

彰源企業股份有限公司

FROCH ENTERPRISE CO., LTD.



Institutional Investors Conference

Stan Shih - Spokesperson

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COMPANY PROFILE – TAIWAN PLANT

Land Size: 210,213m²

Number of Employees : 681

Located: Tou-Liu City, Yun-Lin



COMPANY PROFILE – CHINA PLANT



The image shows the exterior of a modern industrial building. The building has a grey facade with large windows. In the foreground, there is a large grey wall with white 3D signage. The signage includes a red logo on the left, which is a stylized 'F' inside a triangle. To the right of the logo, the Chinese characters '彰源不銹鋼' are displayed in large white 3D letters. Below the Chinese characters, the English words 'FROCH STAINLESS' are also displayed in large white 3D letters. The building is situated on a green lawn with a grid pattern. Two people are visible near the entrance of the building. A yellow and black barrier is positioned in front of the entrance.

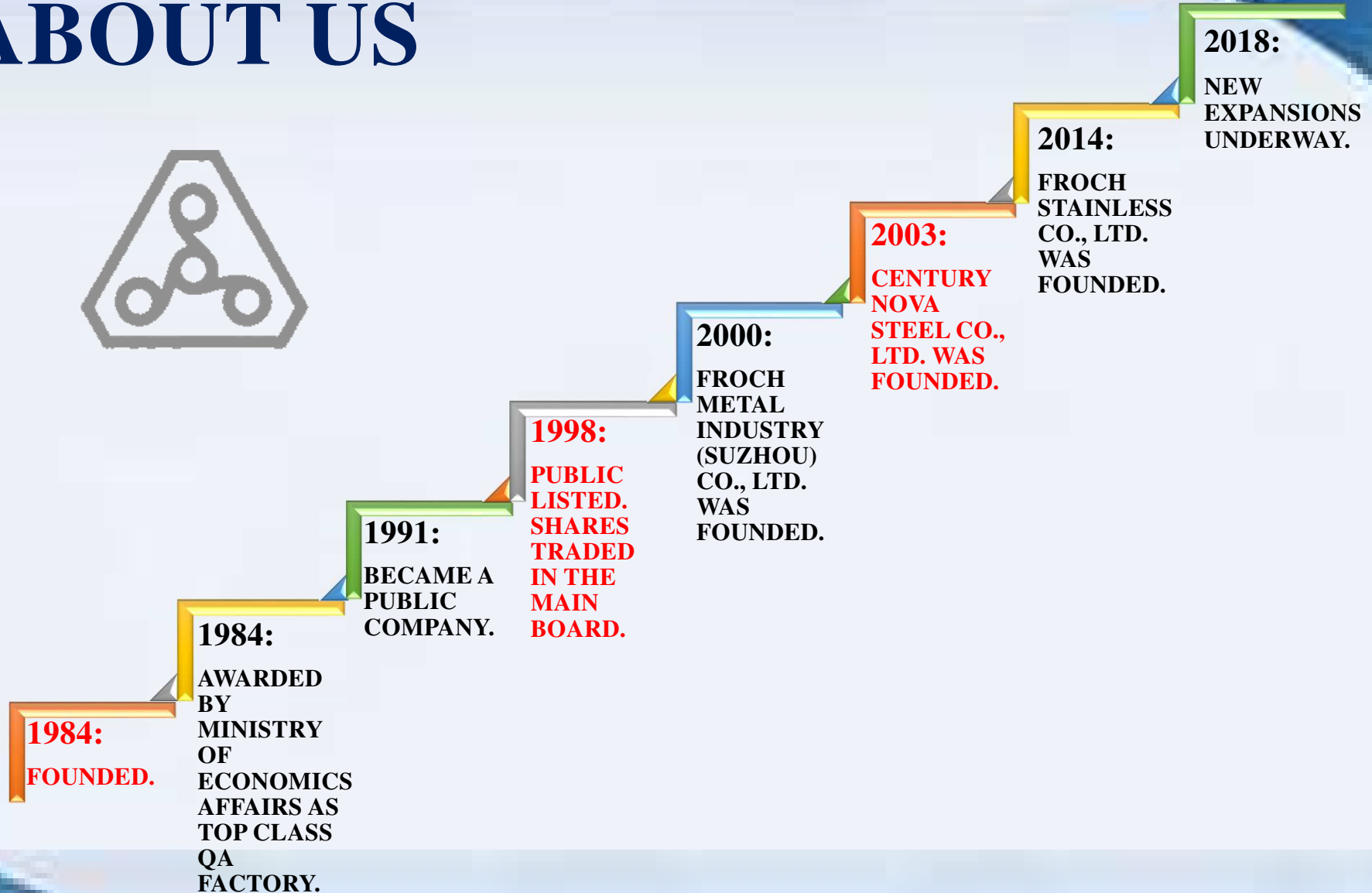
彰源不銹鋼
FROCH STAINLESS

Land Size : 250,583m²

Number of Employees : 282

Located: Wuxi, Jiangsu

COMPANY PROFILE – ABOUT US

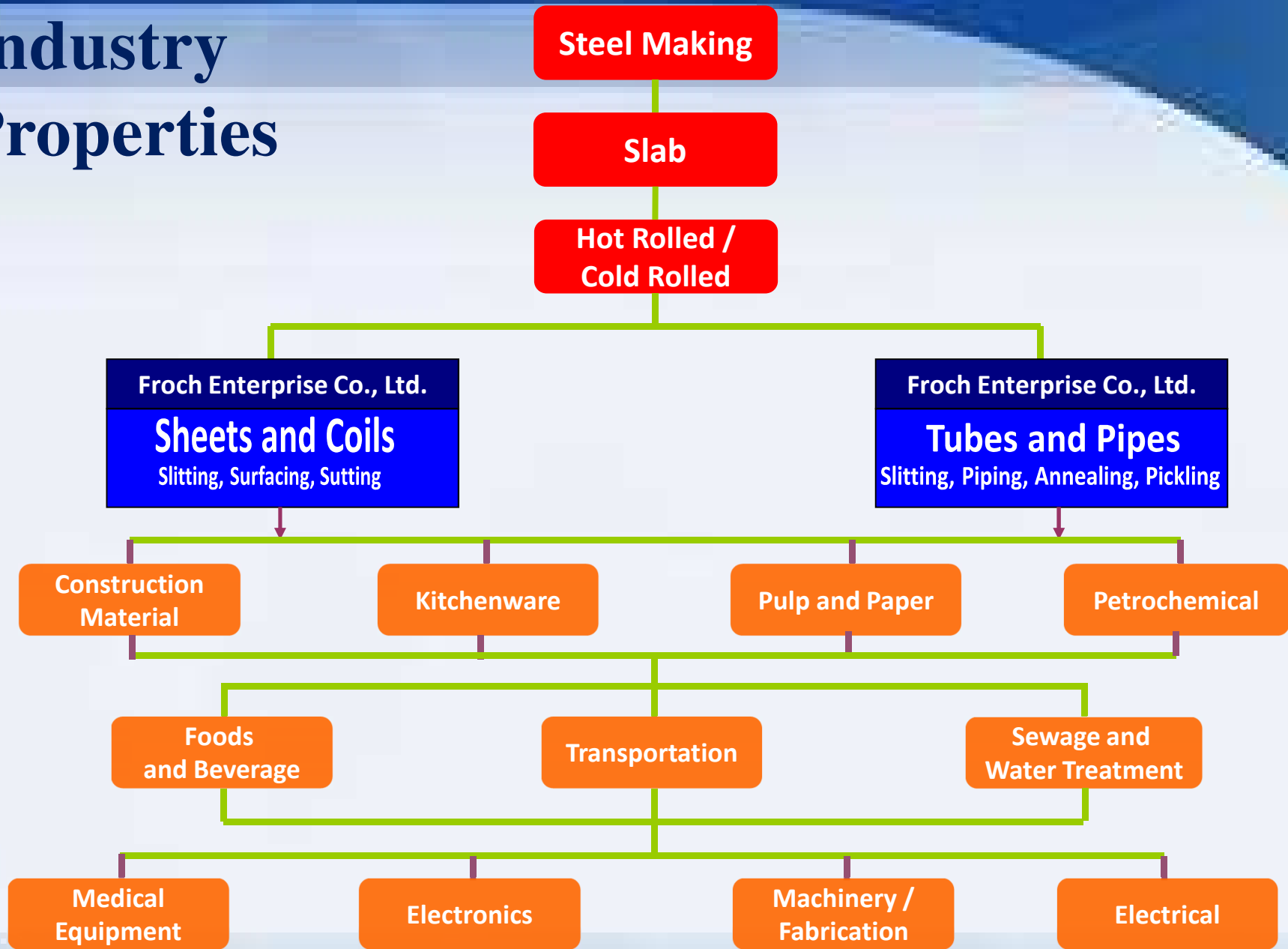


COMPANY PROFILE

Major in the Manufacturing and Selling of Stainless Steel Welded Tubes and Pipes, and Stainless Steel Sheets.



