

Stock Code 1233

# Corporate Briefing for Ten Ren Tea Co., Ltd.

**Chen, Chung-Chih**

**Vice president, Finance and Administration Group**

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Natural, Healthy, Hospitable

# Topic Outline

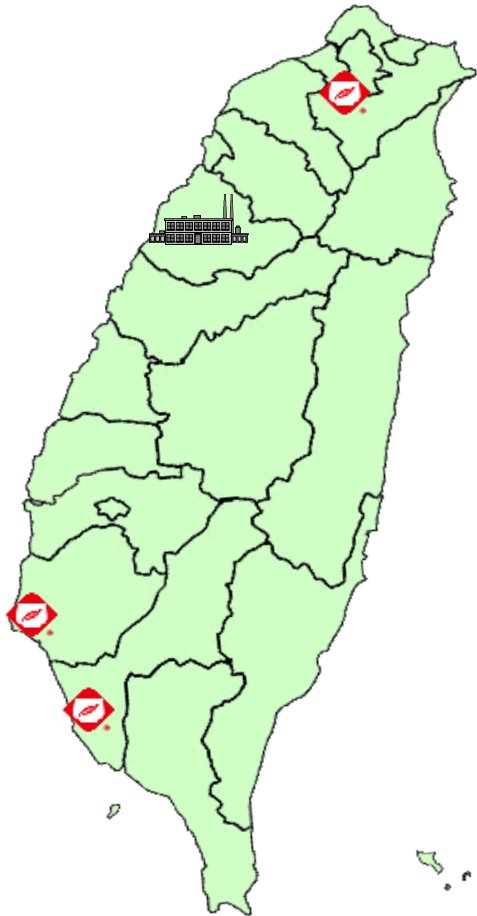
- ✔ **Group and Brand Development**
- ✔ **About Ten Ren**
- ✔ **2022Marketing Events**
- ✔ **Promotion of tea culture**
- ✔ **Financial status over the last five years**
- ✔ **Current profit and loss for the most recent year**
- ✔ **Happiness in tea imparts peace.**
- ✔ **Business Development Plan**



