

NanPao Resins Chemical Group

4766 TT

Investor Presentation

2024/8



A G E N D A



2Q24 RESULTS & OUTLOOK



COMPANY OVERVIEW



SUSTAINABLE INNOVATION



GROWTH STRATEGY



HISTORICAL FINANCIALS

2Q24 RESULTS

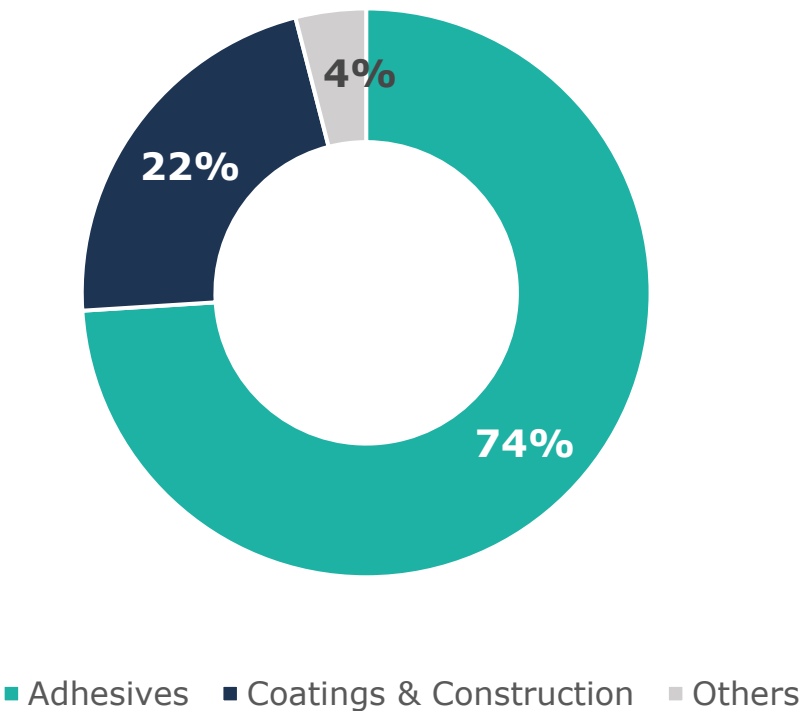
Consolidated Income Statements – 2Q24

NT\$ million	2Q24	1Q24	2Q23	QoQ	YoY
Net Revenue	5,783	4,990	5,083	16%	14%
Gross Profit	1,814	1,654	1,526	10%	19%
Gross Margin	31.4%	33.2%	30.0%		
Operating Expenses	963	885	863	9%	12%
SG&A percent of Sales	16.7%	17.7%	17.0%		
Operating Income	851	769	663	11%	28%
Operating Margin	14.7%	15.4%	13.0%		
Net Non-Operating Income (Loss)	33	155	34		
Pre-Tax Income	884	924	697	-4%	27%
Income Tax Expense	189	192	213		
Minority Interest	22	26	27		
Net Income to Parent	672	706	457	-5%	47%
Net Margin	11.6%	14.2%	9.0%		
EPS (NT\$)	5.58	5.86	3.79	-5%	47%
ROE – not annualized	5.3%	5.6%	3.5%		
Depreciation and Amortization	182	175	156		
CAPEX	114	94	132		

2Q24 Revenue Breakdown – by Segment

- ❑ With R&D investments in new products bearing fruit, gradually starting to contribute revenue, and aided by a lower base in 2023, Adhesives revenue grew in 2Q24 compared to the same period last year. Coatings & Construction revenue was flat compared to 2Q23, due to continued growth in the Coatings segment.

2Q24 Revenue Breakdown



2Q24 Revenue Growth by Segment

	YoY	QoQ
Total Revenue	14%	16%
Adhesives	20%	18%
Coatings & Construction	0.1%	9%

Consolidated Income Statements –1H24

NT\$ million	1H24	1H23	YoY
Net Revenue	10,773	9,612	12%
Gross Profit	3,468	2,813	23%
Gross Margin	32.2%	29.3%	
Operating Expenses	1,848	1,647	12%
SG&A percent of Sales	17.2%	17.1%	
Operating Income	1,620	1,166	39%
Operating Margin	15.0%	12.1%	
Net Non-Operating Income (Loss)	188	411	
Pre-Tax Income	1,808	1,577	15%
Income Tax Expense	382	354	
Minority Interest	48	55	
Net Income to Parent	1,379	1,168	18%
Net Margin	12.8%	12.1%	
EPS (NT\$)	11.43	9.68	18%
ROE – not annualized	10.4%	8.7%	
Depreciation and Amortization	358	304	
CAPEX	207	294	

Consolidated Balance Sheet – 2Q24

NT\$ million	2024/6/30		2024/3/31		2023/6/30	
	\$	%	\$	%	\$	%
Cash and Cash Equivalents	6,609	25%	6,507	26%	4,264	19%
Notes & Accounts Receivable, Net	5,355	20%	4,738	19%	4,565	20%
Inventories	2,851	11%	2,751	11%	2,472	11%
Other Current Assets	1,038	4%	906	3%	917	4%
Long-term Investments	1,940	7%	1,665	7%	2,190	9%
Fixed Assets	5,799	22%	5,800	23%	5,752	25%
Other Long-term Assets	2,759	11%	2,643	11%	2,723	12%
Total Assets	26,351	100%	25,010	100%	22,883	100%
Current Liabilities	8,235	31%	8,103	32%	6,753	30%
LT Debt	1,476	6%	1,377	5%	754	3%
Other Non-Current Liabilities	1,938	7%	1,878	8%	1,673	7%
Total Liabilities	11,649	44%	11,358	45%	9,180	40%
Common Stock	1,206		1,206		1,206	
Total Equity	14,701	56%	13,652	55%	13,703	60%
Book Value per Share (NT\$)	110.0		101.4		102.9	
Current Ratio	193%		184%		181%	
Net Cash (Debt) to Equity	22%		22%		14%	

2024 OUTLOOK

2024 Outlook

❑ **Return to revenue growth this year; we see revenue in 2H24 continue to grow**

- For the Footwear Adhesives, in addition to growing with the industry's recovery, R&D investments in new products are bearing fruit, gradually starting to contribute revenue. We aim to continue to outgrow the industry.
- With a more R&D-oriented strategy and collaboration with customers or potential customers to develop new solutions, all three main product lines have a relatively positive outlook. We expect to resume revenue growth this year.

