



葡萄王生技

Grape King Bio (1707TT/TW) Investor Presentation

May 15, 2024

“ Company Milestones



GrapeKing
Longtan Plant
In Zhongli



葡眾企業
PRO-PARTNER
Pro-Partner
was established



Grape King Bio-Tech
Headquarter in Pingzhen
started operation in September



Taipei Grape King
Sales Headquarter
was established.



統一企業
Uni-President (1216 TT)
became a shareholder and
strategic partner through a
private placement.



DIRECT SELLING NEWS
Pro-Partner' s ranked
No.38 among worldwide
direct selling companies

1969

1997

1998

2014

2016

2017

2018

2019

2021

2023

2024

Shanghai Grape King
was established



- Dr. Andrew Tseng succeeded his father to become the CEO and Chairman.
- Grape King is selected as Forbes "Asia's 200 Best Under A Billion."
- Pro-Partner' s ranked No.2 among Taiwan direct selling companies.

Grape King' s first
Tourist Center



- Grape King Bio-Tech Research Institute was established.
- Grape King formed a JV with All Cosmos Bio-Tech (4148 TT) to expand into Malaysia market.



Grape King Health Bio
Park

The first phase of the Park
was inaugurated, marking
the commencement of
production.





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1Q24 RESULTS

“ Company Overview : Three core business units

1. Taiwan Grape King (Parent Co)

Taiwan own brand & global OEM & ODM

Focus of all key ingredient design, formulation, and production for the whole Group.

2. Pro-Partner (60%-own)

Taiwan direct selling distribution

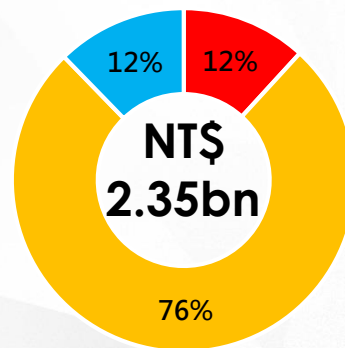
A differentiated distribution channel with products sold through direct-selling by members under the Pro-Partner brand.

3. Shanghai Grape King (100%-own)

China OEM & ODM

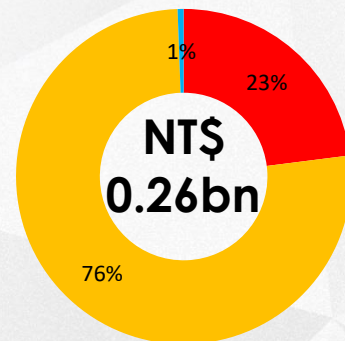
Our manufacturing in China that focuses on OEM and ODM for domestic and global health food companies.

