

**HOTAI MOTOR CO., LTD.**

**2207TT**

# Agenda

- Company introduction
- 2021 Jan.~June Financial result
- 2021 Operation Highlights
- Q&A

# Company introduction

**Establishing date: September 1947**

**Chairman:  
Mr. Huang Nan-Kuang**

**President:  
Mr. Justin Su**

**Executive Vice President:  
Mr. KAZUO NAGANUMA**

**Capital amount:  
NT\$5.462 billion**

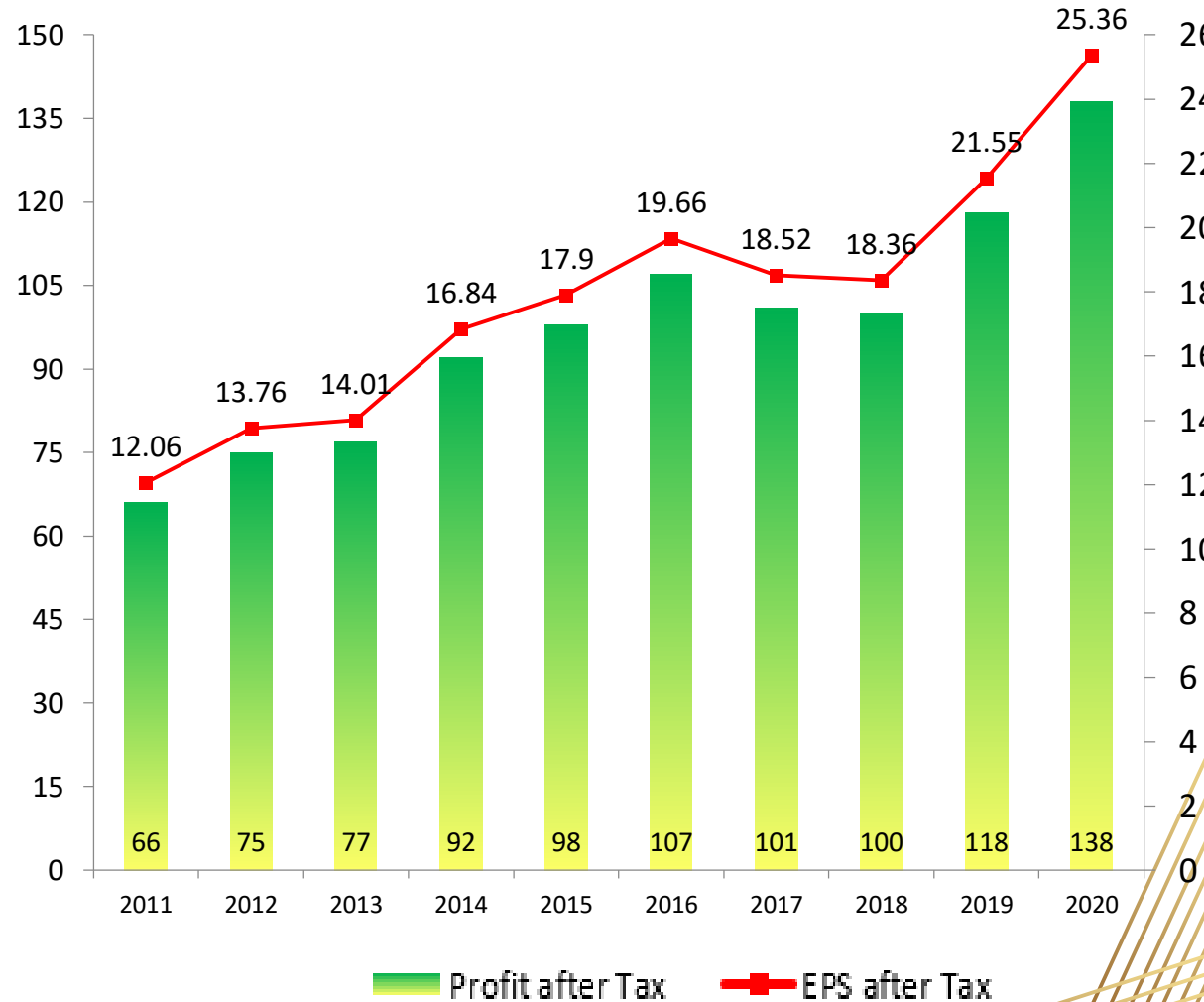
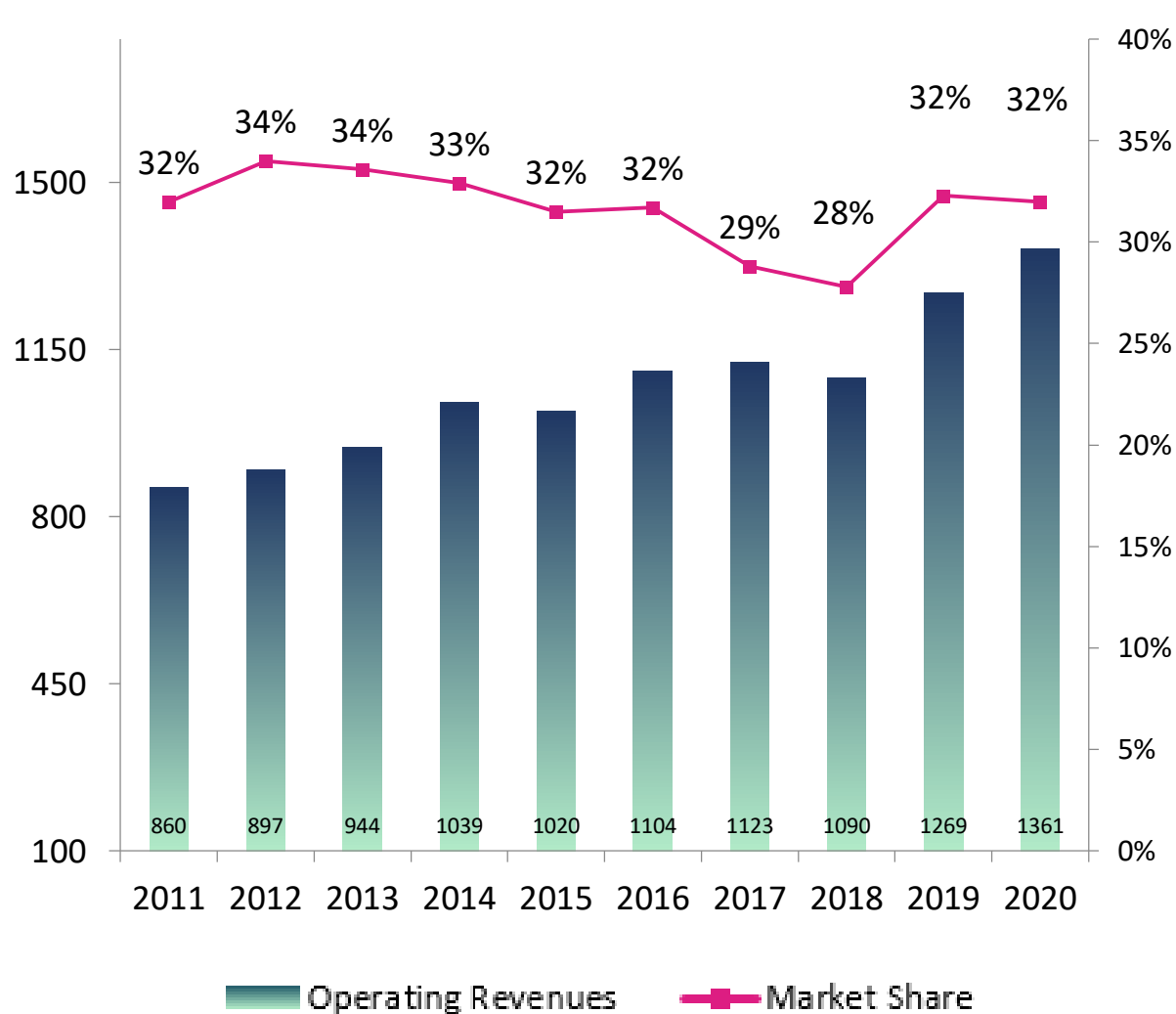
**Sales turnover:  
NT\$136 billion (2020)**