Industry Properties

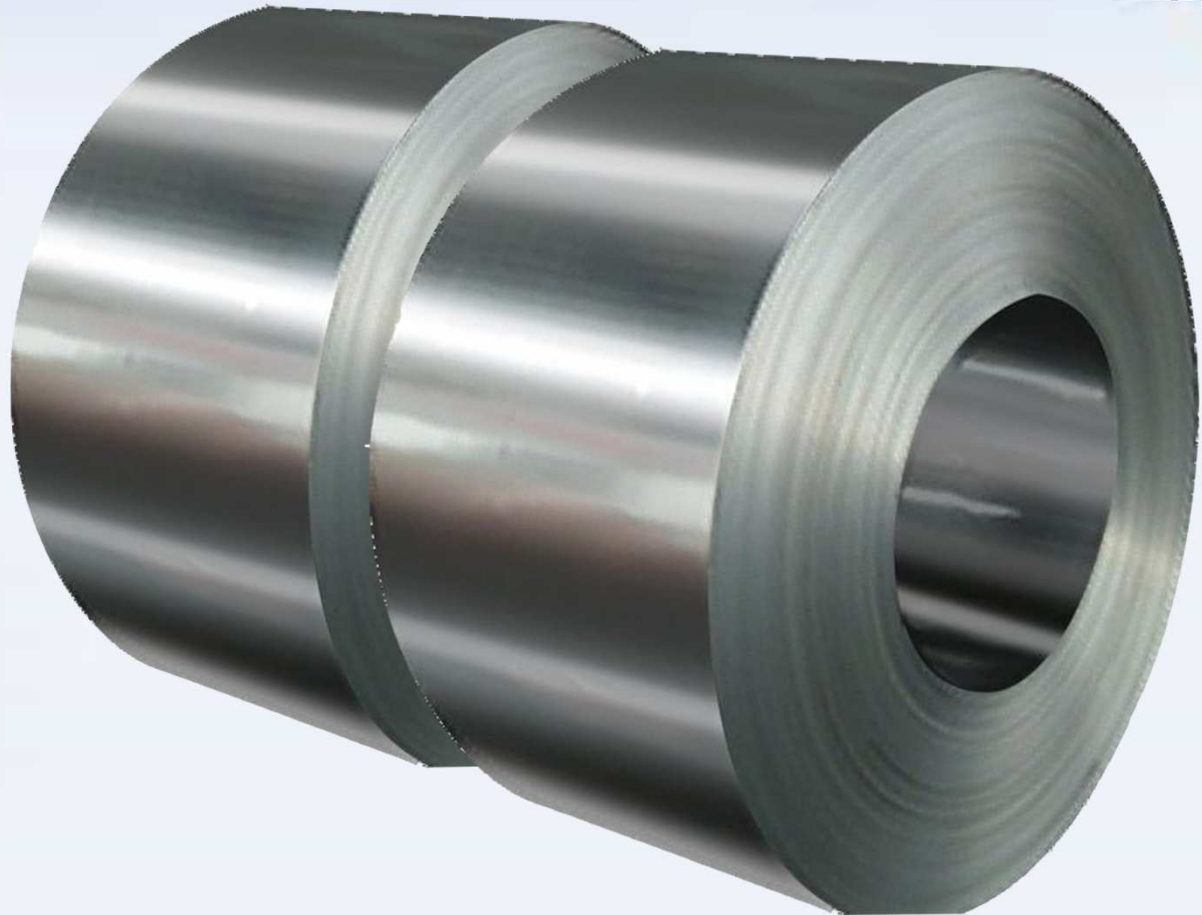


MATERIAL

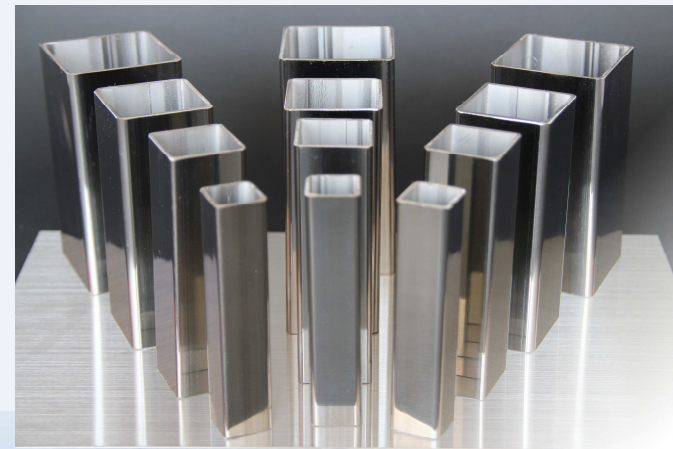
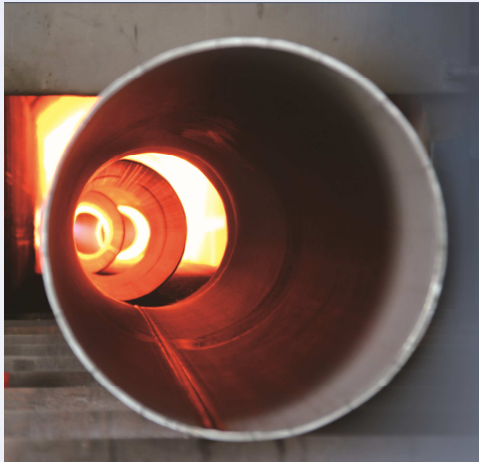
SOURCE OF MATERIAL

