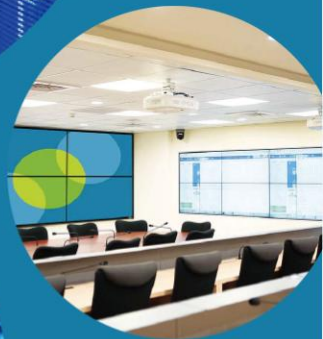




# ATEN International

2020 Q2 Investor Conference  
Aug. 20, 2020



TWSE 6277

# Financial Performance



## Consolidated Statements of Comprehensive Income – 2Q20 (YoY)

In NT million

	2Q20		2Q19		YoY	
	Amount	%	Amount	%	Amount	%
Net Sales	<b>1,083</b>	<b>100.0</b>	1,254	100.0	-172	-14
Gross Profit	<b>649</b>	<b>59.9</b>	741	59.1	-93	-12
Operating Expenses	<b>593</b>	<b>54.8</b>	561	44.8	32	6
Sales Expenses	<b>305</b>	<b>28.2</b>	310	24.7	-4	-1
Admin. Expenses	<b>149</b>	<b>13.7</b>	131	10.5	18	13
RD Expenses	<b>139</b>	<b>12.8</b>	120	9.6	19	15
Operating Profit	<b>56</b>	<b>5.1</b>	180	14.3	-124	-69
Non-Operating Income and Expenses	<b>875</b>	<b>80.9</b>	12	1.0	863	6942
Net Income before Tax	<b>931</b>	<b>86.0</b>	192	15.3	739	384
Tax	<b>20</b>	<b>1.9</b>	40	3.2	-20	-49
Net Income	<b>911</b>	<b>84.1</b>	152	12.1	758	499
EPS(NT\$) (After Tax)	<b>7.62</b>		1.26			

Note : Taiwan Consolidated Basis



# Consolidated Statements of Comprehensive Income – 2Q20 (YoY)

In NT Million

	2Q20 (Without Disposal Effect)		1Q19		YoY		2Q20 Disposal Effect
	Amount	%	Amount	%	Amount	%	Amount
Net Sales	<b>1,083</b>	<b>100.0</b>	1,254	100.0	-172	-14	0
Gross Profit	<b>656</b>	<b>60.6</b>	741	59.1	-85	-11	-7
Operating Expenses	<b>510</b>	<b>47.1</b>	561	44.8	-51	-9	83
Sales Expenses	<b>286</b>	<b>26.5</b>	310	24.7	-23	-8	19
Admin. Expenses	<b>116</b>	<b>10.7</b>	131	10.5	-15	-12	33
RD Expenses	<b>108</b>	<b>10.0</b>	120	9.6	-12	-10	31
Operating Profit	<b>146</b>	<b>13.5</b>	180	14.3	-34	-19	-90
Non-Operating Income and Expenses	<b>8</b>	<b>0.7</b>	12	1.0	-5	-37	867
Net Income before Tax	<b>154</b>	<b>14.2</b>	192	15.3	-38	-20	777
Tax	<b>28</b>	<b>2.6</b>	40	3.2	-12	-30	-8
Net Income	<b>126</b>	<b>11.6</b>	152	12.1	-26	-17	785
EPS(NT\$) (After Tax)	<b>1.05</b>		1.26				6.57

