



鈺齊國際股份有限公司 (9802)

Fulgent Sun International (Holding) Co., Ltd.

2020.04



福建和誠鞋業



越南鈺齊鞋業



長汀長誠鞋業



湖北襄誠鞋業



柬埔寨齊鼎鞋業



越南鈺興鞋業

Safe Harbor

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HARMONY &
FAITHFULNESS
INNOVATION
VELOCITY
EXCELLENCE

Company Profile

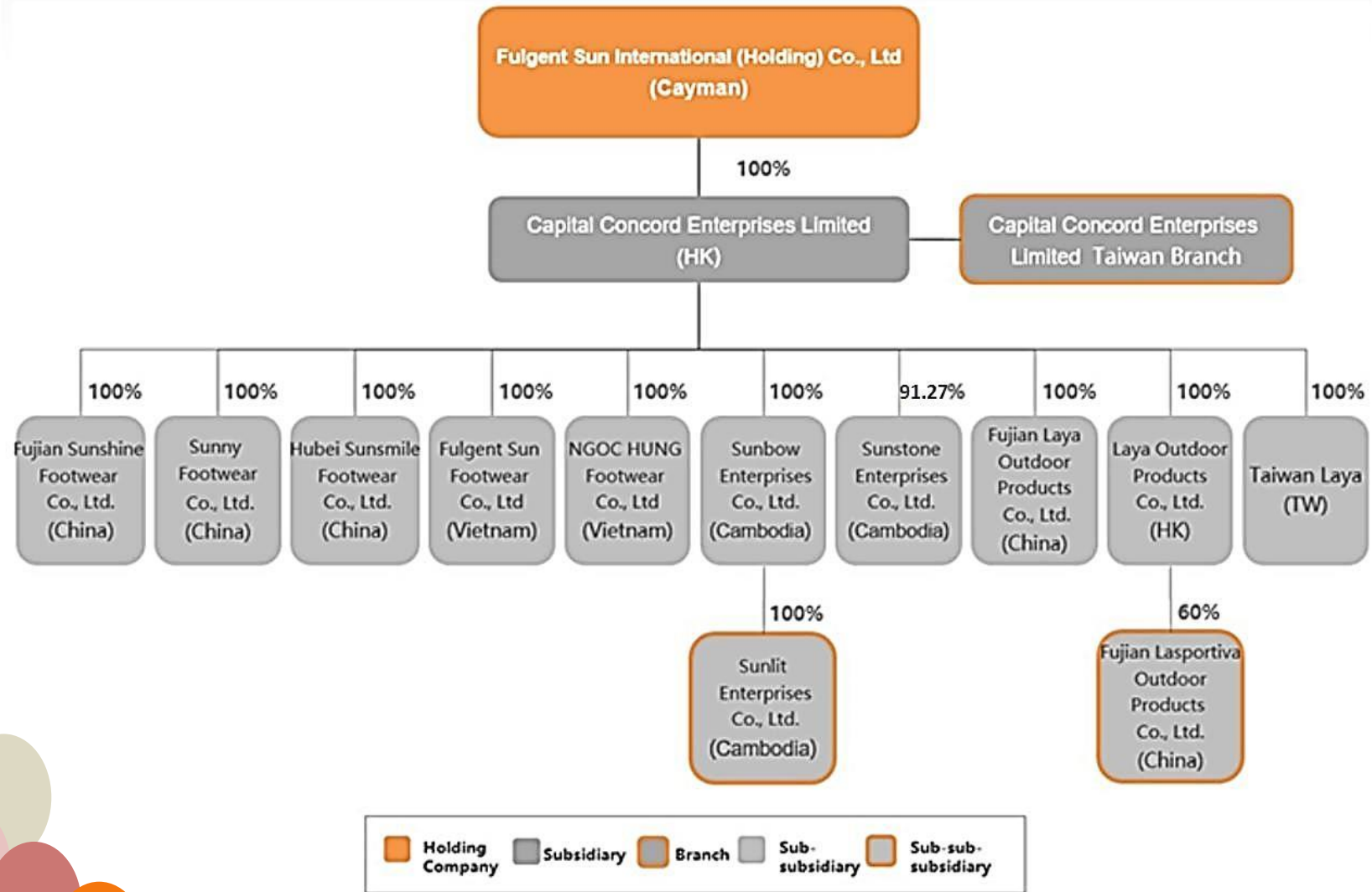
About
Fulgent Sun

- Ticker : 9802 TT
- Date of Incorporation : 1995
- The total paid-up capital : NT\$1.75bn (As of March 2020)
- Employee : est. 26,000
- Headquarter : YunLin, Taiwan
- Date of Listing : 2012/10/18
- Operating Locations: YunLin (Taiwan)/**QuanZhou (FuJian)** (1995) 、 **HungYen (Vietnam)** (2003) 、 ChangTing (FuJian) (2005) 、 **XiangYang (HuBei)** (2009) 、 **Cambodia** (2013) 、 **Hai Duong(Vietnam)** (2015) (GORE-TEX Certified)
- The scope of business : 2019 January ~December
Outdoor Footwear (85%) 、 Sports Footwear (14%)
& Others (1%)
- Shareholding of Chairman and GM :
47,285shares(27.00%)
- Investor/Press Release :
http://www.fulgentsun.com/investors04_1.asp



鈺齊國際

• Group Organization



• Milestone



Sunshine Factory
Quanzhou, China



Sunny Factory
Changting, China



Sunsmile Factory
Huibei, China



Sunbow Factory
Cambodia



1995



Head Quarter
Yunlin, Taiwan



2003

Fulgentsun Factory#1
Hanoi, Vietnam



2005

2006

Fulgentsun Factory#2
Hanoi, Vietnam

2009

2012

GO ON STOCK in Taiwan

2013

2015

Sunray Factory
Hanoi, Vietnam



Products & Customers



Products



Name	Outdoor Footwear - GTX	Outdoor Footwear – none GTX	Sports Footwear
2019 Sales %	21.9%	63.7%	14.4%
Function	Breathe/ Waterproof/ Upstream/ Climbing/ All Condition	Climbing/ Walking/ No rain outdoor sports	Jogging/ Walking/ All Kinds light exercise

Note 1 : All trademark from original registered company
 Note 2 : All trademark sorting in alphabetical order



鈺齊國際

The Major Customers

(in alphabetical order)

2018

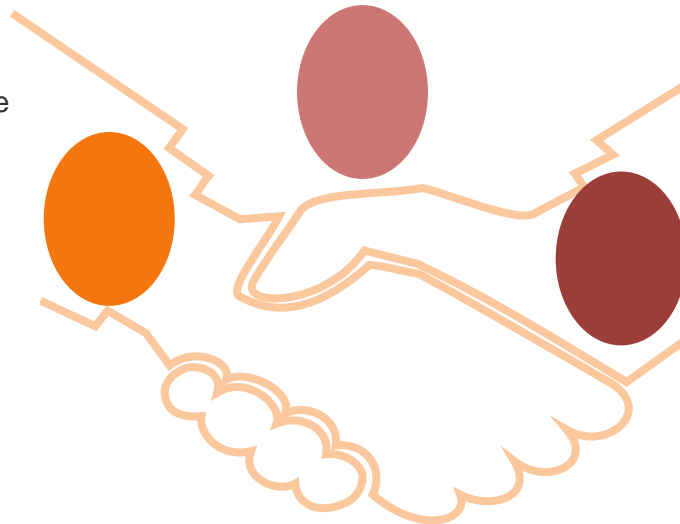
2017

- Berghaus
- Columbia
- Decathlon
- Engelbert strauss
- Inoveight
- Jack Wolfskin
- Keen
- La Sportiva
- Mammut
- Meindl
- Salewa
- Timberland
- The North Face
- Under Armour
- Vans

- Berghaus
- Decathlon
- Engelbert strauss
- Inov-8
- Jack Wolfskin
- K2
- Keen
- La Sportiva
- Mammut
- Meindl
- Salewa
- Timberland
- The North Face
- Under Armour
- Vans

