



鈺齊國際股份有限公司 (9802)

Fulgent Sun International (Holding) Co., Ltd.

2020.10



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

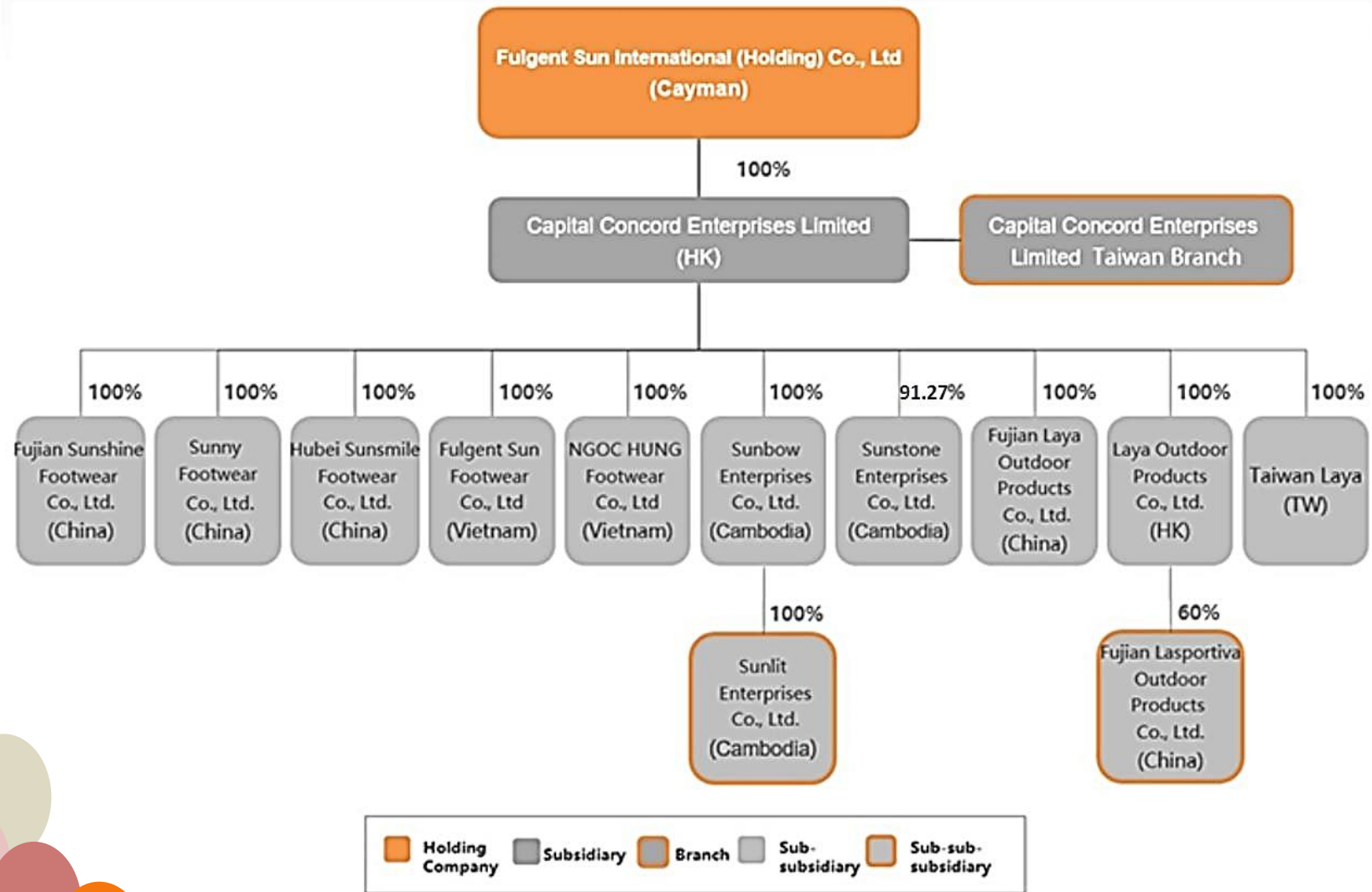
About Fulgent Sun

- Ticker : 9802 TT
- Date of Incorporation : 1995
- The total paid-up capital : NT\$1.86bn (As of October 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 : 2020 January ~September
Footwear (99.6%)& Others (0.4%)
- Shareholding of Chairman and GM :
49,833,000 shares (26.77%)
- Investor/Press Release :
http://www.fulgentsun.com/investors04_1.asp

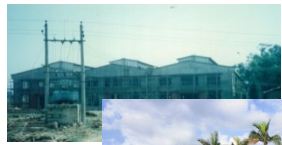


鈺齊國際

• 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
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

The Major Customers

(in alphabetical order)

2018

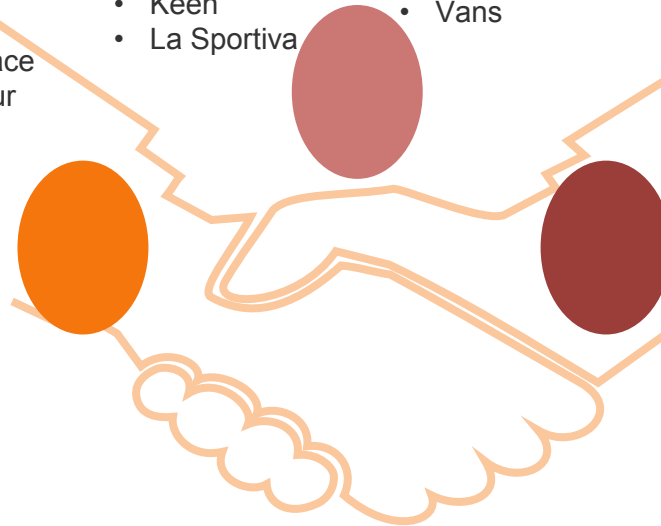
- Berghaus
- Decathlon
- Engelbert strauss
- Inov-8
- Jack Wolfskin
- K2
- Keen
- La Sportiva
- Mammut
- Meindl
- Salewa
- Timberland
- The North Face
- Under Armour
- Vans

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

2020

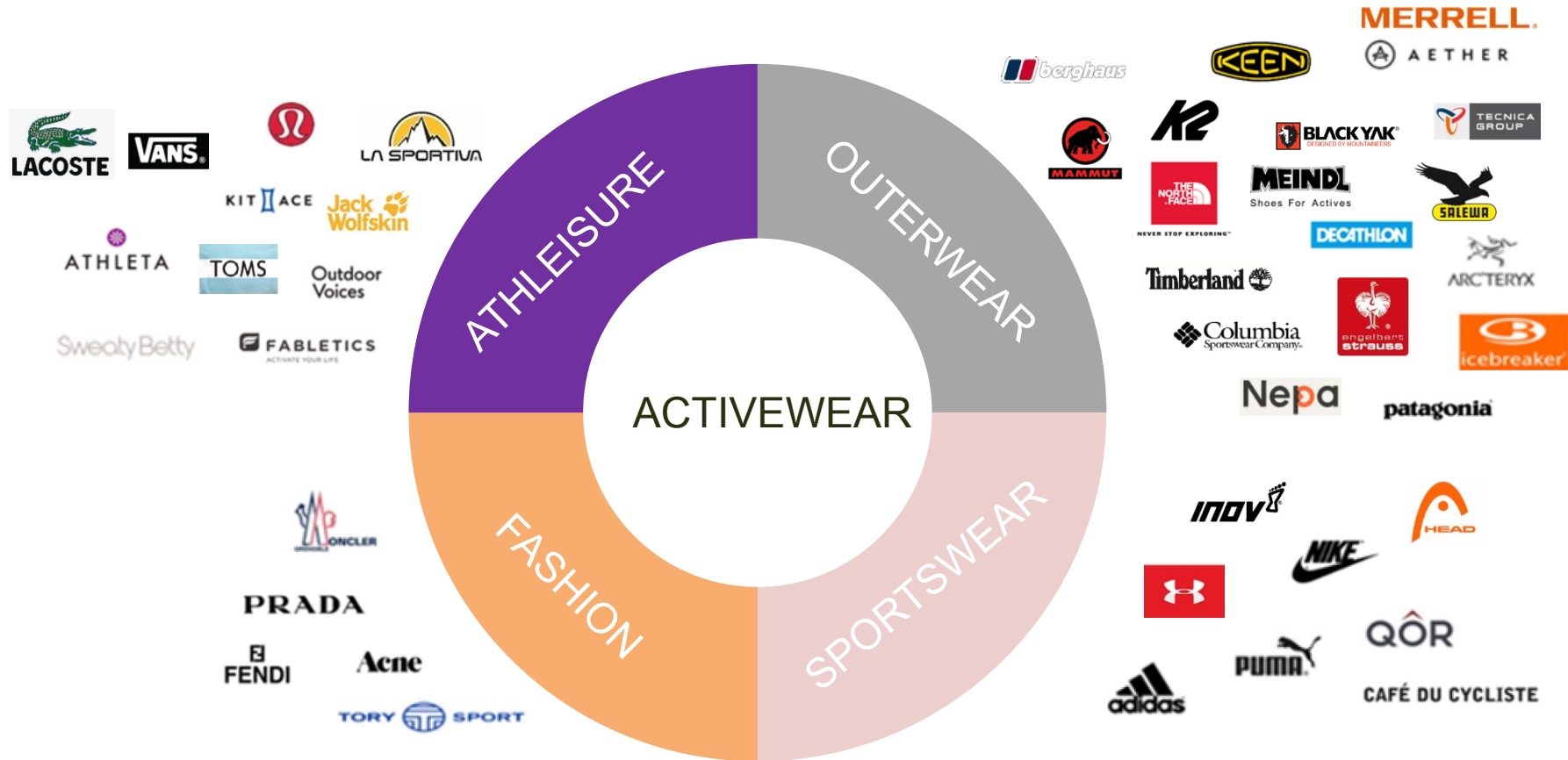
- Altra
- Berghaus
- Blackyak
- Decathlon
- Eider
- Engelbert strauss
- Inov-8
- Jack Wolfskin
- Keen
- La Sportiva
- Meindl
- Merrell
- Nepa
- Northwave
- Reef
- Salewa
- Timberland
- The North Face
- TOMS
- Under Armour
- Vans



