

Fulgent Sun (9802) Announces FY2023 Q1 Unaudited Financial Result

The Consolidated Sales for 2023 Q1 amounted to NT\$5.05 billion. Single-quarter revenue performance has achieved positive growth for nine consecutive quarters.

EPS stood at NT\$2.50, gross margin reached 21.14%, and operating margin came to 9.39%, the second best in the same period of previous years.

2023/04/20, Douliu

Fulgent Sun International (Holding) Co., Ltd. ("Fulgent Sun", TWSE: 9802) today announced its unaudited results for 2023 Q1.

Key Points

- Fulgent Sun's consolidated sales in 2023 Q1 amounted to NT\$5.05 billion (annual increase of 11.63%), an increase of 0.84% on a YoY basis. The single-quarter revenue performance has shown a positive annual growth trend for nine consecutive quarters since 2021 Q1.
- Looking at the profit performance in Q1, regarding the absolute amount of profit, the gross profit reached NT\$1.07 billion; operating margin stood at NT\$675 million; net income before tax was NT\$621 million; net income after tax attributable to the parent company was NT\$474 million; earnings per share after tax reached NT\$2.50. Among them non-operating foreign exchange valuation losses (the UDS depreciate) of (-NT\$0.17), 2023 Q1 EPS could be NT\$2.67. With a further look on the profitability ratios for Q1, the gross margin and operating margin stood at 21.14% and 13.35%, operating expense at 7.79% and the profit margin attributable to the parent company was 9.39%. To sum up, although the revenue in the first quarter reached a record high in the same period of the previous year, the profit performance was slightly lower than the same period last year, and it was the second best in the same period of the previous.
- Regarding the proportion of output values of our production sites for 2023 Q1, China, Vietnam and Cambodia accounted for 28.68%, 45.83% and 25.49%. As for the proportion of revenue from our sales regions (destinations assigned by brand customers), the revenue in Greater Europe accounted for 52.42%, while that from America market accounted for 31.53%. Regarding the information on our brand clients, we have mass-produced products as an OEM for more than 50 brands, of which the top three account for more than 30% of our total revenue, the top ten account for nearly 70%, and the top 20 account for more than 90%.
- To sum up, although the global sports and leisure trend is still in the ascendant, although the impact of the new crown epidemic has gradually slowed down, since 2022, many countries have successively raised interest rates rapidly, and the geopolitical impact caused by the Russia-Ukraine war that has

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occurred for more than a year , with the increase of interest rates and the prolongation of the war time, all of them will cause more uncertainty and greater volatility in the global production and economic situation, which in turn will affect the actual purchasing power of the terminal and the rhythm of global production and sales operations. However, Fulgent Sun will still stick to its original intention. Taking into account the realities of the global industrial and economic situation, it will dynamically deploy and integrate resources, continue to develop new customers and build new production capacity, continue to improve smart manufacturing and digital transformation, and continue to pursue lasting excellence.

(Appendix) Fulgent Sun (9802) Q1 2023 Unaudited Financial Results :

(In NTD ‘000 ; %)

	2023/Q1	2022/Q1	YoY	2022/Q4	QoQ
Consolidated Sales	5,053,564	4,527,115	11.63	6,216,051	-18.70
Gross Profit	1,068,504	980,607	8.96	1,453,670	-26.50
Operating Expenses	393,759	344,965	14.14	456,349	-13.72
Operating Profit	674,745	635,642	6.15	997,321	-32.34
Non-operating Revenue & Expenses	(53,963)	55,556	-197.13	(180,382)	-70.08
Income before Income tax	620,782	691,198	-10.19	816,939	-24.01
Net Income	474,464	543,347	-12.68	602,000	-21.19
Net Income attributable to owners of the parent	474,464	543,382	-12.68	602,000	-21.19
EPS	2.50	2.93	-14.80	3.18	-21.50
Exchange rate effect	(0.17)	0.22	—	(0.79)	—
Gross Profit Margin (%)	21.14%	21.66%	-0.52 percentage point	23.39%	-2.25 percentage point
Operating Expense Ratio (%)	7.79%	7.62%	—	7.34%	—
Operating Profit Margin (%)	13.35%	14.04%	-0.69 percentage point	16.05%	-2.70 percentage point
Net Income attributable to owners of the parent Ratio (%)	9.39%	12.00%	—	9.68%	—

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 50 international well-known brand customers. Its headquarters is located at Douliu City, Yunlin County, Taiwan. The Group’s production bases which spread throughout China Fujian, China Hubei, 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

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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.