Taisun Enterprise

1218 TT

Presentation from Management



EGM Date: May 31st

Email: fredchan@taisun.com.tw

Taisun Enterprise

Executive Summary

Focusing on core business is key to future gains

We have started to make gains after focusing on expanding on our business for the long term viability of Taisun. The company needs a stable board and professional management to continue to leverage current strategy and execute our long term plans.

Management supported board will add value

Management supported board of director candidates will add valuable expertise, additional independence and diversity in knowledge, age, and gender.

Dissident shareholder's objectives are unclear

There are numerous concerns over the quality and composition of the dissident shareholder and its nominee list as well as unanswered questions surrounding Long Bong's interest in Taisun.

Support us to secure Taisun's future

We are asking for your support in voting for Management nominated candidates in order to help secure a majority board and ensure that the company is not at risk of falling into the hands of private interests.

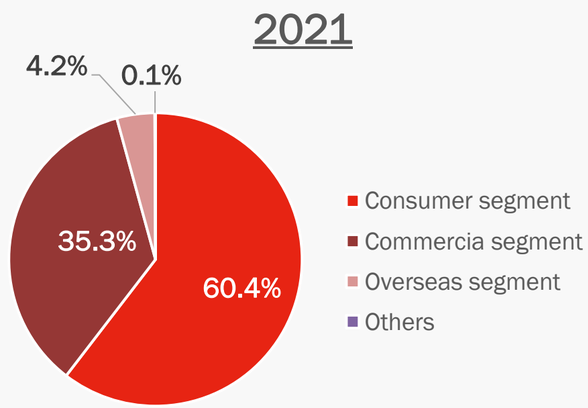
Taisun Enterprise

Taisun at a Glance

Taisun has been a well-known and trusted consumer brand in Taiwan with over 70 years of history.

Taisun

- **Year Established:** 1950
- **Year Listed:** 1989
- **Ticker:** 1218 (TT/TW)
- **Core Business:** Food & Beverage
- **Total Asset:** NT$ 10.23 billion
- **Paid-in Capital :** NT$ 5.0 billion
- **FY2021 Revenue:** NT$ 9.94 billion
- **Number of employees:** 654



Consumer Segment

Household cooking oil, beverages, bottled water, canned dessert

Market share

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



Commercial Segment

Restaurant cooking oil, soybean powder

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



泰山 Taisun Enterprise

Taisun at a Glance

Our products are sold through diverse distribution channels, with over 25,000 retailors, hyper/supermarket places, wholesalers, chain stores, and restaurants in Taiwan.

Hyper / Supermarkets	**+2,500**	COSTCO WHOLESALE; Carrefour 家樂福; 全聯福利中心; 美廉社 Simple Mart
Convenient Chain Stores	**+12,000**	7-ELEVEN; FamilyMart; Hi-Life 萊爾富; OK
Traditional Shops / Chain	**+10,000**	
Health & Beauty Care Chain	**+2,700**	watsons 屈臣氏
Others		
Vending Machines		
Online Shops/E-commerce		momo; PChome ONLINE

Taisun Enterprise

Diversified Product Portfolio to Meet Market Demands

~40%

~30%

~8%

~3%

Growth Potential

~10%

GM

Durable and convenient



Bottled Water



Canned Desserts

Local champion



Energy drink



Sparkling Water

Great popularity, easy access



Bottled Drinks

Proven profitable & successful business model



Co-Brand Drinks

Top 3 high-end brand



Cooking oil (Household)



Top pick for restaurants & stalls

- Cooking oil (Commercial)

Taisun’s Positive Turnaround

The current management team has proven its strong execution to transform the company, in terms of financial and stock price performance.

In the future, the management team will continue to focus on developing the company’s core business to create more value for shareholders.

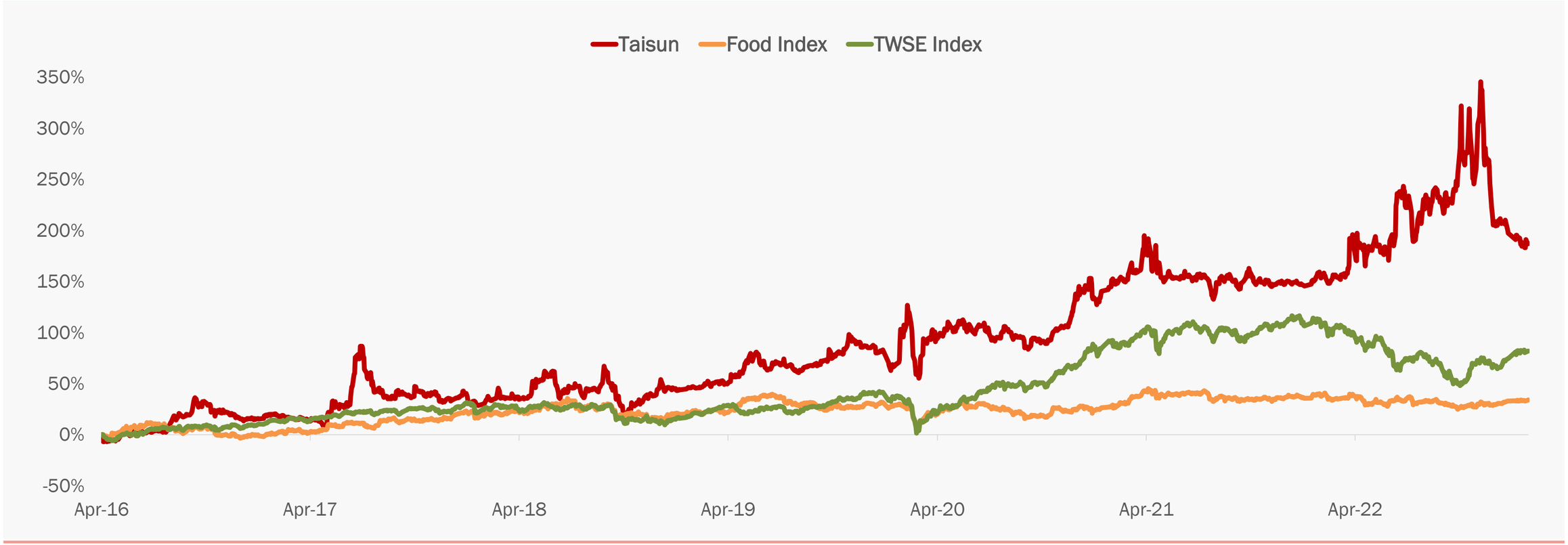


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Strong Record of Share Price Performance

Taisun's share price has outperformed TWSE and food index since the current management team took charge.

