

Egis Technology Inc.

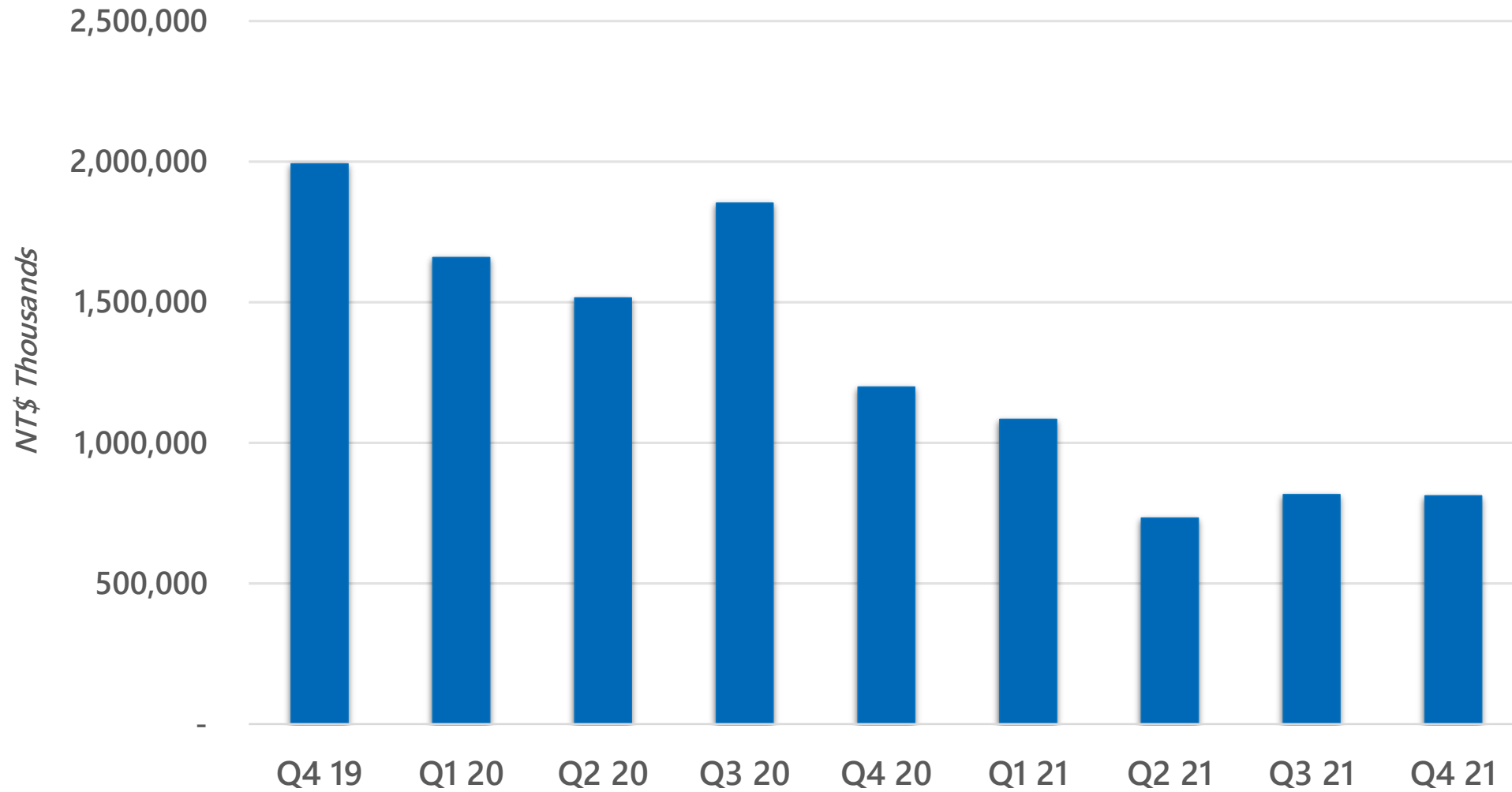
2021 Q4

