

Tex Year Industries Inc. Stock Code 4720 2021 Investor Conference



Reporter: Donald Hsiao (Chairman & CEO)
September 28th, 2021

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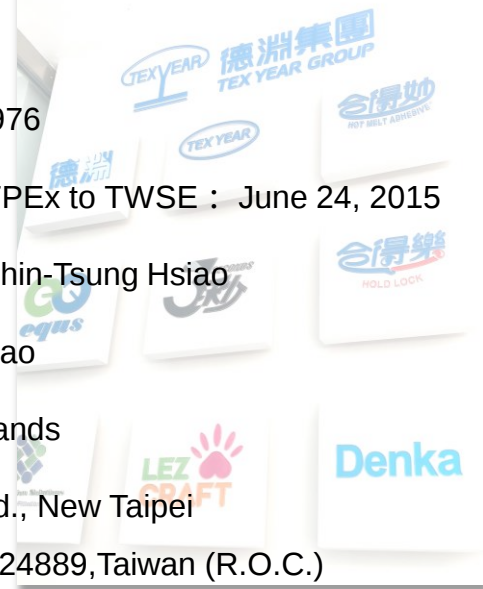
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Company Profile

Tex Year Industries Inc.

- ◆ Stock Code : 4720
- ◆ Established Date : June 28, 1976
- ◆ Date of Listed Company From TPEX to TWSE : June 24, 2015
- ◆ Founder : Shih-Kuang Lue 、 Chin-Tsung Hsiao
- ◆ Chairman & CEO : Donald Hsiao
- ◆ Capital : NTD \$ 979,179 thousands
- ◆ Address : No.9, Wuquan 6th Rd., New Taipei Industrial Park, New Taipei City 24889,Taiwan (R.O.C.)