# Group and Brand Development



# About Ten Ren



Domestic directly-operated  
bases: 103

Ten Ren Tea stores: 47

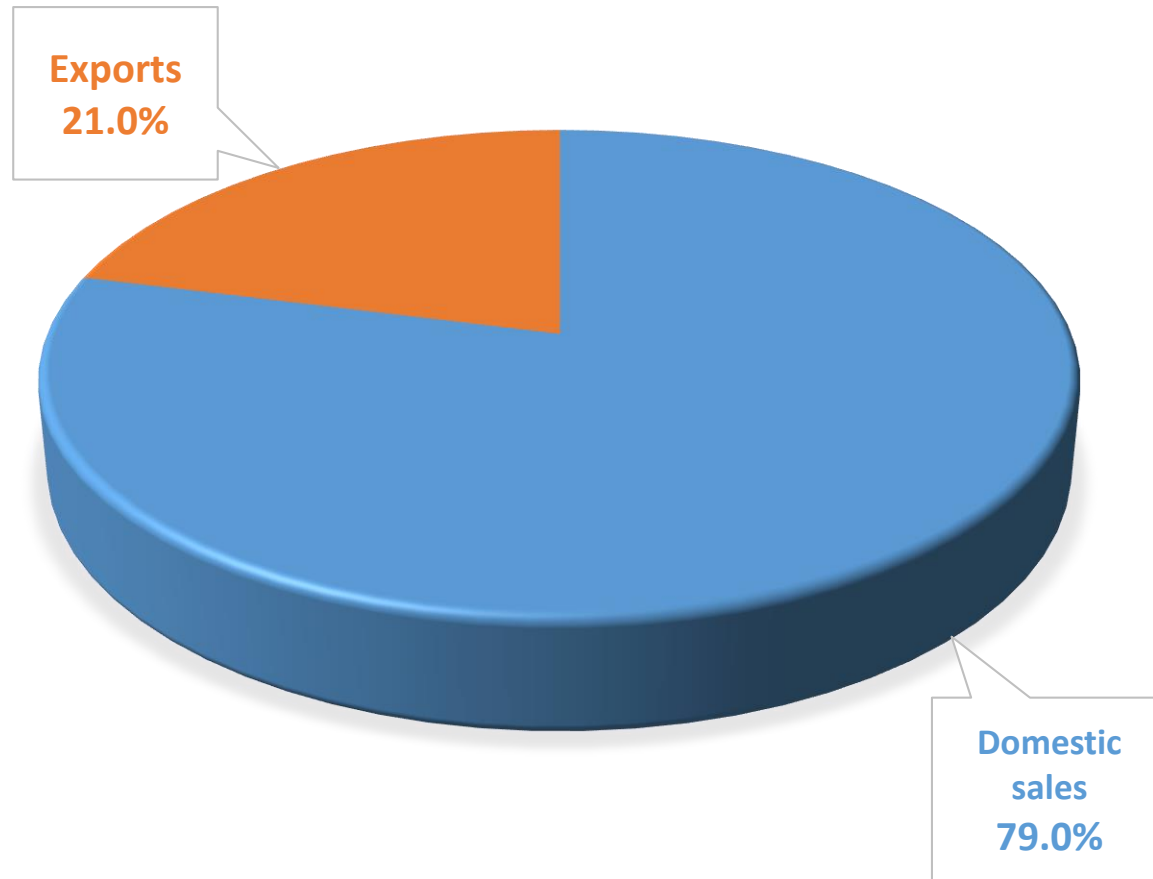
Department store booths: 37

Ten Ren CHA FOR TEA: 11

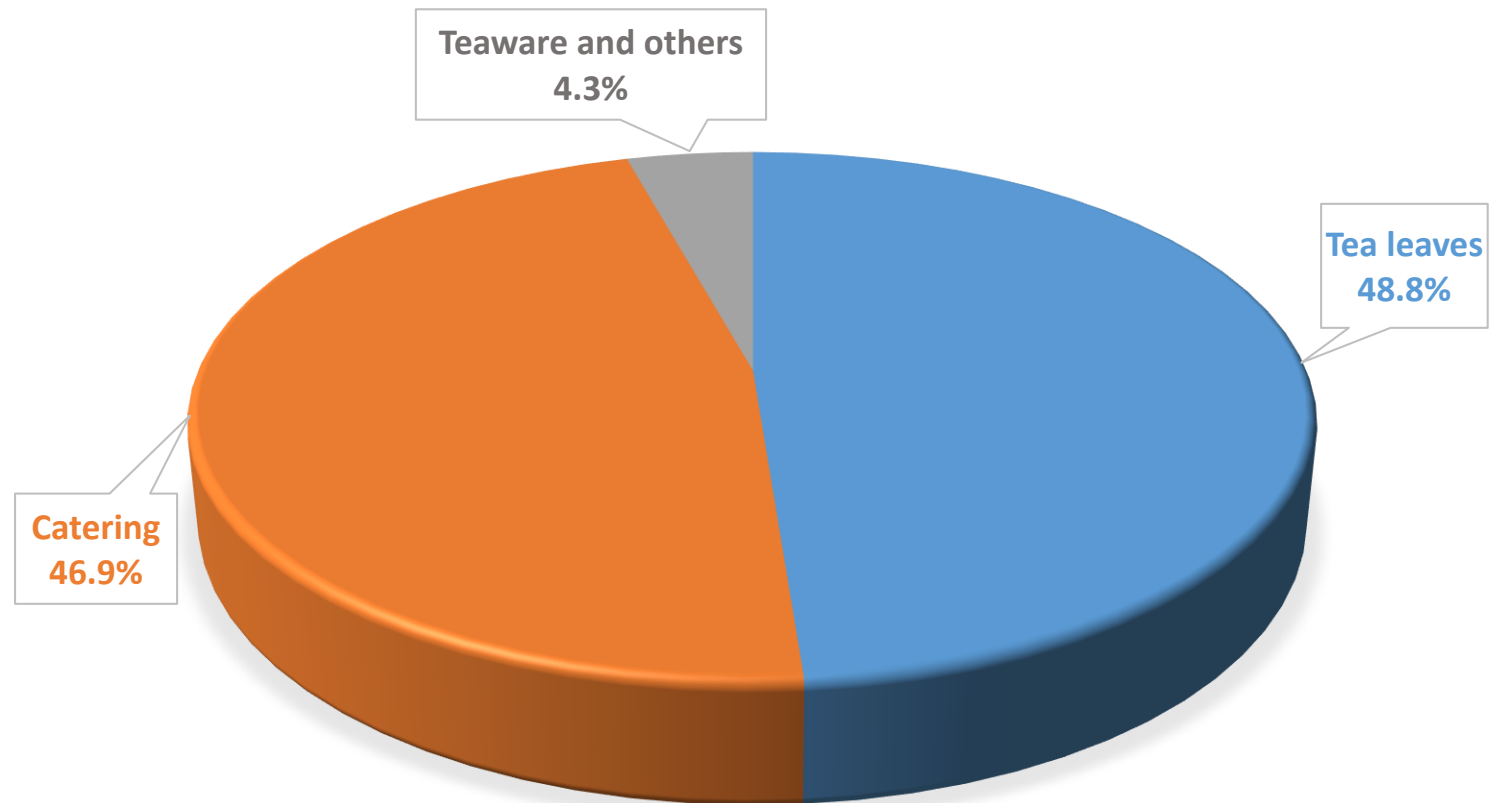
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# Analysis of domestic and foreign sales



# Product mix



# Actively expand chain systems internationally.

**The current state of franchise stores overseas.**

- ◆ **104 franchise stores overseas**  
Business locations have been established in many countries, including the United States, Canada, Hong Kong, Austria, Singapore, Japan, Malaysia, and Australia.
- ◆ **There are 1,329 Tenfu Tea stores in China.**

**Note: Tenfu Tea serves as the general distribution agent for Ten Ren's Tea series products in China.**



# 2022 Marketing Events



## APP Import

**In late July 2022, the APP was imported. The APP has been downloaded by nearly 170,000 members so far.**

**Currently, the APP is used successfully to carry out demassification and general marketing activities. In the future, the APP's various functions, such as a member-only subscription system and online takeout ordering, will be developed in stages.**

**The APP makes it easier for customers to buy and use products, while also strengthening the brand's grip on consumers and effectively increasing consumer loyalty and brand recognition.**





# 2022 Marketing Events (Continued)

## Diversified Product Development

Given the shift in lifestyle following the pandemic and the continued popularity of the price scissors, the Ten Ren season packet series allows consumers to enjoy the Ten Ren Cha FOR TEA classic meal at home.

