

**Tan Chong  
Motor  
Holdings  
Berhad**

# **FY2020 Fourth-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. **Such statements are not and should not be construed as a representation, warranty or undertaking as to the future performance or achievements of the Company and the Company assumes no obligation or responsibility to update any such statements.**

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 (but without limitation to) (i) changes in economic conditions, currency exchange rates, the laws, regulations, government policies, or political instability in the markets where the Group operates; (ii) market demand and the competitive environment affecting the automotive markets in which the Group operates; (iii) circumstances relating to our ability to introduce, in a timely manner, and achieve market acceptance of new products; and (iv) shortage of fuel or interruptions in transportation systems, labor strikes, work stoppages, or other business and operational risks, etc.



## New Nissan Navara



# New Product Launch



## Renault Megane R.S. Trophy

## **4Q20 Financial Highlights & Results**

# Key Performance Indicators

(RM'million, unless otherwise stated)

Y-o-Y

Q-o-Q

## Revenue

-23.3%

-22.5%

## Operating Profit / (Loss)

> -100%

> -100%

## Loss Attributable to Owners of the Company

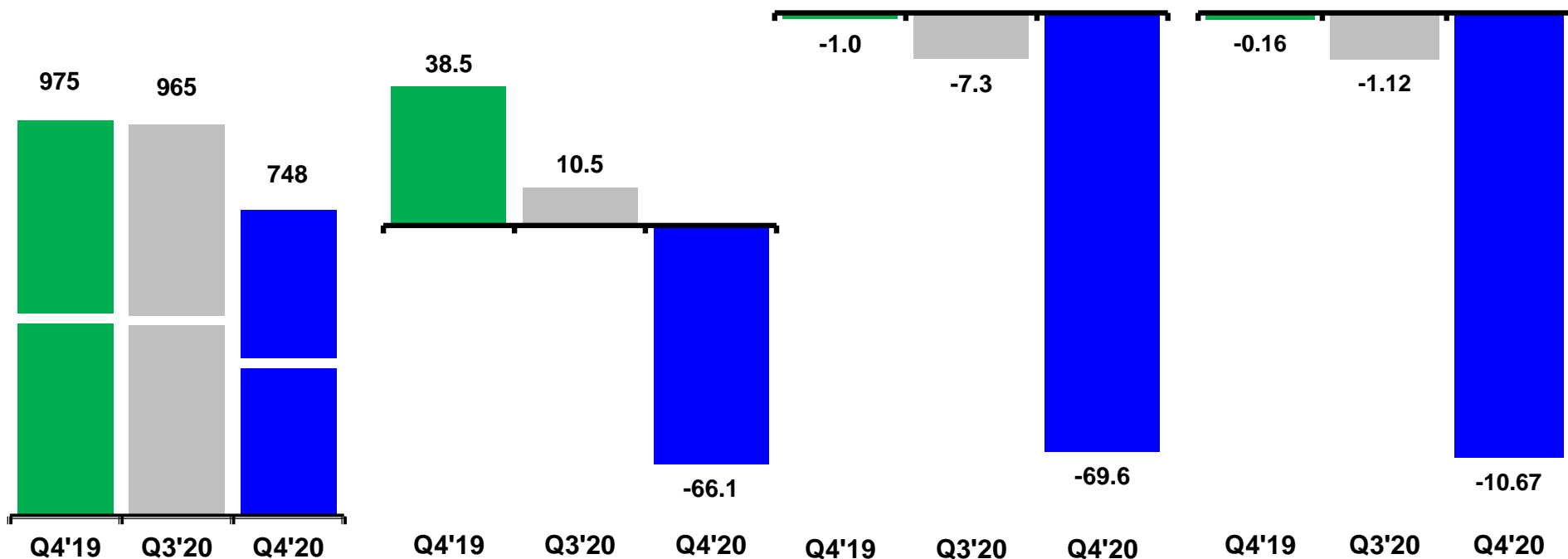
> -100%

> -100%

## Loss Per Share (Sen)

> -100%

> -100%



# QoQ Financial Review

<i>In RM'000, unless stated otherwise</i>	3Q20	4Q20	Changes
Revenue	964,543	747,897	-22.5%
Operating Profit / (Loss)	10,543	(66,096)	> -100%
Profit / (Loss) before Tax	1,722	(76,889)	> -100%
Loss Attributable to Owners of the Company	(7,334)	(69,625)	> -100%
Loss per Share (Sen)	(1.12)	(10.67)	> -100%
Shareholders' Fund	2,914,815	2,841,686	-2.5%
Net Asset per Share (RM)	4.47	4.36	-2.5%

- Lower revenue as a result of the stiffer competition and implementation of the CMCO since November 9.
- Decrease in profitability mainly due to the impact arising from the settlement of the Bills of Demand from Royal Malaysian Customs Department (RMCD).

