

Since 1969



集盛實業股份有限公司
ZIG SHENG INDUSTRIAL CO., LTD.



Ticker: 1455 TT

DEC 11, 2020

COMPANY PROFILE

- 1969 Company established & DTY 1st plant start up
- 1992 DTY 2nd plant start up
- 1993 Listed on the Taiwan stock exchange
- 1997 ISO-9001 certified
- 1997 DTY 3rd plant start up
- 2000 Nylon spinning 1st plant start up
- 2001 Nylon polymerization 1st plant start up
- 2004 “Innovative R&D center” founded.
- 2006 Nylon polymerization 2nd plant start up
- 2006 Compounding plant start up
- 2007 OHSAS-18000 certified
- 2010 IATF 16949 certified
- 2012 ATY plant, nylon spinning 2nd plant start up
- 2013 Nylon polymerization 3rd plant start up
- 2014 ISO 14001 certified
- 2015 GRS certified
- 2017 Published 2016 CSR report
- 2018 Established 878KW solar power plant
- 2020 New polyester spinning production line start up

10 PRODUCTION PLANTS

FIBER BUSINESS DIVISION

3 DTY Plants



DTY Plant I
1969



DTY Plant II
1992



DTY Plant III
1997

2 Spinning Plants



Spinning Plant I
2000



Spinning Plant II
2012



ATY Plant 2012

1 ATY Plant

CHEMICAL MATERIALS DIVISION

3 Nylon Polymerization Plants, 1 Engineering Plastic Plant



Nylon Polymerization
Plant I ,2001



Nylon Polymerization
Plant II , 2006



Nylon Polymerization
Plant III,2013

MAIN PRODUCTS

Polyester Products

- 5 Polyester Filament
- 6 Polyester DTY/ATY



Nylon Products

Vertical
Integration

- 1 Nylon Chip
- 2 Engineering Plastic
- 3 Nylon Filament
- 4 Nylon DTY/ATY



SALES BREAKDOWN BY PRODUCTS 2020 Q1-Q3

Turnover : USD 181,200,000 (NTD 5.4 bn)

FX : 29.80

Fiber Division

Chemical Materials Division



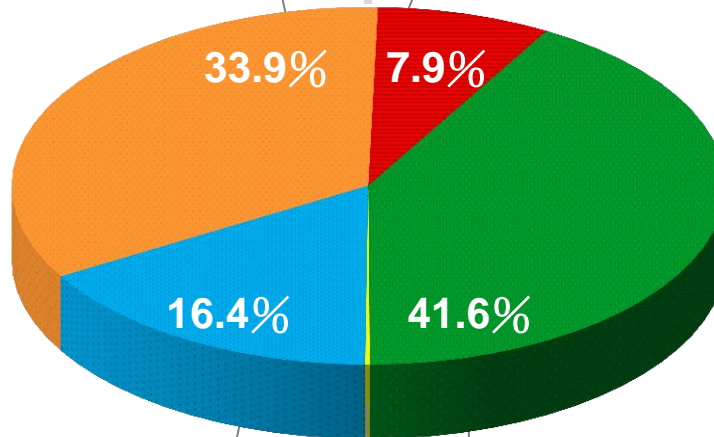
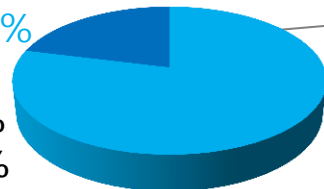
DTY/ATY

