

**PEGATRON**



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## **2021 Third Quarter Business Review**

November 11, 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.

**3Q2021 Consolidated Financial Result**

## Consolidated Income Statements

<i>(NT\$ Mn)</i>	<u>1Q~3Q2021</u>		<u>1Q~3Q2020</u>		<u>YoY</u>
Net Revenue	811,698	100%	941,957	100%	-13.8%
COGS	780,983	96.2%	907,532	96.3%	-13.9%
Gross Profit	30,715	3.8%	34,425	3.7%	-10.8%
Operating Expense	21,629	2.7%	22,016	2.3%	-1.8%
Operating Income (Loss)	9,086	1.1%	12,409	1.3%	-26.8%
Net Non-Operating Income (Loss)	7,678	0.9%	9,577	1.0%	-19.8%
FX Gain (Loss)	2,140	0.3%	693	0.1%	208.8%
Others	5,538	0.7%	8,884	0.9%	-37.7%
PBT	16,764	2.1%	21,986	2.3%	-23.8%
Tax	(1,063)	0.1%	(5,230)	0.6%	-79.7%
Net Income	15,701	1.9%	16,756	1.8%	-6.3%
Net Income Attributable to the Parent	12,685	1.6%	15,436	1.6%	-17.8%
EPS	4.76		5.91		-19.5%

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## Consolidated Income Statements (Quarter-over-Quarter)

<i>(NT\$ Mn)</i>	3Q 2021		2Q 2021		QoQ	3Q 2020		YoY
Net Revenue	322,799	100%	272,277	100%	18.6%	335,636	100%	-3.8%
COGS	311,033	96.4%	262,566	96.4%	18.5%	321,702	95.8%	-3.3%
Gross Profit	11,766	3.6%	9,711	3.6%	21.2%	13,934	4.2%	-15.6%
Operating Expense	7,590	2.4%	7,017	2.6%	8.2%	7,694	2.3%	-1.4%
Operating Income (Loss)	4,176	1.3%	2,694	1.0%	55.0%	6,240	1.9%	-33.1%
Net Non-Operating Income (Loss)	635	0.2%	5,411	2.0%	-88.3%	3,269	1.0%	-80.6%
FX Gain (Loss)	677	0.2%	1,014	0.4%	-33.2%	82	0.0%	725.6%
Others	(42)	0.0%	4,397	1.6%	-101.0%	3,187	0.9%	-101.3%
PBT	4,811	1.5%	8,105	3.0%	-40.6%	9,509	2.8%	-49.4%
Tax	(803)	0.2%	(1,627)	0.6%	-50.6%	(1,863)	0.6%	-56.9%
Net Income	4,008	1.2%	6,478	2.4%	-38.1%	7,646	2.3%	-47.6%
Net Income Attributable to the Parent	2,668	0.8%	5,344	2.0%	-50.1%	6,817	2.0%	-60.9%
EPS	1.00		2.01		-50.2%	2.61		-61.7%

## Consolidated Balance Sheet

<i>(NT\$ Mn)</i>	2021/9/30		2020/12/31		Diff	2020/9/30		Diff
Cash and Equivalents	143,518	25%	125,997	18%	17,521	150,230	24%	(6,712)
AR (Net)	133,521	23%	223,964	33%	(90,443)	200,991	31%	(67,470)
Inventory (Net)	159,527	28%	165,142	24%	(5,615)	145,715	23%	13,812
Other Current Assets	36,429	6%	67,028	10%	(30,599)	44,951	7%	(8,522)
<b>Total Current Assets</b>	<b>472,995</b>	<b>82%</b>	<b>582,131</b>	<b>85%</b>	<b>(109,136)</b>	<b>541,887</b>	<b>85%</b>	<b>(68,892)</b>
Fixed Assets (Net)	68,850	12%	83,385	12%	(14,535)	80,774	13%	(11,924)
<b>Total Non-Current Assets</b>	<b>106,428</b>	<b>18%</b>	<b>102,216</b>	<b>15%</b>	<b>4,212</b>	<b>96,443</b>	<b>15%</b>	<b>9,985</b>
<b>Total Assets</b>	<b>579,423</b>	<b>100%</b>	<b>684,347</b>	<b>100%</b>	<b>(104,924)</b>	<b>638,330</b>	<b>100%</b>	<b>(58,907)</b>
Short-term Borrowings	69,412	12%	112,198	16%	(42,786)	128,491	20%	(59,079)
AP	223,625	39%	256,879	38%	(33,254)	209,500	33%	14,125
<b>Total Current Liabilities</b>	<b>355,102</b>	<b>61%</b>	<b>444,312</b>	<b>65%</b>	<b>(89,210)</b>	<b>407,514</b>	<b>64%</b>	<b>(52,412)</b>
Long-term Loans	36,387	6%	35,538	5%	849	30,227	5%	6,160
<b>Total Liabilities</b>	<b>394,749</b>	<b>68%</b>	<b>485,406</b>	<b>71%</b>	<b>(90,657)</b>	<b>443,630</b>	<b>69%</b>	<b>(48,881)</b>
<b>Equity Attributable to the Parent</b>	<b>158,630</b>	<b>27%</b>	<b>162,595</b>	<b>24%</b>	<b>(3,965)</b>	<b>159,022</b>	<b>25%</b>	<b>(392)</b>
<b>Total Equity</b>	<b>184,674</b>	<b>32%</b>	<b>198,941</b>	<b>29%</b>	<b>(14,267)</b>	<b>194,700</b>	<b>31%</b>	<b>(10,026)</b>
<b>Total Liabilities and Equity</b>	<b>579,423</b>	<b>100%</b>	<b>684,347</b>	<b>100%</b>	<b>(104,924)</b>	<b>638,330</b>	<b>100%</b>	<b>(58,907)</b>
Current Ratio	133%		131%		-	133%		-
Debt Ratio (TTL Liabilities / TTL Assets)	68%		71%		-	69%		-
Interest-bearing Debt Ratio	18%		22%		-	25%		-