# YoY Financial Review

<i>In RM'000, unless stated otherwise</i>	YTD 31-Dec-19	YTD 31-Dec-20	Changes
Revenue	4,172,447	2,959,619	-29.1%
Operating Profit/ (Loss)	169,557	(115,459)	> -100%
Profit/ (Loss) before Tax	114,327	(161,298)	> -100%
Profit/ (Loss) after Tax	46,692	(176,753)	> -100%
Profit/ (Loss) Attributable to Owners of the Company	43,645	(165,580)	> -100%
Earning/ (Loss) per Share (Sen)	6.69	(25.38)	> -100%

- YTD revenue was lower by 29% as sales were affected by the movement control orders implemented nationwide to curb the spread of Covid-19 pandemic.
- The Group recorded loss after tax of RM177mil compared to profit after tax of RM47mil in previous year. The Group has reached an amicable solution with RMCD on the settlement of the Bills of Demand, as this will enable the Group to focus on its core business instead of being entangled in a protracted litigation.



## **4Q20 Segmental Results**

# Segmental Performance

<i><b>In RM'000</b></i>	<b>2019</b>	<b>2020</b>	<b>Changes (%)</b>
<b>Revenue</b>			
Automotive	4,073,346	2,870,100	-29.5%
Financial services	80,857	70,063	-13.3%
Other operations	18,244	19,456	6.6%
	<b>4,172,447</b>	<b>2,959,619</b>	<b>-29.1%</b>
<b>EBITDA</b>			
Automotive	300,572	21,618	-92.8%
Financial services	26,394	20,897	-20.8%
Other operations	1,187	(2,046)	> -100%
	<b>328,153</b>	<b>40,469</b>	<b>-87.7%</b>
<b>EBITDA Margin</b>			
Automotive	7.4%	0.8%	
Financial services	32.6%	29.8%	
Other operations	6.5%	-10.5%	
	<b>7.9%</b>	<b>1.4%</b>	

# Geographical Performance

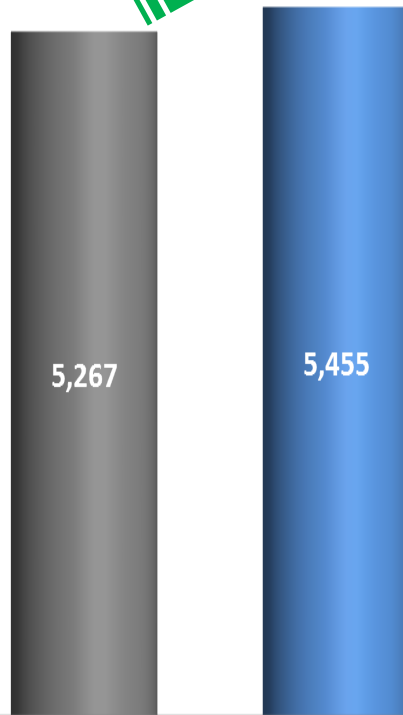
<i>In RM'000</i>	2019	2020	Changes (%)
<b>Revenue</b>			
Malaysia	3,261,845	2,393,518	-26.6%
Vietnam	560,892	290,690	-48.2%
Others	349,710	275,411	-21.2%
	<b>4,172,447</b>	<b>2,959,619</b>	<b>-29.1%</b>
<b>EBITDA</b>			
Malaysia	317,720	101,675	-68.0%
Vietnam	(11,747)	(84,011)	> -100%
Others	22,180	22,805	2.8%
	<b>328,153</b>	<b>40,469</b>	<b>-87.7%</b>
<b>EBITDA Margin</b>			
Malaysia	9.7%	4.2%	
Vietnam	-2.1%	-28.9%	
Others	6.3%	8.3%	
	<b>7.9%</b>	<b>1.4%</b>	