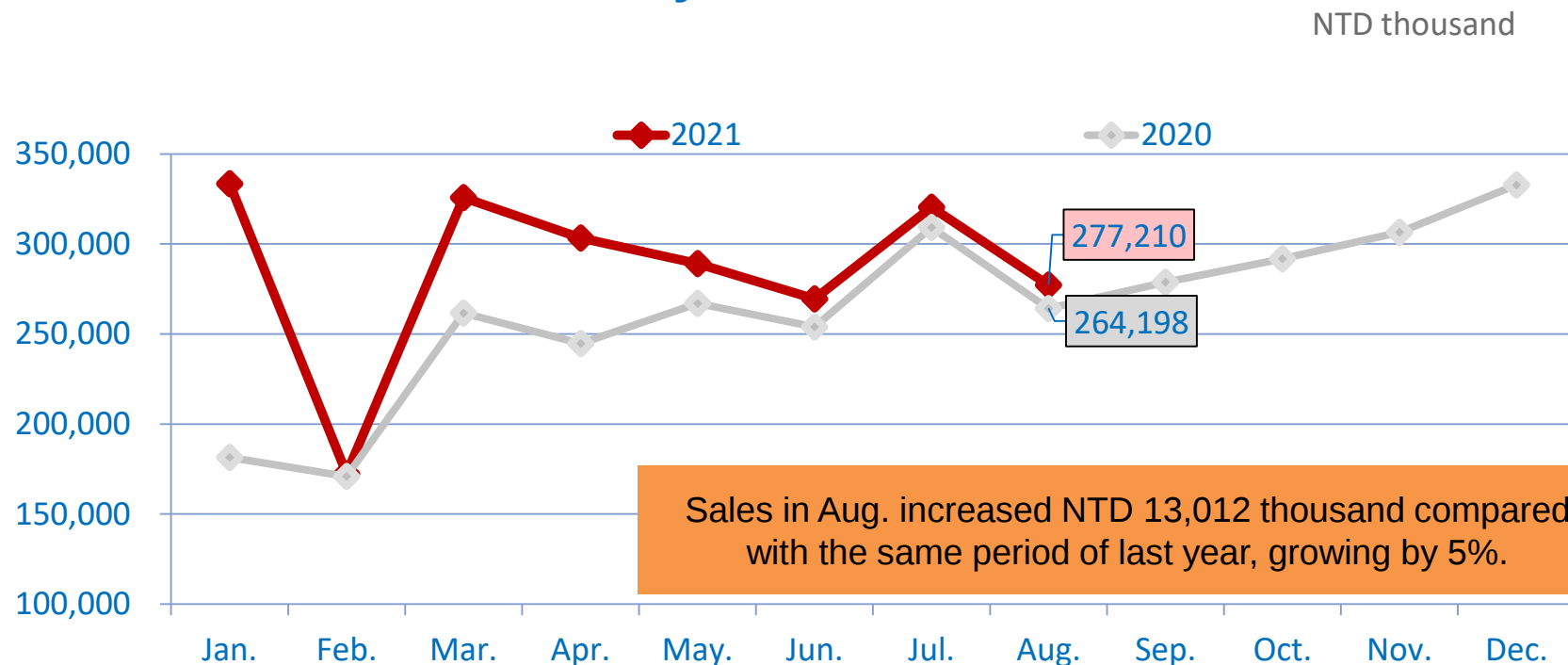


Global Deployment

6 R&D Centers 9 Factories 90+ Distributing Over 90 Countries



Jan.-Aug., 2021 Consolidated Sales- By Month



Jan.-Aug., 2021

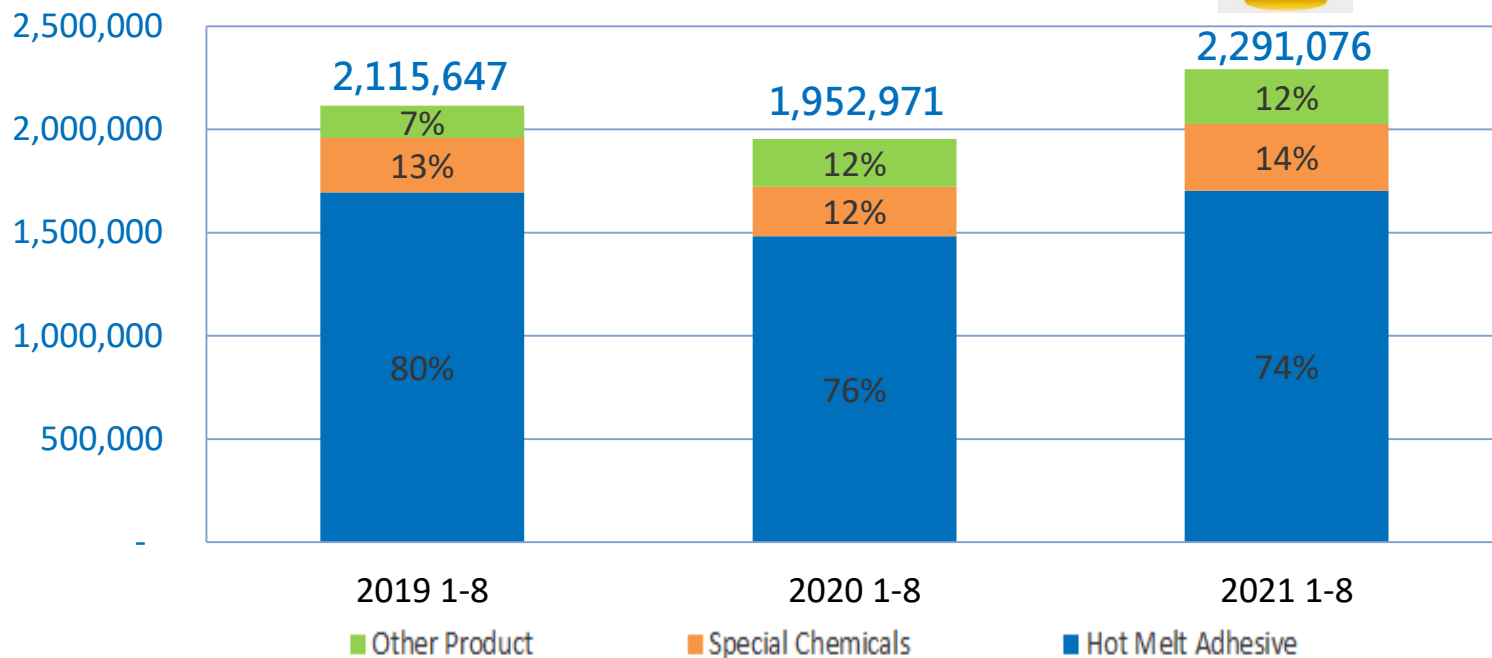
Consolidated Sales-By Product

德淵企業

4720

NTD thousand

Accu. Sales Increased NTD 338,105 thousand, growing by 17%



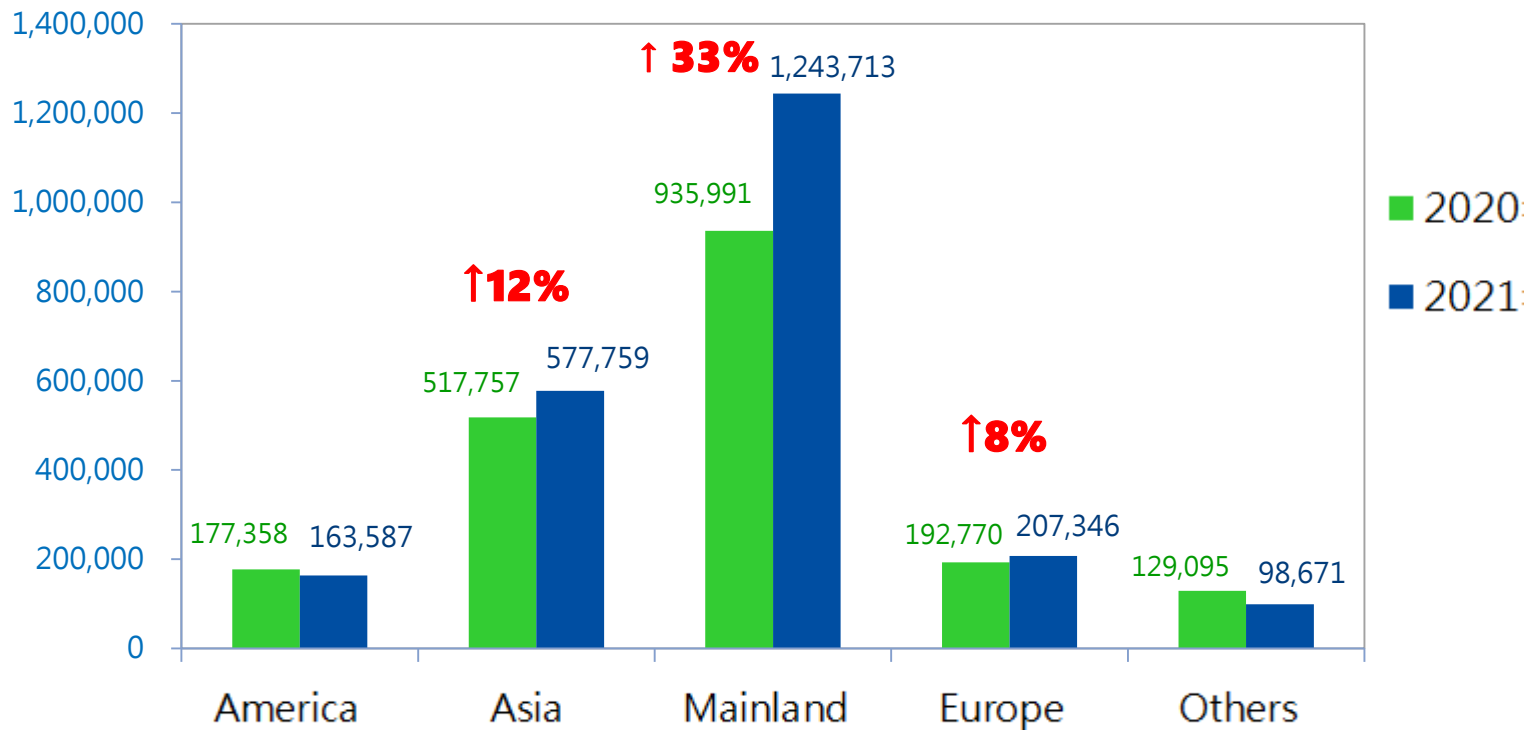
Jan.-Aug., 2021

Consolidated Sales- By Region

德淵企業

4720

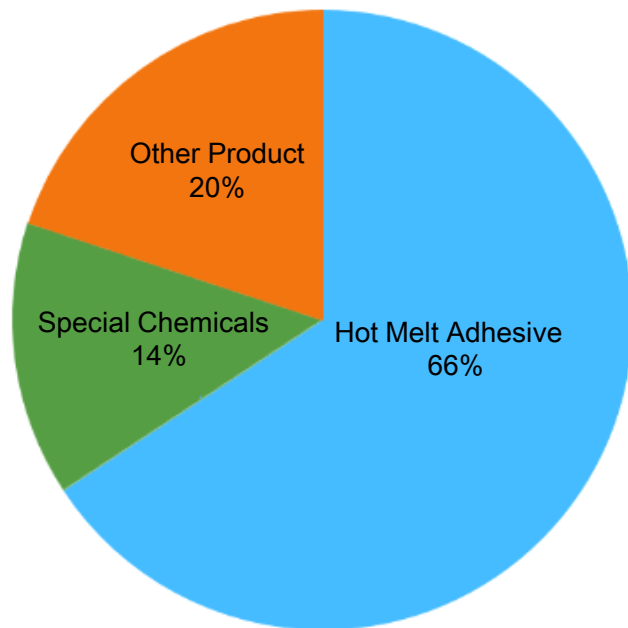
NTD thousand



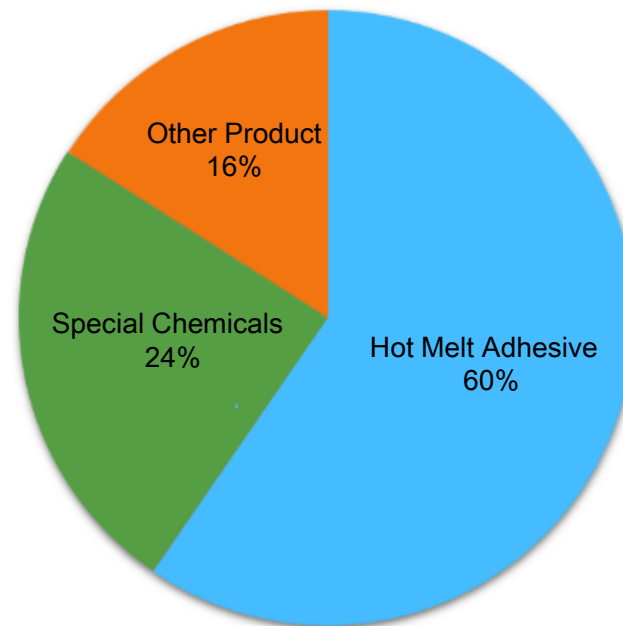
Jan.-Aug., 2021

Consolidated Profit -By Product

2020



2021



Specialty Chemical Applications



