YUNG ZIP CHEMICAL

Stock Code ：4102




# 2026 Investors Conference

Oct. 21, 2026

# Disclaimer

- This presentation and the forward-looking information mentioned in the simultaneously released related messages, including operational outlook, financial conditions, and business forecasts, are based on information obtained by the company from internal and external sources.

- The actual future operational results, financial conditions, and business outcomes of the company may differ from the forward-looking information due to various factors, including but not limited to market risks and market demand.

- The forward-looking statements in this presentation reflect the company's views on the future as of the current date. The company is not obligated to provide further notice or updates should there be any changes or adjustments to these views in the future.

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- Company Introduction
- Financial Performance Overview
- Business Development
- Research and Development Strategy

# Company Introduction: Vision & Goals

**Vision:**
**Contributes to the elimination of human diseases**




Yung Zip Chemical Ind. Co., Ltd. established on June 8, 1978. As the first executor of GMP API certification in Taiwan, and with over 40 years of experience in the API industry, Yung Zip has successively passed international certifications such as FDA, MHRA, PMDA, KFDA, HALAL and KOSHER.

Yung Zip upholds the sustainable management philosophy of "innovation, effectiveness and service" while adhering to principles of honesty, reliability and rigorous business ethics.

**Providing the best pharmaceutical products**
**Improving the health of human beings**
**Maximizing shareholder value**
**Improving employee welfare**
**Fulfilling social responsibility**

