

**PEGATRON**



# **PEGATRON**

## **2023 Third Quarter Business Review**

Nov. 14, 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.

## **3Q2023 Consolidated Financial Result**

## Consolidated Income Statements

<i>(NT\$ Mn)</i>	<u>1Q~3Q 2023</u>		<u>1Q~3Q 2022</u>		<u>YoY</u>
Net Revenue	914,614	100%	960,349	100%	-4.8%
COGS	881,564	96.4%	918,327	95.6%	-4.0%
Gross Profit	33,050	3.6%	42,022	4.4%	-21.4%
Operating Expense	22,756	2.5%	23,615	2.5%	-3.6%
Operating Income (Loss)	10,294	1.1%	18,407	1.9%	-44.1%
Net Non-Operating Income (Loss)	6,112	0.7%	1,027	0.1%	495.1%
FX Gain (Loss)	(232)	0.0%	(277)	0.0%	-16.2%
Others	6,344	0.7%	1,304	0.1%	386.5%
PBT	16,406	1.8%	19,434	2.0%	-15.6%
Tax	(4,799)	0.5%	(4,402)	0.5%	9.0%
Net Income	11,607	1.3%	15,032	1.6%	-22.8%
<b>Net Income Attributable to the Parent</b>	<b>10,718</b>	<b>1.2%</b>	<b>10,049</b>	<b>1.0%</b>	<b>6.7%</b>
EPS	4.02		3.77		6.6%

# PEGATRON

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

<i>(NT\$ Mn)</i>	<u>3Q 2023</u>		<u>2Q 2023*</u>		<u>QoQ</u>	<u>3Q 2022</u>		<u>YoY</u>
Net Revenue	315,770	100%	280,708	100%	12.5%	352,867	100%	-10.5%
COGS	303,610	96.1%	270,180	96.2%	12.4%	336,793	95.4%	-9.9%
Gross Profit	12,160	3.9%	10,528	3.8%	15.5%	16,074	4.6%	-24.3%
Operating Expense	7,675	2.4%	7,476	2.7%	2.7%	8,442	2.4%	-9.1%
Operating Income (Loss)	4,485	1.4%	3,052	1.1%	47.0%	7,632	2.2%	-41.2%
Net Non-Operating Income (Loss)	2,697	0.9%	2,123	0.8%	27.0%	1,239	0.4%	117.7%
FX Gain (Loss)	(27)	0.0%	6	0.0%	-550.0%	269	0.1%	-110.0%
Others	2,724	0.9%	2,117	0.8%	28.7%	970	0.3%	180.8%
PBT	7,182	2.3%	5,175	1.8%	38.8%	8,871	2.5%	-19.0%
Tax	(2,349)	0.7%	(1,676)	0.6%	40.2%	(1,757)	0.5%	33.7%
Net Income	4,833	1.5%	3,499	1.2%	38.1%	7,114	2.0%	-32.1%
Net Income Attributable to the Parent	4,583	1.5%	3,127	1.1%	46.6%	5,265	1.5%	-13.0%
EPS	1.72		1.17		47.0%	1.97		-12.7%

\*Financial results have been adjusted as the discontinued operation turned into a continuing operation in 3Q23.

