

1810 (TWSE)



2022 Investor Conference

2022/11/24

HOCHENG CORPORATION

Reporter : Dr. Shih-Chieh Chen, President

R e f o r m a n d I n n o v a t i o n

- | | | |
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Part I

Legal disclaimer

HOCHENG CORPORATION

R e f o r m a n d I n n o v a t i o n

- I). The information is provided for informational purposes only, and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security issued by Hocheng or other parties.
- II). Hocheng ' s statements that are only historical and there are not any financial prediction.
- III). Hocheng does not warranty their accuracy, reliability and completeness. There are a number of factors such as economic conditions, firms abilities, industry environment that could cause actual results and developments. Investors should not place undue reliance on them.

Part II

Company profile

HOCHENG CORPORATION

R e f o r m a n d I n n o v a t i o n



Company profile

HOCHENG CORPORATION

1810 (TWSE)

Founded: 1961.12.09

Listed in TWSE : 1991.10.14

Paid- in capital : NT\$3,032,000,000

Number of employees: 1,070

Main products: Sanitary Wares

Headquarter: No.135, Houzhuang St., Bade Dist., Taoyuan City 334, Taiwan.R.O.C.

**Commercial production base : Taoyuan, Taiwan / Yingge, Taiwan / Jiangsu, China
/ Manila, Philippines**



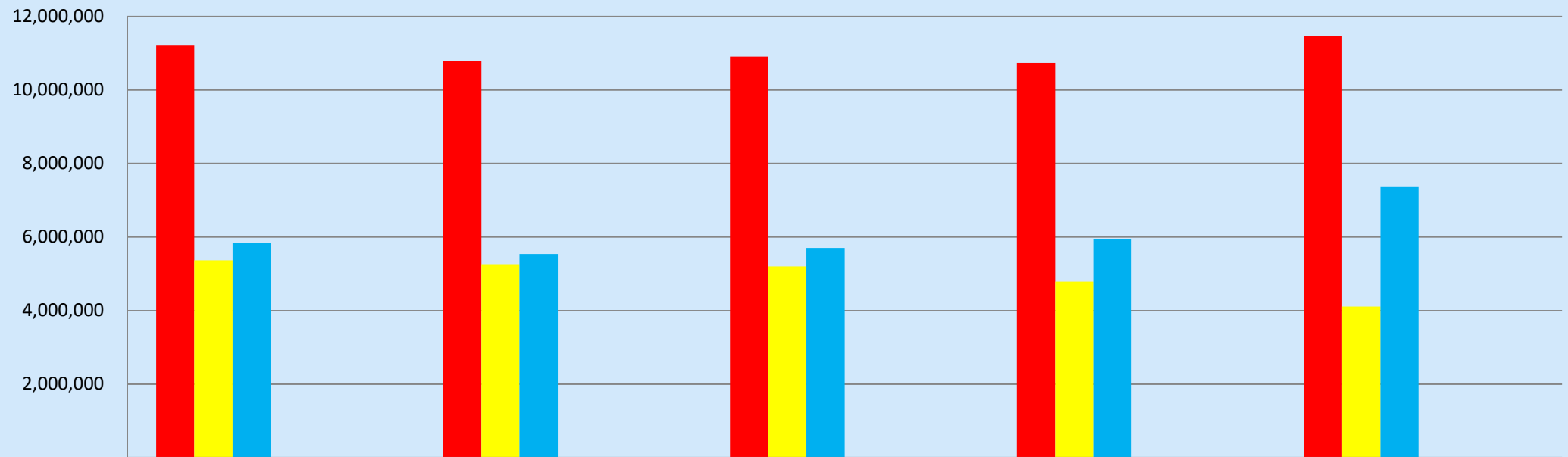
Part III Financial results

HOCHENG CORPORATION

R e f o r m a n d I n n o v a t i o n

Consolidated balance sheet of past five years

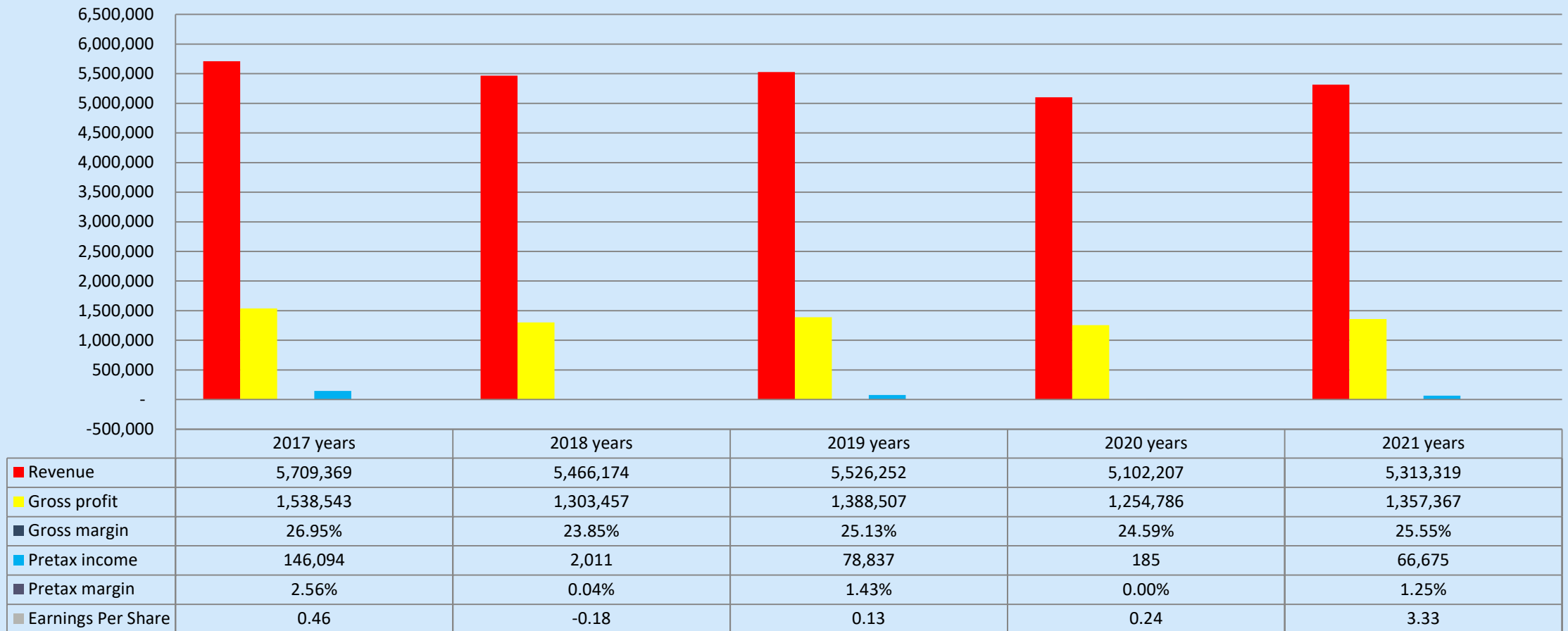
(UNITS: In Thousands of New Taiwan Dollars)



