CLIMATE GROUP

RE100

Chicony Electronics

3Q23 Results Conference

November 3, 2023

Safe Harbor Notice

- Chicony's statement of its current expectations are forward-looking statements which are subject to significant risks and uncertainties.
- Actual results may differ materially from those contained in any forward-looking statements.

Agenda

- 3Q23 Financial Results
- 3Q23 Operating Results
- Business Outlook
- Commitment to ESG

3Q23 Financial Results

3Q23 Consolidated Income Statement

Record High GPM & OPM in 3Q23

3Q23 EPS Increased by 17% QoQ, Ahead of Street Consensus

NT$ Million	**3Q 2023**	**%**	2Q 2023	%	**QoQ %**	**3Q 2022**	**%**	**YoY %**
Net Sales	**25,809**	**100.0**	25,363	100.0	1.8	30,648	100.0	-15.8
COGS	**(20,262)**	**(78.5)**	(20,823)	(82.1)		(24,871)	(81.2)	
Gross Profit	**5,547**	**21.5**	4,540	17.9	22.2	5,777	18.8	-4.0
Operating Expense	**(2,546)**	**(9.9)**	(2,507)	(9.9)		(2,659)	(8.7)	
Operating Profit	**3,001**	**11.6**	2,033	8.0	47.6	3,118	10.2	-3.7
Non-Operating Income[1]	**109**	**0.4**	925	3.6		279	0.9	
Profit Before Tax	**3,110**	**12.0**	2,958	11.7	5.1	3,396	11.1	-8.4
Tax	**(546)**	**(2.1)**	(779)	(3.1)		(750)	(2.4)	
Net Income	**2,121**	**8.2**	1,804	7.1	17.6	2,125	6.9	-0.2
After Tax EPS	**2.93**		2.50		17.2	2.97		-1.3

1~3Q23 Consolidated Income Statement

1~3Q23 OPM 9.2% Hit Record High

1~3Q23 EPS Reached NT$7.48, a decrease of 5% YoY, less than revenue decline

NT$ Million	**1~3Q 2023**	**%**	1~3Q 2022	%	**YoY %**
Net Sales	73,894	100.0	88,146	100.0	-16.2
COGS	(59,964)	(81.1)	(72,510)	(82.3)	
Gross Profit	13,930	18.9	15,635	17.7	-10.9
Operating Expense	(7,109)	(9.6)	(7,542)	(8.6)	
Operating Profit	6,821	9.23	8,093	9.18	-15.7
Non-Operating Income[1]	1,383	1.9	639	0.7	
Profit Before Tax	8,204	11.1	8,733	9.9	-6.1
Tax	(1,683)	(2.3)	(1,844)	(2.1)	
Net Income	5,394	7.3	5,618	6.4	-4.0
After Tax EPS	7.48		7.88		-5.1

