Sitronix 8016.TW

Sitronix Technology Corp.

3Q 2023 Results

Investor Presentation 2023/Nov





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About Sitronix Group

Mission & Task

"Achieve the highest level of customer satisfaction with the most competitive cost and quality"

Company Profile

Sitronix Technology Corp Group

Code: 8016.TW

Established / Listed 1992 / 2003

Headquarter: Taiwan Hsinchu

Share Outstanding* 120 millions

Market Cap* US\$1.04b / NT\$33.45b

Shareholders* Foreign Investors 31.69%, Securities Investment Trust Companies & Dealers 18.20%

*as of 2023/10/05

Business Model

- The global market leader in small-sized display driver IC (DDIC)
 mature technology, commanding a decisive market share.
- Construct a complete product line with Zerocap[®] technology to adapt market changes.

Market Status

- AloT device DDI: The Zerocap[®] Solution, green product pioneer
- Industrial DDI: Deeply cultivate the long tail market
- Sensor IC: Main supplier of Android smartphones
- Automotive DDI: Provide cost-effective products for small and medium-sized markets

3



Group members



AloT Device

- > Smartphone
- > Feature Phone
- > Wearable devices

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Industrial

- > Office Automation
- > Industrial Instruments
- Portable Medical Devices







Automotive

mCore SHEFEI CR

- > Cluster Display
- > Navigation Display
- > Center Information Display

Subsidiary

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Consolidated Revenue Update

- 3Q23: revenue decreased by 4.72% QoQ, and increased 3.34% YoY.
- 2023 YTD: as of October 2023, accumulated unaudited consolidated revenue is NT \$13,733,536 thousand, a decrease of 12% YoY.
- FY 2022: NT\$18,027,827 thousand, a decrease of 19% YoY.

Summary	3Q23	2Q23	1Q23	Q/Q	3Q22	Y/Y
Revenue (NT'000)	4,201,548	4,409,563	3,600,616	-4.72%	4,065,580	+3.34%
Gross Profit Margin%	37%	35%	30%	+2%	42%	-5%
Operating Margin%	17%	17%	10%	-	21%	-4%
EPS (NT\$)	4.51	4.93	2.48	-0.42	6.09	-1.58

Product Mix to Sales

- Alot DDI : consumer electronics demand for holiday season remain conservative.
- Industrial DDI : Industrial seasonality weak in 2H.
- Sensor : the overall inventory reduction of China's mobile supply chain has finished and began restocking; Chinese brands reviving consumers' attention; increased shipments from branded customers in Africa.
- Automotive DDI : launching new products expect to drive future revenues; strategically expanding from the smallscreen supply chain into the large-screen supply chain.

Product Type	2022	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
AloT	36%	35%	39%	36%	32%	41%	36%	35%	37%	33%
Industrial	18%	14%	16%	17%	23%	16%	17%	16%	16%	14%
Sensor	22%	29%	19%	24%	24%	19%	21%	24%	25%	29%
- Optical	88%	91%	87%	89%	87%	90%	87%	89%	88%	88%
- MEMS	12%	9%	13%	11%	13%	10%	13%	11%	12%	12%
Automotive	16%	15%	18%	15%	13%	17%	19%	17%	15%	17%
Others	8%	7%	8%	8%	8%	7%	7%	8%	7%	7%
Total	100	100	100	100	100	100	100	100	100	100

Income Statement

NT\$	2020	2021	2022	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Sales (000'NTD)	13,804,562	22,255,670	18,027,827	5,593,610	4,537,216	4,065,580	3,831,421	3,600,616	4,409,563	4,201,548
Gross Prof. Margin %	34%	56%	46%	54%	53%	42%	30%	30%	35%	37%
Opex to Sales %	18%	19%	19%	19%	21%	21%	18%	20%	18%	20%
Op. Margin %	17%	37%	27%	35%	32%	21%	12%	10%	17%	17%
Non-OP (000'NTD)	140,578	196,875	363,954	119,636	101,068	143,042	208	66,817	99,254	129,217
Tax* %	14%	15%	17%	19%	18%	17%	5%	17%	14%	14%
Net Income** %	10%	27%	20%	25%	24%	18%	10%	8%	13%	13%
EPS (NTD)	11.53	50.03	30.10	11.82	9.12	6.09	3.08	2.48	4.93	4.51

*Effective tax rate **attributed to the parent company

Operation Indicator

- Inventory reaches peak in 3Q 2022; back and maintain to normal levels since 2Q.
- Inventory restocking began at the end of 1Q.

	2020	2021	2022	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Inv. turnover days	70	74	128	102	180	205	167	134	96	99
AR turnover days	37	27	32	32	37	35	33	30	28	32
AP turnover days	81	81	65	93	127	99	51	35	48	61

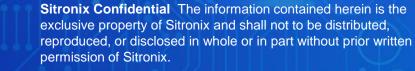
ESG Performance

- 2023 Ranked 2022 TWSE Corporate Governance Evaluation Top 6~20% among all the listed companies.
- 2023 Published Sustainability report and secured external verification.
- 2023 Sitronix (parent company) has published a greenhouse gas inventory report and obtained external verification. Sitronix Group (including the parent company and subsidiaries) has completed the verification.
- 2022 The Board of Directors has established a Sustainability Committee.
- 2022 The Board of Directors' performance has undergone an external assessment.





Thank You



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