遠東集團
FAR EASTERN GROUP

Everest Textile Co., Ltd.

EVEREST®

1460 (TWSE)

IR Publication – Oct 2021

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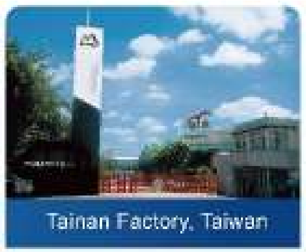
Company Overview

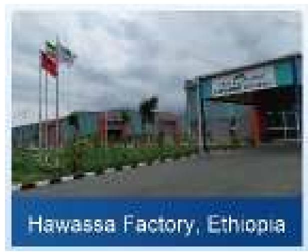
Company	Everest Textile Co., Ltd.
Establishment	1988
Capital	NTD 6.9 billions
Chairman	Mr. Hsi Jar-Yi
General Manager	Mr. Yeh Ching-Lai
Global Staffs	8,100
Specialist	Woven and Knit Special Material Processed Yarn Multi-function Membrane Coating and Lamination Special Post-finishing Garments


Tainan Factory, Taiwan


Shanghai Factory, China


Ratchaburi Factory, Thailand


North Carolina Factory, USA


Hawassa Factory, Ethiopia


Caracol Factory, Haiti

Company Overview

Integration of global six factories
Corporation of short link chains and
building up complete value chain

Market Update

Taiwan plays important role in world supply chain

Order Transfer Effect

(China) Power rationing

China strengthen implement of power rationing policy, restricting energy usage of energy-intensive industries，

Trade Competition USA vs China

Fatal effect on global trade, finance & economic growth. Supply chain will be restructured

COVID-19

Rapid shrinking of market, global financial market is extremely unstable. The global economy is greatly undermined and it speed up restructuring of supply chain

Cotton Price

Dispute of Xinjiang cotton, epidemic in India impact global cotton supply, stimulating outlook of cotton yarn orders

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Strategic Summary

Global Layout
Regional production with dynamic sales

「Short supply chain & regional production」 becomes new variable of global economic

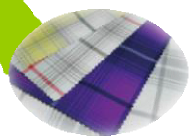
In the post pandemic era we must have capability of AI manufacturing with dynamic sales

Regional production in six countries makes Everest has an absolute advantage of production supply chain with multi-sites and flexible operation

Sales office：
Taipei
Shanghai
Hong Kong
Tokyo
New York
Bangkok
Munich

Production site：
Tainan, Taiwan
Shanghai, China
Ratchaburi, Thailand
North Carolina, USA
Ethiopia, Africa
Haiti, Americas

Yarn



Fabric

Garment

Split operation chains in order to react quickly in geo-environment。

OEM > Design > Design & OEM > Private Brand > Capability

EVEREST®

Strategic Summary

Leap Thinking　Create New World

Leap innovation create indispensable advantage of our high value products

Textiles for Sports

Automation
Import
Industry 4.0

Mass production
Textile
automation machine

Craftsmanship
The technology for
textile functional fabric

Leap

Textiles for Technical

Key point:
1. Special yarn
2. Apparel OEM
3. Functional processing

Commercialization
Commercialization of
industrial fabric

Analysis
Only industrial textile
products
in the US

Leap

Textiles for Medical

Key point:
1. Masks
2. Isolation gown
3. Safety suit
4. Scrubs

Textiles for Medical
High Value products
Anti-epidemic,
protective &
functional products

Post Epidemic era
1.Anti-virus tech
2.Sealing tech

Everest core abilities combines with digital transform & AI manufacturing, entering industrial textile market and anti-epidemic market. High-tech research and marketing team is built up to work together to establish high added value industrial chain

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Strategic Summary

Anti-epidemic product
Post pandemic era market

Everest utilize 125 core technologies to develop “reuseable” isolation gown/safety suit/scrubs/ and masks

Surface layer
- Water repellent
- Print cloth,Corduroy
- Customized trademark

Middle layer
- PTFE protective film
- Anti-virus knitting
- Silver/zinc oxide/copper anti-bacterial textile