2019

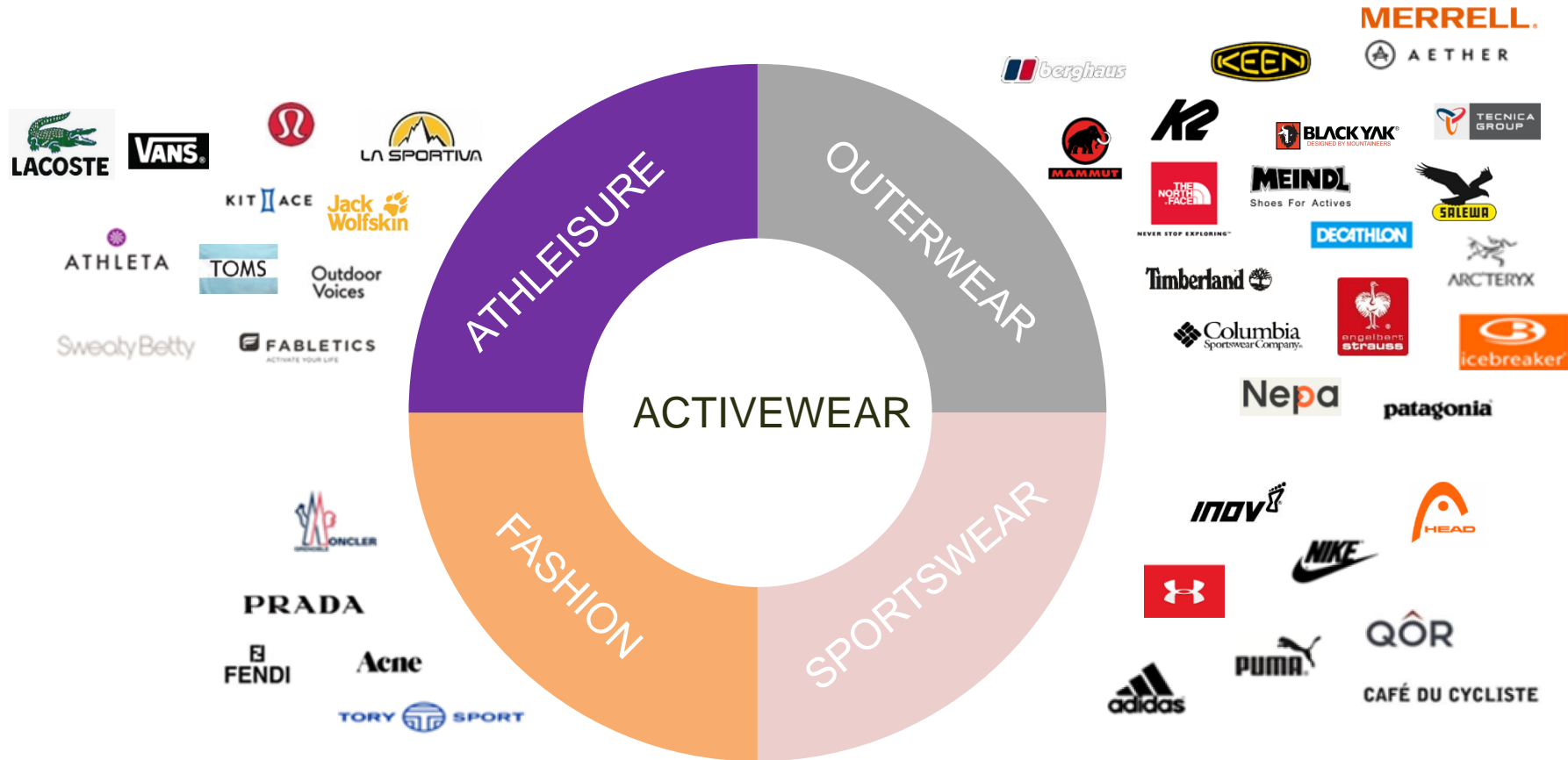
- Altra
- Berghaus
- Blackyak
- Decathlon
- Eider
- Engelbert strauss
- Head
- Inov-8
- Jack Wolfskin
- Keen
- La Sportiva
- Meindl
- Merrell
- Northwave
- Reef
- Salewa
- Tecnica
- Timberland
- The North Face
- Under Armour
- Vans



Market

Athleisure combined fashion is the latest market trend

Create strong sales growth momentum in the future market



Technology

Majority of the production lines are **GORE-TEX certified**

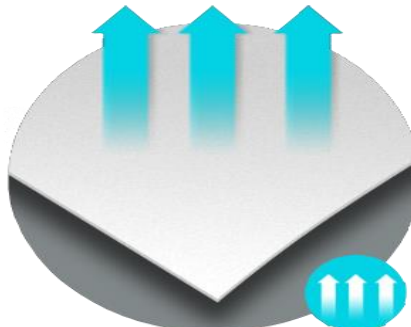
GORE-TEX footwear design passed Strict testing of Gore equipment ensures optimal performance

Each square inch of GORE-TEX film contains 9bn micro pores that are 20,000x smaller than a water drop



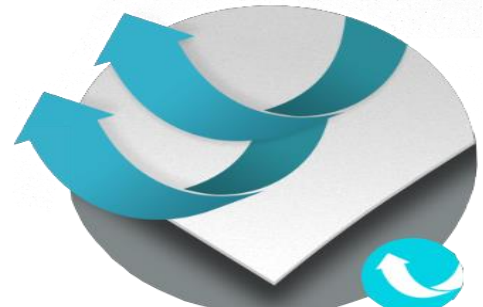
Waterproof

Each micro pore is 700x larger than a water vapor molecule which allows the vapor to easily pass through



Breathable

The design of the GORE-TEX film blocks out the wind



Insulating



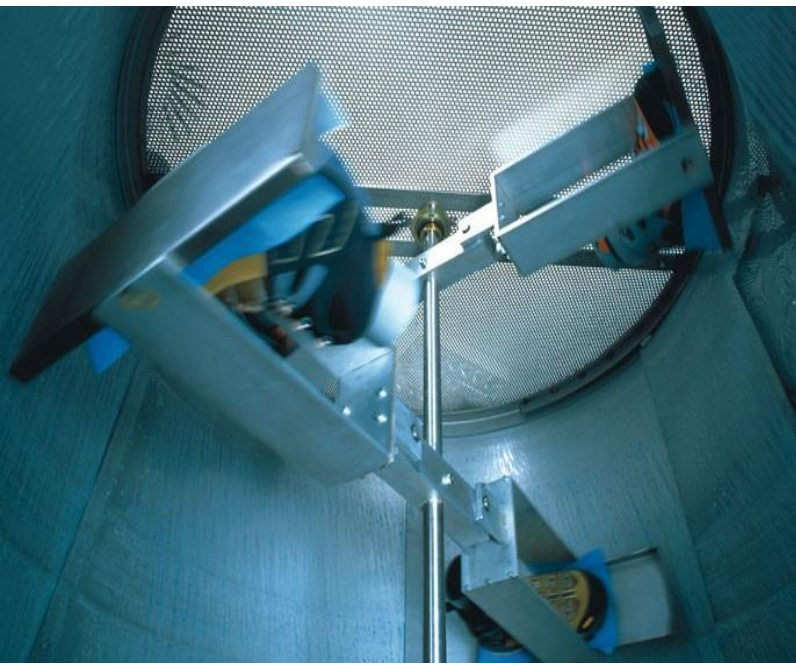
The Walking Simulator

The Walking Simulator tests the waterproof performance of GORE-TEX® footwear. Test shoes are placed on flexible foot forms equipped with moisture sensors that are subject up to 200,000 steps in a water bath. If moisture enters the shoe, the testing stops and the sensor indicates the source of the leak. The shoe or boot must then be modified and submitted for another round of testing, to prove that they meet the rigorous GORE-TEX® footwear standards.



The Wicking Test

The GORE-TEX® lining isn't the only component in footwear that ensures durable waterproofness. Materials used in the upper must also be non-wicking to prevent water from being transported into the shoe or boot over the GORE-TEX® lining. That's why we test all upper components from the shoe's leather and foam to the stitching and laces to ensure that the whole shoe or boot meets the waterproof performance standards.



The Centrifugal Tester

Boots filled with water are spun at high speeds. The resulting pressure forces water through even the smallest of holes to discover leaks. These tests are performed at every Gore certified factory.



The Comfort Test

Breathability is not only a feature of the GORE-TEX® membrane. All materials used, from the lining through to the outer material, contribute to the high breathability and climate comfort of GORE-TEX® Footwear. In the Comfort Test the entire shoe is tested for breathability which ensures that all components are working together to deliver climate comfort in the intended use.

