

CAR 神州租车

CAR Inc.

2019 Interim Results Earnings Call

**August 13, 2019
8:00 pm Beijing time**

Business Overview

Yifan SONG

Executive Director & Chief Executive Officer

Financial Results Overview

Tony CAO

Chief Financial Officer



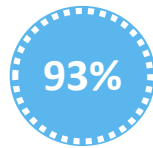
Business Overview

Yifan Song
Executive Director & Chief Executive Officer

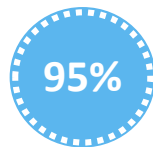
Technology-driven operational excellence and customer experience



Self-served transactions in June 2019



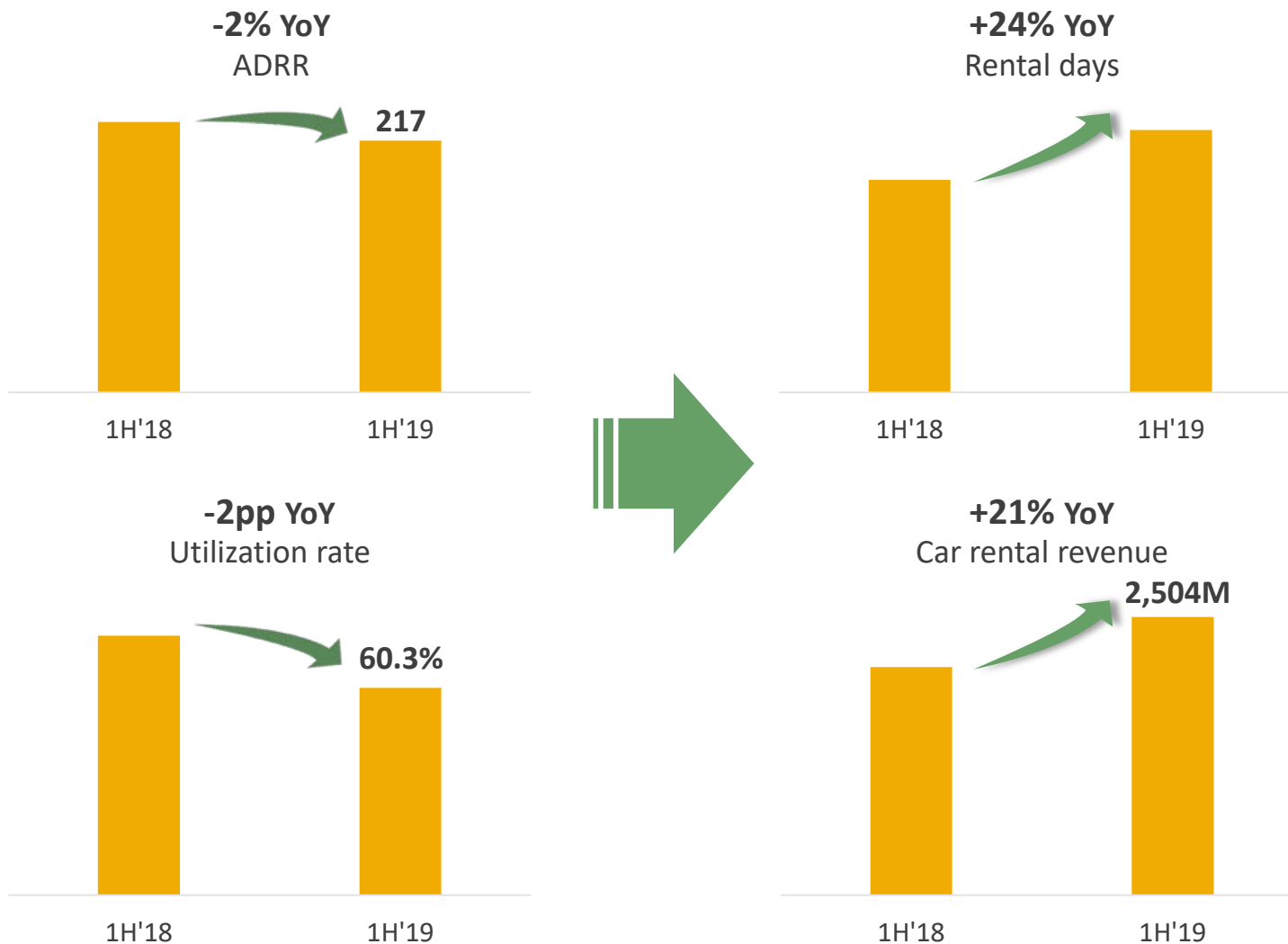
Reservations through mobile APP in 1H'19



