環泰企業
TAIWAN FRUCTOSE CO.,LTD.

2024 Earnings Call

Speaker： Chih-Liang Kang, President

November/28/2024

Earnings Call Essential

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1 Product description

2 Operational performance

3 Future Prospects

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Disclaimer

- The predictive information mentioned in this presentation, including operating outlook, financial conditions and business forecasts, is based on information obtained by the Company from internal and external sources.
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Taiwan Fructose Background and Organization

PART 1

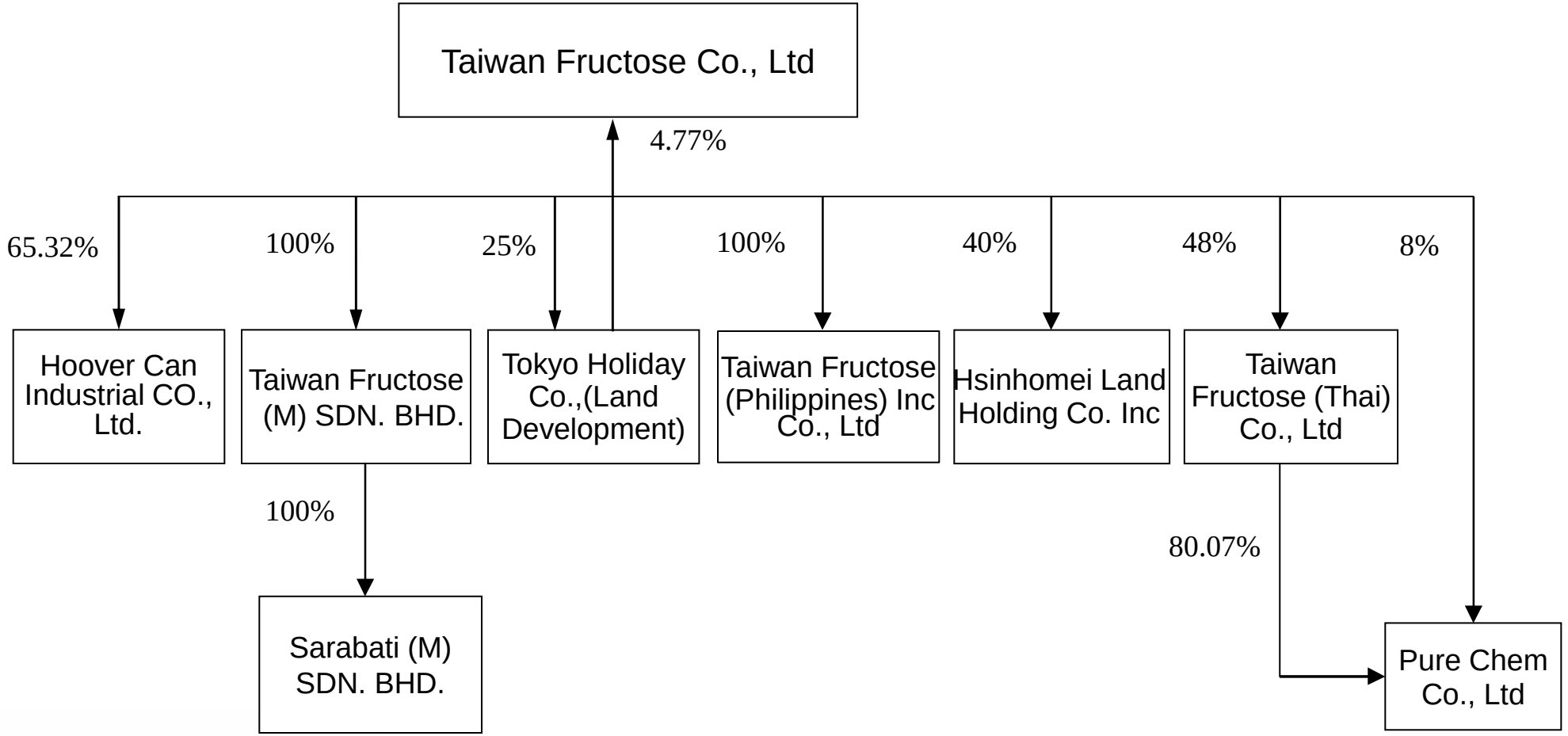
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Taiwan Fructose(4207)

