

SHIHLIN PAPER CORP.

Stock No. : 1903

2024 Investor Presentation

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Company Introduction-1

- SHIHLIN PAPER CORP. owns 2 paper factories named Shilin and Yuan. Shilin Factory was set in 1918, former one named Taiwan Paper Corp., the earliest mechanically paper manufacturer in Taiwan.
- After Taiwan's retrocession, the government took over five paper mills: Shilin Mill, Luodong Mill, Dadu Mill, Xinying Mill, and Xiaogang Mill, establishing Taiwan Paper Corporation. Initially under the Resource Committee, the company later came under the Ministry of Economic Affairs as a state-owned enterprise.
- Taiwan Paper Corp. transformed to private business when R.O.C. Government enacted the Land-to-the-Tiller Act in 1954 and implemented separation as per request of shareholder in 1958 that Shilin Paper Factory was established as SHIHLIN PAPER CORP. on January 1, 1959.

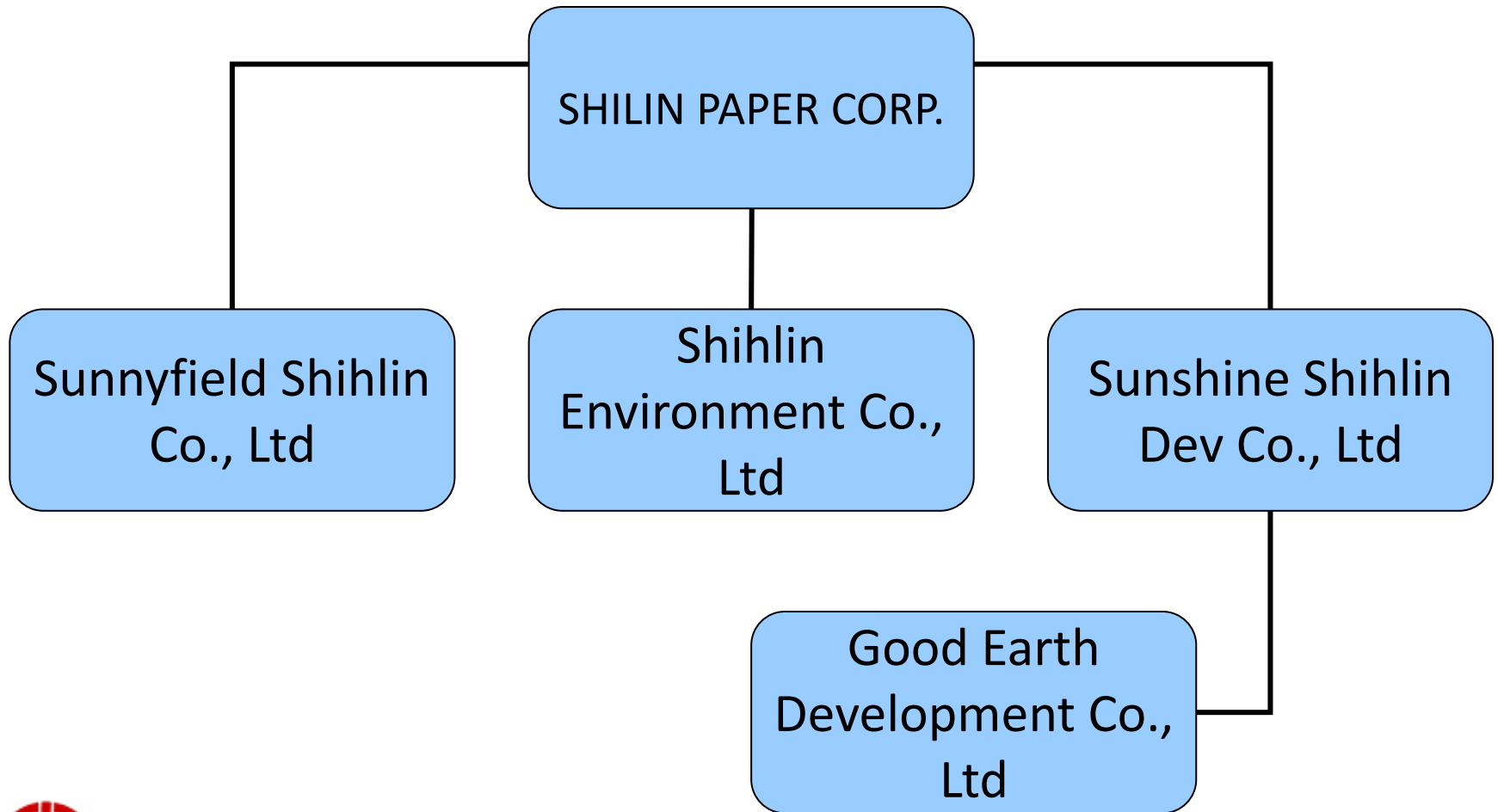


Company Introduction-2

- SHILIN PAPER CORP. owns the Shilin and Yuan paper factories. The Shilin Factory ceased operations on December 20, 1998, while the Yuan Factory halted production in October 2014.
- The Company and its subsidiaries are primarily engaged in the production, sales, and investment development of paper-based processed products.
- In response to market changes and demands, the Company has gradually transformed and adjusted its business scope, expanding to include the sale of wet wipes, facial masks, baby bath, and skincare products, insect repellents, and other related product lines..



Organization Chart of Subsidiary



Main Business Items of Subsidiary

Company Name	Main Business or Production Items
Sunnyfield Shihlin Co., Ltd	Business of cosmetics skincare ,Mother and baby care products
Shihlin Environment Co., Ltd	Business regarding to invested development and urban city reconstruction
