

HOTAI MOTOR CO., LTD.

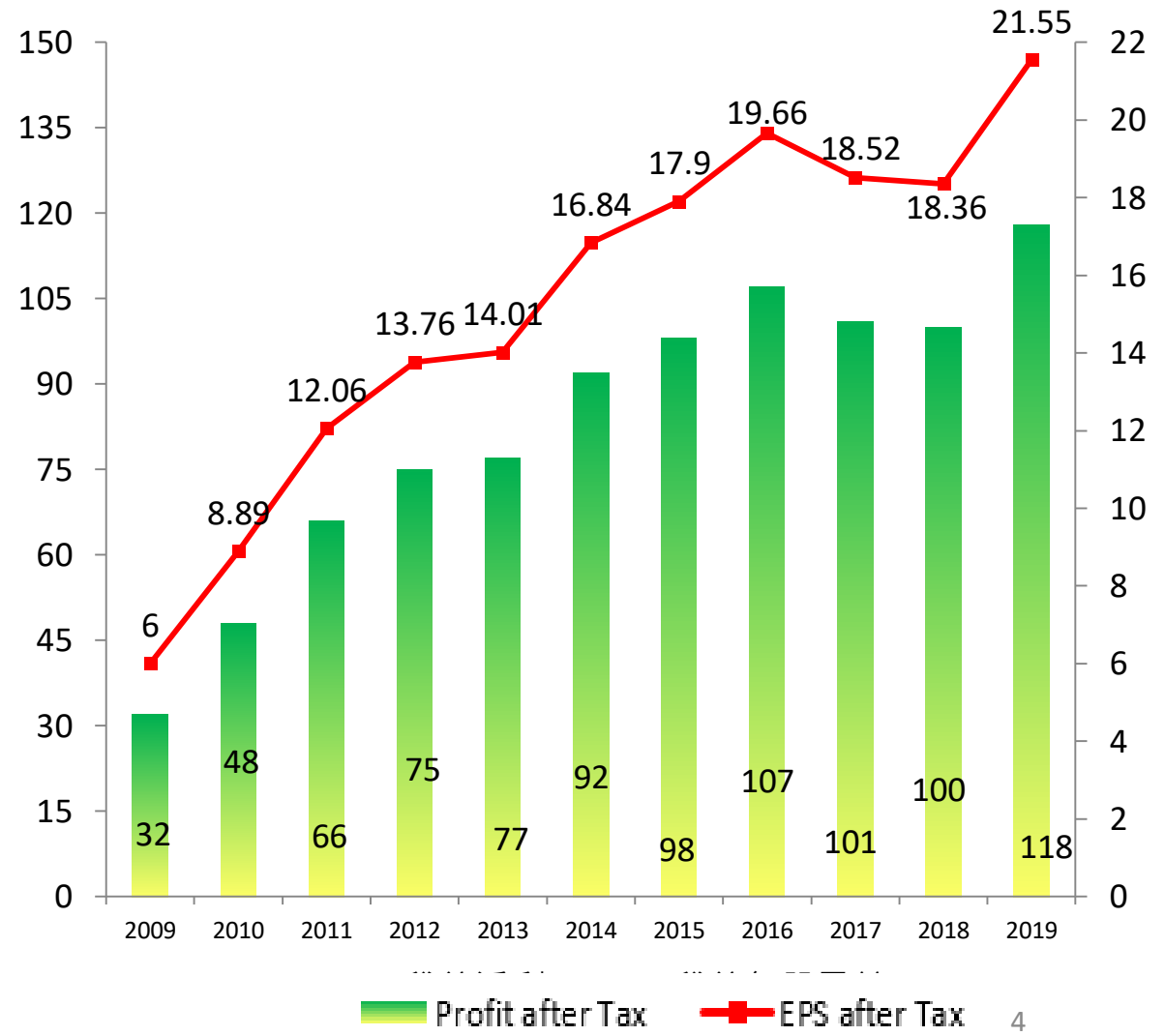
