炎洲集團
YC GROUP

YC GROUP PROFILE

legal person briefing session

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Since in 1978

Share Capital：TWD 6.79 billions

President： Lee, Su-Wei

Number of employees：2,257 persons

Stock Listed：2000 year (No .4306)

Product：Tape、Packaging Materials、Construction Industry、Specialty Chemical、New Energy Sources

Group Profile

_ Five business groups

Manufacturing Business(YC/ACHEM)

- Production and sales of OPP, PVC, PE, automotive wire harnesses, laser cutting, and specialty tapes.

Distribution business(YCD)

- Various packaging materials, including electronic packaging, eco-friendly packaging, and the trading of packaging machinery.
- Design and sales services for gifts and promotional items.

Real Estate Business(YCC)

- Land development and construction of commercial offices, residential buildings, and hotels.

Group Profile
_ Five business groups

Specialized Chemicals Business(YC-CB/ACHEM)

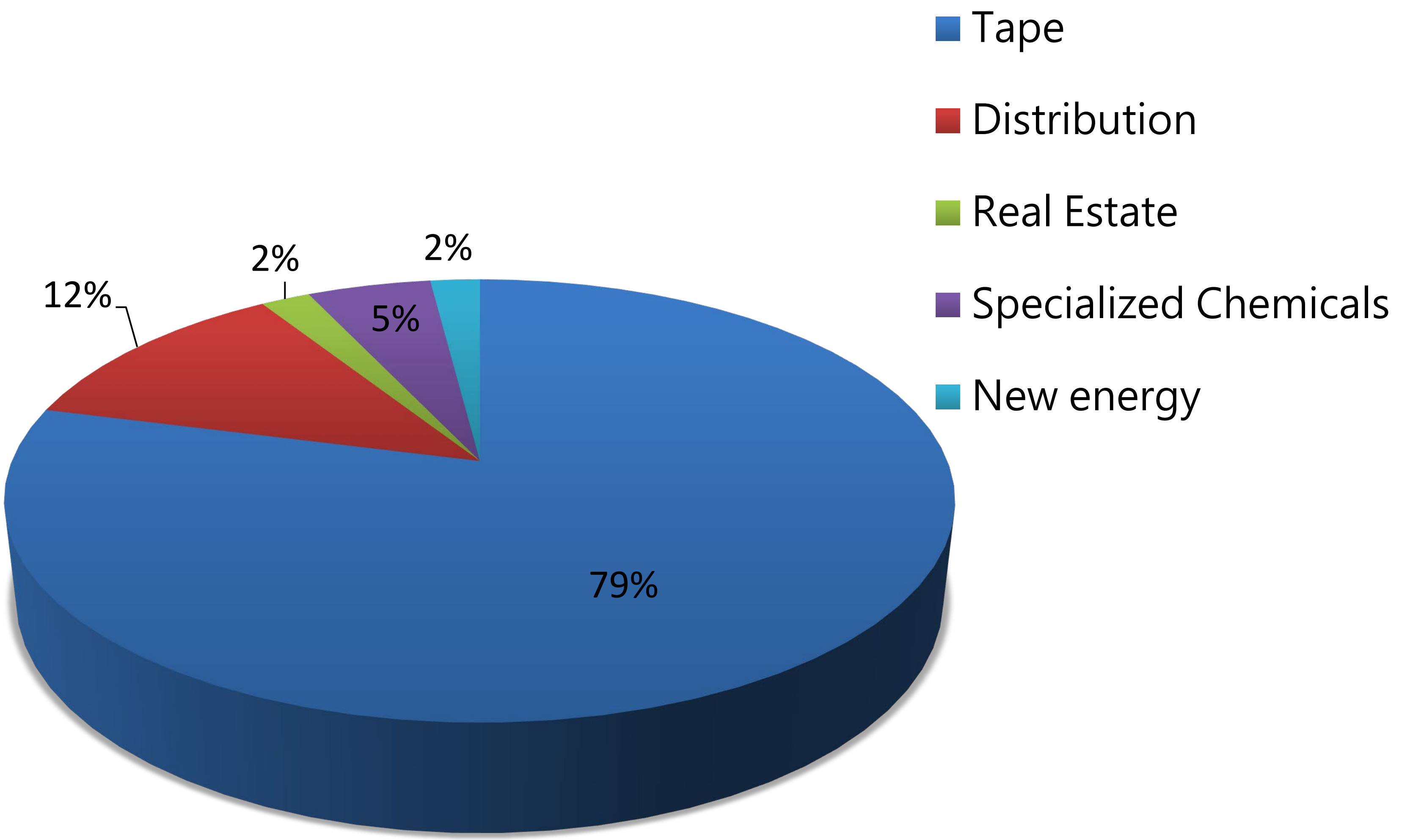
- Purification and recycling of electronic-grade chemicals.

