



Taisun Enterprise

2020 Investor Relations Update

November 17th 2020

Disclaimer

- The consolidation financial information included in this presentation were prepared based on IFRS and audited by a CPA.
- Taisun Enterprise Co.,Ltd does not provide financial forecasts. Our actual results of operations, financial conditions or business prospects may differ from those expressed or implied in these forward looking statements for a variety of reasons, including but not limited to market demands, price fluctuations, supply chain issues and other risks and factors beyond our control.
- This presentation may not be quoted or reproduced by 3rd parties unless authorized through written permission by Taisun Enterprise Co., Ltd.

■ **2020 Operating Result**

■ **Taisun Profile**

■ **Performance Review**

■ **Financials**

2020 Highlights

- 2020 EPS 1.75 - historical high
- Proposed cash dividend per share NT\$1.4 - historical high
- ROE climbed to over 12%
- Operating profit surged 98%
- Entrance into sugarless products, emerging trend for an increasingly health conscience population
- Cheers brand carbonated water continues to flourish and lead the market with innovation

YTD2020 Operating result

(NT\$ 1000)

	2020		2019		YoY Difference	
	Amount	%	Amount	%	Amount	%
Sales	8,356,125		8,000,584		355,541	4%
Cost	6,715,645	80.4%	6,545,893	81.8%	169,752	3%
Gross profit	1,640,499	19.6%	1,455,470	18.2%	185,029	13%
Operating expense	1,323,957	15.8%	1,295,263	16.2%	28,694	2%
Operating profit	316,542	3.8%	160,207	2.0%	156,335	98%
Non-operating prof	589,508	7.1%	461,429	5.8%	128,079	28%
Pretax income(loss)	906,050	10.8%	621,636	7.8%	284,414	46%
Tax	54,509	0.7%	39,435	0.5%	15,074	38%
Net income(loss)	851,541	10.2%	582,201	7.3%	269,340	46%
EPS	1.75		1.20		0.55	46%

■ Taisun Profile

“70 years of experience and hard work, ready to soar “

- Core Business: Food & Beverage
- Total Asset : NT\$ 9.32 billion
- Amount of Capital : NT\$ 4.9 billion
- Ticker : 1218
- FY2020 Revenue : NT\$ 8.4 billion
- Leadership : Chairman Peter Chan,
General Manager Fred Chan

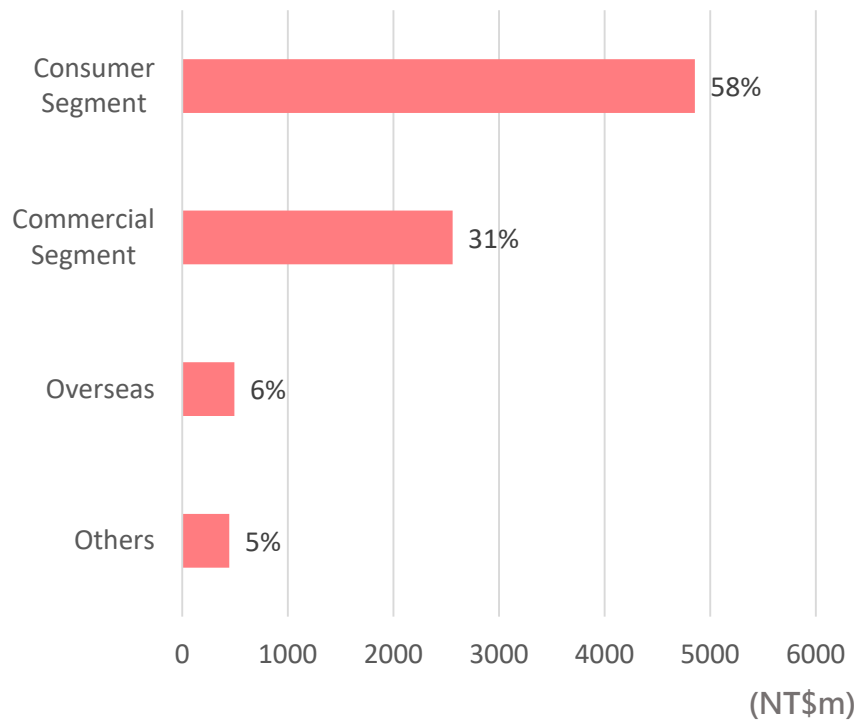
Key Products

- Canned Desserts
- Bottled Water
- Beverages
- Cooking Oil

Taisun is a Hidden Gem

- A well-known brand: 70 years of history, beloved products for all ages
- Strong competencies for F&B manufacturing: mass production experience, product development know-how, patent & formula

