



Security code : 1702

Namchow holdings Co., Ltd.

2022 Q4 Investor Conference

Kevin Lee
Apr. 27, 2023



Disclaimer

Namchow's presentation contains forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.

The forward-looking statements in this release reflect the current belief of Namchow as of the date of this release, we undertake no obligation to update these forward-looking statements for new information, future events, or otherwise.

- **Company Profile**
- **Review of operations**
- **Business Highlight**
- **Business Outlook**
- **Q & A**



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Company Profile

Date of Incorporation : March 29, 1952

Date of stock listed : May 30, 1973

Paid-up capital : TWD 2,941 million

Name of Representative : Fei-Lung Chen

Scope of Business : Home product, Bakery oil, Frozen dough,
Ice cream, Frozen noodle, Aseptic cooked
rice, Instant noodle, rice crackers,
Dining.

Company Profile

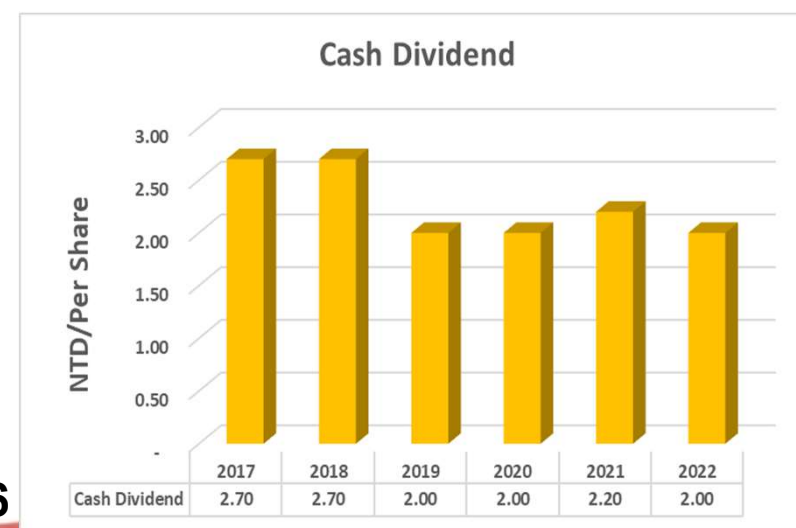
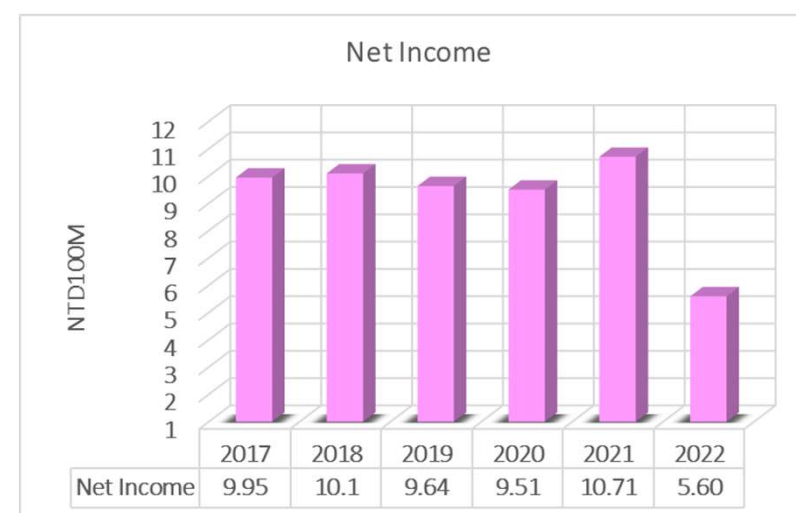
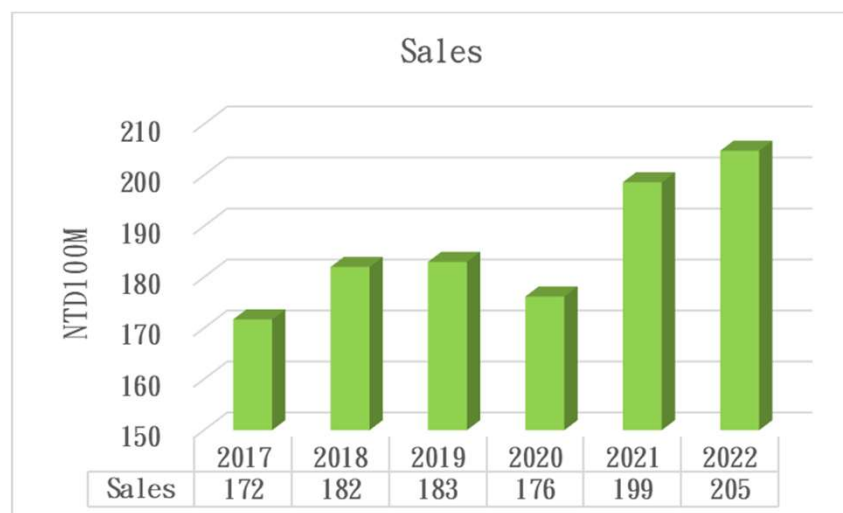
Plant locations : Taoyuan Factory 、 Chungli factory 、 Tainan factory 、 Thailand factory 、 Tenjin factory 、 Guangzhou factory 、 Jinshan Shanghai (1st&2nd)

