



CHENG FWA GROUP  
SINCE 1964

振發實業股份有限公司  
CHENG FWA INDUSTRIAL CO., LTD.

[chengfwa.com.tw](http://chengfwa.com.tw)

Stock Code: 5426

2023 Earning Results Conference

# Disclaimer



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This presentation, together with the accompanying information, contains forward-looking statements and future prospects, and the Company undertakes no obligation to update or revise the contents of this presentation as a result of any new events or circumstances that may arise.

Investors should not construe the foregoing forward-looking information as a legally binding commitment and should treat it as flexible information that is subject to possible changes. The presentation of the Company's financial, business or Q & A information may differ from actual future results due to changes in market demand, competitive industry practices, government regulations, exchange rate fluctuations and other risks beyond the Company's control.

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# I. Company Profile

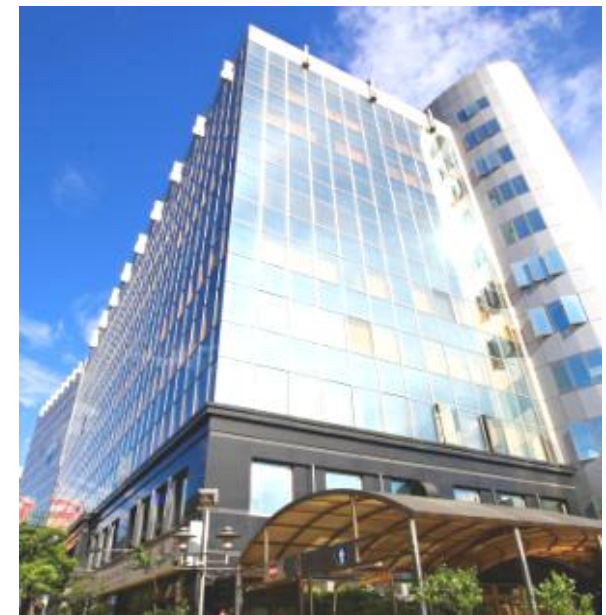
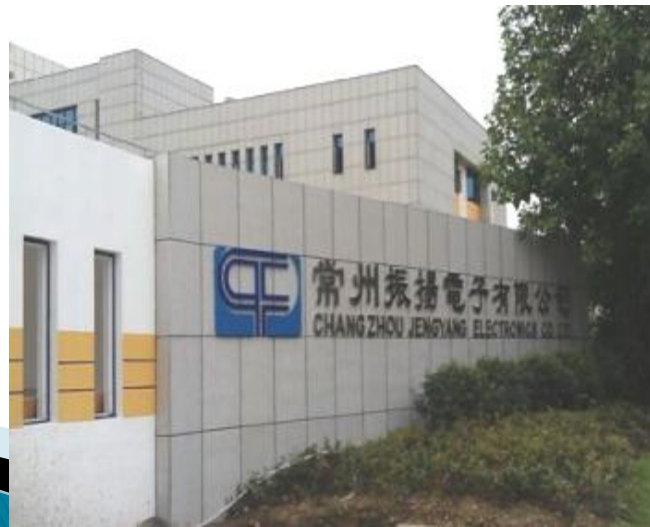


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- ▶ Date of Establishment: 1964
- ▶ Date of OTC Listing: February 9, 2000
- ▶ Paid-in Capital: NTD\$1,438,000,000
- ▶ Number of Employees: 390 people

Founded in 1964 and headquartered in Sanchong District, New Taipei City, Taiwan, Cheng Fwa Group is mainly engaged in the automated production of various precision stamping iron and plastic parts for computer, telecommunication, network, electronic industry and automotive electronics.

Cheng Fwa Group includes Taiwan Cheng Fwa and China Jeng Yang.



## Taiwan Cheng Fwa

- ▶ **Location:** Sanchong District, New Taipei City, Taiwan
- ▶ **Date of Establishment:** May, 1964
- ▶ **Plant Area:** 3,974 pings
- ▶ **Number of Employees:**
- ▶ 390 people



## Jeng Yang Electronics Co., Ltd.

- ▶ **Location:** Changzhou, Jiangsu, China
- ▶ **Date of Establishment:** August, 2001
- ▶ **Plant Area:** 24,016 pings
- ▶ **Number of Employees:** 270 people



## II. Business Items

- ▶ 1. Industrial computer and server cases
- ▶ 2. Precision stamping parts and electronic parts
- ▶ 3. Video decoder housings and other parts
- ▶ 4. Plastic parts and medical equipment
- ▶ 5. Other processed products