- **Date Of Establish：July 25,1984**
- **Head Office：Taoyuan City, Taiwan**
- **Chairman：Mr Kang, Yung-Ming**
- **Stock Listiing Date：January 20, 2000**
- **Capital：NT$ 1.98Billions**
- **Year2023 Consolidates revenue：NT 5.34Billions**

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Company Organization



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Taiwan Factory 1



Factory：Taoyuan,Nankan

Product :

Liquid -Fructose, Maltose, Glucose, Oligosaccharide

Powder - NON-DAIRY Creamer, Maltodextrin



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Taiwan Factory 2



Factory：Changhua

Product： Liquid -Maltose , Oligosaccharide



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Malaysia Factory



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Malaysia Factory Location



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Malaysia Factory

Establish：Year 2008

Capital：NT 800 Million

Company /Factory：Sungkai,Perak

Capacity：70,000/MT Annual

Revenue：Year 2023 NT 1.04 Billion

Certificate：FSSC22000、HALAL、GMP、MESTI、HACCP、KOSHER、SEDEX

Products/Customers：

Glucose : Kerry / Nestle / Food Excellence / Almer / Custom and other customers

Fructose : Kerry / Hershey / F&N / Universal

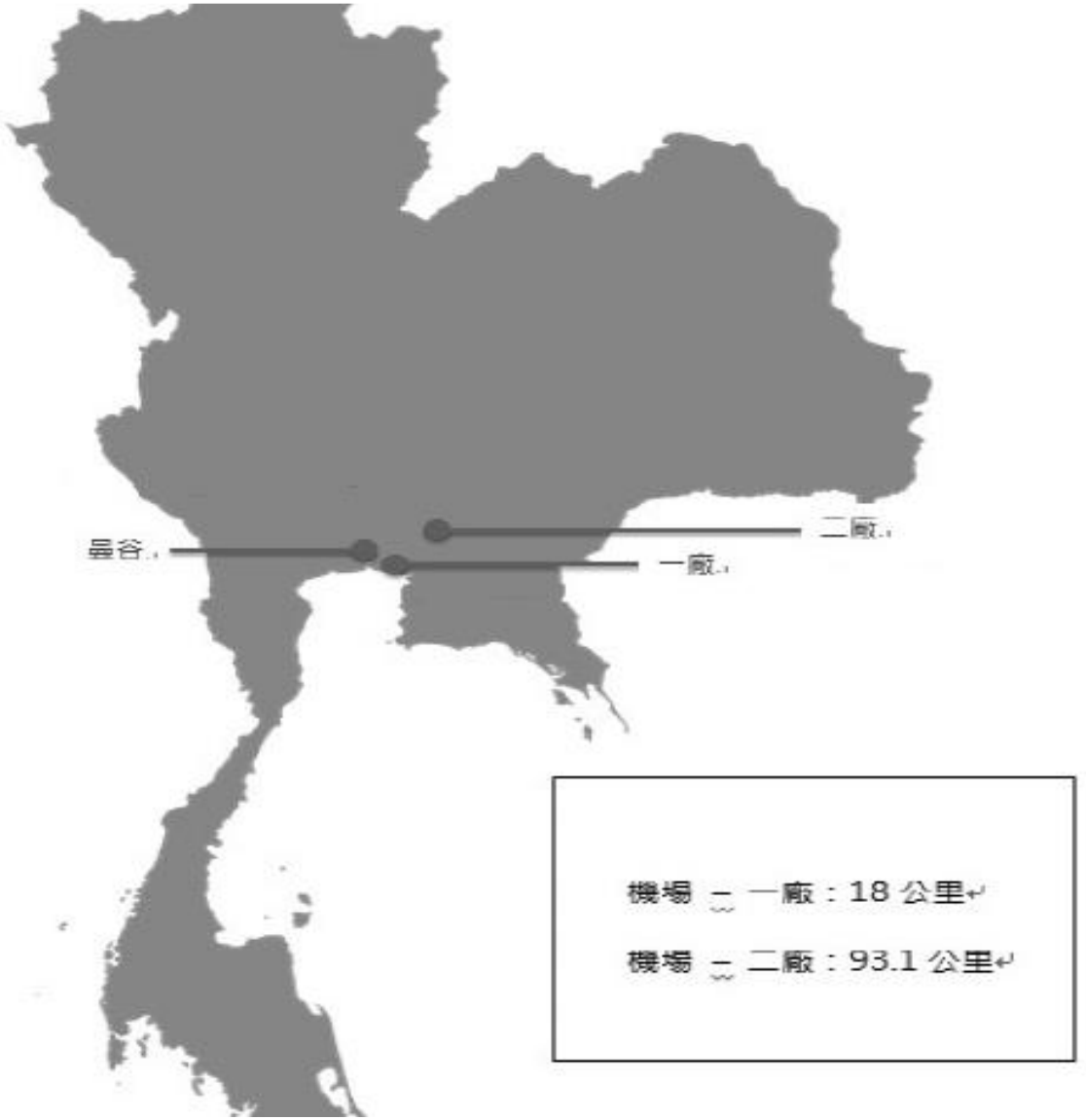
Maltose : Hup Seng / Nicko Jeep / Hacks and other snacks food factories

