Jardine Cycle & Carriage

120 YEARS

OF SOUTHEAST ASIAN PARTNERSHIPS

1H2019 Results

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Our strategy

120 YEARS OF SOUTHEAST ASIAN PARTNERSHIPS

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

*To deliver growth through market leading businesses in Southeast Asia built around opportunities arising from **urbanisation** and the **rise of the ASEAN middle class***

- Investment case
  - Diversified portfolio of investments in key Southeast Asian economies
  - Solid track record of delivering long-term shareholder value *(18% annualised returns in 10 years)*
- Adding value
  - Long-term and strategic investor
  - Valued and trusted partner / facilitator and connector of business networks
  - People and talent development
  - Financial and governance discipline

Presence in Southeast Asia

120 YEARS OF SOUTHEAST ASIAN PARTNERSHIPS

LEGEND

Our Presence

Astra International

Direct Motor Interests

SINGAPORE:
- Cycle & Carriage Singapore

MALAYSIA:
- Cycle & Carriage Bintang

MYANMAR:
- Cycle & Carriage Myanmar

INDONESIA:
- Tunas Ridean

VIETNAM:
- Truong Hai Auto Corporation

Other Strategic Interests

THAILAND:
- Siam City Cement

VIETNAM:
- Refrigeration Electrical Engineering Corporation
- Vinamilk
- Siam City Cement

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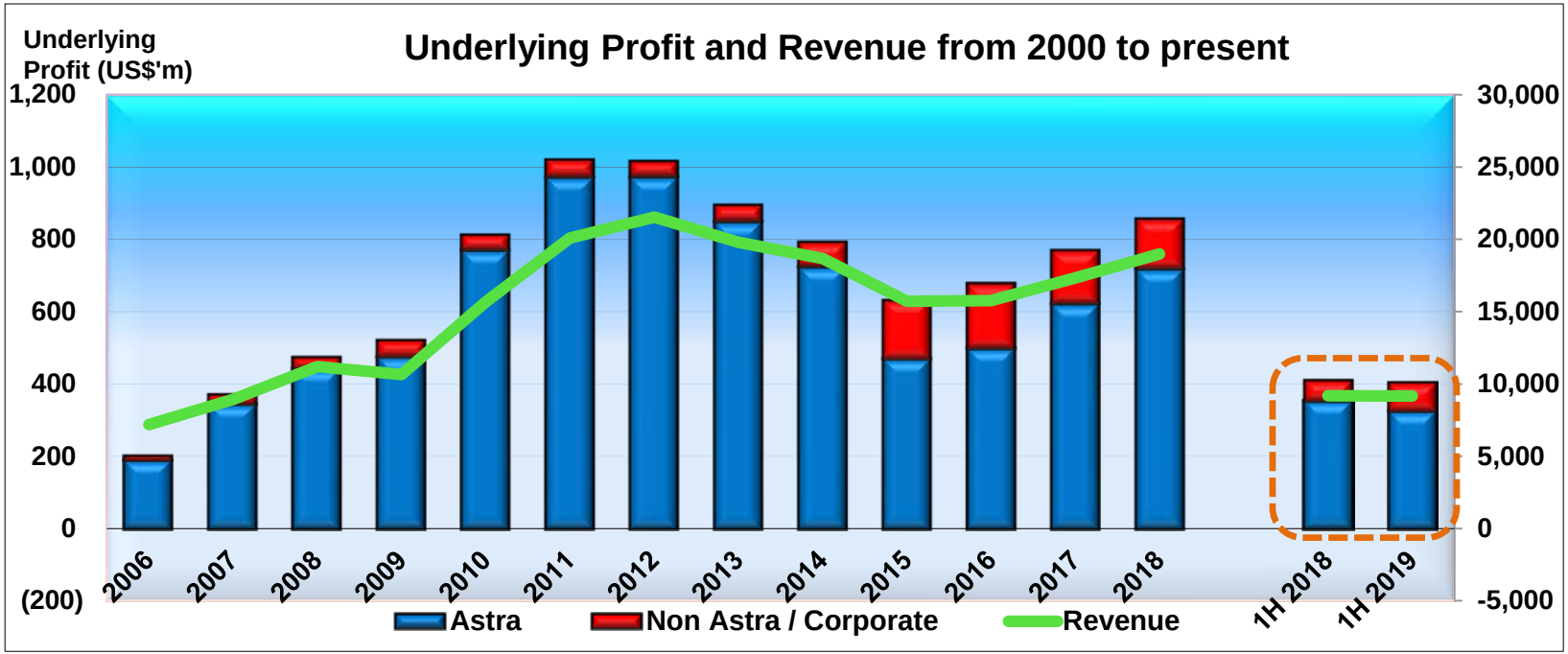
1H2019
Financial Highlights

