

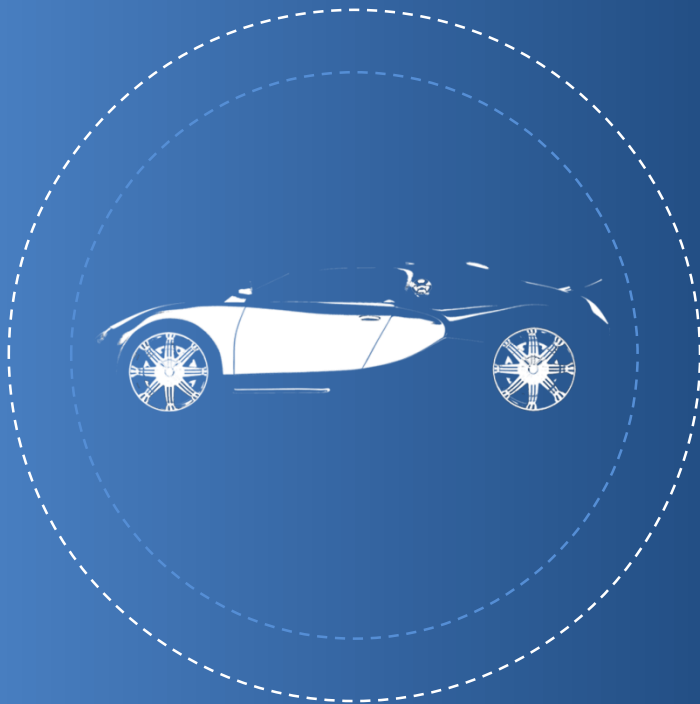


ENGLEY - KY

Best Partner of Automobile Industry
Stock Code: 2239



Catalogue



- **NO.1 /Company Profile**
- **NO.2 /Business Performance**
- **NO.3 /Growth Point**
- **NO.4 /Distribution on New Energy Vehicle**

1

Company Profile

- Company Profile
- Milestone





Company Profile

Company	Cayman Engley Industrial Co., Ltd.
Chairman	Chi-Pin Lin
Set-up Time	16 th , Jan, 2015
Headquarter	NO.888,Shunda Rd, High-tech Area, Changchun, Jilin Province, P. R. China
Staff number	3504 (Till 2018Q2)
Industry	Automobile industry
Business	Development and manufacturing of metallic and non-metallic automobile part, mold manufacturing and other services





Milestone



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



Established
Suzhou Engley



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



Established Linde+
Engley(Tianjin) and
Lightweight



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

1991

2001

2006

2008

2009

2011

2012

2013

2014

2015



Found in Harbin;
Focused on vehicle
seat belt production



Established Changchun
Chengtai (Today' s
Changchun Engley)



Established Chengdu
Engley; Established JV-
Constellium Engley



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



Establish JV- Honley
(CECK) and Changsha
Engley



Milestone



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 Beheersmaatschappij B.V.
3. Acquired 20% shares of Zhejiang Sanse Mold Technology Co., Ltd

2017

添加標題

2

Business Performance

- Business Performance
- Sales Performance
- Recent Investment Performance





Business Performance

*Currency: NTD1,000 / All Finance information by CPA

	Operating Revenue			Gross Profit				Net Income(Shareholders of the parent)				
YEAR	Amount	YOY	QOQ	Amount	YOY	QOQ	Gross Profit Ratio	Amount	YOY	QOQ	Net Profit Ratio (Shareholders of the parent)	EPS(NTD) (Shareholders of the parent)
2017Q2 (Single Season)	4,424,937	9%	4%	876,980	-11%	-1%	19.82%	249,516	-38%	1%	5.64%	2.27
2017Q3 (Single Season)	4,504,751	17%	2%	824,253	5%	-6%	18.30%	159,909	-36%	-36%	3.55%	1.45
2017Q4 (Single Season)	5,707,902	25%	27%	1,350,186	47%	64%	23.65%	415,014	55%	160%	7.27%	3.77
2018Q1 (Single Season)	4,567,008	8%	-20%	902,693	2%	-33%	19.77%	301,810	22%	-27%	6.61%	2.74
2018Q2 (Single Season)	5,885,877	33%	29%	1,189,623	36%	32%	20.21%	370,836	49%	23%	6.30%	3.37

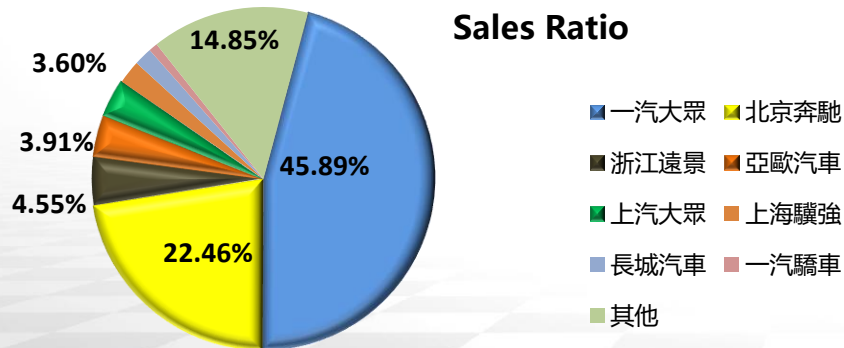




Sales Performance

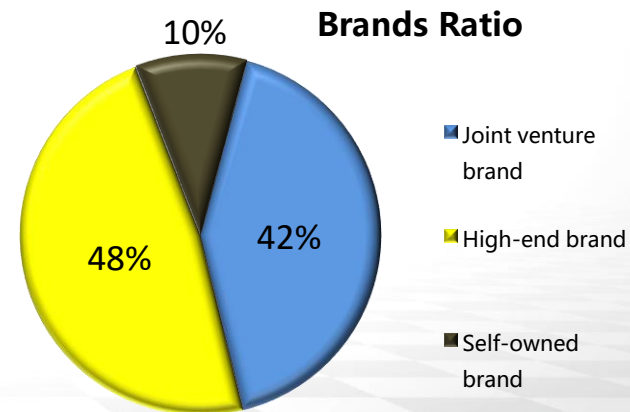
Sales Ratio from 2017.Q2 to 2018.Q2:

