



Eurocharm Group

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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** : 658,261,530
- **Number of Employees** : Total 4,100
- **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)





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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 (6.91%)
- 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
- 2015:OHSAS 18001certification
- 2017:fifth plant completed
- 2018;Acquisition of land use rights (Ba Thien 2 Industrial Park)

Vietnam Factory



Khai Quang Industrial Zone

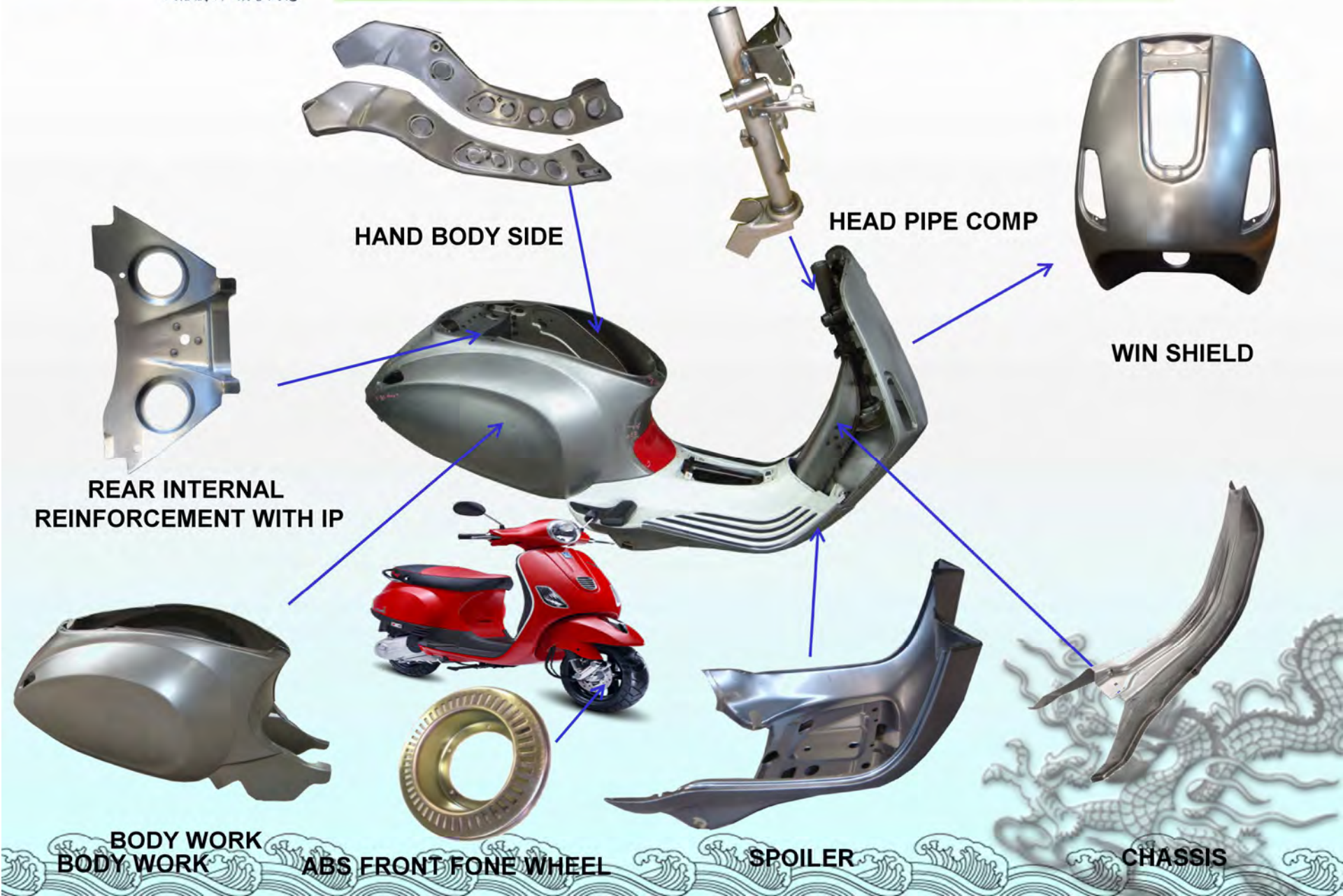
Ba Thien 2 Industrial Park



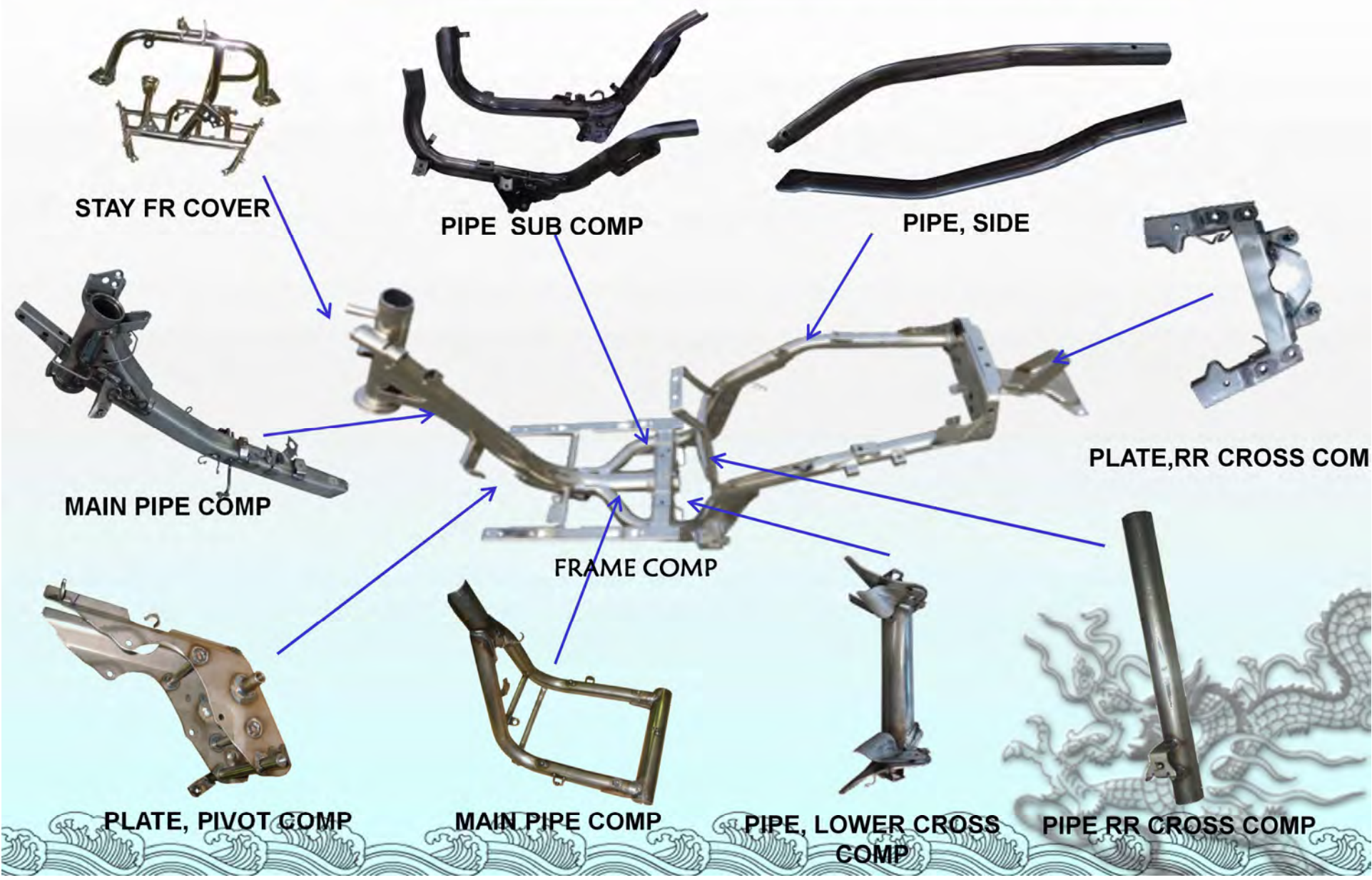
Major Customer



Motorcycle Parts (1)



Motorcycle Parts (2)



Motorcycle Parts (3)