Food service locations : Taipei (Dian Shue Lou 、 Paulaner 、 Honbaryu Noodle Shop 、 Le vil du Petit Prince) 、 Shanghai (Paulaner) 、 Tokyo (Dian Shue Lou)

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Review of operations

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Business Highlight-Consolidated Balance Sheets

Unit:NTD'000

	2022.12.31		2022.09.30		2022.12.31	
	amount	%	amount	%	amount	%
Current Assets	17,185,495	56%	16,954,895	56%	16,011,182	54%
Non-Current Assets	13,278,287	44%	13,262,904	44%	13,402,686	46%
Total Assets	30,463,782	100%	30,217,799	100%	29,413,868	100%
Current Liabilities	7,595,803	25%	8,485,324	28%	6,561,148	22%
Non-Current Liabilities	10,488,006	34%	9,505,822	31%	11,017,062	37%
Total Liabilities	18,083,809	59%	17,991,146	60%	17,578,210	60%
Stockholders' equity	12,379,973	41%	12,226,653	40%	11,835,658	40%
Total Liabilities and Equity	30,463,782	100%	30,217,799	100%	29,413,868	100%



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Business Highlight-Consolidated income statement(1/2)

Unit:NTD'000	Q4-2022	Q4-2021	YoY(%)	Q4-2022 YTD	Q4-2021 YTD	YoY(%)
Revenue	5,516,572	5,365,662	2.8%	20,478,405	19,861,770	3.1%
Operating costs	4,208,609	3,703,803	13.6%	15,133,045	13,589,951	11.4%
Gross profit	1,307,963	1,661,859	-21.3%	5,345,360	6,271,819	-14.8%
%	23.71%	30.97%	-7.3%	26.10%	31.58%	-5.5%
Operating expenses	1,123,428	1,200,898	-6.5%	4,452,218	4,483,335	-0.7%
Operating profit	184,535	460,961	-60.0%	893,142	1,788,484	-50.1%
%	3.35%	8.59%	-5.2%	4.36%	9.00%	-4.6%
non-operating income and expenses	25,128	75,115	-66.5%	180,296	149,424	20.7%
Net income before tax	209,663	536,076	-60.9%	1,073,438	1,937,908	-44.6%
income tax expense	74,042	179,989	-58.9%	381,721	698,764	-45.4%
Net income	135,621	356,087	-61.9%	691,717	1,239,144	-44.2%
%	2.46%	6.64%	-4.2%	3.38%	6.24%	-2.9%
Net income attributable to Shareholders of the parent	112,348	277,840	-59.6%	559,669	1,071,166	-47.8%
EPS(NTD/per share)	\$0.46	\$1.12	-\$0.66	\$2.26	\$4.32	-\$2.06