## Consolidated Cash Flows Statement

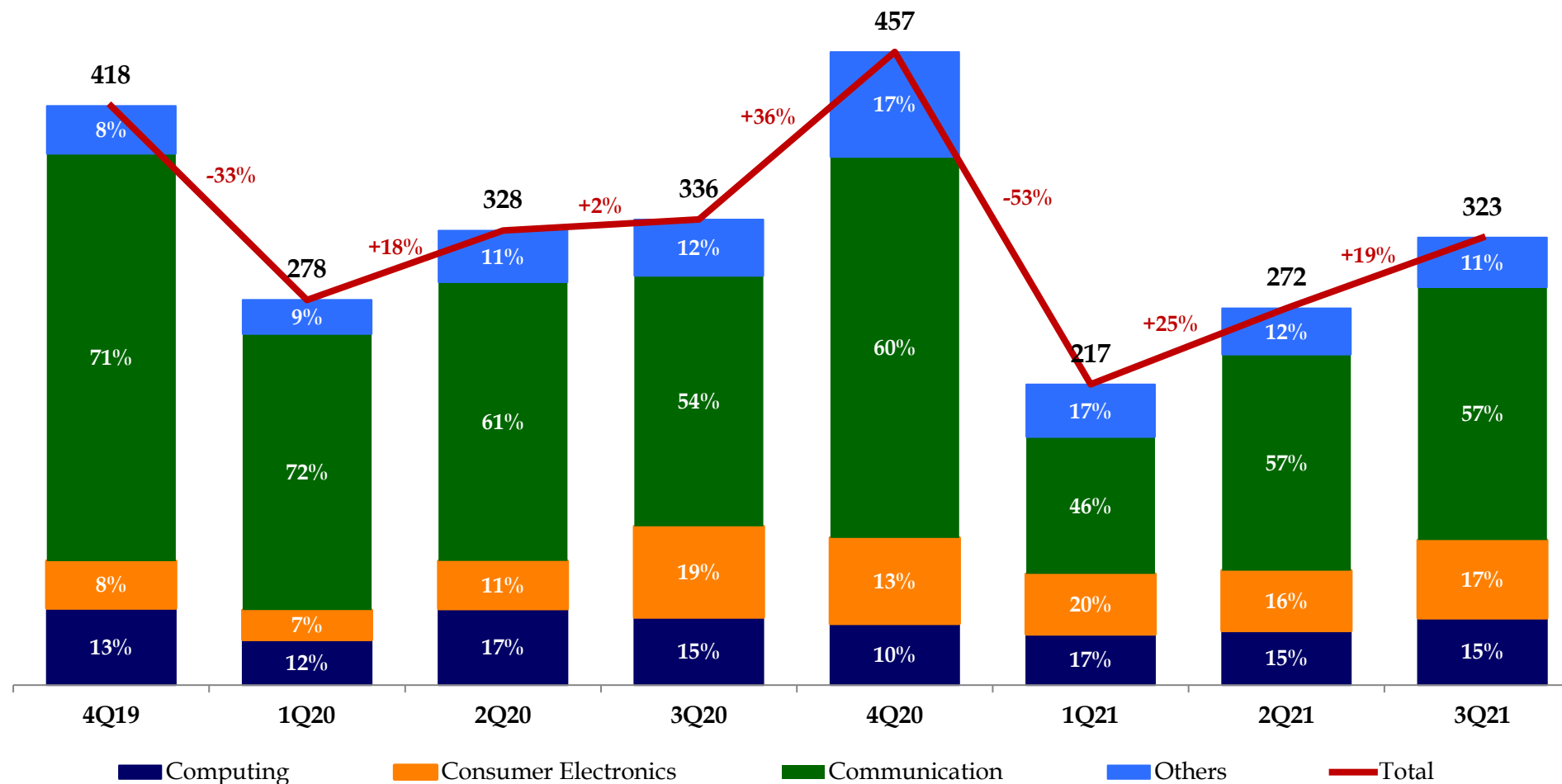
<i>(NT\$ Mn)</i>	<u>1Q~3Q 2021</u>	<u>1Q~3Q 2020</u>
Cash Flows from Operating Activities:	128,725	(27,474)
Cash Flows from Investing Activities:	(40,494)	(12,665)
Cash Flows from Financing Activities:	(68,923)	47,337
Impact from Changes in FX Rate	(1,787)	(2,764)
Net Increase in Cash	17,521	4,434
Cash, beginning of the period	125,997	145,796
Cash, end of the period	143,518	150,230
<i>Note:</i>	<u>1Q~3Q 2021</u>	<u>1Q~3Q 2020</u>
Depreciation and amortization	10,260	13,573



