

Global Excellence in Providing Kitchen & Bath Solutions

Globe Union Industrial Corp. 9934



Product Category

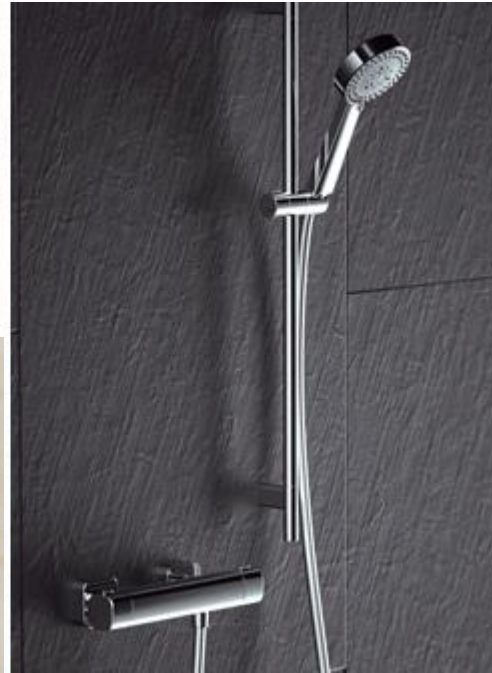
Our Portfolio Includes More Than Faucets

Faucet

Vitreous China

Bath Accessories

Showerheads



Milestone

1979

Founded in Taichung as a trading company

1999

- Listed on Taiwan Stock exchange (9934)
- Introduced own Brand "Danze" to US market

danze
by GERBER

2004

Acquired European brand "Lenz"

Lenz
Perfekt in Design und Funktion.

2012

Introduced of the high-quality Kitchen & Bath Product R & D center in Taichung



2016

Restructured Company Corporate Governance Structure and adaptation of professional management for substantial company development

2020

- In June, announced an agreement for a new overseas joint venture with Thai Kin Co., Ltd (6629.TW), to build a manufacture facility for kitchen and bathroom faucets in Thailand

● Foundation ●

Brand Expansion

Manufacturing Expansion

Service upgrade

1990

Established Faucet Manufacture factory in Shenzhen, China



2003

Expanded product category to vitreous China Sanitary ware by acquiring "Gerber" Brand in US & "Milim" factory in China

GERBER

2007

Acquired PJH, a leading European supplier and distributor of appliances and Bathroom products

pjh
together we're better

2009

Completed Faucet Factory Integration



2015

Expanded Milim production capacity by adding fifth kiln and fourth high pressure casting line



2017

On-going implementation of core manufacture process automation

2019

- Shane Ouyang has chosen to succeed Scott Ouyang as Chairman of the Board.
- Appointed Todd Talbot as Company CEO
- Formation of Subsidiary GU Plumbing de Mexico S.A de C. V, for production of VC
- Consolidated Business unit by product category to achieve "One family One vision"

