

TWSE Stock No.: 8480 (Taisun – KY)

Taisun Int'l (Holding) Corp.

Investor Conference



Reporter: CFO-TOM LIN



TIME: 31 March 2021

Safe Harbor Notice

This presentation is based on the information obtained from various sources which the Company believes to be reliable. But at some points 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 the MOPS website for basis on any adjustments that have been made.

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

1.

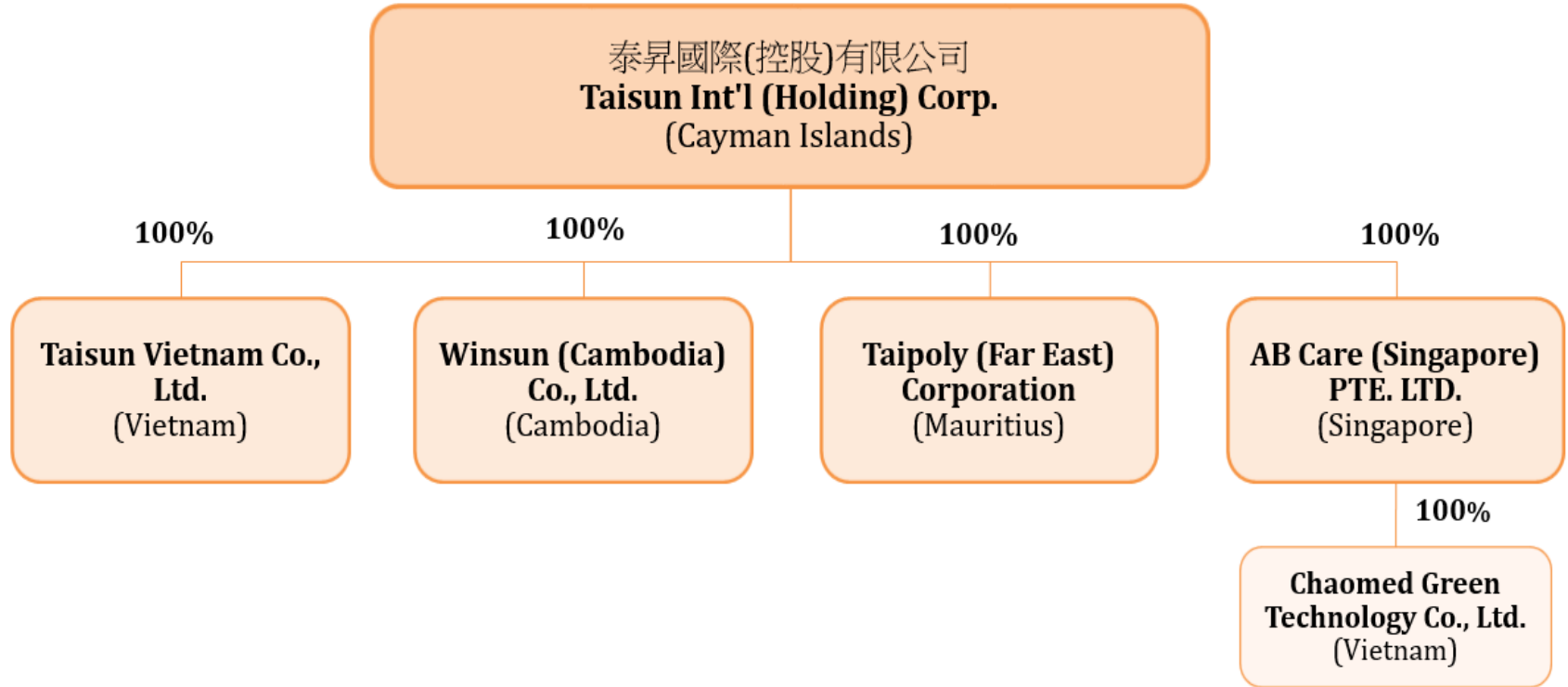
Company Profile

Taisun Profile

- ▷ Incorporated in **February 2014**
(Taisun Vietnam HQ was incorporated in January 2001)
- ▷ Chairman and General Director: **Mr. Tai Chao Rong**
- ▷ Paid-in capital: **NT \$ 393 million**
- ▷ Headquarters: **Ho Chi Minh City, Vietnam**
- ▷ Employees: **883 employees** (Feb 2021)