3Q23 Consolidated Balance Sheet

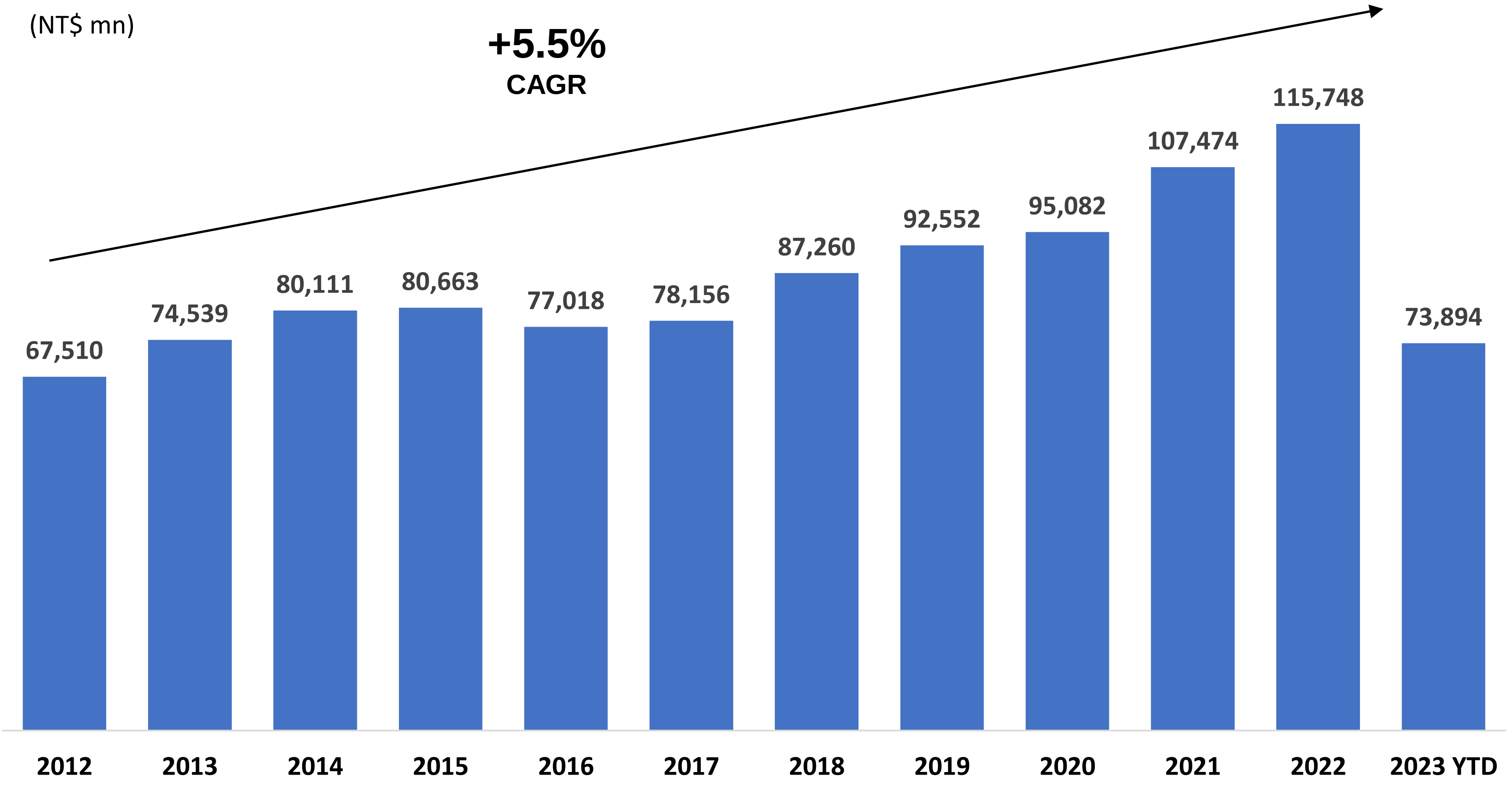
Balance Sheet Remains Healthy in 3Q23; Debt Ratio Down to 50%

NT$ Million	**3Q23**	%	2Q23	%	**3Q22**	**%**
Cash & Equivalent	**18,908**	**21.2**	17,520	20.7	8,187	9.0
Accounts Receivable	**23,586**	**26.4**	21,597	25.6	29,926	32.9
Inventories	**14,050**	**15.7**	13,460	15.9	20,695	22.8
Current Assets	**64,594**	**72.3**	60,495	71.6	66,239	72.9
Total Assets	**89,363**	**100.0**	84,511	100.0	90,888	100.0
Short Term Debt	**3,949**	**4.4**	2,528	3.0	4,876	5.4
Accounts Payable	**21,905**	**24.5**	18,329	21.7	25,124	27.6
Current Liabilities	**44,386**	**49.7**	43,565	51.5	49,092	54.0
Total Liability	**45,097**	**50.5**	44,274	52.4	49,921	54.9
Equities	**44,266**	**49.5**	40,237	47.6	40,967	45.1
Net Cash	**14,959**		14,993		3,311	
Current ratio (X)	**1.46**		1.39		1.35	
Debt Ratio	**50%**		52%		55%	

