



# 2019 Full Year Results Presentation

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# Benjamin Birks, Group Managing Director

# Our Strategy

## The Southeast Asia Opportunity

**4<sup>th</sup> largest**

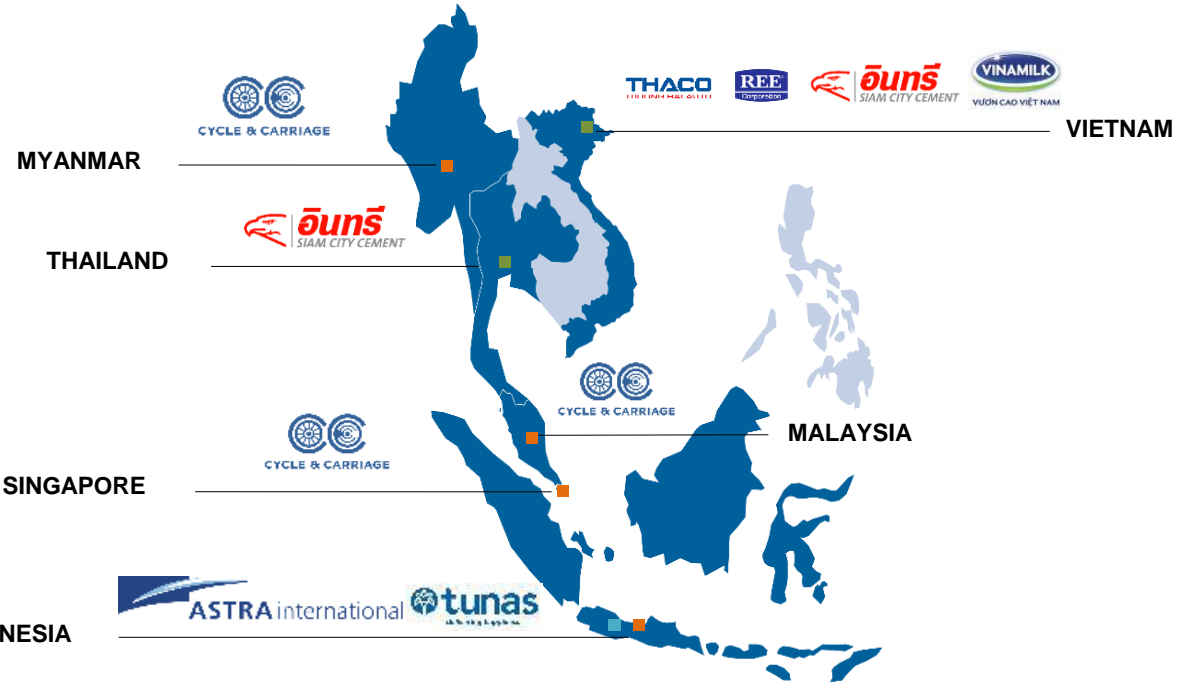
economy globally by 2030

Today	2030
657 million population	710 million population
US\$3 trillion GDP	US\$6 trillion GDP
6% GDP growth	Expected annual average growth of 6% for the next decade

- **We focus on Southeast Asia**, where we have proximity, management expertise, knowledge, relationships and a track record of delivering performance
- Our investment themes are **urbanisation and the emerging consumer class in Southeast Asia**
- **We invest in market leading businesses** and work closely with them to reach their potential and elevate their communities

# Our Presence

JC&C is an investment holding company of Jardines in Southeast Asia



# Business interests in Southeast Asia

ASTRA



DIRECT MOTOR INTERESTS



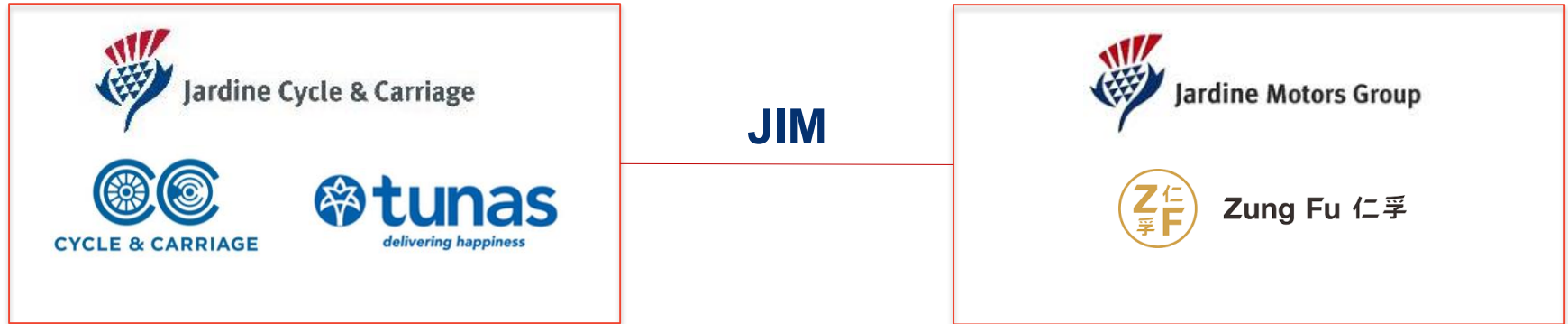
OTHER STRATEGIC INTERESTS



VƯỜN CAO VIỆT NAM

# Jardine International Motors (JIM)

*JIM's unified strategy is digitally-led, customer-centric and focused on taking full advantage of future opportunities to generate new streams of revenue in the automotive sector.*



