

HYC 鑫永銓股份有限公司
HSIN YUNG CHIEN CO., LTD.

Investor Conference

2023.12.15

Speaker: Special assistant Stella Fu





- This presentation includes predictive information about the future operations of the company, and such estimates carry unrealized risks and uncertainties.
- The actual operational results, financial condition, and business outlook of the company in the future may differ from these predictive statements due to various risks beyond the company's control.
- The forward-looking statements in this presentation reflect the company's estimates as of the present, and investors should not interpret these estimates as legally binding commitments.
- If there are any changes or adjustments to the future outlook, the company is not obligated to provide timely reminders or updates.





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- 1 **Company Profile**
 - 2 **Business Performance**
 - 3 **Product Introduction**
 - 4 **Future Prospects**
 - 5 **Q & A**



- **1964** | Founded in Taichung City
- **1980** | Moved the factory to Nantou City
- **1999** | Construction of Factory II
- **2003** | Renamed as Hsin Yung Chien
- **2004** | Company Stock pre-listing
- **2005** | The 14th National Award of Outstanding SMEs
- **2006** | Company Stock listing
- **2007** | Construction of Factory I and III
- **2008** | Construction of Factory IV
- **2010** | Stock market listed (IPO)
- **2011** | Establishment of a large-scale Inflatable rubber dam production line
- **2012** | Industrial Park Beautifying Championship
- **2013** | Establishment of a steel cord conveyor belt production line
| The 1st "Mittelstand Award" awarded by MOEA
- **2014** | Establishment of 3M Rotocure production line
- **2017** | Establishment of the largest solar power generation system in Nantou
- **2019** | Construction of Factory V
- **2020** | R&D Wave energy membrane
- **2021** | Construction of R&D Lab
- **2022** | Establishment of wave energy membrane production line
- **2023** | Completion re-construction of Factory IV



