Stock Code:3653

Jentech Precision Industrial Co.,Ltd.
Investor Conference

November 23, 2021

JENTECH

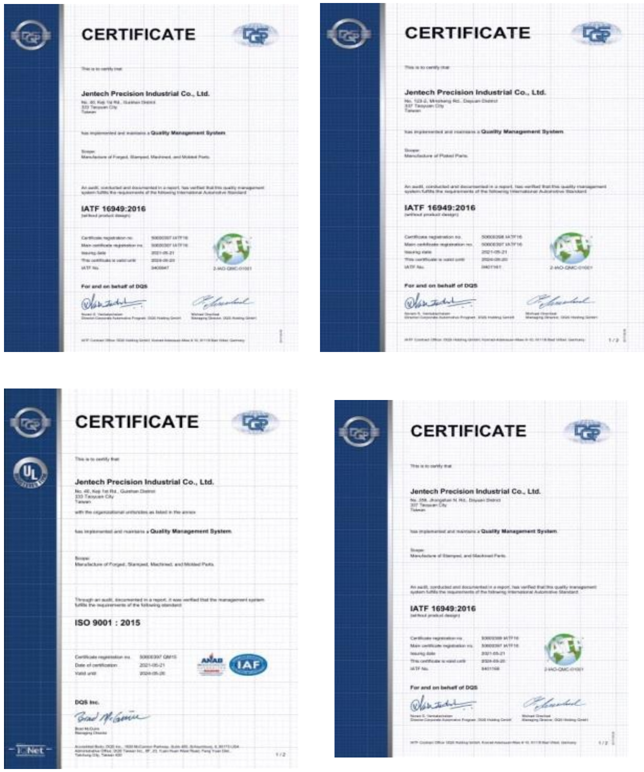
Content

- Corporation Overview
- Core Products
- Performance & Outlook
- Financial Information

Corporation Overview

- **Founded** ：
  1987/June
- **Certificate of Registration :**
  ISO 9001, ISO 14000, IATF16949
- **Number of Employees**
  Taiwan: 1,579 / China Wuxi: 830

- **Worldwide Operational Location:**
  - **Taiwan:** Huaya plant & Dayuan plant 1 &2
  - **China:** Wuxi plant 1 &2
  - **USA:** Arizona office (Chandler)
  - **Japan:** Kumamoto office
  - **Malaysia**: Penang office



