



和泰集團

和潤企業

TWSE Code 6592



HOTAI FINANCE CO., LTD.

Investor Presentation

August 16th, 2023

Agenda

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ESG Performance

Appendix and Q&A



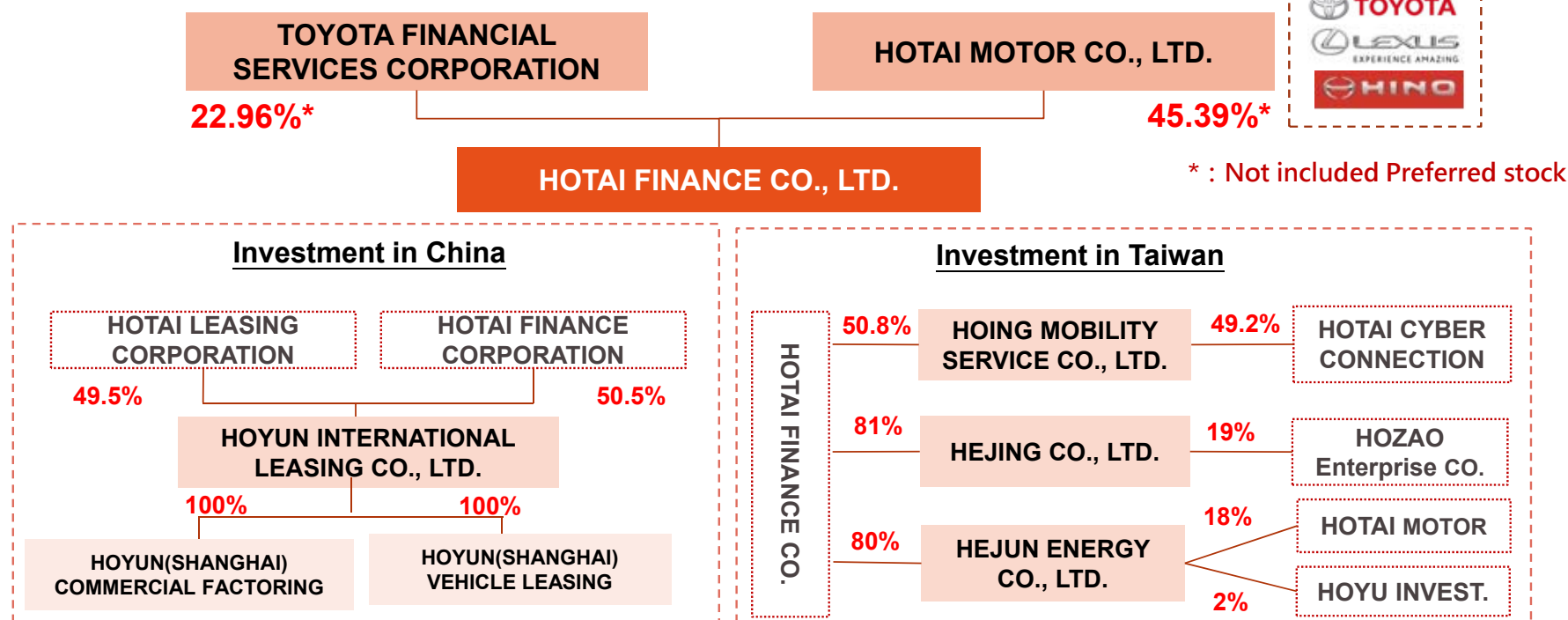
Company Overview

Company Overview



和潤企業

- Established on May 25th, 1999
- Listing date on December 9th, 2019
- Paid-in capital: NT\$ 6.165 billion
- Chairman: Mr. Yuan-San Liu
- President: Mr. Tony Y.L. Lin
- 2,909 employees including subsidiaries as of June, 2023
- Group investment structure as of July, 2023:



Company Overview



和潤企業

Taiwan

HFC

- New car/ Used car installment
- Motorcycle & scooter installment
- Medical / Construction equipment
- Machine tool (CNC) equipment



HOING MOBILITY

- Vehicle & motorcycle rental service
- Limousine service
- Parking lot

i Rent

HEJING

- Truck & bus installment
- Corporation financing



HEJUN ENERGY

- Solar energy
- Energy Storage
- Charging station



China

HOYUN INTERNATIONAL LEASING / COMMERCIAL FACTORING / VEHICLE LEASING

- Vehicle financial leasing / rental
- CNC and medical equipment leasing
- Solar energy, energy-saving, and electricity storage equipment leasing
- Commercial Factoring



