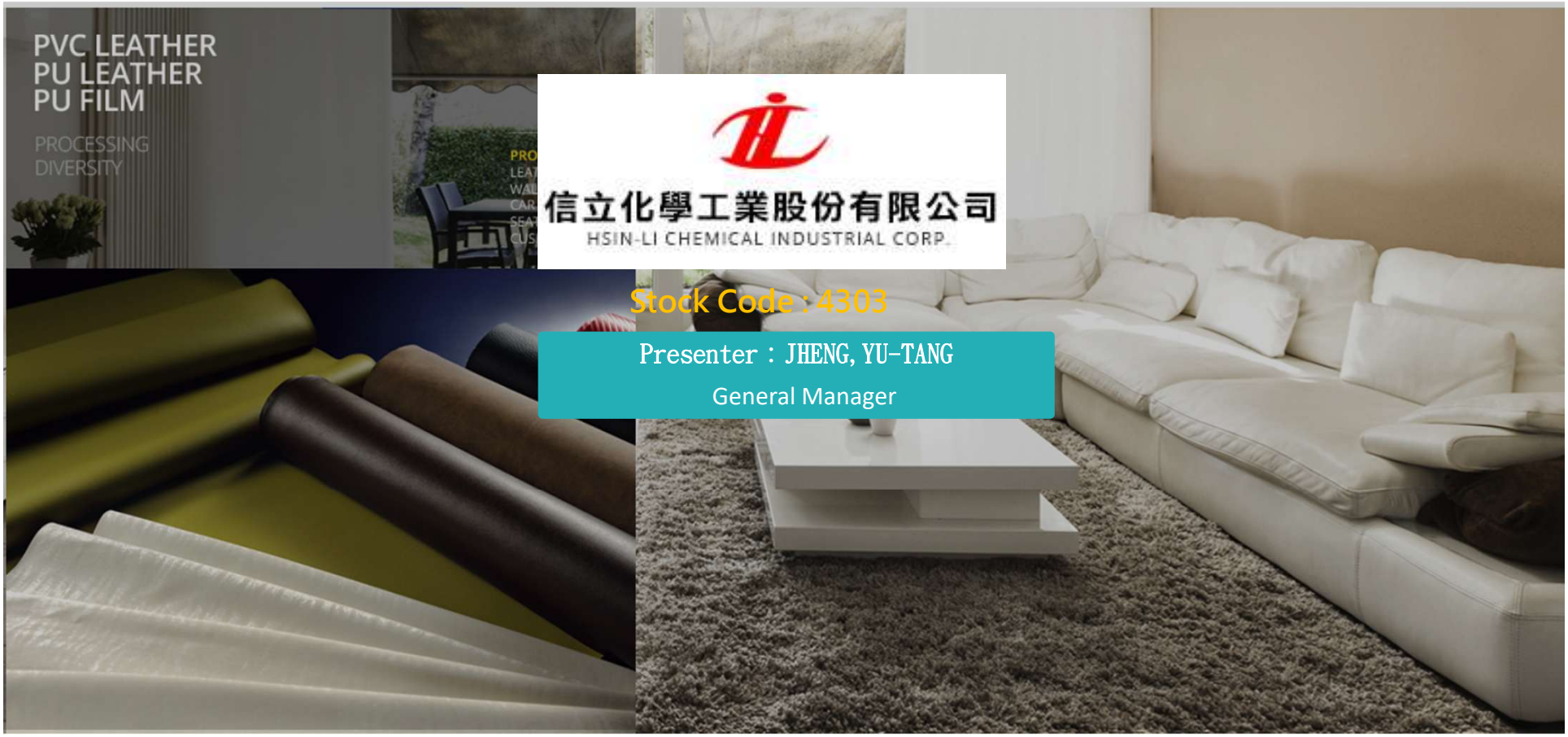


信立化學工業股份有限公司

HSIN-LI CHEMICAL INDUSTRIAL CORP.