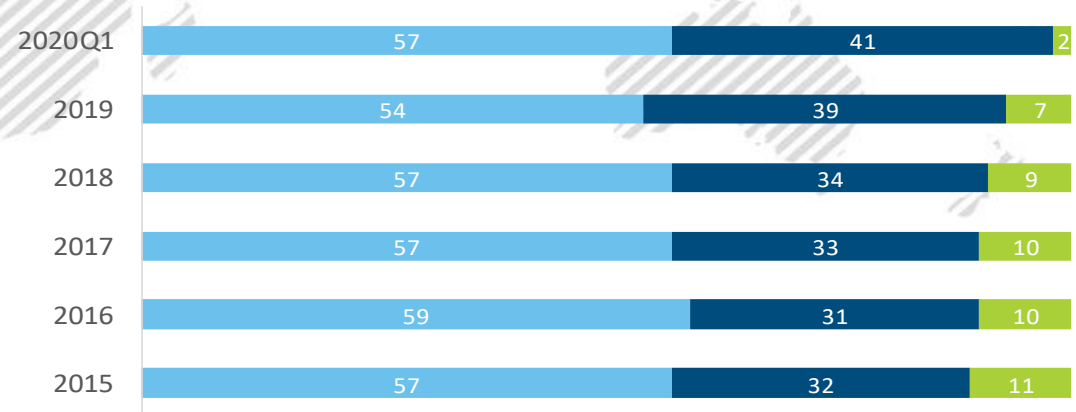
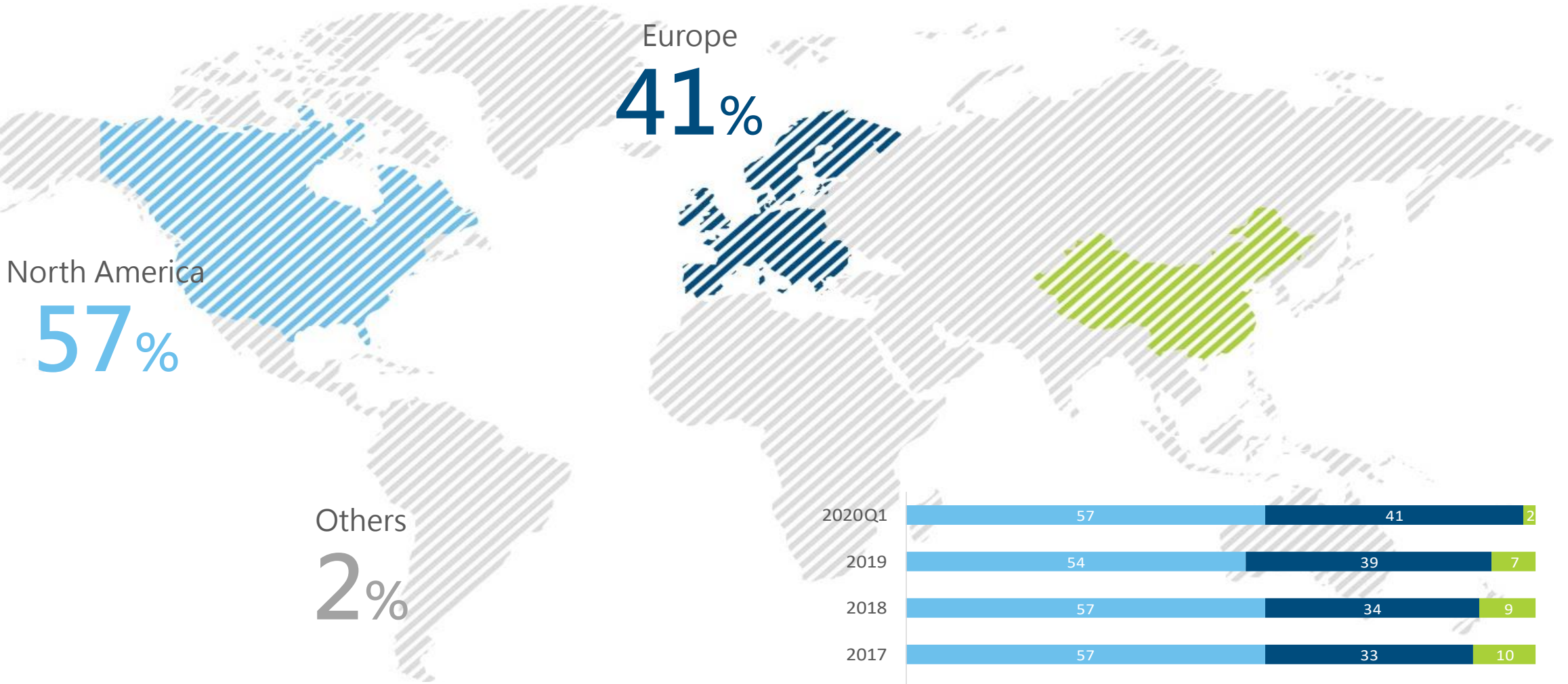
Global Network



- **Offices & Distribution Centers**
- **Sales Offices**
- **Sourcing Office**
- **Factories**



Sales by Region



Business Segmentation

BRAND

Our brands include Gerber in North America and Lenz in Europe

GERBER®



Perfekt in Design und Funktion.

Globe Private OEM & Brand

Global OEM and Private Brand serves our strategic Retail, Trade, OEM and ODM partners

PJH (UK Distribution)

PJH specializes in providing logistic, distribution service solutions for sanitary ware and appliances in UK.



Business Segmentation

PJH is a UK based distributor of bathrooms, appliances, sinks & taps and kitchens



Retail (20% of revenue)

Providing bathrooms, appliances, sinks & taps and kitchens to retailers and merchants.

Next Day delivery to Store



Contracts (32% of revenue)

Supply and installation of kitchen appliances to builders.