**Employees:  
553 people (2020)**

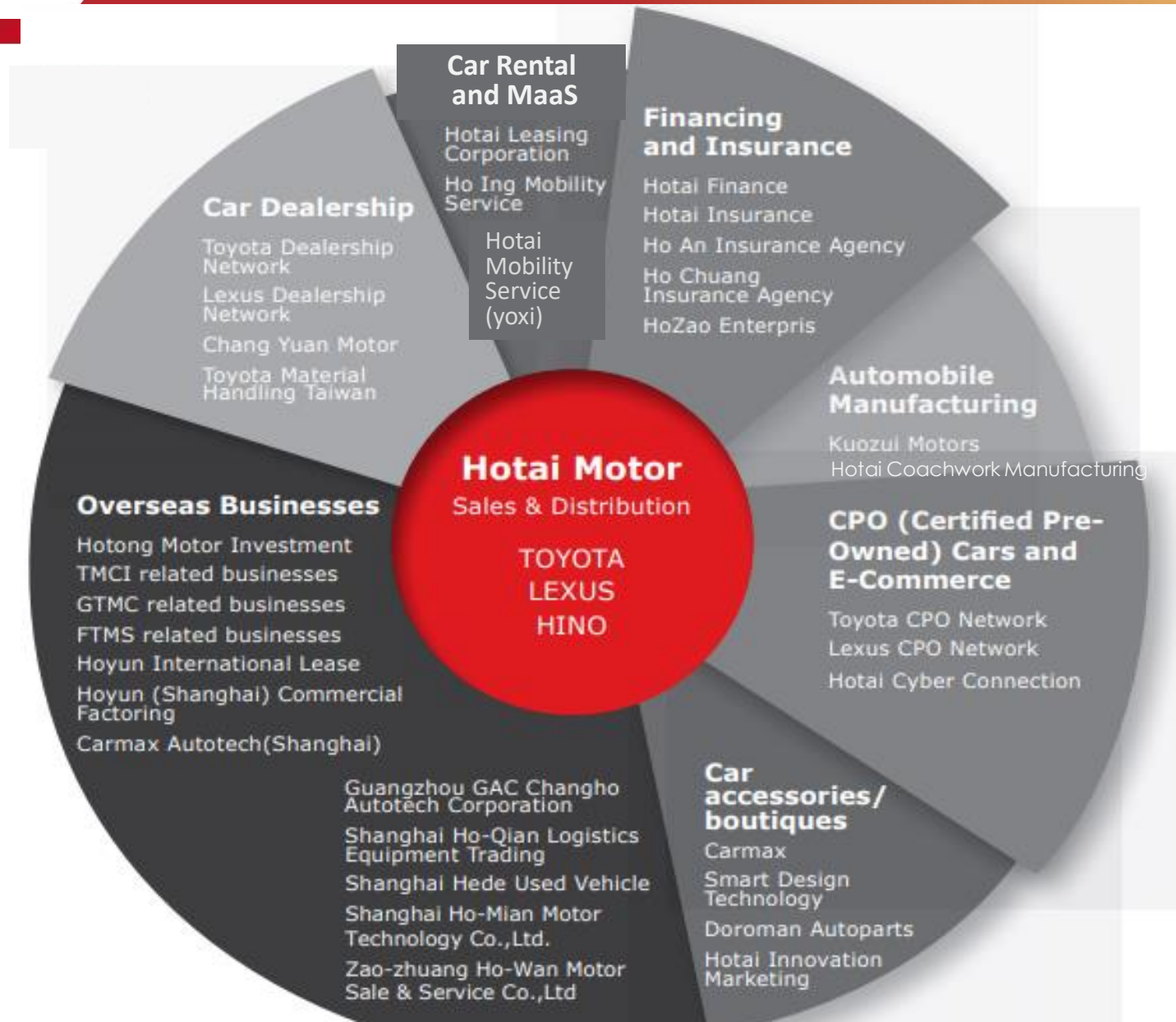
**Product brands: TOYOTA, LEXUS, HINO Trucks, TOYOTA Material Handling Taiwan**



# Operation and financial results



# Affiliates





## 2021 Jan~June Financial results

Unit: NTD thousands

ITEM	2021 Jan.~June	%	2021 Jan~June	%	YOY
Operating revenue	111,744,502	84.04%	96,908,869	84.79%	115.31%
Leasing income	7,291,642	5.48%	6,423,166	5.62%	113.52%
Interest income	5,841,786	4.39%	4,772,951	4.18%	122.39%
Others	8,084,189	6.08%	6,191,102	5.42%	130.58%
<b>Total Income</b>	<b>132,962,119</b>	<b>100.00%</b>	<b>114,296,088</b>	<b>100.00%</b>	<b>116.33%</b>
COGS	98,531,410	74.10%	86,188,087	75.41%	114.32%
Operating expenses	7,636,111	5.74%	6,784,410	5.94%	112.55%
Leasing cost	6,020,312	4.53%	5,257,019	4.60%	114.52%
Others	7,190,816	5.41%	5,787,064	5.06%	124.26%
<b>Total Expense</b>	<b>119,378,649</b>	<b>89.78%</b>	<b>104,016,580</b>	<b>91.01%</b>	<b>114.77%</b>
<b>Profit before income tax</b>	<b>13,583,470</b>	<b>10.22%</b>	<b>10,279,508</b>	<b>8.99%</b>	<b>132.14%</b>
Income tax expense	2,777,042	2.09%	2,322,609	2.03%	119.57%
<b>Net profit</b>	<b>10,806,428</b>	<b>8.13%</b>	<b>7,956,899</b>	<b>6.96%</b>	<b>135.81%</b>
<b>Profit attributable to owners of parent</b>	<b>9,154,559</b>	<b>6.89%</b>	<b>6,713,360</b>	<b>5.87%</b>	<b>136.36%</b>
<b>EPS</b>	<b>16.76</b>		<b>12.29</b>		<b>4.47</b>



