



TAN CHONG MOTOR HOLDINGS BERHAD



# 45<sup>TH</sup> ANNUAL GENERAL MEETING

25 MAY 2017





TAN CHONG

# CONTENT



- 1. 2016 PERFORMANCE OVERVIEW & KEY INITIATIVES**
- 2. 2017 OUTLOOK**
- 3. GOING FORWARD**

# 2016 PERFORMANCE OVERVIEW & KEY INITIATIVES

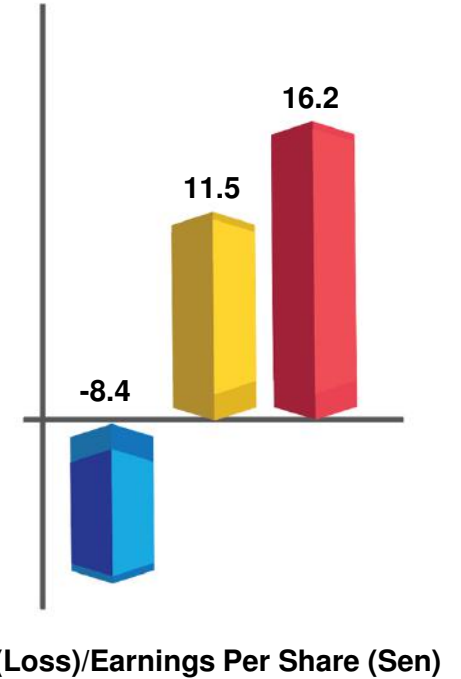
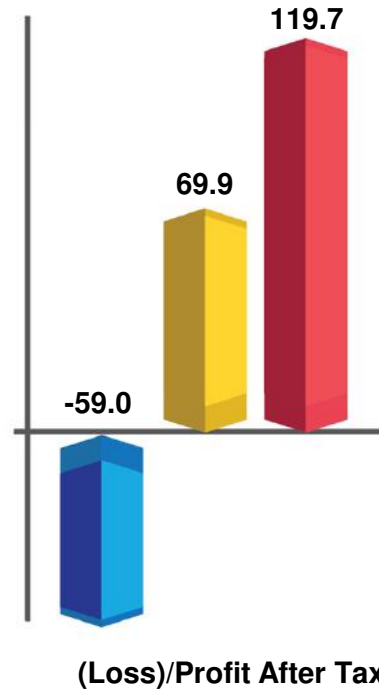
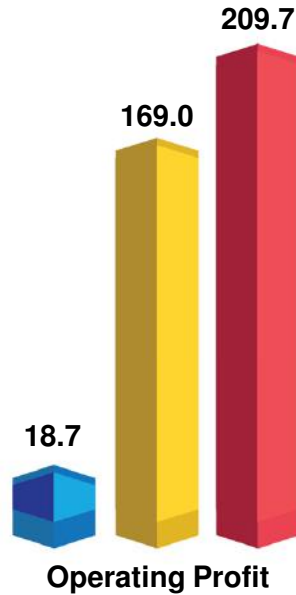
## Financial Performance





TAN CHONG

# KEY PERFORMANCE INDICATORS



2016 2015 2014

(RM' MILLION)



