



KWONG LUNG ENTERPRISE  
(8916 TT/TW)

# INVESTOR PRESENTATION

December 2023

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“I ALWAYS ENVISIONED  
KWONG LUNG TO  
BECOME A WORLD-CLASS  
OUTDOOR APPAREL  
COMPANY THAT BRINGS  
WARMTH TO THE  
WORLD.”

HEBERT CHAN, CHAIRMAN & CEO

## WHY INVEST IN KWONG LUNG?

1. We are a global leading vertically-integrated textile producer focusing on making the world's most sophisticated outdoor/sports garment that complies with customers' strict ESG and quality standards which made us partner of the world's most promising outdoor brands.
2. Outdoor apparel is the next spotlight in sportswear, thanks to growing popularity of outdoor activities and consumers demanding higher functional/performance factors. Our diversified offerings made us a perfect fit with emerging outdoor brands around the world, which suggests significant market share and revenue upside.
3. We are committed to grow our garment revenue share from current 50% to 70% in five years, which suggests better margins outlook and higher quality of earnings to continue support decent cash dividend payout.

# OUR CORPORATE HISTORY

## 1966 - 1993

### Build the regional foundation

**1966** The company was established

**1980** The first company in Taiwan to standardize down products

**1984** The company's first down factory commenced operation in Taiwan

**1988** Vietnam plant was established

**1993** Kunshan, China plant was established

## 1994 - 2012

### Expand and accelerate business growth

**1994** Kwong Lung Hong Kong was established

**1996** Our second plant in Vietnam was established

**1999** Publicly listed on Taipei Exchange

**2000** Diversified our business and set up garment division

**2005** Kwong Lung Japan was established

**2009** Down material R&D Center was established

**2011** Our third plant in Vietnam was established

## 2013 - 2021

### Expand Garment Business and strengthen corporate governance

**2013** Mr. Hebert Chan became the chairman of the company

**2014** Our first CSR report published

**2015** Revenue of garment division has begun to exceed down division

**2016** Ranked as top 20% in Corporate Governance Evaluation  
**2018** Reached NTD 10 bn annual sales

**2019** Ranked as top 5% in Corporate Governance Evaluation

## 2022 - Future

### To become the global leading manufacturer in functional outerwear

**2022** Keep on improving productivity to meet our clients' demand

**2023** Continue to look for new opportunities in outdoor functional outerwear segment

# OUR CLIENTS PORTFOLIO

We work with leading outerwear brands in the world by fulfilling their utmost functionality and sustainability requirements.



# OUR PRODUCTS PORTFOLIO



PROVIDE ONE-STOP SERVICES FOR ALL RANGE OF FUNCTIONAL OUTERWEAR

## GARMENT

**GORETEX  
OUTERWEAR**

**SEAM-SEALED  
GARMENTS**

**DOWN  
JACKETS**

**SYNTHETIC  
INSULATION**

**CASUAL  
WEAR**

**SLEEPING  
BAGS**

Tent



Developing

## OTHER CATEGORIES

**DOWN  
MATERIALS**

**HOME  
TEXTILE**



### LEGACY BUSINESSES

Down materials are our legacy business while home textile are fillers of capacities during low season

**DOWN MATERIALS &  
HOME TEXTILE**  
GROSS MARGIN: 10% ~ 15%

### EXTREME

-30°C & Below  
-25°F & Below

### ENDURING

-15°C / -25°C  
5°F / -15°F

### FUNDAMENTAL

-10°C / -20°C  
15°F / -5°F

### VERSATILE

0°C / -15°C  
30°F / 5°F

### LIGHTWEIGHT

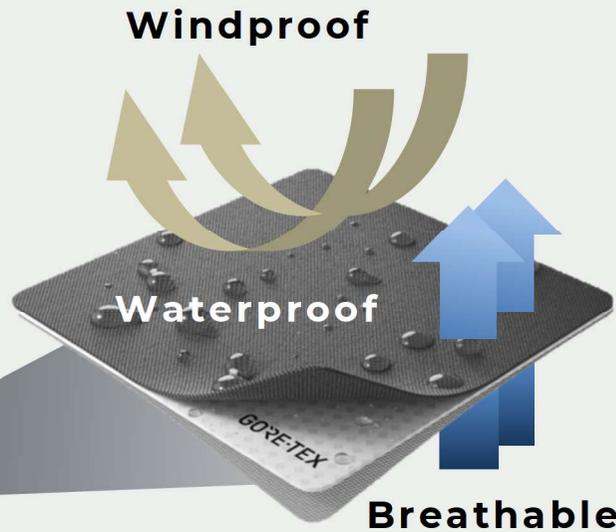
5°C / -5°C  
40°F / 25°F

61% OF CONSOLIDATED REVENUE; 79% OF OPERATING PROFIT  
IN 9M23

GARMENT GROSS MARGIN: 17% ~ 21%

# FEATURES OF GORETEX OUTERWEAR

Kwong Lung's production plants are certified by GORE to produce GORETEX garments for high-end outdoor functional apparel brands.



## Waterproof

Each square inch of GORETEX membrane has over 9 billion pores. These pores are too small for water droplets to pass through, thus achieving a waterproof effect.

