

Fulgent Sun (9802) Announces Monthly Sales for February 2018 and Dividend policy

Fulgent Sun announces its unaudited sales for February 2018 was NT\$667 million (+YoY 34.2%). Utilization and Order visibility maintain high level.

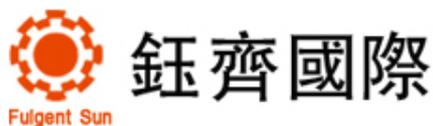
Fulgent Sun: Proposed to distribute cash dividends of NT \$4.1 per share, Cash dividend yield of 6.12 %.

2018/03/08, Douliu

The Fulgent Sun International (Holding) Co., Ltd. ("Fulgent Sun", TWSE: 9802) Board of Directors today approved the dividend policy. Based on revenue and net profit achieved record high, Fulgent Sun took into consideration the Company's financial structure, capital reserves, and retained earnings, continued to maintain a high cash dividend yield. Board of directors determined to distribute cash dividends of NT \$4.1 per share, the distribution rate of 72.57%. The operation results can be shared with all the shareholders. Based on the closing price at 08 Mar 2018, the cash dividend yield reached to 6.12%.

Accumulated sales in full year of 2017 reached NT\$10,388 million and operating income reached NT\$1,130 million. The net profit attributed to parent company at NT\$803 million and EPS of NT\$5.65. All indicators were rewritten the highest in history. The Group's business expansion has further enhanced economies of scale (operating expense ratio decreased from 10.3% in 2016 to 8.9% in 2017), and on the other hand, the optimization of product mix, improvement of production capacity and capacity dispersion have been vivid in benefits. The gross profit margin has been boosted directly from 18.0% in 2016 to 19.8% in 2017 and the operating profit margin has been raised from 7.7% in 2016 to 10.9% in 2017, which clearly proved that the Group has gradually create long-term competitiveness.

Fulgent Sun today announced its unaudited sales for February 2018 was NT\$667 million on a consolidated basis, an increase of 34.20 percent from February 2017. Fulgent Sun stressed again to consider factors such as industry characteristics, production and sales gap, shipping schedule, and delivery specified by customer that resulted to fluctuations in the monthly sales. The overall output value and order-taking of the group are on a steady upward trend in long-term. After the expansion of new production lines in mid-2017, the overall output value and orders have indeed increased. The spring/summer 2018 orders (shipping period



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between September 2017 and April 2018) is more than spring/summer 2017 orders, while the Group's output value and sales in the first half of 2018 will increase.

Outlook for 2018, Fulgent Sun is still optimistic about the global outdoor market growth. As Fulgent Sun is a world-renowned professional manufacturer of outdoor functional shoes, the new shoes in the development and manufacturing capabilities can be integrated with the world's leading brand. It successfully create shoes to meet different functional demand , also provide research and development in new shoes to other non-outdoor professional brand which combined with outdoor functions to meet consumers' increasing purchasing trends for outdoor functional products. Fulgent Sun continues to be committed to taking small-volume, large-variety production with flexible orders, driving the overall order visibility keep 3 to 4 months. In addition to actively seeking new cooperation from more international brands to further enhance its penetration in the overall outdoor functional footwear market, Fulgent Sun will also continue to enhance its automation product line and actively strengthen employee training. It will increase overall production efficiency, create growth momentum and enhance long-term profitability.

Fulgent Sun consolidated sales report

(In NTD '000)

Year	2018	2017	YOY
February	667,500	497,524	34.2
January-February	1,582,647	1,702,620	-7.1

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.

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.