Taiwan Jentech

Huaya Plant (Headquarters)
Land size: 5,950 m2
Factory size: 14,876 m2

Dayuan Plant 1
Land size: 8,264 m2
Factory size: 14,876 m2

Dayuan Plant 2
Land size: 6,611 m2
Factory size: 19,504 m2

Production Expansion Plan

Dayuan Plant 3

Land size： 3,582 m^2

Factory size : 12,749 m^2

Jentech Wuxi

Jentech Plant 1
Land size: 7,933 m^2
Factory size: 12,231 m^2

Jentech Plant 2
Land size: 34,710 m^2
Factory size: 29,091 m^2

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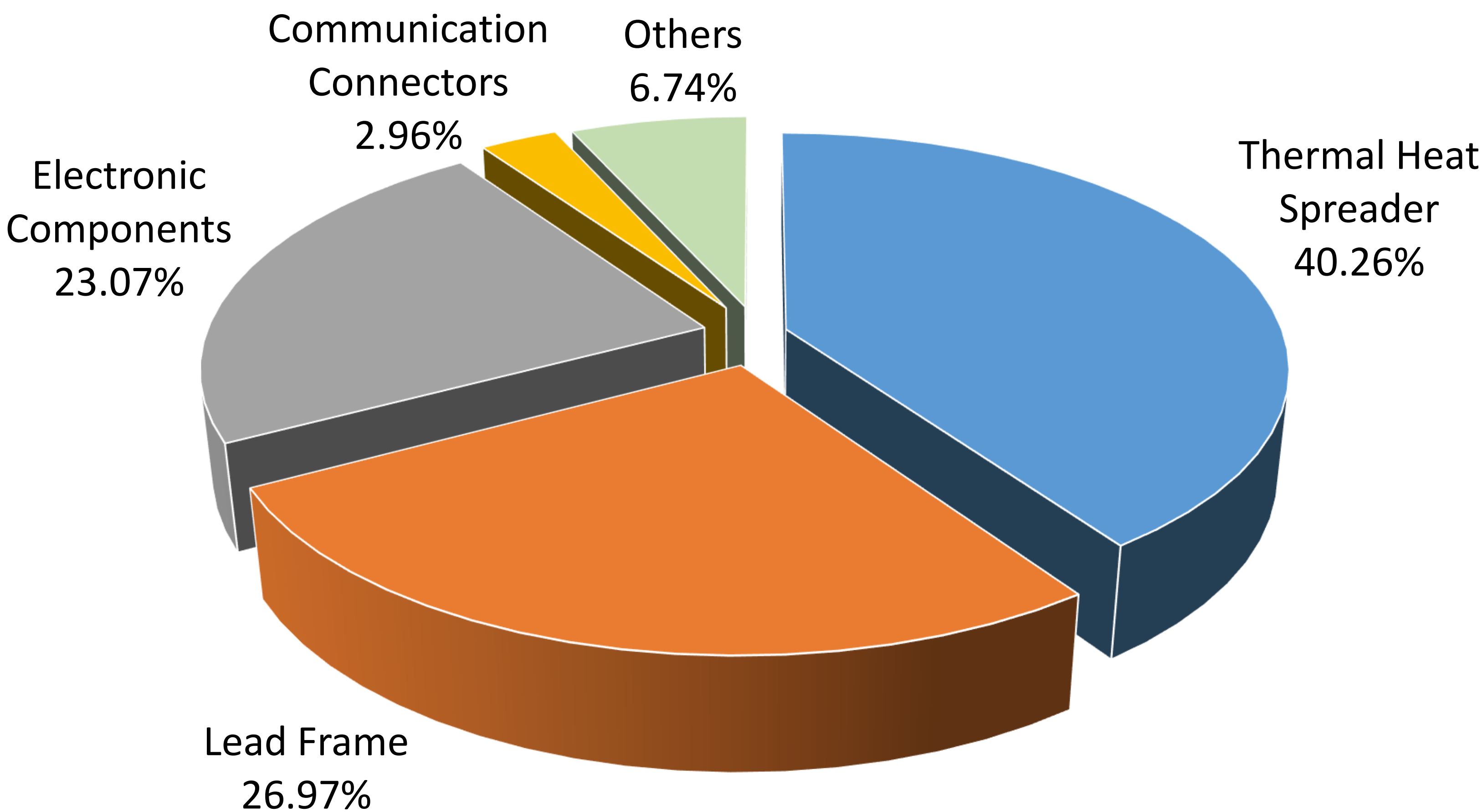
Core Products

2021 Share of Revenue



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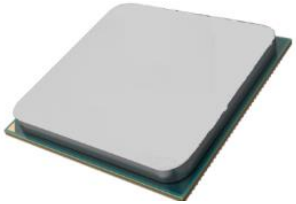
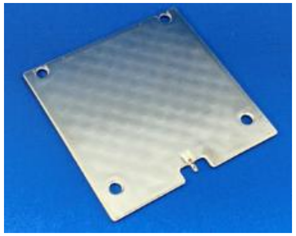
High Performance Computing (HPC) & AI Application