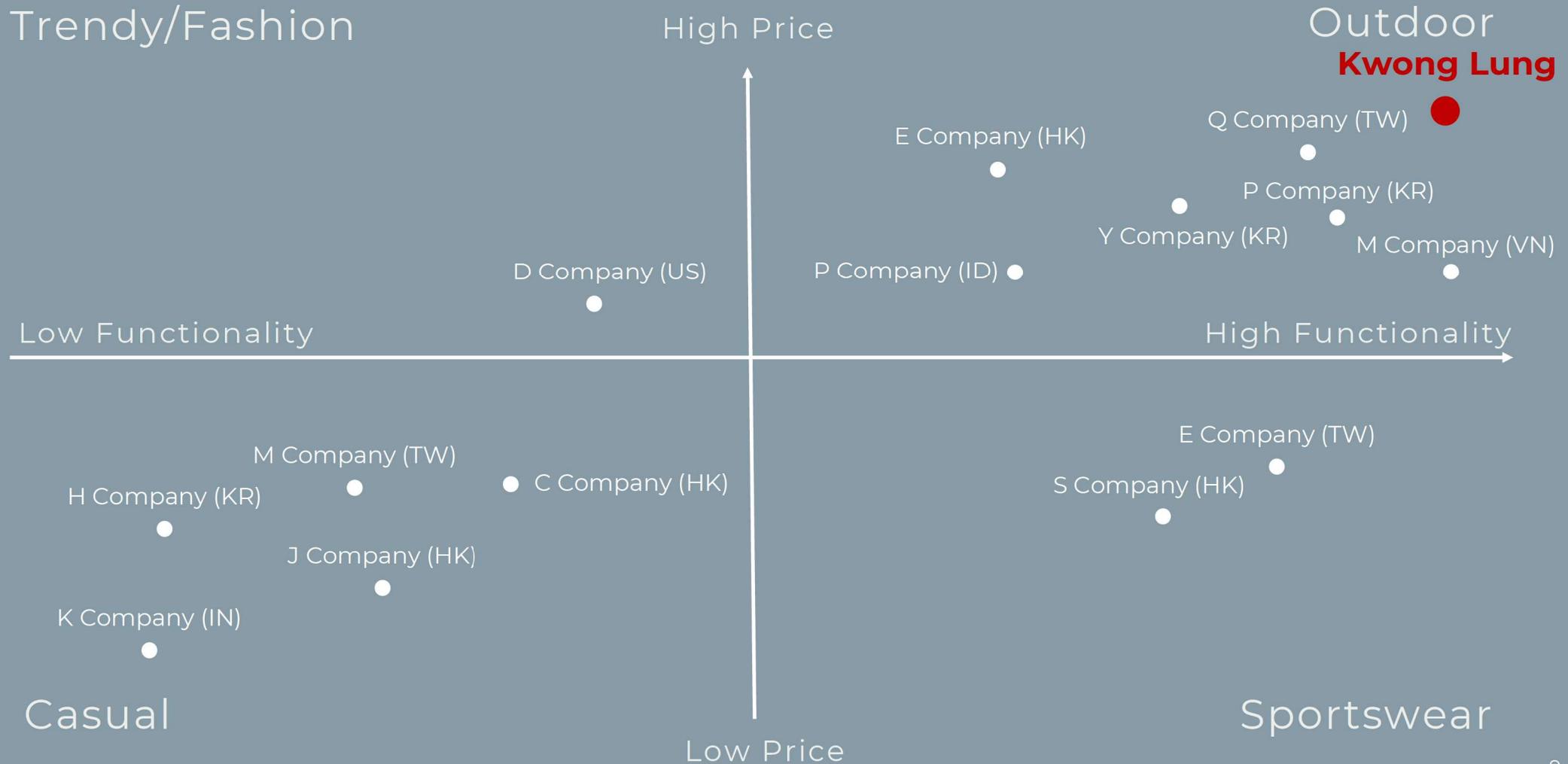
## Windproof

The small pores of the GORETEX membrane are extremely small and irregularly arranged, preventing cold wind from entering the body. The warmth retention of GORETEX outerwear is 40% higher than that of regular outerwear.

## Breathable

Each one of those billions of pores is also 700 times bigger than a water vapor molecule, allowing human sweat to easily pass through the membrane and evaporate, keeping the body dry and comfortable.

# WE HAVE A NICHE MARKET POSITION IN GARMENT ODM



# OFFICIAL UNIFORMS OF THE U.S. SNOWBOARD TEAM IN OLYMPIC WINTER GAMES 2022 BY VOLCOM

It weaves together cutting edge, patented proprietary technologies, and bio-based sustainable materials into designs meant to function for peak performance

- Waterproof/Breathability Rating: CORE-TEX Guaranteed to Keep You Dry™
- GORE-TEX 3-Layer C-KNIT™
- V-Science TDS® INFRARED 3-Layer Lining System
- 80/20 RDS Duck Down
- 600+ Fill Power
- Fully Taped Seams
- Drop Tail Fit
- Zip Tech® Jacket to Pant Interface
- Face Tech™
- Recco® Advanced Rescue Technology
- YKK® AquaGuard® Water Repellent Zipper
- Hidden Toggle Cinch Hood
- Peripheral Hood Adjustment
- Goggle Clips
- Super Suede Chin Guard
- Mesh Lined Zippered Vents
- Stretch Adjustable Powder Skirt
- V-Science 2 Way Cuff System
- Insulated Lycra Hand Gaiters
- Tricot Lined Hand Pockets
- Pocket Access Hem Cinch
- Goggle Pocket
- Noise Pocket
- Specialty Ticket Ring
- Whistle Zipper Pull



Source: VOLCOM Official Website

# OUR DEVELOPMENT CAPABILITIES HELP CUSTOMERS WIN INTERNATIONAL AWARDS



## Sleeping Bag

Exceptional warmth-to-weight ratio, compressibility, ease of portability without compromising warmth and resistance



## Parka



## Trousers



We work with well-known brand customers to develop new products and help them to win the ISPO Awards.



The vest attached to the waistband with the pants for one to stay dry, warm, and maintain a versatile look.



## 3-in-1 Ski Pants

# OUR COMPETITIVE ADVANTAGES

Our production model has the flexibility to take on smaller order vs. most other outerwear manufacturers while keeping profitability intact



|                         | <b>KWONG LUNG</b>   | <b>OTHER OUTERWEAR MAKERS</b>   |
|-------------------------|---|---|
| <b>PRODUCTION MODEL</b> | Toyota Production System<br><i>U-shaped production line</i>   | Hanger System   |
| <b>ADVANTAGE</b>        | With more production flexibility<br><i>Able to reach economies of scale even with small order volume (1,600-1,800 pcs)</i>  | With less production flexibility<br><i>Requires higher order volume to reach economies of scale</i> |
| <b>PRODUCTS</b>         | All range of products<br><i>Down jackets, snowboard jackets, sleeping bags, seamless taped jackets (mainly for outdoor)</i> | Mostly single item product  |
| <b>TARGET CUSTOMERS</b> | Focus on high-end, high-performance outdoor brands  | Focus on the largest brands of customers  |
| <b>BUSINESS MODEL</b>   | Multiple items/ Smaller batch volume  | Single item / large batch volume  |

