

Global Excellence in Providing
Kitchen & Bath Solutions

Globe Union Industrial Corp. 9934



Product Category

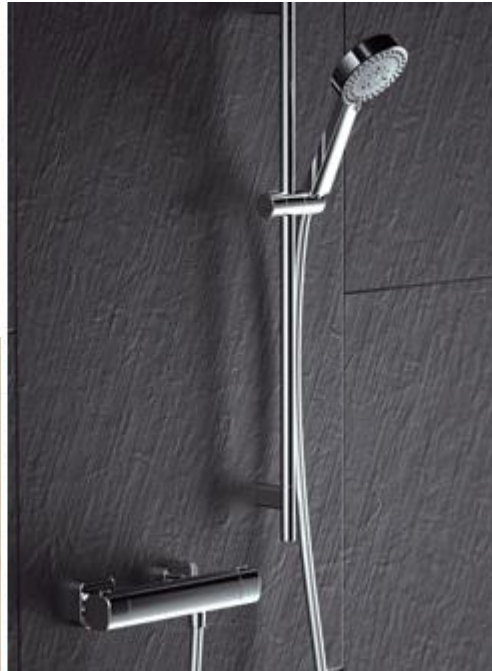
Our Portfolio Includes More Than Faucets

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



2004

Acquired European brand "Lenz"



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 oversea 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



2009

Competed Faucet Factory Integration



2015

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



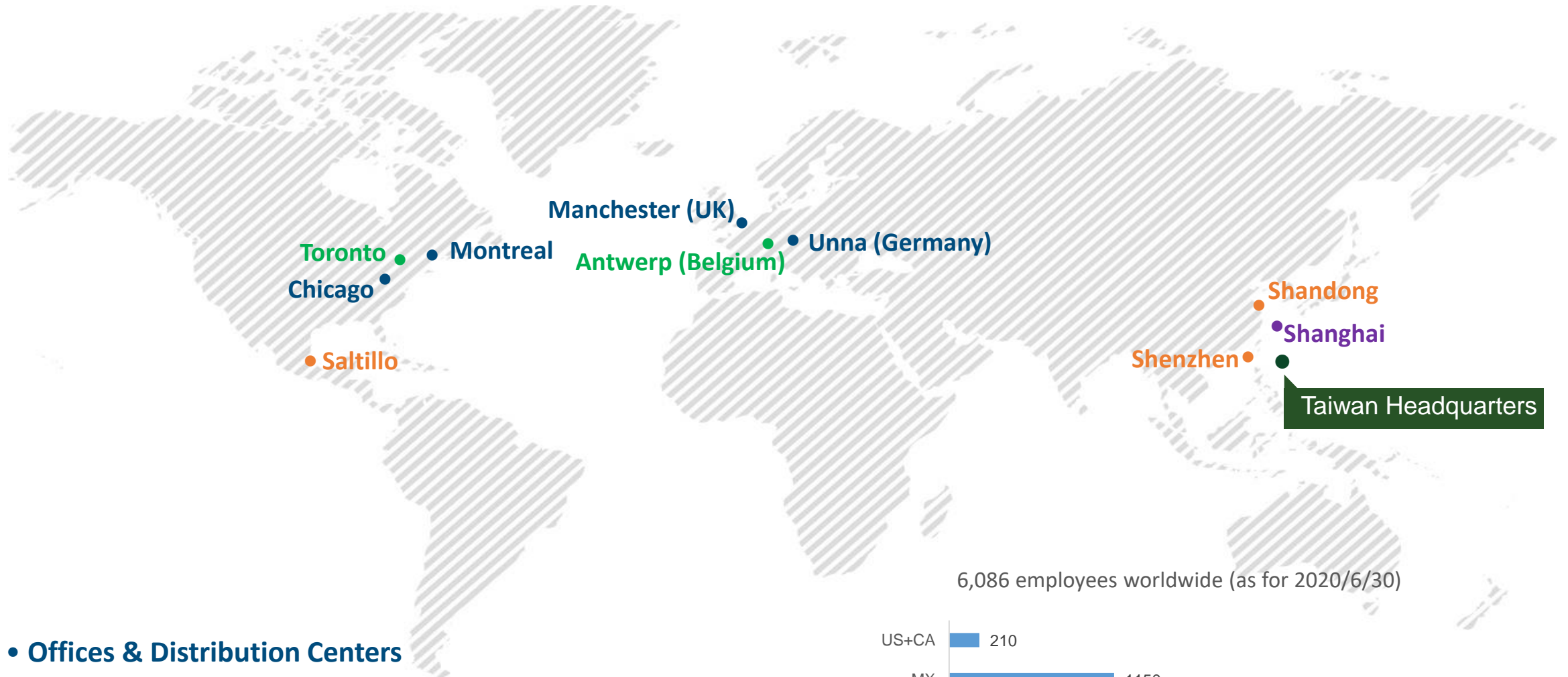
2019

- Shane Ouyang has chosen to succeed Scott Ouyong 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"