# R&D Technology Application and Business Development

YUNG ZIP

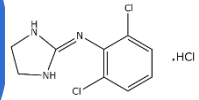
**Drugs registration**

- TDMF : 16
- US DMF : 18
- EU CEP : 3
- JP MF : 3
- Other countries : 16

**GMP approved**

- TFDA : 17
- U.S. FDA : 5
- JP PMDA : 3

**APIs**



Synthesis Technique



Small-scale Test Pilot Plant

GMP Certificate

**Speciality Chemical**

Optoelectronics

Plastics

Semiconductor

Material

**CDMO & CMO**

CDMO and CMO service

GMP procedure support

Customized service

**Subsidiary Company Food Production**

Food Manufacture

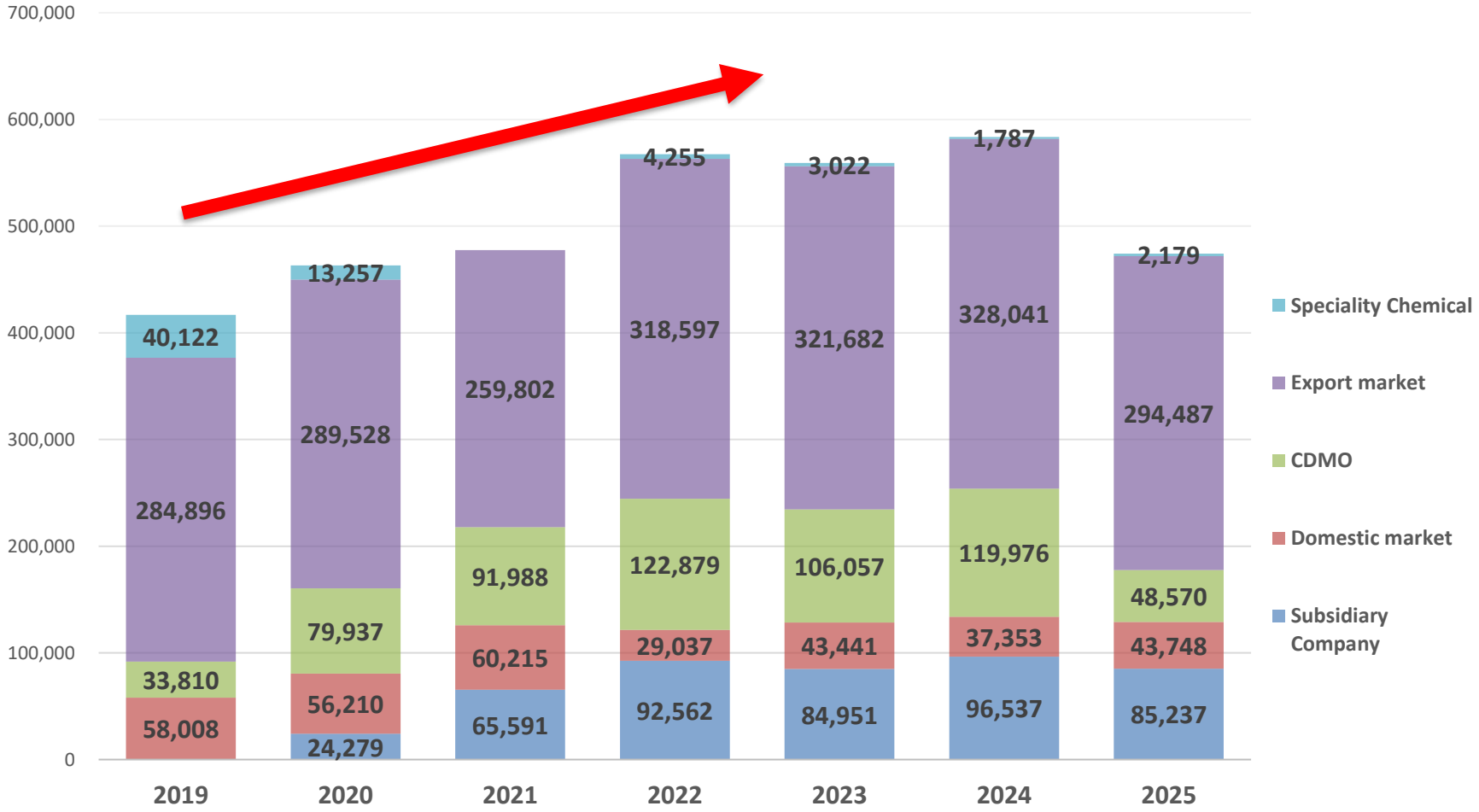
Food Packaging

Food OEM

# 2019-2025 Consolidated Revenue

YUNG ZIP

(In Thousands of New Taiwan Dollars)



# Diversified Commercialization Strategy Built on Core Chemical Synthesis Platform

| Business Segment | Proportion of Revenue | Strategic Positioning | Core Competencies & Strategic Synergy |
|---|---|---|---|
| Core Pharma R&D & Manufacturing (API) | 71.3% | **Cornerstone of Revenue & Profitability** | Comprehensive global DMF registrations; first-to-market advantage on patent-expired generics; advanced synthesis capabilities for high-potency and complex compounds. |
| Synthesis Platform Tech Export (CDMO / CMO) | 10.2% | **Scale Efficiency & Customer Stickiness** | Custom synthesis and process development for clinical-stage new drugs: seamless scale-up from pilot to commercial production, securing long-term stable contracts with global strategic alliance partners. |
| Pharma-Grade Cross-Industry Extension (Functional Health Foods - Well-Gene) | 18.0% | **Stable & Defensive Cash Flow** | Implementing end-to-end pharma-grade GMP quality controls: expanding into the healthcare ecosystem and effectively buffering revenue volatility inherent to biotech R&D cycles. |
| Advanced Materials Innovation (Specialty Chemicals) | 0.5% | **High-Value Niche Breakthrough** | Spillover benefits from precision organic synthesis: successfully penetrated semiconductor and advanced optoelectronic supply chains, featuring high-margin growth potential with high-mix, low-volume customization. |

Yung Zip Chemical is far more than an API manufacturer—it is an internationally certified, integrated chemical synthesis technology platform. Through a multi-track commercial portfolio spanning "Niche Pharmaceuticals + CDMO Platform + Health Foods + Specialty Chemicals," the company maximizes the commercial value of its core technologies and delivers resilient, counter-cyclical profitability.

