



Stock code:6807

峰源集團股份有限公司

FY Group Ltd.

› Make your life better

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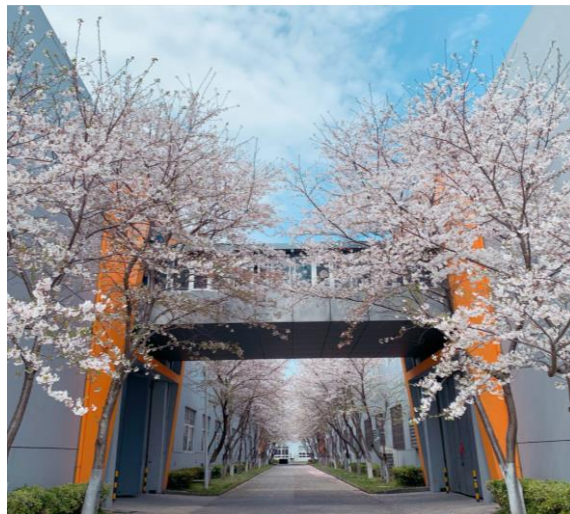
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› Enterprise Profile

Chairman & CEO

Tsai, Wen-Da

Paid-in capital

NT\$540 Millions

Date of Establishment

July 12, 2019

Factory Location

**Jiaxing, Zhejiang
(China)
Chon Buri(Thailand)**

Number of employees

2,198

(Jun. 30, 2024)