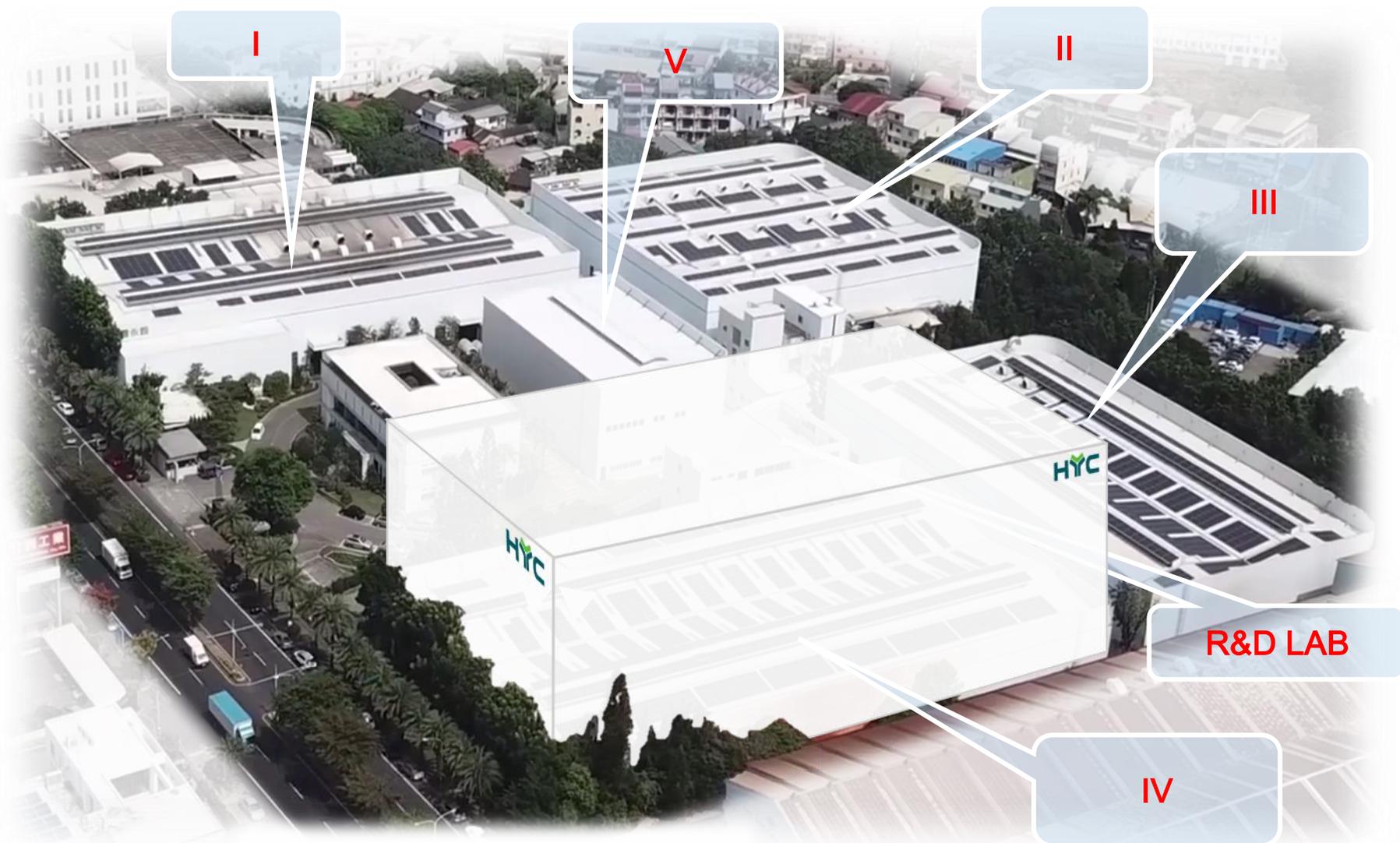
ISO9001



ISO14001



ISO45001

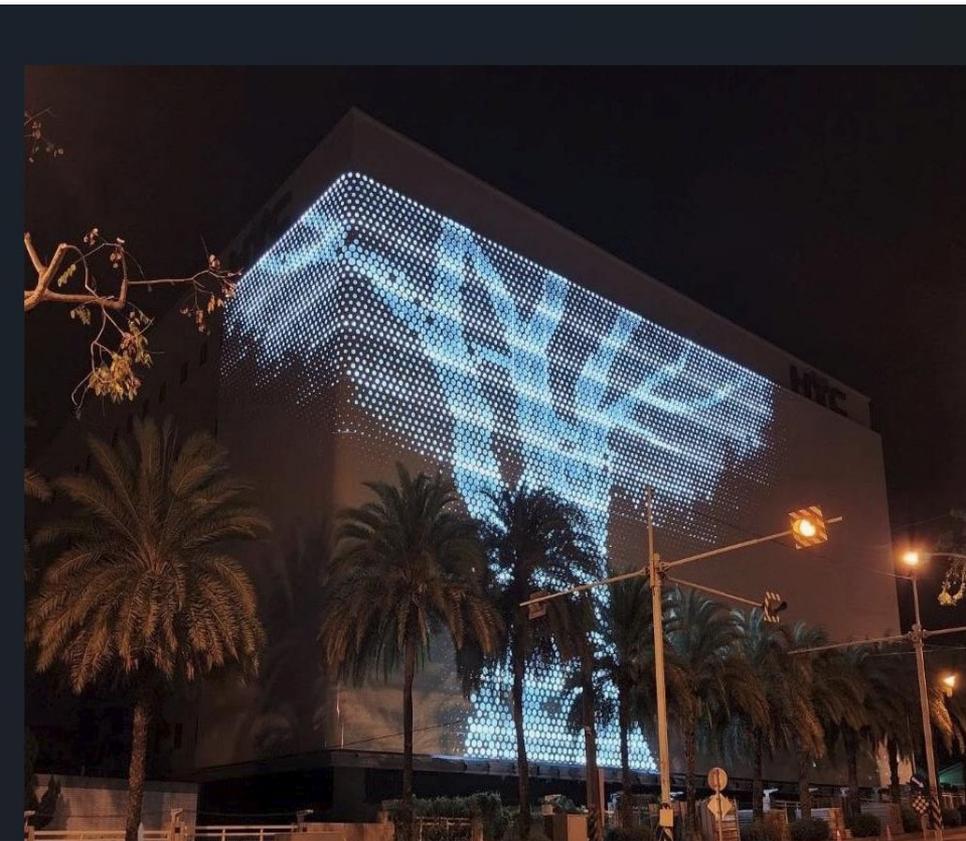




Day



Night

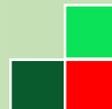


LANDMARK

BUSINESS PERFORMANCE



Financial Results

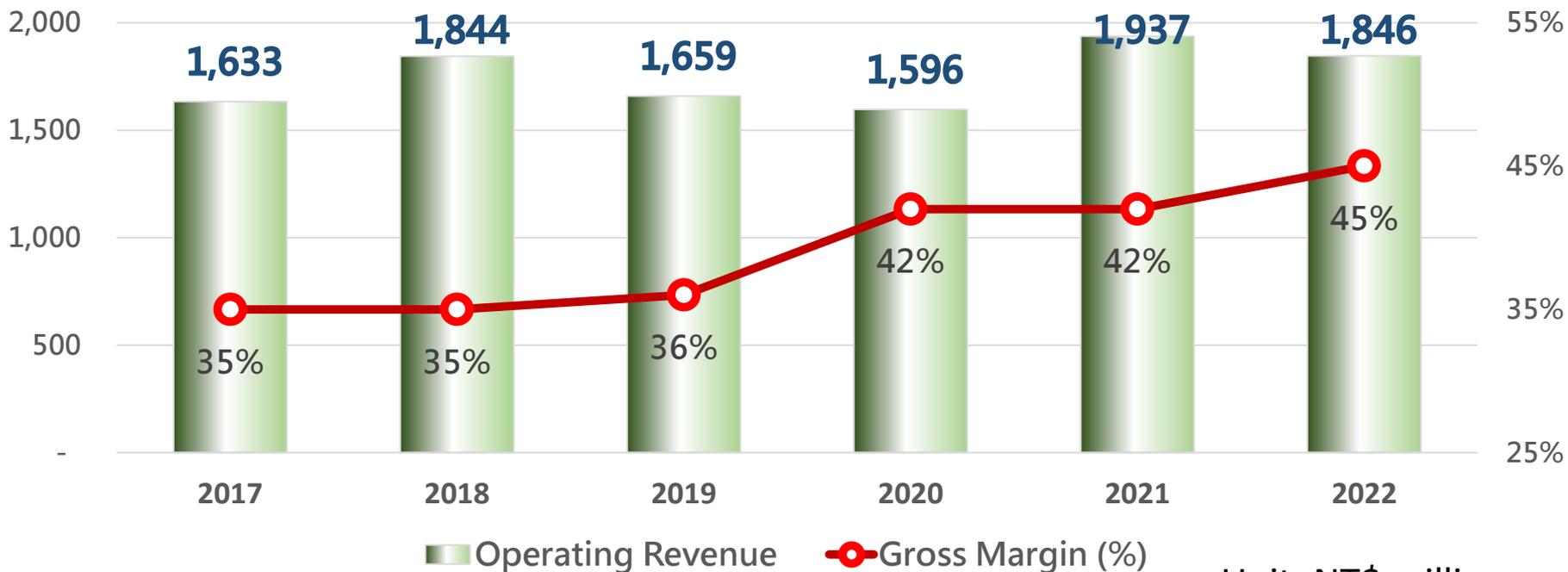


Unit : NT\$1000/per common share

Year	2018	2019	2020	2021	2022	2023 Q1~Q3
Operating Revenue	1,843,877	1,658,837	1,596,510	1,937,193	1,845,955	1,146,104
Net Operating Margin	640,327	608,209	664,702	816,312	841,907	481,656
Gross Margin (%)	35%	36%	42%	42%	45%	42%
Operating Profit	483,578	455,402	508,135	522,449	596,811	385,890
Non-operating income and expenses	3,352	45,110	110,383	542,893	-81,048	39,451
Profit before income tax	486,930	500,512	618,518	1,065,342	515,763	425,341
Profit for the year	394,842	399,524	523,696	968,394	391,971	340,918
Number of shares for the year	67,525	70,902	70,902	77,992	77,992	77,992
EPS (after tax)	5.85	5.63	Main 5.83 +Other 1.56 Total=7.39	Main 5.46 +Other 6.96 Total=12.42	Main 6.07 -Other 1.04 Total=5.03	4.37

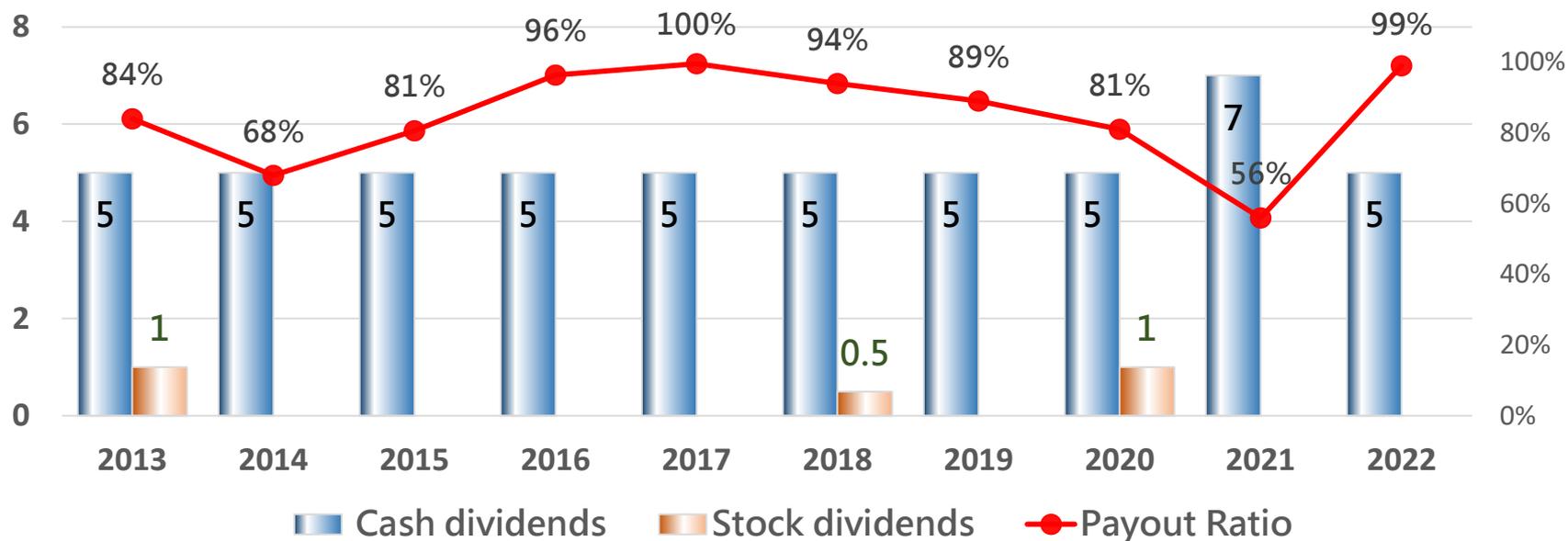


Business Performance



Unit: NT\$ millions

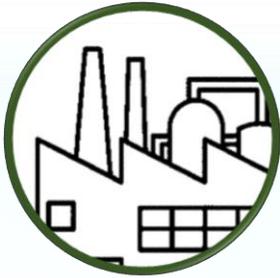
Year	2017	2018	2019	2020	2021	2022	2023.Q3