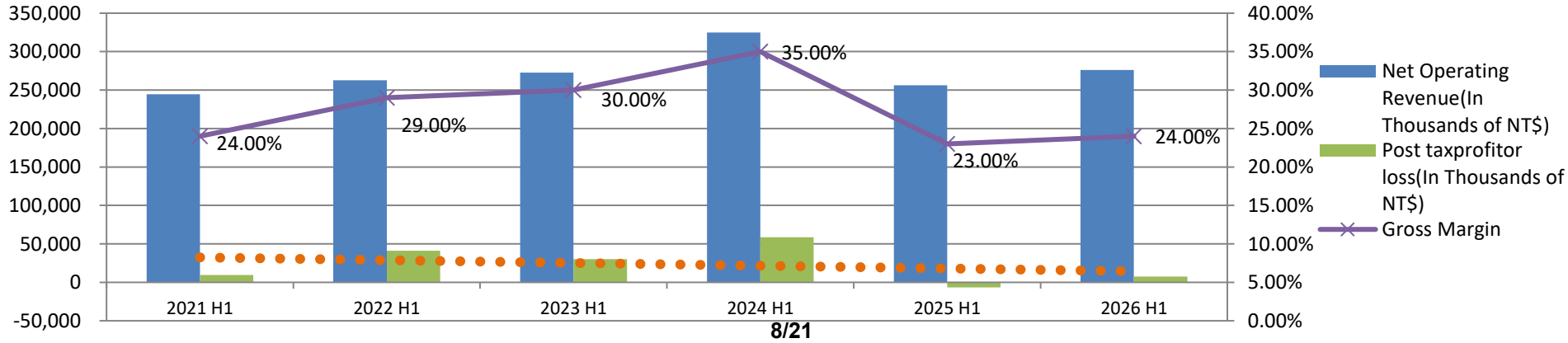
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# Statement of Consolidated Comprehensive Income

YUNG ZIP

| Items (In Thousands of New Taiwan Dollars) | 2026 H1 (Reviewed) | 2025 H1 (Reviewed) | YoY |
|---|---|---|---|
| Operating Revenue | 276,030 | 256,212 | 8% |
| Operating costs | 209,155 | 197,802 | 6% |
| Gross Profit | 66,875 | 58,410 | 14% |
| **Gross Margin** | 24% | 23% | |
| Operating Expenses | 59,909 | 56,736 | 6% |
| Operating (Loss) | 6,966 | 1,674 | 316% |
| **Operating Margin** | 3% | 1% | |
| Other Rev. (Exp.) | 1,402 | -11,585 | 112% |
| Net Income | 7,389 | -6,470 | 214% |
| **Net Margin After Tax** | 3% | -3% | |
| EPS | 0.13 | -0.19 | |



# Consolidated Balance Sheet

| Items (In Thousands of New Taiwan Dollars) | 2026/6/30 (Reviewed) | | 2025/6/30 (Reviewed) | | 2024/6/30 (Reviewed) | |
|---|---|---|---|---|---|---|
| Cash and Cash Equivalents | 90,370 | 10% | 99,786 | 11% | 171,303 | 17% |
| Receivables | 110,144 | 11% | 79,860 | 8% | 114,118 | 11% |
| Inventories | 147,057 | 16% | 144,992 | 16% | 158,433 | 15% |
| Long-term Investments | 109,707 | 11% | 107,225 | 12% | 155,192 | 15% |
| Property, plant and equipment | 394,110 | 41% | 405,087 | 44% | 390,429 | 38% |
| Other assets | 100,482 | 11% | 80,501 | 9% | 51,128 | 4% |
| **Total Assets** | 951,870 | 100% | 917,451 | 100% | 1,040,603 | 100% |
| Current Liabilities | 198,371 | 21% | 165,019 | 18% | 160,176 | 15% |
| Non-current Liabilities | 73,571 | 8% | 78,559 | 9% | 131,538 | 13% |
| **Total Liabilities** | 271,942 | 29% | 243,578 | 27% | 291,714 | 28% |
| **Total Shareholders' Equity** | 679,928 | 71% | 673,873 | 73% | 748,889 | 72% |

