



鈺齊國際股份有限公司 (9802)

Fulgent Sun International (Holding) Co., Ltd.

2021.11



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

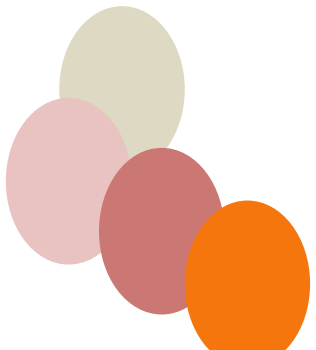
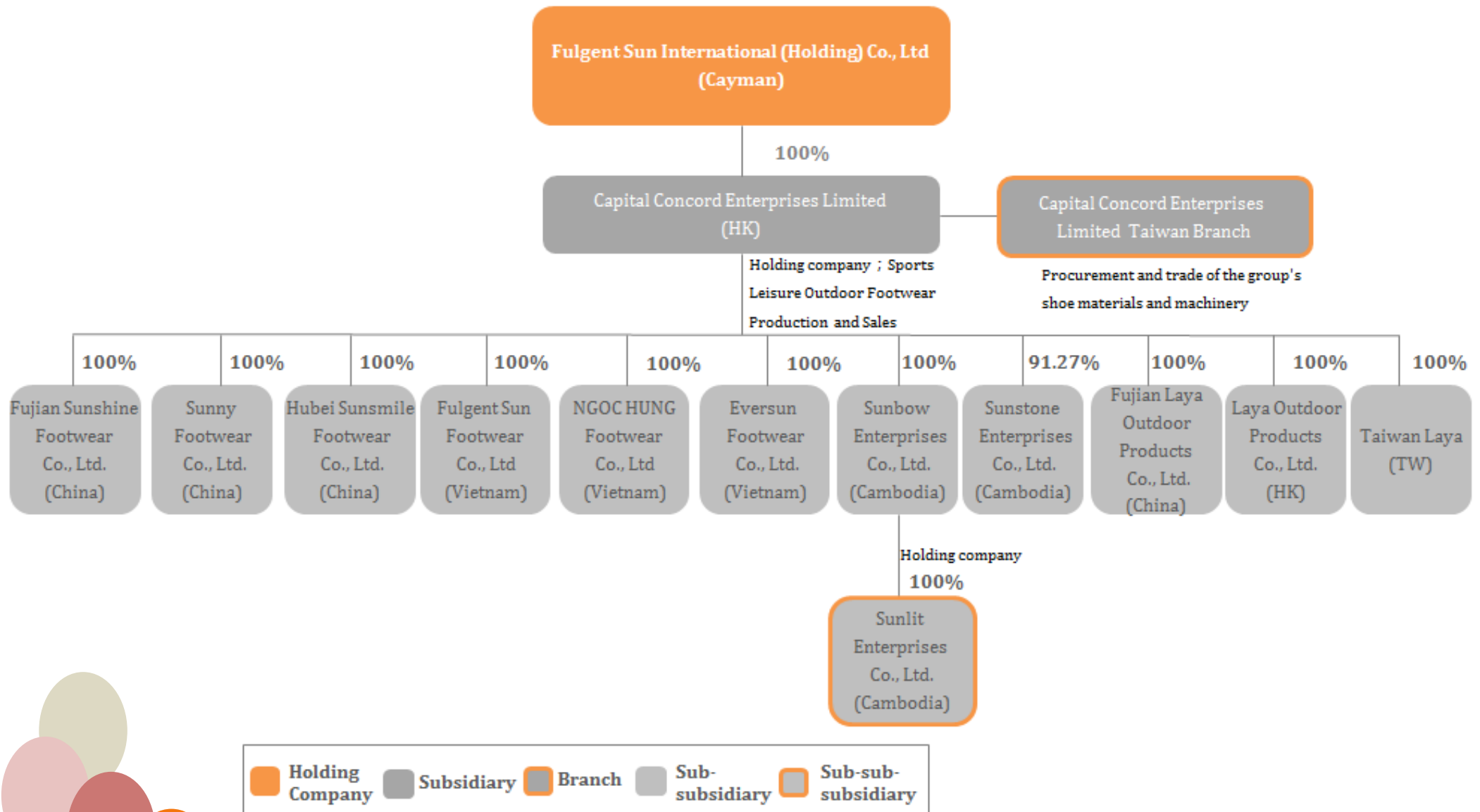
Company Profile

About Fulgent Sun

- Ticker : 9802 TT
- Date of Incorporation : 1995
- The total paid-up capital : NT\$1.86bn (As of October 2021)
- Employee : est. 34,000
- 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)** 、 HaNam (Vietnam) (2021)
(GORE-TEX Certified)
- The scope of business : 2021 January ~September
Footwear (99.3%)& Others (0.7%)
- Shareholding of Chairman and GM :
51,855,993shares (27.85%)
- Investor/Press Release :
http://www.fulgentsun.com/investors04_1.asp



