Verdancia Capital Ltd.

# *Taiwan Stratum Technology Fund*

## *Fund Overview*

Investing in Taiwan's Technology Supply-Chain Infrastructure

August 1st, 2026

Strictly Private and Confidential

*Agenda*



Verdancia Capital

## ***I. Introduction***

Verdancia Capital Ltd. ("Verdancia Capital", "General Partner", or "GP") proposes the formation of **Taiwan Stratum Technology Fund** (the "Fund"), a dedicated Taiwan technology investment vehicle.

It is broadly recognized that Taiwan has been both a principal enabler and beneficiary of the AI revolution, owing to its position as the technological and manufacturing backbone that supports it. The Fund aims to capture the strength of this tech ecosystem by investing in companies with the potential to integrate deeply and durably into its high-tech supply chain, generating compelling returns.

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## II. *Executive Summary*

**Verdancia Capital Ltd.** (“Verdancia” or “GP”) is a technology-focused investment manager specializing in the supply-chain infrastructure that underpins global innovation. Verdancia concentrates on the Taiwan end of the **Taiwan–U.S. technology corridor**, targeting **growth-stage companies** with the potential to become durable members to Taiwan’s high-tech manufacturing ecosystem.

Verdancia was established to address a **structural absence** in Taiwan’s private-equity landscape: despite Taiwan’s foundational role in global technology ecosystems, offshore institutional capital remains largely absent from local growth-stage and pre-IPO technology companies, leading to **valuation compression and under-realization of strategic and cross-border potential**.

Verdancia’s team includes investment bankers from leading Western institutions with decades of Taiwan coverage, we source high-quality companies with durable long-term prospects, apply institutional-grade structuring, and position each investment to reflect its true potential, thereby enabling meaningful offshore institutional participation.

As a first-time fund manager, Verdancia will build a verified track record through **2–3 SPVs between Q3 2026 and Q1 2027**, each anchored by proprietary access to founders and operators within Taiwan’s top-tier technology ecosystem.

In January 2027, Verdancia will launch its first institutional vehicle — the **Taiwan Stratum Technology Fund** — targeting USD 300 million first close in July 2027 and a final close in September 2027. The SPV deals are expected to raise another USD 100-120 million.

A defining feature of Verdancia is its **Participating Advisors**, amongst them is **former Chief Technology Officer at TSMC, who is our General Partner of Technology**. Our senior specialists have all been participants from Taiwan’s high-tech industries, particularly in semiconductors and precision manufacturing, areas in which the Fund shall primarily focus.

Fund Size: USD 300m, SPV deals: USD 100-120m

Fund Term: 7 + 3 (+ 1 + 1),

Strategy: mid- to late-growth minority

Edge: Proprietary founder access + Taiwan specialist advisors

Return Ambition: 3–4× net MOIC; 30-35% net IRR

### *III. The Opportunity*

As the world enters a new technological era shaped by the rise of AI, global attention has centered on notable American and Chinese technology companies, while an equally indispensable player — Taiwan — remains less visible yet foundational.

Taiwan controls a set of critical "choke points" in global high-tech manufacturing. While a handful of well-known Taiwan companies dominate the conversation, these choke points also depend on a wide constellation of lesser-known specialists, many now highly valued, that collectively form Taiwan’s world class technology supply chain. Built over decades, this ecosystem is unique and difficult to replicate; **yet it remains fluid, with older technologies giving way to new materials, processes, and innovations that often represent compelling investment opportunities**.

This constant evolution has accelerated in the AI era, creating openings for emerging companies that require capital **to scale, qualify, and secure positions** within the supply chain. For institutional investors, this presents a rare chance to participate directly in Taiwan’s ongoing technology story. Verdancia Capital focuses on deep technology understanding and long-standing industry relationships to identify such companies—specialists with the potential to embed securely within the supply chain and generate strong, long term investment returns.

## *IV. Investment Thesis*

Verdancia's fund-management approach—our proprietary insight—arises from the integration of technology understanding with investment-banking experience. Decades of involvement across Taiwan's technology and investment sectors have shaped **a grounded understanding of how technology and precision manufacturing ultimately become viable and profitable businesses**. This perspective is reinforced by relationships formed through sustained coverage and industry engagement, providing a long-term view of project and founder viability. It is the combination of technical insight, business judgment, and trusted founder relationships that enables Verdancia to identify compelling opportunities, secure founder alignment, and elevate our pipeline to institutional standards with clarity and conviction.

## *V. Why Now*

Another compelling reason for potential partners to engage with the Fund now is **supply scarcity**: to participate in the expansion of physical manufacturing and technologies required to support ever-growing demand.