HFC is to be affirmed by both domestic and international credit rating agencies

Domestic : TRC

- Long-term : twAA-
- Short-term : twA-1+
- Rating outlooks : Stable

Maintained outstanding corporate credit ratings since 2007

International : S&P Global Ratings

- Long-term : BBB
- Short-term : A-2
- Rating outlooks : Stable

First applied in 2020
Maintained the credit ratings in 2021

Strong funding ability to support the operational growth

	Credit Line	Usage Amount	Usage Rate
Funding outlook	328.6 B	236.3 B	72%

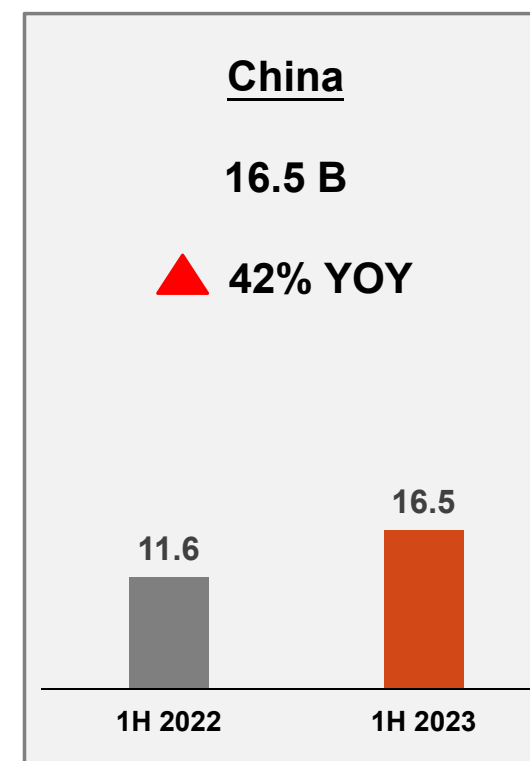
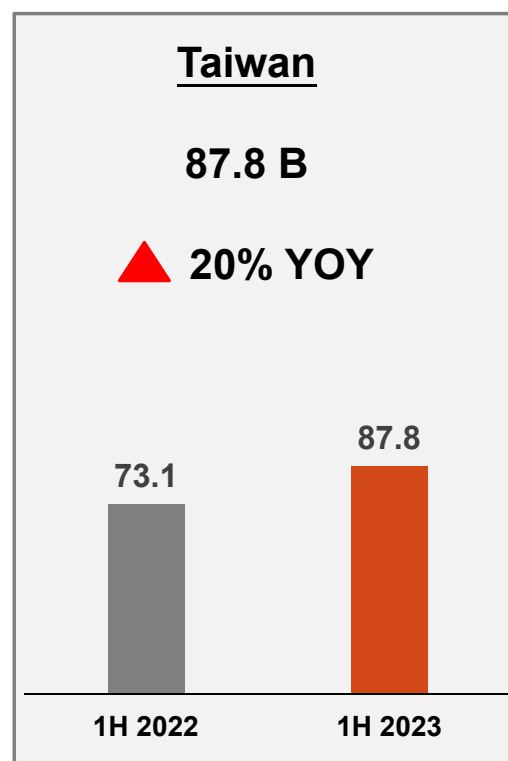
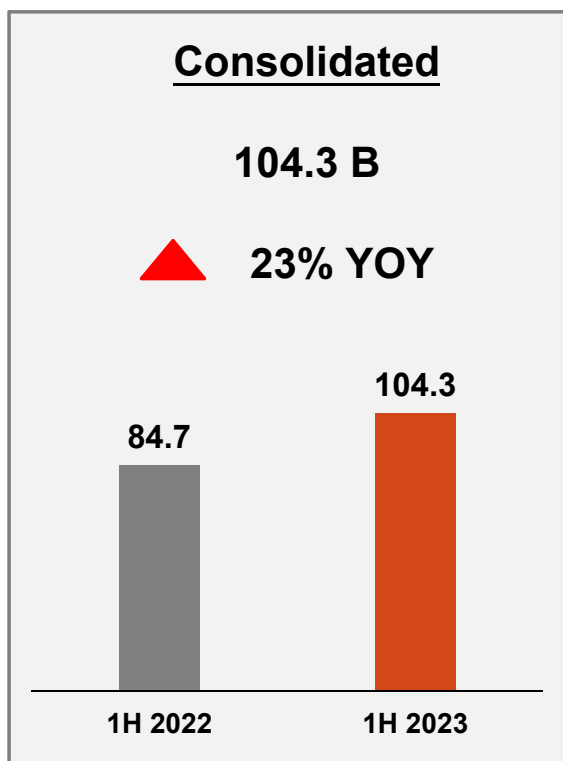


