

A female athlete with blonde hair in a ponytail is in a starting crouch on a blue track. She is wearing a grey and white striped sports top and grey shorts. The background shows a stadium with a bright sun setting, creating a warm, golden glow.

dyaco 岱宇國際

Stock Code : 1598

Presenter : Paul Chung
(IR manager)

Agenda

- Company overview
- Competitive advantages
- Operating results
- Future outlook



Basic Information

Date of Establishment: 1990/06/02

Head Office : Taipei, Taiwan

Factory : Changhua, Taiwan
Dongguan, Jiaxing, China

Capital : NTD 1,311 million

Main products : Fitness equipment

Chairman: LIN ING-GIN

General Manager: CHEN MING-NAN

No.of Employees: 1,500

Brands:



2017~1H20 analysis by brand

Main brands	SOLE FITNESS	XTEERRA	fuel FITNESS	SPIRIT FITNESS	UFC
Percentage of sales (%)	1-3Q/20 : 58.1% 2019 : 40% 2018 : 39% 2017 : 41%	1-3Q/20 : 13.8% 2019 : 14% 2018 : 11% 2017 : 4%	1-3Q/20 : 0.8% 2019 : 1% 2018 : 2% 2017 : 3%	1-3Q/20 : 15.7% 2019 : 25% 2018 : 25% 2017 : 29%	Shipment in succession
Mid range product prices		Treadmill, Elliptical and Exercise bike			Combat , Strength training, accessories, etc
Mid range product prices	Treadmill : 1,449 Elliptical : 1,374 Exercise bike : 899	Treadmill : 899 Elliptical : 999 Exercise bike : 599	Treadmill : 699 Elliptical : 499 Exercise bike : 399	Treadmill : 1,959 Elliptical : 2,032 Exercise bike : 1,399	-
Main distribution channels	Exclusive stores, department stores, retail chains, online				

註：以上各品牌營收比重以不含戶外家具收入計算。

Price of the brand: Market Position

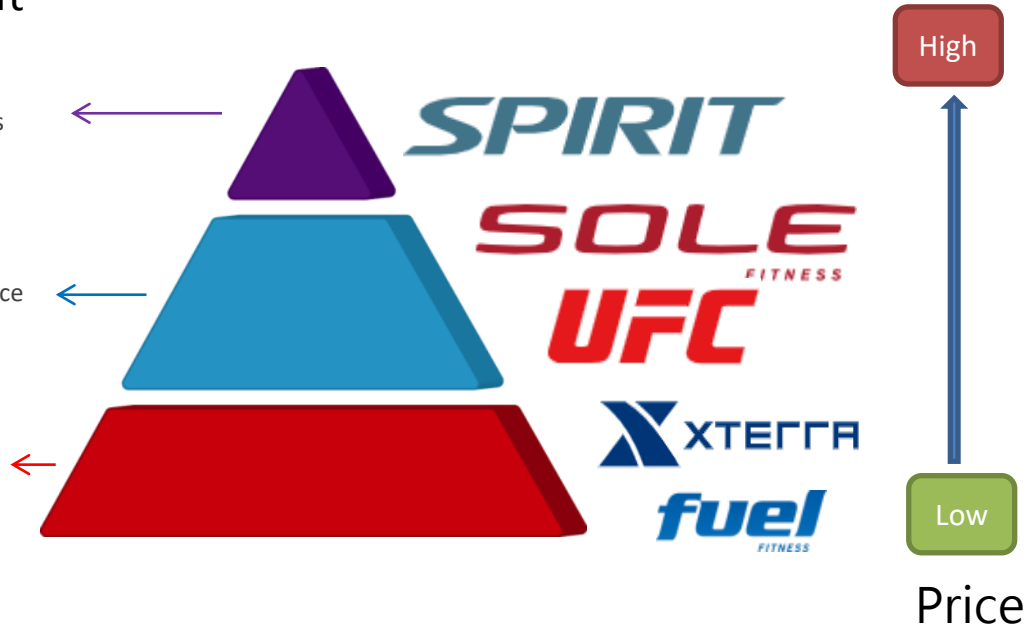


A full range of brand layout

- ◆ Professional user/Sports fanatic
- ◆ Focus on the quality of products and the experience of users
- ◆ Commercial market/Professional Retail Market

