

Quang Viet Enterprise Co., Ltd. (4438 TT)

Investor Presentation

Redefining Efficiency. Rebuilding Value.

Date : 2025/4

<https://www.qve.com.tw/>

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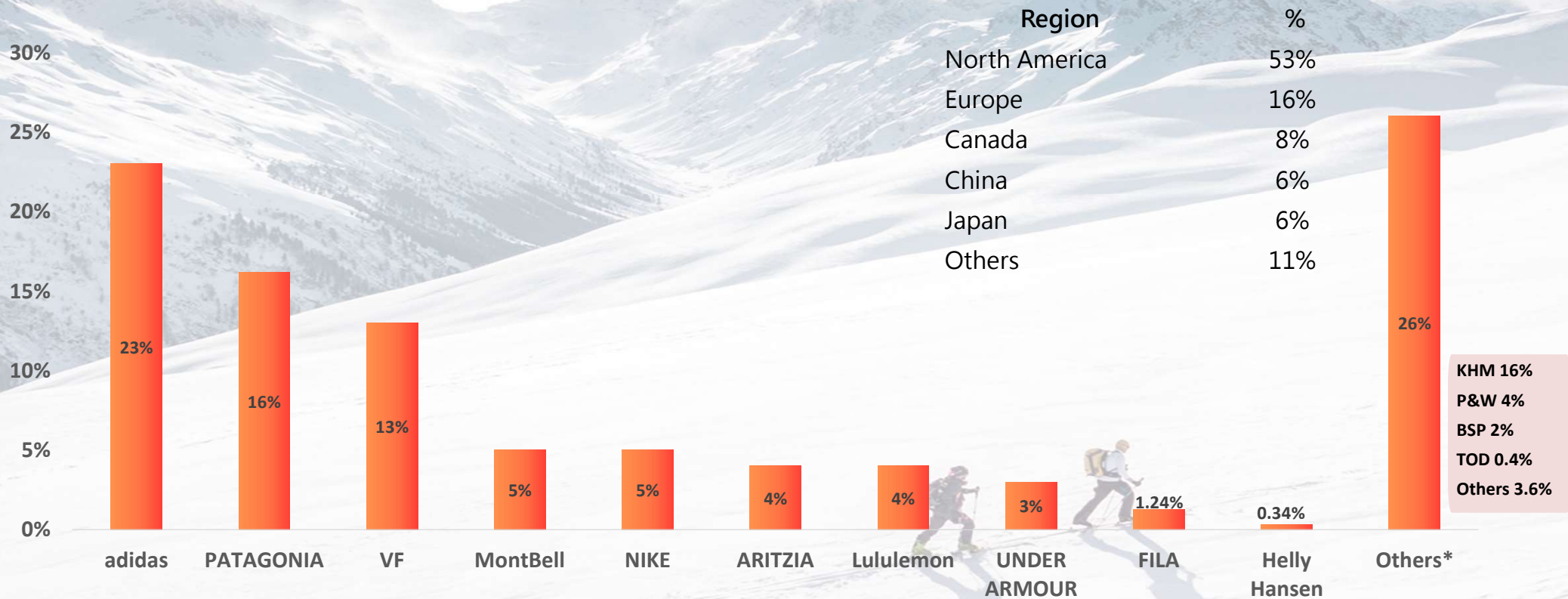
1Q25 Financial Update

2025Q1 Income Statement

	2025Q1	2024Q1	YOY
(新台幣仟元)	金額	金額	%
營業收入	2,756,050	2,367,635	16.41%
營業成本	(2,475,010)	(2,194,072)	12.80%
營業毛利	281,040	173,563	61.92%
營業費用	(398,694)	(367,669)	8.44%
營業淨損	(117,654)	(194,106)	-39.39%
營業外收入及支出	(21,298)	86,494	-
稅前淨損	(138,952)	(107,612)	29.12%
所得稅(費用)利益	(200)	16,497	-
稅後淨損	(139,152)	(91,115)	52.72%
歸屬於母公司	(129,842)	(115,861)	12.07%
每股虧損	(1.26)	(1.12)	-
重要財務比率(%)			
毛利率	10.20%	7.33%	
營業費用率	14.47%	15.53%	
營業利益率	-4.27%	-8.20%	
所得稅率	0.01%	-	
淨利率	-4.71%	-4.89%	

