



Eurocharm Group

誠信創新 顧客滿意

www.eurocharm.com.tw

Eurocharm Holdings Co., Ltd.

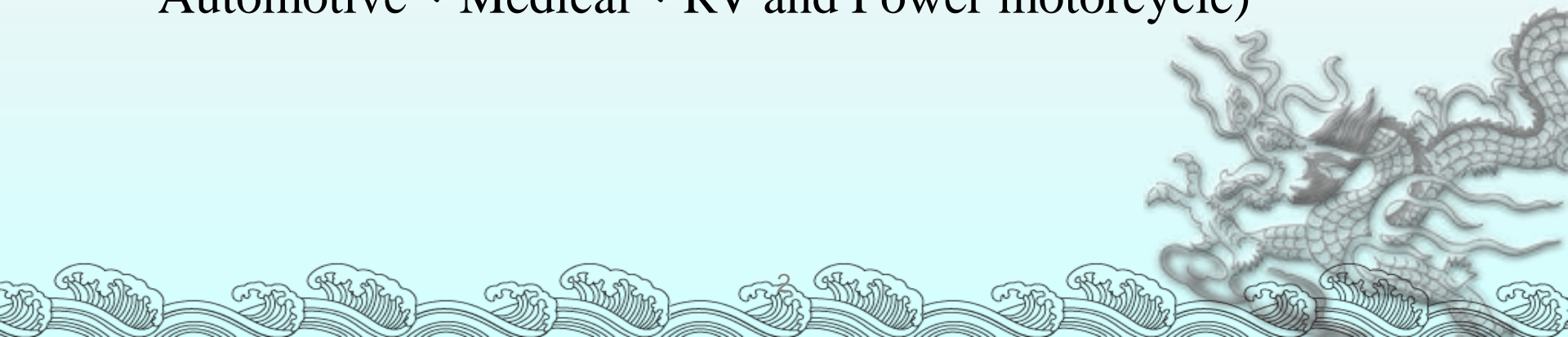
~A global leading supplier in automotive,
motorcycle, and medical equipment industries

Jerry Kao Manager



Company Profile

- **Stock Code** : 5288 TT
- **Founded** : 2011/07/18
- **Paid-in Capital** : 649,321,530
- **Number of Employees** : Total 3,500
- **Headquarter** : New Taipei City, Taiwan
- **IPO Date** : 2014/09/25
- **Operations Sites** : Taiwan (1974) 、 Vietnam (2001)
- **Main Product** : Precision Metal Parts (Motorcycle 、 Automotive 、 Medical 、 RV and Power motorcycle)



Group History

1974~1993

Building Foundation
in Taiwan

- 1974: Eurocharm Taiwan was established and became a professional manufacturer of motorcycle parts .
- 1988: started production of healthcare equipment parts and products

1994~2010

Setting Roots in
Vietnam

- 1994 : Vietnam Precision Industrial Joint Stock Company was established (8.17%)
- 2001 : Vietnam Precision Industrial No.1 Co., Ltd. (VPIC1) was established (100%)
- 2006 : jointed venture with EXEDY Japan to establish EXEDY Vietnam, whose main products are motorcycle clutch parts (20%)
- 2007 : ISO/TS16949 and ISO14001 certification
- 2010 : jointed venture to establish Hsieh Yuan Technology Vietnam Co., Ltd., specialized in zinc, nickel, chromium and hard chrome plating certification (45%). Passed ISO13485

2011~Now

Marching towards the
World

- 2011: restructured group organization to establish Eurocharm Holdings Co., Ltd.
- 2012: started production of heavy Motorcycle parts to Polaris
- 2014: installed 3D laser cutting machine 、 Ford Q1 Award

Steady Growth for 40 years.
A small private company in Taiwan is now a global enterprise

Vietnam Factory



Major Clients

HONDA
The Power of Dreams

EXEDY

 **POLARIS**



 **YAMAHA**


Yes, you can.®



TOYOTA



PIAGGIO®

FranceBed

 **SYM**
Engine of Life


DUPONT



 **SUZUKI**

Panasonic
ideas for life

Reliable quality enables us to partner with global-leading brands around the world.

- ✓ reduce time for product launch
- ✓ exceptional quality reliability
- ✓ excellent quality service

Motorcycle Parts (1)



