

Formosan Rubber Group Inc.

Investor Conference


Ticker: 2107



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COMPANY PROFILE

- Date Established: 1952
- Listing Date: March 3, 1992
- Chairman: Hsu Zhen-Tsai
- President: Hsu Zhen-Ji
- Spokesperson: Huang Hui Xian, Assistant managerial officer
- Registered Capital: NT\$ 3,035,934,000
- Number of Employees: 194

MAJOR BUSINESS UNITS



Manufacture Division

R&D and manufacturing of rubber and plastic fabric and other various materials



Construction Division

Construction Division
Real estate development and Asset Management.



Logistics Division

Operation of logistics centers, warehouse construction, rental management, etc.

Manufacture Division-Product category

introduction

Plastic (PVC)

Rubber(natural & synthetic)

Green Plastic (PU & TPU)



MANUFACTURE DIVISION- R&D PATENT AND PRODUCT CERTIFICATION

2024 so far 2 patents
A total of 121 patents have been obtained

- ROC Patent No. I853198: Protective clothing fabric and its production method.
- ROC Patent No.I856392 : Low-temperature-resistant and wear-resistant rubber composite tape and manufacturing method.
- Another 4 patents are under review.

A total of 16 product certifications have been obtained

- High-performance green building materials (sound insulation) label certificate (1 item):
The thick raw rubber sound insulation material floor slope sound insulation system obtained the high-performance green building materials label.
- Quality management system (2 items):
ISO 9001, ISO 14001 (2015 new version) certification
- Inflatable boat product materials (1 item):
Obtained EU BV (ISO 15372) certification for the main rubber material of marine inflatable boats
- Life-saving inflatable product materials (1 item);
Continuation of the certification of the main rubber material for marine inflatable lifeboats of China Classification Society.
- Dry diving suit (3 items):
Obtained European EN 14225 standard diving material certification .
- Protective clothing material (1 item):
American arc flame protection test (ASTM F1891).
- Chemical protective clothing materials (2 items);
Chemical resistance test certification (ASTM F903).
- Reach EU environmental protection (SVHC) materials (3 items):
Obtained the SVHC high concern forbidden and restricted 242 chemical testing standards.
- Capacitor rubber insulating material (1 item):
Obtained the high-voltage insulation test standard for electromechanical products in mainland China.

MANUFACTURE DIVISION- FRG ENERGY SAVING AND CARBON REDUCTION AND THE USE OF ECO- FRIENDLY FABRIC

FRG ECO-**Tex**®

Use of environmentally friendly raw materials.

1. Environmentally friendly fabric ECO – lamination of Tex and rubber & TPU.
2. ECO-TEX (Recycled polyester bottles and additives 15~30% plants are made into fabrics)

PET Bottles + 15~30 % Waste Plants → Textile



FRG ECO-**Tex**®

Environment Friendly

1. Some formulas use environmentally friendly recycled carbon black.
2. Environmentally friendly air pollution equipment waste heat combustion tower (RTO) Adopt waste heat recovery design.



**REUSE
REDUCE
RECYCLE**



Construction Division



2010

Banqiao Dist.
Bridge up to Zenith

2013

Banqiao Dist.
Modesty Home

2016

Xindian Dist.
Legend River

2018

Xinyi Dist.
55Timeless

2020

Taichung City
Le Bella Vita

2021

San Francisco
SERIF

WAREHOUSING DIVISION

The Logistics Division mainly provides real estate leasing management of Nankan Park and Banqiao Qiaofeng Shopping Mall, and land development and construction of Longtan Park. In addition, in conjunction with the license of the logistics center, it provides customers with different location choices and space planning suggestions. Establishment of a business development team to better understand demand and maintain stable customer relationships.