Revenue Breakdown by Top 10 Customer / Region (2025Q1)

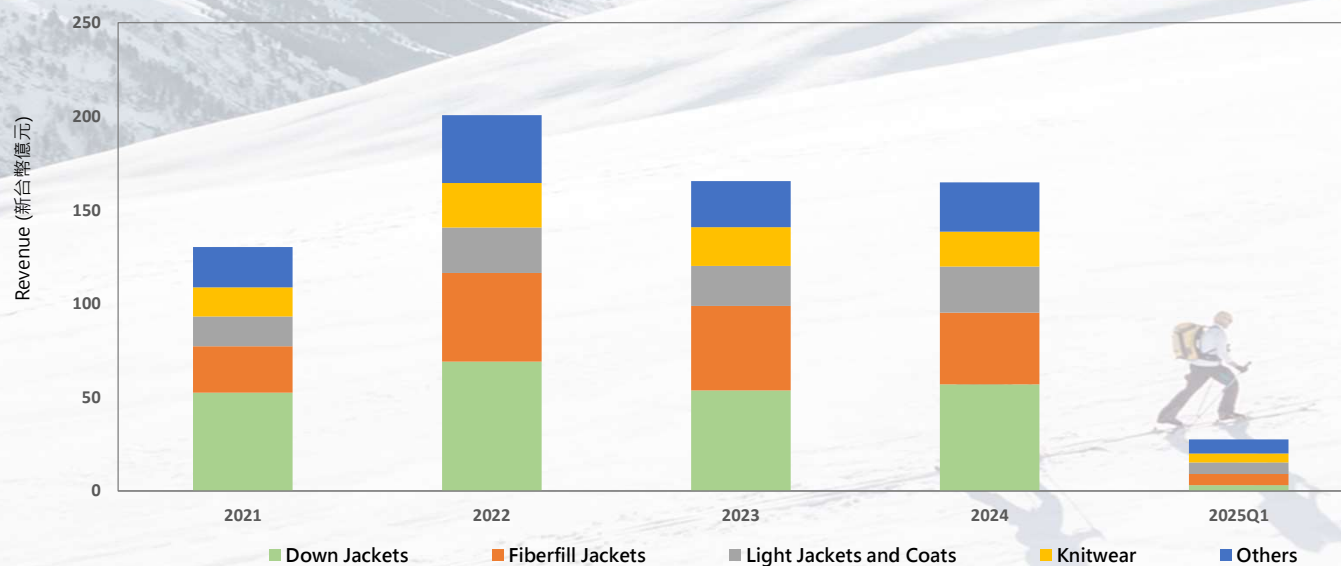
Revenue Breakdown by Top 10 Customer / Region (2025Q1)



Consolidated Revenue by Product (2025Q1)

(NT\$ bn)

	2021		2022		2023		2024		2025Q1	
Down Jackets	5.2	40.27%	6.9	34.45%	5.4	32.44%	5.7	34.53%	0.3	10.89%
Fiberfill Jackets	2.5	19.08%	4.7	23.60%	4.5	27.20%	3.8	23.26%	0.6	21.73%
Light Jackets and Coats	1.6	12.22%	2.4	12.04%	2.2	13.01%	2.5	14.99%	0.6	22.28%
Knitwear	1.5	11.89%	2.4	11.84%	2.1	12.48%	1.9	11.24%	0.5	17.34%
Others	2.2	16.53%	3.6	18.06%	2.5	14.87%	2.6	15.99%	0.8	27.76%
Total	13.0	100.00%	20.1	100.00%	16.6	100.00%	16.5	100.00%	2.8	100.00%



Company Overview and Strategy



ABOUT QVE

Founded in 1997, QVE is a trusted manufacturer for luxury outerwear and activewear. With deep expertise in functional garment engineering, we partner with Tier 1 brands such as Nike, adidas, North Face, Patagonia, and Lululemon to deliver scalable, agile, and vertically integrated solutions.



