

HERAN Co.,LTD

2023 Investor Conference



Briefer: Danny Lei

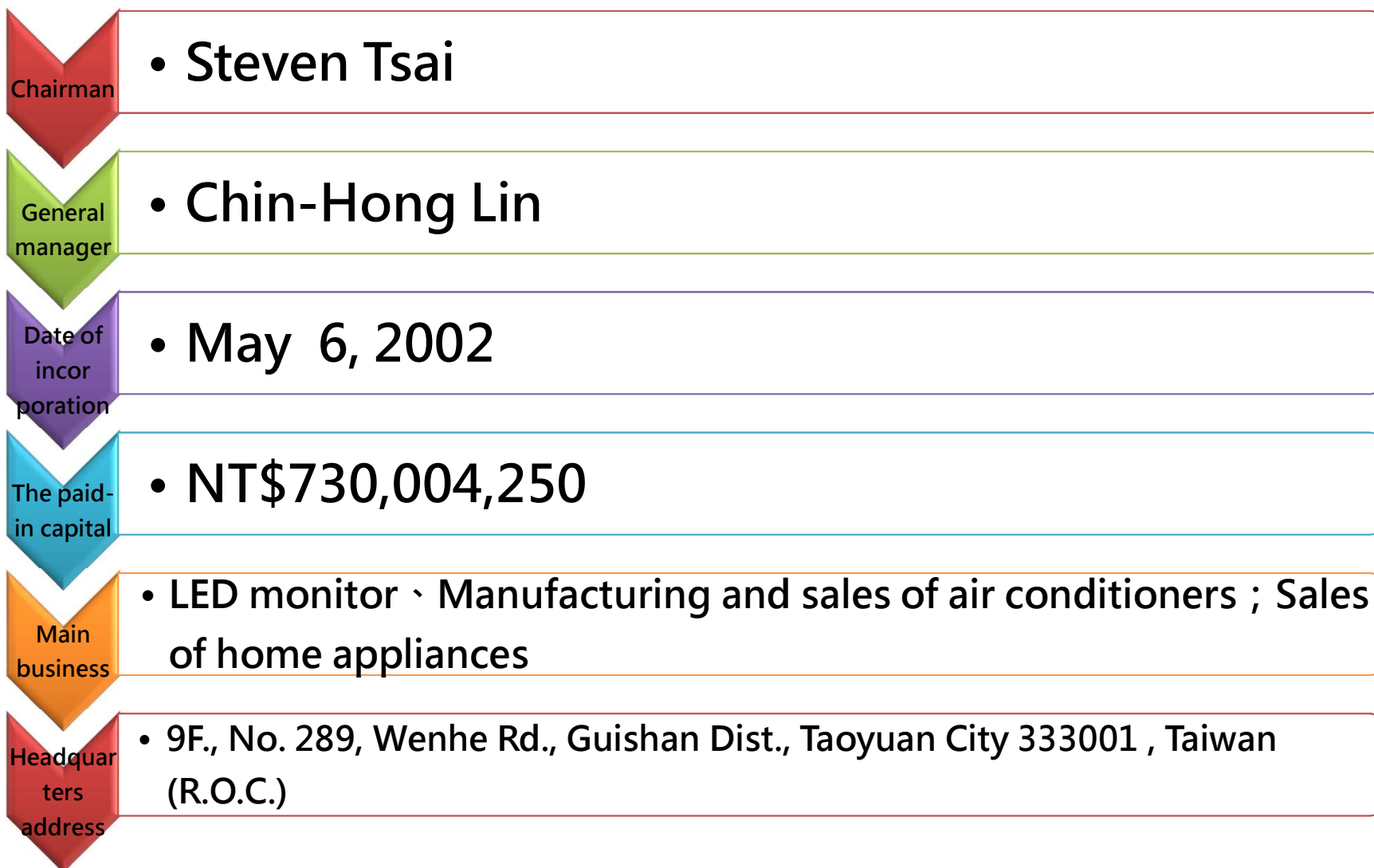
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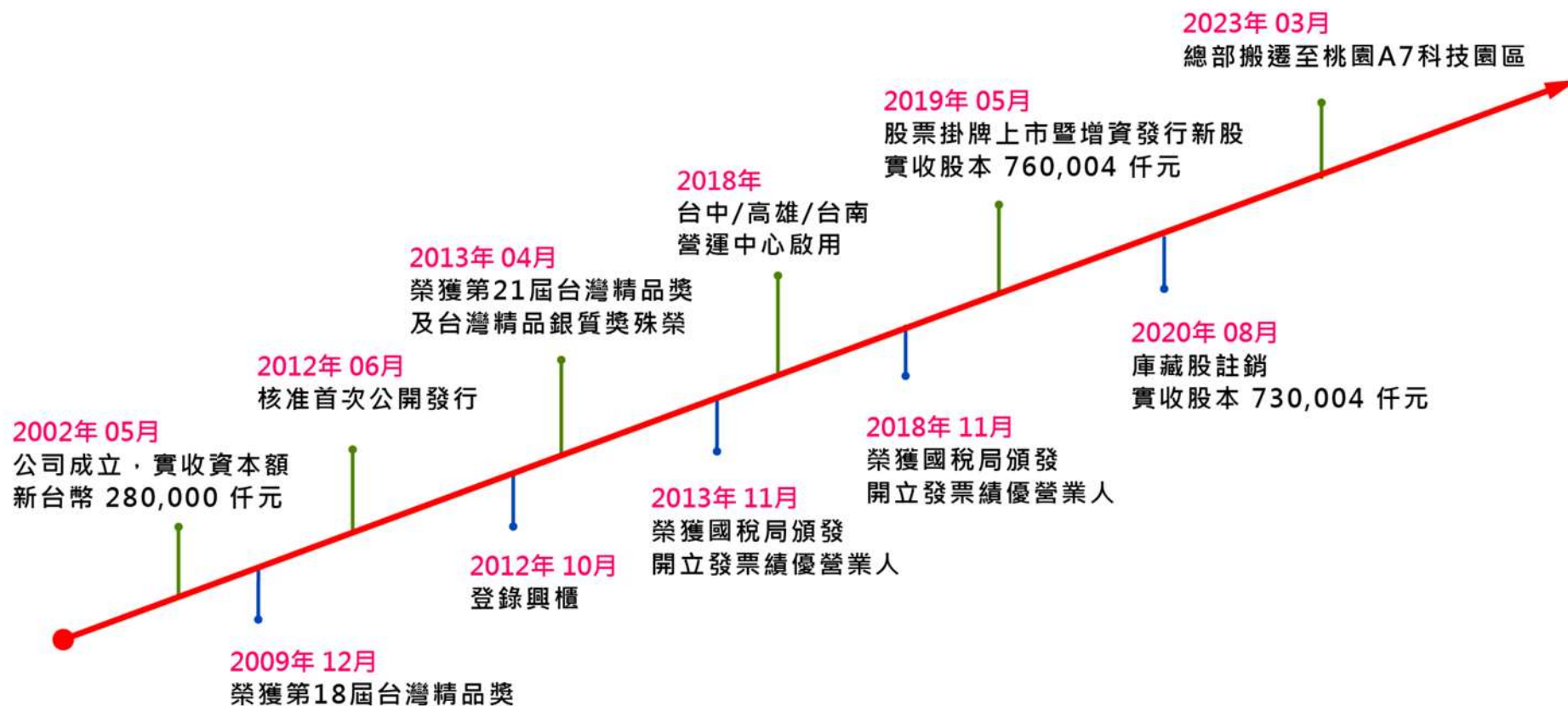
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- ◆ We are not obliged to update the statement of future prospects in response to the generation of new information or future events, except as required by law.