2017

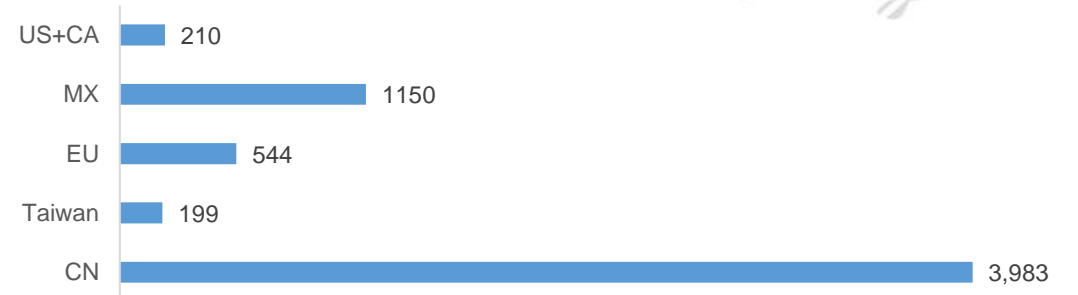
On-going implementation of core manufacture process automation

Global Network

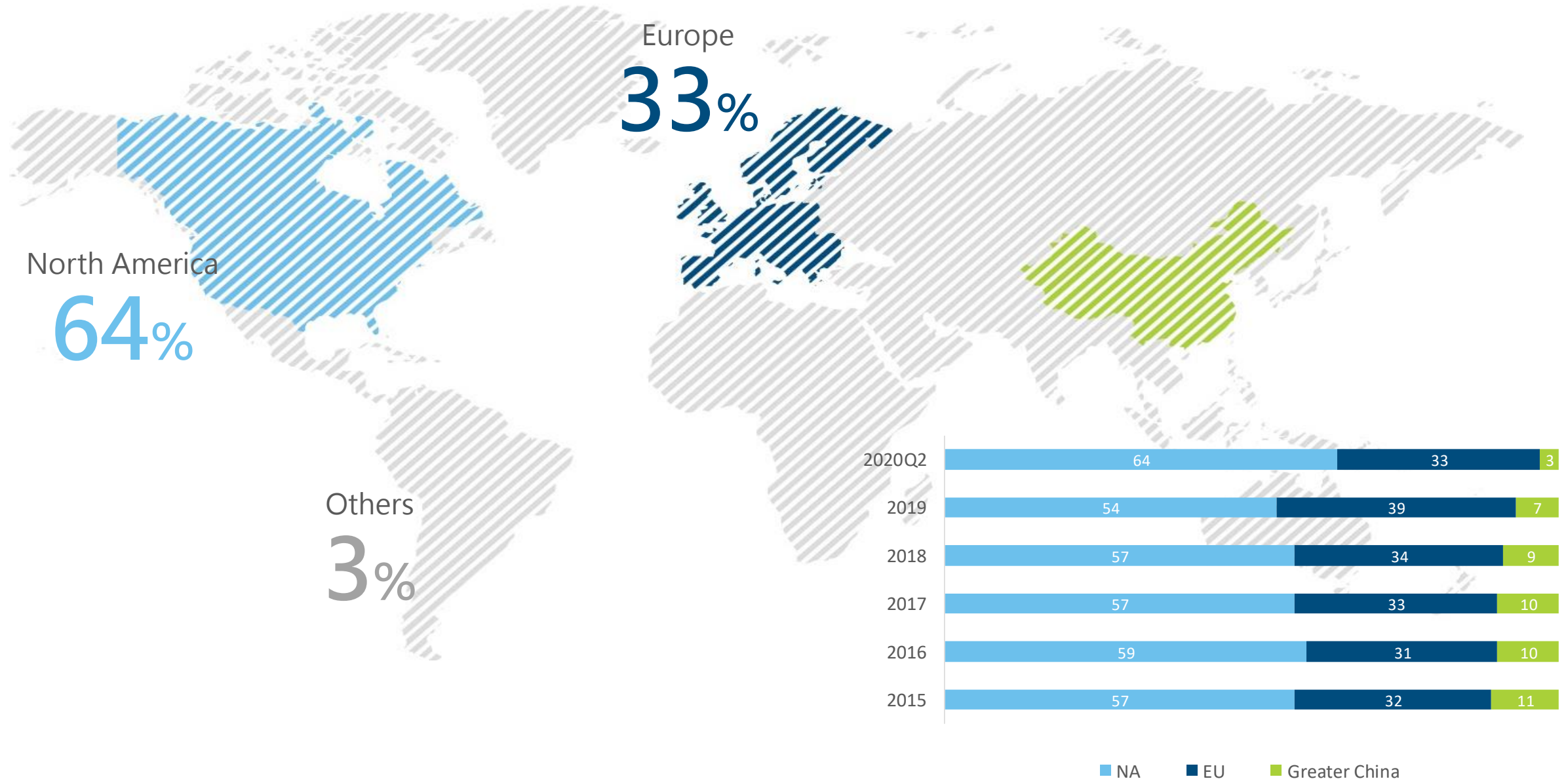


- **Offices & Distribution Centers**
- **Sales Offices**
- **Sourcing Office**
- **Factories**

6,086 employees worldwide (as for 2020/6/30)



Sales by Region



Business Segmentation

BRAND

Our brands include Gerber in North America and Lenz in Europe