**Important Financial Indicator**

| | | | |
|---|---|---|---|
| **Average collection days** | 62 | 53 | 65 |
| **Average inventory turnover days** | 140 | 148 | 143 |
| **Current ratio** | 1.81 | 2.17 | 2.86 |

# Statement of Consolidated Cash Flows

| (In Thousands of New Taiwan Dollars) | 2026 H1 (Reviewed) | 2025 H1 (Reviewed) | 2024 H1 (Reviewed) |
|---|---|---|---|
| **Cash and cash equivalents at beginning of period** | 95,041 | 133,526 | 124,111 |
| Cash flows from operating activities | 32,667 | 4,353 | 83,204 |
| Cash flows from investment activities | (11,987) | (23,975) | (13,864) |
| Cash flows from financing activities | (25,351) | (14,118) | (22,148) |
| **Cash and cash equivalents at end of period** | 90,370 | 99,786 | 171,303 |

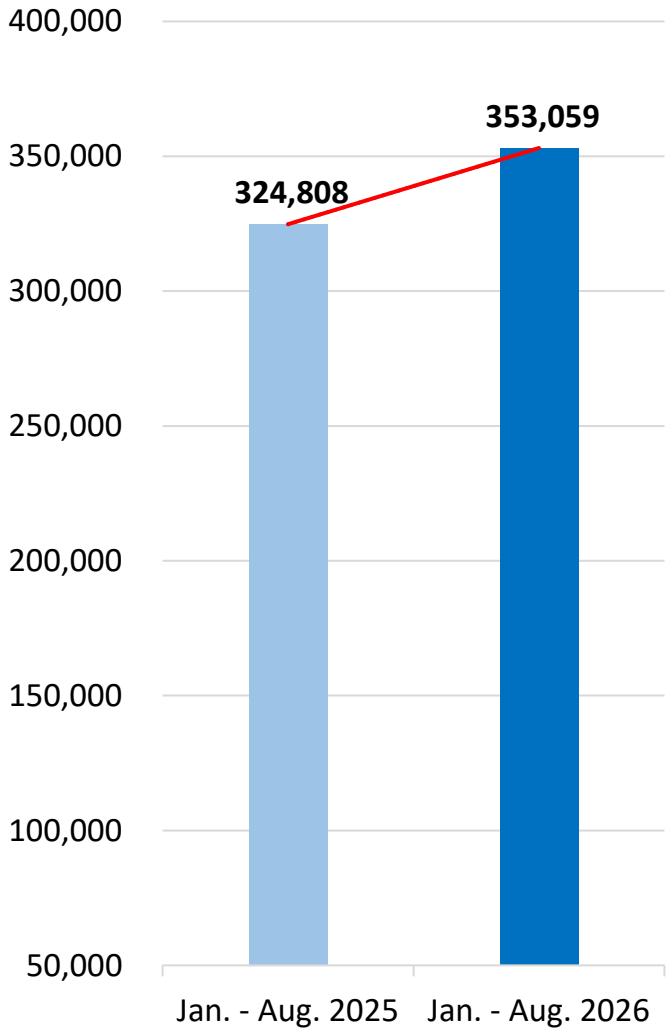
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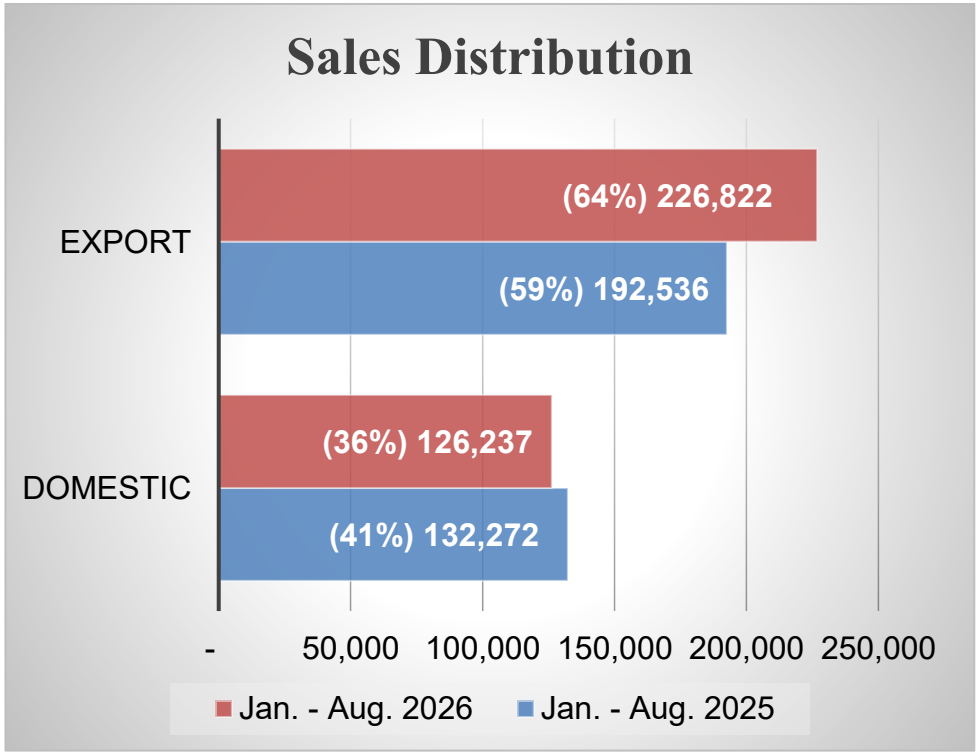

