

彰源企業股份有限公司

FROCH ENTERPRISE CO., LTD.

法人說明會

- Institutional Investors Conference
- Stan Shih - Spokesperson

2021/08/31¹

Disclaimer

- The predictive information provided in this presentation, including operation prospects, financial situations, and business predictions, is integrated from internal data and external economic development situations.
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COMPANY PROFILE

TAIWAN PLANT

Land Size : 210,213m²

Individual/Consolidated

Sales Revenue Percentage: 75.7% (2021 H1)

CHINA PLANT

Land Size : 250,583 m²

Individual/Consolidated

Sales Revenue Percentage: 24.3% (2021 H1)

MATERIAL

SOURCE OF MATERIAL

CHINA PLANT:
100% DOMESTIC

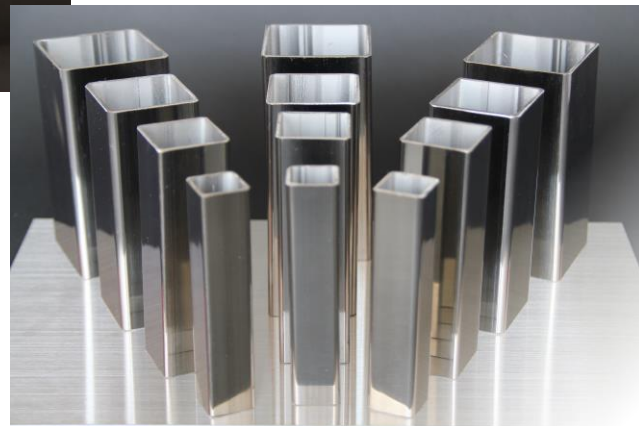
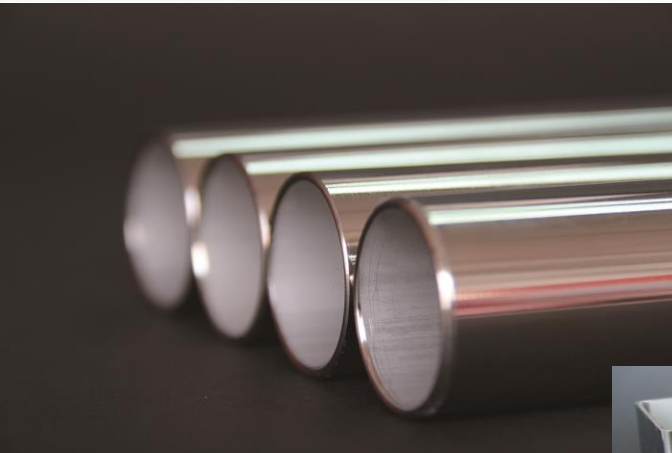
TAIWAN PLANT:
62% DOMESTIC
38% IMPORTED