Car rental fleet enabled for self-serve service in 1H'19

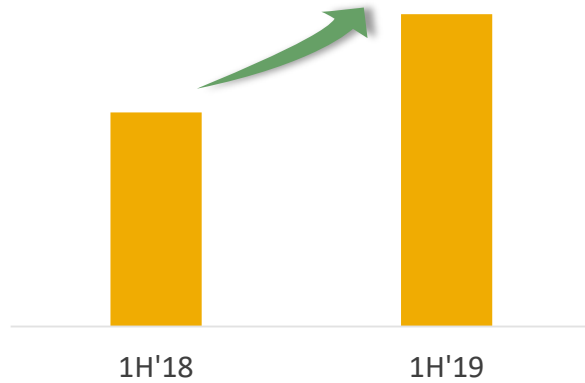
Proven strategy to maintain market share

(RMB)

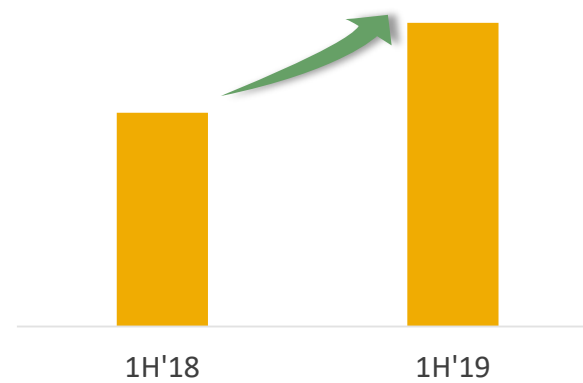


Steadily expanding customer base

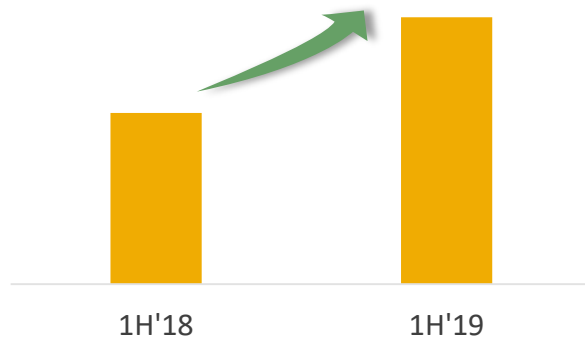
+24% YoY
Customers



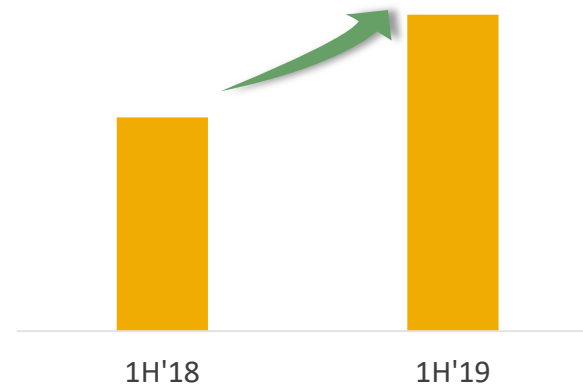
+21% YoY
Members



+28% YoY
Average daily car rental fleet



+24% YoY
Rental days



Extensive nationwide coverage with deep urban penetration