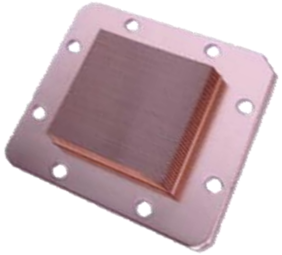
Heat Spreader

ILM Loading Mechanism



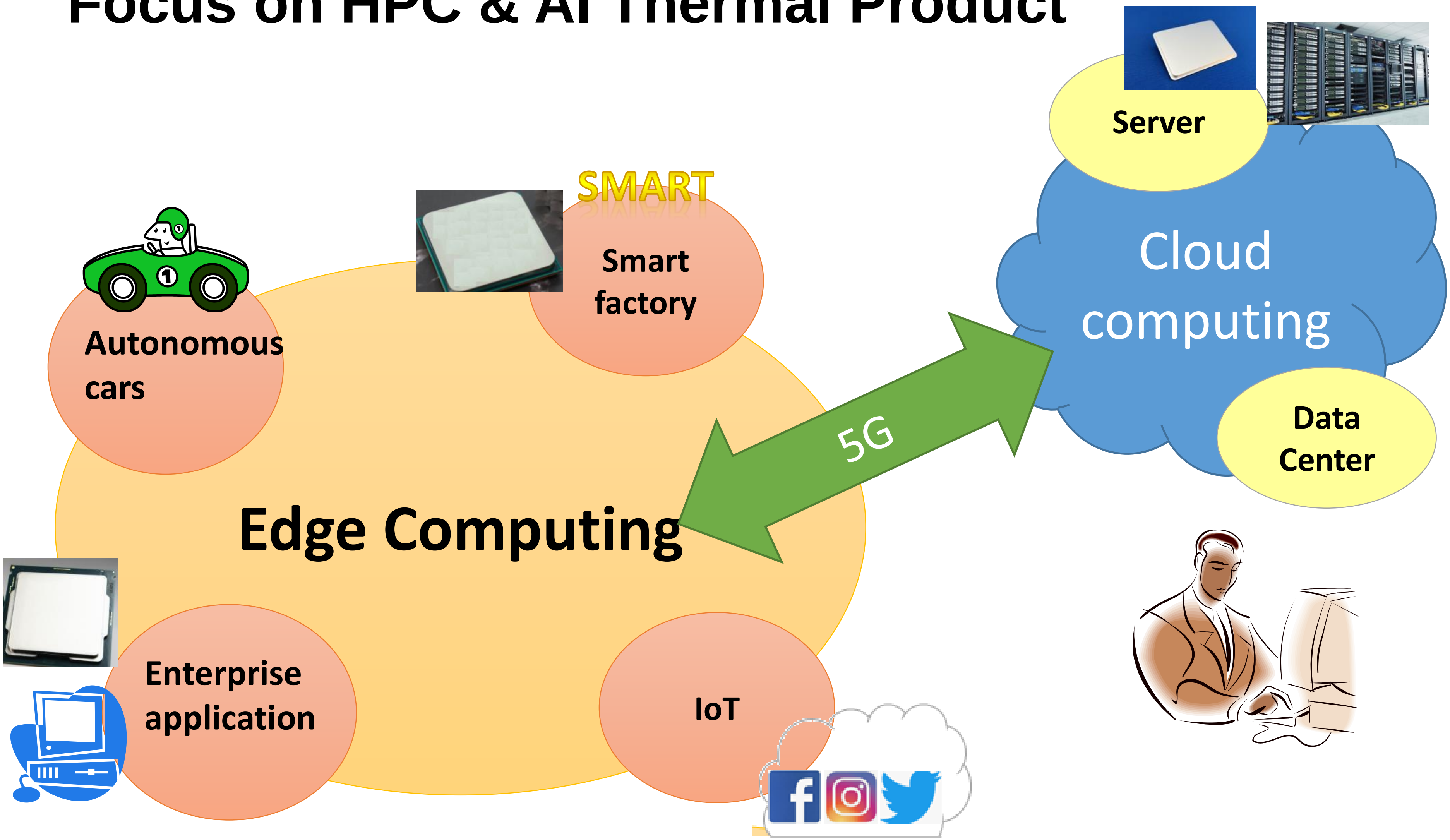
VC Heat Spreader

Thermal module



Cooling Plate

Focus on HPC & AI Thermal Product



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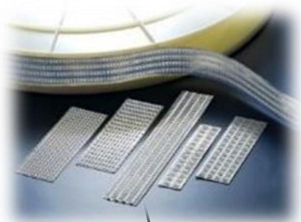
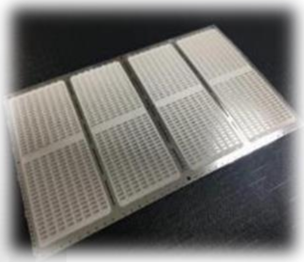
Focus on Electric Vehicle Application