	2017 years	2018 years	2019 years	2020 years	2021 years
Total assets	11,207,467	10,786,249	10,913,518	10,738,661	11,470,876
Total liabilities	5,370,876	5,244,197	5,207,008	4,787,079	4,111,581
Total stockholder's equity	5,836,591	5,542,052	5,706,510	5,951,582	7,359,295
Net value	15.85	15.06	15.50	16.17	19.99
ROA	1.96	-0.15	0.92	1.28	16.12
ROE	2.77	-1.36	0.64	1.36	26.23

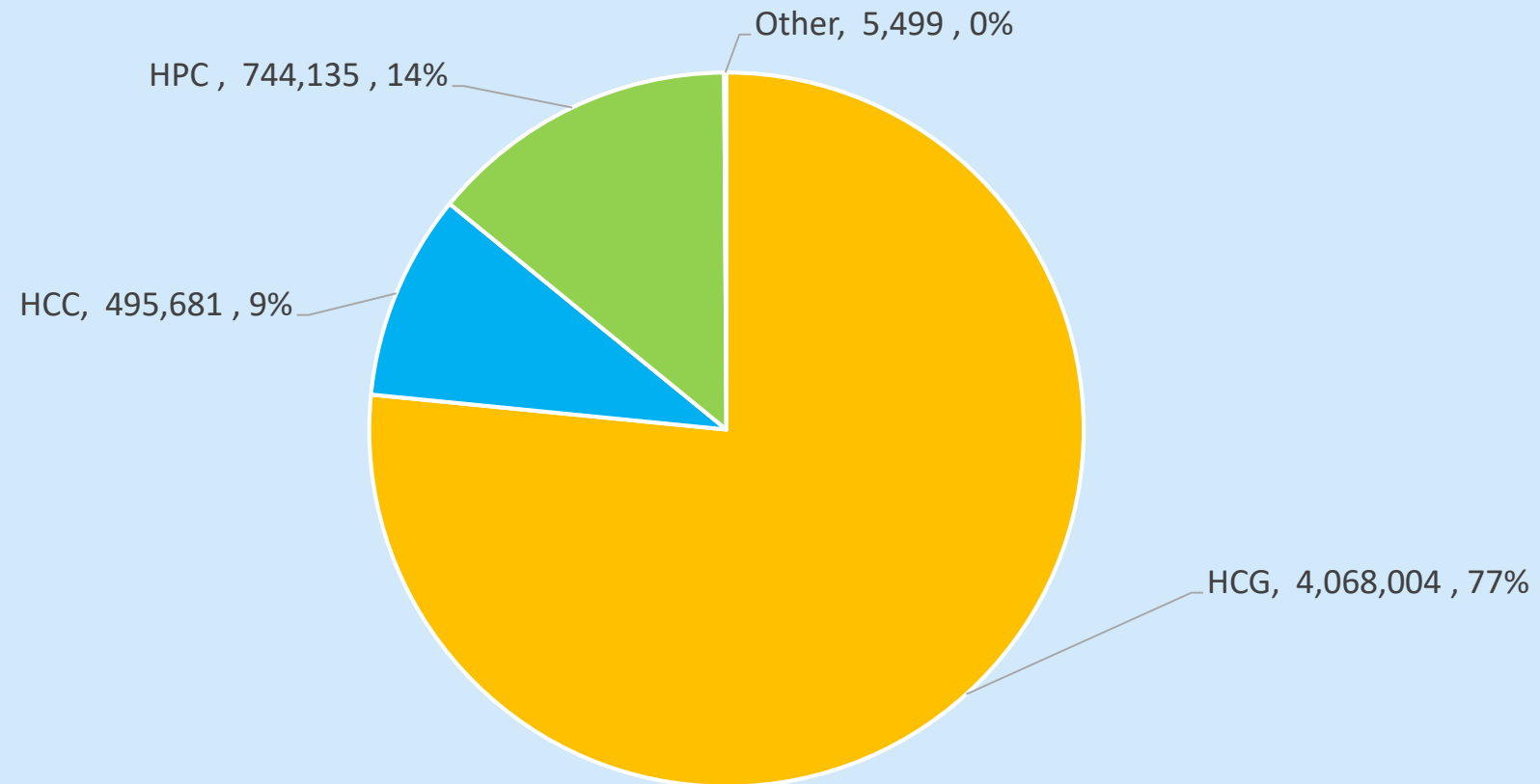
Consolidated comprehensive income statements of past five years

(In Thousands of New Taiwan Dollars)



