

HOTAI MOTOR CO., LTD.

2207TT

Agenda

- Company introduction
- 2021 Jan.~Sep. 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**

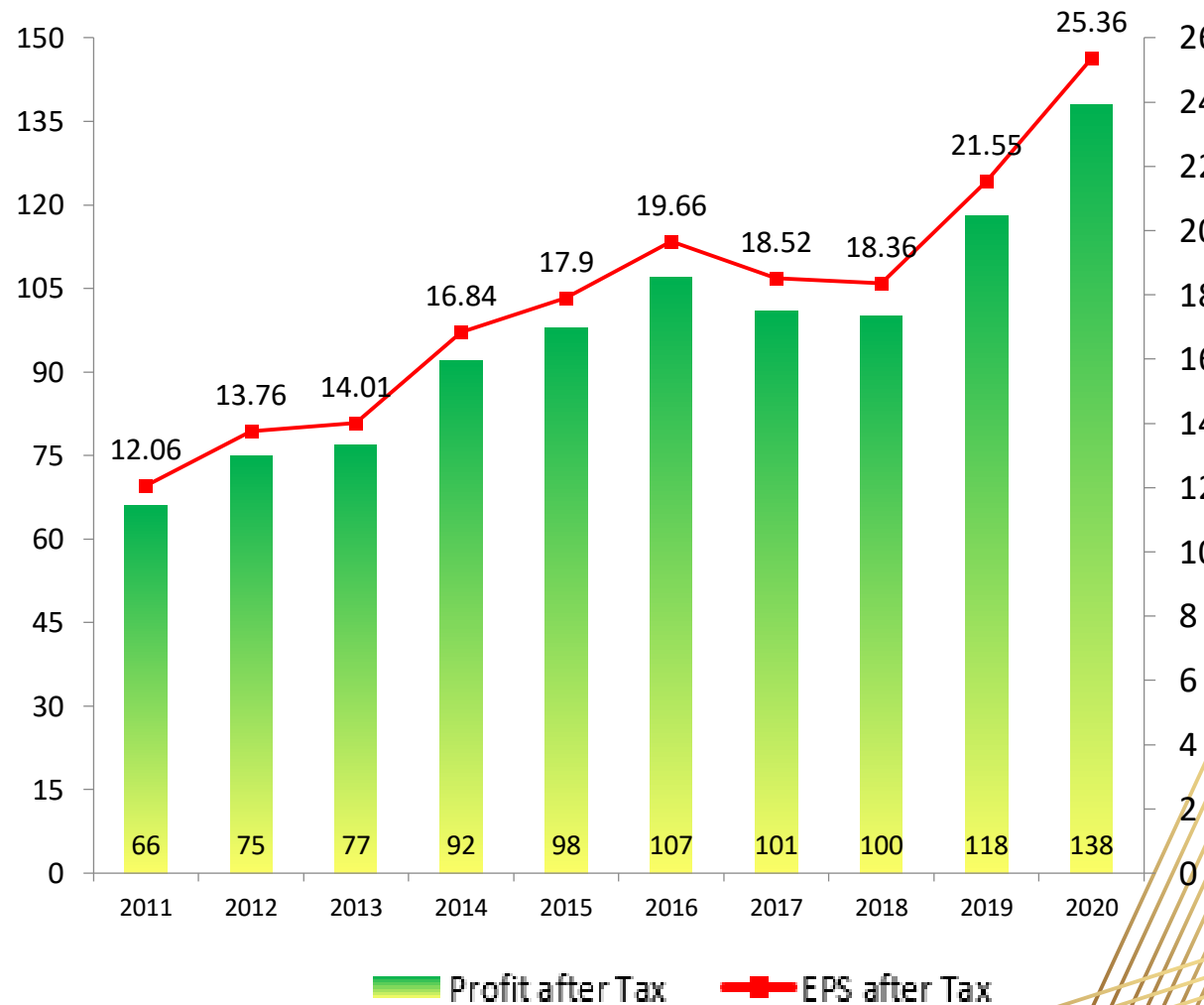
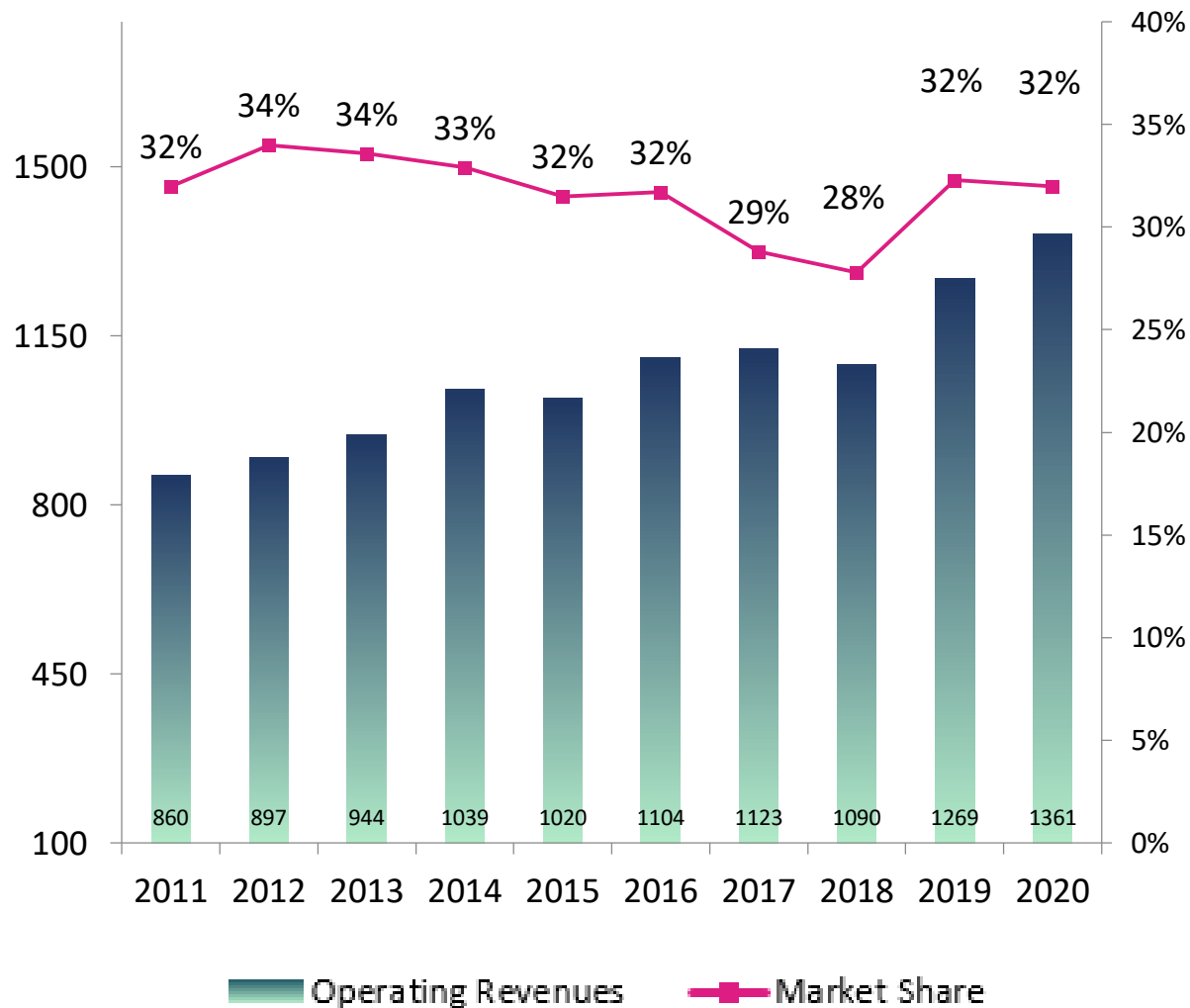
**Sales turnover:
NT\$136 billion (2020)**