Sunshine Shihlin Dev Co., Ltd	Business regarding to residence and building development, lease and sales, as well as lease of real estate
Good Earth Development Co., Ltd	Business regarding to urban city reconstruction



Scope of Business

1. Baby Lion :
 - Sales of proprietary brand products, including wet wipes, mosquito repellent, pandemic prevention items, and baby bath and skincare products.
2. Forest Beauty :
 - Sales of proprietary brand products, including facial masks and skincare products.
3. Investment in related businesses and government-incentivized projects.
4. Entrusting construction companies to build commercial buildings and public housing, for rental or sale.
5. Hotel rental business.





獅子寶寶

Baby Lion

Product Profile

超人氣熱銷商品
 百位媽咪推薦
 各大教學醫院
 小兒科診所·月子中心
 採用



連續兩年
 榮獲媽媽票選肯定



多重淨化超純水
 EDI電透析+RO逆滲透+紫外線殺菌



0+ 歲小童再升級
 金盞花舒緩保濕系列

4+ 歲大童專屬
 酪梨保濕洗沐系列



百人試用
 100%
 使用滿意度達
 mombaby



*備註：兒童洗滌洗劑及兒童沐浴露，於2024年7月由100位新加坡媽媽進行滿意度調查，滿意度達100%。

Forest Beauty Product Profile



連續6年
榮獲世界美妝大賞肯定



氧顏森活
Forest Beauty

台灣NO.1の
植物エキスの専門家

新発売 NEW

毎日 ティースパ
DAILY TEA SPA!

氧顏森活
Forest Beauty

輕柔極滲透 一敷就愛上

珍稀森果植粹
還原肌敷之最

頂級森林能量 注入滿滿活力

Overview of Business Plan

1. We continuously develop distribution channels suitable for maternal and baby products, facial masks, and skincare products to enhance brand awareness and visibility, thereby improving operational performance.
2. With CV value as the appeal, Forest Beauty brings innovation into the facial-mask market with high-class affordable products having unparalleled quality.
3. Baby Lion has become a benchmark in the maternal and baby products market with its natural, safe, and effective quality, complying with international testing standards such as SGS and others.
4. In addition to maintaining existing customers, marketing resources such as promotions and media advertising are utilized. Products are gradually being placed on major physical and online shopping platforms to enhance consumer accessibility and drive market penetration

