

stock code : 6790 TT



# Yuen Foong Yu Consumer Products

2021Q3 Earnings Results

# Disclaimer

- Our statements of market overviews, financial results, and forward-looking statements are based on internal corporate data and external economic developments as a whole.
- Our operations and financial performance may differ from various factors including but not limited to market demand, policy risks, regulations, economic changes and other uncertainties beyond our control.
- Except as required by law, we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.

# Agenda

01 Company Introduction

02 Market Overview

03 Financial Results

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# Company Introduction

|                       |                                                                                                                   |
|-----------------------|-------------------------------------------------------------------------------------------------------------------|
| Company               | Yuen Foong Yu Consumer Products Co., Ltd.                                                                         |
| Chairman              | Felix Ho                                                                                                          |
| Date of Establishment | 1986/10/29                                                                                                        |
| Paid-in Capital       | NTD 2.67 billion                                                                                                  |
| Employees             | 1,444 (by the end of 2020)                                                                                        |
| Headquarter           | 16F,51,Sec.2,Chung Ching South Rd.,Taipei                                                                         |
| Business Scope        | Household Paper and Cleaning Products                                                                             |
| Major Brand           | Household Paper : Mayflower, Tender, Delight<br>Cleaning Products : Orange House, Fresh Sense, Delight, New Clean |