LEFT RIGHT HAND BODY SIDE



HEAD PIPE COMP



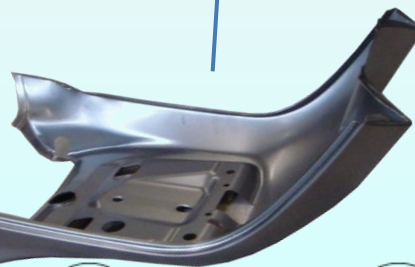
WIN SHIELD



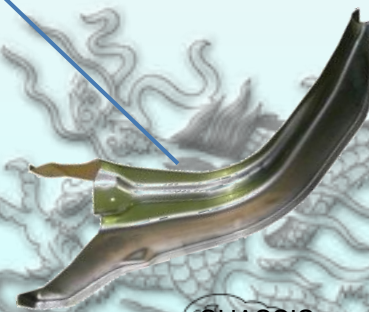
Rear internal reinforcement with IP



BODYWORK LEFT

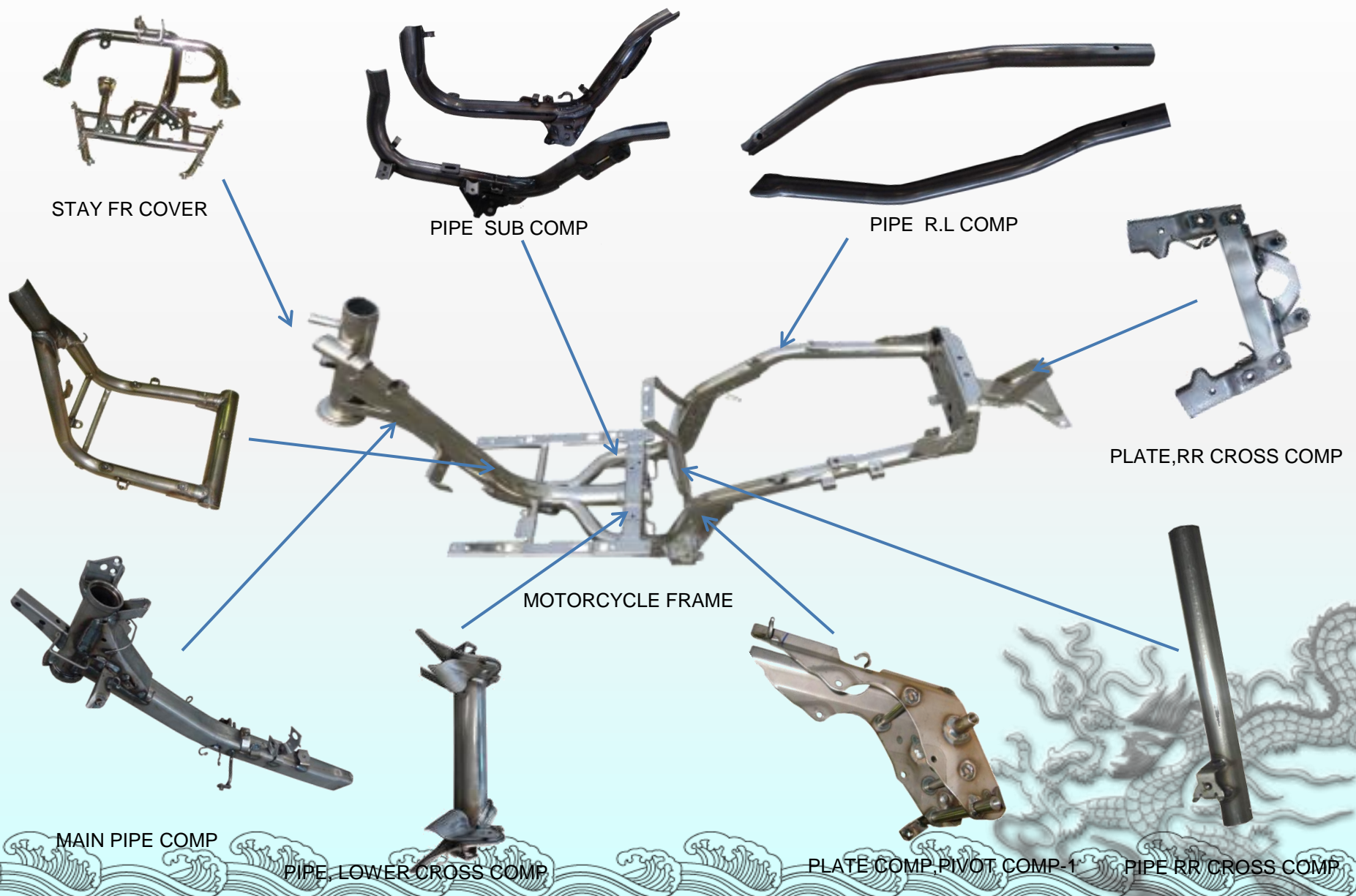


SPOILER



CHASSIS

Motorcycle Parts (2)



Motorcycle Parts (3)



HANDLE COMP



METAL FUEL FILLER



HINGE FUEL LID



HINGE ASSY SEAT



SEAT CATCH COMP



RAIL RR GRAB



SWING ARM ASSY



CAM RR BRAKE



ARM RR BRAKE



STEERING COLUMN



GEAR, FINE BLANKING



RETAINER, KICK SPRING



STAND SIDE



STAND COMP MAIN



LINK ASSY ENG HANGER



STEP ASSY, PILLION



Power Motorcycle Parts



Handle Comp.



Upper Triple Clamp



Front Cover-Wire



Speedo Mount Housing

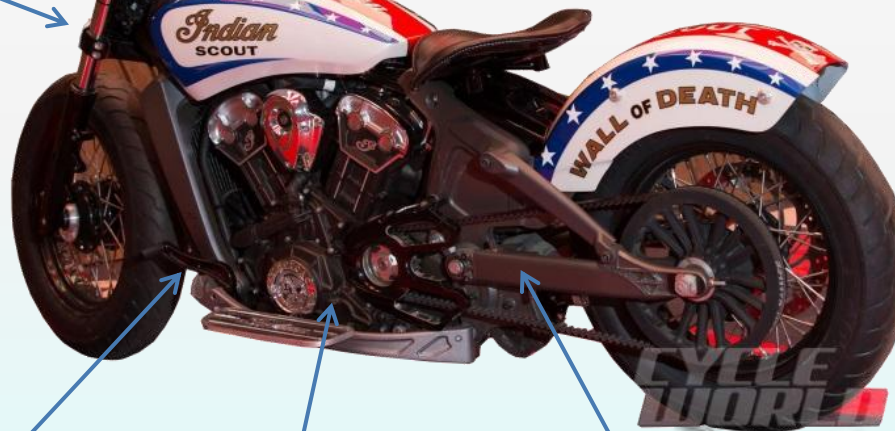


Lower Triple Clamp



Front Cover-Wire

Speedo Mount Housing



Front Cover-Wire

Speedo Mount Housing

Indian SCOUT

WALL OF DEATH

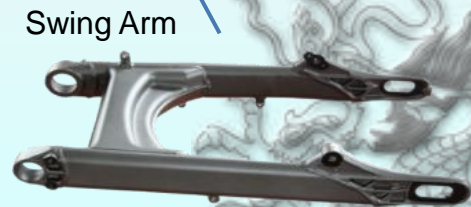
CYCLE WORLD



Foot Control



Stand side



Swing Arm



Snowmobile Parts



Seat Rail



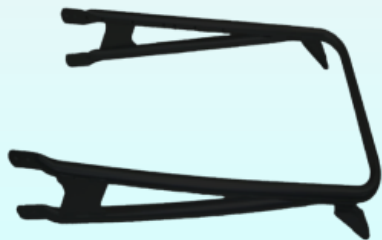
Handle Bar



Front Torque Arm



Bumper



Front Torque Arm



Lower Control Arm



Upper Control Arm



Recreational Vehicle Parts--ATV.SXS..



