



# YungShin Global Holding Corporation Investor Conference

**Provide the best products  
to improve human health**

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**Dec. 22, 2021**



[www.yungshingroup.com](http://www.yungshingroup.com)



# Disclaimers

This presentation is based on the information obtained from various sources which the Company believes to be reliable. But at some point in the future, there are a variety of factors which could cause actual results to differ materially from those statements. Therefore, please refer to the information on MOPS website as the main basis if any adjustment has been made. (<http://mops.twse.com.tw/mops/web/index>)





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# Introduction of YungShin Group

A pharmaceutical Group have been established over 60 years, looking forward being a-century enterprise.

1952~1970

1970~1990

1990~2010

2010~2021

1952

Yungshin Pharmacy  
(Taiwan)

1965

Yung Shin(Taiwan)



1978

Yung Zip (Taiwan)



1985

Yung Shin(Hong Kong)



1987

Yung Shin(Malaysia)



1990

Carlsbad (U.S.A.)

1993

Listing of YSP

1994

Yung Zip (Shanghai)  
Yung Shin (Kunshan)

2000

Listing of YZC

2004 Yung Shin (Indonesia)  
2004 YSP SAH (Malaysia)

2004 Listing of YSP SAH

2007

Yung Shin (Vietnam)

2011

YungShin Global Holding

2011

Listing of YSH

2013

Chemix (Japan)



2016

Vetnostrum (Taiwan)



2018 2021

Promote to innovative layer of YSK  
Listing (NEEQ) of YSK



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# Listing History

Four subsidiaries list in TW, CN and MY.

- 1993- Listing of Yungshin Pharmaceutical, Taiwan



臺灣證券交易所

- 2000-Listing of Yung Zip Chemical, Taiwan



證券櫃檯買賣中心  
Taipei Exchange

- 2004-Listing of Y.S.P. Southeast Asia Holding, Malaysia



- 2011-Listing of YungShin Global Holding, Taiwan



臺灣證券交易所

- 2018-Listing (NEEQ) of Yung Shin Pharm.(Kunshan), China

- 2021 Promote to innovative layer



全国中小企业股份转让系统  
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# R&D and Production Planning Worldwide

Nine manufacturing and operating bases cross US, CN, JP and South Asia.





# YungShin Group Main Production Bases(1/2)

Subsidiaries in TW, US and CN have been certified by USFDA.  
Production bases of YSG have covered 5 continents and products sold over 35 countries.







# YungShin Group Main Production Bases(2/2)

MY, VN and IN sites have exported to Southeast Asia, middle East, North Africa and Oceania.



(Malaysia)



(Vietnam)



(Indonesia)



(Malaysia)



NATIONAL  
PHARMACEUTICAL  
REGULATORY  
AGENCY



Health  
Canada

Santé  
Canada



Australian Government  
Department of Health  
Therapeutic Goods Administration



衛生福利部  
食品藥物管理署  
Taiwan Food and Drug Administration







# Operational Results of 2021 Q1-Q3

**Provide the best products  
to improve human health**

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# YSH Consolidated Statements of Income

Comparing Profit before income tax decreased by 7.48% and profit for the period decreased by 9.97% from Jan to Sep in 2021 and 2020.

(Expressed in millions of NTD)

	2021 Q1-Q3	2020 Q1-Q3	Growth rate
Operating revenue	5,723	5,870	-2.50
Operating costs	(2,971)	(3,130)	-5.08
Gross profit	2,752	2,740	0.44
Operating expenses	(2,051)	(1,997)	2.70
Income from operations	701	743	-5.65
Non-operating income & expenses	29	46	-36.96
Profit before income tax	730	789	-7.48
Profit for the period	542	602	-9.97
Earnings per share	1.98	2.24	-11.61



# 永信 YSH Consolidated balance sheet (1/2)

Comparing total assets decreased by 3.35% in 2021 and 2020.

(Expressed in millions of NTD)

	2021Q3	%	2020Q3	%
Cash and cash equivalents	1,099	9	1,040	9
Inventories	3,066	26	2,894	23
Accounts receivable	1,751	14	1,711	15
Other current assets	352	3	550	3
Property, plant and equipment	4,285	36	4,483	36
Other non-current assets	1,438	12	1,728	14
<b>Total assets</b>	<b>11,991</b>	<b>100</b>	<b>12,406</b>	<b>100</b>



# YSH Consolidated balance sheet (2/2)

Comparing total shareholder's equity increased by 11% in 2021 and 2020.