Next Day delivery to Site



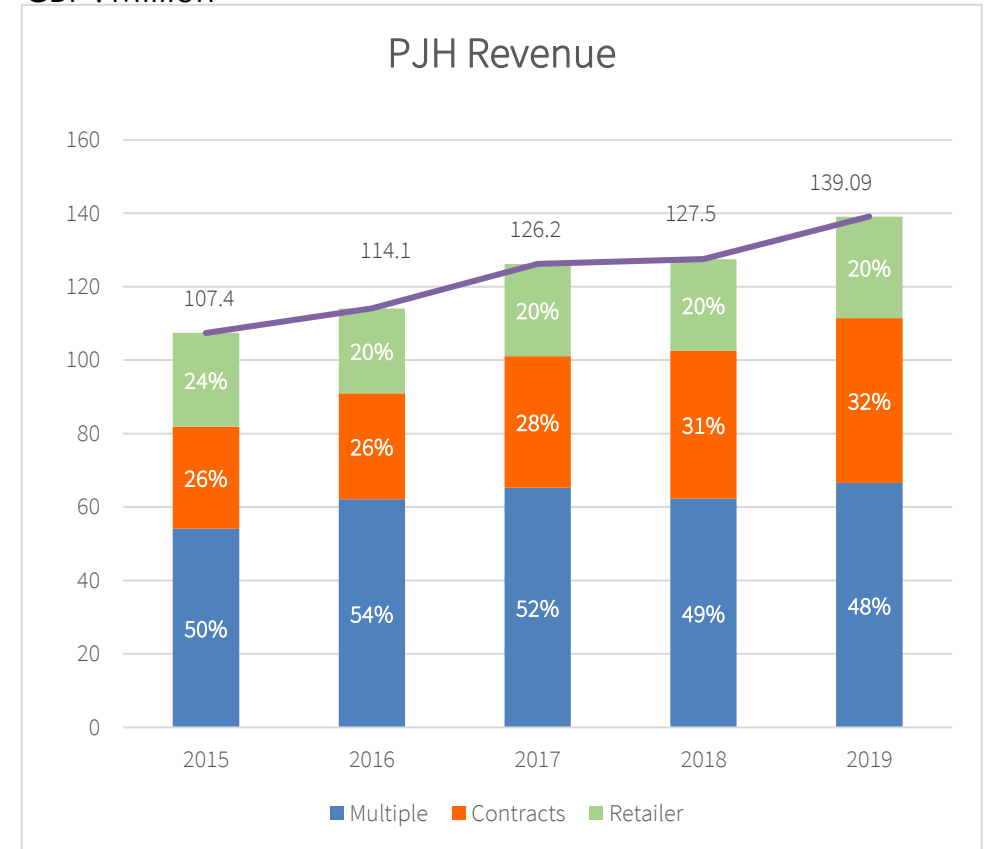
Customers

Multiples (48% of revenue)

Providing supply chain management, logistics, warehousing, customer care and merchandising services to big box multiple retailers.

**Twice weekly delivery to Store
6 days a week delivery to Home**

GBP : Million



CAGR 7%

Product Category

34%



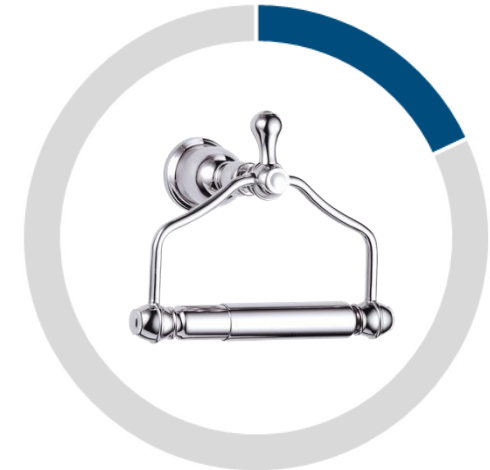
Faucets & Showerhead

45%



Vitreous China

21%



Others

[Note]

