



敦吉集團
AUDIX GROUP

Taiwan Stock Exchange(TWSE : 2459)

AUDIX CORPORATION



2022 Third Quarter Investor Conference

November 21, 2022

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Agenda



1.

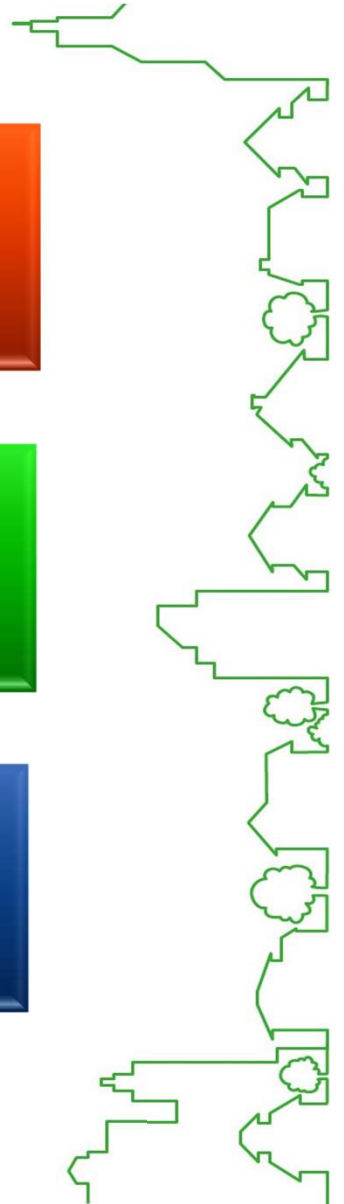
Overview.....01/37~05/37

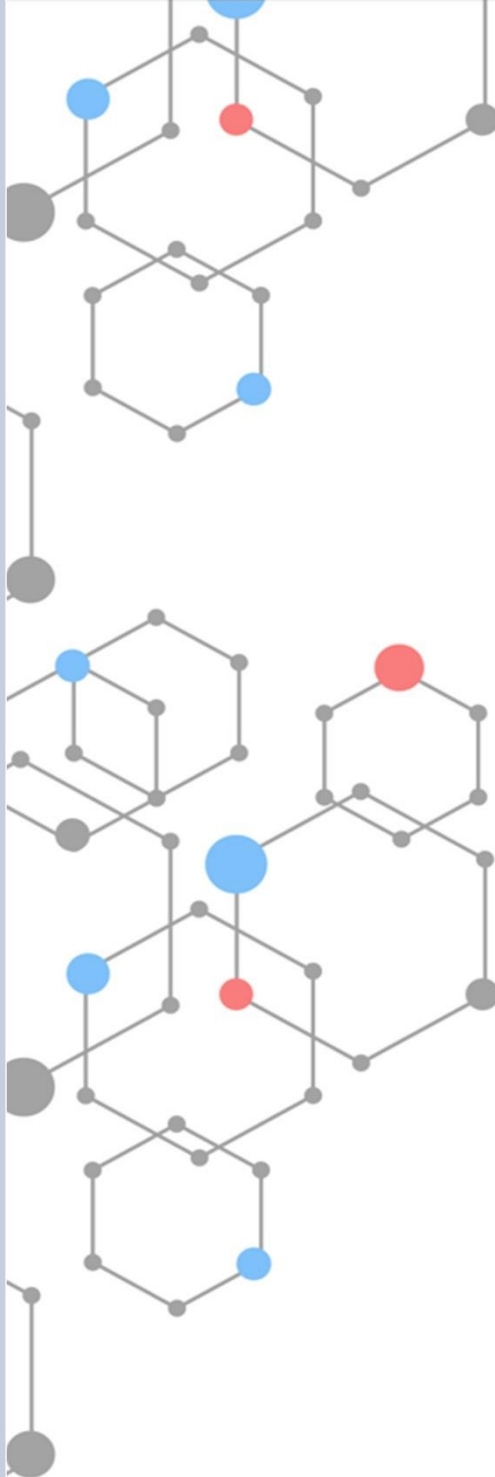
2.

Operating Report....06/37~36/37

3.

Q & A.....37/37





Overview

- **Company Profile & Core Business Profile**
 - **Operation Base**
 - **Consolidated Net Revenue & Net Income (2017 ~ 2021)**
 - **Profitability (2017 ~ 2021)**
 - **Dividend Distribution (2017 ~ 2021)**
- 

Company Profile & Core Business Profile



Establishment Day

August 7 , 1980

Listed on TWSE

September 17 , 2001

Capital

NTD 1.06Billion

Chairman & General Manager

Jimmy Chung

Consolidated Revenue (2021)

NTD 6.99Billion

BU HEAD
Kevin Lin

**CHANNEL
BUSINESS**

Sales of electronic & mechanical components for computer , telecom ,optical storage, power management, monitor applications ,Design & manufacturing of IOT smart Hydro System.

BU HEAD
Jimmy Chung

**MANUFACTURE
BUSINESS**

Manufacturing of electronic components, precision mold design and injection parts. Manufacturing of automotive and the medical components.

BU HEAD
Smart Tsai

**CERTIFICATION
BUSINESS**

Safety & EMC test and validation for electronic & electric equipments. Software development, application services. Test laboratory, design and construction.



Operation Base



● **HQ** : Taipei

● **CHANNEL BUSINESS** : Taipei 、 H.K 、 Shenzhen 、 Xiamen 、 Shanghai 、 Wujiang 、
Beijing 、 Xi'an 、 Chengdu 、 Tokyo

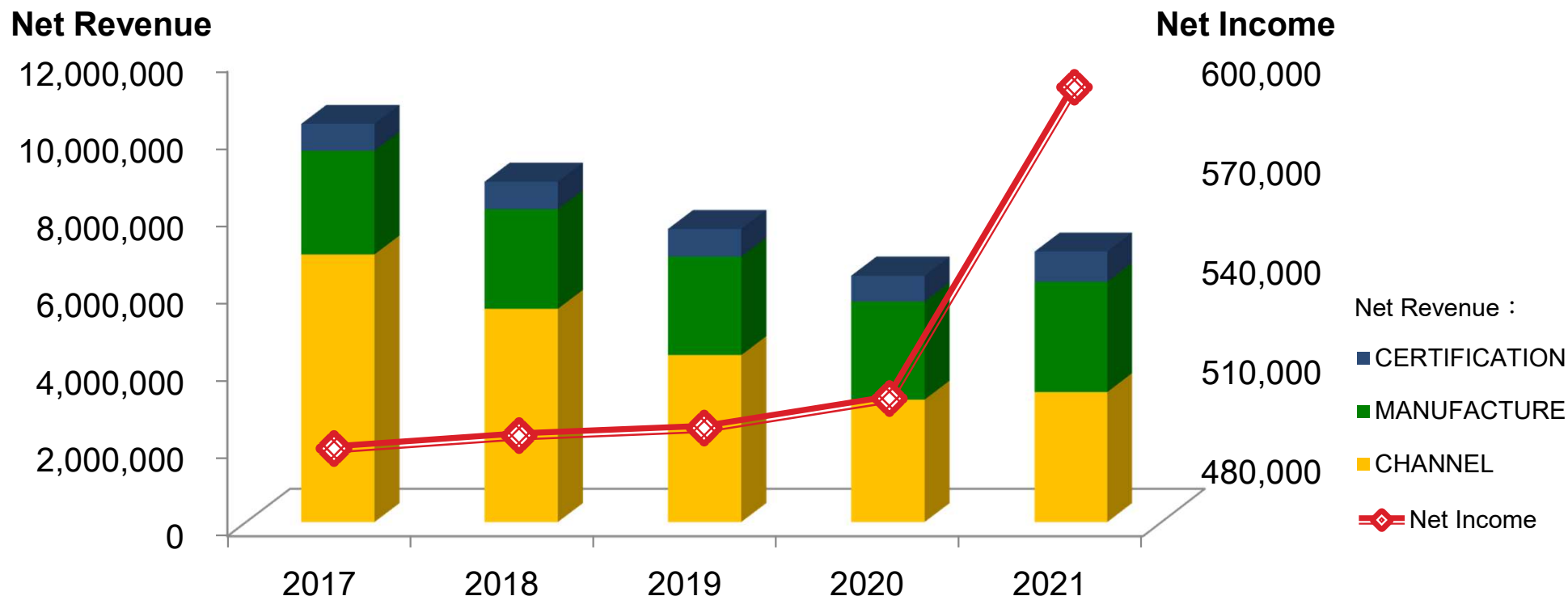
● **MANUFACTURE BUSINESS** : Xiamen 、 Wujiang