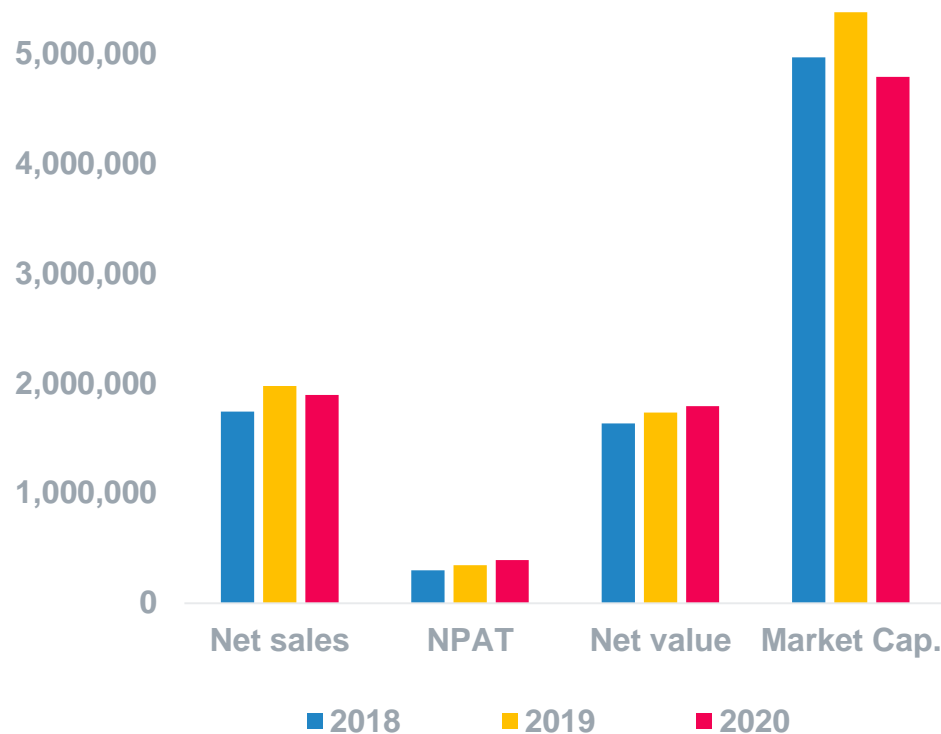
Investment Structure



Financial Information – Last 3 years

Unit: thousand NTD

Item	Year 2018	Year 2019	Year 2020
Net Sales	1,744,175	1,977,366	1,895,124
NPAT	298,691	345,164	391,080
Net Value	1,636,623	1,735,065	1,791,694
Market Cap.	4,967,655	5,379,990	4,790,940