Share Price Performance

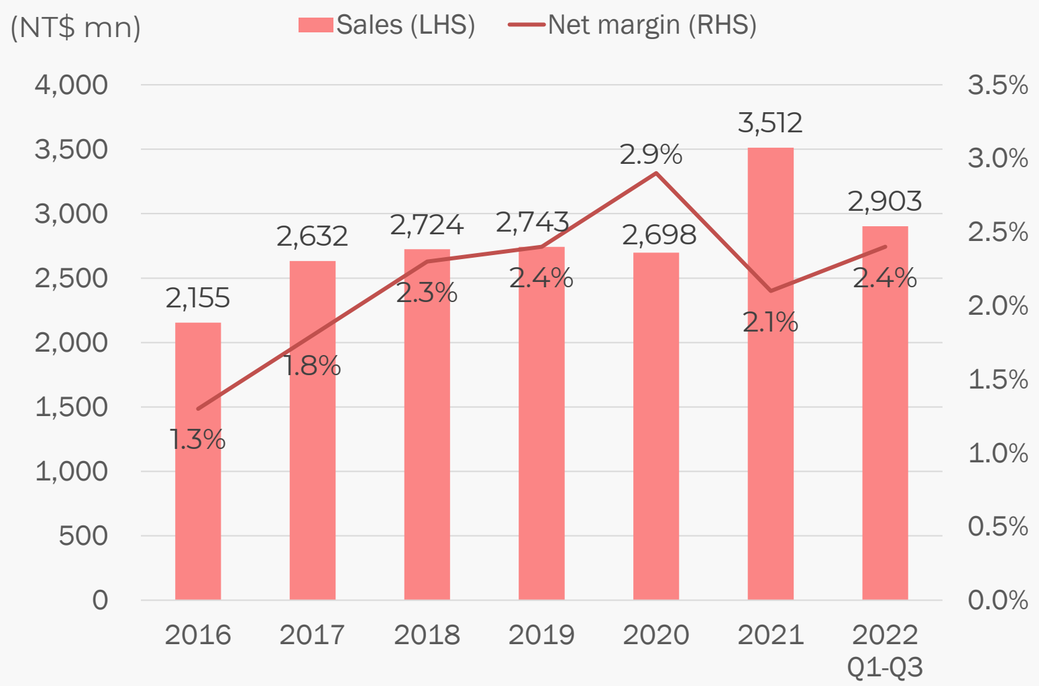


Source: Bloomberg

Taisun Enterprise

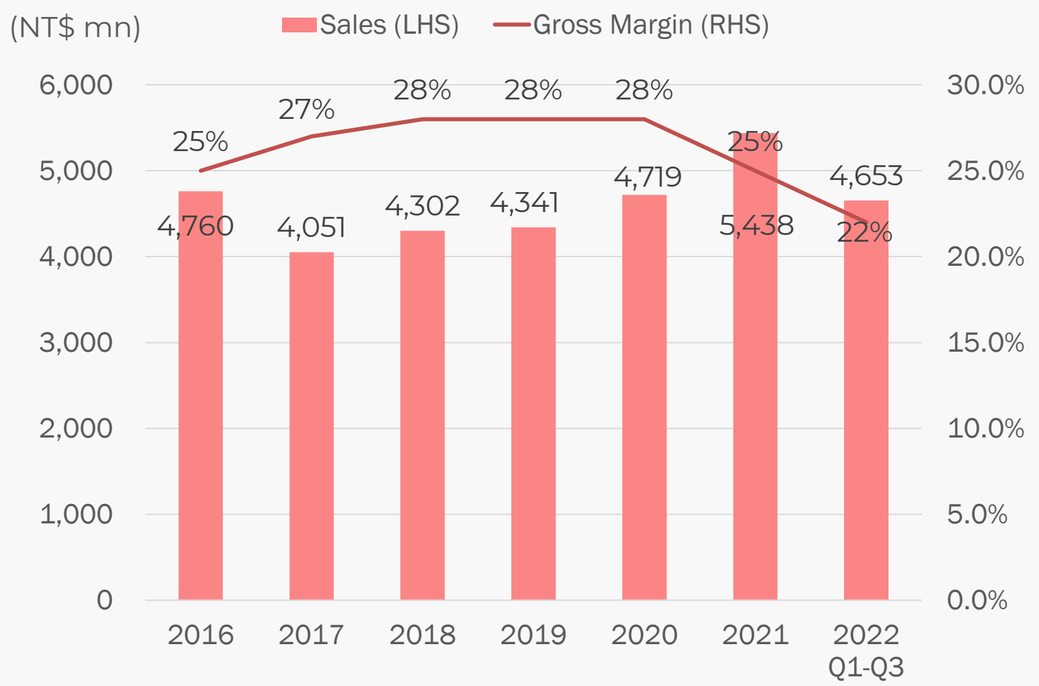
Strong Track Record of Improving Profitability

Commercial Segment



Although the global raw material prices increased 2022, we are still able to maintain a stable profitability for our commercial segment.

Consumer Segment



Our consumer segment has seen a gradual improvement in margins over the years. 2022 was affected by higher input costs which were more difficult to pass through as consumers are more price sensitive.

Source: Company data

Taisun Enterprise

Growing Contribution from Core Business

- Over the years, Taisun's core operations have been growing faster than our investment income and thus contributing more to our bottom line.
- Hence, we believe its crucial that we continue to invest more resources to grow our core business going forward.

(NTD mn)	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Investment income	284	274	301	308	371	440	519	344
Net income to parent	70	124	121	317	464	582	851	592
Investment income (%)	**408%**	**221%**	**248%**	**97%**	**80%**	**76%**	**61%**	**58%**

Source: Company data

Taisun Enterprise

Taiwan FamilyMart Divested at a Rich Valuation

Due to the recent strengths in Taisun's core business and the decline in contribution from the stake in Taiwan FamilyMart, Taisun divested the FamilyMart stake to obtain sufficient cash flow to focus on the long-term growth and related CAPEX needs to ensure the continued growth of Taisun and the continued stable dividend distribution.

The divestment of FamilyMart was approved by the Board of Directors at the 8th Board meeting of the 22nd session on December 2, 2022. The disposal procedures were also reviewed by two attorneys that issued reasonable opinions that the transaction was legally compliant.

Valuation	P/E (2021)
Taiwan FamilyMart (5903 TT)	**31.06**
President Chain Store (2912 TT)	31.28
Uni-President (1216 TT)	18.69
POYA International (5904 TT)	23.73
Far Eastern Department Store (2903 TT)	23.49
Median	**23.73**
Mean	**25.65**

*Calculation based on 2022/12/05 closing price
Source: Bloomberg

Liu Wei-Long, the chairman of Long Bon, accused Taisun of selling its stake in Taiwan FamilyMart in a "fire sale". However, Taisun divested its stake at a **higher valuation** than the Food Retail Industry and at the same valuation as President Chain Store (7-Eleven), the largest convenience chain store in Taiwan.

Transaction：43.3 million shares
Price per share：NT$187
Transaction amount：NT$ 8.1 billion
Gain on disposal：NT$ 5.45 Billion

→ **CAPEX**

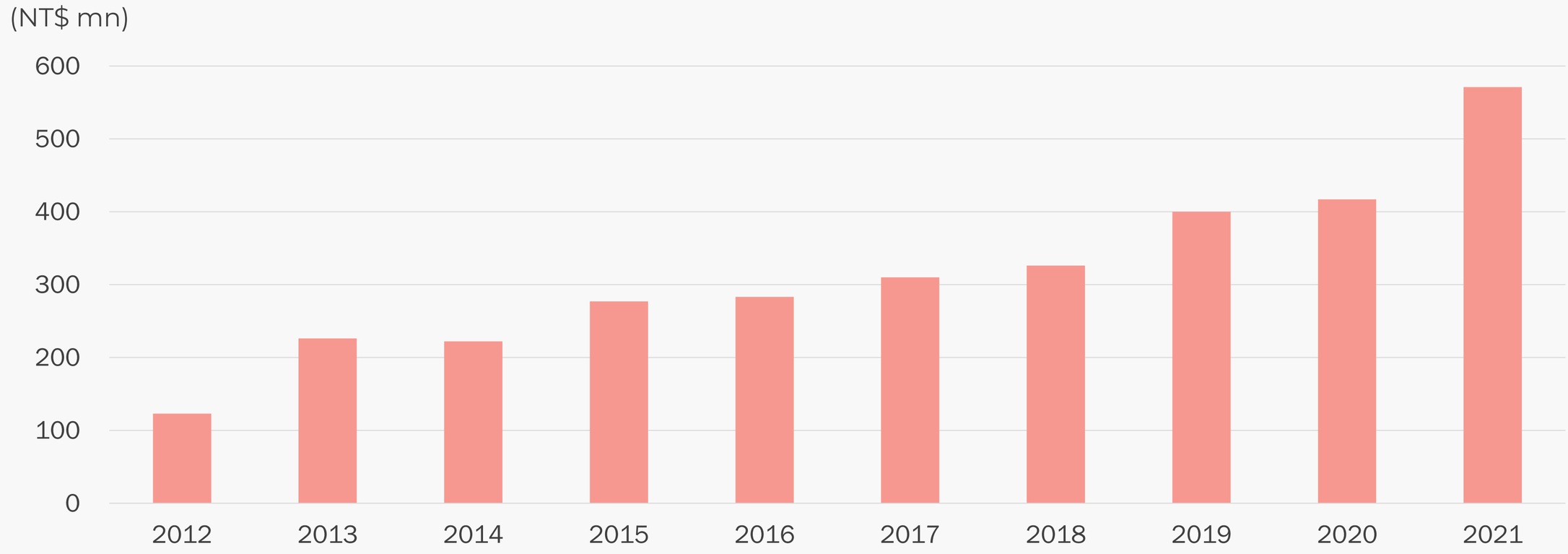
→ **Dividend distribution**

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Overseas Business Continues to Grow

Expect new clients in untapped markets to be the key revenue driver going forward.

