



1Q21 Investor Conference

TaiSol Electronics Co., Ltd.

(Stock Code : 3338)

2021.05.13

Safe Harbor Notice

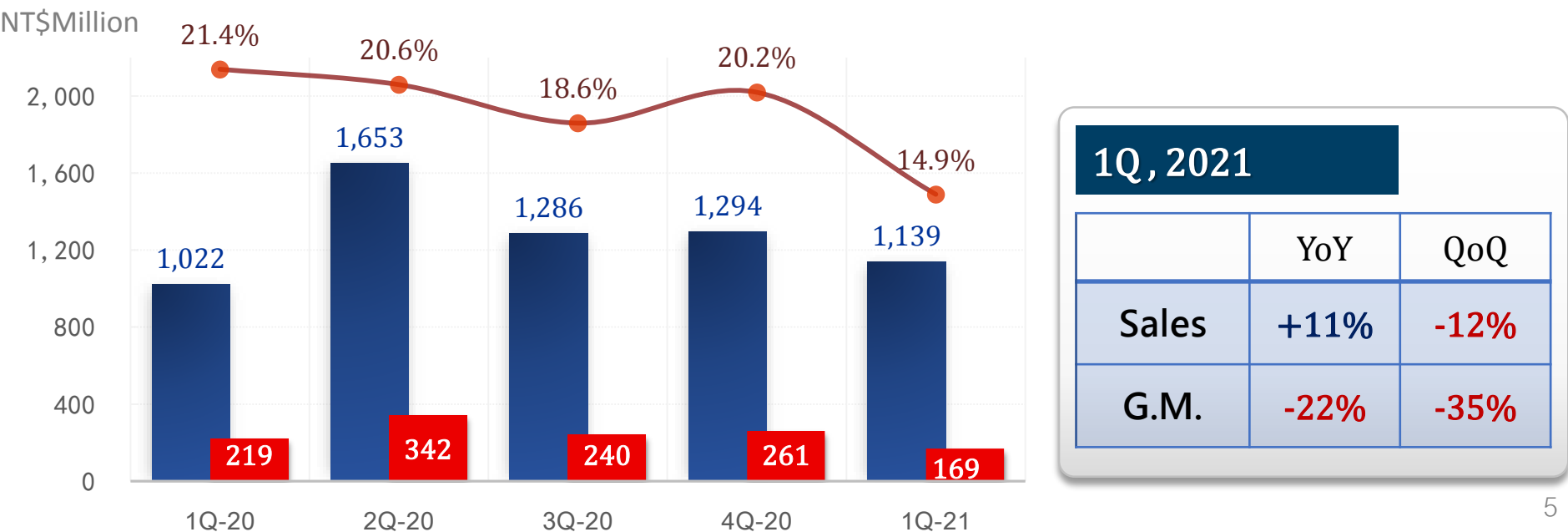
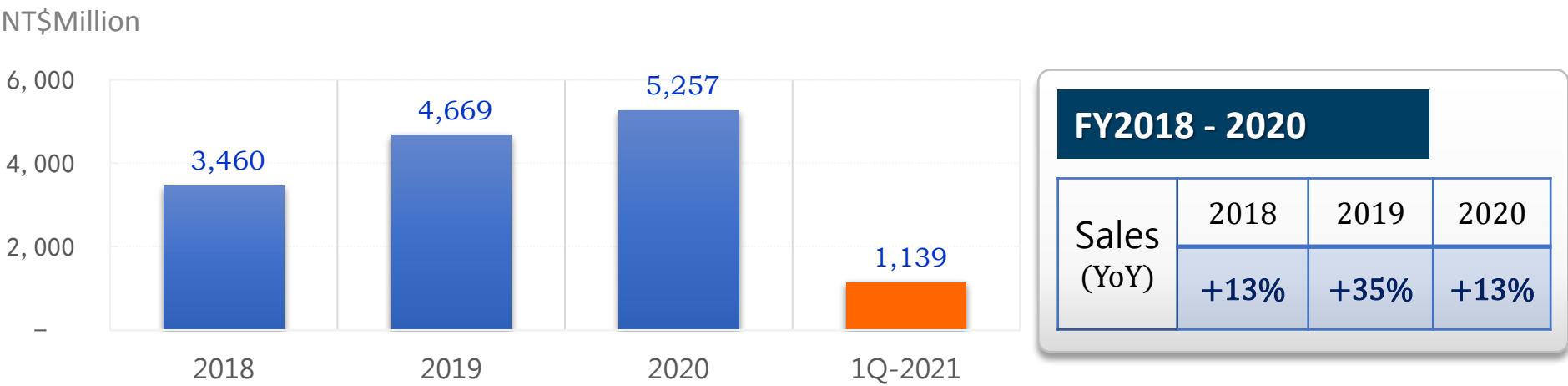
This Presentation contains forward-looking statements and is subject to risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements. The Projections should not be interpreted as legally binding commitments, but rather as flexible information subject to change occasionally.

