COMPANY: Asia Plastic Recycling Holding Limited | TWSE: 1337
INDUSTRY: Plastic Recycling

Recommendation:
Strong Sell

Price:
TWD: 86.50
As of Market Close 04/23/2014

Market Cap:
TWD 17.3 billion

Public Float:
73.5 million

Daily Volume:
1.7 million shares
(Avg. 30 days)

Auditor:
Deloitte Taiwan

Price Target:
TWD: 0.00

ASIA PLASTIC RECYCLING HOLDING LIMITED ("APR" or the "Company") claims to be the #1 producer of EVA (foam rubber) products in China. In this report, we present publicly available tax and land records that, in our opinion, indicate that APR has made material misrepresentations to Taiwan investors and regulators regarding its earnings and assets. We believe, based on the independent evidence presented in this report, that APR’s actual earnings are around 90% less than the figures reported in the Company’s Taiwan filings. Because of APR’s significant indebtedness we put the value of APR’s equity at TWD 0.00 per share.

1. **Overstated Capital Expenditures.** Independent public land records and a government website indicate that APR overstated its capital expenditures by at least RMB 422mm on the 2011-2013 expansion of its Fujian and Jiangsu facilities. In our opinion, this evidence suggests that either insiders diverted the missing funds or that the Company's capital expenditures were artificially inflated to hide fake sales on the balance sheet.

a. **Fujian Factory Land Acquisition Cost Overstated by 4x.** APR claims to have spent RMB 126 million in 2011 to acquire 137 mu of additional land for the expansion of the Fujian facility. However, according to publicly available land records posted on soudi.cn, APR purchased this land at auction from the Land and Resources Bureau of Jinjiang for only RMB 31 million, which is 75% less than the RMB 126mm reported to Taiwan investors and regulators.

b. **Total Fujian Expansion Project Cost Overstated by ~3x.** APR claims to have spent a total of RMB 600 million on the expansion of its Fujian factory between 2011 and 2013. However, a government website states that APR invested a total of only RMB 212 million on the expansion of the factory, 65% less than the cost of RMB 600mm reported to Taiwan investors and regulators.

c. **Jiangsu Land Acquisition Cost Overstated by 2.5x.** In 2012, APR reportedly acquired 150 mu of land for RMB 57.9mm (average of RMB 386,000 per mu) for the expansion of its Jiangsu facility. But according to records from the Department of Land and Resources of Jiangsu Province, which are available to any investor online (by clicking here), APR only paid an average of RMB 163,000 per mu (a total of RMB 23.6mm) for the land purchase, meaning that APR spent 59% less than the RMB 57.9mm reported to Taiwan investors and regulators.

2. **Government Tax Records Indicate Net Income Overstated by ~10x.** The Jinjiang city (Fujian province) government publishes an annual list, available to any investor online, which ranks the top taxpaying businesses operating in Chendai county, Jinjiang city. APR, whose headquarters, production base and only meaningful PRC operating subsidiary are based in Chendai, reported to Taiwanese investors and regulators that it paid RMB 381mm in PRC income taxes and (we estimate) RMB 302mm in VAT from 2010 through 2013. Yet
according to the Jinjiang government, APR only paid between RMB 28mm and RMB 80mm in total taxes from 2010 through 2013, which is 96% to 88% less than the amount reported to Taiwanese investors and regulators during that period. This suggests that APR has vastly exaggerated the scale and profitability of its business.

a. **Tax Records Place APR Behind Purportedly Smaller Competitors.** The same Chendai county tax records show that APR paid roughly the same amount of taxes from 2010 through 2012 as two competitors producing EVA foam products in Fujian who reported between 81% to 94% less revenue in 2012 than APR.

3. **Lucrative Commodity Business Too Good to be True.** APR collects scraps of recycled materials (like discarded shoe soles) and converts them into sheets of EVA foam. This is a low-tech process, and the end product is a commodity. Yet, unbelievably, APR reports the same EBIT margins as Microsoft.

   a. **EBIT:** APR’s reported EBIT margins averaged 33% from 2010 to 2012 vs. an average of 7% for APR's private local competitors.

   b. **APR's Average Selling Prices are Suspicious.** APR claims to sell EVA foam products for approximately the same prices as EVA foam products made with virgin (non-recycled) raw materials. This is suspicious because APR’s EVA foam products are made from recycled materials which cost 65%-80% less than virgin material. Foam made from low-quality recycled materials sells for a substantial discount to foam made from virgin materials.

   c. **Margins are Too Consistent.** The other suspicious element of APR’s margins is that they are remarkably consistent from year to year. For example, APR’s average selling prices decreased by 27% in 2012 and its costs did not materially change (vs. 2011), yet its gross margin increased from 38% to 40% that year.

   d. **Sales per Employee.** APR's reported sales per employee of RMB 1.436 mm in 2012 is ~4x the average sales per employee reported by its private local competitors.

   e. **Suspicious Sales Growth.** APR reported average sales growth of 19% between 2010 and 2012. SAIC filings show that its private local competitors grew sales at an average of 0% over the same period, suggesting APR is artificially inflating its reported growth.

4. **Serial Capital Raising With No Apparent Bona Fide Purpose.** Despite a significant capital infusion from a 2011 IPO, in 2012, APR issued follow-on equity, convertible bonds and over TWD 1 billion in bank debt. Investors should not be fooled. Any dividends paid to date appear to be financed by the large 2012 debt offerings.

5. **Valuation.** As of December 31, 2013, APR had approximately TWD 3.6 billion of onshore (i.e. PRC) liabilities outstanding, including TWD 1.8 billion in debt and another TWD 1.8 billion in various trade payables due to unsecured onshore creditors.

   In a liquidation scenario, the holders of onshore liabilities will take priority over offshore (i.e. non-PRC) equity and debt holders. Because independent evidence suggests that the Company has overstated its earnings by 10x and major capital expenditures by 3x, we doubt the authenticity of its reported receivables, cash balance and fixed assets. Given the limited offshore assets available for seizure (only a minimal amount of cash denominated in USD/HKD/TWD as of 12/31/2013) and the difficulty recovering onshore assets (property and equipment) under China’s byzantine judicial system, we put a price target on APR’s shares of TWD 0.00.
Disclaimer

We are short sellers. We are biased. So are long investors. So is APR. So are the banks that raised money for the Company. If you are invested (either long or short) in APR, so are you. Just because we are biased does not mean that we are wrong. We, like everyone else, are entitled to our opinions and to the right to express such opinions in a public forum. We believe that the publication of our opinions and the underlying facts about the public companies we research is in the public interest.

