

UMW Holdings Berhad Results Briefing – Q2 2023

29 August 2023

Group Investor & Media Relations



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Q2 2023 Key Highlights

Key Highlights of Q2 2023 Financial Results

Higher contribution from all segments driven by sustained demand

RM m	Q2 2023 vs Q2 2022			Q2 2023 vs Q1 2023		H1 2023 vs H1 2022		
	Q2 2023	Q2 2022	Y-o-Y	Q1 2023	Q-o-Q	H1 2023	H1 2022	Y-o-Y
Revenue	4,485	3,731	▲ 20%	4,380	▲ 2%	8,864	7,382	▲ 20%
PBTZ	476	230	▲ >100%	251	▲ 90%	727	446	▲ 63%
PAT	385	174	▲ >100%	204	▲ 89%	589	346	▲ 70%
PATAMI	304	107	▲ >100%	134	▲ >100%	438	208	▲ >100%
Basic EPS (sen)	26.0	9.2	▲ >100%	11.5	▲ >100%	37.5	17.8	▲ >100%

Q2 2023 Highlights

Y-o-Y

- The strong performance in Q2 2023 is attributable to the higher revenue from all three core business segments as well as completion of sale of industrial land in Serendah to Longi (Kuching) Sdn. Bhd. at a purchase price of RM304.9 million.
- PATAMI in Q2 2023 is inclusive of RM177 million profit from the sale of land.

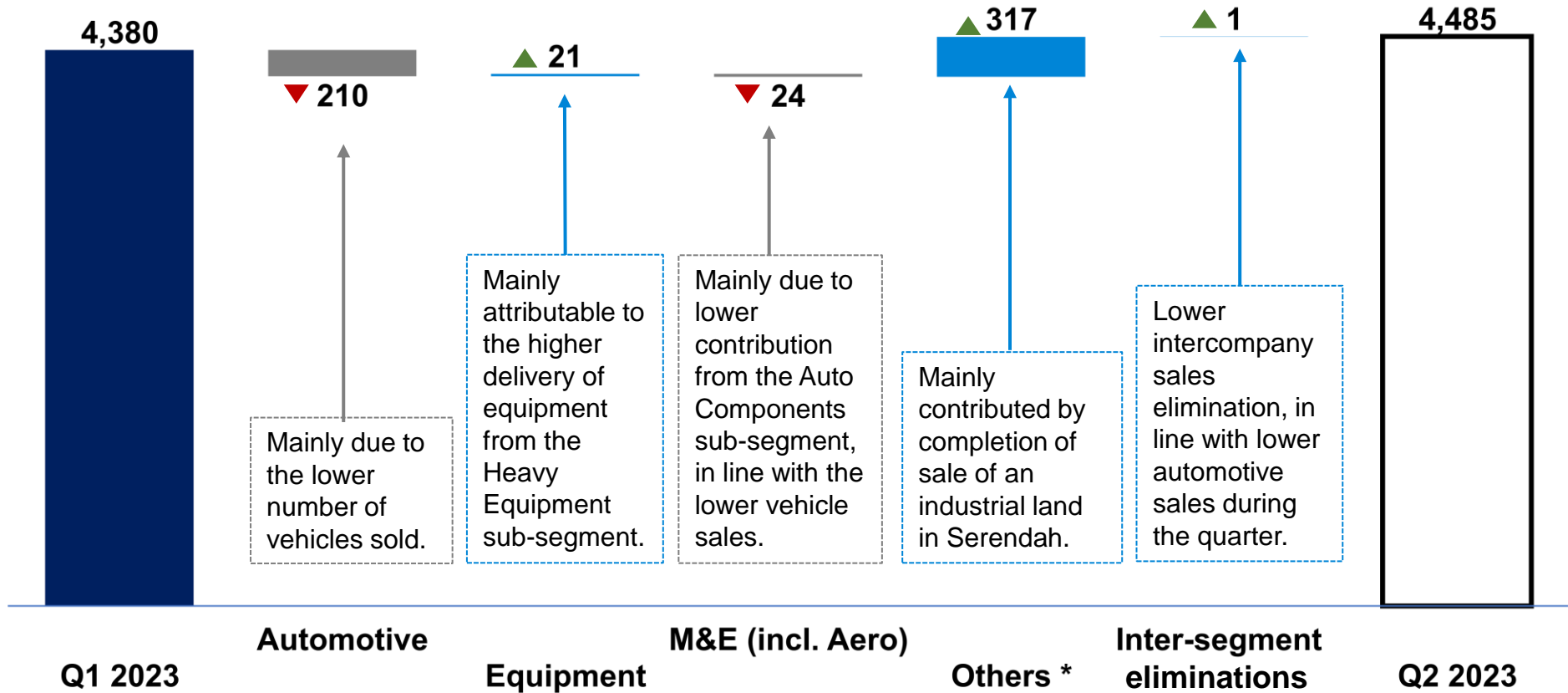
Note: Calculation of variance above varies to 2Q 2023 Financial Report in Bursa Malaysia's website due to rounding difference.

Q2 2023 Financial Results

Group Revenue – Q2 2023 vs Q1 2023

Sale of industrial land drove the improved performance

RM m



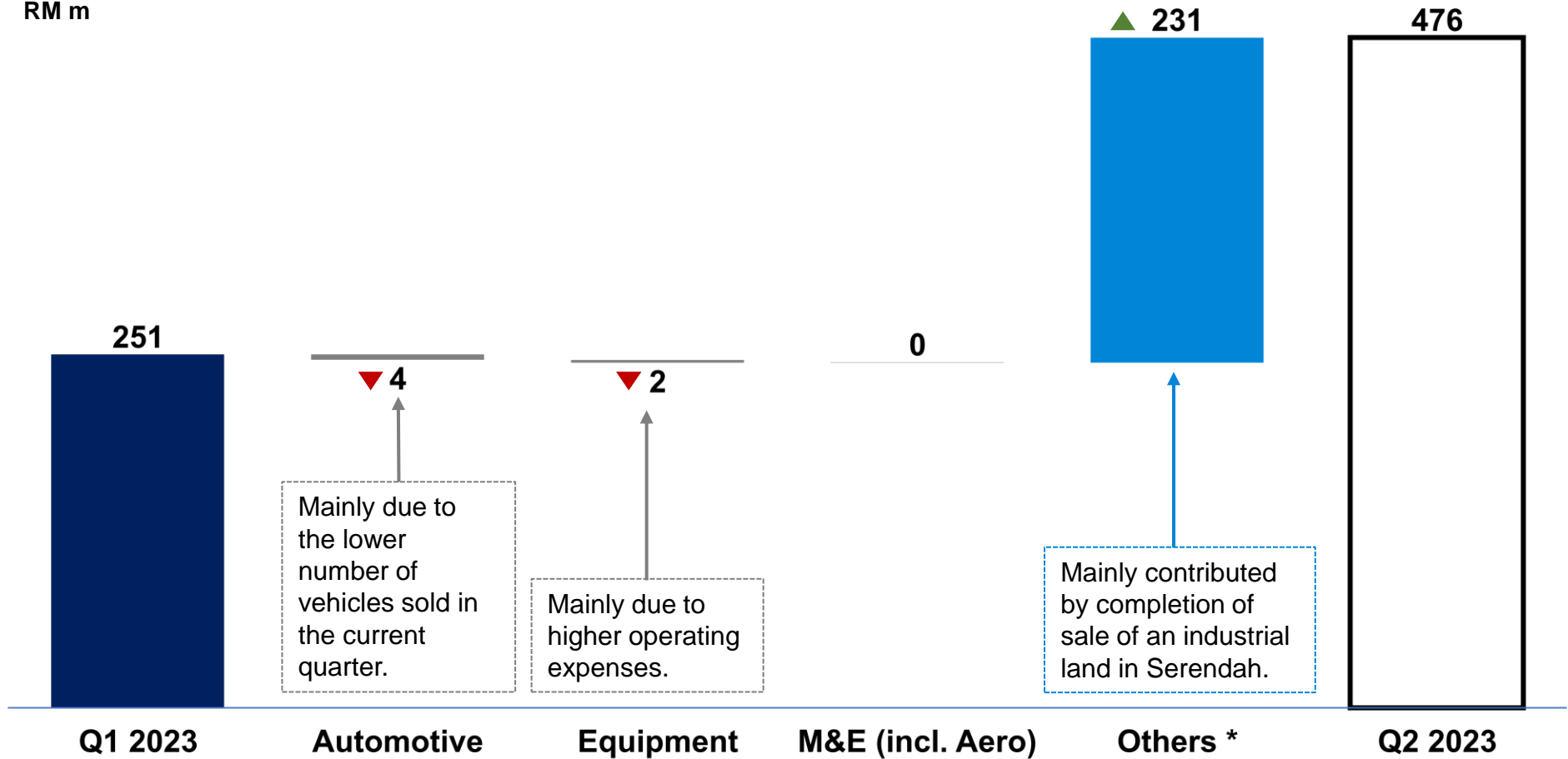
* The segment under Others which does not generate significant external revenue mainly relates to activities such as property development, information technology, management and corporate services, various professional services and research and development.

