

UMW Holdings Berhad Results Briefing – Q3 2023

27 November 2023

Group Investor & Media Relations



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Q3 2023 Key Highlights

Key Highlights of Q3 2023 Financial Results

Higher contribution from all segments driven by sustained demand

RM m	Q3 2023 vs Q3 2022			Q3 2023 vs Q2 2023		9M 2023 vs 9M 2022		
	Q3 2023	Q3 2022	Y-o-Y	Q2 2023	Q-o-Q	9M 2023	9M 2022	Y-o-Y
Revenue	4,834	4,057	▲ 19%	4,485	▲ 8%	13,699	11,439	▲ 20%
PBTZ	326	231	▲ 41%	476	▼ 32%	1,053	678	▲ 55%
PAT	260	159	▲ 64%	385	▼ 32%	849	506	▲ 68%
PATAMI	173	101	▲ 71%	304	▼ 43%	611	309	▲ 98%
Basic EPS (sen)	14.82	8.62	▲ 72%	25.98	▼ 43%	52.31	26.46	▲ 98%

Q3 2023 Highlights

Y-o-Y

- The strong performance in Q3 2023 is attributable to the higher revenue from all three core business segments.

Q-o-Q

- Q2 2023 – PBTZ of RM476m is inclusive of profit of RM218m from the completion of the sale of industrial land to Longi. PATAMI is inclusive of RM177m from the same transaction.

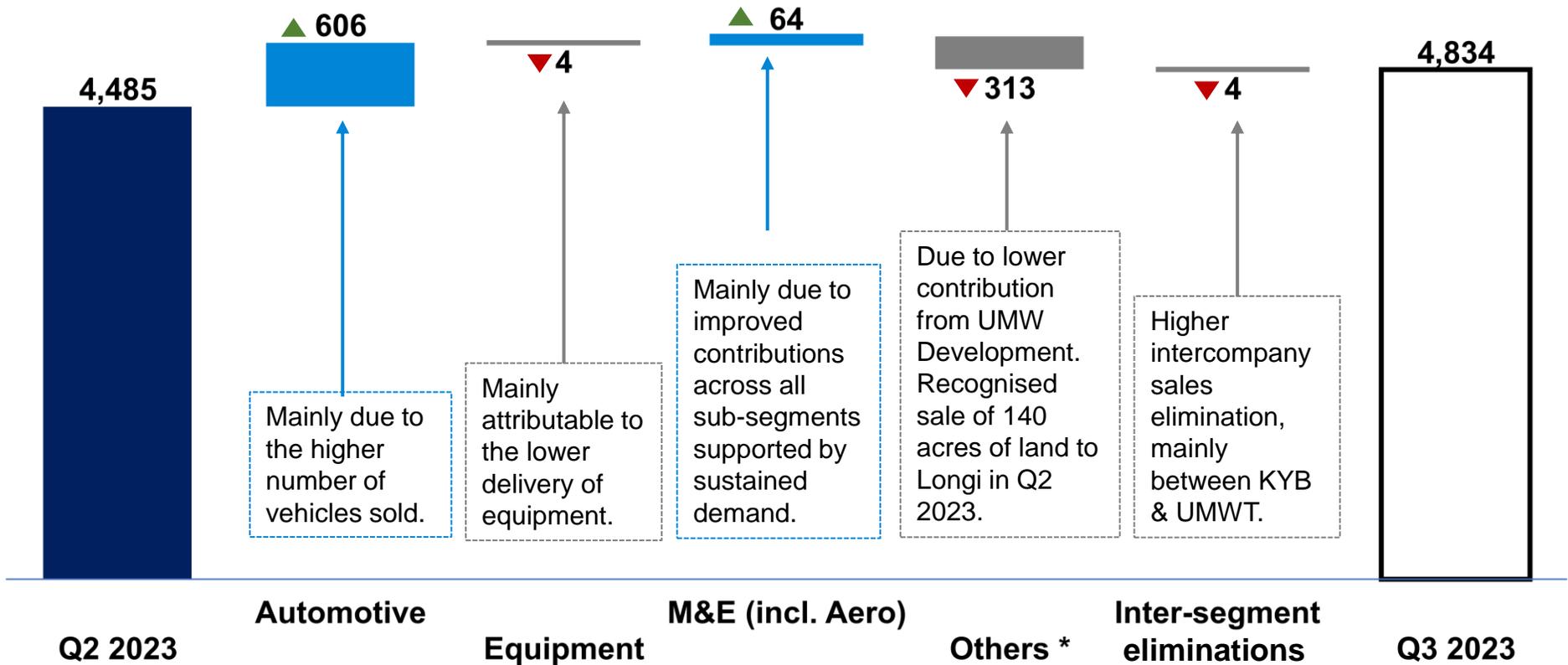
Note: Calculation of variance above varies to Q3 2023 Financial Report in Bursa Malaysia's website due to rounding difference.

Q3 2023 Financial Results

Group Revenue – Q3 2023 vs Q2 2023

Higher revenue was primarily due to higher sales in the Automotive and M&E segments, partly offset by lower sales in Others