The Pu'er half-tendon and half-meat beef noodles, Chicken Noodle Soup with American Ginseng, Chinese Wolfberry, and Red Jujube are among the first flavors to be released. To capitalize on the stay-at-home economy, flavors such as vegetarian braised minced pork, peeled chili pepper chicken, and others will be introduced in stages.

The development of a diverse range of products can broaden the brand's reach and consumer breadth, which contributes significantly to brand continuity and development.



# Promotion of Tea Culture



## Ten Ren Tea Culture Museum

**Tea Ren Tea Culture Museum opened in 2006. It is a concrete manifestation of promoting sustainable development, adhering to the spirit of "take from tea and use for tea." The general public can rest, learn, and gain experience through free visits, guided tours, and tea service.**

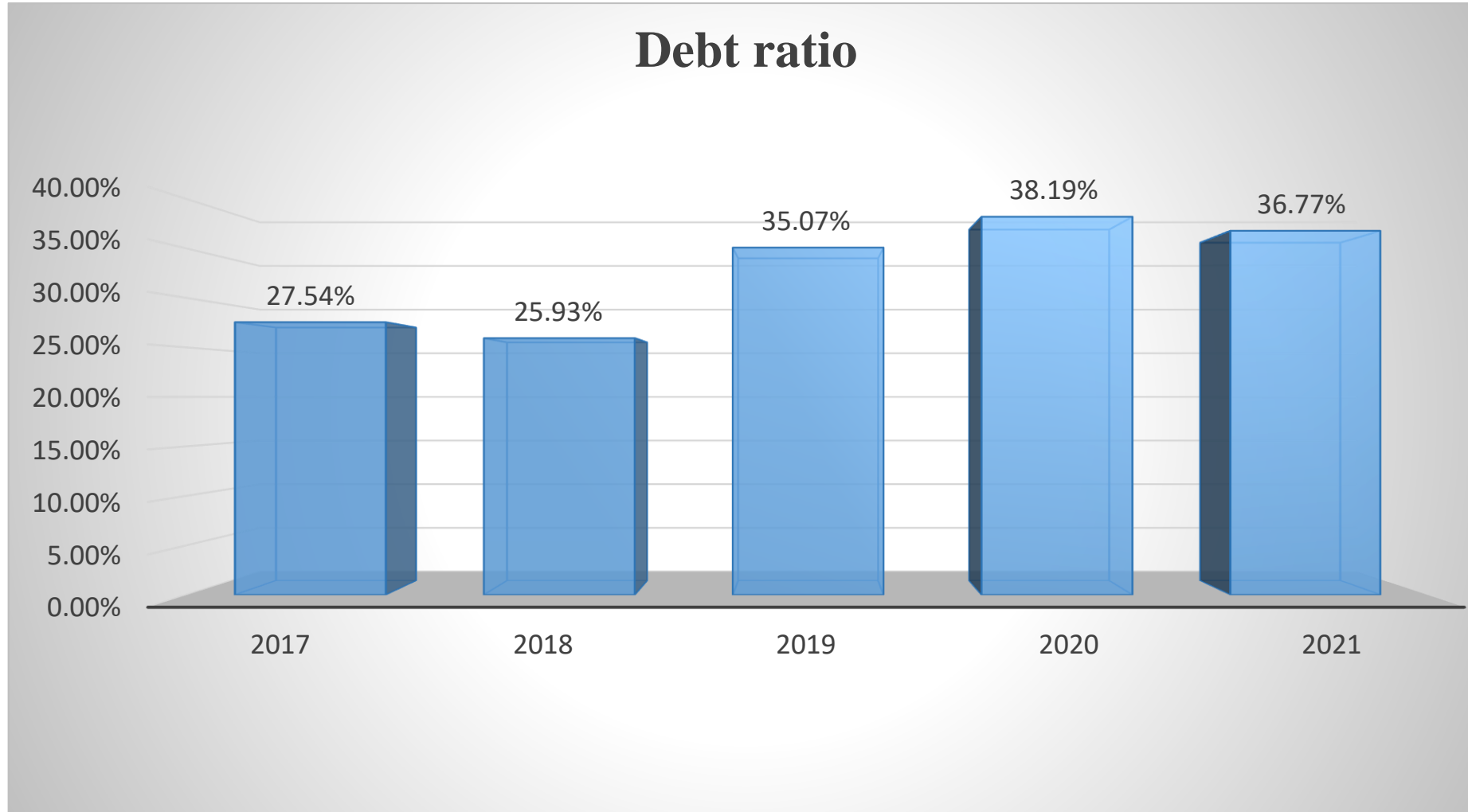
**To encourage the general public to visit for exchange and learning, the museum continues to launch new activities such as tea art, flower art, ceramic art, and forums. Exhibitions are also held to provide an excellent platform for Taiwanese ceramic artists to promote Taiwanese pottery and create business opportunities.**

**The company is actively involved in public welfare and care for the disadvantaged, provides necessary teaching and experiential services to remote schools, indigenous and new resident families, deviated students, disability associations, elderly and young groups, community universities, schools of all levels, and so on.**