# Main subsidiaries profit and loss

Unit: NTD thousands

Main subsidiaries profit					
NAME	Hotai Finance	Hotong Motor	Hotai Development	Hotai insurance	Hotai Leasing
2021 Jan.~June	1,477,190	744,270	737,809	499,242	478,670
2020 Jan.~June	1,199,064	477,773	410,031	182,834	375,843
YOY	123%	156%	180%	273%	127%



# 2021 Operation Highlights

- ◆ Market Trend Outlook
- ◆ TOYOTA strategy in response to Carbon Neutrality
- ◆ TOYOTA passenger cars
- ◆ LEXUS passenger cars
- ◆ HINO commercial cars
- ◆ MaaS
- ◆ Affiliated Company





# 2021 Market Trend Outlook

1. Uncertainties amid global epidemic
2. Shortage of automotive chips affect supply stability
3. Continuation of replacement subsidy policy

Projection

44

10,000 cars



# 2021 Market Outlook- Sales Target

## Sales Target



**15.4** 10,000 cars

(TOYOTA **13.3** (10,000cars) + LEXUS **2.1** (10,000cars) )

**Expected to be Historic Sales Record in Taiwan**

# 2021 Market Outlook- Sales Target

## Sales Target

**Commercial cars** (Hiance & Granvia included)

**9,350** cars

**Challenge record sales**



# 2021 results for TOYOTA & LEXUS

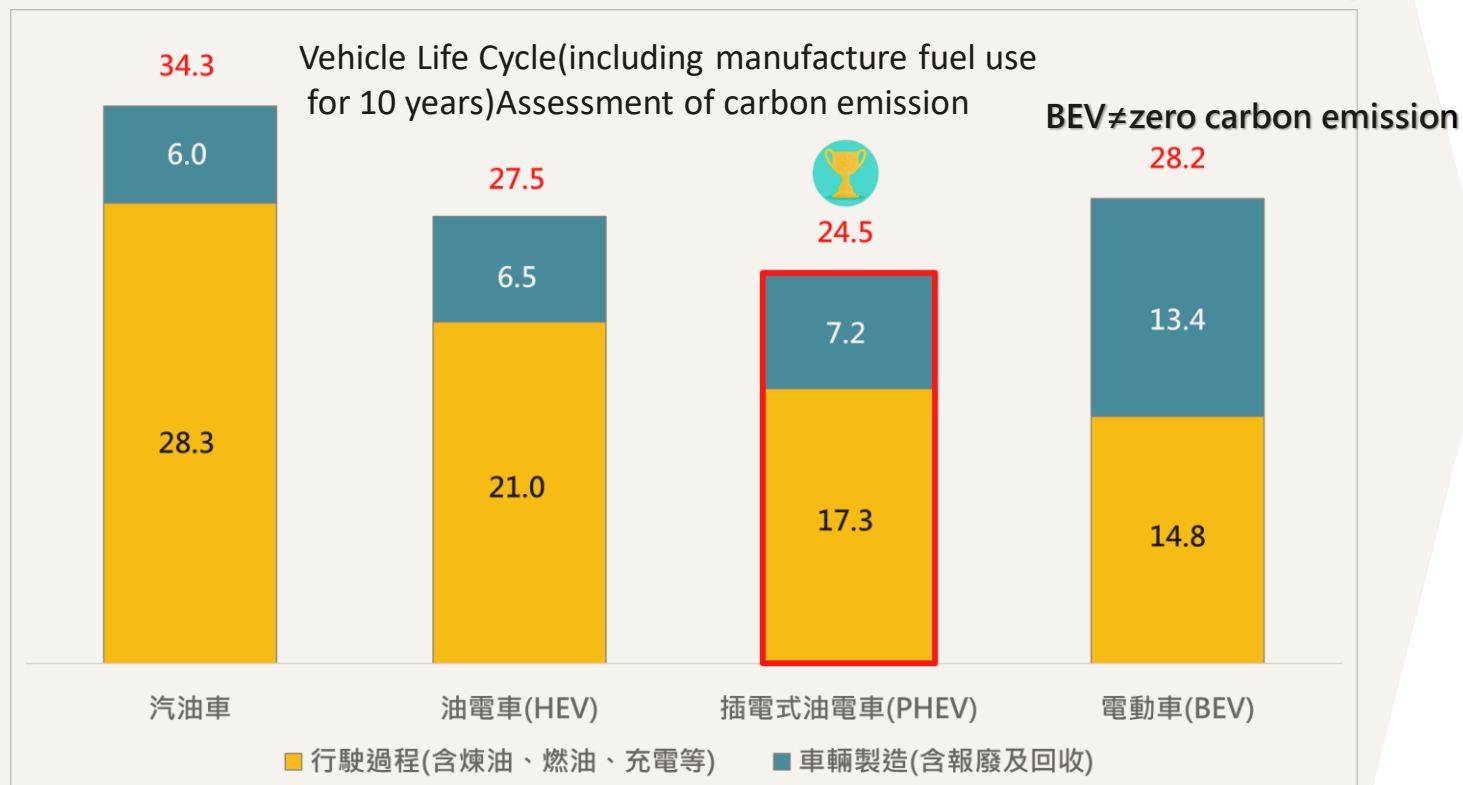
	Y2021 August	YOY/ Difference	Y2021 Jan.~August	YOY/ Difference
TOYOTA	8,998 units	96.8%	79,818 units	97.0%
LEXUS	2,006 units	126.3%	15,609 units	98.9%
TOTAL	11,004 units	101.1%	95,427 units	97.3%
Market Share	33.2%	+2.0%	32.6%	-1.4%