Basic information

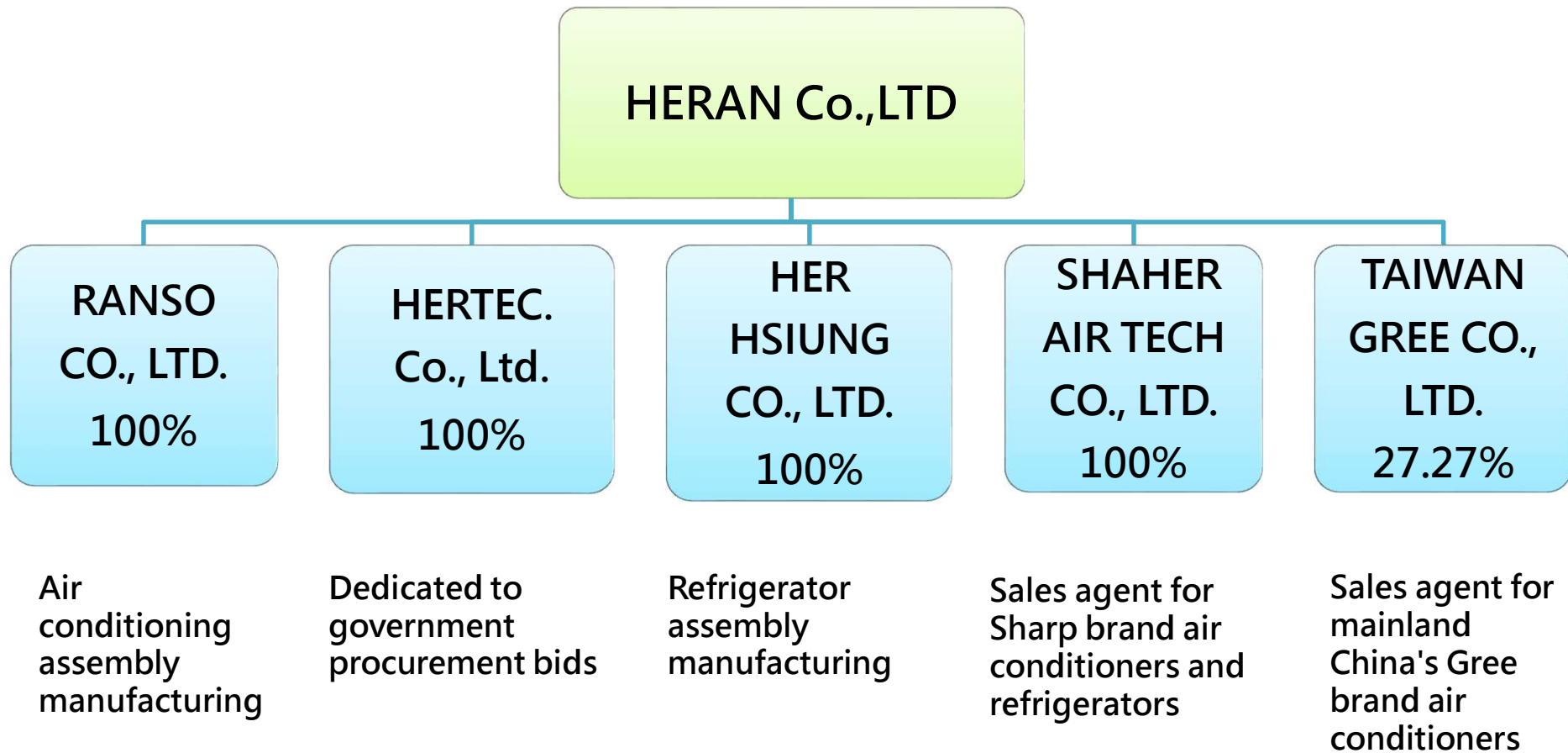




Company History



Investment structure



Branch office



Kaohsiung office



Tainan office