Operating Revenue	1,633	1,844	1,659	1,596	1,937	1,846	1,146
Gross Margin (%)	35%	35%	36%	42%	42%	45%	42%
Main EPS	5.02	5.85	5.63	5.83	5.46	6.07	4.37
Other EPS	0	0	0	1.56	6.96	-1.04	0



Unit: NT\$

Dividend for the year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EPS	7.11	7.34	6.2	5.19	5.02	5.85	5.63	7.39	12.42	5.03
Cash dividends	5	5	5	5	5	5	5	5	7	5
Stock dividends	1	0	0	0	0	0.5	0	1	0	0
Payout ratio	84%	68%	81%	96%	100%	94%	89%	81%	56%	99%

PRODUCT INTRODUCTION



Industry



Agriculture



Aviation



Logistics



Recycling

• Steel Plant

• Power plant

• Cement plant

• Mining

• Asphalt plant

• Paper mill

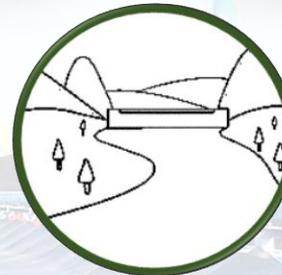
• Dock

• Moving

equipment



Dairy



Hydropower



Green Energy

■ Product specifications comply with national standards of major economies in the world.
ASTM 、 DIN 、 ISO 、 BS 、 JIS 、 AS 、 GB







Application-Agriculture, Aviation, Logistics







Europe and the USA are the main sales area, also it has being apply to some farms in Taiwan. **Not only friendly to the animals, the milk production of dairy cows can be increased by about 20%**, according to European and USA studies.





