

HUNYA FOODS CO., LTD.

Institutional Investor's Conference

2023.12.28

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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

**02 Core Operational
Capabilities and Strategies**

03 Financial Report

**04 Business Outlook for
2024**



01 Company Overview

公司簡介

- Founded Date : 1976/06/14
- Listed in TSE : Year 2001
- Product Industry : Food manufacturing
- Paid-up Capital : NT\$ 867 million
- Employee Amount : Around 808 staffs
- Year 2022 Consolidate Sales : NT\$2.11 Billion
- Major Products & Service: Chocolate, Biscuits, Bride Assortment cookies, Moon Cakes and Chocolate Museum (Republic of Chocolate)



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

Annual Performance

<p>Additives reduction</p> <ul style="list-style-type: none"> launch clean label in 3 product lines with 23 categories goods 	<p>Waste reduction</p> <ul style="list-style-type: none"> Scrapped plastic mixtures -99.2 tons v.s. 2021 FY 	<p>Carbon reduction</p> <ul style="list-style-type: none"> Scope 1 & 2 GGE(Intensity) decrease 21% v.s 2021
<p>Pollution prevent</p> <ul style="list-style-type: none"> investment amounts NT\$ 8.95 millions 	<p>Circular economy</p> <ul style="list-style-type: none"> sustainability manufacturing AI manufacturing & quality system 	<p>Renewable energy effect</p> <ul style="list-style-type: none"> increase green power capacity accounted 26.3% construction rate power supply in solar energy
<p>Friendly workplace</p> <ul style="list-style-type: none"> enhance job safety Frequency-Severity Indicator: 0.41 	<p>Charity</p> <ul style="list-style-type: none"> Cherish Food project collaboration enterprise charity benefit 1,000 people 	<p>Proportion of locally purchased materials</p> <ul style="list-style-type: none"> local procurement proportion reach 84% (via TWD)



永續獎項

台灣食品業唯一得獎



- TCSA Sustainability Report - Silver Award (Food and Beverage Category)
- BS 8001 Circular Economy Award

2020

- TCSA Sustainability Report – Silver Award
- Social Innovation Award – Social Co-Prospersity Award

2021

- AREA Green Leadership Award
- TCSA Sustainability Report – Gold

2022

- TSAA SDGs 12 – Bronze
- TCSA Sustainability Report - Platinum

2023

** 2022年全球營收50億元以上列為第一類，50億以下則列為第二類。
** 各類別獲獎名單依名次排序(由上至下再由左至右)

傳統製造業					
● 第一類	華新麗華	東和鋼鐵	上緯國際投控	● 第二類	● 銀級
● 白金級	東元電機	中鋼碳素	大亞電線電纜	● 白金級	● 銀級
遠東新世紀	台灣聚合	宏全國際	中鋼鋁業	長泓膠業	● 銀級
● 金級	● 金級	中聯資源	永豐餘消費品	宏亞食品	● 銀級
亞洲水泥	台達化工	臺灣菸酒	聚陽實業	嘉新水泥	● 銀級
● 銅級	東聯化學	大同公司	● 銅級	● 金級	● 銀級
鴻水泥	三福化工	福壽實業	漢翔航空工業	力山工業	● 銅級
台灣糖業	中石化	● 銀級	堤維西交通	大井泵浦	● 銅級
中鋼公司	中鴻鋼鐵	宏遠興業	中龍鋼鐵	振鋒企業	● 銅級
● 銀級	勤美集團	台橡公司	長興材料	● 銅級	● 銅級
葡萄王生技	永光化學	新光合成纖維	光隆實業	● 銅級	● 銅級
國際中橡	新光鋼鐵	台灣玻璃			
● 銅級					
華夏海灣塑膠					
亞洲聚合					



R & D and Product Achievements

2023 FOOD AWARD & CERTIFICATION

	2020	2021	2022	2023
 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)	★★★	★★★	★★★	
 雪茄捲 (香草)	★	★★★	★★★	
乳加 (台灣可可)		★		
黑松露奶黃酥	-			
歐維氏榛果bar	★			



2023 FOOD AWARD & CERTIFICATION

Monde Selection certifies that

90% Extreme Dark Chocolate

of the company

Hunya Foods Co., Ltd

has been granted a

GOLD QUALITY AWARD



Monde Selection certifies that

Wafer Pie_ peanut flavor

of the company

Hunya Foods Co., Ltd

has been granted a

SILVER QUALITY AWARD



2023 FOOD AWARD & CERTIFICATION



A.A. TASTE AWARDS

The Real Food Finder, Choose Wiser, Taste Better.