● **CERTIFICATION BUSINESS** : Taipei 、 Shenzhen 、 Shanghai 、 Wujiang 、 Beijing



Consolidated Net Revenue & Net Income **AUDIX®**

Unit : NTD Thousand



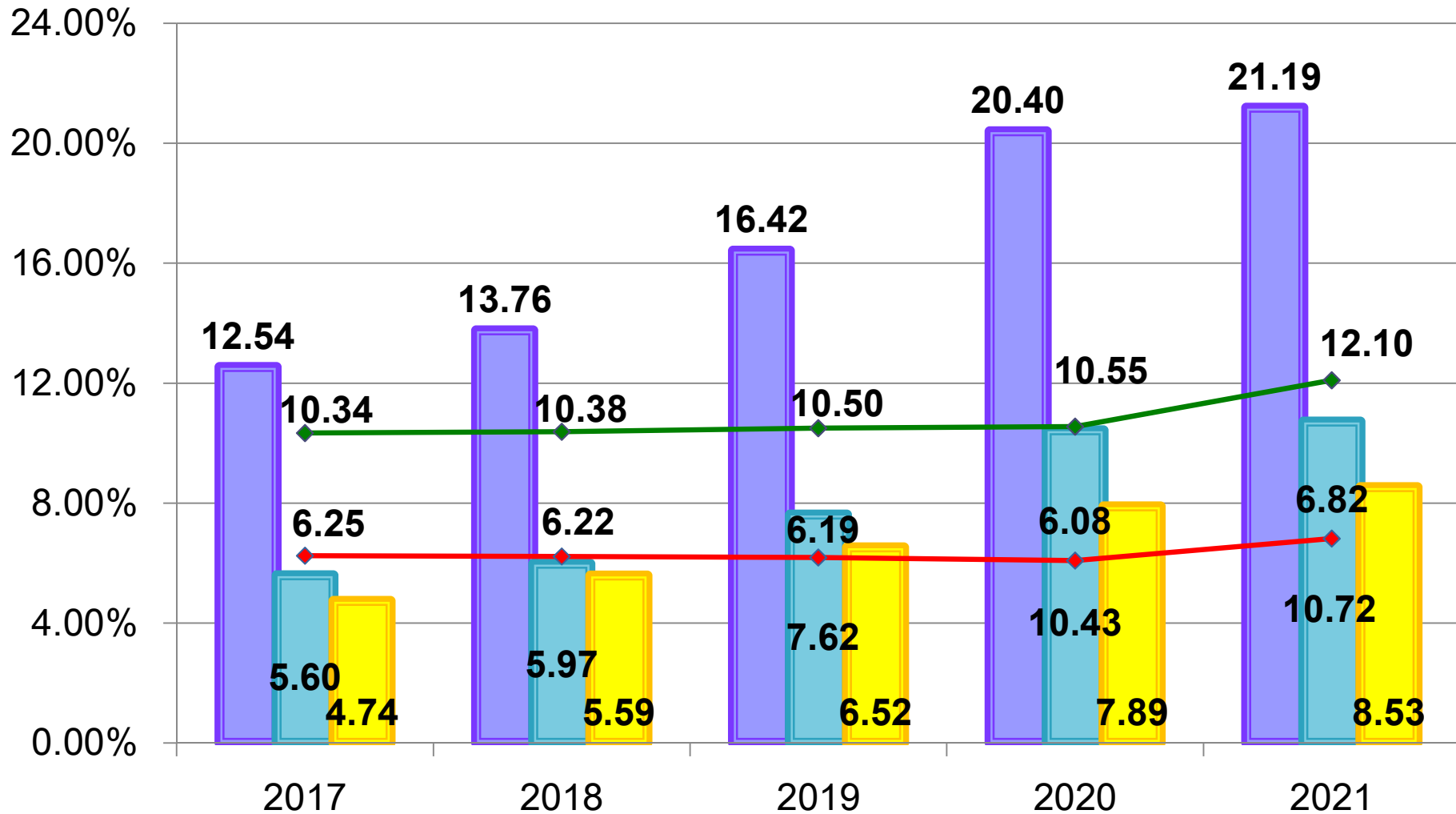
Year		2017	2018	2019	2020	2021
Net Revenue	CHANNEL	6,914,125	5,508,862	4,311,713	3,162,612	3,357,431
	MANUFACTURE	2,677,892	2,573,108	2,543,938	2,534,837	2,851,017
	CERTIFICATION	693,644	710,523	713,527	667,169	778,482
Net Revenue		10,285,661	8,792,493	7,569,178	6,364,618	6,986,930
Net Income		487,359	491,269	493,517	502,440	596,252



Profitability



Unit : %



Gross Margin(%) Operating Margin(%) Net Margin(%) ROA(%) ROE(%)



Dividend Distribution



Year	EPS (NTD)	Cash Dividend (NTD/Share)	Dividend Payout Ratio (%)	Ex-Dividend Trading Date	Market Price Per Share		Cash Dividend Yield(%)
2017	4.13	3.0	73%	2018/7/2	2018/6/29	41.80	7.18%
2018	4.03	※ 3.0	※ 50%	2019/7/11	2019/7/10	39.70	7.56%
2019	4.20	※ 3.0	※ 36%	2020/7/7	2020/7/6	42.15	7.12%
2020	4.25	※ 3.3	※ 54%	2021/7/7	2021/7/6	57.50	5.74%
2021	5.01	※ 3.5	※ 50%	2022/7/6	2022/7/5	49.90	7.01%

※ 2018 : Cash Dividend NTD2.0 + Cash Distributed from Capital Surplus NTD1.0 (Per Share)

Dividend Payout Ratio : Cash Dividend 2.0 / EPS 4.03 = 50%

2019 : Cash Dividend NTD1.5 + Cash Distributed from Capital Surplus NTD1.5 (Per Share)

Dividend Payout Ratio : Cash Dividend 1.5 / EPS 4.20 = 36%

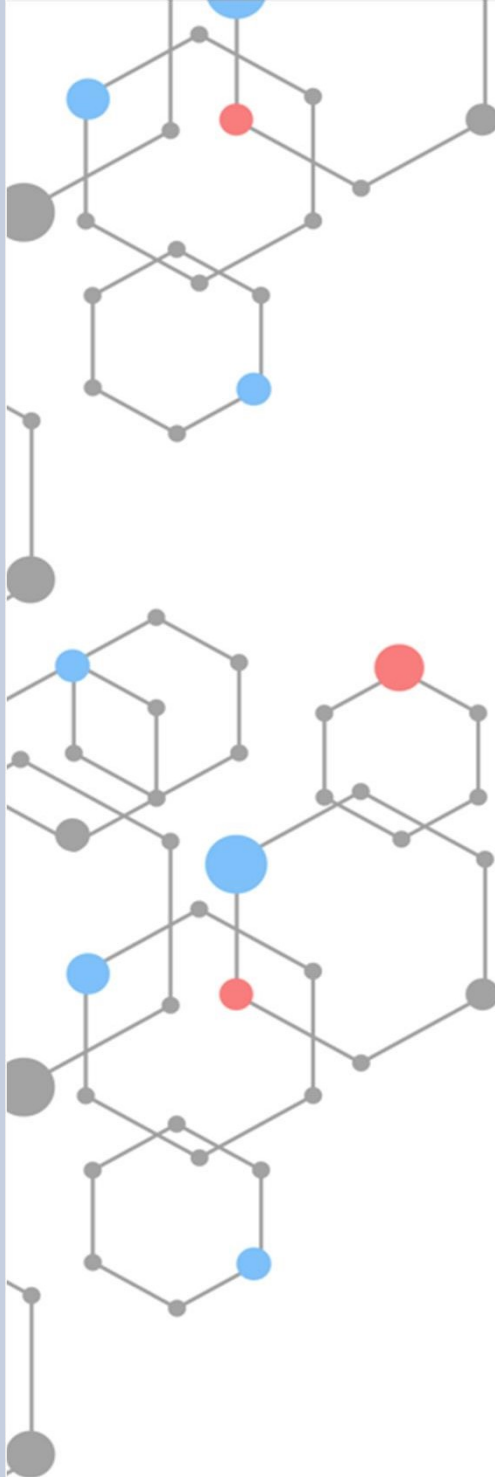
2020 : Cash Dividend NTD2.3 + Cash Distributed from Capital Surplus NTD1.0 (Per Share)

