



Merry Electronics 2022 First Quarter Earnings Result Conference

Presented by : Allen Huang, CEO
Date: Apr. 29, 2022

Safe Harbor Notice

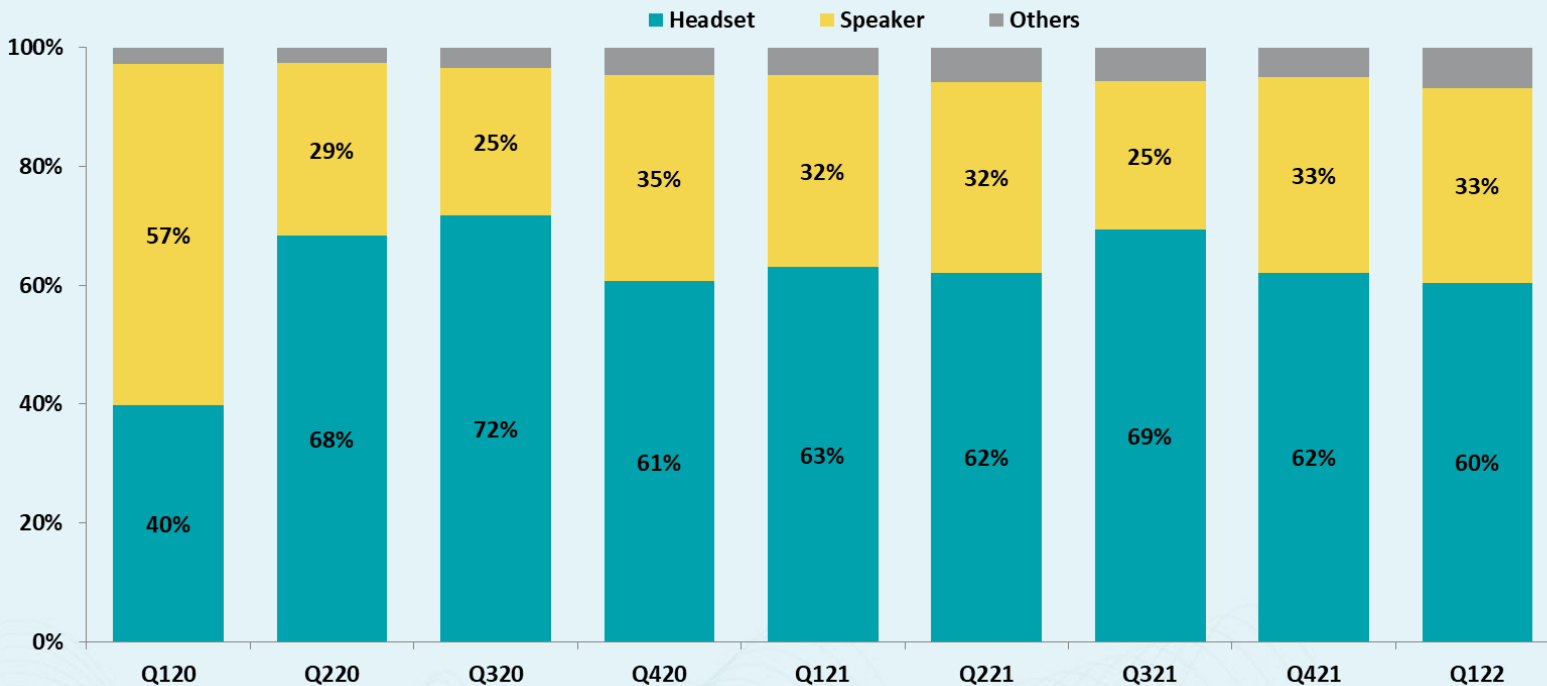
Except for historical information contained herein, the matters set forth in this presentation are forward looking statements subject to significant risks and uncertainties that could cause actual results to differ materially, including the impact of competitive products and pricing strategies, whether the design is accepted by our customers timely, the prompt introduction of new technologies, the capability for mass production of new products, the risk of excess capacity, the availability of production capacity, the financial stability in terminal markets or other risks, and so on.