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INTRODUCTION

ASIA PLASTIC RECYCLING HOLDING LIMITED ("APR" or the "Company") is a Fujian-based manufacturer that claims to be the #1 producer of EVA foam products in China. We believe that APR has made numerous material misrepresentations to investors and the Taiwan Stock Exchange ("TWSE"), in both its 2011 IPO prospectus and in subsequent financial statements, regarding the scale and profitability of its business.

Investors do not need to perform our level of due diligence to be suspicious of APR, as even a simple reading of the Company’s financial statements reveals numerous red flags. APR reports the same EBIT margins (33%) from recycling foam rubber as Microsoft reports for a quasi-software monopoly. In addition, APR’s reported revenues per employee are four times higher than its competitors.

It is also highly suspicious that APR is a serial capital raiser despite reportedly generating significant amounts of cash from its operations. Even though APR received a significant capital infusion from a 2011 IPO, the Company issued follow-on equity, convertible bonds and over TWD 1 billion in bank debt in 2012. Why would a Company that supposedly generates such healthy cash flows need to keep returning to the capital markets to get more cash? Investors should not be fooled. Any dividends paid to date appear to be financed by the large 2012 debt offerings.

The most convincing evidence comes from publicly available land and government investment records which suggest that APR overstated major capital expenditures in Fujian and Jiangsu by around 3-4x between 2011 and 2013. In addition, we believe that online PRC tax records from Jinjiang city, Chendai county, where APR's only meaningful operating subsidiary is based, show that APR has overstated reported earnings from 2010 through 2013 by around 10x.

Ultimately, we believe, based on the evidence presented in this report, that APR has materially overstated the scale and profitability of its business to investors and regulators, and, in doing so, violated a number of Taiwan's securities laws. Like the Asian stock market regulators in Hong Kong and Singapore, we believe the TWSE will halt trading of APR’s shares pending a full investigation into the Company.

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1 Ethylene-vinyl acetate ("EVA") is a polymer that approaches elastomeric materials in softness and flexibility, yet can be processed like other thermoplastics (wikipedia).
OVERSTATED CAPITAL EXPENDITURES

During APR’s first three years as a public company (2011 through 2013), APR raised TWD 4.4 billion from the capital markets (both equity and debt).

**APR's Use of Capital Markets**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity Raised</td>
<td>1,355,600</td>
<td>1,363,284</td>
<td>-</td>
<td>2,718,884</td>
</tr>
<tr>
<td>Bank Borrowings</td>
<td>1,113,437</td>
<td>1,113,437</td>
<td>(35,742)</td>
<td>1,077,695</td>
</tr>
<tr>
<td>Issue of Company Bond</td>
<td>600,000</td>
<td>600,000</td>
<td>-</td>
<td>600,000</td>
</tr>
<tr>
<td><strong>Proceeds from Capital Markets</strong></td>
<td>1,355,600</td>
<td>3,076,721</td>
<td>(35,742)</td>
<td>4,396,579</td>
</tr>
</tbody>
</table>

*Source: Company Filings.*

During this period, APR claims to have spent TWD 4.6 billion (~RMB 1 billion) (100% of the proceeds raised) on capital expenditures, the vast majority of which was reportedly spent on the expansion of its Fujian and Jiangsu factories.

APR claims in its public filings to have spent RMB 600 million in capital expenditures, between 2011 and 2013, on the expansion of its Jiangtou facility, located in city of Jinjiang, Fujian province (the “Fujian Expansion Project”), which included RMB 126 million for the acquisition of land use rights.

Yet public infrastructure records indicate that **APR only spent RMB 212mm (65% less than the reported amount)** on the Fujian Expansion Project, indicating that capital expenditures were overstated by **RMB 388mm**. This suggests, in our opinion, either that insiders diverted the missing capital expenditures or that the capital expenditures were inflated to cover for fabricated sales.
1) *Fujian Factory Land Acquisition Cost Overstated by ~4x*

APR claims to have spent RMB 126 million in 2011 to acquire 137 mu of **new land** for the Fujian Expansion Project.² The following is an excerpt from the Company’s 2012 annual report.

> **Subsidiary Sansd (Fujian) Company (Jinjiang Factory)**
> purchased land of 137 mu for continued expansion

> 本公司自上市以来更加積極擴充產能，憑藉整合產線，廢塑回收技術及當地EVA邊廢腳料群聚優勢，子公司三斯達（福建）公司（晉江廠）購入的137畝土地已持續擴產，晉江廠現有三座發泡車間，架設一次發泡機已達32台，目前正進行擴建第四發泡車間，預計在第四發泡車間擴建完畢後，發泡機可達40台。除了新增現有發

> 子公司福建三斯達塑膠公司原廠址之土地係以前年度以人民幣81,446 千元取得。又西元二0一一年九月因擴充廠房之所需以人民幣126,040 千元向晉江市陳埭鎮江頭回族村民委員會取得鄰近原廠址之土地使用權（截至目前報告日止尚未取得當地政府核發之國有土地使用權證），並進行新廠房及生產線建造。上述土地使用權之經濟效益年限為五十年，使用權期限陸續於二0一六年十二月至二0六六年九月間到期。

For plant expansion, [the Company] acquired the land use right near the original site of the factory from Jinjiang Chendai Jiangtou Village Committee for RMB 126,040,000.

However, according to land records posted on soudi.cn (translation: "landsearch.cn"), APR purchased this land at auction from the Land and Resources Bureau of Jinjiang for only **RMB 31 million**, which is **75% less than the land acquisition cost reported in APR’s Taiwan filings**.

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Note that the area of the land purchase (137 mu) as reported on the website (shown above) is the exact same size of the land that APR claimed to have purchased in its 2012 annual report. Rather than spending RMB 126mm on the land rights, the public land records suggest that APR paid only RMB 31mm, 75% less than the reported figure. This is compelling evidence suggesting that APR massively exaggerated the amount it spent on land acquisition in connection with the Fujian Expansion Project.

2) Total Fujian Expansion Project Cost Overstated by ~3x

APR claims to have invested a total of RMB 600 million in connection with the Fujian Expansion Project between 2011 and 2013, reportedly increasing the interior factory space by approximately 120,000 m.². The following slides, taken from APR’s 2012 and 2014 management presentations, respectively, outline the expansion and the amount of the investment in the project.
APR's February 2014 management presentation (shown above) confirms that APR supposedly invested a total of RMB 600 million on the Fujian Expansion Project. However, official records available on the Jinjiang government website, which any investor can access online (and which we have excerpted below), show that APR's "total investment" for the Fujian Expansion Project (~110,000 m²) was only RMB 212 mm, which is 65% less than the capital investment amount reported to Taiwan investors and regulators.
The records available on the Jinjiang government [website] show that APR only invested a total of RMB 212mm on the Fujian Expansion Project, 65% less than the 600mm reported in APR’s Taiwan filings. This evidence suggests that APR overstated its capital expenditures by RMB 388mm.

