

# HERAN Co.,LTD

2024 Invenstor Conference



Briefer: Danny Lei

新世代  好幫手

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用心 · 創新 · 安心      健康 · 節能 · 智慧

## Disclaimer

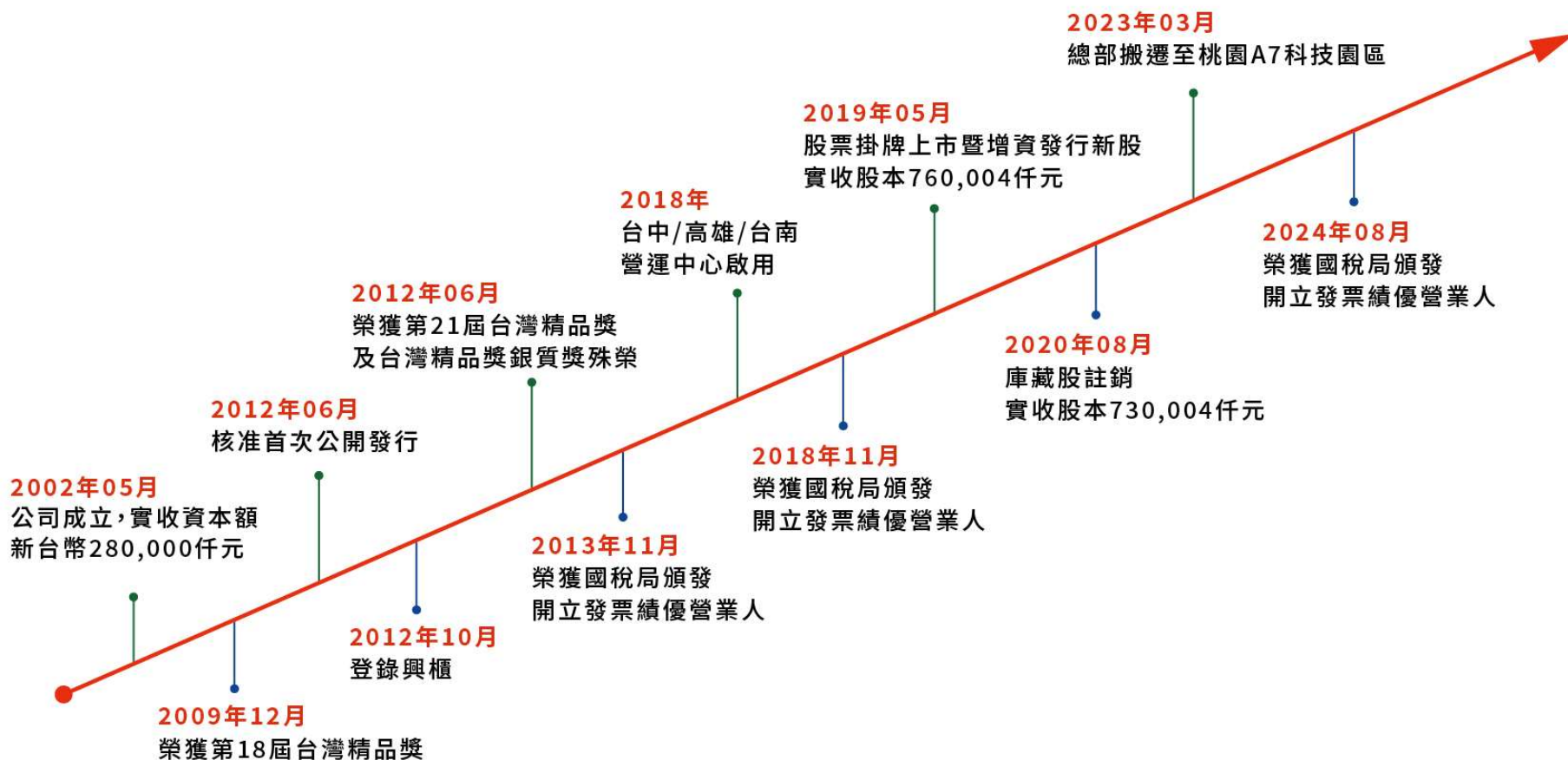
- ◆ The information disclosed is based on current expectations of the future and is subject to uncertainty and known or unknown risks. Therefore, it may be different from the actual situation.
- ◆ We are not obliged to update the statement of future prospects in response to the generation of new information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