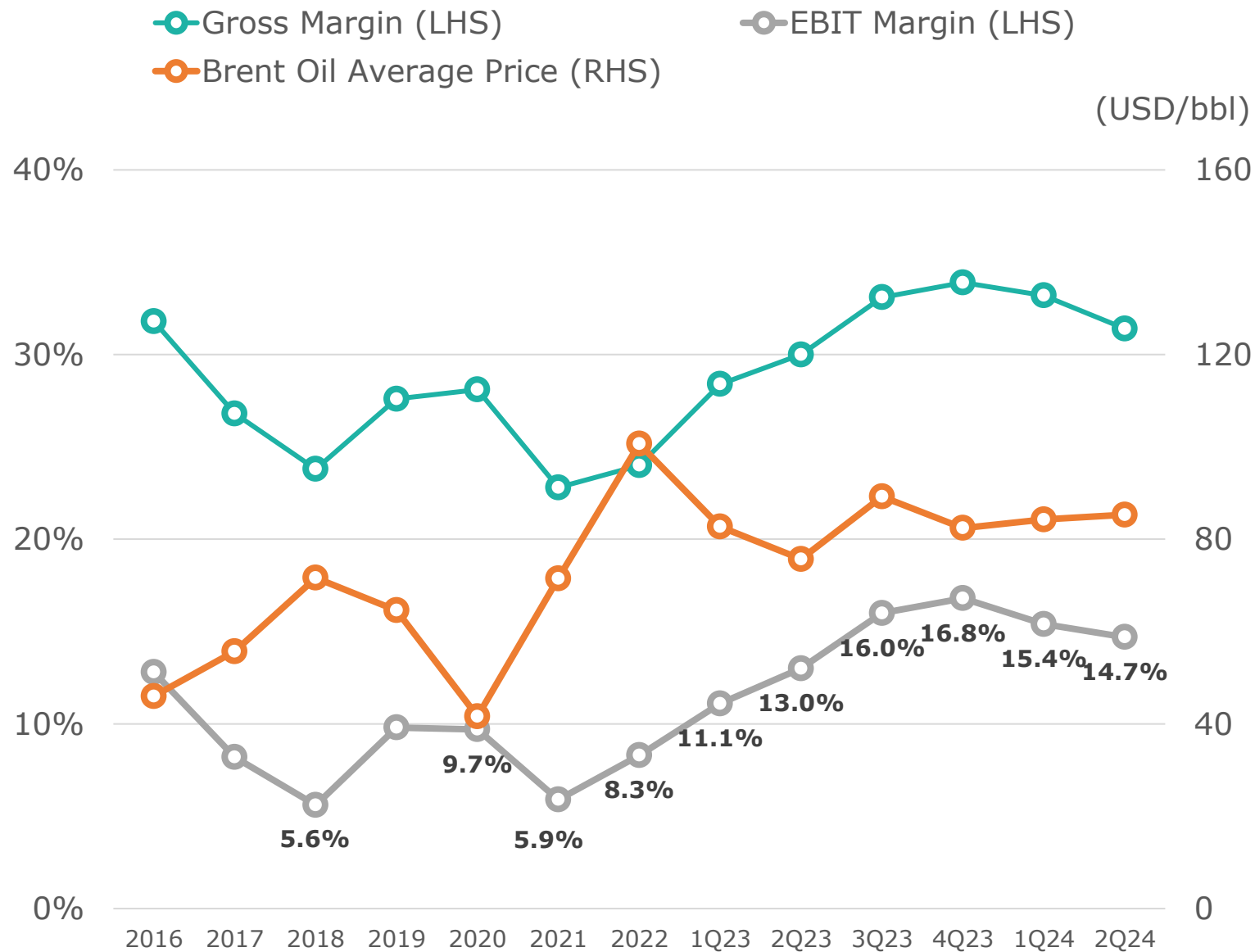
❑ **Our growth strategy continue to focus on two key pillars: innovation and acquisitions**

❑ **Strive to pursue long-term operating profit growth and improve long-term ROE; the long-term target is to improve ROE to 20% or above.**

- Annualized ROE for the first half of this year exceeded 20%.
- Focus on improving operating efficiency and aim to outperform the industry in terms of operating margin.

Structurally Improving Margins

- Strengthening our **core advantages**
- Focusing on **high margin** product lines
- Reducing impact from the **raw material prices** by shortening the price adjustment time lags
- Aiming to **reduce operating expense ratio** with a long-term target of **lower than 15%**



Focus on Innovation - "NextGen" Growth Strategy

We focus on industry-leading clients in selected segments and co-develop innovative bonding solutions. As we are well informed early, we can provide customers with the best solutions in a timelier fashion.



Select Strategic Partners

- Focus on selected industries
- Target industry-leading clients
- Proactive engagement
- Appropriate projects
- Upsell and develop high-margin products



Innovative Solutions

- Share information and collaborate early
- Gain deeper insights into challenges or obstacles
- Respond faster to customer needs
- Provide solutions that best meet customer requirements



Become a Global Leader in Innovation

- Grow new products and applications to increase market share
- Enhance gross margins and ROE
- Provide industry-leading innovative solutions, becoming the preferred "Innovation Platform"

Case Study – Innovative Shoe Adhesives

Challenge :

An international brand decide to develop new **high-performance** running shoes with **innovative materials**.

Result :

We developed **innovative** adhesive solutions, with **NanPao being the first** to meet the high-performance standards required by the customer.



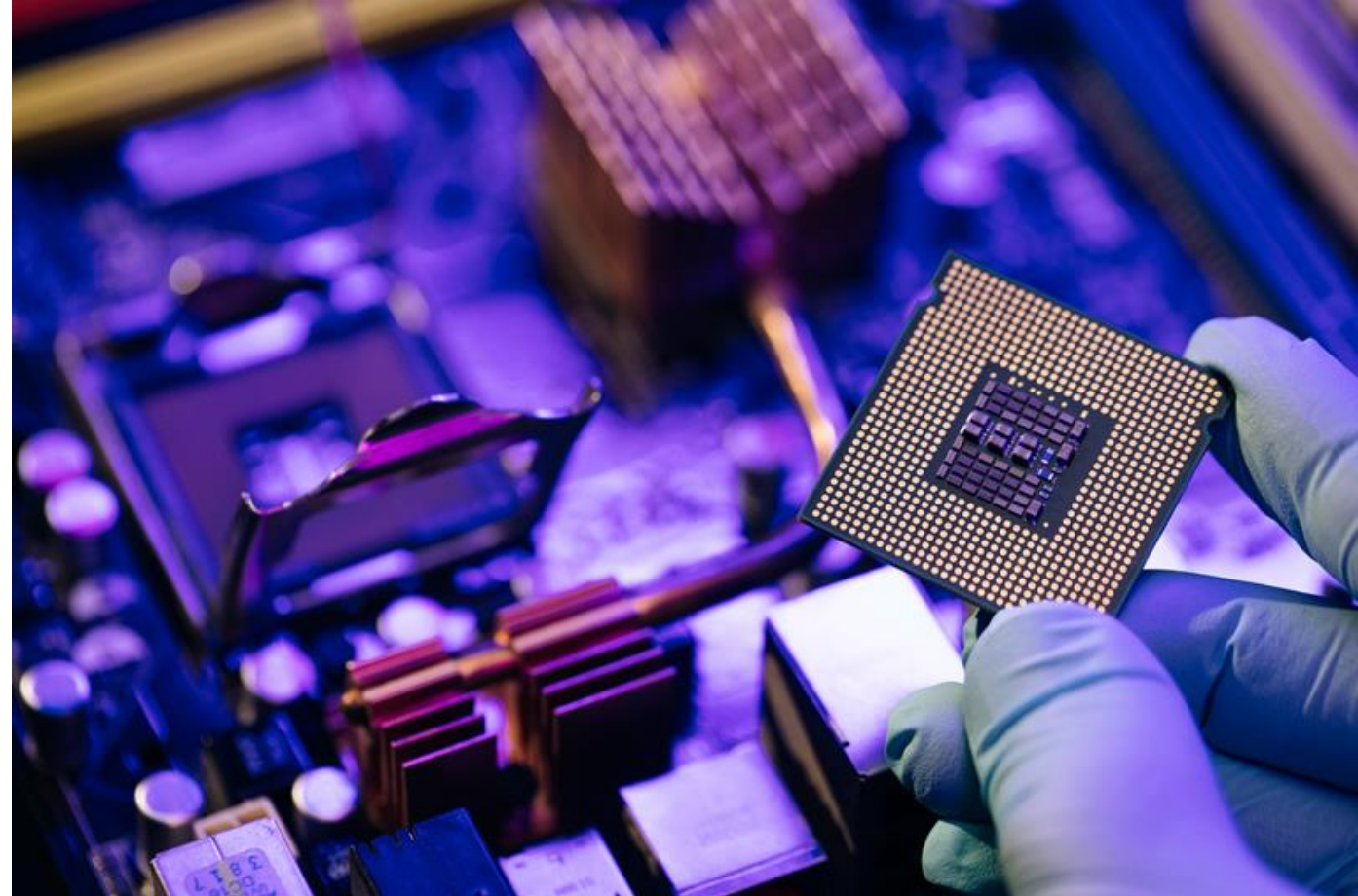
Case Study – Innovative Semiconductor Adhesives

Challenge :

The UV tape in semiconductor manufacturing must **strongly adhere** during grinding and cutting, **then quickly lose adhesion** under UV light for easy wafer detachment.

Result :

We developed a UV tape with **high adhesion** but **reacts quickly** when exposed to UV light, **leaving no adhesive residue**. Which could also improve manufacturing efficiency and yield rate.



Case Study – Innovative Woodworking Adhesives

Challenge :

Difficult to bond new flooring materials, leading to **poor production efficiency**.

Result :

We developed solutions that increased production speed by **10 times**. The adhesive also provided better performance, including **reduced shrinkage, improved heat resistance, noise reduction, and enhanced comfort**.