Jan.-Jun., 2021 Accumulated Consolidated Profit And Loss

NTD thousand except for EPS

Item	2020/1-6	2021/1-6	Like-for-like Growth Rate
Consolidated Sales	1,379,607	1,693,455	23%
Operating Profit	32,697	21,908	-33%
Profit attributable to owners of parent	5,801	8,694	50%
EPS	0.07	0.09	29%

Reviewed by Deloitte

Our ESG Commitments And Actions

ESG: Environmental, Social and Corporate Governance



Green Procurement

Providing non- SVHC materials banned by REACH; complying with EU RoHS



Corporate Governance

Protecting Shareholder Rights and Interests and Treating Shareholders Equitably
Enhancing Board Composition and Operation
Increasing Information Transparency
Putting Corporate Social Responsibility into Practice



Employee Care

Free health check & Recreational activities for employees
Provide anti-epidemic insurance



**6th TAIWAN
MITTELSTAND AWARD**



Social Responsibilities

2021

Blood donation jointly held by TEX YEAR Social Welfare Promotional Association & New Taipei Industrial Park; 132 bags of blood donated



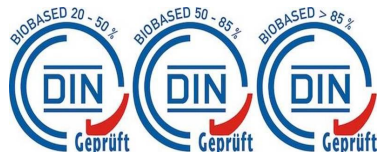
許諾企業
HQ

【CHR: Corporate Health Responsibility】
2020 Declaration of Devotion



Compostable Certification

Expected to obtain in December



Bio-Based Certification

BIO DIN (50-85%、>85%)
BIO DIN (20-50%)

