



Security code : 1702

Namchow holdings Co., Ltd.

2023 Q4 Investor Conference

Kevin Lee
Mar. 21, 2024



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**
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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

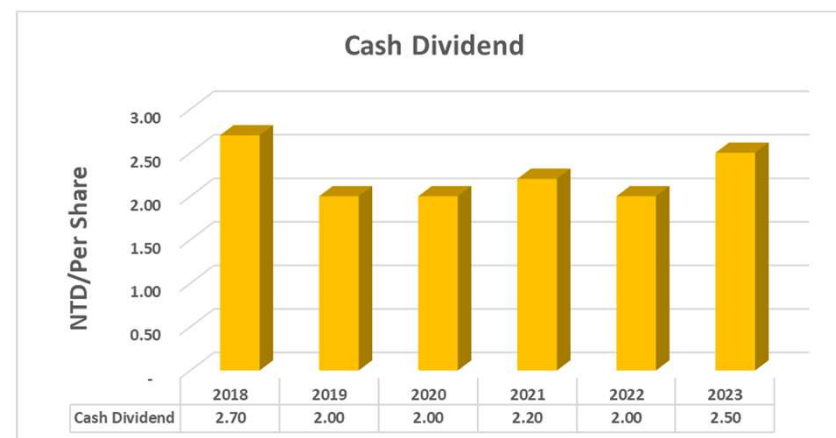
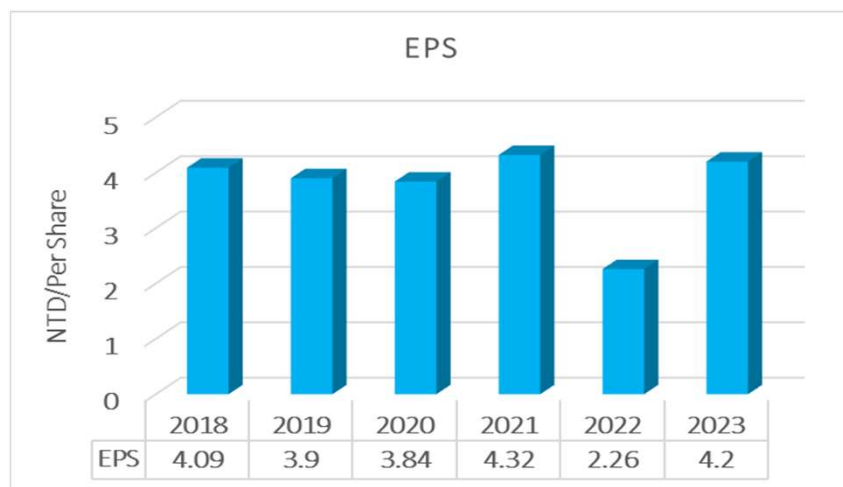
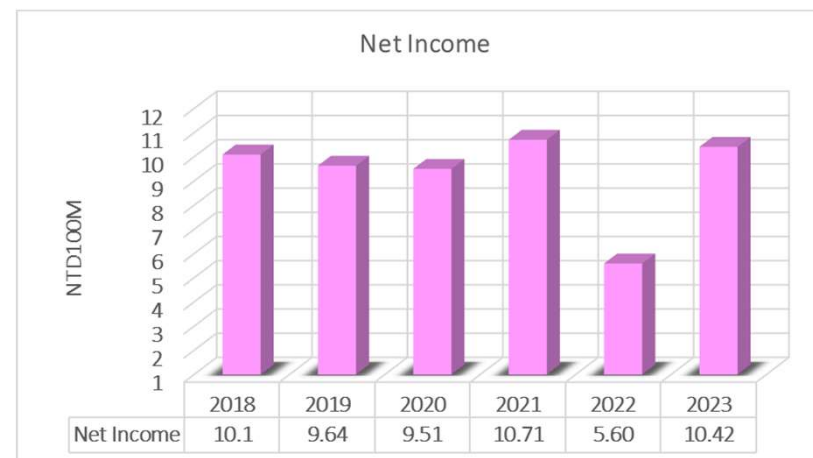
Plant locations : Taoyuan Factory 、 Chungli factory 、 Tainan factory 、 Thailand factory 、 Tenjin factory 、 Guangzhou factory 、 Jinshan Shanghai (1st&2nd)