Stock Code : 4303

Presenter : JHENG, YU-TANG

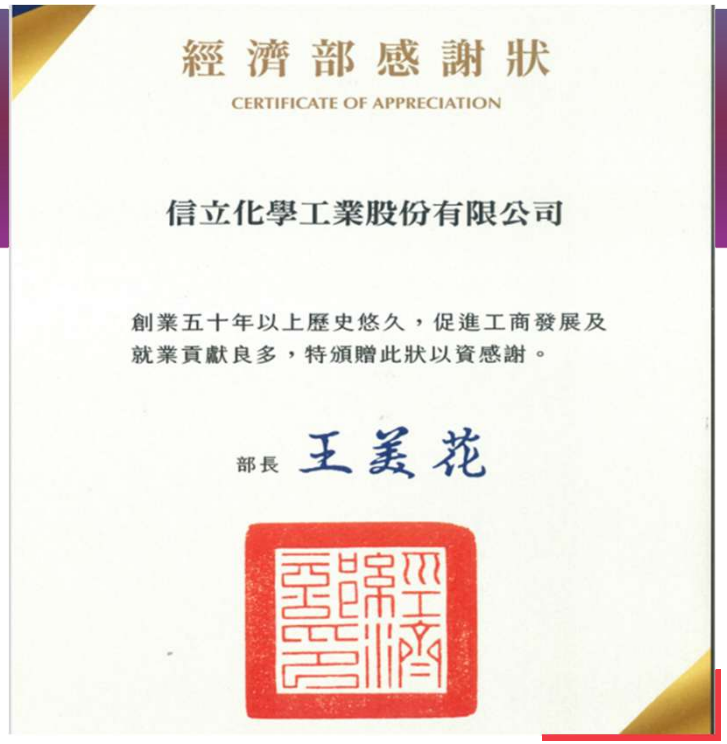
General Manager

Disclaimer

Hsinli’ s statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.

Expect s required by law, we undertake no obligation to update and forward-looking statement, whether as a result of new information, future events, or otherwise.

Company profile and overview



經 濟 部 感 謝 狀

CERTIFICATE OF APPRECIATION

信立化學工業股份有限公司

創業五十年以上歷史悠久，促進工商發展及
就業貢獻良多，特頒贈此狀以資感謝。

部長 王美花

PVC leather 、 PU leather

01 Foundation: Jun.22,1973

02 Chairman:Chang Yu-Ming General Manager:JHENG,YU-TANG

03 Location of factories: PVC Tainan, PU Tainan

04 Capital: NTD 788 million

05 Total land area: 26,383 square meters

Hsinli is 100% MIT PVC leather 、 PU leather

Syuejia District Factory One(Occupying 12,989 tsubo)

Syuejia District Factory Four(Occupying 13,394 tsubo)

Total land area: 26,383 square meters

Major Products

The raw materials for gloves, leather bags, footwear, furniture, racket covers, suitcases, and clothing

PVC 乳膠皮

PVC 柔軟皮

The raw materials for leather bags, footwear, toys, gloves, racket covers, suitcases, and furniture

PU透濕膜

Characteristics: Windproof, highly breathable waterproof, antimicrobial. Applications: Skiwear, jackets, snow pants, workwear (garment lining).

PU合成皮

The raw materials for clothing, leather bags, footwear, camera cases, toys, gloves, and furniture.

Terminal Applications 1 –PVC leather

- Applied in the processing of various sofa furniture. Combining with genuine leather enhances its value, aesthetics, and versatility. It possesses functions of lifestyle fashion and practicality.
- Can be paired with various paper patterns, embossed textures, and different colored liquids, including fluorescent, pearlescent, and metallic shimmer; capable of producing products with a layered color effect, as well as products of varying thickness.