Nankan Logistics Park



Qiaofeng Shopping Center



Longtan Smart Park
Building A Warehouse

Business Operational Highlights

Longtan Smart Park Phase I scheduled for completion by the end of the year

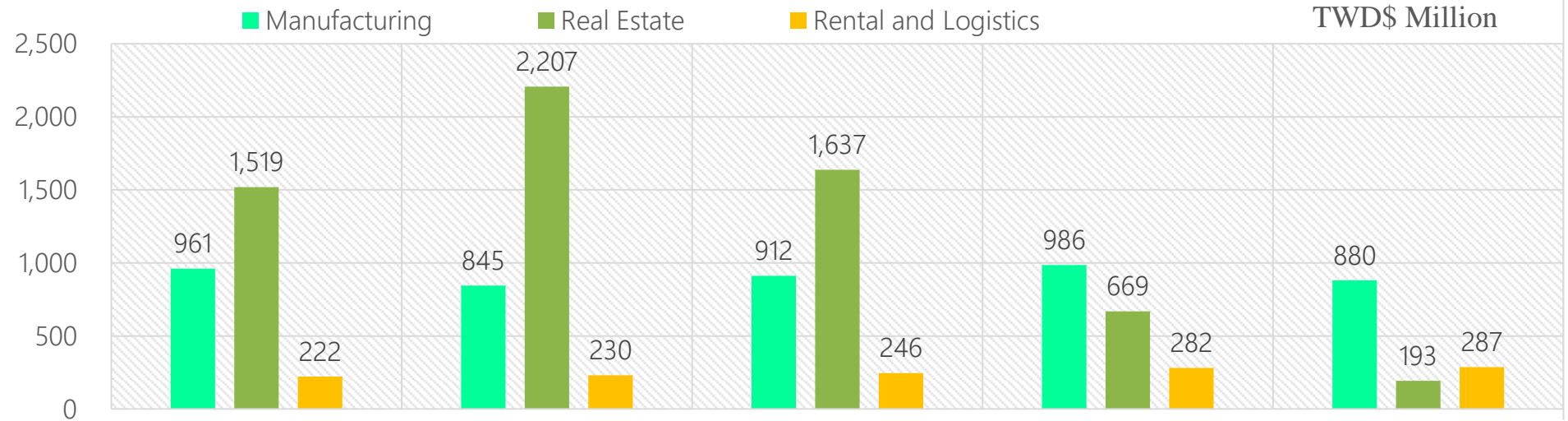
四側全景



- Building planning includes the construction of an underground floor and four floors above ground.
- Building construction shall adopt a steel structure with a total area of: 16,500 sqm.
- Warehousing spaces utilize eco-friendly and energy-efficient materials.
- Adhering to the future trend of sustainable development, the facility is applying for bronze-level certification under the five-tier green building rating system, contributing to social well-being.
- Ongoing leasing efforts to actively attract tenants.

