



Shape A Better World

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**FU CHUN SHIN MACHINERY
MANUFACTURE CO., LTD. (6603)**

Company Profile

Disclaimer

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Basic Information of FCS Group

- ◆ **Chairman: Po Hsun Wang**
- ◆ **General Manager: Alan Wang**
- ◆ **Founded in 1974**
- ◆ **Number of employees: 961 (as of June 2024)**
- ◆ **Capital amount: NTD 1,569,859,270 (as of June 2024)**
- ◆ **Main business: R&D, manufacturing, sales and output of customized precision plastic injection molding machines**
- ◆ **Production bases:**



Item \ Business department	FCS (Taiwan)	FCS (Dongguan)	FCS (Ningbo)	Hangzhou Bay, Ningbo	FCS (India) (Ahmedabad)
Year of foundation	1974	1994	2001	2019	2019
Production capacity (note)	1,200 units	1,000 units	2,000 units	3,000 units Officially opened in October 2024	300 units
Number of employees	267	178	323	149	44
land area	84,468 m ²	14,000 m ²	33,400 m ² (50 acres)	66,990m ² (100 acres)	-
Plant area	47,100 m ²	10,000 m ²	19,770 m ²	97,792m ²	3,600m ²

Note: The production capacity is calculated based on NTD 1 million per unit. As injection molding machines are priced by model and ton, there is a significant difference in unit price between different models.

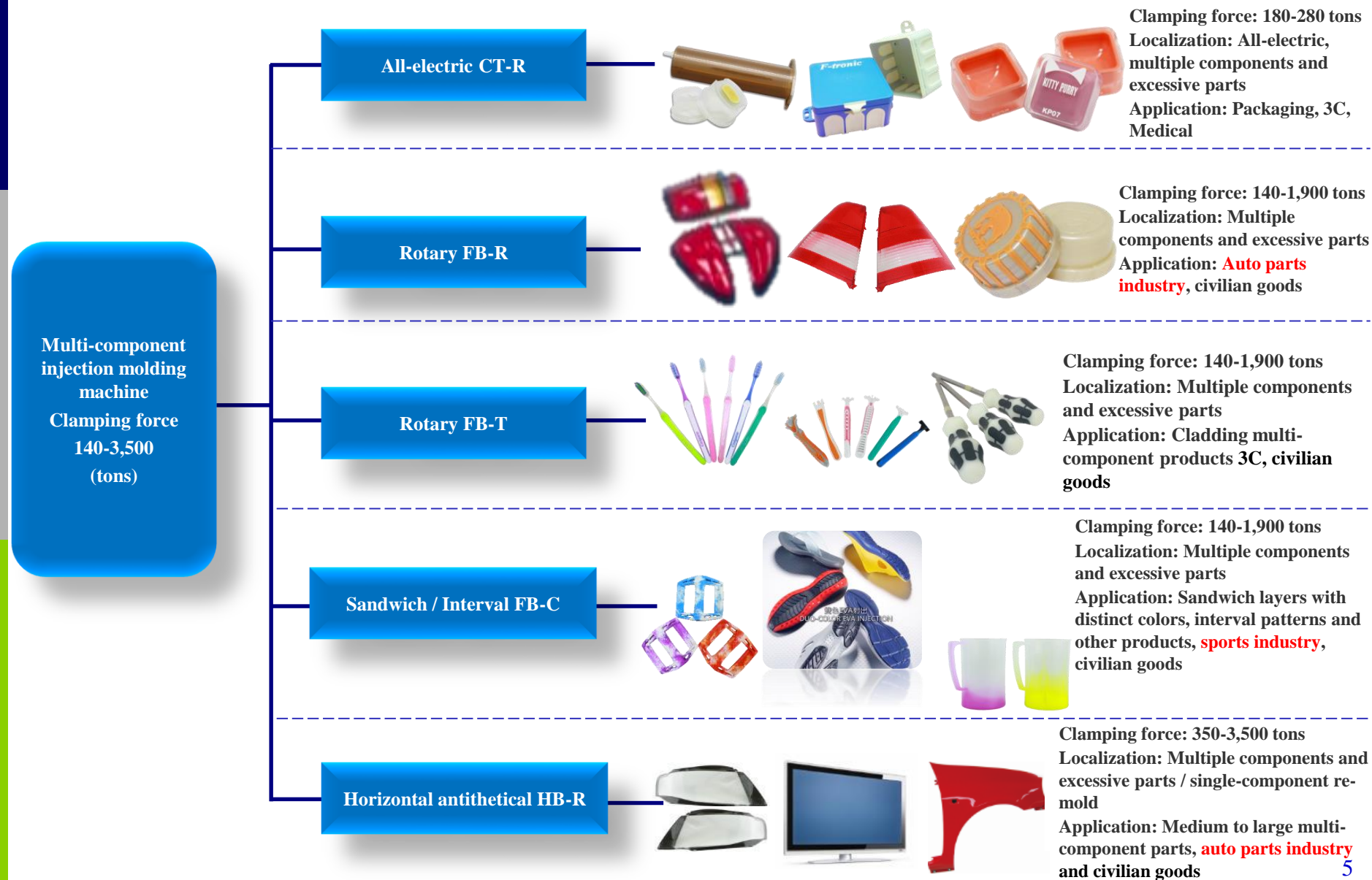
Positioning of production base

Item \ Business department	FCS (Taiwan)	FCS (Dongguan)	FCS (Ningbo)	Hangzhou Bay, Ningbo	FCS (India) (Ahmedabad)
Business Department Strategy	• Differentiation	• Cost-led	• Differentiation	• Differentiation	• Cost-led
Production location	<ul style="list-style-type: none"> • Complete solution • Intelligent manufacturing integration • Full series factory output 	<ul style="list-style-type: none"> • Small and medium-sized standard single-component machine • Small-sized standard multi-component injection molding machine 	<ul style="list-style-type: none"> • Customization of large-sized single-component machine • Customization of medium and large-sized multi-component injection molding machine 	<ul style="list-style-type: none"> • Complete solution • Intelligent manufacturing integration • Large, super large - full range customization 	<ul style="list-style-type: none"> • Small and medium-sized standard single-component machine
Sales area	<ul style="list-style-type: none"> • Taiwan • Overseas high-end markets (Europe, America, Japan) 	<ul style="list-style-type: none"> • China • Overseas mid- and low-end market 	<ul style="list-style-type: none"> • China • Overseas mid- and low-end market 	<ul style="list-style-type: none"> • China • Overseas mid- and high-end market 	<ul style="list-style-type: none"> • India