# 2021 Operation Highlight-TOYOTA electrified strategy

1. Domestic Power Generation Structure: **80% comes from thermal power plant in Taiwan**

2. Global Trend : **Carbon emission of Vehicle Life Cycle**



\*\*計算之行駛距離：15,000km/年

參考資料：2020國際能源總署(IEA, International Energy Association)

【LCA, Life Cycle Assessment】Overall CO2 emission of LCA from vehicle manufacture, use and recycling

Except for battery electric vehicle (BEV) · considering

- Reasonable price and maintenance fee
- Limited EV charging station density
- Anxiety of long distance driving

Currently,  
 Hybrid electric vehicle (HEV)  
 Plug-in hybrid electric vehicle (PHEV)

are practical and ease of mind vehicles in use



# 2021 Operation Highlight-TOYOTA electrified strategy

## TOYOTA & LEXUS possess complete electrified vehicle models

1. At present, T&L has accumulated sales of more than 17 million electrified vehicles worldwide, and will continue to launch new models in the future



- Introduced the first generation PRIUS(HEV) in 1997
- In 2005, Lexus launched the world's first luxury electric vehicle, RX400h



- Introduced PRIUS (PHEV) in 2012
- Lexus will launch the first PHEV in 2021



- In 2014, leading the auto industry to launch the first generation TOYOTA Mirai hydrogen fuel cell electric vehicle



- Launched the original RAV4 BEV in 1997
- Lexus will launch the first BEV in 2021
- Announced the debut of its bZ electric car brand in 2021
- T&L will launch 15 BEVs in 2025

2. Hotai will continue to introduce suitable electrified vehicle models, and the proportion of electrified vehicle sales in 2025 will increase from the current **25%** to **40%**

# 2021 Operation Highlight-TOYOTA electrified strategy

## TOYOTA Brand Store



- To promote LCA/Carbon Neutral vision
- To communicate with the public to understand TOYOTA future EV strategy

## LEXUS ELECTRIFIED Store



- To deliver strength of Lexus electrified vehicles, and vision of reach Carbon Neutral and Corporate Sustainability.



# 2021 Operation Highlight-TOYOTA

## Luxury flagship cars continue to evolve



Camry Enhance(March 3rd)



Since launch, orders reaches 3,000



Sienna major model change (March 24th)



Since pre-order 2020/11/24 · orders is over 850 with positive reviews

# 2021 Operation Highlight-TOYOTA

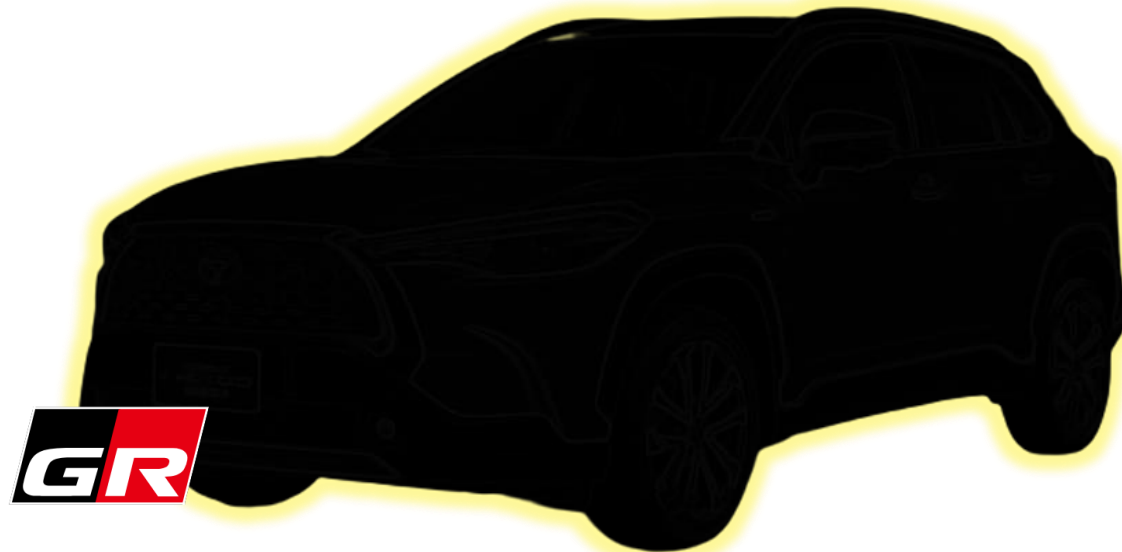
## GR lineup Expansion



GR Yaris all new limited offer  
(August 3rd)



