

HSIN YUNG CHIEN CO., LTD.

Investor Conference

2019.12.20

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.

Area : 47,850 Square Meter,

◆ **Belt Factory (I & II & IV)**

◆ **Industrial Fabric & high polymer products (Factory III)**

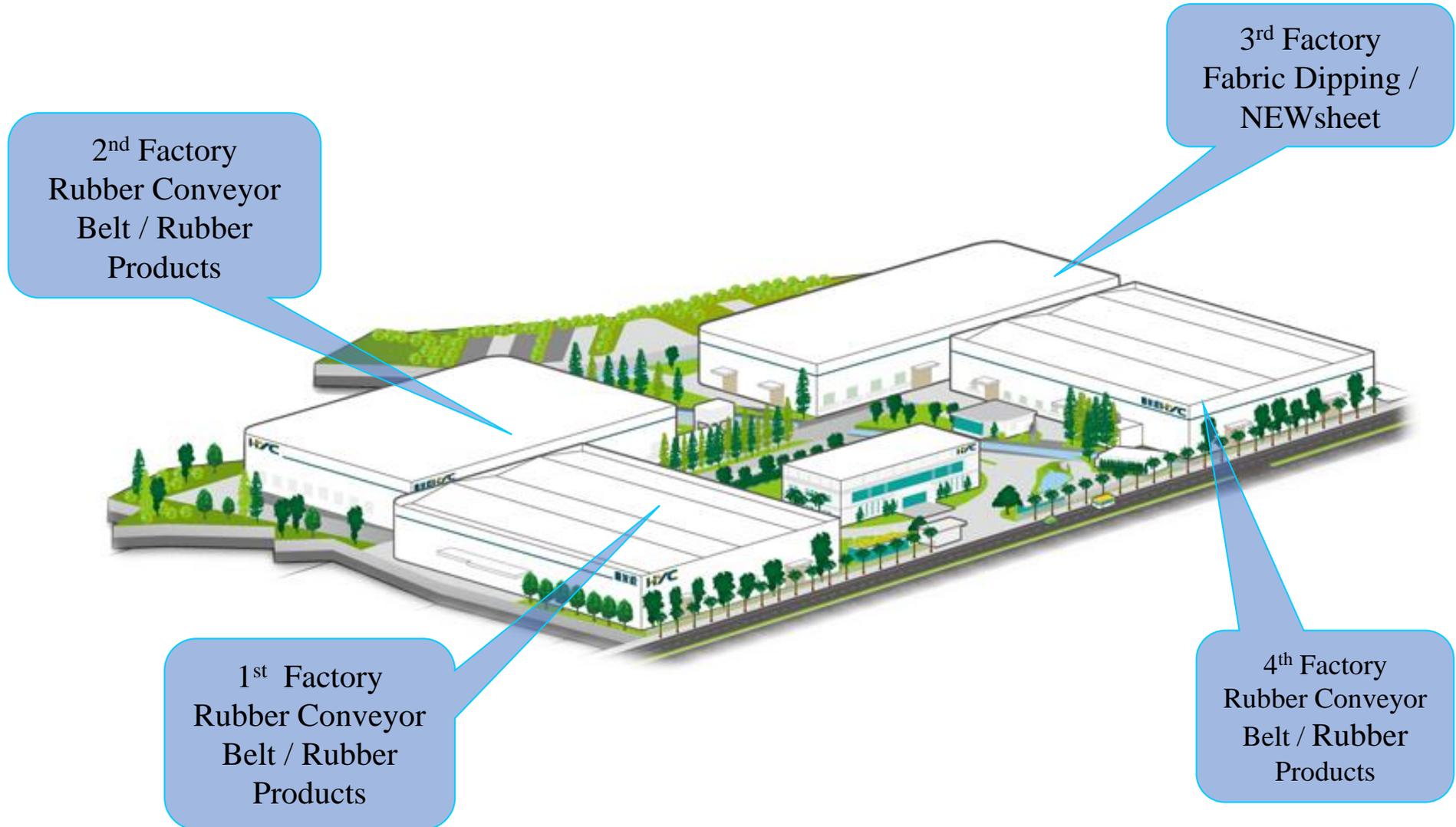


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Company History

<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 天翻地覆</p>	<p>2000~2004 孤注一擲</p>	<p>2008~2012 再次蛻變</p>	<p>2014~2023 躍馬揚鞭</p>	<p>2015 1st Taiwan Mittelstand Award</p>	<p>2013 1st Backbone enterprise key counseling object</p>