Inner layer
- Deodorant Textile
- Skin-friendly collagen
- Ice cool yarn

Humanity x Science Innovation

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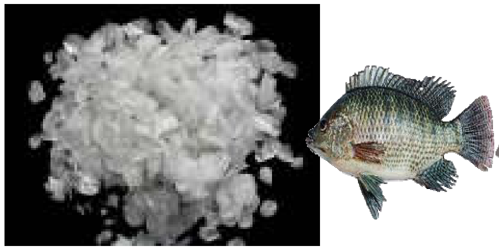
Strategic Summary

Agriculture/Fishery disposal

Connected to local sustainable recycle economy

Taiwan tilapia scales



Water chestnut

Oyster shell powder

Everest core tech

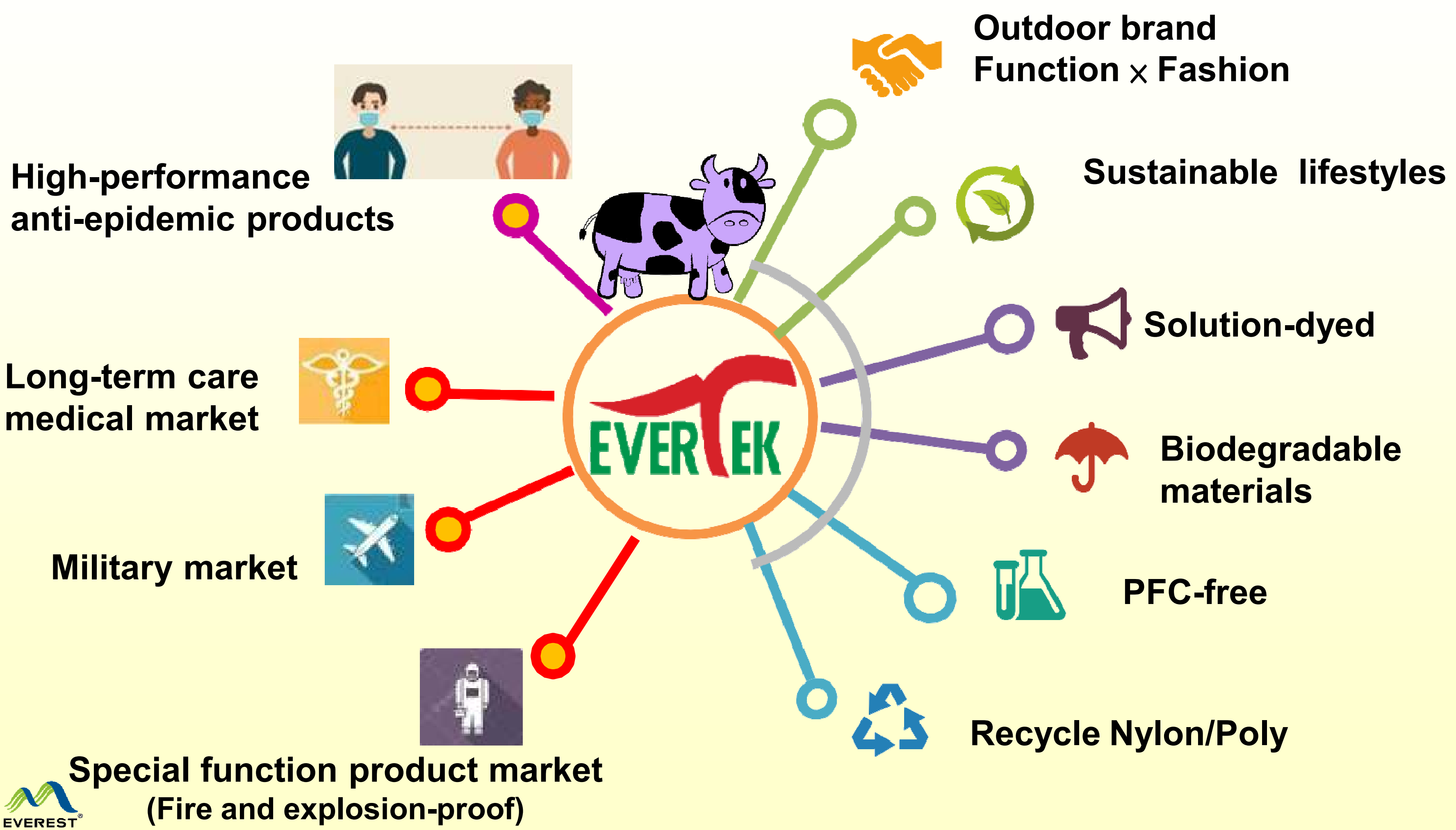
Everest functional textile

outdoor/sport brand apparel

Everest Core Abilities

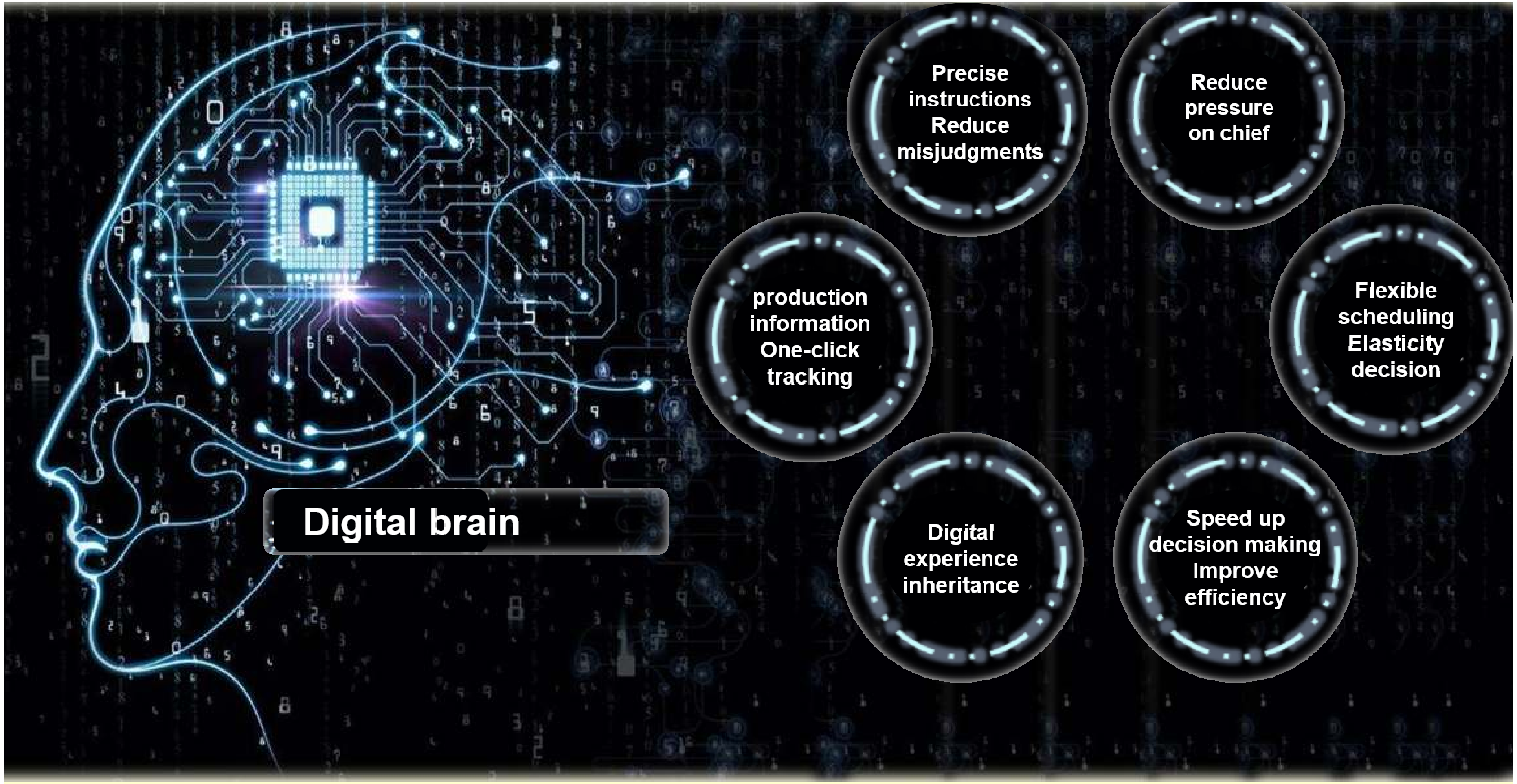
Innovation integration

