Fulgent Sun
Group

鈺齊國際股份有限公司 (9802)

Fulgent Sun International (Holding) Co., Ltd.

2022.09


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

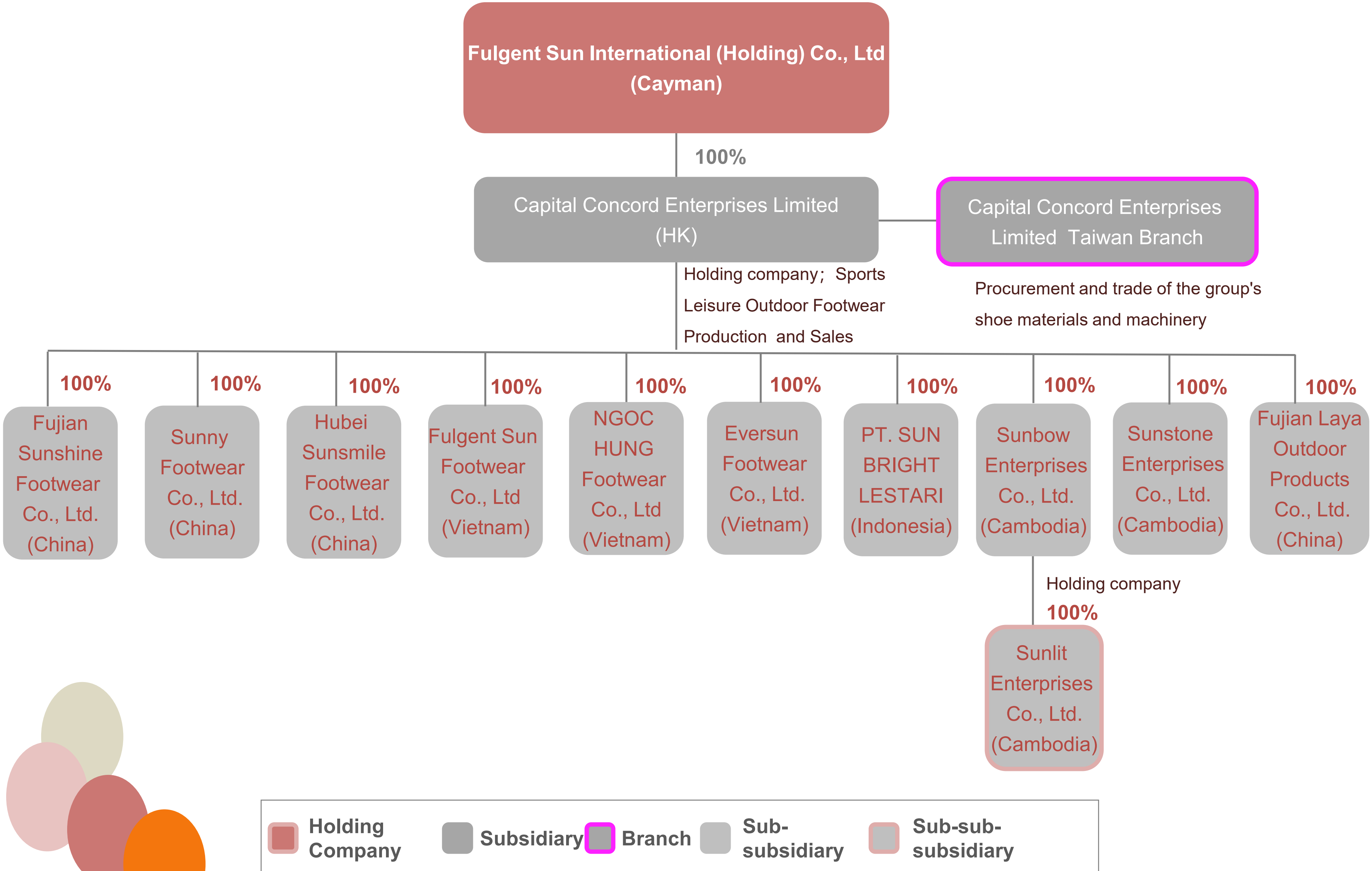
About Fulgent Sun

- **Ticker :** 9802 TT
- **Date of Incorporation :** 1995
- **The total paid-up capital : NT$**1.90bn (As of Aug 2022)
- **Employee :** est. 41000
- **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), HaNam (Vietnam) (2021)

  (GORE-TEX Certified in Red)
- **The scope of business :** Development、foundry of Outdoor shoes
- **Investor/Press Release :** **http://www.fulgentsun.com/investors04_1.asp**

• Group Organization



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• Milestone

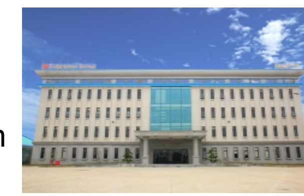
1995

Sunshine Factory
Quanzhou, China

Head Quarter
Yunlin, Taiwan

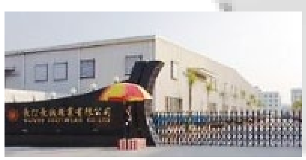
2003

Fulgentsun Factory#1
Hung Yen Province,Vietnam



2005

Sunny Factory
Changting,China



2006

Fulgentsun Factory#2
Hung Yen Province,Vietnam

2009

Sunsmile Factory
Huibei, China

2012

GO ON STOCK in Taiwan

2013

Sunbow Factory
Cambodia

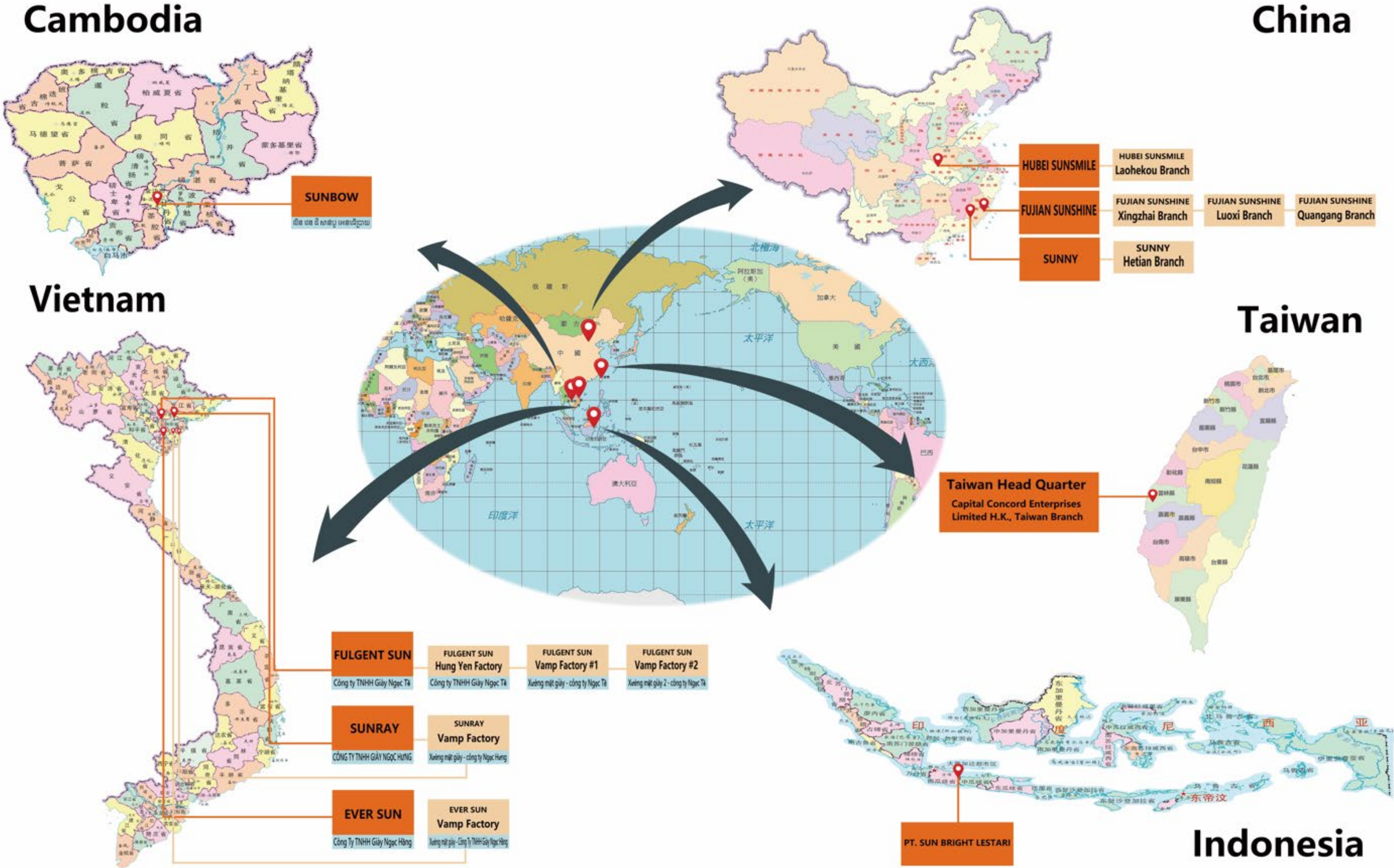
2015

Sunray Factory
Hai Duong Province,Vietnam

2021

Eversun Factory
Ha Nam Province, Vietnam

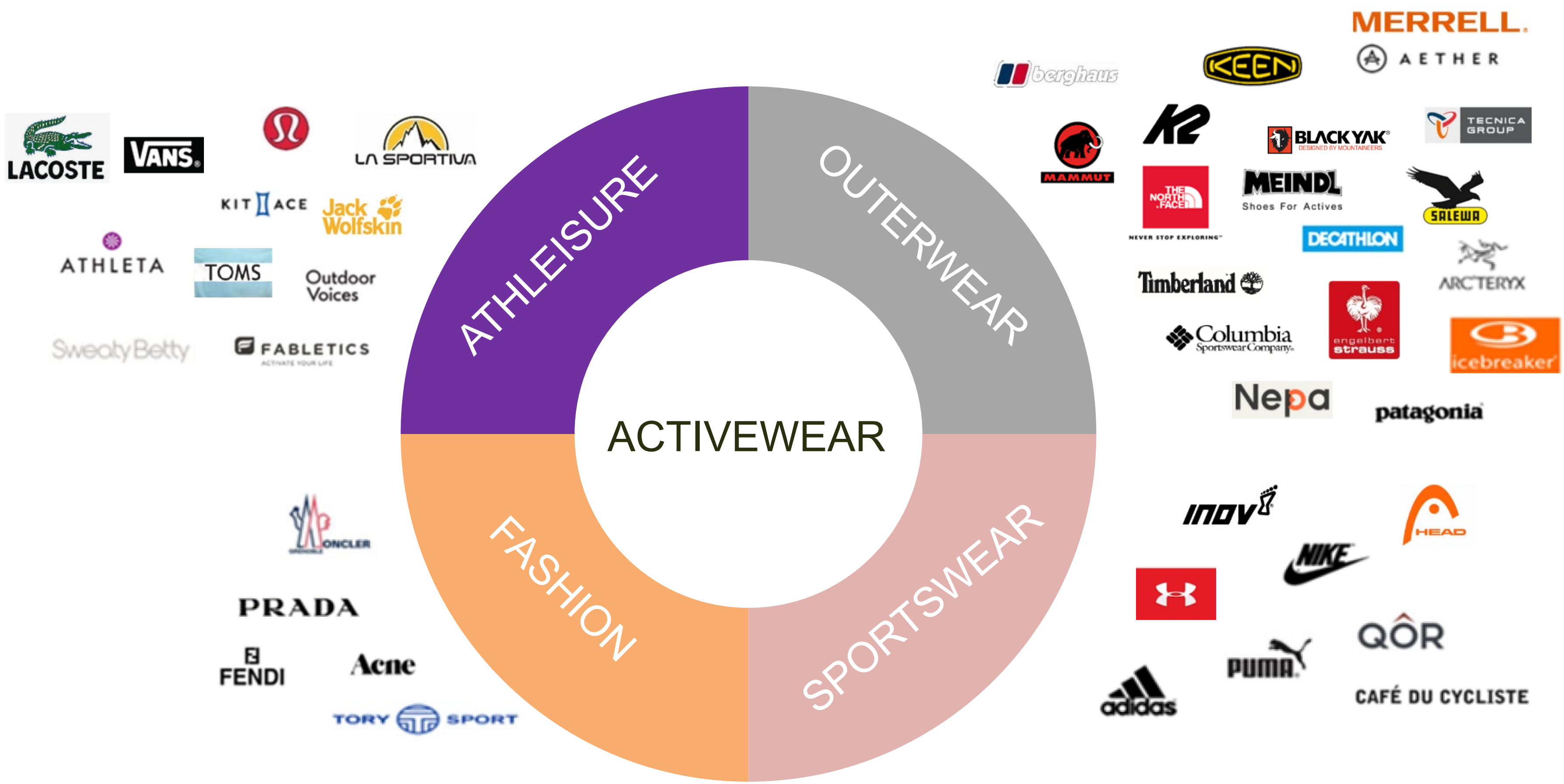
Fulgent Sun Group Factory Distribution Map