**Employees:
553 people (2020)**

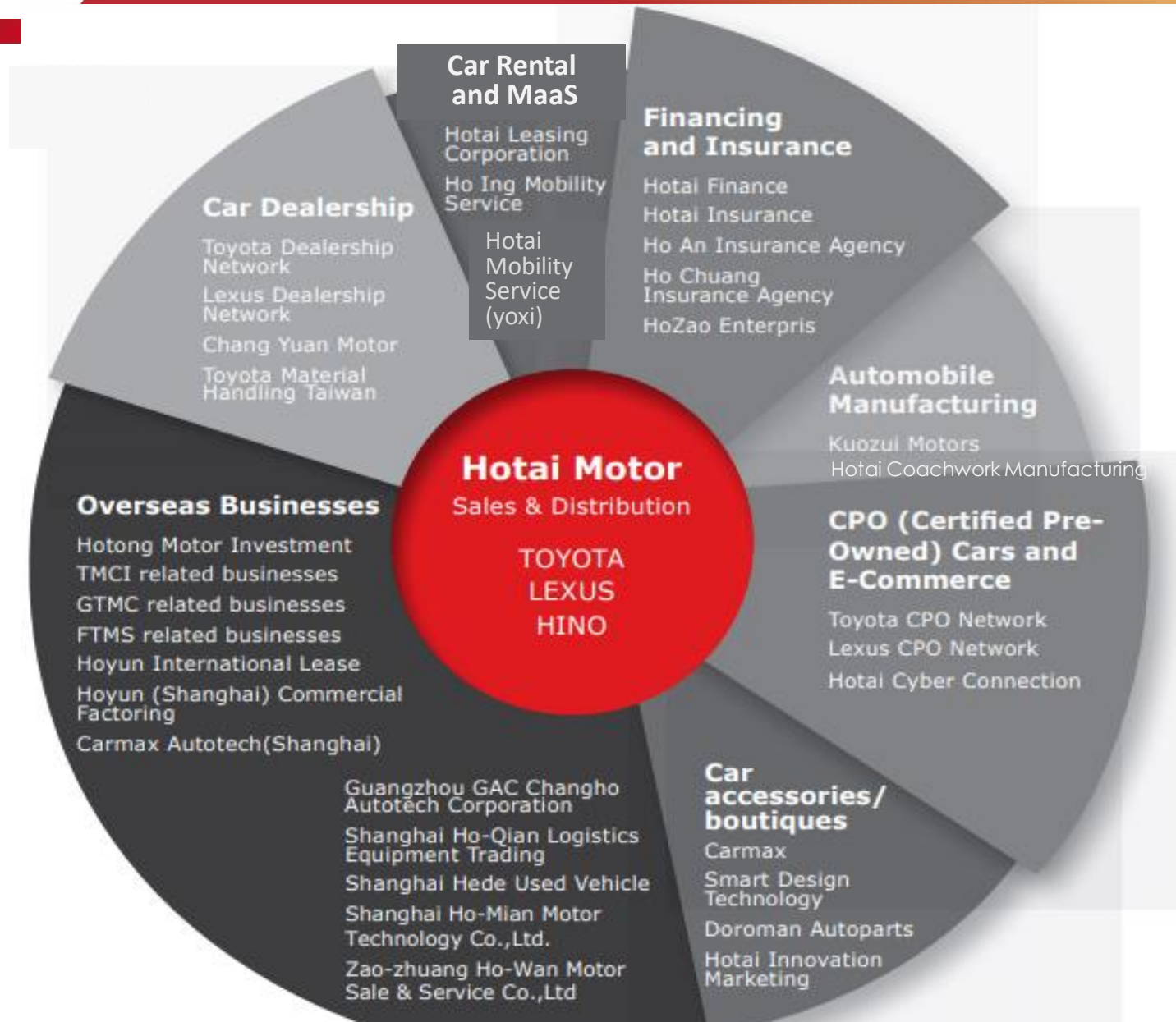
Product brands: TOYOTA, LEXUS, HINO Trucks, TOYOTA Material Handling Taiwan