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

	2023.12.31		2023.9.30		2022.12.31	
	amount	%	amount	%	amount	%
Current Assets	15,643,850	52%	16,131,904	53%	17,185,495	56%
Non-Current Assets	14,637,122	48%	14,511,596	47%	13,278,287	44%
Total Assets	30,280,972	100%	30,643,500	100%	30,463,782	100%
Current Liabilities	8,587,470	28%	8,491,598	28%	7,595,803	25%
Non-Current Liabilities	9,152,569	30%	9,744,844	32%	10,488,006	34%
Total Liabilities	17,740,039	59%	18,236,442	60%	18,083,809	59%
Stockholders' equity	12,540,933	41%	12,407,058	40%	12,379,973	41%
Total Liabilities and Equity	30,280,972	100%	30,643,500	100%	30,463,782	100%



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Business Highlight-Consolidated income statement(1/2)

Unit:NTD'000	Q4-2023	Q4-2022	YoY(%)	2023 YTD	2022 YTD	YoY(%)
Revenue	5,880,616	5,516,572	6.6%	22,680,006	20,478,405	10.8%
Operating costs	4,040,643	4,208,609	-4.0%	16,173,509	15,133,045	6.9%
Gross profit	1,839,973	1,307,963	40.7%	6,506,497	5,345,360	21.7%
%	31.29%	23.71%	7.6%	28.69%	26.10%	2.6%
Operating expenses	1,264,862	1,123,428	12.6%	4,919,560	4,452,218	10.5%
Operating profit	575,111	184,535	211.7%	1,586,937	893,142	77.7%
%	9.78%	3.35%	6.4%	7.00%	4.36%	2.6%
non-operating income and expenses	43,169	25,128	71.8%	189,513	180,296	5.1%
Net income before tax	618,280	209,663	194.9%	1,776,450	1,073,438	65.5%
income tax expense	140,376	74,042	89.6%	535,282	381,721	40.2%
Net income	477,904	135,621	252.4%	1,241,168	691,717	79.4%
%	8.13%	2.46%	5.7%	5.47%	3.38%	2.1%
Net income attributable to Shareholders of the parent	387,876	112,347	245.2%	1,041,815	559,669	86.1%
EPS(NTD/per share)	\$1.56	\$0.45	\$1.11	\$4.20	\$2.26	\$1.94



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Business Highlight-Consolidated income statement(2/2)

Unit:NTD'000	Q4-2023 YTD	Q4-2022 YTD	YoY(%)	Feb-2024 YTD (Non-audit)	Feb-2023 YTD (Non-audit)	YoY(%)
Revenue	5,880,616	5,516,572	6.6%	3,627,012	3,289,077	10.3%
Operating costs	4,040,643	4,208,609	-4.0%	2,541,631	2,497,137	1.8%
Gross profit	1,839,973	1,307,963	40.7%	1,085,381	791,940	37.1%
%	31.29%	23.71%	7.6%	29.92%	24.08%	5.8%
Operating expenses	1,264,862	1,123,428	12.6%	767,814	704,222	9.0%
Operating profit	575,111	184,535	211.7%	317,567	87,718	262.0%
%	9.78%	3.35%	6.4%	8.76%	2.67%	6.1%
non-operating income and expenses	43,169	25,128	71.8%	65,423	47,733	37.1%
Net income before tax	618,280	209,663	194.9%	382,990	135,451	182.8%
income tax expense	140,376	74,042	89.6%	133,015	68,225	95.0%
Net income	477,904	135,621	252.4%	249,975	67,226	271.8%
%	8.13%	2.46%	5.7%	6.89%	2.04%	4.8%
Net income attributable to Shareholders of the parent	387,876	112,347	245.2%	213,861	49,958	328.1%
EPS(NTD/per share)	\$1.56	\$0.45	\$1.11	\$0.86	\$0.20	\$0.66