• Market

Athleisure combined fashion is the latest market trend

Create strong sales growth momentum in the future market



• Products & Customers (I)

VF Group	ALTRA, TERRA (TERRA WORKS HERE), THE NORTH FACE (NEVER STOP EXPLORING), KODIAK (CANADA'S BOOT SINCE 1910), Dickies, Timberland, VANS
WWW Group	BATES, CAT, MERRELL
Deckers Group	HOKA

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

• Products & Customers (II)

Others	ALFA, DACHSTEIN (MOUNTAINEERING SINCE 1925), LA SPORTIVA, engelbert strauss, berghaus, DECATHLON, MEINDL (Shoes For Actives), Black Diamond, ICEBUG, TCX (FOCUS ON BOOTS), Callaway, inov-8, On, TECNICA GROUP, Columbia, LACOSTE (LIFE IS A BEAUTIFUL SPORT), REI co-op, TOMS, CUATER

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

• New brand customers over the years

2019	ALTRA, MERRELL, Dickies, TCX FOCUS ON BOOTS, KODIAK CANADA'S BOOT SINCE 1910, Black Diamond, TERRA TERRA WORKS HERE, ICEBUG
2020	BATES, CAT, DACHSTEIN MOUNTAINEERING SINCE 1925, LACOSTE LIFE IS A BEAUTIFUL SPORT, REI co-op
2021	ALFA, Callaway, CUATER, Columbia, On

Note 1：All trademark from original registered company

- # Technology

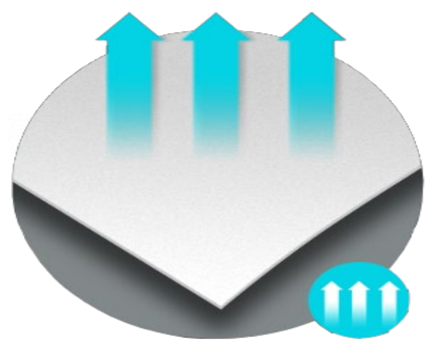
Majority of the production lines are GORE-TEX certified

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

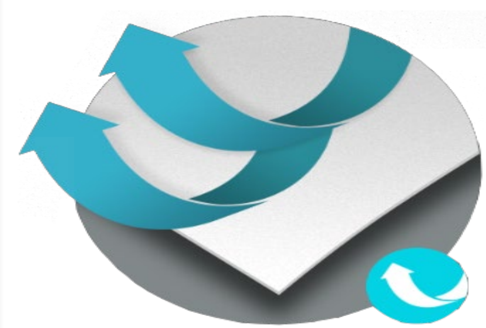
Warterproof

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



Breathable

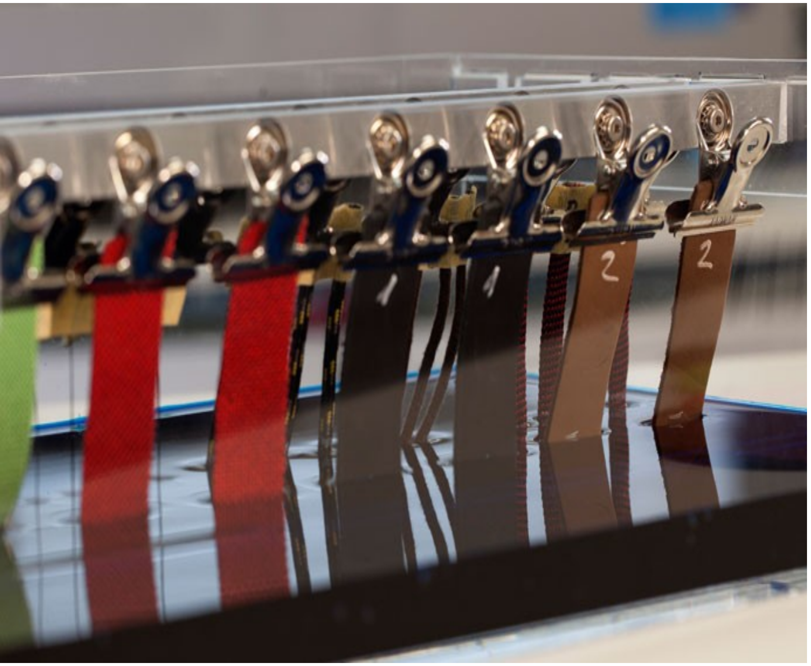
The design of the GORE-TEX film blocks out the wind



Insulating

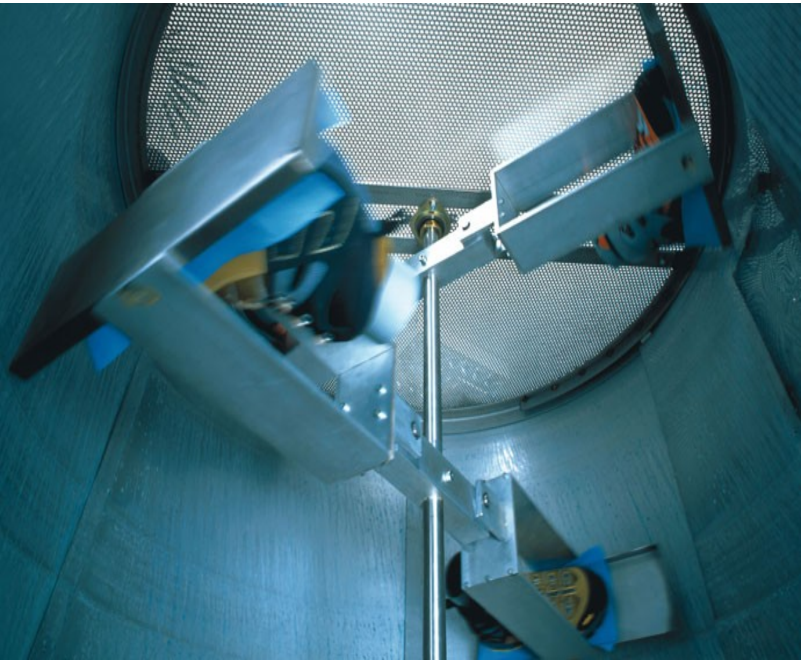
The Walking Simulator

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-TEX® 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

Upper Craftsmanship

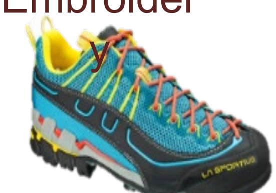
Liquid Rubber / Sandy Printing

Digital Printing

Foam printing

3D Printing

Embroidery



Dual Seamless

Computer Stitching

Core lace +TPU welded

Laser Deco.

98%

Made in House

In-House Capability

Modernization

2018 | 2019 | 2020 | 2021

- ☐ **Cutting**
  - -Atuo oscillating cutting machine
  - -Auto die-cutting machine
- ☐ **Stitching & Upper process**
  - -3D computer stitching
  - -Auto punching machine
- ☐ **Insole & Printing**
  - -Auto heat transfer machine
  - -Auto Silk-printing machine
  - -Auto Gauge-line marking machine
- ☐ **Outsole factory**
  - -Rotary RB CMP molding machine
  - -Rotary EVA hot/cold molding machine

- ☐ **Stitching & Upper process**
  - -Computer stitching w/ auto jig-exchange
  - -Auto pick/place robot system (robot application)
- ☐ **Assembly(Robot application)**
  - -Auto upper cementing line
  - -Auto outsole cementing line
  - -Plasma application
- ☐ **Outsole factory**
  - -Nitrogen trimming machine
  - -PANSTONE RB Injection machine

- ☐ **Assembly**
  - -PU pouring technology
- ☐ **VR sampling**
- ☐ **Warehouse**
  - -Sample material warehouse RFID application
- ☐ **Big data application**
  - -JarviX, big data analysis & application