Operation and financial results



Affiliates





2021 Jan~June Financial results

Unit: NTD thousands

ITEM	2021 Jan.~Sep.	%	2021 Jan~Sep.	%	YOY
Operating revenue	158,124,532	83.22%	144,289,318	84.31%	109.59%
Leasing income	11,066,156	5.82%	9,864,275	5.76%	112.18%
Interest income	9,010,993	4.74%	7,266,544	4.25%	124.01%
Others	11,816,475	6.22%	9,712,937	5.68%	121.66%
Total Income	190,018,156	100.00%	171,133,074	100.00%	111.04%
COGS	138,833,735	73.06%	127,875,881	74.72%	108.57%
Operating expenses	11,917,527	6.27%	10,503,372	6.14%	113.46%
Leasing cost	9,181,055	4.83%	8,039,997	4.70%	114.19%
Others	10,701,084	5.63%	8,917,778	5.21%	120.00%
Total Expense	170,633,401	89.80%	155,337,028	90.77%	109.85%
Profit before income tax	19,384,755	10.20%	15,796,046	9.23%	122.72%
Income tax expense	4,227,652	2.22%	3,461,823	2.02%	122.12%
Net profit	15,157,103	7.98%	12,334,223	7.21%	122.89%
Profit attributable to owners of parent	12,667,726	6.67%	10,329,350	6.04%	122.64%
EPS	23.19		18.91		4.28



Main subsidiaries profit and loss

Unit: NTD thousands

Main subsidiaries profit						
NAME	Hotai Finance	Hotai insurance	Hotai Development	Hotong Motor	CY Motor	Hotai Leasing
2021 Jan.~Sep.	2,233,430	713,428	1,114,615	1,005,471	510,931	737,704
2020 Jan.~Sep.	1,868,435	389,445	802,744	795,384	335,356	375,843
YOY	120%	183%	139%	126%	152%	128%

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

45

10,000 cars





2021 Market Outlook- Sales Target

Sales Target



14.5 10,000 cars

(TOYOTA **12.5** + LEXUS **2**)



2021 Market Outlook- Sales Target

Sales Target

Commercial cars (Hiance & Granvia included)