GERBER®

Globe Private OEM & Brand

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



Lenz®

Perfekt in Design und Funktion.

**PJH
(UK Distribution)**

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



pjh
together we're better

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



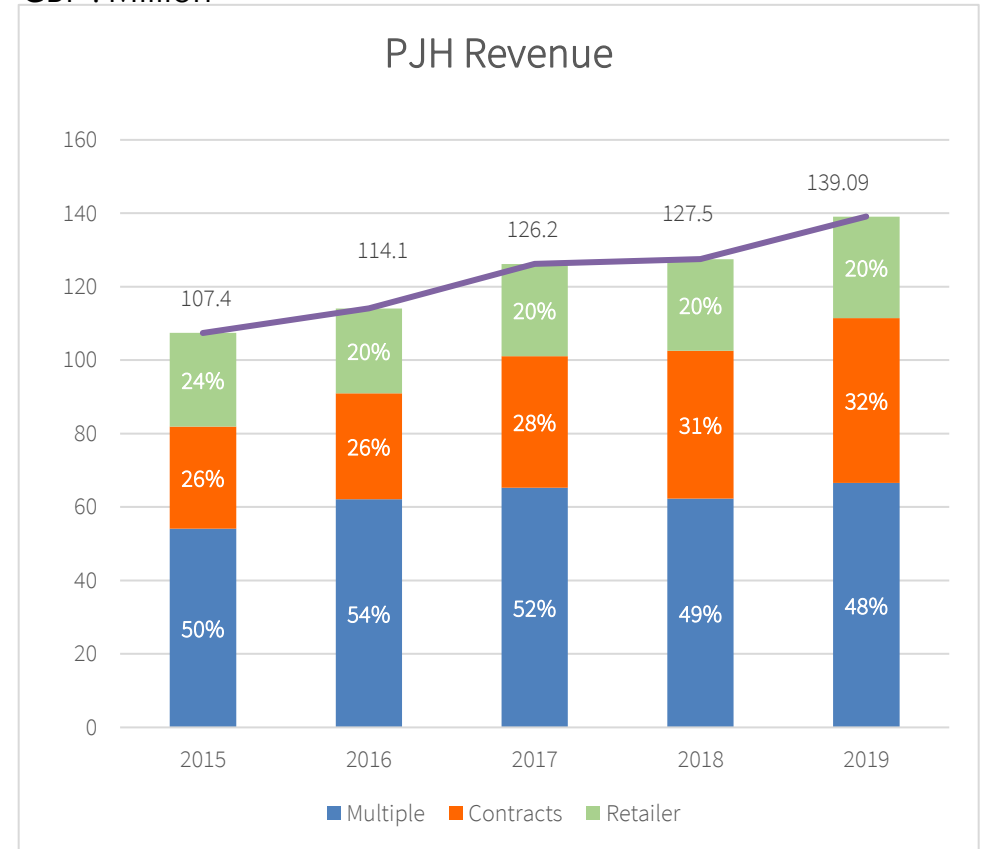
Customers (48% of revenue)