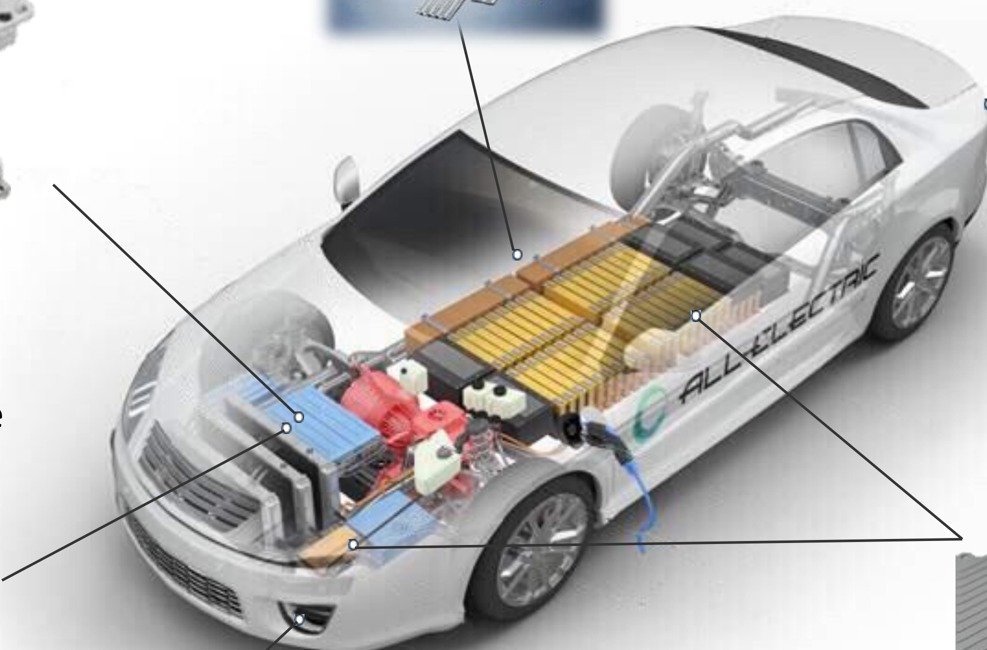


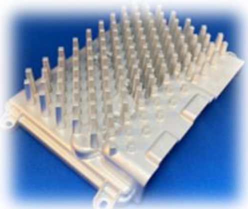
PPA
LED Leadframe



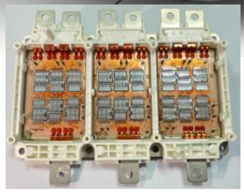
EMC
Middle and high power lead frame

Power Module
Cooling Baseplate & Frame





ECU Thermal module



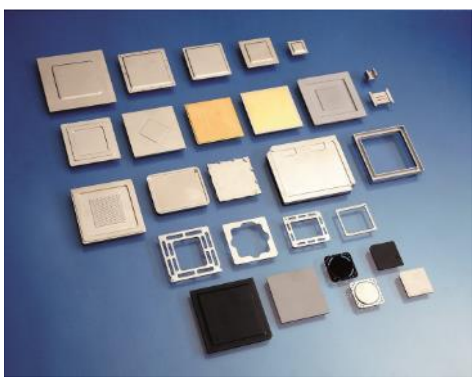
Auto Diode Lead Frame

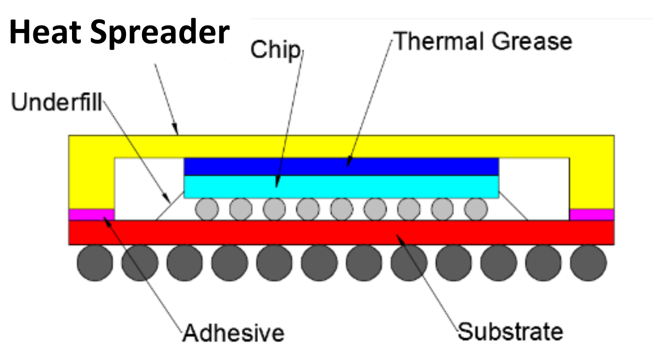
Lithium Battery Cooling Plate

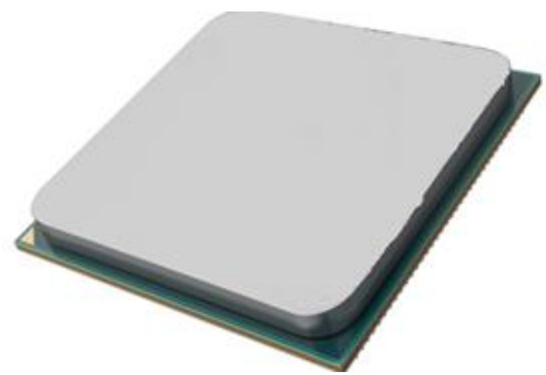
Performance & Outlook

Heat Spreader Outlook

- Application：Laptop, Desktop, Server, MCU for vehicle and Gaming machine
- Jentech 2021 /2020 YOY ：about 10 % ↑
- Jentech projected growth in 2022：😊 😊 😊 😊 😊

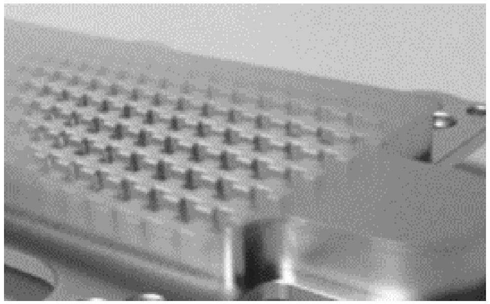






Liquid Cooling Module for Automobile Outlook

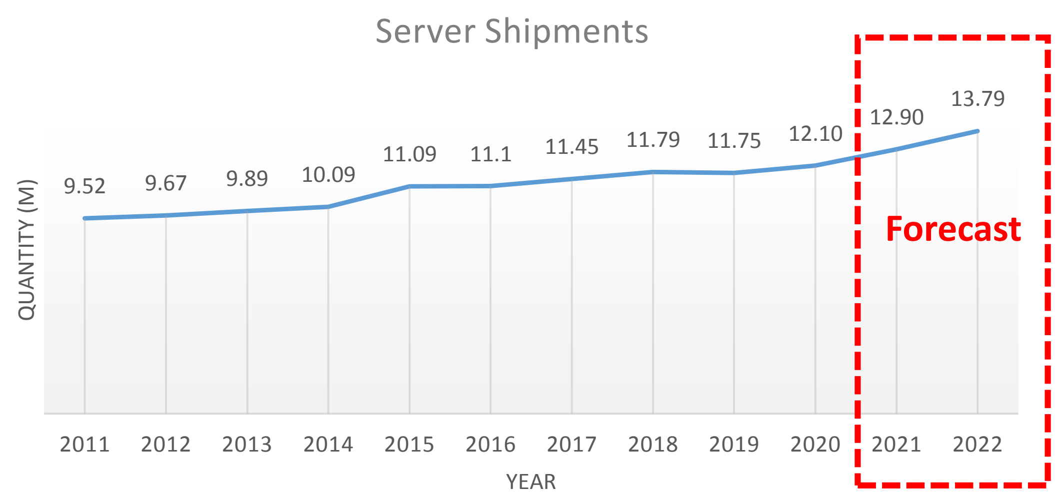
- Application：Electric vehicle and Hybrid electric vehicle
- Jentech 2021 /2020 YOY ： about 3%
- Jentech projected growth in 2022： 😊😊😊