- ◆ Sports lover
- ◆ Preference for product appearance is higher than performance
- ◆ The market of sporting goods

- ◆ General user/Beginner
- ◆ Public market



Global Distribution Channels



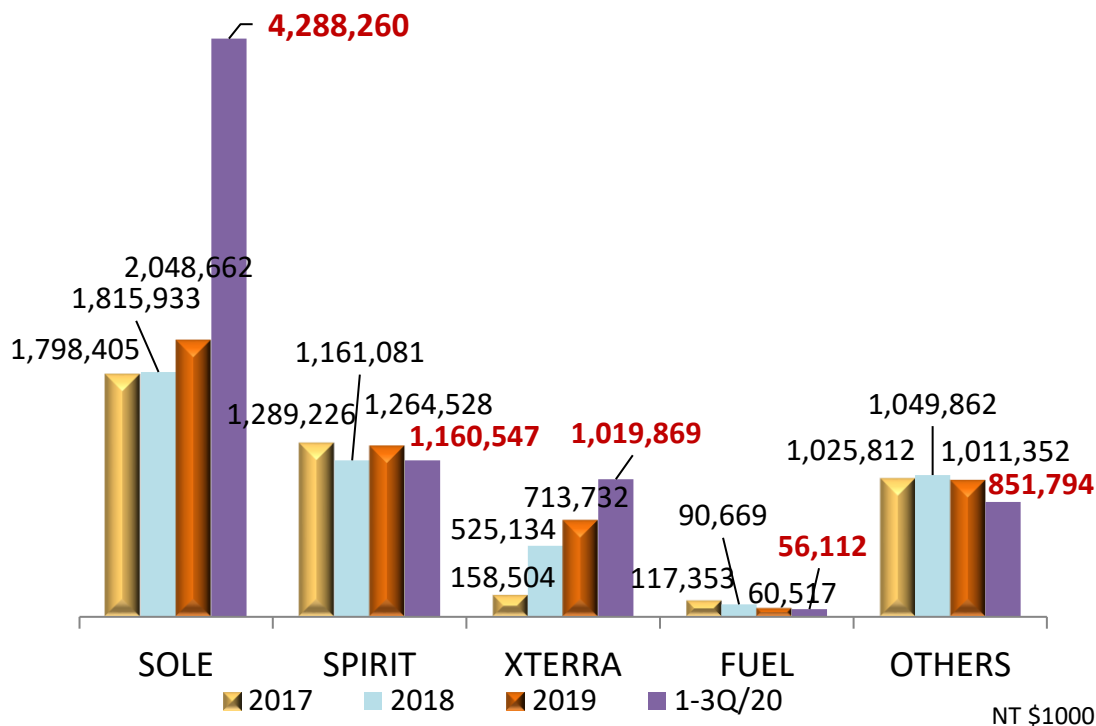
Dyaco's brands cooperate with numerous distributors (which include the largest fitness distributors of North America, Europe, China and etc.) In addition, Dyaco also thrives to expand business in the ecommerce market.



