



# **Kian Shen Corporation**

## **Investors' Conference**

**(Stock Code : 1525)**

**Presenter : Chiung-Chih, Tseng General Manager**

**Nov. 20, 2024**

# Disclaimer

**This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of Kian Shen Corporation (the "Company"). All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations, assumptions, involve known, unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements.**

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# Agenda

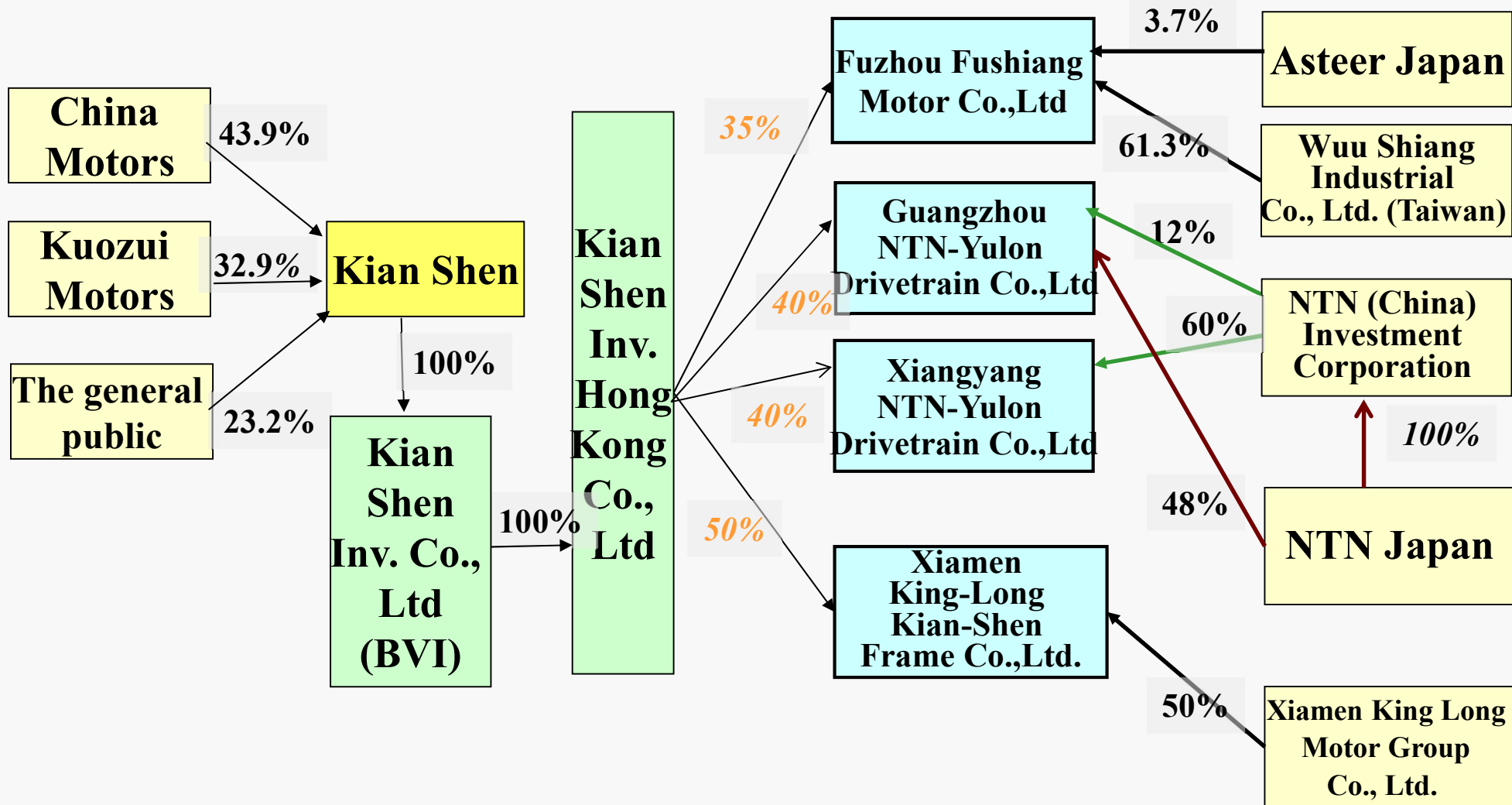
Agenda Items	Time	Presenters
<b>Welcome Remarks</b>	<b>5 min.</b>	<b>Tseng, General Manager</b>
<b>2024 Q3 Financial Highlights</b>	<b>10 min.</b>	<b>Chang, Assistant Vice President</b>
<b>Future Prospects</b>	<b>10 min.</b>	<b>Tseng, General Manager</b>
<b>Q &amp; A</b>	<b>15 min.</b>	<b>Tseng, General Manager / Chang, Assistant Vice President</b>

