



**TST Group Holding Ltd.**

**TST Group -KY(4439)  
October 2021**



- The content of related information in this briefing report and the synchronous announcement is sourced from internal and external data of TST Group, including the operation result, financial situation and the business development, etc.
- No financial forecasting has been released by TST Group. The discrepancy may be existed between the actual result in the future and the estimated opinion to TST Group' s operation and business development subjects indicated in this briefing report with respect to the financial, business and Q&A part. The causes of the discrepancy may include the variety of market needs, price fluctuation, competition activities, international economic situation, exchange rate fluctuation, upper and downer stream supply chain, and any other risk factors that are beyond TST Group' s control.
- The prospects for the future in this briefing report reflect TST Group' s vision on the future so far. TST Group is not responsible for any notification or update with regard to any change or adjustment to these prospects in the future.



**TST Group Holding Ltd.**

# Contents

1. Company Profile
2. Main Products
3. Competitive Advantage
4. Financial Overview
5. Q&A





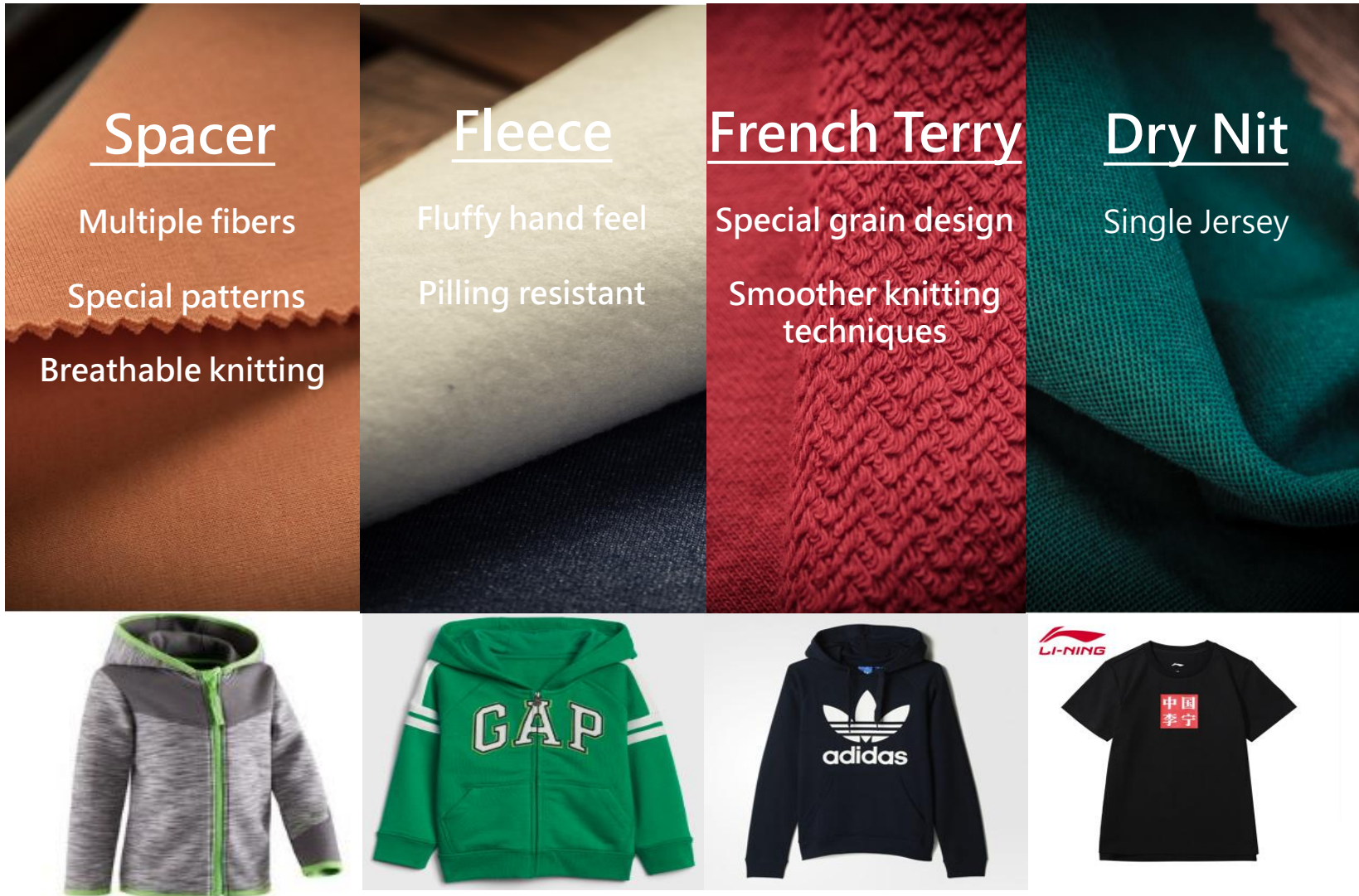
# Company Profile

- Year of establishment : 1995
- Capital : TWD 315 million
- Chairman/CEO/COO :  
LIN CHIN MAO/LIN CHING WEI/  
HUNG KSIANG MING
- Main products : Sports and leisure cotton blended knitted fabric
- Place of operation : Hong Kong 、 China 、  
Cambodia and Vietnam
- Group employee : About 1,100