Taiwan’s technology industry is anchored in high precision manufacturing—deeply technical, specialized, nuanced, and meticulous. Historically, there was a balance between innovation and the physical capacity required to realize it. In the age of AI, especially one increasingly shaped by geopolitical considerations, that balance has broken down. Demand now far exceeds the industry’s ability to supply the capabilities the world requires.

If one enters “stratum” into a search engine, the responses will evoke **structure, layered depth, and foundation** — precisely the framework through which Taiwan’s high-tech ecosystem should be understood, hence the name of the Fund. This **structural scarcity**, which should persist for quite some time, shall drive the Fund’s strategy: identifying and partnering with the companies best positioned to benefit from the ongoing expansion and upgrading.

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## *VI. Nature of the Opportunity & Risk Assessment*

Verdancia's efforts to launch the Fund and associated SPVs are not driven by stock-market valuations or temporary supply-side distortions. They are grounded in a careful assessment of the nature and trajectory of the technology revolution now unfolding under AI. Recent developments have exposed the limits and inadequacy of the current generation of compute architectures and manufacturing capacity. The infiltration of AI into every dimension of economic and social activity has only just begun—making compute the foundational resource of the modern economy, the new oil powering AI, automation, and every frontier technology.

Taiwan's role in these developments is crucial—and notably insulated from the risks of downstream financial bubbles. Large technology companies may face scrutiny over the financial returns on their massive capital expenditures, but none can afford to pause the build-out of AI infrastructure. As a key provider of the core technological and manufacturing backbone that enables this new era, Taiwan occupies a more secure and durable position, with demand for its capabilities driven by structural necessity rather than cyclical enthusiasm.

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## VII. *Fund Structure*

Verdancia Capital is a British Virgin Islands ("BVI") Business Company and serves as General Partner. The initial SPV investments will also be established as BVI Business Companies and overseen by the GP. The Fund, on the other hand, will employ a standard Cayman Islands structure widely used across the private equity industry for tax efficiency, regulatory clarity, and operational flexibility for global institutional investors.

The Fund structure consists, then, of **Verdancia Capital Partners, L.P.** ("Verdancia Partners")—a Cayman domiciled exempted limited partnership with Verdancia Capital as GP and investors participating as Limited Partners. It is the legal investment vehicle through which the Fund makes its portfolio investments.

The usual features of the structure, including a conventional LP–GP governance framework, capital commitment and drawdown mechanics, and industry standard provisions for management fees, carried interest, and fund administration—will be discussed in greater detail in due course.

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## *VIII. General Partner - Role and Support*

The General Partner is supported by a dedicated professional team and a network of senior advisors, a subset of whom serve on the **Investment Committee**. Together, these groups strengthen the Fund's sourcing, diligence, and oversight capabilities.

The GP leads all pipeline and investment activities and retains ultimate decision-making authority, while our professional team provides analytical depth and execution support across technical, commercial, and financial dimensions. Senior advisors, some as **Participating Advisors,** contribute specialized expertise across key technology domains, enhancing the Fund's ability to evaluate opportunities that are often complex and highly nuanced.

The Investment Committee provides structured review and approval of proposed investments, ensuring disciplined governance and alignment with the Fund's strategy. Collectively, this integrated platform underpins the Fund's ability to identify, assess, and develop a high-quality pipeline of investments.

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## *IX. The Portfolio*

### Target Fund Size

Verdancia is calibrating the Stratum Fund to USD 300 million as a first-time institutional fund. The Fund will implement an investment program of approximately 10-12 portfolio companies and a maximum check size of USD 25-30 million over a projected ten-year term. To complement the core vehicle, Verdancia will raise 2 to 3 SPVs totaling USD 100–120 million investments that reflect the strength of our proprietary sourcing network and pipeline depth. Taken together, Verdancia's total managed capital will be approximately USD 400–420 million by 2027-8.

### Term of the Fund

The ten-year term is designed to reflect the full cycle of deploying capital and realizing returns across a portfolio of companies, rather than any single investment. Because investments are sourced, executed, and exited sequentially, not simultaneously. The seven-year investment period provides the necessary runway for thoughtful sourcing, evaluation, and deployment, with the expectation that most commitments will be made within the first two to three years. The subsequent three-year harvest phase is intended to encompass the majority of exit activities as portfolio companies reach maturity. Two additional one-year extensions are available solely for contingencies, subject to LP approval, and no management fees will be charged during these extension periods.