RAIL REAR GRAB



CARRIER LUGGAGE



HUB



CLUTCH CENTER SUB



CLUTCH PLATE



CRANK CASE



ENGINE BLOCK



STEP ASSY-PILLION

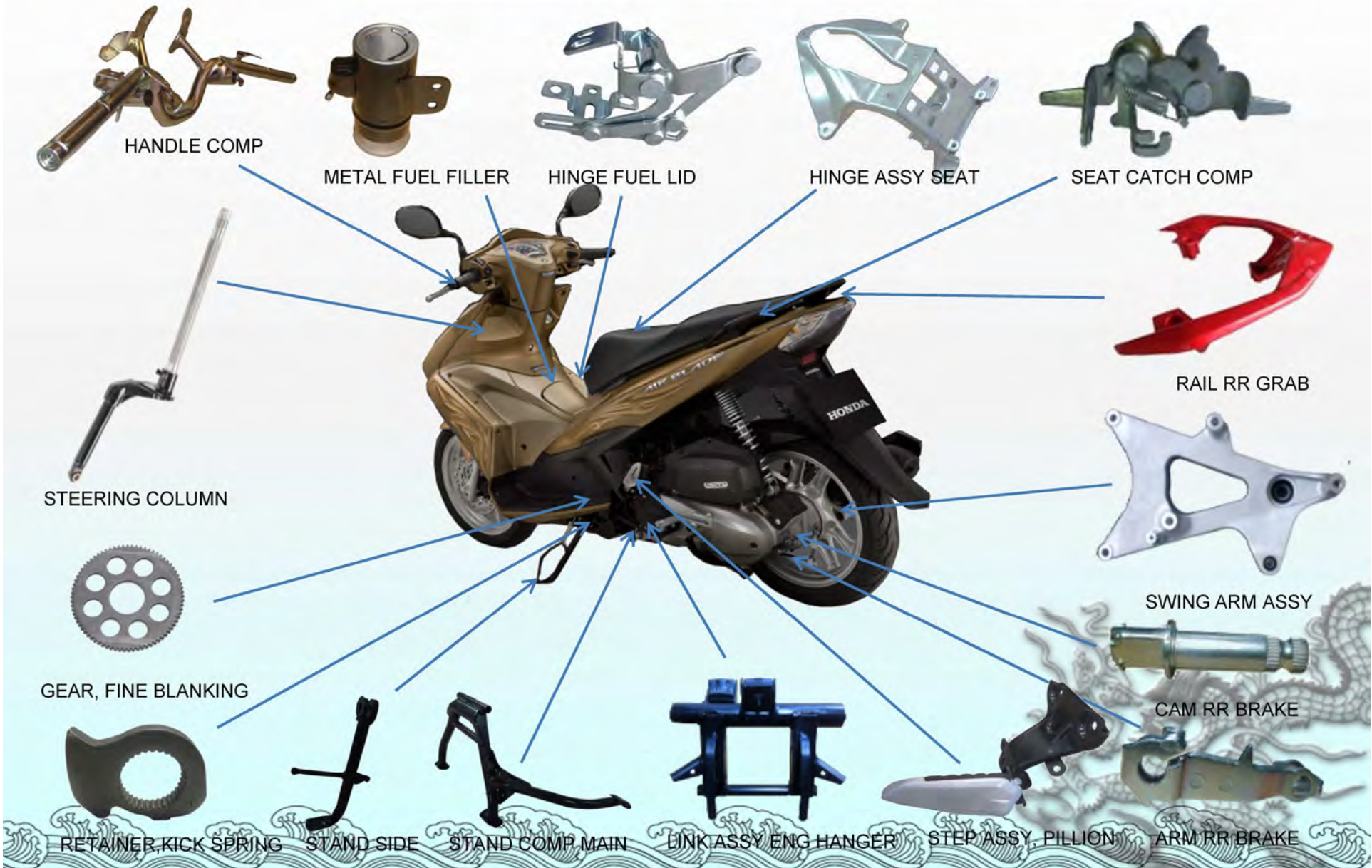


STEP ASSY-PILLION



SWINGARM, REAR

Motorcycle Parts (4)