## Basic information

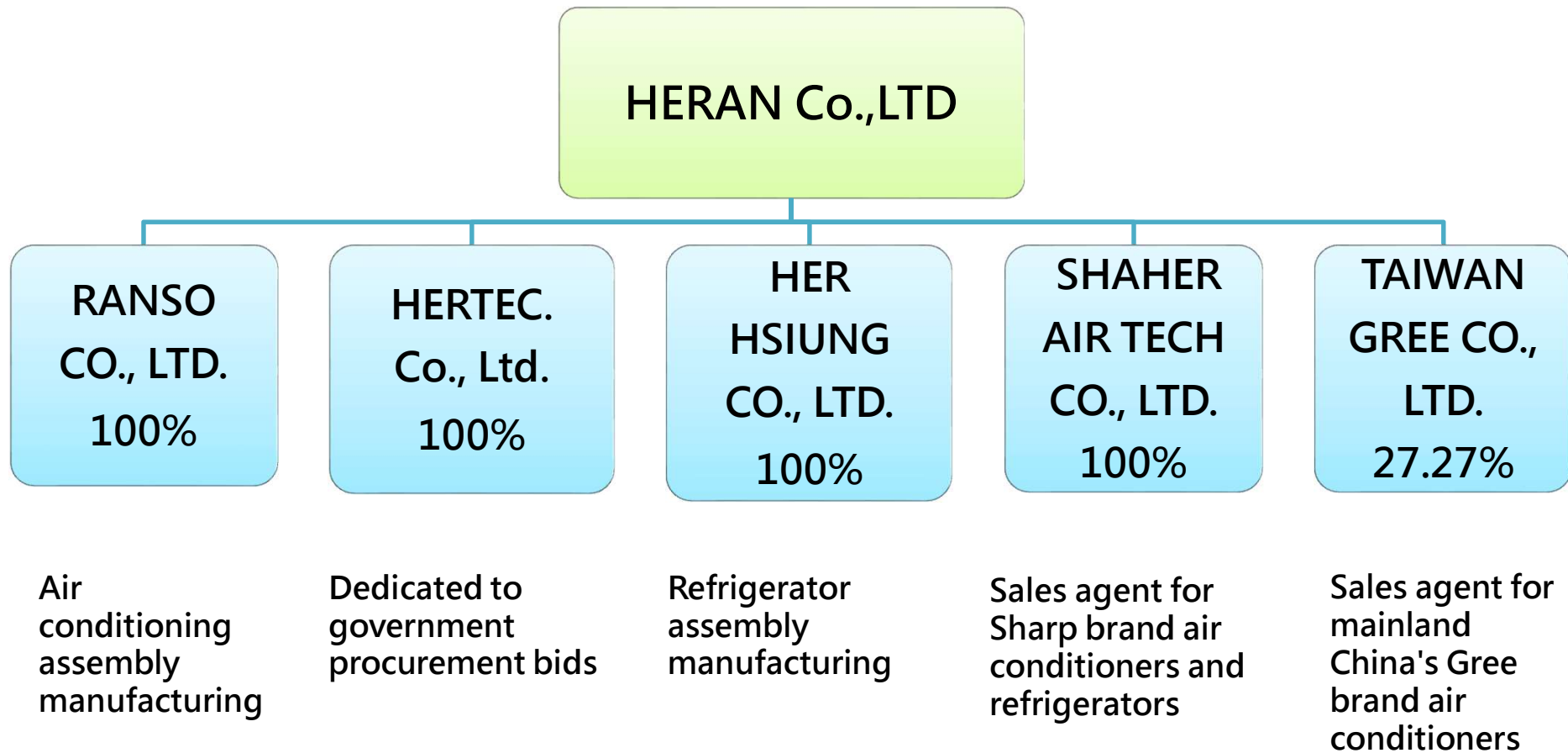
Chairman	• Po-Yi Tsai
General manager	• Chin-Hong Lin
Date of incorporation	• May 6, 2002
The paid-in capital	• NT\$730,004,250
Main business	• LED monitor 、 Manufacturing and sales of air conditioners ; Sales of home appliances
Headquarters address	• 9F., No. 289, Wenhe Rd., Guishan Dist., Taoyuan City 333001 , Taiwan (R.O.C.)