Domestic 87.6%
 Export
 - China 5.1%
 - Others 7.3%

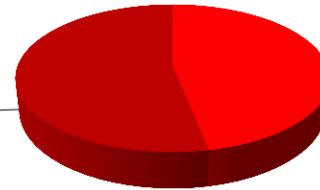


Filament

Domestic 78.9%
 Export
 - China 4.3%
 - Others 16.8%



Others 0.2%



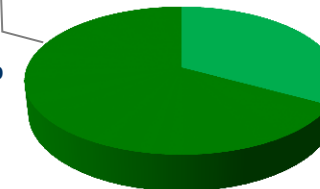
Engineering Plastic

Domestic 46.9%
 Export
 - China 17.8%
 - Others 35.3%



Nylon Chip

Domestic 33.0%
 Export
 - China 7.6%
 - Others 59.4%

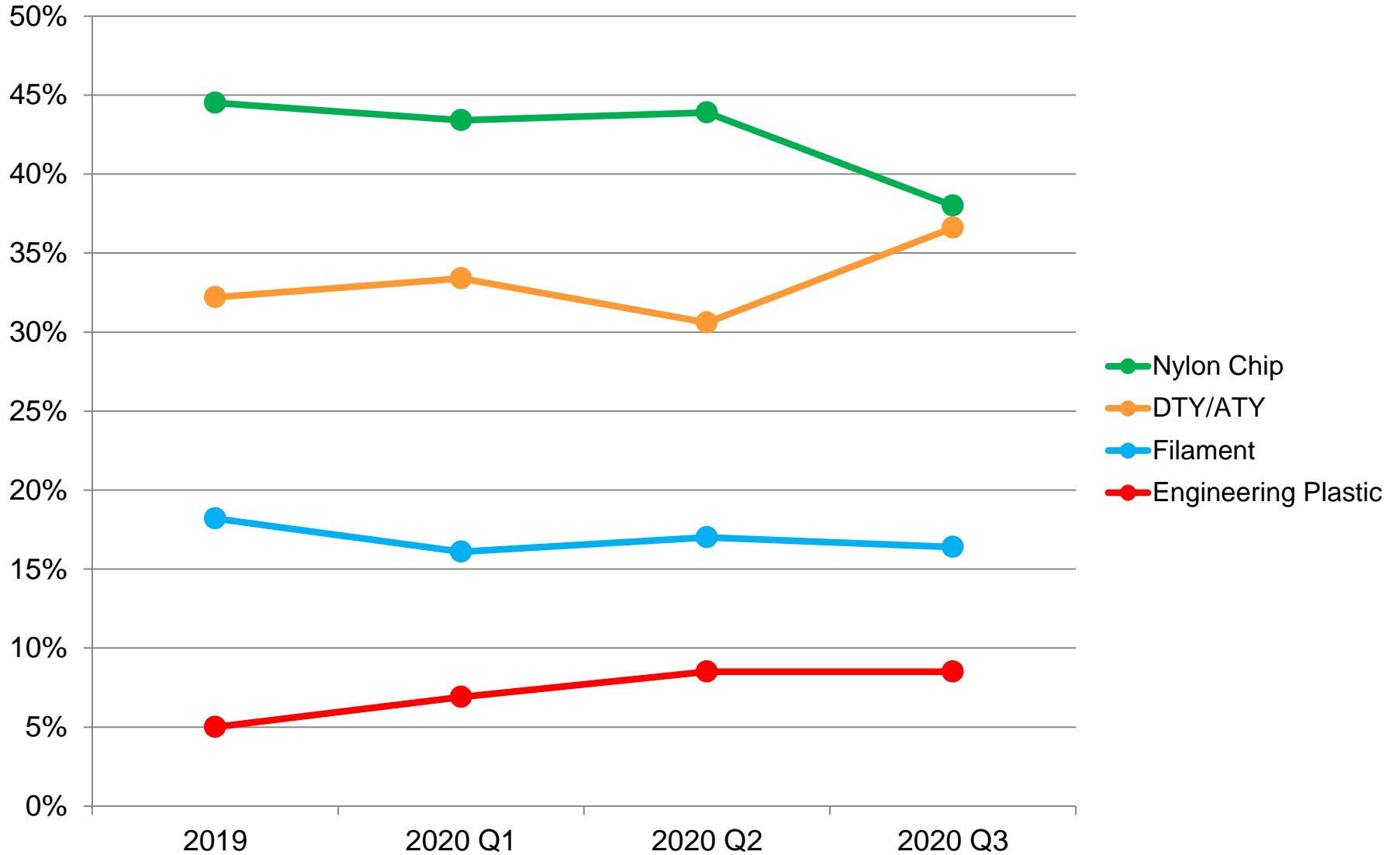


CHANGES IN PRODUCT LINES

Unit : NTD million

Item	2019		2020 Q1		2020 Q2		2020 Q3	
	Amount	%	Amount	%	Amount	%	Amount	%
Nylon Chip	5,2573	44.5	931	43.4	564	43.9	748	38.0
DTY/ATY	3,818	32.2	715	33.4	393	30.6	721	36.6
Filament	2,159	18.2	346	16.1	218	17.0	322	16.4
Engineering Plastic	588	5.0	149	6.9	109	8.5	168	8.5
Others	7	0.1	3	0.1	-	0.0	10	0.5
Tot	11,841	100	2,144	100	1,284	100	1,969	100

