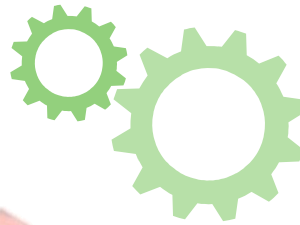


KHGEARS

KHGEARS

INTERNATIONAL LIMITED



May 2023

Present by George Chang
Chief Financial Officer



Disclaimer

This Briefing is a summary and assessment of the past, present and future operation of our company at the time of the presentation. It includes forward-looking statements that will be affected by risk, uncertainties, some of which will partially beyond our control. The actual conclusions may differ greatly from these forward-looking statements.

The information provided (including business outlook) does not express or imply that it is correct, complete and reliable; nor does it represent a complete statement of the company, the state of the industry and the subsequent major developments.

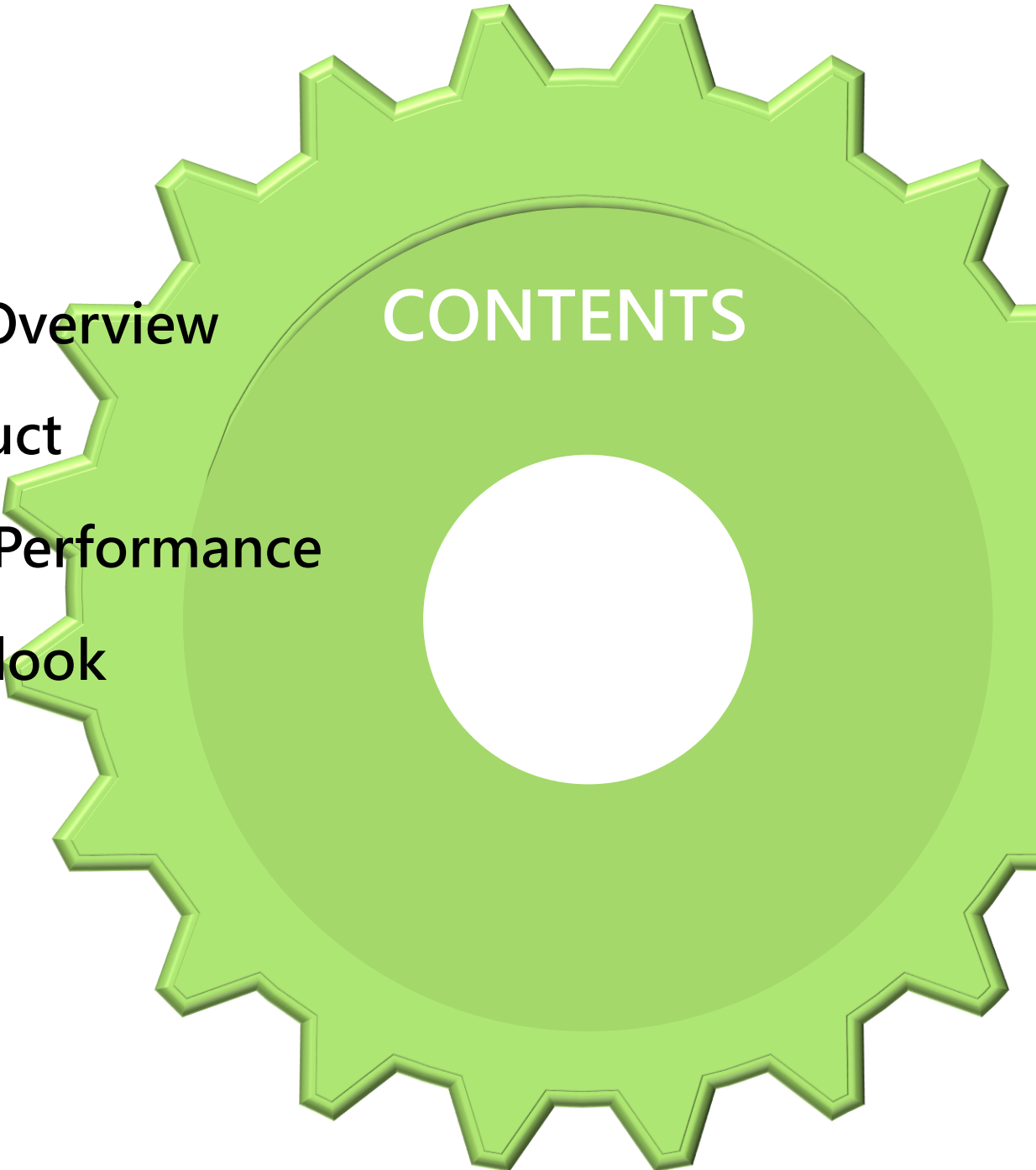
The expectation for the future in this presentation reflects our company's view so far. If there is any change or adjustment, our company may not be able to update the announcement on time to the public.