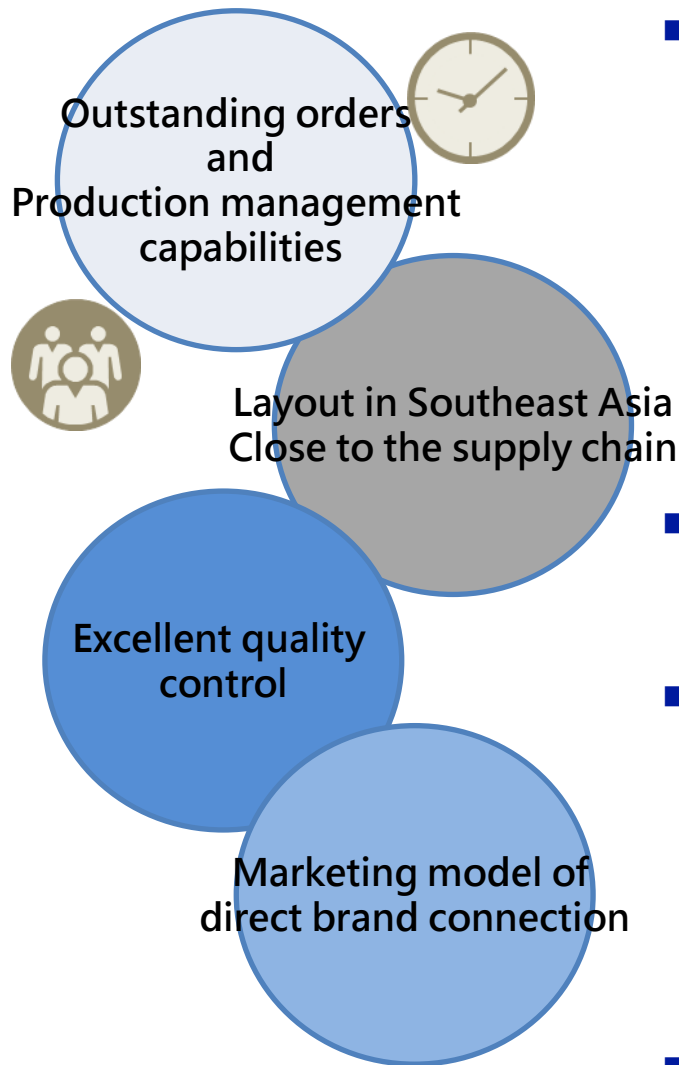


- High-quality cotton and cotton blend knitted sports and leisure fabrics









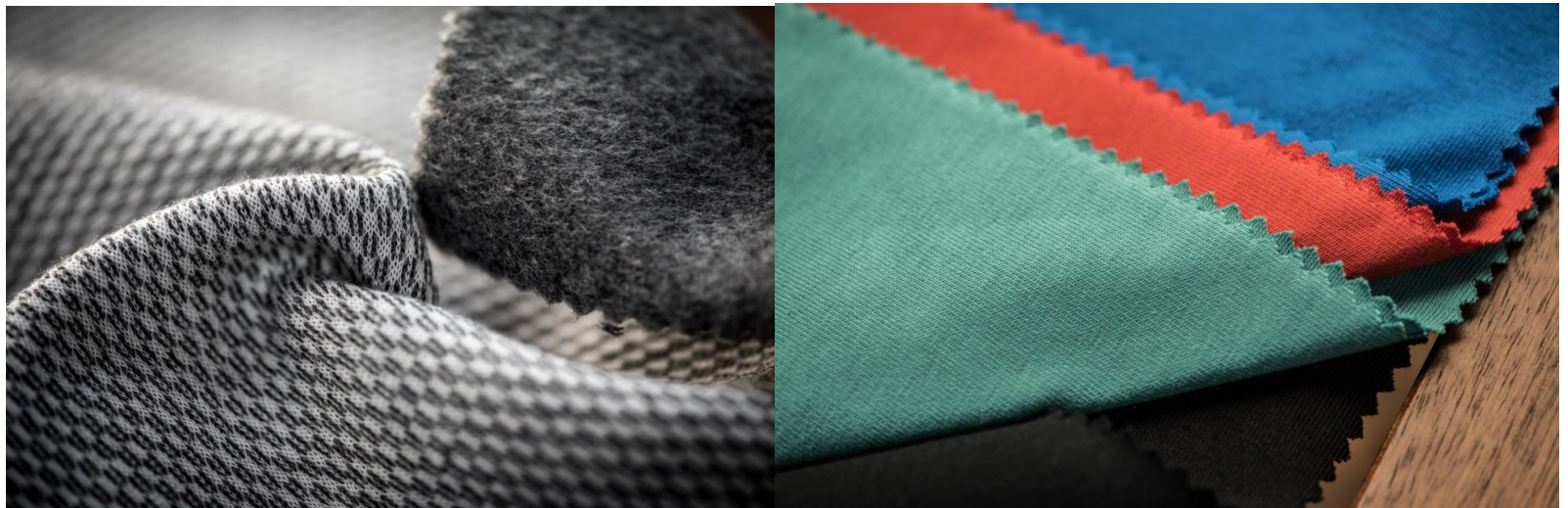
- Flexible order distribution capacity: two production bases, mainland certified long-term partners and Cambodian own factory, providing advantages such as production flexibility, rapid delivery and product diversification
- The only largest knitted fabric supplier in Cambodia
- Brand awarded self-test certification



