

HSIN YUNG CHIEN CO., LTD.

Investor Conference

2020.12.16

Speaker : Stella

- 1- Company Profile**
- 2- Rubber Products**
- 3- Company Performance**
- 4- Introduction of NEWsheet**
- 5- Q&A**

Hsin Yung Chien was established in 1964 in Nantou, Taiwan. Currently HYC is the biggest manufacturer in producing rubber conveyor belts in Taiwan and keeps on developing new equipment and renewing production procedure. HYC also has passed through ISO9001 and ISO14000 certificate and product lines include light and heavy-duty conveyor belts in wide range of application such as mining, steel, aviation, agriculture, logistics and pier automatic production line by "KING" brand in global market.

“NEWsheet”, the high polymer product line is complete and the R & D team is with rich experience to meet customers' demand in full range quickly.

The traditional production mode and method is replaced by the latest process technology and automatic equipment to supply high value-added services and excellent quality for market differentiation in global market.

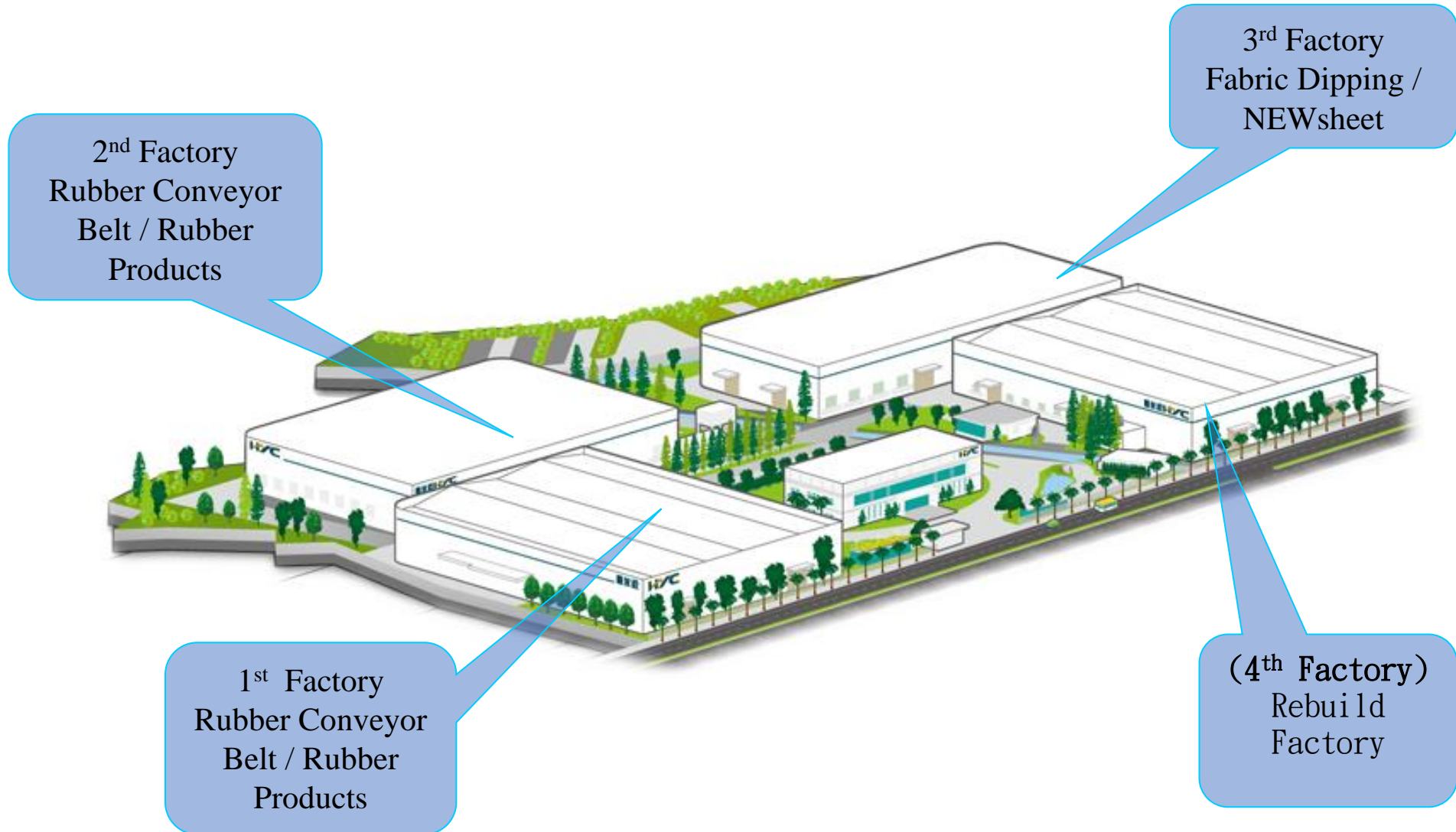


Adds : NO.294 Nan kung 3RD Nan kung industrial Zone Nantou,Taiwan

TEL:+886492263888 FAX:+886492263168

Company History

<p>1964 Establishment In Taichung</p>	<p>1978 Take over by current chairman, Mr. Lin</p>	<p>1980 Factory moved to Nantou</p>	<p>1985 Certificated by CNS</p>	<p>1994 5-year Investment plan</p>	<p>1995 Certificated by ISO9001 Promotion of Kevlar belt</p>