# PRODUCTION MODEL DIFFERENCES

Toyota Production System



Hanger System

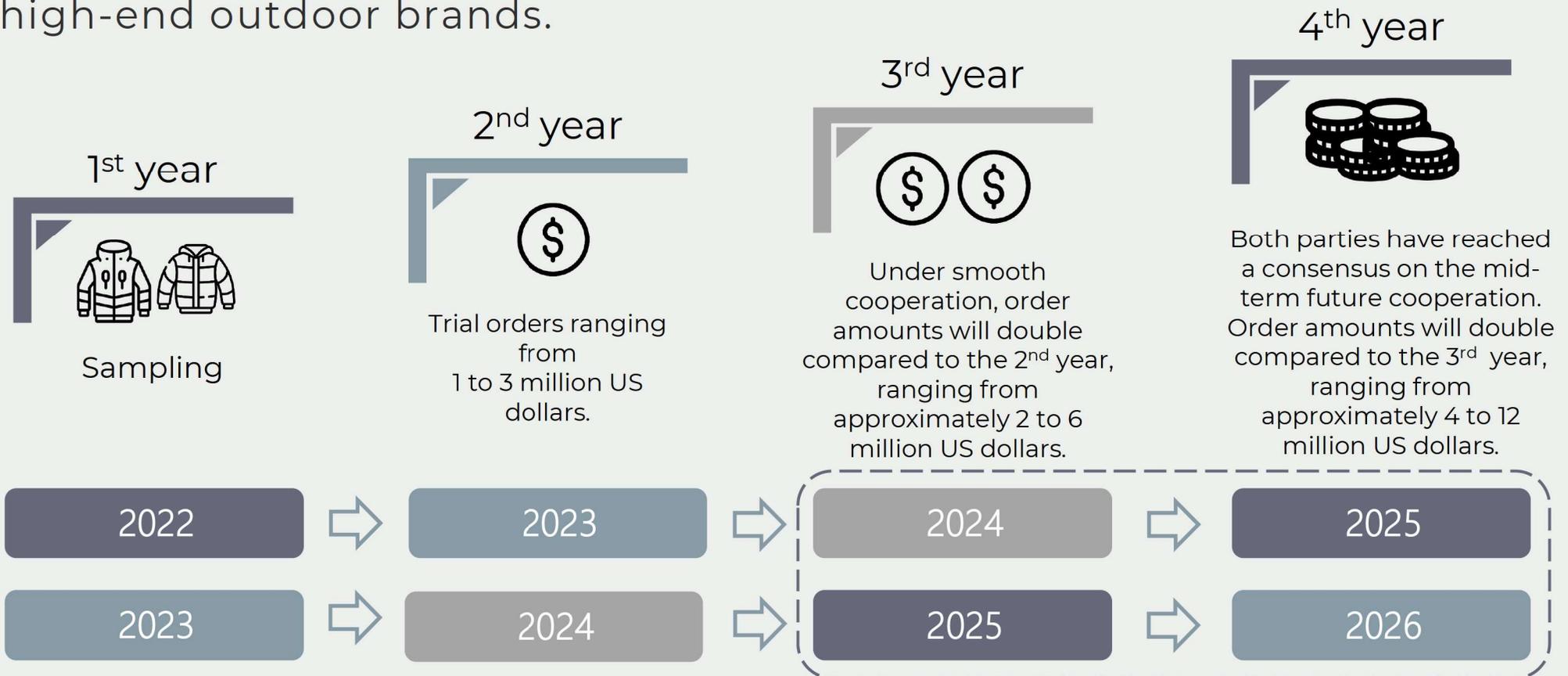


# KWONG LUNG IS THE BEST-FIT FOR LOCAL FAMOUS OUTDOOR BRANDS



# ORDER PATTERNS FOR SMALL AND MEDIUM-SIZED HIGH-END OUTDOOR BRANDS

Continuously Developing New Opportunities with small and medium-sized high-end outdoor brands.



\*New customer contributions will become more significant after 2024

# KWONG LUNG GROWTH STRATEGY

Future



**Improve production efficiency by digitalization**

- Attract big brand customers by sufficient production capacity and years of experience in functional clothing

Current



**Specialize in functional clothing and scale up capacity**

- Attract fast-growing small and medium-sized brands and bigger brands that want to develop functional clothing

Past



**Provide one-stop services**

- Become the main ODM partners with existing ski and outdoor brands through proprietary know-how

Big brand customers

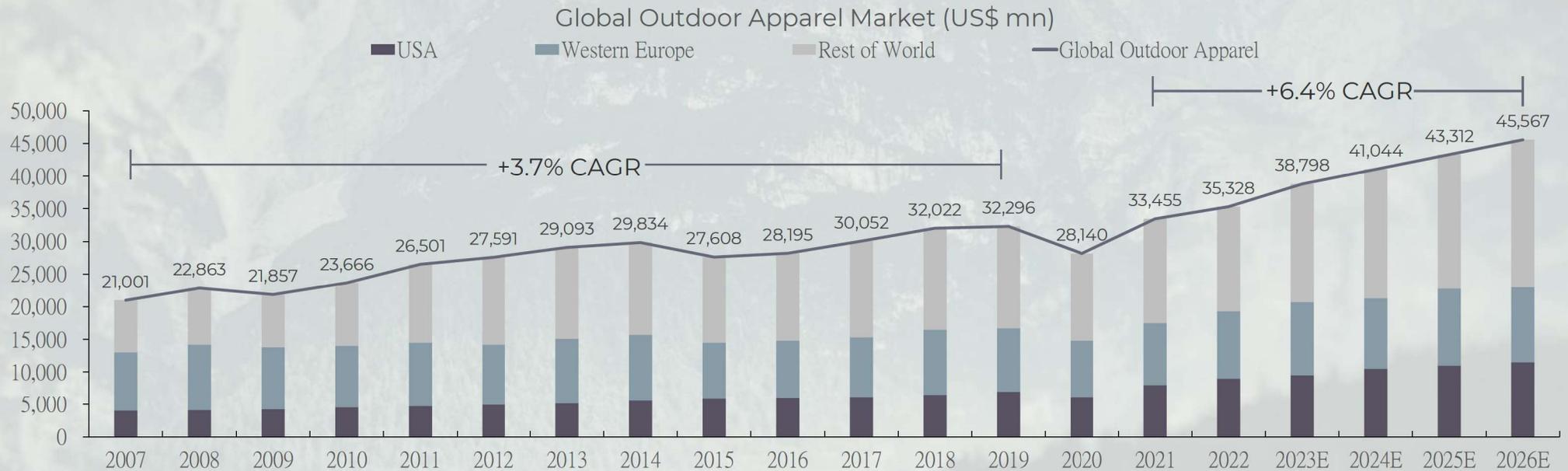
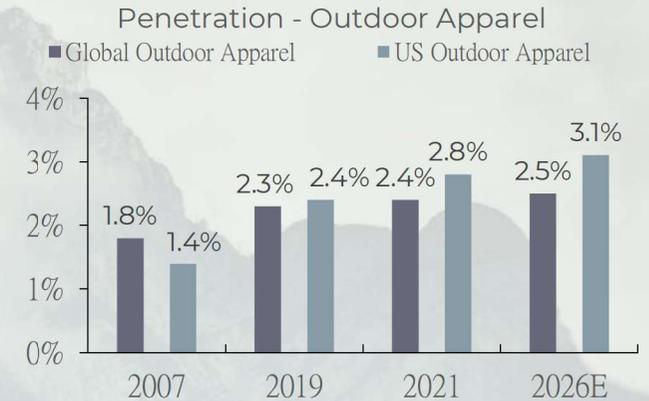
Fast-growing small and medium-sized brands  
Medium and large-sized brands want to develop functional clothing