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

37%



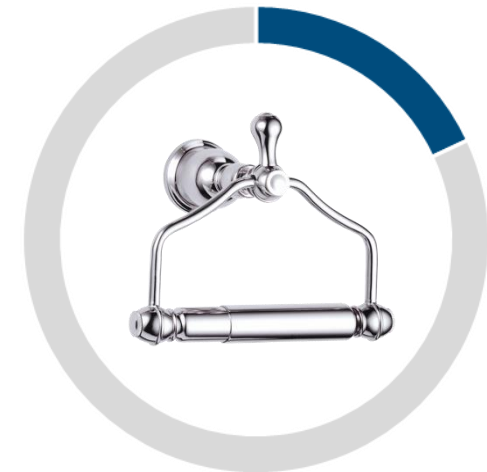
Faucets & Showerhead

43%



Vitreous China

20%



Others

[Note]

1. As of 2020/6/30

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

GLOBE UNION 

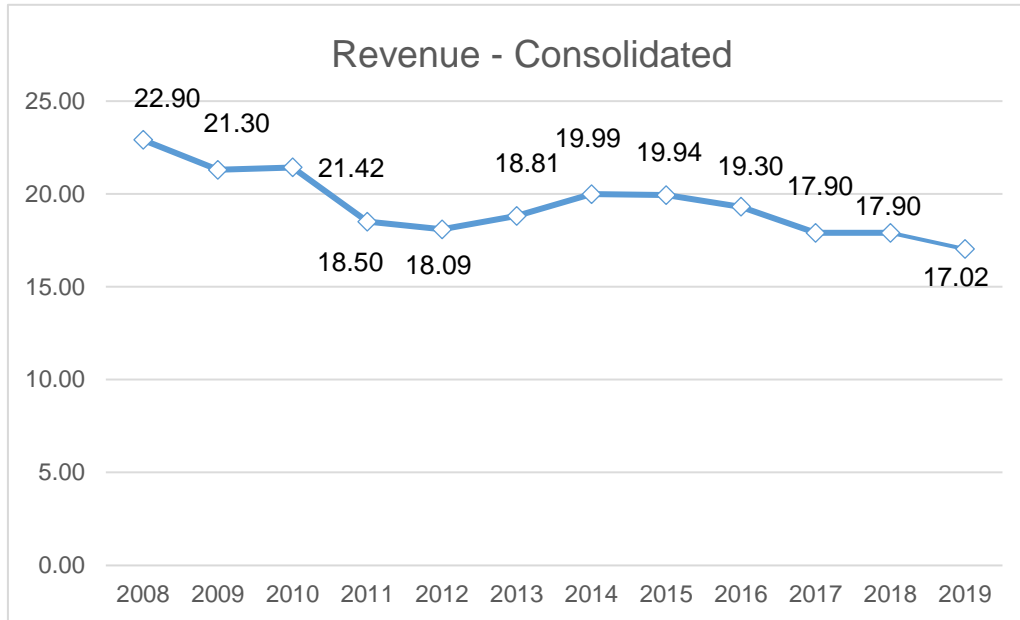

One Family One Vision

一個家共同的夢

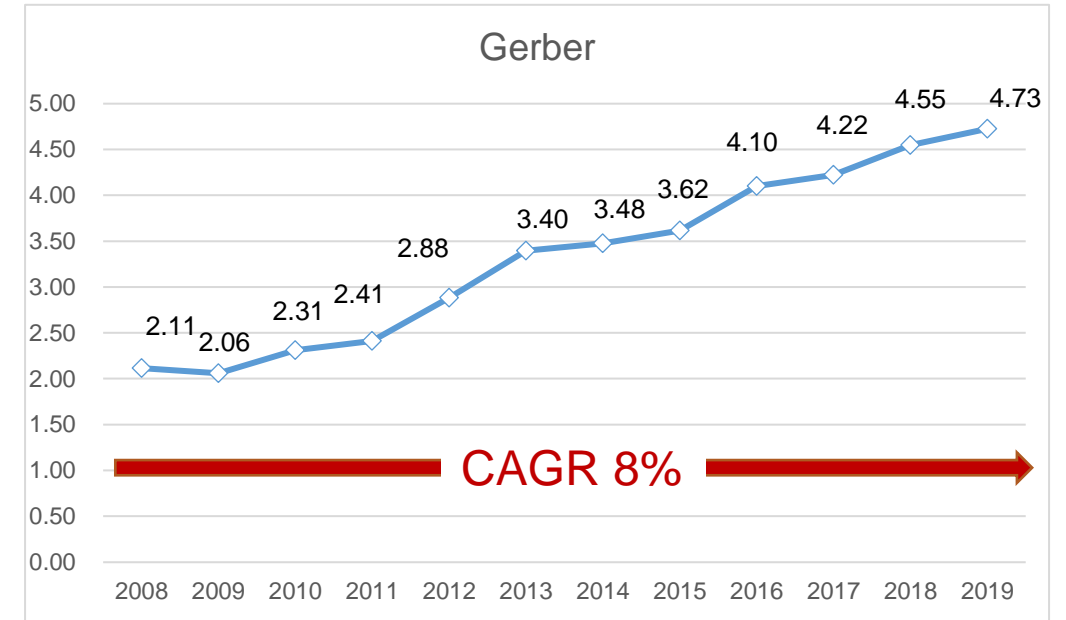
Business Strategy

STRONG REVENUE GENERATION from BRAND

NT: Billion



NT: Billion



NT (Billion)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Q2(YTD)
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	7.18
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	2.76
Weight %	9%	10%	11%	13%	16%	18%	17%	18%	21%	24%	25%	28%	38%