Power Motorcycle Parts



UPPER TRIPLE CLAMP

LOWER TRIPLE CLAMP

COVER-WIRE, FRONT, N

HOUSING-SPEEDOMNT, IND WELD-BACKREST

HANDLE BAR

FOOT CONTROL

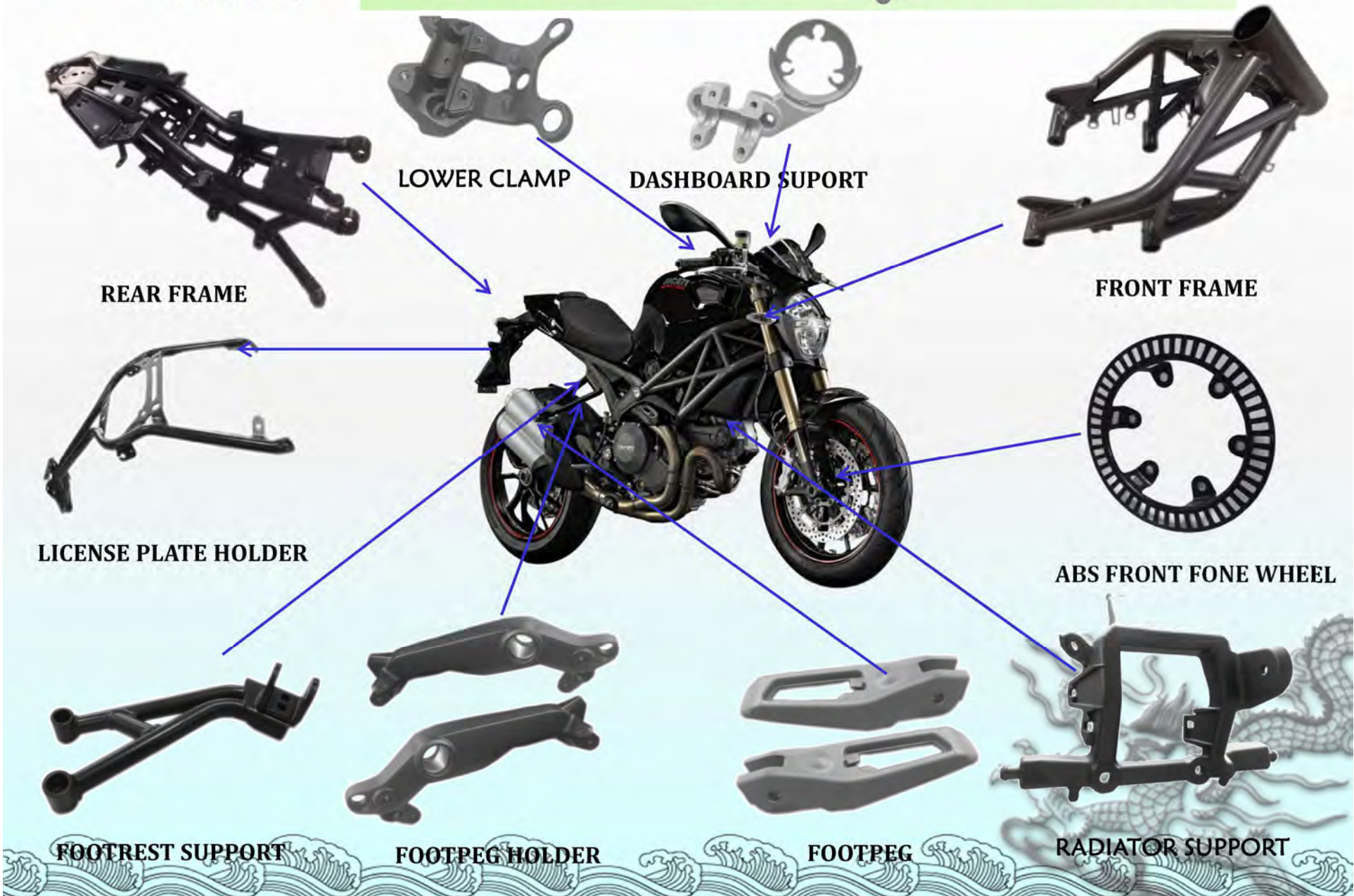
STAND SIDE

FENDER

SWINGARM

The image displays various motorcycle components. At the top, there are individual parts: a black handle bar, an upper triple clamp, a lower triple clamp, a black cover-wire with 'Indian' branding, a speedometer housing, and a weld-backrest. Below these are three motorcycle images: a front view of a red and black bike, a side view of a brown Indian Scout with 'WALL OF DEATH' branding, and a side view of a chrome cruiser with a brown leather saddlebag. Blue arrows point from the parts to their respective locations on the motorcycles. At the bottom, there are more parts: two foot controls, a side stand, a black fender, and a swingarm. The background features a decorative dragon and wave pattern.

Power Motorcycle Parts





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Snowmobile Parts



Seat Rail



Handle Bar



Front Torque Arm



Bumper



Upper Control Arm



Front Torque Arm



Lower Control Arm





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Recreational Vehicle Parts--ATV



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--sxs..





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Recreational Vehicle Parts-- others