New energy business(KING SUN NEW TECH)

- Development and installation of green energy solutions.

Group Profile

_ Proportion of business(The first two quarters of 2025)



Review of the first two quarters of 2025

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Review of the first two quarters of 2025

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	2025.01.01~2025.06.30	2024.01.01~2024.06.30	Change ratio
(Expressed in thousands of New Taiwan dollars)			
Sales revenue	6,111,919	8,188,648	-25%
Net operating margin	968,904	1,473,224	-34%
Operating profit	200,692	608,897	-67%
Non-operating income and expenses	(24,575)	219,459	-111%
Profit before income tax	176,117	828,356	-79%
Income tax expense	(68,362)	(142,159)	-52%
Profit (loss) attributable to owners of the parent	74,714	652,543	-89%
Basic earnings per share(Expressed in New Taiwan dollars)	0.12	1.02	-88%

Gross profit margin	15.85%	17.99%	-214bps
Operating profit margin	3.28%	7.44%	-416bps
Net profit margin after tax	1.76%	8.38%	-662bps

Review of the first two quarters of 2025

CONSOLIDATED BALANCE SHEETS	2025.06.30	2024.06.30	Change ratio
(Expressed in thousands of New Taiwan dollars)			
Cash and cash equivalents	2,482,220	2,702,868	-8%
Financial assets	3,332,291	2,600,219	28%
Notes/Accounts receivable	2,499,774	2,868,557	-13%
Inventories	15,170,769	12,650,771	20%
Investments accounted for under equity method	910,274	1,018,904	-11%
Property, plant and equipment	7,109,577	8,575,505	-17%
Right-of-use assets	282,778	326,325	-13%
Investment property	2,342,684	2,311,584	1%
Total assets	35,802,303	34,493,232	4%
Borrowings	19,478,622	16,566,824	18%
Notes/Accounts payable	1,117,212	1,121,336	0%
Total liabilities	23,328,706	20,930,084	11%
Total equity	12,473,597	13,563,148	-8%
Equity attributable to owners of the parent	11,925,977	12,912,896	-8%

Accounts receivable turnover days	77	76	1
Inventory turnover days(Excluding the impact of construction inventory)	62	58	4
Accounts payable turnover days	38	37	1
cash turnover days	101	97	4
Debt Ratio	65%	61%	4%

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Review of the first two quarters of 2025

CONSOLIDATED STATEMENTS OF CASH FLOWS	2025.01.01~2025.06.30	2024.01.01~2024.06.30
(Expressed in thousands of New Taiwan dollars)		
Net cash flows from (used in) operating activities	(743,749)	(988,269)
Net cash flows from (used in) investing activities	(57,141)	873,357
Net cash flows from (used in) financing activities	1,194,208	1,205,186
Capital expenditures	(243,148)	(131,900)
Free cash flow(Note)	(986,897)	(1,120,169)

Note：Free cash flow=Net cash flows from operating activities-Capital expenditures

