



# 2021 4<sup>th</sup> Quarter Results

Feb. 15, 2022

**2012 ~2021** Top 50 of Excellence in CSR Award from Taiwan's CommonWealth Magazine  
**2015 ~2021** Top 5% in the Corporate Governance Evaluation from TWSE  
**2017 ~2021** Earned TCSA "Corporate Sustainability Report Awards-Gold Award"  
**2018 ~2021** Earned TCSA "Transparency and Integrity Award"  
**2019 ~2021** Earned TCSA "Corporate Sustainability Award"  
**2013 ~2015** Earned A++ rating in Information Disclosure Evaluation from TWSE



Responsibility Innovation Superiority Entrepreneurship

# Disclaimer

**Except for historical information contained herein, the matters set forth in this presentation are forward-looking statements that are subject to significant risks and uncertainties and actual results may differ materially from those contained in any forward-looking statements.**

**The forward-looking statements in this release reflect the current belief of Coretronic as of the date of this release and Coretronic undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such date.**

# Agenda

**2021 4<sup>th</sup> Quarter Financial Results**

**(Franck Ho)**

**Display Business Report**

**(Sarah Lin)**

**Q & A**

**(Franck Ho)**

# Statement of Comprehensive Income (Consolidated) - QoQ

Amount: NT\$ Million Except Per Share Data

	4Q'21		3Q'21		QoQ	4Q'20		YoY
<b>Net Sales</b>	<b>15,115</b>	<b>100%</b>	<b>13,046</b>	<b>100%</b>	<b>15.9%</b>	<b>11,494</b>	<b>100%</b>	<b>31.5%</b>
Cost of Goods Sold	(12,532)	(82.9%)	(10,702)	(82.0%)	(17.1%)	(9,483)	(82.5%)	(32.2%)
<b>Gross Profit</b>	<b>2,582</b>	<b>17.1%</b>	<b>2,344</b>	<b>18.0%</b>	<b>10.2%</b>	<b>2,011</b>	<b>17.5%</b>	<b>28.4%</b>
Operating Expenses	(2,016)	(13.3%)	(1,728)	(13.2%)	(16.7%)	(1,804)	(15.7%)	(11.8%)
<b>Operating Income</b>	<b>566</b>	<b>3.7%</b>	<b>616</b>	<b>4.7%</b>	<b>(8.1%)</b>	<b>208</b>	<b>1.8%</b>	<b>172.7%</b>
Non-operating Income, Net	182	1.2%	233	1.8%	(22.0%)	282	2.5%	(35.6%)
<b>Income Before Tax</b>	<b>748</b>	<b>5.0%</b>	<b>849</b>	<b>6.5%</b>	<b>(11.9%)</b>	<b>490</b>	<b>4.3%</b>	<b>53%</b>
<b>Net Income</b>	<b>535</b>	<b>3.5%</b>	<b>589</b>	<b>4.5%</b>	<b>(9.0%)</b>	<b>376</b>	<b>3.3%</b>	<b>42.5%</b>
Shareholders of the Parent Company	527	3.5%	569	4.4%	(7.4%)	418	3.6%	26.1%
Minority Interests	8	0.0%	20	0.1%	(56.8%)	(42)	(0.3%)	120.0%
<b>Basic EPS (NT\$)<sup>(a)</sup></b>	<b>1.35</b>		<b>1.46</b>			<b>0.96</b>		
<b>Basic EPS (NT\$)<sup>(b)</sup></b>	<b>1.35</b>		<b>1.46</b>			<b>0.96</b>		
<b>EBITDA</b>	<b>1,073</b>	<b>7.1%</b>	<b>1,145</b>	<b>8.8%</b>	<b>(6.3%)</b>	<b>772</b>	<b>6.7%</b>	<b>39.0%</b>

Prepared by Coretronic on a consolidated basis

(a) Basic EPS was calculated based on the total weighted average outstanding shares of each quarter (391m shares in 4Q'21 and 3Q'21, 434m shares in 4Q'20)