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Group PBTZ – Q2 2023 vs Q1 2023

Proceeds from the land sale contributed significantly

RM m

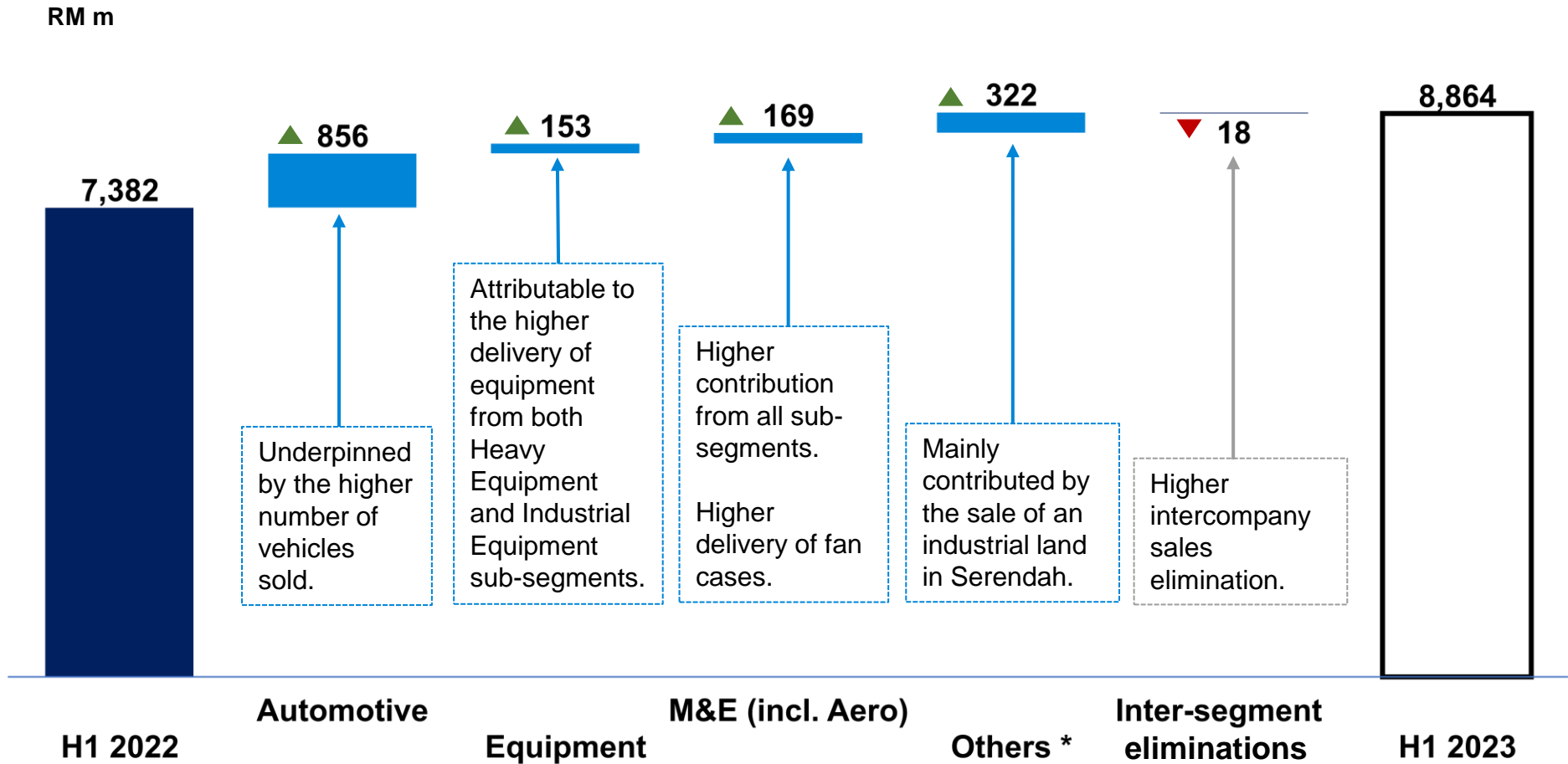


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Group Revenue – H1 2023 vs H1 2022

Increased by 20% driven by higher contribution from all segments



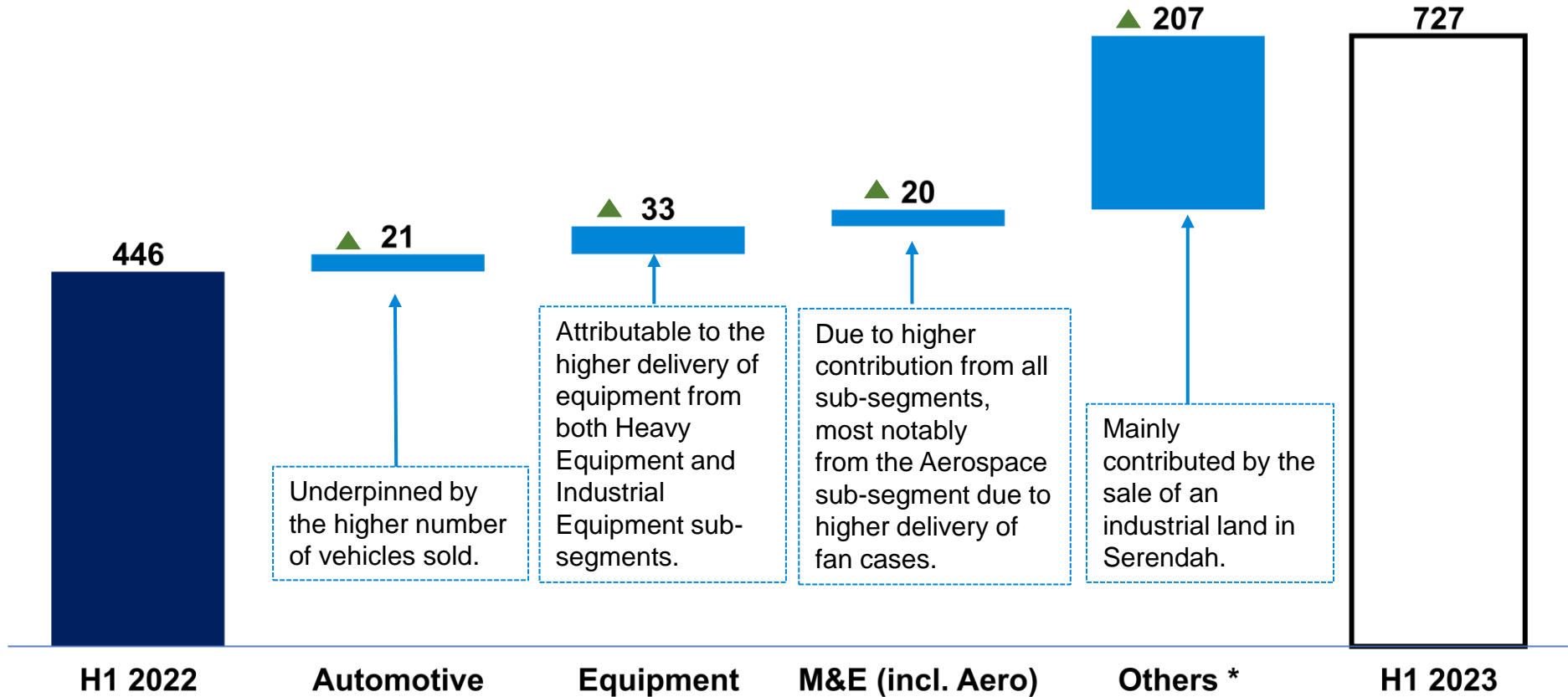
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Group PBTZ – H1 2023 vs H1 2022