WELD-SKID, FRONT, BOLTED



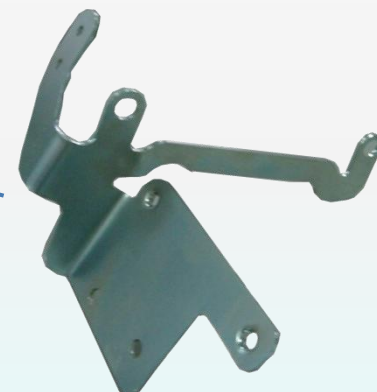
SUPPORT-STEERING



BRKT-POD MOUNTING



BRKT AXLE BRACE



BRKT-FUSE BLOCK



PLATE-MOUNT, PIN



BRKT CAST SWAY BAR



Recreational Vehicle Parts-- others



TRIM-RADIO
DISPLAY BEZEL



HOOP-ROLL



CENTER HEAD LIGHT



BRACKET-IGNITION

Automobile Parts



CHASSIS FRAME ASSY



FRAME FR
SEAT CUSHION
SIDE NO 1



PANEL RR
SEAT BACK



HINGER SEAT ASSY



FRAME SUB ASSY FR
SEAT CUSHION



SIDE STEP



SIDE STEP



Medical & Healthcare Parts



MEDICAL BED



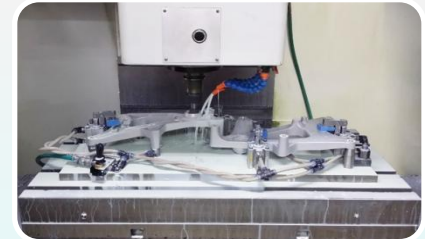
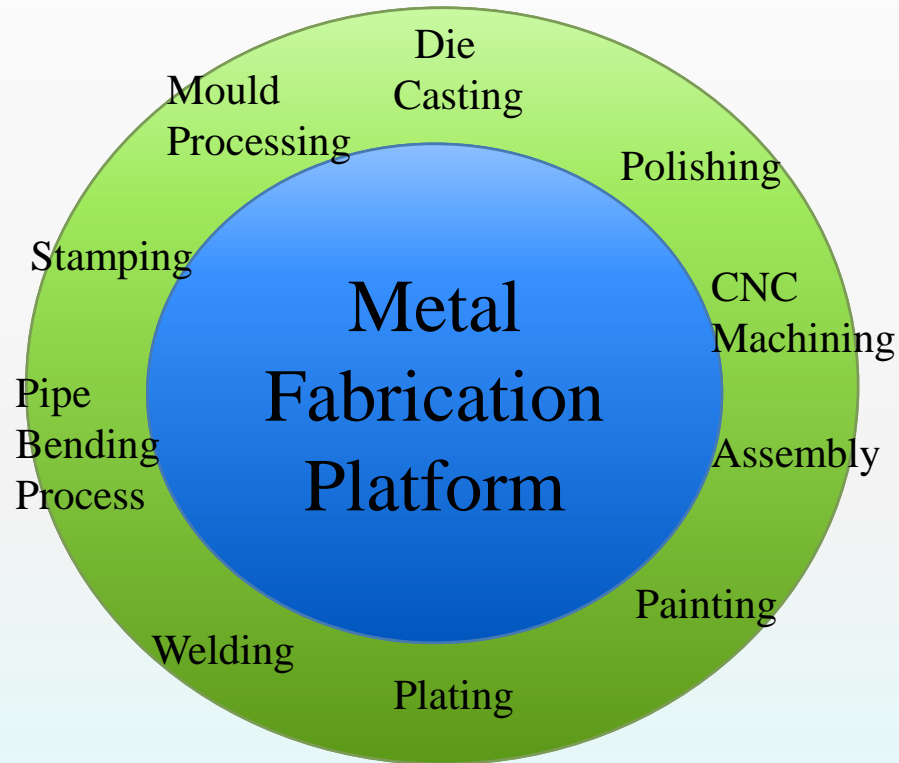
PATIENT LIFTER



SHOWER CHAIR



Competitive advantages



Vertical and Horizontal Production Integration



Tooling Design



Tooling Development



Product Verification



sheet
fabrication



tube
fabrication



aluminum
die casting



CNC
machining



robotic
welding



surface
treatment



zinc &
nickel-
chrome
plating



final
assembly