Strengthening the Product Lines through the Acquisition of Yun Teh Industrial Co., Ltd

Strategic Goals:

Acquired 70% of holdings of Yun Teh Industrial. The transaction is expected to be completed by 1Q25.

- ❑ This acquisition is expected to strengthen the product lines of our core business, particularly in epoxy resin applications, providing customers with more comprehensive solutions.
- ❑ We aim to achieve cost synergies through joint procurement and integrate distribution resources to increase market share and competitiveness.
- ❑ By sharing technology and resources, we anticipate gradually realizing synergies that will accelerate revenue growth and profitability.

Company Introduction and Product Applications:

- ❑ Yun Teh Industrial manufactures various hardeners for epoxy resins and has accumulated over 40 years of industry knowledge and expertise.
- ❑ The end markets include industrial adhesives, flooring material coatings (surface treatment and protection), coatings, and civil engineering (crack filling and reinforcement)

Outlook – By Business

Adhesives: Sportswear

- ❑ Currently, we observe slight differences in growth momentum among brands, but overall inventory levels are healthy, and demand is picking up. R&D investments in new products are bearing fruit, gradually starting to contribute revenue. We aim to continue to outgrow the industry.
- ❑ In addition, NanPao has more opportunities to directly collaborate with these brands in the joint development of bonding technology for new materials. We expect to acquire new orders, further optimizing our product mix and strengthening our market position.

Adhesives: Industrial & Other Consumers Goods

- ❑ The overall customer demand is steadily recovering. We continue to explore new growth opportunities through innovative adhesive solutions, such as enhancing performance or production efficiency, with a focus on the Semiconductor, Electronics, Woodworking, and Textile industries. We also started to see initial achievements.
- ❑ We continue to focus on high-margin products and adjust our product mix. In addition, we continue to streamline our product lines to enhance production efficiency.

Coatings & Construction

- ❑ Construction revenue is mainly from Australia. We have adjusted the product prices last year. We expect the product prices and revenue to stabilize gradually this year, with a continued focus on sustained growth.
- ❑ As for Coatings, growth momentum has been restored, while our focus this year is on improving profitability.
- ❑ The government promotes “transform to net-zero buildings by 2050”. We will seize the opportunity and focus on developing and promoting sustainable, low-carbon building materials.

Achievements – Global ESG Ratings

2023 S&P Global ESG Scores

Scores **67** /100

(0-100, best score: 100)

Ranked in the **top 3%** of the
global chemical industry

2023 Sustainalytics ESG Risk Rating

Scores **26.7** /100

(0-100, best score: 0)

Ranked in the **top 26%** of the
global chemical industry

Achievements

2023 TWSE Corporate Governance Evaluation

In 2023, NanPao has become a constituent of the TWSE Corporate Governance 100 Index by passing the screens of liquidity, corporate governance evaluation, and multiple financial indicators

2023

TWSE Corporate Governance Evaluation

6%-20%

TWSE-Listed Companies

11%-20%

Non Financial and Non Electronics Companies with a market cap over NT\$10 bn

2022

TWSE Corporate Governance Evaluation

6%-20%

TWSE-Listed Companies

11%-20%

Non Financial and Non Electronics Companies with a market cap over NT\$10 bn

2024 FTSE Russell ESG Rating

Scores **3.7** /5
(0-5, best score: 5)

Outperformed the average score of 2.7 for the global specialty chemical industry

NanPao's Progress and Goal on Sustainability - Environment

Green Products

2023
Green products
accounted for
67% of total
sales



Note: Company preliminary estimate

Greenhouse Gas Emission and Management

- In 2024, all chemical factories obtained ISO 14064-1 certification for Scope 1 and Scope 2 GHG emissions. We target to complete Scopes 1, 2, and 3 GHG inventory for all factories by 2027.
- NanPao is one of the first buyers on the Taiwan Carbon Solution Exchange, purchasing 2,000 tons of carbon credits.

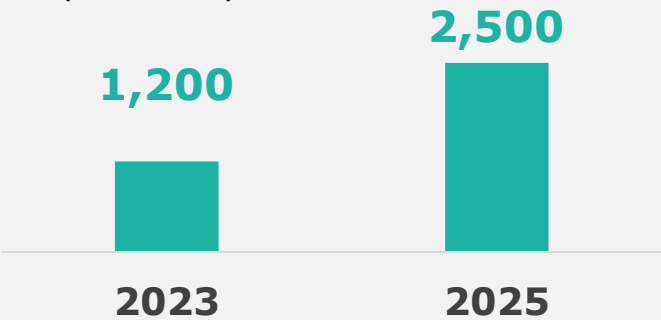
2021: Officially committed to achieve carbon neutrality by 2050.

2025: **Curtail carbon intensity by 5%** compared to 2021 for NanPao in Taiwan.

2050: **Achieve carbon neutrality**

Energy management

Power generation capacity of renewable energy equipment installed at factory sites (Unit: kW)



Chemical Management

Reduce the number of high concerned-chemical types and volume used by **50%** by 2030. Furthermore, we are proactively seeking other alternatives, and achieved a **62% reduction** in volume in 2022, surpassing our goal ahead of schedule

In 2022, NanPao pledged as a Contributor to the **Zero Discharge of Hazardous Chemicals (ZDHC)** program. 80% of shipments to one of the world's largest sportswear brands acquired ZDHC Level 3 certification (the highest level of certification).

NanPao's Progress and Goal on Sustainability – Social & Governance

Friendly Workplace & Talent Management

- 52% of employees at NanPao in Taiwan are members of the labor union.
- The employee stock trust has achieved a participation rate of 73%.

Sustainable Supply Chain

- Over 90% of suppliers sign on "Supplier ESG Commitment Declaration"
- Over 70% of our raw materials are supplied by local suppliers.

Board Diversity

- **Independence:** Out of the 7 directors on the board, 3 are independent directors, accounting for 42.86%
- **Gender Diversity:** Nan Pao strives to improve the gender equality of the board composition and has **added one female Director to the Board.**

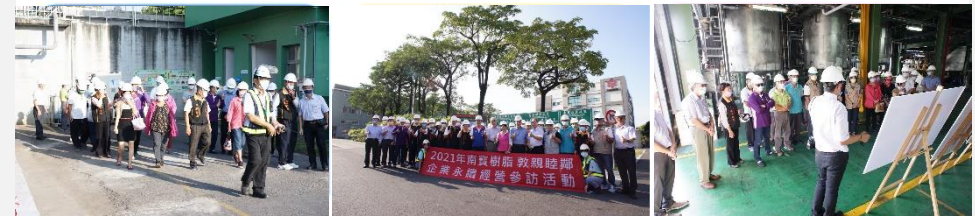
Customer Management

- In 2023, Nan Pao won the "Best Adhesives Vendor" award from a Tier-1 customer

Community Engagement

- We pay close attention to the ecosystem protection, environmental impact, and physical and property safety of local communities where we operate. Furthermore, we also proactively take part in the educational development of local communities, as well as care for the underprivileged.

Inviting community residents to visit the factories



General Manager of Nan Pao taking part in community activity on care for elderly.



COMPANY OVERVIEW

Executive Summary



NanPao is a leading **chemical** and **materials** company focusing on **innovative** and **sustainable** solutions. We are globally the **No. 1 producer of adhesives for athletic footwear** and have a strong position in specialty adhesive, coating, and construction material markets in Asia.



World-class **technology** accumulated over the past six decades, outstanding localized and custom-made **services**, and strong cash-flow which supports our **reinvestment in innovation and sustainability projects** give us advantages to outgrow the industry, where **sustainability** has been a main growth driver.



NanPao enjoys **multiple growth vectors** as we serve a broad range of industries. We target to broaden our offerings to chemicals used in the **footwear supply chain** and seek to leverage our existing advantages to **build our leadership** beyond footwear adhesives.



NanPao is dedicated to be the **global leader in innovation and green products**, aiming to increase **green product sales to over 80%** in 5 years. We also target to maintain a **double-digit long-term ROE** and offer **stable or growing cash dividends**.