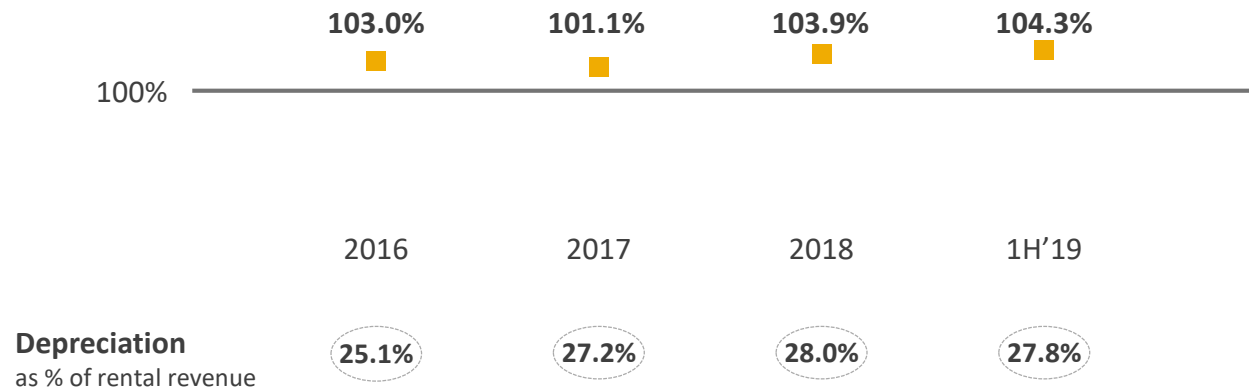
Nationwide coverage

- 177 cities directly operated
- 165 cities franchisees operated



Sustainable used car disposal mechanism

Cost of sales of used vehicles as % of sales of used vehicles



- ✓ Depreciation % remained stable at 27.8%.
- ✓ Number of used car sold increased by 55.1% to 10,473 in 1H'19

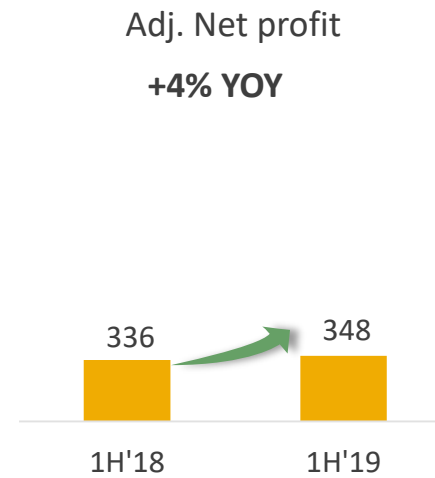
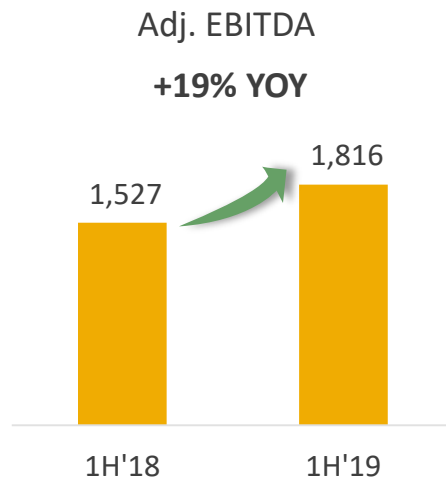
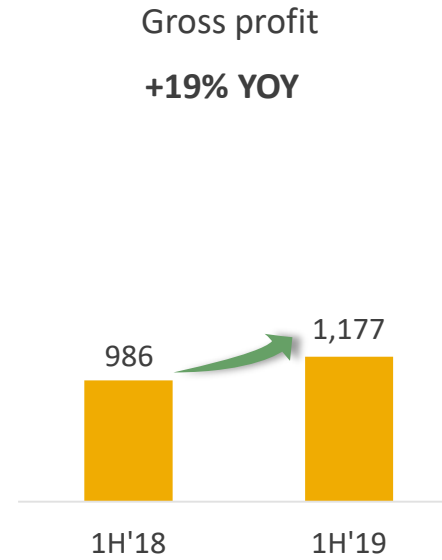
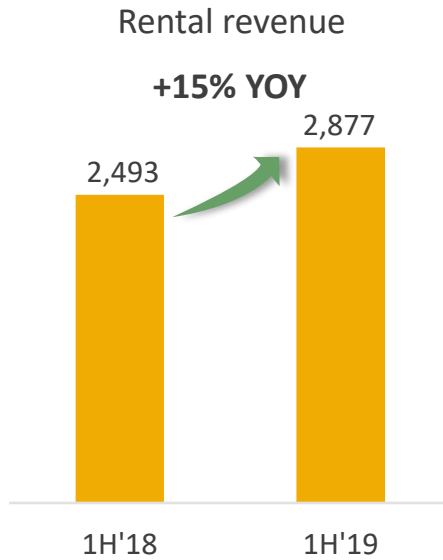