In-House Capability



In-House Capability

Craftsmanship
Bottom



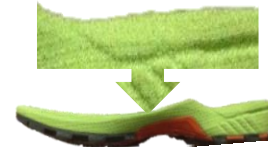
Dual density midsole



Colored & Dual density midsole



Dual density Midsole +ESS



High abrasion midsole w/ cloth



IP Shell

Co-molded sole



Recycled Rubber



Vulcanized Rubber



Translucent Rubber



Buffed EVA+ Rubber



Multi-colored Rubber



High abrasion Rubber



Sticky Rubber



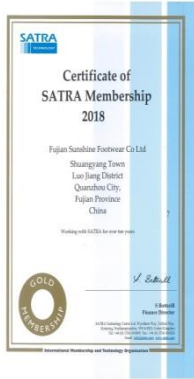
Blowing Rubber



Anti-static Resistant Oil



Company Honor



**SATRA Board Member
&
Certificate of Lab**



WFSGI Member



AEO Certificate



ISO 9001:2015

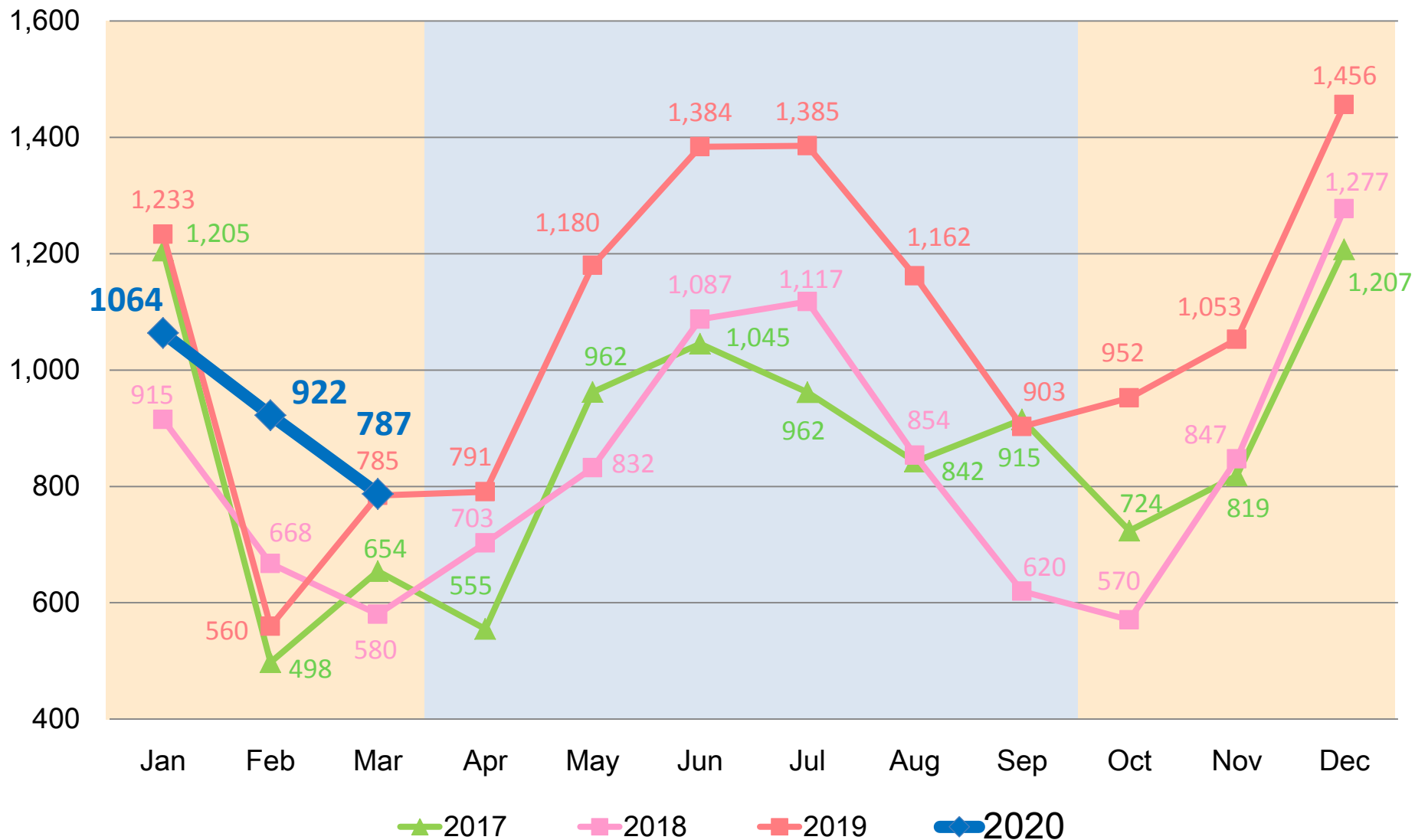


Gore-Tex Certificate

Social Responsibility

- Province Harmonious Labor Relations And Corporate Awards
- Love Workers Advanced Enterprise Awards
- Care Staff Model Business Awards

Revenue Trend I



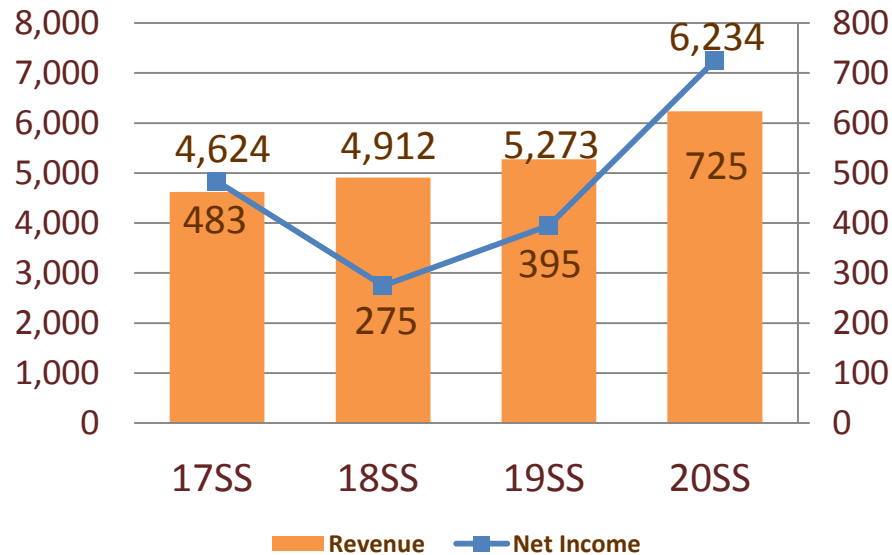
Unit: NTD mn



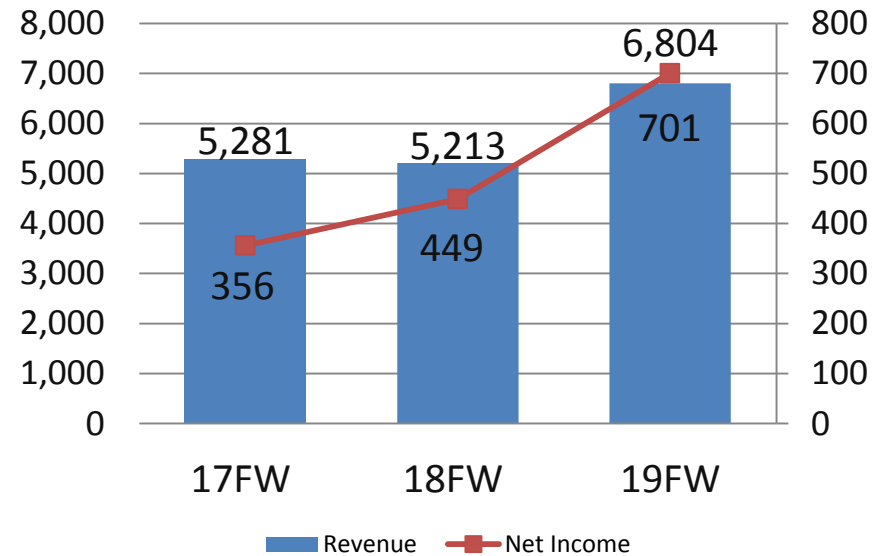
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Revenue Trend II

Spring/Summer shoes(Q4~Q1)



Fall/Winter shoes(Q2~Q3)



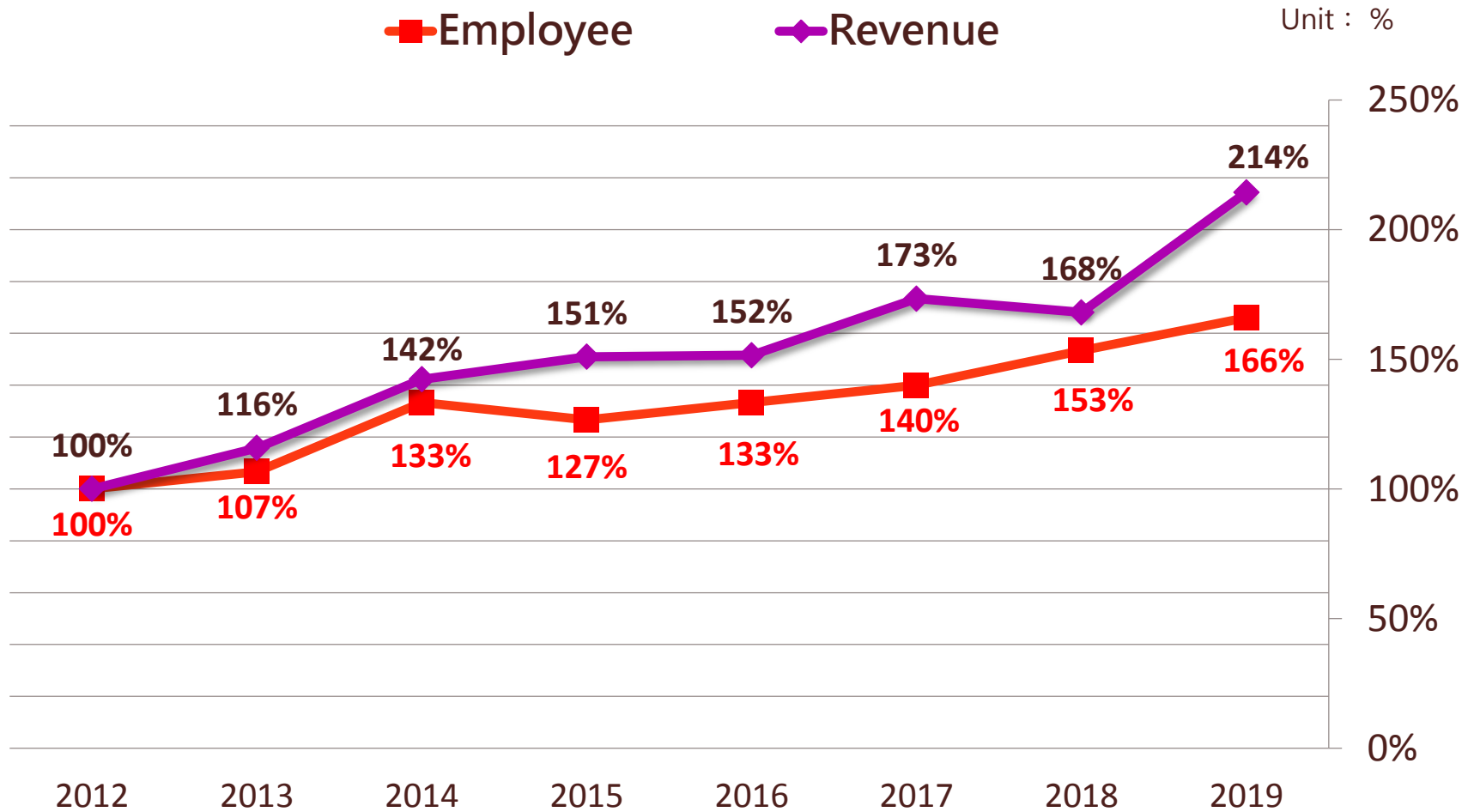
SS	Revenue	Net Income	FW	Revenue	Net Income
17SS	4,624	483	17FW	5,281	356
18SS	4,912	275	18FW	5,213	449
19SS	5,273	395	19FW	6,804	701
20SS	6,234	725	20FW		