	Sales Ration				
Customer	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2
一汽大眾	49.62%	48.90%	50.03%	45.76%	45.89%
北京奔馳	22.97%	23.28%	22.14%	23.45%	22.46%
浙江遠景	5.19%	4.82%	5.36%	4.52%	4.55%
亞歐汽車	0.03%	0.07%	0.19%	1.91%	3.91%
上汽大眾	2.33%	3.35%	3.08%	3.07%	3.60%
上海驥強	1.90%	2.40%	2.41%	2.55%	2.20%
長城汽車	1.21%	1.16%	1.31%	1.69%	1.70%
一汽驕車	2.75%	2.19%	1.63%	1.49%	0.84%
Others	14.00%	13.83%	13.85%	15.56%	14.85%



Brand-oriented sales in 2018.Q2:

Brand	Ratio
Joint venture brand	42%
High-end brand	48%
Self-owned brand	10%





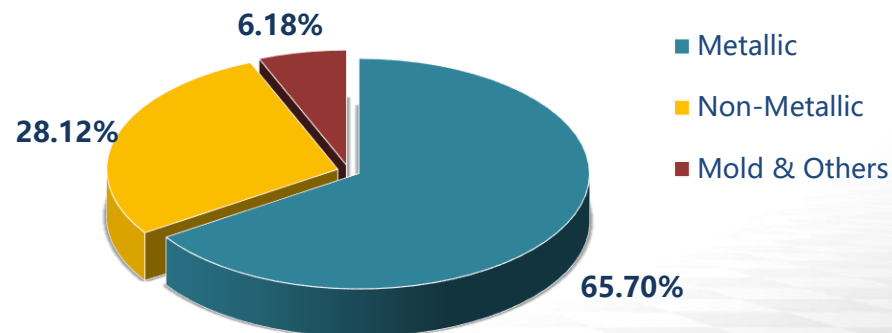
Product Ratio and Sales

*Currency: NTD1,000 / All Finance information by CPA

	Y2016			Y2017			2018Q2		
	Sales	Sales Ratio	Gross Profit Rate	Sales	Sales Ratio	Gross Profit Rate	Sales	Sales Ratio	Gross Profit Rate
Metallic	10,522,883	67.53%	21.96%	12,818,950	67.90%	21.01%	6,867,743	65.70%	14.05%
Non-Metallic	4,700,844	30.17%	20.76%	5,051,977	26.76%	21.97%	2,939,282	28.12%	22.16%
Mold & Others	358,326	2.30%	34.81%	1,008,915	5.34%	12.98%	645,860	6.18%	72.20%
Total	15,582,053	100.00%	21.89%	18,879,842	100.00%	20.84%	10,452,885	100.00%	19.93%

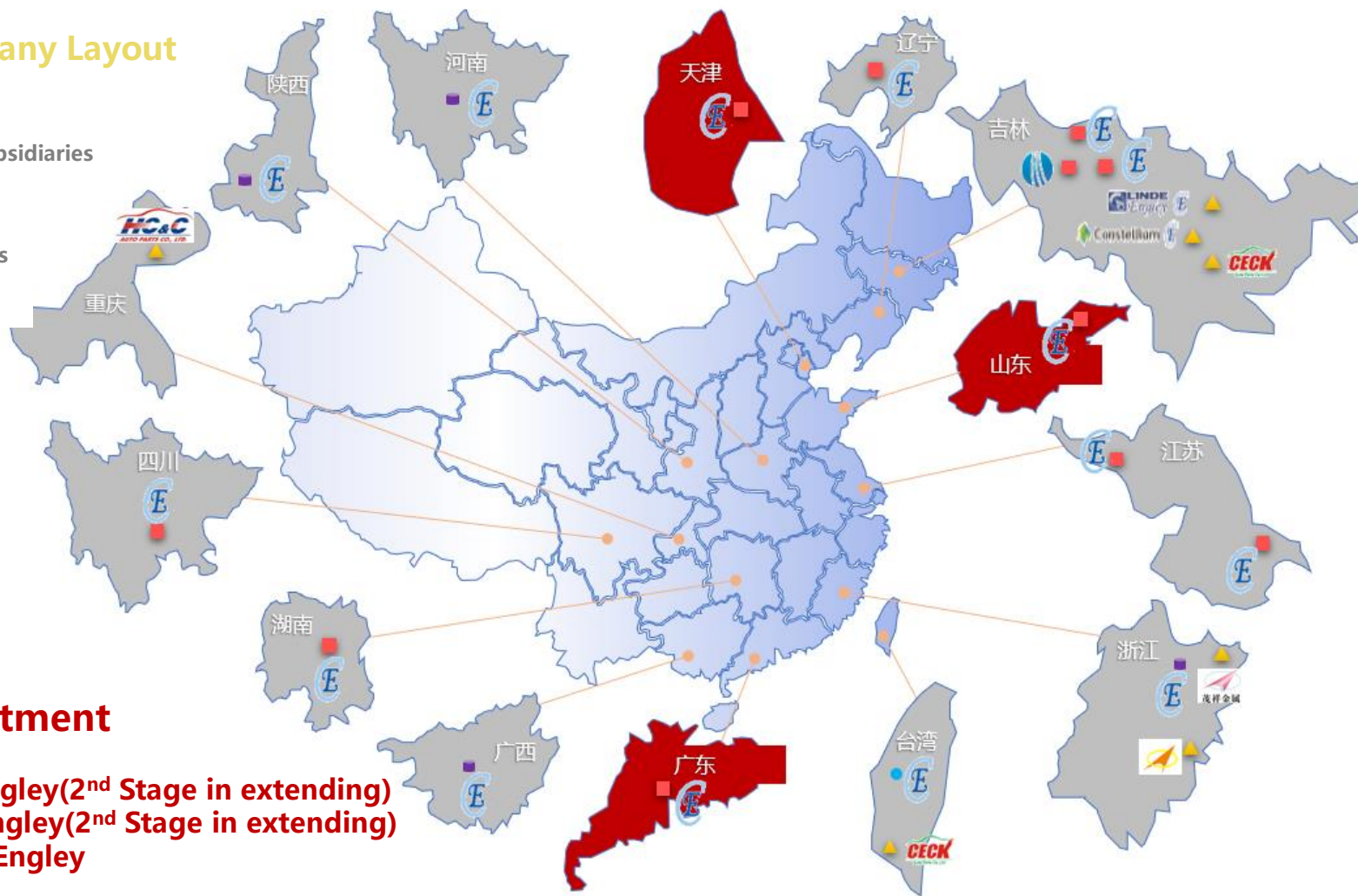
Product:

- 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



ENGLEY Company Layout

- Fully Funded Subsidiaries
- Joint Ventures
- Production Bases
- Business Offices



Recent Investment

- 2012 – Tianjin Engley(2nd Stage in extending)
- 2012 – Foshan Engley(2nd Stage in extending)
- 2016 – Qingdao Engley



Company Qingdao ENGLEY Auto Parts CO., LTD.