1Q24 Revenue



■ Taiwan Grape King
■ Pro-Partner
■ Shanghai Grape King

1Q24 Profit

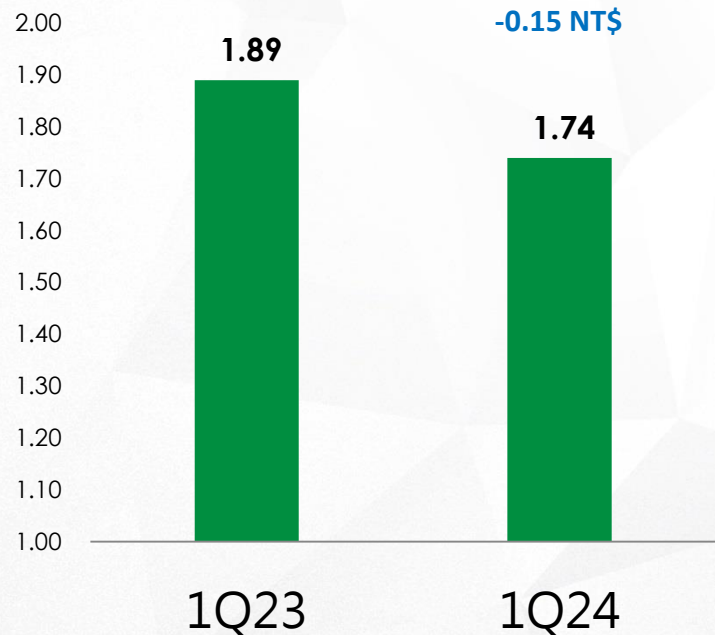


EPS : NT\$1.74

“ 1Q24 Earnings and Revenue

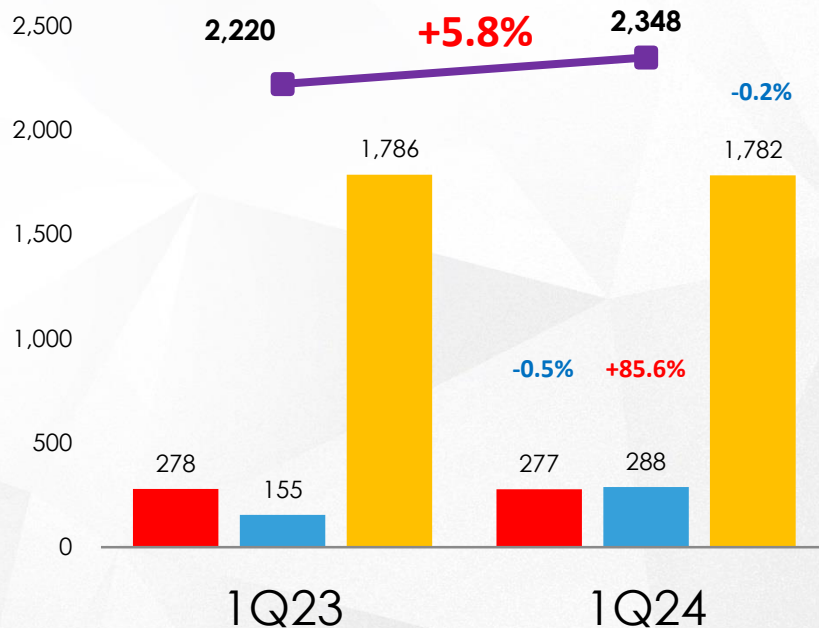
EPS

NT\$



Revenue in Business Units

mn NT\$



“ Five-Year & 1Q24 Income Statement

(NT\$ mn)	2019	2020	2021	2022	2023	2023Q1	2024Q1	YoY(%)
Revenue	9,239	9,168	9,798	10,391	10,635	2,220	2,348	5.8%
Gross Profit	7,566	7,537	7,855	8,481	8,534	1,781	1,758	(1.3%)
Operating Expenses	(5,231)	(5,232)	(5,543)	(5,929)	(6,037)	(1,303)	(1,322)	1.5%
Operating Profit	2,335	2,305	2,312	2,552	2,497	478	436	(8.8%)
Non Operating Income/(Loss)	105	73	103	136	164	33	49	48.5%
Pretax Income	2,440	2,378	2,415	2,688	2,661	511	485	(5.1%)
Tax Expenses	(502)	(483)	(467)	(518)	(519)	(100)	(96)	(4.0%)
Minority Interest	(630)	(623)	(647)	(713)	(689)	(131)	(131)	0.0%
Net income to Parent	1,309	1,272	1,300	1,457	1,453	280	258	(7.9%)
Basic EPS (NT\$)	9.63	9.34	8.81	9.84	9.81	1.89	1.74	(7.9%)
1H EPS as % of FY EPS	44%	43%	43%	43%	43%			
Key Financial Ratios (%)								
Gross Margin	81.9	82.2	80.2	81.6	80.2	80.3	74.9	
Operating Expense Ratio	56.6	57.1	56.6	57.1	56.8	58.7	56.3	
Operating Margin	25.3	25.1	23.6	24.6	23.5	21.5	18.6	
Effective Tax Rate	20.6	20.3	19.3	19.3	19.5	19.5	19.8	
Net Margin	14.2	13.9	19.9	20.9	20.1	18.5	16.6	