- It can also be paired with various surface treatments and prints to enhance product diversity and versatility. Additionally, different printing techniques can be applied to enrich the variety, versatility, and applicability of the products.
- The physical and chemical properties of the product must comply with both US and EU regulations, enhancing market competitiveness and safety features.

Terminal Applications 2—PVC leather

- Applied in bicycle seats, leather bags, medical equipment, massage chairs, baby strollers, slippers, book covers, jewelry boxes, decorative panels, anti-slip gloves, headphone covers, clothing, etc.
- The product can be paired with various paper patterns and embossed processing, providing diverse patterns and a sense of depth to the surface. Additionally, printing techniques and colored liquids can be utilized to enhance the product's resemblance to genuine leather, meeting the diverse needs of different customers.
- In addition to meeting customer requirements for physical and chemical properties, various treatments or processes are further employed to replace the increasingly scarce genuine leather.

Terminal Applications 3 –PU breathable membrane

- Featuring water resistance and high breathability, suitable for processing leisurewear with waterproof and breathable properties. It offers a comfortable texture, ease of processing, and high temperature resistance.
- Can be paired with printing processes to imprint various patterns, making the products more versatile and suitable for different seasons.
- The PU breathable membrane is thin (10um~30um) and lightweight, meeting the modern trend of slimness. It can be paired with Teflon film to emphasize high water pressure resistance, water wash resistance, and high breathability, enhancing the product's added value. Different patterns and thicknesses can also be developed for pairing.

Terminal Applications 4 – PU leather、PU laminate

PU laminated products ：

- Embossed products: capable of giving products various patterns and different tactile sensations on the surface. Printing processing: products are highly tactile and versatile.
- Dry PU, characterized by its lightweight and flexibility, can also be combined with surface treatments.
- The Crazy Horse leather series emphasizes an oily wax finish, rich suede texture, and features reminiscent of genuine leather and vintage style.
- Non-slip leather: Excellent anti-slip effect, used in skiing gloves and other anti-slip processing applications, can also be treated for conductivity, making the leather conductive. Can be used in the development of gloves to enable the use of touch-sensitive products such as smartphones.

PU leather products：

- According to customer demands, we can produce wet PU with various paper patterns or embossed textures; further paired with different treatments or processes to replace the increasingly scarce genuine leather. These can be applied in footwear, sports equipment, clothing, bags, gloves, headphones, and more.

PMMA products：

- Focusing on different textures, applied to decorative materials and so on.

core competitive advantage

(EXCELLENT QUALITY)

INSPECTION EQUIPMENT

紫外線耐燃試驗機

耐磨試驗機

紅外線耐燃試驗機

耐磨測試機

曲折測試機

水壓測試機

含水率測試機

恆溫恆濕機

Overview and Application Areas of Pony PU Leather and Synthetic Leather

Categories of Pony Materials

- PU 膜 (PU Film)
- PU 皮 (PU Split Leather)
- PU 人造革 (PU Synthetic), 底材包括:

  -不織布 (Non-woven)

  -織布 (Woven)

