

17 August 2020

First Half 2020

Financial and Operating Results Briefing

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HOLDINGS INCORPORATED

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Briefing Panelists



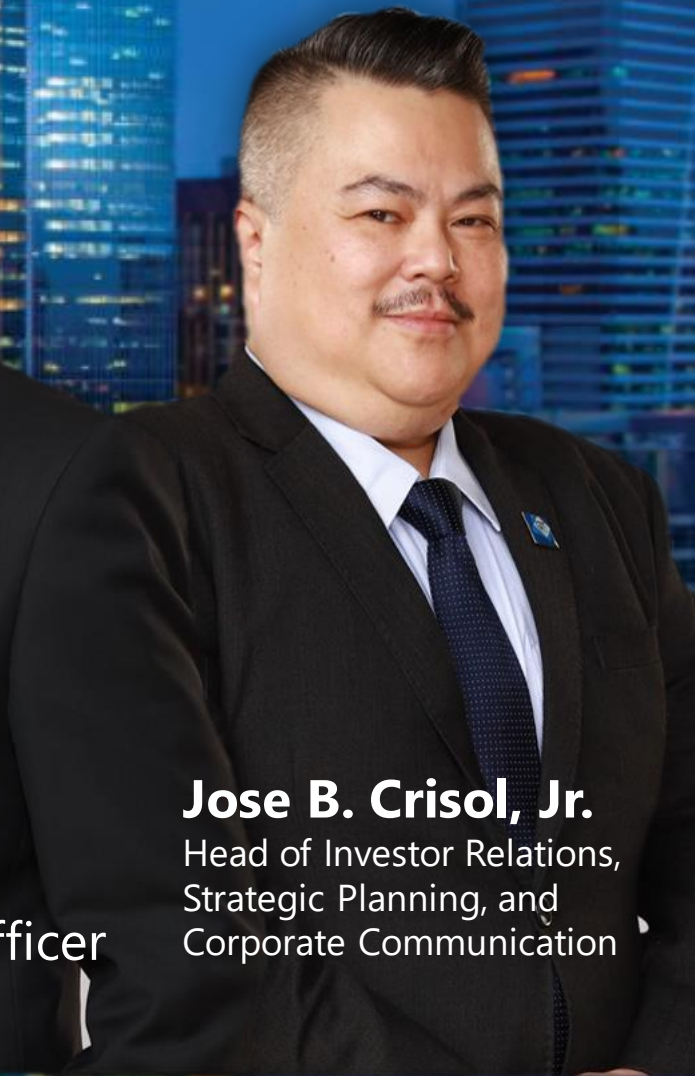
**Carmelo Maria
Luza Bautista**
President



Vince S. Socco
Chairman
GT Capital Auto
Dealership Holdings



**Francisco H.
Suarez, Jr.**
Chief Finance Officer



Jose B. Crisol, Jr.
Head of Investor Relations,
Strategic Planning, and
Corporate Communication

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Macroeconomic Indicators

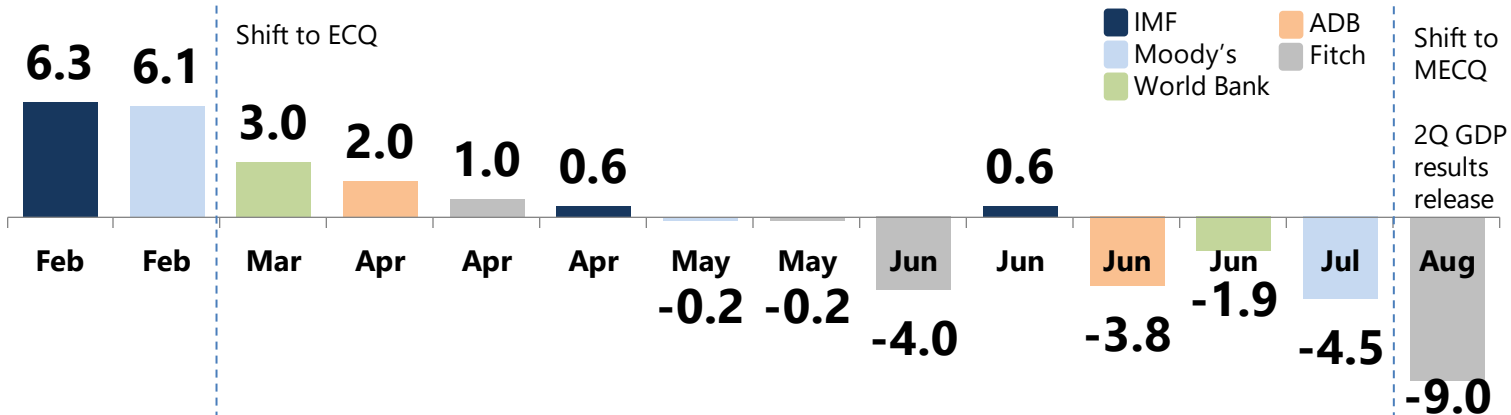
Our Macroeconomic View

2Q 2020 GDP change (versus 2Q 2019, in %) ASEAN-5, US, China, Taiwan



Source: Government statistics from each country; *Estimate from Kasikornbank

2020 Philippine GDP Growth Forecasts (in %)



Global

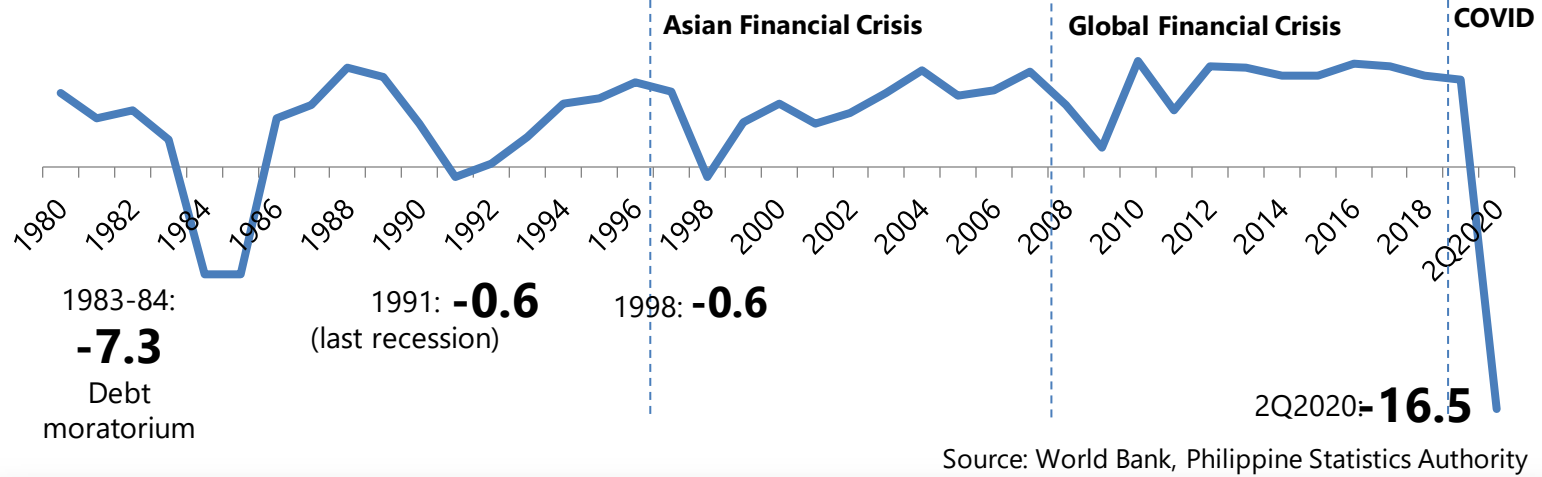
- Expectedly, economies around the world have suffered from the COVID-19 pandemic
- Governments have responded by reducing interest rates and providing stimulus packages

