



宏 益 龍

HONG YI FIBER IND. CO., LTD

Investor Conference
2017

Disclaimer

- The information contained in this presentation, which includes the materials of the company overview, financial figures, business development and etc.
- The Company do not release its financial forecast. The financial business and Q & A instructions may concern the statement of the future-operation and industrial development, which might be different from the actual in the future. The reasons for the discrepancy may include other market risk factors which the Company can not anticipate, such as changes in market demand, price volatility, competitive activity, international economic conditions, exchange rate fluctuations and the statement of upstream and downstream supply chains.
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Company profile

- Date of establishment : August 23, 1968
- Registered capital : TWD 1,326 M
- Chairman : Mr. Shin,Chen-Jung
- Employees : 259 Employees (October, 2017)
- Main product : Polyester Textured Yarn
- Management conception : Reality 、
Responsibility 、 Positivity and Creation
- Date of listing : Listed on TWSE on
December 28, 1992 (1452-TW)



HONG YI

About Hong Yi- History(—)

- 1968 The Company was founded.
- 1969 Operated to produce Polyester Textured Yarn officially.
- 1973 The first company to use the POY (half-stretch polyester) as the raw materials, and used the POY directly to produce the false-twist Polyester Textured Yarn. We also took the lead to develop the air texture yarn, which could reduce the costs and increase competitiveness of the products.
- 1984 Add the 2nd factory in Ying Ge.

About Hong Yi- History(一)

- 1992 Friction-type false twisting machine was started officially and put in production.
Stock listed for trading on the Taiwan Stock Exchange.
- 1995 Obtained ISO9002 Quality certification and registration.
- 2000 The organization was streamlining and merging, and the spindle production moved to Ying Ge factory.
- 2002 Taoyuan factory was sale of idle land, building, machinery, equipment and miscellaneous equipment. Also streamlining the processes, saving the costs and improving the efficiency of consolidated the financial and the business offices, therefore set the company's headquarter in Taipei.

About Hong Yi- History(≡)

- 2015 Shareholders elected independent directors, and set up the audit committee substitute supervisors.
- 2016 Set up 100% owned subsidiary company - Hong Bang Inv. Co., Ltd.
- 2017 Hong Yi was awarded to Global Recycle Standards(GRS).

About Hong Yi- Enterprise Organization



Products

- Cationic Mixed Yarn
- Multi-Colors Yarn
- Waving Yarn
- Starry Yarn
- Colorful Yarn
- Gorgeous Yarn
- Fantastic Yarn
- Three Colors Multi-Yarn
- Mini-Dragon Stripe Yarn
- Hong Yi Three Colors Yarn
- Wool Like Three Colors Yarn
- Dragon Stripe Yarn
- Elastic Yarn
- Function Yarn
- Designated Yarn

Products- Complex Yarn-Polyester

Two-Tone

- CD+Polyester
- CD+Black yarn
- Polyester+Black yarn

Three-Tone

CD+Polyester+Black yarn

Four-Tone(Multi-Tone)

CD+Polyester+Black
yarn+Nylon



Our Polyester Textured Yarn are mainly used for plain woven, knitting, casual wear and fabrics for industrial use, etc.

