PRIMAX ELECTRONICS

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投資人關係

致伸科技 2023 第二季財務報告



PRIMAX ELECTRONICS

Primax Speakers

YY Hsiao

General Manager | CFO | Taiwan

Ellen Tseng

Senior Director Investor Relations | Taiwan





Meeting Agenda



Quarterly Results & Update



30'





10'



Investor Questions & Feedback



20'

Safe Harbor And Disclaimer

致伸科技的簡報包含具有重大風險和不確定性的前瞻性聲明。前瞻性陳述通常與未來的事件或未來的財務或經營業績有關。在這種情況下,您可以識別前瞻性語句,因為它們包含諸如「可能」之類的單詞,「將會」、「應該」、「預期」、「計畫」、「預測」、「可能」、「打算」、「目標」、「專案」、「盤算」、「相信」、「估計」、「預估」、「潛在」或「繼續」,或這些詞或其他類似的術語或這些意思相反或負面的詞,涵蓋我們的期望、策略、計畫或意圖。

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本簡報中的所有前瞻性聲明都是根據截至目前可獲取資訊為基礎的,致伸科技不承擔任何義務更新這些前瞻性聲明,及更新未來的事件。同樣的,致伸科技也不承擔任何義務更新實際結果可能與前瞻性聲明中預期的內容有重大差異的原因,即使將來致伸科技取得新的資訊。

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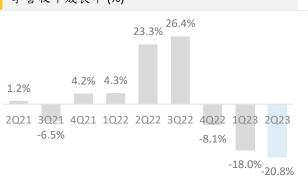


致伸科技第二季亮點



- 因整體市場疲弱,資訊產品呈現年衰 退, PC/筆電/電競及多功能事務機 等需求放緩
- 智慧生活產品亦因消費端需求疲軟影 響聲學營收
- 車用/智慧物聯因受到訂單遞延出貨 及新產品轉換影響,第二季呈現年衰 退







季營收季成長率 (%)



致伸科技財務簡覽表

致伸第二季亮點-稅前利益、毛利率、營業利益率、每股盈餘、股東權益報酬率、資產報酬率

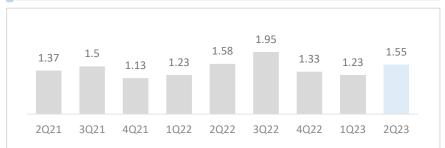
稅前利益 年增率 (%) 毛利率 (%)

營業利益率 (%)

淨利益 年增率 (%)

每股盈餘 年增率 (%) 稅後利益率 (%)

季度每股盈餘(NTD)



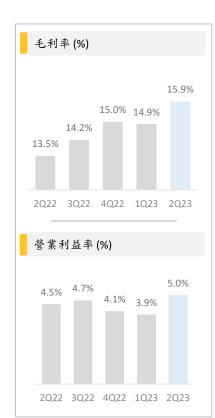


儘管第二季仍受到消費性產品需求疲弱影響,在成本及費用 嚴謹管控下,維持穩健營運表現

股東權益報酬率 & 資產報酬率 (%)



致伸科技2023年第二季損益表



(NTD 百萬)	2Q 2023	1Q 2023	2Q 2022	QoQ	YoY	1H 2023	1H 2022	YoY
營業收入	16,065	14,677	20,283	9.5%	-20.8%	30,742	38,178	-19.5%
銷貨成本	13,503	12,486	17,536			25,989	33,179	
營業毛利	2,562	2,191	2,747	16.9%	-6.7%	4,753	4,999	-4.9%
毛利率 (%)	15.9%	14.9%	13.5%	1.0 ppt	2.4 ppt	15.5%	13.1%	2.4 ppt
營業費用	1,761	1,619	1,827			3,381	3,466	
營業費用率 (%)	11.0%	11.0%	9.0%	-0.1 ppt	2.0 ppt	11.0%	9.1%	1.9 ppt
營業利益	801	572	920	40.1%	-13.0%	1,373	1,533	-10.5%
營業利益率 (%)	5.0%	3.9%	4.5%	1.1 ppt	0.5 ppt	4.5%	4.0%	0.5 ppt
業外收益	155	141	38			296	113	
稅前利益	956	712	959	34.2%	-0.3%	1,668	1,646	1.4%
所得稅	187	139	201			326	346	
净利	769	573	758	34.2%	1.5%	1,343	1,300	3.2%
淨利率 (%)	4.8%	3.9%	3.7%	0.9 ppt	1.1 ppt	4.4%	3.4%	1.0 ppt
淨利歸屬母公司業主	699	555	711	26.0%	-1.7%	1,254	1,263	-0.7%
每股盈餘 (NTD)	1.55	1.23	1.58	26.0%	-1.9%	2.78	2.81	-1.1%