(b) 4Q'21 & 3Q'21 basic EPS was calculated based on Dec. 31, 2021 outstanding shares (391m shares) and 4Q'20 basic EPS was calculated based on Dec. 31, 2020 outstanding shares (434m shares)

# Statement of Comprehensive Income (Consolidated) - YoY

Amount: NT\$ Million Except Per Share Data

	2021		2020		YoY
<b>Net Sales</b>	<b>49,833</b>	<b>100%</b>	<b>42,438</b>	<b>100%</b>	<b>17.4%</b>
Cost of Goods Sold	(41,102)	(82.5%)	(35,032)	(82.5%)	(17.3%)
<b>Gross Profit</b>	<b>8,731</b>	<b>17.5%</b>	<b>7,407</b>	<b>17.5%</b>	<b>17.9%</b>
Operating Expenses	(7,085)	(14.2%)	(6,715)	(15.8%)	(5.5%)
<b>Operating Income</b>	<b>1,646</b>	<b>3.3%</b>	<b>692</b>	<b>1.6%</b>	<b>137.9%</b>
Non-operating Income, Net	1,139	2.3%	1,145	2.7%	(0.5%)
<b>Income Before Tax</b>	<b>2,785</b>	<b>5.6%</b>	<b>1,837</b>	<b>4.3%</b>	<b>51.6%</b>
<b>Net Income</b>	<b>2,039</b>	<b>4.1%</b>	<b>1,395</b>	<b>3.3%</b>	<b>46.2%</b>
Shareholders of the Parent Company	2,032	4.1%	1,560	3.7%	30.2%
Minority Interests	7	0.0%	(165)	(0.4%)	104.5%
<b>Basic EPS (NT\$)<sup>(a)</sup></b>	<b>5.12</b>		<b>3.59</b>		
<b>Basic EPS (NT\$)<sup>(b)</sup></b>	<b>5.20</b>		<b>3.59</b>		
<b>EBITDA</b>	<b>3,990</b>	<b>8.0%</b>	<b>2,977</b>	<b>7.0%</b>	<b>34.0%</b>

Prepared by Coretronic on a consolidated basis

(a) Basic EPS was calculated based on the total weighted average outstanding shares (397m shares in 2021 and 434m shares in 2020)

(b) Basic EPS was calculated based on the outstanding shares of the balance sheet date (391m shares in 2021 and 434m shares in 2020)

# Balance Sheet Highlight (Consolidated)

Amount: NT\$ Million

	4Q'21	3Q'21	QoQ	4Q'20
Cash and Cash Equivalents	11,230	15,236	(26.3%)	18,301
Notes & Accounts Receivable, Net (including related)	18,971	16,409	15.6%	11,685
Inventory	9,301	8,717	6.7%	4,886
Short Term Debt <sup>(a)</sup>	12,129	14,093	(13.9%)	5,254
Long Term Debt	1,827	264	591.0%	553
Equity	24,217	22,935	5.6%	24,939
Total Assets	61,470	58,447	5.2%	47,275
Inventory Turnover (Days) <sup>(b)</sup>	66	64		52
Debt to Assets	61%	61%		47%
Return on Equity <sup>(c)</sup>	10%	11%		7%
Net Worth Per Share (NT\$) <sup>(d)</sup>	56.7	53.5		52.7

Prepared by Coretronic on a consolidated basis

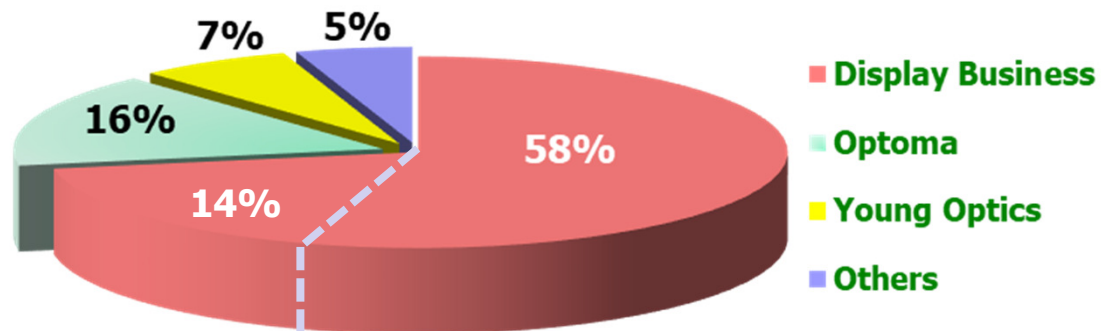
(a) Short term debt = short term bank loan + current portion of long term loan