Why would a company deliberately overstate capital expenditures? In our experience, there are two reasons. Either the missing expenditures were secretly transferred to insiders or capital expenditures were overstated in order to hide proceeds from fake sales on the balance sheet.
3) **Jiangsu Land Acquisition Cost Overstated by ~2.5x**

Publicly available records of land transfers suggest that APR also overstated the land acquisition cost with respect to the expansion of its facility in the city of Jurong in Jiangsu province (the "Jiangsu Expansion Project"). In APR’s 2012 annual report, the Company announced that it had acquired "about 150 mu" of land within the Jurong Economic Development Zone for RMB 57.9mm (average of RMB 386,000 per mu) for the Jiangsu Expansion Project.

But according to records from the Department of Land and Resources of Jiangsu Province, which are available to any investor online (by clicking [here](source: click on this link)), APR only paid RMB23.6mm (an average of RMB 163,000 per mu) for the 2011 Jurong land purchase, indicating that APR overstated its land acquisition costs for the Jiangsu Expansion Project by almost 2.5x.

*Source: APR 2012 Annual Report, p. 112*
The following table sets forth, in detail, the land records available on the Jiangsu government website documenting the price paid by APR for the land acquired in connection with the Jiangsu Expansion Project.

**Jiangsu Land Acquisition Cost Analysis**

*Figures are in RMB*

<table>
<thead>
<tr>
<th>Buyer</th>
<th>City</th>
<th>Location</th>
<th>Purchase Record</th>
<th>Area Acquired (Hectare)</th>
<th>Area Acquired (Mu)</th>
<th>Transaction Price (RMB)</th>
<th>Price Per Mu</th>
</tr>
</thead>
<tbody>
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<td>句容市</td>
<td>开发区寨里社区</td>
<td>3211832012CR0244</td>
<td>1.080</td>
<td>16.2</td>
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<td>3211832013CR0192</td>
<td>1.213</td>
<td>18.2</td>
<td>3,060,000</td>
<td>168,247</td>
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<td>江苏省句容开发区寨里社区</td>
<td>3211832013CR0191</td>
<td>0.433</td>
<td>6.5</td>
<td>1,100,000</td>
<td>169,244</td>
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<td>句容市</td>
<td>句容开发区文昌西路南侧，致远路西侧局部地块C</td>
<td>3211832013CR0193</td>
<td>0.474</td>
<td>7.1</td>
<td>1,200,000</td>
<td>168,955</td>
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<td>3211832013CR0268</td>
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<td>82.1</td>
<td>13,800,000</td>
<td>168,021</td>
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<td>句容市</td>
<td>开发区寨里社区</td>
<td>3211832013CR0269</td>
<td>0.033</td>
<td>0.5</td>
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<td>0.073</td>
<td>1.1</td>
<td>185,000</td>
<td>169,881</td>
</tr>
</tbody>
</table>

Source: http://mail.landjs.com

Total: 145.2 Mu | 23,645,000 RMB | 162,880 RMB

*Note: 1 hectare = 15 Mu

Land record links: 3211832012CR0244; 3211832013CR0192; 3211832013CR0191; 3211832013CR0193; 3211832013CR0268; 3211832013CR0269; 3211832013CR0313; 3211832013CR0311; 3211832013CR0312.

The independent and publicly available records from the Department of Land and Resources of Jiangsu province show, in our opinion, that APR overstated the cost of acquiring the ~150 mu of land for the Jiangsu Expansion Project by 2.5x. We believe that this is further independent evidence that APR has been overstating the amount of its capital expenditures since going public.
TAX RECORDS

Online tax records published on an official PRC government website suggest that the Company is paying far less tax than it claims in its public filings. According to Company filings, APR's headquarters, production facilities, and only meaningful PRC subsidiary are located in the Chendai County of Jinjiang City, Fujian Province (in China, counties are smaller than cities).

APR's corporate filings disclose three subsidiaries, Sansd (Fujian) Plastic Co., Ltd. ("Sansd Fujian"), Sansd (Jiangsu) Environmental Technology Co., Ltd. ("Sansd Jiangsu"), and Sansda (Hong Kong) Trading Co. Ltd. ("Sansda HK").

According to APR, of the three operating subsidiaries above, only Sansd Fujian earns any meaningful operating income, and therefore would be the only entity to pay any meaningful income taxes.

### APR Subsidiaries

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Assets</td>
<td>Total Liabilities</td>
</tr>
<tr>
<td>Sansda Holding Limited (BVI)</td>
<td>4,553,782</td>
<td>20</td>
</tr>
<tr>
<td>Sansda (Hong Kong) Limited</td>
<td>4,553,806</td>
<td>36</td>
</tr>
<tr>
<td>Sansd Jiangsu</td>
<td>5,127,701</td>
<td>881,973</td>
</tr>
<tr>
<td>Sansda (Hong Kong) Trading Ltd.</td>
<td>457,976</td>
<td>150,563</td>
</tr>
</tbody>
</table>

Source: Company Public Filings.

APR admits in its public filings that it does not pay taxes in Hong Kong. Its only significant connection to Taiwan is that it has listed its shares on the exchange. And since its only other subsidiary, Sansd Jiangsu, had no operating income in 2011 or 2012, we can comfortably infer that Sansd Fujian is the Company’s only meaningful tax-paying entity.
SAIC filings, excerpted below, show that Sansd Fujian is registered to an address within Chendai county, Fujian Province, and that’s its production plant is also located in Chendai county.

二、總公司、分公司及工廠所在地
(一)本公司

名稱：Asia Plastic Recycling Holding Limited
地址：Floor 4, Willow House, Cricket Square, P.O.Box 2804, Grand Cayman KY1-1112, Cayman Islands

Operational Headquarters:

(二)營運總部：

名稱：Sansd (Fujian) Plastic Co., Ltd.
地址：中國福建省晉江市陳埭鎮坊腳村前進路南163號

Name: Sansd (Fujian) Plastic Co., Ltd.
Telephone: (86) 0595-8201-0739
Address: 163 South Qianjin Road, Fangjiao Village, Chendai County, Jinjiang City, Fujian Province, China

(三)子公司及分公司：

名稱：Sansda Holding Limited
地址：P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands.

