

**PEGATRON**



# **PEGATRON**

## **2023 First Quarter Business Review**

May 11, 2023

- **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.

## **1Q2023 Consolidated Financial Result**

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

<i>(NT\$ Mn)</i>	1Q 2023		4Q 2022		QoQ	1Q 2022		YoY
Net Revenue	318,137	100%	357,250	100%	-10.9%	323,361	100%	-1.6%
COGS	307,774	96.7%	341,989	95.7%	-10.0%	311,846	96.4%	-1.3%
Gross Profit	10,363	3.3%	15,261	4.3%	-32.1%	11,515	3.6%	-10.0%
Operating Expense	7,539	2.4%	8,283	2.3%	-9.0%	7,173	2.2%	5.1%
Operating Income (Loss)	2,824	0.9%	6,978	2.0%	-59.5%	4,342	1.3%	-35.0%
Net Non-Operating Income (Loss)	1,293	0.4%	1,787	0.5%	-27.6%	(449)	0.1%	388.0%
FX Gain (Loss)	(211)	0.1%	(1,791)	0.5%	88.2%	85	0.0%	-348.2%
Others	1,504	0.5%	3,578	1.0%	-58.0%	(534)	0.2%	381.6%
PBT	4,117	1.3%	8,765	2.5%	-53.0%	3,893	1.2%	5.8%
Tax	(774)	0.2%	(2,390)	0.7%	-67.6%	(628)	0.2%	23.2%
Net Income*	3,275	1.0%	6,131	1.7%	-46.6%	3,148	1.0%	4.0%
Net Income Attributable to the Parent	3,008	0.9%	5,047	1.4%	-40.4%	1,667	0.5%	80.4%
EPS	1.13		1.89		-40.2%	0.62		82.3%

\*Net profit/loss from discontinued operation is included.

## Consolidated Balance Sheet

<i>(NT\$ Mn)</i>	2023/3/31		2022/12/31		Diff	2022/3/31		Diff
Cash and Equivalents	121,658	19%	84,577	13%	37,081	121,110	19%	548
AR (Net)	164,787	26%	190,247	30%	(25,460)	178,052	28%	(13,265)
Inventory (Net)	168,844	27%	199,442	31%	(30,598)	183,297	29%	(14,453)
Other Current Assets	34,972	6%	28,222	4%	6,750	43,321	7%	(8,349)
<b>Total Current Assets</b>	<b>490,261</b>	<b>78%</b>	<b>502,488</b>	<b>79%</b>	<b>(12,227)</b>	<b>525,780</b>	<b>82%</b>	<b>(35,519)</b>
Fixed Assets (Net)	79,435	13%	79,690	13%	(255)	72,254	11%	7,181
<b>Total Non-Current Assets</b>	<b>135,031</b>	<b>22%</b>	<b>133,735</b>	<b>21%</b>	<b>1,296</b>	<b>117,272</b>	<b>18%</b>	<b>17,759</b>
<b>Total Assets</b>	<b>625,292</b>	<b>100%</b>	<b>636,223</b>	<b>100%</b>	<b>(10,931)</b>	<b>643,052</b>	<b>100%</b>	<b>(17,760)</b>
Short-term Borrowings	109,465	18%	86,863	14%	22,602	101,191	16%	8,274
AP	169,915	27%	202,467	32%	(32,552)	225,497	35%	(55,582)
<b>Total Current Liabilities</b>	<b>362,517</b>	<b>58%</b>	<b>365,436</b>	<b>57%</b>	<b>(2,919)</b>	<b>407,188</b>	<b>63%</b>	<b>(44,671)</b>
Long-term Loans	45,428	7%	44,602	7%	826	41,870	7%	3,558
<b>Total Liabilities</b>	<b>420,869</b>	<b>67%</b>	<b>421,655</b>	<b>66%</b>	<b>(786)</b>	<b>455,406</b>	<b>71%</b>	<b>(34,537)</b>
<b>Equity Attributable to the Parent</b>	<b>174,531</b>	<b>28%</b>	<b>182,489</b>	<b>29%</b>	<b>(7,958)</b>	<b>160,589</b>	<b>25%</b>	<b>13,942</b>
<b>Total Equity</b>	<b>204,423</b>	<b>33%</b>	<b>214,568</b>	<b>34%</b>	<b>(10,145)</b>	<b>187,646</b>	<b>29%</b>	<b>16,777</b>
<b>Total Liabilities and Equity</b>	<b>625,292</b>	<b>100%</b>	<b>636,223</b>	<b>100%</b>	<b>(10,931)</b>	<b>643,052</b>	<b>100%</b>	<b>(17,760)</b>
Current Ratio	135%		138%		-	129%		-
Debt Ratio (TTL Liabilities / TTL Assets)	67%		66%		-	71%		-
Interest-bearing Debt Ratio	25%		21%		-	22%		-