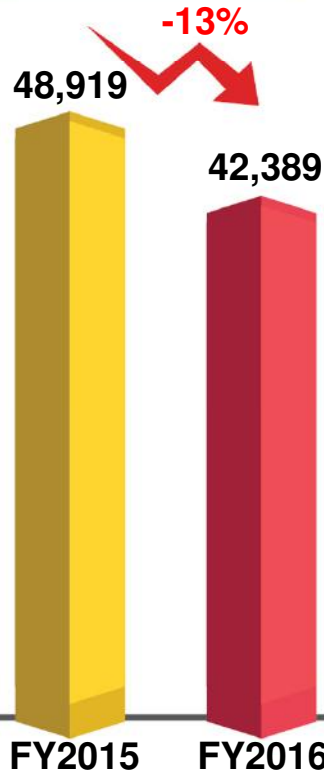


TAN CHONG

# SALES PERFORMANCE (Y-o-Y)



Y-o-Y



## Malaysia

	40,706 Units -14%
	970 Units -6%
	599 Units +25%
	114 Units -34%

Y-o-Y



## Indo-China

	4,813 Units +43%
	257 Units +8%
	28 Units -28%
	67 Units -64%



TAN CHONG

# GROUP RESULTS SUMMARY



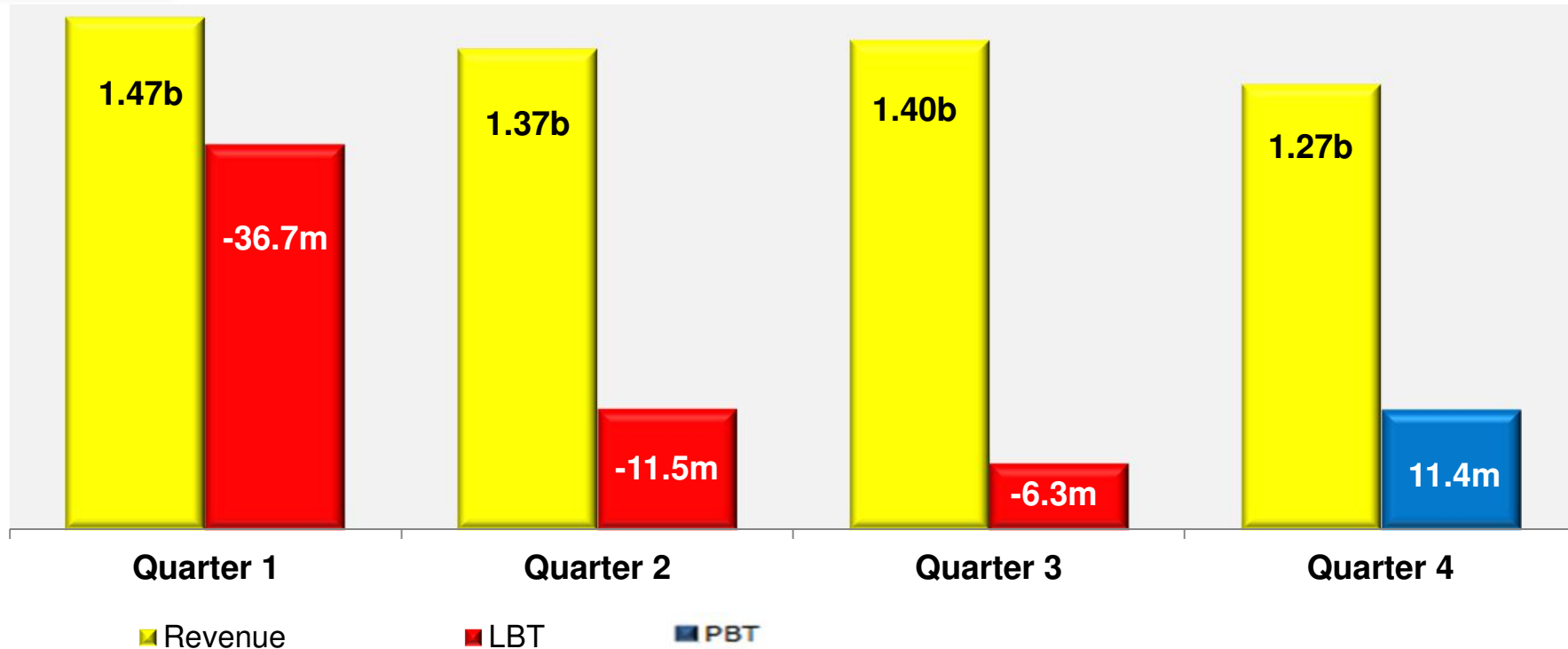
In RM'000, unless stated otherwise	31-Dec-16	31-Dec-15	CHANGES
Revenue	5,460,757	5,716,654	-4.5%
Operating Profit	18,695	169,008	-88.9%
(Loss)/Profit Before Tax	(43,080)	115,252	-137.4%
(Loss)/Profit After Tax	(59,034)	69,902	-184.5%
(Loss)/Profit Attributable to Owners of the Company	(54,943)	74,865	-173.4%
(Loss)/Earnings Per Share (Sen)	(8.42)	11.47	-173.4%