致伸科技資產負債表



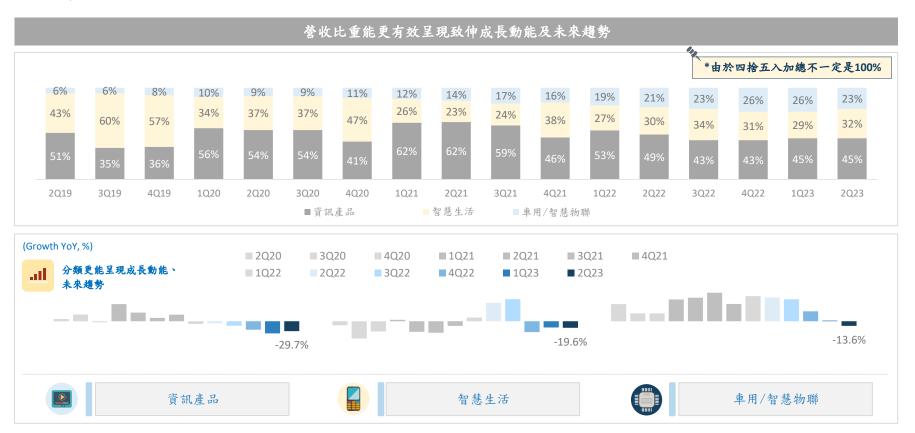
(NTD 百萬)	2Q 2023	1Q 2023	4Q 2022	3Q 2022	2Q 2022
現金	10,923	7,158	6,285	6,713	5,087
應收帳款與票據	15,011	13,086	14,338	16,639	15,340
庫存	8,107	8,627	9,354	10,302	12,984
流動資產	35,799	32,038	33,260	39,276	40,261
固定資產	8,061	8,220	8,247	8,083	7,846
總資產	49,605	45,988	47,264	53,340	54,111
應付帳款與票據	13,238	12,300	14,039	16,177	15,869
短期借款	2,974	1,373	489	3,510	6,145
其他	0	0	0	435	407
流動負債	28,249	23,369	25,336	31,086	32,546
長期借款	464	464	464	978	1,555
總負債	31,952	26,986	28,970	35,619	37,605
股東權益	17,654	19,002	18,294	17,721	16,506
淨負債權益比(%)	-42%	-28%	-29%	-13%	16%