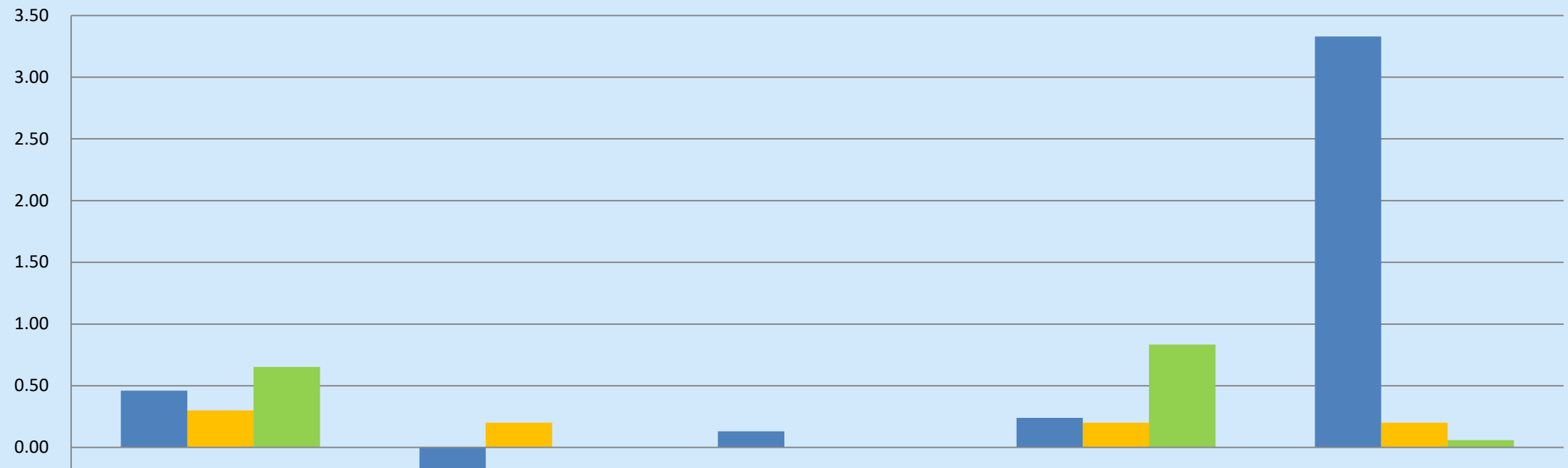
YT4Q21 Sales Revenue

(UNITS:In Thousands of New Taiwan Dollars)



EPS and Dividends by 106-110

(New Taiwan Dollars)



-0.50

	2017 years	2018 years	2019 years	2020 years	2021 years
■ EPS	0.46	-0.18	0.13	0.24	3.33
■ Cash Dividends	0.30	0.20	0.00	0.20	0.20
■ Payout Ratio	65.22%	0.00%	0.00%	83.33%	6.01%

Consolidated Balance Sheet for The Third Quarter, 2022

(NT\$Thousand)	YT3Q22	YT4Q21	Difference
Current assets	4,859,840	5,550,655	-12.45%
Noncurrent assets	5,523,609	5,920,221	-6.70%
Total Assets	10,383,449	11,470,876	-9.48%
Current liabilities	3,066,607	3,107,407	-1.31%
Noncurrent liabilities	940,717	1,004,174	-6.32%
Total Liabilities	4,007,324	4,111,581	-2.54%
Share capitals	3,032,800	3,698,536	-18.00%
Capital surplus	15,223	13,478	12.95%
Retained earnings	2,968,843	2,881,696	3.02%
Other equity	315,616	677,933	-53.44%
Treasury shares	-13,461	-16,582	18.82%
non-controlling interest	57,104	104,234	-45.22%
Total Equity	6,376,125	7,359,295	-13.36%
Basic EPS (NT\$)	0.43	3.33	-87.09%
ROA(%)	1.67	16.12	
ROE(%)	2.23	26.23	

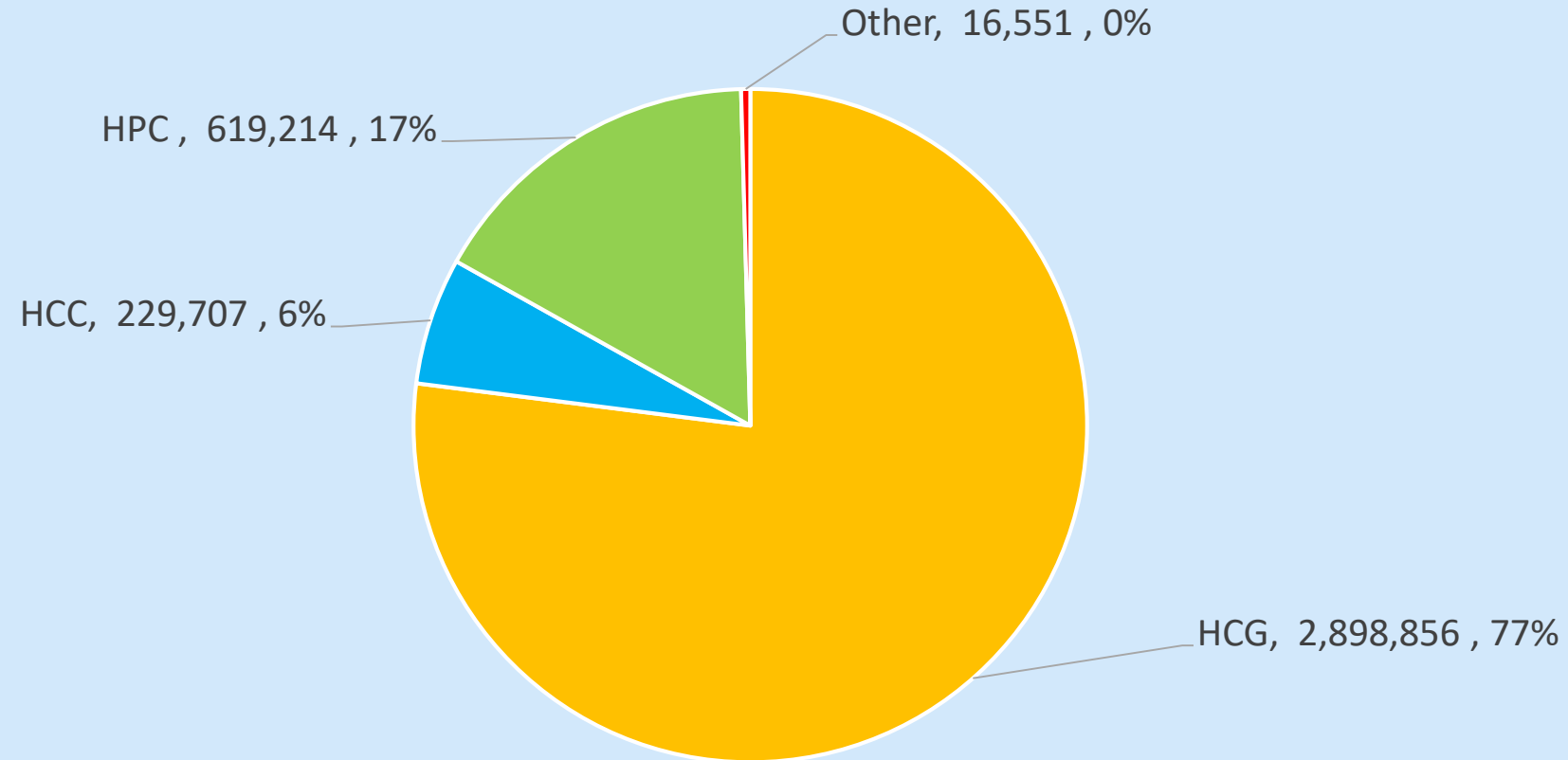
Consolidated Comprehensive Income For The Period Ended September 30,2022