Landscape



Power Generation



Flood Control



Irrigation



Water Storage

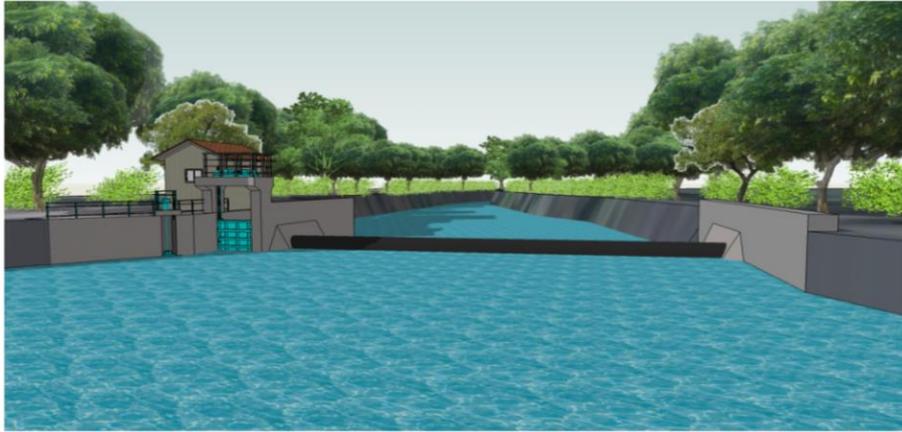


Ecology

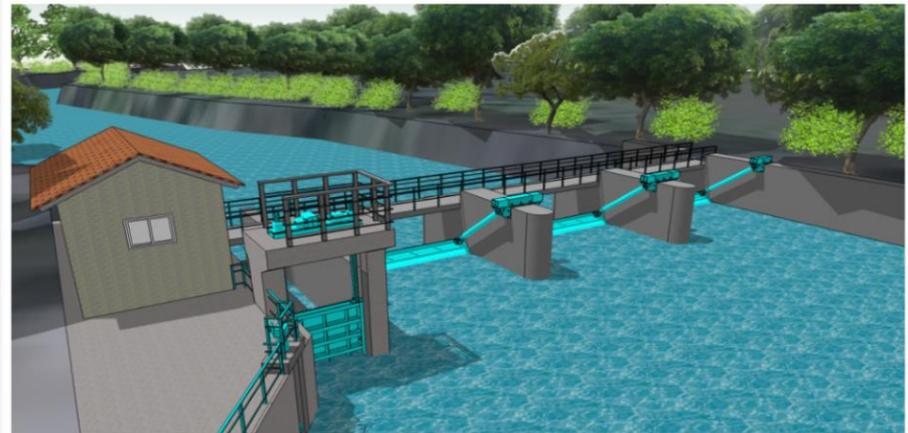
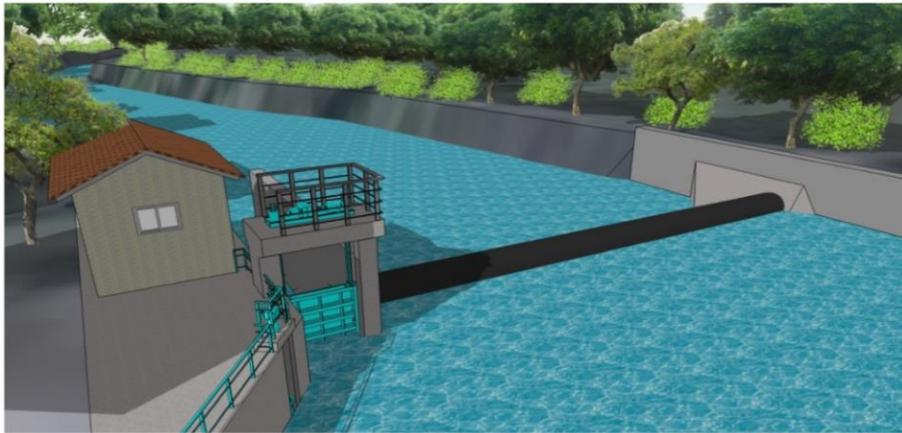
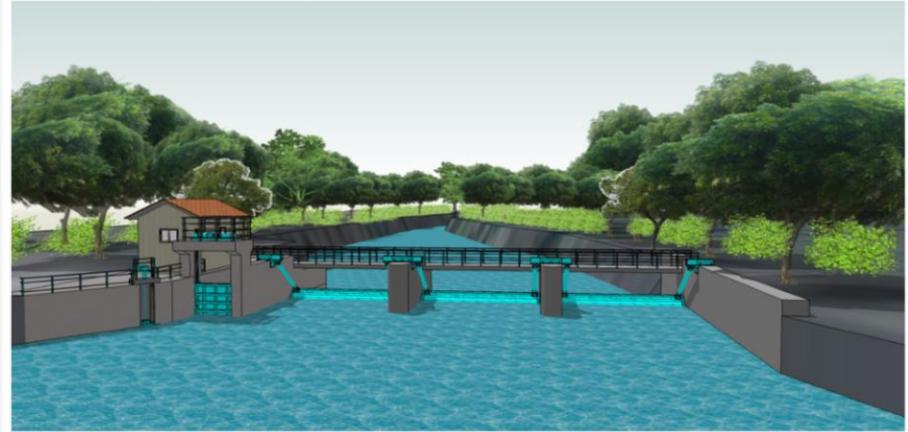




Inflatable Rubber Dam 3D graphics



Steel gate 3D graphics



- The river does not require pier supports, and the flow section is unobstructed.
- The river surface has a natural landscape, and good visibility.
- Easy maintenance and low cost in management.



