開曼英利
Cayman Engley

ENGLEY - KY

Best Partner of Automobile Industry

Stock Code：2239

Catalogue

開曼英利
Cayman Engley

1 Business Performance

Company Profile

Company	Cayman Engley Industrial Co., Ltd.
Chairman	Chi-Pin Lin
Set-up Time	16th, Jan, 2015
Headquarter	NO.888,Shunda Rd, High-tech Area, Changchun, Jilin Province, P. R. China
Staff number	3400（Till 2017Q2）
Industry	Automobile industry
Business	Development and manufacturing of metallic and non-metallic automobile part, mold manufacturing and other services

Development History

1991 2001 2006 2008 2009 2011 2012 2013 2014 2015

Found in Harbin; Focused on vehicle seat belt production

Moved to Changchun; expanded the business with automobile BIW stamping parts

Established Changchun Chengtai (Today’s Changchun Engley)

Established Suzhou Engley

Established Chengdu Engley; Established JV-Constellium Engley

Established Yizheng and Liaoning Engley；Signed cooperation agreement with Linde+Wiemann (Germany)

Established Foshan and Tianjin Engley, and Linde+ Engley (Changchun)

Established Linde+ Engley(Tianjin) and Lightweight

Establish JV- Honley (CECK) and Changsha Engley

開曼英利
Cayman Engley

Established Cayman Engley in Cayman Islands, and Suzhou Engley - Kunshan Branch

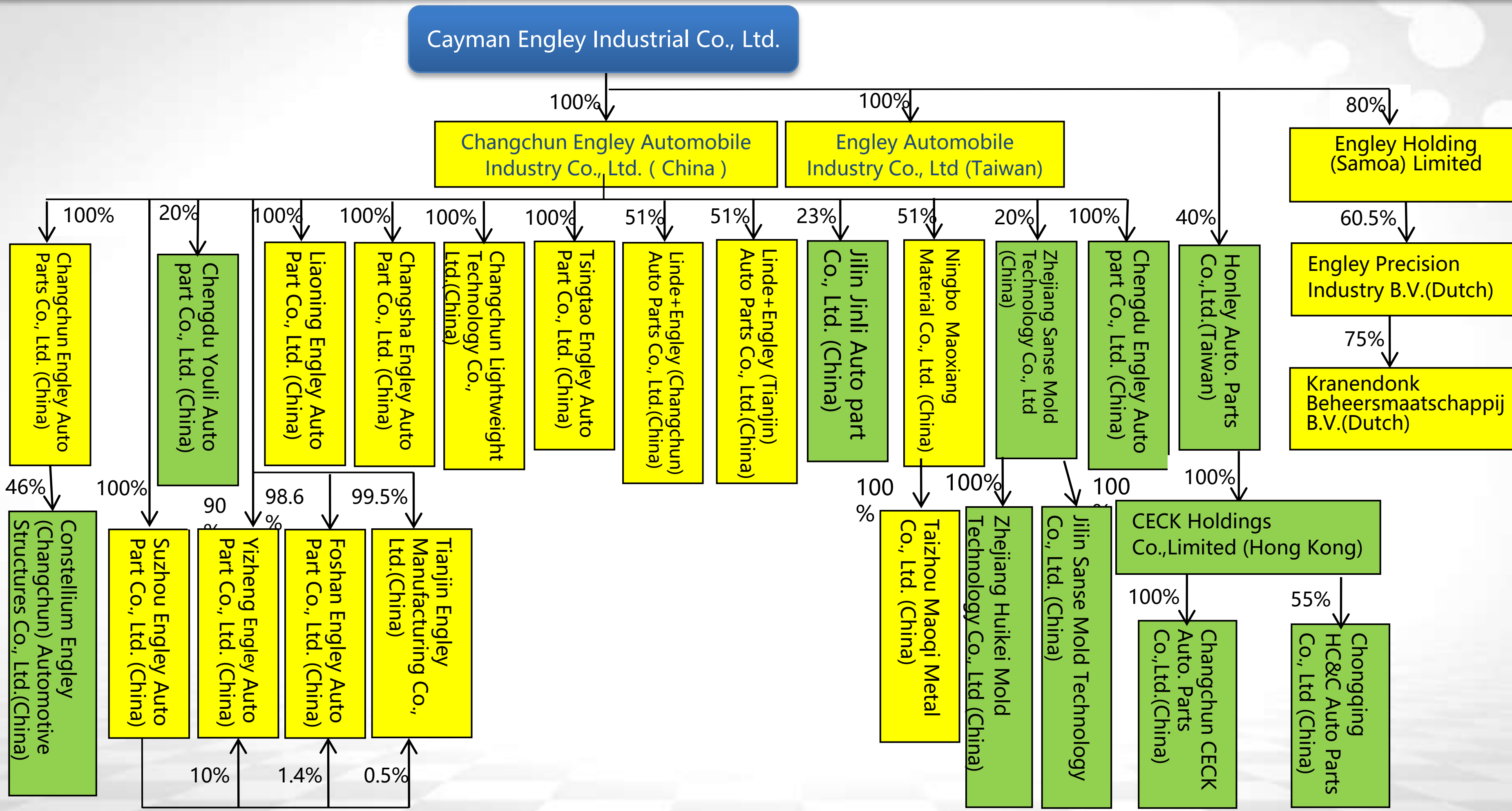
Development History

1. Listed on Taiwan Stock Exchange in Jan, 27th.
2. Established Tsingtao Engley
3. Established Taiwan Engley
4. Established Samoa Engley
5. Acquired Ningbo Maoxiang Material Co., Ltd and Taizhou Maoqi Metal Co., Ltd.

2016

1. Established Dutch Englet
2. Acquired Kranendonk Beheersmaaschappij B.V.
3. Acquired 20% shares of Zhejiang Sanse Mold Technology Co., Ltd

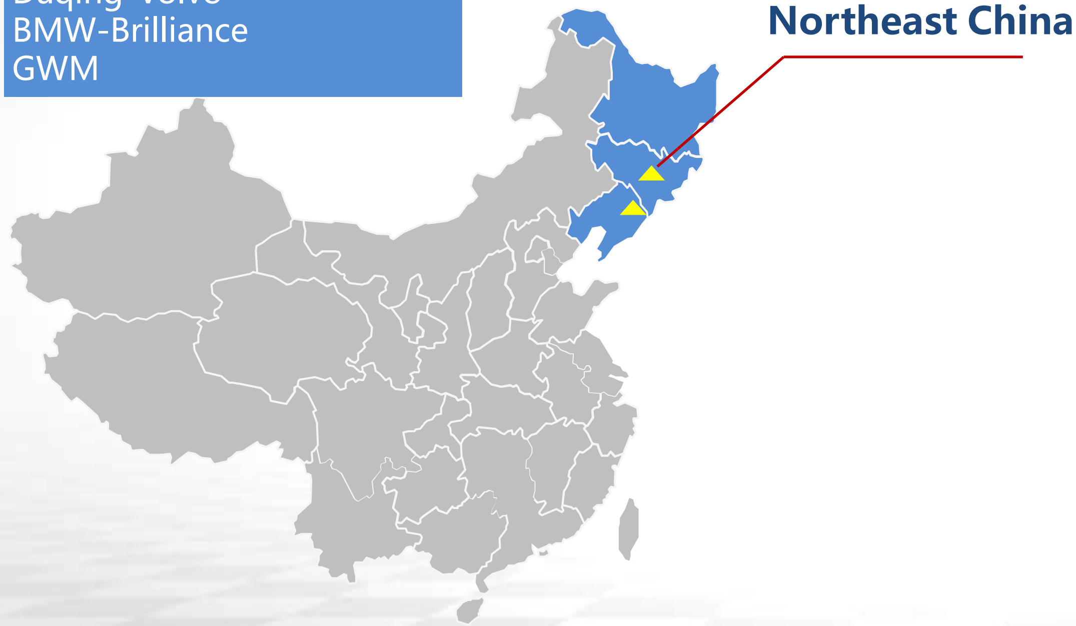
2017



Cayman Engley Industrial Co., Ltd.
100%
100%
80%
Changchun Engley Automobile Industry Co., Ltd. (China)
Engley Automobile Industry Co., Ltd (Taiwan)
Engley Holding (Samoa) Limited
100%
20%
100%
100%
100%
100%
51%
51%
23%
51%
20%
100%
40%
60.5%
Changchun Engley Auto Parts Co., Ltd. (China)
Chengdu Youli Auto part Co., Ltd. (China)
Liaoning Engley Auto Part Co., Ltd. (China)
Changsha Engley Auto Part Co., Ltd. (China)
Changchun Lightweight Technology Co., Ltd.(China)
Tsingtao Engley Auto Part Co., Ltd. (China)
Linde+Engley (Changchun) Auto Parts Co., Ltd.(China)
Linde+Engley (Tianjin) Auto Parts Co., Ltd.(China)
Jilin Jinli Auto part Co., Ltd. (China)
Ningbo Maoxiang Material Co., Ltd. (China)
Zhejiang Sanse Mold Technology Co., Ltd (China)
Chengdu Engley Auto part Co., Ltd. (China)
Honley Auto. Parts Co.,Ltd.(Taiwan)
Engley Precision Industry B.V.(Dutch)
75%
Kranendonk Beheersmaatschappij B.V.(Dutch)
46%
100%
90 %
98.6 %
99.5%
100 %
100%
100
100%
Constellium Engley (Changchun) Automotive Structures Co., Ltd.(China)
Suzhou Engley Auto Part Co., Ltd. (China)
Yizheng Engley Auto Part Co., Ltd. (China)
Foshan Engley Auto Part Co., Ltd. (China)
Tianjin Engley Manufacturing Co., Ltd.(China)
Taizhou Maoqi Metal Co., Ltd. (China)
Zhejiang Huikei Mold Technology Co., Ltd (China)
Jilin Sanse Mold Technology Co., Ltd. (China)
CECK Holdings Co.,Limited (Hong Kong)
100%
55%
Changchun CECK Auto. Parts Co.,Ltd.(China)
Chongqing HC&C Auto Parts Co., Ltd (China)
10%
1.4%
0.5%

Organization Distribution – Northeast China

Major Customers：
FAW-VW
FAW
BBAC
Daqing-Volvo
BMW-Brilliance
GWM



Area：
Heilongjiang, Jilin, Liaoning

Engley Distribution：
Changchun Engley Automobile Industry Co., Ltd.
Changchun Engley Auto Parts Co., Ltd.
Changchun Lightweight Constellium Engley
Linde+Engley (Changchun)
Honley (CECK)
Liaoning Engley

Automakers：

Organization Distribution – North China

Major Customers：
BBAC

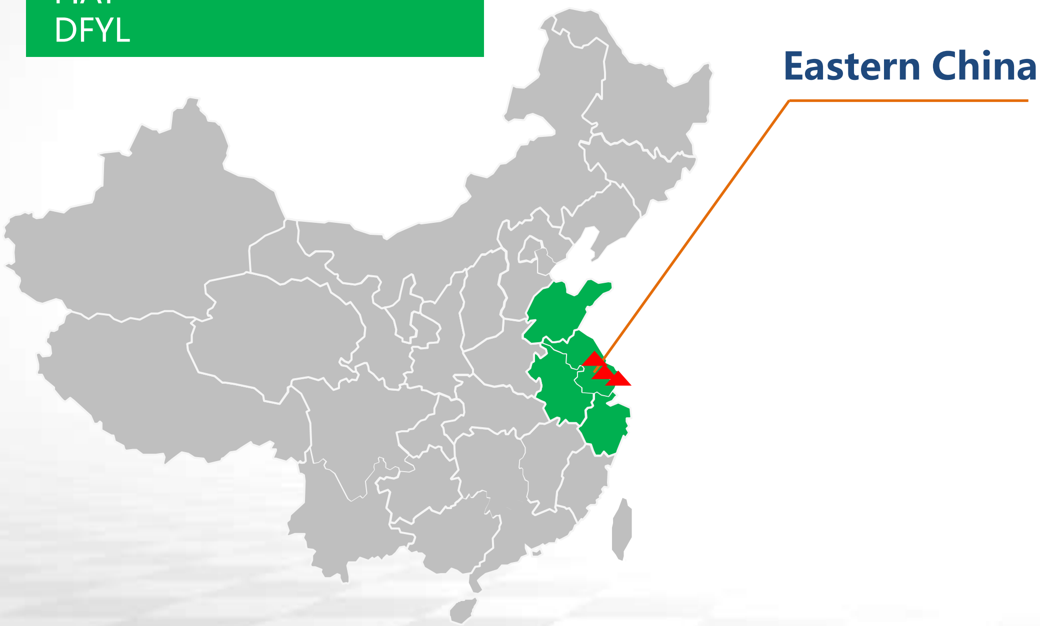
Area：
Beijing, Tianjin, Hebei

Engley Distribution：
Tianjin Engley
Linde+Engley（Tianjin）

Automakers：

Organization Distribution – Eastern China

Major Customers：
SAIC-VW
SHJQ
SGM
GEELY
FIAT
DFYL



Area：
Shandong, Jiangsu, Anhui, Zhejiang, Shanghai

Engley Distribution：
Suzhou Engley
Yizheng Engley
Tsingtao Engley
Ningbo Maoxiang
Taizhou Maoqi