OUR VISION

**Enable
everyone
to live a more
sustainable
lifestyle**



NanPao at a Glance

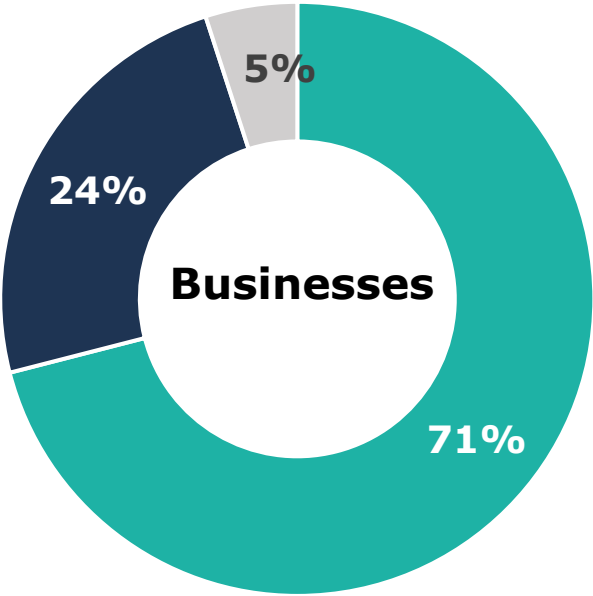
NT\$20.6bn
2023 global sales

NT\$39.7bn
2024/7 market cap

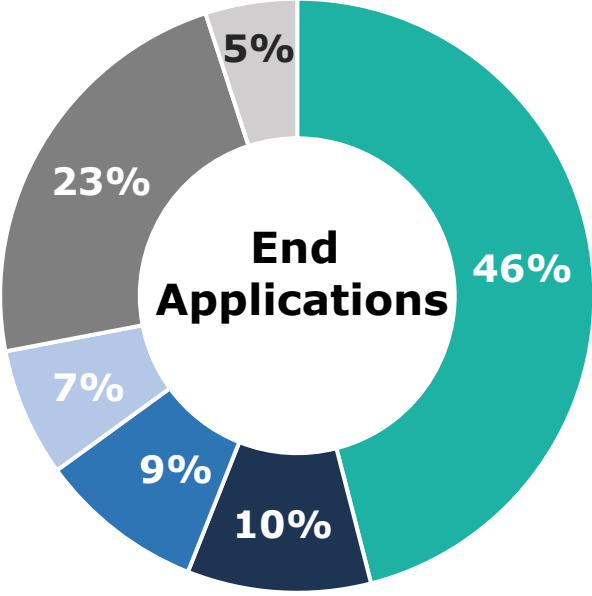
3,000+
employees

27 factories
in **7** countries

2.5% of sales
invested in R&D



- Adhesives
- Coatings & Construction
- Others



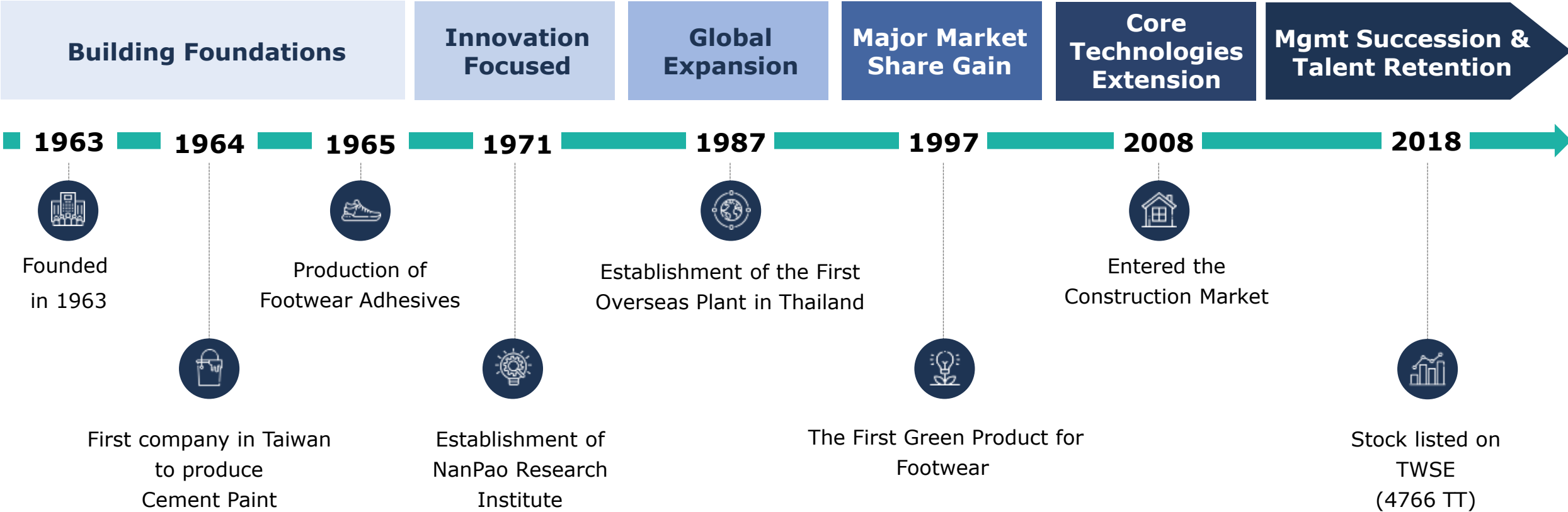
- Sportswear
- Industrial & Tech
- Construction
- Consumer Goods
- Coatings
- Others



67% of revenue from
green products

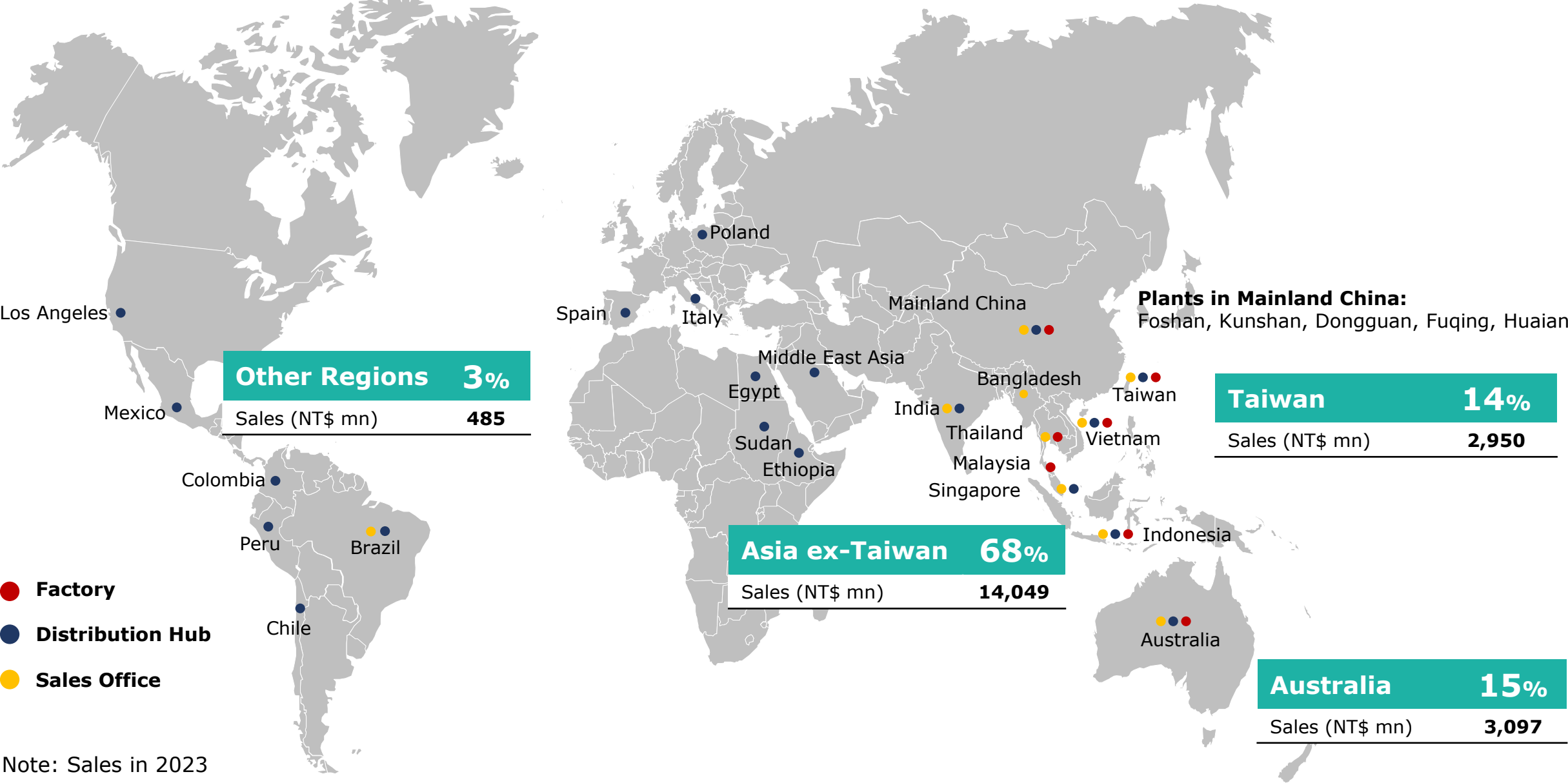
Note: The number is the company's preliminary estimate.