Thailand Factory



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Thailand Factory Location



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Thailand Factory

Establish Date：1978　(Taiwan Fructose took over in 2009)

Capital：NT 620 Million

Company：Samutprakarn

Factory : Factory 1. Samutprakarn, Factory 2. Chachoengsao

Capacity：100,000/MT Annual

Revenue：Year2023 NT 2.08 billion

Certificate：FSSC22000、HALAL、KOSHER、GHP/GMP、HACCP、SEDEX 、

Products/Customers：Sorbitol/Maltitol：Colgate and other toothpaste factories

Fructose：beverage factories such as OISHI, ICHITAN,and Thailand Unity

Dextrose：TARY Internation, ECO Agri

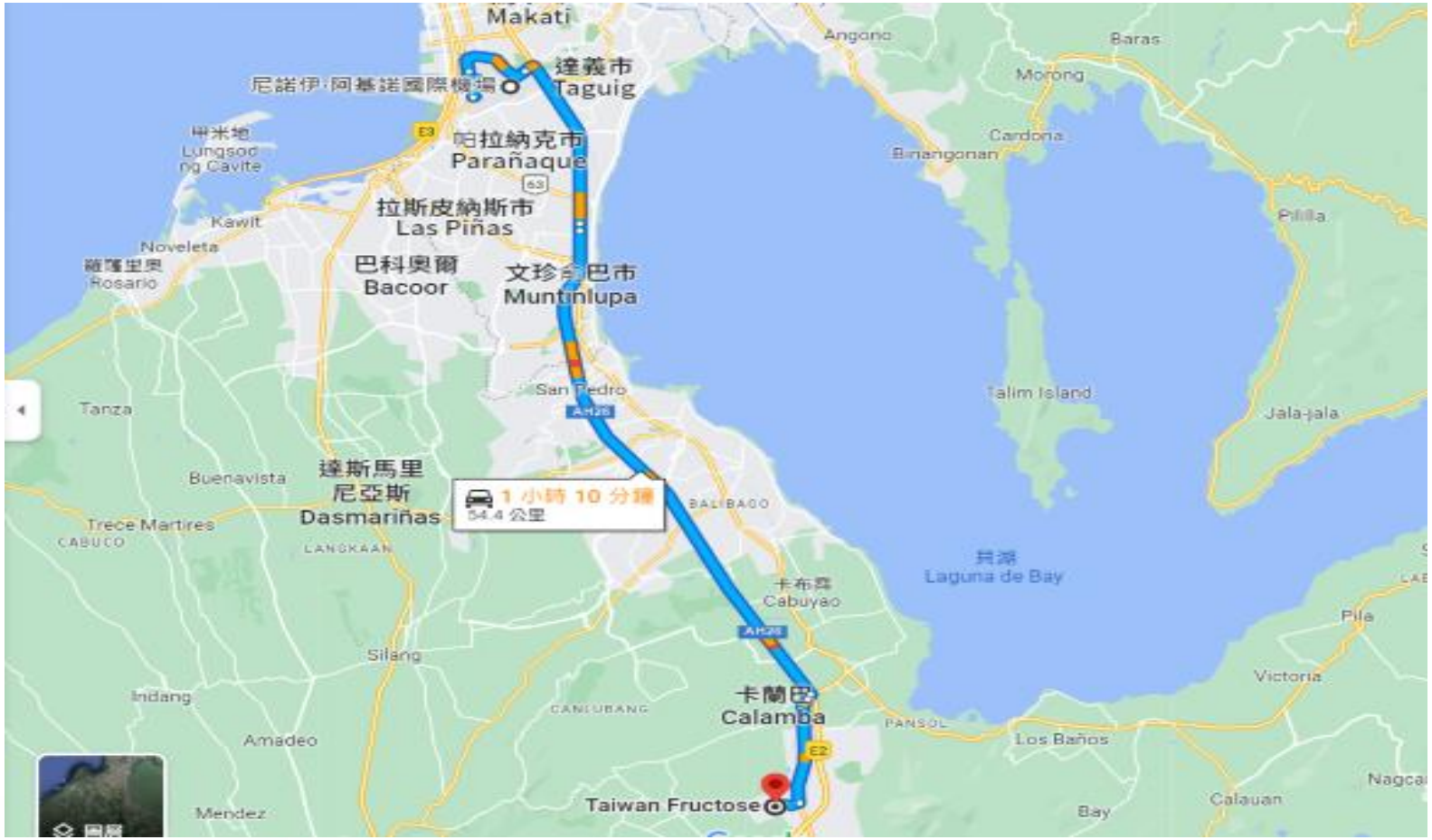
Maltose(Glucose)：Nestle and other creamer factories and snack food factories