### SPV Plan

Verdancia will propose 2-3 SPV opportunities before 2Q 2027 at intervals of roughly two to three months. The initial ones are **semiconductor-linked** companies that originate from our proprietary pipeline and align closely with our thesis of *deep tech* and *growth-stage specialists*. The investment term for these single-asset deals will be shorter, about 5-7 years (3 + 2 to 5 + 2). The primary reason for Verdancia to conduct SPV transactions ahead of formal fund-raising for the Taiwan Stratum Technology Fund is **to build a verifiable track record**, allowing potential LPs to work with Verdancia on quality deals and gain insight into our sourcing advantage, technical diligence capability, and ability to execute complex deep-tech transactions.. Another reason is that the funding needs of the SPV companies will emerge ahead of the Fund's formal fund-raising stage. The first opportunity, detailed in the SPV Overview, **is an AI inferencing chip platform addressing a critical industry requirement.**

## *X. Summary of Fund Economics*

### 1. Capital Base & Deployment Profile

- **SPV Program:** USD 100–120 million
- **Core Fund Size:** USD 300 million
- **Total Managed Capital:** USD 400–420 million
- **Deployment Pace:** Core fund: 2–3 years for majority of capital; 7-year investment period
- **Portfolio Size:** 8–12 core fund investments
- **SPV Size:** 2-3 high-conviction opportunities

### 2. Ownership & Check Size Framework

- **Check Size:** USD 20–30 million
- **Target Ownership:** 10–25% minority positions
- **Follow-On Reserves:** Estimated 20% of fund size allocated for scaling, qualifications, and late-stage support
- **SPV Check Sizes:** USD 30–60 million per deal

### 3. Fee & Carry Structure

- **Management Fee:** 2.0% per annum (1.75% founder-share discount at first close)
- **Carry:** 20%
- **Preferred Return:** 8% hard hurdle
- **GP Commitment:** 2% of total commitments
- **Waterfall:** European waterfall (fund-level), standard institutional format

### 4. Fund Term & Extensions

- **Fund Term:** 10 years (7 + 3)

- **Extensions:** Two 1-year extensions with LPAC approval
- **SPV Term:** Shorter-duration, typically 5-7 years (3 + 2 to 5 + 2)

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## XI. Our Professional Team

The Fund is supported by a professional team (the "Team") with diverse experience across investment banking, equity and FI investment, technology industries, entrepreneurship, research, and business management. Combined with deep expertise in risk control and corporate governance, the Team brings a balanced perspective that integrates technical understanding with disciplined operational and financial judgment.

**Albert Chang** — Founding Partner

Albert is a banking and investment professional with more than three decades of experience, having held roles at Bankers Trust, CIBC, Mega Financial Holding, Credit Suisse, and CTBC. Over the course of his career, Albert specializes in equity derivatives, leading equity and futures trading desks, managing coverage teams, and overseeing proprietary portfolios across equities, credit, and structured products—at one point exceeding USD 1 billion in aggregate exposure.

At Verdancia Partners, Albert has focused on shaping the firm's strategic focus, narrative, and value proposition as a Taiwan focused technology investment platform. Albert will oversee investment activities in the capacity as a member of the Investment Committee and General Partner.

**Konrad Young** — General Partner of Technology

Verdancia is pleased to have recruited **Konrad Young** (楊光磊), former Chief Technology Officer at TSMC, as our **GP of Technology**. Konrad's presence represents a defining advantage for the Firm. His leadership experience at the world's most advanced semiconductor manufacturer provides Verdancia with unmatched technical insight, direct visibility into frontier technologies, and privileged access to the technology ecosystems across Taiwan and Asia. Konrad's role materially strengthens our sourcing capability and elevates our diligence standards. For LPs, it is a clear indicator of Verdancia's credibility, network depth, and ability to operate at the highest levels of the global deep-tech landscape.

Konrad graduated from National Taiwan University ("NTU") with a degree in electrical engineering and earned his Ph.D. in the same field from the UC, Berkeley. Konrad joined TSMC in 1996 and served as the company's Chief Technology Officer from 1995 to 2006, during which TSMC achieved a series of breakthroughs in advanced node fabrication that established—and continue to underpin—the company's dominant global position. He is termed by the local press as one of the "Six Knights" of TSMC, a distinction honoring his foundational contributions. More recently, he served as an independent director of SMIC in Shanghai and as a senior advisor to Intel.

**Peilin Pai – Participating Advisor**

Verdancia has further strengthened its technical leadership by engaging **Peilin Pai (**白培霖**),** former Chief Technology Officer at Winbond Electronics Corporation, Taiwan's most established DRAM and specialty-memory manufacturer, **as Participating Advisor**. His decades of experience across memory design, production, and commercialization provide Verdancia with deep insight into the global DRAM and specialty-memory landscape. Moreover, Peilin's experience reviewing and overseeing investments while at Winbond further enhances Verdancia's ability to evaluate prospective opportunities with disciplined, industry-grounded judgment, providing Verdancia with operational and commercial rigor.

Like Konrad, Peilin completed his undergraduate studies in electrical engineering at NTU and earned his Ph.D. from the UC, Berkeley. As Vice President and Chief Technology Officer, he led the development of multiple DRAM and flash memory process technologies and products, including early 3D stacking architectures and CUBE, a high bandwidth memory technology.