Philippines

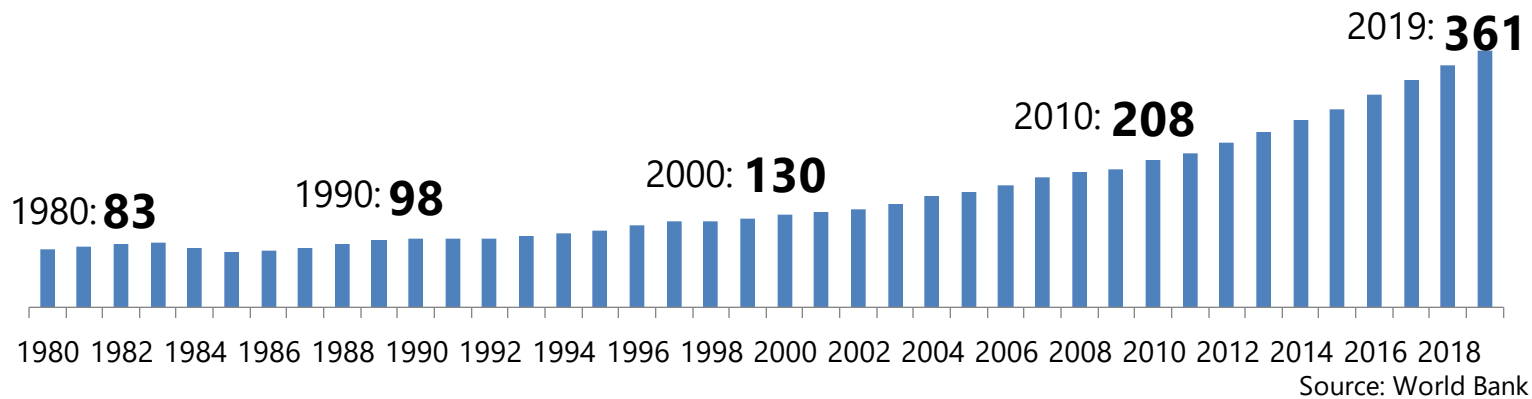
- First recession since 1991
- FY2020 GDP forecasts revised downwards as the crisis unfolds
- Consumption Spending down -15.5% in 2Q2020
- Unemployment rate reached 17.7%, 15-year high
- Uncertainty remains due to COVID-19

Our Macroeconomic View

Philippine Annual GDP Growth Trend (in %)



Philippine GDP (in USD Billions)

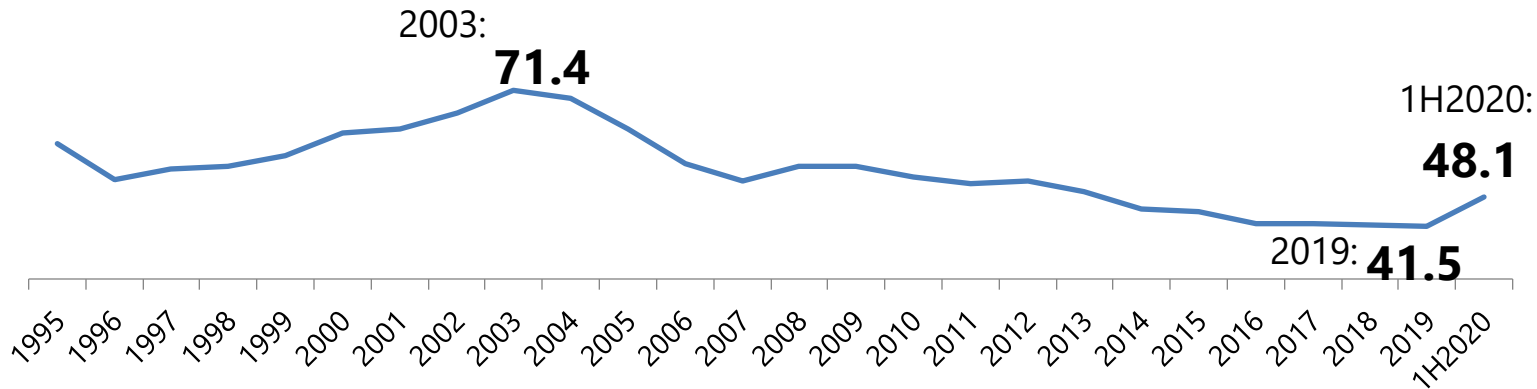


Philippines

- Annual GDP growth averaged **6.4%** from 2010 until 2019, among the highest in ASEAN
- GDP declined **-16.5%** in 2Q2020 due to the lockdown restrictions brought about by this unprecedented crisis
- Unprecedented crisis; GDP growth at lowest point since the 1983 debt moratorium crisis (**-7.3%**)

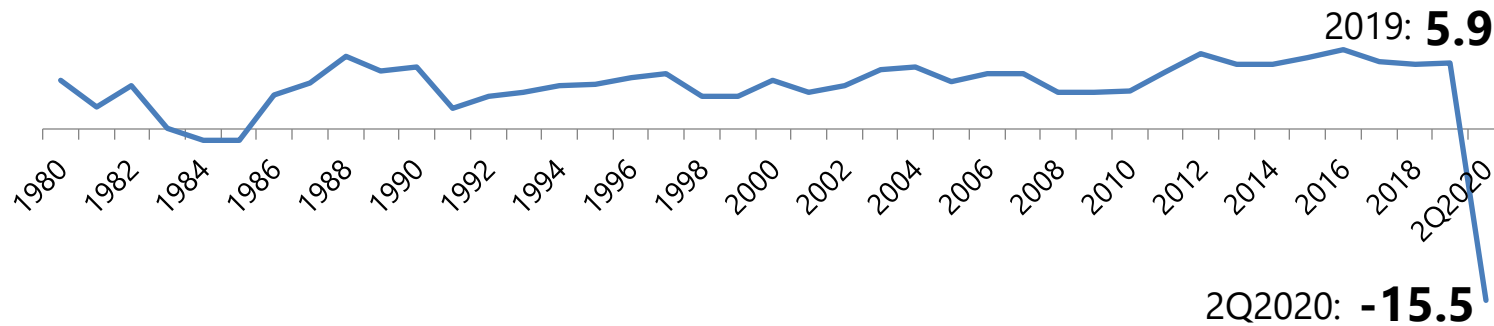
Our Macroeconomic View

Philippine Debt-to-GDP (in %)



Source: Philippine Bureau of Treasury

Philippine Consumption Expenditure Growth (in %)



Source: World Bank

Philippines

- Despite an increase in government borrowings to address the impact of the pandemic, Debt-to-GDP remains in manageable levels
- Can still afford to borrow money without endangering the economy
- BSP considered one of the best central banks among emerging markets
- Gross International Reserves (GIR) of **USD98 Billion**, record high
- Private consumption accounts for over 70% of Philippine GDP
- Annual consumption growth averaged **5.5%** for the past 10 years
- As a consumption-driven economy, the Philippines was greatly affected by the lockdown restrictions