2017-2020/2Q Income Statement

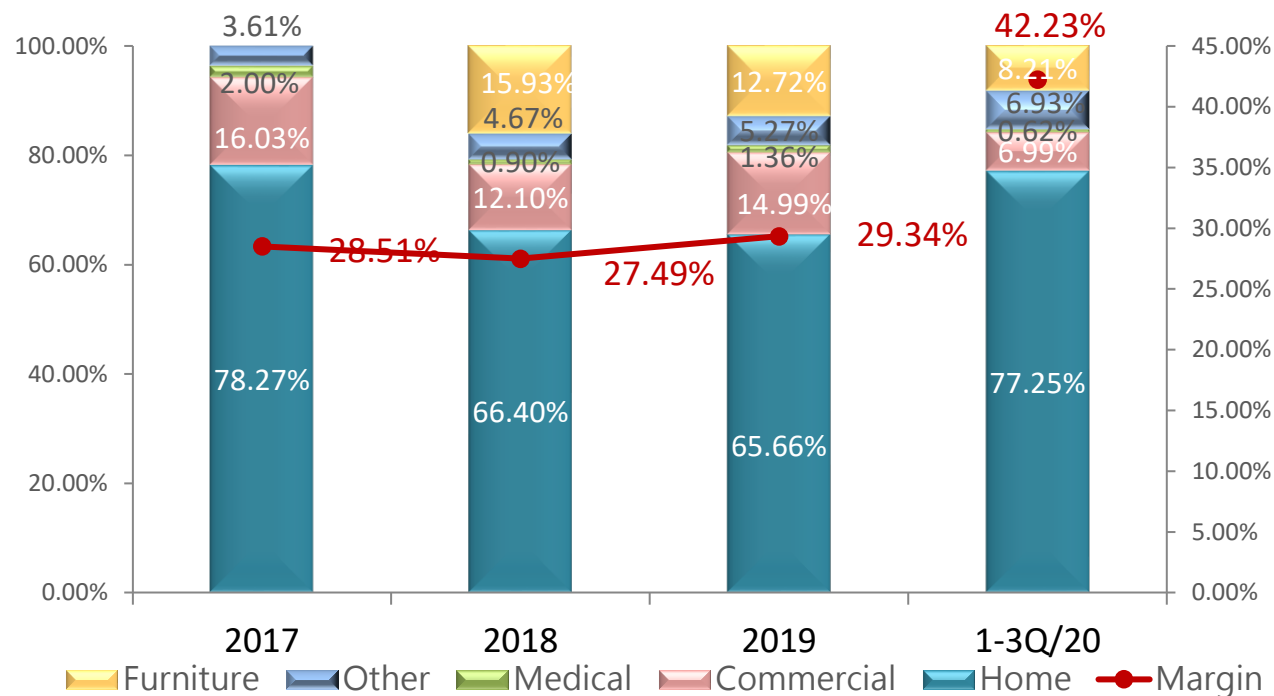
in Thousands of NTD	2020/3Q	2019/3Q	YoY	2020/1-3Q	2019	2018
Operating income	3,575,476	1,285,505	178.14%	7,731,501	5,850,528	5,557,150
COGS	1,904,282	871,033	118.62%	4,466,263	4,134,129	4,029,751
Gross profit	1,671,194	414,472	303.21%	3,265,238	1,716,399	1,527,399
Gross margin	46.74%	32.24%	-	42.23%	29.34%	27.49%
Operating expenses	976,732	316,625	208.48%	2,277,060	1,377,363	1,539,755
Operating profit	688,642	97,449	606.67%	982,436	327,705	85,090
Operating profit Margin	19.26%	7.58%	-	12.71%	5.60%	1.53%
Non operating income(expense)	-71,605	-7,210	893.13%	-95,191	-49,061	61,571
Income tax expense	195,365	22,087	784.52%	274,004	58,549	19,205
Income after income taxes	421,672	68,152	518.72%	613,241	220,095	127,456
EPS	3.74	0.73	412.33%	5.62	2.05	1.16