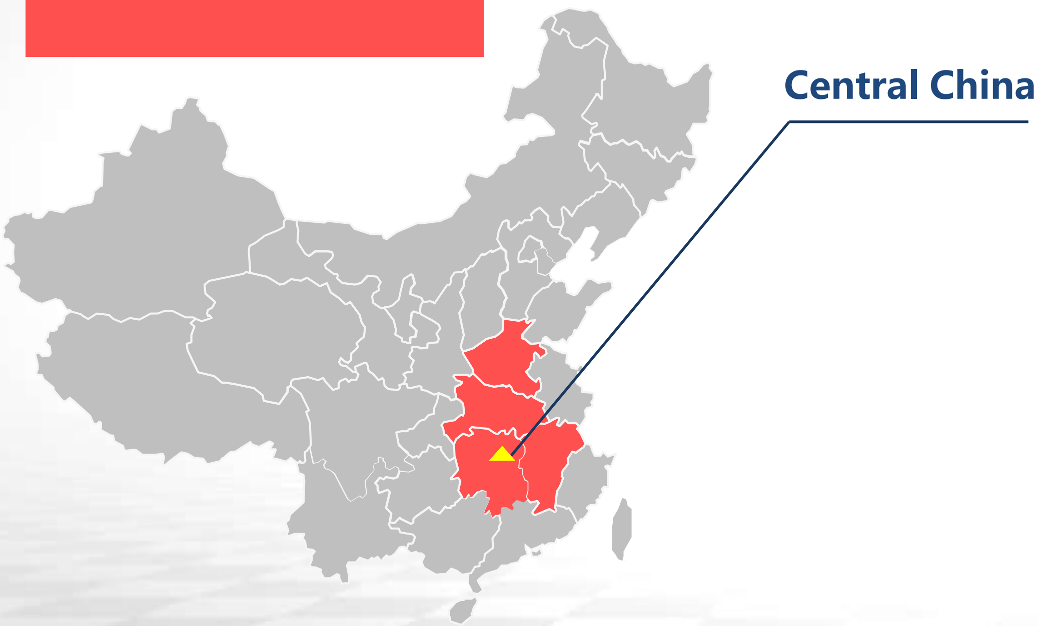
Automakers：

Organization Distribution – Central China

Major Customers：
SAIC-VW

Area：
Hubei, Hunan, Henan, Jiangxi

Engley Distribution：
Changsha Engley



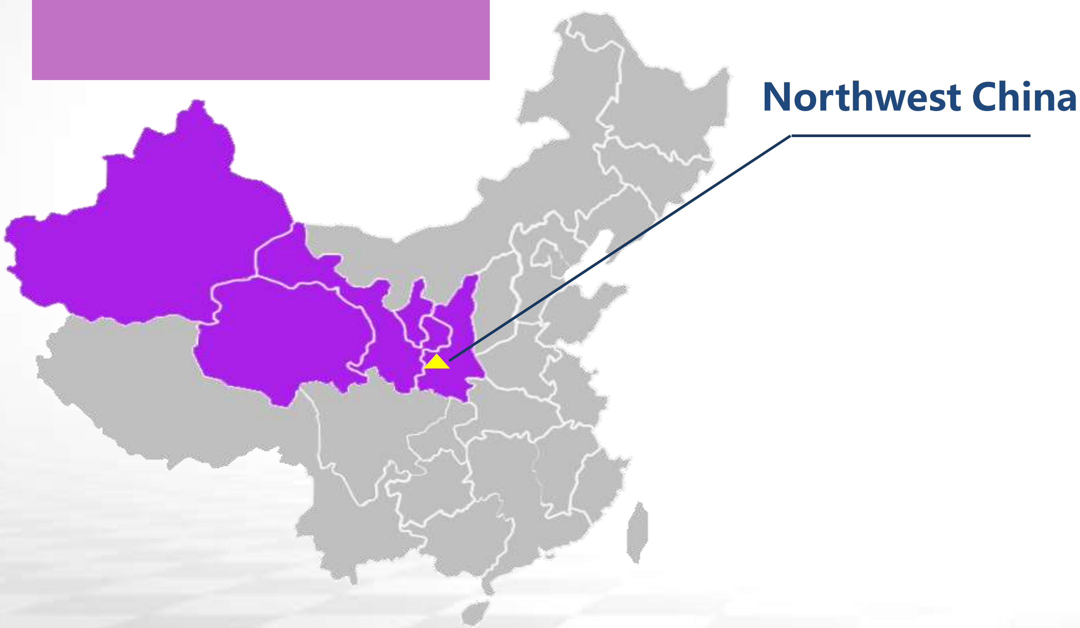
Automakers：

Organization Distribution – Northwest China

Major Customers：
GEELY

Area：
Shaanxi、Gansu、Chinghai、Ningxia、Xingjiang

Engley Distribution：
Chengdu Engley Baoji Branch



Automakers：

Organization Distribution – Southwest China

Major Customers：
FAW-VW
Changan-Ford

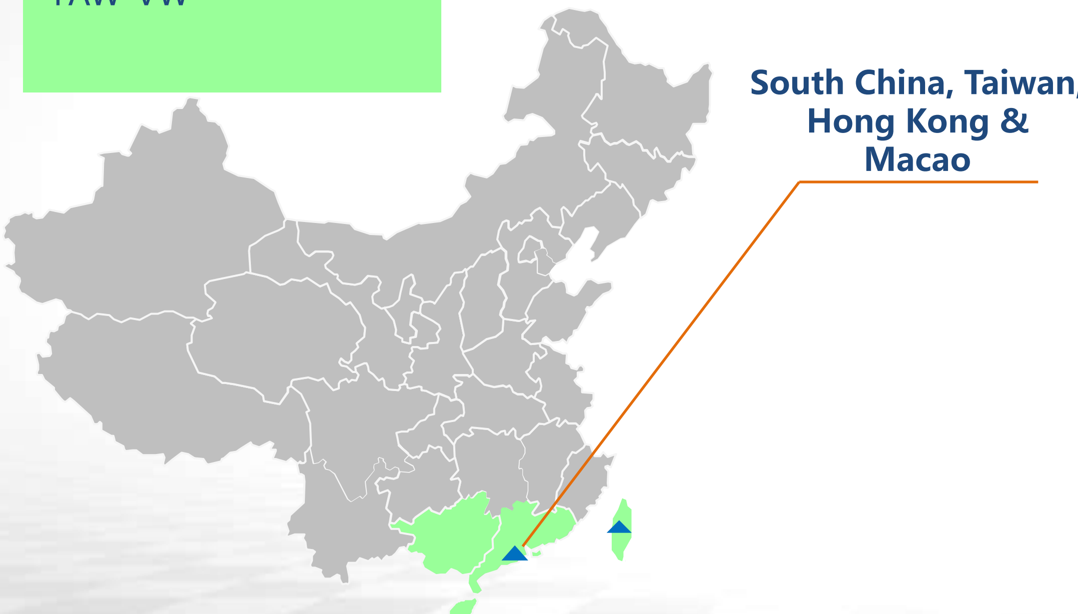
Area：
Sichuan、Chongqing

Engley Distribution：
Chengdu Engley
Linde+ Engley (Tianjin)
Chongqing Branch

Automakers：

Organization Distribution – South China, Taiwan, Hong Kong & Macao

Major Customers：
FAW-VW



Area：
Guangdong, Guangxi, Hainan, Taiwan

Engley Distribution ：
Foshan Engley
Taiwan Engley
Taiwan Honley

Automakers：

Customer

With ample manufacturing experience and RD ability, Changchun Engley provides design, development, manufacturing and after-sale service to main domestic car factories.

2 Product Introduction And Sales Analysis

Product – Non-metallic

1/ Frontend

2 /Battery tray

3 /Door panel

4 /Wheel arch liner

5 /Spare wheel pan

6 /Underbody shield

Raw material resource

Material	Supplier
GMT	QPC
PP+GF	SABIC
PA+GF	Juner
SYMALITE	Lightweight

Non-metallic Product – LWRT Product

Raw material: SYMALITE

Changchun Lightweight was found in Sep, 2013, works on the research and production of light and composite material-SYMALITE. Lightweight introduces the patent from QUARDRANT (Swiss), adopts the full production lines from Europe. The Lightweight production line is the third one across globe and the first one in Asia.

The progress of SYMALITE mostly satisfied the trend of vehicle light-weight in future, and is regarded as one of the most competitive advantages of Engley.

Character：

Light-weight; High Strength; Easy Processing

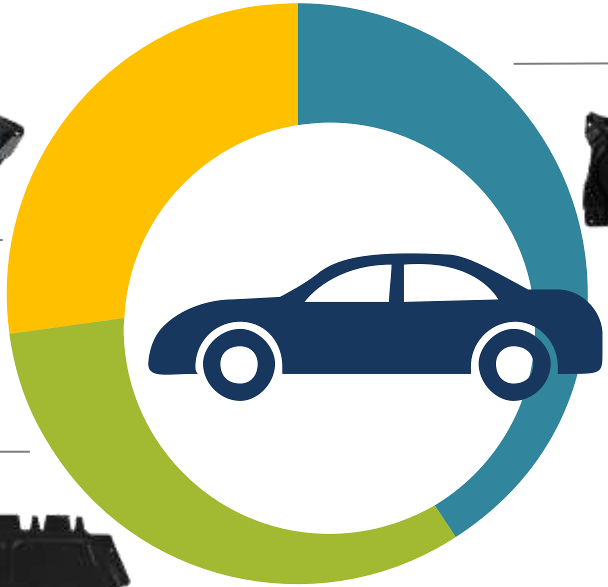
Anti-rust; Noise Reduction

Project：AUDI Q3 Q5 A4L A6L A3 underbody shield, MAGOTAN-CC underbody shield
Assembly location: chassis
Process: Thermo-compressing

Non-metallic Product – Other Plastic Part

GMT

GMT Underbody shield
Character ： anti-bending and high shock strength
Project: BBAC
Assembly location：chassis
Process：Thermo-compressing



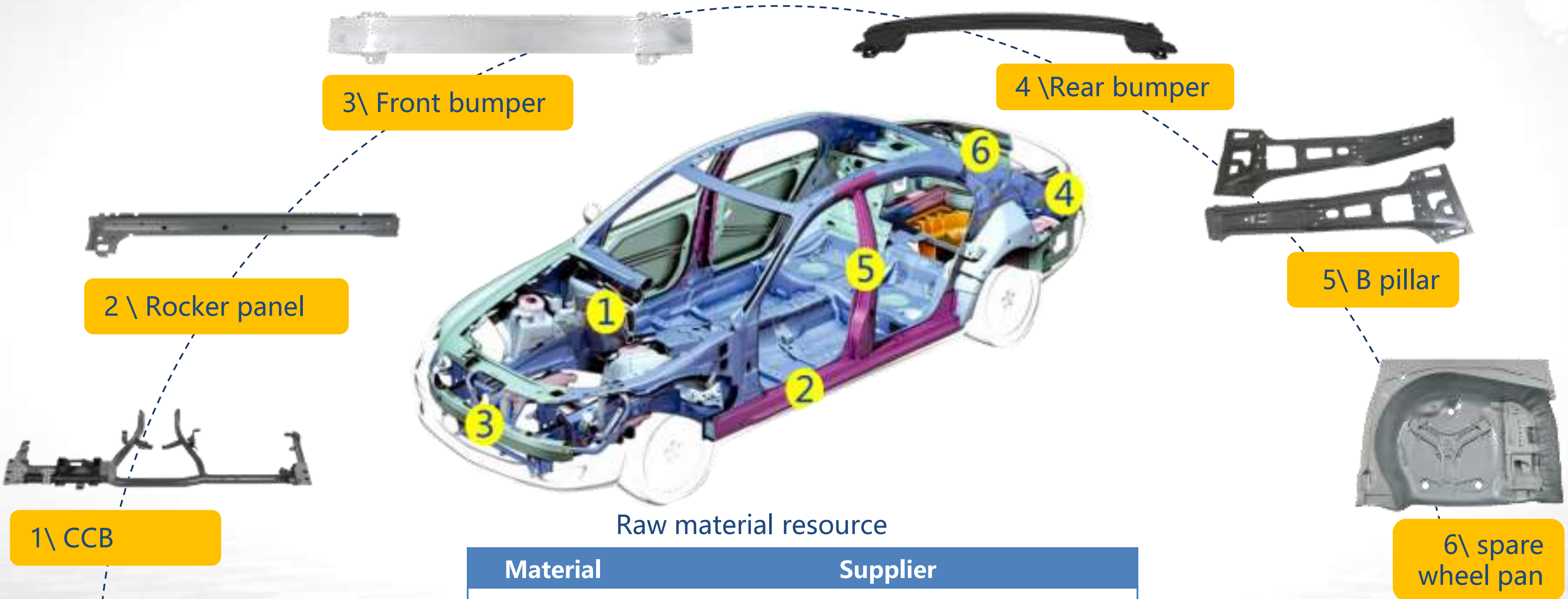
SMC

SMC Underbody shield
Character：heat-resistance and favorable appearance
Project：BBAC
Assembly location ：chassis
Process：Thermo-compressing

D-LFT

LFT Underbody shield
Character：Low cost
Project：MAGOTAN CC
Assembly location：chassis
Process：Thermo-compressing

Product – Metallic



Raw material resource

Material	Supplier
Steel plate	Zhang Quan, Bao Steel, Ang Shou, Yi Tu
Aluminum	Dong Qing, Li Yuan

Metallic Product – Aluminum Product

Aluminum is the kind of light-weight material which is applied most in vehicle area, whose density is one third of steel. Comparing with the weight of steel CCB, aluminum one is about half of it.

Character：

Light-weight; high strength and energy absorption; recycling

Project ：AUDI A6L

Assembly location: Instrument Panel

Process: Punching, Welding

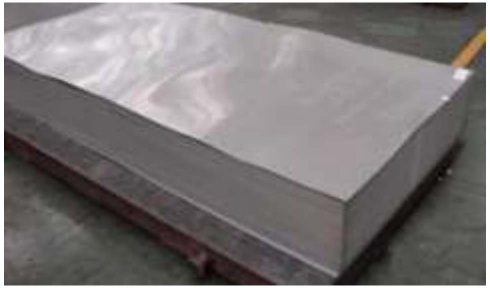
Project ：AUDI A4L

Assembly location ： Front Bumper

Process: Punching, Welding, Rolling

Metallic Product – High Strength Steel

Raw material: High strength steel
The advantage of high strength steel is, based on the same cost, 25% weight loss of vehicle body.