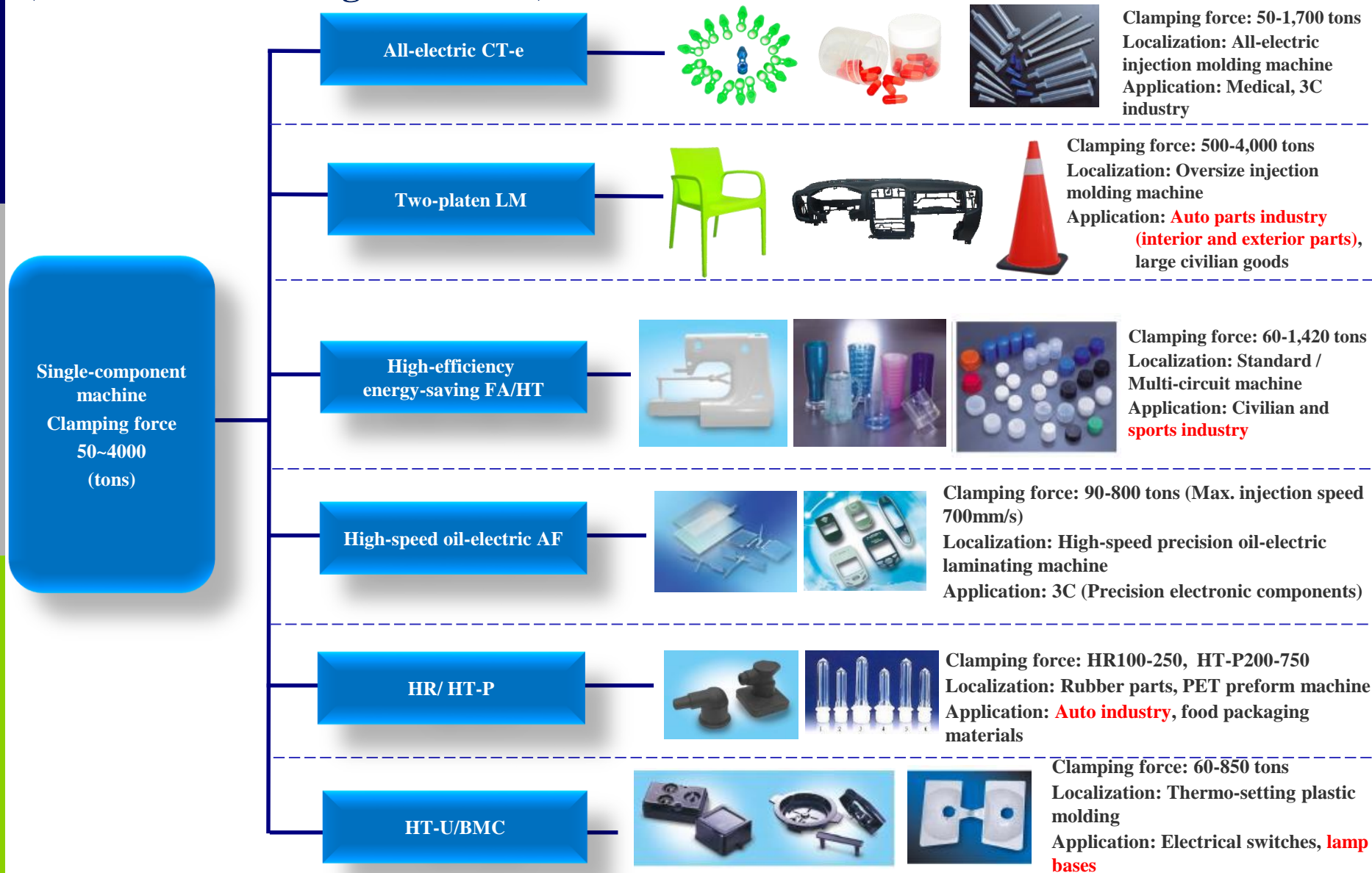
Note: Small-sized machine: below 250 tons; medium-sized machine: 300-750 tons;

Large-sized machine: 850-2,350 tons, super-large-sized: more than 2,500 tons.

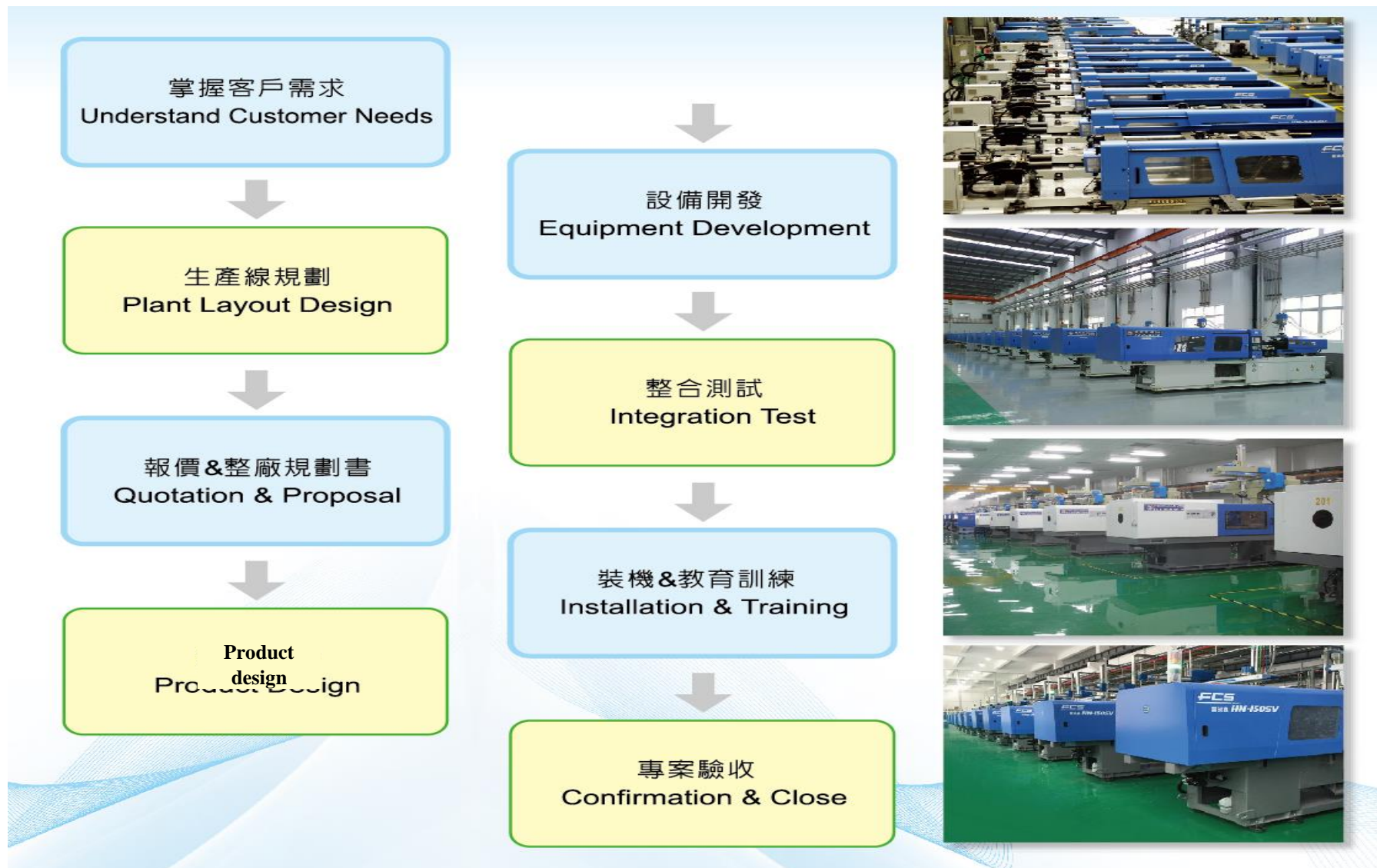
Comprehensive injection molding solution - multi-component injection molding machine (revenue accounting for 59.1%)



Comprehensive injection molding solution - -Single-component machine (revenue accounting for 29.8%)



Customized Design and System Integration Service Capability



- **With rich integration experience,** the Company provides one-stop value-added services, including injection molding machines, molds, Smart Auxiliary, and molding technology

Leading the industry with smart molding solutions

iMF 4.0 Empowers intelligent ManuFactory **Smart Molding**

- ▶ Smart Manufacturing Solutions
- ▶ Cloud Data Analysis and Calculation
- ▶ Eliminate Waste and Reduce Costs