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**

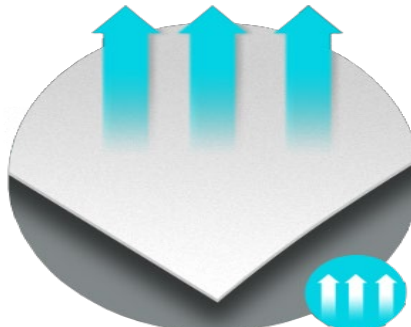
GORE-TEX footwear design passed Strict testing of Gore equipment ensures optimal performance

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



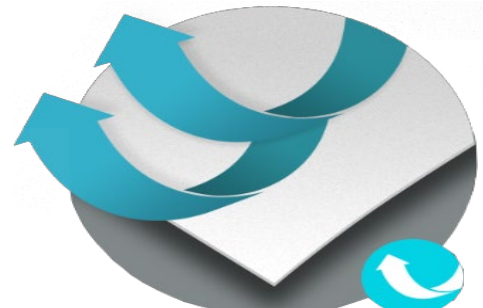
Waterproof

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

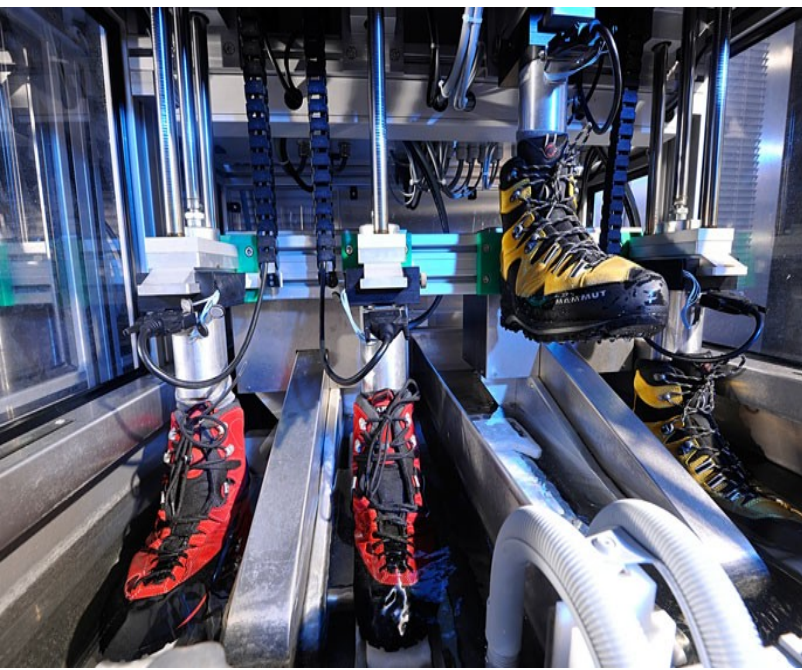


Breathable

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



Insulating



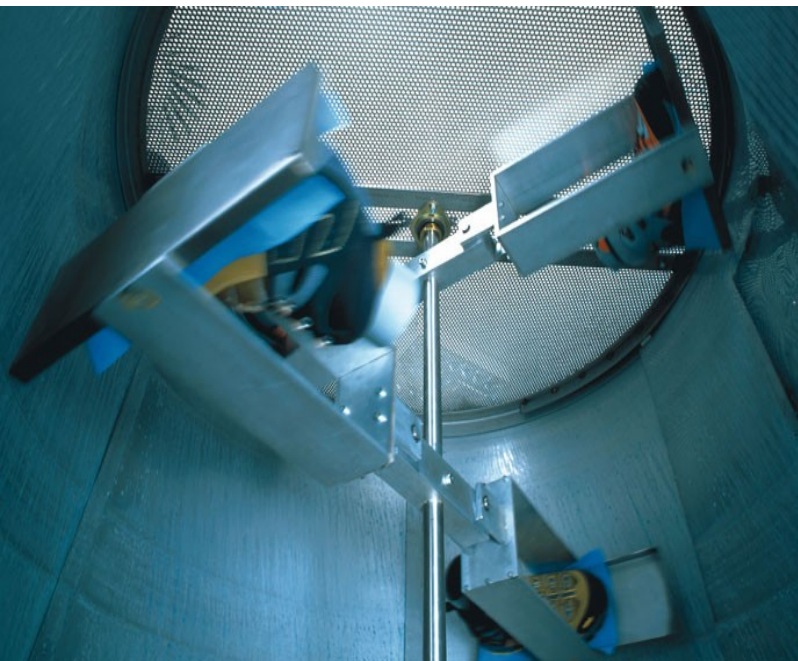
The Walking Simulator

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

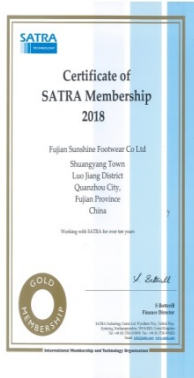


In-House Capability

Craftsmanship
Bottom



Company Honor



**SATRA Board Member
&
Certificate of Lab**

**Gore-Tex
Certificate**



ISO 9001:2015

AEO Certificate

WFSGI Member

