

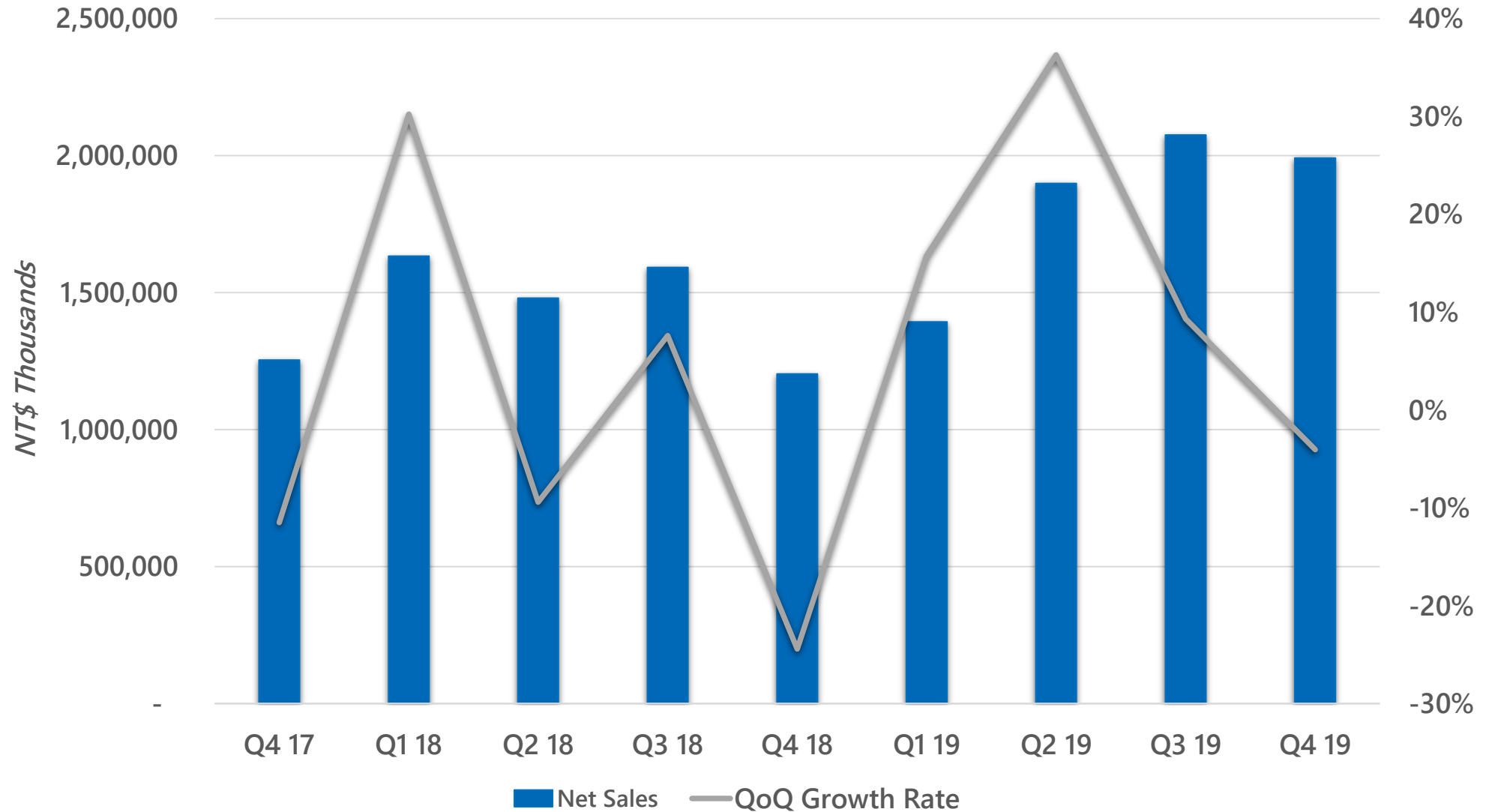
Egis Technology Inc.