五月花®

柔情  
Tender



新+淨

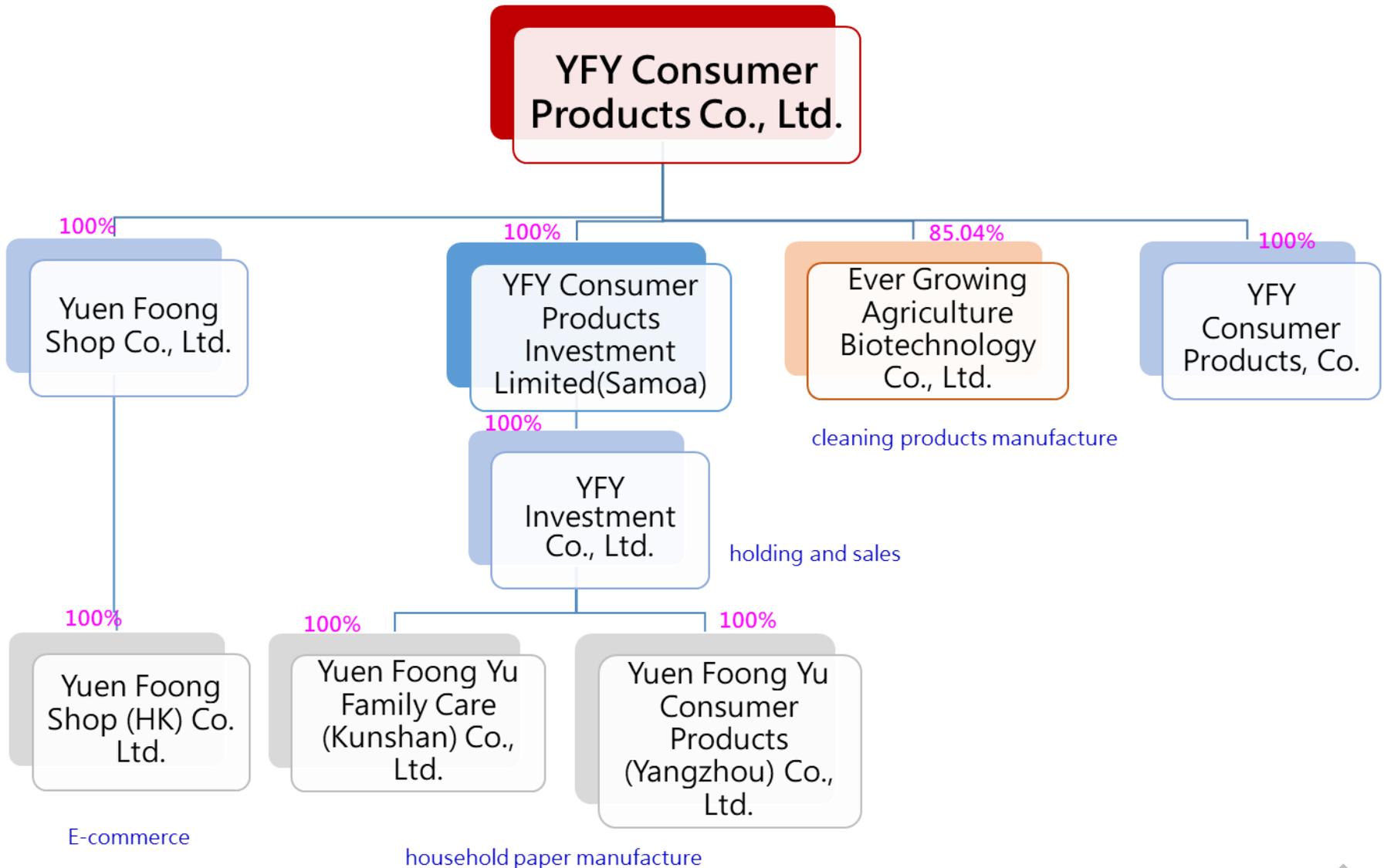
# Our History

五月花

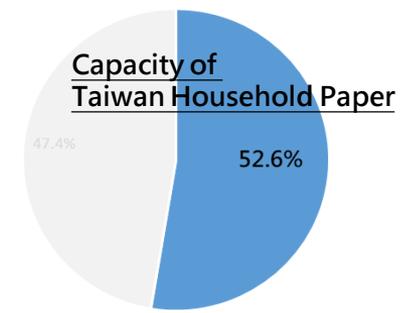


- 1968 Created the toilet paper brand " Mayflower "
- 1972 Produced the 1st embossed toilet paper in Taiwan.
- 1995 Entered the Shanghai market and became the 1st Taiwanese paper plant expanding overseas operations.
- 2004 Merged Qing Shui plant from P&G Taiwan including two brands -"Tender" and "Delight". Became the largest household paper local manufacturer in Taiwan.
- 2007 Consumer Product Division of YFY Paper Manufacturing Co., Ltd. (later renamed: YFY Inc.) was transferred to the Company.
- 2009 "Orange House" entered the natural cleaning products market.
- 2015 Launched new brand " Fresh Sense "
- 2017 Ever Growing Agriculture Bio-Tech Co., Ltd. Inaugurated the new EEWH plant.
- 2018 "Delight" entered mid-range cleaning products market.
- 2019 Led the market with the launch of "Mayflower thick toilet tissue". The "Mayflower" and "Orange House" products received the National Brand Yushan Award.
- 2020 Full supplied Taiwan toilet paper market to support pandemic prevention. Launched the "Orange House" anti-virus detergent.
- 2020/08/11 Be Public Company (stock code: 6790)
- 2020/10/27 Be Emerging Stock Company
- 2021/09/29 IPO, Listing on TWSE

# Organizational Chart



# Overview of Taiwan Plant



|               | Ever Growing Agriculture Bio-Tech Co., Taoyuan (Cleaning Products) | Qingshui Plant Taichung (Household Paper) | Yangmei Plant Taoyuan (Household Paper)             |
|---------------|--------------------------------------------------------------------|-------------------------------------------|-----------------------------------------------------|
| Establishment | 2017.03.31                                                         | 1990.03.03                                | 1986.10.16                                          |
| Employees     | 39                                                                 | 233                                       | 187                                                 |
| Certification | ISO 9001:2015<br>ISO22000:2018(HACCP)<br>ISO 22716:2007 GMP        | ISO9001:2015<br>FSC COC CNS               | ISO9001:2015<br>ISO22000:2018(HACCP)<br>FSC COC CNS |



EGAB (Taoyuan)