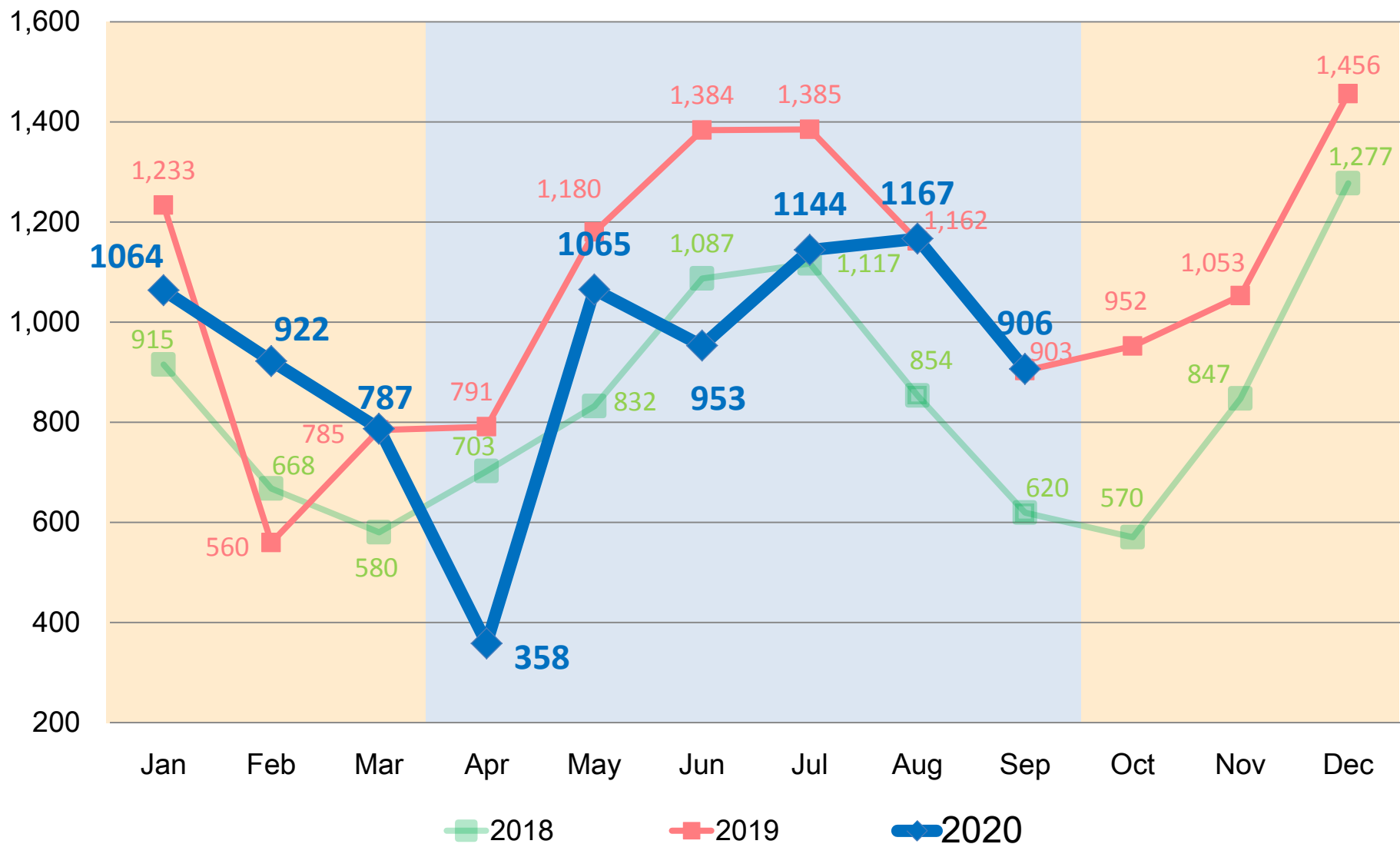
Social Responsibility

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



鈺齊國際

Revenue Trend by Month



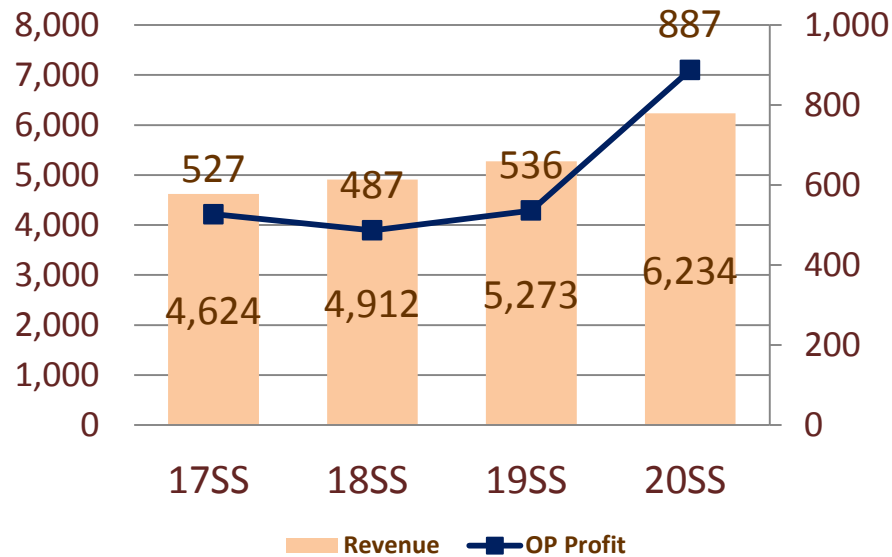
Unit: NTD mn



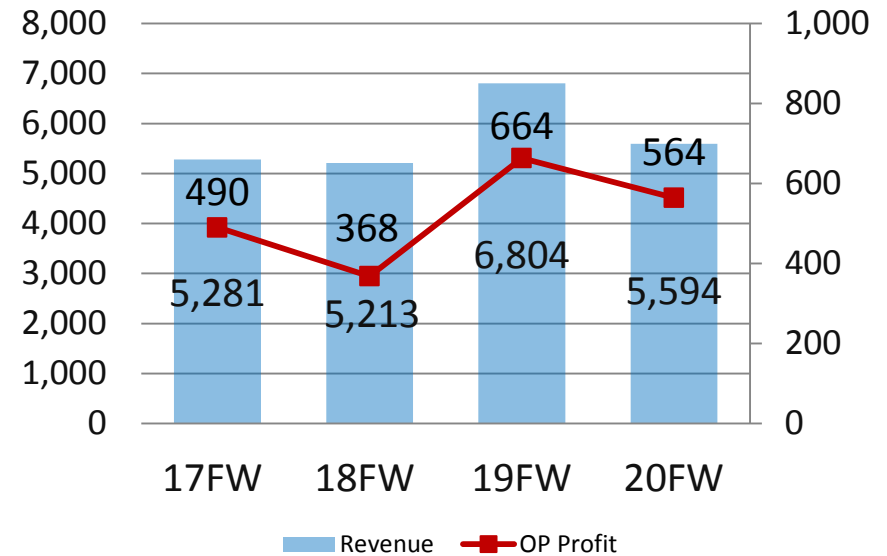
鈺齊國際

Revenue Trend by Quarter

Spring/Summer shoes(Q4~Q1)



Fall/Winter shoes(Q2~Q3)



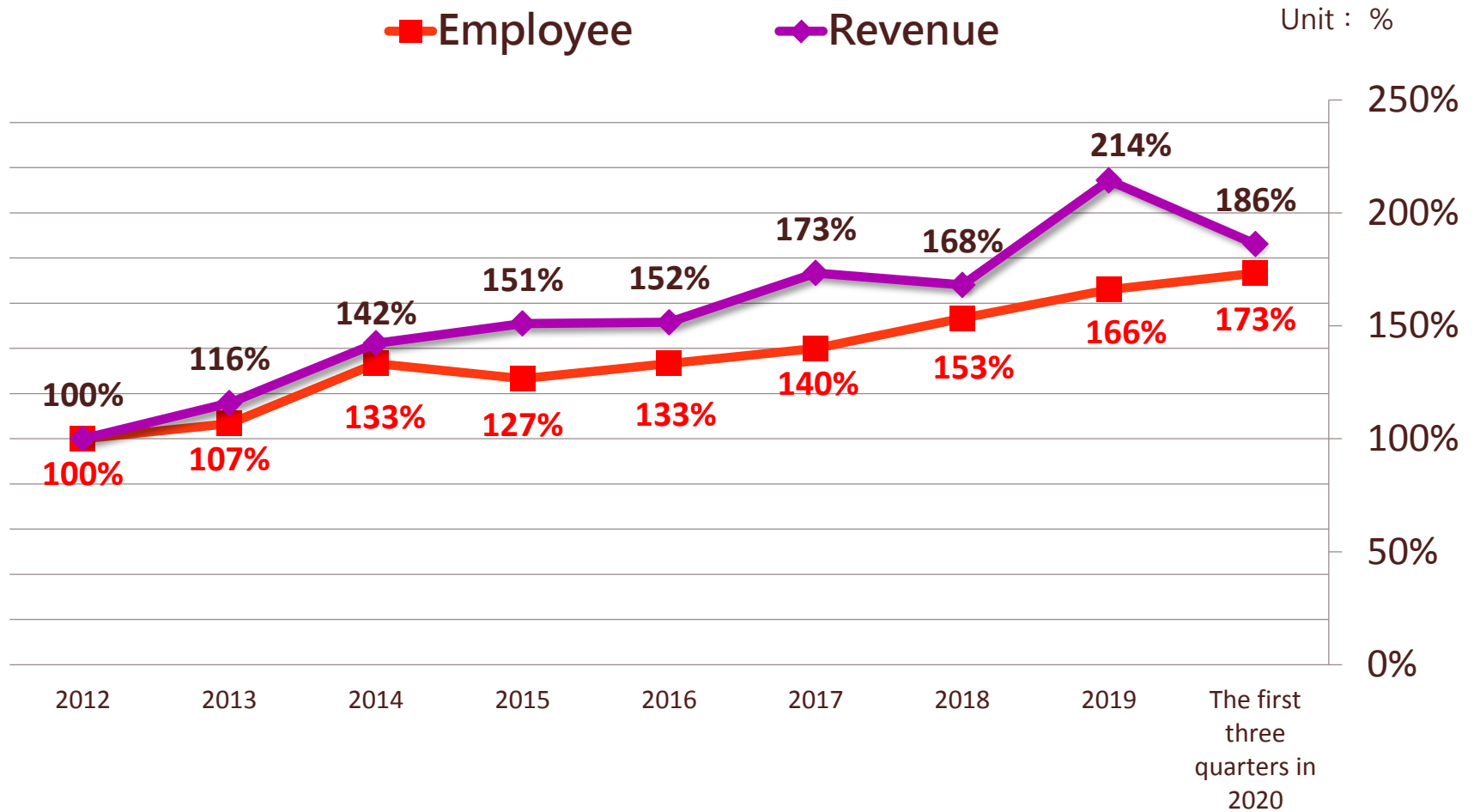
SS	Revenue	OP Profit	FW	Revenue	OP Profit
17SS	4,624	527	17FW	5,281	490
18SS	4,912	487	18FW	5,213	368
19SS	5,273	536	19FW	6,804	664
20SS	6,234	887	20FW	5,594	564

Unit: NTD mn



鈺齊國際

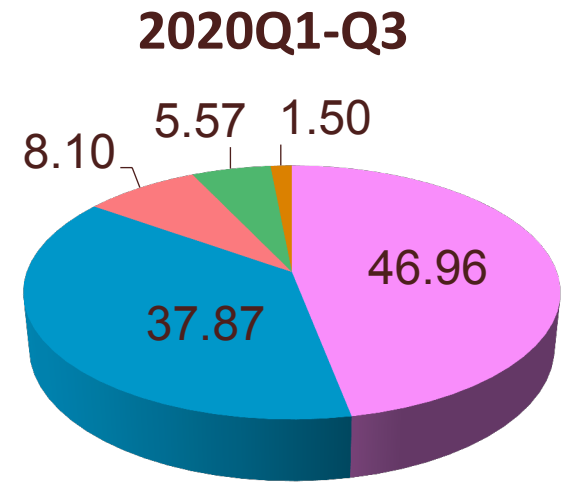
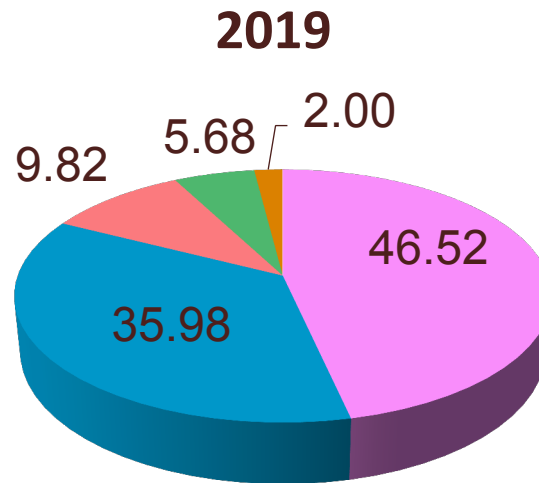
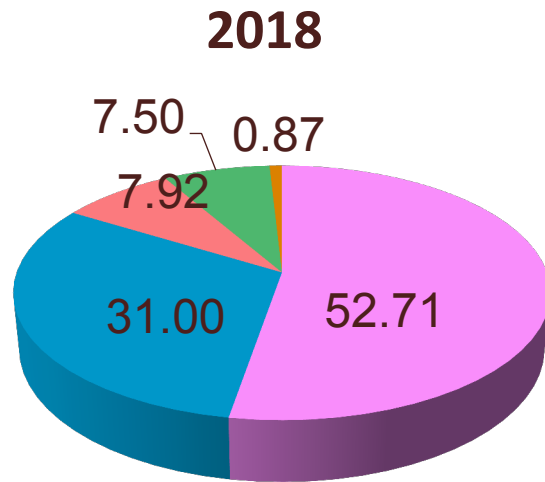
Revenue & Employee Growth Trend (Group)








Note : The revenue growth rate of 2020 was annualized by the revenues in the first three quarters.