20%-50% Expected to obtain at the end of September



International Certificate

ISO 9001、ISO 14001
ISO 45001、ISO 50001
ISO 13485



Green Building

Tex Year Jiangsu Plant
2-star Green Building Label

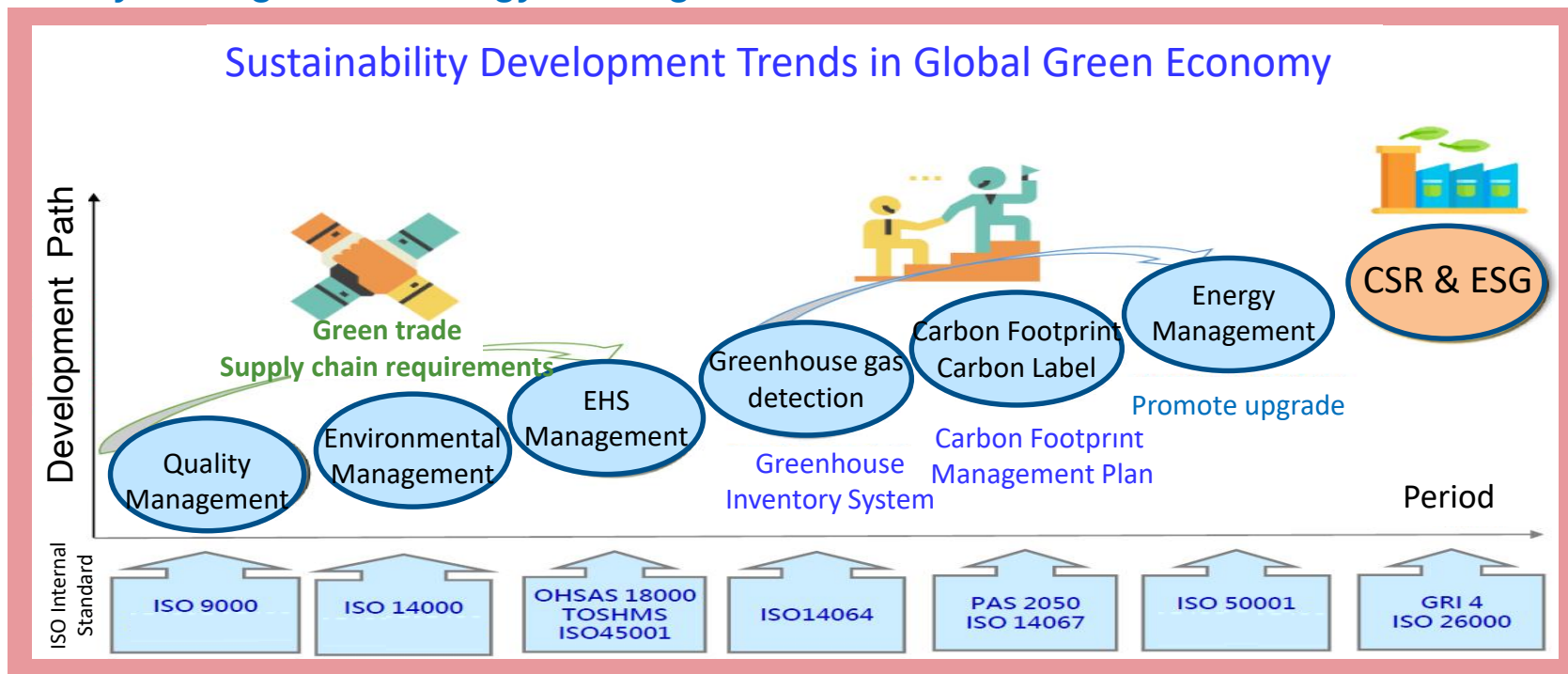


Green Product

China Environmental Label
Certificate of China
Environmental Products

Our Greenhouse Gas Inventory & Carbon Footprint Management Plan

Tex Year declares the environmental sustainability goal in climate change and actively strengthens Energy-Saving and Carbon Reduction.

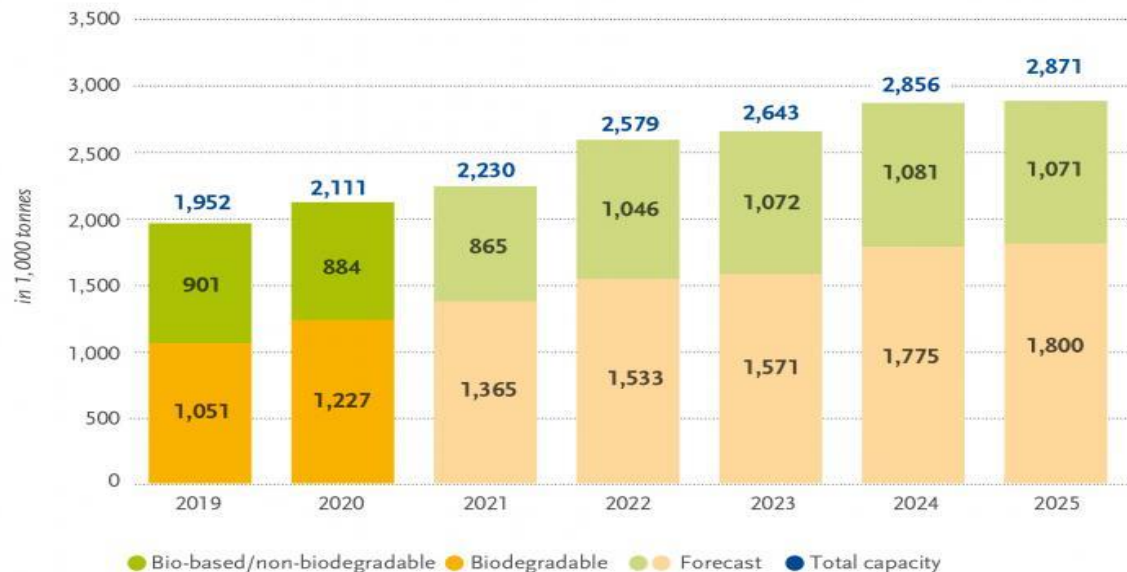


83% of the water sources are contaminated by plastic pollution. Even the sea turtles cannot distinguish their foods from plastic bags.