RM m



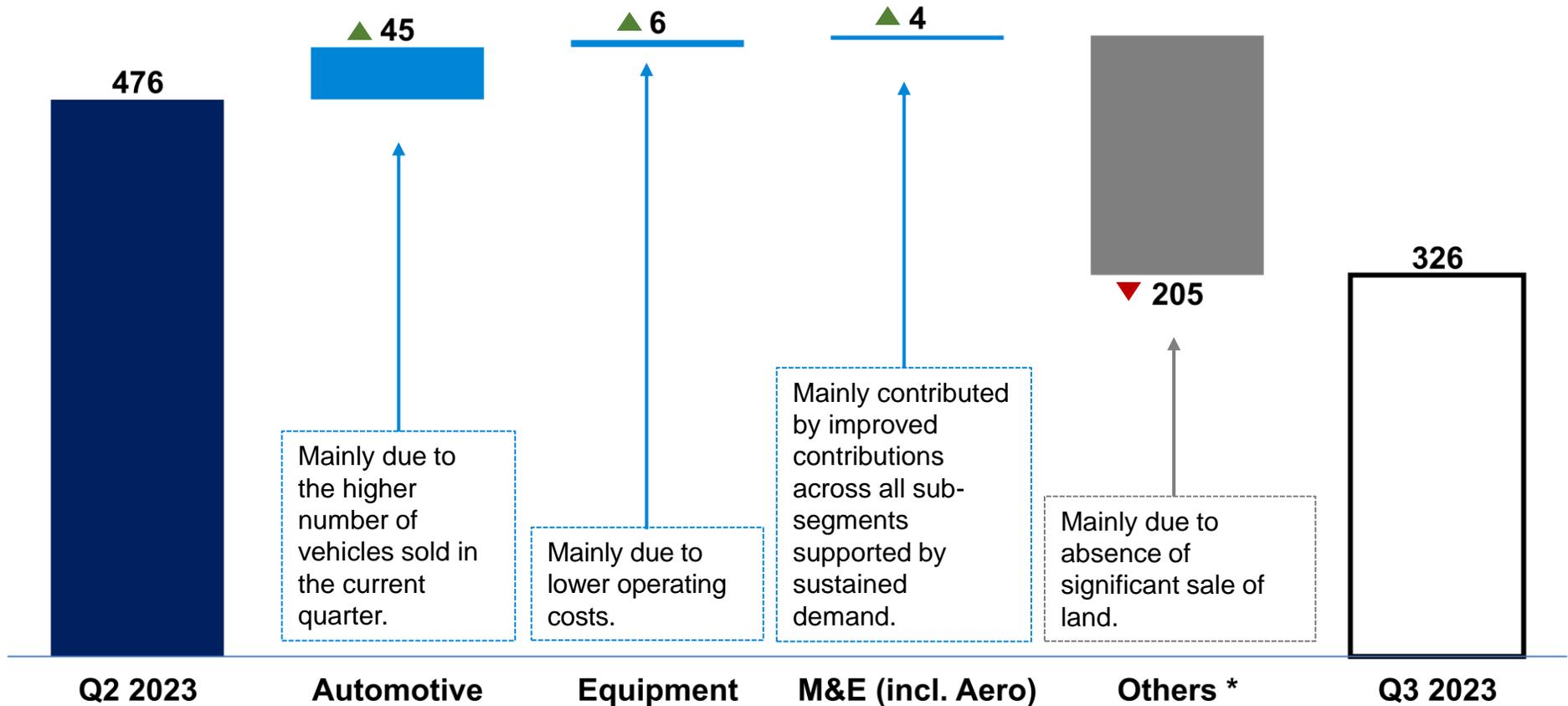
* The segment under Others which does not generate significant external revenue mainly relates to activities such as property development, information technology, management and corporate services, various professional services and research and development.

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Group PBTZ – Q3 2023 vs Q2 2023

Reduced mainly due to lower contribution from Others

RM m

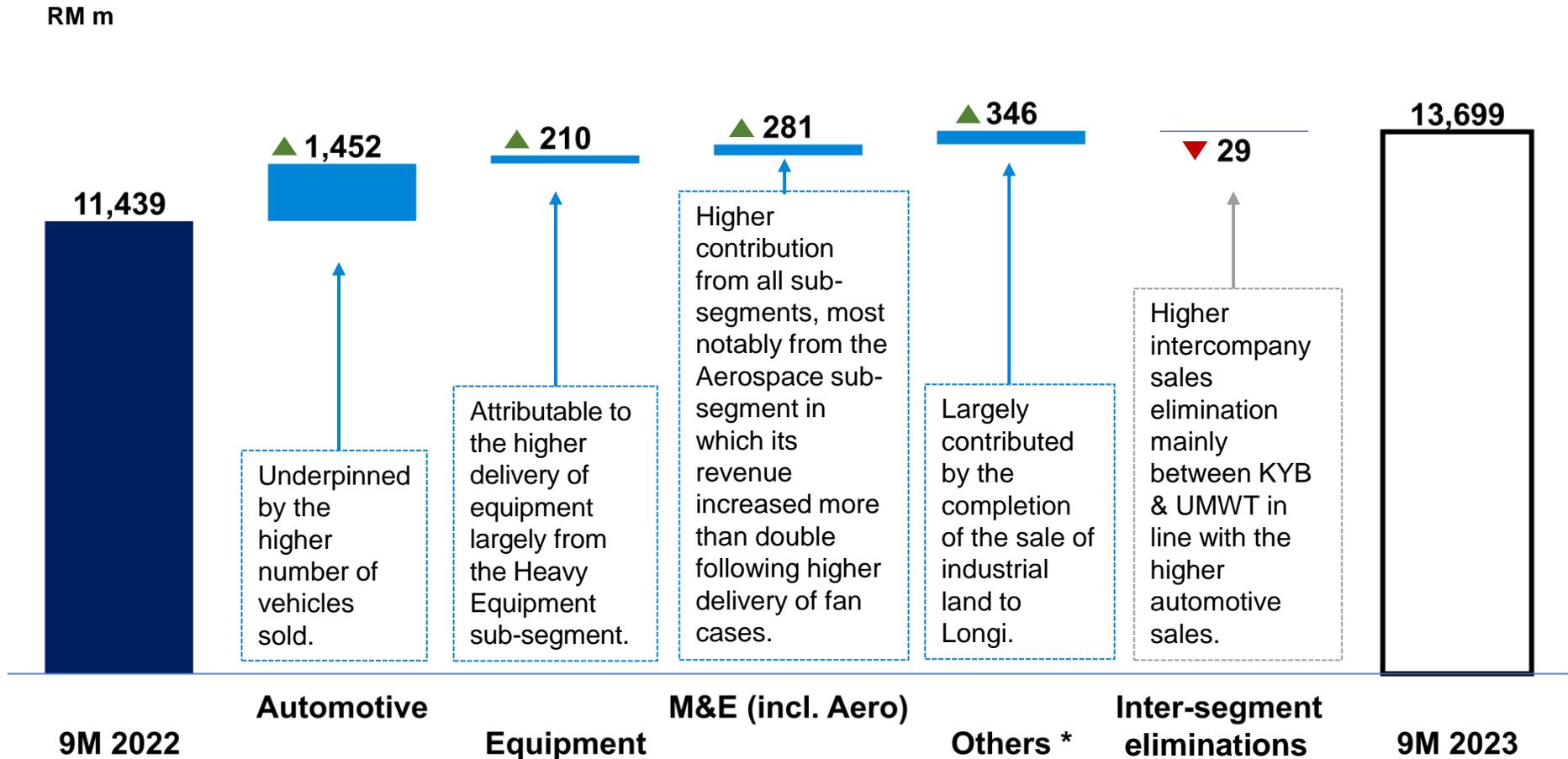


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Group Revenue – 9M 2023 vs 9M 2022

