

Stock Code : 8426



**REDWOOD GROUP LTD**

**紅木集團有限公司**

16<sup>th</sup> January 2013

[www.redwoodgroup.co](http://www.redwoodgroup.co)

**REDWOOD**  
bringing your design alive

# Agenda

---

Company Profile Overview

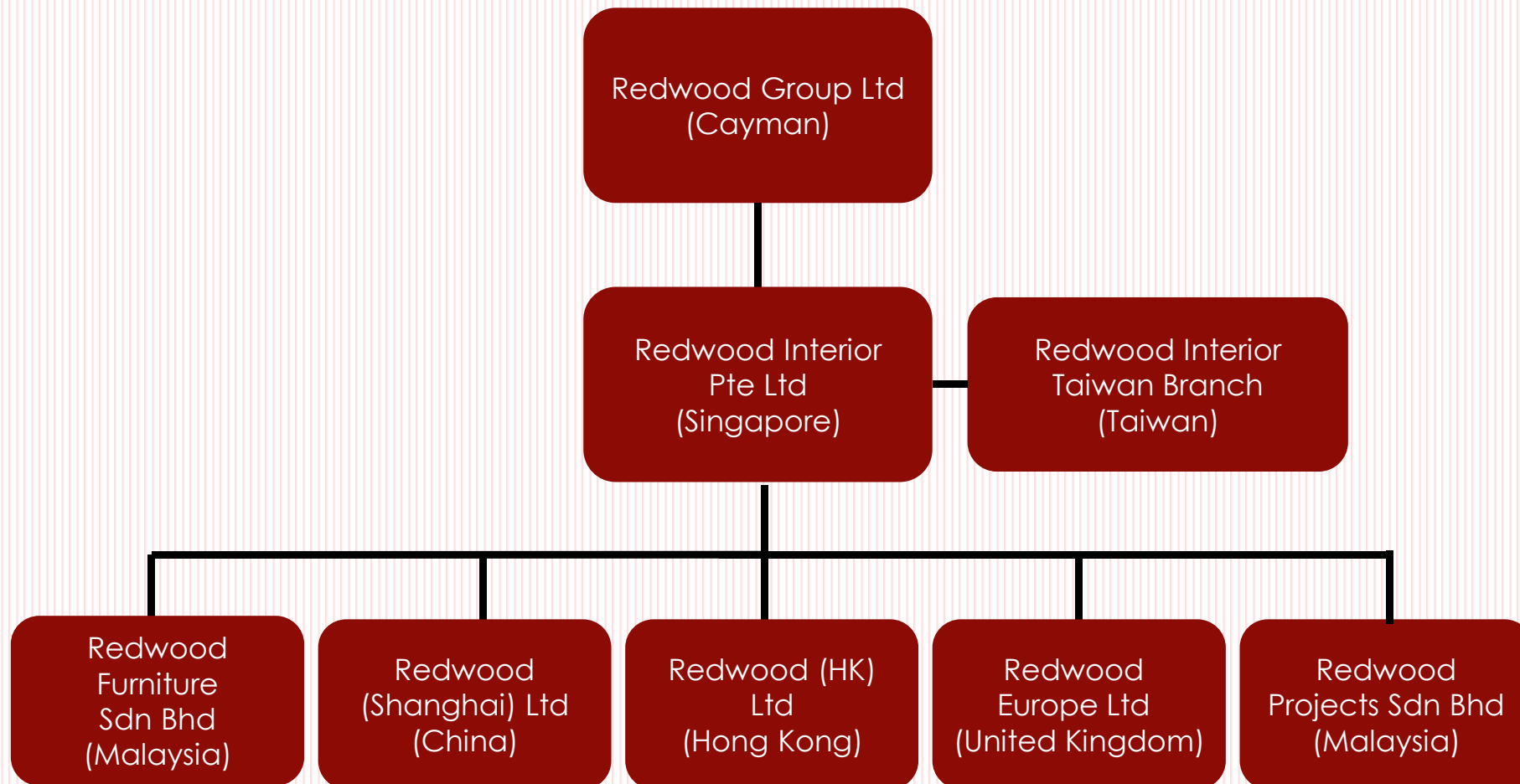
Market & Industry Overview

Operational Performance

Future Prospects & Strategies

# Group Structure

---

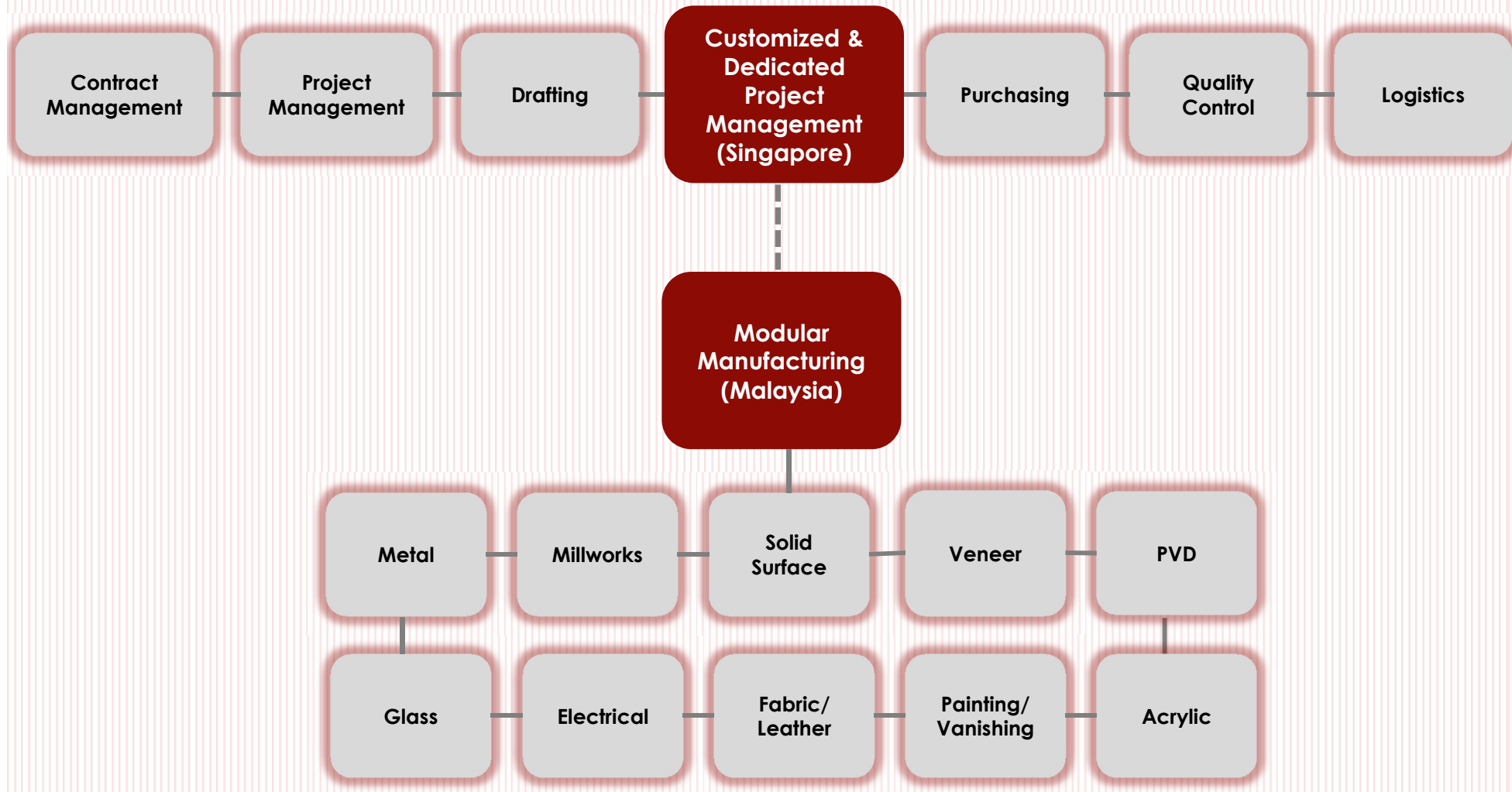


# Two Main Operations Base in Malaysia & Singapore



# Competency

---



# Competitive Advantages

## Customized Project Management



## Modular Manufacturing



## High Efficiency of Project Completion




## Factory Assembly



Transforming traditional craftsmanship to integrated modern production technology.

# Our Clients

---

Bvlgari	Bally	Cartier	Chloe
Coach	Dior	Ermenegildo Zegna	Gucci
Hermes	 bringing your design alive		Jimmy Choo
Leica	Loewe	Louis Vuitton	Michael Kors
Salvatore Ferragamo	Tiffany & Co.	Tory Burch	Yves Saint Laurent