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January to June 2020 Consolidated Financial and Operating Highlights

GT Capital Group First Half 2020 Financial Highlights



Consolidated Net Income

Php2.74 Bn -62%

Php7.2 billion 1H 2019

Core Net Income

Php3.17 Bn -55%

Php7.1 billion 1H 2019



Net Income

Php9.1 Bn -30%

Php13.0 Bn 1H 2019

- Very strong PPOP
Php36.1B +61%
- No visibility on NPL
- No specific provisions
- Anticipatory Provisions **up 5x to Php22.8 Bn** to protect loan portfolio



Net Income

Php1.0 Bn -77%

Php4.3 Bn 1H 2019

- **-52%** decline in retail sales volume
- Provincial sales stronger than NCR
- Dealership and assembly plant shutdown
- Continued workforce support



Net Income

Php171 Mn -58%

Php404 Mn 1H 2019

- Reservation sales **+3%** to **Php9.1B**
- Lower booked sales due to POC stoppage
- Healthy pipeline of bookable revenue



Net Income

Php1.6 Bn +29%

Php1.2 Bn 1H 2019

- Single Premium-Unit Linked **+48%**
- Protection & Health now **25%** of total revenue, **28%** of APE
- **+179%** Net income **Php309 Mn** from GI
- Effective virtual selling under lockdown



Core Net Income

Php5.3 Bn -38%

Php8.7 Bn 1H 2019

- July volumes nearing pre-Covid levels
- **GT Capital's share in NI** -38% to **Php0.8B** due to volume declines in Power, Water, Tollways, and Light Rail



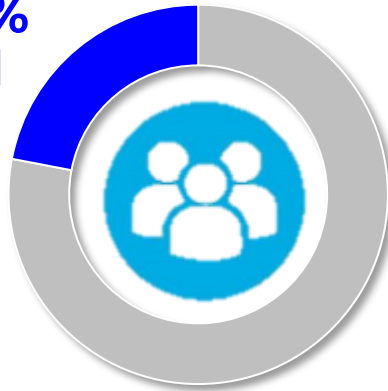
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Positioning Towards Recovery Beyond Covid

Customer Touchpoints

Clients enrolled in e-channels (as of Q2 2020)

**22%
Enrolled**



+176%

mobile app downloads
Q2 2019 vs Q2 2020

4,000,000 approx. client base



Waived fees for money transfers via the Metrobank Mobile App is extended until September 30.

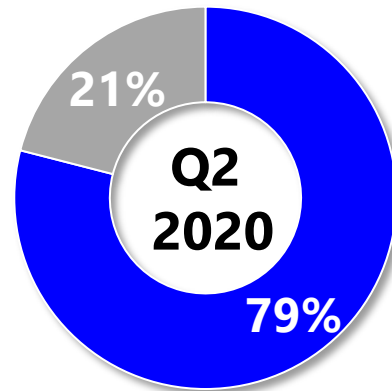
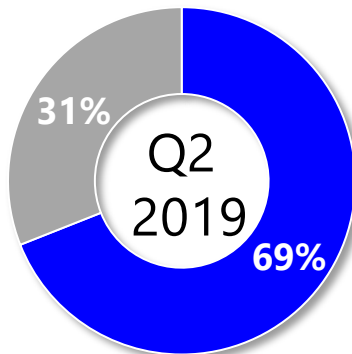
Instapay

Send money to another bank lower than Php50,000

PESONet

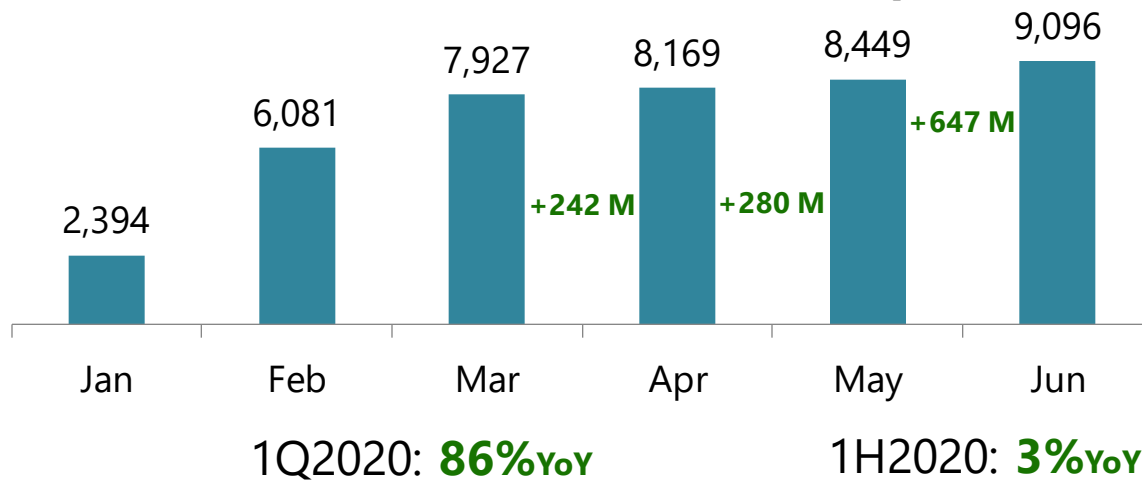
Send money to another bank above Php50,000

% E-Channels to Total Financial Transactions



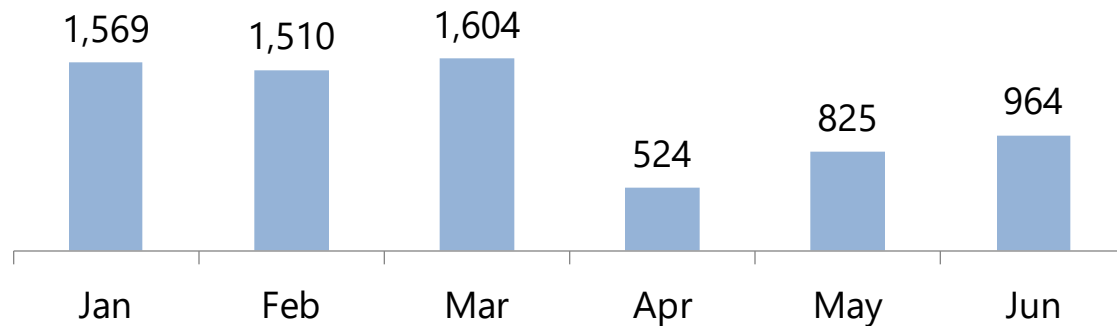
Digital Sales Process and Activities Highlights

Cumulative Reservation Sales (Php Mn)



