



RooHsing Co., Ltd. (ID: 4414) 2024 Investor Conference

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Operational Development & Business Layout

Operational Development

Operational Overview



Global Leader in Denim Apparel Manufacturing

- 2023: Production volume of 52,844 units, revenue of NT\$13.5 billion
- 2024 Q1-Q3: Production volume of 45,863 units, revenue of NT\$10.8 billion



Significant Reduction in Bank Debt

- In 2024 Q3, bank loan amounts decreased by NT\$1.3 billion compared to the same period last year

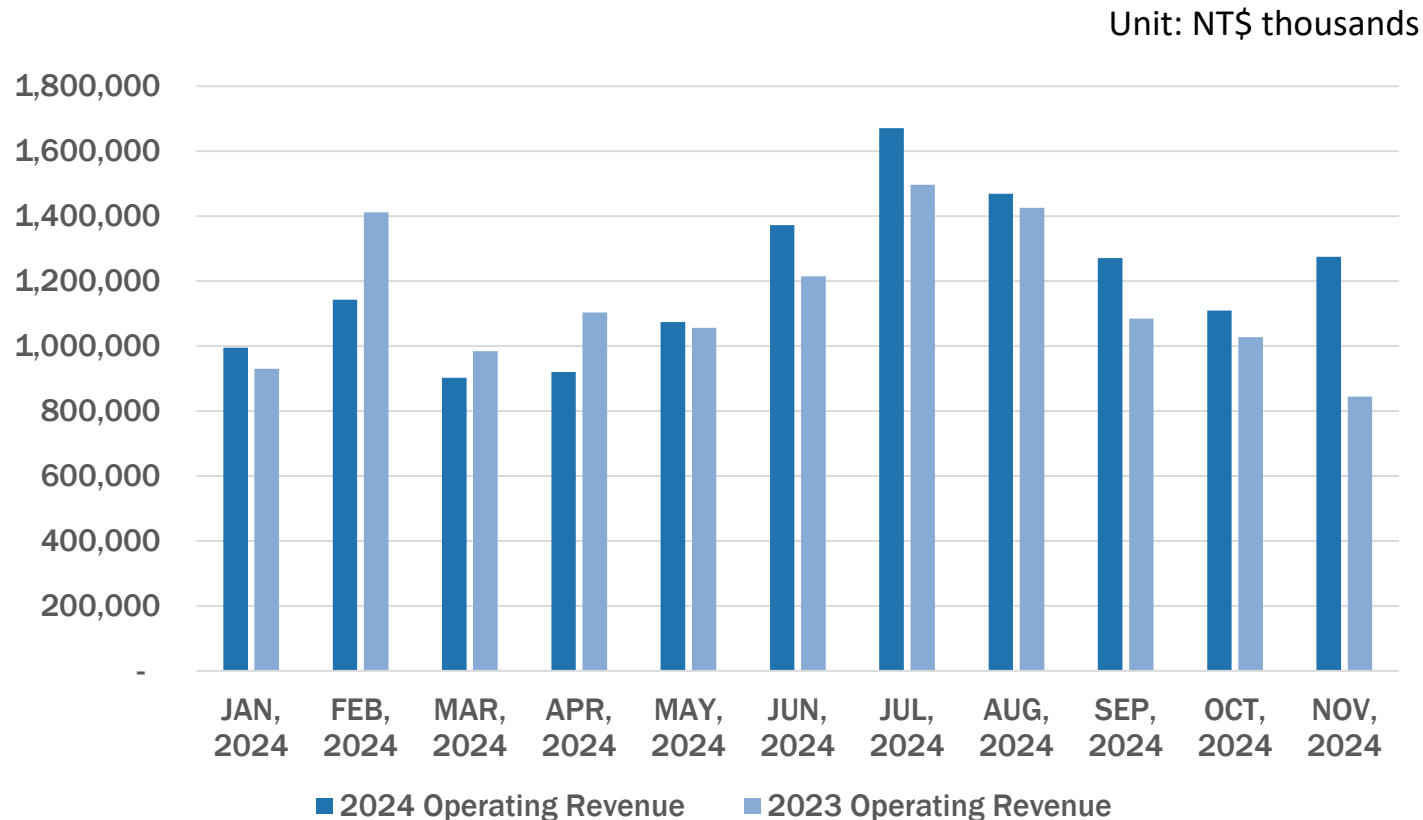


Effective Cost Control in Operations

- 2024 Q1-Q3: Operating expenses ratio down 23% YoY
- Streamlined workforce on production lines while maintaining output value

