

Stock Code: 1525



**Kian Shen Corporation**  
**Investors' Conference**  
**2023/11/16**

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# Agenda

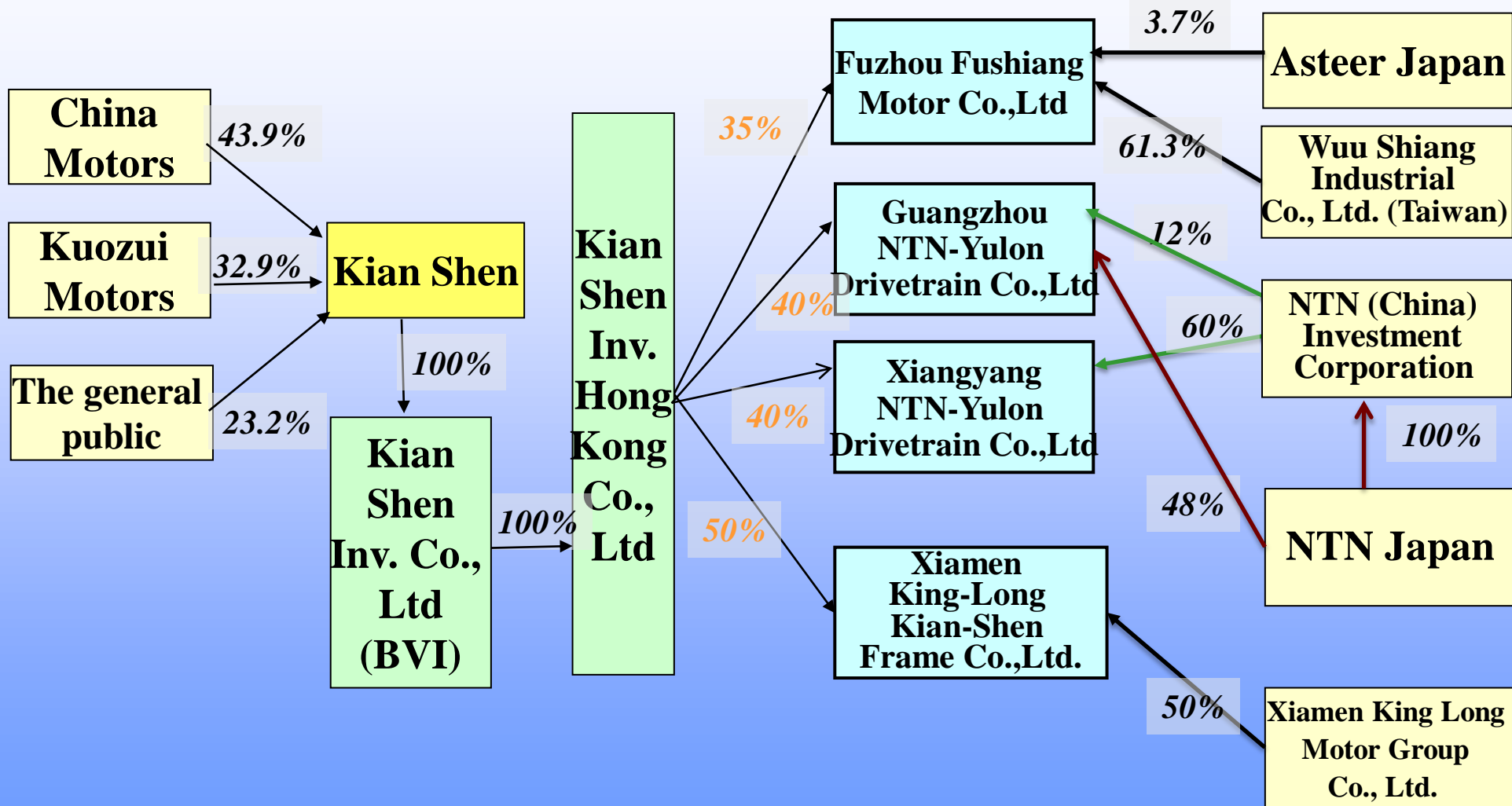
Agenda Items	Time	Presenters
<b>Welcome Remarks</b>	<b>5 min.</b>	<b>Tseng, General Manager</b>
<b>2023 Q3 Financial Highlights</b>	<b>10 min.</b>	<b>Chang, Assistant Vice President</b>
<b>Future Prospects</b>	<b>10 min.</b>	<b>Tseng, General Manager</b>
<b>Q &amp; A</b>	<b>15 min.</b>	<b>Tseng, General Manager / Chang, Assistant Vice President</b>