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

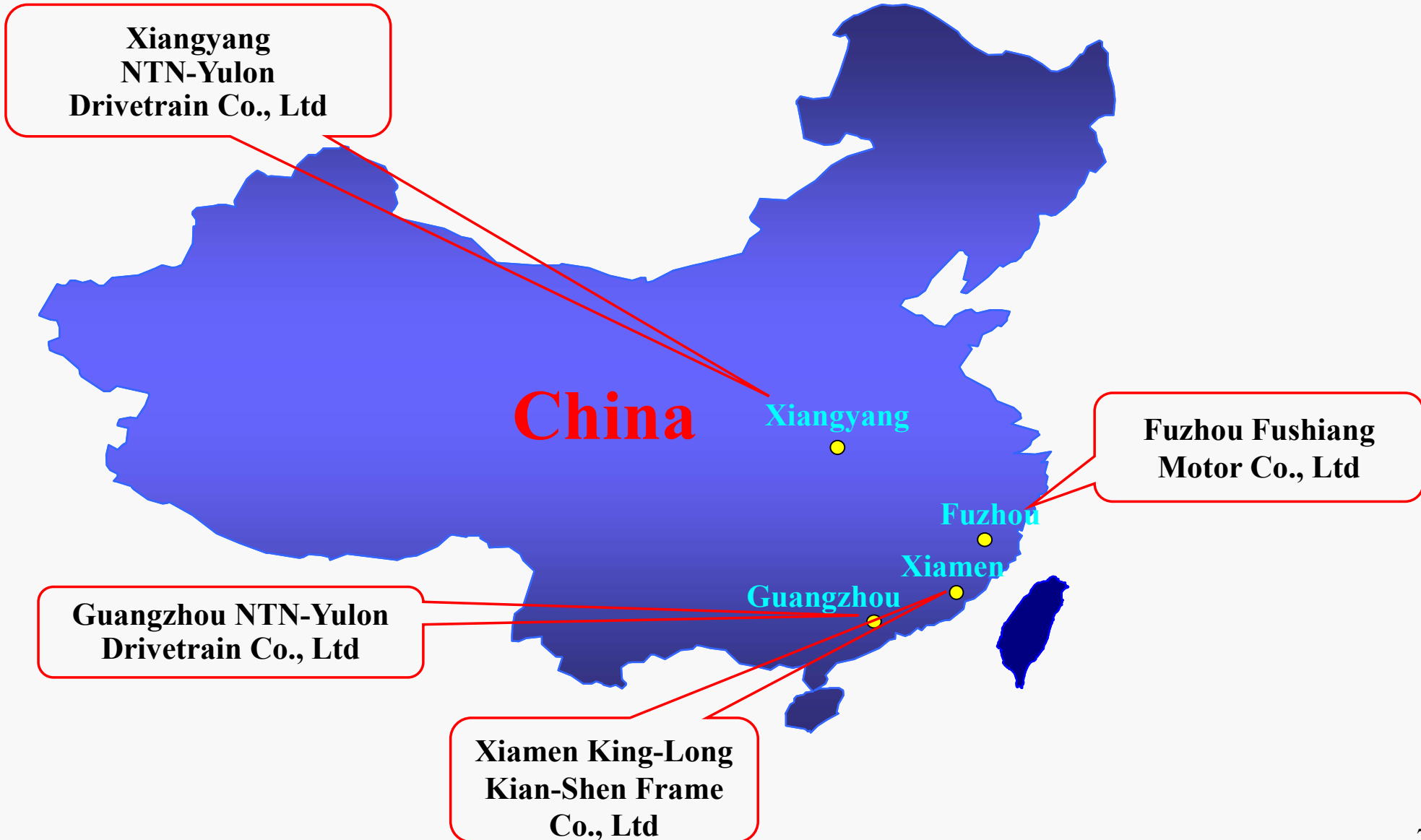
# Company Profile - Kian Shen Co.

