

NanPao Resins Chemical Group

4766 TT

Investor Presentation

2024/11



A G E N D A

 **3Q24 RESULTS & OUTLOOK**

 **COMPANY OVERVIEW**

 **SUSTAINABLE INNOVATION**

 **GROWTH STRATEGY**

 **HISTORICAL FINANCIALS**

3Q24 RESULTS

3Q24 Results

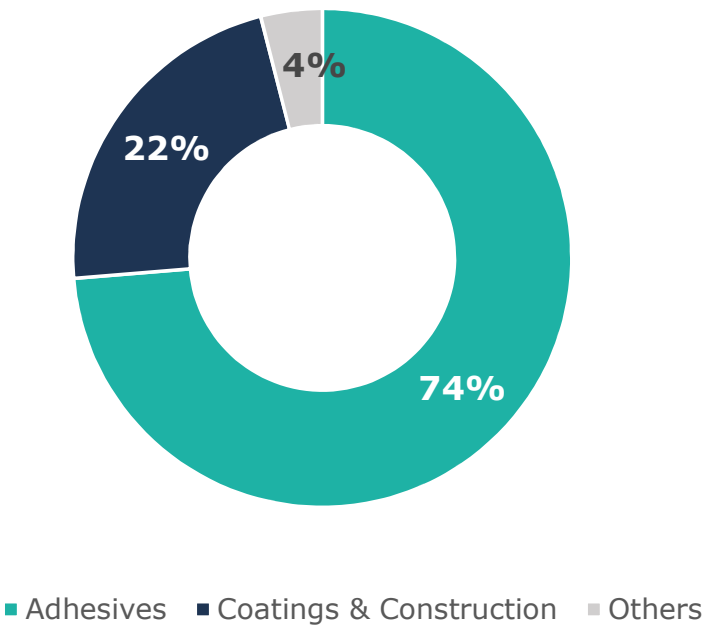
Consolidated Income Statements – 3Q24

NT\$ million	3Q24	2Q24	3Q23	QoQ	YoY
Net Revenue	6,088	5,783	5,451	5%	12%
Gross Profit	1,995	1,814	1,806	10%	10%
Gross Margin	32.8%	31.4%	33.1%		
Operating Expenses	1,027	963	935	7%	10%
SG&A percent of Sales	16.9%	16.7%	17.1%		
Operating Income	968	851	871	14%	11%
Operating Margin	15.9%	14.7%	16.0%		
Net Non-Operating Income (Loss)	-2	33	28		
Pre-Tax Income	967	884	899	9%	8%
Income Tax Expense	293	189	214		
Minority Interest	13	22	40		
Net Income to Parent	661	672	645	-2%	2%
Net Margin	10.9%	11.6%	11.8%		
EPS (NT\$)	5.48	5.58	5.35	-2%	2%
ROE – not annualized	4.9%	5.3%	5.1%		
Depreciation and Amortization	188	182	173		
CAPEX	174	114	175		

3Q24 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 3Q24 compared to the same period last year. Coatings & Construction revenue also achieved modest growth compared to the prior year.

3Q24 Revenue Breakdown



3Q24 Revenue Growth by Segment

	YoY	QoQ
Total Revenue	12%	5%
Adhesives	16%	5%
Coatings & Construction	3%	6%

3Q24 Results

Consolidated Income Statements –9M24

NT\$ million	9M24	9M23	YoY
Net Revenue	16,861	15,064	12%
Gross Profit	5,464	4,618	18%
Gross Margin	32.4%	30.7%	
Operating Expenses	2,875	2,582	11%
SG&A percent of Sales	17.1%	17.1%	
Operating Income	2,588	2,037	27%
Operating Margin	15.4%	13.5%	
Net Non-Operating Income (Loss)	187	439	
Pre-Tax Income	2,775	2,476	12%
Income Tax Expense	675	568	
Minority Interest	61	96	
Net Income to Parent	2,039	1,812	13%
Net Margin	12.1%	12.0%	
EPS (NT\$)	16.91	15.03	13%
ROE – not annualized	15.1%	13.2%	
Depreciation and Amortization	546	477	
CAPEX	381	468	

3Q24 Results

Consolidated Balance Sheet – 3Q24

NT\$ million	2024/9/30		2024/6/30		2023/9/30	
	\$	%	\$	%	\$	%
Cash and Cash Equivalents	6,832	25%	6,609	25%	4,738	20%
Notes & Accounts Receivable, Net	5,497	20%	5,355	20%	4,919	21%
Inventories	2,979	11%	2,851	11%	2,643	11%
Other Current Assets	1,015	4%	1,038	4%	900	4%
Long-term Investments	1,970	7%	1,940	7%	1,877	8%
Fixed Assets	5,824	22%	5,799	22%	5,858	25%
Other Long-term Assets	2,887	11%	2,759	11%	2,666	11%
Total Assets	27,004	100%	26,351	100%	23,600	100%
Current Liabilities	8,027	30%	8,235	31%	6,575	28%
LT Debt	1,640	6%	1,476	6%	974	4%
Other Non-Current Liabilities	1,973	7%	1,938	7%	1,740	7%
Total Liabilities	11,640	43%	11,649	44%	9,289	39%
Common Stock	1,206		1,206		1,206	
Total Equity	15,364	57%	14,701	56%	14,311	61%
Book Value per Share (NT\$)	115.2		110.0		107.4	
Current Ratio	203%		193%		201%	
Net Cash (Debt) to Equity	11%		22%		12%	

2024 and 2025 OUTLOOK

2024 and 2025 Outlook

❑ **Target record-high revenue this year and aims to exceed it next year.**

- For the Footwear Adhesives, we continue to develop new adhesive technologies in collaboration with brands to secure new orders. The results are gradually taking effect and contributing to revenue. Additionally, we are implementing an innovation-driven "NextGen" growth strategy, proactively co-developing new products and applications to accelerate growth. The outlook for all three major product lines remains positive, with expectations to regain growth this year.
- The acquisition of Yun Teh Industrial will be consolidated into our revenue next year.