Operational Development - Stability and Gradual Growth

Monthly Revenue Comparison Over Two Years



- **2024 Q3: Single-quarter revenue grew 10% YoY**
- **2024 Q1-Q3: Cumulative revenue grew 1% YoY**
- **2024 November: Monthly revenue increased by 51% YoY**

- **2023:** The garment industry reached its lowest point, with recovery beginning in **May 2024**.
- **2024:** Global maritime transport disruptions continue, particularly in the **Red Sea** and the **Panama Canal**.



Source: Drewry World Container Index, Drewry Supply Chain Advisors

Business Layout - Enhancing Service Value for Sustainable Operations

Creating Trade Models

Shifting from **FOB** to **LDP** to enhance client trust and efficiency.

Our goal: Transforming through Service Excellence

FOB

Delivery location is the designated port of the destination country



LDP

Delivery location is the buyer's contracted warehouse.

Advantages of LDP :

1. Streamlines the supply chain and reduces overall logistics costs.
2. Enhances profit margins with flexible operations.

Promoting LDP Trade Models to Increase Service Value



Not Just a Listed Company Obligation but a Commitment

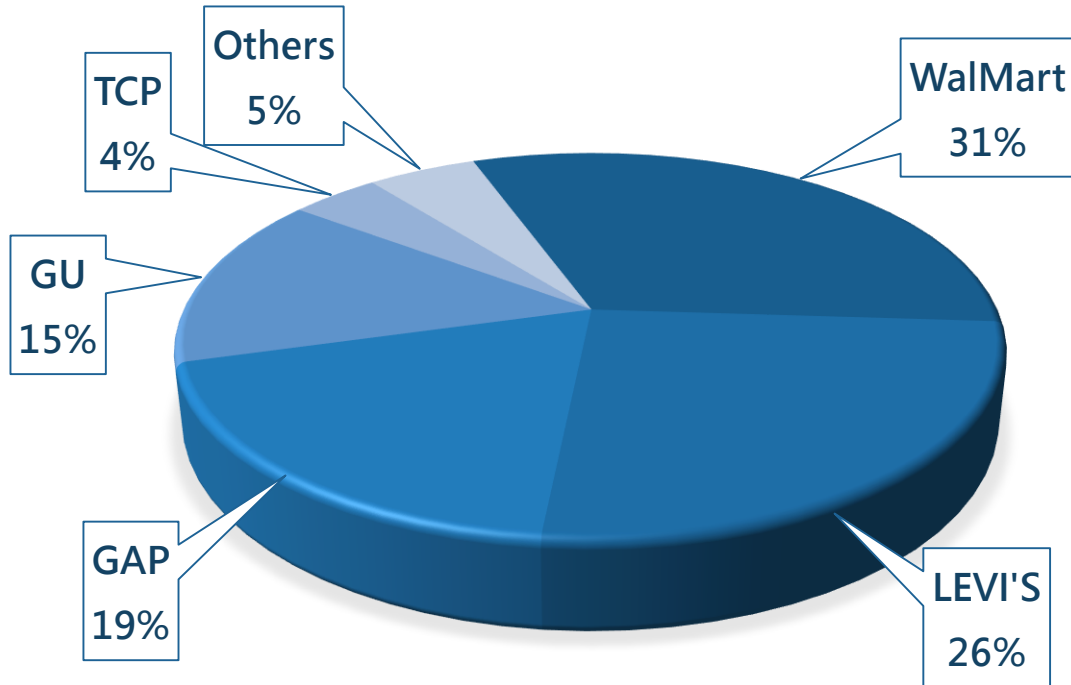
Fulfilling ESG, Meeting Brand and Supply Chain Sustainability Goals and End-Customer Needs