Financial Highlights

- Underlying profit modestly down
- Lower contribution from Astra primarily due to a weaker automotive market
- Direct Motor Interests affected by increased competition in Vietnam
- Improved Other Strategic Interests contribution due to higher dividend income

Financial Highlights – Profit & Loss Account

Underlying profit down 1%



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	1H2018	1H2019
Astra	86%	89%	91%	89%	93%	94%	94%	94%	90%	73%	72%	80%	77%	76%	77%
Non-Astra	14%	11%	9%	11%	7%	6%	6%	6%	10%	27%	28%	20%	23%	24%	23%

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Financial Highlights – Profit & Loss Account

Underlying profit down 1%

	1H2019	Restated 1H2018		Restated 2018
	US$m	US$m	*Change*	US$m
Revenue	**9,157**	9,188	*0%*	18,992
Underlying profit	**407**	413	*-1%*	856
Non-trading items	**20**	(240)	*nm*	(438)
Net profit	**427**	173	*147%*	418
Underlying EPS	**103**	104	*-1%*	217
Dividend per share	**18**	18	*0%*	87

**The 2018 accounts have been restated due to the adoption of IFRS 16 "Leases".*

Financial Highlights – Balance Sheet

Net debt up largely due to Astra's additional investments in Gojek and toll roads, ongoing mining contracting capex, and additional investment by JC&C in Truong Hai Auto Corporation

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	1H2019	Restated Dec-18	
	US$m	US$m	*Change*
Shareholders' funds	**6,408**	6,144	*4%*
Total equity	**14,011**	13,486	*4%*
Net debt	**(6,488)**	(5,444)	*19%*
Net debt (excl. FS)	**(3,106)**	(2,152)	*44%*
Gearing	**46%**	40%	
Gearing (excl. FS)	**22%**	16%	
	US$	US$	
Net asset value per share	**16.21**	15.55	*4%*

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Contribution by Business

Underlying Profit – By Business

Decrease in underlying profit driven by lower contributions from Astra and DMI

	1H2019	Restated 1H2018		Restated 2018
	US$m	US$m	*Change*	US$m
Astra	**326.3**	354.3	*-8%*	718.1
Direct Motor Interests	**55.5**	71.5	*-22%*	143.2
Other Strategic Interests	**43.7**	41.0	*7%*	71.1
Corporate Costs	**(18.2)**	(53.9)	*-66%*	(76.4)
Underlying profit	**407.3**	412.9	*-1%*	856.0

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ASTRA

Astra – Diversified Business Group in Indonesia

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7 core businesses

Automotive

Market share
51% Cars | **75%** Motorcycles

Financial Services

Total amount financed from Astra's consumer finance businesses
US$5.6 billion

Heavy equipment, mining, construction & energy

Largest coal mining contractor in Indonesia

Agribusiness

Total plantation area
285,000 hectares

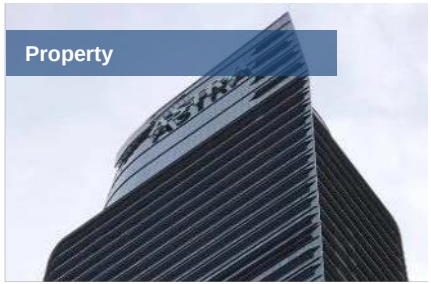
Infrastructure & Logistics

Toll roads in operation and under construction
313km

Information Technology

Provider of **document solutions** and **information technology** & **communications solutions**

