



基勝集團  
Keysheen Group



# 基勝(開曼)控股股份有限公司 Keysheen Cayman Holdings Co., Ltd.

## Investor Presentation



2017/11/29

# Agenda

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Company Profile

Business and Manufacturing Strategy

Product and Marketing Strategy

Vietnam Investment Plan

Financial Information

Dividend Policy

Prospects





# Company Profile

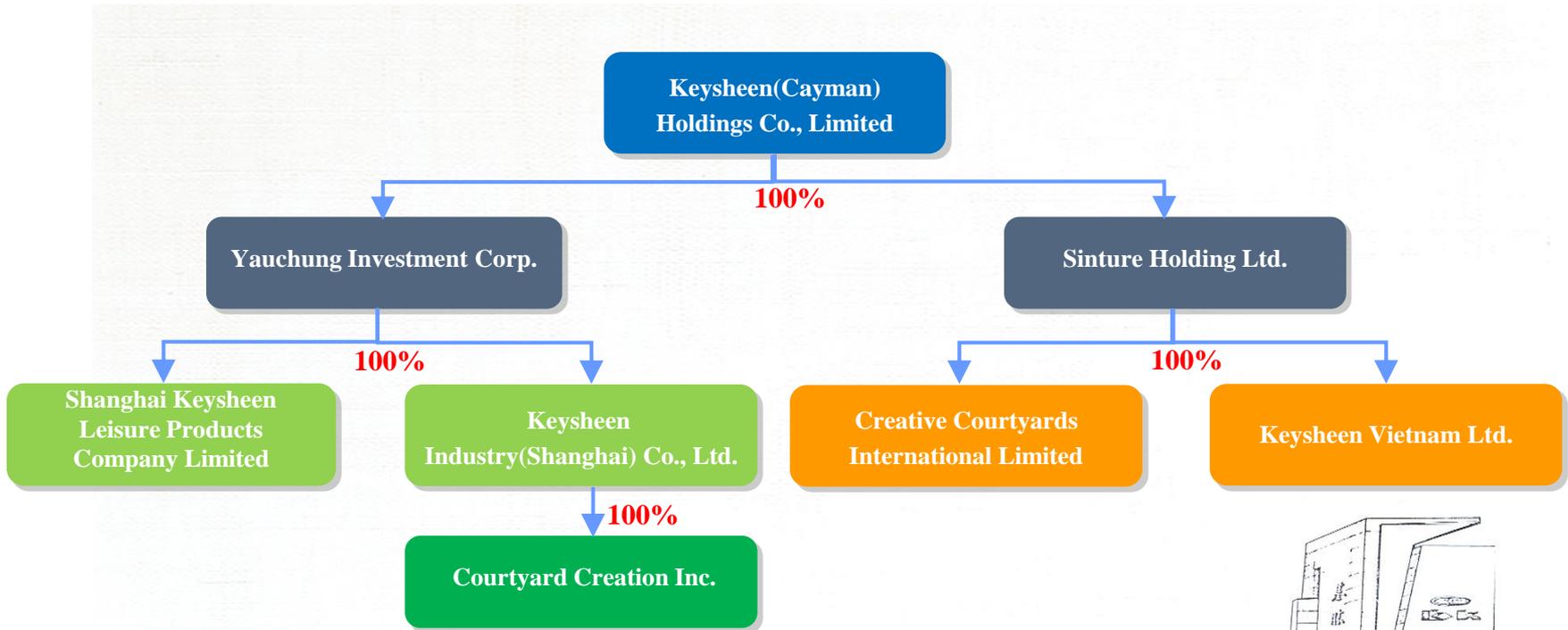
## Milestones





# Company Profile

## Corporate Structure





# Company Profile

## Manufacturing Locations

Shanghai Qingpu Industrial Zone