Overseas Business Sales



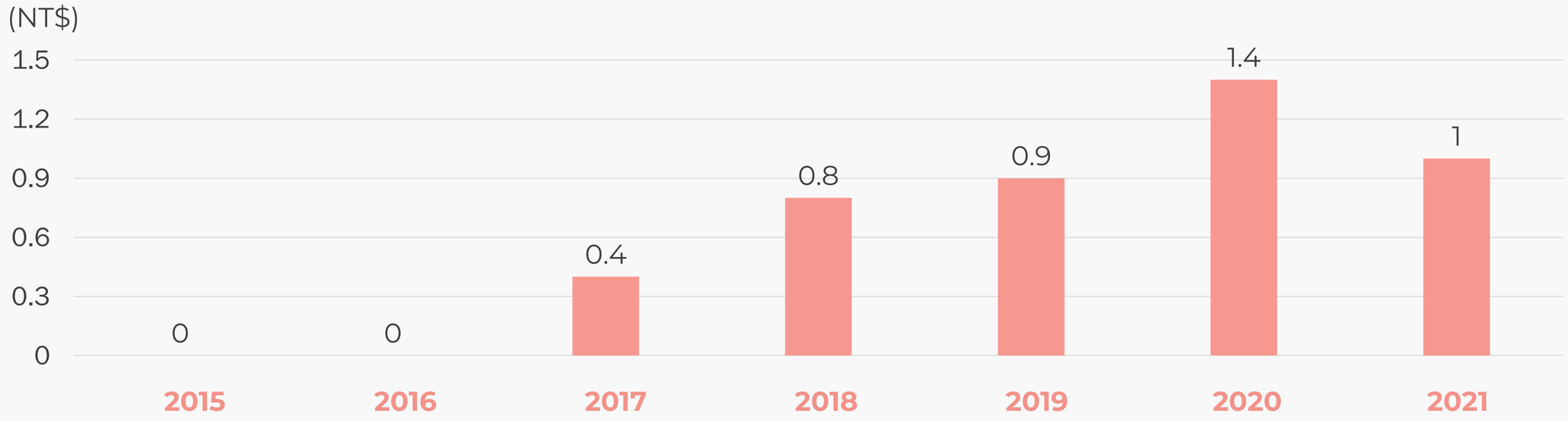
Source: Company data

Taisun Enterprise

Steady Dividend Payout Growth

Ever since the current management took charge, Taisun has begun paying out cash dividend as its earnings started to improve.

Cash Dividend



	2015	2016	2017	2018	2019	2020	2021
DPS (NT$)	0.0	0.0	0.4	0.8	0.9	1.4	1.0
EPS (NT$)	0.4	0.4	0.9	1.0	1.2	1.8	1.2
Payout Ratio (%)	0%	0%	43%	82%	75%	80%	82%

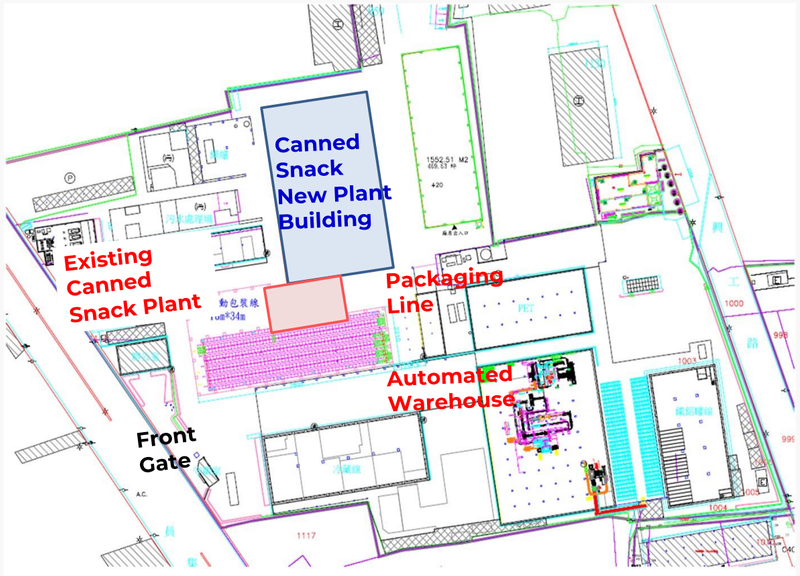
Source: Company data

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Capex Plan – Focusing on Core Business Expansion

- In order to break through the current business scale, we plan to expand our capacity and improve our production efficiency by adding new production lines and renovating our old factory, enhancing automation and strengthening the R&D and quality assurance functions in securing future revenue growth momentum.
- On Dec. 2, the board approved a capex plan totaling US$1.45bn for
  - 1. New production line building for our canned snacks.
  - 2. Automated warehouse
  - 3. Automated packaging line

Renovation on exiting factory



Estimated capex

- New production line building for canned snacks: US$ 908mn
- Automated warehouse: US$ 384mn
- Automated packaging line: US$ 106mn
- Existing plant demolition and new pipelines installed, etc: US$ 50mn
- Total：US$ 1.45bn

Capex construction timetable

	Construction time
New productions lines for Mixed Congee - Building	Jun. 2023 – Dec. 2024
New productions lines for Mixed Congee - Equipment	Jun. 2023 – Jun. 2025
Warehouse improvement – Building	Dec. 2023 – Jan. 2026
Warehouse improvement - Equipment	Dec. 2023 – May 2026

Source: Company data

Taisun Enterprise

Capex Plan Evaluation

Risks of not renovating our existing production line

- The current production line of canned snacks has been operating for more than 38 years and has become old and inefficient.
- Space constraints affect the expansion of R&D and quality assurance functions, which in turn restricted growth, and causing higher operating costs, and loss of future market opportunities.

Benefits of capex plan

1. Capacity expansion – Increase from existing 2 million cases to 4 million cases,
   - The New line will mainly be used for producing our signature canned snacks Taisun Mixed Congee.
   - The Old line will be able to be used for new products development: salty products, high protein porridge, meat porridge, small batch of existing products and special porridge products for export.
2. Space - Increase office space, laboratory, quality control room, etc. by at least 1,574 ping (5,203 m^2). Increase product storage space by 10,641 boards (about 1.14 million cases).
3. Cost-saving – The annual relative cost-saving items and amount are as follows
   - Efficiency improvement, reduction of staff and operation costs: NT$1,918,000
   - Logistics cost of leased warehousing: NT$18,713,000
   - Rental of leased warehouse panels: NT$25,537,000
   - Office/laboratory rent savings: NT$5,196,000
   - Total: NT$51,364,000
4. **Additional revenue contribution - NT$930mn (from NT$870mn to NT$1.8bn, up 107%)**

Source: Company data

Taisun Enterprise

Capex Plan Evaluation

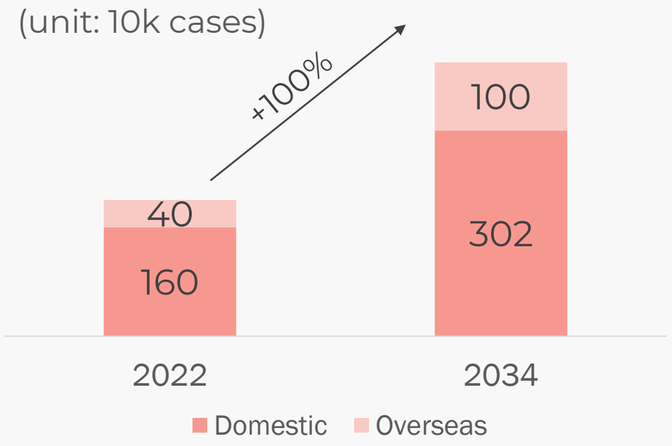
Cash flow calculation

	(NT$ thousand)	2024 (Year 0)	2025 (Year 1)	2026 (Year 2)	2027 (Year 3)	2028 (Year 4)	2029 (Year 5)	2030 (Year 6)	2031 (Year 7)	2032 (Year 8)	2033 (Year 9)	2034 (Year 10)
Cash Flow	Cash flow per year	(1,448,270)	57,090	174,951	202,173	225,532	235,119	253,250	249,916	224,310	221,470	202,736
	Cumulative cash flow	(1,448,270)	(1,391,181)	(1,216,230)	(1,014,057)	(788,525)	(553,405)	(300,155)	(50,240)	174,070	395,540	598,276

IRR: Economic useful life of 20 years, about **16.5%**

Payback Period: **7.3 years**. By 2032, the accumulated capital invested before 2024 (inclusive) will be recovered.