3Q23 Operating Results

Continue Delivering Solid Revenue Growth

Secure resources for global top tier customers, with a balanced and diversified product portfolio



3Q23 Summary

- **3Q23 revenue was up 2% QoQ**

Beat street consensus, mainly driven by rush orders of NB keyboard, camera module, and adaptors

- **In 3Q23, both GPM and OPM hit record high**

EPS of NT$2.93 was 40% higher than street consensus

- **1~3Q23 EPS was NT$7.48**

Profitability outperformed revenue YTD. 1~3Q23 OPM also reached record high.

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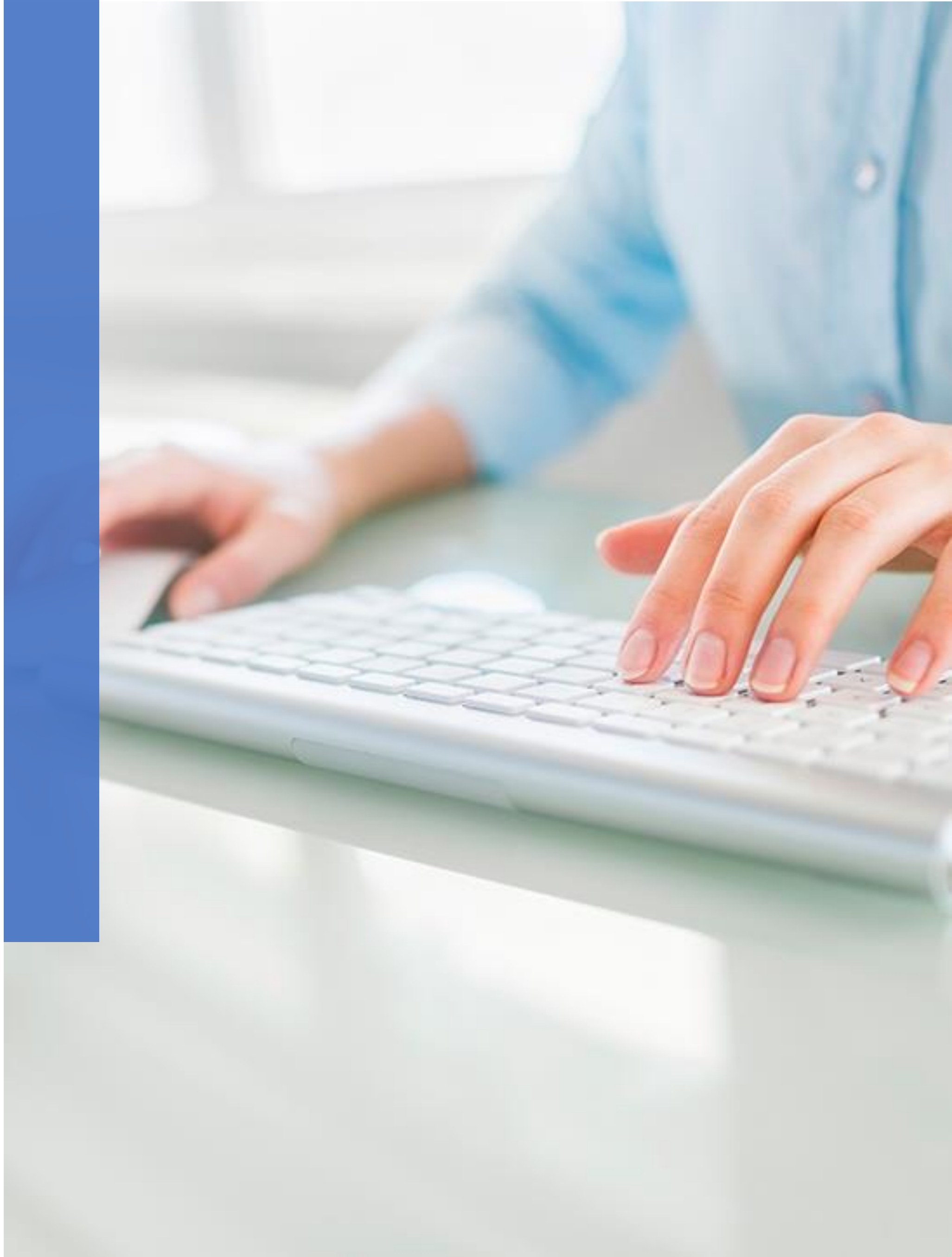
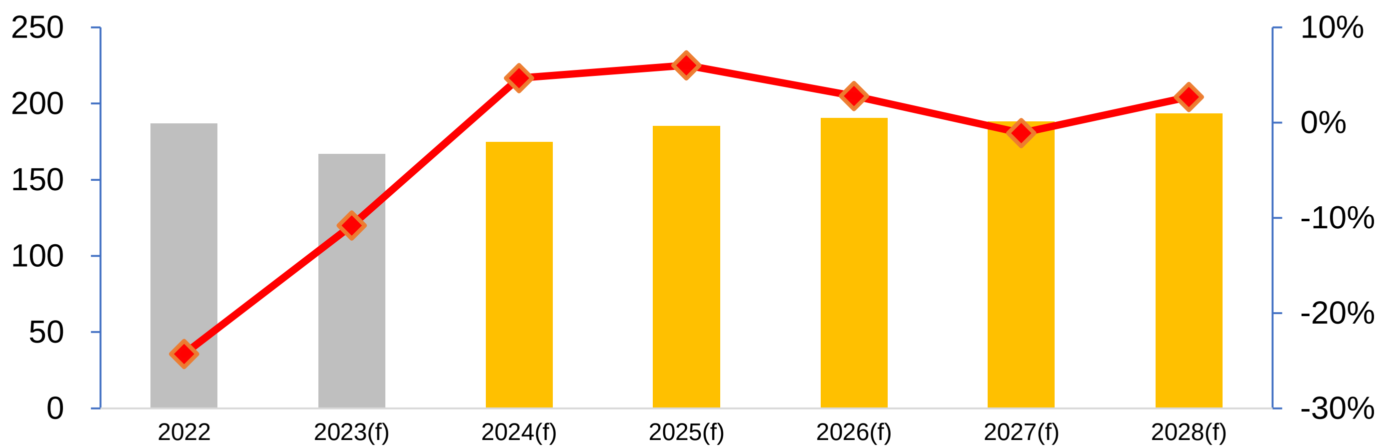
Business Outlook