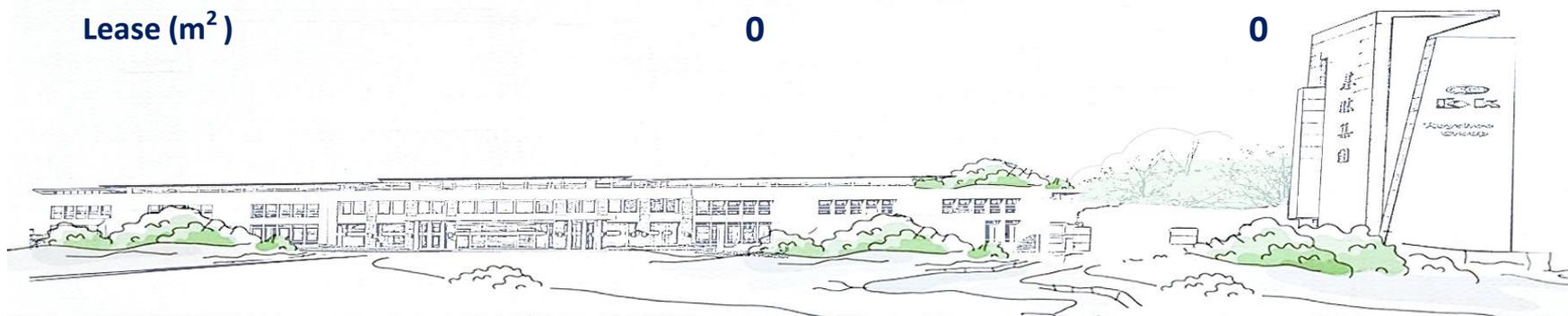
Vietnam Que Vo Industrial Zone



# Company Profile

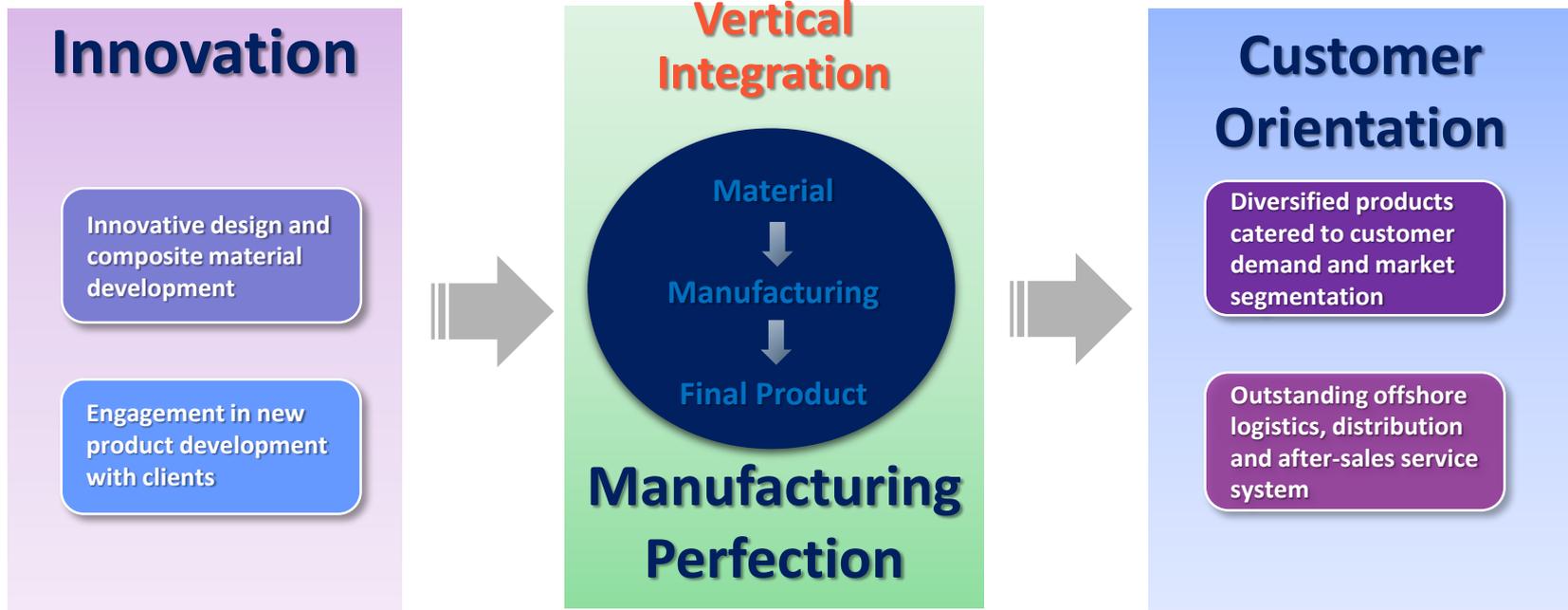
## Factory Profile

Item	Keysheen Industry (Shanghai)	Keysheen (Vietnam)
Total Investment (USD Million)	95	20
Registered Capital (USD Million)	56	20
Land Area: (m <sup>2</sup> )	325,546	120,480
Factory Area: (m <sup>2</sup> )	228,373	116,244
Private Land (m <sup>2</sup> )	228,373	116,244
Lease (m <sup>2</sup> )	0	0



