

三星科技股份有限公司
SAN SHING FASTECH CORP.

**Sincerely Welcome to
San Shing Fastech Corp.**

NOV. 18, 2021

Stock Code : 5007



Disclaimer

- **This briefing and related information originate from the internal, external data, and outlook for the future, which reflects our perspectives so far. We shall not be responsible for reminding or updating the information if there are any changes or adjustments in the future.**
- **We have not issued any financial forecast. The finance, business or Q& A of our company under this presentation may differ from the actual results in the future. The reasons for these differences may include the change in market demand, ex-factory price, raw material price fluctuations, horizontal competition, the world economic situation, currency fluctuations, upstream and downstream supply chain and other risk factors that are out of our control.**

Agenda

- **Company Overview**
- **Industry Overview**
- **Operational Overview**
- **Financial Overview**
- **Future Prospects**



Company Overview

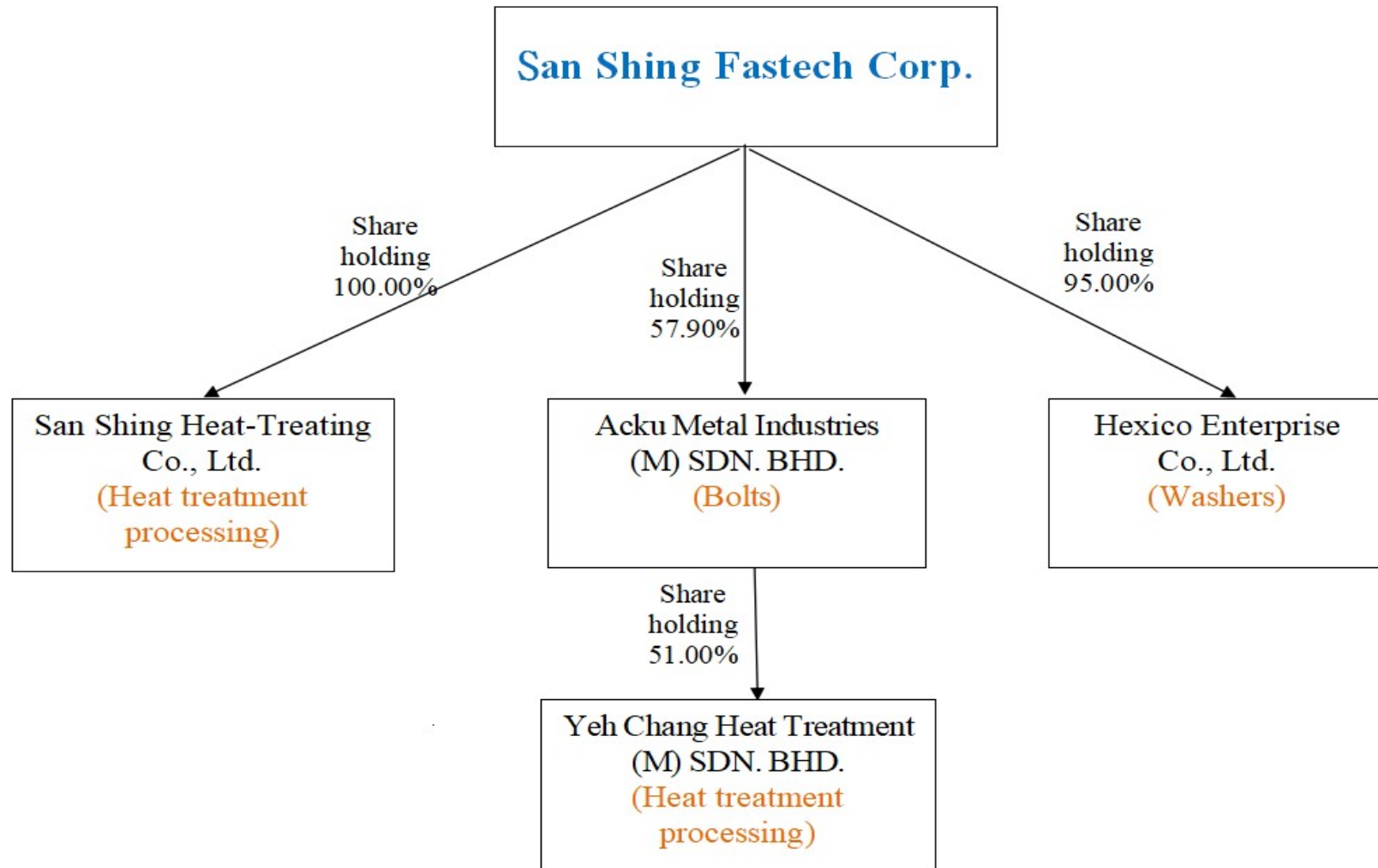


Company Profile

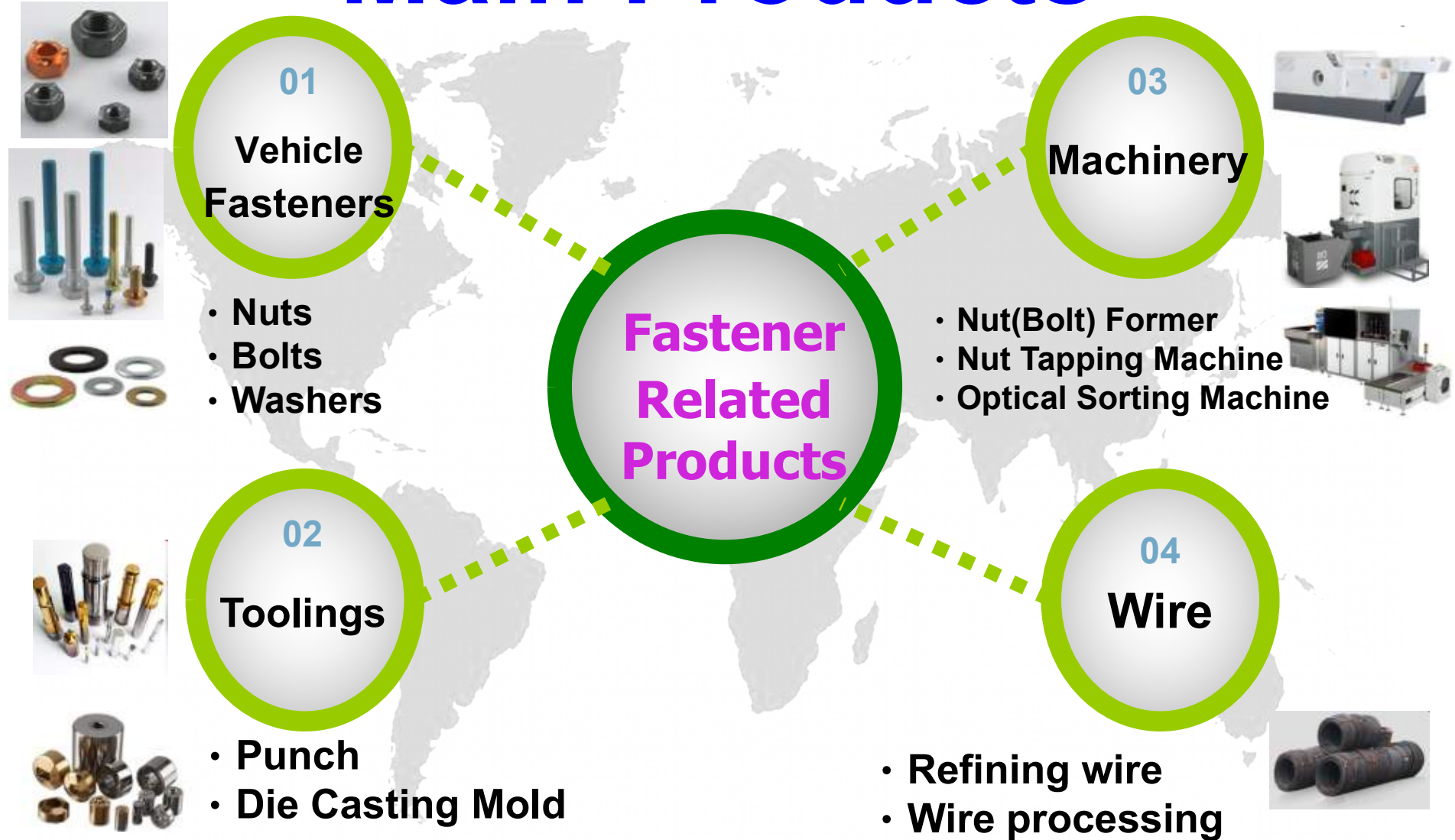
- Founded on July 2, 1965
- GTSM: Jan. 17, 1998 ; TSEC: Sep. 16, 2011
- Employees: 1,400; Land: 192,456 M²; Capital: NT\$ 2.95 billion
- Market Position: **The largest nut manufacturer** in automotive industry in the world with annual output over 54,000 tons
- **More than 95% of nuts and bolts** exported to Japan ,Europe and USA, nuts exports **accounted for about 1/6** of Taiwan's total exports
- **90% of the equipment is developed and manufactured** by ourselves with more than 150 patents.