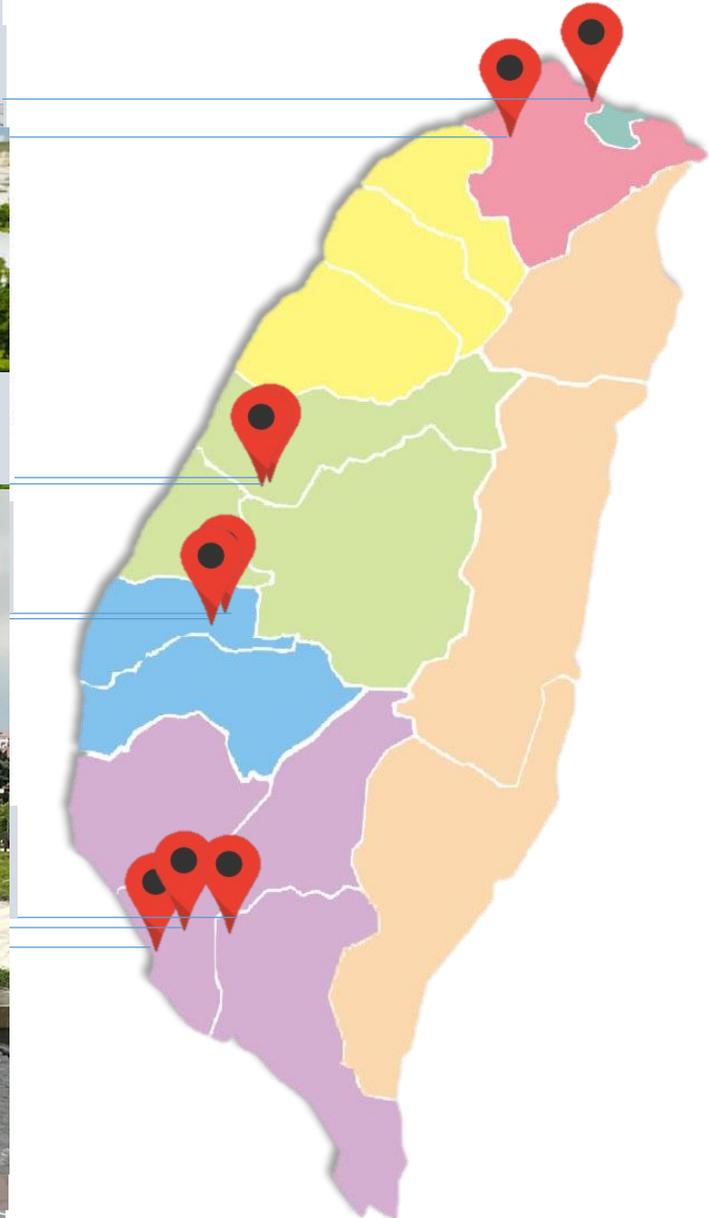
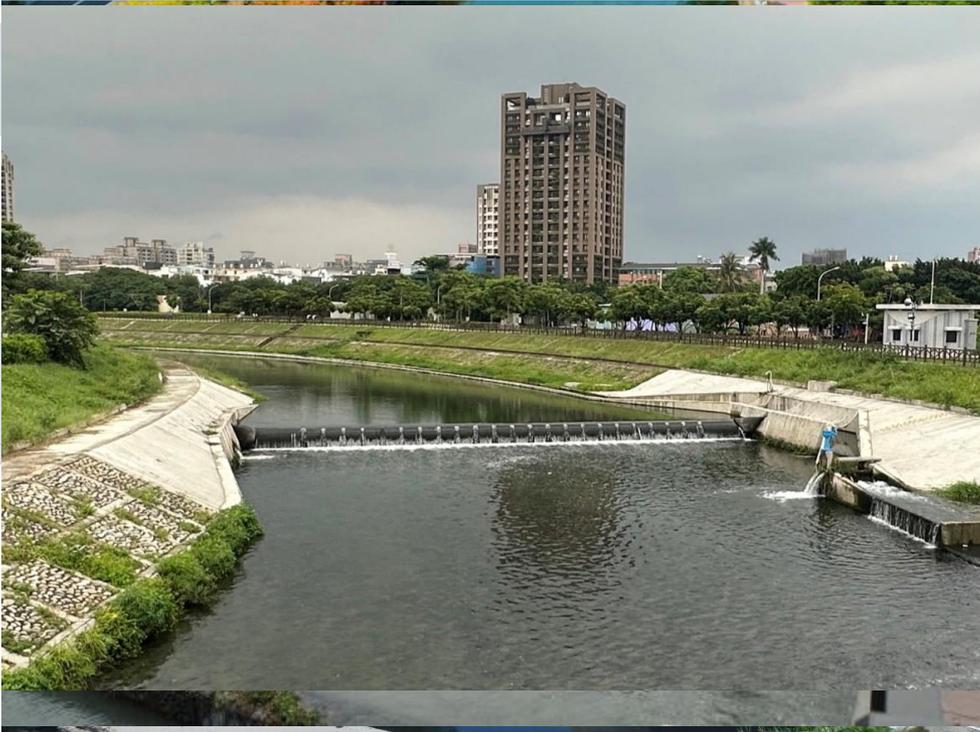
- Rubber Dam Equipment: Large-sized rubber products
- Products: **Inflatable Rubber dams, Wave power membrane, Marine pollution barriers, and various types of large rubber sheets.**
- The developed inflatable rubber dams have successfully entered the Japanese market and are **currently the largest import manufacturer in Japan**. HYC has also demonstrated excellent application in Taiwan, and received **The “Agricultural Construction Award” from COA.**



New Taipei City



Taichung





Inflatable Rubber Dam Hydropower Site in Taiwan



In response to the global net-zero emissions target by 2050, the demand for renewable energy is soaring, and **the future development of small-scale hydropower is promising.** With numerous rivers in Taiwan, large enterprises can adopt rivers and install rubber dams in suitable locations to generate green electricity. This not only contributes to the development of new green energy but also helps store water, reducing the pressure on water scarcity.