# **Company Profile and Overview of the Joint Venture in China**

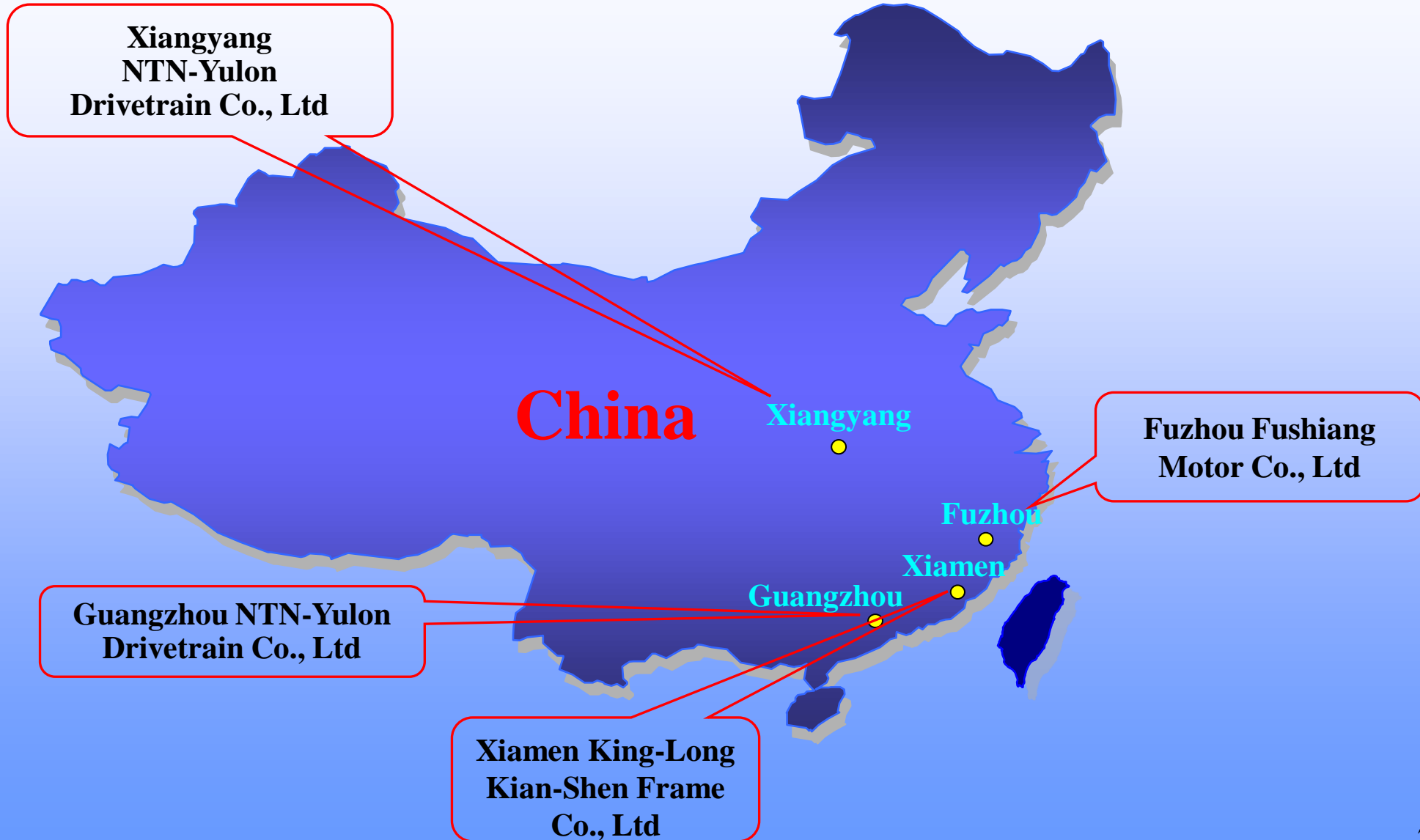
# Company Profile - Kian Shen Co.