**WHY
QVE?**

Top 3 Global Manufacturer in Luxury Functional Outerwear/activewear

QVE excels in high-complexity processes—down filling, waterproof bonding, seamless welding—and has served 30+ global brands, including adidas, Patagonia, VF, Nike, and Lululemon. Trusted for its quality and delivery, QVE maintains strong customer loyalty and continues to expand into luxury outerwear and activewear markets.

Flexible Multi-Region Supply Chain with Tariff Resilience

QVE operates production hubs across China, Vietnam, Jordan, and Romania, ensuring agility and geographic flexibility. Despite rising U.S. tariffs, its Jordan site faces only mild reciprocal duties, maintaining cost competitiveness. As brands remain reliant on Asia, QVE is a trusted partner for stable delivery in an uncertain trade environment.

Reengineering Efficiency to Accelerate Returns

Since 2023, QVE has launched a manufacturing upgrade initiative, already showing results: its China site boosted output by 38% with only a 3% increase in headcount. The ongoing “QVE Icebreaking” program further enhances productivity, order allocation, and capital efficiency—anchored on ROIC as a core metric. QVE targets 20% ROE within 3–5 years while maintaining a 70% dividend payout, reinforcing its commitment to long-term shareholder value.

Empowering the World's Tier 1 Brands with Luxury Outerwear and Activewear Solutions

Client Portfolio

Luxury Outerwear



Outerwear



Activewear



Fashion wear

ARITZIA

Building Sustainable Competitiveness Through Production Mastery



Strategic Capacity Allocation for Supply Chain Stability

QVE' s Capacity Strategy: Tariff leverage, supply chain depth, and EU market proximity



Integrated & Flexible Production to Strengthen Supply Chain Resilience



Icebreaking: QVE' s 3-Year Roadmap to Sharpen ROIC and Boost ROE

$$\text{ROIC} = \text{NOPAT} \uparrow \div \text{Invested Capital} \downarrow$$



Operational Excellence Program

- Accelerate smart manufacturing upgrades
- Build an integrated data system for analysis and response
- Standardize shift and workforce management

Order Profitability Optimization

- Maximize site utilization and order margin
- Prioritize long-term customer value over volume

Disciplined Capital Investment

- Take a prudent approach to capacity expansion
- Explore asset-light or capital-efficient models

- ROIC adopted as the primary metric for capital efficiency
- Targeting sustainable ROE improvement to 20% within 3–5 years

QVE' s Manufacturing Upgrade Kicks Off with Early Success in China

- QVE launched its company-wide upgrade initiative in 2023, starting with our China site. Early results have validated the execution of our Icebreaking strategy.

China Site Transformation Strategy

Organizational Restructuring :

- Flattened and rejuvenated management layers to boost agility and communication.
- Introduced international management talent to deepen global client engagement.

Cost Efficiency :

- Conducted detailed site-level cost breakdowns to optimize resource use and reduce waste.
- Implemented cost accountability to preserve contribution margins.

Productivity Enhancement :

- Upgraded automation systems and extended automation to select manual steps (e.g., bundling) to improve process efficiency.

Results

+38%

gain in productivity
(with just a 3% headcount increase)

>50%

growth in customer orders

Top-ranked

in on-time delivery performance (MDP) among key clients
(MDP, Management Delivery Performance)