Unit: NTD mn



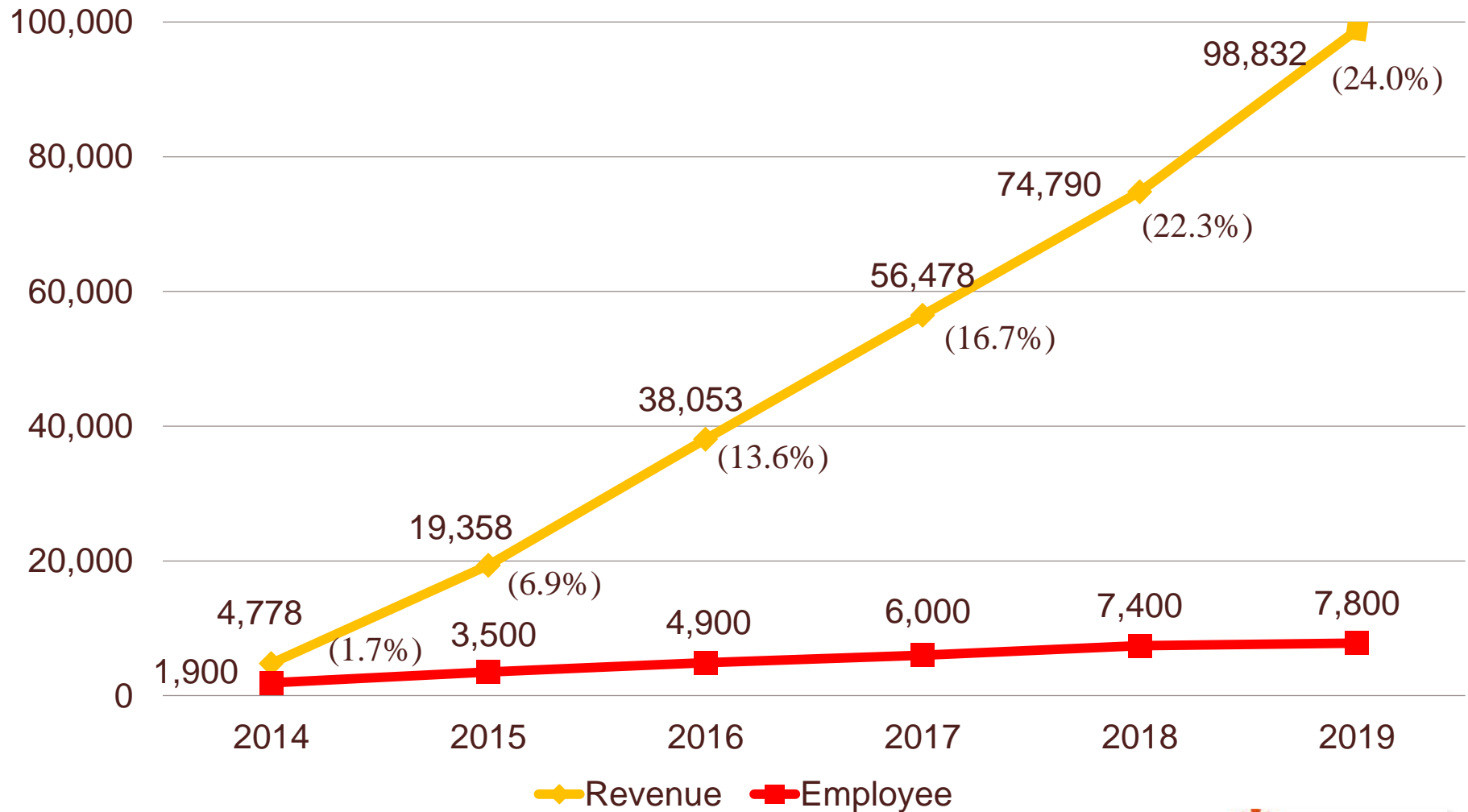
鈺齊國際

Revenue & Employee Growth Trend(Group)



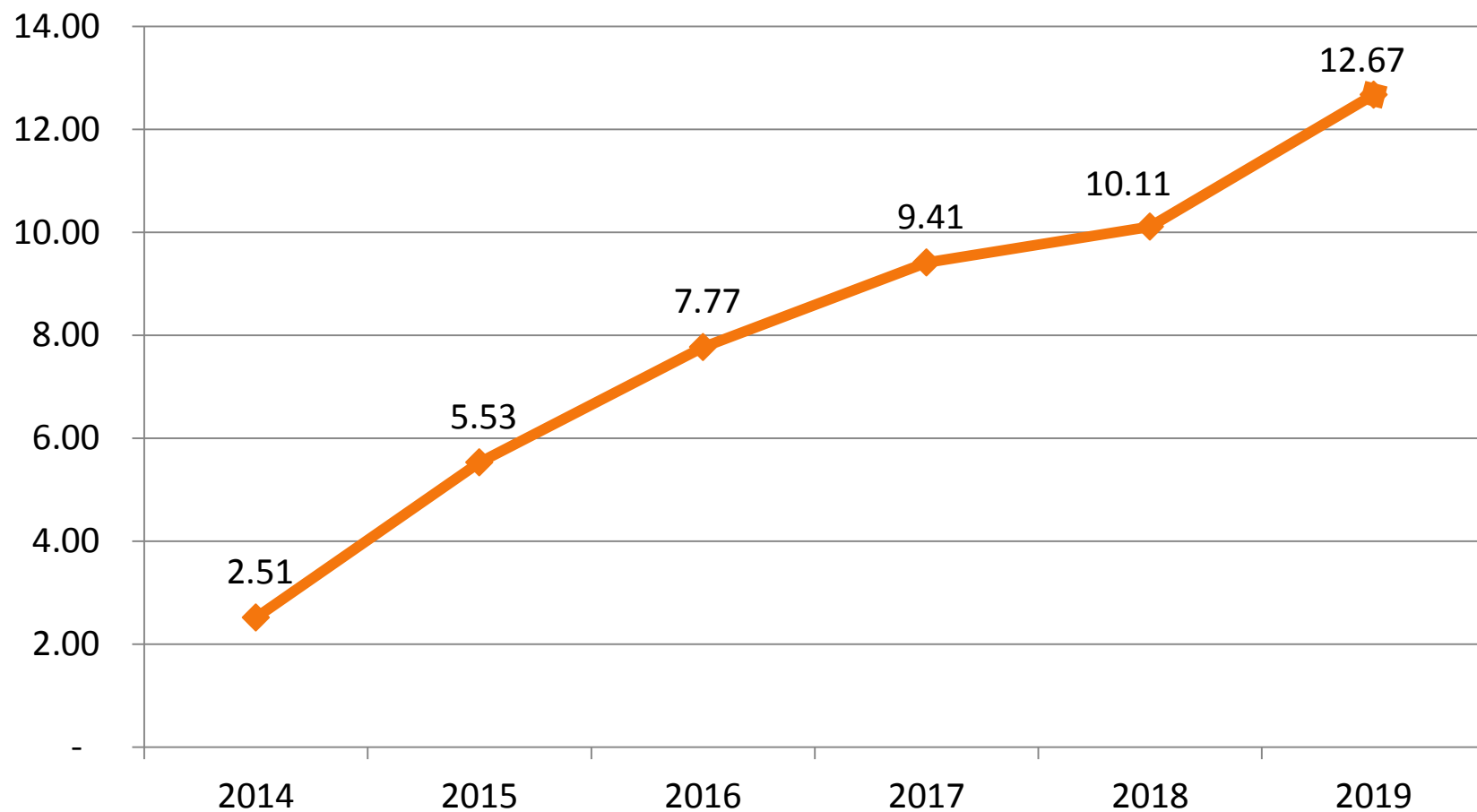
Revenue & Employee Growth Trend(Sunbow)

Unit : USD '000 ; PPL; %

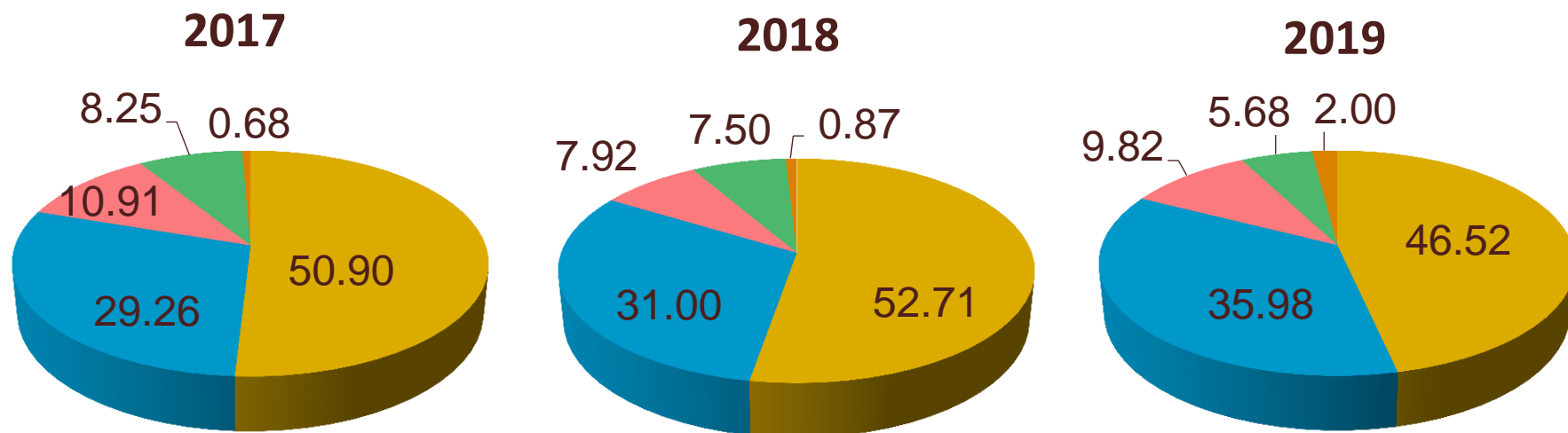


Production Contribution per Employee Trend(Sunbow)






