

PEGATRON



PEGATRON

2021 Second Quarter Business Review

August 10, 2021

- **Financial Results**
- **Business Highlight**

- Pegatron's statements of its current expectations are forward looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

2Q2021 Consolidated Financial Result

Consolidated Income Statements

| <i>(NT\$ Mn)</i> | <u>1H2021</u> | | <u>1H2020</u> | | <u>YoY</u> |
|---------------------------------------|---------------|-------|---------------|-------|------------|
| Net Revenue | 488,899 | 100% | 606,321 | 100% | -19.4% |
| COGS | 469,950 | 96.1% | 585,831 | 96.6% | -19.8% |
| Gross Profit | 18,949 | 3.9% | 20,490 | 3.4% | -7.5% |
| Operating Expense | 14,039 | 2.9% | 14,322 | 2.4% | -2.0% |
| Operating Income (Loss) | 4,910 | 1.0% | 6,168 | 1.0% | -20.4% |
| Net Non-Operating Income (Loss) | 7,043 | 1.4% | 6,309 | 1.0% | 11.6% |
| FX Gain (Loss) | 1,463 | 0.3% | 611 | 0.1% | 139.4% |
| Others | 5,580 | 1.1% | 5,698 | 0.9% | -2.1% |
| PBT | 11,953 | 2.4% | 12,477 | 2.1% | -4.2% |
| Tax | (260) | 0.1% | (3,367) | 0.6% | -92.3% |
| Net Income | 11,693 | 2.4% | 9,110 | 1.5% | 28.4% |
| Net Income Attributable to the Parent | 10,016 | 2.0% | 8,619 | 1.4% | 16.2% |
| EPS | 3.76 | | 3.30 | | 13.9% |

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Consolidated Income Statements (Quarter-over-Quarter)

| <i>(NT\$ Mn)</i> | 2Q 2021 | | 1Q 2021 | | QoQ | 2Q 2020 | | YoY |
|---------------------------------------|---------|-------|---------|-------|---------|---------|-------|---------|
| Net Revenue | 272,277 | 100% | 216,622 | 100% | 25.7% | 327,843 | 100% | -16.9% |
| COGS | 262,566 | 96.4% | 207,384 | 95.7% | 26.6% | 313,518 | 95.6% | -16.3% |
| Gross Profit | 9,711 | 3.6% | 9,238 | 4.3% | 5.1% | 14,325 | 4.4% | -32.2% |
| Operating Expense | 7,017 | 2.6% | 7,022 | 3.2% | -0.1% | 7,874 | 2.4% | -10.9% |
| Operating Income (Loss) | 2,694 | 1.0% | 2,216 | 1.0% | 21.6% | 6,451 | 2.0% | -58.2% |
| Net Non-Operating Income (Loss) | 5,411 | 2.0% | 1,632 | 0.8% | 231.6% | 4,327 | 1.3% | 25.1% |
| FX Gain (Loss) | 1,014 | 0.4% | 449 | 0.2% | 125.8% | (21) | 0.0% | 4928.6% |
| Others | 4,397 | 1.6% | 1,183 | 0.5% | 271.7% | 4,348 | 1.3% | 1.1% |
| PBT | 8,105 | 3.0% | 3,848 | 1.8% | 110.6% | 10,778 | 3.3% | -24.8% |
| Tax | (1,627) | 0.6% | 1,367 | 0.6% | -219.0% | (2,827) | 0.9% | -42.4% |
| Net Income | 6,478 | 2.4% | 5,215 | 2.4% | 24.2% | 7,951 | 2.4% | -18.5% |
| Net Income Attributable to the Parent | 5,344 | 2.0% | 4,673 | 2.2% | 14.4% | 7,074 | 2.2% | -24.5% |
| EPS | 2.01 | | 1.75 | | 14.9% | 2.71 | | -25.8% |