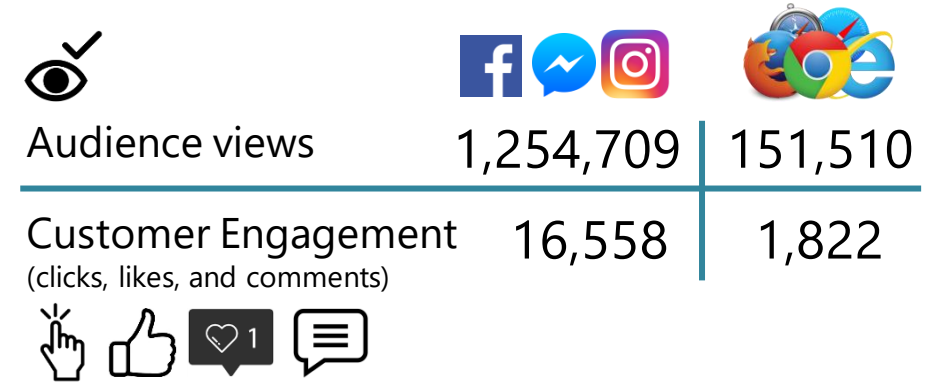
Monthly Project Inquiries

Traditional Marketing

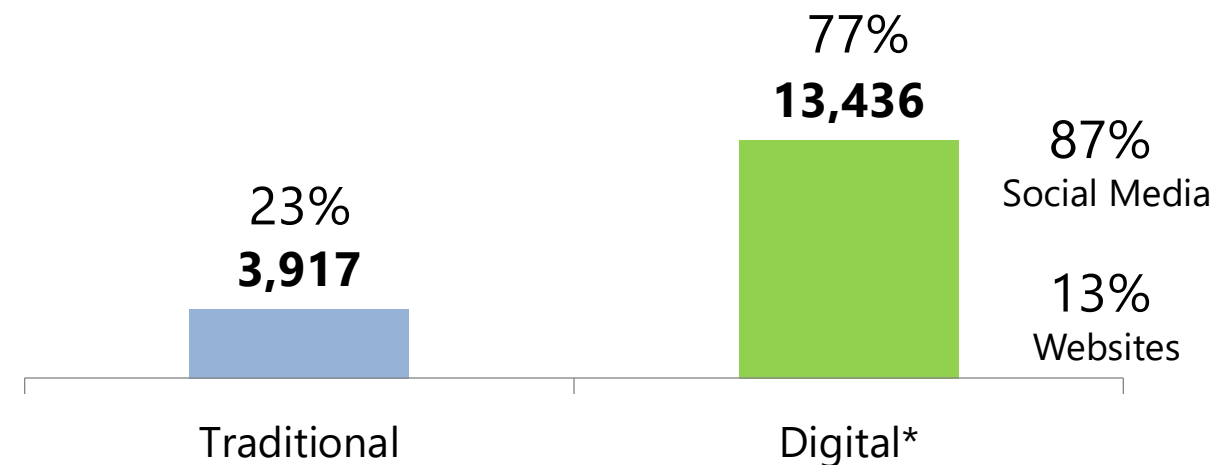


Digital Platform Engagement

March to June



March to June Inquiries



*Facebook/Instagram message, comments, emails, direct contact, web contact form

20 Projects Approved for Resumption Construction Update As of June 2020

HLURB, LGU, DPWH, Local Associations

15 Residential Projects



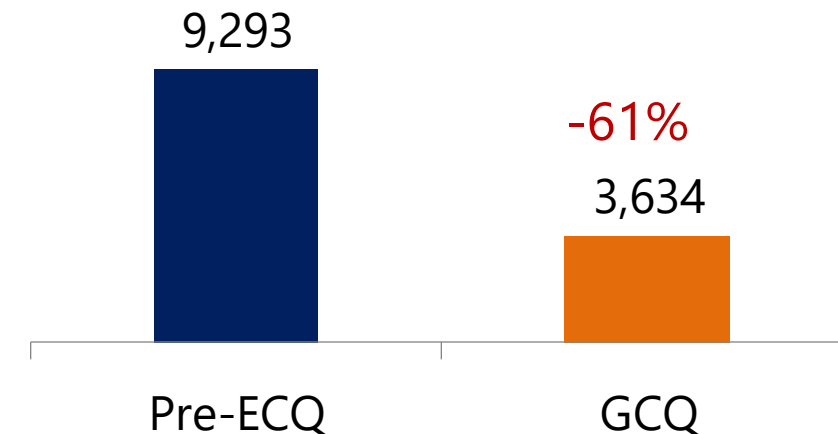
5 Commercial Projects



Contractors

Average Manpower

23 Federal Land Projects



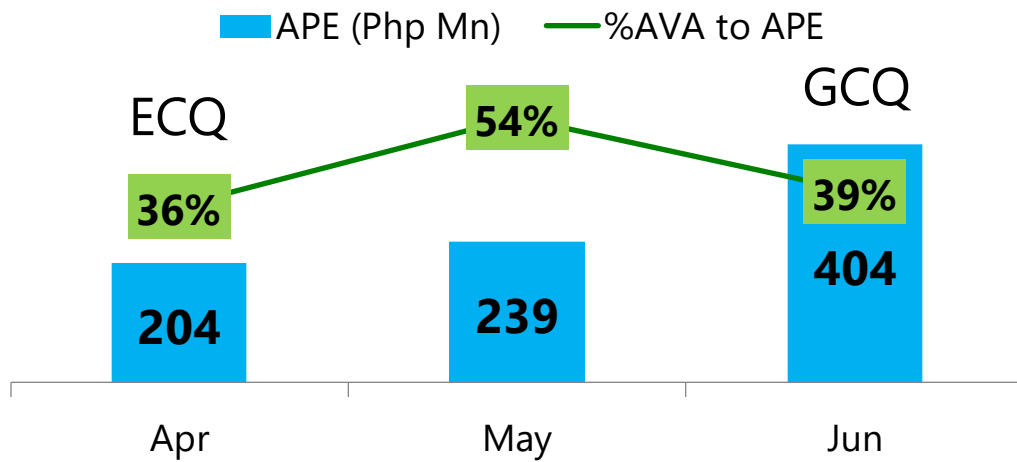
POC Challenges:

- Limited mobility
- Manpower constrained by Covid
- Low productivity due to compliance with health protocols

AXA Virtual Selling Assist (AVA), Protection and Health Highlights

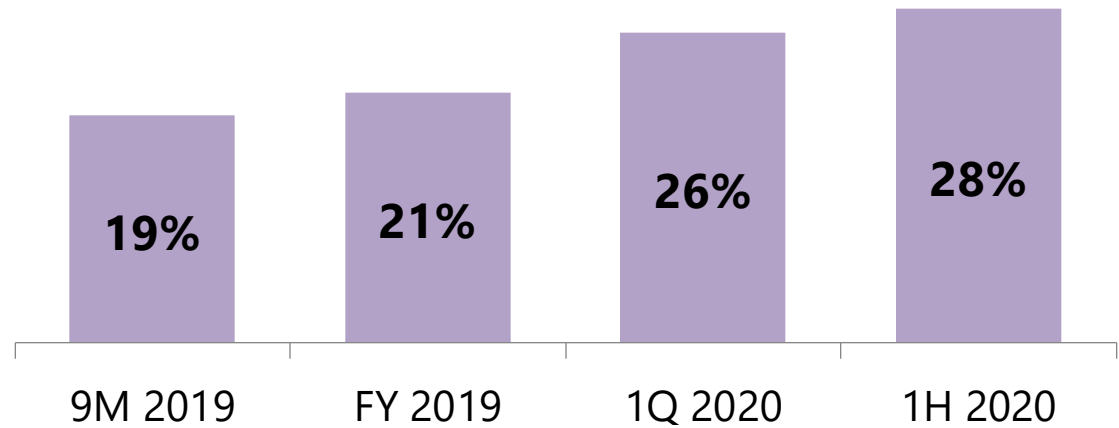


Annualized Premium Equivalent (APE)