**Revenue breakdown
FY 2020**



Ubiquitous presence, myriad channels

- Over 25, 000 retailers, hyper/super market places, wholesalers, chain stores, and restaurants in TW are selling Taisun products



Unite : shop/store

Consumer Segment

- Household cooking oil, beverage, bottled water, canned desert

Market share

- Canned Desert #1
- Ice Fruit Tea #1
- Sparkling Water #1
- Cooking Oil #2
- Bottled Water #2



Commercial Segment

- Restaurant cooking oil , soybean powder



好福由
泰山黃金優選大豆沙拉油



業務用小包裝
泰山黃金優選大豆沙拉油
(3L小包裝)



食品級黃豆
食品級特選黃豆



食品級黃豆
食品級特選黃豆



好福由
泰山炸的油 (18公升特選配
方)



好福由
泰山純葵花油



好福由
泰山芥花油



油炸專用油
泰山全酥耐炸油18L



散裝油
散裝黃豆油



業務用小包裝
泰山100%大豆沙拉油 (小
包裝)



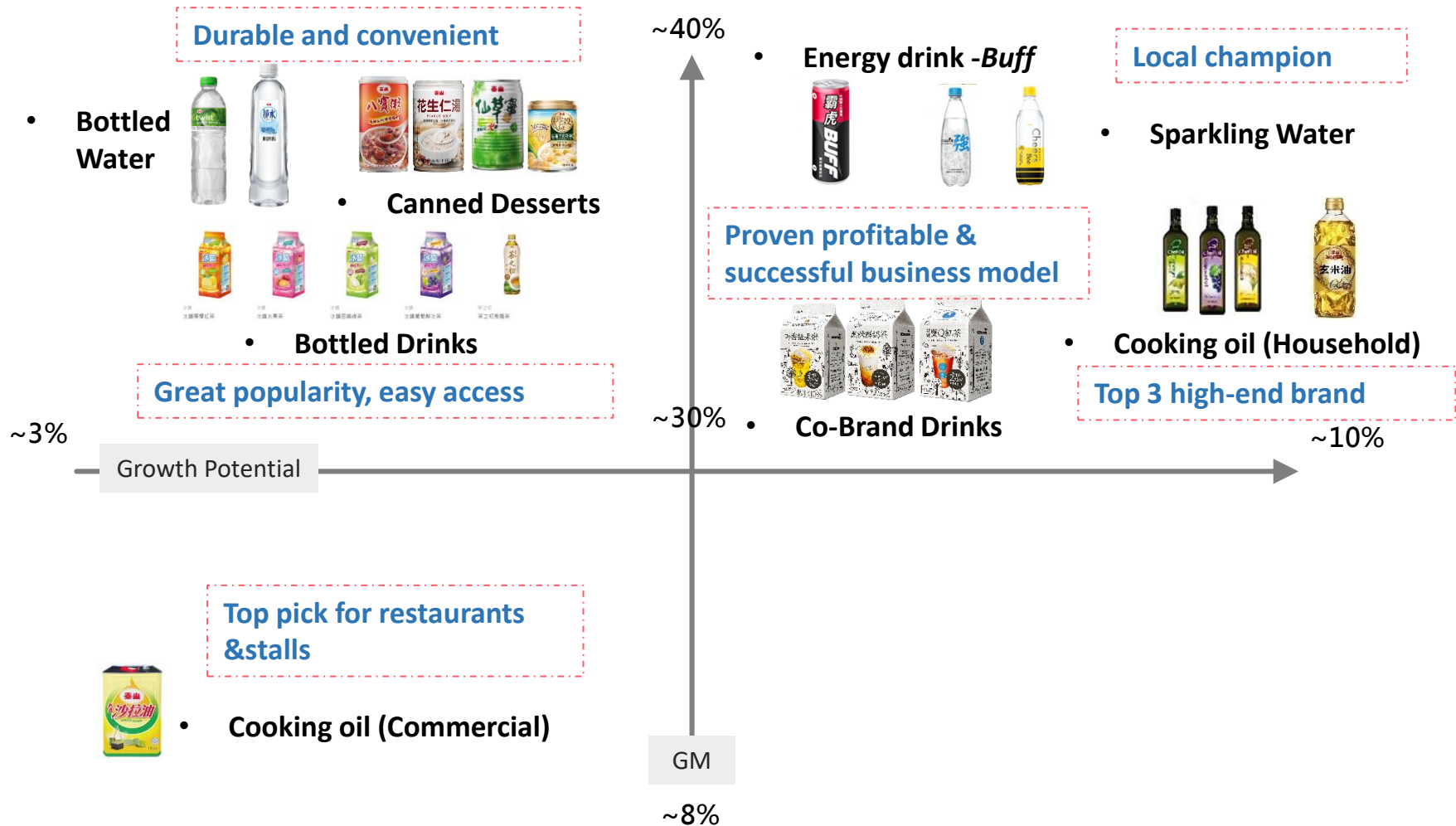
沙拉油
泰山大豆沙拉油18KG



沙拉油
泰山大豆沙拉油18L

- Commercial cooking oil has a high market share
- Stable single-digit sales growth every year

Diversified product portfolio, fulfilling various market demands

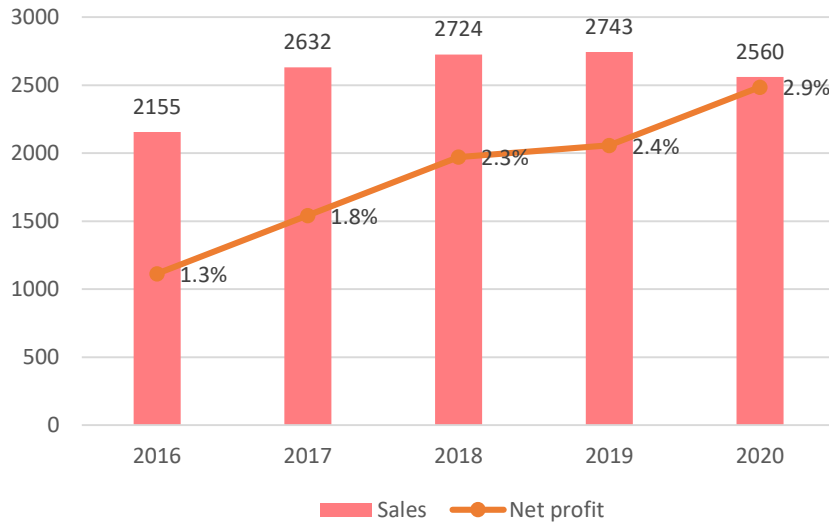


■ Performance Review

Domestic sales post stable growth and GM continue to expand thanks to improving operating execution and better product mix

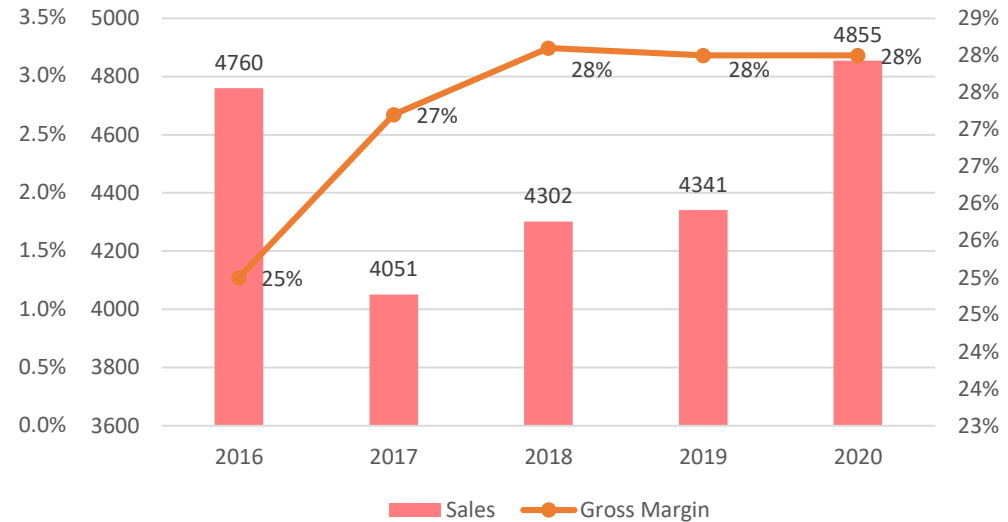
Commercial Segment

Sales (NT\$m)