Set-up Time 2016

Location Qingdao City

Staff Number 286 (Till July, 2018)

Business Metallic Automobile Parts,
Non-Metallic Automobile Parts



Qingdao ENGLELY Auto Parts CO., LTD.



Area Cover: 66,700 Square Meters

Facilities: 950T-2500T Injection Molding Machine、400T-3000T Oil Pressure Stamping Machine、800T Continually Stamping Production Line、1200T-1600T Auto Stamping Production Line、Soldering and Curve Soldering Machine...

Main Business: Metallic Parts、Soldering Parts、Rolling Process Parts、CCB、Underbody Shield、Frontend...etc

Main Customer: FAW-VW





Vision-Qingdao Engley Predict Capability

By analysis FAW-VW Qingdao factory development plan and the new models production plan. Qingdao Engley rationally estimate the capability, sales qty, gross profit and net profit as below:

*Currency: NTD1,000 / All Finance information by CPA

Year	Item	Production Qty	Sales Qty	Sales Revenue	Sales Gross Profit	Net Profit
2017	Automobile Parts	0	0	0	0	(17,500)
2018	Automobile Parts	2,343	2,343	319,276	57,215	24,967
2019	Automobile Parts	9,240	9,240	1,212,960	217,363	94,854
2020	Automobile Parts	11,233	11,233	1,420,796	254,589	111,098
2021	Automobile Parts	12,807	12,807	1,560,511	279,677	122,046
Total		35,623	35,623	4,513,543	808,844	328,465



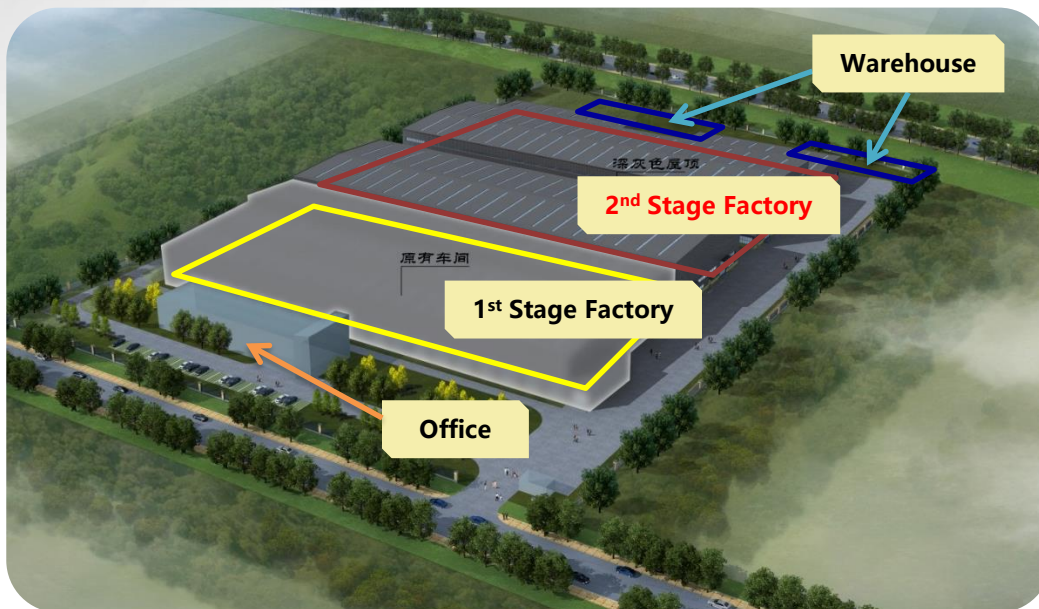
Company Tianjin ENGLE Y Manufacturing CO., LTD.