## **4Q20 Sales Performance, Operation Review**

# Malaysia Sales Performance

Q-o-Q

+3.6%



3Q20

4Q20



4,993 units  
+4%



UD TRUCKS

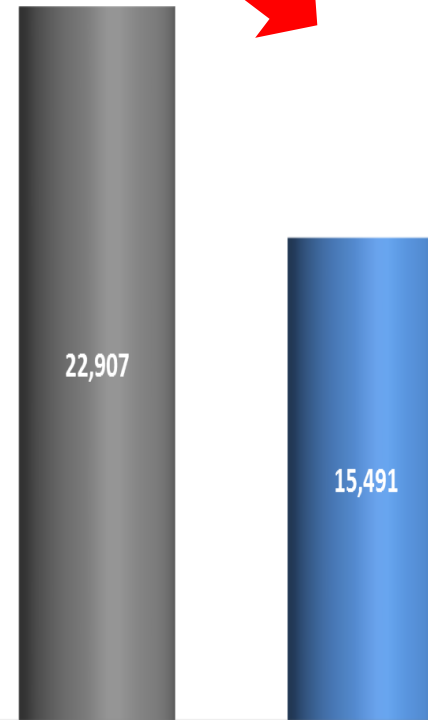
157 units  
+25%



305 units  
-14%

Y-o-Y

-32.4%



YTD 2019

YTD 2020



14,160 units  
-33%



UD TRUCKS

420 units  
-6%



911 units  
-25%



# Malaysia Sales Performance (Cont'd)

## Malaysia

- **QoQ +3.6%** : Sales continued to recover during the quarter helped by sales tax exemption for locally assembled vehicles (100%) and completely built-up vehicles (50%) which is now extended to 30 June 2021.
- **YoY -32.4%** : Lower sales affected during the MCO and CMCO period.



# Top 5 manufacturers

**TIV**

**Q-o-Q**

**+8.0%**

170,464

184,121

3Q20

4Q20

**Y-o-Y**

**-12.4%**

604,281

529,434

2019

2020

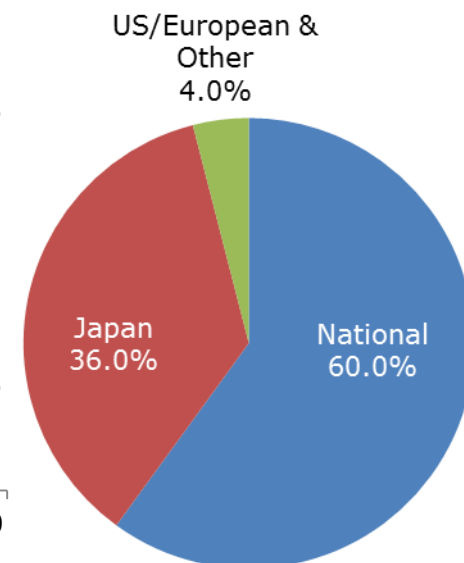
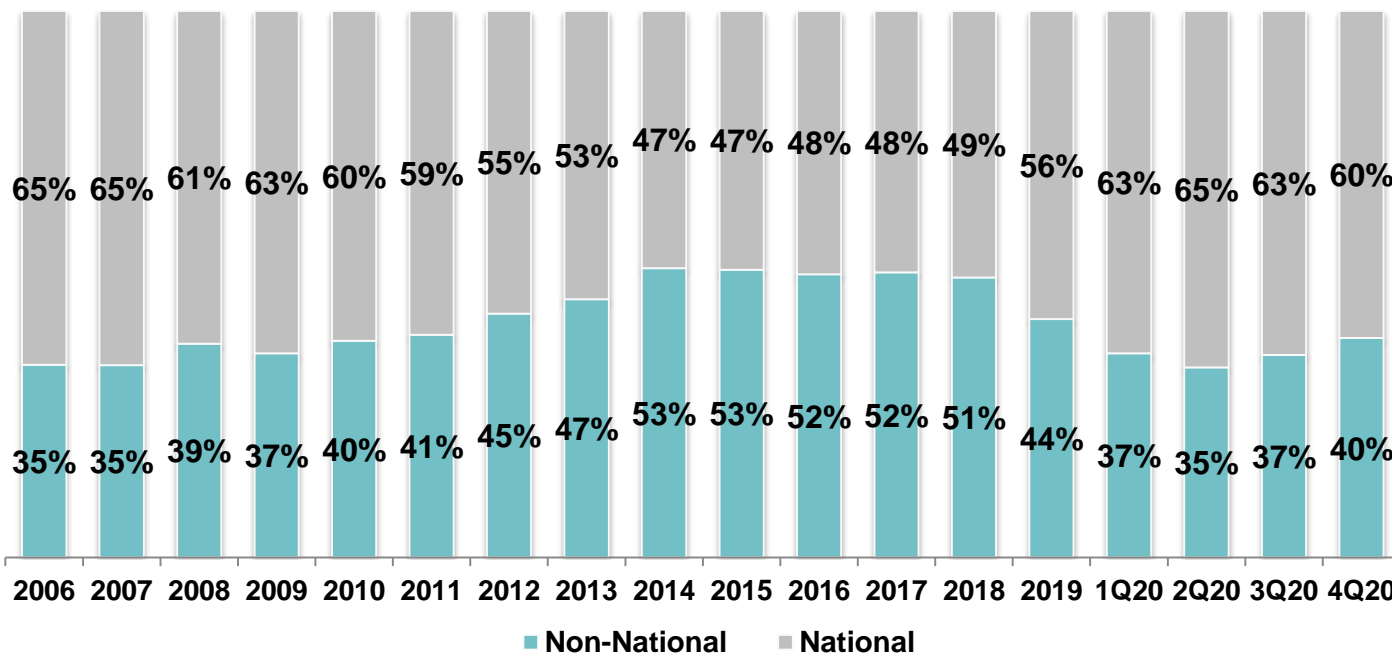
## Top 5 manufacturers

