



QUANG VIET ENTERPRISE CO., LTD.

4438.TW / 4438.TT



HQ-TAIPEI



越南古芝廠
QVE-VIETNAM, 1996



中國平湖廠

QVC-CHINA, 2003



越南前江廠

QVT-VIETNAM, 2011



TOD-CHINA



BSP-ROMANIA



QVL-VIETNAM



QVA-JORDAN



KHM-TAIPEI



BSP II-ROMANIA



P&W-CHINA



QVJ-JORDAN

Welcome To QVE





Highlights

- Impact of COVID-19 on Apparel Supply Chain and Development
- New Plant in Jordan to Satisfy Customers' Demand for Duty-Free Production Base
- Increase in Raw Material and Pandemic Prevention Cost Causes Suppliers to Increase Prices

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: 22,375 employees



QVE Group Profile



QVN (Cu Chi, Vietnam)

Year Established: 1996
Land Area: 60,000 M²
Number of workers : 5,350
Production lines: 115 Lines



QVE TPE HQ



QVC (Jia Xing, China)

Year Established : 2003
Land Area : 55,000 M²
Number of workers : 2,200
Production line : 92 Lines



QVT (Tien Giang, Vietnam)

Year Established : 2010
Land Area : 81,000 M²
Number of workers : 5,400
Production line : 155 Lines



QVL (Long An)

Year Established : 2017
Land Area : 45,000 M²
Number of workers : 1,600
Production Line : 47 Lines



TOD (Shu Yang, China)

Year Established : 2014
Land Area : 20,118 M²
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: 14 Lines



Group Introduction and Position-Atlanta

Atlanta Garment Manufacturing Company

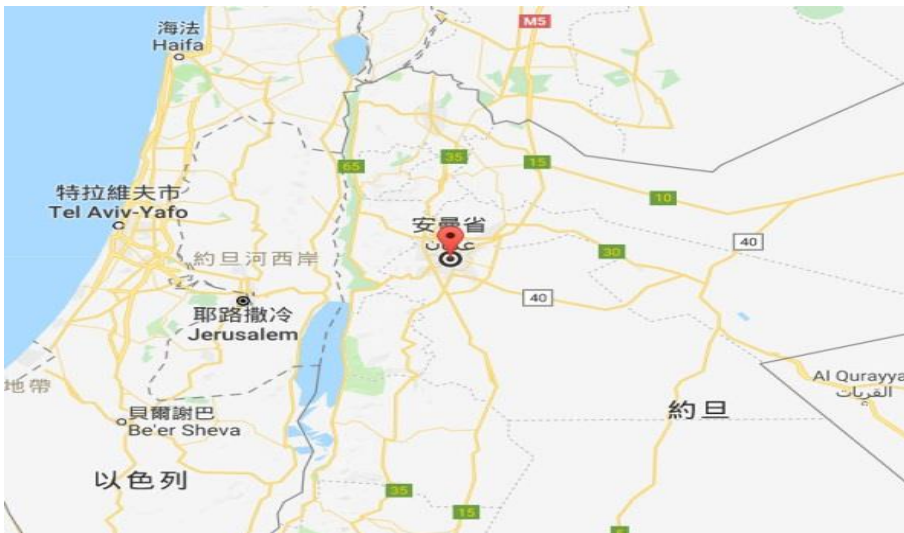


Location: Amman, Jordan
Year Established: 2003
Number of workers : 2,100
Production lines: 20 Lines



Group Introduction and Position-Sidney

Sidney Apparels LLC



Location: Aqaba, Jordan
Year Established: 2017
Number of workers : 1,500
Production lines: 40 Lines



Group Introduction and Position-KHM

King Hamm Industrial Co., Ltd.



King Hamm HQ (KHM)

Location: Xinzhuang, Taiwan

Year Established: 1991

Number of workers : 100



King Hung (VN-1)

Location: Hồ Chí Minh, Vietnam

Year Established: 2003

Number of workers : 1,200

Production lines: 24 Lines



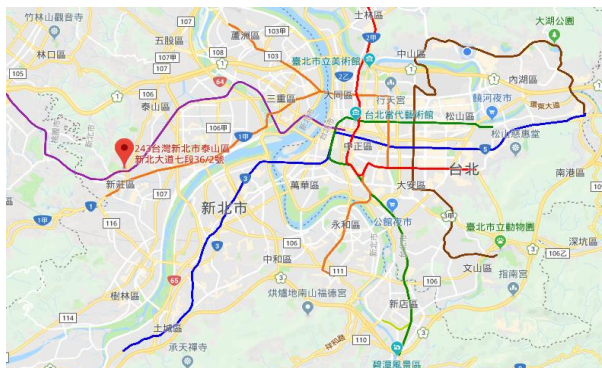
King Hamm Vietnam (VN-2)

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, and Pants
- 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%
	Total	12,188,857	100.00%	16,259,317	100.00%