9,350 cars

Challenge record sales



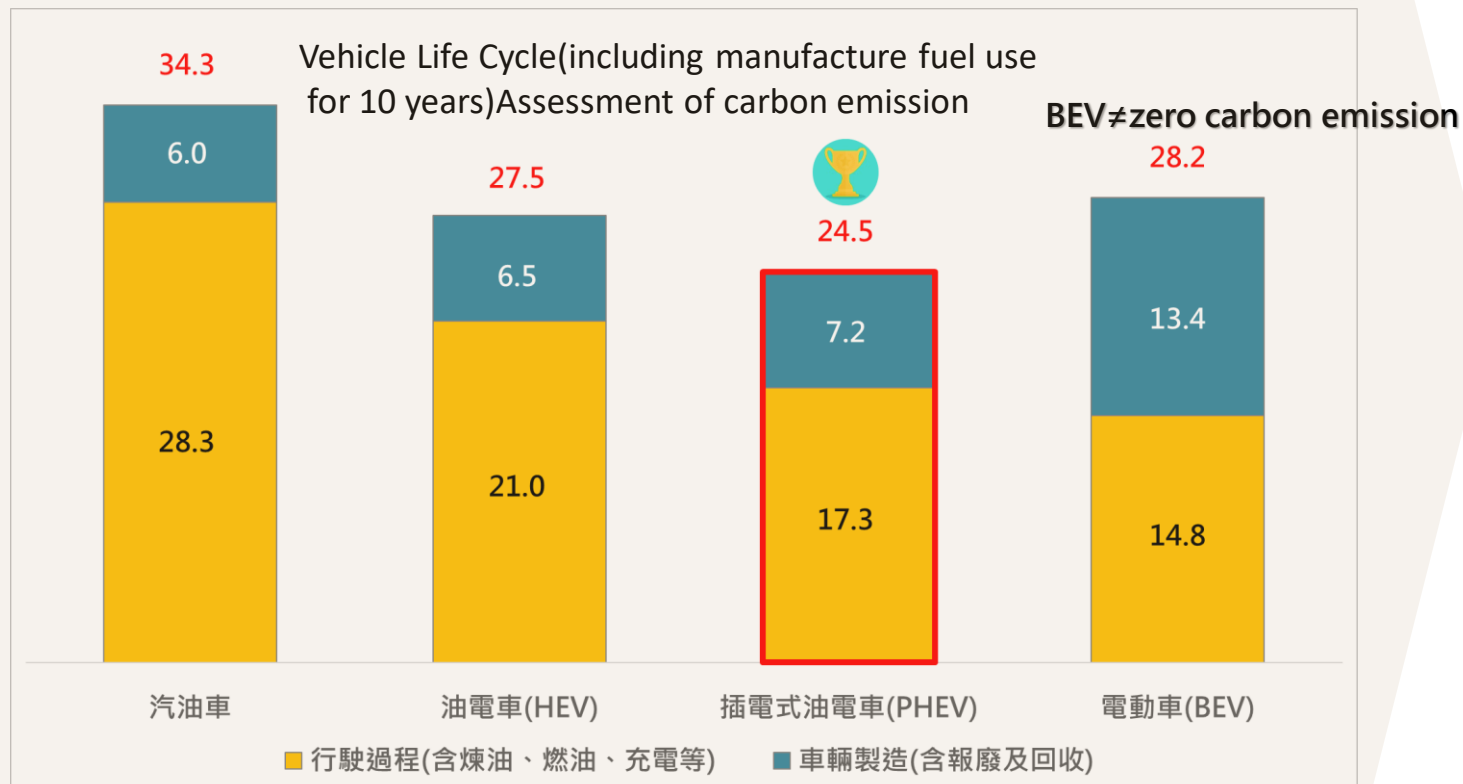
2021 results for TOYOTA & LEXUS

	Y2021 Nov.	YOY/ Difference	Y2021 Jan.~Nov.	YOY/ Difference
TOYOTA	12,490 units	93.7%	114,265 units	100.8%
LEXUS	1,232 units	57.8%	19,880 units	92.4%
TOTAL	13,722 units	88.7%	134,145 units	99.5%
Market Share	34.2%	+0.8%	32.8%	+0.1%

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 4,000



Sienna major model change (March 24th)

💡 Since pre-order 2020/11/24 · orders is over 1,000 with positive reviews

2021 Operation Highlight-TOYOTA

GR lineup Expansion



GR Yaris all new limited offer
(August 3rd)



Since launch on August 3rd, and orders is around 700 with positive reviews



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



Sales target is 3,000 units

2021 Operation Highlight-TOYOTA

Whole new Light Commercial Vehicles



First time to launch LCA **TOWN ACE**(preorder on Nov. 24th), and with hot topic and solid product, annual sales target is **10,000**.

※ Definition of LCA : weight is under 3.3 tons and length¹⁸ is under 4.5m

2021 Operation Highlight - TOYOTA

Community convenient repair station

Good convenience, fast maintenance, and easy appointment



Introduced **23** repair stations

2021 target is **30** 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 19th)



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 28th)



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 - LEXUS

First BEV-UX 300e

(Launched on Sep 29th)



After the public listing, the automobile was well received, and the first batch of 50 units and 100 units has been ordered and annual sales target is 200.

NX model change

(Will be launched on Dec. 20th)



Since launch on Nov. 11st, and orders is around 2,000 with positive reviews

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.11st)