**Claire Kuo — Head of Coverage**

Claire is a senior banker with extensive coverage experience and a broad relationship network across Greater China. Since beginning her career in 2004, she has held key roles at CTBC Private Bank, regional family offices, and the single-family office of a major industrial conglomerate—one of the constituent companies of the Hang Seng Index—where she supported both family and group investment activities. At Verdancia, Claire serves as the Fund's frontline coverage leader, responsible for sourcing transactions, relationship engagement, and strategic connectivity across the ecosystem.

**David Pai – Head of Structuring**

David is an investment banking professional with 26 years of experience, including notable tenures at Goldman Sachs, Deutsche Securities, and UBS Securities. A former specialist in Sales & Trading—the structuring and execution of securities transactions to provide clients with market access, liquidity, and competitive pricing—David also brings substantial experience in M&A, capital raising, and corporate advisory. At Verdancia, David plays a key role in deal sourcing, coverage, and transaction structuring, helping to shape terms and facilitate the execution of investment opportunities.

**Yao-Ting Lee (Yao) – Head of Technology**

Yao has been an engineer, executive, and entrepreneur in Taiwan's technology industry for more than two decades. Yao began his career at UMC in 2003 as an ASIC design engineer, and later joined AIchip Technologies, a leading Taiwan ASIC developer, where he oversaw business development, IP strategy, and played a key role in the company's Series E financing. Following AIchip's IPO, Yao founded a company focused on high-performance computing cores and ASIC development frameworks for advanced-node production, generating significant IP-licensing revenue and becoming a named inventor on multiple technology patents. At Verdancia, Yao is instrumental in deal sourcing, relationship management, and evaluating the technical and commercial prospects of ventures and technologies.

**Eva Sung — Head of Finance, Risk & Governance**

Eva is a 25-year financial markets veteran with deep expertise in cash and equity derivatives, having been with notable Taiwan financial institutions such as Mega Securities and CTBC Hong Kong. With a background in analytics and mathematics, Eva has been instrumental in developing and writing pricing models, risk control frameworks, accounting, middle-office, and back-office reporting systems. With Verdancia Partners, Eva oversees risk management, governance, and administration. The Fund also benefits from her expertise in risk analytics and her understanding of the financial and technological characteristics of pipeline companies.

## *XII. Pipeline of Potential Investments*

The list presented here is drawn from a broader pool of targeted candidates the Team has been tracking. They represent the type and stage of potential investments the Fund is actively evaluating and conducting diligence. Each company exhibits distinctive, high value operational and technological attributes that make them compelling prospects. They will be discussed in greater detail when appropriate. Other than the SPV project already discussed, two of the companies provided here may become SPVs.

| **Tech Sector** | **Potential Investment** (M = million) | **Highlights** |
|---|---|---|
| SiC Wafers Maker | USD 8.0M ~ 10.0M | Funding is needed to expand production of existing technology to meet growing demand, and to refine next-phase products where samples are being verified by major foundry. |
| Optical Lens Module Maker | USD 12.0M | Funding is needed to establish production to meet demand for new products. Founder is executive of a Taiwanese listed company. |
| NPU IC Design | USD 15.0M ~ 25.0M | Funding is needed to establish production. Has in place strategic partnership with leading tech enterprises in joint-marketing. The tech team is led by veteran IC design engineers from a Mag Seven company. |
| Semiconductor/Metal Composite Heat Dispersion | USD 15.0M | Products include critical upstream materials for advanced processes of semiconductor foundry. Sample verification with clients is underway. |
| Electroplating Manufacturer | USD 20M | Currently listed on the TPEx Venture Board, the company is seeking to expand production to meet demand. This is one of the few |

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|---|---|---|
| | | instances where the Fund would consider joining an SPO. |
| Optical IC Design Company | USD 30M | Funding is needed to expand production. Its primary clients are the world's largest optical module companies. Company has OTC board listing plans in 2027. |
| Substrate Material Manufacturer | USD 30M ~ 50M | The amount stated represents one fourth of total funding needed for a substrate material plant in Japan. The Taiwan parent supplies substrates to AI and ASIC chip packaging facilities in Taiwan; this project is intended to meet rising demand in Japan. |

## *XIII. Closing*

Taken together, the elements presented here position Taiwan Stratum Technology Fund to participate in one of the most consequential technology build-outs of our time. Taiwan's structural importance, the scarcity of high-precision capacity, and the emergence of new specialist companies create a rare alignment of timing and opportunity. Verdancia Capital is well placed to identify and support the companies that will define the next phase of Taiwan's technology ecosystem. We look forward to partnering with investors who share this conviction.

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