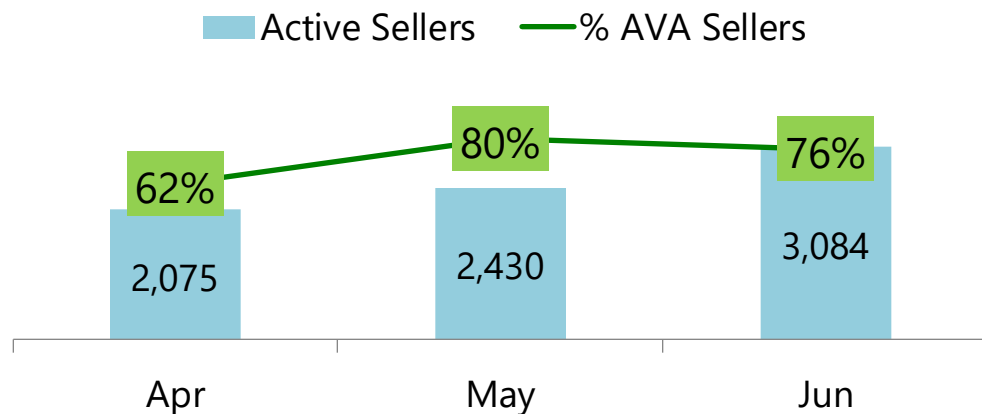


Protection and Health

% Contribution to New Business (APE)*

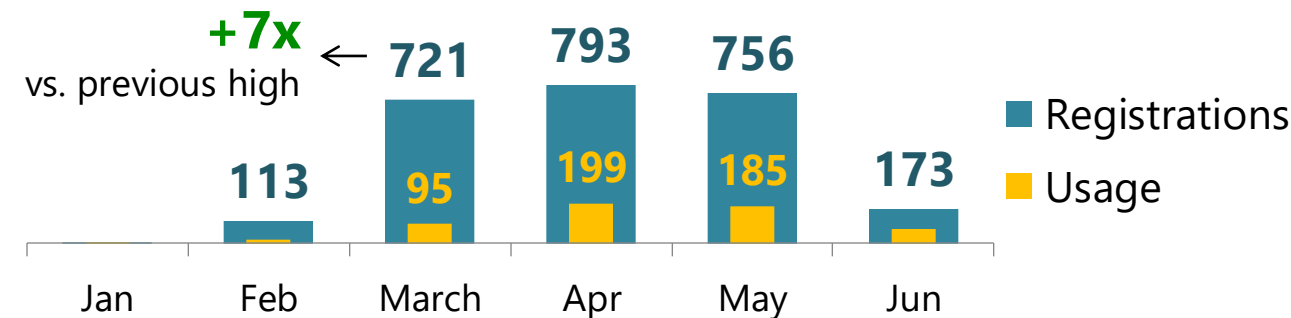


Active Sellers and % of AVA Sellers



Teleconsultations - COVID-19 Response