Item of business

**Design, Manufacture
and Sales of Interior
Furniture**

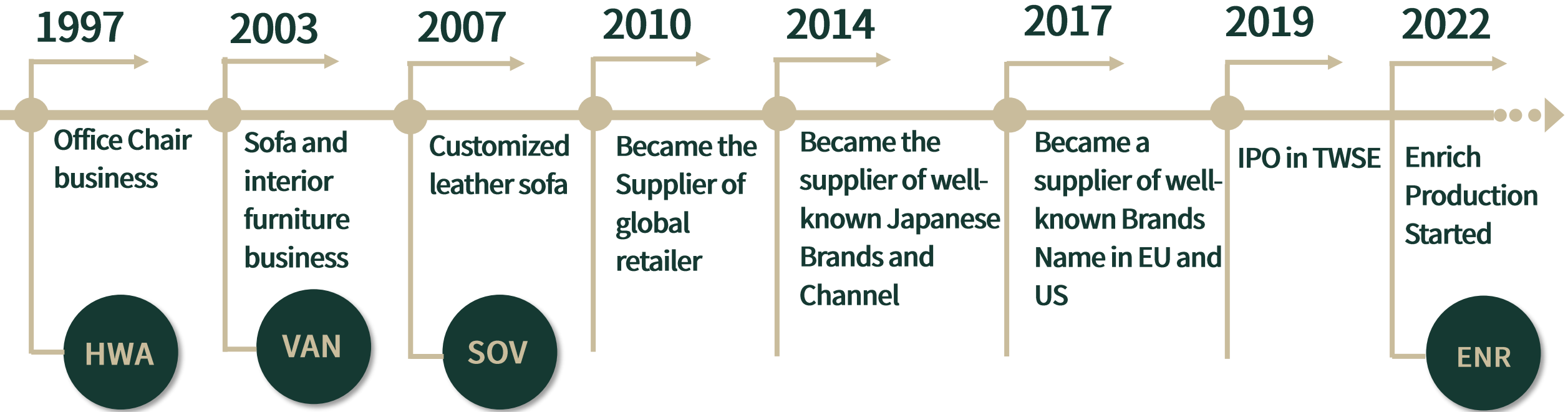
Business model

**Deliver to global home
furnishing leading brands
and the global retailers**

Main Markets

**North America, Asia
Region**

Enterprise Profile | Road Map



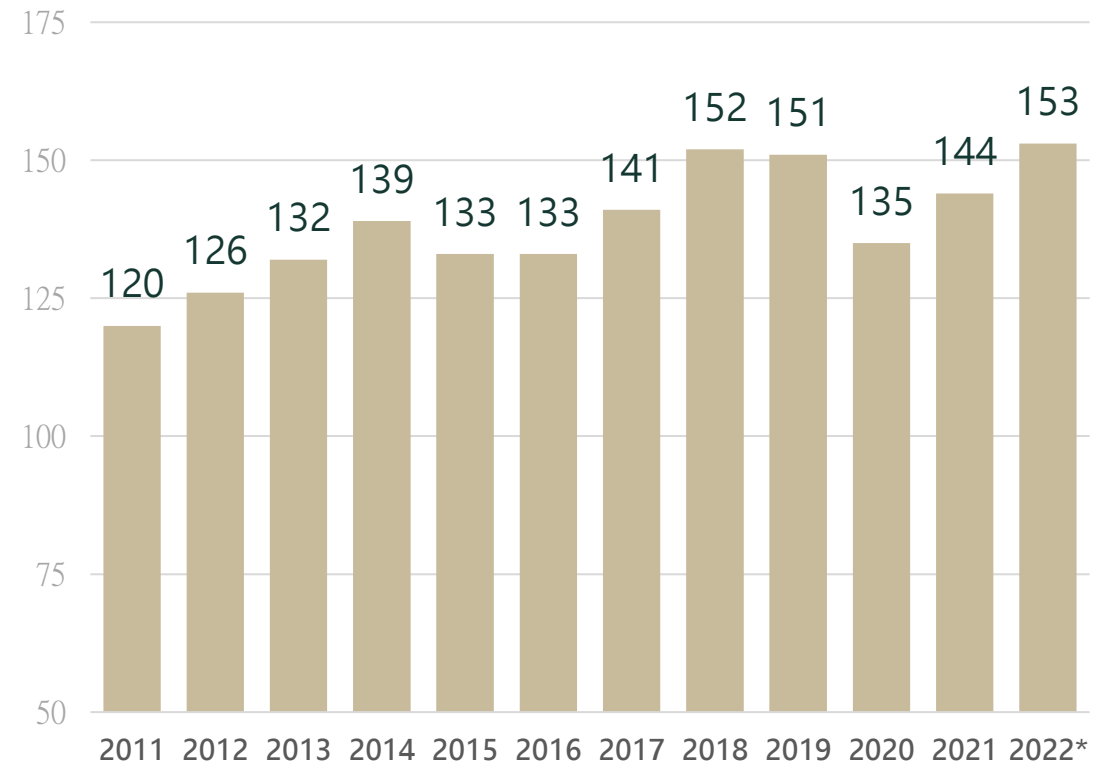


Best Manufacturing Service Provider in Furniture Industry.

› Operating Business

- ◆ Benefiting from the urbanization rate and the growth of GDP, the global furniture industry has an annual growth rate of 3.9%.
- ◆ Global furniture trade volume will recover in post pandemic.
- ◆ The furniture industry will benefit from the real estate market by QE.

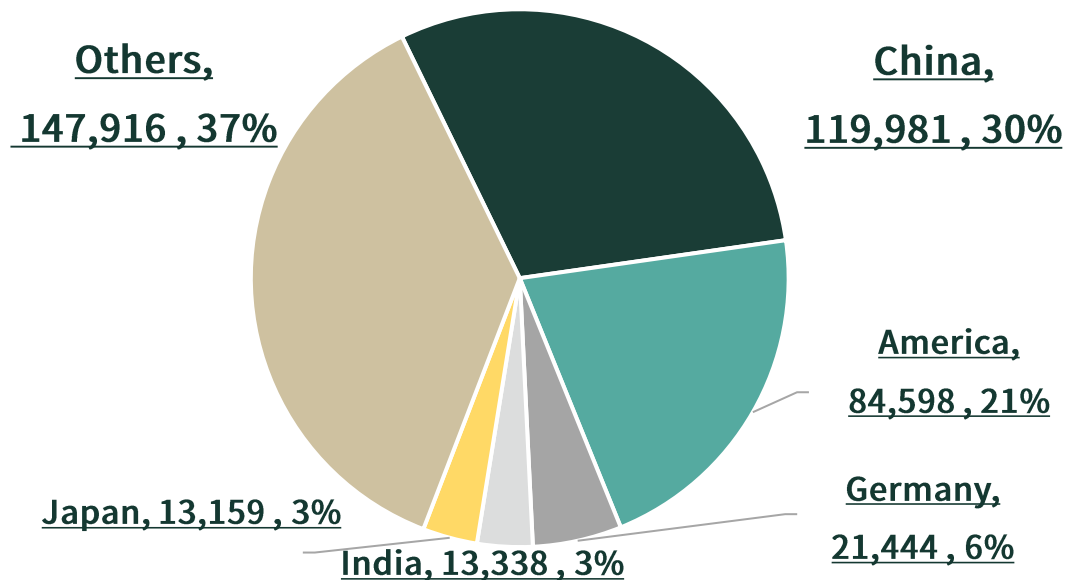
Global furniture trade volume



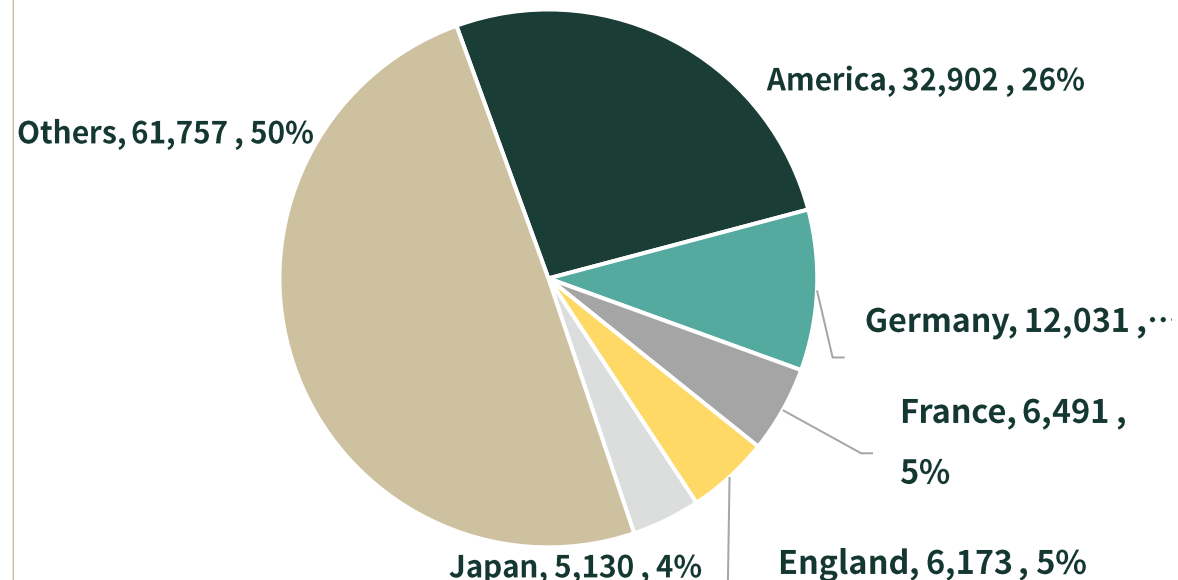
Source: World Furniture outlook 2021(CSIL 202012)