- Take orders and discuss prices directly with the brand



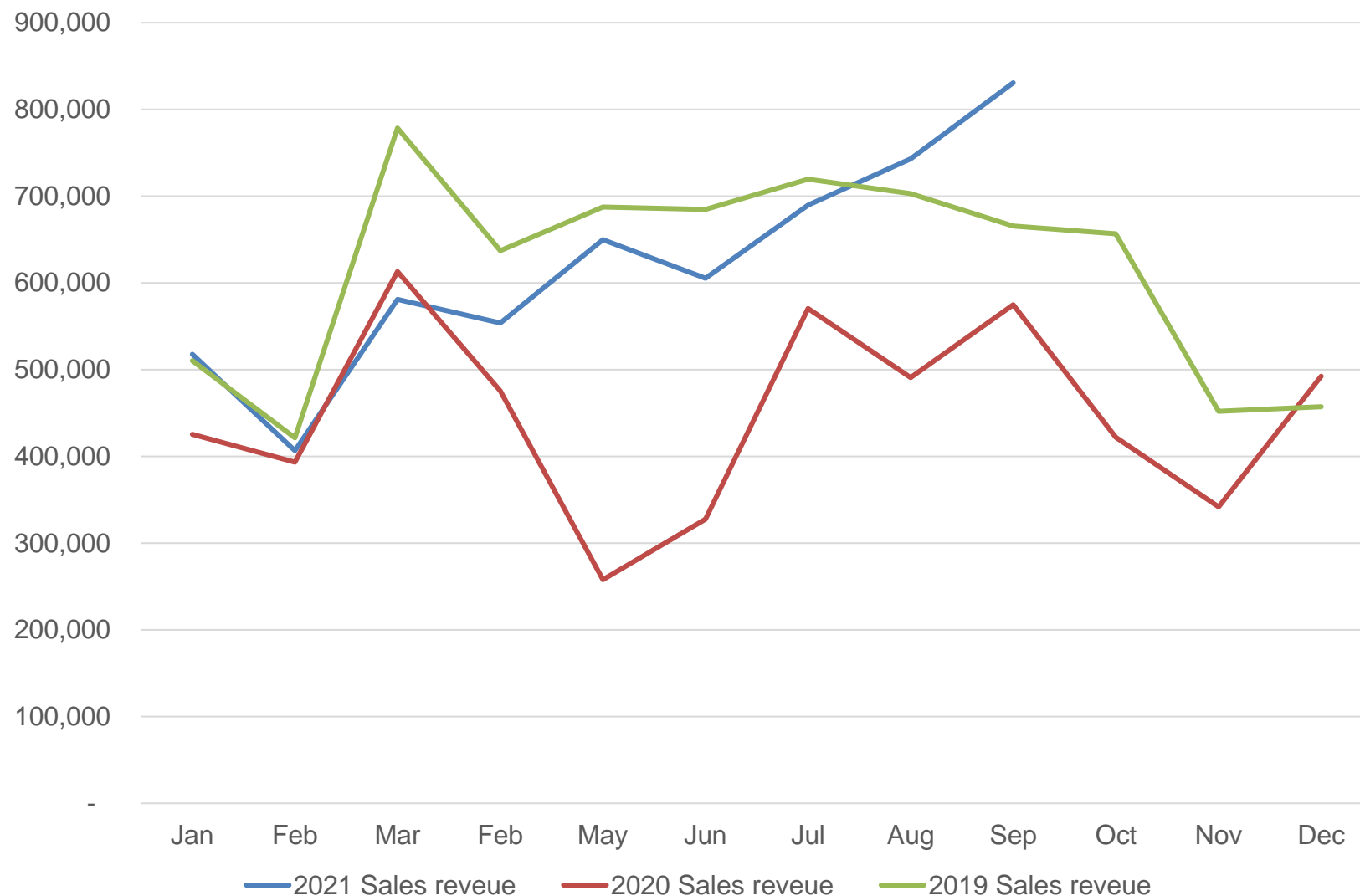
- International customers with brand value : International famous brand such as adidas, NIKE , PUMA, GAP and LI NING, etc
- Steady business : For the past years (2017 to 2020), TST Group has a stable profitability. During this period, annual profitability of the Group was one share capital.
- Stable dividend payout rate: TST Group promises to return profits to shareholders. In addition, the dividend payout rate will be about 50% this year.