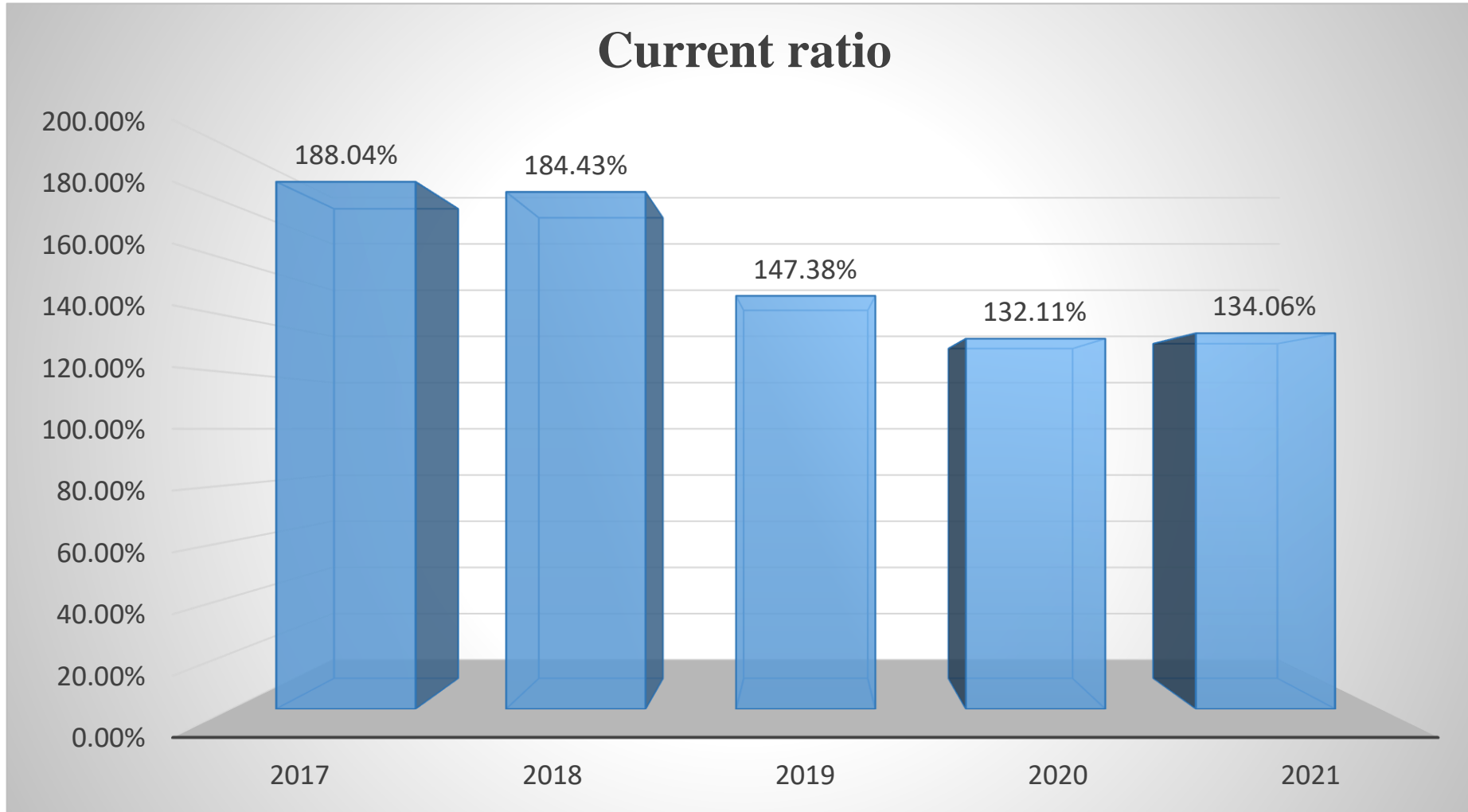
**During the pandemic period, online teaching and exhibition functions were expanded to continue the promotion of tea culture.**