# Business and Manufacturing Strategy

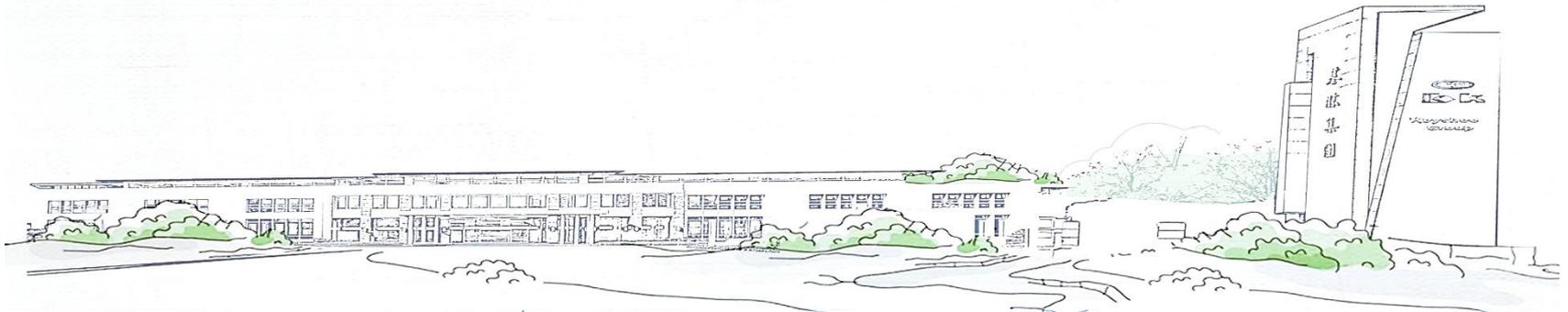
## Business Strategy





# Business and Manufacturing Strategy

## Manufacturing Strategy





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# Product and Marketing Strategy