Area Percentage of Revenue

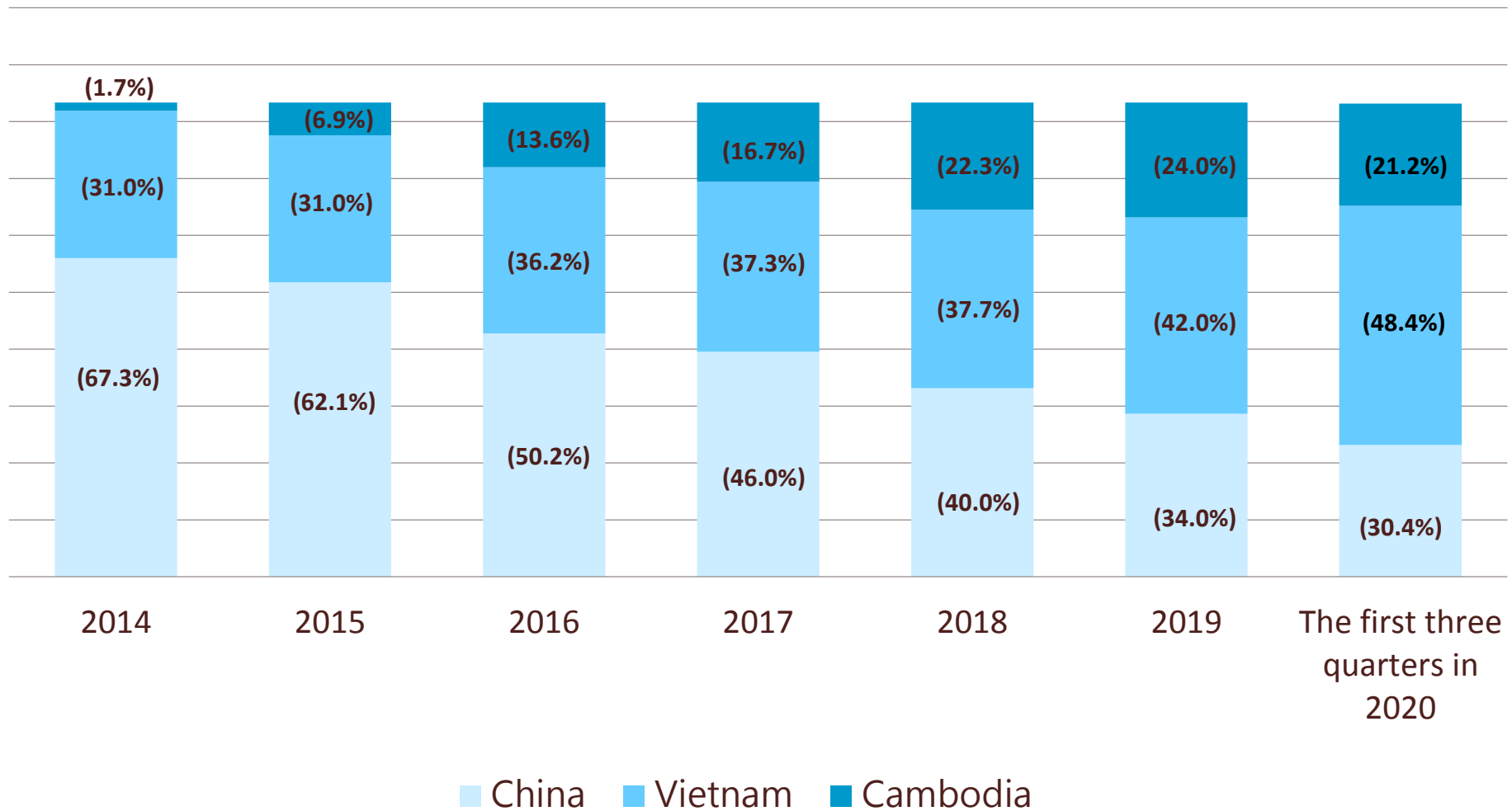


Unit : %

Year	Europe 	America 	Asia 	China 	Others 	Total
2018	52.71	31.00	7.92	7.50	0.87	100
2019	46.52	35.98	9.82	5.68	2.00	100
2020Q1-Q3	46.96	37.87	8.10	5.57	1.50	100