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SCROLL DOWN

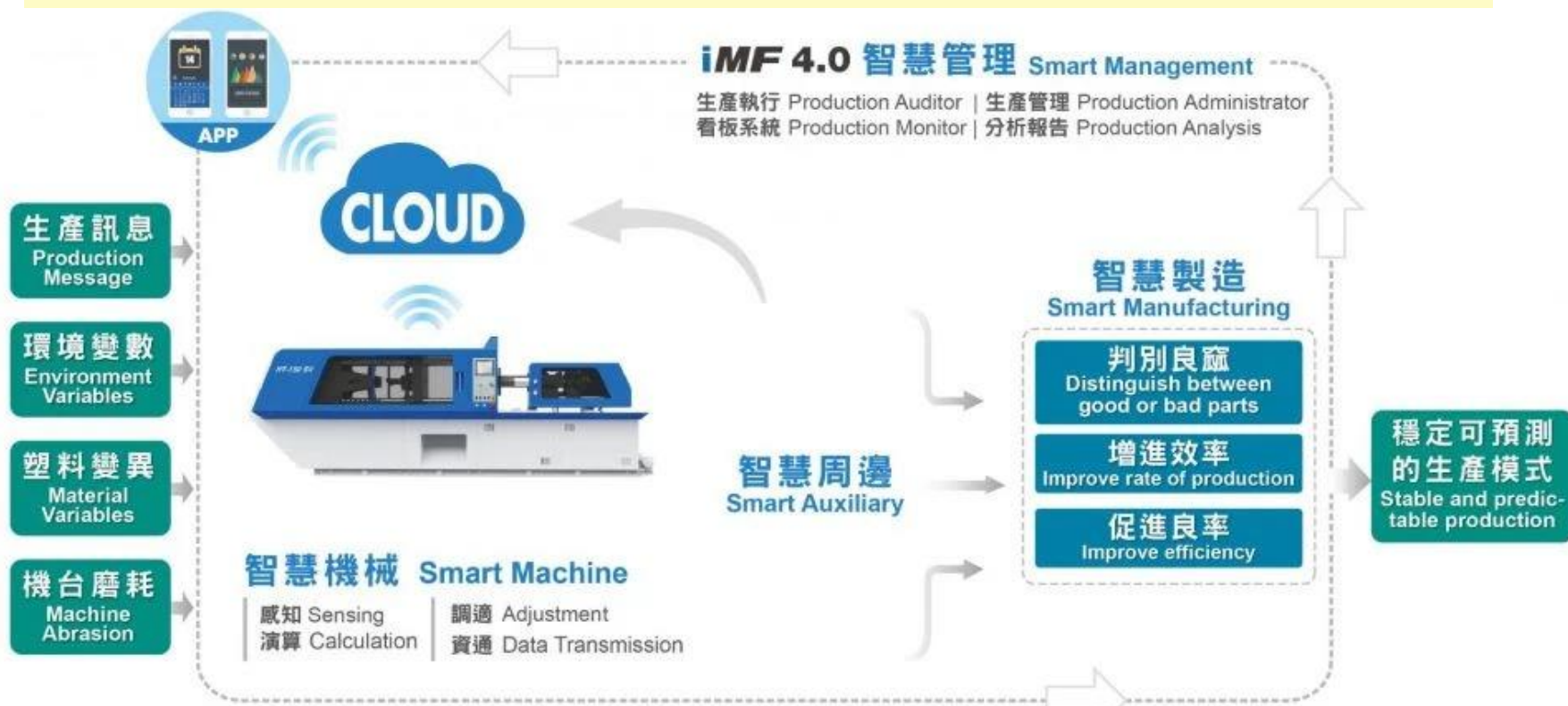
Three reasons to choose FCS

1. Having been engaged in the plastic injection molding industry for 50 years, FCS is a specialist in molding equipment. We understand the difficulties encountered by the industry.
2. FCS provides professional consulting services, so that digital transformation is not blindly following trends, but obtaining visible increase in benefits.
3. Different from the "theoretical" smart factory solutions in the market, FCS's **iMF 4.0 Intelligent ManuFactory System** is **based on practical experience to accurately target hidden costs and carbon emissions in the factory. As of now, nearly 500 sets have been sold.**

Introducing AI technology, equipment technologization

iMF 4.0 智慧製造工廠 intelligent ManuFactory

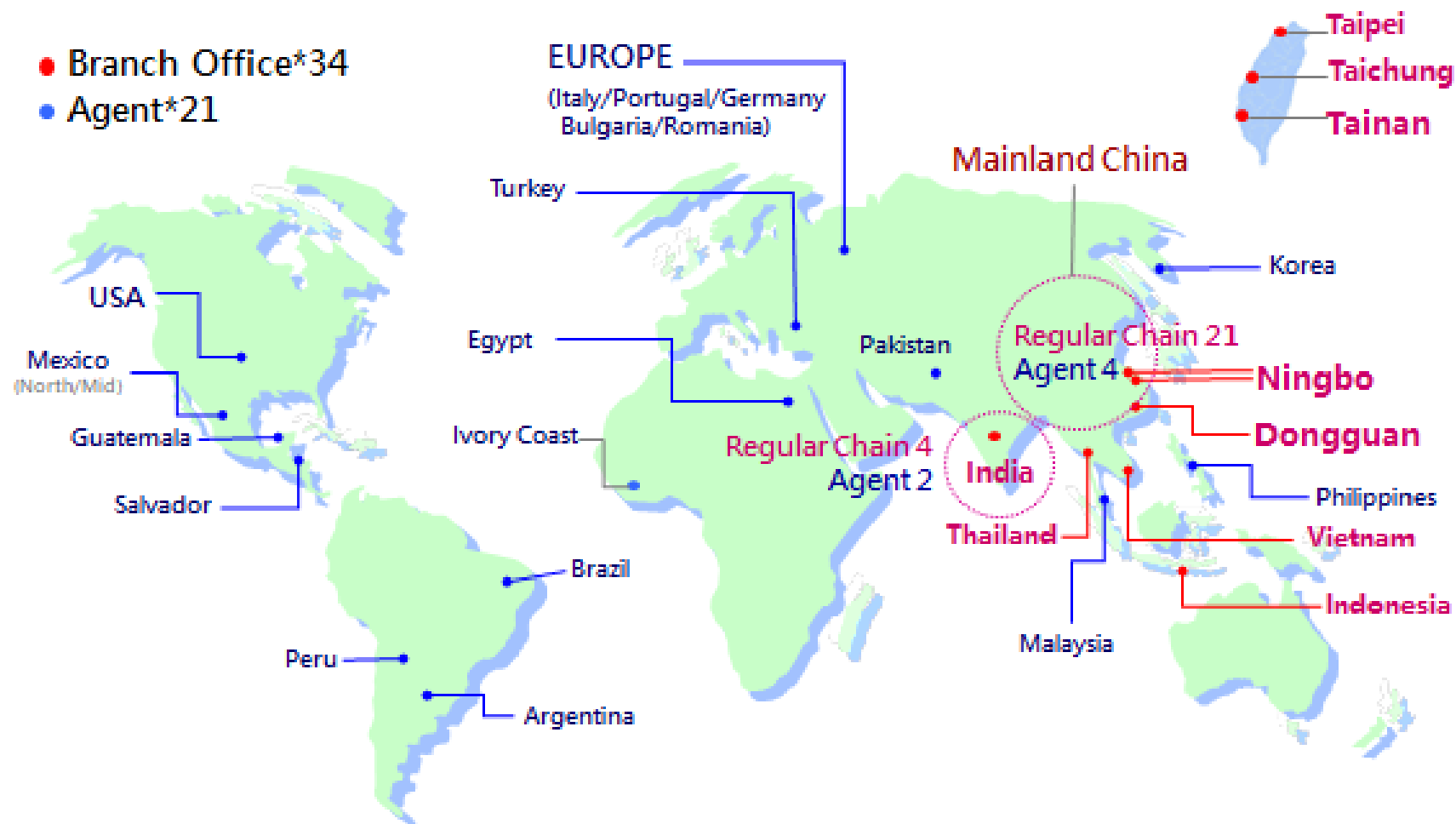
Has won the "TAIPEIPLAS Intelligent Manufacturing Factory System Excellence Award" several times, and passed the Ministry of Economic Affairs' scientific and technological review.