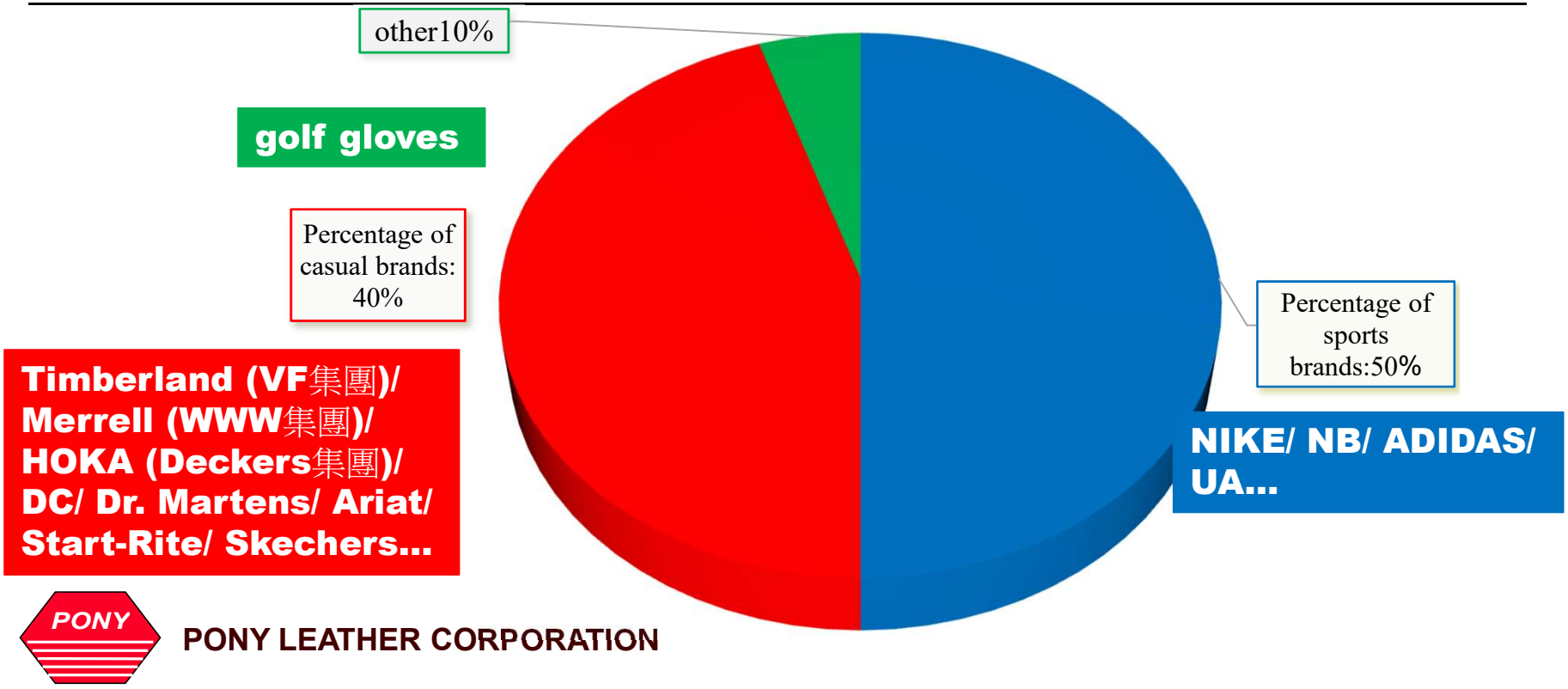
  -伸縮佳績布 (Stretch Knit)
- PU + 熱熔膠底 (Hot Melt)

Scope of Applications and Fields

Pony's PU materials are currently applied in footwear, apparel, handbags, and golf gloves. We have also developed water-based PU solutions for use in automotive interiors and sofas, expanding our application range.