## Consolidated Cash Flows Statement

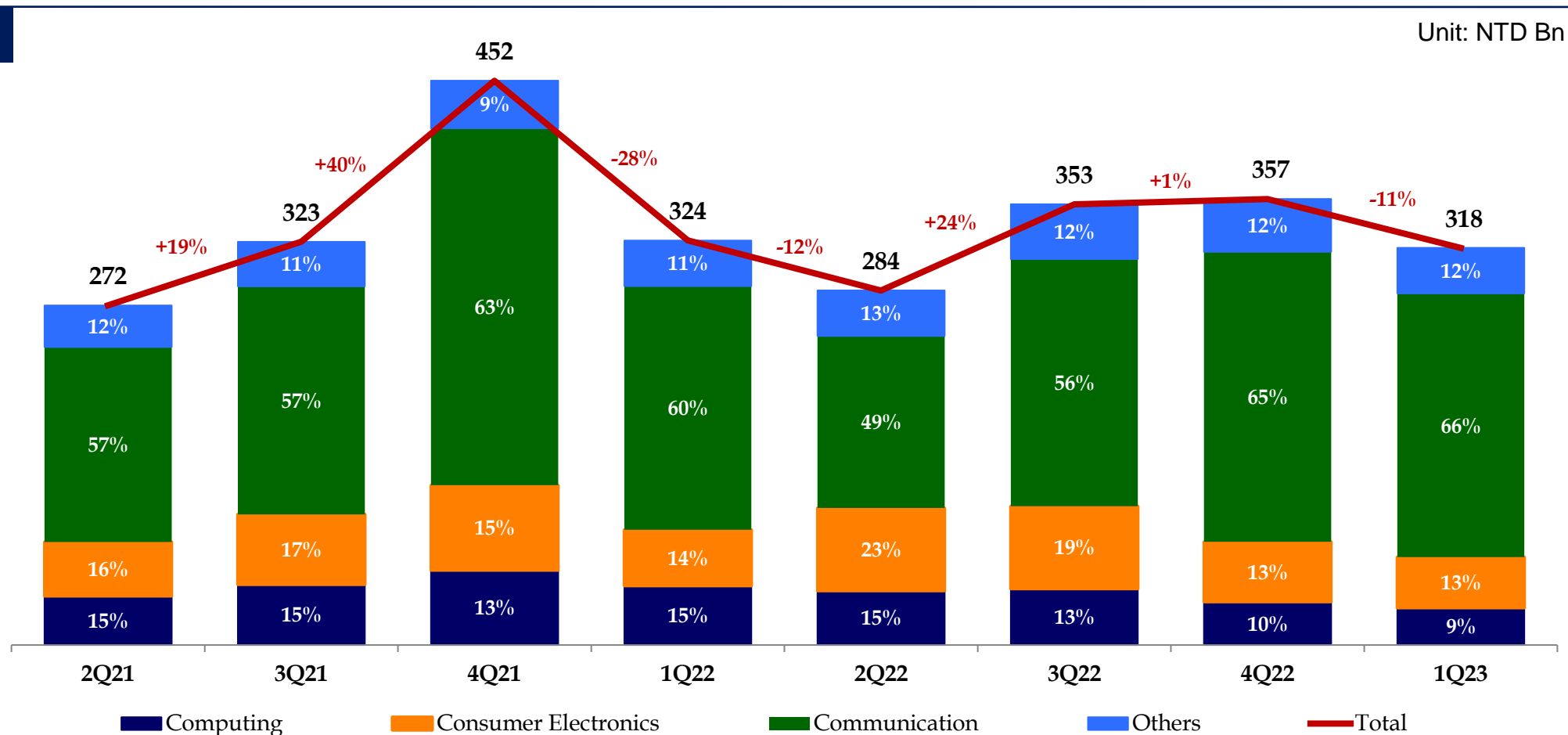
<i>(NT\$ Mn)</i>	1Q 2023	1Q 2022
<b>Cash Flows from Operating Activities:</b>	<b>20,300</b>	<b>13,085</b>
<b>Cash Flows from Investing Activities:</b>	<b>(5,514)</b>	<b>(5,179)</b>
<b>Cash Flows from Financing Activities:</b>	<b>23,122</b>	<b>(1,466)</b>
<b>Impact from Changes in FX Rate</b>	<b>(827)</b>	<b>3,646</b>
<b>Net Increase in Cash</b>	<b>37,081</b>	<b>10,086</b>
<b>Cash, beginning of the period</b>	<b>84,577</b>	<b>111,024</b>
<b>Cash, end of the period</b>	<b>121,658</b>	<b>121,110</b>