Provide One-Stop-Shopping for Customers

Consolidated Statements of Comprehensive Income (2014 & 2015)

In million of New Taiwan dollars

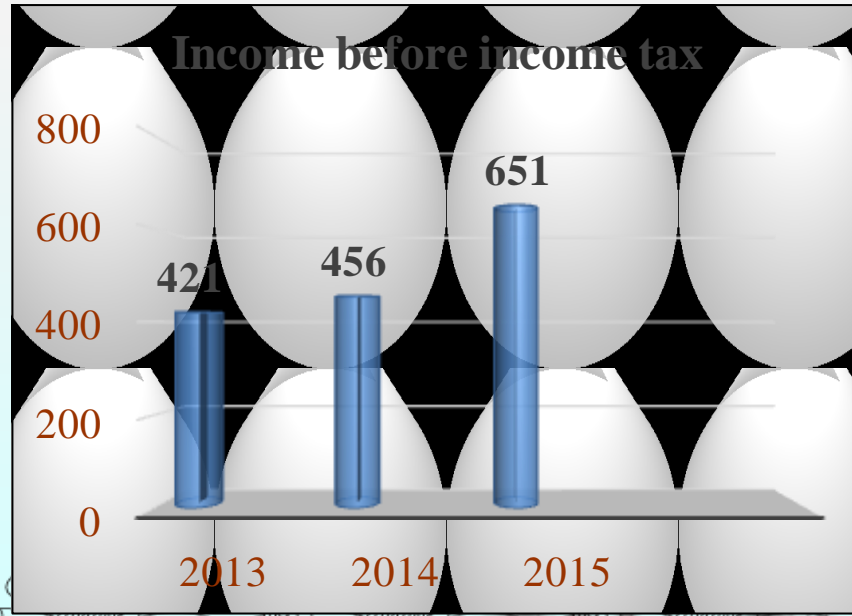
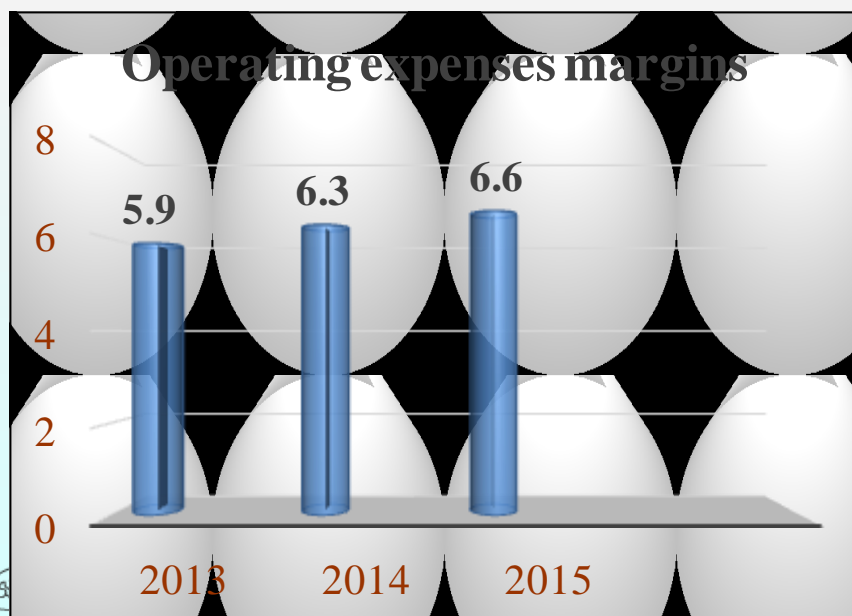
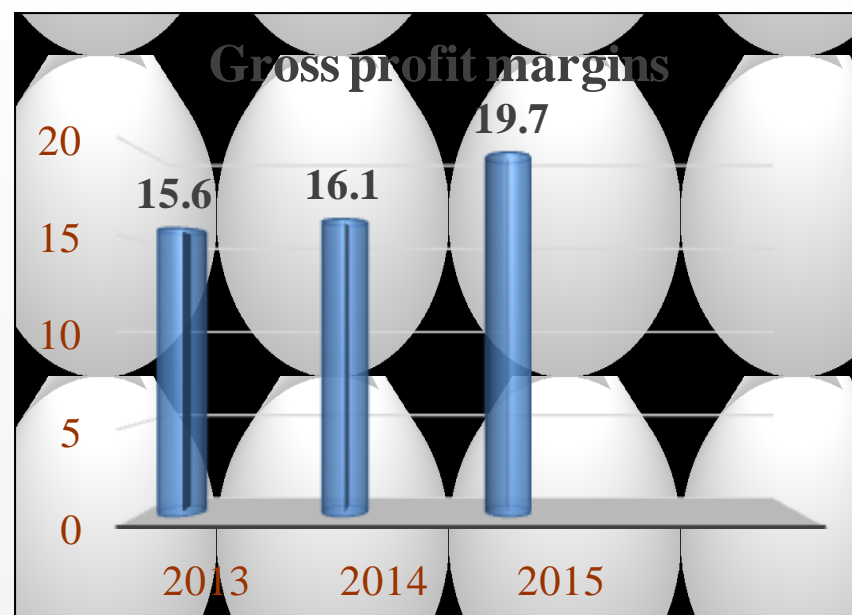
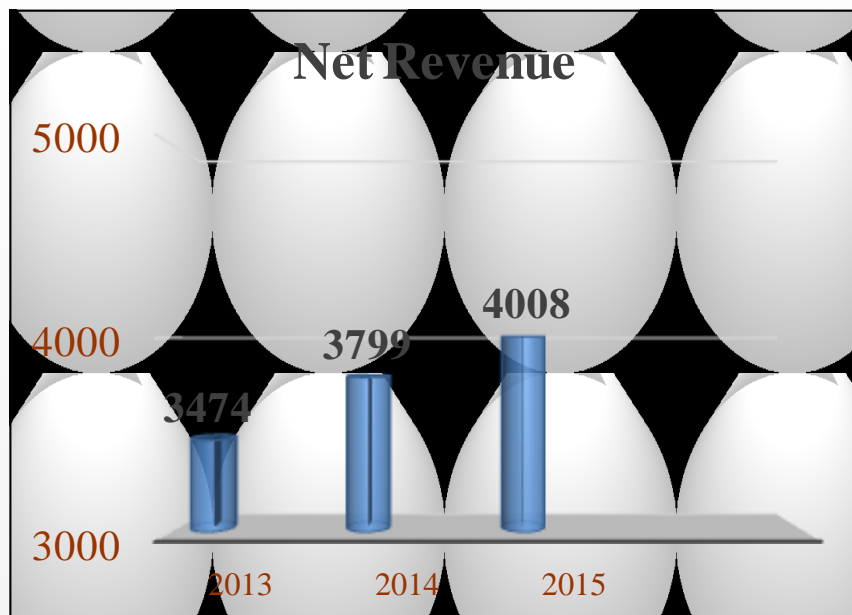
| Period | 2014 | % | 2015 | % | YoY (%) |
|-----------------------------------|-------|---------|-------|--------|---------|
| Net revenue | 3,799 | 100.00% | 4,008 | 100% | 5.50% |
| Cost of revenue | 3,186 | 83.80% | 3,215 | 80.21% | 0.91% |
| Gross profit | 613 | 16.10% | 793 | 19.79% | 29.36% |
| Operating Expenses | 240 | 6.30% | 264 | 6.59% | 10.00% |
| Income from Operatings | 373 | 9.80% | 529 | 13.20% | 41.82% |
| Non-operating income and expenses | 83 | 2.20% | 122 | 3.04% | 46.99% |
| Income before income tax | 456 | 12% | 651 | 16.24% | 42.76% |
| Income tax expense | -112 | 2.90% | -167 | -4.17% | 49.11% |
| Net income | 344 | 9.10% | 484 | 12.07% | 40.70% |