Character：
High Strength and Yield Strength;
Stable and Weight-reducing

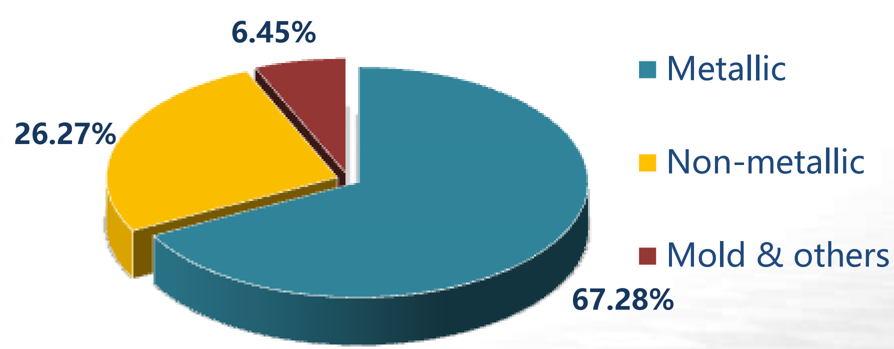
Assembly location: Side body
Process: Punching, welding

Product Ratio and Sales

*Currency：NTD 1,000 / All Finance information by CPA

	Y2015			Y2016			2017Q2		
	Sales	Sales ratio	Gross profit rate	Sales	Sales ratio	Gross profit rate	Sales	Sales ratio	Gross profit rate
Metallic	8,089,865	65.21%	17.93%	10,522,883	67.53%	21.96%	5,831,207	67.28%	19.21%
Non-metallic	4,153,606	33.48%	21.56%	4,700,844	30.17%	20.76%	2,277,157	26.27%	21.49%
Mold & others	162,295	1.31%	48.72%	358,326	2.30%	34.81%	558,825	6.45%	26.89%
Total	12,405,766	100.00%	19.54%	15,582,053	100.00%	21.89%	8,667,189	100.00%	20.3%

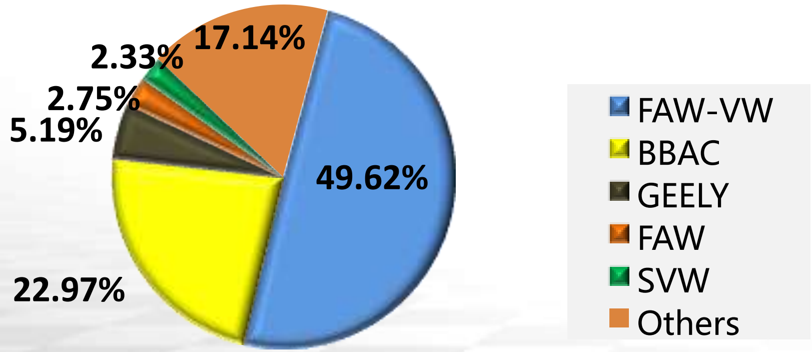
Product：
- Metallic Part：WIB punching part, CCB and safety part
- Non-metallic Part：Underbody shield, frontend, wheel arch liner, spare wheel pan, battery tray and door panel
- Mold & Others：design and manufacturing of mold, and other consultation service



Sales Performance

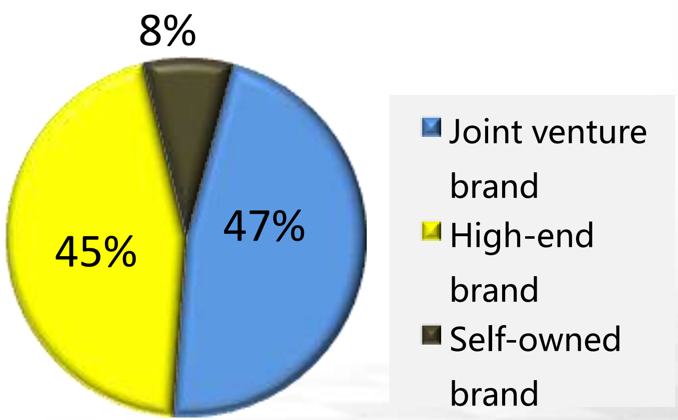
Sales Ratio from 2016 to 2017.Q2

	SALES RATIO				
Customer	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2
FAW-VW	69.23%	65.75%	63.58%	53.28%	49.62%
BBAC	13.80%	17.44%	18.60%	20.92%	22.97%
GEELY	0.31%	0.39%	0.91%	4.68%	5.19%
FAW	1.11%	0.85%	0.82%	3.64%	2.75%
SVW	2.98%	3.02%	2.85%	1.83%	2.33%
Others	12.57%	12.55%	13.24%	15.65%	17.14%



Brand-oriented sales in 2017.Q2

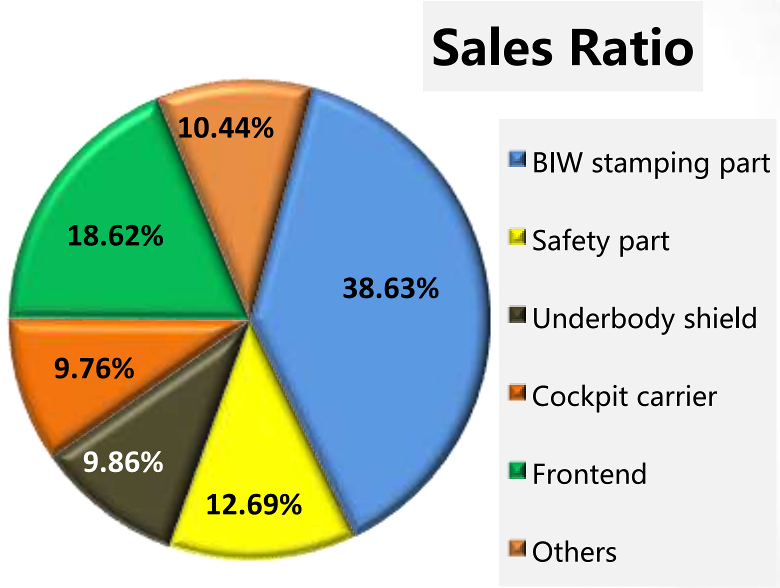
BRAND	RATIO
Joint venture brand	47%
High-end brand	45%
Self-owned brand	8%



Main product ratio

*Currency：RMB YUAN / 2017Q2 data by our company

Product	Sales	Ratio
BIW stamping part	748,950,361.14	38.63%
Safety part	361,022,129.41	18.62%
Underbody shield	246,063,058.68	12.69%
Cockpit carrier	191,141,136.14	9.86%
Frontend	189,285,806.65	9.76%
Others	202,505,967.02	10.44%
Total	1,938,968,459.04	100.00%



Large Scale and Automatic Equipment

Equipment List for Engley group:

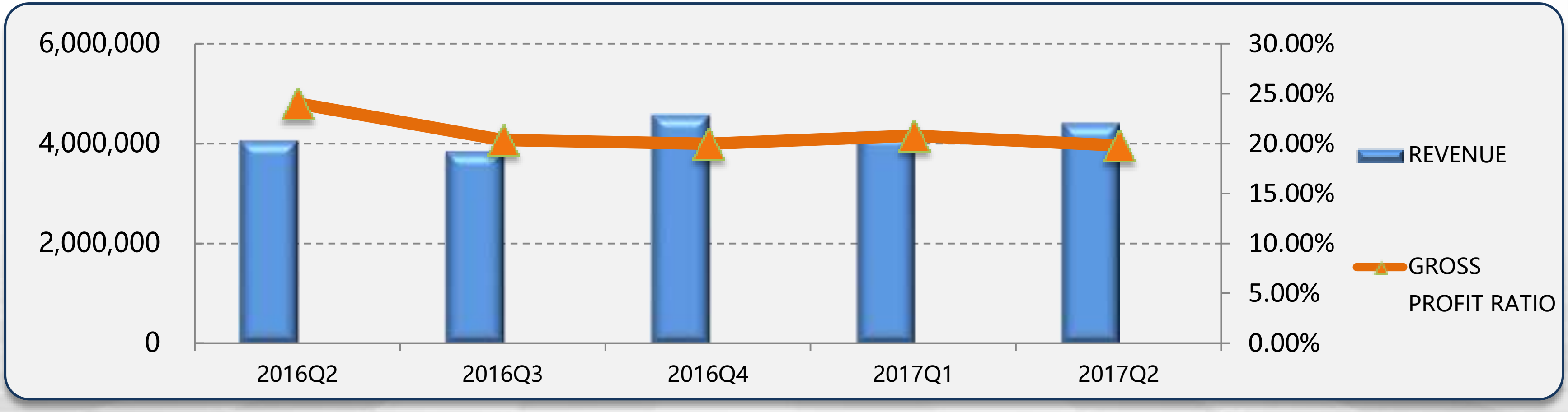
Equipment	Number	Remark
Heating machine	30	
Punching machine	119	150T-1600T punching machine
Robot	211	Cutting, water cutting, transfer and welding robot
Automation system	192	Lifter, uncoiler, conveyer system, mechanical arm, welding system etc.
Aging oven	6	
Press machine	87	100T-2000T press machine
Injection machine	54	120T-2200T injection machine
Extruder	7	
Welding machine	232	Injection welding, spot welding, arc welding, stud welding, ultrasonic welding etc.
Rolling machine	18	
Sealing machine	8	Ultrasonic welding machine
Total	964	

3 Business Performance

Business Performance

*Currency：NTD 1,000 / All Finance information by CPA

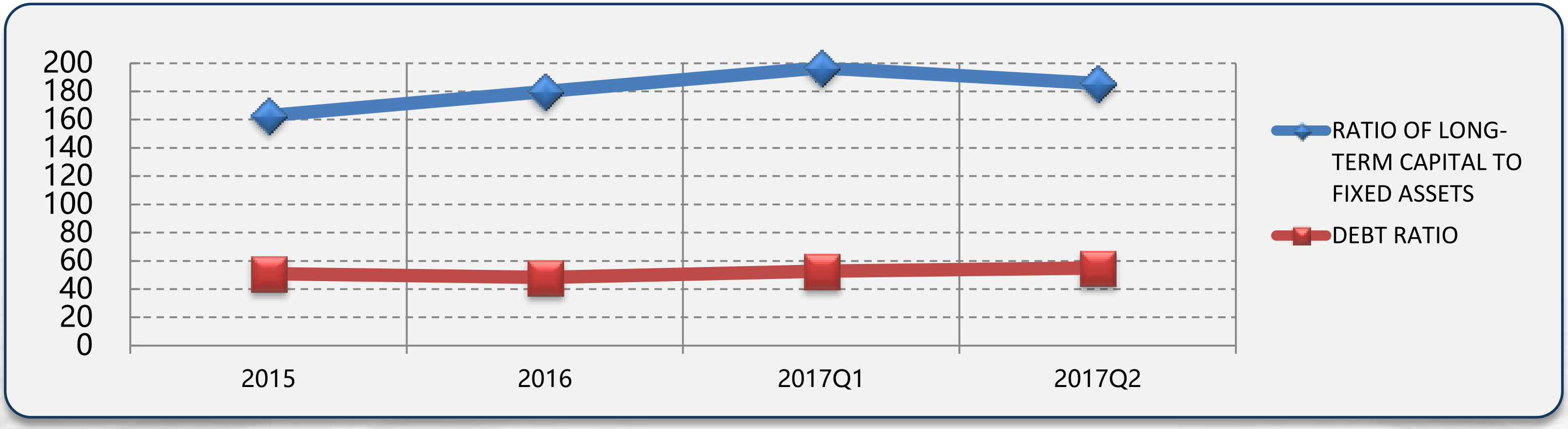
YEAR	OPERATING REVENUE	GROSS PROFIT	GROSS PROFIT RATIO	NET INCOME (Shareholders of the parent)	NET PROFIT RATIO (Shareholders of the parent)	EPS(NTD) (Shareholders of the parent)
2016Q1(Single Season)	3,069,697	729,381	23.76%	331,575	10.80%	3.09
2016Q2(Single Season)	4,075,921	980,051	24.04%	405,541	9.95%	3.69
2016Q3(Single Season)	3,853,805	785,063	20.37%	250,205	6.49%	2.27
2016Q4(Single Season)	4,582,630	916,647	20.00%	267,417	5.84%	2.43
2017Q1(Single Season)	4,242,252	882,599	20.80%	247,738	5.84%	2.25
2017Q2(Single Season)	4,424,937	876,980	19.82%	249,516	5.64%	2.27



FINANCIAL INDEX-FINANCIAL STRUCTURE ANALYSIS

All Finance information by CPA

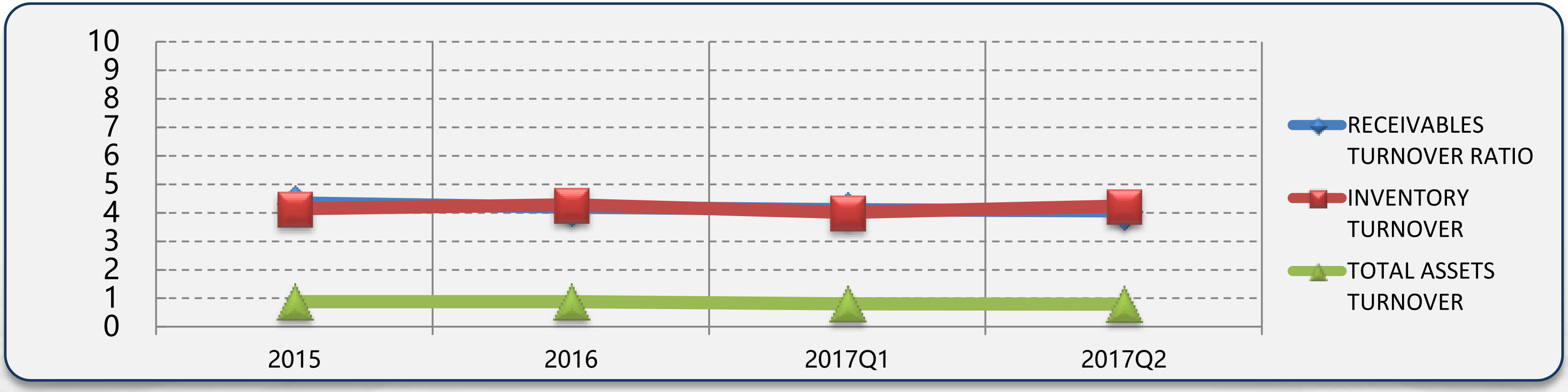
YEAR	FINANCIAL STRUCTURE (%)	
	DEBT RATIO	RATIO OF LONG-TERM CAPITAL TO FIXED ASSETS
2015	50.86	162.80
2016	52.27	177.75
2017Q1	52.82	196.59
2017Q2	54.83	185.66



