

**Tan Chong
Motor
Holdings
Berhad**

FY2019 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.

New Product Launch



ALL-New Almera



Business Review

4Q19 Sales Performance & Operation Review

Key Performance Indicators

(RM'million, unless otherwise stated)

Y-o-Y

Q-o-Q

Revenue

Operating Profit

Profit/(Loss) Attributable to Owners of the Company

Earning/(Loss) Per Share (Sen)

-16.5%
-7.2%

-59.9%
6.0%

-101.8%
-110.9%

-101.8%
-111.3%

1,167

1,051

975

96.0

36.3

38.5

56.5

9.2

-1.0

8.65

1.42

-0.16

Q4'18

Q3'19

Q4'19

Q4'18

Q3'19

Q4'19

Q4'18

Q3'19

Q4'19

Q4'18

Q3'19

Q4'19

QoQ Financials Review

<i>In RM'000, unless stated otherwise</i>	3Q19	4Q19	Changes
Net Revenue	1,050,557	974,611	-7.2%
Operating Profit	36,290	38,457	6.0%
Profit Before Tax	20,849	22,944	10.0%
Profit/(Loss) Attributable to Owners of the Company	9,248	(1,012)	-110.9%
Earnings/(Loss) per Share (Sen)	1.42	(0.16)	-111.3%
Shareholders' Fund	2,852,539	3,021,172	5.9%
Net Asset per Share (RM)	4.37	4.63	5.9%

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

YoY Financials Review

<i>In RM'000 , unless stated otherwise</i>	YTD 31-Dec-18	YTD 31-Dec-19	Changes
Revenue	4,858,206	4,172,447	-14.1%
Operating Profit	226,798	169,557	-25.2%
Profit Before Tax	178,586	114,327	-36.0%
Profit After Tax	102,537	46,692	-54.5%
Profit Attributable to Owners of the Company	105,932	43,645	-58.8%
EPS (Sen)	16.23	6.69	-58.8%

- Revenue (YoY) was lower compared to higher sales during tax holiday period in year 2018.

Segmental Performance

<i>In RM'000</i>	2018	2019	Change (%)
Sales			
Automobiles	4,751,143	4,073,667	-14.3%
Financial services	91,885	80,857	-12.0%
Other operations	15,178	17,923	18.1%
	4,858,206	4,172,447	-14.1%
EBITDA			
Automobiles	308,492	300,979	-2.4%
Financial services	23,266	26,394	13.4%
Other operations	17,318	1,187	-93.1%
	349,076	328,560	-5.9%
EBITDA margin			
Automobiles	6.5%	7.4%	
Financial services	25.3%	32.6%	
Other operations	114.1%	6.6%	
	7.2%	7.9%	

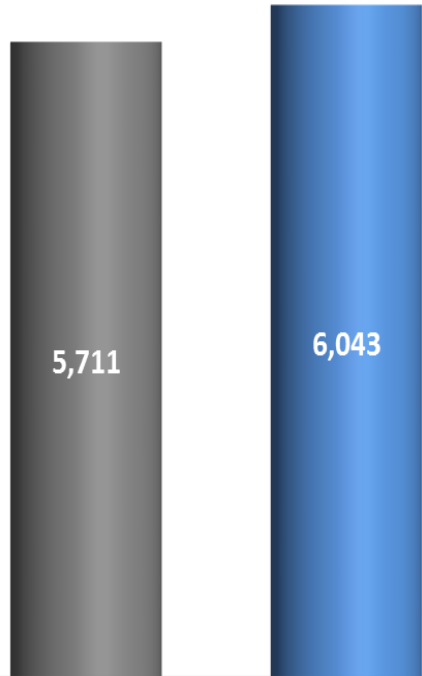
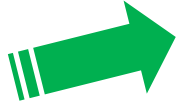
Geographical Performance