Dividend Payout Ratio : Cash Dividend 2.3 / EPS 4.25 = 54%

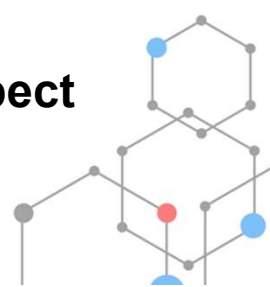
2021 : Cash Dividend NTD2.5 + Cash Distributed from Capital Surplus NTD1.0 (Per Share)

Dividend Payout Ratio : Cash Dividend 2.5 / EPS 5.01 = 50%





Operating Report

- **Result Highlights**
 - **Consolidated Statements of Comprehensive Income**
 - **Consolidated Balance Sheets**
 - **Consolidated Net Revenue**
 - **Consolidated Net Income**
 - **Operating Cash Cycle**
 - **Revenue by Product Category**
 - **Core Business Operational Results & Operation Prospect**
- 

Result Highlights



Unit : NTD Thousand

ITEM	3Q22	2Q22	QoQ	3Q21	YoY	1~3Q22	1~3Q21	YoY
Net Revenue	2,379,478	1,828,643	30.12%	1,842,466	29.15%	5,808,136	5,156,165	12.64%
Gross Margin	26.90%	18.95%	+795bp	24.12%	+278bp	22.62%	21.65%	+97bp
Operating Expenses	(249,586)	(179,771)	38.84%	(190,527)	31.00%	(610,780)	(526,986)	15.90%
Operating Income	390,517	166,749	134.19%	253,796	53.87%	702,854	589,197	19.29%
Operating Margin	16.41%	9.12%	+729bp	13.77%	+264bp	12.10%	11.43%	+67bp
Net Income (Loss) Attributable To : Shareholders of the Parent	231,004	130,036	77.65%	177,151	30.40%	478,635	440,510	8.65%
EPS(NT\$)(1)	2.19	1.23		1.68		4.53	4.17	
Net Book Value(NT\$)(1)	48.22							
Total Assets	10,512,014	9,710,982		9,110,880		10,512,014	9,110,880	
Total Liabilities	4,995,889	4,595,098		4,240,437		4,995,889	4,240,437	
Total Equity	5,516,125	5,115,884		4,870,443		5,516,125	4,870,443	
Net Working Capital	3,005,154	2,561,687		3,307,421		3,005,154	3,307,421	
KEY Indices								
ROA	2.90%	1.54%	+136bp	2.36%	+54bp	5.80%	5.77%	+3bp
ROE	5.34%	2.80%	+254bp	4.35%	+99bp	10.54%	10.30%	+24bp
Net Margin	11.93%	7.72%	+421bp	11.29%	+64bp	9.54%	9.72%	-18bp

(1).Weighted average shares outstanding

105,596

105,596

105,596

105,596

105,596

Consolidated Statements of Comprehensive Income



Unit : NTD Thousand

ITEM	3Q22	2Q22	QoQ	3Q21	YoY	1~3Q22	1~3Q21	YoY
Net Revenue	2,379,478	1,828,643	30.12%	1,842,466	29.15%	5,808,136	5,156,165	12.64%
COGS	(1,739,375)	(1,482,123)	17.36%	(1,398,143)	24.41%	(4,494,502)	(4,039,982)	11.25%
Gross Profit	640,103	346,520	84.72%	444,323	44.06%	1,313,634	1,116,183	17.69%
Gross Margin	26.90%	18.95%		24.12%		22.62%	21.65%	
Operating Expenses	(249,586)	(179,771)	38.84%	(190,527)	31.00%	(610,780)	(526,986)	15.90%
Operating Income	390,517	166,749	134.19%	253,796	53.87%	702,854	589,197	19.29%
Operating Margin	16.41%	9.12%		13.77%		12.10%	11.43%	
Net Non-operating items	44,272	29,166	51.79%	40,460	9.42%	96,107	89,987	6.80%
Profit Before Tax	434,789	195,915	121.93%	294,256	47.76%	798,961	679,184	17.64%
Tax	(150,886)	(54,798)	175.35%	(86,207)	75.03%	(244,924)	(178,100)	37.52%
Profit After Tax	283,903	141,117	101.18%	208,049	36.46%	554,037	501,084	10.57%
Net Margin	11.93%	7.72%		11.29%		9.54%	9.72%	
Net Income (Loss) Attributable To : Shareholders of the Parent	231,004	130,036	77.65%	177,151	30.40%	478,635	440,510	8.65%
EPS(NT\$)(1)	2.19	1.23		1.68		4.53	4.17	
Tax%	34.70%	27.97%		29.30%		30.66%	26.22%	
(1).Weighted average shares outstanding	105,596	105,596		105,596		105,596	105,596	

Consolidated Balance Sheets



Unit : NTD Thousand

ITEM	3Q22		2Q22		3Q21	
	Amount	%	Amount	%	Amount	%
Cash & Cash Equivalents	2,142,528	20%	1,341,255	14%	1,296,291	14%
Current Financial Assets	1,783,888	18%	2,246,945	23%	3,001,508	33%
Accounts Receivable	2,424,644	23%	1,831,527	19%	1,804,935	20%
Inventory	648,598	6%	793,241	8%	548,238	6%
Others-Current Assets	225,609	2%	172,769	2%	218,654	2%
Non-Current Financial Assets	1,457,845	14%	1,477,677	16%	356,285	5%
Property , Plant & Equipment	1,669,075	16%	1,689,763	17%	1,730,962	19%
Others-Noncurrent Assets	159,827	1%	157,805	1%	154,007	1%
Total Assets	10,512,014	100%	9,710,982	100%	9,110,880	100%
Short-term loans	2,487,425	24%	1,930,106	20%	2,147,709	24%
Accounts Payable	1,033,057	10%	962,841	10%	799,831	9%
Others-Current Liabilities	699,631	6%	931,103	10%	614,665	6%
Others-Noncurrent Liabilities	775,776	8%	771,048	7%	678,232	7%
Total Liabilities	4,995,889	48%	4,595,098	47%	4,240,437	46%
Total Equity	5,516,125	52%	5,115,884	53%	4,870,443	54%