FINANCIAL INDEX-OPERATING PERFORMANCE ANALYSIS

All Finance information by CPA

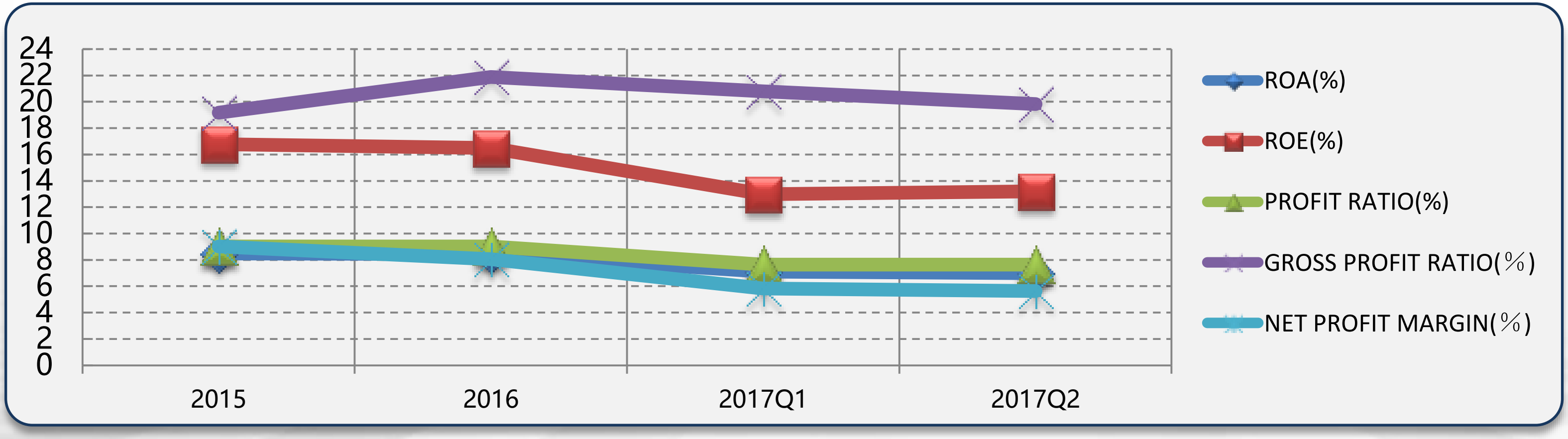
YEAR	OPERATING PERFORMANCE				
	RECEIVABLES TURNOVER RATIO	AVERAGE COLLECTION PERIOD	INVENTORY TURNOVER	DAYS SALES OF INVENTORY	TOTAL ASSETS TURNOVER
2015	4.35	83.91	4.14	88.16	0.88
2016	4.20	86.90	4.28	85.28	0.88
2017Q1	4.11	88.81	4.01	91.02	0.81
2017Q2	4.07	89.68	4.24	86.08	0.80



FINANCIAL INDEX-PROFITABILITY ANALYSIS

All Finance information by CPA

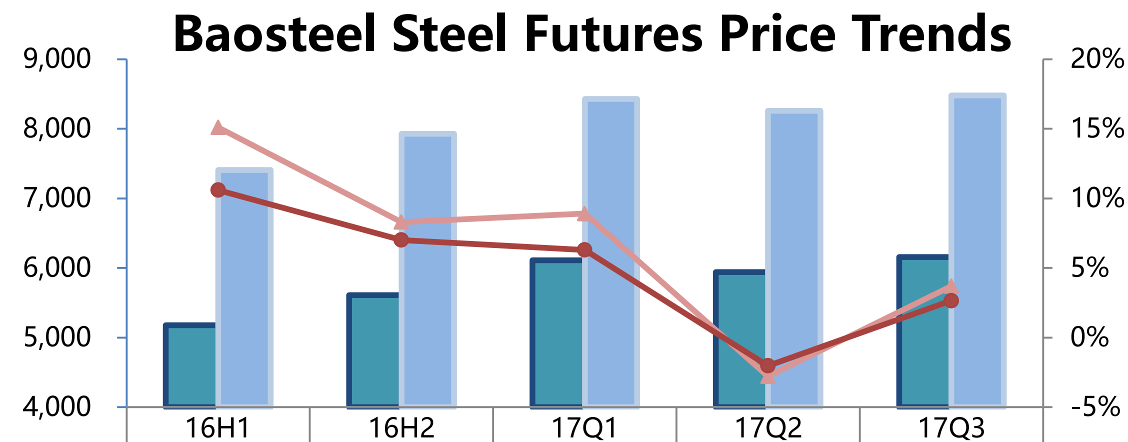
YEAR	PROFITABILITY								
	RETURN ON TOTAL ASSETS(%)	RETURN ON STOCKHOLDERS' EQUITY(%)	PROFIT RATIO(%)	GROSS PROFIT RATIO(%)	NET PROFIT MARGIN(%) (Shareholders of the parent)	R&D EXPENSES RATIO(%)	DEPRCIATION RATIO(%)	OPERATING EXPENSE RATIO(%)	FINANCIAL EXPENSE RATIO(%)
2015	8.50	16.79	9.03	19.18	9.03	2.41	3.27	8.50	0.85
2016	8.43	16.50	9.03	21.89	8.05	3.40	2.97	10.01	0.69
2017Q1	7.12	12.99	7.65	20.80	5.84	2.74	3.89	8.67	1.58
2017Q2	6.98	13.21	7.63	19.82	5.64	2.30	3.92	9.50	1.24



4 Sale Analysis

The Steel Price Trends

Units：RMB/TON



	16H1	16H2	17Q1	17Q2	17Q3
普冷	5,180	5,610	6,110	5,940	6,160
熱鍍鋅	7,410	7,930	8,430	8,260	8,480
普冷漲幅	15.1%	8.3%	8.9%	-2.8%	3.7%
熱鍍鋅漲幅	10.6%	7.0%	6.3%	-2.0%	2.7%

Source：bsteel；Cayman Engley

Steel prices rallied strongly in 2016 and foresee to continue into 2017Q1.

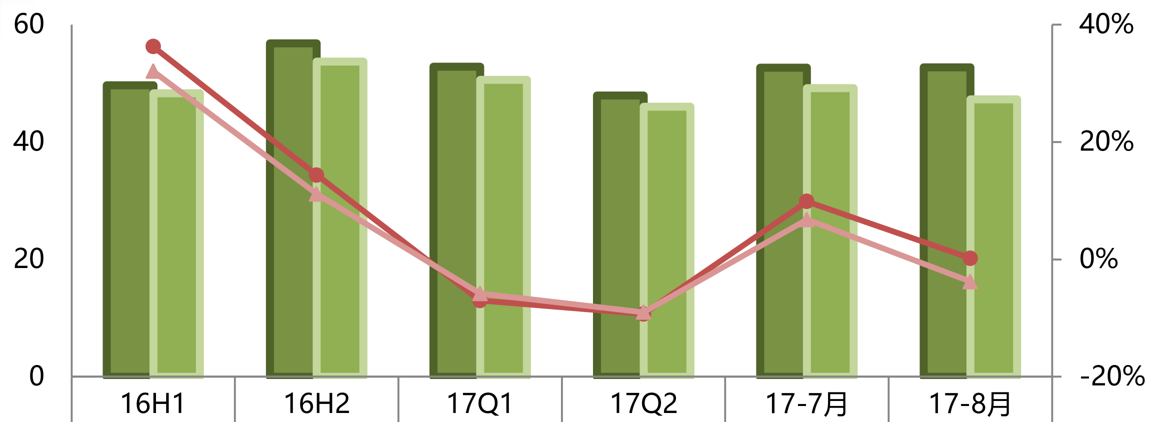
The most dominant factors driving the recent steel price rally include rising raw material price and tightening supply of iron ore and coking coal, which increases the cost of steel production. In addition, steel capacity cuts and sticker environmental policy also contribute to slow daily crude steel output, and low plate inventory regardless strong demand. For instance, Baosteel in 2016 raised future price of

Cold-formed and H.D.G steel respectively to RMB 1,110 and RMB 1,230.The direct impact of rising raw metal prices to manufacturers foresees in 2017H1. The steel price reduced slightly between May and July in 2017 because of the slow-moving inventory, but it will increase in August.

The Crude Oil Price Trends

The Crude Oil Price Trends

Units：SD/Barrel



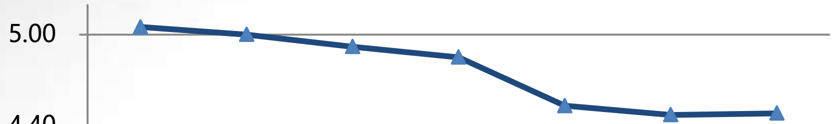
	16H1	16H2	17Q1	17Q2	17-7月	17-8月
布倫特	49.68	56.82	52.83	47.92	52.65	52.75
WTI	48.33	53.72	50.60	46.04	49.16	47.29
布倫特漲幅	36.3%	14.4%	-7.0%	-9.3%	9.9%	0.2%
WTI漲幅	32.0%	11.2%	-5.8%	-9.0%	6.8%	-3.8%

Source：cngold.org ; Cayman

To deal with the oil glut and help stabilize oil prices, OPEC and non-OPEC nations agreed in late 2016 to trim production by 1.2 million barrels per day (bpd), which has stabilized oil prices above 50 US dollars per barrel . The recovery of oil price expects leading to same-to-higher level cost of non-metal material and transportation in 2017. In OPEC meeting held in St. Petersburg, Russia, in late July, members declare to reduce output because the production of oil in U.S. increased and the OPEC agreement to reduce the supply of oil is still uncertain, which makes the oil price rise slightly.

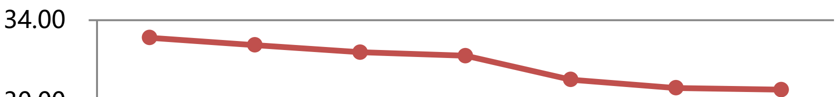
The Exchange Rate from 2016 to 2017

RMB:NTD



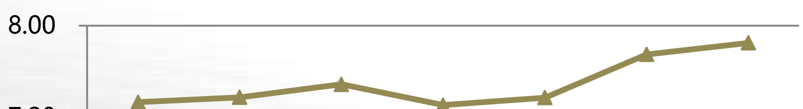
	16Q1	16Q2	16Q3	16Q4	17Q1	17Q2	17-8
實際	5.05	5.00	4.92	4.85	4.53	4.47	4.48

USD:NTD



	16Q1	16Q2	16Q3	16Q4	17Q1	17Q2	17-8
實際	33.14	32.78	32.43	32.26	31.09	30.68	30.59

EUR:RMB



	16Q1	16Q2	16Q3	16Q4	17Q1	17Q2	17-8
實際	7.33	7.38	7.49	7.31	7.37	7.75	7.85

Because of the exchange rate fluctuations, the company' s earning per share in 2016 has great impacted.

The accumulative exchange loss of 2016 and 2017Q2 is NTD 149 million and NTD 67 million. Equal to RMB 31 million and RMB 15million.

Quarterly Exchange Loss from 2016 to 2017Q2

Currency：NTD Thousand

	16Q1	16Q2	16Q3	16Q4	17Q1	17Q2
Cayman-consolidated	59,906	21,999	42,515	25,036	49,367	18,099
Separated：						
Cayman	52,272	-6,153	26,420	6,921	49,820	14,946
Changchun Engley	5,007	20,752	5,963	31,712	-5,023	-18,384
Linde (Tianjin)	-	7,366	9,590	-12,102	3,717	20,441

Quarterly figures are certified by CPA

5 Industrial Development

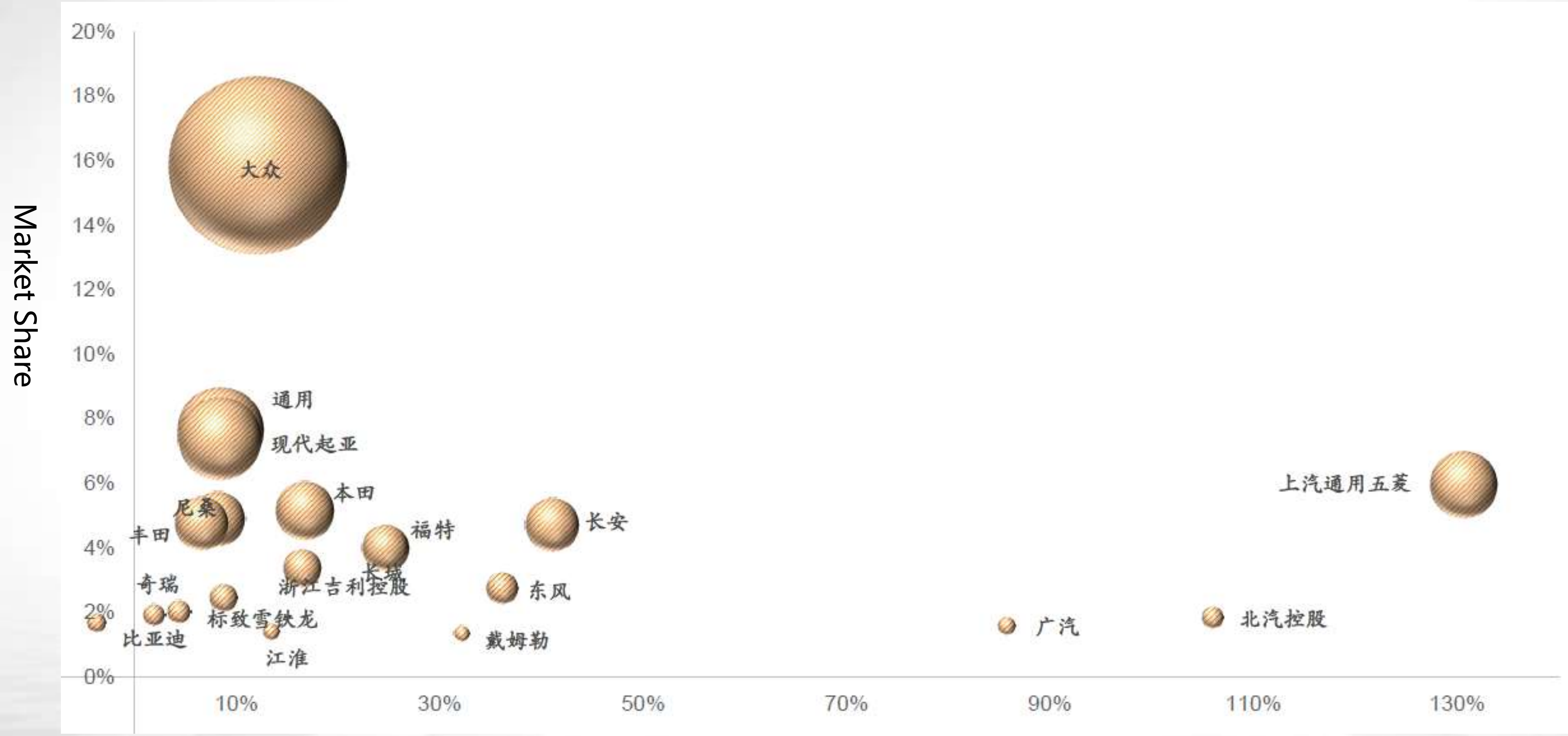
China's Automobile Market in 2016

Light Vehicles sales **26.5 million**	Growth Rate of Light Vehicle Sales **+13.2%**	Increase of Small Hybrid Cars **≤1.6L**
Market Share of vehicles **43.3%**	Growth Rate of SUV Sales **+38.9%**	Market Share of Local Brand **40.1%**
Newly Established New Energy Vehicle Companies **12**	New Energy Vehicle Production in 2020 **3.8 million**	Incease of Local Cars **6.8%**
Number of Automobile **194 million**	Number of Automobile (per 1,000 people) **140**	Drivers with license **310 million**