• Group Organization



• Milestone



Sunshine Factory
Quanzhou, China



Head Quarter
Yunlin, Taiwan



1995

Sunny Factory
Changting, China



2003
Fulgentsun Factory#1
Hung Yen Province, Vietnam



2005

2006
Fulgentsun Factory#2
Hung Yen Province, Vietnam

Sunsmile Factory
Huibe, China



2009

2012 GO ON STOCK in Taiwan

Sunbow Factory
Cambodia



2013

2015
Sunray Factory
Hai Duong Province, Vietnam

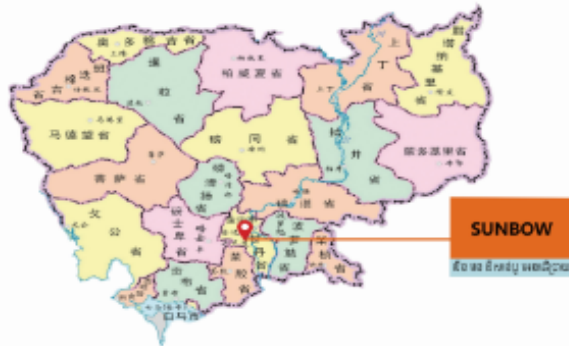


Eversun Factory
Ha Nam Province, Vietnam

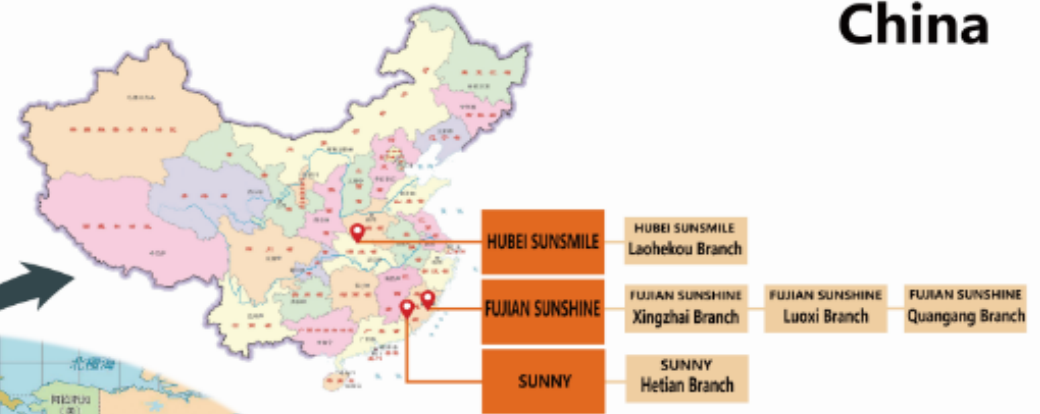
2021

Fulgent Sun Group Factory Distribution Map

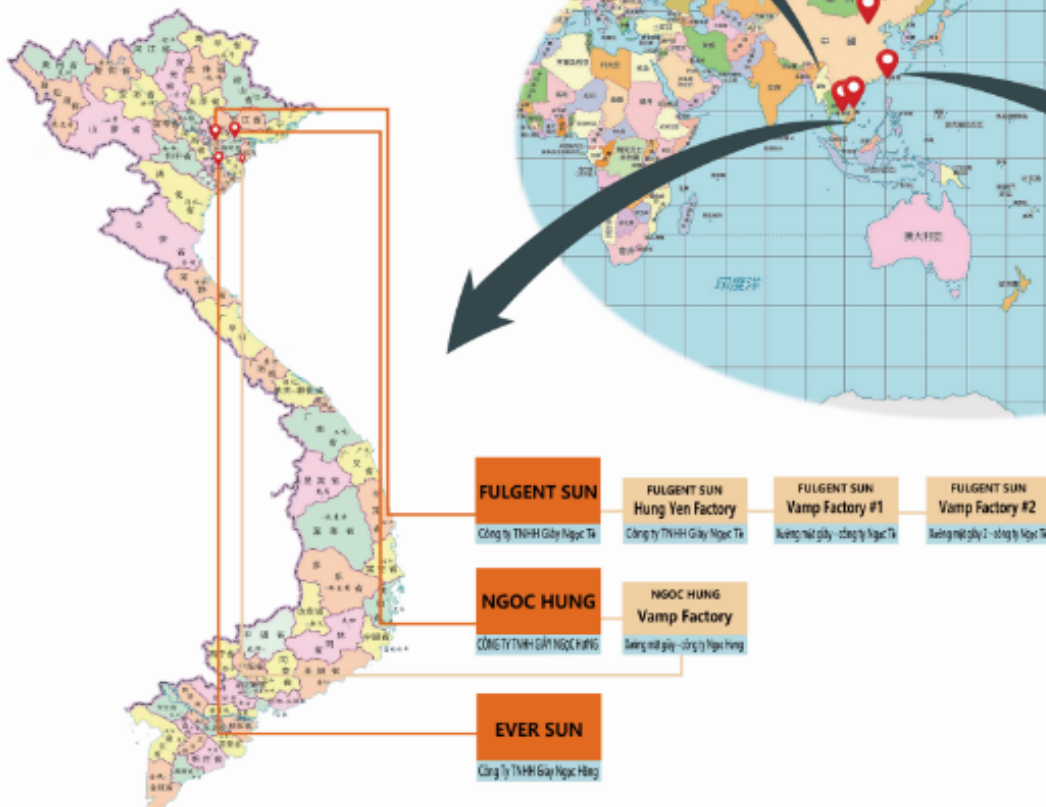
Cambodia



China



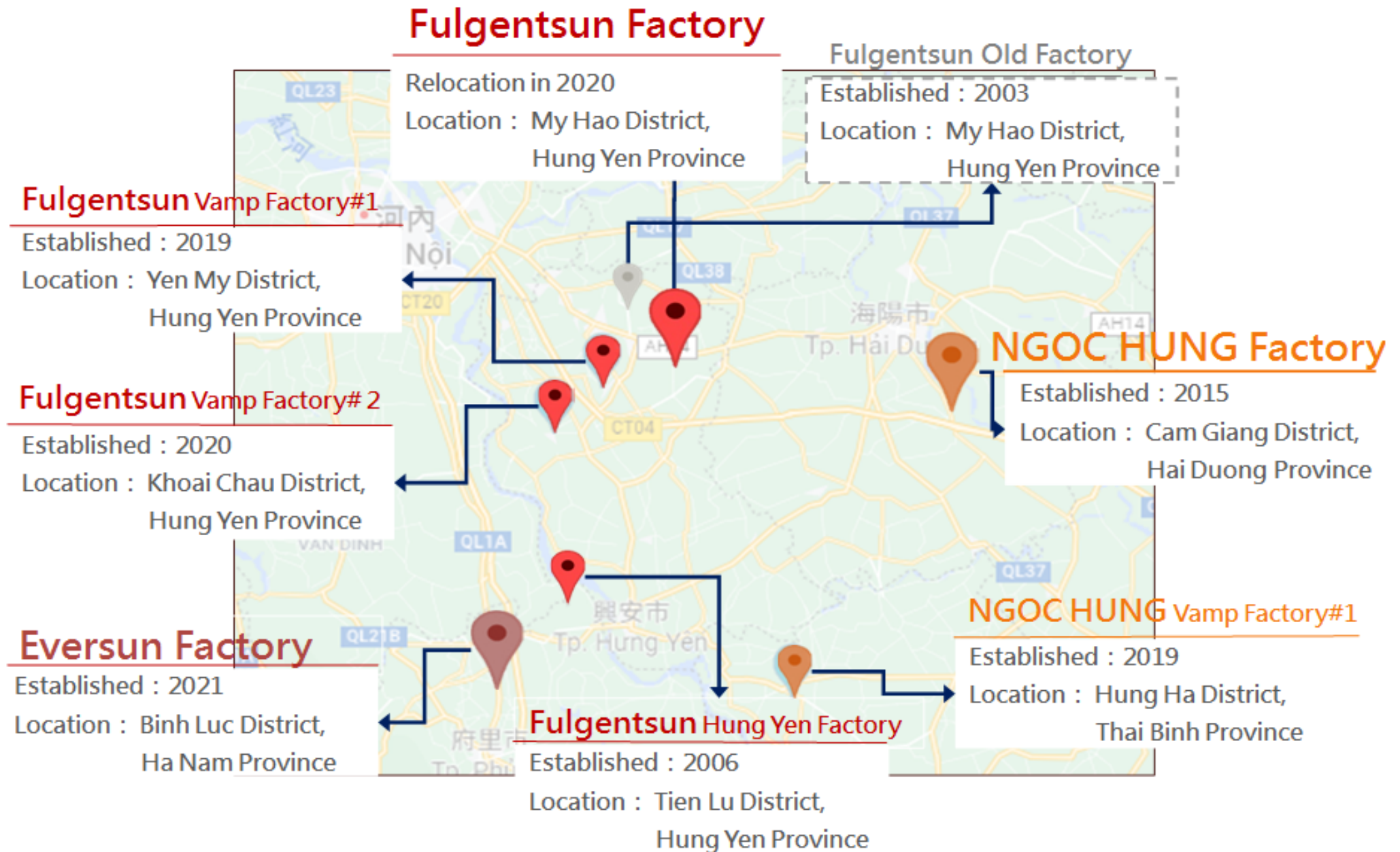
Vietnam



Taiwan



Operating locations in Vietnam



Products & Customers



NEVER STOP EXPLORING™



Products



| Name | Outdoor Footwear - GTX | Outdoor Footwear – none GTX | Sports Footwear/Casual Footwear |
|----------|--|---|--|
| Function | Breathe/ Waterproof/ Upstream/ Climbing/ All Condition | Climbing/ Walking/ No rain outdoor sports | Jogging/ Walking/ All Kinds light sports and leisure |

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



The Major Customers

(in alphabetical order)

2019

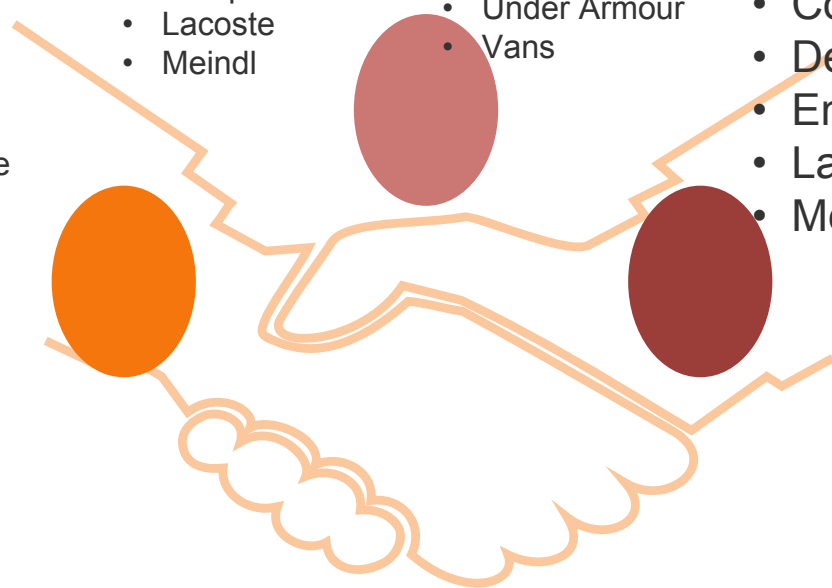
- Altra
- Berghaus
- Blackyak
- Decathlon
- Eider
- Engelbert strauss
- Head
- Inov-8
- Jack Wolfskin
- Keen
- La Sportiva
- Meindl
- Merrell
- Northwave
- Reef
- Salewa
- Tecnica
- Timberland
- The North Face
- Under Armour
- Vans

2020

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

2021

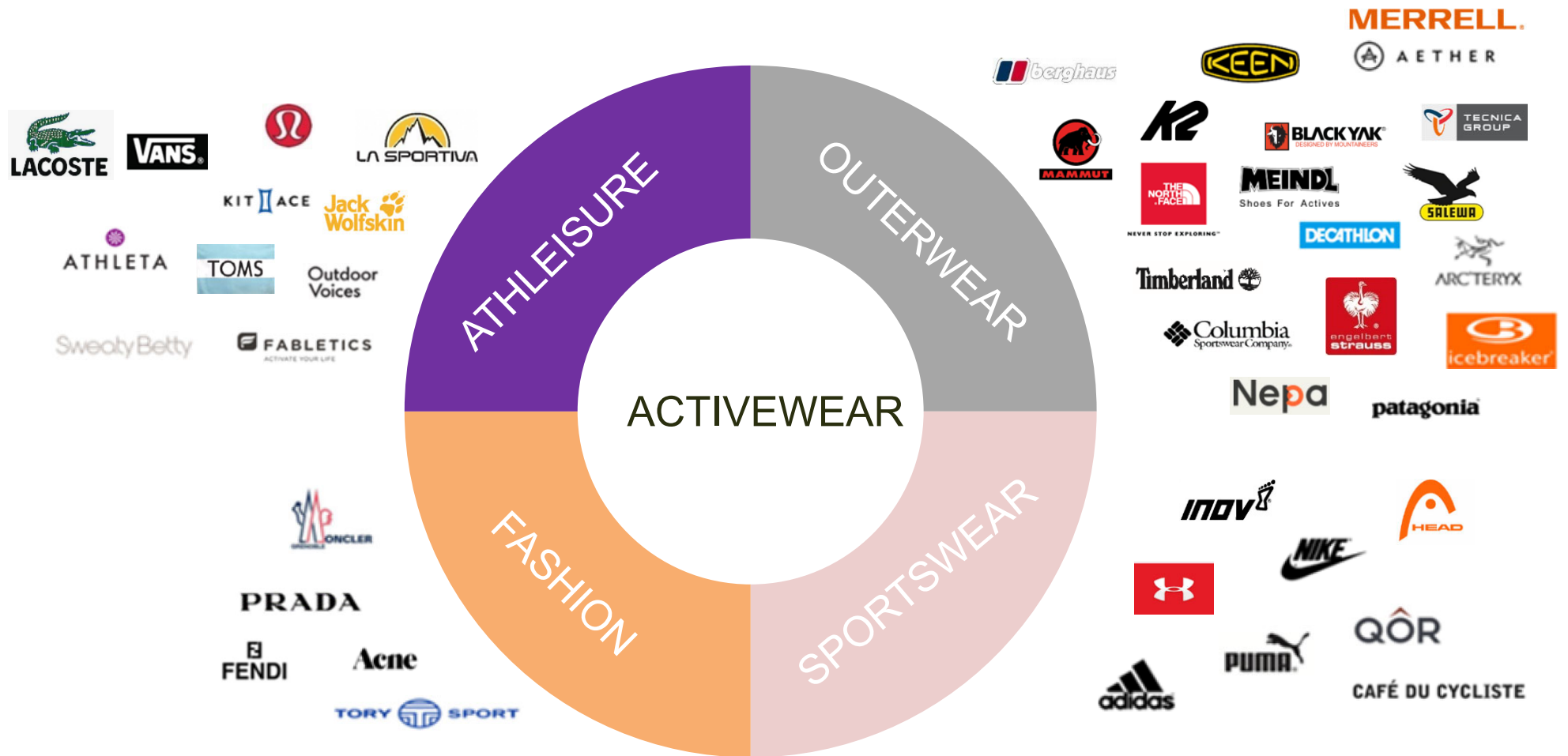
- Altra
- Berghaus
- Columbia
- Converse
- Decathlon
- Engelbert strauss
- La Sportiva
- Meindl
- Merrell
- Reef
- Salewa
- Timberland
- The North Face
- Under Armour
- Vans



