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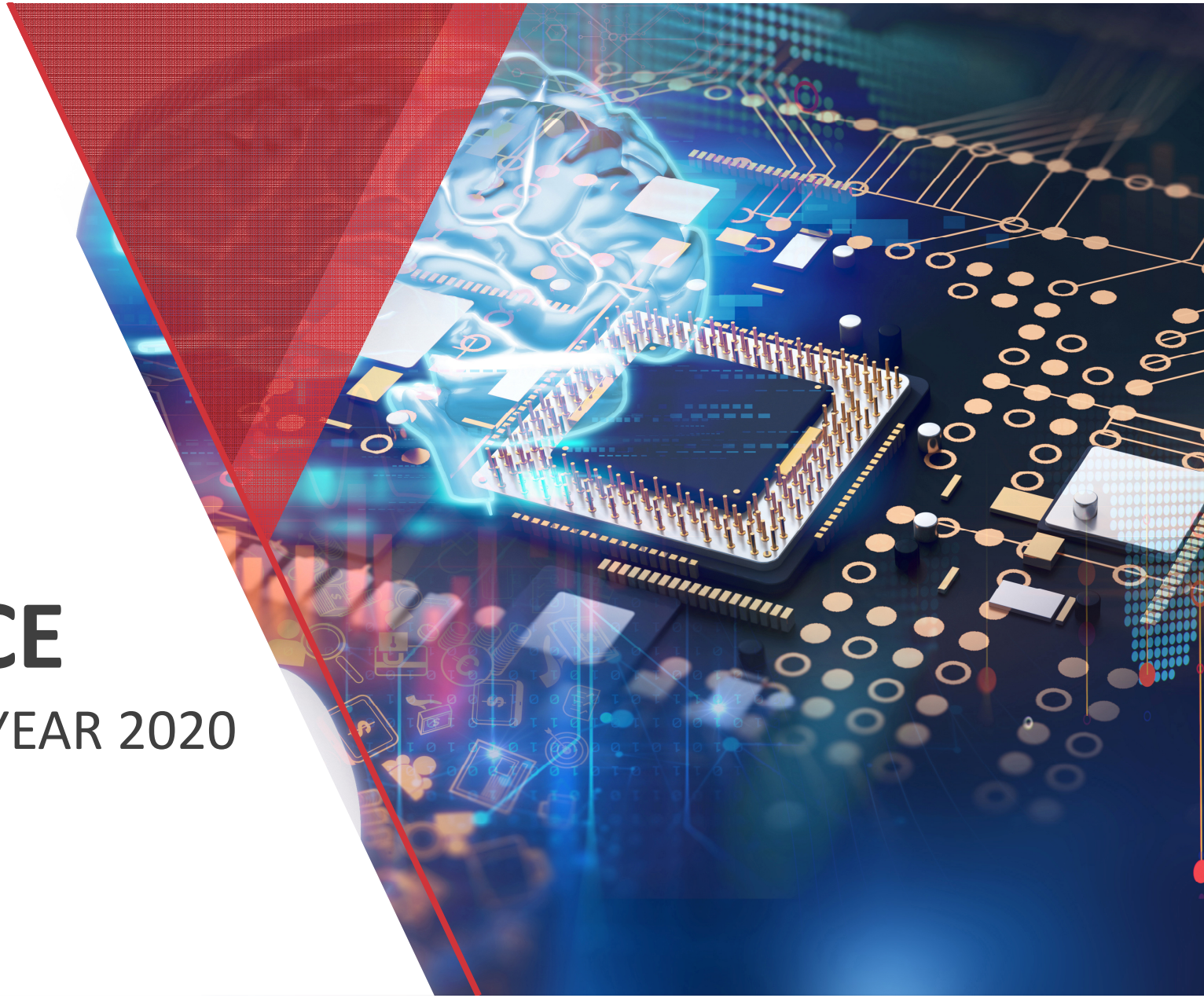
INVESTOR CONFERENCE

