

OUR PERFORMANCE

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AUTOMOTIVE



UMW Toyota is the sole distributor of Toyota and Lexus models in Malaysia, leveraging our long-standing partnership with Toyota Motor Corporation to assemble and market vehicles that are well-known for their quality and durability.

UMW Toyota also works closely with Toyota Capital Malaysia Sdn Bhd (**TCAPM**), which focuses on providing customers with innovative financing solutions for UMW Toyota's products.



KEY PERFORMANCE HIGHLIGHTS

TOYOTA SALES VOLUME
(Units)

72,394



TOYOTA CAPITAL MANAGED ASSETS
(RM billion)

6.3



Scan here for more information:
www.umw.com.my/web/guest/automotive



Scan here for more information:
www.toyotacapital.com.my/

OUR PERFORMANCE



WORKING TOGETHER TO DELIVER RESULTS

The year 2021 was, without doubt, another challenging year for the Malaysian automotive industry as it dealt with a slightly longer lockdown compared with 2020 due to the resurgence of the pandemic. The expectations of a strong recovery year were quickly dampened by the 11-week lockdown that took place between June and August. From our point of view, however, the lockdown this time around proved to be an ideal time to utilise all that we had learned from 2020's pandemic experience and leverage the strategies we had implemented then to drive growth going forward.

Overall, we were able to put the lessons learned into action and successfully delivered record sales of 72,394 units in 2021, enabling us to reclaim our position as the No. 1 non-national brand. Sales were mostly driven by the ongoing sales tax exemption and the introduction of new facelifts and models, of which the most exciting milestone was the launch of our Corolla Cross Hybrid Electric SUV.

The innovative programmes rolled out by TCAPM also contributed to our stellar results. The JomDrive programme, which targets civil servants, and the EZBeli programme, which offers tiered repayments, accounted for almost 60% of TCAPM's customers in 2021, demonstrating both their popularity and relevance.

In facing the challenges of the pandemic, we believe it was the combined efforts of all stakeholders in planning and coordinating our response that mattered most. As a result, we were able to hit the ground running when operations resumed in August to make up for the time lost due to the lockdown. We were also able to overcome the less-than-optimal manpower situation due to COVID-19 SOPs by fine-tuning our processes and becoming more agile and efficient in our manufacturing processes. The global shortage of semiconductors, meanwhile, was only an issue for us when demand was abnormally high and was a situation that we were able to resolve through good supply chain management and strong support from our principal.

In terms of our digital efforts to drive sales, we saw an encouraging response in 2021, indicating the potential in this area that we will pursue further going forward. TCAPM's EZConnect App also experienced good traction, with more than



21,000 active users since its launch in November 2021. The app enables users to make repayments through it, in addition to many other useful features. Our KINTO vehicle subscription programme, launched in collaboration with TCAPM, also saw an increase in the number of applications, especially from corporations that are increasingly looking to avoid purchasing new vehicles.

Towards the end of the year, Malaysia was hit by massive flooding that inundated parts of the country, including the highly industrialised state of Selangor where our operations are located. In response, we extended a helping hand to affected customers by providing a 25% discount on repair bills, a free towing service and repair cost quotations. In addition, we sent volunteers to help with the clean-up of affected communities and converted our UMW Toyota headquarters in Shah Alam into a flood command centre.

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REALISING OUR ASPIRATIONS

The past two (2) years have been a serious test of our resolve and capabilities to continue meeting the needs of our customers while ensuring we stay on course to achieve our long-term aspirations. For UMW Toyota, these efforts have paid off, as we ended the year 2021 on a high note by reclaiming our position as the top non-national automotive brand.

This achievement is particularly meaningful as it is the culmination of strategic efforts that began in 2017. These include the construction of our state-of-the-art Bukit Raja plant, and the transformation from a branch business model to a dealer-centric business model, which has optimised our cost base.

Backed by investments of RM2 billion over four (4) years and the unflinching support of our principal, we have also been actively working to expand the appeal of our brand to younger buyers through enhancements made to our model line-up and a robust marketing strategy. We believe that the strategic shift to a more youthful brand image has been a key factor in our successful return to the top of the non-national segment.

OUTLOOK & PROSPECTS

Looking ahead, we believe there is still room for improvement in the execution of our strategies and we will strive to maintain our position as the top non-national automotive brand. We have also ensured that our longer-term growth momentum will continue as we have in place a deep bench of talent who will be able to seamlessly advance our strategies when they succeed the current leaders.

Operationally, 2022 will be another exciting year for UMW Toyota as we plan to launch a range of exciting models in the coming months. The launch of the Corolla Cross Hybrid Electric SUV will also be complemented by TCAPM's EZBeli+ financing programme, designed specifically for hybrid cars. With the sales tax exemption in effect until June 2022, we anticipate continued strong demand for our cars, and we will remain firmly focused on advancing the growth of hybrid vehicles. For the Corolla Cross, for example, we have planned a production split of 40% hybrid and 60% conventional in 2022.

In aligning with our principal's global strategies, UMW Toyota will also be exploring the value chain business, especially in the context of capturing the opportunities present in the servicing of cars, parts, insurance renewal and sales in the secondary car market. With over a million Toyota cars on the roads in Malaysia, this represents a sizable business opportunity that we can capitalise on.

AWARDS

<p>Putra Brand Awards 2021 The People's Choice (Automotive Category) – Platinum Hall of Fame – Platinum for 3 Consecutive Years</p>	<p>DSF.my Vehicle of the Year (VOTY) 2021 Toyota Harrier – Luxury SUV of the Year</p>
<p>2021 Carlist.my Car of the Year Award Gold Toyota Camry – D-Segment Sedan Toyota Hilux – Pickup Truck Toyota Alphard – Premium MPV</p>	<p>WapCar Car of the Year Award 2021 Toyota Corolla Cross – Editor's Pick: Ride Comfort Award Toyota Yaris – Editor's Pick: Affordable Car of the Year</p>
<p>Silver Toyota Vellfire – Premium MPV Toyota Innova – MPV Toyota Fortuner – 7-Seater SUV Toyota Vios – B-Segment Sedan/Hatch Toyota Supra – Performance Car</p>	<p>2020 Carlist.my Car of the Year Award Gold Toyota Alphard – Premium MPV</p>
<p>Bronze Toyota Harrier – Premium SUV Toyota Corolla Cross – C-Segment SUV Toyota Yaris – B-Segment Sedan/Hatch Toyota Corolla – C-Segment Sedan</p>	<p>Silver Toyota Vellfire – Premium MPV Toyota Yaris – Compact Hatch Toyota Innova – Mid-Range MPV Toyota Vios – Compact Sedan Toyota Corolla – Mid-Range Sedan Toyota Camry – Executive Sedan Toyota Supra – Aspirational Car Toyota Hilux – Pick Up</p>
	<p>Bronze Toyota C-HR – Crossover Toyota Harrier – Premium SUV</p>