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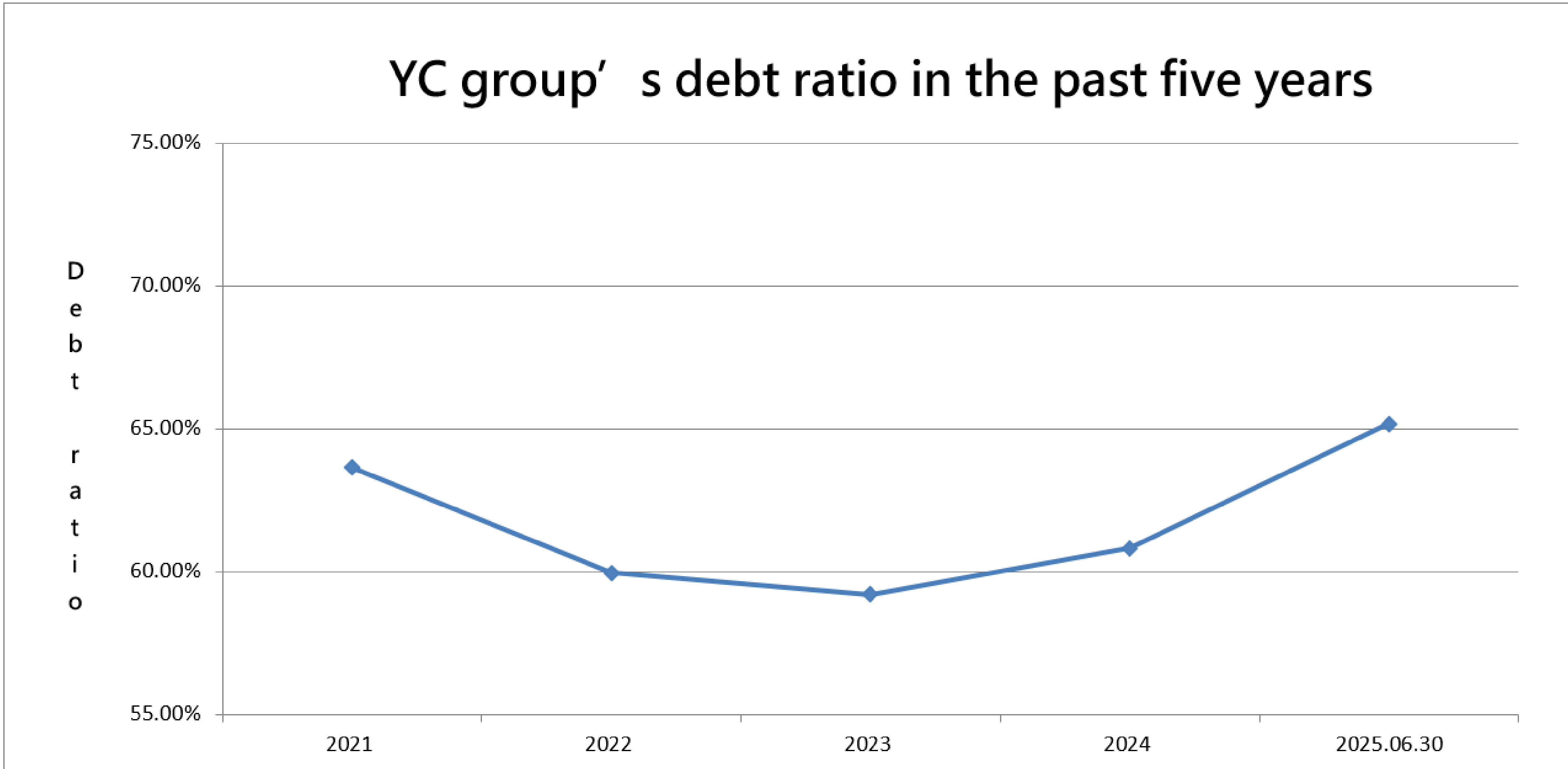
Financial structure-debt ratio