Set-up Time 2012, Start to build 2nd Stage Factory in 2017

Location Tianjin City

Staff Number 235

Business Metallic Automobile Parts、
Non-Metallic Automobile Parts



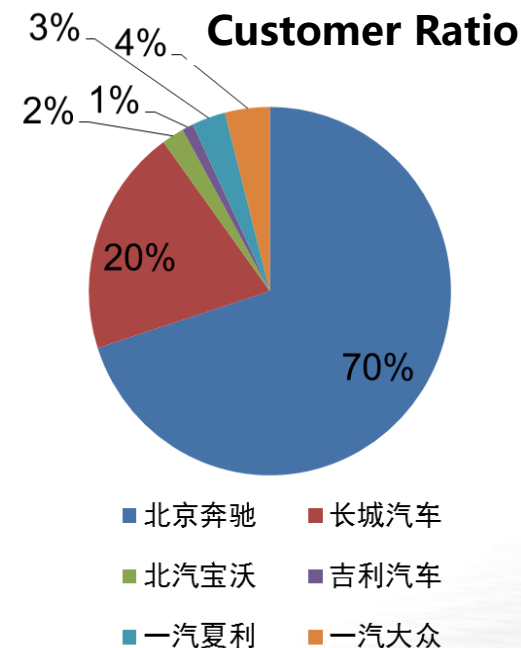
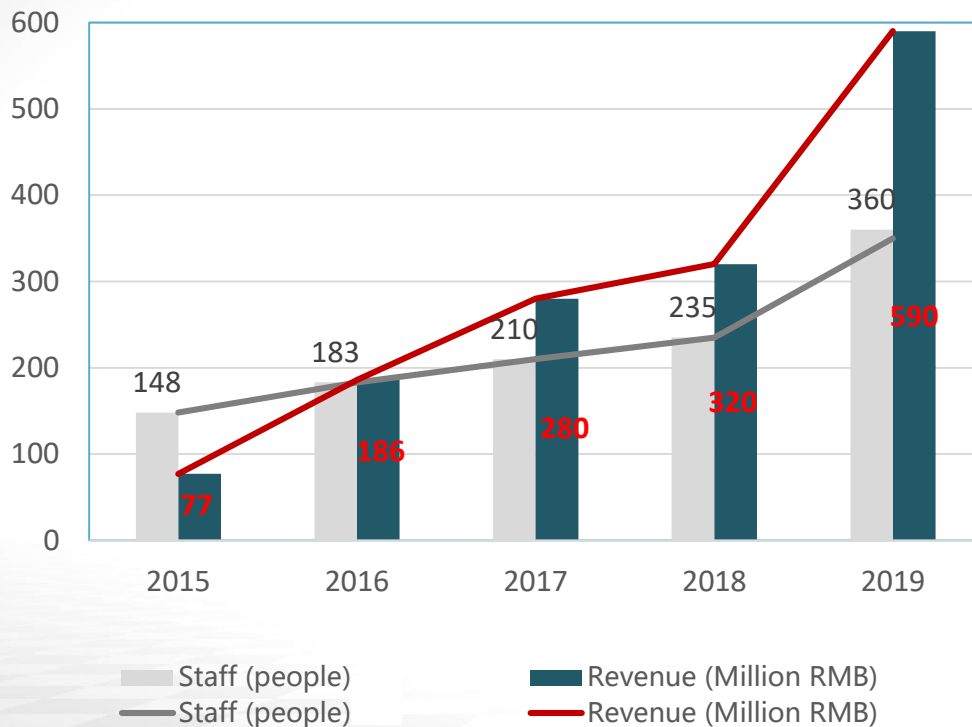
2nd Stage Factory plan to start operation in Sep. 2018

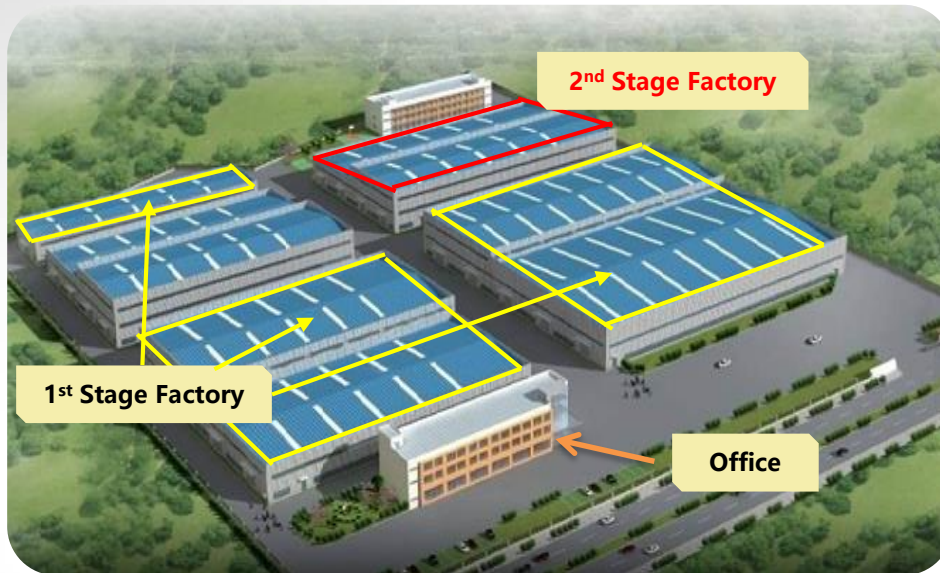
The extension of Tianjin Engley 2nd Stage Factory is because FAW-VW production center has start operation in 2018, so Engley extended Tianjin Factory's production item and capability. 2 new vehicles order has fixed, the total production amount of these 2 vehicles is predict to 25,000 to 30,000 per month.

- Area Cover:
63,511 Square Meters
- 1st Stage Factory Cover:
10,058S Square Meters
- 2nd Stage Factory Cover:
19,227 Square Meters



By the 2nd stage factory start operation, we predict Tianjin Engley sales revenue will growth rapidly in 2019. Aside from the stable order by BBAC, FAW-VW plan launch 2 new cars that will lead to Tianjin Engley capability increase largely, the customer ratio will be BBAC and FAW-VW each 40%.





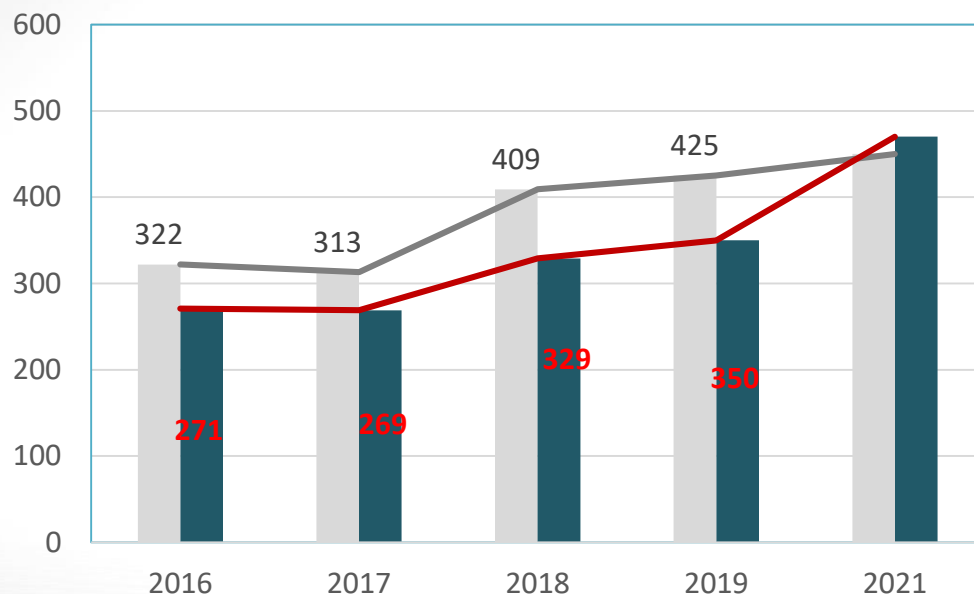
2nd Stage Factory plan to start operation in March, 2019