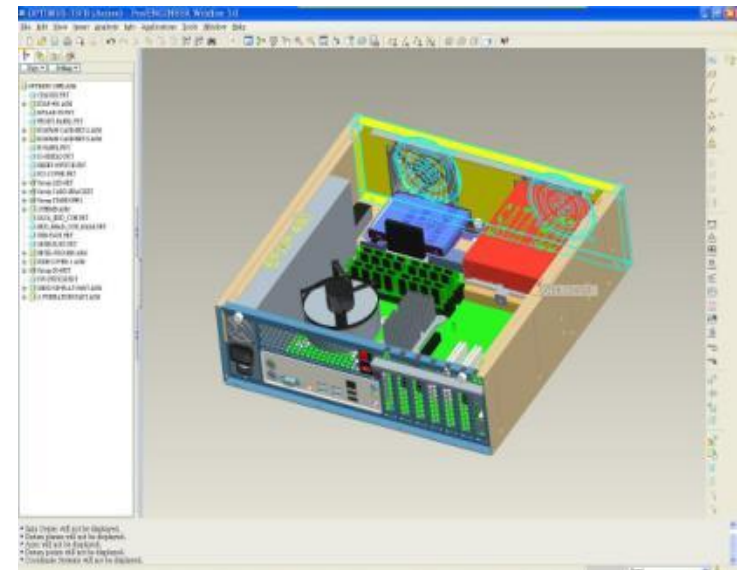
We provide one-stop services to our customers, from design, sample production, mold design, mold development, mass production, and secondary processing, to achieve perfect quality control and provide customers with diversified needs and increased competitiveness.



## Design

We provide OEM/ODM customization service for industrial chassis from the initial concept of customers. From product ID design to mechanism design service, we can meet different needs of our customers.

Professional design software: Pro-E, AutoCAD, Solid works





NCT Punching Press



Laser Cut

## Prototype Fabrication

In order to serve customers' needs for new product sampling, we provide customers with laser cutting and computerized punching machines to meet their pre-treatment of sampling needs.

- Complete software/hardware equipment
- Shorten product development time
- High quality stability
- Fast delivery time





## Mass Production

Cheng Fwa provides customers with high quality and high stability stamping production service to meet customers' high demand.

- Robot lines
- Automated material feeders



Press Production

Robotic Production

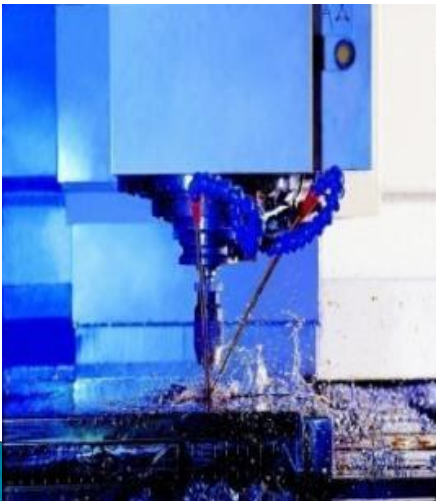


## *Hard Tooling*

We enhance customer satisfaction by shortening the mold making time, improving mold precision and mold life by in-house mold making.

### Mold service items:

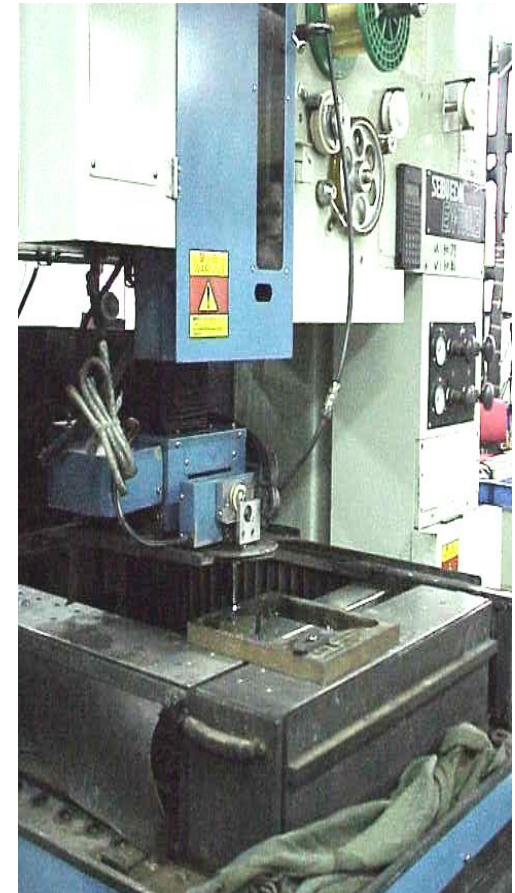
Compound dies, engineering dies, progressive dies, punching dies, bending dies, deburring dies, riveting dies, sizing dies, drawing dies, blanking dies...



Machine Center



Assemble Tool



Wire Cutting

## *Finishing Process*

Cheng Fwa provides finishing process service to save customers' time and cost, and to control the consistency of quality.