• Green Projects

Zero Emission

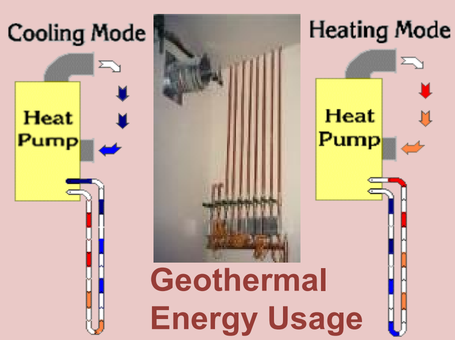
Waste Water Reuse

Green Factory

Waste Segregation

Green Energy

Solar Power



Geothermal Energy Usage

Green Products

bluesign® PRODUCT

Global Recycled Standard

Green Materials

Green Offer

Fulgent Sun Group

• Company Honor

SATRA Board Member

Higg Index

Gore-Tex Certificate


QUALITY MANAGEMENT SYSTEM
CERTIFICATE
CHINA QUALITY CERTIFICATION CENTRE

ISO 9001:2015


认证企业证书
AEO CERTIFICATE

AEO Certificate

WFSGI Member

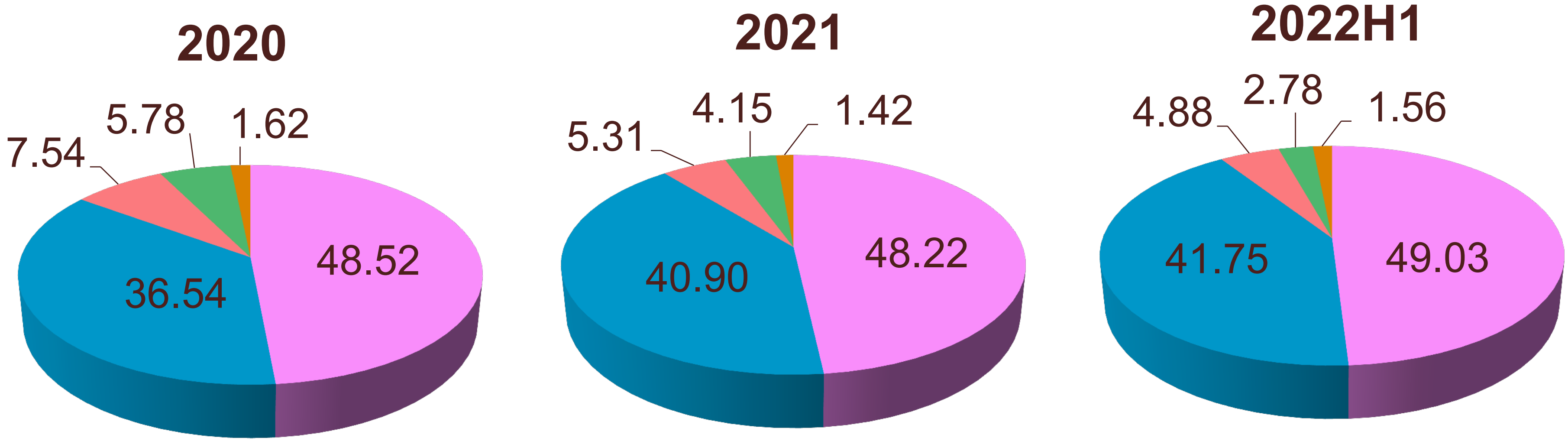
Social Responsibility

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

Corporate Governance Appraisal by TWSE

Evaluation year	2014	2015	2016	2017
	First	Second	Third	Fourth
Rank distance	Top 6%~20%	Top 6%~20%	21%~35%	21%~35%
Year awarded	2015	2016	2017	2018
Evaluation year	**2018**	**2019**	**2020**	**2021**
	Fifth	Sixth	Seventh	Eighth
Rank distance	21%~35%	Top 6%~20%	Top 6%~20%	Top 6%~20%
Year awarded	2019	2020	2021	2022

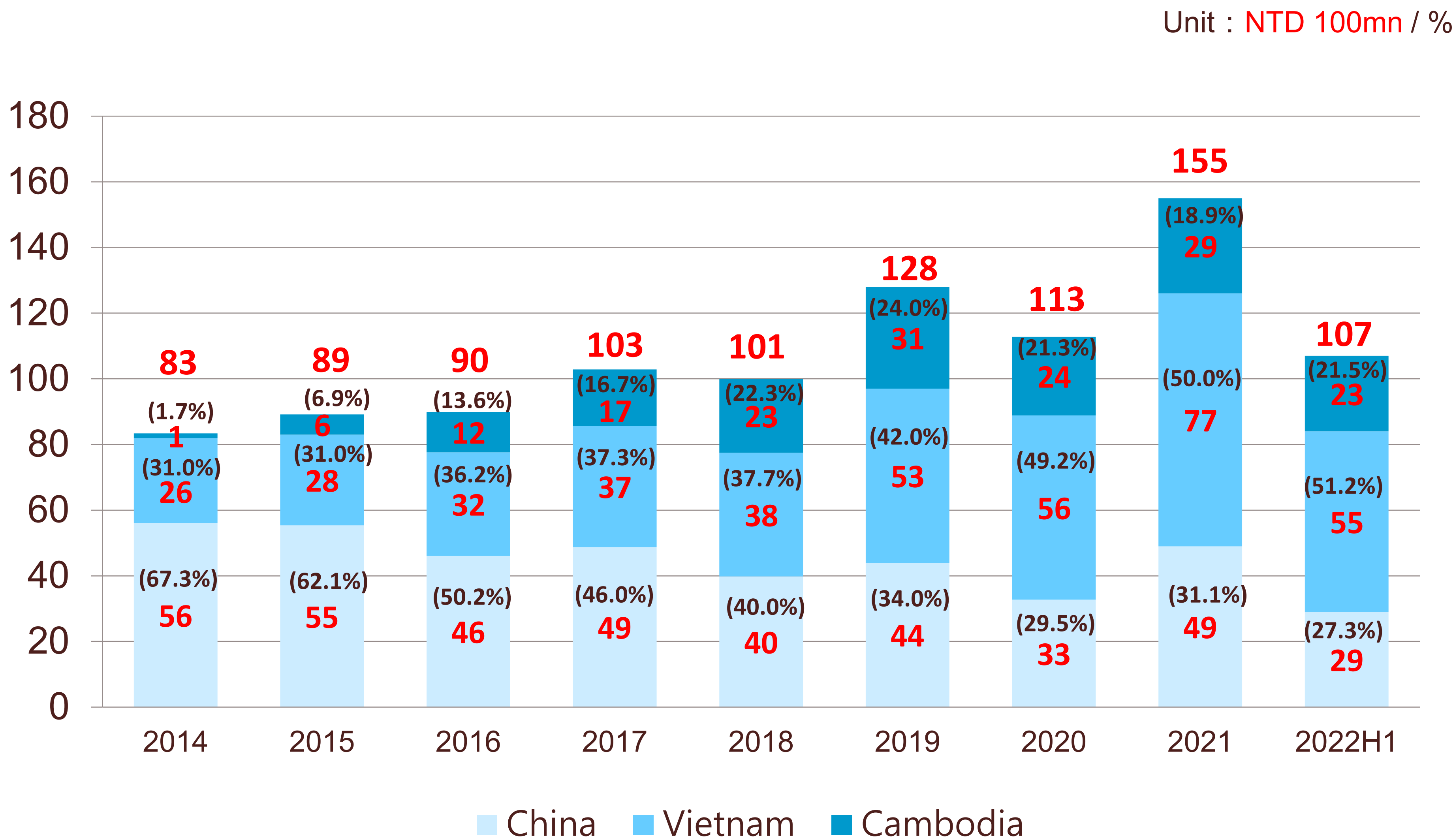
• Area Percentage of Revenue



Unit： %

Year	Europe	America	Asia	China	Others	Total
2020	48.52	36.54	7.54	5.78	1.62	100
2021	48.22	40.90	5.31	4.15	1.42	100
2022H1	49.03	41.75	4.88	2.78	1.56	100

• Capacity



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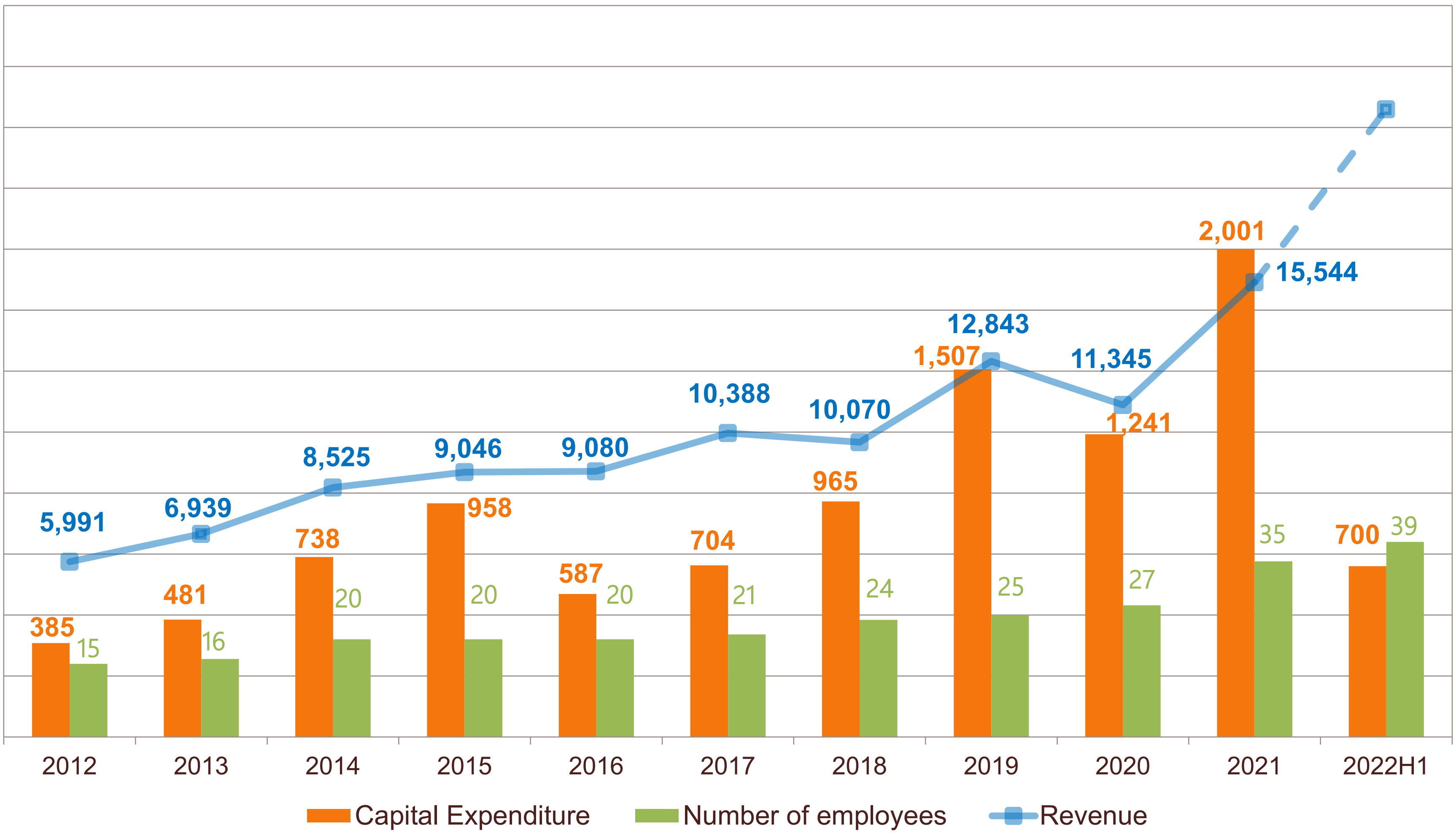
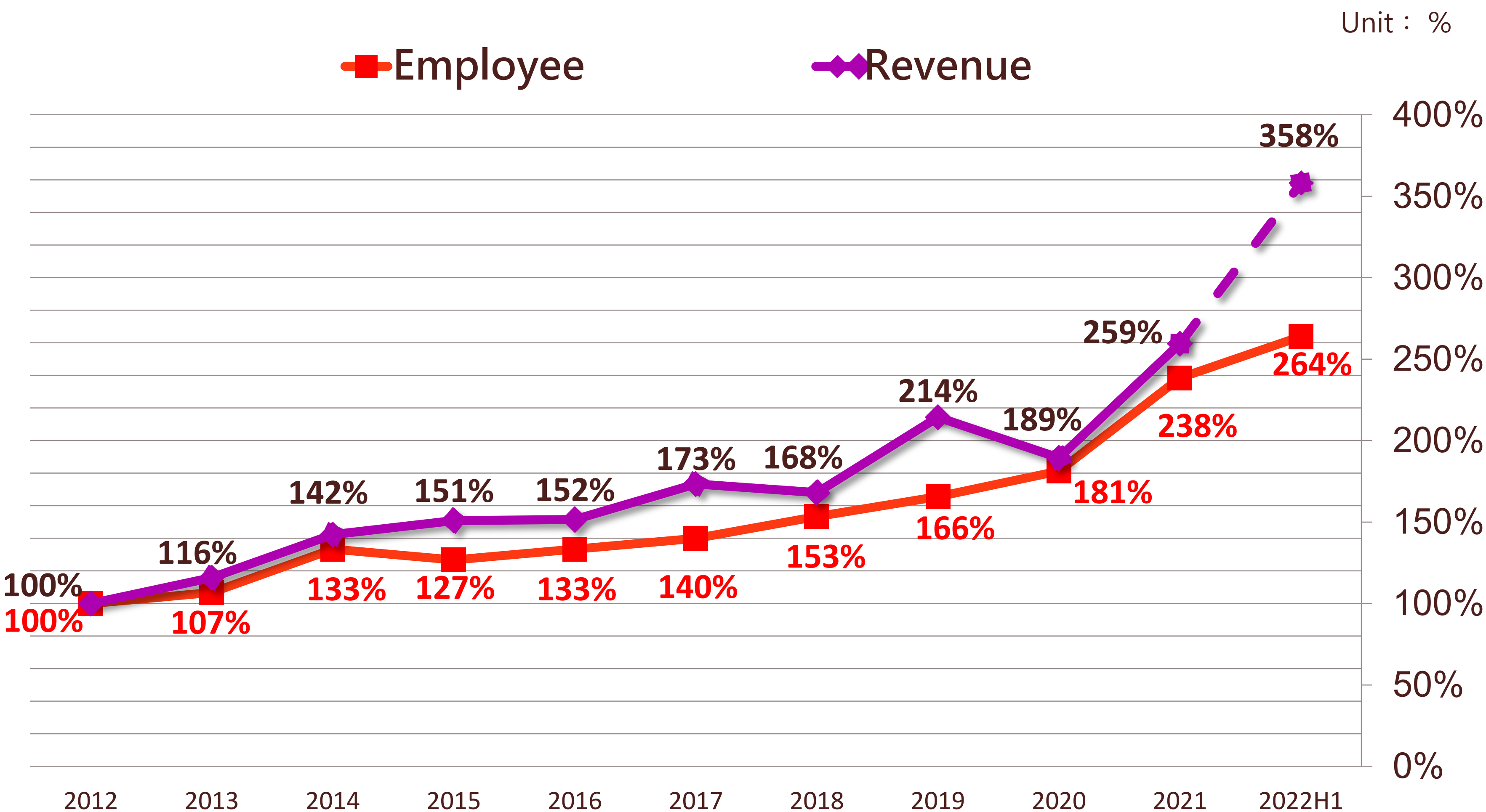
• Historical capital expenditure and number of employees