CERTIFICATION OF STANDARD



02

**Core
Operational
Capabilities
and
Strategies**

Expansion of business projects and service offerings.

- In 2022, the merger with Croissants Bakery LTD. led to an expansion of product offerings at Hunya. The range of products sold by Hunya, originally focused on low to medium gluten baked goods such as cakes and cookies, has now expanded to include high-gluten baked goods like bread. With the diversification of product categories, the customer base has become more varied, reaching customers such as chain restaurants and bakery brands that were not previously part of the business operations.
- 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.



77 BU – Enhance Brand Power!

- According to Kantar Taiwan Brand Footprint 2023, among 920 FMCG brands in TW, 77 which's not in the list last year,
 - ✓ Achieved historic high ranking of 14th! First in Top 20!
 - ✓ Achieved Top 5 ranking in Food category!
 - ✓ Achieved highest growth among top 20! (Ranking +15)



食品類 FOOD TOP 10 食品類 Top 5 Food Brand!

2022年排名	品牌	消費者觸及數 (百萬次)	2022年普及率	2022年購買頻率
1	義美	37.0	77.7	5.3
2	統一	20.0	59.5	3.8
3	樂事	20.0	57.6	3.8
4	桂冠	18.0	55.3	3.7
5	77	11.0	46.2	2.7
6	康寶	11.0	45.7	2.6
7	可樂果	10.0	43.1	2.6
8	味王	9.0	39.2	2.6
9	卡迪那	9.0	41.0	2.4
10	泰山	9.0	45.7	2.2

2023 台灣品牌足跡排行榜



台灣快消市場 FMCG TOP 20

全台灣 Top 20 FMCG Brand!

2022年排名	品牌	消費者觸及數 (百萬次)	2022年普及率	2022年購買頻率	2022年排名	品牌	消費者觸及數 (百萬次)	2022年普及率	2022年購買頻率
1	義美	89.0	89.7	11.1	11	愛之味	15.0	54.9	3.0
2	光泉	56.0	74.8	8.5	12	蘇菲	12.0	46.8	2.9
3	福樂	43.0	64.7	7.4	13	養樂多	11.0	33.5	3.8
4	統一	37.0	74.1	5.6	14	77	11.0	46.2	2.7
5	瑞穗鮮乳	27.0	51.5	6.0	15	康寶	11.0	45.7	2.6
6	林鳳營	22.0	38.3	6.4	16	泰山	11.0	48.6	2.5
7	桂格	21.0	58.3	4.0	17	可口可樂	11.0	38.4	3.1
8	樂事	20.0	57.6	3.8	18	黑松	10.0	42.0	2.8
9	桂冠	18.0	55.3	3.7	19	舒跑	10.0	43.3	2.7
10	純喫茶	17.0	30.1	6.2	20	可樂果	10.0	43.1	2.6

2023 台灣品牌足跡排行榜

全台灣 FMCG Top 20 中

成長最快速 MOST RISING TOP 20

成長最快最多! 大幅上升15名!