Unit: USD1 billion

Consumption of Furniture



Imports of Furniture

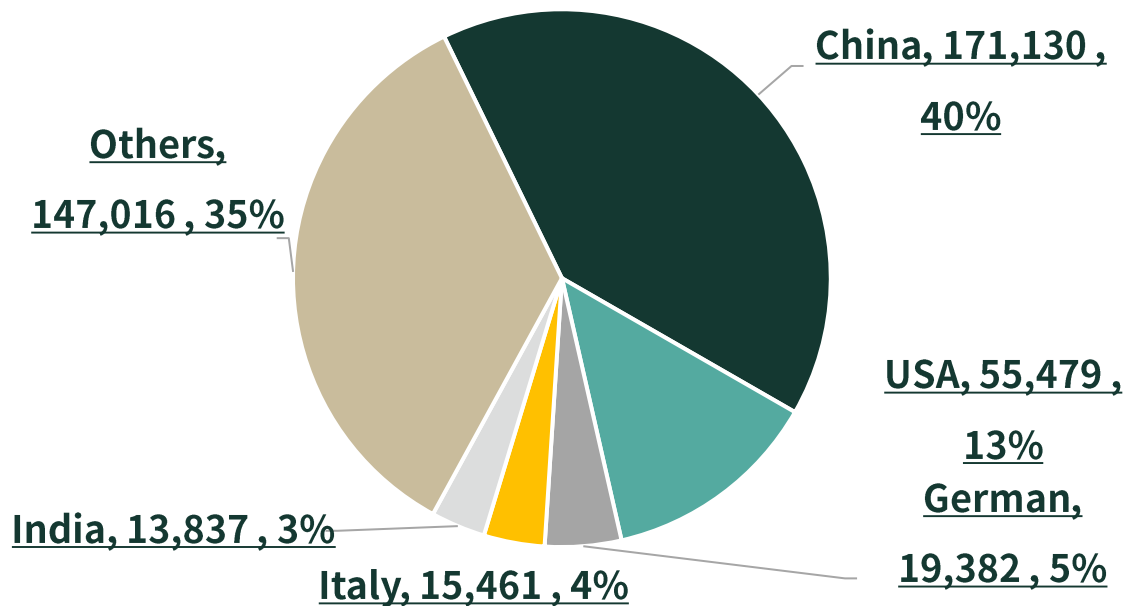


The major market is in China, North America and Europe. The major import country is America, Europe and Japan which GDP is higher than USD50,000.

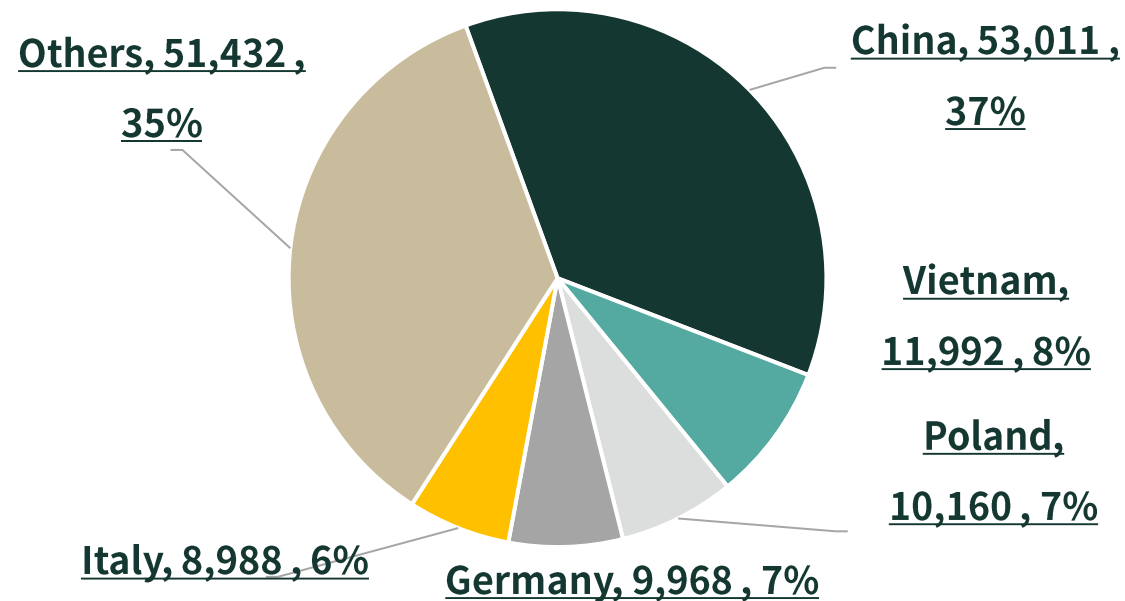
Source: CSIL 「World Furniture Outlook 2021」 (2020/12)

Unit: USD million

Production of Furniture



Exports of Furniture



China is the largest producer and exporter. China and US mainly fulfill the domestic market. With supply chain and labor cost issues, Vietnam and Poland is the major export countries.

Source: CSIL 「World Furniture Outlook 2021」 (2020/12)

Unit: USD million

Operating Business | Our Product



Design, High Quality, Sustainability



Design, High Quality, Sustainability

Upstream

Raw material suppliers including the cloth and leather, timber and wood, chemical industry, metal parts and package industry.

Midstream

Furniture manufacturers.

Downstream

Furniture Channel and including global chain furniture brands, international chain retailer brands and furniture retail stores.

