



CAR 神州租车

CAR Inc.

2019 First Nine Months Earning Call

November 25, 2019
8:00 pm Beijing Time

Business Overview

Yifan SONG

Executive Director & Chief Executive Officer

Financial Results Overview

Tony CAO

Chief Financial Officer



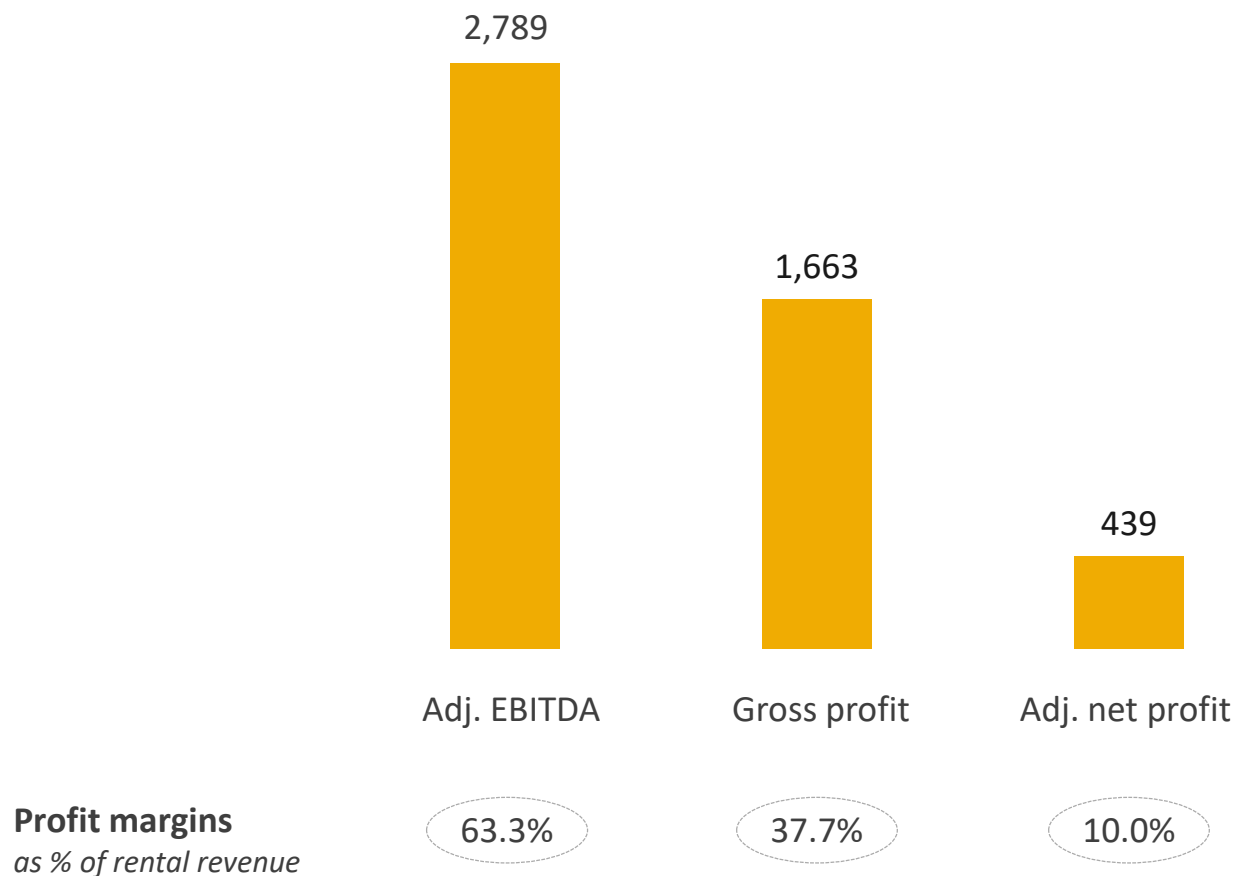
Business Overview

Yifan Song
Executive Director & Chief Executive Officer

- ✓ Strategic agreement with Baidu and Borgward on the establishment of laboratory for the research and development of connected and autonomous driving vehicles.
- ✓ 95% car rental fleet enabled for self-serve service as at the end of Q3; 87% self-served transaction in September 2019.
- ✓ Number of transacted customers in Q3 exceeded 1 million.
- ✓ Free cash inflow of RMB357 million for the nine months ended 30 September 2019.