Combine 125 core technology platforms



Everest Core Abilities

Smart transformation



Everest Core Abilities

Lean management

Leakage Energy leakage

False demand
Supply over demand

Repetitive work
Over processing

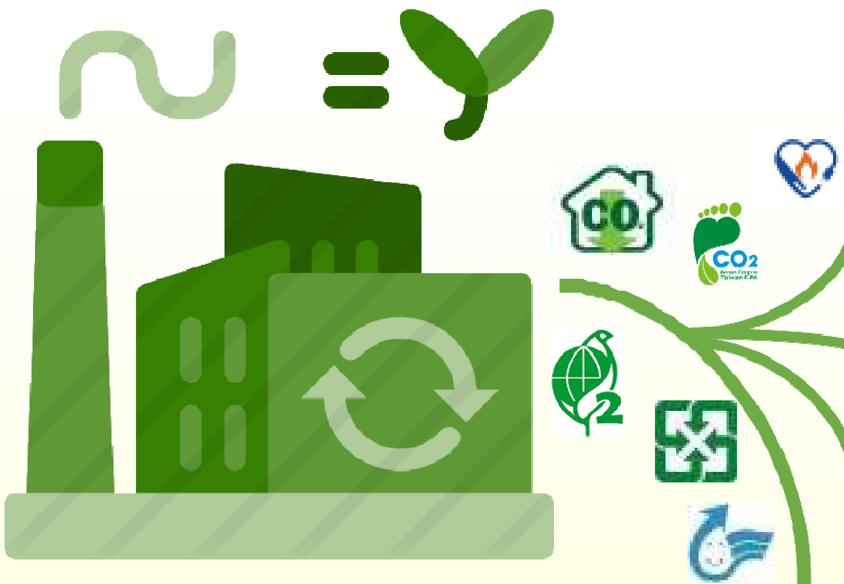
Standby idling
Booting and not producing

Defect Ratio
Waste caused by quality

Engineering modulation
Waste energy of mold change

Everest Core Abilities

Upgrade Sustainability 3.0



Air pollution improvement

Boiler renovation to increase resource utilization , reduce waste water and air pollution discharge.

Process optimization

Upgrade the efficiency of heat preservation, shaping and air pressure .To improve heat recovery, Resource application,Optimized processing process, Reduce energy consumption.

Friendly environment material

Adjustment of low-toxic chemical substances, Research and develop non-toxic formula. Optimize the recovery mechanism of the washing tower.

7R

Reduce the amount of waste; strengthen the recycling rate. The incinerator assist in incineration of waste from nearby factories, increase income, Promote sustainable regional development.