2020 – Income Statement

Unit: thousand NTD

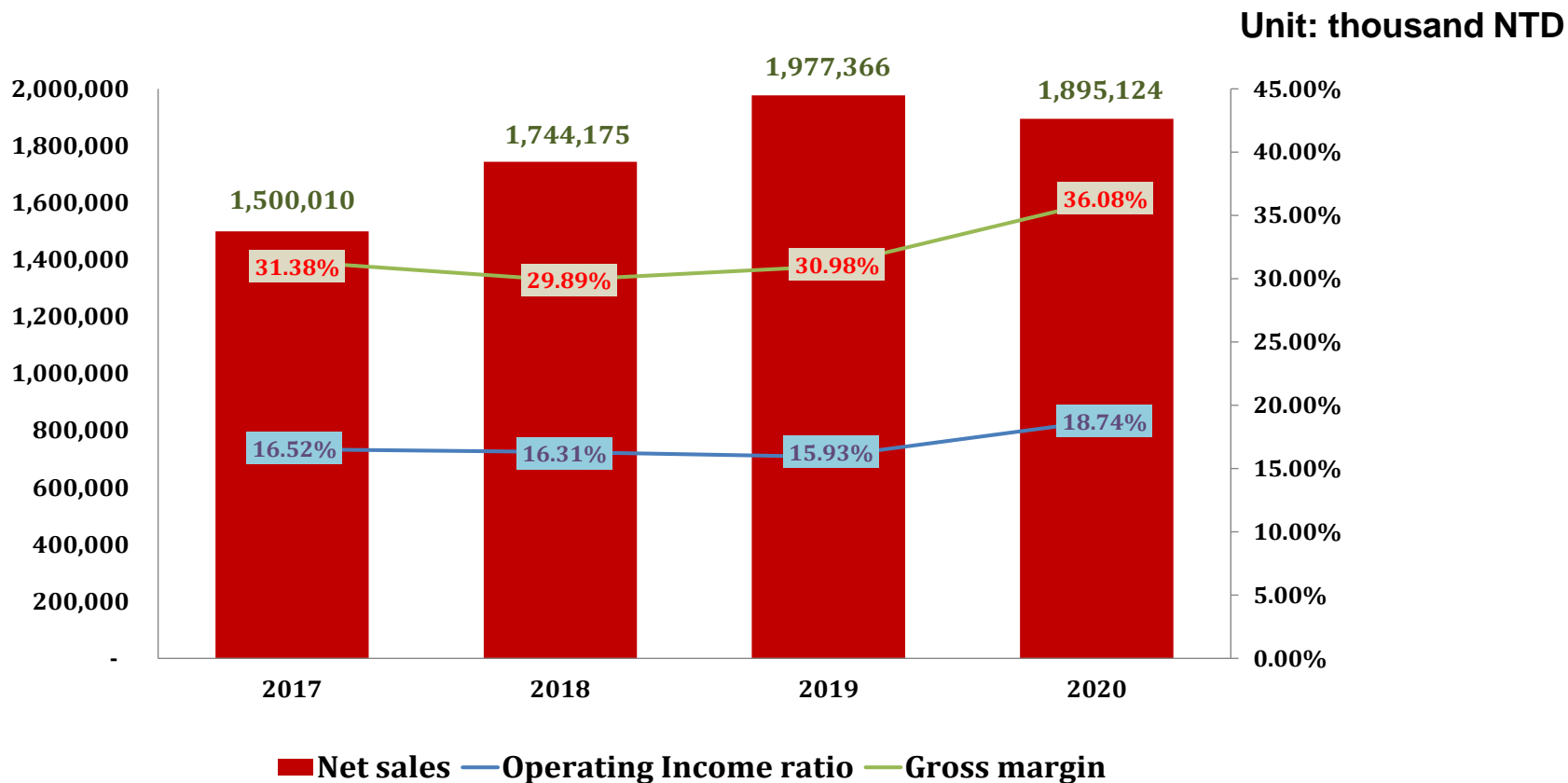
Profit & Loss	2019					2020				
	Q1	Q2	Q3	Q4	Year 2019	Q1	Q2	Q3	Q4	Year 2020
Net Sales	461,233	462,295	498,809	555,029	1,977,366	498,677	428,165	462,817	505,466	1,895,124
Gross profit	126,151	133,854	165,790	186,885	612,680	187,306	153,515	160,787	182,192	683,800
Gross margin (%)	27.35	28.95	33.24	33.67	30.98	37.56	35.85	34.74	36.04	36.08
Operating expenses	67,302	69,068	76,738	84,563	297,671	89,581	75,898	81,256	81,867	328,602
Operating expenses (%)	14.59	14.94	15.38	15.24	15.05	17.96	17.73	17.56	16.20	17.34
Operating income	58,849	64,786	89,052	102,322	315,009	97,725	77,617	79,531	100,325	355,198
Operating income (%)	12.76	14.01	17.85	18.44	15.93	19.60	18.13	17.18	19.85	18.74
Total non-operating income and expenses	13,481	14,505	19,029	18,253	65,269	16,931	26,072	22,232	21,834	87,069
Profit before Income Tax	72,330	79,291	108,081	120,575	380,278	114,656	103,689	101,763	122,159	442,267
Net income	65,167	72,503	98,085	109,408	345,164	103,760	91,383	89,002	106,935	391,080
Net income (%)	14.13	15.68	19.66	19.71	17.46	20.81	21.34	19.23	21.16	20.64
Earnings per share	1.66	1.85	2.49	2.79	8.79	2.64	2.33	2.27	2.72	9.96

