



增你強股份有限公司  
Zenitron Corporation

ZENITRON  
**2021 Investor Conference**

**2021.11.12**

# Safe Harbor Statement

- Zenitron's forward-looking statements, which may include statements regarding its results of operations, financial condition or business prospects, are subject to significant risks and uncertainties and are based on Zenitron's current expectations.
- Actual results may differ materially from those expressed or implied in these forward-looking statements for a variety of reasons, including, among other things: the cyclical nature of our industry; our dependence on introducing new products on a timely basis; our dependence on growth in the demand for our products; our ability to compete effectively; our dependence on key personnel; general economic and political conditions; possible disruptions in commercial activities caused by natural and human-induced disasters, including terrorist activity and armed conflict; and fluctuations in foreign currency exchange rates.
- In addition, any financial information contained here within is presented in conformity with International Financial Reporting Standards (IFRSs)
- Except as required by law, our release of forward-looking statements at any particular time does not create any duty of disclosure, and we expressly disclaim any obligation to publicly update or revise any forecasts or forward-looking statements, whether as a result of new information, future events or otherwise.

# Agenda



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- 1. Corporate Overview** Spokesperson
- 2. 2021Q3 Financial Update** Spokesperson
- 3. Questions and Answers** Team

# 1. Overview

- **A solution-centric distributor of semiconductor and electronic components, founded in 1982 and listed in 2000 (ticker: 3028 TT)**
- **Contract manufacturers, namely B2B markets, are the majority customers. The secondary being retail (B2C) market**
- **Y2021Q1~Q3 revenues of NT\$31.7bn, up 31% YoY**
- **18 offices in Greater China with over 3,700 customers**
- **Over 700 headcounts (200 Sales, 86 PMs, and 97 FAEs)**

# 1. Overview



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## OUR Location

18 Sales offices  
2 Warehouse

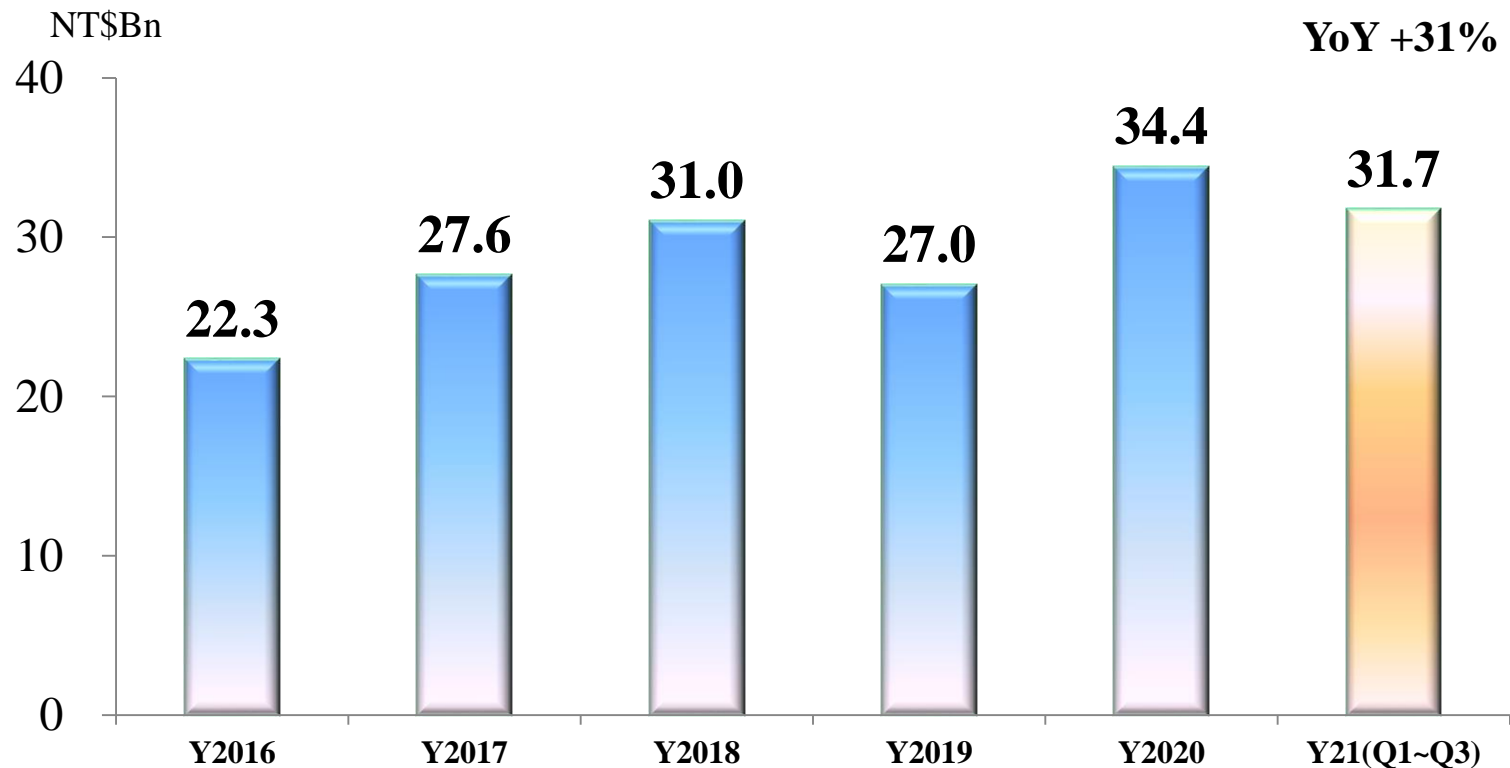


# 2. Financial Update



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## Revenue



# 2. Financial Update



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## Statement of Comprehensive Income