(NT\$thousand)	YT3Q22	YT3Q21	YoY
Revenue	3,764,328	3,746,038	0.49%
COGS	2,785,978	2,809,630	-0.84%
Gross profit	978,350	936,408	4.48%
Gross margin	25.99%	25.00%	99bps
Operation expenses	866,118	996,932	-13.12%
OpExp/revenue	23.01%	26.61%	-360bps
Operation income	112,232	-60,524	285.43%
Operation margin	2.98%	-1.62%	460bps
Non-operating income	127,720	1,902,098	-93.29%
Pretax income	239,952	1,841,574	-86.97%
Pretax margin	6.37%	49.16%	-4279bps
Income taxes	86,924	206,055	-57.82%
Provision for taxes	2.31%	5.50%	-319bps
Net income attributable to paren	152,929	1,114,251	-86.28%
Net margin	4.06%	29.74%	-2568bps
Basi EPS (NT\$)	0.43	3.03	-85.81%
Diluted EPS (NT\$)	0.42	2.98	-85.91%

YT3Q22 revenue totaled NT\$3,764 million, increasing by 0.49% YoY. Net income attributable to parent was NT\$152.93 million decreasing by 86.28% YoY. EPS was NT\$0.43, decreasing by 85.81% YoY.

YT3Q22 Sales Revenue

(UNITS: In Thousands of New Taiwan Dollars)



Part IV

The extension of superior value

HOCHENG CORPORATION

R e f o r m a n d I n n o v a t i o n

【CSR-MY COUNTRY MY LAND TAIWAN FOLK MUSIC】

尊敬的朋友：

您好！時值初秋氣候舒爽，遙想 閣下身心康健至為欽頌。

最近三年來，全球遭受疫情侵擾，導致社會動盪人心不安，我們面臨前所未有的挑戰，至望疫情盡速完結，讓一切生活恢復正常。

疫情期間，感謝全國醫護人員不眠不休，盡心盡力的發揮人性大愛，防疫有功，辛苦卓絕，令人由衷敬佩。和成文教基金會為感激他們的偉大奉獻，且正值和成創業逾九十年，決定在 2022 年 12 月 3 日(星期六)，日間場14:30~16:30/夜間場19:30~21:30，於國家音樂廳舉辦「吾鄉吾土台灣民謠交響詩」和成九十感謝醫護人員公益音樂會，表達我們最誠摯的感謝心意，並將此次售票所得，全數贈予醫護人員或醫護相關基金會。

素仰 閣下熱心公益，懇請響應我們初心，共襄盛舉，至兩廳院售票系統OPENTIX購買音樂會門票，並歡迎前往聆聽；勞神之處，至為感荷。

和成文教基金會

● All proceeds from selling tickets for this concert will be donated to related organizations:

1. Taiwan Medical Association
2. Taiwan Union of Nurses Association (TUNA)
3. Taiwan Association of Medical Technologists (TAMT)



MY COUNTRY MY LAND TAIWAN FOLK MUSIC

吾鄉吾土

和成九十感謝醫護人員公益音樂會

售票所得將全數贈予醫護單位或醫護相關基金會

2022
12/03 Sat

日間場 14:30-16:30
夜間場 19:30-21:30

台北愛樂管弦樂團
指揮家 | 林天吉 老師
聲樂家 | 湯慧茹 老師 王 典 老師
蔣敬真 老師 林義偉 老師

福爾摩沙節慶合唱團
合唱指導 | 蘇慶俊 老師
企畫製作 | 鄭恒隆 老師

國家音樂廳
兩廳院售票系統OPENTIX
\$5000 | 4000 | 3000 | 2000 | 1000 | 750

主辦 | 財團法人和成文教基金會 電話:(02)2508-1242 主辦 | 台北愛樂室內及管弦樂團 贊助 | HCG 和成欣業股份有限公司 HOCHENG CORPORATION



【Covid-19 Disaster Reduction in Taiwan】





【HCG sponsored the opening of Unisex toilets in the New Taipei City Government】



財團法人台灣基督教門諾
會附設花蓮縣私立黎明...

- Mennonite Christian Church in Taiwan – Hualien happyfarm newdawn.



NTHU RACING



TH06新車發表會 ————— 2022/6/26

經過一年的淬鍊，TH06 於昨日(6/26) 正式發表！
感謝本次參與21-22賽季新車發表會的各位贊助商、師長和親朋好友們，與我們一同見證車隊歷史性的新頁，
分享成車的喜悅以及過程中的點滴。

TH06 作為第一輛即將前往歐洲學生方程式比賽的電動車，對於車隊而言意義重大。
因為有各位貴賓的鼓勵，和所有隊員的奮力一搏，順利於發表會展示給大家，掀布的那一刻，我們感到熱血沸騰。
隨後的動態展演，看著TH06落地衝刺，心情更是萬分激動，
不禁讓我們期待著今年夏季，TH06馳騁在賽道，發光發熱。