China Plant : Vanguard (CN)

- ◆ Location: : Jiaxing, Zhejiang, China
- ◆ Factory size: 215,000 m²
- ◆ Employees: 1,400+
- ◆ Completed Date: 2003/08
- ◆ Capacities: 1550K/PCS/YR



Mass Production, Efficient Assembly Line

- ◆ Integrated production
- ◆ Foam, Metal, Sewing, Board Cutting, Pocket Spring, Painting, Assembly Line and Test Lab

Thailand Plant Completion

- ◆ Investment Amount: USD 30.0M
- ◆ Completed Date: 2023/03
- ◆ Area: 120,000 m²
- ◆ EMPLOYEE: 400+
- ◆ Capacities: 780K/PCS/YR

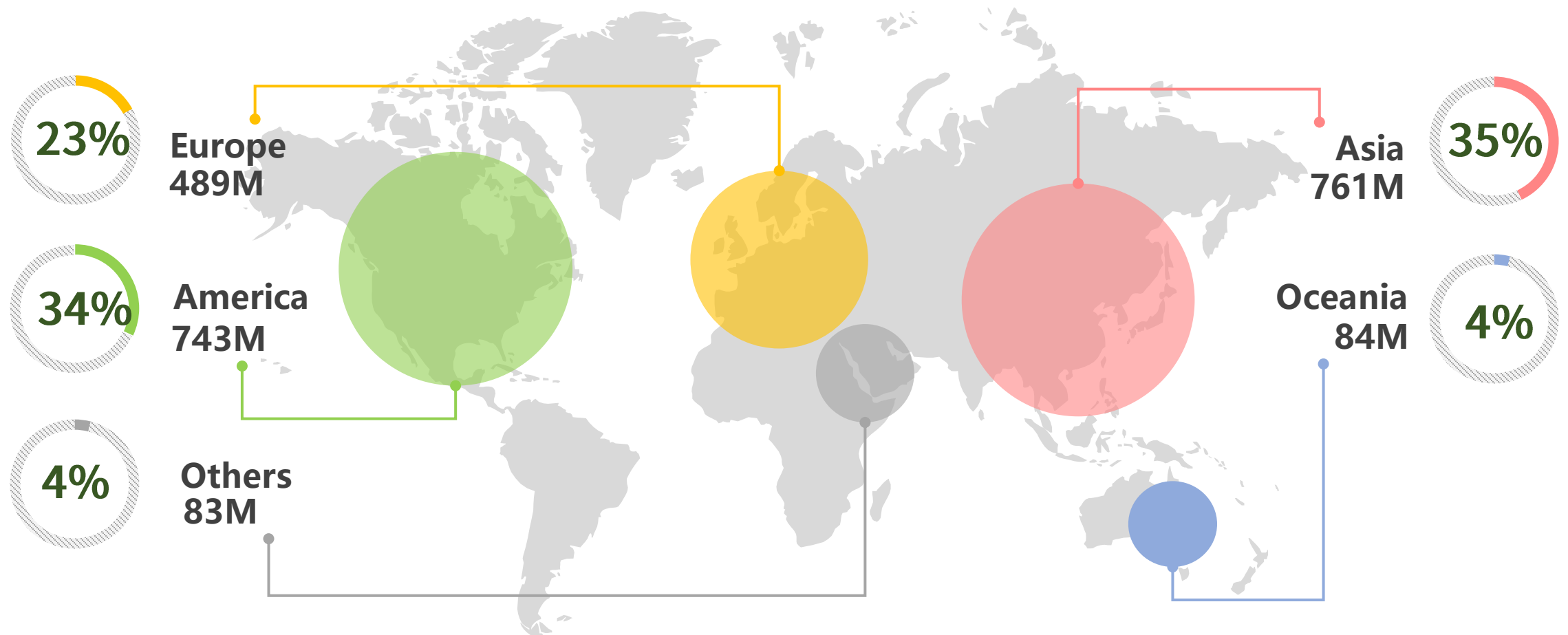


Production planning comply with the global business strategy

- ◆ De-globalization and international Trade
- ◆ Risk diversification
- ◆ Reduce the trade tariffs and labor costs
- ◆ Advantage of Logistics

◆ Deliver to the consumers through global home furnishing leading brands and the global retailers





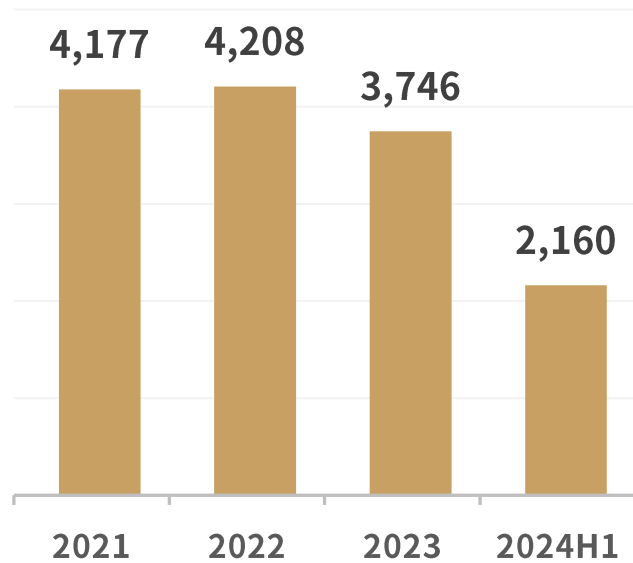
Source: Operating income as of Jun. 30, 2024
Unit: NT\$ million