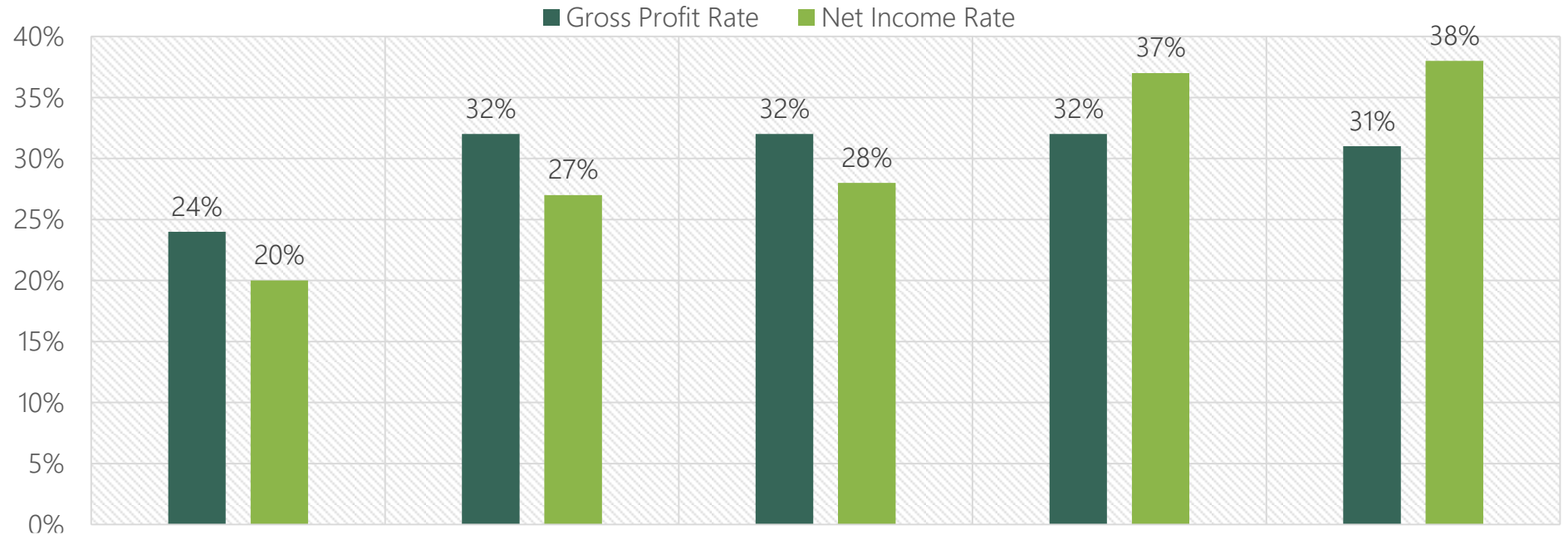


CONSOLIDATED REVENUE 2019-2023



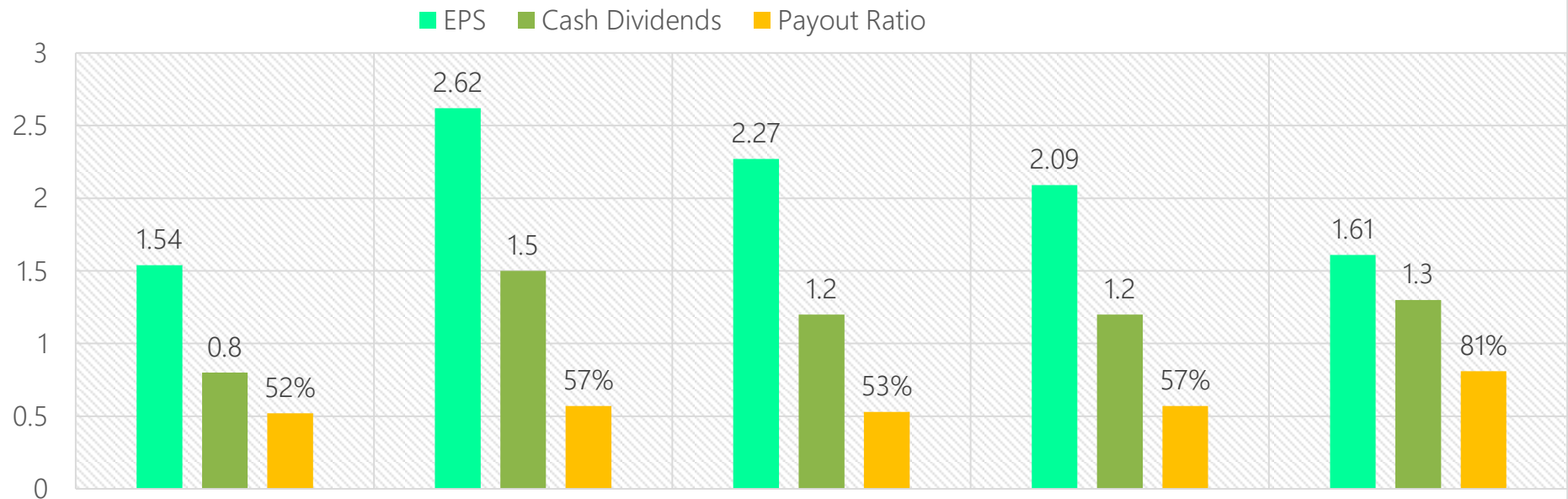
Division \ Year	2019	2020	2021	2022	2023	
Manufacturing Sales	961	845	912	986	880	65%
Real Estate	1,519	2,207	1,637	669	193	14%
Rental and Logistics	222	230	246	282	287	21%
Total	2,702	3,282	2,795	1,937	1,360	100%