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# Jan.-Aug. Operating Revenue(2025 VS 2026)

YUNG ZIP

**In Thousands of New Taiwan Dollars**

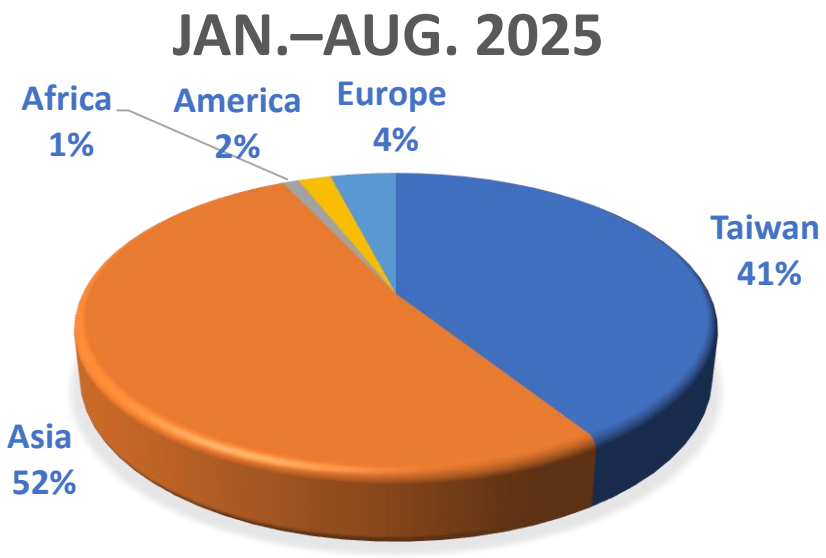


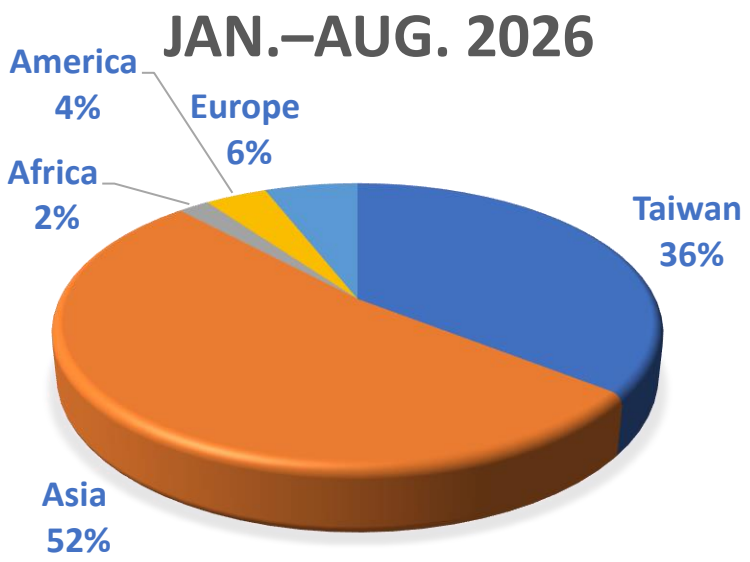



# Globe Market distribution

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**Period: Jan. – Aug. of 2025/2026**