Unit: NTD mn；PPL K



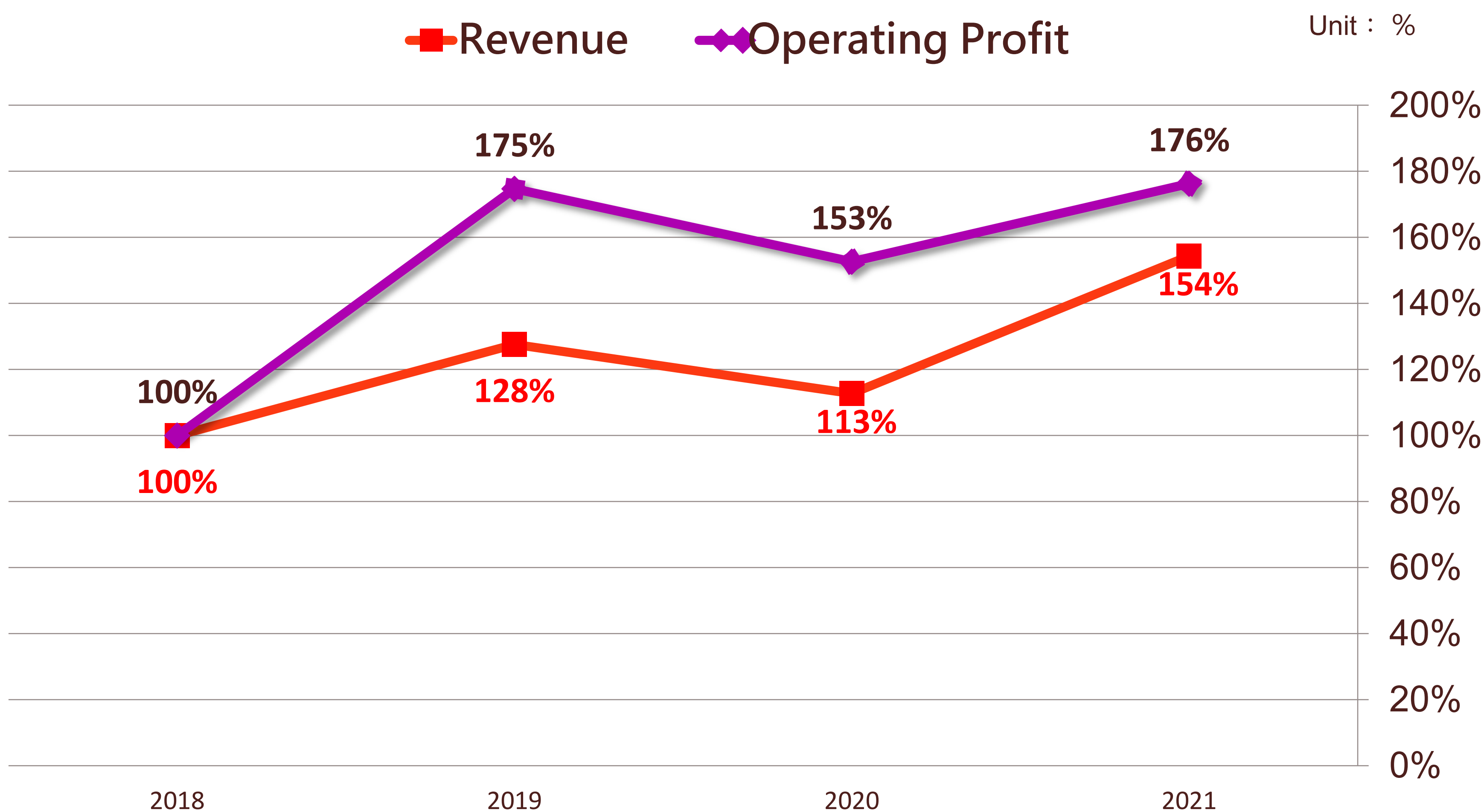
Note：Expression of 2022H1 revenue using annualized assumptions.

• Revenue & Employee Growth Trend (Group)

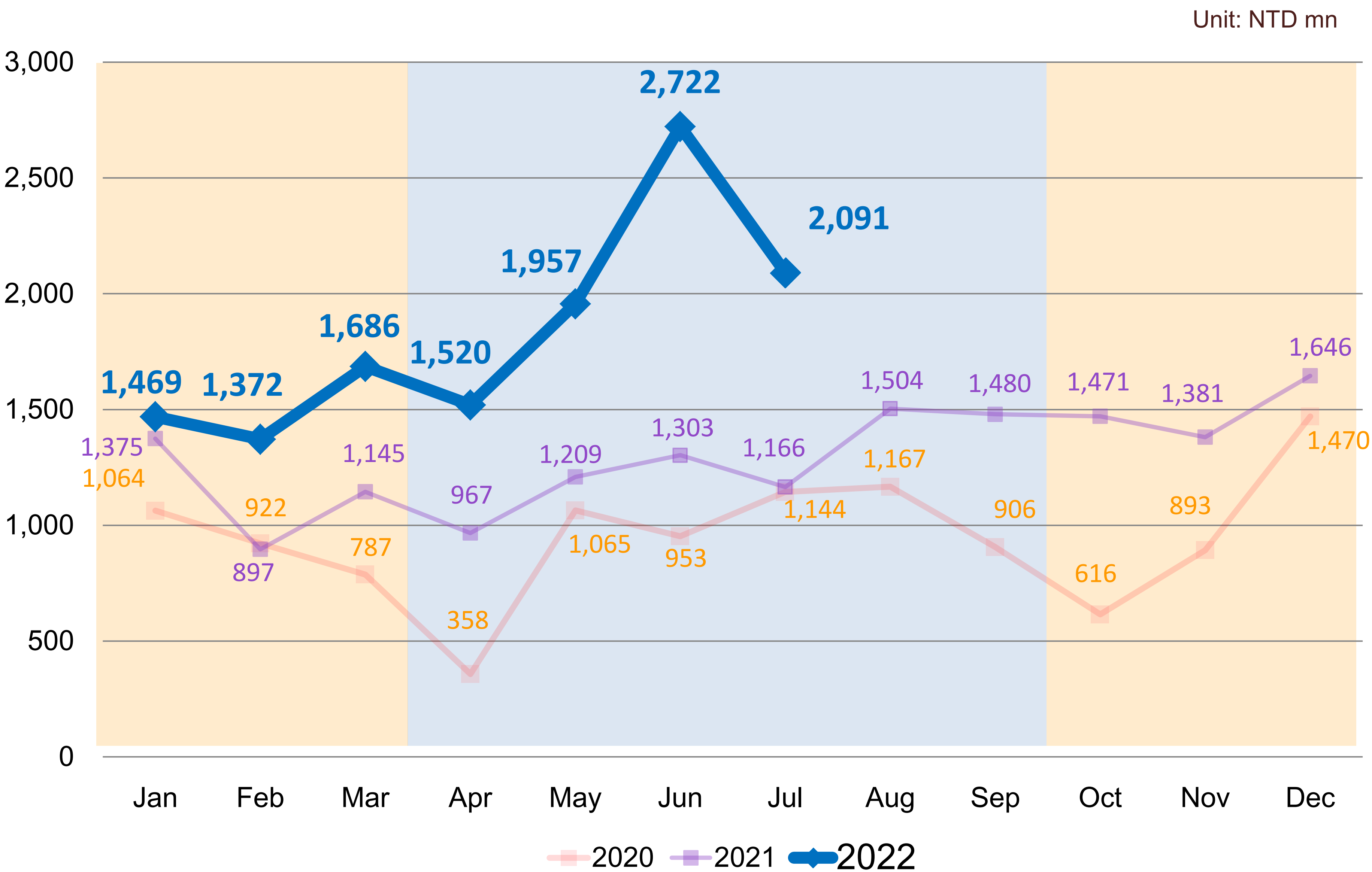


Note：Expression of 2022H1 revenue using annualized assumptions.