成長排名	2022年排名	排名+/-	品牌	消費者觸及數 (百萬次)	消費者觸及數 (成長率)	成長排名	2022年排名	排名+/-	品牌	消費者觸及數 (百萬次)	消費者觸及數 (成長率)
1	96	56	華元食品	4.0	59.0	11	14	15	77	11.0	19.0
2	37	21	樂天	8.0	44.0	12	49	10	味全	6.0	18.0
3	68	31	六甲田莊	5.0	33.0	13	70	21	品客	5.0	18.0
4	43	10	萬丹	7.0	27.0	14	75	20	孔雀	4.0	18.0
5	93	27	健達	4.0	27.0	15	58	15	乖乖	5.0	15.0
6	95	29	馬玉山	4.0	26.0	16	44	6	FIN	7.0	14.0
7	45	10	多力多滋	7.0	24.0	17	8	2	樂事	20.0	13.0
8	89	22	寶礦力水得	4.0	22.0	18	29	8	卡迪那	9.0	12.0
9	54	16	盛香珍	6.0	21.0	19	31	7	湖池屋	9.0	11.0
10	65	20	奇多	5.0	20.0	20	72	17	舒酸定	4.0	11.0

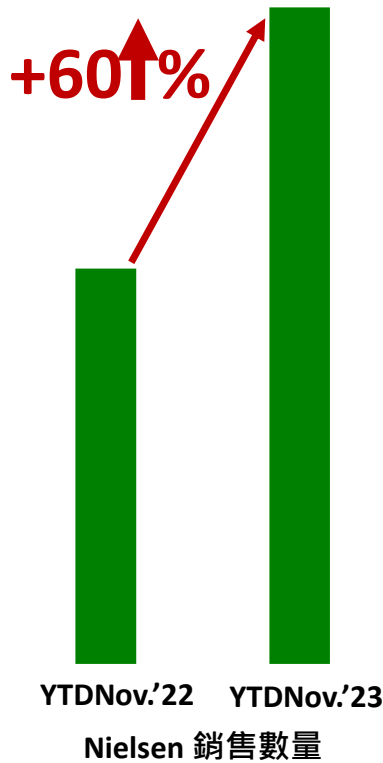
77 BU – Expand Consumer Base to GenZ!

- According to **Kantar Brand Power Study 2023**, via brand rejuvenation strategy, major brands of 77 significantly uplifted their latest-1-month conversion in young generation!
 - ✓ The conversion rate of 77 Nougat's 15-18 y.o. consumers greatly enhanced from 19% of 2019 to 37.5% of 2023.
 - ✓ Despite no prior-period benchmark for other brands, higher conversion rate in younger generation was clearly observed, which means brands were keeping up with the times and connecting to evolving lifestyles.



77 BU – On-trend Product Portfolio!

➤ The brand, ALWAYS, has been a strong leading brand in Dark Chocolate of Taiwan, not only driven by 5 different percentage offerings that clearly fulfilled needs of each age group, but also by effective marketing communication that successfully drove sales value & quantity.