Property



Leading real estate projects including Grade A office development
Menara Astra

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* Data as at end 2018

Astra – 1H2019 Review

6% decrease in reported net profit

- Net profit equivalent to US$691m, 6% lower in local currency terms
- Net income from Automotive fell 18% to US$244m, mainly due to lower car sales volumes and increased manufacturing costs
- Net income from Financial Services grew 32% to US$199m mainly due to the recovery of non-performing loans, lower loan loss provisions and a larger loan portfolio
- Net income from Heavy Equipment, Mining, Construction & Energy increased 2% to US$235m, mainly due to the contribution from the new gold mining operation, partly offset by lower heavy equipment sales
- Net income from Infrastructure & Logistics increased significantly to US$6m due to improved earnings from operational toll roads
- Net income from Agribusiness fell 94% to US$2m, due to an 18% fall in crude palm oil prices
- Net income from Information Technology division fell 35% to US$3m due to reduced revenue in IT solutions and office services business as well as higher operating costs
- Net income from Property was 33% lower at US$2m, mainly due to reduced development earnings from Anandamaya Residences following the completion of construction in 2018

Underlying Profit – Astra

Lower contributions from automotive and agribusiness

	1H2019	Restated 1H2018		Restated 2018
	US$m	US$m	*Change*	US$m
Automotive	**111.5**	142.2	*-22%*	271.7
Financial services	**99.7**	77.5	*29%*	171.4
Heavy equipment, mining, construction and energy	**117.3**	118.7	*-1%*	230.2
Agribusiness	**0.4**	22.6	*-98%*	43.2
Infrastructure and logistics	**2.7**	0.1	*nm*	6.7
Information technology	**1.6**	2.4	*-33%*	7.3
Property	**2.3**	(0.5)	*nm*	18.5
Withholding tax on dividend	**(9.2)**	(8.7)	*6%*	(30.9)
	326.3	354.3	*-8%*	718.1

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DIRECT MOTOR INTERESTS

Direct Motor Interests

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CYCLE & CARRIAGE

Singapore | Malaysia | Myanmar

Singapore

Leading diverse automotive group
6 Facilities | represents **8** brands

17% Passenger Cars market share
> 13,300 units sold

Bintang

Leading MB dealer group in Malaysia
13 Facilities | represents **2** brands

Listed on Bursa Malaysia
> 4,700 units sold

Myanmar

6 Facilities | **represents 3** brands

#1 luxury car brand **(Mercedes-Benz)**
Top 3 mass market brands **(Mazda)**

Tunas Ridean

tunas

Represents **5** brands
Listed on Indonesia Stock Exchange

> 248,900 motorcycles sold
> 48,300 motor cars sold

THACO

THACO TRUONG HAI AUTO

Represents **7** brands
Engages in
Property development & **Agriculture**

> 66,900 PC units sold
> 30,200 CV units sold

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* Data as at end 2018

Cycle & Carriage Singapore – 1H2019 Review

Higher sales volume

- Contribution of US$28.8m, up 7% YOY, with the increase in overall vehicle sales partly offset by lower margins due to higher COE costs

- Singapore PC market down 7% to 39,900 units

- CCS PC sales grew by 15% to 8,000 units, due to the launch of new models and competitive pricing. Market share increased from 16% to 20%
  - Mercedes-Benz unit sales up 4%
  - Kia unit sales up 33%
  - Mitsubishi/Maxus unit sales up 15%
  - Citroen unit sales up 10%

Tunas Ridean – 1H2019 Review

Higher contribution from automotive operations

- Contribution of US$9.9m, up 9% YOY. Stronger contribution from the automotive operations was partially offset by a lower contribution from the rental business, while contribution from consumer finance was stable
- 4W sales down 9% to 23,315 units
- 2W sales up 4% to 122,572 units, supported by improved stock supply
- MTF's new lending volume 1% higher YOY at US$954m
- Rental business recorded lower gains on disposals and higher depreciation costs