Sever ILM Outlook

- Jentech 2021 /2020 YOY ： about 33%
- Jentech projected growth in 2022：

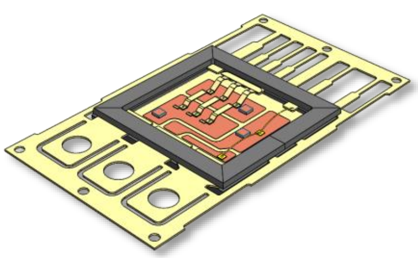
Worldwide server shipments (in million units)

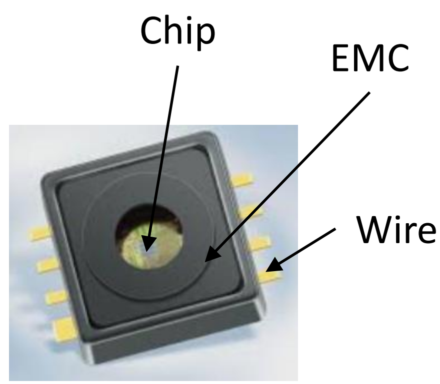


Source: Statista Market research company
Source: Digitimes Research

Lead Frame Outlook

- Application：auto diode lead frame , sensor, lighting , 5G signal amplifier components
- Jentech 2021 /2020 YOY ： about 48%
- Jentech projected growth in 2022 ：





Tire pressure monitor

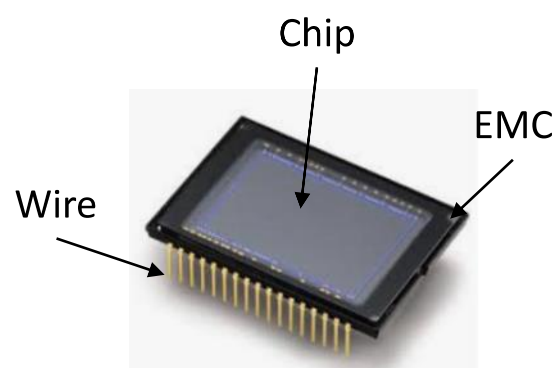


Image sensor

JENTECH

Competitive Advantage

PRODUCT DESIGN

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VERTICAL INTEGRATION CAPABILITY

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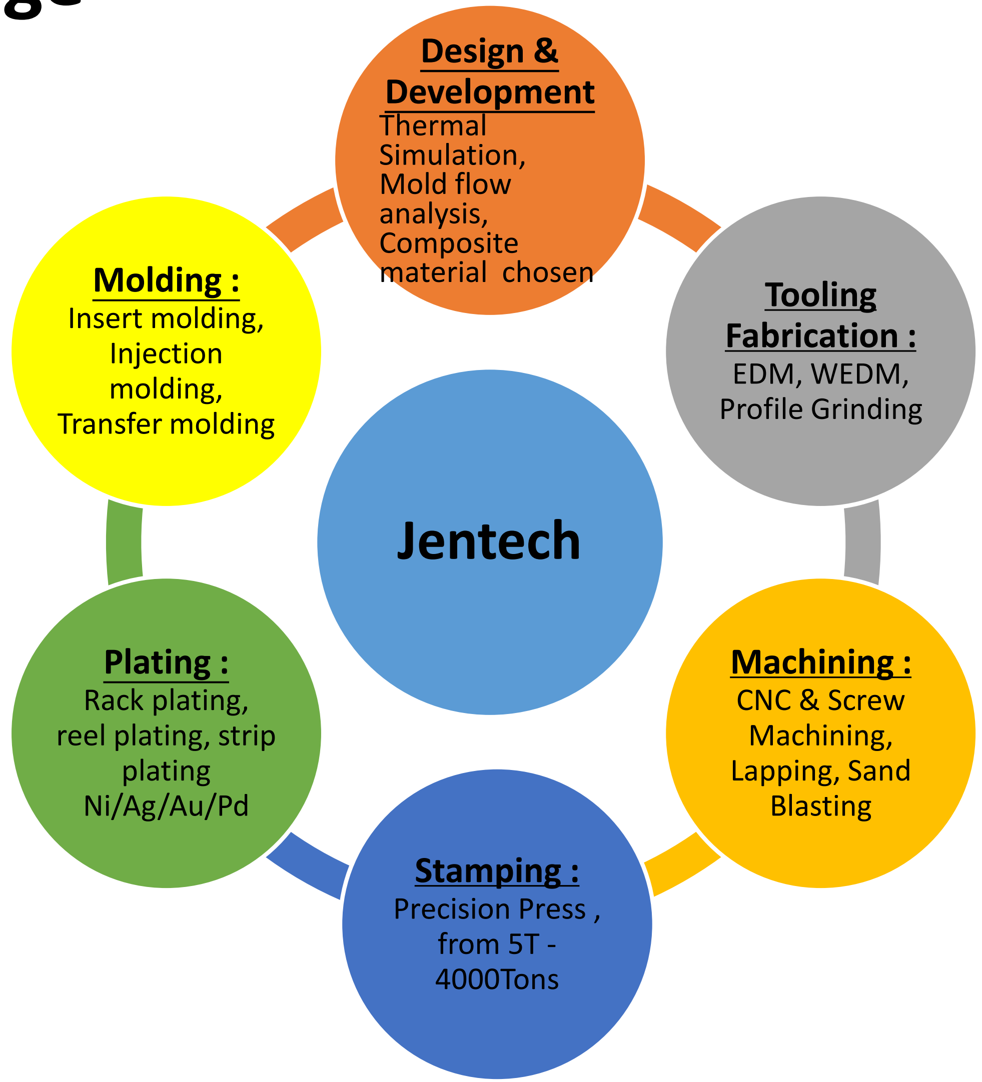
(SAP+MES+SPC) INTELLIGENT MANUFACTURING MANAGEMENT



