



# QUANG VIET ENTERPRISE CO., LTD.

4438.TW / 4438.TT



越南古芝廠

QVE-VIETNAM, 1996



中國嘉興廠

QVC-CHINA, 2003



越南前江廠

QVT-VIETNAM, 2011



台北總部

HQ-TAIPEI



新莊金漢總部

KHM-TAIPEI



中東約旦廠

ATLANTA-JORDAN



羅馬尼亞廠

BSP-ROMANIA



越南隆安廠

QVL-VIETNAM, 2017



中國宏昌廠

P&W-CHINA



中東約旦2廠

ATLANTA-JORDAN



羅馬尼亞2廠

BSP-ROMANIA



沭陽羽絨廠

TOD-CHINA, 2014





# Xinjiang Cotton Controversy

- This page is a statement of the impact of the Xinjiang Cotton Controversy on the business operations of QVE. It does not represent any political position.
- Cotton is classified as staple fiber; whilst fiberfill products of QVE are synthetic fiber, which is classified as continuous fiber. Goose down or duck down filled in down jackets are natural fur. Therefore, the XinJiang Cotton boycott does not affect QVE.
- Regarding the speculations of some analysts that down and fiberfill jackets of QVE will benefit from the controversy, QVE hereby states that the company does not make any assumptions regarding customers' opinion.

# Company Overview

- Date of establishment: October 1995
- Capital: NT \$1.034 billion (US \$33 M)
- Chairman: Mr. Wen Hsien Yang  
CEO: Mr. Charles Wu  
R&D Vice President: Mr. Spensen Tsai
- Number of employees worldwide  
Taiwan: 210 employees  
Overseas: 20,329 employees





# QVE Group Profile



**QVN (Cu Chi, Vietnam)**

**Year Established: 1996**  
**Land Area: 60,000 M<sup>2</sup>**  
**Number of workers : 6,000**  
**Production lines: 115 Lines**



**QVE TPE HQ**



**QVC (Jia Xing, China)**

**Year Established : 2003**  
**Land Area : 55,000 M<sup>2</sup>**  
**Number of workers : 2,200**  
**Production line : 92 Lines**



**QVT (Tien Giang, Vietnam)**

**Year Established : 2010**  
**Land Area : 81,000 M<sup>2</sup>**  
**Number of workers : 6,000**  
**Production line : 155 Lines**



**QVL (Long An)**

**Year Established : 2017**  
**Land Area : 45,000 M<sup>2</sup>**  
**Number of workers : 1,600**  
**Production Line : 45 Lines**



**TOD (Shu Yang, China)**

**Year Established : 2014**  
**Land Area : 20,118 M<sup>2</sup>**  
**Number of workers : 99**





# Group Introduction and Position-BSP

## Biancospino S.R.L



**Location: Breaza, Romania**  
**Year Established: 1998**  
**Number of workers : 530**  
**Production lines: 16 Lines**





# Group Introduction and Position-Atlanta

## Atlanta Garment Manufacturing Company



**Location: Amman, Jordan**  
**Year Established: 2003**  
**Number of workers : 1,600**  
**Production lines: 16 Lines**