<p>1996 4th Session Outstanding SME Award</p>	<p>2000 2nd Session Rising Star Award</p>	<p>2002 Awarded by EPBA, Park Beautifying Championship, SME Golden Award</p>	<p>2003 Company name changed to Hsin Yung Chien. 1st Session Golden Rooting Award</p>	<p>2004 Company stock pre-listing</p>	<p>2005 14th Session National Award</p>
<p>2006 Company stock listing Automatic Storage system built</p>	<p>2007 Finished 1st factory and Dipping fabric factory</p>	<p>2008 Finished 4th factory and got ISO 14001 Certificate.</p>	<p>2010 Stock market listed in Taiwan and got OHSAS 18001</p>	<p>2011 Industrial Sustainable Excellence Award</p>	<p>2012 Investing Steel Cord and Rubber Dam Facilities</p>
<p>1978~1990 夾縫中求生存</p>	<p>1991~1999 天喜雙</p>	<p>2000~2004 孤注一擲</p>	<p>再次蛻變</p>	<p>躍馬揚鞭</p>	
<p>2019 Finished 5th factory</p>	<p>2018 Announced lightweight and recycled luggage</p>	<p>2015 1st Taiwan Mittelstand Award</p>	<p>2013 1st Backbone enterprise key counseling object</p>		





Factory Environment

Winner of Green and Landscaping among all the factories of 2003 & 2012 in Taiwan



Product	Application
<p>Flat Conveyor Belt Steel Cord Conveyor Belt</p>	<p>Quarry, Cement plant, Power plant, Steel Plant.</p>
<p>Patterned Belt Logistics Belt Chevron Belt</p>	<p>Logistics, Electronics, Textile, Animals, Agriculture, Inclined transportation.</p>
<p>Heat resistant, Oil resistant, Flame resistant, Impact resistant, Rip-stop Conveyor Belt</p>	<p>Fertilizer, High-temperature environment, Coal Mining, Sharp materials.</p>
<p>Rubber Dam 、 Wave Sheet</p>	<p>Water resource, Recycle, Environmental beautification, Park. ’ Wave Power</p>