Sourse：PwC Taiwan；Cayman Engley

開曼英利
Cayman Engley

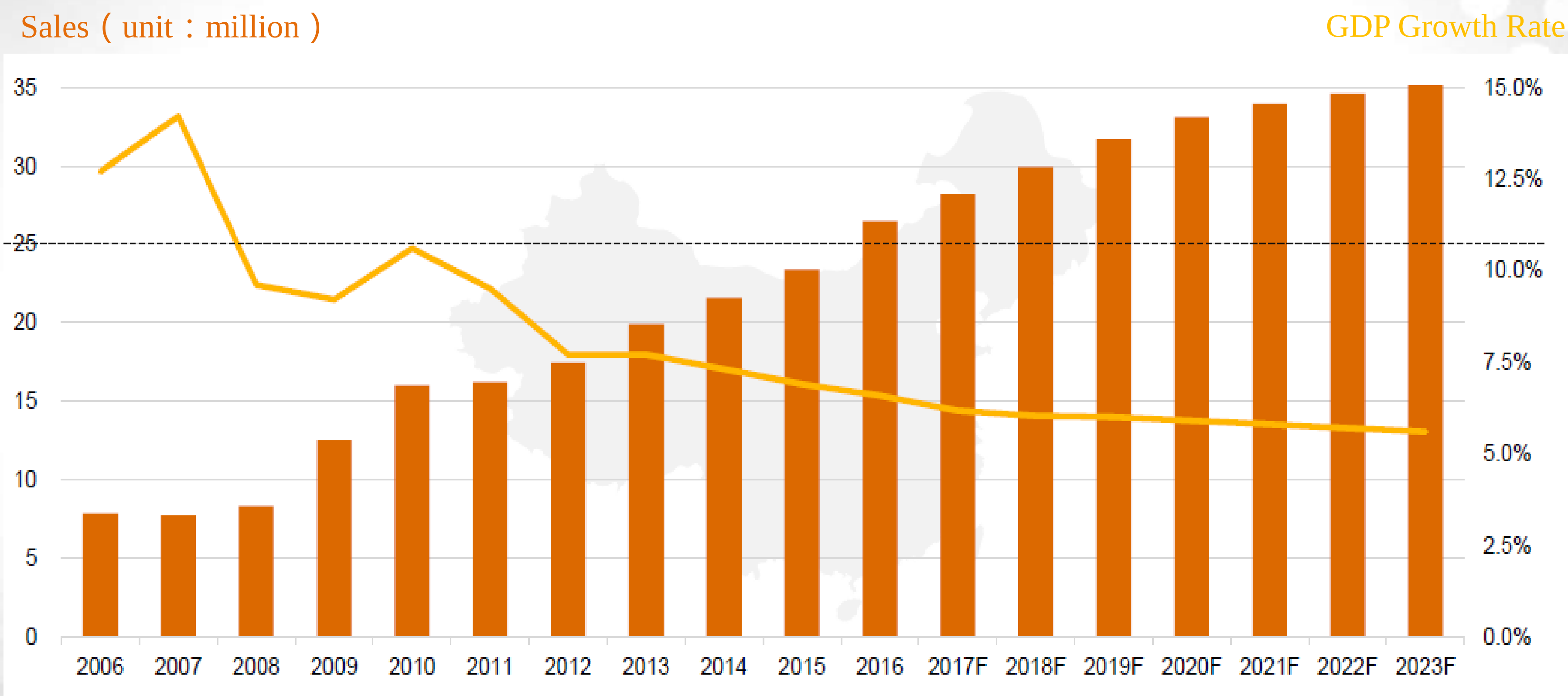
Top 20 Largest Automobile Companies in 2016



Growth Rate(2011-2016, CAGR)

Source：PwC Taiwan

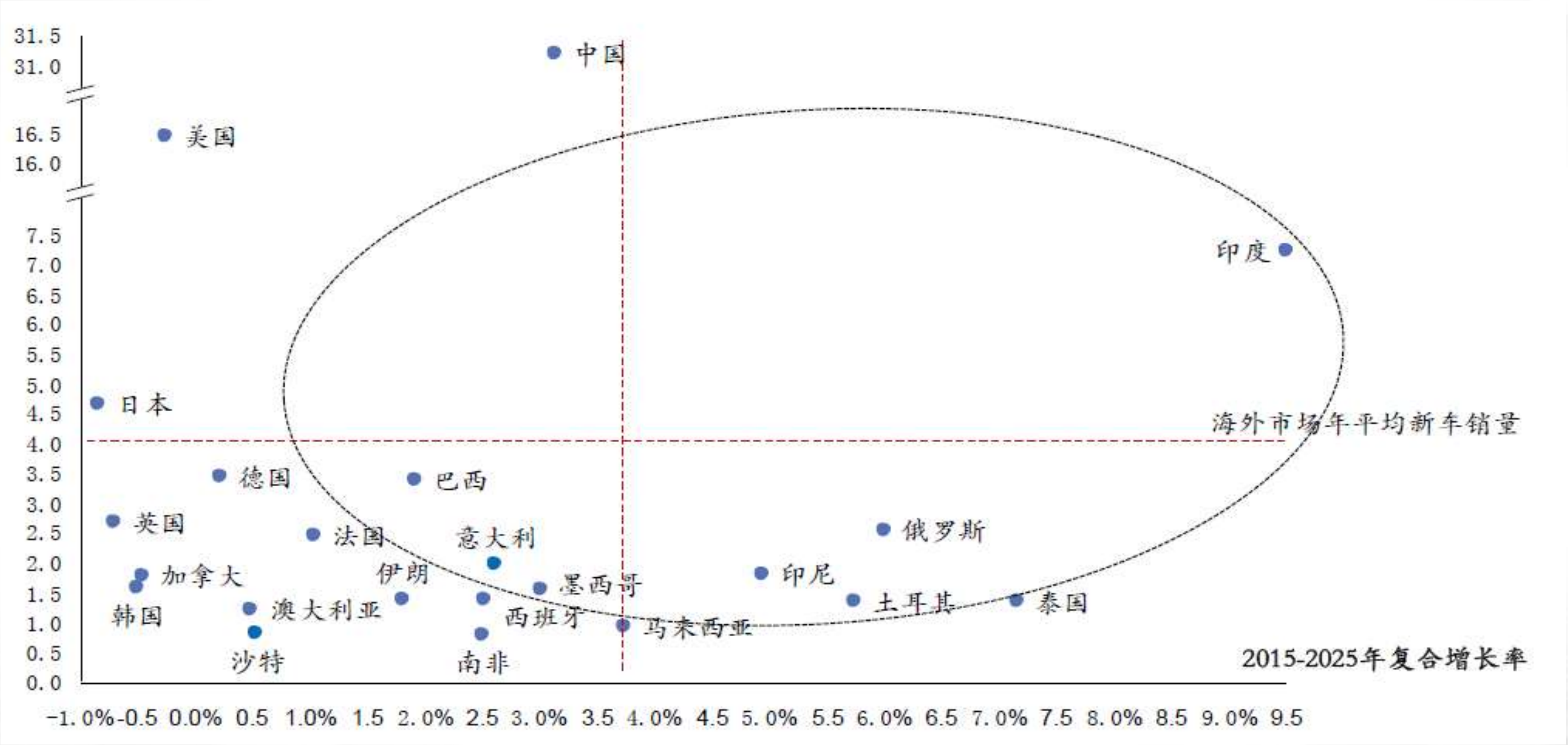
Automobile Sales and GDP Growth Rate



Source：PwC Taiwan

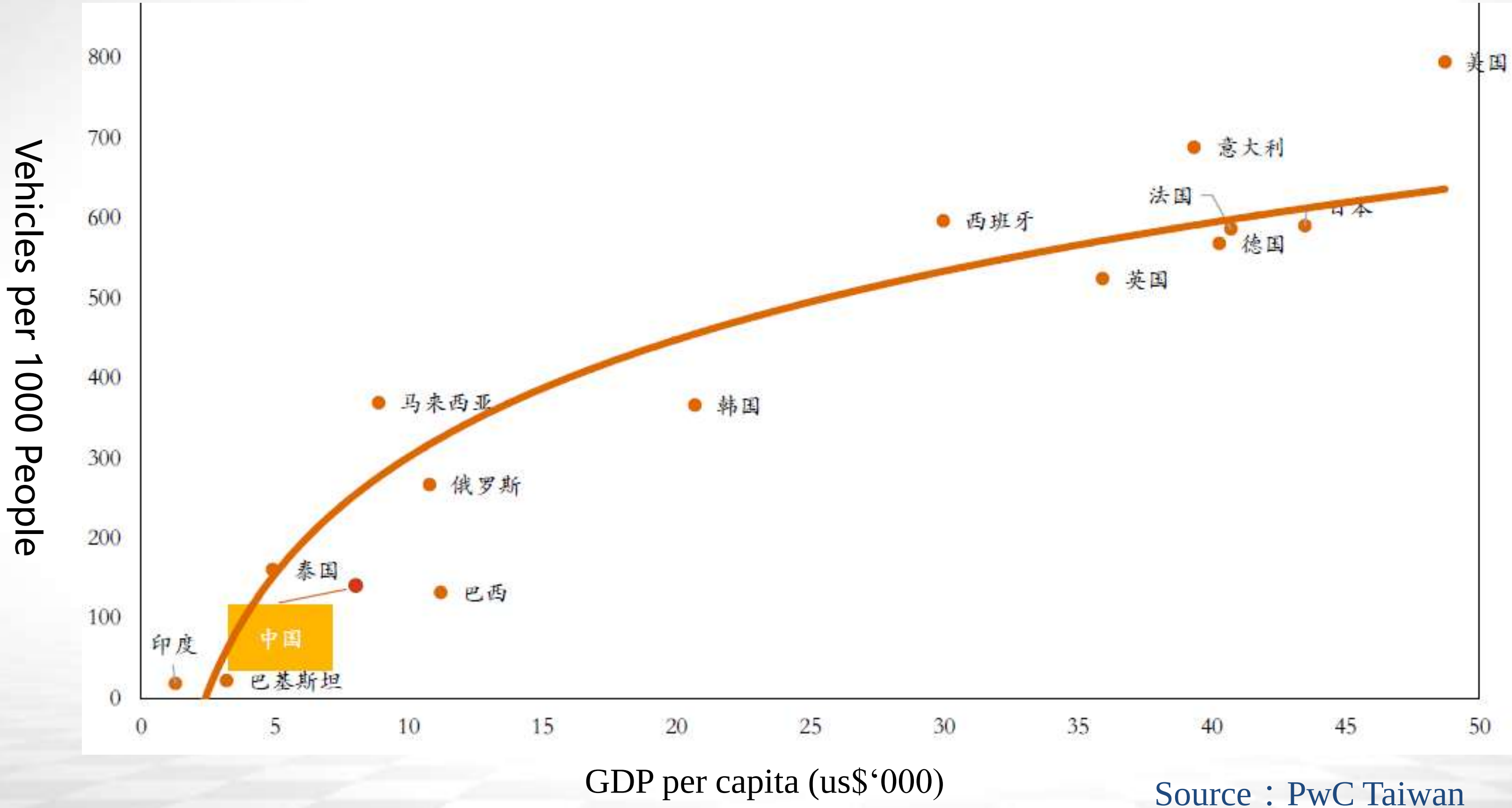
Volume of Vehicles in Overseas Market and Growth Rate

Market Volume in 2025(unit：thousands)