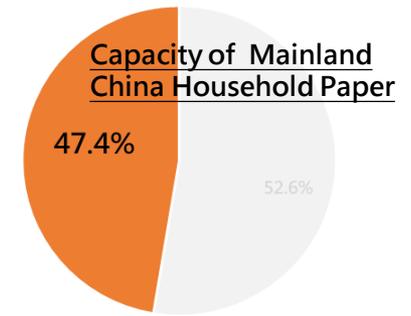


Qingshui Plant (Taichung)



Yangmei Plant (Taoyuan)

# Overview of Mainland China Plant



|               | Yangzhou Plant                                                                    | Kunshan Plant                                                                     |
|---------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Establishment | 2011.11.18                                                                        | 2004.12.28                                                                        |
| Employees     | 260                                                                               | 116                                                                               |
| Certification | ISO9001 Quality Management System Certificate<br>FSC (Forest Stewardship Council) | ISO9001 Quality Management System Certificate<br>FSC (Forest Stewardship Council) |

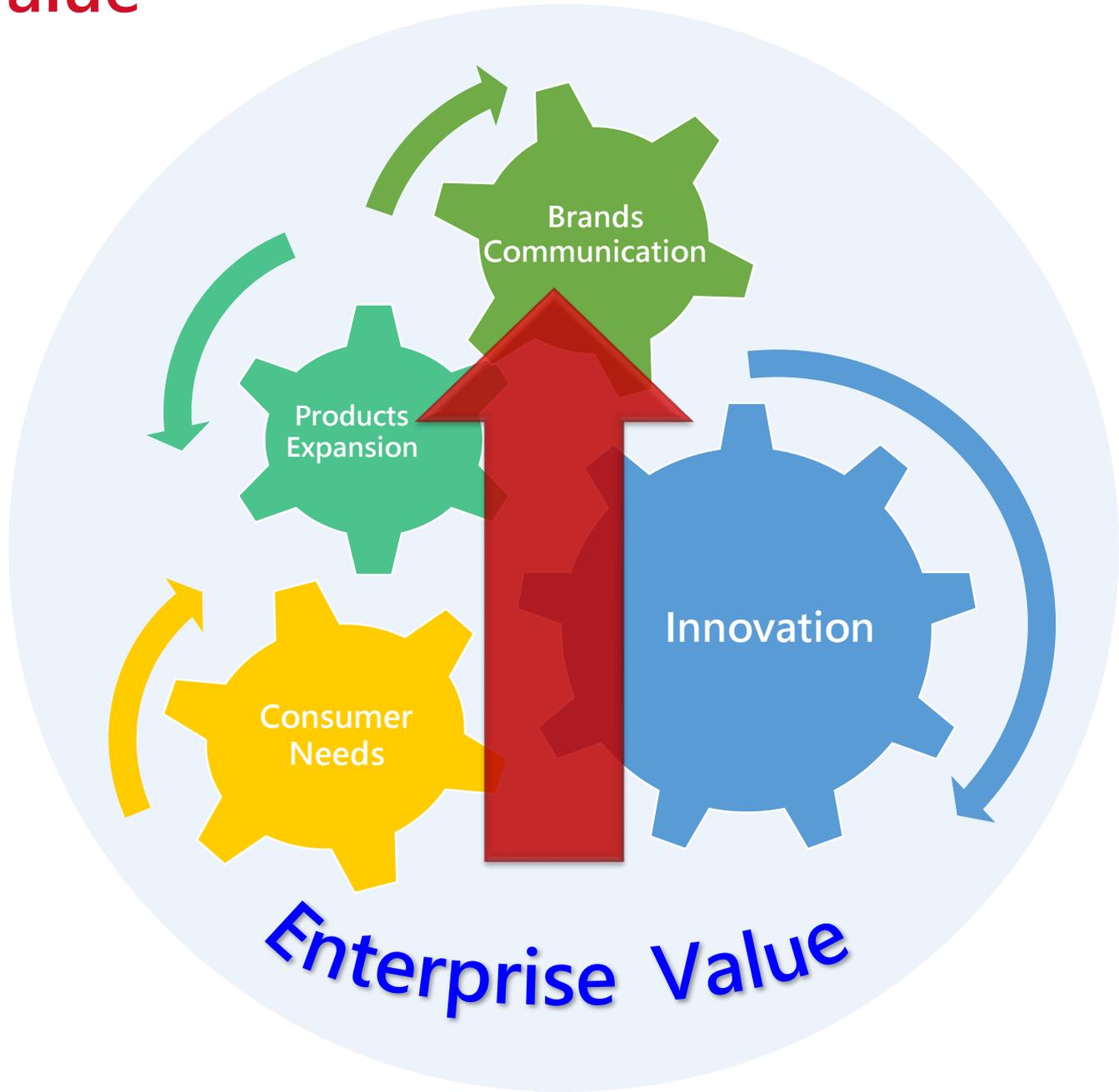


Yangzhou Plant



Kunshan Plant

# Our Value



# Our Strategy



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# Market Share



Sources : Eastern Online Co., Ltd.

# Cleaning Products

Natural cleaning products

28%



2019

32%



2020

# Household Paper

Interfold tissues and kitchen towel

32%



2019

34%



2020

# Multi-brand Strategy

expanding cleaning products at domestic and overseas market



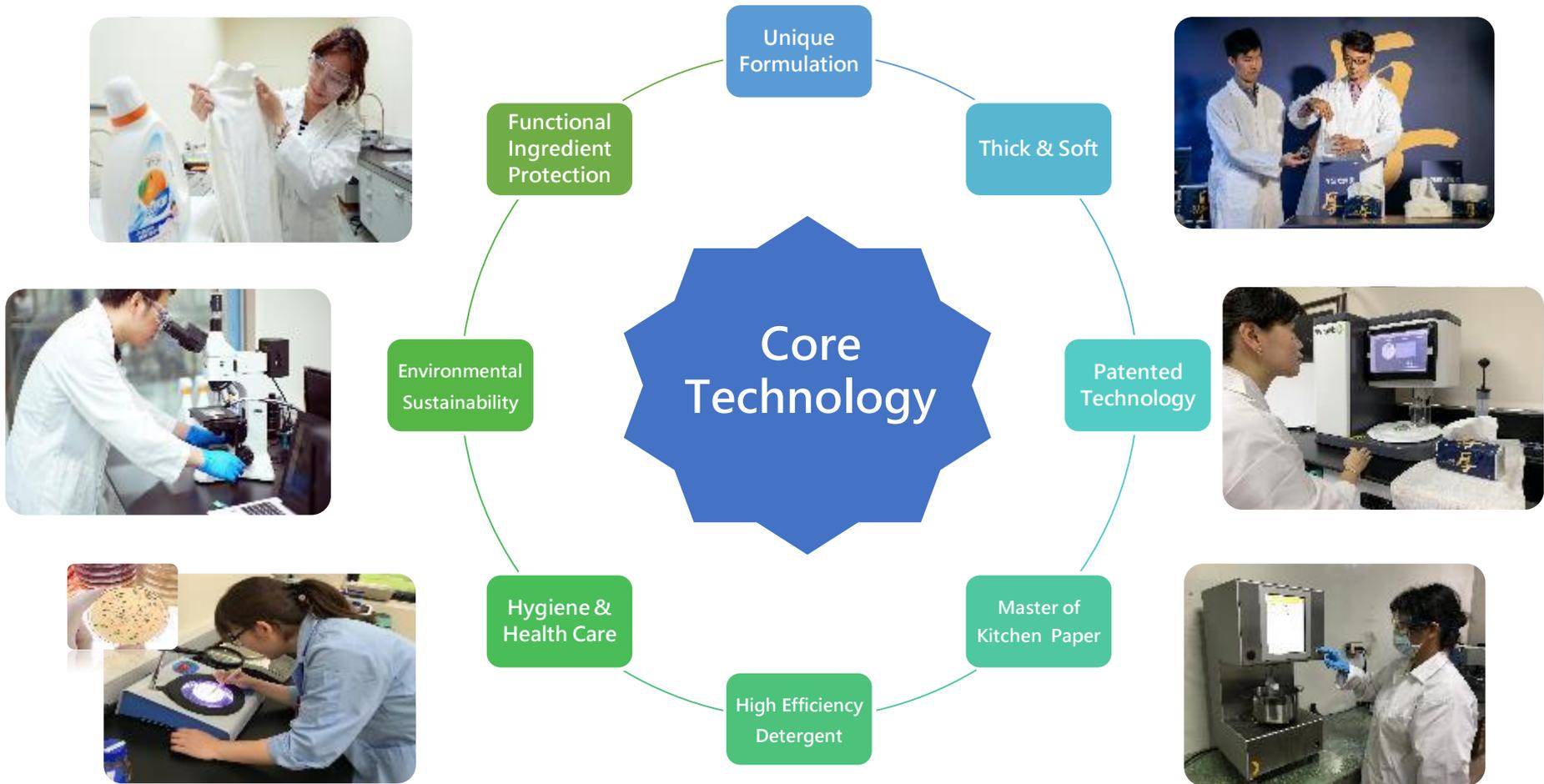
Sources : Eastern Online Co., Ltd.