Everest Core Abilities

Implement ESG Philosophy

E
Environmental protection

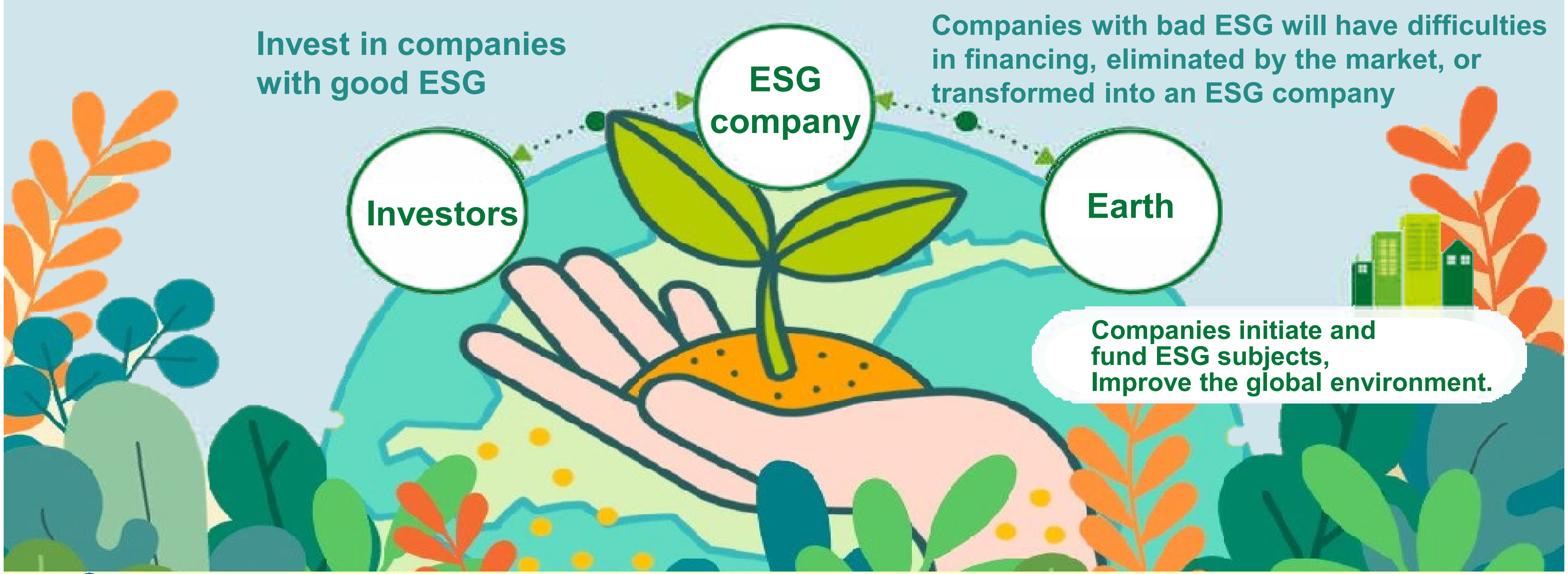
- Climate change
- Carbon neutrality
- Pollution control
- Clean energy
- Sustainable environment

S
Social responsibility

- Employee Welfare
- Labor rights
- Community planning
- Information Security
- Human rights protection

G
Company governance

- Information transparency
- professional ethics
- Director system
- Shareholder rights
- Salary System



Sales Market: Global Brand Clients

Global brand customers ： Including sports, outdoor, City, Casual, medical , industrial clothing and fabric markets.

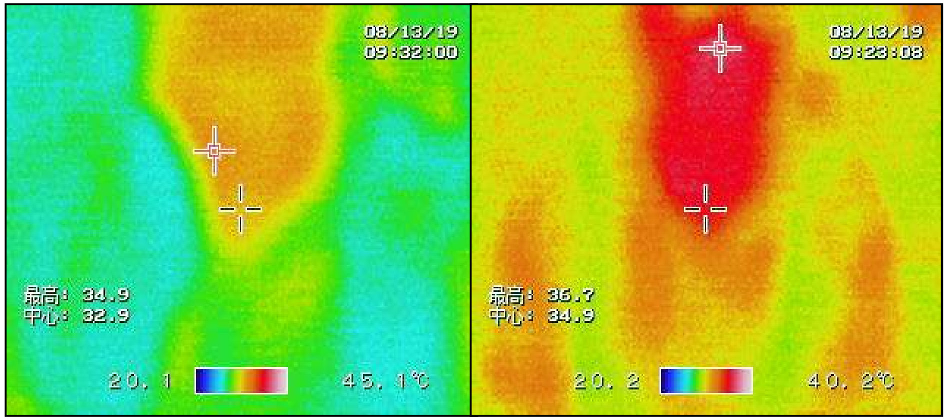
Brand customers Including Nike, Decathlon, Lululemon, The North Face, Under Amour…

Brand management: Attend Global Exhibition to Marketing Products

- In 2020 participated 19 exhibitions , spanning more than 16 cities in Europe, America, and Asia. Most of them were changed to online exhibitions due to the COVID-19.
- In 2021 It is expected to participate in about 30 exhibitions , implement streamlining , strengthen marketing of large-scale exhibitions