San shing Group



Main Products



Main Products-Vehicle Fasteners



Fasteners-Nuts

Nut Products



Retainer &
Cage Nut



Weld Nut



Flange Nut



Clinch Nut/p>



Slotted Nut



Locking Nut



Wheel Nut



Nylon Insert
Nut



Hot Forming
Square Nut



Auto Parts



GEOMET
Coating Nut



Hot Forming
Nut



Torque
converter Parts



Customized
Fasteners



Collar



Customized
Fasteners



Sleeve &
Spacer



Nut with
Washer



Fasteners-Bolts

Bolt Products



Knurled Bolt



Weld Bolt



External 6-Lobe Bolt



GEOMET Coating Bolt



Shoulder Bolt



Clinch Bolt



Special Alloy Bolt



Customized Bolt



Internal Serrated Bolt



Internal 6-Lobe Bolt



Customized Bolt



Double End Bolt



Fasteners-Washers

Cold Forging & Stamping Products



JIS 1186 Washer



ASTM F436 Washer



DIN 125A Washer



DISCLOCK Washer



Stamping Washer



Stamping Fastener



Stamping Assembly
Parts



Stamping Parts



Production equipment-Toolings

Tooling Products



Segmented Dies For Nut & Bolt



Carbide Six-Lobe Punch & Dies



Carbide Hex Punch



Hot Forging Tooling



Customized Tooling



Customized Tooling2

Production equipment-Machinery

Products



[SNF-P]
Precision Series Nut Former-
[Detail]



[SNF-B]
Basic Series Nut Former-[Detail]



[SBF]
Bolt Former-[Detail]



[SNT]
4 Spindles Nut Tapping
Machine-----[Detail]



[SNT-D]
Round Nut Tapping Machine--
--[Detail]



[SNS]
Optical Nut & Bolt Sorting
Machine-----[Detail]



[SBM]
Bolt Measurement Machine-----
--[Detail]



[SNA]
Nylon Insert Assembly
Machine-----[Detail]

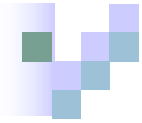


Main raw materials-Wire



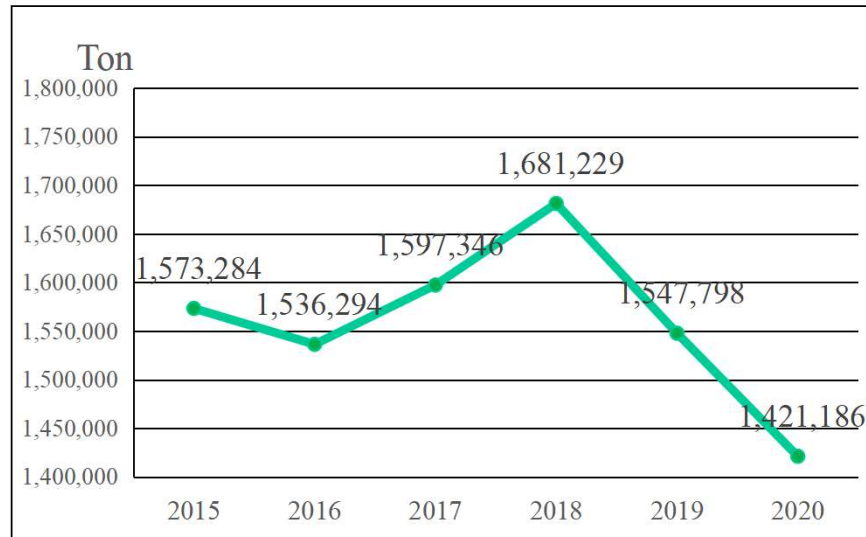


Industry Overview

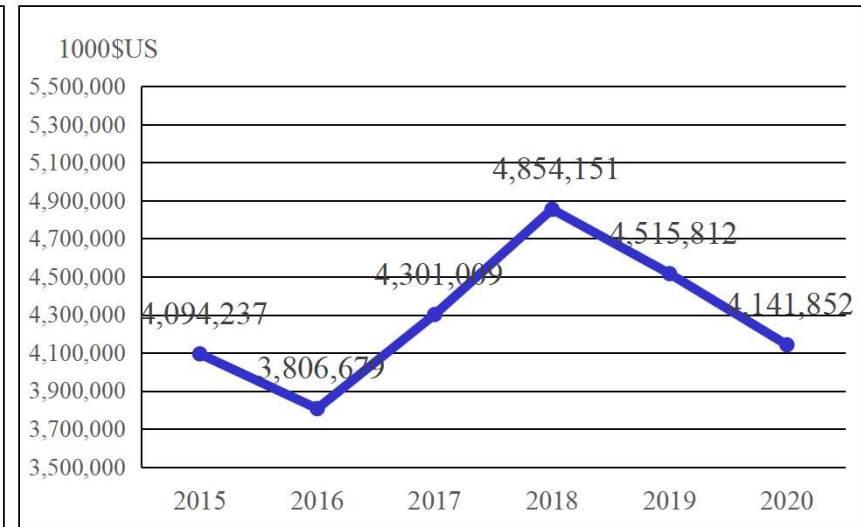


Export of Taiwan Fasteners

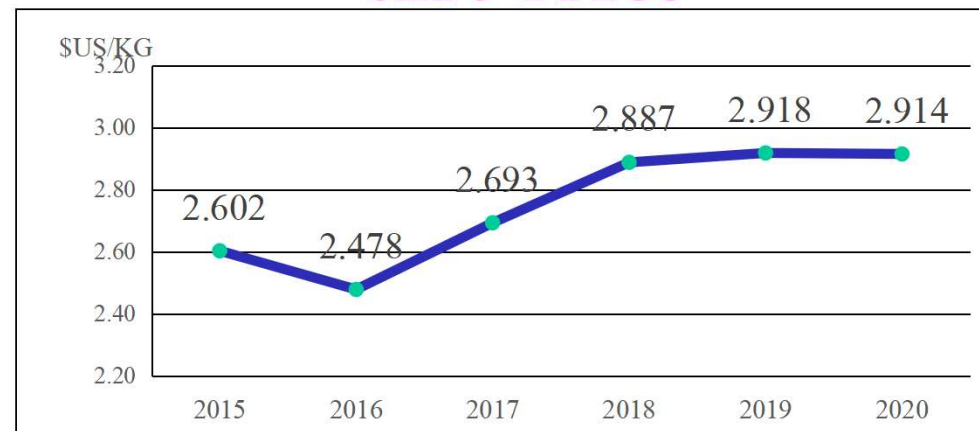
Weight



Amount



Unit Price



Export Weight of Taiwan Fasteners

Unit : Ton ; %

Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel

Fastener Item No.	2021.01~09	2020.01~09	(%)	Difference	Diff.(%)
73170010	10	4	0.00%	6	141.68%
73170090	45,349	38,036	3.63%	7,314	19.23%
7318	1,196,613	1,003,360	95.87%	193,253	19.26%
7415	3,489	2,807	0.28%	682	24.30%
76161000	1,056	928	0.08%	128	13.79%
79070020	1,195	1,064	0.10%	131	12.31%
83082000	387	190	0.03%	197	103.49%
Total	1,248,099	1,046,389	100.00%	201,710	19.28%

Source: Bureau of Foreign Trade



Export Areas of Taiwan Fasteners

Unit : Ton ; %

Ranking	Area	2021. 01~09	2020. 01~09	(%)	Diff(%)
1	North America	610,566	513,102	48.92%	19.00%
2	Europe	400,796	327,187	32.11%	22.50%
3	Asia	167,656	153,461	13.43%	9.25%
4	Central America	28,462	19,168	2.28%	48.49%
5	Oceania	21,357	18,067	1.71%	18.21%
6	South America	13,925	10,428	1.12%	33.53%
7	Africa	5,325	4,971	0.43%	7.12%
	Others	12	5	0.00%	140.00%
	Total	1,248,099	1,046,389	100.00%	19.28%