**TRIM-RADIO
DISPLAY BEZEL**



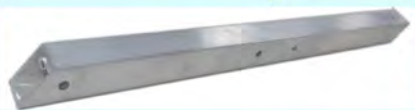
HOOP-ROLL



BRACKET-IGNITION



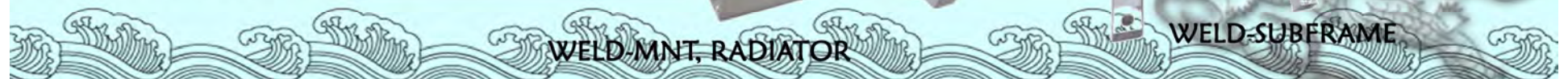
CENTER HEADLIGHT



WELD MNT, RADIATOR



WELD SUBFRAME



Automobile Parts



CHASSIS

ON BOARD CHARGER CRATE



FRAME, RR SEAT CUSHION SIDE

PANEL RR SEAT BACK



HINGE ASSY, RR SEAT

FRAME SUB-ASSY, FR SEAT CUSHION

SIDE STEP



BUMPER & BODY PARTS

SIDE STEP



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Medical & Healthcare Parts



MEDICAL BED



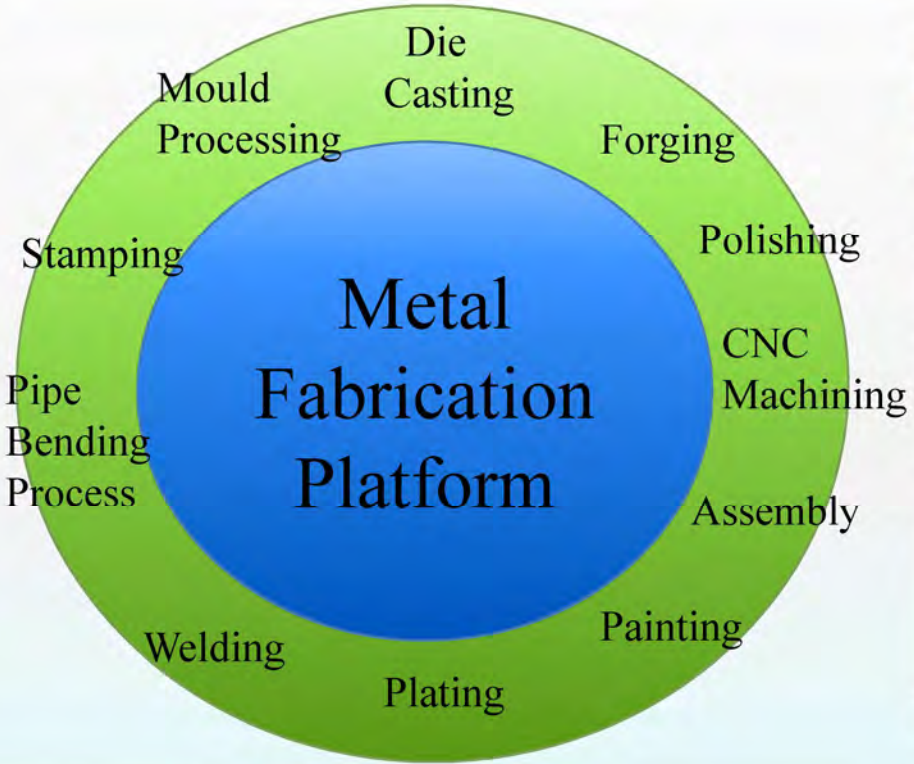
PATIENT LIFTER



SHOWER CHAIR



Competitive advantages





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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 (2020.Q3 & 2019.Q3)

In million of New Taiwan dollars

Period	2020.09	%	2019.09	%	YoY (%)
Net revenue	3,351	100.00%	3,962	100.00%	(15.42%)
Cost of revenue	(2,768)	(82.60%)	(3,253)	(82.10%)	(14.91%)
Gross profit	583	17.40%	709	17.90%	(17.77%)
Operating Expenses	(214)	(6.39%)	(201)	(5.07%)	6.47%
Income from Operations	369	11.01%	508	12.82%	(27.36%)
Non-operating income and expenses	48	1.43%	69	1.74%	(30.43%)
Income before income tax	417	12.44%	578	14.59%	(27.85%)
Income tax expense	(97)	(2.89%)	(117)	(2.95%)	(17.09%)
Net income	320	9.55%	461	11.64%	(30.59%)