# Financial Overview-Monthly Revenue



TST Group Holding Ltd.



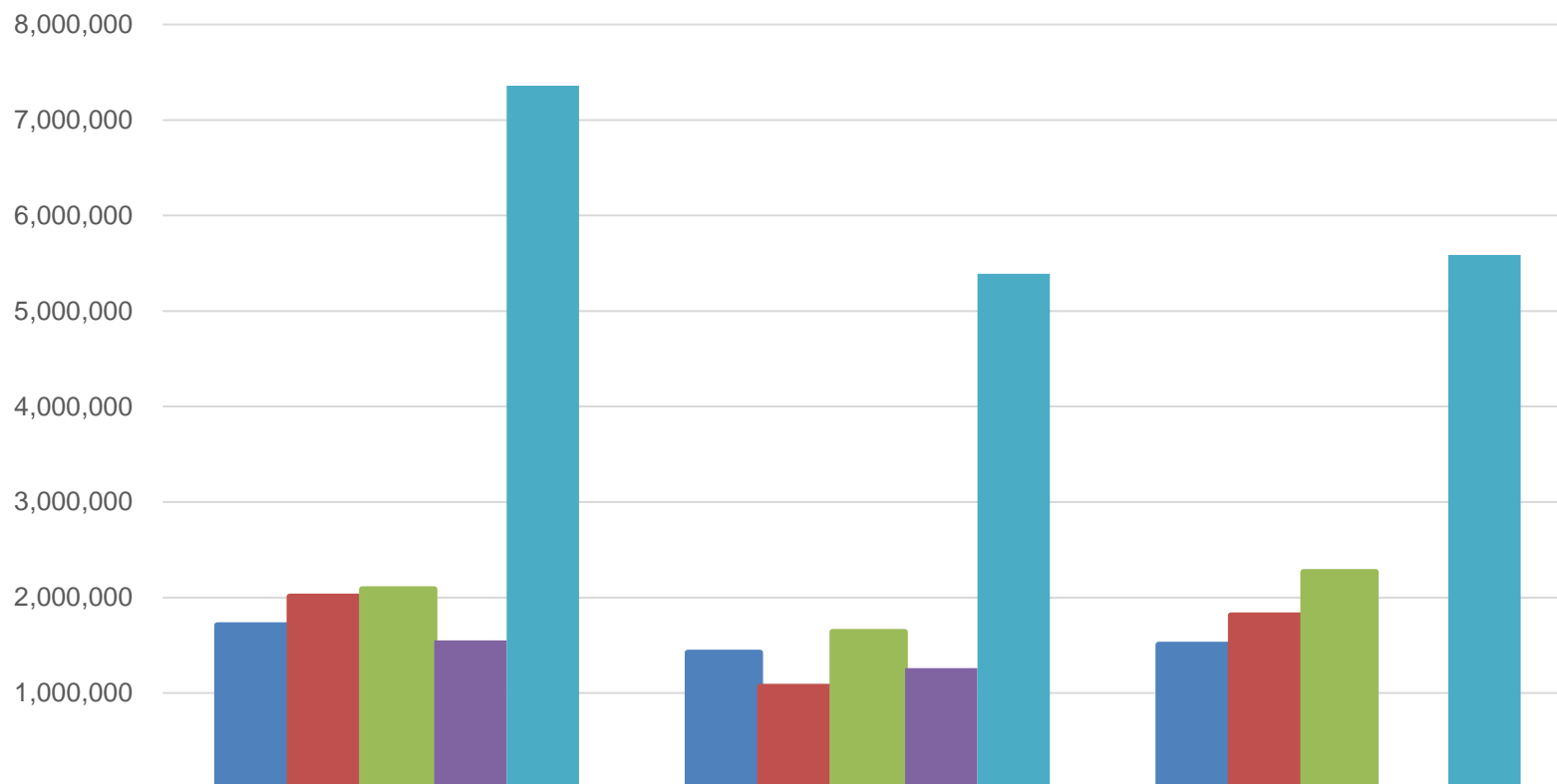
Note: All data is self-assessed

# Financial Overview-Quarterly Revenue



TST Group Holding Ltd.

NT\$ Thousand



	2019	2020	2021
Q1	1,710,465	1,424,316	1,505,177
Q2	2,009,559	1,064,440	1,813,118
Q3	2,088,174	1,639,350	2,268,257
Q4	1,550,240	1,261,088	-
Total	7,358,438	5,389,194	5,586,552