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KHGEARS

- 1. Company Overview
- 2. Main Product
- 3. Operating Performance
- 4. Future Outlook



CONTENTS

1. Company Overview

- Company Profile
- Group Structure

Company Profile

- Company Name : Khgears International Limited
- Chairman : Ko, Kwok-Hing
- Paid-in Capital : NT 533 million
- Employee : 822 (February 2023)
- Business : R&D, Manufacture and Sale of gears, gearboxes and precise components for power tools, garden tools, industrial sewing machines, and industrial robots.
- R&D Center: Taiwan(Taichung) 、 China(Zhuhai)
- Production base : China(Zhuhai) 、 Vietnam(Ba Ria-Vung Tau Province)

China Factory



Vietnam Factory



Taichung R&D Center



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Group Structure



KHGEARS INTERNATIONAL LIMITED

Date: April 30, 2014

Place : Cayman

100%

**KWOK HING(CHINA)
DEVELOPMENT LIMITED**

Date: May 25, 2001

Place : Hong Kong

100%

FORCEFIVE LIMITED

Date: April 24, 2013

Place : Samoa

100%

KHGEARS LIMITED

Date: January 22, 2020

Place : Taiwan

100%

**KHGEARS VIETNAM
CO., LTD**

Date: May 14, 2020

Place : Vietnam

100%

**Zhuhai KwunHing
Machinery&Electronic Co., Ltd**

Date: January 16, 2003

Place: China

FORCEFIVE LIMITED

TAIWAN BRANCH

Date: September 17, 2019

Place : Taiwan

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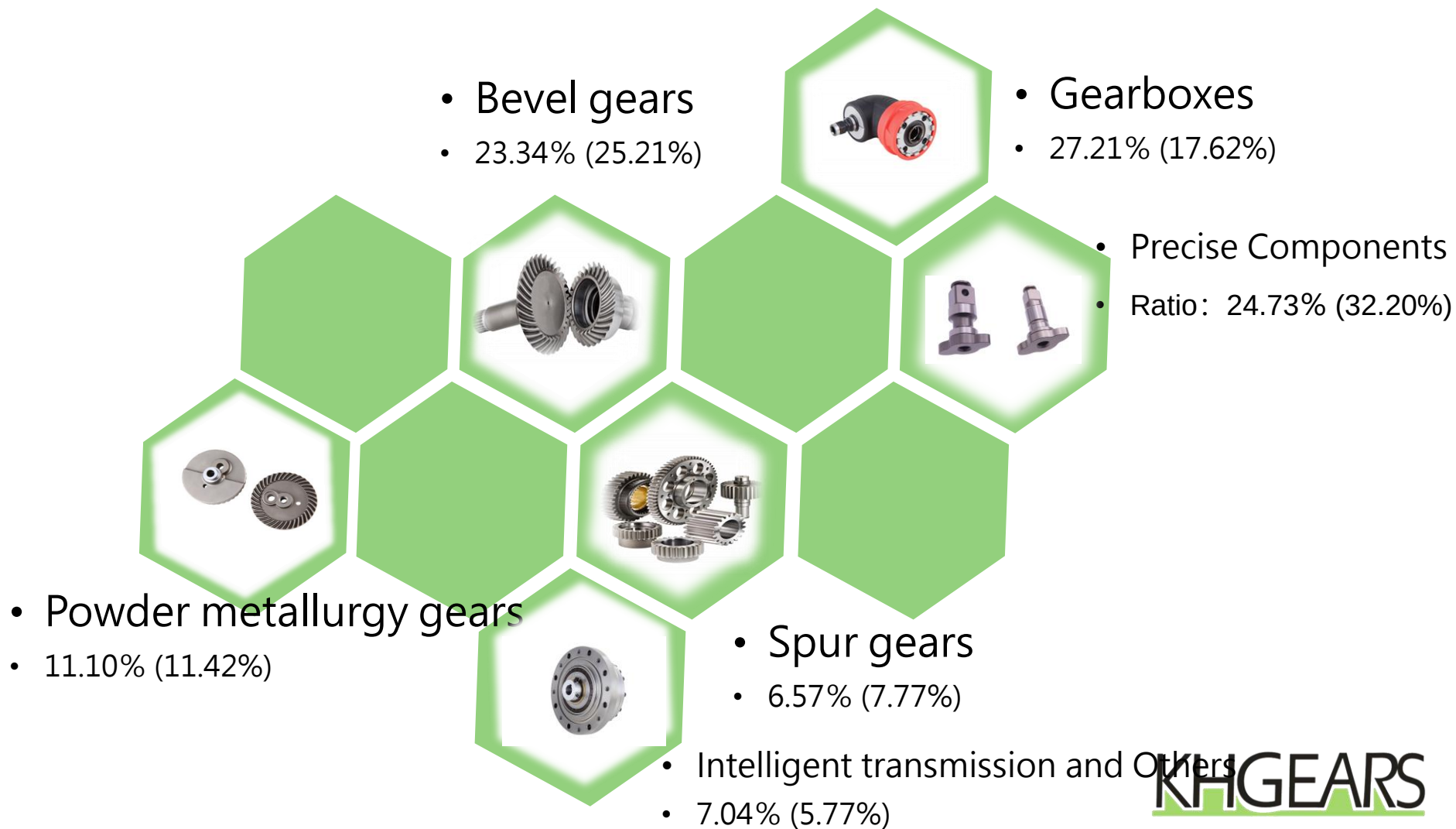
2.Main Product



- Main Product
- Product Application

Main Product

Revenue ratio in 2023Q1(2022Q1)