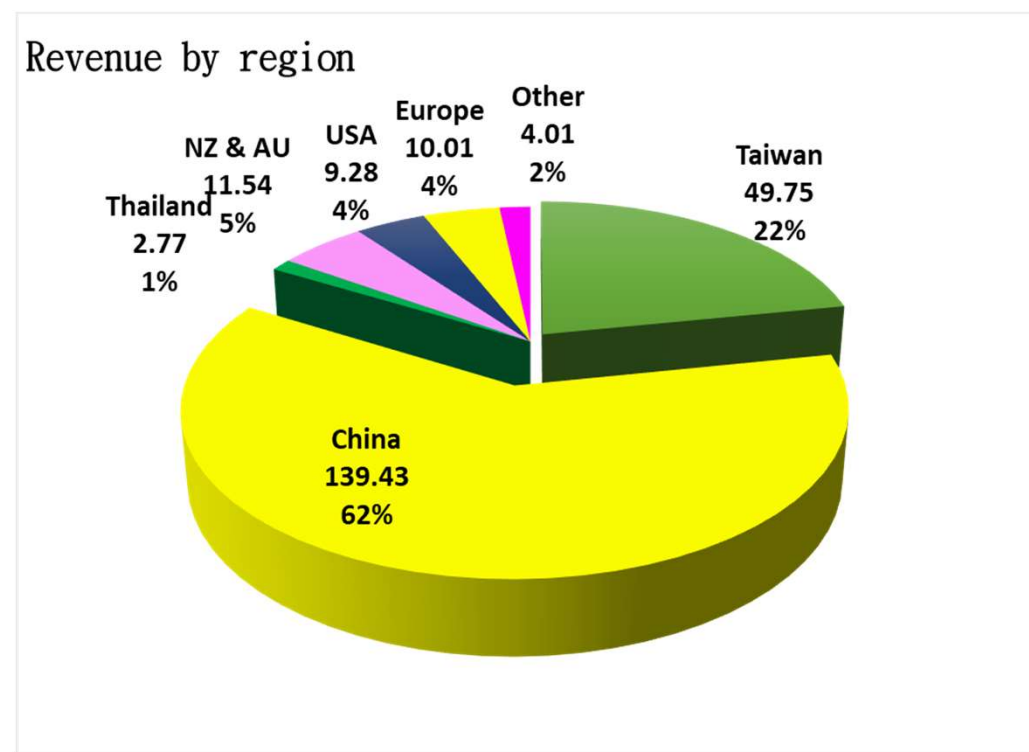
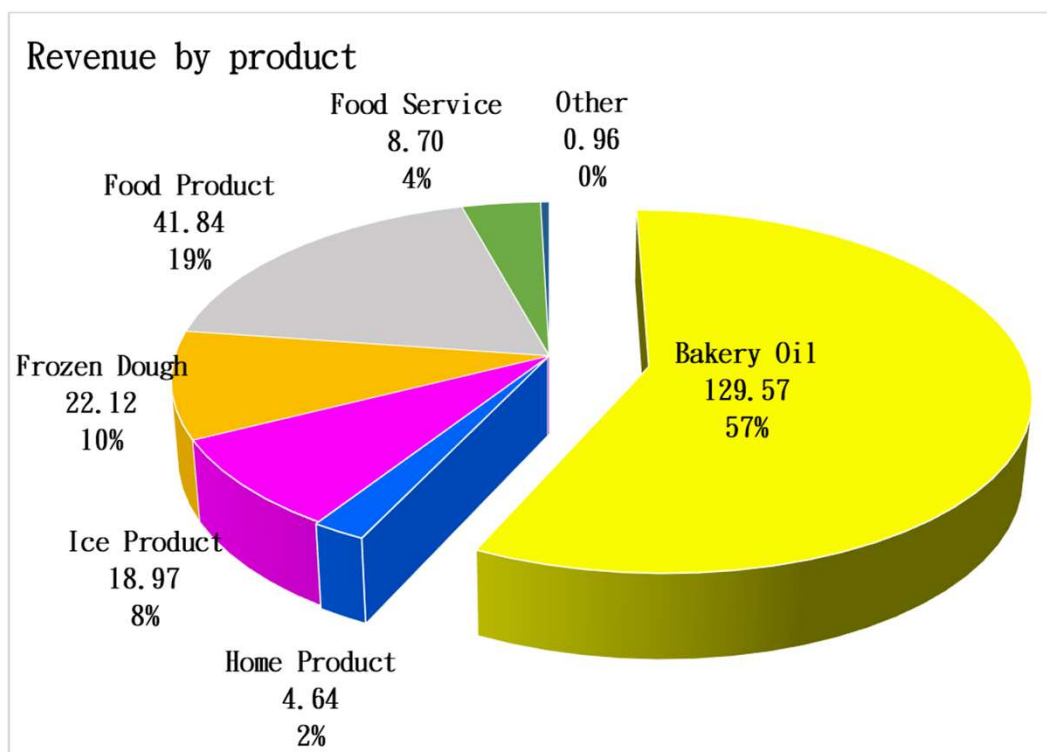