TAIWAN PLANT:
69% DOMESTIC
31% IMPORTED

CHINA PLANT:
100% DOMESTIC



MAJOR PRODUCTS – INDUSTRIAL PIPES, ORNAMENTAL TUBES, and SHEETS



INDUSTRIAL PIPES APPLICATIONS



Pulp and Paper



Petrochemical



Food Processing

ORNAMENTAL TUBES APPLICATIONS



Doors and Windows



Hand Railing

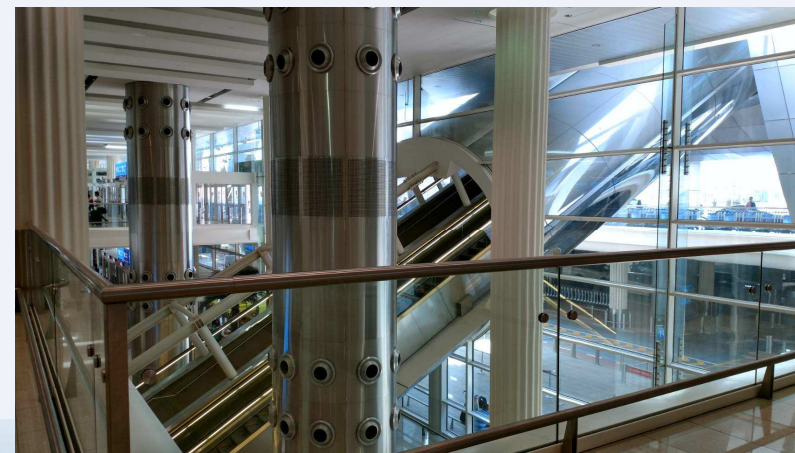
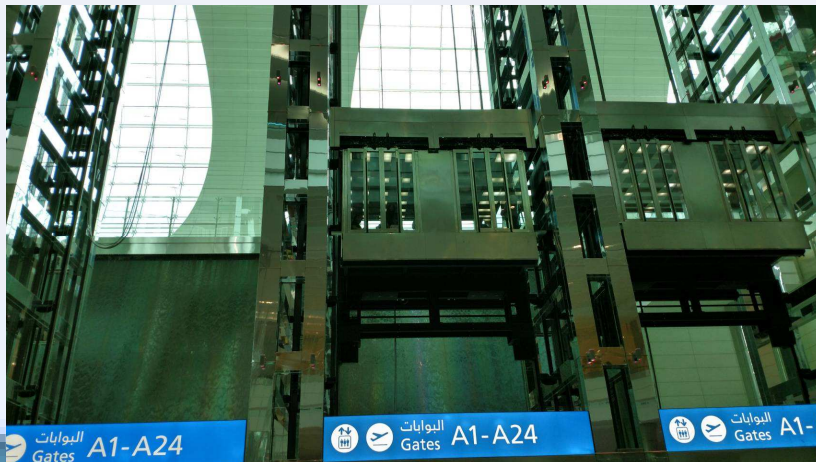


Racking

STAINLESS STEEL SHEETS APPLICATIONS



Stainless Steel Wall



Elevators and Escalators at Dubai International Airport

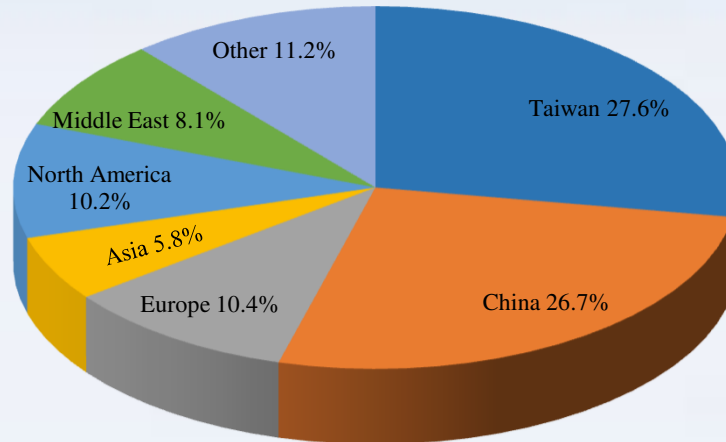
OPERATIONAL BRIEFING – PRODUCT SELLING PERCENTAGE

	Tubes and Pipes	Sheets and Coils	Consolidated Turnover (NT\$ million)
2016	75.5%	24.5%	10,960
2017	76.4%	23.6%	12,640
2018	80.5%	19.5%	13,400
2019 _{Q1}	80.4%	19.6%	2,970