2019 Q4

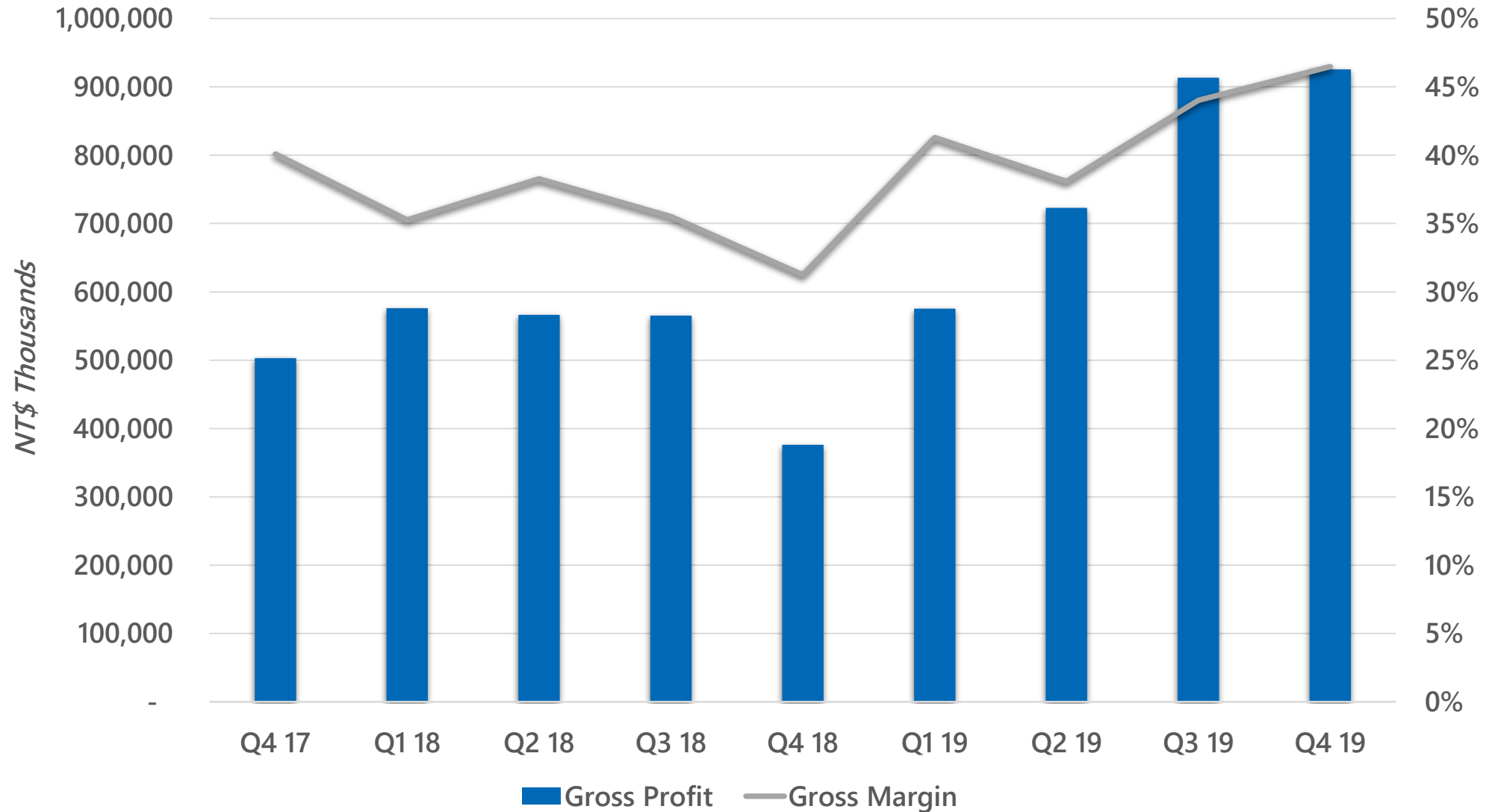
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