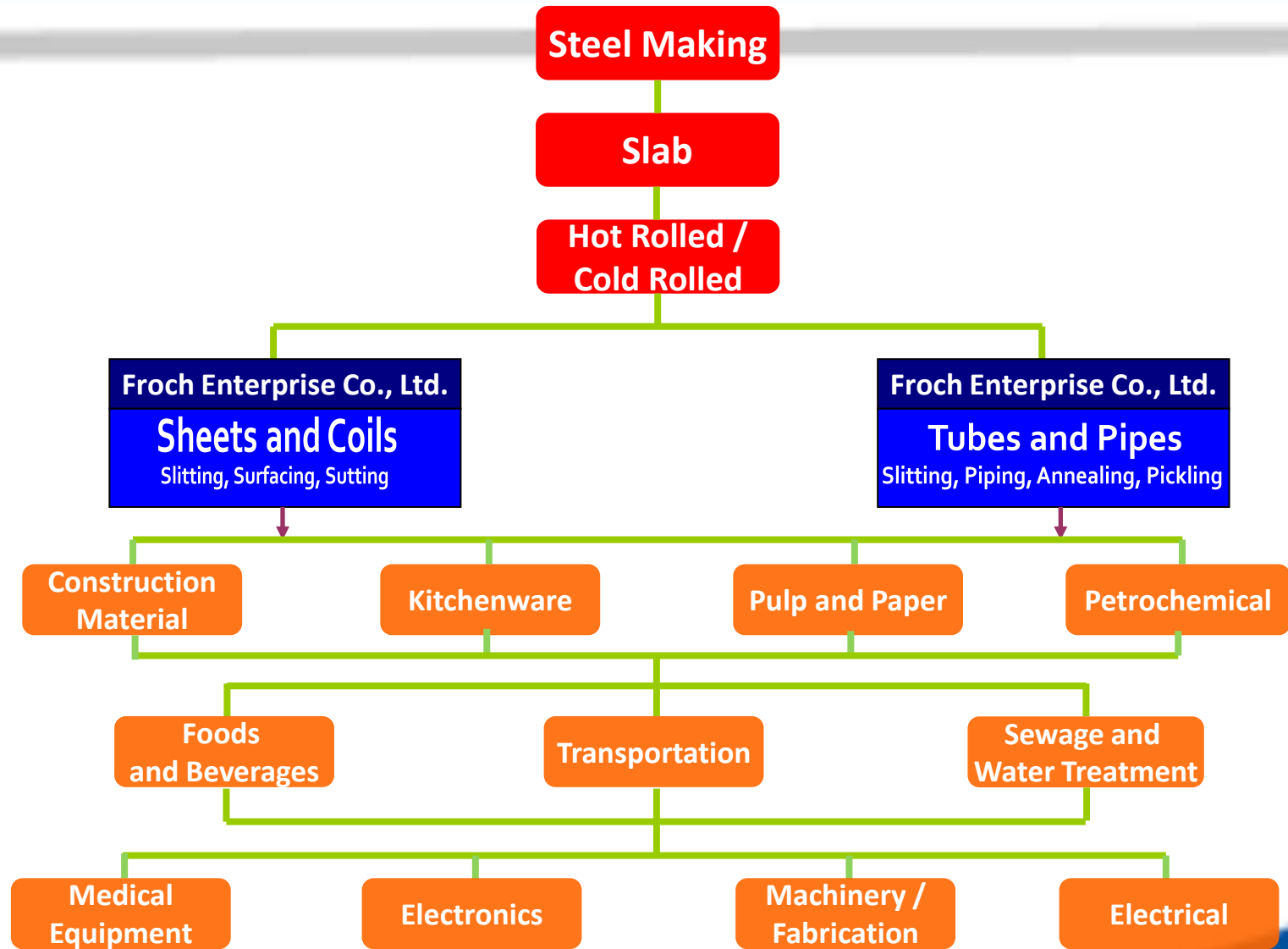
INDUSTRIAL PIPES



MECHANICAL TUBES



INDUSTRY PROPERTIES



INDUSTRIAL PIPES APPLICATIONS



Pulp and Paper



Petrochemical



Foods and Beverages

MECHANICAL TUBES APPLICATIONS

Hand Railing



Fencing



Escalators



STAINLESS STEEL SHEETS

APPLICATIONS



彰源不銹鋼
FROCH STAINLESS

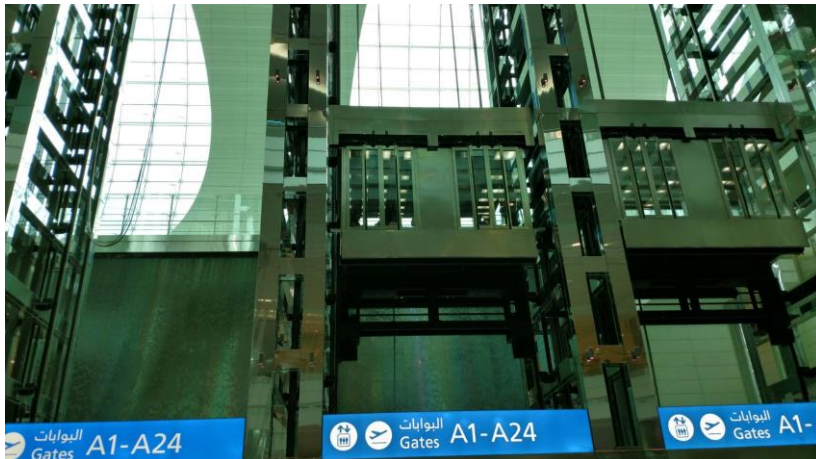
SECTORS	DESTINATIONS	USERS
OIL & GAS	SAUDI ARABIA	ARAMCO
OIL & GAS	CHINA	CNOOC
SHIP BUILDING	JAPAN	MITSUBISHI
OFFSHORE	NORWAY	BP
CONSTRUCTION	TAIWAN	TAIPEI AIRPORT
ENERGY	OMAN	ALSTOM
ENERGY	MALAYSIA	TOSHIBA
PETROCHEMICAL	THAILAND	BAYER
PETROCHEMICAL	TAIWAN	FORMOSA
PULP & PAPER	INDONESIA	ARBP

Tubes and Pipes
Range: 1/4" - 84" in Outside Diameter
0.6mm - 30.0mm in Thickness
Grades: AISI 304, 304L, 316, 316L, and other special grades upon request
Specifications: ASTM A312, A358, A409, A249, A269, A270, A554
EN 10217-7, FC1
JIS G3459, G3446, G3448

Sheets and Coils
Thickness: 0.5mm - 12.0mm
Grades: AISI 304, 304L, 316, 316L, 430
Specifications: ASTM A240, EN10088-2
Finish: 2B, No. 1, No. 4, HL, BA, No. 8

FROCH ENTERPRISE CO., LTD.
No. 122 Industrial Road, Tainan City Yunlin, 640, Taiwan E-mail: info@froch.com
Tel: 886-6-293-1861 Fax: 886-6-537-1318 Website: www.froch.com
We Provide Industry and Environment a Better Future