Consolidated Balance Sheet

| <i>(NT\$ Mn)</i> | 2021/6/30 | | 2020/12/31 | | Diff | 2020/6/30 | | Diff |
|---|----------------|-------------|----------------|-------------|------------------|----------------|-------------|-----------------|
| Cash and Equivalents | 106,910 | 19% | 125,997 | 18% | (19,087) | 176,682 | 28% | (69,772) |
| AR (Net) | 161,278 | 28% | 223,964 | 33% | (62,686) | 189,862 | 30% | (28,584) |
| Inventory (Net) | 143,892 | 25% | 165,142 | 24% | (21,250) | 119,530 | 19% | 24,362 |
| Other Current Assets | 46,918 | 8% | 67,028 | 10% | (20,110) | 49,512 | 8% | (2,594) |
| Total Current Assets | 458,998 | 80% | 582,131 | 85% | (123,133) | 535,586 | 85% | (76,588) |
| Fixed Assets (Net) | 65,352 | 11% | 83,385 | 12% | (18,033) | 77,960 | 12% | (12,608) |
| Total Non-Current Assets | 112,099 | 20% | 102,216 | 15% | 9,883 | 92,708 | 15% | 19,391 |
| Total Assets | 571,097 | 100% | 684,347 | 100% | (113,250) | 628,294 | 100% | (57,197) |
| Short-term Borrowings | 118,160 | 21% | 112,198 | 16% | 5,962 | 139,084 | 22% | (20,924) |
| AP | 167,469 | 29% | 256,879 | 38% | (89,410) | 190,864 | 30% | (23,395) |
| Total Current Liabilities | 348,485 | 61% | 444,312 | 65% | (95,827) | 405,242 | 64% | (56,757) |
| Long-term Loans | 38,499 | 7% | 35,538 | 5% | 2,961 | 29,826 | 5% | 8,673 |
| Total Liabilities | 390,610 | 68% | 485,406 | 71% | (94,796) | 440,559 | 70% | (49,949) |
| Equity Attributable to the Parent | 155,804 | 27% | 162,595 | 24% | (6,791) | 152,981 | 24% | 2,823 |
| Total Equity | 180,487 | 32% | 198,941 | 29% | (18,454) | 187,735 | 30% | (7,248) |
| Total Liabilities and Equity | 571,097 | 100% | 684,347 | 100% | (113,250) | 628,294 | 100% | (57,197) |
| Current Ratio | 132% | | 131% | | - | 132% | | - |
| Debt Ratio (TTL Liabilities / TTL Assets) | 68% | | 71% | | - | 70% | | - |
| Interest-bearing Debt Ratio | 27% | | 22% | | - | 27% | | - |