Market

Athleisure combined fashion is the latest market trend

Create strong sales growth momentum in the future market

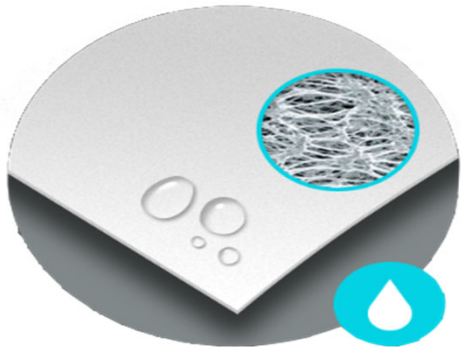


Technology

Majority of the production lines are GORE-TEX certified

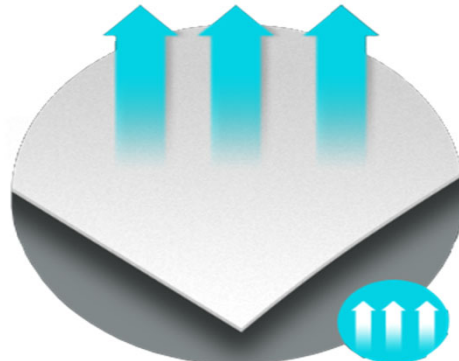
GORE-TEX footwear design passed Strict testing of Gore equipment ensures optimal performance

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



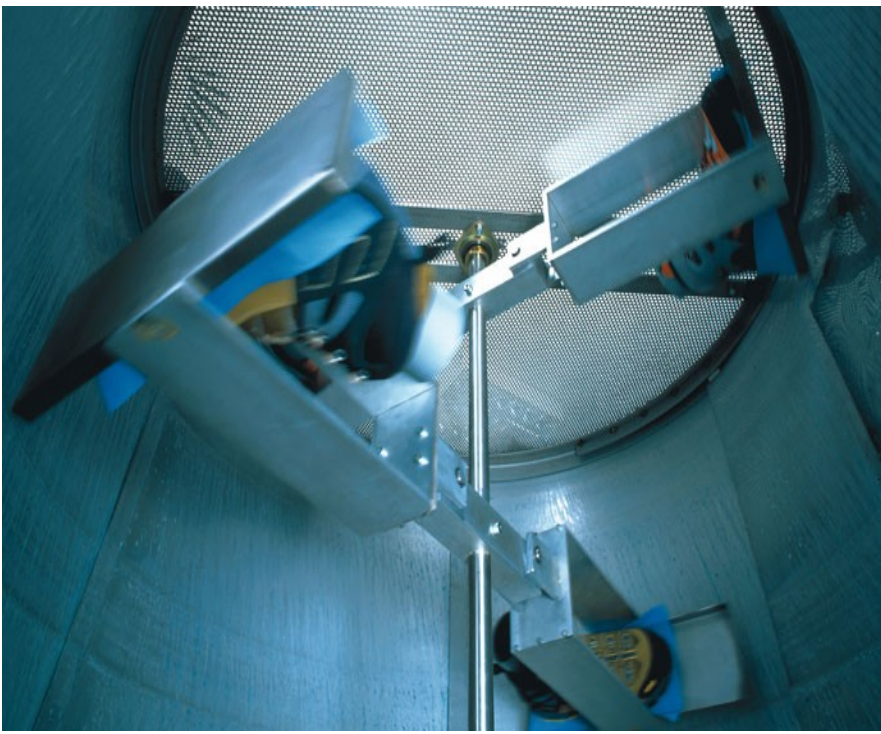
The Walking Simulator

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-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



In-House Capability



Modernization

2018

2019

2020

2021

□ **Cutting**

- Auto 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**

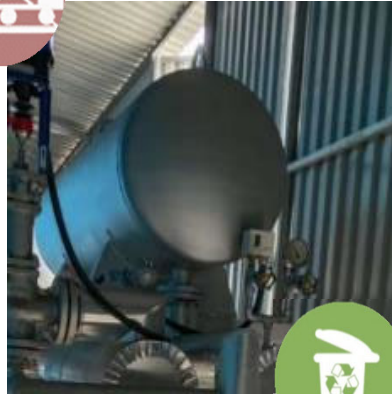
- JarviX, big data analysis & application