Philippines Factory



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Philippines Factory Location



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Philippines Factory

Operation date：2019

Capital：NT 830 million

Office /Factory：Tanauan，Batangas

Capacity：20,000/Mt Annual

Revenue：Year 2023 NT190 million

Certificate：FSSC 22000、HALAL、KOSHER、SEDEX

Products/Customers：

Glucose：Nestle, Friesland Campina and other creamer factories

Fructose：Pearl Milk tea shop beverage chain industry

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Hoover Company



Hoover Company

HOOVER CAN

Establish Date：July 1974 (Taiwan Fructose took over in March 1989)

Capital：NT$ 135 million

Company：Taoyuan City.

Factory: Changhua new factory in 2024.

Main products：SPTE barrels, Plastic barrels

Production capacity：

SPTE barrels：5.5 million per years

Plastic barrels：600,000 per years

Revenue：Year 2023 Annual revenue NT 240 million

Certificate：ISO 9001 , UN certification

Main customers：Nan Ya Plastics Corporation, Lianguang, Croslene,Chemical Industries

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PART 2

Product Description

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1.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.

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2.Product Description

2. Maltose(Glucose Syrup)

Function：

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

Application：

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



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3.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.



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4.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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5.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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Quality
Sanitation
Service

6.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.

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7.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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Operational Performance