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 11

Product Category-Outerwear Brand



The North Face



The North Face



The North Face



Merrell



Patagonia



Patagonia



Mont-Bell



Mont-Bell



Arc'teryx



Ralph Lauren



Helly Hansen



Mammut



Spyder



Spyder



Black Diamond



Lacoste

Milestone



1997
↑
NIKE

2005
↑
PUMA

2006
↑
REEBOK

2007
↑
ADIDAS

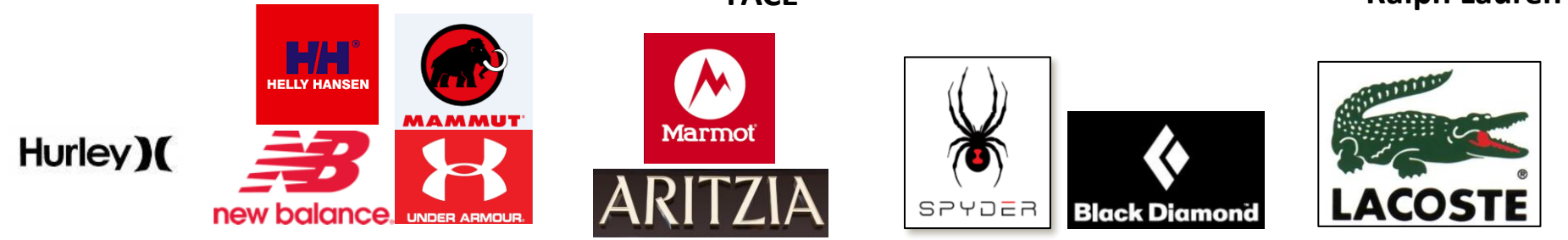
2008
↑
THE NORTH FACE

2009
↑
PATAGONIA

2011
↑
MONTBELL

2013
↑
Merrell

2014
↑
ARC'TERYX
Ralph Lauren



2016
↑
HURLEY

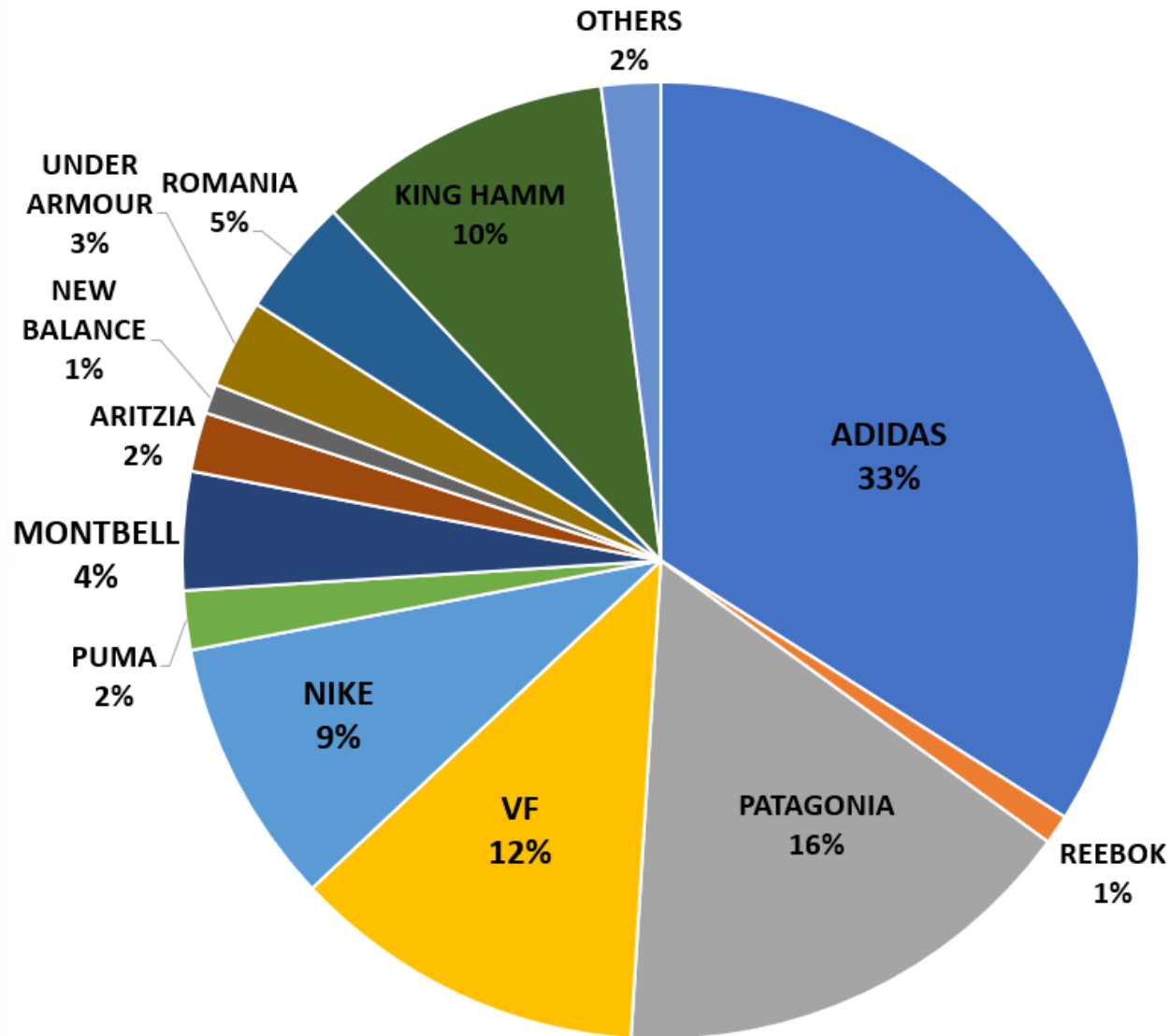
2018
↑
Helly Hansen
New Balance
Mammut
Under Armour