(Expressed in millions of NTD)

	2021Q3	%	2020Q3	%
Short-term borrowings	2,288	19	2,929	24
Other current liabilities	1,565	13	1,660	13
Long-term borrowings	687	6	635	5
Non-current liabilities	886	7	730	6
Total shareholder's equity	6,565	55	6,452	52
<b>Total liabilities and equity</b>	<b>11,991</b>	<b>100</b>	<b>12,406</b>	<b>100</b>





# YSH Consolidated Operating Revenue by area

Comparing consolidated revenue decreased 2.50% from Jan to Sep in 2021 and 2020.

(Expressed in thousands of local currency)

	Currency	2021	2020	Growth rate
		Q1-Q3	Q1-Q3	
Taiwan	TWD	3,798,249	3,982,959	-4.64
USA	USD	16,330	15,400	6.04
China	CNY	242,398	238,376	1.69
Japan	JPY	1,601,340	1,481,972	8.05

1. The list the revenues of companies that YSH holding only more than 50% shares.
2. Operating revenue by area is based on financial report, and the growth rate is calculated in local currency.





# Business Strategy

**Provide the best products  
to improve human health**

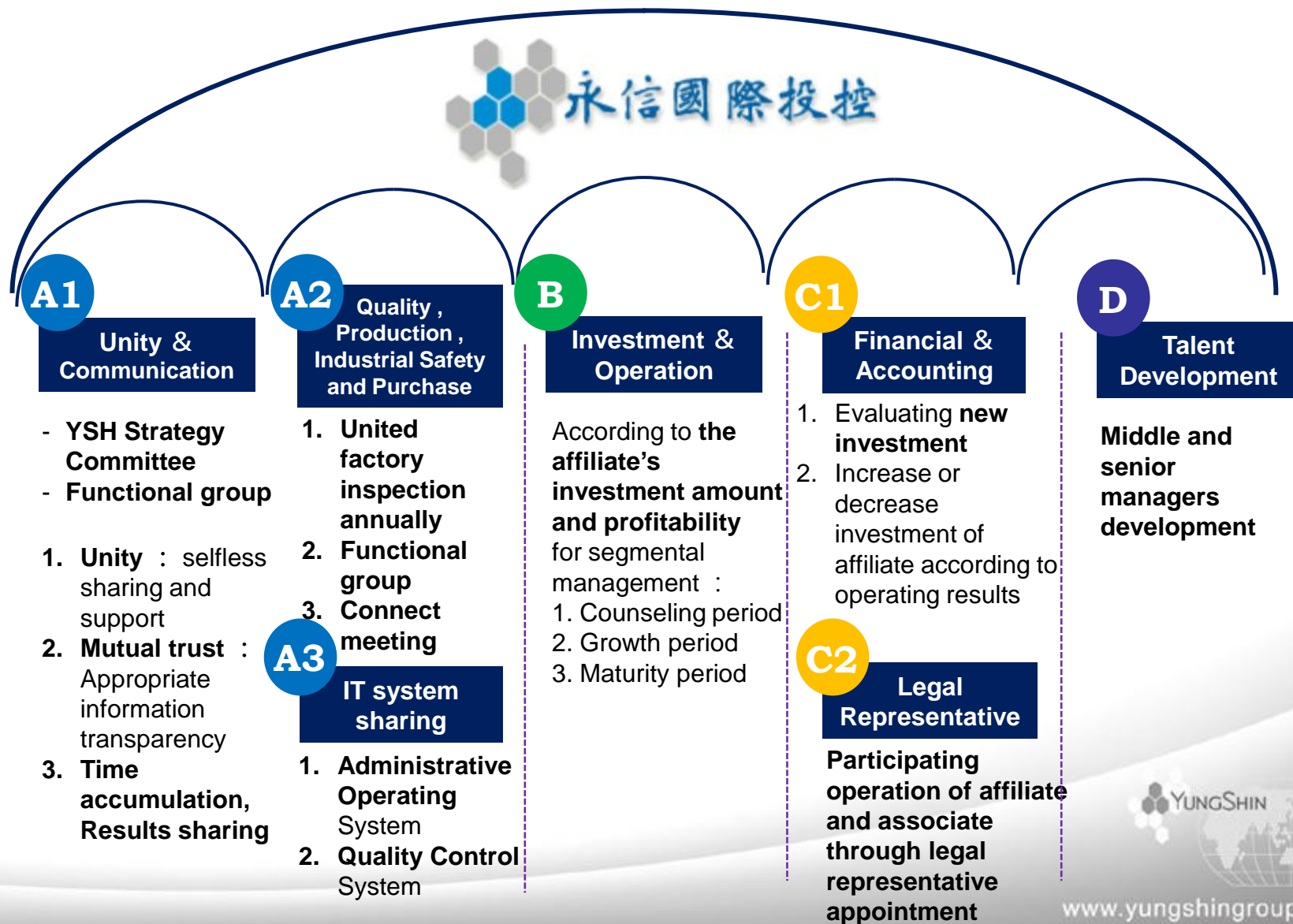
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# Operating Strategy of YSH