致伸科技現金流量表

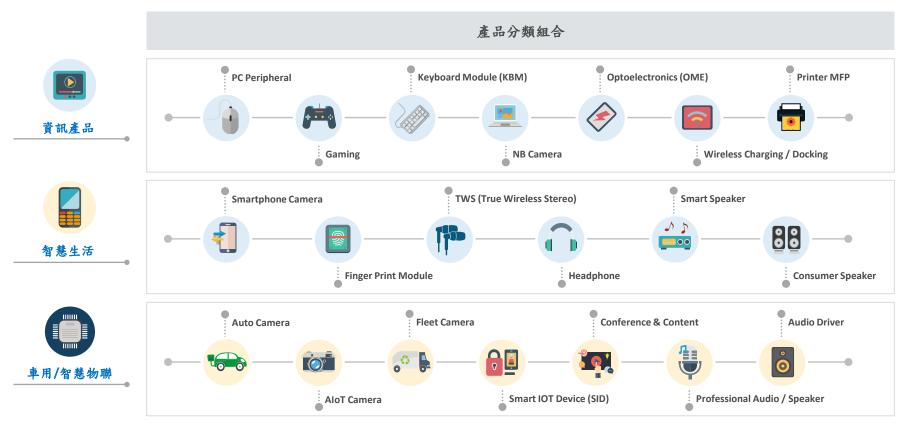


(NTD 百萬)	2Q23 YTD	1Q23 YTD	4Q22 YTD	3Q22 YTD	2Q22 YTD
营業活動之現金流量	2,995	379	6,194	3,658	(1,028)
- 稅前淨利	1,668	712	3,629	2,836	1,646
- 折舊與攤提	962	485	1,887	1,409	938
- 應收票據與帳款	873	1,262	(2,066)	(3,975)	(1,890)
- 應付票據與帳款	(800)	(1,739)	(3,655)	(1,516)	(1,824)
- 庫存	1,247	727	3,811	2,863	180
- 其他營業活動	(955)	(1,069)	2,588	2,041	(78)
投資活動之現金流量	(579)	(383)	(534)	(1,718)	(3,136)
- 固定資產	(665)	(355)	(1,904)	(1,424)	(863)
	86	(28)	1,370	(294)	(2,273)
財務活動之現金流量	2,382	838	(4,533)	(507)	4,146
- 短期借款	2,485	884	(1,541)	1,479	4,114
- 長期借款	0	0	(997)	(48)	501
- 現金股利			(1,411)	(1,411)	
其他財務活動	(103)	(46)	(584)	(527)	(469)
本期淨現金增加數	4,797	834	1,128	1,433	(19)
匯率變動之影響	(159)	39	318	441	266
期初現金餘額	6,285	6,285	4,839	4,839	4,839
期末現金餘額	10,923	7,158	6,285	6,713	5,087

致伸科技營收比重



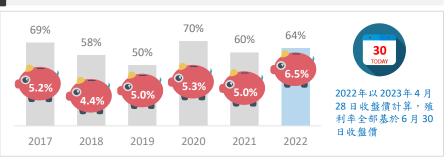
產品組合與應用



致伸科技現金股利、殖利率、財務報告行事曆



現金股利發放率 & 殖利率 (%)





致伸科技 2023 第三季營運展望

2023 第三季營收展望

Revenue Segment Growth **Profit Segment** Growth Remarks Remarks ✓ 第三季營收將年減雙位數 ✓ 受去年高基期影響,第三季獲利 ✓ PC 市場需求較為疲弱 將呈現年減 登收展望 獲利展望 ✓ 消費性聲學產品需求疲軟 ✓ 毛利及營業利益率因產品組合優 化呈年成長,公司仍持續嚴格管 控費用 ✓ 印表機及多功能事務機需求放緩 ✓ 資訊產品將有顯著的成本管控 ✓ PC 及電競等需求將呈現年衰退 ✓ 營收衰退導致營業費用率偏高 資訊產品 資訊產品 ✓ 部分電競急單湧入 ✓ 受去年高基期影響,第三季營收 ✓ 第三季獲利將呈現年減 將呈現年減 ✓ 消費性聲學需求疲弱影響整體聲 智慧生活 智慧生活 ✓ 因消費端需求疲弱,影響消費性 學獲利 聲學出貨 ✓ 新事業產品有較高的毛利率,待 ✓ 新事業產品比重穩健成長 車用/ 車用/ 經濟規模顯現 ✓ 部分專案因整體景氣不穩定遞 智慧物聯 延,然AIoT(B2B)新專案將陸續挹 注

2023 第三季獲利展望

致伸科技綜覽、長期成長策略與核心競爭力

致伸科技憑藉獨特定位與產品核心技術能力,營運穩健成長 全球員工 公司治理&永續投資(ESG)* 1984 成立,長期成長策略為 穩健財務績效 全球員工17,000+ 現金流強勁 公司治理評鑑前5% 三威合一策略 高股東權益報酬率-5年平均為14.7% 提供高附加價值產品與服務 (2016, 2017, 2019, 2020, 2021, 2022) * ESG Section For More Details 2022 集團數字 年複合成長率 1989-2022 穩定收益 營收新台幣792.4億 誉收 14% 50%+股利發放率 ▲ 淨利 13% ▲ 4-6% 殖利率 ▲ 淨利新台幣 27.4 億 Primax At A Glance →