最後，我們再次由衷感謝各位的蒞臨，2022年新車發表會順利落幕！



清大賽車工廠
賽季媒體報告

NTHU RACING
Media 21-22

/Rollout

特別感謝



【Commercials for 2022】

| Sales

Play this version on TV
5 seconds

GORFIN
SUPERLET AFC6699



HCG

高芬
GORFIN
系列

成家方案

為新的人生
更添高氣

義大利設計 台灣製造

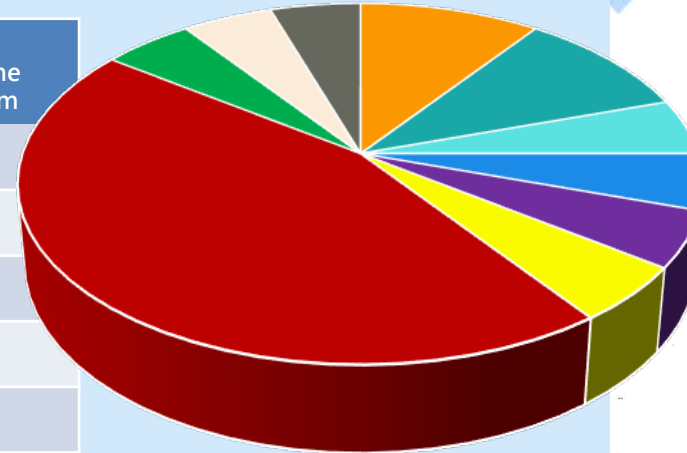
請洽 HCG 和成 全台經銷商

【HCG's system accreditations】



	The number of accreditations for the management system
ISO9001:2015	2
ISO14001:2015	2
ISO45001:2018	1
ISO50001:2018	1
ISO13485:2016	1
ISO17025:2017	1
CNS mark	9
MIT mark	1
nanoMark	1
GMP	1
Total	21

管理系統認證數量



- ISO9001: 2015
- ISO14001: 2015
- ISO45001: 2018
- ISO50001: 2018
- ISO13485: 2016
- ISO17025: 2017
- 正字標記
- MIT微笑標章
- 奈米標章
- GMP認證



【HCG's innovative patents】

I762409



(19)中華民國智慧財產局

(12)發明說明書公告本

(11)證書號數: TW I762409 B

(45)公告日: 中華民國 111 (2022) 年 04 月 21 日

(21)申請案號: 110130878

(22)申請日: 中華民國 110 (2021) 年 08 月 20 日

(51)Int. Cl.: E03D5/00 (2006.01)

G01N33/49 (2006.01)

(71)申請人: 和成欣業股份有限公司 (中華民國) HOCHENG CORPORATION (TW)

臺北市內湖區行善路 398 號 1 樓

(72)發明人: 劉賢達 LIOU, HSIEN CHIN (TW)

(74)代理人: 袁鐵生: 劉偉隆

(56)參考文獻:

CN 111343905A CN

審查人員: 姜光晉

申請專利範圍項數: 6 項 圖式數: 6 共 19 頁

(54)名稱

便器尿檢結構

(57)摘要

一種便器尿檢結構, 其包括一便器本體, 便器本體具有一尿檢模組, 尿檢模組之一端具有一光元, 發光單元與光偵測單元之間具有一容置空間, 供一電連接一處理單元, 藉以在處理單元接收到光偵測單位對以向外輸出檢測正常或異常之訊號。

I783847



(19)中華民國智慧財產局

(12)發明說明書公告本

(11)

(45)

(21)申請案號: 111100580

(22)

(51)Int. Cl.: A63B49/00 (2015.01)

A63B102/04 (2015.01)

(71)申請人: 和成欣業股份有限公司 (中華民國) HOC

臺北市內湖區行善路 398 號 1 樓

(72)發明人: 劉哲原 LIU, CHE YUAN (TW); 李長興

MING CHUAN (TW); 賴昭旭 LAI, ZH

(TW); 王淑芬 WANG, SHU FEN (TW)

家影 HSU, CHIA CHANG (TW)

(74)代理人: 袁鐵生: 劉偉隆

(56)參考文獻:

TW M616239U TW

CN 105833492A CN

審查人員: 陳健元

申請專利範圍項數: 7 項 圖式數: 2 共 10 頁

(54)名稱

匹克球拍結構

(57)摘要

一種匹克球拍結構, 其具有反向之第一面板及第二面板, 第一面板之下板面及第二面板之上板面上下表置並黏合一球拍芯; 其中之球拍芯包括一第一緩衝層、一第二緩衝層與一聚甲基丙烯酸酯板, 第一面板之下板面結合第一緩衝層, 第二面板之上板面結合第二緩衝層, 且第一緩衝層與第二緩衝層之間結合聚甲基丙烯酸酯板, 藉此, 即能產生足夠之拍打強度, 達到降躁之效果, 並減輕整體厚度以方便使用者操控。

The number of patents for the HCG

New type

290

Contrivance

94

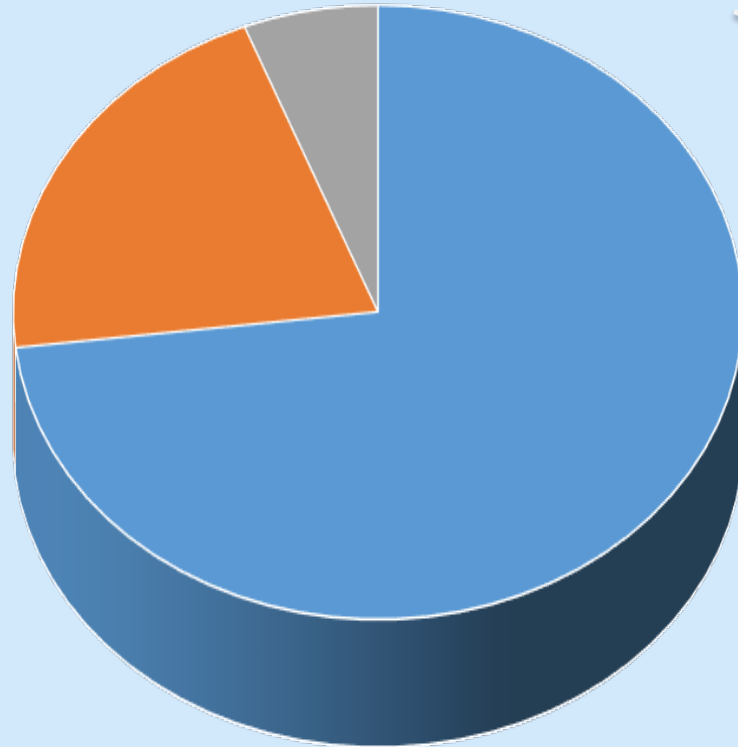
Design

218

Total

602

HCG專利數量



■ 新型專利 ■ 發明專利 ■ 設計專利

I773270



(19)中華民國智慧財產局

(12)發明說明書公告本

(11)證書號數: TW I773270 B

(45)公告日: 中華民國 111 (2022) 年 08 月 01 日

(21)申請案號: 110114763

(22)申請日: 中華民國 110 (2021) 年 04 月 23 日

(51)Int. Cl.: F04D25/08 (2006.01)