# Company History



# Investment structure



## Branch office



**Kaohsiung office**



**Tainan office**

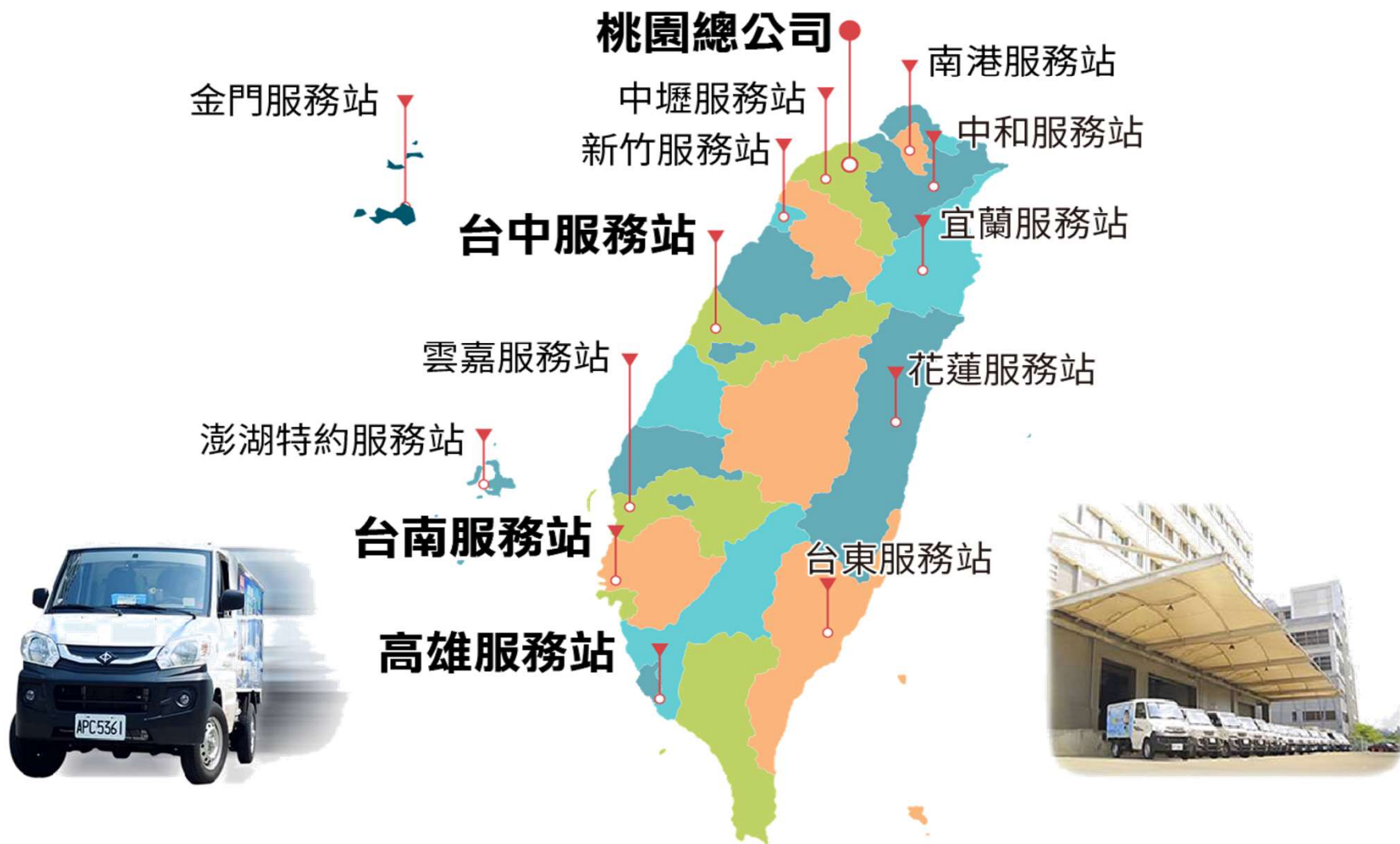