**Business Highlight**

## Consolidated Revenue Trend

Unit: NTD Bn

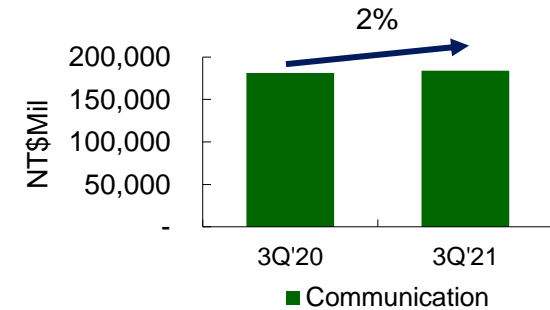
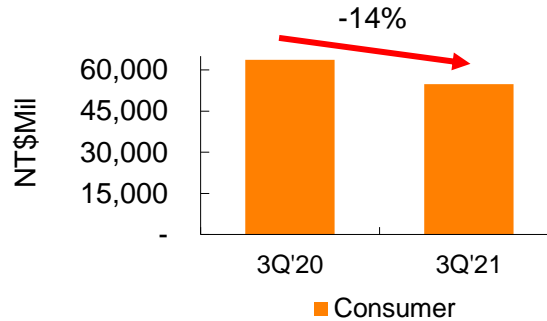
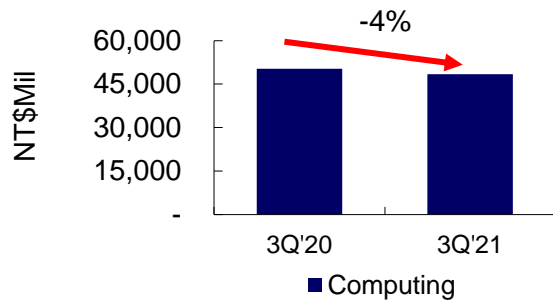
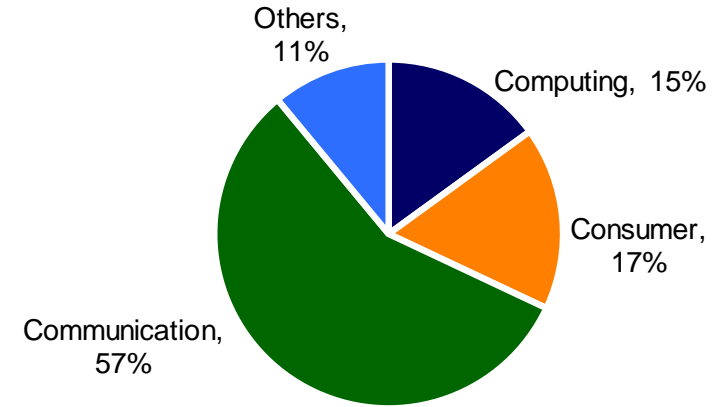
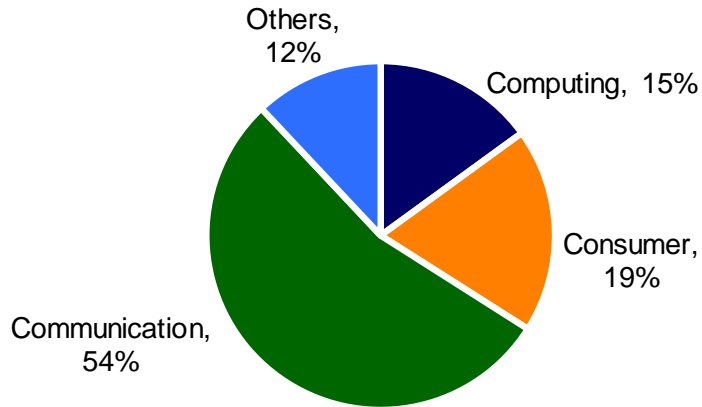


Consolidated revenue totaled NT\$323Bn in 3Q2021, increased by 19% QoQ. The growth was mainly attributable to seasonal demand in all three product segments.