Source: Bureau of Foreign Trade



Export Countries of Taiwan Fasteners

Unit : Ton ; %

Ranking	Country	2021.01~09	2020.01~09	(%)	Diff(%)
1	UNITED STATES	566,179	478,812	45.36%	18.25%
2	GERMANY	98,863	88,396	7.92%	11.84%
3	NETHERLANDS	67,124	48,398	5.38%	38.69%
4	JAPAN	50,975	50,574	4.08%	0.79%
5	UNITED KINGDOM	45,421	30,964	3.64%	46.69%
6	CANADA	44,387	34,291	3.56%	29.44%
7	ITALY	26,507	20,727	2.12%	27.89%
8	MEXICO	25,815	16,887	2.07%	52.87%
9	CHINA	24,979	16,600	2.00%	50.48%
10	POLAND	24,790	21,181	1.99%	17.04%
	Others	273,059	239,559	21.88%	13.98%
	Total	1,248,099	1,046,389	100.00%	19.28%

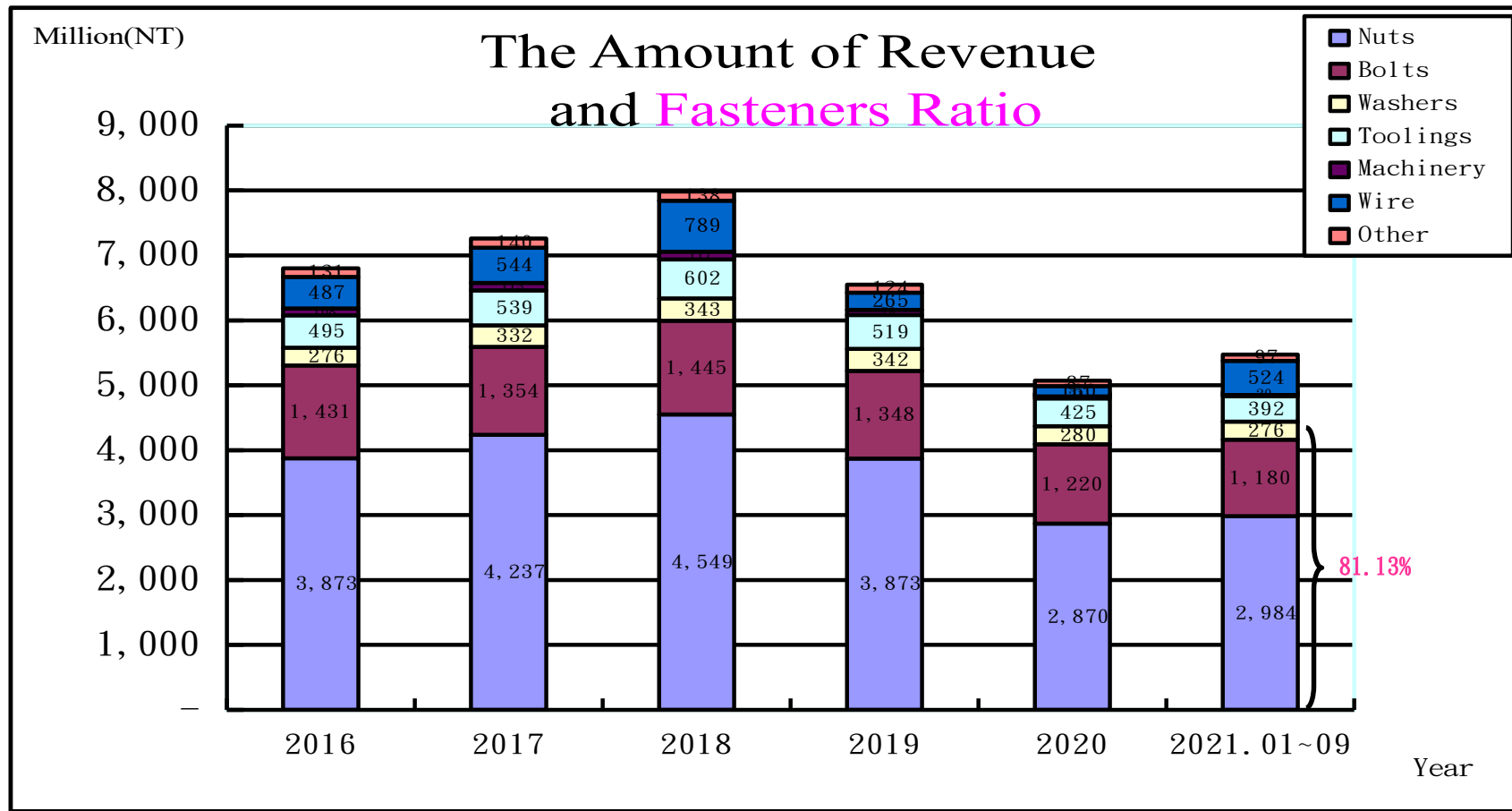
Source: Bureau of Foreign Trade





Operational Overview

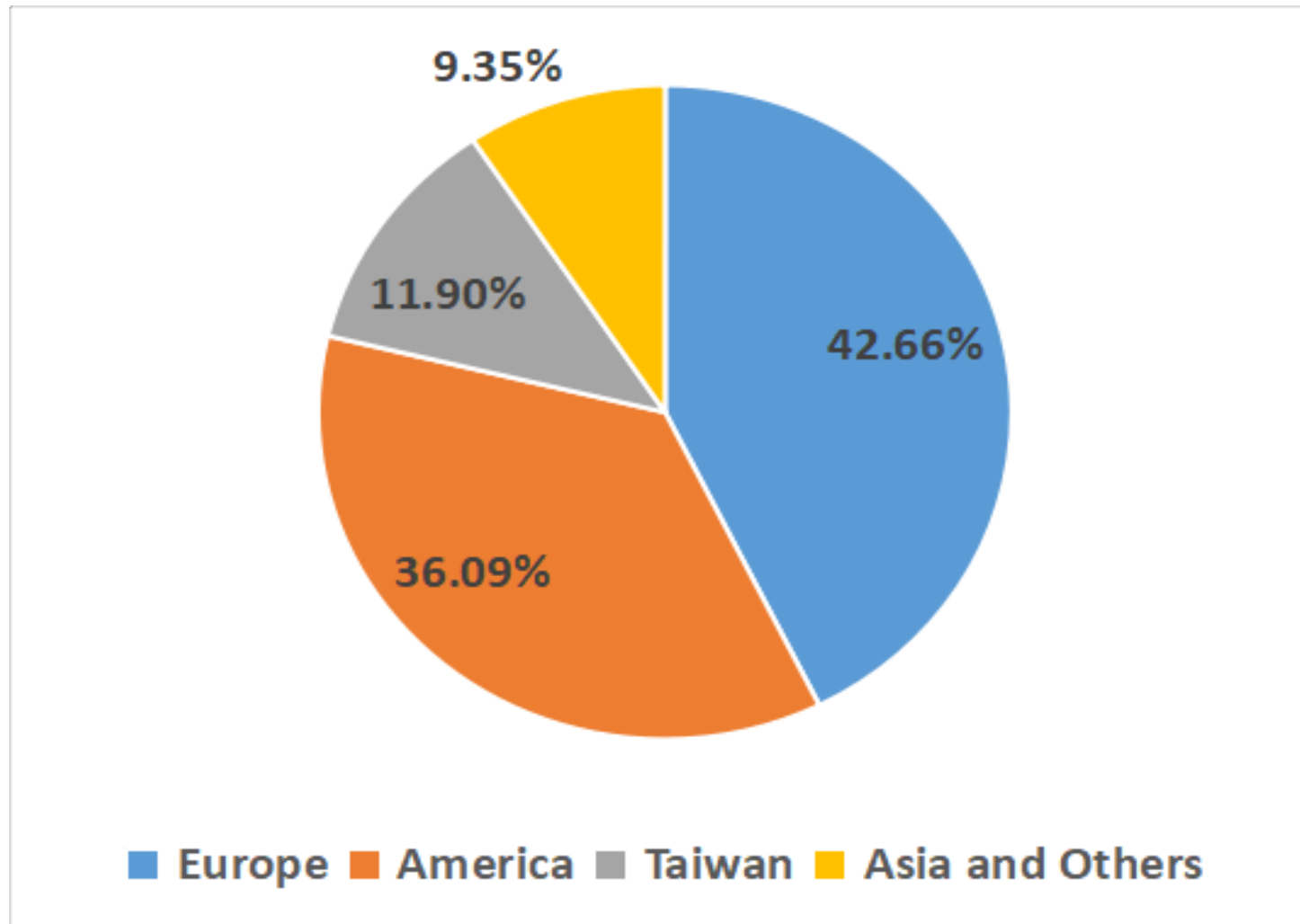
Business Description



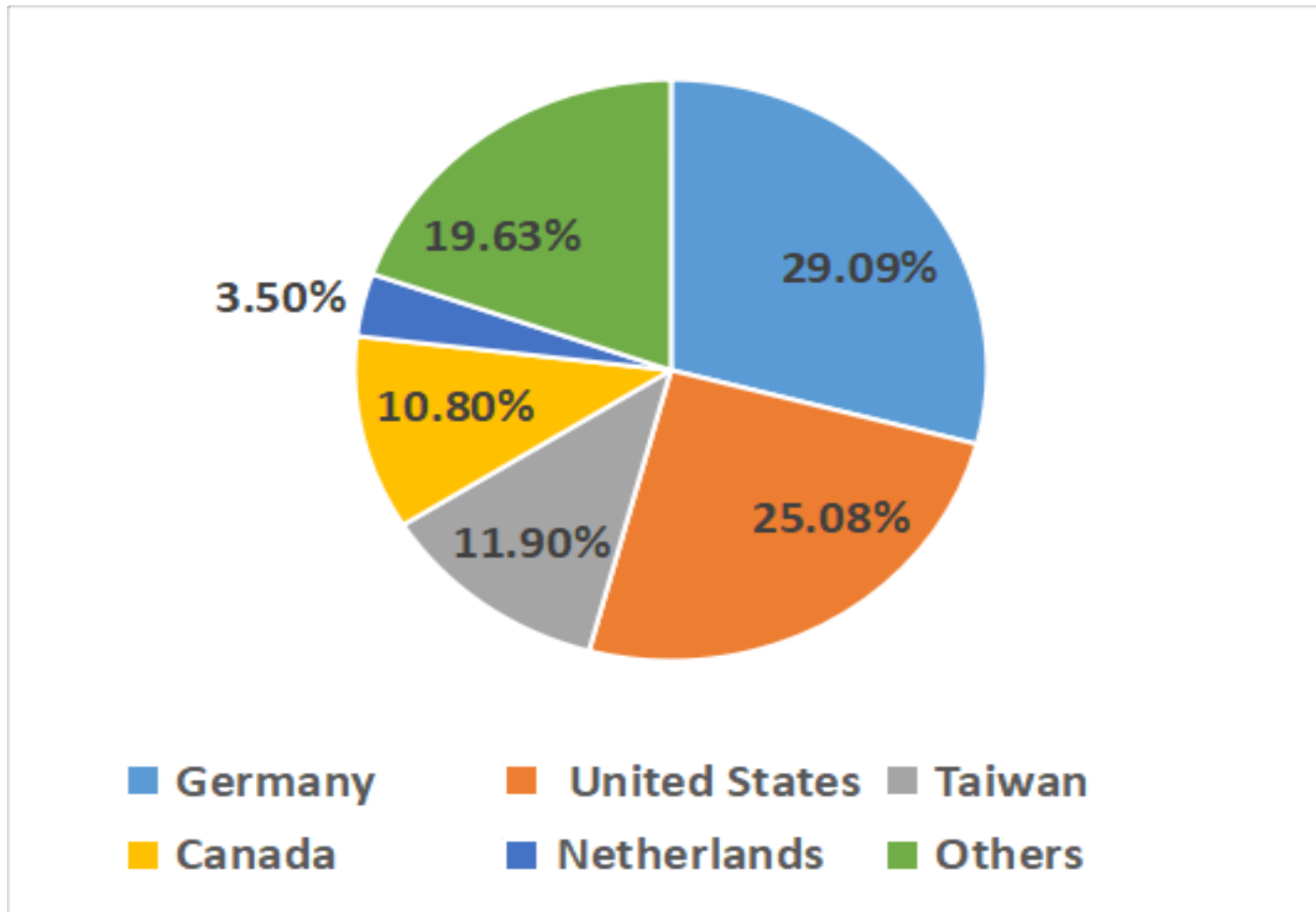
Total	6,801	7,259	7,982	6,549	5,073	5,472
Fasteners%	82.05%	81.60%	79.38%	84.94%	86.15%	81.13%