# Core Business

---

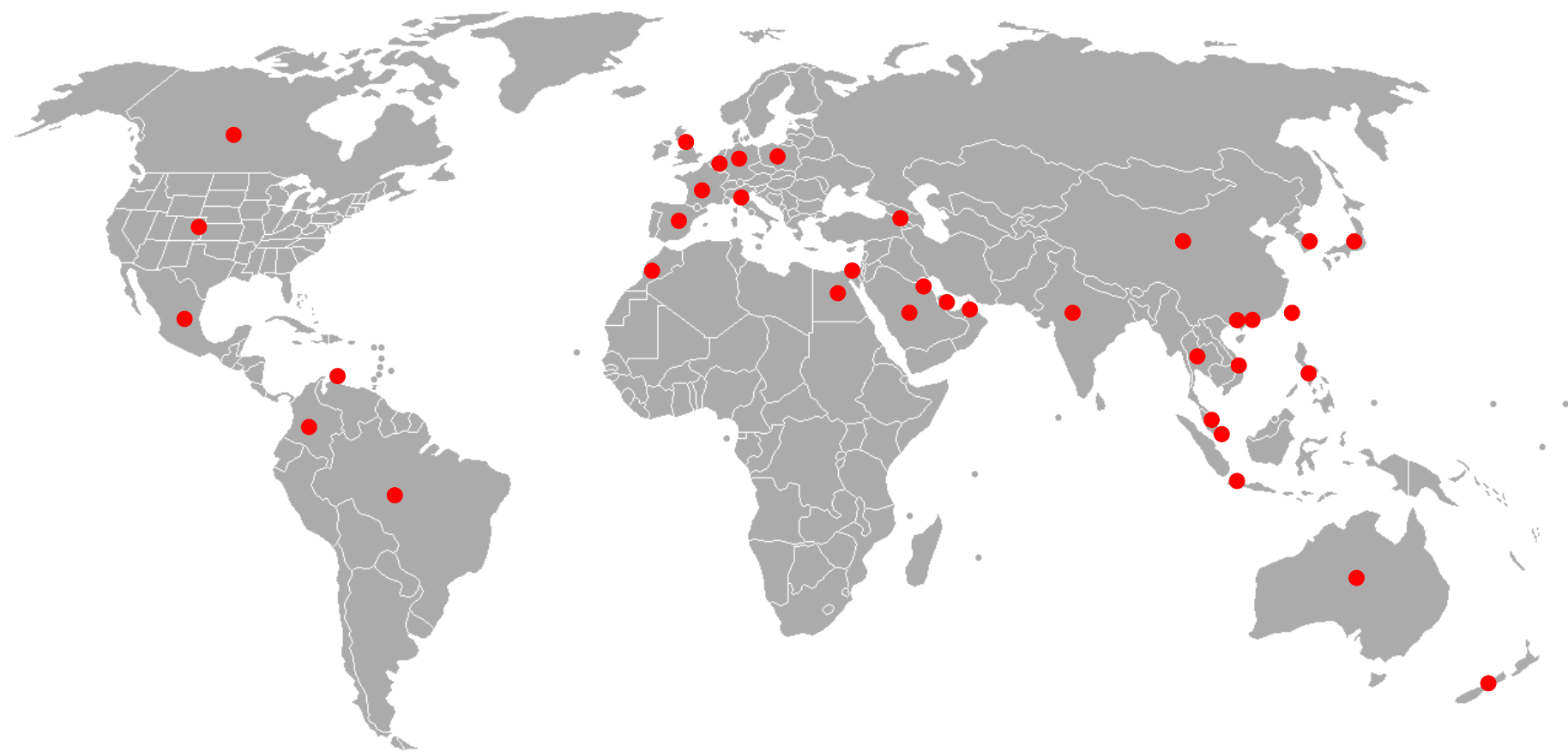
**Interior Fittings**

**General Construction**

**Façade**

# Geographic Distribution

**Redwood serves its clients in 40 countries and regions worldwide.