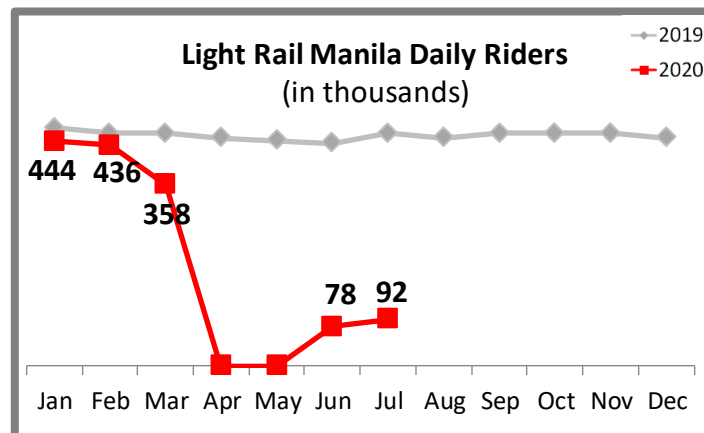
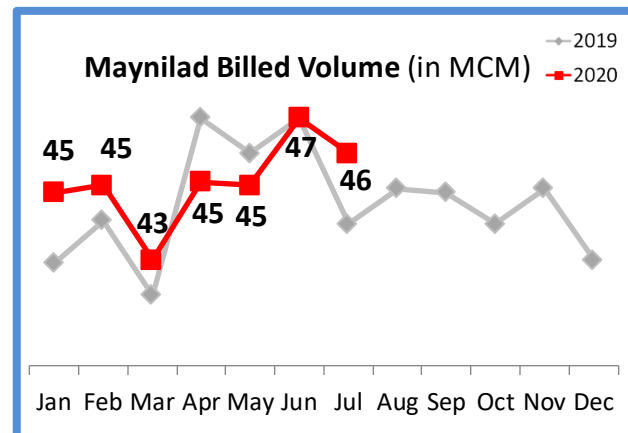
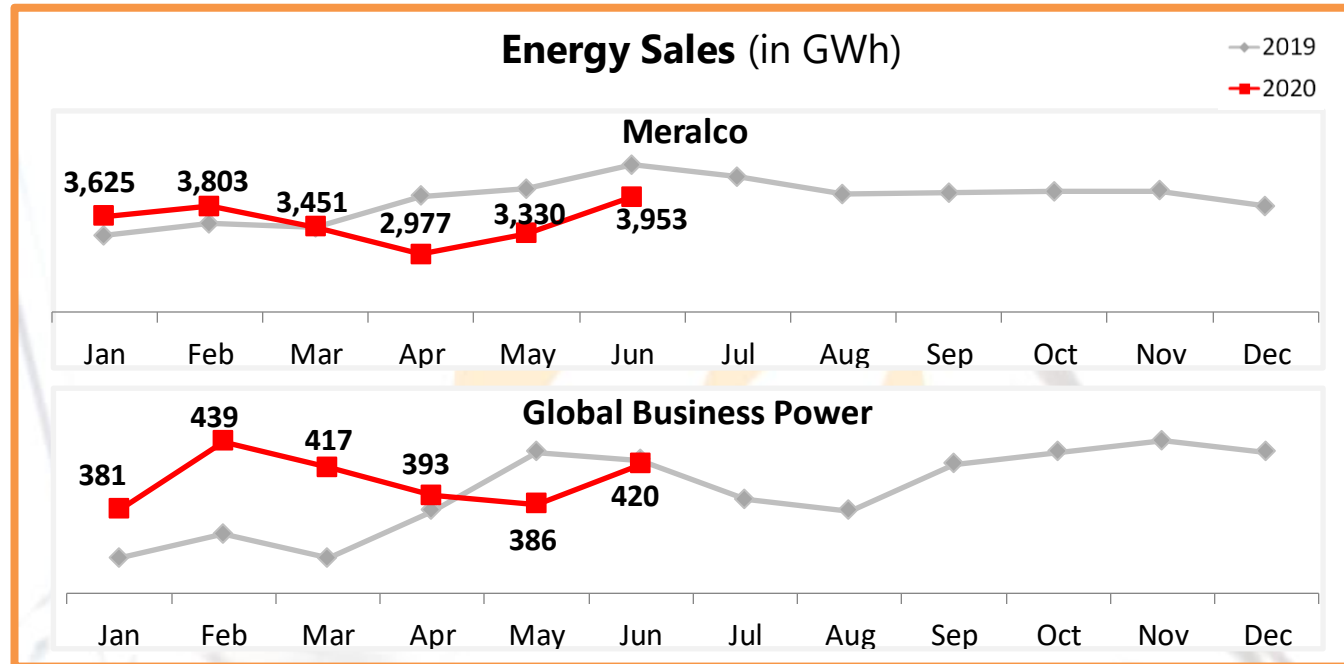
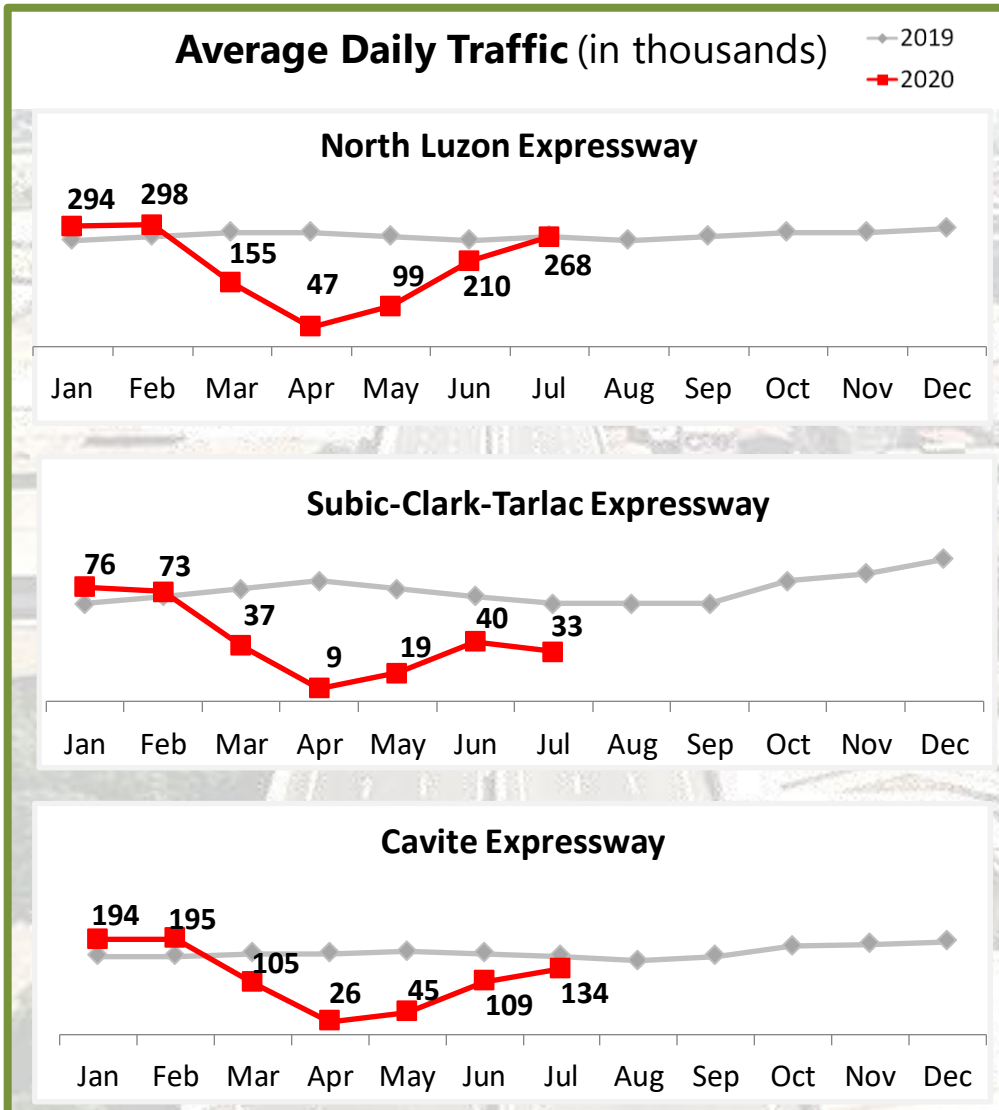
Extended to **750,000** non-health, GI, OFW customers, life agents, and MBT leads