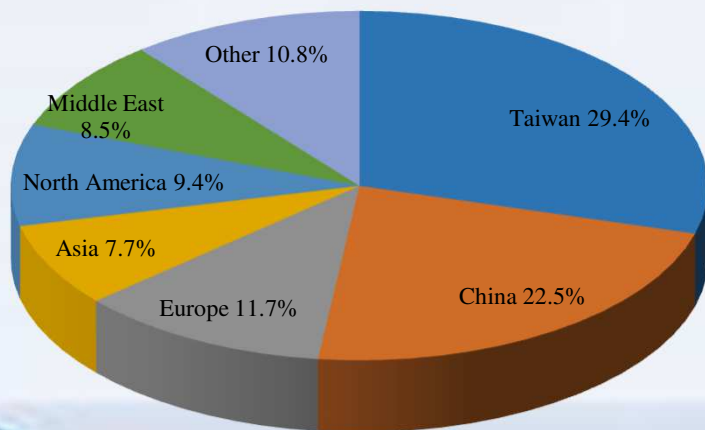
OPERATIONAL BRIEFING –

PERCENTAGE OF SALES DISTRIBUTION

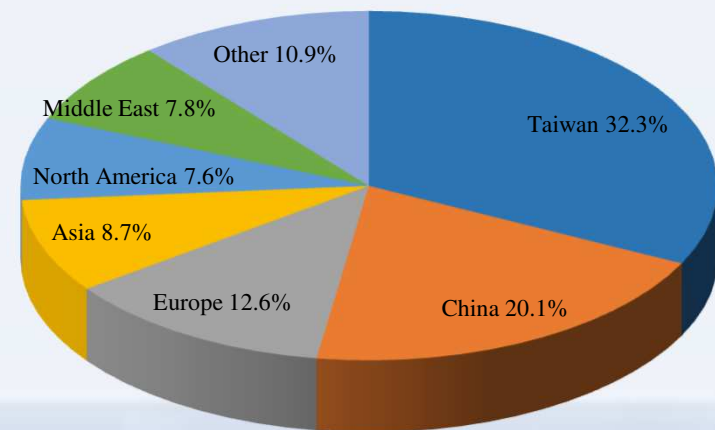
2018



2016



2017

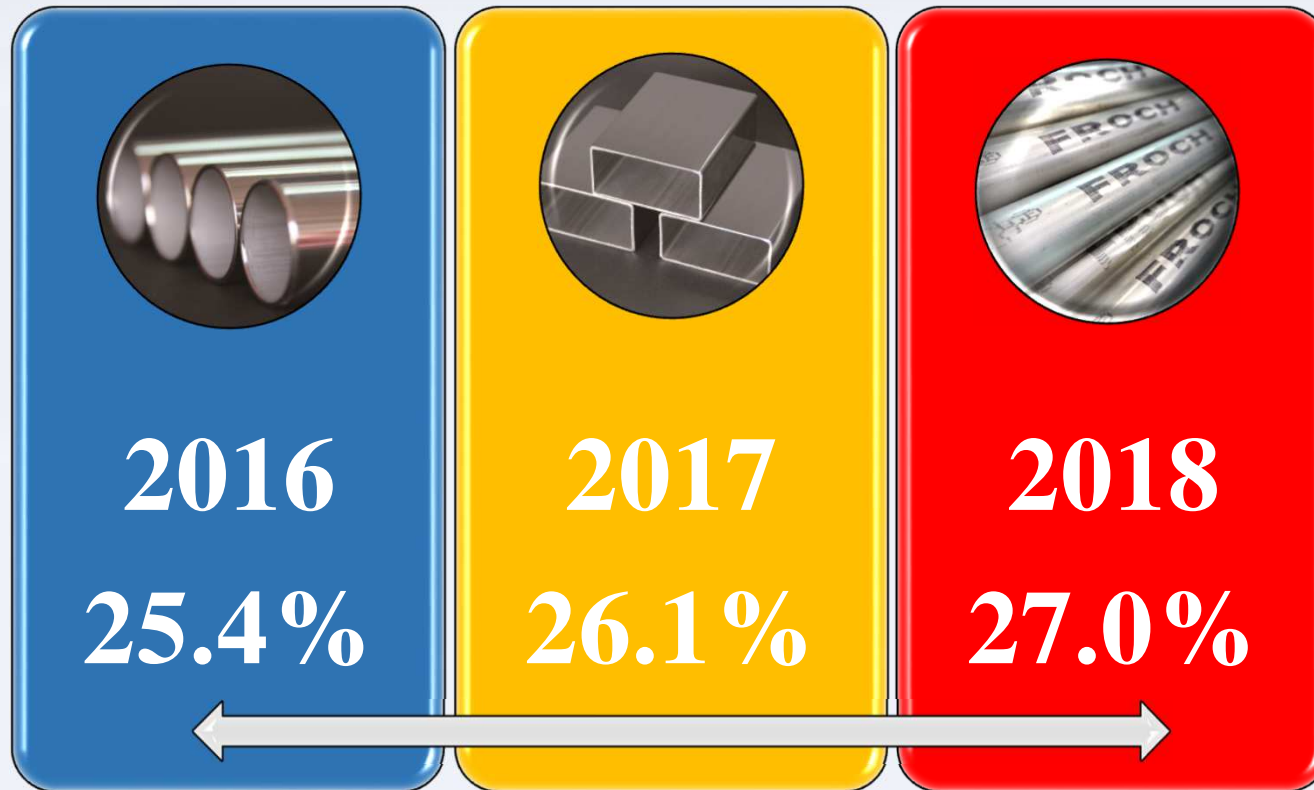


■ Taiwan ■ China ■ Europe ■ Asia ■ North America ■ Middle East ■ Other

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OPERATIONAL BRIEFING – STAINLESS STEEL TUBES AND PIPES



Taiwan's Stainless Steel Tubes and Pipes Consumption

OPERATIONAL BRIEFING – STAINLESS STEEL TUBES AND PIPES

Taiwan's Stainless Steel Tubes and Pipes Export Quantity

2016
30.8%

2017
31.2%

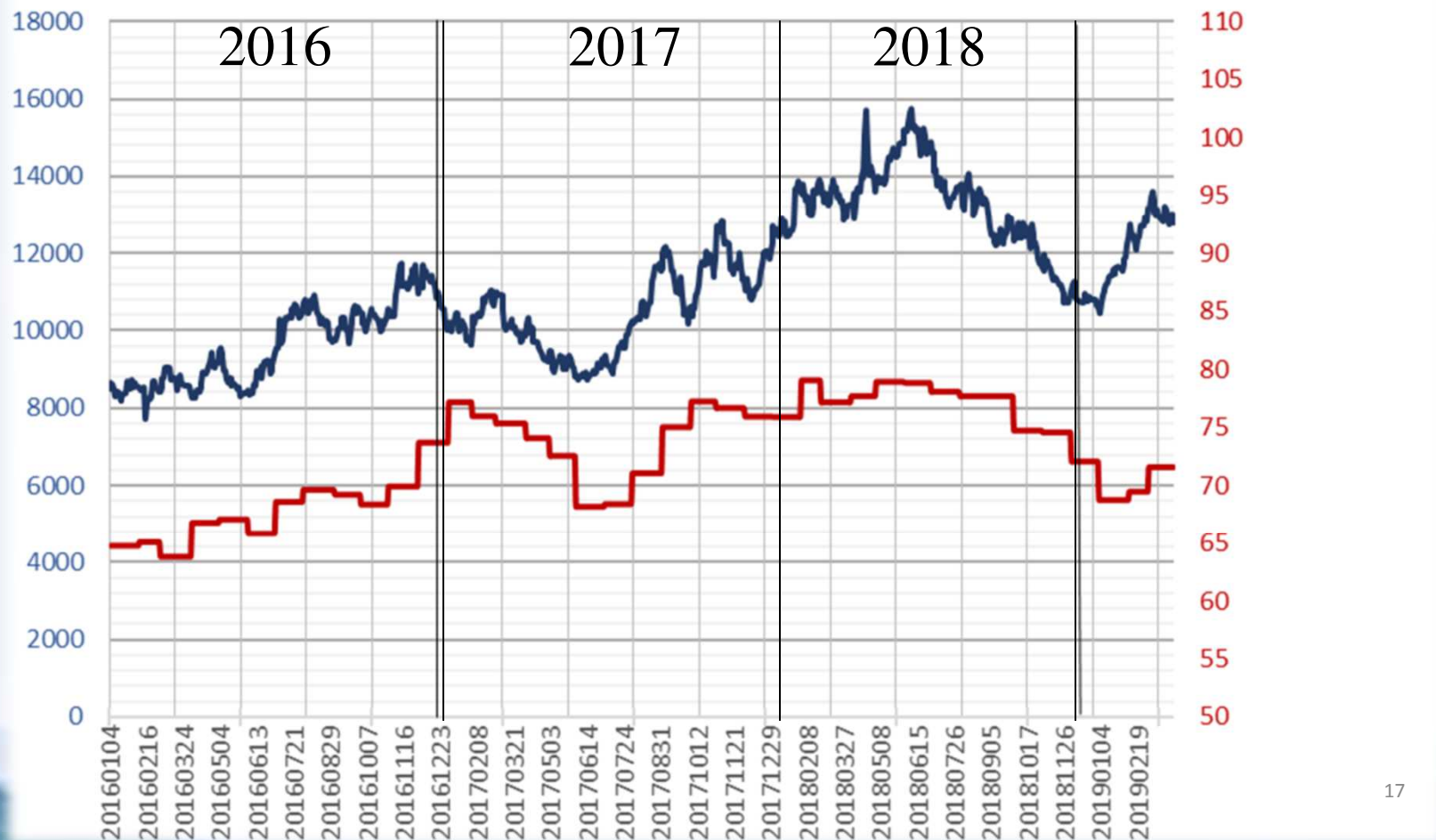
2018
33.7%



