



環泰企業
TAIWAN FRUCTOSE CO., LTD.

2022 Earnings Call

Speaker: Chih-Liang Kang, President

November/ 24 /2022

Earnings Call Essential

1. Taiwan Fructose Background and Organization
2. Product description
3. Operational performance
4. Future Prospects
5. Q & A



1. Taiwan Fructose (4207)

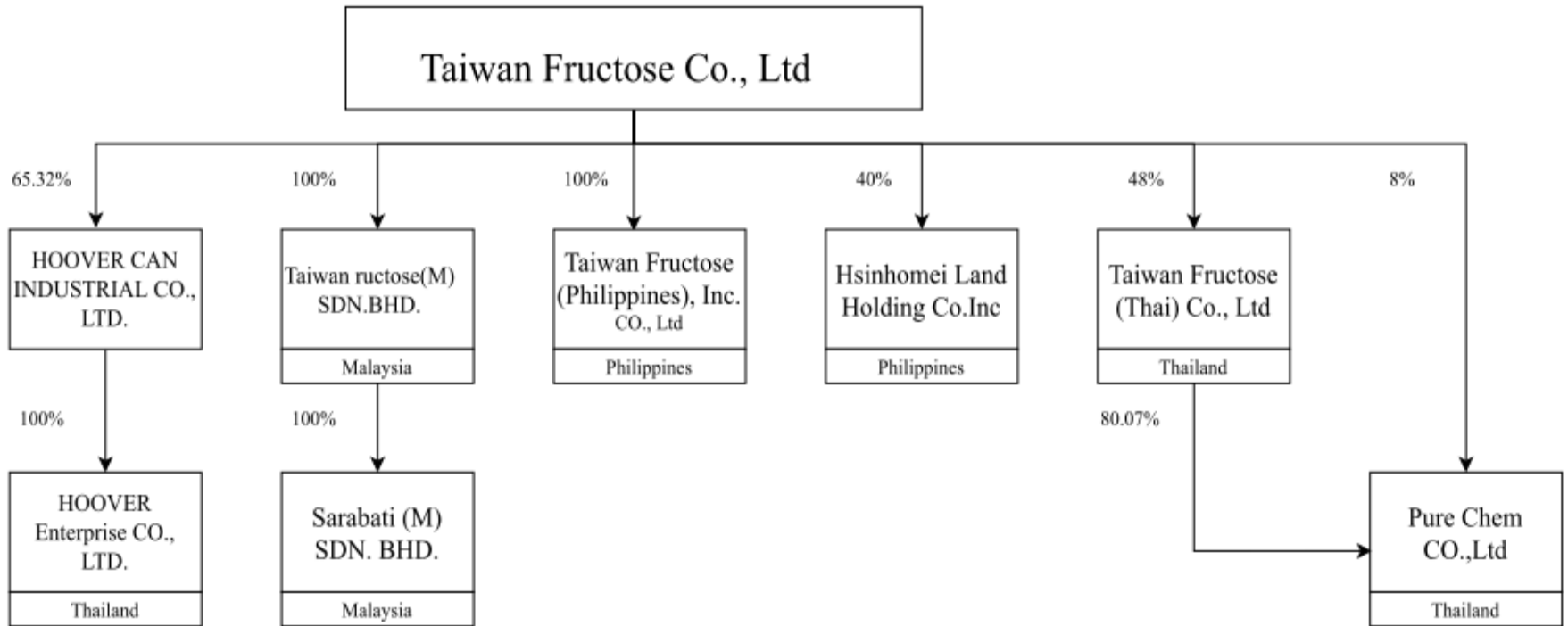
Date of establish: July 25, 1984

Taipei exchange listing date: January 21, 2000

Capital: NT\$ 1.76 billion



Company Organization



Taiwan Factory 1

Factory : Taoyuan

Product :

**Liquid -Fructose, Maltose,
oligosaccharide**

**Powder - NON-DAIRY Creamer,
Maltodextron**



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Taiwan Factory 2

Factory : Changhua

Product : Maltose, Oligosaccharide



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Malaysia Factory



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Malaysia Factory Location Map