Sales Breakdown by Region



Sales Breakdown by Country

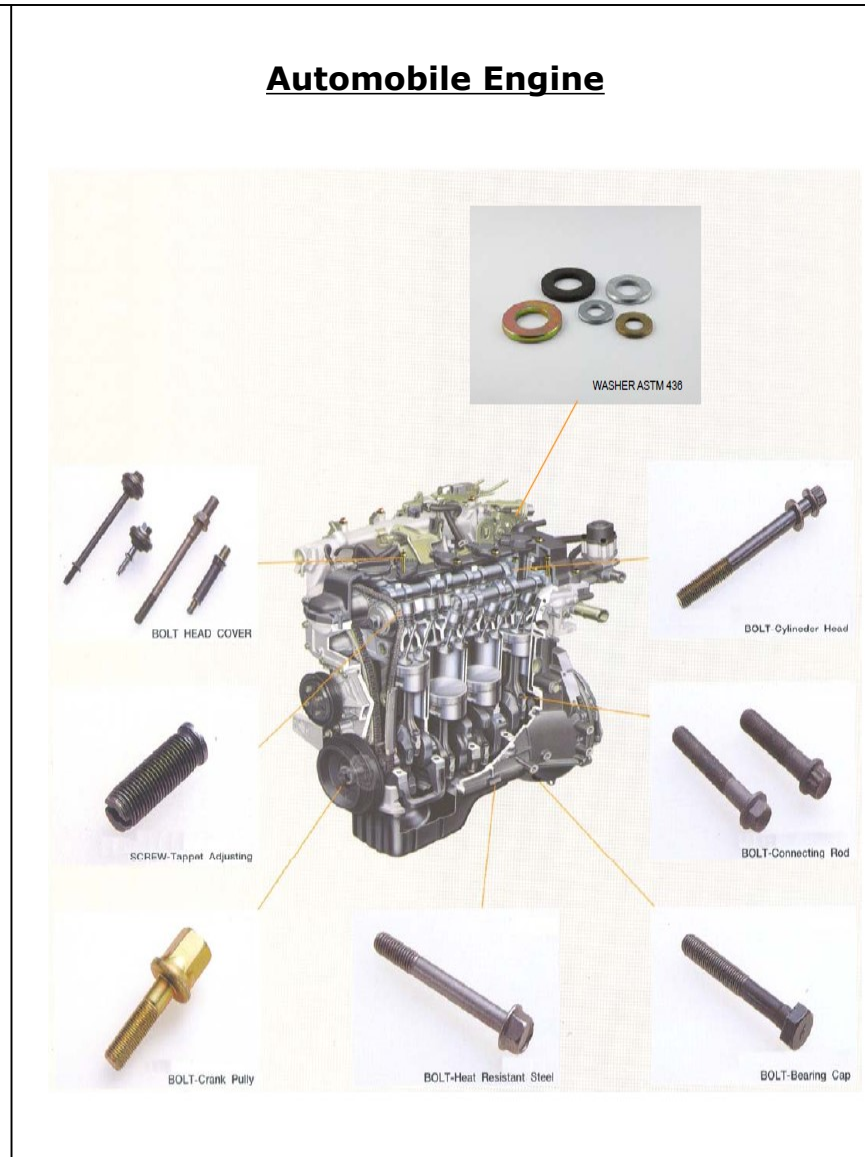


Product Applications

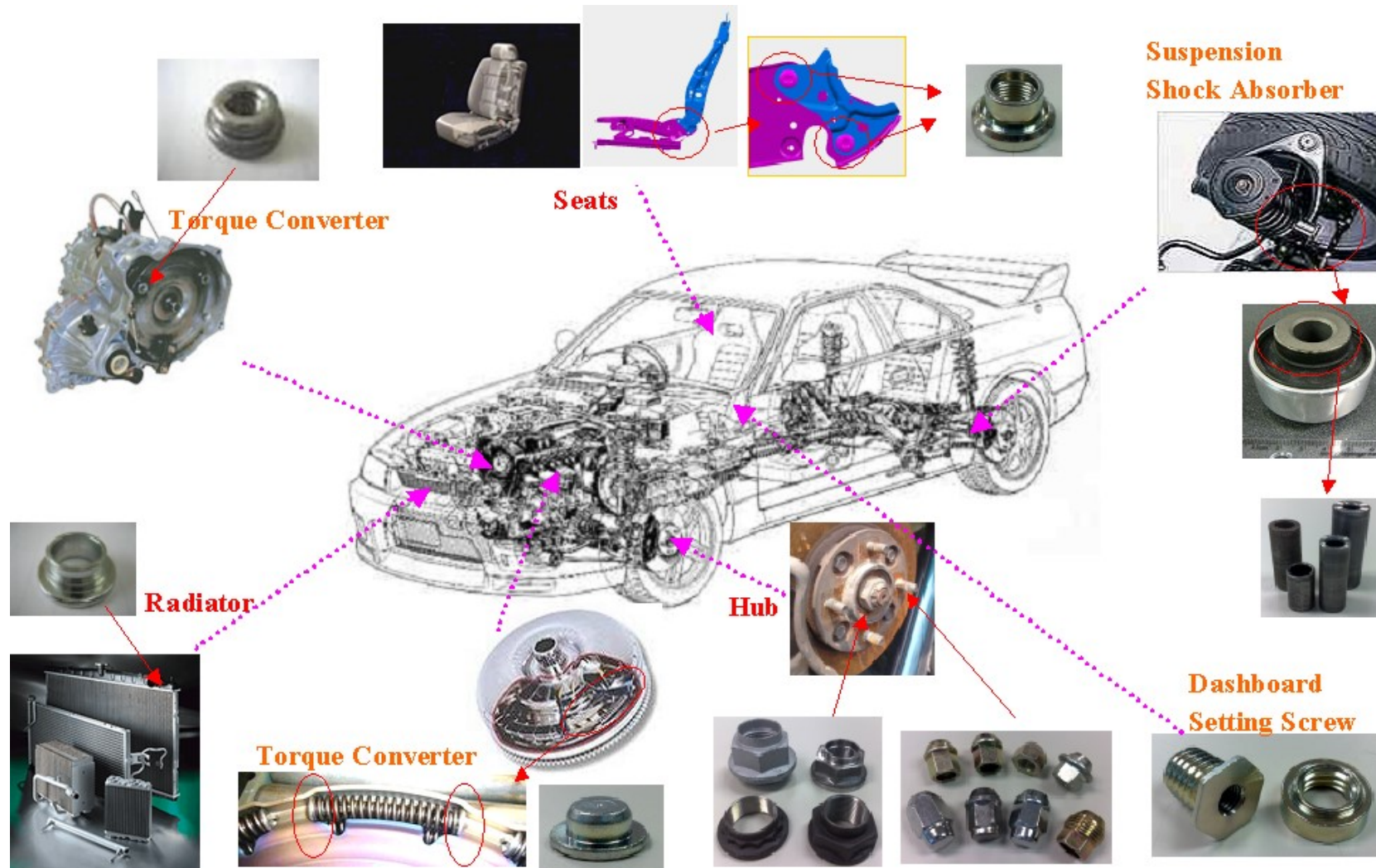
Automobile Body



Automobile Engine



Product Applications



Market Position (Taiwan Export)

Unit : Ton ; %

Fastener Item No.	2021.01~09	2020.01~09	(%)	Difference	Diff.(%)
Taiwan Fasteners	1,248,099	1,046,389	100.00%	201,710	19.28%
San Shing Fasteners	46,666	32,486	3.74%	14,180	43.65%
Share	3.74%	3.10%		0.63%	20.43%
731816(Nuts)					
Taiwan Nuts	212,084	153,323	16.99%	58,761	38.33%
San Shing Nuts	36,406	25,484	2.92%	10,922	42.86%
Share	17.17%	16.62%		0.54%	3.28%