# 2019 Full Year Financial Highlights

## Financial Highlights

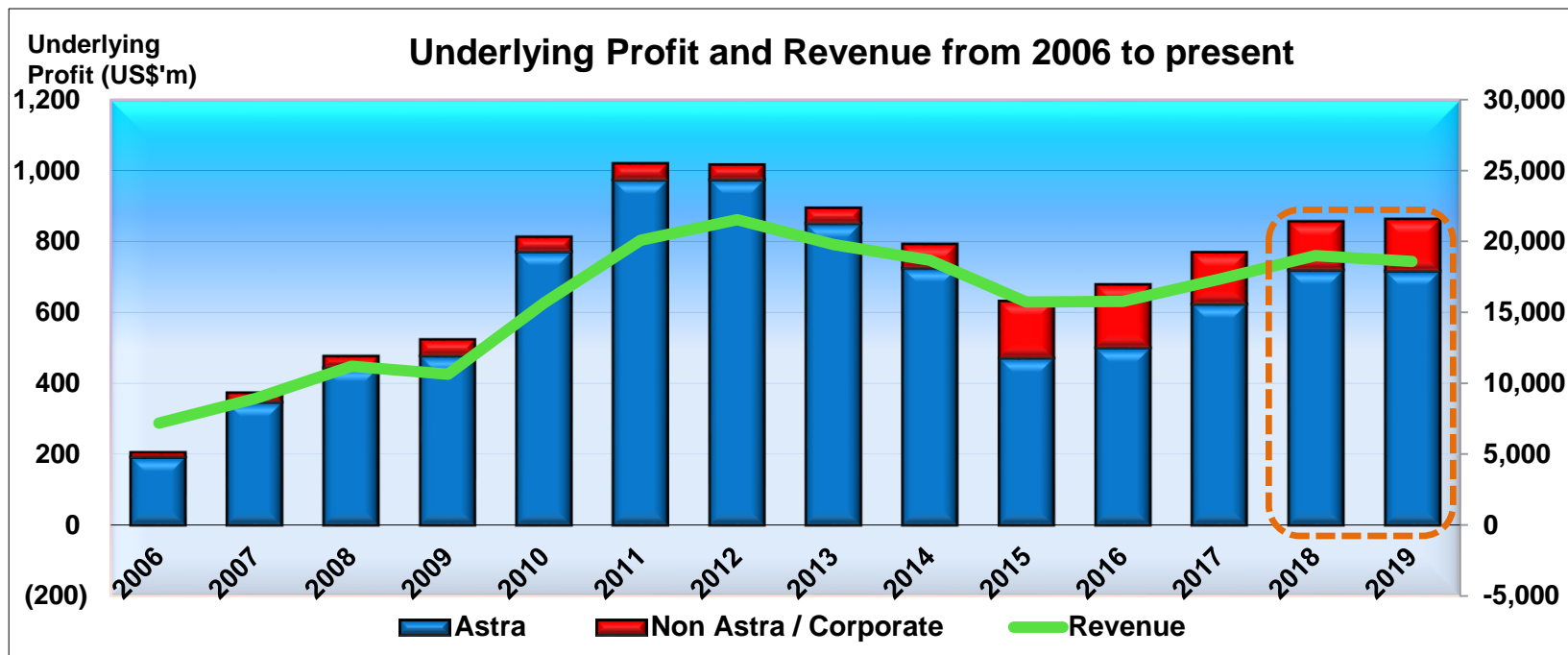
- Underlying profit at US\$863 million
- Stable performance from Astra
- Direct Motor Interests down due to Singapore and Malaysia
- Other Strategic Interests impacted by Thaco's lower automotive profits

	<u>FY2019</u>	<u>Restated FY2018</u>	
	US\$m	US\$m	Change
Astra	715.7	718.1	0%
Direct Motor Interests	62.9	70.7	-11%
Other Strategic Interests	126.0	144.1	-13%
Corporate Costs	(41.5)	(76.9)	-46%
<b>Underlying profit</b>	<b><u>863.1</u></b>	<b><u>856.0</u></b>	<b>1%</b>