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Malaysia Factory

- ◎ Establish Date : 2008
- ◎ Capital: NT 800 million
- ◎ Company/Factory: Sungkai, Perak
- ◎ Capacity : 70,000 tons per year
- ◎ Revenue: Annual NT1 billion
- ◎ Certificate : FSSC22000 、 HALAL 、 GMP 、 MESTI 、
HACCP 、 KOSHER
- ◎ Products/Customers:
 - Maltose- Nestle, Kerry and other creamer factories
and Hershey, Hup Seng and other snack food factories
 - Fructose- Kerry, Hershey.

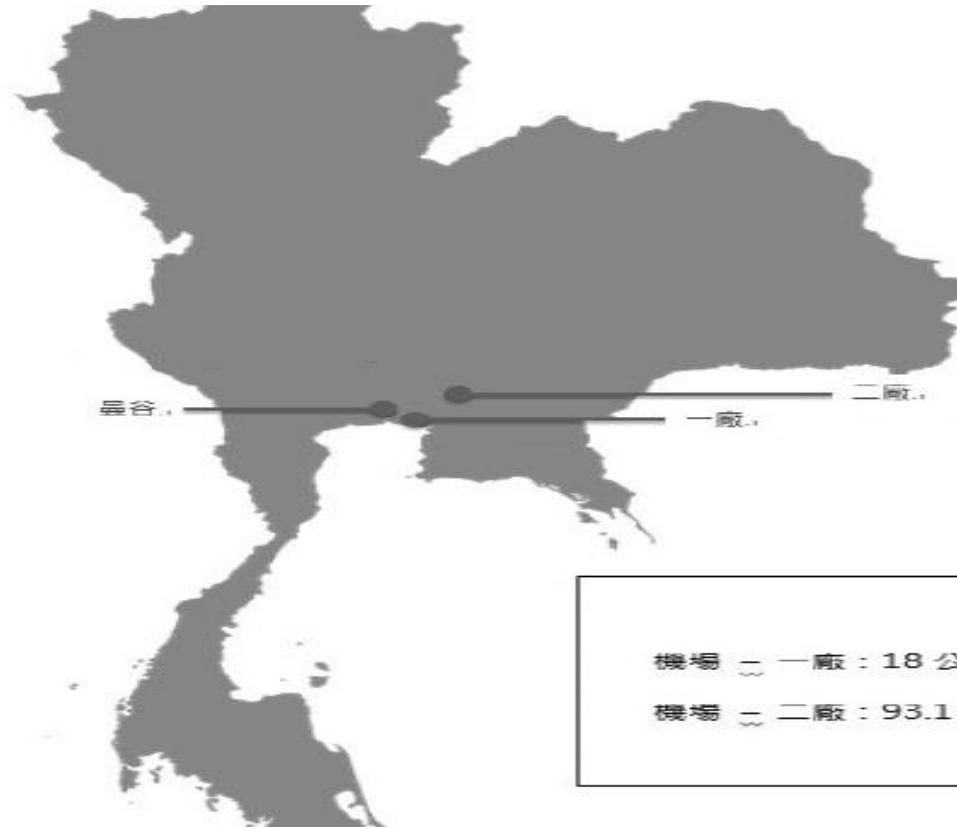
Thailand Factory



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**65 Moo 11 Soi Vilalai 1, Bangna Trad Road
KM.20, angchalong, Bangplee, Samutprkarn
10540, Thailand**

Thailand factory location



Quality products begins with pure ingredients

65 Moo 11 Soi Vilalai 1, Bangna Trad Road
KM.20, angchalong, Bangplee, Samutprkarn
10540, Thailand



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Thailand Factory

- ◎ Establish Date : 1978 (Taiwan Fructose took over in 2009)
- ◎ Capital: NT 500 million
- ◎ Company: Suburban Bangkok
- ◎ Factory :
 - Factory 1. Samutprakarn,
 - Factory 2. Chachoengsao
- ◎ Capacity : 90,000 tons per year
- ◎ Revenue : Annual NT 2 billion
- ◎ Certificate : FSSC22000 、 HALAL 、 KOSHER 、 FGMP 、 HACCP
- ◎ Products/Customers :
 - Sorbitol- Colgate and other toothpaste factories
 - Fructose- beverage factories such as OISHI, ICHITAN, and Thailand Unity
 - Dextrose- TARY Internation, ECO Agri
 - Maltose- Nestle and other creamer factories and snack food factories