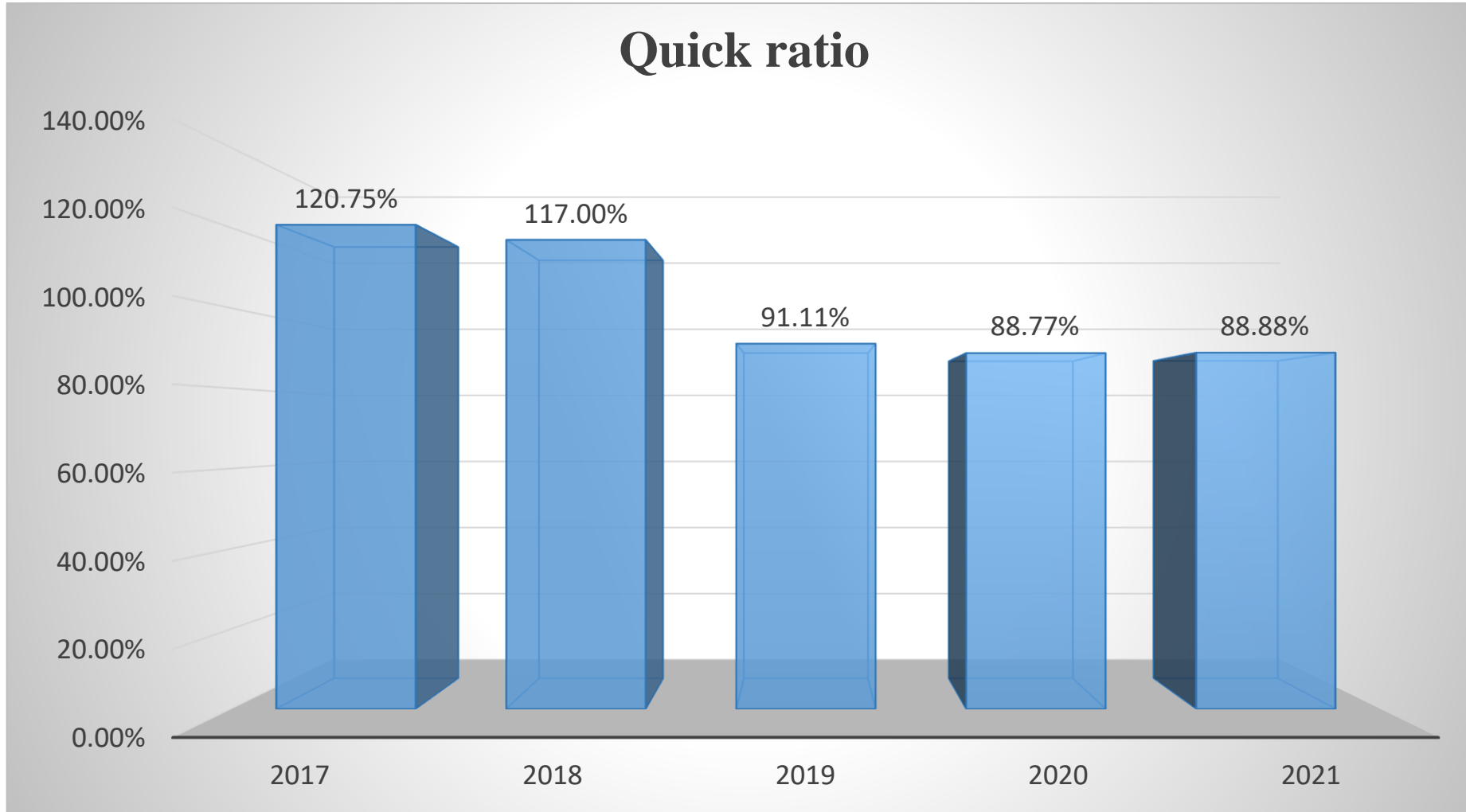
# Financial structure in the last five years-Debt ratio



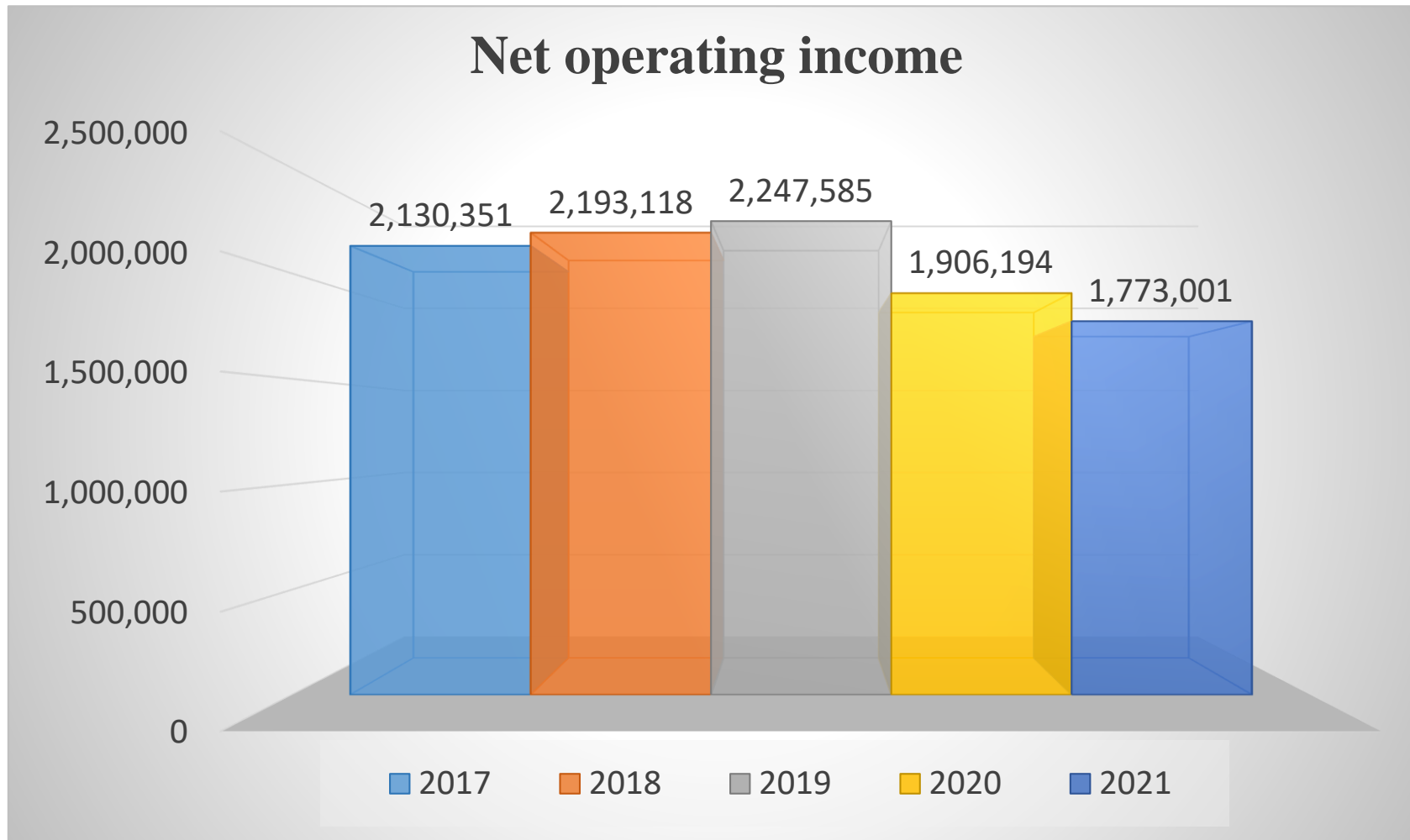
# Liquidity in the last five years- current ratio