R&D and manufacturing strategy

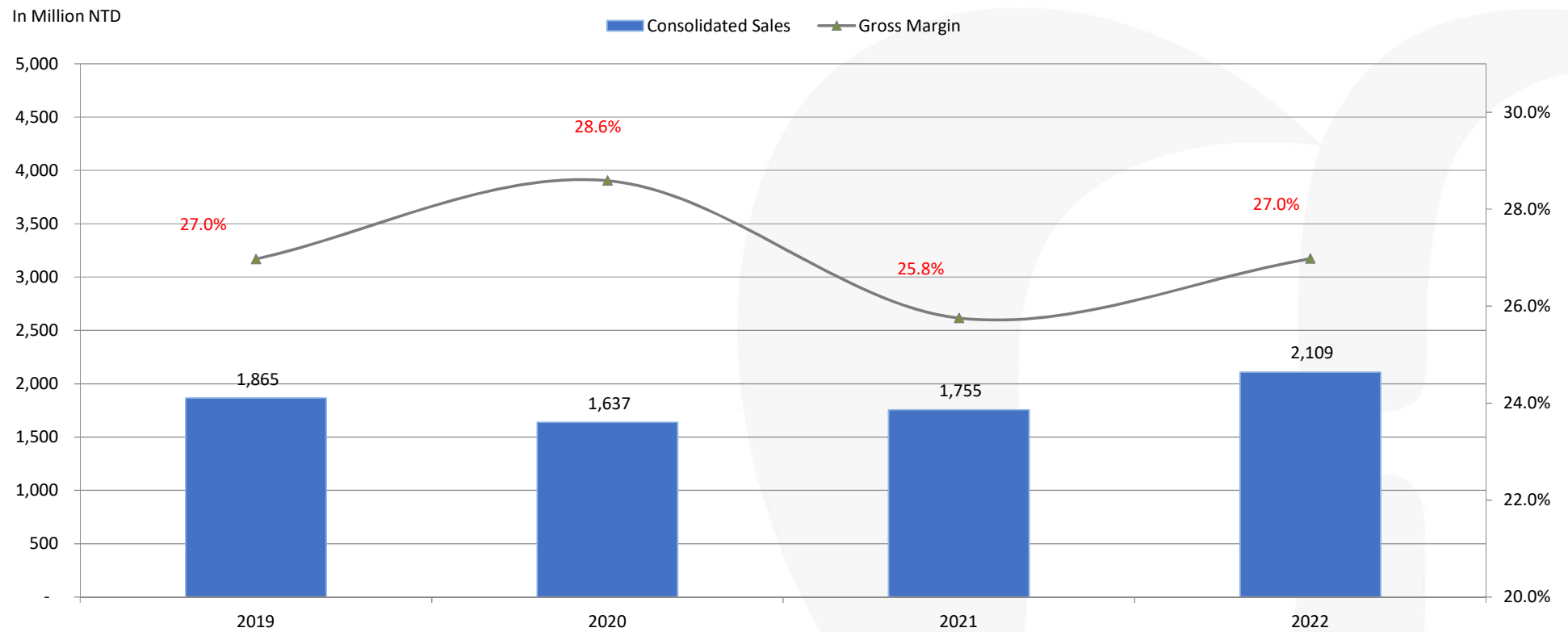
- **Good raw materials, good methods, make delicious products**
Use Taiwanese ingredients to create local specialty products.
Strictly select raw materials from international sources.
- **International craftsmanship** · We use high-standard equipment such as chocolate grinding equipment, DARK chocolate 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**
- **FSSC international certification**