Capacity and Selling plan



Other benefits that are not included in the cash flow calculation

- The sterilization kettle can save 8T water/kettle, saving 116,364 tons of water/year, about NT$1,867,000/year
- The investment in equipment can offset 5% tax on undistributed earnings for three years, which is approximately $72.41 million based on a capex amount of $1.448 bn.
- Credit from solar generated power

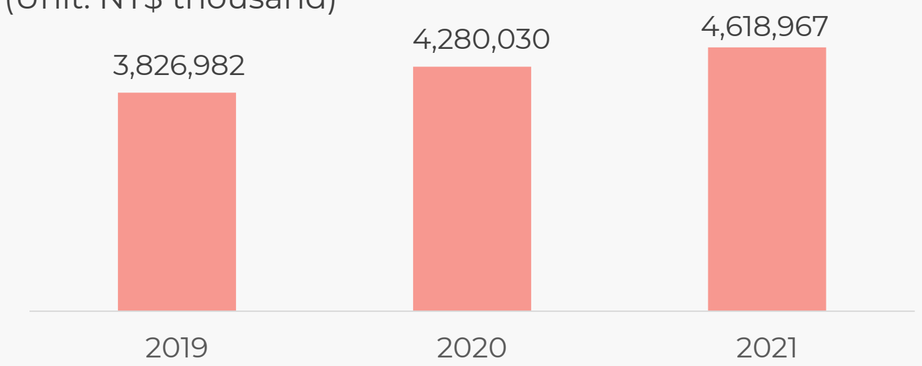
Source: Company data

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Canned Product are Popular in all Generation

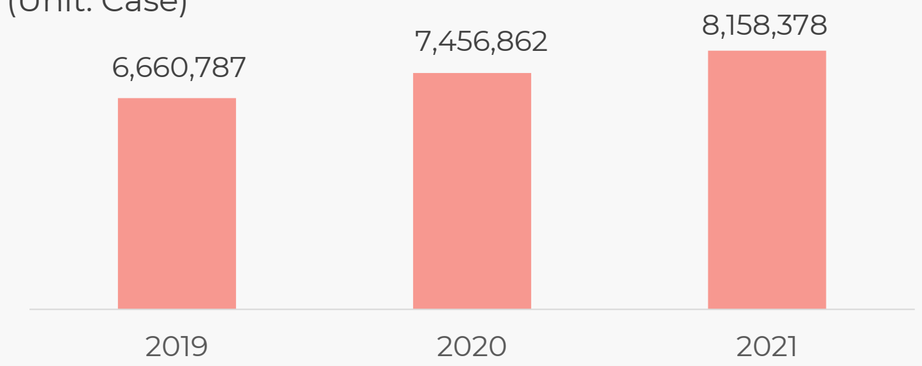
Taiwan canned food sales

(Unit: NT$ thousand)



Taiwan canned food sales volume

(Unit: Case)



- According to the survey, more than 60% of people in Taiwan bought instant canned food before.

Source: Department of Statistics, Ministry of Economic Affairs

With old and new production lines, Taisun now can expand its product portfolio



Investment in old and new production line equipment

New Canned Food Category Development

- Salty can
- Meat can
- Soup

Existing Canned Snacks Continue to Grow

- Mixed Congee
- Peanut Soup
- Others

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Taisun Leads the “Open Can Economy”

The convenience and time-saving characteristics of instant cans can meet the needs of consumers‘ lives and are favored as a business opportunity. To meet consumers’ psychology of pursuing delicious food and saving time, we plan to introduce new products.

World snack

A selection of classic bites from around the world
You can taste the world's delicacies at home
Feel the taste of travel

→ **Mainly young customers / dessert lovers / love exotic culture**

Chef soup

No more fussing about making soup
No more chemical sensation of brewed soup
Ready-to-eat chef's soup is convenient and delicious

→ **Mainly working / family group**

Street stir fried

Home-cooked meals you can enjoy at home
Enjoy delicious dishes in three minutes
Satisfy your hungry stomach

→ **Mainly for young customers / office workers / young customers like heavy flavors**

Healthy porridge

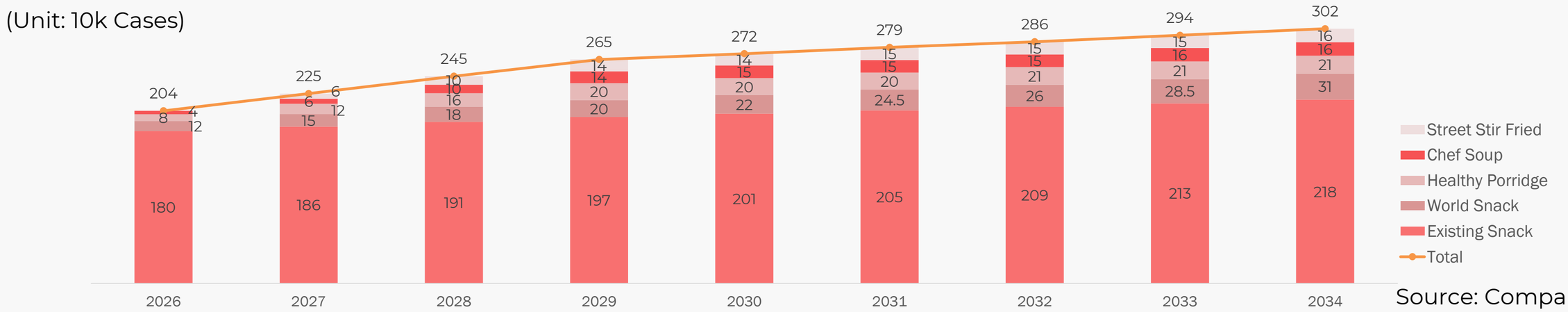
Selected high-priced ingredients boiled into porridge
Capture the gift market
Deeply cultivate the image of Taisun porridge expert

→ **Mainly for commuters / elders / gift needs**

A healthy gift that warms the stomach and heals the body and mind

Sales estimate

(Unit: 10k Cases)



Source: Company data

Taisun Enterprise

Expanding in Overseas Market

Business development strategy

Existing Core Markets

- High brand awareness in the market, further expansion of new customers.
- Our annual export volume of canned snack products is about 400,000 cases. Currently, the U.S. accounts for 40% of the sales volume. Canada, Hong Kong, Japan, and Australia account for 50% of the total.

US COSTCO



Overseas Chinese Market



New Markets in ASEAN

- Higher population and economic growth
- Has preference or high acceptance of sweets
- Indonesia, Vietnam, Singapore (Chinese Culture)

New client EMLIKU(Indonesia)





Healthworkz (Singapore+Malaysia)



New product development

- Product development with Taiwan's unique material to expand the brand value of Taisun
- Red bean noodle cake - High recognition of Taiwanese snacks (North America, Japan)
- Mango pomelo sago (Japan, Southeast Asia)
- Taiwan fruit specialties, mango sago, lychee sago, pineapple sago

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Overseas Canned Products Sales Targets









(Unit: Case)	Mixed Congee	Black Mixed Congee	Black Rice / Black Bean	Others	Total	%
US	130,725	10,095	11,555	9,005	161,380	40%
Canada	44,059	7,633	4,777	6,042	62,511	15%
Hong Kong	31,996	30,745	4,700	12,556	79,997	20%
Japan	32,714	6,560	-	6,444	45,718	11%
Australia	9,018	4,370	1,170	1,480	16,038	4%
Core Markets - Total	248,512	59,403	22,202	35,527	365,644	90%
Core Markets %	93%	89%	85%	77%	90%	
Other region	17,415	7,377	4,011	10,782	39,585	10%
Total	265,927	66,780	26,213	46,309	405,229	100%

Sales Target in 2034:

1 million Cases

→ **720,000 cases**

→ **280,000 cases**

→ **1,000,000 cases**

Source: Company data

Taisun Enterprise

Sustainability at Taisun

Nutrition, Health, and Safety

- **Taisun's mission:** make safe, delicious, and sustainable food that is nutritious, accessible, and affordable to everyone.
- **Nutrition & Health:** We focus on **minimizing sugar and additives** during the research and development of new products and the improvement of existing products.
- **Food Safety:** Furthermore, we continue to improve our products' safety with **100% of our products passing the food safety tests**.

Sustainable Sourcing

- Taisun continues to purchase soybeans that meet **US Soybean Sustainability Assurance Protocol (SSAP)**. More than **26%** of the soybeans purchased in 2021 have obtained this certification.
- According to statistics from the US Soybean Export Council, soybeans that have met the SSAP consumes and uses

32% less **irrigation water** | **35% less** **energy and fuel** | **40% less** **land resource**

during the farming process, achieving the goal of sustainable use of global environmental resources.