Truong Hai Auto Corporation (Thaco) – 1H2019 Review

Lower unit sales and margins

- Contribution of US$22.7m, 39% lower than 1H2018

- Lower unit sales and margins which reflected increased competition in the Vietnamese automotive market, particularly from CBU imports

Underlying Profit – Direct Motor Interests

Overall underlying profit across Direct Motor Interests down 22%

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	1H2019	Restated 1H2018		Restated 2018
	US$m	US$m	*Change*	US$m
Singapore (Cycle & Carriage Singapore)	**28.8**	27.0	*7%*	60.4
Malaysia (Cycle & Carriage Bintang)	**(0.7)**	0.7	*nm*	1.7
Myanmar (Cycle & Carriage Myanmar)	**(2.8)**	(1.5)	*87%*	(4.9)
Indonesia (Tunas Ridean)	**9.9**	9.1	*9%*	17.5
Vietnam (Truong Hai Auto Corporation)				
- automotive	**22.3**	33.5	*-33%*	65.8
- real estate	**0.4**	4.0	*-90%*	7.2
	22.7	37.5	*-39%*	73.0
Less: Central overheads	**(2.4)**	(1.3)	*85%*	(4.5)
	55.5	71.5	*-22%*	143.2

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OTHER STRATEGIC INTERESTS

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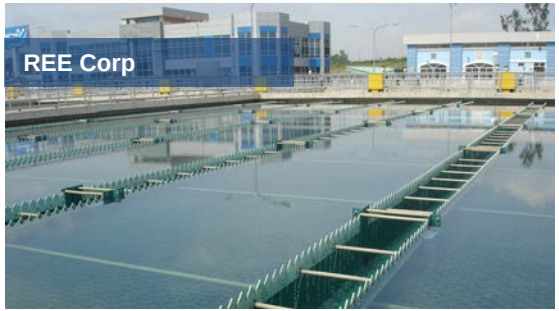

อินทรี SIAM CITY CEMENT

Listed on **Thailand Stock Exchange**

> 25 million tonnes per annum of cement capacity

Leading cement manufacturer

- **#2 Thailand**
- **#2 South Vietnam**
- **#1 Sri Lanka**
- **#2 Cambodia**

REE Corporation

Listed on **Ho Chi Minh Stock Exchange**

Engages in

- Power & water investments
- Property development and management
- M&E services

VINAMILK VƯƠN CAO VIỆT NAM

Listed on **Ho Chi Minh Stock Exchange**

#1 dairy producer in Vietnam

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Underlying Profit – Other Strategic Interests

	1H2019 US$m	Restated 1H2018 US$m	*Change*	Restated 2018 US$m
Siam City Cement	**12.1**	13.2	*-8%*	20.2
Refrigeration Electrical Engineering	**3.8**	4.0	*-5%*	19.0
Vinamilk	**27.8**	23.8	*17%*	31.9
Other Strategic Interests	**43.7**	41.0	*7%*	71.1

- Siam City Cement's contribution was 8% lower as improved domestic performance was offset by a lower contribution from its regional operations, primarily from Vietnam
- REE's contribution was 5% down based on its first quarter results as in the previous year. Weaker performances from its power and water investments and its M&E business were partially offset by stronger real estate contributions
- The Group recognised dividend income of US$27.8m from its 10.6% interest in Vinamilk. Vinamilk reported net profit of US$244m in 1H2019, 6% up in local currency terms, due to the rebound of the fast-moving consumer goods sector as well as an increase in market share

OUTLOOK

“The outlook for the rest of the year remains cautious, with Astra expected to continue to face a soft automotive market and commodity prices. The Group’s Direct Motor Interests will also continue to be affected by challenging market conditions, while the contribution from Other Strategic Interests is expected to be stable.”

Ben Keswick

Chairman

Jardine Cycle & Carriage

THANK YOU