Financial Results Overview

Tony Cao
Chief Financial Officer

1H'19 Highlights

(RMB in millions)

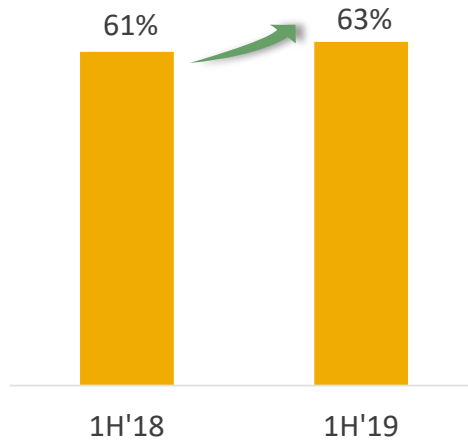


Note:
(1) Reconciliation of adjusted EBITDA and adjusted net profit can be found in CAR Inc.'s 2019 interim results announcement

Solid profitability

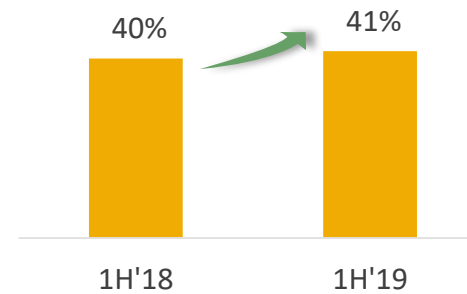
Adj. EBITDA margin