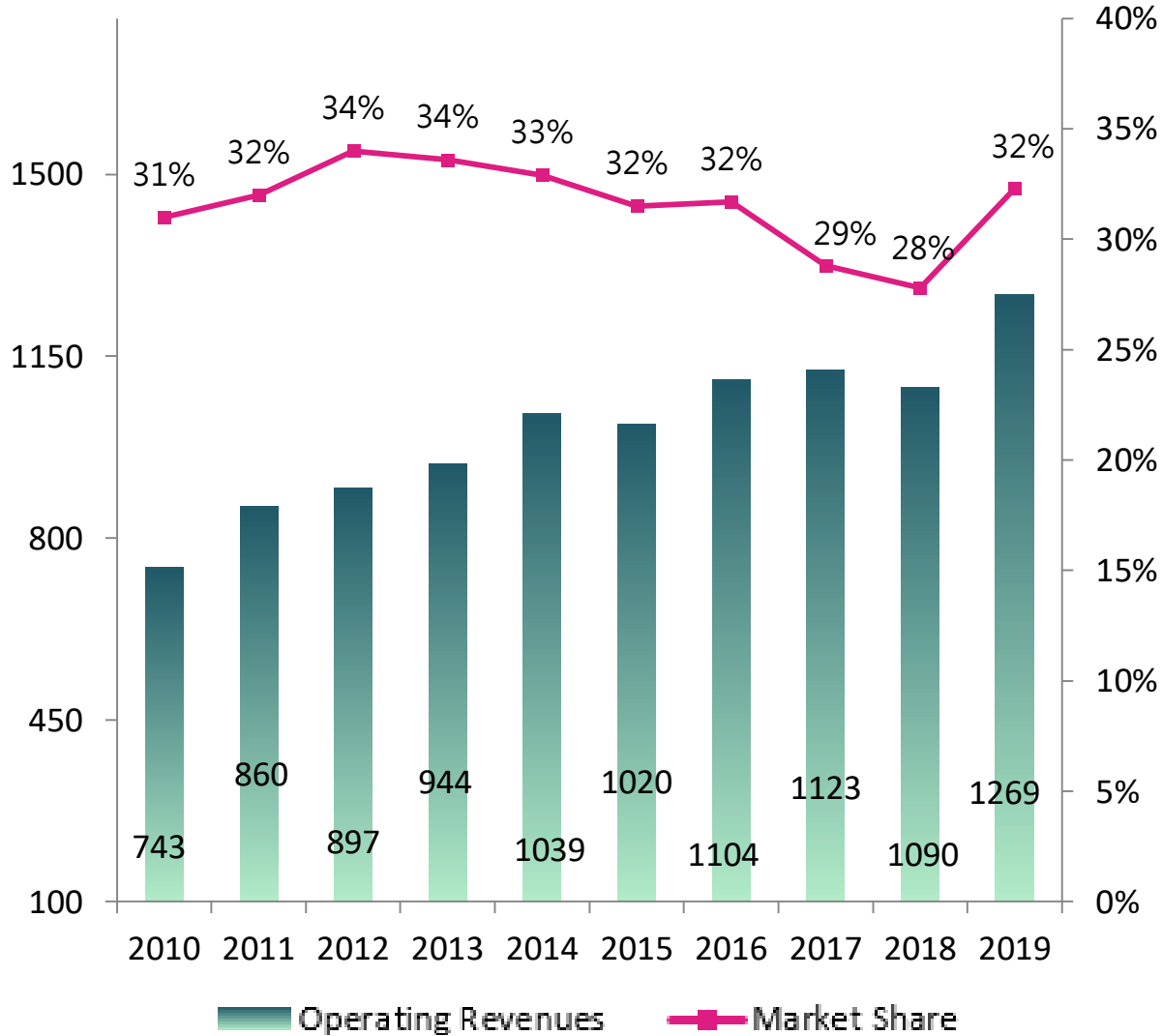
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Agenda