Operation Performance

Operation Performance Highlights

- Consolidated finance amount, 23% **increase**

Unit : NT billion

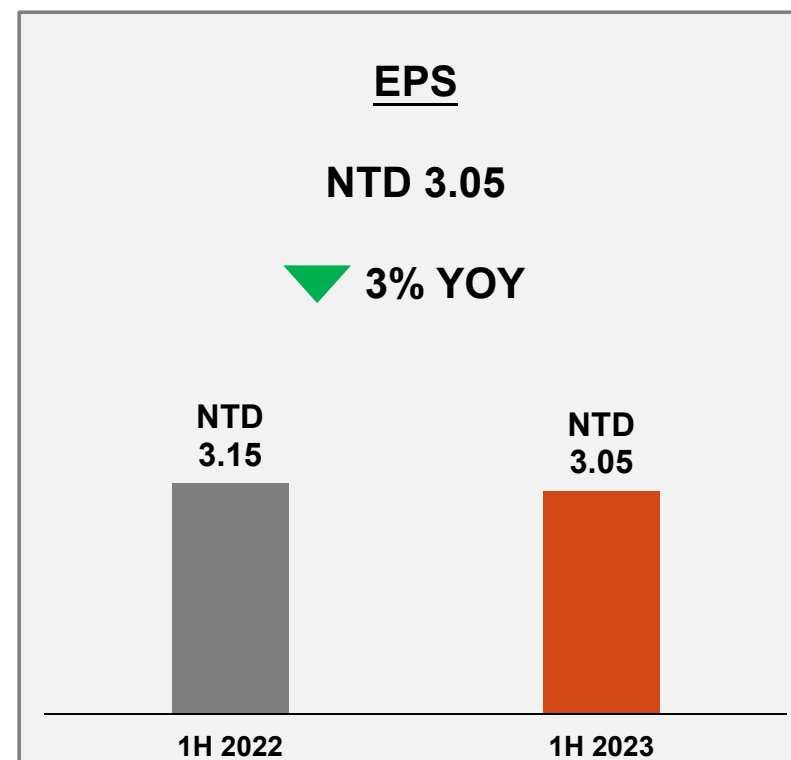
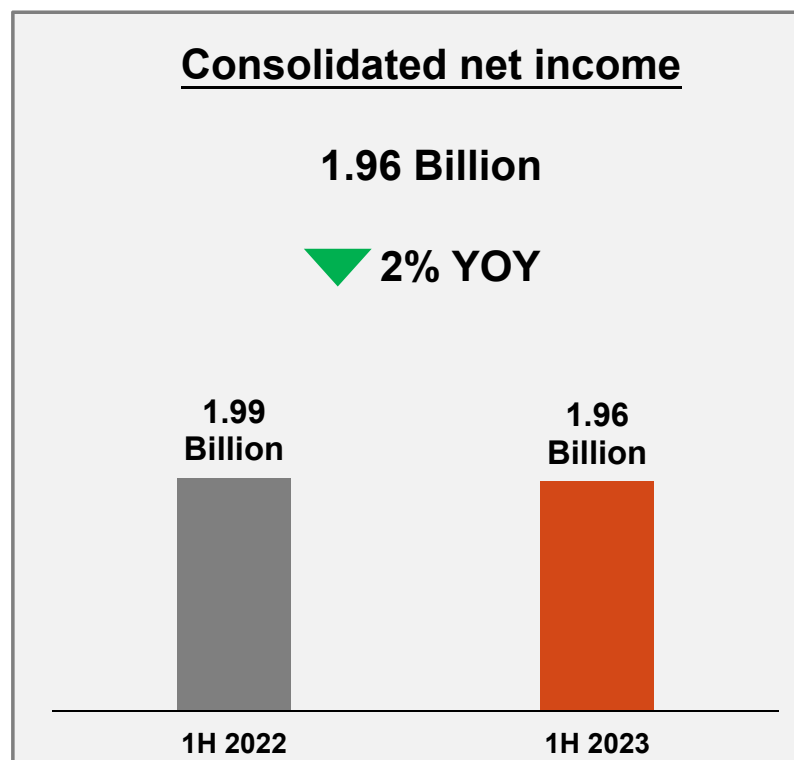


Note: The finance amount includes installment loan and lease amount from new car, used car and equipment products.