Since launch on August 3<sup>rd</sup>, and orders is around 600 with positive reviews



Corolla Cross GR SPROT all new  
launch (Sep. 13rd)



# 2021 Operation Highlight - TOYOTA

## Community convenient repair station

Good convenience, fast maintenance, and easy appointment



Introduced **14** repair stations

until June 2021 **+5**

2021 target is **34** repair stations



Since 2019, we launched community convenient repair station, providing original after-sales service such as "maintenance and repair" and "tire replacement" like a convenience store



# 2021 Operation Highlight -LEXUS

The perfect combination of luxury  
and introvert LS minor change

(Launched on Jan 19<sup>th</sup> )



The introduction of a touch screen to enhance convenience and a sense of technology in the cabin, and a traditional handcraft from Kyoto, Japan-Nishijin weaving, creates a style of luxury and introvert that can be compatible with each other

Black Whirlwind- flagship GT sports  
LC Limited Edition debut

(Launched on Jan 28<sup>th</sup> )



Equipped with an exclusive blackened exterior kit and 21-inch blackened aluminum ring; the interior adopts an exclusive two-color matching of exclusive luxury black/saddle brown, and a large area of Alcantara material to enhance the cockpit fighting atmosphere

# 2021 Operation Highlight-HINO

Continue to strengthen product competitiveness

Large Vehicle phase 6  
+ Safety regulation introduction

500/700series all new facelift(sep)  
(10-17T) (>35T)



(schematic)

# 2021 Operation Highlight-HINO

Continue to strengthen product competitiveness

Large Vehicle phase 6+ Safety regulation introduction



200 series (March 16nd)



(schematic diagram)

500/700series all new facelift  
(Nov.)



# 2021 Operation Highlight -MaaS

## *iRent*



## *yoxi*



It has two mobile brands, iRent, which is self-driving and yoxi, which comes with driver. It uses a shared platform to meet the diverse mobile needs of consumers.



# 2021 Operation Highlight- Hotai Cyber conection/hotai mobility service

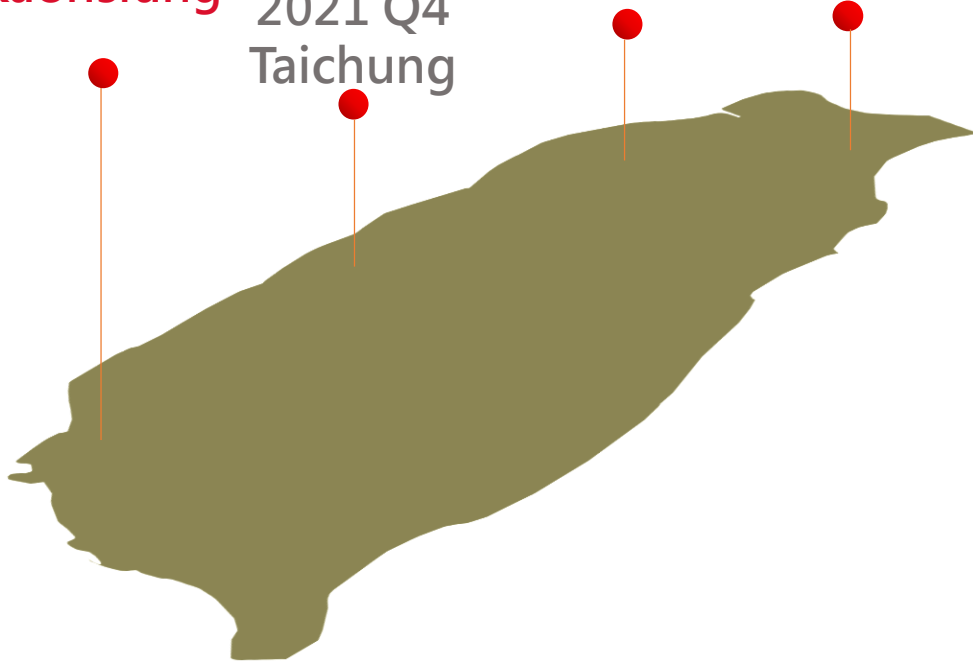


August 2021  
Officially  
launched in  
Kaohsiung

2021 Q4  
Taichung

May 2021  
in  
Taoyuan

2020  
Taipei city and  
Taipei county



Expand service area



Introduce diversified /car services



# 2021 Operation Highlight- Ho Ing Mobility

APP and system functions continue to be upgraded Strengthen membership management and service integration