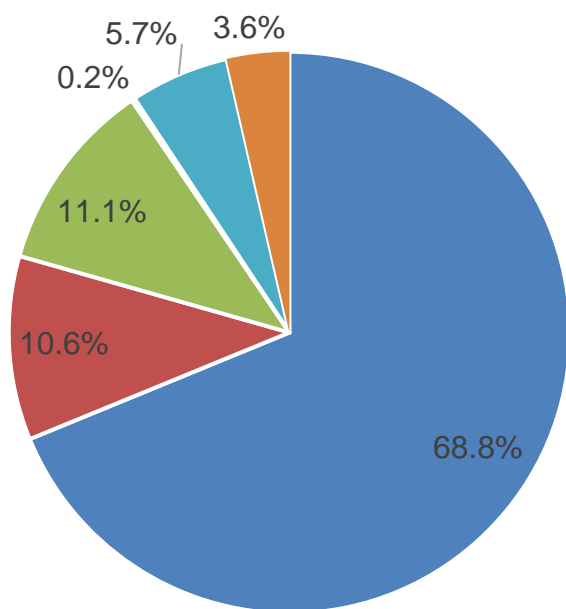
Note: In Q3 2021 is self-assessed

# Financial Overview-Customer Ratio



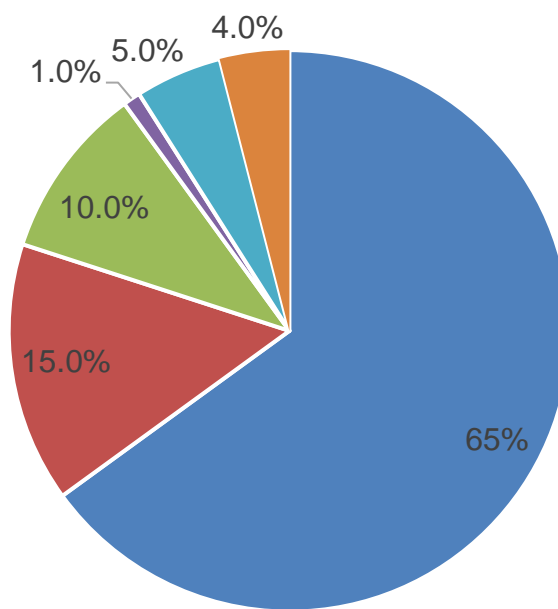
TST Group Holding Ltd.