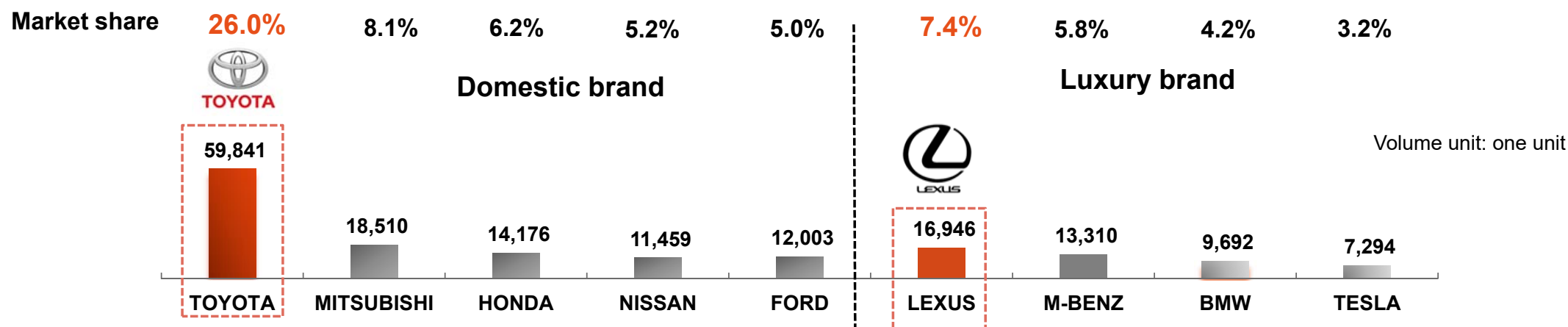
Operation Performance Highlights

● Consolidated net income and EPS

Unit : NTD



TOYOTA and LEXUS accumulated 33.4% of new car market share for 1H 2023 result



● The loan ratio of new cars has remained steady around 40% over the past few years in Taiwan