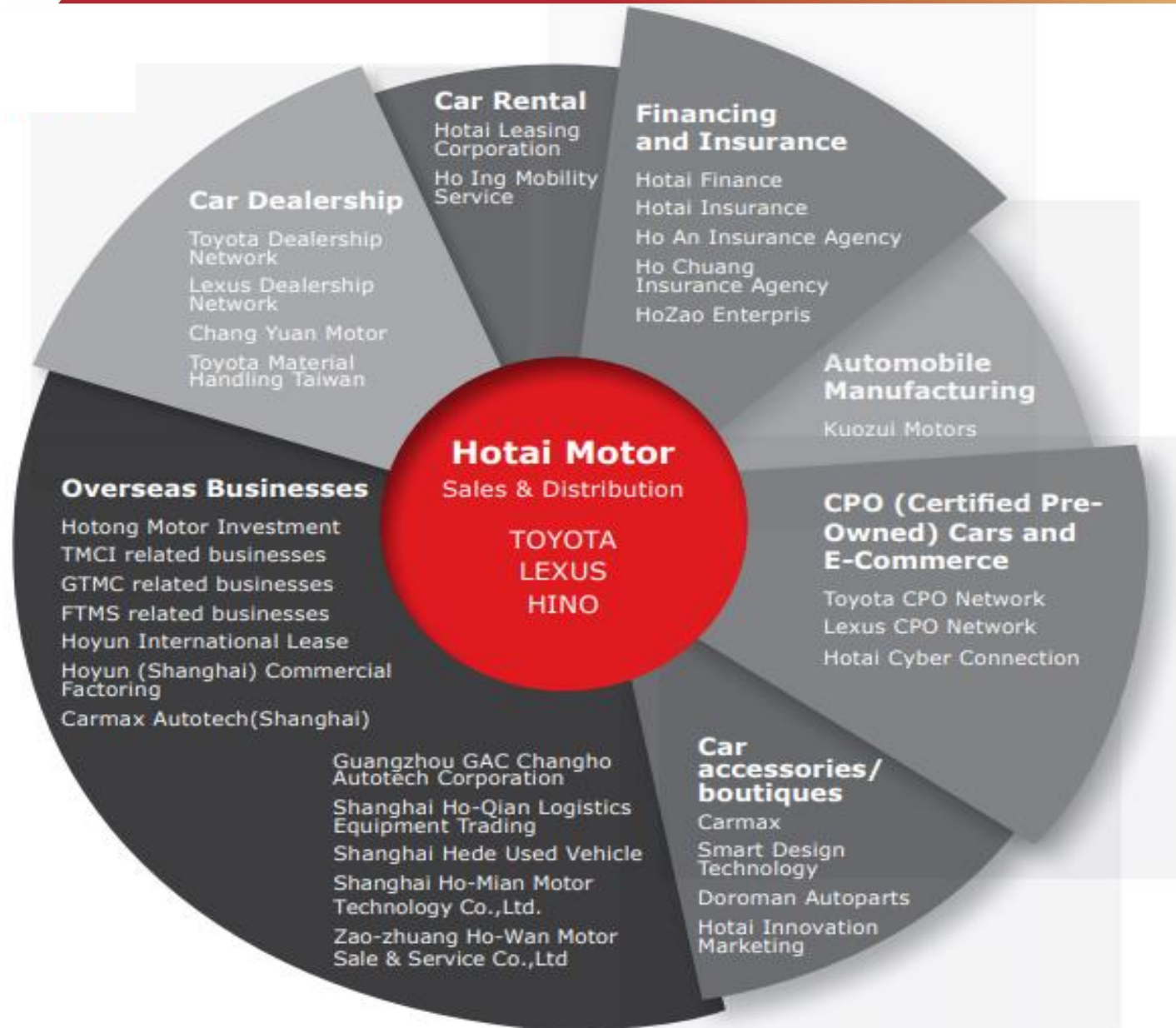
- Company introduction
- Market and sales review 2019
- Corporate operation highlight 2020
- Corporate operation highlight 2020
- Q&A