Consolidated Balance Sheet

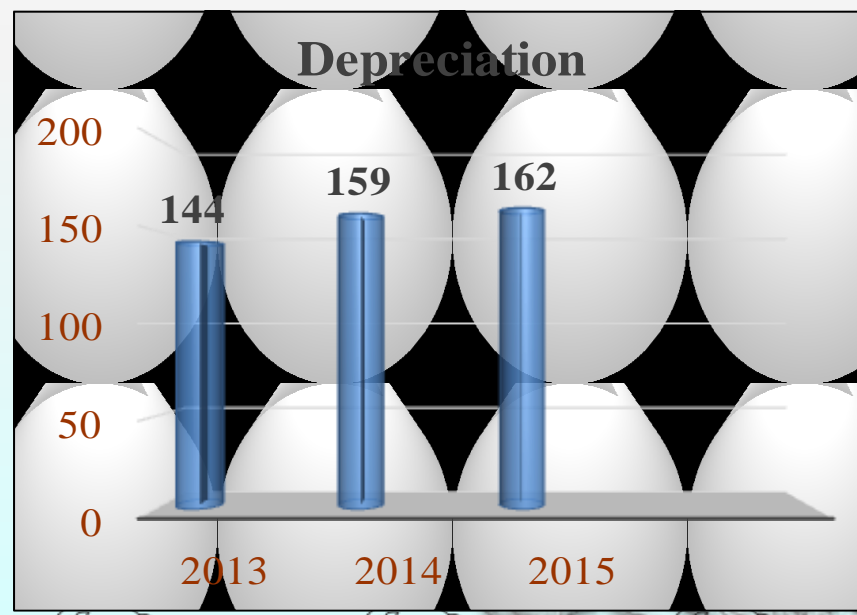
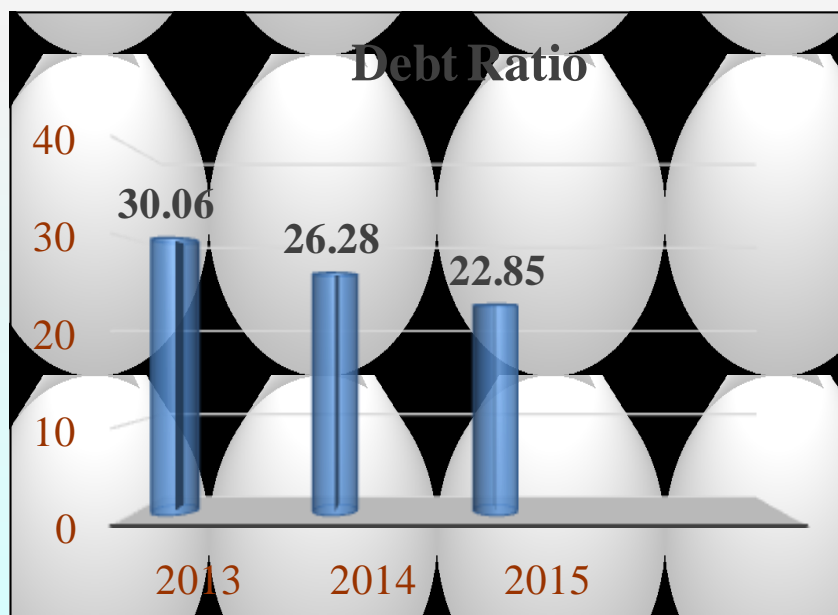
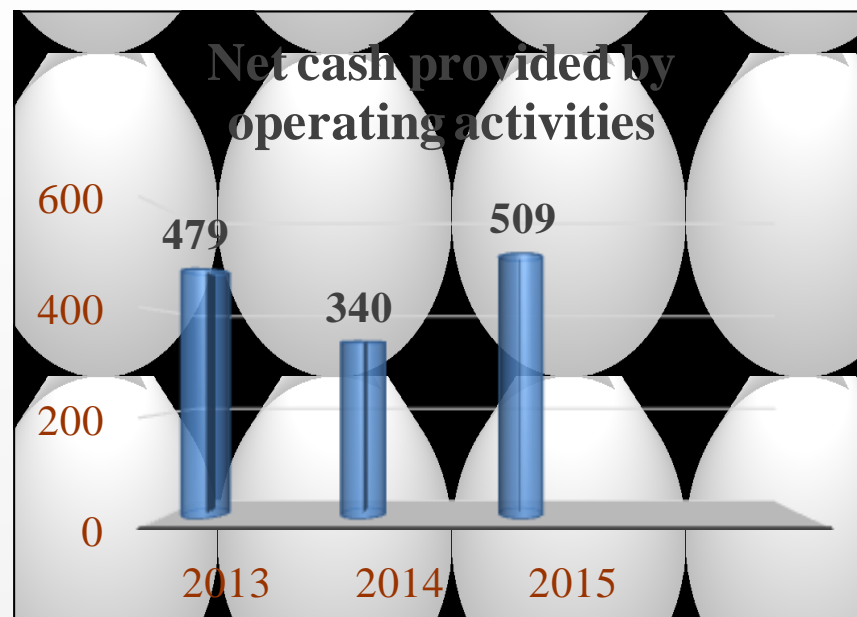
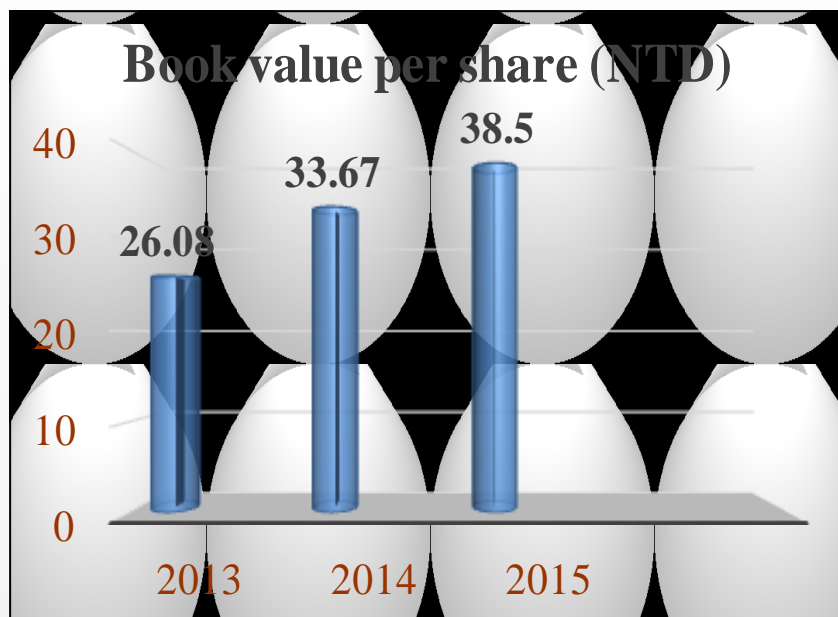
In million of New Taiwan dollars

| Period | 2014.12.31 | % | 2015.9.30 | % | 2015.12.31 | % |
|--|--------------|----------------|--------------|---------------|--------------|---------------|
| Assets | 2,940 | 100.00% | 2,973 | 100% | 3,236 | 100% |
| Cash and cash equivalents | 520 | 17.70% | 735 | 24.80% | 837 | 25.86% |
| Investments in Debt Securities with No Active Market | 592 | 20.10% | 442 | 14.90% | 456 | 14.09% |
| Notes and accounts receivable, net | 595 | 20.20% | 519 | 17.50% | 652 | 20.15% |
| Inventories | 332 | 11.30% | 367 | 12.30% | 380 | 11.74% |
| Property, plant and equipment | 695 | 23.60% | 678 | 22.80% | 671 | 20.74% |
| Other assets | 206 | 7.10% | 232 | 7.70% | 240 | 7.42% |
| Liabilities | 773 | 26.30% | 630 | 21.20% | 739 | 22.84% |
| Short-term loans | 91 | 3.10% | 64 | 2.20% | 67 | 2.07% |
| Accounts payable | 372 | 12.70% | 285 | 9.60% | 348 | 10.76% |
| Other payable | 148 | 5.00% | 133 | 4.50% | 168 | 5.19% |
| Other liabilities | 162 | 5.50% | 148 | 4.90% | 156 | 4.82% |
| Equity attributable to the parent company | 2,167 | 73.70% | 2,343 | 78.80% | 2,497 | 77.16% |
| Capital stock | 643 | 21.90% | 659 | 22.20% | 649 | 20.06% |
| Capital surplus | 795 | 27.00% | 803 | 27.00% | 813 | 25.12% |
| Retained earnings | 709 | 24.10% | 828 | 27.90% | 982 | 30.34% |
| Other components of equity | 20 | 0.70% | 53 | 1.70% | 53 | 1.64% |