(b) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days

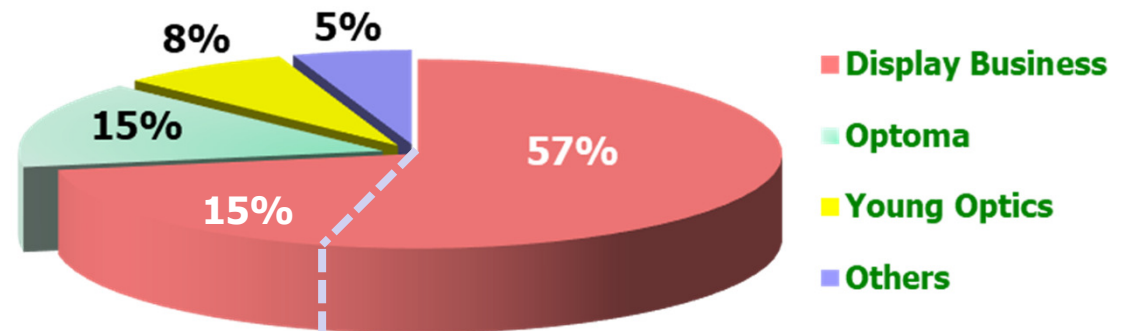
(c) Calculated by dividing the average shareholders' equity of parent company into the annualized net income during such period

(d) Based on the outstanding shares of the balance sheet date: 4Q'21(391m shares), 3Q'21(391m shares), 4Q'20(434m shares)