“ Dividend Payout and Capex

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(NT\$mnn)	2019	2020	2021	2022	2023	2024
Net Profit	1,309	1,272	1,300	1,457	1,453	Not Announce Yet
Cash Dividend	884	948	904	1,022	1,022	
Cash DPS (NT\$)	6.5	6.4	6.1	6.9	6.9	
Payout Ratio	67.4%	68.5%	69.2%	70.1%	70.3%	
EPS (NT\$)	9.63	9.34	8.81	9.84 ^(*1)	9.81	
Capex	630	1,214	1,481	1,005 ^(*2)	1,078 ^(*3)	504 ^(*4)

Notes(*):

1. Grape King decided to apply for rights issue of 11,851,000 shares through a private placement for Uni-President (1216 TT) to become a shareholder and strategic partner on January 14th, 2021.
2. Capex of 2021 and 2022 include: factory and equipment for the first phase of Yongfeng Plant in Pingzhen.
3. Capex of 2023 include: factory and equipment for Longtan Plant Phase II, new soft capsule production line, new jelly gel production line, and PIC/S line expansion.
4. The phase I Yongfeng Plant in Pingzhen and the phase II Longtan Plant are on-going projects from 2023, relevant Capex highlighted in 2022 and 2023.

“ Five-Year & 1Q24 Balance Sheet

(NT\$ mn)	2019	2020	2021	2022	2023	2024Q1
Total Assets	11,359	13,104	14,061	15,053	15,512	15,597
Cash	2,146	2,927	3,635	4,673	4,819	4,841
NR&AR	202	202	301	270	291	336
Inventory	546	689	719	688	688	719
Fixed Asset	6,454	7,308	7,208	7,360	7,539	7,318
TOTAL LIABILITIES	3,888	5,126	3,632	3,912	3,882	3,126
AP & NP	223	255	269	294	290	323
Total Borrowings	1,177	1,921	94	0	0	0
TOTAL EQUITY	7,471	7,978	10,429	11,141	11,630	10,955
Key Financial Ratios (%)						
A/R turnover days	7.3	7.9	9.5	10.1	9.7	12.2
Inv turnover days	119.3	136.4	135.2	139.8	124.6	108.7
A/P turnover days	52.2	52.7	49.3	53.8	50.7	46.0
Cash conversion cycle	74.4	91.6	95.4	96.1	83.6	74.9
ROE (%)	22.0	19.9	21.2	20.1	18.8	13.2
ROA (%)	11.9	10.4	14.4	14.9	14.0	10.0
Net Debt to Equity (%)	(13.0)	(12.6)	(34.0)	(41.9)	(41.4)	(40.2)

Notes :

(1) 1Q24 key financial ratios (%) are annualized.

(2) From 2019~2023, the first half typically accounted for round 43%~45% of full year earnings.