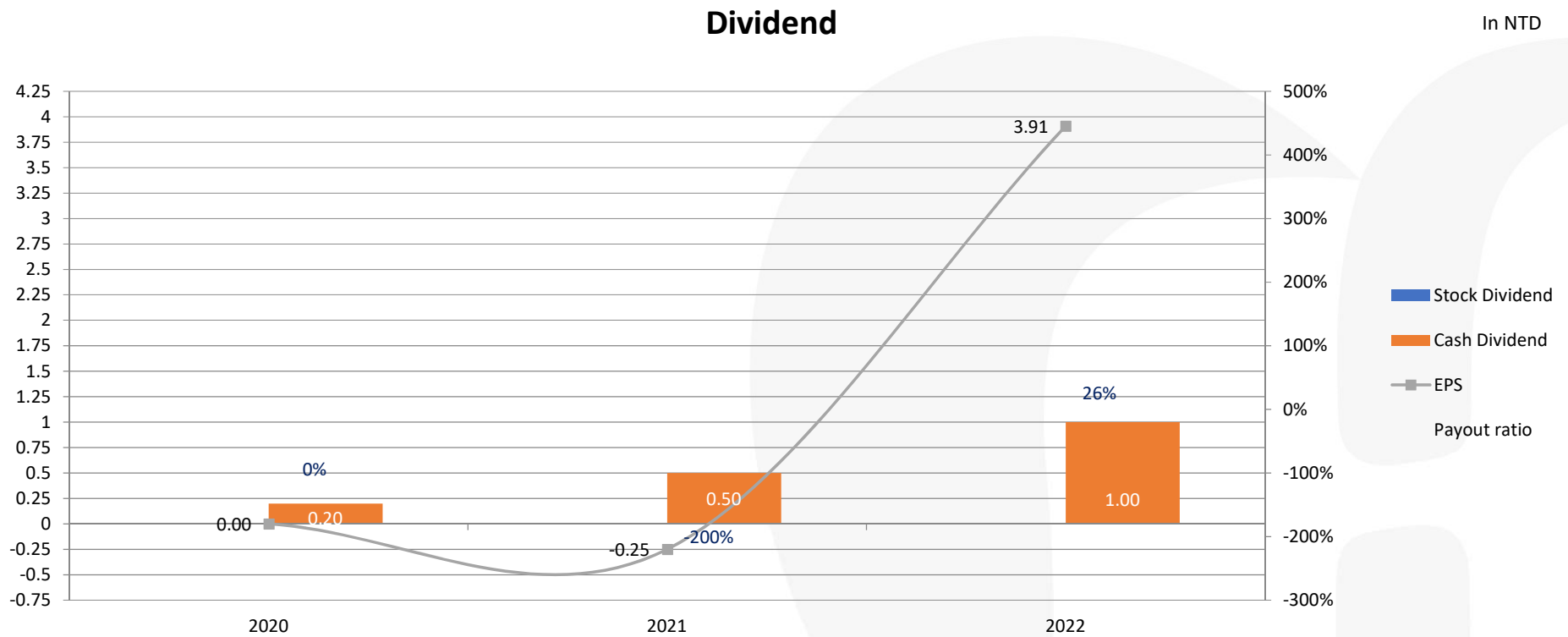
03

**Financial
Report**

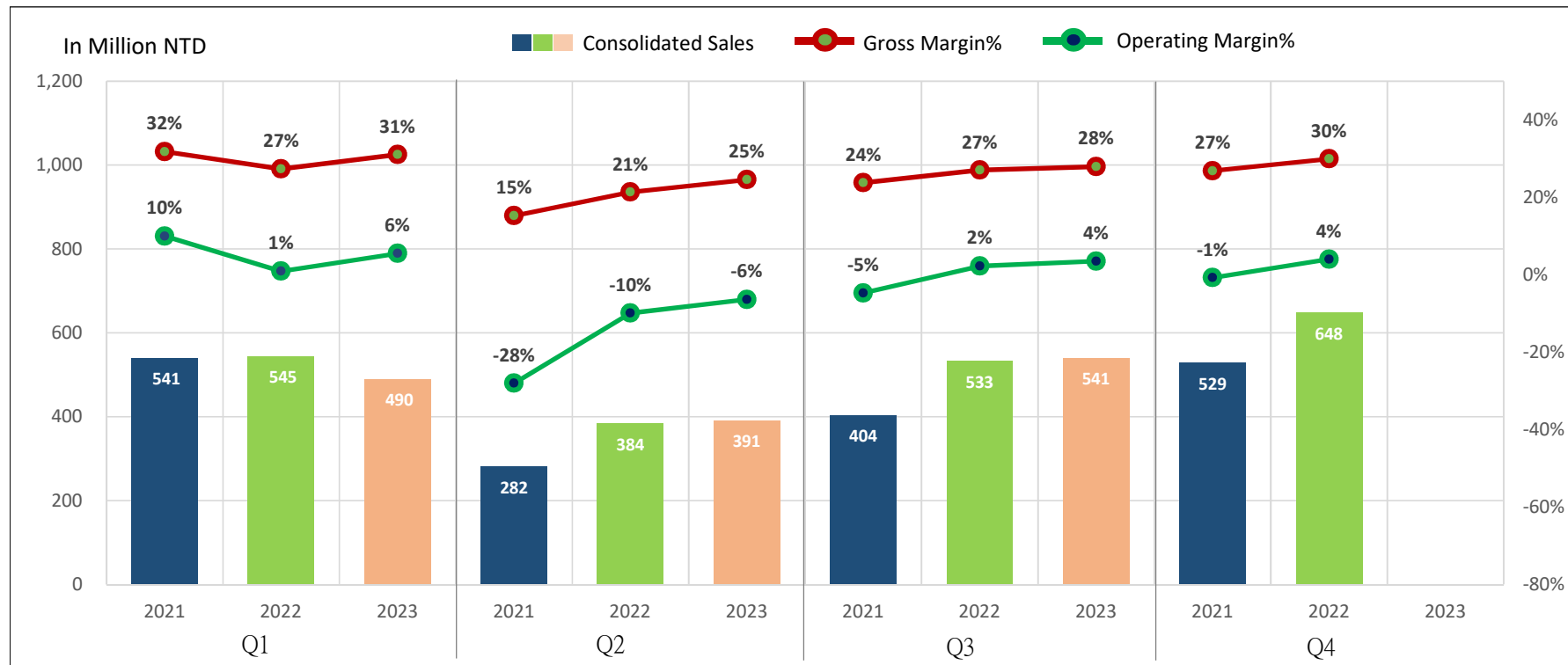
Operating Revenue & Gross Profit Margin



Dividend Policy



Consolidated Income Sheet – QoQ Chart



Consolidated Income -YoY

Condensed Consolidated P&L (In Million NTD, except for EPS in NTD)	2022	%	2021	%	YoY
Net Sales	2,109	100%	1,755	100%	20%
Cost of Good Sold	(1,540)	(73%)	(1,303)	(74%)	18%
Gross Profit	569	27%	452	26%	26%
Operating Expenses					
Selling expenses	(419)		(400)		5%
Admin expenses	(127)		(86)		48%
Operating Expenses sub-total	(564)	(27%)	(501)	(29%)	13%
Operating Income	4	%	(49)	(3%)	(108%)
Non-Operating Income (Expenses), net	462	22%	18	1%	2467%
Income (Loss) Before Tax	467	22%	(30)	(2%)	(1657%)
Income Tax	(43)	(2%)	3	%	(1533%)
Net Income	424	20%	(27)	(2%)	(1670%)
EPS(Basic)	3.91		(0.25)		(1664%)
ROE	3.44%		3.84%		

Consolidated Income Statement -QoQ

Condensed Consolidated P&L (In Million NTD, except for EPS in NTD)	<u>2023.3Q</u>	%	<u>2023.2Q</u>	%	<u>2022.3Q</u>	%	Q o Q	Y o Y
Net Sales	542	100%	392	100%	533	100%	38%	2%
Cost of Good Sold	(390)	(72%)	(294)	(75%)	(389)	(73%)	33%	%
Gross Profit	151	28%	96	24%	144	27%	57%	5%
Operating Expenses								
Selling expenses	(103)		(92)		(99)		12%	4%