名稱：Sansda (Hong Kong) Limited
地址：5/F, Jardine House 1 Connaught Place

Source: Company 2012 Annual Report, page 2 of PDF

(三)各生產工廠現況及最近二年度設備產能利用率

<table>
<thead>
<tr>
<th>Item</th>
<th>建物面積(M²)</th>
<th>員工人數</th>
<th>生產商品種類</th>
<th>目前使用狀況</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factory</td>
<td>Building Area</td>
<td>employees #</td>
<td>Product Types</td>
<td>Current Usage</td>
</tr>
<tr>
<td>Sansd (Fujian) Plastic Co., Ltd.</td>
<td>60,800</td>
<td>706</td>
<td>鞋底片、箱包片、橡膠片等各類EVA之發泡材料</td>
<td>Normal</td>
</tr>
</tbody>
</table>

Source: Company IPO Prospectus, pages 5 and 75 of PDF
## Basic Registration Information of Foreign Enterprise

### 外资企业登记基本情况表

<table>
<thead>
<tr>
<th>Enterprise Name</th>
<th>Sansd (Fujian) Plastic Co., Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>Henggu Industrial Zone, Jiangou, Chendai, Jinjiang City</td>
</tr>
<tr>
<td>注册号</td>
<td>35050400046833</td>
</tr>
<tr>
<td>核准日期</td>
<td>2012-04-19</td>
</tr>
<tr>
<td>电话</td>
<td>85118898</td>
</tr>
<tr>
<td>邮政编码</td>
<td>362100</td>
</tr>
<tr>
<td>企业类型</td>
<td>有限责任公司 (台港澳法人独资)</td>
</tr>
<tr>
<td>企业人数</td>
<td>1</td>
</tr>
<tr>
<td>成立日期</td>
<td>1994-08-15</td>
</tr>
<tr>
<td>营业期限</td>
<td>1994-08-15 至 2024-08-15</td>
</tr>
<tr>
<td>行业名称</td>
<td>制造业</td>
</tr>
<tr>
<td>登记机关</td>
<td>福建省泉州市工商行政管理局</td>
</tr>
<tr>
<td>投资总额</td>
<td>60000.0000 万元 折人民币：2742.5000 万元</td>
</tr>
<tr>
<td>注册资本</td>
<td>20000.0000 万元 折人民币：1929.0000 万元 折美元：2702.0000 万元</td>
</tr>
<tr>
<td>外方认缴</td>
<td>20000.0000 万元 折人民币：20000.0000 万元 折美元：2702.0000 万元</td>
</tr>
<tr>
<td>经营范围</td>
<td>生产塑料制品、鞋用材料、鞋、服装、体育用品、配饰，（以上经营范围涉及许可经营项目，应在取得有关部门的许可后方可经营）</td>
</tr>
</tbody>
</table>

### 备注

- 原注册号：泉国信贸字002156号

### 组织结构

1. 姓名：丁金辉 性别：男 职务：监事
2. 姓名：丁金辉 性别：男 职务：董事
3. 姓名：丁金辉 性别：男 职务：副董事长
4. 姓名：丁金辉 性别：男 职务：董事长

### 中外双方出资情况

1. 外方企业名称：三格达（香港）有限公司 国别：香港 投资额：20000.0000万元 折美元：2702.0000万元

### 年检情况

1. 年检年度：2012 年检结果：通过
2. 年检年度：2011 年检结果：通过
3. 年检年度：2010 年检结果：通过
4. 年检年度：2009 年检结果：通过
5. 年检年度：2008 年检结果：通过
6. 年检年度：2007 年检结果：通过
7. 年检年度：2006 年检结果：通过
8. 年检年度：2005 年检结果：通过
9. 年检年度：2004 年检结果：通过

Source: Company SAIC filings.
In recent years, the Jinjiang city government (http://www.jinjiang.gov.cn/) has recognized the top tax paying companies in Chendai county on a list published on the government website. As shown below, the government lists break out the top tax paying businesses into various tiers based on the amount of taxes paid. For example, the following announcement, available on the government’s website, recognizes the 88 Chendai county businesses that paid over RMB 2mm in PRC taxes in 2010 (including income taxes and VAT).

If APR's reported financials are true, Sansd Fujian should be on the Tier 2 list in 2010 (i.e., a business that paid between RMB 100mm and RMB 600mm in tax), because it reported paying RMB 74mm in income taxes and (we estimate) it paid RMB 58.1mm in VAT (reported gross profit *17%), for a total of RMB 132 mm in reported taxes paid in 2010.

Yet Sansd Fujian actually appears on the Tier 7 list, indicating that APR's only meaningful PRC operating subsidiary paid between RMB 8mm and 10mm in 2010, which is between 6% and 8% of reported taxes paid.
5. Mianxi Tax more than 2000 yuan (2 firms)
   Fujian Kafei Tiantai Sports Products Co., Ltd.
   Guohui (China) Co., Ltd.
6. Mianxi Tax more than 1000 yuan (5 firms)
   Fujian Shuangxi Sports Products Co., Ltd.
   Quanzhou Leiding Rat Sports Products Co., Ltd.
   Qingmei Shoes Co., Ltd.
   Fujian Quanzhou City Daizai Color Printing Co., Ltd.

Enterprises That Paid More Than 8 Million in Chendai (6 in total)

7. Mianxi Tax more than 800 thousand enterprises (6 firms)
   Miao Tai (Fujian) Shoes Co., Ltd.
   Quanzhou Taiye Shoes Industry Development Co., Ltd.
   Sansda (Fujian) Rubber & Plastic Co., Ltd.
8. Mianxi Tax more than 500 thousand enterprises (18 firms)
   Source: click on this link.

A similar pattern emerges in 2011, 2012 and 2013.\(^3\) The following chart sets out the tax tiers from 2010 through 2013 for the top taxpaying businesses according to the Jinjiang government. In blue we have highlighted the tier in which Sansd Fujian should appear based on the income taxes it reported paying in its public filings and its estimated VAT payments. In red, we have highlighted the tier in which Sansd Fujian actually appears on the government’s tax lists.

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\(^3\)For reference purposes, hardcopies of the lists of major taxpayers for 2010, 2011, 2012, and 2013 are included in their entirety in Appendix I.
Whereas Sansd Fujian should appear in Tier 3 in 2011 and 2012, Sansd Fujian actually appears on the Jinjiang city tax list on Tier 7 (between RMB 10 mm and RMB 20 mm in taxes paid) in 2011, and in Tier 10 (between RMB 10mm and RMB 20mm in taxes paid) in 2012. Notably, Sansd Fujian does not even appear on the government’s 2013 list of top tax payers, even though, according to its Q4 2013 Taiwanese filing, it paid over RMB 187.7mm in taxes that year.

