

HERAN Co.,LTD

2021 Investor Conference



Briefer: Danny Lei

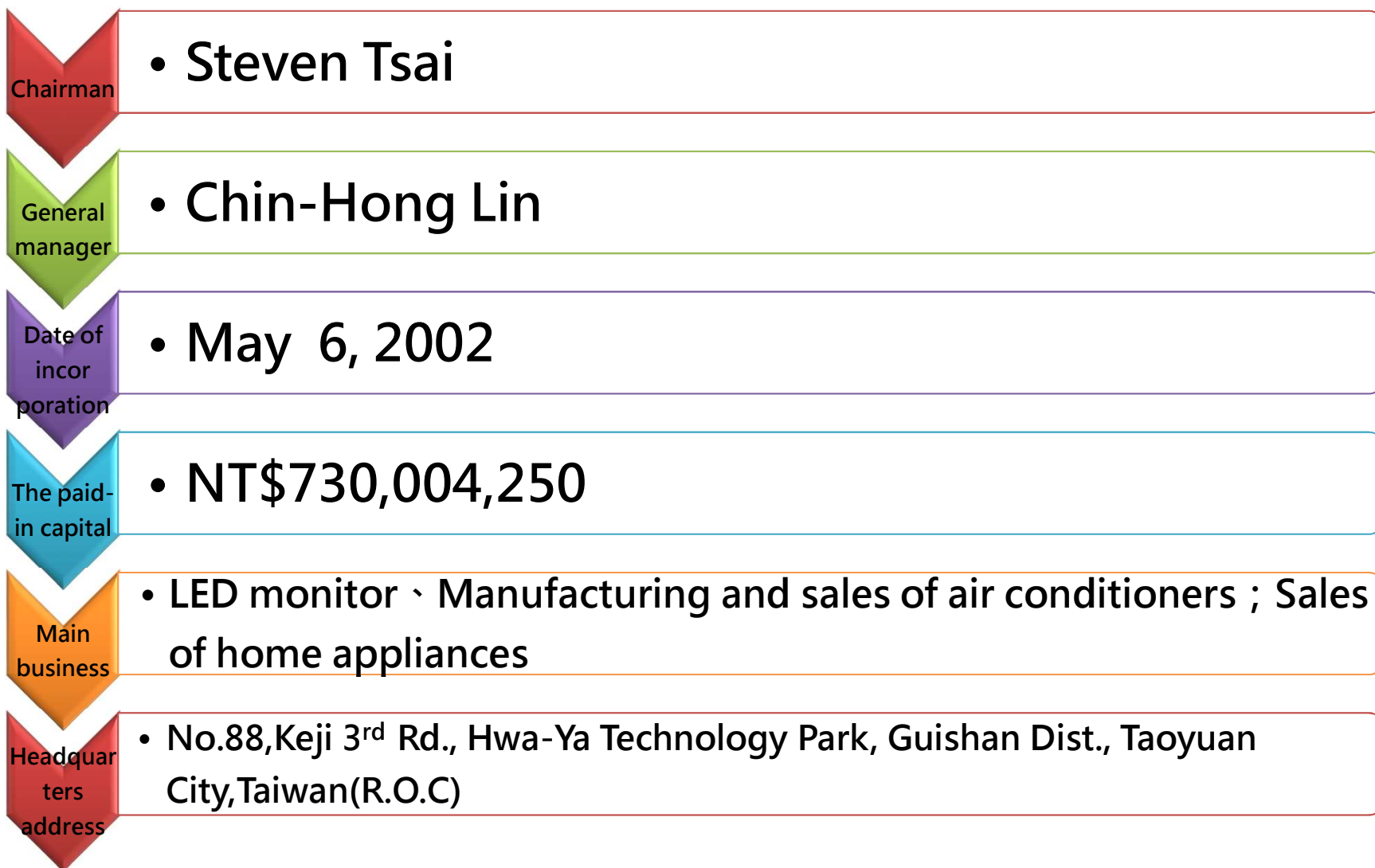
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用心 · 創新 · 安心 健康 · 節能 · 智慧