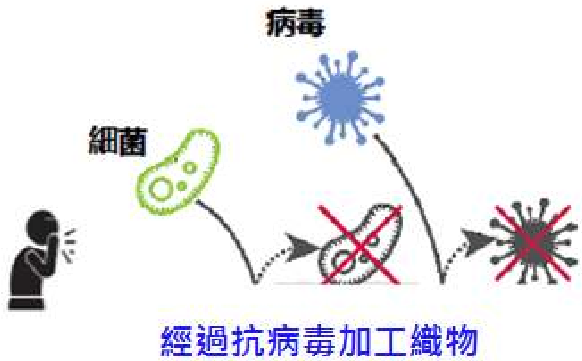
Product Innovations of 2021

Product Innovations of 2021 (1)



Ever Polar-Bear Thermal Wear
北極熊保暖衣

Ever Stone Shone
石之耀-閃光膜



Ever Coronavirus Inhibit – HeiQ
抗病毒產品

Ever Bio-based Rain Wear
全生質 **3 in 1**雨衣用布

Product Innovations of 2021 (2)

Ever Recycle Woven Long Pile
回收聚酯梭織長毛絨

Ever Q-Pro Stretch
超細緻 Q 軟手感聚酯

Ever Fusion Flannel
Fusion Flannel布料系列

Performance：Last Five Years Income Statement

單位：新台幣百萬元
Unit: NTD million

ITEM	2016		2017		2018		2019		2020		2021.1-6月	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Operating Revenue	8,810	100	8,847	100	9,405	100	8,864	100	7,344	100	4,348	100
Gross Profit	1,935	22	1,736	20	1,690	18	1,386	15	572	8	903	21
Operating Expense	1,336	15	1,382	16	1,452	15	1,428	16	1,424	20	743	17
Operating Profit	599	7	354	4	238	3	(42)	-1	(852)	-12	160	4
Non-operating Income & Expense	17	0	(51)	-1	38	0	(110)	-1	(80)	-1	(64)	-2
Profit before Income Tax	616	7	303	3	276	3	(152)	-2	(932)	-13	96	2
Tax	92	1	88	1	119	1	120	1	5	0	36	1
Profit after Income Tax	524	6	215	2	157	2	(272)	-3	(937)	-13	60	1
EPS(NTD)	$ 1.15		$ 0.47		$ 0.33		($ 0.56)		($ 1.94)		$ 0.16	

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Performance : Last Five Years Major Financial Indices

單位：新台幣百萬元
Unit: NTD million

Items	2016	2017	2018	2019	2020	2021.H1
Receivables	1,192	1,376	1,187	1,132	1,337	1,190
Inventory	3,687	4,056	4,504	4,748	4,657	5,091
Fixed assets	3,646	5,378	6,133	6,303	5,741	5,577
Total assets	9,817	11,887	12,488	13,516	13,565	13,610
Long short terms loans	3,095	5,227	5,588	6,503	7,698	7,788
Capital	4,712	4,900	4,998	5,098	5,098	3,946
Operating revenue	8,810	8,847	9,405	8,864	7,344	4,348
Profit after income tax	524	215	157	(272)	(937)	60
Profit margin after tax	5.9%	2.4%	1.7%	-3.1%	-12.8%	1.4%
ROA	5.8%	2.5%	1.9%	-1.4%	-6.9%	0.5%
ROE	10.8%	4.4%	3.1%	-5.4%	-24.6%	1.5%
EPS(NTD)	1.15	0.47	0.33	(0.56)	(1.94)	0.16
Liabilities ratio	50.5%	59.2%	58.7%	64.2%	71.9%	72.7%
Current ratio	160.9%	111.2%	98.0%	114.4%	112.8%	100.7%
Book value per share(NTD)	11.11	10.67	10.88	10.01	7.87	9.94