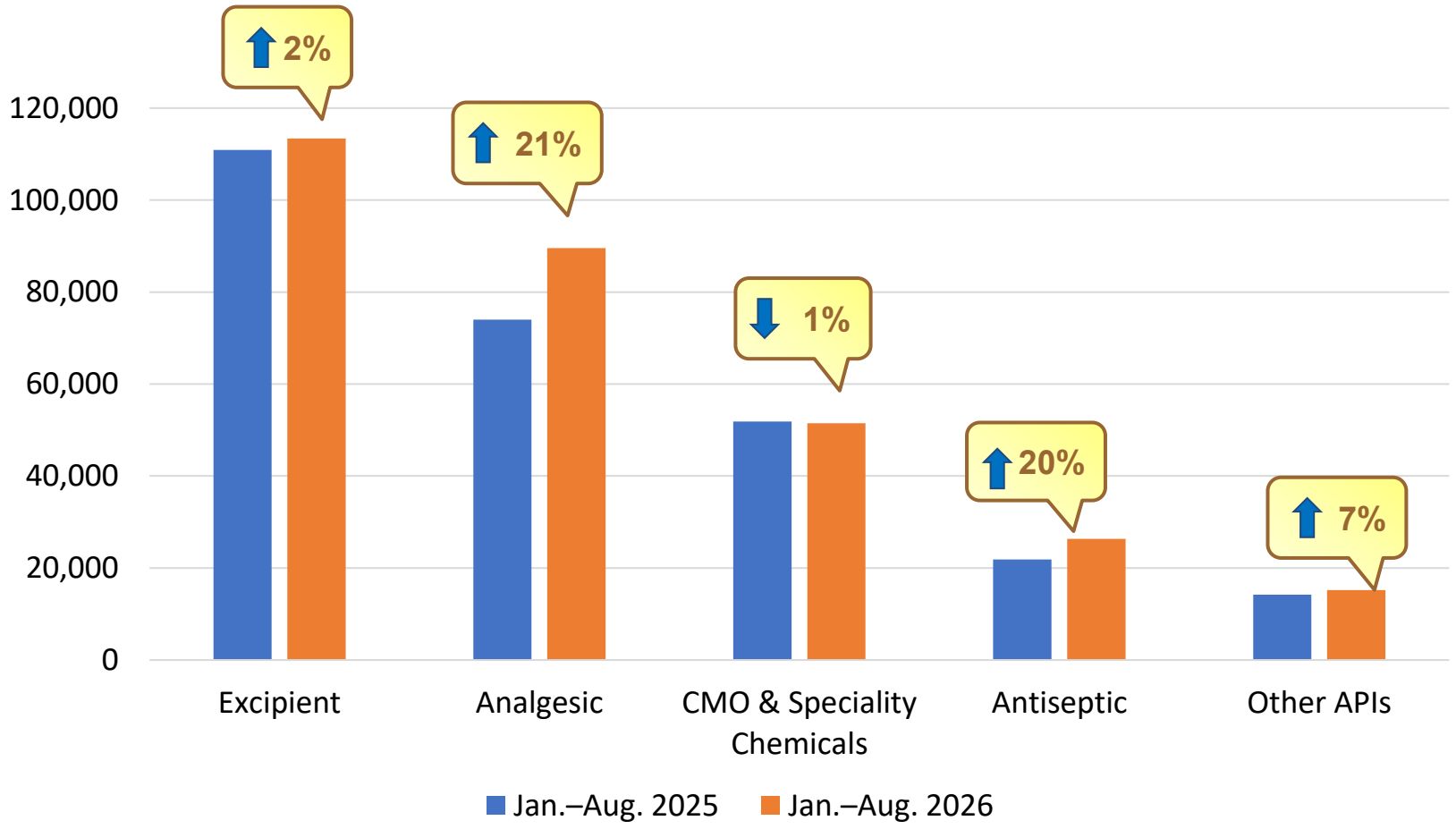




| | JAN.–AUG. 2025 | JAN.–AUG. 2026 | 差異 |
|---|---|---|---|
| Taiwan | 41% | 36% | -5% |
| Asia | 52% | 52% | 0% |
| Africa | 1% | 2% | 1% |
| America | 2% | 4% | 2% |
| Europe | 4% | 6% | 2% |

# Product Analysis

**Period: Jan. – Aug. of 2025/2026**

**(In Thousands of New Taiwan Dollars)**



# Industry Overview

## GLOBE

- In 2026, the global active pharmaceutical ingredient (API) market continues to grow steadily, with an estimated market size of USD 250–290 billion and a projected CAGR of 6% to 7% over the coming years. Growth is primarily driven by an aging global population, the rising prevalence of chronic diseases, and increasing demand for high-value therapies targeting cancer and rare diseases.
- U.S. efforts to localize pharmaceutical supply chains, coupled with global initiatives to diversify sourcing, are creating new opportunities for Taiwanese API manufacturers that maintain rigorous quality standards, advanced process technology, and reliable supply capabilities. Moving forward, the industry will focus on high-value and niche APIs, strengthen international regulatory compliance, and expand into overseas markets to enhance its global competitiveness.

## YUNG ZIP CHEMICAL

- **In 2026,** we completed process validation for two new products and submitted one drug registration application.
- **In 2027,** we plan to complete process validation for two additional products and submit two more drug registration applications.