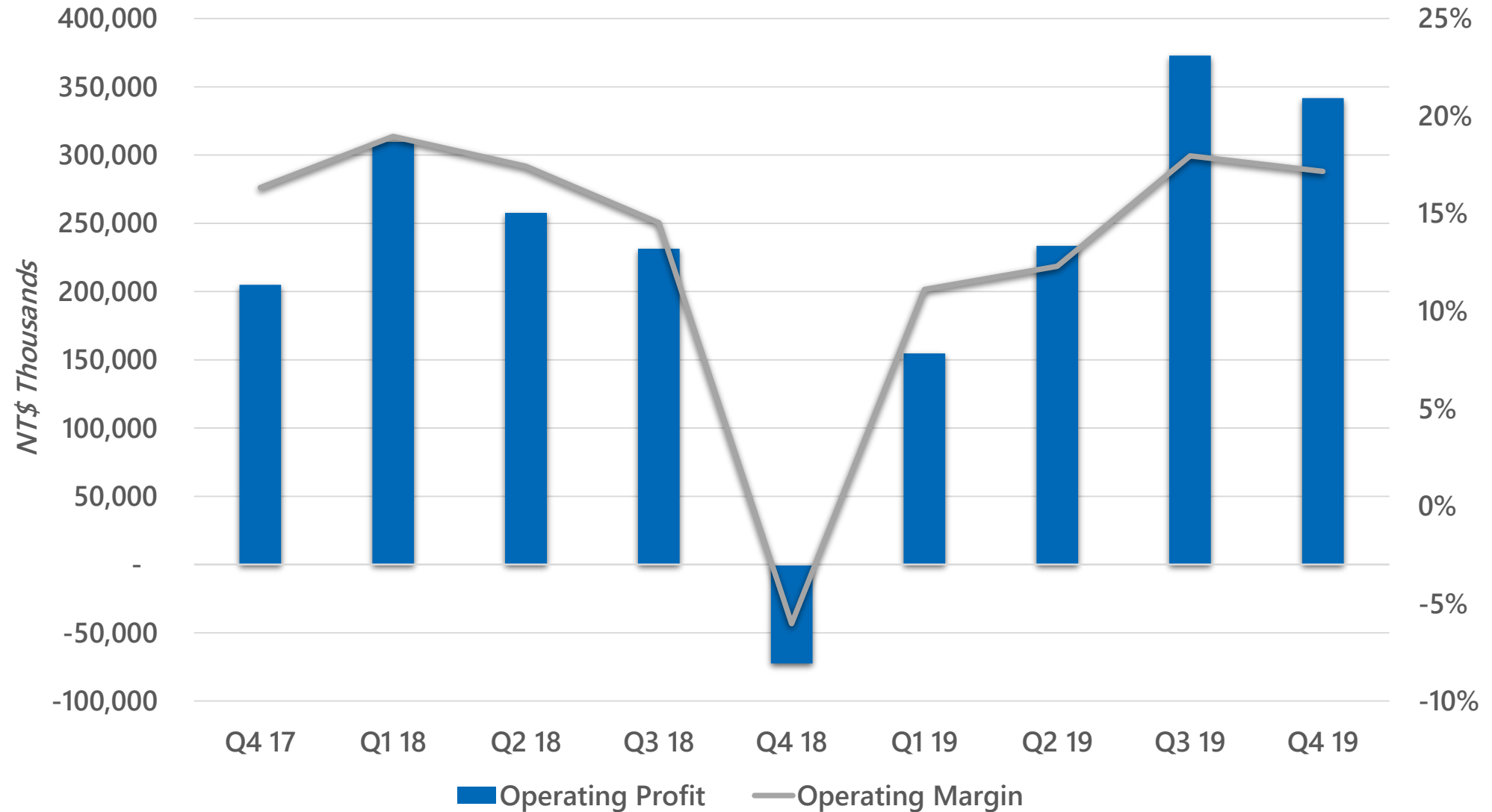
Net Sales Trend



