

# YFY Inc.

## 1Q24 Earnings Conference

2024/05/14

1907.TW

# Disclaimer

This presentation is prepared according to the reviewed financial statements by CPA and the financial numbers hereby were based on IFRS, please refer to the published financial statements for full content.

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# YFY Five Strategic Directions



# 1Q24 Financial Results

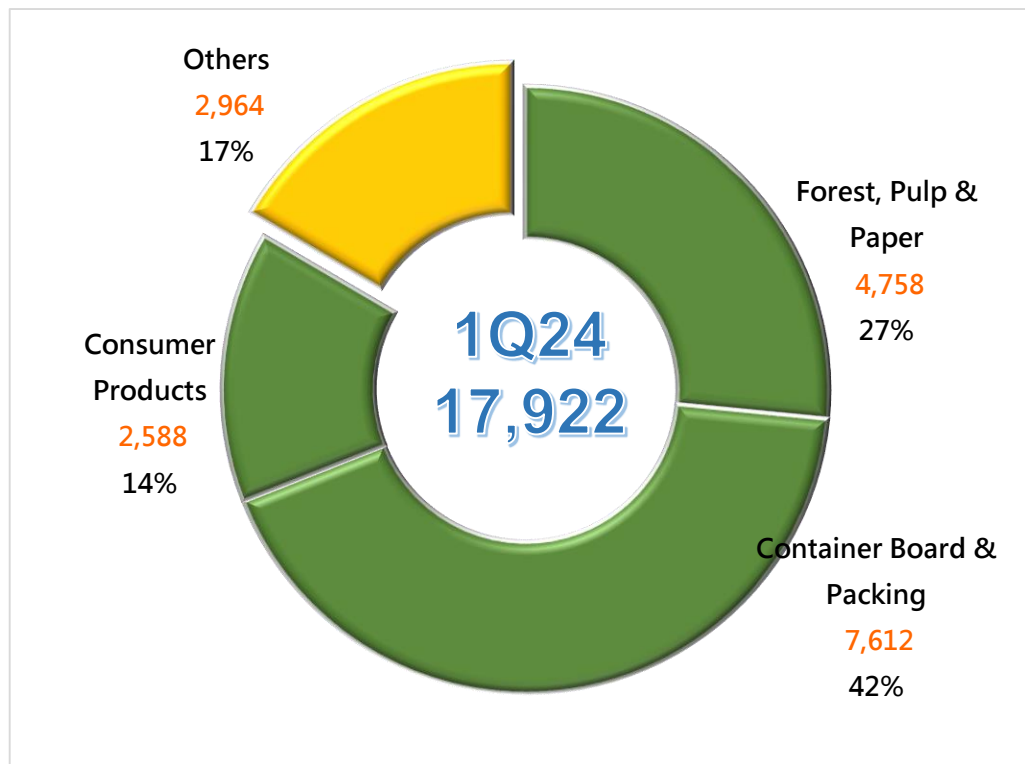
(NTD \$M)	1Q24	1Q23	Y/Y
Revenue	17,922	17,531	2.2%
Gross Profit	2,700	2,146	25.8%
Operating Profit	193	(177)	209.1%
None-Operating Income/Expenses	460	256	79.8%
Profit Attributable to Parent Company	279	3	-
EPS (NTD)	0.17	0.0	-
Net Profit Margin	1.6%	0.0%	

## Non-Operating Income/Expenses

(NTD \$M)	1Q24	1Q23	Y/Y
Share of Profit of Associates	215	277	-22.5%
Financial Costs	(255)	(298)	14.4%
Interest Income	107	115	-7.2%
FX Gains/Losses	264	40	561.2%
Dividend Income	-	-	-
Other Income	130	121	7.1%
Total	460	255	80.5%

# Revenue by Operating Segment

(NTD \$M)



## Forest, Pulp and Fine Paper Business Group:

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

## Containerboard and Packaging Business Group:

Including industrial cardboard containers, colored cases, and food containers.