**



# Industry Overview

**The worldwide personal luxury goods market is expected to reach 240 billion euros in 2014.**

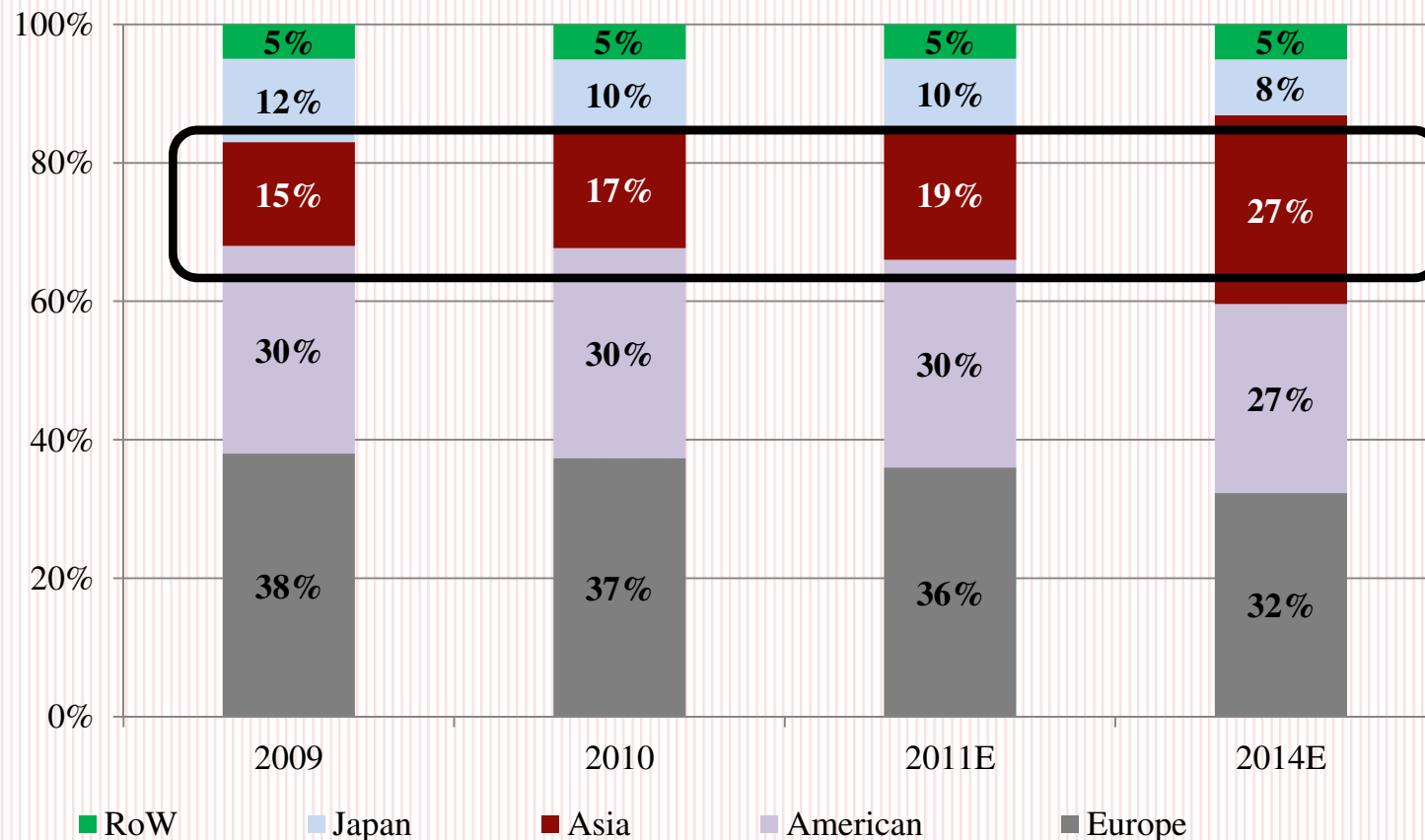
The CAGR of worldwide personal luxury goods market from Year 2011 to Year 2014 is 7-9%.