- **Year on year (Y-o-Y), Revenue lower by 4.5% due to weaker consumer spending appetite and tight lending requirements by financial institutions.**
- **Weaker Malaysian Ringgit have increased the costs of business and thereby putting more pressure on the profit margins.**



TAN CHONG

# GROUP FY2016 QUARTERLY RESULTS



We took active measures to improve the financial performance and will continue to do so

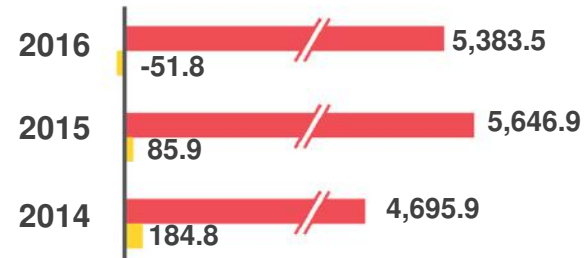


TAN CHONG

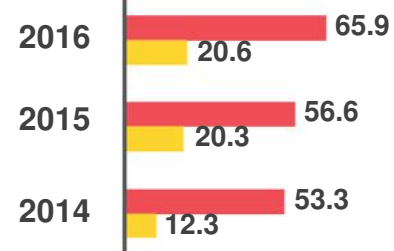
# TCMH SEGMENTAL GROUP REVENUE & PBT



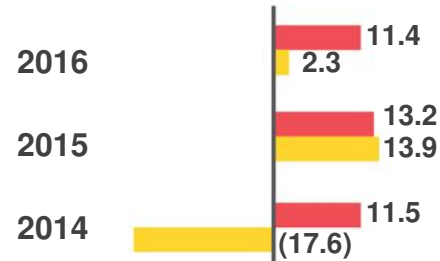
**Vehicles Assembly,  
Manufacturing,  
Distribution &  
After-Sales  
Services**



**Financial  
Services**



**Other  
Operations**



(RM' MILLION)