# Group Introduction and Position-KHM

## King Hamm Industrial Co., Ltd.



**新莊金漢總部(KHM)**

**Location: Xinzhuang, Taiwan**

**Year Established: 1991**

**Number of workers : 80**



**越南金鴻廠(VN-1)**

**Location: Hồ Chí Minh, Vietnam**

**Year Established: 2003**

**Number of workers : 1,200**

**Production lines: 24 Lines**



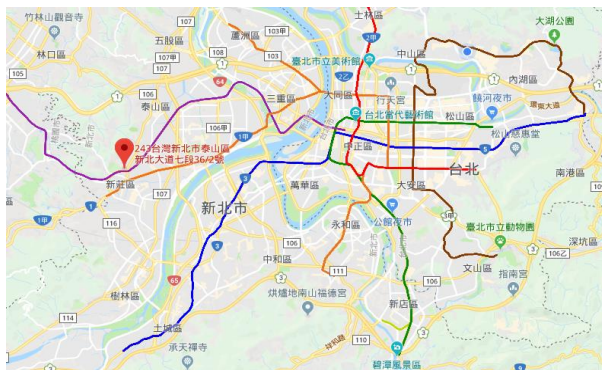
**越南金漢廠(VN-2)**

**Location: Tiền Giang, Vietnam**

**Year Established: 2013**

**Number of workers : 1,300**

**Production lines: 28 Lines**







# Group Introduction and Position-P&W

## Principle & Will Biotech (PingHu) Co., Ltd.



**Location: Jia Xing, China**

**Year Established: 2003**

**Number of workers : 1,100**

**Production lines:**

**10 workshops**





# Major Products

- Down Jackets
- Primaloft Jackets, Thermoball Jackets, Padding Jackets
- Softshell Jackets, Seam Sealed Jackets, Bonding Jackets, Spring Light Jackets, Pants, Shorts
- Goose Down, Duck Down
- Knitted garments
- Surgical Gown, Drape, Protective Equipment, Face Mask and Surgical Pack

Unit : In Thousands of NTD

Year Products	Project	2020		2019	
		Net Operating Revenue	%	Net Operating Revenue	%
	Down Jackets	5,912,055	48.50%	6,522,710	40.12%
	Fiberfill Jackets	2,794,217	22.93%	4,564,607	28.07%
	Light Jackets and Coats	1,228,943	10.08%	2,119,493	13.04%
	Others (Knitted Garments and Down Material)	2,253,642	18.49%	3,052,507	18.77%
	<b>Total</b>	<b>12,188,857</b>	<b>100.00%</b>	<b>16,259,317</b>	<b>100.00%</b>





