



Twinhead International Corp. Investor Conference

Date : November 25, 2022

Disclaimer

The information presented and referred herein is based upon the information obtained internally and externally from our company. In light of the forward-looking operational results, financial condition and business results, they might be different from those information expressly or impliedly presented herein due to various factors, including but not limited to market risks, supply chains, market demand and our upcoming high-quality products.

We undertake no obligation to publicly update or revise any statements regarding those information presented and referred herein in the event of any further changes or updates to the information presented herein.

Agenda

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Company Overview

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Business Profile

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Q&A

1 Company Overview



Basic Information(1)



Established

1984



IPO

1997



Paid-in Capital

NTD248 million



Chairman

Yu-Jen Kao



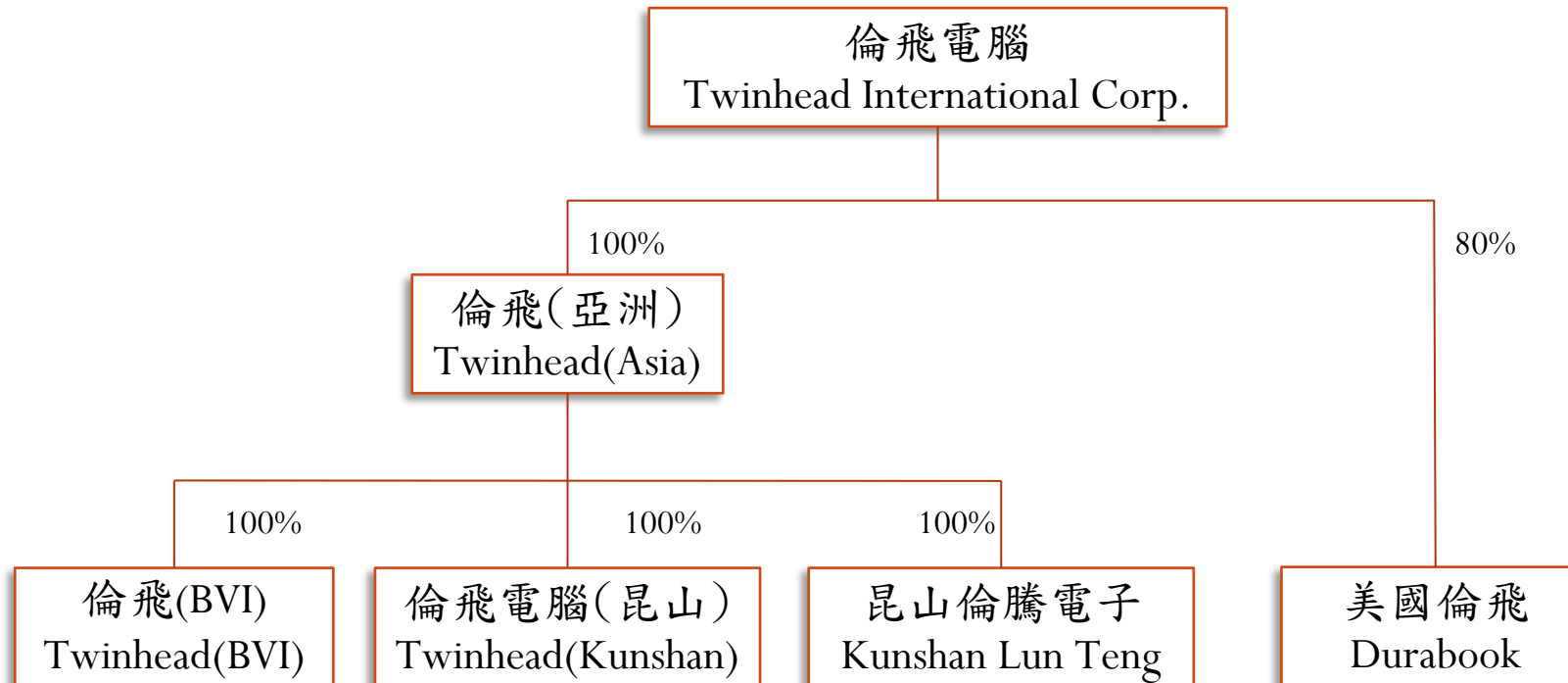
GM

Su-Fu Kao

Basic Information(2)

★	HQ	Taiwan(Neihu,Taipei)
★	Manufacturing Site	Taiwan(Kaoshiang)
★	No. of Employees	184
★	Main Products	Rugged Laptops & Tablets