Brand marketing mix



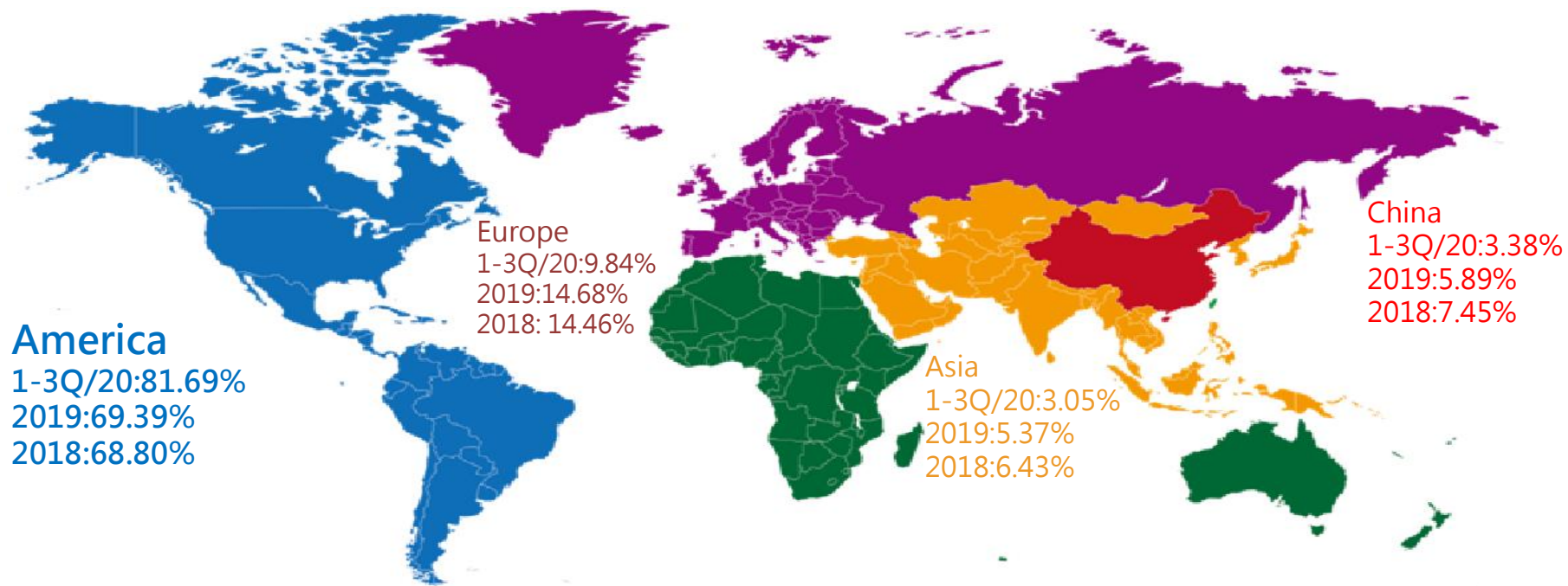
- SOLE has the position of the largest e-commerce fitness equipment brand in North America. This year, it completed the merger and fully demonstrated the strength of the group's resource integration. It injected the sales of SOLE brand on its own official website in the United States and DICK's online store.
- The new stripper products of XTERRA also successfully entered several online customers, there is an opportunity to show stronger shipping performance.

Product Mix & Margin



- In the first three quarters of 2020, the gross profit rate reached 42.23%, made the new record for the same period of the previous year. It makes the profitability of the group greatly improved.

Revenue by Region



2020-2021 Global Fitness Market Trend

11 LATEST FITNESS TRENDS: 2020/2021 DATA

1. [Wearable Technology](#)
2. [Wellness Programs In and Out of the Gym](#)
3. [Catering to Generational Needs](#)
4. [Accessibility and Inclusivity](#)
5. [Fitness Clusters in Malls](#)
6. [Increased Focus on High-Intensity Interval Training](#)
7. [Group Training](#)
8. [Free Weight Training](#)
9. [Exercise Is Medicine Movement](#)
10. [Health and Wellness Coaching](#)
11. [Employment During and After COVID-19](#)

- ✓ Wearable devices and AI fitness provide people with better fitness experience
- ✓ Gyms not only provide equipment and coaching, but also seek to provide other fitness related services to create differentiation
- ✓ Needs of each age group are gradually taken into account
- ✓ Increased demands for high-intensity interval training and weight training

The benifet of SOLE merger



After officially acquiring the position of the biggest e-commerce fitness equipment brand in the North America in February 2020, the brand “SOLE” started the transition into a self-owned OBM business. Besides the positive influences this merger brings to the corporate financially, the anticipation of reorganizing resources from both sides is even more substantial; this could contribute to reducing the intermediate operating costs and brand licensing fees, and further expand the online and offline new retail channels for other subsidiary domestic fitness equipment brands under SOLE, increasing the corporate’s overall competitiveness in global fitness industry.