Source：auto insight，PwC Taiwan

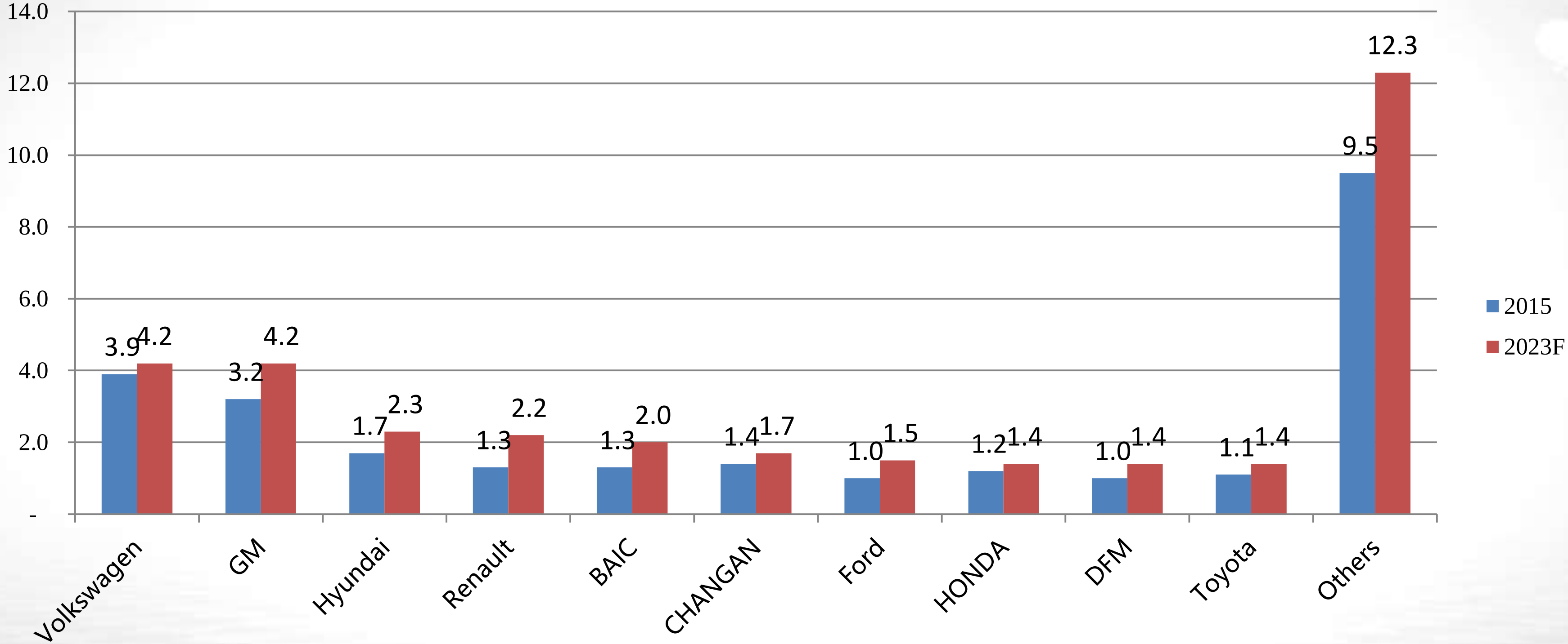
Vehicles per 1000 People in 2016 vs Growth of GDP per Capita



Source：PwC Taiwan

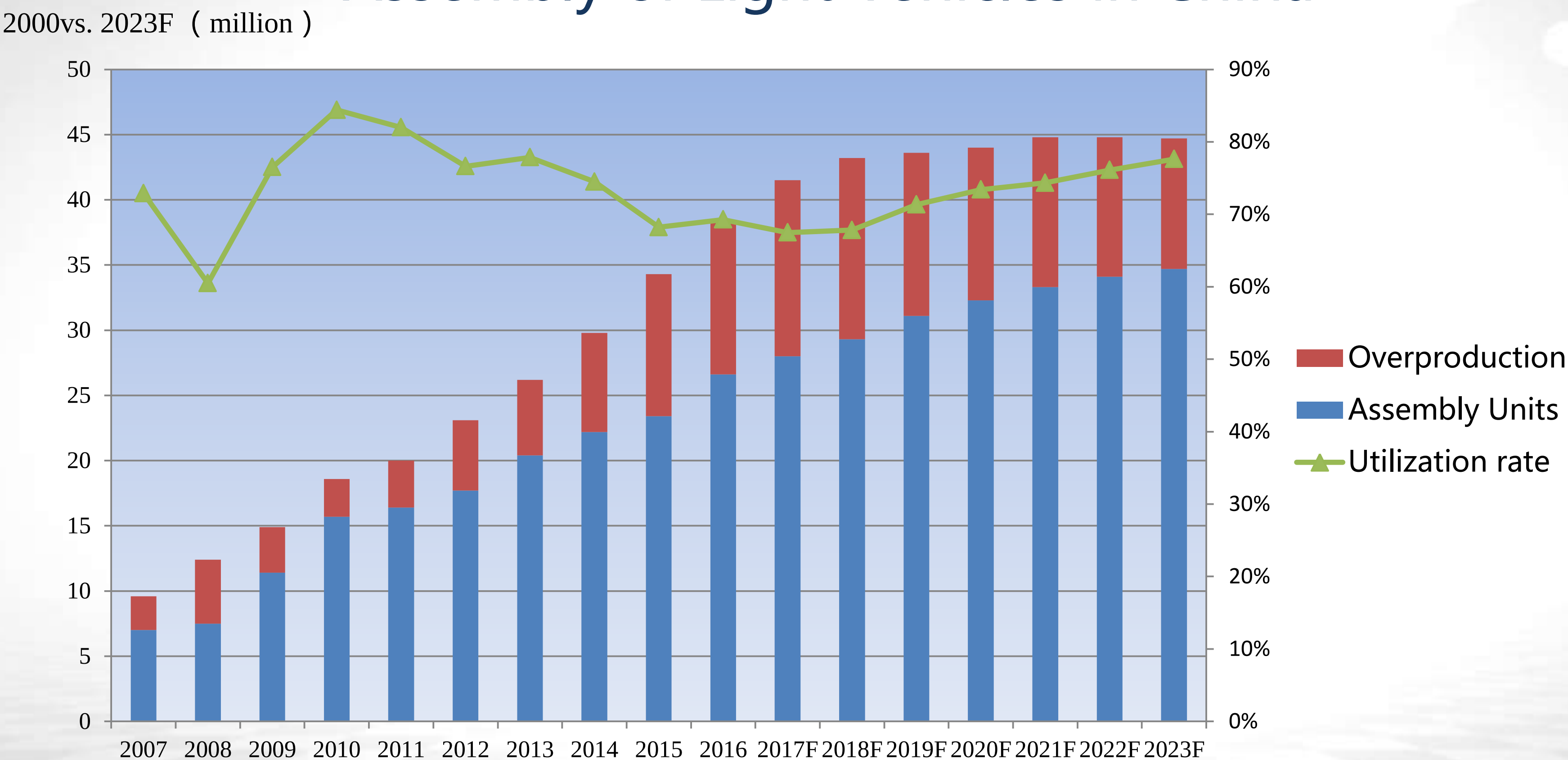
Top Ten Chinese Automobile Manufacturers

2015 vs. 2023F（million）



Source：Autofacts2017 Q2 Forecast Release

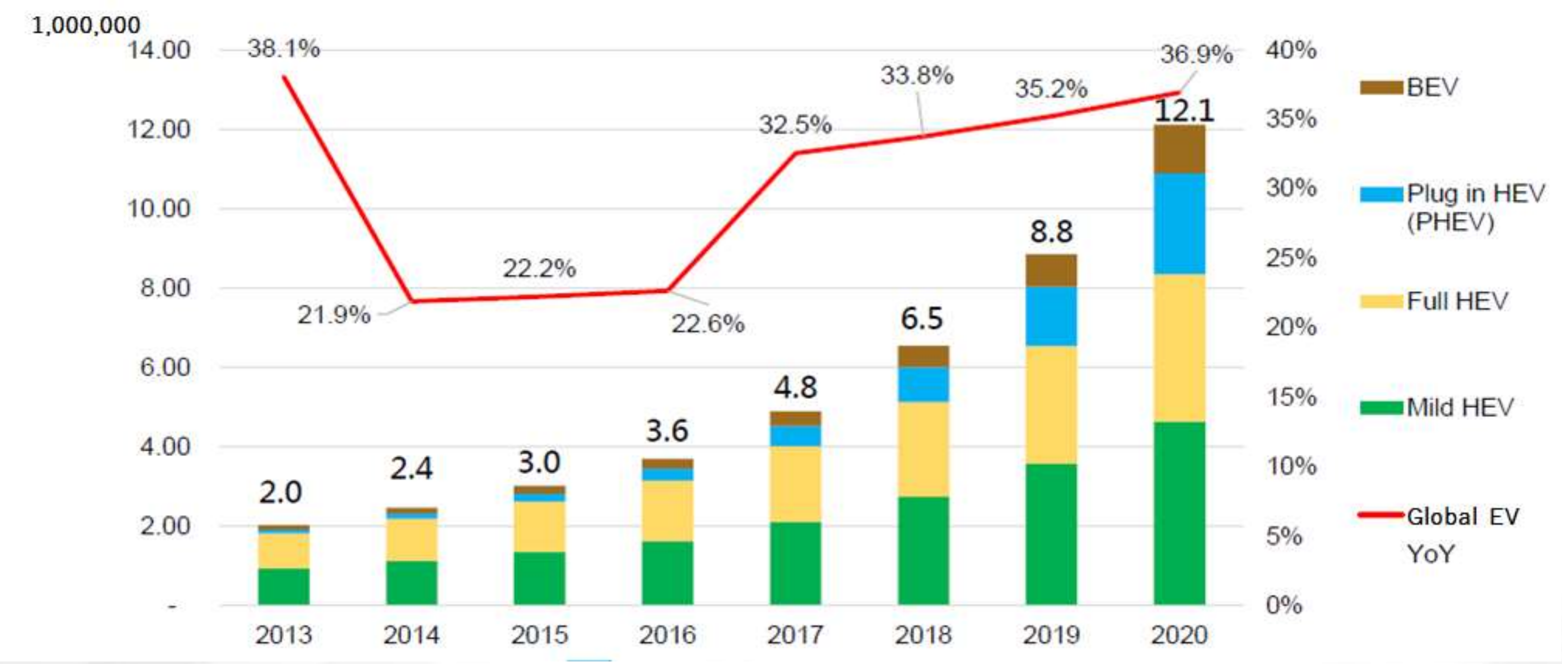
Assembly of Light Vehicles in China



Source：Autofacts2017 Q2 Forecast Release

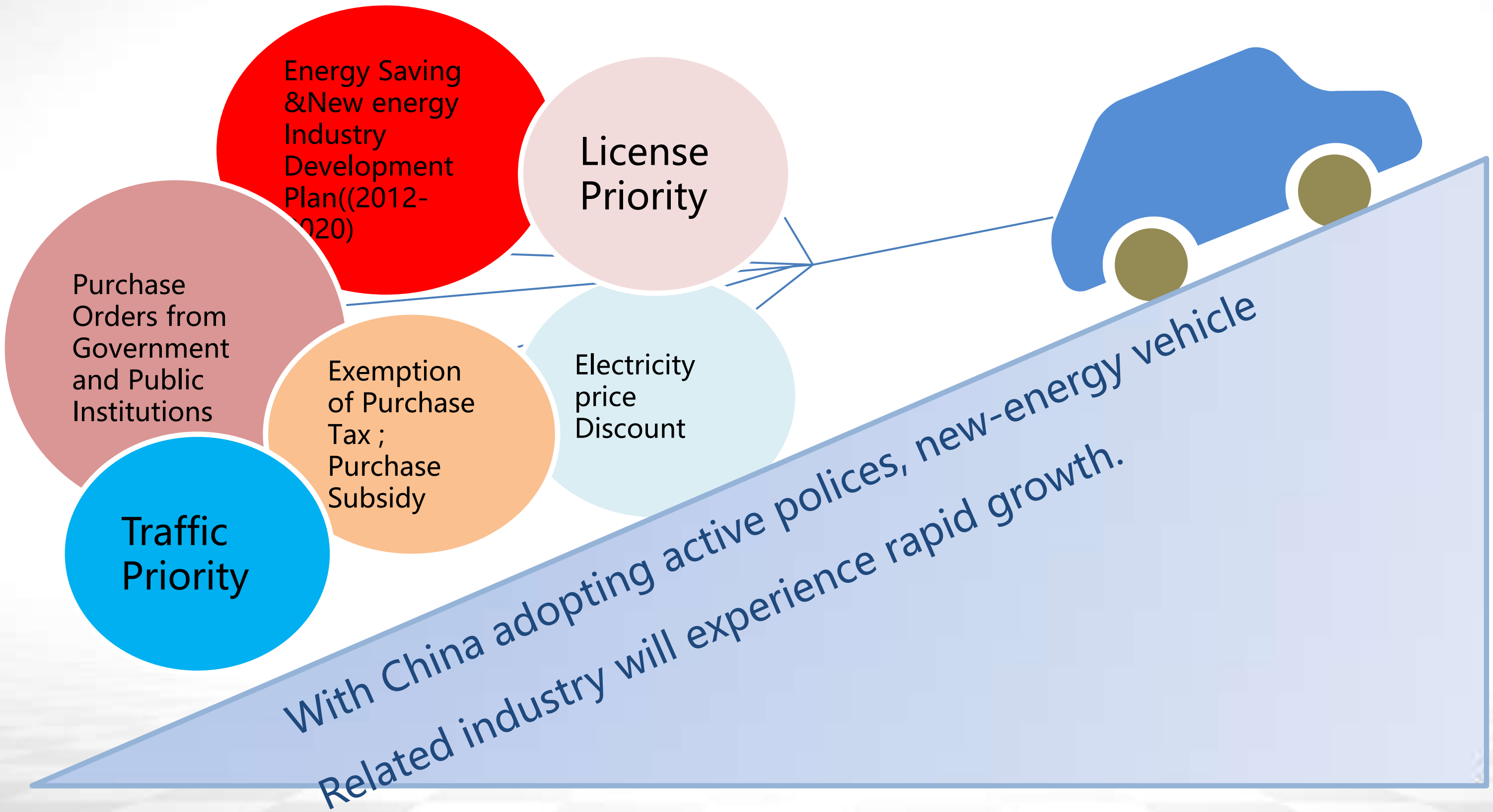
Industrial Development

Sales prediction of global electric vehicle market for 2013~2020



Resource from: IEK

Industrial Development
New Energy Vehicle



2017Q2 Automobile Sales Ranking

Sales Ranking of High-end Car

	BRAND	SALES (10,000)	Quarterly Growth Rate
1	AUDI	13.06	7.67%
2	Mercedes-Benz	10.66	-5.83%
3	BMW	9.39	4.10%
4	Cadillac	4.16	5.32%
5	JAGUAR-LAND ROVER	2.06	27.95%

Sales Ranking of Passenger Car

	BRAND	SALES (10,000)	Quarterly Growth Rate
1	FAW-VW SAIC-VW	69.36	-8.76%
2	SGMW	38.54	-21.02%
3	HONDA	35.66	20.64%
4	TOYOTA	28.52	-1.21%
5	Buick	27.58	-0.65%
6	NISSAN	25.53	14.48%
7	GEELY	25.25	-9.47%
8	CHANGAN-FORD	17.53	-15.72%
9	GREATWALL (HAVAL)	17.29	-22.01%
10	CHANGAN	13.38	-39.10%

