

*Fulgent Sun (9802) Announces FY2019 3Q Financial Result*

**Fulgent Sun: 3Q19 EPS of NT\$2.44, Gross profit margin 19.5%, Operating profit margin 11.0%. Three financial indicators made progress both QoQ and YoQ, and reached record high in single quarter.**

**For the nine months ended September 30, 2019, EPS was NT\$5.65 (+YoY 49.9%), Net profit attributed to parent company arrived at NT\$908 million (+YoY 65.1%).**

*2019/10/15, Douliu*

Fulgent Sun International (Holding) Co., Ltd. (“Fulgent Sun”, TWSE: 9802) today announced its unaudited results for 3Q19.

### **Key Points**

- Fulgent Sun’s 3Q19 unaudited consolidated sales was NT\$3,450 million (+QoQ2.8%, +YoY 33.2%). The net profit attributed to parent company arrived at NT\$406 million (+QoQ36.8%, +YoY 92.4%). EPS arrived at NT\$2.44 (+QoQ31.9%, +YoY 68.3%). Three financial indicators reached record high in single quarter. In the first three quarters of 2019, accumulated revenue reached NT\$9,382 million (+YoY27.2%), the net profit attributed to parent company at NT\$908 million (+YoY65.1%), and EPS of NT\$5.65 (+YoY49.9%). Operating income growth outperformed revenue growth, showing outcomes from effective management in recent years and economies of scale.
- Based on its successful experience, Fulgent Sun took “volume comes before revenue” as core of phase-in operation strategy in 2Q19. Though large recruitment after traditional holidays to speed up expanding production lines reflected on learning curve, under effective control on operating expense and economies of scale, 2Q19 net profit reached historical high of NT\$296 million. New learning curve experience from 2Q helped laid new solid operation foundation in 3Q. The Company’s overall production and profitability has made visible improvements. Yearly growth on operating profit and net profit has outperformed revenue growth. 3Q19 net profit attributed to parent company arrived at historical high of NT\$406 million.
- Fulgent Sun achieved high performance in 3Q19 and in the first three quarters. In addition to successfully expanding capacity and effective control of operating expense, its management team also made instrumental efforts on improving production management efficiency and automated production. Thanks to clear visibility on sports and leisure industry and constructive and interactive partnerships between its brand customers, production capacity expanded along with

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the growing orders and utilization rate stayed high. Looking forward the future, management team expects the promising operation could continue, same as the statements made in the Company's news release in official website in recent years.

- Fulgent Sun has been ranking high in Corporate Governance Evaluation System established by TWSE. This is the attribution to management team's continuous effort and high attention on increasing shareholders' equity, strengthening the function of Board of Directors, fulfilling corporate social responsibility, enhancing information transparency, and compliance with applicable laws, regulations, and bylaws. With The Company's management philosophy of "perseverance for sustainability and wisdom for flourishing", Fulgent Sun will surely be dedicated to sustainable and innovative growth, corporate governance, and corporate social responsibility, with a view to returning to the shareholders.

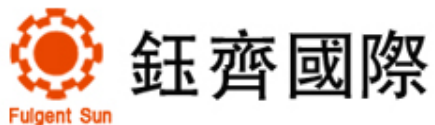
**Fulgent Sun (9802) 3Q 2019 Financial Results :**

(In NTD '000)

|   | <b>2019/Q3</b>   | 2018/Q3   | YoY  | <b>2019/Q1-Q3</b> | 2018/Q1-Q3 | YoY         |
|---|------------------|-----------|------|-------------------|------------|-------------|
| <b>Consolidated Sales</b>               | <b>3,449,635</b> | 2,590,501 | 33.2 | <b>9,381,623</b>  | 7,375,242  | <b>27.2</b> |
| Gross Profit                            | <b>673,404</b>   | 441,891   | 52.4 | 1,713,716         | 1,272,027  | <b>34.7</b> |
| Gross Profit Margin(%)                  | <b>19.5%</b>     | 17.1%     | —    | 18.3%             | 17.2%      | —           |
| Operating Expenses                      | <b>295,651</b>   | 236,165   | 25.2 | 787,709           | 711,585    | 10.7        |
| Operating Expense (%)                   | <b>8.6%</b>      | 9.1%      | —    | 8.4%              | 9.6%       | —           |
| Operating Income                        | <b>377,753</b>   | 205,726   | 83.6 | 926,007           | 560,442    | <b>65.2</b> |
| <b>Operating Profit Margin(%)</b>       | <b>11.0%</b>     | 7.9%      | —    | <b>9.9%</b>       | 7.6%       | —           |
| Non-operating Revenue & Expenses        | <b>102,244</b>   | 82,323    | 24.2 | 134,663           | 115,776    | 16.3        |
| Net profit                              | <b>405,028</b>   | 210,091   | 92.8 | 905,459           | 546,868    | 65.6        |
| Net profit attributed to parent company | <b>405,763</b>   | 210,922   | 92.4 | 907,777           | 549,818    | 65.1        |
| <b>EPS</b>                              | <b>2.44</b>      | 1.45      | 68.3 | <b>5.65</b>       | 3.77       | <b>49.9</b> |

**About Fulgent Sun**

Fulgent Sun International (Holding) Co., Ltd. ("Fulgent Sun", TWSE: 9802) was established in 1995, principally engaged in foundry production and distribution of sports shoes and outdoor shoes. There are more than 40 international well-known brand customers. Its headquarters is located at Douliu City, Yunlin County, Taiwan. There are six factories which spread throughout China, Vietnam, and Cambodia.



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### **Forward Looking Statements**

Some of the statements contained in this press release may be considered forward-looking statements. These statements identify prospective information. Forward-looking statements are based on information available at the time and/or management's good faith belief with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statements. These forward-looking statements are subject to a number of factors that may cause actual results to differ materially from the expectations described, which include but are not limited to economic, competitive, market, currency, governmental and financial factors. Fulgent Sun International (Holding) Co., Ltd. assumes no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information except to the extent required by applicable securities laws.