### Service items:

Ultrasonic cleaning, film treatment, dust-free screen printing, baking, assembly, burn-in test and certification, packaging and shipment

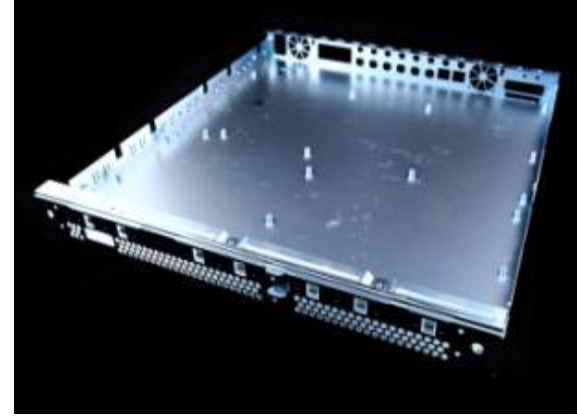


Coating Facility

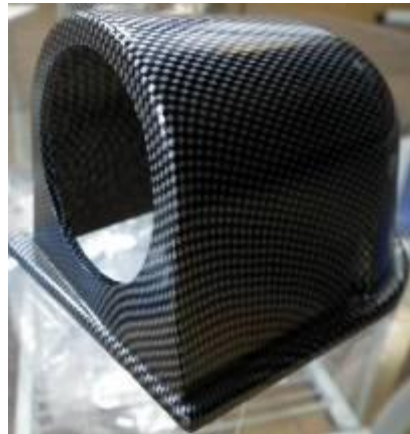


Assembly & Testing

Product Category – Metal Parts CF



Product Category – Plastic Parts





## III. Financial Summary

- ▶ 1. Description of major product sales regions
- ▶ 2. Four-year operating performance
- ▶ 3. Operating results of the first half of 2023

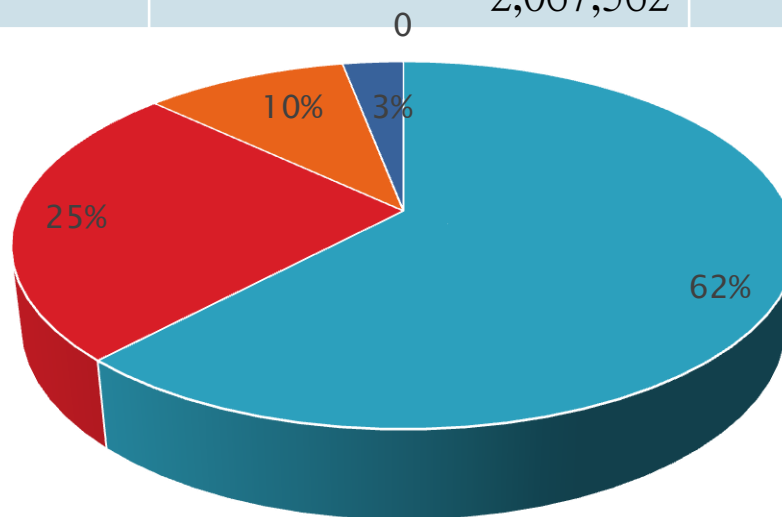
# Description of major product sales regions



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Unit: NT\$1,000

Region	2022	Percentage
America	1,286,484	62%
Taiwan	514,998	25%
Asia	213,130	10%
Europe	52,950	3%
Total	2,067,562	100%