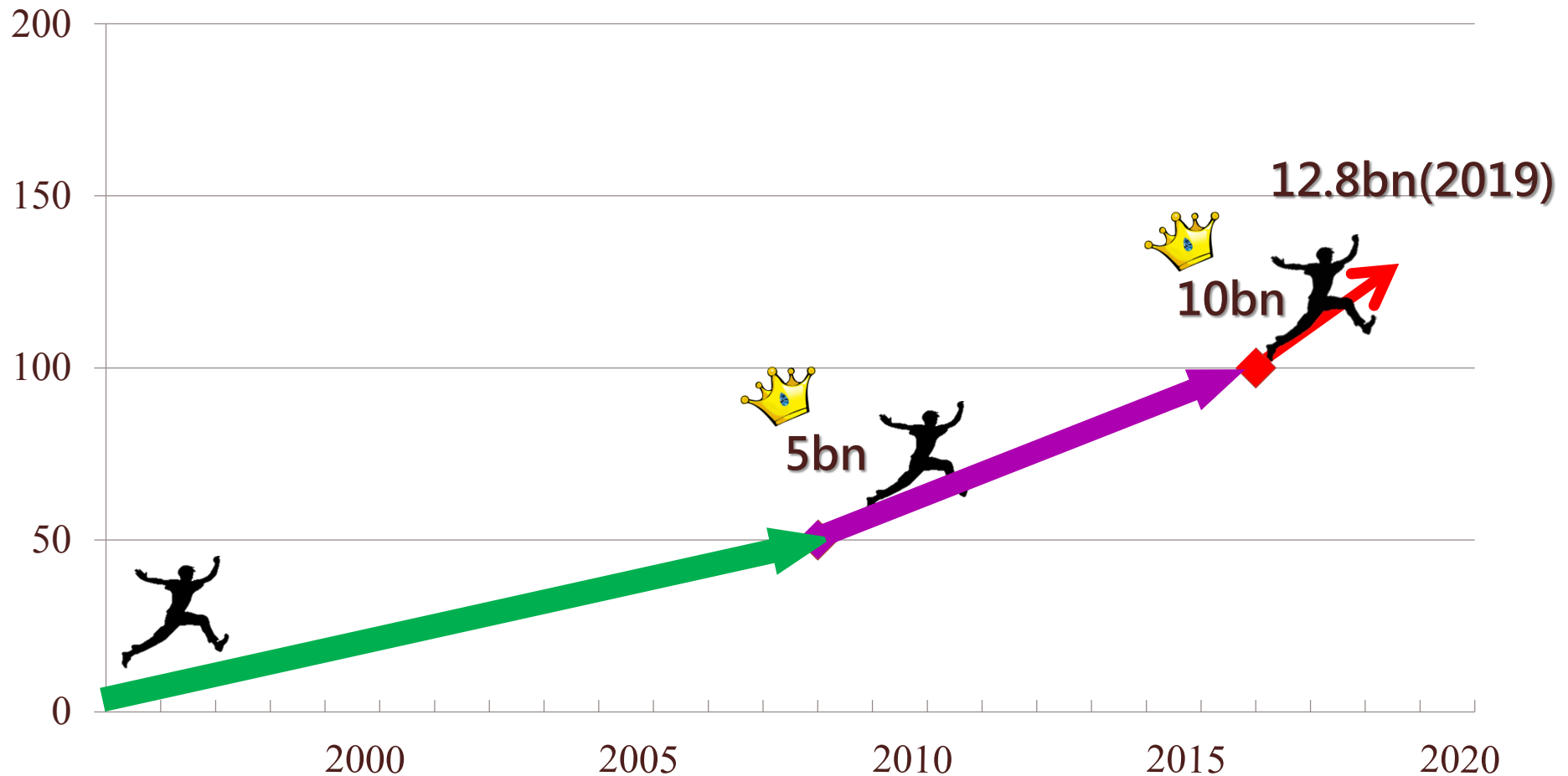
Capacity

Unit : %



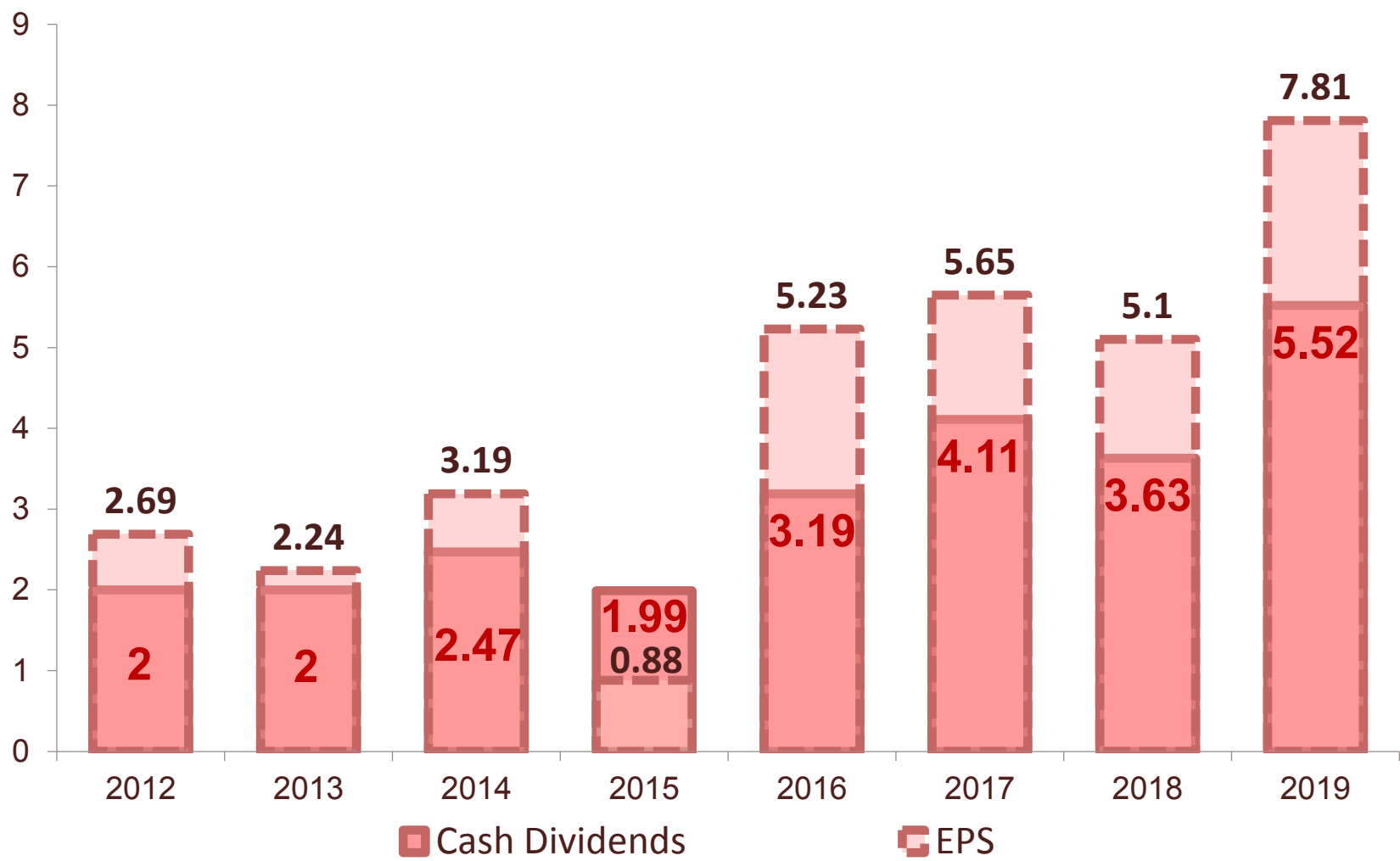
Revenue Growth Trend(Group)

Unit : NTD 100mn



Dividends

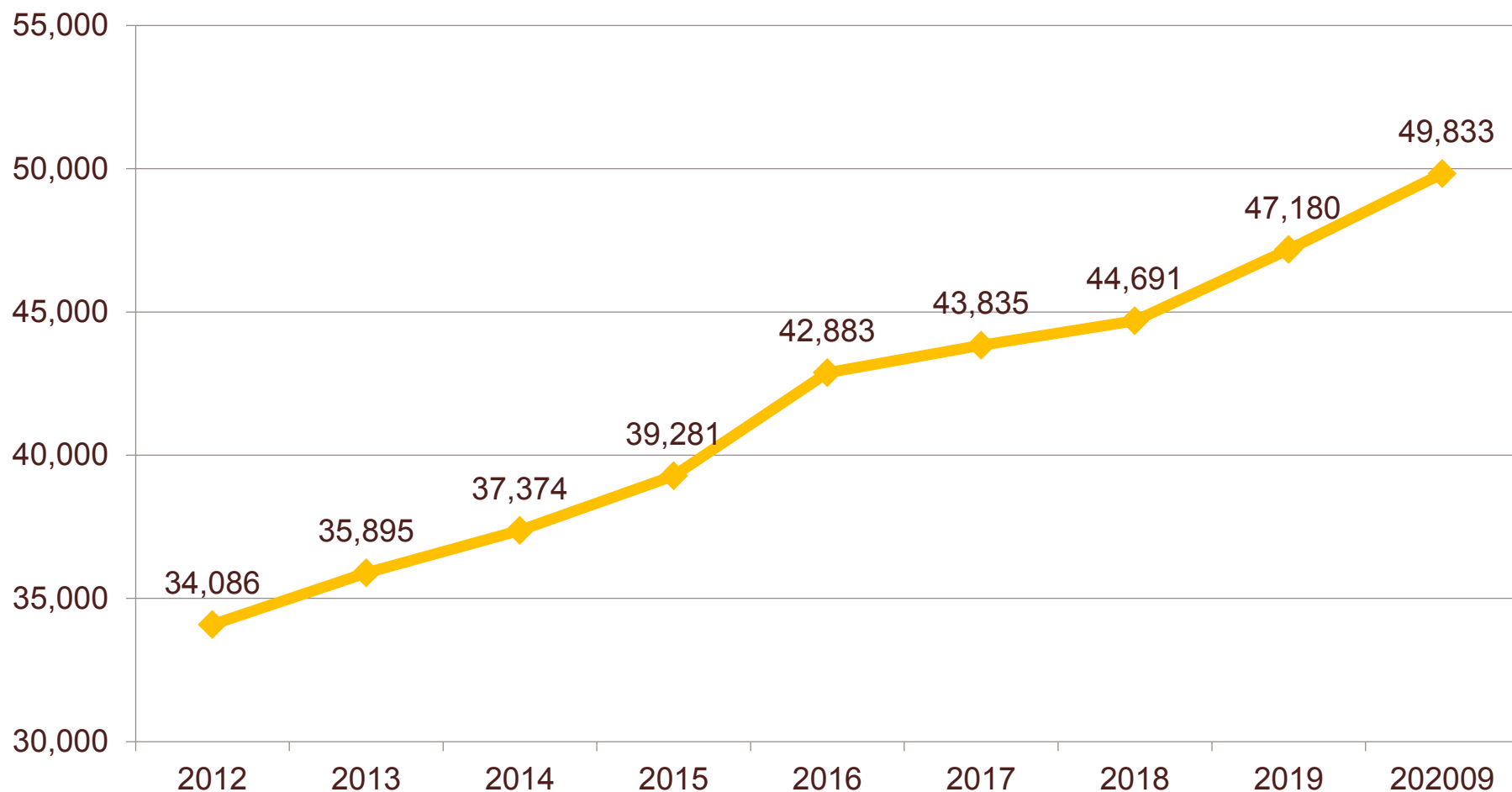
Unit : NTD



Note : Cash dividends are rounded to two decimal places

Shareholding of Chairman and GM Trend

Unit : ' 000 shares



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"
- 2019/11/27: Approved by **MSCI** to be included in the MSCI Global Small Cap Indexes
- **2020/7/17: Approved by Taiwan Index Plus Corporation to be included in the “ TWSE CG 100 INDEX“**

Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

Account	2019					2020			
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Total
Revenue	2,578	3,354	3,450	3,461	12,843	2,773	2,376	3,217	8,366
Gross Profit	506	534	673	815	2,529	660	474	646	1,780
Gross Profit Margin (%)	19.6	15.9	19.5	23.5	19.7	23.8	19.9	20.1	21.3
Operation Expenses	243	248	296	284	1,072	304	241	314	859
Operating Expenses Ratio (%)	9.4	7.4	8.6	8.2	8.3	11.0	10.1	9.8	10.3
Operating Profit	262	286	378	531	1,457	356	233	332	921
Operating Profit Margin (%)	10.2	8.5	11	15.3	11.3	12.9	9.8	10.3	11.0
Net Income	205	297	406	371	1,279	354	172	185	711
EPS	1.34	1.85	2.44	2.14	7.81	2.02	0.99	1.05	4.06
Effect of Exchange Rate Changes	-0.22	0.29	0.48	-0.39	0.16	0.21	-0.13	-0.52	-0.44

Unit: NTD mn/ EPS : NTD



Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

Account	2019Q3	2020Q3	YoY
Revenue	3,450	3,217	-6.7%
Gross Profit	673	646	-4.0%
Gross Profit Margin	19.5%	20.1%	—
Operation Expenses	296	314	6.4%
Operating Expense Ratio	8.6%	9.8%	—
Operating Profit	378	332	-12.2%
Operating Profit Margin	11.0%	10.3%	—

Unit: NTD mn



Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

Account	2020Q2	2020Q3	QoQ
Revenue	2,376	3,217	35.4%
Gross Profit	474	646	36.6%
Gross Profit Margin	19.9%	20.1%	—
Operation Expenses	241	314	30.7%
Operating Expense Ratio	10.1%	9.8%	—
Operating Profit	233	332	42.8%
Operating Profit Margin	9.8%	10.3%	—

Unit: NTD mn



Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

Account	2019Q2+Q3	2020Q2+Q3	YoY
Revenue	6,804	5,593	-17.8%
Gross Profit	1,207	1,120	-7.3%
Gross Profit Margin	17.8%	20.0%	—
Operation Expenses	544	556	2.0%
Operating Expense Ratio	8.0%	9.9%	—
Operating Profit	664	564	-15.0%
Operating Profit Margin	9.8%	10.1%	—