OPERATIONAL BRIEFING – LAST 3 YEARS' PRICES

Nickel and Product Prices

LME NICKEL HISTORICAL PRICE GRAPH



CONSOLIDATED FINANCIAL NUMBERS – LAST 3 YEARS

NT\$ million

ACCOUNT	YEAR	2016	2017	2018	2019 Q1
Sales		10,960	12,640	13,400	2,970
Gross Margin		1,280	1,610	1,780	260
Net Operating Income		580	840	940	50
EPS		NT\$1.08	NT\$1.97	NT\$1.97	NT\$0.1

OPERATIONAL BRIEFING



Business Strategy

- **Market Diversification**
- **More than 2,000 Customers Domestically**
- **Sales to more than 100 Countries Globally**

Market Positioning

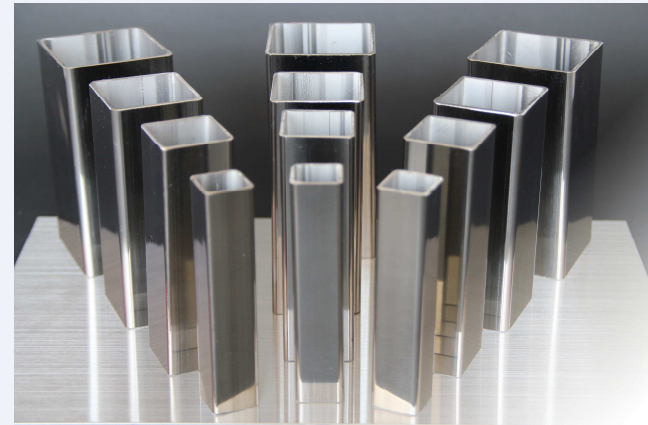
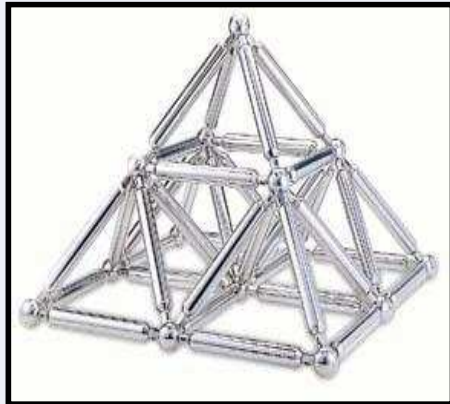
- **Top Tier Player**
- **Market Leader**