Surged by 63% mainly propelled by the sale of industrial land

RM m

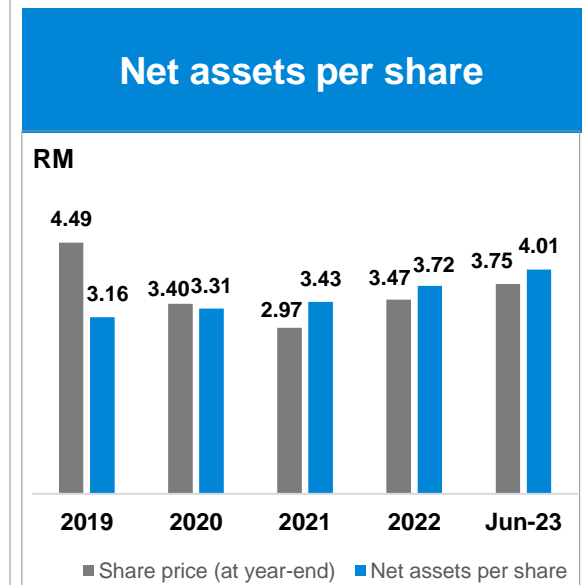
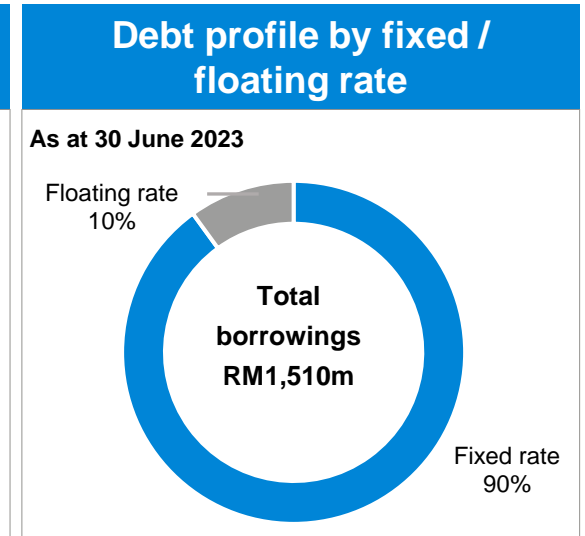
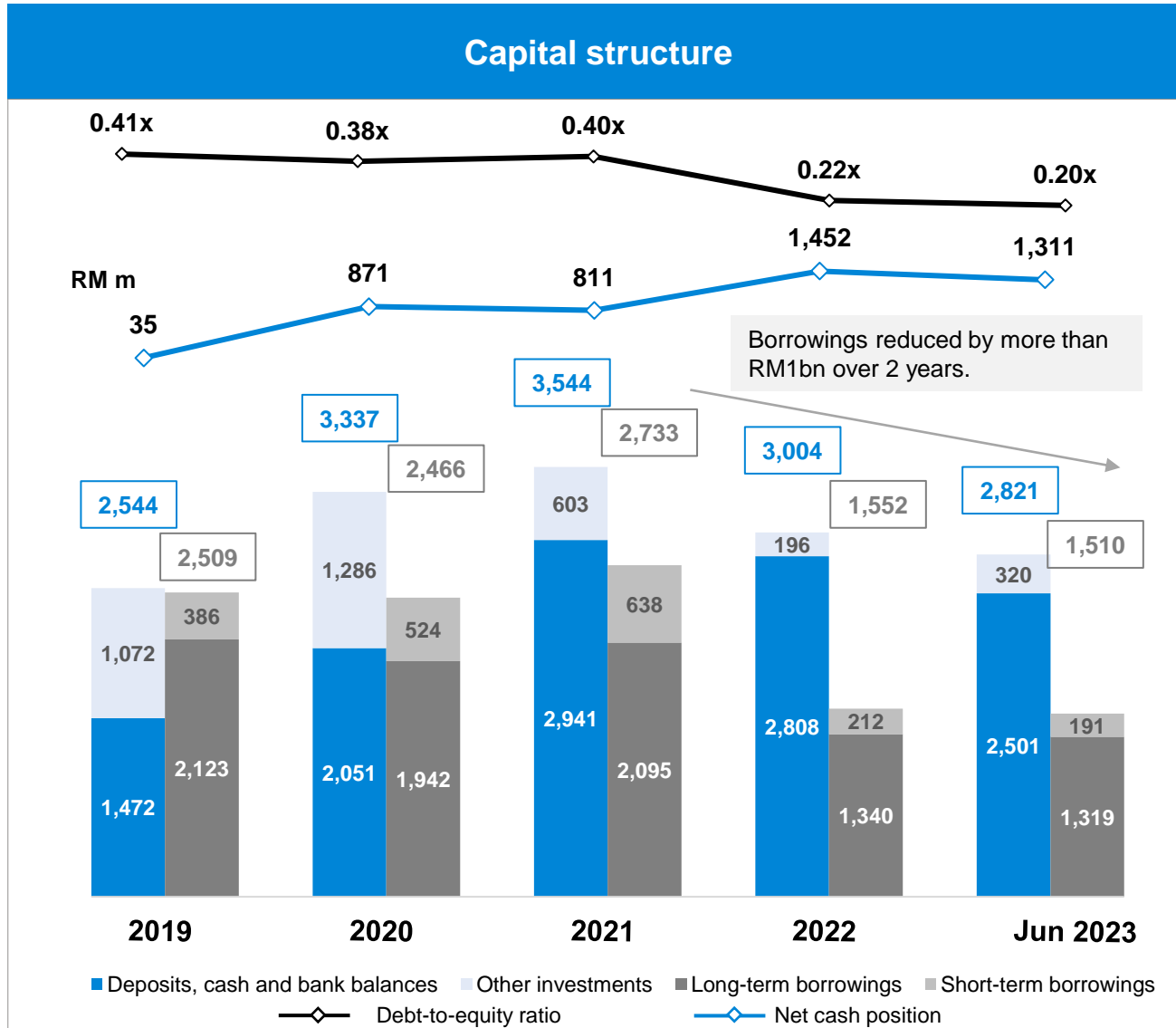


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Capital structure and debt profile

Enhanced liquidity – the Group is able to manage its debt obligations effectively