Solid Corporate Governance

- **Taiwan Corporate Governance Evaluation System:** Taisun ranked

21-35% in 2021 &2020 **36-50%** in 2018 & 2019

- It shows that Taisun is improving in the four aspects of
  - ✓ **Protecting Shareholder Rights and Interests and Treating Shareholders Equitably**
  - ✓ **Enhancing Board Composition and Operation**
  - ✓ **Increasing Information Transparency**
  - ✓ **Putting Corporate Social Responsibility into Practice**

Source: Taisun 2021 Sustainability Report

LONG BON (2514 TT) MUST BE STOPPED

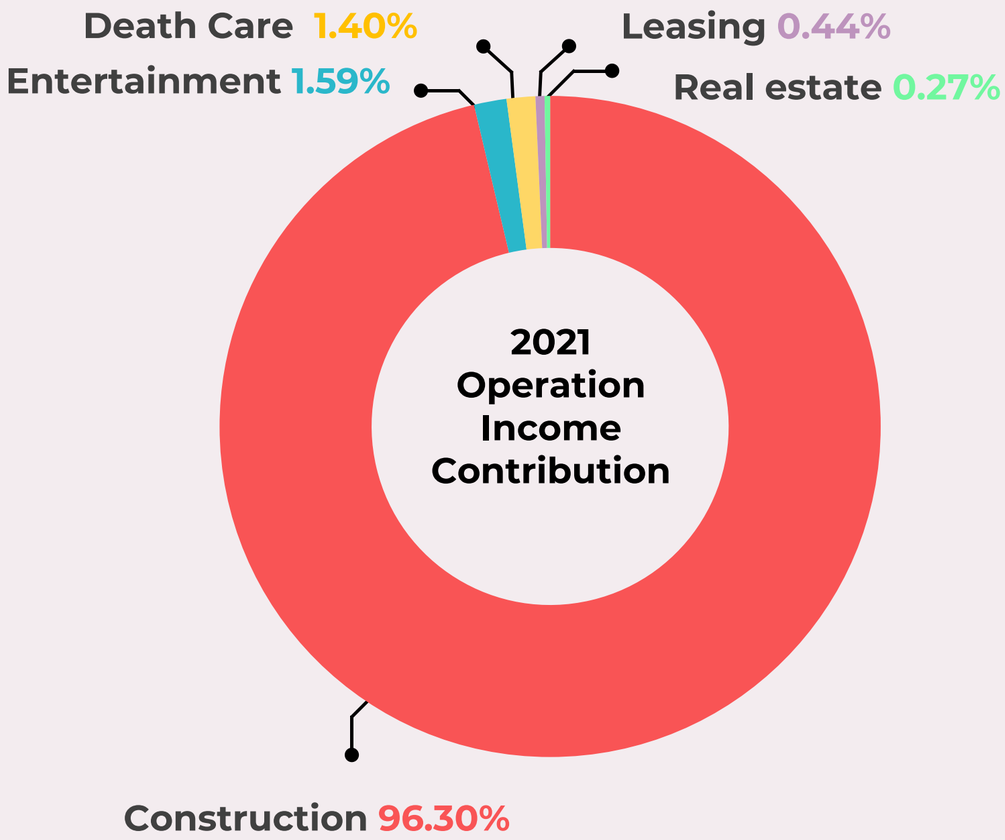
Long Bon International Co., Ltd, backed by a convicted criminal, has a history of speculative stock trading that led to stock price volatility. They do not have a track record of managing any companies.

LONG BON
龍邦集團

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Long Bon has NO Synergy with Taisun

Long Bon has no synergy with or expertise in running Taisun as most of its core businesses comprise construction and funeral services.



Source: Long Bon 2021 Annual Report

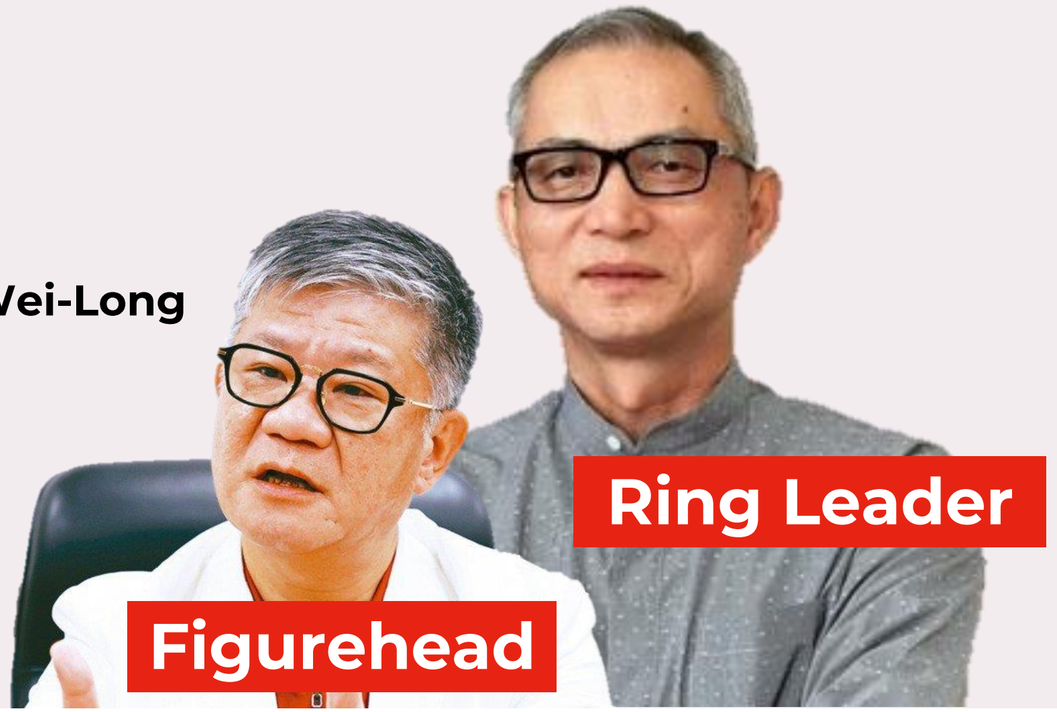
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Long Bon (2514 TT)

Founded in 1977, Long Bon International Co., Ltd., through its subsidiaries, engages in financial investment, life insurance, construction, real estate development, publishing, and funeral-related services businesses in Taiwan.

Who is in Charge?

Chu Kuo-Rung



"Chu Kuo-Rong has substantial influence over Long Bon"
– Securities and Futures Investors Protection Center

"The Defendant [Chu Kuo-Rong] used his substantial influence on Long Bon to influence..."
– Taipei District Court Judgement

As stated by court rulings and suggested by media reports the de facto leader of Lon Bon is **Chu Kuo-Rung**.

The current CEO/Chairman of Long Bon was poached from Lungyen Life Service Co (5530 TT) in January 2021 and is just a **figurehead** for Chu Kuo-Rung.

Source: Please refer to the appendix (slide 49)

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The Puppeteer Behind Long Bon



Chu Kuo-Rung is a **convicted criminal and has pending lawsuits for various financial crimes.**
He is associated with organized crime (Big Circle Gang*) and has been involved in multiple crimes of moral turpitude and is on trial for countless financial crimes that involves pillaging companies, deceiving and betraying shareholders.

Crimes of Moral Turpitude

Date	Crime	Location	Motive	Outcome
1980	Armed robbery of an armored vehicle	Macau	Organized crime	Death of one security officer Outstanding warrant in Macau
1980	Passport forgery	Malaysia	To avoid the outstanding warrant in Macau	-
1982	Human Trafficking	Taiwan	Organized crime	5 years at a maximum security prison
1990	Firearms smuggling and money laundering	Taiwan	Monetary gains	6 years at a maximum security prison

Source: https://news.ltn.com.tw/news/Taipei/breakingnews/2786914

Accused: Financial Crimes

Crime	Illicit Profit	Companies Involved	Original Conviction	Status
Illegal insider trading	NT$157 million	CTBC Financial Holding (2891 TT) Taiwan Life Insurance (2833 TT)	12 years & 4 months	Second Appeal
Stock Market Manipulation	NT$600 million	Long Bon International (2514 TT)	15 years	Second Appeal
Embezzlement	NT$140 million	Gobo Group		

Source: Please refer to the appendix (slide 48)

*The Big Circle Gang is a Chinese triad which was established in Hong Kong with operations in Guangzhou, United States, Australia, & Malaysia.