Note : Taiwan Consolidated Basis



## Consolidated Statements of Comprehensive Income – Jan.~ Jun. 2020 (YoY)

In NT million

	Jan. ~ Jun. '20		Jan. ~ Jun. '19		YoY	
	Amount	%	Amount	%	Amount	%
Net Sales	<b>2,236</b>	<b>100.0</b>	2,410	100.0	-174	-7
Gross Profit	<b>1,347</b>	<b>60.2</b>	1,431	59.4	-85	-6
Operating Expenses	<b>1,159</b>	<b>51.9</b>	1,103	45.8	56	5
Sales Expenses	<b>614</b>	<b>27.4</b>	605	25.1	9	1
Admin. Expenses	<b>274</b>	<b>12.3</b>	255	10.6	19	7
RD Expenses	<b>272</b>	<b>12.2</b>	244	10.1	28	12
Operating Profit	<b>187</b>	<b>8.4</b>	328	13.6	-141	-43
Non-Operating Income and Expenses	<b>1,080</b>	<b>48.3</b>	22	0.9	1058	4717
Net Income before Tax	<b>1,267</b>	<b>56.7</b>	350	14.5	917	262
Tax	<b>56</b>	<b>2.5</b>	82	3.4	-26	-32
Net Income	<b>1,212</b>	<b>54.2</b>	269	11.1	943	351
EPS(NT\$) (After Tax)	<b>10.15</b>		2.24			

Note : Taiwan Consolidated Basis



# Consolidated Statements of Comprehensive Income – Jan. ~ Jun. (YoY)

In NT Million

	Jan. ~ Jun. '20 (Without Disposal Effect)		Jan. ~ Jun. '19		YoY		1H20 Disposal Effect
	Amount	%	Amount	%	Amount	%	Amount
Net Sales	<b>2,236</b>	<b>100.0</b>	2,410	100.0	-174	-7	
Gross Profit	<b>1,356</b>	<b>60.6</b>	1,431	59.4	-75	-5	-10
Operating Expenses	<b>1,050</b>	<b>47.0</b>	1,103	45.8	-53	-5	109
Sales Expenses	<b>588</b>	<b>26.3</b>	605	25.1	-17	-3	25
Admin. Expenses	<b>231</b>	<b>10.3</b>	255	10.6	-24	-9	43
RD Expenses	<b>231</b>	<b>10.3</b>	244	10.1	-13	-5	41
Operating Profit	<b>306</b>	<b>13.7</b>	328	13.6	-22	-7	-119
Non-Operating Income and Expenses	<b>18</b>	<b>0.8</b>	22	0.9	-4	-20	1062
Net Income before Tax	<b>324</b>	<b>14.5</b>	350	14.5	-26	-8	943
Tax	<b>67</b>	<b>3.0</b>	82	3.4	-15	-18	-11
Net Income	<b>257</b>	<b>11.5</b>	269	11.1	-12	-4	954
EPS(NT\$) (After Tax)	<b>2.16</b>		2.24				7.99