Unit: thousand

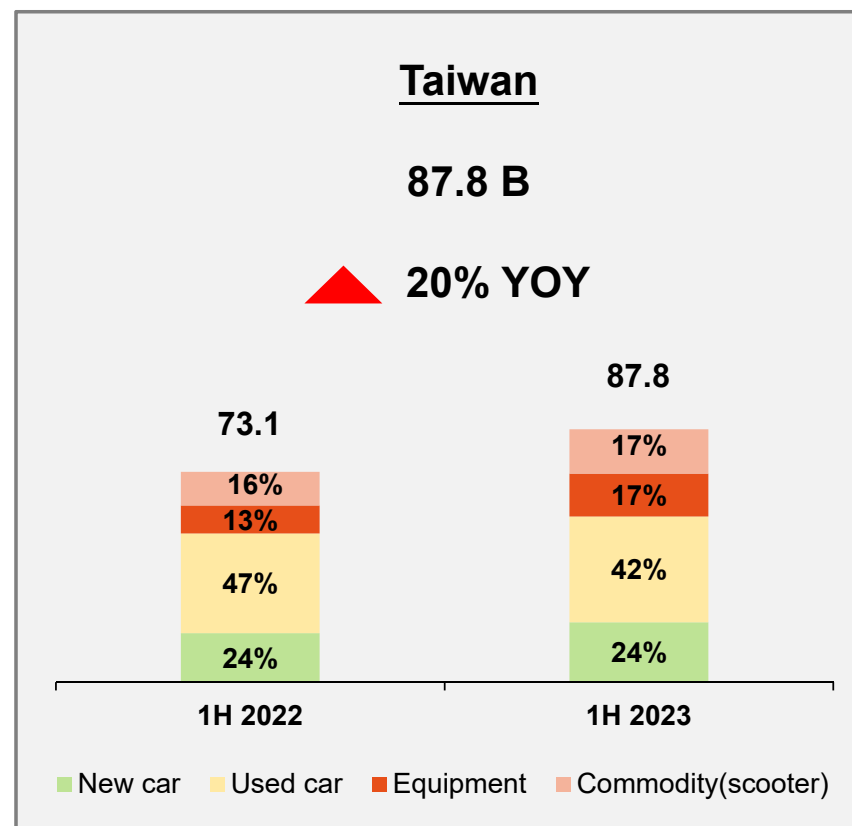
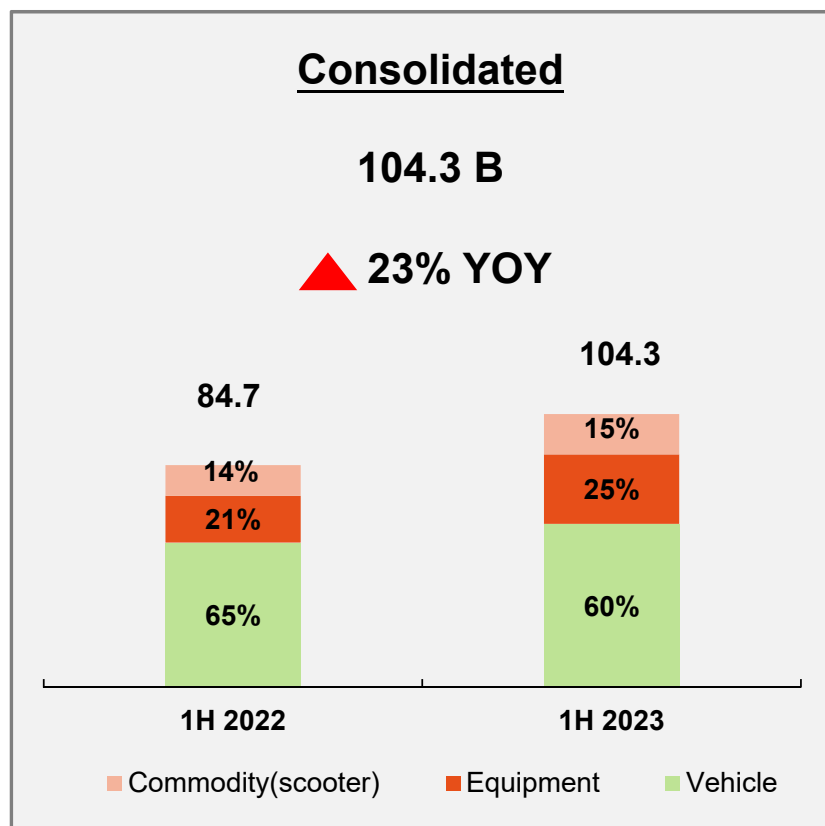
New car	2020	2021	2022	1H 2023
Sales unit	444	434	415	230
Car loan unit	186	178	171	87
Car loan ratio	42%	41%	41%	38%
T/L car loan ratio	38%	39%	39%	34%