Existing Ski and Outdoor Brands

**Customer Type**

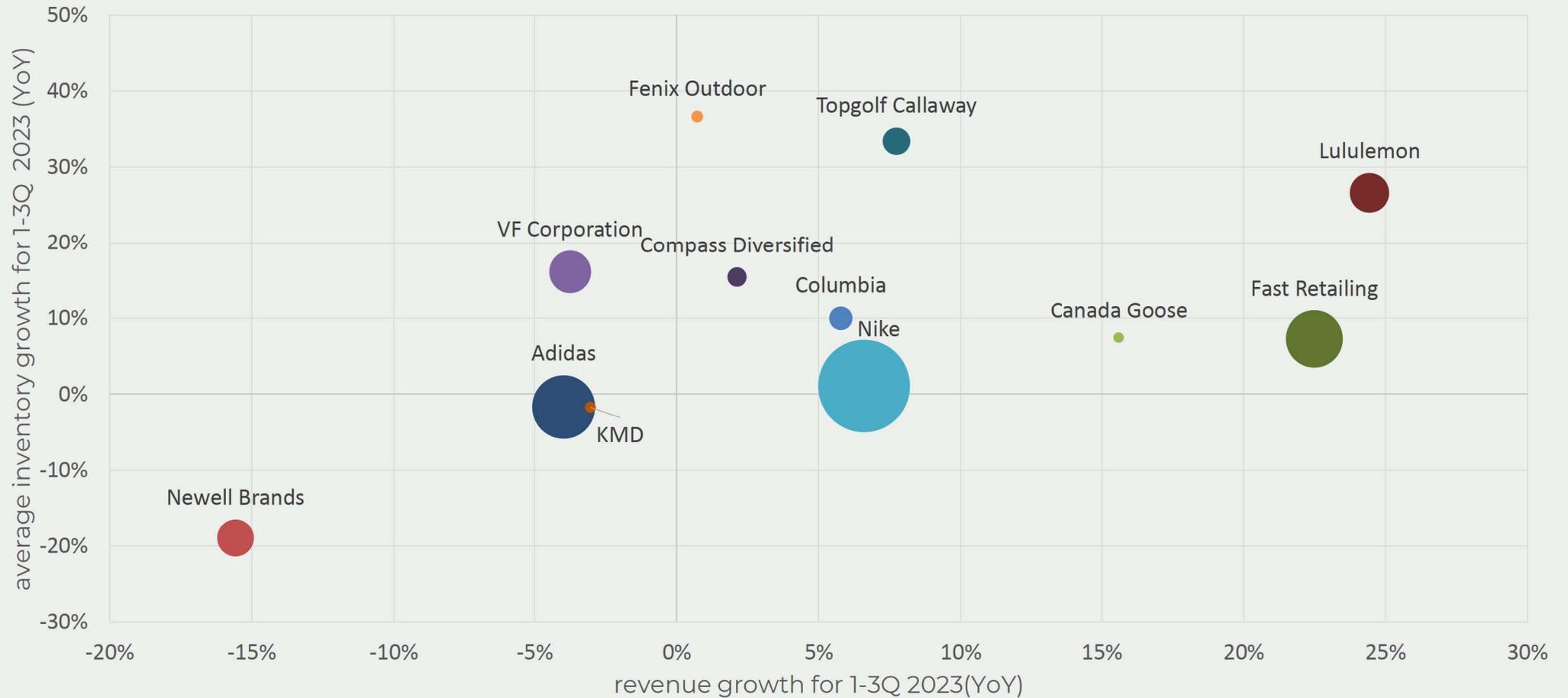
# OUTERWEAR THE NEXT SPOTLIGHT IN APPAREL

The 5 year CAGR (2021-26e) of the global outdoor wear market, at 6.4%, is expected to outpace the pre-Covid 12 year CAGR (2007-19) of global outdoor wear market, at 3.7%.



Source: Euromonitor, Statista

# REVENUE AND INVENTORY OVERVIEW OF INTERNATIONAL OUTDOOR AND SPORTS BRANDS



\*Dot size indicates revenue scale in 1-3Q 2023  
 \*\* KMD only refers to 1H 2023

# OUR UPSIDE IS LIMITLESS

Outdoor apparel ODM market remains fragmented, so even a one percent increase of our market share suggests over 40% growth of our garment ODM revenue

## KWONG LUNG'S GLOBAL MARKET SHARE IN OUTDOOR APPAREL ODM (2022)

|  |               |
|--|---------------|
| 2022 GLOBAL OUTDOOR APPAREL MARKET (US\$MN)  | <b>35,328</b> |
| 2022 GLOBAL OUTDOOR APPAREL ODM MARKET (US\$MN)                                    | <b>7,851</b>  |
| 2022 KWONG LUNG GARMENT ODM REVENUE (US\$MN)<br>(US\$1 : NT\$30)                   | <b>193</b>    |
| 2022 KWONG LUNG GLOBAL MARKET SHARE<br>(2021 KWONG LUNG GLOBAL MARKET SHARE: 1.7%) | <b>2.5%</b>   |

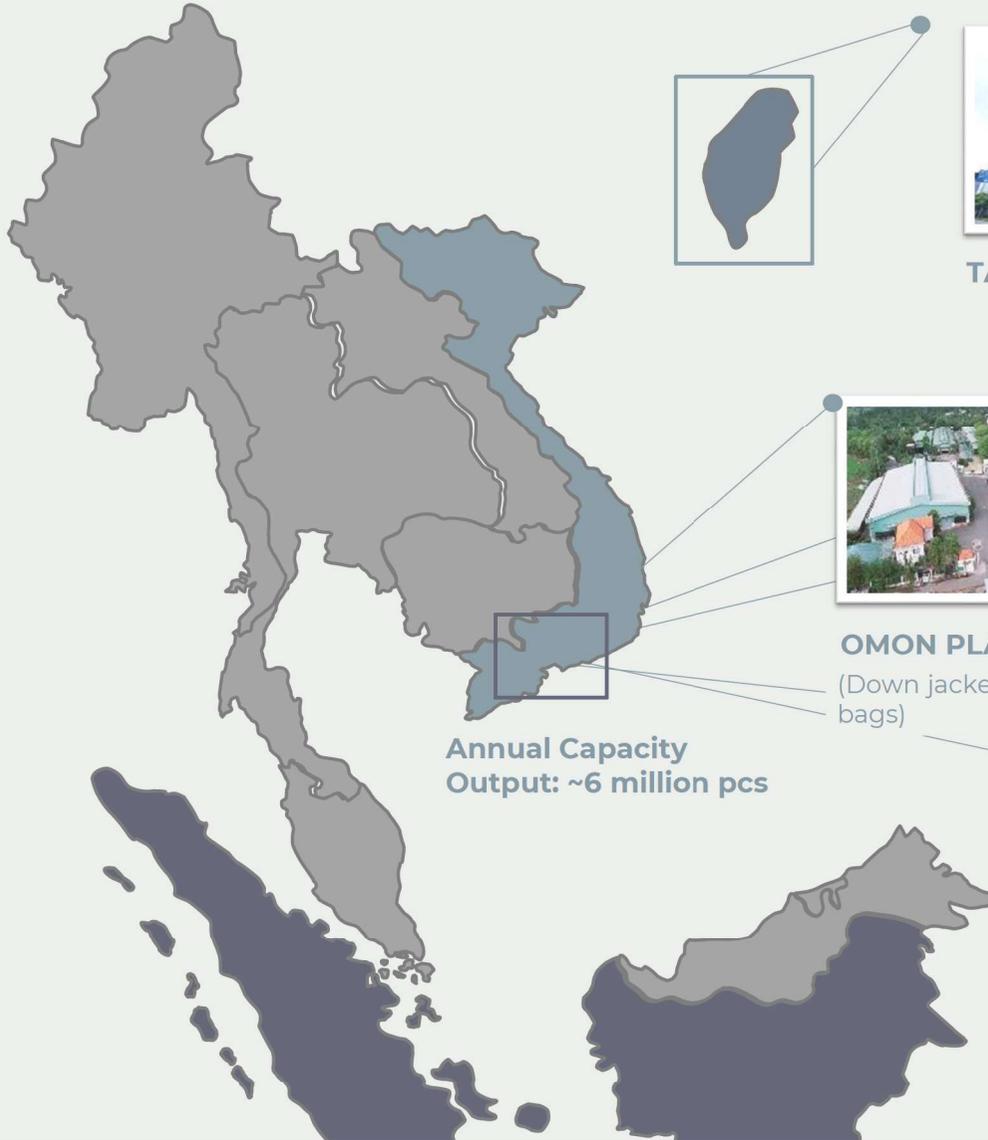
Source: Euromonitor, Statista, Company data