G06F1/20 (2006.01)

(71)申請人: 和成欣業股份有限公司 (中華民國) HOCHENG CORPORATION (TW)

臺北市內湖區行善路 398 號

(72)發明人: 劉哲原 LIU, CHE YUAN (TW); 李長興 LEE, CHANG HSING (TW); 劉命權 LIU,

MING CHUAN (TW); 賴昭旭 LAI, ZHAO XU (TW); 熊宥甯 HSIUNG, YOU NING

(TW); 許家影 HSU, CHIA CHANG (TW); 游本堅 YU, PEN CHIEN (TW); 王淑

芬 WANG, SHU FEN (TW)

(74)代理人: 袁鐵生: 劉偉隆

(56)參考文獻:

TW I257822

TW M617299

CN 205533416U

US 10099434B2

審查人員: 施文彬

申請專利範圍項數: 4 項 圖式數: 9 共 26 頁

(54)名稱

複合件堆疊結構

(57)摘要

本創作為一種複合件堆疊結構, 主要包括以一方形第一纖維層組切割而成一圓板形第一纖維層組, 方形第一纖維層組包括上下堆疊之第一、第二纖維層, 第一纖維層包括左右相鄰併列之第一左、右纖維布, 第一左纖維布之前側寬度大於第一右纖維布之前側寬度, 第一左、右纖維布之右、左邊緣對接以形成第一對接線; 而第二纖維層包括左右相鄰併列之第二左、右纖維布, 第二左纖維布之前側寬度小於第二右纖維布之前側寬度, 第二左、右纖維布之右、左側邊緣對接以形成第二對接線, 且第一、第二對接線相互平行且上、下錯位。

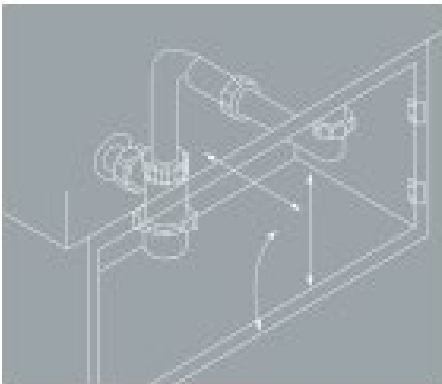
指定代表圖:

【Products of stainless steel and waterproof washbasin bath cabinet】

Bathroom Cabinet Function Wash Face X Makeup X Storage 3-in-1

防水、耐用、安全

- 採用HCG瓷盆，耐磨耗、壽命長。
- 桶身、門板底材為防水發泡板，耐用不受潮。
- 採不鏽鋼材質鉸鏈、螺絲及釣金具，懸吊安裝不生鏽，荷重150kg以上。



專利排水P管

創造更大置物空間

- P管可配合排污管位移調整安裝，方便施工。
- 改良式P管路徑更貼近浴櫃，創造更大置物空間。
- 專利字號M431188。



【Smart epidemic prevention products】



Jet Induction Hand Dryer

防疫 x 自動

抗疫 | 零接觸



Induction alcohol sterilizer

HCG CARE



Urinal automatic flusher



Face Nurse Intelligent Epidemic Prevention Machine

【"Lead-free" products】

HCG



通過國家最高品質認證「CNS8088 飲水用規範」及「LF無鉛標章」，有保障才健康。

HCG



產品品質穩定出水集中，省水又環保。



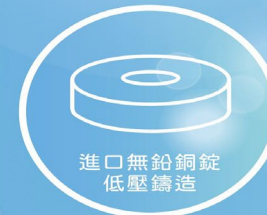
● According to research, excessive lead can easily cause symptoms such as headache, dizziness, heart palpitations, and unresponsiveness to the human body. The HCG lead-free faucet series, MIT quality, regulatory certification, and Hocheng checks allow you to use water with peace of mind.

HCG
應施認證 無鉛無掛

選擇多樣 健康無價 法規認證 和成把關



HCG



採用進口無鉛銅錠低壓鑄造，不會釋出鉛成份，雙層鎳電鍍，表面不易腐蝕，耐用性高。

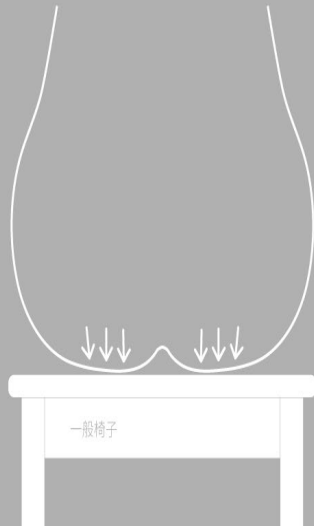
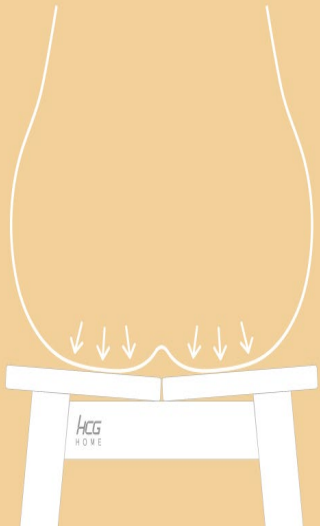
【Barrier-free equipment】



【Comfortable and environmentally friendly bath chair products】

較能分散
屁股壓力

較難分散
屁股壓力



防水 • 防潮 • 耐候

Feature of product :

- Using impact-resistant plastic to press the appearance of oak wood texture, resulting in lower moisture absorption than solid wood.
- Participate in reducing deforestation by using furniture made of wood-like plastic.
- The tilting design of the seat surface gives you a more comfortable riding experience.