<i>In RM'000</i>	2018	2019	Change (%)
Sales			
Malaysia	3,954,608	3,261,845	-17.5%
Vietnam	654,470	560,892	-14.3%
Others	249,128	349,710	40.4%
	4,858,206	4,172,447	-14.1%
EBITDA			
Malaysia	324,603	318,640	-1.8%
Vietnam	12,429	(12,260)	-198.6%
Others	12,044	22,180	84.2%
	349,076	328,560	-5.9%
EBITDA margin			
Malaysia	8.2%	9.8%	
Vietnam	1.9%	-2.2%	
Others	4.8%	6.3%	
	7.2%	7.9%	

Malaysia Sales Performance

Q-o-Q

+5.8%



3Q19

4Q19



5,563 units
+5%



UD TRUCKS

158 units
+42%



RENAULT

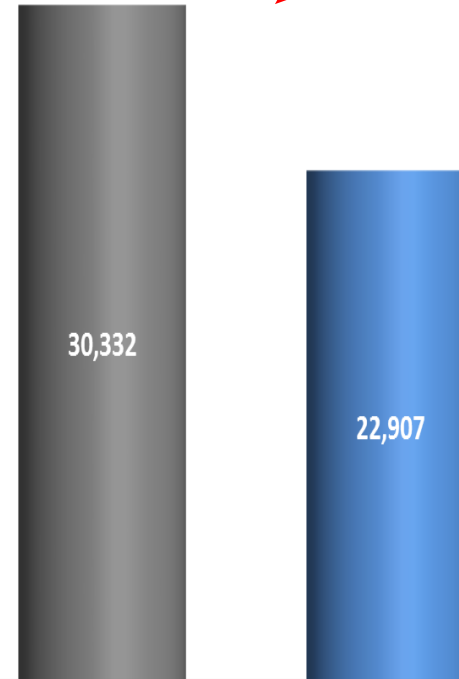
322 units
+5%



0 units
N/A

Y-o-Y

-24.5%



2018

2019



21,239 units
-26%



UD TRUCKS

446 units
-34%



RENAULT

1,218 units
+21%



4 units
-89%

Malaysia Sales Performance (Cont'd)

Malaysia

- **YoY -24.5% : Due to more vehicles sold during “tax holiday” sales period in 2018.**
- **QoQ +5.8%: Due to higher sales demands in Q4.**

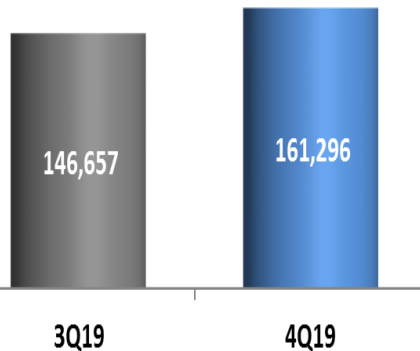


Top 5 manufacturers

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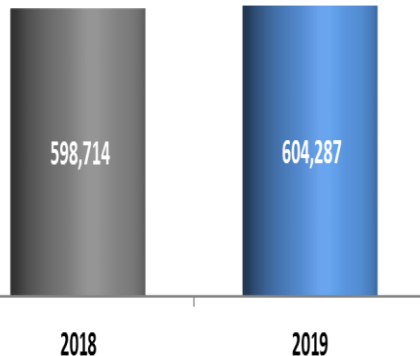
Q-o-Q

