

# YFY

## 1Q22 Earnings Results

2022/05/16

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## 1Q22 Financial Results

(NTD \$M)	1Q22	4Q21	Q/Q	1Q21	Y/Y
Sales	19,816	21,648	-8.5%	21,314	-7.0%
Gross Profit	2,941	3,284	-10.5%	5,314	-44.7%
Operating Profit	431	760	-43.3%	2,739	-84.2%
Profit Attributable to Owners	244	649	-62.4%	1,558	-84.3%
EPS (NTD)	0.15	0.39		0.94	
OP Margin	2.2%	3.5%	-1.3%	12.8%	-10.7%

## None-Operating Income/Expenses

(NTD \$M)	1Q22	4Q21	1Q21
Financial Costs	-134	-139	-131
Interest Income	32	26	27
Share of Profit of Associates	224	197	220
FX Gains/Losses	9	-27	-103
Other Income	57	145	117
<b>Total</b>	<b>188</b>	<b>248</b>	<b>130</b>

## Segment Information

The YFY Group classifies its products and services into five segments in accordance with the business characteristics, as follows :

**(1.) Forest, Pulp and Fine Paper Business Groups**

Including pulp, cultural papers, packaging paper, specialty paper and cardboard.

**(2.) Containerboard and Packaging Business Groups**

Including industrial cardboard containers, colored cases and food containers.

**(3.) Consumer Product Business Groups**

Household products including tissue paper, napkins, deteratives and cosmetics

**(4.) Specialty Materials Business Group**

Products of Specialty materials.