2021 Operation Highlight -MaaS

iRent

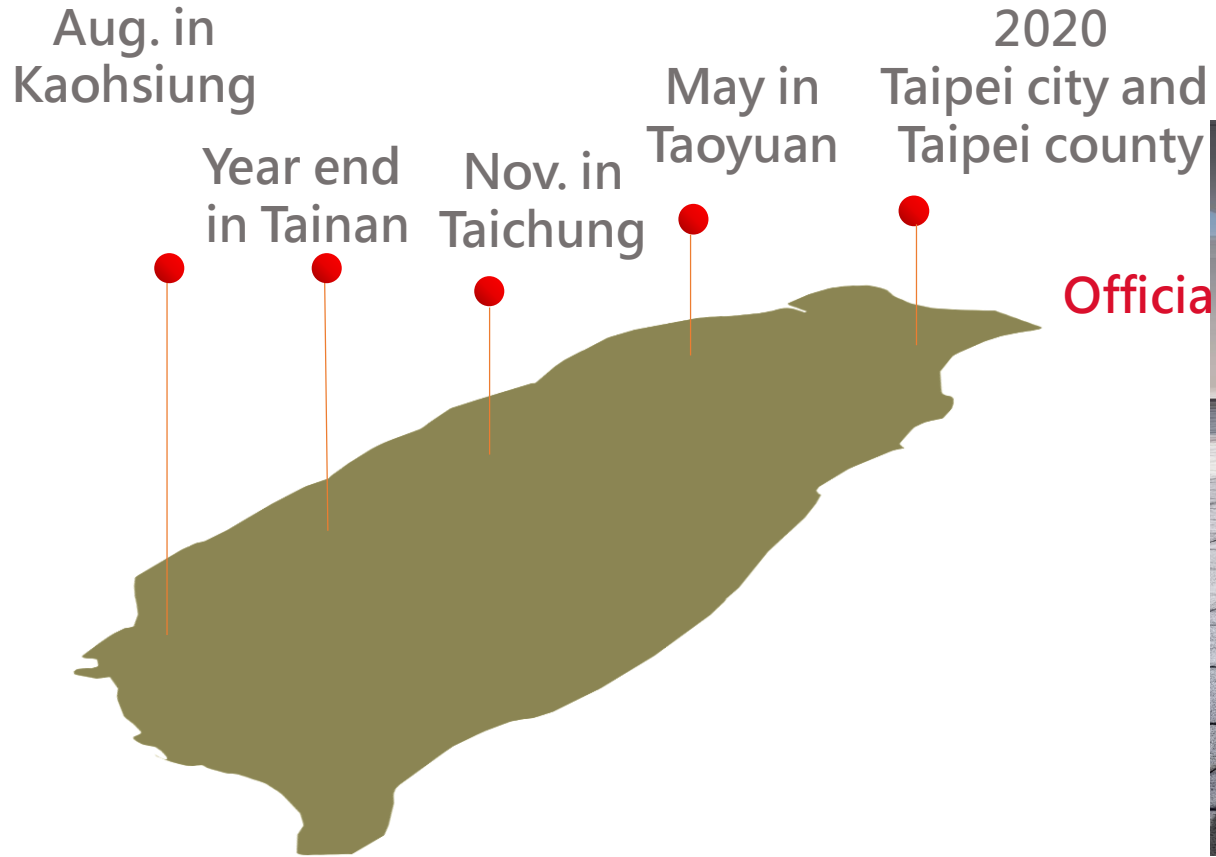


yoxi



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 contection/hotai mobility service



Officially launched



Service area cover six capitals

Introduce diversified /car services

2021 Operation Highlight -MaaS+

「Hotai Pay」, 「Hotai Points」, 「Hotai co-branded credit cards」 lead to digital payment for car industry



Through building exclusive digital ecosystem and digitalizing point spending, collection and redemption, the customers can enjoy to one step mobile service in daily life

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

The image displays four service cards for iRent:

- 門市租車** (Store Rental): 全台據點 完整車隊 (All branches, complete fleet)
- 專車接送** (Special Car Service): 尊榮車隊 專業司機 (Honorable fleet, professional drivers)
- iRent共享汽機車** (iRent Shared Car/Motorcycle): 24hr隨租隨還 App快速取車 (24hr rental/return, app quick pickup)
- 停車場** (Parking): 車牌辨識 智慧停車 (License plate recognition, smart parking)

