

Grape King Bio Ltd (1707 TT)

Scaling Health Food Leadership With Global Expansion

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COMPANY OVERVIEW

Founded in 1969, Grape King Bio is a leading biotechnology and health food company specializing in probiotics, medicinal mushrooms, herbal health foods, and functional beverages. With a vertically integrated model, it controls R&D, production, and sales, ensuring strong product innovation and quality. Operating through retail, direct sales (Pro-Partner), and OEM/ODM channels, Grape King Bio continues to expand globally. Backed by Asia's largest fermentation facility and over 4,000 proprietary strains, the company strengthens its market position through technological expertise and diversified product offerings.

KEY POINTS

Industry Leadership and Market Position: Grape King Bio is a key player in Taiwan's biotechnology and health food industry, integrating research, production, and sales across retail, direct sales (Pro-Partner), and OEM/ODM channels. The company has established a dominant market presence, holding 32% market share in probiotics, 59% in medicinal mushrooms, and 8.02% in functional beverages (Combest series). Pro-Partner has a 9% share in Taiwan's direct sales industry, with continued international expansion. Meanwhile, its OEM/ODM business is capitalizing on rising global demand for medicinal mushrooms, strengthening its international market footprint while diversifying revenue sources beyond its proprietary brand portfolio.

Innovation, Large-Scale Production, and Market Growth: Grape King Bio operates Asia's largest fermentation facility, with 386 tons of capacity, ensuring high-quality, large-scale production. The company possesses over 4,000 proprietary strains, 1,000 exclusive formulas, and the ability to manufacture products in over 10 different dosage forms, which serves as a key competitive advantage. By controlling critical raw materials, Grape King Bio maintains superior gross margins while ensuring product quality and supply chain stability. Its broad strain and formulation expertise allows it to address emerging health needs across categories such as Immune & Metabolic Health, Gut & Organ Health, Mind & Emotional Wellness, and Beauty & Active Aging. As consumer demands evolve, Grape King Bio's ability to develop tailored health solutions continues to drive long-term growth.

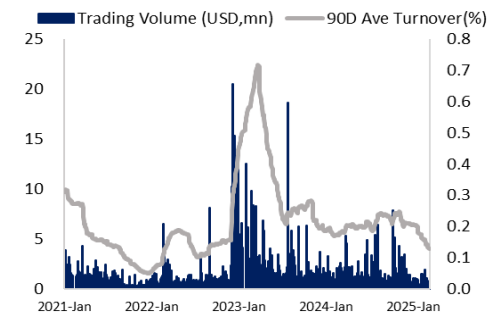
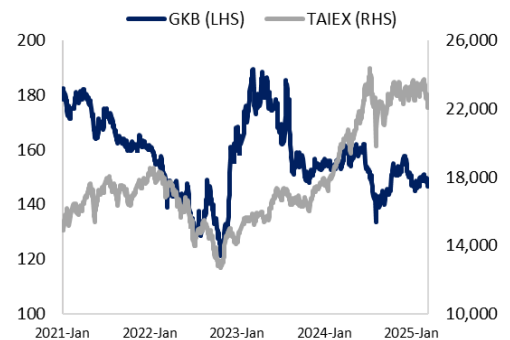
Global Expansion and Strengthened International Presence: Leveraging its extensive strain database, proprietary formulations, and flexible dosage options, Grape King Bio is making strong progress in expanding its distribution channels, particularly in OEM/ODM. The company continues to increase ODM SKUs from existing clients while expanding into new international markets, driven by growing global demand for medicinal mushroom mycelium. Rising interest from U.S.-based clients for raw material purchases presents an additional growth opportunity. In Direct Sales, 2025 marks a milestone as expansion into Malaysia is officially underway after years of preparation, product certification, and supply chain confirmation. In China, Grape King Bio is working closely with Uni-President to distribute both its own branded products and ODM offerings across online and offline channels, reinforcing its presence in the Chinese market.

Financial Growth and Strategic Outlook: In 2024, Grape King Bio achieved a record-high revenue of over NT\$11 billion, marking four consecutive years of growth and surpassing the NT\$10 billion threshold that had defined its performance in previous years. This milestone reflects the company's ongoing global expansion, diversification across OEM/ODM and direct sales channels, and strong demand for its health food and biotechnology products. With new market entries, expanded partnerships, and rising interest in medicinal mushroom mycelium, Grape King Bio is positioned for continued long-term growth as it scales its operations and strengthens its role in the global health and wellness industry.

KEY STATISTICS

Ticker:	1707 TT
Current Price:	NT\$ 146.5
52-Week Range:	NT\$ 133.5 - 162
Average Volume (30-Day, k shares):	151
Outstanding Shares (MN):	148
FINI Holding (%):	16.22
Market Cap (MN):	US\$ 659

PRICE PERFORMANCE



FINANCIAL SUMMARY

mn,NTD	FY21	FY22	FY23	FY24
Revenue	9,798	10,391	10,635	11,160
Revenue YoY (%)	6.9	6.1	2.4	4.9
Gross Margin (%)	80.2	81.6	80.3	77.6
Op. Margin (%)	23.6	24.6	23.5	22.4
Net Income	1,300	1,457	1,453	1,448
Net Income YoY (%)	2.2	12.0	-0.3	-0.3
Net Margin (%)	13.3	14.0	13.7	13.0
EPS (NTD)	8.81	9.84	9.81	9.78
ROA (%)	9.6	10.0	9.4	9.4
ROE (%)	16.7	15.7	14.6	14.5
ROIC (%)	3.4	5.0	3.7	3.6
P/E (x)	18.2	17.1	15.9	15.0
P/B (x)	2.6	2.6	2.3	2.2
P/S (x)	2.4	2.4	2.2	1.9
EV/EBITDA (x)	8.4	7.9	7.3	5.5

Source: TEJ

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