Disclaimer

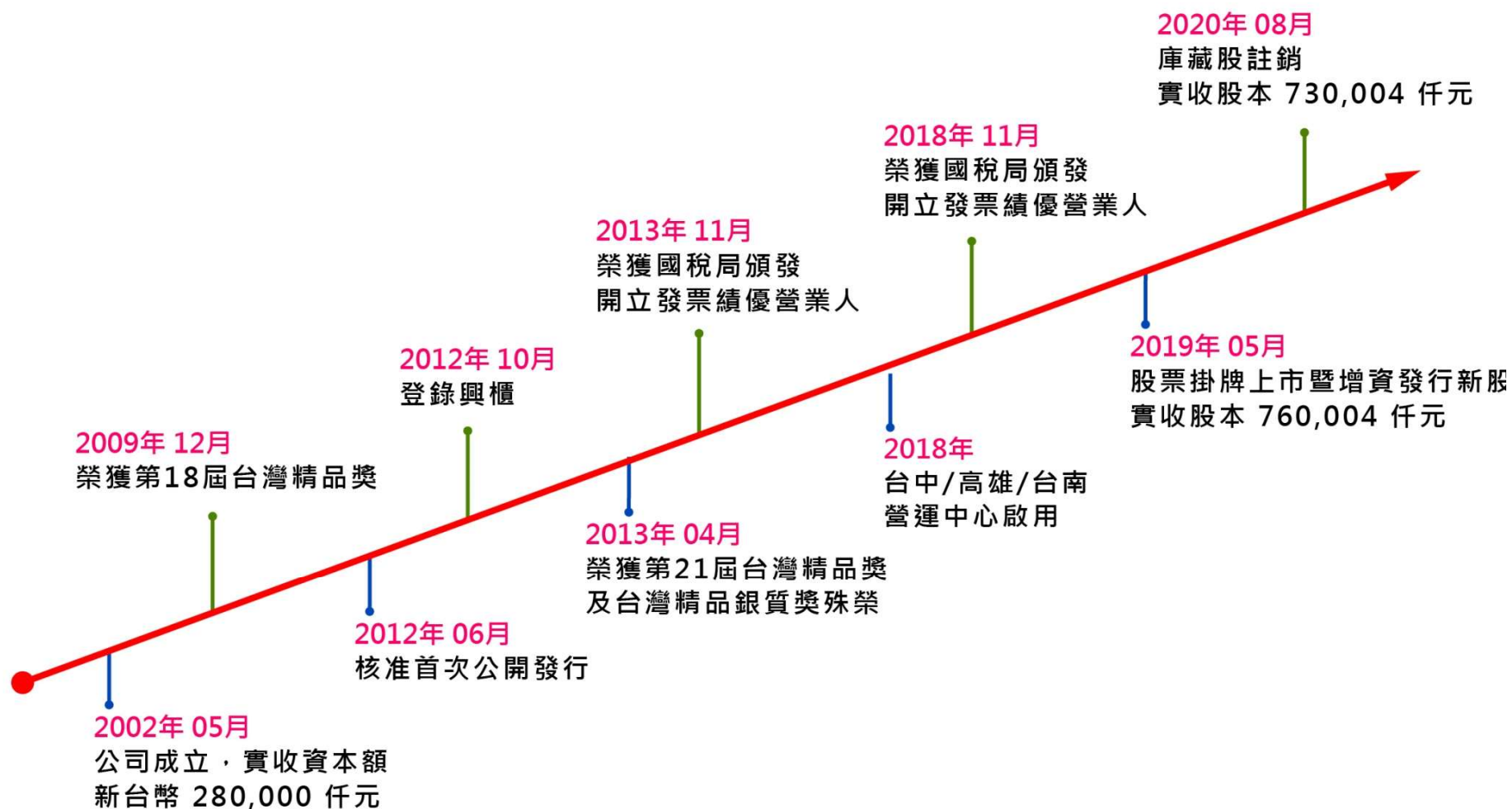
- ◆ The information disclosed is based on current expectations of the future and is subject to uncertainty and known or unknown risks. Therefore, it may be different from the actual situation.
- ◆ We are not obliged to update the statement of future prospects in response to the generation of new information or future events, except as required by law.