PONY LEATHER CORPORATION

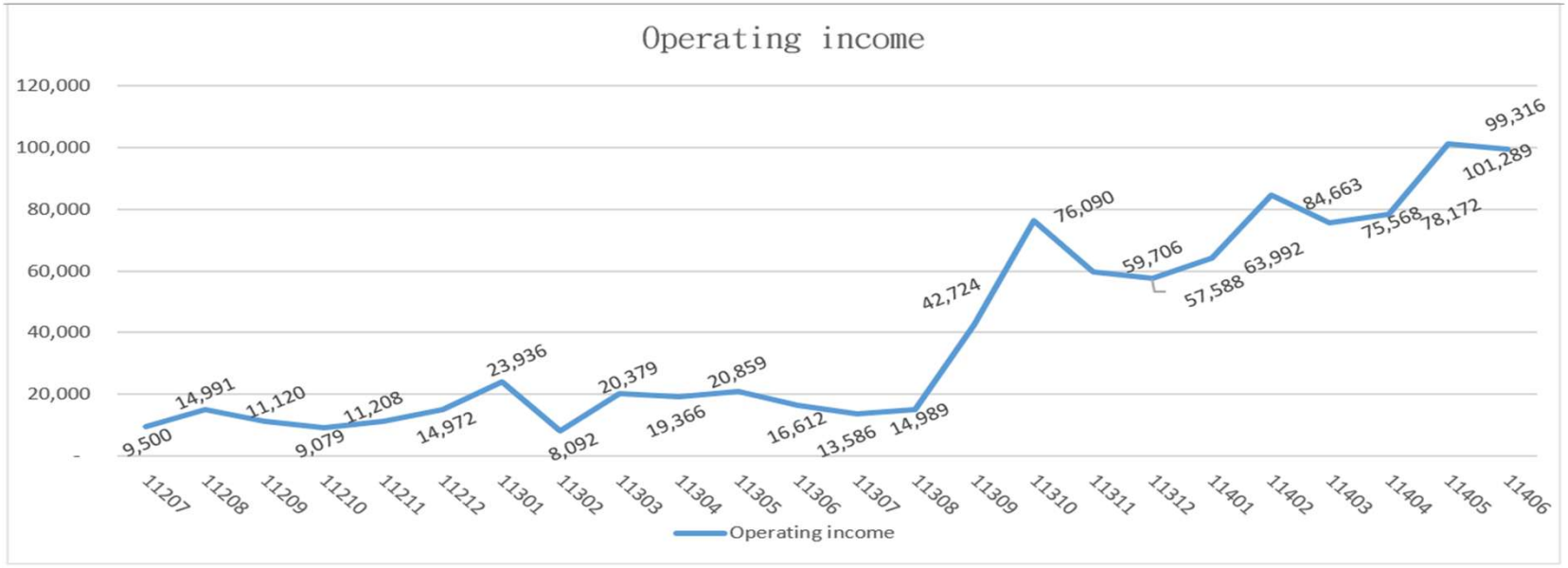
Market Segmentation and Brand Mapping



Operational Status Analysis - After merging Pony's revenue, there was a significant growth in overall revenue

After Hsin Li acquired management control of Pony, the company experienced a significant boost in revenue. Both parties have actively created strong synergies in technology, product lines, and market expansion, which have greatly increased the company's revenue and profitability.