	Units			Market Share		
	4Q'20	3Q'20	Changes	4Q'20	3Q'20	2020
Perodua	75,151	70,842	6.1%	40.8%	41.6%	41.6%
Proton	34,977	36,469	-4.1%	19.0%	21.4%	20.5%
Toyota	21,667	18,635	16.3%	11.8%	10.9%	11.0%
Honda	25,813	17,531	47.2%	14.0%	10.3%	11.4%
Nissan	4,993	4,785	4.3%	2.7%	2.8%	2.7%

Source: MAA

# National brands regaining market share

4Q'20



	Q-o-Q %
Perodua	+6.1%
Proton	-4.1%

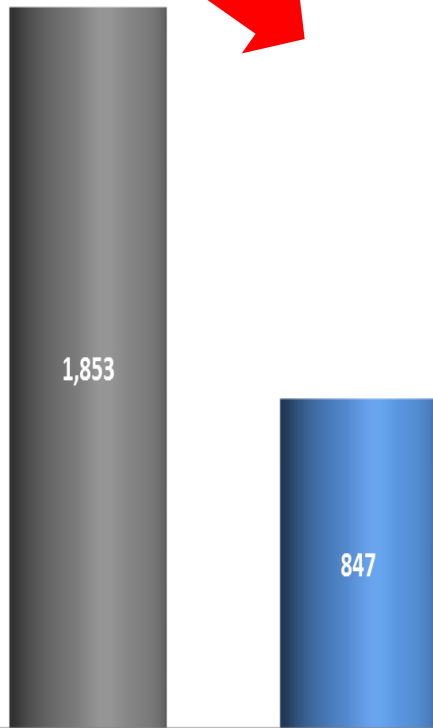
	Q-o-Q %
Toyota	+16.3%
Honda	+47.2%
<b>Nissan</b>	<b>+4.3%</b>
Mitsubishi	+15.2%
Isuzu	-11.5%
Mazda	+19.0%