Green Projects



Zero Emission



Waste Water Reuse



Green Factory



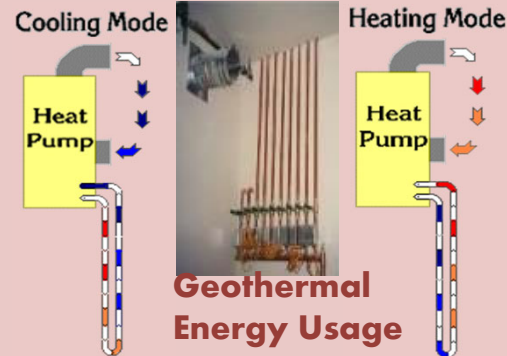
Waste Segregation



Green Energy



Solar Power



Geothermal Energy Usage



Green Products



Green Materials



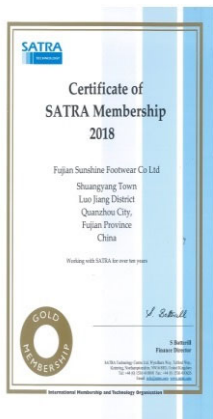
Green Offer



Fulgent Sun Group



Company Honor



SATRA Board Member
&
Certificate of Lab

Gore-Tex
Certificate



ISO 9001:2015

AEO Certificate

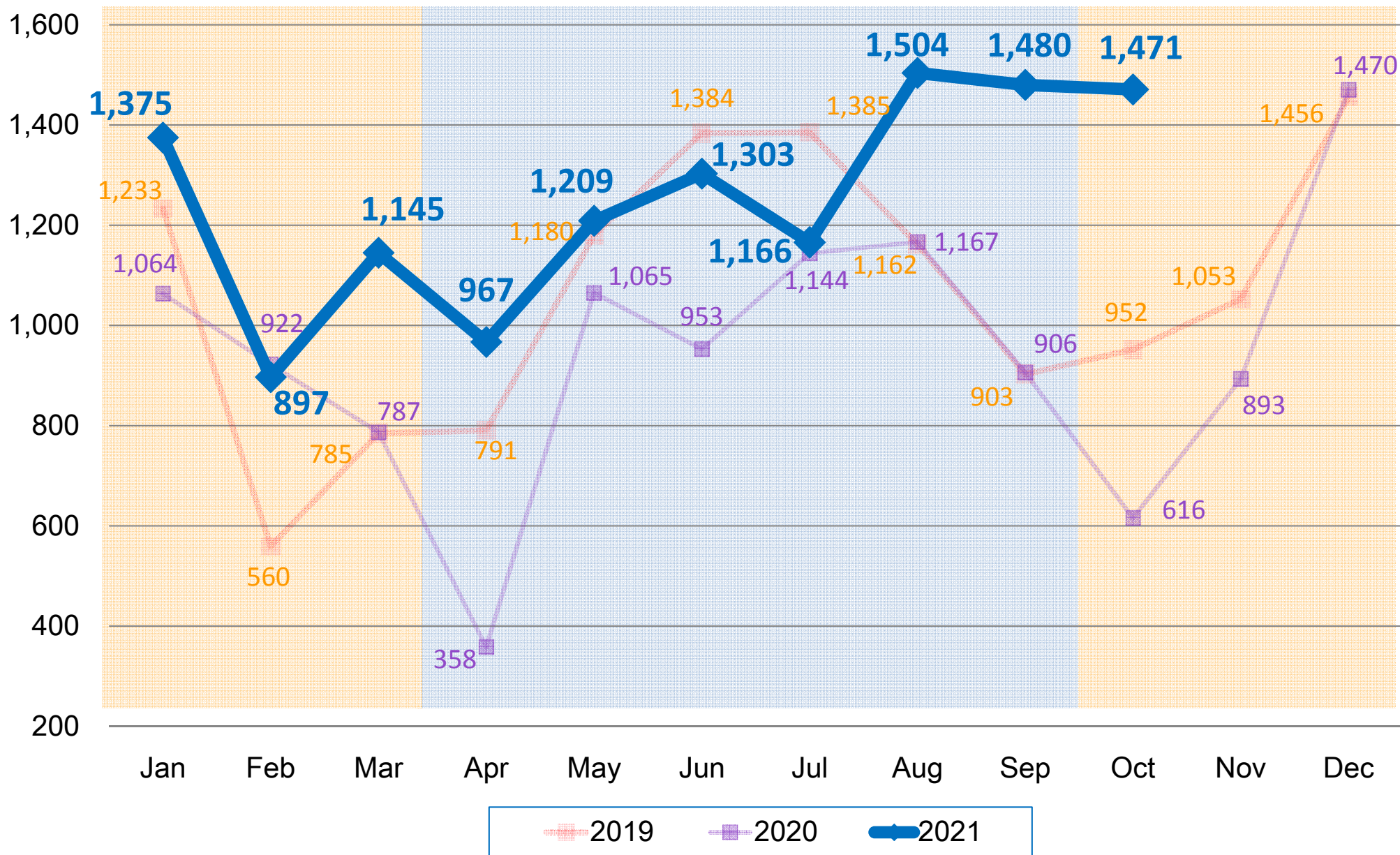
WFSGI Member

Social Responsibility

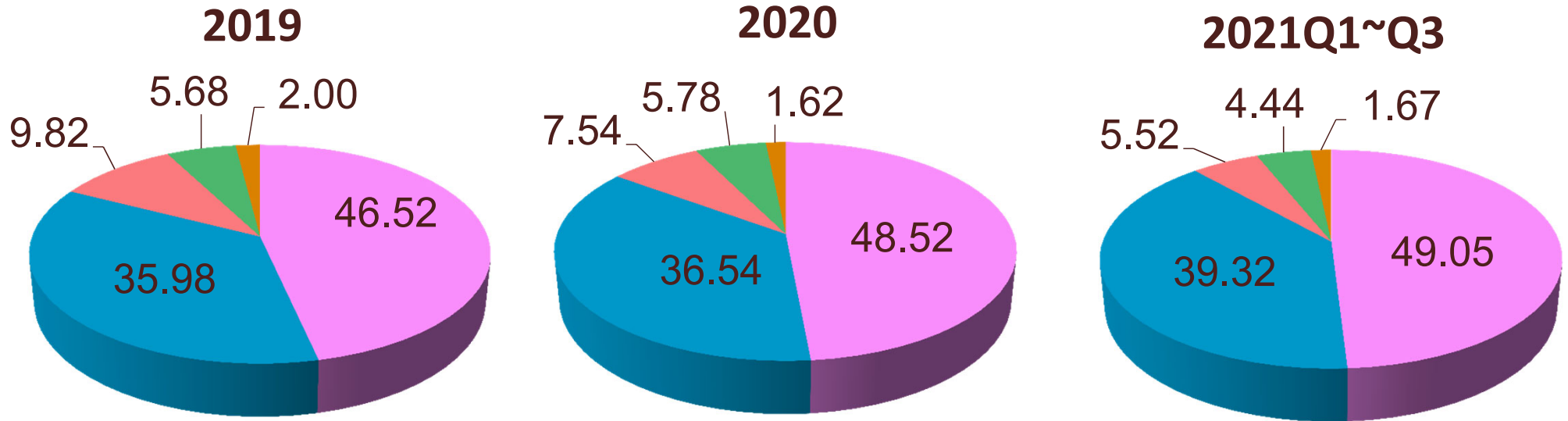
- Province Harmonious Labor Relations And Corporate Awards
- Love Workers Advanced Enterprise Awards
- Care Staff Model Business Awards

Revenue Trend by Month






Unit: NTD mn



Area Percentage of Revenue

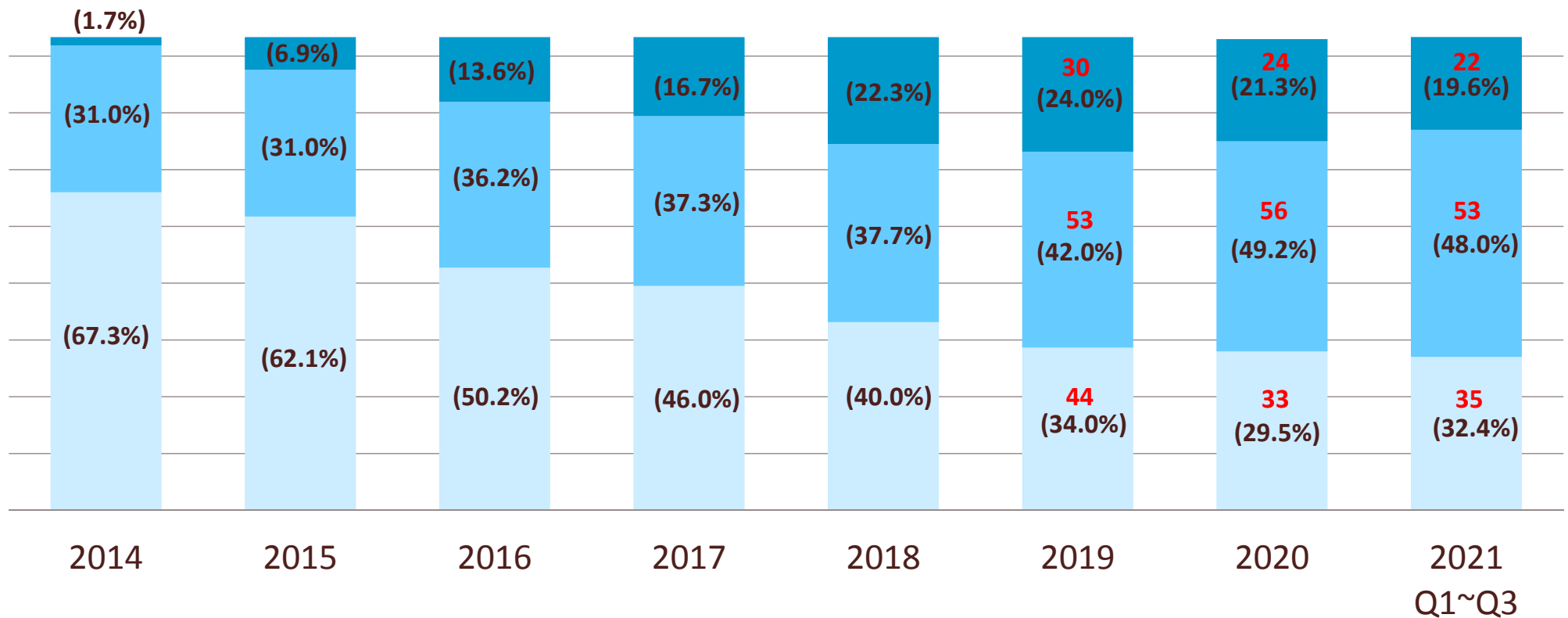


Unit : %

| Year | Europe  | America  | Asia  | China  | Others  | Total |
|-----------|--|--|--|---|--|-------|
| 2019 | 46.52 | 35.98 | 9.82 | 5.68 | 2.00 | 100 |
| 2020 | 48.52 | 36.54 | 7.54 | 5.78 | 1.62 | 100 |
| 2021Q1~Q3 | 49.05 | 39.32 | 5.52 | 4.44 | 1.67 | 100 |

