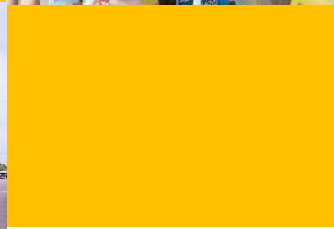




TAISUN

Growing Together

Stock NO. of TWSE : 8480(Taisun-KY)



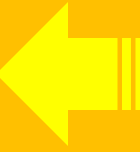
TAISUN INT'L (HOLDING) CORP.

COMPANY PROFILE

PRESENTER : TOM LIN (FINANCE DIRECTOR)

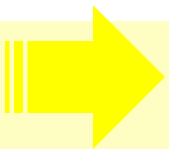
DATE: 14TH NOVEMBER, 2019

Safe Harbor Notice



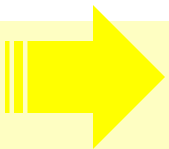
This presentation is based on the information obtained from various sources which the Company believes to be reliable. But at some point in the future, there are a variety of factors which could cause actual results to differ materially from those statements. Therefore, please refer to the information on MOPS website as the main basis if any adjustment has been made.

(<http://mops.twse.com.tw>)



Basic Information

- **Established on February 2014**
(Taisun Vietnam was established on February 2001)
- **Chairman and General Director: Mr. Tai Chao Rong**
- **Paid-in capital: NT \$ 393 million**
- **Headquarters: Ho Chi Minh City, Vietnam**
- **Employees: 944 employees (October 2019)**



Our Products

Baby Care Products

Baby diaper(BDP)



Baby pull-ups (POP)



New Born



Wet Tissue (WTP)



Our Products

Adult Care Products

Adult Diaper
(ADP)



Adult Pull-ups
(APOP)



Insert pads
(IDP)



Under pads
(UDP)



Adult Wet Tissue
(WTP)



Our Products

Lady Care Products

Napkins (NPK)



Lady Wet Tissue (WTP)



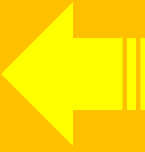
ASEAN Market



Country		Population (11 Nov 2019)	GDP Growth 2019 est	GDP Growth 2020 est
	Vietnam	96,780,040	6.80%	6.70%
	Cambodia	16,570,643	7.00%	6.80%
	Thailand	69,689,050	3.00%	3.20%
	Laos	7,207,835	6.20%	6.20%
	Myanmar	54,177,750	6.60%	6.80%
	Philippines	108,646,669	6.00%	6.20%
	Indonesia	271,675,970	5.10%	5.20%
	Malaysia	32,100,465	4.50%	4.70%
	Brunei	434,806	1.00%	1.50%
	Singapore	5,821,035	0.70%	1.40%
Total		663,104,263		

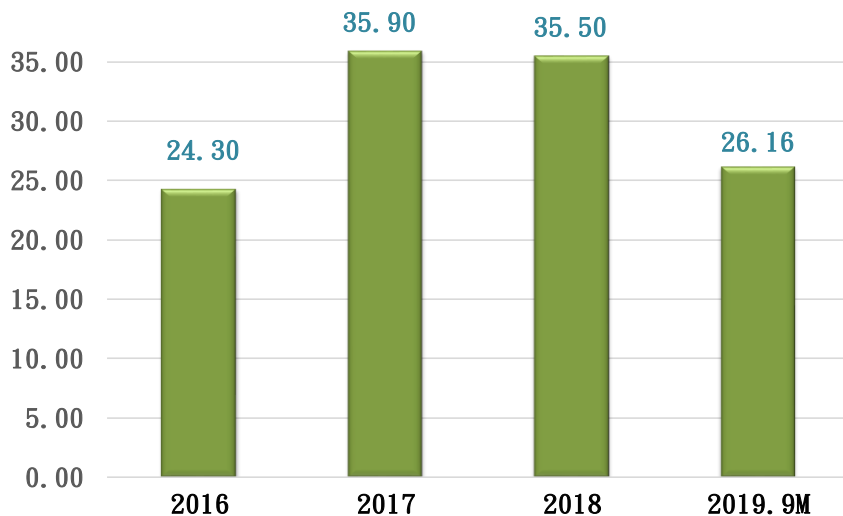
Source: <http://www.worldometers.info/world-population/south-eastern-asia-population/>
<https://www.adb.org/countries/viet-nam/economy>

China-United State Trade War - Vietnam



Vietnam FDI

FDI (USD Bill)

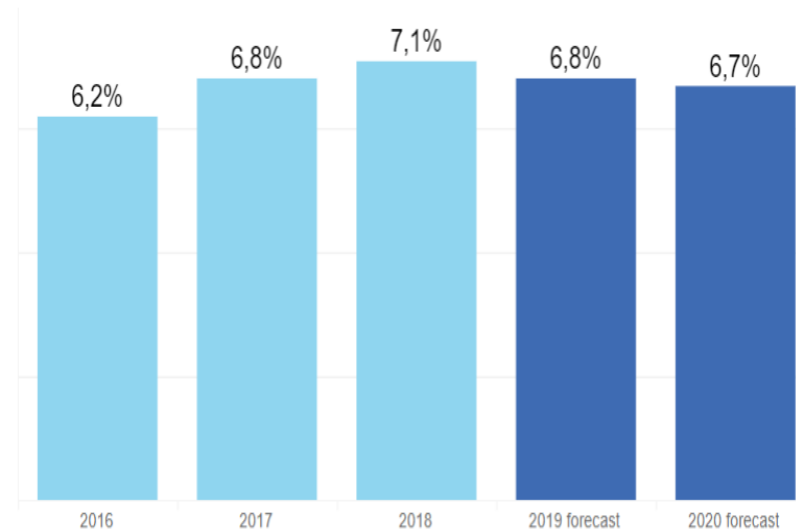


Registered FDI in the first 9 months of 2019 is USD 26.16 billion (+3.1% YoY)

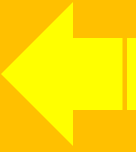
Source: <https://www.adb.org/countries/viet-nam/economy>
<https://www.bsc.com.vn/Report/ReportFile/2245776>

Vietnam GDP

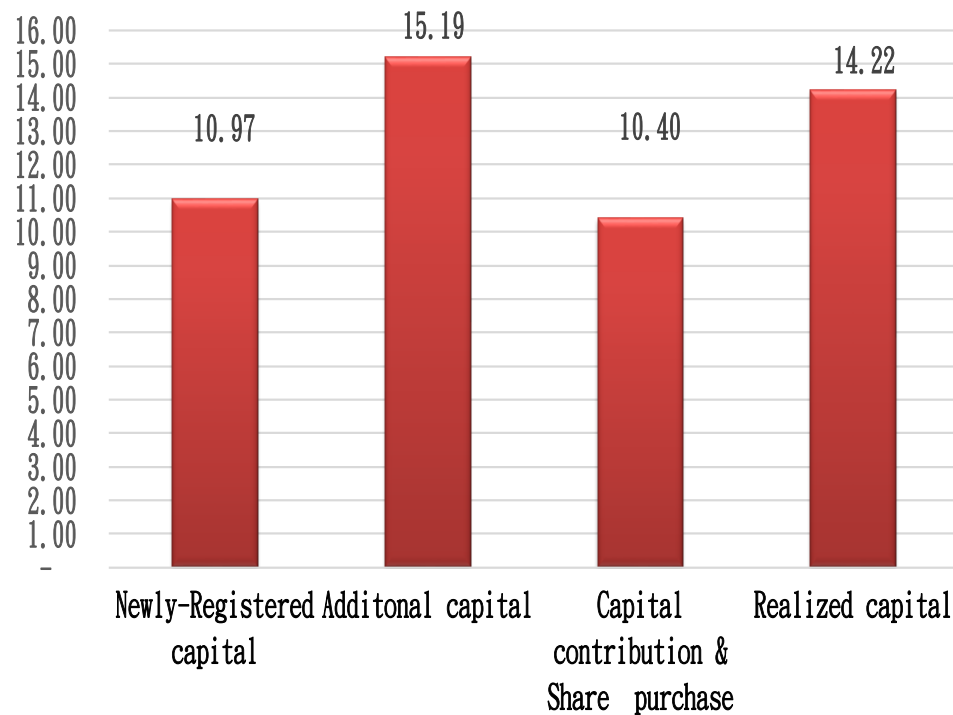
GDP Growth Rate: Viet Nam
(% per year)