# Product Category-Sports Wear Brand



Adidas



Adidas



Adidas



Adidas



Adidas



Puma



Puma



NIKE



NIKE



NIKE



Reebok



Reebok



Converse



New balance



New balance



Under Armour



Under Armour 10



# Product Category-Outerwear Brand



The North Face



The North Face



The North Face



Merrell



Patagonia



Patagonia



Patagonia



Patagonia



Mont-Bell



Mont-Bell



Arc'teryx



Arc'teryx



Ralph Lauren



Ralph Lauren



Helly Hansen



Mammut <sup>11</sup>

# Milestone



1997  
↑  
NIKE

2005  
↑  
PUMA

2006  
↑  
REEBOK

2007  
↑  
ADIDAS

2008  
↑  
THE NORTH FACE

2009  
↑  
PATAGONIA

2011  
↑  
MONTBELL

2013  
↑  
Merrell



2014  
↑  
ARC'TERYX  
Ralph Lauren

2016  
↑  
HURLEY

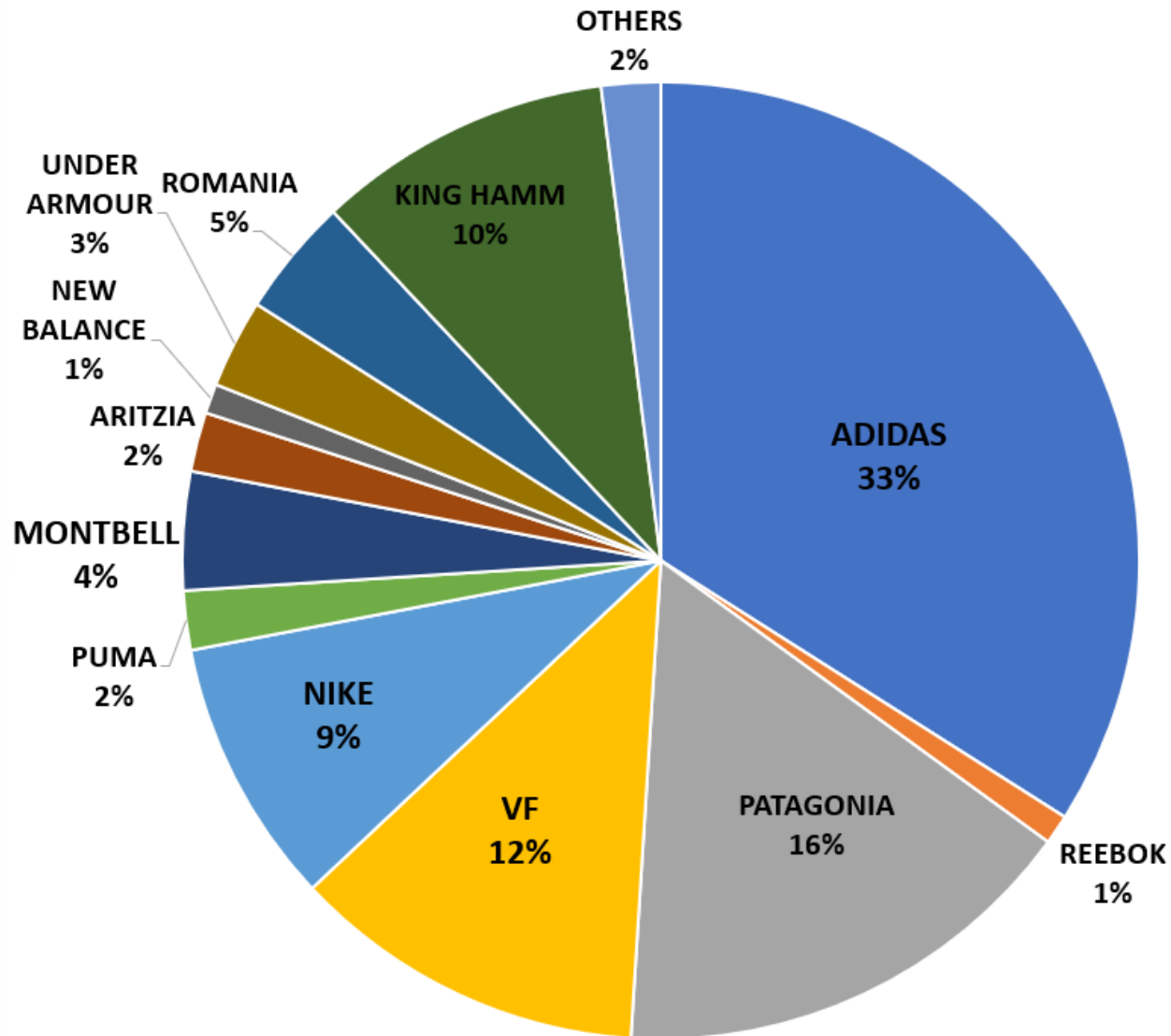
2018  
↑  
Helly Hansen  
Mammut  
New Balance  
Under Armour