Establishing date: September 1947		
Founder: Mr. Huang Lieh-Ho		Honorable Group Chairman: Mr. Su Yann-Huei
Chairman: Mr. Huang Nan-Kuang	President: Mr. Justin Su	Executive Vice President: Mr. KAZUO NAGANUMA
Capital amount: NT\$5.462 billion	Sales turnover: NT\$126 billion (2019)	Employees: 551 people (2019)
Product brands: TOYOTA, LEXUS, HINO Trucks, TOYOTA Industrial Equipment		





Affiliates



Unit: NTD thousands

ITEM	2019	%	2018	%	YOY
Operating revenue	181,101,787	84.73%	158,221,271	84.60%	114.46%
Leasing income	12,292,084	5.75%	11,478,288	6.14%	107.09%
Interest income	9,377,005	4.39%	8,194,392	4.38%	114.43%
Others	10,974,195	5.13%	9,133,635	4.88%	120.15%
Total Income	213,745,071	100.00%	187,027,586	100.00%	114.29%
COGS	161,157,643	75.40%	140,189,231	74.96%	114.96%
Operating expenses	14,403,464	6.74%	13,232,773	7.08%	108.85%
Leasing cost	9,666,391	4.52%	9,241,200	4.94%	104.60%
Others	11,144,587	5.21%	9,169,108	4.90%	121.54%
Total Expense	196,372,085	91.87%	171,832,312	91.88%	114.28%
Profit before income tax	17,372,986	8.13%	15,195,274	8.12%	114.33%
Income tax expense	3,788,087	1.77%	3,595,444	1.92%	105.36%
<u>Net profit</u>	<u>13,584,899</u>	<u>6.36%</u>	<u>11,599,830</u>	<u>6.20%</u>	<u>117.11%</u>
<u>Profit attributable to owners of parent</u>	<u>11,768,815</u>	<u>5.51%</u>	<u>10,025,535</u>	<u>5.36%</u>	<u>117.39%</u>
<u>EPS</u>	<u>21.55</u>		<u>18.36</u>	⁶	<u>3.19</u>