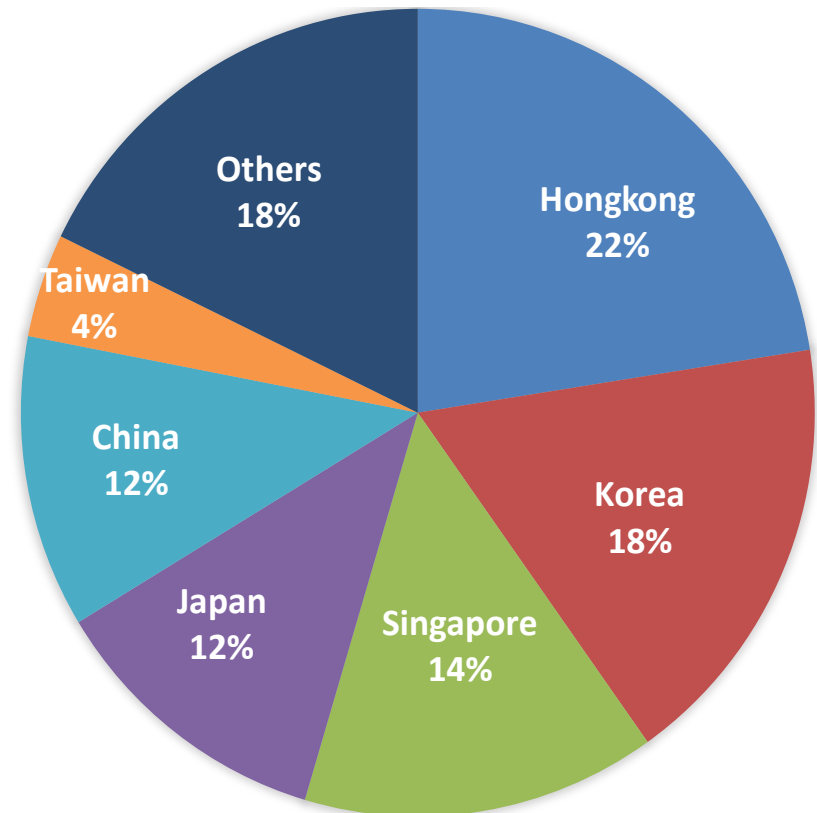
2019.9M FDI - Vietnam



Billion USD

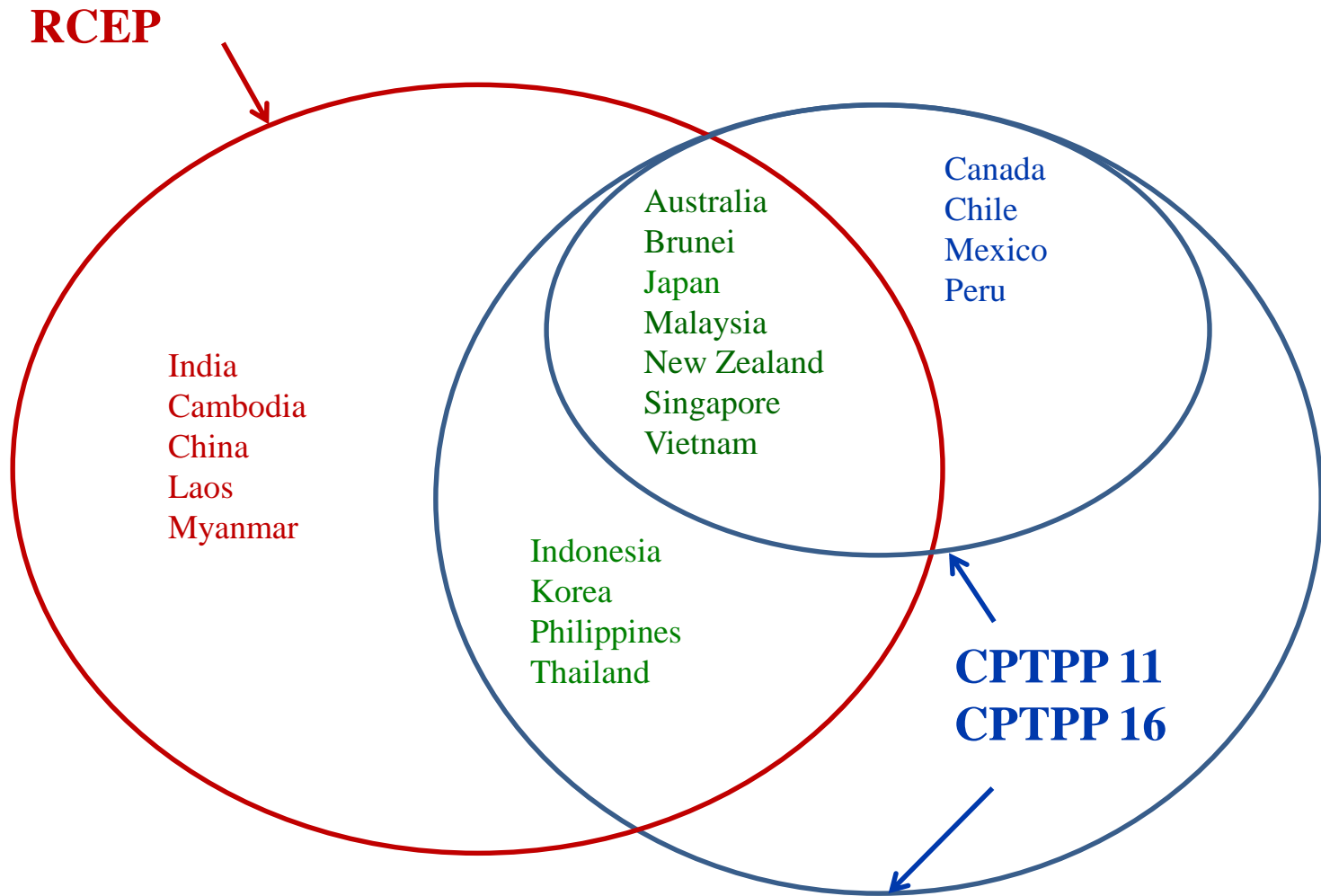


Registered FDI in the first 9 months by country



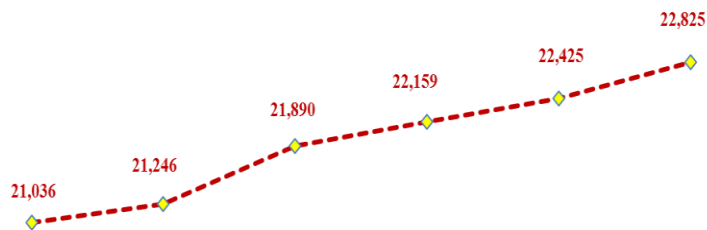
Source : <http://vneconomy.vn/nhung-diem-nhan-ve-thu-hut-von-fdi-trong-9-thang-2019-2019100417052949.htm>

FTA in Asia



Vietnam Economic

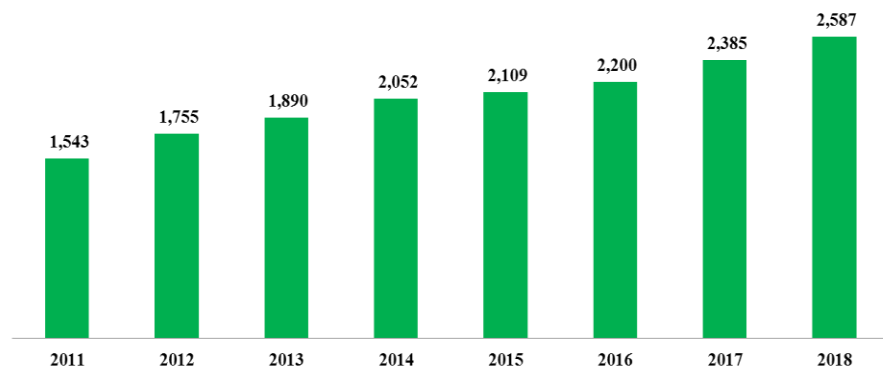
VND/USD 匯率



	2013	2014	2015	2016	2017	2018
升(+)/貶(-)	-1.0%	-3.0%	-1.2%	-1.2%	-1.3%	-1.78%

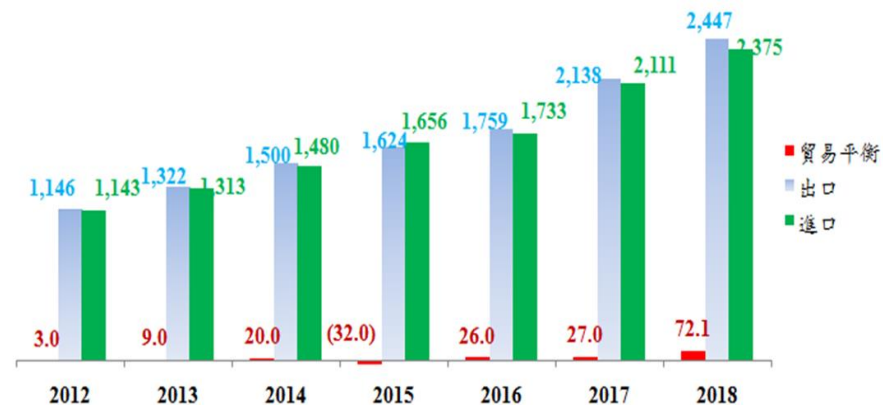
升(+)/貶(-)	2013	2014	2015	2016	2017	2018
	-1.0%	-3.0%	-1.2%	-1.2%	-1.3%	-1.78%