Q4. 2020 – Income Statement

Unit: thousand NTD

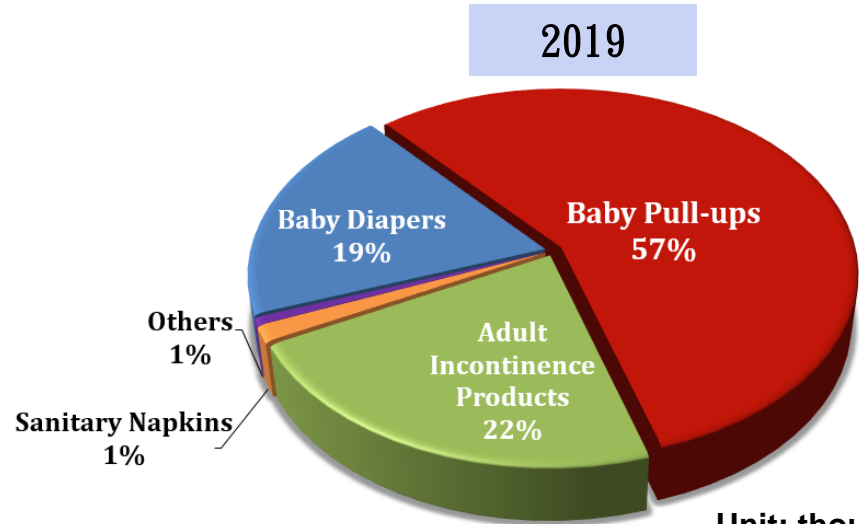
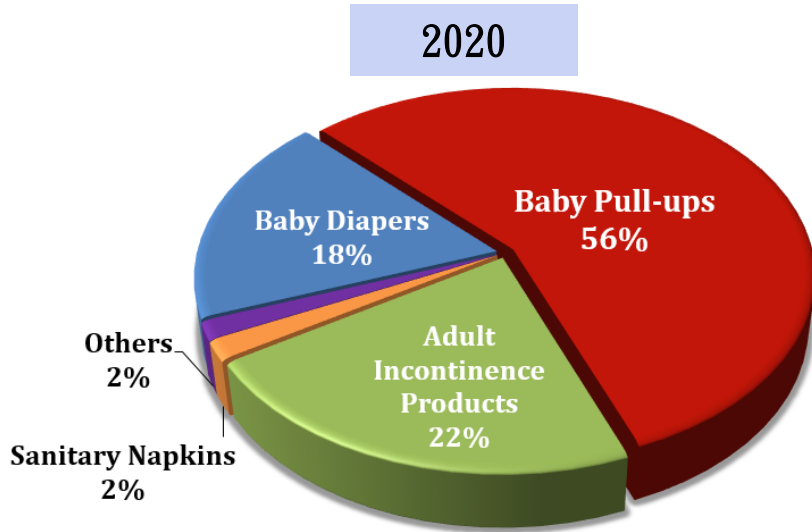
Profit & Loss	2020Q4	2019Q4	2020Q3	Var.		2020	2019	YOY
				Q4.2020 vs. 2019	Q4 vs. Q3 .2020			
Net Sales	505,466	555,029	462,817	-8.93%	9.22%	1,895,124	1,977,366	-4.16%
Gross profit	182,192	186,885	160,787	-2.51%	13.31%	683,800	612,680	11.61%
Gross margin (%)	36.04	33.67	34.74	0.07	3.75%	36.08	30.98	-
Operating expenses	81,867	84,563	81,256	-3.19%	0.75%	328,602	297,671	10.39%
Operating expenses (%)	16.20	15.24	17.56	0.06	-7.75%	17.34	15.05	-
Operating income	100,325	102,322	79,531	-1.95%	26.15%	355,198	315,009	12.76%
Operating income (%)	19.85	18.44	17.18	0.08	15.50%	18.74	15.93	-
Total non-operating income and expenses	21,834	18,253	22,232	19.62%	-1.79%	87,069	65,269	33.40%
Profit before Income Tax	122,159	120,575	101,763	1.31%	20.04%	442,267	380,278	16.30%
Net income	106,935	109,408	89,002	-2.26%	20.15%	391,080	345,164	13.30%
Net income (%)	21.16	19.71	19.23	0.07	10.01%	20.64	17.46	-