Basic information

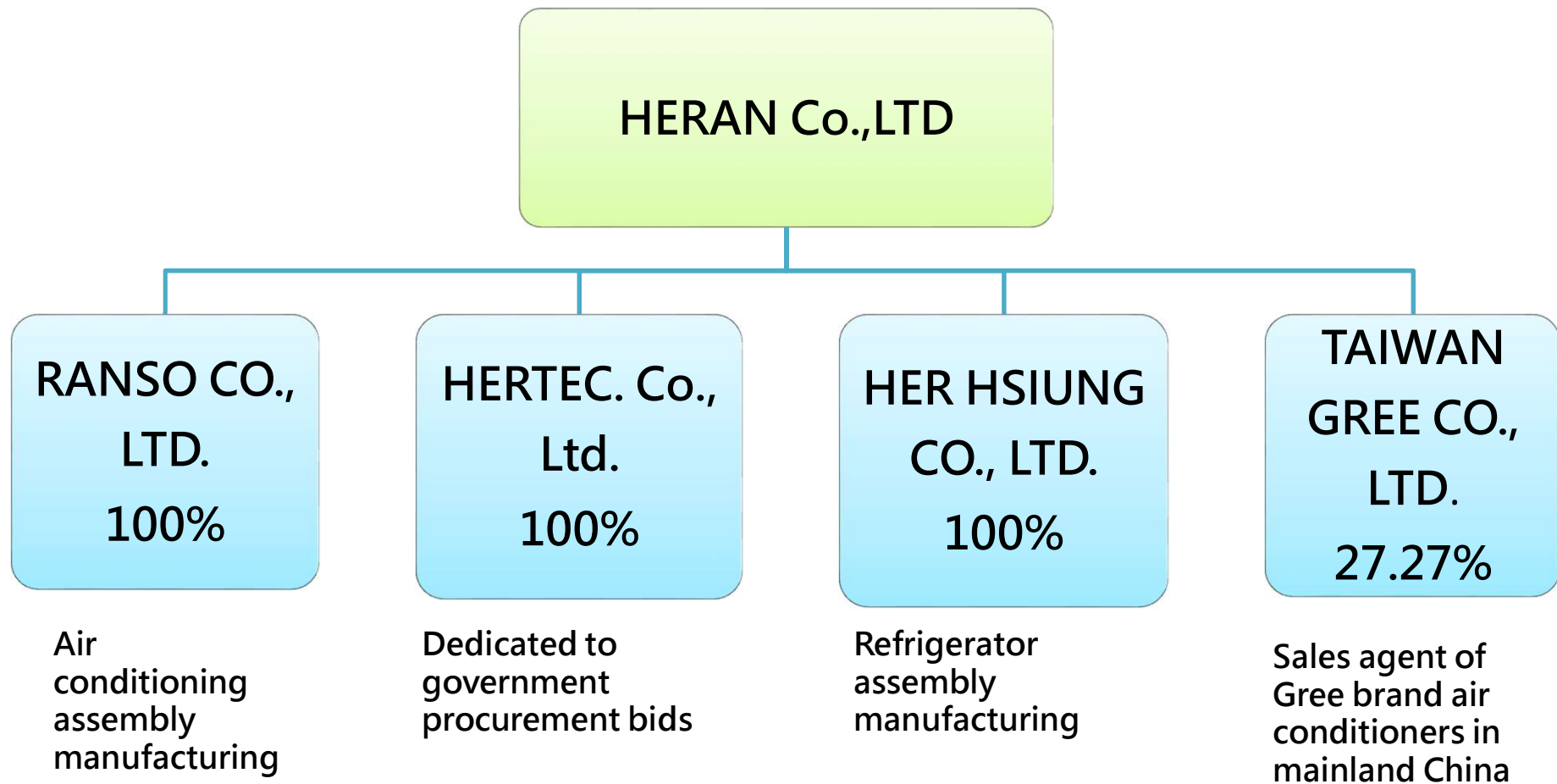




Company History



Investment structure