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



Business Strategy

BRAND GROWTH
SALES CHANNEL EXPANSION



GROWTH in existing sales channel

EXPANSION to new retail market

WHOLESALE

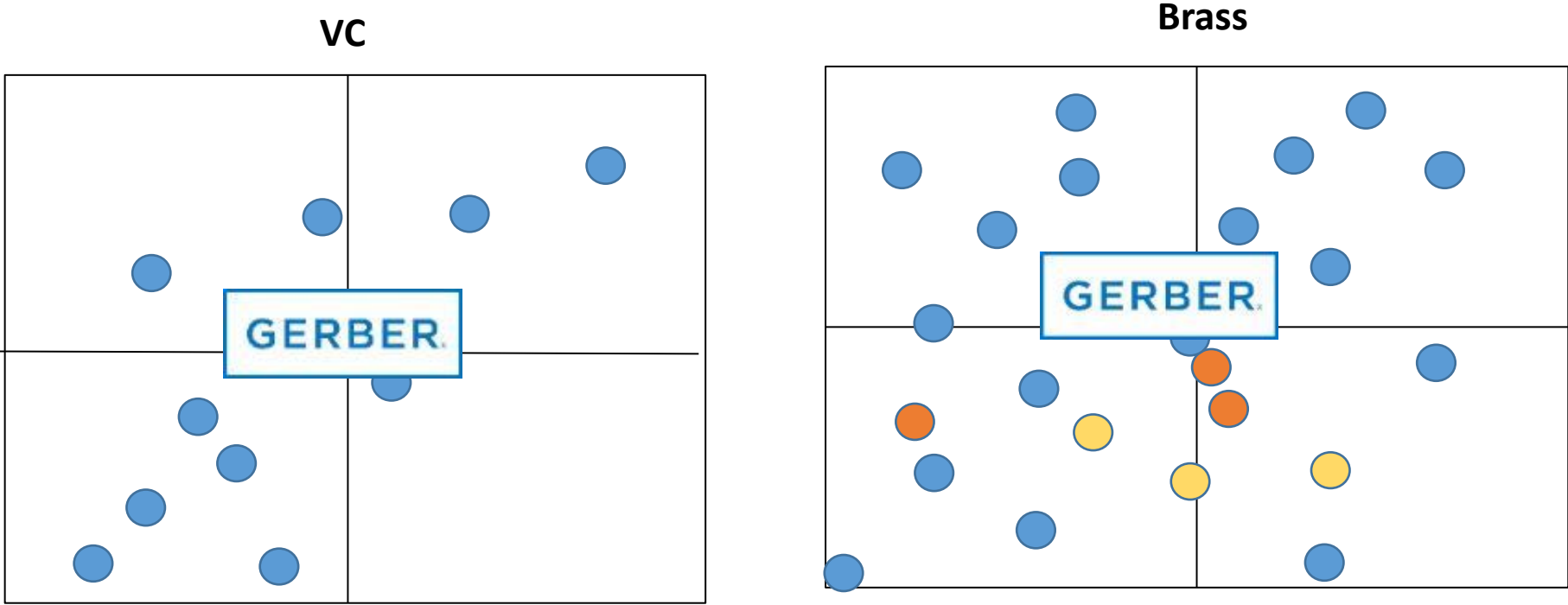
PLUMBER/ BUILDER

RETAIL

CLUB/ BIG BOX

Business Strategy

MARKET ANALYSIS
LEAD with VC ; DIFFERENTIATE with FAUCET