+10.0%



Y-o-Y

+0.9%



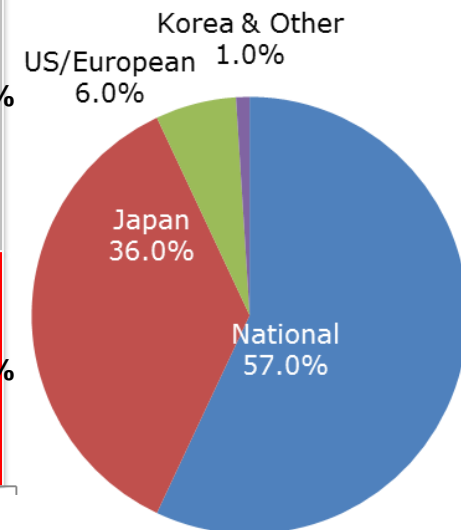
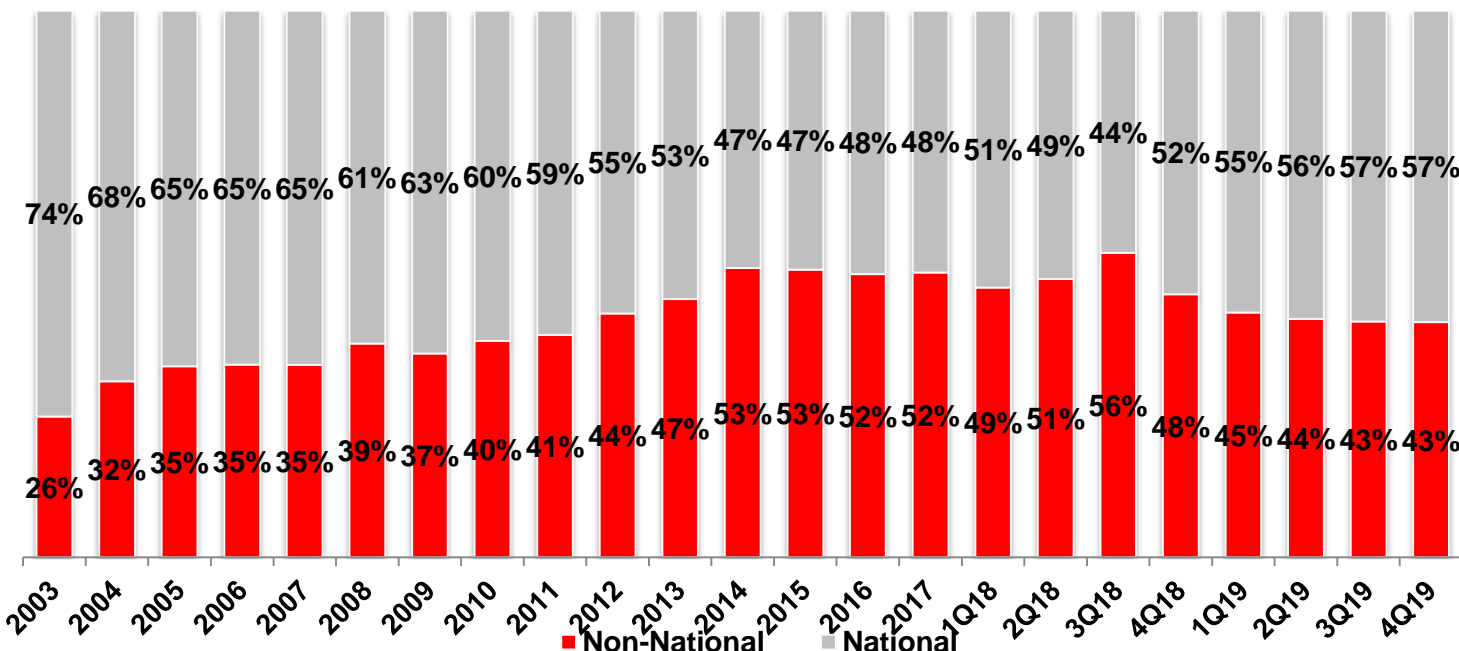
Top 5 manufacturers

	Units			Market Share		
	4Q'19	3Q'19	Changes	4Q'19	3Q'19	2019
Perodua	61,587	56,972	+8.1%	38.2%	38.8%	39.8%
Proton	30,263	26,402	+14.6%	18.8%	18.0%	16.6%
Honda	20,295	20,863	-2.7%	12.6%	14.2%	14.1%
Toyota	21,483	16,357	+31.3%	13.3%	11.2%	11.4%
Nissan	5,563	5,293	+5.1%	3.4%	3.6%	3.5%

Source: MAA

National brands regaining market share

4Q'19



	Q-o-Q %
Perodua	8.1%
Proton	14.6%

	Q-o-Q %
Toyota	31.3%
Nissan	5.1%
Honda	-2.7%
Mitsubishi	19.2%
Isuzu	36.4%
Mazda	10.2%