Unit : USD '000



Area Percentage of Revenue

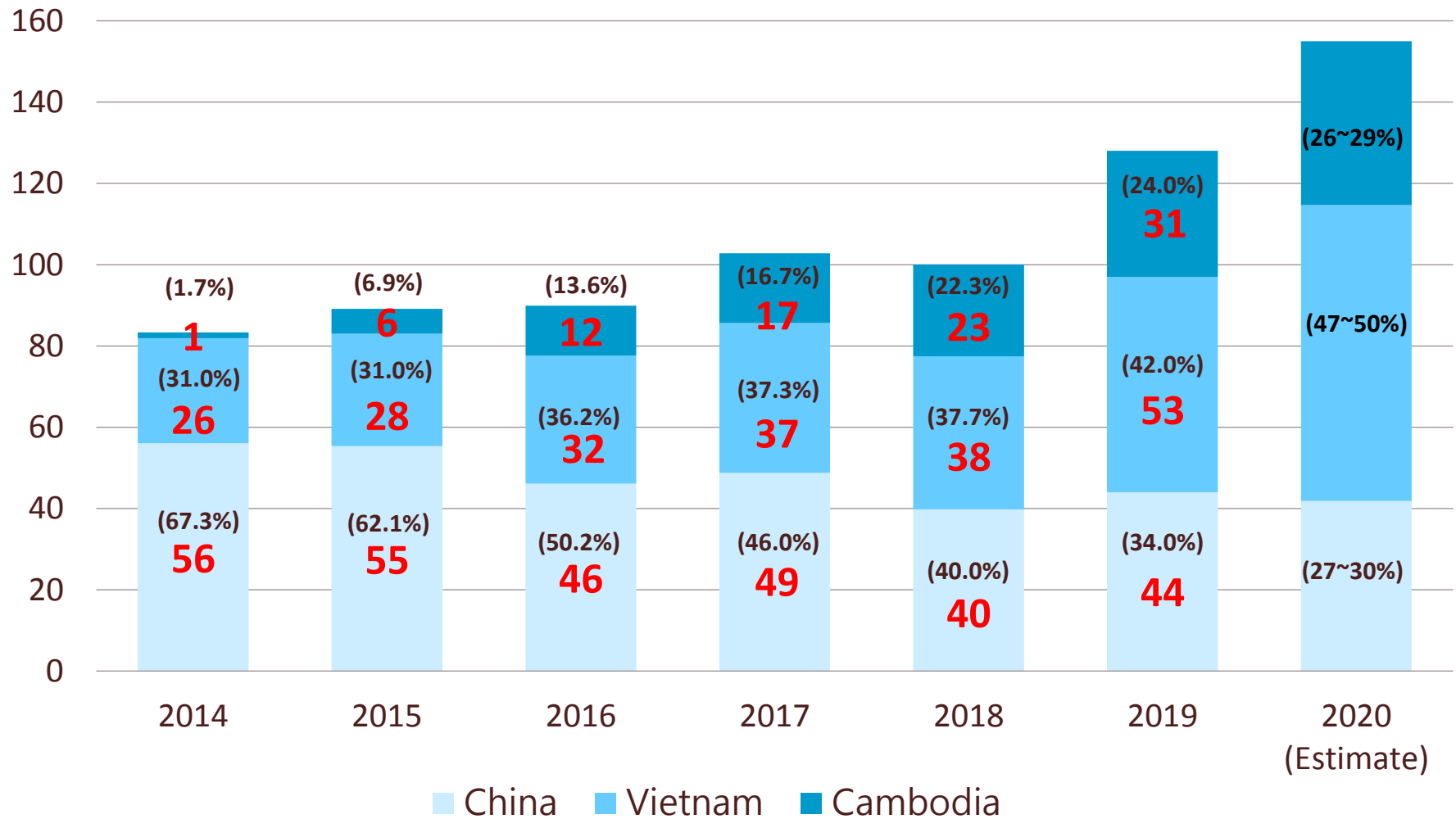


Unit : %

Year	Europe 	America 	Asia 	China 	Others 	Total
2017	50.90	29.26	10.91	8.25	0.68	100
2018	52.71	31.00	7.92	7.50	0.87	100
2019	46.52	35.98	9.82	5.68	2.00	100

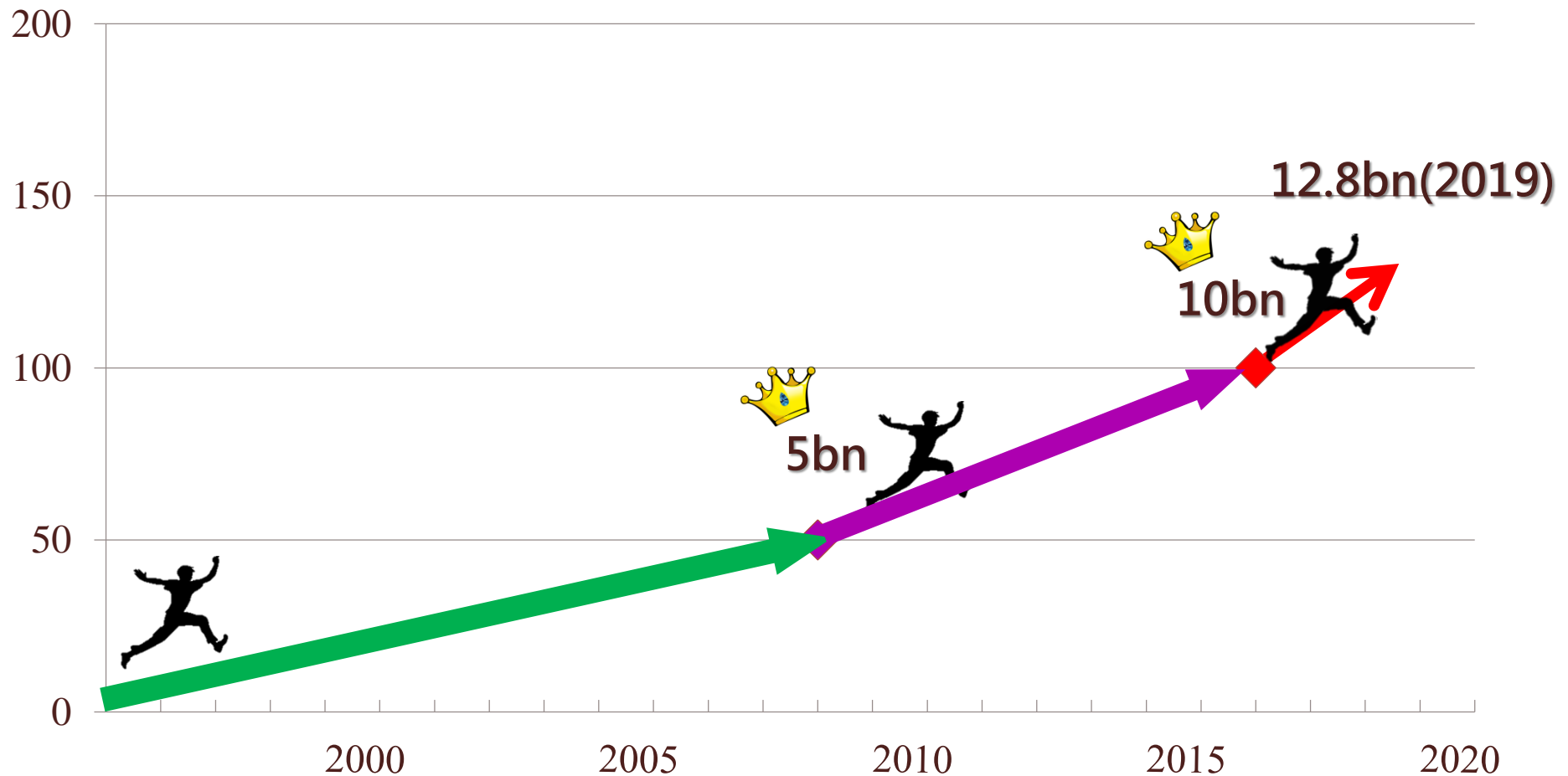
Capacity

Unit : NTD 100mn ; %



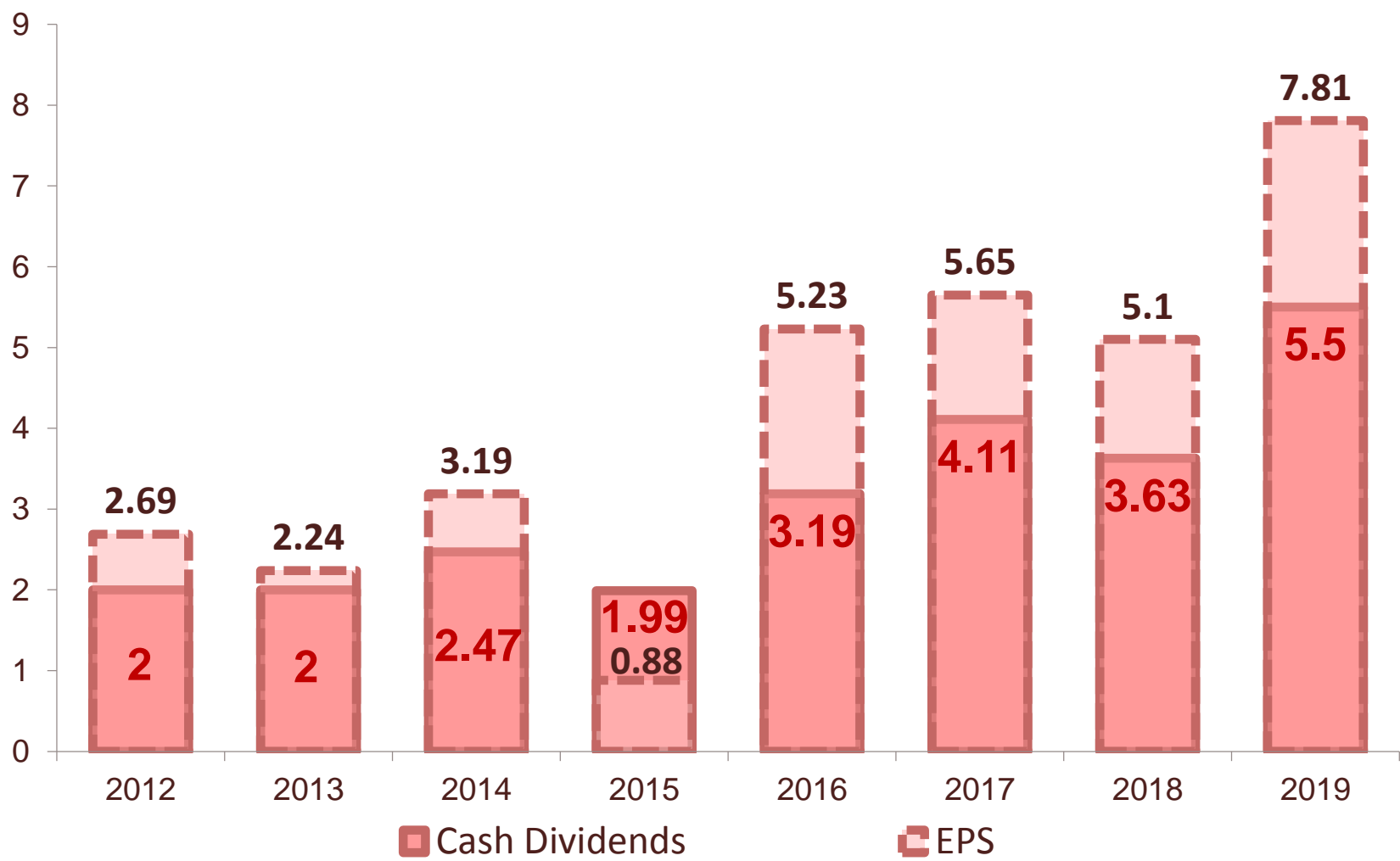
Revenue Growth Trend(Group)