HYC annually provides dozens of rubber dams to facilitate the establishment of small-scale hydropower in regions such as Kanto, Kansai, and Okinawa in Japan. Given the similar geographical and environmental conditions between Taiwan and Japan, where hydropower has matured, it is anticipated that Taiwan will soon follow suit.

The prospects for the development of small-scale hydropower in Taiwan are becoming more promising, with increasingly mature overall environmental conditions. **Small-scale hydropower is expected to become the third of our country's renewable energy.** Utilizing the unique construction method of rubber dams, we can build structures that "blend into the natural landscape of rivers and beautify the environment." This approach promotes small-scale hydropower generation that considers ecological conservation.





黒谷発電所



新薬師発電所





Site	XXX發電所	XXXX發電所 大股堰堤	XX發電所 三方川取水堰堤	XX發電所 取水堰
Name	XXX 電力株式会社	XXX 電力株式会社	XX 電力株式會社	XX 開發株式會社
Type	Rubber Bladder	Rubber Bladder	Rubber Dam	Rubber Dam
Size	Wide34.88m×Hight4.0m ×1Dam	Wide26.0m×Height2.0m ×1Dam	Wide39.0m×Height2.0m ×1Dam	Wide34.5m×Height6.0m ×1Dam
Photo				
Power	41,000 k W	11,400 k W	5,000 k W	19,600 k W



KEY CONSUMABLES FOR FUTURE



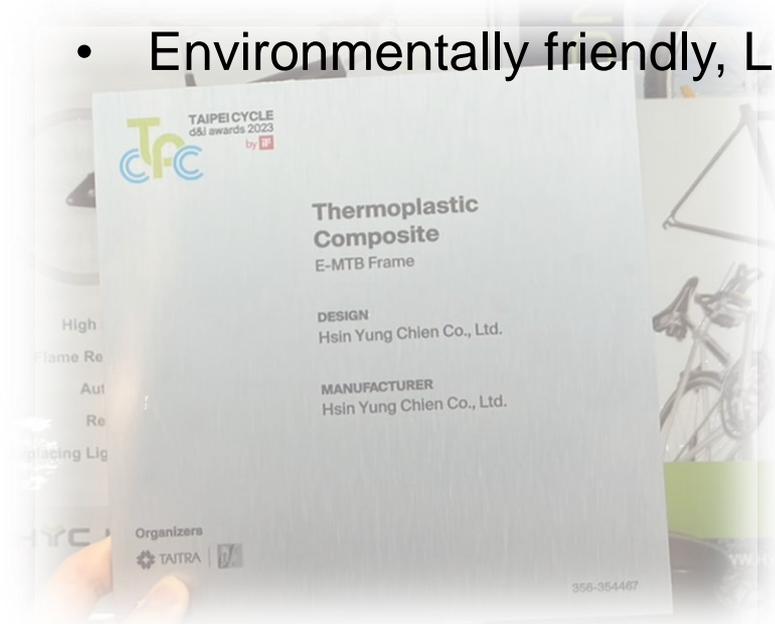
Main Products

■ Eco-friendly hot-press cushion pad

- Environmental protection, automation
- Won “The 63th iENA Gold and Silver Award” in 2011

■ Carbon Fiber Thermoplastic Composites

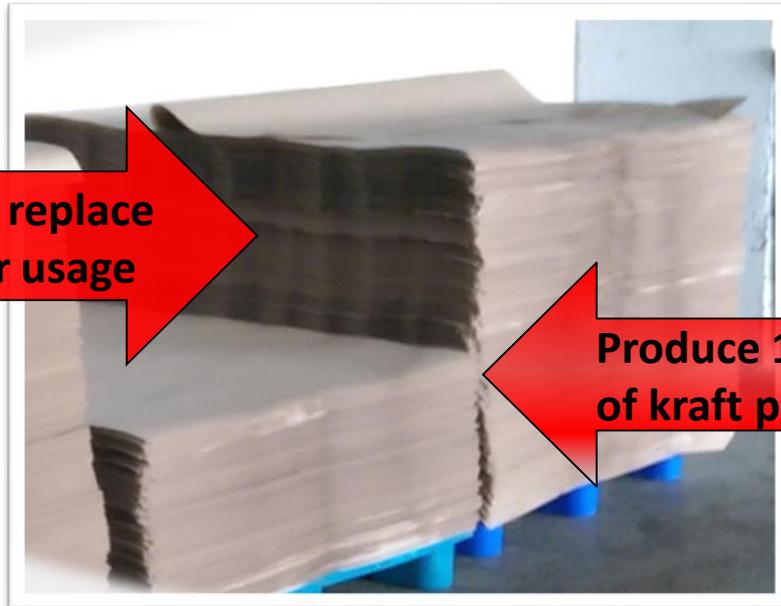
- Environmentally friendly, Lightweight, Automated, Recyclable



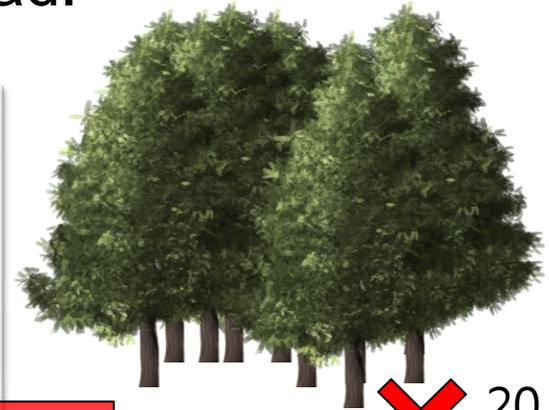


With 50-year experience of production and rubber development technology, we have developed this stable, manageable, and recyclable cushion pad.