Global Production Capacities Of Bioplastics

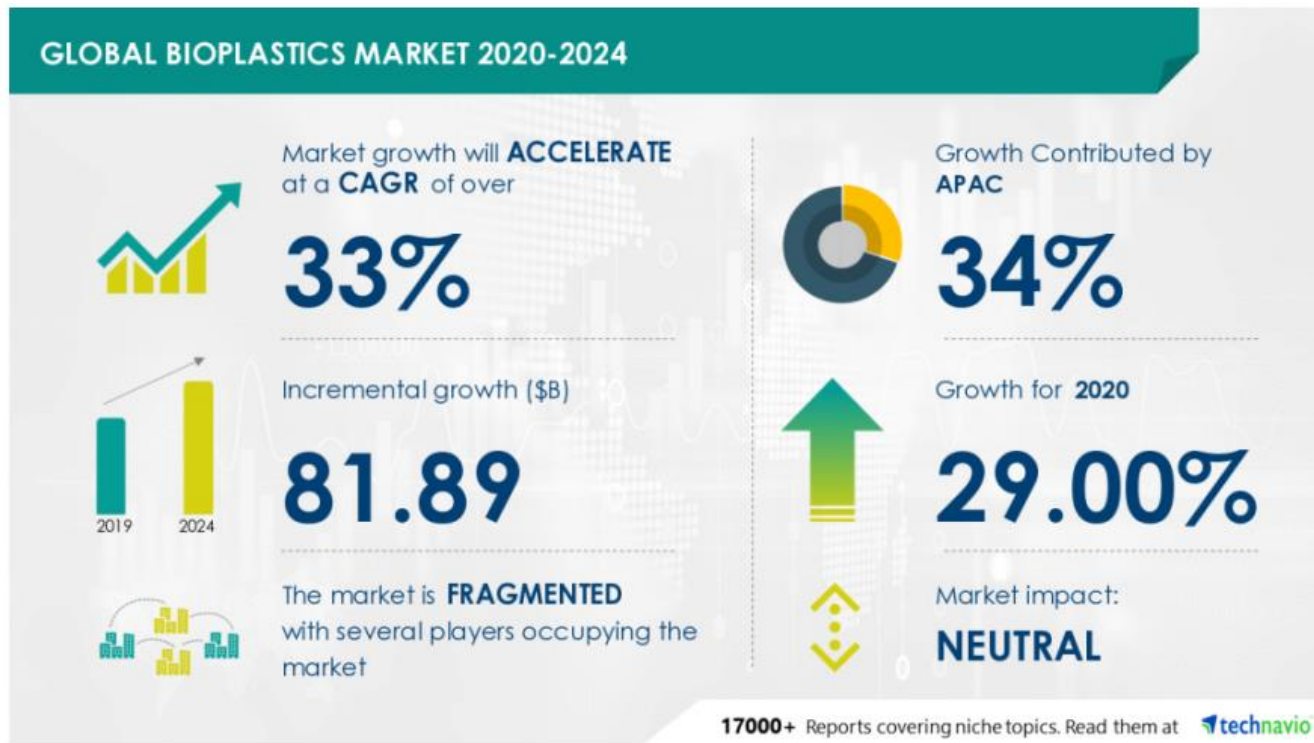
Global production capacities of bioplastics



Source: European Bioplastics, nova-Institute (2020)

More information: www.european-bioplastics.org/market and www.bio-based.eu/markets