❑ **Adhesives for semiconductors and other electronic fields are expected to become new growth drivers.**

❑ **Actively evaluate an increase in the cash dividend payout ratio for 2024 to enhance ROE.**

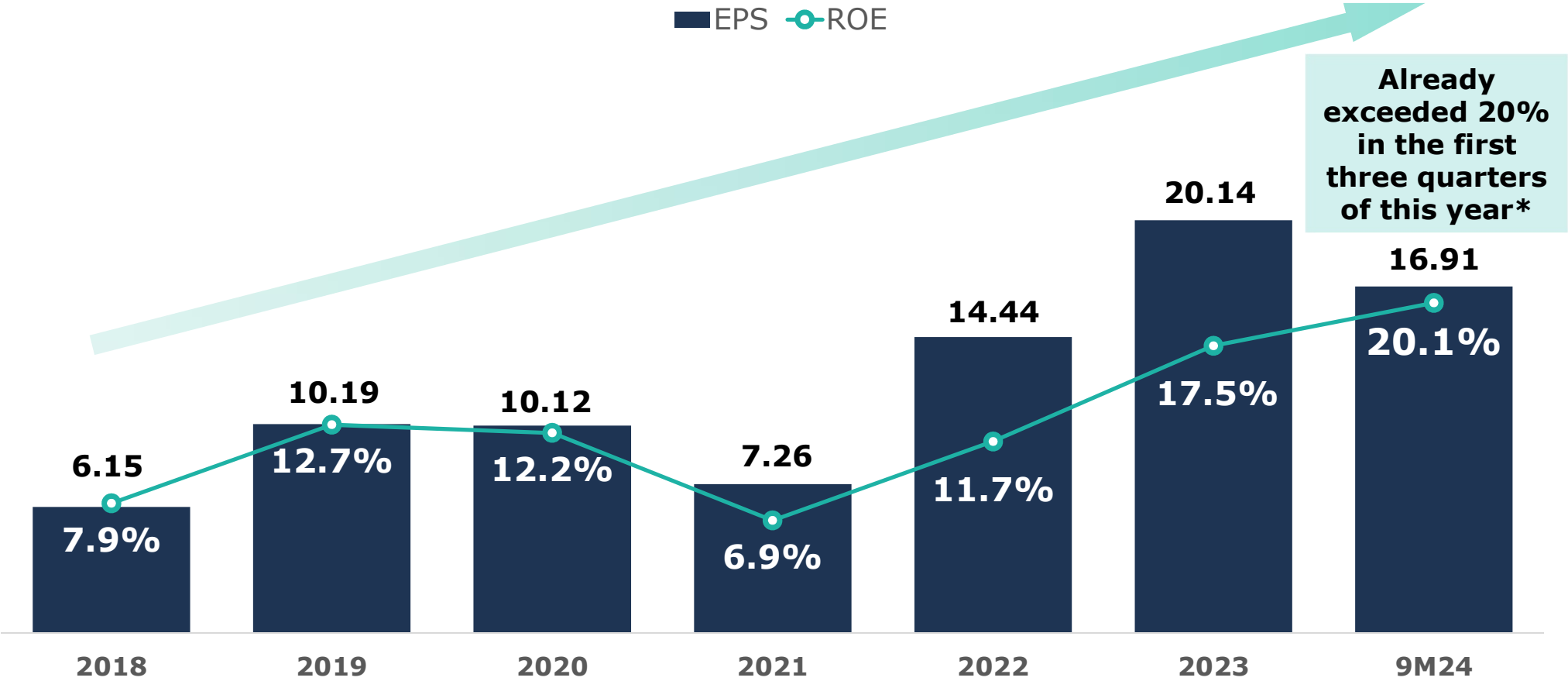
- Enhancing ROE is our core strategy, with a long-term target of achieving an ROE of over 20%.
- This long-term ROE target is a key consideration in our dividend policy. Supported by a strong balance sheet, we will assess an increase in the cash dividend payout ratio for 2024.
- We aim to continuously improve operational efficiency and maintain an operating margin superior to the industry average.

Focusing on Increasing ROE as a Core Strategy, with a Long-term Goal of Achieving ROE above 20%

NT\$

NanPao continues to improve operational efficiency and enhance ROE

■ EPS ● ROE

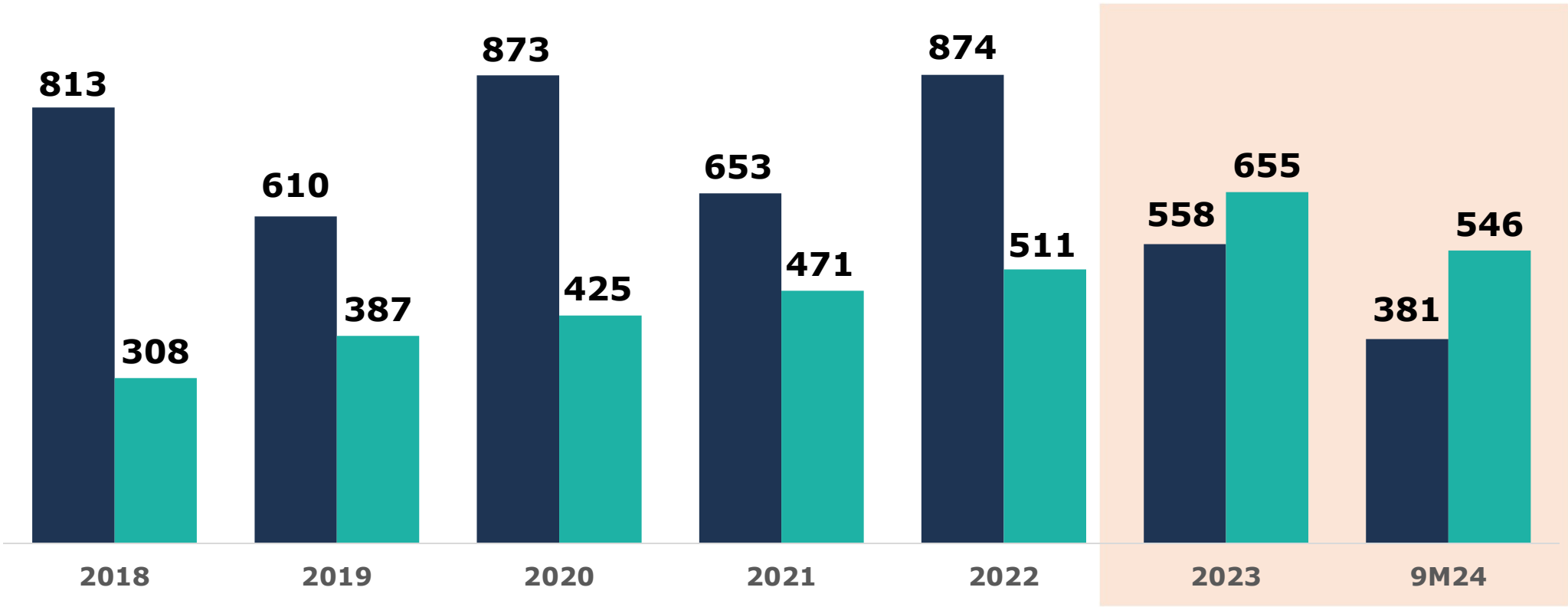


*Note: 9M24 ROE has been annualized.