Admin expenses	(24)		(22)		(28)		9%	(14%)
Operating Expenses Sub total	(132)	(24%)	(122)	(31%)	(131)	(25%)	8%	1%
Operating Income	19	4%	(25)	(6%)	12	2%	(176%)	58%
	8		6		6			
	(1)	(%)	2	1%	(4)	(1%)	(150%)	(75%)
Non-Operating Income (Expenses), net	7	1%	8	2%	2	%	(13%)	250%
Income (Loss) Before Tax	27	5%	(17)	(4%)	15	3%	(259%)	80%
Income Tax	1	%	0	%	0	%		#DIV/0!
Net Income	27	5%	(17)	(4%)	15	3%	(259%)	80%
EPS(Basic)	0.28		(0.16)		0.14		(275%)	100%
ROE/Q	1.10%		-0.6%		0.5%			

Consolidated Balance Sheets and Financial Ratios

Consolidated Balance Sheet (In Million NTD)	2023.3Q		2023.2Q		2022.3Q	
	Amount	%	Amount	%	Amount	%
Balance Sheet Highlights						
cash & Short Term Investment	689	19%	809	22%	689	17%
Accounts Receivable	303	8%	233	6%	279	7%
Inventory	210	6%	241	6%	244	6%
Net PP&E	1,805	49%	1,763	47%	1,788	45%
Current Liabilities	790	21%	659	18%	541	15%
Non Current Liabilities	520	14%	554	15%	476	12%
Shareholders' Equity	2,398	65%	2,548	68%	2,933	74%
Total Asset	3,708	100%	3,761	100%	3,950	100%
Inventory Turnover (Day)	53		69		59	
AR Turnover (Day)	45		69		43	
Current Ratio	87%		123%		127%	
Quick Ratio	56%		80%		75%	
Debt Ratio	35%		32%		26%	
Inventory turnover Ratio	1.73		1.32		1.55	
A/R turnover Ratio	2.02		1.32		2.12	
	1.1%		-0.6%		0.5%	