Key Financial Indicators



Note: Consolidated financial statements are audited by Deloitte

2020 – Sales by Product

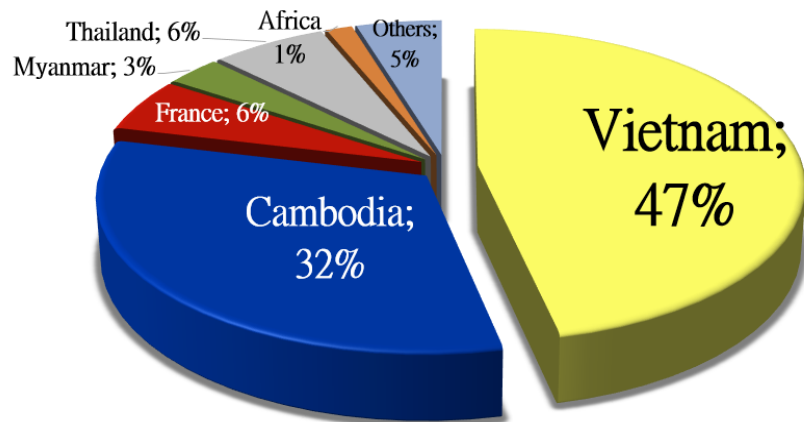


Unit: thousand NTD

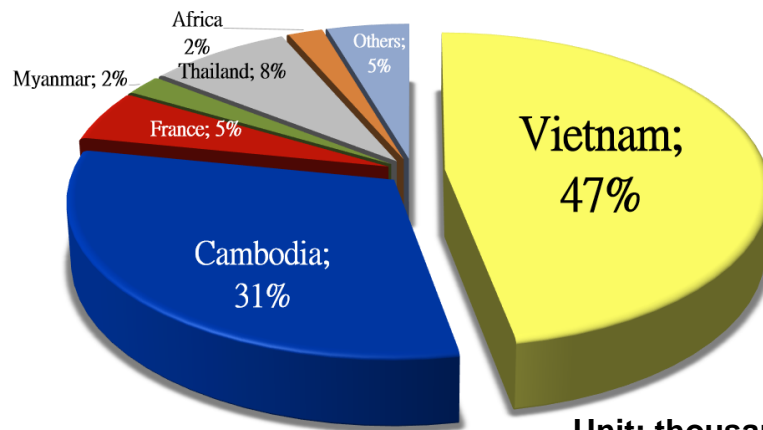
Products	Year 2020		Year 2019		Var.	
	Amount	%	Amount	%	Amount	%
Baby Diapers	344,068	18.16%	378,894	19.16%	(34,826)	-9.19%
Baby Pull-ups	1,069,311	56.42%	1,120,001	56.64%	(50,690)	-4.53%
Adult Incontinence Products	420,414	22.18%	438,084	22.15%	(17,670)	-4.03%
Sanitary Napkins	31,771	1.68%	27,634	1.40%	4,137	14.97%
Others	29,559	1.56%	12,753	0.64%	16,806	131.78%
Total	1,895,124	100.00%	1,977,366	100.00%	(82,242)	-4.16%

2020 – Sales by Country

2020



2019



Unit: thousand NTD

Area	Year 2020		Year 2019		Var.	
	Amount	%	Amount	%	Amount	%
Vietnam	882,699	46.58%	929,810	47.02%	(47,111)	-5.07%
Cambodia	609,217	32.15%	614,615	31.08%	(5,398)	-0.88%
France	105,218	5.55%	103,133	5.22%	2,085	2.02%
Myanmar	58,280	3.08%	41,367	2.09%	16,913	40.88%
Thailand	121,460	6.41%	157,499	7.97%	(36,039)	-22.88%
Africa	27,649	1.46%	38,906	1.97%	(11,257)	-28.93%
Others	90,602	4.78%	92,036	4.65%	(1,434)	-1.56%
Total	1,895,124	100.00%	1,977,366	100.00%	(82,242)	-4.16%

2.