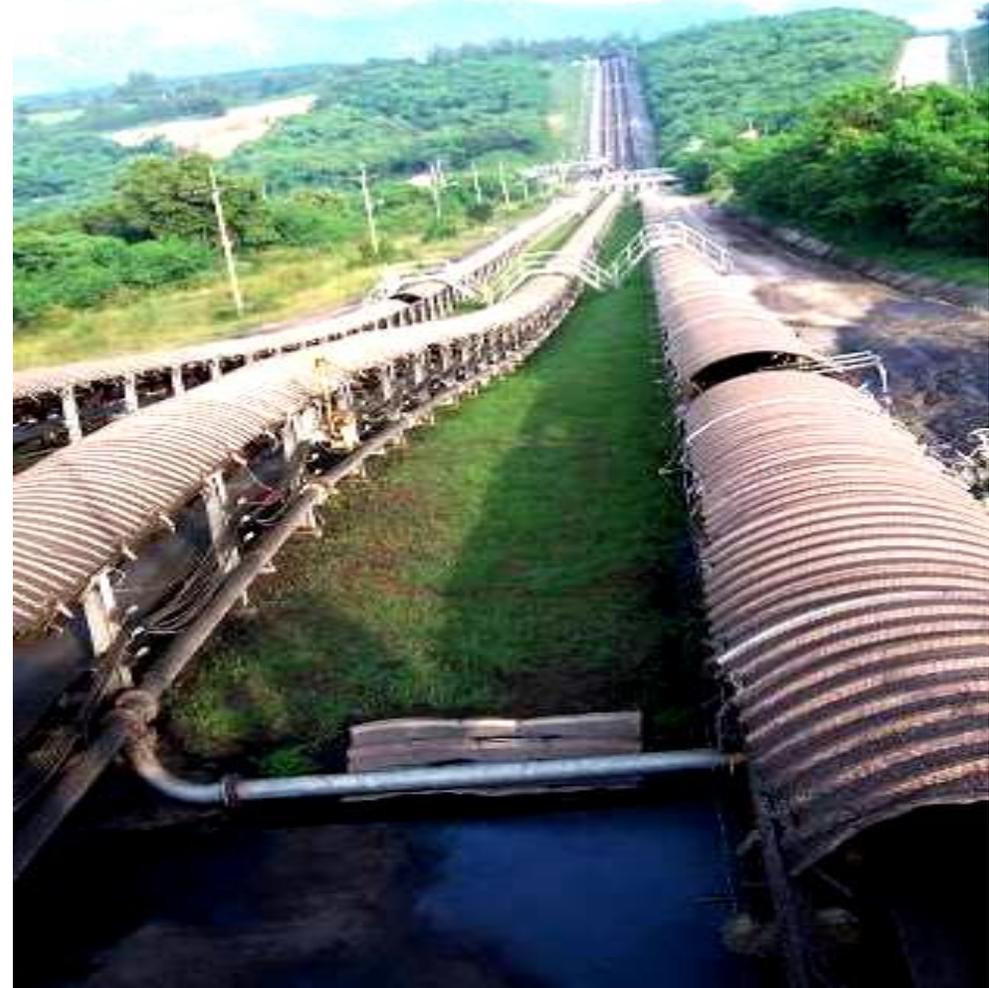


Factory Environment

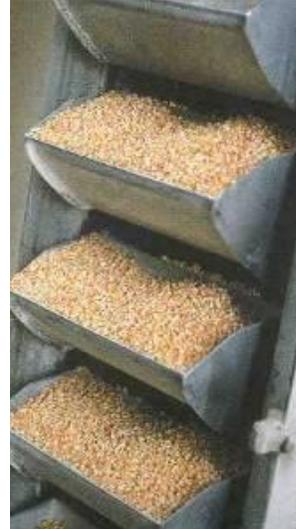
Winner of Green and Landscaping among all the factories of 2003 & 2012 in Taiwan