Increasing Production Capacity Requires Only Limited Capital Expenditure, Expanding the Potential for Cash Dividends

NT\$mn **Recent Capital Expenditure Has Been Lower than Depreciation and Amortization**

■ Capital Expenditure ■ Depreciation and Amortization

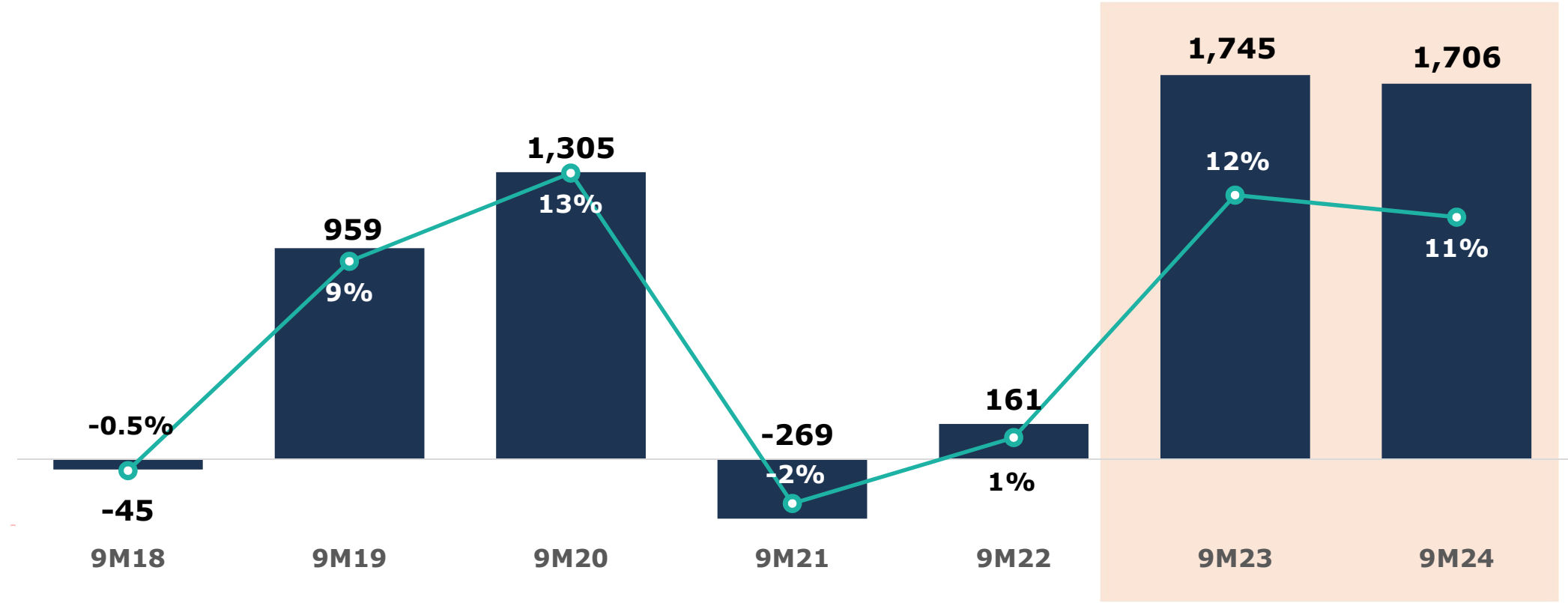


Evaluating an Increase in Cash Dividends to Enhance Capital Utilization Efficiency