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2022.03.23

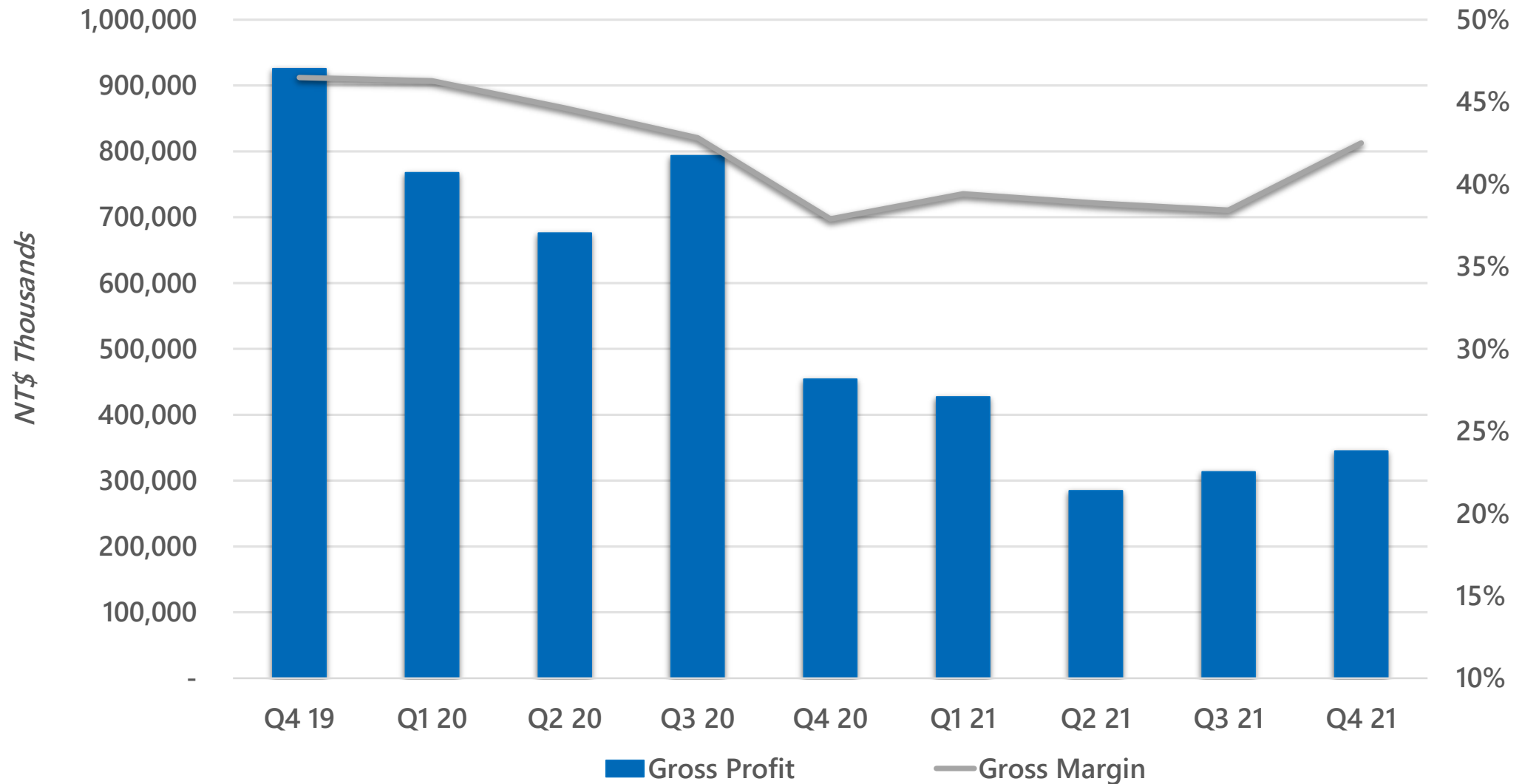