Agenda

- 1Q21 Financial Results
- Business Outlook
- Q & A

1Q21 Financial Results

Net Sales & Gross Margin



1Q21 Income Statements

NT\$ Million	1Q 2021		4Q 2020		QoQ	1Q 2020		YoY
Net Sales	1,139,482	100.0%	1,294,184	100.0%	-12%	1,022,144	100.0%	11%
營業成本	969,487	85.0%	1,032,775	80.0%		802,981	79.0%	
Gross Margin	169,995	15.0%	261,409	20.0%	-35%	219,163	21.0%	-22%
Operating Exp	149,949	13.0%	185,078	14.0%		155,879	15.0%	
Operating Margin	20,046	2.0%	76,331	6.0%	-74%	63,284	6.0%	-68%
Non-Operating Items	(960)	0.0%	(15,323)	-1.0%		23,520	2.0%	
Pre-Tax Income	19,086	2.0%	61,008	5.0%	-69%	86,804	8.0%	-78%
Income Tax	7,784	1.0%	21,478	2.0%		23,707	2.0%	
Net Income	11,302	1.0%	39,530	3.0%		63,097	6.0%	
Net Income to Parent	11,302	1.0%	39,530	3.0%	-71%	63,097	6.0%	-82%
Minority	-	0.0%	-	0.0%		-	0.0%	
EPS (NT\$)	0.13		0.45			0.73		