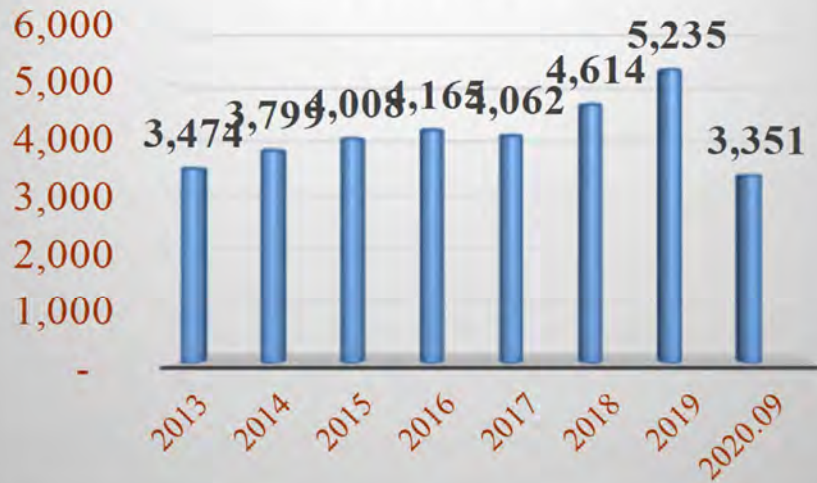
Consolidated Balance Sheet

In million of New Taiwan dollars

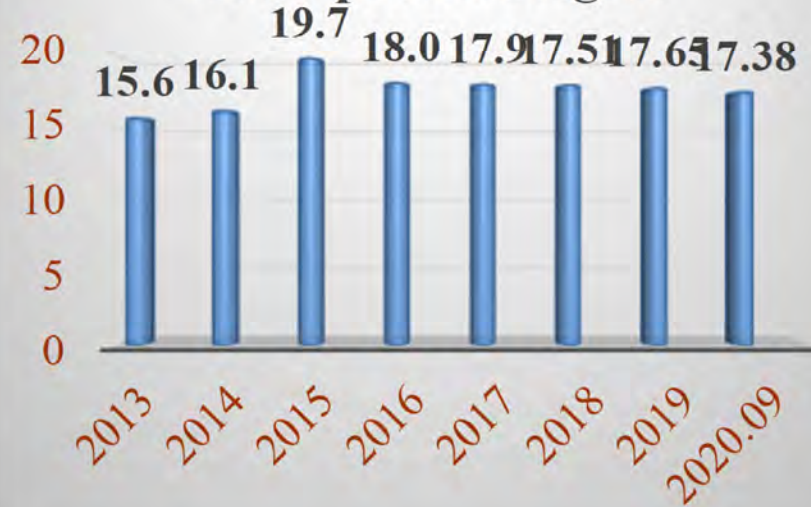
Period	2020.09.30	%	2019.12.31	%	2019.09.30	%
Assets	4,761	100.00%	4,739	100.00%	4,616	100.00%
Cash and cash equivalents	913	19.18%	1,127	23.78%	995	21.56%
Financial assets measured at amortized cost	548	11.51%	196	4.14%	311	6.74%
Notes and accounts receivable, net	851	17.87%	684	14.43%	763	16.53%
Inventories	541	11.36%	618	13.04%	603	13.06%
Property, plant and equipment	1,176	24.70%	1,206	25.45%	1,165	25.24%
Other assets	732	15.37%	908	19.16%	779	16.88%
Liabilities	1,854	38.94%	1,668	35.20%	1,613	34.94%
Short-term loans	1,040	21.84%	850	17.94%	854	18.50%
Accounts payable	287	6.03%	330	6.96%	300	6.50%
Other payable	221	4.64%	292	6.16%	230	4.98%
Other liabilities	306	6.43%	196	4.14%	229	4.96%
Equity attributable to the parent company	2,907	61.06%	3,071	64.80%	3,003	65.06%
Capital stock	658	13.82%	658	13.88%	658	14.25%
Capital surplus	837	17.58%	837	17.66%	837	18.13%
Retained earnings	1,866	39.19%	1,909	40.28%	1,743	37.76%
Other components of equity	(454)	-9.54%	(333)	-7.03%	(235)	-5.09%

In million of New Taiwan dollars ; %

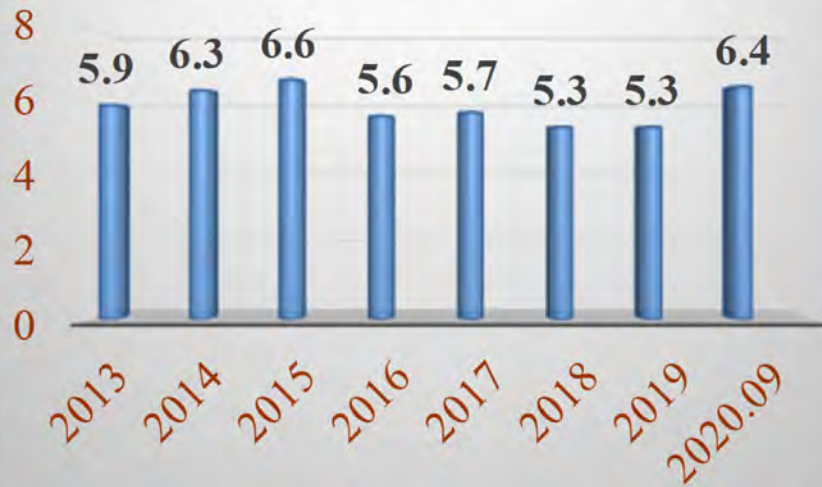
Net Revenue



Gross profit margins



Operating expenses margins



Income before income tax



In million of New Taiwan dollars ; %

Book value per share (NTD)