Products – Textured Yarn Process

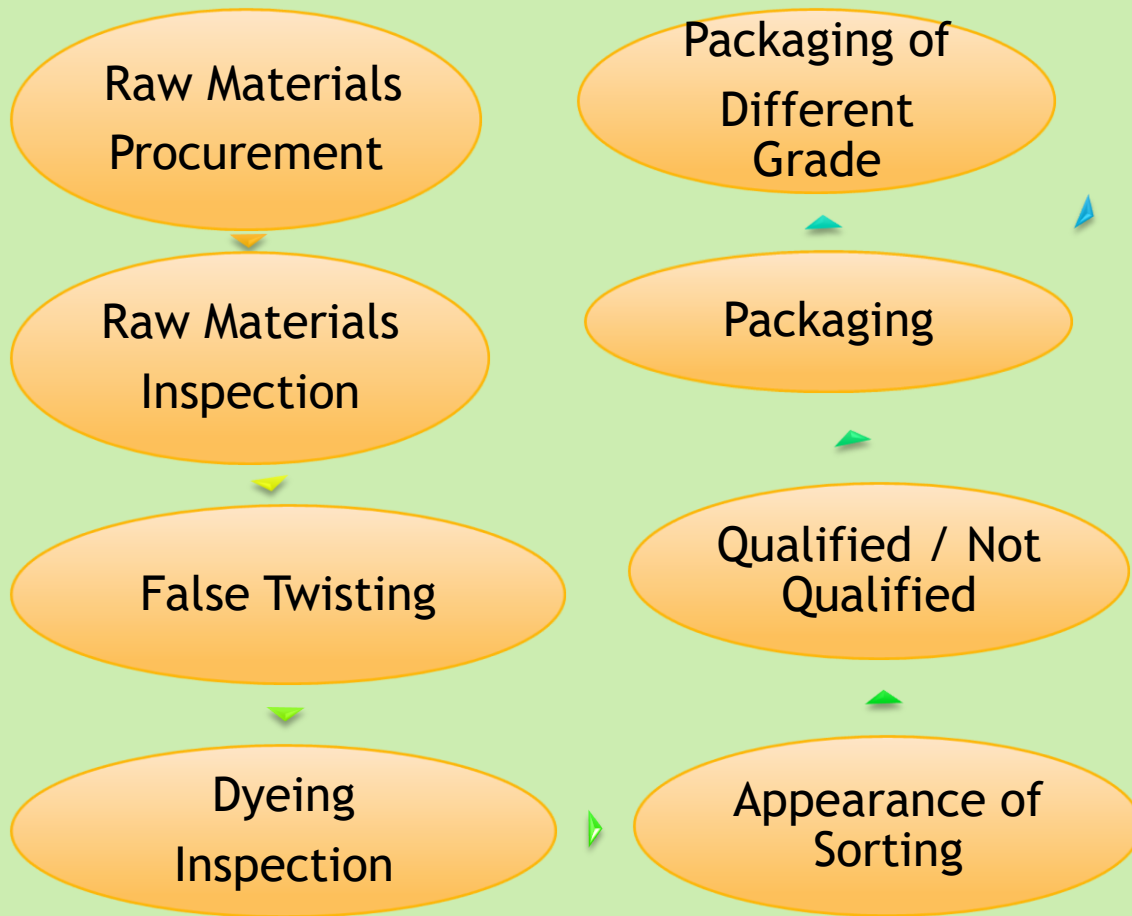
- 原絲
- POY

- 假撚
- Draw
Texturing

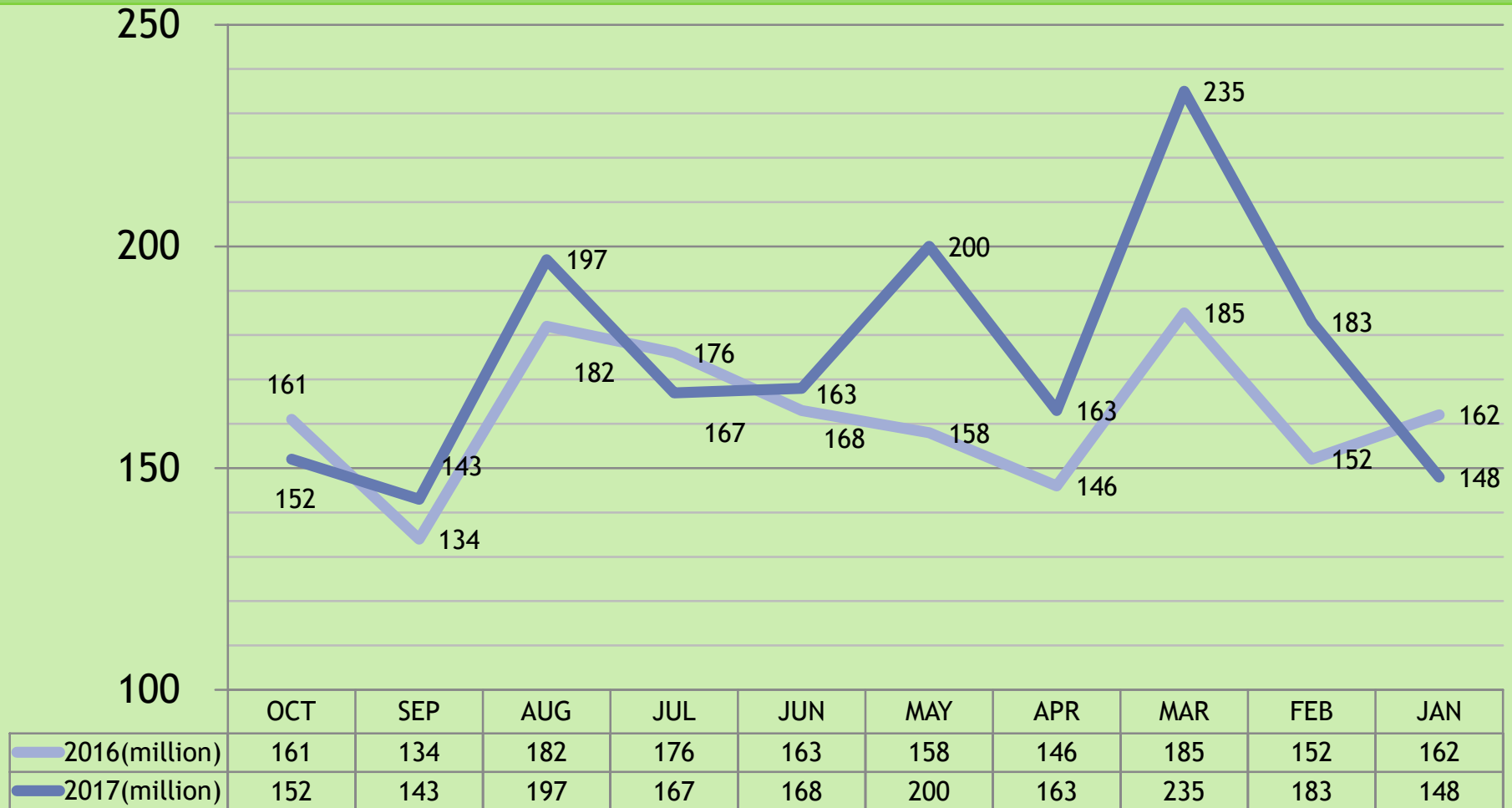
- 包裝
- Packing



Products – Manufacturing Process

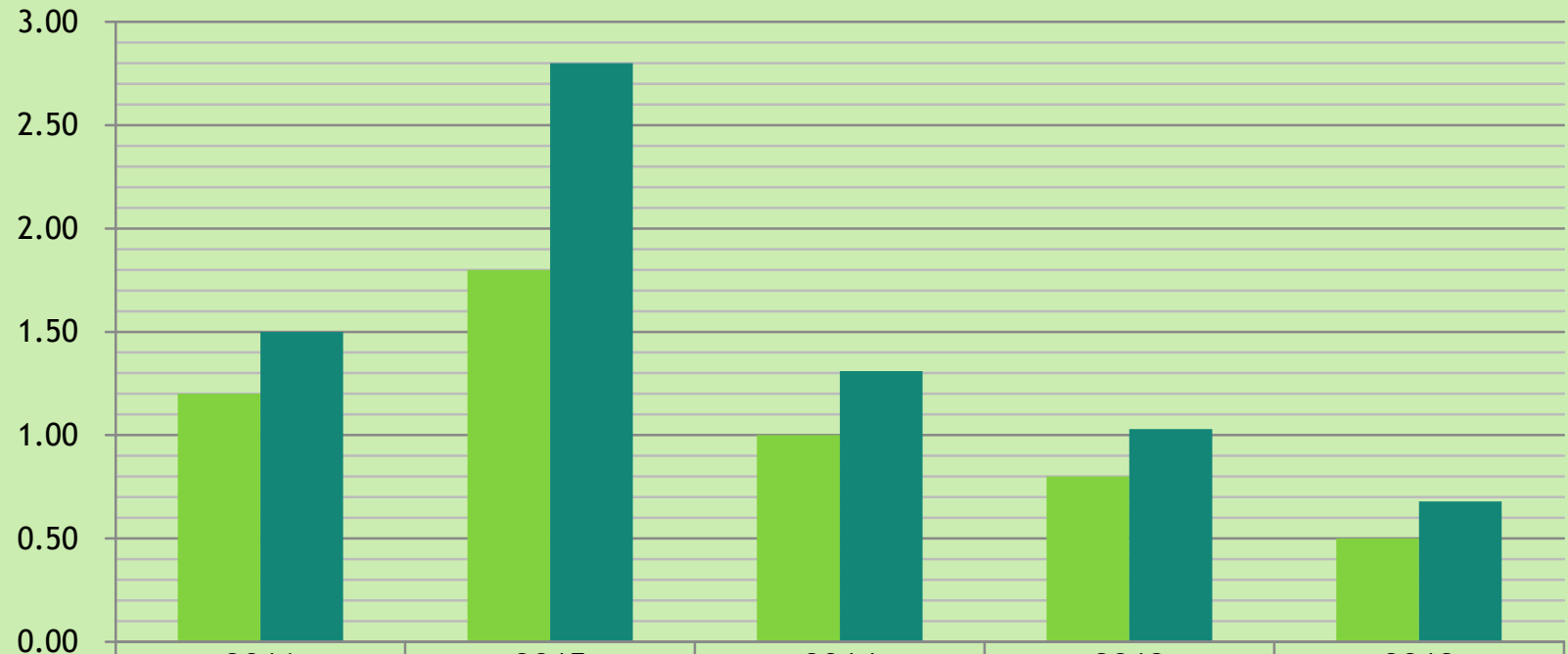


Financial Abstract- Revenue Trend



Financial Abstract-

Dividend Policy



	2016	2015	2014	2013	2012
■ Cash Dividend(NTD)	1.20	1.80	1.00	0.80	0.50
■ EPS(NTD)	1.50	2.80	1.31	1.03	0.68

Operating Performance

In Thousands of NTD

	2017				2016					2015				
	Q1	Q2	Q3	Q1-3	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Operating Revenue	566,208	530,980	506,183	1,603,372	499,511	467,178	491,977	515,177	1,973,843	576,453	489,749	456,387	459,055	1,981,644
Gross Profit	105,053	90,852	80,069	275,975	81,294	72,539	76,656	79,953	310,442	109,401	93,559	66,972	65,330	335,262
Gross Profit Ratio	18.55%	17.11%	15.82%	17.21%	16.27%	15.53%	15.58%	15.52%	15.73%	18.98%	19.10%	14.67%	14.23%	16.92%
Operating Profit	73,445	61,522	49,287	184,254	54,424	45,326	46,548	39,888	186,186	82,881	64,357	38,544	35,204	220,986