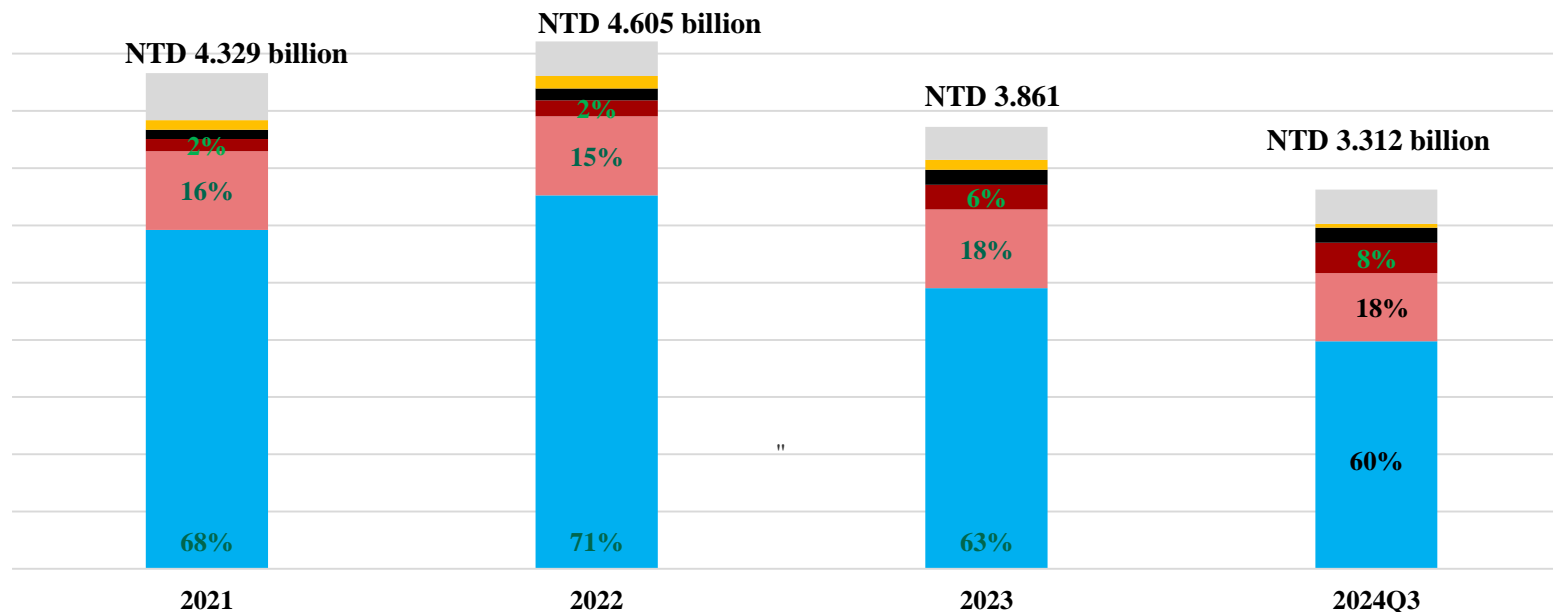
iMF 4.0 Intelligent Manufacturing Factory System tailored intelligent manufacturing solution for plastic processing industry

The iMF 4.0 intelligent ManuFactory system is installed on the injection molding machine and interconnects with surrounding information to adjust and control the quality parameters autonomously. The injection molding machine applies smart sensor module to improve product yield, reduce production waste, and initiate warning through the engineering monitoring and feedback function to avoid losses due to unexpected downtime. FCS is seizing the "smart" manufacturing opportunities for you.

Global Marketing Channels



Top five sales countries

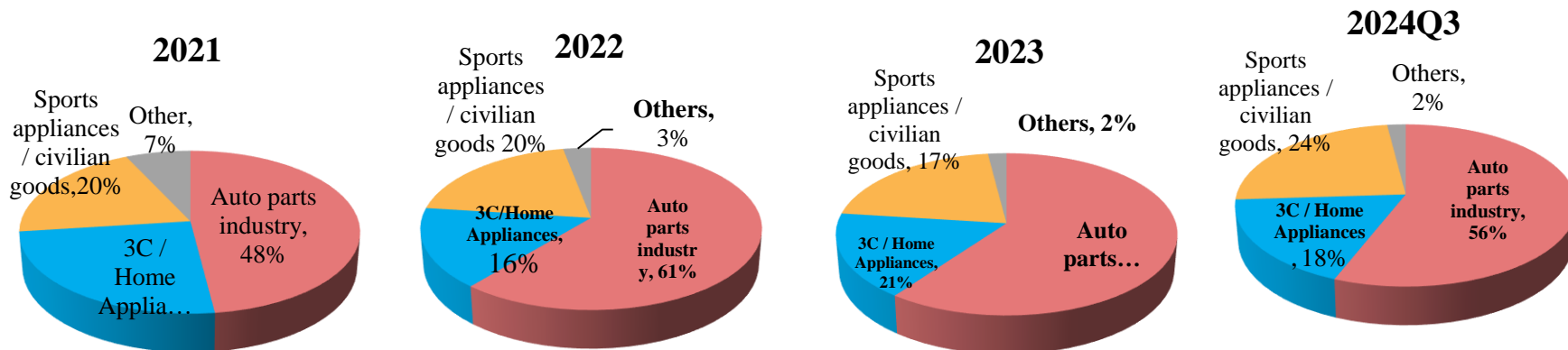


■ China ■ Taiwan ■ India ■ Vietnam ■ United States and Mexico ■ Other Unit: NTD thousand

Year	2021			2022				2023				2024 Q3		
Country	Amount	Proportion	Growth rate	Country	Amount	Proportion	Growth rate	Country	Amount	Proportion	Growth rate	Country	Amount	Proportion
China	2,960,474	68%	26.6%	China	3,262,322	71%	9.3%	China	2,450,485	63%	-33.1%	China	1,987,444	60%
Taiwan	687,972	16%	23.0%	Taiwan	690,522	15%	0.4%	Taiwan	689,509	18 percent	-0.1%	Taiwan	596,233	18%
India	104,179	2%	25.9%	Vietnam	138,158	3%	39.7%	India	213,609	6%	50.5%	India	264,993	8%
Vietnam	83,315	2%	30.3%	India	105,823	2%	1.6%	United States and Mexico	131,100	3%	17.9%	Vietnam	132,496	4%
United States and Mexico	82,236	2%	32.3%	United States and Mexico	107,657	2%	23.6%	Vietnam	87,804	2%	-57.3%	United States and Mexico	33,124	1%
Others	410,331	9%	58.5%	Others	300,722	7%	-36.4%	Others	288,498	7%	-4.2%	Others	298,117	9%
Total	4,328,507	100%	29.2%	Total	4,605,204	100%	6.0%	Total	3,861,005	100%	-19.3%	Total	3,312,407	100%