The government tax records indicate that, contrary to the income statements in its Prospectus and subsequent annual reports, that APR’s net income was actually between 4% and 12% of the figures reported to Taiwanese investors between 2010 and 2013.

### APR PRC Taxes - Reported vs. Actual

<table>
<thead>
<tr>
<th>Figures are in RMB'million</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Cumulative 2010-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported Income Tax Paid</td>
<td>74.1</td>
<td>88.2</td>
<td>114.1</td>
<td>104.6</td>
<td>381.0</td>
</tr>
<tr>
<td>Est VAT Taxes Paid (17% of Reported Gross Profit)</td>
<td>58.1</td>
<td>73.3</td>
<td>87.6</td>
<td>83.1</td>
<td>302.2</td>
</tr>
<tr>
<td>Total APR Taxes Paid (based on Taiwan filings)</td>
<td>132.3</td>
<td>161.5</td>
<td>201.7</td>
<td>187.7</td>
<td>683.2</td>
</tr>
</tbody>
</table>

### Government Tax Level

#### Implied (based on Taiwan filings)

<table>
<thead>
<tr>
<th>Actual</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 3</th>
<th>Tier 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Taxes Paid</td>
<td>Tier 7</td>
<td>Tier 7</td>
<td>Tier 10</td>
<td>Does Not Appear</td>
</tr>
<tr>
<td>Min</td>
<td>8.0</td>
<td>10.0</td>
<td>10.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Max</td>
<td>10.0</td>
<td>20.0</td>
<td>20.0</td>
<td>30.0</td>
</tr>
</tbody>
</table>

#### Implied Actual Net Income as a % of Reported

| Min | 6% | 6% | 5% | 0% | 4% |
| Max | 8% | 12%| 10%| 16%| 12%|

Sources: Company filings; tax records from Chendai County for 2010-2012, Jinjiang City for 2013.
Put simply, the Jinjiang government’s tax lists indicate that APR is paying far less in taxes than it claims in its public filings, which suggests that the Company’s revenues and profits are significantly smaller than the figures reported in APR’s financial statements.

1) Tax Records Place APR Behind Purportedly Smaller Competitors

Jinjiang city tax records also show that Sansd Fujian paid roughly the same amount of taxes as two competitors producing EVA foam products in Fujian who reported at least 75% less in revenues than APR.

If APR’s reported financials are true, then Sansd Fujian, the Company’s only meaningful operating and taxpaying entity, should pay far more taxes in than two local competitors, Maotai (Fujian) Soles (Chinese:茂泰(福建)鞋材有限公司) (“Maotai”) and Jinjiang Taiya Shoes Development (Chinese: 晋江市泰亚鞋业发展有限公司) (“Taiya”), a wholly-owned subsidiary of Taiya Shoes (002517 CH), both of whom produce and sell EVA foam products in the same city:4

**APR PRC Taxes - Competitor Comparison**

*Figures are in RMB’million*

<table>
<thead>
<tr>
<th></th>
<th>Reported 2012</th>
<th>Jinjiang City Tax Tier</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revenues</td>
<td>2010</td>
</tr>
<tr>
<td>Sansd Fujian</td>
<td>1,284</td>
<td>Tier 7</td>
</tr>
<tr>
<td>Maotai (Fujian)*</td>
<td>~250</td>
<td>Tier 7</td>
</tr>
<tr>
<td>Jinjiang Taiya</td>
<td>~12**</td>
<td>Tier 7</td>
</tr>
</tbody>
</table>

**Glaucus estimate based on Taiya Shoes public filings.

In 2012, Sansd Fujian reported **15 times more revenue than Taiya and 5 times more revenue than Maotai** from selling the same EVA foam products that all three companies manufacture in the same city. Moreover, APR claims to earn higher margins on its sales than its competitors. Therefore, APR’s subsidiary should pay significantly more in taxes than its purportedly much smaller local competitors.

Yet, Sansd Fujian appears in the same tax-paying bracket on the Jinjiang City government taxpayer lists as Maotai from 2010-2012 and in the same bracket as Taiya in 2010 and 2012. Below are excerpts of the taxpayer lists and links to the government website indicating that Sansd Fujian is paying roughly the same amount in taxes from 2010-2012 as competitors who were reporting far less in revenue.

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According to the government tax lists, Sansda Fujian pays roughly the same amount of tax as Maotai and Taiya, each of whom reports 81% and 94% less in revenue than Sansda Fujian, respectively. The implication of these tax records could not be clearer: that Sansda Fujian’s actual earnings are a fraction of the reported figures.
LUCRATIVE COMMODITY BUSINESS TOO GOOD TO BE TRUE

A common denominator of companies that have collapsed under suspicion of fraud is that their reported financial performance appears too good to be true. APR is no different.

1) EBIT Margins

APR’s reported EBIT margins from 2010 through 2012 (~33%) are so far superior to its local competitors that it simply defies credibility. APR collects scraps of recycled foam (like discarded shoe soles) and converts them into sheets of foam rubber. It is a low-tech process where not only the end product is a commodity, but so are 90% of the inputs and raw materials. Investors should therefore not expect significant EBIT margin deviation from firms producing the same commodity and operating in the same or similar geographic area.

![Reported EBIT Margin - APR vs. Comps](image)

Compared to other EVA foam producers operating in the same area, APR’s reported financial performance is simply incredible. APR reported an average EBIT margin of 33% from 2010-2012, compared to its competitors who reported an average EBIT margin of 7% during the same period. To put it into context, APR reports the same EBIT margins as Microsoft.

2) APR’s Average Selling Prices Are Suspicious

How does APR explain such high margins in a commoditized and hyper-competitive business? APR claims to sell EVA foam products for an average sales price (“ASP”) of RMB 3,500-4,000 per cubic
meter of EVA foam, which is approximately the same price as EVA foam products made with virgin (non-recycled) raw materials.

This appears suspicious, because according to experts with knowledge of the EVA foam recycling business, the price of EVA foam products is driven by the quality of the raw materials used in the manufacturing process. Producers who purchase virgin EVA foam from suppliers should be able to manufacture a higher quality product and charge a higher price.

But APR claims to purchase recycled scraps from its suppliers at a cost that is 65 to 80% lower than the cost of virgin (i.e. non-recycled) EVA foam.5

In its Q1 2012 management presentation, APR states that 66.9% of the raw materials used in 2011 consisted of cheap recycled materials.6 If APR uses cheap recycled raw materials, how does it charge the same ASP as manufacturers who use virgin raw materials?