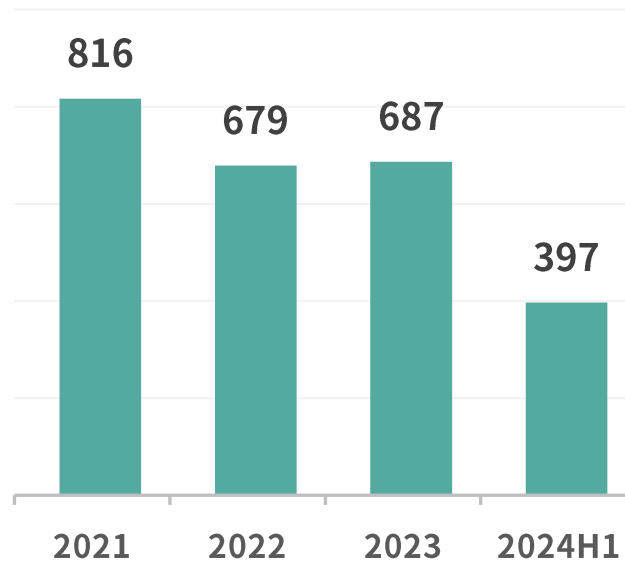
More Friendly Workplace

› Business Performance

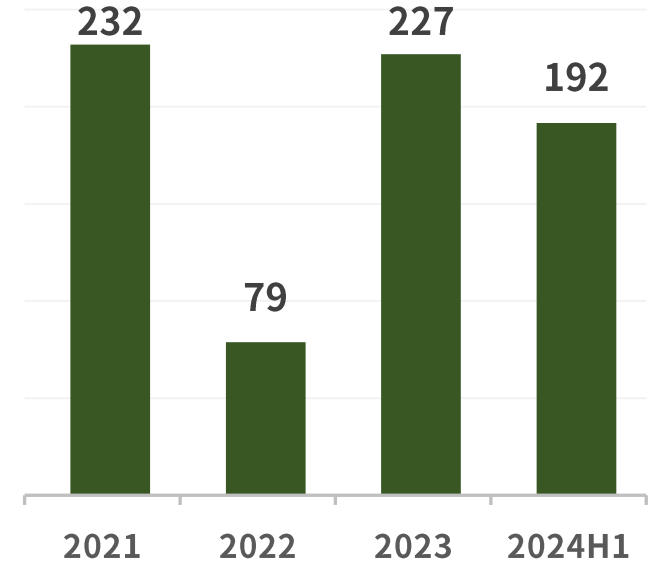
SALES REVENUES



GROSS PROFIT



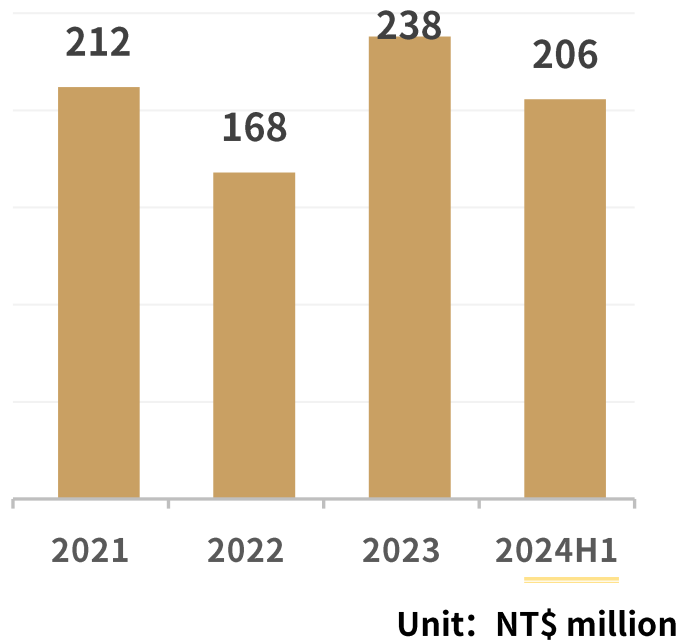
OPERATING INCOME



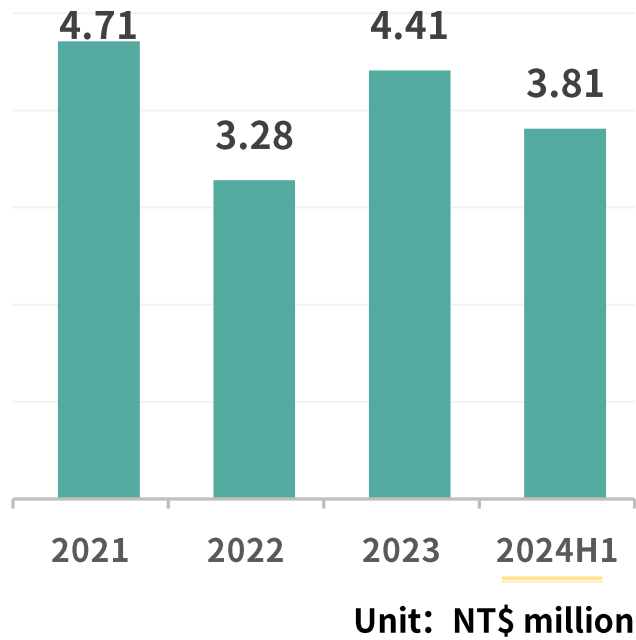
Source: Audited and certified consolidated financial statements