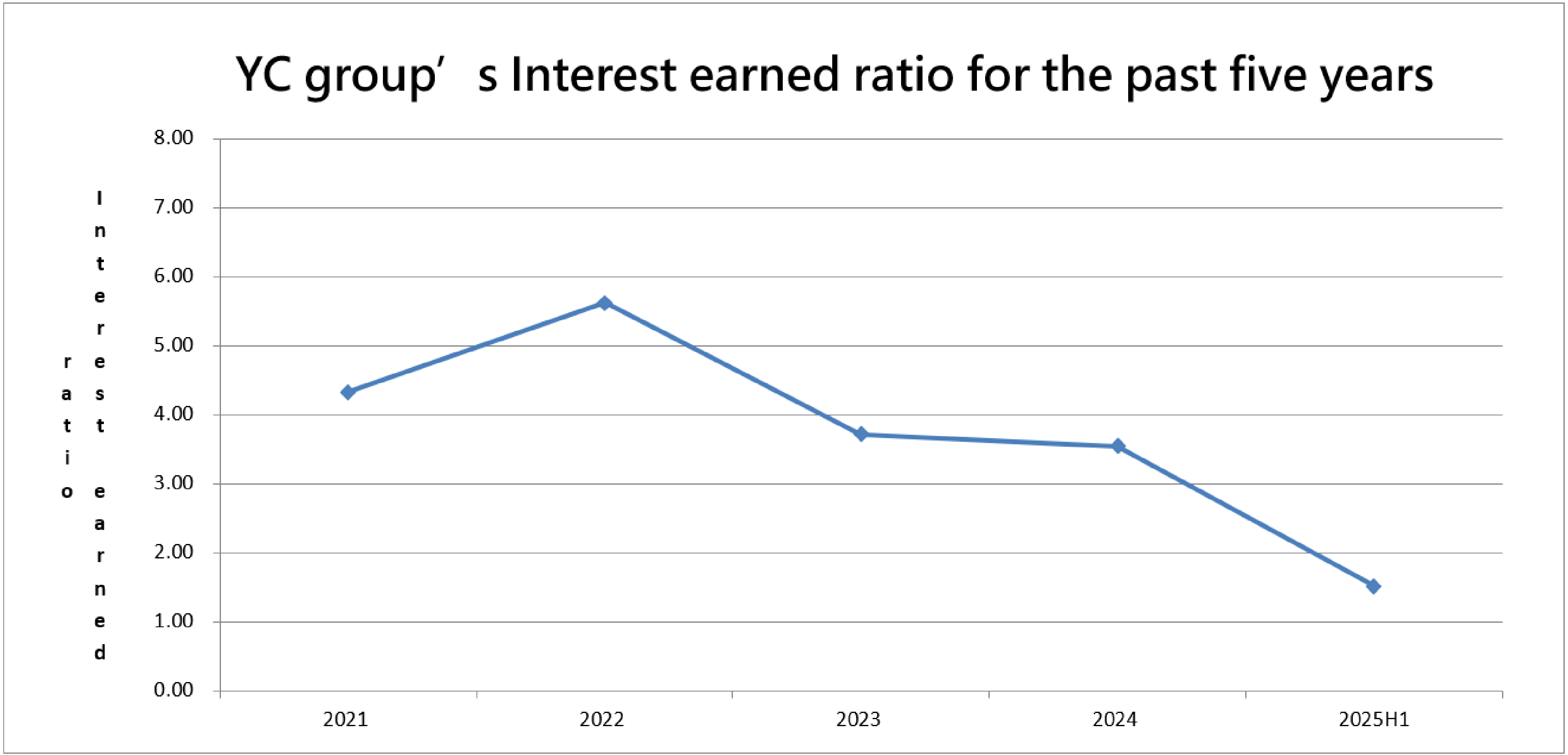
Year	2021	2022	2023	2024	2025.06.30
Debt ratio	63.65%	59.95%	59.19%	60.82%	65.16%