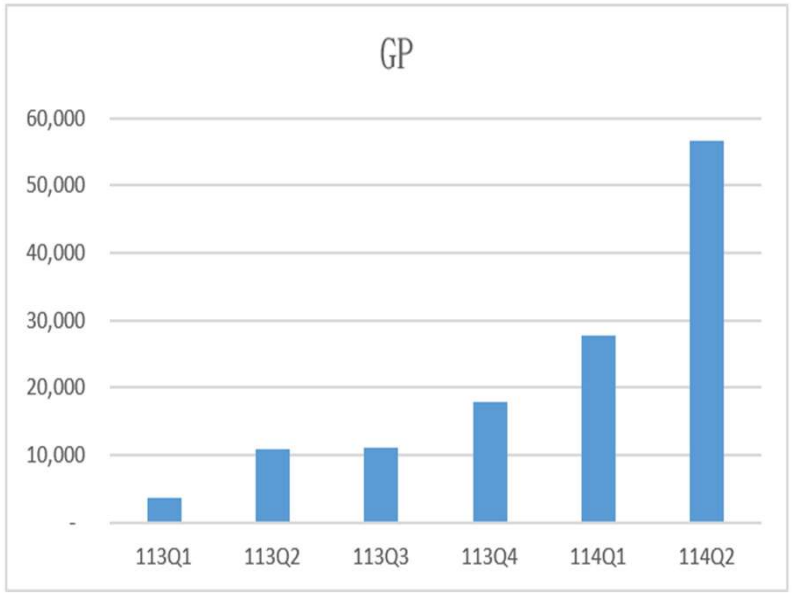
Unit:Thousand

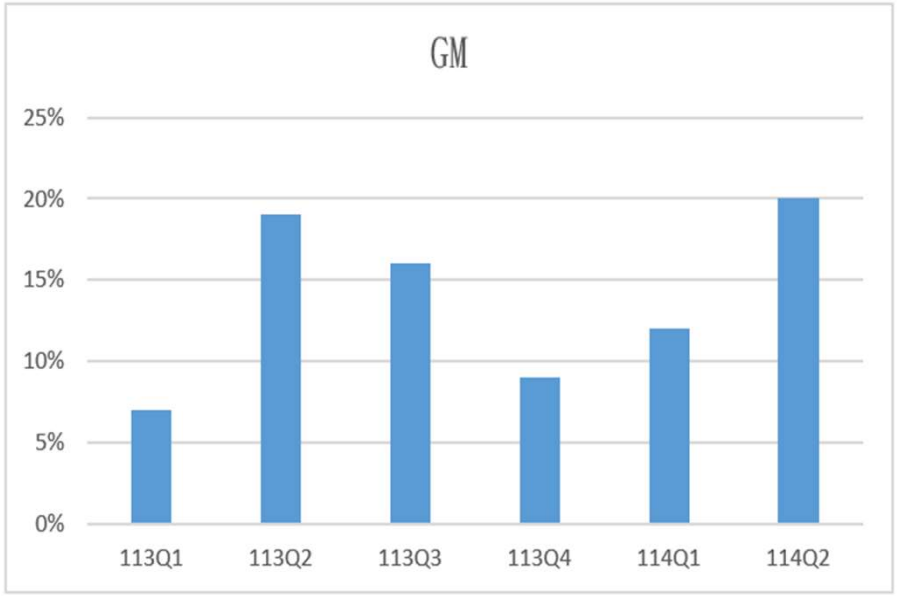


Operational Status Analysis - Gross Profit Margin Trends

Quarterly gross profit and gross margin both increased compared to the previous year, mainly due to the rise in high-margin orders from customers.

Unit:Thousand

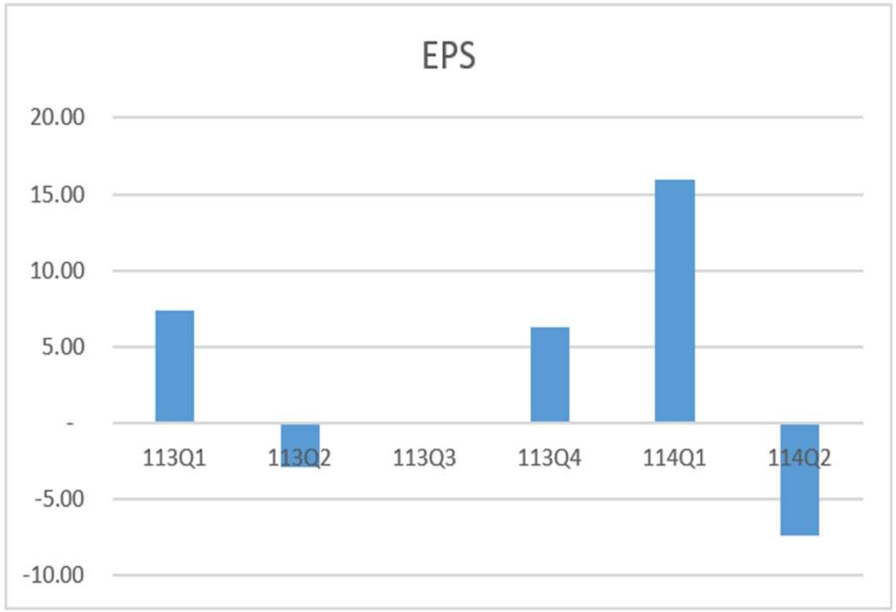




Operational Status Analysis - Profit Trend

In the second quarter of 2025, the company reported a net loss due to the recognition of unrealized losses on investment securities; however, the unrealized valuation changes in investments reversed to a gain in July.

