

**PEGATRON**



# **PEGATRON**

## **2020 Fourth Quarter Business Review**

March 25, 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.

**2020 & 4Q2020 Consolidated Financial Result**

## Consolidated Income Statements (2020 vs. 2019)

<i>(NT\$ Mn)</i>	2020		2019		YoY
Net Revenue	1,399,333	100%	1,366,287	100%	2.4%
COGS	1,349,729	96.5%	1,321,182	96.7%	2.2%
Gross Profit	49,604	3.5%	45,105	3.3%	10.0%
Operating Expense	30,542	2.2%	28,199	2.1%	8.3%
Operating Income (Loss)	19,062	1.4%	16,906	1.2%	12.8%
Net Non-Operating Income (Loss)	10,381	0.7%	8,562	0.6%	21.2%
FX Gain (Loss)	1,265	0.1%	(483)	0.0%	361.9%
Others	9,116	0.7%	9,045	0.7%	0.8%
PBT	29,443	2.1%	25,468	1.9%	15.6%
Tax	7,023	0.5%	7,184	0.5%	-2.2%
Net Income	22,420	1.6%	18,284	1.3%	22.6%
Net Income Attributable to the Parent	20,208	1.4%	19,318	1.4%	4.6%
EPS	7.73		7.40		4.5%

## Consolidated Income Statements (QoQ)

<i>(NT\$ Mn)</i>	4Q 2020		3Q 2020		QoQ	4Q 2019		YoY
Net Revenue	457,376	100%	335,636	100%	36.3%	418,012	100%	9.4%
COGS	442,196	96.7%	321,702	95.8%	37.5%	403,020	96.4%	9.7%
Gross Profit	15,180	3.3%	13,934	4.2%	8.9%	14,992	3.6%	1.3%
Operating Expense	8,527	1.9%	7,694	2.3%	10.8%	7,695	1.8%	10.8%
Operating Income (Loss)	6,653	1.5%	6,240	1.9%	6.6%	7,297	1.7%	-8.8%
Net Non-Operating Income (Loss)	804	0.2%	3,269	1.0%	-75.4%	3,543	0.8%	-77.3%
FX Gain (Loss)	572	0.1%	82	0.0%	597.6%	(875)	-0.2%	165.4%
Others	232	0.1%	3,187	0.9%	-92.7%	4,418	1.1%	-94.7%
PBT	7,457	1.6%	9,509	2.8%	-21.6%	10,840	2.6%	-31.2%
Tax	1,793	0.4%	1,863	0.6%	-3.8%	2,389	0.6%	-24.9%
Net Income	5,664	1.2%	7,646	2.3%	-25.9%	8,451	2.0%	-33.0%
Net Income Attributable to the Parent	4,772	1.0%	6,817	2.0%	-30.0%	8,225	2.0%	-42.0%
EPS	1.82		2.61		-30.3%	3.15		-42.2%

## Consolidated Balance Sheet

<i>(NT\$ Mn)</i>	2020/12/31		2020/9/30		Diff	2019/12/31		Diff
Cash and Equivalents	125,997	18%	150,230	24%	(24,233)	145,796	26%	(19,799)
AR (Net)	223,964	33%	200,991	31%	22,973	206,338	36%	17,626
Inventory (Net)	165,142	24%	145,715	23%	19,427	106,063	19%	59,079
Other Current Assets	67,028	10%	44,951	7%	22,077	17,637	3%	49,391
<b>Total Current Assets</b>	<b>582,131</b>	<b>85%</b>	<b>541,887</b>	<b>85%</b>	<b>40,244</b>	<b>475,834</b>	<b>83%</b>	<b>106,297</b>
Fixed Assets (Net)	83,385	12%	80,774	13%	2,611	80,249	14%	3,136
<b>Total Non-Current Assets</b>	<b>102,216</b>	<b>15%</b>	<b>96,443</b>	<b>15%</b>	<b>5,773</b>	<b>94,686</b>	<b>17%</b>	<b>7,530</b>
<b>Total Assets</b>	<b>684,347</b>	<b>100%</b>	<b>638,330</b>	<b>100%</b>	<b>46,017</b>	<b>570,520</b>	<b>100%</b>	<b>113,827</b>
Short-term Borrowings	112,198	16%	128,491	20%	(16,293)	70,466	12%	41,732
AP	256,879	38%	209,500	33%	47,379	218,102	38%	38,777
<b>Total Current Liabilities</b>	<b>444,312</b>	<b>65%</b>	<b>407,514</b>	<b>64%</b>	<b>36,798</b>	<b>345,587</b>	<b>61%</b>	<b>98,725</b>
Long-term Loans	35,538	5%	30,227	5%	5,311	27,015	5%	8,523
<b>Total Liabilities</b>	<b>485,406</b>	<b>71%</b>	<b>443,630</b>	<b>69%</b>	<b>41,776</b>	<b>377,274</b>	<b>66%</b>	<b>108,132</b>
<b>Equity Attributable to the Parent</b>	<b>162,595</b>	<b>24%</b>	<b>159,022</b>	<b>25%</b>	<b>3,573</b>	<b>157,665</b>	<b>28%</b>	<b>4,930</b>
<b>Total Equity</b>	<b>198,941</b>	<b>29%</b>	<b>194,700</b>	<b>31%</b>	<b>4,241</b>	<b>193,246</b>	<b>34%</b>	<b>5,695</b>
<b>Total Liabilities and Equity</b>	<b>684,347</b>	<b>100%</b>	<b>638,330</b>	<b>100%</b>	<b>46,017</b>	<b>570,520</b>	<b>100%</b>	<b>113,827</b>
Current Ratio	131%		133%		-	138%		-
Debt Ratio (TTL Liabilities / TTL Assets)	71%		69%		-	66%		-
Interest-bearing Debt Ratio	22%		25%		-	17%		-