- 1. Est. Date: October 1955      Listing Date: May 1999**
- 2. Capital: NT\$ 734 million**
- 3. Land: 62,800 M<sup>2</sup>      Building: 30,113 M<sup>2</sup>**
- 4. Main Products: Frame (40%), RR Body (36%),  
Suspension/Stamping parts (21%)**
- 5. Main Customers: Kuozui Motors (46%) ,  
China Motors (34%), RAC Electric Vehicles(6%),  
Foxtron Vehicle (4%) , Hotai Auto Body (3%),  
King Lung Auto (2%)**

# Investment Structure



# Joint Venture in China







# Fuzhou Fushiang Co.

- 1. Est. Date** : **December 1995**
- 2. Capital** : **US\$ 17.78 million**
- 3. Ownership Structure** : **Kian Shen (35%), Wu Shiang Taiwan (61.3%), Asteer Japan (3.7%)**
- 4. Main Products** : **Body Panel Parts, Chassis Parts...etc.**
- 5. Main Customers** : **CATL(76%) , Nissan Zhengzhou(6%) , Fujian Benz (5%) , Toyota(4%) , Volvo(3%)**
- 6. Capacity** : **160, 000 unit/year**



# Guangzhou NTN-Yulon Co.

- 1. Est. Date : September 2002**
- 2. Capital : US\$ 12.5 million**
- 3. Ownership Structure : Kian Shen (40%), NTN Japan (48%), NTN (China) Investment (12%)**
- 4. Main Products : Constant Velocity Joints (CVJ)**
- 5. Main Customers : Nissan (China) (22%) , NTN Manufacturing De Mexico (13%) , GAC Honda (11%) , FAW&GAC Toyota(11%) , Mazda (9%),**
- 6. Capacity : 400,000 unit/month**



**KKSP**

# **Xiamen King-Long Kian-Shen Co.**

- 1. Est. Date : March 2006**
- 2. Capital : RMB\$ 96 million**
- 3. Ownership Structure : Kian Shen(50%), Xiamen King Long Motor Group (50%)**
- 4. Main Products : Frame(98%), etc.**
- 5. Main Customers : King Long United Automotive Industry Co., Ltd**
- 6. Capacity : 10,000 unit/year**
- 7. Wholly-Owned Subsidiaries : Hangzhou King-Long Kian-Shen Co., was disposed in March 2023.**

# Xiangyang NTN-Yulon Co.

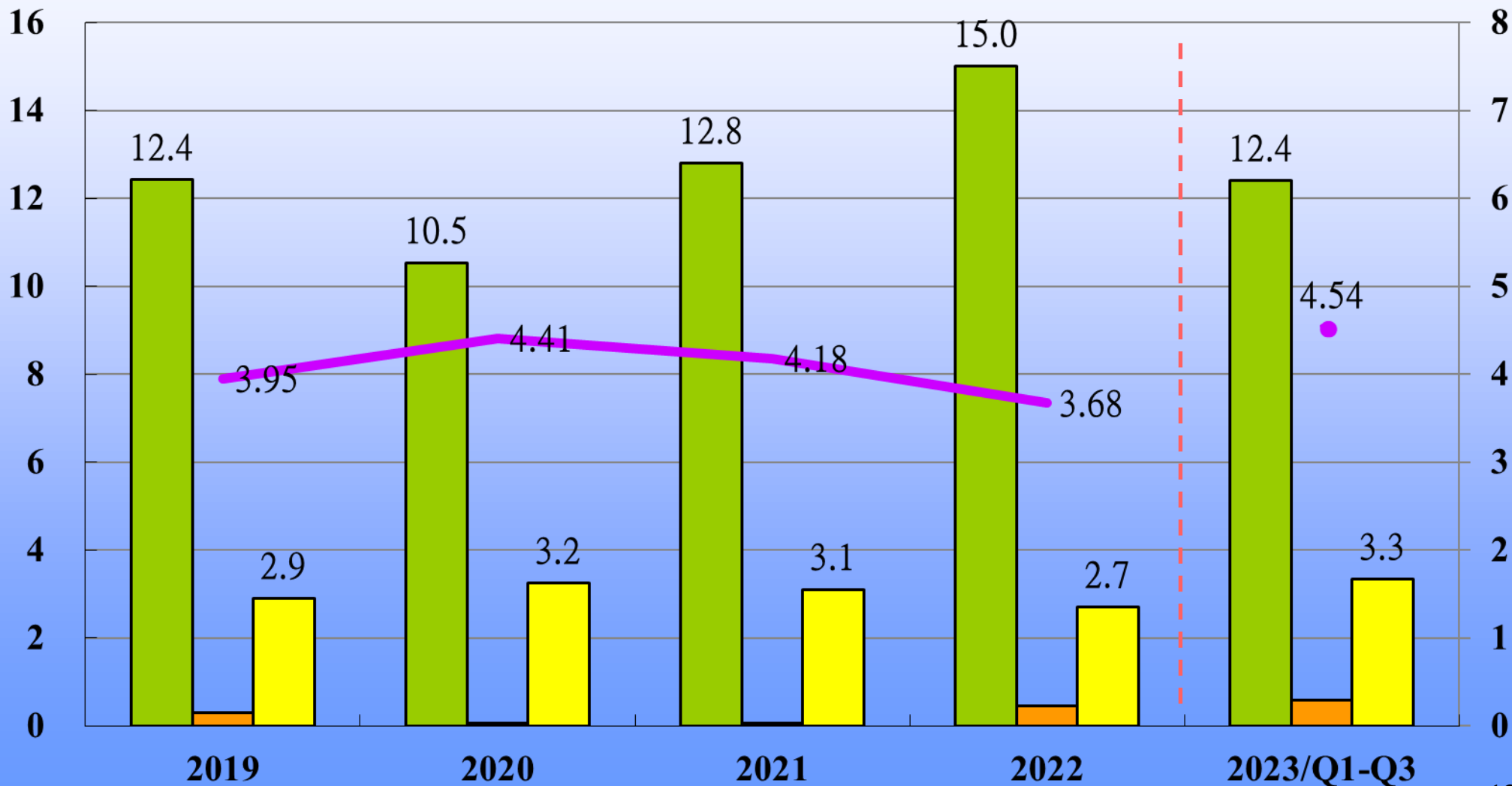
- 1. Est. Date : January 2014**
- 2. Capital : US\$ 34 million**
- 3. Ownership Structure : Kian Shen (40%), NTN (China) Investment (60%)**
- 4. Main Products : Constant Velocity Joints (CVJ)**
- 5. Main Customers : Dong Feng Honda (27%) , Dong Feng Nissan (20%) , Zf Friedrichshafen Ag (18%) , Fisker (9%) , NAT(5%)**
- 6. Capacity : 240,000 unit/month**