Financial information

Debt solvency - Interest earned ratio

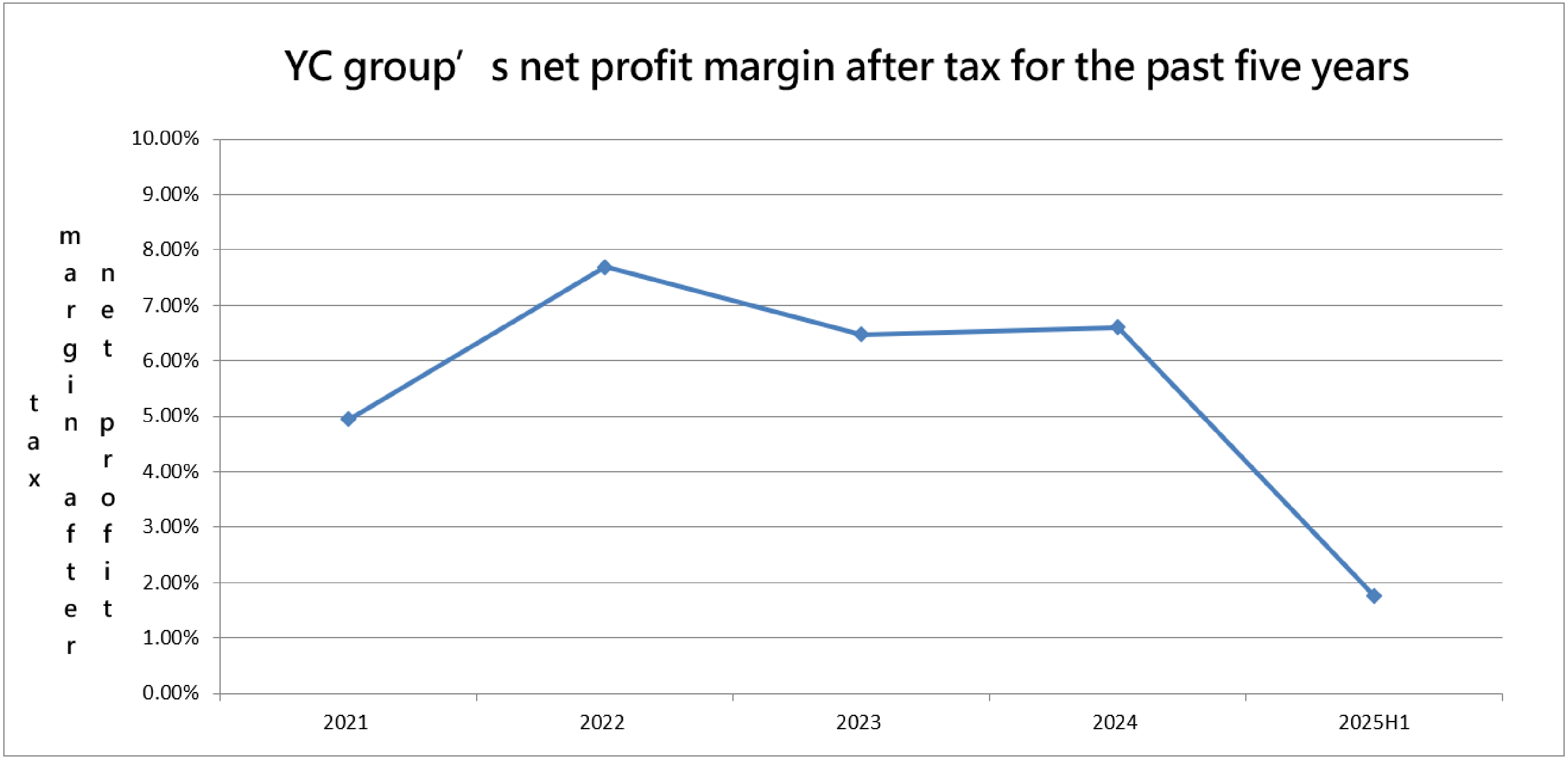
Year	2021	2022	2023	2024	2025H1
Interest earned ratio	4.33	5.62	3.71	3.54	1.52



Financial information

Profitability - net profit margin after tax

Year	2021	2022	2023	2024	2025H1
net profit margin after tax	4.95%	7.69%	6.47%	6.60%	1.76%



Recent important events

Recent important events

▲Since mid-2023, YC has accumulated sufficient land reserves to support upcoming development projects. It is estimated that starting from 2025 and onwards, the total sales value of all projects in Taipei, New Taipei, and Taichung will approach NT$40 billion.

▲The Group’ s subsidiary ACHEM has obtained BIS certification in India for PVC insulating tape produced at its Yangmei plant, creating a new opportunity to expand into the South Asian market.

Recent important events

▲ The Group’ s distribution business has acquired majority stakes in Victory Uuion It Co., Ltd. and Star Ray Co., Ltd., which will be consolidated into the Group starting from July 2025. Both companies specialize in advanced high-tech electronic-grade and industrial-grade tape and adhesive products, with no overlap with the distribution business, thus offering strong complementarity. Through this acquisition, the distribution business will further strengthen its service capabilities in adhesive materials and packaging applications, expand its market presence in Taiwan, China, and Southeast Asia, and enhance overall competitiveness.