Capacity

Unit : NTD 100mn / %

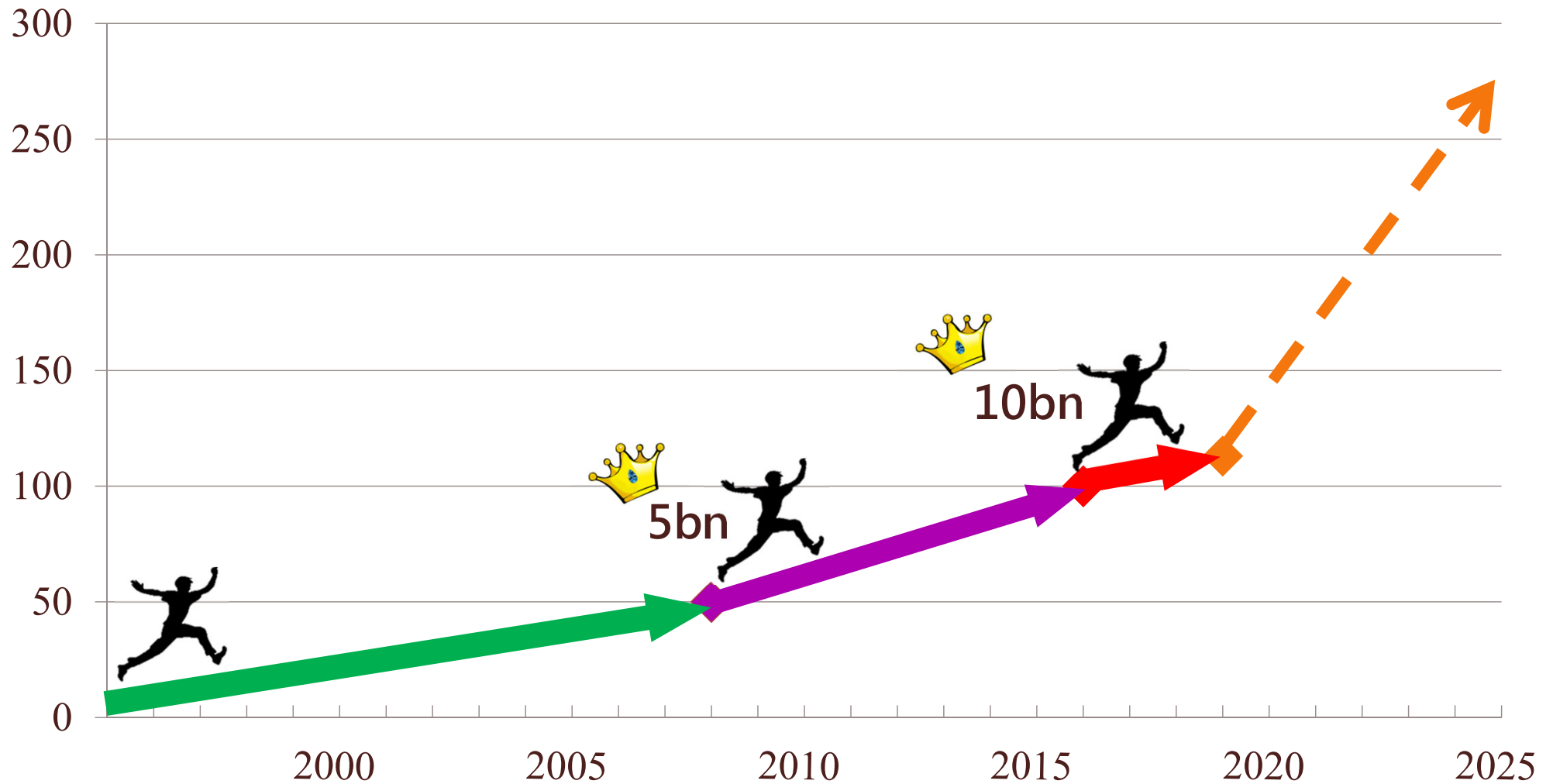


China Vietnam Cambodia

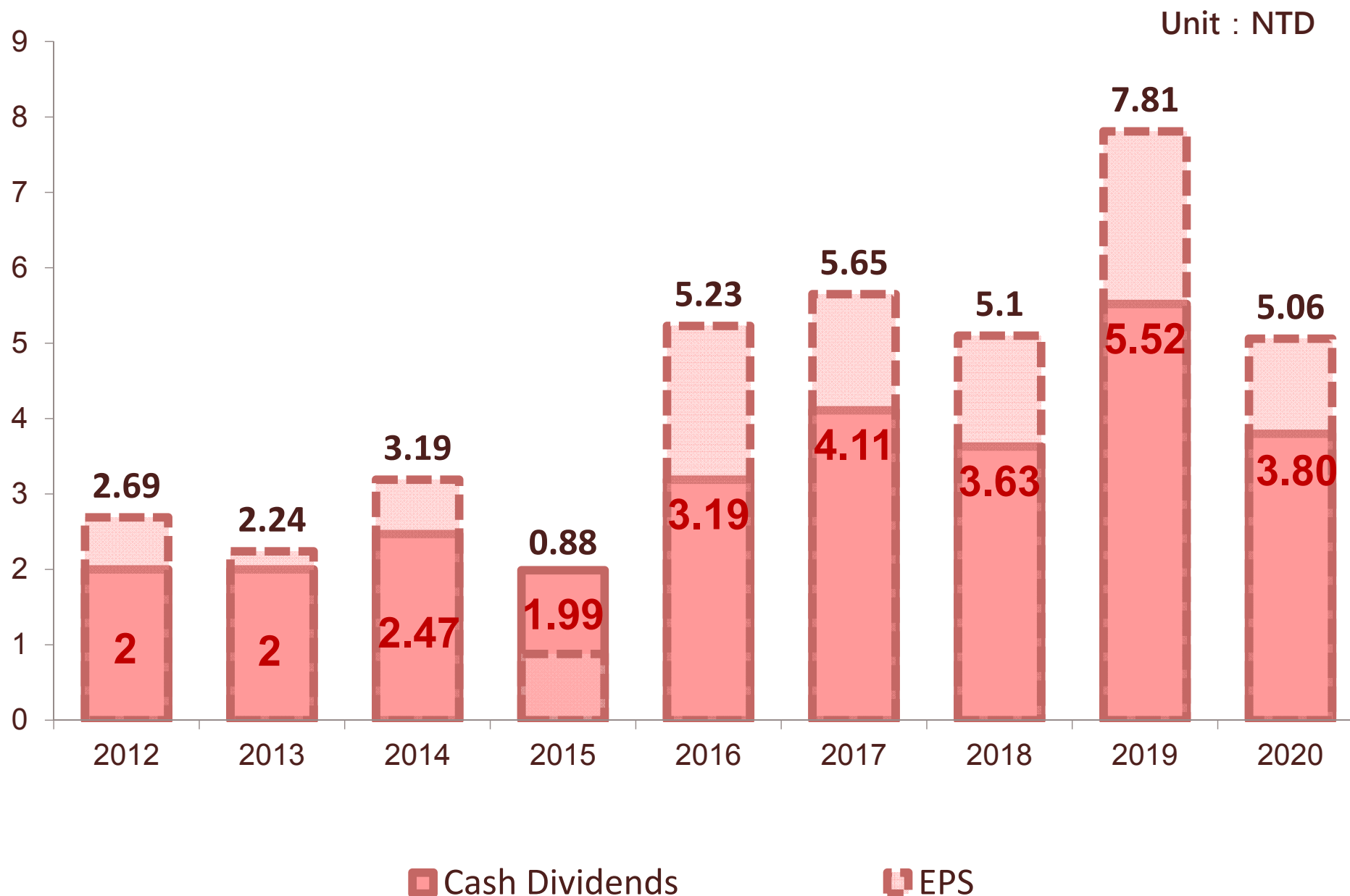


Revenue Growth Trend(Group)

Unit : NTD 100mn



Dividends

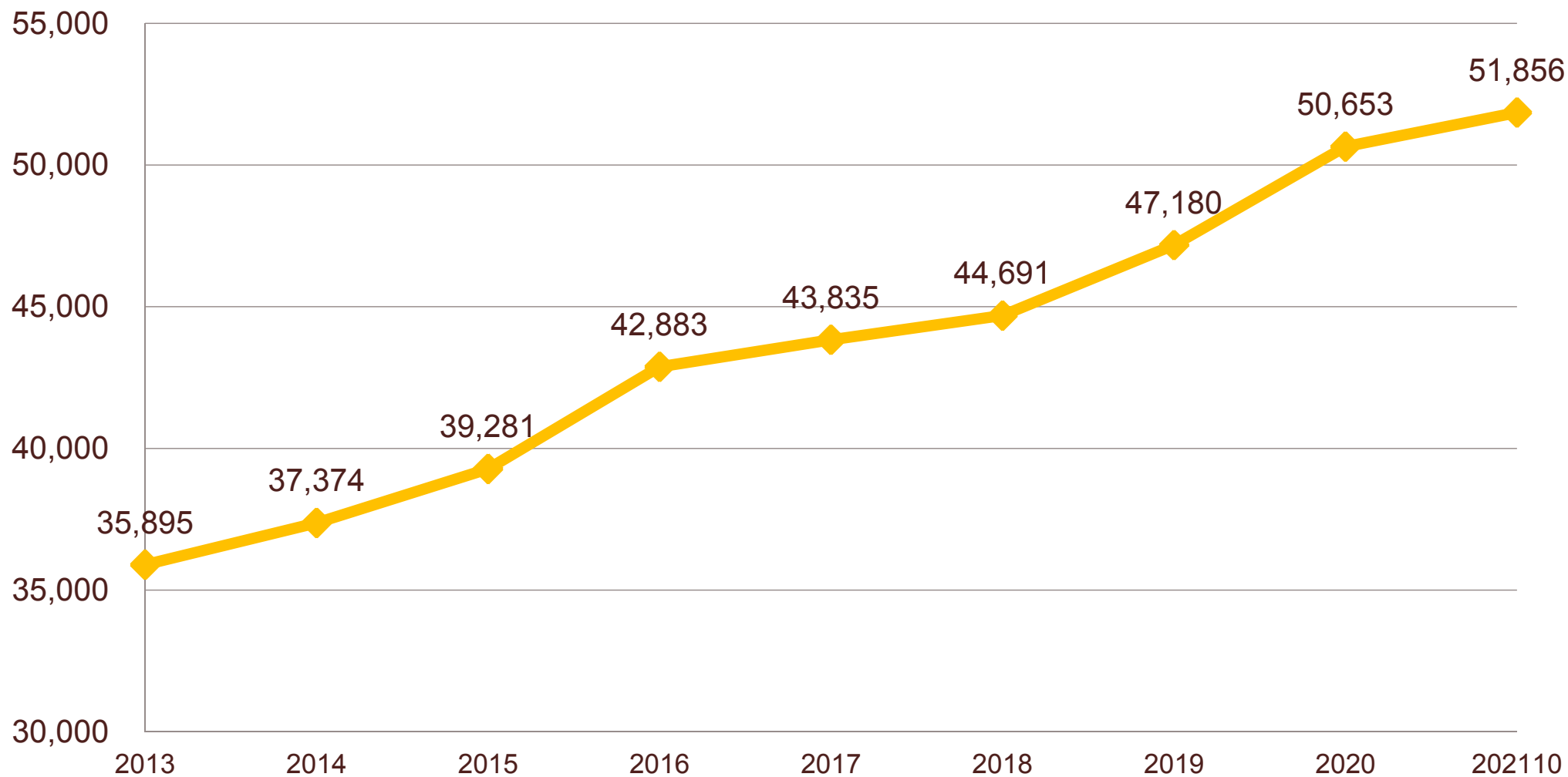


Note : Cash dividends are rounded to two decimal places



Shareholding of Chairman and GM Trend

Unit : ' 000 shares



Index Constituents :

- 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"
- **2021/4/30 : The company was awarded the Top 6%~20% Enterprises in the Seventh Corporate Governance Appraisal by TWSE.**
- **2021/10/19: Approved by Taiwan Index Plus Corporation to be included in the "TIP TAIEX+ SMALL/MID-CAP ALPHA MOMENTUM 50 INDEX"**