unit:NT\$Mn

| Key accounts                 | Y2021Q1~Q3    |             | Y2020Q1~Q3    |             | %YoY        |
|------------------------------|---------------|-------------|---------------|-------------|-------------|
|                              | \$            | %           | \$            | %           |             |
| <b>Net Operating Revenue</b> | <b>31,733</b> | <b>100%</b> | <b>24,222</b> | <b>100%</b> | <b>31%</b>  |
| <b>Gross Profit</b>          | <b>1,881</b>  | <b>6%</b>   | <b>1,162</b>  | <b>4%</b>   | <b>62%</b>  |
| Operationg Expenses          | (1,058)       | -3%         | (835)         | -3%         | 27%         |
| <b>Operating Income</b>      | <b>822</b>    | <b>3%</b>   | <b>327</b>    | <b>1%</b>   | <b>151%</b> |
| Financing Cost               | (87)          | 0%          | (93)          | 0%          | -7%         |
| Others                       | 101           | 0%          | 160           | 1%          | -37%        |
| Earning Before Tax           | 836           | 3%          | 393           | 1%          | 113%        |
| Income Tax Expense           | (141)         | 0%          | (55)          | 0%          | 156%        |
| <b>Profit After Tax</b>      | <b>696</b>    | <b>2%</b>   | <b>339</b>    | <b>1%</b>   | <b>105%</b> |
| <b>EPS (in dollars)</b>      | <b>3.25</b>   |             | <b>1.58</b>   |             | <b>106%</b> |

# 2. Financial Update



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## Statement of Comprehensive Income

unit:NT\$Mn

| Key accounts          | Y2021Q3 |      | Y2021Q2 |      | %QoQ | Y2021Q1~Q3 |      | Y2020Q1~Q3 |      | %YoY |
|-----------------------|---------|------|---------|------|------|------------|------|------------|------|------|
|                       | \$      | %    | \$      | %    |      | \$         | %    | \$         | %    |      |
| Net Operating Revenue | 10,893  | 100% | 10,372  | 100% | 5%   | 31,733     | 100% | 24,222     | 100% | 31%  |
| Gross Profit          | 682     | 6%   | 643     | 6%   | 6%   | 1,881      | 8%   | 1,162      | 5%   | 62%  |
| Operating Expenses    | (390)   | -4%  | (366)   | -4%  | 7%   | (1,058)    | -4%  | (835)      | -3%  | 27%  |
| Operating Income      | 292     | 3%   | 277     | 3%   | 5%   | 822        | 3%   | 327        | 1%   | 151% |
| Financing Cost        | (29)    | 0%   | (27)    | 0%   | 5%   | (87)       | 0%   | (93)       | 0%   | -7%  |
| Others                | 40      | 0%   | 39      | 0%   | 4%   | 101        | 0%   | 160        | 1%   | -37% |
| Earning Before Tax    | 303     | 3%   | 288     | 3%   | 5%   | 836        | 3%   | 393        | 2%   | 113% |
| Income Tax Expense    | (46)    | 0%   | (42)    | 0%   | 10%  | (141)      | -1%  | (55)       | 0%   | 156% |
| Profit After Tax      | 257     | 2%   | 246     | 2%   | 5%   | 696        | 3%   | 339        | 1%   | 105% |
| EPS (in dollars)      | 1.20    |      | 1.15    |      | 4%   | 3.25       |      | 1.58       |      | 106% |