Bulletin Boards



Elevators

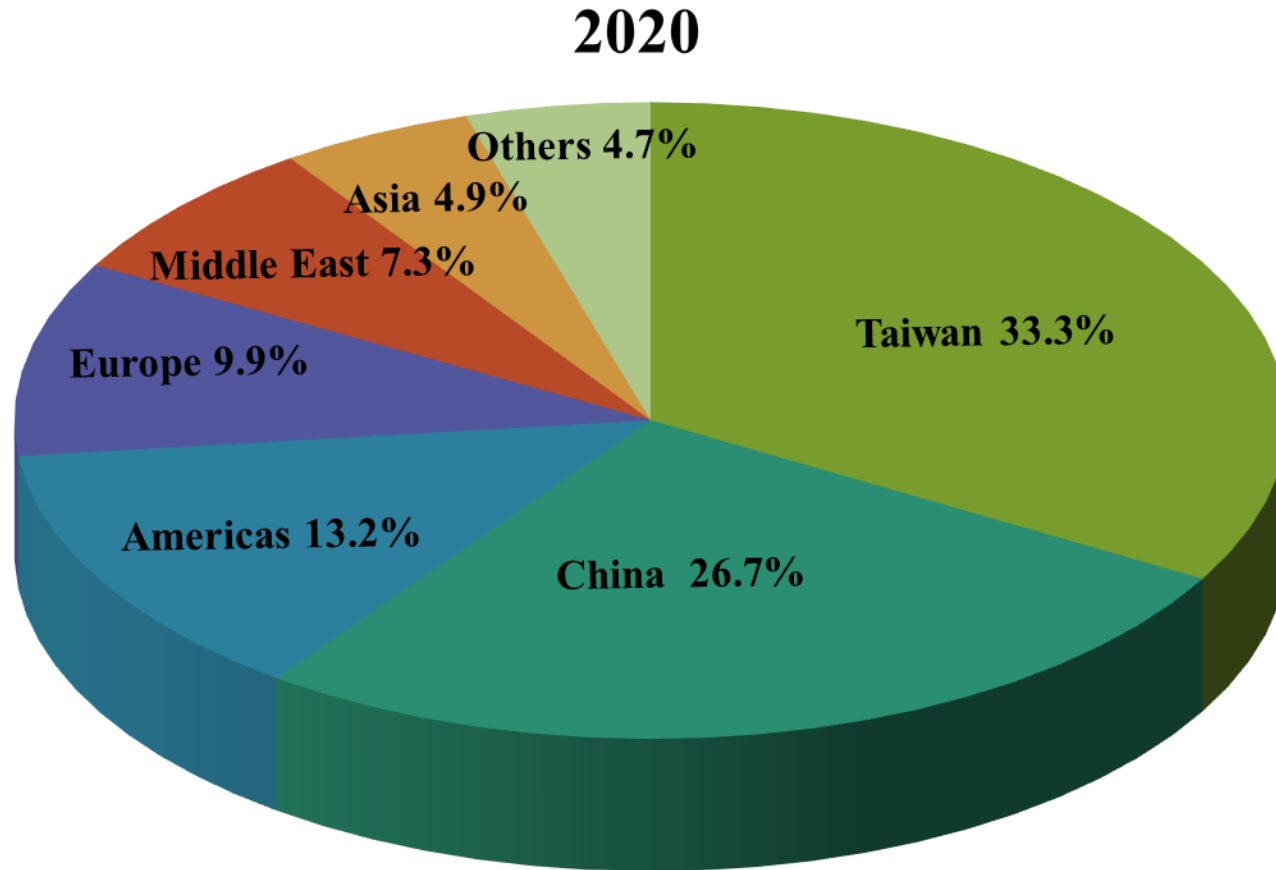


Solar Panels

OPERATIONAL BRIEFING – PRODUCT MIX SALES PERCENTAGE

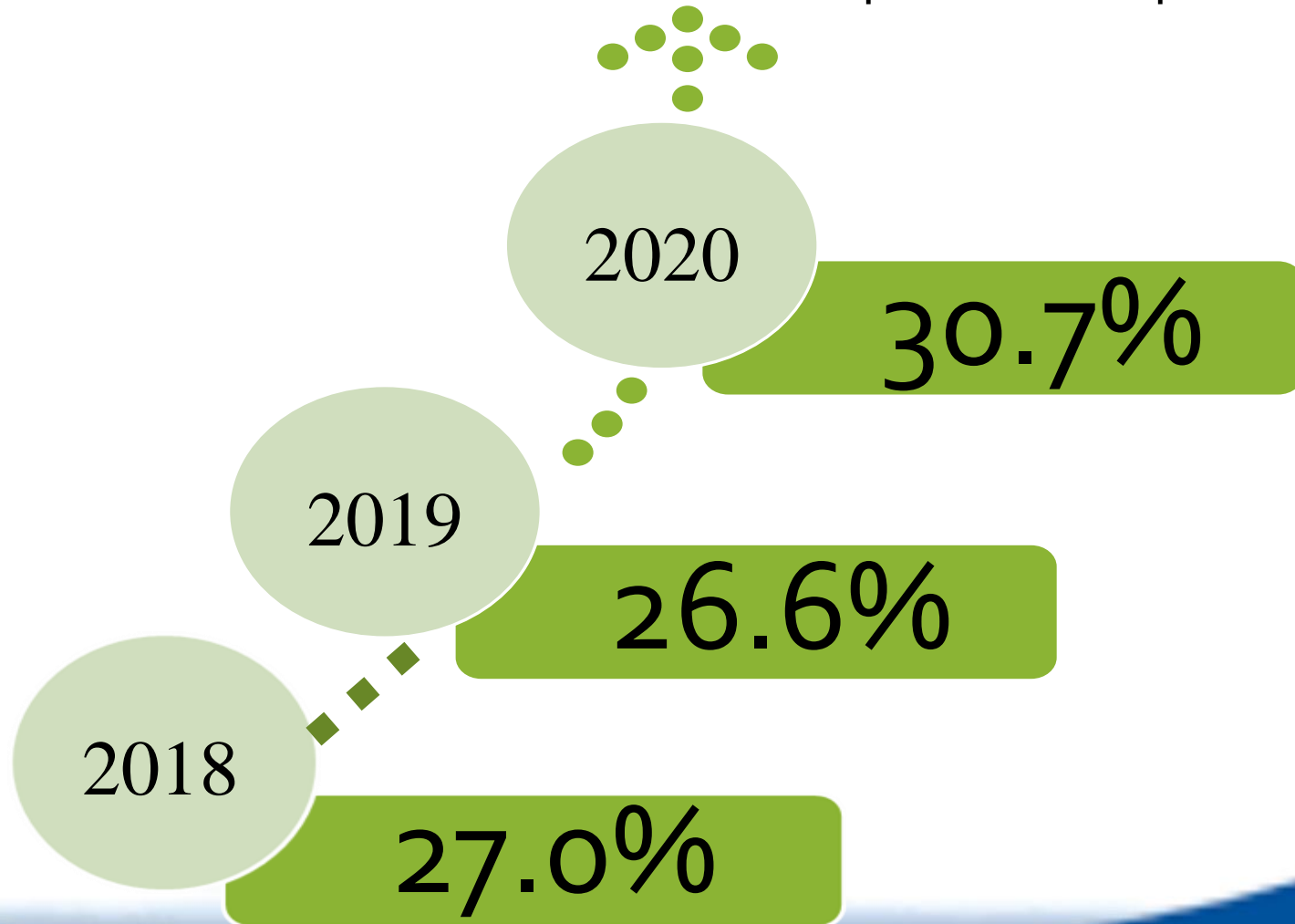
	Tubes and Pipes	Sheets and Coils	Consolidated Turnover (in NT\$ million)
2018	80.5%	19.5%	13,400
2019	79.9%	20.1%	11,980
2020	80.4%	19.6%	10,560
2021 H1	76.0%	24.0%	6,730