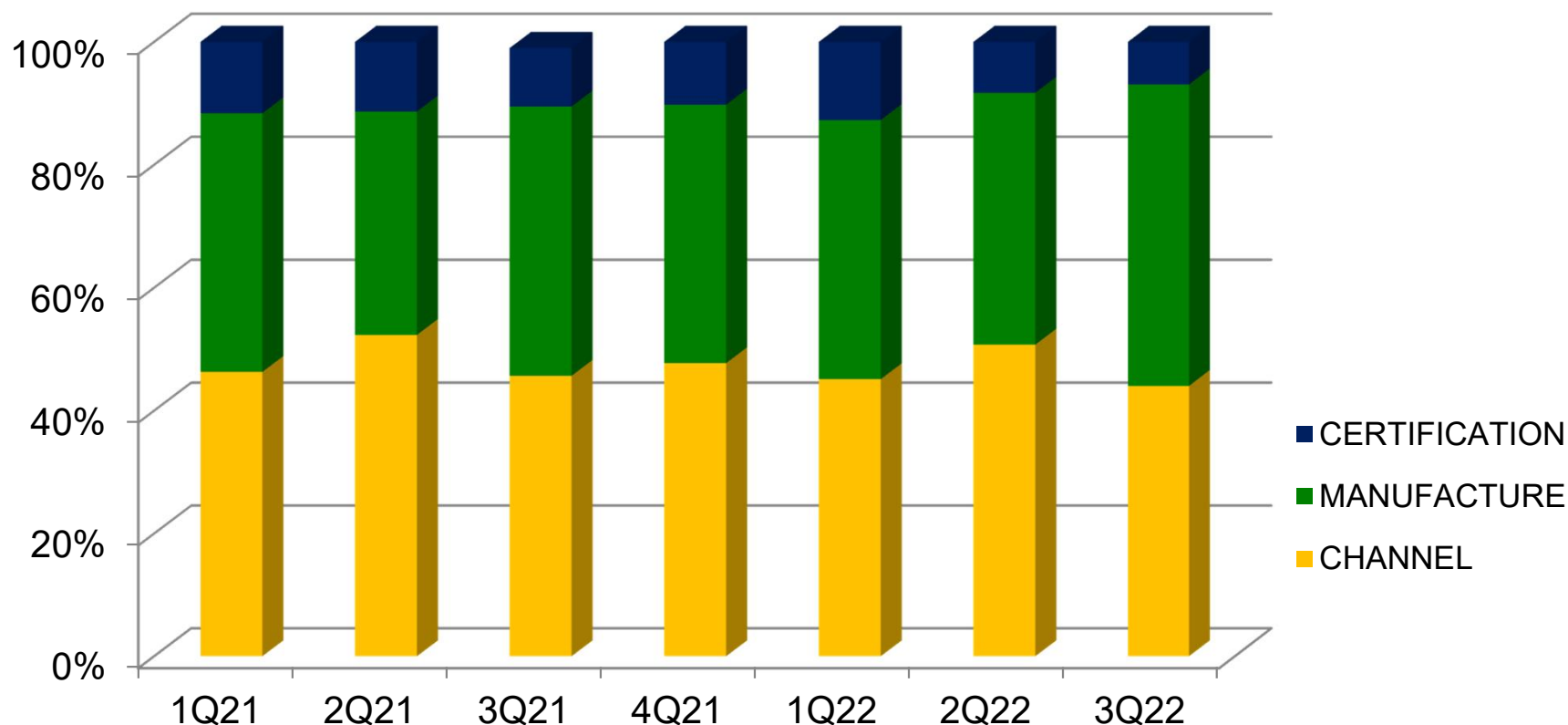
KEY Indices

Net Working Capital	3,005,154	2,561,687	3,307,421
Current Ratio	171%	167%	193%
AR Turnover(Days)	99	95	94
Inventory Turnover(Days)	41	45	33
AP Turnover(Days)	64	63	62
Operating Cash Cycle(Days)	76	77	65

Consolidated Net Revenue



Unit : %



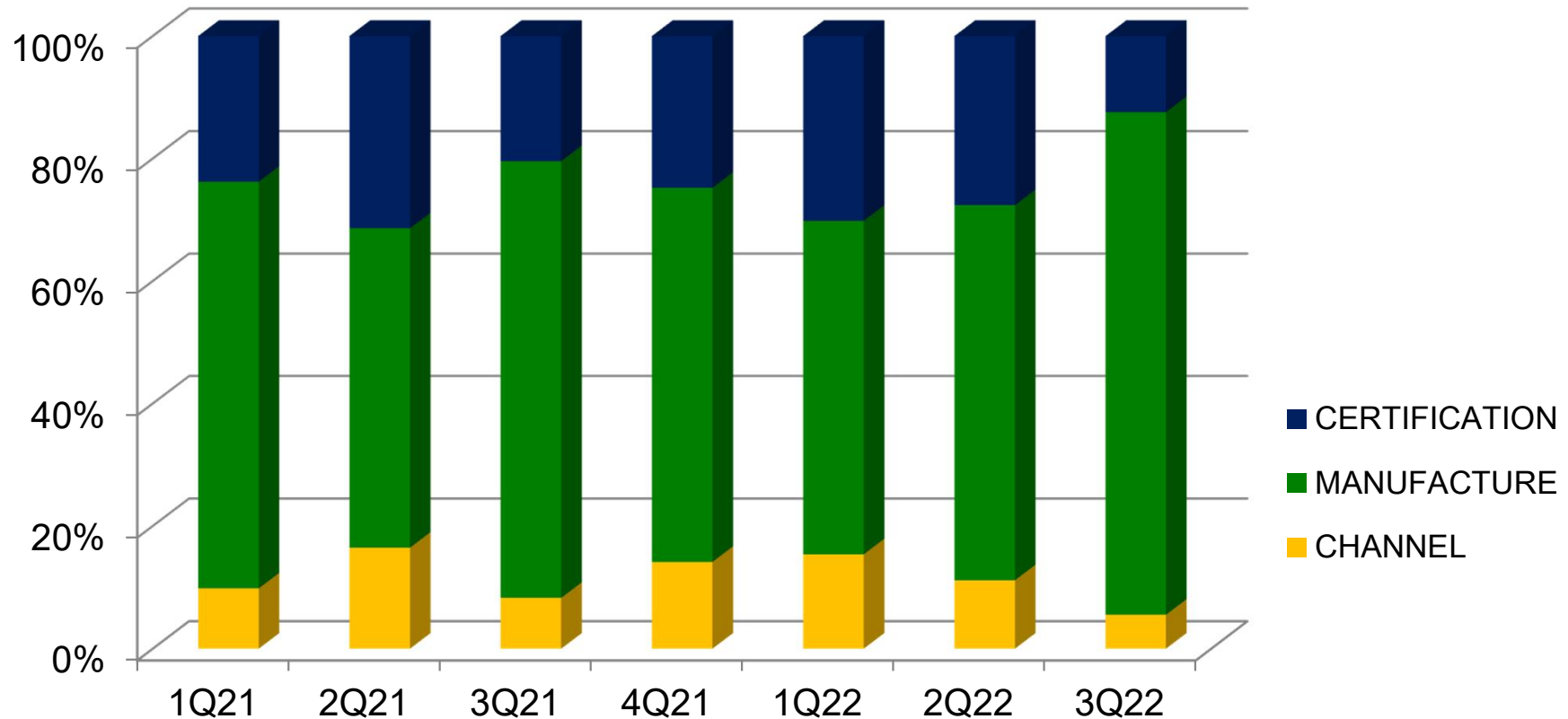
Period	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
Core Business							
CHANNEL	46%	52%	46%	48%	45%	51%	44%
MANUFACTURE	42%	36%	44%	42%	42%	40%	49%
CERTIFICATION	12%	12%	10%	10%	13%	9%	7%