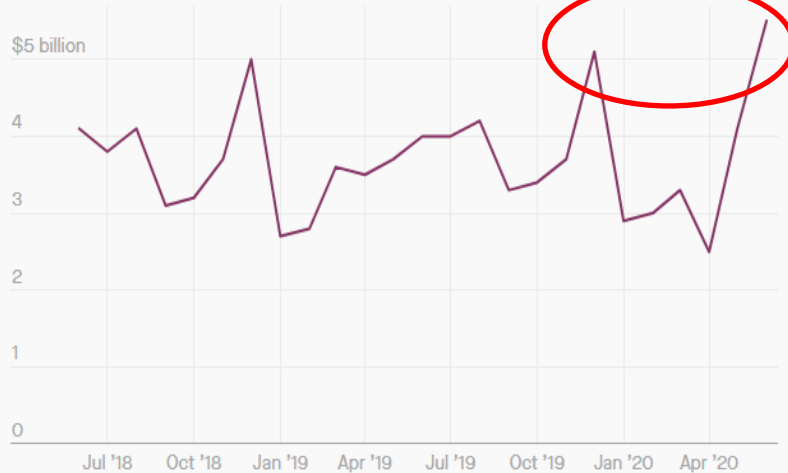
With its stable and sufficient stocking demands from primary channels and the strong selling capabilities from e-commerce, SOLE is currently planning to extend their production lines in domestic and light commercial equipments. It is expected that those new products would enter the Q3 market and helps fuel for the company’s future growth.

Future overlook

Brand market share expanding of SOLE

According to the U.S. Census Bureau, retail sales of sporting goods stores in the United States reached \$5.5 billion in June which is higher than last year and even surpassed the peak season of fitness industry before the epidemic. Due to U.S. home fitness craze, online fitness equipment sales well. With SOLE which in the position of the biggest e-commerce fitness equipment, the own website online sales and DICK 'S orders are presented double level from the same period last year. SOLE makes their weight training product more perfect this year, and the new product will launch in the second half of the year. It will help SOLE to expand the brand market share.

Retail sales at US sporting goods stores rose above pre-pandemic levels



Quartz | qz.com | Data: US Census Bureau



Integrated Tablet Holder



Bluetooth
Bluetooth Audio
Speakers



USB Port For
Charging Devices



3.5 HP - High
Powered Motor That
Can Do It All



Best Rated Treadmill In Its Class
Sole F80 Treadmill

Due to high demand, est. arrival after purchase is 30 days

MSRP

\$2,799.99

Today's Sale Price

\$1,599.99

★★★★★ 4.5/5

Read all 11 reviews

Free Shipping

30 Day Money Back

ADD TO CART

Awards



Best in
Class 2020



Best Buy
2020

Future outlook

Expand the market share of home fitness

Sales targets for locking in a cost-effective, more popular home fitness equipment market demand
Amazon delivery sets over ten thousand levels, expand Xterra brand in home fitness equipment market share.

Amazon delivery sets

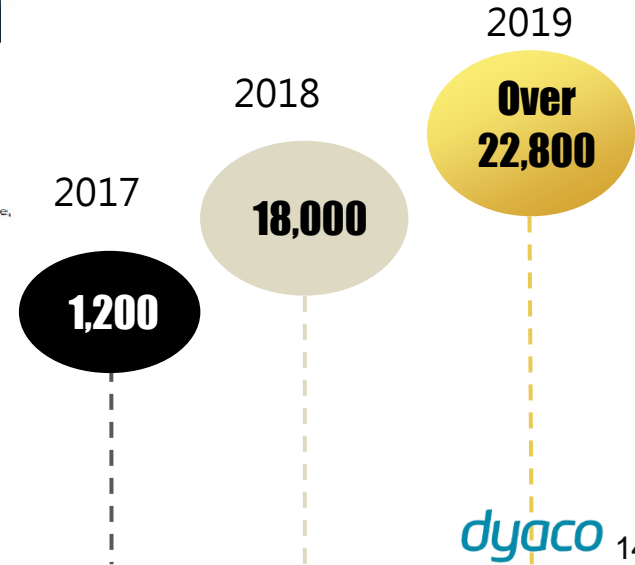


XTERRA Fitness TR150 Folding Treadmill Black
by XTERRA Fitness
★★★★☆ 210 customer reviews | 135 answered questions

Available from these sellers.

- Large 16" x 50" walking/running surface
- Large 5 inch LCD display is easy to read and keeps you updated on speed, incline, time, distance, calories, and Pulse
- Speed range 0.5 - 10 MPH allows for users of all fitness levels
- 12 preset programs offer unmatched variety for your workouts
- 3 manual incline settings allow for maximum variety

New (4) from \$749.99



AI home fitness equipment

According to the latest report of Grand View Research, the global connected fitness equipment market is expected to reach 5.96 billion US dollars in 2025, with a compound annual growth rate of 31.2%. The growth of home fitness equipment market is the fastest, forecast the compound annual growth rate of 32.0% between 2019 and 2025. The main benefit is from the high cost of gym membership and the greater convenience of home fitness equipment. Those reasons make consumers want to buy the AI home fitness equipment. The compound annual growth rate of 33.0% growth grows fastest in the asia-pacific region.