NT\$mn

Net Cash Position Continues to Accumulate

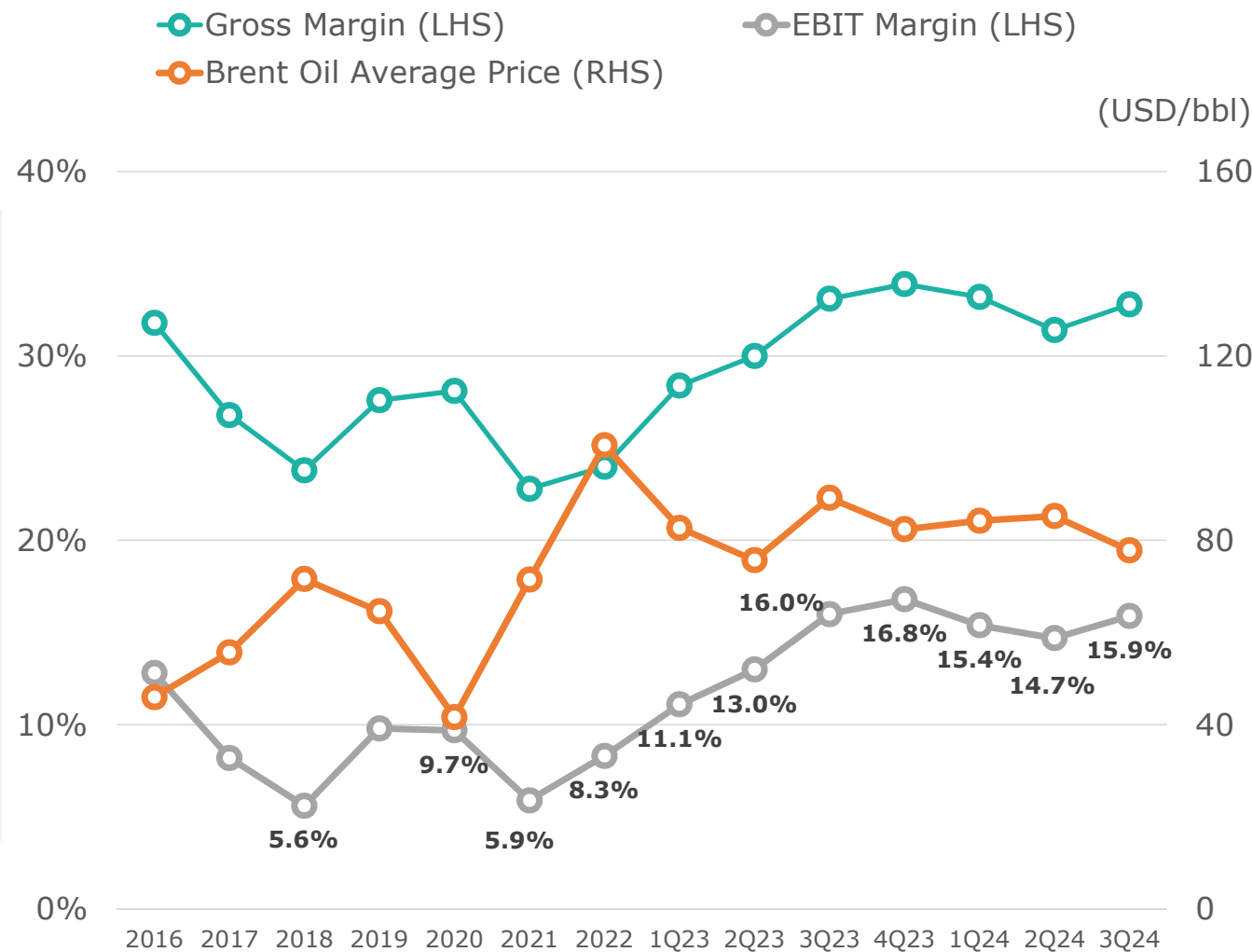
Net Cash Net Cash to Equity



Note: Net cash is calculated as: Cash & cash equivalent + Financial assets measured at amortized cost—current – Short-term borrowings – Short-term notes and bills payable - Current portion of long-term debt - Long-term debt

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.



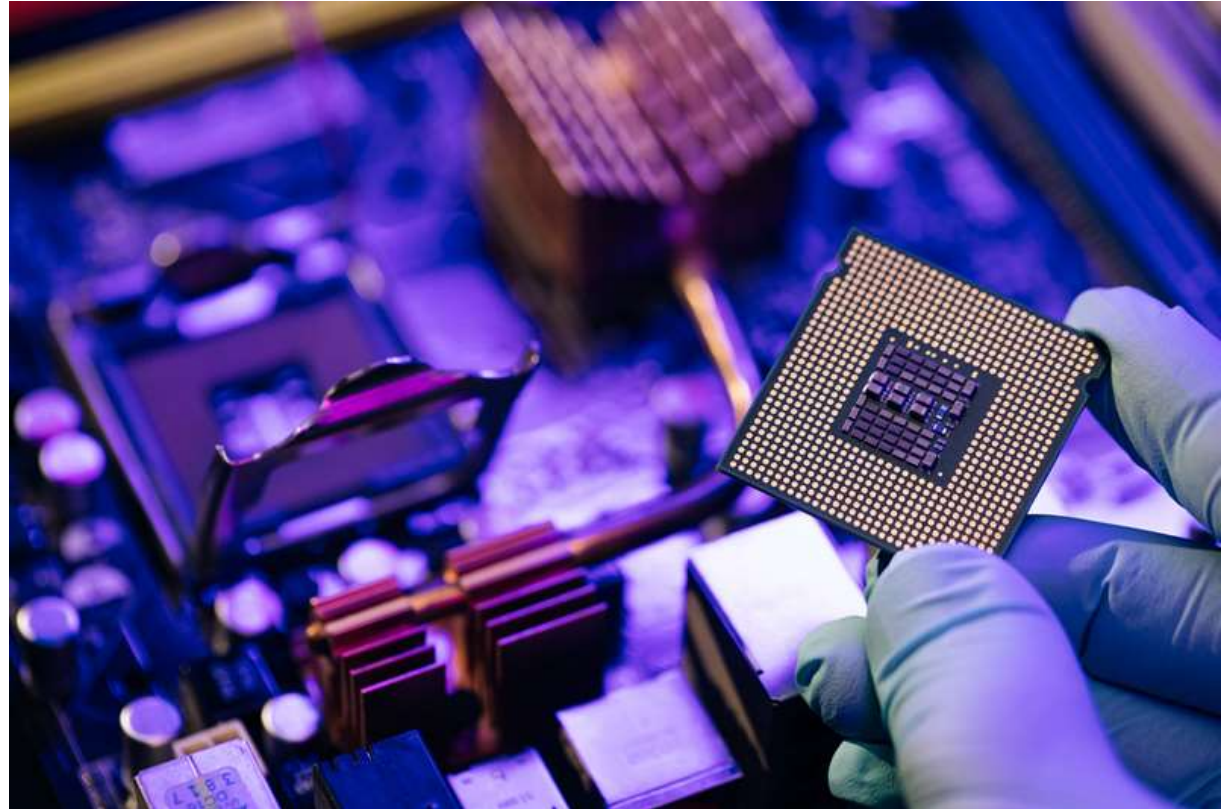
Case Study – Innovative Semiconductor Adhesives

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**.



Outlook – By Business

Adhesives: Sportswear

- ❑ Currently, we observe slight differences in growth momentum among brands; however, overall demand is rebounding. Many global brands have become our key clients while we focus on the overall industry growth and market share expansion.
- ❑ R&D investments in collaboration with these brands for joint development of bonding technology in new materials are bearing fruit, gradually starting to contribute revenue. We aim to continue to outgrow the industry, 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. Additionally, adhesives for semiconductor and optical applications, as well as woodworking, have shown relatively strong performance.
- ❑ 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. Additionally, we aim to expand our construction materials business through continued acquisitions.
- ❑ As for Coatings, growth momentum continues, 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.



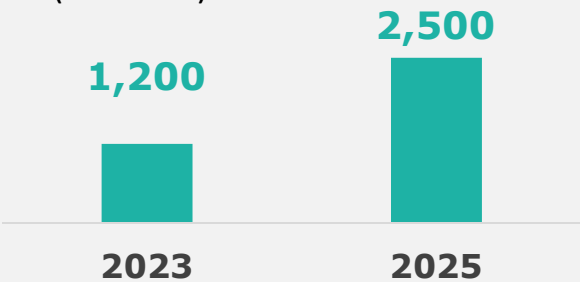
2021: Officially committed to achieve carbon neutrality by 2050.

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 **50% reduction** in volume in 2023, surpassing our goal ahead of schedule

NanPao pledged as a Contributor to the **Zero Discharge of Hazardous Chemicals (ZDHC)** program. 100% 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

- 51% of employees at NanPao in Taiwan are members of the labor union.
- The employee stock trust has achieved a participation rate exceeding 70%.

Sustainable Supply Chain

- 97.7% of suppliers sign on "Supplier ESG Commitment Declaration"
- Over 70% of our raw materials are supplied by local suppliers, achieving a performance rate of 81% in 2023.