Unit:Thousand



Operational Status Analysis - Comprehensive Income Statement

OVERVIEW DETAILS TO MOPS

Unit: Thousand	114Q2	113Q2	YOY
Operating income	503,029	109,244	360.46%
Operating cost	418,550	94,642	342.25%
Gross Profit (or Loss)	84,479	14,602	478.54%
Gross margin	17%	13%	
Operating expenses	118,078	30,417	288.20%
Operating profit (or Loss)	(33,599)	(15,815)	
Non-operating income and expenses	727,143	316,037	130.08%
Income before Tax (or Loss)	693,544	300,222	131.01%
Income tax expense (or benefit)	26,254	0	
Net Income (Loss)	667,290	300,222	122.27%
Basic earnings per share (NT Dollar)	8.51	4.00	

Operational Status Analysis - Balance Sheet

OVERVIEW DETAILS TO MOPS

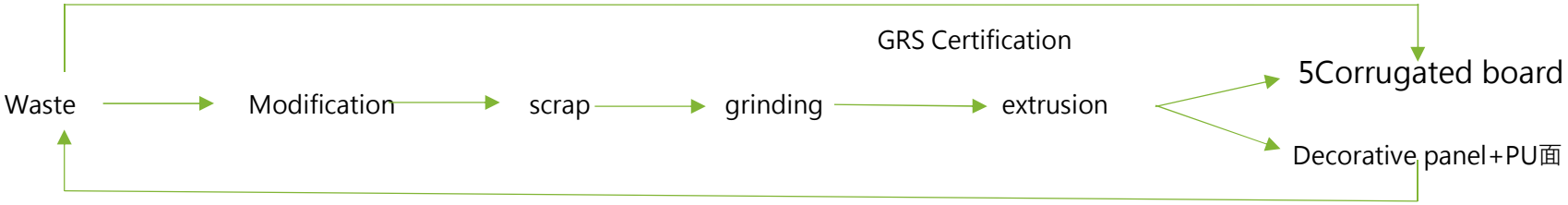
Unit: Thousand	2025/6/30	2024/12/31	2024/6/30
Current assets	1,703,196	1,433,683	533,031
Non-current assets	2,675,704	1,875,140	1,185,490
Total assets	4,378,900	3,308,823	1,718,521
Current liabilities	1,153,932	970,243	227,564
Non-current liabilities	188,334	165,957	34,599
Total liabilities	1,342,266	1,136,200	262,163
Capital stock	946,053	788,378	788,000
Additional paid-in capital	191,457	191,457	190,849
Retained earnings	1,427,683	993,376	477,464
Other equity interest	(450)	(115)	45
Treasury stock	0	0	0
	471,891	199,527	0
Total equity	3,036,634	2,172,623	1,456,358
Net Asset Value per Share(NTD)	32.1	27.56	18.48
Current ratio	147.60%	147.77%	234.23%
Debt ratio	30.65%	34.34%	15.26%

Future Development Direction(一)