- Color: White oak (imitation wood)
- Material: Impact resistant plastic HIPS

Feel the beauty of nature at home



(衛浴空間放置示意)

【Safe and explosion-proof shower cubicle products】



【Carbon fiber composite materials are used in the toe pads of safety shoes】

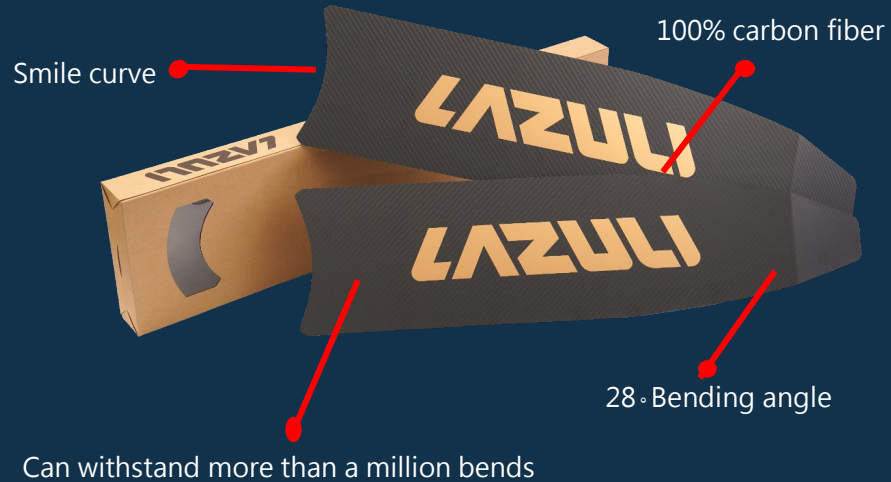
LAZULI

Promotional video filmed
in Orchid Island

- Special thickness design water guide strip
- Stable water flow



- Brand own foot cover
- Meet the Asian foot design



【Carbon fiber composite materials are used in the toe pads of safety shoes】

The diagram illustrates the weight reduction achieved by replacing a steel toe cap with a carbon fiber toe cap in safety shoes. On the left, a black leather safety shoe with a steel toe cap is shown. In the center, two images of toe caps are compared: a steel toe cap (114g/隻) and a carbon fiber toe cap (48g/隻). On the right, a brown and black safety shoe with a carbon fiber toe cap is shown. A 3D model of the carbon fiber toe cap is also displayed. A yellow starburst highlights the accreditation of CNS20345. A small inset image in the bottom left corner shows a building at night.

Steel toe cap

Carbon fiber toe cap(3D modeling)

Carbon fiber toe cap

114g/隻

48g/隻

114g/ piece

48g / piece

Effective weight loss of 57.9%.

Accreditation of CNS20345 has been completed.

This product has been on sale in September 2022.

【Precision ceramic materials are used in zirconia porcelain blocks】

The product development of the gradient new color is completed.

The product development of more than 10 gradient new colors has been completed in 2022.

Development of new products.

Review of product accreditation.

Accreditation of TFDA in Taiwan

It will be inspected by the Ministry of Health and Welfare in the second quarter of 2023. It can be registered for official listing and sale.

The U.S. market

It has cooperated with local dentists in the United States to actively expand the potential market of dental clinics and dental laboratories, and has shipped a small number of products in 2022, and will strengthen its sales promotion strategy to enhance shipment momentum in 2023.

International marketing channels.