Chicony is Ready to Benefit from Notebook Market Recovery and Debut of AI PC

Notebook Market is projected to increase 4.7% in 2024, and grow at CAGR 3% during 2023~2028

by Digitimes Research, September 2023



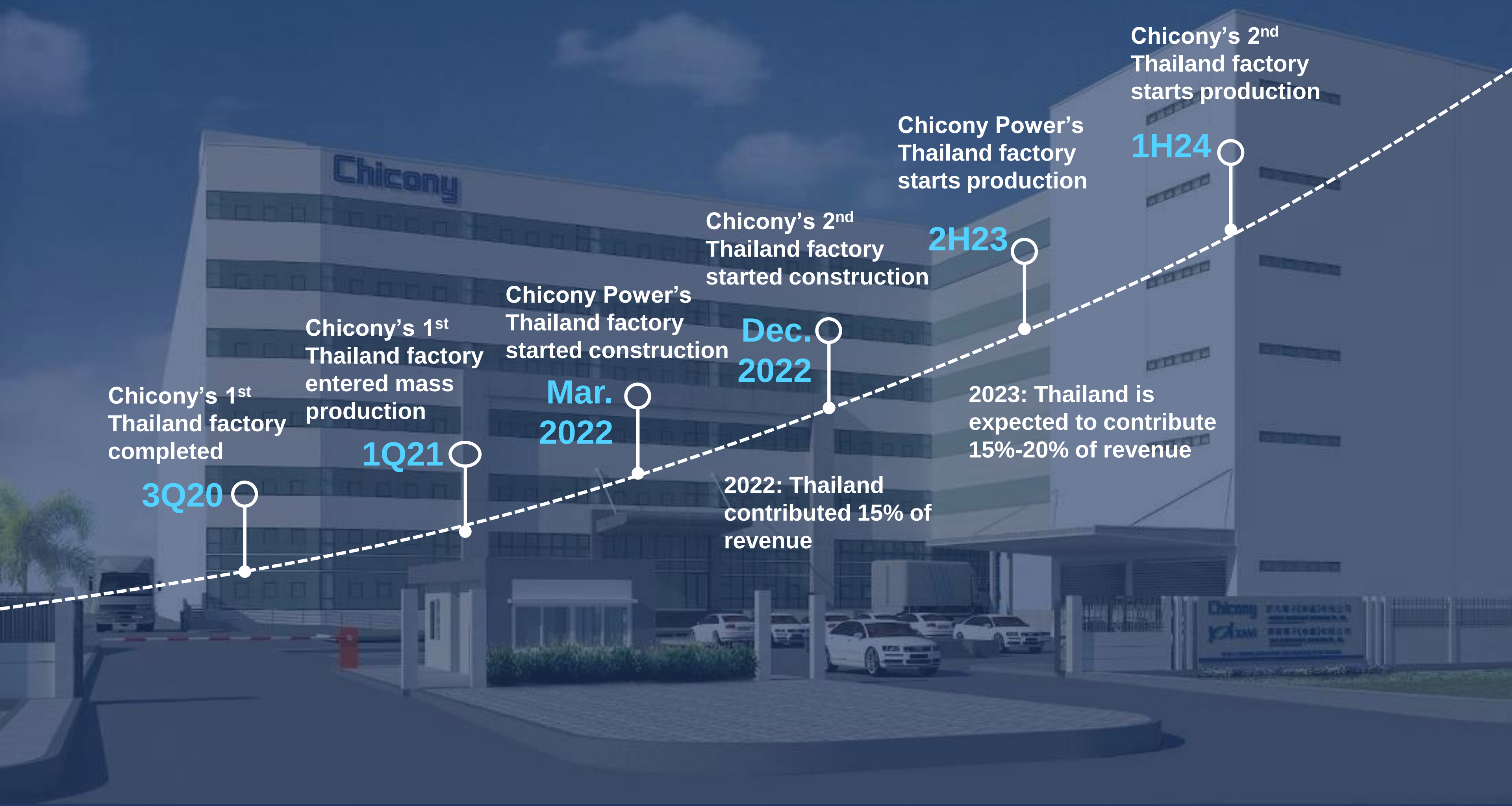
	2022	2023(f)	2024(f)	2025(f)	2026(f)	2027(f)	2028(f)
Shipments	187.1	166.9	174.7	185.2	190.4	188.3	193.4
YoY	-24.3%	-10.8%	4.7%	6.0%	2.8%	-1.1%	2.7%