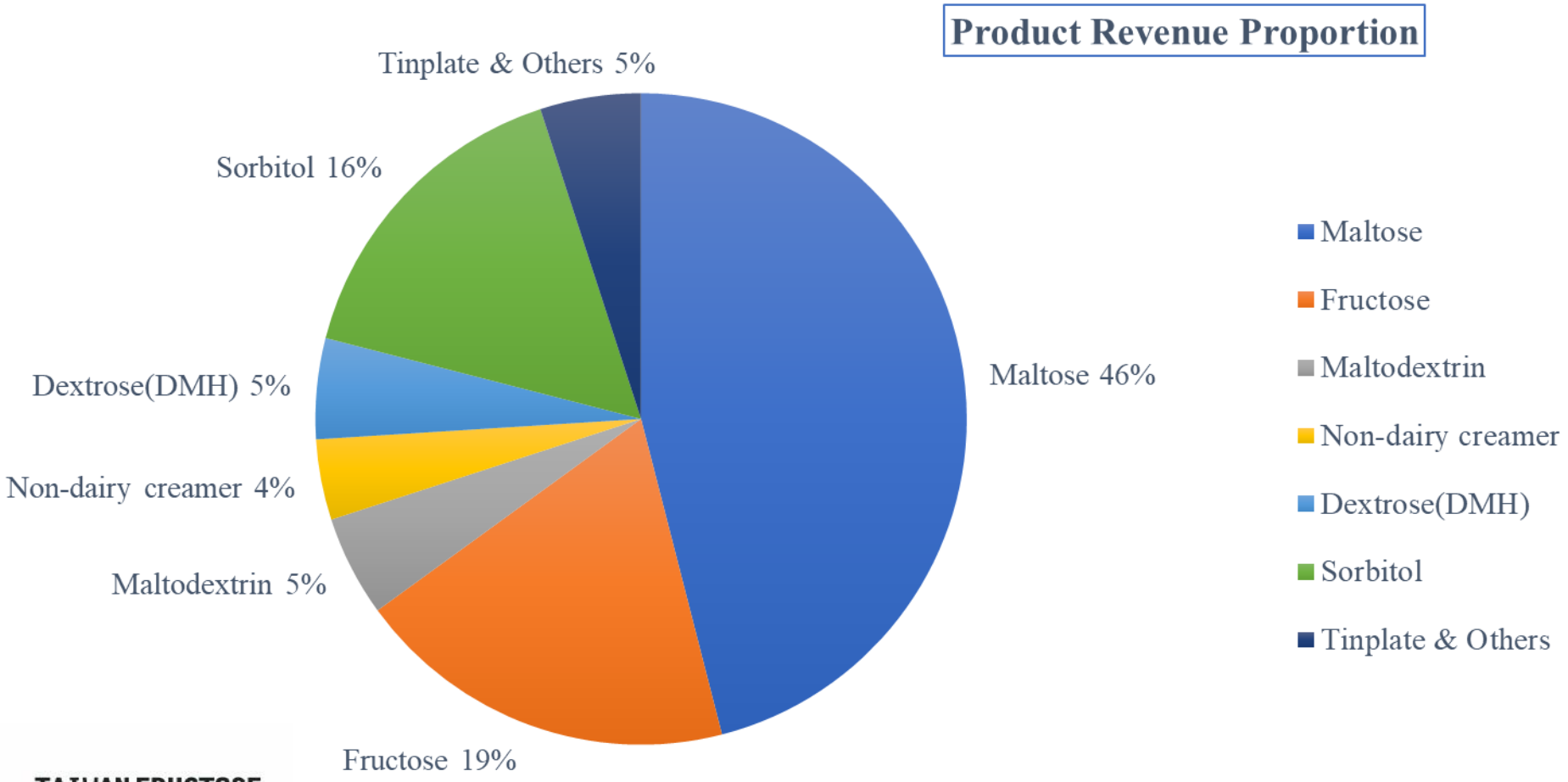
PART 3

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2023 Group Product Revenue proportion

2023 Group Product Revenue Proportion (Unit:NT1000)		
Maltose	2,448,020	46%
Fructose	1,036,046	19%
Maltodextrin	241,834	5%
Non-dairy creamer	226,607	4%
Dextrose(DMH)	275,015	5%
Sorbitol	878,841	16%
Tinplate & Others	232,854	5%
Total	5,339,217	100%