1. As of 2020/3/31

2. Package of Kitchen Products includes package sales of the kitchen products and equipment.

3. Others is including bathroom accessories , package of kitchen products . cabinet and distribution services fee



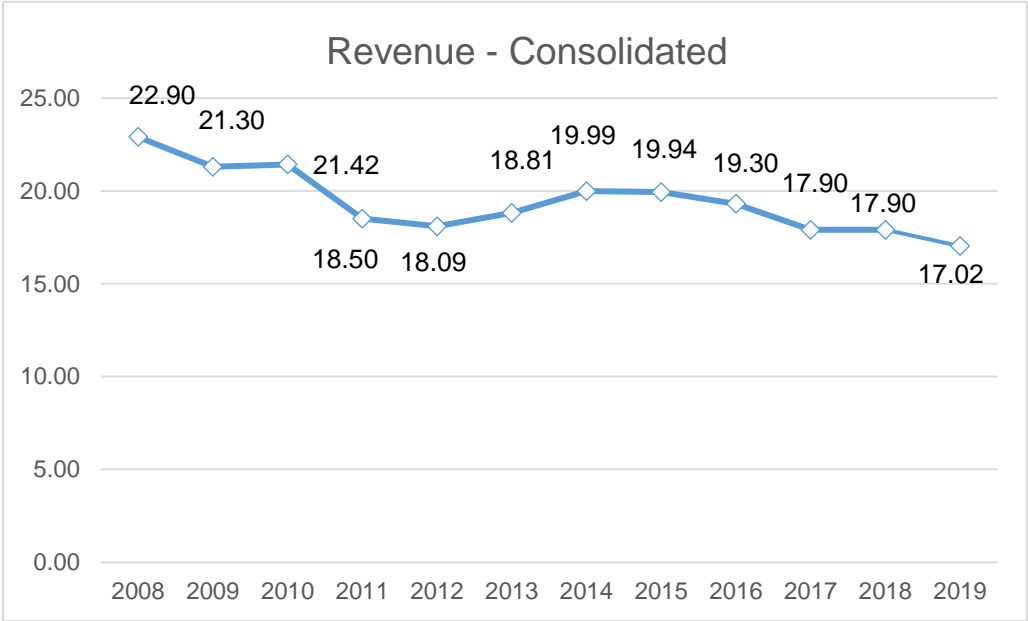

One Family One Vision

一個家共同的夢

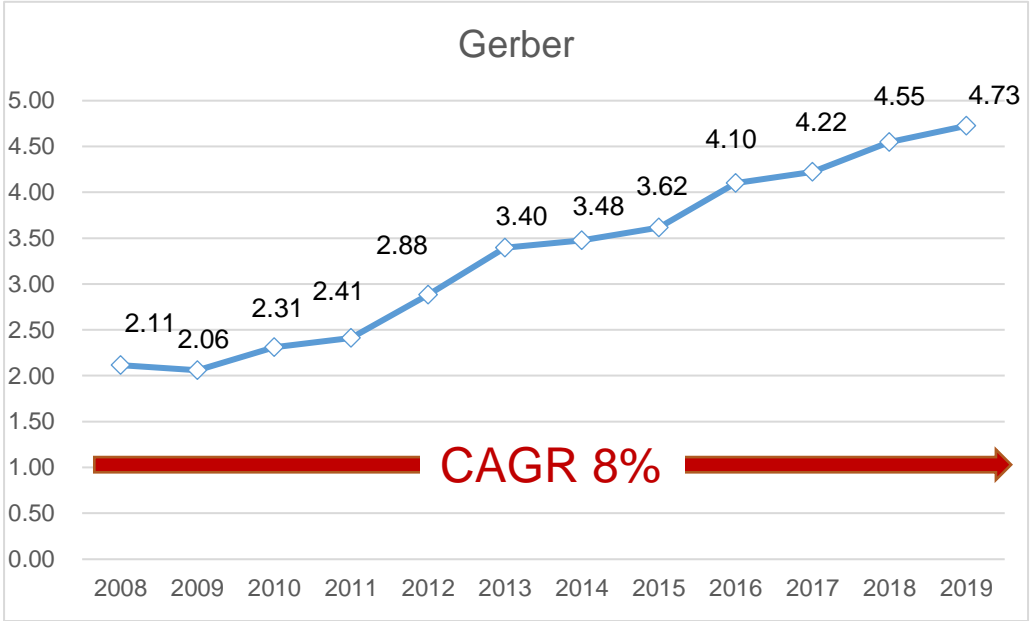
Business Strategy

STRONG REVENUE GENERATION from BRAND

NT: Billion



NT: Billion



NT (Billion)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Q1
Revenue – Consolidated	22.9	21.3	21.4	18.5	18.1	18.8	20.0	19.9	19.3	17.9	17.9	17.0	3.78
Revenue - Gerber	2.1	2.1	2.3	2.4	2.9	3.4	3.5	3.6	4.1	4.2	4.5	4.7	1.49
Weight %	9%	10%	11%	13%	16%	18%	17%	18%	21%	24%	25%	28%	39%

Unified Manufacturing Organization



Milim – Vitreous China (QD, CN)



GU Mexico –Vitreous China (MX)



GUFY– Faucet (SZ, CN)



Joint Venture (In preparation process) – Faucet (Chonburi, Thailand)