Operating Profit Ratio	12.97%	11.59%	9.74%	11.49%	10.90%	9.70%	9.46%	7.74%	9.43%	14.38%	13.14%	8.45%	7.67%	11.15%
Net Income	61,091	52,946	54,385	168,422	38,445	40,032	63,036	57,995	199,508	87,614	156,235	90,871	36,061	370,781
EPS (NTD)	0.46	0.40	0.41	1.27	0.29	0.30	0.48	0.44	1.50	0.66	1.18	0.68	0.28	2.80

HONG YI

Global Recycled Standard

Hong Yi was awarded to Global Recycle Standards in 2017.


Control Union Certifications
P.O. Box 161, 8000 AD Zwolle, The Netherlands
<http://www.controlunion.com>
tel.: +31(0)38-4260100

CERTIFICATE OF COMPLIANCE
(Scope Certificate)

CERTIFICATE No: CU850246GRS-01.2017
REGISTRATION No: CU 850246

Control Union Certifications declares that
Hong Yi Fiber Ind. Co., Ltd.
6F, No.66, Ta Cheng St.,
Taipei 103
TAIWAN

has been inspected and assessed according to the
Global Recycled Standard (GRS)
Version 3.0

and that products of the categories as mentioned below (and further specified in the annex) comply with this standard:
Yarns

Processing steps / activities carried out under responsibility of the above mentioned company (by the operations as detailed in the annex) for certified products
Texturing, Traying

This certificate is Valid until: 10 July 2018

Place and date of issue:
Colombo-07, 12 July 2017

Name of authorised person

On behalf of the Managing Director
Miss H.M.U.K. Herath
Certifier

Stamp of the issuing body


Standard's Logo


This certificate cannot be used as a transaction certificate.
The issuing body can withdraw this certificate before it expires if the declared compliance is no longer guaranteed.

Certificate of Compliance, Page 1 of 3



HONG YI

Corporate Governance- Information Disclosure and Transparency Ranking System

The Company was announced A+ in the fifth through the ninth (five years in a row) and the eleventh annual evaluation. And three years have also been listed on the top 10 stock-listed companies.



*THANK
YOU!
Q & A*

Hong Yi Fiber Ind. Co., Ltd.

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