Group Organization Chart



2 Business Profile



Core Business Introduction

★ Core Business

- Design/Manufacturing/Sales of Rugged Mobile Devices

★ Business Model

- Brand Durabook 75%
- ODM/Others 25%

★ Major Application Market

- Defense Public Safety(Police Fire Fighter Ambulance)
- Industries in Hazardous/Explosive Environment (Utility Oil/Gas Food Processing)

★ Sales Model

- Projects, Run-rate

★ Channel Structure

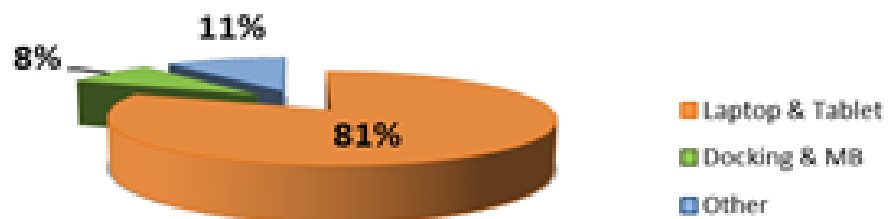
- System Integrator
- Distributor/Re-seller

Durabook Key Initiatives

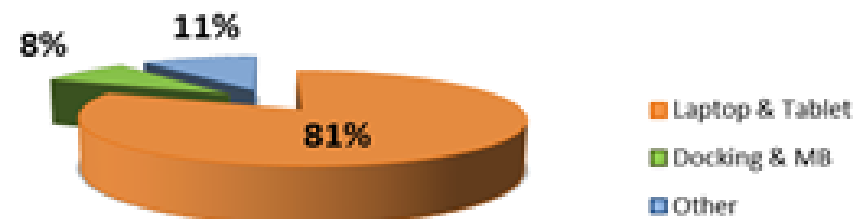
- ★ Expedite localization in major markets(Sales, Marketing, Services)
- ★ Improve channel structure in secondary markets
- ★ Expand vertical markets
- ★ Increase Brand Image