■ America ■ Taiwan ■ Asia ■ Europe ■

# Four-year operating performance



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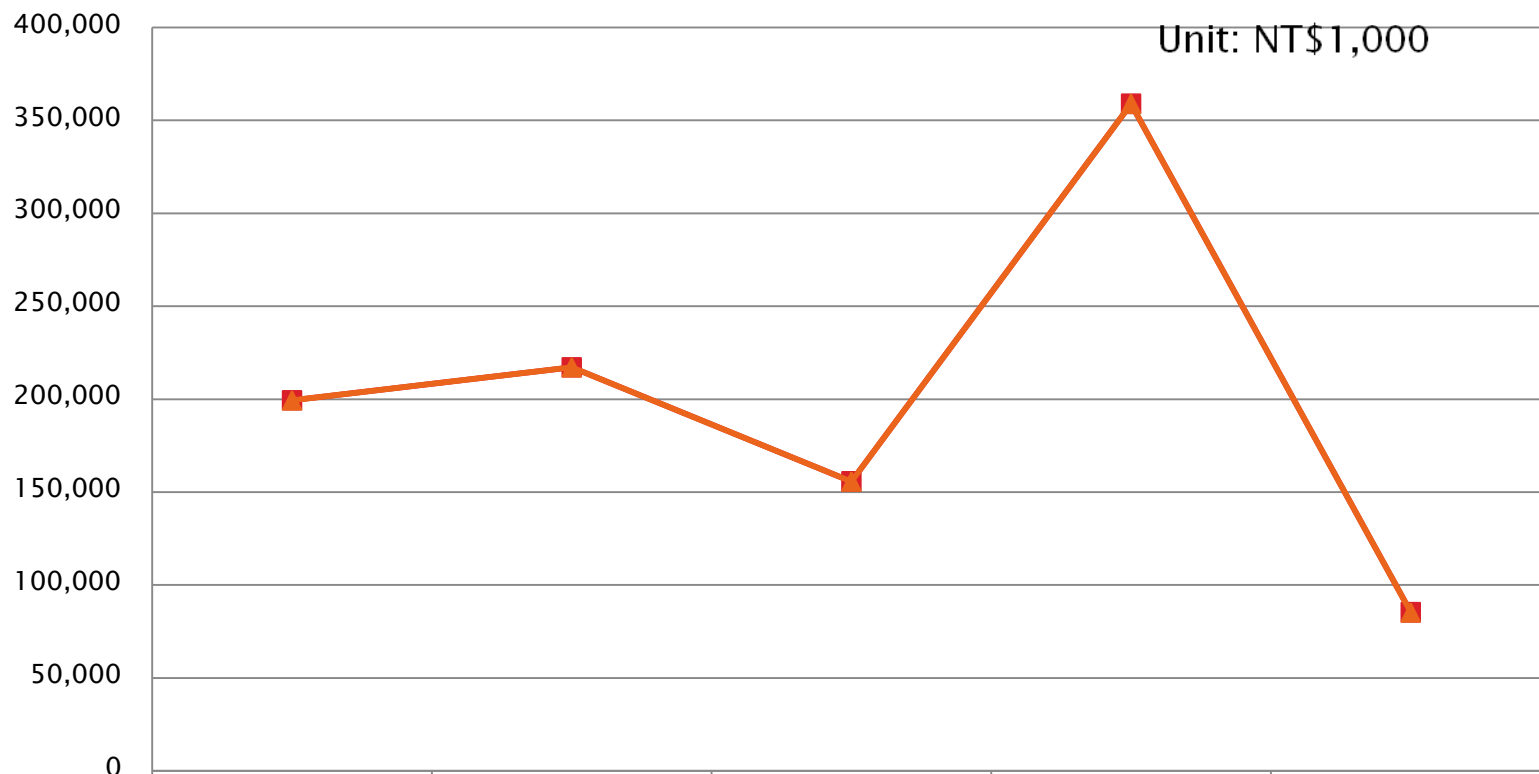
The following table shows the detailed revenue for the past four years:

Item	2019	2020	2021	2022
Operating income (Net amount)	1,395,723	1,530,503	1,664,420	2,067,562
Gross profit	199,403	217,175	155,749	358,928
Operating profit (loss)	(32,125)	(14,188)	(96,818)	106,786
Non-operating income and expenses	20,983	(28,059)	(18,763)	137,228
Net income (loss) for the period	(22,352)	(43,494)	(100,532)	164,711
Net income attributable to owners of parent company	(22,803)	(37,717)	(88,705)	163,194
Net income attributable to owners of child company	451	(5,777)	(11,827)	1,517
Earnings per share	(0.16)	(0.26)	(0.62)	1.13

# Four-year perating performance



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	2019	2020	2021	2022	2023 Q2
Gross profit margin	14%	14%	9%	17%	12%
Gross profit	199,403	217,175	155,749	358,928	85,341

# Operating results of the first half of 2023



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Unit: NT\$1,000

Item	2023 Jan 1 – Jun 30	2022 Jan 1 – Jun 30	Difference
Operating income (Net amount)	707,421	954,520	(247,099)
Operating cost	622,080	822,128	(200,048)
Gross profit	85,341	132,392	(47,051)
Gross profit margin	12%	14%	(2%)
Net operating profit (loss)	(21,642)	32,038	(53,680)
Non-operating income and expenses	42,777	88,809	(46,032)
Net income (loss) for the period	16,260	85,586	(69,326)
Net income attributable to owners of parent company	15,497	84,698	(69,201)
Net income attributable to owners of child company	763	888	(125)
Earnings per share	0.11	0.59	(0.48)



## IV. Future Prospects

- ▶ We aim to be a forward-looking, intelligent and sustainable business operator in the casing industry.
- ▶ In addition to cultivating our existing customers and products, the company will continue to expand into other markets and develop new cooperation models to meet customer needs with diversified and flexible services.
- ▶ Cheng Fwa will continue to fulfill our corporate social responsibility, continuously improve customer loyalty, employee satisfaction and environmental friendliness, and become a company that is recognized by society and loved by employees and customers.

Dedicated to the industry with sustainable  
management

Pursuing the perfect execution and quality



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*End of Presentation*

*Thank You*

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