Consolidated Net Income



Unit : %



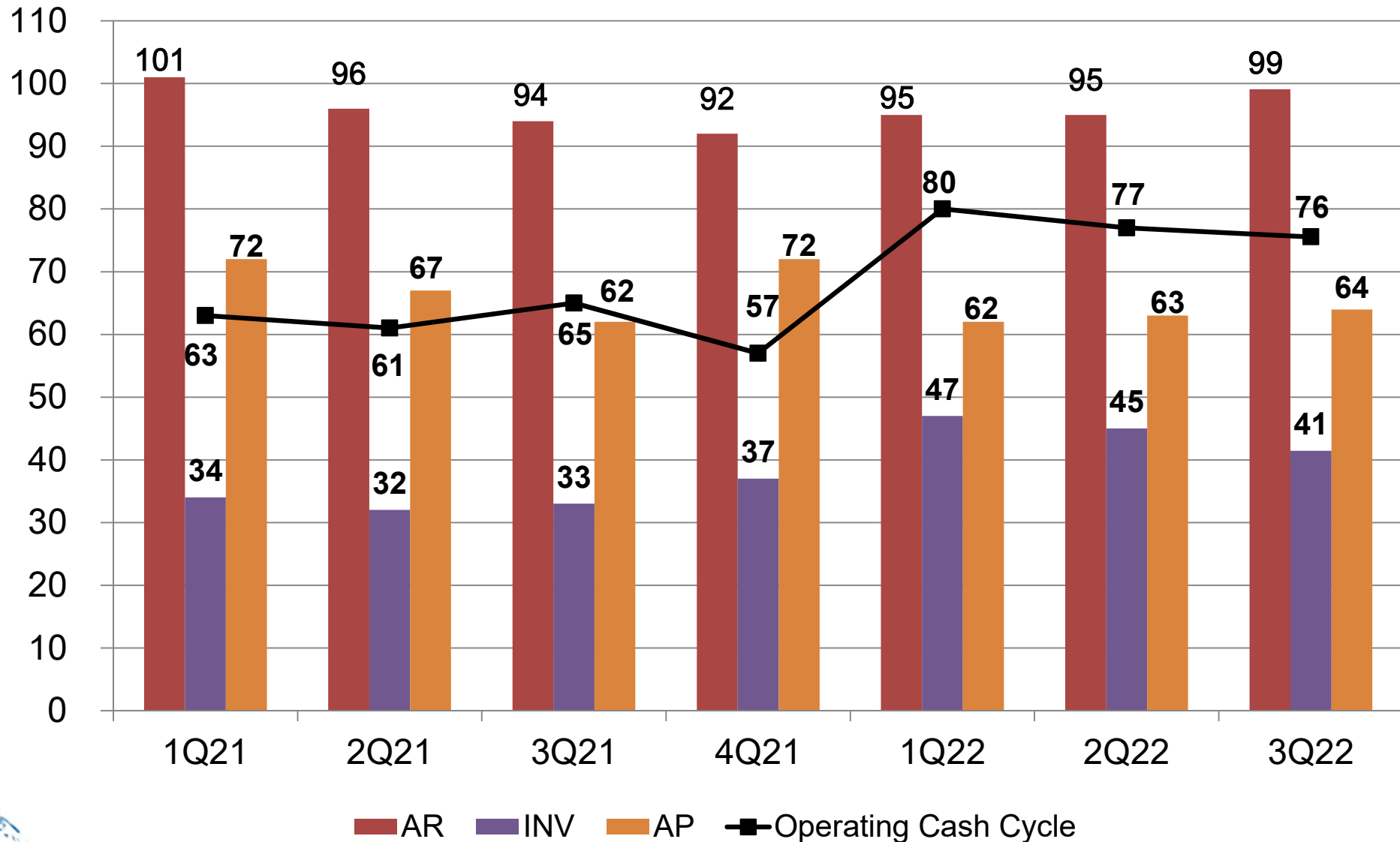
Core Business \ Period	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
CHANNEL	10%	16%	8%	14%	15%	11%	6%
MANUFACTURE	66%	52%	71%	61%	54%	61%	82%
CERTIFICATION	24%	32%	21%	25%	31%	28%	12%