# 2. Financial Update



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## Balance Sheet

Unit: NT\$Mn

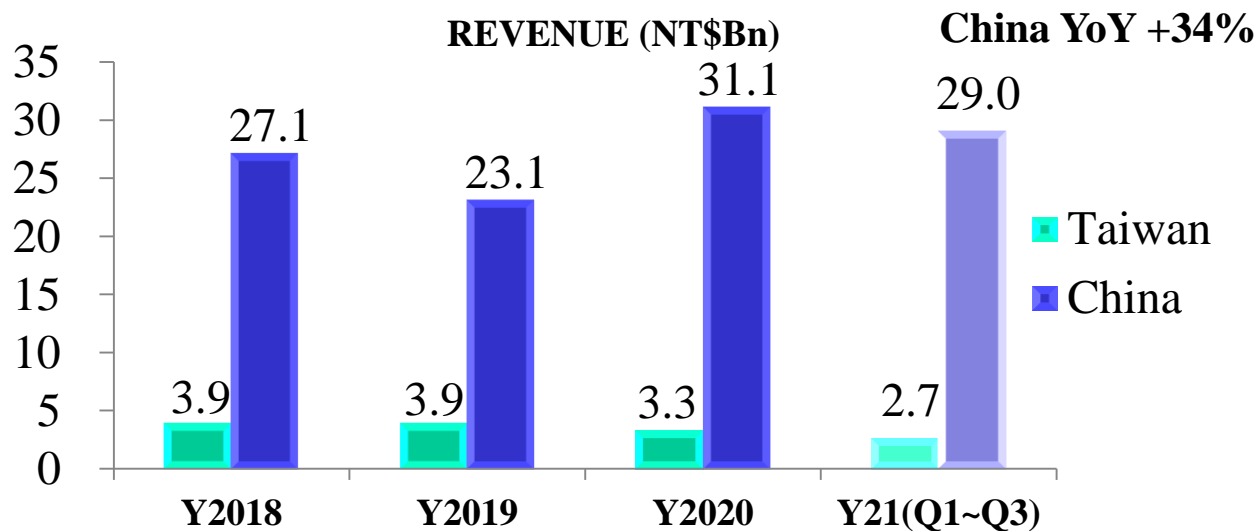
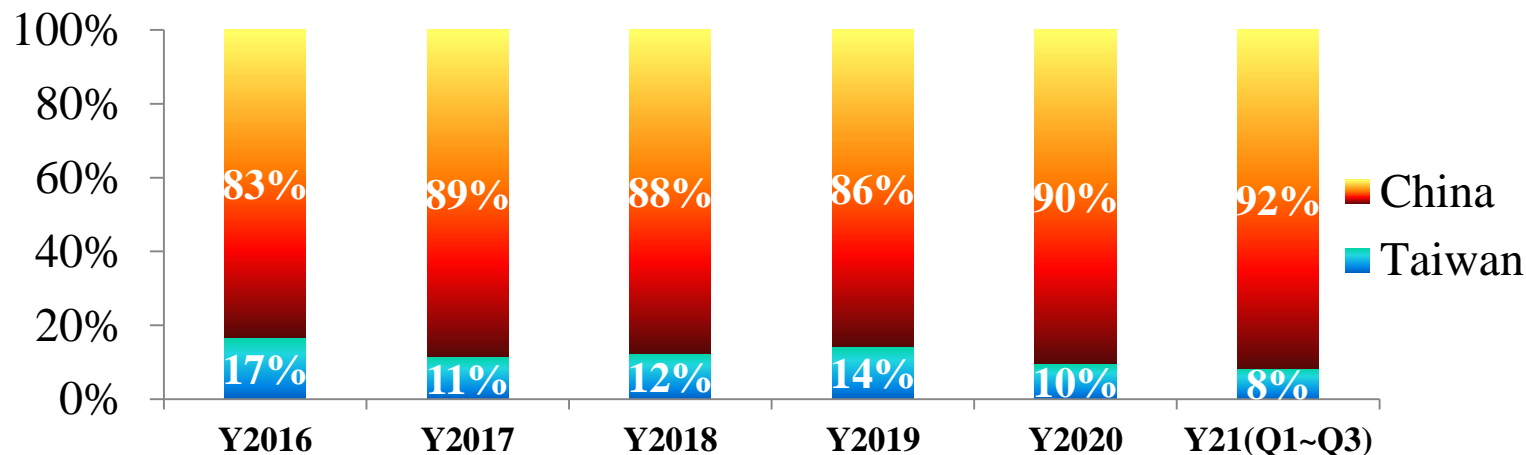
| Key accounts              | 2021/9/30     |             | 2021/6/30     |             | 2020/9/30     |             |
|---------------------------|---------------|-------------|---------------|-------------|---------------|-------------|
|                           | \$            | %           | \$            | %           | \$            | %           |
| Cash and cash equivalents | 1,493         | 7%          | 1,424         | 7%          | 1,411         | 8%          |
| Accounts receivable       | 9,957         | 50%         | 9,322         | 49%         | 8,884         | 53%         |
| Inventory                 | 6,726         | 34%         | 6,474         | 34%         | 4,443         | 27%         |
| Other current assets      | 269           | 1%          | 217           | 1%          | 1,153         | 7%          |
| Non-current assets        | 1,625         | 8%          | 1,603         | 8%          | 778           | 5%          |
| <b>Total Assets</b>       | <b>20,070</b> | <b>100%</b> | <b>19,041</b> | <b>100%</b> | <b>16,670</b> | <b>100%</b> |
| Short-term loans          | 8,545         | 43%         | 7,458         | 39%         | 7,686         | 46%         |
| Accounts payable          | 4,163         | 21%         | 4,818         | 25%         | 2,965         | 18%         |
| Other current liabilities | 1,464         | 7%          | 1,785         | 9%          | 1,057         | 6%          |
| Other liabilities         | 790           | 4%          | 225           | 1%          | 232           | 1%          |
| <b>Total Liabilities</b>  | <b>14,963</b> | <b>75%</b>  | <b>14,286</b> | <b>75%</b>  | <b>11,940</b> | <b>72%</b>  |
| <b>Total Equity</b>       | <b>5,107</b>  | <b>25%</b>  | <b>4,755</b>  | <b>25%</b>  | <b>4,729</b>  | <b>28%</b>  |
| <b>Indices</b>            |               |             |               |             |               |             |
| Current ratio             | 130%          |             | 124%          |             | 136%          |             |
| Debt/Assets ratio         | 75%           |             | 75%           |             | 72%           |             |
| Debt/Equity ratio         | 293%          |             | 300%          |             | 252%          |             |