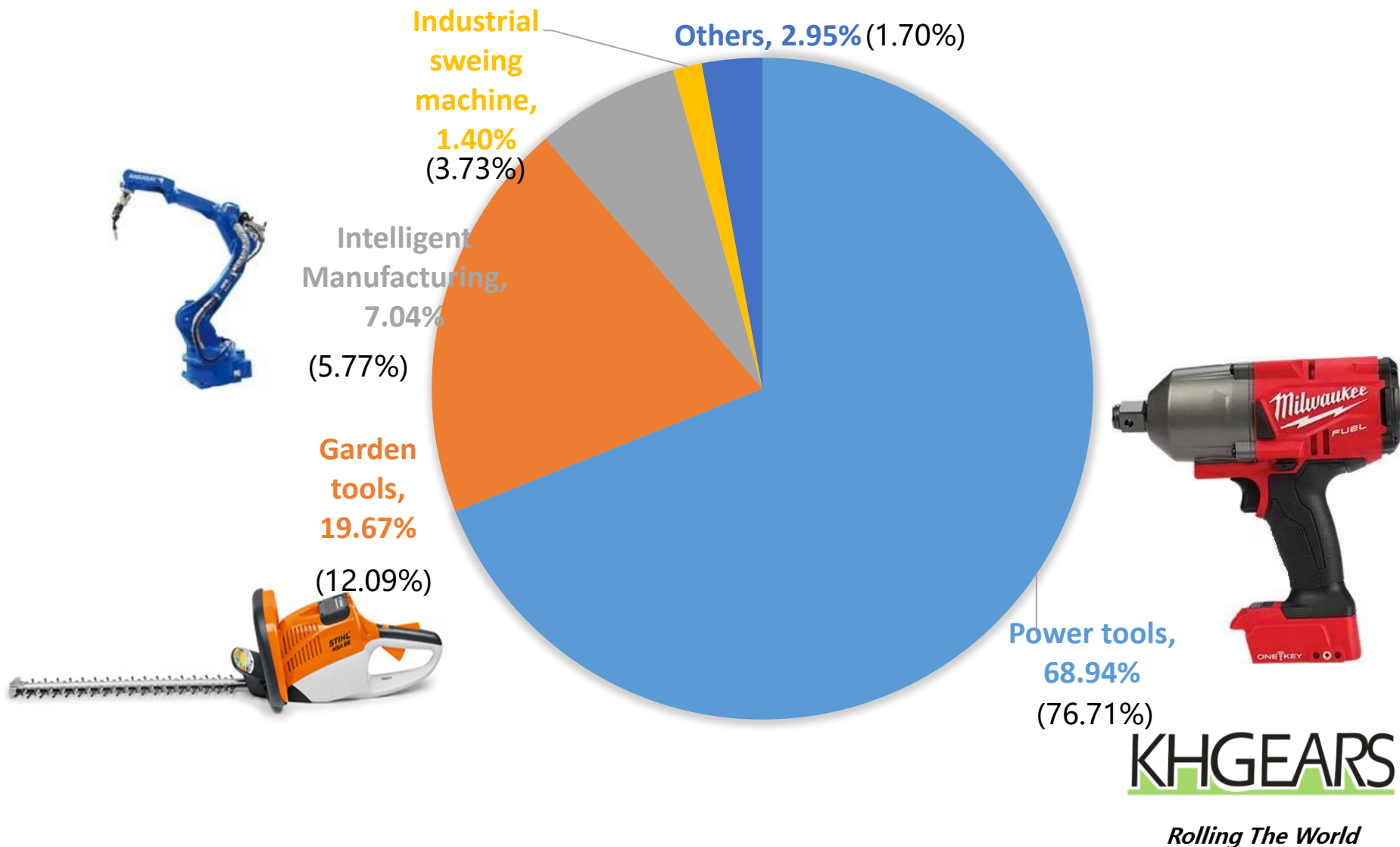


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Application of Product

Revenue ratio in 2023Q1(2022Q1)



3. Operating Performance

- Condensed income statement
- Quarterly Sales
- Profitability
- Earning & Dividend



Condensed Income Statement

Unit : NT\$ thousands

Item	2023Q1	2022Q1	YoY	2022	2021	YoY
Operating Revenue	587,127	668,427	(12.16)%	2,443,385	2,736,873	(10.72)%
Gross Profit	176,202	205,080	(14.08)%	692,716	885,360	(21.76)%
Gross Margin	30.01%	30.68%	(2.18)%	28.35%	32.35%	(12.36)%
Operating Expense	96,675	111,393	(13.21)%	432,573	451,262	(4.14)%
Operating Income	79,527	93,687	(15.11)%	260,143	434,098	(40.07)%
OI Ratio	13.55%	14.02%	(3.35)%	10.65%	15.86%	(32.87)%
Non-operating income and expense	(3,190)	5,037	(163.33)%	137,050	12,828	968.37%
Income before Tax	76,337	98,724	(22.68)%	397,193	446,926	(11.13)%
IBT ratio	13.00%	14.77%	(11.98)%	16.26%	16.33%	(0.45)%
Net Income	64,801	82,649	(21.59)%	351,039	393,691	(10.83)%
EPS(dollars)	1.23	1.57	(21.66)%	6.66	8.18	(18.58)%