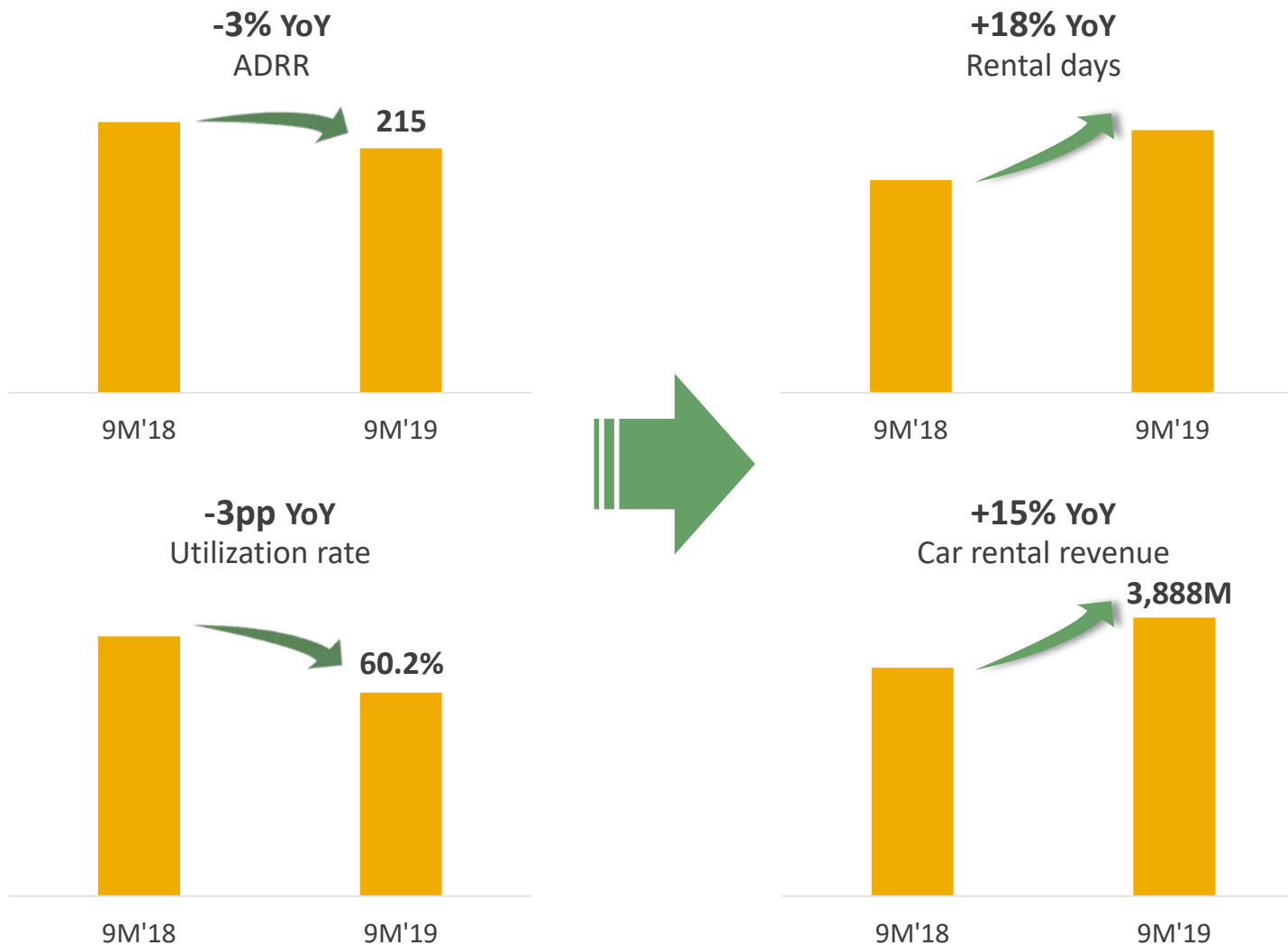
Solid financial performance in weak macro environment