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

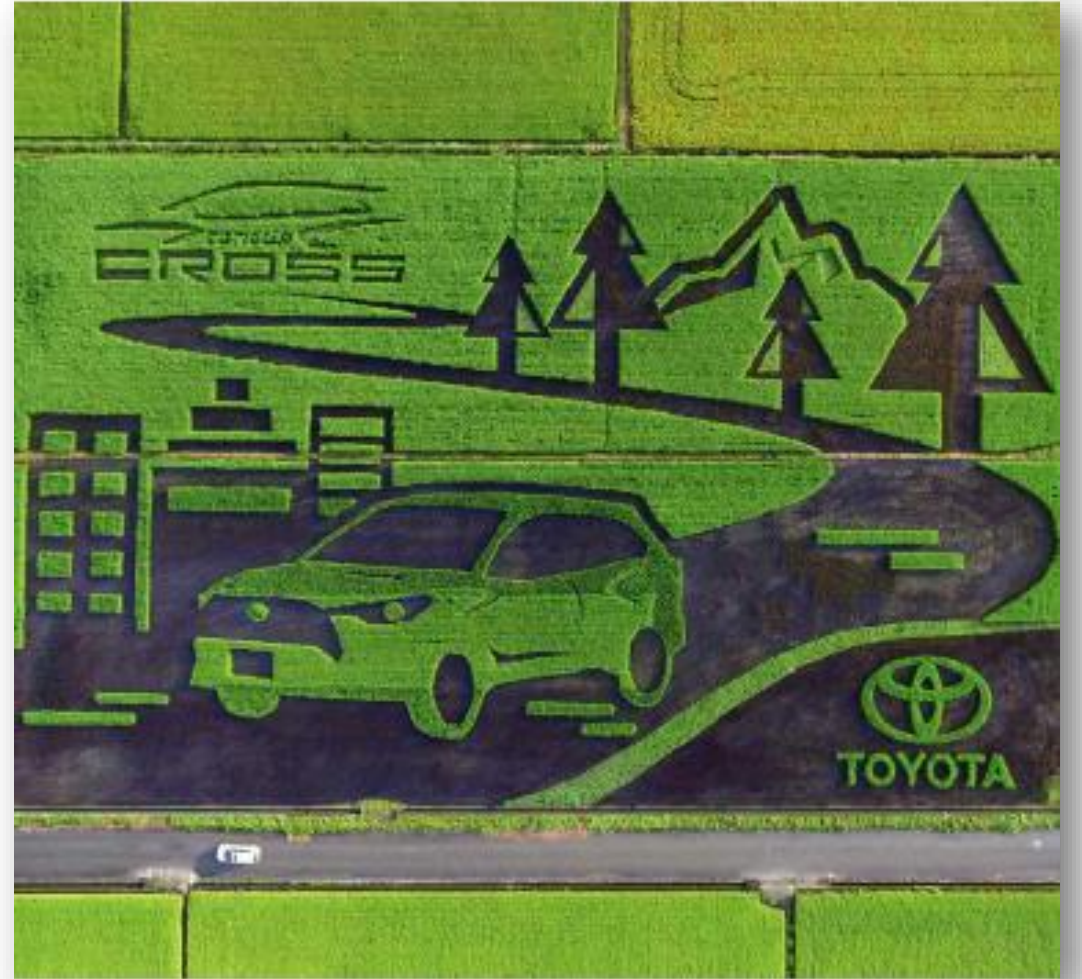
Business

- 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

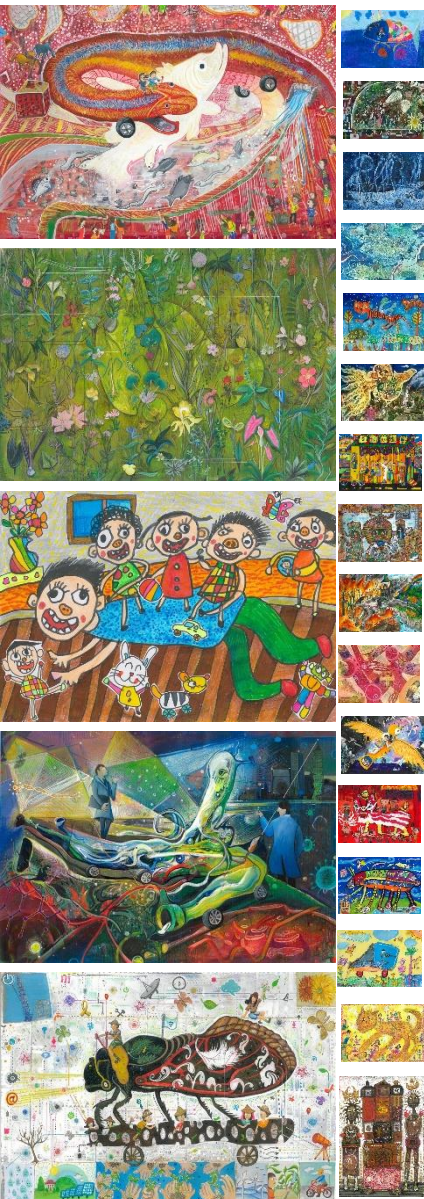
合作單位：慈心有機農業發展基金會

Planted
reached 500,000 trees



現在總共種了 519897 棵樹 減少二氧化碳 11970393 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 12th 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