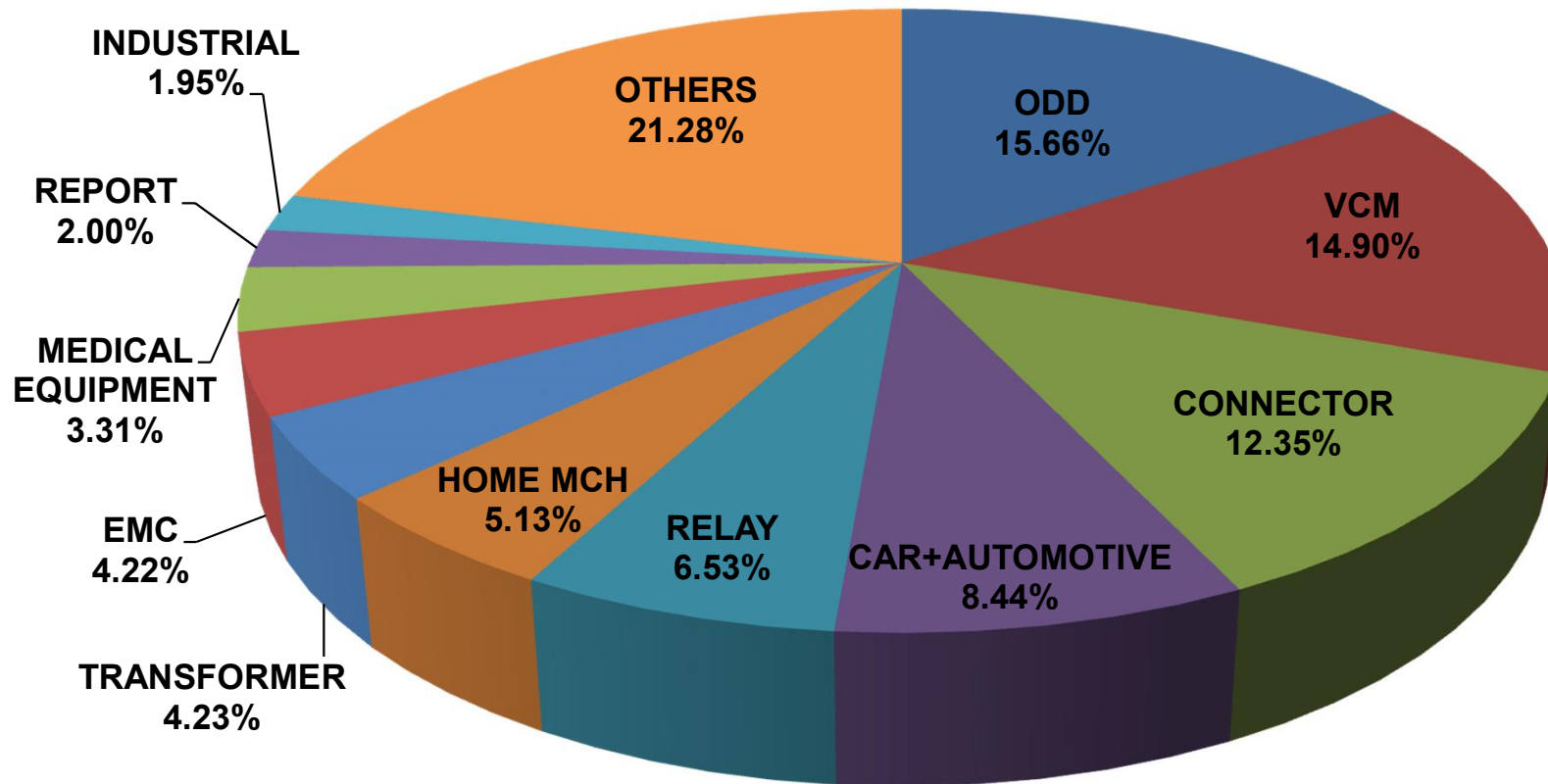
Operating Cash Cycle



Unit : Day



Revenue by Product Category : 1~3Q 22



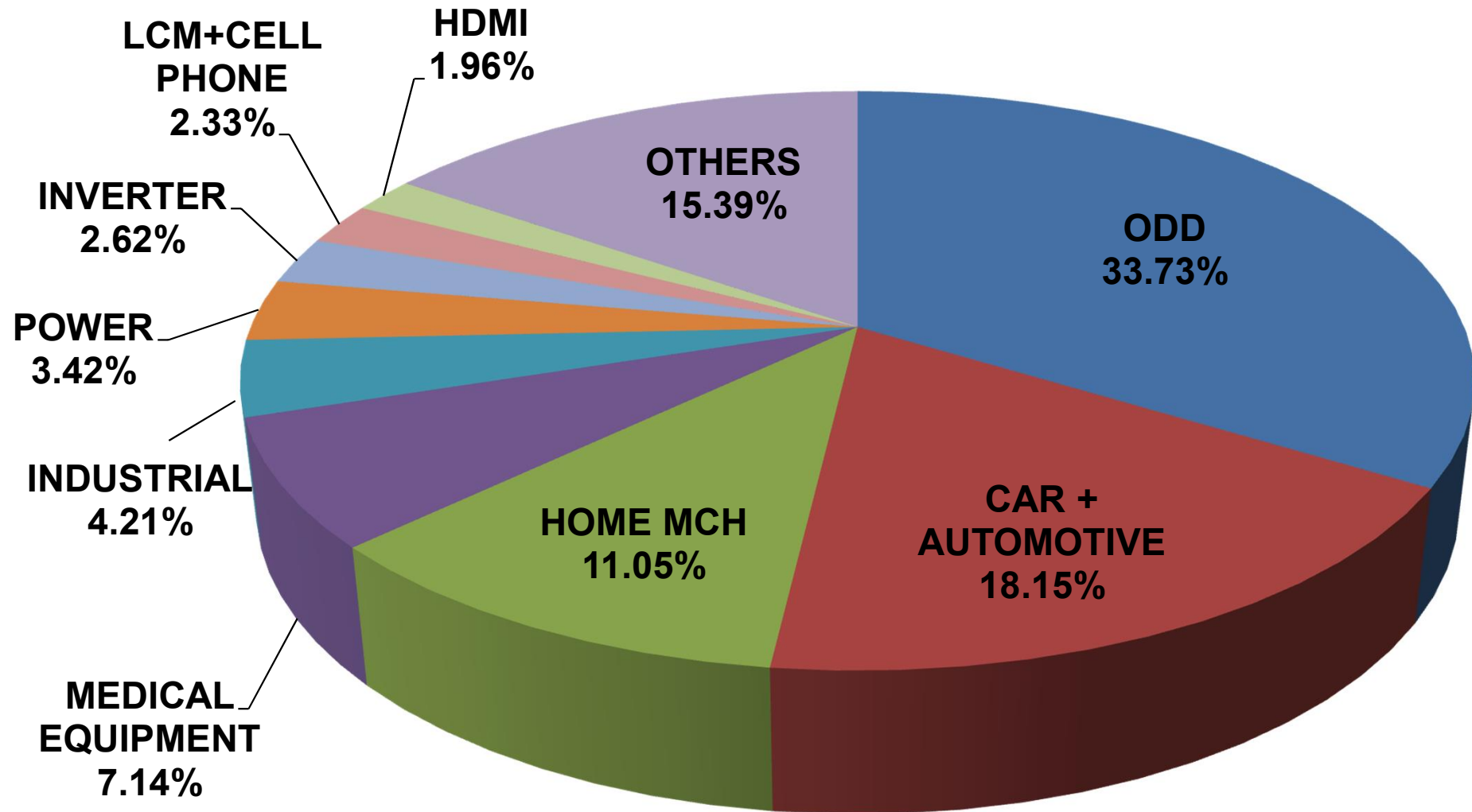
CHANNEL	ODD	CAR+AUTOMOTIVE	HOME MCH	MEDICAL EQUIPMENT	INDUSTRIAL	OTHERS	TOTAL
	15.66%	8.44%	5.13%	3.31%	1.95%	11.94%	46.43%
MANUFACTURE	VCM	CONNECTOR	RELAY	TRANSFORMER		OTHERS	
	14.90%	12.35%	6.53%	4.23%		6.29%	44.30%
CERTIFICATION	EMC	REPORT				OTHERS	
	4.22%	2.00%				3.05%	9.27%
							100.00%