獨特產品定位 三感合一核心能力



- ✓ 三威合一策略
- 重視產品附加價值
- ✓ 一站式解決方案
- ✓ 視覺影像、聲學、 人機介面專業

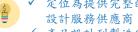
持續投資新技術



- ✓ 藉由產品週期進行 創新轉型
- ✓ 朝新技術領域邁進

設計製造提供商

✓ 定位為提供完整的



- ✓ 產品設計到製造與 客戶共同開發
- ✓ 彈性策略與客戶建 立長期及穩定合作 關係

著重高附加價值產品



- 減少 me-too 生意
- 開發高毛利且高附 加價值產品
- ✓ 與雲端軟體服務商 成為長期合作夥 伴,提供硬體設備 及技術支援

彈性且多元的 製造及研發據點



- ✓ 中國、泰國、捷克 與墨西哥生產基地
- ✓ 新加坡財務中心
- ✓ 美國早期研發技術 團 隊
- ✓ 台灣及英國研發及 試產中心

萬物智慧聯網趨勢: 邁向全方位智慧生活

三感合一硬體解決方案供應商

居家辦公

Conference, Webcam

物聯網/AI智慧物聯



Fleet Management, Smart Access, Public Safety, Surveillance

智慧家庭



Smart Access (Smart Lock, Smart Doorbell)

車用及電動車應用



Car ADAS (Visual), Car Audio

新聲學技術領域





Hearing Aid, New Variation Of Audio



資訊產品為致伸的產品核心

Information Products Sales Contribution To Primax

2021 Sales As A Percent Of Total (%)







Information Products Highlights For The Year

Key Highlights And Main Strategies



- Expecting higher wallet share for keyboard module
- Higher forcepad penetration in Windows NB will translate to increased sales and improve margins
- ✓ MFP business with high margins and limited competition
- ✓ New businesses such as content creation products provide fresh growth drivers

Provide Full Integration And Compatibility



智慧生活產品著重在高階聲學應用

Smart Lifestyle Sales Contribution To Primax

2021 Sales As A Percent Of Total (%)







Smart Lifestyle Highlights For The Year

Key Highlights And Main Strategies



- ✓ A focus on higher margin products
- Increase high-end consumer audio to improve margins
- Primax + Tymphany synergy is well positioned to capture market growth opportunity



TYMPHANY is a market leader in the TYMPHANY audio segment offering a full range of products

Well Positioned In Audio Segment

Speaker & OTE Headphone

Be the go to supplier for major international brands, where the industry's entry barrier is based on scale and expertise









TWS (True Wireless Stereo) & Hearing Aid

Hearing aid offers future growth opportunity

車用及智慧物聯成長動能強勁

Auto / AloT Sales Contribution To Primax

2021 Sales As A Percent Of Total (%)

2022 Sales As A Percent Of Total (%)





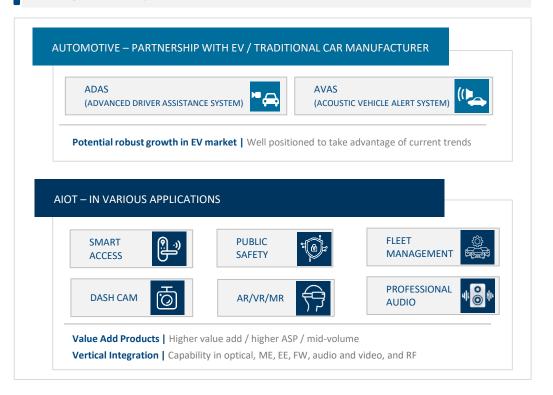
Auto / AloT Highlights For The Year

Key Highlights And Main Strategies



- ✓ Focus on automotive, public safety and professional audio
- Car ADAS demand would remain strong thanks to existing and new clients
- While gross margin would see marginal improvement, operating margin would continue to improve significantly from scale
- Expanding into industrial and wearables (AR/VR/MR) for future long-term growth

Leverage Core Competencies For Diversification



致伸科技主要投資觀點

Key Investment Thesis

Why Primax?

Key Investment Thesis

Capital

Deployment

Why Primax?



Growth **Opportunities**

- √ 3 senses in 1 strategy
- ✓ Car electronics (EV/ ADAS/ AVAS/audio), fleet management
- Al enabled Pubic Safety segments
 - Passenger Safety
 - · Law Enforcement Safety
 - Transportation Safety
 - Campus & Community Safety
 - Broder & Access Control

auto, new audio



Capitalizing On Mega Trends

- ✓ AloT, smart home, 5G/ cloud/ Al,
- ✓ Wearables (AR/ VR/ MR) and robotics (industrial applications)



Shareholder Return

- ✓ Increase dividend payout
- ✓ Less capex and strong free cash flow generating ability
- ✓ Prudent M&A plans



