

Investor Conference

Formosa Taffeta Co., Ltd.

May 27, 2024

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Agenda

- I. Business Performance
- II. Product Development
- III. Operation Orientation
- IV. Q&A

01. Business Performance



Consolidated Income Statement

Unit: NT\$1,000	Twelve months ended December 31			Three months ended March 31		
	2023	2022	Variance	2024	2023	Variance
Sales revenue	28,501,509	34,722,655	-17.9%	7,169,831	7,652,703	-6.3%
Net operating margin	2,530,438	3,768,751	-32.9%	766,966	802,522	-4.4%
Net margin	8.9%	10.9%		10.7%	10.5%	
Operating profit	280,636	1,269,825	-77.9%	182,184	224,168	-18.7%
Operating profit Margin	1.0%	3.7%		2.5%	2.9%	
Non-operating income and expenses	270,321	2,436,389	-88.9%	65,063	-101,491	164.1%
Profit before income tax	550,957	3,706,214	-85.1%	247,247	122,677	101.5%
Profit for the period from continuing operations	444,554	3,404,981	-86.9%	179,316	81,603	119.7%
Rate of profit for the year	1.6%	9.8%		2.5%	1.1%	
Profit attributable to common shareholders of the parent	0.29	2.17		0.13	0.06	
Equity	54,351,972	55,767,215		50,183,745	55,329,855	



Comparison of Revenues of Different Businesses

Unit: NT\$1,000	1 st Business Segment	Tire Cord Business	Oil Product Business	Others	Total
As of April 30, 2024 (unaudited)	4,594,824	1,100,333	3,564,068	530,412	9,789,637
As of April 30, 2023 (unaudited)	4,550,859	1,319,260	3,655,728	576,715	10,102,562
Variance	+1.0%	-16.6%	-2.5%	-8.0%	-3.1%

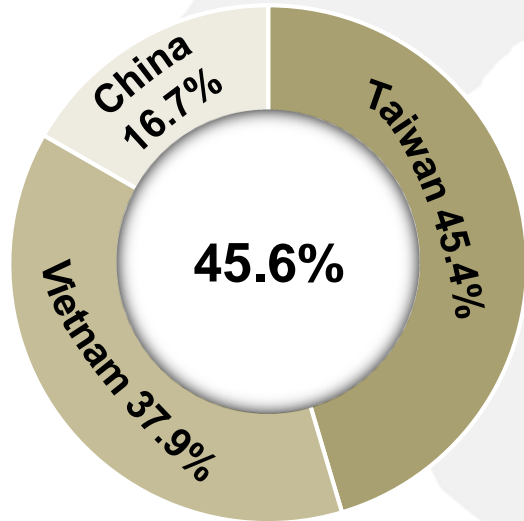
A decrease of NT\$ 0.31 billion (-3.1%) in consolidated revenue from January to April, 2024—NT\$ 9.79 billion, compared to that of 2023—NT\$ 10.1 billion.

- Advantageous difference in sale price of NT\$ 0.06 billion: a result of an increase of NT\$ 0.28 billion of the 1st Business Segment, a decrease of NT\$ 0.16 billion of tire cord fabric, an decrease of NT\$ 0.06 of other business divisions.
- Disadvantageous difference in sale quantity of NT\$ 0.37 billion: a result of an decrease of NT\$ 0.24 billion of the 1st Business Segment, a decrease of NT\$ 0.06 billion of tire cord fabric, a decrease of NT\$ 0.09 billion of oil product business division, and an increase of NT\$ 0.02 billion of other business divisions.