<i>Note:</i>	1Q 2023	1Q 2022
<b>Depreciation and amortization</b>	<b>3,705</b>	<b>3,474</b>

## Business Highlight

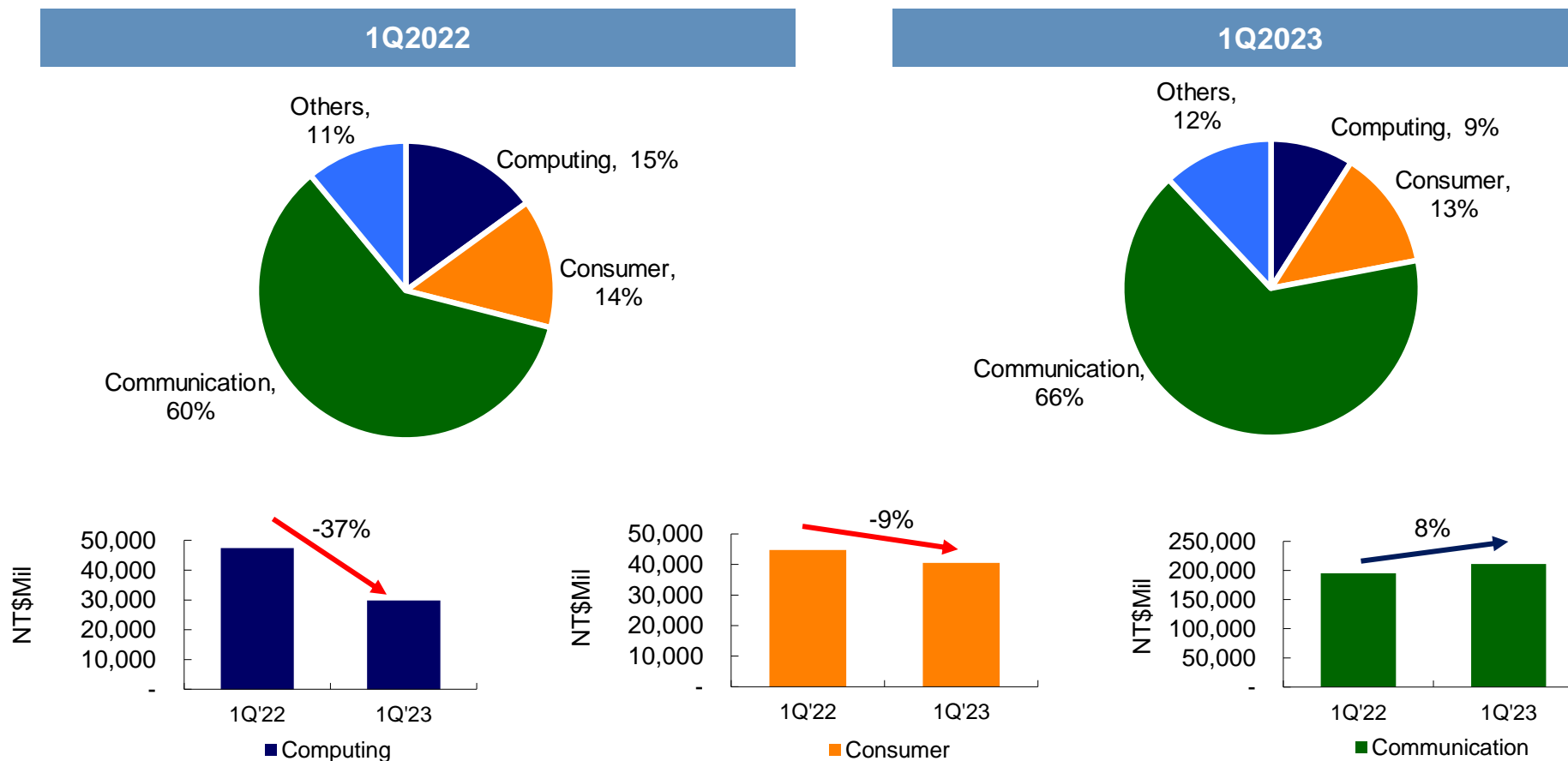


## Consolidated Revenue Trend



Consolidated revenue totaled NT\$318Bn in 1Q2023, decreased by 11% QoQ due to less working days and low season, while it slightly declined by 2% YoY, mainly because the revenue shrink from Computing and Consumer was mostly offset by the YoY revenue growth from Communication.