GROSS PROFIT RATE AND NET INCOME RATE 2019-2023



Year	2019	2020	2021	2022	2023
Gross Profit Rate	24%	32%	32%	32%	31%
Net Income Rate	20%	27%	28%	37%	38%

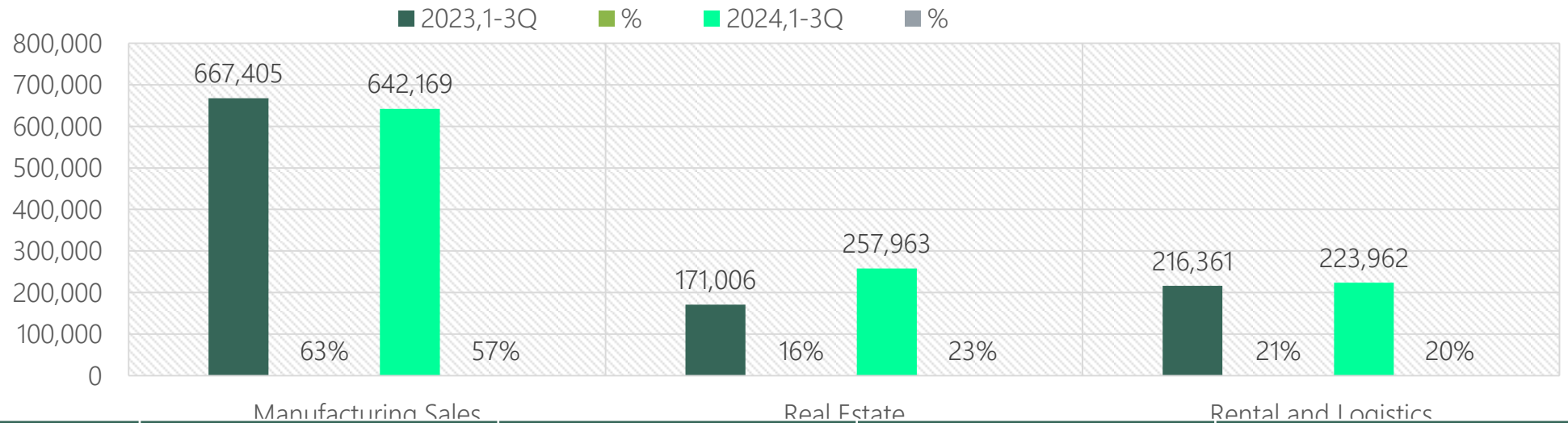
EPS AND DIVIDENDS 2019-2023



Year	2019	2020	2021	2022	2023
EPS	1.54	2.62	2.27	2.09	1.61
Cash Dividends	0.80	1.50	1.20	1.20	1.30
Payout Ratio	52%	57%	53%	57%	81%

Dollar Units · TWD\$

CONSOLIDATED REVENUE 2023&2024 1Q-3Q



Division	Manufacturing Sales		Real Estate		Rental and Logistics	
	2023,1-3Q	%	2024,1-3Q	%	2023,1-3Q	%
Manufacturing Sales	667,405	63%	642,169	57%		
Real Estate	171,006	16%	257,963	23%		
Rental and Logistics	216,361	21%	223,962	20%		
Total	1,054,772	100%	1,124,094	100%		