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







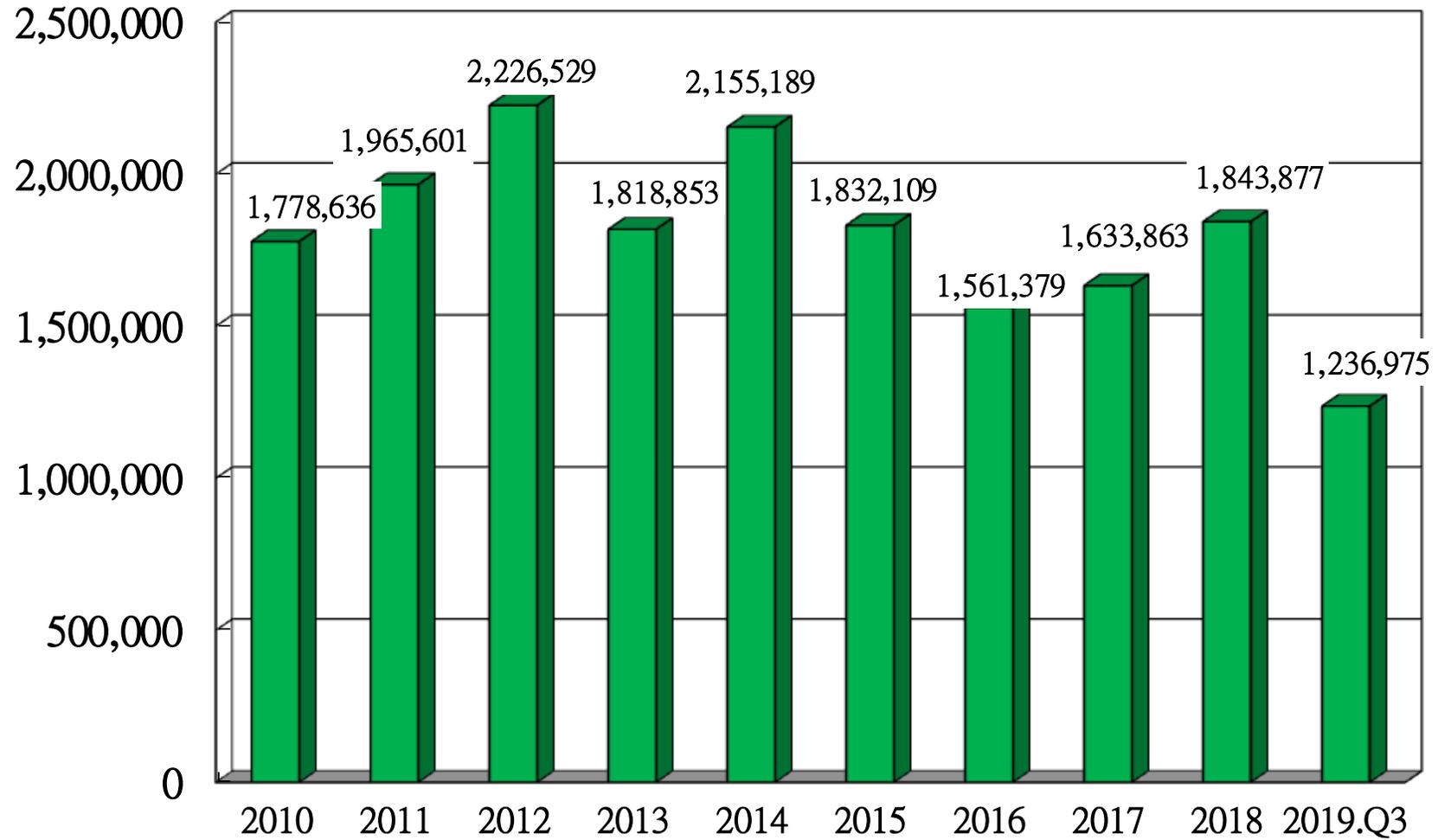
Rubber Dam Facilities:

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

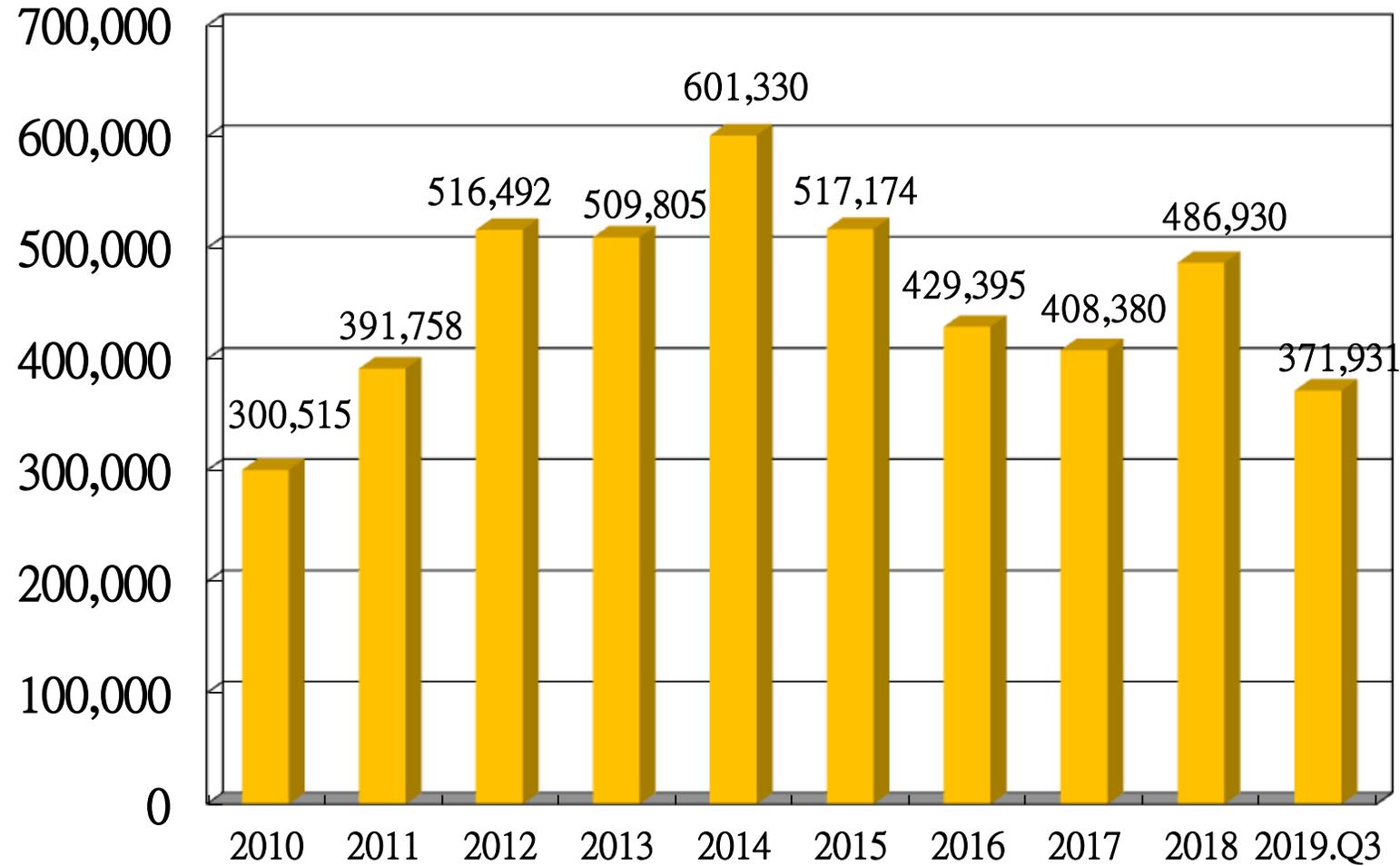
	2013	2014	2015	2016	2017	2018	2019. Q3
Net Sales	1, 818, 853	2, 155, 189	1, 832, 109	1, 561, 379	1, 633, 863	1, 843, 877	1, 236, 975
Gross Profit	623, 805	727, 740	643, 033	597, 962	579, 888	640, 327	441, 810
Gross Profit Ratio	34%	34%	35%	38%	35%	35%	36%
Operating Income	480, 219	561, 495	481, 687	455, 299	444, 512	483, 578	328, 889
Non-operating Income & Expenses	29, 586	39, 835	35, 487	(25, 904)	(36, 132)	3, 352	43, 042
Income Before Tax	509, 805	601, 330	517, 174	429, 395	408, 380	486, 930	371, 931
Net Income	436, 713	495, 510	418, 219	350, 227	338, 923	394, 842	296, 659
EPS	7. 11	7. 34	6. 20	5. 19	5. 02	5. 85	4. 18(註)