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Business Highlight-Consolidated income statement(2/2)

Unit:NTD'000	Q4-2022	Q4-2021	YoY(%)	Q1-2023 (Non-audit)	Q1-2022	YoY(%)
Revenue	5,516,572	5,365,662	2.8%	5,265,380	4,758,074	10.7%
Operating costs	4,208,609	3,703,803	13.6%	3,951,046	3,388,982	16.6%
Gross profit	1,307,963	1,661,859	-21.3%	1,314,334	1,369,092	-4.0%
%	23.71%	30.97%	-7.3%	24.96%	28.77%	-3.8%
Operating expenses	1,123,428	1,200,898	-6.5%	1,103,260	1,043,969	5.7%
Operating profit	184,535	460,961	-60.0%	211,074	325,123	-35.1%
%	3.35%	8.59%	-5.2%	4.01%	6.83%	-2.8%
non-operating income and expenses	25,128	75,115	-66.5%	59,971	31,841	88.3%
Net income before tax	209,663	536,076	-60.9%	271,045	356,964	-24.1%
income tax expense	74,042	179,989	-58.9%	110,726	127,465	-13.1%
Net income	135,621	356,087	-61.9%	160,319	229,499	-30.1%
%	2.46%	6.64%	-4.2%	3.04%	4.82%	-1.8%
Net income attributable to Shareholders of the parent	112,348	277,840	-59.6%	126,669	186,700	-32.2%
EPS(NTD/per share)	\$0.46	\$1.12	-\$0.66	\$0.51	\$0.75	-\$0.24

