

HUNYA FOODS CO., LTD.

Institutional Investor's Conference

2024.12.17

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- The statements of our financial figures are presented in accordance with IFRS. All the financial figures have been reviewed by CPAs.
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**01 Company Overview /
Financial Report**

**02 Core Operational
Capabilities and Strategies**

**03 Business Outlook for
2025**



01

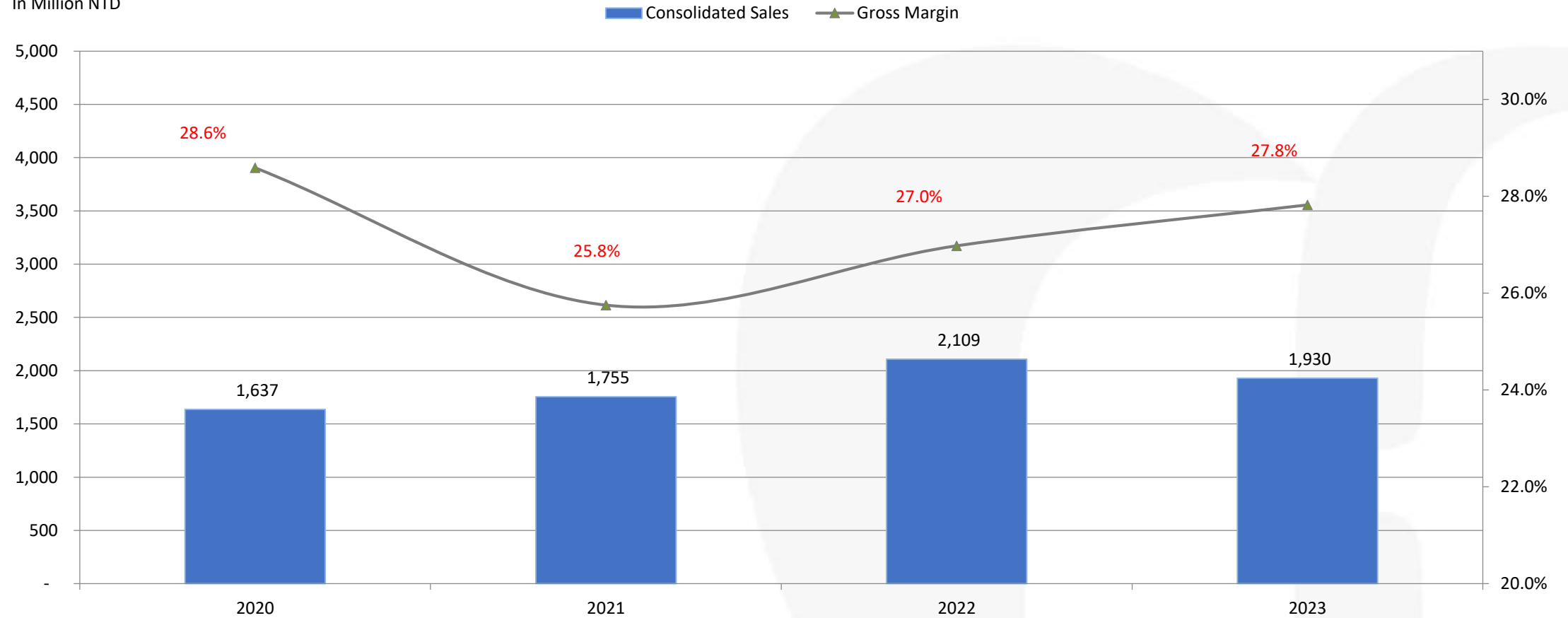
**Company Overview/
Financial Report**

Company profile

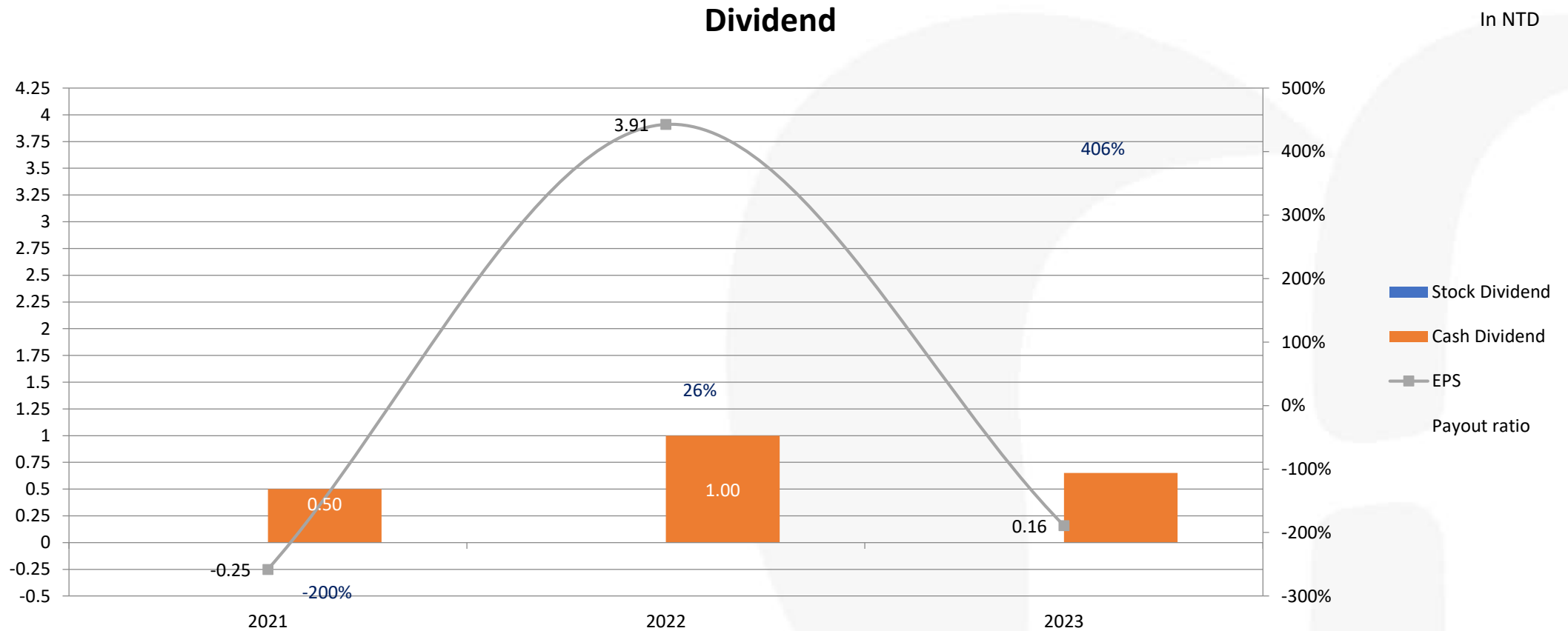
- Founded Date : 1976/06/14
- Listed in TSE : Year 2001
- Product Industry : Food manufacturing
- Paid-up Capital : NT\$ 867 million
- Employee Amount : Around 675 staffs
- Year 2023 Consolidate Sales : NT\$1.93 Billion
- Major Products & Service: Chocolate, Biscuits, Bride Assortment cookies, Moon Cakes and Chocolate Museum (Republic of Chocolate)