Unit: NT\$ million

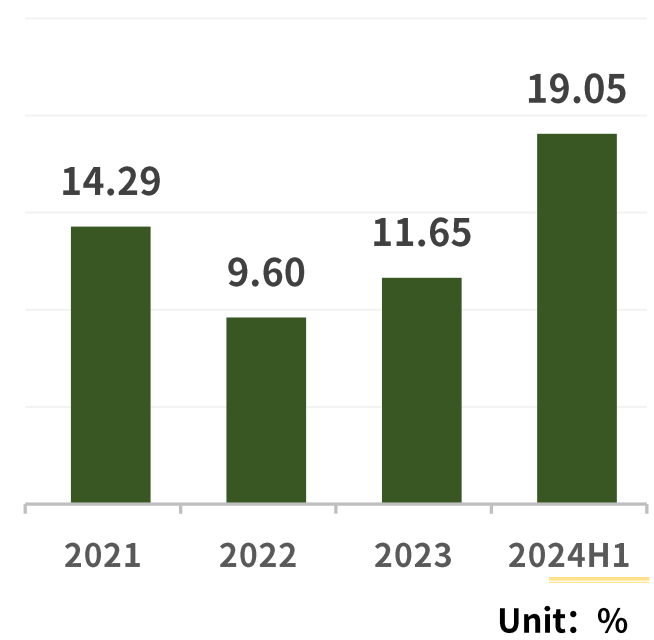
NET INCOME



EPS



ROE



Source: Audited and certified consolidated financial statements

Comprehensive Income Statement

Unit : NT\$ thousand

| Item \ Year | 2021 | | 2022 | | 2023 | | 2024H1 | |
|--------------------------|-----------|--------|-----------|--------|-----------|--------|-----------|--------|
| | AMT | % | AMT | % | AMT | % | AMT | % |
| Sales Revenue | 4,176,181 | 100.00 | 4,208,191 | 100.00 | 3,745,685 | 100.00 | 2,160,458 | 100.00 |
| Cost of Good Sold | 3,359,934 | 80.47 | 3,529,561 | 83.87 | 3,058,760 | 81.66 | 1,763,507 | 81.63 |
| Gross Profit | 816,247 | 19.53 | 678,630 | 16.13 | 686,925 | 18.34 | 396,951 | 18.37 |
| Operating Expenses | 584,319 | 13.98 | 599,794 | 14.26 | 459,931 | 12.28 | 205,291 | 9.50 |
| Operating Income | 231,928 | 5.55 | 78,836 | 1.87 | 226,994 | 6.06 | 191,660 | 8.87 |
| Profit before Income Tax | 265,510 | 6.36 | 191,805 | 4.56 | 298,318 | 7.96 | 249,867 | 11.57 |
| Net Income | 211,965 | 5.08 | 168,063 | 3.99 | 237,927 | 6.35 | 205,754 | 9.52 |

Source : CPA audited and certified consolidated financial statements.

Balance Sheet

Unit : NT\$ thousand

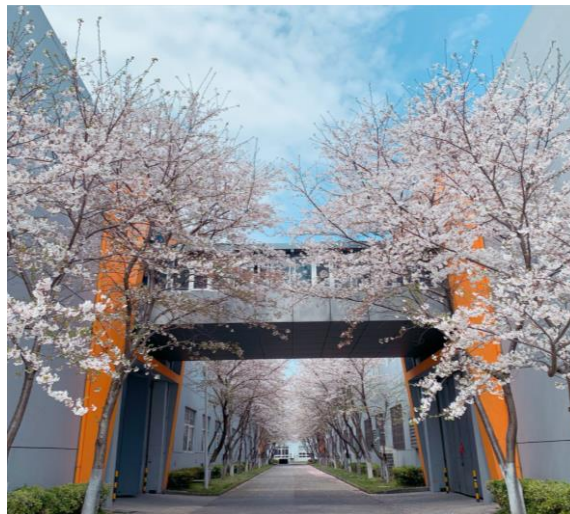
| Item | 2021 | | 2022 | | 2023 | | 2024H1 | |
|--------------------------|------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| | AMT | % | AMT | % | AMT | % | AMT | % |
| Current assets | 2,354,884 | 78.68 | 1,835,471 | 60.61 | 1,789,575 | 55.11 | 2,032,330 | 56.87 |
| Non-current assets | 638,227 | 21.32 | 1,192,986 | 39.39 | 1,457,414 | 44.89 | 1,541,512 | 43.13 |
| Total assets | 2,993,111 | 100.00 | 3,028,457 | 100.00 | 3,246,989 | 100.00 | 3,573,842 | 100.00 |
| Current liabilities | 1,163,713 | 38.88 | 1,014,041 | 33.48 | 1,095,871 | 33.75 | 1,301,626 | 36.42 |
| Non-current liabilities | 306,530 | 10.24 | 36,357 | 1.20 | 45,885 | 1.41 | 56,254 | 1.57 |
| Total liabilities | 1,470,243 | 49.12 | 1,050,398 | 34.68 | 1,141,756 | 35.16 | 1,357,880 | 37.99 |
| Share capital | 450,000 | 15.03 | 540,000 | 17.83 | 540,000 | 16.63 | 540,000 | 15.11 |
| Capital reserve | 731,612 | 24.44 | 1,001,612 | 33.07 | 1,001,612 | 30.85 | 1,001,612 | 28.03 |
| Retained earnings | 319,904 | 10.69 | 359,987 | 11.89 | 495,854 | 15.27 | 561,208 | 15.70 |
| Other equity | 21,352 | 0.72 | 76,460 | 2.53 | 67,767 | 2.09 | 113,142 | 3.17 |
| Total equity | 1,522,868 | 50.88 | 1,978,059 | 65.32 | 2,105,233 | 64.84 | 2,215,962 | 62.01 |

Source : CPA audited and certified consolidated financial statements.