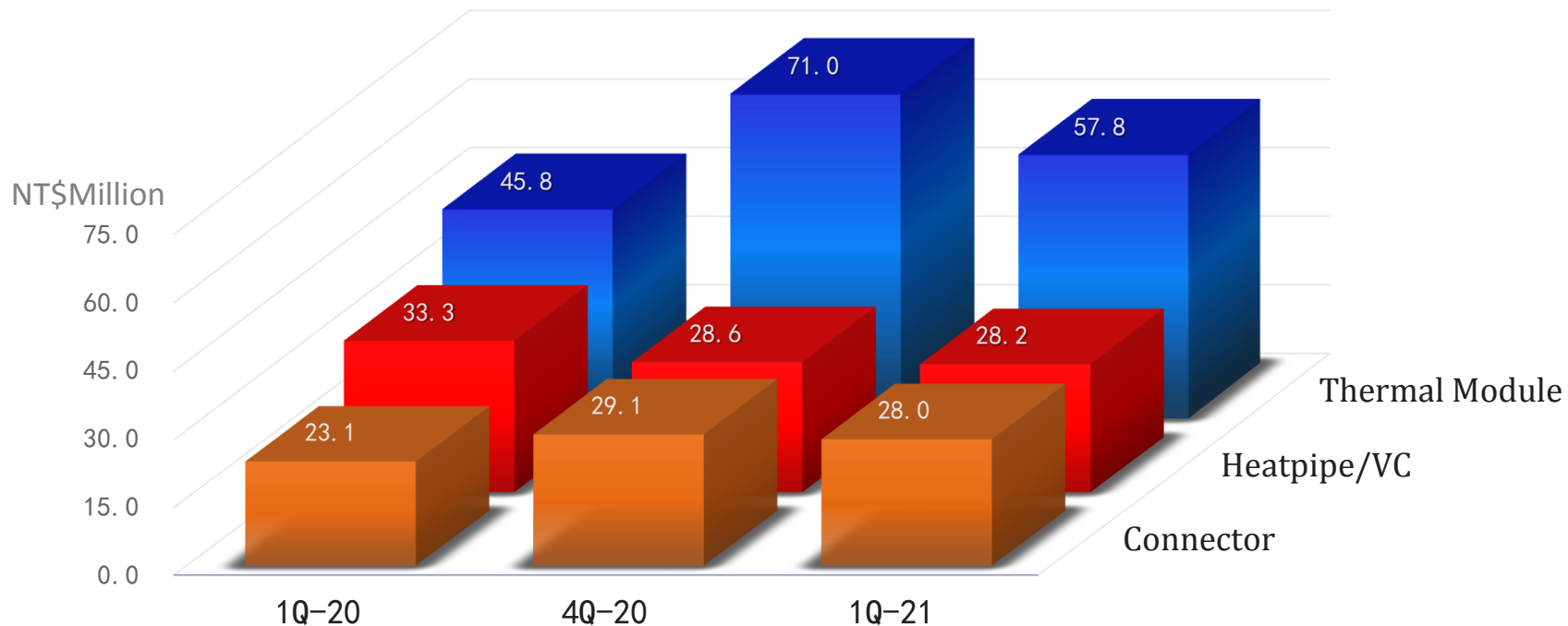
Note : Financial data is IFRS adoption

1Q21 Balance Sheets

NT\$ Million	1Q 2021		4Q 2020		1Q 2020	
Cash and Cash Equivalents	595,898	15%	667,015	15%	631,488	16%
Accounts Receivable	1,821,437	45%	2,083,944	47%	1,878,410	47%
Inventories	647,546	16%	637,898	15%	452,599	11%
Current Assets	3,222,568	80%	3,560,517	81%	3,168,006	79%
Total Assets	4,017,114	100%	4,388,662	100%	4,027,431	100%
Accounts Payable	1,156,343	29%	1,249,851	28%	952,566	24%
Current Liabilities	1,932,846	48%	2,304,953	53%	1,947,385	48%
Total Liabilities	2,329,017	58%	2,701,495	62%	2,387,374	59%
Shareholders' Equity	1,688,097	42%	1,687,167	38%	1,640,057	41%
BVPS-Parent (NT\$)	\$19.2		\$19.2		\$18.8	
AR days	157		147		179	
Inventory days	61		48		52	
AP days	113		105		121	
CCC days	104		89		110	

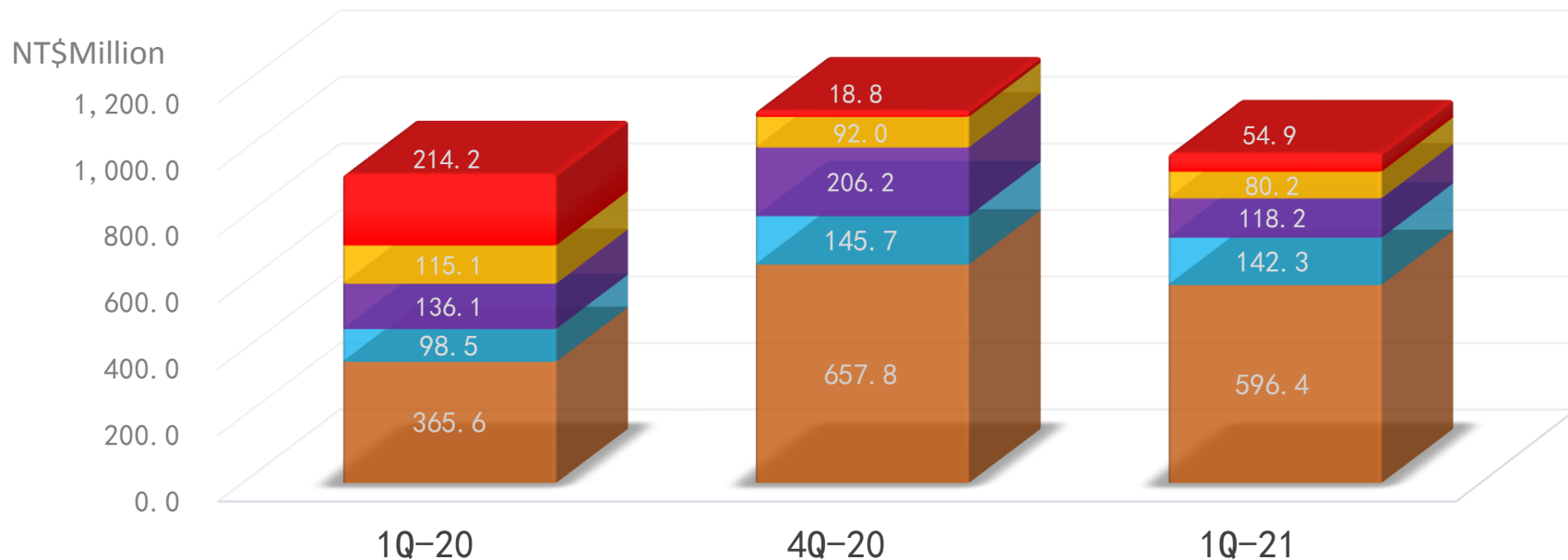
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Sales – Product