Seven aspects to accomplish steady investment and pragmatic operation for creating the best interests of shareholders.





# Business Strategy of YSH

Internal investment management and external M&A for strengthening group efficiency

The strategy will balance short, medium and long term group development and shareholders' equity



## Internal investment management

### •Production

Cross company platform communication and production experience optimization

### •Marketing

Search, supply, marketing promotion transnationally

### •Personnel

Integrate experiences communication of joint factory inspection for national laws and regulations

### •R&D

Project coordination, R&D technology transfer reducing investment

### •Finance

Supervising by YSH, apply endorsement and guarantee to reduce financial burden and increase investment efficiency



## External M&A



### •New business

1. Obtaining factories, products and technologies and enter into the market of feed additives by merger and acquisition of Pfizer Inc.(Hsinchu plant)
2. Multi-angle consideration relating to health industry

### •New market

1. Entering into OEM business by merger and acquisition of Alpha-Active and Taiwan Wa- Chein Ind. Co., Ltd.
2. New market evaluation such as in Europe...etc.

### •New product/technology

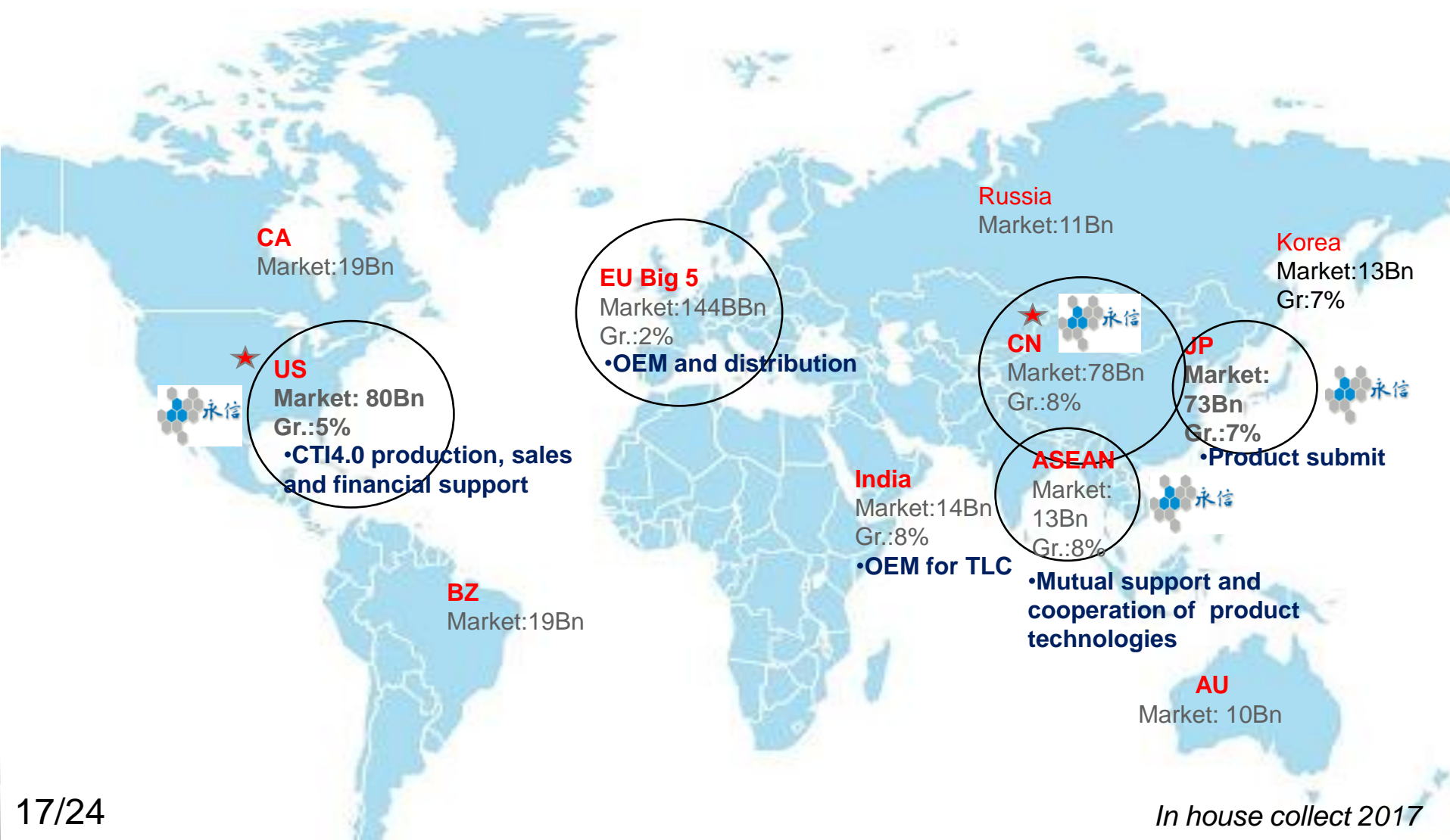
1. Obtain manufacturing technology from GlyTech Inc.
2. Evaluating biological medicine, cell therapy and other fields.





# Group Resource Breakthrough Global Market

## Implant good experience to help penetrating local market





# Maximize Value Chain Based on Product

Strengthen the competitiveness of the group through vertical integration and horizontal expansion



## Maximize Value Chain

### Vertical integration : Maximize Production Value Chain

- Vertical integration of main products through manufacturing and marketing of intermediate, API and FDF.
- Master raw material intermediate suppliers through investment and contract manufacture.
- Local production reduce the risk of trade barriers.
- Sharing R&D resource from in Taiwan and Malaysia lab.
- Continually strengthen product line competitiveness (integrate value chain and expand production batch size)

### Horizontal expansion : Maximize Sales Value Chain

- Future product lines drive from market orientation
- Deep development of digestive tract, pain, hypersensitivity and anticancer fields.
- Increasing investment benefit through Integration product lines in various countries, mutual distribution, technology transfer, and development together.
- Expansion of four major business: API, FDF, OTC and animal drugs