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Business Highlight-Consolidated statement of cash flow

Unit:NTD'000	2023 YTD	2022YTD	YoY
Cash and cash equivalents at beginning of period	10,494,443	9,729,803	764,640
Net cash provided by operating activities	3,015,993	1,427,614	1,588,379
Net cash used in investing activities	(2,472,571)	(729,842)	(1,742,729)
Net cash provided by financing activities	(1,353,683)	(159,334)	(1,194,349)
Effect of exchange rate changes on cash and cash equivalents	(167,252)	226,202	(393,454)
Net increase (decrease) in cash and cash equivalents	(977,513)	764,640	(1,742,153)
Cash and cash equivalents at end of period	9,516,930	10,494,443	(977,513)

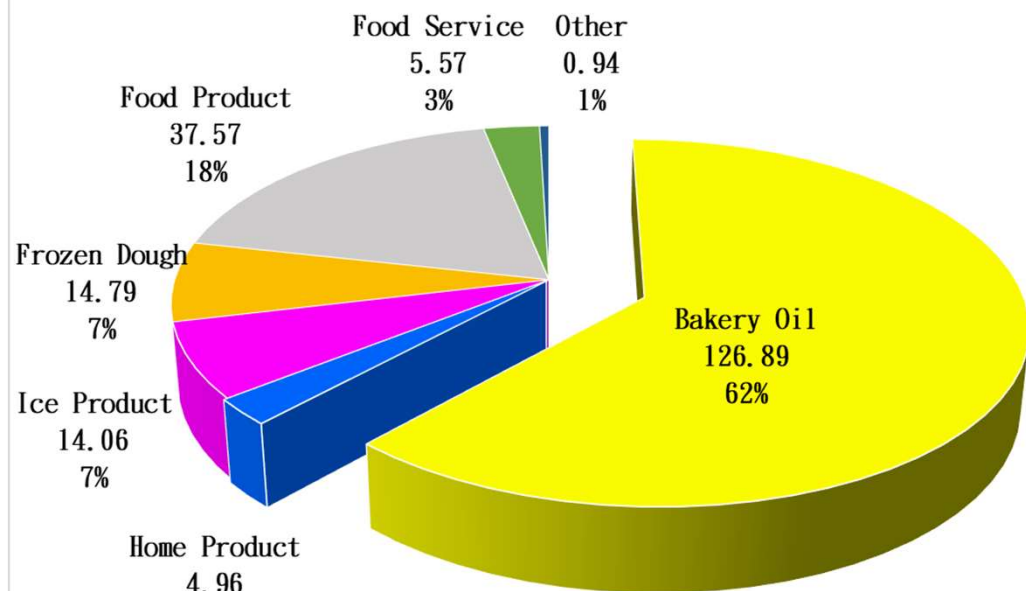
Business Highlight - 2023 YTD revenue



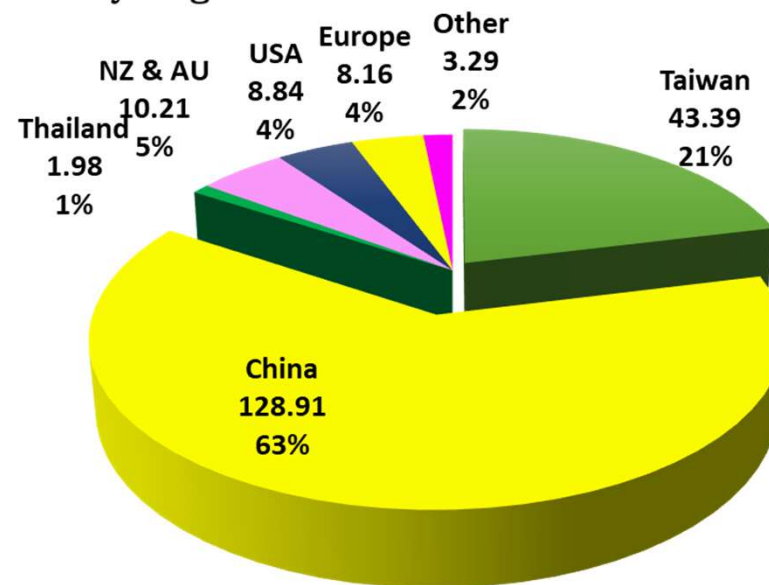