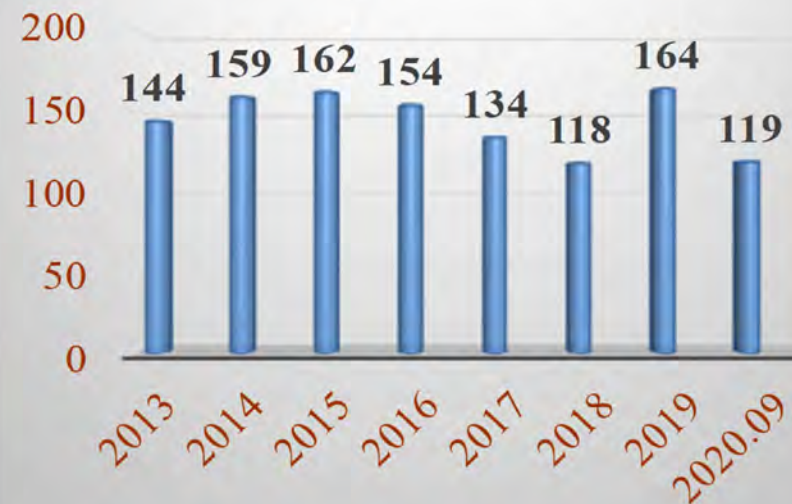
Net cash provided by operating activities



Debt Ratio



Depreciation





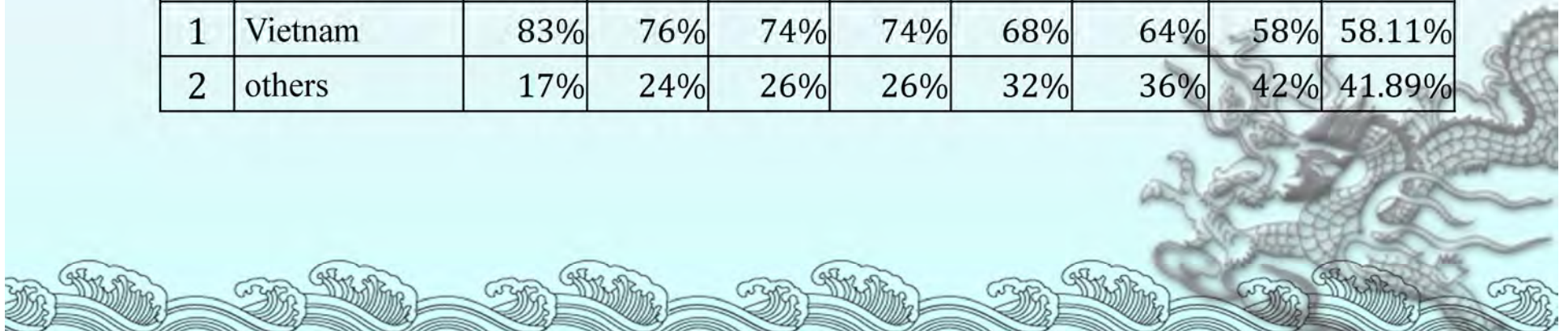
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Customer Structure

	Client	2013	2014	2015	2016	2017	2018	2019	2020
1	HONDA	50%	50%	51%	50%	48%	45.40%	39.83%	32.95%
2	YAMAHA	16%	11%	9%	9%	8%	5.66%	3.85%	2.57%
3	POLARIS	0%	4%	8%	8%	11%	14.45%	20.84%	24.65%
4	EXEDY	5%	5%	5%	5%	4%	3.37%	2.57%	2.26%
5	PIAGGIO	4%	5%	6%	6%	6%	5.66%	6.45%	7.94%
6	INVACARE	7%	5%	4%	5%	4%	3.85%	3.34%	4.92%
7	Others	18%	24%	25%	17%	19%	21.61%	23.12%	24.71%
	Total	100%	100%	100%	100%	100%	100%	100.00%	100.00%

	Regions	2013	2014	2015	2016	2017	2018	2019	2020
1	Vietnam	83%	76%	74%	74%	68%	64%	58%	58.11%
2	others	17%	24%	26%	26%	32%	36%	42%	41.89%





Product Diversification

	2018				2019				2020		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenue	1,011,344	1,059,638	1,223,162	1,320,055	1,340,899	1,319,165	1,301,788	1,273,460	1,262,948	783,345	1,304,762
Motorcycle	67.88%	68.79%	64.23%	70.76%	60.53%	62.96%	62.52%	64.73%	59.53%	59.59%	53.61%
Automobile	0.85%	1.58%	2.75%	2.55%	2.40%	2.72%	2.55%	2.04%	3.14%	2.43%	4.25%
Medical & Healthcare	13.48%	10.41%	12.59%	9.69%	11.33%	7.22%	8.72%	10.06%	11.01%	13.66%	9.15%
Heavy Motor & Recreational Vehicle	17.80%	19.23%	20.43%	17.00%	25.74%	27.10%	26.22%	19.64%	26.33%	24.31%	32.99%