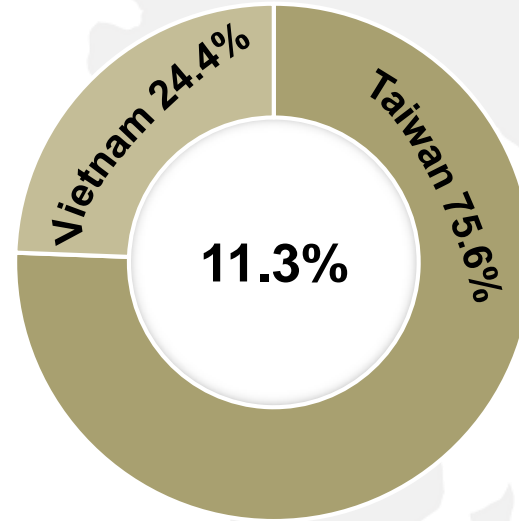


Products Breakdowns by Production Bases as of the end of March, 2024

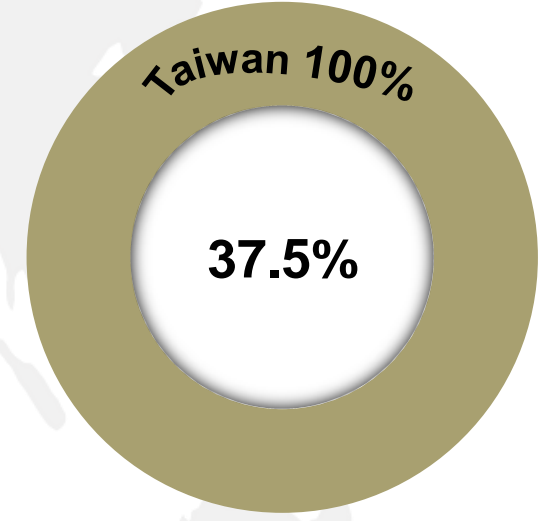
Filament Woven Fabrics
of 1st Business Segment



Polyamine/Polyester Tire Cord
Fabric of 2nd Business Segment



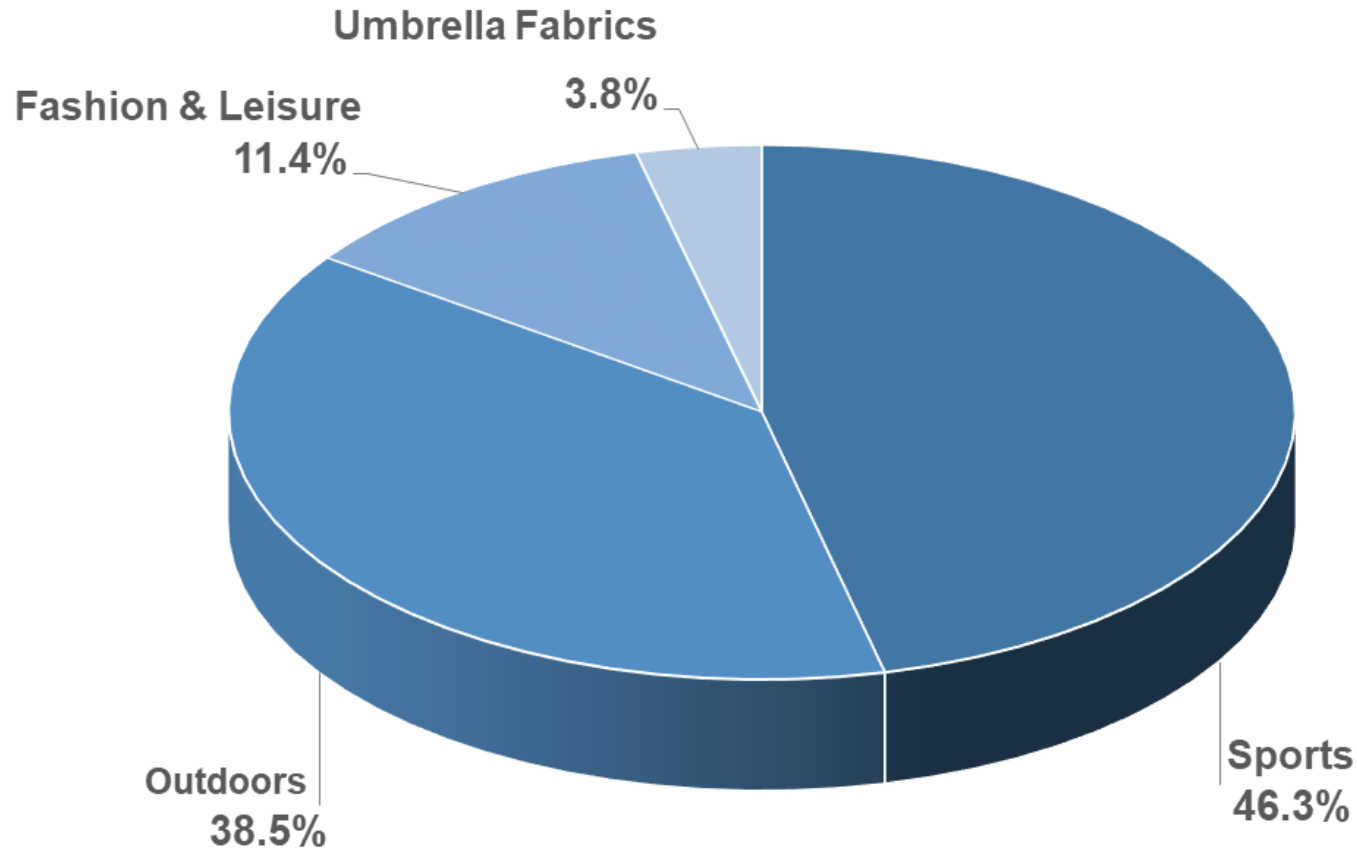
Petroleum goods/service
of 2nd Business Segment