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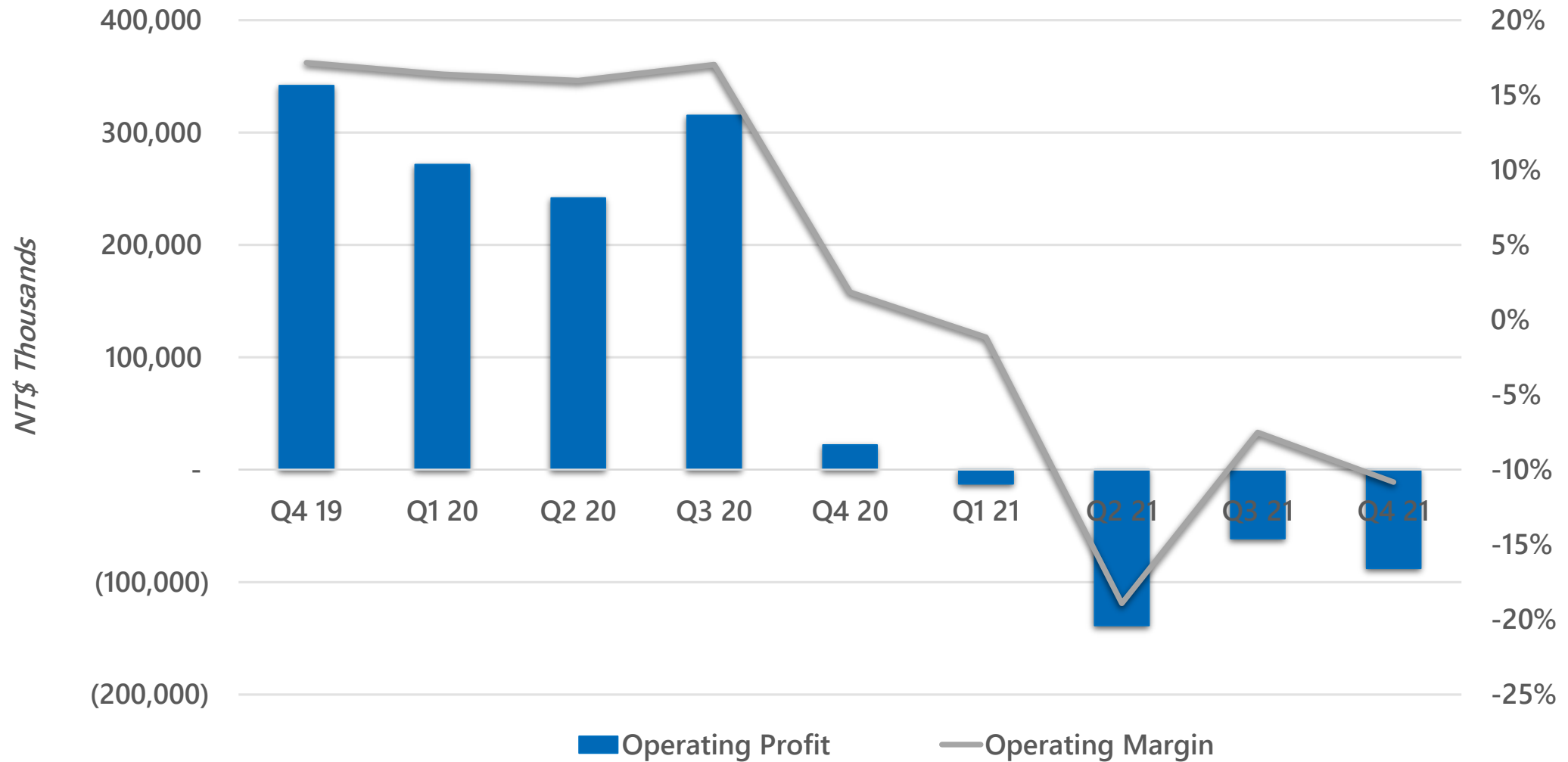
Net Sales Trend