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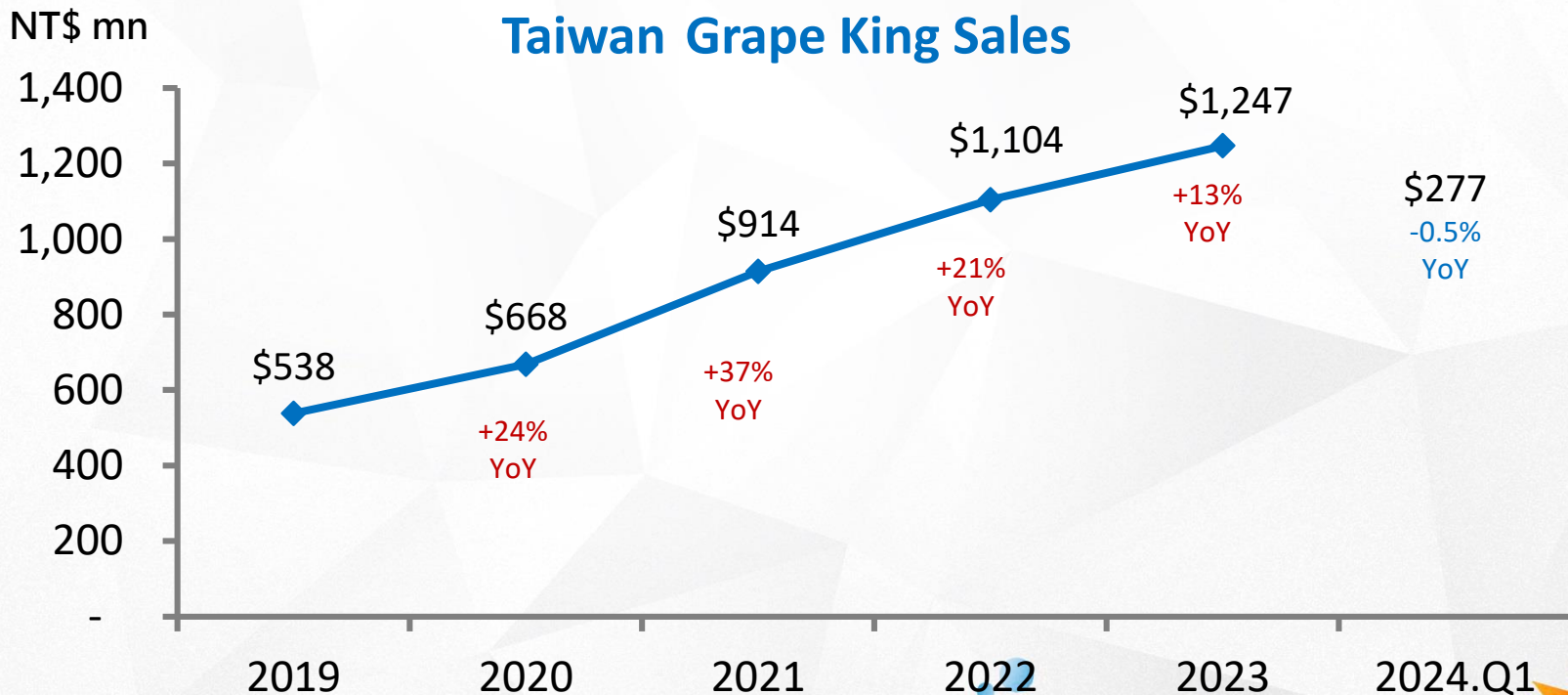