Financials

Unit: NTD mn/ EPS : NTD

| Account | 2020 | | | | | 2021 | | | |
|---------------------------------|-------|-------|-------|-------|--------|-------|-------|--------------|--------|
| | Q1 | Q2 | Q3 | Q4 | Total | Q1 | Q2 | Q3 | Total |
| Revenue | 2,773 | 2,376 | 3,217 | 2,979 | 11,345 | 3,417 | 3,479 | 4,150 | 11,046 |
| Gross Profit | 660 | 474 | 646 | 602 | 2,382 | 704 | 500 | 738 | 1,942 |
| Operation Expenses | 304 | 241 | 314 | 250 | 1,109 | 322 | 334 | 334 | 990 |
| Operating Profit | 356 | 233 | 332 | 352 | 1,273 | 382 | 166 | 404 | 952 |
| Net Income | 354 | 172 | 185 | 187 | 898 | 325 | 130 | 342 | 797 |
| EPS | 2.02 | 0.99 | 1.05 | 1.01 | 5.06 | 1.75 | 0.7 | 1.84 | 4.29 |
| Effect of Exchange Rate Changes | 0.21 | -0.13 | -0.52 | -0.61 | -1.05 | 0.01 | -0.26 | -0.03 | -0.28 |

| | | | | | | | | | |
|------------------------------|------|------|------|------|------|------|------|-------------|------|
| Gross Profit Margin (%) | 23.8 | 19.9 | 20.1 | 20.2 | 21.0 | 20.6 | 14.4 | 17.8 | 17.6 |
| Operating Expenses Ratio (%) | 11.0 | 10.1 | 9.8 | 8.4 | 9.8 | 9.4 | 9.6 | 8.0 | 9.0 |
| Operating Profit Margin (%) | 12.9 | 9.8 | 10.3 | 11.8 | 11.2 | 11.2 | 4.8 | 9.7 | 8.6 |



Financials

Unit: NTD mn

| Account | 2021Q2 | 2021Q3 | QoQ |
|--------------------------------|--------------|--------------|---------------|
| Revenue | 3,479 | 4,150 | 19.3% |
| Gross Profit | 500 | 738 | 47.3% |
| Operation Expenses | 334 | 334 | -0.1% |
| Operating Profit | 166 | 404 | 142.5% |
| Gross Profit Margin | 14.4% | 17.8% | +3.4PP |
| Operating Expense Ratio | 9.6% | 8.0% | — |
| Operating Profit Margin | 4.8% | 9.7% | +4.9PP |



Financials

Unit: NTD mn

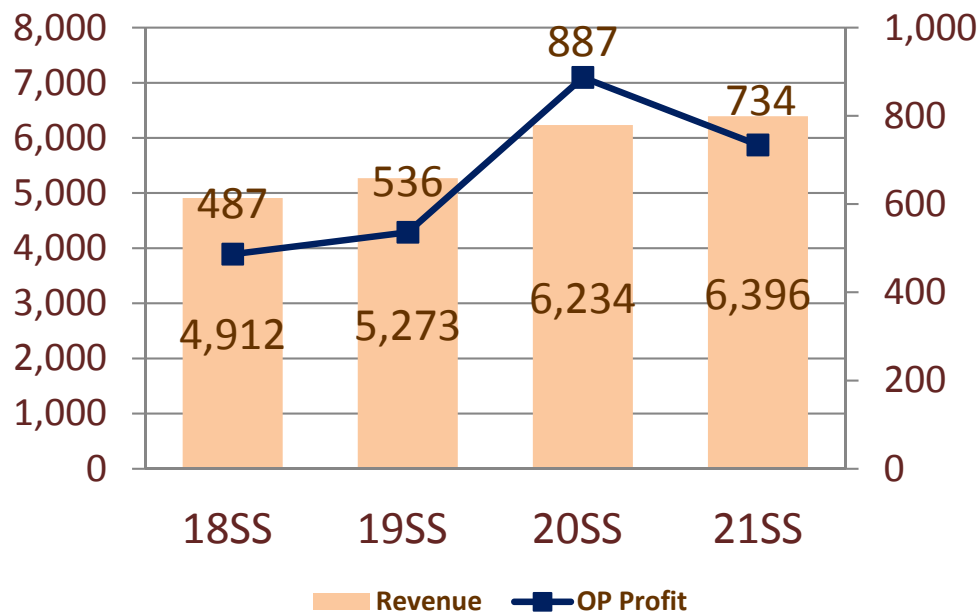
| Account | 2020Q3 | 2021Q3 | YoY |
|--------------------------------|--------|--------------|-------|
| Revenue | 3,217 | 4,150 | 29.0% |
| Gross Profit | 646 | 738 | 14.2% |
| Operation Expenses | 314 | 334 | 6.2% |
| Operating Profit | 332 | 404 | 21.8% |
| Gross Profit Margin | 20.1% | 17.8% | — |
| Operating Expense Ratio | 9.8% | 8.0% | — |
| Operating Profit Margin | 10.3% | 9.7% | — |



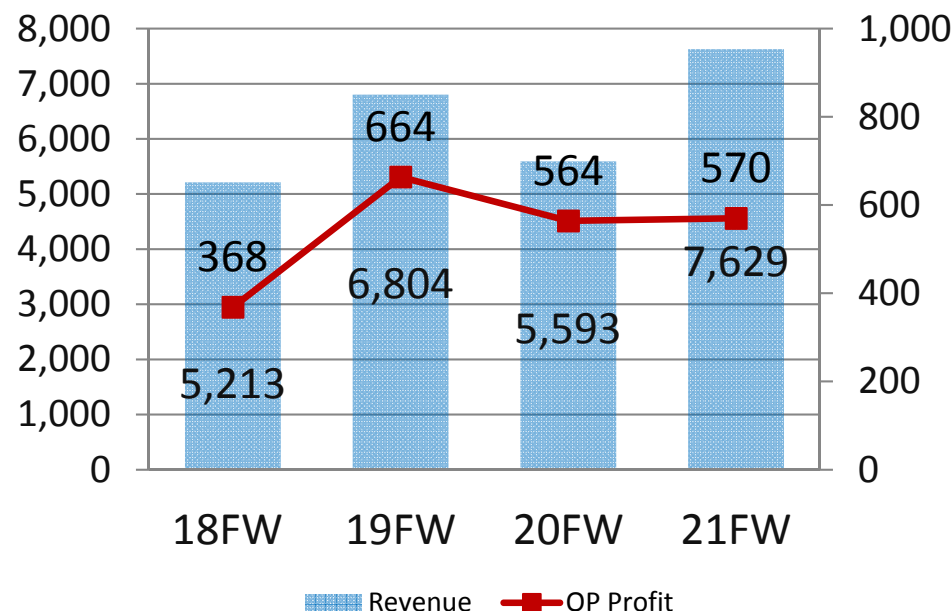
Revenue Trend by Quarter

Unit: NTD mn

Spring/Summer shoes(Q4~Q1)



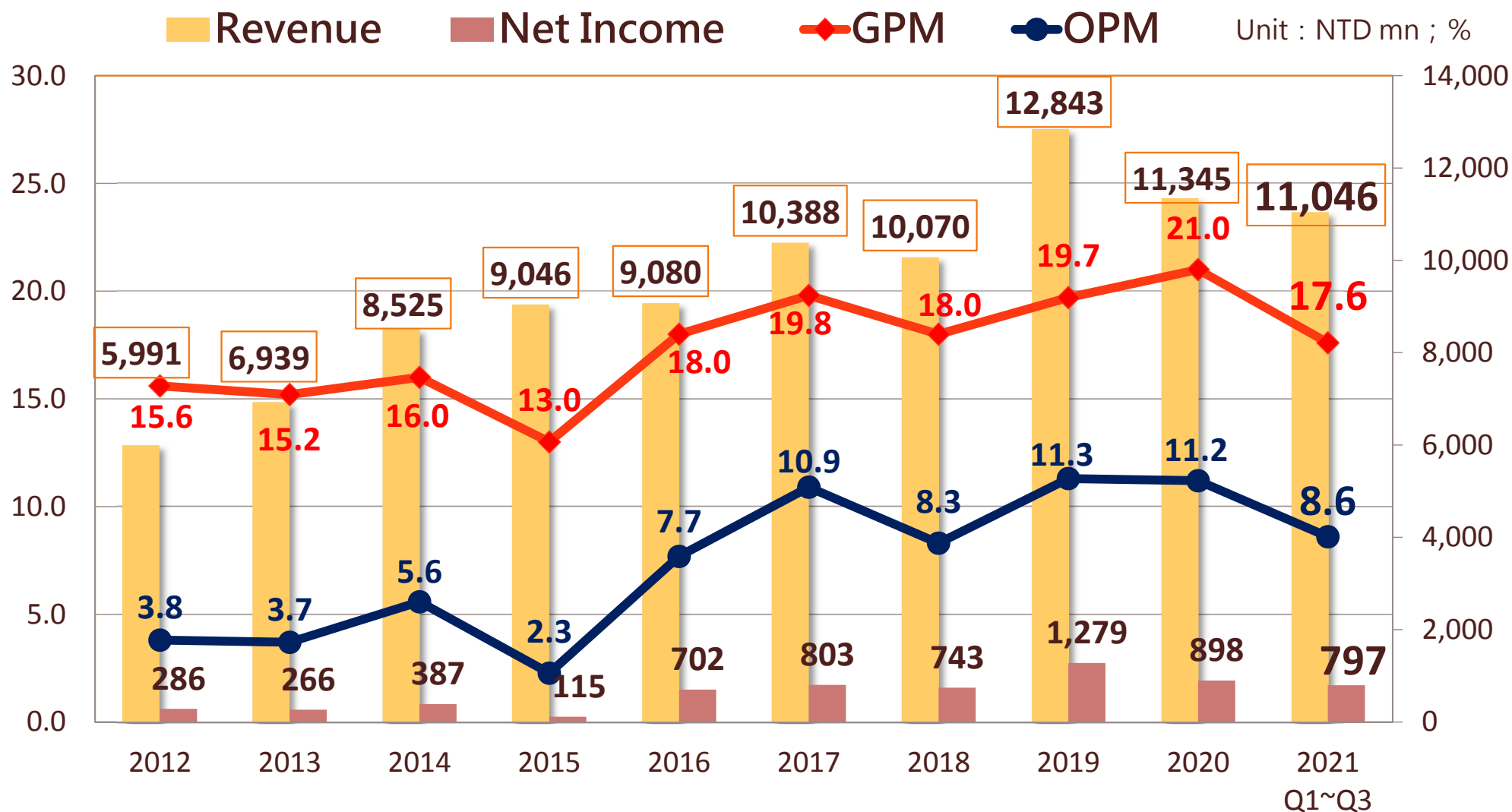
Fall/Winter shoes(Q2~Q3)



| SS | Revenue | OP Profit | FW | Revenue | OP Profit |
|------|---------|-----------|------|---------|-----------|
| 18SS | 4,912 | 487 | 18FW | 5,213 | 368 |
| 19SS | 5,273 | 536 | 19FW | 6,804 | 664 |
| 20SS | 6,234 | 887 | 20FW | 5,593 | 564 |
| 21SS | 6,396 | 734 | 21FW | 7,629 | 570 |