+2pp YoY



Gross profit margin

+1pp YoY

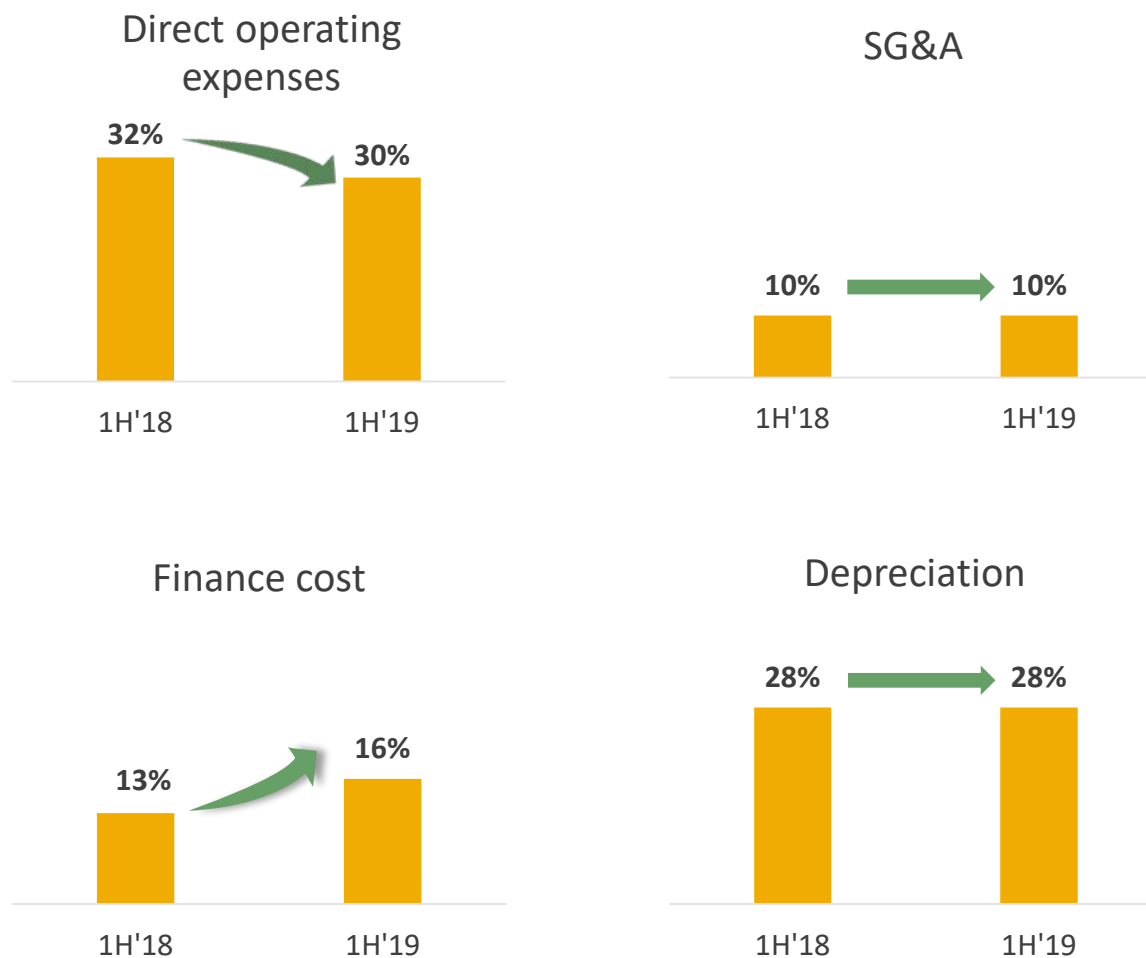


Notes:

(1) Margins are as percentage of rental revenue

(2) Reconciliation of adjusted EBITDA margin can be found in CAR Inc.'s 2019 interim results announcement

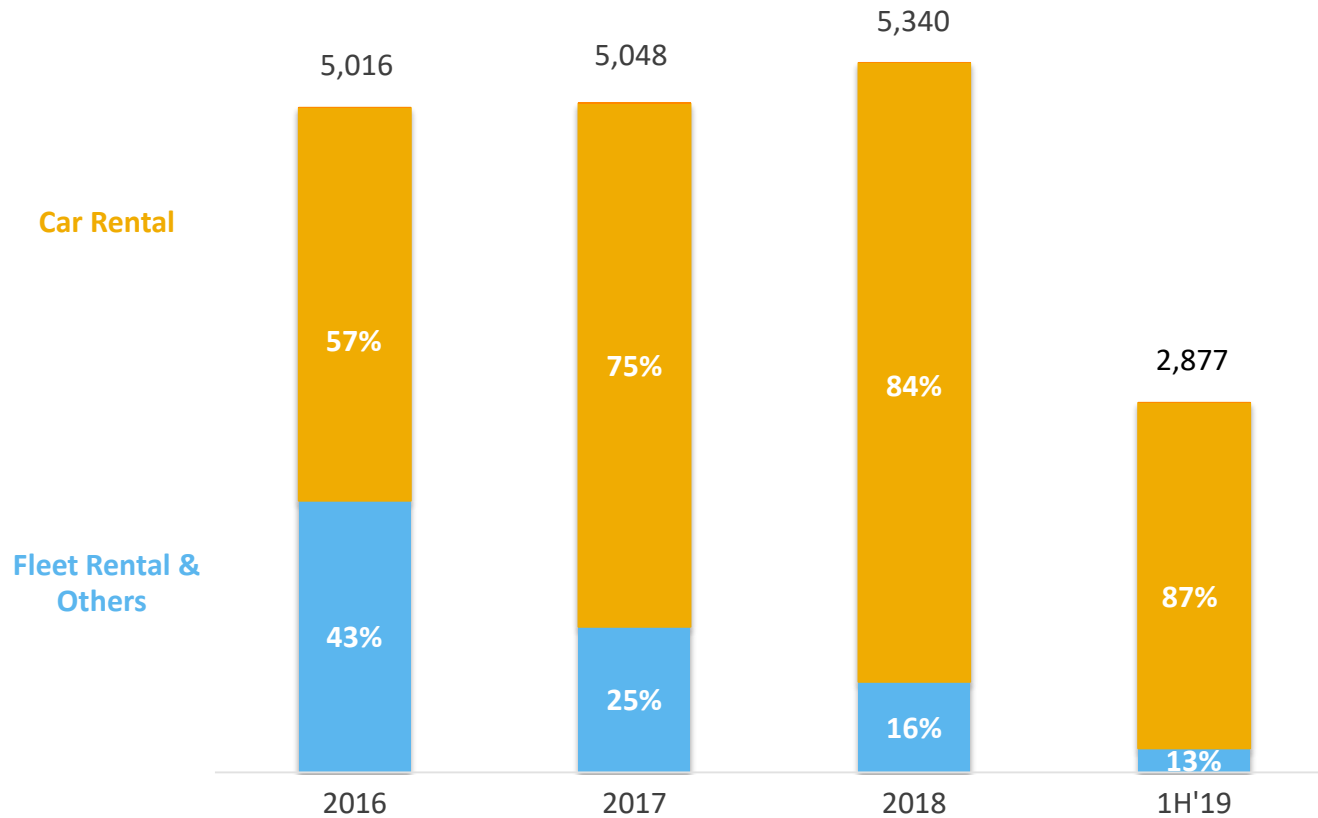
Sustainable cost structure resulted from economies of scale