Business Layout

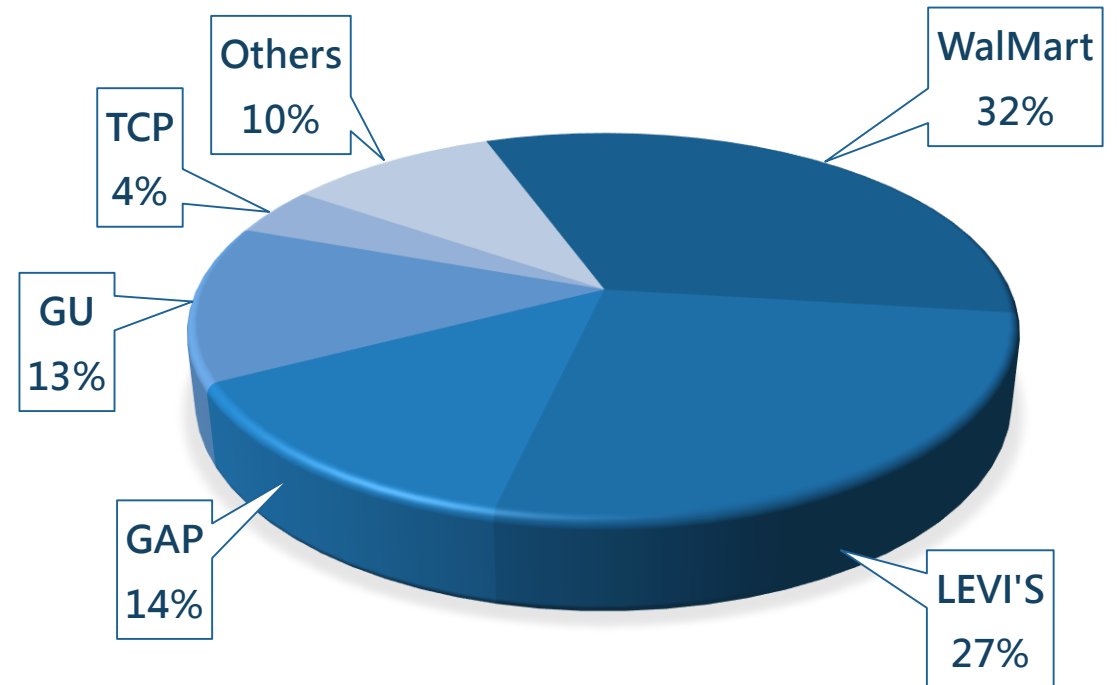
- Strengthening U.S. and Japanese Brand Relationships and Developing the European Market