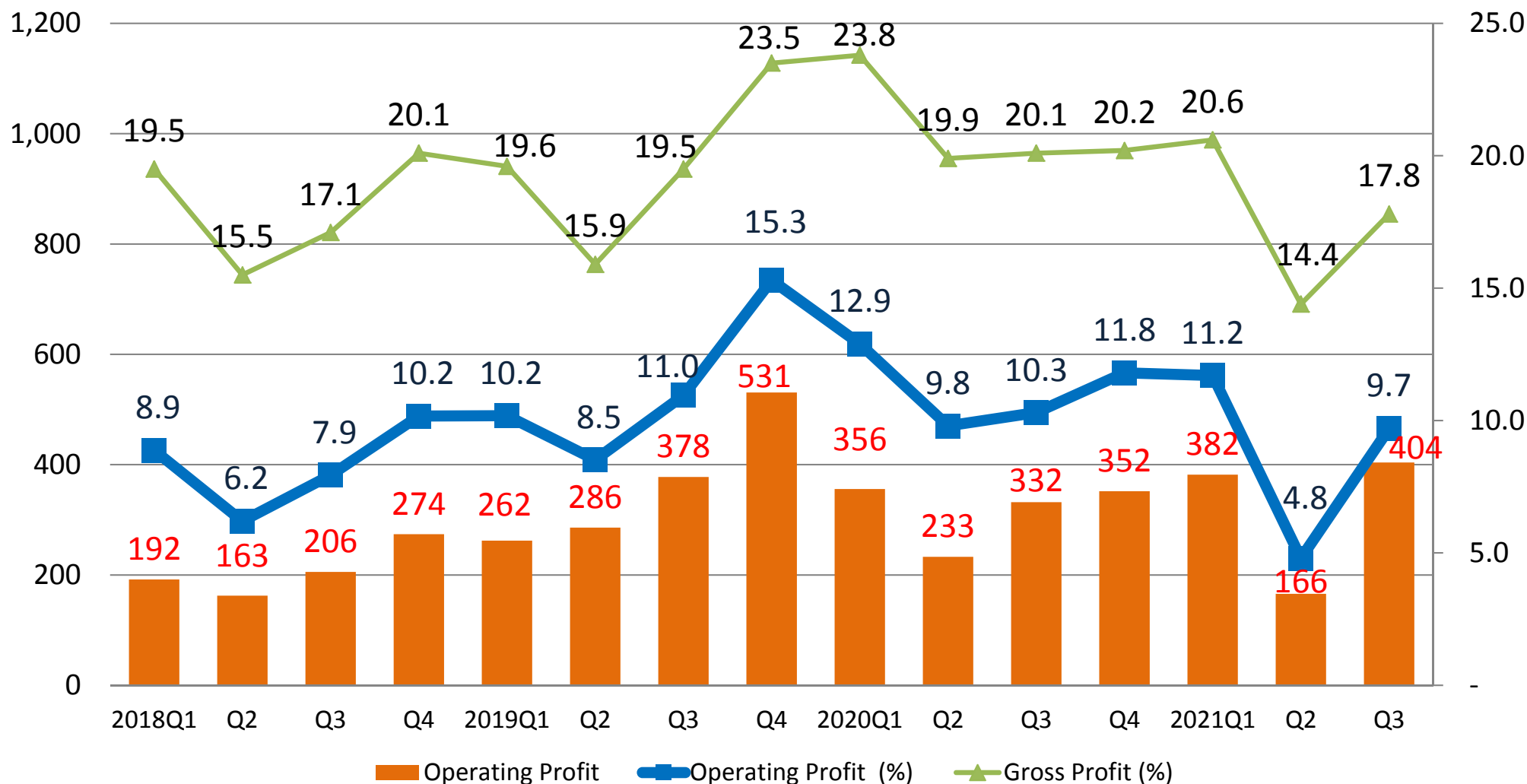
Financials of past years from 2012 to 2021Q3



Financials of past years from 2018 to 2021Q3

Unit : NTD mn ; %

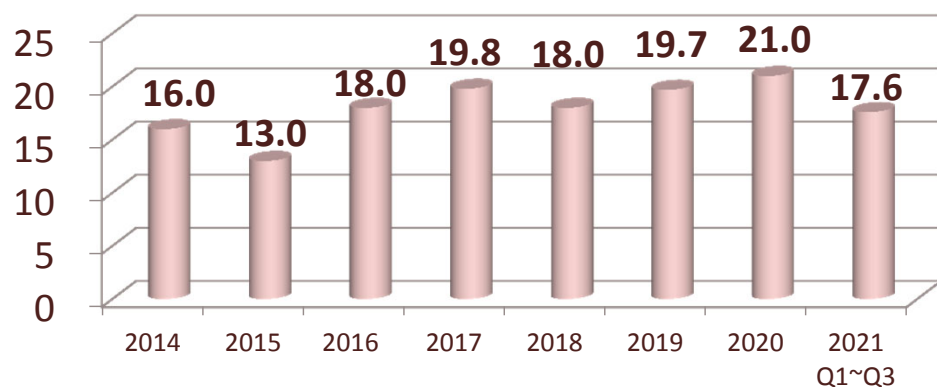
Quarterly Gross Profit and Operating Profit Information



Financials of past years from 2014 to 2021Q3

Unit : NTD mn ; %

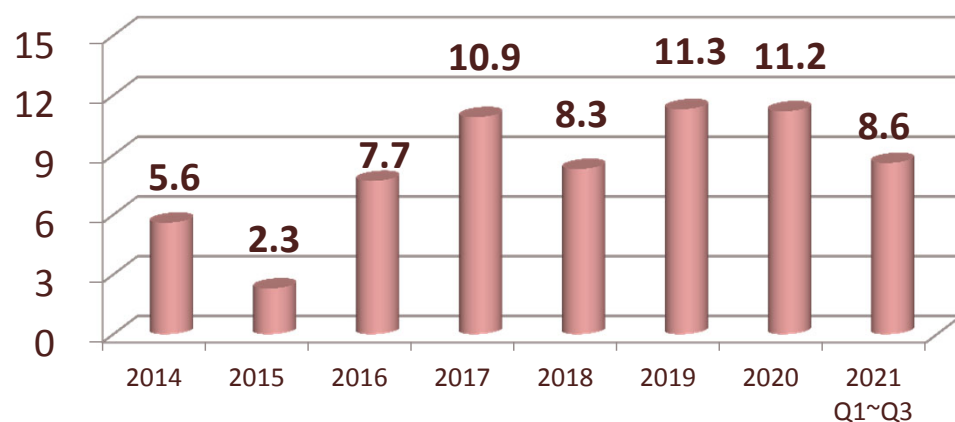
Gross Profit Margin



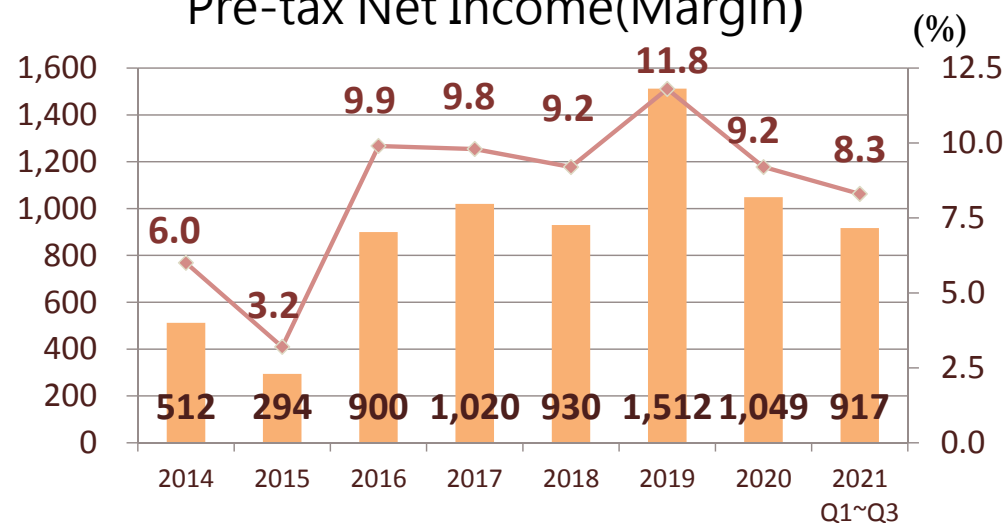
Operating Expense Ratio



Operating Profit Margin



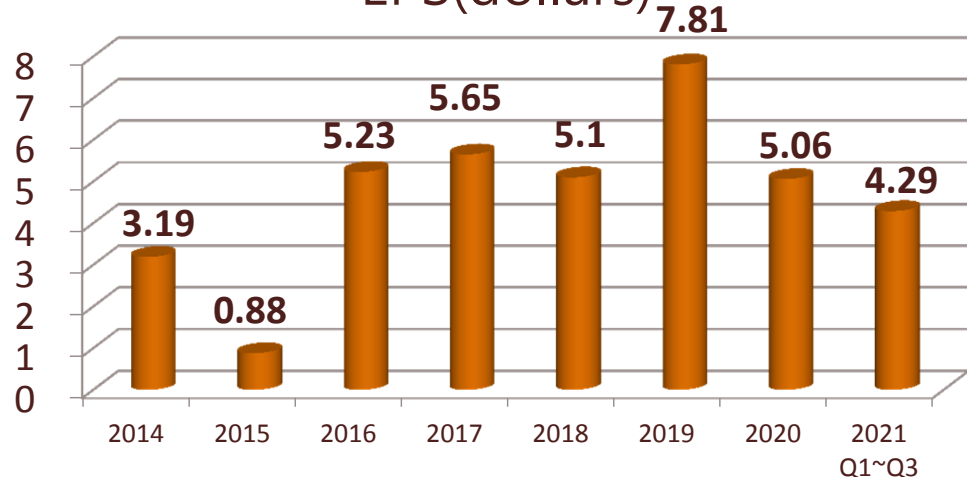
Pre-tax Net Income(Margin)