# Consolidated Sales Breakdown (By Revenue)

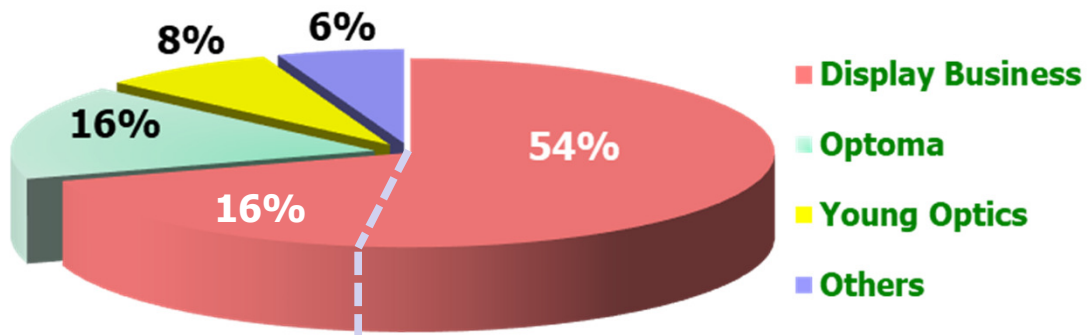


4Q'21 Consolidated Sales : NT\$15.1 Billion

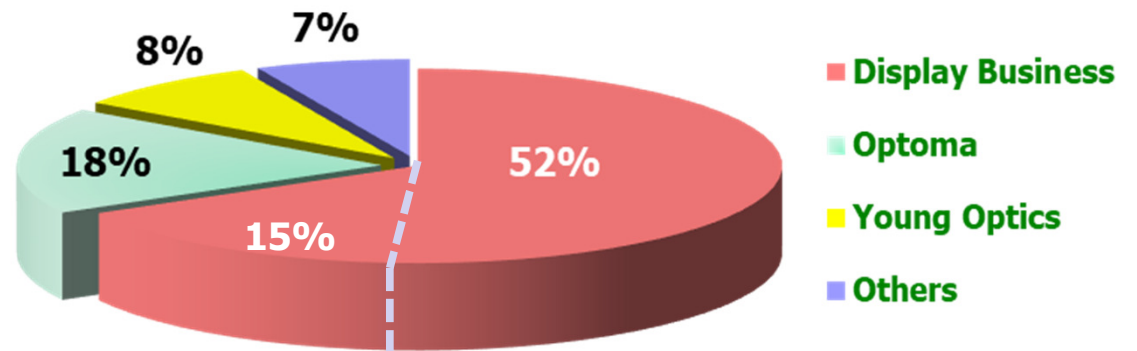


3Q'21 Consolidated Sales : NT\$13 Billion

# Consolidated Sales Breakdown (By Revenue)



2021 Consolidated Sales : NT\$49.8 Billion



2020 Consolidated Sales : NT\$42.4 Billion



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# Display Business Report

- **Visual Solutions Business**
- **Energy Saving Business**

**Sarah Lin**  
**Feb. 15, 2022**



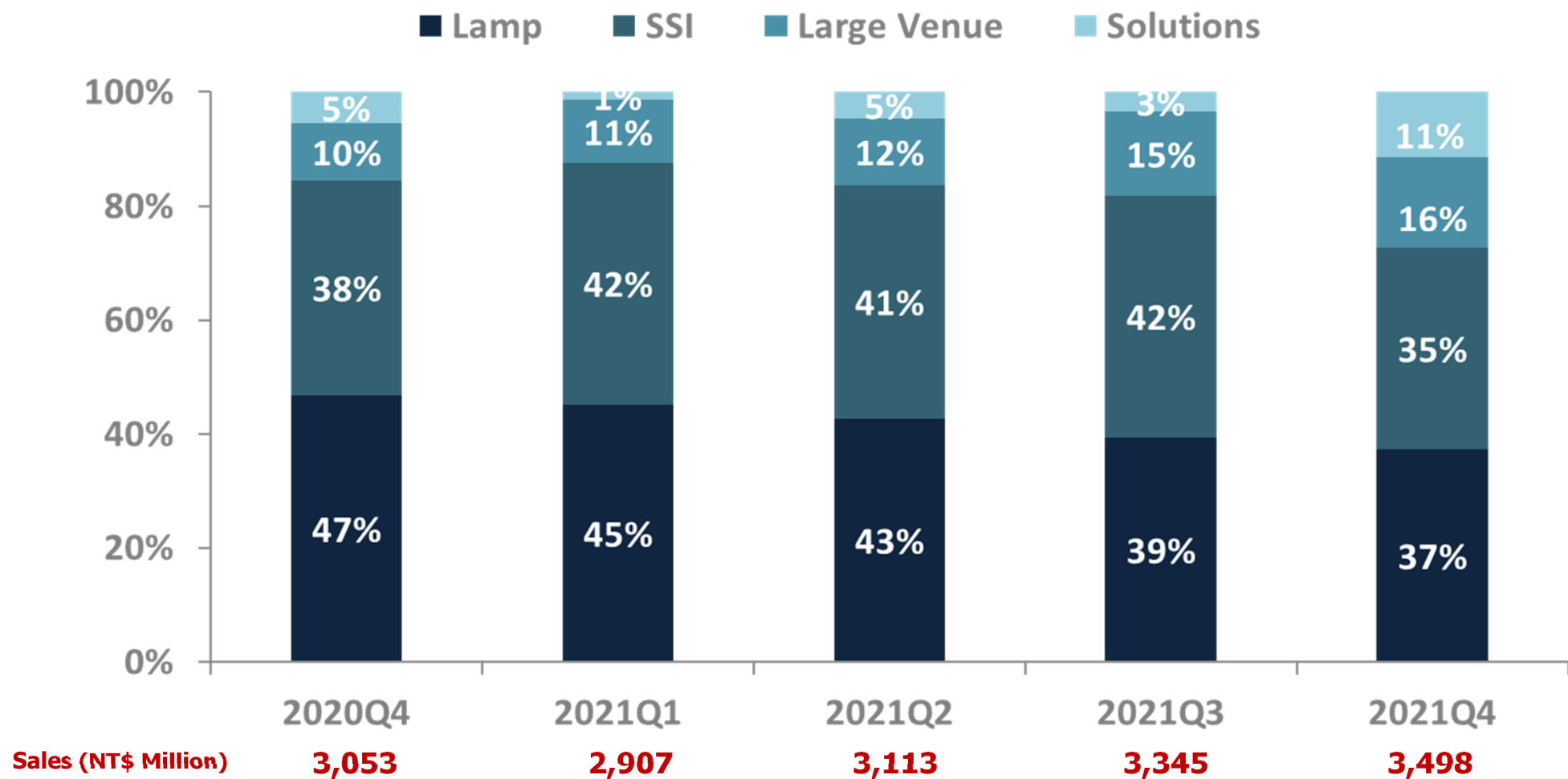
## Visual Solutions Business



# 4Q'21 Visual Solutions Business Review

- ◆ 4Q21 total sales of NT\$3,498M with 5% QoQ increase and 15% YoY growth.
- ◆ QoQ revenue increased due to the recovery of demand for various products.
- ◆ YoY revenue growth is primarily from high end large venue and LED.

# Visual Solutions Sales Breakdown



# 1Q22 Visual Solutions Business Outlook

- ◆ **Unique IC components shortage is still the gating item but with improvement from Q2.**
- ◆ **Originally Q1 is the low season but with home application continues growing, expect Q1 with >10% up QoQ.**
- ◆ **Lamp cost up continually by quarter will cause the demand dropping in 2022.**
- ◆ **2022 forecast shipment with 50% growth from new Pico projector segment.**

# Market Update

- ◆ **Materials shortage and uncertain delivery impact the growth continually but could have improvement compared to 2021.**
- ◆ **High end large venue demand for exhibition in recovering with 20-30% YoY growth.**
- ◆ **Education/meeting room segment with competition from flat panel.**
- ◆ **Seeing the higher growth from consumer market demand, pico projector transforms to have different product format, for TV, for gaming, for interactive.**
- ◆ **Expect 2022 with more creative product format for consumer market.**