# Industry Overview

**By 2014, Asian market is the key growth in the luxury goods market.**

## Worldwide luxury goods market by geography



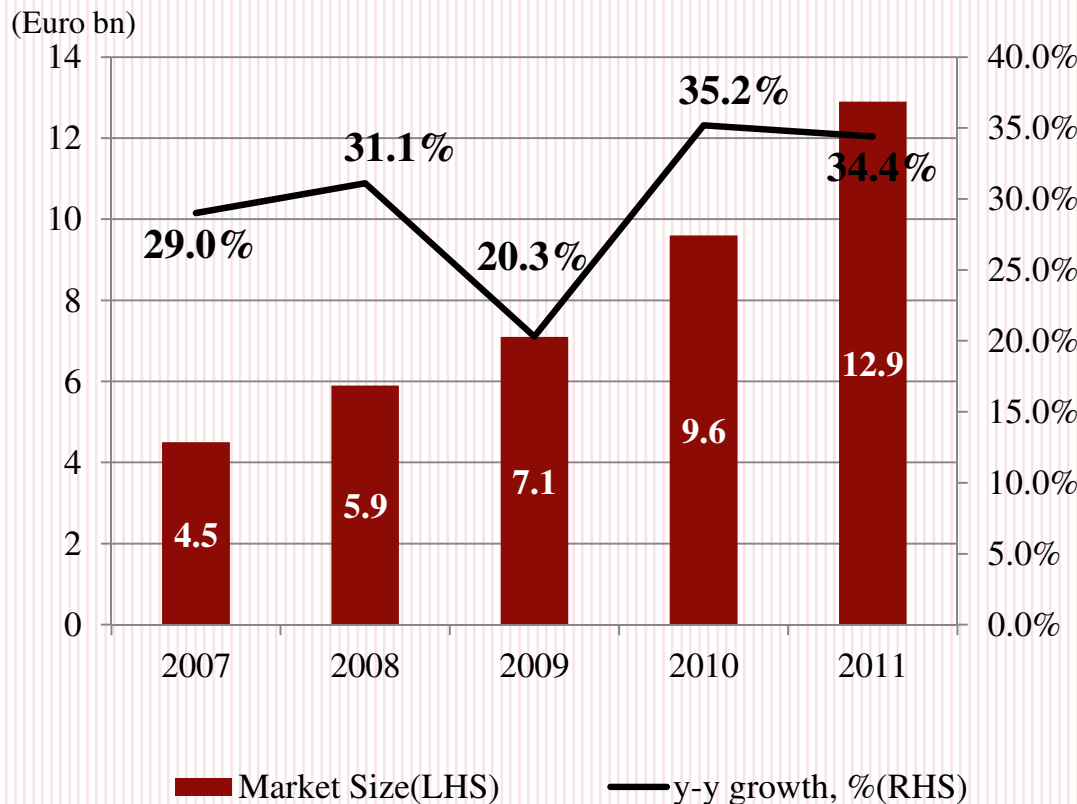
# China & Asia Emerging Market

---

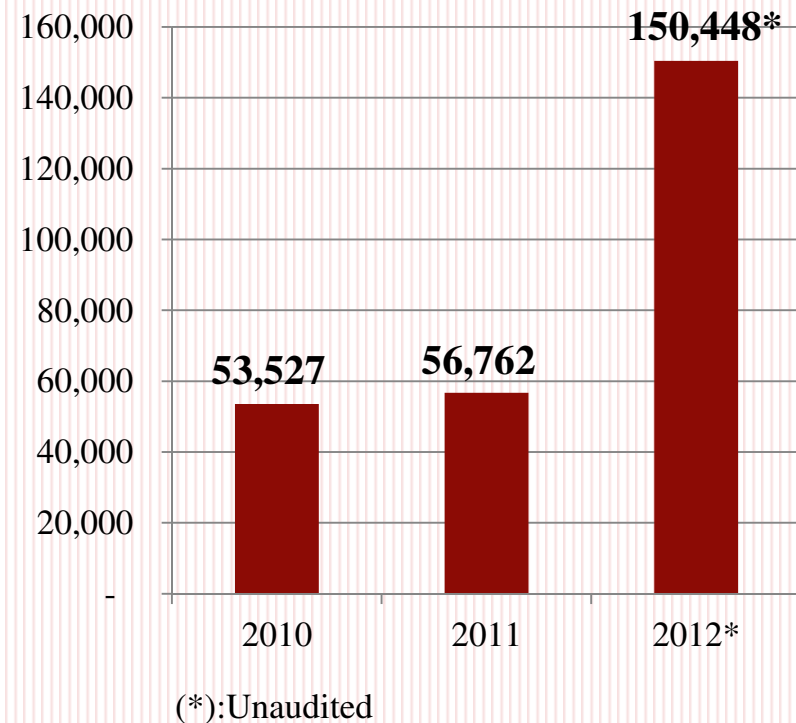
- McKinsey & Company : China luxury consumption is projected to grow 18% annually from 2010 to 2015; accounting for over 20% of the global luxury market by 2015.
- The Economist quoted CSLA : Mainland china luxury-goods sector is likely to grow at an annual rate of 25% for the next five years (compared to overall in consumption of 11% annually.)
- “Fast growth is bringing even faster change to the luxury sector,” concluded Bain’s D’Arpizio. “With more markets to manage and accelerating trends to anticipate, brands that struggle to respond quickly may find the markets’ rapid growth a double-edged sword.”
- Thirty percent of global luxury sales now occur within emerging markets. Asian consumers (i.e., adding Japan, Korea, and Southeast Asia) account for more than 50 percent .