2020
↑
Marmot
Aritzia

2021
↑
Spyder
Black Diamond

2022
↑
Lacoste

2020 Major Customers

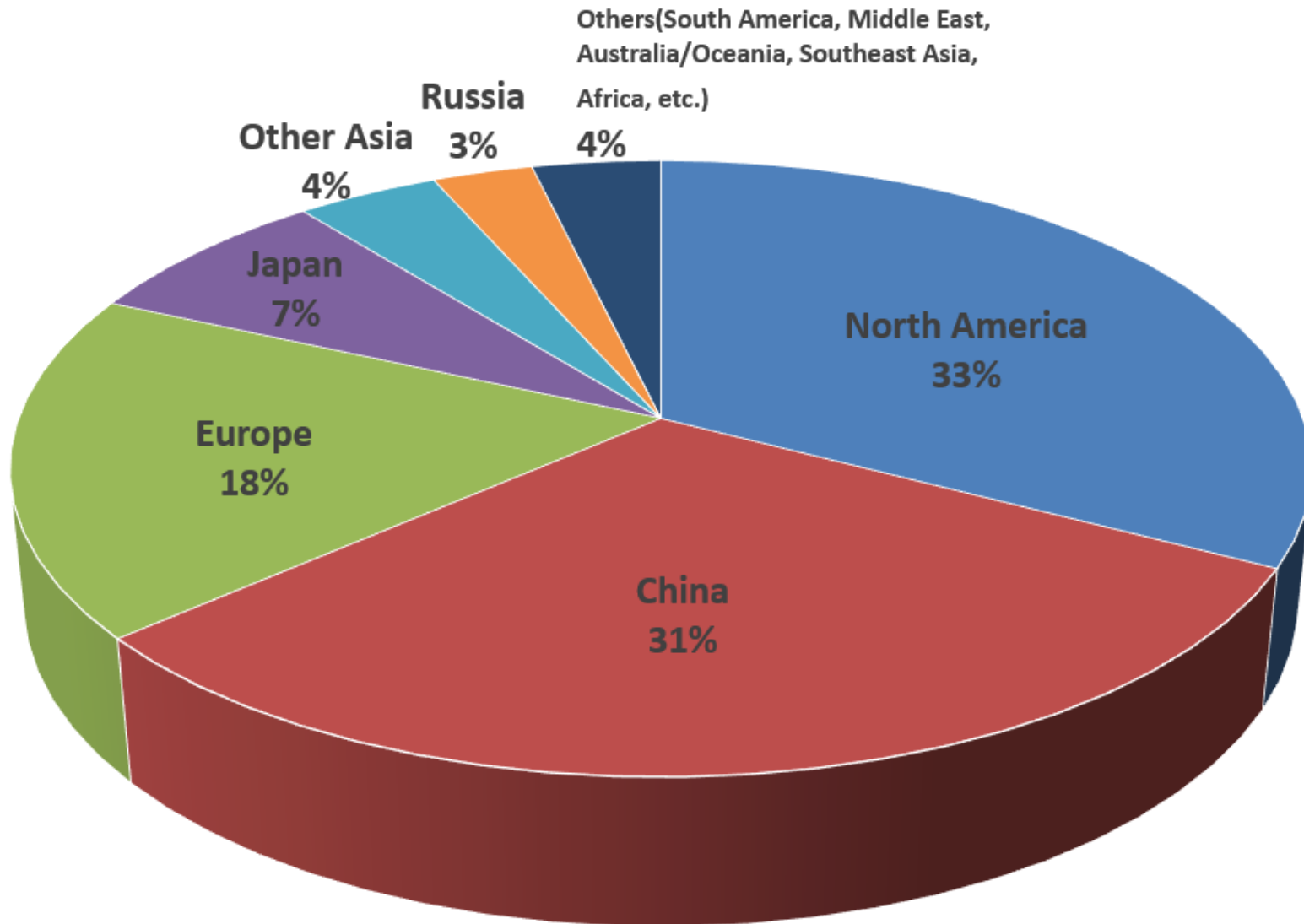


SPORTS WEAR 50% , OUTDOOR WEAR 50%

(Note: TNF for The North Face brand)