THE FIRST HALF OF YEAR 2020

August 6, 2020



Agenda

Financial Report

Iris Chen,

Finance Director

Business Outlook

Jeff Chou,

CFO

Q&A

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Disclaimer

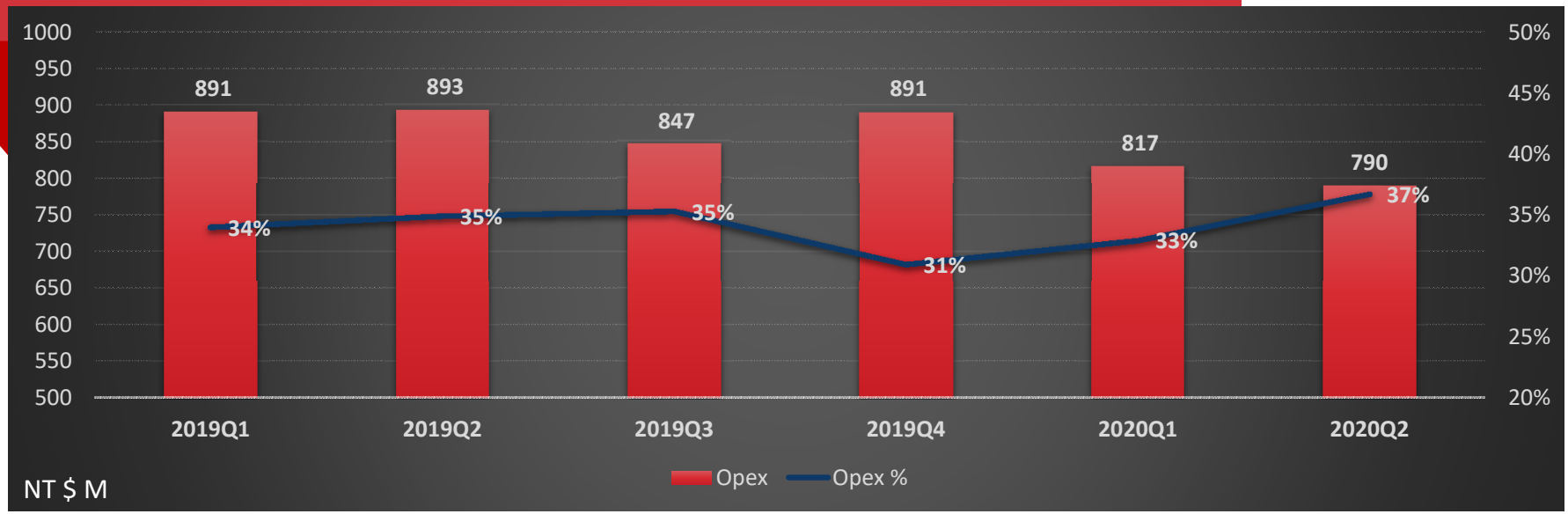
These presentations and discussions contain certain forward-looking statements with respect to the results of operation, financial condition and current expectation about future events. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future.

We undertake no obligation to publicly update or revise any forward looking statements whether as a result of new information, future events or otherwise. The actual result could differ materially from those anticipated in these forward looking statements.

Statement of Comprehensive Income

Amount : NT$ Million	1H'20		1H'19		YoY	2Q'20		1Q'20		QoQ
	Amount	%	Amount	%	%	Amount	%	Amount	%	%
Net Sales	**4,633**	**100**	**5,221**	**100**	-11.3	**2,153**	**100**	**2,480**	**100**	-13.2
COGS	2,800	60	3,109	60	-9.9	1,296	60	1,504	61	-13.8
Gross Profit	**1,832**	**40**	**2,112**	**40**	-13.2	**856**	**40**	**976**	**39**	-12.3
Operating Expenses	1,607	35	1,784	34	-10.0	790	37	817	33	-3.2
Operating Income	**226**	**5**	**328**	**6**	-31.2	**66**	**3**	**159**	**6**	-58.6
Other Income/Expense	-31	-1	-23	0		-11	-1	-20	-1	
Income Before Tax	**195**	**4**	**305**	**6**	-36.1	**55**	**2**	**140**	**5**	-60.7
Net Income	**113**	**3**	**223**	**4**	-49.3	**27**	**1**	**86**	**3**	-69.0
Basic EPS(NT$)	**0.53**		**1.03**		-48.5	**0.13**		**0.40**		-67.5