國民年平均所得



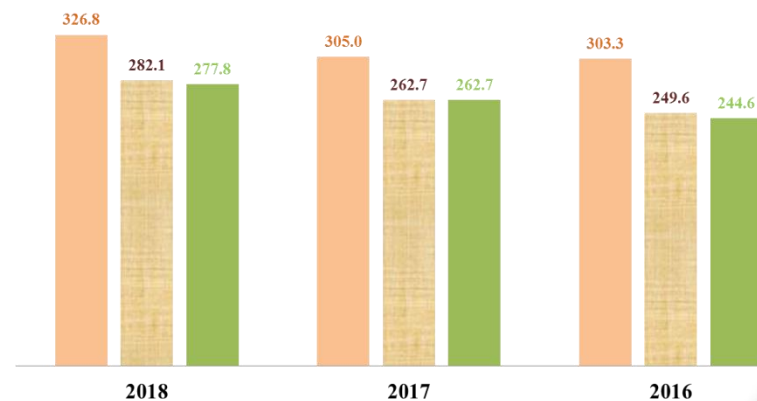
貿易平衡

單位：億美元



越南月平均薪資

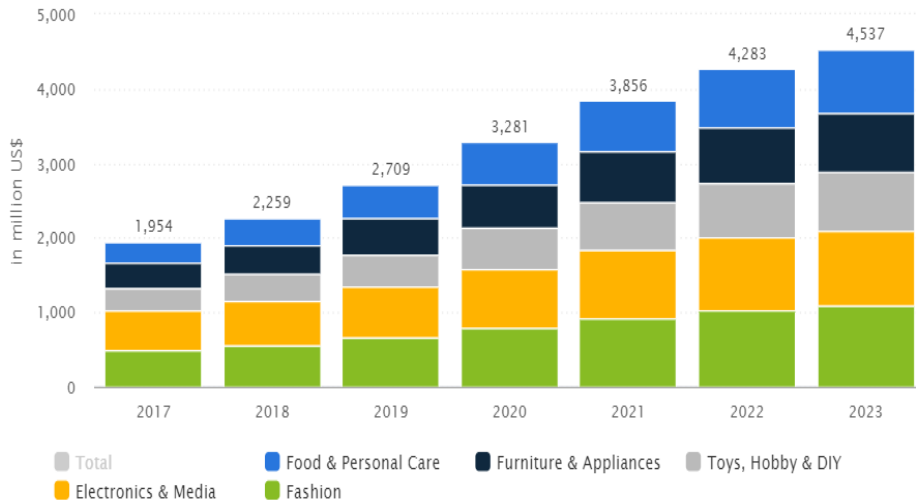
■ 國營企業 ■ FDI 企業 ■ 民營企業



Vietnam Economic



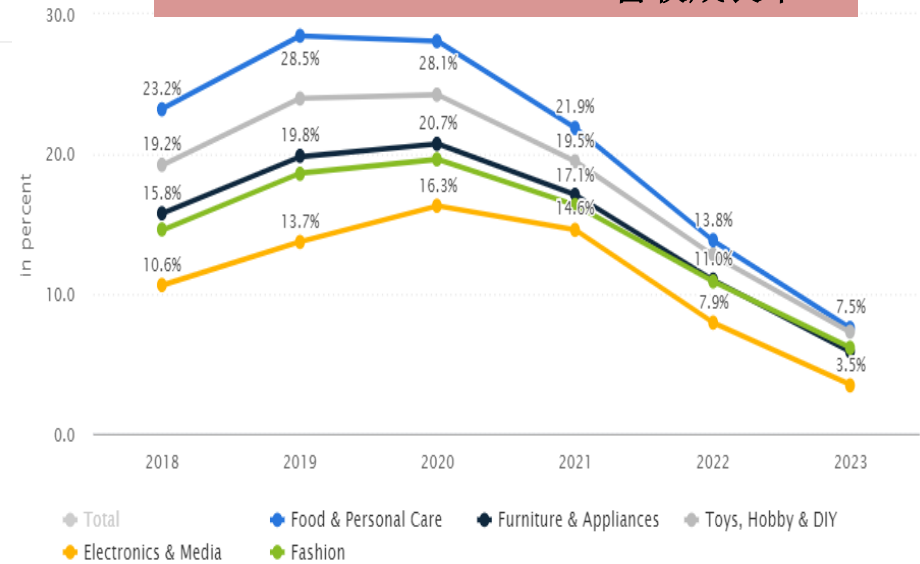
eCommerce Revenue – 營收



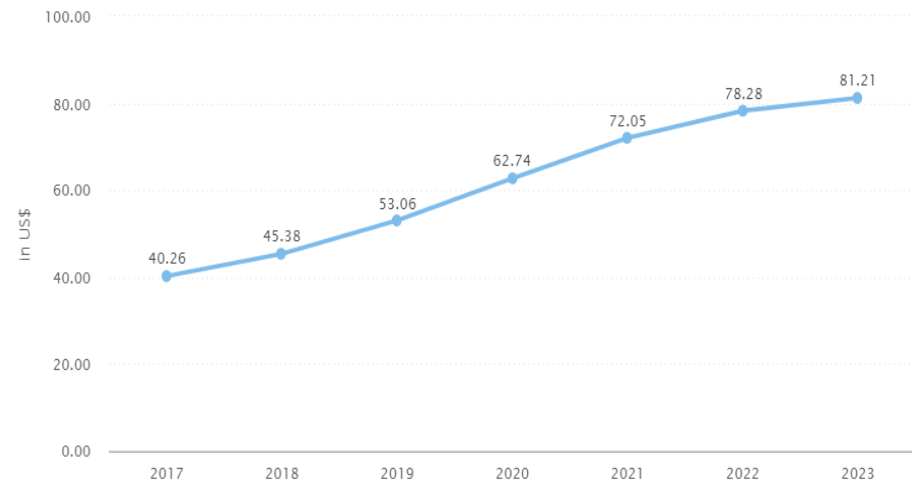
Revenue 2019

Food & Personal Care	US\$447.9m
Furniture & Appliances	US\$477.6m
Toys, Hobby & DIY	US\$437.7m
Electronics & Media	US\$684.6m
Fashion	US\$660.8m

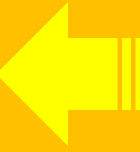
Revenue Growth – 營收成長率



Average revenue per user – 每用戶平均收入



Cambodia Economic



Location

Southeast Aisa

Neighbors

Thailand, Laos, Vietnam

Capital city

Phnom Penh

Population (Nov 2019)

16,570,643

Official language

Mon-Khmer

GDP per capita (2019 est.)

4.40%

GDP growth (2019 est.)

7.00%

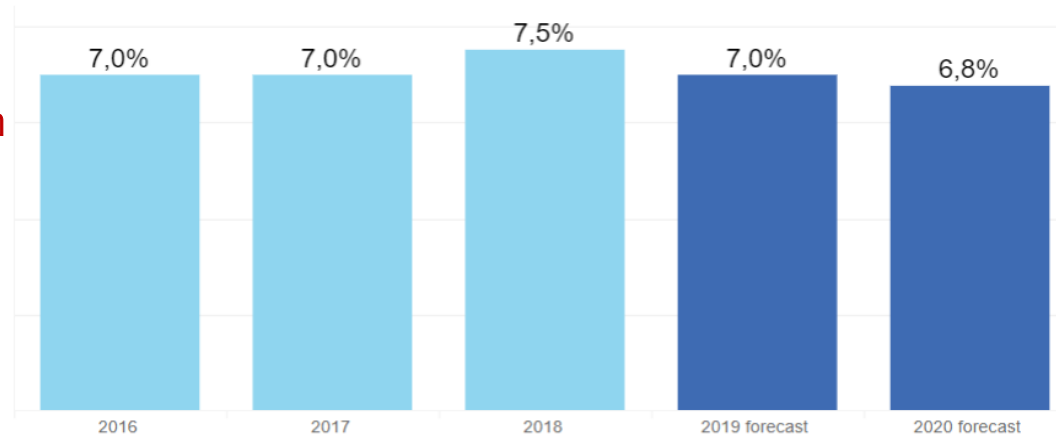
Inflation (2019 est.)

2.20%

Currency

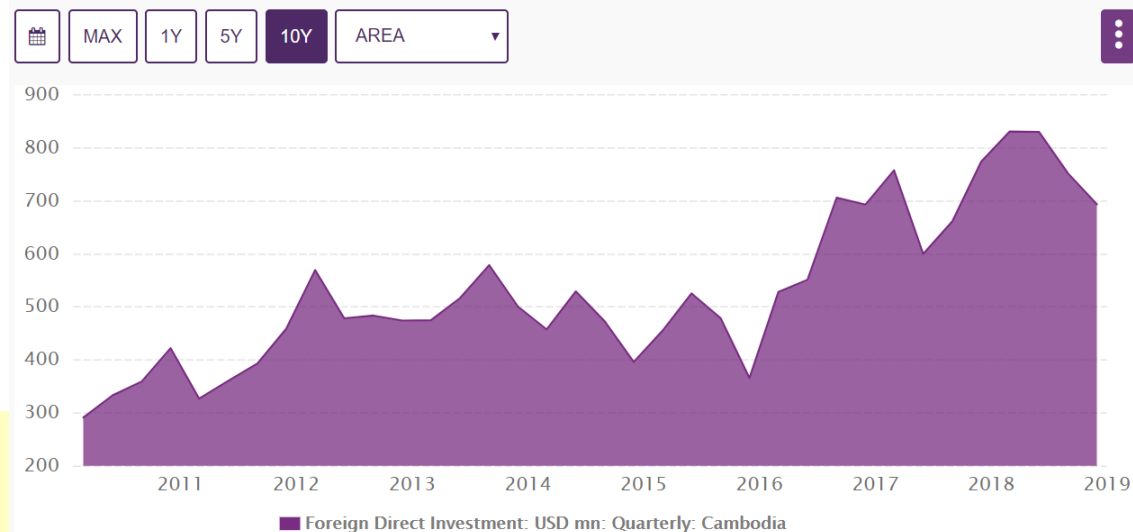
Riel

GDP Growth Rate: Cambodia
(% per year)



Source: Asian Development Bank. *Asian Development Outlook 2019 Update*

View Cambodia's Foreign Direct Investment from Mar 2010 to Jun 2019 in the chart:



Main Market

2018 Index	Vietnam	Cambodia
Median age	30(65% under 30)	24 (70% under 30)
Infant population, ages 0~3	6,000,000	1,000,000
Baby Diapers Penetration Rate	<35%	<25%
Estimated Baby Diaper Market Size	USD\$ 250,000,000	USD\$ 30,000,000
Estimated Baby Diaper Market Size(100% Penetration Rate)	USD\$ 750,000,000	USD\$ 120,000,000

Source: Taisun Holding's Database

Market Share

Vietnam (2018)

UniDry (Baby diaper/Baby diaper pants)	11% - No.4 ranking
SunMate (Adult Diaper)	28% - No.2 ranking
Sunfree (Napkins)	2% - No.5 ranking

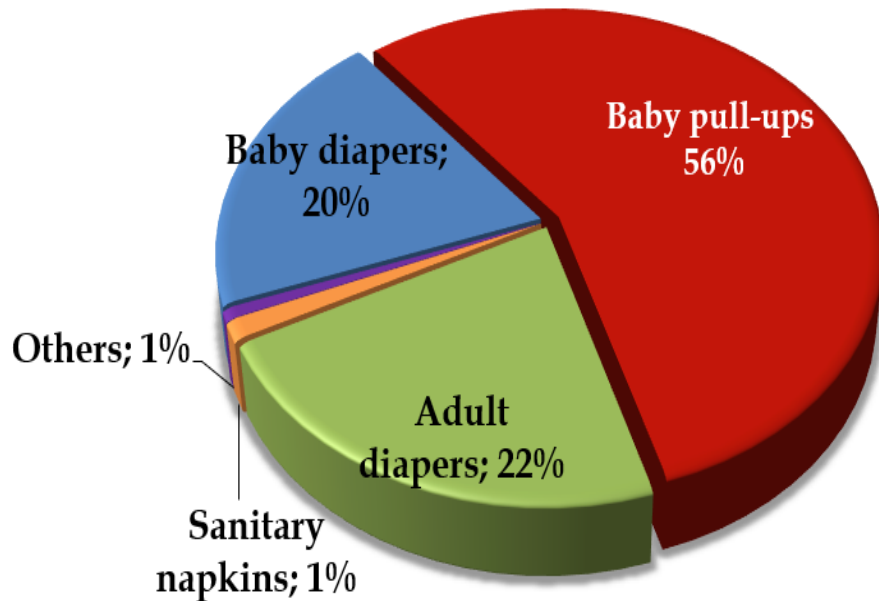
Cambodia (2018)