Units : TWD\$ Thousands

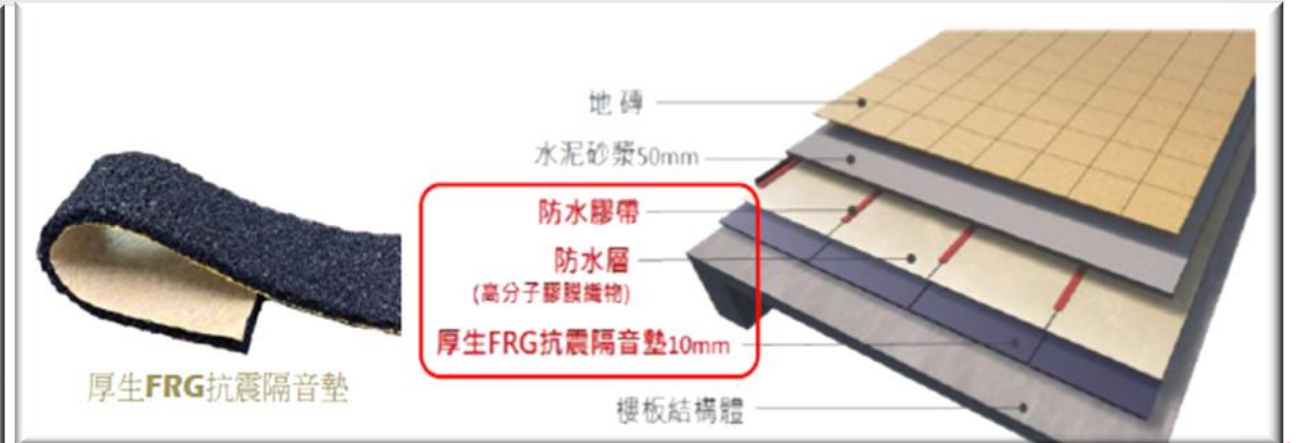
PROFIT AND LOSS ACCOUNT 2023&2024 1Q-3Q

Units : TWD\$ Thousands

Account	2023 1-3Q	2024 1-3Q
Net Revenue	1,054,772	1,124,094
Gross Profit	322,580	349,318
Operating income	169,042	194,602
Non-operating gains or losses	416,695	401,646
Income before income tax	585,737	596,248
Net Income	512,326	543,697
EPS (TWD)	1.55	1.79

Manufacture Division-Future development

Product	Product features
Building floor sound insulation materials	Obtained the high-performance green building materials label and has a sound insulation and noise reduction value of 22 decibels with recycled rubber particles/waterproof layer structure, which is environmentally friendly and loves Taiwan.
High-end multifunctional protective clothing fabrics	<ol style="list-style-type: none"> 1. Resistant to strong acid, strong alkali, and chemical resistant protective clothing fabrics 2. Arc-resistant, flame-resistant, oil-resistant, and wear-resistant protective clothing fabrics



Manufacture Division- Future development

Product	Product features
Marine automatic inflatable escape related equipment materials	Material development of marine automatic inflatable escape related equipment: durable and cold-resistant at -70°C.
Multi-layer rubber 3D inflatable jack for passenger aircraft repair	Using rubber and fabric, multi-layered three-dimensional fabric (3D) upper and lower layers, plus side-laminated rubber composite materials, are essential emergency maintenance equipment for airports.



CONSTRUCTION DIVISION -FUTURE OUTLOOK

1. Stably sale the existing assets

The real estate properties invested by our company are all located in the elite areas of the city and with

good value preservation. Therefore, we insists on stably and rationally sell remaining properties under

market conditions to safeguard the rights and interests of shareholders.