Company	Foshan ENGLEY Auto Parts CO., LTD.
Set-up Time	2012, Start to build 2 nd Stage Factory in 2018
Location	Foshan City
Staff Number	409
Business	Metallic Automobile Parts, Non-Metallic Automobile Parts

- Area Cover:
74,300 Square Meters
- 1st Stage Factory Cover:
21,400 Square Meters
- 2nd Stage Factory Cover:
8,796 Square Meters

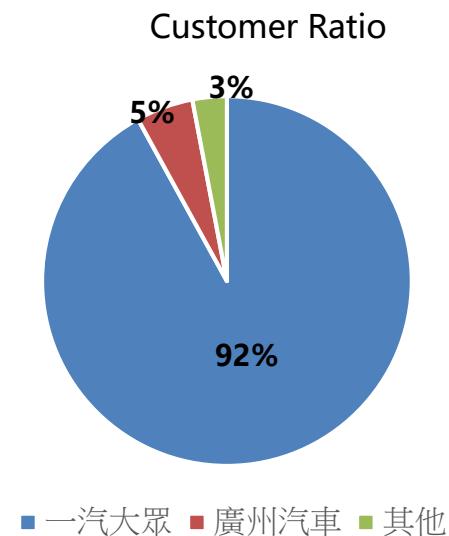


The extension of Foshan Engley 2nd Stage Factory is because FAW-VW extended Foshan production center' s capability. FAW-VW new energy vehicle projects continuously kick-off since 2018, lead to grow Foshan Engley revenue in 2021 to 2022.



Staff (people)
Staff (people)

Revenue (Million RMB)
Revenue (Million RMB)



3

Growth Point

- Customer Base Growth
- Product Line/Service Extend
- Customers in Rapid Growing-up





Customer Base Growth

Due to Engley production center founded all over China, and built R&D Team to assist our customer developing products since 2012. Our customer base growth continually in the recent years, including Joint venture high-end brand and Self-owned brand.



广汽菲克
GAC FCA



LYNK & CO



一汽-大众



上汽大众
SAIC VOLKSWAGEN



上汽通用汽车
SAIC-GM



上汽集团
SAIC MOTOR



上汽大通
MAXUS



吉利汽车
GEELY AUTO



长安汽车



长安商用



北汽集团
BAIC GROUP



广汽集团
GAG GROUP



CHERY



众泰汽车
ZOTYE AUTO



海马汽车



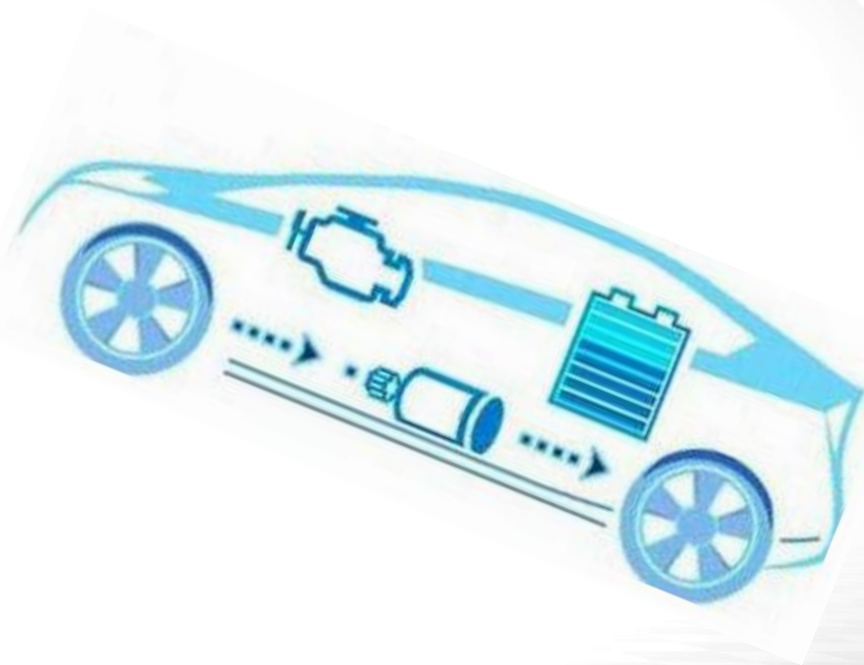
BORGWARD
宝沃汽车



Product Line/Service Extend – New Energy Vehicle Application

Due to Engley did not produce the power system component on traditional vehicle, so there is no reflection on Engley even if the traditional vehicle market decreased. Instead, Engley got much opportunity on the New Energy Vehicle market.

Engley has received the formal order to produce battery cover components, extend from original product line, and keep in researching new application we can service for our customers.





Product Line/Service Extend – New Energy Vehicle Application

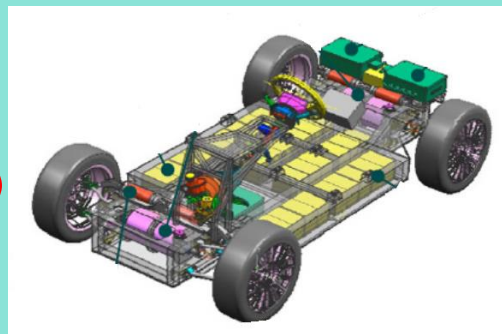
Product Opportunity

Electric Motor

- 外殼
- 啟動機絕緣
- 電刷支架
- ...

Battery

- 陰極材料
- 電解液
- 電池周邊設備
- 外殼
- ...



Electrical Application

- ECU
- 連接器
- 感測器
- 線纜
- ...

Lightweight

- 金屬材料的替代
- 多種材料集成系統
- ...

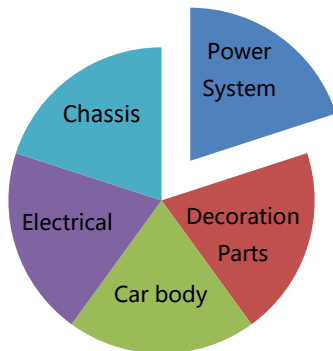
Heat Management

- 電池包
- 乘員艙
- ...