Increased by 20% driven by higher contribution from all segments



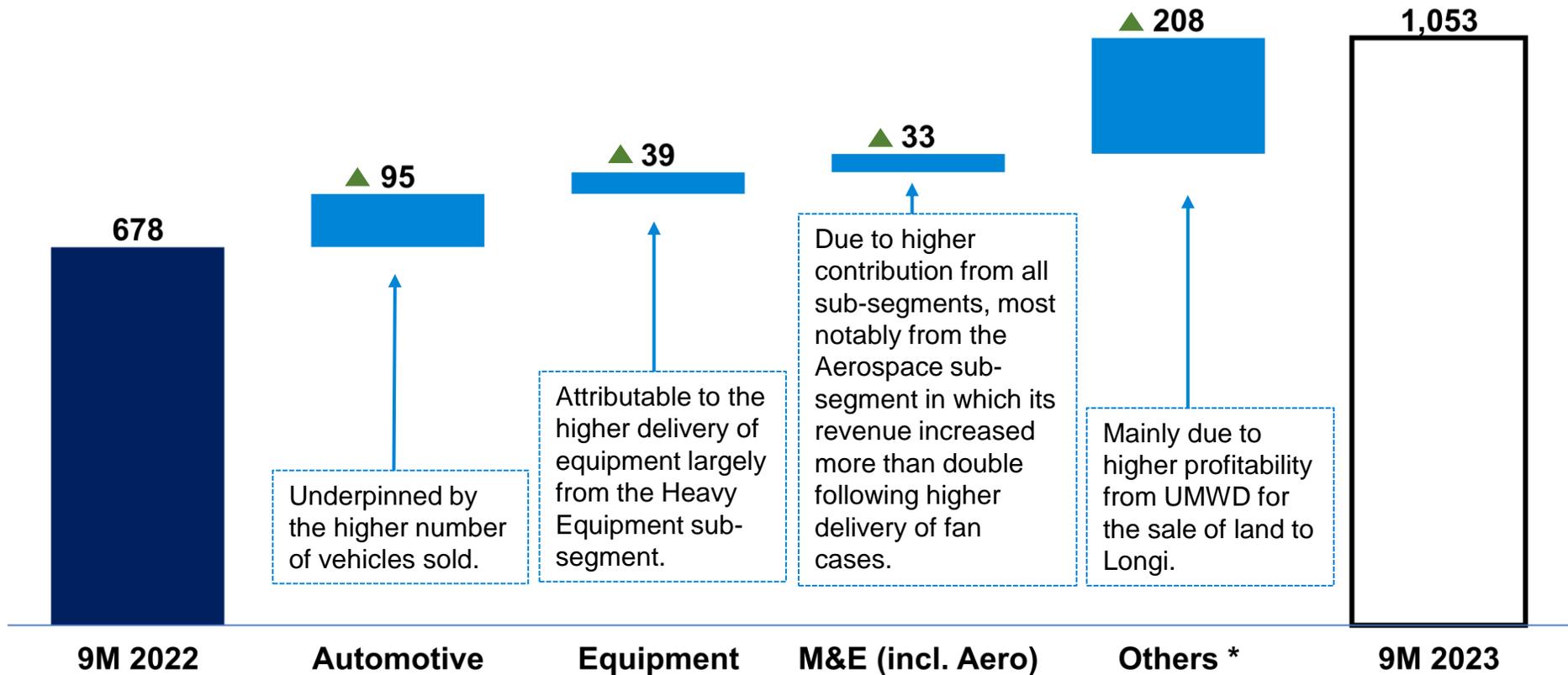
* The segment under Others which does not generate significant external revenue mainly relates to activities such as property development, information technology, management and corporate services, various professional services and research and development.

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Group PBTZ – 9M 2023 vs 9M 2022

Surged by 55%, largely attributable to the sale of land to Longi

RM m

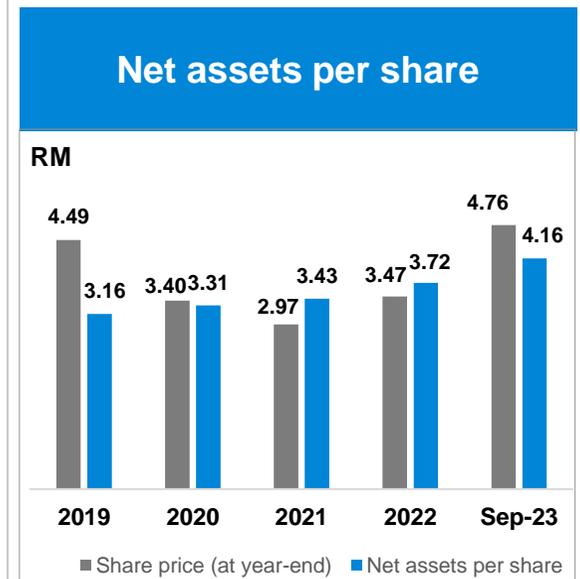
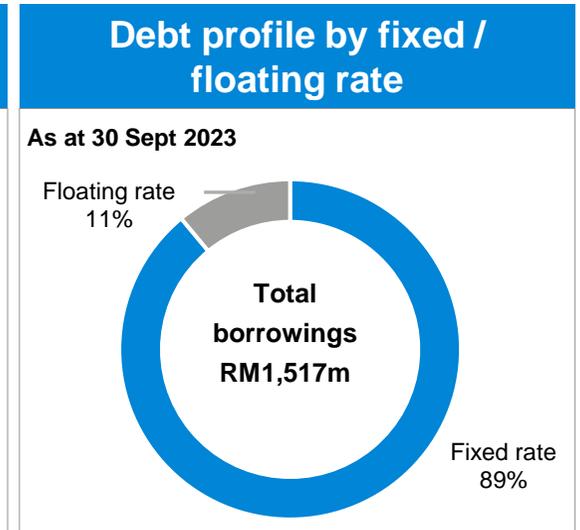
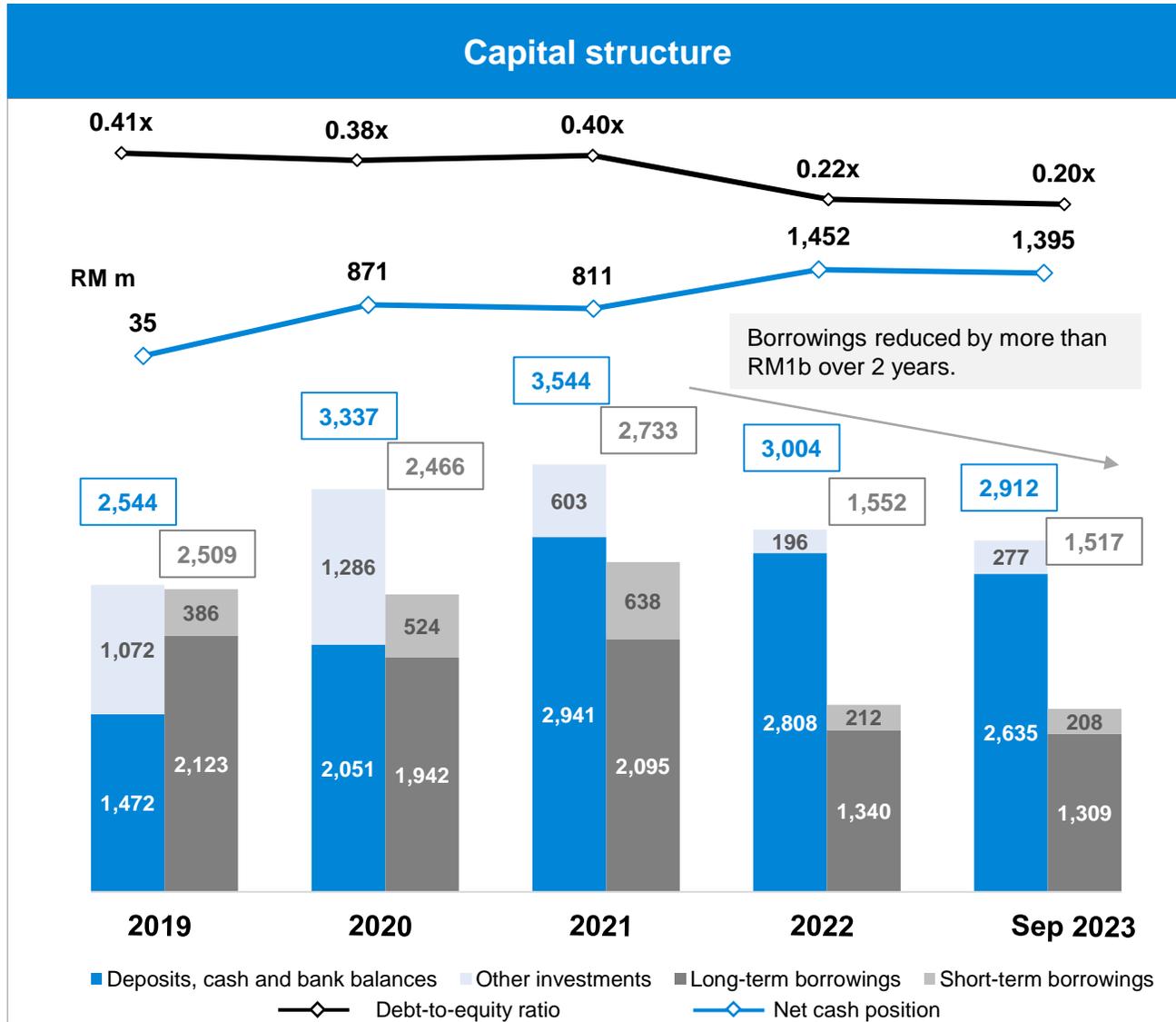