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

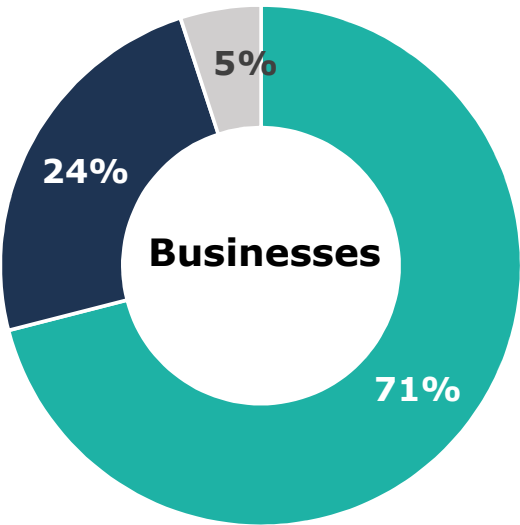
NT\$20.6bn
2023 global sales

NT\$34.2bn
2024/10 market cap

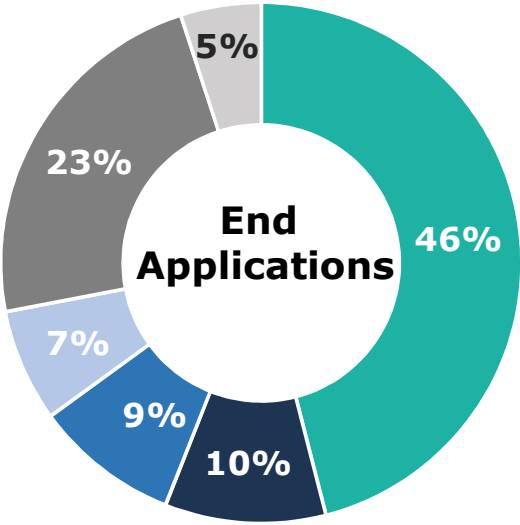
3,000+
employees

27 factories
in **7** countries

2.5% of sales
invested in R&D



- Adhesives
- Coatings & Construction
- Others



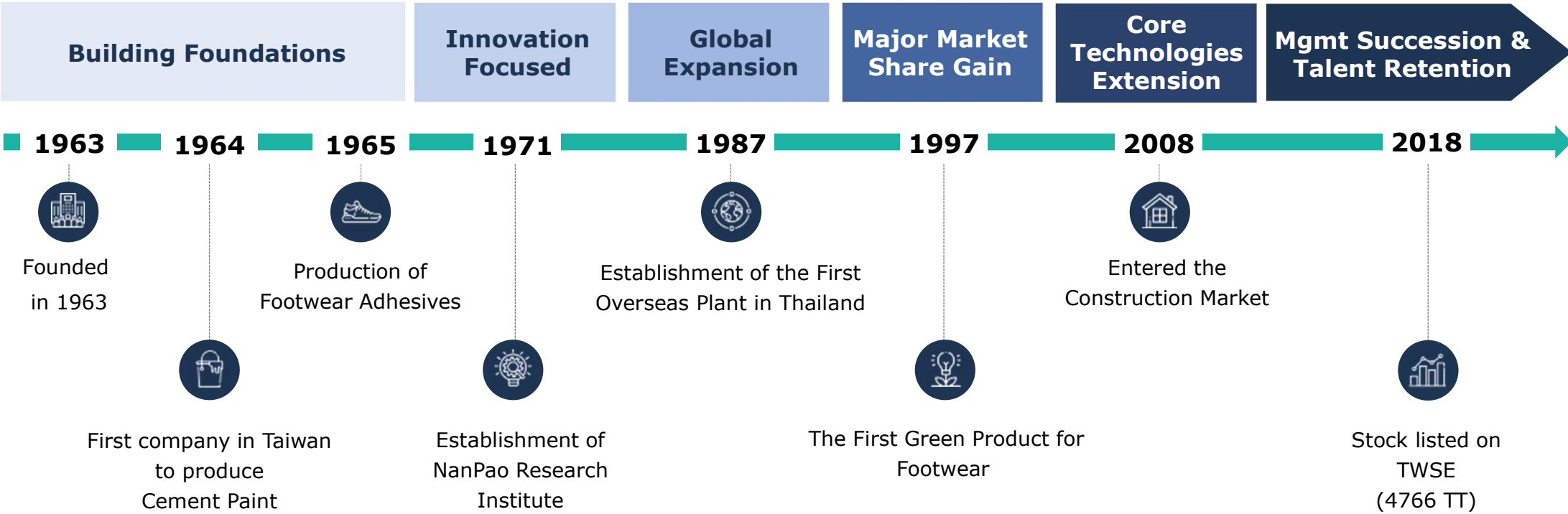
- Sportswear
- Industrial & Tech
- Construction
- Consumer Goods
- Coatings
- Others



67% of revenue from green products

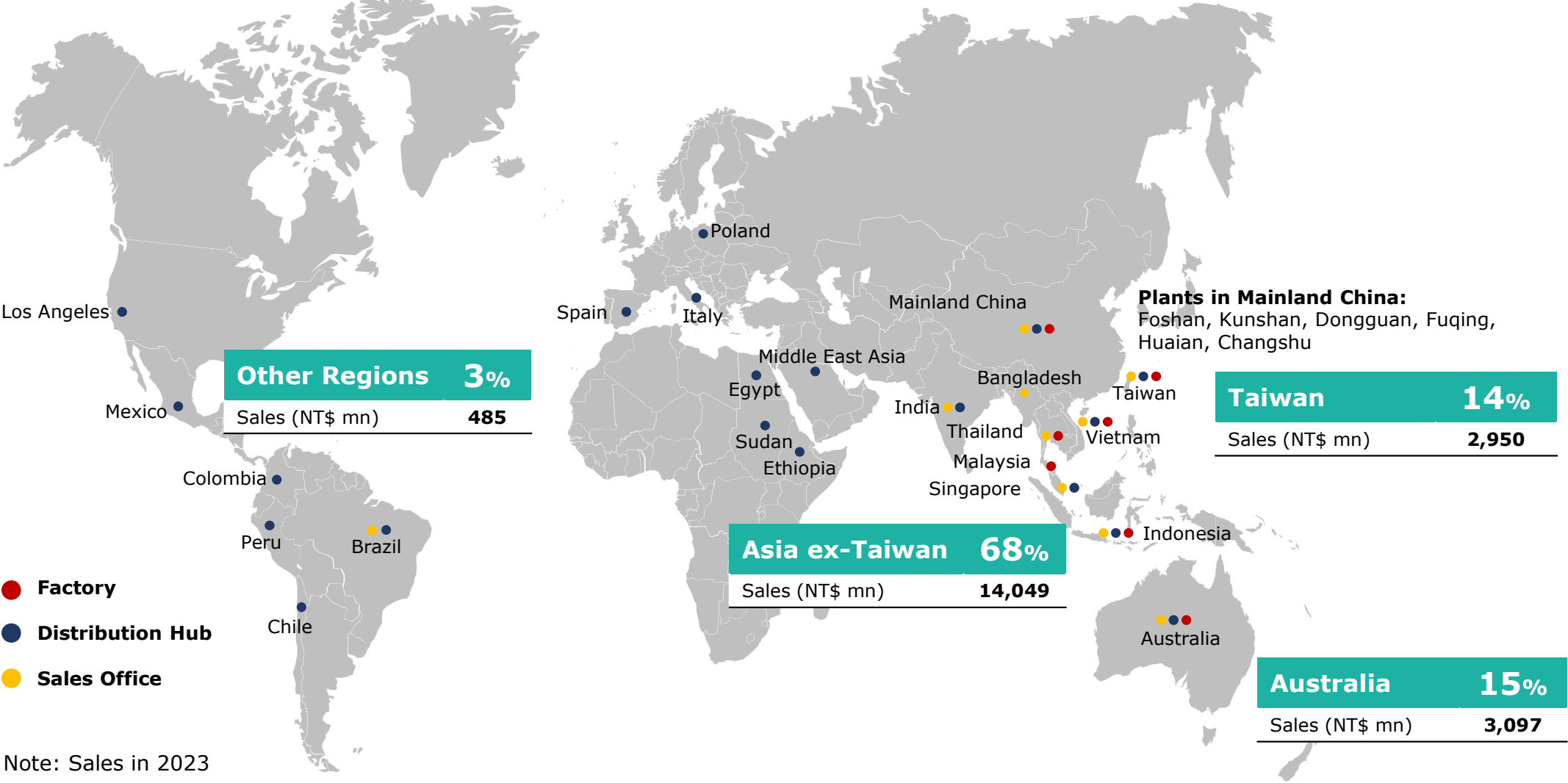
Note: The number is the company's preliminary estimate.