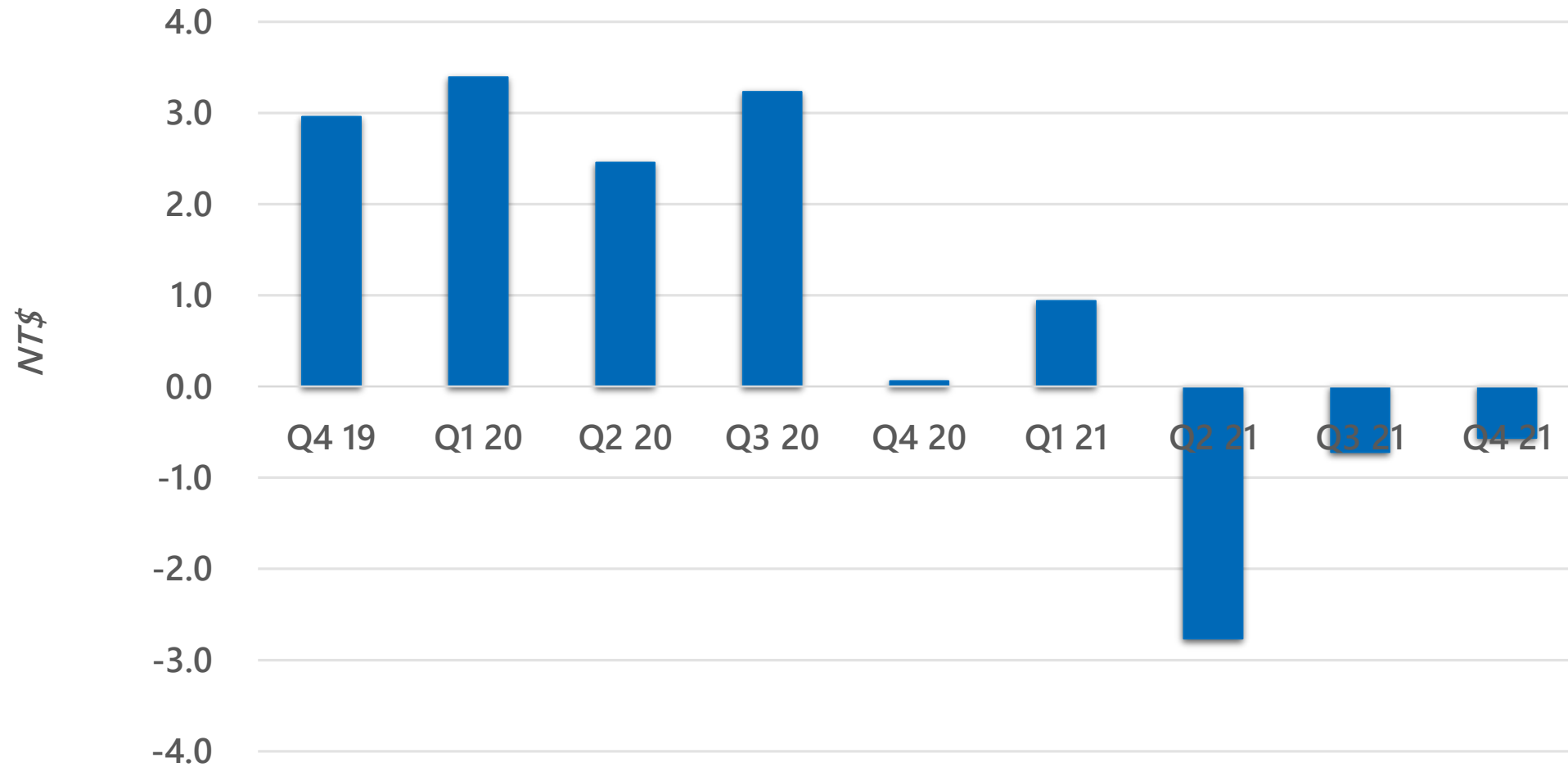
Gross Profit & Margin Trend



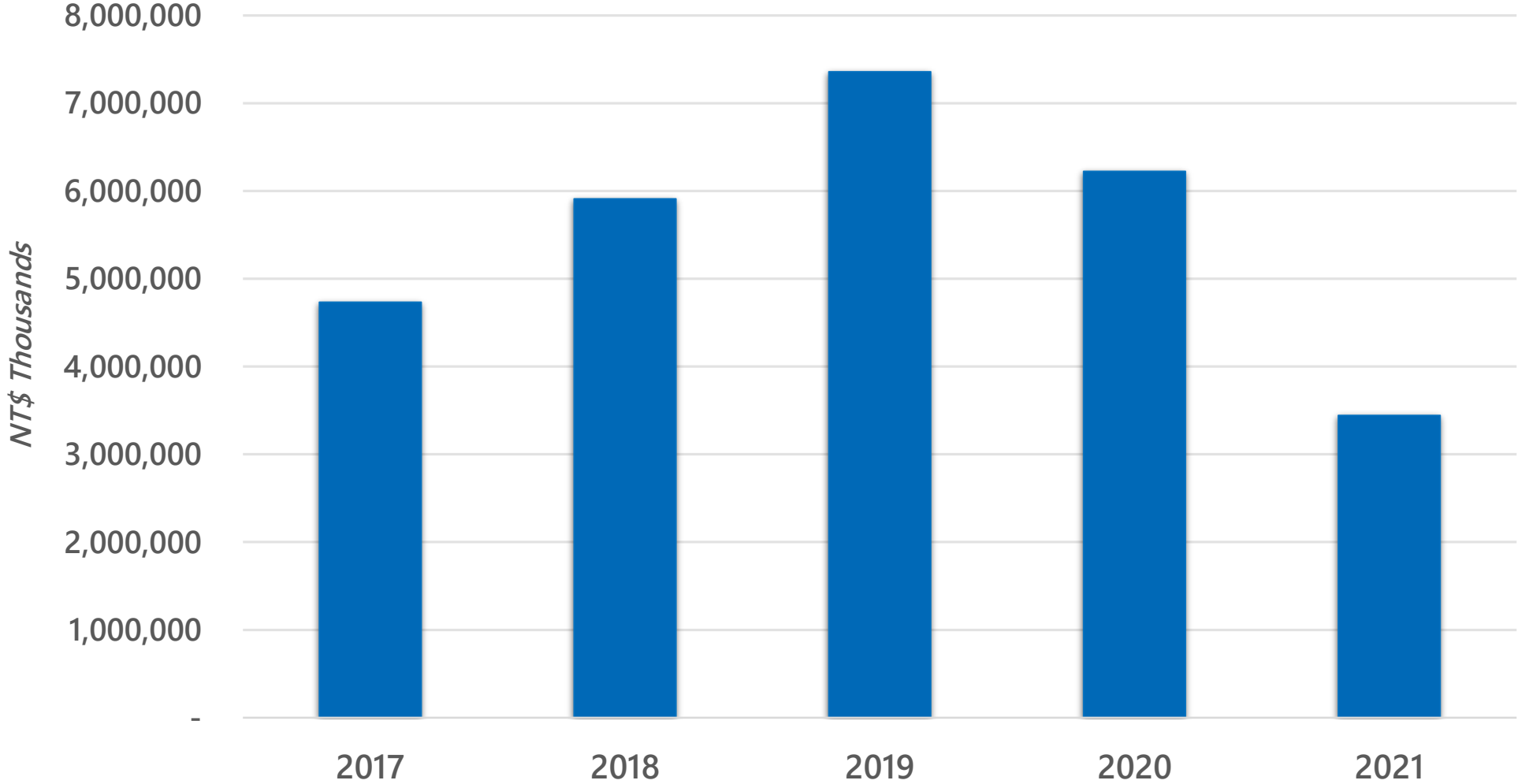
Operating Profit & Margin Trend



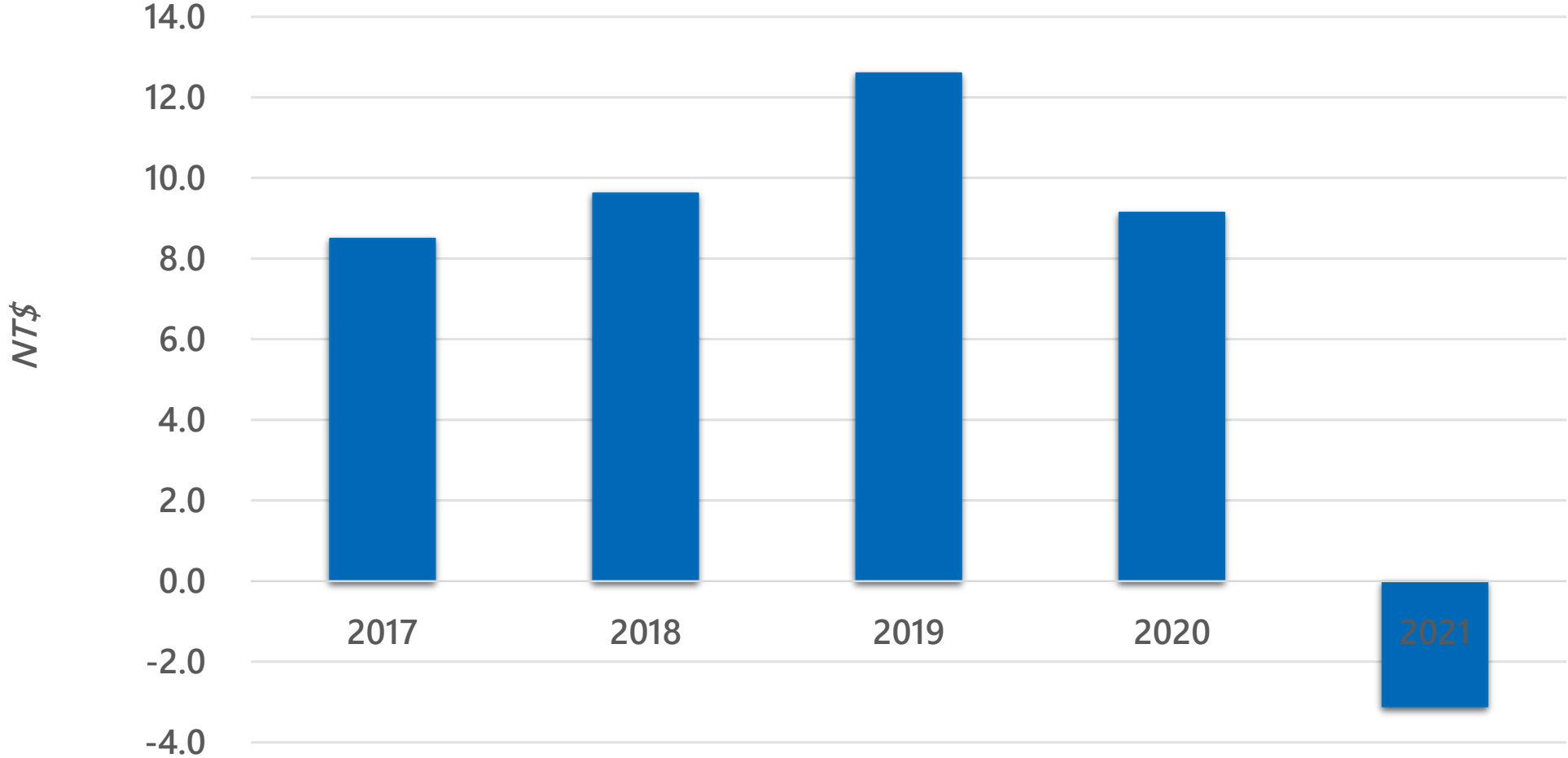
EPS



Annual Net Sales Trend



Annual EPS Trend



Income Statement Q4 2021 vs. Q3 2021

| Unit: NT\$ Thousands | Q4 2021 | Q3 2021 | Growth Rate |
|---------------------------------|----------|----------|-------------|
| Net Sales | 811,141 | 815,411 | -1% |
| COGS | 466,335 | 502,124 | |
| Gross Profit | 344,806 | 313,287 | 10% |
| Gross Margin | 43% | 38% | |
| Operating Expense | 432,638 | 374,579 | |
| Operating Income | (87,832) | (61,292) | |
| Operating Margin | -11% | -8% | |
| Non-operating Income (Expense) | 12,541 | (3,519) | |
| Income before Tax | (75,291) | (64,811) | |
| Income Tax Expense (Income) | (29,855) | (12,454) | |
| Income after Tax | (45,436) | (52,357) | |
| Minority Interest | (6,195) | (2,464) | |
| Parent Net Income (Loss) | (39,241) | (49,893) | |
| Net Margin | -5% | -6% | |
| EPS (NT\$) | (0.6) | (0.7) | |