Unit: NTD mn



Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

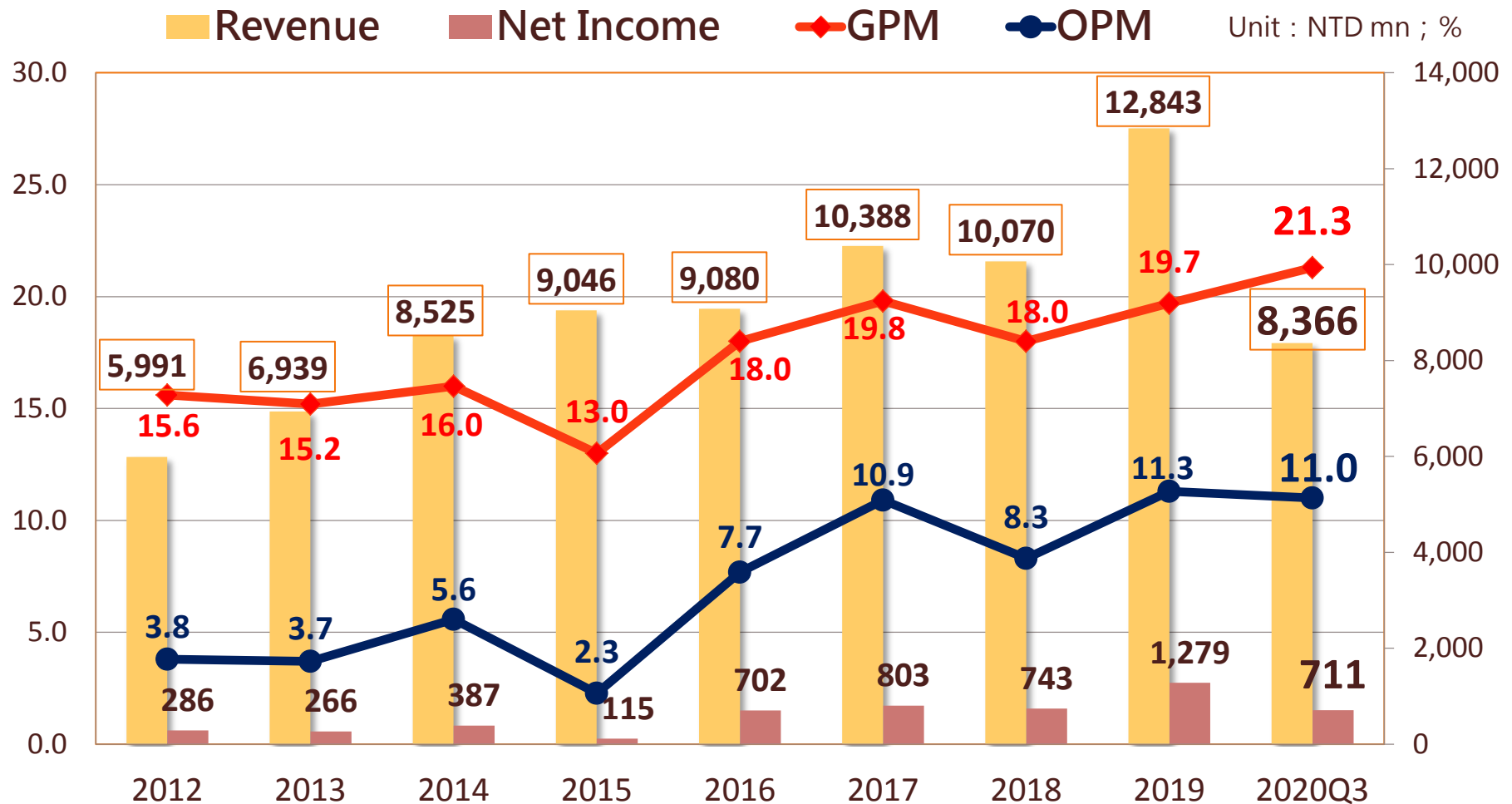
Account	2019Q1-Q3	2020Q1-Q3	YoY
Revenue	9,382	8,366	-10.8%
Gross Profit	1,714	1,780	3.9%
Gross Profit Margin	18.3%	21.3%	—
Operation Expenses	788	859	9.1%
Operating Expense Ratio	8.4%	10.3%	—
Operating Profit	926	921	-0.6%
Operating Profit Margin	9.9%	11.0%	—