# China is the Major Growth Area in the Asia's Luxury Goods Market

**Mainland China: Luxury Goods Market Size and YoY Growth**

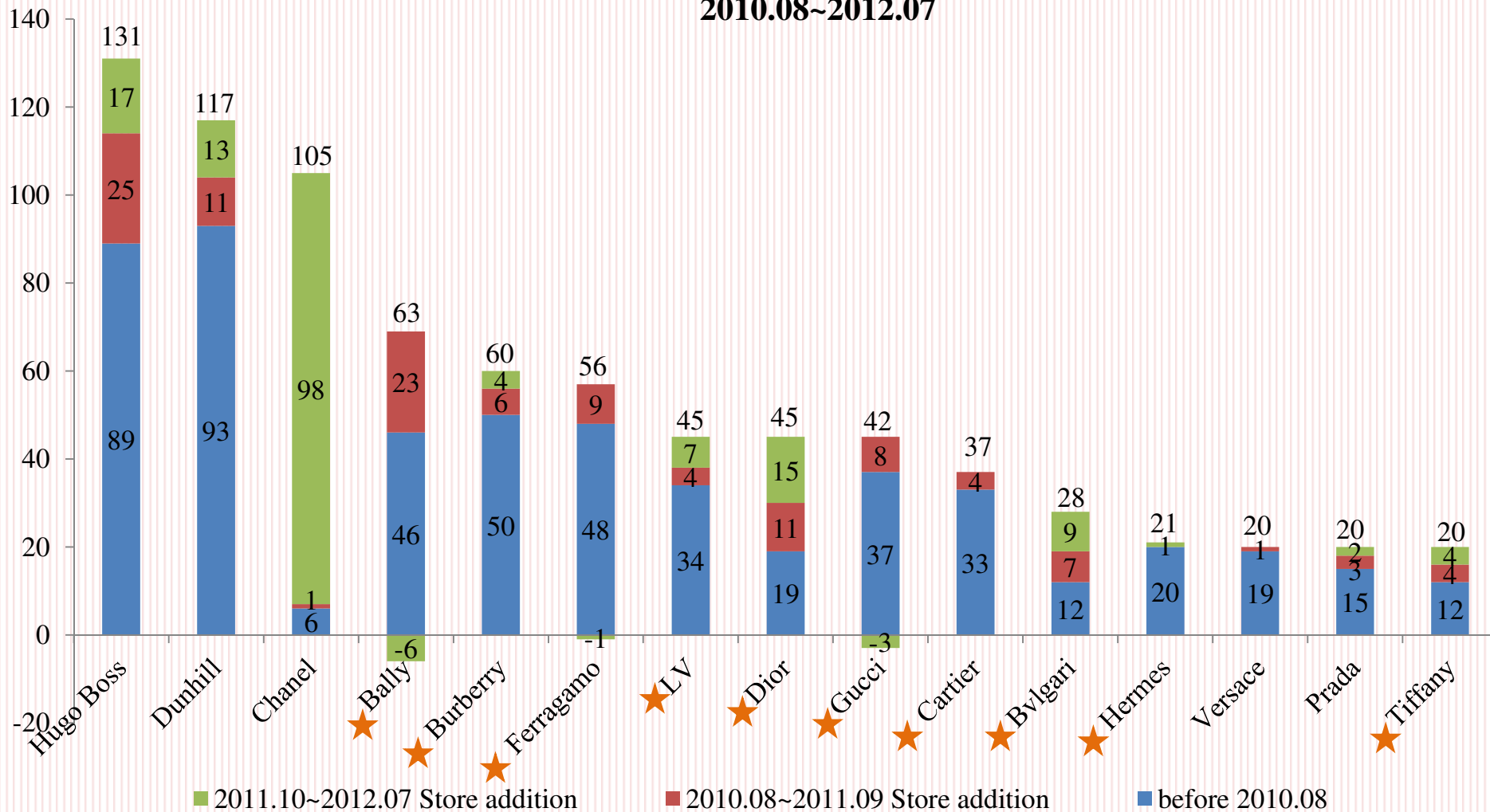


**Total Revenue from Mainland China  
(Unit: NTD Thousand Dollars)**



# Luxury Brand Store Addition in Mainland China for last two years

Luxury Brand Store Addition in Mainland China  
2010.08~2012.07



Note: ★ are Clients of Redwood

Source: Bain & Co, Companies Website

# Operational Performance

Revenue from Y2012 is NTD 1,657,068 Thousand Dollars \* , 17.35% growth compared to Y2011.