## KWONG LUNG'S GLOBAL MARKET SHARE SENSITIVITY ANALYSIS

|  |            |             |            |             |             |             |             |
|--|------------|-------------|------------|-------------|-------------|-------------|-------------|
| MARKET SHARE (%)                       | <b>3%</b>  | <b>3.5%</b> | <b>4%</b>  | <b>4.5%</b> | <b>5%</b>   | <b>5.5%</b> | <b>6%</b>   |
| SUGGESTED ODM REVENUE (US\$MN)         | <b>236</b> | <b>275</b>  | <b>314</b> | <b>353</b>  | <b>393</b>  | <b>432</b>  | <b>471</b>  |
| UPSIDE TO KWONG LUNG'S GARMENT REVENUE | <b>22%</b> | <b>42%</b>  | <b>62%</b> | <b>83%</b>  | <b>103%</b> | <b>123%</b> | <b>144%</b> |

Note: Calculation based on 2022 market size

# ONGOING PRODUCTION DIVERSIFICATION



**TAIPEI HEADQUARTER**



**CHUNG-LI RESEARCH & LOGISTICS CENTER**  
(R&D and components warehousing)



**YILAN DEVELOPMENT CENTER**  
(Design center)



**OMON PLANT**  
(Down jackets, sleeping bags)



**MEKO PLANT**  
(Down materials and home textile products)



**MEKO II PLANT**  
(Down jackets, sleeping bags)

**Annual Capacity Output: ~6 million pcs**



**BOSING PLANT**  
(Goretex, taping jackets)



**TOPTEx PLANT**  
(Casual wear)

**Expanded to INDONESIA**

# DRIVING MARGIN GROWTH THROUGH TECHNOLOGY APPLICATION

## R&D



### Global Marker Center

- Expand R&D capability through our unique proofing cloud database, even less experienced pattern-makers can quickly perform proofing and remaking as masters with decades of experience.



## Purchasing/Sales



### Robotic Process Automation (RPA)

- Improve efficiency and accuracy through business process automation.
- ### Electronic Data Interchange (EDI)
- Respond our clients' needs immediately and shorten processing time through electronically communicating information.



## Our Clients



## Production

### Total Productive Innovation (TPI)

- Improve production efficiency through breakdown, streamline work process and real-time monitoring.

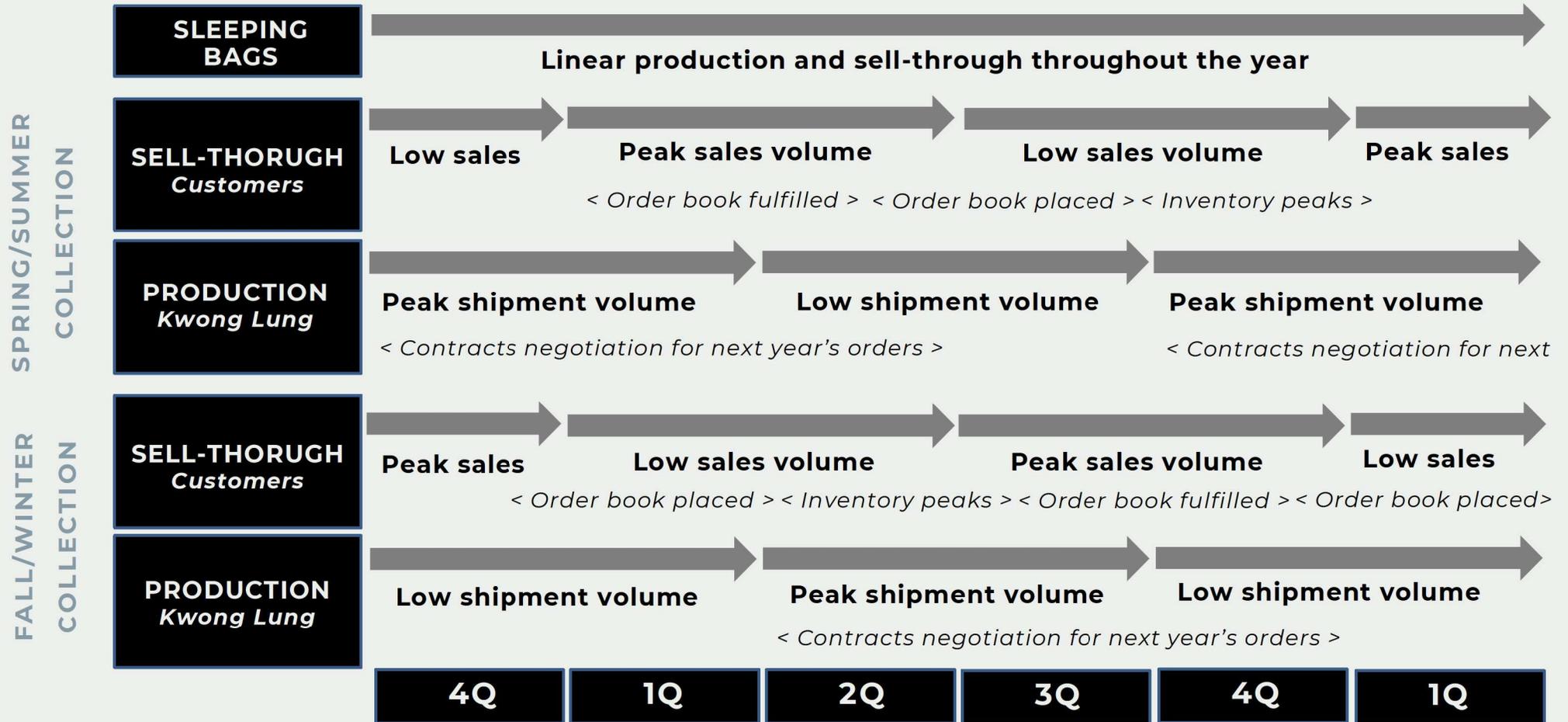
### Intelligent Manufacturing Plan

- Realize auto manufacturing, product traceability, order output schedule and quality prediction through intelligent manufacturing system.