In million of New Taiwan dollars ; %



In million of New Taiwan dollars ; %



Client Structure

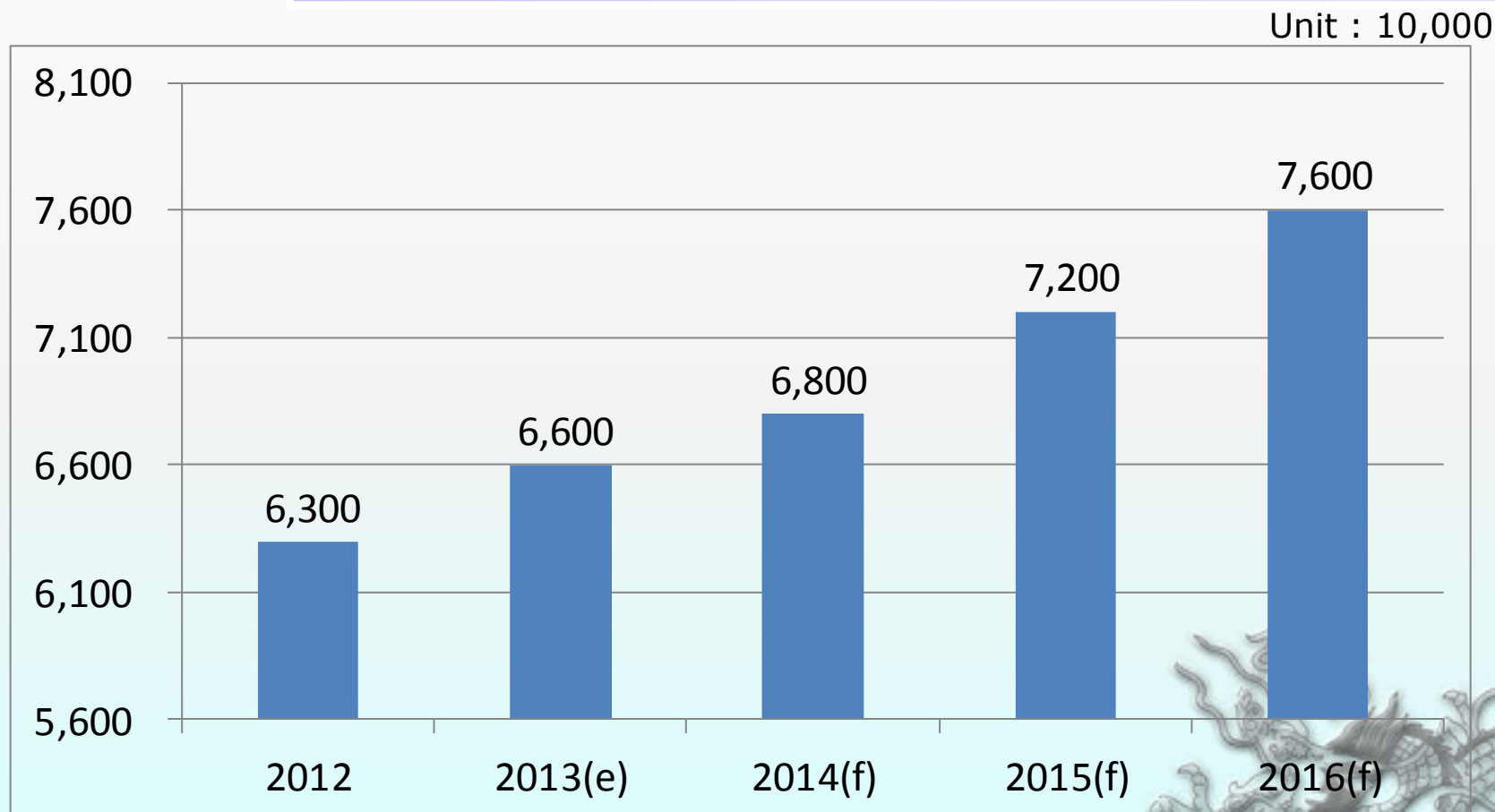
| | Client | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|--------------|-------------|-------------|-------------|-------------|-------------|
| 1 | HONDA | 42% | 39% | 50% | 50% | 51% |
| 2 | YAMAHA | 26% | 24% | 16% | 11% | 9% |
| 3 | EXEDY | 5% | 6% | 5% | 5% | 5% |
| 4 | PIAGGIO | 4% | 5% | 4% | 5% | 6% |
| 5 | INVACARE | 7% | 8% | 7% | 5% | 4% |
| 6 | Others | 16% | 18% | 18% | 24% | 25% |
| | Total | 100% | 100% | 100% | 100% | 100% |

| | Regions | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---------|------|------|------|------|------|
| 1 | Vietnam | 89% | 85% | 83% | 76% | 74% |
| 2 | Taiwan | 1% | 1% | 1% | 1% | 1% |
| 3 | others | 10% | 14% | 16% | 23% | 25% |

Product Diversification

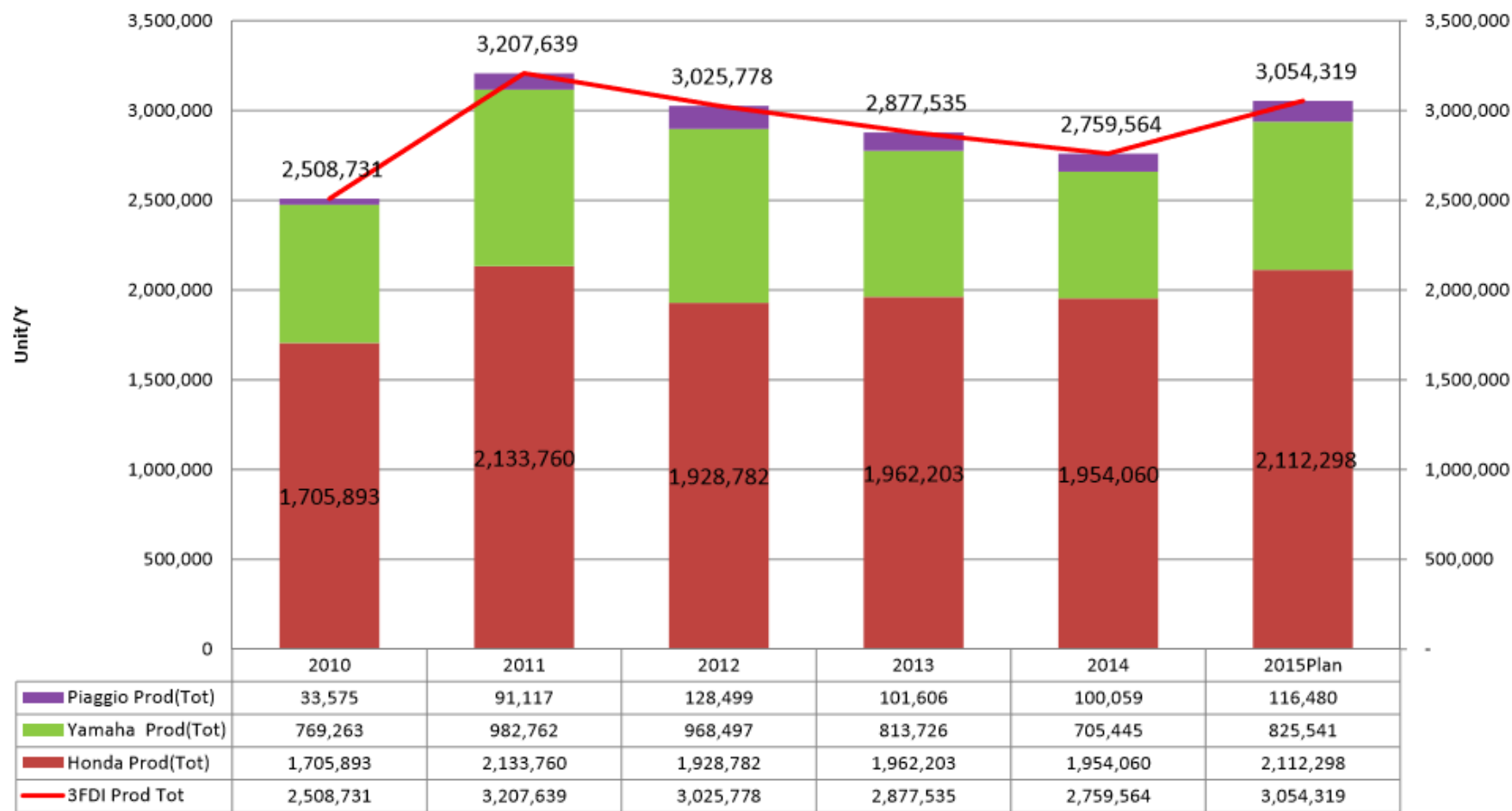
| | 2014 | | | | 2015 | | | |
|------------------------------------|---------|---------|---------|-----------|---------|---------|-----------|-----------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Revenue | 901,630 | 884,907 | 930,499 | 1,081,586 | 987,902 | 845,689 | 1,014,785 | 1,159,385 |
| Motorcycle | 81.96% | 79.71% | 78.95% | 81.14% | 78.70% | 76.39% | 76.88% | 79.77% |
| Automobile | 1.37% | 2.01% | 1.78% | 1.78% | 2.00% | 2.03% | 2.00% | 1.73% |
| Medical & Healthcare | 15.39% | 14.71% | 13.09% | 12.13% | 13.30% | 11.36% | 9.67% | 10.63% |
| Heavy Motor & Recreational Vehicle | 1.28% | 3.57% | 6.18% | 4.95% | 6.00% | 10.22% | 11.44% | 7.87% |