# In-depth Market

solidifying leading position in the market

# Patents Across the Globe

- 83 patents (54 items in Taiwan, 21 items in Mainland China, 8 items in USA)
- Obtained Certification of FSC, HACCP, GMP, ISO22000 and environmental label etc.
- Product quality is maintained by certified analytical and P2 microbiological labs.



# Your Best Partner in Everyday life



Mayflower supports a better life for the consumer with high value and innovation.



Tender offers the consumer with happy life experience.



Delight brings value for money to the consumer.



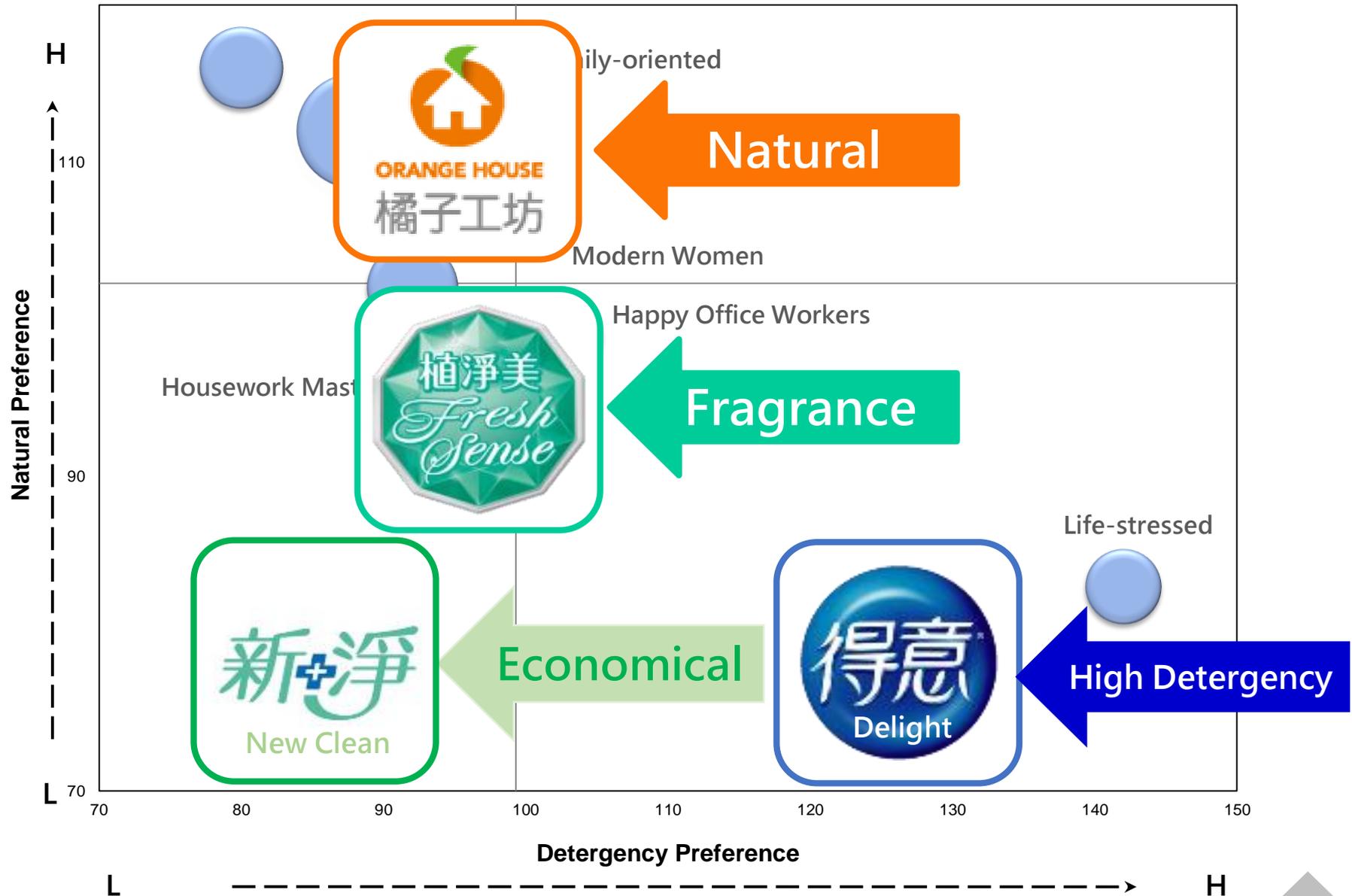
100% green products obtains environmental labels.