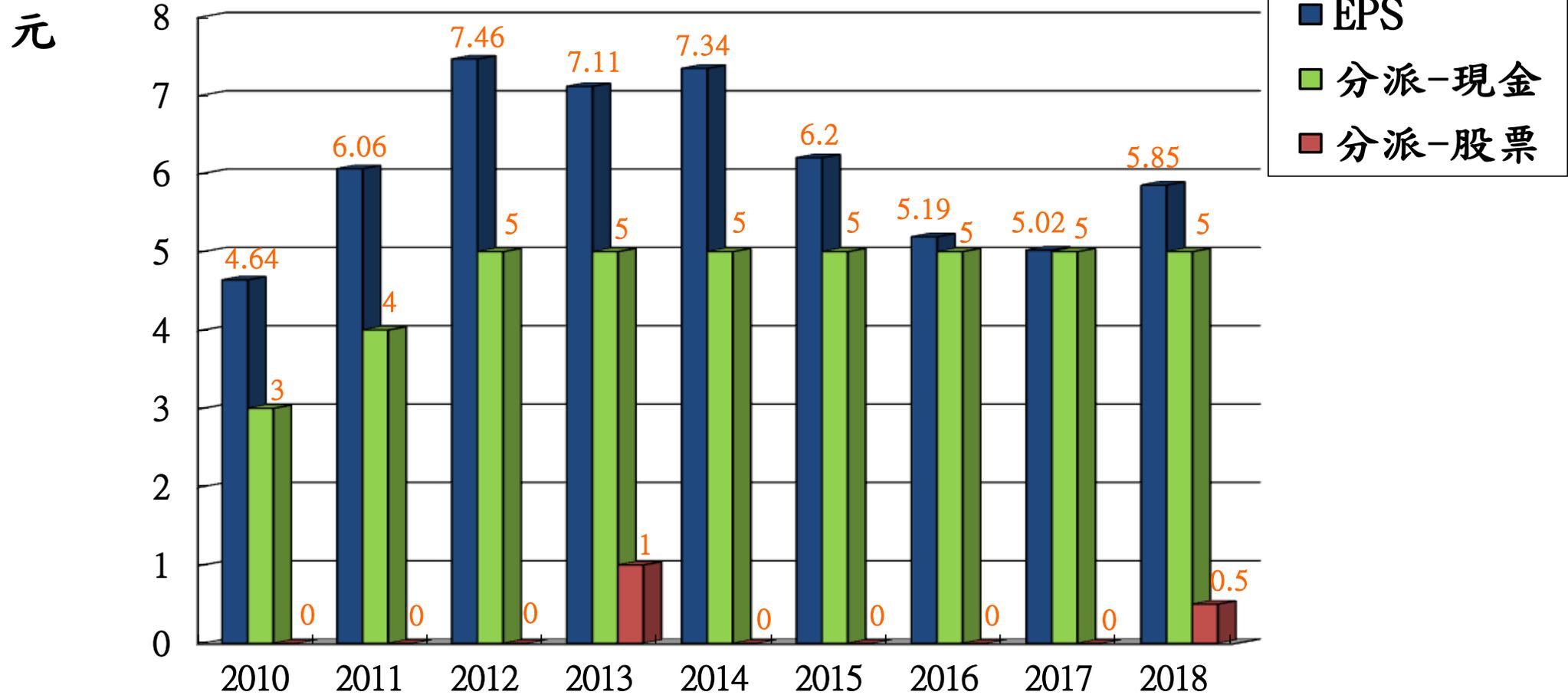
Remark: The surplus was converted into capital increase in August 2019 and the weighted average number of outstanding shares was 70,902.