Branch office



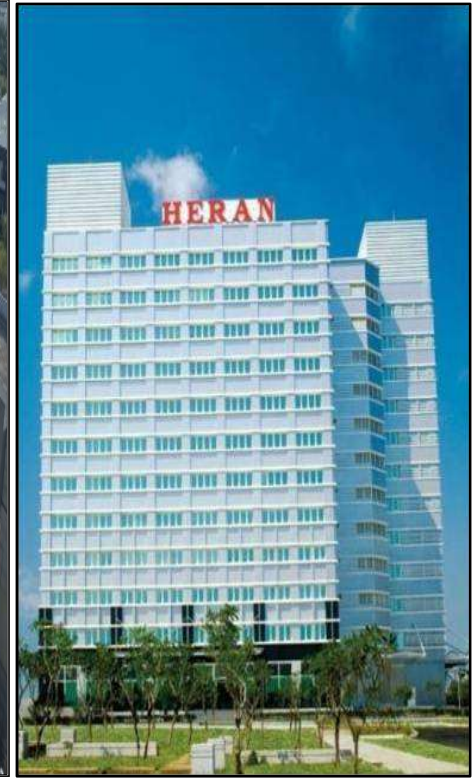
Kaohsiung office



Tainan office



Taichung office





Taoyuan Headquarter

Service stations

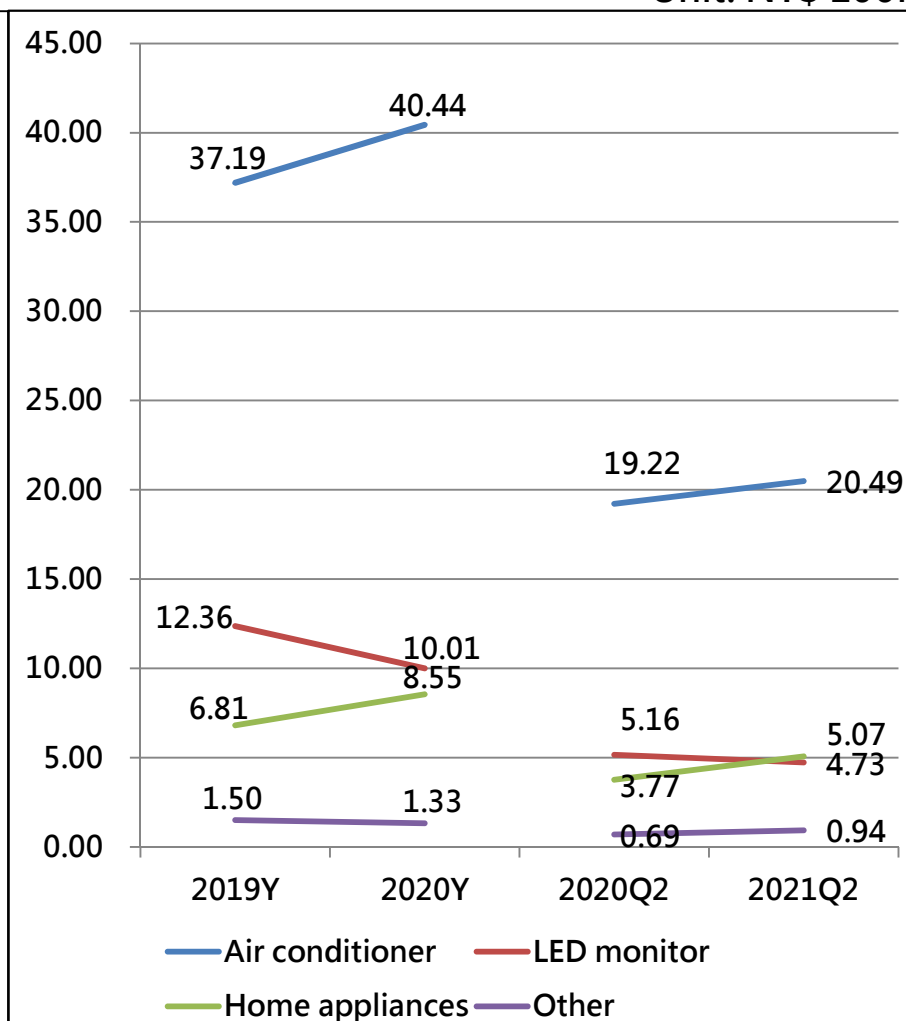
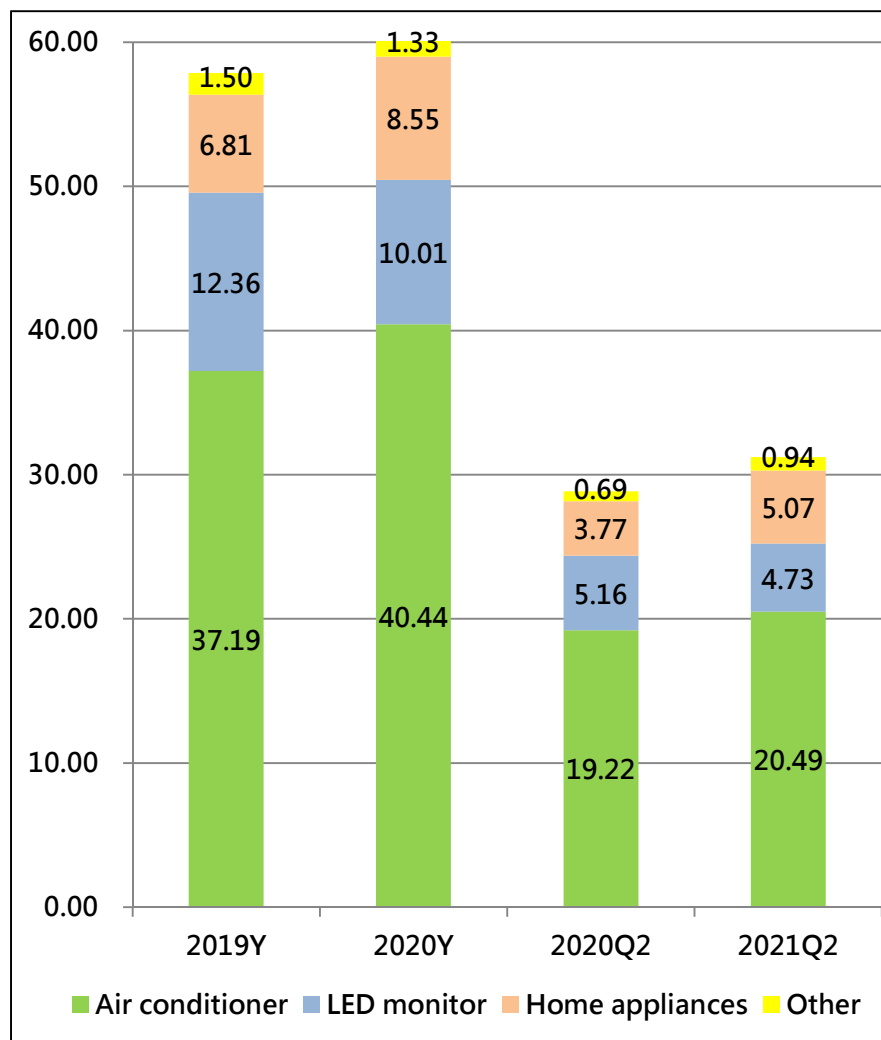