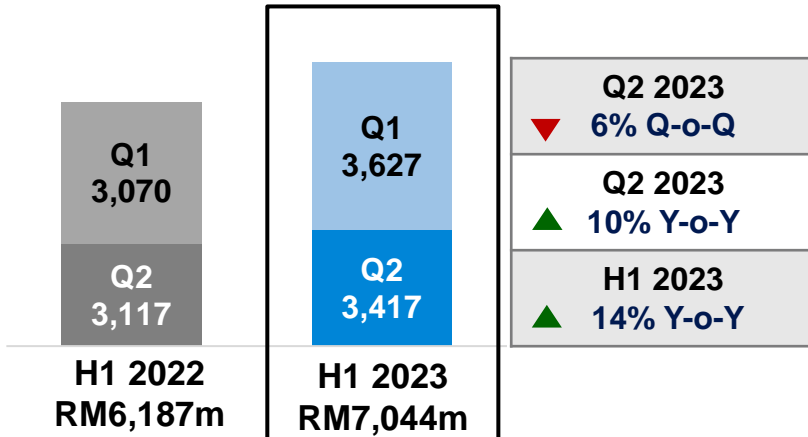


Q2 2023 Segmental Results

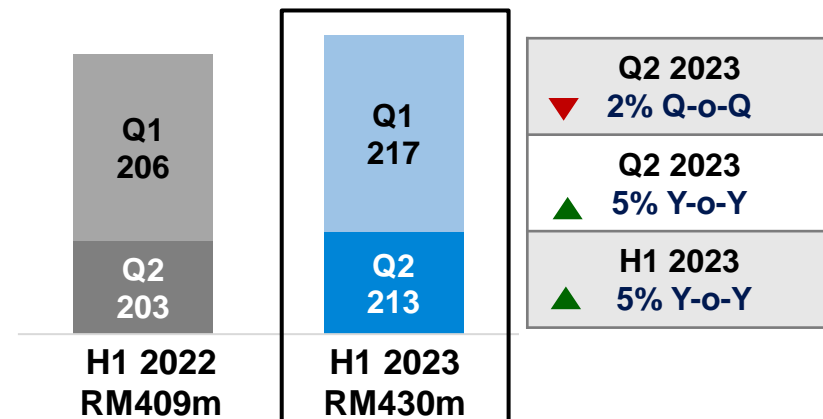
Automotive Segment

Supported by sustained vehicle sales momentum

Revenue (RM m)



Profit Before Taxation and Zakat (RM m)



Automotive results

Q2 2023 Financial Results

Y-o-Y

- Revenue was 10% higher mainly due to the higher number of vehicles sold.
- In line with higher revenue, the PBTZ was also higher.

Q-o-Q

- Revenue and PBTZ was lower mainly due to the lower number of vehicles sold.

H1 2023 Financial Results

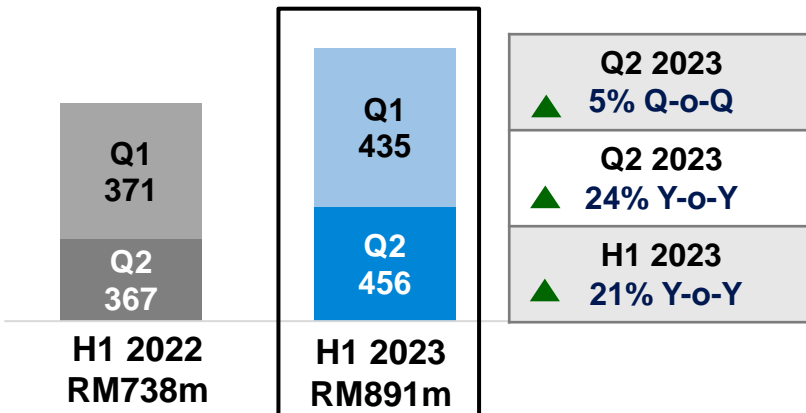
- Revenue was 14% higher year-on-year, underpinned by the higher number of vehicles sold.

Note: Calculation of variance above varies to 2Q 2023 Financial Report in Bursa Malaysia's website due to rounding difference.

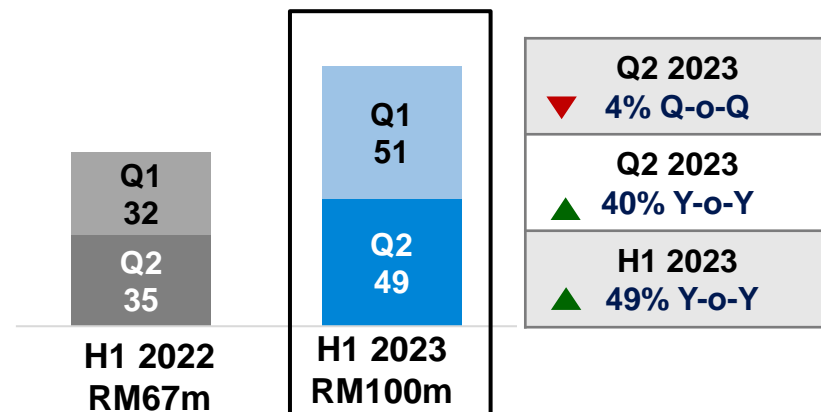
Equipment Segment

Encouraging demand in both local and overseas markets

Revenue (RM m)



Profit Before Taxation and Zakat (RM m)



Equipment results

Q2 2023 Financial Results

Y-o-Y

- Higher revenue mainly due to the encouraging demand in both the local and overseas markets in the current quarter.
- Higher PBTZ was in line with the higher revenue.

Q-o-Q

- Higher revenue attributable to the higher delivery of equipment largely from the Heavy Equipment sub-segment.
- PBTZ was lower mainly due to mixed product composition and competitive pricing pressures.

H1 2023 Financial Results

Y-o-Y

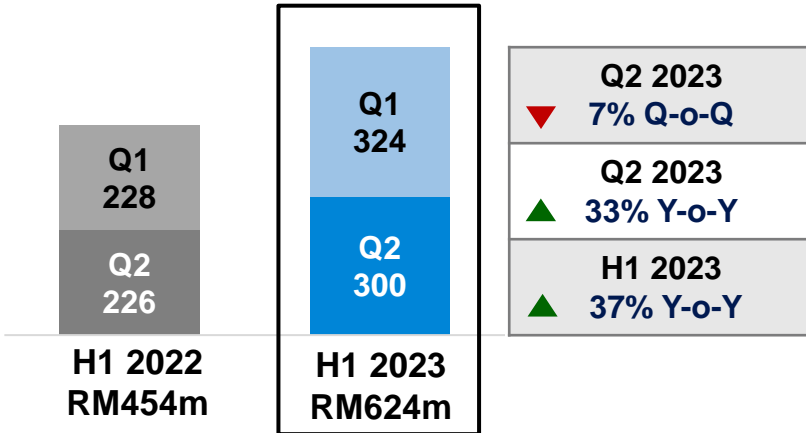
- Higher revenue and PBTZ were attributable to the higher delivery of equipment from both the Industrial Equipment and Heavy Equipment sub-segments.