# 2. Financial Update



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## Revenue by Geography (ship-to destination)

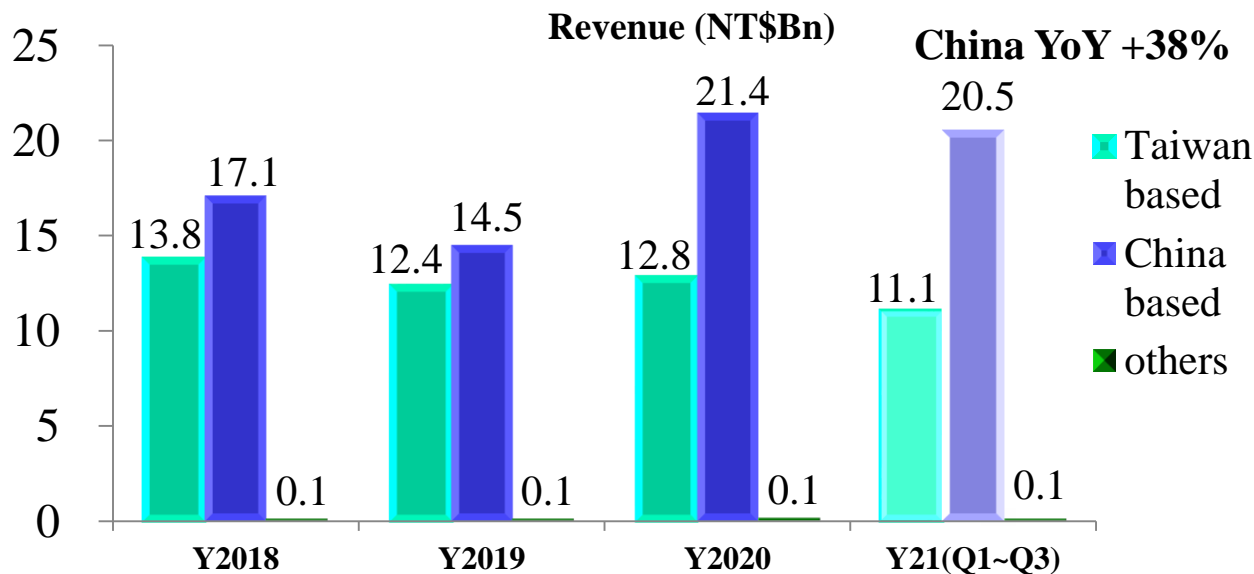
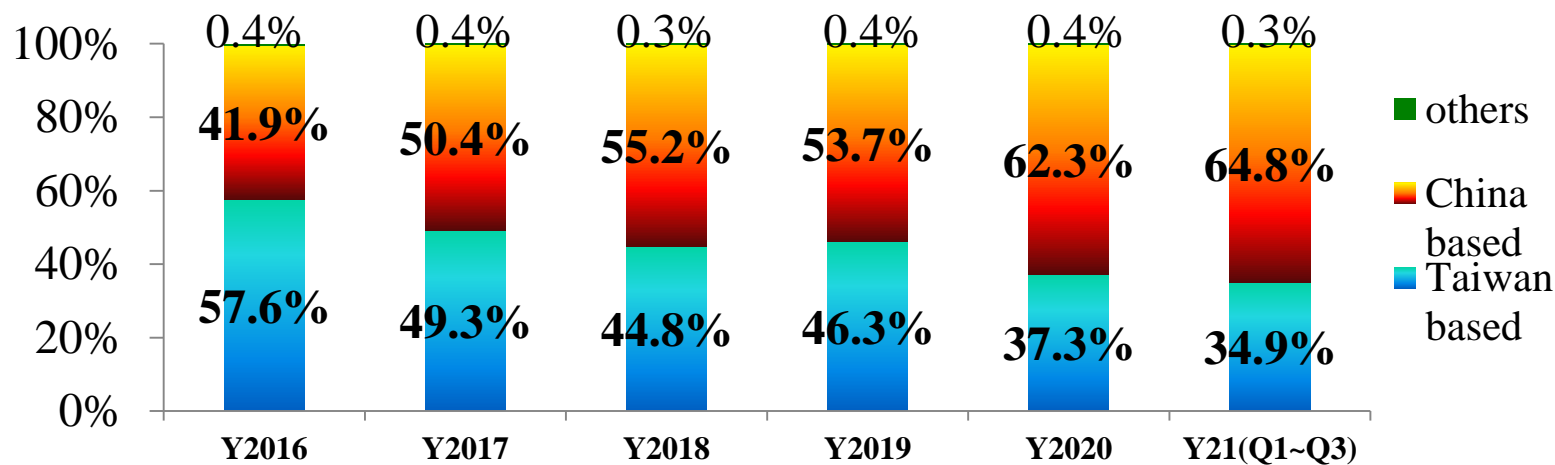