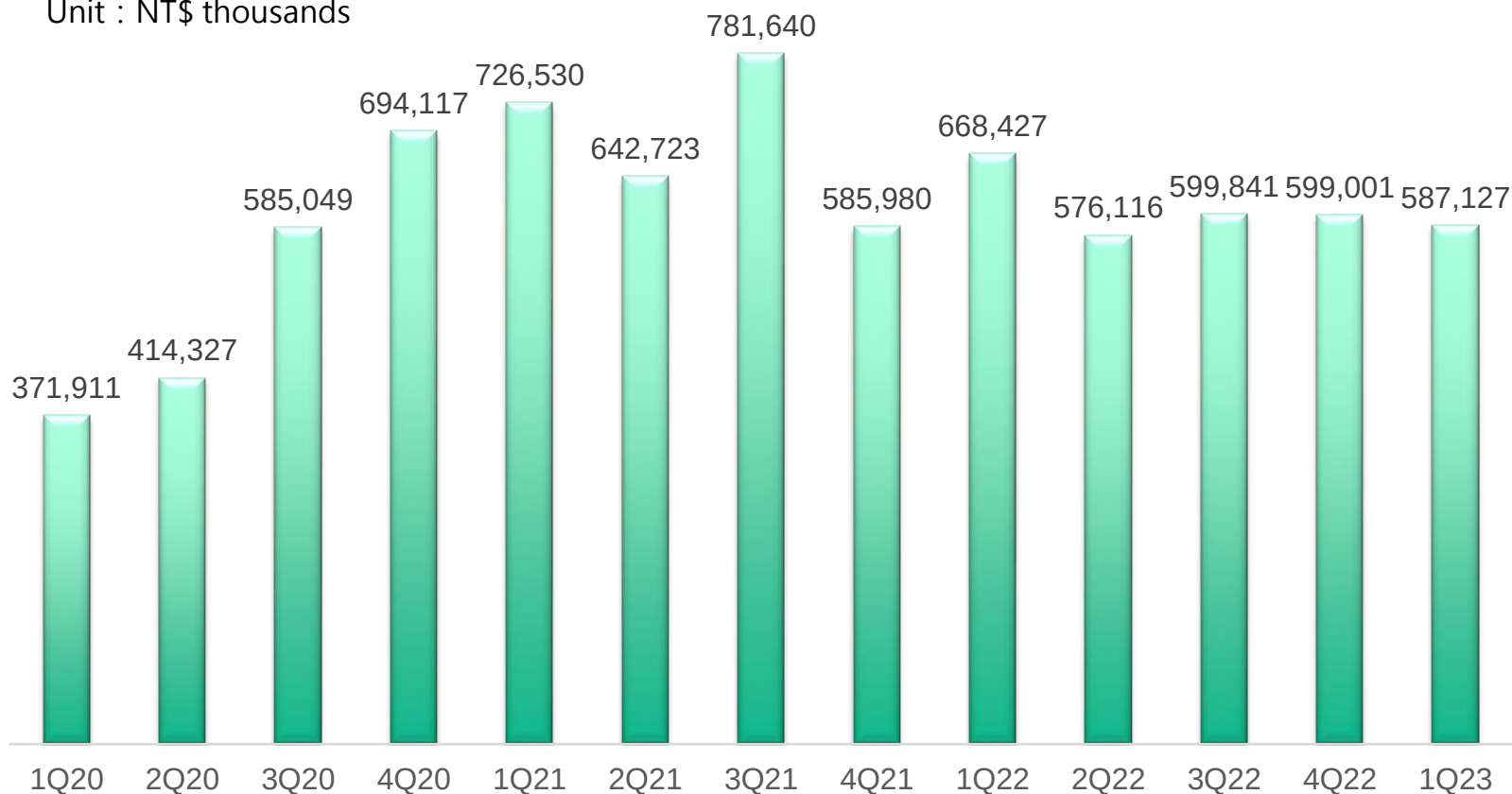
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Quarterly Sales



