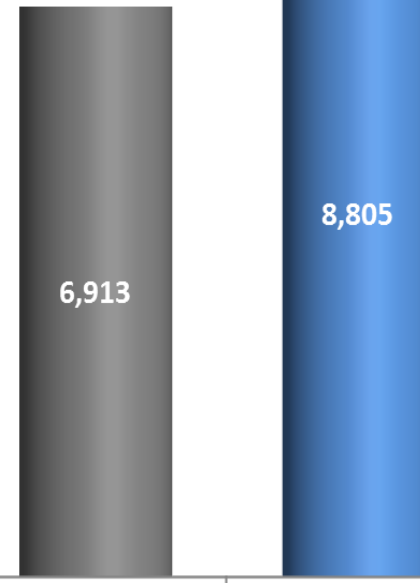
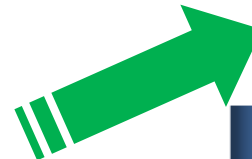


**316 units
+14%**

Myanmar

Y-o-Y

+27%



2017

2018



**6,687 units
+22%**

Vietnam



**594 units
+55%**

Laos



**495 units
+126%**

Cambodia



**1,029 units
+25%**

Myanmar

Ytd Sales

Indochina Sales Performance (Cont'd)

Indochina

- Y-o-Y, sales in Indochina increased by 27% due to overall improvement in the sales of Navara and Sunny in Vietnam and Myanmar.
- Increased sales Q-o-Q in Vietnam was mainly due to higher customers demand during the quarter.
- Danang assembly plant continued to be impacted by negative production variances.