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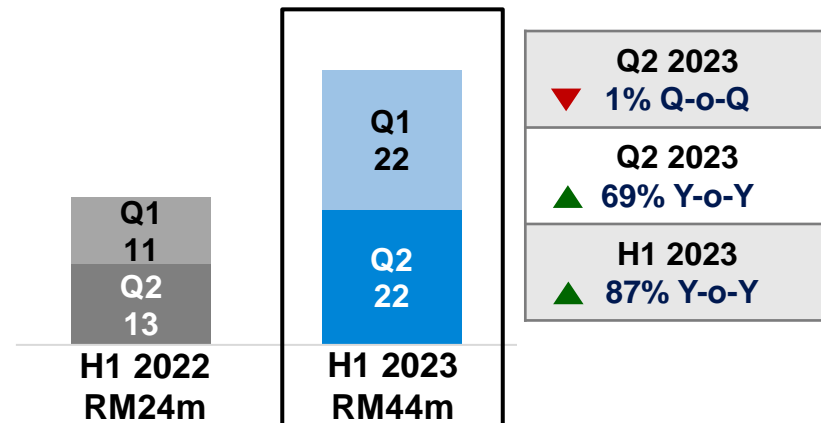
Manufacturing & Engineering Segment

Mainly driven by the increased delivery of fan cases

Revenue (RM m)



Profit Before Taxation and Zakat (RM m)



Manufacturing & Engineering results

Q2 2023 Financial Results

Y-o-Y

- The improved performance with higher revenue and PBTZ was mainly attributable to the higher contribution from the Aerospace sub-segment due to higher delivery of fan cases.

Q-o-Q

- Revenue reduced mainly due to the lower contribution from the Auto Components sub-segment following lower automotive sales in the current quarter.

H1 2023 Financial Results

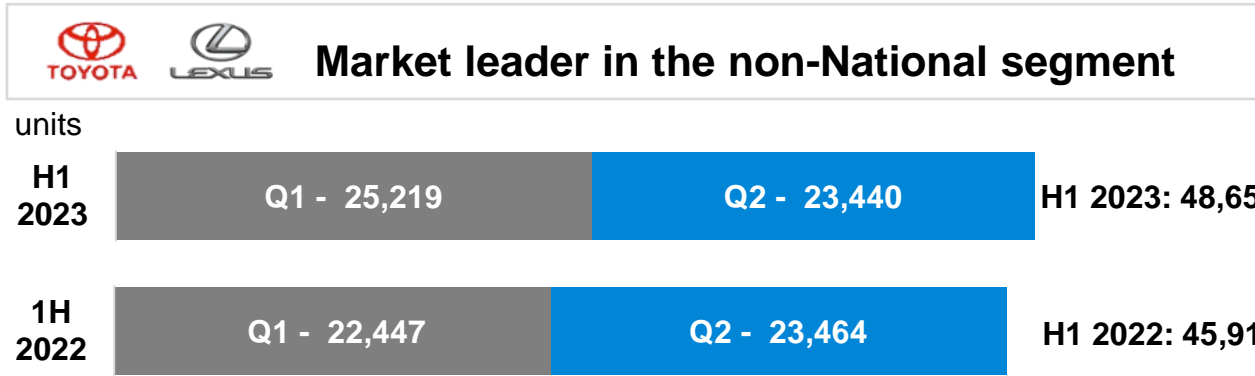
- Higher revenue and PBTZ were reported due to higher contribution from all sub-segments, most notably from the Aerospace sub-segment due to higher delivery of fan cases.

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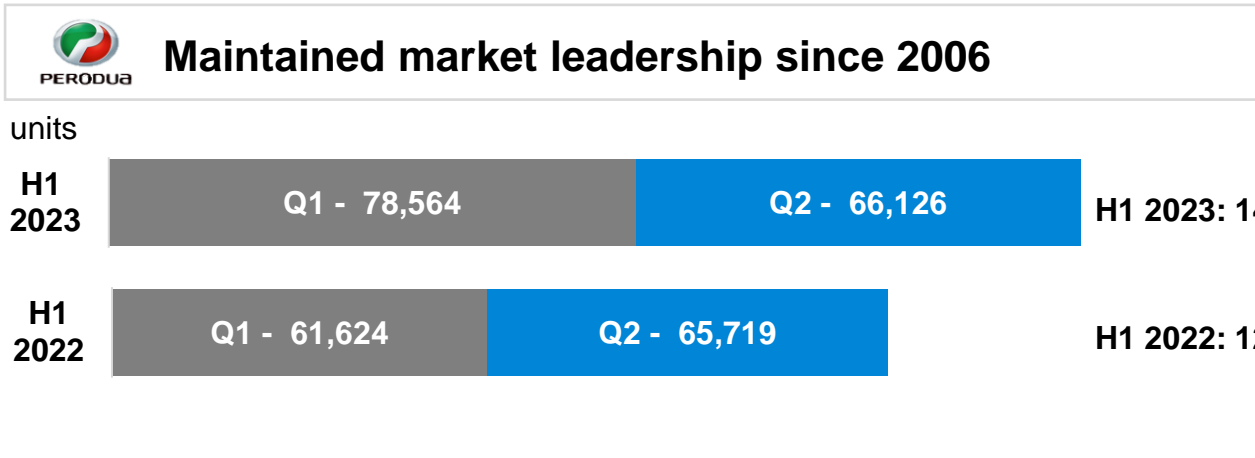
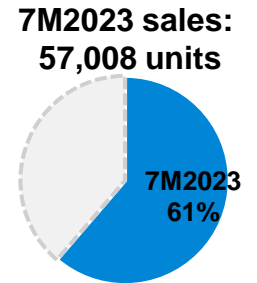
Operational Update

Automotive Segment

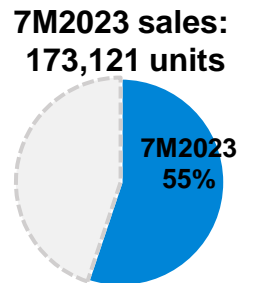
Sales breakdown H1 2023



2023 Sales target of **93,000 units**
▼ 8% Y-o-Y



2023 Sales target of **314,000 units**
▲ 11% Y-o-Y



1H 2023 sales
366,037 units
▲ 10% Y-o-Y

2023 sales target of
725,000 units*
▲ 1% Y-o-Y

*Revised upwards from 650,000 units on 21 July 2023.

Automotive Segment

Top-selling models in H1 2023



**Toyota
Vios**



**Toyota Corolla
Cross**



**Toyota
Hilux**

61%
of total
UMWT
sales



**Perodua
Bezza**



**Perodua
Myvi**



**Perodua
Axia**

69%
of total
Perodua
sales

Automotive Segment

New models launched in 2023



Vios
(20 Mar)



- 2 variants
- Priced at RM89.6k and RM95.5k



Innova Zenix
(21 Jun)



- 2 variants
- Priced at RM165k and RM202k



RX 350
(25 May)



- 1 variant
- Priced at RM469k



Axia
(14 Feb)