Operating Revenue & Gross Profit Margin

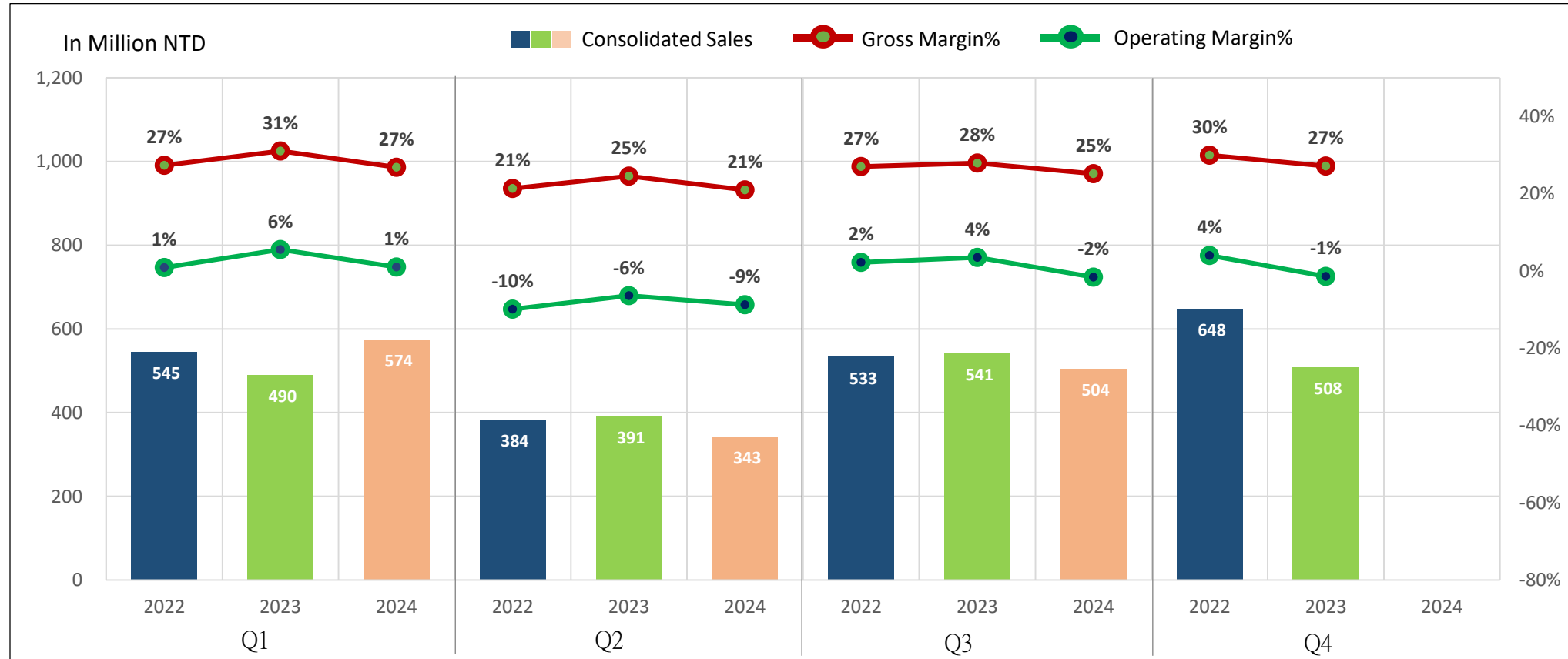
In Million NTD



Dividend Policy



Consolidated Income Sheet – QoQ Chart



Consolidated Income -YoY

Condensed Consolidated P&L
(In Million NTD, except for EPS in NTD)

	<u>2023</u>	%	<u>2022</u>	%	Y o Y
Net Sales	1,930	100%	2,109	100%	(8%)
Cost of Good Sold	(1,392)	(72%)	(1,540)	(73%)	(10%)
Gross Profit	537	28%	569	27%	(6%)
Operating Expenses					
Selling expenses	(403)		(419)		(4%)
Admin expenses	(97)		(127)		(24%)
Operating Expenses sub-total	(524)	(27%)	(564)	(27%)	(7%)
Operating Income	13	1%	4	%	225%
Non-Operating Income (Expenses), net	22	1%	462	22%	(95%)
Income (Loss) Before Tax	35	2%	467	22%	(93%)
Income Tax	(20)	(1%)	(43)	(2%)	(53%)
Net Income	16	1%	424	20%	(96%)
 EPS(Basic)	 0.16		 3.91		 (96%)
 ROE	 4.18%		 3.44%		