Consumer Segment

Sales (NT\$m)



- For 2016-2020, GM expansion was driven by stable commodity prices, prudent procurement strategy, and improving efficiency
- Close partnerships with our suppliers and customers should help sustain steady growth

- For 2016-2020, our consumer segment posted meaningful GM expansion, mainly driven by stable input costs, judicious pricing strategies, and better product mix
- Going forward, we remain upbeat on our outlook as we continue to strive to improve product mix and further enhance our cost structure

Product innovation and development leading the growth



Cha Street – Beverage “Fast Fashion”

- In 2020 partnered with hip beverage brands DONTYELLATME and TUREDAN



Cheers Sparkling Water

- Top sparkling water brand. Growing through continued innovation including launching seasonal lemon flavor and partnering with 7-11 to introduce coffee with sparkling water



深耕全聯通路

BUFF Energy Drink

- Close partnership with PxMart has lead to 60% sales growth at the stores. Working with Acer to introduce energy enhancement drinks next year



米其林唯一指定

ChefOil – Michelin’s choice

- ChefOil brand launched in 2017 has grown double digit each year successfully targeting the high-end consumer oil market and has been the official oil of the Michelin Guide banquet for three years running

Product innovation and development leading the growth



泰山玄米油

Taisun Rice Bran Oil – Best Known Brand

- Taisun Rice Bran Oil brand is the industry's most recognized brand with the second highest market share



Grass Jelly, New Promotions to a Traditional Snack

- Introduced limited editions of this traditional snack which led to highest growth in four years