1. Taiwan Grape King



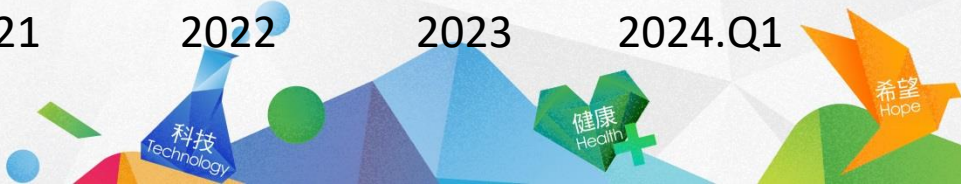
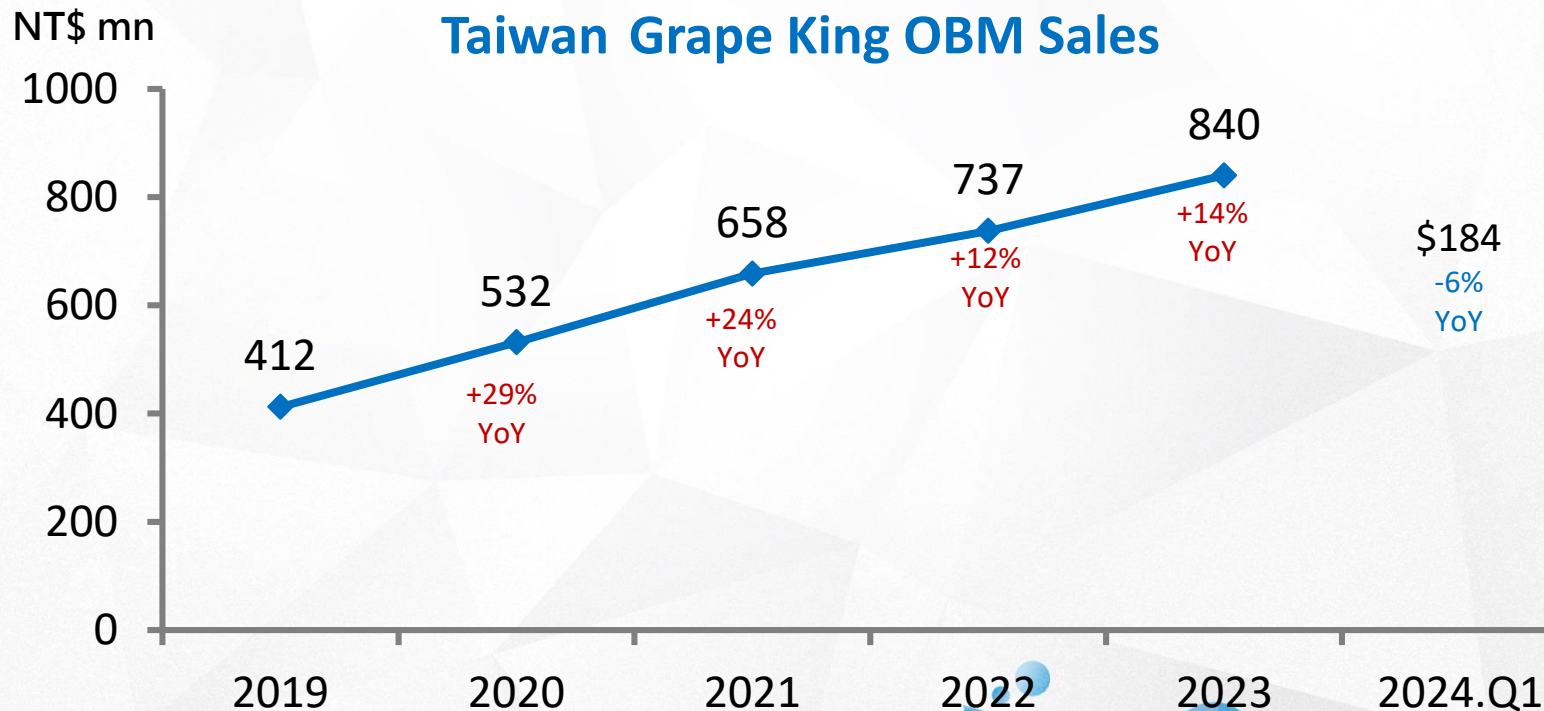
“ Taiwan Grape King – Five Year and 1Q24 Overview

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“ Taiwan Grape King – Five Year and 1Q24 OBM Overview