(RMB in millions)



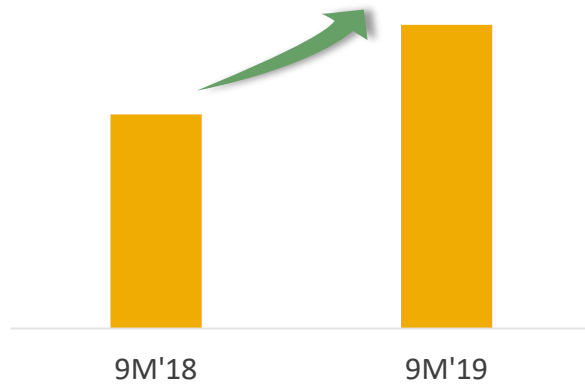
Proven strategy to maintain market share

(RMB)

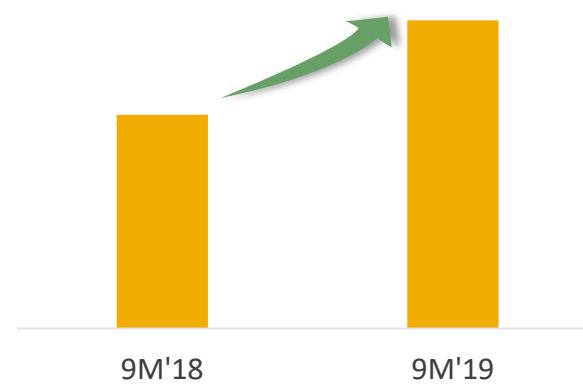


Steadily expanding customer base

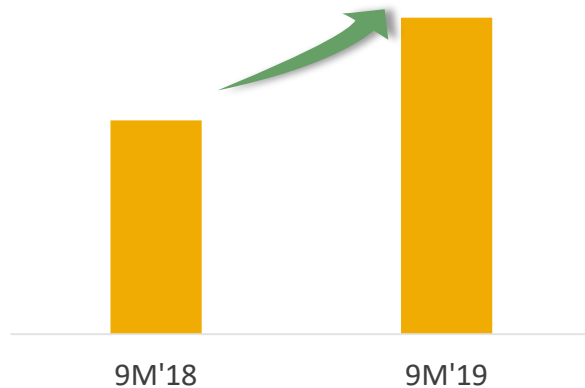
+21% YoY
Customers



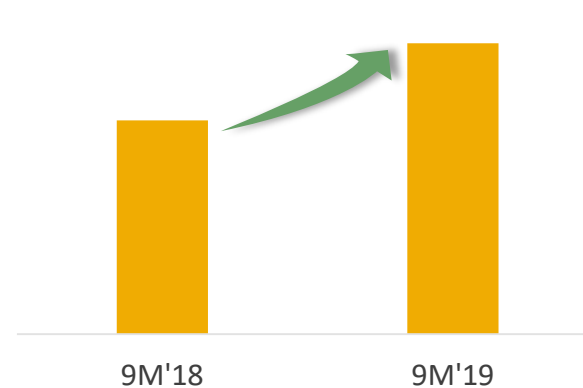
+22% YoY
Members



+24% YoY
Average daily car rental fleet

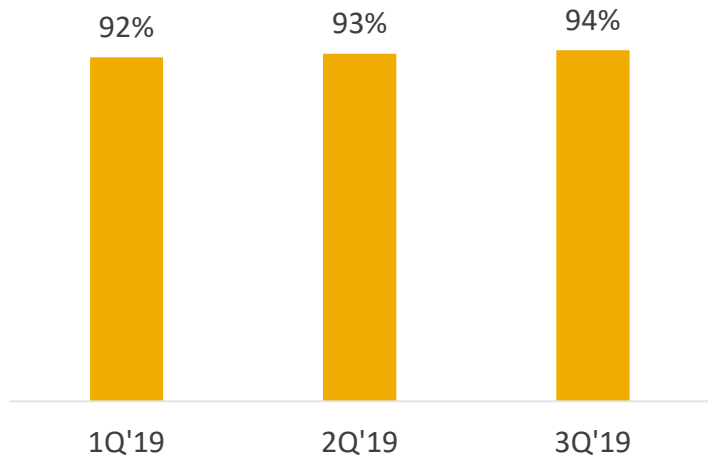


+18% YoY
Rental days