Economical Product Lines



# Cleaning Products in Leading Position



# Channel Advantage

Stay ahead of Channel Trends,  
Continually Market Expansion

Maintain solid customer relationship  
across 16,500 stores and 32 wholesalers in Taiwan

Strong Execution  
B2C Sales Team

Comprehensive  
E-commerce  
Platform

Diversified  
Commercial/  
B2B Partners

Flexible and  
Efficient  
Distribution

Solid  
Customer  
Relationship

Solid Financial Structure and Group Synergy

# B2C Customers



\*The above picture is taken from the official website of each customer.

# B2B Customers



\*The above picture is taken from the official website of each customer.

# Ecommerce Platform Customers



\*The above picture is taken from the official website of each customer.

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# Sales Breakdown



## ● Household Paper

- The leading position in the market
- Solidify the market share by meeting diversified consumer needs

Mayflower thick interfold tissues has created over NTD 100 millions of revenue and satisfied diversified consumer needs. The new series were launched in March 2021 and became a leading position in the market once again.

## ● Cleaning Products

- Orange House stays at a leading position due to its natural ingredients and effectiveness
- Fresh Sense and Delight attract different consumers
- Keep expanding cleaning products market at home and abroad

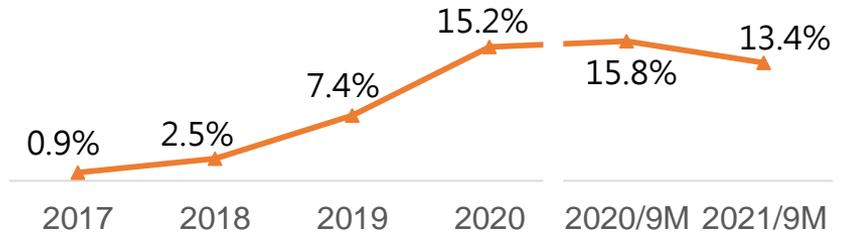
Orange House has stayed the 1st natural cleaning products brand among domestic consumers. Fresh Sense and Delight are also promoted to achieve the goal of becoming a multi-category household brand. The series of Orange House 5 In 1 Laundry Pods was launched in August 2020, which was deeply attracted by consumers.