# Vertical Integration of Resources of YungShin

Continually strengthen vertical integration from API to FDF



永信國際投控

Strengthen vertical  
integration capabilities

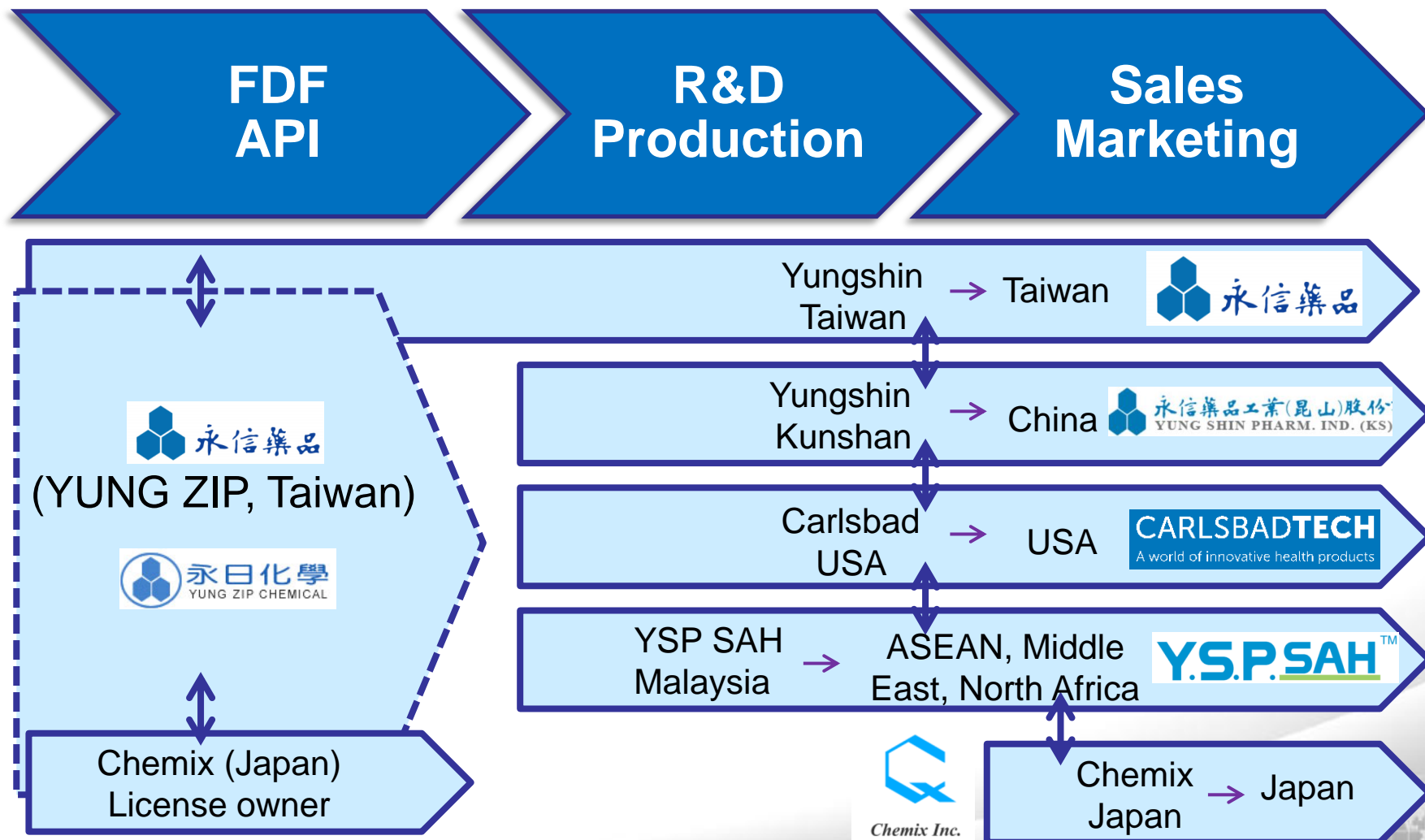
	<b>API</b> (Active Pharmaceutical Ingredient)	<b>FDF</b> (Finish Dosage Form)	<b>Market</b>
<b>Internal Strategy</b>	Build second API production site or invest intermediate manufactory	Coordinate R&D, production and market strategies	Deepen cash cow market: Taiwan, Southeast Asia  Develop world's major market: America, China, Japan, Europe
<b>External strategy</b>	Cooperation, Investment and Merger based on market value in pharmaceutical relative fields.		





# YungShin Supply Chain Integration

Devoted to vertical integration from API, development, manufacturing to market







# Response Methods of Coronavirus

## Immediately response to make sure supply chain smoothly

Immediate information, Foresee risk, Respond in time, and Risk management

### Risks:

1. Lockdown/Transportation is blocked
  - a. Interruption of API supply (Import)
  - b. Unable to export FDF (Export)
2. Personnel infection
  - a. Operation of Company
  - b. Influence of Production