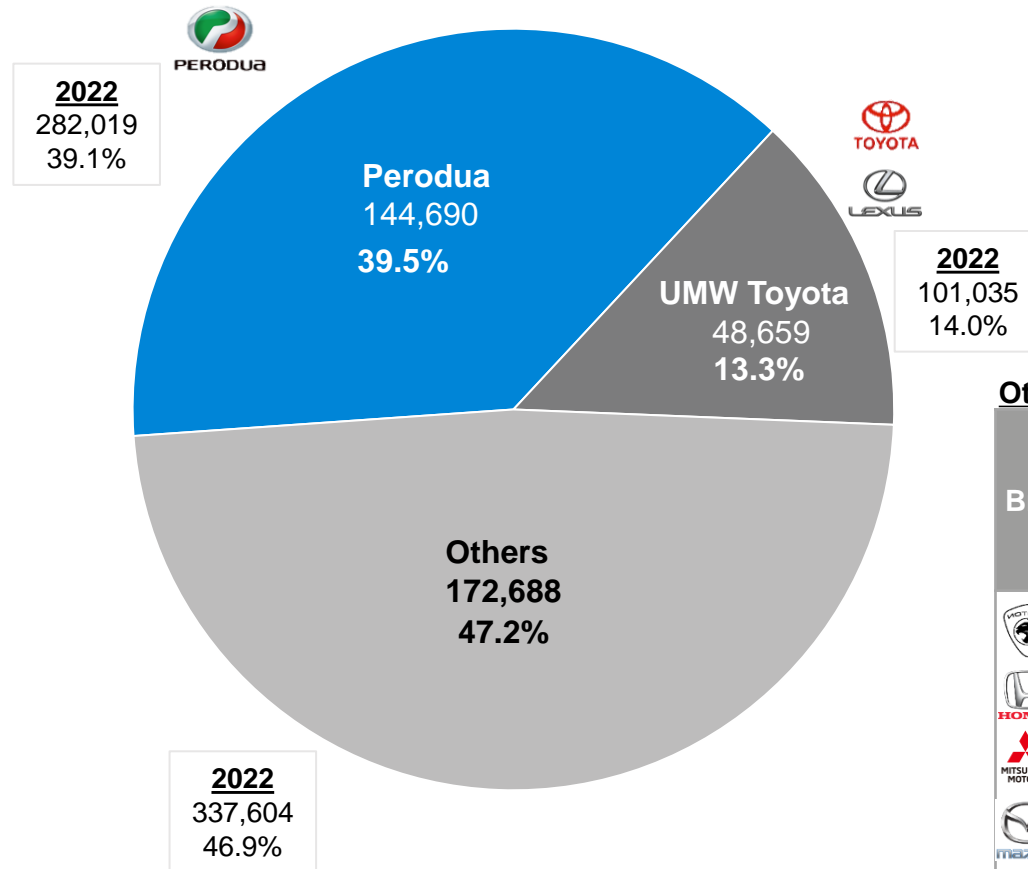


- 4 variants
- Priced between RM38.6k and RM49.5k

Automotive Segment

The Group collectively commands the domestic automotive market share

UMW Group's market share for **H1 2023** was **52.8%** (2022 – 53.1%).



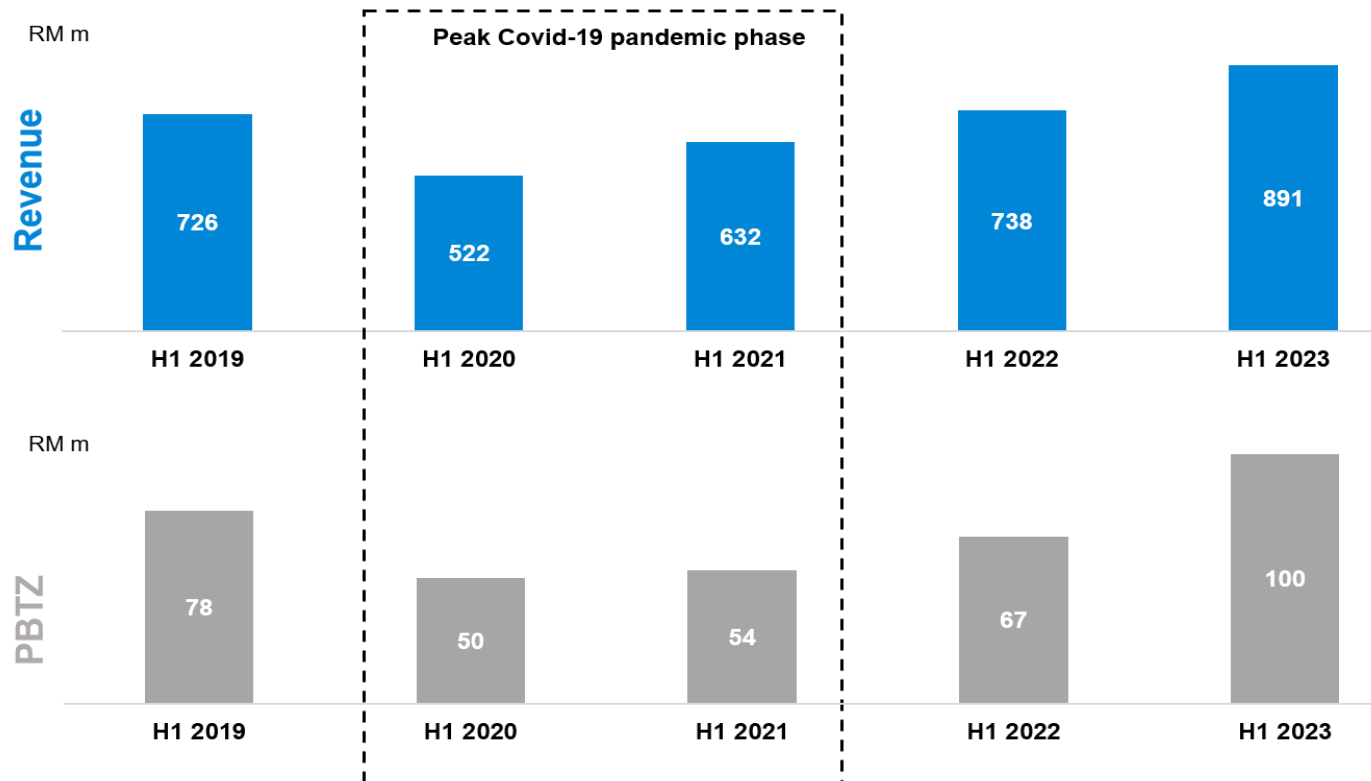
Other Carmakers' Sales and Market Share

Brand	H1 2023		2022	
	Units	Market Share %	Units	Market Share %
 Proton	76,012	20.8	136,026	18.9
 Honda	33,727	9.2	80,290	11.1
 Mitsubishi	11,811	3.2	24,017	3.3
 Mazda	9,528	2.6	14,644	2.0
 Nissan	5,034	1.4	13,785	1.9
Other brands	36,576	10.0	68,842	9.7
Total TIV	366,037		720,658	

Source: Malaysian Automotive Association


Equipment Segment

Encouraging performance for the segment post pandemic



Other key segmental highlights:

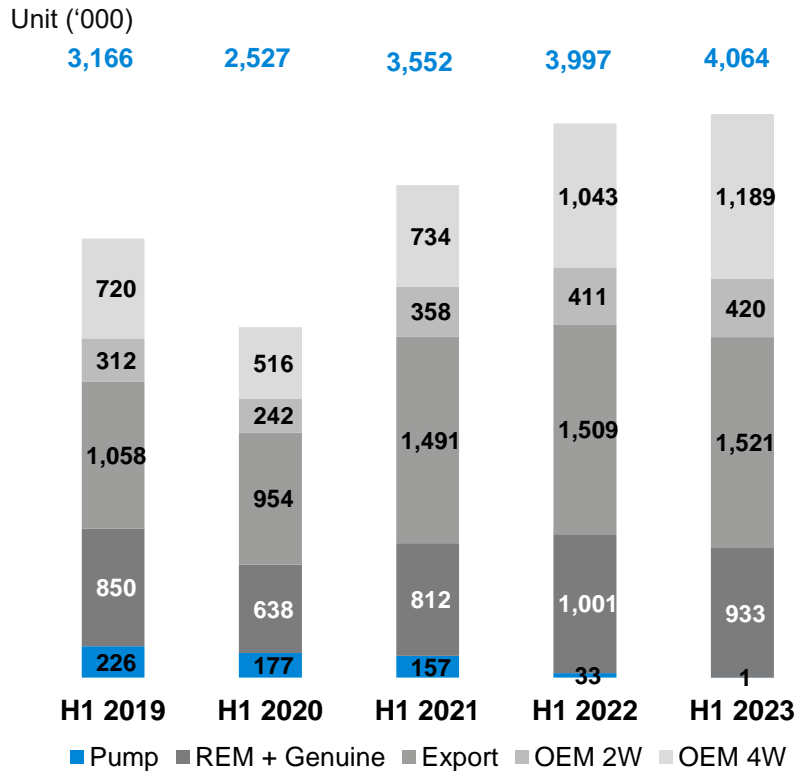
1 Toyota forklift maintained its market leadership position in Malaysia’s material handling equipment business.