Consolidated Income Statement -QoQ

Condensed Consolidated P&L (In Million NTD, except for EPS in NTD)	2024.3Q	%	2024.2Q	%	2023.3Q	%	Q o Q	Y o Y
Net Sales	505	100%	344	100%	541	100%	47%	(7%)
Cost of Good Sold	(377)	(75%)	(271)	(79%)	(390)	(72%)	39%	(3%)
Gross Profit	127	25%	72	21%	151	28%	76%	(16%)
Operating Expenses								
Selling expenses	(103)		(74)		(103)		39%	%
Admin expenses	(26)		(22)		(24)		18%	8%
Operating Expenses Sub total	(136)	(27%)	(102)	(30%)	(132)	(24%)	33%	3%
Operating Income	(8)	(2%)	(30)	(9%)	19	4%	(73%)	(142%)
	12		7		8			
	(3)	(1%)	(4)	(1%)	(1)	(%)	(25%)	200%
Non-Operating Income (Expenses), net	9	2%	3	1%	7	1%	200%	29%
Income (Loss) Before Tax	0	%	(27)	(8%)	27	5%	(100%)	(100%)
Income Tax	(1)	(%)	1	%	1	%		(200%)
Net Income	(1)	(%)	(26)	(8%)	27	5%	(96%)	(104%)
EPS(Basic)	(0.01)		(0.30)		0.28		(97%)	(104%)
ROE/Q	-0.02%		-1.1%		1.1%			

Consolidated Balance Sheets and Financial Ratios

Consolidated Balance Sheet
(In Million NTD)

	2024.3Q		2024.2Q		2023.3Q	
Balance Sheet Highlights	Amount	%	Amount	%	Amount	%
cash & Short Term Investments	671	17%	639	17%	689	19%
Accounts Receivable	291	7%	229	6%	303	8%
Inventory	248	6%	265	7%	210	6%
Net PP&E	1,911	49%	1,858	50%	1,805	49%
Current Liabilities	554	14%	749	20%	790	22%
Non Current Liabilities	775	20%	474	13%	520	14%
Shareholders' Equity	2,591	66%	2,513	67%	2,398	65%
Total Asset	3,920	100%	3,736	100%	3,708	100%
Inventory Turnover (Day)	62		81		53	
AR Turnover (Day)	47		79		45	
Current Ratio	121%		85%		87%	
Quick Ratio	68%		46%		56%	
Debt Ratio	34%		33%		35%	
Inventory turnover Ratio	1.47		1.12		1.73	
A/R turnover Ratio	1.94		1.15		2.02	
	0.0%		-1.1%		1.1%	

Statements of Cash Flows

Cash Flows (In Million NTD)	<u>2024.3Q</u>	<u>2023.3Q</u>	YoY
Beginning Balance	119	68	74%
Cash inflow generated from operations	15	208	(93%)
Capital expenditures	(274)	(179)	53%
Proceeds from disposal PP&E	2	38	(96%)
Proceeds from disposal Stocks	(71)	0	-
Proceeds from disposal Stocks	282	94	198%
	0	0	-
Proceeds from short-term/long-term debt	83	25	229%
Repayments of preference share liabilities	0	0	-
Cash dividend paid	(56)	(108)	(48%)
Payments to acquire treasury shares	0	0	-
Others	(15)	(9)	64%
Ending Balance	<u>83</u>	<u>137</u>	(39%)

02

**Core
Operational
Capabilities
and
Strategies**



ESG Achievement

SDG Strategic Blue Print

Cores & Missions

Trust

(= From Management Performance)

Create a Trusting Image through transparent and trustable management, well controlled internal management, 100% Safety Food principle, and a happy working environment.

Passion

(= From Execution and Policy)

Linking Hunya company's passion to social, environmental and economical sides as well as taking actions to create dynamic values to the people.