2 cushion pads can replace 1 ton of kraft paper usage



Produce 1 ton of kraft paper



20 trees

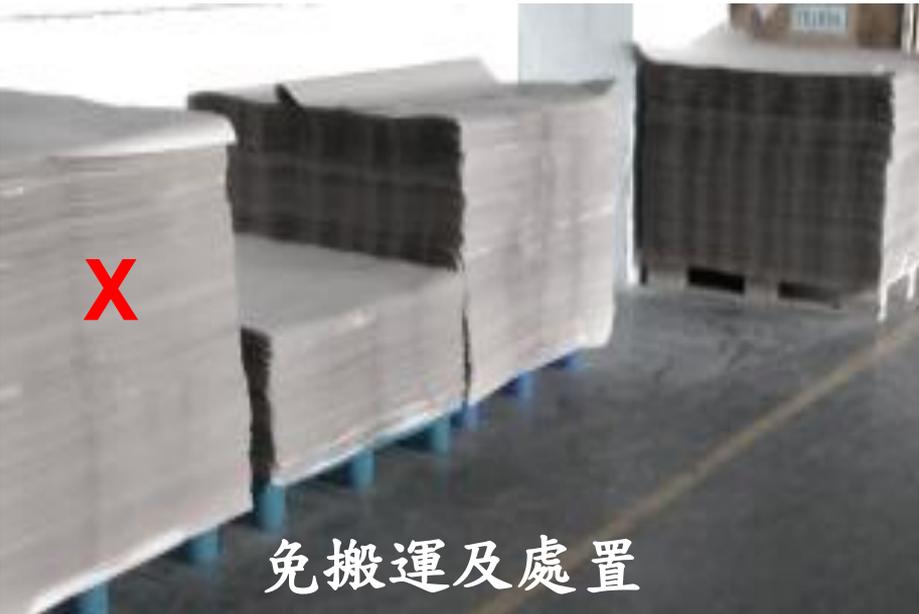
3000 liter



100 pail



Patent
New No. M551128
New No. M551122

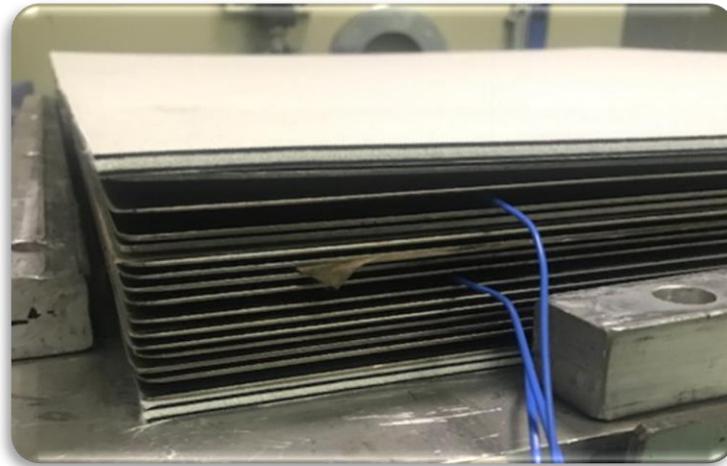


- Customization
- Barcode deployment for traceability tracking
- Save storage space
- Eliminate transportation waste
- Reduce manual processing costs.



■ Product advantages

- Side sealing treatment, breathable, moisture-proof, and flake-free
- Long lasting lifetime, CCL-500 times , PCB-300 times
- Lightweight, 40% lighter than competitors
- 2D barcode managing press frequency
- Flexible and tough
- Automatic





- 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.**



■ Material properties

- Temperature resistance up to 285 °C
- High strength can replace metal
- Environmentally friendly and recyclable
- Repeat manufacturing available
- Available for industry usage
- Lightweight





- Continue to develop low-carbon, green energy and recyclable products- **Inflatable Rubber Dam** and **Wave Power Sheet**.
- Continue to promote our own brand -with **KING** and **NEWsheet** for worldwide market.



- Sustainable Development **ESG**-Greenhouse Gas Inventory and Reduction.



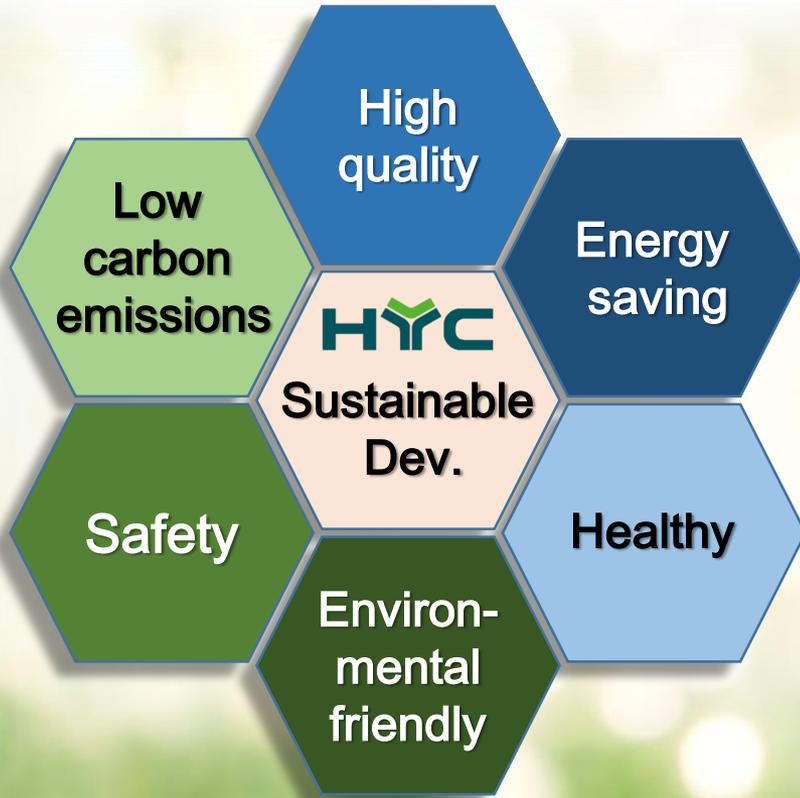
E- Energy management, Low-carbon processes, Green products



S- Corporate Social Responsibility



G- Promote shareholder rights and enhance information transparency



HYC focuses on sustainable development from material research and development, product design and manufacturing, and provides customers with the most environmentally friendly products and the best quality of use.