■ Revenue

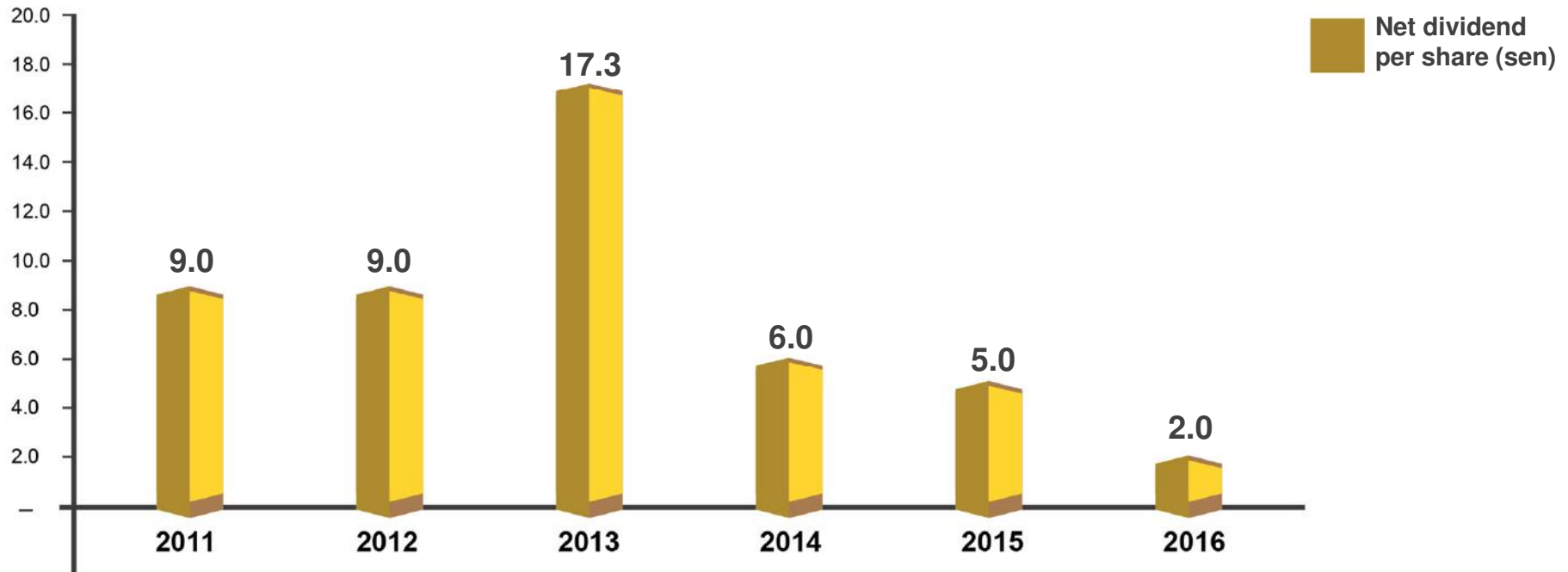
■ PBT





TAN CHONG

# RETURNS TO SHAREHOLDERS



**Lower dividends per share in 2016 due to the Group performance in FY2016.**

# 2016 PERFORMANCE OVERVIEW & KEY INITIATIVES

## Key Initiatives





TAN CHONG

## 2016 KEY MODELS LINE-UP



NISSAN ALMERA



NISSAN X-TRAIL



NISSAN NP300 NAVARA



INFINITI



INFINITI Q50



INFINITI Q70



INFINITI QX70



TAN CHONG

# 2016 KEY MODELS LINE-UP



**RENAULT**  
Passion for life



RENAULT KOLEOS



RENAULT CAPTUR



RENAULT FLUENCE



**UD TRUCKS**



UD QUESTER



UD HEAVY DUTY



UD BUS





TAN CHONG

# 2016 KEY INITIATIVES



## Sales campaign & events

**FESTIVE WOW!!!**  
CELEBRATE WITH US!!!

**INSTANT CASH REBATE**

Promotion valid until 29 February 2016

Tax Invoice Total Amount (GST inclusive)	Cash Rebate Amount
RM424.00-RM847.99	<b>RM50</b>
RM848.00-RM1271.99	<b>RM100</b>
RM1272.00 and above	<b>RM150</b>

Terms & Conditions Apply

**DRIVE TO PROSPERITY**

Win SHARP Home & Electrical Appliances Today!

**RIANG RAYA WITH NISSAN**

Savings up to **RM10,000\***  
Irresistible Accessory Offers for RM1\*\*  
Test Drive Gifts\*\*

**1.6 MILLION AIRASIA BIG POINTS UP FOR GRABS!**

**MILLIONAIRE DRIVE**  
WIN 2 MILLION AIRASIA BIG POINTS





TAN CHONG

# 2016 KEY INITIATIVES



## Sales campaign & events

**Innovative x (Line-up)<sup>new</sup> = Dream Team**

**BUY & WIN AN ALL-EXPENSE PAID TRIP TO EXPERIENCE THE UEFA CHAMPIONS LEAGUE FINAL MATCH LIVE IN MILAN**

Model	Price	Key Features
ALL-NEW NAVARA	From RM89,800.00	RM1 PROMO, LUXURY PACKAGE (V & SE variants only)
X-TRAIL	From RM136,976.96	RM1 PROMO, 2.0L LEATHER SEATS, 2.5L 8" MULTIMEDIA NAVI
GRAND LIVINA	From RM87,100.00	RM1 PROMO, IMPUL AEROKIT
SERENA	From RM132,978.59	INCLUSIVE OF 2 YEARS MAINTENANCE SERVICE
TEANA	From RM137,000.00	INCLUSIVE OF 2 YEARS MAINTENANCE SERVICE, RM1 PROMO, 8" MULTIMEDIA NAVI

Terms and Conditions apply

## Nissan 2016 UEFA sales campaign



TAN CHONG

# 2016 KEY INITIATIVES



## Sales campaign & events

**IT'S A BIG DEAL**

Renault **FLUENCE**  
Limited units. Now from **RM79,888\***

2.0L Engine with 6-speed transmission  
5-year manufacturer's warranty  
2016 year make

\*Reninsular Malaysia price, excluding insurance. Applicable to Renault FLUENCE display models, for selected variant only. T&C apply.