Global Bioplastics Market



TEX YEAR & Green Economy

HMA
Din Certco
Certification
Leading
Manufacturer

Alkaline water
de-labeling
Green-Adhesive
Technology
Global
Exclusivity

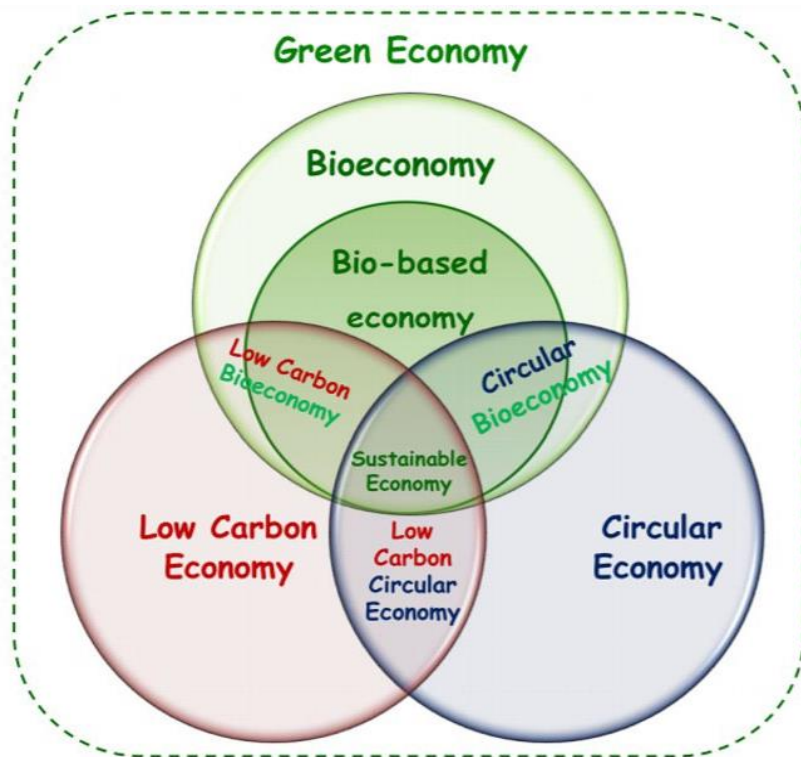


Fig. 1 Venn diagram depicting various economies in green economy (adapted from Kardung and Wessler 2019)

Bio-Economy Solutions

Bio-Based Hot Melt Adhesives

20%-50% Expected to obtain at the end of September



Bio Degradable & Compostable

** Expected to obtain in December **



Bio Degradable + Bio-Based



Our Mission

Tex Year has always been concerned about the global green issues for more than 40 years, and always takes environmental protection as the primary consideration. At the same time, from our own point of view, we solve the problem of glue for our products and create a good living environment together.

Adhesive Applications

Diapers / Hygiene / Food And Beverage Packaging/ DIY Consumer Adhesive / Mattress & Furniture

Other Applications

First in Asia

Germany Din Certco Certified

"Biobased"

Glue Stick



TEX YEAR GROUP

Strengths and Features

- ✓ Improve resource cycling
- ✓ Carbon footprint reduction
- ✓ Working toward zero-emissions



Biobased Hot Melt Adhesive

📍 Features

1. Sourced from natural plants.
2. Properties are fully reproducible for general petrochemicals.

📍 Advantages

1. Lower energy consumption than petroleum plastics for raw material generation, low CO₂e value.
2. Recycled low-carbon materials can reduce global resource depletion and climate warming °

📍 Benefits

1. The carbon footprint of biomass plastics is about 1/2 that of petroleum-based plastics.
2. It helps factories to reduce carbon emissions and increase future tender opportunities.

Biobased hot melt glues have a technical threshold of >50%.

P.S. Regulations vary from country to country, but there is a trend to prioritize low-carbon labeled products in future national labeling programs. Consumers will be encouraged to purchase low-carbon labeled products with corresponding policies. 🔊 **Latest Status: Available in mass production**



Biodegradable/Compostable Certification Hot Melt Adhesive

📍 Features

1. Biodegradable & Compostable
2. Complies with ASTM D6400 heavy metal test.
3. Can pass toxicity test. (Toxic growth test)

📍 Advantages

1. It can be decomposed into $\text{CO}_2 + \text{H}_2\text{O}$ by microorganism in sufficient oxygen and humidity environment.
2. High safety, no heavy metal added.

📍 Benefits

1. The waste can be composted, which reduces energy consumption compared to incineration.
2. The CO_2 produced by composting can be used by plants to form photosynthesis, creating a carbon cycle economy.
3. No heavy metal added, other toxic substances are not produced during incineration.

1. Biodegradable HMA, due to the polymer changes its existing physical properties change significantly with it. **Highly difficult to design formulas**, especially in hot melt pressure sensitive products.
2. Undergoing Compostable Certification, and **in the process of testing with the world's leading manufacturers.**



Circular Economy Solutions

Alkaline water de-labeling HMA

PET bottles/plastic bottles are automatically de-labeled after recycling, and the bottles can be collected automatically and enter the Recycle regeneration cycle.

1



2

Adhesive and easy to disassemble HMA

Because of the nature of the adhesive, electronic parts can be easily disassembled at the end and enter the Recycle cycle.

3

Innofusion™ compatible with PP non-woven

These materials, such as mattresses and glue, are recycled together, eliminating the need for time-consuming separation processes.



Alkaline Water Delabeling Product Features, Advantages And Benefits

📍 Features

1. The viscosity can be reduced rapidly in alkaline water.
2. 100% solid content
3. High adhesion strength to HDPE.

📍 Advantages

1. Automatic de-labeling in alkaline water.
2. Non solvent base
3. Not easy to warp

📍 Benefits

1. Easy recycling
2. Simple operations
3. Environmental
4. The best choice of labels for recyclable bottles.

🔊 Latest Status:

International customers are nearing completion of validation!



Adhesive And Easy To Disassemble HMA

Features

1. 100% Solid Content
2. Outstanding thermal stability °
3. Excellent adhesion
performance for glass and
industrial plastic materials.
4. High cohesion and ductility.