The effect on legal environment and overall operational environment

1. All products have passed testing and comply with relevant regulations, providing consumers with the highest quality and safest products.
2. Continue to develop innovative and high-value products, while strengthening R&D and marketing capabilities. Cultivating talents is also the company's future key development strategy.
3. We will continue to uphold a pragmatic spirit, taking challenges at all stages, and strive to operate in the consumer products market. We must achieve our goals and fulfill our social responsibilities to create greater profits and best benefits for shareholders and all employees.



Overview of Industry



獅子寶寶
Baby Lion

1. Meet parents' requirements for infant products: natural, safe, and effective anti-mosquito and baby bath & care products; launch adult wet wipes and feminine cleansing wipes; we launch alcohol-related products and household cleaning products, related to home and personal antibacteriac products.
2. In addition to maintaining high quality, prioritizing environmental protection and reducing pollution are increasingly important trends.
3. Due to changes in lifestyle and usage habits, incline to the special needs of personal and household cleaning for different customer groups.



Overview of Industry

- We continuously launch diverse product lines with unique appeals to meet consumers' demand for novelty.
- In addition to making a difference in the facial mask material, ingredients meeting market demands are carefully chosen in the mask essence formula.
- The skin care products market is gradually expanding, develop skin care products suitable for all age groups according to the differences in channels and customer groups to increase profits.
- Through repeated testing and multiple certifications, we rigorously control every process to provide consumers with the most reassuring promise.



Overview of Industry



1. Nowadays the size of the population using the Internet to make reservations is increasing rapidly. E-commerce has become the largest market, with consumers becoming more and more accustomed to ordering and comparing product price online.
2. In face of increasingly intense competition in the domestic tourism industry, our company will continue to enhance our software services in order to raise overall revenue.



Market Analysis

1. The primary sales region is domestic, divided into two zones: Northern and Central-Southern areas. We are actively expanding more domestic distribution channels while targeting global markets.
2. Maternal and baby products focus on being natural, safe, and effective, while skincare products prioritize patented and exclusive innovations as the mainstream. Functional products are tailored to different consumer groups, with the development of natural and patented formulations to enhance diversification, achieve market differentiation, and drive sales growth.



Market Analysis

3. Future supply & demand situation: seek more professional domestic & foreign OEM partners to meet future market demand.
4. Development prospect
 - 1) Positive factors: Domestic & foreign professional OEM partners have more product technical capabilities and healthy competitiveness of innovative manufacturing process, making our product series more complete than industry competitors', comparable to large domestic manufacturers.
 - 2) Negative factors: Due to the limited demand in domestic consumer goods market, with many brands and sufficient resources, we can only attract consumer support with marketing strategies to expand market share.



Consolidated Income Statement

Unit:NTD1,000

	2024/January- September	2023/January- September	Change %	2023	2022	2021
Business income	116,084	129,017	-10%	171,105	165,058	326,024
Operating gross profit (Loss)	70,160	63,129	11%	84,954	76,145	176,501
Operating net profit (loss)	-33,755	-57,842	-42%	-64,656	-103,224	-26,559
Net profit before tax (loss)	116	104,823	-100%	86,352	211,780	88,619
Income tax	0	0	0%	0	0	4,370
Current net profit (loss)	116	104,823	-100%	86,352	211,780	84,249
Operating gross profit ratio	60%	49%	22%	50%	46%	54%
Operating net profit (loss) ratio	-29%	-45%	-36%	-38%	-63%	-8%



Future Development Strategy

1. Mastering win-win core technologies to continuously enhance product quality and improve competitive advantages.
2. Utilizing diversified marketing strategies to promote a diversified product portfolio and increase market share.
3. Actively expanding domestic and international sales markets to establish a global brand image and become the most preferred and trusted company and renowned brand for consumers.



**Thank you
for your
attendance!**