Renault Fluence 'It's a Big Deal' sales campaign

Motorsports. It's in our DNA  
Discover it in the FLUENCE and CAPTUR

Renault **FLUENCE**  
Rebates up to RM15,000\*  
RM 788/month

Renault **CAPTUR**  
3 years free maintenance\*\*  
RM 888/month

To celebrate over 115 years of passion in Motorsports, we're offering irresistible deals and giveaways.

\* Test drive and receive exclusive Renault merchandise • Buy a FLUENCE or CAPTUR to receive a limited edition Renault Sport Formula One™ Team pack • Stand a chance to win a Renault Sport Formula One™ Team Experience which includes tickets to the Malaysia Grand Prix, Renault Garage Visit and more!

RENTAL CAR FINANCE

Renault 'Motorsports, It's in Our DNA' sales campaign

Renault **CAPTUR**  
Capture life. Capture style. Capture deals.

For a limited time only, enjoy **RM6,000 rebate** and **3 years free service**.\*

- Powerful turbocharged engine equivalent to a 1.6L
- Best-in-class fuel efficiency with ECO mode
- 5-year full manufacturer warranty

\*Terms and Conditions apply. Full terms at renault.com.my

Renault 'Capture Life, Capture Style, Capture Deals' sales campaign





TAN CHONG

## 2016 KEY INITIATIVES



### New Product Launches in Malaysia



All-new Renault Koleos launched in September 2016 ahead of Europe and China

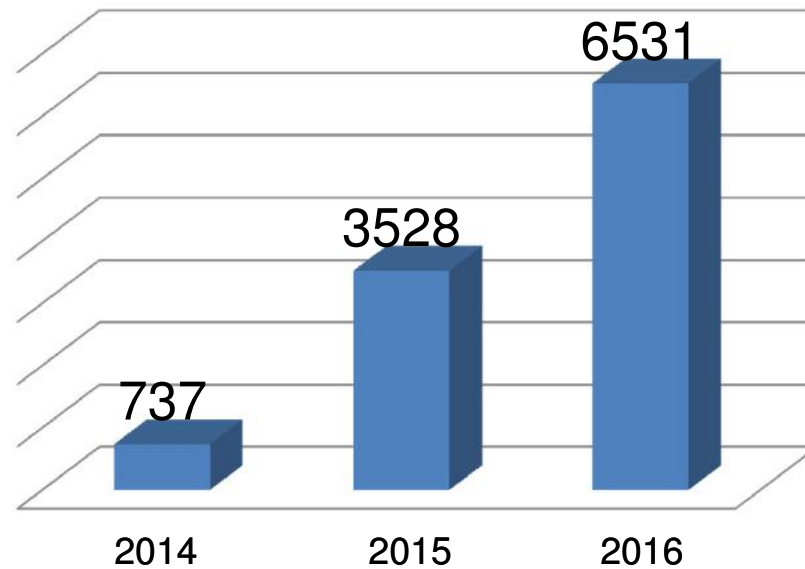


UD Quester 8L launched in September 2016  
Suitable for haulage, logistics and construction industry