Company Milestones



We Operate Close to Our Customers

Focusing on the high growth Asian markets



Note: Sales in 2023

Competitive Advantages: Why We Can Outgrow the Industry

Strong Cash-Flow Supports Reinvestment

Widening the edge in
**innovation and
sustainability** over
smaller, cost-focused
players

World-Class Technology

Strong **technology knowledge**
and customer insight with leading
position and relationship with Tier 1
athletic shoe producers

Customized & Localised Total Solutions

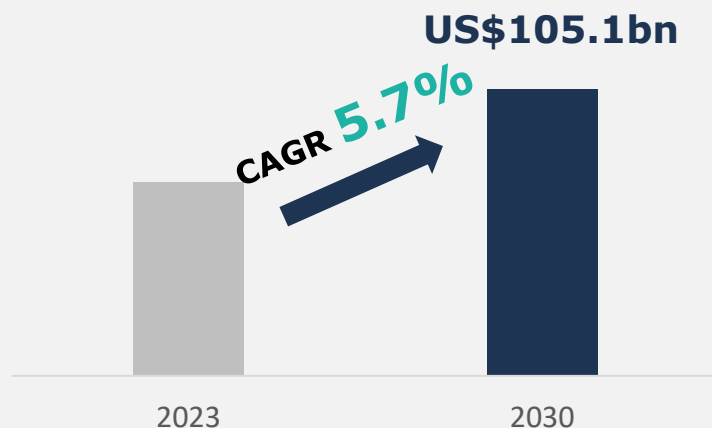
Offering customized and
timely **service** that larger,
global peers may not
provide

SUSTAINABLE INNOVATION

Macro Trends and Growth Drivers towards Sustainability

ADHESIVES INDUSTRY GROWTH

Global Adhesives & Sealants Market



Water-based Technology Segment



*Source: ResearchAndMarkets.com

MACRO TRENDS & GROWTH DRIVERS

Sustainability

- Increasing demand in green products.
 - Climate Change
 - Care for Society
 - Circular Economy
- Opportunities in alternative energy industries and environmental segments.
 - Solar
 - Water
 - Waste Management

Consumer Growth in Asia

- Asian consumers are expected to account for half of global consumption growth in the next decade*.
- Average shoe ownership per person in the US/EU is 6 pairs. It is only 3 in Asia.

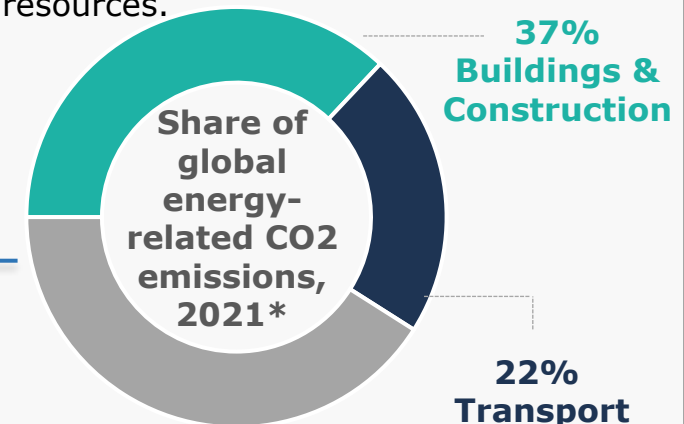
* According to McKinsey Global Institute, June 2021

Advanced Manufacturing & Future Cars

- High performance products for Tech sector and improving manufacturing process.
- Eco-friendly products for future cars.

Urbanization

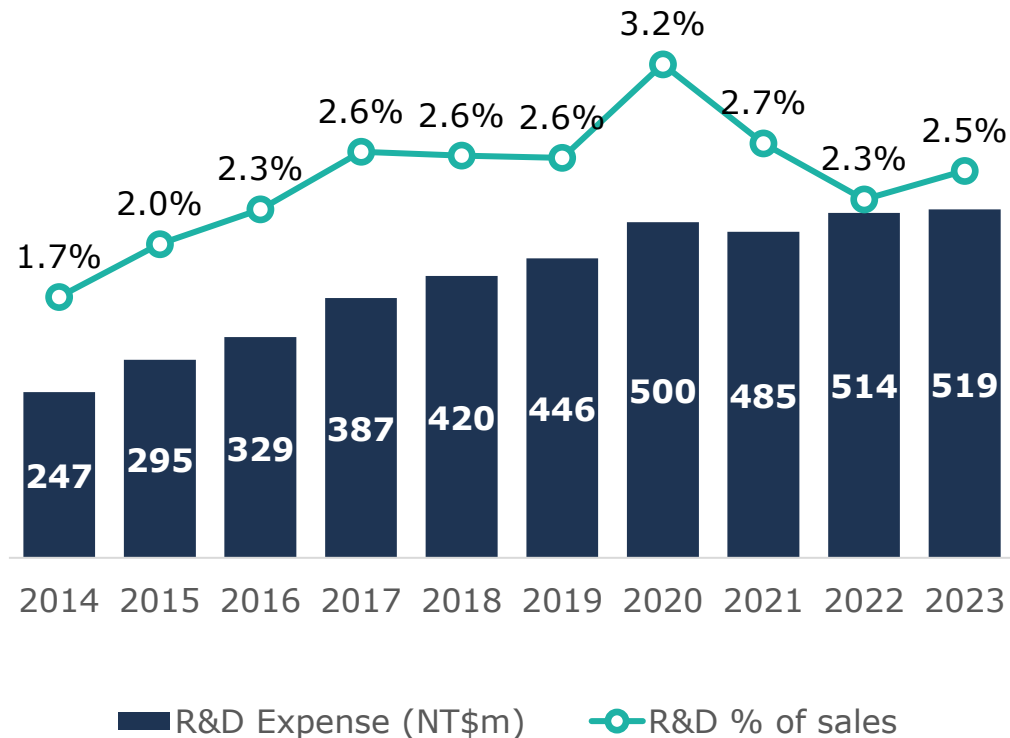
- Improving living comfort and home efficiency, and more sustainable resources.



*Source: UN 2022 Global Status Report For Buildings And Construction, IEA 2022f Tracking Clean Energy Progress

Innovating for Sustainability

- NanPao has been increasing R&D investment over the years.
- Brands requires innovative, sustainable solutions.



Greenhouse gas emissions from **key suppliers' manufacturing** and transportation operations will be **at or below 2020 levels** by 2025.



We will achieve at least **75% sustainable materials** for our products by 2025.



Our commitment is that **100% of our packaging** is **recyclable or reusable** by 2025.



The first global flooring manufacturer to sell **all products as carbon neutral** across their full life cycle. We target to be a **Carbon negative company by 2040**.



We continue to explore **bio-based glue alternatives** for our **wood-based** products. We aim to only use **renewable** or **recycled materials** sourced in a **responsible** way by 2030.



NanPao's Innovative Green Products

Raw materials account for **70%** of GHG Emissions during product life cycle. NanPao has invested substantial R&D and technical resources into developing innovative green products.



Low /Zero VOC

- **Water-based** products contain low or no volatile organic compounds (VOC).
- **50% reduction of GHG emissions** after converting adhesive products from solvent to water-based.



Bio-based materials



Recyclable materials

- Help reduce reliance on fossil fuel based raw materials and **lower carbon emissions**.
- The penetration rate is still low with long-term growth opportunities.



