

Customer-specified delivery dates and shipment schedules, resulting in deferred revenue recognition in March

Fulgent Sun announces its unaudited sales for March 2018 was NT\$580 million (-YoY 11.37%).

2018/04/09, Douliu

Fulgent Sun International (Holding) Co., Ltd. ("Fulgent Sun", TWSE: 9802) today announced its unaudited sales for March 2018 was NT\$580 million on a consolidated basis, a decrease of 11.37% from March 2017. Unaudited consolidated sales for January through March 2018 totaled NT\$2,163 million, a decrease of 8.25 %.

The monthly sales for March showed annual decrease and monthly decrease, except the seasonal factors of Spring/Summer and Fall/Winter alternately, the main factors was still customer-specified delivery dates and shipment schedules, resulting in a more obvious gap in production and sales, which led to deferred revenue recognition in March. Overview the group output value, it will be higher than the past in 2018, because the addition of new production lines in 2017. The actual gross output value in March will also be higher than the sales recognized. Further examine the amount of sales reported, the Spring/Summer shoes for the 2018 is higher than the 2017. The sales for the Spring/Summer in 2017 year was NT\$4,624,443 (the shipment period between 2016 Q4 and 2017 Q1). The sales for the Spring/Summer in 2018 has reached NT\$4,912,491 (the shipment period between 2017 Q4 and 2018 Q1). It has gradually entered the shipment period of Fall/Winter shoes now, and the production and sales are expected to show positive growth, although short-term revenue recognition is still affected by customer-specified delivery dates and shipment schedule. The short-term financial performance is also affected by exchange rate assessment factors, but the Group's long-term growth momentum can be expected.

Fulgent Sun consolidated sales report

(In NTD '000)

Year Period	2018	2017	YOY
March	580,031	654,466	-11.37
January- March	2,162,678	2,357,086	-8.25

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.



Fulgent Sun (9802) Announces Monthly Sales for March 2018

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.