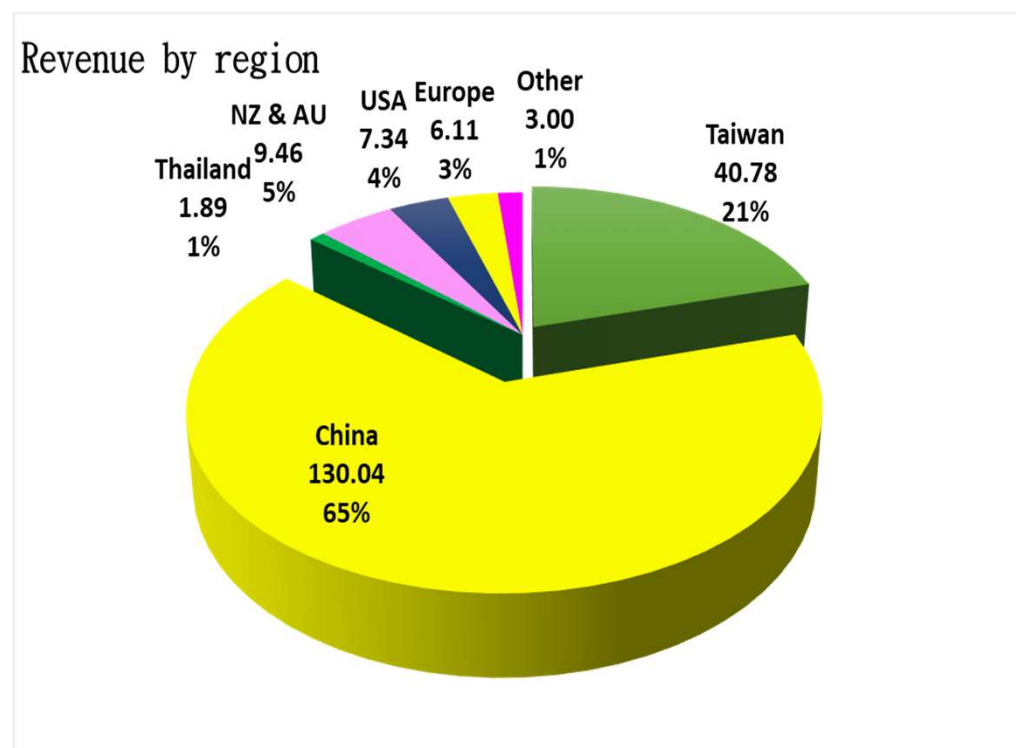
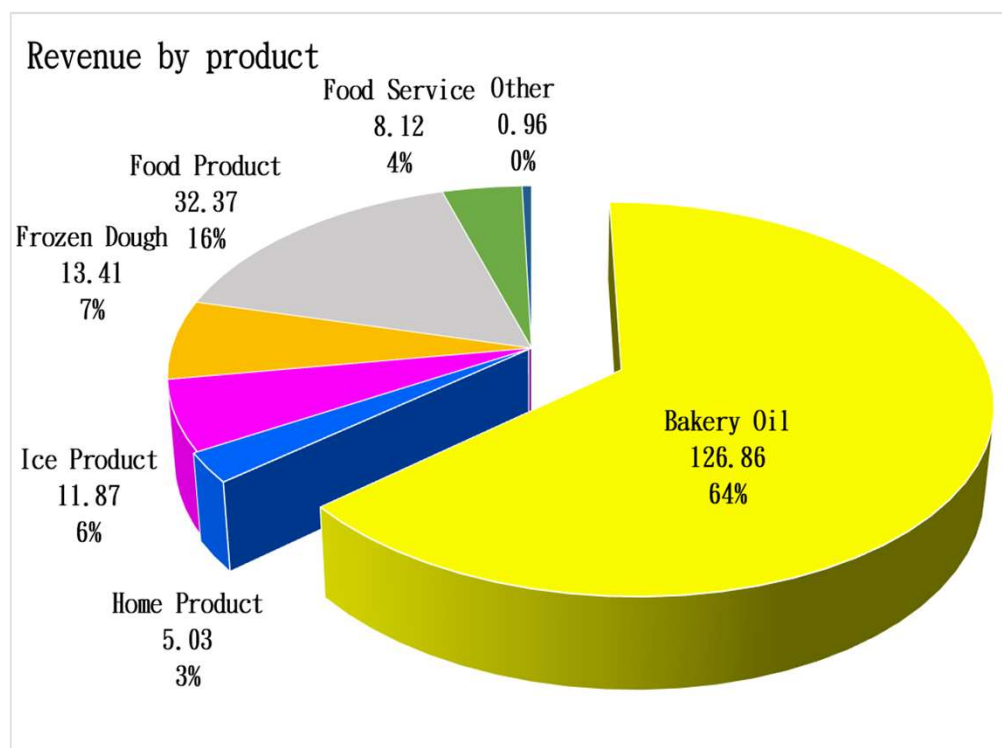


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Business Highlight-Consolidated statement of cash flow

Unit:NTD'000	Q4-2022 YTD	Q4-2021 YTD	YoY
Cash and cash equivalents at beginning of period	9,729,803	5,721,627	4,008,176
Net cash provided by operating activities	1,427,614	1,196,462	231,152
Net cash used in investing activities	(729,842)	(375,219)	(354,623)
Net cash provided by financing activities	(159,334)	3,627,176	(3,786,510)
Effect of exchange rate changes on cash and cash equivalents	226,202	(440,243)	666,445
Net increase (decrease) in cash and cash equivalents	764,640	4,008,176	(3,243,536)
Cash and cash equivalents at end of period	10,494,443	9,729,803	764,640