Unit : NTD 100mn



Dividends

Unit : NTD

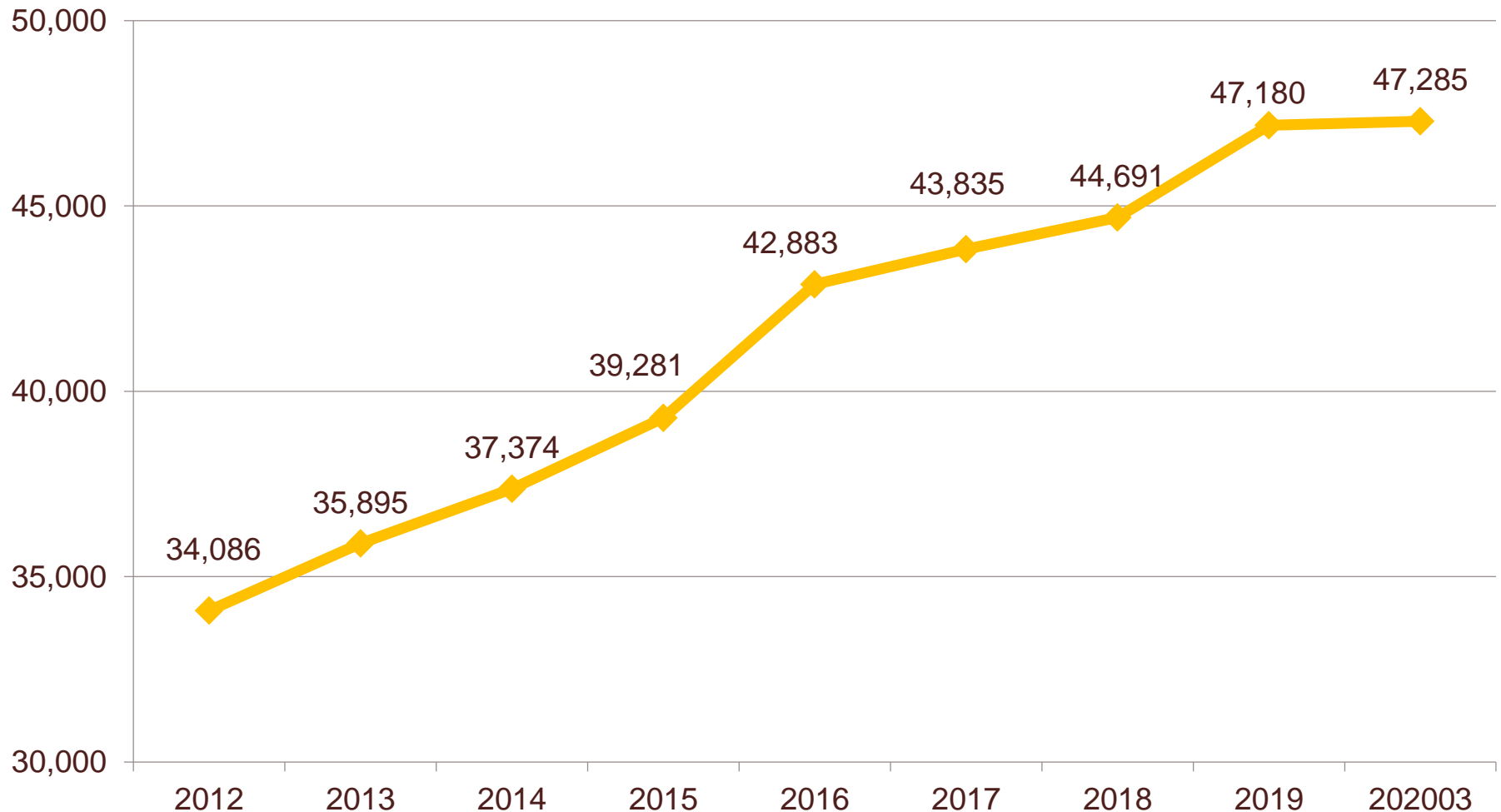


Note : Cash dividends are rounded to two decimal places



Shareholding of Chairman and GM Trend

Unit : ' 000 share



Index Constituents :

- 2019/4/18: Approved by Taiwan Index Plus Corporation to be included in the "TIP TAIEX+ SMALL/MID-CAP ALPHA MOMENTUM 50 INDEX"
- 2019/5/31: Approved by Taiwan Index Plus Corporation to be included in the "TIP TAIEX+ DIVIDEND APPRECIATION 150 INDEX"
- 2019/11/8: Approved by **MSCI** to be included in the MSCI Global Small Cap Indexes

Financials

Note : (2020Q1 Financial information has not been reviewed by accountants)

Account	2019					2020
	Q1	Q2	Q3	Q4	Total	Q1
Revenue	2,578	3,354	3,450	3,461	12,843	2,773
Gross Profit	506	534	673	815	2,529	660
Gross Profit Margin (%)	19.6	15.9	19.5	23.5	19.7	23.8
Operation Expenses	243	248	296	284	1,072	304
Operating Expenses Ratio (%)	9.4	7.4	8.6	8.2	8.3	11.0
Operating Profit	262	286	378	531	1,457	356
Operating Profit Margin (%)	10.2	8.5	11	15.3	11.3	12.9
Net Income	205	297	406	371	1,279	354
EPS	1.34	1.85	2.44	2.14	7.81	2.02
Effect of Exchange Rate Changes	-0.22	0.29	0.48	-0.39	0.16	0.21

Unit: NTD mn/ EPS : NTD



Financials

Note : (2020Q1 Financial information has not been reviewed by accountants)

Account	2019Q1	2020Q1	YoY
Revenue	2,578	2,773	7.6
Gross Profit	506	660	30.6
Gross Profit Margin	19.60%	23.80%	—
Operation Expenses	243	304	24.9
Operating Expense Ratio	9.40%	11.00%	—
Operating Profit	262	356	35.8
Operating Profit Margin	10.20%	12.90%	—

Unit: NTD mn ; %



Financials

Note : (2020Q1 Financial information has not been reviewed by accountants)

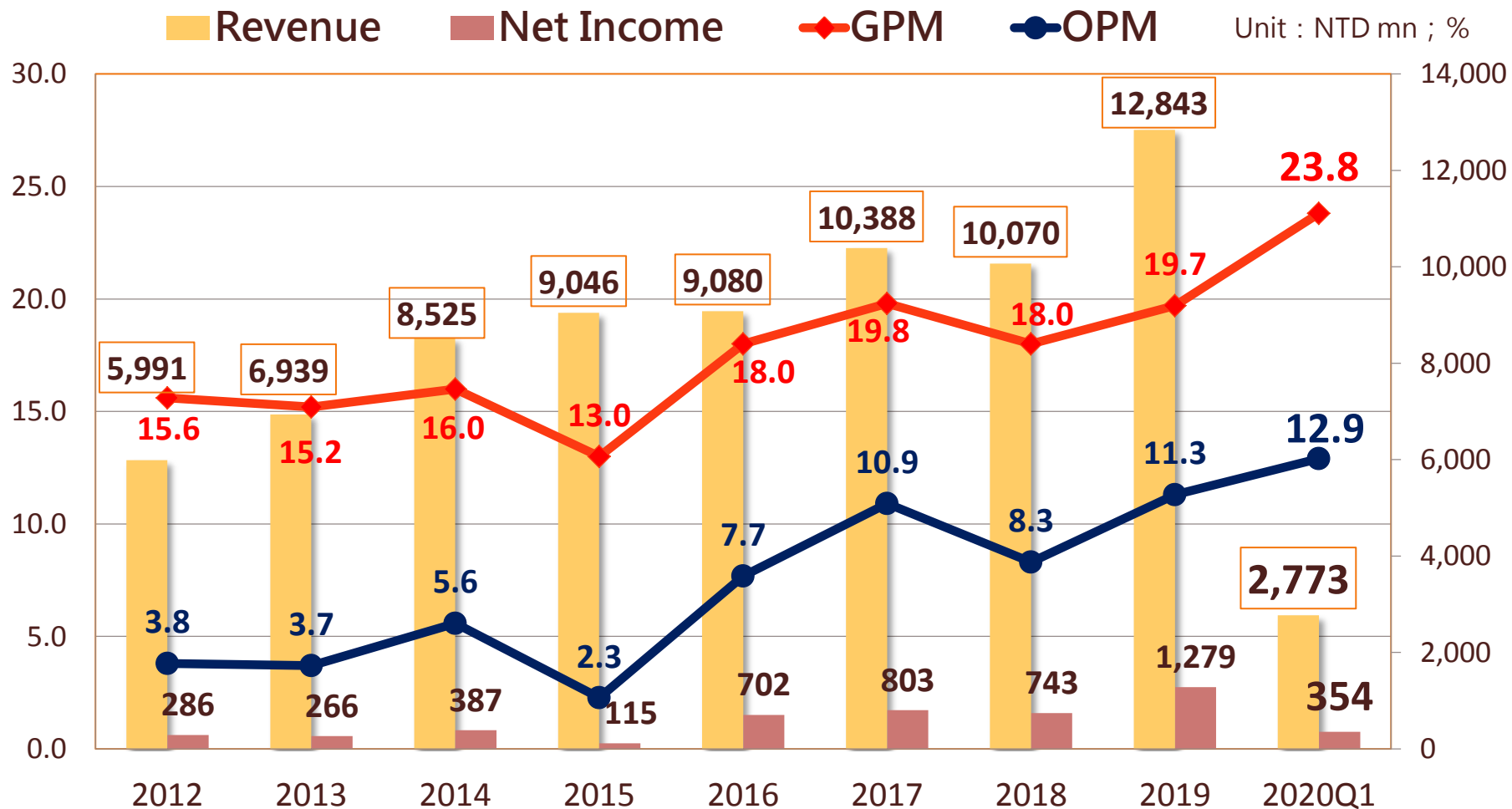
Account	2019Q4	2020Q1	QoQ
Revenue	3,461	2,773	-19.9
Gross Profit	815	660	-19.0
Gross Profit Margin	23.50%	23.80%	—
Operation Expenses	284	304	7.1
Operating Expense Ratio	8.20%	11.00%	—
Operating Profit	531	356	-32.9
Operating Profit Margin	15.30%	12.90%	—