*Retail and Group Protection and Health

Monthly Volume Dashboard

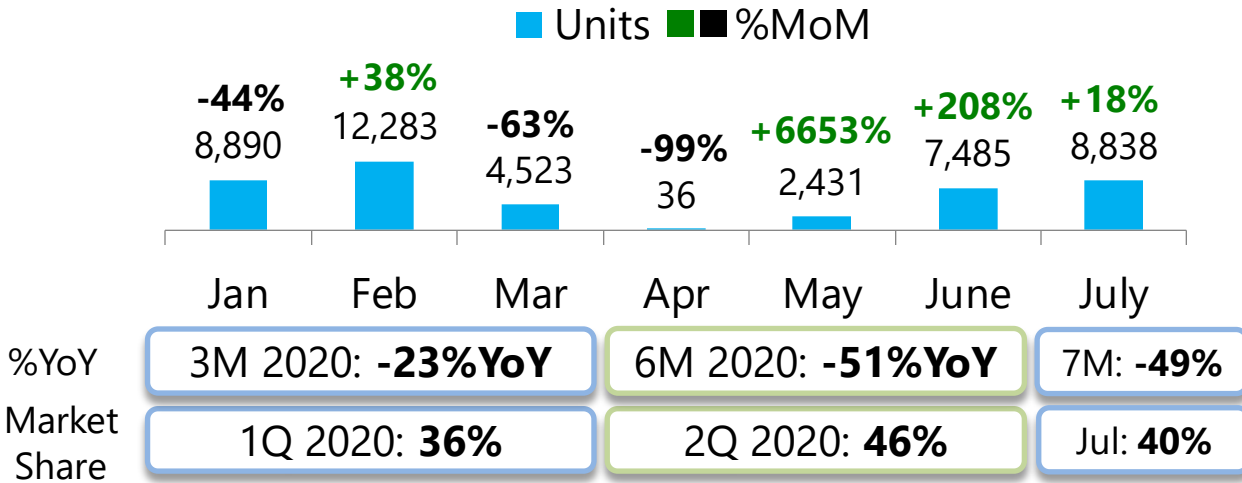
Approximating Pre-Covid Levels



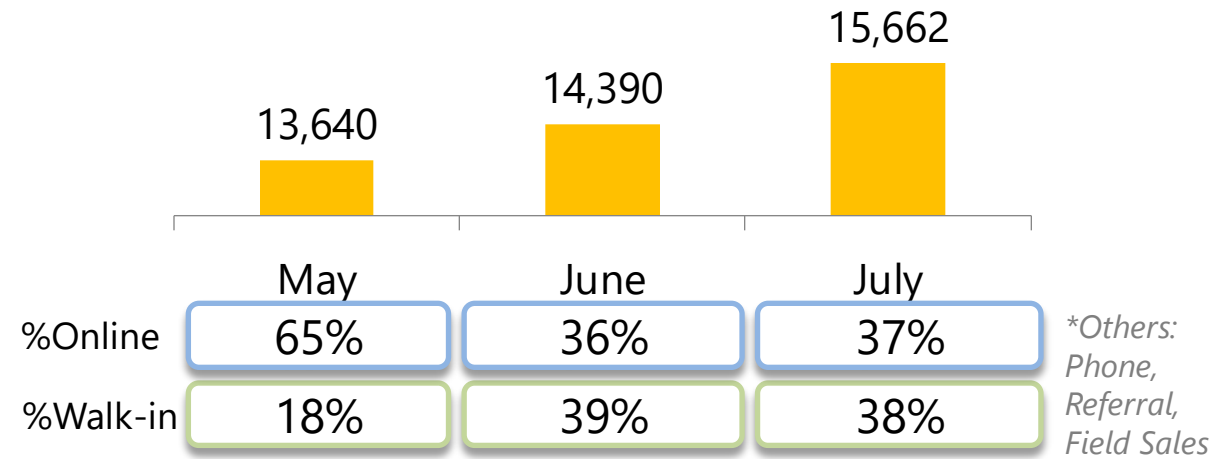
Toyota Recent Developments



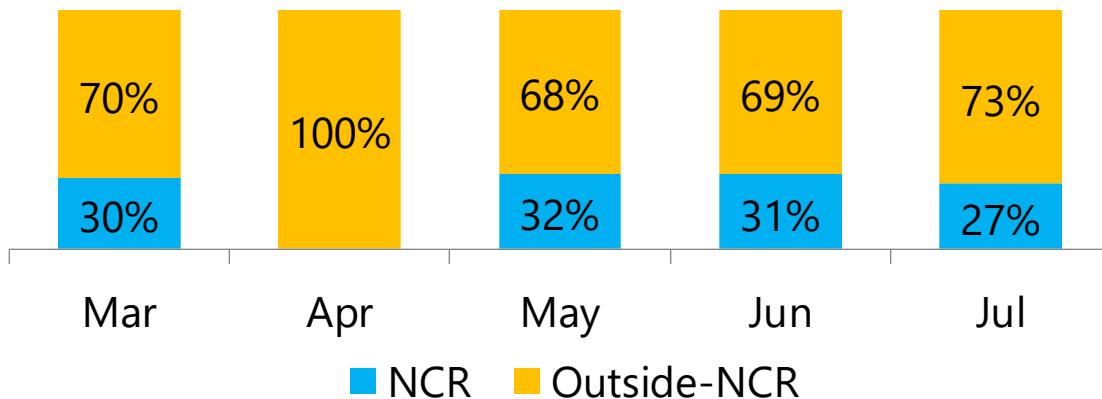
TMP Monthly Retail Vehicle Sales



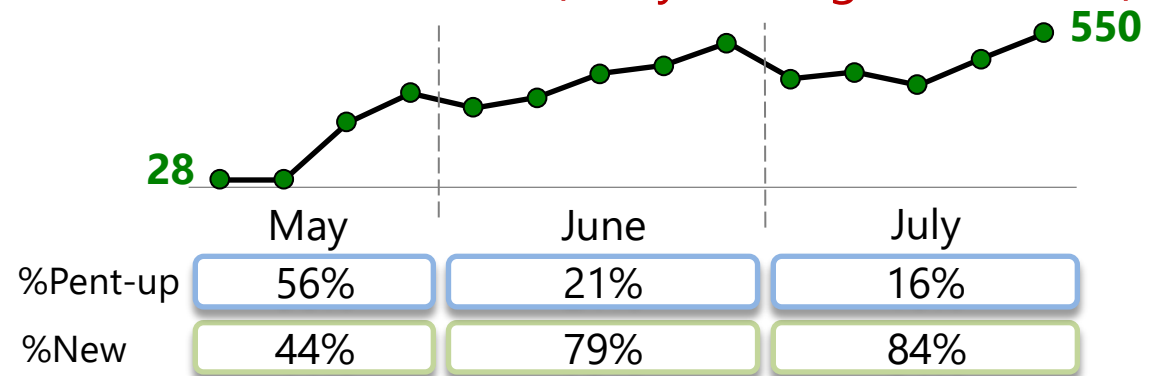
Monthly Inquiries



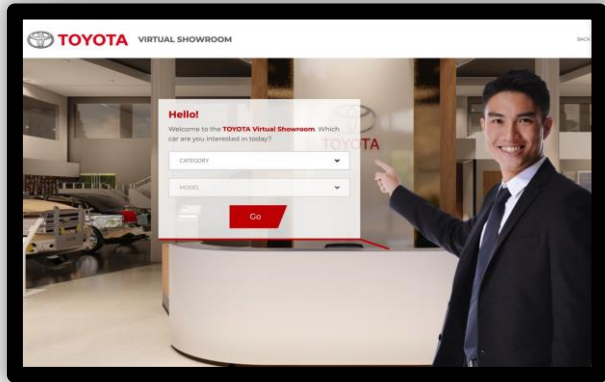
Monthly Inquiries (NCR and Outside NCR)



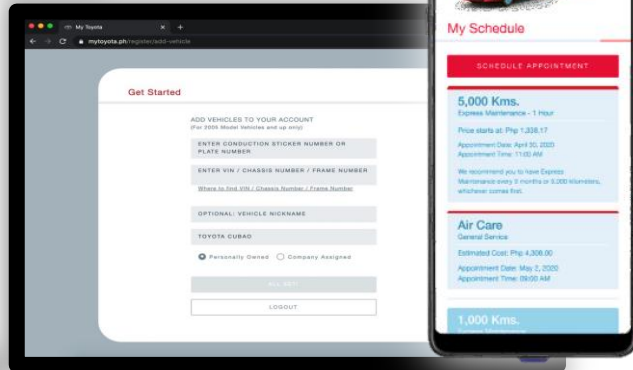
Reservations (Daily Average Per Week)



- Customer engagement continued during ECQ through digital channels
- Lack of public transportation created pent up demand for Vios and Wigo



Virtual Showroom



MyToyota.PH

KINTO ONE Leasing

Balloon Payment Plus

Connected Auto Loan

Fleet Management



Logistics

On-Demand Shuttle Booking App



1.123 Mn Views

1.219 Mn Views

Virtual Model Launches

THERE'S A NEW
HYBRID
IN TOWN
COROLLA
CROSS



LIVE Virtual Model Launch
20 August 2020
6:00pm



Facebook:
**Toyota Motor
Philippines**



Youtube:
**Toyota Motor
Philippines**



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Moving Forward



Where are we today?

Strong Fundamentals



Continued financial health for component companies despite crisis, lockdown

How are we protecting our financial health?