HYC Application – Agriculture / Logistics







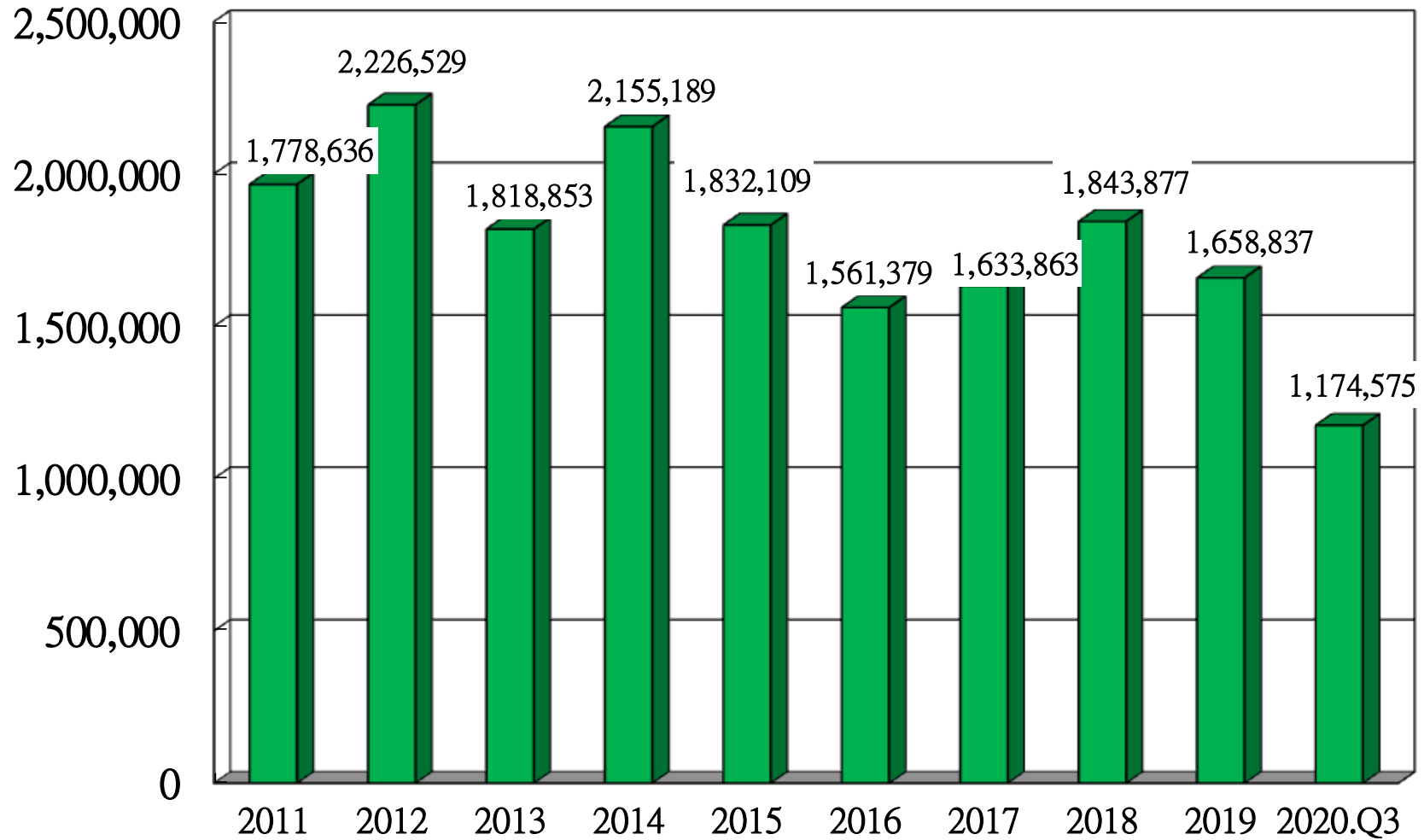
Rubber Dam Facilities:

Max. producible width can reach 12-meters wide with unlimited length, producing products like Rubber Dam or Rubber Flooring. , Wave Sheet for Power