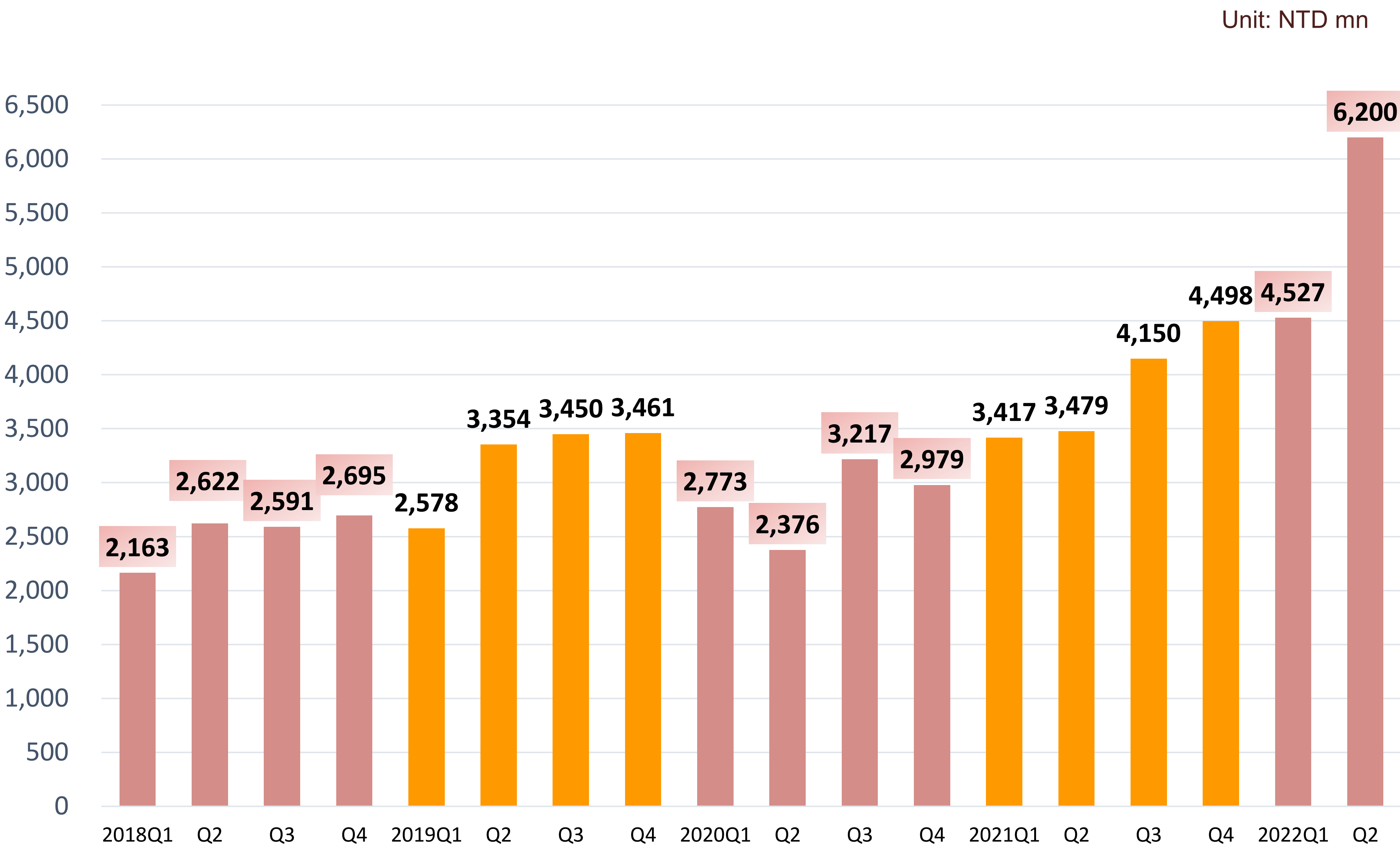
• Revenue & Operating Profit Growth Trend (Group)



• Revenue Trend by Month



• Revenue Trend by Quarter



• 2022 Q2 Income statement information

Unit: NTD mn

Account	2022 Q2
Revenue	6,200
Gross Profit	1,397
Operation Expenses	418
Operating Profit	979
EPS	NTD $5.12

Gross Profit Margin	22.5%
Operating Expense Ratio	6.7%
Operating Profit Margin	15.8%

• Income statement information (I)

2022Q2 VS 2022Q1

Unit: NTD mn

Account	2022Q2	2022Q1	QoQ
Revenue	6,200	4,527	36.9%
Gross Profit	1,397	981	42.5%
Operation Expenses	418	345	21.1%
Operating Profit	979	636	54.1%

Gross Profit Margin	22.5%	21.7%	+0.8PP
Operating Expense Ratio	6.7%	7.6%	–
Operating Profit Margin	15.8%	14.0%	+1.8PP

• Income statement information (II)

2022Q2 VS 2021Q2

Unit: NTD mn

Account	2022Q2	2021Q2	YoY
Revenue	6,200	3,479	78.2%
Gross Profit	1,397	500	179.0%
Operation Expenses	418	334	25.0%
Operating Profit	979	166	487.9%

Gross Profit Margin	22.5%	14.4%	+8.1PP
Operating Expense Ratio	6.7%	9.6%	–
Operating Profit Margin	15.8%	4.8%	+11.0PP

• Income statement information (III)

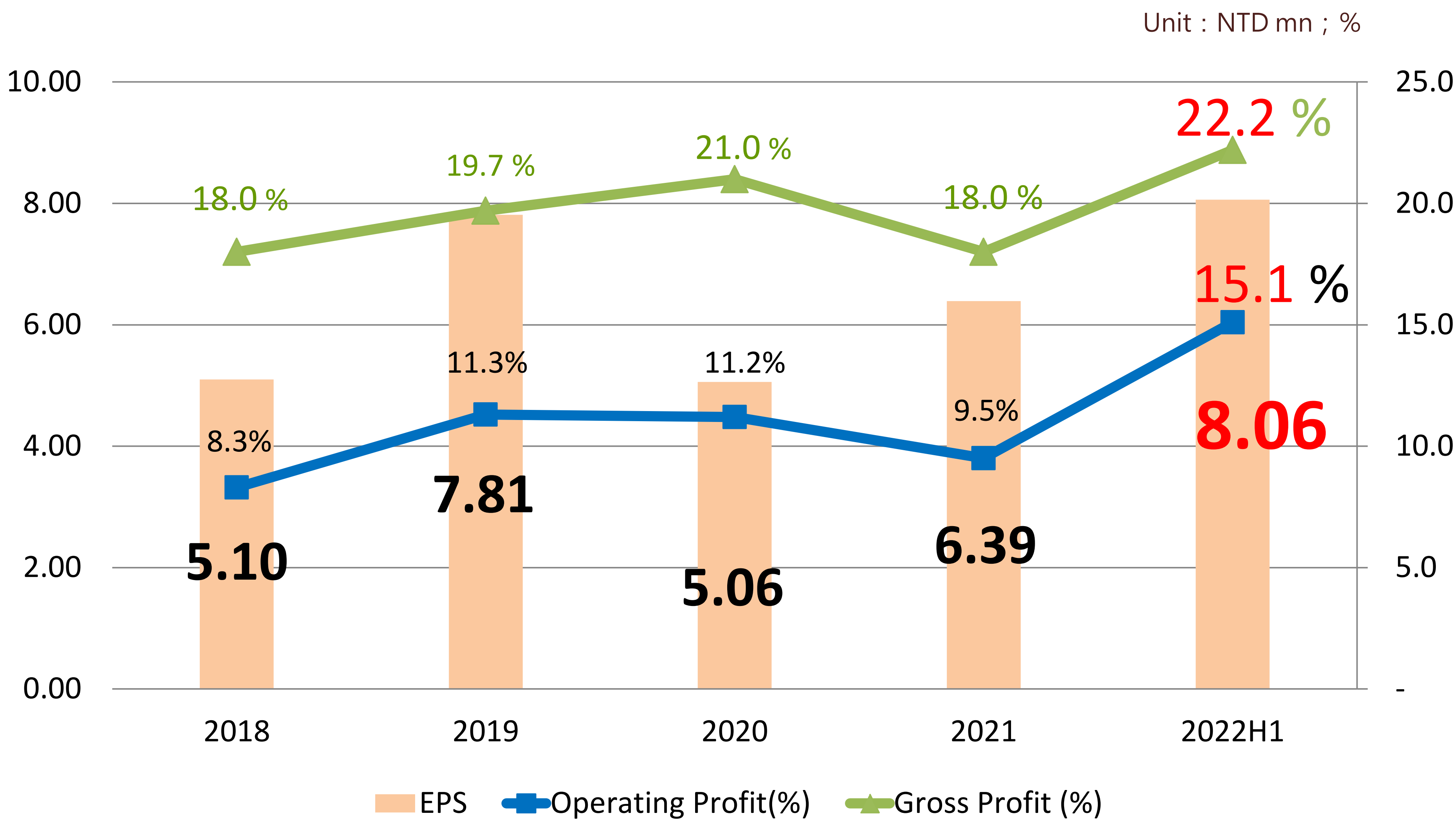
Y2021 VS 2022H1

Unit: NTD mn/ EPS : NTD

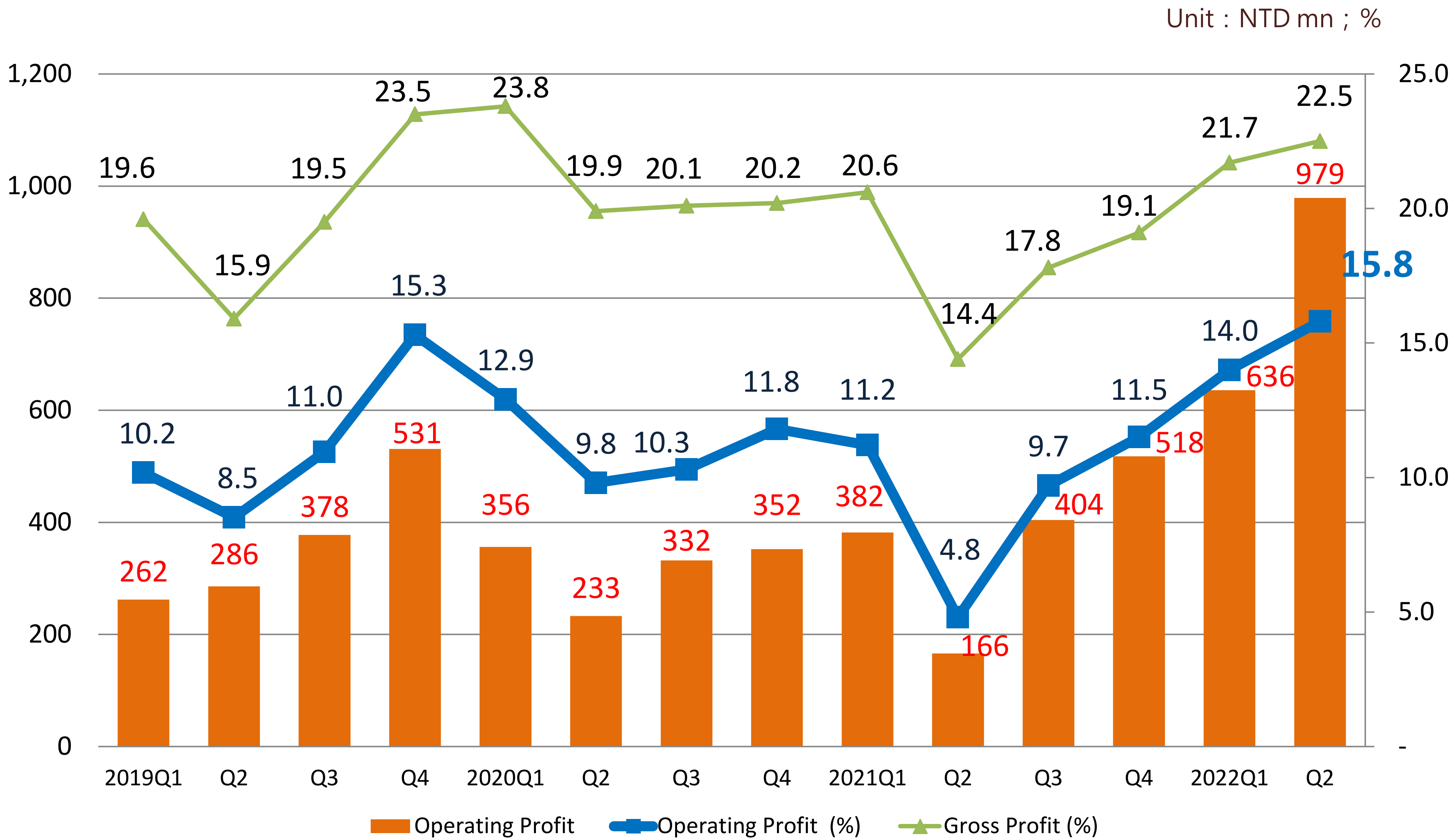
Account	2021					2022		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Total
Revenue	3,417	3,479	4,150	4,498	15,544	4,527	**6,200**	10,727
Gross Profit	704	500	738	862	2,804	981	**1,397**	2,378
Operation Expenses	322	334	334	344	1,334	345	**418**	763
Operating Profit	382	166	404	518	1,470	636	**979**	1,615
Net Income attributed to owners of the parent	325	130	342	388	1,185	543	**954**	1,497
EPS	1.75	0.7	1.84	2.09	6.39	2.93	**5.12**	8.06
Effect of Exchange Rate Changes	0.01	-0.26	-0.03	-0.17	-0.45	0.22	**1.04**	1.26