Unit: NTD mn ; %



Financials

Note : (2020Q1 Financial information has not been reviewed by accountants)

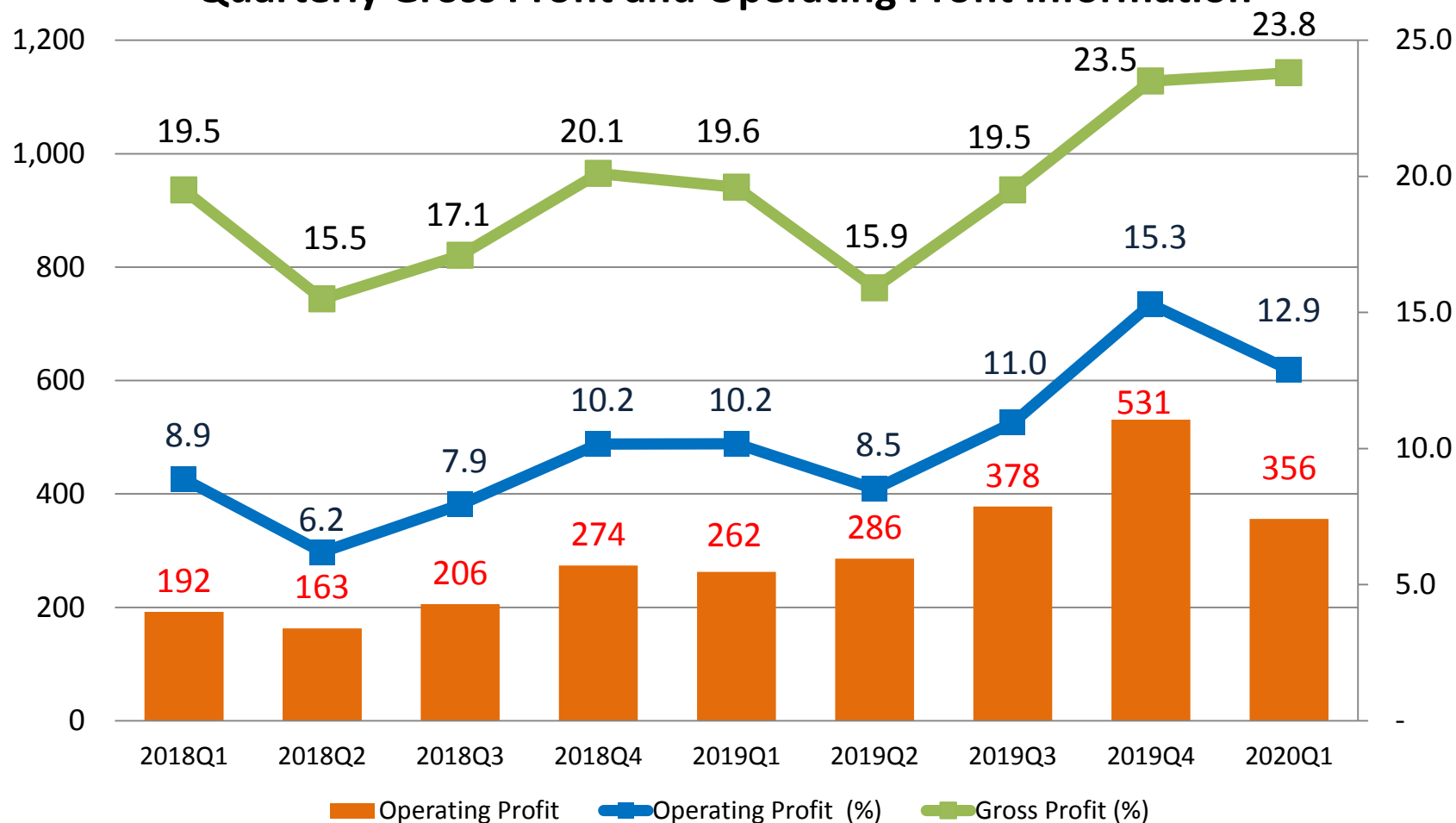


Financials

Note : (2020Q1 Financial information has not been reviewed by accountants)

Unit : NTD mn ; %

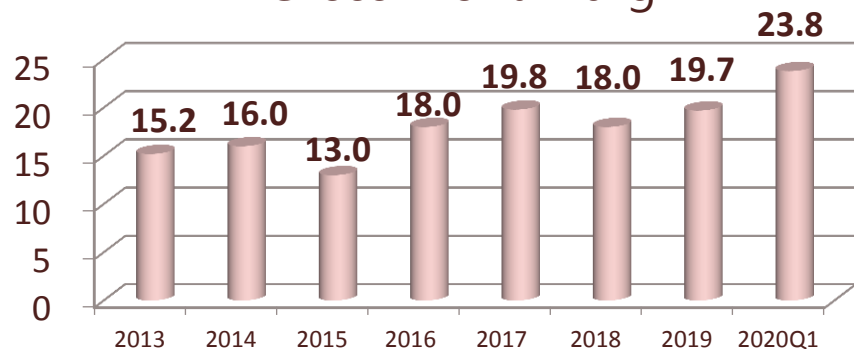
Quarterly Gross Profit and Operating Profit Information



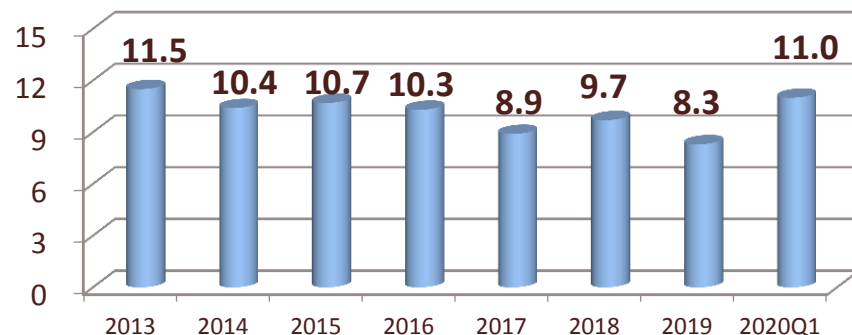
Financials

Note : (2020Q1 Financial information has not been reviewed by accountants)

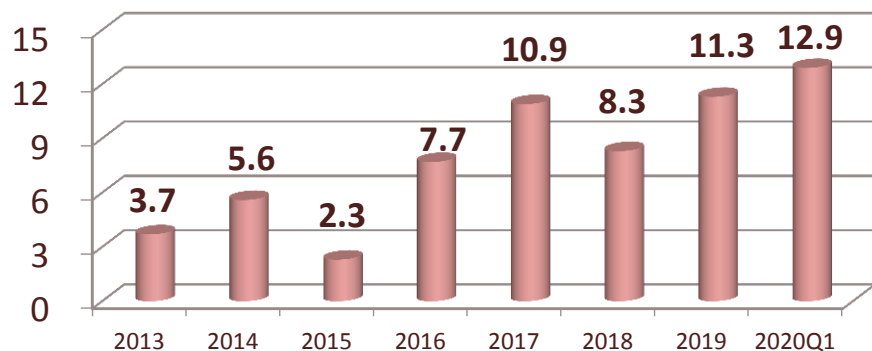
Gross Profit Margin



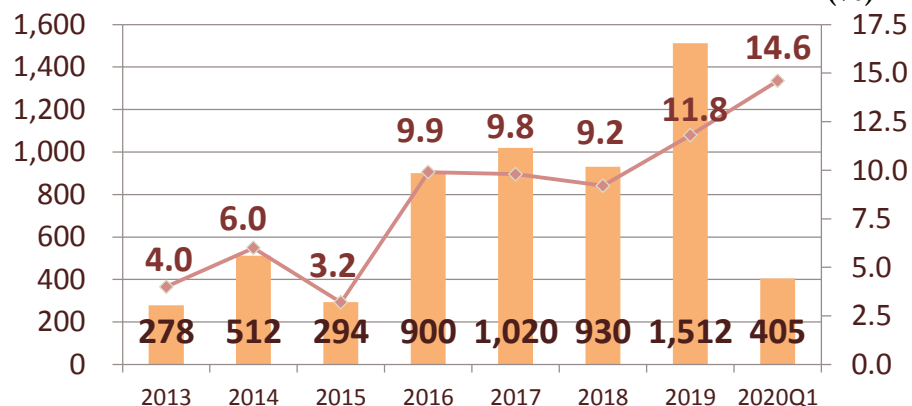
Operating Expense Ratio



Operating Profit Margin



Pre-tax Net Income(Margin)