# Financial Performance

## GPM



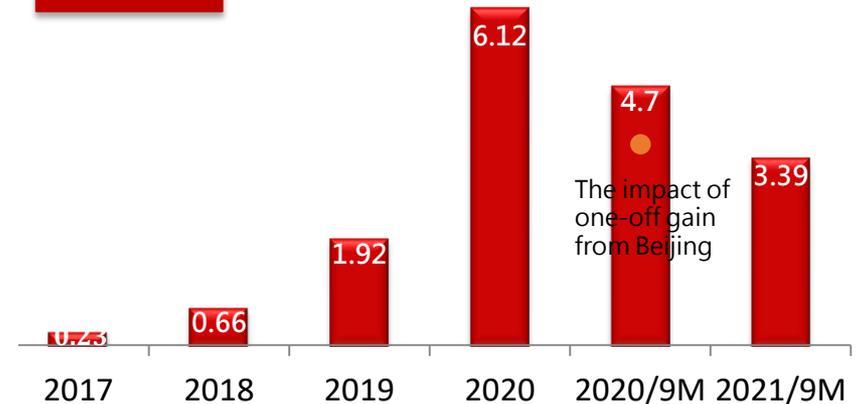
## OPM



## Net Margin



## EPS



Note: The one-off disposal gain from subsidiaries in Mainland China affected the 9M EPS around NTD1 in 2020.

# Consolidated Financial Statements

NTD 1,000

|                                    | 2017       |       | 2018       |       | 2019       |       | 2020       |       | 2021/9M   |       |
|------------------------------------|------------|-------|------------|-------|------------|-------|------------|-------|-----------|-------|
|                                    | amount     | %     | amount     | %     | amount     | %     | amount     | %     | amount    | %     |
| Sales                              | 10,766,695 | 100%  | 11,729,027 | 100%  | 10,548,751 | 100%  | 10,147,738 | 100%  | 7,246,952 | 100%  |
| Gross Profits                      | 1,831,017  | 17.0% | 1,816,158  | 15.5% | 2,360,637  | 22.4% | 3,236,116  | 31.9% | 2,059,936 | 28.4% |
| Expenses                           | 1,733,073  | 16.1% | 1,520,295  | 13.0% | 1,582,159  | 15.0% | 1,690,146  | 16.7% | 1,088,214 | 15.0% |
| Operating Profits                  | 97,944     | 0.9%  | 295,862    | 2.5%  | 778,478    | 7.4%  | 1,545,970  | 15.2% | 971,722   | 13.4% |
| Net Profits                        | 104,003    | 1.0%  | 237,646    | 2.0%  | 666,207    | 6.3%  | 1,751,123  | 17.3% | 1,002,549 | 13.8% |
| Net Profits Attributable to Owners | 52,359     | 0.5%  | 160,339    | 1.4%  | 464,682    | 4.4%  | 1,487,228  | 14.7% | 832,035   | 11.5% |

Note 1: 2020 consolidated sales decreased compared to last year caused by the impact of the epidemic in Mainland China.

Note 2: The Beijing plant was sold in August, 2020 and one-off gain from Beijing plant deal was NTD 357 millions.

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# Strategic Blueprint

## Our Mission

*Provide Consumers with a Healthy, Carefree and Beautiful Life*

Health & Natural

Sustainability

Aging Generation

### Household Paper

Antibacterial,  
Hypoallergenic,  
Functional

### Cleaning Products

Upgrading anti-epidemic  
products  
Expanding new items

Innovating  
Eco-Friendly Products

Launching  
Sustainable Packaging

Developing  
Aging Products

Leveraging  
Group Synergy

Innovate diversified products based on consumer needs

# Strategies for Sustainable Growth

- **Focus on Diversified and Core Categories**

Become the master of kitchens and bathrooms tissue supplies  
Expand personnel cleaning and aging products