# Financial Highlights – Profit & Loss Account

Underlying profit at US\$863m



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Astra	86%	89%	91%	89%	93%	94%	94%	94%	90%	73%	72%	80%	77%	79%
Non-Astra	14%	11%	9%	11%	7%	6%	6%	6%	10%	27%	28%	20%	23%	21%

## Financial Highlights – Profit & Loss Account

Underlying profit at US\$863m

	<u>FY2019</u> US\$m	Restated <u>FY2018</u> US\$m	<i>Change</i>
Revenue	<u>18,591</u>	<u>18,992</u>	-2%
Underlying profit	<b>863</b>	856	1%
Non-trading items	<b>18</b>	(438)	<i>nm</i>
Net profit	<u><b>881</b></u>	<u>418</u>	111%
Underlying EPS	<b>218</b>	217	1%
Dividend per share	<b>87</b>	87	0%

## Financial Highlights – Balance Sheet

*Strong financial position with shareholders' funds 12% up and net asset value per share at US\$17.36*

	<u>Dec-19</u> US\$m	Restated <u>Dec-18</u> US\$m	<i>Change</i>
Shareholders' funds	<b>6,860</b>	6,144	12%
Total equity	<b>14,985</b>	13,486	11%
Net debt	<b>(6,342)</b>	(5,444)	16%
Net debt (excl. FS)	<b>(3,048)</b>	(2,152)	42%
Gearing	<b>42%</b>	40%	
Gearing (excl. FS)	<b>20%</b>	16%	
Net asset value per share	<b>US\$ 17.36</b>	US\$ 15.55	12%



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**Astra**

## Core businesses



Automotive

Market share  
**52% Cars | 76% Motorcycles**



Financial Services

Total amount financed from Astra's  
 consumer finance businesses  
**US\$6.2 billion**



Heavy Equipment, Mining,  
 Construction & Energy

One of the **largest** coal mining  
 contractors in Indonesia



Agribusiness

Crude palm oil and  
 derivatives sales  
**2.3m tonnes**



Infrastructure &  
 Logistics

Toll roads in operation  
**350km**



Information Technology

Provider of **document  
 solutions** and **IT &  
 communications solutions**



Property

Leading real estate  
 projects including Grade A  
 office **Menara Astra**

# Astra

## *Lower automotive and agribusiness offset by higher financial services and gold mining*

- Net profit equivalent to US\$1.5bn, with lower contributions from automotive and agribusiness divisions, which offset a higher contribution from financial services and gold mining operation
- Net income from Automotive was 1% down at US\$594m, mainly due to lower car sales volumes and increased manufacturing costs, partially offset by higher motorcycle sales volumes
- Net income from Financial Services increased by 22% to US\$415m, mainly due to a larger loan portfolio and an improvement in non-performing loans
- Net income from Heavy Equipment, Mining, Construction and Energy increased by 1% to US\$475m, mainly due to the contribution from the new gold mining operation, offset by the impact of lower heavy equipment sales and a loss incurred in the general contracting business
- Net income from Infrastructure & Logistics increased by 49% to US\$21m, mainly due to improved toll road revenue
- Net income from Agribusiness was 85% down at US\$12m, primarily due to an 8% fall in average crude palm oil prices, despite a 3% increase in crude palm oil and derivatives sales to 2.3m tonnes

## Underlying Profit – Astra

*Relatively stable contribution*

	<b>FY2019</b>	Restated	
	<b>US\$m</b>	<b>FY2018</b>	<i>Change</i>
	<b>US\$m</b>	<b>US\$m</b>	
Automotive	<b>268.9</b>	271.7	-1%
Financial services	<b>215.9</b>	171.4	26%
Heavy equipment, mining, construction and energy	<b>238.3</b>	230.2	4%
Agribusiness	<b>4.5</b>	43.2	-90%
Infrastructure and logistics	<b>9.9</b>	6.7	48%
Information technology	<b>6.8</b>	7.3	-7%
Property	<b>2.7</b>	18.5	-85%
Withholding tax on dividend	<b>(31.3)</b>	(30.9)	1%
	<b>715.7</b>	<b>718.1</b>	0%



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# Direct Motor Interests



# Automotive – Jardine International Motors strategic oversight



## Singapore

**Leading diverse automotive group**  
6 facilities | 8 brands

19% Passenger Cars market share  
> 13,500 units sold

## Malaysia

**Leading MB dealer group**  
Listed on Bursa Malaysia  
13 facilities | 2 brands

## Myanmar

6 facilities | 3 brands



## Indonesia

**Listed on the Indonesia Stock Exchange**  
89 2-wheelers facilities | 68 4-wheelers facilities | 5 brands

> 240,600 motorcycles sold  
> 43,700 cars sold

## Direct Motor Interests

### *Impacted by Singapore and Malaysia*

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- Cycle & Carriage Singapore's contribution of US\$57m was 5% lower than the previous year, with lower margins which offset an increase in unit sales
- Cycle & Carriage Bintang contributed a loss of US\$6m, compared to a profit of US\$2m in 2018. 2018 sales benefited from a period of zero GST. 2019 results were impacted by a one-off impairment charge on a property
- Tunas' contribution of US\$19m was 7% up. The stronger contribution from its automotive and consumer finance operations was partially offset by a lower contribution from its rental business

