

Fulgent Sun: Unaudited sales for July 2022 was NT\$ 2.09 billion (YoY 79.37%) in the same period last year, and is second highest over the years.

Accumulation sales in the first seven months of 2022 were NT\$12.82 billion (YoY 58.99%) showing strong momentum for further growth.

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Fulgent Sun International (Holding) Co., Ltd. (Fulgent Sun, TWSE: 9802) today announced its unaudited sales of NT\$ 2.09 billion in July 2022. This is the result of 17 consecutive months under the successful capacity expansion, the abundance of purchase orders, and the strong demand of the branding customers. The revenue of July indicated growth of 79.37% as compared with NT\$1.17 billion in the same period of the previous year. This is indeed the highest in the same period of all preceding years and was the second highest ever (second only to June). The unaudited sales in the first 7 months of 2022 amounted to NT\$12.82 billion (USD443.21 million) at annual growth rate of 58.99%, which is higher than the annual revenue in USD of all the years before the outbreak of COVID-19 (the annual revenue in 2019 amounted to NT\$12.84 billion /USD415.47 million).

Before the outbreak of COVID-19, the “monthly revenue” performance of the Group could not surpass NT\$1.5 billion in a single month even in the high season. Yet, the revenue has been record high for several months from the 2021 H2, and the revenue in June was up to NT\$2.7 billion due to the deferred shipment in May and early shipment in July. If we take a look at the “quarterly revenue” performance, quarterly revenue before 2021 Q3 could hardly surpass NT\$3.5 billion. With the effort of all, the revenue in 2021 Q3 surpassed NT\$4 billion. It is expected that revenue in 2021 Q4 and 2022 Q1 will hit the level of NT\$4.5 billion. In 2022 Q2, the high season for the shipment of Fall-Winter shoes is expected further up to NT\$6.2 billion. The scale of operation of the Group in production and sale in the future will improve further.

In sum, the information on the monthly revenue of Fulgent Sun Group will be more meaningful in comparing on the basis of YOY other than MOM, as the “recognition of revenue” and “total production volume” will be affected by the designated delivery date of customers, arrangement of shipping date for export, and other factors, which in turn will result and time-lag between the actual production volume and recognition of revenue. As such, the viewing of the overall “quarterly revenue” will be more meaningful in making judgment than just viewing the data on the performance of “monthly revenue”.

The high season for shipment in Q3 (Fall-Winter shoes) before the outbreak of COVID-19 was in July. Given the upstream sector of the supply chain cannot provide normal supply since the beginning of the year, echoed with the abundance of purchase orders that must be squeezed into scheduling for mass production, the target set for production scheduling in the last few months of the year will be higher than in July. The purchase orders received in Q3 and the total volume for production scheduling will be stronger than in Q2. Likewise, the high season for the shipment of Fall-Winter shoes in this year will be continued until August and September, and may even to October. Even though the few months ahead will be the traditional low season, but it will not be slow. The scale of operation of the Group is expected to enlarge further that the operation in mid to long-term will flourish and promising.

Fulgent Sun consolidated sales report

(In NTD '000 ; %)

| Year | 2022 | 2021 | YOY |
|---------------|------------|-----------|-------|
| Period | | | |
| July | 2,091,076 | 1,165,782 | 79.37 |
| January- July | 12,818,042 | 8,061,999 | 58.99 |

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 50 international well-known brand customers. The headquarters is located at Douliu City, Yunlin County, Taiwan. There are six factories 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.