Unit : NTD mn ; %

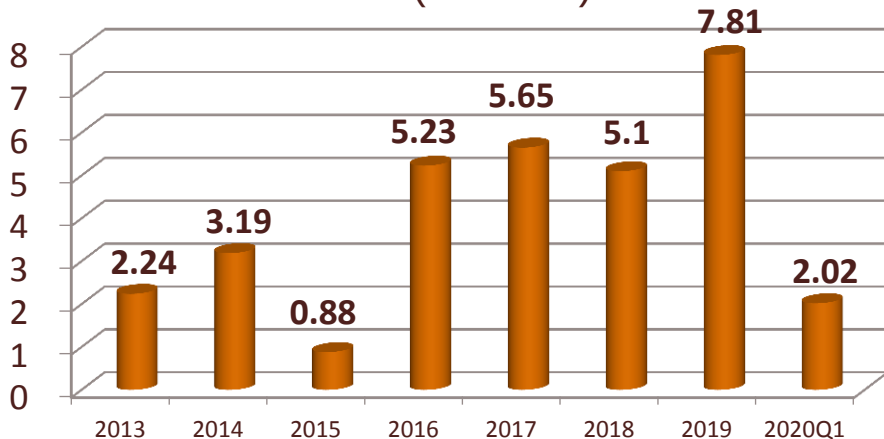


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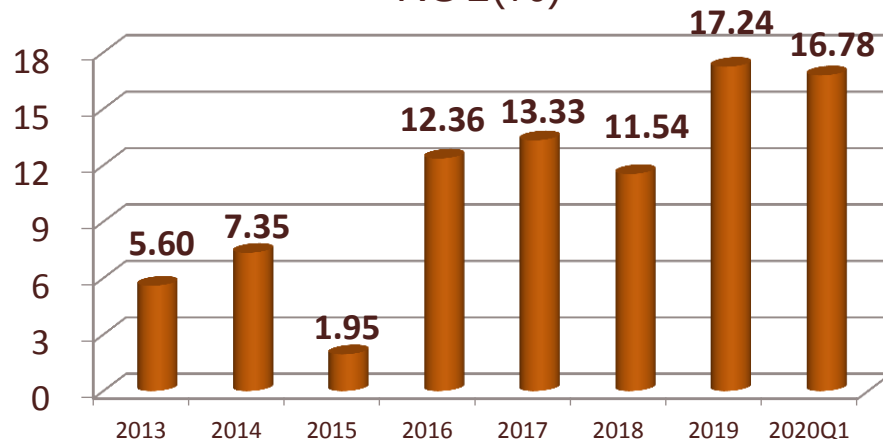
Financials

Note : (2020Q1 Financial information has not been reviewed by accountants)

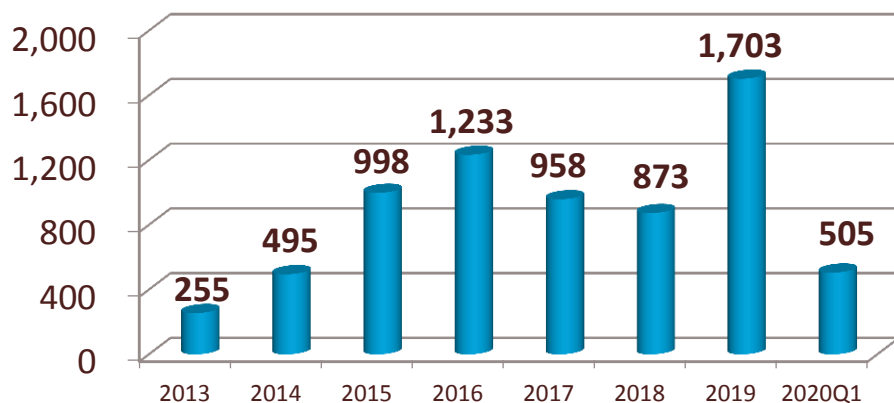
EPS(dollars)



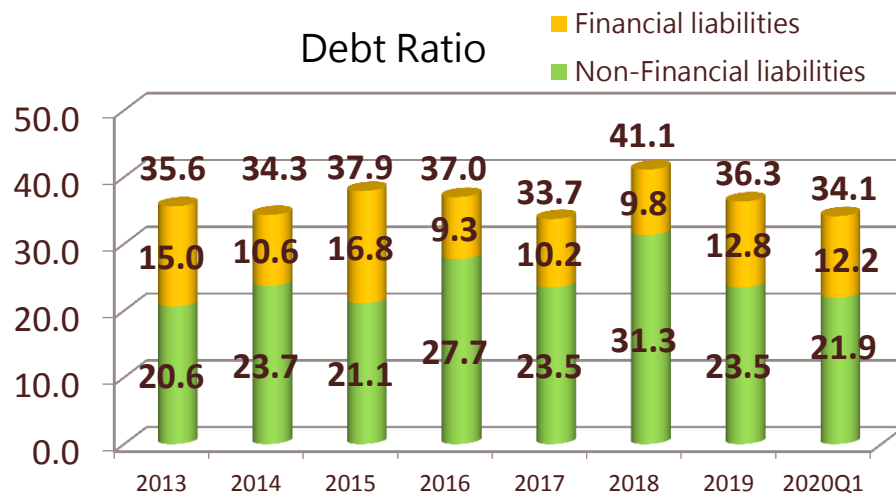
ROE(%)



Cash Inflow from Operating Activities



Debt Ratio

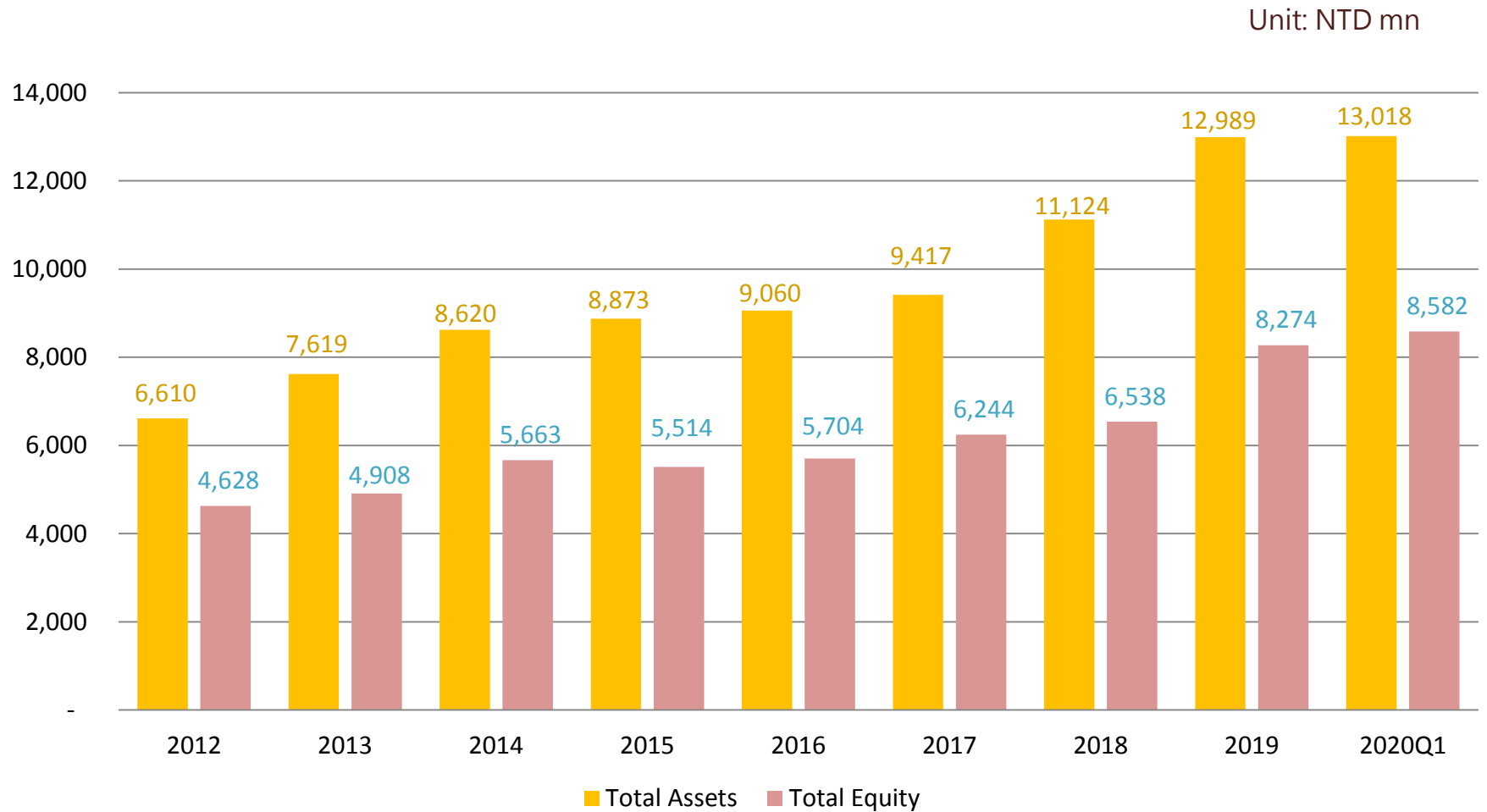


Unit : NTD mn ; %



Financials

Note : (2020Q1 Financial information has not been reviewed by accountants)





Fulgent Sun
Group

Q & A

Please give me your advice



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