## Consolidated Balance Sheet

<i>(NT\$ Mn)</i>	2023/9/30		2022/12/31		Diff	2022/9/30		Diff
Cash and Equivalents	98,458	16%	84,577	13%	13,881	132,628	20%	(34,170)
AR (Net)	207,994	34%	190,247	30%	17,747	170,347	26%	37,647
Inventory (Net)	138,665	23%	199,442	31%	(60,777)	198,742	30%	(60,077)
Other Current Assets	19,537	3%	28,222	4%	(8,685)	28,076	4%	(8,539)
<b>Total Current Assets</b>	<b>464,654</b>	<b>76%</b>	<b>502,488</b>	<b>79%</b>	<b>(37,834)</b>	<b>529,793</b>	<b>80%</b>	<b>(65,139)</b>
Fixed Assets (Net)	84,169	14%	79,690	13%	4,479	80,888	12%	3,281
<b>Total Non-Current Assets</b>	<b>146,421</b>	<b>24%</b>	<b>133,735</b>	<b>21%</b>	<b>12,686</b>	<b>129,800</b>	<b>20%</b>	<b>16,621</b>
<b>Total Assets</b>	<b>611,075</b>	<b>100%</b>	<b>636,223</b>	<b>100%</b>	<b>(25,148)</b>	<b>659,593</b>	<b>100%</b>	<b>(48,518)</b>
Short-term Borrowings	62,481	10%	86,863	14%	(24,382)	111,658	17%	(49,177)
AP	209,157	34%	202,467	32%	6,690	211,201	32%	(2,044)
<b>Total Current Liabilities</b>	<b>330,479</b>	<b>54%</b>	<b>365,436</b>	<b>57%</b>	<b>(34,957)</b>	<b>394,537</b>	<b>60%</b>	<b>(64,058)</b>
Long-term Loans	40,064	7%	44,602	7%	(4,538)	44,705	7%	(4,641)
<b>Total Liabilities</b>	<b>377,216</b>	<b>63%</b>	<b>421,655</b>	<b>66%</b>	<b>(34,439)</b>	<b>446,314</b>	<b>68%</b>	<b>(59,098)</b>
<b>Equity Attributable to the Parent</b>	<b>191,592</b>	<b>31%</b>	<b>182,489</b>	<b>29%</b>	<b>9,103</b>	<b>182,219</b>	<b>28%</b>	<b>9,373</b>
<b>Total Equity</b>	<b>223,859</b>	<b>37%</b>	<b>214,568</b>	<b>34%</b>	<b>9,291</b>	<b>213,279</b>	<b>32%</b>	<b>10,580</b>
<b>Total Liabilities and Equity</b>	<b>611,075</b>	<b>100%</b>	<b>636,223</b>	<b>100%</b>	<b>(25,148)</b>	<b>659,593</b>	<b>100%</b>	<b>(48,518)</b>
Current Ratio	141%		138%		-	134%		-
Debt Ratio (TTL Liabilities / TTL Assets)	63%		66%		-	68%		-
Interest-bearing Debt Ratio	17%		21%		-	24%		-

## Consolidated Cash Flows Statement

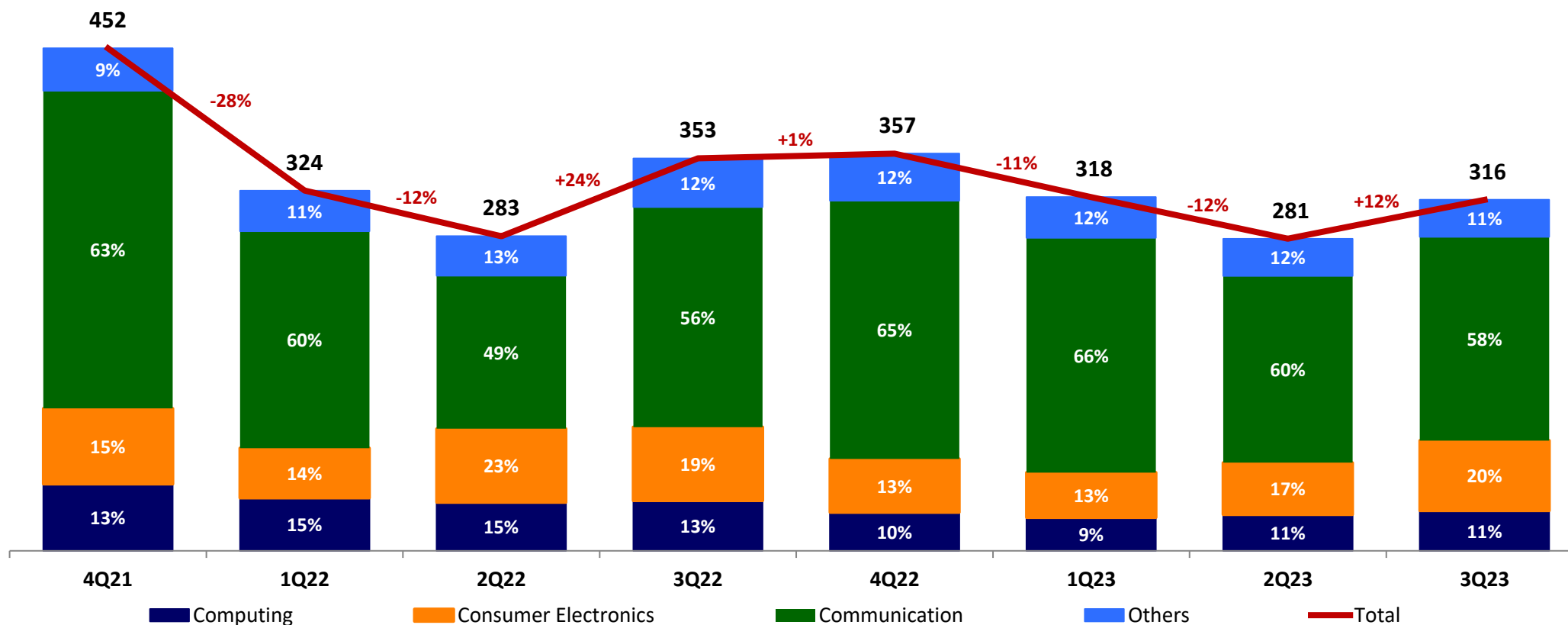
<i>(NT\$ Mn)</i>	<u>1Q-3Q 2023</u>	<u>1Q~3Q 2022</u>
<b>Cash Flows from Operating Activities:</b>	<b>68,539</b>	<b>31,087</b>
<b>Cash Flows from Investing Activities:</b>	<b>(18,746)</b>	<b>(18,709)</b>
<b>Cash Flows from Financing Activities:</b>	<b>(41,834)</b>	<b>(4,691)</b>
<b>Impact from Changes in FX Rate</b>	<b>5,922</b>	<b>13,917</b>
<b>Net Increase in Cash</b>	<b>13,881</b>	<b>21,604</b>
<b>Cash, beginning of the period</b>	<b>84,577</b>	<b>111,024</b>
<b>Cash, end of the period</b>	<b>98,458</b>	<b>132,628</b>
<b>Note:</b>	<u><b>1Q-3Q 2023</b></u>	<u><b>1Q~3Q 2022</b></u>
<b>Depreciation and amortization</b>	<b>11,396</b>	<b>10,913</b>