Note: The data shown in this page excludes trucks and buses

Operation Performance Highlights

● Amount Financed

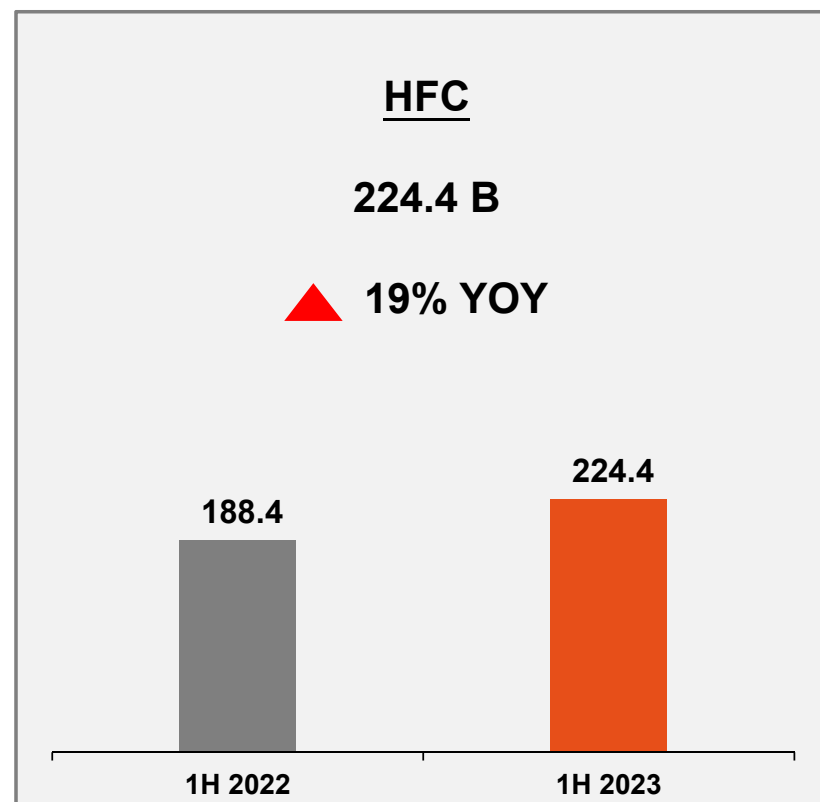
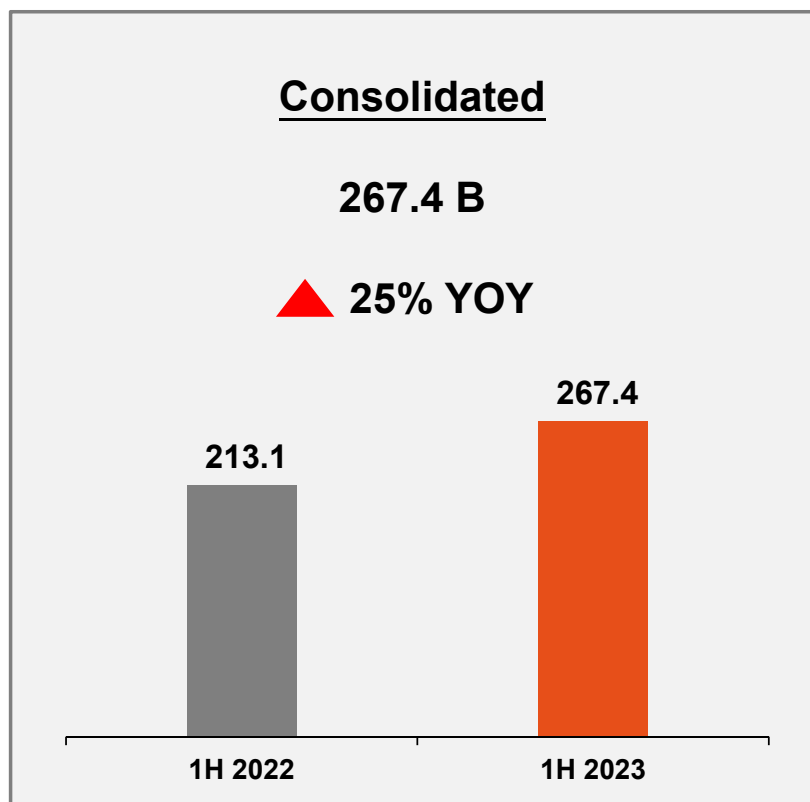
Unit : NT billion



Consolidated Financial Indicator

● Accounts Receivable

Unit : NT billion



Note: AR amounts include the new car installment and the used car refinance in collaboration with banks

Consolidated Financial Indicator

Unit : NT million

Delinquency

Note: Payment more than 31 days overdue shall be defined as delinquency based on the risk management policy

Delinquency ratio

0.83% 0.90%

Delinquency amount

1,934

2,711

1H 2022

1H 2023

Consolidated Revenue

13.49 B ▲ 27% YOY

Interest income Finance lease revenue
Operating lease revenue Sales revenue
Service revenue other revenue