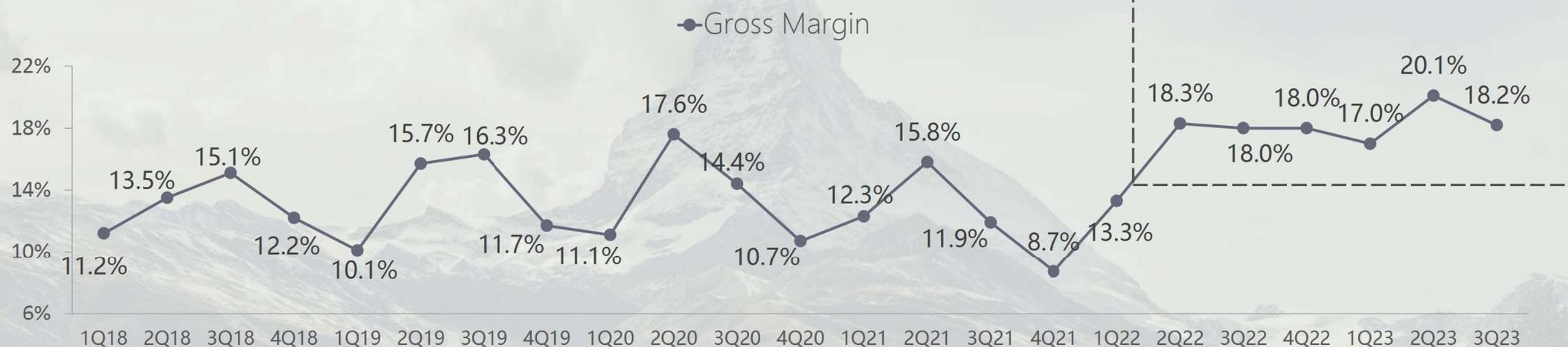
# SEASONALITY COMPLIMENTED BY PRODUCTS



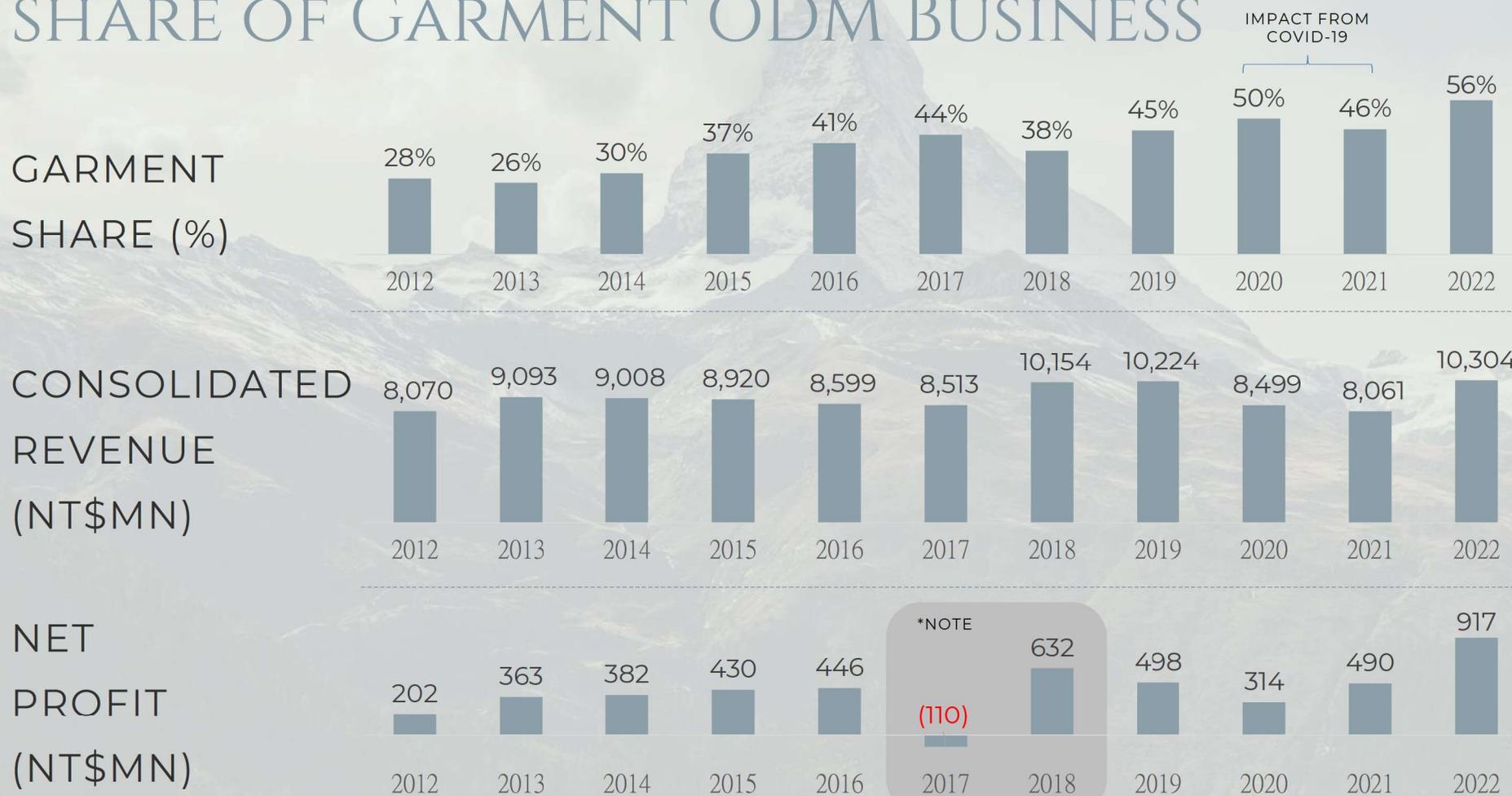
We continue to diversify our product line and customer portfolio, reducing the factors affected by seasonality in the past



# PROFITABILITY CONTINUES TO IMPROVE STEADILY



# PROFIT GROWTH DRIVEN BY INCREASING SHARE OF GARMENT ODM BUSINESS



Note: In 2017, we suffered from a fire accident at our Vietnam plant

In 2018, we have one-off non operating income from insurance claim and one-off asset disposal. Excluding those one-off effects, the net profit in 2019 grew over 50%

# DIVIDEND PAYOUT AND CAPEX



|                    |     |     |     |     |     |     |     |     |     |     |     |     |     |            |
|--------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------------|
| PAYOUT RATIO (%)   | 43  | 52  | 62  | 58  | 63  | 74  | 73  | 85  | N/A | 59  | 73  | 132 | 83  | <b>58</b>  |
| DIVIDEND YIELD (%) | 4.0 | 4.7 | 5.2 | 3.7 | 5.5 | 8.4 | 6.0 | 7.8 | 5.7 | 7.1 | 6.8 | 7.0 | 6.6 | <b>6.9</b> |
| CAPEX (NT\$ MN)    | 236 | 206 | 138 | 81  | 103 | 110 | 312 | 143 | 626 | 265 | 140 | 495 | 305 | <b>276</b> |
| CAPEX TO SALES (%) | 5.3 | 3.6 | 1.8 | 1.0 | 1.1 | 1.2 | 3.5 | 1.7 | 7.4 | 2.6 | 1.4 | 5.8 | 3.8 | <b>2.7</b> |