2020  
↑  
Marmot  
Aritzia

2021  
↑  
Black Diamond  
Spyder



# 2020 Major Customers

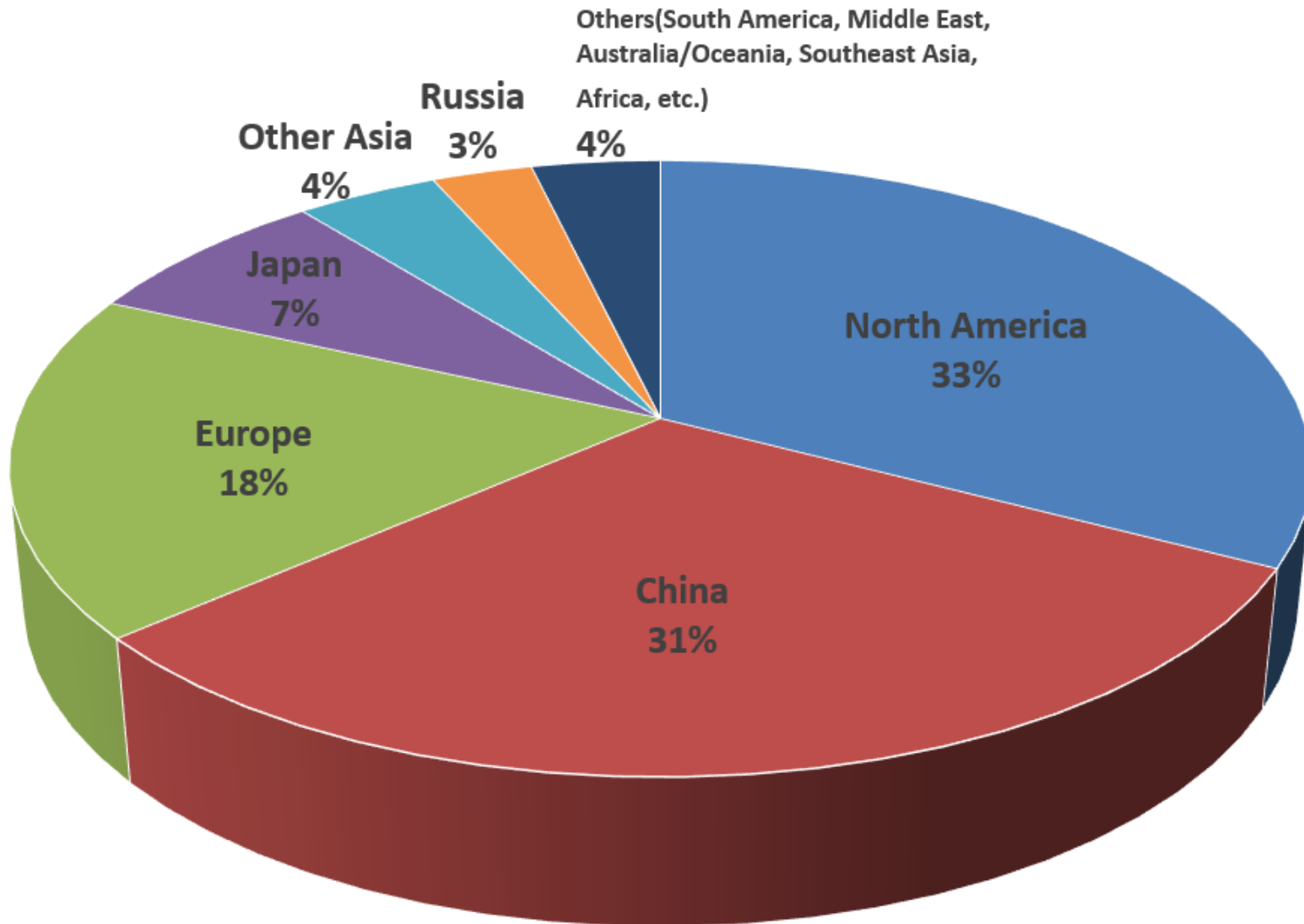


**SPORTS WEAR 50% , OUTDOOR WEAR 50%**

(Note: TNF for The North Face brand)