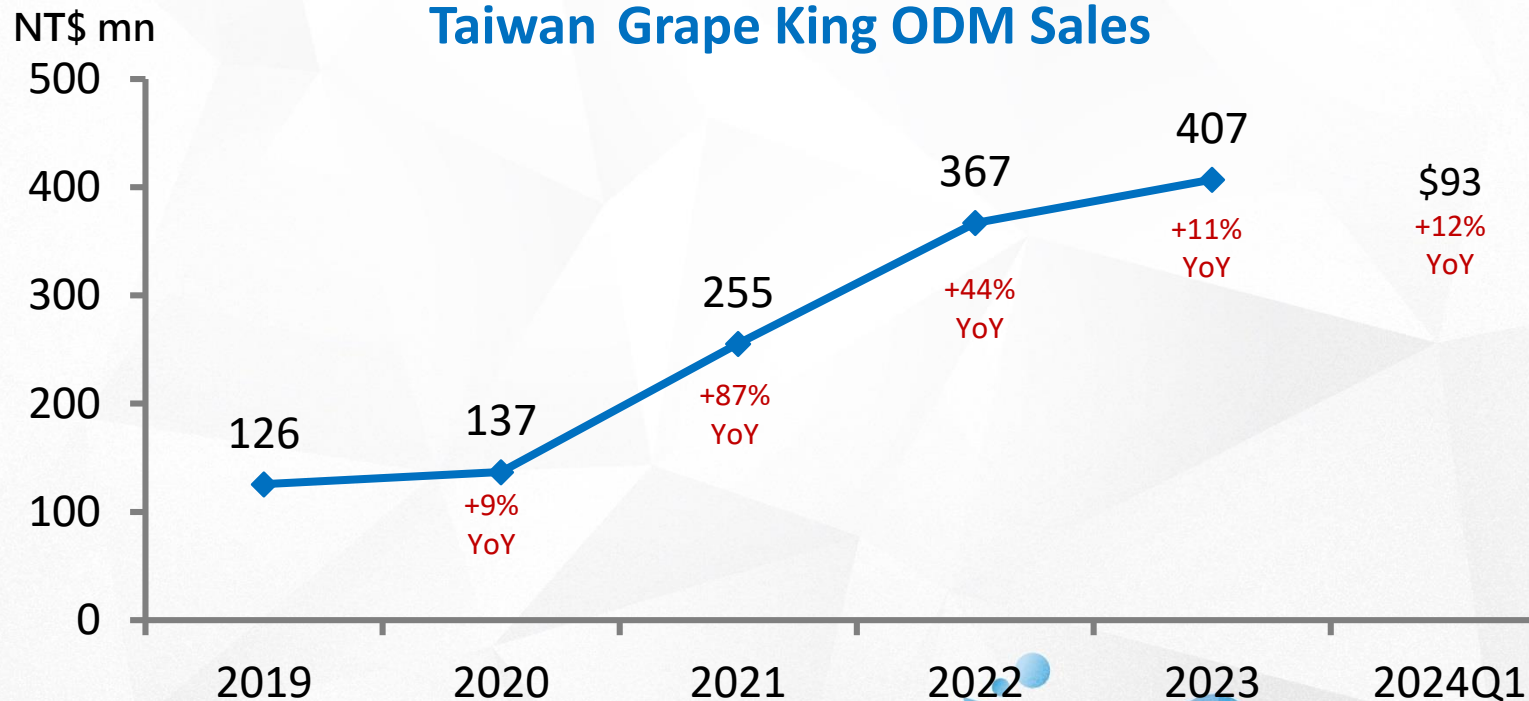
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“ Taiwan Grape King – Five Year and 1Q24 ODM Overview