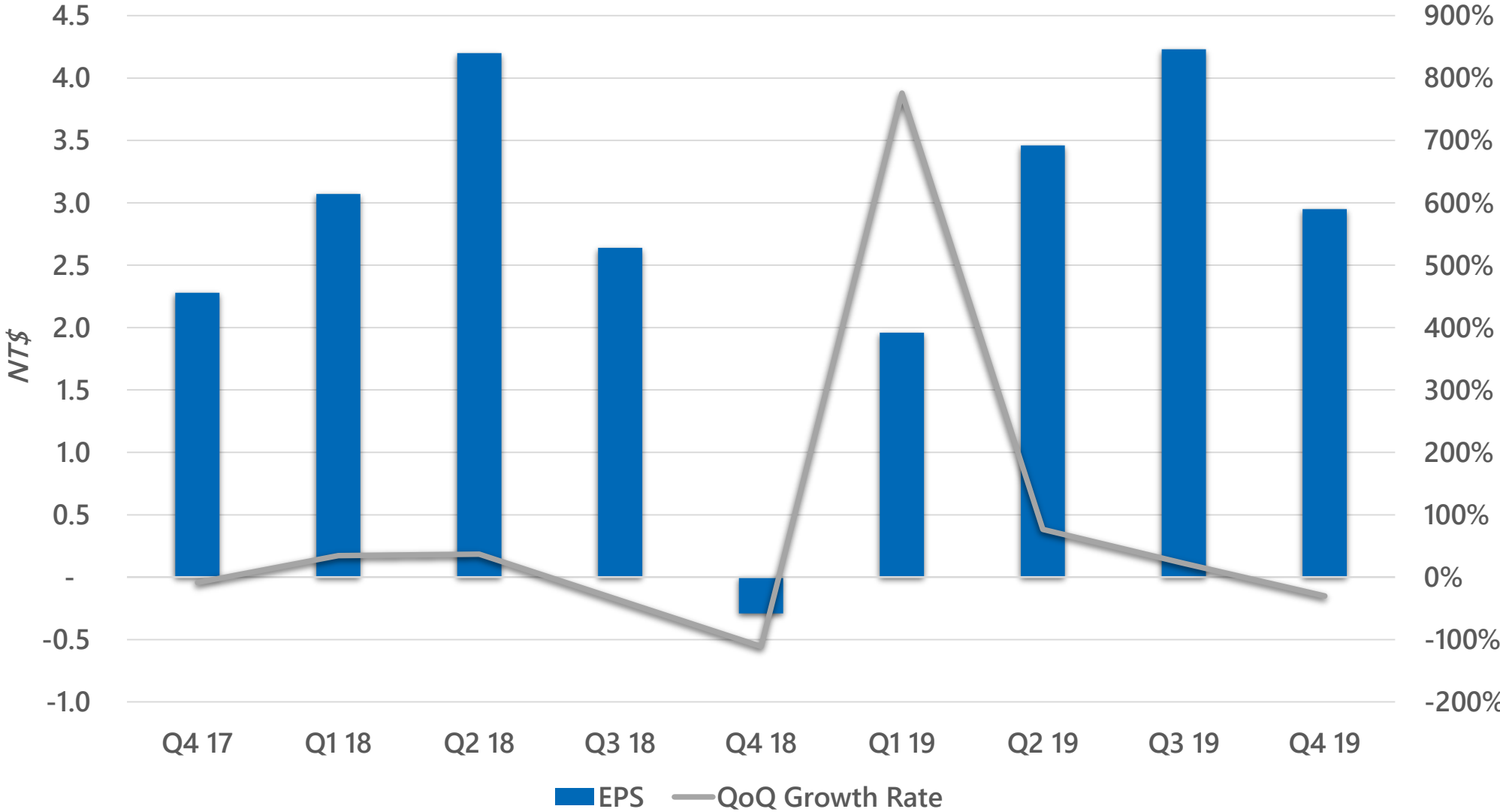
Gross Profit & Margin Trend



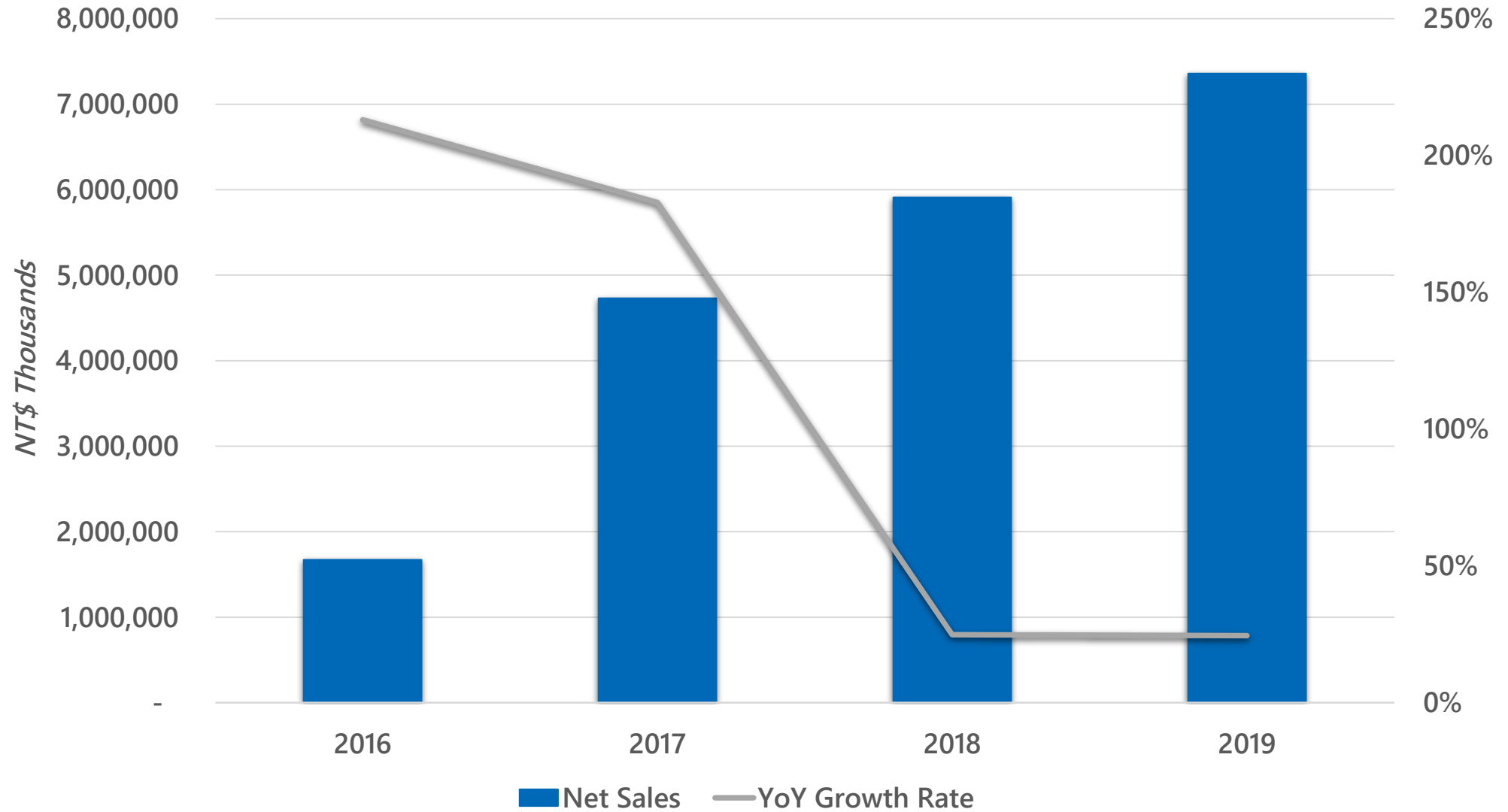
Operating Profit & Margin Trend



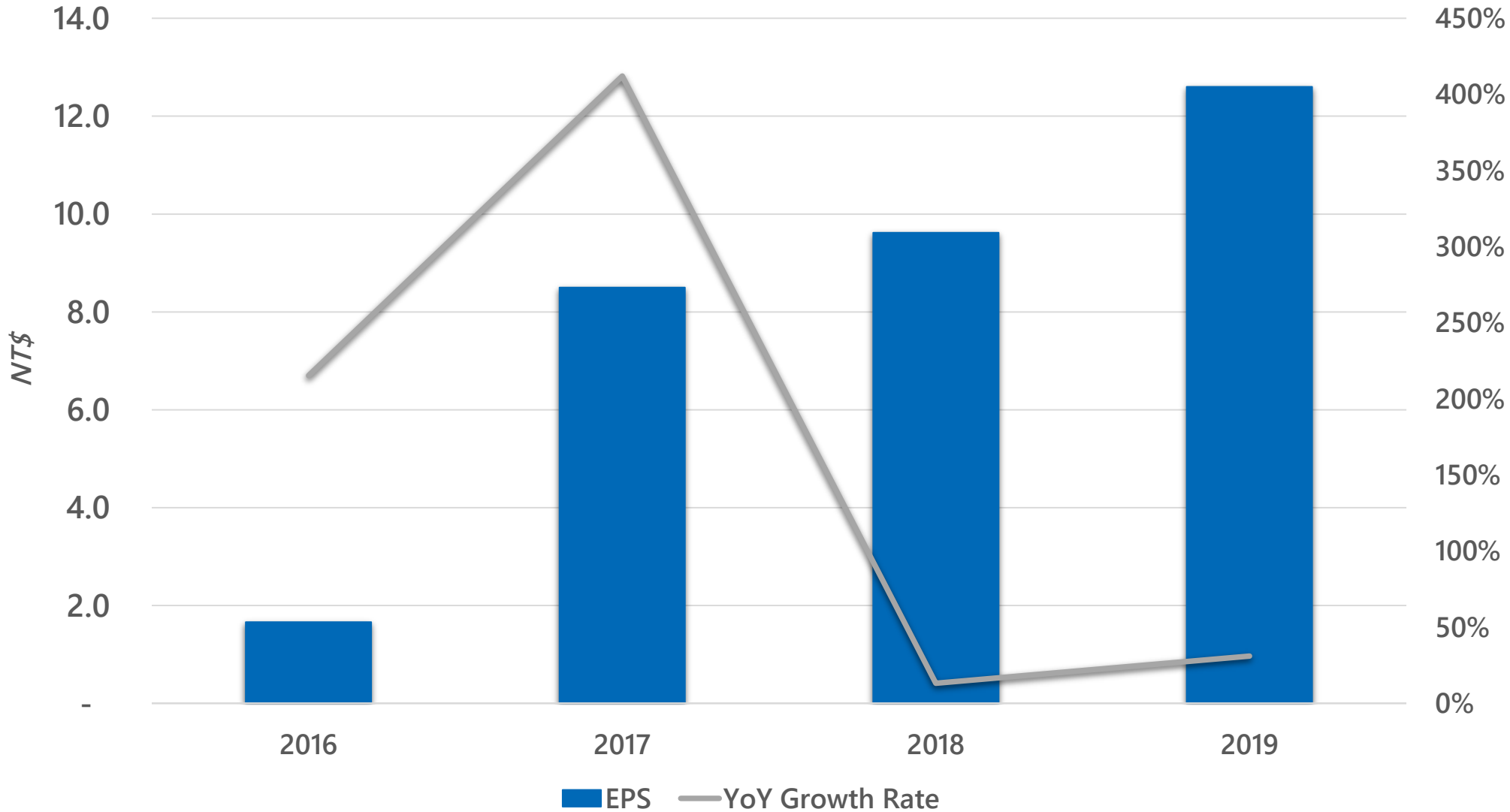
EPS



Annual Net Sales Trend



Annual EPS Trend



Income Statement 2019 Q4 vs. 2019 Q3

Unit: NT\$ Thousands

	Q4 2019	Q3 2019	Growth Rate
Net Sales	1,991,380	2,075,413	-4%
COGS	1,065,701	1,161,982	
Gross Profit	925,679	913,431	1%
Gross Margin	46.5%	44.0%	
Operating Expense	584,024	540,589	
Operating Income	341,655	372,842	-8%
Operating Margin	17.2%	18.0%	
Non-operating Income and Expense	(107,478)	8,613	
Income before Tax	234,178	381,455	
Income Tax	29,578	87,714	
Income after Tax	204,599	293,741	