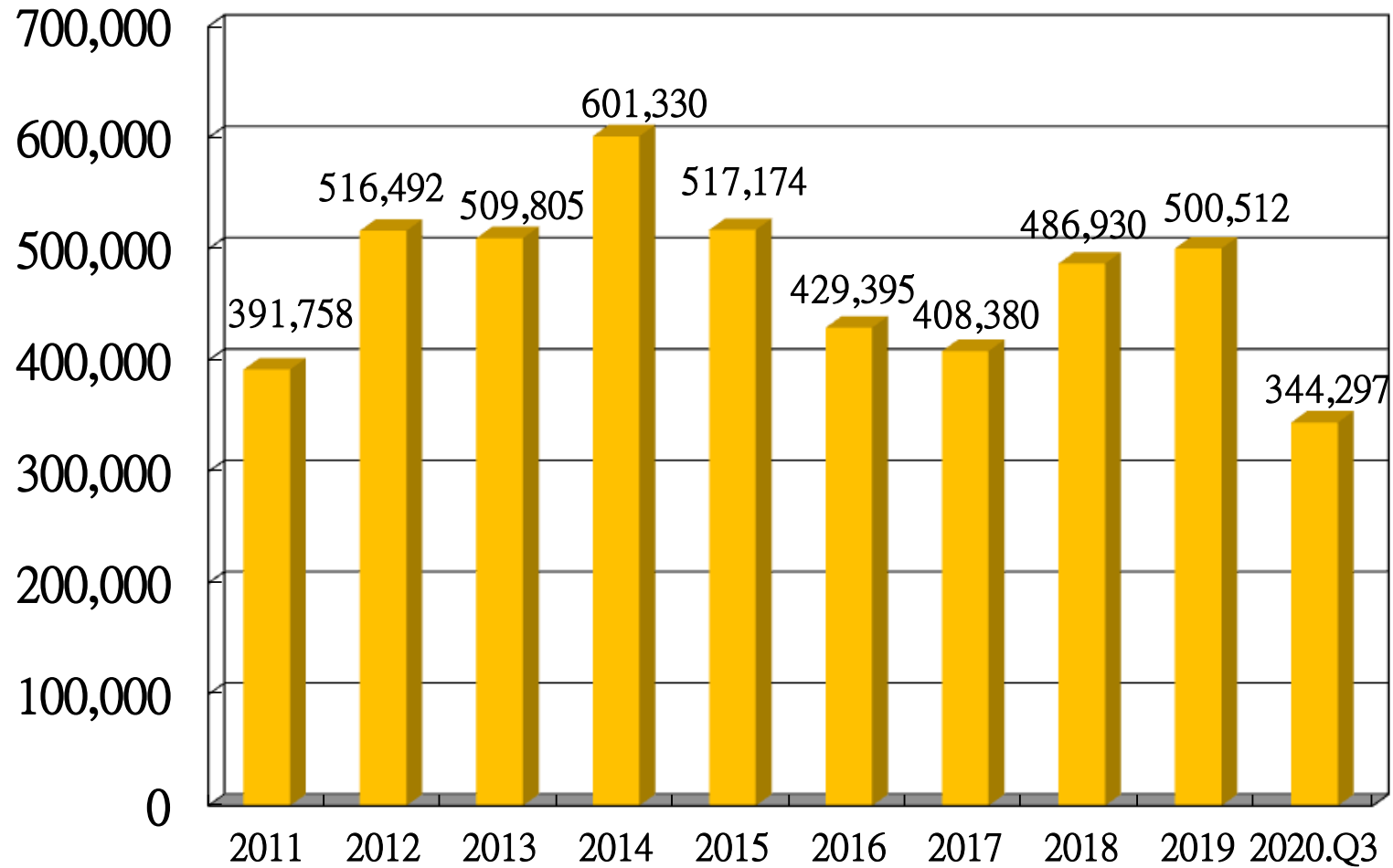
	2015	2016	2017	2018	2019	2020. Q3
Net Sales	1, 832, 109	1, 561, 379	1, 633, 863	1, 843, 877	1, 658, 837	1, 174, 575
Gross Profit	643, 033	597, 962	579, 888	640, 327	608, 209	477, 110
Gross Profit Ratio	35%	38%	35%	35%	36%	41%
Operating Income	481, 687	455, 299	444, 512	483, 578	455, 402	371, 757
Non-operating Income& Expenses	35, 487	(25, 904)	(36, 132)	3, 352	45, 110	(27, 460)
Income Before Tax	517, 174	429, 395	408, 380	486, 930	500, 512	344, 297
Net Income	418, 219	350, 227	338, 923	394, 842	399, 524	276, 956
EPS	6. 20	5. 19	5. 02	5. 85	5. 63(註)	3. 91

Remark: The surplus was converted into capital increase in August 2019 and the weighted average number of outstanding shares was 70,902.