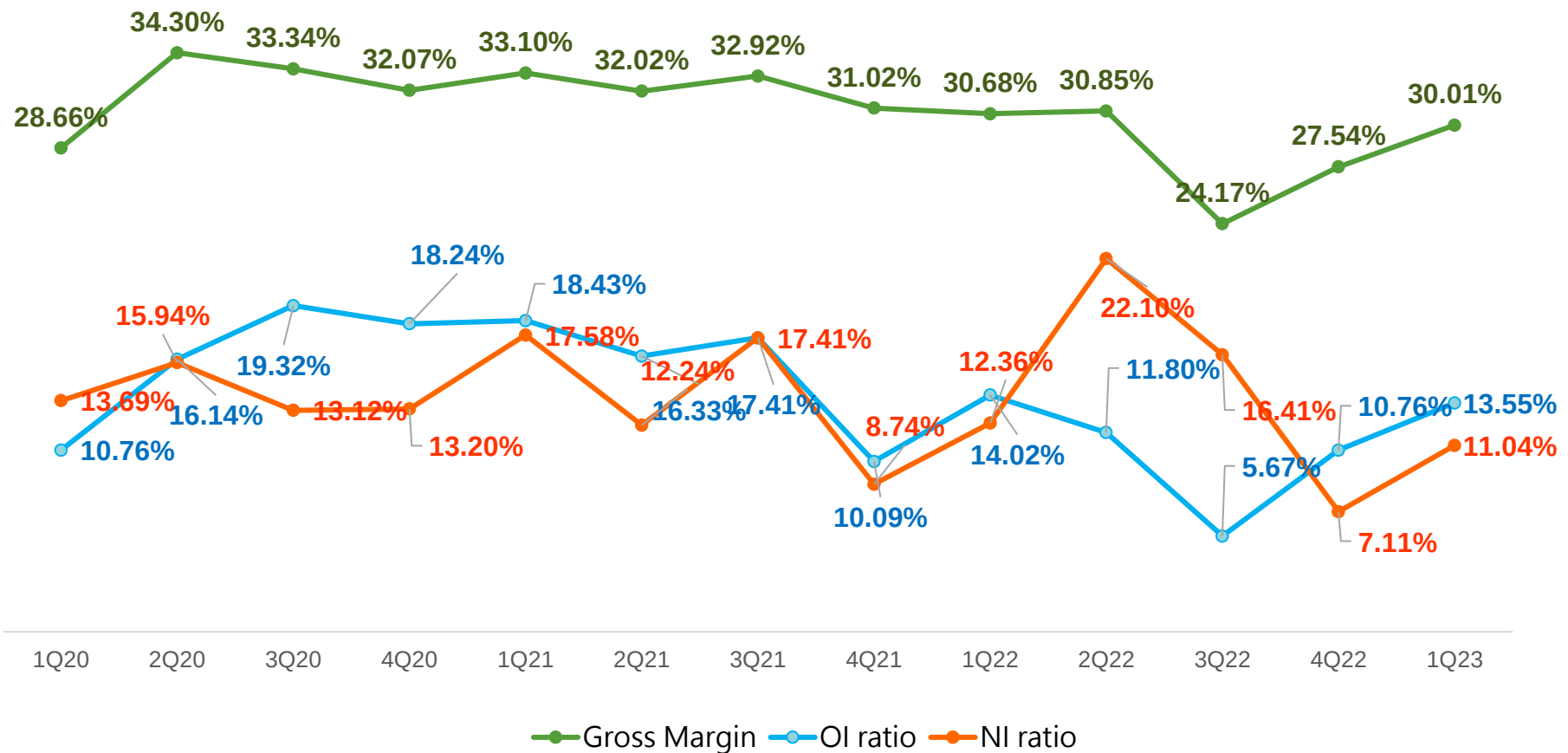
Unit : NT\$ thousands



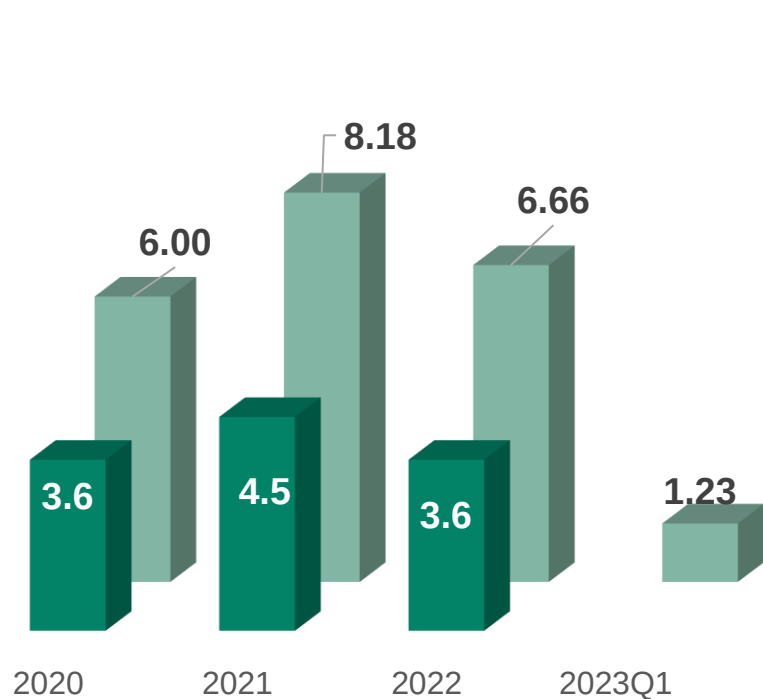
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Profitability



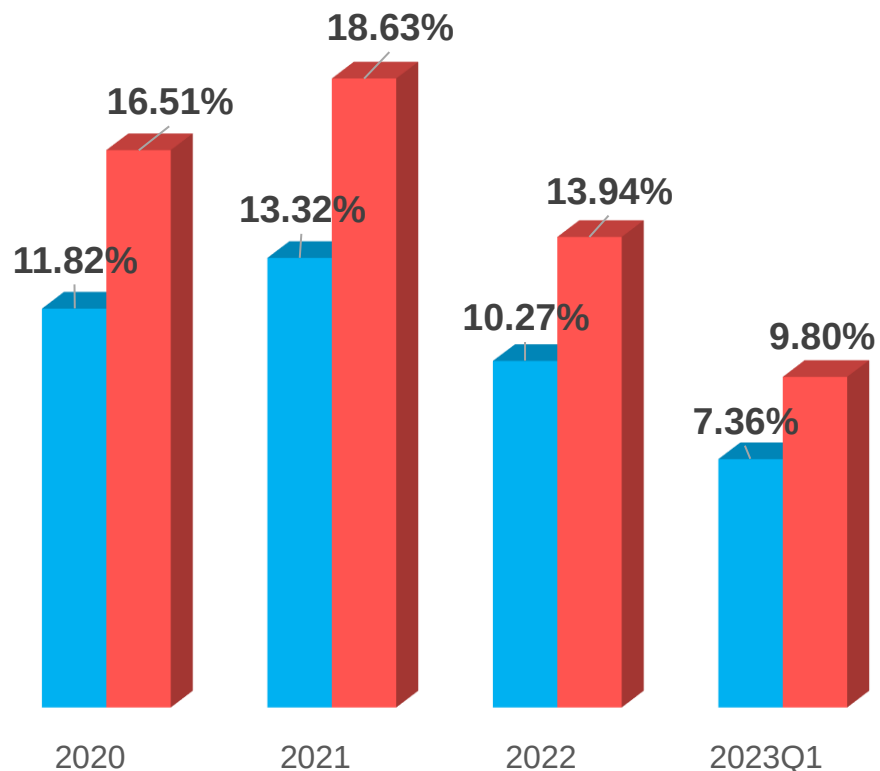
Earning and Dividend



Unit : NT\$

■ Cash Dividend

■ EPS



■ ROA ■ ROE

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4. Future Outlook



Sources of Future Growth

1.Strengthen customer sales in existing fields:

Power tools, Garden tools

2.Expand Harmonic Drive Reducer sales in new fields:

Industrial Robots, Mid Motor System for E-bike

3.Globalization

Establish second production base in Vietnam, R&D Center in Taiwan



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