## Consolidated Cash Flows Statement

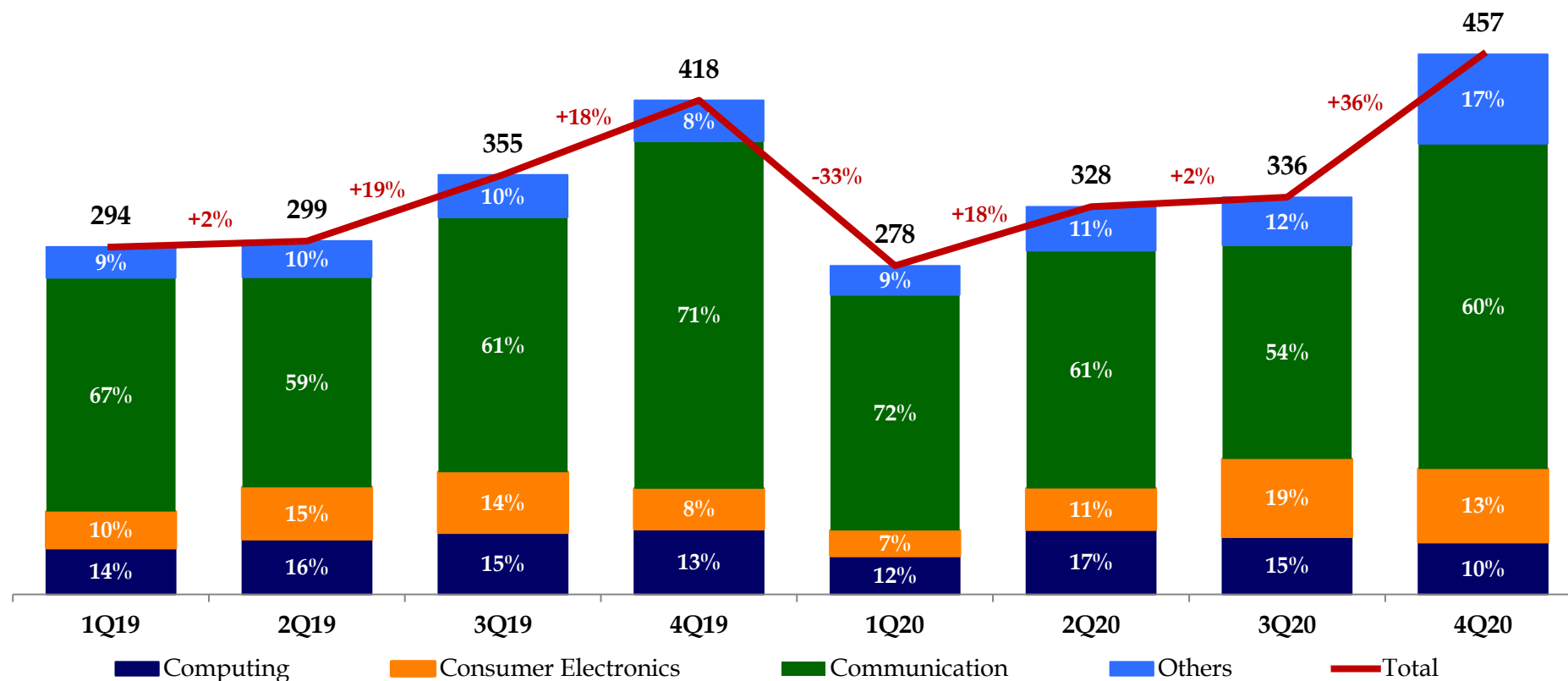
<i>(NT\$ Mn)</i>	<b>2020</b>	<b>2019</b>
<b>Cash Flows from Operating Activities:</b>	<b>(29,410)</b>	<b>77,478</b>
<b>Cash Flows from Investing Activities:</b>	<b>(22,267)</b>	<b>(9,616)</b>
<b>Cash Flows from Financing Activities:</b>	<b>36,348</b>	<b>(25,663)</b>
<b>Impact from Changes in FX Rate</b>	<b>(4,470)</b>	<b>(2,472)</b>
<b>Net Increase in Cash</b>	<b>(19,799)</b>	<b>39,727</b>
<b>Cash, beginning of the period</b>	<b>145,796</b>	<b>106,068</b>
<b>Cash, end of the period</b>	<b>125,997</b>	<b>145,796</b>
<b>Note:</b>	<b>2020</b>	<b>2019</b>
<b>Depreciation and amortization</b>	<b>18,321</b>	<b>18,567</b>