Sales Volume Breakdown of Polyamide/Polyester Woven Fabrics as of the end of March, 2024

Breakdown by sales volume:



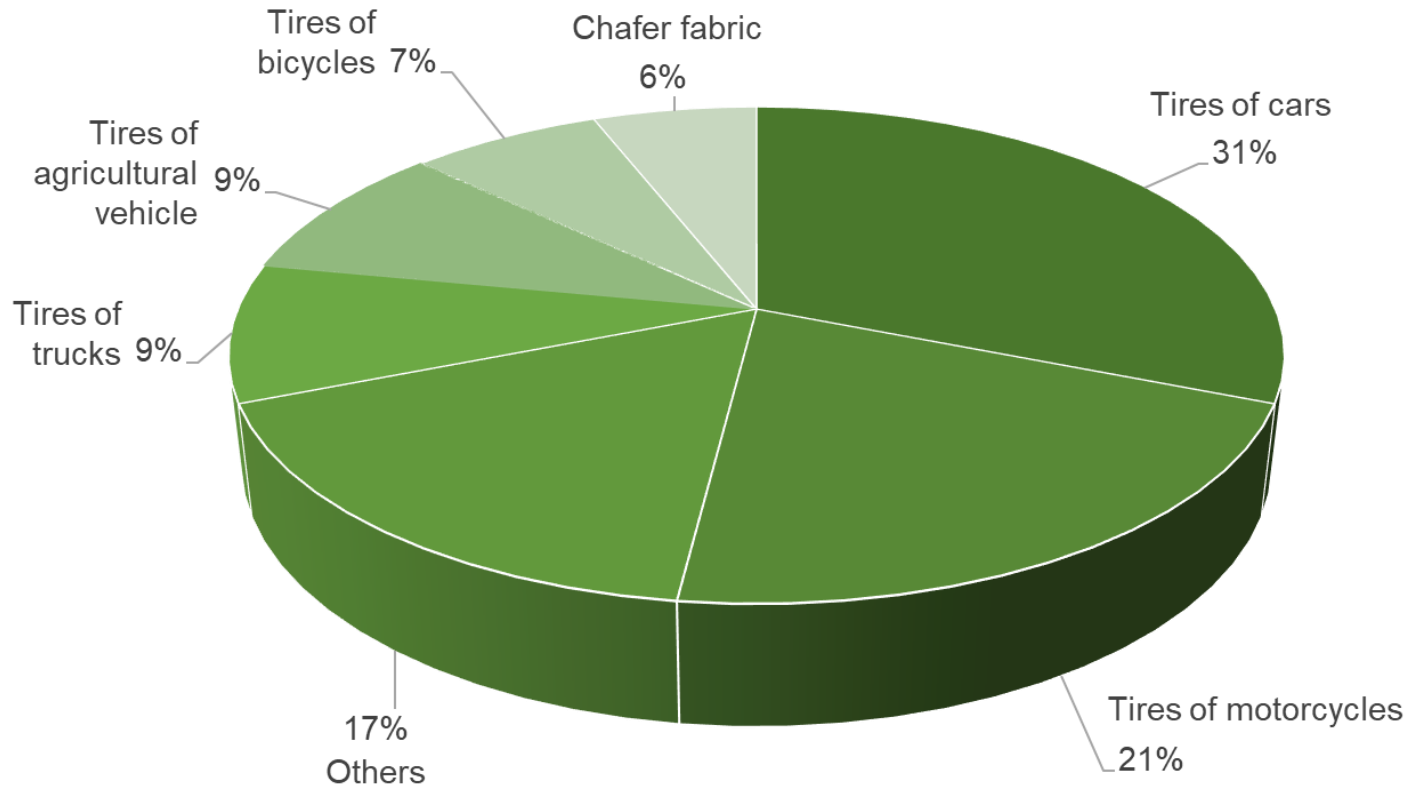
Breakdown by customer category:

Item	Customer	Sales Volume
Sports	Nike	22.3%
	adidas	16.3%
	PUMA	4.1%
	Others	3.6%
Outdoors	Columbia	21.0%
	Patagonia	3.2%
	The North Face	5.6%
	Others	8.7%
Fashion & Leisure	lululemon	4.4%
	L.L.Bean	2.1%
	Others	4.9%
Umbrella Fabrics		3.8%



Sales Volume Breakdown of Polyamide/Polyester Tire Cord Business as of the end of March, 2024

Breakdown by product:



Breakdown by sales area

Area	Sales Volume
South-east Asia	40%
Taiwan	28%
India	5%
South-north Asia	9%
China	3%
U.S.A	7%
Europe	1%
Others	7%



Cash Flow Statement

Unit: NT\$1,000	Three months ended March 31	
	2024	2023
Cash and cash equivalents at beginning of period	4,241,157	5,477,800
Net cash flows from operating activities	101,336	564,665
Net cash flows used in investing activities	(176,611)	(45,114)
Net cash flows used in financing activities	(214,458)	(570,661)
Effect of foreign exchange rate	109,383	9,152
Cash and cash equivalents at end of period	4,060,807	5,435,842

FORMOSA TAFFETA

Product Development



FORMOSA
TAFFETA

Contents

01 Lightweight, transparent,
UV-cut fabrics

02 Lightweight recycled
polyester from bottle with
profile fiber fabrics

03 CORDURA® Lightweight
anti-abrasion fabrics

04 Bio-based Nylon 56 eco-
friendly fabrics

05 Composite reflective
printing



01

Lightweight, transparent, UV-cut fabrics

Breaking through the limitations of combining lightweight, transparent, and UV-resistant functionalities within the same fabric, FTC has developed a composite functional product that integrates special yarns and dyeing processes. This fabric combines trendy transparency, UV-cut, elasticity, comfort, softness, and anti-stick properties.

Feature

1. 100% Recycled Polyester eco-friendly material.
2. Lightweight transparent fabrics, UPF 50+, UVA penetration rate <5%
3. Applied to outdoor windproof and UV-cut, lightweight and packable jacket.

02 Lightweight recycled polyester from bottle with profile fiber fabrics

This product utilizes fine denier recycled from PET bottles with profile fiber. Compared to traditional section fibers, these fibers have better stackability, enhancing anti-abrasion, lightweight windproof, and downproof functionalities. It's suitable for various windproof and downproof fabric applications.