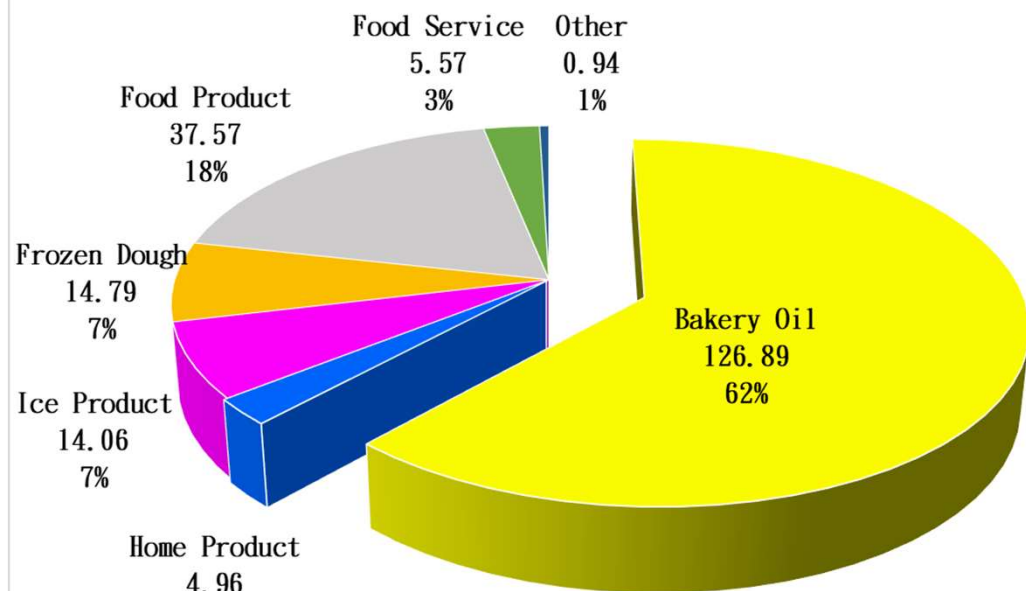
Business Highlight - 2021 YTD revenue



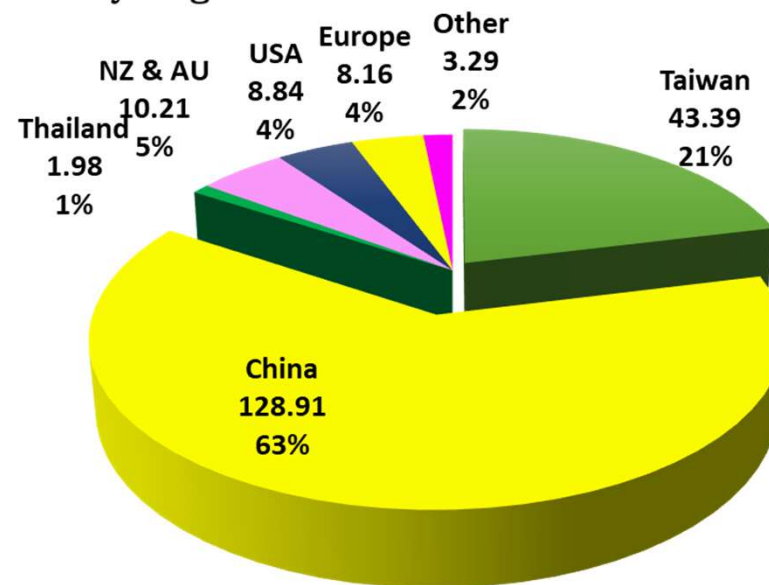
Unit: NTD 100M