Revenue of CHANNEL by Product Category

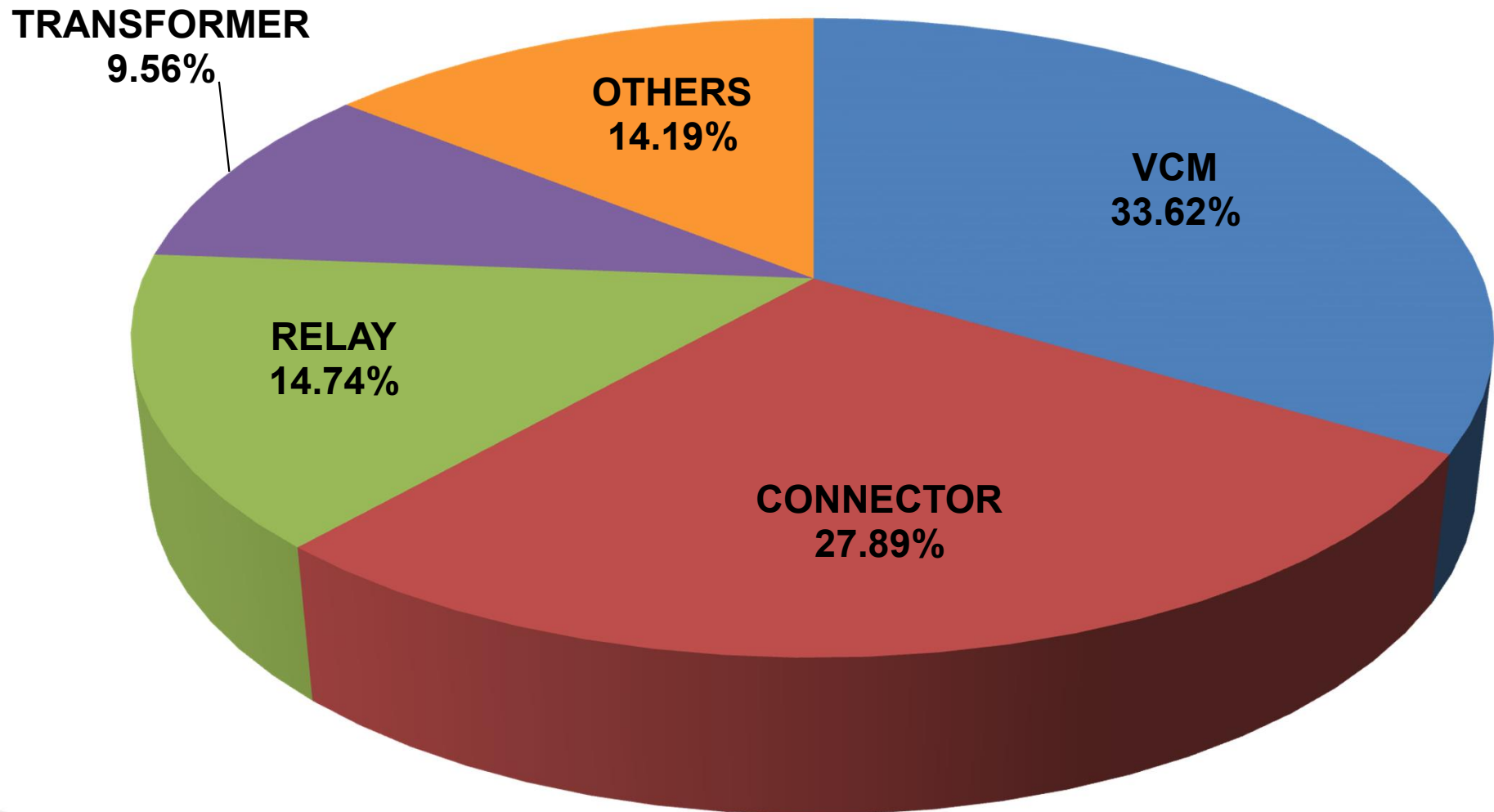


Period : 1~3Q 22



Revenue of MANUFACTURE by Product Category **AUDIX®**

Period : 1~3Q 22

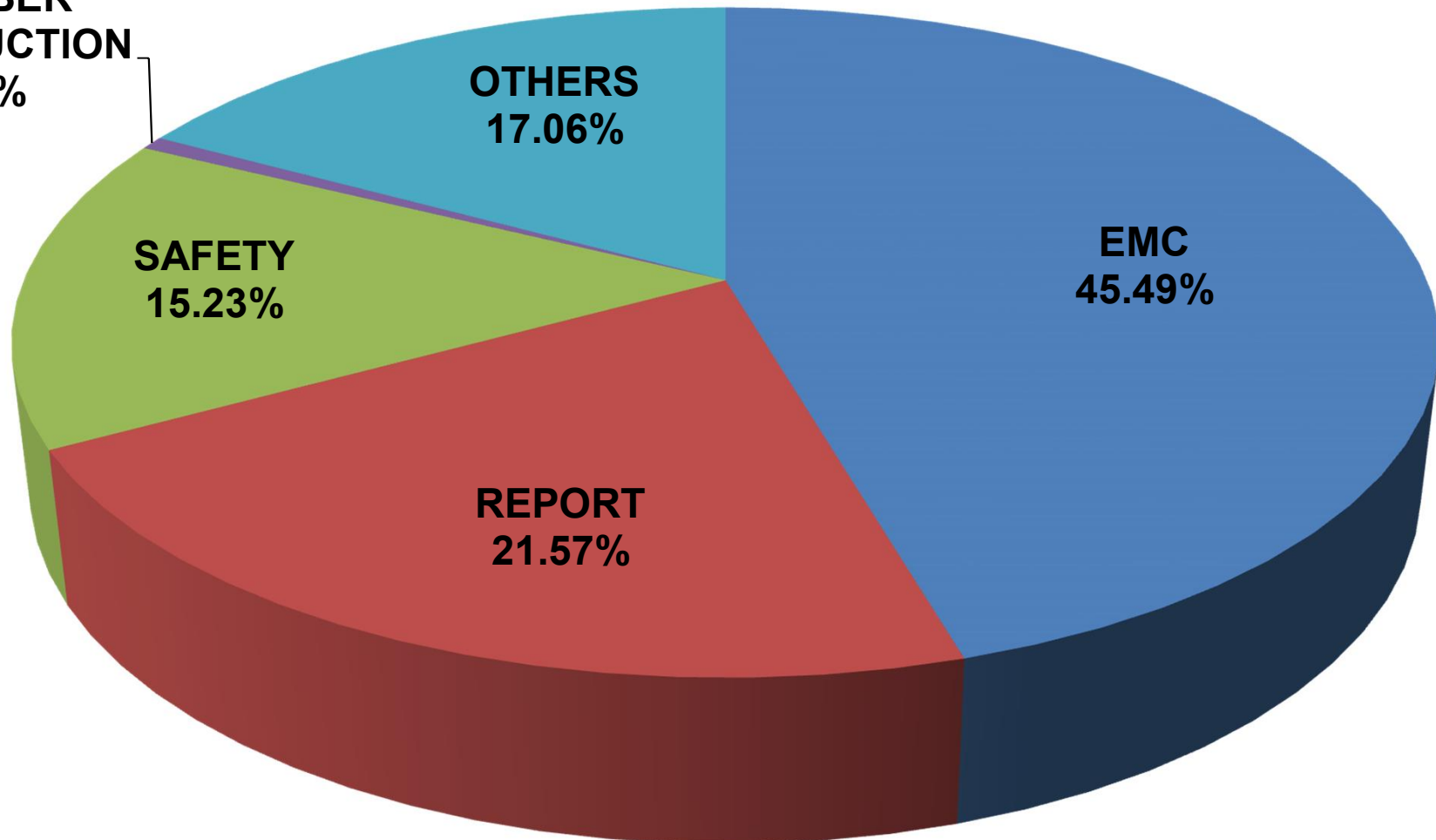


Revenue of CERTIFICATION by Product Category



Period : 1~3Q 22

ANECHOIC
CHAMBER
CONSTRUCTION
0.65%



High Precision Plastic Injection component

- Total first three quarter shipments of VCM (Voice Coil Motor) plastic components up to 400KKpcs, a YoY increase of 5%.
- Vertical integration service : Total first three quarter shipments of VCM SMT products up to 6.7KKpcs, a YoY increase of 524%.
- Strengthen Vertical integration service ability.

TRANSFORMER

- Ultrasonic sensing driver transformer (EP6) shipped 27KKpcs in the first three quarters, and estimated that the shipments will increase by 8% YoY in 2022.
- Continuously develop products in vehicle, industrial control and medical fields.

RELAY

- Total first three quarter shipments of RELAY up to 37KKpcs, a YoY increase of 9%.
- Production of New model (F3C) : mass production in August 2021, with a cumulative shipment of 2.1KKpcs.





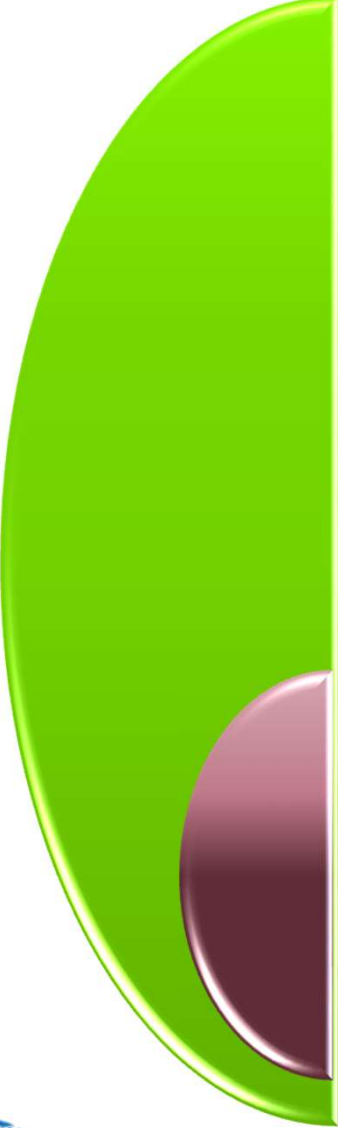
High Precision Plastic Injection component

- Benefited consumers' requirements for the quality of mobile camera are constantly improving, and the mobile phone multi camera scheme is still the mainstream trend in the market. It is estimated that the average carrying capacity of cameras in 22 years will reach 4.
- Compound process technology development to cope with the development trend of lightweight and high-precision products.
- Actively develop vehicle related products.

Relay

- Actively strive for OEM orders for new models to expand economic scale.
- Continuous automatic production line transformation to improve production efficiency.





Transformer

- With the upgrading of automobile safety standards and the gradual application of automatic driving, the use of on-board sensing modules continues to increase. It is estimated that the EP6 product shipment will reach 40KK in 2022, a record high for three consecutive years.
- Actively develop vehicle mounted, industrial control, medical and other high value-added goods.

Production Automation

- Xiamen facility R&D department researches and develops automation equipment for production in the factory.
- Continuously promote production line automation.



- The Channel Business Division is responsible for the sale of various agency components and own products. In accordance with product features and function, were set up the Dept. of Active Components and Dept. of Passive Components.
- Major field of sales :
5G Market Appliance 、 Display Industry 、 Automotive electronics 、 IA 、 Service Robot Industry 、 IOT 、 Smart Home Appliance 、 Medical Market Appliance.
- Agency sales and distribution of the electronic components supplied by:



New
Products
Appliance

5G

Electric
Vehicle /
Electric
Scooter

New
Power

24GHZ
Millimeter
wave
radar

Medical

Various
Interface
I.C.



5 G ^{point} 1

Supplier	Application	Promoting Components
Hitachi Metals	Mobile phone Base station	Isolator 、 LTCC-Substrate Heat Sink Material 、 High frequency magnetic component
ALPSALPINE	Mobile phone Optical communication AR 、 VR	Lens 、 Touch switch 、 Haptics 、 CV2X Sensor
Nidec	Router	Steering Motor
KMOT	Optical communication	Lens



Electric Vehicle / Scooter ^{point}2

Supplier	Application	Promoting Components
JDI	Dashboard of Car / Electric Scooter/ Charging Station	High brightness Anti-glare TFT Panel Module
Prolight	Car Panel	Mini LED + LED Driver
Hitachi Metals	Electric Vehicle Power Module	Heat Sink Material (Si ₃ N ₄)、 SiC epitaxial slice
Hitachi Power Device	Electric Vehicle Inverter Module	IGBT & Diode Device & Wafers
HPI	Charging Station/ Electric Vehicle Industry	SiC MOSFET & Diode and Module



New Power ^{point} 3
 I G M L O M G I

Supplier	Application	Promoting Components
HPI	Servo Power 、 Vehicle Power 48V(BSG)	Silicon Carbide MOSFET Diode Module / Power Module
HPSD	Electric Vehicle Module Industrial Inverter	IGBT Module / SiC Module Die Wafer
Kyocera	Industrial Power	Diode Module



24G Millimeter wave radar



Supplier	Application	Promoting Components
TERASILIC	E-Bike	Sensor Boose 12-PH12
	Video Conference	
	Long Term Health Care	



Medical Market Application

Supplier	Application	Promoting Components
ABLIC	Ultrasonic	TX/RX Asic I.C. 、H/V SW.
Hitachi Metals	CT.	Scintillator 、Mini Cable
Namiki	Inspection Equipment	Mini Motor
Fujitsu	Inspection Equipment	Printer
HLDS	Inspection Equipment	OPU
Transpeed	to sterilize	UVC Module
JDI	Display	TFT & OLED
Cubic	air purifier	Sensor



Various Interface I.C.