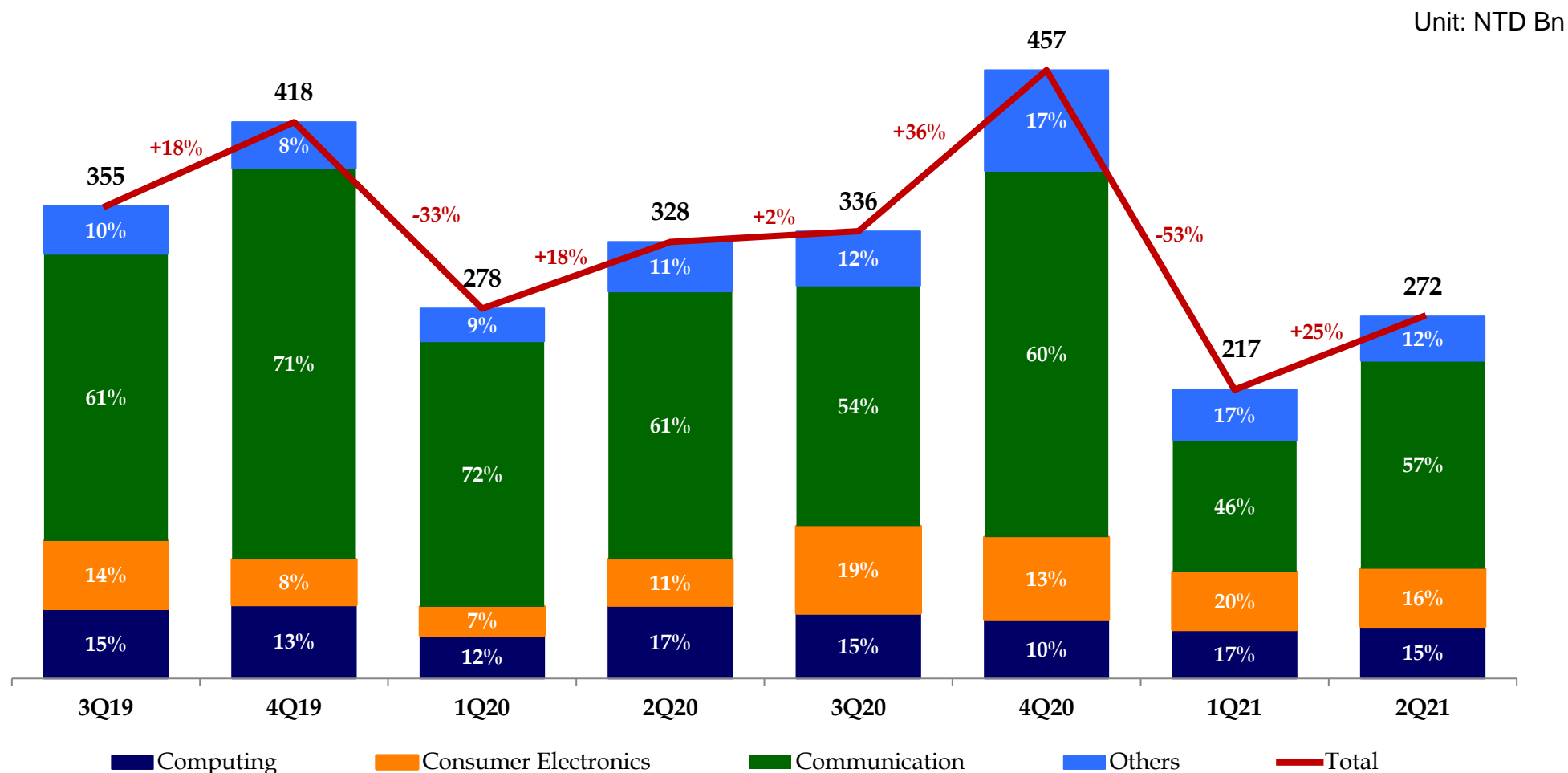
Consolidated Cash Flows Statement

| <i>(NT\$ Mn)</i> | 1H2021 | 1H2020 |
|---------------------------------------|----------|----------|
| Cash Flows from Operating Activities: | 31,538 | (31,195) |
| Cash Flows from Investing Activities: | (44,175) | (6,803) |
| Cash Flows from Financing Activities: | (4,734) | 70,391 |
| Impact from Changes in FX Rate | (1,716) | (1,507) |
| Net Increase in Cash | (19,087) | 30,886 |
| Cash, beginning of the period | 125,997 | 145,796 |
| Cash, end of the period | 106,910 | 176,682 |

| <i>Note:</i> | 1H2021 | 1H2020 |
|-------------------------------|--------|--------|
| Depreciation and amortization | 6,978 | 9,124 |