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Capital structure and debt profile

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

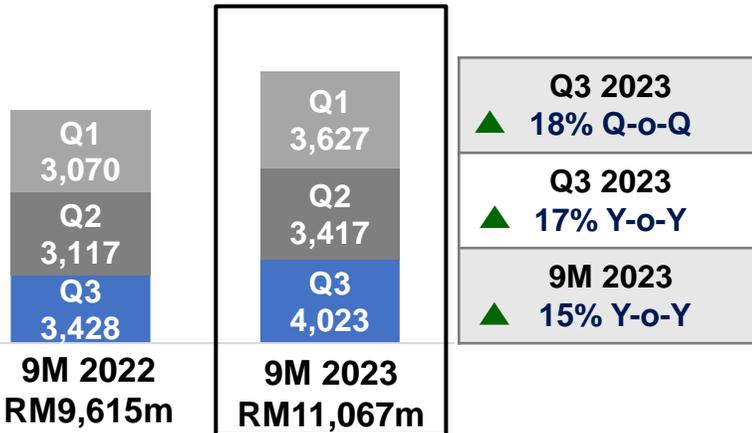


Q3 2023 Segmental Results

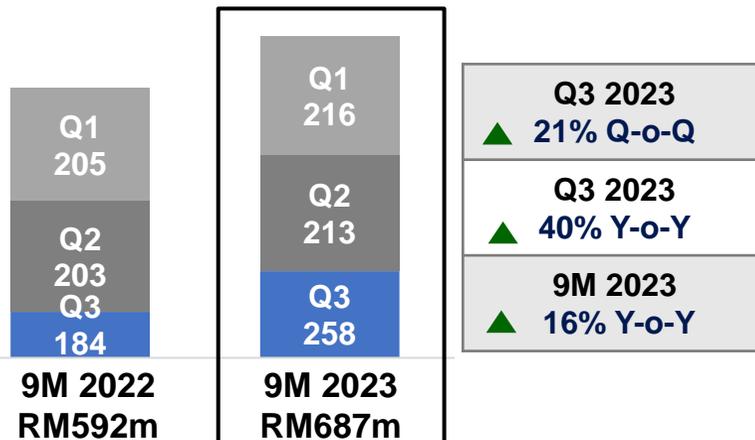
Automotive Segment

Supported by sustained vehicle sales momentum

Revenue (RM m)



Profit Before Taxation and Zakat (RM m)



Automotive results

Q3 2023 Financial Results

Y-o-Y

- Revenue was 17% higher mainly due to the higher number of vehicles sold.
- In line with higher revenue, the PBTZ was also higher by 40%.

Q-o-Q

- Revenue and PBTZ were higher mainly due to the higher number of vehicles sold.

9M 2023 Financial Results

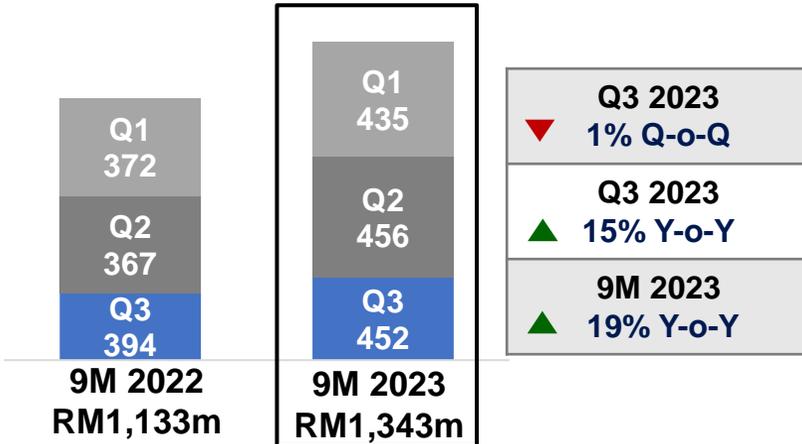
- Revenue and PBTZ were higher year-on-year, underpinned by the higher number of vehicles sold.