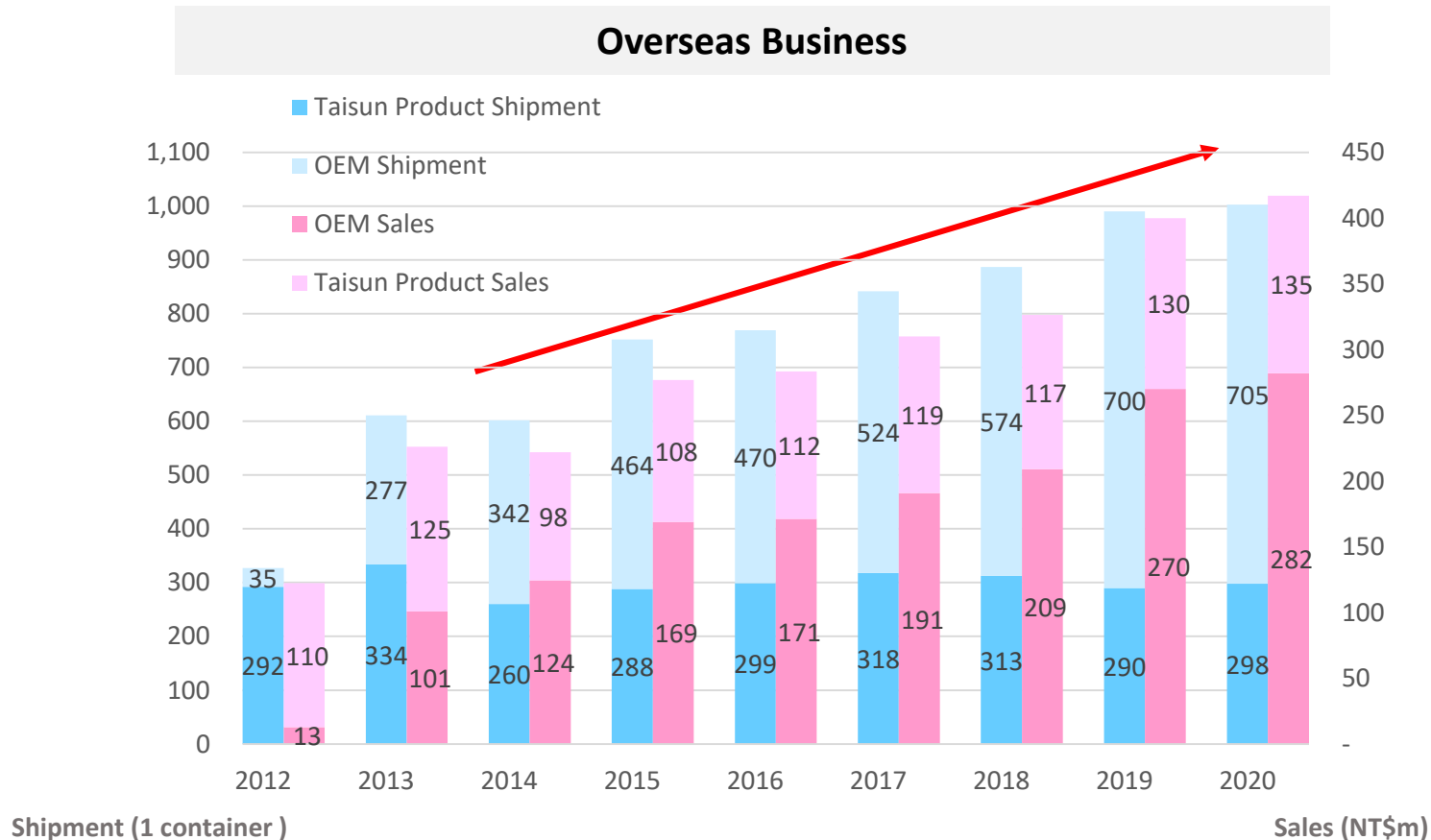


Congee – New Focus on Healthy and Sugar-free Ingredients

- Introduced in May the first sugar free congee with natural ingredients that has been well received and recognized by the Anti-Additive Association with its highest 3-star award

Overseas business continues to grow at a healthy pace

- OEM business maintains a double digit growth rate
- We expect new clients in untapped markets to be the key revenue driver going forward



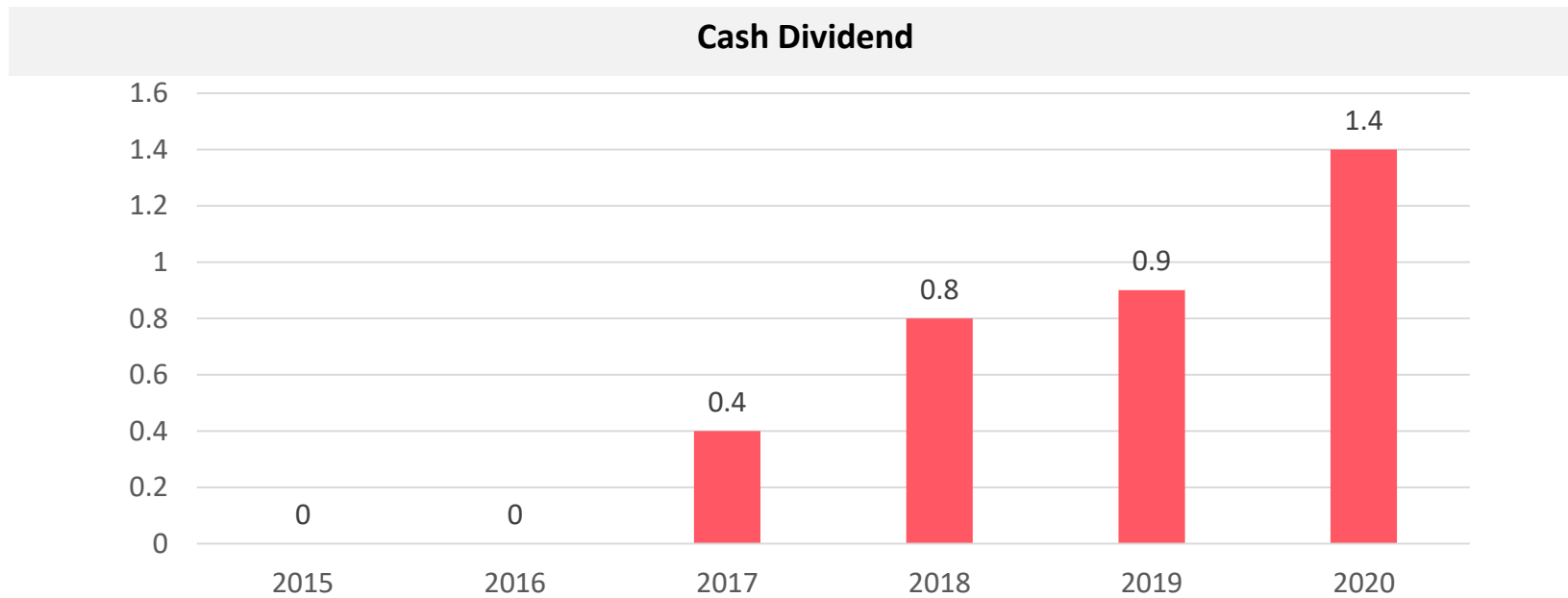
Invested companies: TW FamilyMart brings in uptrending cash flow