Revenue Ratio by Product

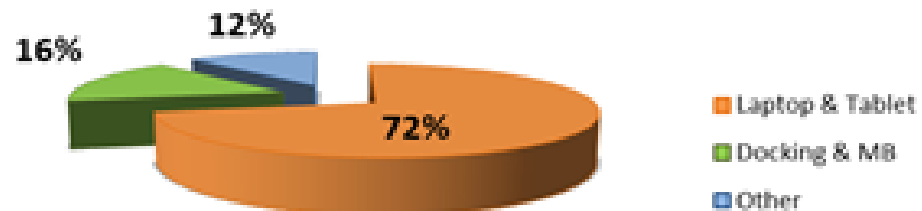
Y2022Q1-3



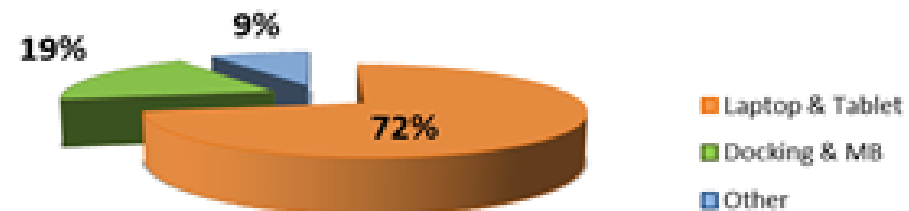
Y2021



Y2020

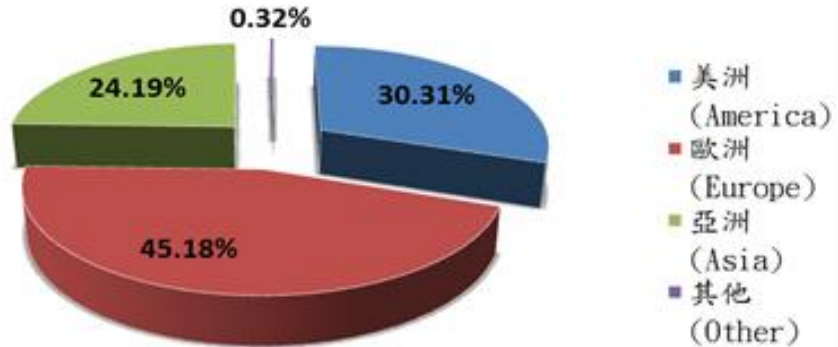


Y2019

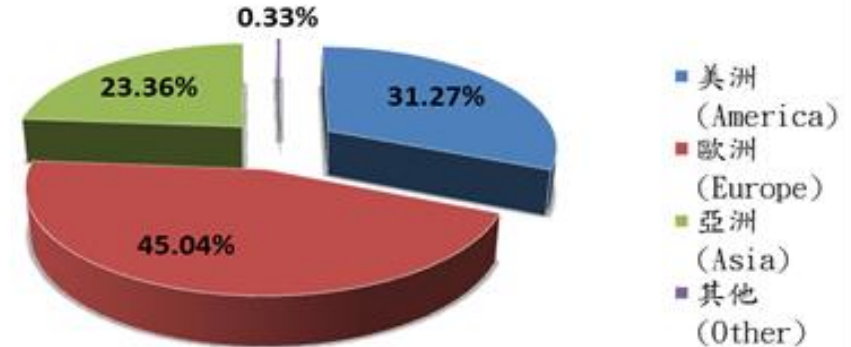


Revenue Ratio by Region

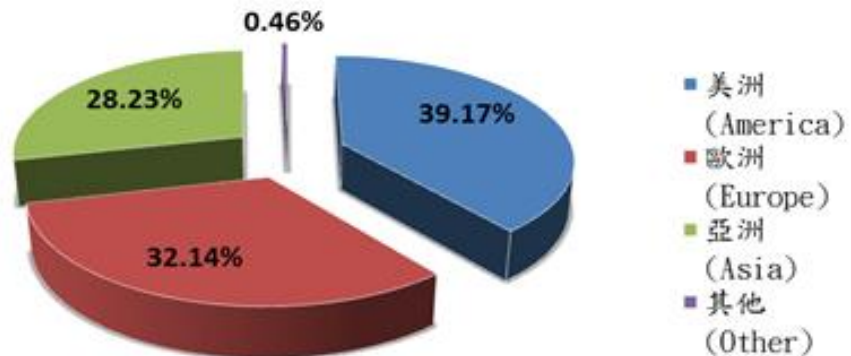
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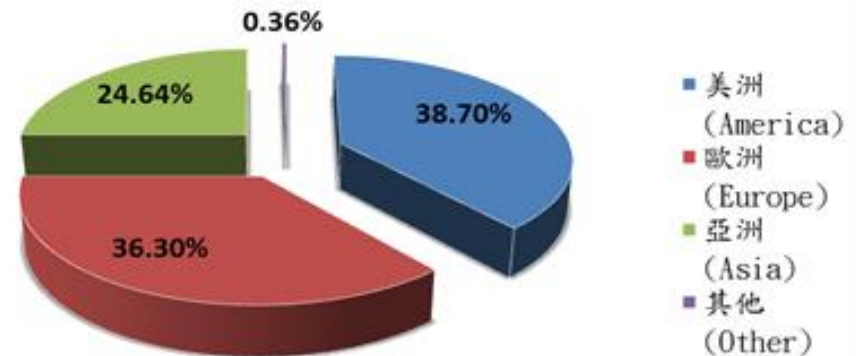
Y2021