Gross Profit Margin (%)	20.6	14.4	17.8	19.1	18.0	21.7	**22.5**	22.2
Operating Expenses Ratio (%)	9.4	9.6	8.0	7.6	8.6	7.6	**6.7**	7.1
Operating Profit Margin (%)	11.2	4.8	9.7	11.5	9.5	14.0	**15.8**	15.1

• Last 5 yearly EPS、Gross profit、Operating profit



• Last 14 quarterly Gross Profit and Operating Profit



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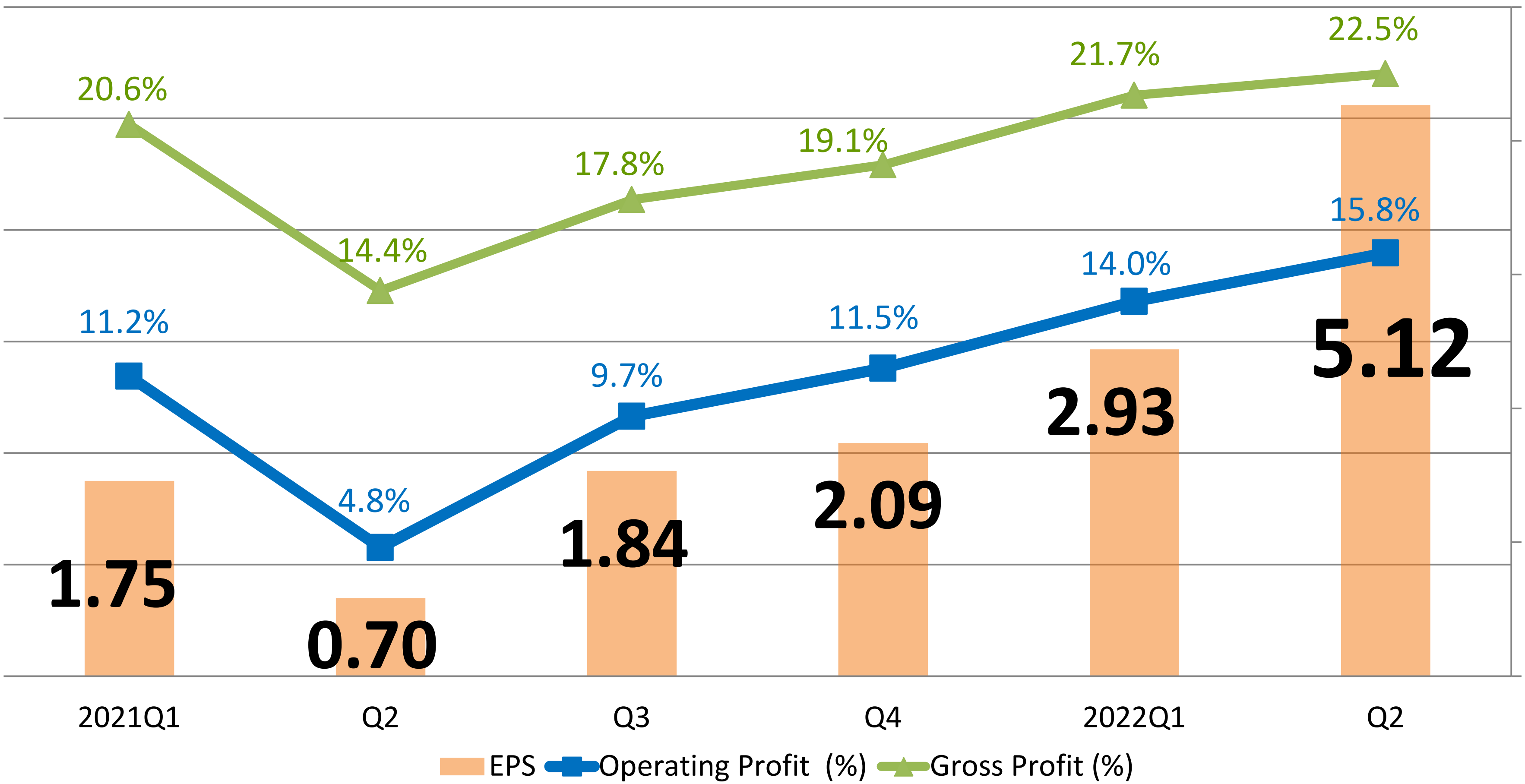
• **Last 6 quarterly EPS、Gross profit、Operating profit**

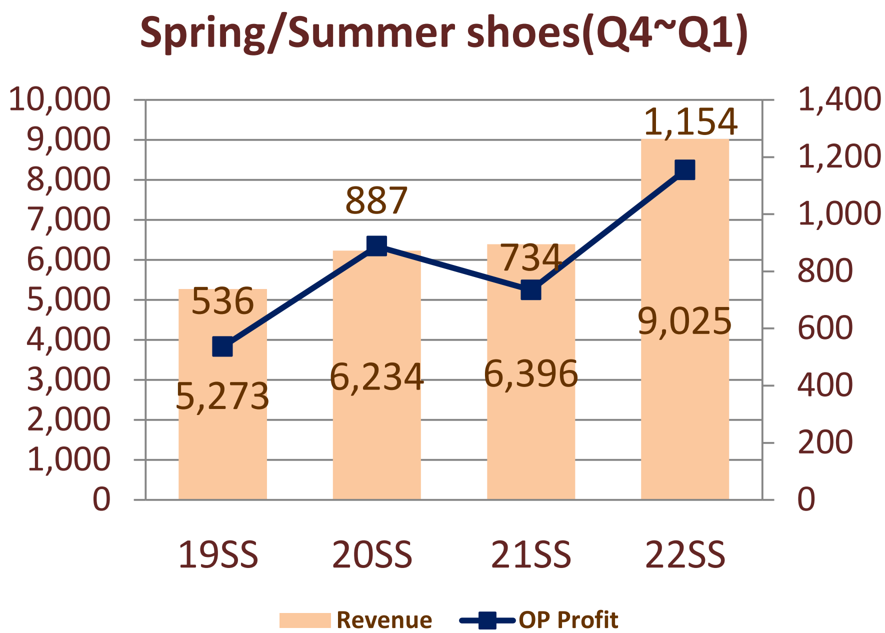
Unit：NTD mn；%

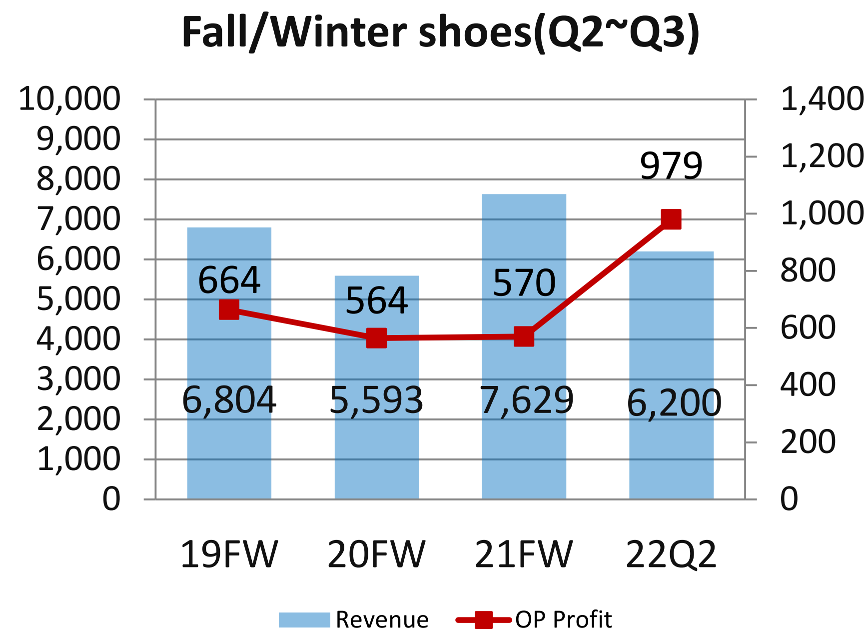


Fulgent Sun 鈺齊國際

• Revenue Trend by Quarter

Unit: NTD mn





SS	Revenue	OP Profit	FW	Revenue	OP Profit
19SS	5,273	536	19FW	6,804	664
20SS	6,234	887	20FW	5,593	564
21SS	6,396	734	21FW	7,629	570
22SS	9,025	1,154	22 Q2	6,200	979

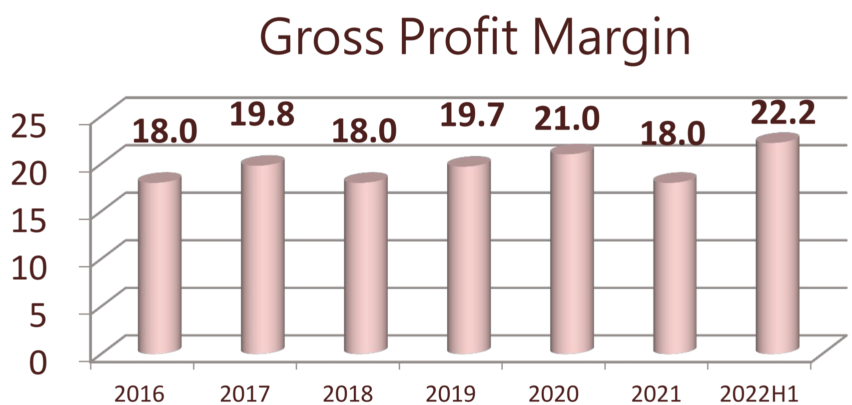
• Financial results of past years (I)