Source: Bureau of Foreign Trade

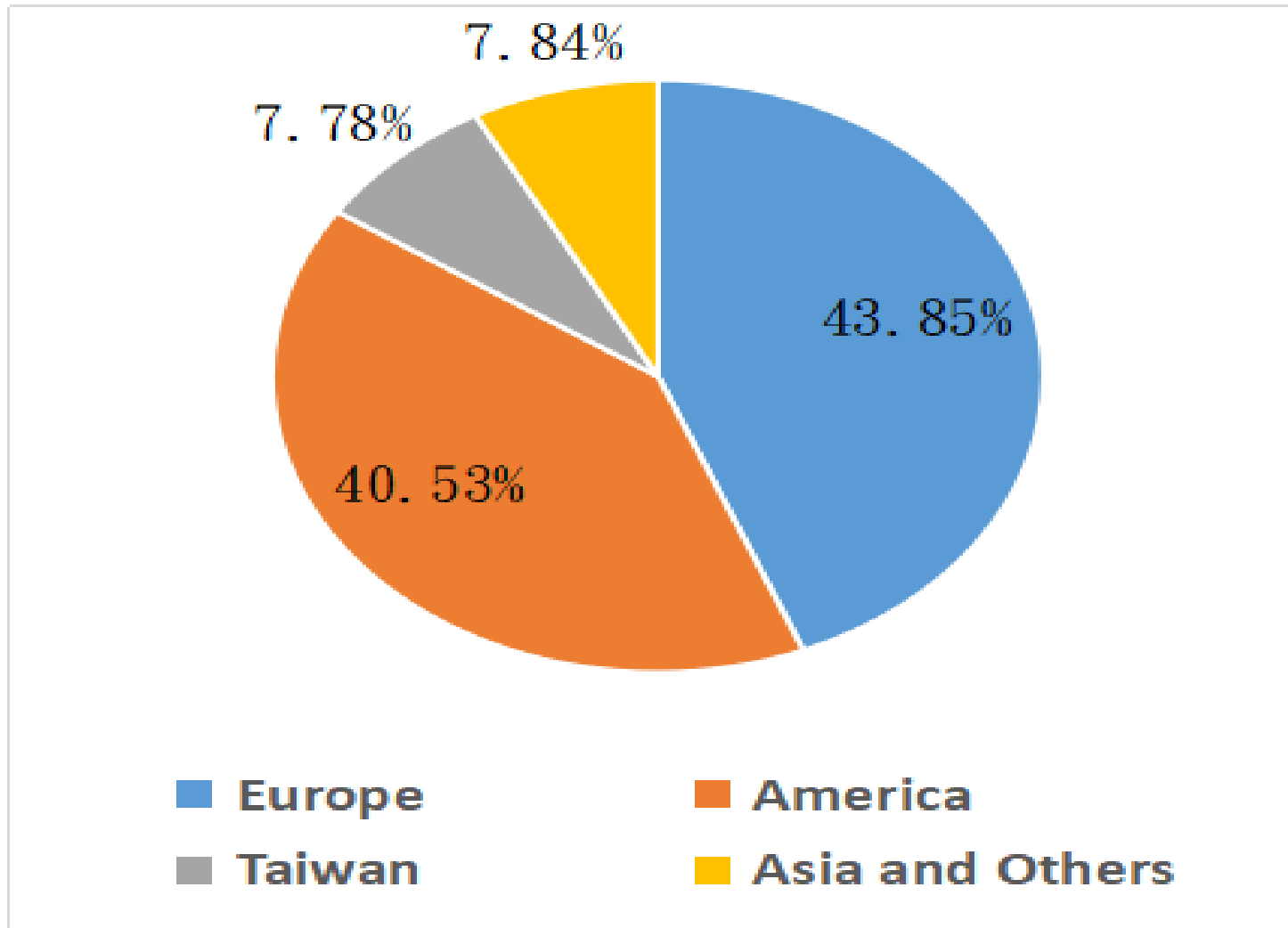


Main Clients



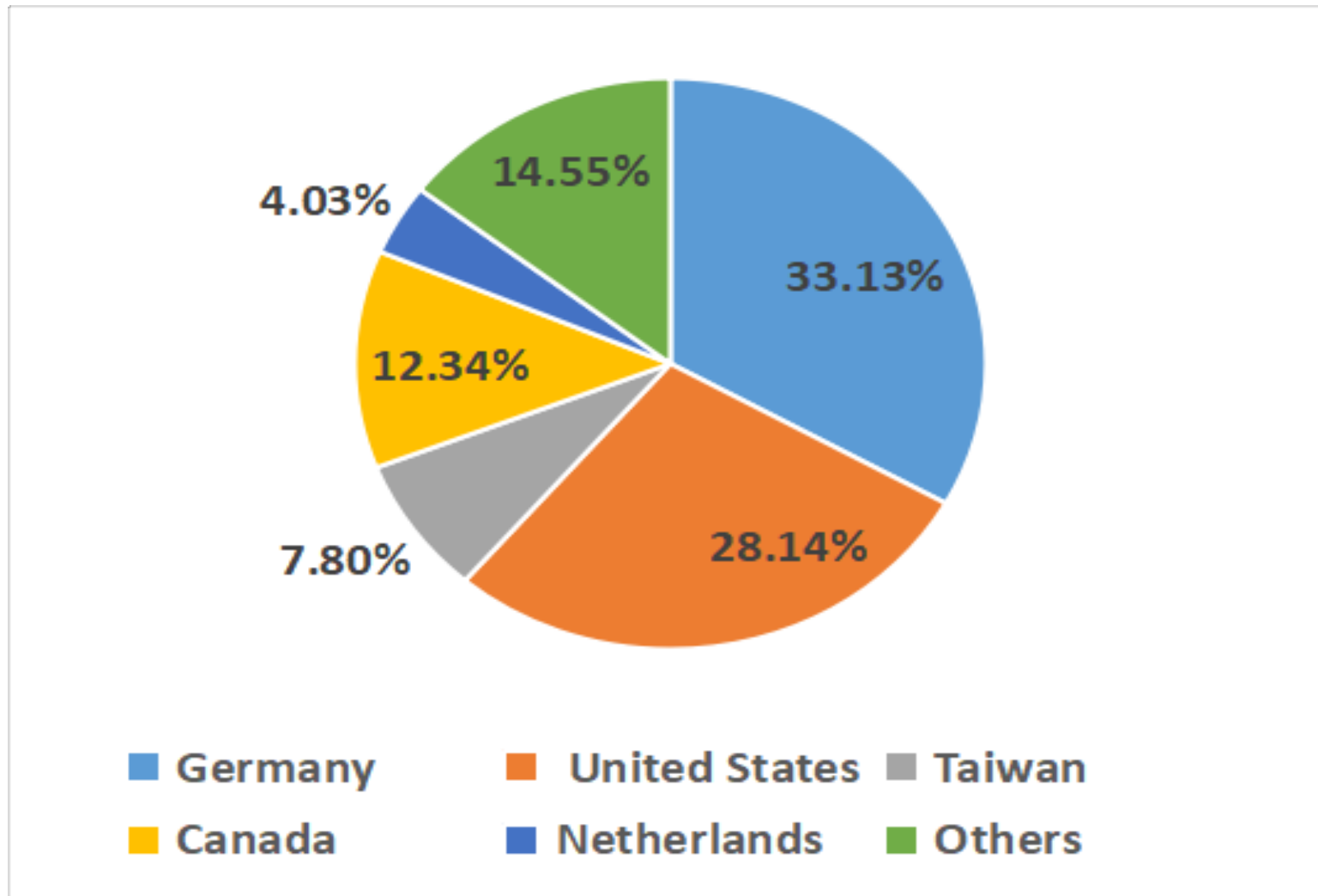
Sales Breakdown by Region

Fasteners



Sales Breakdown by Country

Fasteners



Competitive Edge

Prominent Technology

Strong Ability to **Develop** Tooling and Equipment

90% of the equipment is developed and manufactured by ourselves

Posses **150 patents** in nearly **30 fields** over 20 countries globally



Vertical Integration of Optimal System

From Wire Pickling and Refining Drawing to Forming, Tapping(Threading) and Pressing, and Finally to Heat & Surface Treatment

Processing time minimization and quality control
Cost minimization



COMPETITIVE EDGE

Large Production Scale with Full Variety of Products



Satisfy Customer's Each Demand **At One Time**

The annual output of nuts is nearly **54,000 tons**, its exports account for about **1/6** of Taiwan's total exports.

Strict Quality Control System and Management

The **first** nut manufacturer in Asia with **QS-9000** certification