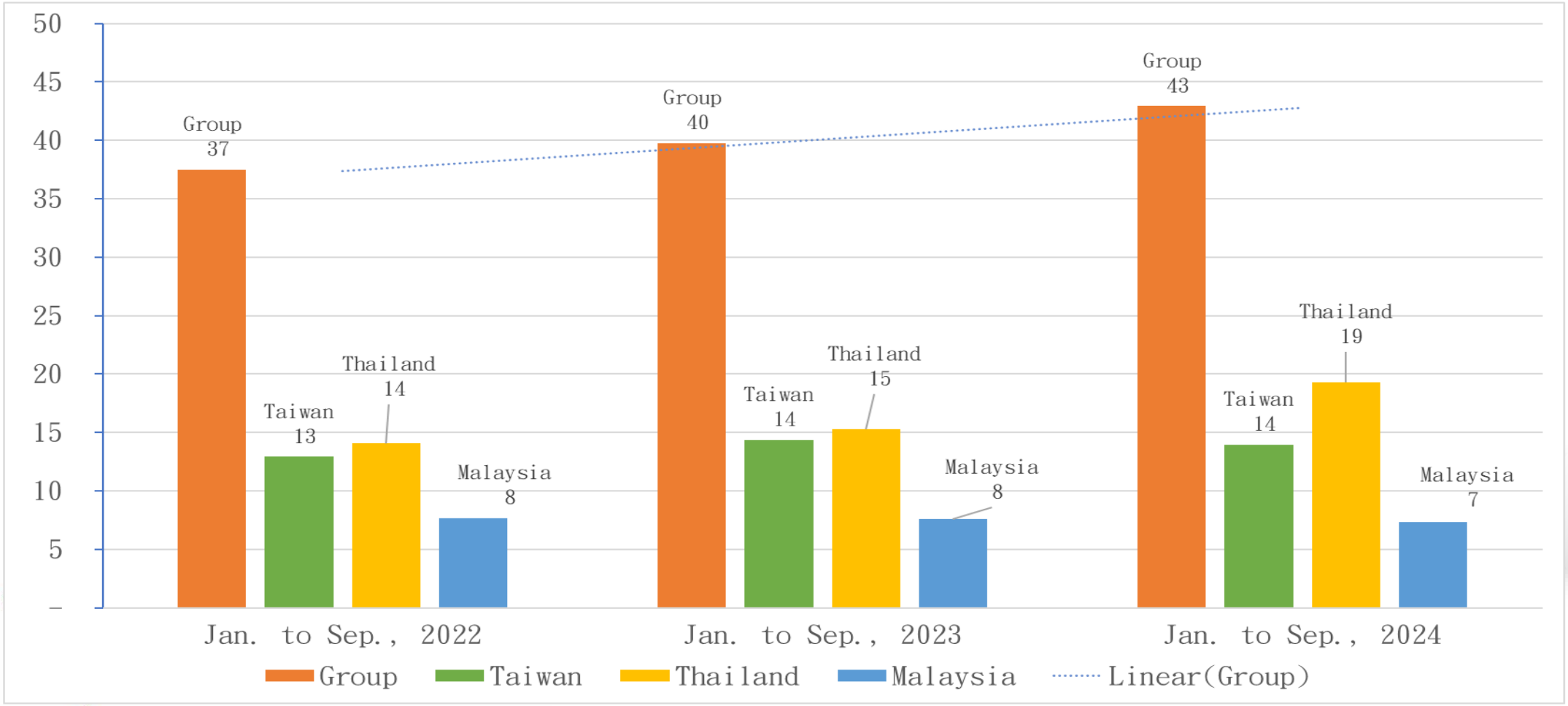
2023 Group revenue share by product



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Revenue in last three years(January-September) by branches

Until:NT100 million



Operating performance consolidated income statement

Unit: NT$ thousand, EPS is NT$

	Jan. to Sep., 2024	%	Jan. to Sep., 2023	%	Change %	Explanation
Operating Revenue	4,295,223	100.00	3,976,579	100.00	8.01	PureChem, a subsidiary of Taiwan Fructose (Thailand), transferred ownership of land to its parent company, Taiwan Fructose (Thailand), in August. This transaction incurred a land transfer tax and an associated income tax, totaling approximately TWD 32,000,000
Operating Costs	(3,711,446)	86.41	(3,397,428)	85.44	9.24	
Gross Profit	583,777	13.59	579,151	14.56	0.80	
Operating Expenses	(248,920)	5.80	(243,221)	6.12	2.34	
Net Operating Income	334,857	7.80	335,930	8.45	-0.32	
Non-operating Income and Expenses	(36,207)	0.84	(5,575)	0.14	549.45	
Profit Before Tax	298,650	6.95	330,355	8.31	-9.60	
Income Tax Expense	(90,619)	2.11	(87,987)	2.21	2.99	
Net Profit After Tax	208,031	4.84	242,368	6.09	-14.17	
Net Profit Attributable to: Owners of the Parent Company	152,655	3.55	177,551	4.46	-14.02	
Non-controlling Interests	55,376	1.29	64,817	1.63	-14.57	
EPS After Tax	**0.77**		**0.89**			

Explanation of Profitability Changes

The key ratios for Jan. to Sep. 2024 are as follows

Gross Profit Margin	Operating Profit Margin	Net Profit Margin After Tax
13.59%	**7.80%**	**4.84%**

Explanation on major changes:

項目	Jan. to Sep., 2024	Jan. to Sep. 2023	Explanation
Gross Profit Margin	13.59%	14.56%	Increased raw material costs and exchange rate fluctuations in 2024.
Operating Profit Margin	7.80%	8.45%	Operating expenses in 2024, including land transaction taxes for the Thailand plant and relocation costs for Hoover.
Net Profit Margin After Tax	4.84%	6.09%	Foreign currency valuation losses and income tax on the land transaction at the Thailand plant in 2024.