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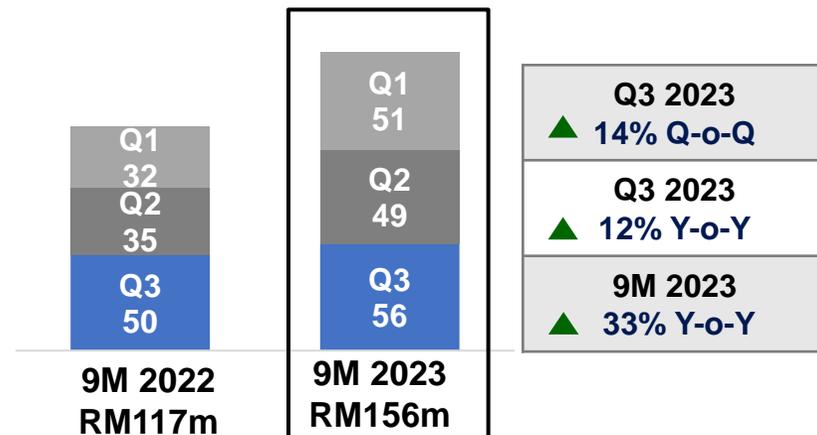
Equipment Segment

Encouraging demand in both local and overseas markets

Revenue (RM m)



Profit Before Taxation and Zakat (RM m)



Equipment results

Q3 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

- Revenue was slightly lower due to lower delivery of equipment.
- In contrast to the lower revenue, the segment's PBTZ increased mainly due to lower operating costs.

9M 2023 Financial Results

Y-o-Y

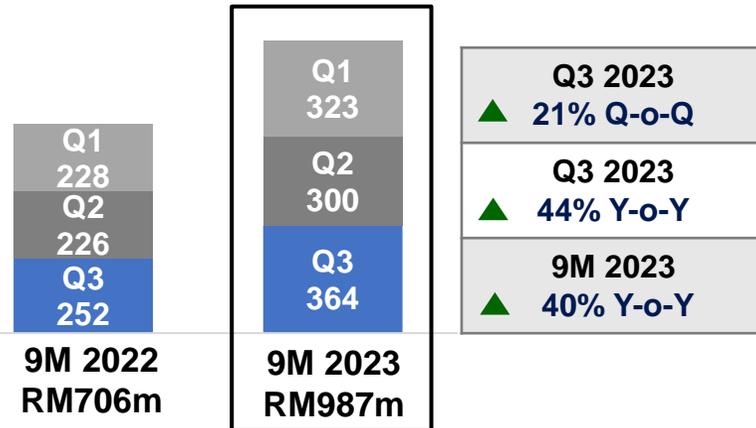
- Higher revenue and PBTZ were attributable to the higher delivery of equipment largely from the Heavy Equipment sub-segment.

Note: Calculation of variance above varies to 3Q 2023 Financial Report in Bursa Malaysia's website due to rounding difference.

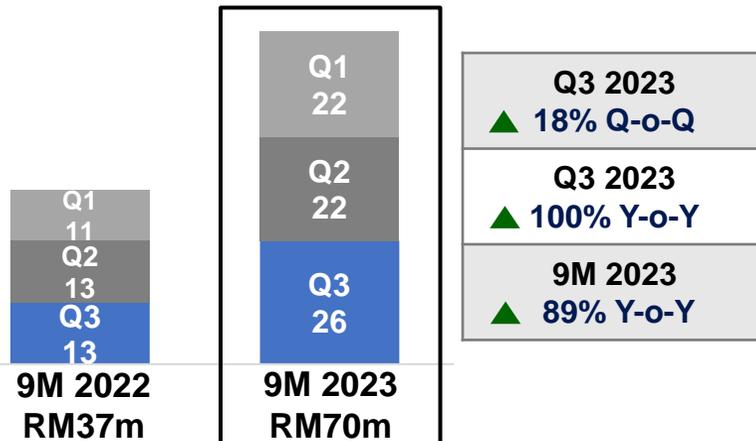
Manufacturing & Engineering Segment

Improved contribution from Auto-components, Lubricants & Aerospace

Revenue (RM m)



Profit Before Taxation and Zakat (RM m)



Manufacturing & Engineering results

Q3 2023 Financial Results

Y-o-Y

- The improved performance was attributable to the higher contribution from all sub-segments, primarily from the Aerospace sub-segment due to higher delivery of fan cases.

Q-o-Q

- Revenue and PBTZ recorded were also higher as a result of improved contributions across all Auto-components, Lubricants and Aerospace sub-segments.

9M 2023 Financial Results

- Higher revenue and PBTZ were reported due to higher contribution from all sub-segments, most notably from the Aerospace sub-segment in which its revenue increased more than double following higher delivery of fan cases in the current period.

Note: Calculation of variance above varies to 3Q 2023 Financial Report in Bursa Malaysia's website due to rounding difference.

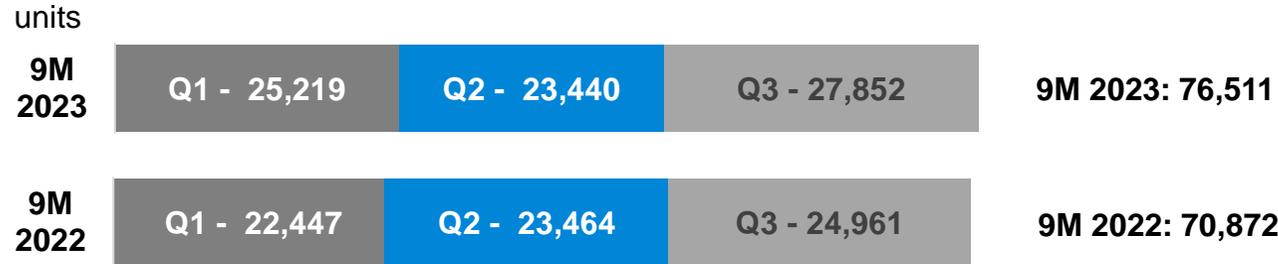
Operational Update

Automotive Segment

Sales breakdown 9M 2023



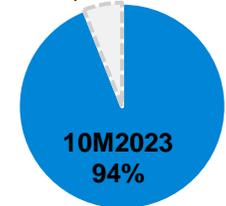
Market leader in the non-National segment



▲ 8%
Y-o-Y

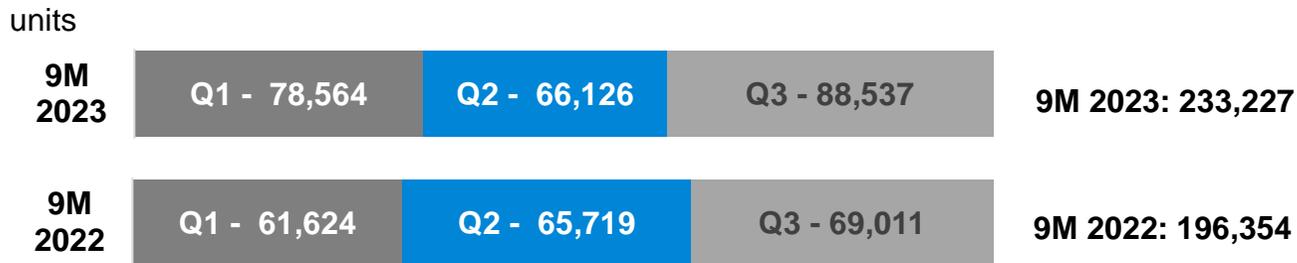
2023 Sales target of **93,000 units**
▼ 8% Y-o-Y

10M2023 sales:
87,442 units





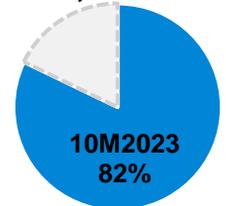
Maintained market leadership since 2006



▲ 19%
Y-o-Y

2023 Sales target of **325,000 units***
▲ 15% Y-o-Y

10M2023 sales:
267,063 units



Outperformed the domestic automotive industry

*Revised upwards from 314,000 units on 7 November 2023.