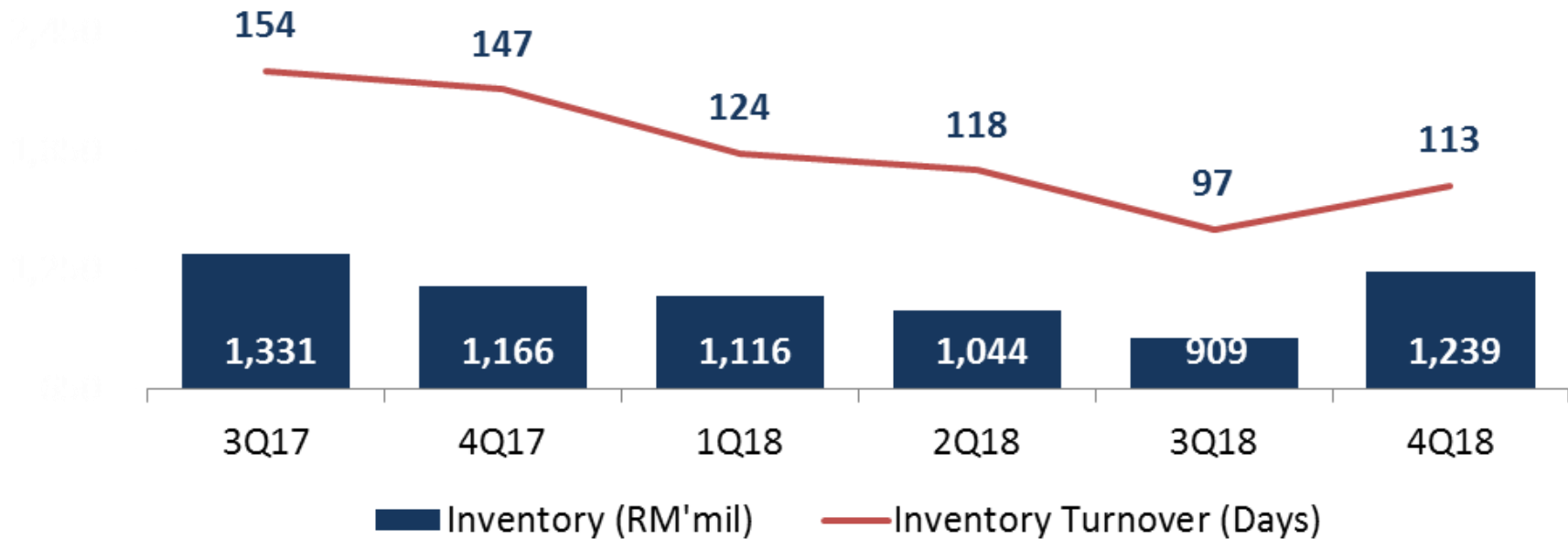


Business Review

4Q18 Sales Performance & Operation Review

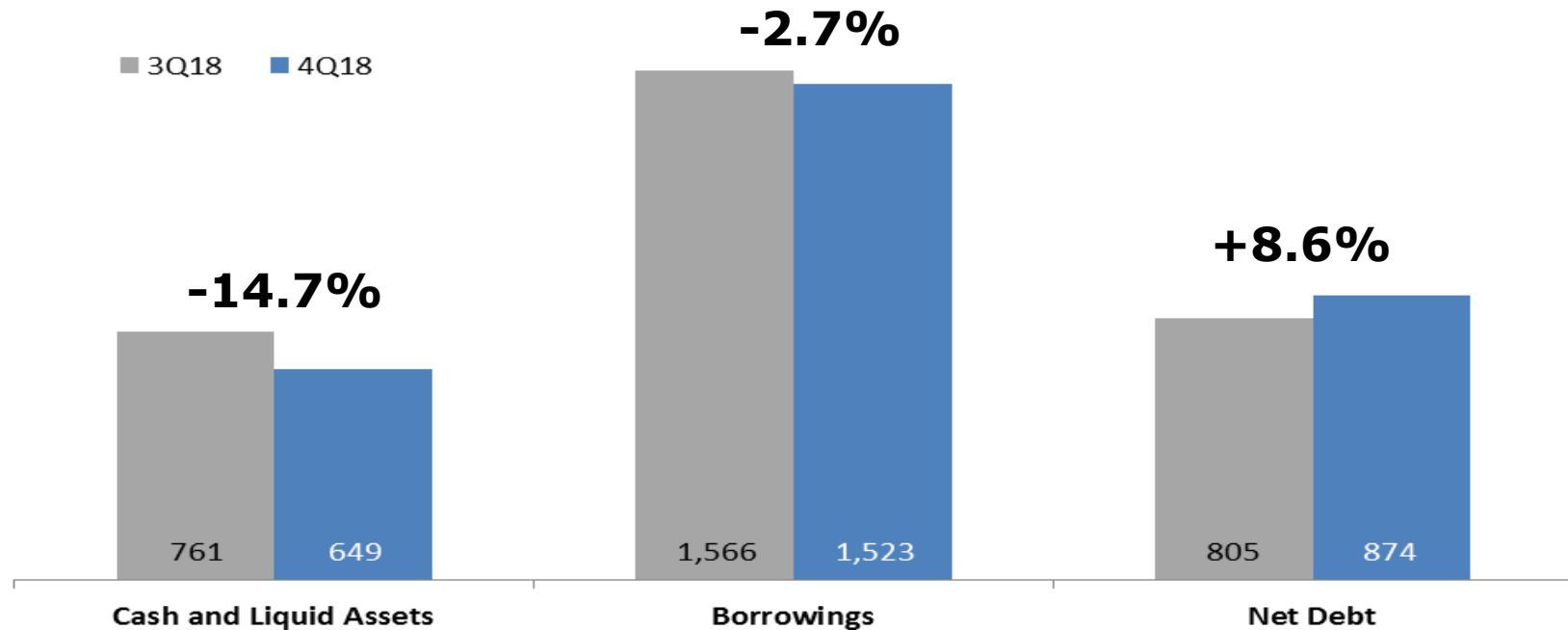
Appendices

Inventory Management



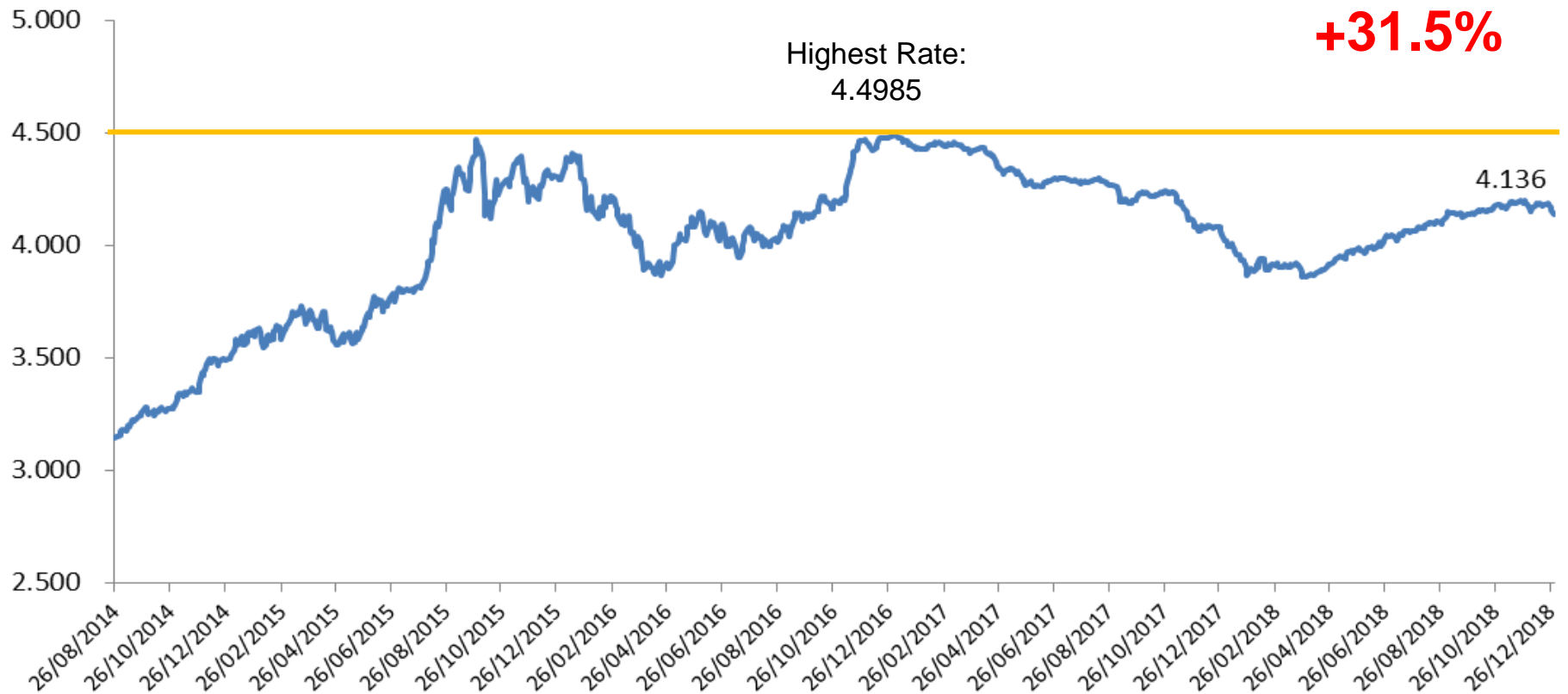
- Turnover days increased due to year-end purchases for the preparation of next year's sales.

Cash Balance & Borrowings (RM'mil)



- Total borrowings decreased due to repayment made during the quarter.
- Net gearing as at 31 December 2018 would be 30.7%.

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