# Major Customers

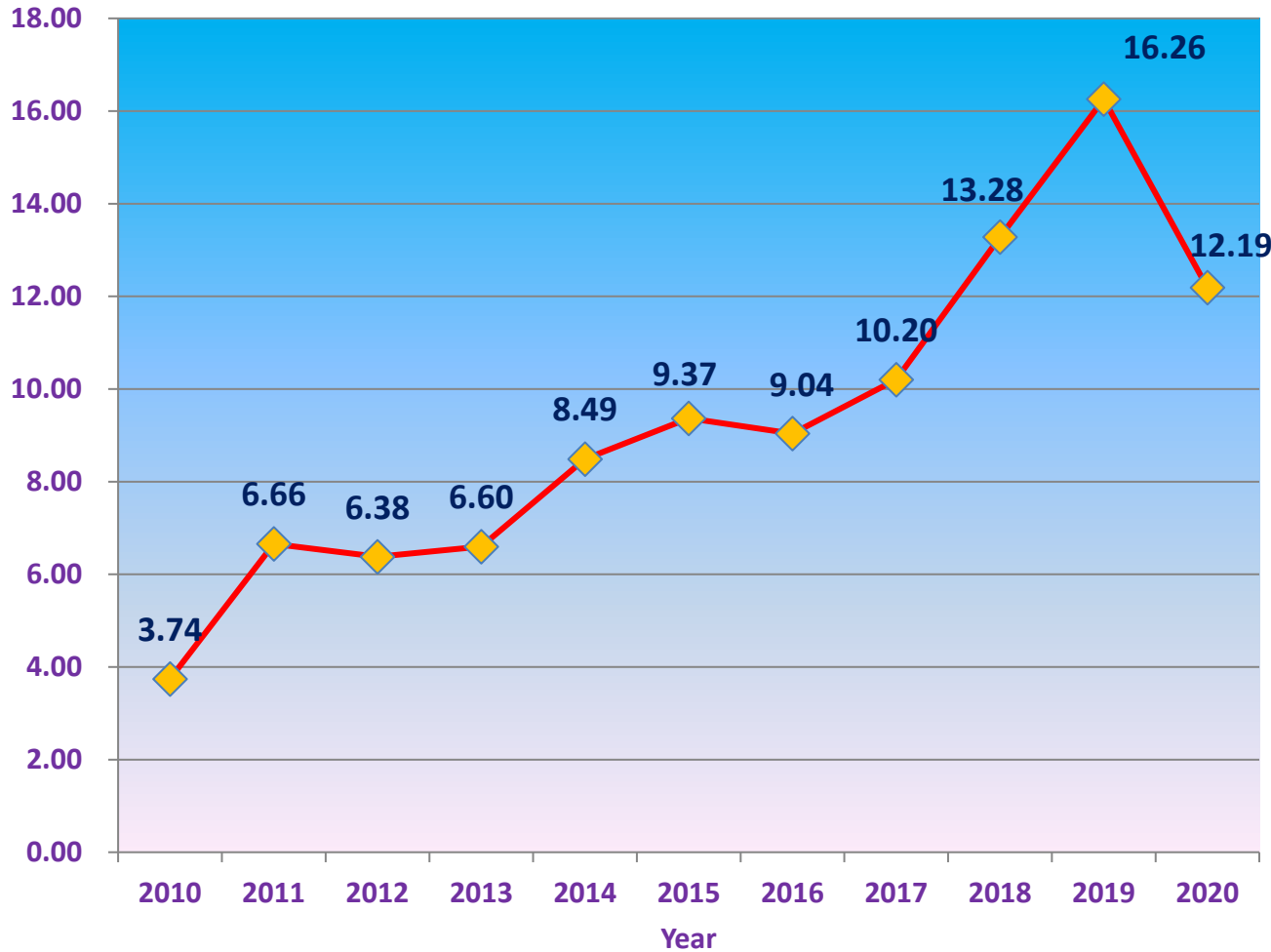




# Operation Overview

QVE Consolidated Revenue

NTD (Billion)



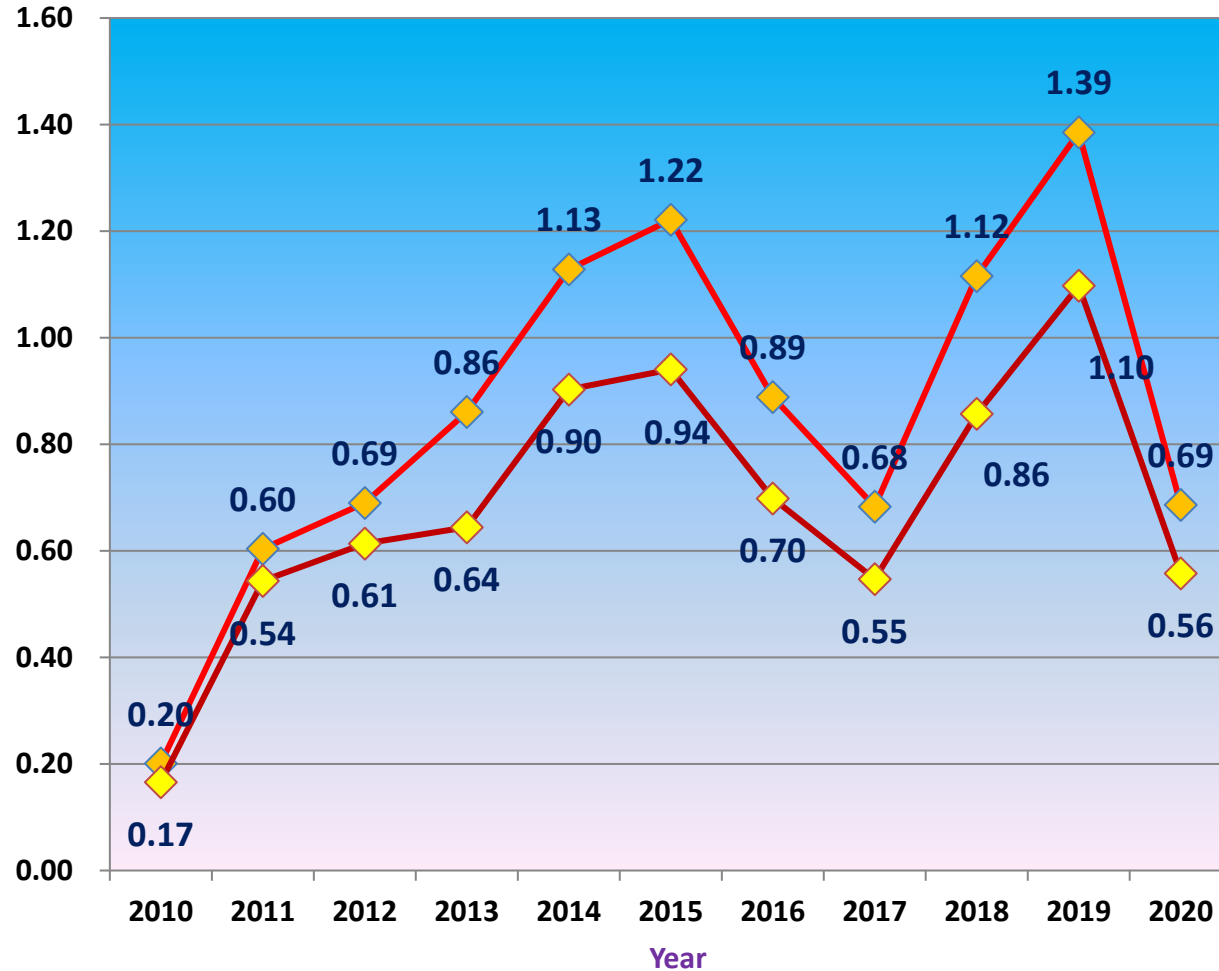
Year	Consolidated revenue (Thousands)	Remark
2010	3,741,311	Provided by company
2011	6,657,044	
2012	6,378,609	
2013	6,597,920	Per Audit
2014	8,488,545	Per Audit
2015	9,368,010	Per Audit
2016	9,038,818	Per Audit
2017	10,203,655	Per Audit
2018	13,280,440	Per Audit
2019	16,259,317	Per Audit
2020	12,188,857	Per Audit