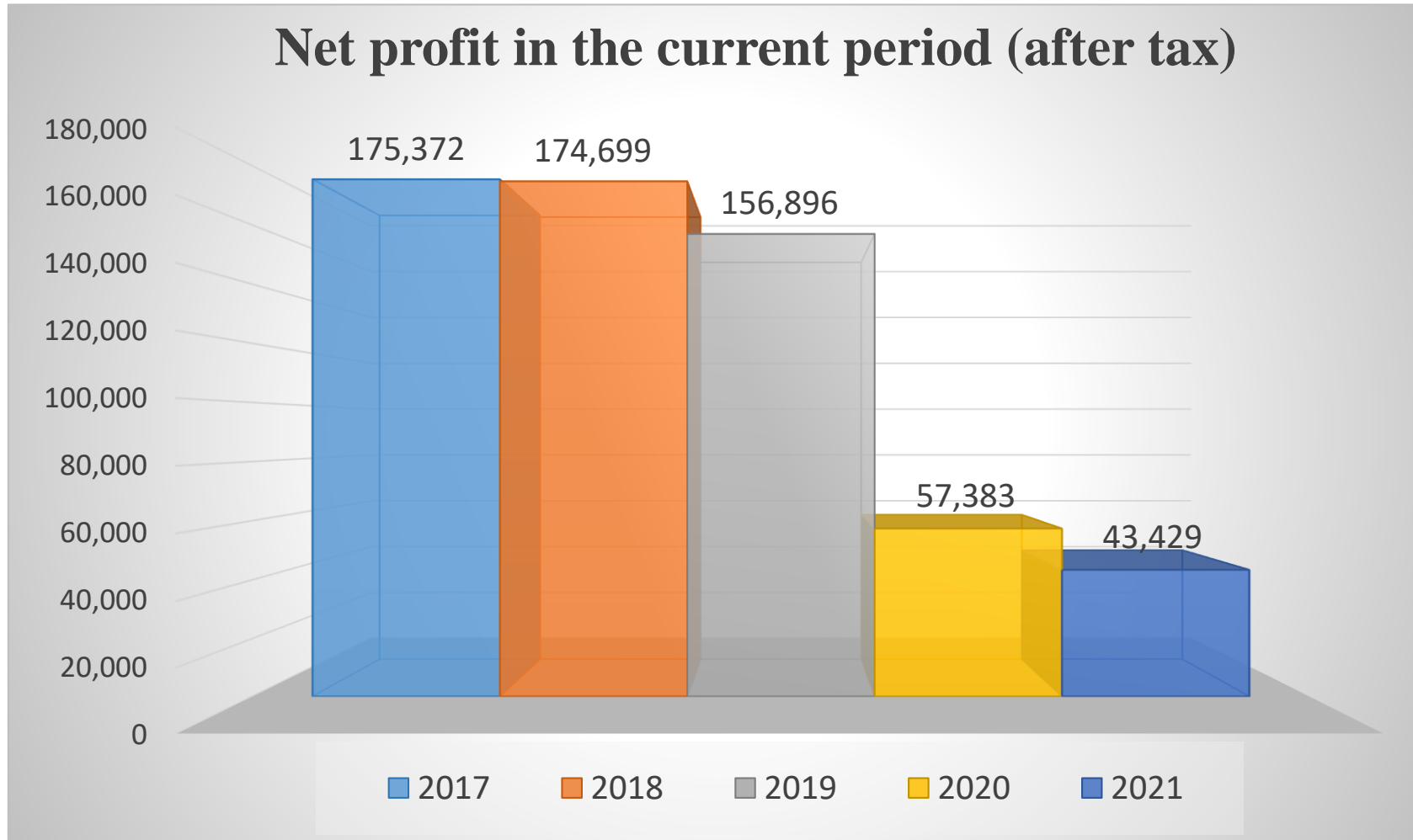
# Liquidity in the last five years- quick ratio



