

## CHAIRMAN'S STATEMENT

### OVERVIEW

The Group's performance for the full year was much improved, reflecting strong Mercedes-Benz passenger car sales and the return to recognising the annual dividend income from Mercedes-Benz Malaysia ("MBM").

### PERFORMANCE

The Group's revenue for the financial year ended 31 December 2015 grew by 71% to RM1.6 billion. The improvement was due largely to an increase in unit sales and a favourable sales mix weighted towards higher-priced vehicles, particularly hybrid models.

A net profit of RM40.9 million was recorded by Mercedes-Benz operations, compared with RM10.3 million in the previous year, due to increased revenue and improved margins.

Overall net profit was RM52.1 million, with the return to recognising the annual dividend from the Group's investment in MBM, a joint venture with Daimler AG. The dividend of RM11.2 million was received in June.

Mercedes-Benz unit sales were 55% up supported by sales of hybrid models. The after-sales division performed satisfactorily.

The Group's long-term programme to upgrade its facilities to the current Mercedes-Benz standards commenced in 2015 and will continue throughout 2016. The first of these upgrades to existing facilities in Petaling Jaya and Georgetown will be completed in the first quarter of 2016, while the construction of the new Autohaus in Cheras, Kuala Lumpur, is targeted to be completed by March 2016.

The Board is recommending a final dividend of 5 sen per share for the financial year ended 31 December 2015, after a lapse of two years.

### PEOPLE

I would like to thank all our staff for their dedication and hard work in facing the challenges of the last few years. I also wish to thank our customers, shareholders and business partners for their continued support.

### PROSPECTS

Trading conditions in 2016 are expected to be challenging, due to a generally weaker domestic and global economic outlook, combined with the phase-out of the key E-Class model.

### Alexander Newbigging

Chairman

22 February 2016