# 2. Financial Update



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## Revenue by Customer

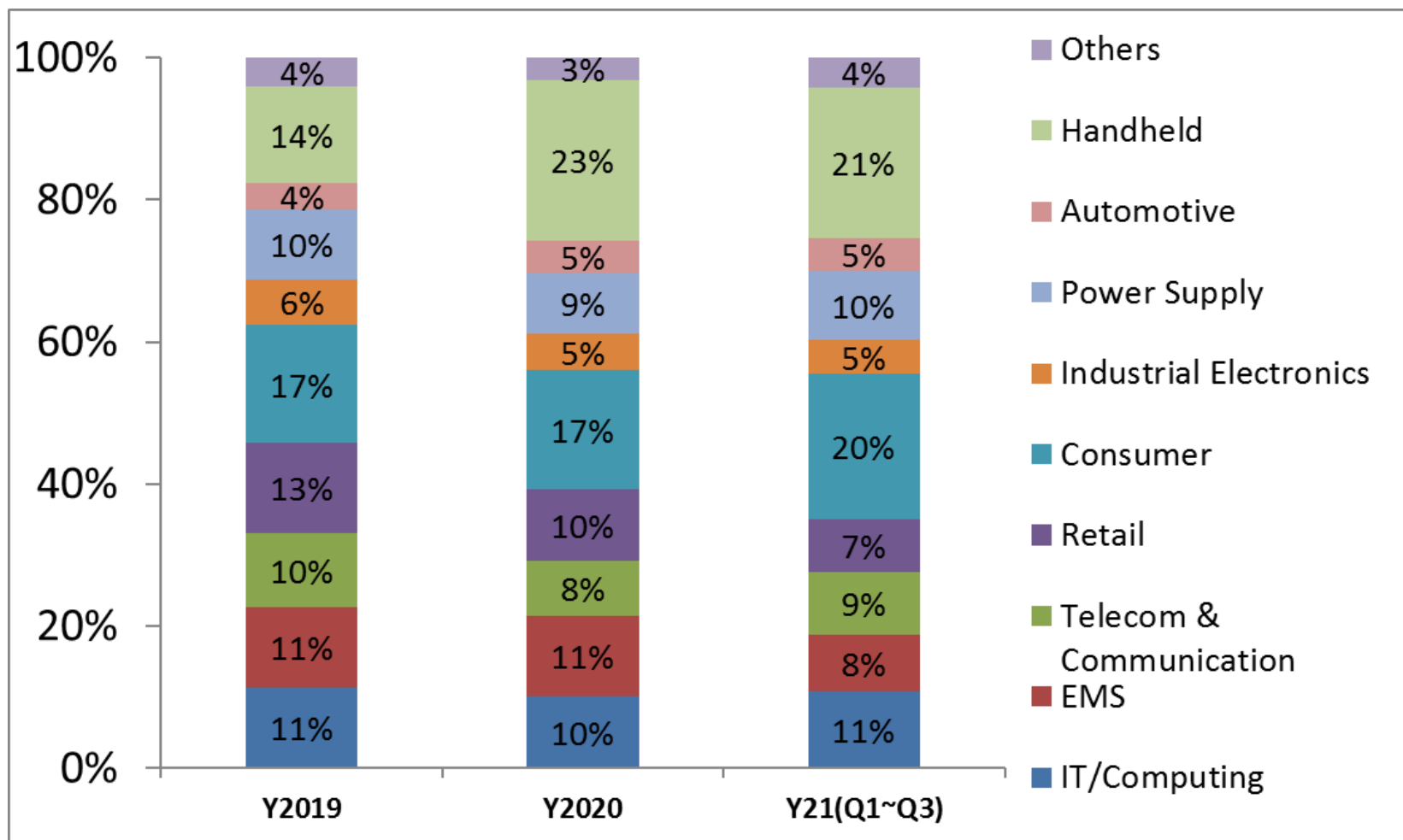