- **We aim to enhance** our CDMO services and expand our global footprint by building an integrated pharmaceutical service platform spanning R&D to commercialization. We will continue to pursue new drug development projects and international partnerships, extending our capabilities from API R&D and manufacturing to formulation development and commercial production. By focusing on high-value, niche products and seamlessly integrating R&D, manufacturing, and commercial operations, we will solidify Yung Zip Chemical′ s position as a trusted, long-term partner for innovative biopharma and pharmaceutical companies, driving sustainable growth in our core business.

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# Research and Development Strategy

## Five Core Pillars Driving Innovation and Sustainable Growth

In response to the increasingly fierce competition and sustainability challenges in the pharmaceutical industry, we have formulated **five core R&D strategies** aimed at enhancing our **market competitiveness, industrial value, and long-term growth momentum** through **precise strategic planning and deep collaboration**.

### Enhancing Process Efficiency and ESG Design

- Improve process efficiency to **significantly reduce production costs** and **increase capacity**
- Strengthen **technical autonomy in key intermediates** to ensure a **stable and resilient supply chain**.
- Implement **ESG principles** to develop **circular economy processes**, achieving **low-carbon production** and **resource efficiency**.

### Deep Development of the API Market

- Focus on **high-value and orphan drug products** to **maximize production efficiency and product profitability**.
- Expand **product portfolios within the same therapeutic areas** to enhance **market penetration and diversification**.
- Anticipate **patent cliff trends** to **capture early opportunities and increase market share** in the generic drug segment.