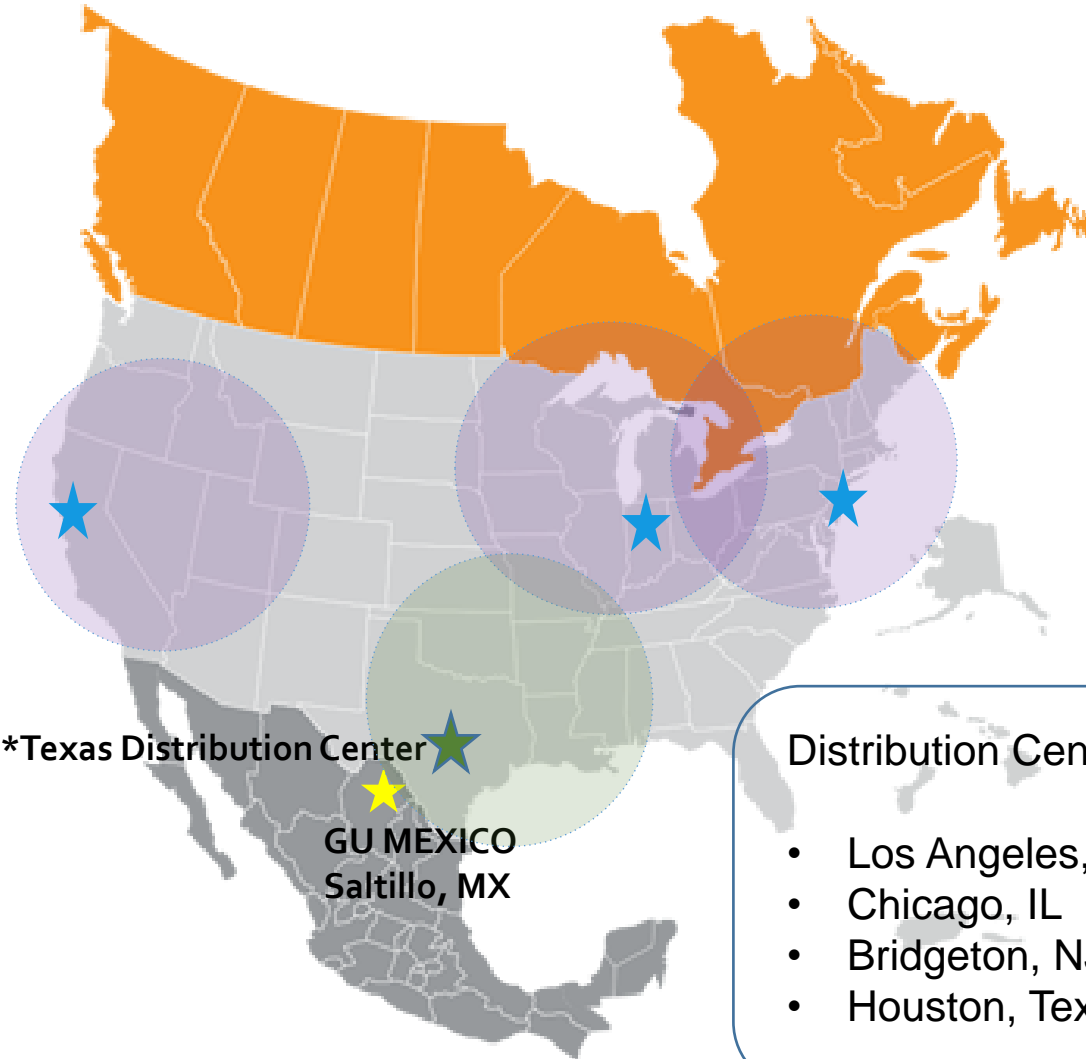


Together, reach full growth potential

- Competitor
- Competitor /OEM Customer
- Competitor /Private Brand Customer

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

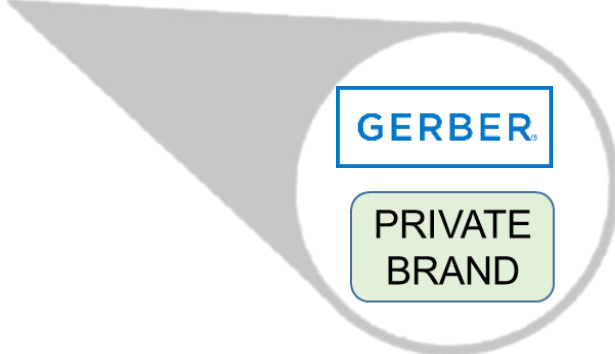
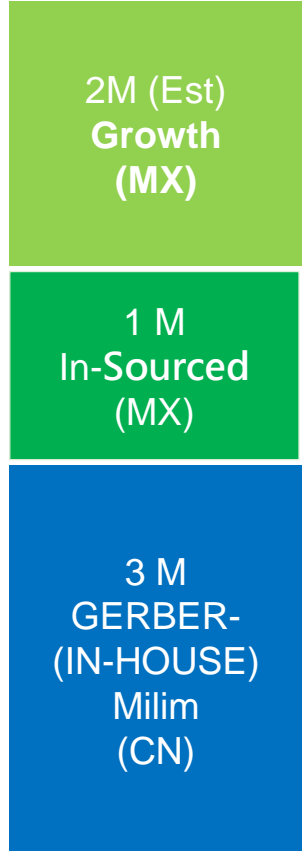
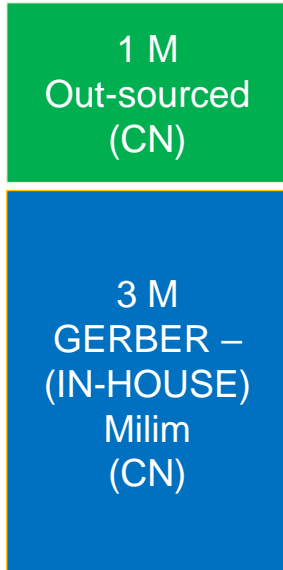
Business Strategy