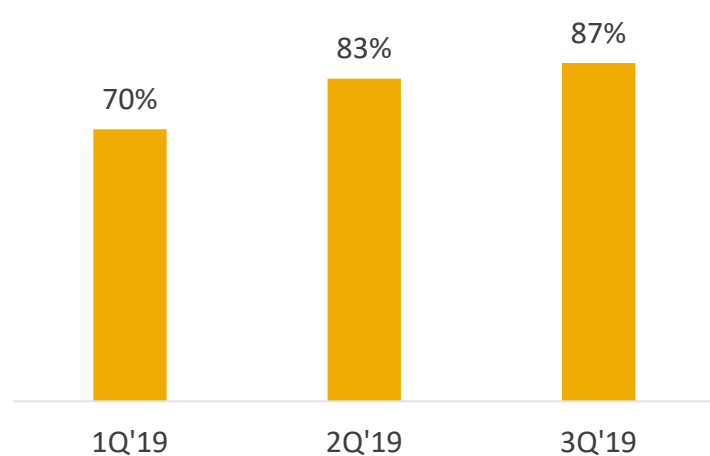


Increasing operation efficiency with increasing automation

Reservations through mobile APP



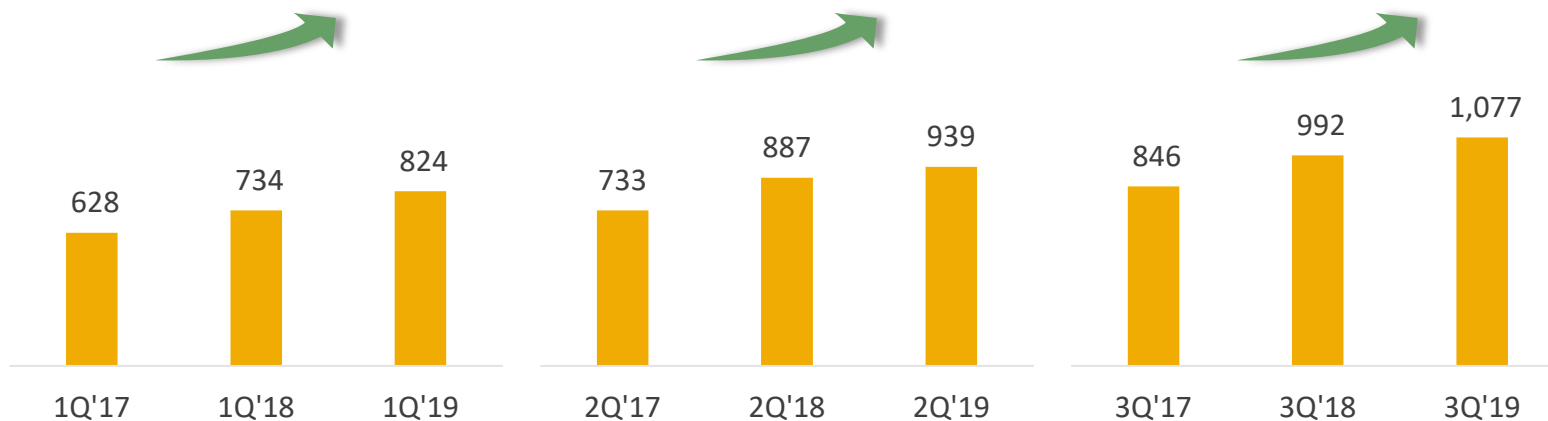
Self-served transactions



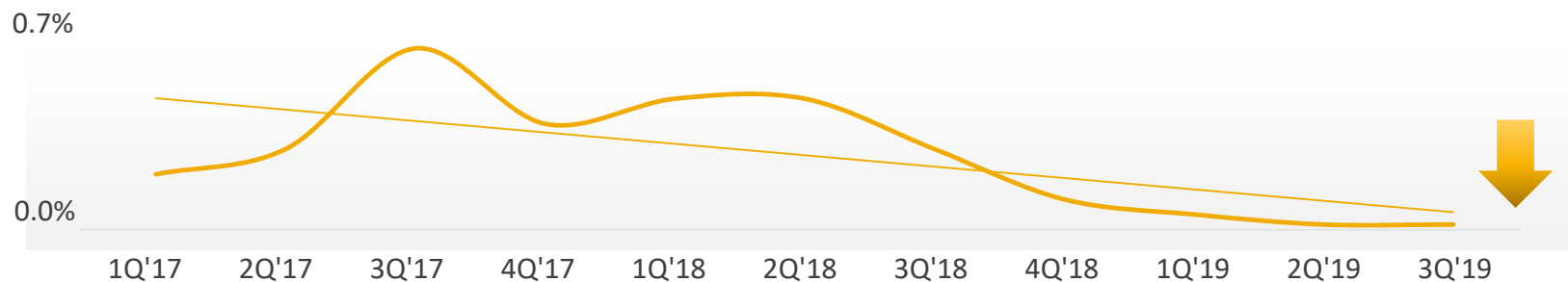
Increasing brand recognition

(In thousands)

Number of transacted customers

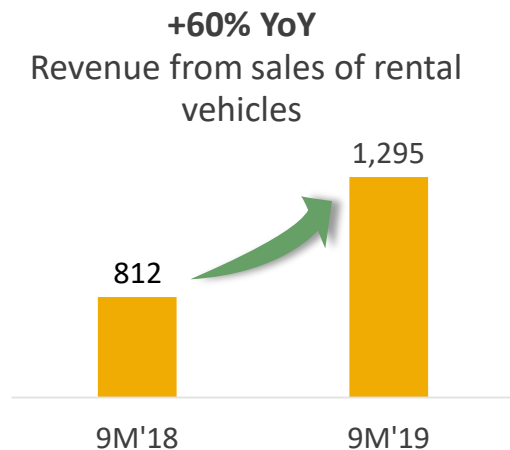
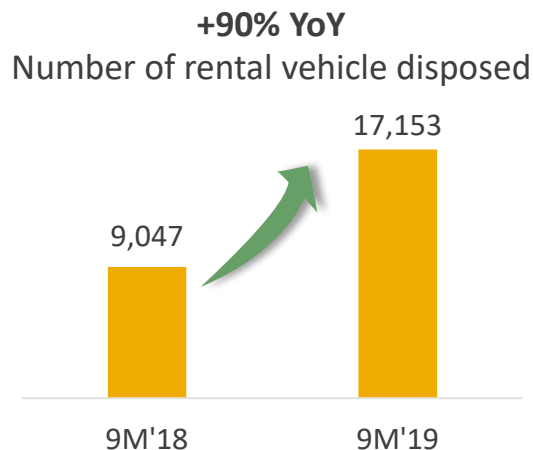


Advertising expenses as % of rental revenue



Progressing used car disposal

(Revenue from sales of rental vehicles is in million RMB)



- Depreciation of rental vehicle as % of rental revenue was ~ 30% as a result of reduced estimated residual values of vehicles, eased by repurchase agreement signed with Borgward.
- Used car sales cost as % of revenue was 104.4%, a loss of 4.4%, due to the decrease of used car sales price.