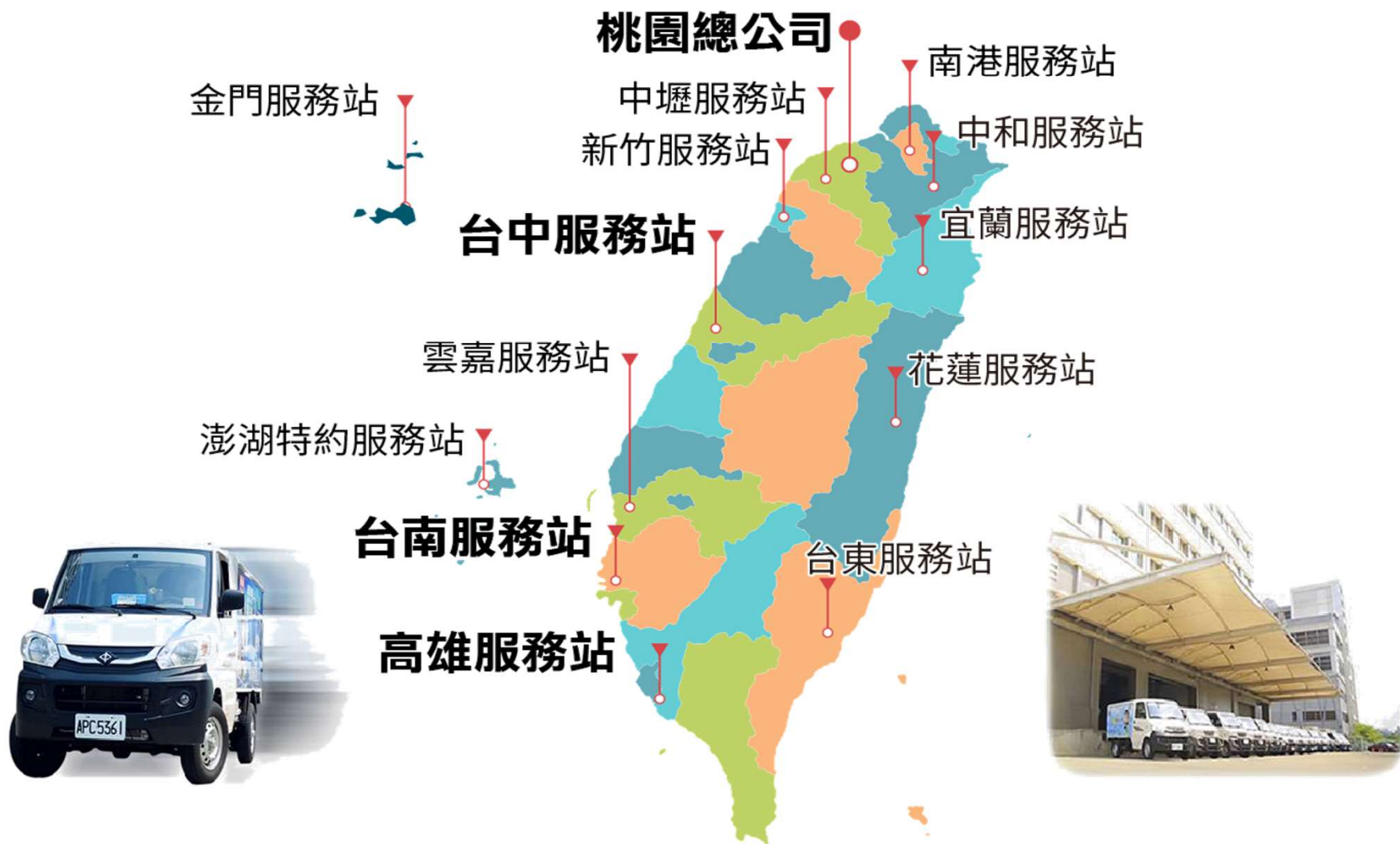


Taichung office





Taoyuan Headquarter

Service stations

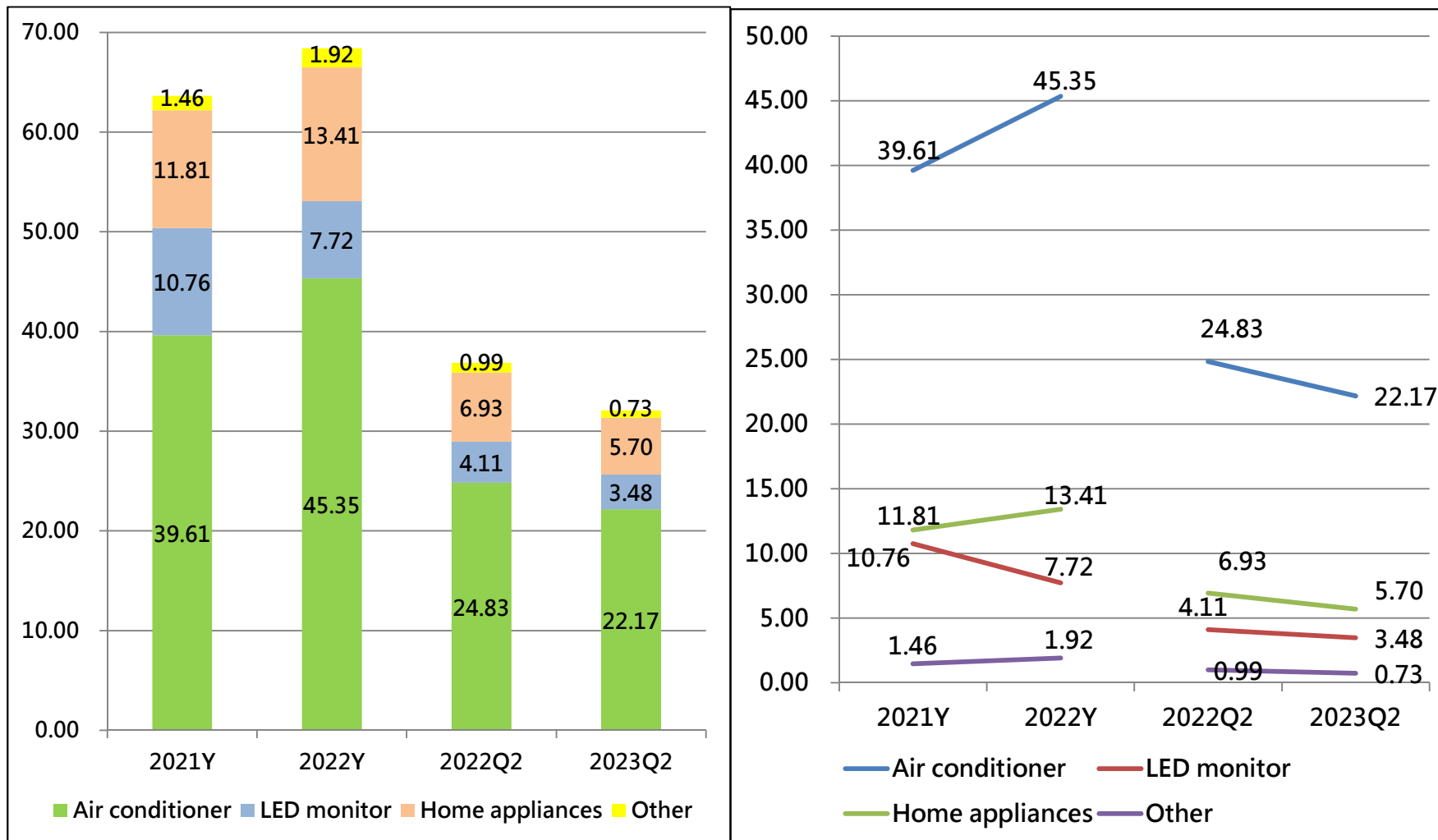


Sales Channel

Category	Q2,2023Y Revenue ratio	Major Clients
Distributor	50.64%	More than 2000 Individual Distributors
Wholesale 3C	26.00%	
TV / Online Shopping	14.86%	
Others	8.50%	Retail and Bidding Projects