Statement of Comprehensive Income

Items (NT\$ Million)	2021Q1	2021Q4	2022Q1	QoQ	YoY
Net Revenue	7,735	11,815	6,018	-49%	-22%
Gross Profit	10%	12%	14%	2pp	4pp
Operating Expenses	-860	-726	-905	25%	5%
Operating Margin	-1%	6%	-1%	-7pp	0pp
Non-Operating Income	110	10	178	1760%	62%
Net Income	53	595	151	-75%	182%
Net Profit Margin	1%	5%	2%	-3pp	1pp
EPS(NT\$)	0.10	2.56	0.52	-2.04	0.42

※ Diluted weighted average outstanding shares were 213,691 K units in 1Q2022.

Product Mix (Quarterly)



Speaker

QoQ : -49%

YoY : -25%



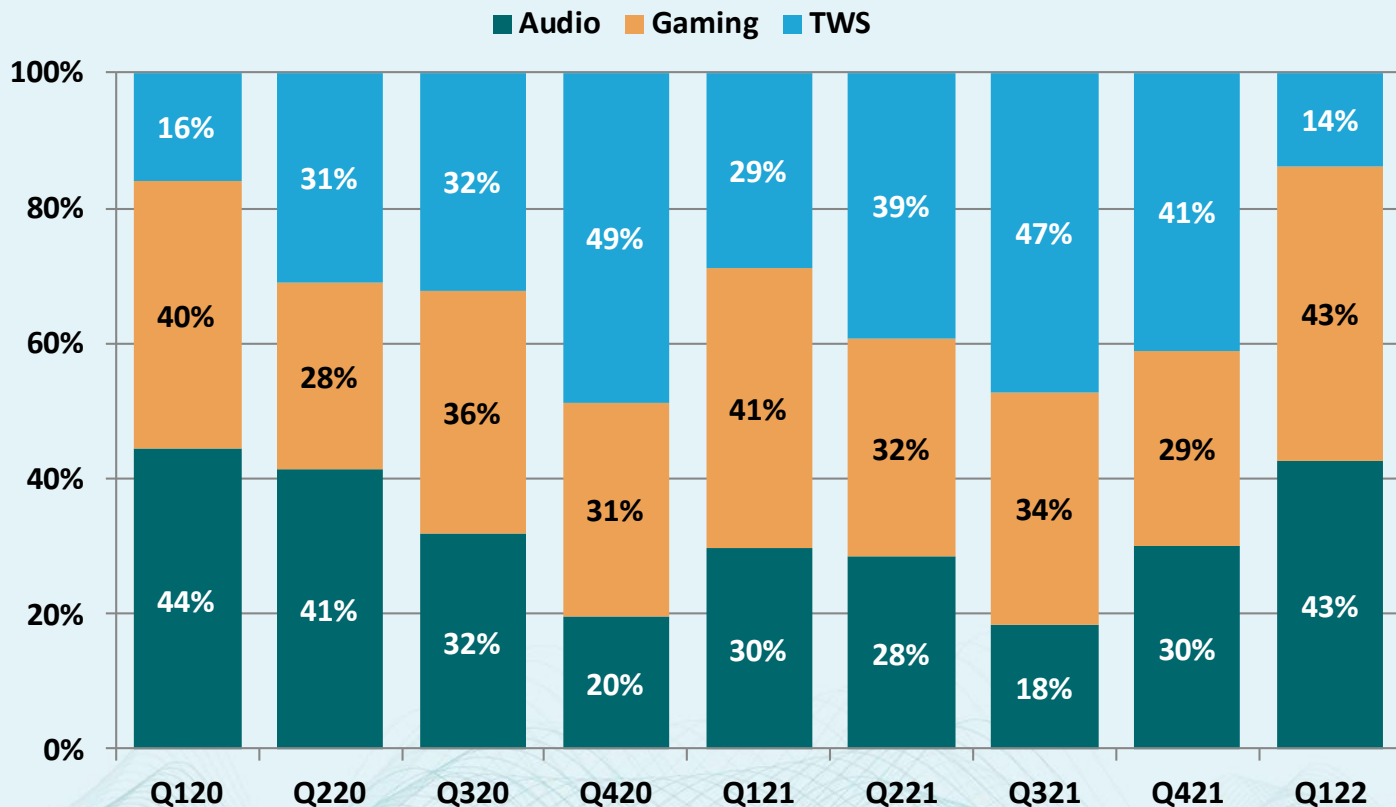
Headset

QoQ : -50%

YoY : -29%

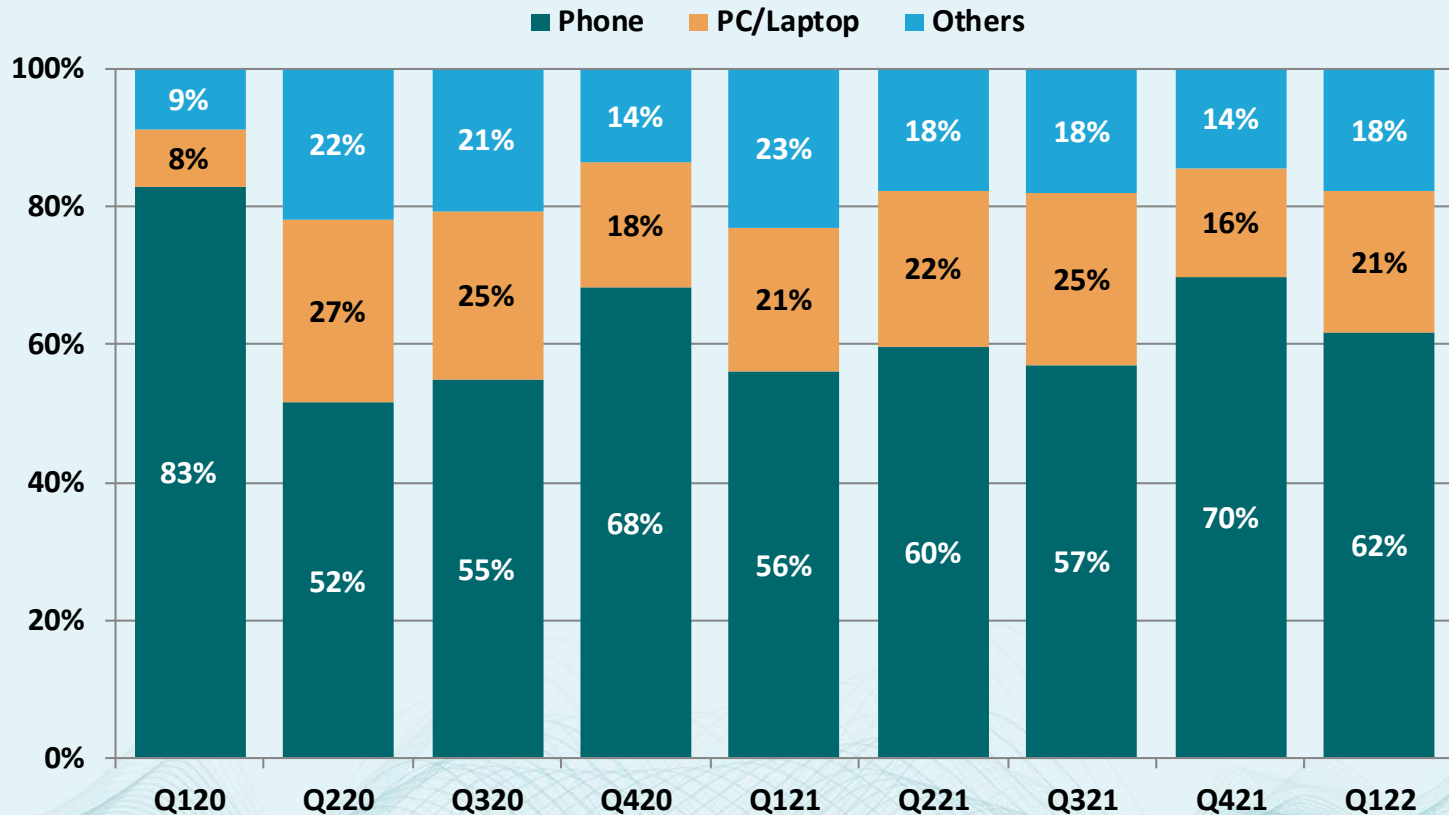
Headset Revenue Breakdown

(%)