Detail of Operating Expense



Amount : NT$ Million	1H'20		1H'19		YoY	2Q'20		1Q'20		QoQ
	Amount	%	Amount	%	%	Amount	%	Amount	%	%
Sales	517	11	542	10	-4.7	241	11	276	11	-12.5
Admin	384	9	513	10	-25.2	193	9	191	8	0.6
R&D	702	15	730	14	-3.8	353	17	350	14	0.9
Operating Expenses	**1,607**	**35**	**1,784**	**34**	**-10.0**	**790**	**37**	**817**	**33**	**-3.3**

Consolidated Balance Sheet Highlights

Amount : NT$ Million	2020.6.30	2019.12.31	2019.6.30
Cash & Financial asset	2,425	2,022	1,915
AR	1,667	2,020	1,886
Inventory	2,190	2,000	2,471
Property, Plant and Equipment	1,034	1,075	761
AP	1,451	1,308	1,443
Short-term loan	862	724	937
Long-term loan	91	45	-
Liability	**4,114**	**3,742**	**3,946**
Equity	**4,420**	**4,687**	**4,529**
Total Assets	**8,534**	**8,430**	**8,476**

Days of Sales Outstanding (DSO)	72.6	70.4	68.4
Days of Inventory at hand (DOH)	136.5	135.1	148.7
Days of Payable Outstanding (DPO)	89.9	87.7	91.5
Debt rate	48.2%	44.4%	46.6%
ROE	5.0%	9.6%	9.8%
BV/per share	20.3	21.6	20.9

Consolidated Cash Flows Highlights

Consolidated Cash Flow Highlights

Amount : NT$ Million

	1H'20	1H'19	YoY($)
From Operating Activities	**308**	**441**	**-132.5**
Income before Tax	195	305	-110.1
Depreciation & Amortization	168	169	-0.7
Net Change in Operating assets and liabilities	-46	88	-134.1
AR	323	152	170.7
Inventory	-215	194	-408.7
AP	159	-245	403.5
From Investing Activities	**-66**	**-138**	**71.4**
Financial assets at fair value	0	-100	100.0
Net change in Capital Expenditures - PP&E and Software	-57	-39	-18.1
From Financing Activities	**183**	**78**	**104.6**
Lease Liabilities Repayment of Principal	-51	-39	-12.8
Net Change in Debt	234	117	117.4
Exchange Rate Influence	-22	13	-34.5
Net Change in Cash	**403**	**394**	**8.9**