TAN CHONG

## 2016 KEY INITIATIVES



**MUV saw strong sales growth**





TAN CHONG

## 2016 KEY INITIATIVES



### New Product Launches in Indo-China markets



Infiniti New QX60 Premium Crossover launched in Vietnam in July 2016



New Nissan X-Trail launched in Vietnam in September 2016





TAN CHONG

## 2016 KEY INITIATIVES



Expanding Tan Chong presence domestically and regionally in 2016



Completed our second overseas automotive assembly plant in Myanmar

It is also the first Myanmar automotive assembly plant



TAN CHONG

## 2016 KEY INITIATIVES



**Kawasaki high-powered motorcycles sales growth  
in Vietnam**

**FY2016 – 1,678 units**

**FY2015 – 487 units**



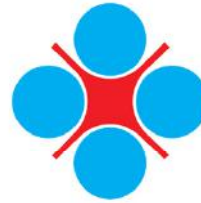
# 2017 BUSINESS OUTLOOK





TAN CHONG

# 2017 OUTLOOK



TAN CHONG



- Malaysian automotive market is expected to remain challenging with softer market and currency volatility
- Indo-China market has the potential to grow
- Continuous focus on customers and market to sustain sales in Malaysia and Indo-China

GOING  
FORWARD

60  
80 YEARS  
& BEYOND  
TAN CHONG GROUP







TAN CHONG

# GOING FORWARD



**Leveraging on our people assets, we continuously build our key business divisions in the Indo-China region with a network of assembly plants, sales and distribution and after-sales service centres**



TAN CHONG

## Current Business Presence in Malaysia & Indo-China



### Myanmar

*1 Plant, 1 Showroom, 3 Dealers,  
1 Service Centre, 3 Appointed Service Centres*



### Vietnam

*1 Plant, 1 Showroom, 17 Dealers,  
13 Appointed Service Centres*



### Laos

*3 Showrooms, 2 Dealers, 2 Service Centres,  
1 Appointed Service Centres*



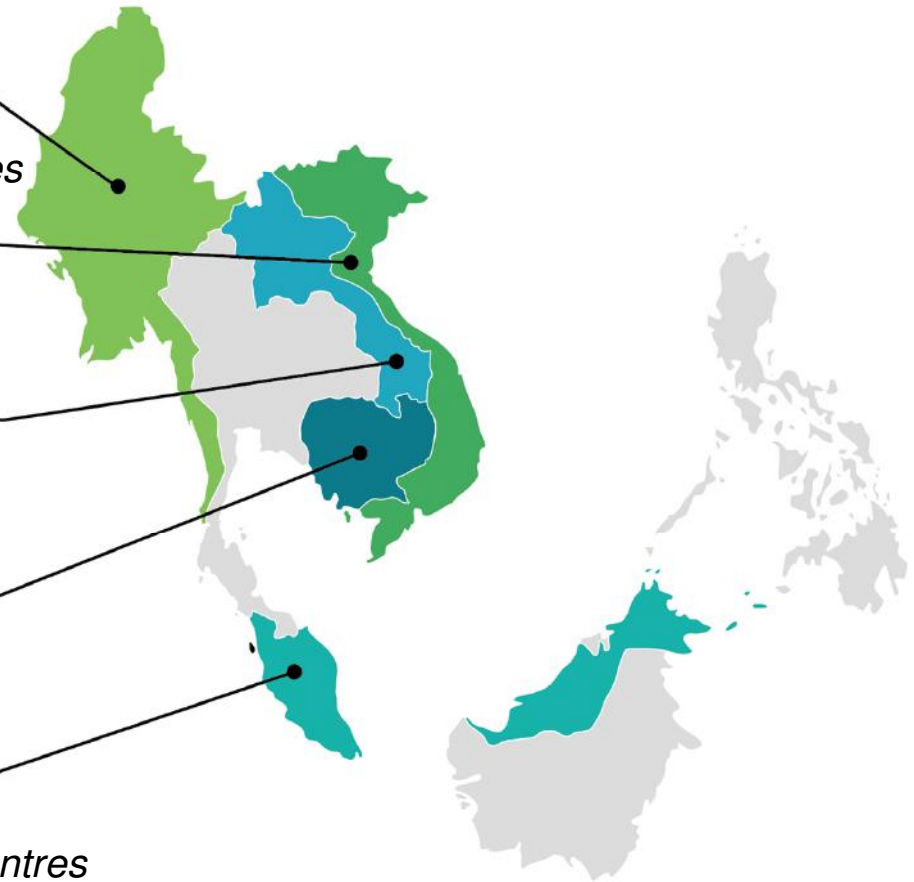
### Cambodia

*2 Showrooms, 1 Dealer, 3 Service Centres*



### Malaysia

*2 Plants, 91 Showrooms, 49 Dealers,  
90 Service Centres, 51 Appointed Service Centres*