Features and Highlights of Taisun Group

Features and Highlights

- 
- ▷ Except the international brand, **Taisun** Group is a very few case that has both **operation scales** and **leading brands** in **Southeast Asia**.
 - ▷ One of the **Best Profitable** companies in Asia Hygiene Industry.
 - ▷ The management team are both **international** and **localization**, so the decision making and execution are more **efficient** and **flexible**.
 - ▷ **Attaching great importance** to the promotions and achievements of **CSR/ESG**



Main Markets Penetration Rate Update - 2019

Country/ Product	Baby Care	Adult Care	Fem Care	Remark
Vietnam	< 50%	< 10%	< 90%	Euromonitor
Cambodia	< 35%	< 5%	< 75%	Local Import Data
Myanmar	< 15%	< 2%	< 50%	Local Import Data
Thailand	< 80%	< 40%	< 95%	Euromonitor

Dividend policy : over 70% of NPAT and 100% Cash



		Year 2017	Year 2018	Year 2019	Year 2020
EPS		7.15	7.61	8.79	9.96
Dividend	Cash	4.00	5.30	6.2	6.0
	Stock	1.00	-	-	-
Dividend payout ratio (%)		69.93%	69.65%	70.53%	60.24%
Dividend yield (%)		2.82%	4.33%	4.63%	5.04%

3.

Strategic Objectives for 5 Years (2021~2025)

Expansion project in 5 years

Key raw materials

(Medical, Environmental protection , Organic materials)

Sales+ US\$ 30,000,000



Industrial Product

(Packing Materials, Carry Bag, Filter)



Retail & Marketing

(Pharmacy Chain & Professional Distributor M&A) **Sales+ US\$ 20,000,000**

Medical products
(Mask, Protective garment)



Strategic Objectives

Market Share Goals in Main Markets



Vietnamese market target

01 Rank top 3 in baby care products

02 Rank 1st in adult care products



Cambodian market target

01 Rank 1st in baby care/adult care products

02 Rank top three in sanitary napkins products



Myanmar market target

01 Rank top 3 in baby care products






02 Rank 1st in adult care products



Strategic Objectives (Cont.)



2025 Market Share Ranking Target

Country/ Product	Baby Care		Adult Care		Fem Care
Vietnam	3		 1		4
Cambodia	 1		 1		3
Taiwan	5		3		-NA-
Thailand	4		3		-NA-
Myanmar	3		2		-NA-
F. Island	 1		 1		-NA-

Strategic Objectives (Cont.)



Revenue reaches US\$200 million/ year

➔ **\$ 150 million**

Consumer Products

➔ **\$ 50 million**

Materials

Strategic Objectives (Cont.)



\$ 30 million

Net profit/year



\$ 450 million

Market value



20%

Using green energy for manufacturing



15%

Environment friendly products

4.

Outlook for the 1st half of year 2021

Outlook for the 1st half of year 2021

❖ Positive trends :

- (1) With the epidemic in domestic areas basically under control, the country is expected to relax travel restrictions and then the consumption demand will be likely recovered.
- (2) Raw materials are faced a price increase and yet we have sufficient input materials in storage. Thus, the expected gross margin will retain high and positive.
- (3) There will be new generation products to be launched to boost sales momentums.
- (4) The New Taiwan dollar becomes weaker, the impact of currency risk on revenue and profit will be decreased.

Outlook for the 1st half of year 2021 (Cont.)


❖ Negative trends :

- (1) Volatile market conditions result uncertainty of the cost of many raw materials. Thus, the expected profit will be affected by raw material price movements.
- (2) There are more market competitions, the marketing channels are also gradually transforming.
- (3) Cambodia is in a more serious fight against COVID-19 and Myanmar political disruption is still not resolved.

In Summary, for the first half of 2021, we expect the revenue to remain positive growth and the expected profit growth target will remain stable.



TAISUN



Everyday, we serve millions
of consumers around the world
with high quality service and care.
This is not only a great honor
but also our responsibility!

Growing Together

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