Note : Taiwan Consolidated Basis



## Balance Sheet – Jun. 2020 YoY

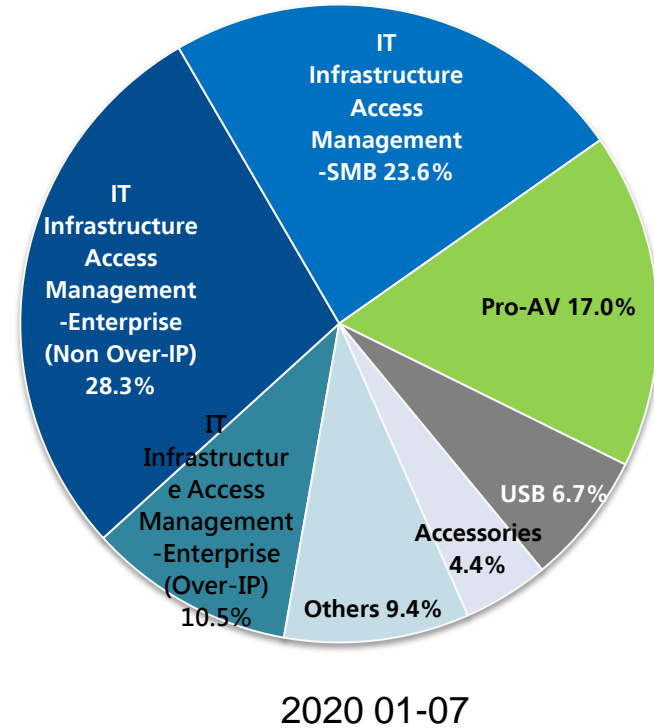
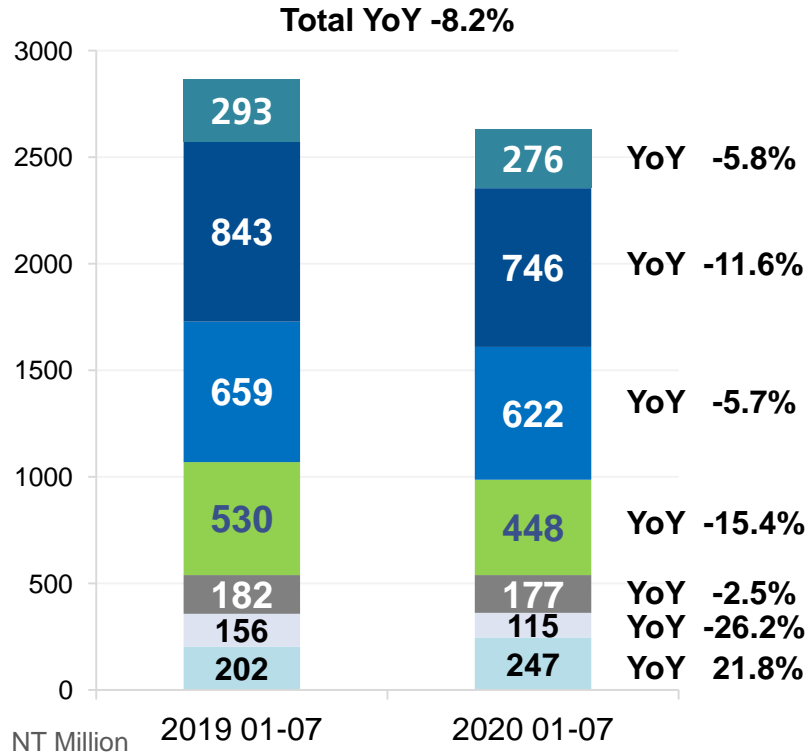
In NT Million	Jun. '20		Jun. '19		YoY	
	Amount	%	Amount	%	Amount	%
Cash and Financial Assets	3,693	46	2,754	38	939	34
Accounts Receivable	577	7	741	10	-164	-22
Inventory	1,068	13	1,036	14	33	3
Other Current Assets	126	2	113	2	13	11
<b>Total Current Assets</b>	<b>5,464</b>	<b>68</b>	<b>4,644</b>	<b>65</b>	<b>820</b>	<b>18</b>
Property, Plant, and Equipment	2,039	25	1,975	27	64	3
Other Non-Current Assets	538	7	568	8	-29	-5
<b>Total Non-Current Assets</b>	<b>2,578</b>	<b>32</b>	<b>2,543</b>	<b>35</b>	<b>35</b>	<b>1</b>
<b>Total Assets</b>	<b>8,042</b>	<b>100</b>	<b>7,187</b>	<b>100</b>	<b>855</b>	<b>12</b>
Short-term Borrowings	756	9	663	9	93	14
Accounts Payable	375	5	351	5	23	7
Other Accounts Payable	618	8	582	8	36	6
Other Current Liabilities	889	11	1,204	17	-315	-26
<b>Total Current Liabilities</b>	<b>2,638</b>	<b>33</b>	<b>2,801</b>	<b>39</b>	<b>-163</b>	<b>-6</b>
Long-term Borrowings	57	1	21	0	36	170
Other Non-Current Liabilities	506	6	466	6	41	9
<b>Total Non-Current Liabilities</b>	<b>563</b>	<b>7</b>	<b>487</b>	<b>7</b>	<b>76</b>	<b>16</b>
<b>Total Liabilities</b>	<b>3,201</b>	<b>40</b>	<b>3,288</b>	<b>46</b>	<b>-87</b>	<b>-3</b>
<b>Total Equity</b>	<b>4,841</b>	<b>60</b>	<b>3,899</b>	<b>54</b>	<b>942</b>	<b>24</b>
Receivable turnover days	49		56			
Inventory turnover days	211		195			
Payable turnover days	78		77			