Income Statement Q4 2021 vs. Q4 2020

| Unit: NT\$ Thousands | Q4 2021 | Q4 2020 | Growth Rate |
|---------------------------------|----------|-----------|-------------|
| Net Sales | 811,141 | 1,198,357 | -32% |
| COGS | 466,335 | 744,190 | |
| Gross Profit | 344,806 | 454,167 | -24% |
| Gross Margin | 43% | 38% | |
| Operating Expense | 432,638 | 432,111 | |
| Operating Income | (87,832) | 22,056 | |
| Operating Margin | -11% | 2% | |
| Non-operating Income (Expense) | 12,541 | (35,343) | |
| Income before Tax | (75,291) | (13,287) | |
| Income Tax Expense (Income) | (29,855) | (16,024) | |
| Income after Tax | (45,436) | 2,737 | |
| Minority Interest | (6,195) | (1,659) | |
| Parent Net Income (Loss) | (39,241) | 4,396 | |
| Net Margin | -5% | 0.4% | |
| EPS (NT\$) | (0.6) | 0.1 | |

Income Statement 2021 vs. 2020

| Unit: NT\$ Thousands | 2021 | 2020 | Growth Rate |
|---------------------------------|-----------|-----------|-------------|
| Net Sales | 3,442,807 | 6,224,427 | -45% |
| COGS | 2,072,912 | 3,533,473 | |
| Gross Profit | 1,369,894 | 2,690,953 | -49% |
| Gross Margin | 39.8% | 43.2% | |
| Operating Expense | 1,670,312 | 1,840,326 | |
| Operating Income | (300,418) | 850,627 | |
| Operating Margin | -8.7% | 13.7% | |
| Non-operating Income (Expense) | (9,930) | (99,144) | |
| Income before Tax | (310,348) | 751,483 | |
| Income Tax Expense (Income) | (78,574) | 123,491 | |
| Income after Tax | (231,773) | 627,991 | |
| Minority Interest | (16,169) | (4,568) | |
| Parent Net Income (Loss) | (215,604) | 632,559 | |
| Net Margin | -6.3% | 10.2% | |
| EPS (NT\$) | (3.1) | 9.1 | |

Balance Sheet

Unit: NT\$ Thousands

| | Q4 2021 | Q4 2020 |
|--|------------------|------------------|
| Current assets | | |
| Cash and cash equivalents | 3,800,692 | 1,676,211 |
| Notes and accounts receivable, net | 608,734 | 303,743 |
| Inventories | 606,684 | 383,526 |
| Total current assets | 5,208,223 | 2,505,675 |
| Non-current assets | 3,671,371 | 4,173,171 |
| Total Assets | 8,879,594 | 6,678,846 |
| Current liabilities | | |
| Short-term borrowings | 100,000 | 0 |
| Notes and accounts payable | 331,422 | 254,432 |
| Accrued expenses and other current liabilities | 539,989 | 534,307 |
| Total current liabilities | 1,646,811 | 870,720 |
| Total Liabilities | 2,547,044 | 1,971,600 |
| Total Equity | 6,332,551 | 4,707,246 |

Business Update

Overview

Gross margin had a nice sequential improvement in 4Q21, mainly driven by product mix enhancement, and will likely remain stable in 1Q22.

We expect revenue growth momentum to resume in the coming weeks, and ideally to see a positive YoY growth trend starting from single month, followed by a positive YoY growth on an accumulated year-to-date basis.

Fingerprint

Fingerprint in NB PC – We expect our shipments to increase this year, along with our own in-house MCU, perfectly suitable for the increasing demand of Match-on-Chip requirement. This is a high-ASP, high-margin business.

Fingerprint in other devices – We continue to broaden our customer base, tapping into new applications, such as automotive, embedded, etc.

Business Update

Non-fingerprint

Optical sensor – Shipments have already commenced since end-2021 for consumer devices, and will continue to grow this year. We will also expand to smartphone customers in 2022 to achieve greater economies of scale.

DToF – Mass production is expected to begin in 2H22, addressing smartphone, IoT and NB PC markets.

Affiliate companies & new investments – One of the priorities this year is to have a closer collaboration with our invested companies, resulting in greater synergies (IP & product portfolio, customer base, market segment, supply chain, etc.) in areas like: AI/ISP/DVS, WiFi/BLE connectivity, high-speed interface, LED driver, etc.

Thank you