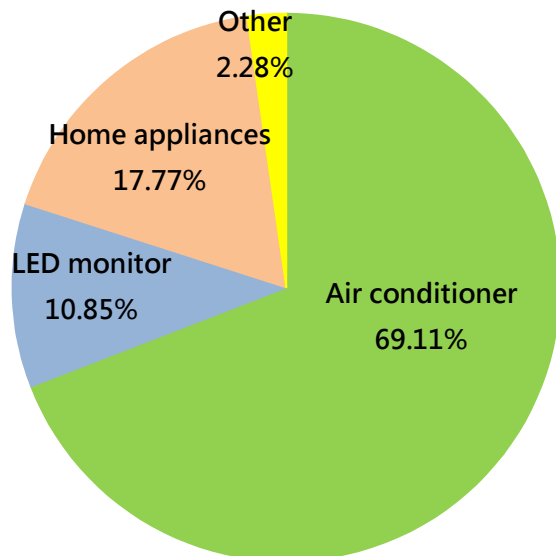
Revenue comparison by product

Unit: NT\$ 100M

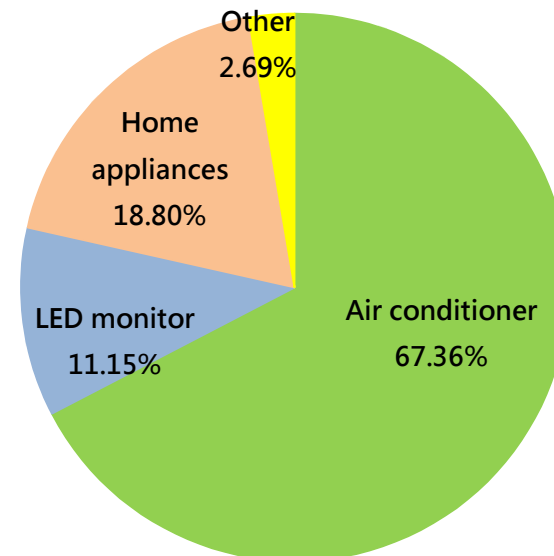


Revenue proportion by product

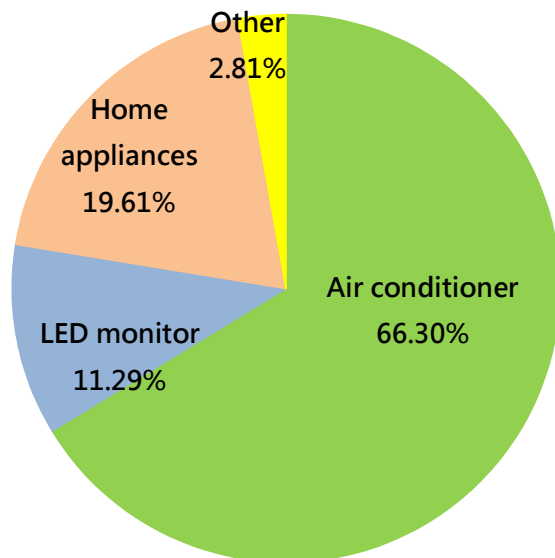
2023Q2



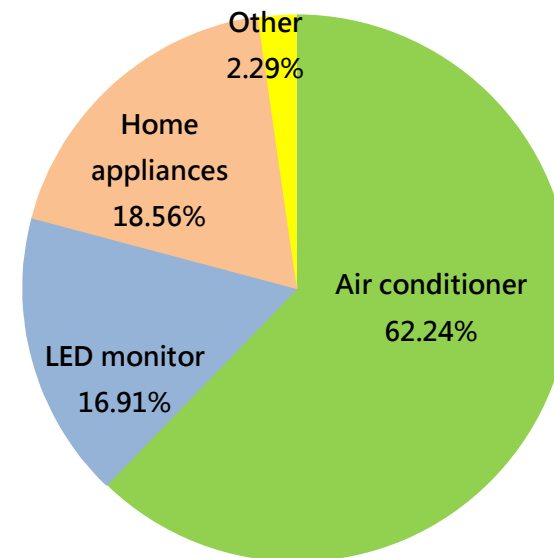
2022Q2



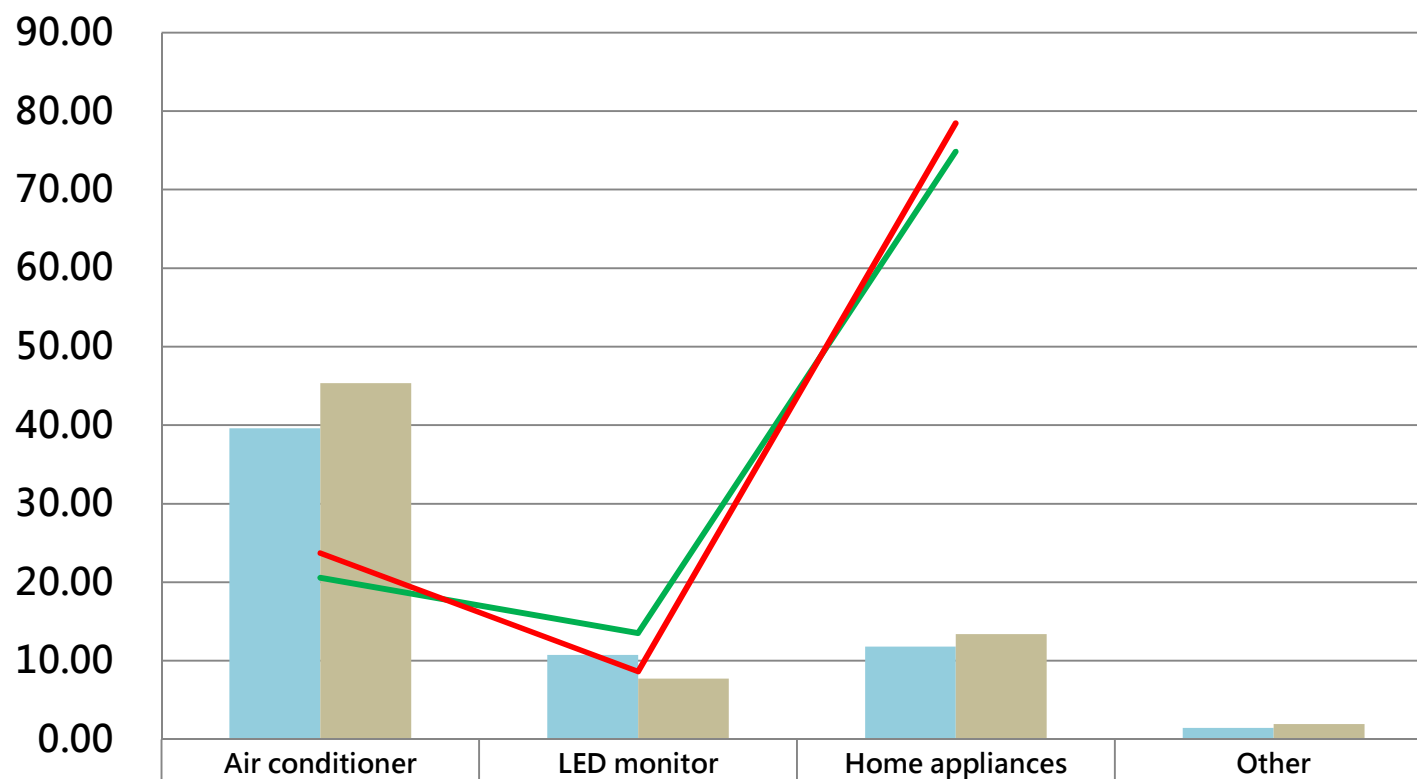
2022Y



2021Y



Product comparison



2021Y Revenue (NT\$ 100M)	39.61	10.76	11.81	1.46
2022Y Revenue (NT\$ 100M)	45.35	7.72	13.41	1.92
2021Y Sales Volume (CU : 10K)	20.58	13.51	74.81	
2022Y Sales Volume (CU : 10K)	23.71	8.64	78.44	

Product comparison



Income Statement

Unit: NTD Thousands

Project / year	Q2,2022	Q2,2023	2021Y	2022Y
Operating revenue	3,686,549	3,208,044	6,363,088	6,840,370
Gross Profit	1,185,088	1,121,993	2,306,137	2,171,890
Gross margin	32%	35%	36%	32%
Operating Income	427,386	357,916	839,723	737,247
Operating Income profit margin	12%	11%	13%	11%
Profit before income tax	518,128	393,305	953,586	915,460
Net profit	420,040	315,585	780,140	745,237
Profit ratio	11%	10%	12%	11%
Earnings per share	5.75	4.32	10.69	10.21

Balance Sheet

Unit: NTD Thousands

Project / year	Q2,2022	Q2,2023	2021Y	2022Y
Current Assets	4,788,916	4,604,156	4,203,163	4,065,342
Noncurrent Assets	1,884,526	2,270,359	1,822,131	1,872,251
Total Assets	6,673,442	6,874,515	6,025,294	5,937,593
Current Liabilities	2,415,004	2,372,498	1,935,955	1,654,620
Noncurrent Liabilities	86,099	272,369	45,039	76,909