9M 2023 sales
571,767 units
▲ 11% 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 9M 2023



**Toyota
Hilux**



**Toyota
Vios**



**Toyota Corolla
Cross**

63%
of total
UMWT
sales



**Perodua
Bezza**



**Perodua
Axia**



**Perodua
Myvi**

72%
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

Alphard (23 Oct)



- 1 variant
- Priced at RM538k

Vellfire (23 Oct)



- 1 variant
- Priced at RM438k



RX 350 (25 May)



- 1 variant
- Priced at RM469k

RX 500h F Sport (18 Aug)



- 1 variant
- Priced at RM499k



Axia (14 Feb)

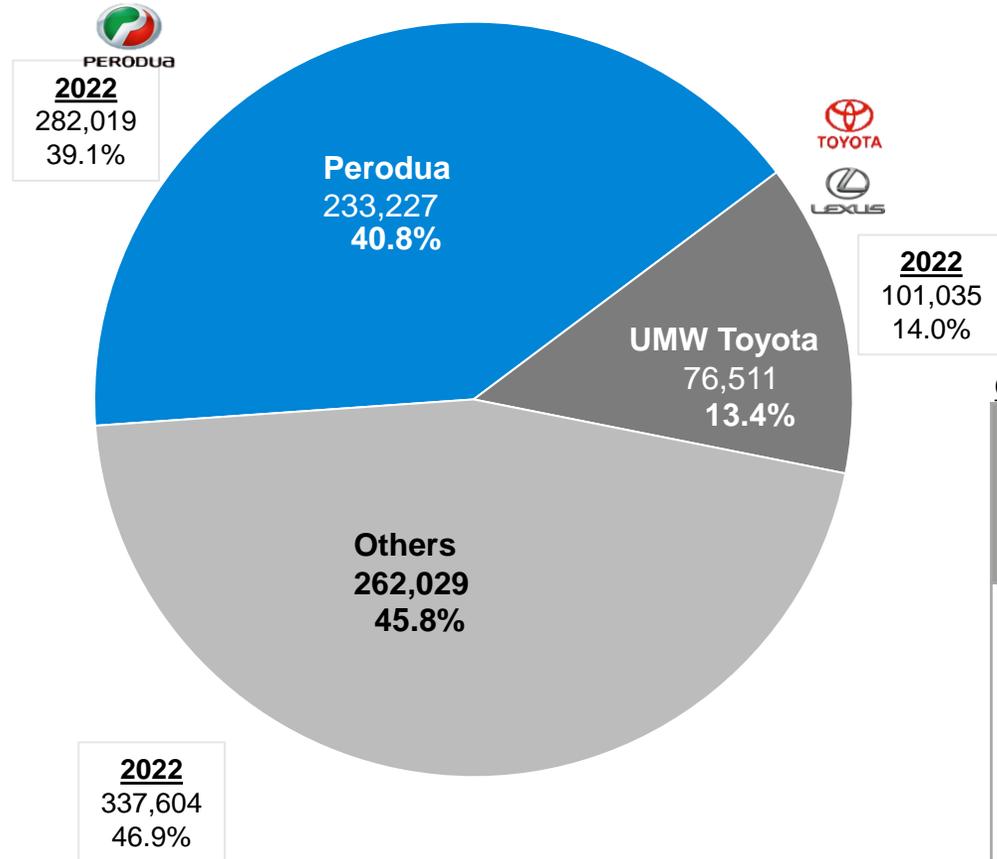


- 4 variants
- Priced between RM38.6k and RM49.5k

Automotive Segment

The Group collectively commands the domestic automotive market share

UMW Group's market share for 9M 2023 was 54.2% (2022 – 53.1%).