**Taichung office**





**Taoyuan Headquarter**

# Service stations



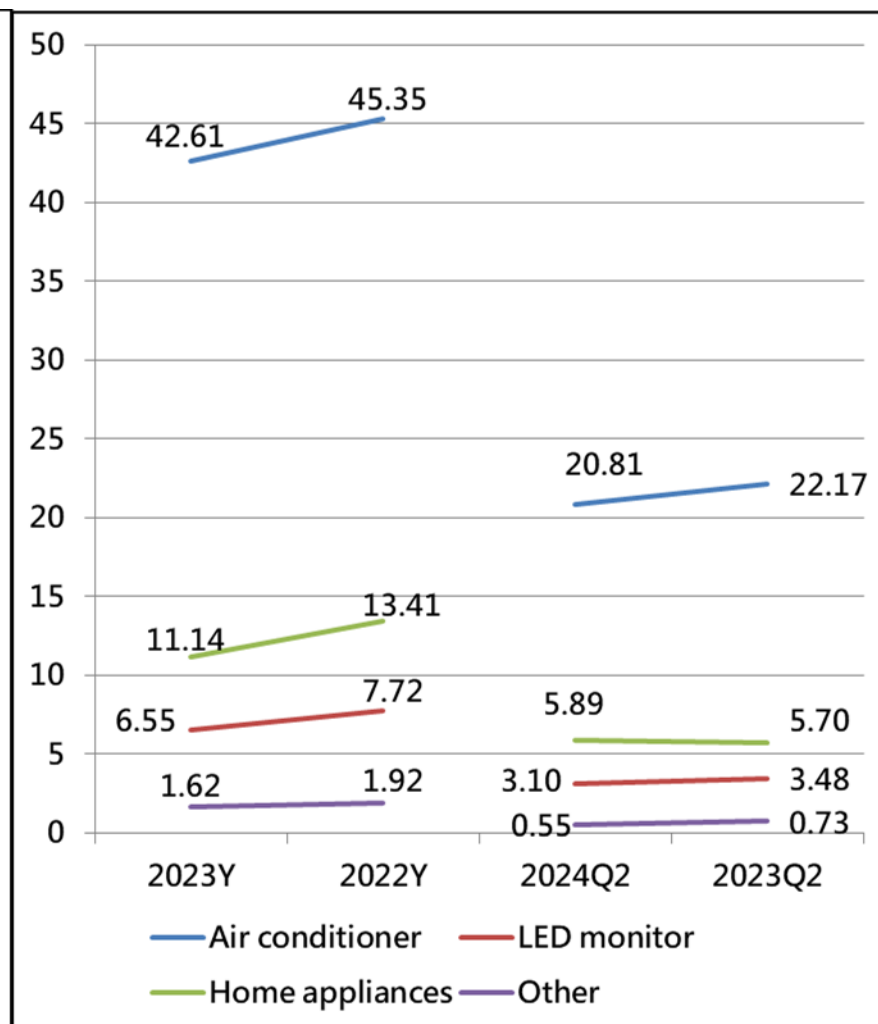
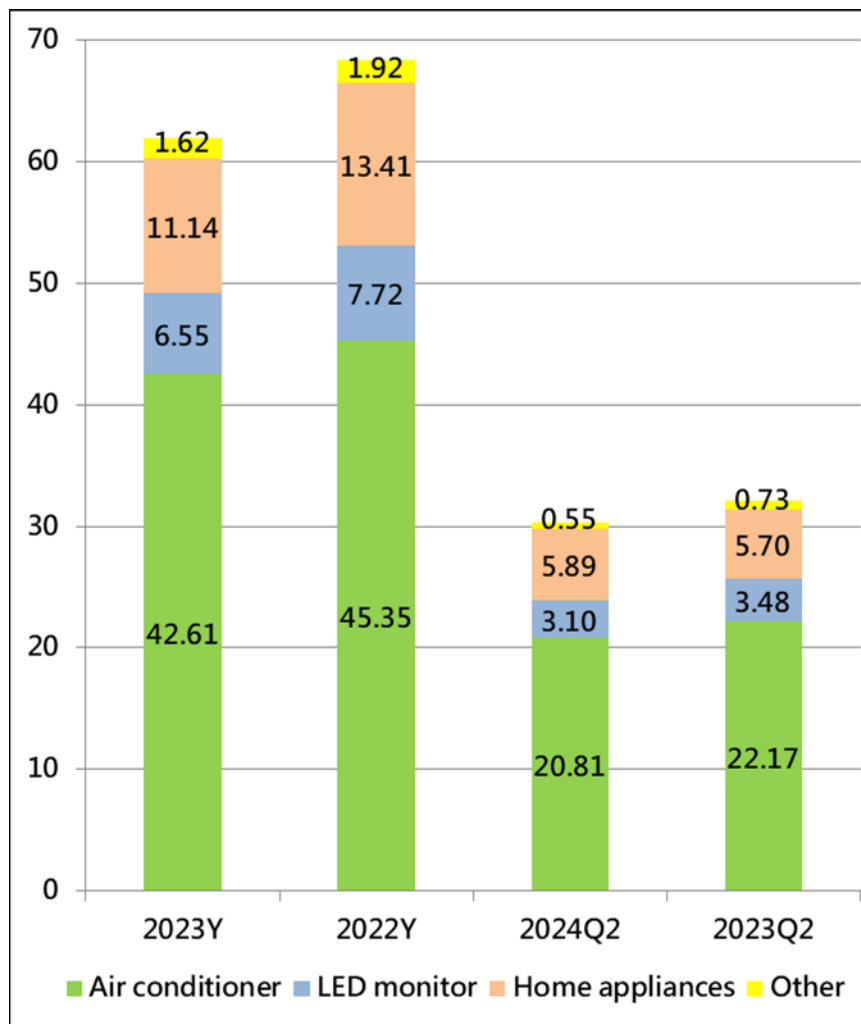
# Sales Channel