GLOBAL MARKETING and MANUFACTURING



Unified Sales Front

WHOLESALE

PLUMBER/ BUILDER

RETAIL

CLUB/ BIG BOX

STRATEGIC CORPORATE FUNCTIONS



Business Strategy

BRAND GROWTH
SALES CHANNEL EXPANSION



GROWTH in existing sales
channel

EXPANSION to new retail
market

WHOLESALE

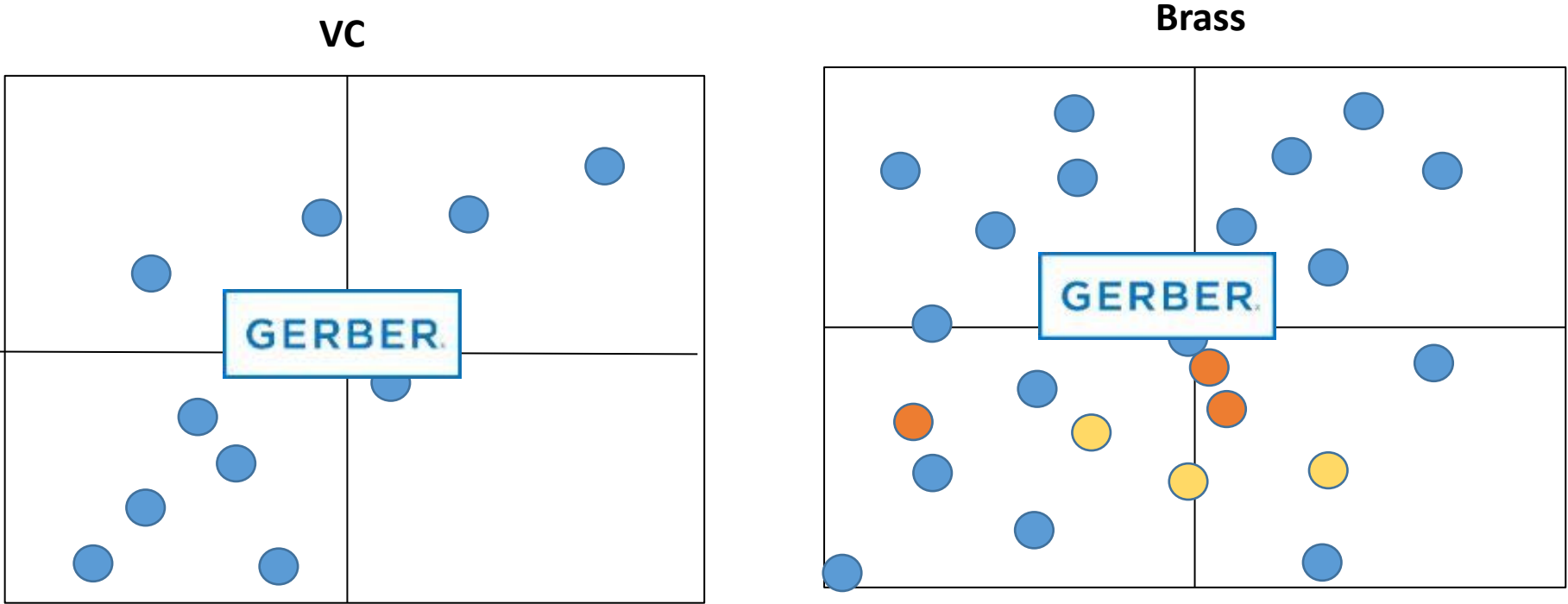
PLUMBER/ BUILDER

RETAIL

CLUB/ BIG BOX

Business Strategy

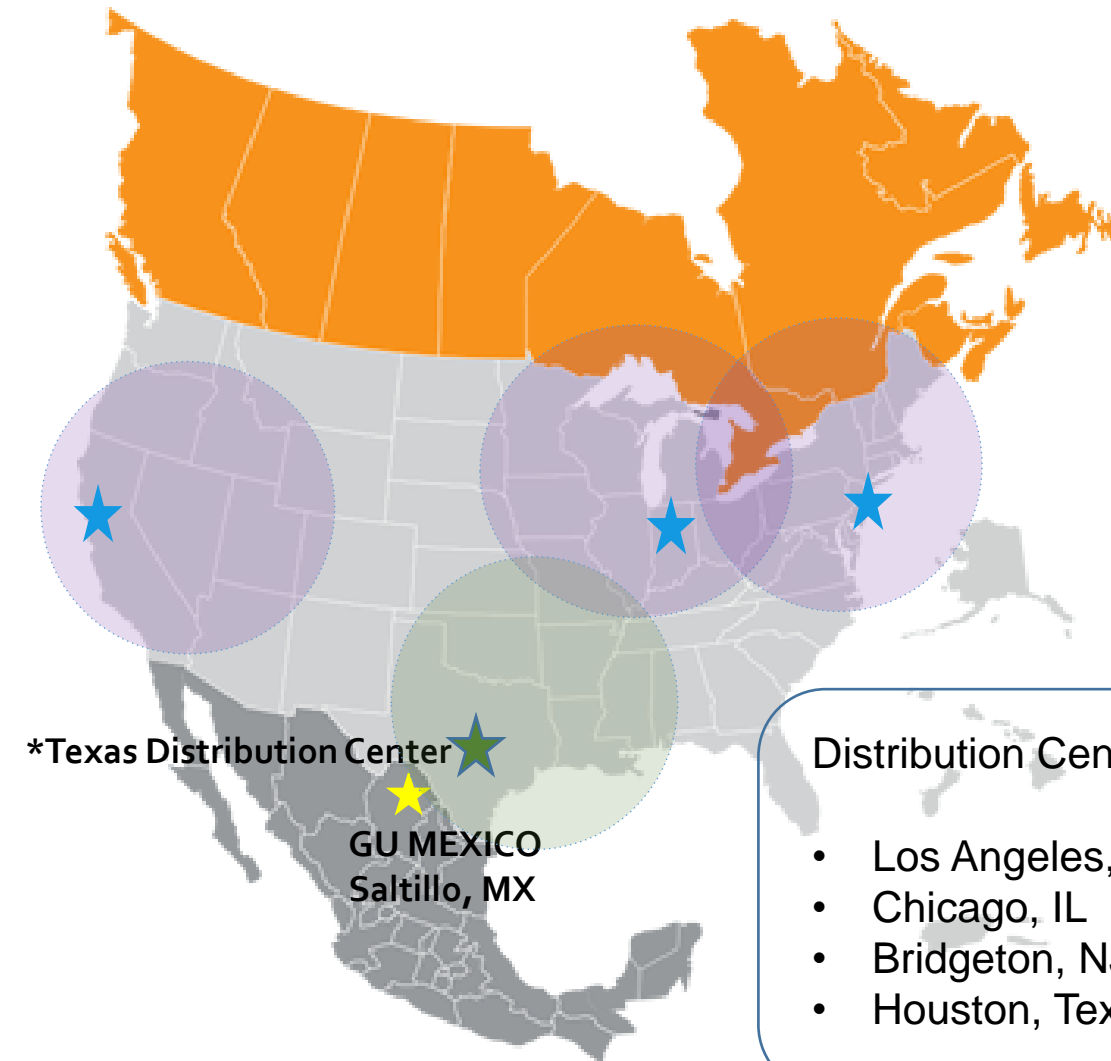
MARKET ANALYSIS
LEAD with VC ; DIFFERENTIATE with FAUCET



Together, reach full growth potential