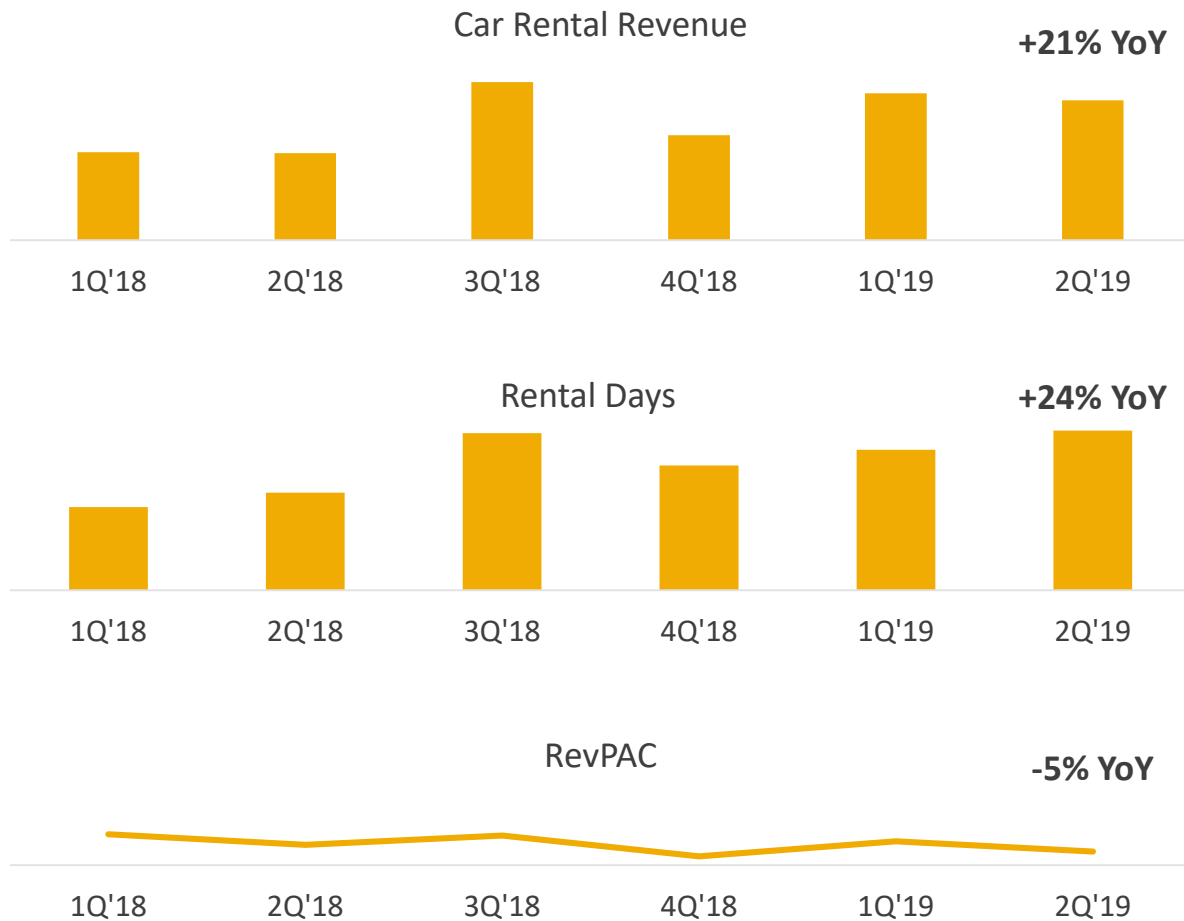
Increasing concentration on core business

as % of rental revenue

(RMB in millions)