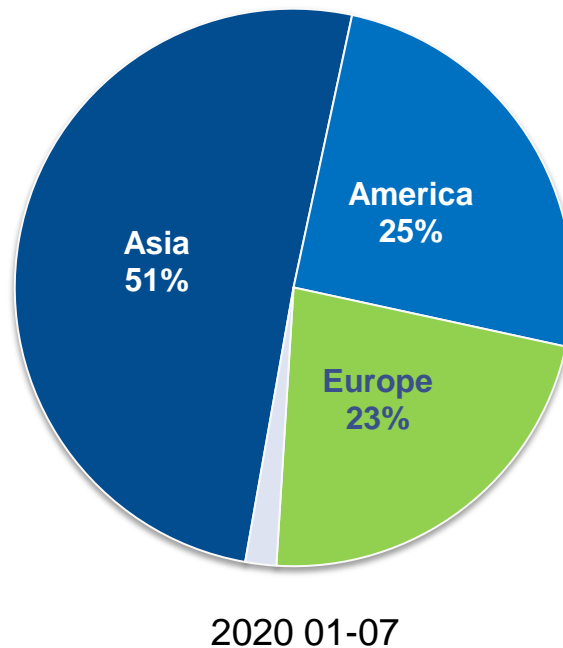
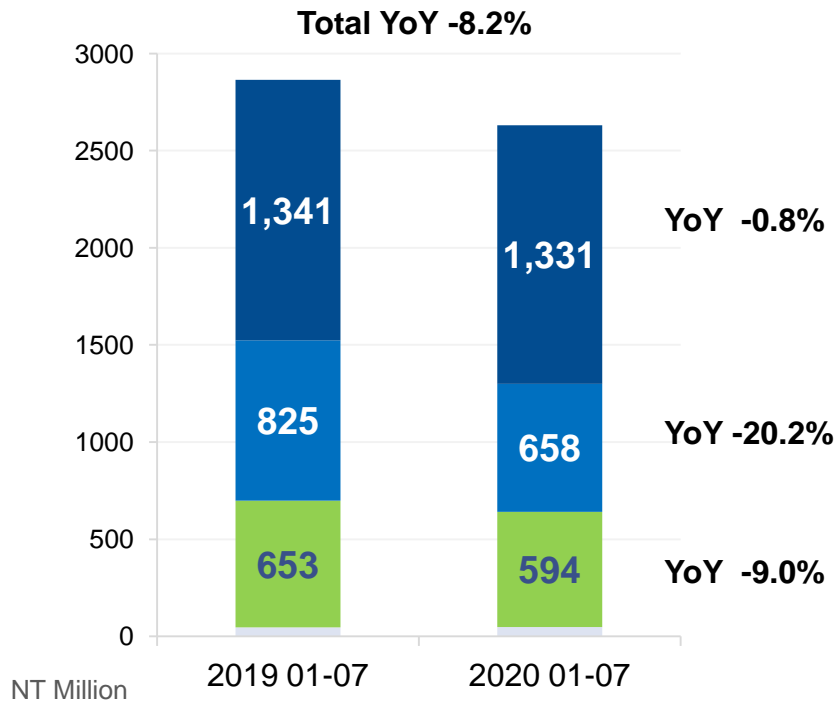