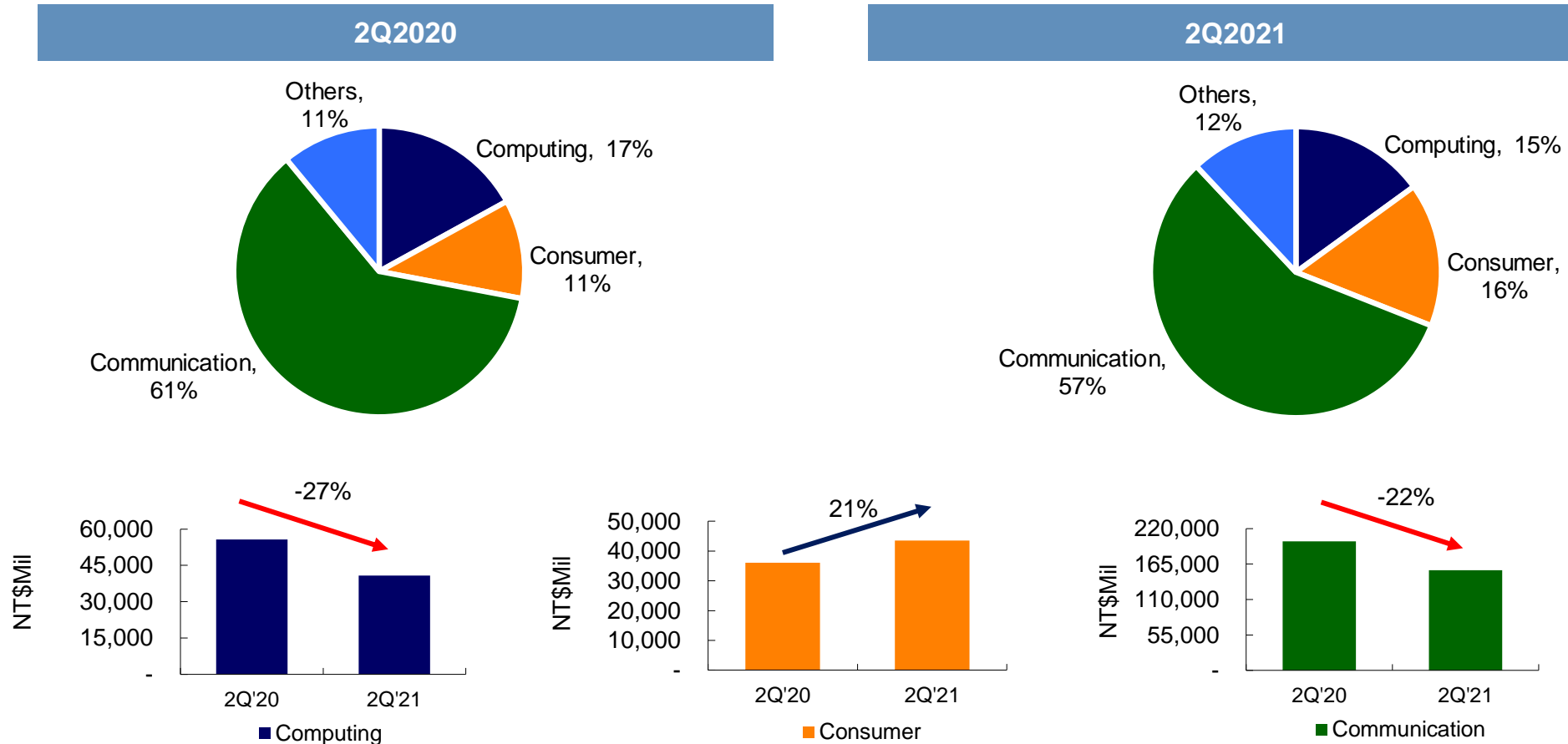
Business Highlight

Consolidated Revenue Trend



Consolidated revenue totaled NT\$272Bn in 2Q2021, increased by 25% QoQ, mainly attributable to better contribution from Computing and Communication segments.