Customer Industry Revenue Analysis

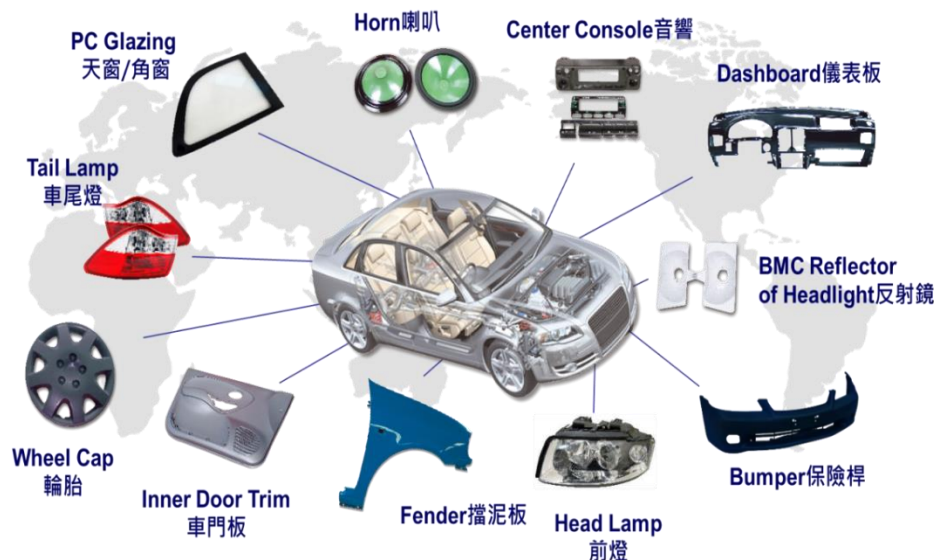
■ Auto Parts ■ 3C and Home Appliances ■ Sports Appliances/Civilian Goods ■ Others



Unit: NTD 1,000

Year Category	2021			2022			2023			2024Q3	
	Amount	Proportion	Growth rate	Amount	Proportion	Growth rate	Amount	Proportion	Growth rate	Amount	Proportion
Auto parts industry	2,077,683	48%	94%	2,809,209	61%	35%	2,316,602	60%	-18%	1,854,948	56%
3C/Home Appliances	1,082,127	25%	4%	736,842	16%	-32%	656,371	17%	-11%	596,233	18%
Sports appliances / civilian goods	865,701	20%	57%	921,052	20%	6%	810,811	21%	-12%	794,978	24%
Others	302,995	7%	-24%	138,101	3%	-54%	77,221	2%	-44%	66,248	2%
Total	4,328,507	100%	41%	4,605,204	100%	6%	3,861,005	100%	-16%	3,312,407	100%

Customer Industry-Auto Parts (56% of revenue)



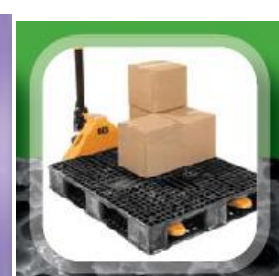
- We are the top seller of **multi-component injection molding machines in the auto parts industry**, with a cumulative sales volume of over 5,000 units and over a thousand application cases. We have built a comprehensive knowledge base to solve various production bottlenecks.

Global Indicator Customer

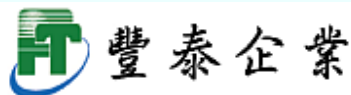


Customer Industry -Sports Appliances/Civilian Goods

(24% of revenue)

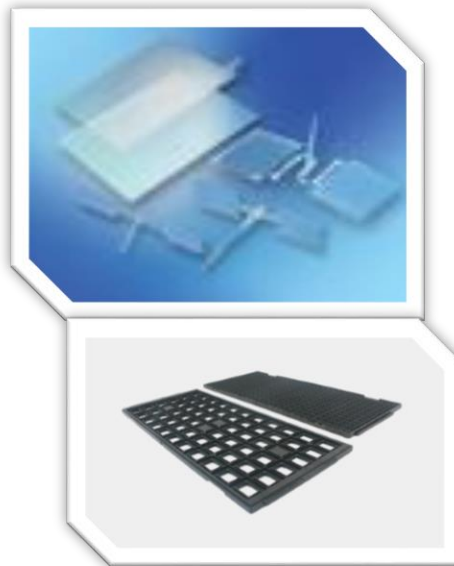


Global Indicator Customer



Customer Industry -3C and Home Appliances

(18% of revenue)