Competitive Advantage

- **Industry Benchmark**
- **Widely Approved by both Domestic and Global Customers**

COMPETITIVE ADVANTAGE

- **Comprehensive Product Range -
Satisfy Customers' One-stop Shopping Needs**



COMPETITIVE ADVANTAGE – QUALITY CERTIFICATIONS

- Advanced Technology among Competitors



Management
System
ISO 9001:2015

www.tuv.com
ID 9105041178



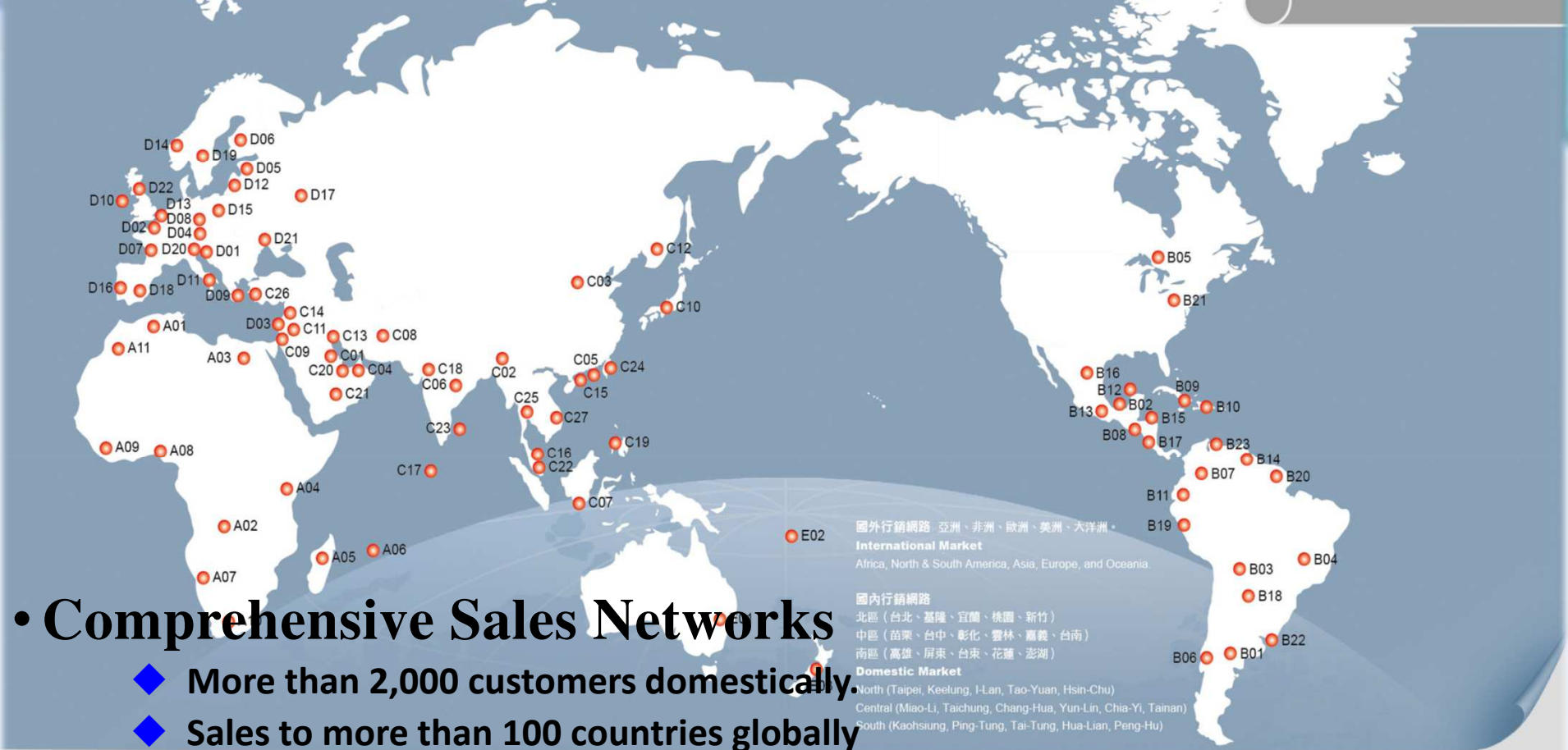
Inspection Body

I0001



COMPETITIVE ADVANTAGE

行銷網路 DISTRIBUTION NETWORKS



國外行銷網路 亞洲、非洲、歐洲、美洲、大洋洲。
International Market
 Africa, North & South America, Asia, Europe, and Oceania