Statements of Cash Flows

Cash Flows (In Million NTD)	<u>2023.3Q</u>	<u>2022.3Q</u>	YoY
Beginning Balance	68	217	(69%)
Cash inflow generated from operations	208	92	125%
Capital expenditures	(172)	(335)	(49%)
Proceeds from disposal PP&E	38	463	(92%)
Proceeds from disposal Stocks	0	(95)	(100%)
Proceeds from disposal Stocks	94	274	(66%)
Proceeds from short-term/long-term debt	0	(154)	(100%)
Repayments of preference share liabilities	(14)	(194)	(93%)
Cash dividend paid	0	0	-
Payments to acquire treasury shares	(108)	(54)	100%
Others	0	0	-
Others	22	(89)	(125%)
Ending Balance	<u>137</u>	<u>125</u>	10%

Investment-Financial assets at fair value through profit or loss- non-current

112.09.30

Investee company	W/P	A		B		C		A*C	
		Number of shares	Total cost	Cost per share	Average transaction price per share	112.09.30 AMT	Shareholding ratio		
PharmaEssentia Corp.	普通股	889,896	12,947,248	14.5492	336.00	299,005,056	0.26%		
	108/12 PIPE	465,117	40,000,062	86.0000	268.80	125,023,450	0.14%		
	109/06 PIPE	426,440	40,000,072	93.8000	268.80	114,627,072	0.13%		
	111/05 PIPE	380,000	95,000,000	250.0000	268.80	102,144,000	0.11%		
		2,161,453	187,947,382	86.9542		640,799,578	0.64%		

Note1: The issuance conditions of private placement increase cannot be freely transferred within 3 years.

Note2: The 21st meeting of the 21st board of directors of the Stock Exchange: YAOHUA Pharmaceutical has applied for the listing of its 296,933,746 common shares (excluding 42,960,145 shares for private placement).

112.09.30

Investee company	W/P	A		B		C		A*C	
		Number of shares	Total cost	Cost per share	Average transaction price per share	112.09.30 AMT	持股比例		
Acepodia, Inc.	Ordinary share	1,612,900	27,829,944	17.2546	37.89	61,112,781	0.28%		
		1,612,900	27,829,944	17.2546		61,112,781	0.28%		

04

**Business
Outlook
for 2024**

Business Outlook

Looking ahead to 2024, there are optimistic prospects for Taiwan's economic growth. International institutions anticipate a resurgence in global commodity trade, coupled with continued expansion in opportunities related to emerging technologies. This is expected to boost both Taiwan's exports and private sector investment. Additionally, with moderate growth in private consumption, increasing government expenditures, and considering the lower base year in 2023, the economic growth rate for 2024 is projected to rise to 3.12%, according to forecasts from the central bank. The economic focus is centered around the development of AI intelligence and ESG (Environmental, Social, and Governance) initiatives.

Hunya' s main business axis

- Customer-centered product development orientation, [steady and continuous investment in new products, new production lines, and fresh food categories](#), catering to Gen Z and health concepts, even if the economic outlook is chaotic, consumer trends will not reduce spending
- ESG/FSSC Strengthen investment in food safety risk control, and obtain FSSC certification for food safety upgrades
- Smart Manufacturing Digital Transformation of the Production Field

Forecast of Taiwan's economic growth rate this year and next year

Forecasting agency	Release date	GDP(f) in 2023	GDP(f) in 2024
Central Bank of the Republic of China(Taiwan)	2023/12/14	1.4	3.12

Unit: % Source: Central Bank of the Republic of China(Taiwan)

THANK YOU

Happy
Happy

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

在地永續 幸福延續。

Q&A