- 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 (37%), RR Body (36%),  
Suspension/Stamping parts (24%)**
- 5. Main Customers: Kuozui Motors (51%) ,  
China Motors (35%),  
RAC Electric Vehicles(3%),  
King Lung Auto (3%), Yulon Motor(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%), Wuu Shiang Taiwan (61.3%), Asteer Japan (3.7%)**
- 4. Main Products** : **Body Panel Parts, Chassis Parts...etc.**
- 5. Main Customers** : **CATL(70%) , Nissan Zhengzhou(3%) , Fujian Benz (3%) , Volvo(2%)**
- 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) (20%) , NTN Manufacturing De Mexico (16%) , FAW&GAC Toyota(13%) , Mazda (12%) , GAC Honda (7%) ,**
- 6. Capacity : 400,000 unit/month**

# 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 Nissan (26%) ,Dong Feng Honda (21%) , BAIC BJEV(10%) , NTE(8%)  
Daimle (8%) , NNMI (8%)**
- 6. Capacity : 240,000 unit/month**



**KKSP**

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

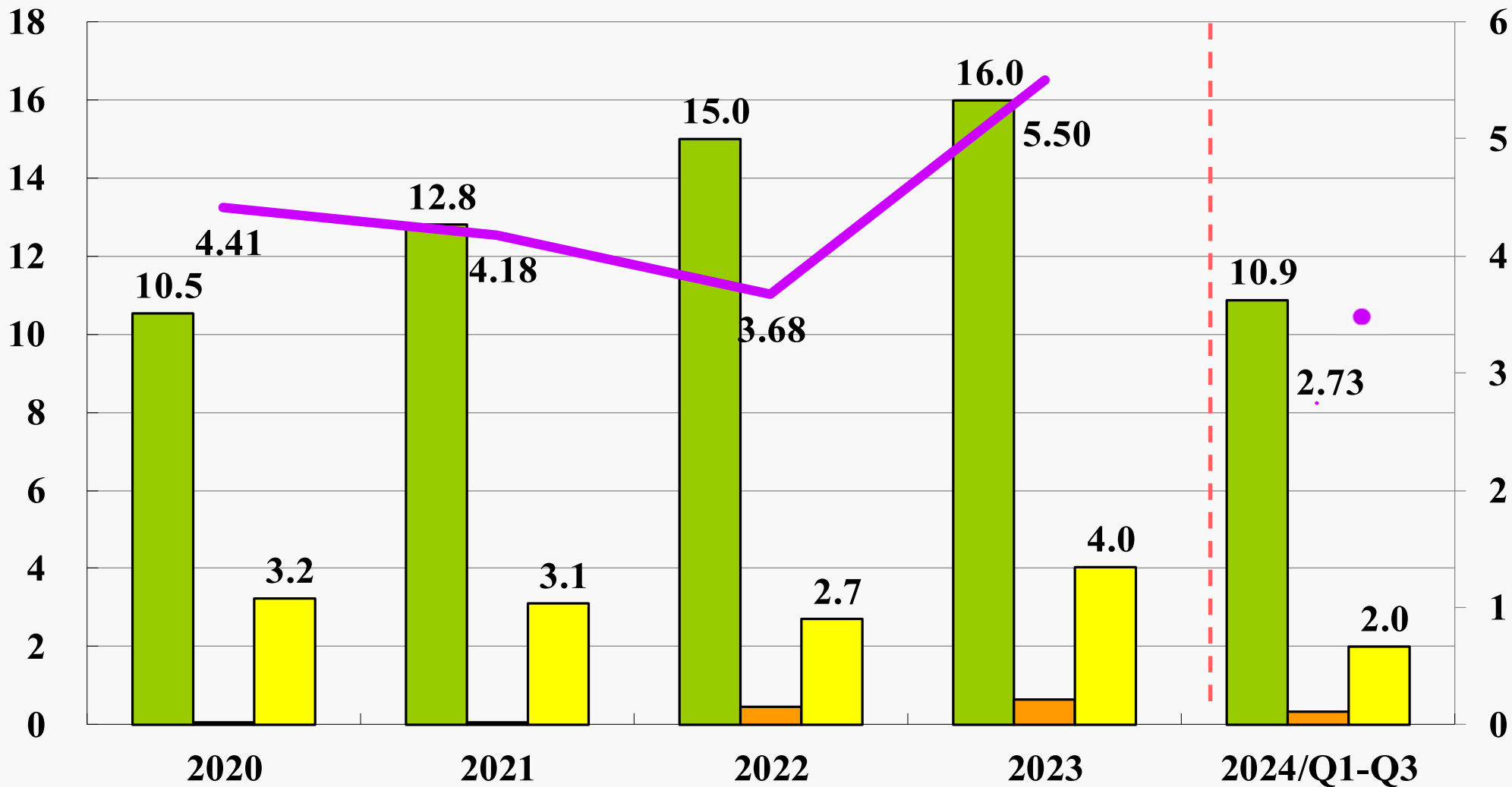
- 1. Est. Date : March 2006**
- 2. Capital : RMB\$ 96 million**
- 3. Ownership Structure : Kian Shen(50%), Xiamen King Long Motor Group (50%)**
- 4. Main Products : Frame(98%), etc.**
- 5. Main Customers : King Long United Automotive Industry Co., Ltd**
- 6. Capacity : 10,000 unit/year**