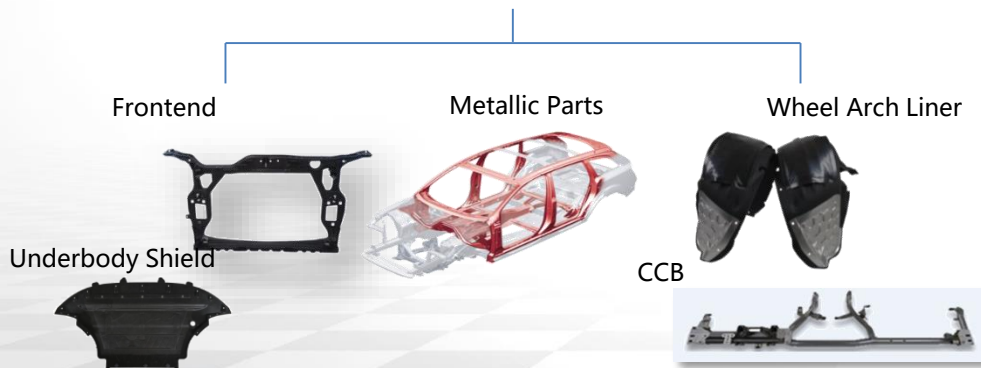


Product Line/Service Extend – New Energy Vehicle Application

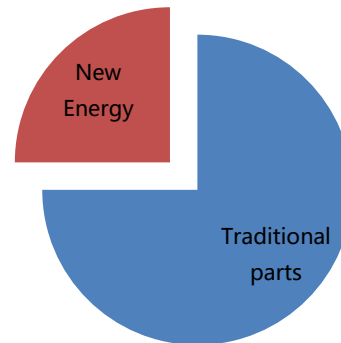
Traditional Vehicle Structure



Traditional Vehicle Items



New Energy Vehicle Structure



New Items Gained on the New Energy Vehicle Field



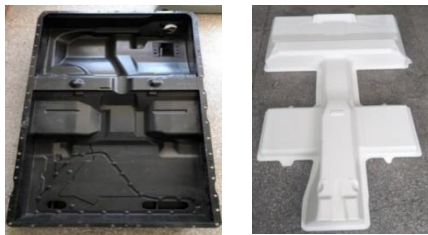


Product Line/Service Extend – New Energy Vehicle Application

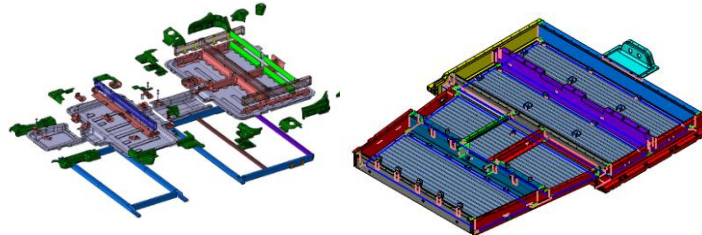
Battery Cover

Battery Cover is located on the bottom of the new energy car battery, to protect battery avoid damage when collision happened. The traditional battery cover using steel and aluminum, currently, Battery cover material consist by **Fiberglass compound, SMC, Carbon fiber compound material**, having much choice of the lightweight material.

Upper Cover



Lower Cover



Engley Strengths Point

1. Capable of new product design and **CAE virtual design**
2. Steel and Aluminum **lightweight** production process technology
3. **AL Alloy and new compound type material** lightweight production technology
4. **Comprehensive production process** including Injection molding, compound type material stamping, metallic stamping

Sales Development

1. Items in developing including the battery upper cover of **FAW-VW Bora BEV**, battery lower cover of **Volvo V331**
2. Active in sales promote, like **安新能源、吉利新能源、比亚迪新能源、广汽新能源、奇瑞新能源、北汽新能源、及新势力小鹏、威马、奇点、正道、领跑科技、蔚来。**



Product Line/Service Extend – New Energy Vehicle Application

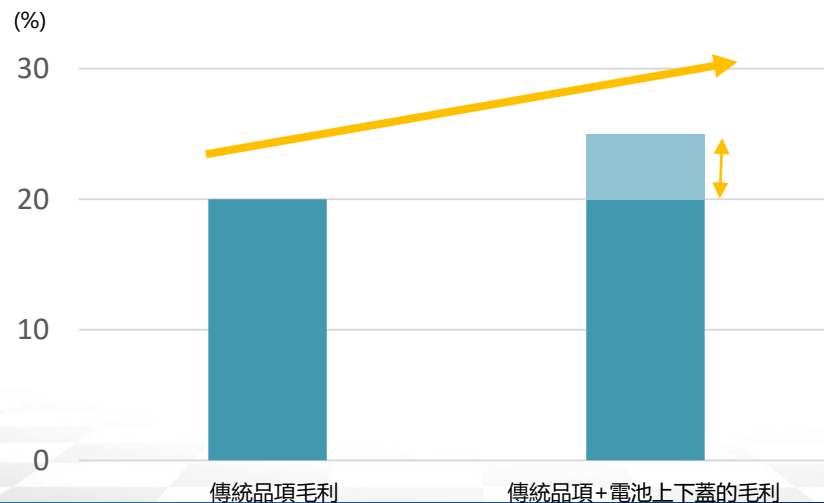
Gain Gross Profit on New Energy Vehicle Items

Items in traditional vehicle: Frontend, CCB, Metallic parts, Wheel arch liner, Underbody shield, Battery tray, Spare wheel pan

Extra new items in new energy vehicle: Battery under cover, Battery upper cover

The average gross profit rate in traditional vehicle is around **20%**, however, because of the new item battery under/upper cover materials are consist of Aluminum Alloy and Fiberglass. The gross profit rate of AL Alloy and New compound type materials are much higher, the gross profit rate will reach **30%~35%**.

The volume of the two new items are big, so the sales amount also increase, the sales amount of the new item equals the sum of several traditional items. During the growth of new energy vehicle market in China, the product ratio of AL Alloy and new compound type materials will be grown also.





Customers in Rapid Growing-up

The first half year of China market vehicle sales quantity is 14,066 thousand, **YoY grows 5.57%**, the performance is higher than the estimation of the begin of this year.