2020 H1



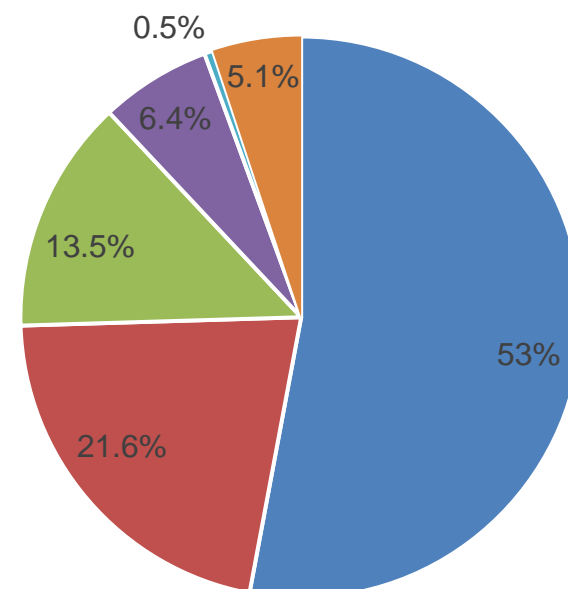
■ ADIDAS ■ GAP ■ PUMA  
■ NIKE ■ LI NING ■ OTHERS

2020



■ ADIDAS ■ GAP ■ PUMA  
■ NIKE ■ LI NING ■ OTHERS

2021 H1



■ ADIDAS ■ GAP ■ PUMA  
■ NIKE ■ LI NING ■ OTHERS

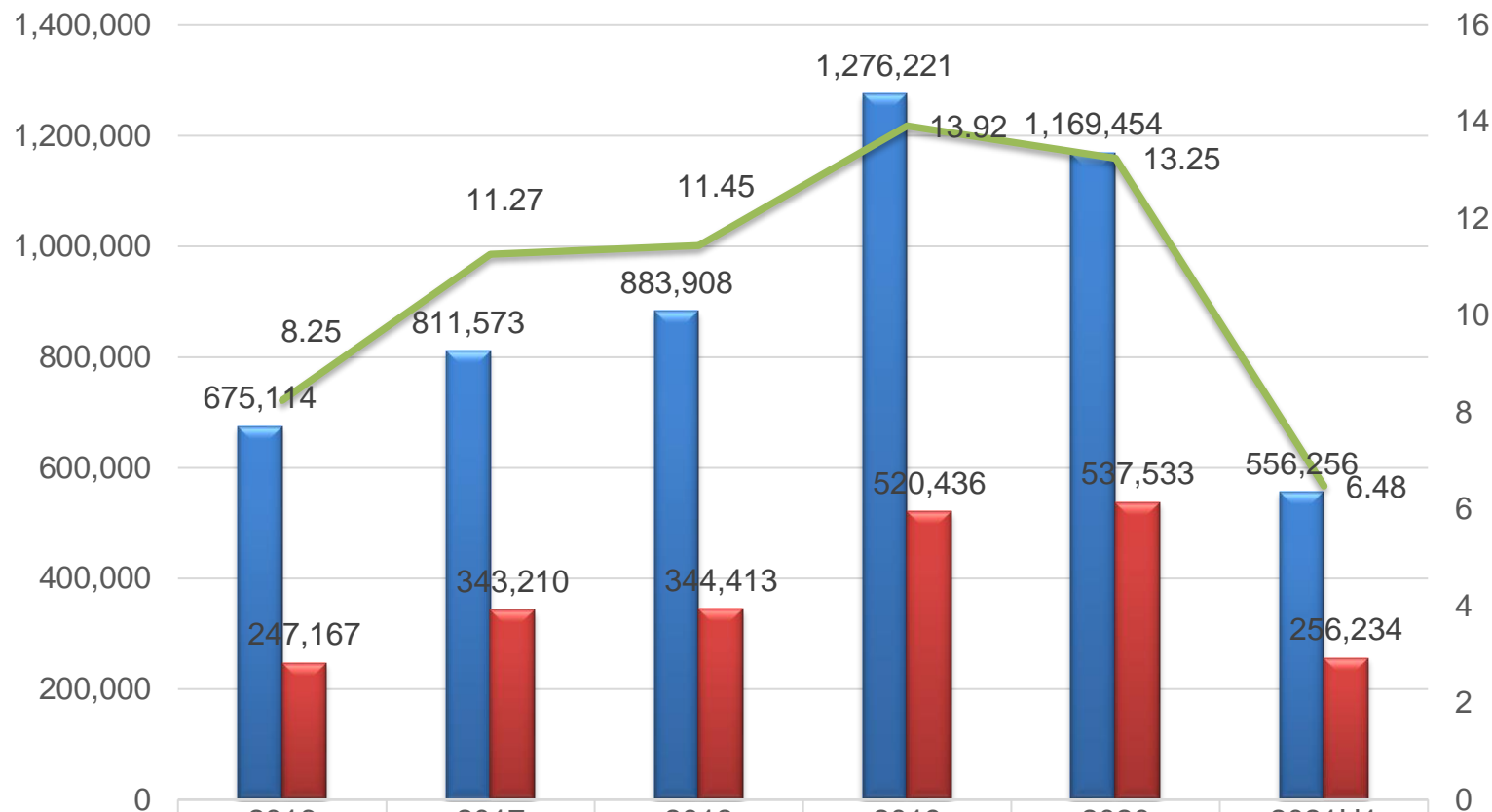


# Financial Overview



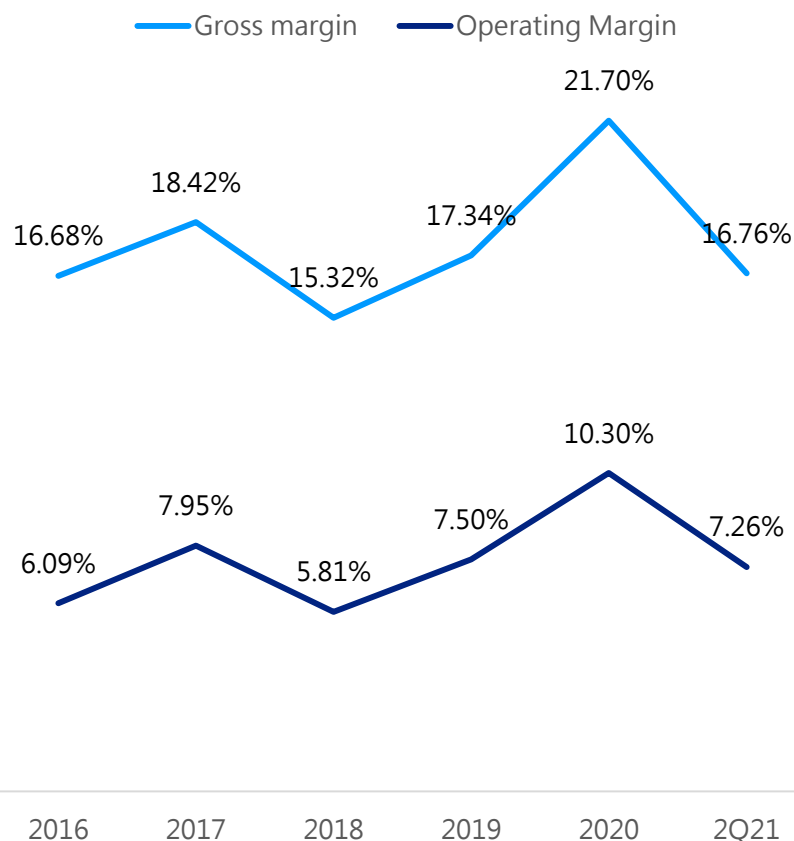
TST Group Holding Ltd.