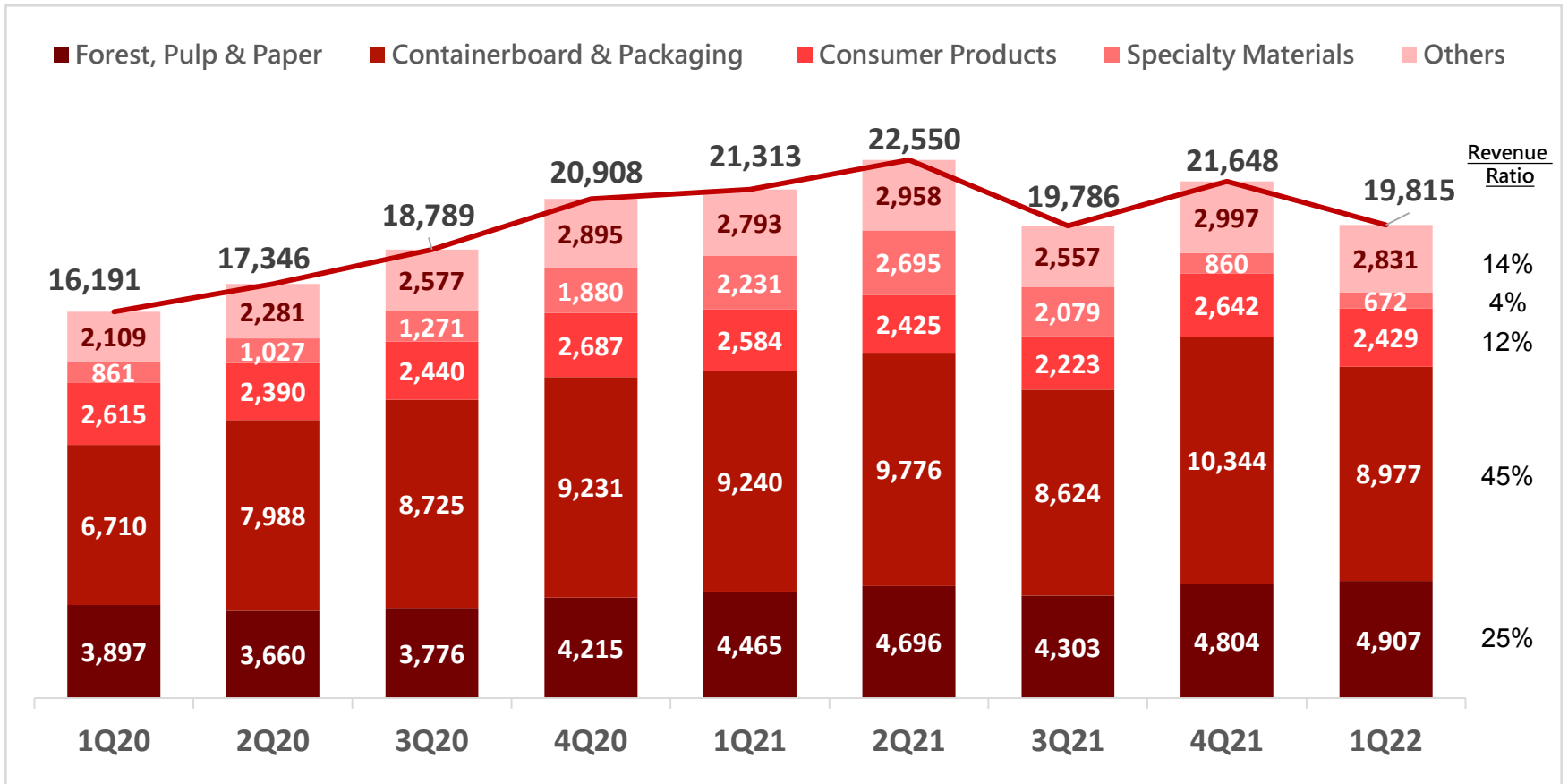
**(5.) Others Business**

Products other than paper including RFID, packaging designs and other services.

(The performance of segments is measured at operating profits of the business. Revenue and profit between segments have been adjusted; these adjustments include the elimination of intra-segment transactions to reconcile the segment information with that reported for the Group as a whole.

# Quarterly Revenue Trends by Operating Segments

Revenue of Operating Segments (NTD\$ M)



## Investment Incomes

(NTD \$M)	1Q22	4Q21	1Q21
Forest, Pulp & Paper	-147	-314	112
Containerboard & Packaging	72	452	794
Consumer Products	278	266	433
Specialty Materials	153	322	1,336
Others	76	34	64
<b>Other Investments</b>			
Eink and Others	225	197	220
<b>Total Investment Returns</b>	<b>656</b>	<b>957</b>	<b>2,959</b>

# 1Q22 ESG Achievements

## Awarded for Global View's Circular Sustainability Model

### YFY's outstanding Saccharides Economy, Zero coal SRF and Biomass

Awarded for CSR and ESG Corporate Social Responsibility Award 2022 on May 3, 2022 - "Model Award of the Circular and Sustainability Group". The judging panel recognized "YFY's vision in developing saccharides economy, zero coal burnings, combined heat and power system, as well as its effective deployment of biomass, and its establishment of a sustainable rule for biomass.



## 2021 Corporate Governance Assessment Enhanced

### Ranking top 6%~20% among listed companies

Continuously strengthening our information disclosure and invest in renewable energy and environmental sustainability, such as biogas power generation and SRF, and thus our evaluation results have improved significantly.

## Established ESG Committee

### ESG Committee upgraded to the Board level for the first time

A non-statutory functional committee of seven directors, including four independent directors, has been established on the Board of Directors to reinforce ESG execution and supervision.



# Performance Summary

## 1Q22

1. The consolidated revenue of YFY in the 1Q22 was NT\$ 19.816 billion. As 1Q22 was the off season of the year and the supply chain disruption resulted from transportation congestion, the revenue has decreased 7% Y/Y.
2. Moreover, the operating profit income in 1Q22 was NT\$ 431 million, and resulted in the operating rate to be 2.2%. It was mainly due to the Chinese New Year's holiday happened in the first quarter resulted less working, and most importantly the impact from pandemic and the global transportation congestion have not yet resolved. Overall, leads to a significant increases in raw materials, coal costs, and transportation costs that impact to the operating profits.
3. In terms of non-operating incomes and expenses, the Share of Profit from Associates recorded NT\$ 225 million in the current quarter which was attributable to the outstanding performance of E Ink Holdings Inc. The overall consolidated net profit after-tax attributable to the parent company in 1Q22 was NT\$ 244 million. The EPS of 1Q22 was NT\$ 0.15.

## 2Q22 Outlook

Even though the market is still under impacts of pandemic and global supply chain disruptions and the market is still unpredictable in the short term, in 2022, YFY will continuously uphold the stable development while focusing on investment risks management. Moving forward to company's five major developments, which are:

- Energy and Energy Management
- Manufacturing and Digital Transformation
- Circular Economy
- Saccharide Economy
- Initiative Investment and Incubation

While facing the challenges of unpredictable markets and uncertain international disputes, YFY will adhere the fundamental visions of low-carbon, low-energy, and de-fossil. In reaching the sustainable growth and create reasonable investment return for our shareholders.



Thank You

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