## Consumer Product Business Group:

Household products including tissue paper, napkins, and cleaning products.

## Others Business:

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

## Performance by Operation

(NTD \$M)	1Q24	1Q23	Y/Y
<b>Operation</b>			
Forest, Pulp & Paper	15	(145)	110.6%
Containerboard & Packaging	(209)	(144)	-44.8%
Consumer Products	315	145	117.2%
Others	72	(35)	306.7%
<b>Operating Profit</b>	193	(179)	207.9%
<b>Non-operation</b>			
Investments from equity method (E Ink)	215	277	-22.5%
Dividend Income (SinoPac Holdings)	-	-	-
<b>Subtotal of Investments from Equity Method and Dividend Income</b>	215	277	-22.5%

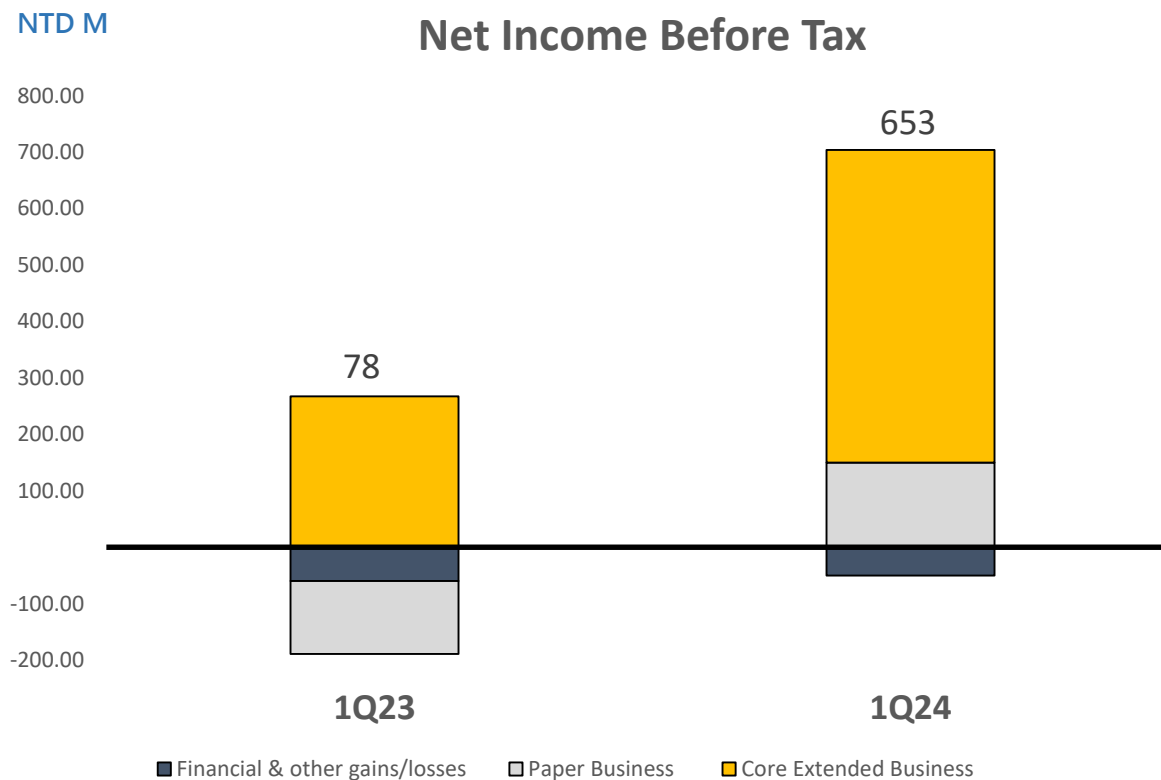
Note:

The performance of each segment was measured by operating profits of each business.

Revenue and profit among segments have been adjusted with intra-segment elimination to reconcile with consolidated financial statements.