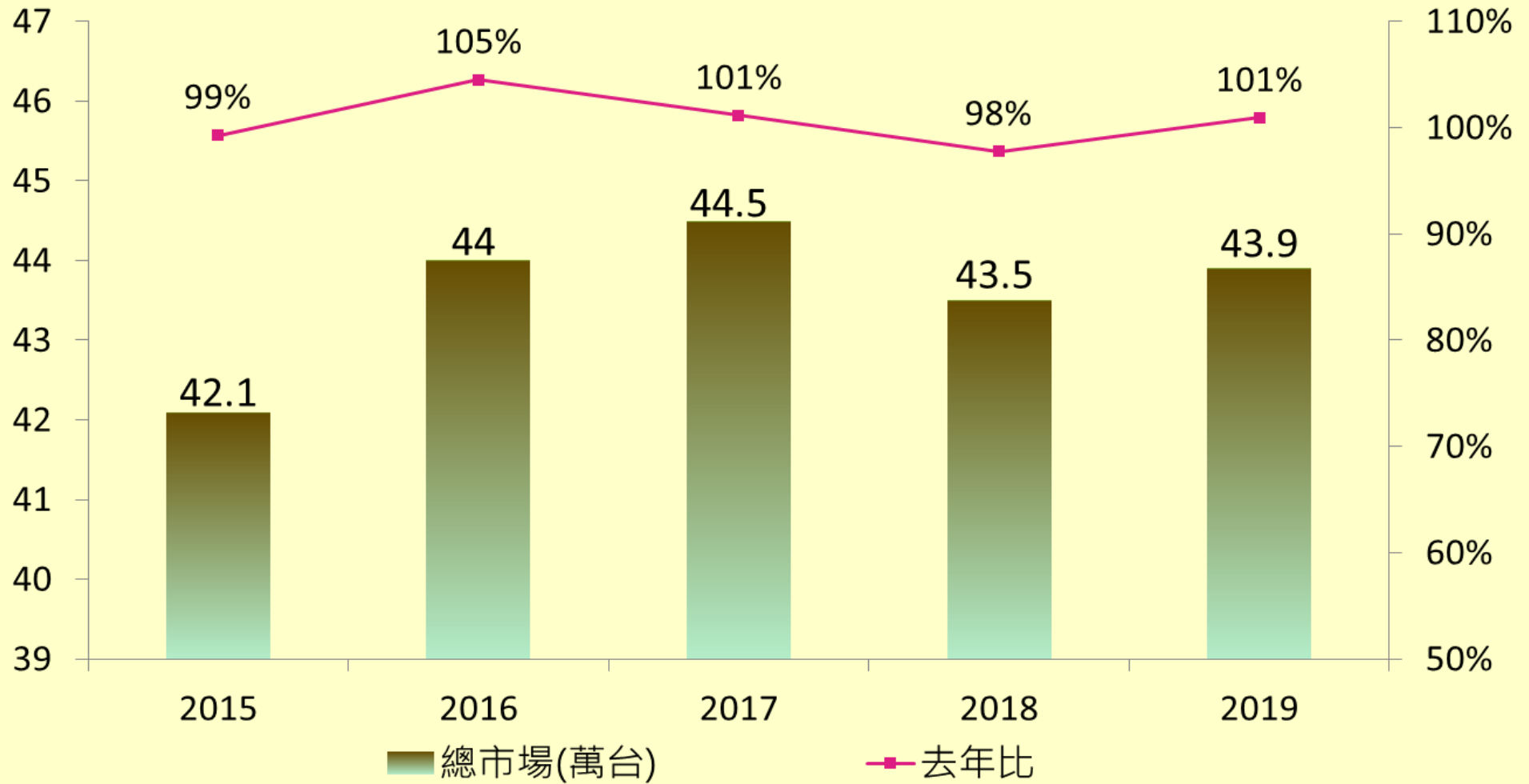
Unit: NTD thousands

2019						
	Distributor of TOYOTA and HINO products Segments	Installment trading segments	Leasing segments	Other segments	Reconciliation and elimination	Total
Total segment revenue	133,839,641	8,721,699	20,175,454	74,401,475	(23,393,198)	213,745,071
Segment income*	13,737,315	2,823,044	1,080,679	8,866,396	(9,134,448)	17,372,986
2018						
	Distributor of TOYOTA and HINO products segments	Installment trading segments	Leasing segments	Other segments	Reconciliation and elimination	Total
Total segment revenue	114,627,095	8,052,579	19,013,581	63,893,266	(18,558,935)	187,027,586
Segment income*	11,932,596	2,251,361	956,542	9,059,510	(9,004,735)	15,195,274

*Segment income means pre-tax profit

Market and sales review 2019





The total market sales in 2019 reached **439,000** vehicles, which was 101% more than previous year.

Passenger car market



Sales units

141,000

Market share

32.3%



Champion of Taiwan
automotive market sales
for **18** consecutive years



+4.5%
Market share vs 2018

Passenger car market



119,000 Units

27.2%
Market share

Total market
Sales NO.1



SUV market
Sales NO.1



Champion of domestic and imported car sales

Passenger car market



Luxury car Market



LEXUS 22,000 units

25%

Market share

NO.1

Historical high

Commercial vehicle market



8,092 units

(Hiace&Granvia inclusive)

Historic high in the past 27 years

Heavy-duty vehicle sales

3,685 units

champion for 10 consecutive years

3.49 T sales

3,722 units

Historical high

Market trend review 2020



Negative factors

Weakening view on global economy



Positive factors

1. Accounting Department raised Taiwan forecast for 2020
2. Retirement policy
3. Multiple brands continue to launch new cars

Car sales projection (est.)

450,000

Sales target

Passenger car sales units
(est.)

146,000

TOYOTA **124,000 units**

LEXUS **22,000 units**

Market share
(est.)

32.5%

(TOYOTA+LEXUS)



Sales units target
(est.)