Total Liabilities	2,501,103	2,644,867	1,980,994	1,731,529
Liabilities ratio	37%	38%	33%	29%
Capital Stock	730,004	730,004	730,004	730,004
Capital Surplus	825,306	825,306	825,306	825,306
Legal reserve	627,653	702,230	593,092	669,657
Unappropriated earnings	1,989,376	1,972,108	1,895,898	1,981,097
Treasury Stock	-	-	-	-
Total equity	4,172,339	4,229,648	4,044,300	4,206,064
Earnings per share	57.16	57.94	55.40	57.62

Nearly 4 years stock dividend status

Unit: NTD

Project / year	2019Y	2020Y	2021Y	2022Y
EPS	10.73	12.73	10.69	10.21
Allotment of dividends				
Stock dividend	-	-	-	-
Cash dividend	8	8	8	8
Total dividends	8	8	8	8
Dividend allotment rate	75%	63%	75%	78%
Average Market Price	96.34	102.54	122.02	109.78
Cash Dividend Yield Rate	8.30%	7.80%	6.56%	7.29%

The Future Development Plan

Product Innovation

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

Energy-efficient appliances.

- In response to the government's 2050 net-zero carbon emissions target, product development and design are aimed at energy conservation and carbon reduction.
- Continue to develop products that comply with the national new energy efficiency standards.

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 invest in HERAN brand management.
- High-quality and differentiated products differentiate market competition and grasp key competitive advantages.

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