Revenue Breakdowns by Products (Year-over-Year)

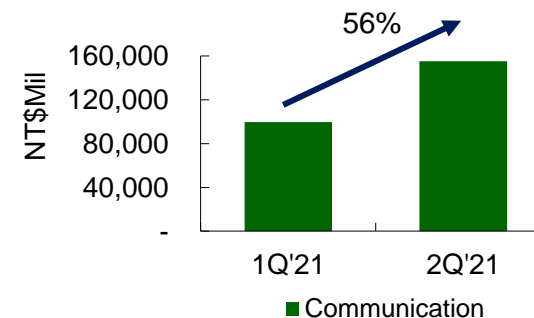
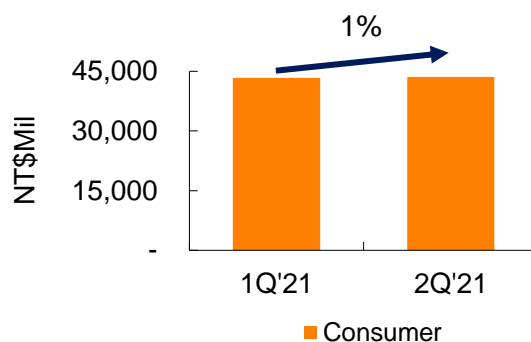
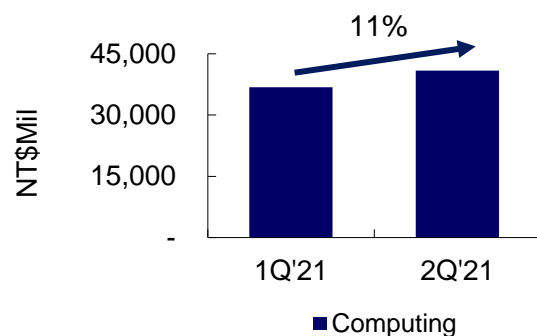
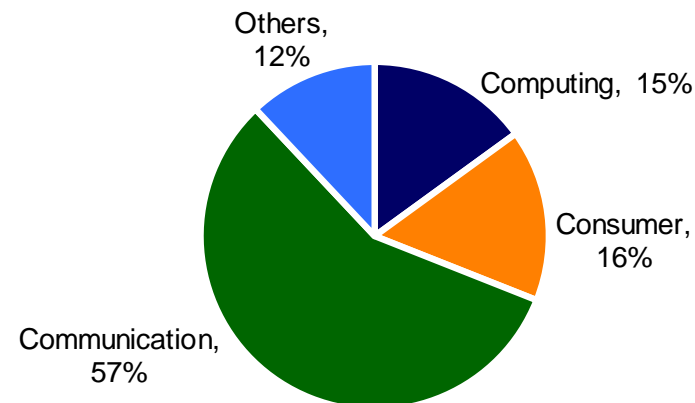
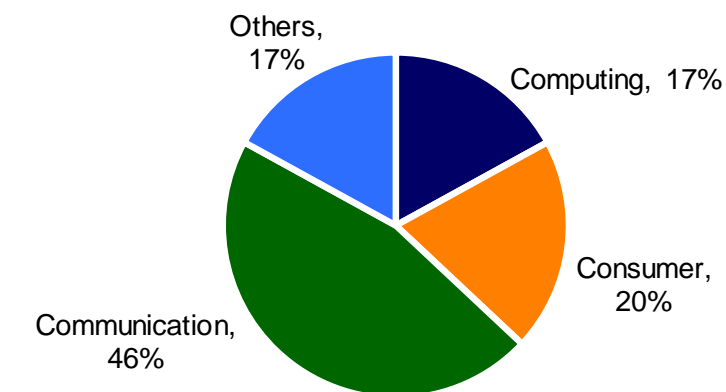


Benefitting from new product launch, revenue from Consumer Electronic segment was up by 21% YoY. Revenue from Computing segment declined by 27% YoY due to product mix and component shortage, while that of Communication segment declined by 22% YoY as a result of slower demand.

Revenue Breakdowns by Products (Quarter-over-Quarter)

1Q2021

2Q2021



Driven by better demand, revenue from Computing and Communication segments were up by 11% and 56% QoQ respectively, while revenue from Consumer Electronics segment remained flattish.

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