The **first** fastener manufacturer in Taiwan with **ISO 14001 & OHSAS 18001**

The **first** nut manufacturer in Taiwan with **ISO 9002, TS 16949 and AS 9100**



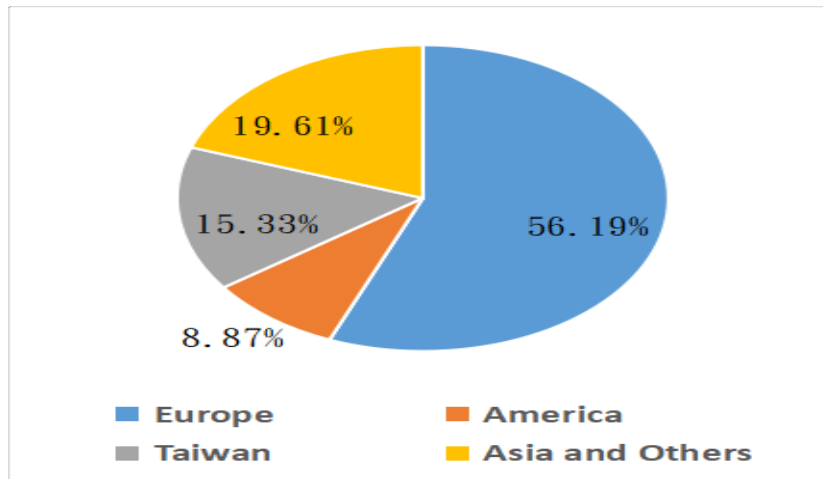
Ability of Tooling Manufacturing and Design

We have a wide variety of manufacturing equipment and excellent ability of **design and processing**.

Tooling Products: **40% for producing fasteners internally; 60% for supplying domestic and foreign clients constantly.**



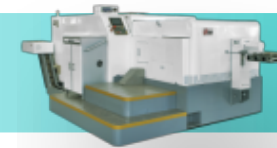
Sales Breakdown by Regions



Technology and Ability of Machinery Design and Manufacturing

90% of fastener-manufacturing equipment is designed and
manufactured by ourselves

1. Nut Former



2. Bolt Former



3. Nut Tapping Machine



4. Nylon Insert Assembly Machine



5. Nut/ Bolt Sorting Machine

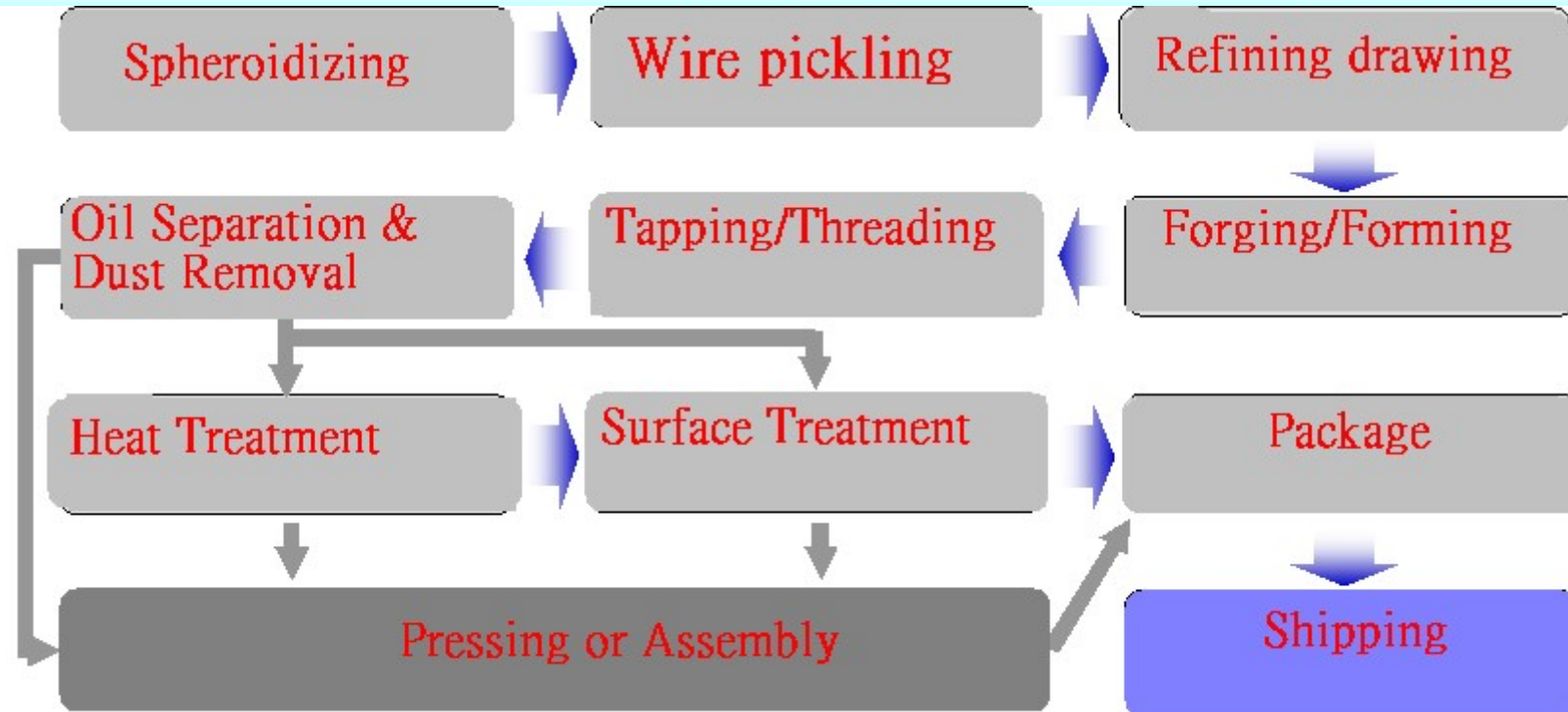


6. Bolt/Cylindrical Parts Measurement



Manufacturing Process of Consistency

With **consistent manufacturing process**, our manufacturing integration system is the most optimal within fastener industry.