Category	Q2,2024Y Revenue ratio	Major Clients
Distributor	49.49%	More than 2000 Individual Distributors
Wholesale 3C	24.72%	
TV / Online Shopping	16.52%	
Others	9.27%	Retail and Bidding Projects

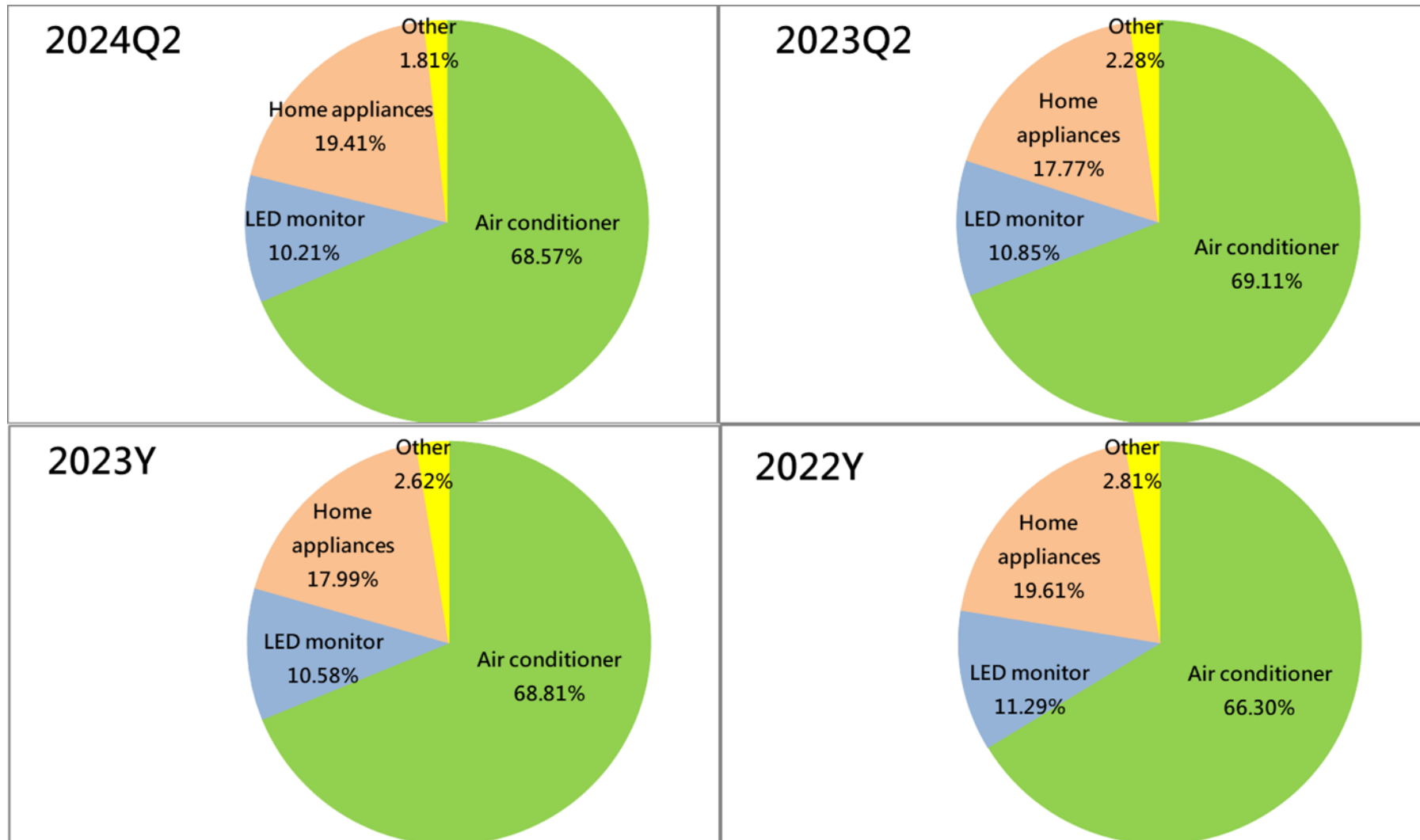


# Revenue comparison by product

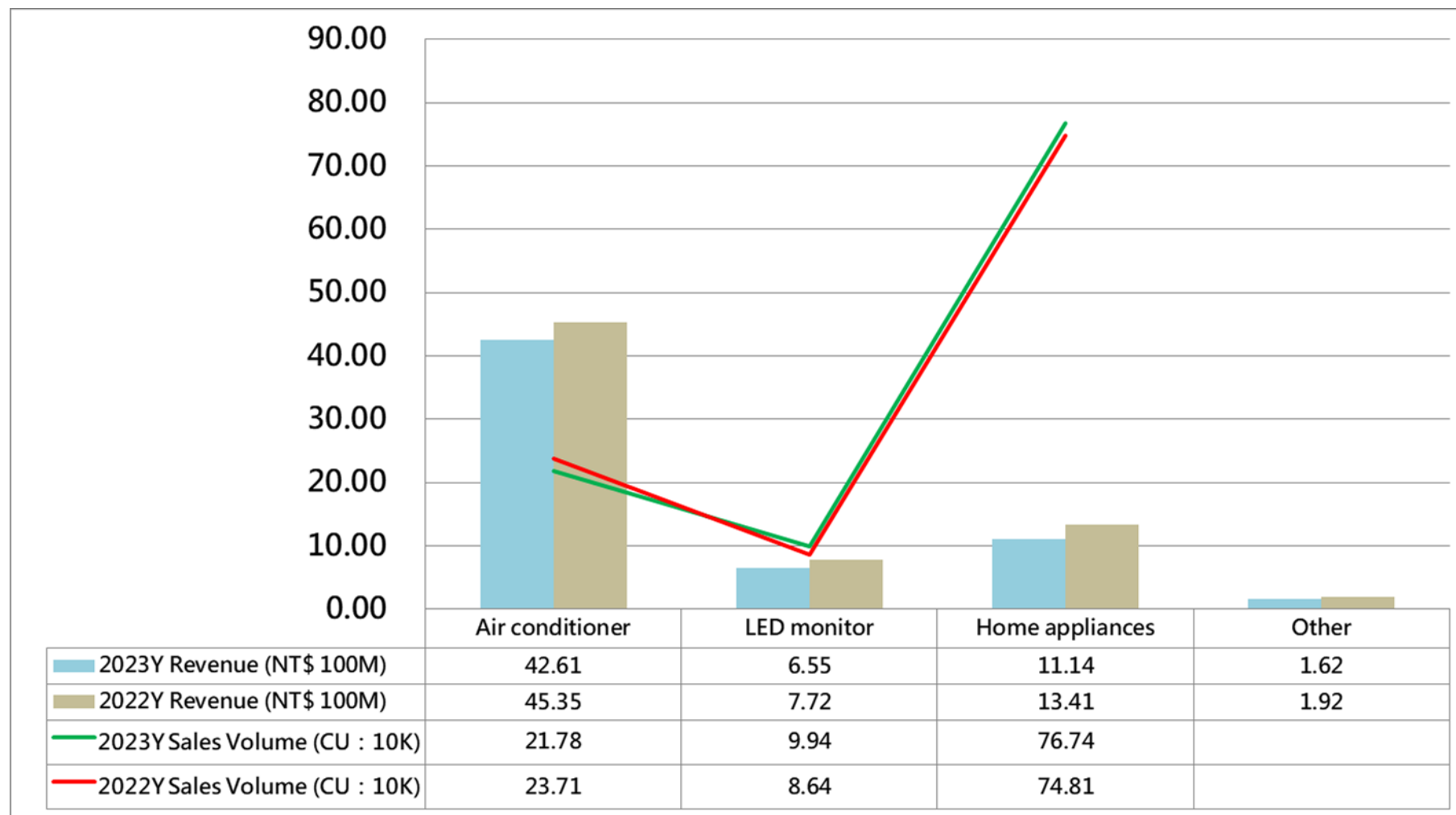
Unit: NT\$ 100M



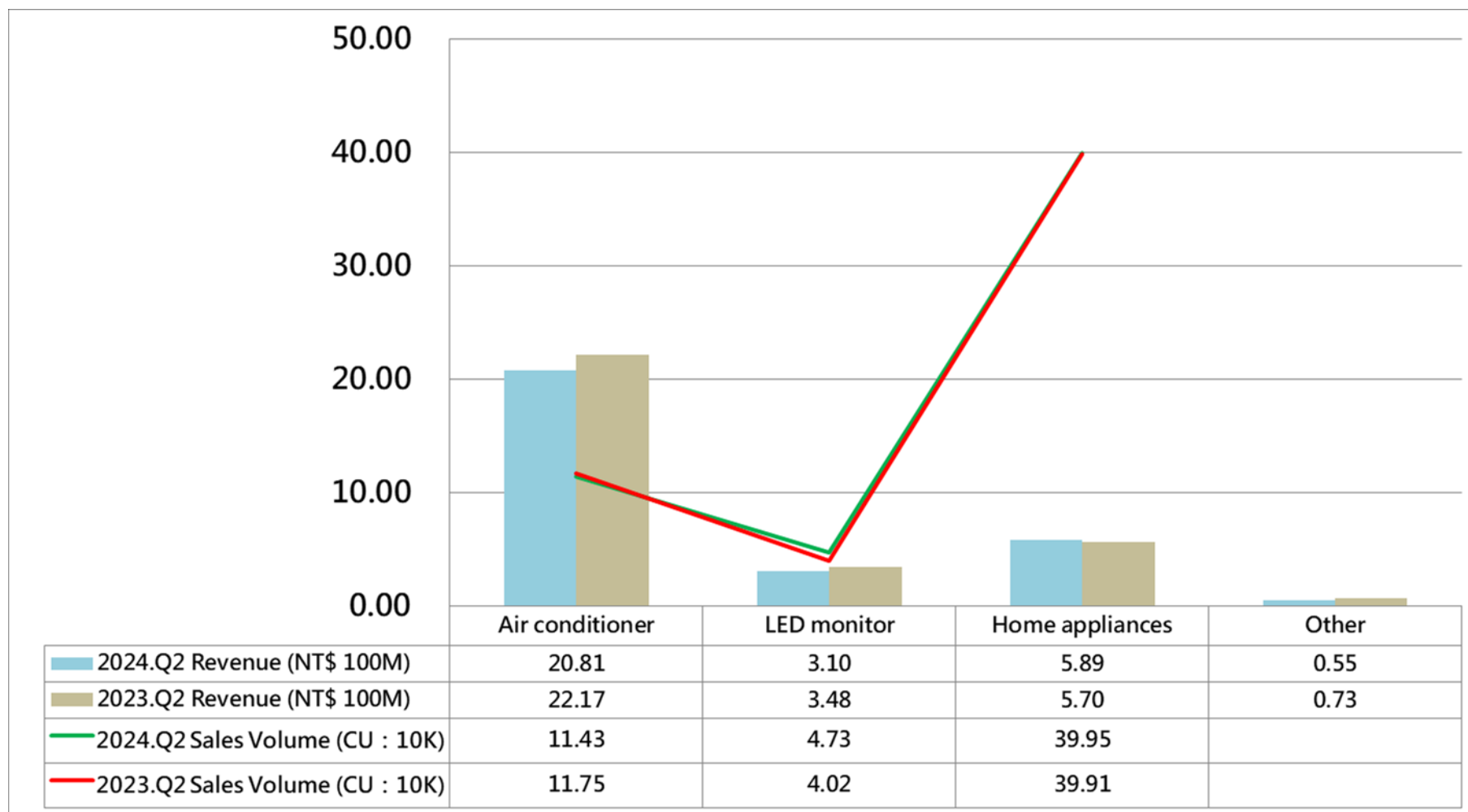
## Revenue proportion by product



# Product comparison



# Product comparison



# Income Statement

Unit: NTD Thousands

Project / year	Q2,2024	Q2,2023	2023Y	2022Y
Operating revenue	3,035,358	3,208,044	6,192,134	6,840,370
Gross Profit	975,632	1,121,993	2,075,774	2,171,890