Global motorcycle market scale and trend analysis



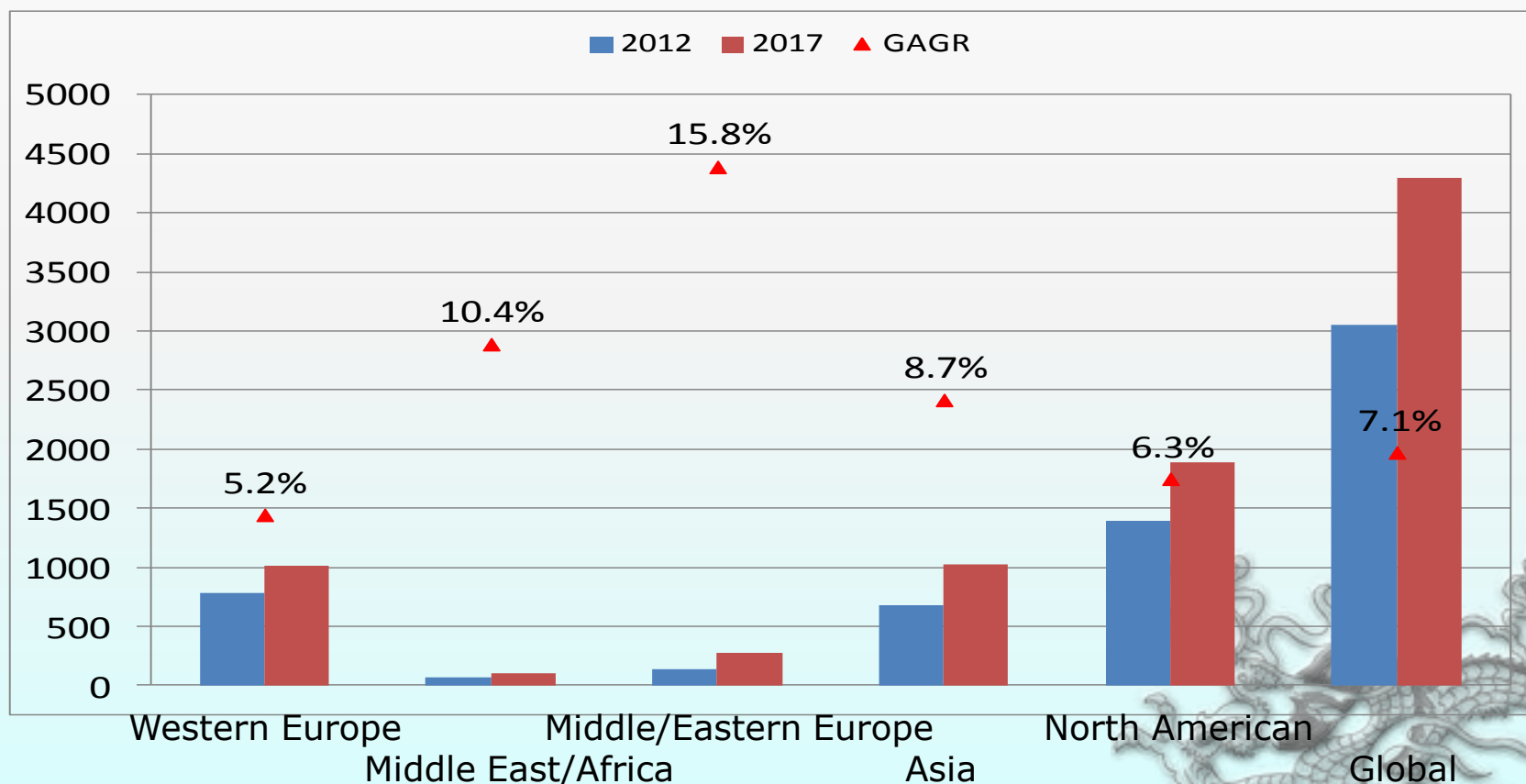
Source: IEK(2013/05)

Vietnam big 3 motorcycle's FDI statistics



Global healthcare equipment market distribution forecast

In USD 100 million; %



Source: IEK(2013/05)

Future Outlook

- Team up with motorcycle companies' market globalization to expand more into export markets.