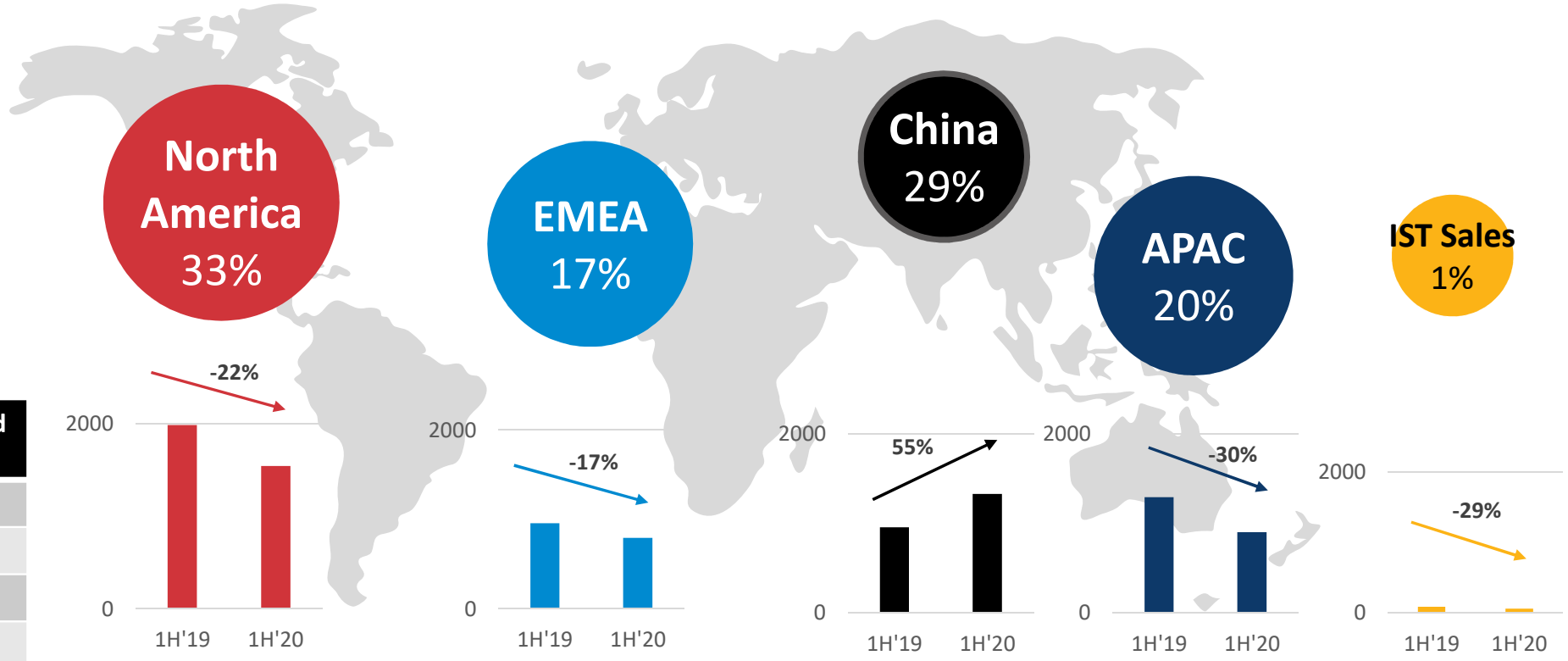
Business Outlook

Jeff Chou, CFO

Geographic Footprint & 1H'20 Claimed New DW

Amount : NT$ Million

RBU	1HY claimed DW
AATI	11
EMEA	5
CHN	5
APAC	13

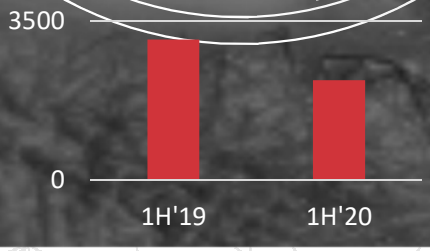


Sales breakdown by product

Embedded Platforms & Modules Business Unit

EPM 48%

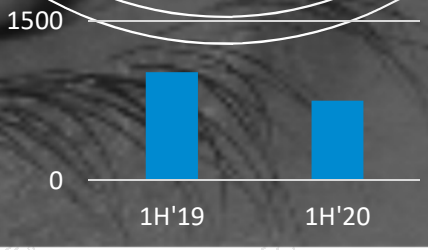
YOY -29%



IoT Solutions & Technology Business Unit

IST 16%

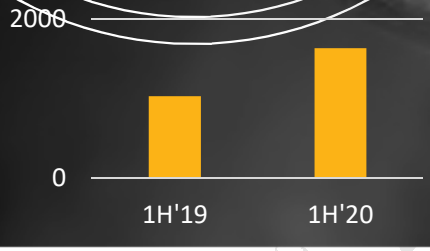
YOY -26%



Networking, Communication & Public Sector Business Unit

NCP 35%

YOY 59%



Q&A

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