- ✓ Historically paid out 50-70% of earnings as cash dividend
- ✓ Cash dividend yield of 4-6%
- ✓ ROIC > 13% and ROE > 15%



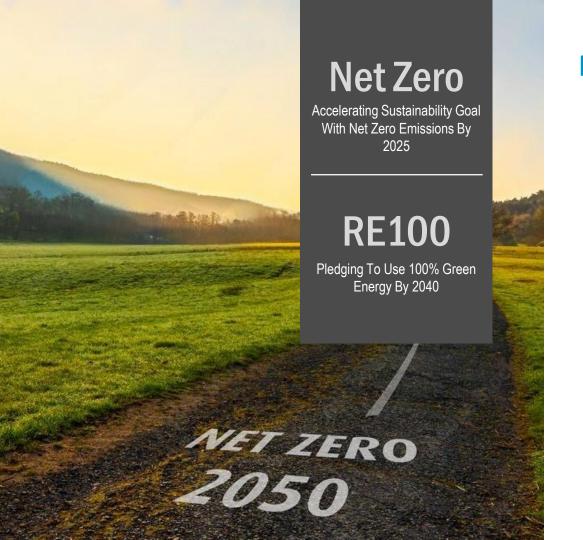
Margin And Profit Expansions

- ✓ Better product and customer mix
- ✓ Increase new businesses and focus on low-medium volume but higher margin and/or ASP products



Sustainability, ESG **And CSR**

- ✓ Management has strong commitment to ESG
- ✓ Primax is often ranked as one of the best ESG listed entities in Taiwan



PRIMAX ESG HIGHLIGHTS

LONG-TERM COMMITMENT AND SUSTAINABILITY PERFORMANCE

Achievements

- ✓ Joined RE100 with aims of becoming carbon neutral by 2040 and achieve net zero emissions by 2050
- ✓ Ranked top 5% for best corporate governance among all listed entities by Taiwan's FSC (2016, 2017, 2019, 2020, 2021, 2022)
- ✓ GHG emissions dropped 53.79% since 2019
- √ No violation of economic law, social law or related fines
- ✓ No child labor or forced compulsory labor
- ✓ Gender equality and zero tolerance on discrimination and harassment



致伸科技永續經營及 ESG 承諾

Primax Management – A Long-Term Dedicated Commitment **Authorization** Negotiation **Stakeholders** Board of **ESG Office** Directors Recommendation **Approval** & Execution .i.il 6 Report Primax Worldwide Sustainability **Policy Internal Departments**





Sustainable ESG And **Green Commitments**

- Dedicated sustainability and ESG office led by Chairman, with annual reports submitted to Board of Directors regularly
- Publish certified sustainability annual reports in Chinese and English
- Transparent guarterly and regular financial disclosures in Chinese and English
- Establish system for long-term traceable trend and sustainable strategy on environmental (manufacturing) and social (labor) issues

Joins RE100 Global

Initiative

FSC Corporate Governance Award



Ranked top 5% for best corporate governance among all listed entities by Taiwan's FSC (2016-2017, 2019-2022)

Taiwan TCSA Sustainability Award



TCSA Taiwan CSR Sustainability Platinum Award ranking top 100 among all listed companies

CommonWealth **ESG Award**



Ranked by Common Wealth Magazine as one of Taiwan's best ESG company (top 50 award)

HR Asia Best **Company Award**



BEST COMPANIES TO WORK FOR **IN ASIA 2022**

HR Asia award as one of the best companies to work for in Asia (2021 & 2022)

Ranked top 5% among all

the global ITC industry in

Dow Jones Sustainability

Indices information disclosure (CSA) in 2022

Dow Jones Sustainability Indexes

RE 100

Joined RE100 on April 29. 2022 with aims of using 100% renewable energy and be carbon neutral by 2040

Net Zero Emissions Bv 2025

Net Zero Emissions by 2050

Committed to achieve net-zero emissions by 2050 and Primax has developed an outline to reach this goal

致伸科技對環境保護的承諾



Primax Goals



Achievements



Certifications

Greenhouse Gas Carbon Emission

Setting stringent greenhouse gas (GHG) targets with deadlines

- ✓ Since 2019 (base year), total GHG emissions by Primax Group is down 53.79%, while GHG emission intensity is down 52.96%
- 32.61 M KWh of electricity were offset in 2022 or the equivalent of 18.447 tons of CO2e