10,647

13,485

6% 0% 4%

5% 0% 4%

19%

18%

12%

12%

59%

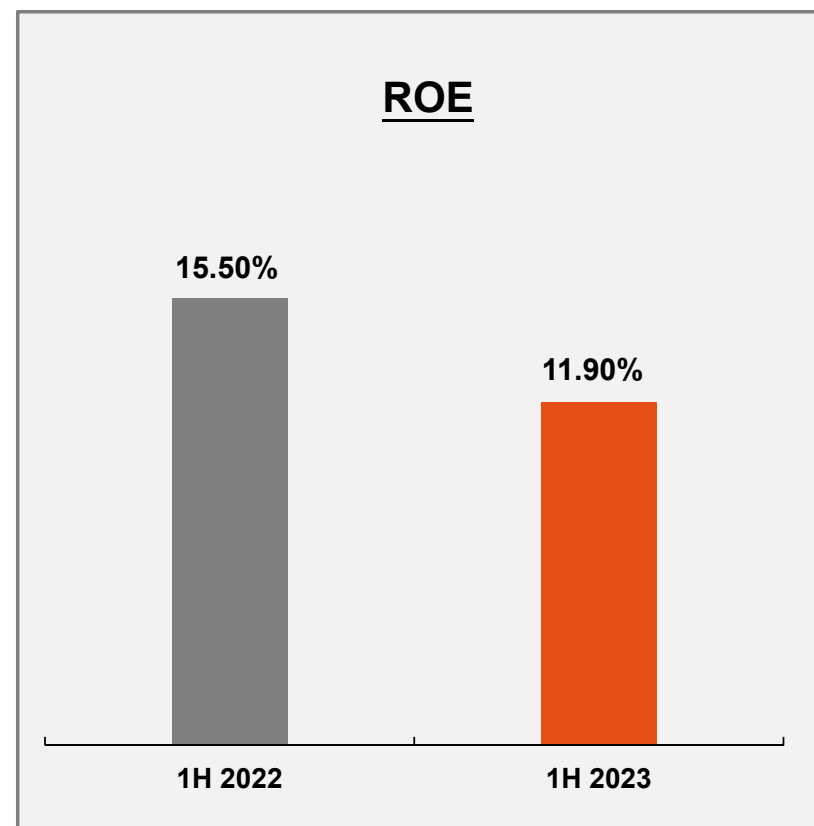
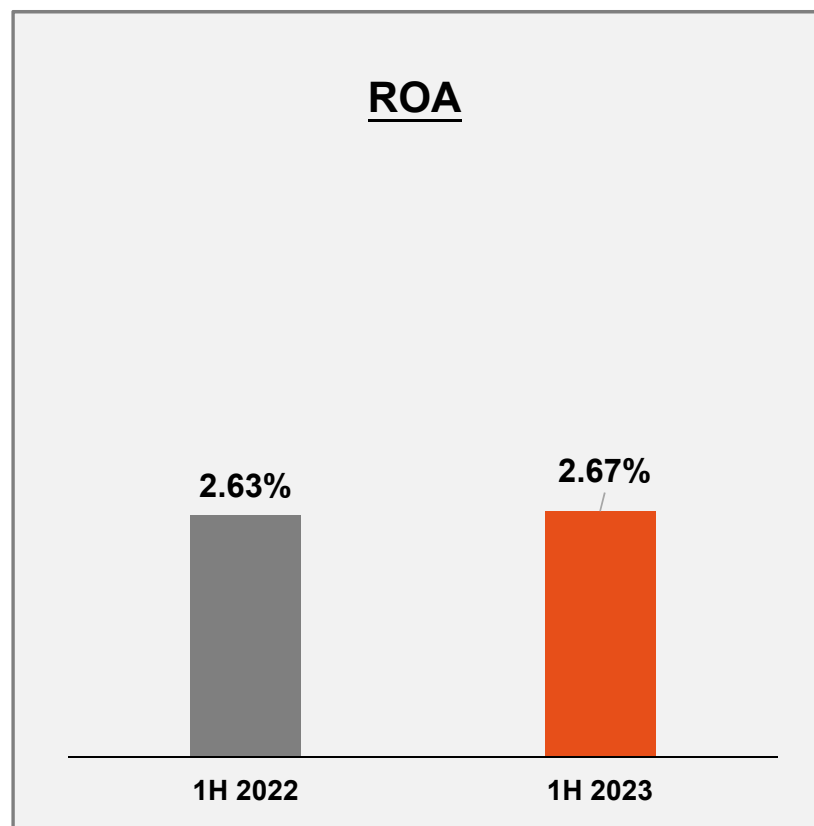
61%

1H 2022

1H 2023

Consolidated Financial Indicator

*The indicators are presented in annualized term





ESG Performance

E- Environmental

- **Adopt the Zhanghe Wetland**
- The Company cooperated with the New Taipei City Environmental Protection Bureau and adopt the Zhanghe Wetland. **60 employees joined the volunteer activities this year.**
- **Greenhouse Gas Inventory**
- Completed the company's greenhouse gas inventory and obtained ISO14064-1:2018 certification.
- It was completed **five years ahead** of the scheduled government policy.