# 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		YOY	Full year		YOY
	2024	2023	(%)	2023	2022	(%)
Net Sales	1,088,020	1,239,742	(12)	1,598,496	1,500,265	7
Gross Profit from Operations	122,847	145,312	(15)	180,751	147,501	23
Profit Margin	11.3%	11.7%	(0)	11.3%	9.8%	1
Net Operating Income	33,644	58,797	(43)	65,393	44,751	46
Operating Profit Margin	3.1%	4.7%	(2)	4.1%	3.0%	1
Net Non-Operating Income	227,863	347,234	(34)	486,786	294,379	65
Net Investment Income from Equity Method	170,806	323,343	(47)	454,939	274,546	66
Other	57,057	23,891	139	31,847	19,833	61
Income before Income Tax	261,507	406,031	(36)	552,179	339,130	63
Net Income	200,245	333,294	(40)	403,823	269,818	50
Net Profit Margin	18.4%	26.9%	(9)	25.3%	18.0%	7
Basic EPS (NT\$)	2.73	4.54		5.50	3.68	

# Sales by Product

Unit: NT\$ thousand

Products	Q1-Q3				YOY (%)	Full year				YOY (%)
	2024	%	2023	%		2023	%	2022	%	
Frame	353,170	33	355,545	29	(1)	420,613	26	463,435	31	(9)
Electric bus frame	46,743	4	142,275	12	(67)	153,877	10	78,495	5	96
RR Body	396,637	36	444,486	36	(11)	598,437	37	595,505	40	0
Suspension / Stamping parts	255,880	24	264,469	21	(3)	367,341	23	316,604	21	16
Die & Jig	30,233	3	30,353	2	(0)	48,349	3	33,308	2	45
Other	5,357	0	2,614	0	105	9,879	1	12,918	1	(24)
<b>Total</b>	<u>1,088,020</u>	<u>100</u>	<u>1,239,742</u>	<u>100</u>	(12)	<u>1,598,496</u>	<u>100</u>	<u>1,500,265</u>	<u>100</u>	7