NT\$ Thousand

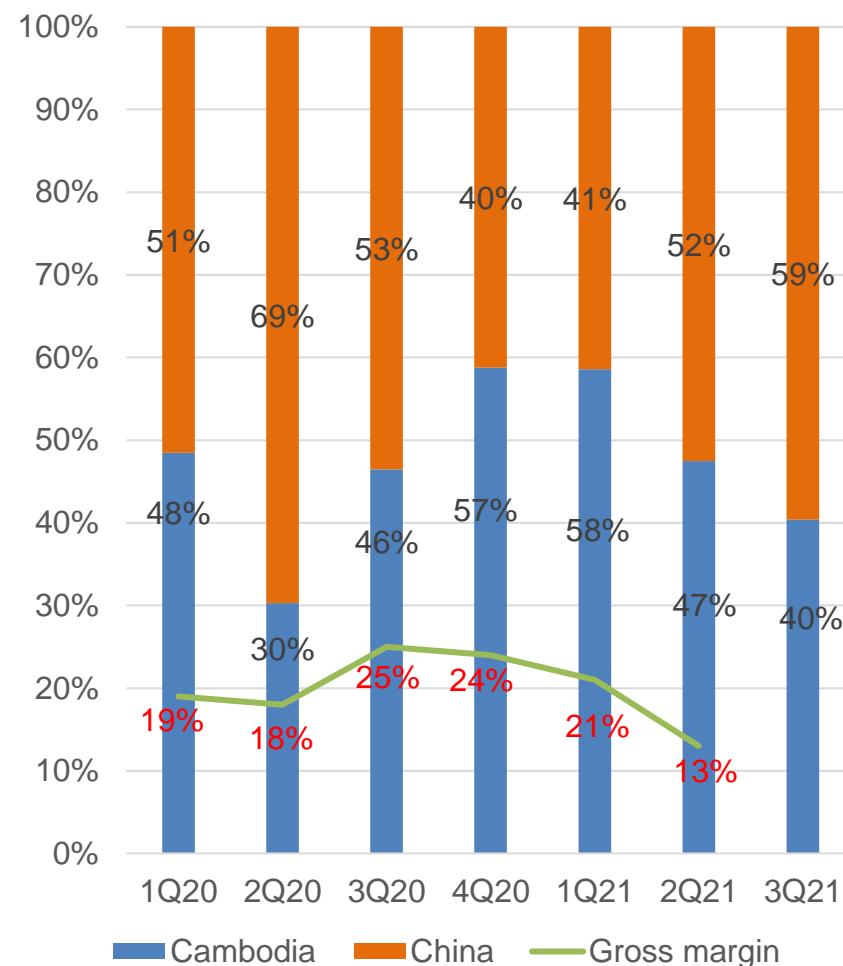


Net Operating Margin	675,114	811,573	883,908	1,276,221	1,169,454	556,256
Profit Before Income Tax	247,167	343,210	344,413	520,436	537,533	256,234
EPS	8.25	11.27	11.45	13.92	13.25	6.48