# **Operating Performance - Kian Shen Co.**

# Sales and Profit Status in the Past Five Years

NT\$100 million

NT\$



# Consolidated Statement of Comprehensive Income

Unit: NT\$ thousand

Accounting Title	Q1-Q3		Diff. (%)	Full year		Diff. (%)
	2023	2022		2022	2021	
Net Sales	1,239,742	1,084,187	14.3	1,500,265	1,275,608	17.6
Gross Profit from Operations	145,312	104,006	39.7	147,501	103,894	42.0
Profit Margin	11.7%	9.6%	2.1	9.8%	8.1%	1.7
Net Operating Income	58,797	28,975	102.9	44,751	14,510	208.4
Operating Profit Margin	4.7%	2.7%	2.0	3.0%	1.1%	1.9
Net Non-Operating Income	347,234	232,499	49.3	294,379	361,566	(18.6)
Net Investment Income from Equity Method	323,343	214,536	50.7	274,546	361,608	(24.1)
Other	23,891	17,963	33.0	19,833	(42)	47321.4
Income before Income Tax	406,031	261,474	55.3	339,130	376,076	(9.8)
Net Income	333,294	222,419	49.8	269,818	306,767	(12.0)
Net Profit Margin	26.9%	20.5%	6.4	18.0%	24.0%	(6.0)
Basic EPS (NT\$)	4.54	3.03		3.68	4.18	

# Sales by Product

Unit: NT\$ thousand

Products	Q1-Q3				Diff. (%)	Full year				Diff. (%)
	2023	%	2022	%		2022	%	2021	%	
Frame	355,545	28.7	329,190	30.4	8.0	463,435	30.9	478,653	37.5	(3.2)
Electric bus frame	142,275	11.5	57,272	5.3	148.4	78,495	5.2	53,696	4.2	46.2
RR Body	444,486	35.9	430,404	39.7	3.3	595,505	39.7	433,718	34.0	37.3
Suspension / Stamping parts	264,469	21.3	223,772	20.6	18.2	316,604	21.1	274,185	21.5	15.5
Die & Jig	30,353	2.4	33,308	3.1	(8.9)	33,308	2.2	24,628	1.9	35.2
Other	2,614	0.2	10,241	0.9	(74.5)	12,918	0.9	10,728	0.9	20.4
<b>Total</b>	<u>1,239,742</u>	<u>100</u>	<u>1,084,187</u>	<u>100</u>	14.3	<u>1,500,265</u>	<u>100</u>	<u>1,275,608</u>	<u>100</u>	17.6