3) Suspiciously Consistent Margins

The other suspicious element of APR’s margins is that they are remarkably consistent from year to year. This consistency of performance, as shown in the slide below from the Company’s 2014 management presentation, is especially suspicious given that APR’s average selling prices decreased by 27% in 2012 and its costs did not materially change (vs. 2011), yet its gross margin increased from 38% to 40% that year.7

It is a significant red flag, in our opinion, that APR’s gross margins can increase in a year when its ASPs declined 27%.

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6 2014 APR Management Presentation, p. 22.  
7 2012 APR Annual Report, p. 72.
4) Sales per Employee

APR also claimed to generate RMB 1.436 million of revenue per employee in 2012, a worker productivity rate that is \textit{\sim}4\textit{x} the revenue generated per employee by its closest competitors.

\begin{center}
\includegraphics[width=\textwidth]{chart.png}
\end{center}

Source: APR Company Filings; Competitor sales from competitor SAIC filings; competitor employee count from recorded phone calls with APR competitors. SAIC filings for APR’s other named PRC private competitors were not available.

In our experience, when management teams exaggerate sales and growth numbers, they often forget to give a commensurate boost to other operational metrics such as employee headcount. Thus, productivity ratios and other efficiency ratios that significantly deviate from the industry standard are often red flags when accompanied by suspiciously amazing financial performance.
5) Suspicious Sales Growth

APR’s reported average sales growth of 19% between 2010 and 2012 is well in excess of the 0% average growth for its private local competitors during the same period.

This is a significant red flag because APR is operating in a mature and commoditized market, making it highly unlikely it would be able to steal market share from competitors, especially given, as APR admits, that the Company sells the products made from low-quality recycled materials for the same high prices as competitors who make EVA foam products with virgin materials.
SERIAL CAPITAL RAISER

APR is a serial capital raiser, having tapped the capital markets for TWD 4.4 billion during the last 3 years. In August 2011, APR raised TWD 1.4 billion in an IPO to fund new plant construction and working capital. Yet despite this fresh influx of cash, one year late the Company made a TWD 1.4 billion secondary offering, issued TWD 0.6 billion in high yield bonds and incurred TWD 1.1 billion in bank indebtedness.

Investors should not be fooled by dividends paid in 2012 and 2013, as any dividends paid to date appear to be financed by the large 2012 debt offerings. The remaining TWD 3.3 billion in proceeds raised net of dividends appear to have already been spent on capital expenditure projects of dubious utility.

**APR's Use of Capital Markets**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Cumulative 2011-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity Raised</td>
<td>1,355,600</td>
<td>1,363,284</td>
<td>-</td>
<td>2,718,884</td>
</tr>
<tr>
<td>Bank Borrowings</td>
<td>1,113,437</td>
<td>(35,742)</td>
<td>1,077,695</td>
<td></td>
</tr>
<tr>
<td>Issue of Company Bond</td>
<td>600,000</td>
<td>-</td>
<td>-</td>
<td>600,000</td>
</tr>
<tr>
<td><strong>Proceeds from Capital Markets</strong></td>
<td>1,355,600</td>
<td>3,076,721</td>
<td>(35,742)</td>
<td>4,396,579</td>
</tr>
<tr>
<td>Less: Dividends Paid</td>
<td>(485,656)</td>
<td>(631,051)</td>
<td>(1,116,707)</td>
<td></td>
</tr>
<tr>
<td><strong>Proceeds Raised (net of dividends)</strong></td>
<td>1,355,600</td>
<td>2,591,065</td>
<td>(666,793)</td>
<td>3,279,872</td>
</tr>
</tbody>
</table>

Source: Company Filings.

Investors should not be fooled by dividends paid in 2012 and 2013, as any dividends paid to date appear to be financed by the large 2012 debt offerings. The remaining TWD 3.3 billion in proceeds raised net of dividends appear to have already been spent on capital expenditure projects of dubious utility.

**Selected APR Cash Flows (2011-2013)**

![Graph showing APR Cash Flows](image)

Source: Company Filings.

Given the significant amount of evidence indicating that its earnings are overstated by up to 10x, investors should certainly fear that funds raised from the capital markets may be siphoned to insiders through capital expenditures.
VALUATION

As of December 31, 2013, APR had approximately **TWD 3.6 billion** of onshore liabilities outstanding, including TWD 1.8 billion in debt and another TWD 1.8 billion in various trade payables due to unsecured onshore creditors.

In a liquidation scenario, the holders of onshore liabilities will take priority over offshore (i.e. non-PRC) equity and debt holders. Because independent evidence suggests that the Company has overstated its earnings by 10x and major capital expenditures by at least 3x, we doubt the authenticity of its reported receivables, cash balance and fixed assets. Given the limited offshore assets available for seizure (only a minimal amount of cash denominated in USD/HKD/TWD as of 12/31/2013) and the difficulty recovering onshore assets (property and equipment) under China’s byzantine judicial system, we put a price target on APR’s shares of **TWD 0.00**.
APPENDIX I

CHENDAI COUNTY TAX RECORDS

4/1/2014

中国晋江市人民政府关于表彰2013年度经济发展先进企业的决定

晋江市人民政府

4/1/2014

Jinjiang People’s Government Decision on the Recognition of Economic Development Advanced Enterprises in Year 2012

晋江市人民政府关于表彰2013年度经济发展先进企业的决定

晋江市人民政府

晋政文（2014）40号

2013年度经济发展先进企业的决定

各镇人民政府、街道办事处，经济开发区管委会、泉州出口加工区管理局，市直各单位：

为贯彻落实晋江市“二次创业，拓展民资经济”大会和市委工作会议精神，深入实施“五城同创”发展战略，引导企业加大改革创新能力，在兼并重组、协作配套、科技创新、两化融合、市场拓展等方面寻求突破和有效发挥产业龙头企业的骨干支撑和引领带动作用，全力打造质量和效益“双提升”的晋江经济升级版。经研究，决定对2013年度纳税超3000万元企业以及在产业创新、对外贸易、科技创新、品牌建设、质量管理等领域做出突出成绩的先进企业（单位）进行表彰（名单附后）。

各受表彰的企业（单位）要珍惜荣誉，再接再厉，争取在今后的经济工作中继续再立新功。全市各级各部门和广大企业要以先进典型为榜样，坚定发展信心，加强政企互动，推进改革创新，争先一流业绩，为打造晋江经济升级版做出新的更大贡献！