Business Strategy

LEADTIME AND TRANSPORTATION COST REDUCTION for CORE MARKET



- ✓ Addition to Global supply chain for diversifying the supply base
- ✓ Significant reduction on transportation cost and lead time

Distribution Centers:

- Los Angeles, CA
- Chicago, IL
- Bridgeton, NJ
- Houston, Texas * New addition Oct 2019

Business Strategy

INCREASED MANUFACTURE CAPACITY
TO SUPPORT POTENTIAL GROWTH

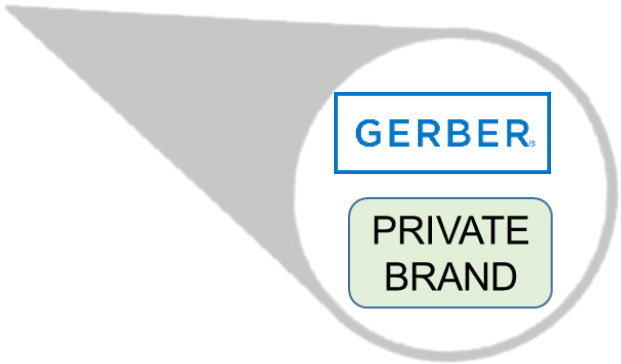
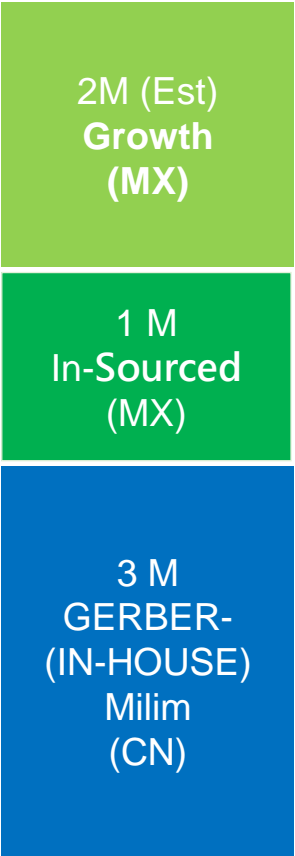
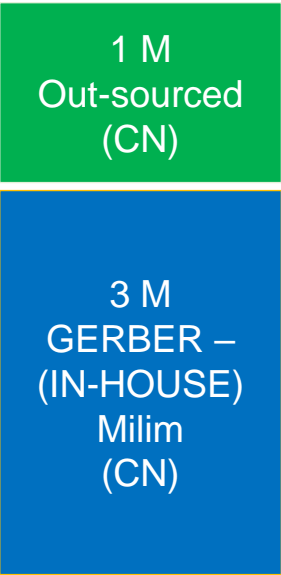
BEFORE