Sales Trend



Income Before Tax





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



KEY CONSUMABLES FOR FUTURE

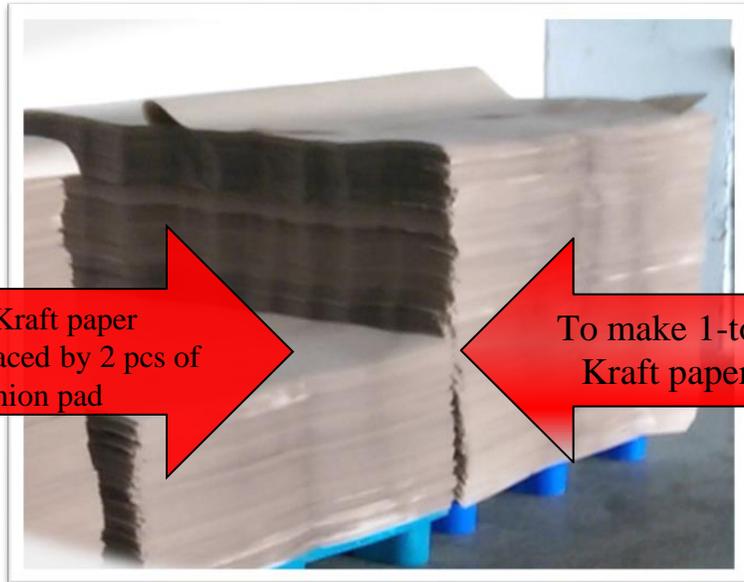
1. Hot-press cushion pad

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

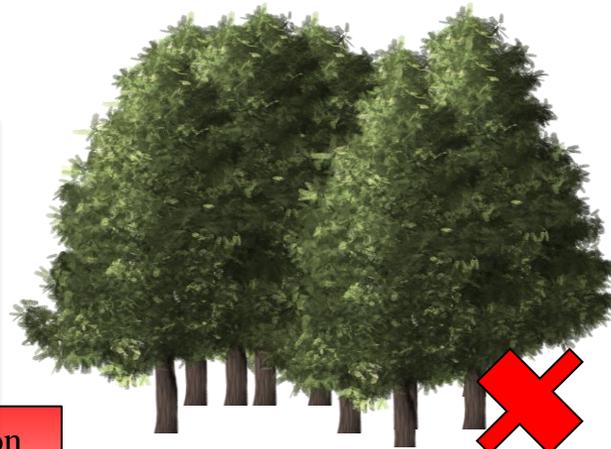


Patented by
M551128
M551122

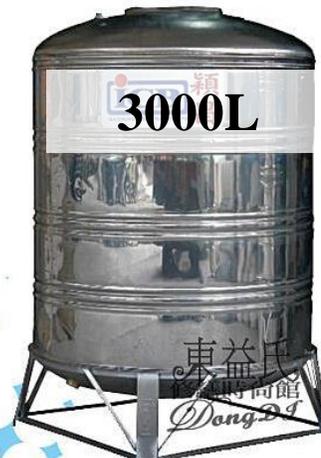
1-ton Kraft paper
can be replaced by 2 pcs of
cushion pad



To make 1-ton
Kraft paper



20
trees



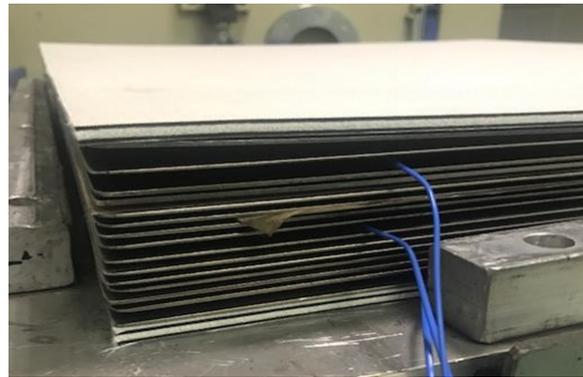
100
buckets

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

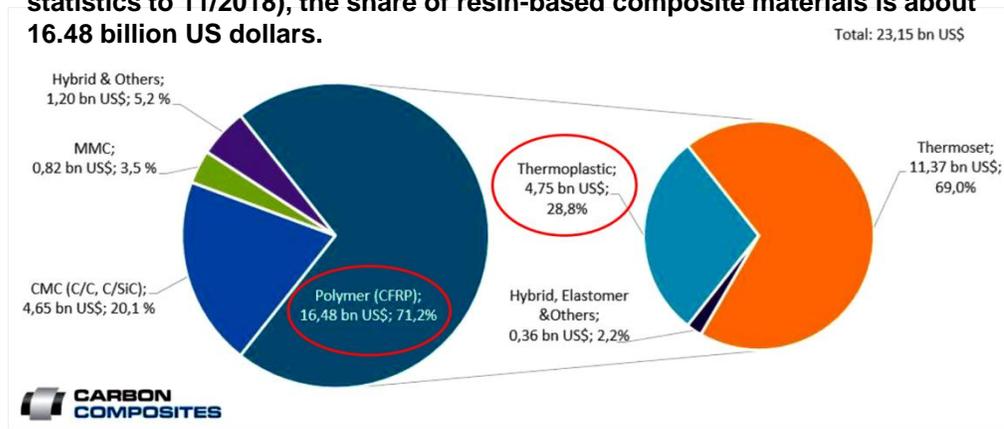
- Sealing on both sides makes products firm, breathable, and moisture proof.
- Controlling times of pressing by QR code.
- 40% lighter than other manufactures' products.
- Long-lasting lifetime (CCL-500 times, PCB-300 times)
- Flexible but strong.
- Automatic