Source: Digitimes Research

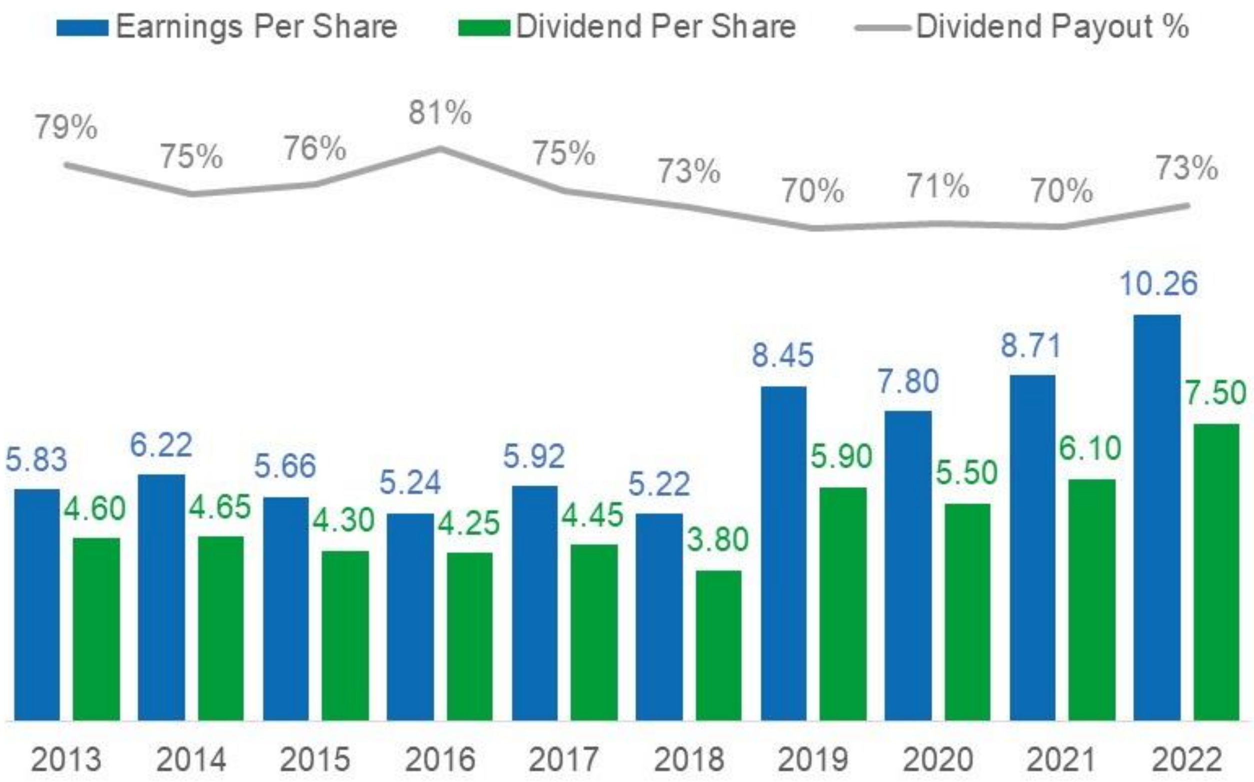
AI PC is forecasted to reach 13M units in 2024, grow double digit in both 2025 and 2026, and become mainstream in 2027

by Sigmaintell Consulting, October 2023

Thailand Factories will Improve Operational Efficiency in the Mid-to Long Term, Driving Overall Profitability



Consistent High Dividend Payout



Cash Dividend Yield

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
5.4%	5.4%	5.8%	5.2%	6.1%	4.8%	7.1%	5.2%	7.2%	7.1%

