



**CHENBRO**

# Chenbro Micom

The Leading Mechatronics Architecture Provider in ICT Industry  
TWSE:8210

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# Safe Harbor Notice

- This presentation contains certain forward-looking statements that are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.
- Except as required by law, we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.
- The financial numbers presented are based on International Financial Reporting Standards (IFRS). Consolidated numbers were CPA reviewed / audited.

# 2020Q3 Results Highlight



3Q20 Revenue was NT\$ 2,114M, DOWN 3.88% QoQ and UP 24.04% YoY

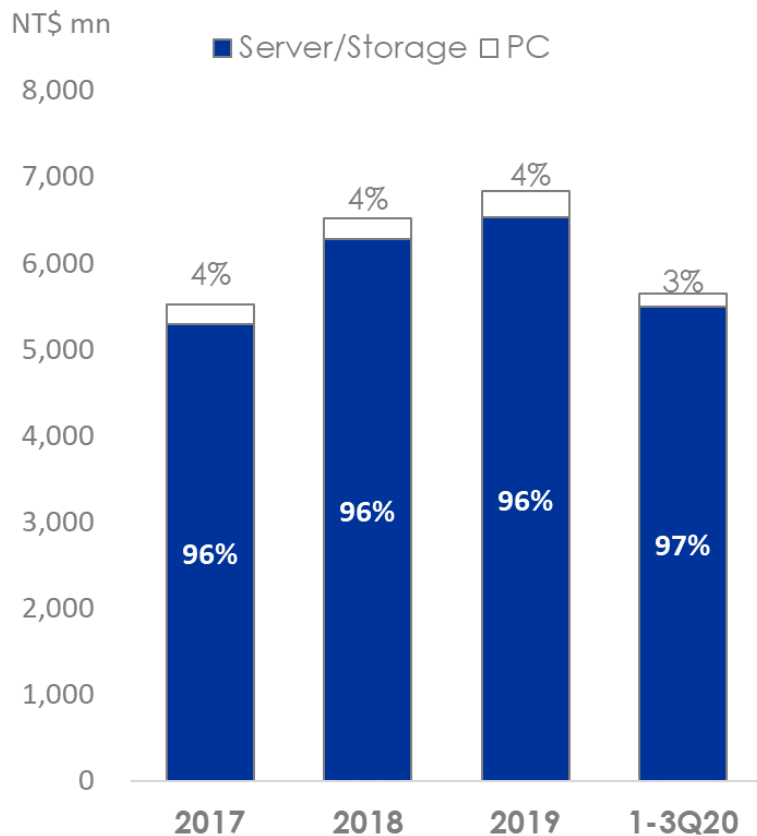
3Q20 Gross profit was NT\$ 542M, DOWN 5.20% QoQ and UP 2.40% YoY

3Q20 Operating income was NT\$ 288M, DOWN 11.81% QoQ and DOWN 2.22% YoY

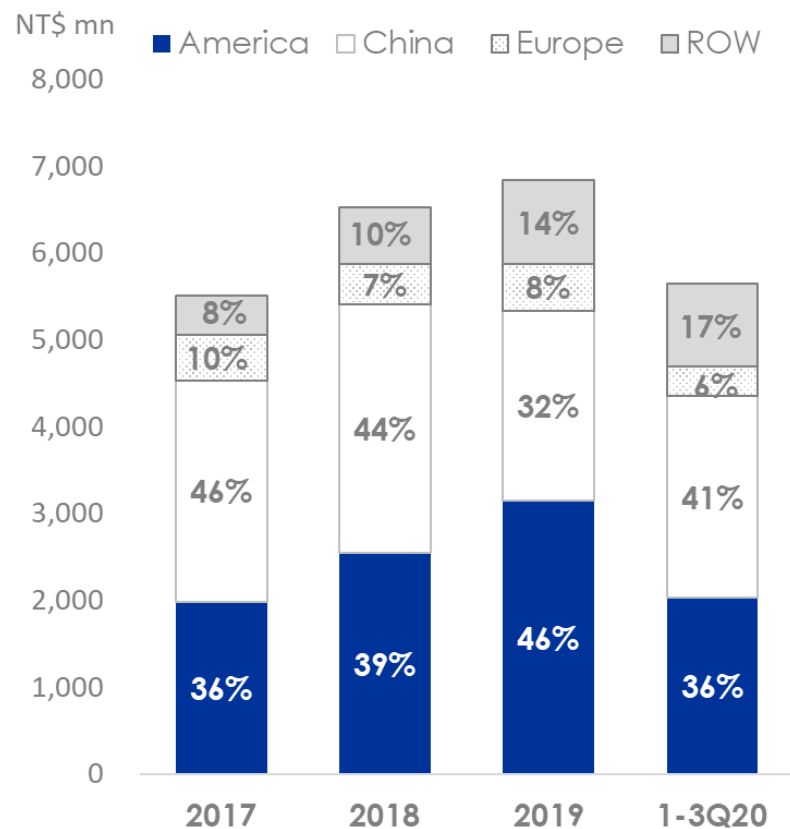
3Q20 Net Income to Parent was NT\$ 234M, DOWN 10.29% QoQ and DOWN 0.76% YoY