Feature

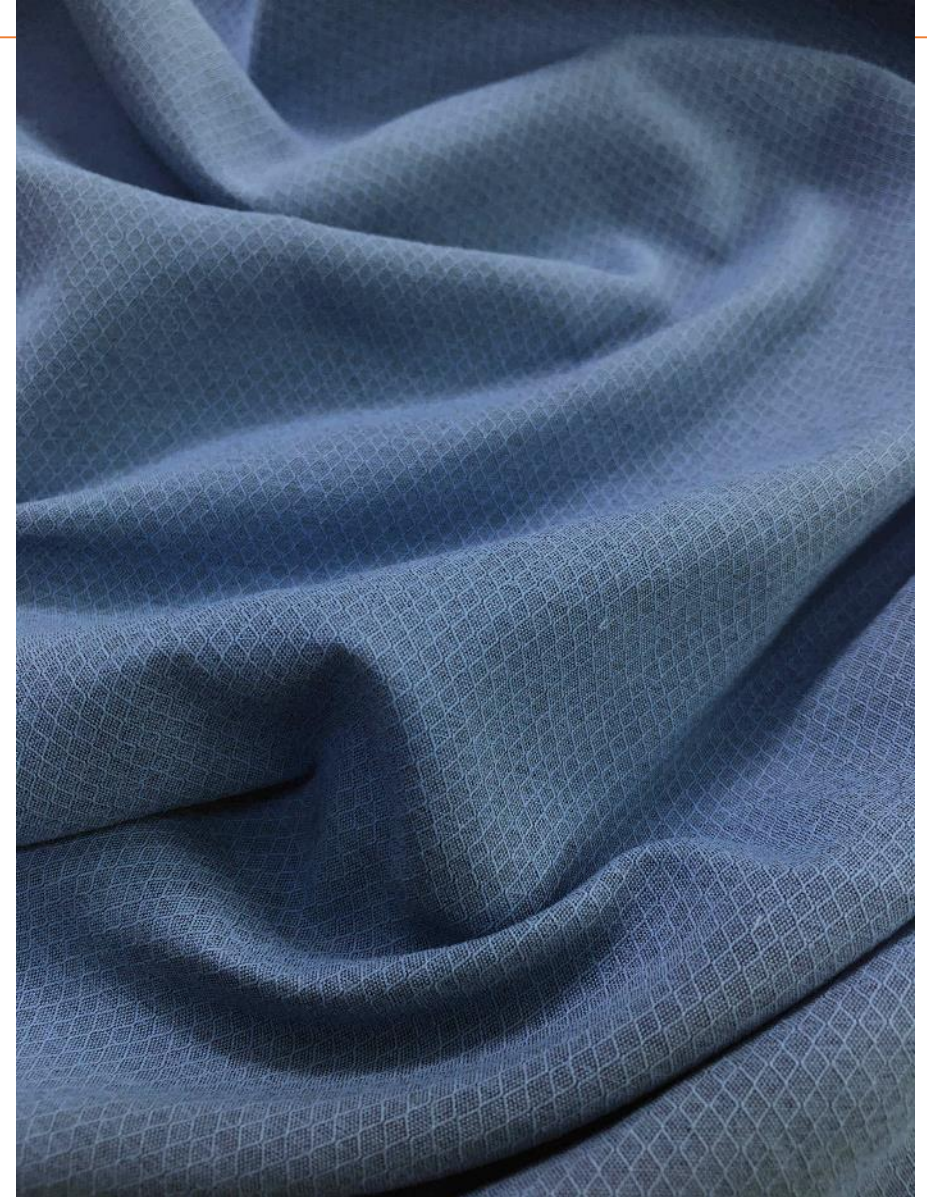
1. 100% Recycled Polyester eco-friendly material
2. Lightweight, comfortable and excellent anti-abrasion, windproof, and downproof functionalities



03 **CORDURA® Lightweight anti-abrasion fabrics**

The product is lightweight fabrics which made from high-strength nylon 66 fine denier yarn. Compared to typical lightweight fabrics on the market, it offers enhanced durability while maintaining a delicate and soft touch. It fully meets the anti-abrasion performance and durability of the CORDURA® (passed Martindale 100,000 anti-abrasion test and CORDURA® certification).