## Energy Saving Business

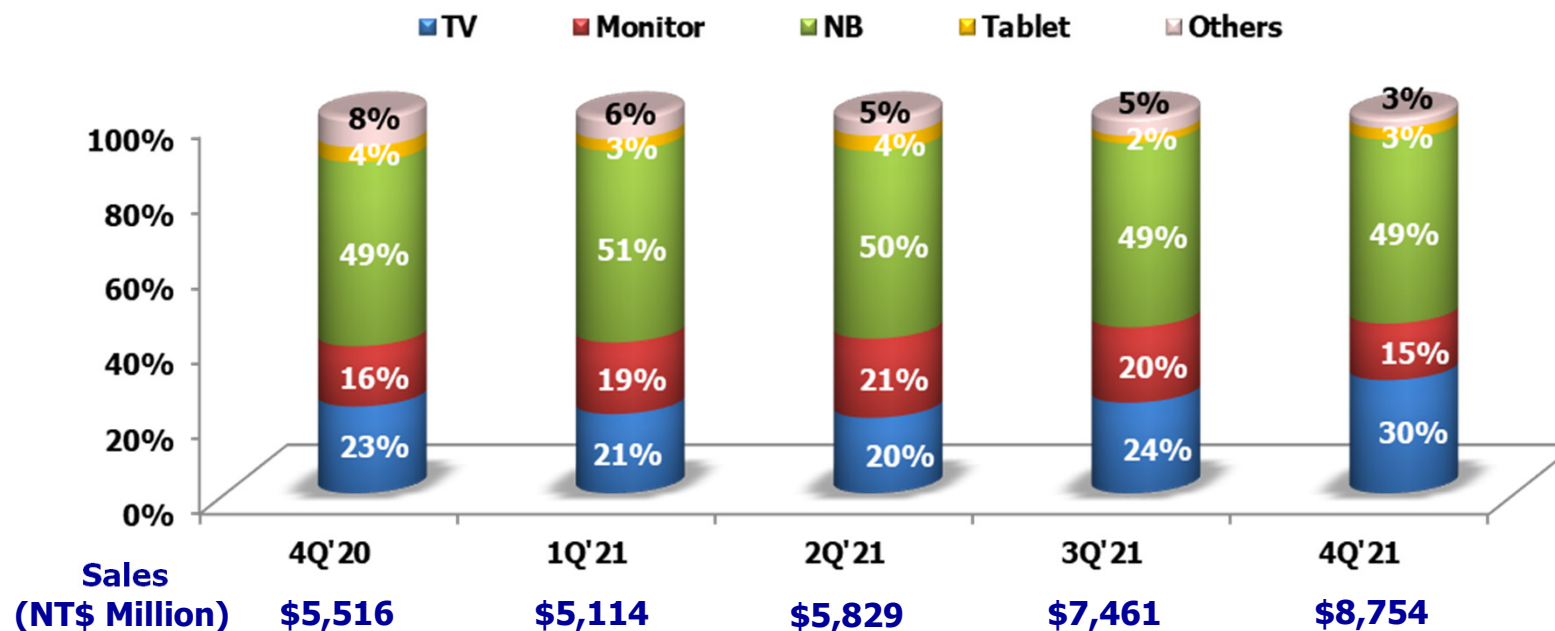


# 4Q21 Energy Saving Business Review

- ◆ Sales revenue was NT\$8,754 million in 4Q21, increase 17% QoQ and 59% YoY, thanks to the growth of TV/PID and NB model business driven by the continuous seasonal demand.
- ◆ The overall shipment in 4Q21 was 17.59 million units, up 6% QoQ and 39% YoY.
- ◆ 4Q21 Shipment Summary:
  - TV/PID up 35% QoQ vs. forecast >15% QoQ growth
  - Monitor with 2% QoQ decrease, better than forecast 10-15% drop
  - NB increase 3% QoQ, in line with forecast flat or slightly increase
- ◆ Overall 2021 shipment more than 60M units with 33% YoY growth, and 2021 sales revenue NT\$27.1 billion with 23% growth



# Energy Saving Sales Breakdown (By Revenue)



Prepared by Coretronic on a combined basis (Taiwan & China)

- ◆ **4Q21 Revenue Summary:**
  - TV/PID increase 39% QoQ.
  - Monitor with 10% QoQ drop.
  - NB increase 18% QoQ.

# 1Q22 Energy Saving Business Outlook

- ◆ **Expect Q1 shipment with 10% QoQ decrease.**
- ◆ **All applications seeing lower demand except niche monitor segment but all with YoY growth.**
- ◆ **NB in Q1 is with weak demand compared to other applications.**
- ◆ **With OLED NB/tablet demand growth, will set up 3<sup>rd</sup> production line.**
- ◆ **Working on new monitor MIB opportunity, it could start from Q322.**
- ◆ **2022 forecast shipment with 20% growth, still mainly from TV/PID and NB.**

# Market Update

- ◆ Not seeing NB with growth but gradually lower demand from market.
- ◆ The China power rationing situation improved but still with uncertainty.
- ◆ Mini LED on high end tablet seems not highly acceptable due to high price, this might have impact to the future implementation on tablet.
- ◆ Seeing OLED under implementation on larger size monitor.
- ◆ Expect 2022 market with not too much difference compared to 2021, but NB will not have high growth as 2021. All of the shortage situation are continuing and this will be predictable unpredictability. (可預期的不可預測性)

# Q&A

**Franck Ho**  
**CFO**

**Sarah Lin**  
**President**



# Thank you

Any further questions, please feel free to e-mail: [ir@coretronic.com](mailto:ir@coretronic.com)



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