Future

Group Profile

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Recent important events

Future

_ Tape business

OPP

- Promote OPP Film 2.0 products, increase the share of consumer film products, and develop biodegradable and PIR recycled film tapes to reduce carbon emissions and plastic usage, advocating circular regeneration.
- Enhance environmental value by promoting recycled films, and in response to domestic retailers and convenience store demand, develop agricultural, fresh food, and meal package films with high barrier, anti-fog, and antibacterial functions.
- Promote high solid-content solvent-based, water-based, and hot-melt OPP tapes, while expanding sales volume.
- Adjust the Group’s global supply chain flexibly in line with international trends to strengthen competitiveness.

PVC

- Continue investing in the Southeast Asian market and develop new specialty products to enhance global competitiveness.
- Penetrate major international automakers through the development of automotive wire harness tapes.
- Continue promoting various water-based PVC products.
- Promote hot-melt adhesive tape products (including radiation-cured and conventional hot-melt types).

Special Adhesive Tapes

- Promote carbon-reducing recycled film products.
- Promote eco-friendly, bio-based, and recyclable kraft paper tapes.
- Obtain a patent for eco-friendly, weather-resistant PE construction tape and continue promoting it in the European and U.S. markets.
- Promote eco-friendly PE sealing tapes for food cans.
- Expand product lines of double-sided tapes for electronic and automotive applications.

Future

_ Distribution business

Core Business Strategies

Focused Deep Cultivation – Continuously enhance customer value

New Product Introduction – Drive revenue growth

Supply Chain Optimization – Effectively reduce procurement costs

Online-Offline Integration – Promote omnichannel development

Market Expansion and Growth

ESG Green Packaging – Promote sustainable and eco-friendly solutions

Gift Business Development – Strengthen market penetration

New Materials Expansion – Create diversified growth momentum

Product Distribution & Agency – Broaden channels and market presence

Comprehensive Integration – Enhance overall operational synergies

Future

_Real Estate Business

Location	Construction projects	Total sales amount (NTD)	Sales rate	the starting point of property handover
Xinzhuang District, New Taipei City	炎洲THE ONE	1.609 billion	100%	2025Q2
Zhongzheng District, Taipei City	炎洲晴	395 million	100%	2025Q4
Beitou District, Taipei City	炎洲奇玉	1.158 billion	57%	2026Q1
Shilin District, Taipei City	炎洲隱玉	2.446 billion	16%	2029Q4
Beitou District, Taipei City	炎洲琉玉	2.159 billion	**Sales will begin in January 2026**	2030Q1

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Future

_Specialized Chemicals Business

Base area15,594 M^2

Plant area 5,888 M^2

<u>The Central Taiwan Science Park-Huwei Science Park</u> - The factory is currently under construction and is expected to begin operations in Q1 2027. It is planned to be a production base for specialized chemical products, focusing on the production, development, and contract manufacturing of semiconductor-grade specialty chemicals. It will serve both domestic and international semiconductor and electronics application customers.

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Future
_ Specialized Chemicals Business

Specialty Chemical

Promote the self-owned brand and stabilize internal systems to enhance brand value. Strengthen core technological capabilities while integrating environmental sustainability to serve the electronics and semiconductor markets. Develop high-margin specialty application formula products. In response to the globalization trend in chip production, expand overseas channels to broaden the global semiconductor customer base.

The Central Taiwan Science Park-Huwei Science Park

Factory Establishment Phase

Construction and system setup, along with the deployment of global distribution channels, are being carried out to meet semiconductor customer demands and address environmental sustainability issues, with production scheduled to begin in 2027.

Expansion Phase

Strengthen the business system to gain in-depth insights into ongoing market and customer needs, enhance green semiconductor production technologies, and cultivate a technology development team.

High-Quality Transformation Phase

Leverage R&D achievements to develop high-value products in demand and circular economy products, thereby increasing the proportion of premium products.

Future

_New energy business

KING SUN NEW TECH

- Continue promoting rooftop solar power systems.
- Enter the agrivoltaics sector, creating new opportunities for both renewable energy and agriculture.
- Operate in green electricity trading, diversifying operations to expand the renewable energy business.
- Develop behind-the-meter energy storage systems to help enterprises reduce costs and enhance net-zero carbon reduction value.
- Continue exploring the feasibility of various fields in renewable energy.

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Thanks

- Thank you for your attention.
- I kindly ask for your guidance and support!