Supplier	Application	Promoting Components
Lontium	Video Conference/ Display	HDMI Transmitter/Receiver
	Video Conference/ POS/ Docking	Type-C/DP Converter
	KVM/ Display	HDMI Switch/ Matrix
	Surveillance/ KVM Extension	USB 2.0 Repeater



- With well experienced professional team members and accredited by international Certificated Body , technical service including industry 、 scientific 、 medical 、 household appliances 、 audio & video 、 information technology equipment 、 broadcasting 、 telecommunication 、 wireless etc. area , from components 、 modules to end products global certification and testing facilities planning and build up.
- Business Development :
 - EMC** : Professional EMC laboratory located at Taiwan 、 South China 、 East China with 3m 、 10m chamber & RF chamber 、 OTA chamber.
 - SAFETY** : The only one UL 、 JQA & CQC CBTL accredited by IECEE within Great China and Japan JQA S-Mark & JQA PSE certificated laboratory with TCO low radiation laboratory & Ergonomic Testing facility and PM2.5 Energy Efficiency laboratory.
 - R&D** : EMC standard measurement system or customer made solution provider including software & hardware design.



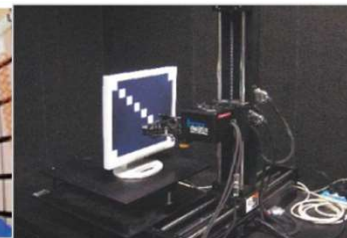
輻射干擾測試實驗室
(10米法半電波暗室)
10m Semi-Anechoic Chamber



輻射干擾測試實驗室
(3米法半電波暗室)
3m Semi-Anechoic Chamber



RF全電波暗室
RF ETSI Fully Chamber



ISO人體工學實驗室
ISO Ergonomics Laboratory



化學測試實驗室
Chemical Testing Laboratory



PCBU Next Operation Prospect

1

Wireless Product Testing

- IOT 、IIOT 、LoRA 、V2V 、V2X
- 6G Smart phone
- WiFi 7 、Li-Fi

2

EMC Testing for Automotive

- Radiation & Conduction (CISPR 25)
- ISO 7637
- BCI & Stripline 、ESD 、RS
- Smart Driving & collision avoidance system

3

Battery

(Secondary Lithium
Battery & Fuel Battery)

4

Southeast Asia

(Laboratory
Service Point)

5

Expand ATT
New site



1

Upgrade wireless product testing 5G NR/4G mobile phone, WiFi & BT wireless product testing capabilities, and improve the efficiency and accuracy of testing equipment.

Involve in power saving 、 water saving and air cleaner ozone measurement 、 PM2.5 energy efficiency measurement to enlarge service scope.

2

3

Involve in Vehicle EMC & Charging pile & Battery measurement ability.

Build up new Service Point.

4



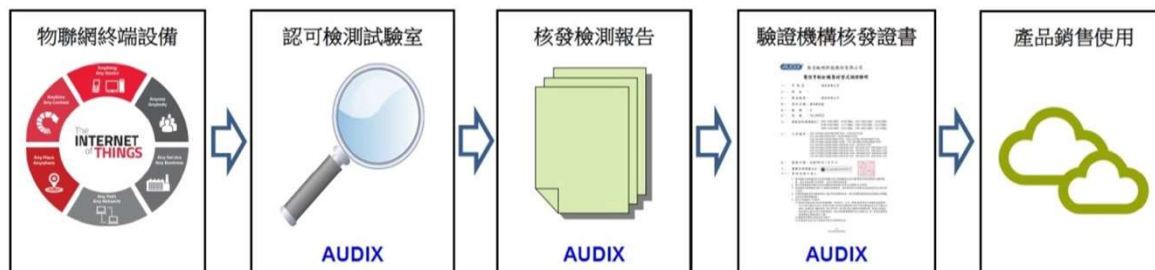
◆ Taiwan Wi-Fi 6E Measurement Service

➤ Compliance with FCC/ CE Regulation requirements .

➤ **Future : Focuses On Taiwan new Wi-Fi 6E & Wi-Fi 7 market.**

: Build up China (East & South) measurement capability.

TAF / NCC qualification



◆ Taiwan 5G NR Measurement Service

- Compliance with NCC /FCC/ CE Regulation requirements , Sub-6G & mmWave included.
- **Future : Next-generation communication technology B5G/6G.**

TAF / NCC qualification



5G NR Radio Communication Test System



5G NR SAR Test System



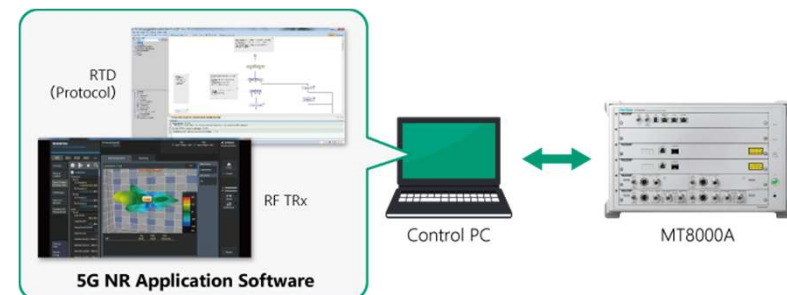
◆ Shenzhen 5G NR Measurement Service

- Compliance with Japan 5G regulations.
- **Future : Japan 5G NR mmWave market.**

5G NR Radio Communication Test Station



5G NR Test System for Japan Regulatory Test



◆ Audix Shenzhen CECF (China Energy Conservation Program) & CEL (China Energy Label) Measurement Service

➤ **Future : Obtain the CECF & CEL testing laboratory qualification & Provide testing、report & certification.**

China CMA / CNAS qualification

CECF Certification logo



CEL Certification logo



◆ Automotive EMC Testing Service

Future :

- 1st Stage : EMC tests of with Automotive component & Charging pile testing ability & Recognized by Car brand.
- 2nd Stage : Vehicle communication Testing (V2V & V2X) .
- 3rd Stage : EMC Test of Whole Vehicles.



Radiated / Conducted emission



Radiated / Conducted immunity



◆ Battery measurement Service

Future :

- Focuses on the Secondary lithium batteries of wearable & portable devices.
- Cooperation with Nemko 、TUV or UL for Battery testing.



Safety testing site



Battery testing site



◆ Build up new Service Point

Future :

- Evaluate the investment in Southeast Asia to build up new service testing point.
- Expand the Safety/Energy saving/EMC/RF testing sites in Taipei & Find a new site for Building up a new lab service point.

Service points
Audix Technology Corporation.
Audix Technology(ShenZhen) Co., Ltd.
Shenzhen Xinhua Testing Measurement Co., Ltd.
Audix Technology(Shanghai) Co., Ltd.
Audix Technology(Wujiang) Co., Ltd.

Service points

Home > Service points

The image shows a map of China with four green dots representing service points: Wujiang, Shanghai, Shenzhen, and Taiwan. A woman is sitting in a chair, reading a tablet, with a network diagram in the background.





Q &



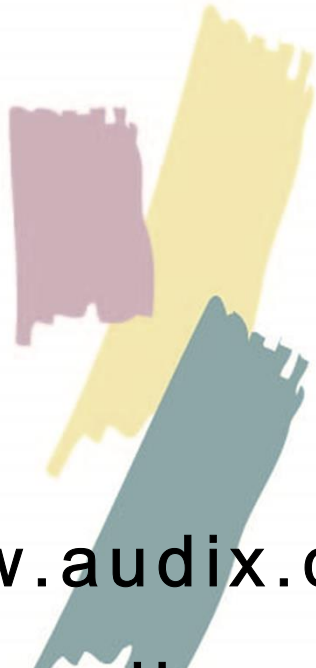
QUESTION AND ANSWER



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Thank you



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