List of Enterprises That Paid More Than 30 Million in Year 2013

附件：1. 2013年度纳税超3000万元企业名单

2. 2013年度产业创新先进企业名单

3. 2013年度对外贸易先进企业名单

http://www.jinjiang.gov.cn/show.asp?id=22674
2013年度商贸旅游文化产业先进企业（单位）名单

5. 2013年度科技创新先进企业（单位）名单

6. 2013年度品牌建设、质量管理工作先进企业（单位）名单

晋江市人民政府
2014年2月27日

附件1

List of Enterprises That Paid More Than 30 Million in Year 2013

一、纳税超10亿元企业（1家）
1. 福建恒安集团有限公司

二、纳税5-8亿元企业（1家）
2. 安踏（中国）有限公司

三、纳税3-5亿元企业（3家）
3. 劲霸男装股份有限公司
4. 泉州世茂新领地置业有限公司
5. 三六一度（中国）有限公司

四、纳税1-3亿元企业（16家）
6. 利郎（中国）有限公司
7. 福建七匹狼实业股份有限公司
8. 乔丹体育股份有限公司
9. 贵人鸟股份有限公司
10. 福建晋江天然气发电有限公司
11. 福建百宏聚纤科技实业有限公司
12. 晋江万达广场有限公司
13. 浩沙实业（福建）有限公司

http://www.jinjiang.gov.cn/trzh/show.asp?id=22674
4/1/2014 中国福建省人民政府关于表彰2013年度经济发展先进行企业的决定

14. 国网福建晋江市供电公司
15. 福建晋江农村商业银行股份有限公司
16. 福建柒牌集团有限公司
17. 德尔惠（中国）有限公司
18. 福建优兰发集团实业有限公司
19. 晋江市特步体育用品有限公司
20. 兴业皮革科技股份有限公司
21. 泉州百捷房地产开发有限公司

五、纳税5000万元—1亿元企业（12家）
22. 福建鑫华股份有限公司
23. 福建远洋集团有限公司
24. 中骏（泉州）房地产开发有限公司
25. 晋江市晋龙实业发展有限公司
26. 中石化化工销售（福建）有限公司
27. 冠科（福建）电子科技实业有限公司
28. 福建省泉州市莲花房地产开发有限公司
29. 泉州泉商置业有限公司
30. 福建省晋江市福泰SM国际广场
31. 福建侨成房地产开发有限公司
32. 福建百信房地产开发有限公司
33. 国辉（中国）有限公司

六、纳税3000万元—5000万元企业（21家）
34. 斯兰集团有限公司
35. 福建风竹纺织科技股份有限公司
36. 泉州远航房地产开发有限公司
37. 中国移动通信集团福建有限公司晋江分公司
38. 福建省百凯纺织实业有限公司
39. 晋江市锦福化纤聚合有限公司
附件2

2013年度产业创新先进企业名单

一、重点项目建设先进企业（5家）
1. 冠达星股份有限公司
2. 金冠（中国）食品有限公司
3. 泉州鑫嘉化纤有限公司
4. 晋江市阿一波食品工贸有限公司
5. 晋江鑫宝织物发展有限公司

二、重大战役项目先进企业（3个）
1. 福建省晋江市喜得龙体育用品有限公司
2. 福建省永春新型建材有限公司
3. 晋江新联成纺织后整理有限公司

晋委〔2013〕38号

中共陈埭镇委员会 陈埭镇人民政府
关于表彰陈埭镇2012年度纳税先进企业的决定

各村（社区）党支部、村（社区居）委会、镇直各单位、各有关企业：

2012年，陈埭镇上下紧紧围绕市委、市政府的工作部署，深入贯彻落实“项目落实年”、“三产跃升年”活动，扎实打好“五大战役”，全面推进服务民营企业“二次创业”，经济社会保持较快平稳发展。全镇企业努力克服国内外经济复杂形势所引起的不利影响，不畏艰难、奋力争先，优势企业继续扩大，经济发展健康稳步增长，财税收入再创新高，涌现出一大批业绩优良、贡献突出的企业纳税大户，为我镇经济社会发展作出了积极贡献。为表彰先进，振奋企业家队伍精神，鼓励骨干企业继续做大做强，促进广大纳税人依法纳税的积极性，推动我镇经济社会持续健康发展。镇党委、政府决定对三六一度、乔丹、贵人鸟、德尔惠等123家纳税超两百万元的企业进行表彰（具体名单附后）。

希望受表彰的企业珍惜荣誉，总结经验，在民营企业“二次创业”热潮中稳中求进，再攀新高，再创辉煌。同时希望全镇各企业向受表彰的企业学习，借鉴他们的先进经验，进一步强化税法观念，增强法制意识，积极申报，为我镇经济发展做出更大贡献。
附件：陈埭镇纳税超200万元企业名单（2012年度）

List of Enterprises That Paid More Than 2 Million in Chendai (Year 2012)

陈埭镇纳税超200万元企业名单
(2012年度)

1. 陈埭镇纳税超5亿元明星企业（1家）
    三六一度（中国）有限公司
2. 陈埭镇纳税超3亿元明星企业（1家）
    贵人鸟（中国）有限公司
3. 陈埭镇纳税超2亿元明星企业（1家）
    乔丹体育股份有限公司
4. 陈埭镇纳税超亿元明星企业（1家）
    德尔惠股份有限公司
5. 陈埭镇纳税超6000万元明星企业（1家）
    国辉（中国）有限公司
6. 陈埭镇纳税超5000万元明星企业（1家）
    喜得龙（中国）有限公司
7. 陈埭镇纳税超4000万元明星企业（1家）
    晋江市金威体育用品有限公司
8. 陈埭镇纳税超3000万元明星企业（1家）
    富士达(福建)鞋业有限公司
9. 陈埭镇纳税超2000万元明星企业（5家）
    泉州泉商置业有限公司
    福建省飞克体育用品有限公司
    泉州喜克休闲体育用品有限公司
    泉州金辉体育用品有限公司
    福建省飞克体育用品有限公司

Star Enterprises That Paid More Than 10 Million in Chendai (16 in total)

10. 陈埭镇纳税超1000万元明星企业（16家）
    三斯达（福建）塑胶有限公司

Sanskta (Fujian) Rubber & Plastic Co., Ltd.
    喜得龙控股集团
    福建（福建）制鞋有限公司
    泉州喜克休闲体育用品有限公司
    泉州金辉体育用品有限公司
    泉州喜克休闲体育用品有限公司