**Business Highlight**

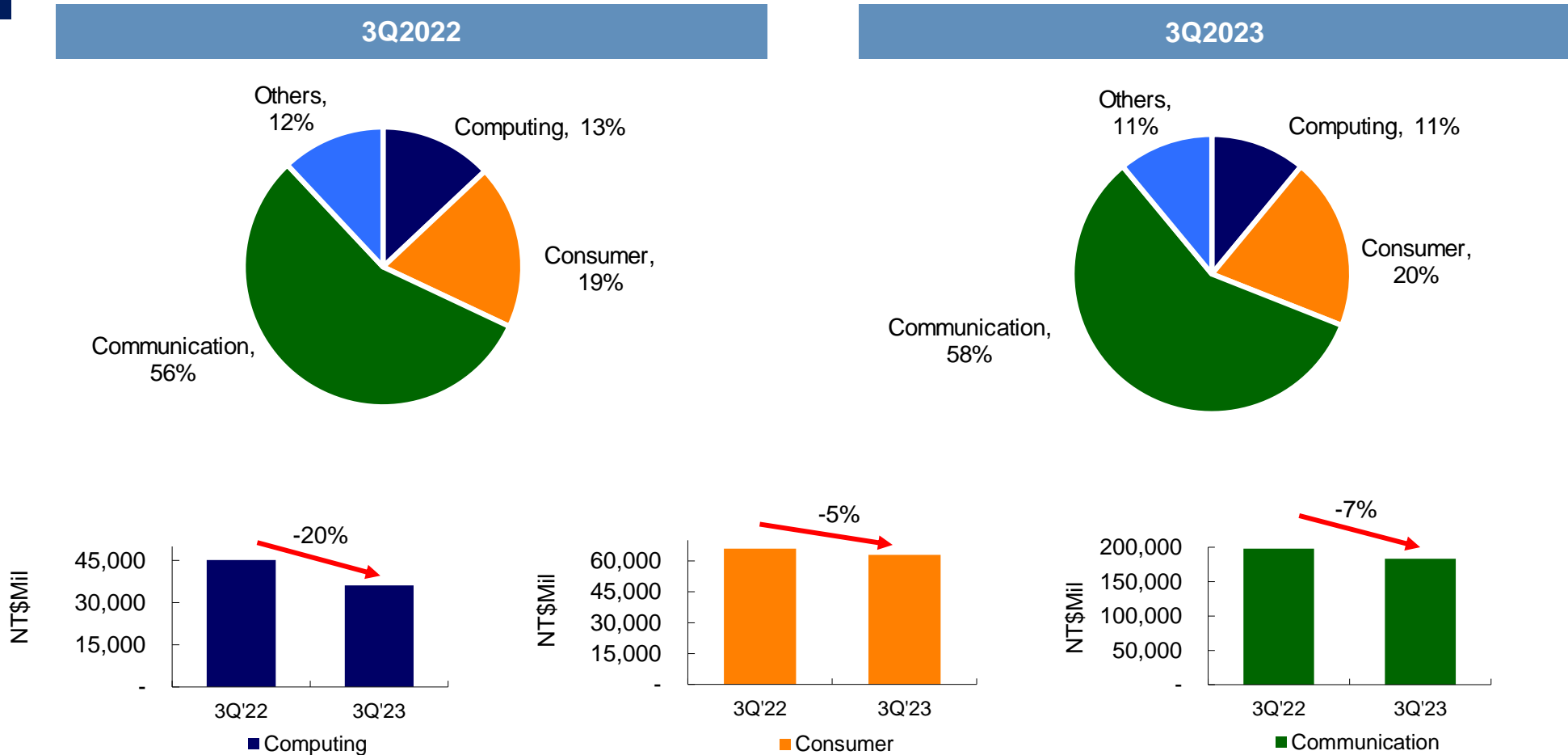
## Consolidated Revenue Trend

Unit: NTD Bn



Consolidated revenue totaled NT\$316Bn in 3Q2023 and increased by 12% QoQ, mainly attributable to peak season from three product segments.