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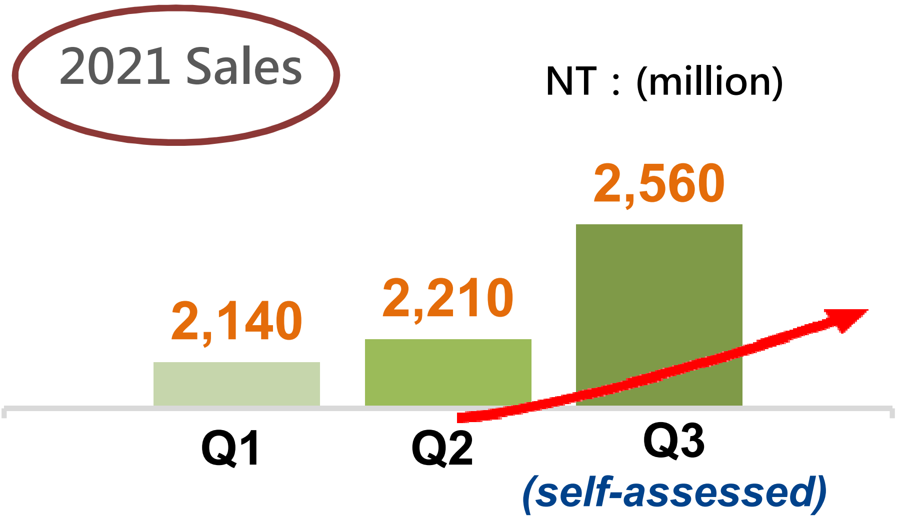
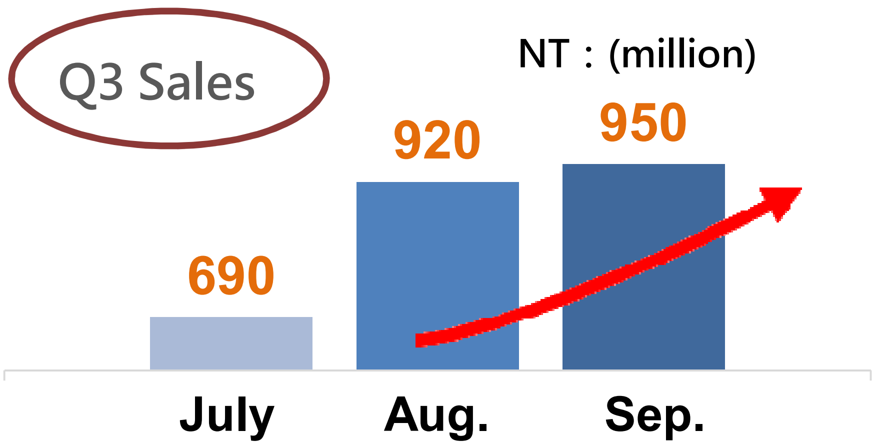
Performance

- **2021.6.30 Total Asset: NT$ 13,600 million / EPS 0.16元**



NT：(million)

Sales	Q1	Q2	Q3	合計
2021	2,140	2,210	2,560	6,910
2020	1,870	1,160	1,840	4,870
YoY	+14%	+91%	+39%	+42%



NT：(million)

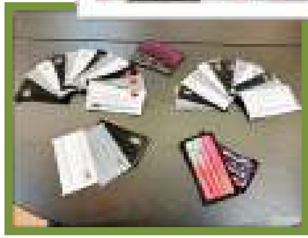
Sales	July	Aug.	Sep.	Total
2021	690	920	950	2,560
2020	560	600	680	1,840
YoY	+23%	+53%	+40%	+39%

Corporate Social Responsibility

- 2020 Colorful style fabric mask well-known in Africa

- 2020 Rank No.1 mask reported on Washington post
- 2020 MEA Green Factory Certificate

  Double authenticated green factory with diamond level EEWH & clean production



Economy

- Transform by using new tech
- AI digital innovation
- Integration of group resource and level up productivity to establish local industries chain

Environment

- Environment protection/Energy control/low-carbon
- Develop biology sustainable harmless textile

Society

- Awarded the 5th class of mittelstand by CommonWealth, 2015
- Rank No.1 fabric mask on Washington Post/well-known in Africa

Disclaimer

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