Sales Channel

Category	Q2,2021Y Revenue ratio	Major Clients
Distributor	57.71%	Nearly 2000 Individual Distributors
Wholesale 3C	23.37%	
TV / Online Shopping	12.19%	
Others	6.73%	Retail and Bidding Projects

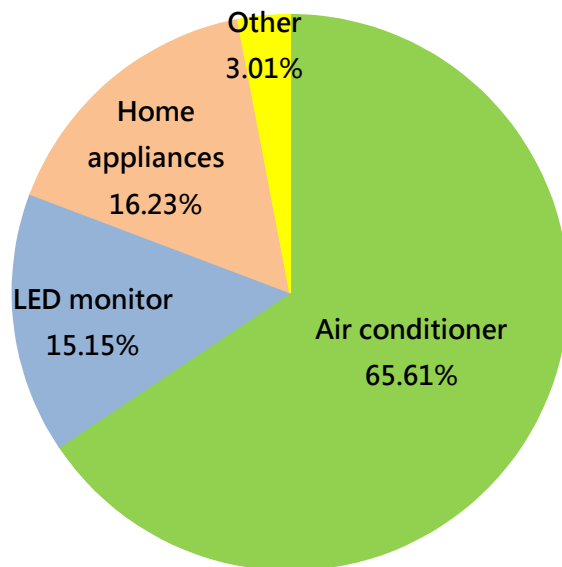
Revenue comparison by product

Unit: NT\$ 100M

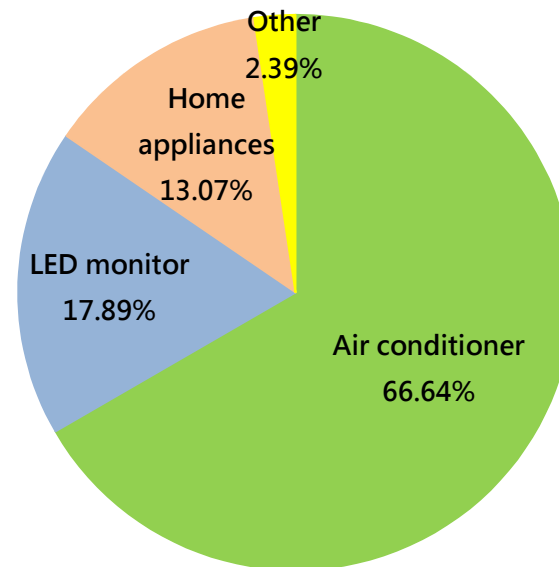


Revenue proportion by product

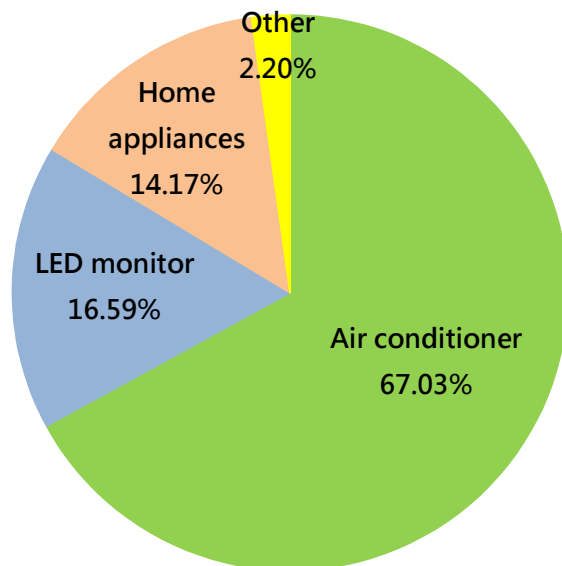
2021Q2



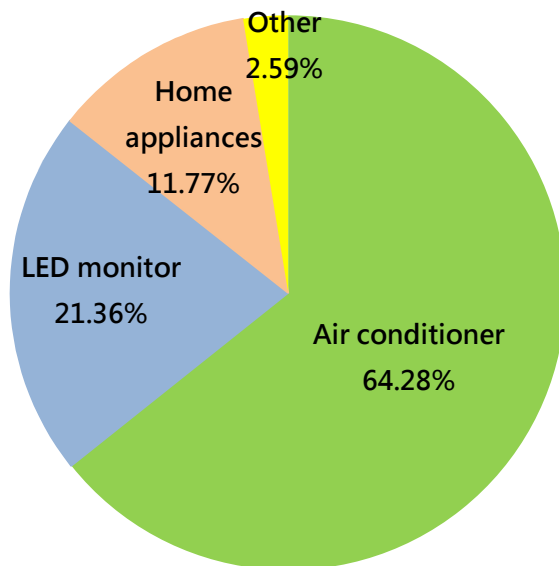
2020Q2



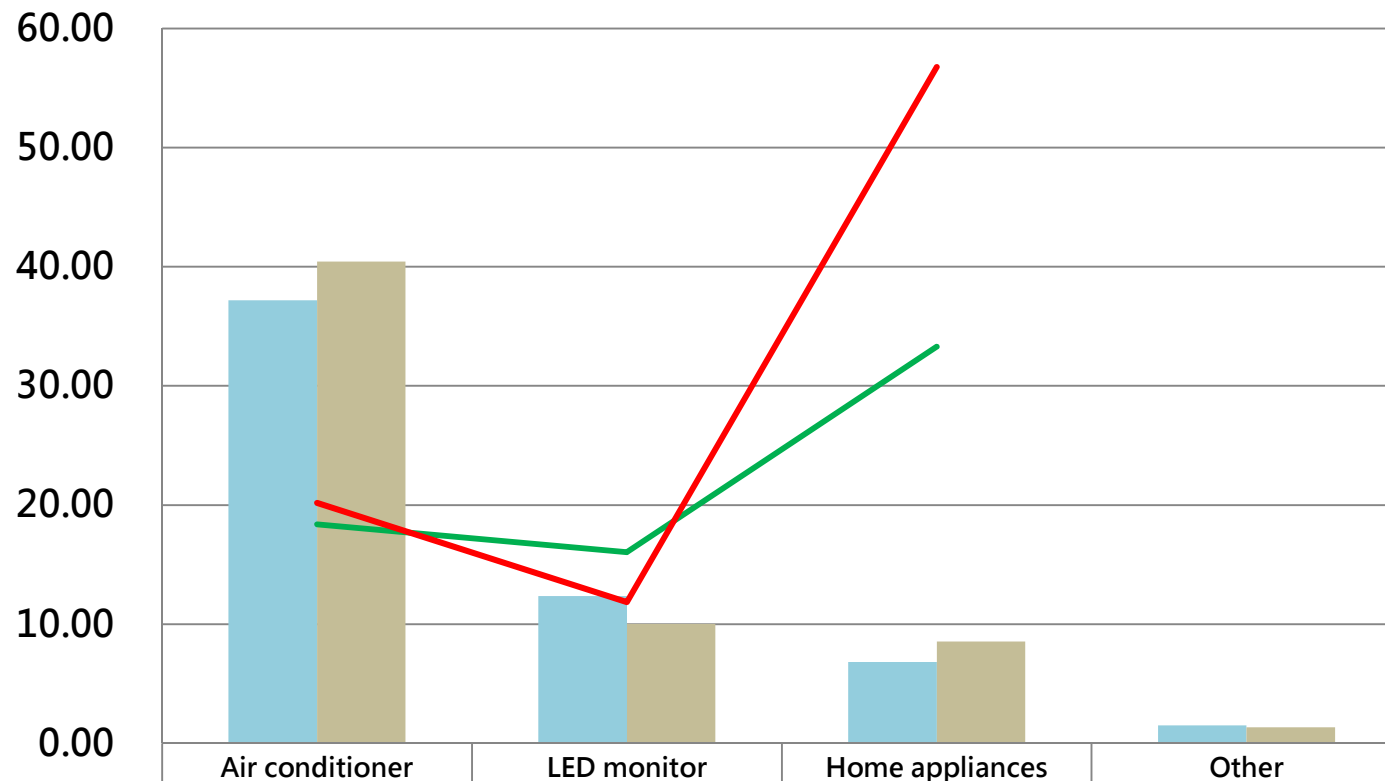
2020Y



2019Y

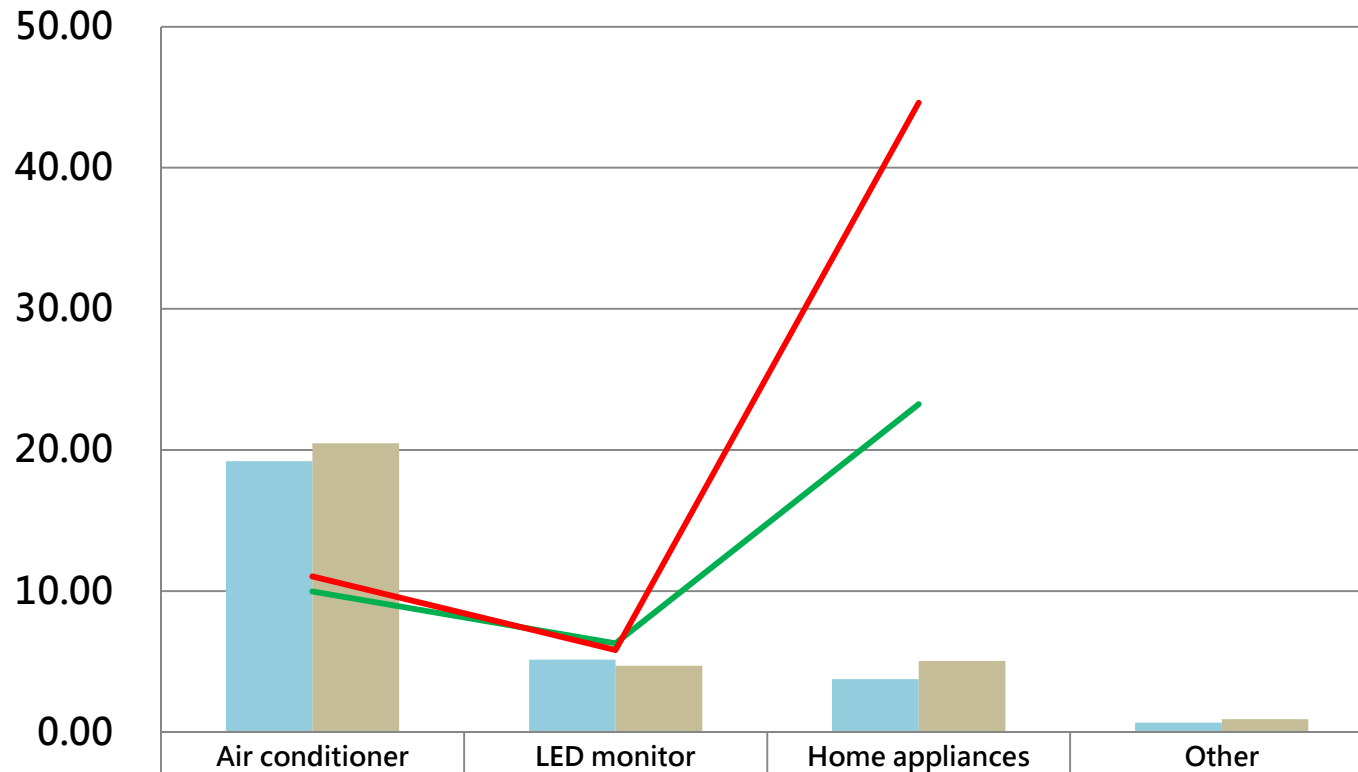


Product comparison



2019Y Revenue (NT\$ 100M)	37.19	12.36	6.81	1.50
2020Y Revenue (NT\$ 100M)	40.44	10.01	8.55	1.33
2019Y Sales Volume (CU : 10K)	18.38	16.04	33.28	
2020Y Sales Volume (CU : 10K)	20.19	11.84	56.77	

Product comparison



	Air conditioner	LED monitor	Home appliances	Other
2020.Q2 Revenue (NT\$ 100M)	19.22	5.16	3.77	0.69
2021.Q2 Revenue (NT\$ 100M)	20.49	4.73	5.07	0.94
2020.Q2 Sales Volume (CU : 10K)	9.98	6.30	23.26	
2021.Q2 Sales Volume (CU : 10K)	11.06	5.83	44.62	

Income Statement