High Performance Products



Eco-Friendly/ Low Pollution products

- The positive effects of value-added products take place at our customers' side, supporting our customers **achieve sustainability goals**.



Sportswear

Opportunities in Bio-based and Recyclable Products



PU Foam Insoles

First bio-based PU Foam Insoles

NanPao has developed biomass materials with lignin extract from liquid waste produced during **paper manufacturing**. The biomass materials provide high support and low elasticity, which can also achieve **negative carbon emissions**.



Footwear Additives

We are developing eco-friendly, **carbon-negative** footwear additives, replacing fossil-based materials with **nature-based materials**.



Textile Adhesives

NanPao has **recycled** derivatives of carbon dioxide as raw materials. The materials provide great softness and breathability.



Footwear Adhesives

Currently, **75% to 80%** of NanPao footwear adhesives products are **low-VOC or zero-VOC**.



Consumer Goods

High Performance
and Bio-based
for Sustainable Life



Non-Woven Adhesives

Leading Supplier of local Tier-1 Diaper Brands in Mainland China

We have developed high wet-strength adhesives to extend diaper **durability** even after wetting.

NanPao ultra-soft adhesives for the elastic band and diaper outer surface provide greater comfort, remaining **soft** to the touch in both **cold and warm weather**.



Paper Coating

Plastic free paper coating can make paper cups and paper containers completely recyclable and reusable.



Paper Labels Lamination

Bio-based hot melt adhesives used for paper labels lamination of metal cans.



Woodpow® - Woodworking Adhesives

Our woodworking PUR adhesives are **solvent-free**, with **great heat and moisture resistance** and **high bonding strength**, which enables safer and more sustainable furniture.



Industrial & Tech

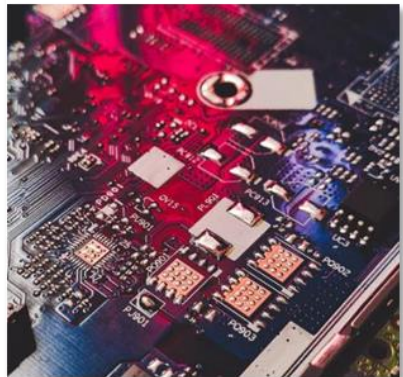
Efficient and Eco-Friendly Solutions in High Demand



PSA for LCD Polarizer Plate and Touch Panel

High temperature and high humidity resistance.

Acid free design which enables **low corrosion and low pollution** design for ITO film.



UV Tape for Semiconductor

Breaking into semiconductor supply chain

UV Tape is for semiconductor process to protect surface of wafer during backgrinding process and to hold wafer with ring frame during dicing process.

With UV irradiation, the tape can be easily peeled from the wafers, which help **improve production efficiency**.



Automotive Adhesives

NanPao has developed **water-based** adhesives products (**low/zero-VOC**) for car interior such as carpets, leather seats etc.



Coatings & Construction

Pursuing Home Efficiency and Living Comfort



Recycle Toner into Water-based Coating

Global Recycled Standard (GRS) Certified

In partnership with ITRI and Fujifilm, we transform non-hydrophobic waste toner into eco-friendly water-based coating for indoor decoration, outdoor buildings, and furniture.



Powder Coatings for Tap Water Pipes

The First Solution Provider in Taiwan

Preventing the pipes from leaching chemical substances into tap water. Making drinking tap water safer and provide **better quality and more sustainable water** in Taiwan .



Insulating Glass Sealant

Resistant to sunlight, extreme weather and moisture, improving **energy efficiency** for buildings.

GROWTH STRATEGY

Strengthening Our Positions in Existing Businesses



Footwear Adhesives: Growing beyond adhesives

- Developing chemicals used in the footwear manufacturing process, such as footwear cleaner, primer and hardener for footwear.
- Increasing current market share of 40-50% to 50-60% amongst Tier 1 athletic footwear brands through offering innovative products and outstanding services.



Specialty Adhesives: Focusing on selective segments

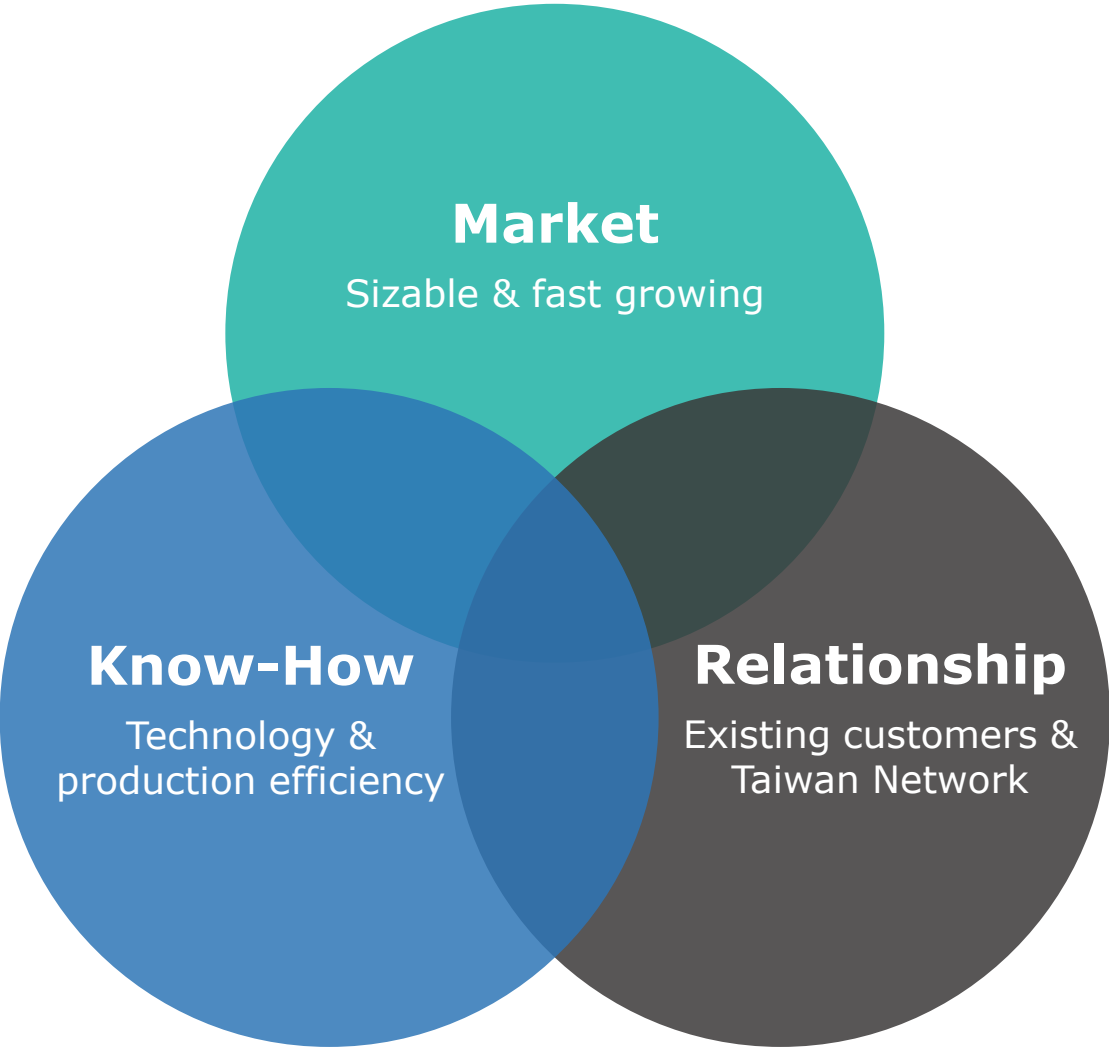
- Focusing on Textile, Technology, Flexible Packaging, Woodworking and Hygiene segments.
- Breaking into the markets step by step from gaining more local tier-1 customers, then eventually getting global tier-1 customers.



Coatings & Construction: Streamline operations

- Construction revenue is mainly from Australia and around 80% are green products. We will continue to grow the market.
- As for Coatings, we continue to organize offerings to provide better and more complete solutions.
- The government promotes "transform to net-zero buildings by 2050". We will seize the opportunity and focus on developing and promoting sustainable, low-carbon building materials.