Business Highlight - 2022 YTD revenue

Revenue by product

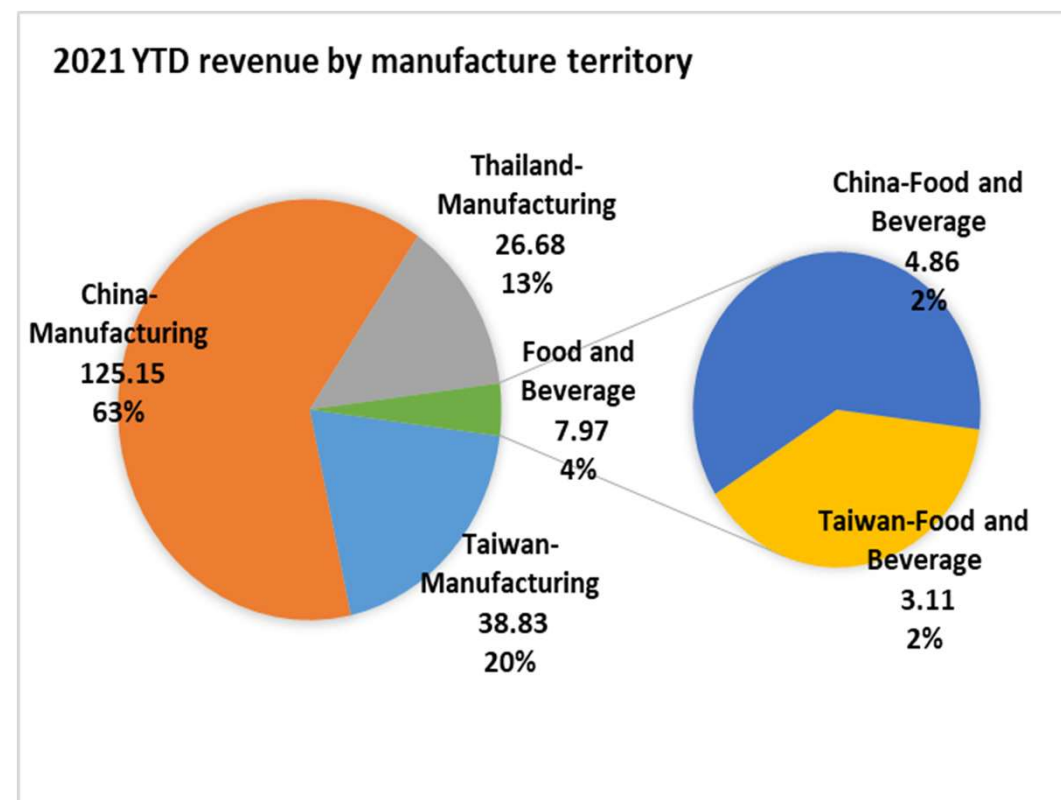
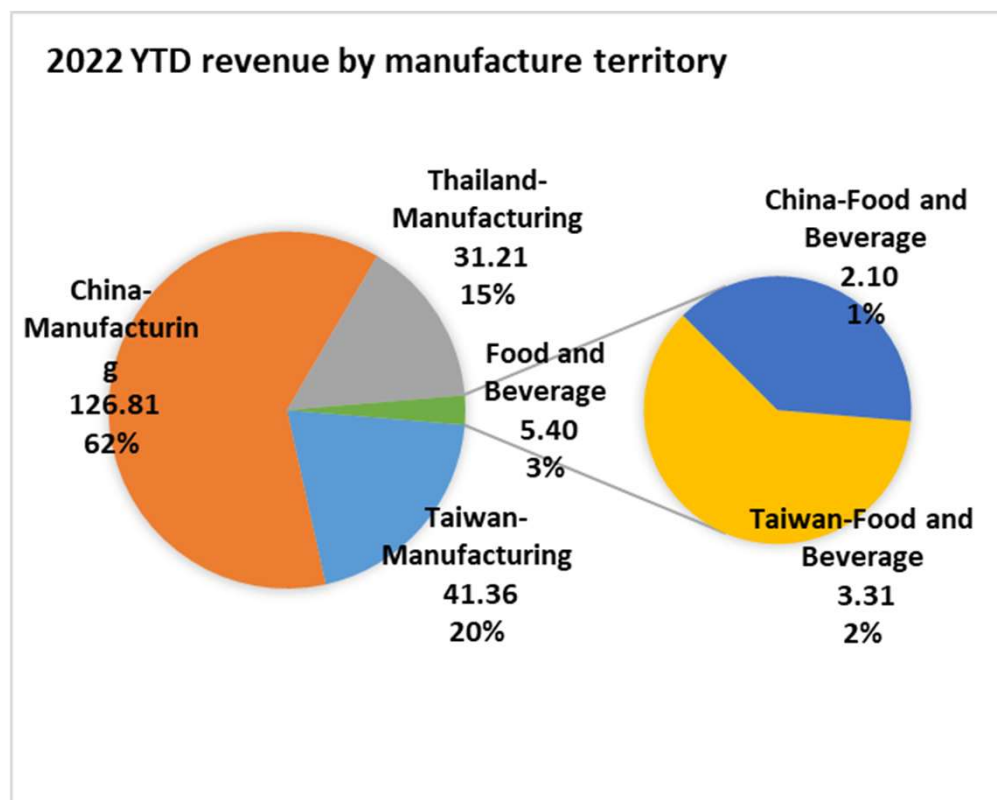