- **Expand Cleaning Products**

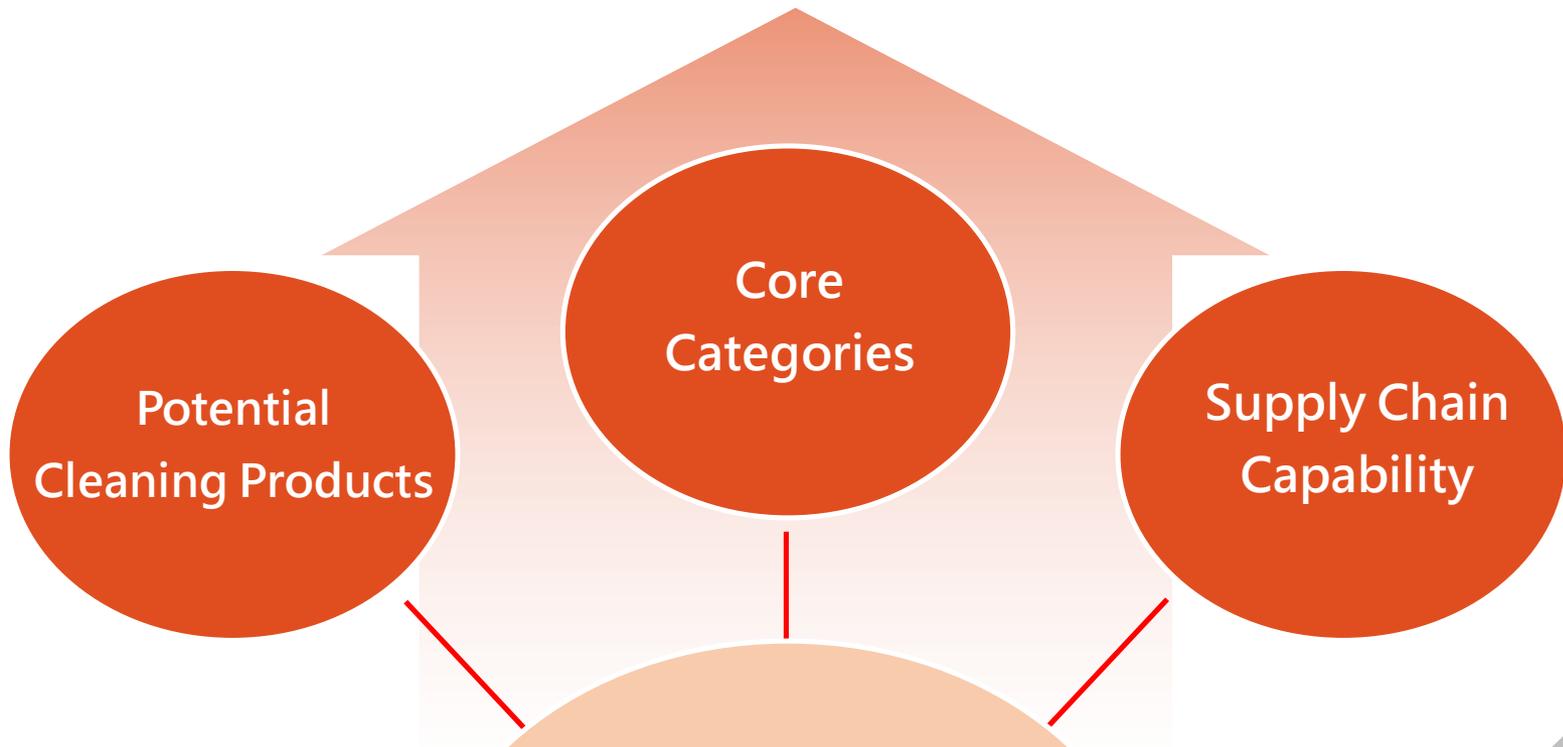
Integrate Taiwan and Mainland China marketing resources  
Develop overseas markets

- **Efficient Investment**

Integrate with Strategic Partners  
B2C/B2B Customers

- **Enhance Capability of Supply Chain**

Automatic Production  
Build partnership of purchasing, warehousing and logistics





**Thank You**