Financial Information

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Condensed Balance Sheet (Jentech Taiwan and Wuxi)

Unit: NT$ thousand

Item	2020/12/31	2021/9/30	Difference Amount	Difference Ratio%
Current Assets				
Cash and Cash Equivalents	2,918,023	2,450,016	(468,007)	(16.04)
Financial Assets	17,354	85,178	67,824	390.83
Accounts Receivable	1,485,528	1,821,420	335,892	22.61
Inventory	1,408,395	2,037,611	629,216	44.68
Other Current Assets	62,660	96,847	34,187	54.56
Total Current Assets	5,891,960	6,491,072	599,112	10.17
Noncurrent Assets				
Financial Asset	0	200	200	100.00
Investments using equity method	298,316	449,101	150,785	50.55
Property, Plant and Equipment	2,916,891	3,078,190	161,299	5.53
Other Noncurrent Assets	532,982	514,163	(18,819)	(3.53)
Total Noncurrent Assets	3,748,189	4,041,654	293,465	7.83
Total Assets	9,640,149	10,532,726	892,577	9.26
Current Liabilities				
Short term Loans	0	270,000	270,000	100.00
Accounts Payable	629,799	927,537	297,738	47.28
Other Current Liabilities	623,321	589,480	(33,841)	(5.43)
Total current Liabilities	1,253,120	1,787,017	533,897	42.61
Noncurrent Liabilities				
Financial Liabilities	9,200	0	(9,200)	(100.00)
Bonds Payable	1,876,738	1,895,358	18,620	0.99
Other noncurrent Liabilities	174,092	183,425	9,333	5.36
Total Noncurrent Liabilities	2,060,030	2,078,783	18,753	0.91
Total Liabilities	3,313,150	3,865,800	552,650	16.68
Total Equity	6,326,999	6,666,926	339,927	5.37
Total Liabilities & Equity	9,640,149	10,532,726	892,577	9.26

Aging Analysis of Accounts Receivable and Loss Allowance on 2021/09/30 (Jentech Taiwan and Wuxi)

Unit: NT$ thousand

Item	Not past due(Note)	1-60 Day(s)	61-90 Days	91-180 Days	Over 180 Days	Amount
Accounts receivable	1,706,459	112,620	1,721	3,947	4,054	1,828,801
Loss allowance	(105)	(854)	(200)	(2,168)	(4,054)	(7,381)
At amortized cost	1,706,354	111,766	1,521	1,779	0	1,821,420
					The ratio of loss allowance of account receivable	0.40%

Note:The weighted average duration of non-overdue accounts is 79 days.