PRODUCT	1Q-20	4Q-20	1Q-21	QoQ	YoY	1Q-21 & 4Q-20 NOTES
CONNECTOR	22%	23%	24%	-2.1%	28.5%	Notebook remain high demands. Increased Chromebook models to expand orders in 2H.
HEATPIPE/VC	32%	22%	25%	1.89%	-10.3%	Demands of 5G smartphone shows disappointment, yet overall sales revenues remain steady through high-end, commercial, and ultra-slim notebook
THERMAL MODULE	45%	55%	51%	-16.6%	33.8%	Remote work & stay-at-home economy keep pushing demands of NB and server

Sales – Application



APPLICATION	1q-20	4q-20	1q-21	1Q-21 & 4Q-20 NOTES
 NB	36%	51%	52%	Shipment grew in 1Q-21 and expecting to continue surging in 2021. Chromebook & Commercial NB are new drives of growth.
 SERVER	10%	11%	13%	Cloud service and data center drive shipments growth of server quarter by quarter
 DT&AIO	13%	16%	10%	Replace desktop & AIO with notebook are in place due to Covid-19 pandemic
 TELECOM	11%	7%	7%	The existing market has not fully inquired of AAU with 64TR & 32TR. Instead it needs more 5G end-device and scenario to built the demands of AAU.
 SMART PHONE	21%	2%	4%	5G smartphone to develop towards high-end, and TaiSol adapt selective orders while a keen price competition of heat pipe and VC.

Business Outlook

Telecommunication Base Station



The existing market has not fully inquired of AAU with 64TR & 32TR

- It needs more 5G end-devices and scenario to built the demands of AAU.
- Actions of improving AAU design remain constantly.
- Intense market competition leads to decline of ASP. Telecom applications returns to thermal module of BBU, optical communications, radio access network and core network. Demands of need to be confirmed.

Personal Computer/Notebook



Work remotely, digital learning and new trends drive PC growing

- Increasing demands on both high-end & entry-level NB
- Working with worldwide CPU brand company to high-end NB models applied on VC solution.
- DT & AIO remains constant sales revenue.
- Continuous demands in PC/NB, open orders towards to 3Q, the market shipments is surging. The shortage of IC and electronic components could be a potential risk.

Server



Server sustain high growing due to expanding of clouding service & on-line economy

- Intel & AMD platform , mix product portfolio, changing of platforms shows multi-benefits, increasing revenues.
- Gaining AVL qualification from customer with clouding service company to ship products directly. Gaining orders from ODM company via AVAP business model directly assigned from end customer.

EV/ In-Vehicle System



EV composed by electric mechanic, electric control, electric battery. Supply chain shows strengthen growing through industry scale

- Thermal management of Computer Control Center
- Thermal management of Electronic Control Unit
- Particular CPU thermal module to ADAS
- Thermal management of Control electric mechanical system and battery pack
- Head sink of High- Power LED Head Light
- TaiSol owns R&D and technical capacity in vehicle electronics systems. Join MIH alliance and looking forward to work with 1tier vehicle company.

Smartphone/Consumer Electronics



Smartphone market are expected to back on track in 2021. yet the shortage of AP, covid-19 and trade conflict still remain risks in this industry

- 5G smartphone: Develop major models, material cost and china supply chain caused keen competition of ASP. TaiSol adapts selective orders, choose projects and material preparation cautiously, steady production.
- Commercial/Gaming NB VC technical development : Orders will be shipped in 3Q and June respectively. ASP rising.
- High-Power laser projector : Technic-leading and supplying Japan brand company and ODM customer for air cooling and liquid cooling embedded in 3D heat pipe/VC.

-Thank you -



Q & A

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