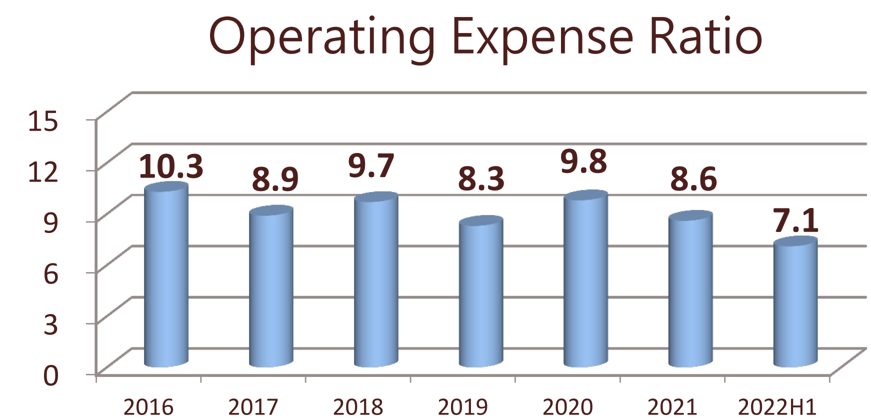
Unit：NTD mn

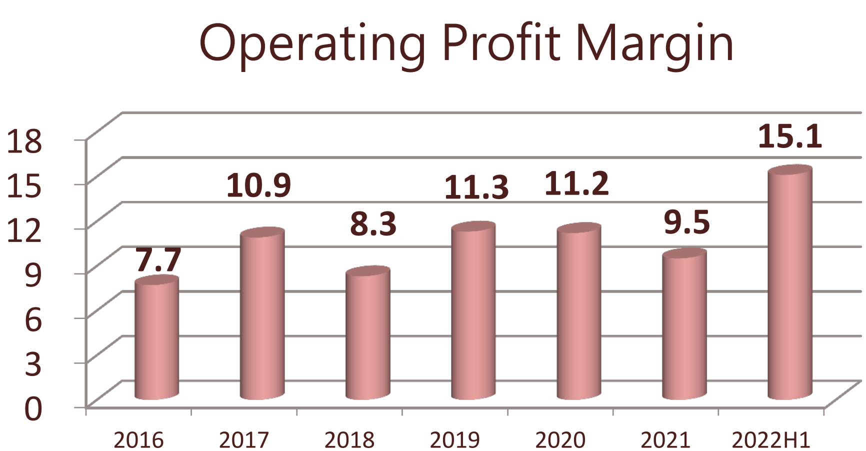
Account	2016	2017	2018	2019	2020	2021	2022H1
Revenue	9,080	10,388	10,070	12,843	11,345	15,544	10,727
Gross Profit	1,633	2,055	1,813	2,529	2,382	2,804	2,378
Operating Profit	698	1,131	835	1,457	1,273	1,470	1,615
Net Income attributed to owners of the parent	702	803	743	1,279	898	1,185	1,497
EPS	5.23	5.65	5.10	7.81	5.06	6.39	8.06
Gross Profit Margin	18.0%	19.8%	18.0%	19.7%	21.0%	18.0%	22.2%
Operating Profit Margin	7.7%	10.9%	8.3%	11.3%	11.2%	9.5%	15.1%
Net Income attributed to owners of the parent Margin	7.7%	7.7%	7.4%	10.0%	7.9%	7.6%	14.0%

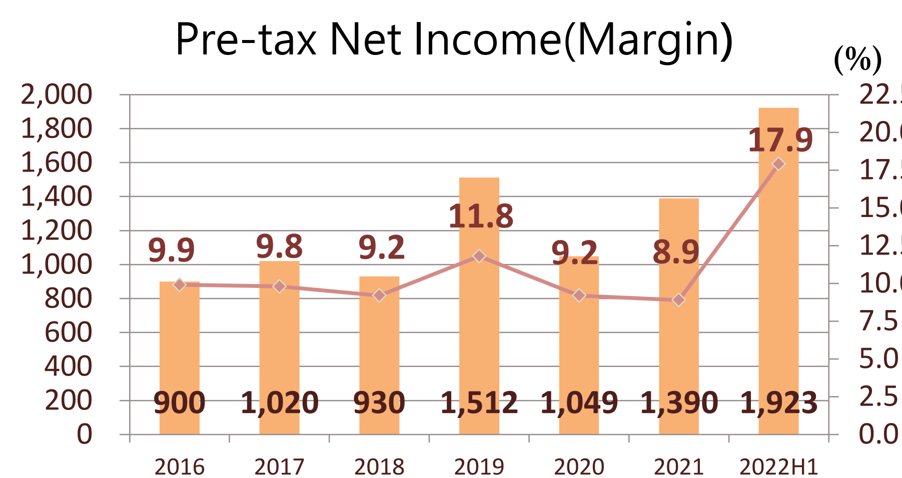
• Financial results of past years (II)

Unit : NTD mn ; %



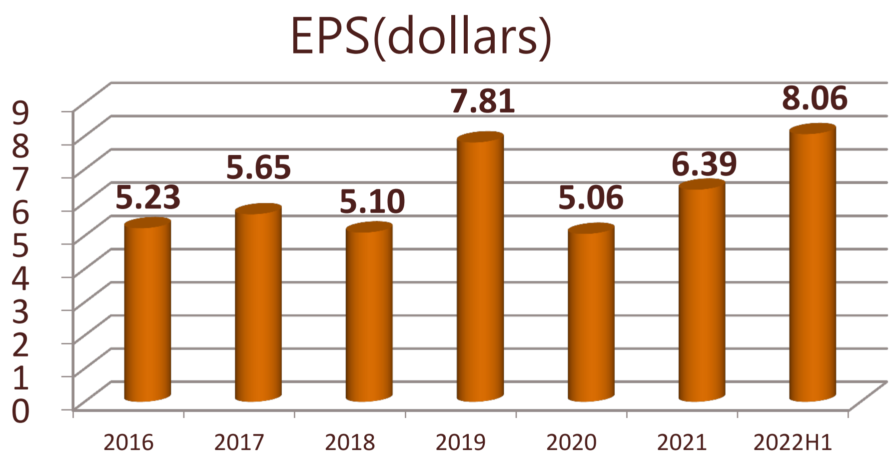


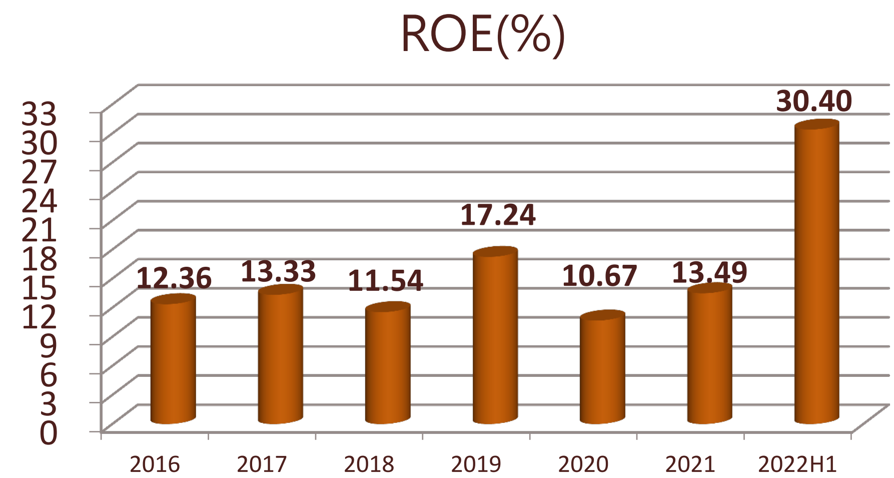


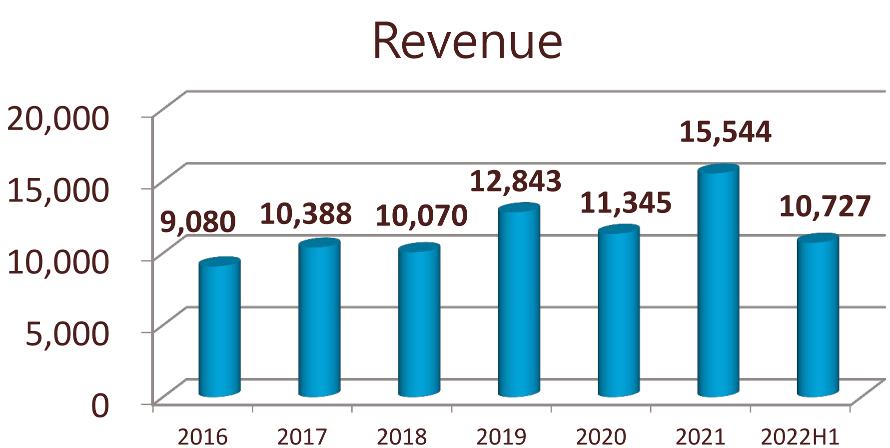


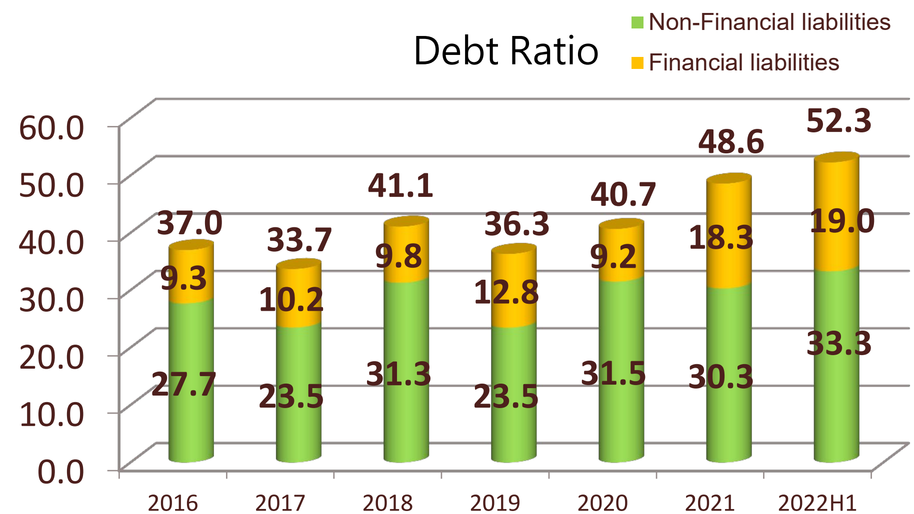
• Financial results of past years (III)