	Q-o-Q %
Ford	-16.9%
VW	-42.6%
BMW	-10.0%

# Indochina Sales Performance

**Q-o-Q**

**-54%**



3Q'20

4Q'20



440 units  
-68%

**Vietnam**



185 units  
+34%

**Laos**



134 units  
+44%

**Cambodia**

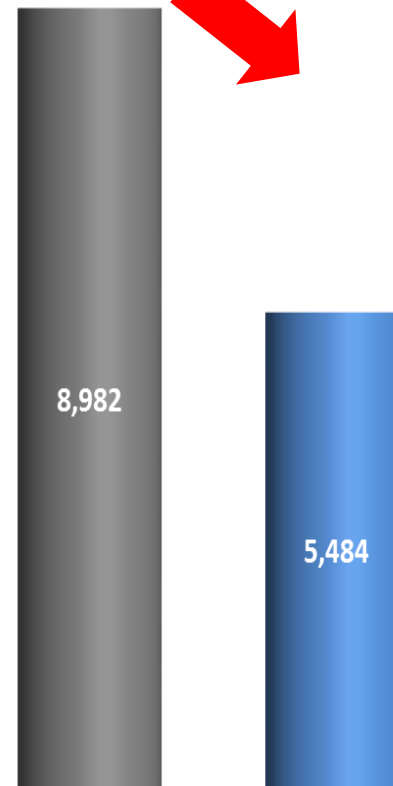


88 units  
-66%

**Myanmar**

**Y-o-Y**

**-39%**



YTD 2019

YTD 2020



3,406 units  
-46%

**Vietnam**



581 units  
-20%

**Laos**



423 units  
-39%

**Cambodia**



1,074 units  
-10%

**Myanmar**

*Ytd Sales*

# Indochina Sales Performance (Cont'd)

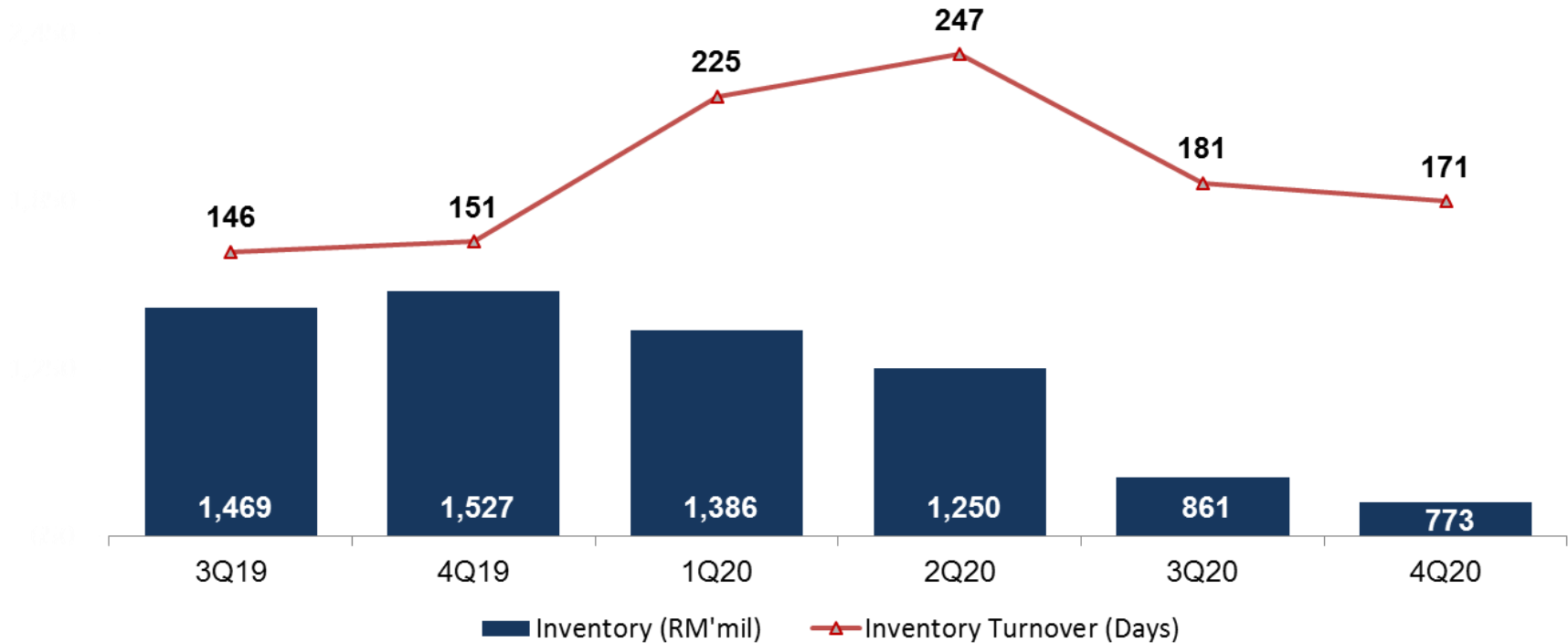
## Indochina

- Overall YTD sales in Indochina decreased by 39% YoY, affected by the lockdowns in various countries where the Group is operating in.
- QoQ, overall sales in Indochina decreased by 54% as the Group ceased to distribute Nissan in Vietnam. However, the impact was cushioned by sales of MG vehicles which were well-received in the Vietnam market.