Innovation

(= From Innovative Performance)

Subverting traditional commercial promotion techs by thinking of innovative ways to breakthrough all the challenges and extend the company's market.

• For Consumer

Sharing Sweetness and Happiness
Enjoy the moment

(Product)



• For Supplier

Collaborate and Prosperity
Relationships
(Supplier Management)



• For Future Consumers

Inherit Fresh and Positive Energy

(Environment)



• For Society

Inject Positivity and Love
(Society)



• For Employee

Create Energetic and Friendly Working Environment
(Employee Caring)

ESG Specific practices and results

Environment

- Nougat packaging cardboard eliminate to reduce wastes.
- Factory smart meter installation.
- Renewable energy utilization 6%

- Carbon emissions reduced 90s comparatively.
- Waste plastics reduced 52% YoY.
- Nougat cardboard eliminated decrease 14 tons paper usage.

Social

- Donated for 5 collaborative NGO.
- Started sustainability succession planning projects.

- Employee Satisfaction Survey 86%.
- The cumulative amount of charity donations exceeds NT\$ 10 millions.
- The disadvantaged beneficiaries exceeds 8,000.

Governance

- The Supplier chain management system (SCM) launch.
- All staffs complete IT security VA, Diagnosis, Awareness Training.
- Awarded FSSC 22000 certificate.

- 95% suppliers participates in SCM.
- All Infosec training 100%
- 26 products acquired clean labels.



ESG Award





R & D and Product Achievements

2024 FOOD AWARD & CERTIFICATION

	2020	2021	2022	2023	2024
 70%黑巧克力乳加				★	
 本味誠現-乳酥餅				★★	
 蜜蘭諾千層鬆塔				★	
 覆盆子達克瓦茲		★	★★		
 蘭姆葡萄達克瓦茲		★			
曲奇餅 (奶油原味)	★★	★★	★★		
曲奇餅 (可可風味)					★
雪茄捲 (香草)	★	★★	★★		★★
乳加 (台灣可可)		★			
歐維氏榛果bar	★				



2024 FOOD AWARD & CERTIFICATION



MONDE SELECTION[®]
International Quality Institute Since 1961

Monde Selection certifies that
90% Extreme Dark Chocolate
of the company
Hunya Foods Co., Ltd
has been granted a

GOLD QUALITY AWARD

and an

INTERNATIONAL HIGH QUALITY TROPHY



by the Jury of the 63rd World Selection 2024 of Food Products


Louis Poot Baudier
MANAGING DIRECTOR


Dimitri Delloye
MANAGING DIRECTOR

www.monde-selection.com

CERTIFICATION OF STANDARD



International Certification

- ISO 22000
- FSSC 22000
- ISO 14001
- ISO 45002
- HALAL
- Fitwel



Strategy and Competitiveness

Expansion of business projects and service offerings.

2022

Through the acquisition of Croissants Bakery LTD., Hunya has expanded its product offerings to include high-gluten baked goods, such as bread. (produced at the Guanyin factory)

2024

The production lines have been relocated to the Bade factory, enhancing management efficiency.

2025

The new bread production lines at the Bade factory will officially launch.