## Diversified Business & Product Portfolio

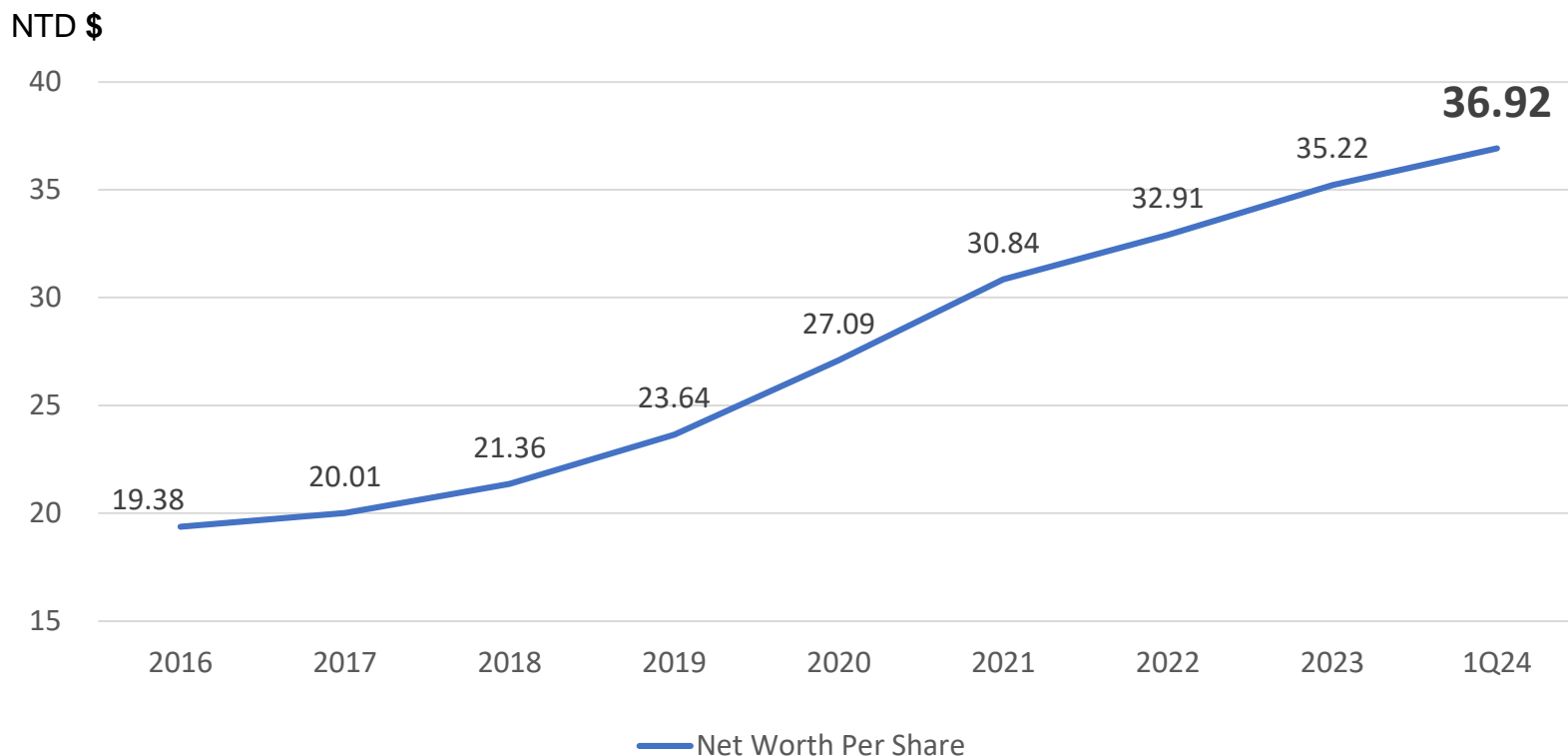
The profits from Core Extended business formed a positive and sustainable trend, and those business are driving for profit optimization.