(Unit:NTD Thousand Dollars ; EPS in NTD Dollars)

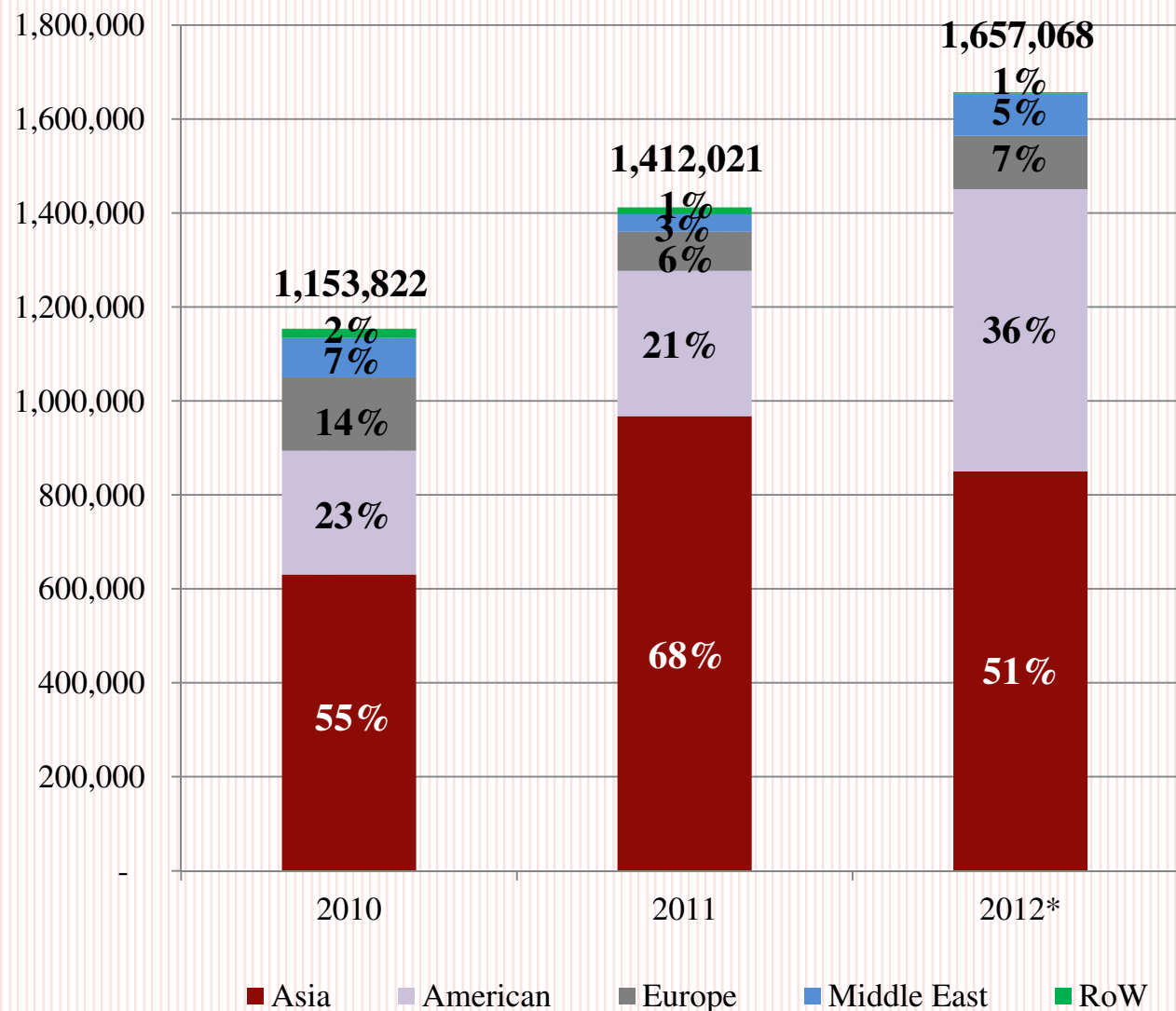
	Y2010	Y2011	YoY(%)	Y2011 Q1-3	Y2012 Q1-3	YoY(%)
Operating Income	1,153,822	1,412,021	22.38	901,412	1,133,499	25.75
Operating Margin	350,830	445,114	26.87	293,552	356,900	21.58
Gross Margin	30.41%	31.52%	-	32.56%	31.49%	-
Net Profit	126,419	153,009	21.03	88,707	101,696	14.64
Net Profit Margin	10.96%	10.84%	-	9.84%	8.97%	-
EPS	4.28	4.38	-	2.46**	2.42**	-
Current Ratio (times)	1.23	1.93	-	1.30	1.82	-
Liquid Ratio (times)	0.92	1.56	-	0.97	1.40	-
Debt Ratio (%)	56%	45%	-	54%	44%	-

(\*): Unaudited

(\*\*): Number of shares outstanding are 36,000 thousand shares and 42,000 thousand shares for 30<sup>th</sup> September 2011 and 30<sup>th</sup> September 2012 respectively.