UniDry (Baby diaper/Baby diaper pants)	48% - No.1 ranking
SunMate (Adult Diaper)	59% - No.1 ranking

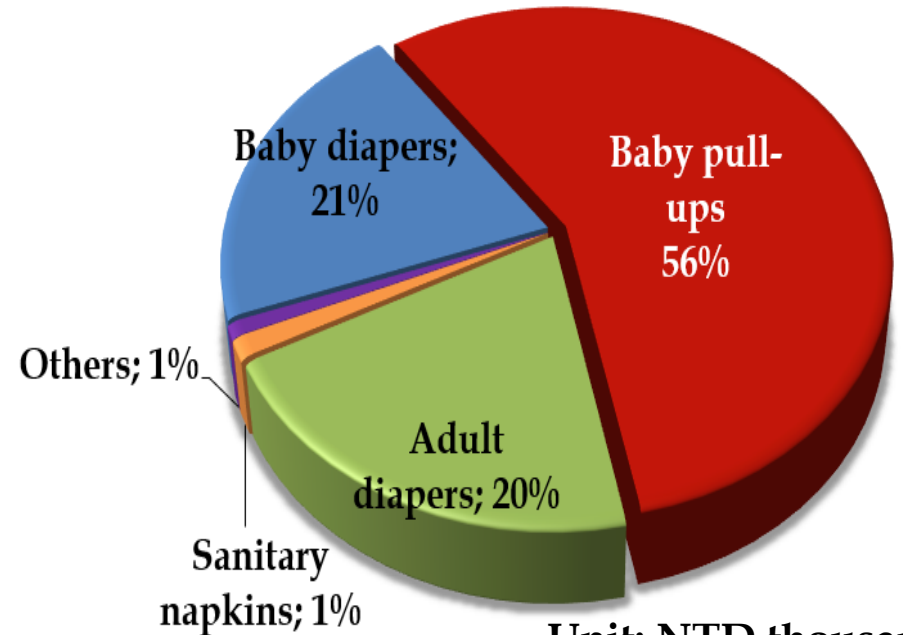
Source: Taisun Holdings Database

2019Q3 - Sales by Products

2019Q3



2018Q3

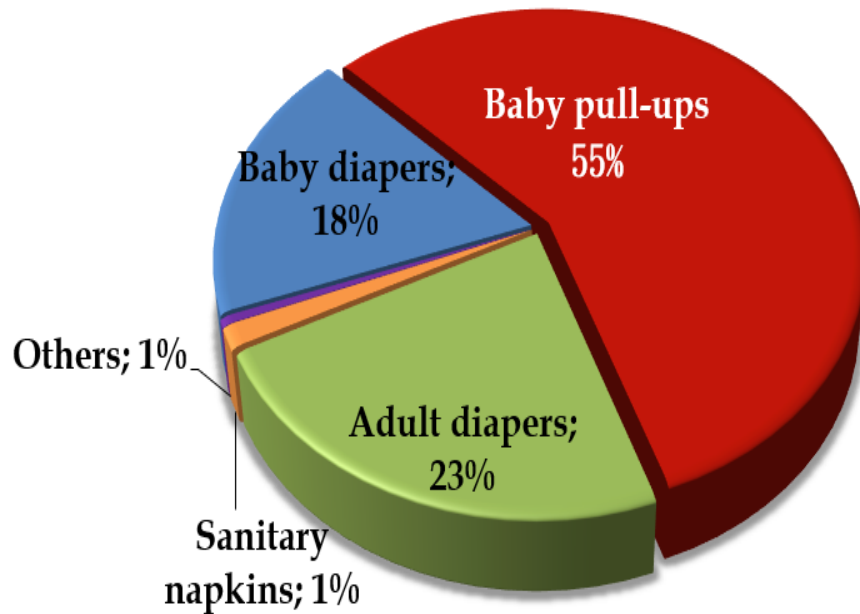


Unit: NTD thousands

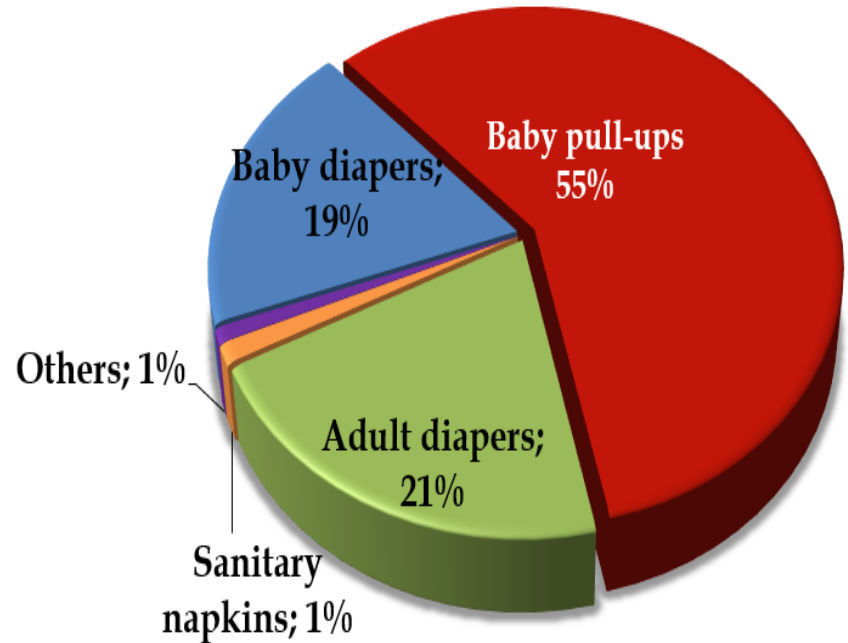
Products	9 months of 2019		9 months of 2018		Var.	
	Amount	%	Amount	%	Amount	%
Baby diapers	280,538	19.7%	260,169	20.7%	20,369	7.8%
Baby pull-ups	798,570	56.1%	713,834	56.7%	84,736	11.9%
Adult diapers	314,769	22.1%	257,450	20.5%	57,319	22.3%
Sanitary napkins	18,139	1.3%	16,021	1.3%	2,117	13.2%
Others	10,322	0.7%	11,338	0.9%	-1,016	-9.0%
Total	1,422,337	100.0%	1,258,812	100.0%	163,526	13.0%

2019.9M - Sales by Products

2019. 9M



2018. 9M

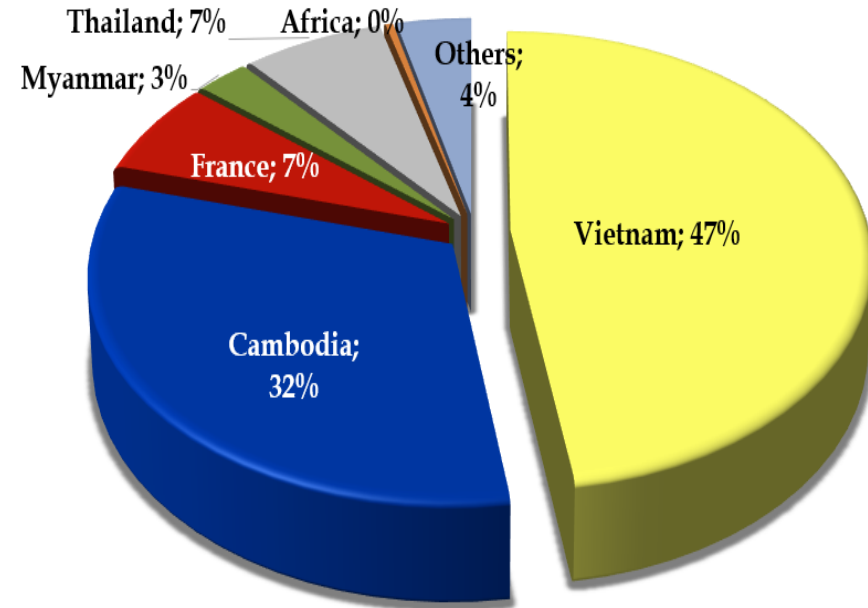


Unit: NTD thousands

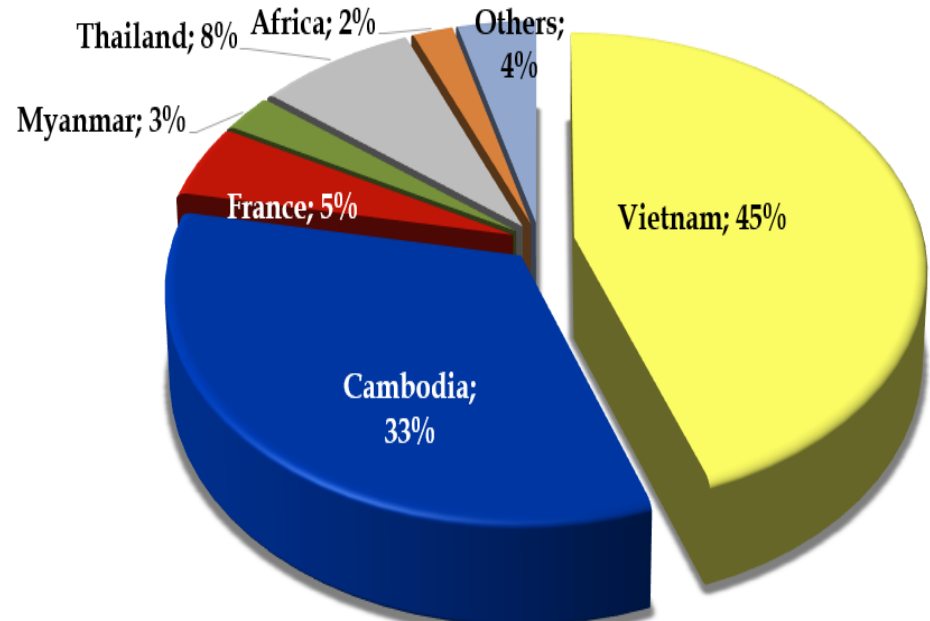
Products	2019Q3		2018Q3		Var.	
	Amount	%	Amount	%	Amount	%
Baby diapers	89,762	18.0%	84,585	18.7%	5,177	6.1%
Baby pull-ups	285,198	57.2%	265,321	58.5%	19,877	7.5%
Adult diapers	114,208	22.9%	93,720	20.7%	20,488	21.9%
Sanitary napkins	7,034	1.4%	5,518	1.2%	1,516	27.5%
Others	2,606	0.5%	4,236	0.9%	(1,630)	-38.5%
Total	498,808	100.0%	453,380	100.0%	45,428	10.0%