 Demand for heavy equipment remained strong, especially from the construction, mining and agriculture sectors.

Manufacturing & Engineering Segment – Sales Breakdown

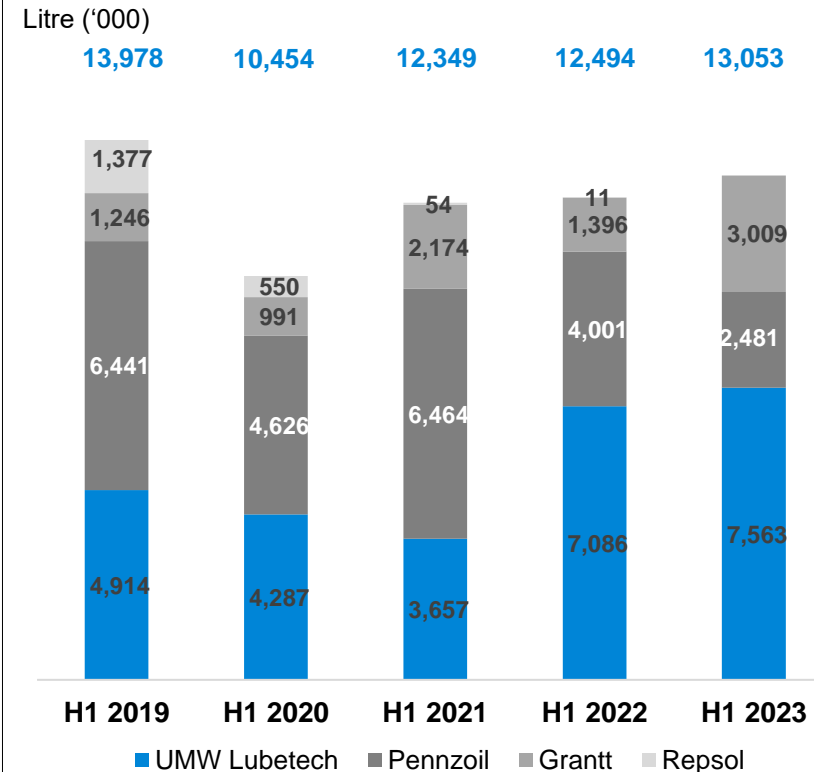
Mainly supported by stronger demand from OEM markets

KYB-UMW (units sold)



Sales of shock absorbers increased by 2% in 1H 2023, driven by export, OEM 2W and OEM 4W segments.

Lube Group (litres sold)



Stronger sales registered by UMW Lubetech (OEMs) and Grantt lubricants led to a 4% growth in 1H 2023.

Manufacturing & Engineering Segment

New Smart Lubricant Plant in Pulau Indah, Klang



New Smart Lubricant Plant in Pulau Indah

- Commenced operations in April 2023.
- Annual production capacity of 60 million litres.
- Increased efficiency with IR4.0-enabled technologies.
- The new plant allows the Lubricants sub-segment to:



Automated filling machine



Bio-Hydraulics VG46 & VG68

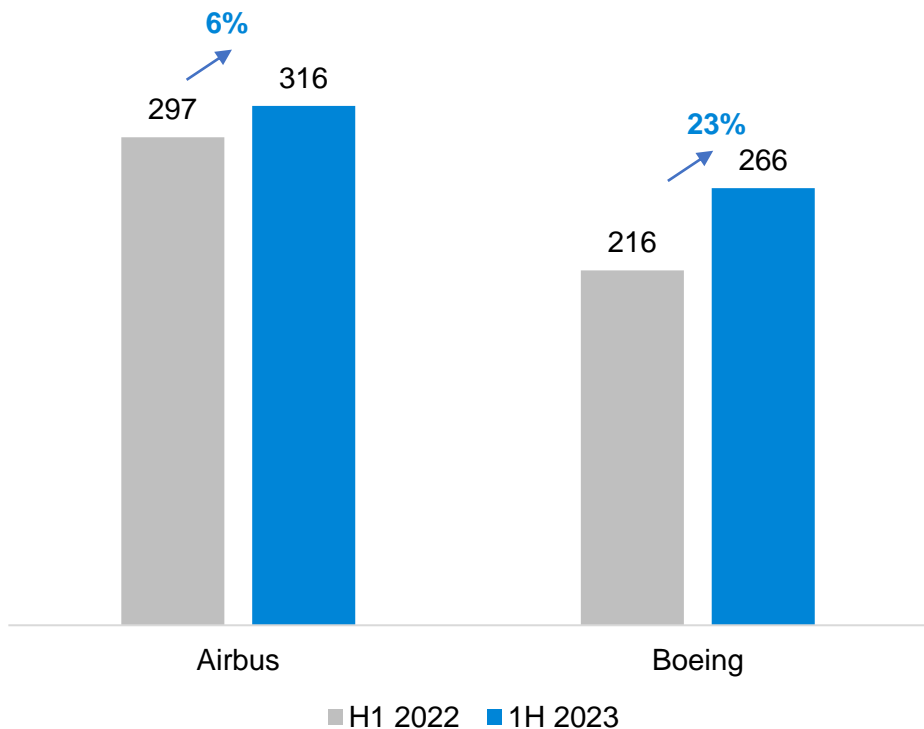


- Increase production of all types of lubricants from Motor Oil, Gear Oil to Hydraulics.
- Penetrate the bio-lubricants market segment.
- Expand its toll blending capacity.
- Execute the Go-To-Market (“GTM”) Strategy for Malaysia and ASEAN via UMW establishments in Vietnam, Singapore and Myanmar.

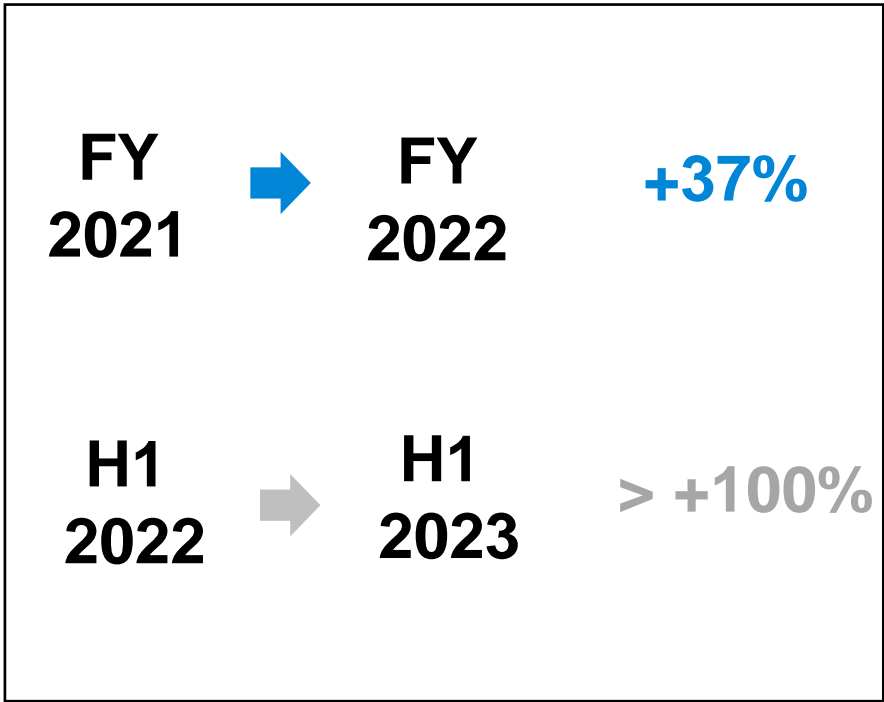
Aerospace Segment

Stronger demand for aircraft with the reopening of international borders

Commercial aircraft deliveries (units)