Key Ratios

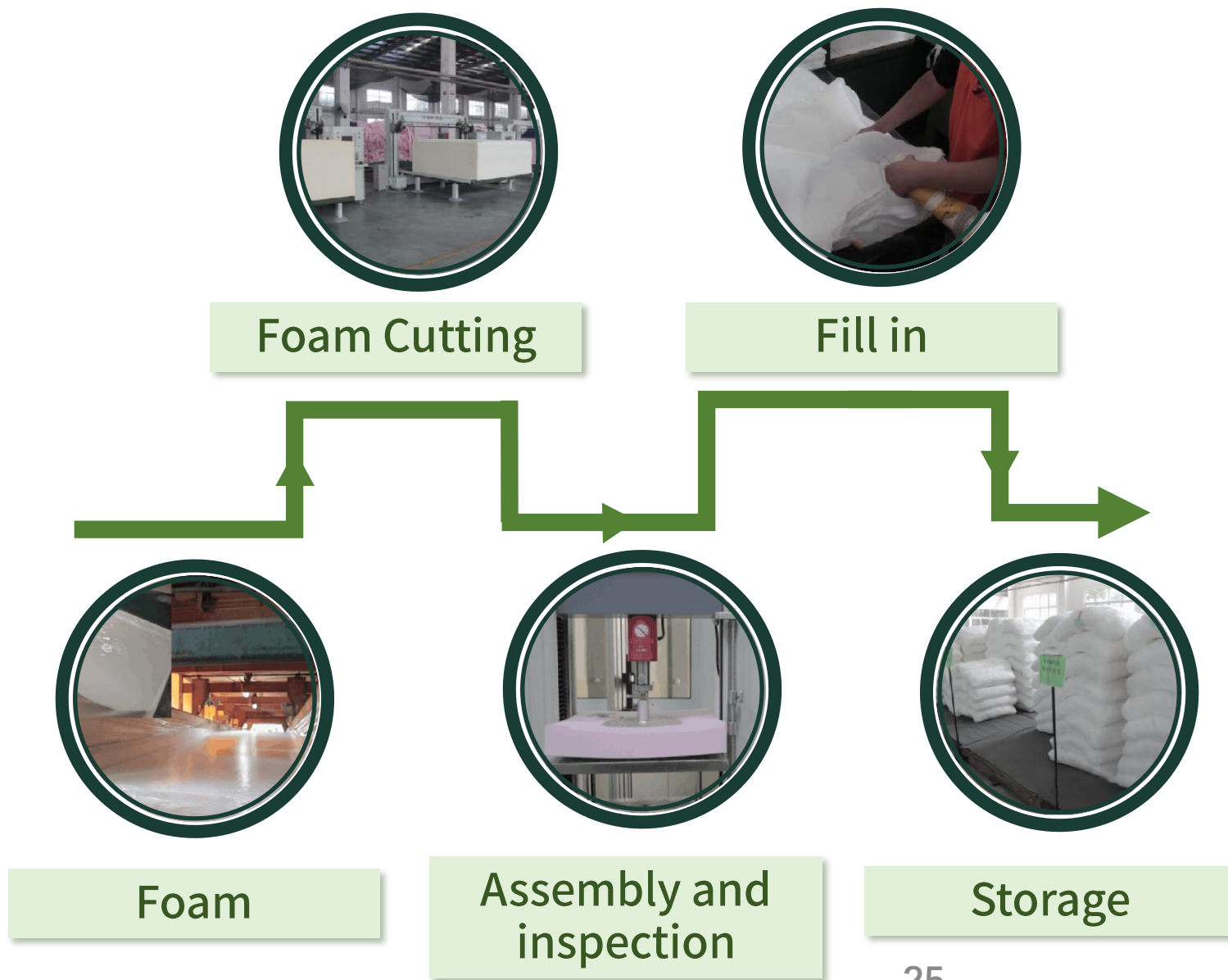
| Item \ Year | | 2021 | 2022 | 2023 | 2024H1 |
|---------------------|----------------------------------|--------|--------|--------|--------|
| Financial structure | Debt to assets ratio | 49.12 | 34.68 | 35.16 | 37.99 |
| Solvency | Current ratio | 202.36 | 181.01 | 163.30 | 156.14 |
| | Quick ratio | 169.38 | 145.79 | 130.21 | 126.20 |
| Operational ability | Average collection days | 49 | 39 | 38 | 42 |
| | Average days of sales | 33 | 34 | 41 | 37 |
| | Total asset turnover rate(times) | 1.50 | 1.40 | 1.19 | 1.27 |
| Profitability | Return on assets(%) | 7.66 | 5.65 | 7.59 | 12.07 |
| | Return on equity(%) | 14.29 | 9.6 | 11.65 | 19.05 |
| | Net profit rate(%) | 5.08 | 3.99 | 6.35 | 9.52 |
| | Earnings per share(NT\$) | 4.71 | 3.28 | 4.41 | 3.81 |
| Cash flow | Cash flow ratio(%) | 40.73 | 10.36 | 49.03 | 17.31 |
| | Cash reinvestment ratio(%) | 15.99 | -0.87 | 16.79 | 8.40 |

Source : CPA audited and certified consolidated financial statements.



› Competitive Advantage

Competitive Advantages | Foam Production Line



- ◆ Lower Cost 3%
- ◆ Better Material Management
- ◆ On time delivery
- ◆ Logistics advantages
- ◆ Faster inventory turnover

Competitive Advantages | Product Design

With excellent R&D and design capabilities, we provide customers with furniture with a sense of design, quality, cost-effectiveness, and environmental sustainability.