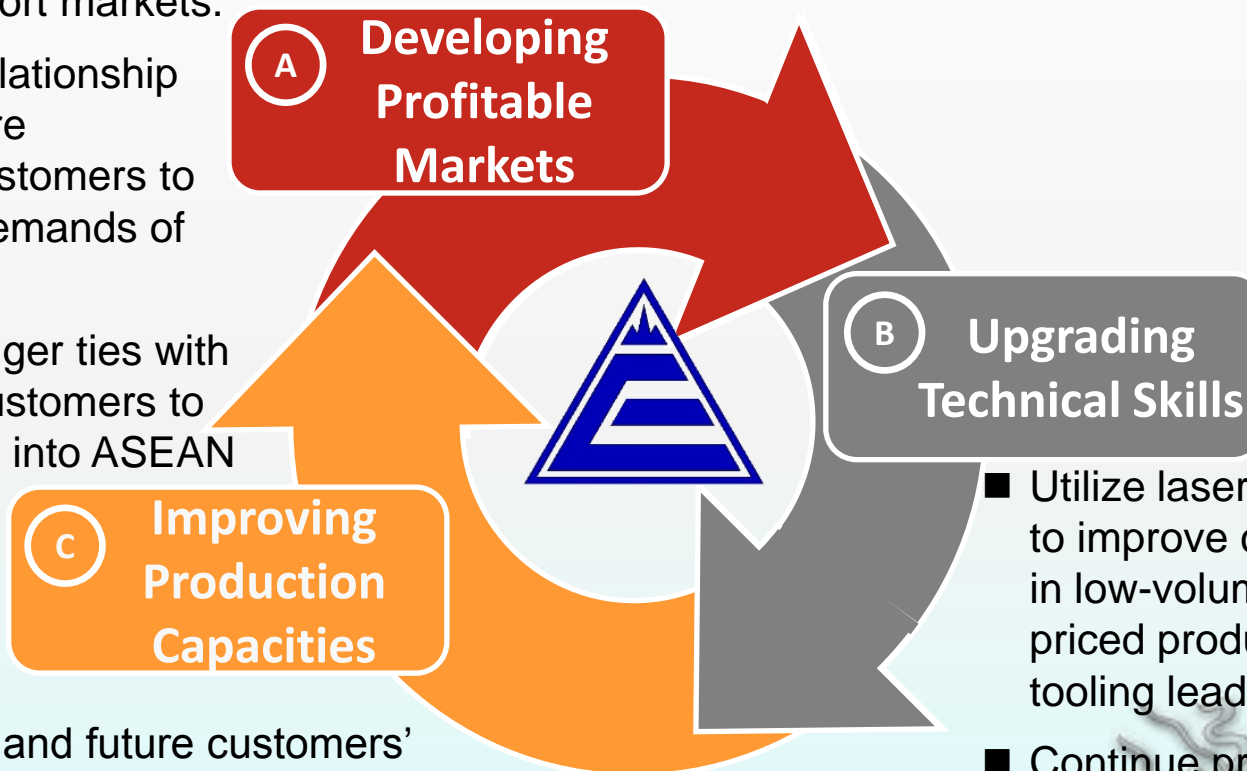
- Strengthen relationship with healthcare equipment customers to face higher demands of aging society.

- Develop stronger ties with automotive customers to grow together into ASEAN markets.

- Meet existing and future customers' demand to increase capacity in die-casting, CNC machining, and painting.

- Meet customers' growth need by planning 5th factory in Vietnam.

- Maintain relationship with main suppliers.



- Utilize laser cutting machine to improve competitiveness in low-volume but high-priced products, and reduce tooling lead time.

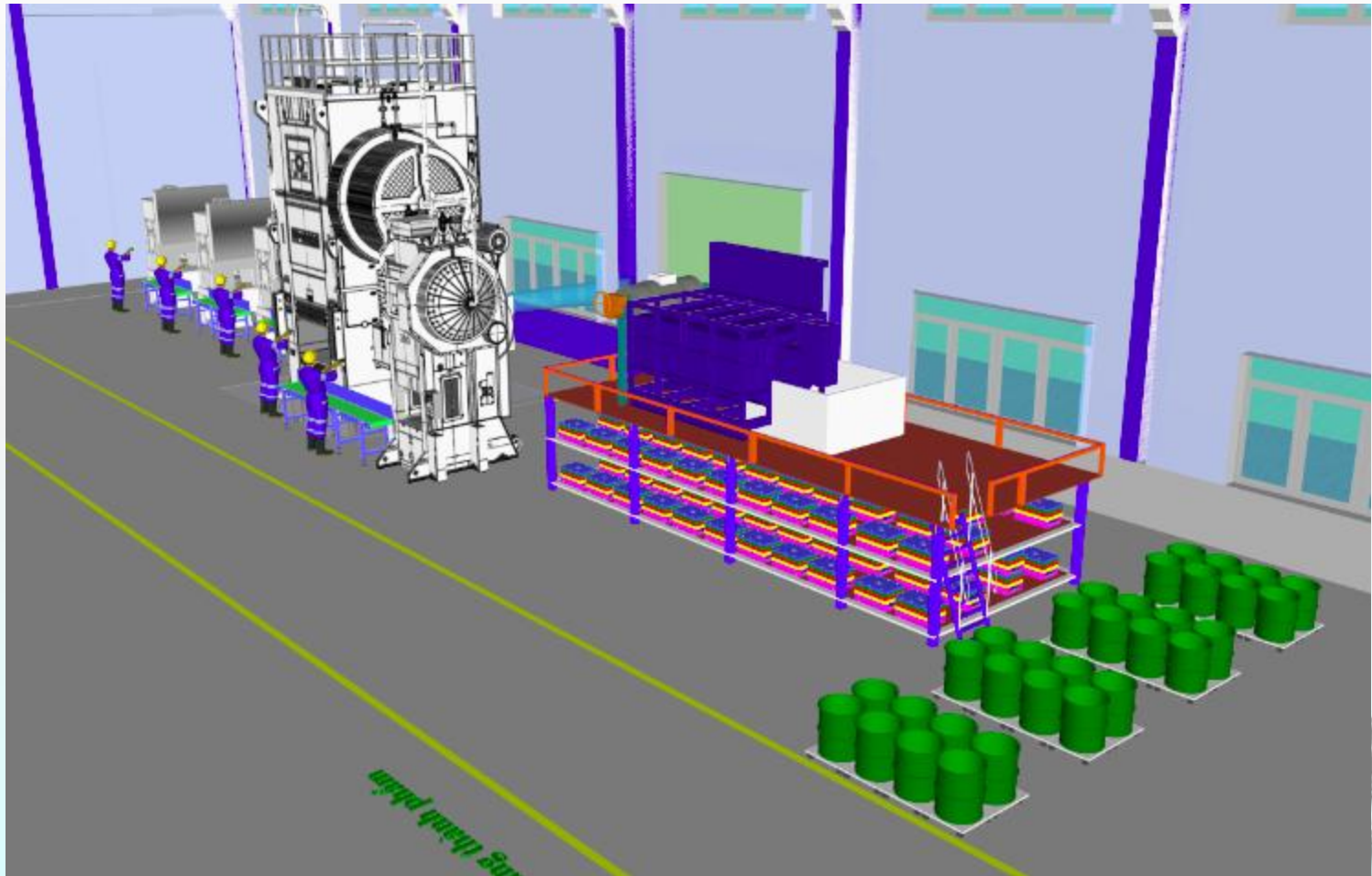
- Continue production atomization to raise competition barriers.

- Implement robotic aluminum welding used on high-end product markets.

5th Factory (Plan)



Steel Forging Production Line





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Thanks for your kind attention

~ Q&A