Gross margin	32%	35%	34%	32%
Operating Income	143,611	357,916	608,491	737,247
Operating Income profit margin	4%	11%	10%	11%
Profit before income tax	200,054	393,305	703,812	915,460
Net profit	168,015	315,585	568,055	745,237
Profit ratio	5%	10%	9%	11%
Earnings per share	2.3	4.32	7.78	10.21

# Balance Sheet

Unit: NTD Thousands

Project / year	Q2,2024	Q2,2023	2023Y	2022Y
Current Assets	4,458,038	4,604,156	3,328,197	4,065,342
Noncurrent Assets	3,123,713	2,270,359	3,075,375	1,872,251
<b>Total Assets</b>	<b>7,581,751</b>	<b>6,874,515</b>	<b>6,403,572</b>	<b>5,937,593</b>
Current Liabilities	2,987,425	2,372,498	2,018,452	1,654,620
Noncurrent Liabilities	528,313	272,369	192,876	76,909
<b>Total Liabilities</b>	<b>3,515,738</b>	<b>2,644,867</b>	<b>2,211,328</b>	<b>1,731,529</b>
<b>Liabilities ratio</b>	<b>46%</b>	<b>38%</b>	<b>35%</b>	<b>29%</b>
Capital Stock	730,004	730,004	730,004	730,004
Capital Surplus	752,306	825,306	825,306	825,306
Legal reserve	759,035	702,230	733,788	669,657
Unappropriated earnings	1,824,785	1,972,108	1,901,018	1,981,097
Other equity	(117)	-	2128	-
<b>Total equity</b>	<b>4,066,013</b>	<b>4,229,648</b>	<b>4,192,244</b>	<b>4,206,064</b>
<b>Earnings per share</b>	<b>55.70</b>	<b>57.94</b>	<b>57.43</b>	<b>57.62</b>

## Nearly 5 years stock dividend status

Unit: NTD

Project / year	2019Y	2020Y	2021Y	2022Y	2023Y
EPS	10.73	12.73	10.69	10.69	12.73
Allotment of dividends					
Stock dividend	-	-	-	-	-
Cash dividend	9	8	8	8	8
Total dividends	9	8	8	8	8
Dividend allotment rate	75%	63%	75%	75%	63%
Average Market Price	101.07	96.34	102.54	122.02	110.15
Cash Dividend Yield Rate	8.90%	8.30%	7.80%	6.56%	7.26%

# 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

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

## Deeply Plough Taiwan Market

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



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