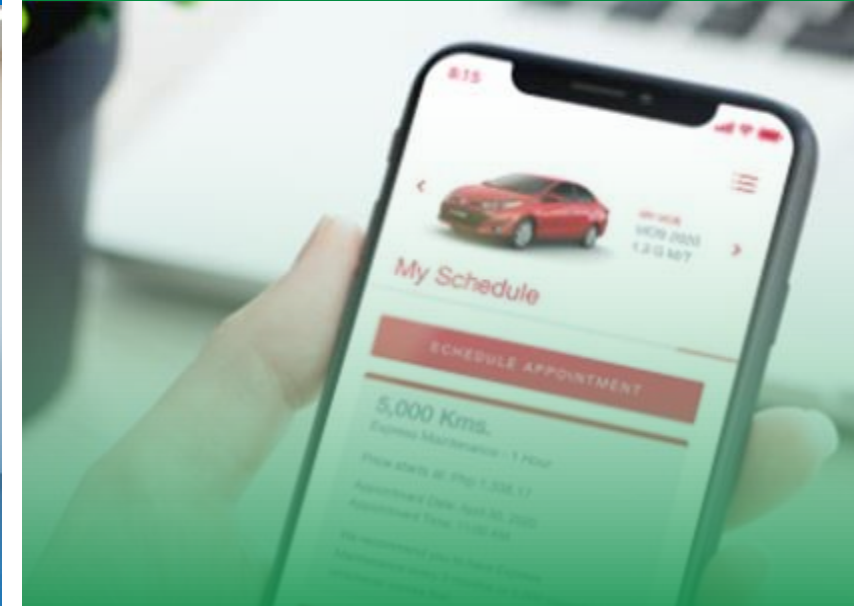
Financial Discipline



Judicious practices remain in place to ensure business continuity

How are we moving toward the future?

Pivot Toward Recovery



Strategy has adapted to changing circumstances, given the pandemic

Strong Fundamentals



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Financial Discipline



- Strong liquidity
- Low Gearing
- Unutilized credit lines
- Conservative CAPEX budget



- Pre-provision operating profit growth of **+61%**
- Anticipatory provisions
- Cost-to-income at **45%**
- CASA growth **+20%**
- CAR at **20%**



- Resilient network reflects ability for strong restart
- Provincial inquiries **73%**
- Sustained market share of 39%
- Ability to launch despite lockdown (Vios, Wigo, Corolla Cross)



- Robust reservation sales
- Recovering POC
- Healthy bookable revenue pipeline



- Net income **+29%**
- Established digital platform
- Higher sales of P&H and Single Premium products

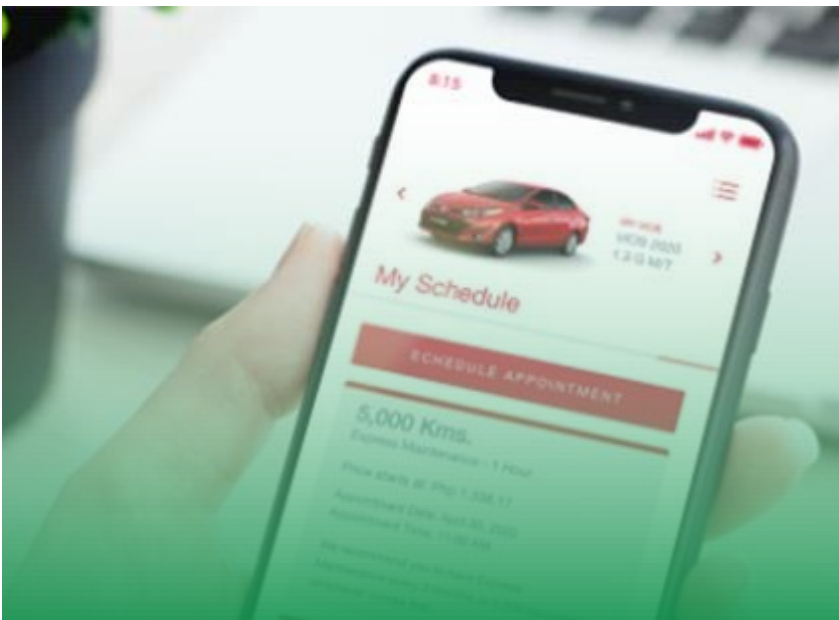


- Sufficient cash to sustain operations
- Infused cash from sale of stake in Hospitals and Rail
- Volume recovery to near pre-Covid levels

- Conso cash and near-cash **Php23.6 Bn**
- Conso unutilized short-term bank lines **Php91.3 Bn**
- Conso unutilized long-term bank lines from major banks **Php19.0 Bn**
- Deferred non-essential capex
- Deferred FLI project launches
- Cost control through lower operating expenses (e.g. Admin, Sales and Marketing)

How are we moving toward the future?

Pivot toward recovery



Strategy has adapted to changing circumstances, given the pandemic



- 22% of clients are now enrolled in Metrobank's e-channels
- 79% of total transactions are now done via e-channels
- 1.2 Million app downloads on Google Play and App Store



- Shift from a car selling company to an all-around mobility provider
- Launch of virtual showroom
- Launch of the MyToyota app
- Virtual launches of the Vios and Wigo
- On-Demand Shuttle Booking app
- Kinto One Leasing program



- Online audience engagement and sales conversion
- Online investor events
- 360° Virtual Tour
- **13,436** project inquiries from digital channels



- Online selling via AXA Virtual Selling Assist (AVA) process
- Launch and continuing development of Emma app (chatbot)
- Integration of teleconsultation via the Emma app

- Uncharted territory
- Strong balance sheet, solid global partners
- Support for employees: preservation of capabilities
- Diversification of sectors
- Strong core businesses
- Accelerating our digital transformation

Thank You!



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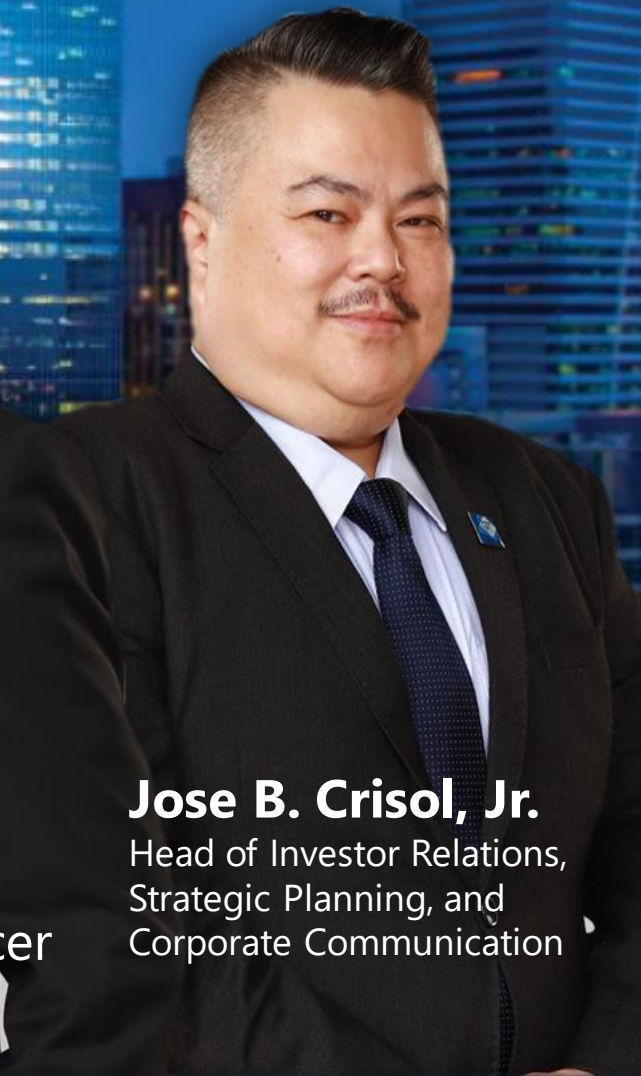
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