# Operation Overview

Unit: In Thousands of NTD

## QVE Consolidated Profit

NTD (Billion)



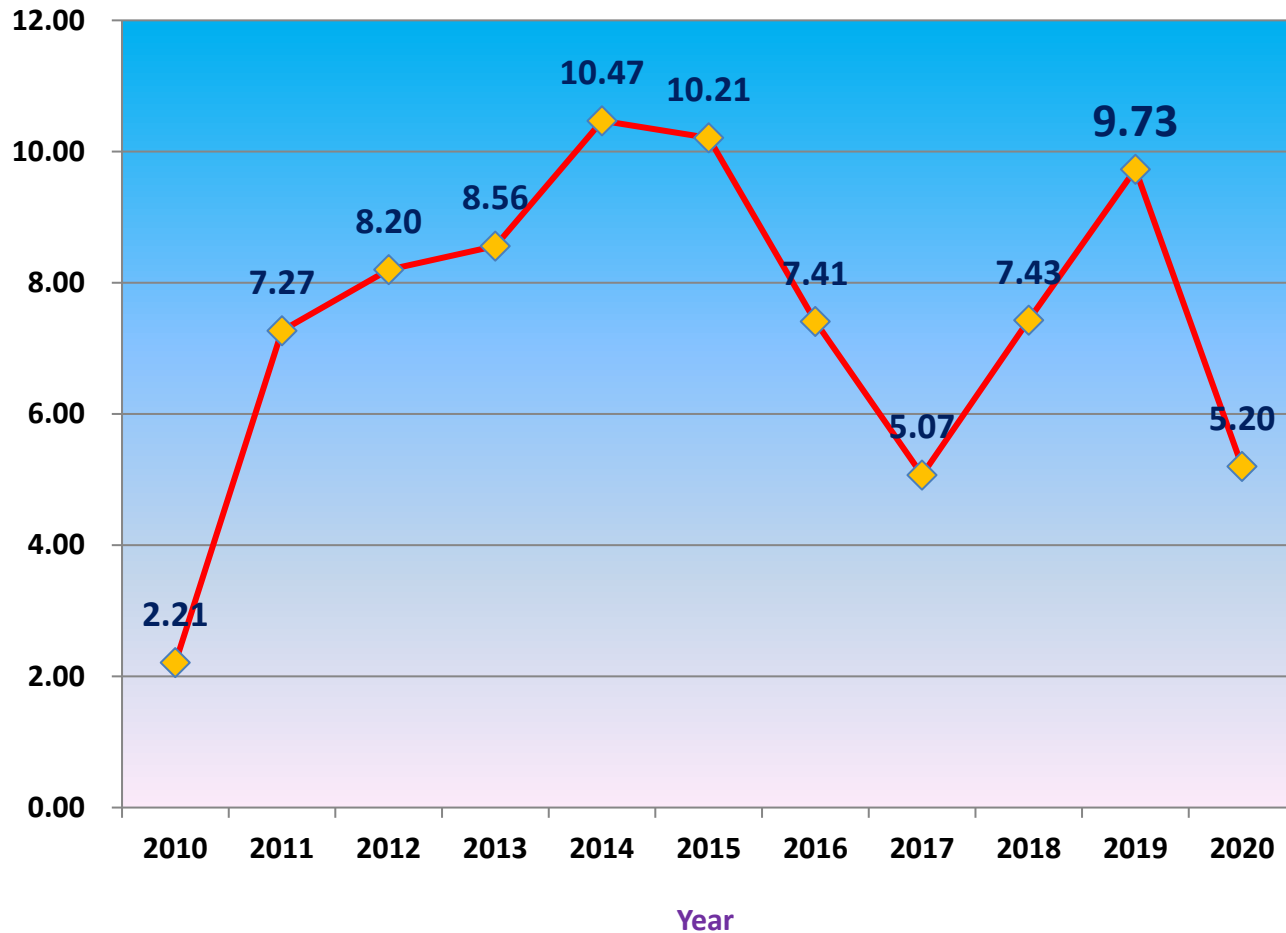
Year	Income before income tax	Capital	Remark
2010	201,007	290,799	Provided by company
2011	603,957	363,498	
2012	689,964	454,373	
2013	860,710	645,247	Per Audit
2014	1,128,222	802,034	Per Audit
2015	1,221,518	922,339	Per Audit
2016	888,707	1,037,639	Per Audit
2017	682,996	1,037,639	Per Audit
2018	1,115,716	1,033,753	Per Audit
2019	1,385,291	1,033,753	Per Audit
2020	686,398	1,033,753	Per Audit