OPERATIONAL BRIEFING – SALES REGIONS PERCENTAGE



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



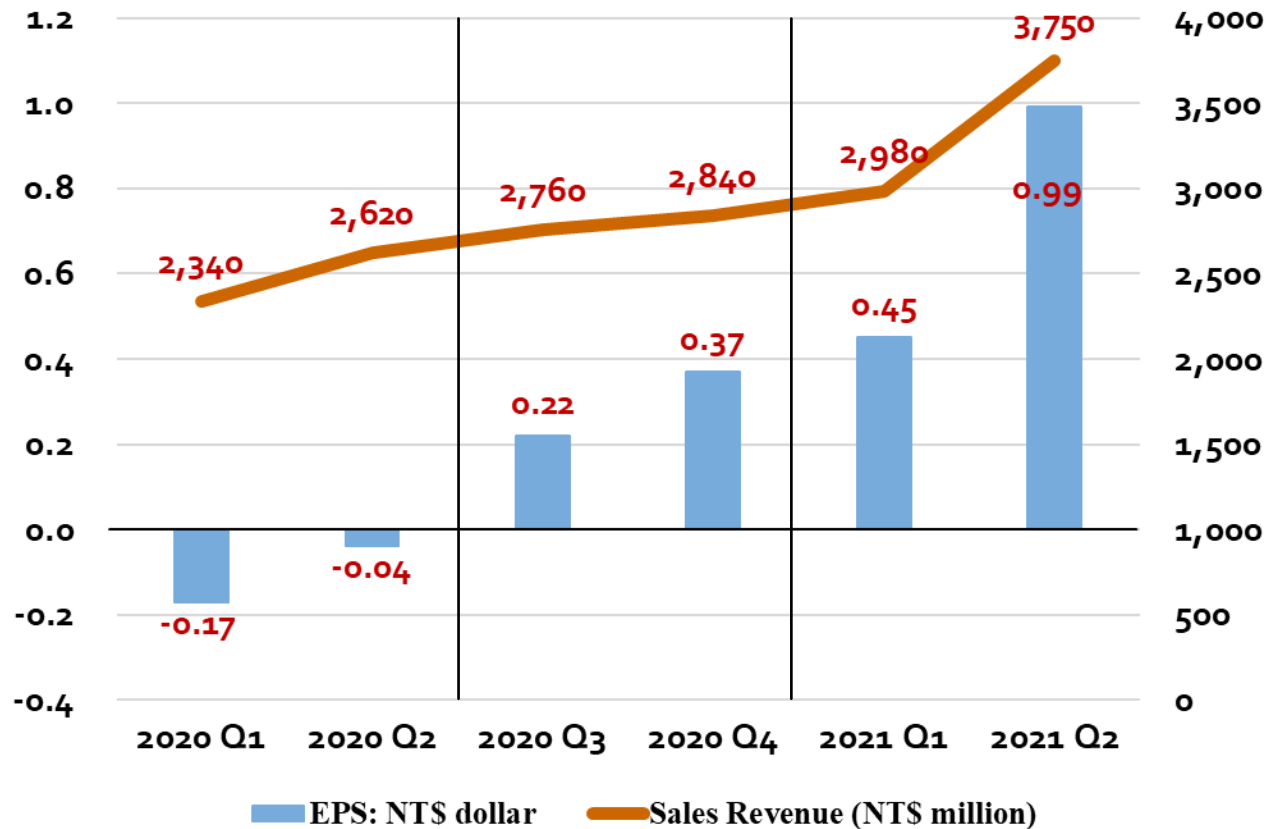
CONSOLIDATED FINANCIAL NUMBERS – LAST 3 YEARS

NT\$ million

ITEMS	YEAR 2018	2019	2020	2021 H1
Sales	13,400	11,980	10,560	6,730
Gross Margin	1,780	1,220	930	1,070
Operating Profit	940	490	230	580
EPS	NT\$1.97	NT\$0.94	NT\$0.38	NT\$1.44

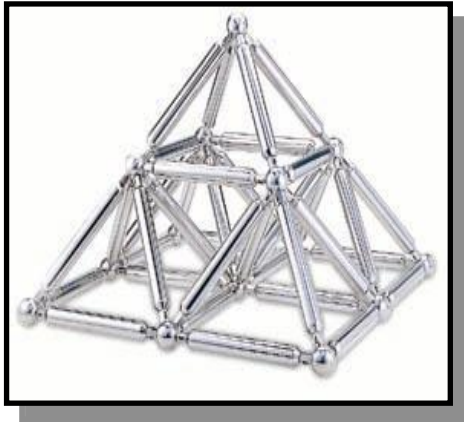
CONSOLIDATED SALES AND PROFITS

2020 and 2021 H1



COMPETITIVE ADVANTAGE

1. Comprehensive Product Range – Satisfy Customers' One-stop Shopping Needs



COMPETITIVE ADVANTAGE- QUALITY CERTIFICATIONS

2. Advanced Technology among Competitors

- 1993 : Froch was accredited with ISO-9001 by Lloyd's Register Quality Assurance.
- 1996 : Froch was accredited with ISO-9001 by Bureau of Standards, Metrology, and Inspections, Ministry of Economic Affairs.
- 1999 : Froch was accredited with ISO-14001 by Lloyd's Register Quality Assurance.
- 2001 : Quality Assurance Laboratory was accredited with ISO 17020 and ISO 17025
- 2005 : Froch was accredited with LR Ship Building Approval.
- 2009 : Froch was accredited with JIS by Japan Quality Assurance Organization (JQA).
- 2018 : Developing ISO-45001 Occupational Safety and Health System.



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



電力 Electric power



造船 Shipbuilding



核能 Nuclear energy



造紙 Deckle

Thank you!