Top 5 Clients' Revenue Contribution Continues to Grow

JANUARY–NOVEMBER 2024

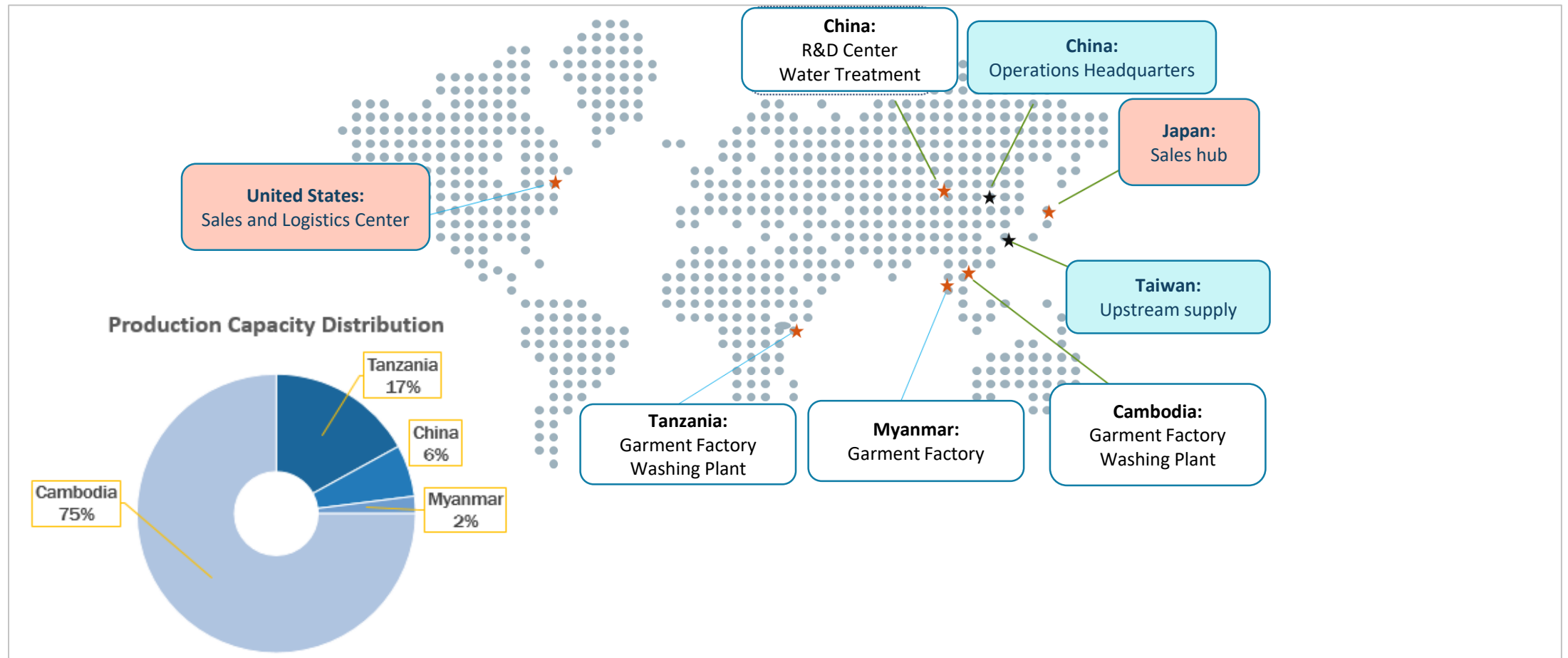


JANUARY–NOVEMBER 2023



Business Layout - Global Operations and Production Capacity

The group centers R&D and supply in China, establishes sales hubs in the U.S., Hong Kong, and Japan, with production prioritized in Southeast Asia and East Africa





Production capacity continues shifting toward East Africa, with the goal of increasing the share of East African production

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Management Performance & Improvement

Profit and Loss Overview for Each Period & Continuous Cost Optimization Management

Unit: NT\$ thousands

	2023 H1	2023 H2	2024 H1	2024 Q3	2024 Q4	2025
Operating Revenue	6,722,440	6,794,976	6,436,621	4,403,819		
Operating Cost	(5,880,427)	(5,418,667)	(5,454,536)	3,613,911		
Operating Gross Profit	842,013	1,376,309	982,085	789,908		
Gross Margin	12.53%	20.25%	15.26%	17.94%		
Operating Expense	(1,370,632)	(1,053,325)	(1,053,048)	566,307		
Operating Expense Ratio	20.39%	15.50%	16.36%	12.86%		
Operating Net Income	(528,619)	322,984	(70,963)	223,601		
Operating Net Income Margin	-7.86%	4.75%	-1.10%	5.08%		
Non-Operating Income/Expense	(66,777)	(291,849)	(140,652)	(207,212)		
Financial Cost	(238,697)	(218,081)	(159,505)	(71,619)		
Financial Cost Ratio	3.55%	4.04%	2.49%	1.63%		
Pre-Tax Profit (Loss)	(595,396)	31,135	(211,615)	16,389		
Pre-Tax Profit Margin	-8.86%	0.46%	-3.29%	0.37%		

- ◆ In H2 2023, operating net income and pre-tax profit turned positive.
- ◆ In H1 2024, losses decreased significantly despite lacking economies of scale. Operating net income is expected to turn positive by Q3 2024, though exchange rate impacts have kept overall results negative.
- ◆ Operating expenses are declining, and production efficiency is improving. Details on the next page.
- ◆ The revenue for the first two months of Q4 2024 increased by 27% compared to the same period last year.

Significant Improvement in Production Efficiency - Fewer Staff, Greater Benefits

Average Number of Employees & Monthly Revenue: Q3 2024 vs. Q3 2023

	Q1-Q3 2023 Average	Q1-Q3 2024 Average
Total Number of Employees	18,845	17,131
Monthly Revenue (NT\$ in Thousands)	1,190,052	1,202,384

In Q1-Q3 2024, the average monthly revenue per employee increased by over NT\$7,000 compared to the same period in 2023, reflecting a production efficiency improvement of over 11%.

Employee Count and Revenue Performance