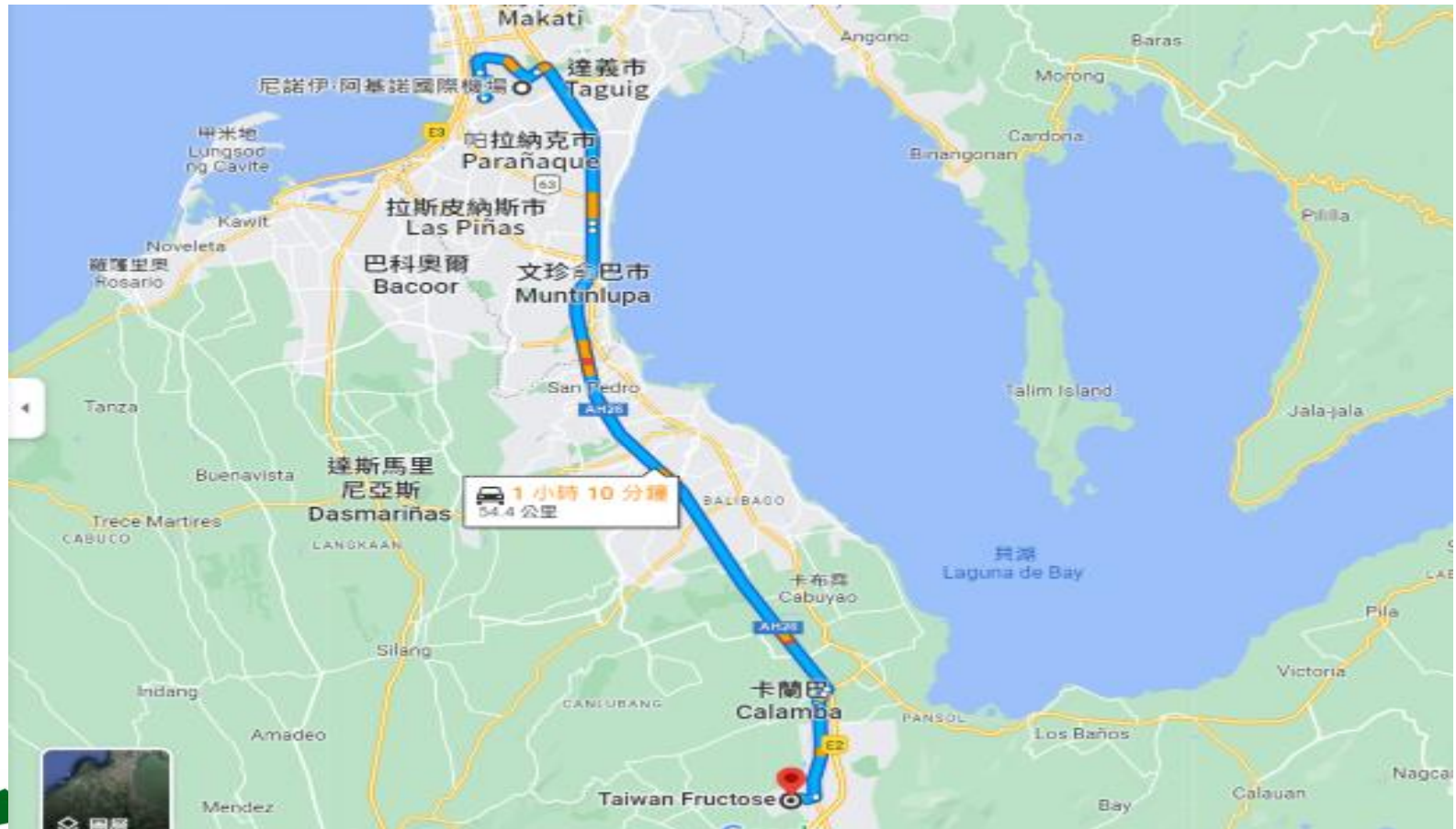


Philippines Factory



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Philippines factory location map