Y2020



Y2019

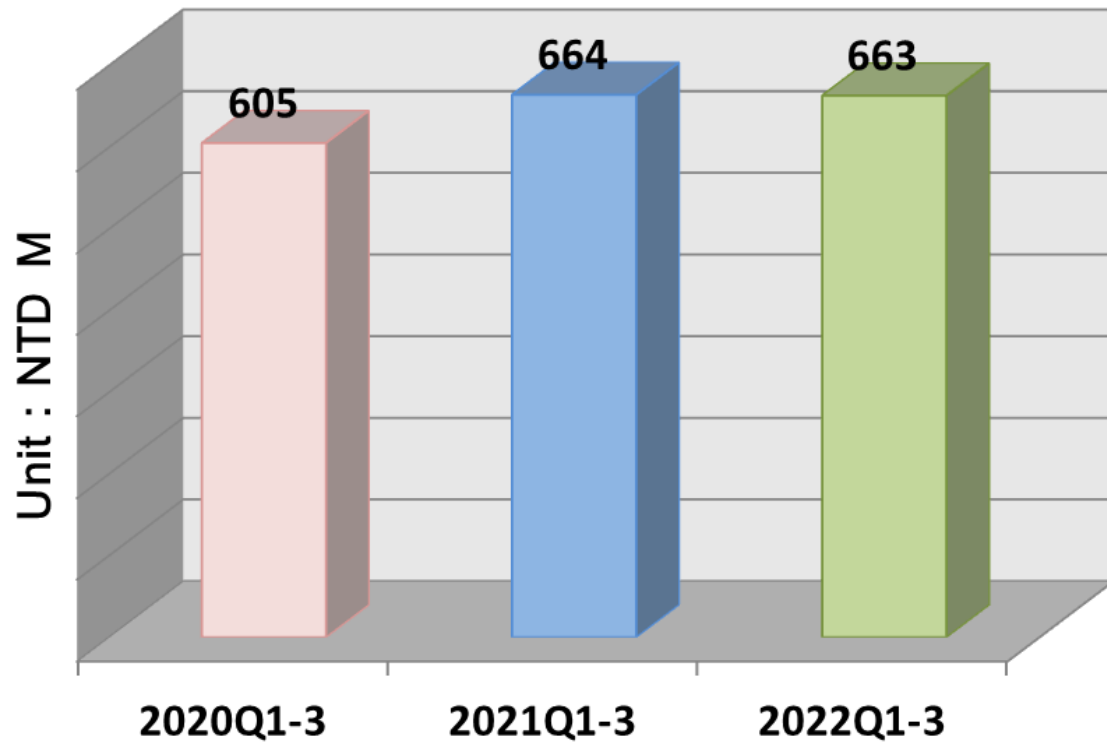


3 Financial Report

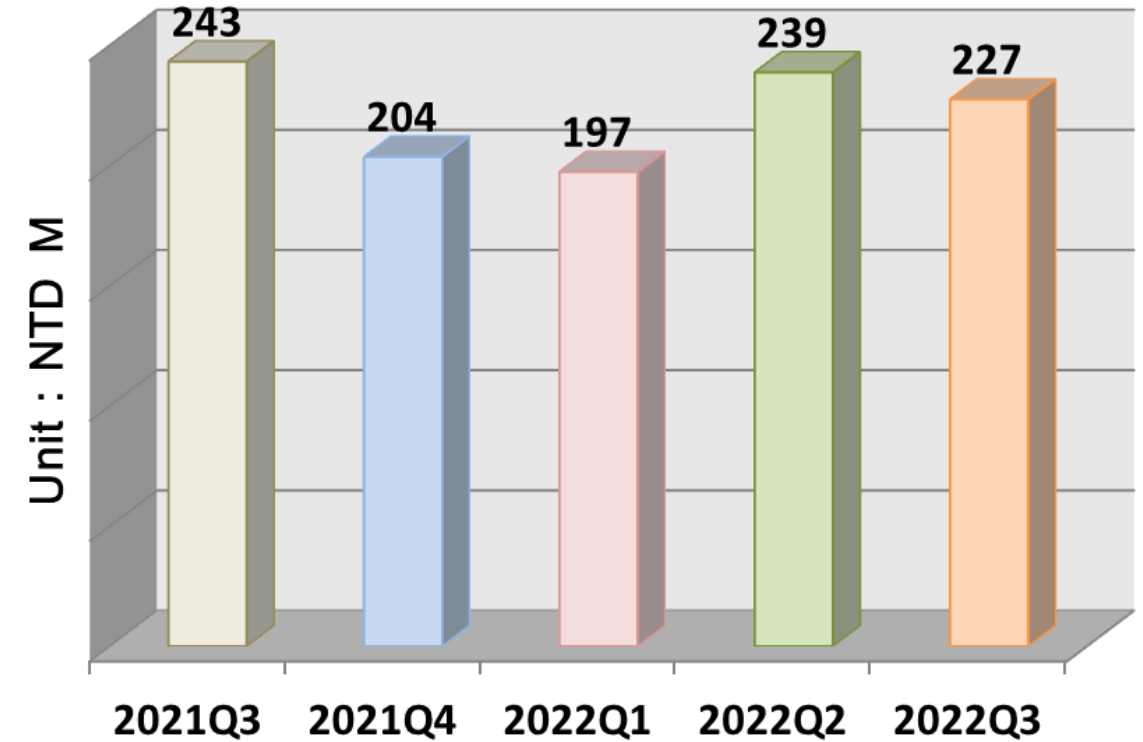


Consolidated Revenue

Consolidated Revenue-by Year



Consolidated Revenue-by Quarter



Consolidated Statements of Comprehensive Income(1)