# Income Recognized from Joint Ventures

Unit: NT\$ thousand

Joint Ventures	Q1-Q3				Diff. (%)	Full year				Diff. (%)
	2023	%	2022	%		2022	%	2021	%	
Fuzhou Fushiang	(11,494)	(3.6)	7,273	3.4	(258.0)	6,437	2.3	8,939	2.5	(28.0)
Guangzhou NTN-Yulon	109,093	33.8	126,587	59.0	(13.8)	160,292	58.4	238,068	65.8	(32.7)
Xiamen King-Long Kian-Shen	158,874	49.1	(11,630)	(5.4)	1,466.1	(10,196)	(3.7)	(15,705)	(4.3)	35.1
Xiangyang NTN-Yulon	66,870	20.7	92,306	43.0	(27.6)	118,013	43.0	130,306	36.0	(9.4)
<b>Total</b>	<u>323,343</u>	<u>100</u>	<u>214,536</u>	<u>100</u>	50.7	<u>274,546</u>	<u>100</u>	<u>361,608</u>	<u>100</u>	(24.1)

# Quarterly Consolidated Income Statement

Accounting Title	2023Q3		2023Q2		2023Q1		2022Q4		2022Q3	
	Amount	%	Amount	%	Amount	%	金額	%	Amount	%
Net Sales	359,543	100	425,144	100	455,055	100	416,078	100	418,201	100
Gross Profit from Operations	34,457	10	52,266	12	58,589	13	43,495	10	39,475	9
Net Operating Income (Loss)	9,231	3	22,559	5	27,007	6	15,776	4	13,289	3
Net Non-Operating Income	103,214	28	50,686	12	193,334	42	61,880	15	100,407	24
Net Investment Income from Equity Method	93,687	25	45,241	10	184,415	41	60,010	14	96,551	23
Other	9,527	3	5,445	2	8,919	1	1,870	1	3,856	1
Income before Income Tax	112,445	31	73,245	17	220,341	48	77,656	19	113,696	27
Net Income	81,705	23	58,778	14	192,811	42	47,399	11	94,920	22
Basic EPS (NT\$)	1.11		0.80		2.63		0.65		1.29	

# Quarterly Consolidated Balance Sheet

Unit: NT\$ thousand

Accounting Title	2023/9/30		2023/6/30		2023/3/31		2022/12/31		2022/9/30	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Current Assets	1,933,680	34	2,042,447	36	2,126,324	37	2,093,390	37	1,364,511	24
Non-Current Assets	3,801,084	66	3,602,717	64	3,651,231	63	3,515,983	63	4,229,679	76
<b>Total Assets</b>	<b>5,734,764</b>	<b>100</b>	<b>5,645,164</b>	<b>100</b>	<b>5,777,555</b>	<b>100</b>	<b>5,609,373</b>	<b>100</b>	<b>5,594,190</b>	<b>100</b>
Current Liabilities	629,430	11	759,220	14	619,422	11	669,940	12	589,011	10
Non-Current Liabilities	298,341	5	291,923	5	324,635	5	319,622	6	381,211	7
<b>Total Liabilities</b>	<b>927,771</b>	<b>16</b>	<b>1,051,143</b>	<b>19</b>	<b>944,057</b>	<b>16</b>	<b>989,562</b>	<b>18</b>	<b>969,222</b>	<b>17</b>
Ordinary Share	734,001	13	734,001	13	734,001	13	734,001	14	734,001	13
Capital Surplus	1,251	–	1,251	–	1,251	–	1,251	–	1,251	–
Retained Earnings	4,404,237	77	4,322,532	76	4,417,894	77	4,225,083	75	4,168,954	75
Other Equity Interest	(332,496)	(6)	(463,763)	(8)	(319,648)	(6)	(340,524)	(6)	(279,238)	(5)
<b>Total Equity</b>	<b>4,806,993</b>	<b>84</b>	<b>4,594,021</b>	<b>81</b>	<b>4,833,498</b>	<b>84</b>	<b>4,619,811</b>	<b>82</b>	<b>4,624,968</b>	<b>83</b>
<b>Book Value Per Share</b>	<b>65.49</b>		<b>62.59</b>		<b>65.85</b>		<b>62.94</b>		<b>63.01</b>	

# Future Prospects

- **Taiwan Commercial Vehicles Market Outlook**
- **Operation Prospect for Kian Shen China Joint Ventures**