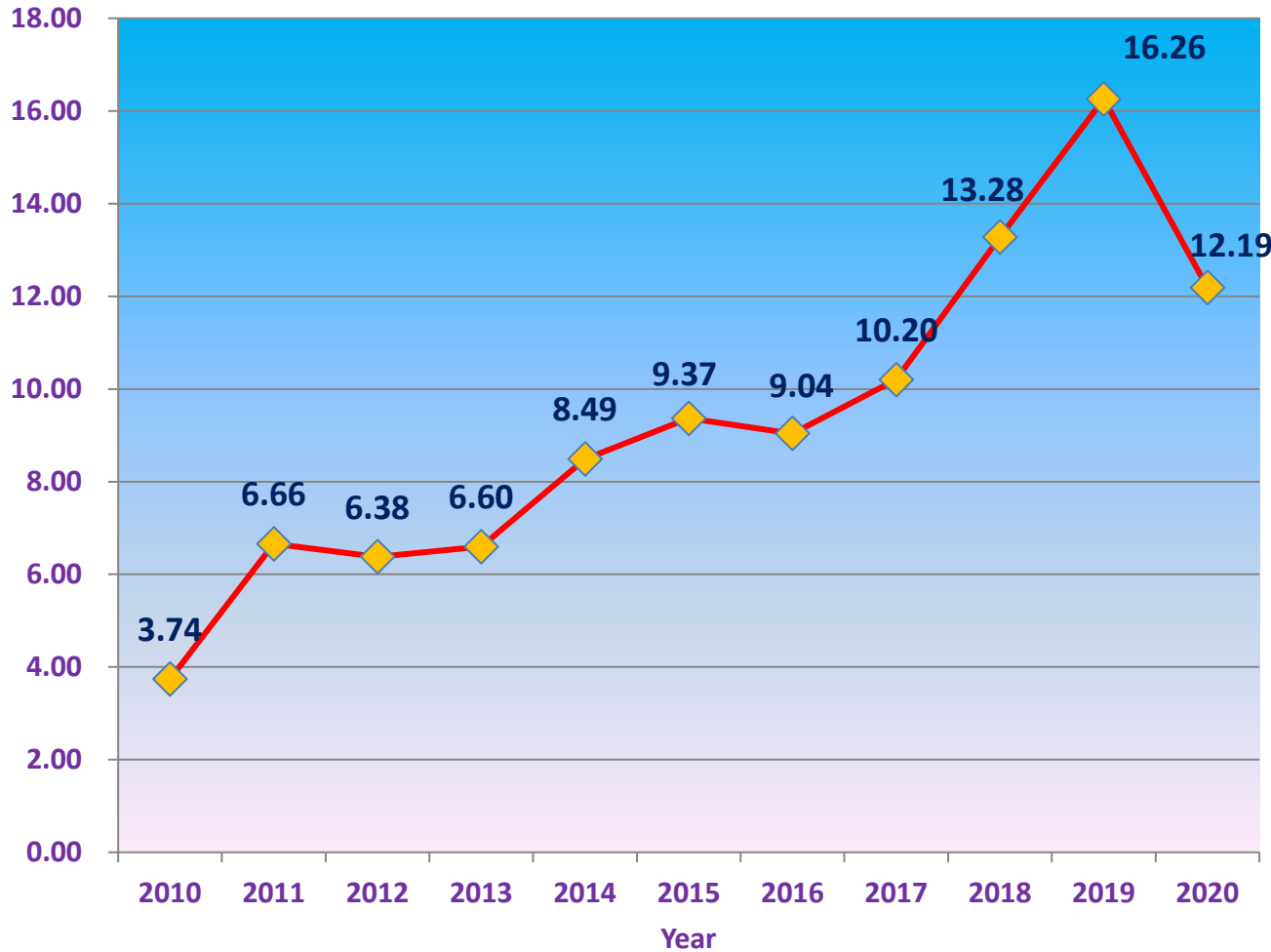
Major Customers



Operation Overview

QVE Consolidated Revenue

NTD (Billion)



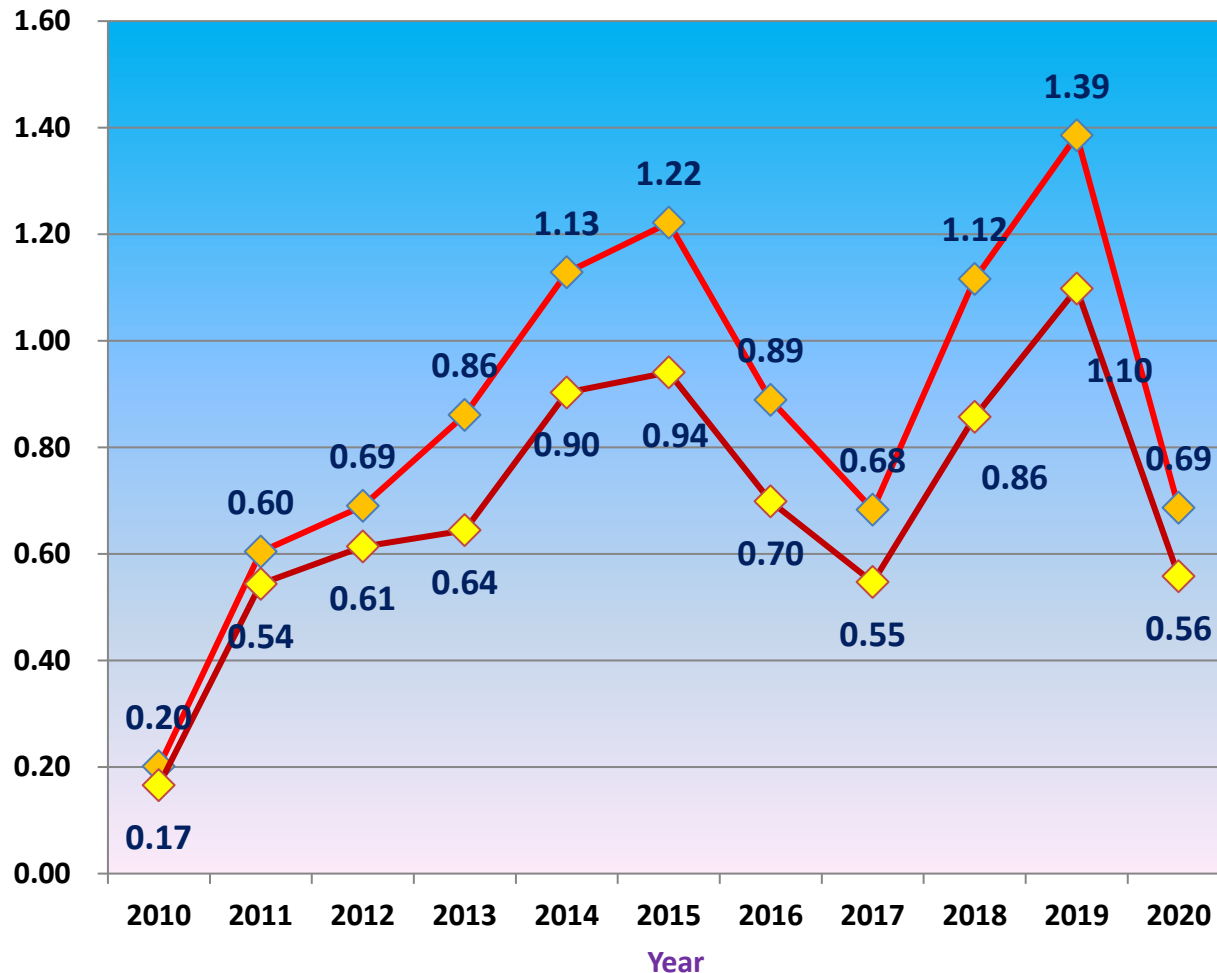
Year	Consolidated revenue (Thousands)	Remark
2010	3,741,311	Provided by company
2011	6,657,044	
2012	6,378,609	
2013	6,597,920	Per Audit
2014	8,488,545	Per Audit
2015	9,368,010	Per Audit
2016	9,038,818	Per Audit
2017	10,203,655	Per Audit
2018	13,280,440	Per Audit
2019	16,259,317	Per Audit
2020	12,188,857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