- Taisun holds 22.47% of TW FamilyMart receiving consistent annual cash dividends
- TW FamilyMart continues to grow handsomely but Taisun's core operations have been growing even faster and thus reducing TW FamilyMart's percentage contribution to the bottom line

(NT\$m)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Investment income	266	262	279	287	347	411	478
Net income	70	124	121	317	464	582	852
Investment income (%)	<u>380%</u>	<u>211%</u>	<u>213%</u>	<u>91%</u>	<u>75%</u>	<u>71%</u>	<u>56%</u>

A more favorable dividend policy for shareholders

- We paid a cash dividend of NT\$1.4 (81% payout ratio) on FY2020's earnings
- We are strongly committed to paying a dividend that is aligned with the company's earnings growth



(NT\$dollar)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY2020
EPS	0.2	0.36	0.93	0.98	1.20	1.75
Cash dividend per share	<u>0</u>	<u>0</u>	<u>0.4</u>	<u>0.8</u>	<u>0.9</u>	<u>1.4</u> (proposed)

■ Financials

- Continued EPS expansion
- Stable investment income
- Strong balance sheet

Income statement

- Over the past 3 years, we have been able grow earnings and expand ROE and ROA through improvement in operations, better product mix and cost controls

(NT\$ 100mn)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Sales	80.18	81.11	76.82	79.02	80	83.56
Gross profit	13.08	14.27	13.31	14.33	14.55	16.40
Operating expense	14.1	12.76	13.68	13.42	12.95	13.24
Operating profit	-1.03	1.5	-0.36	0.9	1.6	3.17
Non-operating profit	2.07	-0.02	3.81	4.01	4.61	5.90
Pretax income	1.04	1.48	3.44	4.91	6.22	9.06
Net income	1.24	1.21	3.17	4.64	5.82	8.52
EPS(NT\$)	<u>0.2</u>	<u>0.36</u>	<u>0.93</u>	<u>0.98</u>	<u>1.2</u>	<u>1.75</u>
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
ROE(%)	3.65	3.53	8.69	9.09	8.95	12.5
ROA(%)	2.7	2.15	4.77	5.71	6.45	9.22

Balance sheet

(NT\$ 100mn)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Cash & equivalents	7.26	8.08	4.66	12.8	11.47	7.72
Accounts receivable	9.92	11.27	10.48	10.57	10.80	11.68
Inventories	7.97	6.46	6.27	6.13	6.80	5.72
Current assets	28.74	31.34	27.98	33.12	35.62	32.19
LT investments	19.58	20.28	21.43	30.75	32.11	33.69
Property	6.37	6.32	6.21	6.2	6.18	6.17
Property, plant & equipment	19.79	18.68	17.88	16.81	17.14	17.98
Total assets	77.59	78.83	74.82	88.07	92.29	92.40
Current liabilities	17.06	24.16	18.36	20.17	16.98	13.75
LT debt	21.47	16.62	15.52	1.12	6.88	6.00
Total liabilities	43.5	44.07	36.6	24.04	26.24	22.09
Shareholders equity	35.33	35.33	35.58	50	50	50
Total equity	34.09	34.76	38.22	64.03	66.05	70.32
<u>BVPS(NT\$)</u>	<u>10.02</u>	<u>10.22</u>	<u>11.19</u>	<u>13.15</u>	<u>13.57</u>	<u>14.45</u>



New Era, New Way

Investor Relations ; IR@taisun.com.tw