Unit: NTD 100M

Business Highlight - 2022 YTD revenue

Revenue by product

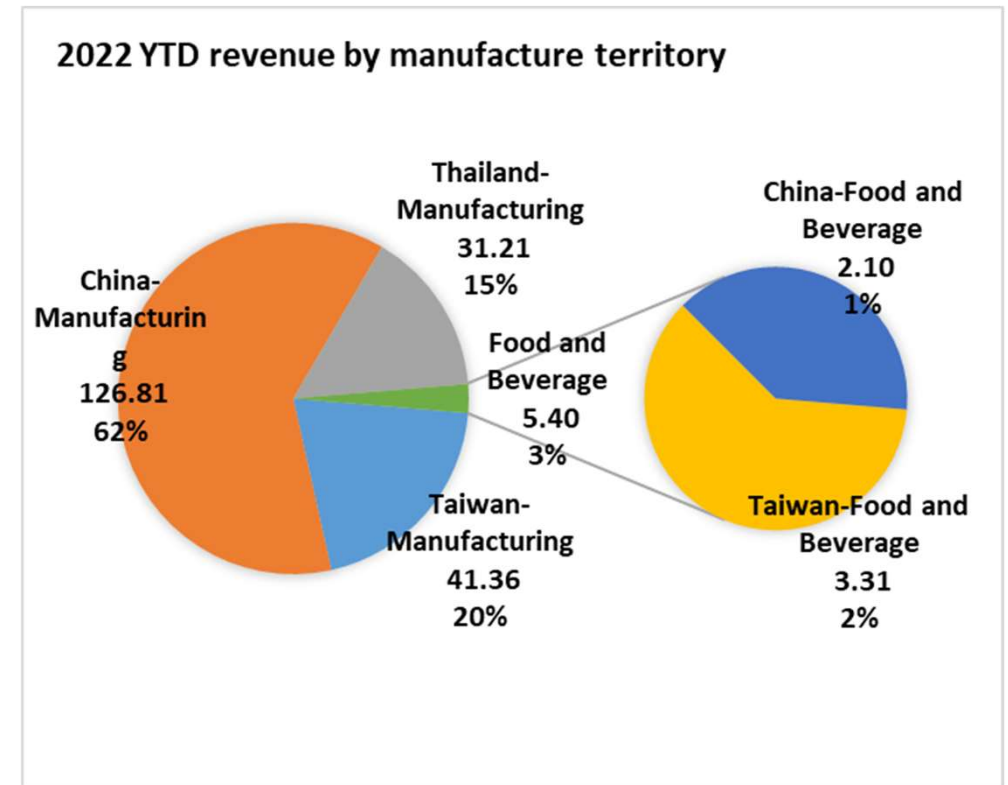
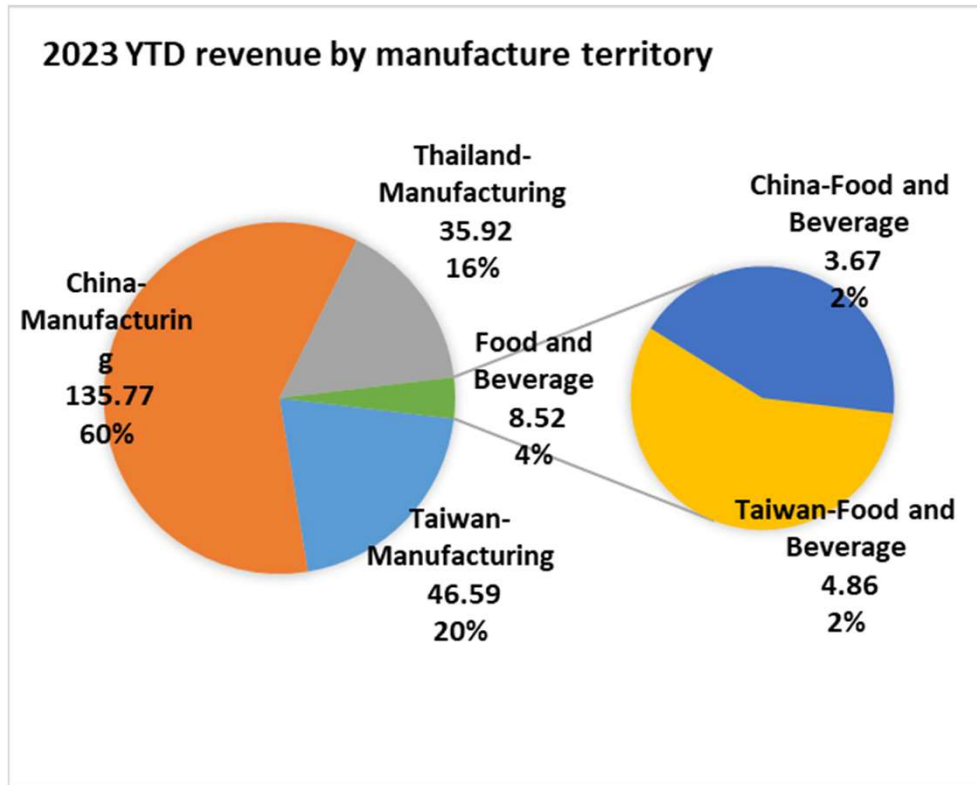


Revenue by region



Unit: NTD 100M

Business Highlight- 2023 VS 2022 YTD revenue



Unit: NTD 100M

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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.

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. OEM for FamilyMart sales of ice cream, boosting revenue growth.

Home products

- Crystal series products newly launch "Indoor Drying Antibacterial and Anti-Mold Laundry Liquid Soap", which is specially developed for indoor drying. It cleans, antibacterial and deodorizes, ending all the worries of indoor drying. Grapefruit seed extract, powerful antibacterial, SGS certified to effectively inhibit 9 major bacteria up to 99.9%

The Board of Directors approved the proposed submission of the subsidiary, Lucky Royal Co., Ltd. Application for listing (over-the-counter) in the domestic securities market.



Business Outlook

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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. Provide new momentum for the company's operation in 2023.
- 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.
- In addition, Namchow Group has recently actively explored Southeast Asia, first set up branches in Singapore/Bangkok/Hong Kong to actively expand abroad, and continues to be optimistic about mainland baking oils, planning to export mainland baking oils and fats to Southeast Asian markets and Hong Kong and Macao.

Q & A