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Long Bon: Chu Kuo-Rong's Empire

Subsidiaries of Long Bon International Co., Ltd.
- No synergy with Taisun's core business

LONG BON 龍邦集團

Construction		Funeral Services	Investment Vehicles	Exercise Facility & Amenity	Property Investment & Development
瑞助營造 Rei Ju Construction	瑞佑綠能科技 ReiYu Green Energy Technology	龍寶興業 Long Bao	保勝投資 Everwin Investment	黃金海岸高爾夫 Gold Coast Golf	龍吉控股 Long Jee Holdings PT
瑞恩開發 Ryan Development	瑞營建設 Ruiying Construction	龍福置業 Long Fu Real Estate	龍德國際開發 Long De Investment	東華國際高爾夫育樂 Dong Hua International of Golf Recreation	瑞恩開發 Ryan Development Corp
笙吉室內裝修 Sheng Ji Interior Decoration	瑞呈營造 Rui Cheng Construction	三芝慈安園 San Jhih Cih An Yuan	龍暉開發 Long Hui Development		
廈門瑞助建築工程顧問 Xiamen Reiju Architecture Engineering	瑞柏綠色創新 Ruipo Green Innovation				

Source: Long Bon 2021 Annual Report

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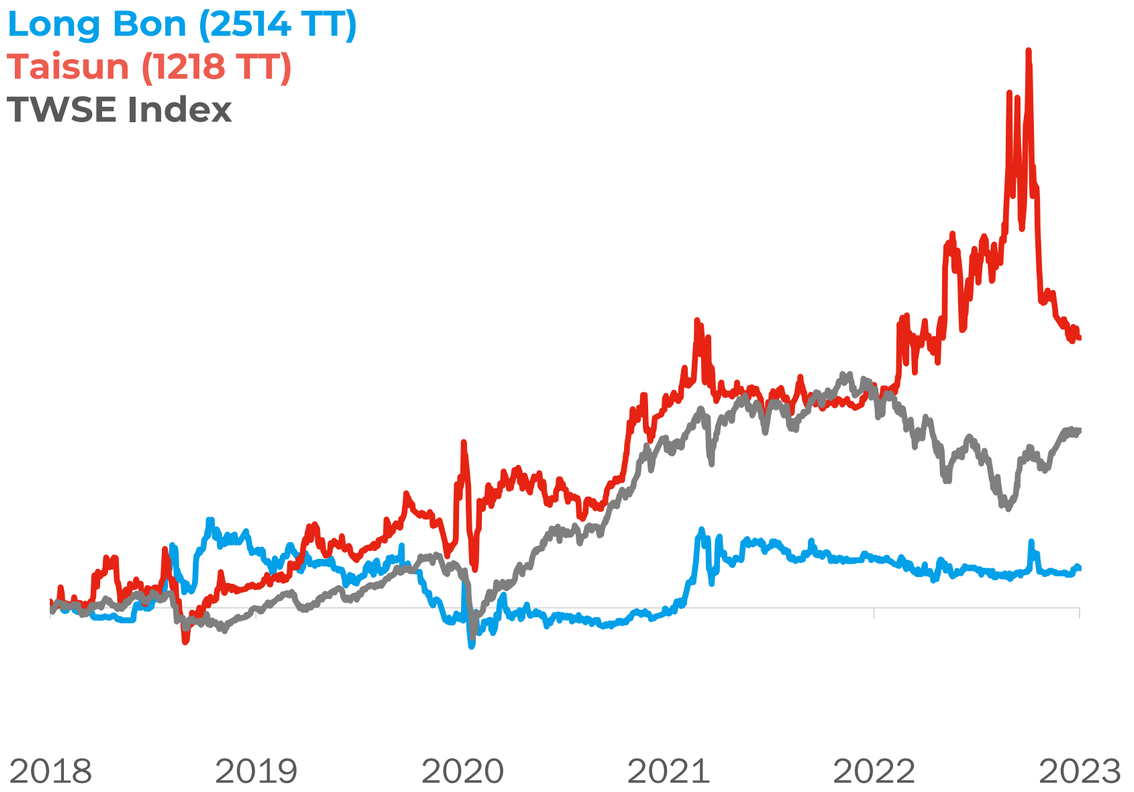
Long Bon: Terrible Performance

The 3 year and 5 year Shareholder Returns for Long Bon has significantly underperformed Taisun and the TWSE Index. Furthermore, Long Bon has not paid dividends for the last three consecutive years.

Total Shareholder Return

	1 year	3 year	5 year
Long Bon	**-2.27%**	**22.86%**	**17.44%**
Taisun	11.54%	41.67%	112.89%
TWSE Index	-8.13%	47.48%	65.80%

Source: Bloomberg



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Long Bon: Poor ESG Track Record

Poor 3rd party ESG Rating

Long Bon has been ranked **in the bottom (81-100%)** by the Taiwan Corporate Governance Evaluation System for the last two years.

Subpar Labor Management

One of its construction project site violated labor laws **at least 210 times** and also had **multiple cases of worker fatalities**.

Opaque ESG Disclosures

Long Bon has only released two ESG Reports with the most recent report released in 2018.

Chronic Polluter

Long Bon was **fined NT$256k** and **NT$175k** in 2021 and 2020 respectively for violating the Waste Disposal Law, Air Pollution Control Act and the Noise Control Act.

Source: Long Bon Corporate Website, Taiwan Stock Exchange

Taisun Enterprise

Long Bon: A Stock Speculator with No Track Record of Managing Another Company

Long Bon is nothing more than a speculative investor that uses the rouse of hostile takeovers to profiteer off of the stock price volatility at the expense of long-term shareholders. They do not have a track record of managing a company and shouldn't be trusted with responsibly managing Taisun.

*Source: MOPS – Stock Code: 2514

Tatung (2371 TT)

The dissident faction motioned for an EGM to re-elect the board of directors at Tatung in March 2018.

On May 17th, 2018, the dissident faction announced that they had acquired 10% of the shareholding, and in June Long Bon announced they had acquired 0.5% of the shareholding.

The motion for the EGM failed to pass and Long Bon disposed of its stake shortly after in June, 2018, profiting over NT$110 million*.

Taishin FHC (2887 TT)

Between 2017 & 2018 PJ Asset Management Group built up a stake in Taishin, citing poor corporate governance and subpar shareholder value creation as the reason for taking over management rights.

During this period, Long Bon also purchased a stake in Taishin.

At the June 2018 re-election, the Taishin management team retained management rights. Long Bon promptly disposed of its shares in Taishin in November and profited over NT$60 million*.

Taiwan Tea (2913 TT)

Between 2015 and 2017 Long Bon purchased over a 5% stake in Taiwan Tea.

Due to a management dispute between 2016 and 2019 at Taiwan Tea, Long Bon sold its stake to the then Taiwan Tea Chairman LIN Jin-Yan, profiting over NT$6 million*.

Taisun Enterprise

Vote FOR Management Nominees Only

Vote **FOR** existing management team:
The existing management team has a solid track record of turning Taisun around. The team will continue to grow the business and reward shareholders with steady dividend payments.

Vote **FOR** non-incumbent management-supported candidates:
The management has nominated a refreshed board that will provide a diversity of value and expertise to the board.

Vote AGAINST All Dissident Nominees

Vote **AGAINST** Long Bon-supported candidates:
Long Bon has an abysmal track record of aligning the interest of managers and shareholders, has ties to organized crime, and has nominated candidates with questionable qualifications and independence.

Vote **AGAINST** Former Vice Chairman CHAN, Jing-Jia candidates:
The disgraced former Vice Chairman has a track record of acting against the best interest of shareholders and was dismissed in 2017 for gross misconduct.