Allowance for Inventory Valuation and Obsolescence Status on 2021/9/30 (Jentech Taiwan and Wuxi)

Unit: NT$ thousand

Category	Amount (A)	%	Allowance for Inventory Obsolescence (B)	Allowance for Inventory Obsolescence% (B)/(A)	Allowance for Inventory Valuation (C)	Allowance for Inventory Valuation% (C)/(A)	Net Amount (A+B+C)
2020/12/31							
Finished Goods	646,180	42%	(30,438)	4.71%	(16,137)	2.50%	599,605
Work in Process	571,057	37%	(30,704)	5.38%	(12,798)	2.24%	527,555
Raw Materials & Supplies	294,281	19%	(25,213)	8.57%	(8,545)	2.90%	260,523
Merchandise	22,354	1%	(1,354)	6.06%	(288)	1.29%	20,712
Total	1,533,872	100%	(87,709)	5.72%	(37,768)	2.46%	1,408,395
2021/9/30							
Finished Goods	925,736	43%	(19,430)	2.10%	(27,411)	2.96%	878,895
Work in Process	728,560	34%	(20,647)	2.83%	(12,528)	1.72%	695,385
Raw Materials & Supplies	496,664	23%	(28,943)	5.83%	(20,062)	4.04%	447,659
Merchandise	16,882	1%	(1,150)	6.81%	(60)	0.36%	15,672
Total	2,167,842	100%	(70,170)	3.24%	(60,061)	2.77%	2,037,611
Variable Amount	633,970		17,539		(22,293)		629,216

Note：The inventory turnovers are 2.90 and 2.74 on 2020/12/31 and 2021/9/30.

Property, Plant and Equipment
(Jentech Taiwan and Wuxi)

Unit: NT$ thousand

Item	2020/12/31	2021(F)	2021 Addition	%
Land	881,712	881,712	0	0%
Equipment	2,866,826	3,163,056	296,230	40%
Plant	1,089,752	1,529,830	440,078	58%
Other Equipment	328,850	346,614	17,764	2%
Total Acquisition Cost	5,167,140	5,921,212	754,072	100%

Note:

- 2021 projected depreciation expense will be NT$ 280 million which is increase NT$ 40 million compare to 2020 NT$ 240 million.
- 2020 capital expenditure is NT$ 600 million.
- The capital expenditures budget is about NT$ 750 million and NT$ 1,200 million in 2021 and 2022.

2020Q1-2021Q3 Condensed Income Statement (Jentech Taiwan and Wuxi)

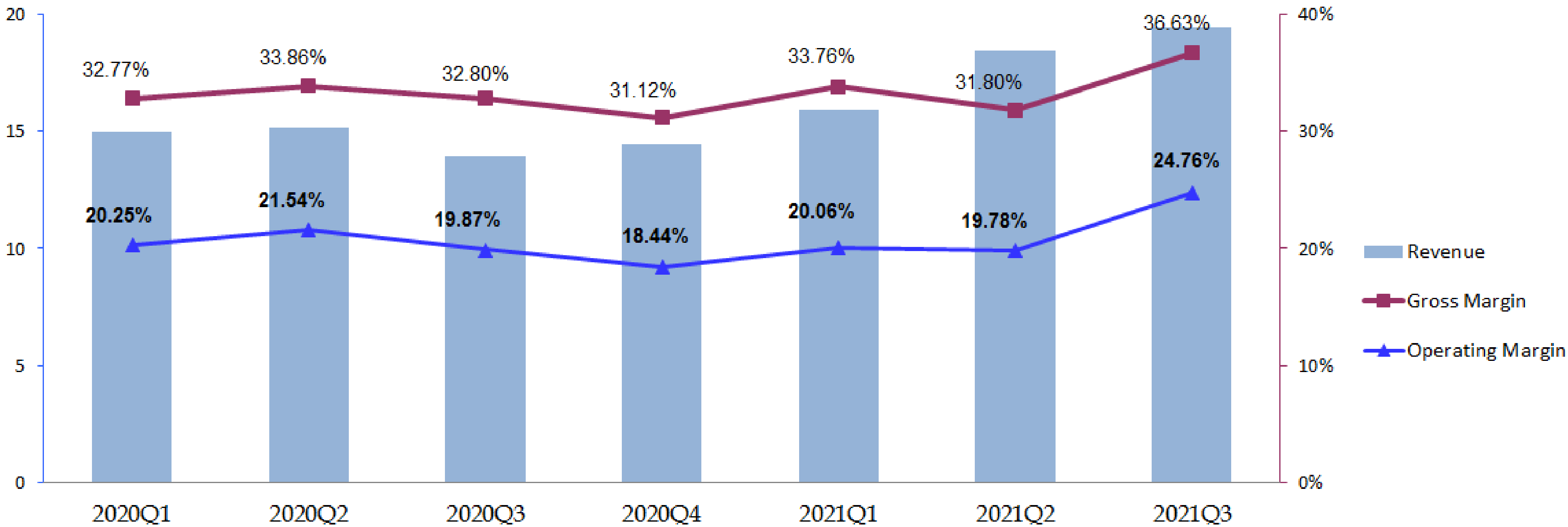
Unit: NT$ thousand

Item	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3
Net sales	1,494,885	1,515,087	1,393,828	1,447,129	1,591,333	1,842,481	1,940,033
COGS	1,005,014	1,002,019	936,653	996,742	1,054,095	1,256,505	1,229,400
Gross Profit	489,871	513,068	457,175	450,387	537,238	585,976	710,633
Operating Expense	187,212	186,557	180,034	183,846	217,998	221,576	230,241
Operating Income	302,659	326,511	277,141	266,541	319,240	364,400	480,392
Non-Operating Income/(Loss)	162,823	(36,339)	(37,811)	(55,936)	(33,666)	(55,576)	12,724
Income before Tax	465,482	290,172	239,330	210,605	285,574	308,824	493,116
Tax Expense	74,675	34,741	47,227	49,142	69,191	50,209	105,400
Net Income	390,807	255,431	192,103	161,463	216,383	258,615	387,716
Basic EPS (NT$)	3.23	2.11	1.58	1.34	1.79	2.14	3.20