Growing the Next Star Segments in Specialty Adhesives



Focused Segments	Advantages		
Textile			
Tech / Semi			
Flexible Packaging			
Woodworking			
Hygiene			

Improving Capital Efficiency

R&D

Increasing investment in R&D to accelerate growth

CASH DIVIDEND

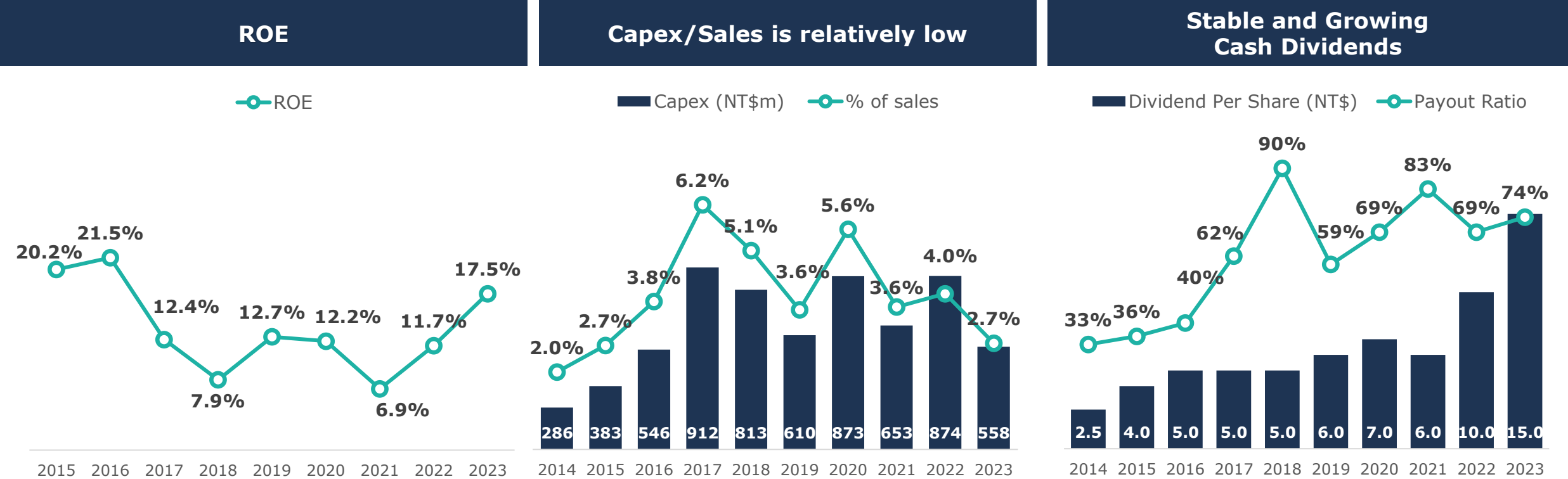
Paying stable or growing cash dividends

CAPEX

No large capex plan required, but may need some capex investment to serve customers locally

BOLT-ON ACQUISITIONS

Enabling us to grow globally and expand product applications



Growing Business in Carbon Fiber-related Applications

Acquisition of Changshu Yubo Polymer Materials Co., Ltd

Strategic Goals:

Acquired 70% holdings of Yubo and has consolidated in the financial reports since May 2023

- ❑ Both NanPao and Yubo produce epoxy resins, but the applications are different. The two companies can share technology know-how and resources.
- ❑ We expect to enter the carbon fiber resin market in Mainland China through the acquisition to take advantage of the trends in import substitution, lightweighting, and new energy.
- ❑ Although Yubo's revenue contribution may be small initially, we expect this new business can be a new long-term growth driver.

Product Applications:

- ❑ Epoxy resins, mainly used in carbon fiber composite materials.
- ❑ The end market is primarily sports equipment. Yubo is developing applications in niche markets such as industrial flame retardants, hydrogen cylinders and electronic materials.