2019Q3 - Sales by areas

2019Q3



2018Q3

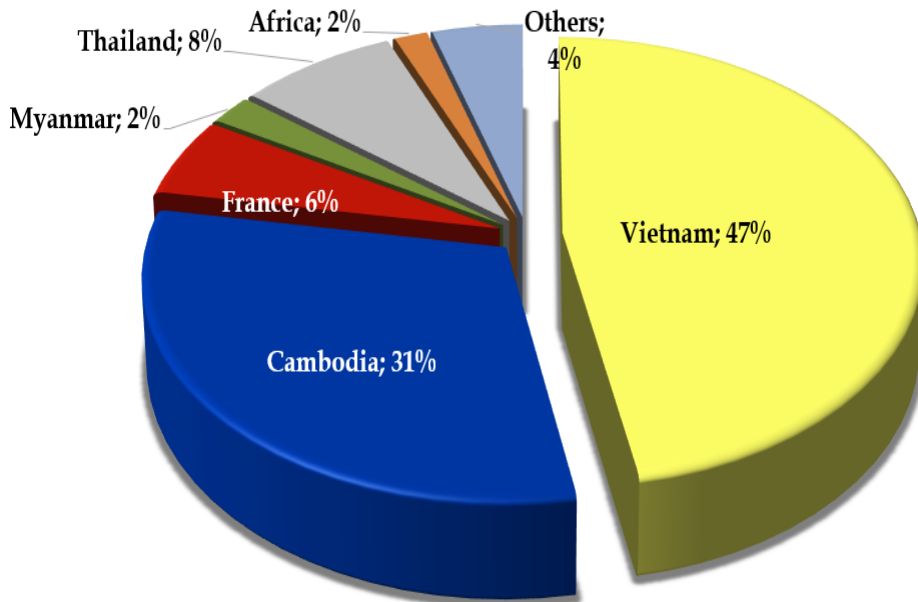


Unit: NTD thousands

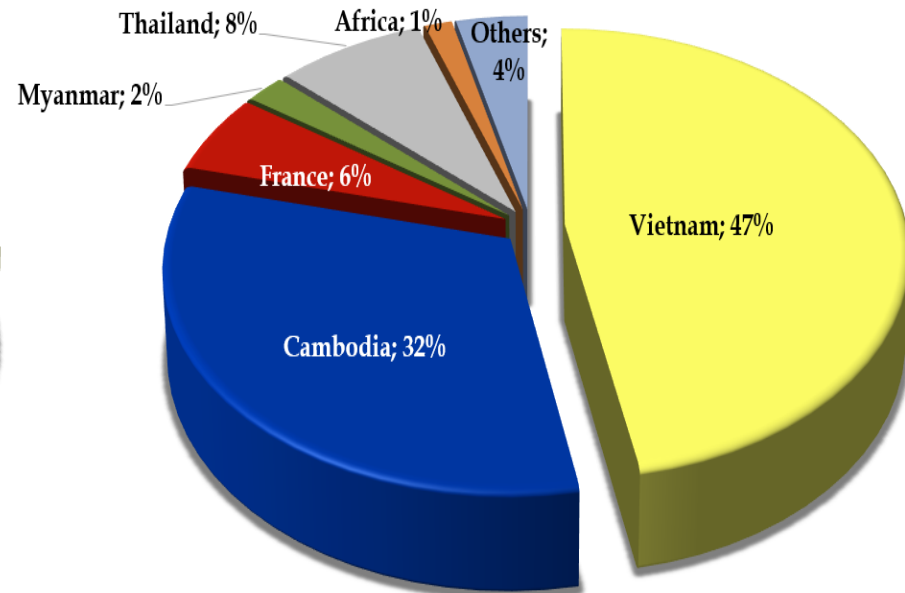
Areas	2019Q3		2018Q3		Var.	
	Amount	%	Amount	%	Amount	%
Vietnam	237,591	47.6%	201,941	44.5%	35,650	17.7%
Cambodia	157,980	31.7%	151,786	33.5%	6,195	4.1%
France	33,690	6.8%	22,715	5.0%	10,975	48.3%
Myanmar	13,156	2.6%	11,876	2.6%	1,281	10.8%
Thailand	35,515	7.1%	36,936	8.1%	(1,421)	-3.8%
Africa	1,890	0.4%	9,516	2.1%	(7,626)	-80.1%
Others	18,986	3.8%	18,611	4.1%	374	2.0%
Total	498,809	100.0%	453,380	100.0%	45,429	10.0%

2019.9M - Sales by areas

2019. 9M



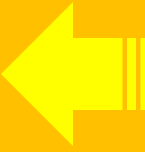
2018. 9M



Unit: NTD thousands

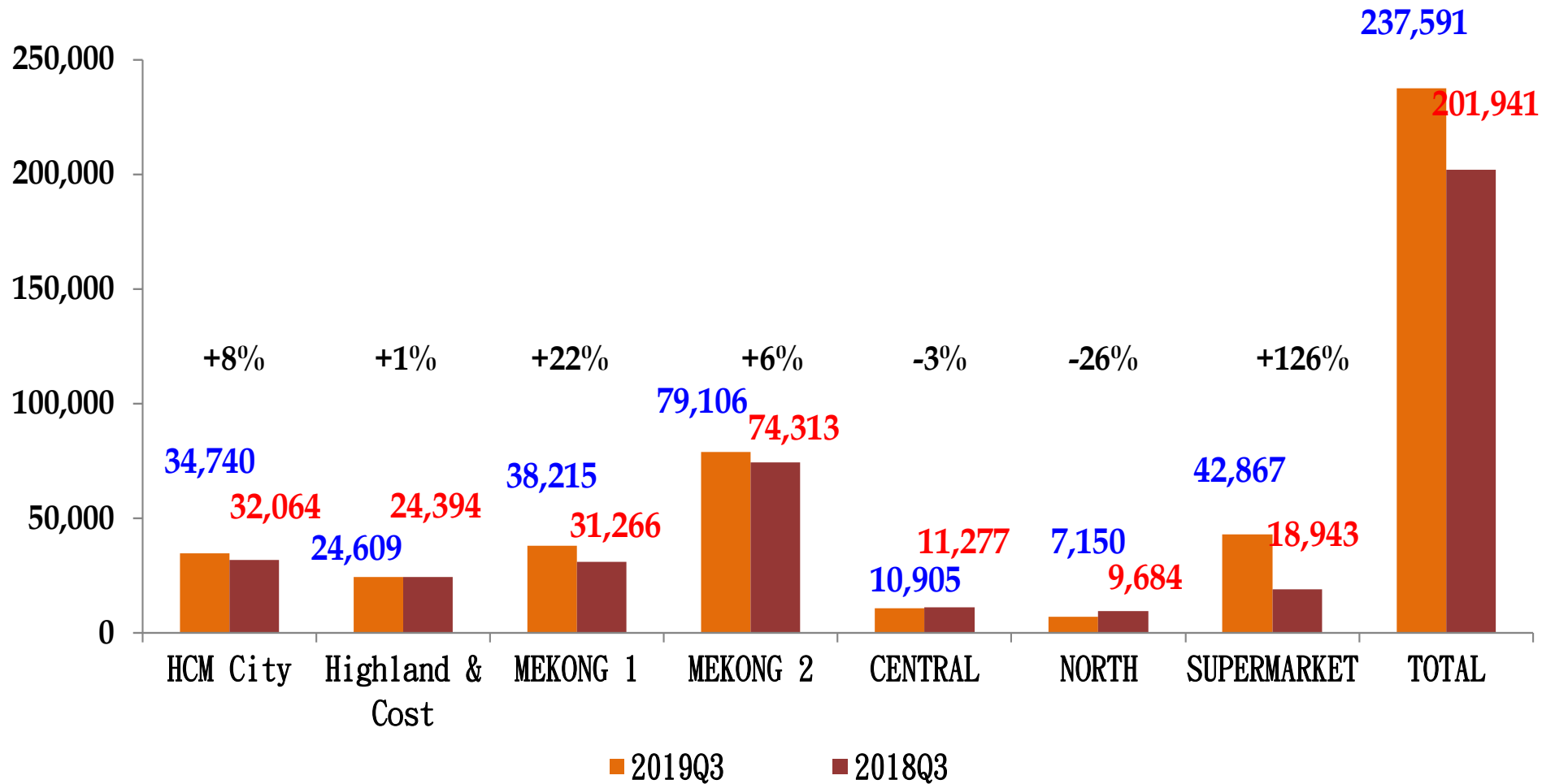
Areas	9 months of 2019		9 months of 2018		Var.	
	Amount	%	Amount	%	Amount	%
Vietnam	670,253	47.1%	592,255	47.0%	77,999	13.2%
Cambodia	435,612	30.6%	401,453	31.9%	34,159	8.5%
France	81,811	5.8%	72,750	5.8%	9,061	12.5%
Myanmar	30,968	2.2%	26,686	2.1%	4,281	16.0%
Thailand	114,011	8.0%	99,372	7.9%	14,639	14.7%
Africa	24,071	1.7%	18,362	1.5%	5,709	31.1%
Others	65,612	4.6%	47,934	3.8%	17,678	36.9%
Total	1,422,337	100.0%	1,258,812	100.0%	163,525	13.0%