	Q-o-Q %
Ford	-6.6%
VW	3.9%
BMW	-16.6%
Mercedes	31.0%

Indochina Sales Performance

Q-o-Q

-2%



1,199 units
-3%

Vietnam



158 units
-16%

Laos



148 units
-24%

Cambodia



297 units
+38%

Myanmar

Y-o-Y

+2%



6,366 units
-5%

Vietnam



729 units
+23%

Laos



688 units
+39%

Cambodia



1,199 units
+17%

Myanmar

1,832

1,802

8,805

8,982

3Q'19

4Q'19

2018

2019

Ytd Sales

Indochina Sales Performance (Cont'd)

Indochina

- Y-o-Y, sales in Indochina increased by 2% due to the higher sales in Myanmar, Cambodia and Laos.
- Q-o-Q, sales in Indochina decreased by 2% due to the lower sales in Vietnam, Laos and Cambodia.

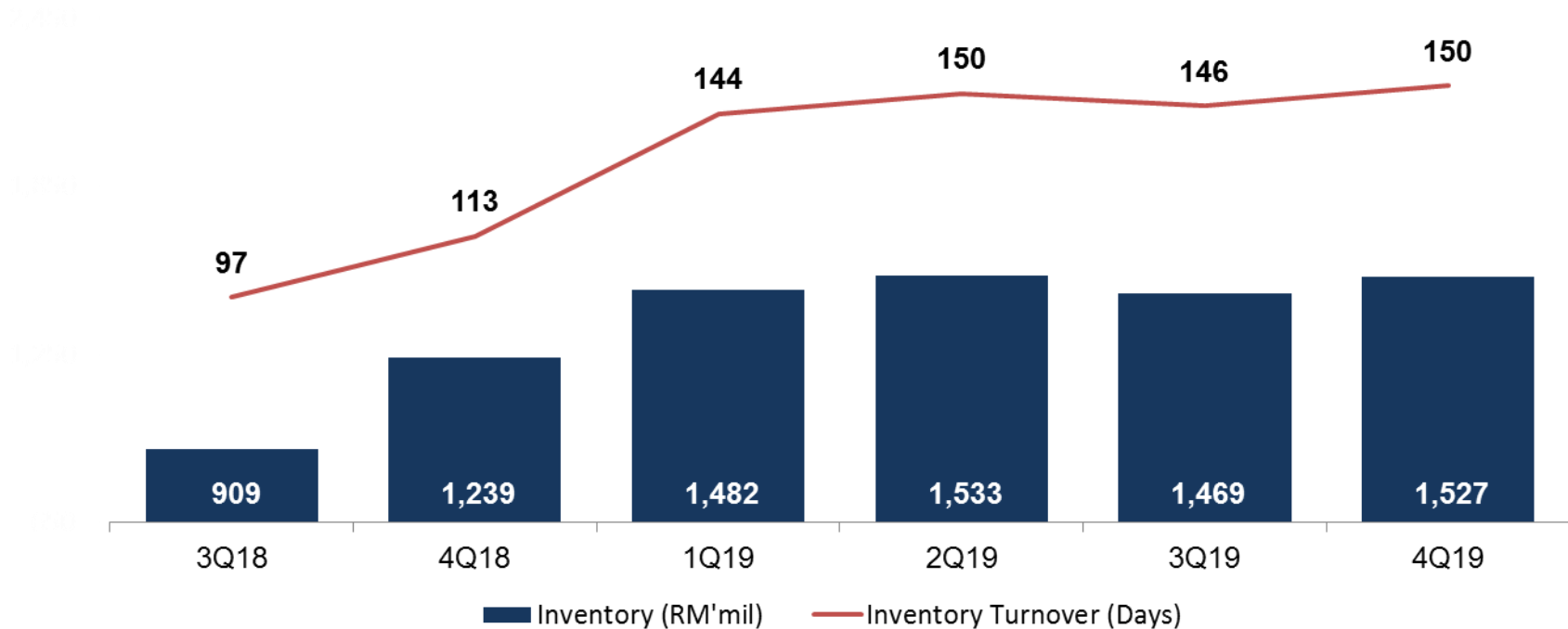


Business Review

4Q19 Sales Performance & Operation Review

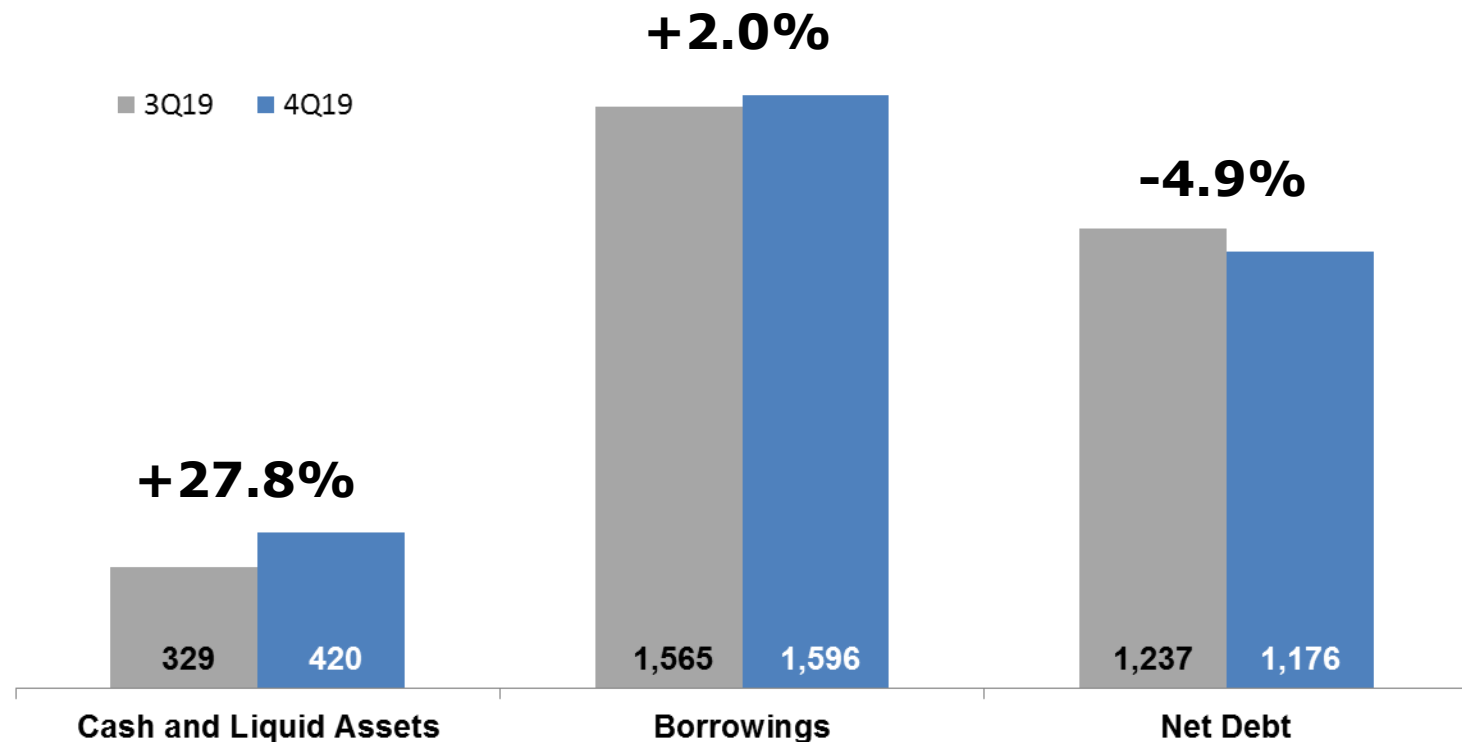
Appendices

Inventory Management



- Increase in turnover days was due to competitive business environment.

Cash Balance & Borrowings (RM'mil)



- Total borrowings slightly increased due to further drawdown needed for working capital purposes.
- Net gearing stood at 38.9% as at 31 December 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