VC capacity
4M Pieces



NOW

With GUMX
6M Pieces *



Completed asset acquisition and set up a Mexican subsidiary “GU Plumbing de Mexico S.A. de C.V.” in Oct 2019 for Vitreous China products

* Estimated Maximum capacity

Q & A

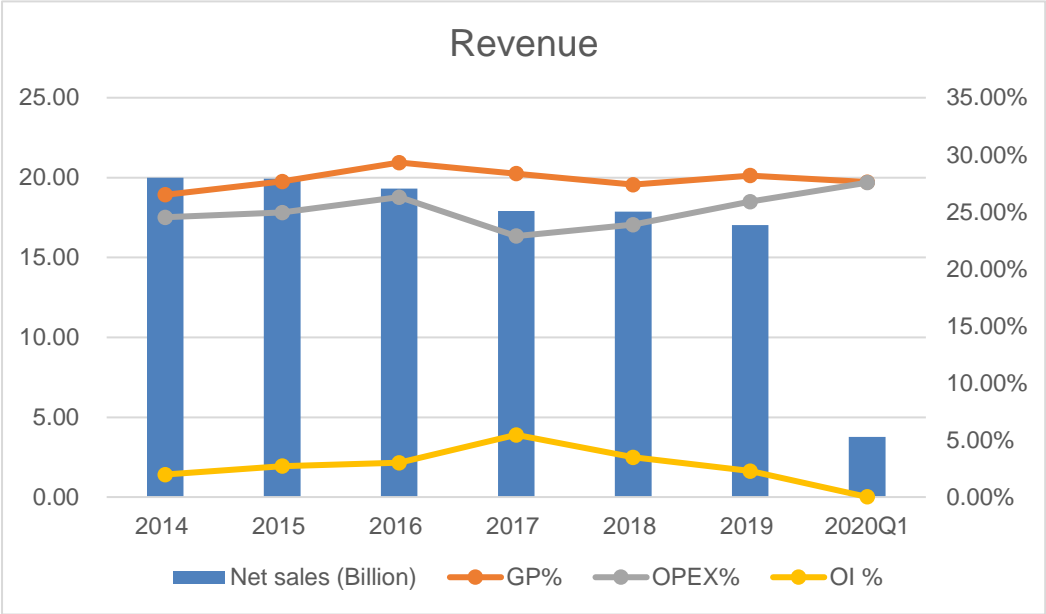


GERBER

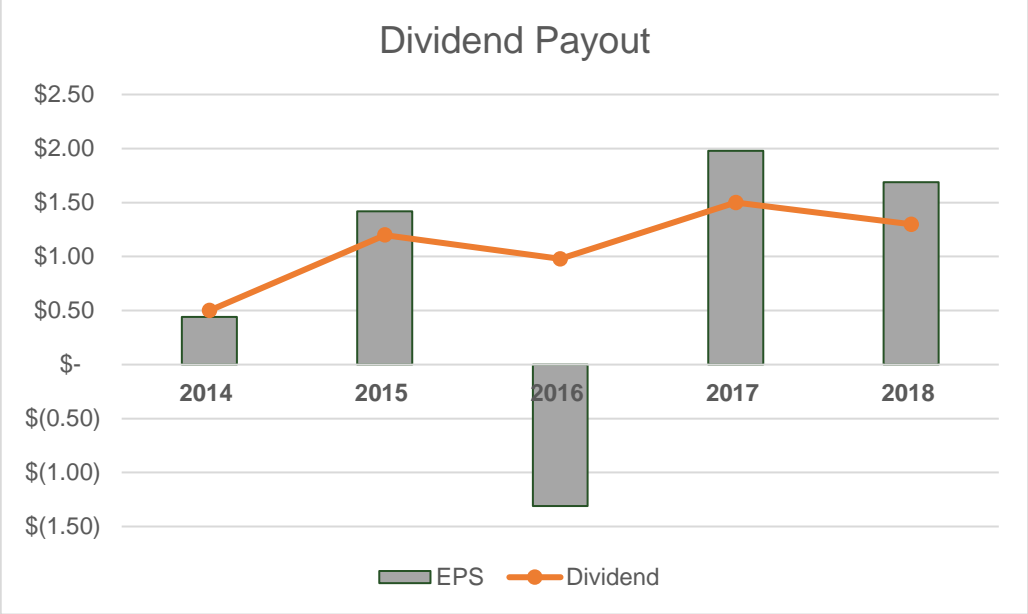
Financial Data

FINANCIAL DATA

NTD : Billion



NTD : Dollar



Year	2014	2015	2016	2017	2018	2019	2020 Q1
Net Sales (billion)	19.99	19.94	19.3	17.91	17.88	17.02	3.78
GP%	26.50%	27.66%	29.31%	28.34%	27.37%	28.18%	27.60%
OPEX%	24.52%	24.94%	26.29%	22.89%	23.87%	25.89%	27.56%
OI%	1.98%	2.72%	3.01%	5.46%	3.50%	2.30%	0.04%

Year	2014	2015	2016	2017	2018	2019	2020 Q1
EPS (dollar)	0.4	1.42	(1.31)	1.98	1.69	0.94	(0.20)
Dividend dollar	0.55	1.2	0.98	1.5	1.3	0.6	
Payout ratio %	137%	85%	-	76%	77%	64%	

Financial Data

COSOLIDATED INCOME STATEMENT (simplified) data

('000)	2014	2015	2016	2017	2018	2019	2020 Q1
Net Sales	19,987,526	19,937,099	19,304,125	17,910,124	17,879,120	17,023,426	3,775,551
Gross Profit	5,296,485	5,513,701	5,657,522	5,076,134	4,894,358	4,797,880	1,042,235
Operating expenses	4,900,585	4,971,442	5,075,584	4,098,787	4,268,243	4,406,824	1,040,601
Operating income	395,900	542,259	581,938	977,347	626,115	391,056	1,634
Non operating income	(93,300)	204,996	(860,537)	10,210	177,277	92,475	(44,656)
Income before tax	302,600	747,255	(278,599)	987,557	803,392	483,531	(42,878)
Income Tax	145,463	240,467	203,958	280,828	184,476	147,476	29,716
Net income after tax	157,137	506,788	(482,557)	706,729	618,916	336,055	(72,594)