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Philippines Factory

- ◎ Operation date: 2019
- ◎ Capital: NT 990 million
- ◎ Company/Factory: Tanauan, Batangas
- ◎ Capacity: 20,000 tons per year
- ◎ Revenue: Annual NT160 million
- ◎ License: FSSC 22000, HALAL, KOSHER
- ◎ Products/Customers:
 - Maltose: Nestle, Friesland Campina and other creamer factories
 - Fructose: Pearl Milke tea shop beverage chain industry



Hoover Company



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Hoover Company

- ◎ Establish Date: July 1974 (Taiwan Fructose took over in March 1989)
- ◎ Capital: NT\$ 135 million
- ◎ Company/factory: New Taipei City, expected to move to Changhua new factory in 2024.
- ◎ Main products: SPTE barrels, Plastic barrels
- ◎ Production capacity:
 - SPTE barrels : 5 million per years
 - Plastic barrels : 600,000 per years
- ◎ Revenue: Annual revenue NT160 million
- ◎ Certificate: ISO 9001
- ◎ Main customers: Nan Ya Plastics Corporation, Lianguang, Croslene Chemical Industries



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2. Product Description

1. Fructose

Function:

Sweetener, can replace sugarcane,
Sweeter than granulated sugar,
Hygienic and easy to use.

Application:

Beverages, dairy products, ice products, sauces,
baking industry, dessert food, alcohol.



Product Description

2. Maltose

Function:

Sweetener, strong moisturizing, can improve taste,
Prolong ,convenient to use.

Application:

Cakes, mochi, creamer, dairy products, ice
products, dessert food, stuffing, snack food.



Product Description

3. Oligosaccharides

Function:

Functional sweetener, intestinal health care and beverage dairy products & taste improver.

Application:

Lactic acid beverages, sports drink, low fat milk, ice products, candy, jam, and dessert.



Product Description

4. Maltodextrin

Function:

Sweetener, bulking agent, strong moisturizing, increase product stickiness.

Application:

Cakes, mochi, corn flour, meat products, thick soup, sauces, beverages, baking, bean paste.



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Product Description

5. Non-dairy creamer

Function:

Increase food flavor and smooth taste,
supplement nutrition.

Application:

Special nutritional food, nutritionally balanced
formula food, three-in-one instant drink,
coffee, milk tea.



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Product Description

6. Sorbitol

Function:

Inhibit microbial reproduction, moisturizing and preservation.

Application:

Toothpaste, meat processing, vegetarian processed products, frozen food, bean paste, sauces, seafood product, etc.



Product Description

7. Dextrose(DMH)

Function:

Improve taste, increase nutrient source,
replenish energy

Application:

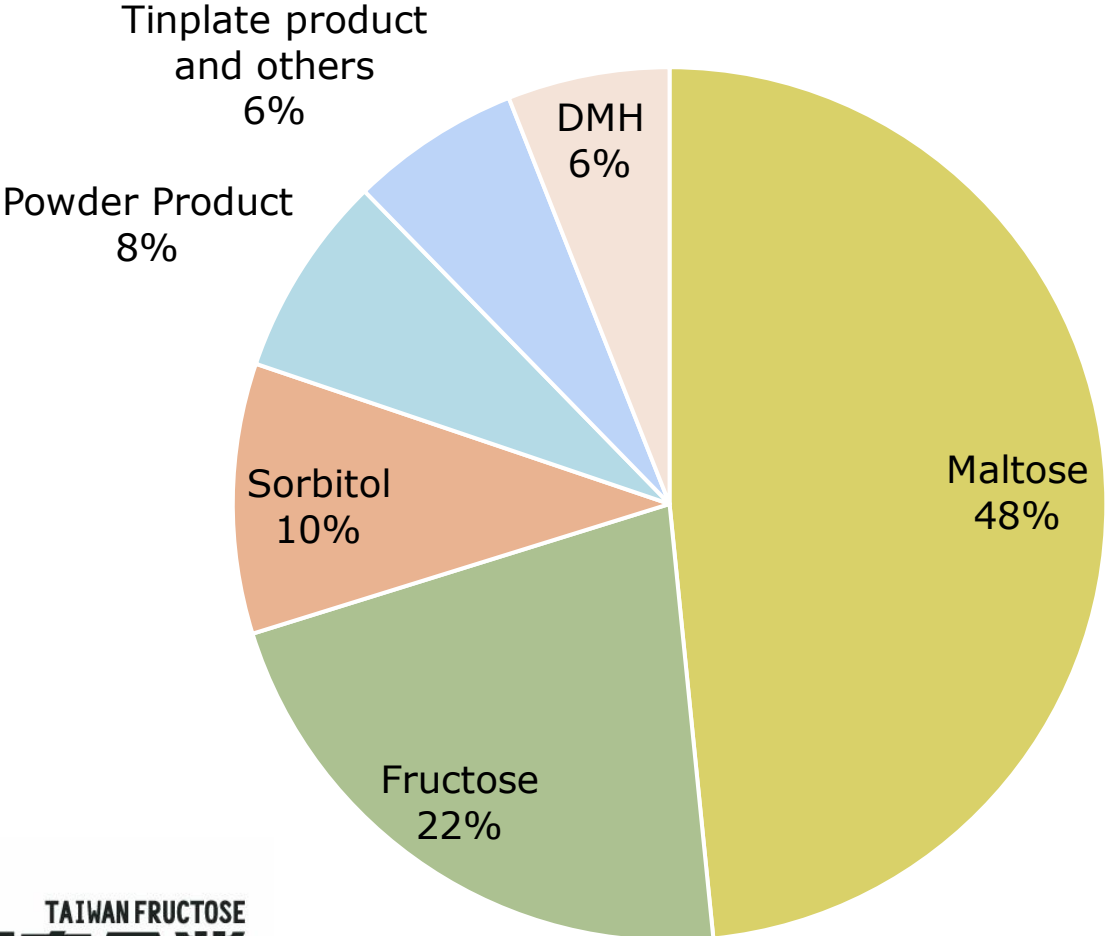
Beverages and dairy, bakery, formula milk
powder



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Group's revenue share by product