Many Engley main customers growth rate **higher** than the market average, lead to increase Engley sales rapidly.



2018, Q1+Q2
Sales : 979,700
YoY : 8.8%



2018, Q1+Q2
Sales : 250,000
(Domestic Production)
YoY : 17%



2018, Q1+Q2
Sales : 61,500
YoY : 18.4%



吉利汽车
GEELY AUTO

2018, Q1+Q2
Sales : 766,600
YoY: 44.35%

4

Distribution on New Energy Vehicle

- New Energy Vehicle Trend
- Our strength Point
- Active on the Market
- Sales Contribution





New Energy Vehicle Trend – Global Market

1

Governments in many countries announce the timeline forbids selling fuel vehicle, for pushing the New Energy Vehicle development

2

Automotive makers prospect New Energy Vehicle 's vision, and announce their development blueprint continually.

3

Automotive makers have invest New Energy Vehicle over 90 billion US dollar

4

New Energy Vehicle global sale 1.22 million cars in 2017, YoY 58%



New Energy Vehicle Trend – Global Market

Timeline to Forbid selling traditional/fuel vehicle

China	Germany	UK	India	The Netherlands	France
• Planning	• 2030	• 2040	• 2030	• 2025	• 2040



New Energy Vehicle Trend – China Market

The Biggest Market in the World

- 1
New Energy Vehicle
China sale 0.77
million cars in 2017,
YoY 53.3%, **sales
number over 50% of
the global
proportion**
- 2
China New Energy
Vehicle sales
number is **No. 1 in
the world since 2015
to 2017**
- 3
According to the
plan by most
Automotive maker,
New Energy Vehicle
production will
reach 12% of all
vehicles in 2020

Government policy push New Energy Vehicle' s development

【 Parallel management of
average fuel consumption and
new energy vehicle integration
for passenger car enterprises 】

【 List of new energy vehicle
models exempt from vehicle
purchase tax 】



New Energy Vehicle Trend – China Market

【 Parallel management of average fuel consumption and new energy vehicle integration for passenger car enterprises 】



New Energy Vehicle Trend – China Market

国内新能源汽车企业战略规划情况

典型企业名称		新能源汽车战略目标
五大汽车集团	上汽集团	到2020年投资超过200亿元，投放30款以上全新产品，力争达到60万销量目标
	一汽集团	到2020年实现6个新能源整车平台、16款车型全系列产业化准备，市场份额 15%以上
	长安汽车	到2025 年投入180 亿元，推出 34 款产品，累计销量达到200 万辆
	北汽集团	到2020年北汽新能源年销量达到20万辆，市场占有率超过 15%
	广汽集团	到2020年自主与合资新能源车产能规模突破20万辆
其它自主品牌集团	吉利汽车	到2020年，新能源销量占整体销量90%以上（插电混和油电混占65%，纯电占35%）
	奇瑞汽车	到2020年，每年一款新车，实现20万销售规模
	江淮汽车	到 2025年，新能源汽车在江汽规划的 100 万产销量目标中占据 30%以上比重



Strengths Point – Lightweight Material

The difference between Traditional Vehicle and New Energy Vehicle

Traditional Vehicle

Power by internal-combustion engine, the install location limited

Power system material almost using iron or AL Alloy, heavy

Body structure material almost using steel and plastic

The number of the component is huge

New Energy Vehicle

Power by battery, the install location much free.

Power system material using **Lightweight material and structure**

Body structure material using **Lightweight material and technology**

Modularized battery decreased the component number



Strengths Point – Lightweight Material



Strengthen in material development, new compound type material like Aluminum Alloy and Fiberglass...etc, supply customer Lightweight solution

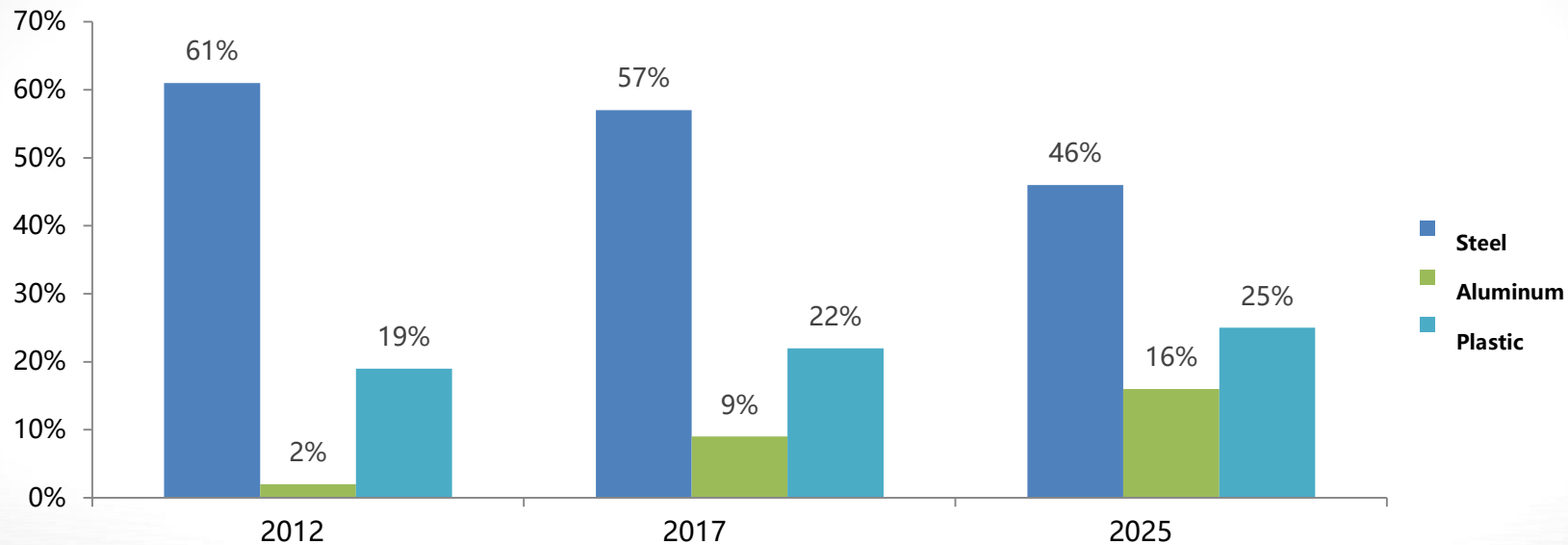
Advanced production process support cover metallic, non-metallic and new compound type materials