8,000

No.1 brand for
commercial vehicle sales



Corporate operation Highlight 2020

TOYOTA

LEXUS

HINO

Affiliate Business

CSR



Various new models



Q1

ALPHARD Enhanced



Q2

ALTIS GR SPORT

Various new products

New trend of luxury – all new flagship LM300h



19' Dec
27th

Various new products

All new flagship roadster LC convertible



Continuous improvement of showrooms

New :
North Taichung showroom



Expansion :
Chungho showroom



Renovation :
Hsinchu showroom



Continue to strengthen product power

6-700 Series AMT



6-300 Series AT



Complete Bus product Line-up

RM1A 360 BUS

E6 NS Bus



RM8J Bus



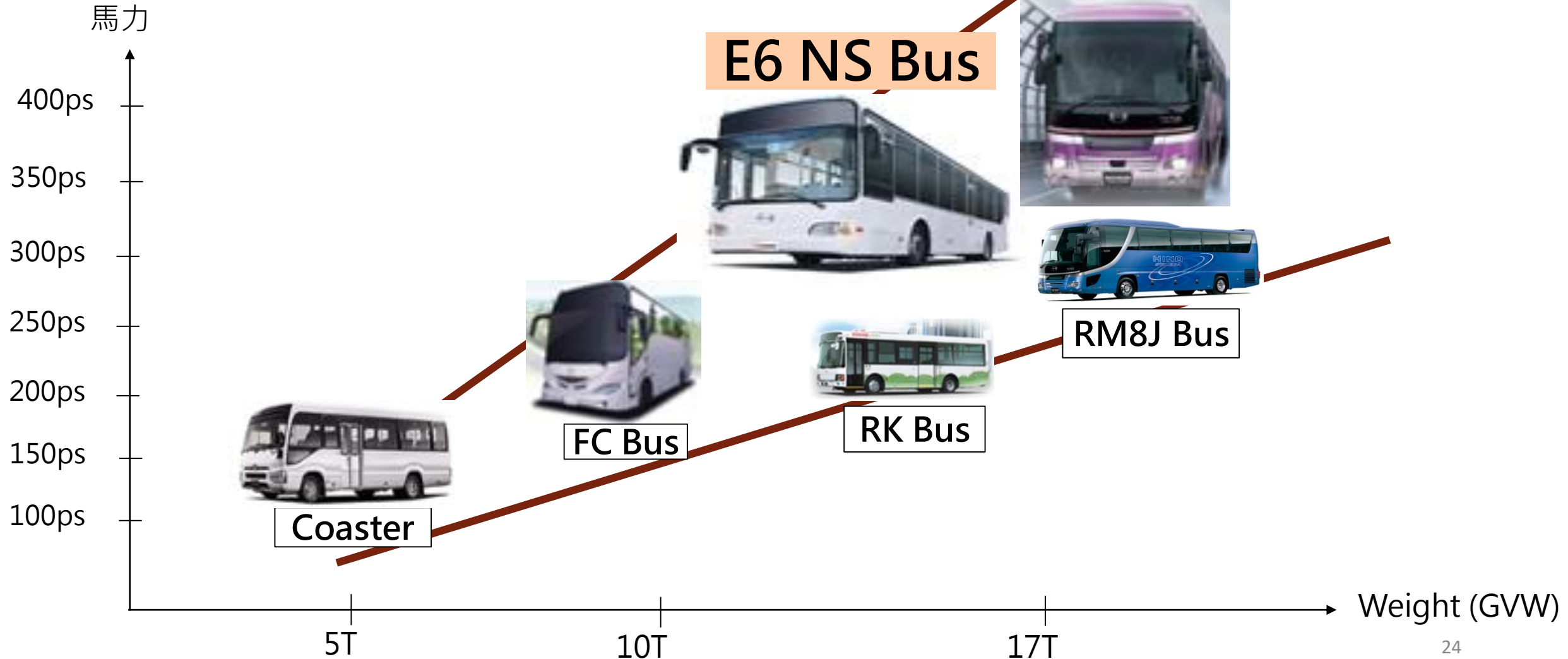
FC Bus



RK Bus



Coaster



Expand telematics application to enhanced convenience and safety

- Telematics service enhanced · connect car-owner day to day life
- AI technology introduced · enhanced travelling safety



Accelerate global development

- Set overseas service location, complete customer services
- Eyeing global car market, aggressive expansion of sales