**Business Highlight**

## Consolidated Revenue Trend

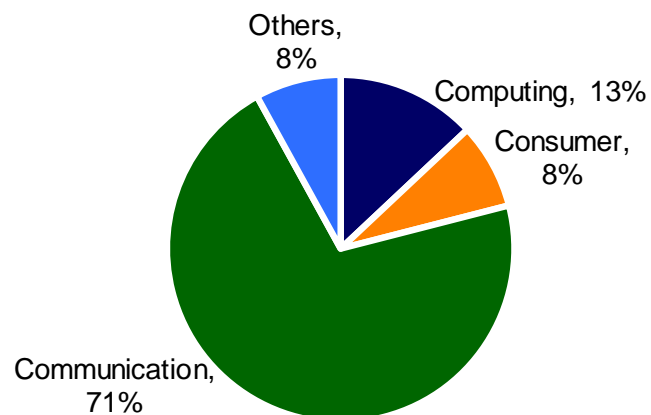
Unit: NTD Bn



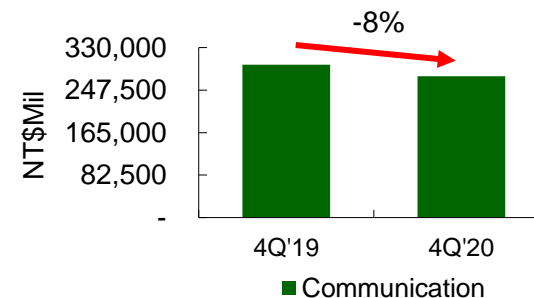
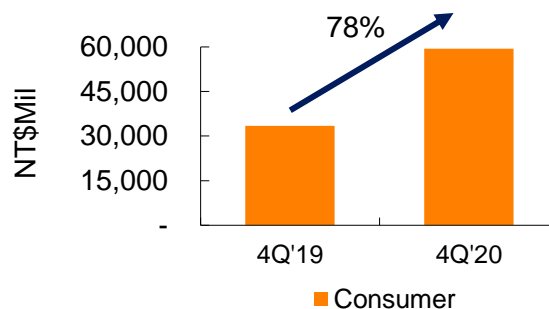
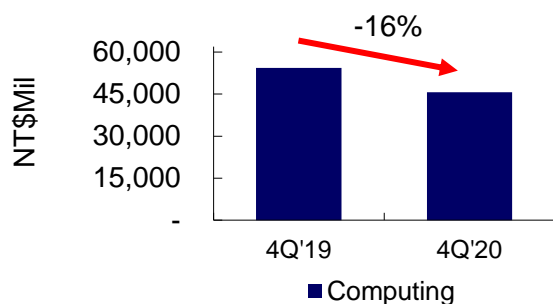
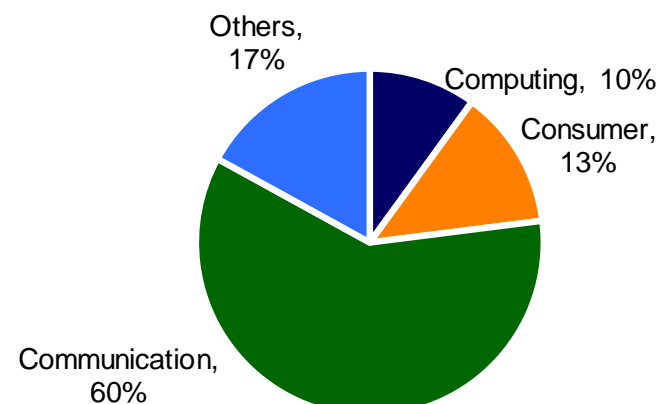
Consolidated revenue totaled NT\$457Bn in 4Q2020, increased by 36% from NT\$336Bn in the previous quarter. The growth was mainly driven by new product launch in Communication segment.

