

Sitronix 8016.TW

Sitronix Technology Corp.

3Q 2023 Results

Investor Presentation

2023/Nov

Sitronix

Sitronix Public and External Use

© 2023 Sensortek External Use

Safe Harbor Statement

The contents of this presentation are based on available information, and the Company's views when made. The information in this presentation may contain descriptions of the future prospects of the Company and its subsidiaries, and are subject to risks and uncertainties, which may cause actual results to be materially different from any future result.

The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information or later developments. This presentation is provided for information purposes only. The Company, its consultants, its representatives, and the presenter are not liable for any damages resulting from the use of the contents in this presentation.

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

- AIoT 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

Sitronix

Group members



AIoT Device

- › Smartphone
- › Feature Phone
- › Wearable devices

Sitronix



Sensor & SoC System on chip

Subsidiaries

 **sensortek**

mCore  **HeFei** 



Industrial

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

Sitronix



Automotive

- › Cluster Display
- › Navigation Display
- › Center Information Display

Subsidiary

 **FORCELEAD**

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

- **AIoT 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 small-screen supply chain into the large-screen supply chain.

Product Type	2022	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
AIoT	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.

Q&A

Sitronix

Thank You

Sitronix

Sitronix Confidential The information contained herein is the exclusive property of Sitronix and shall not to be distributed, reproduced, or disclosed in whole or in part without prior written permission of Sitronix.

© 2022 Sitronix Technology Corporation. All rights reserved.

Sitronix Confidential. Do Not Copy or Distribute.