2019Q3 - Sales by Areas (Vietnam)

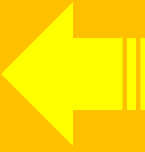


Unit: NTD thousands

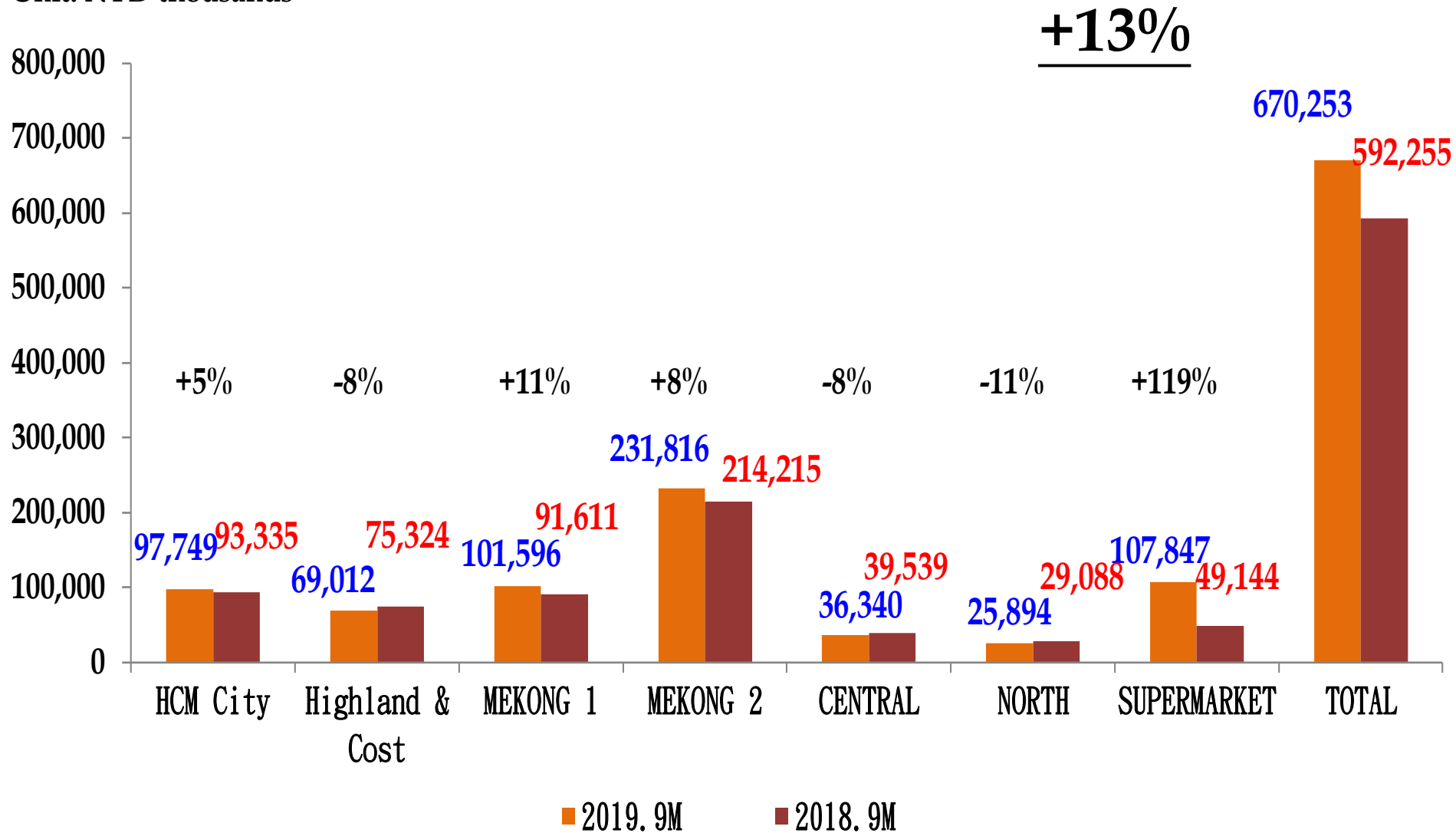
+18%



2019.9M - Sales by Areas (Vietnam)