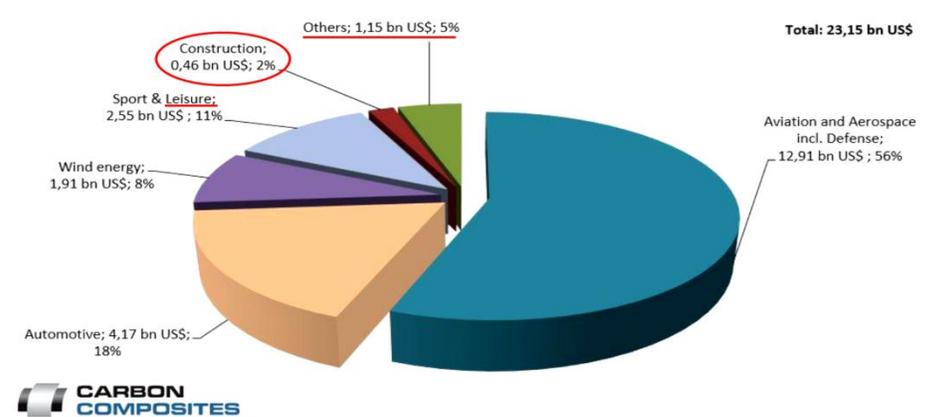
With the rise of environmental protection issues, both the EU and advanced countries have planned with waste reduction and value creation goals for circular economy. Therefore, the characteristics of waste reduction and recyclability have become important considerations when developing new materials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

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



Thermoplastic Carbon Composite Material Product

Long Fiber Reinforced Thermoplastic Composite Material including:

PPS+CF / PP+CF / PP+GF .

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.



Features of Thermoplastic Luggage:

Light- Breakthrough innovation for material structure , Light extremely

Beauty- A variety of materials blended weaving, creating the ever-changing colors and patterns

Strength- Special composite material design, weather-resistant, drop-resistant and scratch- resistant

Durability- Excellent impact resistance , rebound quickly and maintain the complete appearance complete

Environmental Protection- Thermoplastic composite material can be recycled to reduce the pollution.

グラスファイバーの力が、ラゲージの常識を覆す。

独自開発の新素材 ULTRA STRING™

<イメージ>

PP (ポリプロピレン) 織布

グラスファイバー

世界初!
グラスファイバー複合素材採用

※量産型トローリーケースとして。

Color Variation





Japanese Newspaper on Sep 14th & 15th

PROTECA
MADE IN JAPAN

プロテカ史上 最軽量 Aeroflex Light 〔エアロフレックス ライト〕

— 9/14 Debut —

この軽さ、
試さずにはられない。



機内持込み
可能サイズで
1.7kg

機内持込み
可能サイズで
1.7kg

グラスファイバー複合新素材が、ラゲージの常識を変える。

グラスファイバーを採用した新素材「ウルトラストリング」が驚きの軽さと強さを両立。



ULTRA STRING

「ダブルチューブ」で軽やかな取りまわし。より快適でスマートに。



出張に安心の3年保証

プロテカウルトラストリングは、プロテカウルトラストリングに3年間の保証が付いています。異常な使用で破損しても保証が適用されます。

※保証対象外となる使用法や修理費用は別途要します。
※ユーザーマニュアルと一緒に、詳しくお読みください。

安心の日本製

プロテカウルトラストリングは、全高品質の日本工場にて厳密な検査を経て生産されています。

【プロテカ エアロフレックス ライト】

■No.01821 ■サイズ: H105×W35×D24cm (内寸: H105×W34×D24cm) ■重量: 1.7kg ■価格: 158,000円(税込22,440円)	■No.01822 ■サイズ: H105×W35×D24cm (内寸: H105×W34×D24cm) ■重量: 1.7kg ■価格: 158,000円(税込22,440円)	■No.01823 ■サイズ: H105×W35×D24cm (内寸: H105×W34×D24cm) ■重量: 1.7kg ■価格: 158,000円(税込22,440円)	■No.01824 ■サイズ: H105×W35×D24cm (内寸: H105×W34×D24cm) ■重量: 1.7kg ■価格: 158,000円(税込22,440円)
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さらに容量の大きいモデルもご用意