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

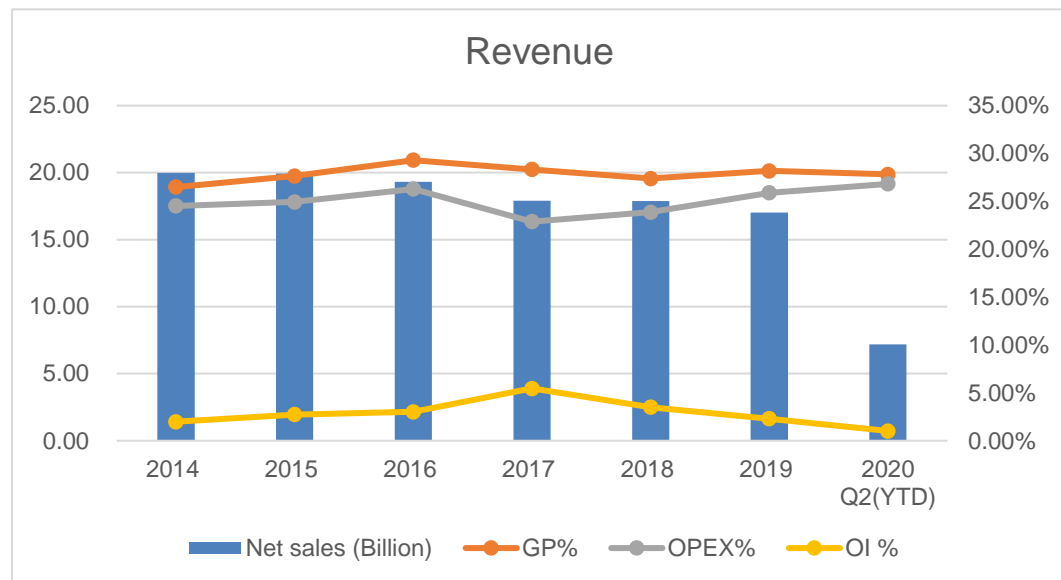


GERBER

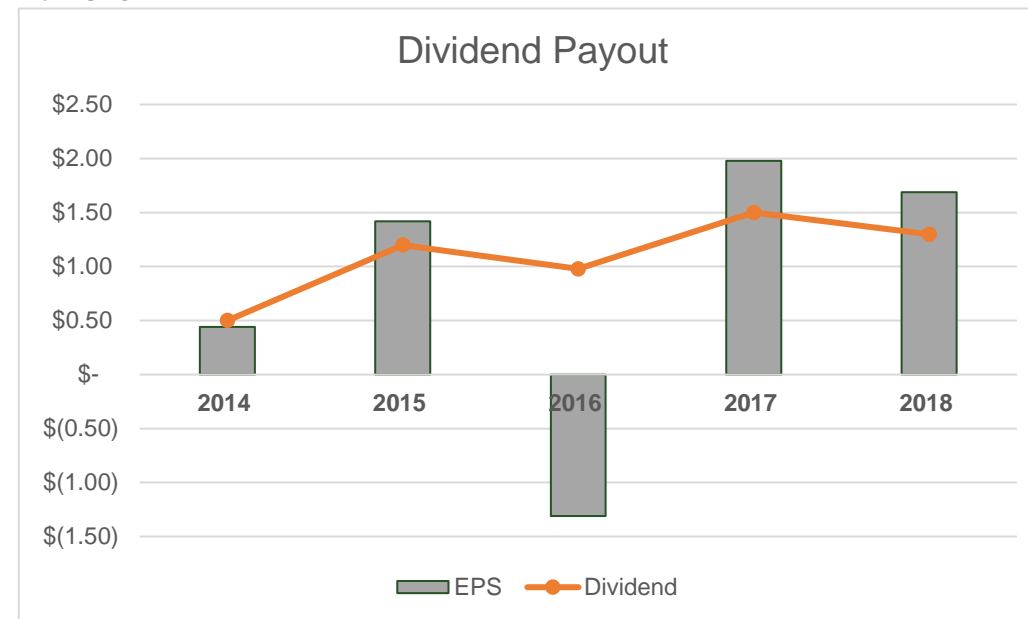
Financial Data

FINANCIAL DATA

NTD : Billion



NTD : Dollar



Year	2014	2015	2016	2017	2018	2019	2020Q1	2020Q2
Net Sales (billion)	19.99	19.94	19.3	17.91	17.88	17.02	3.775	3.406
GP%	26.50%	27.66%	29.31%	28.34%	27.37%	28.18%	27.60%	28.06%
OPEX%	24.52%	24.94%	26.29%	22.89%	23.87%	25.89%	27.56%	26.01%
OI%	1.98%	2.72%	3.01%	5.46%	3.50%	2.30%	0.04%	2.05%

Year	2014	2015	2016	2017	2018	2019	2020Q1	2020Q2
EPS (dollar)	0.4	1.42	(1.31)	1.98	1.69	0.94	(0.20)	0.06
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	2020 Q2
Net Sales	19,987,526	19,937,099	19,304,125	17,910,124	17,879,120	17,023,426	3,775,551	3,406,961
Gross Profit	5,296,485	5,513,701	5,657,522	5,076,134	4,894,358	4,797,880	1,042,231	955,993
Operating expenses	4,900,585	4,971,442	5,075,584	4,098,787	4,268,243	4,406,824	1,040,453	886,193
Operating income	395,900	542,259	581,938	977,347	626,115	391,056	1,778	69,800
Non operating income	(93,300)	204,996	(860,537)	10,210	177,277	92,475	(44,656)	(15,715)
Income before tax	302,600	747,255	(278,599)	987,557	803,392	483,531	(42,878)	54,085
Income Tax	145,463	240,467	203,958	280,828	184,476	147,476	29,716	29,810
Net income after tax	157,137	506,788	(482,557)	706,729	618,916	336,055	(72,594)	24,275
Net income Attributeable to stockholder of the parent company	154,471	502,913	(463,027)	698,342	618,220	335,173	(72,594)	24,275