Financial Overview

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME(1)

Million(NT)	2016	2017	2018	2019	2020
Operating Revenues	6,801	7,259	7,982	6,549	5,073
Gross Profit	1,796	1,799	1,837	1,407	1,020
Operating Profit	1,343	1,360	1,388	993	657
Interest Expense	(7)	(3)	(2)	(2)	(1)
Pretax Profit	1,379	1,421	1,433	1,035	760
Net Profit	1,119	1,153	1,139	834	616
Owners of the Corporation	1,091	1,134	1,121	818	602
EPS	3.70	3.84	3.80	2.77	2.04

[Note] Adjusted earnings per share with NT\$ 2.95 billion share capital.

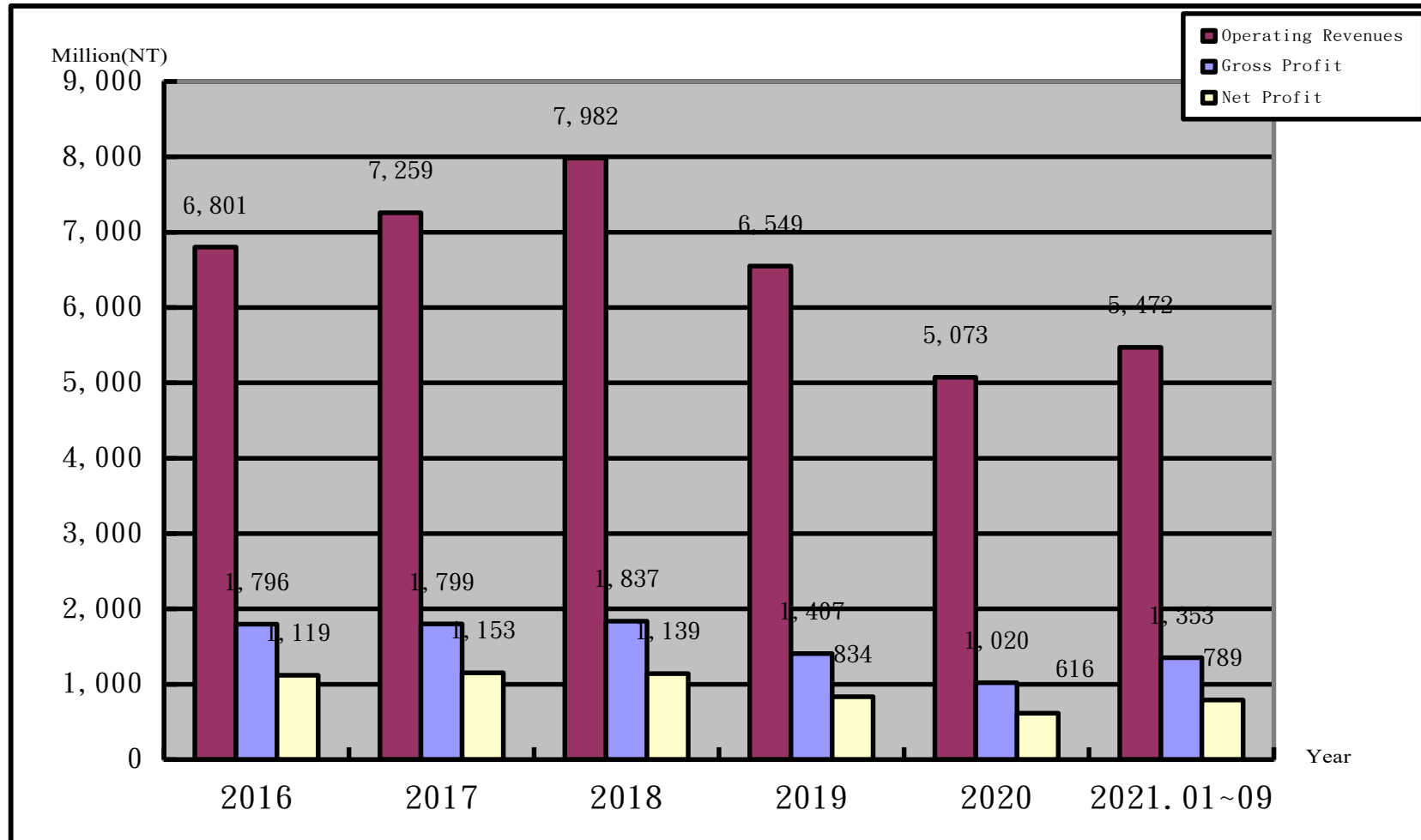


CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME(2)

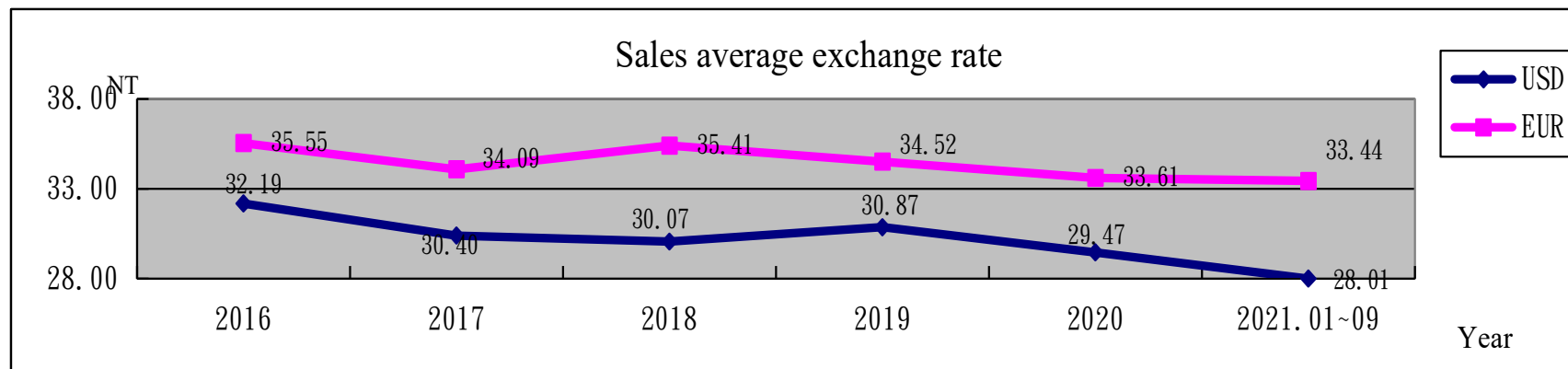
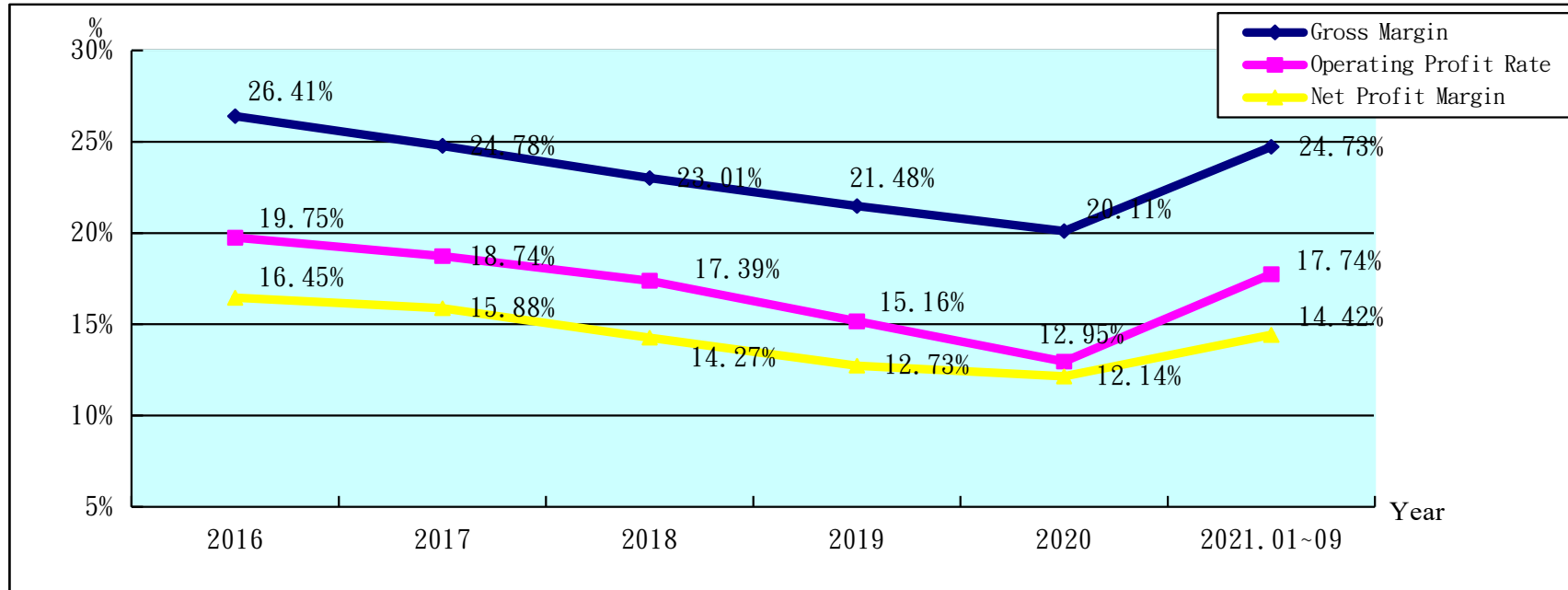
Million(NT)	2021.01~09	2020.01~09	Difference
Operating Revenues	5,472	3,614	1,858
Gross Profit	1,353	659	694
Operating Profit	971	399	572
Interest Expense	(0)	(1)	1
Pretax Profit	991	498	493
Net Profit	789	405	384
Owners of the Corporation	774	397	377
EPS	2.62	1.35	1.27
Average exchange rate	2021.01~09	2020.01~09	Difference
USD	28.01	29.77	(1.76)
EUR	33.44	33.45	(0.01)