Unit: NTD mn



Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

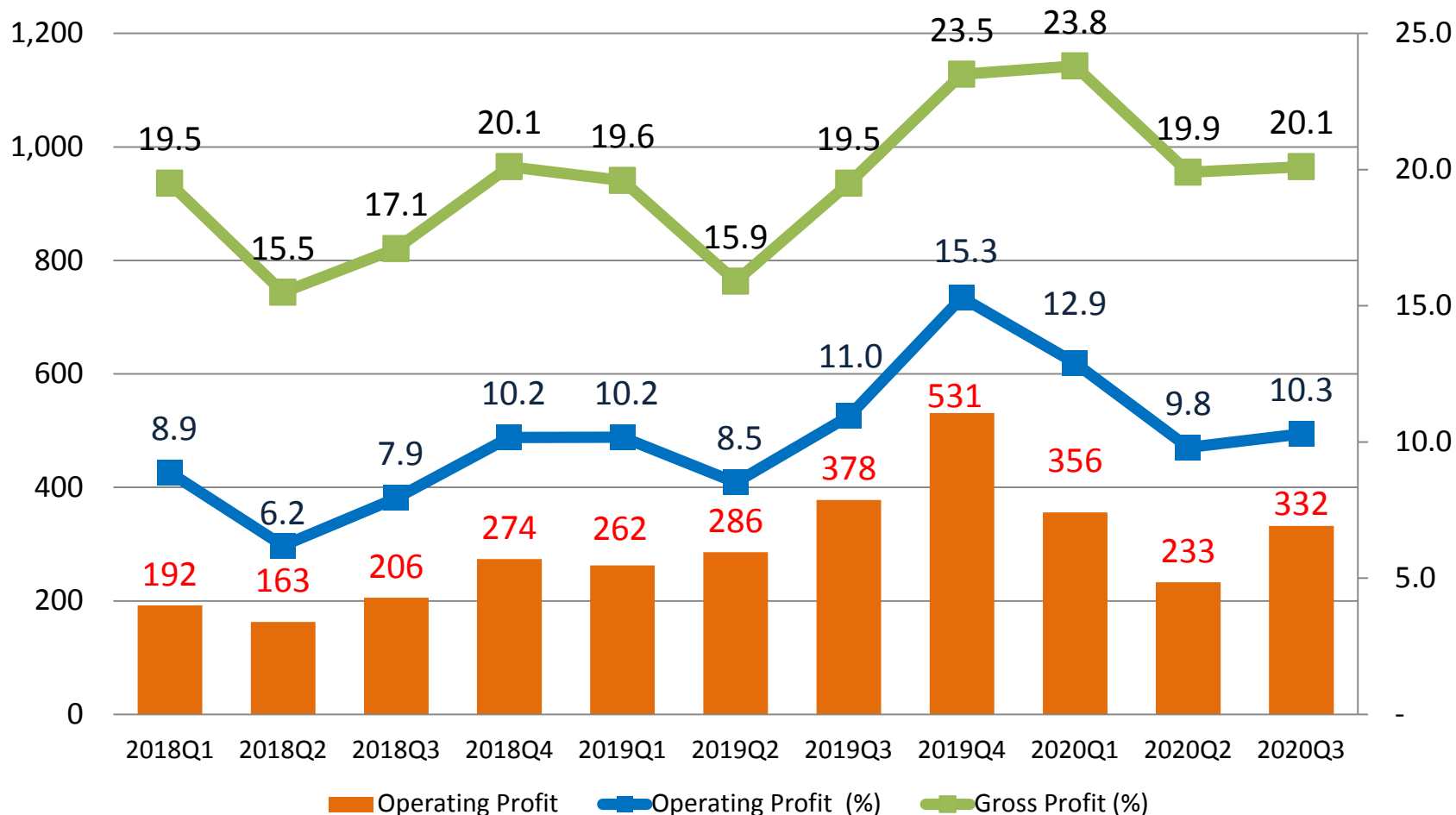


Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

Unit : NTD mn ; %

Quarterly Gross Profit and Operating Profit Information

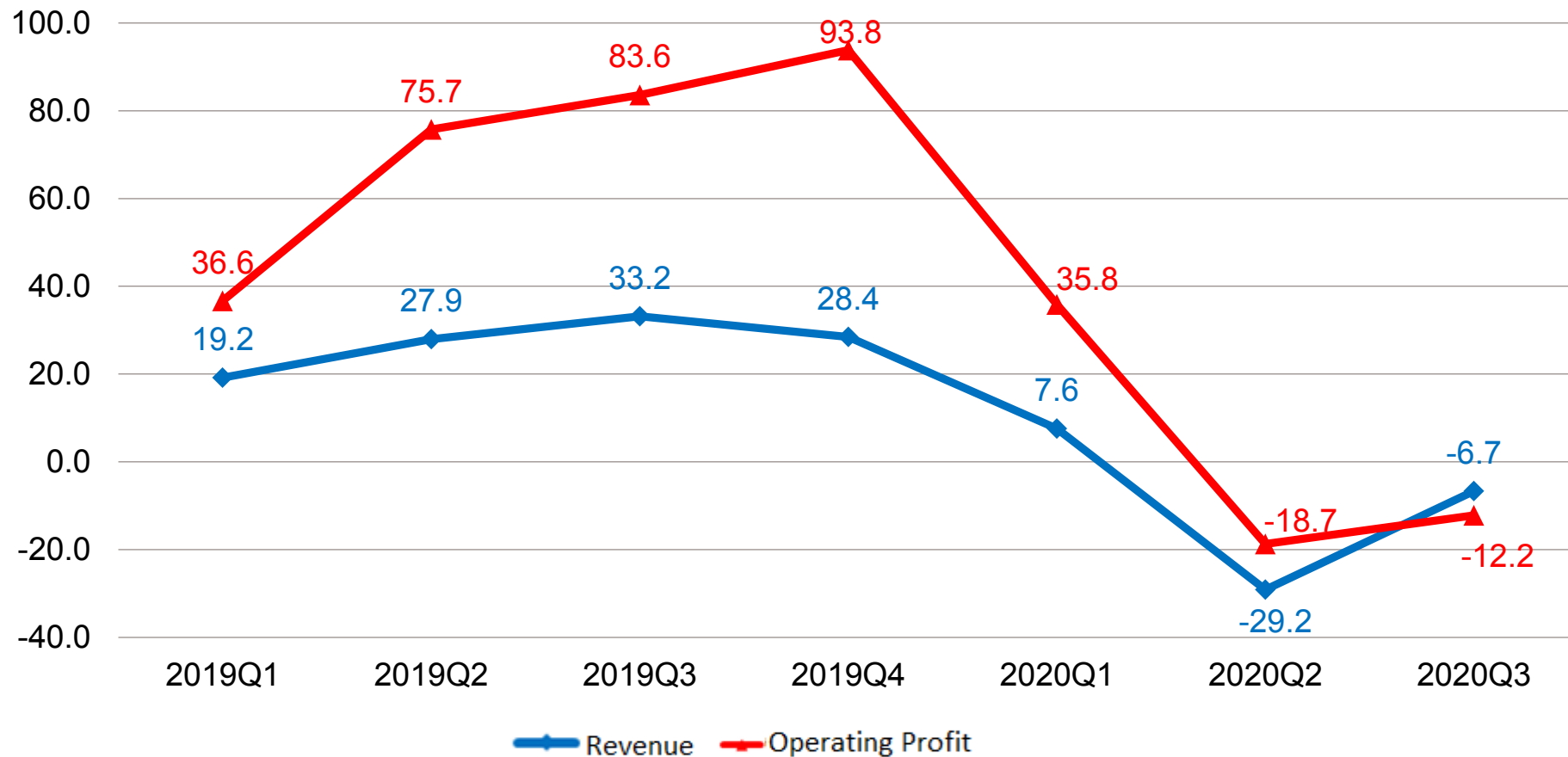


Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

Unit : %

Quarterly Revenues and Operating Profit Margin

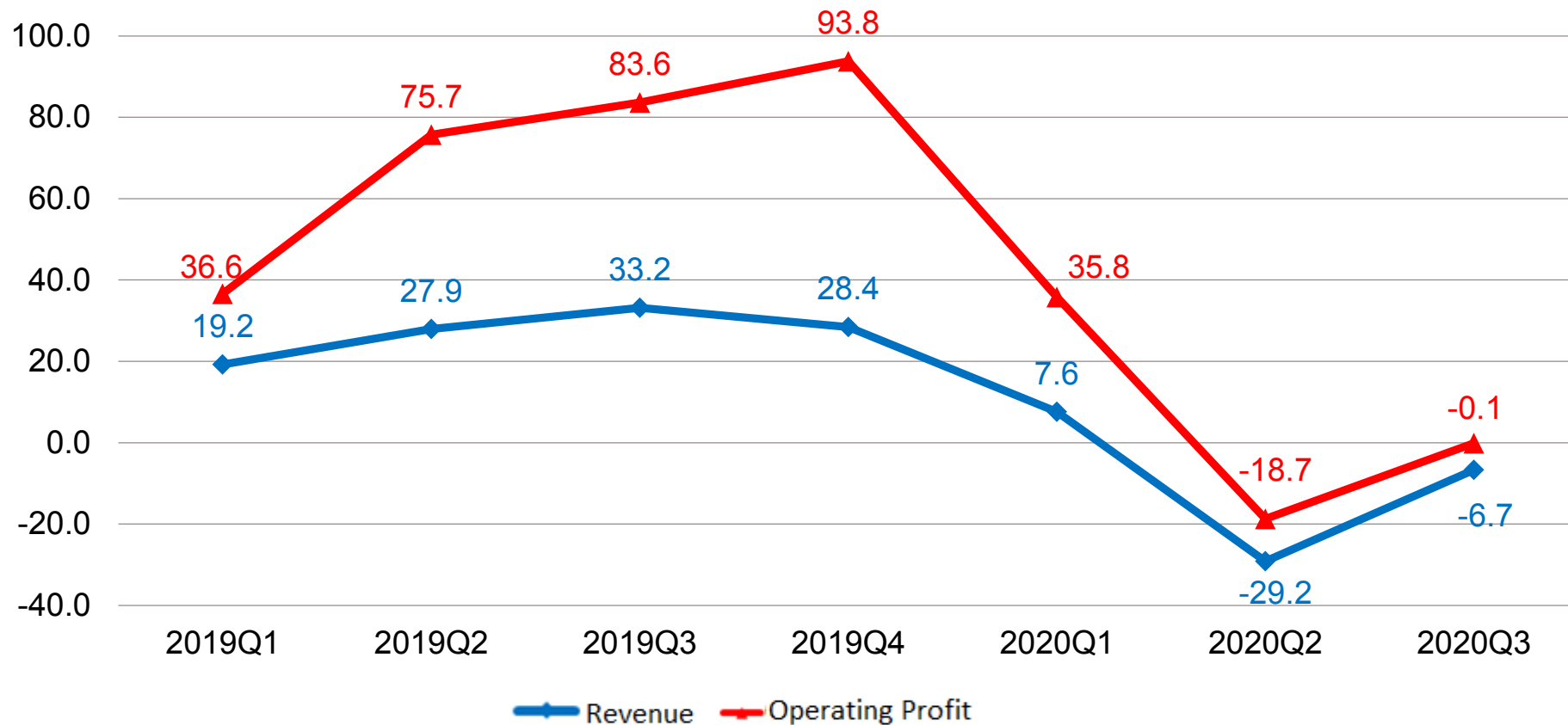


Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

Unit : %

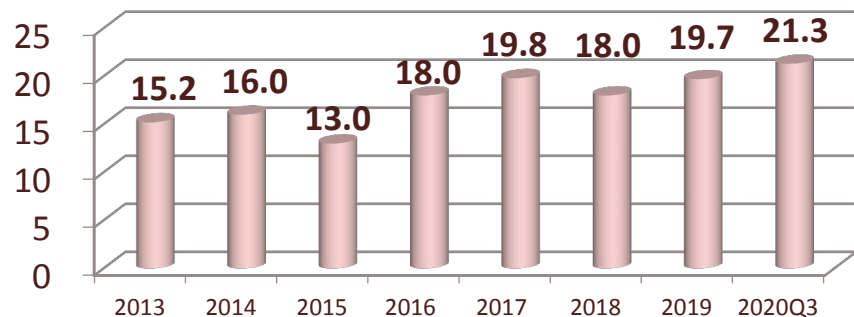
Quarterly Revenues and Operating Profit Margin
(Excluding salary expenses for employee stock subscription)



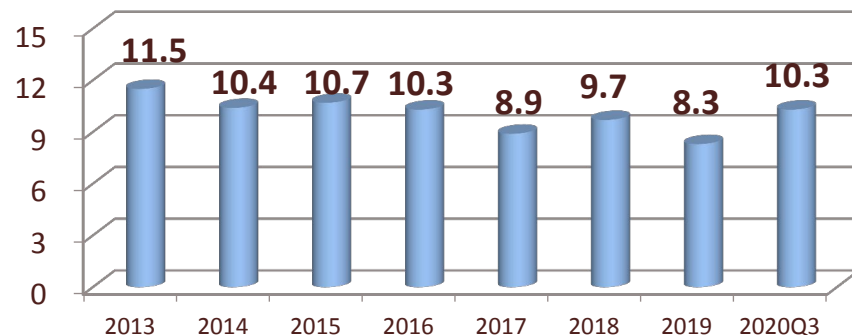
Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

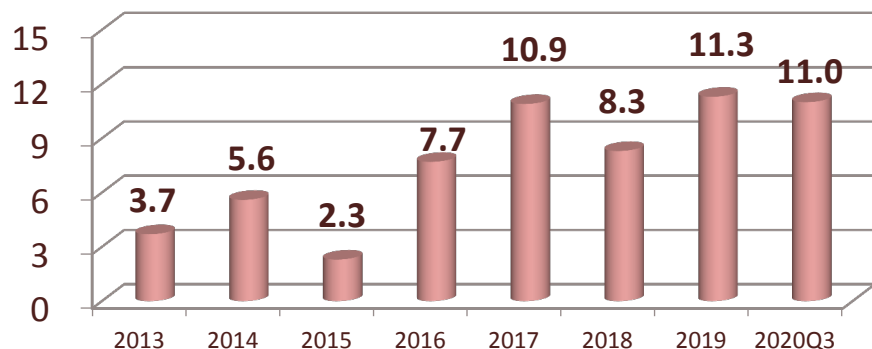
Gross Profit Margin



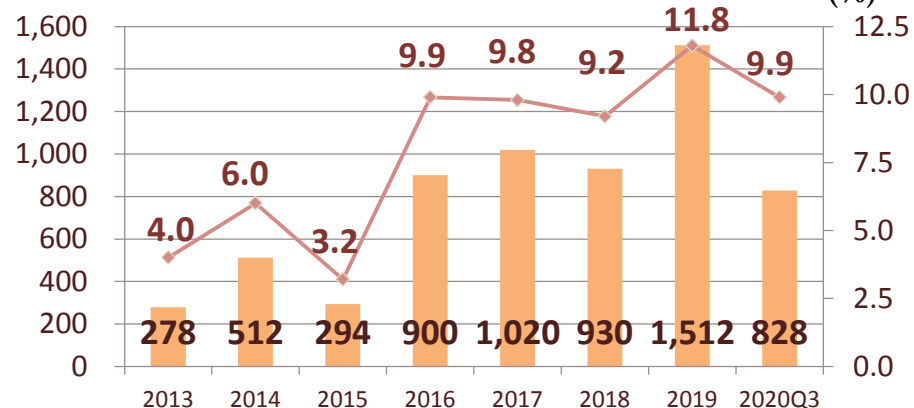
Operating Expense Ratio



Operating Profit Margin



Pre-tax Net Income(Margin)