Operation Overview

Unit: In Thousands of NTD

QVE Consolidated Profit

NTD (Billion)



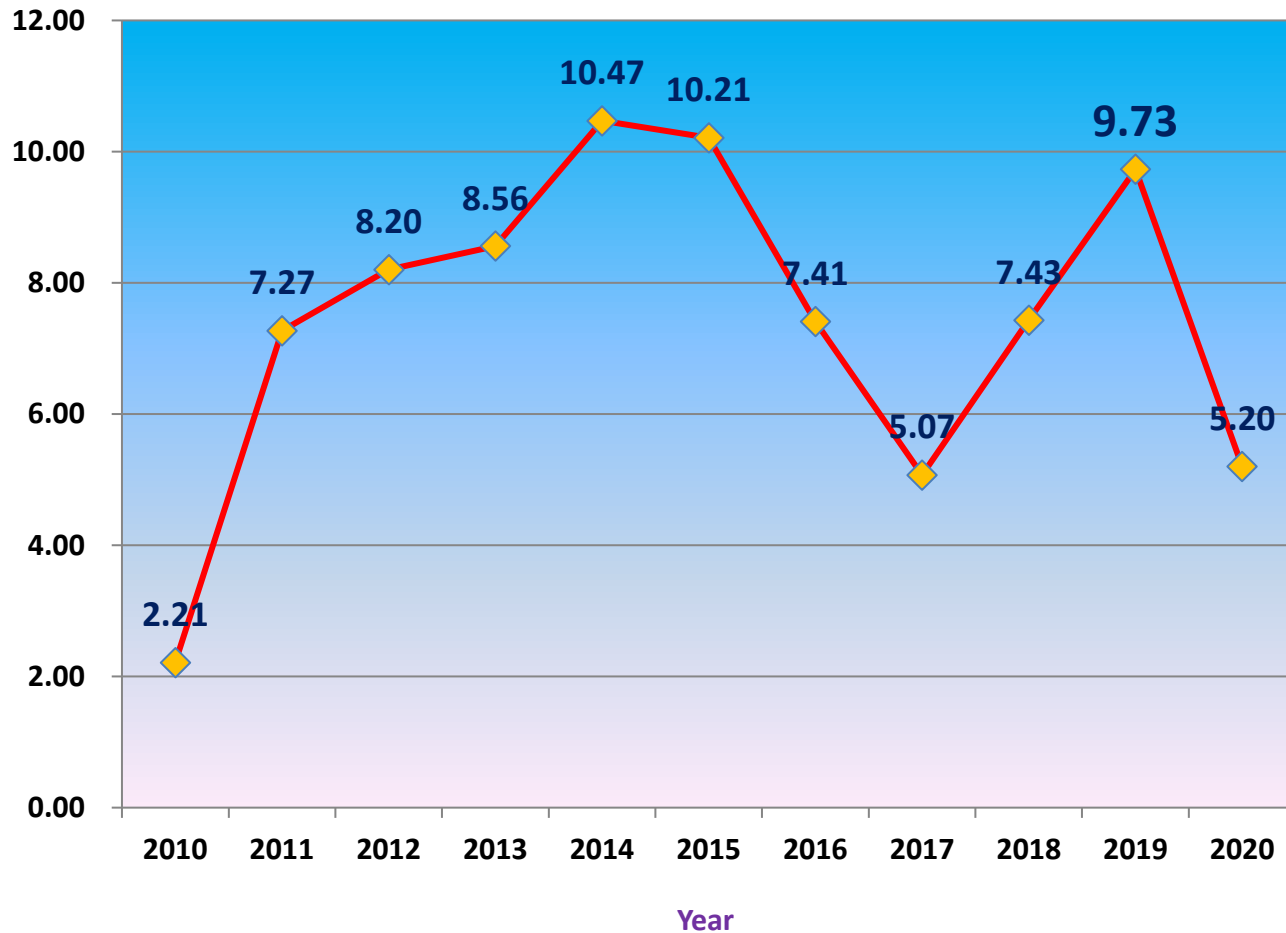
Year	Income before income tax	Capital	Remark
2010	201,007	290,799	Provided by company
2011	603,957	363,498	
2012	689,964	454,373	
2013	860,710	645,247	Per Audit
2014	1,128,222	802,034	Per Audit
2015	1,221,518	922,339	Per Audit
2016	888,707	1,037,639	Per Audit
2017	682,996	1,037,639	Per Audit
2018	1,115,716	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%
Gross profit	1,285,610	10.55%	2,545,181	15.65%
Operating expenses	1,005,212	8.25%	1,162,827	7.15%
Operating income	280,398	2.30%	1,382,354	8.50%
Non-operating income and expenses	406,000	3.33%	2,937	0.02%
Income before tax	686,398	5.63%	1,385,291	8.52%
Income tax expense	128,568	1.05%	287,684	1.77%
Net income	557,830	4.58%	1,097,607	6.75%
Net income attributable to shareholders of the parent	537,296	4.41%	1,006,033	6.19%
EPS (dollars)	5.20		9.73	