# Income Recognized from Joint Ventures

Unit: NT\$ thousand

Joint Ventures	Q1-Q3				YOY	Full year				YOY
	2024	%	2023	%	(%)	2023	%	2022	%	(%)
Fuzhou Fushiang	31,296	18	(11,494)	(4)	372	43,160	9	6,435	2	571
Guangzhou NTN-Yulon	106,393	62	109,093	34	(2)	150,538	33	160,293	58	(6)
Xiangyang NTN-Yulon	24,820	15	66,870	21	(63)	97,969	22	118,013	44	(17)
Xiamen King-Long Kian-Shen	8,297	5	158,874	49	(95)	163,272	36	(10,195)	(4)	1,701
<b>Total</b>	<u>170,806</u>	<u>100</u>	<u>323,343</u>	<u>100</u>	(47)	<u>454,939</u>	<u>100</u>	<u>274,546</u>	<u>100</u>	66



# Quarterly Consolidated Income Statement

Unit: NT\$ thousand

Accounting Title	2024Q3		2024Q2		2024Q1		2023Q4		2023Q3	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	403,399	100	376,080	100	308,541	100	358,754	100	359,543	100
Gross Profit from Operations	43,012	11	49,254	13	30,581	10	35,439	10	34,457	10
Net Operating Income (Loss)	12,916	3	18,156	5	2,572	1	6,596	2	9,231	3
Net Non-Operating Income	86,293	22	78,214	21	63,356	20	139,552	39	103,214	28
Net Investment Income from Equity Method	70,135	18	60,375	16	40,296	13	131,596	37	93,687	25
Other	16,158	4	17,839	5	23,060	7	7,956	2	9,527	3
Income before Income Tax	99,209	25	96,370	26	65,928	21	146,148	41	112,445	31
Net Income	80,024	20	71,734	19	48,487	16	70,529	20	81,705	23
Basic EPS (NT\$)	1.09		0.98		0.66		0.96		1.11	

# Quarterly Consolidated Balance Sheet

Unit: NT\$ thousand

Accounting Title	2024/9/30		2024/6/30		2024/3/31		2023/12/31		2023/9/30	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Current Assets	2,271,559	39	2,452,553	42	2,463,790	42	2,470,696	43	1,933,680	34
Non-Current Assets	3,538,029	61	3,408,762	58	3,346,370	58	3,281,090	57	3,801,084	66
<b>Total Assets</b>	<b>5,809,588</b>	<b>100</b>	<b>5,861,315</b>	<b>100</b>	<b>5,810,160</b>	<b>100</b>	<b>5,751,786</b>	<b>100</b>	<b>5,734,764</b>	<b>100</b>
Current Liabilities	582,785	10	801,172	14	629,494	11	575,914	10	629,430	11
Non-Current Liabilities	302,258	5	289,564	5	273,822	5	391,556	7	298,341	5
<b>Total Liabilities</b>	<b>885,043</b>	<b>15</b>	<b>1,090,736</b>	<b>19</b>	<b>903,316</b>	<b>16</b>	<b>967,470</b>	<b>17</b>	<b>927,771</b>	<b>16</b>
Ordinary Share	734,001	13	734,001	12	734,001	12	734,001	12	734,001	13
Capital Surplus	1,251	-	1,251	-	1,251	-	1,251	-	1,251	-
Retained Earnings	4,432,516	76	4,352,492	74	4,522,978	78	4,474,491	78	4,404,237	77
Other Equity Interest	(243,223)	(4)	(317,165)	(5)	(351,386)	(6)	(425,427)	(7)	(332,496)	(6)
<b>Total Equity</b>	<b>4,924,545</b>	<b>85</b>	<b>4,770,579</b>	<b>81</b>	<b>4,906,844</b>	<b>84</b>	<b>4,784,316</b>	<b>83</b>	<b>4,806,993</b>	<b>84</b>
<b>Book Value Per Share</b>	<b>67.09</b>		<b>64.99</b>		<b>66.85</b>		<b>65.18</b>		<b>65.49</b>	

# Future Prospects

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