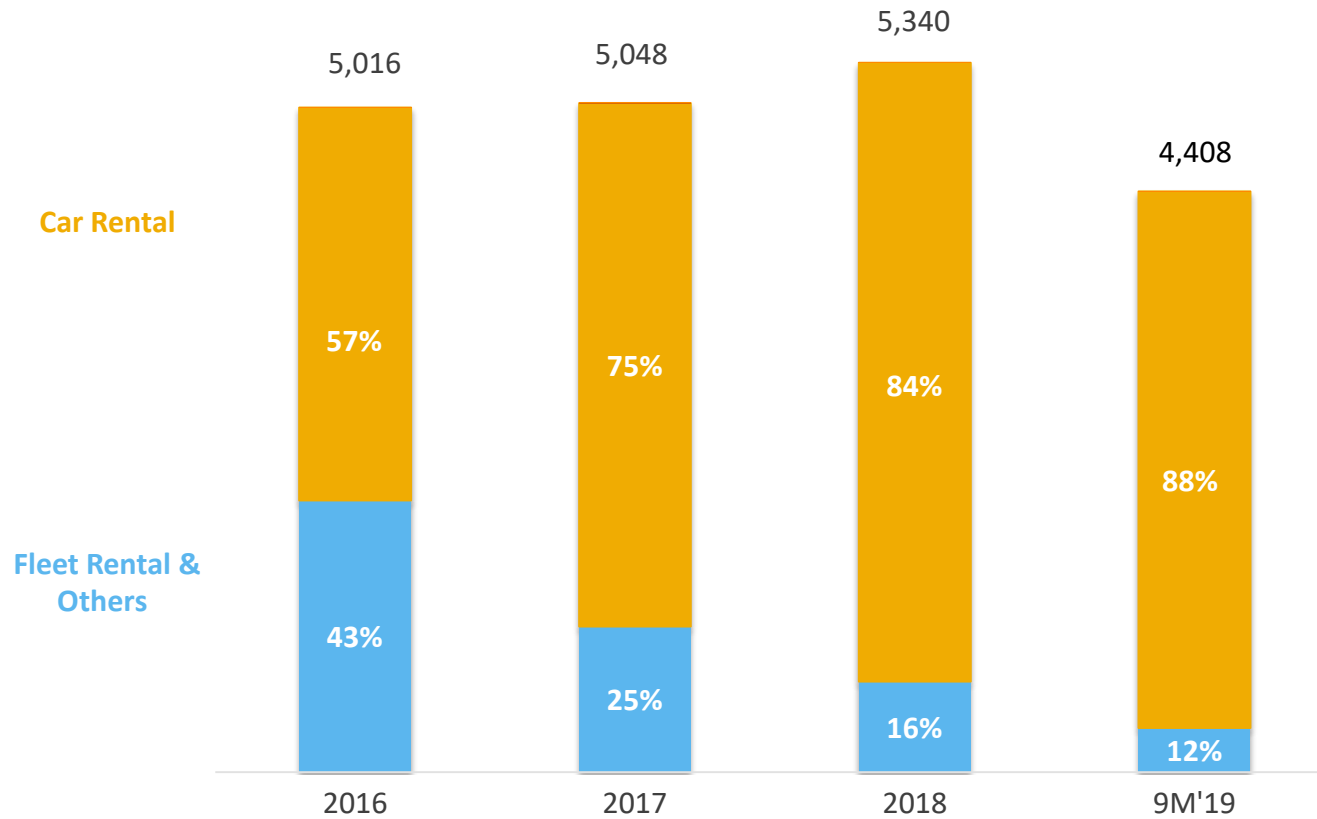
Financial Results Overview

Tony Cao
Chief Financial Officer

Increasing concentration on core business

as % of rental revenue

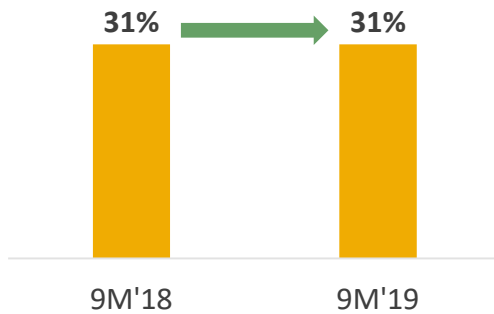
(RMB in millions)