Delivery of fan cases by UMW Aerospace



Redefining Sustainability

CREST@UMW – Redefining Sustainability

Redefining Sustainability within the Broader Framework of Innovising Mobility

UMW Sustainability - 4 Key Pillars

<p>Pillar 1: SUSTAINABLE ENVIRONMENT - ENVIRONMENTAL STEWARDSHIP</p> <p>100% CARBON NEUTRALITY BY 2050</p> 	<p>Pillar 2: SUSTAINABLE WORKFORCE - DYNAMIC WORKFORCE</p> <p>BUILD A PROGRESSIVE AND INNOVATIVE WORKFORCE</p> 	<p>Pillar 3: SUSTAINABLE PRODUCTS AND SERVICES - INNOVATIVE & HIGH-PERFORMANCE PRODUCTS</p> <p>ACHIEVE EXCELLENCE IN PRODUCTS AND SERVICES</p> 	<p>Pillar 4: SUSTAINABLE LOCAL COMMUNITIES - NURTURING COMMUNITY & SOCIETY</p> <p>CREATE A POSITIVE IMPACT AND WELL-BEING OF LOCAL COMMUNITIES</p> 
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Key Potential Value Creation Opportunity

Green Energy		Green Product			
 <p>Hydrogen Economy</p>	 <p>Solar Power</p>	 <p>Remanufacture</p>	 <p>Recycle</p>	 <p>Renewable</p>	 <p>Reuse</p>

UMW's Pathway to Net Zero 2050

Holistic approach to address Scope 1, 2 and 3 GHG Emissions

Scope 1 – Mangrove

UMW Green Shoots Initiative



300,000

Trees to be planted by 2023

53,500

Trees planted YTD July 2023

220,500

Total trees planted since 2021

Scope 2 – Renewable Energy

Rooftop Solar PV

4.2MWac

Current capacity

Additional 4.3MWac commencing in 2024
(total of 8.5MWac)



GET

**Green
Electricity Tariff**



- KYB-UMW
- Lubetech
- UMW Aerospace
- UMW Equipment
- UMW Corporation

Scope 3 – Supply Chain

CSI Platform

Bursa Malaysia's
Centralised Sustainability
Intelligence (CSI) Platform



Digital Platform developed by
BURSA and London Stock
Exchange Group (LSEG)



Collect, analyse and disclose
GHG emissions data

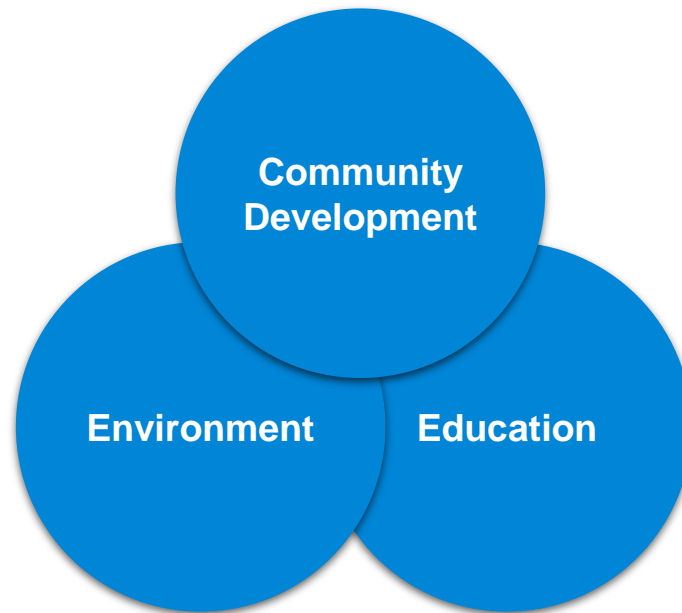


Monitor performance, identify
areas for improvement, and
reporting

Social & Wellbeing

Placing the well-being of employees and communities at the forefront of our business

Focused on supporting the underprivileged, the underserved and the marginalised through three main pillars:



A part of UMW's contribution in 2022

2,187 community volunteers

11,344 voluntary hours

- Internal volunteers: 3,581 hours
- External volunteers: 7,763 hours

RM9.1m

spent on initiatives, sponsorship, donations and zakat contributions

Energize UMW

24/7 helpline to provide remote therapy sessions for employees

63,716 training hours received by employees

UMW Executive Development Programme ("UEDP")

for employees strategic and targeted leadership

Scholarship fund

RM1m spent, 92% utilisation

Sustainable Product and Awareness Campaign

Our commitment towards reducing Climate Change impact

Electric Mobility



TOYOTA



BEV model to be introduced



PERODUA



Hybrid model production



UMW EQUIPMENT



Expansion of automation business

Green Product

Biodegradable Hydraulic Fluid (Bio-lubricants)



Battery Revival Unique Strategy System ("BRUSS")



Forklift Refurbishment



Water Reclamation Plant ("WRP") using in-house Ultrafiltration Membrane



Monthly Environmental Campaign #WarOnWaste

Paperless

#WarOnWaste
Paperless 2023 Q1 Report

UMW Group's Printing Quota Utilization as of Q1 2023

In Q1 2023, UMW Group (non-motor) printed a total of **579,209** pages.

This is 27% of the maximum 2023 printing target of **2,157,571** pages.

Quarter 1: Printing Quota Utilization by Division

Division	Utilization
Corporation	Equipment
Manufacturing & Engineering	Aerospace
Property & Development	

Notes:
1. Only UMW non-motor divisions are accounted for in this initiative.
2. The 2023 paperless targets for UMW Group and its divisions are derived from 70% of their 2022 printing utilization.

Save Water & Electricity

#WarOnWaste

Switch off the lights when leaving the office

Get your non-electronic products repaired in-store! Purchase a new one only when you really need it!

Switching your device when charging your phone

Building a world that would consume less energy. By the year 2050, the consumption is expected to increase 30%. In Malacca, building consumes a lot of electricity generated in the country.

Save electricity! Turn off unnecessary electronics.

Reduce, Reuse, Recycle

#WarOnWaste

SAVE OUR PLANET

Let's do our part, before it's too late.

Reduce Reuse Recycle

#WarOnWaste

A single recycled bottle costs enough money to help 300 kids for a month. Reduce Reuse Recycle. Less air pollution and less water pollution from those non-recycling spray bottles.

Reduce Reuse Recycle

Introducing WOW BOX

WHAT IS WOW BOX?

WOW Box is a Reverse Vending Machine (RVM) that allows us to insert any recyclable materials such as used or empty glasses, plastic bottles or aluminum and unused clothes in exchange for a reward. It is called RVM because instead of putting money inside and getting a product, you insert a product and get a receipt of monetary value.

Sustainability & CSR Malaysia Awards 2023

On 26 July 2023, UMW was accorded the Company of the Year for Overall Excellence in Sustainability Stewardship while Dato' Sri Ahmad Fuaad Kenali, President & Group CEO was selected as the inaugural recipient of the Personality of The Year - ESG Champion Award.



Tan Sri Dato' Sri Hamad Kama Piah Che Othman, UMW Group Chairman (third from right) receiving the award from YB Dato' Sri Hajah Nancy Shukri, Minister for Women, Family & Community Development (second from left).

THANK YOU