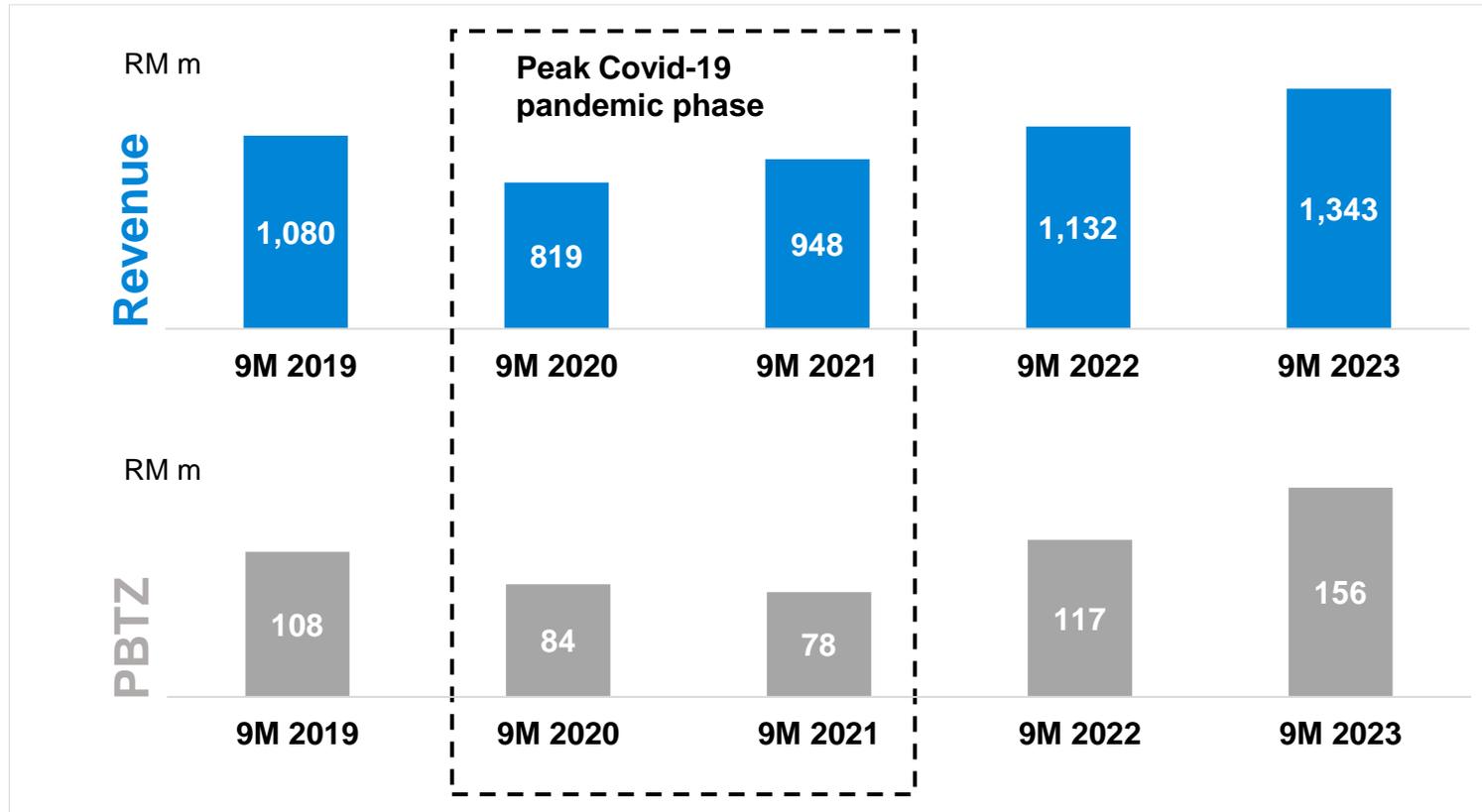
Other Carmakers' Sales and Market Share

Brand	9M 2023		2022	
	Units	Market Share %	Units	Market Share %
 Proton	114,806	20.1	136,026	18.9
 Honda	54,017	9.4	80,290	11.1
 Mitsubishi	17,668	3.1	24,017	3.3
 Mazda	14,377	2.5	14,644	2.0
 Nissan	7,452	1.3	13,785	1.9
Other brands	53,709	9.4	68,842	9.7
Total TIV	571,767		720,658	

Source: Malaysian Automotive Association

Equipment Segment

Encouraging performance for the segment post pandemic



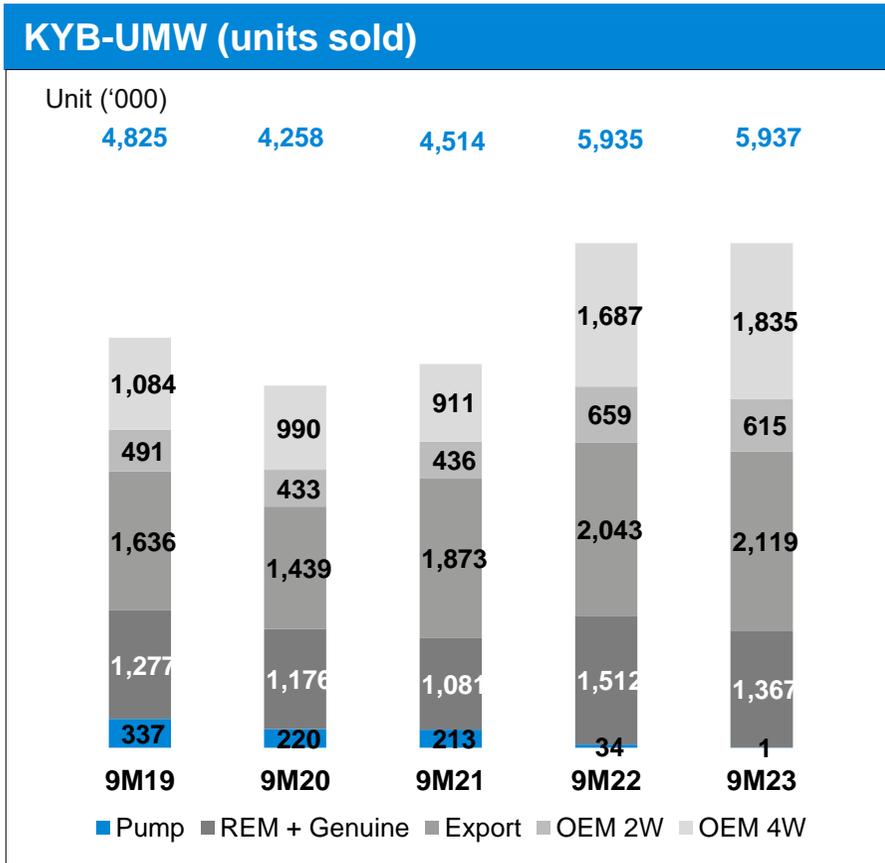
Other key segmental highlights:

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

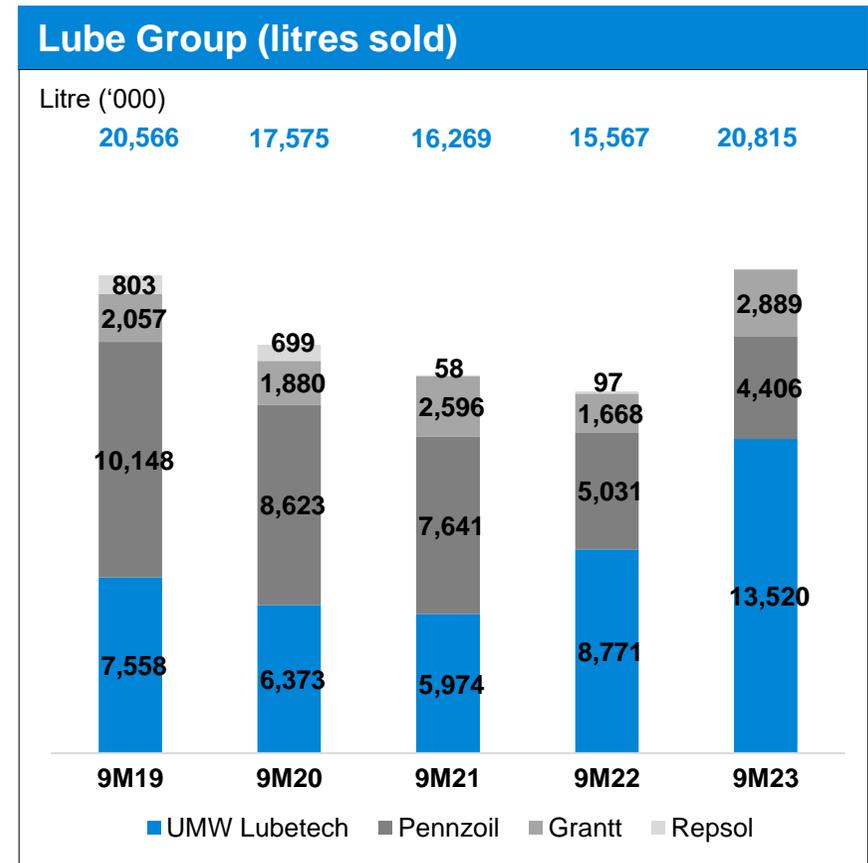
 Demand for heavy equipment remained strong, especially from the construction, mining and agriculture sectors.