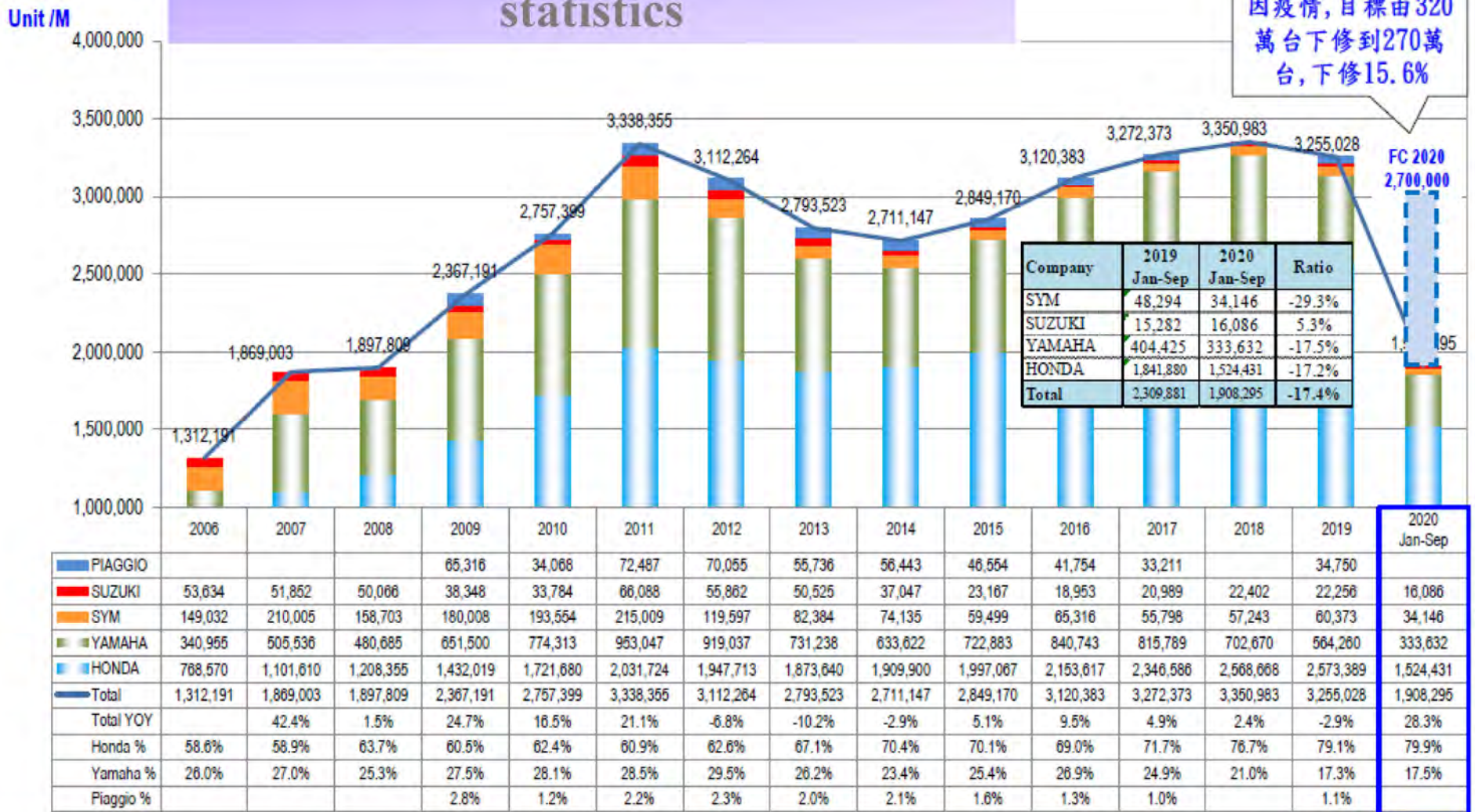




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Vietnam big 5 motorcycle's FDI statistics



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.

A Developing Profitable Markets

B Upgrading Technical Skills

C Improving Production Capacities

- Meet existing and future customers' demand to increase capacity in die-casting, CNC machining, and painting.
- Meet customers' growth need by planning Ba Thien 2 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.



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Thanks for your kind attention

~ Q&A