NanPao's 5 Year Targets



Being a global leader in
innovative & green
chemical products



Increasing **green**
product sales to **80%**

Investing in R&D and leveraging
existing products for broader
applications



Maintaining **double-digit**
long-term ROE

Pursuing sustainable profit growth
and improving capital efficiency



Growing **above**
industry average

Through organic growth and M&A



Providing **stable** or **growing**
annual cash dividend per share

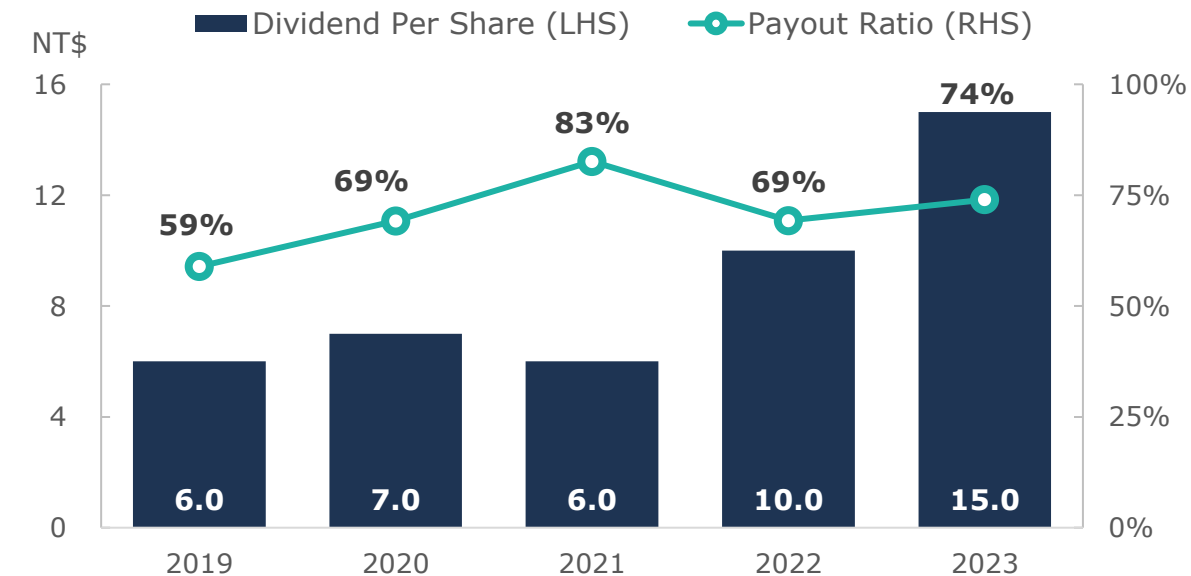
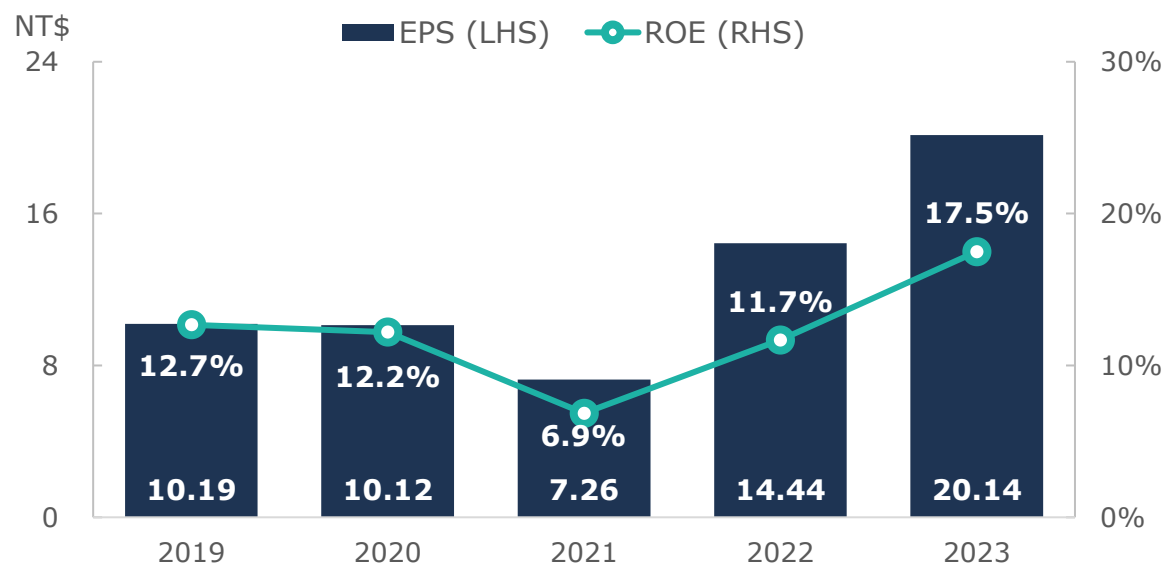
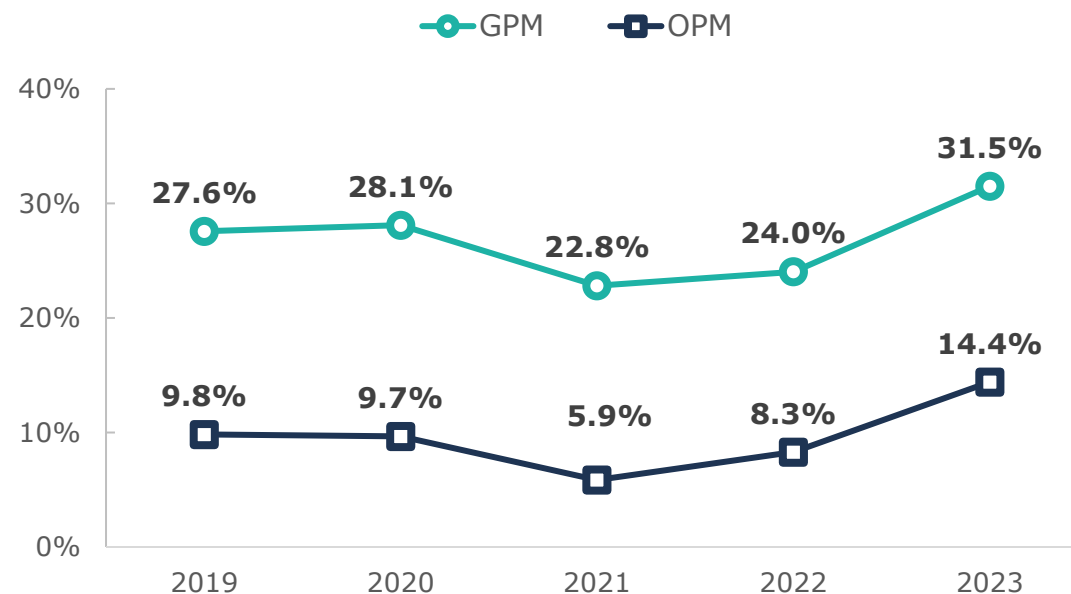
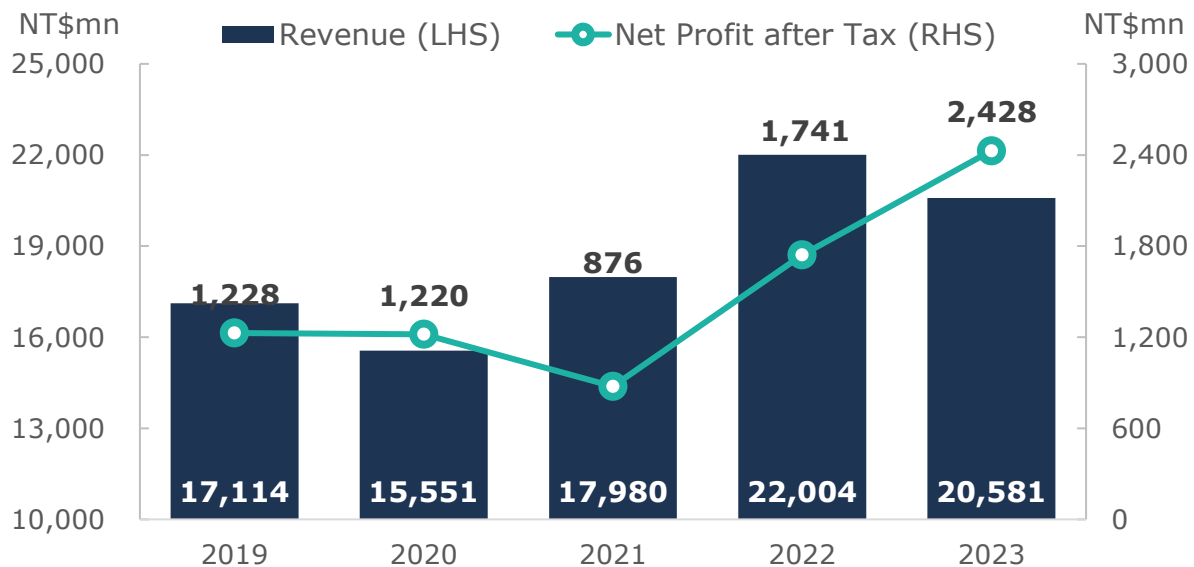
Continue to generate strong cash-
flow, and target to maintain a
payout ratio of at least 65%

Q&A

ANNUAL HISTORICAL FINANCIALS

2019-2023

Key Financial Performance



Income Statement Highlights

NT\$ million	2019	2020	2021	2022	2023
Sales Revenue	17,114	15,551	17,980	22,004	20,581
Cost of Goods Sold	12,396	11,181	13,878	16,716	14,091
Gross Profit	4,718	4,370	4,102	5,288	6,490
Operating Expense	3,036	2,869	3,050	3,464	3,526
Operating Profit	1,682	1,502	1,052	1,824	2,964
Income before tax	1,793	1,606	1,203	2,385	3,394
Net Income	1,228	1,220	876	1,741	2,428
EPS (NT\$)	\$10.19	\$10.12	\$7.26	\$14.44	\$20.14

Gross Margin	27.6%	28.1%	22.8%	24.0%	31.5%
Opex/Sales	17.7%	18.4%	17.0%	15.7%	17.1%
Operating Margin	9.8%	9.7%	5.9%	8.3%	14.4%
Net Margin	7.2%	7.8%	4.9%	7.9%	11.8%
ROE	12.7%	12.2%	6.9%	11.7%	17.5%

YoY (%)				
2019	2020	2021	2022	2023
7%	-9%	16%	22%	-6%
1%	-10%	24%	20%	-16%
24%	-7%	-6%	29%	23%
4%	-5%	6%	14%	2%
87%	-11%	-30%	73%	62%
73%	-10%	-25%	98%	42%
83%	-1%	-28%	99%	39%
66%	-1%	-28%	99%	39%

Balance Sheet Highlights

NT\$ million	2019	2020	2021	2022	2023
TOTAL ASSETS	18,398	19,346	25,928	24,746	23,664
Cash	4,492	4,614	4,296	4,348	5,202
NR & AR	3,810	3,915	4,377	4,879	4,751
Inventory	2,241	2,177	2,949	2,825	2,663
Fixed Asset	4,097	4,515	4,932	5,508	5,808
TOTAL LIABILITIES	7,842	8,150	9,658	9,103	9,118
Long-Term Debt	1,524	1,669	1,935	1,224	895
AP & NP	1,949	2,302	2,591	2,659	2,177
TOTAL EQUITY	10,556	11,196	16,270	15,643	14,546

A/R turnover days	81	91	84	77	85
Inv turnover days	68	72	67	63	71
A/P turnover days	58	69	64	57	63
Cash conversion cycle	91	94	87	83	93

% of Total Assets				
2019	2020	2021	2022	2023
100%	100%	100%	100%	100%
24%	24%	17%	18%	22%
21%	20%	17%	20%	20%
12%	11%	11%	11%	11%
22%	23%	19%	22%	25%
43%	42%	37%	37%	39%
8%	9%	7%	5%	4%
11%	12%	10%	11%	9%
57%	58%	63%	63%	61%

Cash Dividend Payout

(NT\$m)	2018	2019	2020	2021	2022	2023
Net profit	673	1,228	1,220	876	1,741	2,428
Dividends Paid	603	723	844	723	1,206	1,809
DPS (NT\$)	5.0	6.0	7.0	6.0	10.0	15.0
Payout ratio	90%	59%	69%	83%	69%	74%
Dividend yield ¹	2.8%	4.3%	4.6%	4.4%	5.7%	3.9%

Notes:
1. Yield calculated using market cap on the day prior to ex-dividend date for 2018-2023.

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