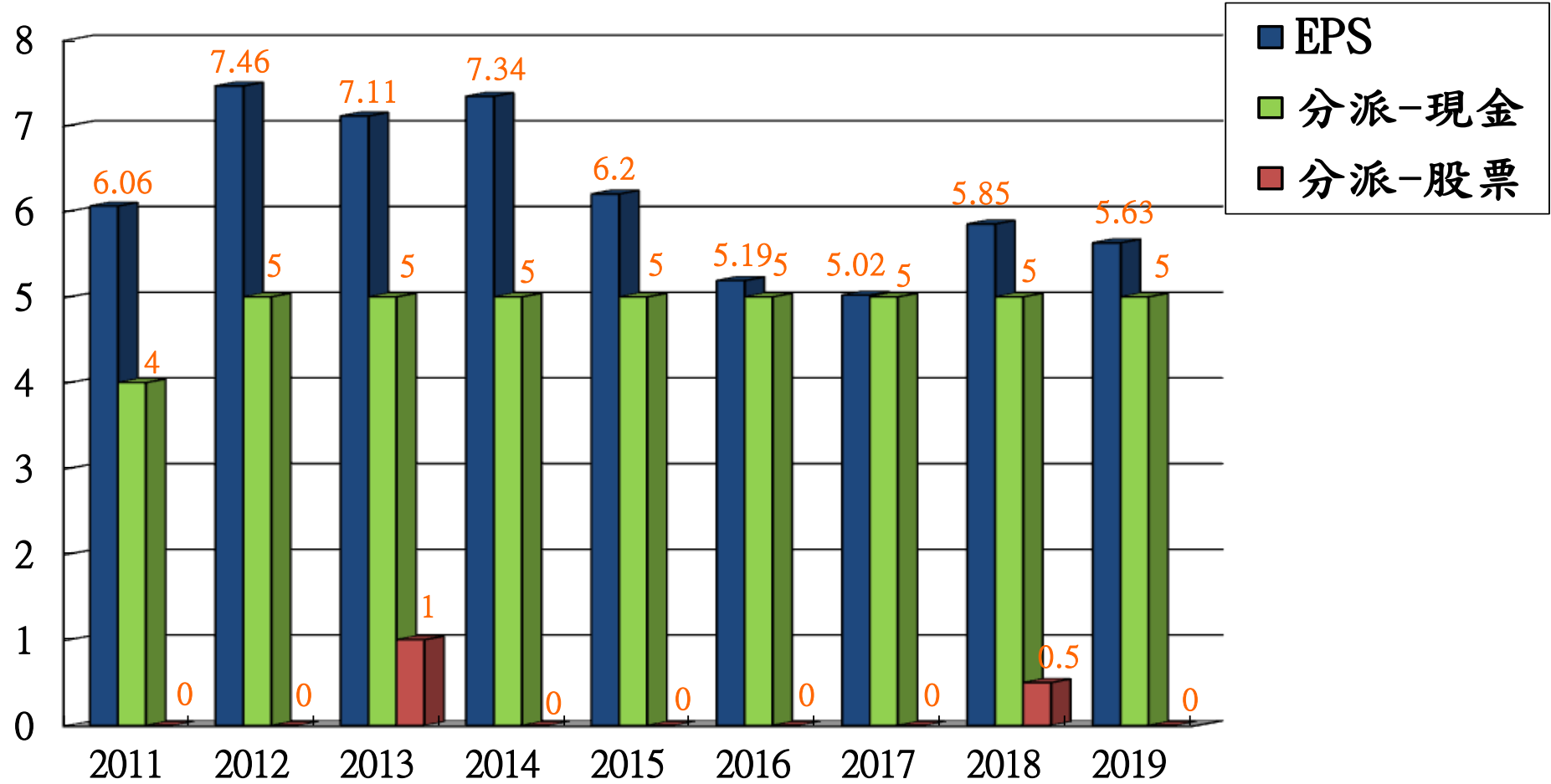
Sales Trend



Income Before Tax



元



Main Products :

1. Eco-friendly hot-press cushion pad

(Awarded Gold Medal by 63rd International Invention Exhibition in Nuremberg, Germany in 2011.)