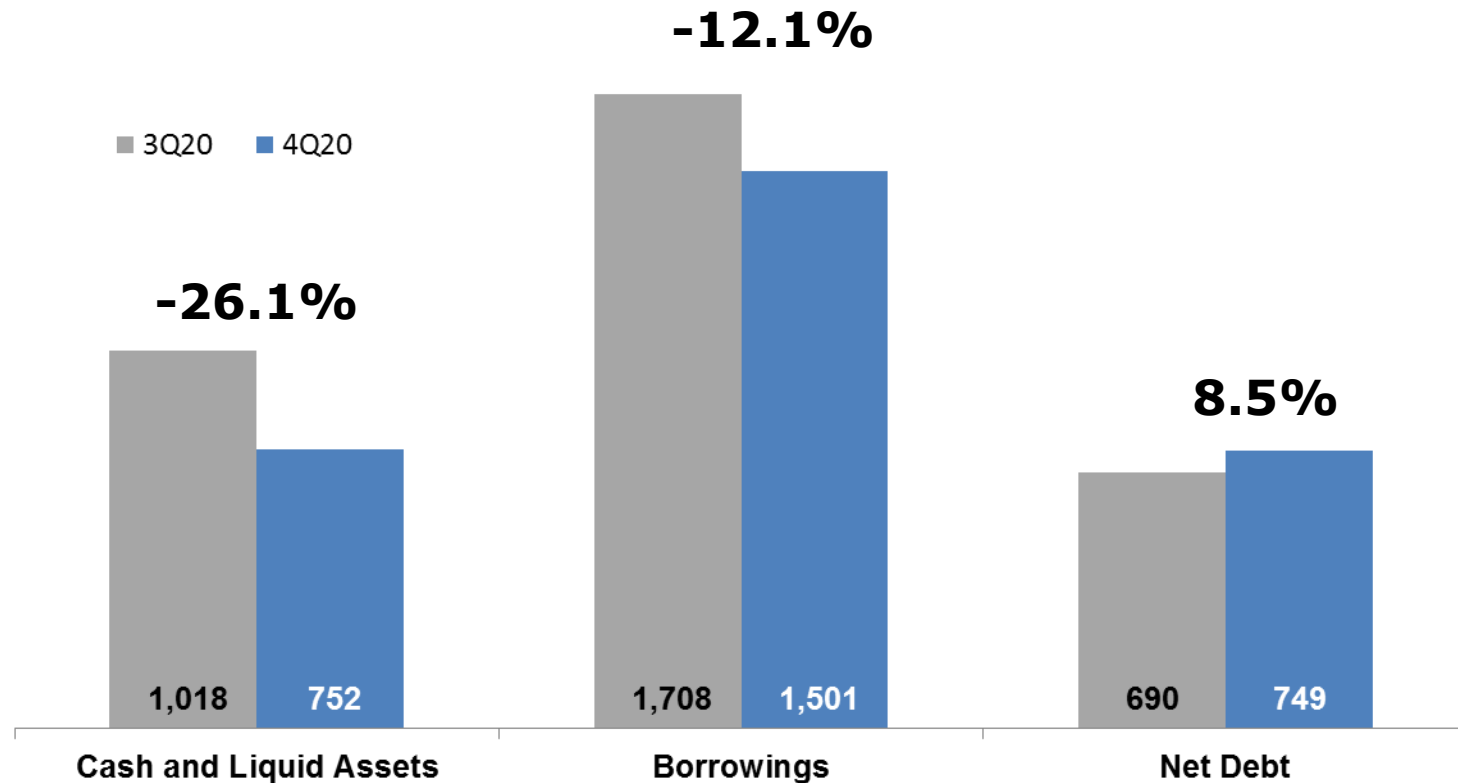


# Inventory Management



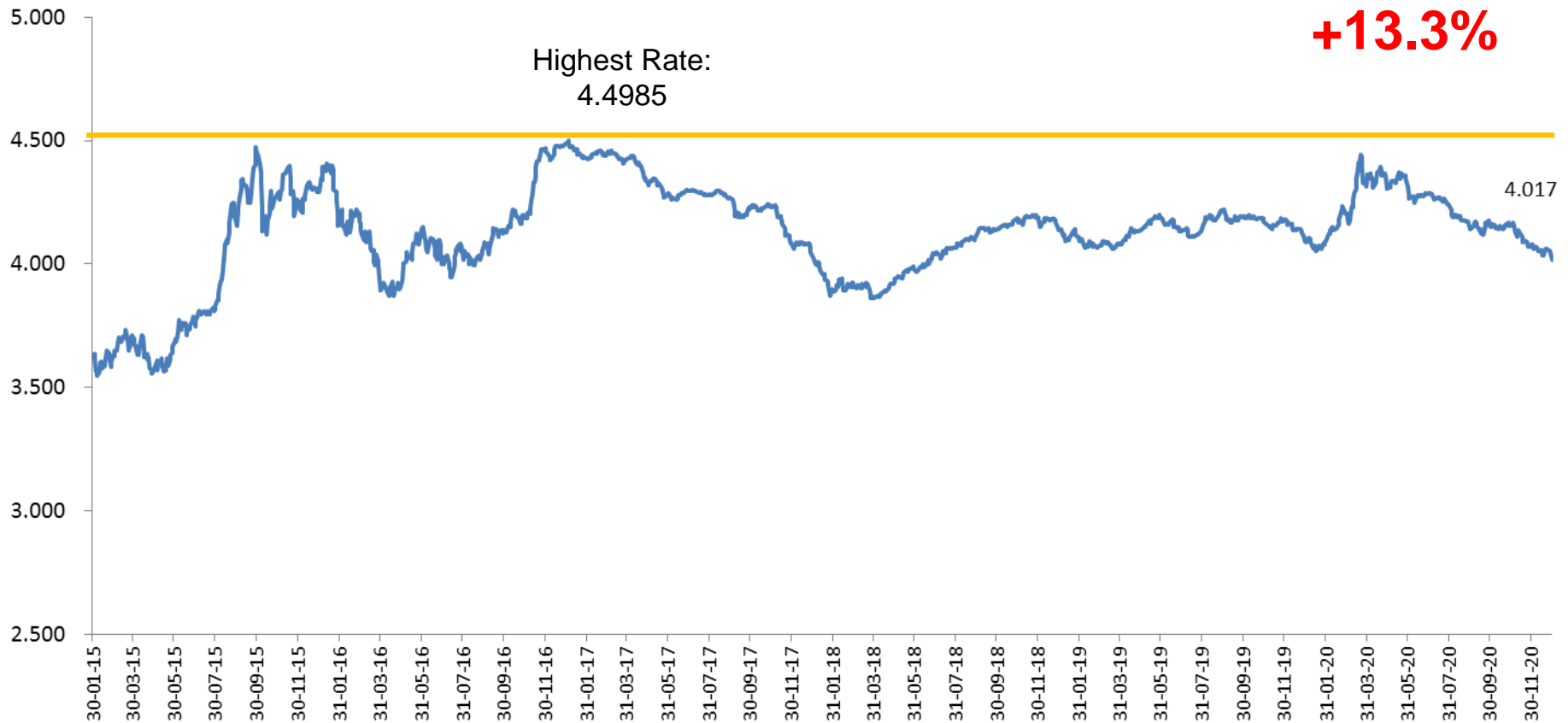
- **Inventory turnover days continued to decrease as the Group continued to optimise the operation and conserving more cash during these uncertain times.**

## Cash Balance & Borrowings (RM'mil)



- Net gearing stood at 26.4% as at end of the quarter.

# Foreign Exchange Management



Source: Bank Negara

- Ringgit vs U.S. Dollar continues to appreciate during the quarter amid positive sentiments surrounding the Covid-19 vaccine rollout.
- The Group continues to take diligent steps to monitor the foreign currency risk and manage our hedging activities prudently.

Thank you