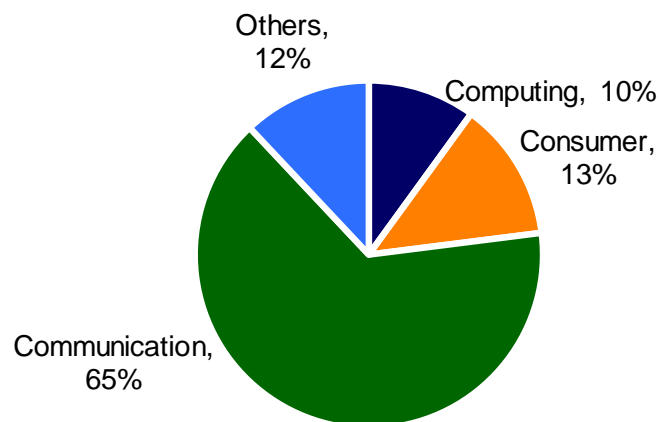
## Revenue Breakdown by Products (Year-over-Year)



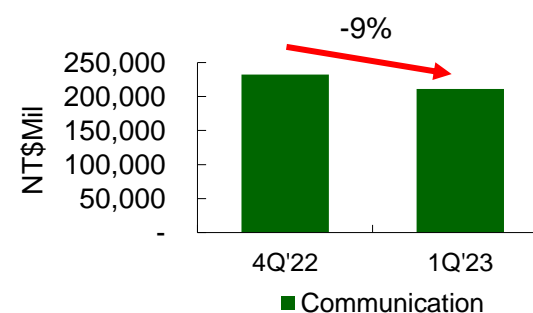
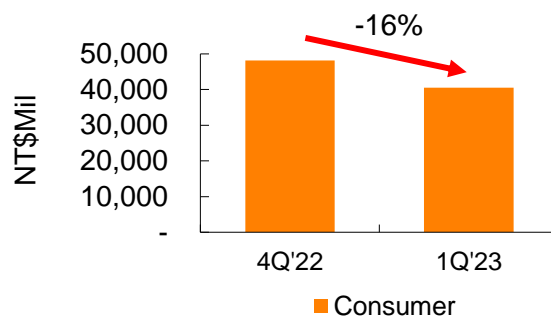
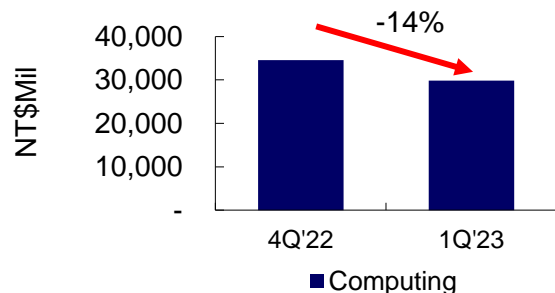
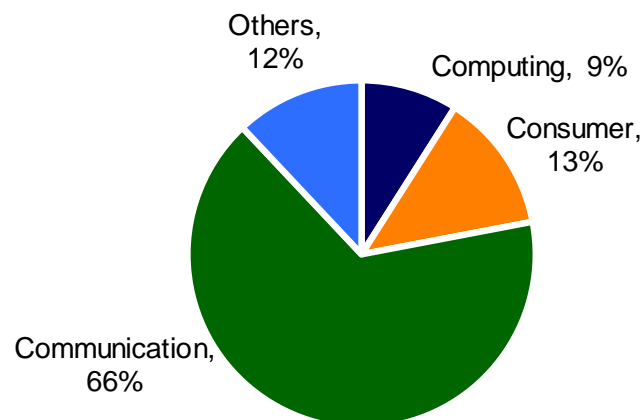
Revenue from Computing and Consumer Electronic Segments declined by 37% and 9% respectively due to weaker end demand, while that of Communication Segment increased by 8% mainly attributable to better demand and higher ASP.

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

4Q2022



1Q2023



While revenue decrease QoQ across three product segments due to seasonality was well expected, the continuously pull-out of Communication Segment was beneficial to mitigate the seasonal decline compared to previous cycles.

## Q & A