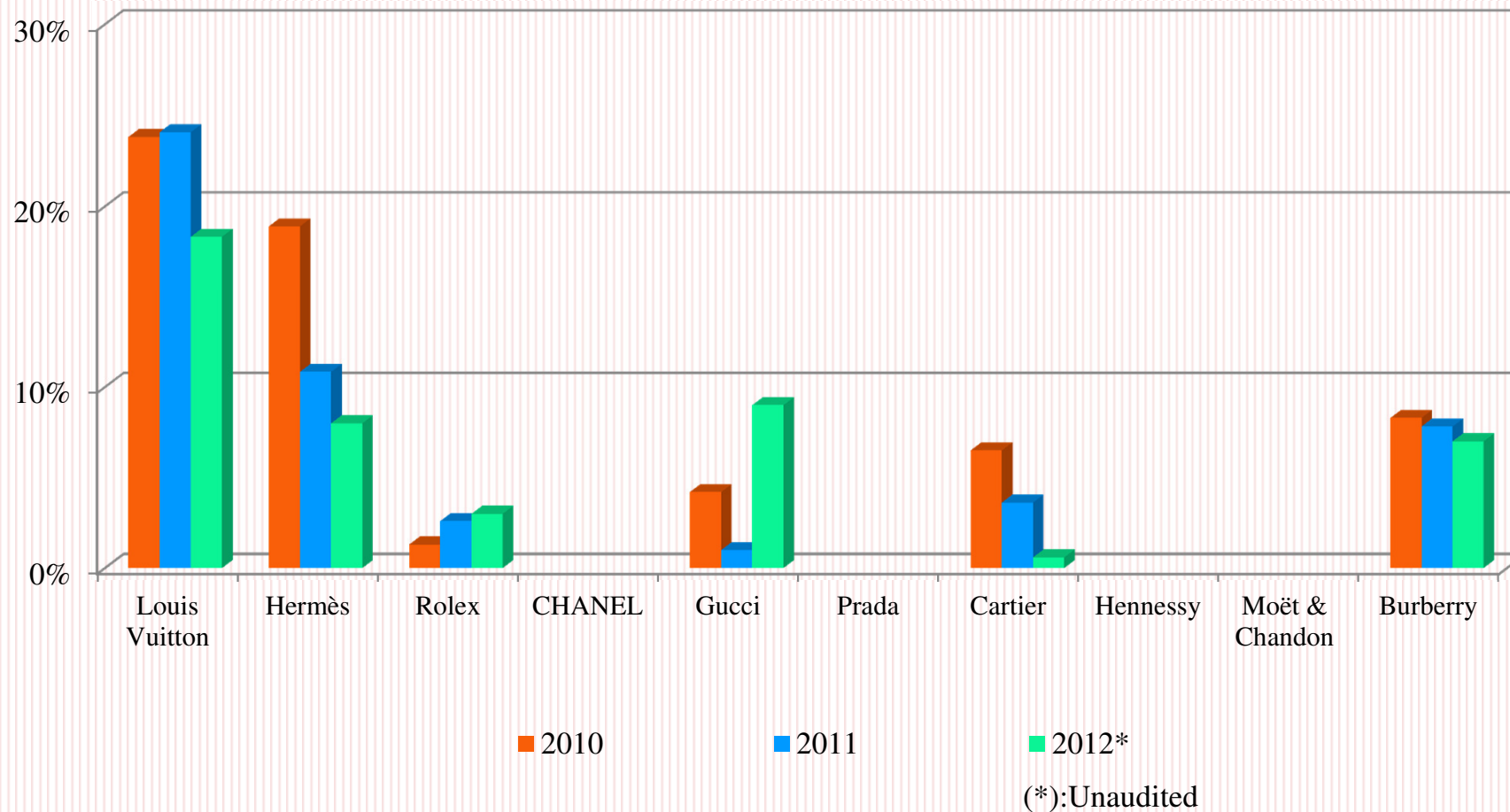
# Revenue ( Geographic Distribution)

Unit: NTD Thousand Dollars



(\*):Unaudited

# Year 2012 Top 10 Luxury Brands & Percentage Accounted for Redwood Revenue



# Future Prospects & Strategies

---

**To deep plowing Mainland China Market**

**To be the preferred contract manufacturer in worldwide luxury brands market**

- **Expand overseas operations** - Actively deploy for areas with high growth or potential development, in order to serve existing clients in a more timely manner and also develop new clients to meet the future growth of worldwide luxury market. **(Redwood in Shanghai, Hong Kong, London)**
- **Implementation of two shifts production** - Based on the growth of Redwood & its revenue, the current production capability has reached its peak. In order to response to the growing numbers of contracts and the growth of luxury market, the increment of production capacity of two shifts production is expected to have the same effects as the expansion of plant utility.

# Thank You !