PRODUCT LINE TRENDS



INCOME STATEMENTS

Unit : NTD million

ITEM	2020		2020		2019		2019	
	Tot (Q1-Q3)		Tot (H1)		Tot		Tot (Q1-Q3)	
	Amount	%	Amount	%	Amount	%	Amount	%
Operating Revenue	5,397.5	100	3,428.4	100	11,841	100	9,363	100
Gross Profit	(177)	(3.3)	(228)	(6.6)	(15)	(0.1)	135	1.4
Operating Expenses	263	4.9	171	5.0	426	3.6	342	3.6
Operating Profit	(440)	(8.2)	(399)	(11.6)	(441)	(3.7)	(207)	(2.2)
Non-operating Income & Expenses	109	2.0	25	0.7	109	0.9	108	1.1
Profit Before Income Tax	(331)	(6.1)	(374)	(10.9)	(332)	(2.8)	(100)	(1.1)
Tax (Exp) Gain	4	-	6	0.2	29	0.2	(1)	-
Profit after Income Tax	(327)	(6.1)	(368)	(10.7)	(303)	(2.6)	(99)	(1.1)
EPS (NTD)	(\$0.56)		(\$ 0.61)		(\$ 0.49)		(\$ 0.16)	

FINANCIAL INDEX

Unit: NTD 100 million

ITEM	2020 Q3	2019	2018	2017	2016
Receivables	10.60	11.70	23.64	24.92	23.38
Inventory	12.96	16.42	24.15	25.05	17.36
Fixed assets	47.36	47.47	48.57	55.26	59.39
Total assets	87.14	96.19	114.58	121.19	114.77
Long short-term loans	10.50	11.84	21.39	21.29	19.40
Capital	57.80	61.18	61.18	61.18	61.18
Liabilities ratio	26.3%	25.1%	33.6%	35.9%	34.0%
Current ratio	143.3%	167.4%	156.1%	144.3%	133.4%
Book value per share(NTD)	11.6	11.8	12.4	12.7	12.4

FUTURE PROSPECT

Nylon Products

1. Nylon Chips

- After integrating the production line of Nylon Chips, we expect to increase utilization rate and effectively reduce the cost, especially prevent the cost burden caused by reduction of output.

FUTURE PROSPECT

Nylon Products

- The price of CPL, the main raw material of nylon products, is at low level currently, and there is a gradual upward trend in this stable status. With the effort to enhance products, sales and procurement management, the inventory has been effectively reduced, which can reduce the risk of inventory falling price loss and the backlog of funds.
- Since the fourth quarter of 2020, the demand for nylon chip orders is getting stronger, and some products are even in short supply. The outlook for 2021 is optimistic.

FUTURE PROSPECT

Nylon Products

2. Nylon Filament

The integration of nylon filament production line can improve production efficiency and reduce the costs substantially. It's also expected to increase profitability by adjusting product combination and eliminating unprofitable products.

FUTURE PROSPECT

Nylon Products

3. Nylon DTY/ATY

In 2020, under the strategy of adjusting product combination, the gross profit margin of nylon DTY and ATY yarn increases significantly comparing with 2019, and it is expected to continue in 2021.

FUTURE PROSPECT

Nylon Products

4. Engineering Plastics

The engineering plastic products haven't been affected by the COVID-19 epidemic, and the operation is still stable this year. Not only sales growth, the gross profit margin has also increased considerably. The revenue proportion of the products is about 8% of the company's. Under the stable trend of customer demand, the operation is expected to grow steadily in 2021.

FUTURE PROSPECT

Polyester Products

1. The new built polyester filament production lines have started up production in first phase. In second phase, the production equipment of other lines have finished installation and the pilot run is progressing in fourth quarter. The production efficiency and quality both reach above industry standard. It helps to exert consistent production of polyester products gradually, and it is expected to increase the profitability of polyester products.

FUTURE PROSPECT

Polyester Products

2. In the future, the polyester filament production lines of Zig Sheng will gradually increase the output of special POY, supplying to itself as raw materials for textured yarns. It is expected to strengthen the competitiveness of textured yarns.

FUTURE PROSPECT

Polyester Products

3. The company's textured yarn products have excellent quality. Combining with strong R&D capabilities, it is highly recognized by downstream customers. Since the third quarter of 2020, the gross profit margin has gradually increased and exceeded the level of 2019. Currently, the production capacity is fully loaded and the product is in short supply. It has purchased 5 new false twist machines which are expected to be put into production in the first quarter of 2021, and it is expected to further increase the profit of textured yarn.

FUTURE PROSPECT

2021

Conclusion

- From the beginning of this year, Zig sheng Company implemented the strategy of lean production, integrating production lines actively, controlling costs, optimizing product structure and increasing the proportion of valuable products. As a result, the measures have brought us benefits gradually. Furthermore, the new established polyester production lines have put into production comprehensively, and it brings us the advantage of consistent production, and generates positive effect for the future overall operation of the company.

FUTURE PROSPECT

2021

- Overall speaking, looking out to the year 2021, the operation performance is expected to have great progress then the year 2020.

PRODUCT THAT CONTAINS ZIG SHENG MATERIALS

• FIBER DIVISION



• CHEMICAL MATERIALS DIVISION



THANKS