Speaker Revenue Breakdown

(%)



Balance Sheet & Key Indices(CQ)

Item (NT\$ Million)	20210331		20211231		20220331	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	5,322	17%	4,842	14%	5,522	18%
Account Receivable	7,664	24%	9,403	28%	5,745	18%
Inventories	4,408	14%	5,146	15%	5,402	17%
Other Current Assets	2,824	9%	2,786	8%	2,812	9%
Investments	4,549	14%	4,700	14%	4,834	16%
Property, plant and equipment	3,797	12%	3,951	12%	3,995	13%
Other Non-current Assets	3,624	11%	3,034	9%	2,846	9%
Total Assets	32,187	100%	33,863	100%	31,155	100%
Current Liabilities	18,605	58%	15,866	47%	13,822	44%
Non-current Liabilities	2,479	8%	5,842	37%	5,641	18%
Total Liabilities	21,083	66%	21,708	64%	19,464	62%
Total Shareholders' Equity	11,104	34%	12,155	36%	11,691	38%

Key Indices

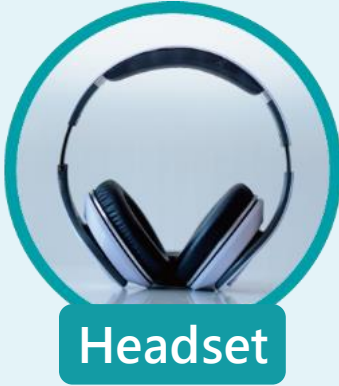
A/R Turnover (CQ)	89	73	86
Inventory Turnover Days (CQ)	57	46	95
Current Ratio (x)	1.1	1.4	1.4
ROE	0.16%	5.04%	1.26%

Cash Flow

(NT\$ Million)	2021Q1	2021Q4	2022Q1
Beginning Balance	4,192	6,267	4,842
Cash from operating activities	-1,734	400	1,114
Capital Expenditures	-303	-292	-135
Short-term Loans	721	1,236	74
Long-term Loans	371	8	-159
Issuance of corporate bonds	-	-2,232	-
Issuance of common stock for cash	-	432	-
Investments and Others	-201	-977	-214
Ending Balance	3,047	4,842	5,522
Free Cash Flow	-2,037	108	979

*. Free cash flow = Cash from operating activities - Capital expenditures

2022Q1 Business Outlook



Headset



Speaker



Battery



Mic

QoQ



YoY

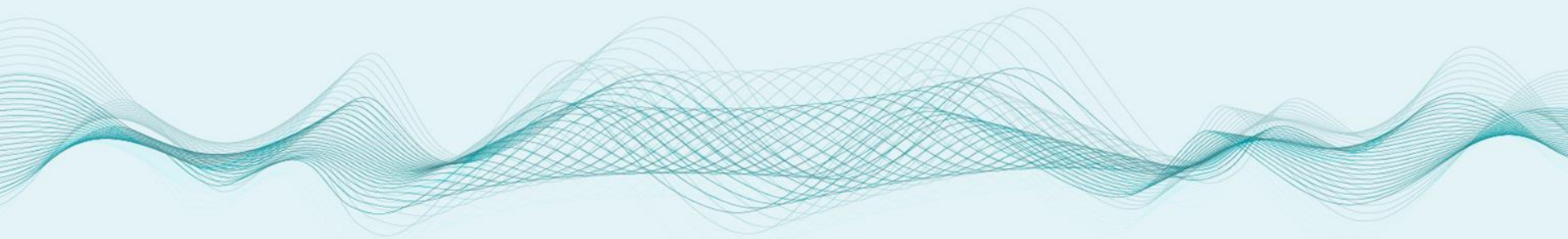




“Delivering Fidelity Sound to Enrich Human’s Life”

- Mr. Leo Liao, the Founder and Chairman

Q & A



Thank You

