

Fulgent Sun: unaudited sales for August 2019 was NT\$1,162 million (+ YoY 36.11%), making the 6th consecutive month of setting record high of same period.

Unaudited consolidated sales for January through August totaled NT\$8,479 million (+ YoY 25.51%), reaching historical high.

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Fulgent Sun International (Holding) Co., Ltd. (“Fulgent Sun” , TWSE: 9802) today announced its unaudited sales for August 2019 was NT\$1,162 million (+YoY 36.11%) on a consolidated basis. Monthly revenue has hit record high for the 6th consecutive month comparing with the same period and it is also higher than the single-month revenue of the Fall/Winter style peak season shipment (June and July) in previous years; Unaudited consolidated sales for January through August 2019 totaled NT\$8,479 million (+YoY 25.51%) to reach historical high.

Given industry characteristics and seasonality, annual growth is rather useful reference than monthly growth when observing changes in monthly revenue. Fall/Winter shoes shipment peaks between June and July. June and July revenue in 2019 totaled NT\$2,769 million, much higher than NT\$2,200 million in 2018 and NT\$2,000 million in 2017, showed operational scale has obviously improved. Though monthly revenue will not be as good as June and July during seasonal alternately period shipping off-season in September and October, yearly growth is strong and is expected to outperform 1H. With successful capacity expansion and secure ordering, sales in off season won't be low. 2020 Spring/Summer shoes shipments will begin in October, and will increase on a monthly basis to peak in late 2019 and early 2020, will also show positive outcomes from economies of scale.

Production capacity in China and non-China plants accounted for 46% and 54% respectively in 2017, while 40% and 60% in 2018. Non-China plants are expected to increase to two-thirds in 2019. In 1H19, the Company's gross profit margin has reached to 17.5%, operating profit margin to 9.2%, both new high compared with same period. This showed expansion in Vietnamese and Cambodia plants were gradually contribute to overall operation. Tariff preference in different plant regions are to offer to brand customers, and also increase the Company's diverse order taking ability and competitiveness.

For sales destination revenues, Europe has been the main market and followed Americas. Europe market revenue has reached 50.9% in 2017, 52.7% in 2019, and 47.5% in 20191H. Americas market, on the other hand, has reached 29.3%, 31.0%, and 33.5% for successful development over the years. Diverse order taking has bring positive outcomes on enhancing product portfolios, operation expansion, and geographically fragmented sales regions.

Fulgent Sun (9802) Announces Monthly Sales for August 2019

Now has entering the peak ordering of 2020 Fall/Spring shoes, with order visibility to early 2020. Active ordering from existing brand customer and new brands entering bulk production, medium-to-long-term growth momentum is assured. The Company's improvements on capacity and profitability will contribute to its steady and expanding operation and rising profitability. The Company will actively introduce intelligence production and focus on improving productivity and operating synergies of business.

Fulgent Sun has been ranking high in Corporate Governance Evaluation System, which was established by TWSE. This is the attribution to management team's continuous effort and high attention on increasing shareholders' equity, strengthening the function of Board of Directors, fulfilling corporate social responsibility, enhancing information transparency, and compliance with applicable laws, regulations, and bylaws. With The Company's management philosophy of "perseverance for sustainability and wisdom for flourishing", Fulgent Sun will surely be dedicated to sustainable and innovative growth, corporate governance, and corporate social responsibility, with a view to returning to the shareholders.

Fulgent Sun consolidated sales report

(In NTD '000)

Period \ Year	2019	2018	YOY
August	1,161,708	853,511	36.11
January-August	8,478,874	6,755,607	25.51

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.