## Product Lines



CCI



Urban



Specialty Store



# Product and Marketing Strategy

## Market Segmentation

### CCI

- Major market for long-term management
- Customized products

### URBAN

- Various products
- Focusing on storage capability

### SPECIALTY STORE

- High-quality products
- High gross-profit products



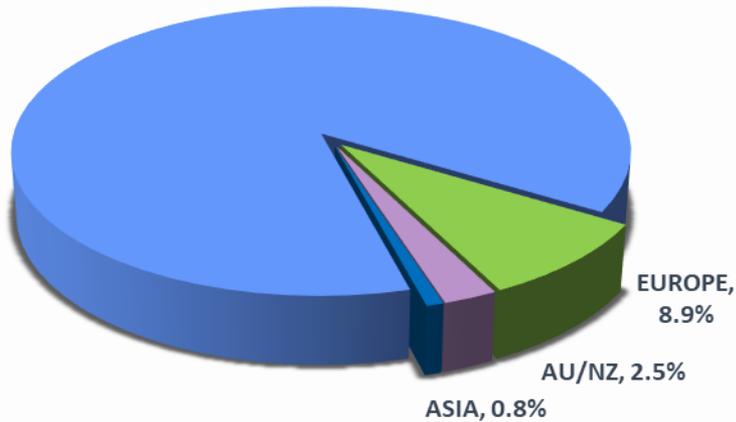


# Product and Marketing Strategy

## Market and Product Sales Mix

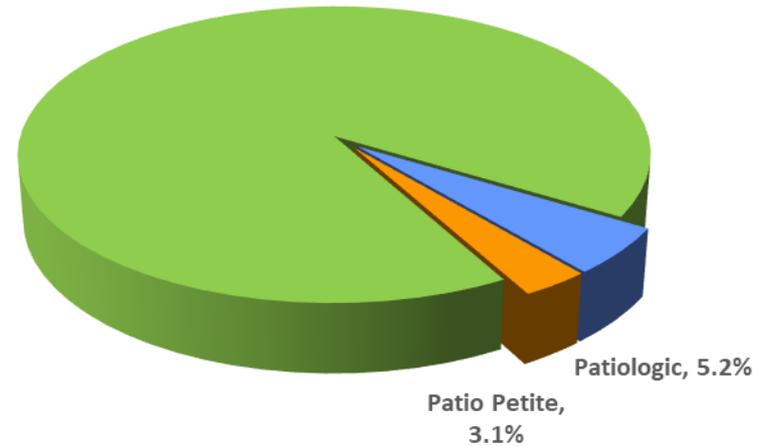
### Market Sales Mix

North America, 87.8%



### Product Sales Mix

CCI, 91.7%



2018 Season



# Product and Marketing Strategy

## Major Customers / North America





# Product and Marketing Strategy

## Major Customers / Europe & Other Areas





# Vietnam Investment Plan

## Factory View



Administration Center



Weaving Factory



Powder-Coating Line



Powder-Coating Factory

# Vietnam Investment Plan

## Wicker Product





# Vietnam Investment Plan Manufacturing Strategy



Piece rate system

Ergonomic weaving workstations and  
scalable production



End to end barcode system

# Vietnam Investment Plan

## Expansion Plan - Que Vo Industrial Zone

- **Aim:**  
To build a vertically integrated production facility
- **Start date:**  
December 2016
- **Projected completion date:**  
December 2019
  
- **Planned timetable:**



Factory	Completion date	Purpose	Current Condition
Factory #A	2016/04	Weaving and warehouse	Full capacity
Factory #1	2017/06	Powder coating & weaving	Pilot run
Factory #2	2017/10	Assembly	Completed
Factory #3	2017/11	Warehouse	Almost completed
Factory #4	2018/04	Tubing and welding	Incompleted
Factory #5	2018/07	Powder coating & weaving	Incompleted
Administration Center	2017/10	Office and showroom	Completed
Dorm & Cafeteria	2017/10	Dorm and cafeteria	Completed

# Financial Information

## Income Statement

NTD Million	2012	2013	2014	2015	2016	2016Q3	2017Q3
Sales Revenue	6,609	5,801	6,426	5,880	4,816	2,974	3,208
COGS	5,125	4,657	5,121	4,195	3,416	2,076	2,422
Gross Profit	1,484	1,144	1,305	1,685	1,400	898	786
Operating Expense	980	972	1,129	1,126	995	713	702
Operating Profit	504	172	176	562	406	184	84
Income before Tax	588	350	(5)	712	1,352	1159	108
Net Income	435	231	(19)	452	851	750	37
EPS(NTD)	4.02	2.14	(0.18)	4.28	8.16	7.19	0.35
Gross Margin	22.45%	19.72%	20.31%	28.66%	29.07%	30.18%	24.50%
Operating Margin	7.63%	2.97%	2.74%	9.56%	8.42%	6.19%	2.61%
Sales Revenue YoY	-8.72%	-12.23%	10.77%	-8.5%	-18.09%		7.87%
Operating Profit YoY	-31.24%	-65.87%	2.33%	218.97%	-27.87%		-54.58%

# Dividend Policy

Year	Cash Dividend per Share(NTD)	Stock Dividend per Share(NTD)	Dividend per Share(NTD)	EPS(NTD)	Payout Ratio(%)	Cash Dividend Yield(%)*
2016	4.0	0	4.0	8.16	49.02	7.14
2015	3.6	0	3.6	4.28	84.11	5.57
2014	1.5	0	1.5	-0.18	N/A	3.21
2013	1.9	0	1.9	2.14	88.79	3.88
2012	3.5	0	3.5	4.02	87.06	5.54
2011	3	2	5	8.96	33.48	3.63

\*Cash dividend yield is based on Keysheen's closing stock price on the day before ex-dividend day



# Prospects

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Develop new customers, including membership warehouse clubs and home improvement stores

Increase the proportion of high value-added wicker products

Achieve full capacity in Keysheen Vietnam within two years

Promote the strategies of product diversification



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# Q&A

# Thank you for your attention