1. Cash yield is calculated based on Kwong Lung's market cap on the day before ex-dividends.

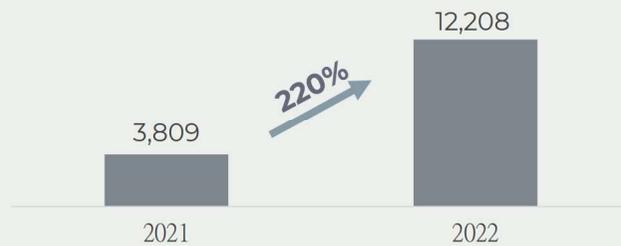
# ESG IS AN INTEGRAL PART OF OUR OPERATIONS



## Circular Economy & Sustainable Fashion

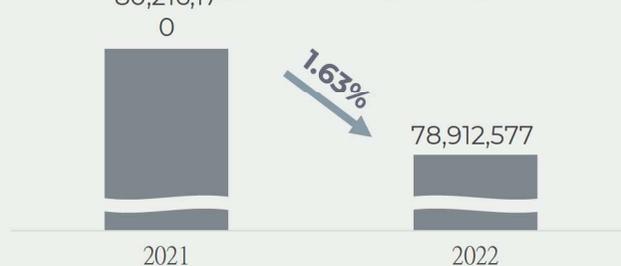
Garment ODM, Textile, and Down businesses Obtained Global Recycled Standard Certification(GRS)

Recycled Down Weight (kg)



## Energy and Greenhouse Gas

Energy Consumption (MJ)



## Water Resource

In **2022**, water consumption in China's facilities was reduced to **0** for the manufacturing process.

Our goal is to achieve a yearly wastewater recycling and utilization rate of over **50%**.

## Green Product

Actively developing resource-efficient green products:

Non-fluorine water-repellent down with twice the drying speed of regular down, **reducing energy consumption.**

Antimicrobial down prevents down deterioration, lowers replacement frequency, and **reduces textile waste generation.**

## Corporate Governance

**2023** TWSE Corporate Governance Evaluation **Top 5%**

Independent Director: **50%**

Female Director: **25%**

## GREEN PRODUCTION



Bluesign certificate

Responsible Down Standard (RDS)

ISO50001 certificate

OEKO-TEX Standard 100

Higg Index

Global Recycle Standard Certificate (GRS)

# 3Q23 INCOME STATEMENT

|                             | 3Q23        | 3Q22        | YoY (%)         |
|-----------------------------|-------------|-------------|-----------------|
| Revenue                     | 2,185       | 3,210       | (31.9)          |
| Gross Profit                | 398         | 577         | (31.0)          |
| <b>Gross Margin (%)</b>     | <b>18.2</b> | <b>18.0</b> | <b>+0.2 pts</b> |
| Operating Expenses          | (214)       | (226)       | (5.5)           |
| Operating Profit            | 184         | 351         | (47.5)          |
| <b>Operating Margin (%)</b> | <b>8.4</b>  | <b>10.9</b> | <b>-2.5 pts</b> |
| Non Operating Income/(Loss) | 81          | 105         | (23.0)          |
| Net Income                  | 213         | 369         | (42.2)          |
| Net Income to Parent        | 213         | 370         | (42.3)          |
| <b>Net Margin (%)</b>       | <b>9.8</b>  | <b>11.5</b> | <b>-1.7 pts</b> |
| Basic EPS (NT\$)            | 1.4         | 2.8         | (48.2)          |

# 9M23 INCOME STATEMENT

|                             | 9M23        | 9M22        | YoY (%)         |
|-----------------------------|-------------|-------------|-----------------|
| Revenue                     | 6,399       | 8,153       | (21.5)          |
| Gross Profit                | 1,190       | 1,376       | (13.5)          |
| <b>Gross Margin (%)</b>     | <b>18.6</b> | <b>16.9</b> | <b>+1.7 pts</b> |
| Operating Expenses          | (625)       | (595)       | 5.1             |
| Operating Profit            | 565         | 781         | (27.6)          |
| <b>Operating Margin (%)</b> | <b>8.8</b>  | <b>9.6</b>  | <b>-0.7 pts</b> |
| Non Operating Income/(Loss) | 165         | 214         | (22.7)          |
| Net Income                  | 563         | 808         | (30.4)          |
| Net Income to Parent        | 563         | 809         | (30.4)          |
| <b>Net Margin (%)</b>       | <b>8.8</b>  | <b>9.9</b>  | <b>-1.1 pts</b> |
| Basic EPS (NT\$)            | 3.9         | 5.8         | (33.3)          |

# 3Q23 BALANCE SHEET

|                              | 2023-9-30    |              | 2022-9-30    |              |
|------------------------------|--------------|--------------|--------------|--------------|
|                              | Amount       | %            | Amount       | %            |
| Cash and Cash Equivalents    | 770          | 9.3          | 1,463        | 16.2         |
| AR & NR                      | 1,124        | 13.6         | 1,454        | 16.1         |
| Inventories                  | 1,537        | 18.5         | 2,173        | 24.1         |
| PP&E                         | 1,769        | 21.3         | 1,598        | 17.7         |
| <b>Total Assets</b>          | <b>8,300</b> | <b>100.0</b> | <b>9,030</b> | <b>100.0</b> |
| Current Liabilities          | 1,962        | 23.6         | 2,822        | 31.2         |
| Interest-bearing Liabilities | 1,439        | 17.3         | 1,624        | 18.0         |
| <b>Total Liabilities</b>     | <b>2,588</b> | <b>31.2</b>  | <b>3,540</b> | <b>39.2</b>  |
| <b>Total Equity</b>          | <b>5,712</b> | <b>68.8</b>  | <b>5,490</b> | <b>60.8</b>  |
| <b>Key Financial Ratios</b>  |              |              |              |              |
| A/R Days                     | 44           |              | 40           |              |
| Inventory Days               | 95           |              | 91           |              |
| A/P Days                     | 33           |              | 36           |              |
| Cash Conversion Days         | 107          |              | 95           |              |
| Net Debt / Equity (%)        | 11.7         |              | 2.9          |              |
| Debt Ratio (%)               | 31.2         |              | 39.2         |              |

# 9M23 CASH FLOW

|   | 9M23         | 9M22         |
|---|--------------|--------------|
| <b>Beginning Balance</b>  | <b>1,530</b> | <b>1,311</b> |
| Operating Cash Flow   | 497          | 912          |
| Capital Expenditures  | (191)        | (109)        |
| Investments and Others  | (815)        | (283)        |
| Financing Cash Flow   | (329)        | (588)        |
| Effects of Exchange Rate Changes on the<br>Balance of Cash and Cash Equivalents Held<br>in Foreign Currencies | 78           | 221          |
| <b>Ending Balance</b>   | <b>770</b>   | <b>1,463</b> |