- Committed target aiming to be carbon neutral by 2040 and achieving net zero emissions by 2050
- ✓ Setting carbon reduction goals based on SBTi✓ Adopted SGS TCFD for
 - systematic identification and management of climate change risks, and received "Pioneer Award" for outstanding achievements
- ✓ Joined RF 100 in 2022

Water Intensity

Water conservation methods implemented in buildings and factories

- Active management and control of water usage at all offices, plants and facilities
- ✓ Primax Group's water intensity decreased 13.99% compared to 2021



Aims of cutting energy consumption while lifting ratio of renewables

Cutting hazardous substance usage and effective management

Green Environment

- Active management and control of energy consumption in all Primax facilities
- ✓ Primax Group's energy intensity was down
 5.98% compared to 2021
- Completed Ecodesign management system and environmental footprint database
- ✓ Primax Group's total renewable energy consumed accounted for 32.60% of the total used electricity in 2021





ISO 14064-1 verification Renewable energy certificates





Adopted SBTi approach
Joined and adopted TCFD
framework and RE 100





ISO 14046 verification Water footprint certificates



ISO 50001 certification Energy management system installed





ISO 14001 certification IECQ QC 080000 certification

Note: * Science Based Targets initiative (STBi), Task Force On Climate-Related Financial Disclosures (TCFD)

致伸科技永續經營成果

Primax's Major Sustainability Achievements in 2022

Carbon And Energy Intensity Reduction

- Major manufacturing sites cut CO2e emissions by 8.761 tons in a year
- Energy intensity was down 5.98% compared to 2021

Reaching Out And Social Care



- ✓ Paid time off to employees for volunteer work, with total budget of over NTD 7.97 mn
- ✓ Sponsors numerous charities including KIST Taoyuan **Elementary School since 2017**

Employee Training And Expenses



- ✓ Total staff training reached 107.862 hours in 2022
- ✓ All employees are required to participate in annual training sessions for business integrity and human rights

Female Participation And Gender Equality



- ✓ Female executives was 26%. of total in 2022 and growing
- Efforts to achieve no gender salary discrepancies
- ✓ Zero tolerance policy against sexual harassment

Zero Violation **And Penalty**



- ✓ No violation of economic law. social law or related fines
- No product or service violated any health or safety regulations
- No cybersecurity complaints

Group Revenue

2022 revenue of NTD 79.24 billion



Rated 4.98 out of 5.00 in 2022 for assessment of functional committees

BOD Attendance Rate

Current board's average meeting attendance rate at 100%

Risk Management

Nomination and set up of risk management committee















Governance & Operations

R&D Expense

2022 R&D expense reached NTD 3.37 billion.

BOD Independence

Over 50% of independent board of directors (BOD)

BOD Evaluation

Duly executed and disclosed performance evaluation

致伸科技對供應商之要求與規範

Suppliers Complying To Primax Safety And Work Standards Primax – Procurement Value From Qualified Suppliers **2020 Suppliers 2021 Suppliers** YoY Growth **Supplier Certification And Procurement Value** Safety and work policies are based on RBA 1,139 1,878 +64.9% standards and suppliers must comply Year-end Year-end Year-end Total procurement value from qualified figures figures figures suppliers in 2021 was NTD 54 billion



Percent Of Total

≈ 80%

of total

revenue



Questions & Feedback



Primax Electronics Headquarter

Taipei City

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About Primax Flectronics

Primiax Electronics was founded in 1984 and is a leading supplier of IT, electronic and consumer solutions. The company is headquartered at Neihu Technology Park in Taipei City. Guided by the principle of "Global Operations with R&D and Smart Manufacturing in Taiwan", Primax now operates across Asia, The Americas and Europe. Highly-efficient production sites have been established in Taiwan, China and Thailand and the company has over 10,000 employees worldwide.

Seeing the potential of cloud technology and IoT, Primax has successfully developed human-machine interface products with touch, voice control, gesture recognition and wearable functions. Vision and video products have achieved notable successes in smart surveillance systems, mobile devices, smart homes, and advanced driver assistance systems. Our insistence on maintaining high yields as well as high quality in manufacturing and development is backed by our technical expertise. Our implementation of smart system engineering has also made us an indispensable partner for leading international brands and has allowed us to build up the energy needed for future growth.

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