Global Indicator Customer



Panasonic



Haier



CHANGHONG 长虹
—— 快乐创造 C 生活 ——

Canon

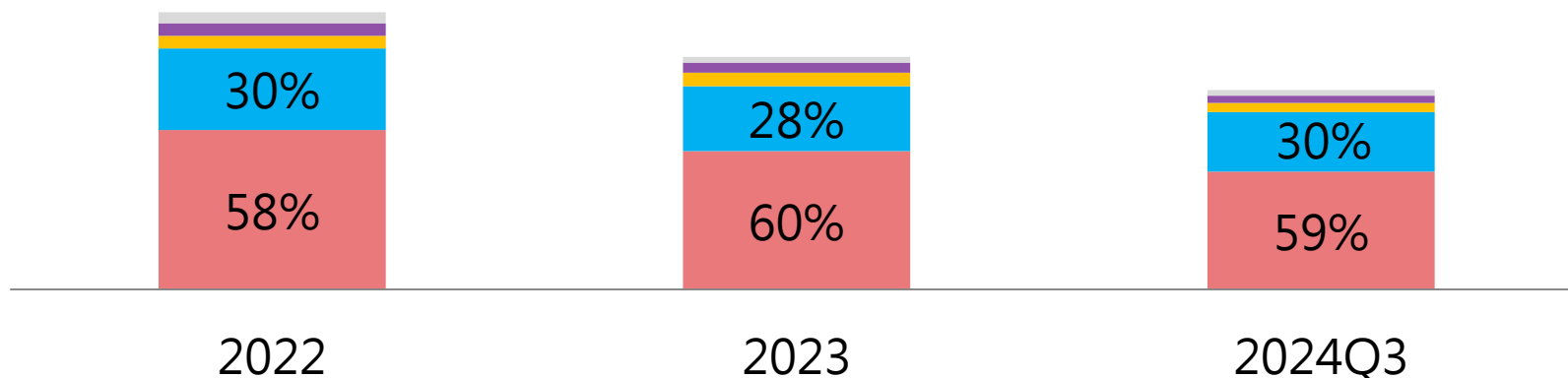


泰金寶電通
Cal-Comp Electronics & Communications

Chicony **TYMPHANY**
迪芬尼



Product Revenue Analysis



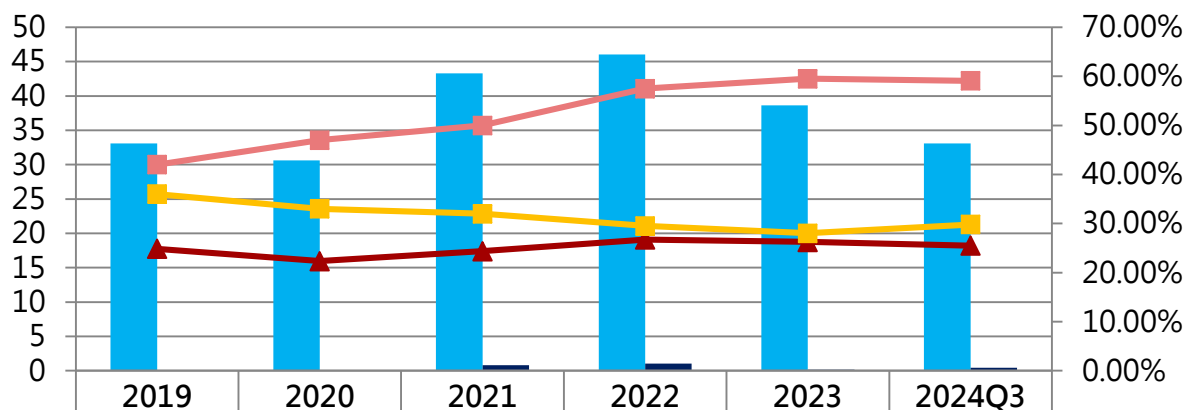
- Sales revenue of multi-component plastic injection molding machine
- Enameled wire revenue
- After-sales service revenue and peripherals
- Sales revenue of single-component plastic injection molding machine
- Sales revenue of multi-component plastic injection molding machine

Unit: NTD thousand

Product category \ Year	2022			2023			2024Q3	
	Amount	Proportion	Growth rate	Amount	Proportion	Growth rate	Amount	Proportion
Sales revenue of multi-component plastic injection molding machine	2,649,000	57.5%	22%	2,296,714	59.5%	-13%	1,957,633	59.1%
Sales revenue of single-component plastic injection molding machine	1,357,894	29.5%	-1%	1,080,806	28.0%	-20%	988,411	29.8%
After-sales service revenue and peripherals	206,370	4.5%	-17%	221,954	5.7%	8%	155,155	4.7%
Enameled wire revenue	212,187	4.6%	-33%	169,139	4.4%	-20%	119,994	3.6%
Green energy and others	179,753	3.9%	-14%	92,392	2.4%	-49%	91,214	2.8%
Total	4,605,204	100.0%	6%	3,861,005	100.0%	-16%	3,312,407	100.0%

Revenue and Gross Margin Analysis

- Operating income (NTD 100 million)
- EPS(NTD)
- Gross margin (%)
- Proportion of revenue from multi-component injection molding machines (%)
- Proportion of revenue from single-component injection molding machines (%)



Operating income (NTD 100 million)	33.1	30.63	43.29	46.05	38.61	33.1
EPS(NTD)	0.1	0.08	0.8	1.05	0.13	0.45
Gross margin (%)	24.83%	22.34%	24.35%	26.73%	26.23%	25.50%
Proportion of revenue from multi-component injection molding machines (%)	42.0%	47.0%	50.0%	57.5%	59.5%	59.1%
Proportion of revenue from single-component injection molding machines (%)	36.0%	33.0%	32.0%	29.5%	28.0%	29.8%

Operation Profile - statement of loss and profit for recent years

Unit: NTD thousand

	2022	2023	YOY	2023Q3	2024Q3	YOY
Operating revenue	4,605,204	3,861,005	-16.16%	2,741,812	3,312,407	20.81%
Operating costs	3,374,074	2,848,137	-15.59%	2,033,685	2,467,751	21.34%
Gross operating profit	1,231,130	1,012,868	-17.73%	708,127	844,656	19.28%
Gross profit margin	26.73%	26.23%	-0.50%	25.83%	25.50%	-0.33%
Operating expenses	973,165	974,649	0.15%	690,623	766,625	11.00%
Operating profit	257,965	38,219	-85.18%	17,504	78,031	345.79%
Operating profit margin	5.60%	0.99%	-4.61%	0.64%	2.36%	1.72%
Net non-operational income (expenditure)	-4,028	19,604	-586.69%	10,179	23,795	133.77%
Consolidated net profit before tax	253,937	57,823	-77.23%	27,683	101,826	267.83%
Income tax (expense)	83,960	34,500	-58.91%	21,207	32,182	51.75%
Net profit attributable to the parent company after tax	159,455	23,323	-85.37%	5,935	70,104	1081.20%
EPS(NTD)	1.05	0.13	-87.62%	0.04	0.45	1025.00%

Consolidated Balance Sheet

Unit: NTD thousand.

Accounting item \ Year	March 31, 2024		June 30, 2023		September 30, 2024	
	Amount	%	Amount	%	Amount	%
Cash and financial assets	829,049	11.3	854,636	11.0	884,786	11.4
Accounts receivable	1,542,369	21.1	1,786,258	23.1	1,709,000	21.6
Inventory	1,691,802	23.2	1,717,242	22.2	1,839,165	23.6
Other current assets	186,682	2.6	230,644	3.0	234,880	3.0
Real estate property, plant and equipment, net investment-based real estate property	2,162,912	29.6	2,239,389	28.9	2,254,869	29.0
Other non-current assets	891,888	12.2	911,135	11.8	868,579	11.1
Total assets	7,304,702	100.0	7,739,304	100.0	7,791,279	100.0
Current liabilities	2,069,289	28.3	2,775,720	35.9	3,117,433	40.0
Non-current liabilities	2,818,221	38.6	2,559,106	33.1	2,046,869	26.3
Total liabilities	4,887,510	66.9	5,334,826	68.9	5,164,302	66.3
Total shareholders' equity	2,417,192	33.1	2,404,478	31.1	2,626,977	33.7

Net value per share (NTD)	14.27	14.44	14.92
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Consolidated Statement of Cash Flows

Unit: NTD thousand

Item	2023Q3	2024Q3	Difference in amount	Difference%
Cash and equivalent cash balance at beginning of period	696,349	489,397	-206,952	-29.72%
Net cash inflow (outflow) from operating activities	167,660	195,986	28,326	16.89%
Net cash inflow (outflow) from investing activities	-318,331	-78,003	240,328	75.50%
Net cash inflows (outflows) from financing activities	161,711	102,172	-59,539	-36.82%
Effect of exchange rate changes on cash and equivalent cash	-16,333	-38,335	-22,002	-134.71%
(Decrease) in cash and equivalent cash for the current period	-5,293	181,820	187,113	3535.10%
Cash and equivalent cash balance at end of period	691,056	671,217	-19,839	-2.87%