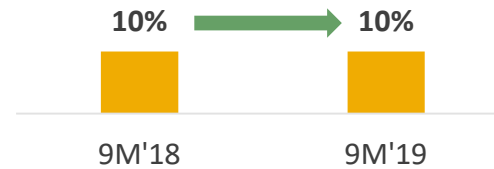
Sustainable cost structure

as % of rental revenue

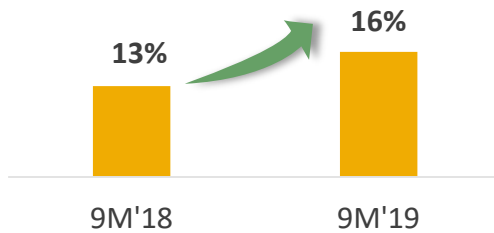
Direct operating expenses



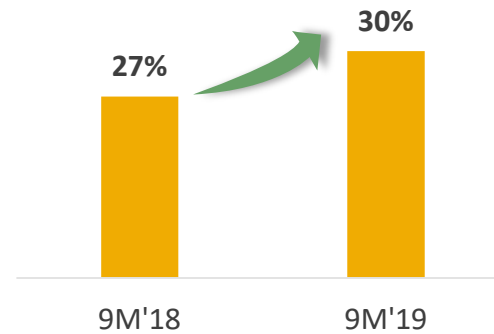
SG&A



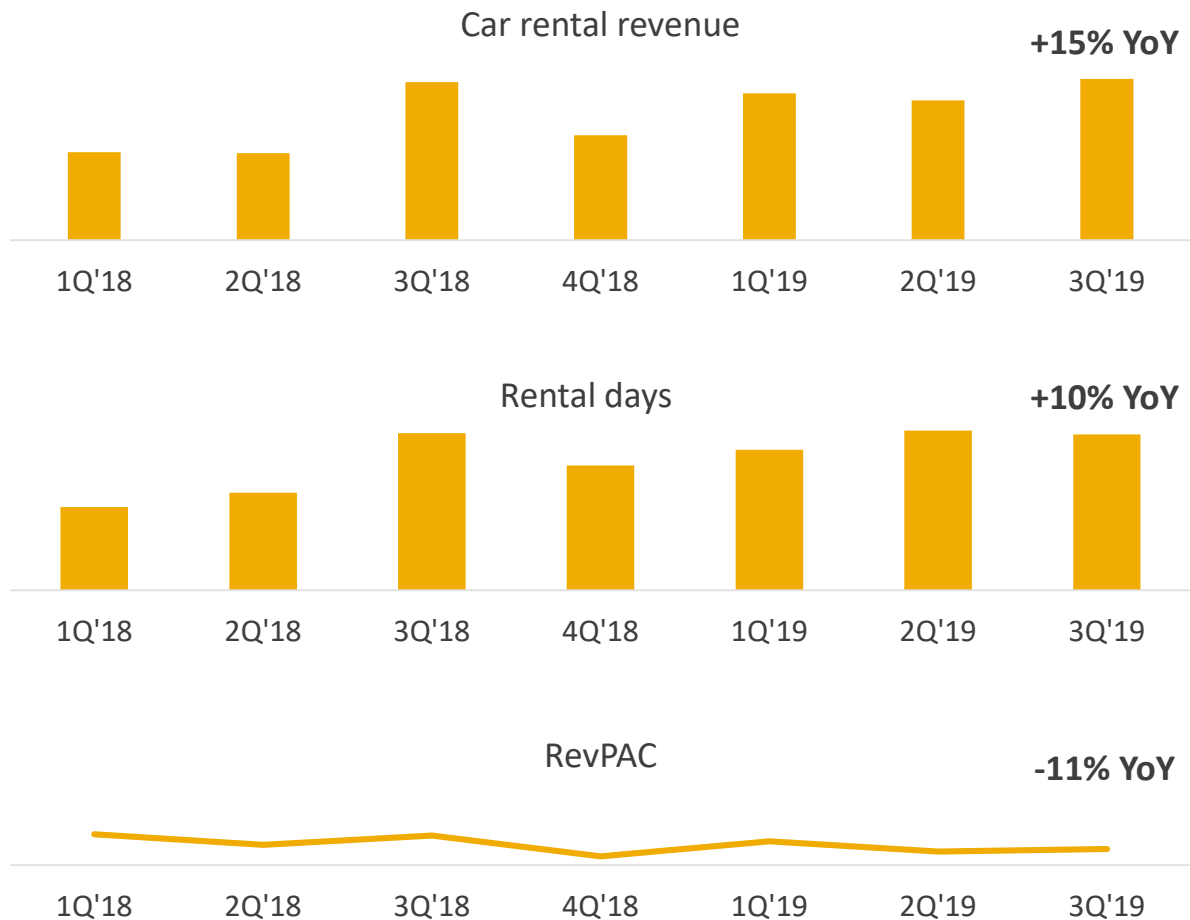
Finance costs