■No.01825 ■サイズ: H150×W35×D24cm (内寸: H150×W34×D24cm) ■重量: 1.7kg ■価格: 158,000円(税込22,440円)	■No.01826 ■サイズ: H150×W35×D24cm (内寸: H150×W34×D24cm) ■重量: 1.7kg ■価格: 158,000円(税込22,440円)
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0120-546-143

PROTECA
MADE IN JAPAN

プロテカ史上最軽量 Aeroflex Light 〔エアロフレックス ライト〕

— 新発売 —

異次元の軽さへ。



機内持込み
可能サイズで
1.7kg

機内持込み
可能サイズで
1.7kg

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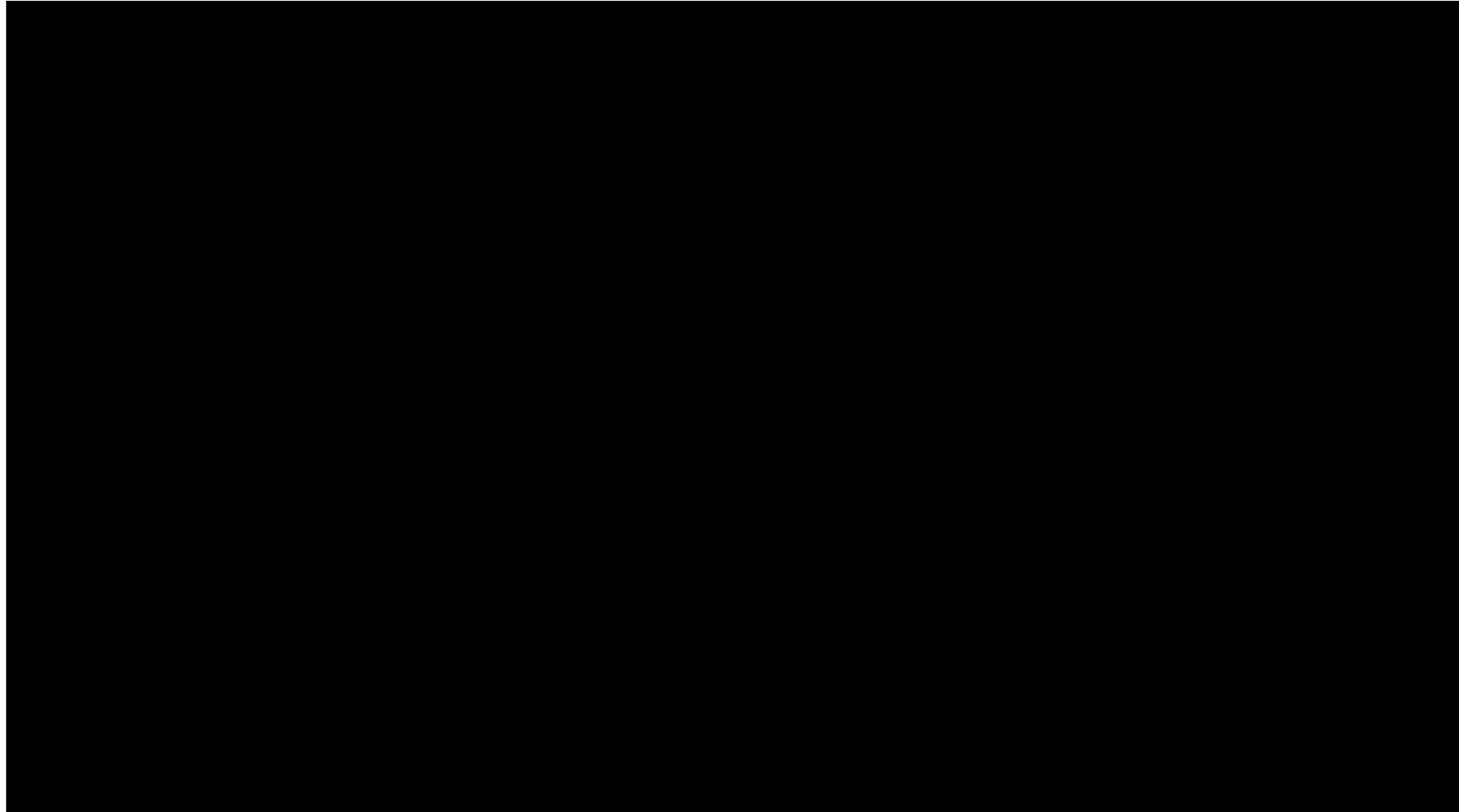
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Aeroflex Light Luggage





Thank you for listening