TAN CHONG

# 1H 2017 INITIATIVES



**NISSAN** MALAYSIA'S BEST VEHICLE WARRANTY  
**7 YEARS**  
 UNLIMITED MILEAGE\*

NISSAN Innovation that excites

**NISSAN** Agility x (Line-up)<sup>EXPERIENCE</sup> Dream Team  
 CHAMPIONS LEAGUE  
 WIN ALL-EXPENSE PAID TRIP TO EXPERIENCE UEFA CHAMPIONS LEAGUE FINAL LIVE IN CARDIFF!\*\*\*

<b>NAVARA</b> 2.5 2WD RM46,000 EXTRA PACKAGE 17.5% FINANCE ONLY RM3,000	<b>TEANA</b> 2.0 2WD RM45,500 EXTRA PACKAGE 17.5% FINANCE ONLY RM3,000	<b>X-TRAIL</b> 2.0 2WD RM46,000 EXTRA PACKAGE 17.5% FINANCE ONLY RM4,500	<b>SERENA</b> 1.8 2WD RM45,000	<b>GRAND LIVINA</b> 1.8 2WD RM45,000 EXTRA PACKAGE 17.5% FINANCE ONLY RM3,000
--	---	---	-----------------------------------	--

**NISSAN** ALMERA  
 Innovation that excites  
 60 YEARS & BEYOND TAN CHONG GROUP  
 Drive me home from as low as  
**RM 600** \* monthly

**RMT PROMO\*** DRIVING VIDEO RECORDER (DVR)  
 \* INROAD AIRCREDIT OF 6.5" AGUSTINDIA NAVI  
 WITH ALL-EXPENSE PAID TRIP TO EXPERIENCE UEFA CHAMPIONS LEAGUE FINAL LIVE IN CARDIFF!\*\*\*

Launched the 7-year warranty with unlimited mileage for Nissan and Infiniti models

Nissan 2017 UEFA sales campaign

Nissan Almera sales campaign





TAN CHONG

# 1H 2017 INITIATIVES



Locally-assembled Renault Captur launched in Malaysia with competitive prices in April 2017



Myanmar-assembled Nissan Sunny for the Myanmar market was launched in January 2017



Introduction of New 2017 Nissan Navara Premium in Cambodia in March 2017



TAN CHONG

# Exclusively for Shareholders



TAN CHONG MOTOR HOLDINGS BERHAD ("TCMH")  
(Company No. 12998-P)

NO: TC60R 0001

CELEBRATING TAN CHONG GROUP'S 60<sup>TH</sup> ANNIVERSARY

An Irresistible Deal, exclusively for TCMH's Shareholders

SPECIAL DISCOUNT VOUCHER FOR RENAULT CAPTUR  
**RM13,000\***

\*Terms & Conditions apply



Renault Captur 1.2L Turbo (EDC)

Special Discount Voucher for RENAULT Captur 1.2L Turbo (EDC)

TAN CHONG MOTOR HOLDINGS BERHAD ("TCMH")  
(Company No. 12998-P)

NO: TC60N 0001

CELEBRATING TAN CHONG GROUP'S 60<sup>TH</sup> ANNIVERSARY

An Irresistible Deal, exclusively for TCMH's Shareholders

SPECIAL DISCOUNT VOUCHER FOR NISSAN ALMERA  
**RM12,500\***

\*Terms & Conditions apply



Nissan Almera 1.5L (Auto / Manual)

Special Discount Voucher for NISSAN Almera 1.5L (Auto/Manual)

**Special Discount Vouchers distributed to all eligible Shareholders**



A photograph of a car body on an assembly line. A worker in a blue uniform and white hard hat is seen from the back, working on the car. The car is white and has its doors open. The background is a busy factory with various mechanical parts and structures.

# Thank You

*Shaping the Future*  
together towards the next  
60 years and beyond



# DISCLAIMER



TAN CHONG

## 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.