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

	3Q 2021		3Q 2020		YoY		
	Amount	%	Amount	%	Amount	%	
Operating Revenue	4,375,885	100.00%	5,421,870	100.00%	(1,045,985)	-19.29%	
Operating Costs	3,730,246	85.25%	4,859,651	89.63%	(1,129,405)	-23.24%	Increase in Profit Margin
Gross Profit	645,639	14.75%	562,219	10.37%	83,420	14.84%	4.39%
Operating Expenses	280,207	6.40%	270,075	4.98%	10,132	3.75%	Increase in Operating Margin
Operating Income	365,432	8.35%	292,144	5.39%	73,288	25.09%	2.96%
Non-operating income and expenses	45,205	1.03%	67,353	1.24%	(22,148)	-32.88%	Increase in Income before tax margin
Income before tax	410,637	9.38%	359,497	6.63%	51,140	14.23%	2.75%
Income tax expense	93,521	2.14%	67,686	1.25%	25,835		Increase in Net Profit Margin
Net income	317,116	7.25%	291,811	5.38%	25,305	8.67%	1.86%
Net income attributable to shareholders of the parent	286,078	6.54%	280,296	5.17%	5,782	2.06%	
	31,038	0.71%	11,515	0.21%	19,523	169.54%	
EPS	2.77		2.71		0.06	2.21%	

Source: Audited consolidated financial statements 20



Operation Overview

In Thousands of NTD, except EPS

	2021 January-September		2020 January-September		YoY		
	Amount	%	Amount	%	Amount	%	
Operating Revenue	9,323,877	100.00%	10,442,321	100.00%	(1,118,444)	-10.71%	
Operating Costs	7,837,743	84.06%	9,210,003	88.20%	(1,372,260)	-14.90%	Increase in Profit Margin
Gross Profit	1,486,134	15.94%	1,232,318	11.80%	253,816	20.60%	4.14%
Operating Expenses	849,103	9.11%	773,951	7.41%	75,152	9.71%	Increase in Operating Margin
Operating Income	637,031	6.83%	458,367	4.39%	178,664	38.98%	2.44%
Non-operating income and expenses	94,043	1.01%	137,862	1.32%	(43,819)	-31.78%	Increase in Income before tax margin
Income before tax	731,074	7.84%	596,229	5.71%	134,845	22.62%	2.13%
Income tax expense	152,662	1.64%	108,555	1.04%	44,107		Increase in Net Profit Margin
Net income	578,412	6.20%	487,674	4.67%	90,738	18.61%	1.53%
Net income attributable to shareholders of the parent	497,135	5.33%	468,262	4.48%	28,873	6.17%	
	81,277	0.87%	19,412	0.19%	61,865	318.69%	
EPS	4.81		4.53		0.28	6.18%	

Source: Audited consolidated financial statements 21



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	+8	100
QVL (Vietnam)	45	+2	+5	52
BSP (Romania)	12	+2	+2	16
Atlanta(Jordan)	12	+8	+40	60
KHM (Vietnam-1)	24	+0	+0	24
KHM (Vietnam-1)	32	+0	+0	32
Total	487	+12	+60	559

(+2.46%) (+12.02%)



QVT



QVL



Business Development

- Environment friendly down products of Patagonia
- Spyder specializes in ski racing products and has been an official supplier to the US Ski Team
- Arizia is a Canadian women's fashion brand, with good design, quality materials and timeless style



Opportunities and Challenges

- Global economic recovery, stability and growth in Taiwan economy and the pandemic slowing down promotes diversification



- Increase in raw material cost
- Price increase in down feathers
- Impact of Covid-19 in Vietnam
- Port congestion and pushed up shipping costs

- Strengthen product developments for different target customers
- Each customer can develop exclusive face mask, protective equipment, protective blankets and gloves
- Strategical alliance opportunities to expand business and diversification
- Concentrate on North America and China market, while developing Europe, Japan and other regions