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## Revenue by Application

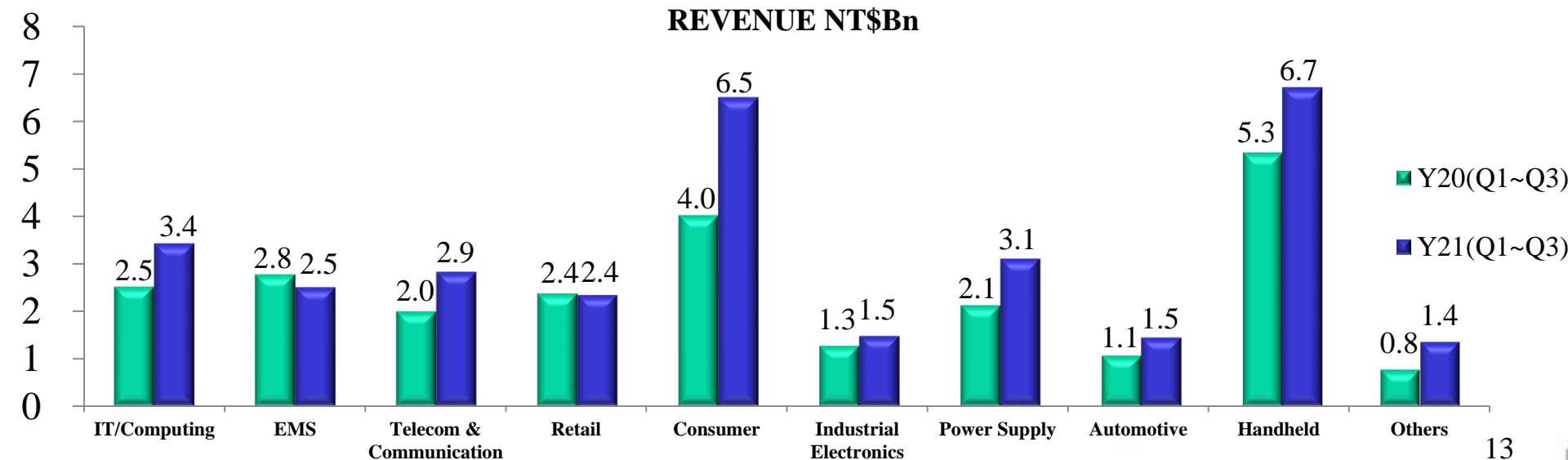
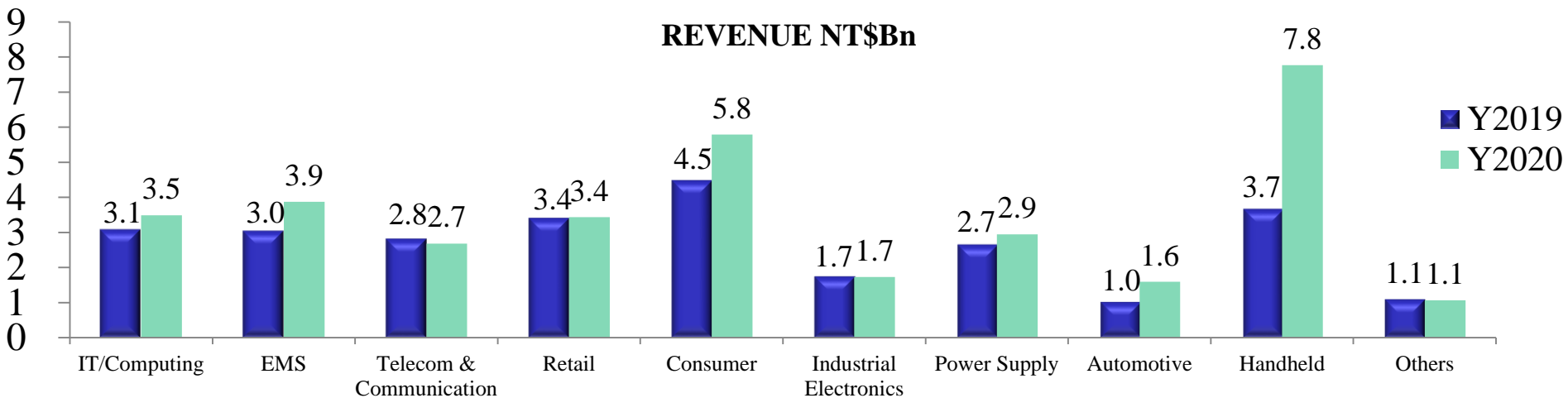