國內行銷網路
 北區 (台北、基隆、宜蘭、桃園、新竹)
 中區 (苗栗、台中、彰化、雲林、嘉義、台南)
 南區 (高雄、屏東、台東、花蓮、澎湖)
Domestic Market
 North (Taipei, Keelung, I-Lan, Tao-Yuan, Hsin-Chu)
 Central (Miao-Li, Taichung, Chang-Hua, Yun-Lin, Chia-Yi, Tainan)
 South (Kaohsiung, Ping-Tung, Tai-Tung, Hua-Lian, Peng-Hu)

非洲 Africa

- A01 阿爾及利亞 Algeria
- A02 剛果 Congo
- A03 埃及 Egypt
- A04 肯亞 Kenya
- A05 馬達加斯加 Madagascar
- A06 模里西斯 Mauritius
- A07 納米比亞 Namibia
- A08 奈及利亞 Nigeria
- A09 加納 Republic of Ghana
- A10 南非 South Africa
- A11 摩洛哥 Kingdom of Morocco

美洲 North & South America

- B01 阿根廷 Argentina
- B02 貝里斯 Belize
- B03 玻利維亞 Bolivia
- B04 巴西 Brazil
- B05 加拿大 Canada
- B06 智利 Chile
- B07 哥倫比亞 Colombia
- B08 哥斯大黎加 Costa Rica
- B09 古巴 Cuba
- B10 多明尼加 Dominican Rep.
- B11 厄瓜多 Ecuador
- B12 薩爾瓦多 El Salvador
- B13 瓜地馬拉 Guatemala
- B14 蓋亞納 Guiana
- B15 宏都拉斯 Honduras
- B16 墨西哥 Mexico
- B17 巴拿馬 Panama
- B18 巴拉圭 Paraguay
- B19 秘魯 Peru
- B20 蘇利南 Surinam Rep.
- B21 美國 United States
- B22 烏拉圭 Uruguay
- B23 委內瑞拉 Venezuela

亞洲 Asia

- C01 巴林 Bahrain
- C02 孟加拉 Bangladesh
- C03 中國大陸 China
- C04 阿聯 Emirates
- C05 香港 Hong Kong
- C06 印度 India
- C07 印尼 Indonesia
- C08 伊朗 Iran
- C09 以色列 Israel
- C10 日本 Japan
- C11 約旦 Jordan
- C12 韓國 Korea
- C13 科威特 Kuwait
- C14 黎巴嫩 Lebanon

- C15 澳門 Macao
- C16 馬來西亞 Malaysia
- C17 馬爾地夫 Maldives
- C18 巴基斯坦 Pakistan
- C19 菲律賓 Philippines
- C20 卡達 Qatar
- C21 沙烏地阿拉伯 Saudi
- C22 新加坡 Singapore
- C23 斯里蘭卡 Sri Lanka
- C24 台灣 Taiwan
- C25 泰國 Thailand
- C26 土耳其 Turkey
- C27 越南 Viet Nam

歐洲 Europe

- D01 奧地利 Austria
- D02 比利時 Belgium
- D03 賽普勒斯 Cyprus
- D04 捷克 Czech
- D05 愛沙尼亞 Estonia
- D06 芬蘭 Finland
- D07 法國 France
- D08 德國 Germany
- D09 希臘 Greece
- D10 愛爾蘭 Ireland
- D11 義大利 Italy
- D12 立陶宛 Lithuania

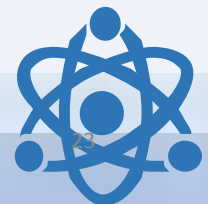
- D13 荷蘭 Netherlands
- D14 挪威 Norway
- D15 波蘭 Poland
- D16 葡萄牙 Portugal
- D17 俄羅斯 Russia
- D18 西班牙 Spain
- D19 瑞典 Sweden
- D20 瑞士 Switzerland
- D21 烏克蘭 Ukraine
- D22 英國 United Kingdom

大洋洲 Oceania

- E01 澳大利亞 Australia
- E02 斐濟 Fiji
- E03 紐西蘭 New Zealand

LOOKING FORWARD

- Keep Increasing the Sales of High Value- added Products.
- Participate the Investment Needs of Overseas Taiwanese Businesses Returning Taiwan to Boost Sales.





不銹鋼管在現代的社會中早已是和人類生活息息相關，不可或缺的民生用品。舉凡所有的建築、水電、瓦斯、運輸工具與遍佈於各地的輸油管路和各項工業的儲槽管路，都與不銹鋼管緊密相連。本公司生產最優良的產品，來服務各行各業。

Stainless steel pipe is necessary to be used in everywhere in our modern life. In applications for construction, plumbing, household hydro & gas, oil pipeline, process pipe line, storage tank pipeline, and automotive industry, stainless steel pipe is the best choice. We produce the highest quality products to satisfy the needs of all industries.



石油 Petroleum



水處理 Water disposal



核能 Nuclear energy



造船 Shipbuiding



造紙 Deckle



電力 Electric power



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Thank you!