Year	Net income	Capital	Remark
2010	165,915	290,799	Provided by company
2011	543,643	363,498	
2012	613,693	454,373	
2013	643,356	645,247	Per Audit
2014	902,865	802,034	Per Audit
2015	940,594	922,339	Per Audit
2016	698,307	1,037,639	Per Audit
2017	546,996	1,037,639	Per Audit
2018	857,041	1,033,753	Per Audit
2019	1,097,607	1,033,753	Per Audit
2020	557,830	1,033,753	Per Audit

# Operation Overview

NTD (dollar)

QVE EPS



Year	EPS(dollar)	Capital (Thousands)
2010	2.21	290,799
2011	7.27	363,498
2012	8.20	454,373
2013	8.56	645,247
2014	10.47	802,034
2015	10.21	922,339
2016	7.41	1,037,639
2017	5.07	1,037,639
2018	7.43	1,033,753
2019	9.73	1,033,753
2020	5.20	1,033,753



# Operation Overview

Account/Year	2020		2019	
	Amount (Thousands)	%	Amount (Thousands)	%
Operating revenue	12,188,857	100.00%	16,259,317	100.00%
Operating costs	10,903,247	89.45%	13,714,136	84.35%
<b>Gross profit</b>	<b>1,285,610</b>	<b>10.55%</b>	<b>2,545,181</b>	<b>15.65%</b>
Operating expenses	1,005,212	8.25%	1,162,827	7.15%
<b>Operating income</b>	<b>280,398</b>	<b>2.30%</b>	<b>1,382,354</b>	<b>8.50%</b>
Non-operating income and expenses	406,000	3.33%	2,937	0.02%
<b>Income before tax</b>	<b>686,398</b>	<b>5.63%</b>	<b>1,385,291</b>	<b>8.52%</b>
Income tax expense	128,568	1.05%	287,684	1.77%
<b>Net income</b>	<b>557,830</b>	<b>4.58%</b>	<b>1,097,607</b>	<b>6.75%</b>
Net income attributable to shareholders of the parent	537,296	4.41%	1,006,033	6.19%
<b>EPS (dollars)</b>	<b>5.20</b>		<b>9.73</b>	