# Profitability in the last five years-net operating income



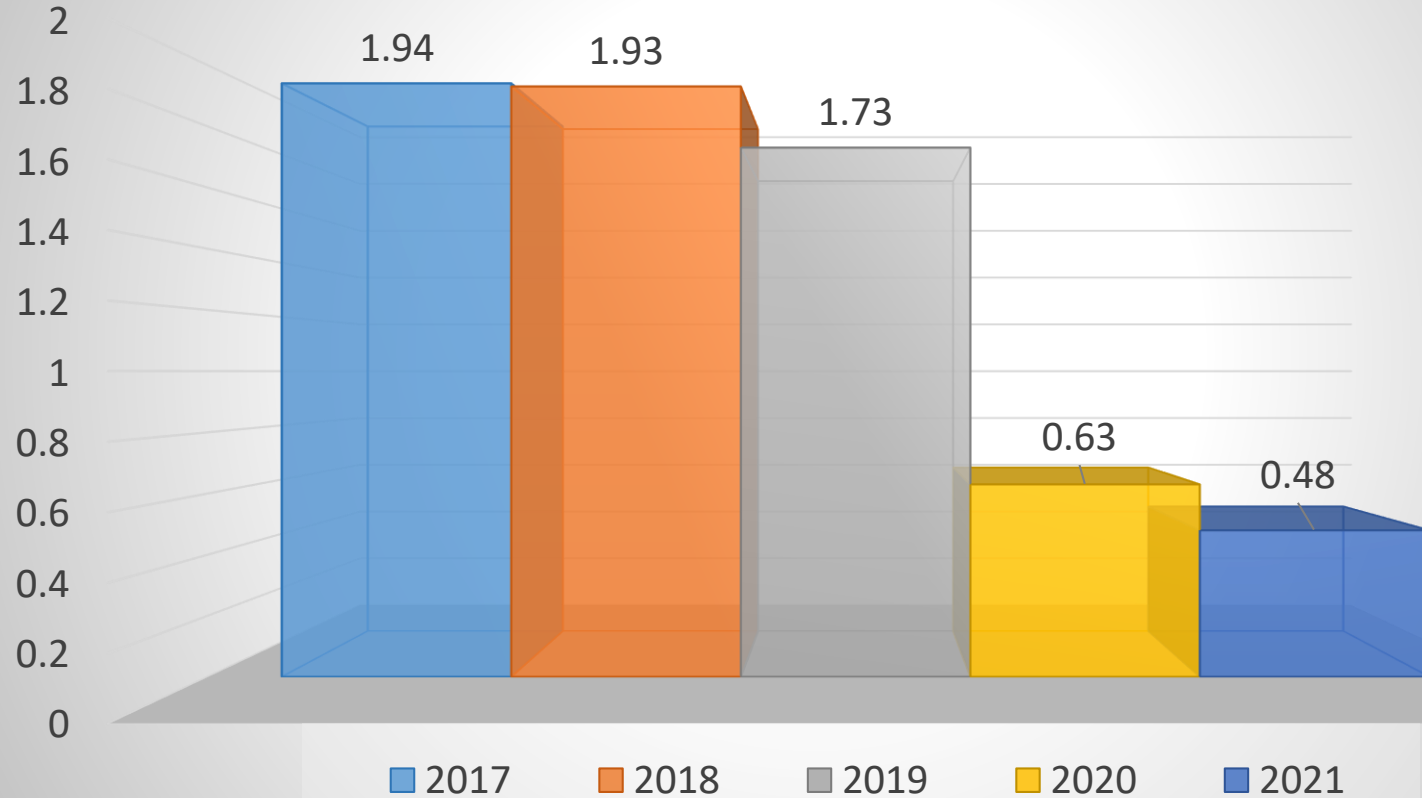
# Profitability in the last five years- net profit for the current period (after tax)