Company Milestones



We Operate Close to Our Customers

Focusing on the high growth Asian markets



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

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.

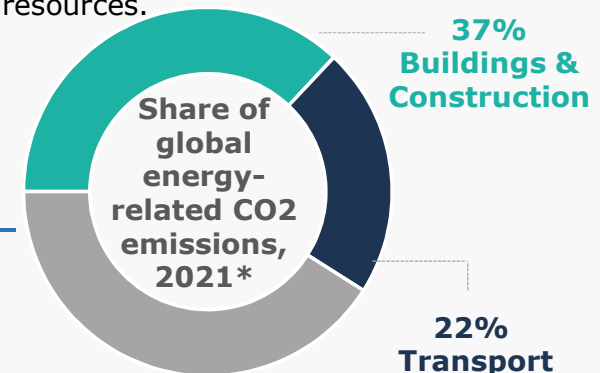
* According to McKinsey Global Institute, June 2021

Advanced Manufacturing & Future Cars

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

Urbanization

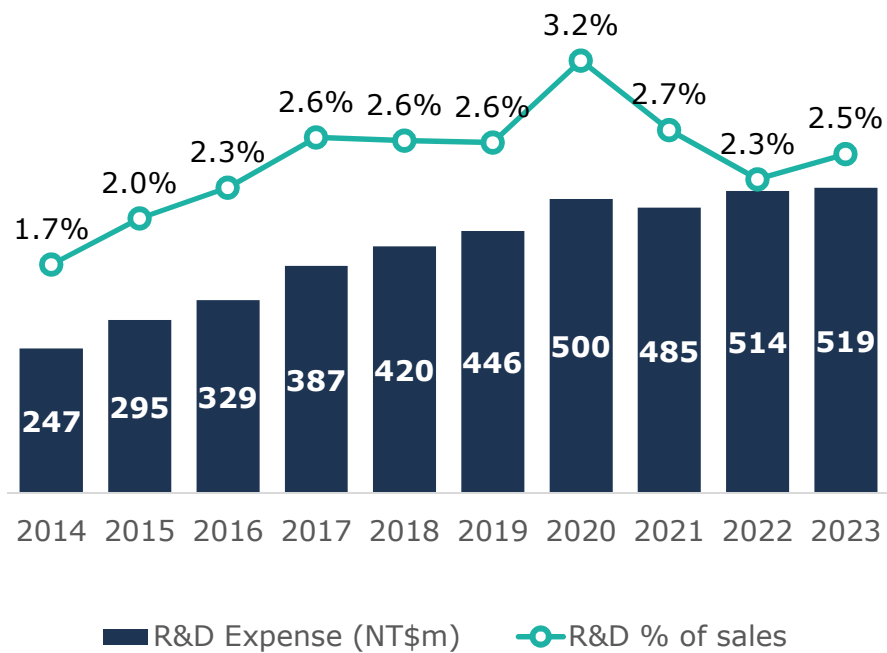
- Improving living comfort and home efficiency, and more sustainable resources.



*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**.



Bio-Based



Recyclable



Low/Zero VOC

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.

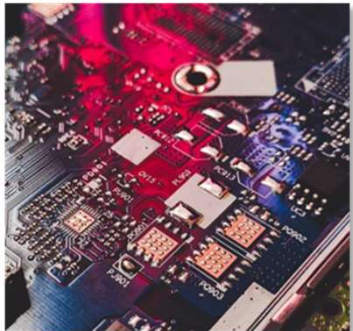


UV Tape for Semiconductor

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.



Eco-Friendly



Low/Zero VOC



High Performance



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 through Innovation



Footwear Adhesives: Joint Development of Bonding Technology for New Materials with Brands