Financial Data

CONSOLIDATED BALANCE SHEET (simplified) DATA

NTD (' 000)	2014	2015	2016	2017	2018	2019	2020 Q1	2020 Q2
Current Asset	11,772,970	11,226,041	10,035,597	10,249,528	9,975,744	9,589,522	8,934,364	9,284,225
Non Current Asset	4,918,450	4,769,845	3,316,748	3,031,748	2,837,437	6,260,322	6,012,139	5,836,465
Total Asset	16,691,420	15,995,886	13,352,345	13,281,276	12,813,181	15,849,844	14,946,503	15,120,690
Current liabilities	6,976,688	6,149,226	5,805,197	5,761,721	5,225,531	5,311,557	4,725,140	5,259,427
Non Current Liabilities	2,811,703	2,534,993	1,893,916	1,420,317	1,612,835	4,964,677	4,824,623	4,807,952
Total Liabilities	9,788,391	8,684,219	7,699,113	7,182,038	6,838,366	10,276,234	9,549,763	10,067,379
Total Capital	3,543,042	3,543,042	3,553,042	3,675,889	3,682,235	3,565,977	3,568,490	3,568,490
Additional paid-in captial	916,938	920,265	940,467	1,026,759	1,032,019	995,214	996,359	932,127
Total retained earnings	2,111,138	2,407,658	1,408,570	1,791,536	1,895,790	1,740,633	1,668,039	1,542,437
Total other components of equity	231,737	338,120	(285,914)	(470,533)	(526,207)	(728,214)	(836,148)	(989,743)
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	5,053,311
Debt to Equity ratio	142%	119%	136%	118%	114%	184%	177%	199%
Debt to Equity ratio (excl IFRS 16)						147%	140%	157%
Net Cash	(1,515,600)	(712,637)	400,558	162,501	598,366	(696,274)	(722,696)	(943,349)

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