Connect the smart city transportation network to meet the mobile needs of the people

**門市租車**  
 全台據點  
 完整車隊

**專車接送**  
 尊榮車隊  
 專業司機

**iRent共享汽機車**  
 24hr隨租隨還  
 App快速取車

**停車場**  
 車牌辨識  
 智慧停車

**iRent** 唯一提供汽車+機車服務

汽車加價購方案	機車加價購方案
600分鐘 / 1,400元 平假日皆可使用 全台路邊租還、同站租還	200分鐘 / 259元 平假日皆可使用
30 DAY	30 DAY

From 5/13, 1280 regular tickets can be purchased with iRent monthly rental plans for cars and locomotives



# 2021 Operation Highlight-Hotai Leasing



Develop corporate long-term leases and lease-derived services for various brands of vehicles

Promote subscription-based online leasing and open up the personal leasing market

Expand the value chain of used car service and become the market's number one used car e-commerce platform

Integrate auctions, car dealers/warranty alliances, and abc.com platform, structure the service content from C2B, B2B, B2C and even C2C, and provide consumers with a complete value chain of pre-sales and after-sales services for used cars



# 2021 Operation Highlight – Hotai Finance

## Cross-strait asset & profits continue to grow

Secure medical equipment No.1  
Expand heavy vehicle market  
penetration



Expanding the leading position of No.1 in medical equipment, Strengthen the market share of new commercial vehicles and seize the market for used vehicles

Enhance 2 wheeler business  
Expand electric motorcycle  
cooperation



Open up the national locomotive channel to enhance brand visibility, and expand other electric motorcycle brands installment cooperation

Green energy policy  
Enforce ESG strategy



Strengthen the financing of the new energy industry and evaluate self-operated solar plant

# 2021 Operation Highlight-Carmax

**Total Solution  
Provider evolution**



**Internet of cars  
members target  
exceed 100,000**



**Focus on global car accessories  
market  
Actively develop new  
customers**



Continue to devote itself to providing a full range of automotive product development solutions, and actively plan more software and service-related products

The cumulative number of members reach 90,000, and more customer-centric services will be launched in the future

Establish a Dubai office in 2020 to strengthen local customer service and business promotion in the Middle East market, consolidate existing markets and explore business opportunities in new markets

# 2021 Operation Highlight – Hotai Insurance

## Quality/ Quantity Stability · Stable Operation

### Business

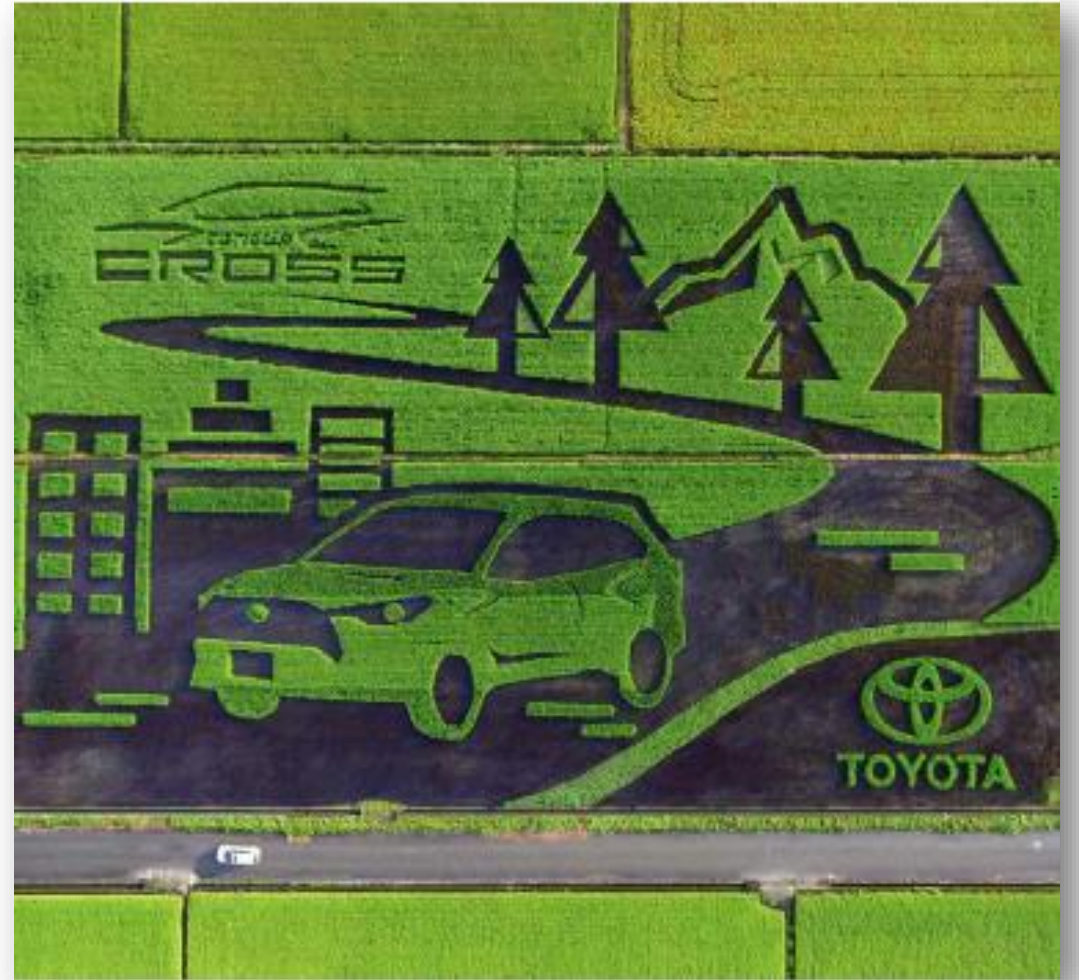
- Increase per capita production capacity
- Develop high-quality insurance products to increase operating efficiency
- Steadily increase investment efficiency
- Innovative and diversified customer service