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



Specialty Adhesives: Focusing on Five Key Areas

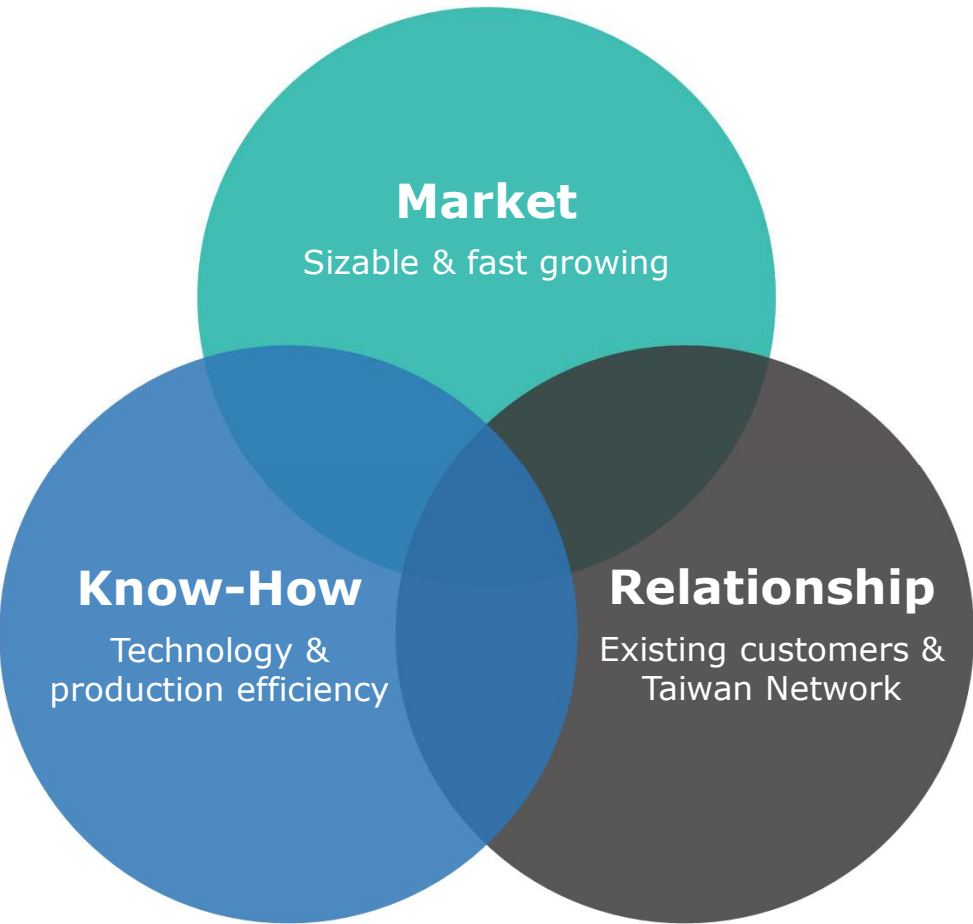
- Focusing on Textile, Technology, Flexible Packaging, Woodworking and Hygiene segments.
- Strategically pursuing innovative adhesive solutions to enhance product performance and production efficiency, while continuously developing eco-friendly products.



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			

Innovation and Acquisitions as Dual Growth Pillars

Promoting Carbon Fiber Composite Material Development

Acquired a 70% stake in Yubo, with consolidation beginning in May 2023.

- Focus on producing epoxy resins, primarily for use in carbon fiber composite materials.
- End-use applications focus on sports equipment and niche markets such as industrial fuel tanks, oxygen bottles, and electrical insulation.

Strategic Objectives

- Able to share technology and resources as the application fields differ.
- Enter the high-performance carbon fiber epoxy market, capturing opportunities in replacement, lightweighting, and new energy.
- Initial contributions to revenue are expected to be limited, but long-term growth potential remains promising.

Strengthen the Product Line of Core Business

Acquired a 70% stake in Yun Teh, with the transaction to be completed by 1Q25.

- Accumulated over 40 years of experience in hardener manufacturing technology for epoxy resins.
- The end markets include industrial adhesives, flooring material coatings, coatings, and civil engineering.

Strategic Objectives

- Strengthen core business product lines, particularly in epoxy resin applications, to provide customers with more comprehensive solutions.
- Achieve cost synergies through joint procurement and integrate distribution resources to increase market share and competitiveness.
- Share technology and resources to gradually realize synergies that will accelerate revenue growth and profitability.

Improving Capital Efficiency

R&D

Increasing investment in R&D to accelerate growth

CAPEX

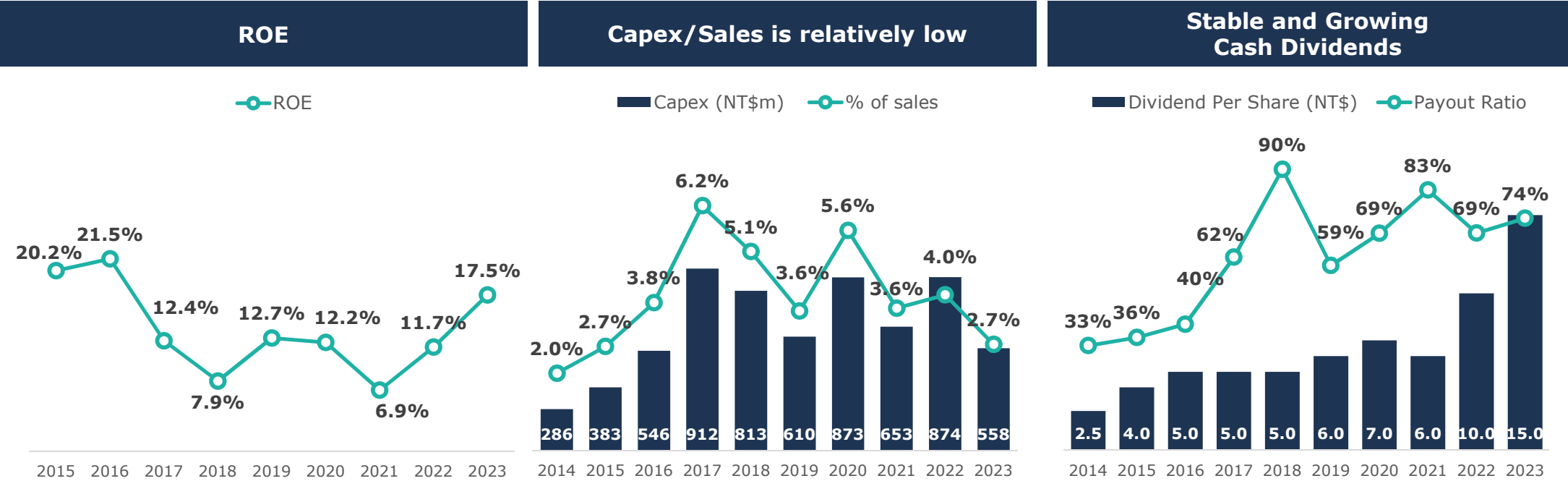
No large capex plan required, but may need some capex investment to serve customers locally