Note：The EPS in Q1 2020 including NT$1.09 of Kenly gain recognized in bargain purchase transaction.

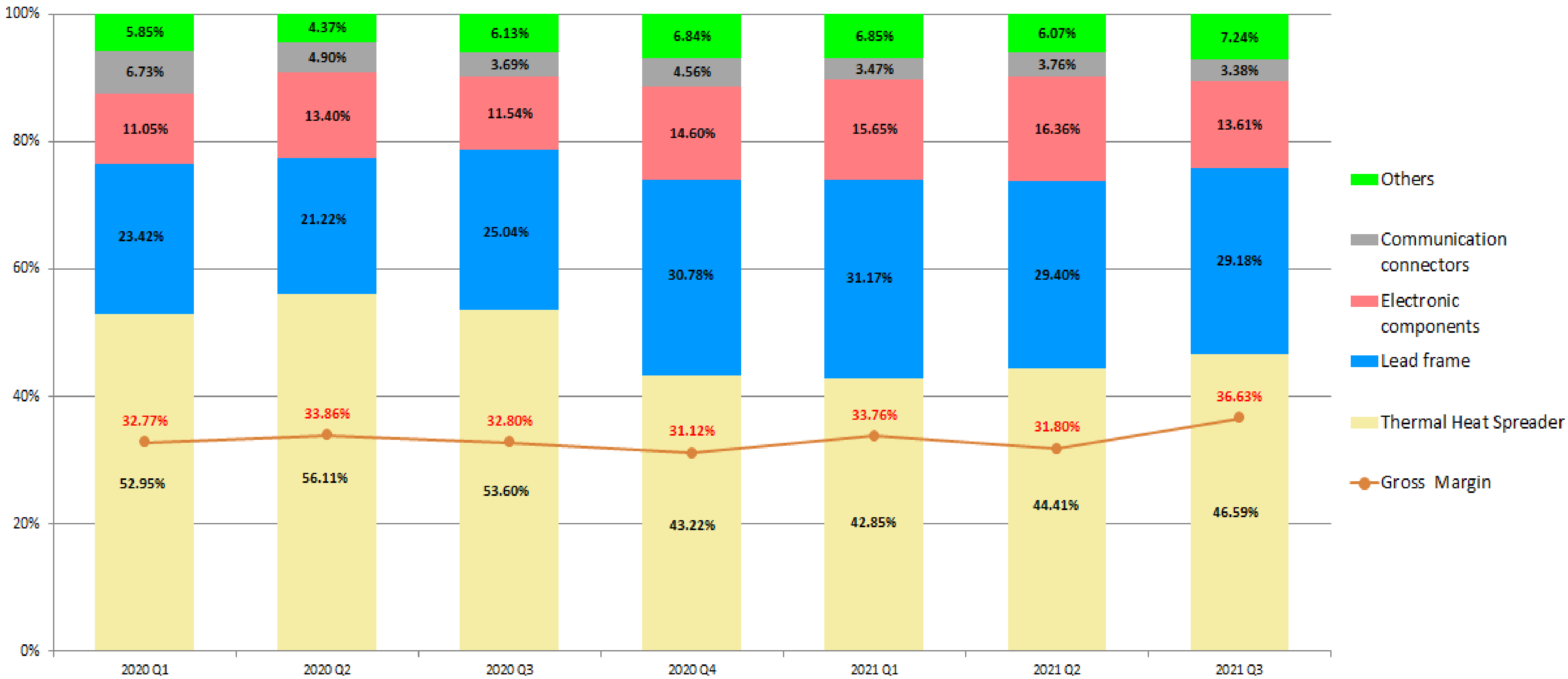
Revenue, Gross Margin and Operating Margin (Jentech Taiwan and Wuxi)

Unit: NT$ 100 Million



Quarter	2020Q1	2020Q2	2020Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3
Revenue (100 Million)	14.95	15.15	13.94	14.47	15.91	18.42	19.40

Revenue by Product (Jentech Taiwan and Wuxi)



Quarter	2020Q1	2020Q2	2020Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3
Revenue (100 Million)	14.95	15.15	13.94	14.47	15.91	18.42	19.40

Stock code: 3653

Thank You

Q & A