*Yield calculated using close price on the day prior to ex dividend date

Commitment to ESG

Actively Facilitate ESG Development

Our Sustainability Targets

Science-Based Targets by 2030

Officially approved by SBTi in September 2022

Scope 1+2 emission target: 56.8% reduction

Scope 3 emission target: 44.2% reduction

Join RE100

Our goal is for the entire Chicony Group to use 100% renewable energy by 2030

Net Zero by 2050

Committed to cutting greenhouse gas emissions to zero by 2050

ESG Results & Recognitions

TWSE Corporate Governance Evaluation

Top 6%-20% among the listed companies in 2022

Sustainalytics ESG Risk Rating

2023 Sustainalytics ESG Risk Rating improved from 21.9 to 14.3, moving from medium risk to low risk

Included in various ESG Index

TWSE Corporate Governance 100 Index

TWSE's Taiwan High Compensation 100 Index

TWSE's Taiwan Sustainability Value Index

TIP Taiwan Market CSR Small/Mid-Cap Index

FTSE4 Good Index

Work Towards a Sustainable Future

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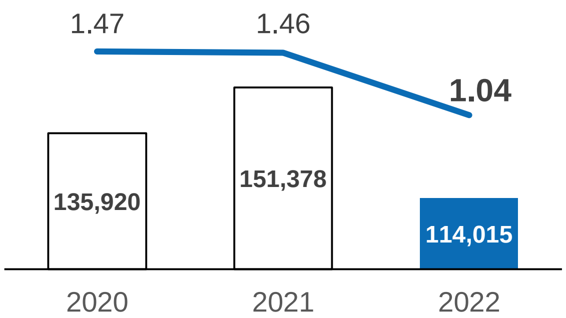
GHG Emission – Scope 1+2 (ton CO2e)

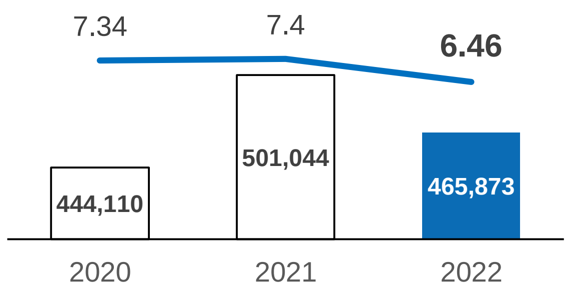
Intensity (ton CO2e/NT$ million)



*Including Chicony Power, excluding XAVi

Total Energy Consumption (GJ)

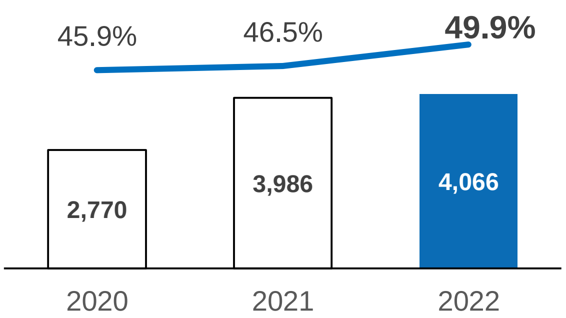
Intensity (GJ/NT$ million)



*Excluding Chicony Power and XAVi

Total Waste Generation (ton)

Recycling Rate (%)



*Excluding Chicony Power and XAVi

Green and Sustainable Design

Introduce the use of PCR (post-consumer recycled) plastics and FSC certified materials: PCR content of products that use PCR plastics during manufacturing can reach **70% to 75%**; **More than 95%** of packaging material content is FSC certified materials.

Reduce product energy consumption: Take camera module for example, through DSP/backend IC process revision, the overall power consumption has roughly dropped from 1 W to 0.85 W, a **reduction of 15%.**

Diversified and equal opportunities

Female employee percentage

In 2022, the percentage of Chicony Electronics' worldwide female employees was **57.22%**

The percentage of female managerial personnel was **14.25%**

(a 2% increase compared to 2021)

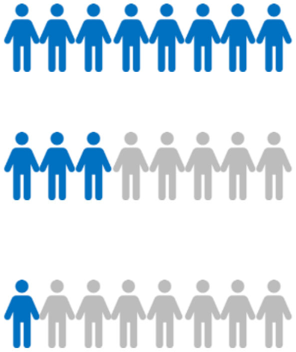
Governance

Board Composition

8 members

37.5% independence

12.5% female directors



Thank You!

Provide Customer Satisfaction | Ensure Welfare of Employees
Create Company Development | Shape Good Human Relations