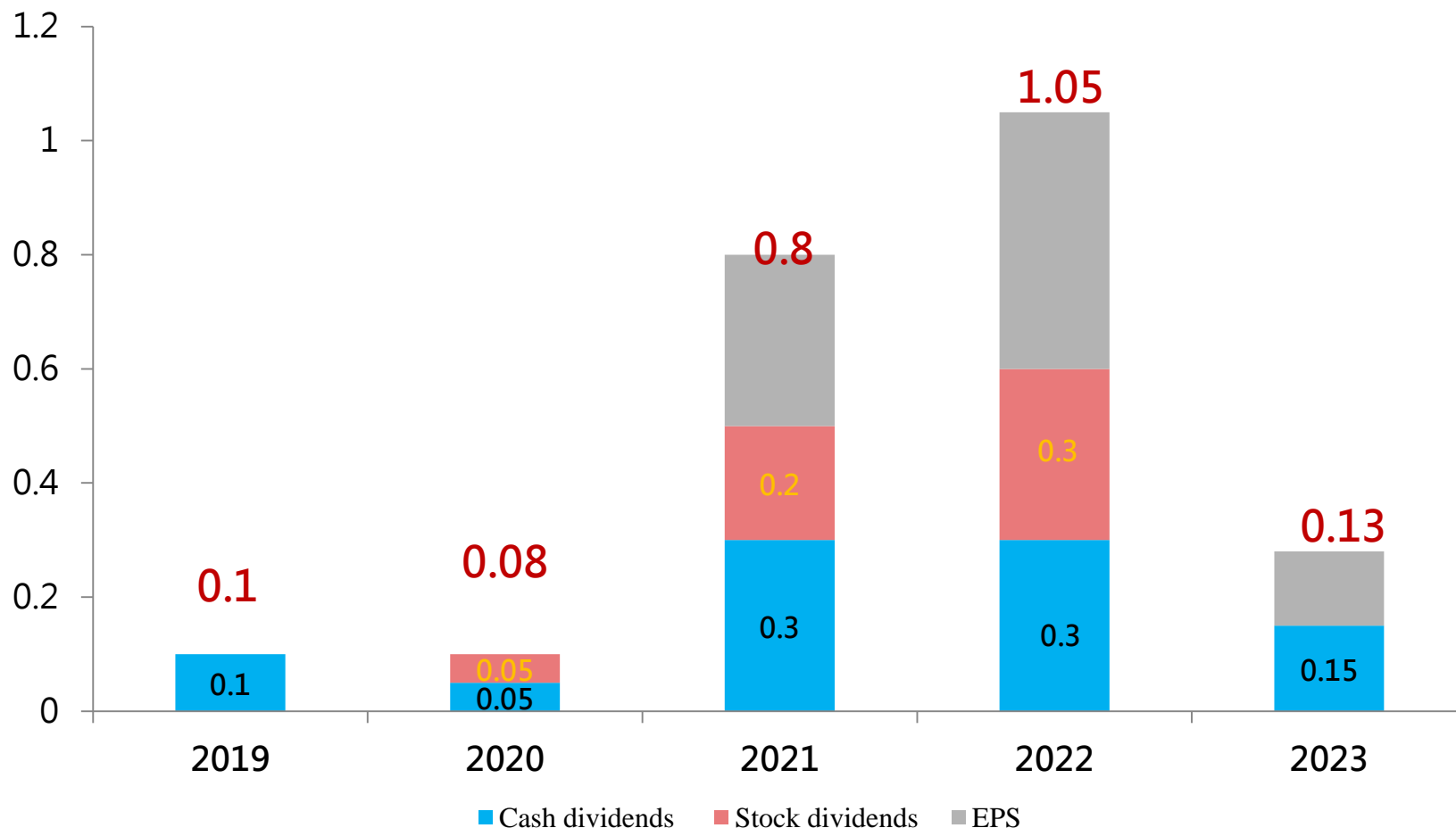
Financial ratio analysis

Analytical Item	Year	2023	2023Q3	2024Q3	Comparison of 2023Q3 and 2024Q3
Financial structure %	Liabilities to assets ratio (%)	67.31	66.90	66.28	-0.62
Repayment ability %	Current ratio (%)	200.54	167.95	149.73	-18.22
	Quick ratio (%)	117.27	101.68	85.49	-16.19
Business capability	Receivables turnover ratio (times)	2.32	2.20	2.64	0.44
	Inventory turnover (times)	1.89	1.80	1.92	0.12
Profitability	Return on assets (%)	0.65	0.23	1.42	1.19
	Return on equity (%)	0.97	0.27	2.78	2.51
	Net profit margin (%)	0.6	0.24	2.1	1.86
	Earnings per share (NTD)	0.13	0.04	0.45	0.41

Dividend Policy

The average interest rate over the past five years is 72%

Unit: NTD/share



Core Competitive Advantages



Channel

- Our marketing network covers both domestic and international markets, with 34 direct sales bases and agents in 21 countries
- Our main marketing strategies are "customer satisfaction, quality assurance" and "chain service, customer first", which can make us quickly and effectively satisfy customer needs.
- We continue to increase our proprietary trading bases, including Vietnam, Thailand, Indonesia, India, and Brazil.



R&D / Products

- Our brand image is excellent, and we have won the Taiwan Excellence Award 9 times. According to a survey conducted by VOGEL in Germany, the Company ranks among the top five in terms of user brand awareness in Greater China
- Our highly customized development capabilities can meet customers' needs
- The multi-component molding machine is hailed as a pioneer in high-level precision molding technology
- The Company is currently one of the only three manufacturers in the world to mass produce horizontal multi-component machines, and also the only professional manufacturer in Asia that can mass produce them



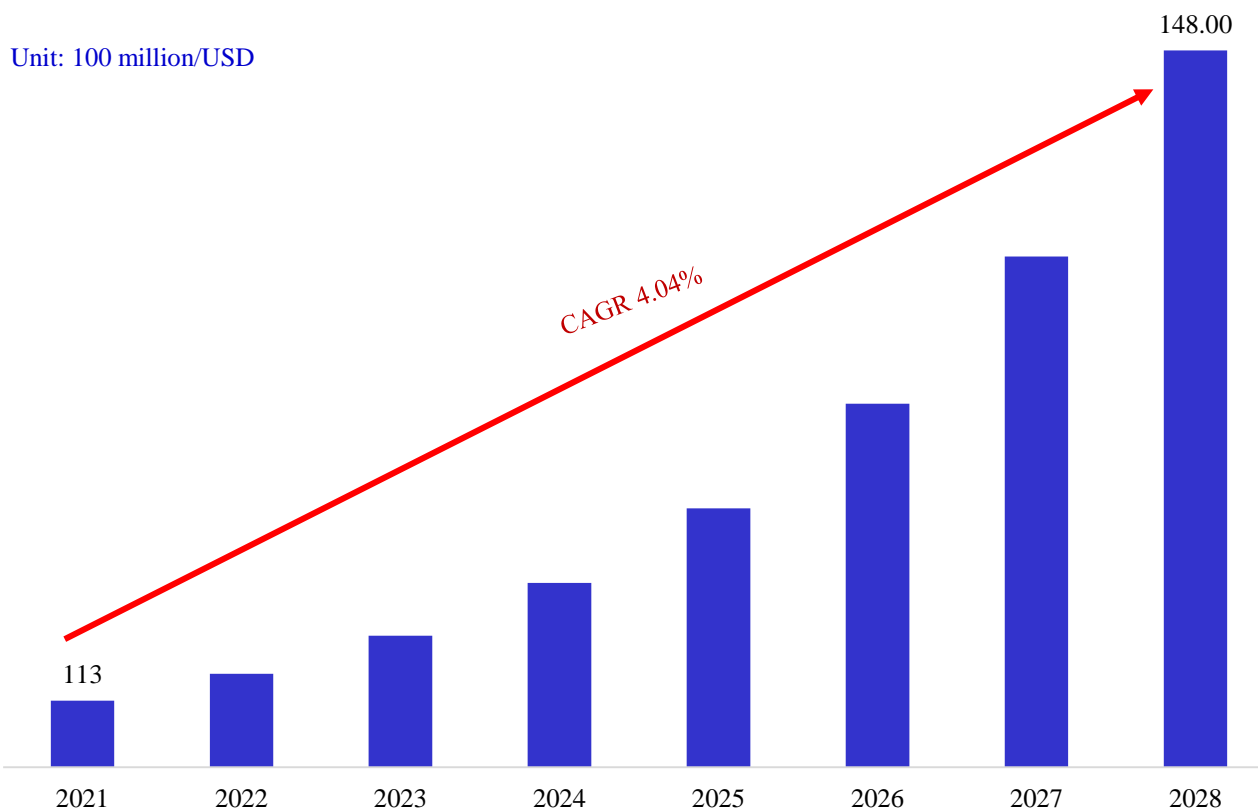
Production

- The global supply chain has changed from long chain to short chain, with 5 production bases around the world, which not only meets the huge domestic demand, but also helps to develop the market in South Asia and East Africa.
- Multi-site and multi-country production bases can avoid import tariff barriers and maximize operational efficiency, which is beneficial for global marketing operations

Growth Dynamics-Global Injection Molding Machine Market Scale Enlargement

- According to VPA Market Research Report, the market size of the **global injection molding machine** is forecast to grow at a **compound annual growth rate of 4.04%** from 2021 to 2028 and is expected to reach USD 14.8 billion by 2028.