### Management

- Deepen professional education and build a lean team
- Continuous system/process optimization
- Actively strive for social awards and enhance brand value
- Follow the government's key development policies
  - ◆ IFRS17 accounting system follows the government's introduction schedule
  - ◆ Launched micro insurance and agricultural insurance
  - ◆ Implement the "Principle of Fair Hospitality"



# 2021 CSR





一車  一樹

—— 讓愛啟動 ——


記憶中美麗海岸帶給我們的感動

希望下一代也能親身體驗

現在，只要入主TOYOTA新車

和泰汽車與TOYOTA經銷商就為您在台灣沿海種下一棵樹

減碳抗暖化、守護海岸線，呵護您我的幸福家園

主辦單位： 和泰汽車、TOYOTA經銷商

指導單位：行政院農業委員會林務局

合作單位：慈心有機農業發展基金會

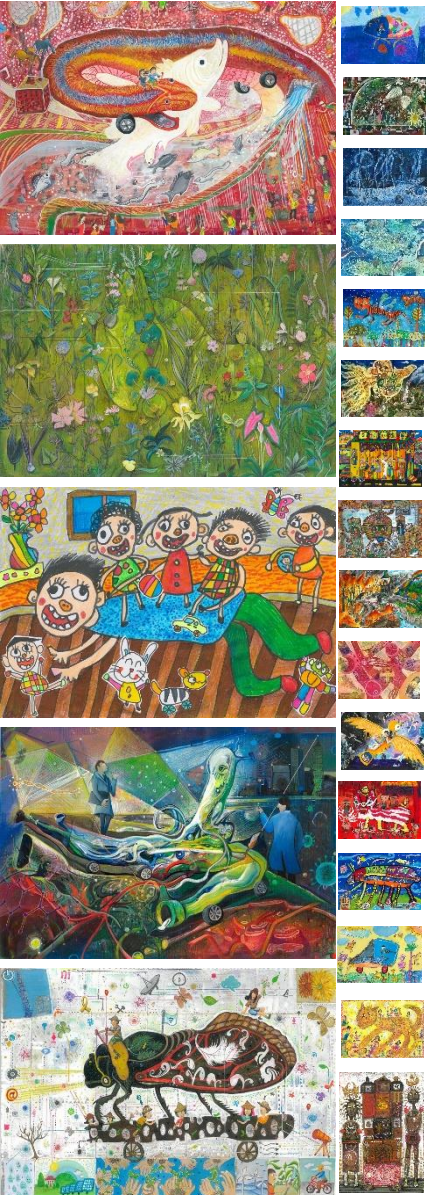
Planted  
over 490,000 trees



現在總共種了 490080 棵樹 減少二氧化碳 10697286 KG







2021  
TOYOTA

全球夢想車  
創意繪畫大賽

Dream it  
Draw it!





# Corporate operation highlight 2021 for CSR

## Third Hotai CSR X USR Dreamer Contest

Nearly 600 groups of youth teams have signed up



Join hands with first and second winners to participate in public welfare activities. Introduction of industry professional selection and sponsorship mechanism to build public welfare seed think tank for the future.



# Corporate operation highlight 2021 for CSR

## Donation of bloodmobiles



the donation of 12<sup>th</sup> bloodmobiles in 2021 and one day blood donation campaign by Hotai group

## Donation of traffic guard equipment



Plan for third round traffic guard equipment donation and accumulated over 100 thousands equipment donation



# Q&A