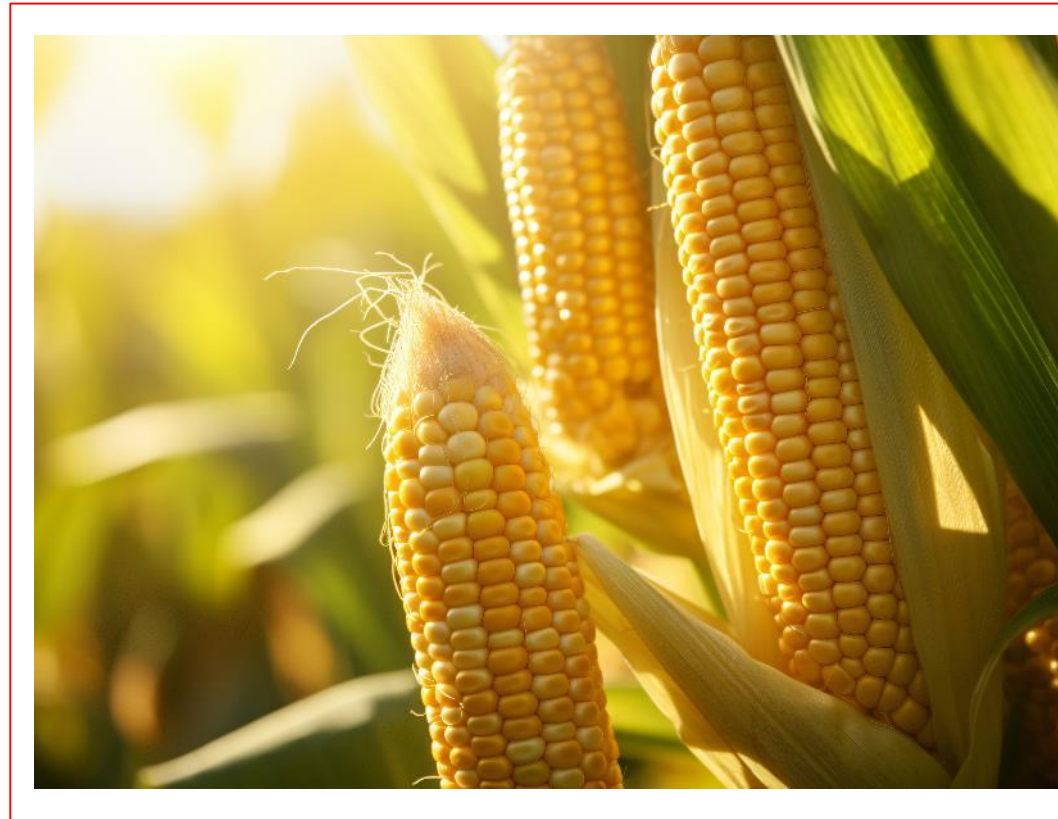
With wicking, UV-cut, water repellent, waterproof breathable functional processing , suitable for various spring and summer outdoor activities.



04 Bio-based Nylon 56 eco-friendly fabrics

The development of eco-friendly green products a significant trend in the textile industry. FTC has long been committed to the research and development of various eco-friendly fabrics. Bio-based nylon 56 is one of the new generation eco-friendly products. We have developed a series of fabrics suitable for sports, casual, downproof, outdoor use fabrics, which have received high inquiries from many well-known brands.

The raw material source of bio-based nylon 56 is non-edible corn, replacing traditional petrochemical materials. This substitution reduces reliance on and consumption of petroleum, decreasing natural habitat destruction and environmental pollution caused by petroleum extraction. Compared to producing the same quantity of traditional nylon 6 or nylon 66, bio-based nylon 56 can reduce GHG emissions by 50-56%, making it extremely environmentally friendly.





05

Composite reflective printing

Utilizing special processing materials and techniques, the fabric itself exhibits a multi-color changing appearance under normal environmental conditions and provides excellent reflective effects at night, enhancing consumer safety. It is a composite functional product that combines trendiness, fun, and safety.



03. Operation Orientation



Operation Orientation

1

R&D Innovation, Market Expansion

Cooperating with partners in value chain to keep developing high added, environmental, and recyclable fabrics to expand the outdoors market

2

Circular Economy, Sustainable Environment

Upholding the sustainable environment spirits, implement water-, energy-saving, and carbon reduction projects and develop eco-friendly products to fulfill the circular economy.

3

Introduction of AI, Smart Manufacturing

Introducing AI and AOI technology to fulfill digitalization transformation and improve the efficacy of product management.

4

Global Deployment, Expanded Cooperation

Utilizing capacity adjustment among the factories to assure smooth production and delivery, and deepening the cooperation with branded customers to become long-term partners.



ESG Highlights and Awards

SCIENCE BASED TARGETS

Validation of Science Based
Targets initiative, SBTi

CDP

Carbon Disclosure Project

Climate change – A List
Water security-Leadership

Best enterprise

for voluntarily energy
conservation and
carbon reduction



SGS ESG Awards

Water Resource Management



FTSE4Good
TIP Taiwan ESG Index



TIP Taiwan ESG Index
FTSE4GOOD



21st Century Foundation

the High Distinction Award for
Net Zero Competition



敬請指教

Thank You!



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