# 2. Financial Update



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## Revenue by Application

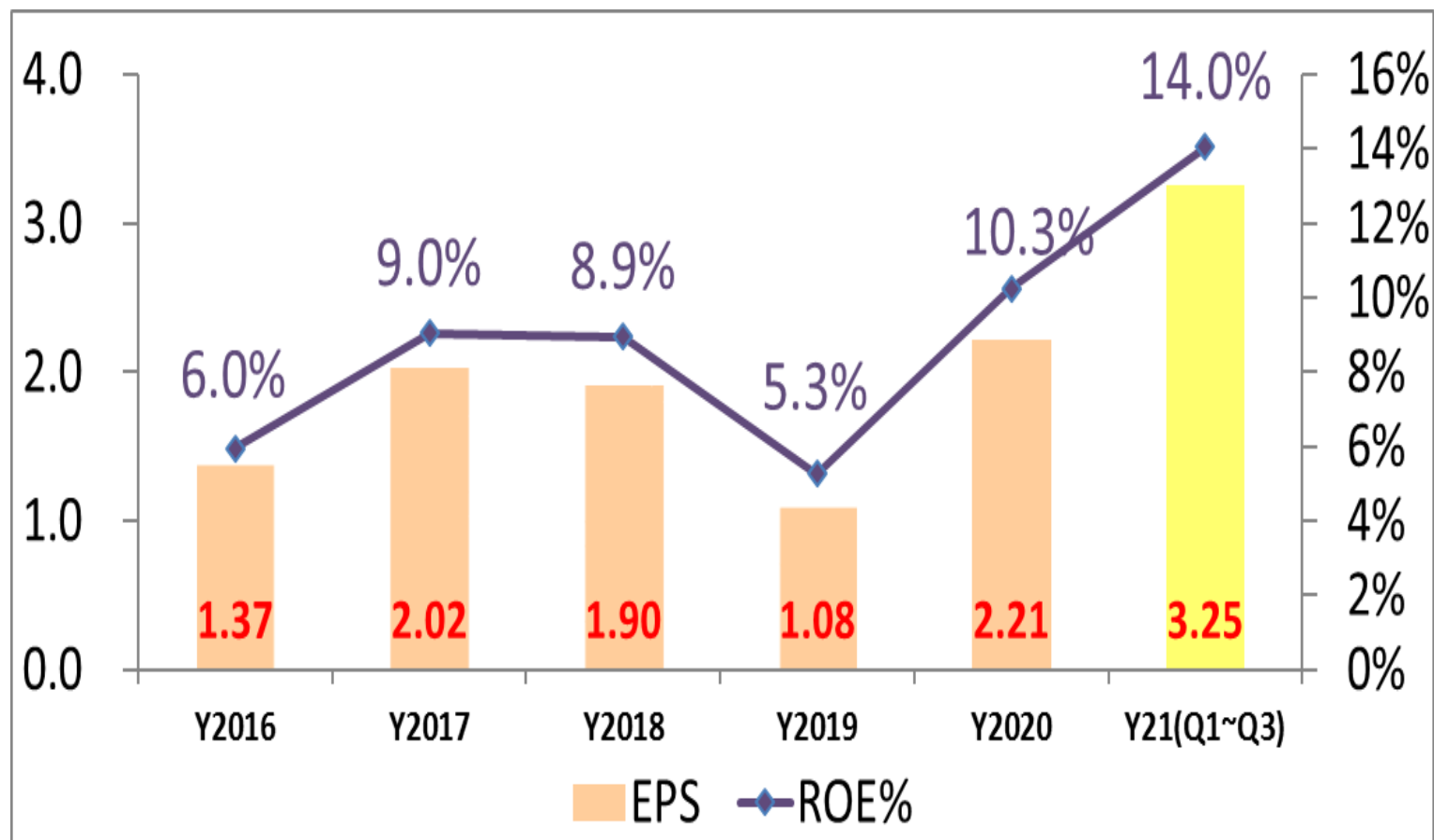


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## EPS & ROE%

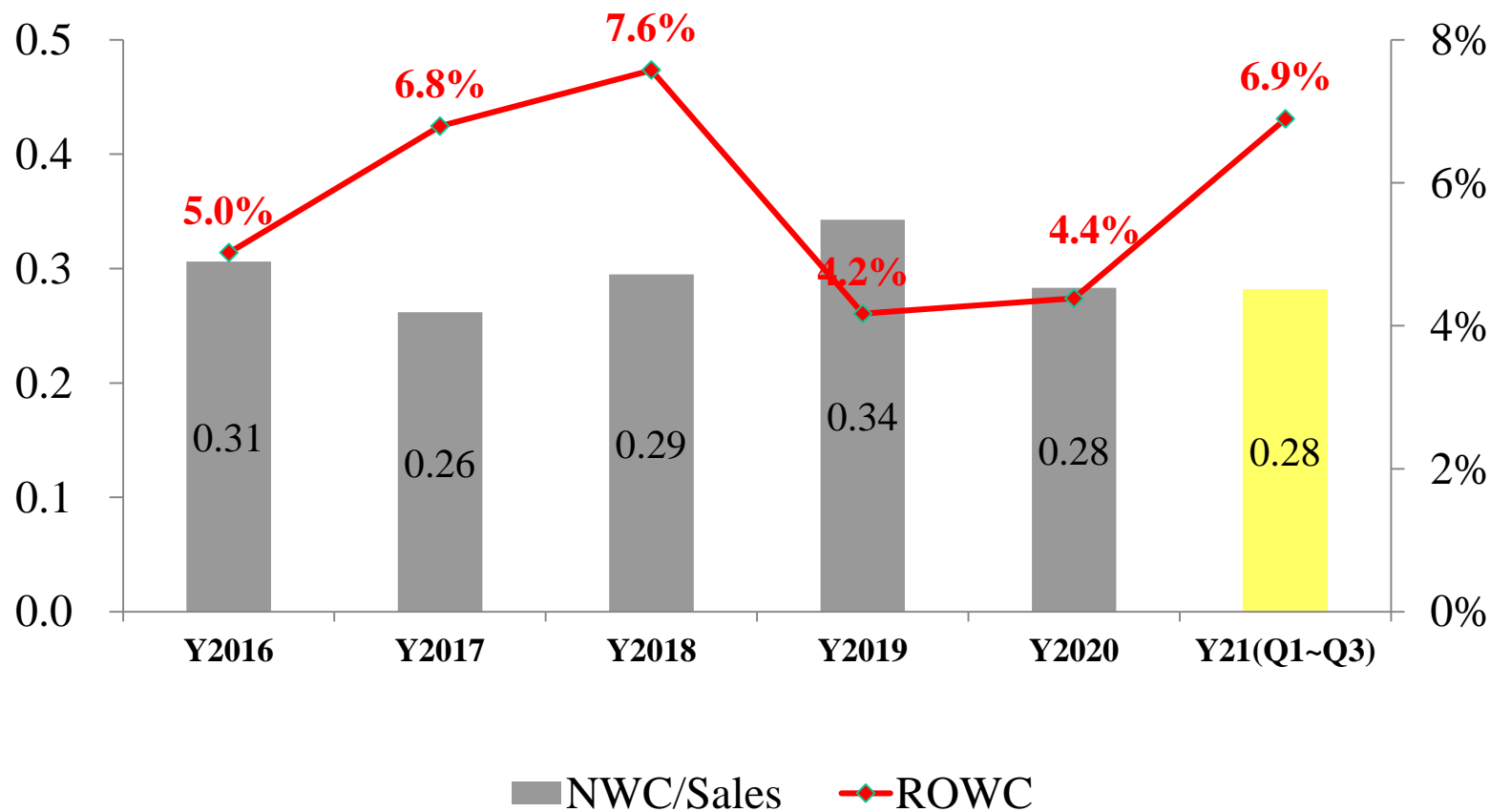


# 2. Financial Update



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## NWC/Sales & ROWC

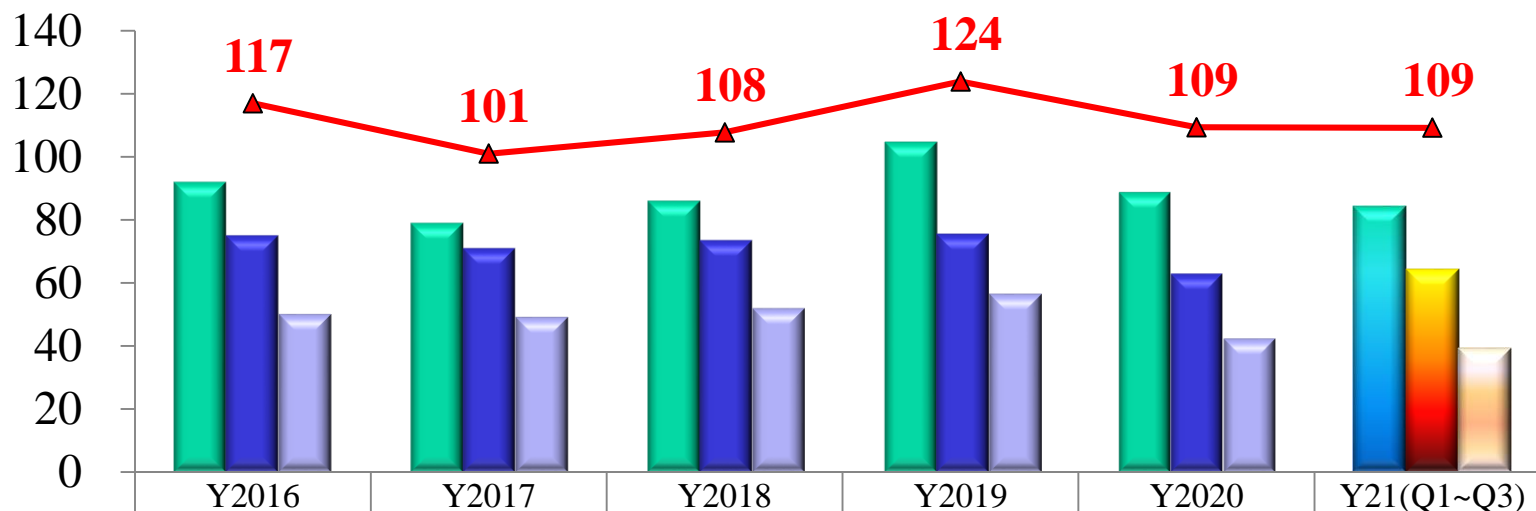


# 2. Financial Update



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## Operating Cash Cycle



|                 | Y2016 | Y2017 | Y2018 | Y2019 | Y2020 | Y21(Q1~Q3) |
|-----------------|-------|-------|-------|-------|-------|------------|
| AR days         | 92    | 79    | 86    | 105   | 89    | 84         |
| Inventory days  | 75    | 71    | 74    | 76    | 63    | 64         |
| AP days         | 50    | 49    | 52    | 56    | 42    | 39         |
| Operating Cycle | 117   | 101   | 108   | 124   | 109   | 109        |

■ AR days   
 ■ Inventory days   
 ■ AP days   
 ▲ Operating Cycle



# 2022 Outlook



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- Telecom & Networking - Booming 5G market drives Backbone Infrastructure sector growth : Server, PON, Gateway, Base Station
- Automotive : robust energy-saving electronics demand due to Automotive electrification
- Panel: we keep raising share rate among top panel makers
- Power Supply : introducing new product lines to our key accounts to sustain growth
- Home Appliance: introducing HMI Solution to customers for mass production
- IC Shortage expected to last until 2Q22
- Meta Verse : causing prospecting AR / VR hardware market –benefitting industries of networking equipment / fiber communication / 5G IoT / AR&VR glasses / monitor / PC / smartphone
  - our deployment for Meta Verse:
    - 3rd generation IC (SiC / GaN) application on EV charging equipment / fast charging/industrial power
    - products for 5G / IoT /fiber communication : 5G Wireless Modules/ WiFi & BT solutions
    - higher memory capacity demand due to VR /AR devices
    - promoting in automotive panel market

# 3. Questions & Answers