2. Continue to promote Kaohsiung Project

- The Kaohsiung Project is expected to complete urban design review and environmental impact review, and apply construction license in 2025. As for building license is expected to approval in 2030.
- Development Plan The company participated in the joint construction project as a 30% landlord. 11.1% of the case (co-construction ratio: 37% for the landlord / 63% for the builder) can be

shared in

the value of the real estate and parking spaces

Warehousing Division - Longtan Smart Park Phase I – Building A Warehouse

The building is designed to ensure superior safety and durability

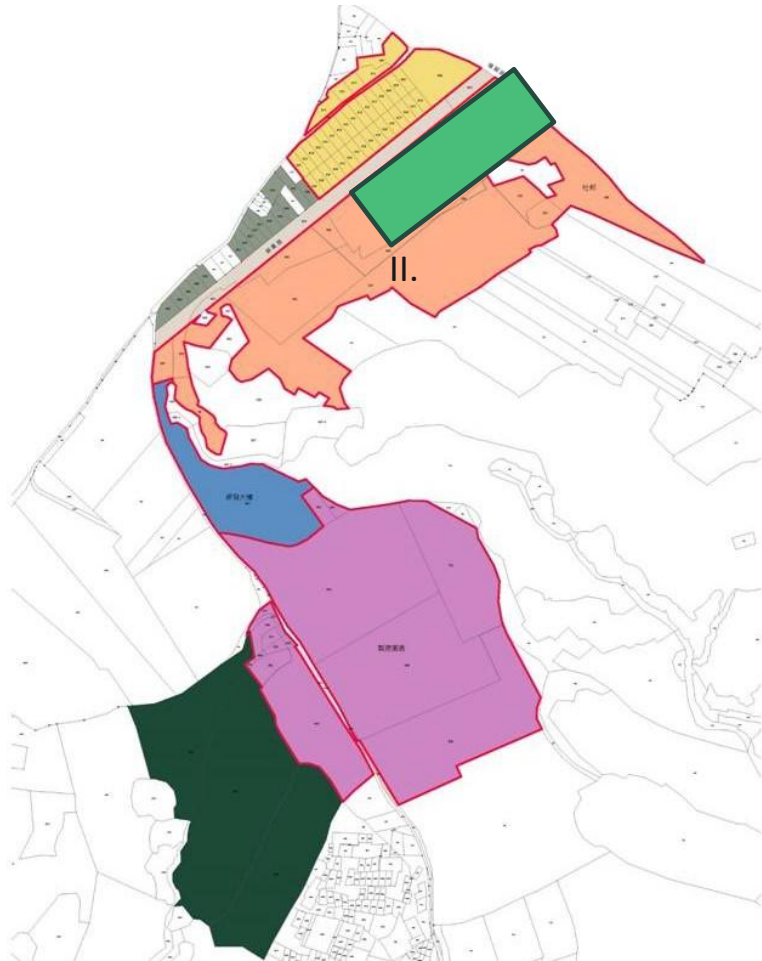
Energy-Efficient and Carbon-Reducing:
Green building warehouse

Warehouse compliant with legal regulations



The state-of-the-art warehouse is set to attract tenants from both local and multinational companies.

FUTURE STRATEGY - DEVELOPMENT FOCUS OF LONGTAN SMART PARK PHASE II



The second phase of Longtan Smart Park is planned for development at the intersection of Chaofeng Road and Yangtong Road, covering a total area of approximately 19,800 sqm. The project will feature tailored smart logistics solutions with a focus on energy efficiency and carbon reduction.



- Customized Warehouse
- (GMP+Bonded Warehouse)



- Energy-Efficient and Carbon-Reducing Green Building

CARE FOR THE STRONG GENERATION

- In response to the changing domestic demographic structure and the impact of labor shortages, the Company actively employs experienced "strong generation" (middle-aged and senior) employees to retain their wealth of professional expertise. The Company does not enforce mandatory retirement at the age of 65, recognizing that the skills and knowledge of seasoned employees only grow more refined with time.
- Employees with over 30 years of service with the Company enjoy the same benefits as senior executives, including an advanced health check-up worth NT\$60,000 every two years. Employees with 20 to 30 years of service with the Company are entitled to a precision health check-up valued at NT\$20,000 every two years.





Formosan Rubber Group Inc.,



<http://www.frg.com.tw/m/st-aboutus.html>

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