氧化鋯瓷牙塊



【HCG cupboard-Five characteristics of kitchenware products】



【HCG system cabinet】



04



Blue Angel
Certification

-HCG system cabinet

01



Taiwan Environmental
Label

02



Green Building Materials
Mark

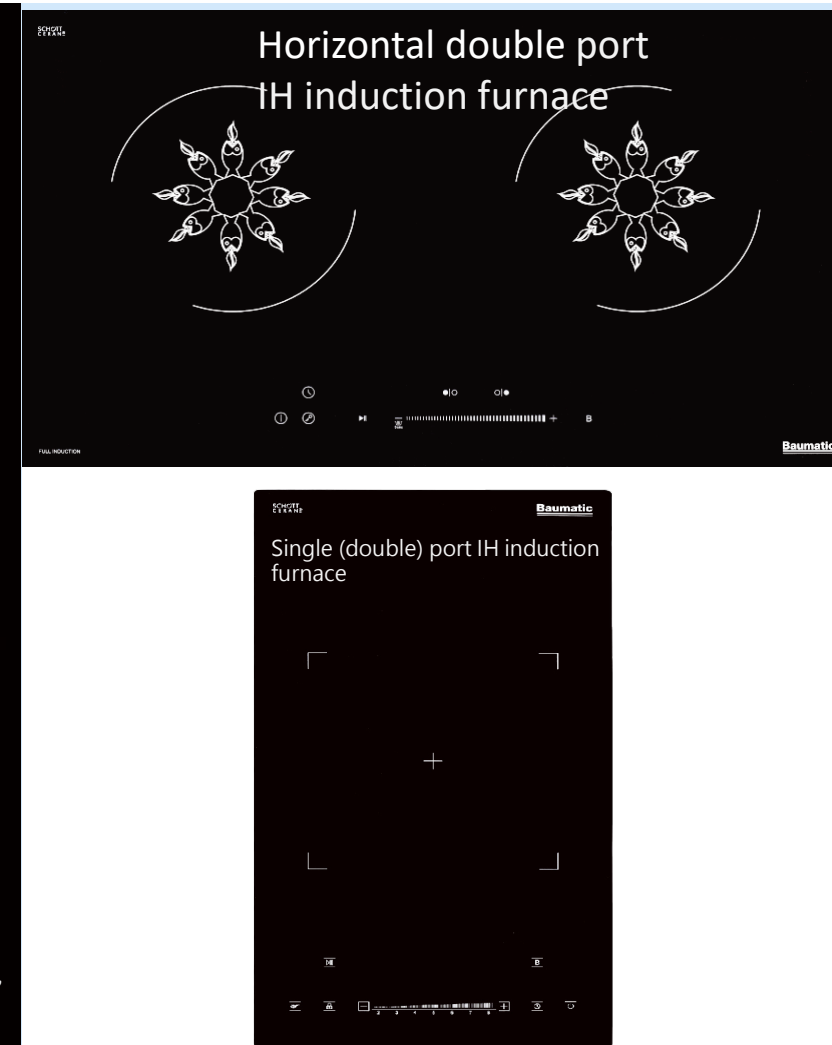
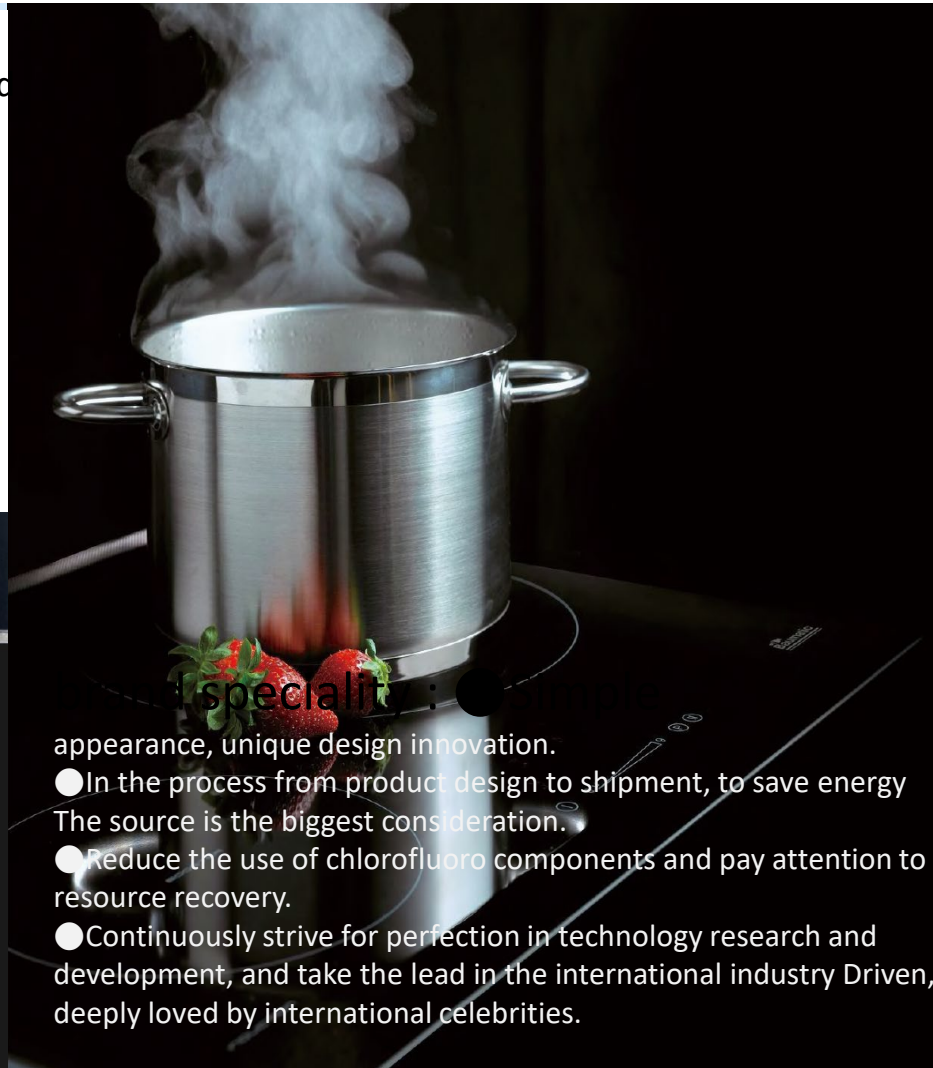
03



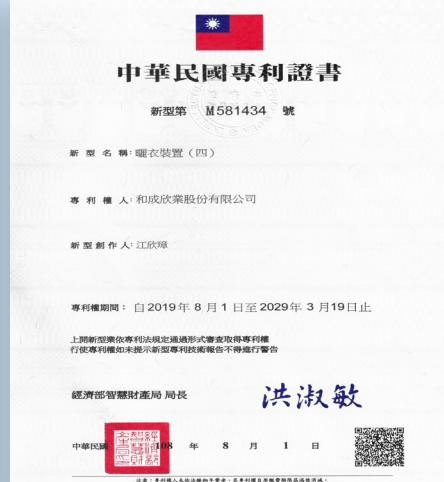
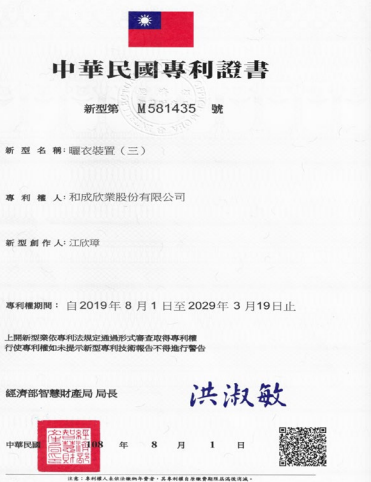
Golden Deer E0 Health
Board

HCG
KITCHEN & CABINET

【British Baumatic home appliance brand】



【 Electric clothes dryer 】



Feature of product

- One-button remote control electric lift.
- Telescopic clothes rail for drying freely.
- 45 strict quality inspections.
- Multiple intelligent protection devices.
- Rebound protection device in case of resistance.
- High-efficiency ultraviolet germicidal lamp.
- Smart hot and cold cycle drying clothes.



【The manufacturing process of porcelain: the application technology of automatic embryo extraction.】



Manual embryo retrieval
is carried out.

Use a three-axis robotic
arm to perform semi-
automatic embryo
removal operations. →



Multi-axis robotic arm is used to carry
out automatic embryo retrieval work.

【 Process of copperware-CNC 4-axis processing machine 】



Analysis of benefits	Traditional processing machine	CNC 4-axis processing machine
Efficiency of processing	The processing cycle is too long	The processing cycle is greatly shortened ✓
Technology of processing	Adjust the machine manually	Editing using CAM programs ✓
quality of processing	ordinary	excellent ✓



Part V

Q & A

HOCHENG CORPORATION

R e f o r m a n d I n n o v a t i o n

1810 (TWSE)

HCG

Thanks for your attention!

R e f o r m a n d i n n o v a t i o n