Calculation of EPS is based on weighted average number of shares: 103,375 thousand shares

Source: Audited consolidated financial statements



# Operation Overview

In Thousands of NTD, except EPS

Quarterly Profit and Loss Statement							
Account/Year	1Q20	2Q20	3Q20	4Q20	2020	2019	YoY
Operating revenue	1,846	3,174	5,422	1,747	12,189	16,259	-25.03%
Operating costs	1,721	2,629	4,860	1,693	10,903	13,714	-20.50%
Gross profit	125	545	562	54	1,286	2,545	-49.47%
Operating expenses	269	234	270	232	1,005	1,163	-13.59%
Operating income	(144)	311	292	(178)	280	1,382	-79.74%
Non-operating income and expenses	57	13	67	269	406	3,134	33.33%
Income before tax	(87)	324	359	91	686	1,385	-50.47%
Income tax expense	(25)	66	67	21	129	288	-55.21%
Net income	(62)	258	292	70	558	1,098	-49.18%
Net income attributable to shareholders of the parent	(54)	242	280	69	537	1,006	-46.62%
<b>EPS (dollars)</b>	<b>(0.53)</b>	<b>2.35</b>	<b>2.71</b>	<b>0.67</b>	<b>5.20</b>	<b>9.73</b>	<b>-46.56%</b>



# Operation Overview

## Future Business Plan

Factory	2020 Current Production Lines	Increase in 2021	Increase in 2022	2022 Total
QVN (Vietnam)	115	+0	+0	115
QVT (Vietnam)	155	+0	+5	160
QVC (China)	92	+0	+0	92
QVL (Vietnam)	45	+2	+5	52
BSP (Romania)	12	+2	+2	16
Atlanta(Jordan)	12	+8	+8	28
KHM (Vietnam-1)	24	+0	+0	24
KHM (Vietnam-1)	32	+0	+0	32
<b>Total</b>	<b>487</b>	<b>+12</b>	<b>+20</b>	<b>519</b>

(+2.46%) (+4.01%)



QVT



QVL





# Opportunities and Challenges

- Global economic recovery, stability and growth in Taiwan economy and the pandemic slowing down promotes diversification
- Business opportunities in medical and protective equipment industry
- Strengthen product developments for different target customers
- Each customer can develop exclusive face mask, protective equipment or protective blankets



- Global currency market
- Global apparel market
- Xinjiang Cotton Controversy
- Impact of Covid-19 on customer brands
- Strategical alliance opportunities to expand business and diversification
- Concentrate on North America and China market, while developing Europe, Japan and other regions

# Business Development

- Exclusively developed new synthetic jackets with Patagonia for camping and home quarantine use
- TNF's high-end and fashionable series Black Label
- Under Armour expanding its functional jacket market
- Developed with Adidas its fourth generation down jacket
- New PPE products, such as surgical gowns, surgical drapes and special face masks



# Duty Free Production Base

1. Increase Automated Manufacturing Ratio
2. Duty Free Advantages:
  - A. EVFTA applies to Vietnam's exports to Europe
  - B. Exemption on tariffs for Jordan's exports to the US and Europe
  - C. Europe withdrew part of the tariff preferences on Cambodia resulting in orders transferred to Vietnam and Jordan





# ISPO Urban Outdoor Award

Co-developed with Adidas Outdoor Performance Apparel that is both environment sustainable and functional, and won the ISPO Award



## ISPO Urban Outdoor Award

Adidas MyShelter Parley Jacket / Jan. 2020 / 230€ (\$260)



ISPO judges awarded the Adidas MyShelter Parley jacket for three features: sustainability, function, and style. It sports hands-free carry straps and seam-sealed, three-layer waterproof construction. What's more, the MyShelter Parley uses 100 percent recycled polyester pulled from beach waste.



# ISPO Outdoor Down Layer Award

Co-developed with Mammut Laser Fused jacket and won the ISPO Award



**This Award-Winning Jacket Has  
Laser Fused Seams**



# Smart Clothing Research and Development

Cooperated with Taiwan Textile Research Institute to develop Smart Clothing and won the 2020 TOG Award





# Smart Clothing Research and Development

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