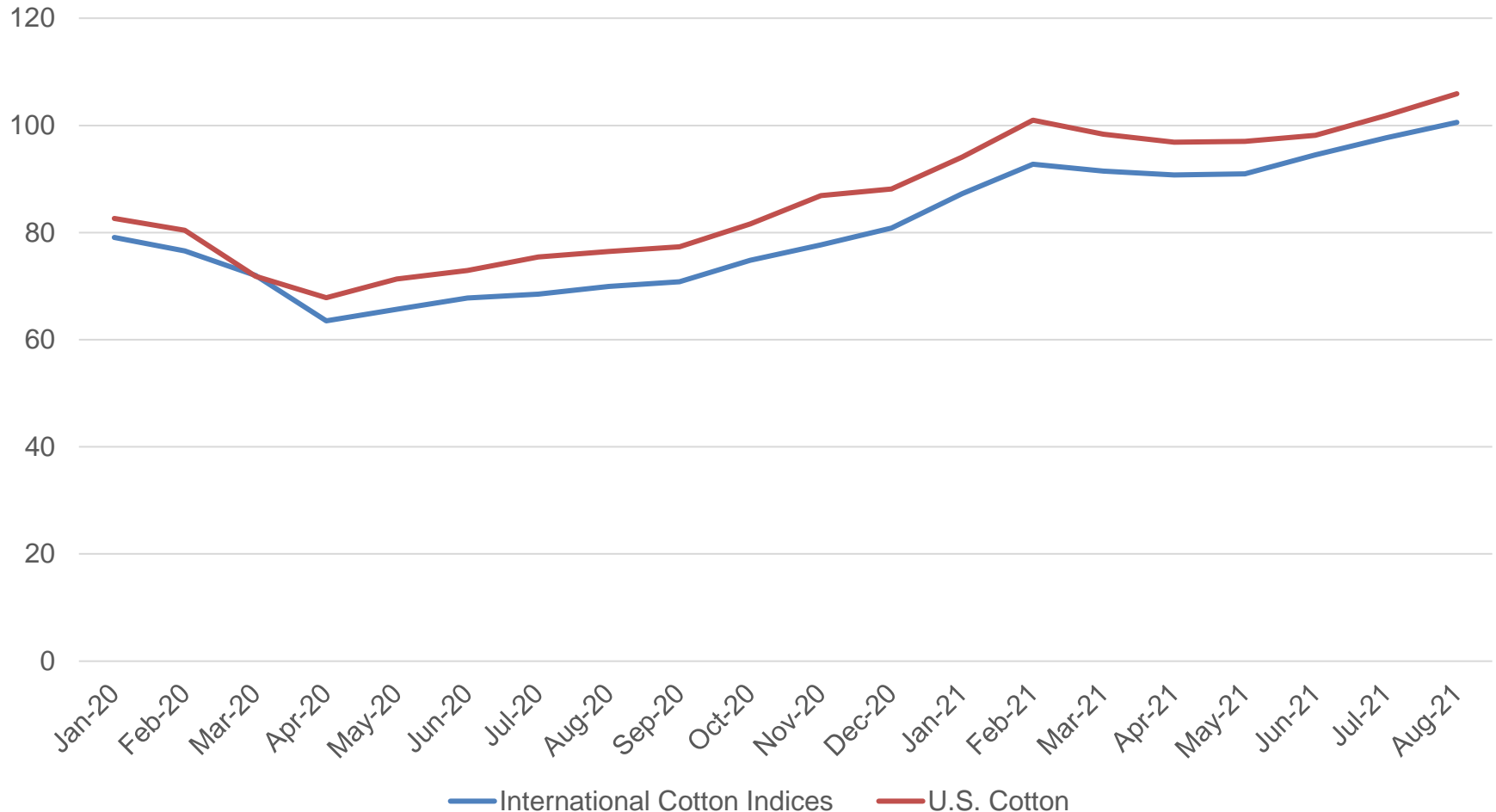
## Gross margin & Operating Margin



## Relationship between regional sales volume and gross margin changes in each quarter



## Cotton Trend



# Financial Overview- 2021 Q2 VS 2020 Q2



TST Group Holding Ltd.

NT\$ Thousand	2021Q2	%	2020Q2	%	YOY	
Sales revenue	1,813,118	100.00	1,064,440	100.00	748,678	70.34%
Operating costs	1,568,452	86.51	872,856	82.00	695,596	79.69%
Net operating margin	244,666	13.49	191,584	18.00	53,082	27.71%
Operating expenses						
Selling expenses	43,490	2.40	37,171	3.49	6,319	17.00%
General and administrative expenses	119,153	6.57	84,957	7.98	34,196	40.25%
Research and development expenses	2,381	0.13	4,970	0.47	(2,589)	-52.09%
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(1,169)	(0.06)	(1,477)	(0.14)	308	-20.85%
Total operating expenses	166,193	9.16	128,575	12.08	37,618	29.26%
Operating profit	78,473	4.33	63,009	5.92	15,464	24.54%
Non-operating income and expenses						
Interest income	2,124	0.12	2,797	0.26	(673)	-24.06%
Other income	17,129	0.94	4,075	0.38	13,054	320.34%
Other gains and losses	(575)	(0.03)	(1,726)	(0.16)	1,151	-66.69%
Finance costs	(1,390)	(0.08)	(1,951)	(0.18)	561	-28.75%
Total non-operating income and expenses	17,288	0.95	3,195	0.30	14,093	441.10%
Profit before income tax	95,761	5.28	66,204	6.22	29,557	44.65%
Income tax expense	18,932	1.04	16,401	1.54	2,531	15.43%
Profit for the year	76,829	4.24	49,803	4.68	27,026	54.27%
EPS	2.45		1.58		0.87	55.06%



# Financial Overview- 2021 H1 VS 2020 H1



TST Group Holding Ltd.

NT\$ Thousand	2021H1	%	2020H1	%	YOY	
Sales revenue	3,318,295	100.00	2,488,756	100.00	829,539	33.33%
Operating costs	2,762,039	83.24	2,029,026	81.53	733,013	36.13%
Net operating margin	556,256	16.76	459,730	18.47	96,526	21.00%
Operating expenses						
Selling expenses	73,540	2.22	71,048	2.85	2,492	3.51%
General and administrative expenses	241,208	7.27	198,949	7.99	42,259	21.24%
Research and development expenses	4,478	0.13	8,198	0.33	(3,720)	-45.38%
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	3,875	0.12	(1,377)	(0.06)	5,252	-381.41%
Total operating expenses	315,351	9.50	279,572	11.23	35,779	12.80%
Operating profit	240,905	7.26	180,158	7.24	60,747	33.72%
Non-operating income and expenses						
Interest income	5,135	0.15	3,941	0.16	1,194	30.30%
Other income	17,509	0.53	15,321	0.62	2,188	14.28%
Other gains and losses	(4,389)	(0.13)	(583)	(0.02)	(3,806)	652.83%
Finance costs	(2,926)	(0.09)	(4,686)	(0.19)	1,760	-37.56%
Total non-operating income and expenses	15,329	0.46	13,993	0.57	1,336	9.55%
Profit before income tax	256,234	7.72	194,151	7.81	62,083	31.98%
Income tax expense	52,982	1.60	47,979	1.93	5,003	10.43%
Profit for the year	203,252	6.12	146,172	5.88	57,080	39.05%
EPS	6.48		4.65		1.83	39.35%



THANK YOU FOR  
YOUR ATTENTION