Business Strategy and Future Policy

Increase Customer Brand
and Market Share

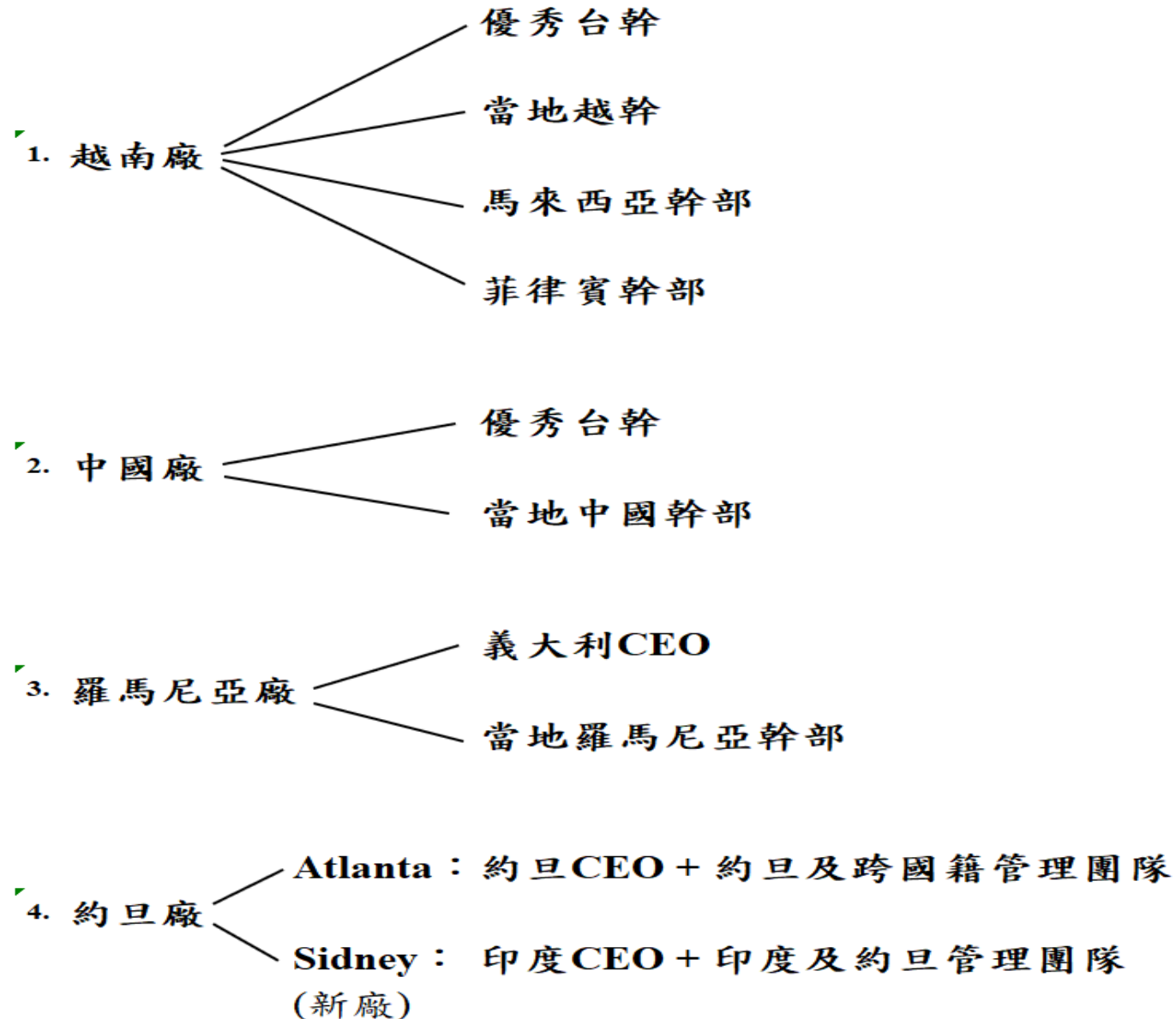


Strengthen
Management Team
and Corporate
Governance

Revenue Growth
Improve Profitability



Strengthen Management Team



ESG-Environmental


Vietnam's Largest Solar Energy Generator in Garment Factories 6M / W Total electricity consumption 67%

Why Solar Power - reduce greenhouse gases


How we protect the earth in first **40 days** trial run in VN
(Jun.15~Jul.28)

Environmental Benefits

Environmental Equivalents
Achieved by use of renewable energy

 The energy to operate a TV for **72,849** days

 The pollution an average passenger car emits over **74.25** years

 The energy to power **1,935.12** computers for 1 year

Greenhouse Gases
Greenhouse gases avoided by use of renewable energy

CARBON DIOXIDE
CO₂ 742,511.30 lb

NITROGEN OXIDE
NO_x 694.40 lb

SULFUR DIOXIDE
SO₂ 13.70 lb

Carbon Offset
336.80 metric tons



You have offset the equivalent of:
71.80 ac



Data source: <https://easyview.auroravision.net/easyview/index.html?entityId=23469208>

ESG-Environmental

QVE Group was RDS certified in 2015



CERTIFICATE

CERTIFICATE No: CB35036-03.2015
REGISTRATION No: CU 835036

Field of attention:
RDS
Responsible Down Standard
CHAIN OF CUSTODY

Issued to:
Quang Viet Enterprise Co., Ltd
Taipei City, TAIWAN
Project in: VIETNAM

Responsible Down Standard
CHAIN OF CUSTODY

Valid until: 16 February 2016

Control Union Certifications declares to have inspected the unit(s), and/or product(s) of the above mentioned client, and have found them in accordance with the standards mentioned above.

This certificate covers the unit(s), and/or product(s) as mentioned in the authenticated annex of this certificate. This document has been issued on the basis of the Responsible Down Standard owned and managed by the Textile Exchange. The declared operator has submitted his activities under control, and meets the requirements laid down in the named Standard.

This certificate is in force until further notice, provided that the above-mentioned client continues meeting the conditions as laid down in the client contract with Control Union Certifications. Based on the annual inspections that Control Union Certifications performs, this certificate is updated and kept into force.