# INCOME STATEMENT SUMMARY

| <b>NT\$m</b>                | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Revenue                     | 8,599       | 8,513       | 10,154      | 10,224      | 8,499       | 8,061       | 10,304      |
| Gross Profit                | 1,385       | 1,237       | 1,352       | 1,427       | 1,172       | 989         | 1,763       |
| Operating Expenses          | (886)       | (879)       | (1,003)     | (843)       | (791)       | (801)       | (809)       |
| Operating Profit            | 499         | 357         | 349         | 585         | 380         | 188         | 954         |
| Non Operating Income/(Loss) | 12          | (408)       | 379         | 26          | 37          | 423         | 177         |
| Pretax Income               | 512         | (51)        | 728         | 611         | 417         | 611         | 1,131       |
| Tax Expenses                | (66)        | (59)        | (96)        | (112)       | (103)       | (121)       | (214)       |
| Net Income to Parent        | 447         | (118)       | 618         | 488         | 344         | 515         | 919         |
| Basic EPS (NT\$)            | 4.2         | (1.1)       | 5.7         | 4.1         | 2.3         | 3.6         | 6.5         |

## Key Financial Ratios (%)

|                         |      |       |      |      |      |      |      |
|-------------------------|------|-------|------|------|------|------|------|
| Gross Margin            | 16.1 | 14.5  | 13.3 | 14.0 | 13.8 | 12.3 | 17.1 |
| Operating Expense Ratio | 10.3 | 10.3  | 9.9  | 8.2  | 9.3  | 9.9  | 7.9  |
| Operating Margin        | 5.8  | 4.2   | 3.4  | 5.7  | 4.5  | 2.3  | 9.3  |
| Effect Tax Rate         | 12.9 | -     | 13.2 | 18.4 | 24.7 | 19.9 | 18.9 |
| Net Margin              | 5.2  | (1.4) | 6.1  | 4.8  | 4.1  | 6.4  | 8.9  |

## YoY Growth (%)

|                      |       |         |       |        |        |        |       |
|----------------------|-------|---------|-------|--------|--------|--------|-------|
| Revenue              | (3.6) | (1.0)   | 19.3  | 0.7    | (16.9) | (5.2)  | 27.8  |
| Gross Profit         | (1.4) | (10.7)  | 9.3   | 5.6    | (17.9) | (15.6) | 78.3  |
| Operating Profit     | 3.4   | (28.4)  | (2.2) | 67.3   | (34.9) | (50.6) | 407.7 |
| Net Income to Parent | 3.7   | (126.5) | -     | (21.1) | (29.4) | 49.6   | 78.4  |
| Basic EPS            | 2.4   | (126.3) | -     | (28.6) | (44.4) | 57.0   | 82.7  |

- In 2017, we suffered a fire accident at our Vietnam plant. In 2018, we have one-off non-operating income from insurance claim and one-off asset disposal. If we exclude the one-off non-operating income of NT\$310m in 2018 (insurance claim from our fire incidence in Vietnam and gain from asset disposal), our net profit in 2019 grew over 50% YoY.
- In 2020 and 2021, the financial performance was affected under COVID-19.
- In 2022, revenue of the garment ODM business increased by 57.3%, representing over 50% of the total consolidated revenue. Furthermore, the gross margin of the down material business increased from 5% to 13%, and its operating profit transformed from a loss to a profit. Additionally, in 2022, there was an exchange gain of NT\$130 million beyond the main business operations, whereas in 2021, there was a disposal of equity and real estate that amounted to NT\$500 million.

# BALANCE SHEET SUMMARY

| <b>NT\$m</b>                            | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total Assets                            | 6,212       | 6,615       | 7,031       | 7,571       | 7,512       | 8,294       | 8,567       |
| Cash and Cash Equivalents               | 797         | 510         | 794         | 881         | 1,070       | 1,311       | 1,530       |
| AR & NR                                 | 952         | 1,033       | 1,048       | 858         | 924         | 957         | 978         |
| Inventories                             | 2,249       | 2,251       | 2,619       | 2,373       | 1,725       | 2,396       | 2,118       |
| PP&E                                    | 1,254       | 1,589       | 1,574       | 1,505       | 1,877       | 1,557       | 1,632       |
| Total Liabilities                       | 2,705       | 3,758       | 2,931       | 2,479       | 2,575       | 3,312       | 2,995       |
| AP & NP                                 | 583         | 798         | 788         | 548         | 693         | 847         | 850         |
| Total Equity                            | 3,507       | 2,857       | 4,100       | 5,092       | 4,938       | 4,982       | 5,572       |
| <b>YoY Growth (%)</b>                   |             |             |             |             |             |             |             |
| Total Assets                            | 2.7         | 6.5         | 6.3         | 7.7         | (0.8)       | 10.4        | 3.3         |
| Cash and Cash Equivalents               | 62.9        | (36.1)      | 55.8        | 11.0        | 21.4        | 22.5        | 16.7        |
| AR & NR                                 | (0.3)       | 8.6         | 1.4         | (18.2)      | 7.8         | 3.5         | 2.2         |
| Inventories                             | (10.4)      | 0.1         | 16.3        | (9.4)       | (27.3)      | 38.9        | (11.6)      |
| PP&E                                    | (3.2)       | 26.7        | (1.0)       | (4.3)       | 24.7        | (17.0)      | 4.8         |
| Total Liabilities                       | (1.5)       | 38.9        | (22.0)      | (15.4)      | 3.9         | 28.6        | (9.6)       |
| AP & NP                                 | (17.8)      | 37.0        | (1.3)       | (30.5)      | 26.6        | 22.2        | 0.3         |
| Total Equity                            | 6.2         | (18.5)      | 43.5        | 24.2        | (3.0)       | 0.9         | 11.8        |
| <b>Key Financial Ratios (%)</b>         |             |             |             |             |             |             |             |
| A/R Days                                | 40          | 42          | 37          | 34          | 38          | 42          | 34          |
| Inventory Days                          | 119         | 111         | 100         | 102         | 101         | 105         | 95          |
| A/P Days                                | 32          | 34          | 32          | 27          | 30          | 39          | 36          |
| Cash Conversion Days                    | 126         | 119         | 104         | 108         | 108         | 108         | 93          |
| ROE (%)                                 | 13.1        | (3.7)       | 18.0        | 10.7        | 6.9         | 10.4        | 17.5        |
| ROA (%)                                 | 7.3         | (1.8)       | 9.1         | 6.7         | 4.6         | 6.5         | 10.9        |
| Net Debt (Net Cash) to Equity ratio (%) | 20.3        | 64.3        | 14.4        | 6.7         | 1.9         | 8.2         | (4.9)       |
| Debt ratio (%)                          | 43.6        | 56.8        | 41.7        | 32.7        | 34.3        | 39.9        | 35.0        |



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