Year 2021

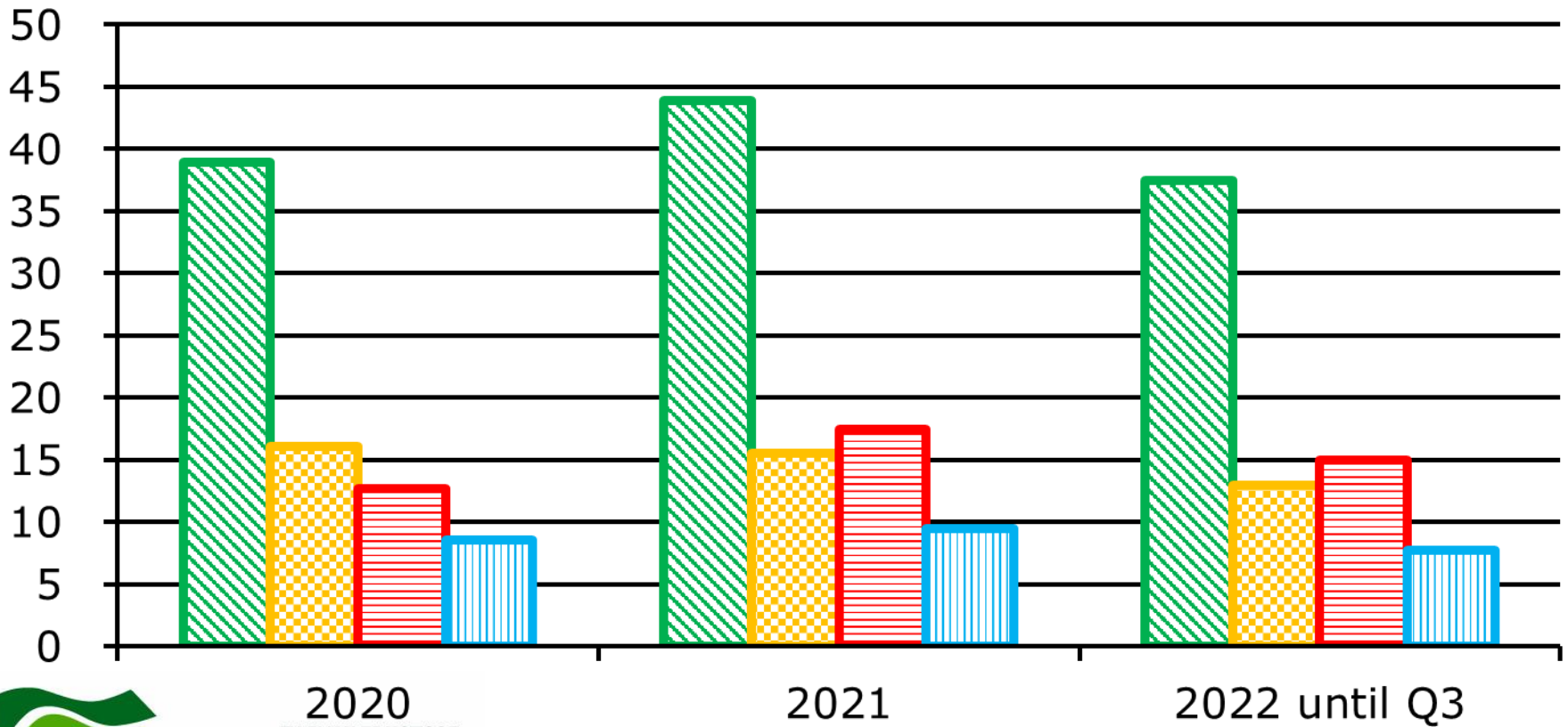


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Revenue in last three years by branches

(NT\$100 million)

Group Taiwan Thailand Malaysia



2020
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3. Operating performance

Consolidated income statement

Unit: NT\$ thousand, EPS is NT\$

	<u>2022 Q1-Q3</u>	<u>%</u>	<u>2021 Q1-Q3</u>	<u>%</u>	<u>Change%</u>
Revenue	3,749,809	100	3,240,359	100	15.72
Cost of goods sold	(3,279,885)	87.47	(2,775,708)	85.66	18.16
Gross profit	469,924	12.53	464,651	14.34	1.13
Operating expense	(231,208)	6.18	(217,126)	6.70	6.48
Income from operation	238,716	6.35	247,525	7.64	(3.56)
Non-operating income and expenses	(8,614)		13,839		
Profit before tax	230,102	6.13	261,364	8.06	(11.96)
Income tax expense	(45,882)	1.22	(77,291)	2.38	(40.63)
Net profit	184,220	4.91	184,073	5.68	0.08
Net profit -Headquarters	131,974	3.52	137,550	4.24	(4.05)
Minority equity	52,246	1.39	46,523	1.43	
EPS	0.75		0.78		

Earning Ratios

	Year 2022				
Quarter	Q3	Q2	Q1	Q1 to 3	
Gross Profit ratio	11.50%	11.20%	15.13%	12.53%	
Expense ratio	5.94%	6.25%	6.32%	6.18%	
Operating ratio	5.56%	4.94%	8.82%	6.35%	
Net profit ratio	4.43%	3.84%	6.62%	4.91%	



4. Future Prospects

1. Currently in Taiwan the loading of Taoyuan and Changhua factory are nearly full, products will be adjusted towards higher margins items.
2. Thailand factory will expand production capacity and upgrade product to increase the proportion of export business.
3. Materials varied & diversified
4. Product development with function and health orientation ◦
5. Take advantage of ASEAN duty-free benefits ◦



Q & A



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