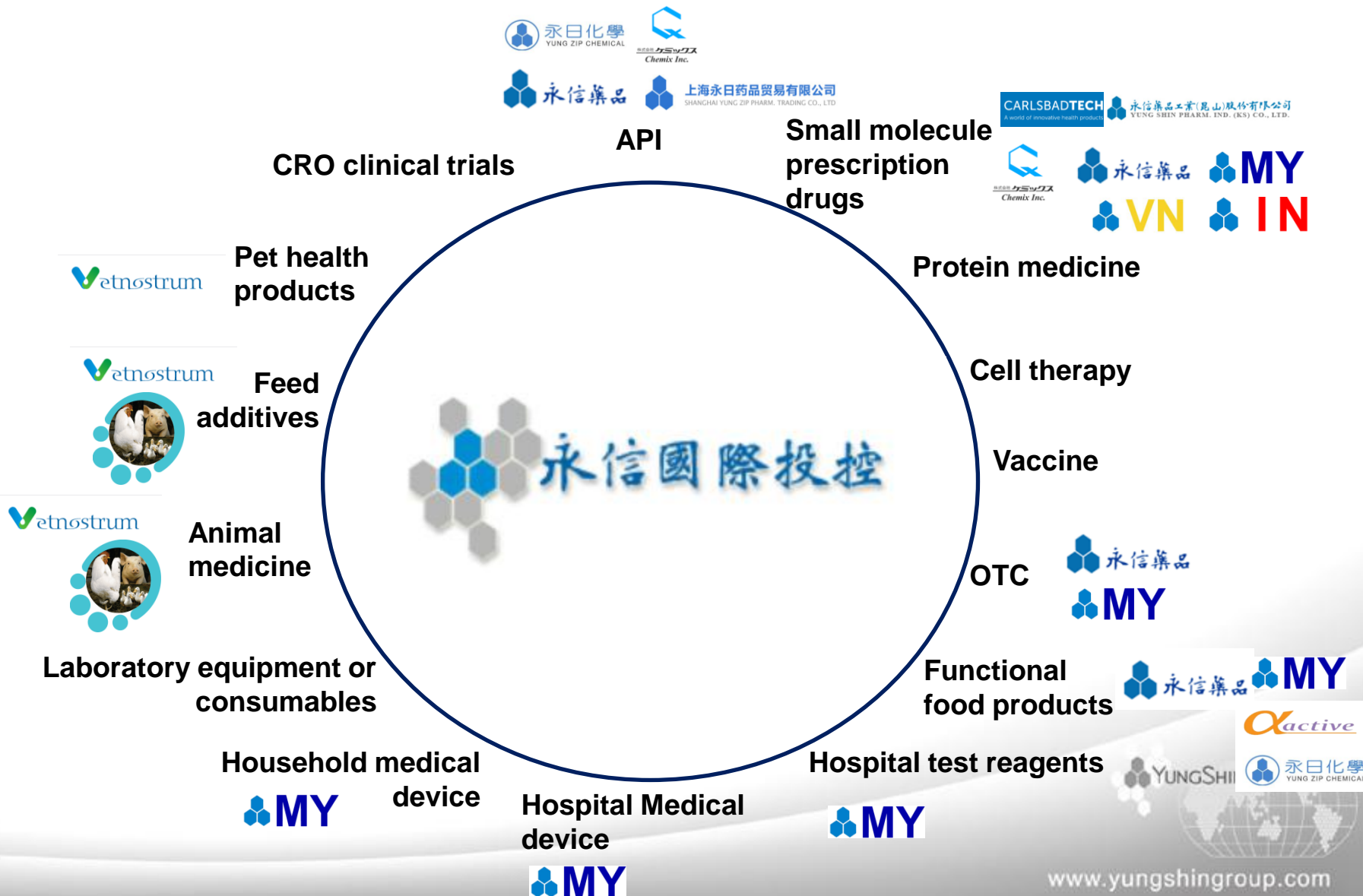
### Emergency response measures:

1. Cross-company Information sharing platform
2. Modify work rules of each companies (including but not limited to rules of going abroad, crowd gathering, Covid-19 prevention, and attendance)
  - a. Government banned
  - b. Necessary treatment of Company
3. Emergency measures of API inventory
4. Sharing solutions of API and transport cross company



# Diversified Business Map

Expansion and exposure new business based on core health care relative business





# Core Value of YungShin Group

## Provide the best products to improve human health from Taiwan



### Spirit of YungShin Group :

**We produce medicine that we would give it to our own families.**

**We establish Nursing Home that our elders would love to go to.**

**Social welfare covered by cooperate social responsibility**



# Thank you!

Provide the best products  
to improve human health

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