2. NEWsheet Serial Products

1. Hot-press cushion pad



KEY CONSUMABLES FOR FUTURE

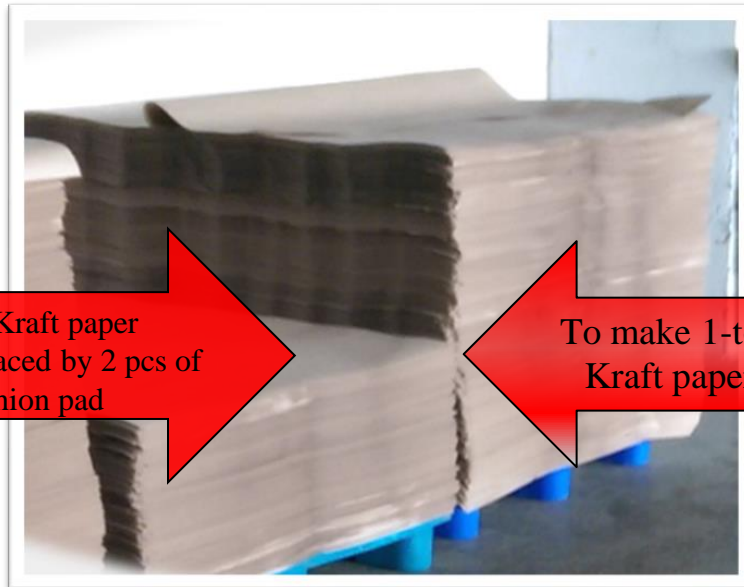
1. Hot-press cushion pad

With 50-year experience of production and rubber development technology, we have developed this stable, manageable, and recyclable cushion pad.



Patented by
M551128
M551122

1-ton Kraft paper
can be replaced by 2 pcs of
cushion pad



To make 1-ton
Kraft paper



20
trees



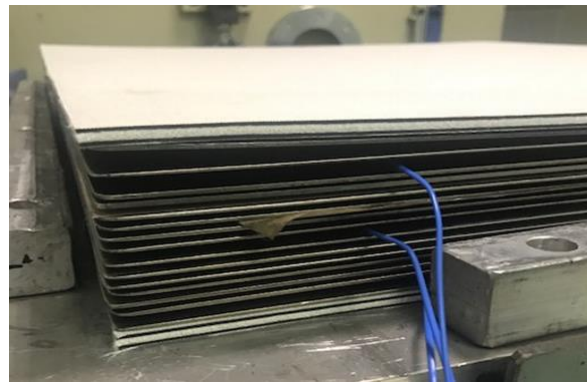
100
buckets

The procedure of PCB pressing, which uses a lot of Kraft paper, will impact on :

- ◆ Factory Cleanliness
- ◆ Bad Odor
- ◆ Waste of storage space for stock
- ◆ Waste of materials transportation
- ◆ Management

Advantages

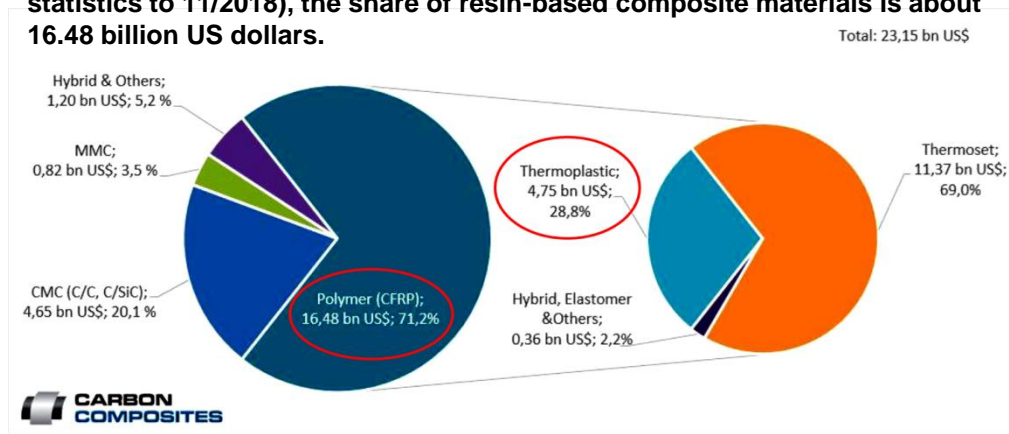
- Sealing on both sides makes products firm, breathable, and moisture proof.
- Controlling times of pressing by QR code.
- 40% lighter than other manufactures' products.
- Long-lasting lifetime (CCL-500 times, PCB-300 times)
- Flexible but strong.
- Automatic