Advantages

1. No solvents, low organic volatile substances.
2. Less carbons under permanent heating.
3. Excellent performance and ductility, so it is suitable for curved surface lamination.
4. High cohesion, suitable for heavy-duty applications.

Benefits

1. Low odor, low volatile matter, good processing environment.
2. Excellent thermal stability also reduces the number of care cycles by about 1/4.
3. It can make electronic products easy to disassemble and enter the circular economy.

 Latest Status: **International customers have been adopting.**

Innofusion Homogeneous Hot Melt Adhesive

Features

1. MPO based HMA
Compared to EVA, it has low density & good thermal stability.
2. Same material as the object being applied.

Advantages

1. Reduce the consumption of hot melt adhesive.
2. Excellent thermal stability with low VOC and low odor.

Benefits

1. Low odor, good processing environment.
2. The adhesive is same with the material being applied, which can promote recycling.



Latest Status:

International customers have been adopting.



Low Carbon Economy Solutions

A low-carbon economy allows greenhouse gas levels in the atmosphere to stabilize at an appropriate level, avoiding drastic climate change and reducing the chance that severe weather will cause harm to humans.

■ Hot melt glue and water glue instead of solvent glue

Hot melt and water glue are more environmental friendly

■ UV glue can realize "second" production

Dramatically increase the automation capacity, low energy consumption, realize the electronic factory lights off factory, energy saving and low carbon



Green Economy Solutions

Completely solvent-free adhesives

Hot melt glue, water-based glue instead of solvent glue



Completely solvent-free adhesives

- UV adhesive instead of adhesive tape release paper & solvent adhesive
- VOC microvolatile hot melt adhesive is more environmental friendly

Exclusive low odor

HMA, SGA solder glue



Snap Pack

- Substitute package material and reduce package material cost
- Reduce Garbage



Halogen-free flame-resistant hot melt adhesive

Reduced environmental impact

Electronic Grade UV Hardened Pressure Sensitive Adhesive

Features

1. 100% solids.
2. UV fast curing.
3. Low temperature application.
4. High temperature and chemical stability.
5. Liquid adhesive.

Advantages

1. Reduce VOC emissions.
2. Increase production rates.
3. Cures on heat sensitive substrates.
4. Higher heat and water resistance.
5. Suitable for automated dispensing processes.

Benefits

1. Contribute to Industry 4.0, which is expected to achieve no manual factory.
2. Can replace adhesive tape for narrow edge and thin edge application.
3. Automatic dispensing, no shape limitation.

 Latest Status: **International customers have been adopting.**

Electronic Grade UV Hardening Masking Adhesive

Features

1. 100% solids.
2. UV fast curing.
3. Masking gel.
4. Good reworkability.
5. Liquid adhesive.

Advantages

1. Reduces VOC emissions.
2. Fast UV curing.
3. Dark UV adhesive with shading function.
4. Reduce the waste of defective product repair.
5. Suitable for automated dispensing process.

Benefits

1. Contribute to Industry 4.0, which is expected to achieve no manual factory.
2. Can replace adhesive tape for narrow edge and thin edge application.
3. Automatic dispensing, no shape limitation.

 Latest Status: **International customers have been adopting.**

Halogen-free Flame-Resistant Hot Melt Adhesive For Electrical Appliances

📍 Features

1. Good flame retardant effect.
2. Good heat resistance.
3. No heavy metals and high concern substances.
4. No halogen added.
5. High volumetric impedance coefficient, high
6. High dielectric constant.

📍 Advantages

1. UL 94 V-0 certified.
2. Can meet customers' high temperature requirements.
3. Comply with RoHS 2.0 and REACH requirements.
4. Environmentally friendly products, in line with future environmental trends.
5. Excellent electrical characteristics.

📍 Benefits

1. Fireproof, high safety.
2. Meets the requirements for electrical appliances.
3. Harmless to human body.
4. Healthy & environmental friendly.
5. Good insulating property.
6. Can be used with various hole diameter glue guns.



Latest Status: International customers have been adopting.



Water-Based Pressure Sensitive Adhesive WBPSA

Features

1. Water-based system, solvent-free.
2. Low volatile organic substances.
3. Flexible functional design.

Advantages

1. Safe and environmental friendly low carbon products.
2. High speed production.
3. Wide range of application.

Benefits

1. Friendly to process operators and the environment.
2. Reduces operating costs.
3. Covers a wide range of durable and temporary fixing applications.

 Latest Status: **Available in mass production**

核心技術能力

Core technical capabilities







We Bond to Your Needs!



Website



LinkedIn



WeChat