	Unit : NTD K				
	2020	2021		QoQ	YoY
	Q3	Q2	Q3	%	%
Operating revenue	243,212	238,659	227,466	-4.7%	-6.5%
Gross profit	68,726	73,039	74,677	2.2%	8.7%
GP ratio(%)	28.26	30.60	32.83		
Operating expenses	61,691	65,780	69,066	5.0%	12.0%
Expenses ratio(%)	25.37	27.56	30.36		
Operating income	7,035	7,259	5,611	-22.7%	-20.2%
Non-operating income and expenses	2,952	16,694	29,678	77.8%	905.4%
Net income before tax	9,987	23,953	35,289	47.3%	253.3%
Net income	9,831	23,871	35,288	47.8%	258.9%
Other comprehensive income(loss), net	277	(1,299)	(7,632)	-487.5%	-2855.2%
Total comprehensive income(loss)	10,108	22,572	27,656	22.5%	173.6%
Net income(loss) attributable to:					
Owners of parent	10,869	23,899	35,575	48.9%	227.3%
Non-controlling interests	(1,038)	(28)	(287)	-925.0%	72.4%
Comprehensive income(loss) attributable to:					
Owners of parent	11,141	23,227	29,140	25.5%	161.6%
Non-controlling interests	(1,033)	(655)	(1,484)	-126.6%	-43.7%
EPS(NTD)	0.44	0.96	1.43	49.0%	225.0%

Consolidated Statements of Comprehensive Income(2)

			Unit : NTD K	
	2021	2022	YoY	
	Q1-3	Q1-3	Amount	%
Operating revenue	664,343	663,372	(971)	-0.15%
Gross profit	196,935	202,197	5,262	2.67%
GP ratio(%)	29.64	30.48		
Operating expenses	184,116	199,713	15,597	8.47%
Expenses ratio(%)	27.71	30.11		
Operating income	12,819	2,484	(10,335)	-80.62%
Non-operating income and expenses	5,143	66,890	61,747	1200.60%
Net income before tax	17,962	69,374	51,412	286.23%
Net income	17,746	69,240	51,494	290.17%
Other comprehensive income(loss), net	5,969	(17,209)	(23,178)	-388.31%
Total comprehensive income(loss)	23,715	52,031	28,316	119.40%
Net income(loss) attributable to:				
Owners of parent	21,009	69,858	48,849	232.51%
Non-controlling interests	(3,263)	(618)	2,645	81.06%
Comprehensive income(loss) attributable to:				
Owners of parent	26,649	55,021	28,372	106.47%
Non-controlling interests	(2,934)	(2,990)	(56)	-1.91%
EPS(NTD)	0.85	2.82	1.97	231.76%

Consolidated Balance Sheets

							Unit : NTD K
	2021		2022		2021		2022
	9/30	12/31	9/30		9/30	12/31	9/30
Assets				Liabilities			
Current assets				Current liabilities			
Cash and cash equivalents	257, 284	236, 489	261, 246	Short-term borrowings	620, 000	620, 000	620, 000
Notes receivable, net	–	116	171	Notes payable	211	177	234
Accounts receivable, net	44, 922	70, 836	78, 094	Accounts payable	124, 841	75, 461	142, 957
Accounts receivable-related parties, net	–	–	194	Other payables	50, 802	61, 523	58, 478
Other receivables	1, 224	1, 222	91	Provisions-current	7, 891	7, 389	8, 726
Inventories	249, 214	212, 209	276, 417	Current lease liabilities	16, 685	16, 774	17, 307
Other current assets	13, 584	13, 452	12, 735	Other current liabilities	25, 839	28, 946	25, 440
Total current assets	566, 228	534, 324	628, 948	Total current liabilities	846, 269	810, 270	873, 142
				Non-current liabilities			
				Long-term borrowings	6, 724	–	–
				Provisions-non-current	5, 604	5, 669	6, 861
				Non-current lease liabilities	21, 501	17, 148	4, 497
				Guarantee deposits received	6, 639	6, 676	6, 781
Non-current assets				Other non-current liabilities	1, 688	1, 525	1, 414
Non-current financial assets at fair value through other comprehensive income	3, 191	1, 803	774	Total non-current liabilities	42, 156	31, 018	19, 553
Property, plant and Equipment	280, 233	278, 146	274, 657	Total liabilities	888, 425	841, 288	892, 694
Right-of-use assets	47, 216	43, 142	31, 212	Equity			
Investment property, net	194, 952	194, 842	194, 338	Share capital	248, 004	248, 004	248, 004
Deferred tax assets	43, 108	43, 045	44, 540	Additional paid-in capital	–	–	35
Refundable deposits	7, 081	7, 071	7, 246	Accumulated earnings	21, 009	28, 182	72, 836
Other non-current assets	26, 559	24, 526	23, 453	Other equities	27, 853	25, 210	10, 373
Total non-current assets	602, 340	592, 575	576, 220	Non-controlling interests	(16, 723)	(15, 785)	(18, 775)
Total assets	1, 168, 568	1, 126, 899	1, 205, 168	Total equity	280, 143	285, 611	312, 473
				Total liabilities and equity	1, 168, 568	1, 126, 899	1, 205, 168

4 Q&A



Prepared
for
the Unexpected

Thank You!

DURABOOK