# Revenue Breakdown

## By Product

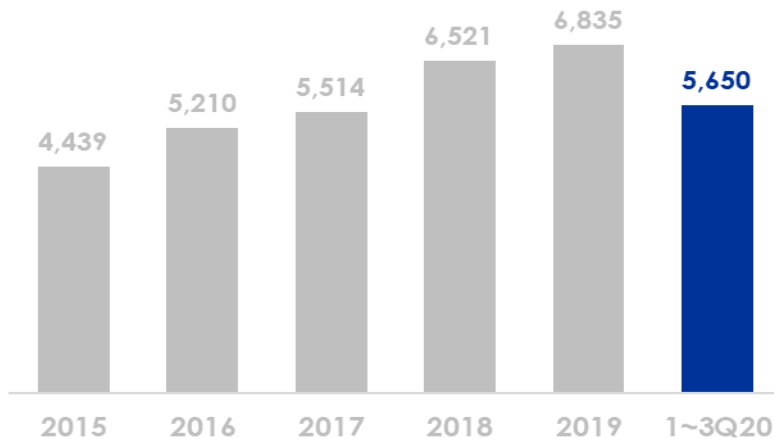


## By Geography

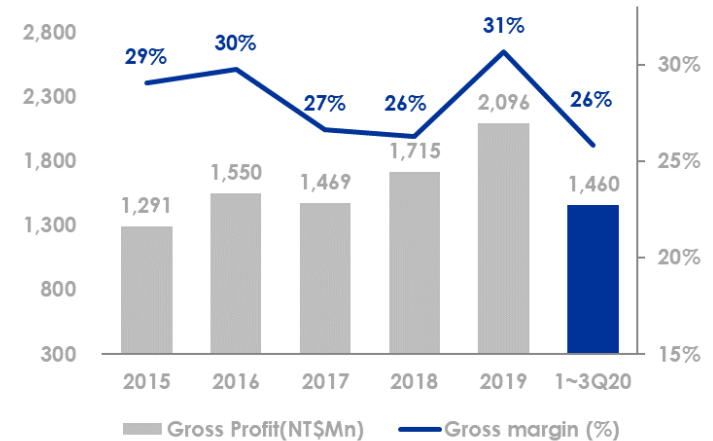


# Financial Highlights

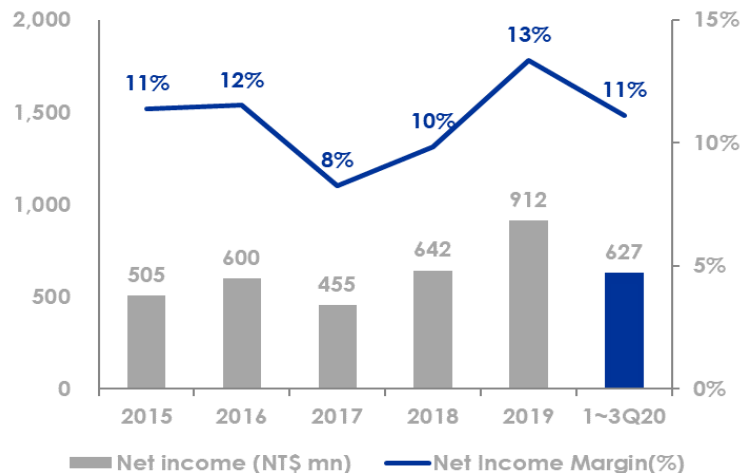
Revenue (NT\$Mn)



Gross Profit / Gross Margin



Net Income / Net Margin



EPS (NT\$)