Q&A

Financials

Income Statement

NT\$m	2020	2021	2022	2023	2024	YoY				
						2020	2021	2022	2023	2024
Revenue	12,189	13,022	20,066	16,553	16,473	-25.0	6.8	54.1	-17.5	-0.5
Gross Profit	1,286	1,872	3,266	2,486	2,095	-49.5	45.6	74.5	-23.9	-15.7
Operating Expenses	-1,005	-1,187	-1,744	-1,565	-1,626	-13.6	18.1	47.0	-10.3	3.9
Operating Profit	280	685	1,522	921	469	-79.7	144.2	122.3	-39.4	-49.1
Pretax Income	686	974	1,957	1,191	682	-50.5	41.9	100.9	-39.2	-42.7
Tax Expenses	-129	-248	-462	-286	-203	-55.3	92.8	86.5	-38.1	-29.1
Minority Interest	-21	-96	-318	-170	-77	-77.6	366.3	232.4	-46.5	-54.6
Net Income to Parent	537	631	1,176	734	402	-46.6	17.3	86.5	-37.6	-45.2
Basic EPS (NT\$)	5.20	6.10	11.38	7.10	3.89	-46.6	17.3	86.6	-37.6	-45.2
Key Financial Ratios (%)										
Gross Margin	10.5	14.4	16.3	15.0	12.7					
Operating Expense Ratio	8.2	9.1	8.7	9.5	9.9					
Operating Margin	2.3	5.3	7.6	5.6	2.8					
Effect Tax Rate	18.7	25.4	23.6	24.0	29.7					
Net Margin	4.6	5.6	7.4	5.5	2.9					

Balance Sheet

NT\$m	2020	2021	2022	2023	2024	YoY				
						2020	2021	2022	2023	2024
Total Assets	12,870	14,839	16,486	15,692	17,198	10.4	15.3	11.1	-4.8	9.6
Cash	2,346	1,819	3,765	3,227	2,337	5.1	-22.4	107.0	-14.3	-27.6
AR & NR	973	2,035	1,816	1,320	1,570	-11.9	109.1	-10.8	-27.3	18.9
Inventories	3,006	4,201	4,238	3,226	4,213	-12.1	39.8	0.9	-23.9	30.6
Fixed Assets	2,765	2,938	3,098	3,387	3,534	19.1	6.3	5.5	9.3	4.4
Total Liabilities	4,717	6,448	6,718	5,750	7,043	22.2	36.7	4.2	-14.4	22.5
AP & NP	710	852	984	703	1,154	21.1	20.0	15.5	-28.5	64.2
Total Borrowings	2,102	3,598	3,203	2,863	3,915	6.2	71.2	-11.0	-10.6	36.8
Total Equity	8,153	8,392	9,768	9,942	10,155	4.6	2.9	16.4	1.8	2.1
Key Financial Ratios										
A/R Turnover Days	30.7	41.6	34.5	34.1	31.6					
Inventory Turnover Days	106.1	116.3	90.4	95.5	93.1					
A/P Turnover Days	21.4	25.2	19.7	21.6	23.3					
Cash Conversion Days	115.4	132.7	105.3	108.0	101.5					
ROE (%)	7.0	8.8	16.5	9.2	4.8					
ROA (%)	4.5	5.2	9.5	5.6	2.9					
Net Debt/equity	(20.9)	21.2	(20.3)	(18.2)	15.5					

Historical Cash Dividend Distribution

	2020	2021	2022	2023	2024	2025*
EPS (NT\$)	9.73	5.20	6.10	11.38	7.10	3.89
Cash Dividend per Share (NT\$)	7.5	3.2	4.2	6.8	5.2	3.20
Dividend Yield	6.14%	2.64%	3.50%	5.79%	5.17%	4.05%

*Subject to approval at the Annual General Meeting on June 17, 2025

Customer-Aligned Growth with Disciplined Capital Investment

Site	2023	2024	2025	2025 vs 2024	2026	2026 vs 2025
QVN (Vietnam)	105	100	100	-	105	+5
QVT (Vietnam)	150	145	157	+12	162	+5
QVL (Vietnam)	52	47	59	+12	69	+10
QVC (China)	80	75	87	+12	87	-
BSP (Romania)	16	16	16	-	16	-
Middle East Jordan	50	45	65	+20	75	+10
KHM (Vietnam-1)	22	22	22	-	25	+3
KHM (Vietnam-2)	28	28	28	-	31	+3
Total	503	478	534	+56	570	+36