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决定

晋政【2012】5号

中共晋江市陈埭镇委员会  晋江市陈埭镇人民政府
关于表彰陈埭镇2011年度纳税先进企业的决定

各村（社区）党委、村（社区居）委会，镇直各单位，各有关企业：

2011年，在市委、市政府的正确领导下，全镇上下深入实践科学发展观，全面落实上级“产业提升、城建提速”的基本策略，主动融入泉州环湾发展大局，加快产业结构转型升级，努力抢占经济增长方式转变的前沿，经济实现发展逆市增长，财税收入再创新高，涌现出了大批业绩优良、贡献突出的企业纳税大户，为我镇经济社会发展作出了积极贡献。为表彰先进，振奋企业家队伍精神，激发民营企业“二次创业”激情，鼓励骨干企业继续做大做强，促进广大纳税户依法纳税的积极性，推动我镇经济持续健康发展。经研究决定对三六一度、贵人鸟、乔丹、德尔惠等118家纳税超两百万元的企业及23家纳税增长超50%的企业进行表彰（具体名单附后）。

希望受表彰的企业珍惜荣誉，总结经验，在稳中求快中再攀新高，再创辉煌，积极为我镇经济繁荣和社会和谐进步做出更大的贡献。同时希望全镇各企业向受表彰的企业学习，借鉴他们的成功经验，进一步振奋精神、顽强拼搏、开拓创新、团结奋进，为我镇经济社会全面发展作出新的贡献！
附件1: List of Enterprises That Paid More Than 2 Million in Chendai (Year 2011)

陈埭镇纳税超200万元以上企业名单（2011年度）

1. 陈埭镇纳税超6亿元明星企业
   三六一度（中国）有限公司

2. 陈埭镇纳税超2亿元明星企业（2家）
   贵人鸟股份有限公司
   乔丹体育股份有限公司

3. 陈埭镇纳税超亿元明星企业
   德尔惠股份有限公司

4. 陈埭镇纳税超5000万元明星企业
   吉得龙（中国）有限公司

5. 陈埭镇纳税超3000万元明星企业（3家）
   闽辉（中国）有限公司
   福建美克休闲体育用品有限公司
   福建快节奏体育用品有限公司

6. 陈埭镇纳税超2000万元明星企业（2家）
   鹏程（福建）户外用品有限公司
   Star Enterprises That Paid More Than 10 Million in Chendai (11 in total)

7. 陈埭镇纳税超1000万元明星企业（11家）
   清美（中国）有限公司
三斯达（福建）塑胶有限公司
Sansda (Fujian) Rubber & Plastic Co., Ltd.

鸿鹏（福建）鞋服有限公司
野力体育（中国）有限公司
晋江市金威体育用品有限公司
茂泰（福建）鞋材有限公司
名乐（中国）有限公司
福建力道鞋服有限公司
大东亚（福建）体育用品有限公司
道奇（福建）制鞋有限公司

8、陈埭镇纳税超800万元企业（6家）
晋江市泰亚鞋业发展有限公司
泉州宝利包装有限公司
爱乐体育用品（福建）有限公司
泉州金益鞋服有限公司
晋江大森制衣有限公司
晋江源泰皮革有限公司

9、陈埭镇纳税超500万元企业（24家）
国发（福建）塑胶有限公司
福建省晋江市福联鞋塑有限公司
泉州市至诚纤维织造有限公司
福建省晋江市东风鞋塑有限公司
福建省晋江市陈埭三舒鞋业有限公司
福建新纪元鞋材发展有限公司
福建华鸿鞋材有限公司
福建省晋江市兄弟鳄鱼鞋服有限公司
富士达（福建）鞋塑有限公司
晋江市兆克鞋塑有限公司
达郎（福建）体育用品有限公司
晋江鞋业市场建设发展有限公司
福建省霸克体育用品有限公司
泉州振兴纺织有限公司
晋江市永明涂层织物有限公司
百锋（福建）服装有限公司
福建省晋江市华装鞋业有限公司
中共陈埭镇委员会 陈埭镇人民政府关于表彰陈埭镇2010年度纳税先进企业的决定

各村（社区）：

2010年，在市委、市政府的正确领导下，全镇上下深入实践科学发展观，认真贯彻落实上级“一个对接、三个转型”的决策部署，主动融入海西建设大局，加快产业结构转型升级，努力抢占经济增长方式转变的制高点，经济实现高位增长，财税收入再创新高，并涌现出一大批业绩优良、贡献突出的企业纳税大户，为我镇经济社会发展作出了积极贡献。为表彰先进，振奋企业家队伍精神，鼓励骨干企业继续做大做强，促进广大纳税人依法纳税的积极性，推动我镇经济持续健康发展，经研究决定对三次度等91家纳税明星企业，纳税超百万元的企业及29家纳税增长超50%的企业进行表彰（具体名单附后）。

希望受表彰的企业珍惜荣誉，总结经验，在新的一年中再接再厉，再创辉煌，积极为我镇经济繁荣和社会和谐进步做出更大的贡献。同时希望全镇各企业向受表彰的企业学习，借鉴他们的成功经验，进一步振奋精神、顽强拼搏、开拓创新，团结前进，为我镇经济社会全面发展作出新的贡献！

附件：1、陈埭镇纳税超200万元企业名单（2010年度）;
2、陈埭镇纳税增长超50%先进企业名单（2010年度）。

中共陈埭镇委员会
陈埭镇人民政府

2011年3月3日
附件1: List of Enterprises That Paid More Than 2 Million in Chendai (Year 2010)

陈埭镇纳税超200万元企业名单
(2010年度)

1. 陈埭镇纳税超6亿元明星企业
   三六一度（中国）有限公司

2. 陈埭镇纳税超亿元明星企业（3家）
   乔丹体育股份有限公司
   贵人鸟（中国）有限公司
   德尔惠股份有限公司

3. 陈埭镇纳税超5000万元明星企业
   喜得龙（中国）有限公司

4. 陈埭镇纳税超3000万元明星企业
   福建天恒休闲体育用品有限公司

5. 陈埭镇纳税超2000万元明星企业（2家）
   福建快节奏体育用品有限公司
   国辉（中国）有限公司

6. 陈埭镇纳税超1000万元明星企业（5家）
   福建省飞克体育用品有限公司
   泉州市乐登袋鼠体育用品有限公司
   清美鞋材公司
   福建省晋江市大自然彩色印刷有限公司

 Enterprises That Paid More Than 8 Million in Chendai (6 in total)

7. 陈埭镇纳税超800万元企业（6家）
   Sansada (Fujian) Rubber & Plastic Co., Ltd.
   泉州宝树包装有限公司
   福建艾迪斯体育用品有限公司

8. 陈埭镇纳税超500万元企业（18家）
   福建省晋江市陈埭三舒鞋业有限公司
   晋江澜泰皮鞋有限公司
   泉州振兴纺织有限公司
   泉州市永明涂层织物有限公司
   福建腾纪元鞋材发展有限公司
   晋江鞋业市场建设发展有限公司