Hotai · Carmax & Garmin establish a new corporate

- Strengthen product line, integrate vehicle and peripheral electronic products
- Layout MaaS, responding to the new era of mobile services

Innovation for quantity and quality

- Growth-rate performance continues to exceed the market average
- Increase in insurance business profit
- Improve investment efficiency

- Talent Education:
 - Industry-University Cooperation,
 - Career Development Plan
- Car insurance system renovation plan
- In line with government's key development policies
 - Fair hospitality
 - IFRS accounting system
 - Information security and green energy
 - related insurance



汽機車保險



住宅保險



醫療健康保險



旅遊綜合保險



商業火險



責任保險



工程保險

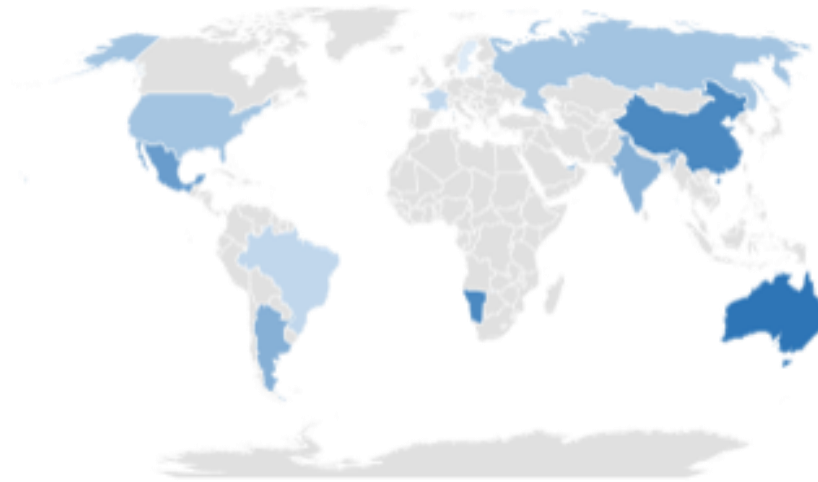


運輸保險

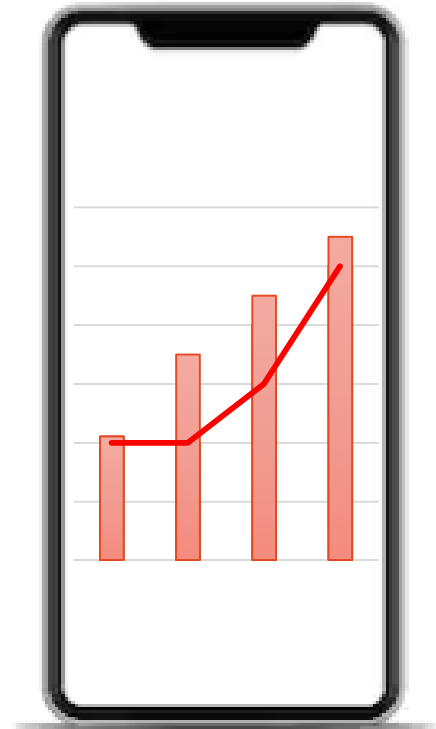
Actively expand commercial vehicles, and motor double ten billion market



Southbound business expansion evaluation



Digitization lead business growth



Add franchise system
and expand the scale
of auto-locomotive
shared services for
iRent

Launched various
brands of used cars
subscription leasing
service





一車  一樹

----- 讓愛啟動 -----

One Tree for Every Toyota

突破 **40萬** 棵樹

2017~2020

和泰汽車全國捐血月

邀您一起捐熱血、捐希望

National Blood Donation Month and the donation of bloodmobiles



讓愛啟動

公益競賽活動

第一屆
公益夢想家
CSR x USR大專院校公益提案競賽
真實改變 由你啟動 報名徵件中!

Hotai CSR X USR Dreamer Contest



Traffic safety theatre

For the 15th consecutive year, a total of 1,409 plays were performed.



Donate crossing guard equipment

Donating for 10 years, accumulation of equipment donation reach 97,000 units

Deep "Road Safety" awareness and create more safe environment

Q&A