PART 4

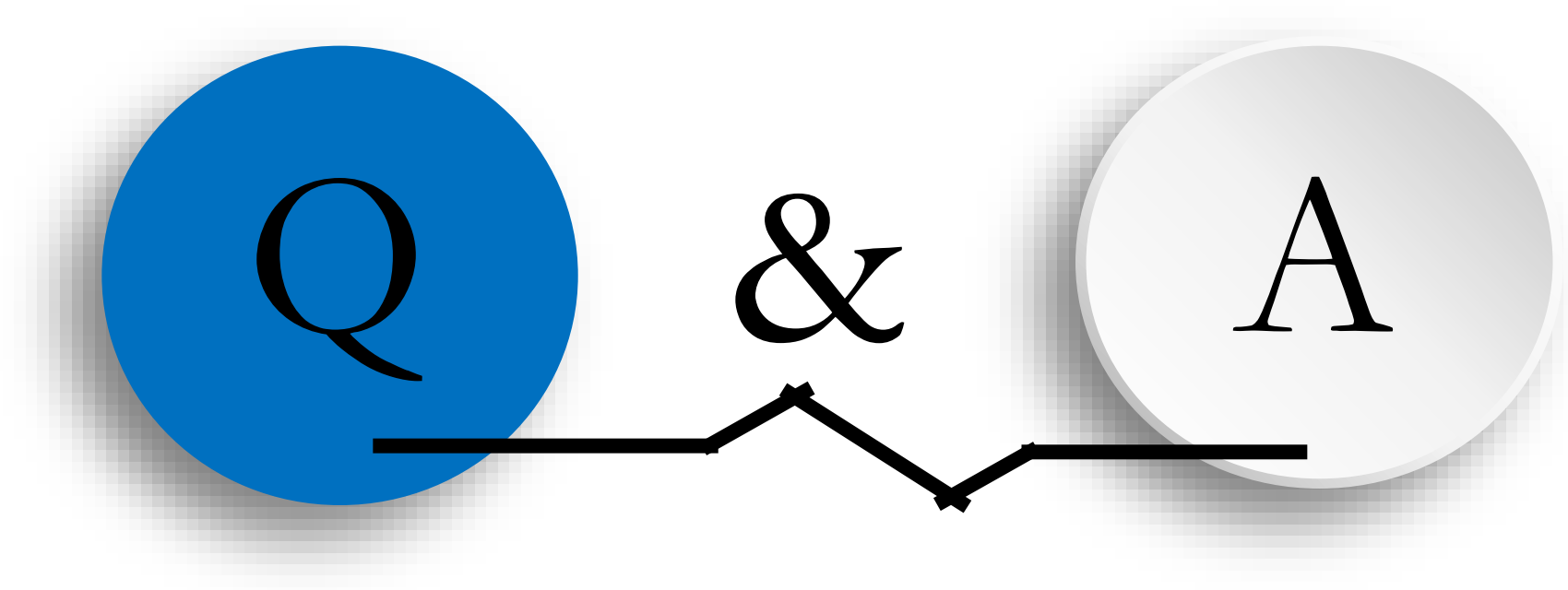
Future Prospects

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Future Prospects

1. **Taiwan Fructose will adjust product towards to functional and health food in the future.**
   Develop new products in 2024/ New Applications Product
   Cooperate with National Taiwan Ocean University for functional and health sweetener research & development and mass production.
   Cooperate with AgriculturalTechnology Research Institute to develop oligosaccharide to add optimal ration in feed for suckling piglet and laying hens to improve good quantity and efficiency in agricultural products.
2. **The Thailand existing factories are full loading, and contracted to build an additional Third factory in Ayutthaya：** It is expected to be completed in end of 2025 to expand new production lines and new products, and actively increase export sales.
3. **Pay attention to ESG sustainable development：**The factories in Thailand and Malaysia have completed solar power generation equipment, actively use biomass fuel, promote green circular economy, and implement sustainable development policies.
4. **Hoover Relocation：**
   Hoover moved to Xizhou,Changhua in 2024/October and solar power generation equipment completed and official operation.

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Thanks

Thank you for your listen

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