Unit : NTD mn ; %

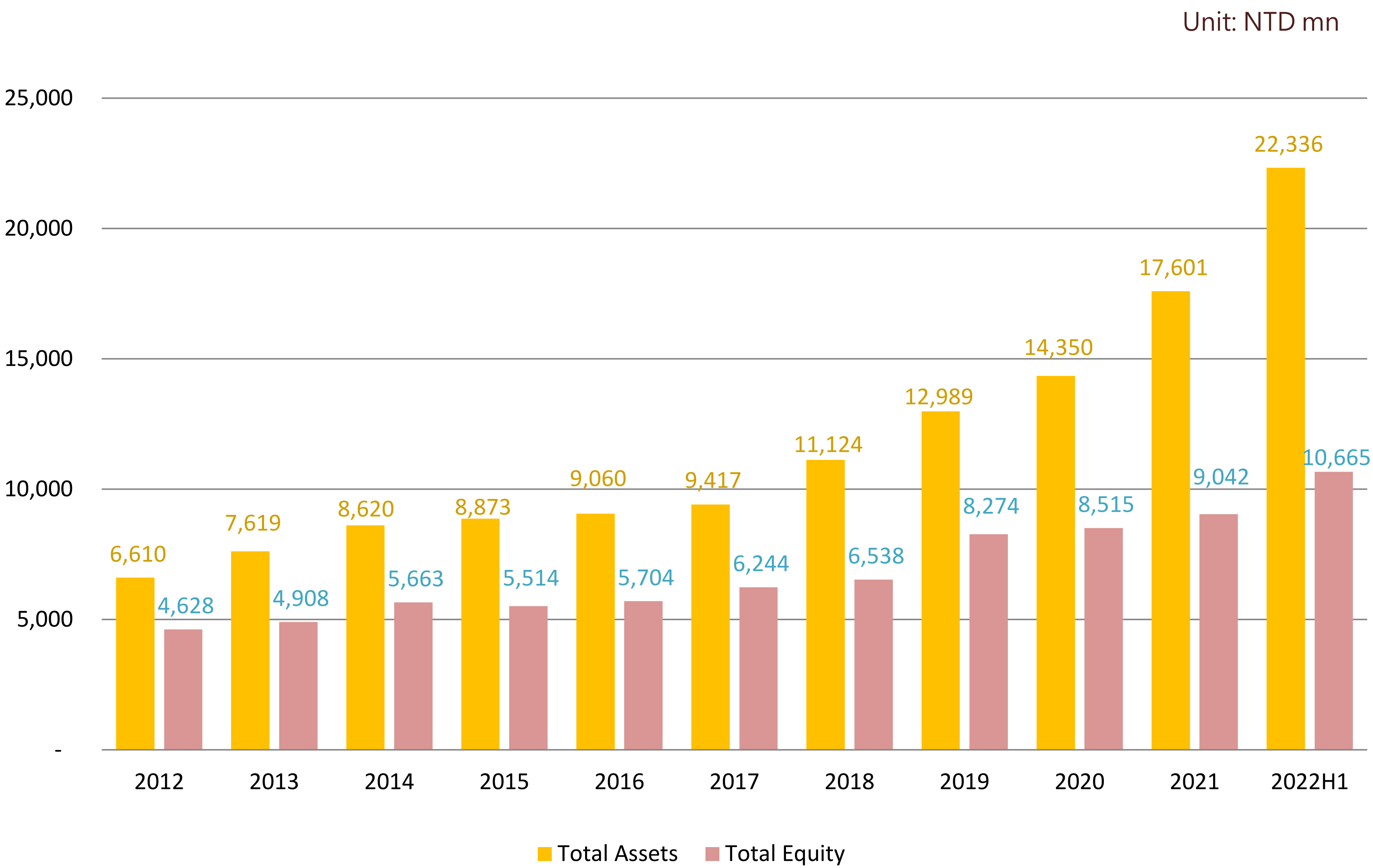




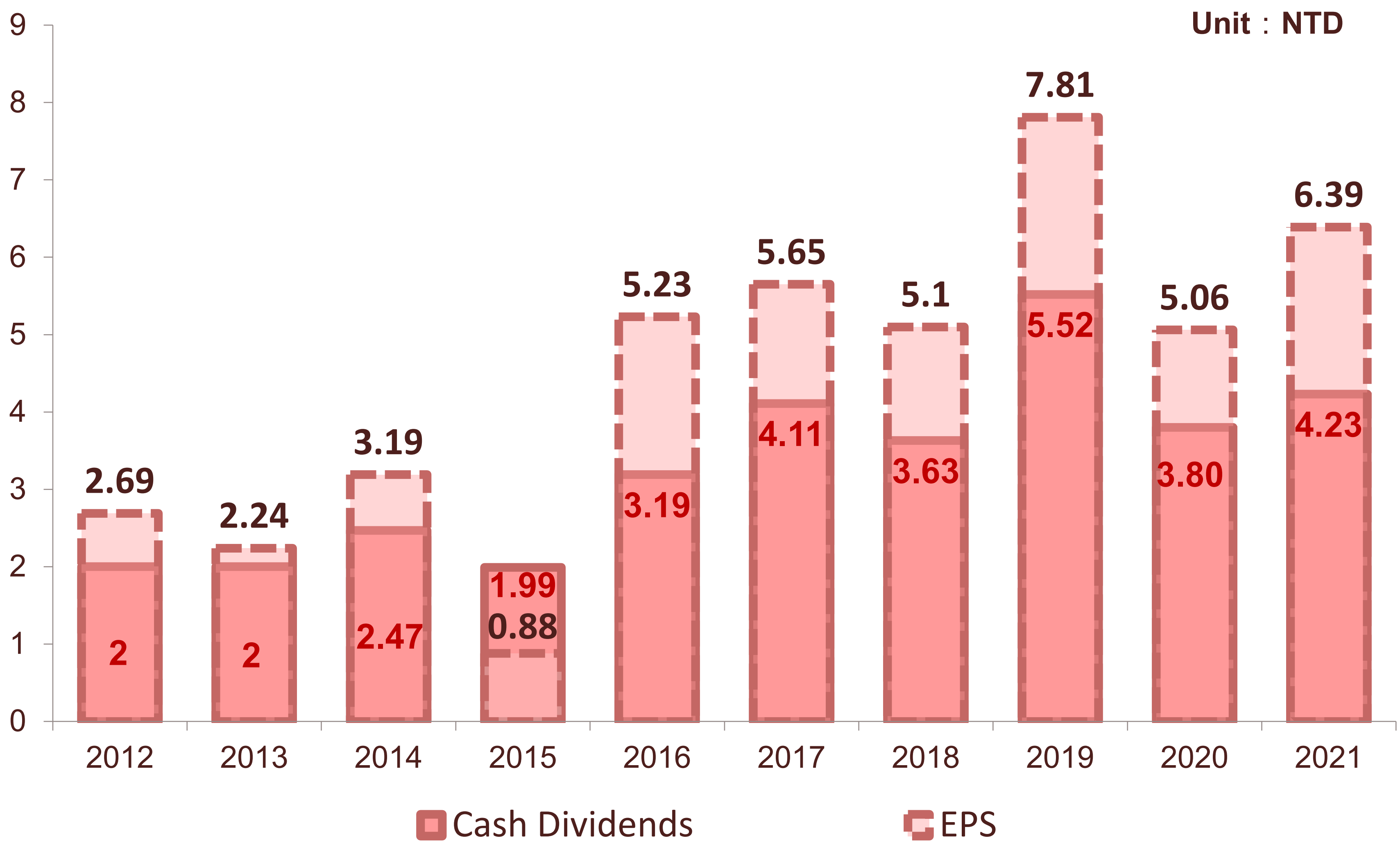




• Financial results of past years (IV)

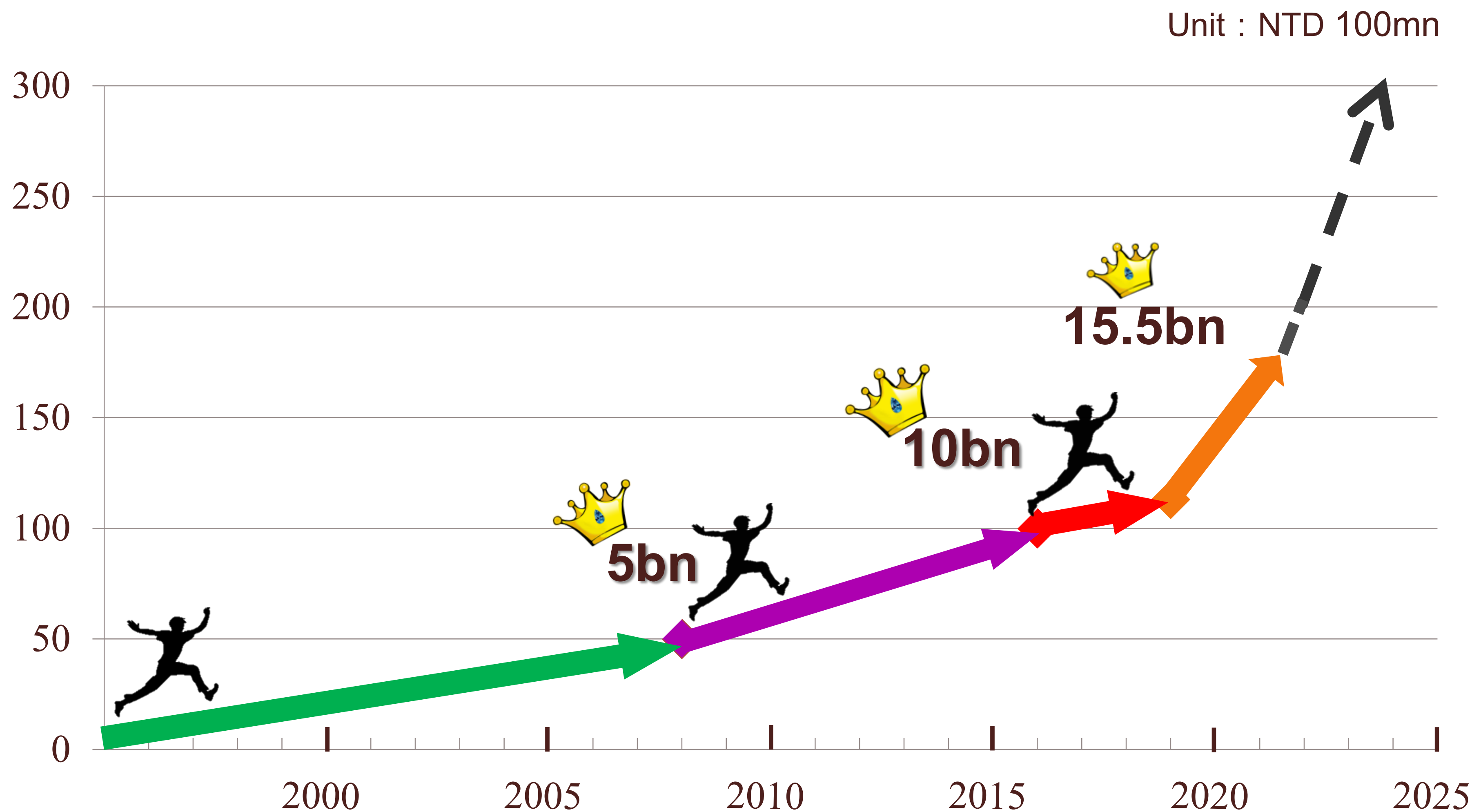


• Dividends



Note：Cash dividends are rounded to two decimal places.

• Revenue Growth Trend(Group)



Group website - Investors

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Fulgent Sun Group

Q & A

Please give me your advice