Global Injection Molding Machine Market Scale

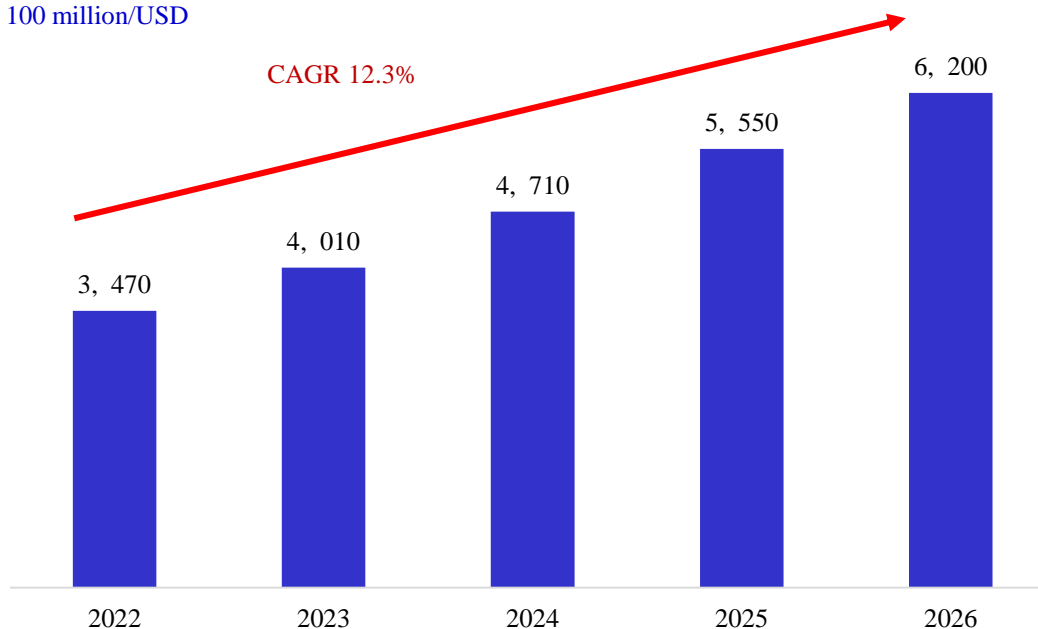


Growth Dynamics-Global intelligent manufacturing is on the rise

- The digital transformation and AI wave, as well as the overall solution of smart manufacturing, are market trends. In the post pandemic era, remote management is more important. Therefore, injection molding machine operators must have the ability to integrate software and hardware.

Global Smart Manufacturing Market Scale

Unit: 100 million/USD



According to TrendForce, the global market size of smart manufacturing will exceed USD 620 billion in 2026.

The compound growth rate from 2022 to 2026 will reach 12.3%.

●Source: TrendForce

<https://www.trendforce.com.tw/presscenter/news/20220817-11341.html>

Growth Dynamics-ESG Sustainable Development

- **Green development and circular economy:**
Driven by lightweight and environmental awareness, we achieve product lightweighting, environmental friendliness, and circular utilization through green alternative materials and new molding technologies.

- **Low carbon transformation:**
Energy conservation can no longer meet market demand. Through software assistance, optimizing machines and auxiliary equipment is the trend of low-carbon transformation.



Growth Dynamics-Taiwanese businessmen returning, New Southbound Effect

- According to the "Three Major Programs for Investing in Taiwan", it is obvious that the investment amount of returning Taiwan businessmen has exceeded NTD 2.3 trillion.

Total of three major programs for investing in Taiwan



As at August 23, 2024



Total investment amount is about NTD 2.3424 trillion



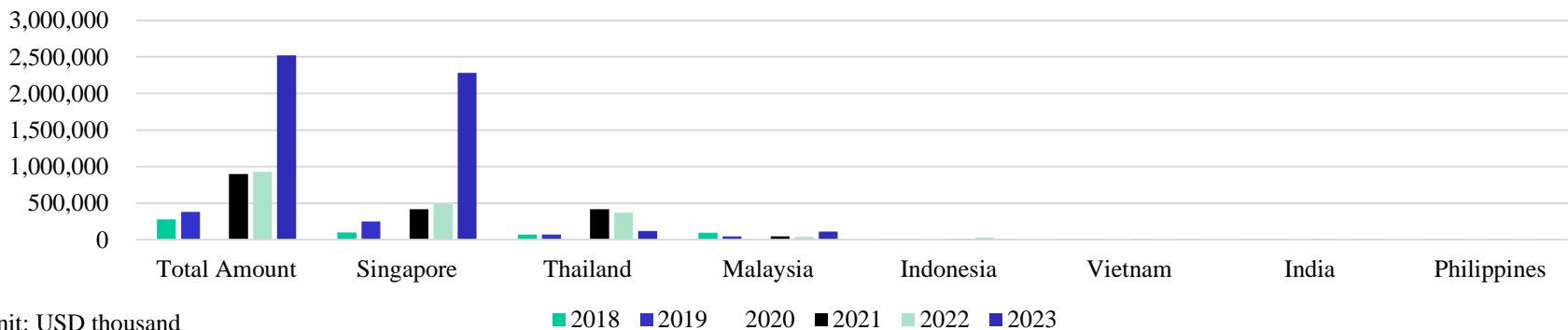
1,528 of them have passed the review



Estimated to create 153,752 jobs in Taiwan

According to the statistics on Taiwanese investment in countries implementing the New Southbound Policy approved by the Investment Review Committee of the Ministry of Economic Affairs, from January to March 2024, there were 80 approved (prepared) investments in these countries, with a total investment amount of USD 2.716 billion, an increase of 92.10% compared to the same period last year. The investments were mainly concentrated in Singapore, Vietnam, and Thailand.

Regional Statistics Table of Taiwanese Foreign Investment



Unit: USD thousand

●Source: Three Major Programs for Investing in Taiwan; the Investment Review Committee of the Ministry of Economic Affairs verifies and records the investment statistics of Taiwanese businessmen in countries implementing the New Southbound Policy. <https://investtaiwan.nat.gov.tw/showPagecht1135?lang=cht&search=1135>

Outlook



- **Create new value:** Improve comprehensive solutions, develop high-value equipment, new material applications, and AI elements, enhance competitiveness, and create new value.
- **Improve efficiency:** Build intelligent and accurate production, and create an efficient and visual production environment.
- **Expanding digital marketing:** Combine physical and digital networks to provide value-added services to customers.
- **Sustainable operation:** Improve corporate governance, be environmentally friendly, fulfill social responsibility, and practice sustainable management.



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