Date of certification: 17 December 2014
Place and date of issue: Zwolle, 16 January 2015

Declared by: *H. van Diejen*
On behalf of the Managing Director
Mr. H. van Diejen

Certifier
Control Union Certifications
Meerweglaan 4-6
8011 BZ ZWOLLE
The Netherlands
<http://www.controlunion.com>
tel.: +31 (0)38-4260100

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Annex to CERTIFICATE No: CB35036-03.2015
REGISTRATION No: CU 835036
RDS
Responsible Down Standard
CHAIN OF CUSTODY

Quang Viet Enterprise Co., Ltd
GF, No 607, Ruijsiang Rd, Neihu District
11492 Taipei City
TAIWAN

This certificate covers the following PRODUCT(S) which meet(s) the criteria of the RDS Standard.

Certified products

Product no.	Name of product	Processing unit(s)
P 098465	Grey duck down	PRC 051730, PRC 051731
P 098468	Grey goose down	PRC 051730, PRC 051731
P 098463	White duck down	PRC 051730, PRC 051731
P 098457	White goose down	PRC 051730, PRC 051731

This certificate covers the following PROCESSING UNIT(S) and PROCESSES, which meet(s) the criteria of the RDS Standard.

Processing units

Unit no.	Name of unit	Unit ref.	Address	No. of production units	Processes
PRC 051730	Kwang Viet Co., Ltd		Unit 2, Guchi town, Cuchi Dist, Hochi Minh City, VIETNAM		Processing, Trading
PRC 051731	Quang Viet (Tien Giang) Co., Ltd		Lot K1-2.2 Tan Huang Industrial Zone, Tan Huang Commune, Chau Thanh District, Tien Giang Province, VIETNAM		Processing, Trading

This certificate including the annex remains property of Control Union Certifications and can be withdrawn in case of terminations as mentioned in the licensee contract, or in case changes or deviations of the above mentioned data occur. The licensee is obliged to inform Control Union Certifications immediately of any changes in the above mentioned data. Only an original and signed certificate is valid.

Date of certification: 17 Dec 2014

Place and date of issue: Zwolle, 16 January 2015

Authenticated by: *H. van Diejen*
On behalf of the Managing Director
Mr. H. van Diejen
Certifier

This certificate cannot be used as guarantee certificate for delivered goods!

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ESG-Environmental



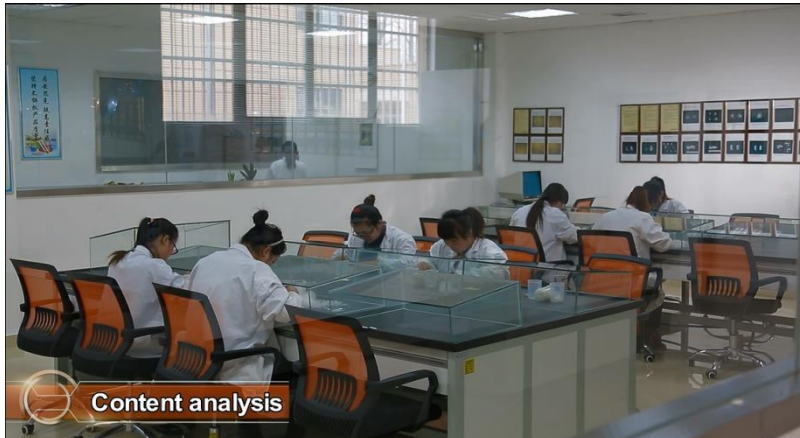
Top One Down & Feather Shu Yang Co., Ltd.



Constant Temperature and Humidity Process



Wastewater Treatment



Content Analysis Laboratory

QUANG VIET Enterprise Co., Ltd.

ESG-Social

Fairtrade Taiwan



ESG-Social

項目	說明
落實公司治理	本公司通過多項內規，使本公司董、監事、經理人及員工瞭解公司道德標準，並依公平、誠實、守信、透明原則從事商業活動，確實落實誠信經營政策。
功能性委員會	本公司設有薪資報酬委員會，以定期檢討董事、監察人及經理人績效與薪資報酬之合理性。本公司設有審計委員會，以協助董事會履行其監督公司在執行有關會計、稽核、財務報導流程及財務控制上的品質和誠信度。
發展永續環境	<p>在水資源方面，本公司海外各廠之生活污水排放皆經處理，確保水質符合當地排放標準；</p> <p>在服裝邊腳料、廢包裝、生活垃圾等廢棄物處理方面，皆依品牌客戶及當地政府對工廠廢棄物處置規定處理；</p> <p>在碳排放方面，積極推動溫室氣體減量措施，以降低公司營運活動對氣候變遷之衝擊。</p> <p>在電資源方面，已與鴻海同步成為越南最大太陽能發電基地。</p> <p>在永續地球方面做到RDS人道羽絨及充分利用Recycle材料。</p>
維護社會公益	<p>本公司秉持「勞資本一體」之理念，各廠皆依當地國勞動法規辦理，並著重合理化、人性化的管理，另亦依規定成立工會及職工福利團體，以提升勞工權益及福利。</p> <p>本公司2018.04起成為全球第一家與Fairtrade簽約之成衣工廠。</p>



Business Strategy and Future Vision

Business Strategy:

- Technology
- Innovation
- Perseverance
- Sustainability

Future Vision: Manufacturing Excellence

- Best Technology and Quality to Service Customers
- Best Benefit and Environment for Employees
- Best Products and Enterprise for Shareholders