## Revenue Breakdowns by Products (Year-over-Year)

3Q2020

3Q2021

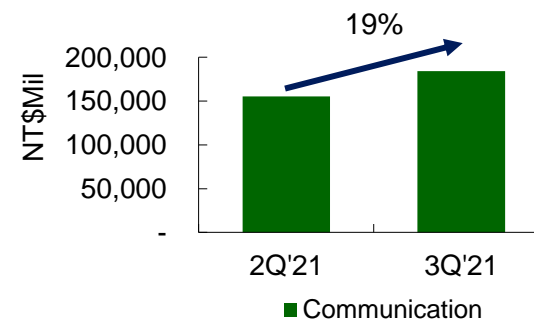
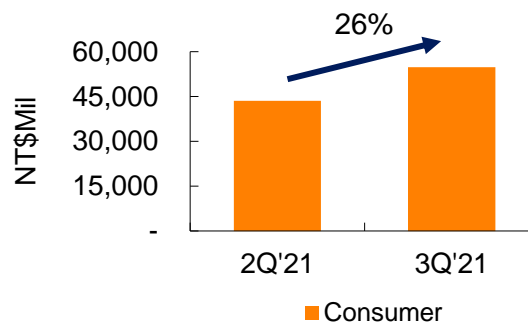
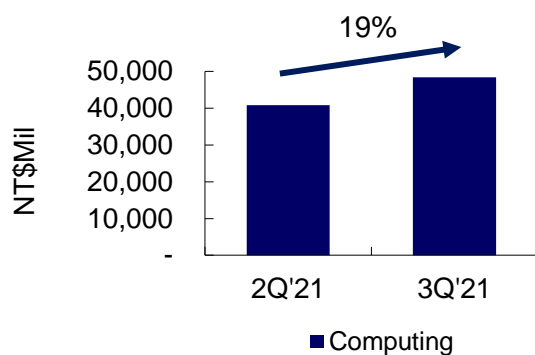
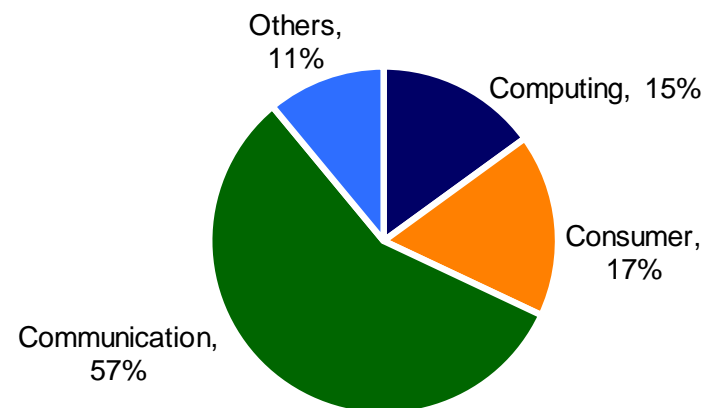
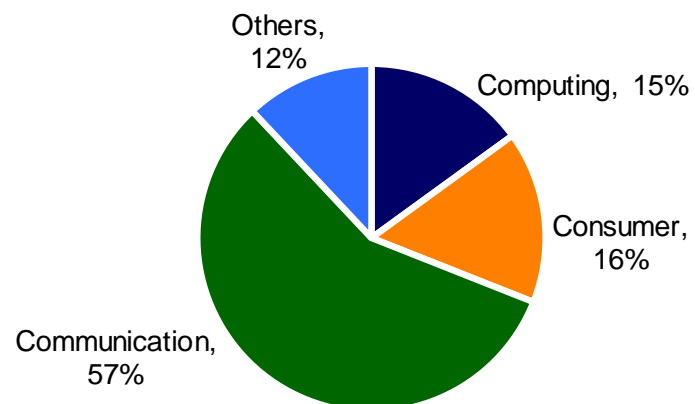


Due to product mix and component shortage, revenue from Computing and Consumer Electronic segment declined by 4% and 14% respectively YoY, while revenue form Communication segment remained flattish YoY.

## Revenue Breakdowns by Products (Quarter-over-Quarter)

2Q2021

3Q2021



Entering peak season, revenue from three product segments grew by double digits QoQ.

## Q & A