Unit: NTD Thousands

Project / year	Q2,2020	Q2,2021	2019Y	2020Y
Operating revenue	2,883,968	3,123,342	5,786,439	6,032,747
Gross Profit	1,102,315	1,179,904	2,093,394	2,359,310
Gross margin	38%	38%	36%	39%
Operating Income	518,279	469,269	946,242	1,097,065
Operating Income profit margin	18%	15%	16%	18%
Profit before income tax	544,507	540,306	972,062	1,174,540
Net profit	440,525	434,662	774,334	940,023
Profit ratio	15%	14%	13%	16%
Earnings per share	5.89	5.95	10.73	12.73

Balance Sheet

Unit: NTD Thousands

Project / year	Q2,2020	Q2,2021	2019Y	2020Y
Current Assets	4,100,251	4,881,078	3,759,458	3,816,298
Noncurrent Assets	1,793,586	2,003,285	1,761,313	1,748,314
Total Assets	5,893,837	6,884,363	5,520,771	5,564,612
Current Liabilities	2,212,371	2,810,216	1,677,493	1,674,736
Noncurrent Liabilities	41,189	83,458	59,431	41,847
Total Liabilities	2,253,560	2,893,674	1,736,924	1,716,583
Liabilities ratio	38%	42%	31%	31%
Capital Stock	760,004	730,004	760,004	730,004
Capital Surplus	858,995	825,306	858,995	825,306
Legal reserve	455,598	549,625	418,734	499,650
Unappropriated earnings	1,845,774	1,885,754	1,746,114	1,793,069
Treasury Stock	(280,094)	-	-	-
Total equity	3,640,277	3,990,689	3,783,847	3,848,029
Earnings per share	47.90	54.67	49.79	52.71

Nearly 3 years stock dividend status

Unit: NTD

Project / year	2018Y	2019Y	2020Y
EPS	12.13	10.73	12.73
Allotment of dividends			
Stock dividend	-	-	-
Cash dividend	9	8	8
Total dividends	9	8	8
Dividend allotment rate	74%	75%	63%

The Future Development Plan

Product Innovation

- Make consumers satisfied by continuously investing in product innovation and R&D.

Smart IoT Appliances

- R&D focus on the development of online remote control.
- Smart TV built-in Environmental Control Center (ECC) can control home appliances through the cloud.

Improve Efficiency

- Expand service bases and improve service efficiency.
- Expand warehousing space and speed up the delivery of goods.

Deeply Plough Taiwan Market

- Continue to increase investment in brand image.
- Access to key competitive advantage through superior and differentiated products.

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