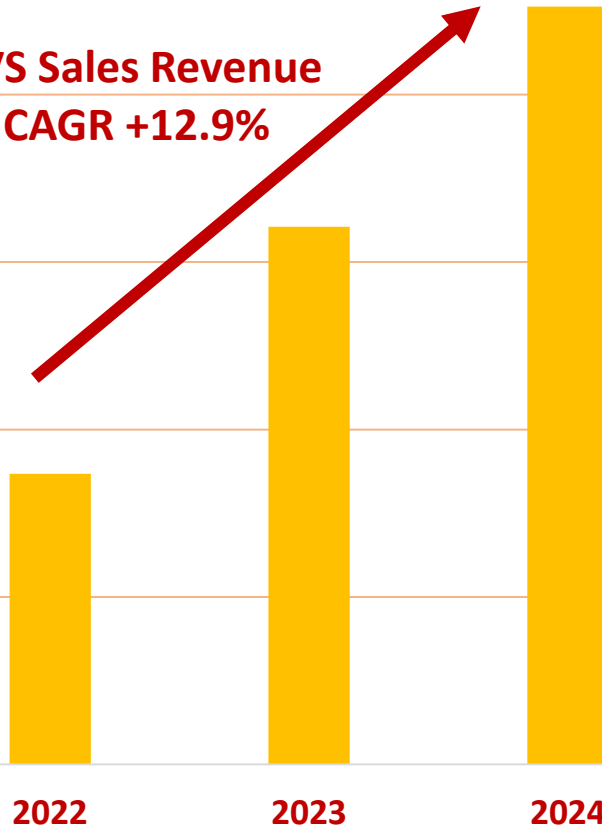
- The merger with Croissants Bakery LTD. has expanded the range of products sold and diversified the customer service model.
- Internally, continuous efforts have been made to enhance research and development as well as manufacturing capabilities. The integration of logistical systems, including raw material procurement, has been undertaken to address fluctuations in raw material costs, such as eggs. This initiative aims to improve the overall efficiency of product combinations and enhance managerial effectiveness.
- Externally, a flexible approach has been adopted by leveraging both contract manufacturing and the operation of proprietary brands. This business model allows for meeting diverse customer demands, thereby increasing sales flexibility and operational efficiency.



Expand Consumer Base of GenZ!

CVS Sales Weight of the 77 Brand

CVS Sales Revenue
CAGR +12.9%



- Via the **77 Brand Campus Ambassadors** across more than 20 universities in Taiwan, combining Gen Z perspectives with trend-relevant creative content, the 77 brand was widely promoted on social media. This **successfully enhanced brand awareness and affinity**, while also expanding the sales weight of CVS sales revenue.



On-trend Product Portfolio!

- Drawing on **global trend insights** and leveraging **local R&D advantages**, we persist in introducing new products that **cater to the evolving needs of Taiwanese consumers!**



77 Nuga Popchoco Filled Chocolate



We Made Choco Shortbread



New Wafer Pie Bar - Golden Caramel & Peanut



77 Nuga Crispy Rich Chocolate Biscuit



77 Nuga Red Bean & Milk Flavor



77 Nuga Tropical Fruit Series



ALWAYS Silky Milk Chocolate with PAILLETE FEUILLETINE



Chofers Wafer Bar Rich Dark Cocoa

On-trend Product Portfolio!



R&D and manufacturing strategy

- **Good raw materials, good methods, make delicious products**
Use Taiwanese ingredients to create local specialty products.
Strictly select raw materials from international sources.
- **International craftsmanship** · We use high-standard equipment such as chocolate grinding equipment, DARK chocolate production line, wheat chocolate production line, milk processing line, wafer production line, pine cone production line". and attach importance to inheriting technology and experience °
- **Smart manufacturing** High-Gluten Fermented Automated Production Line.





03

**Business
Outlook
for 2025**

Business Outlook

- **Customer-Centric Product Development:**
Focused on creating products that meet customer needs, with steady and continuous investment in new products, production lines, fresh categories, and gift items. This approach aims to cater to Gen Z preferences and health-conscious concepts.
- **Carbon Emissions and Sustainable Development:**
Collaborating with suppliers to address sustainability, particularly for agricultural raw materials like peanuts, butter, and cocoa. Efforts include developing contract farming, integrated and diversified supply chains, identifying potential risks, and enhancing supply chain resilience.
- **Digital Transformation and Smart Manufacturing:**
Implementing digitalization in production facilities to reduce reliance on manual labor, minimize workforce management challenges, and enable existing employees to achieve higher efficiency in their work.



THANK YOU

Happy
Happy

Adaptable x Proactive x People Oriental x Yes, I say OK

在地永續 幸福延續。