資料來源：搜狐汽車

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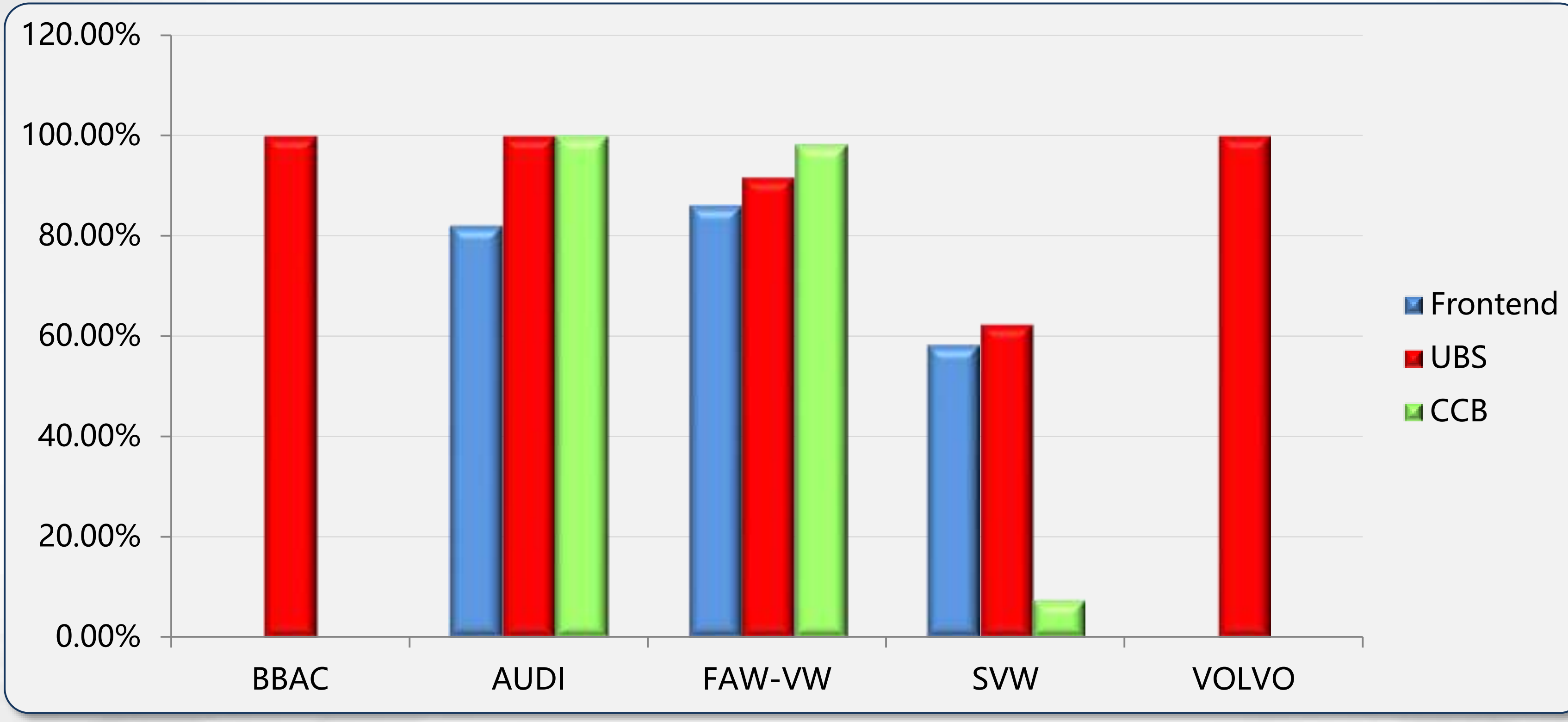
Customer Occupancy of Main Product



6 Future Development

Expected Capacity of Qingdao Engley

To follow FAW-VW’ s Step, Engley is building a new factor in Qingdao. This new factory is for a brand new car model production. The analysis of Qingdao Engley of predicted production, sales, revenue, gross profits, and operating profits is listed below:

Unit：Thousand；Currency: NTD Thousand

YEAT	ITEMS	PRODUCTION	SALES	REVENUE	GROSS PROFITS	OPERATING PROFITS
2016	Auto Parts	0	0	0	0	(7,000)
2017	Auto Parts	0	0	0	0	(17,500)
2018	Auto Parts	2,343	2,343	319,276	57,215	24,967
2019	Auto Parts	9,240	9,240	1,212,960	217,363	94,854
2020	Auto Parts	11,233	11,233	1,420,796	254,589	111,098
2021	Auto Parts	12,807	12,807	1,560,511	279,677	122,046
Total		35,623	35,623	4,513,543	808,844	328,465

Honley Auto. Parts

- Established time：Jan 7, 2014
- Registered capital：21.5 billion
- Address：No.32 Jing Jian Rd, Pingtung County
- Area：22,393 Square meter

Changchun CECK

- Established time : Apr 30, 2014
- Registered capital : USD $45 million
- Address : No. 2299, Chao Yue St. Hi-Tech Industry Development Zone, Changchun
- Area : Land 29,595 Square meter, Plant 14,625 Square meter

開曼英利
Cayman Engley

Blueprint

R&D

China Steel/ Metal Center

Steel and aluminum development, and build-up technology in material applications

Engley/ Auto development in China

Development in plastic products, and build-up technology in material processing

Application

CECK (Mold design center)

Mold design, applications technology and EVI

Production

Honley

Changchun CECK

Chongqing HC&C

Kunshan/ Chengdu CECK

Clients

Taiwan/South China /SEA

Northeast China/North China

Central China/Southwest China

Eastern China/Northwest China

Honley and CECK hot stamping equipment

Heating equipment: Schwartz

Heating Panel

❑Electric heating furnace

Automation equipment: Schuler/Oyabe

Transport

❑Automated delivery system

Forming equipment: Schuler

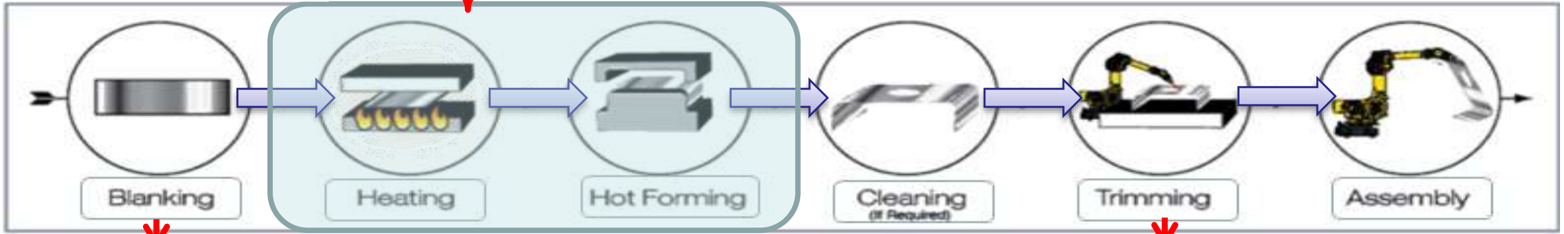
Hot stamping parts

❑Hot forming machine

Shot blasting machine:Richsou

Surface oxidation layer removal

❑Shot blasting machine



Feeding

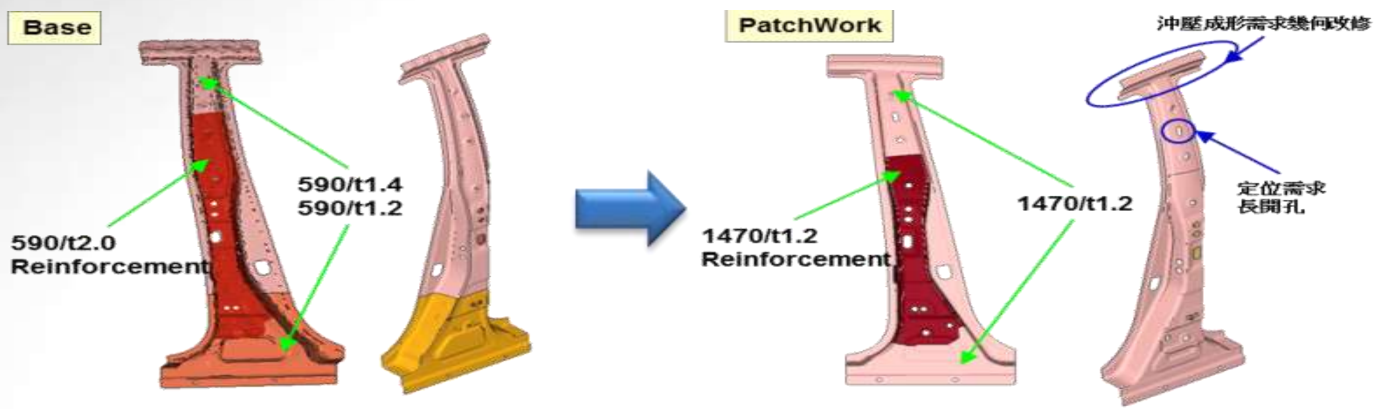
❑Stamping machine +feeder machine

Laser Cutting

❑laser cutting machine

雷切設備:Prima

Die Design & Manufacturing

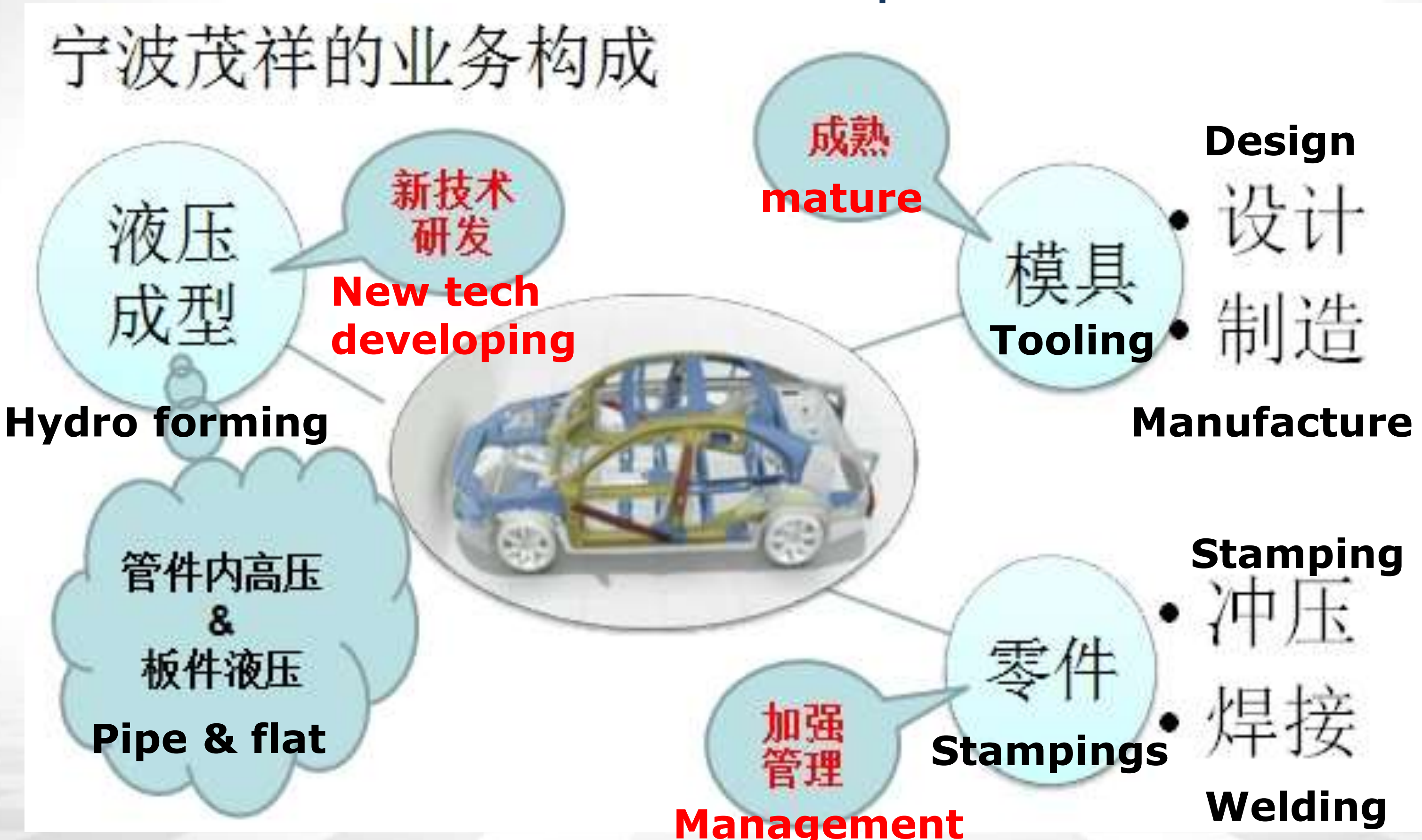


	Weight/EA	Reduction	Befefit %
Cold Stamping(OLD)	**6.472 kg**	—	—
Hot Stamping Patchwork B Pillar	**4.584 kg**	**3.776 kg**	**29.2 %**

New Investment

	Ningbo Maoxiang Material Co., Ltd.	Taizhou Maoqi Metal Co., Ltd.
Founded	June 23th, 2000	Dec 26th, 2014
Capital	USD 18,000 Thousand	RMB 140,000 Thousand
Revenue of 2017Q2	RMB 52,260 Thousand	RMB 35,820 Thousand
Net Income(Loss) of 2017Q2	RMB 494 Thousand	RMB (9,325) Thousand
Employee	295	176
Main Product	Design and manufacture of mold, welding fixture, and stamping parts	Welding, and manufacture of stamping parts

Business Scope

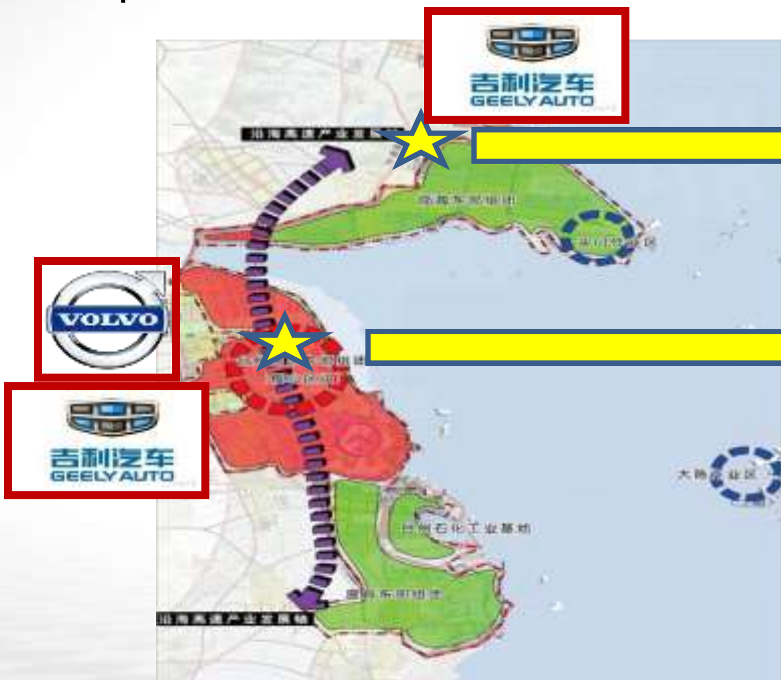


Customer

NISSAN
PORSCHE
Ford
BMW
上海大众
SHANGHAI GM
LAND ROVER
JAGUAR
一汽-大众
FAW-VOLKSWAGEN
Audi
VOLVO
DAIMLER
裕隆汽車

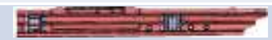
Taizhou Maqqi

Taizhou plant location – Taizhou Bay industrial collective zone
Maoqi customer



45Km from Geely Linhai production base

Maoqi is located in “Taizhou Bay Recycling Economy Industry Collective Zone”, which is a national level production base for motor vehicle and auto parts, about 1.6Km away from VCC LQ base.