CASH DIVIDEND

Paying stable or growing cash dividends

BOLT-ON ACQUISITIONS

Enabling us to grow globally and expand product applications



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

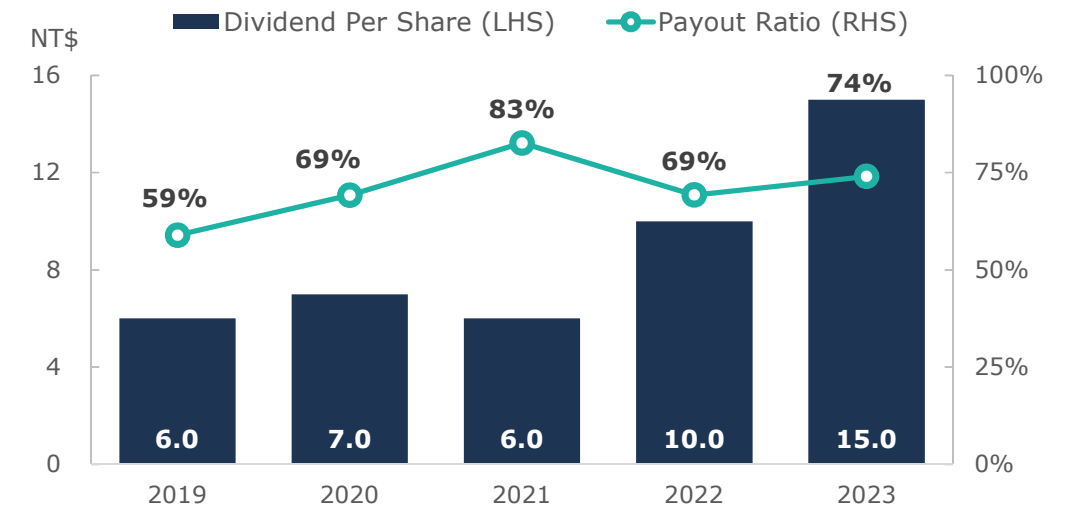
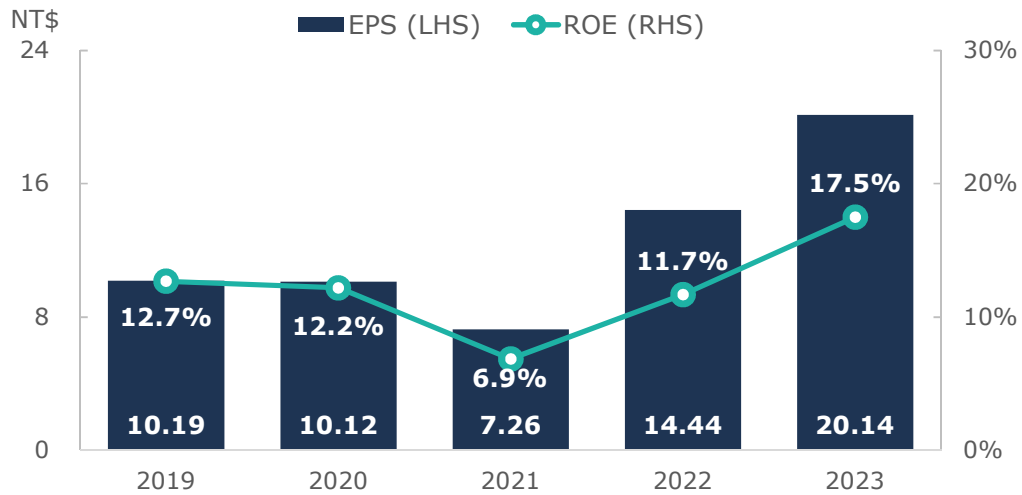
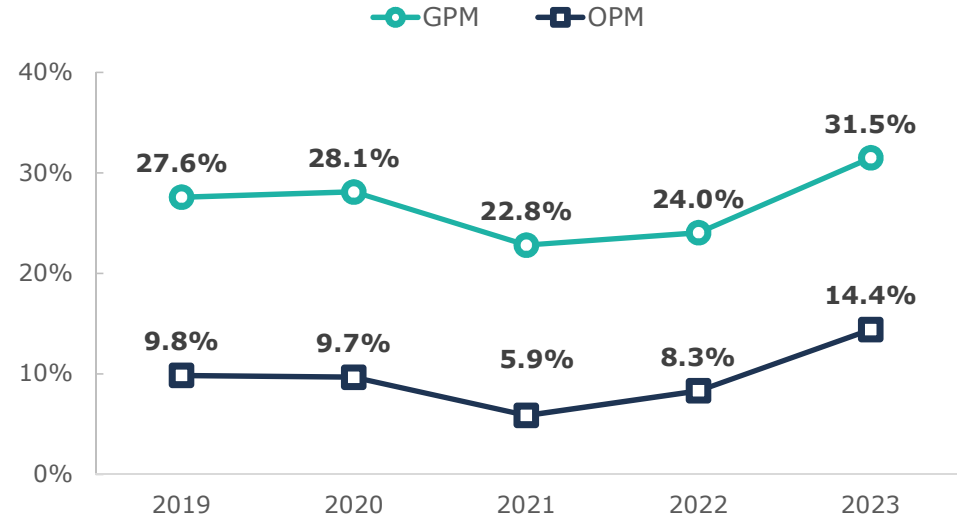
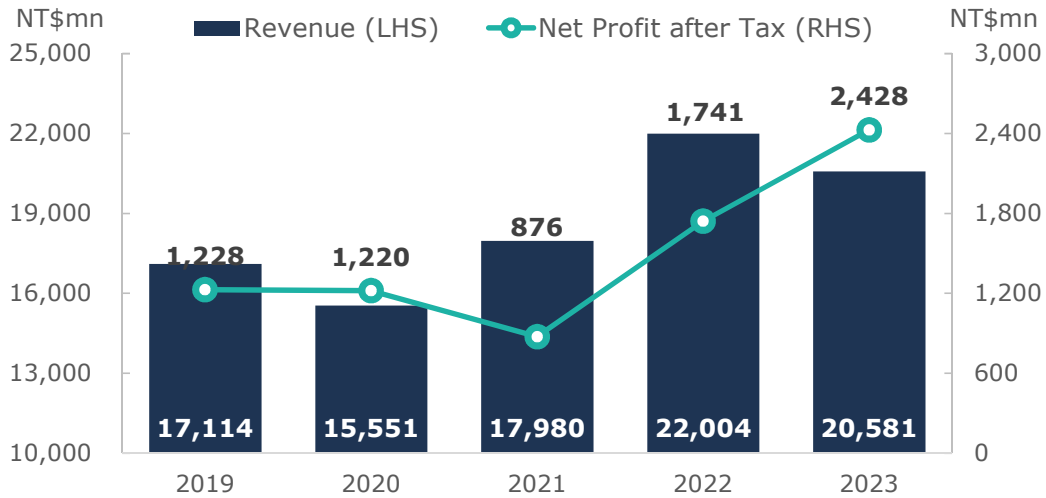
Continue to generate strong cash-
flow, and target to maintain a
payout ratio of at least 65%

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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A photograph of wooden blocks spelling out 'THANK YOU' on a wooden shelf. The blocks are light-colored wood with dark, bold letters. The background is a blurred green, suggesting foliage.

THANK YOU

Our Website:
www.nanpao.com