Employees protect the wetland



SGS ISO14064-1:2018 certification

S- Social

• Motorcycle Safety Promotion

- Encourage the public to participate in motorcycle driving training and establish a correct concept of driving.
- This is the second year that we have been cooperating with the Directorate General of Highways to promote it throughout the entire Taiwan.
- **3 promotional activities**
 - **Motorcycle driving training subsidy**
 - **Video Contest:** Shooting a promotional video on motorcycle road safety, and the first-place winner will receive a prize of NT\$100,000
 - **No violation:** If there is no violation record for three consecutive months, people can enter the draw.

- More information:

<https://esg.hfcfinance.com.tw/zh-tw/content/172>

和潤企業公益贊助 2023機車駕訓活動

活動1 機車考照上駕訓 和潤暖心送補助

中低收入戶 全額補助, 全台共補助80萬元
一般民眾 和潤加碼補助1,300元, 全台共500名
依報名申請順序, 額滿為止。活動詳情請洽各區監理所、駕訓班。

活動2 機車道安影片徵選 高額獎金等你拿

拍攝「機車道路安全」主題推廣影片, 即有機會獲得高額獎金!
第一名10萬元、第二名6萬元、第三名4萬元、第四-六名各1萬元!
9/30稿件截止

活動3 騎車安全上路 零違規抽好禮

凡上過機車駕訓班, 並取得機車駕照者, 3個月零違規紀錄, 即可參加抽好禮。

加碼 社群分享抽大獎

公開分享指定文章至個人FB/IG 並標記 道安宣言:
#機車道安我加一
#騎車上駕訓安全不靠運
即可抽千元智能充電機!

指定社群文章網址 智能充電機

活動官網 QR Code

※ 以上活動詳情, 請至「和潤企業官網-機車道安專區」查詢。
※ 主辦單位保有最終修改、變更、活動解釋及取消本活動之權利, 若有相關異動將會公告於網站, 恕不另行通知。
活動官網: <https://esg.hfcfinance.com.tw/zh-tw/content/172>

G- Governance

- Ranked among **top 20%** of enterprises in Corporate Governance Evaluation **for 3 consecutive years**
- Selected as one of the constituent stocks of TWSE Corporate Governance 100 Index **for 3 consecutive years**
- Received the **2023 AREA Award in Investment in People**
- Received the **2023 Taiwan Sustainable Action Award (TSAA): Social Inclusion Category - Bronze Award.**
- **Received TRC for 17 consecutive years**
 - Long-term : twAA-
 - Short-term : twA-1+
 - Rating outlooks : Stable



Customer First, Profession Based

Q&A

consolidated income statement

Unit: NT thousand

Item	1H 2023		1H 2022		YOY
	Amount	%	Amount	%	
Interest income	8,193,783	60.8%	6,323,297	59.4%	29.6%
Service revenue	642,148	4.8%	620,816	5.8%	3.4%
Finance leasing revenue	1,589,003	11.8%	1,290,189	12.1%	23.2%
Operating leasing revenue	2,413,170	17.9%	2,016,583	18.9%	19.7%
Sales revenue	604,943	4.5%	391,203	3.7%	54.6%
Other revenue	41,957	0.3%	5,381	0.1%	679.7%
Operating revenue	13,485,004	100.0%	10,647,469	100.0%	26.6%
Operating gross profit	7,975,276	59.1%	7,059,062	66.3%	13.0%
Operating expenses	3,936,121	29.2%	3,969,741	37.3%	-0.8%
Expected credit losses	1,476,052	10.9%	701,411	6.6%	110.4%
Operating profit	2,563,103	19.0%	2,387,910	22.4%	7.3%
Non-operating income	104,769	0.8%	238,752	2.2%	-56.1%
Profit before income tax	2,667,872	19.8%	2,626,662	24.7%	1.6%
Profit after income tax	1,957,449	14.5%	1,987,450	18.7%	-1.5%