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

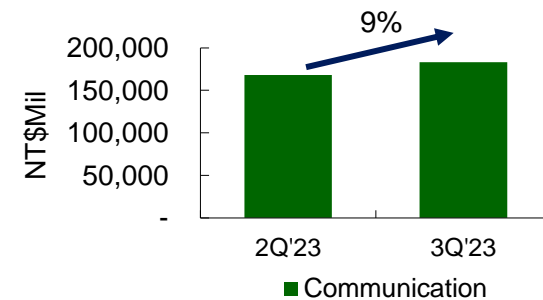
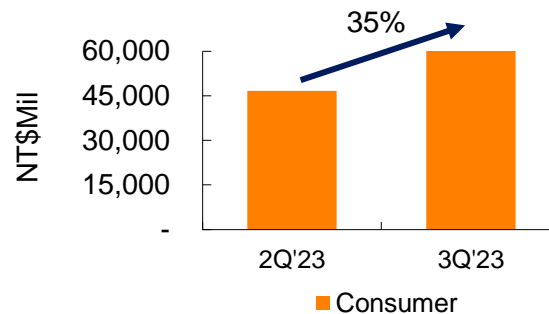
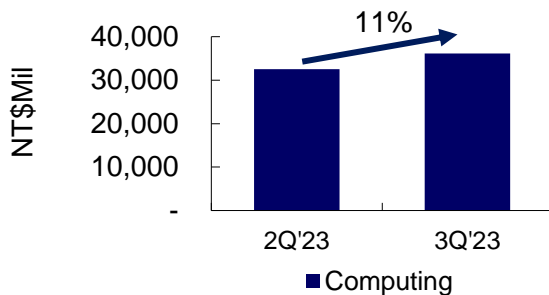
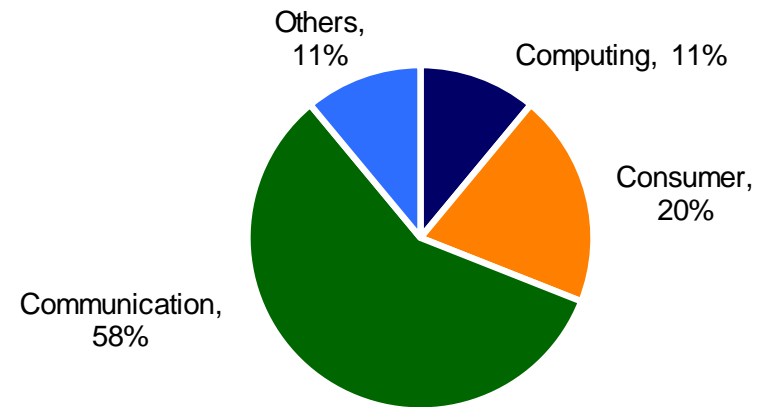
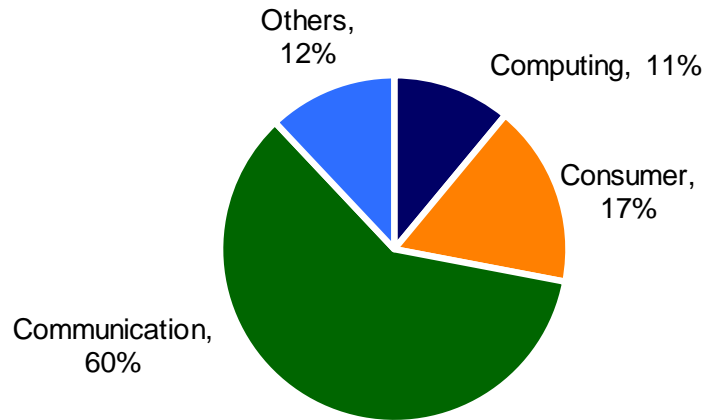


Revenue from Computing declined by 20% YoY due to product mix, while that of Consumer and Communication Segment decreased by 5% and 7% YoY respectively mainly attributable to weaker demand.

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

2Q2023

3Q2023



Driven by peak season, the revenue contributions from all three product segments were up QoQ.

## Q & A