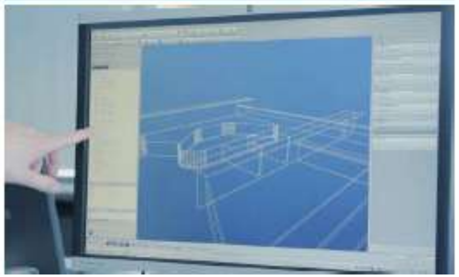
Product Matrix		
Customer	Product	簡圖
吉利汽车 GEELY AUTO	Rear end beam assembly	
	Threshold assembly	 
	instrument panel assembly	
	B pillar assembly	
	Lateral beam assembly	
VOLVO	Rear end beam assembly	

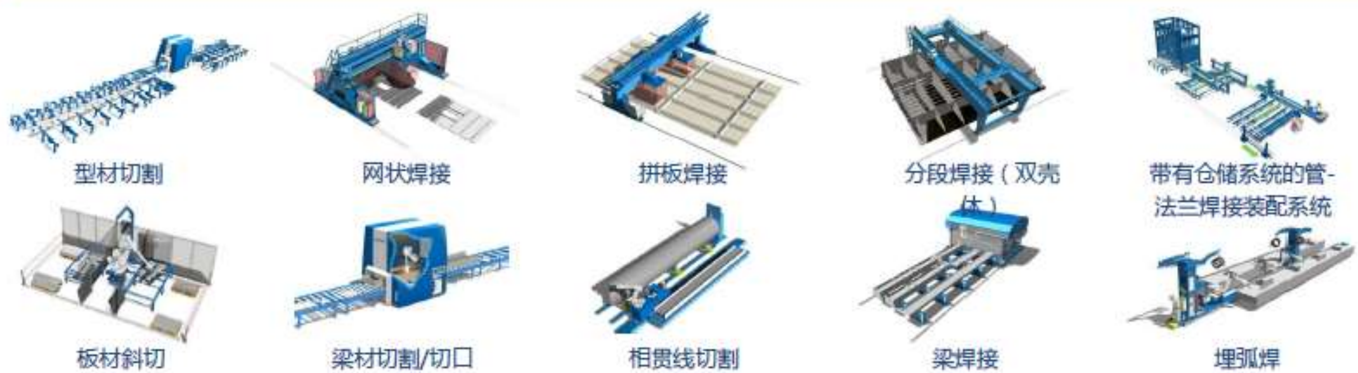
New Investment

	Kranendonk Beheersmaaschappij B.V.
Founded	1983
Capital	EUR 92,000
Revenue of 2017Q2 (Yet Certified by CPA)	EUR 5,638,000
Net Income of 2017Q2 (Yet Certified by CPA)	EUR 955,000
Emplyee	65
Products and Services	KRANENDONK is the robot technology leader for non-repetitive production. It develops and implements advanced robotic production systems for shipbuilding, offshore and structural steel industries. Their service is to robotizing non-repetitive production flow, including robot welding, cutting and assembly. A world-class robotics solution provider from consultancy, engineering, maintenance of high-end robot solutions, and customer support are tailored based on each customer's unique needs.
Technology	https://youtu.be/blvOJp6d06k

開曼英利 Cayman Engley

Products and development

software	Hardware	Sensing system
		
Flexible production software can lower the cost in manual programming, on the other hand, thousands of procedures can be linked together with higher efficiency, this make unmanned non-standard production line achievable.	Modularity hardware design can provide all kinds of demand for customers, and extend the area of using on robots.	Flexible automation are guaranteed to avoid or reduce the error between digital modeling and workpiece in welding and cutting process.



Applications

Ship engineering	Oceaneering	Structure steel
		
As the regulation and standards in ship engineering industry improved, company are facing more and more pressure, other than that, innovation and new material of using on hull also brings new challenges.	Energy demand has grown rapidly all over the globe, this make oil & gas company develop oilfield and gasfield in deep ocean and polar area. Also, the demand of offshore wind power has increased.	Structure steel industry has created thousands of works on the globe, but the competition between construction enterprise are intense due to slowdown of the global economy.

客戶關係及訂單分析

Customer relationship

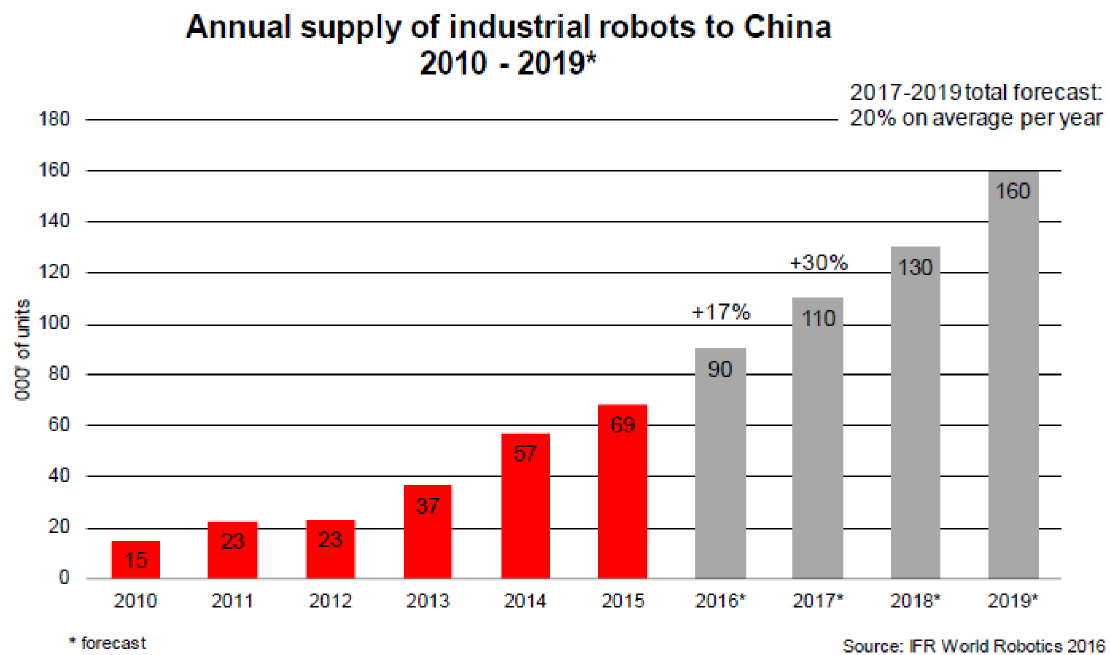
Most of our customers are from ship engineering, oceaneering, and structure steel industry, besides, orders from Japan in transportation and electricity industry are increasing.

Customer

Keppel
MEYER WERFT PAPENBURG 1795
STX
nordic yards
IHC
DCNS
Aker Philadelphia Shipyard
CIVMEC
FINCANTIERI
Technip
MITSUBISHI HEAVY INDUSTRIES, LTD.
MES
BAE SYSTEMS
FOKKER AEROSTRUCTURES
SCANIA
DAF
LIEBHERR

Robot

2019: 40% of the global supply will go to China



*Currency : RMB 1,000,000,000

Year	product value
2016	78.7
2017	96.2
2018	113.7
2019	139.9

SGMW

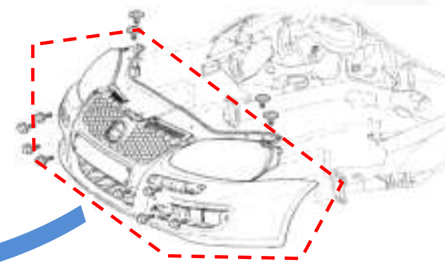
*RMB/Unit

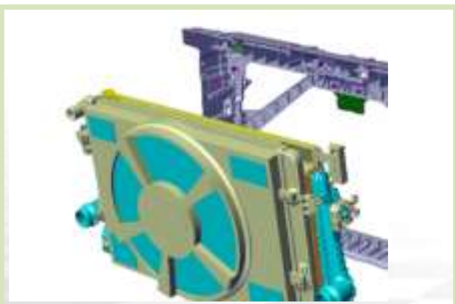
Year	2018	2019	2020
Engine Cover-product value	18,400,000	39,200,000	38,400,000
Engine Room Assembly-product value	172,500,000	367,500,000	360,000,000
Engine Room Assembly-production	115,000	245,000	240,000

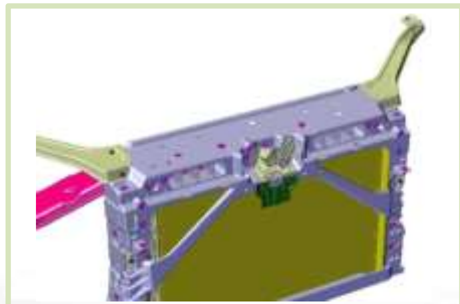
Module Design service

- Car
  - final assembly line
    - Other parts
    - Engine Room Assembly
      - Non-metal Engine Room Assembly
      - Radiator Assembly
      - A/C Assembly
      - cover lock assembly
      - Bumper Assembly
      - Other integrated components

Engely supply







New Investment

	Zhejiang Sanse Mold Technology Co., Ltd.
Founded	June 9th, 2009
Capital	RMB 38,549 Thousand
Revenue of 2017Q2	RMB 99,452 Thousand
Net Income of 2017Q2	RMB 4,590 Thousand
Employee	421
Products and Services	Glass fiber reinforced plastic products, carbon composite materials, mold, plastic processing equipment, power distribution switch control equipment, and electrical equipment manufacturing.

Future Prospect – Thermoplastic parts

	Weight	Price
Thermoplastic parts	Light	Medium
Metal parts	Heaviest	Low
Aluminum parts	Heavy	High

Thermoplastic parts

- Applied field：Engine cover, under body shield roof and tale gate, etc…
- Market： New energy vehicles

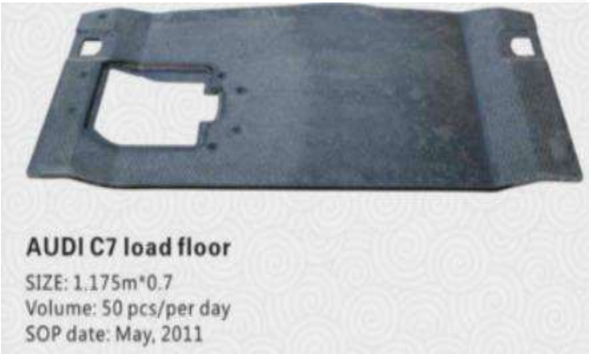
Year	2018	2019	2020	2021
Sales growth rate predictions	446%	266%	174%	136%

Advantage

- **Produce Lightweight and integration style composite material**
- We are the first enterprise develop and produce lightweight interior, BBA is our first customer, this make us an important role in automobile interior industry.

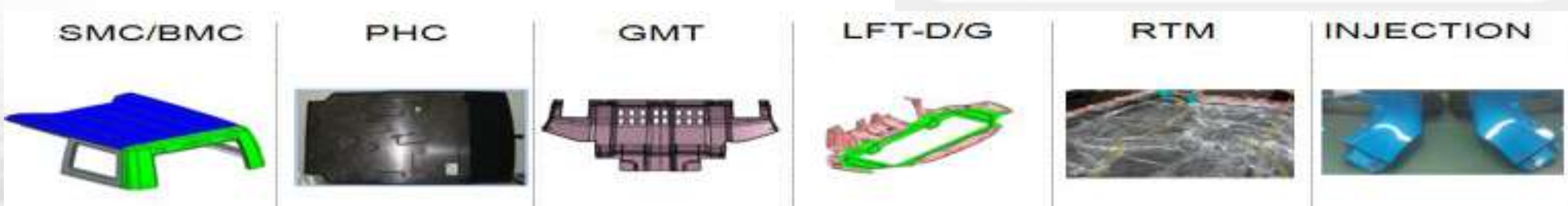
•PHC产品的优势
•PHC Products Advantage

轻量化特点明显（lightweight）（1350g-4000g/m2）
承载性高(self-supporting, even under the effects of heat)
尺寸稳定性强（stable dimension ）
具有降噪特性（noise-insulation）
抗弯曲、抗变形（warpage-and deform-resistant）
气味散发低（low odor)
卓越的性价比（excellent performance with reasonable price)



New composite material

The technology CCW-CLA is introduce from Magna International Inc., which combine SMC, PHC, GMT LFT-D, RTM and PP process together as solution for automotive lightweight.



Customer

開曼英利
Cayman Engley

Thank you!