ESG Green Industry Chain

500 tons/year of waste

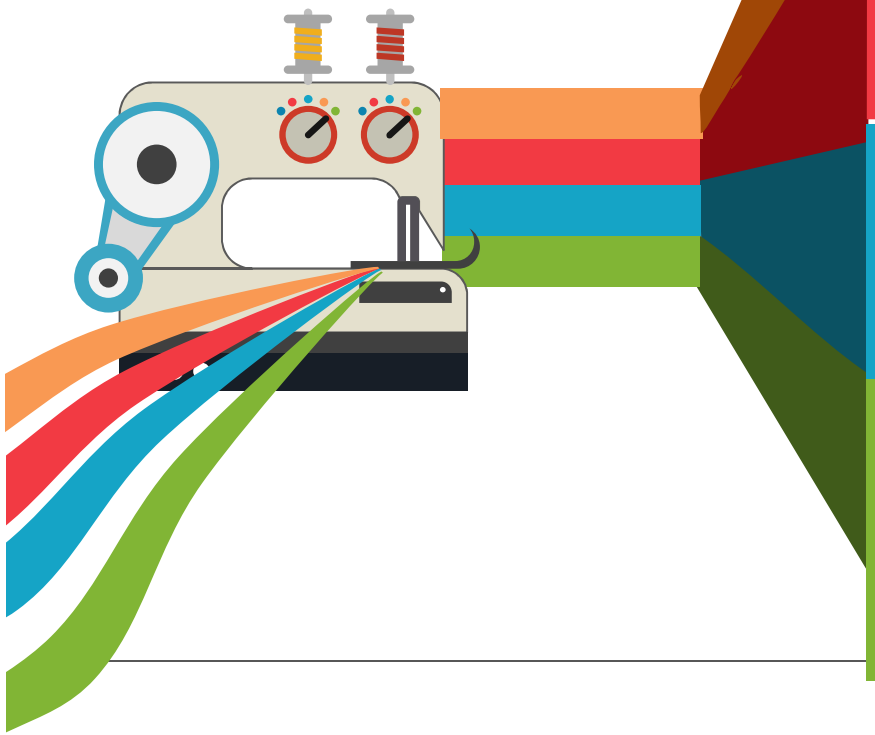
Energy Saving & Carbon Reduction Sustainable Recycling Cross-Industry Alliance Circular Economy



Collect and
remove moisture

Granules

Future development direction



01. Deepen roots in Taiwan, align with international standards, and strengthen fundamentals.

1.Strengthen collaboration with existing customers, obtain GRS international certification for products, and enhance the fundamental quality of the products.

2. Cross-industry collaboration, obtaining brand certification, and enhancing operational momentum.

3. In response to the government's ESG policy direction, we continue to develop green energy.

02. Explore new customers and Environmentally friendly products.

1. Develop eco-friendly, solvent-free products and pair them with recycled substrates, focusing on the development of green composite materials.
2. In pursuit of a solvent-free objective, we are actively engaged in the development of high-solid, solvent-free PU composite fabric products.
3. By engaging in cross-industry collaboration, we have developed SBR+PU composite bio-based materials. These innovations were highly recognized by customers during exhibitions, paving the way for a promising future.

03. Upstream and downstream integration, Contributing to the growth of company.

1.Expand the market based on existing products, strengthen upstream and downstream integration, and build the company's growth momentum.
2. Jointly developing general-purpose plastic recycling and reuse processes with U-BEST and aligning with GRS international certification, not only reduces our own industrial waste, environmental pollution, and carbon emissions, but also enhances product added value and competitiveness..
3. Integrate Pony products to achieve resource sharing and strengthen market presence both domestically and internationally.

04. Hsinli's acquisition of Pony's materials business has resulted in a significant revenue boost and enhanced operational synergies.

Pony primarily produces PU synthetic leather and bonded leather, with a management team that has 30 years of experience in the leather and synthetic leather industry. Its main customers are high-end product suppliers for internationally renowned sports brands. In addition to its efforts to collaborate with international major brands, Puda's Douliu plant is one of the few pure eco-friendly water-based leather production bases in Taiwan. In the future, the company will integrate group resources and align with the government's environmental and green energy policies to develop and produce eco-friendly, low-pollution products. This is expected to more effectively increase customer loyalty and enhance new product development momentum.

信立化學工業股份有限公司
HSIN-LI CHEMICAL INDUSTRIAL CORP.

Stock Code : 4303

Presenter：JHENG, YU-TANG
General Manager

Thank You
Q&A

For more information regarding HSIN-LI
http://www.hsinli.com.tw/

For all inquiries, suggestions, and comments tang0621@hsinli.com.tw