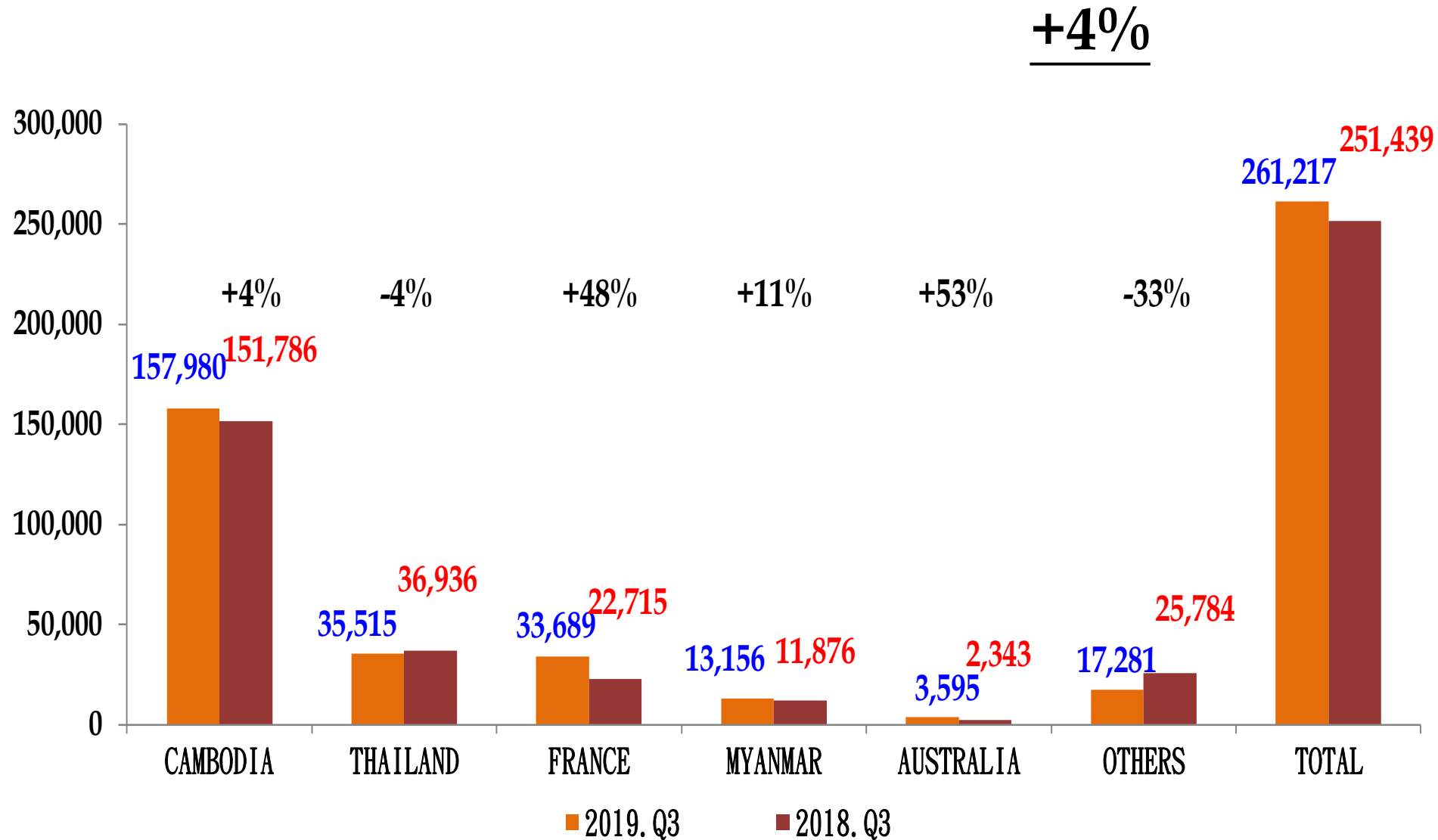


Unit: NTD thousands



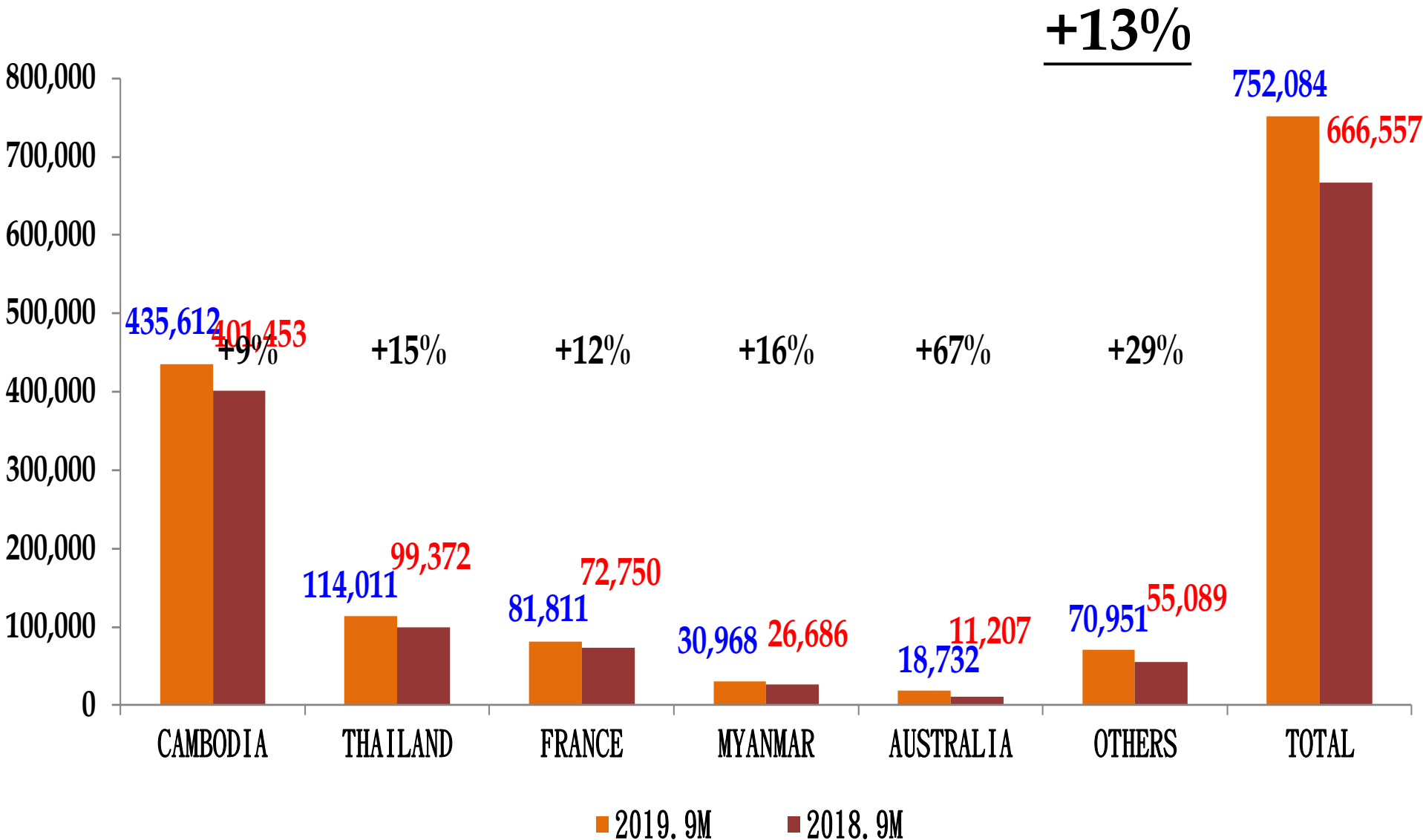
2019Q3 - Sales by Areas (Others)

Unit: NTD thousands



2019.9M - Sales by Areas (Others)

Unit: NTD thousands



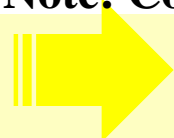
2019Q3 – Income Statement



Unit: NTD thousand

Profit & Loss	2018					2019			
	Q1	Q2	Q3	Q4	Year 2018	Q1	Q2	Q3	2019. 9M
Net Sales	419,572	385,860	453,380	485,363	1,744,175	461,233	462,295	498,809	1,422,337
Gross profit	134,219	121,369	127,133	138,588	521,309	126,151	133,854	165,790	425,795
Gross margin (%)	31.99	31.45	28.04	28.55	29.89	27.35	28.95	33.24	29.94
Operating expenses	55,205	58,861	57,054	65,674	236,794	67,302	69,068	76,738	213,108
Operating expenses (%)	13.16	15.25	12.58	13.53	13.58	14.59	14.94	15.38	14.98
Operating income	79,014	62,508	70,079	72,914	284,515	58,849	64,786	89,052	212,687
Operating income (%)	18.83	16.20	15.46	15.02	16.31	12.76	14.01	17.85	14.95
Net income	80,240	62,149	76,122	80,180	298,691	65,167	72,503	98,085	235,755
Net income (%)	19.12	16.11	16.79	16.52	17.13	14.13	15.68	19.66	16.58
Earnings per share	2.04	1.58	1.94	2.04	7.61	1.66	1.85	2.49	6.00

Note: Consolidated financial statements are audited by Deloitte



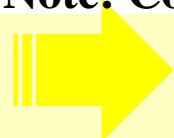
2019Q3 – Income Statement



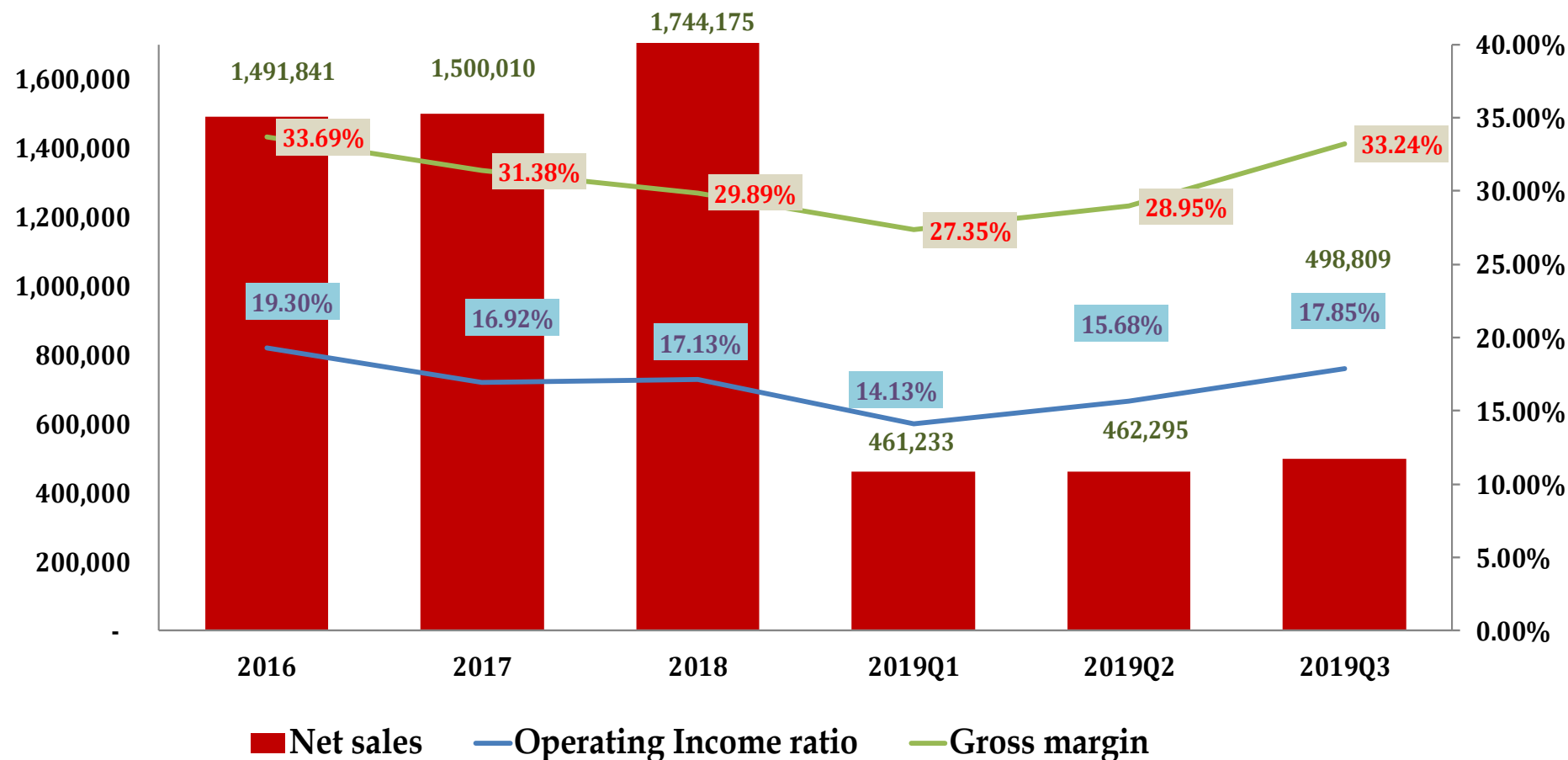
Unit: NTD thousand

Profit & Loss	2019Q3	2018Q3	2019Q2	Var.		2019. 9M	2018. 9M	YOY
				Q3. 2019 vs. 2018	Q3 vs. Q2 . 2019			
Net Sales	498,809	453,380	462,295	10.02%	7.90%	1,422,337	1,258,812	12.99%
Gross profit	165,790	127,133	133,854	30.41%	23.86%	425,795	382,721	11.25%
Gross margin (%)	33.24	28.04	28.95	-	-	29.94%	30.40%	-
Operating expenses	76,738	57,054	69,068	34.50%	11.10%	213,108	171,120	24.54%
Operating expenses (%)	15.38	12.58	14.94	-	-	14.98%	13.59%	-
Operating income	89,052	70,079	64,786	27.07%	37.46%	212,687	211,601	0.51%
Operating income (%)	17.85	15.46	14.01	-	-	14.95%	16.81%	-
Net income	98,085	76,122	72,503	28.85%	35.28%	235,755	218,511	7.89%
Net income (%)	19.66	16.79	15.68	-	-	16.58%	17.36%	-

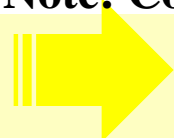
Note: Consolidated financial statements are audited by Deloitte