- Eco-Friendly
- Low Carbon
- Comply with REACH standard



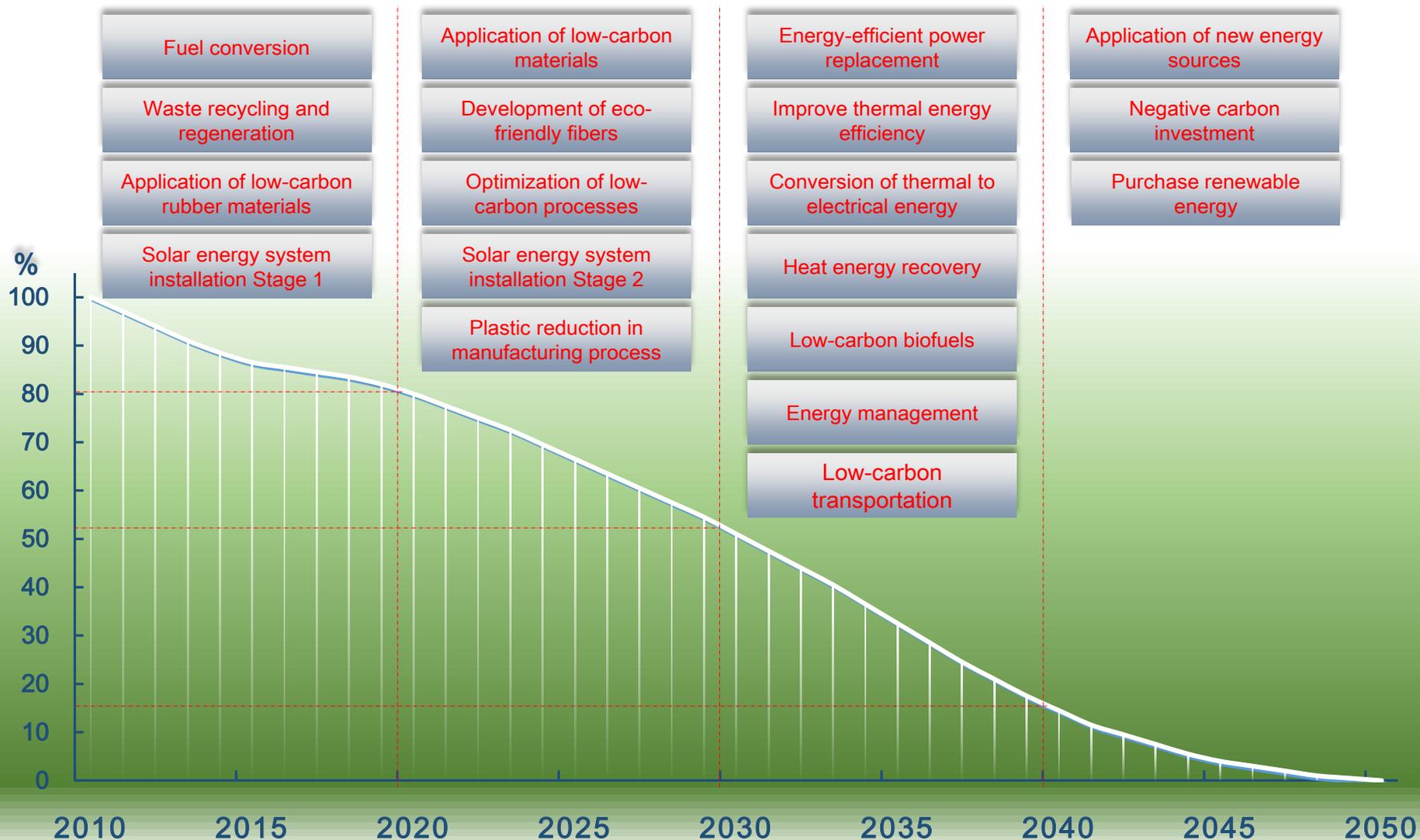
- Energy-efficient Power
- Green Energy
- Plastic Reduction



- Safety
- Durability
- Sustainability



Net-zero carbon reduction Plan





Charity/Social Responsibility/Friendly Workplace



- ✓ Subsidies students
- ✓ Relief provisions in three festivals.
- ✓ Low carbon emission and green environment.
- ✓ Contribute money for domestic and overseas great calamity.
- ✓ Concern about senior citizens living alone.
- ✓ Sponsor community events
- ✓ Offer NTD\$30 millions financial support during COVID-19 to people in need to apply

- ✓ Year- end Bonus, New project Bonus, Special Contribution Bonus.
- ✓ Company trip, Family Day
- ✓ Scholarship for on Job Training
- ✓ Scholarship for Employees Children
- ✓ Company Restaurant
- ✓ Offer discount products with cooperated business company.
- ✓ Company uniform
- ✓ Employees yearly Health Check
- ✓ Workplace Health Promotion





HSIN YUNG CHIEN CO., LTD.

**Thank you for listening
and your feedbacks.**



HYC Website

HSIN YUNG CHIEN CO., LTD.