## YFY Inc. Stable Growth from Diversified Business Strategy

Growth for the 7<sup>th</sup> consecutive years, 1Q24 net worth per share reached NT\$36.92. CAGR at 9%. YFY continuous expansion of diversified business as a long-term strategy to enhance the profitability stability of the product portfolio and strengthen the resilience required to face macroeconomic uncertainty.



# Conclusion

## 1Q24

1. Consolidated quarterly revenue reached NT\$17.92 billion, benefiting from increased demand in RFID and Vietnam packaging, with a 2.2% YoY growth.
2. Consolidated operating income for the quarter was NT\$193 million, with improvement in Taiwan and Vietnam demand, profit turn positive from last year's results.
3. Non-operating income was approximately NT\$460 million, mainly due to investment income from E ink (equity method) and gains from foreign currency hedging, with consolidated net profit after tax attributable to the parent company being NT\$279 million and EPS after tax was NT\$0.17
4. Diverse business and product portfolio to optimize and sustain profitability. Net worth per share reached NT\$36.92.

## Outlook

1. Forest, Pulp and Paper Business Group: Continuously develop low-carbon emission products and gain market shares.
2. Container board and Packaging Business Group: Demand driven by consumer essentials. Expansion on renewable energy capacity.
3. Consumer Product Business Group: Optimizing the product portfolio, continuing to improve and expand production automation.
4. Others Business: Capacity adjustments aligned with demand. Accelerating the development of niche products.
5. Equity Method & FVOCI: New technology driven for capacity expansion. Dividend income benefits from improved macroeconomic.

YFY will further enhance the company's operational efficiency and optimize its product portfolio. The company has being devoted to low carbon emission, low energy consumption, and replacing petrochemicals with saccharide. Promoting ESG to ensure sustainable growth for the company. Continuing to create reasonable investment value for shareholders.

# App. 1 Profit Composition of YFY Inc. Presented in Financial Statements

## Consolidated Operating Profit

## Investments from equity method

## Dividend Income

## Consolidated Net Profit

### Forest, Pulp and Paper BG



中華紙漿股份有限公司  
Chung Hwa Pulp Corporation

### Containerboard & Packaging BG

永豐餘工業用紙

### Consumer Products BG

永豐餘消費品實業

### Others Group



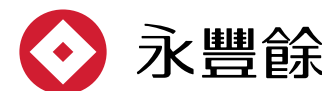
### Share of Profit

Eink

### Other Investments

永豐金控  
SinoPac Holdings

### YFY Inc.



## App.2 YFY Inc.'s Diversified Investment Portfolio

Classification	Percentage of shareholding	Investment Portfolio	Profit and Loss Recognition Method		
			Investment Gain/Loss	Gain/loss on disposal	Valuation gain/loss
Equity-method investments- subsidiary corporation	$\geq 50\%$ *have control over	CHP、YFY Packaging、YFYCPG Shingfoong Arizon RFID Other：YFY Jupiter	Operating Profit ↓ Net Profit Net Profit of Subsidiary Company* percentage of shareholding	<b>Status unchanged：</b> <b>Capital Reserve</b> Selling Price-Carrying Amount  <b>Status changed：</b> Net Profit Selling Price-Carrying Amount	<b>Other Comprehensive Income (Loss)</b> Subsidiary's FVOCI Valuation gain/loss  *percentage of shareholding
Equity-method investments-Affiliated Companies	20~50% *Have Significant influence	E Ink.	Non-operating income ↓ Net Profit Affiliated Companies's net profit*percentage of shareholding	Net Profit Selling Price-Carrying Amount	<b>Other Comprehensive Income (Loss)</b> Affiliate's FVOCI Valuation gain/loss  *percentage of shareholding
FVOCI Current financial assets at fair value through other comprehensive income	$\leq 20\%$ *No Significant Influence	SinoPac Holdings	Non-operating income ↓ Net Profit Dividends	<b>Other Comprehensive Income (Loss)</b>  Selling Price-Carrying Amount	<b>Other Comprehensive Income (Loss)</b>  FVOCI Valuation gain/loss



**Thank you**

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