Financial Information

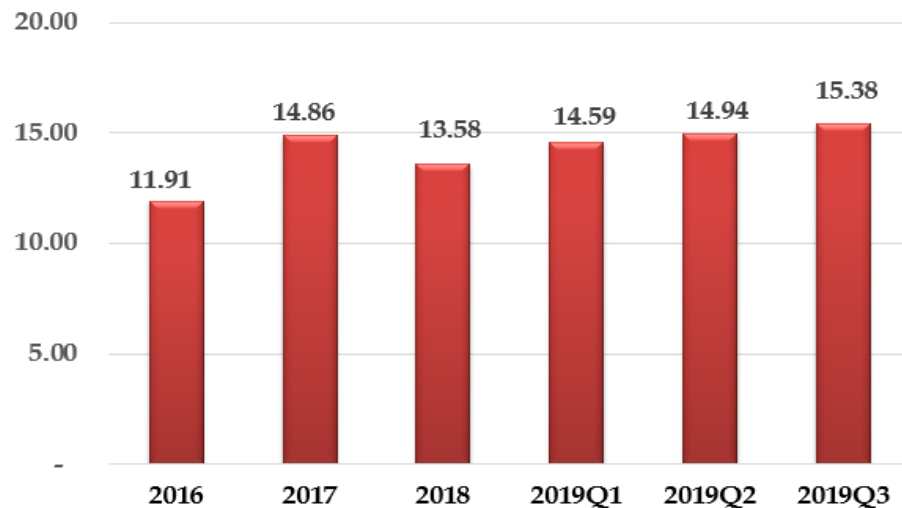


Note: Consolidated financial statements are audited by Deloitte

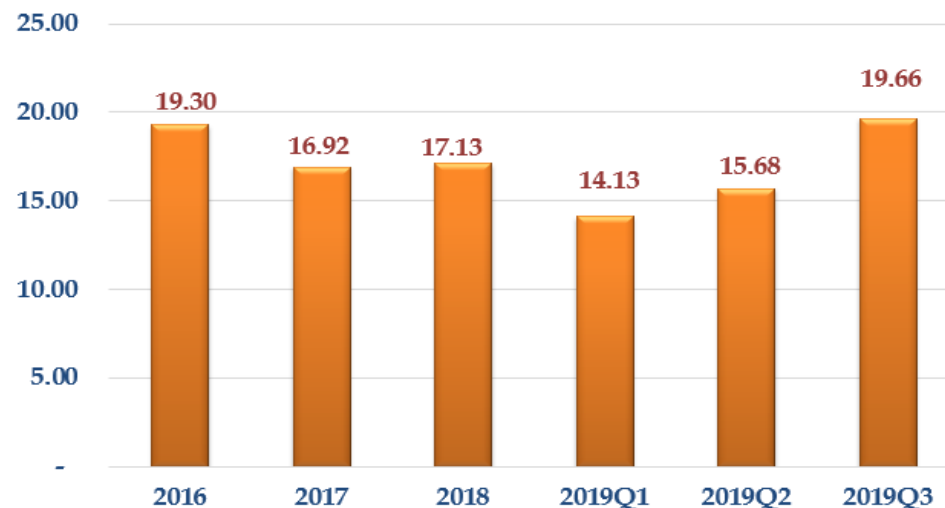


Financial Information

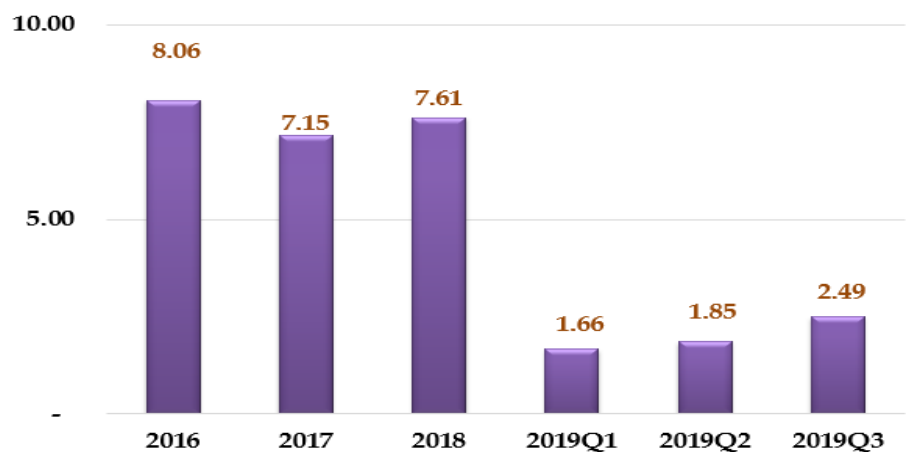
Operating expenses ratio



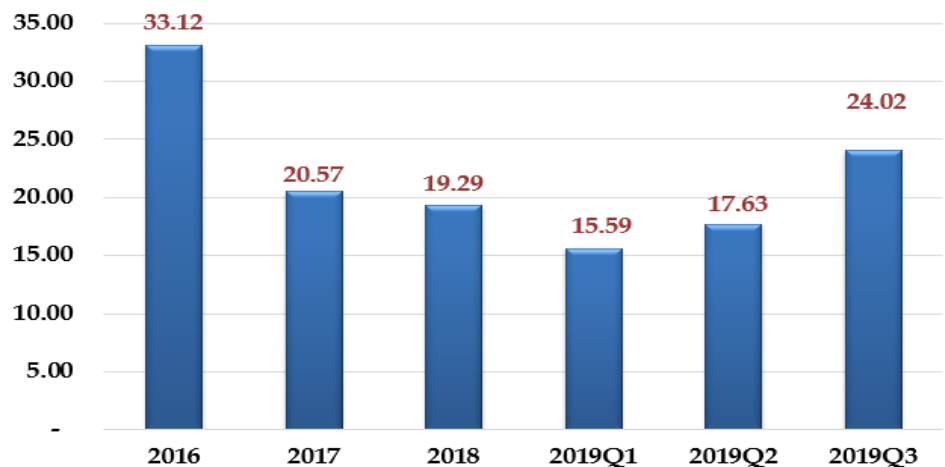
Net profit ratio



Earnings per share (EPS)



Return on equity (ROE)



Materials' price



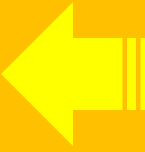
近月倫敦布蘭特原油

請選擇線圖種類 ▾ 兩年 ▾ 底圖色彩：白色 | 灰色 | 藍色
K線圖 ▾ 請選大圖指標 ▾ 成交量圖(VOLU) ▾ 隨機指標(KD) ▾ 線圖長度：

20171204 收 62.450000 -1.280000(-2.01%) 開 63.500000 高 63.680000 低 62.310000



Dividend Policy



Dividend policy: dividend payout ratio is around 70% and payment in cash mainly.

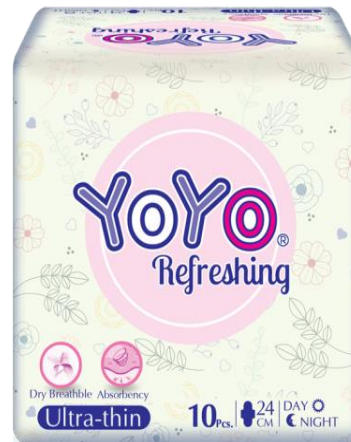
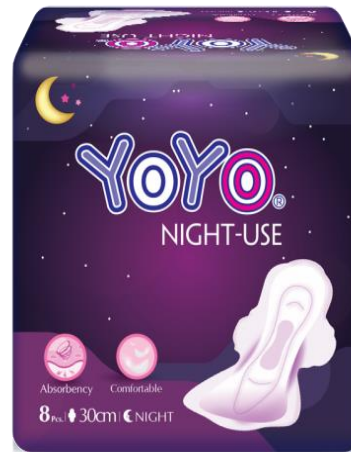
		2016	2017	2018
Earnings per share (EPS)		8.06	7.15	7.61
Dividend	Cash	6.00	4.00	5.30
	Stock	-	1.00	-
Dividend payout ratio (%)		74.44%	69.93%	69.65%

New High Gross Margin Products Adult Pull-Ups



- ❖ More convenient and light
- ❖ For patients with mild incontinence (about 50 ~ 70 years old)

New High Gross Margin Products Sanitary Napkins



- ❖ Research & develop new model, new style to meet the changing in needs of market, expected to launch in Vietnam and Cambodia firstly

Outlook for 2019Q4 & 2020Q1- Advantages

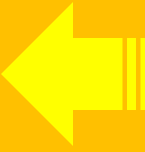
- ❖ Gross margin has risen sharply but the raw materials cost continues to decline. Therefore, we expect the gross margin still can be higher.
- ❖ The main market such as Vietnam, Cambodia, Thailand & Myanmar maintain rapid growth, and the 4th quarter & the 1st quarter of year 2020 are also the peak season of diapers in Southeast Asia. With the estimation of high increase in gross margin, the net sales and net income will be expected to further increase.
- ❖ Except for launching the new high gross margin product – Adult pull-ups in Vietnam's market, it also has been launched to oversea markets (Thailand, Australia and Europe,...); Besides, another high margin product - sanitary napkins is also going to launch in Cambodia in November this year, it is expected to bring high contribution in net sales & net income.



Outlook for 2019Q4 – Disadvantages

- ❖ With the high growth of Vietnamese & Cambodian market, except for attracting new competitors, the original competitors have also increased investments, it would result in fierce market competition. In addition, the marketing channel is more complicated with the rapid development of modern trade channel (Supermarket, e-commerce, etc.). Thus, it leads to the increase of difficulty in market operation.
- ❖ Taiwan Dollar continues to be stronger against US Dollar, there will be loss on foreign exchange difference and exchange difference from converting financial statements.

Our Strategies



- ❖ **Keep Vietnam and Cambodia markets as the key base of development, continue to expand other high potential markets of the North East Association (Myanmar, Thailand, Laos)**
- ❖ **Aggressively build channels for France, India and Taiwan markets.**
- ❖ **Expand the investment in channels and brand marketing in Vietnam and Cambodia to capture the market growth dividends and increase market share.**
- ❖ **The product developments will be aimed at comprehensive environmental protection and non-toxicity and use of organically biodegradable materials with the goal of ultra-thin baby products, pants for adult products, soft and fashionable women's products, we will quickly launch new products according to market trends. Besides, for the manufacturing, the AI automation manufacturing process will be the development priorities in near future.**
- ❖ **Enhance the overall competitiveness by finding suitable brands and channels or upstream M&A or investment targets relating to advanced materials.**



THANK YOU!