Minority Interest	1,531	4,170	
Parent Net Income (Loss)	203,069	289,571	-30%
Net Margin	10.2%	14.0%	
EPS (NT\$)	2.95	4.23	-30%

Income Statement 2019 Q4 vs. 2018 Q4

Unit: NT\$ Thousands

	Q4 2019	Q4 2018	Growth Rate
Net Sales	1,991,380	1,203,386	65%
COGS	1,065,701	827,353	
Gross Profit	925,679	376,032	146%
Gross Margin	46.5%	31.2%	
Operating Expense	584,024	448,585	
Operating Income	341,655	(72,553)	
Operating Margin	17.2%	-6.0%	
Non-operating Income and Expense	(107,478)	49,157	
Income before Tax	234,178	(23,397)	
Income Tax	29,578	926	
Income after Tax	204,599	(24,322)	
Minority Interest	1,531	0	
Parent Net Income (Loss)	203,069	(24,322)	
Net Margin	10.2%	-2.0%	
EPS (NT\$)	2.95	(0.29)	

Balance Sheet

Unit: NT\$ Thousands

	Q4 2019	Q4 2018
Current assets		
Cash and cash equivalents	3,467,163	2,493,078
Notes and accounts receivable, net	343,355	614,327
Inventories	762,907	555,919
Total current assets	4,809,928	3,750,401
Non-current assets	718,139	558,136
Total Assets	5,528,067	4,308,537
Current liabilities		
Short-term borrowings	1,193,486	961,315
Notes and accounts payable	561,738	396,474
Accrued expenses and other current liabilities	687,074	446,773
Total current liabilities	2,646,113	1,915,374
Total Liabilities	2,716,391	1,916,412
Total Equity	2,811,676	2,392,125

Business Update

GM had a nice improvement in 4Q19, up another 2.5 pts QoQ, though was partially offset by the higher F/X losses, resulting in a sequential QoQ decline in EPS. On a full-year basis, both revenues and EPS (NT\$12.6) reached a new high in 2019, and the Board has proposed a 2019 cash dividend of NT\$9 per share.

For 1Q20, we expect revenues to decline QoQ but increase YoY, and GM will remain stable. March revenues will rebound from the levels seen in January/February.

In line with our earlier expectations, we continue to see more models ramping up at the Korean customers.

Meanwhile, shipments of optical sensors to our Chinese customers will also continue to grow.

Overall speaking, although it could be a challenging year for the smartphone supply chain, we aim to achieve steady revenue/earnings growth in 2020.

Thank you