# Quarterly Income Statement

NT\$ million	19Q3	20Q2	20Q3	QoQ (%)	YoY (%)
<b>Revenue</b>	<b>1,704.0</b>	<b>2,198.8</b>	<b>2,113.6</b>	<b>-3.9</b>	<b>24.0</b>
Gross Profit	528.9	571.3	541.6	<b>-5.2</b>	<b>2.4</b>
Operating Expenses	234.7	245.2	254.0	<b>3.6</b>	<b>8.2</b>
<b>Operating Profit</b>	<b>294.2</b>	<b>326.1</b>	<b>287.6</b>	<b>-11.8</b>	<b>-2.2</b>
Non Operating Income/(Loss)	12.1	23.5	-2.1		
Income before Tax	306.3	349.7	285.5	<b>-18.4</b>	<b>-6.8</b>
Tax Expenses	70.6	90.2	52.5		
<b>Net Income to Parent</b>	<b>235.6</b>	<b>260.7</b>	<b>233.8</b>	<b>-10.3</b>	<b>-0.8</b>
<b>EPS (NT\$)</b>	<b>2.0</b>	<b>2.2</b>	<b>2.0</b>	<b>-10.6</b>	<b>-1.0</b>
<b>Key Financial Ratios (%)</b>					
Gross Margin	31	26	26		
Operating Expense Ratio	14	11	12		
Operating Margin	17	15	14		
Effective Tax Rate	23	26	18		
Net Margin	14	12	12		

# Income Statement

NT\$ million	1~3Q19	1~3Q20	YoY (%)
<b>Revenue</b>	<b>4,767</b>	<b>5,650</b>	<b>18.51</b>
Gross Profit	1,455	1,460	<b>0.33</b>
Operating Expenses	674	721	<b>6.90</b>
<b>Operating Profit</b>	<b>781</b>	<b>739</b>	<b>-5.33</b>
Non Operating Income/(Loss)	29	58	
Income before Tax	810	797	<b>-1.52</b>
Tax Expenses	192	170	
<b>Net Income to Parent</b>	<b>617</b>	<b>629</b>	<b>1.96</b>
<b>EPS (NT\$)</b>	<b>5.16</b>	<b>5.26</b>	<b>1.94</b>
<b>Key Financial Ratios (%)</b>			
Gross Margin	31	26	
Operating Expense Ratio	14	13	
Operating Margin	16	13	
Effective Tax Rate	24	21	
Net Margin	13	11	

# Consolidated Balance Sheet

NT\$ million	2015	2016	2017	2018	2019	20Q3	YoY (%)
<b>TOTAL ASSETS</b>	<b>4,627</b>	<b>4,988</b>	<b>5,376</b>	<b>5,826</b>	<b>6,405</b>	<b>7,841</b>	<b>36.57</b>
Cash (Note1)	1,434	1,298	1,271	1,642	1,877	1,673	6.97
NR & AR (Note2)	1,018	1,142	1,473	1,650	1,637	1,792	16.88
Inventories	520	648	617	568	975	1,242	63.68
Fixed Assets	1,368	1,571	1,706	1,740	1,639	2,485	52.26
<b>TOTAL LIABILITIES</b>	<b>1,919</b>	<b>2,131</b>	<b>2,457</b>	<b>2,661</b>	<b>2,885</b>	<b>4,306</b>	<b>73.70</b>
Total Bank Loans	298	252	436	413	186	1,010	418.98
NP & AP	965	1,130	1,251	1,419	1,756	1,994	44.46
<b>Total equity attributable to owners of parent</b>	<b>2,708</b>	<b>2,857</b>	<b>2,919</b>	<b>3,165</b>	<b>3,520</b>	<b>3,523</b>	<b>7.96</b>
<b>Key Financial Ratios</b>							
A/R Turnover Days (a)	73	76	87	88	88	83	
Inventory Turnover Days (b)	65	58	57	43	59	72	
A/P Turnover Days (c)	108	104	107	101	122	123	
CCC(a+b-c)	30	30	37	30	25	32	
ROE (%)	19.0	21.6	15.8	21.1	27.3	23.8	
ROA (%)	11.1	12.6	8.9	11.6	15.0	11.9	

Note:

(1) Including current financial assets at amortized cost, net-current/non-current.

(2) Including current contract assets



# Consolidated Cash Flow Statement

Cash Flow Statement (In NT\$ million)	1-3Q19	1-3Q20	YoY
<b>Beginning Balance (Note 1)</b>	1,673	1,877	12%
Cash inflow generated from operations	744	290	(61%)
Capital expenditures	(79)	(736)	827%
Proceeds from short-term/long-term debt	(222)	832	(475%)
Cash dividend paid	(479)	(551)	15%
Others	(73)	(39)	(47%)
<b>Ending Balance (Note 1)</b>	1,564	1,673	7%

Note:

(1) Including current financial assets at amortized cost, net-current/non-current

(2) Free cash flow = Cash from operating activities – Capital expenditures

# Q&A

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