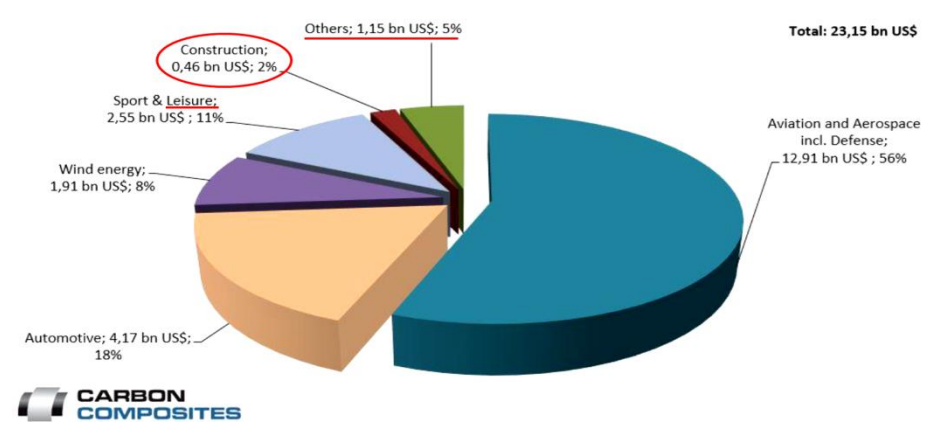
With the rise of environmental protection issues, both the EU and advanced countries have planned with waste reduction and value creation goals for circular economy. Therefore, the characteristics of waste reduction and recyclability have become important considerations when developing new materials and new products.

Thermoplastic carbon fiber composite products have excellent characteristics such as light weight, toughness, good processing and environmental protection and recyclability, which can meet the requirements of circular economy. °

The global composite material market demand ratio and amount (AVK statistics to 11/2018), the share of resin-based composite materials is about 16.48 billion US dollars.



Global composite materials market demand ratio and amount



According to AVK analysis of German , the global thermoplastic carbon fiber composite material market has reached 4.75 billion US dollars in 2018 (28.8%).

the global thermoplastic composites market share forecast will reach 41.9 billion US dollars in 2022 by Markets and Markets analysis.



Composite Carbon Fiber Waste



With the rapid development of the wind power industry and the continuous increase in the size of wind turbine blades, it is estimated that by 2034, the global waste of thermoset carbon fiber composite materials will reach more than 225,000 tons.

At present, there are over 2 million tons of composite waste between Taiwan and China. It is estimated that more than 100,000 tons of new waste will be added every year.

Data From : Science Development 2019 NOV. NO.563

The features of thermoplastic composites are light, thin, tough, good processing, durability and environmental protection from materials to livelihood supplies and based on environmentally friendly re-use and recycling to create the continuous chain circulation system which is the future goal of Newsheet.

- ◎ **5+N Driven by industry demand** — Automation, Energy Saving and Recycling Economy
- ◎ **Lightweight and High Strength** — Replace metal or plastic
- ◎ **Appearance. Color and Unique Pattern** — Focus on appearance
- ◎ **Large Number for Require** — With plastic injection process (cost)
- ◎ **Plastic processing bottleneck** — Big Size. High rigidity. Process Yield and Capacity

Features of Material:

1. Recycling long carbon fiber material
2. Heat resistant up to 320 Celsius
3. Repeat manufacturing available
4. High strength to replace metal
5. Lightweight in different shapes
6. Available for industry usage.



Thank you for listening