Manufacturing & Engineering Segment

Mainly supported by stronger demand from OEM and Export markets



Sales of shock absorbers sustained its momentum in 2023. Export and OEM 4W registered the highest ever sales in 2023.



Sales of lubricants increased by 34% in 9M 2023 mainly due to the strong contribution from UMW Lubetech i.e. from OEM and export.

Note: Due to rounding, figures presented in this chart may not add up precisely to the totals provided.

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:
 - 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.



Automated filling machine



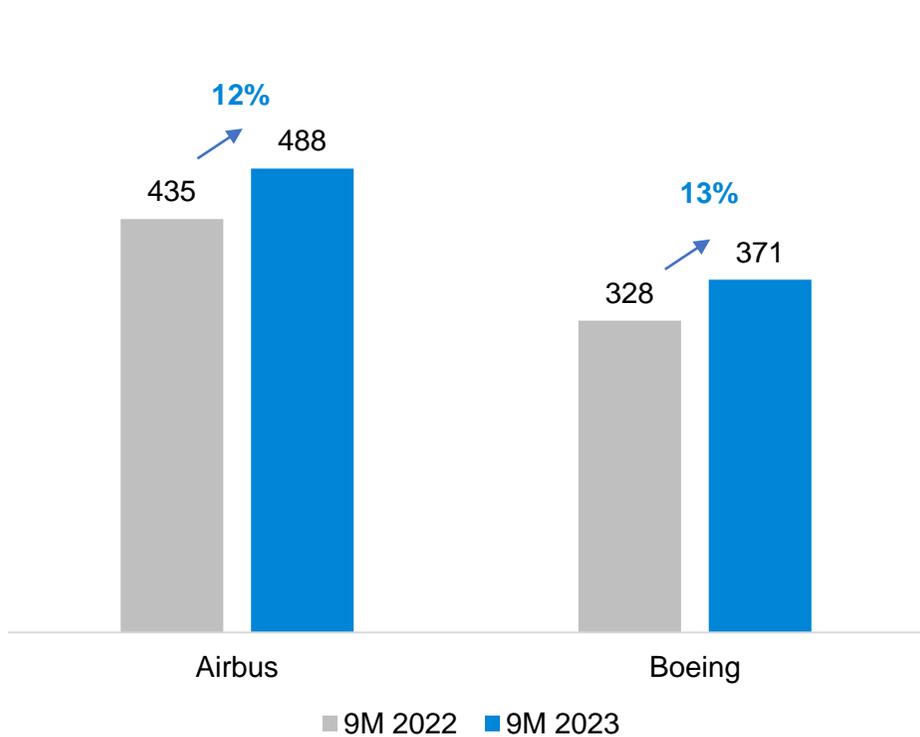
Bio-Hydraulics VG46 & VG68



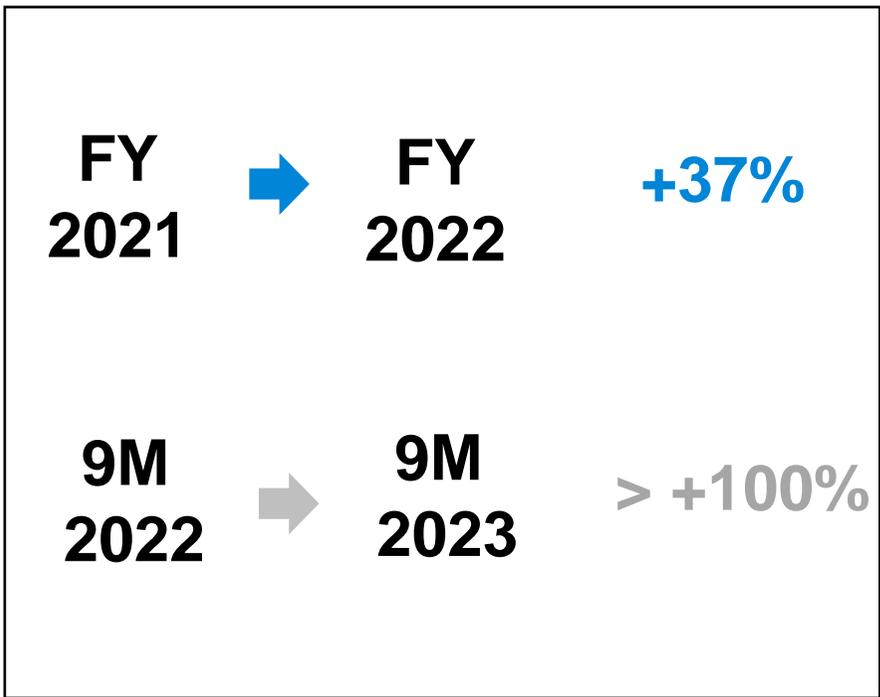
Aerospace Segment

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

Scope 2 – Renewable Energy

Scope 3 – Supply Chain

UMW Green Shoots Initiative



300,000

Trees to be planted by 2023

106,442

Trees planted YTD Oct 2023

273,442

Total trees planted since 2021

Rooftop Solar PV

4.2MWac

Current capacity

Additional 6.8MW
(total capacity of
11MW expected in 2024)



Subscription to GET



- KYB-UMW
- UMW Aerospace
- Lubetech
- Corporation

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

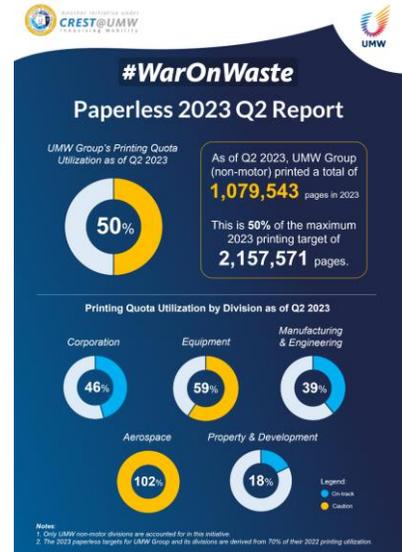


Water Reclamation Plant ("WRP") using in-house Ultrafiltration Membrane



Monthly Environmental Campaign #WarOnWaste

Paperless



Save Water & Electricity



Reduce, Reuse, Recycle



THANK YOU