- Eco-friendly
- Non-toxic
- High resilience foam
- Recyclable



Sustainable

- Shared modular
- Automated Production
- Flat design on packaging



Cost

- Motion Sofa
- Sectional Combination
- Sofa-beds



Function



Fashion

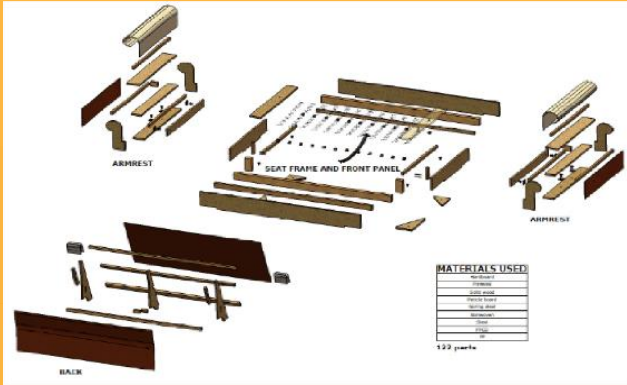
- Design with fashion
- Italian Style
- American style
- Cottage style
- Modern style
- Loft Style



Quality

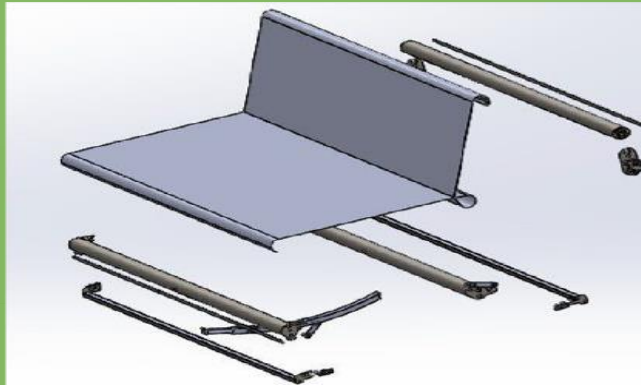
- Process design
- AI Visual inspection
- Standardization

Automated Production



Tradition

- ◆ 100+ parts
- ◆ Retain by Glue and Nail
- ◆ Higher Shipping Cost
- ◆ Assemble in FTY



Innovation

- ◆ 50- parts
- ◆ Retain by Screws
- ◆ Lower Shipping Cost
- ◆ Assemble by Consumers



Advantages

- 💡 Shared modular
- 💡 Automated Production
- 💡 Lower Shipping Cost
- 💡 More Energy Saving

Operating Business | **Our Partners**

◆ On Time Delivery 98%+

◆ Equipment

Utilization(EQU) 90%+



Logistics



Price



Quality

Customers



Materials



ESG

- ◆ Waste Reduce
- ◆ Efficiency Improve
- ◆ Competitive price

- ◆ Quality Well Developed Supplier (QWDS)
- ◆ Defect free 99.5%+

- ◆ Corporate Social Responsibility
- ◆ Stable Customer Relationship
- ◆ Supply Chain Partnership

- ◆ Collaborate in Design
- ◆ Shared Modular
- ◆ Fireproof & Non-toxic Materials
- ◆ Sustainable Materials



Alternative Energy Proportion

- Achieved at 61 % in 2021
- Solar energy installed capacity achieved 3.6 KW in 2023



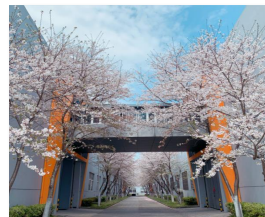
Eco-materials

- Eco-friendly
- Non-toxic
- High resilience foam
- Recyclable



Friendly Workplace

- Safety Management System Certification
- Air conditioning covered



Greening

- Greenery Coverage 25 %
- 70% of the factory area is planted with trees
- Trails planted with sakura and ginkgo trees



SDGs in 2030

- Recyclable materials => 100%
- Production carbon emission => reduce 80%
- Material carbon emission => reduce 15%

Global Green Tag

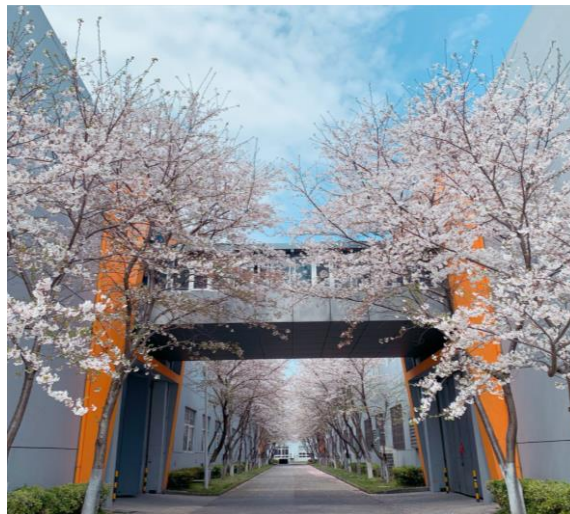
- FSC Accreditation
- EMS Certification
- EnMS Certification ISO 50001

Water Resources Management

- Unit waste 0.06 Metric tons of water
- Recycle 24 Metric tons annually

Supply Chain Management

- ISO 28000 Accreditation
- Supplier Compliance
- CMSS/rPET/FSC Accreditation



› Development Strategy

Efficiency

- Shared modular
- Materials Standardized
- Automated Production
- Shorten Design Cycle

ECommerce

- Modular Production
- E commerce
- Lightweight Design
- Lower Cost in transportation

Ecology

- Renew resources.
- Recycle materials
- Environmental Protection
- Sustainable

Product

- Raise non-sofa proportion
- Functional furniture
- Sectional Sofa

Market

- North America
- China
- Asia except China
- Europe

Facility

- Build to order
- Product capacity
- Automatization
- ODM



Stock code:6807

Thank you

› Make your life better