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Taiwan Grape King ODM Sales

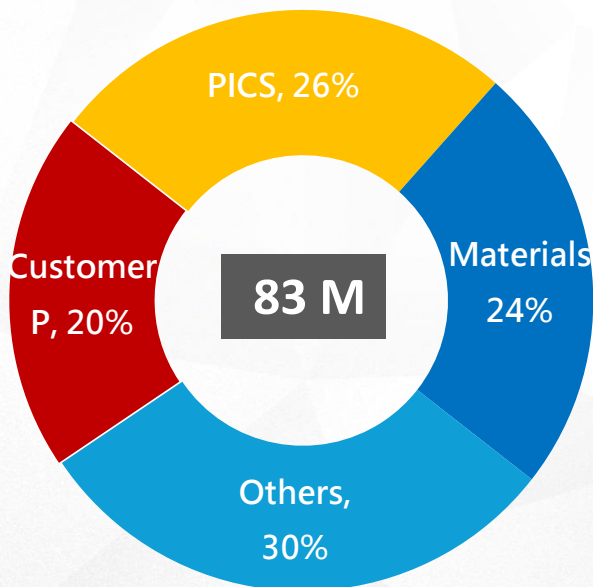


“ Taiwan Grape King – 1Q24 ODM Comparison

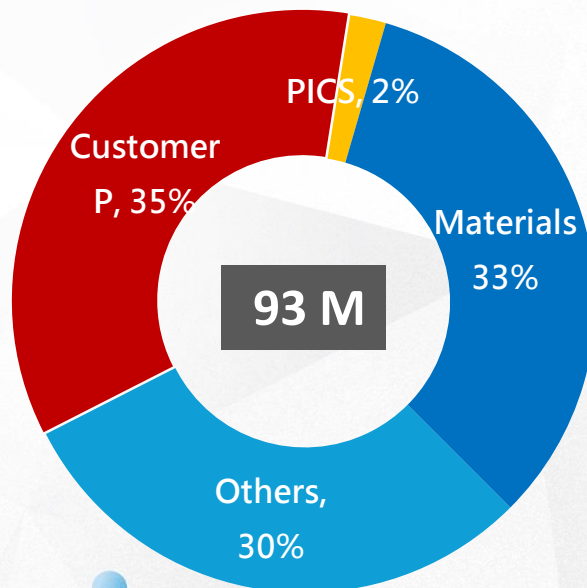
13

2024.Q1 ↑ 12%

2023.Q1



2024. Q1



“ Botanical Drug entered into Phase II clinical trials with the USFDA

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- Antrodia is a traditional Chinese mushroom unique to Taiwan, it is referred to as the 'Forest Ruby', and is also known for its liver protection and cancers fighting benefits.
- Grape King Bio has been researching Antrodia for more than 20 years. We have completed numerous efficacy studies and hold patents, making us the leading brand in Taiwan.
- Grape King Bio has developed a new botanical medicine - GKAC, targeting non-alcoholic fatty liver disease. At this stage, it has entered Phase II clinical trials with the USFDA.
- According to Report Ocean's forecast, the global market size for drugs targeting non-alcoholic fatty liver disease is expected to reach \$21.478 billion by 2025, with a compound annual growth rate (CAGR) of 58.4% from 2021 to 2025.
- The key component exclusively developed by Grape King Bio from Antrodia has been clinically proven to significantly improve liver function in patients with non-alcoholic fatty liver disease. It also helps prevent conditions such as cirrhosis and liver cancer.
- If Grape King Bio successfully completes the testing application with the USFDA, it will become the world's first plant-based medication capable of treating non-alcoholic fatty liver disease among its counterparts.





2. Pro-Partner



“ Pro-Partner Overview

Four Key Numbers of Pro-Partner

1

- Largest Taiwanese owned direct selling company in Taiwan based on revenue.
- One of the fastest growing direct selling companies in Taiwan (15% sales CAGR from 2008 to 2020)

3

- 3rd largest overall direct selling company in Taiwan. (2022 market share: 9.85%)

38

- No. 38 in the worldwide direct selling company rankings for 2024.
- (Source: 2024 DSN Global 100- based on 2023 revenues)

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- 47 products, including various health supplements, topical skincare products, and oral hygiene items.

“ Pro-Partner – 1Q24 Revenue

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2024Q1 YOY  **0.2%**



Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Accumulated until March
2023	520,372	471,366	794,149	636,695	761,982	773,859	637,255	802,292	557,327	640,206	978,631	996,817	1,785,887
2024	573,210	449,681	759,271	726,027									1,782,162

“ Deeply Cultivating Taiwan and Going International

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Pro-Partner

- Pro-Partner is ready to open up overseas markets. Considering the vigorous developments of the direct selling industry in Malaysia, where will be chosen as the first preparation location to expand into.
- Currently planning 20 products, with 5 products already submitted for MAL certification.
- It is expected to commence global market sales in 2025.



葡 衆 企 業
PRO-PARTNER





3. Shanghai Grape King



Shanghai Grape King

Plant Size

Covers area of

170

hectares

GMP plant of

12,500

sqm

100K-level
manufacturing site

(Liquid filling 10K-level)