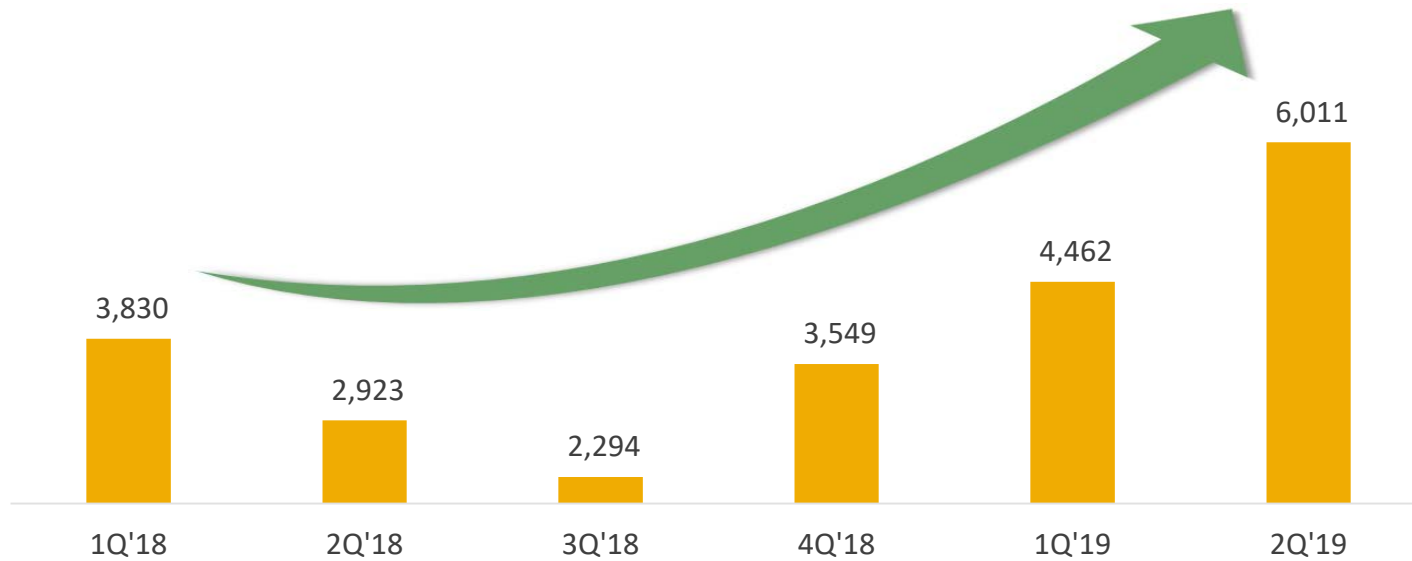


Proven strategy to generate sustainable growth



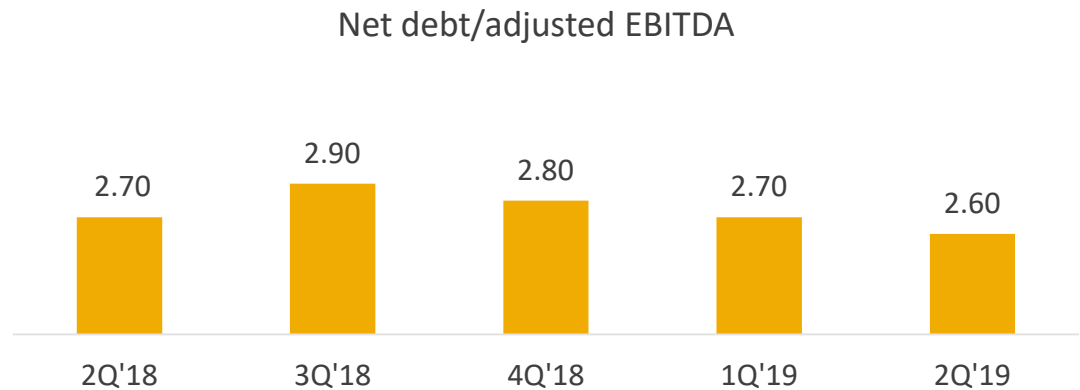
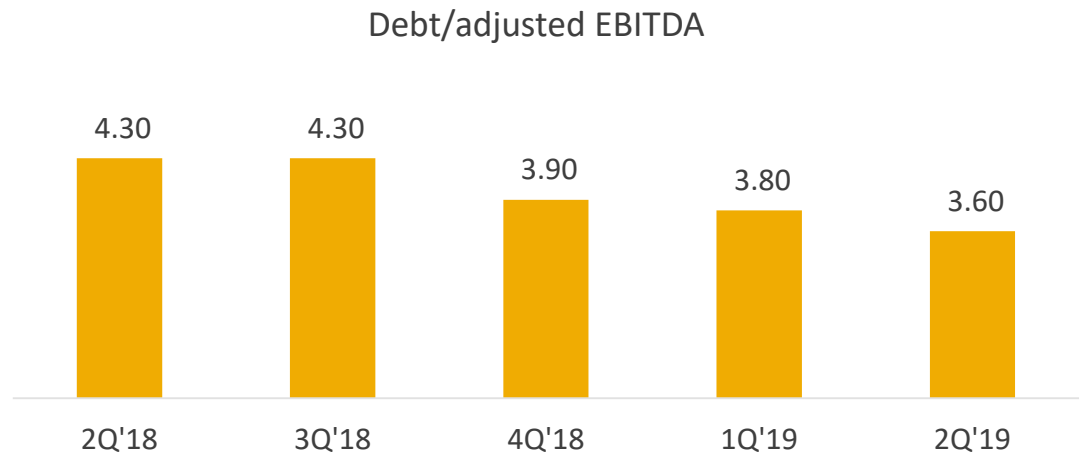
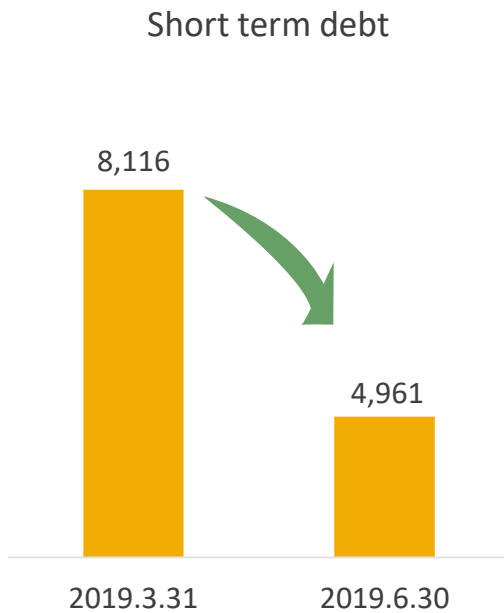
Increasing used car sales

of used vehicles disposed



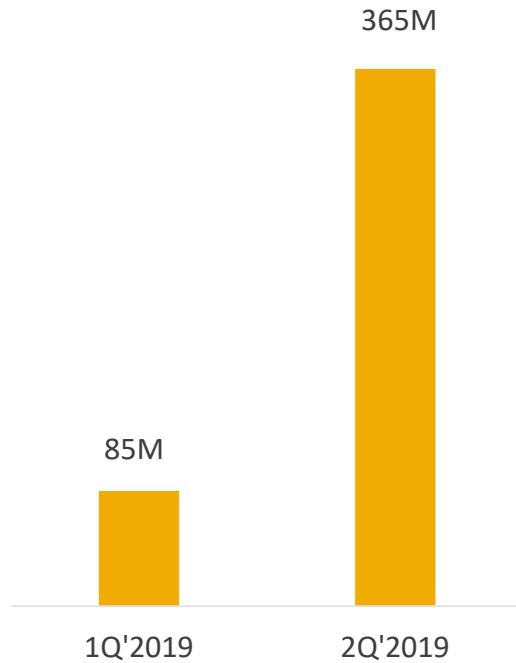
Strong financial position

(RMB in millions)



Note:
(1) Reconciliation of adjusted EBITDA can be found in CAR Inc.'s 2019 interim results announcement

Healthy cash flow



- ✓ Free cash flow was an inflow of RMB450 million in 1H'19
- ✓ RMB3.7 billion of cash as at the end of 1H'19

Q&A