Operating Revenue 、Gross Profit and Net Profit Trend



Gross Margin, Operating Profit Rate and Net Profit Margin



CONSOLIDATED BALANCE SHEETS AND FINANCIAL RATIO

Million(NT)		2016	2017	2018	2019	2020
Balance Sheets	Current Assets	4,140	4,425	4,779	4,345	4,395
	Fixed Assets	3,532	3,485	3,391	3,266	3,086
	Total Assets	7,953	8,179	8,450	7,848	7,721
	Current Liabilities	1,548	1,357	1,406	918	838
	Total Liabilities	2,045	1,858	1,884	1,353	1,243
	Capital	2,949	2,949	2,949	2,949	2,949
Stockholders' Equity		5,908	6,321	6,566	6,495	6,478
Financial Ratio	Liabilities Ratio	25.71	22.71	22.30	17.24	16.10
	ROA	14.48	14.32	13.72	10.25	7.92
	ROE	19.76	18.85	17.67	12.76	9.49
	Times Interest Earned	211.95	510.99	608.44	460.83	656.57





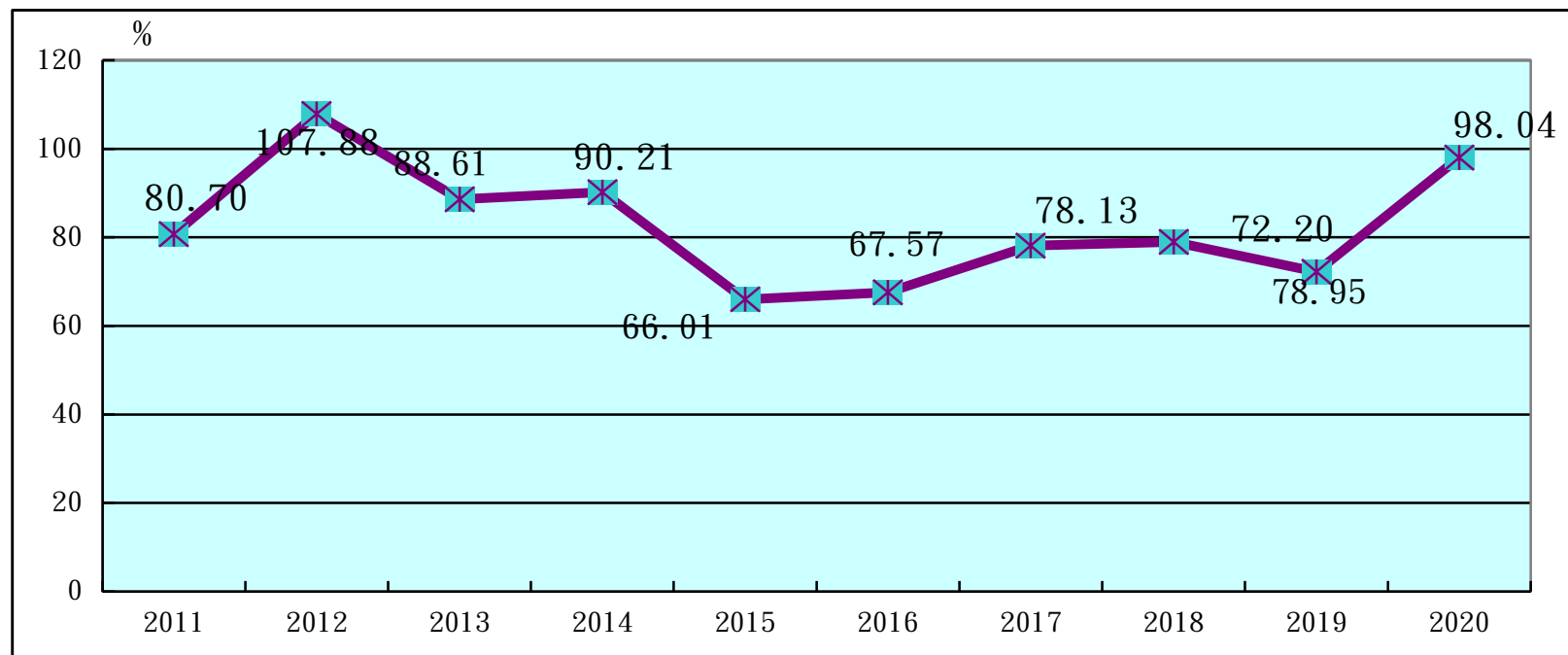
Dividend Policy

- ◆ Yearly depreciation can afford capital expenditure of the year. Board of directors prefer to distribute cash dividends regarding dividend policy.
- ◆ Distribution of cash dividends in recent years :

Unit : dollar/share

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cash dividends	3.22	2.00	2.00	2.50	2.00	2.50	3.00	3.00	2.00	2.00
Stock dividends		0.60	1.50	1.00	-	-	-	-	-	-
Total	3.22	2.60	3.50	3.50	2.00	2.50	3.00	3.00	2.00	2.00

Dividend Distribution Rate



Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Dividends	3.22	2.60	3.50	3.50	2.00	2.50	3.00	3.00	2.00	2.00
EPS	3.99	2.41	3.95	3.88	3.03	3.70	3.84	3.80	2.77	2.04
%	80.70	107.88	88.61	90.21	66.01	67.57	78.13	78.95	72.20	98.04
			[Note1]							
[Note1]	Due to IFRSs rotation special surplus reserve.									





Future Prospect



Focus On Production Technology And Efficiency On Fasteners

- Maximum profit from up-to-date technology and utmost efficiency
- Constant and self-sustaining development on technology renewal and efficiency enhancement toward fasteners production
- From the establishment of “San Shing Innovation Center” and collaboration with “Metal Industries R & D Center” for production facilities development and surface treatment technology improvement, offering competitive products and related technology services.





Expansion in Bolt Manufacturing Sector and Service Enhancement in All Aspects

Fasteners categories:

70% bolts, 20% nuts and 10% washers

- **San Shing has existing advantages listed below to enter the bolts domain :**
 - **New plant is close to the existing factory and can be supported by existing organizational resources.**
 - **Be able to produce tooling and machines of bolts**
 - **Equipments for pre- and post- treatments of bolts.**
 - **Existing market channels for bolts and nuts**