智能運動生態場景

dyaco

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GOMORE



● 通過岱宇藍芽協定
溝通電跑與橢圓機



● 訂製手環
● 開放藍芽

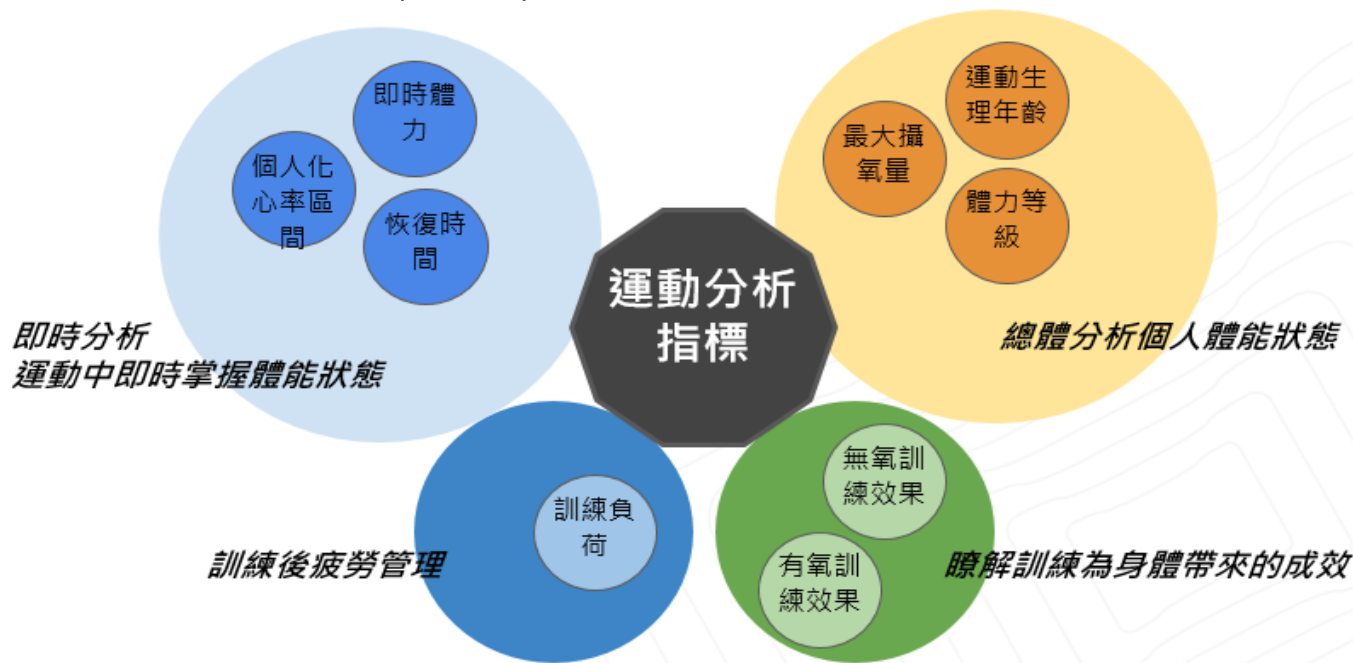


● iOS手機版
● Android手機版




GOMORE

In order to set up an indoor intelligent sports scene, GoMore personalized sports analysis and AI coach are adopted. App is used as a platform to connect multiple devices for signal collection, data series and motion analysis, so as to realize real AI sports experience.



特色：

- ✓ Real AI service
- ✓ Professional sport analyst
- ✓ It can realize "real" analysis function indoor and outdoor



Future overlook

Expand global market share and start plant expansion plan

Dyaco acquired about 8,000 square meters of land in Taichung area and planned to build the factory in accordance with the GMP factory specifications to build production lines for fitness equipment and medical rehabilitation.



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Thank You!