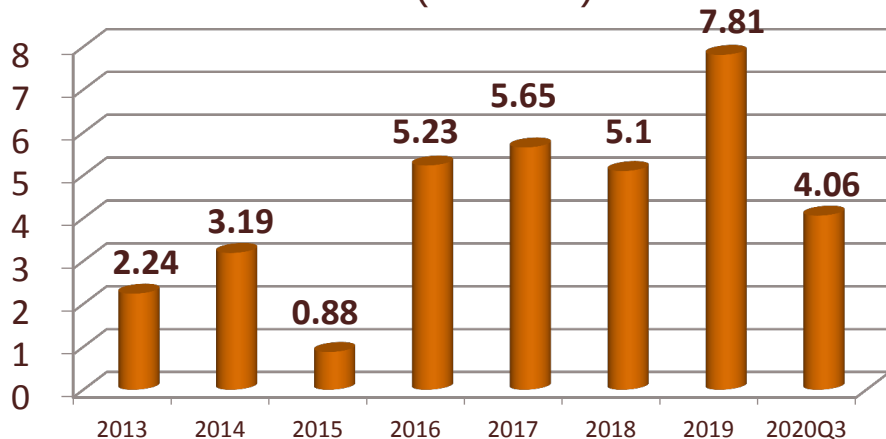
Unit : NTD mn ; %



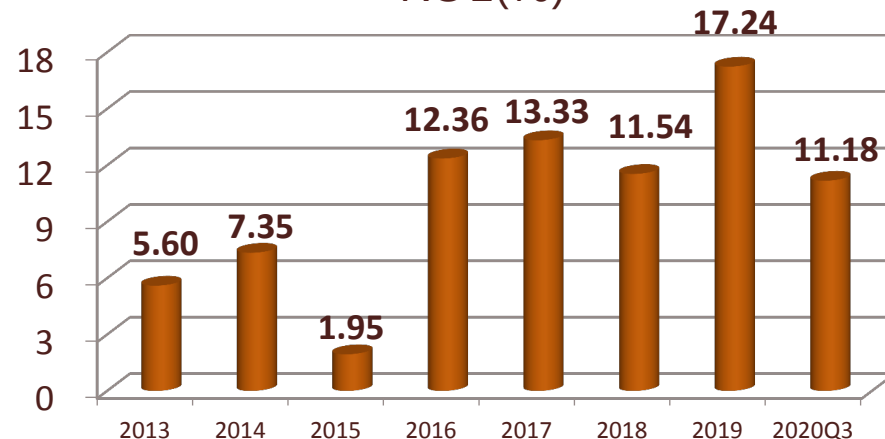
Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

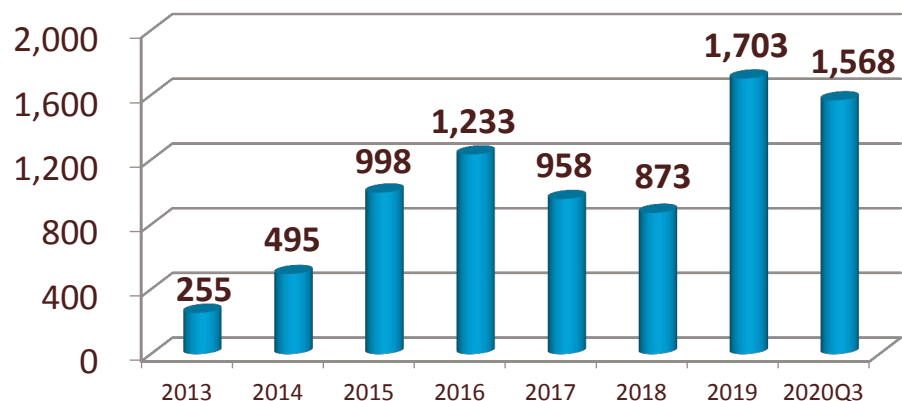
EPS(dollars)



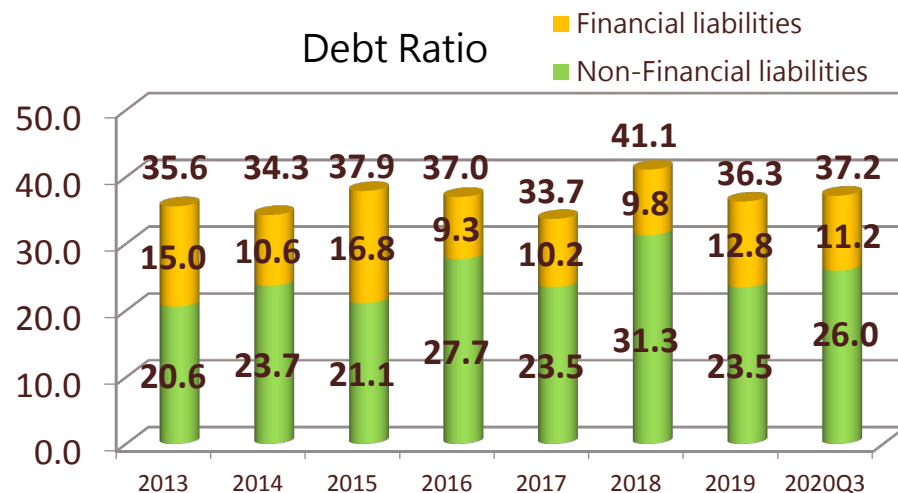
ROE(%)



Cash Inflow from Operating Activities



Debt Ratio

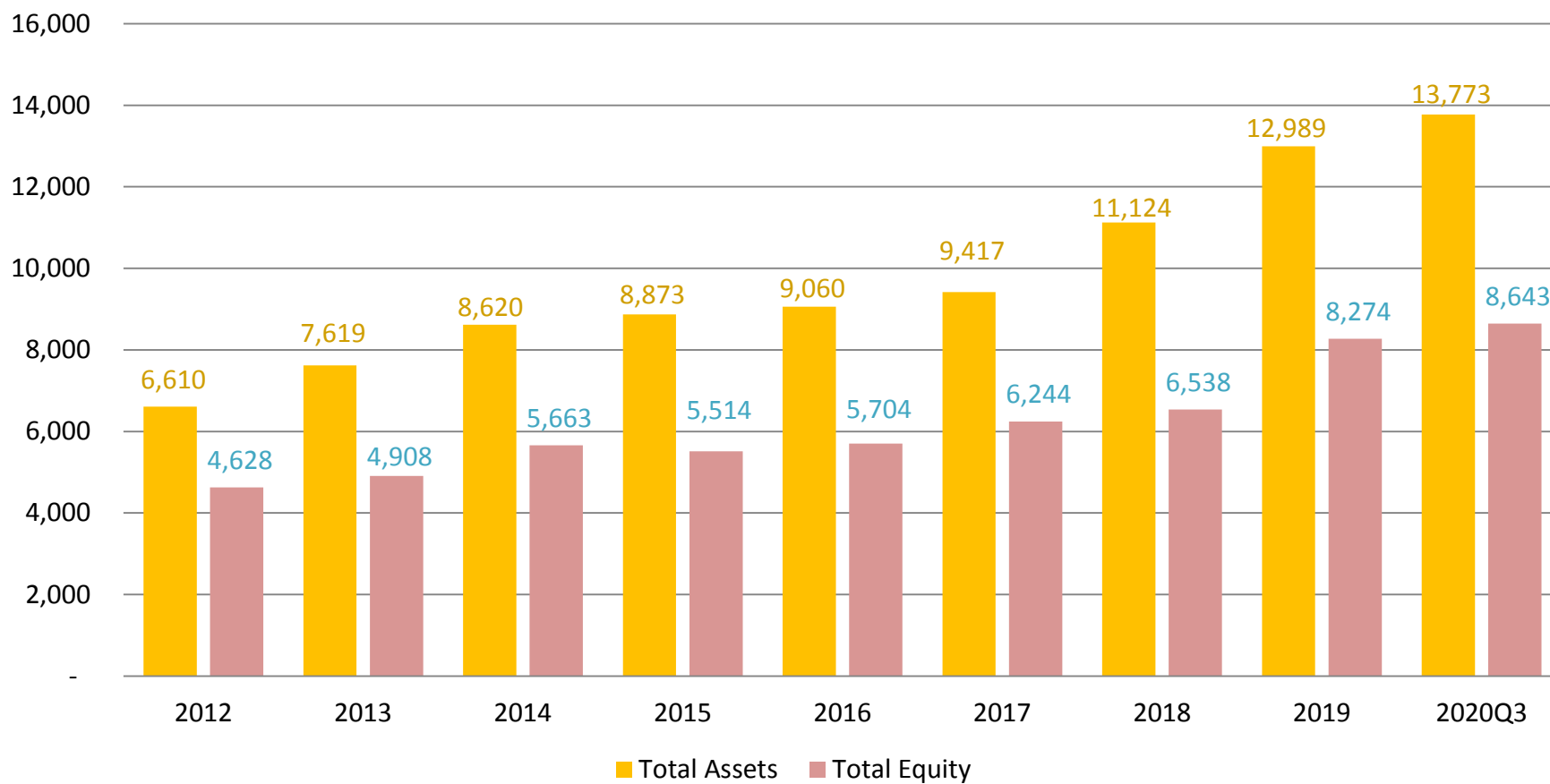


Unit : NTD mn ; %

Financials

Note : (2020Q3 Financial information has not been reviewed by accountants)

Unit: NTD mn



Q & A

Please give me your advice