

Fulgent Sun (9802) Announces Monthly Sales for August 2021 and Ex-Dividend Date for 2H20

Fulgent Sun: Unaudited sales for August 2021 rose 28.86% annually to NT\$1.50 billion, a record high for single-month sales.

Unaudited sales for the first eight months of 2021 also climbed 28.22% YoY to a record \$9.57 billion over the same period.

Cash dividend of 2H20 was \$1.7. The group's ex-dividend date is on October 12, 2021, while cash dividend payment date is on November 11, 2021.

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Fulgent Sun International (Holding) Co., Ltd. (Fulgent Sun, TWSE: 9802) today announced its unaudited sales for August 2021, which jumped 28.86%, from NT\$1.17 billion a year earlier, to a record \$1.50 billion (36.56% annual growth in terms of US\$). It also suggests a monthly growth of 28.97% compared with July 2021's \$1.17 billion. Accumulated sales for the first eight months of 2021 also reached all-time high, surging 28.22% YoY to \$9.57 billion (36.3% annual increase in respect of US\$). It is also 12.82% higher compared with the same period in 2019 (24.68% yearly gain in terms of US\$).

Fulgent Sun's managing team has been pursuing its core value since the beginning, and dedicating to establishing a solid mid- and long-term development basis. Since the group adopted half-year dividend policy in 2020, operating results can be shared with every shareholder in a timely manner. This not only shows the robustness of the group's financial structure and exceptional management on cash flow, but also reflects a higher level of self-demand for corporate governance. Looking back on operation results of 2H20, consolidated sales reached \$6.20 billion. 2H20's net profit attributable to the parent company after tax was at \$371 million. Cash dividend distribution was \$1.7 per common share for 2H20, which implied a payout ratio of 82.52% based on earnings per share of \$2.06. The group's major events for the rest of the year are as follows: October 12, 2021 is the ex-dividend date, while October 8, 2021 is the last trading day. Dividend reference date will be October 18, 2021. Cash dividend payment date is scheduled for November 11, 2021.

Taking a further look at Fulgent Sun's recent production and sales performances, the group's production bases have been across China, Vietnam and Cambodia. Output from China accounts for around 30%, while Vietnam made up 50%, with Cambodia taking up the remaining 20%. Global COVID-19 pandemic remains unpredictable, yet the group's facilities in China have been the least affected this year. Overall output from China this year can be kept at around previous level. The group decided to temporarily shut down its plants in Cambodia in early May to ensure a safer working environment. Currently the majority of employees in Cambodia have been vaccinated, so overall output has gradually recovering to level early this year. The group's sectors in Vietnam are all located in the northern region. One plant was temporarily closed due to COVID in early July. Since mid-July, the attendance rate of the group's employees in northern Vietnam has still been influenced by pandemic, but its impact is not as serious as the condition in southern Vietnam. The utilization rate and overall output of sectors in Vietnam in August, 2021 have improved much compared with numbers in July, 2021.

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Meanwhile, negative factors on transportation such as crowded ports, and the lack of vessels, containers further widened the existing seasonal gap between production and sales of shoe manufacturing industry. In previous years, peak of shipment lies in June and July, or between Q2 and Q3, however, this year's single-month sales performances are quite different. Since finished shoes produced in June and July were gradually shipped to destinations, sales for August 2021 surpassed those in June and July, and further reached a record high. If there are no negative external factors appearing for the rest of the year, the group remains optimistic about its production and sales performances in the coming months.

About future prospect, COVID pandemic may not fade away in the short term. No matter how situation becomes, Fulgent Sun and its various international sports and leisure brand clients still remain optimistic. Consumers are expected to adopt new living tempo and shopping habits. People will switch from pursuing fast-fashion products to focusing on functional, comfortable and more suitable outfit. A healthy living lifestyle is also regarded as important as having business activities as usual. Currently, overall inventory of finished shoes is at a relatively low level. Given that terminal market sales remain robust and a growing awareness on health, global shoes manufacturing is expected to have structural growth and improvement on basic demand in the future, which might later lead to imbalance of supply and demand. Fulgent Sun's most urgent task is about transforming external crises to stepping stone of future growth. Therefore, the operation and management team must take on various practical, mobile and creative measures, insist its core principles and create values by continuously, steadily expanding output and further dedicate itself to building up the next wave of growth momentum.

Fulgent Sun consolidated sales report

(In NTD '000 ; %)

Year \ Period	2021	2020	YOY
August	1,503,546	1,166,815	28.86
January- August	9,565,545	7,460,082	28.22

(In USD '000 ; %)

Year \ Period	2021	2020	YOY
August	53,878	39,454	36.56
January- August	340,410	249,753	36.30



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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. The headquarters is located at Douliu City, Yunlin County, Taiwan. There are six factories spread throughout China, Vietnam, and Cambodia.

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.