Our Board Nominees



Taisun Enterprise

Board of Director Incumbent/Nominee Qualifications

	Board Refreshment	Public Board Experience	Industry Expert	Finance/ Accounting	Legal/ Regulatory	ESG/ Sustainability	Senior Leadership	Audit & Remuneration Experience	Bilingual (CH/EN)	Diversity (Female Directors)
CHAN, Ching-Chao		■	■			■	■		■	
CHEN, Nou-Hua		■			■					■
CHAN, Hao-Jun		■	■				■		■	
WANG, Tien-Sheng	■	■			■			■		
CHAN, Kai-Ming	■		■			■			■	
CHAN, Jing-Hong	■		■						■	
GU, Chi-Tung	■	■		■	■			■		
HUANG, Hui –Ping	■				■					■
FAN, Kuo-Hua	■				■	■	■		■	

Taisun Enterprise

Management-Supported Director Candidates

CHAN, Ching-Chao (Fred) 詹景超



Incumbent Chairman

Industry Expert

Senior Leadership

Board Experience

Bilingual (Chinese/English)

ESG/Sustainability Experience

Since 2021, Mr. Chan has been the Chairman of Taisun and has been on the board since 2004. Furthermore, he also served as the company's General Manager between 2016 and 2021.

Under the leadership of Mr. Chan, Taisun's revenue and profitability reached an all-time high. After five years of suspended dividend payments, Mr. Chan resumed dividend payments in 2018 and under his continued leadership, Taisun will continue to reward its shareholders through steady dividend payments indefinitely.

Mr. Chan received his MBA from Utah State University and EMBA from National Chengchi University.

Taisun Enterprise

Management-Supported Director Candidates

CHAN, Hao-Jun 詹皓鈞



Incumbent Director

Industry Expert

Senior Leadership

Board Experience

Bilingual (Chinese/English)

Mr. Chan is the current Chairman and General Manager of Taisun Enterprise (Zhangzhou) Foods Co., Ltd. (Taisun's subsidiary in Mainland China). He joined Taisun as a board member in June 2004.

In 2016 Mr. Chan took over the leadership of Taisun Enterprise Foods, and through tactful strategies, managed to reverse the loss and turn a profit in 2018. Even with the impact of Covid-19 in Mainland China, Taisun Enterprise Foods has been a profitable subsidiary since 2018. With his experience in strategic management and leadership competence in the food industry, Mr. Chan will help support the strategic oversight of the board.

Mr. Chan has a Bachelor's Degree from the University of British Columbia.

Management-Supported Director Candidates

CHAN, Kai-Ming 詹凱閔

New Board Member | Industry Expert | ESG Expert | Bilingual (CH/EN)



As a manager of the Purchasing Department at Taisun, Mr. Chan will be the only one within the ranks of the board that has on-the-ground experience within the operations of the Taisun manufacturing plants. His insights into the operations and the thoughts of the employees will be invaluable to the board.

Furthermore, Mr. Chan is also a member of the Taisun ESG Committee and is responsible for formulating the vision, policies, and goals of sustainable development at Taisun.

CHAN, Jing-Hong 詹謹鴻

New Board Member | Industry Expert | Bilingual (CH/EN)



Mr. Chan used to be the assistant to the General Manager's office and the biotechnology division at Taisun. He also served at Pin-Tai Distribution Enterprise Co. – a Taisun Subsidiary as the Senior Manager of the Distribution Department and the Online Distribution Department.

Taisun Enterprise

Management-Supported Director Candidates

CHEN, Nou-Hua 陳諾樺

Incumbent Director

Legal/Regulatory Expertise



In January 2023, Ms. Chen joined Taisun as a board member she will continue to bring her vast regulatory experience to support Taisun.

Ms. Chen is a Managing Attorney and CEO at CHENG-CHE Attorneys-at-Law and was a presiding judge of the Taiwan Taipei District Court. She received a Bachelor of Laws from National Taipei University and a Master of Laws from Soochow University.

WANG, Tien-Sheng 王添盛

New Board Member

Board Experience

Legal/Regulatory Expertise

Audit & Remuneration Experience



Mr. Tien Sheng Wang is a management nominated candidate for Taisun's board. He is currently an Independent Director and a member of the Audit and Remuneration Committees at Cypress Technology (3541 TT) and he has a 100% attendance rate at all board meetings.

He worked as the Chief Prosecutor of the Taiwan High Prosecutors Office and holds a Bachelor of Laws from National Taiwan University.

Taisun Enterprise

Mgmt-Supported Independent Director Candidates

GU, Chi-Tung 顧啟東



New Board Member

Board Experience

Audit & Remuneration Experience

Finance/Accounting Experience

Legal/Regulatory Expertise

Mr. Ku is an independent director and a member of the Audit and Remuneration Committees at Roo Hsing (4414 TT) and Oceanic Beverages (1213 TT) and he has a 100% attendance rate at all board meetings.

He is currently a practicing Attorney at BN Law Firm. In addition to his experience in law, he also holds a bachelor in accounting and worked at The Shanghai Commercial & Savings Bank (5876 TT). He holds relevant professional licenses from the Securities & Futures Institute

Mr. Ku holds a Bachelor of Accounting from Chinese Culture University and a Master of Laws from Soochow University.

Taisun Enterprise

Mgmt-Supported Independent Director Candidates

HUANG, Hui-Ping 黃慧萍

New Board Member

Legal/Regulatory Expertise



Ms. Hui Ping Huang is a management-nominated Independent Director to join Taisun's board as a new member. She is a Partner at WEH HUI Attorneys-at-Law and Arbitrator at the Chinese Arbitration Association.

Ms. Huang received her Bachelor of Law from National Taipei University.

FAN, Kuo-Hua 范國華

New Board Member

Legal/Regulatory Expertise

Senior Leadership

ESG Expert

Bilingual (CH/EN)



Dr. Kuo Hua Fan is a management-nominated Independent Director candidate to join the board. He is currently the Managing Partner at ZOOMLAW Attorneys-at-Law.

He previously served as the chief legal counsel at Gigabyte Technology and has a multitude of experience and knowledge in corporate law.

He graduated from National Taiwan University with a Bachelor of Laws and received a Master of Laws from the University of California, Berkeley. Dr. Fan also completed a PhD in Intellectual Property Law at China University of Political Science and Law.

Dissident Board Nominees: Red Flags



Taisun Enterprise

Long Bon's Lawyer Disguised as an Independent Director

TU, Ying-Ta 杜英達



According to publicly available information, Long Bon is Taisun's largest shareholder with nearly 50% ownership, and has two representative directors on the board – Liu Wei-Lung and Han Tai-Sheng.

In 2021, during Mr. Tu's tenure as an independent director at Taisun, he represented Long Bon and the Chairman Liu Wei-Long as litigation lawyer*. Furthermore, Mr. Tu also served as the legal advisor to Lungyen (5530 TT) during Liu Wei-Long's chairmanship.**

We highly doubt the legitimacy of Mr. Tu's Independence as there is indisputable evidence that Mr. Tu and Long Bon are materially related.

*Source: Taipei District Court Judgement
**Source: https://www.setn.com/News.aspx?NewsID=637079

Dismissed for Violating Ethical Conducts

CHAN, Jing-Chia 詹晉嘉



In 2017, Mr. Chan was dismissed from his position as Vice Chairman of Taisun after being caught overreporting public accounts*.

The disgraced former Vice Chairman of Taisun nominates 1 directors and 1 independent candidates.

“Mr. Chan has repeatedly violated the spirit of corporate governance. At the expense of shareholders, he was found to have overreported personal expenses to the company even when Taisun was in the midst of reducing expenses and increasing incomes.”**

*Source: MOPS - Stock Code: 1218; Date: 2017/6/22
**Source: https://tw.stock.yahoo.com/news/215008254--finance.html

Taisun Enterprise

Voting Recommendations:

Vote FOR All Management Nominees

Nominated Position	English Name	Chinese Name	Management Recommendation
Director	Chan, Ching-Chao	詹景超	FOR
Director	Chen, Nou-Hua	陳諾樺	FOR
Director	Chan, Hao-Jun	詹皓鈞	FOR
Director	Wang, Tien-Sheng	王添盛	FOR
Director	Chan, Kai-Ming	詹凱閔	FOR
Director	Chan, Jing-Hong	詹謹鴻	FOR
Independent Director	Gu, Chi-Tung	顧啟東	FOR
Independent Director	Huang, Hui-Ping	黃慧萍	FOR
Independent Director	Fan, Kuo-Hua	范國華	FOR

泰山 Taisun Enterprise

Voting Recommendations:

Vote AGAINST All Dissident Nominees

Nominated Position	English Name	Chinese Name	Management Recommendation
Director for Everwin Investment Co., Ltd.*	Liu, Wei-Long	劉偉龍	AGAINST
Director for Everwin Investment Co., Ltd.*	Han, Tai-Sheng	韓泰生	AGAINST
Director for Everwin Investment Co., Ltd.*	Liu, Huang-Gi	劉煌基	AGAINST
Director for Everwin Investment Co., Ltd.*	Yang, Wen-Ching	楊文慶	AGAINST
Director for Everwin Investment Co., Ltd.*	Tan, Shun-Jen	湯順甄	AGAINST
Director for Everwin Investment Co., Ltd.*	Lee, Shu-Huei	李淑惠	AGAINST
Director	G-IMAGE International Co., Ltd.**	聚象國際有限公司	AGAINST

*Everwin Investment Co., Ltd. Is directly controlled by **Long Bon and Chu, Kuo-Rong**
G-IMAGE International Co., Ltd. Is directly controlled by **Chan, Jing-Chia

泰山 Taisun Enterprise

Voting Recommendations:

Vote AGAINST All Dissident Nominees

Nominated Position	English Name	Chinese Name	Management Recommendation
Independent Director	Hsiao, Sheng-Shien	蕭勝賢	AGAINST
Independent Director	Tu, Ying-Ta	杜英達	AGAINST
Independent Director	Chen, Wei-Yu	陳威宇	AGAINST

Taisun Enterprise

Income Statement Summary

NT$mn	2017	2018	2019	2020	2021
Revenue	7,682	7,902	8,001	8,356	9,945
Gross Profit	1,332	1,432	1,455	1,640	1,536
Operating Expenses	(1,368)	(1,342)	(1,295)	(1,324)	(1,327)
Operating Profit	(36)	90	160	317	209
Non Operating Income/(Loss)	381	401	461	590	426
Pretax Income	344	491	622	906	636
Tax Expenses	(27)	(27)	(39)	(55)	(44)
Net Income to Parent	317	464	582	851	592
Basic EPS (NT$)	0.9	1.0	1.2	1.8	1.2
Key Financial Ratios (%)					
Gross Margin	17.3	18.1	18.2	19.6	15.4
Operating Expense Ratio	17.8	17.0	16.2	15.8	13.3
Operating Margin	(0.5)	1.1	2.0	3.8	2.1
Effect Tax Rate	7.8	5.4	6.3	6.0	6.9
Net Margin	4.1	5.9	7.3	10.2	6.0
YoY Growth (%)					
Revenue	(5.3)	2.9	1.3	4.4	19.0
Gross Profit	(6.6)	7.5	1.6	12.7	(6.4)
Operating Profit	(124.2)	-	77.3	97.6	(33.9)
Net Income to Parent	161.2	46.5	25.3	46.2	(30.5)
Basic EPS	158.3	5.4	22.4	45.8	(30.3)

Source: TEJ

Taisun Enterprise

Balance Sheet Summary

NT$mn	2017	2018	2019	2020	2021
Total Assets	7,482	8,807	9,229	9,240	10,638
Cash and Cash Equivalents	466	1,280	1,147	772	1,665
AR & NR	1,041	1,051	1,074	1,161	1,385
Inventories	627	613	680	572	712
PP&E	1,788	1,681	1,714	1,798	1,947
Total Liabilities	3,660	2,404	2,624	2,209	3,647
AP & NP	397	354	463	528	578
Long-term Debt	1,552	113	688	600	1,050
Total Equity	3,822	6,403	6,605	7,032	6,991
BVPS (NT$)	11.19	13.15	13.57	14.45	14.37
Key Financial Ratios (%)					
A/R Days	51	48	48	49	47
Inventory Days	37	35	36	34	28
A/P Days	21	21	23	27	24
Cash Conversion Days	67	62	62	56	51
ROE (%)	8.7	9.1	9.0	12.5	8.4
ROA (%)	4.1	5.7	6.5	9.2	6.0
Net Debt (Net Cash) to Equity ratio (%)	53.3	0.3	2.3	(0.1)	6.0
Debt ratio (%)	48.9	27.3	28.4	23.9	34.3

Source: TEJ

Taisun Enterprise

Cash Flow

	2017	2018	2019	2020	2021
Beginning Balance	**808**	**466**	**1,280**	**1,147**	**772**
Operating Cash Flow	73	420	361	409	(274)
Capital Expenditures	(96)	(68)	(124)	(180)	(249)
Investments and Others	206	(486)	39	371	779
Financing Cash Flow	(530)	951	(403)	(974)	636
Effects of Exchange Rate Changes on the Balance of Cash and Cash Equivalents Held in Foreign Currencies	5	(3)	(5)	(0)	(1)
Ending Balance	**466**	**1,280**	**1,147**	**772**	**1,665**

Source: TEJ

Taisun Enterprise

Appendix: Taipei District Court Judgement

編號	繫屬法院	原審裁判	案由	原審認定
1	臺灣高等法院108年度金上重訴字第35號	臺灣臺北地方法院105年度金重訴字第8號刑事判決 臺灣臺北地方法院107年度金重訴字第10號刑事判決	違反證券交易法等	朱國榮共同犯證券交易法第一百七十一條第一項第一款操縱股價罪，處有期徒刑參年捌月；又犯證券交易法第一百七十一條第二項、第一項第一款內線交易罪，其因犯罪獲取之財物金額達新臺幣1億元以上，處有期徒刑玖年。應執行有期徒刑拾貳年肆月。未扣案之犯罪所得新臺幣壹億伍仟柒佰零柒萬貳仟壹佰柒拾伍元，除應發還被害人、第三人或得請求損害賠償之人外，沒收之，於全部或一部不能沒收或不宜執行沒收時，追徵其價額。
2	臺灣高等法院107年度金上重訴字第29號	臺灣臺北地方法院105年度金訴字第26號刑事判決	證券交易法	朱國榮共同犯證券交易法第一百七十一條第一項第一款之高買證券罪，處有期徒刑伍年；又共同犯證券交易法第一百七十一條第一項第一款之高買證券罪，處有期徒刑拾貳年。應執行有期徒刑拾伍年。

Source: https://judgment.judicial.gov.tw/FJUD/default.aspx

Taisun Enterprise

Appendix: Taipei District Court Judgement

法院	案號	類別	原告主張	被告答辯	法院認定
臺北地院	108年度金字第82號	民事判決	投保中心： 緣被告於102年5月7日，龍邦國際興業股份有限公司(下稱龍邦公司)改選董監時，**以其所實質掌控之興發投資有限公司（下稱興發公司）、碩福投資有限公司及喜旺投資股份有限公司之名義，取得龍邦公司3席董事及1席監察人，且龍邦公司103年4月23日董事長改選時，係由興發公司指派之代表人當選，是朱國榮對龍邦公司應具有實質之控制力。**又龍邦公司暨其100%持股子公司保勝投資股份有限公司（下稱保勝公司）於103、104年間，合計持有稱臺壽保公司36.77%之股份（龍邦公司持股24.53%、保勝公司持股12.24%），且臺壽保公司之10席董事中，龍邦公司於103年6月16日董監事改選前後，各分別占有6席（含2席推薦之獨立董事）、7席（含2席推薦之獨立董事）之董事席次，是龍邦公司應係持有臺壽保公司具有控制力，且股份超過10%之大股東，合先敘明。	朱國榮： **被告於102至104年間，僅取得龍邦公司三董一監之席次(總席次為九董二監)，**難認有掌握龍邦公司多數股權，進而實質控制臺壽保公司之人事、財務或業務經營之情事。	1.朱炳昱於刑事偵查中具結證稱：「**龍邦公司於103年4月17日（應係103年4月16日之誤述）召開董事會時，**我取得5席同意票，**對方朱國榮則取得是4席反對票，**因為這是重大議決，要6席才能通過，就算5席同意還是無法通過展延；朱國榮4席即於知慶、王化宇、莊隆慶、朱子慶等都反對。」等語、於本院105年度金重訴字第8號刑事案件審理期間證稱：「龍邦公司於102年5月7日進行董監事改選，其中圓方投資是經由我支持擔任龍邦公司董事，所以我配票給他；但之後我發現他不是支持我；我於偵查中所述就中信金控與臺壽保公司股份延展案之董事會決議，我這邊（同意）的5席是指我、朱博瑋、羅銘玲、曾崧柱、林峻樟，**反對的至少是朱國榮方的那4席。**」 2.**因被告事實上已透過其對龍邦公司之高度影響力，**實質控制臺壽保公司有關合併之重大經營決策。

Source: https://judgment.judicial.gov.tw/FJUD/default.aspx