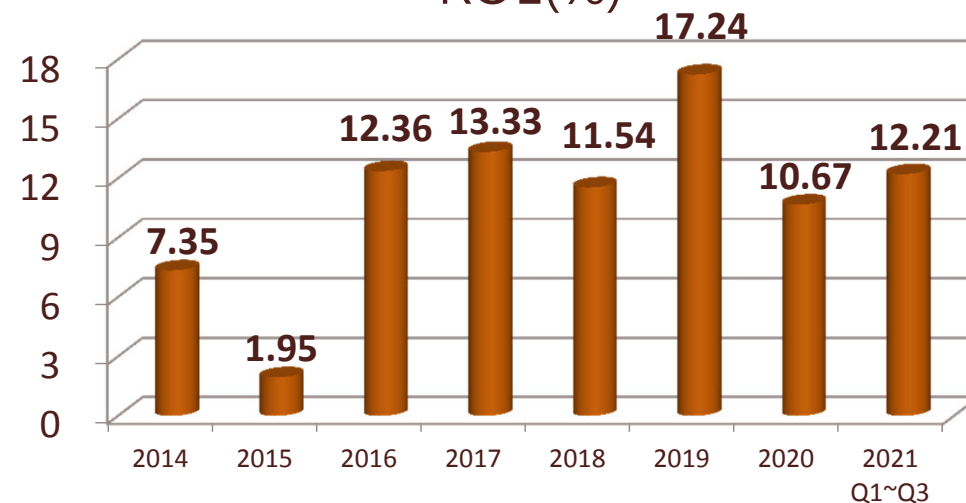
Financials of past years from 2014 to 2021Q3

Unit: NTD mn ; %

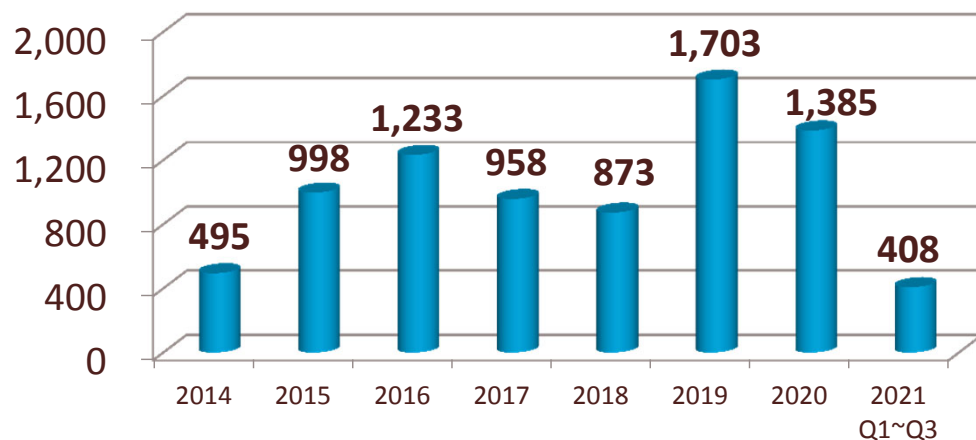
EPS(dollars)



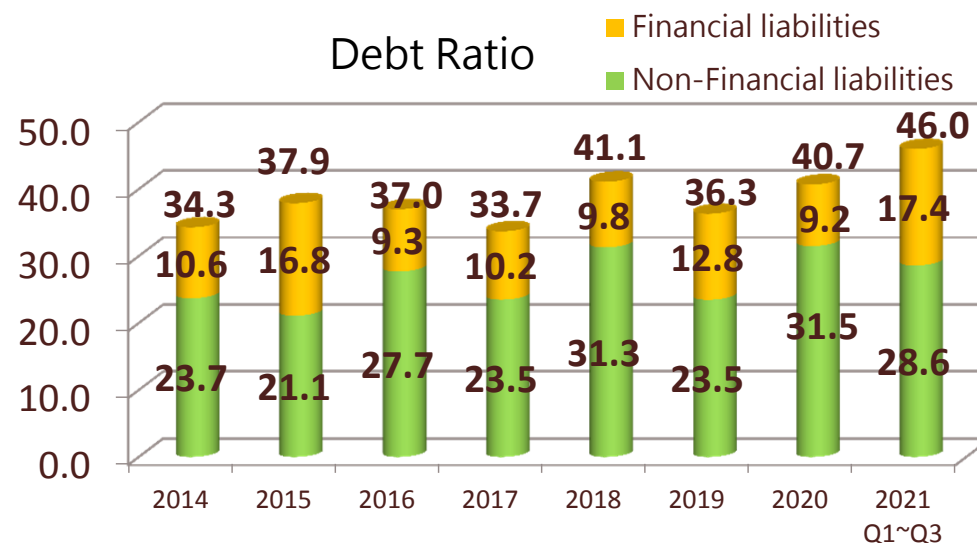
ROE(%)



Cash Inflow from Operating Activities

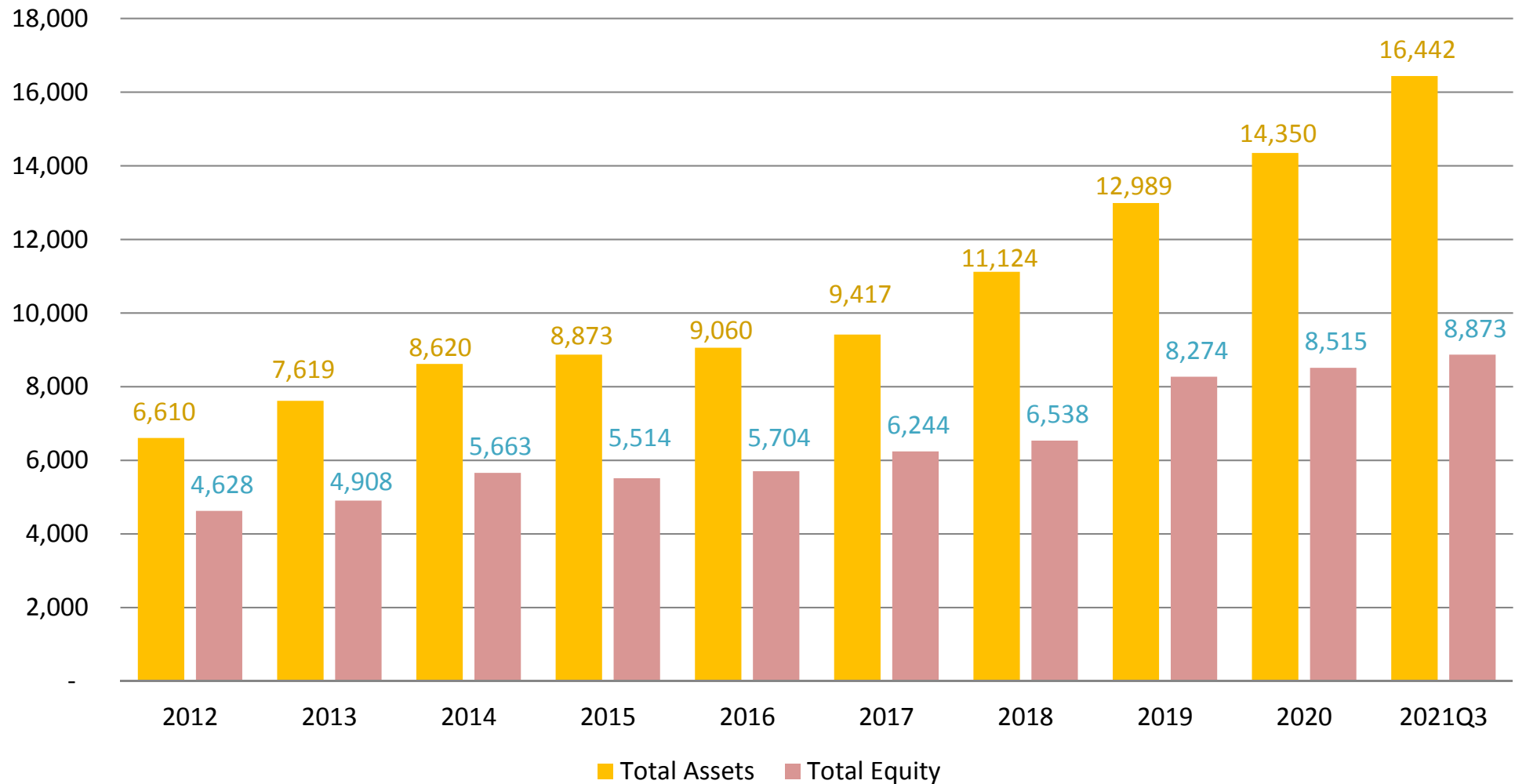


Debt Ratio



Financials of past years from 2012 to 2021Q3

Unit: NTD mn





Fulgent Sun
Group



Q & A



鈺齊國際