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

4Q2019



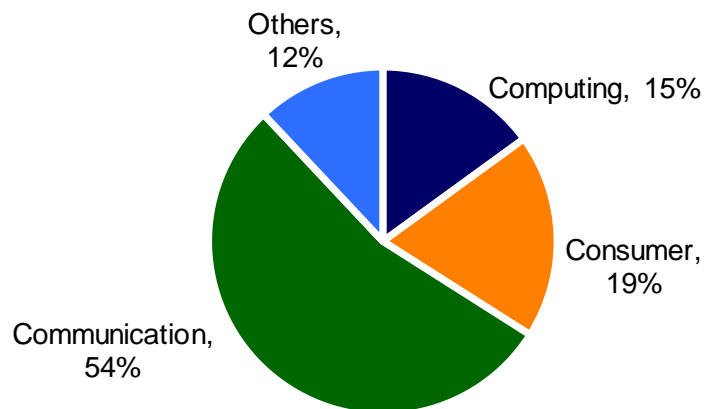
4Q2020



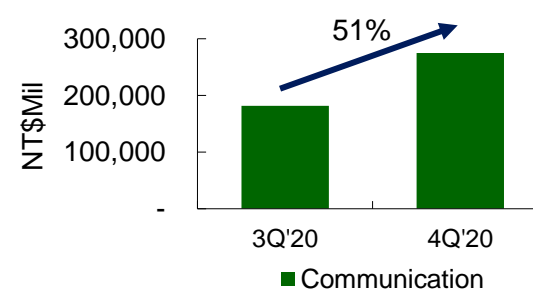
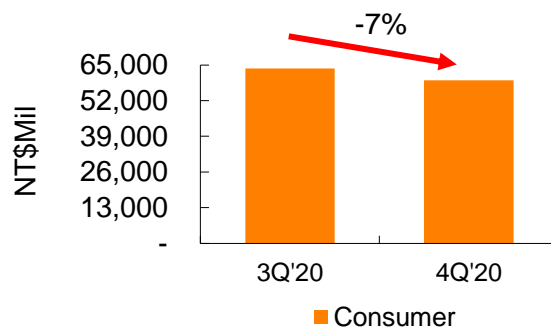
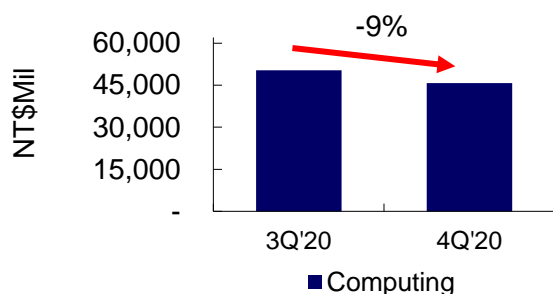
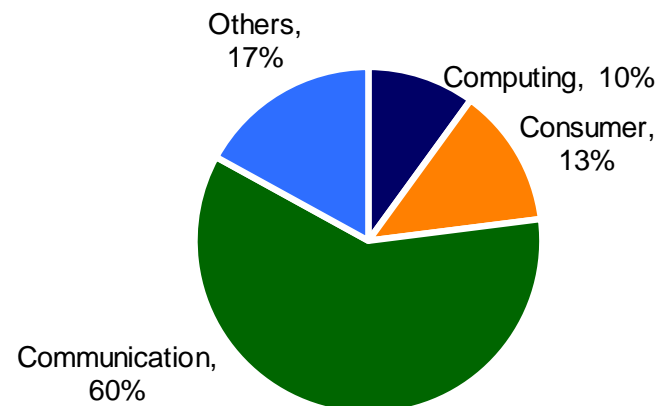
Benefitting from new launch of game console, revenue from Consumer grew by 78% YoY. Revenue from Computing Electronics segment declined by 16% YoY mainly due to product mix and component shortage, while revenue from Communication segment also decreased by 8% YoY.

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

3Q2020



4Q2020



Driven by new product launch, revenue from Communication segment grew by 51% QoQ. Revenue from Computing segment and Consumer Electronics declined by 9% and 7% QoQ respectively owing to seasonality.

**Q & A**