Focusing on Lightweight solution during several years, by R&D research and invest on the related technology company to achieve the key technology



Strengths Point – Lightweight Material

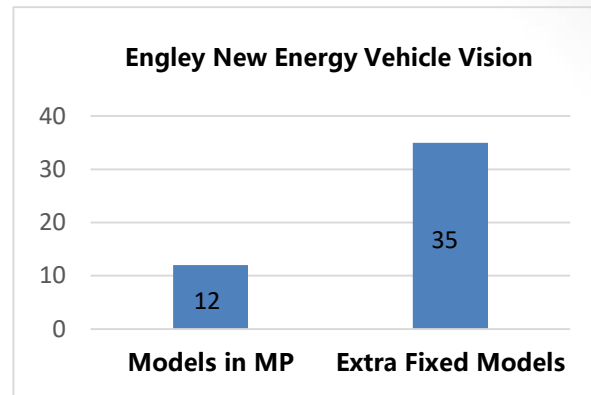
The product ratio between Metallic and New Compound Type Material in Engley





Active on the Market

- 12 New Energy Vehicle models has been in mass production
- Extra 35 New Energy Vehicle models has fixed order, they will enter mass production phase between 2018 to 2021.



Cooperate with new rising automotive maker ~Ex: NEXTEV



NEXTEV made a deal with JAC in the middle of 2016, NEXTEV design and develop cars, JAC is in charge on the production.

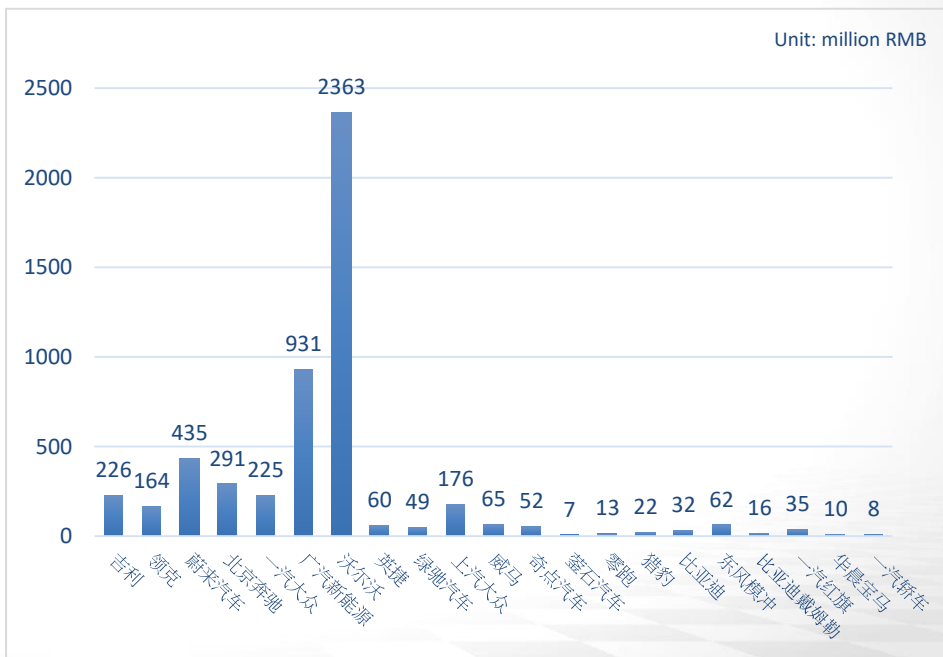
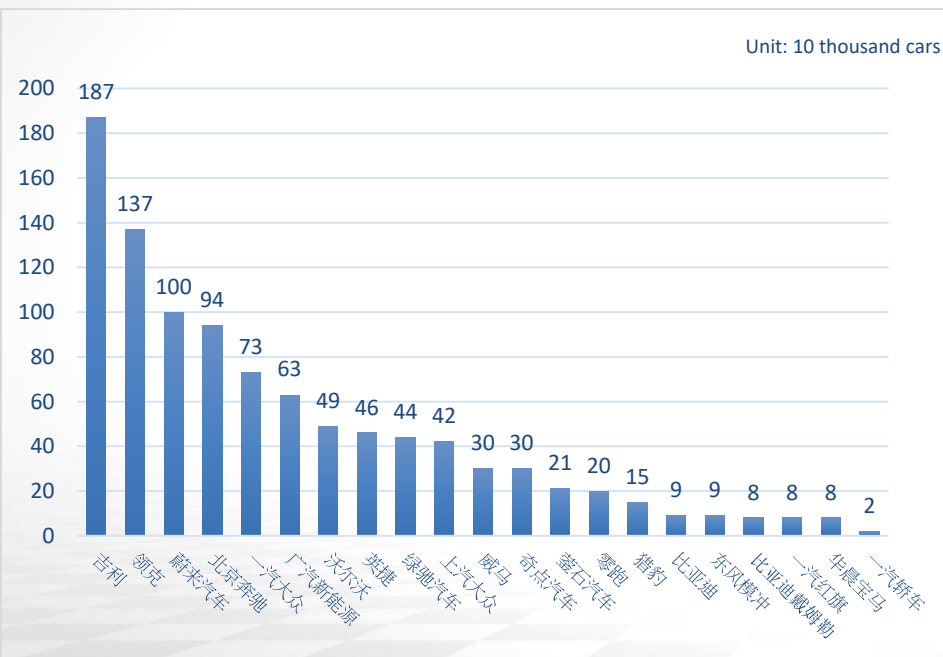
Engley already received two SUV models order from NEXTEV, one model still in developing stage, another one just launched in the market.

Two models both have eight parts each supply by Engley, will generate 400 million RMB within the next 5 years. And Engley is keep in deal with NEXTEV to get the new items actively.



Sales Contribution – Fixed Orders and Revenues

- Main Customers: Volvo, FAW-VW, NEXTEV...etc. Engley supply for almost new energy vehicle markers all over China, including the entire series models of FAW-VW.
- Total car amount within the production life time currently: 9,960,000.





Thank you!