Depreciation



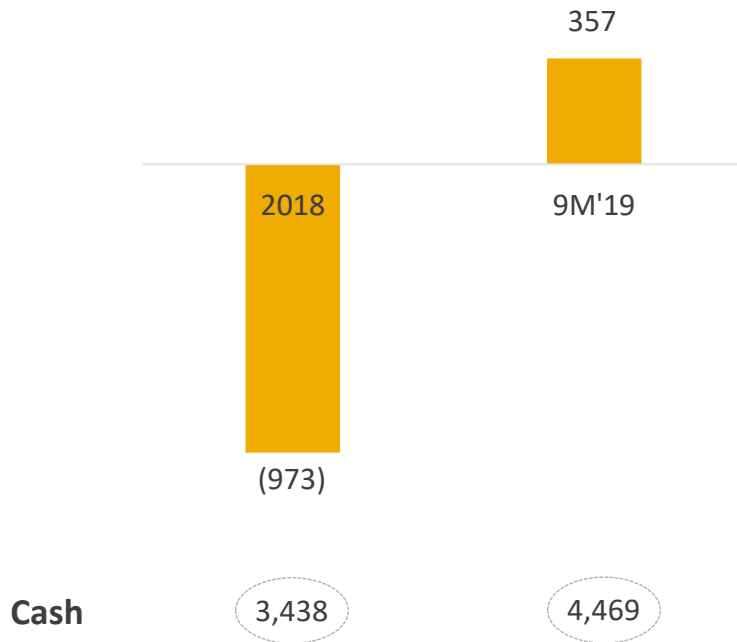
Proven strategy to generate sustainable growth



Healthy cash flow

Free cash flow

(RMB in millions)



- ✓ Delivered strong positive free cash flow
- ✓ Cash position remained strong at 4,469 million

Q & A