### Clinical New Drug Development and Strategic Partnerships

- Establish **strategic alliances with formulation manufacturers** to jointly develop **generic drugs with strong market potential** as patents expire.
- Provide **CDMO services** to support **new drug companies** in **clinical process development and product registration**.
- Supply **GMP-compliant clinical trial materials**, positioning the company as a **preferred partner and trusted supplier**.

### Expansion of Professional Contract Manufacturing Services (CMO/CDMO)

- Actively expand **CMO/CDMO businesses** for **active pharmaceutical ingredients (APIs), intermediates, and specialty chemicals**.
- Establish **long-term and stable strategic partnerships** with **leading global pharmaceutical companies**.
- Continuously **expand production capacity and service scope** to meet **diverse client needs**.

### Innovation in Specialty Chemicals and Pharmaceutical Intermediate Markets

- Develop **new product lines** of **high-value-added specialty chemicals** and **advanced materials**, including **non-pharmaceutical and optoelectronic applications**.
- **Expand production scope** to achieve **diversified revenue growth**
- Strengthen **vertical integration of the supply chain** to secure **market supply stability** and **competitive advantage**.

### Strategic Goals and Vision

- Through the integration and synergy of the five core strategies, we will establish a **comprehensive high-value chain** spanning from **upstream R&D to downstream market operations**. This will not only **enhance our core technological autonomy and market share**, but also **create sustainable value and contribution for our shareholders and society**.

# Research and Development Project

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## API

| Progress | Product | Indication | Area | *Global market scale | | Notes |
|---|---|---|---|---|---|---|
| | | | | (USD) | (kg) | |
| Process Validation Completed | **SBT** | Heart failure treatment | US/CN | 10,440 M | 271,216 | National Drug Resilience Program |
| | **EDV** | Amyotrophic lateral sclerosis | US | 703 M | 1,229 | |
| | **MRG** | Overactive bladder | JP/US | 3,326 M | 59,637 | |
| | **ZPT** | Insomnia | JP/US | 592 M | 33,752 | |
| | **TOP** | Hyponatremia | JP/US | 708 M | 1,926 | |
| | **PLC** | Local anesthetic(injection) | JP/CN | 238 M | 15,915 | |
| Validation | **DAT** | Anemia treatment (CKD) | US/JP | 80.4 M | 200.3 | |
| Pilot-scale | **CPS** | Myocardial infarction | TW | 2,300 M | 1,107,340 | National Drug Resilience Program |
| | **SKL** | NSAID | CN/US/TW | - | | **CDMO** |
| R&D Phase | **CCS** | Excipient | EU | - | | **CDMO** |
| | **TCY** | NSAID | CN/US/TW | - | | **CDMO** |
| | **BEX** | Type 2 diabetes | US | 0.8M | 10.5 | |
| Make to Order | **VY01** | Hyperphosphatemia (CKD) | CN/US | - | | |
| Validation Completed | **VY05** | Hyperphosphatemia (CKD) | CN/US | - | | |

*Source: Cortellis™ Generics Intelligence Data

# Research and Development Project

YUNG ZIP

## Speciality Chemicals & Pharmaceutical Ingradients

| Progress | Product | Indication | Area | Quantity (KG/YEAR) |
|---|---|---|---|---|
| Process Development Completed (Make-to-order period) | **TX06** | Speciality chemical | TW/JP | 300 |
| | **TX08** | Speciality chemical | TW/JP | 3,600~4,800 |
| | **MP01** | Pharmaceutical ingradient | TW | CDMO |
| Process Development Completed (Sample verification stage) | **TX10** | Speciality chemical | TW/JP | 1200 |
| Process Development Period | **HBP** | Pharmaceutical ingradient | GLOBAL | 2,000 |
| | **AIP** | Pharmaceutical ingradient | GLOBAL | 2,000 |
| | **HBO** | Pharmaceutical ingradient | GLOBAL | 500 |
| | **CTA** | Resolving agent | GLOBAL | 2,600 |
| | **HPH** | Intermediate | GLOBAL | 650 |

# Thank you for your attention !

# Q & A