## Underlying Profit – Direct Motor Interests

11% down

	<u>FY2019</u>	Restated <u>FY2018</u>	
	US\$m	US\$m	Change
Singapore (Cycle & Carriage Singapore)	57.1	60.4	-5%
Malaysia (Cycle & Carriage Bintang)	(5.6)	1.7	<i>nm</i>
Myanmar (Cycle & Carriage Myanmar)	(4.3)	(4.9)	-12%
Indonesia (Tunas Ridean)	18.8	17.5	7%
Less: Central overheads	(3.1)	(4.0)	-23%
	<u>62.9</u>	<u>70.7</u>	-11%



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# Other Strategic Interests

# Vietnam – THACO



Represents BMW, MINI, Kia, Mazda, Peugeot, Foton and FUSO

> **63,900** PC units sold (17% market share\*)

> **24,000** CV units sold (45% market share\*)



- 77.5% in DQM
- Thu Thiem New Urban Area (Ho Chi Minh City District 2)
- Property development in Yangon, Myanmar – Myanmar Centre
- Infrastructure development
- Residential, commercial and amenities development

## Agriculture

- Laos, Cambodia (20,000ha plantations)
- Food crops e.g. bananas, rice

\*based on Vietnam Automobile Manufacturers' Association 2019 data and CBU imports (registered & non-registered)

# Vietnam – REE



Listed on **Ho Chi Minh Stock Exchange**

Strategic interests in power and utilities companies (**thermal, hydro, solar, wind**)

Among best local **real estate developers** and **operators of business space**

**Top 3 M&E** players in Vietnam



**3,496 MW total** designed power generation capacity (hydro, thermal, solar and wind)



**> 130,000 m<sup>2</sup>** total lease office area



**Leading contractor** with experience in infrastructure, commercial and industrial projects

## Thailand – Siam City Cement



Listed on **Thailand Stock Exchange** in 1977

> 25 million tonnes per annum of cement capacity

**Leading  
cement manufacturer**

- Thailand
- South Vietnam
- Sri Lanka
- Cambodia
- Bangladesh

# Vietnam – Vinamilk



Listed on Ho Chi Minh Stock Exchange

#1 dairy producer in Vietnam (61% market share by volume)

Vietnam dairy consumption: 19kg per capita (Thailand: 32kg per capita)



Dairy farming

15 dairy farms | 29,000 heads  
Vietnam



Production

14 factories



Retail

> 250 SKUs  
> 250,000 retail points



## Other Strategic Interests

*Impacted by Thaco's lower automotive profits*

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- Thaco's contribution of US\$49m was 34% lower than last year
  - Automotive business 30% down due to 9% decline in vehicle sales and lower margins
  - Real estate contributed significantly lower profit due to the slowdown in the property market
  
- REE's contribution of US\$18m was 4% down
  - Weaker performances from hydropower investments and M&E business
  - Stronger contribution from real estate
  - Higher contribution from the effect of an increase of JC&C's shareholding in REE
  
- Siam City Cement's contribution of US\$24m was 16% higher
  - Improved domestic performance was offset by a lower contribution from its regional operations, mainly South Vietnam
  
- Vinamilk delivered dividend income of US\$36m, compared to US\$32m in the previous year
  - Vinamilk's 2019 profit 3% up in local currency terms, with the progressive recovery of Vietnam's fast-moving consumer goods sector

## Underlying Profit – Other Strategic Interests

13% down

	<u>FY2019</u>	Restated <u>FY2018</u>	
	US\$m	US\$m	<i>Change</i>
Siam City Cement	<b>23.5</b>	20.2	16%
Refrigeration Electrical Engineering	<b>18.3</b>	19.0	-4%
Vinamilk	<b>35.7</b>	31.9	12%
Truong Hai Auto Corporation			
- automotive	<b>46.3</b>	65.8	-30%
- real estate	<b>1.7</b>	7.2	-76%
- agriculture	<b>0.5</b>	-	<i>nm</i>
	<b>48.5</b>	73.0	-34%
Other Strategic Interests	<b>126.0</b>	144.1	-13%

## Outlook

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**“In 2020, market conditions in Indonesia are expected to remain challenging and conditions generally in Southeast Asia may be impacted by COVID-19.”**

**Ben Keswick**  
**Chairman**



Jardine Cycle & Carriage



THANK YOU