# Profitability in the last five years- earnings per share

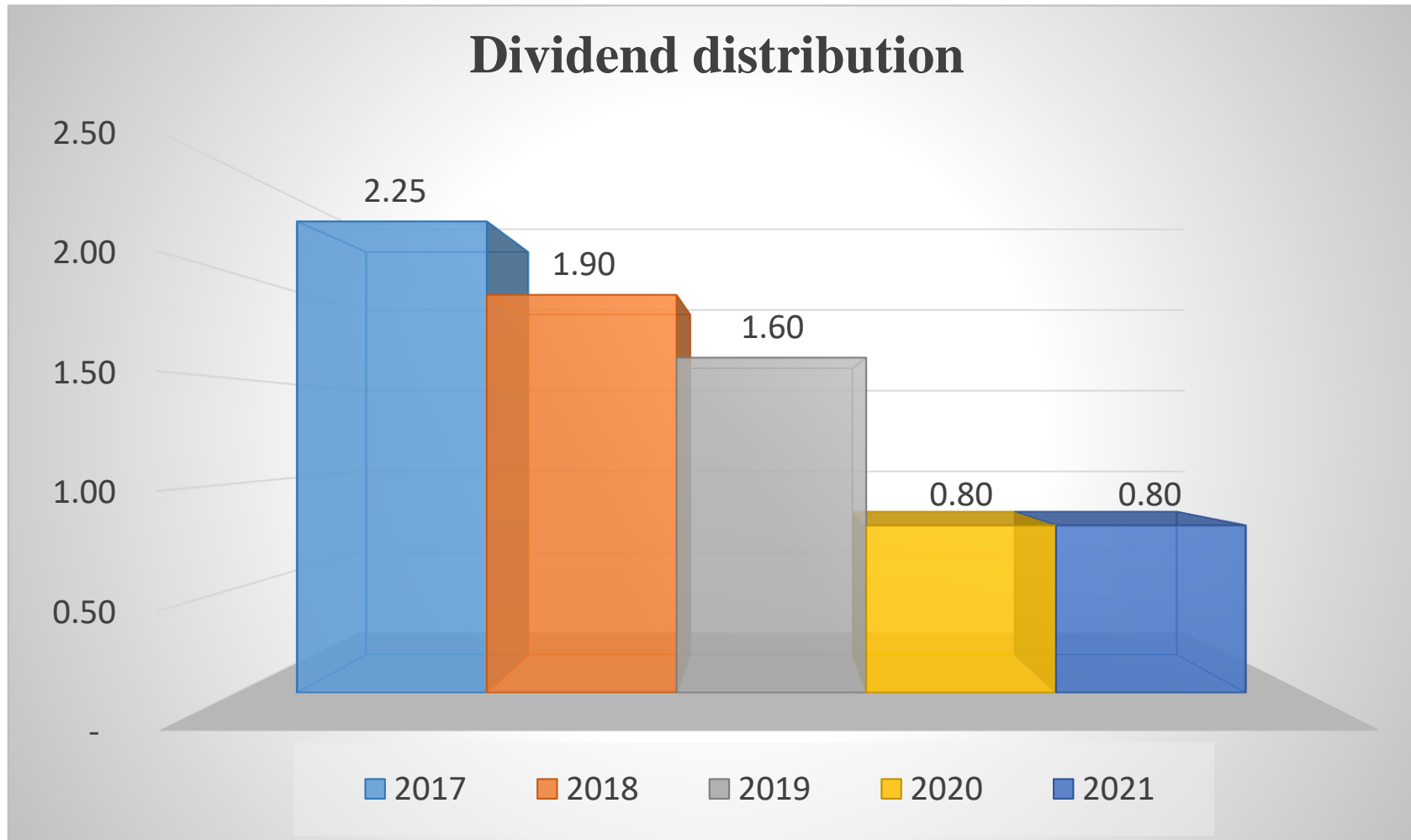


Earnings per share (EPS)





# Dividend distribution in the last five years



# Current profit and loss for the most recent year

New Taiwan Dollars-thousand dollars

Item	January - September Results	January - September Results	Growth rate%
	2022	2021	
Operating income	1,312,952	1,282,605	2.37
Gross Profit	729,213	709,247	2.82
Operating expenses	740,979	720,120	2.90
Operating Loss	(11,766)	(10,873)	8.21
Non-operating income and expenses	39,331	35,746	10.03
Profit before tax	27,565	24,873	10.82
Net profit for the period	28,094	21,111	33.08
Earnings per share(EPS) (NTD)	0.31	0.23	34.78



# Happiness in tea imparts peace

- ◆ In April 2015, our company established a food safety laboratory.

In 2017, TAF certification was obtained.

ISOS17025 was approved in 2020.

In 2021, addition and transfer certification applications were approved once more.

In 2022, the 3-year certificate extension certification was obtained.

- ◆ Meal ingredients, product self-inspection, and outsourced SGS inspection have been completed since the establishment of the food safety laboratory nearly six years ago. [The SGS safe information platform-Ten Ren tea area](#) was established to fully protect the company's food safety.

- ◆ In 2021, the V5.1 upgraded version of FSS22000 successfully passed an audit, and the HACCP also completed the periodic system follow-up that year.




# Happiness in tea imparts peace



Year	Laboratory self-inspection	Entrusted SGS laboratory testing			Total number of cases
	Meal raw materials, products	Raw material by batch	Random inspection of products	Meal raw materials, products	
2018	1,656	814	13	183	2,666
2019	1,553	777	10	201	2,541
2020	1,547	590	10	221	2,368
2021	1,560	696	9	218	2,483
As of Q3, 2022.	1,262	554	5	221	2,042
<b>Total (beginning 2015)</b>	<b>11,881</b>	<b>6,612</b>	<b>93</b>	<b>1,577</b>	<b>20,163</b>



# Business Development Plan

- 
- ◆ **With the easing of the pandemic and the opening of borders in the post-pandemic era, the base period effect is expected to heat up domestic private consumption, but rising costs and economic recession caused by inflation and the Russian-Ukrainian war must be faced. To achieve cost control and open up a new business layout, it is necessary to increase operating efficiency and digital investment.**
  - ◆ **Sustainable development and related issues will be strengthened, and more resources will be allocated to energy conservation and carbon reduction projects. While boosting economic prosperity and protecting the environment, social responsibility and business strategies will be thoroughly integrated.**
  - ◆ **The food safety laboratory's capabilities will be expanded further to increase TAF certification items. To strengthen food safety systems, the origin traceability label will also be implemented.**



# Business Development Plan (Continued)

- ◆ Various digital transformations have yielded preliminary results. Ten Ren App online will improve customer experience and generate genuine interactions with customers, allowing them to gain an in-depth understanding of Ten Ren and feel the brand's warmth. The various digital transformation services will continue to push forward to strengthen the business edge.
- ◆ When combined with various local and seasonal ingredients, tea leaves will be used to create natural, wholesome tea beverages, tea brunches, and meals that will improve and support local agriculture.





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Ten Ren's Tea



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CHAFFEE

# Thank you for your time.

**Vice President Chen Chung-Chih**

[ericchen@Ten Ren.com.tw](mailto:ericchen@Ten Ren.com.tw)

[SGS Safe Information Platform-Ten Ren Tea Area](#)