Net income Attributeable to stockholder of the parent company	154,471	502,913	(463,027)	698,342	618,220	335,173	(72,594)

Financial Data

CONSOLIDATED BALANCE SHEET (simplified)DATA

NTD (' 000)	2014	2015	2016	2017	2018	2019	2020 Q1
Current Asset	11,772,970	11,226,041	10,035,597	10,249,528	9,975,744	9,589,522	8,934,364
Non Current Asset	4,918,450	4,769,845	3,316,748	3,031,748	2,837,437	6,260,322	6,012,139
Total Asset	16,691,420	15,995,886	13,352,345	13,281,276	12,813,181	15,849,844	14,946,503
Current liabilities	6,976,688	6,149,226	5,805,197	5,761,721	5,225,531	5,311,557	4,725,140
Non Current Liabilities	2,811,703	2,534,993	1,893,916	1,420,317	1,612,835	4,964,677	4,824,623
Total Liabilities	9,788,391	8,684,219	7,699,113	7,182,038	6,838,366	10,276,234	9,549,763
Total Capital	3,543,042	3,543,042	3,553,042	3,675,889	3,682,235	3,565,977	3,568,490
Additional paid-in captial	916,938	920,265	940,467	1,026,759	1,032,019	995,214	996,359
Total retained earnings	2,111,138	2,407,658	1,408,570	1,791,536	1,895,790	1,740,633	1,668,039
Total other components of	231,737	338,120	(285,914)	(470,533)	(526,207)	(728,214)	(836,148)
Treasury stock	-	-	(44,868)	-	(186,207)	-	-
Non- controlling interest	100,174	102,582	81,935	75,587	77,185	-	-
Total Equality	6,903,029	7,311,667	5,653,232	6,099,238	5,974,815	5,573,610	5,396,740
Debt to Equity ratio	142%	119%	136%	118%	114%	184%	177%
Debt to Equity ratio (excl IFRS 16)						147%	140%
Net Cash	(1,515,600)	(712,637)	400,558	162,501	598,366	(696,274)	(722,696)

* Net Cash = Cash and Cash Equivalents + financial asset measured at amortized cost- Loan (Short term, Long term and current portion of long-term loan)