Revenue by region



Unit: NTD 100M

Business Highlight- 2022 VS 2021 YTD revenue



Unit: NTD 100M

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Business Outlook

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Taiwan Oil & Fat

- Added the elements of food and beverage into the bakery application, and promoted bakery products new style to be as main meals and provided to meet customers' delicious and convenient expectations. Understood the changes of Taiwan's Baking Industry in the post epidemic era, customers like to buy bread in their community bakery store. Product capability is the key to attract customers to increase added value.

Forzen Noodles

- In September 2022, Sanuki's artificial wave ramen will be exclusively listed by PX Mart. Using Japanese microcomputer noodle making technology, imitating the craftsman's five-stage hand extension technique to create a wavy ramen body, this noodle can better absorb soup and sauce.

Dairy products

- In addition to existing customers, develop strategic OEM and ODM products. Work with internationally and locally known brands in sales to help increase brand value (Godiva and Lipton). Export to USA 、Hong Kong 、Macau and South Korea to increase sale volume in winter.

Home products

- Cooperate with probiotics (益菌の革命 TripleProbio) developed by TCI Co., Ltd.(大江生醫集團) to launch the new product(益生菌高效抗菌洗衣液體皂) to decrease the bad microbiota for a long time and protect the clothing fibers. Launch 「皂力淨洗衣液體皂」 to attain multiple effects 「clean + anti-bacteria + anti-mildew + mite-proof + hyposensitivity」, recommended by Panasonic.

Soap

- Added probiotics, skin-friendly and moisturizing, to help skin maintain health. Naturally sourced ingredients to develop the most suitable formula for exclusive skin cleansing. No artificial flavors and pigments are added, the production process is rigorous, the soap body is solid and Q bombs are not easy to fester, and it is easy to use and durable. Make bathing a healing time.



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Thailand Namchow

- The all new production capacity was set to manufacture rice cracker and the sales reached record high in 2020. The first stage goes into full production and the second stage goes into full production second half of the year in 2022.
- In the second phase of the new line expansion plan, rice cracker will add new lines, which will add sales.

China Oil & Fat

- Namchow Food Group (Shanghai) Co., Ltd., approved by the board of directors on August 9, 2022, established a wholly-owned subsidiary Chongqing Namchow Food Co., Ltd. in Chongqing, with an estimated investment amount of approximately RMB 480 million (NTD 2.1 billion), as the company's production base in the western mainland and Southeast Asian markets, it has become the fourth largest production base owned by Namchow Foods, and has built production workshops for the production and processing of whipped cream and frozen dough, R&D workshops and supporting facilities. equipment, to achieve production and supply nearby, and continue to improve the company's operating capabilities.

Q & A