GMP
qualified
manufacturing plant

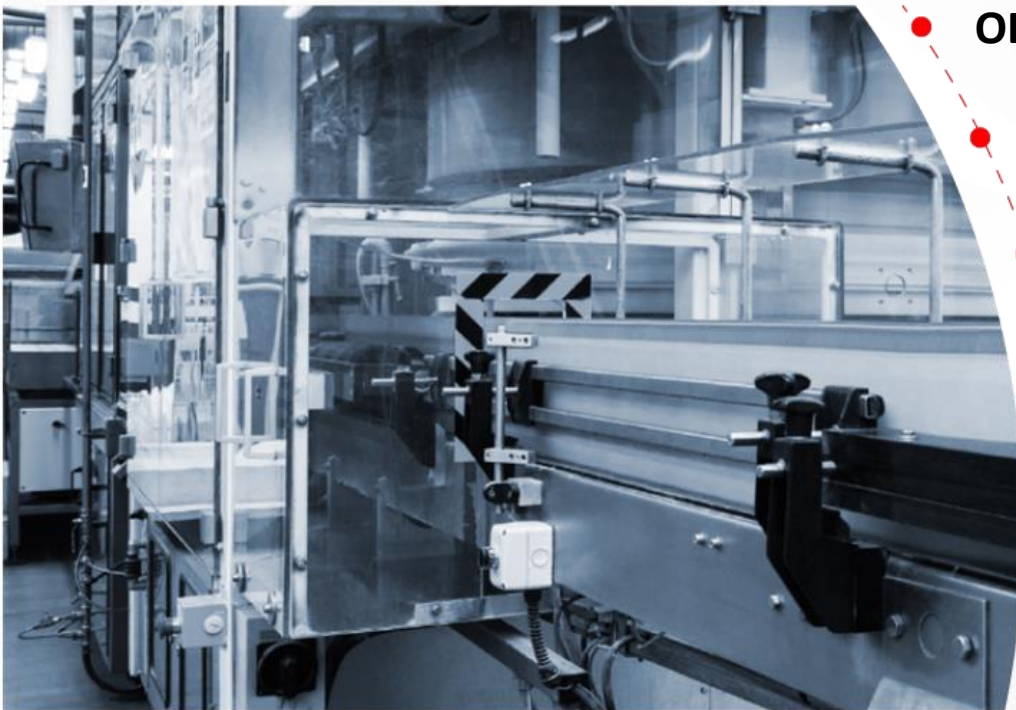
(Conform to the hygiene standards of productions for the health care products and food.)



“

One-stop OEM Service Platform

One-stop service



● ODM/OEM

● R&D

● Formulation design

● Package design

● Production

● Logistics *

Regulatory assistance

Training assistance

Declaration assistance

Note(*) : Drop Shipping

(1) Expecting to commence in June 2024 (3) Activate the vacant warehouse space

(2) Provides services and expect to expand ODM opportunities

“Customers of Shanghai Grape King

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Tupperware®



“Own Brands of Shanghai Grape King

康贝特

人参维生素饮品

运动营养食品—耐力类

CANBET

0 添加防腐劑

0 添加人工色素



牛磺酸+维生素B族

小棕瓶

运动营养饮品界的

新!

喝了再上!

牛磺酸·维生素B₁·维生素B₂·速溶红茶·长白山人参粉

运动随时GO ↗

ComeBest Ginseng Vitamins Drinks

I、Distribution points : Gas station、chess room、logistics centers、harbors、7-11、vending machine etc.

II、Revenue generation : Plan to launch in 7-11 in 2Q24.

III、Strategy : Sell fast-moving products through our own distribution channels.





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Plans and Strategies

“ Grape King – 2024 Outlooks

- **Integration of Chinese distribution resources** : Through Tmall, we can promote our OBM products to China by cross border e-commerce.
- **Sets up subsidiary in Malaysia** : already done
- **New capacity in ODM** start shipping :

Soft capsule - Anticipated shipping to commence in 3Q24

Jelly gel - Anticipated shipping to commence in 3Q24

PIC/S- The expansion of production capacity has been completed, and anticipated shipping to commence in 3Q24

- **Distribute dividends semi-annually** :

Jul 2024, we will distribute the FY2023 dividends

Between Jan and Feb, 2025, we will distribute the 1H24 dividends

Jul, 2025, we will distribute the 2H24 dividends

“



Thank you

Refer to our website to get more information

www.grapeking.com.tw