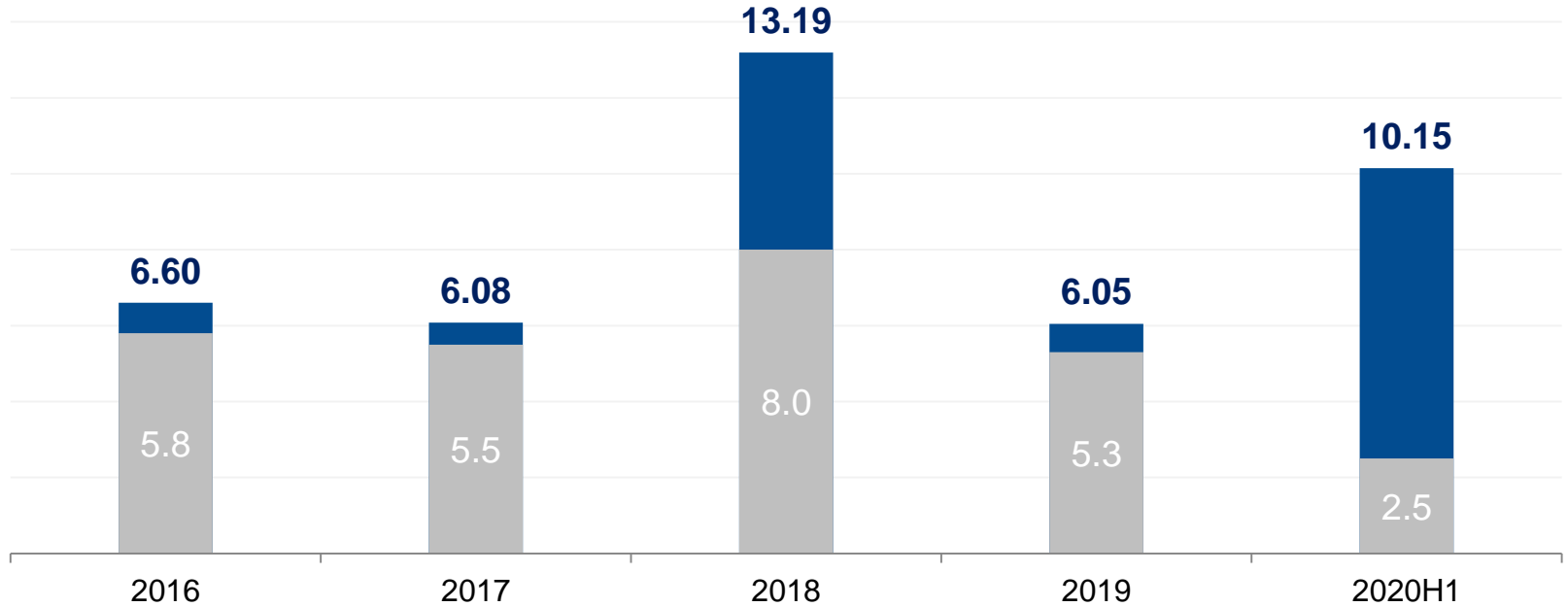
## Cash Flow – From Jan.- Jun. 2020 YoY

In NT Million	Jan.~ Jun. '20 Amount	Jan.~ Jun. '19 Amount
Cash and cash equivalents at beginning of period	742	692
From Operating	<b>Without Trading</b> -967	<b>Without Trading</b> -349
Net Profit before Tax	<b>Financial Assets</b> 1,267	<b>Financial Assets</b> 350
Non cash adjustments to reconcile profit and loss	+328	+243
Financial assets at fair value through profit or loss, mandatorily	-979	74
Inventory	-1,295	-592
Account Receivable	-83	22
Account Payable	51	-11
Other Operation Sources / (Uses)	-7	-123
From Investing	78	-70
Property, plant and equipment	<b>Including Trading</b> 1,026	<b>Including Trading</b> 543
Disposal of financial assets at fair value through profit or loss	<b>Financial Assets</b> -91	<b>Financial Assets</b> -21
Disposal of Investment income under equity method	--269	-49
Other Investing Sources / (Uses)	918	0
From Financing	206	561
Short-Term and Long-Term Borrowings	-7	3
Other Financing Sources / (Uses)	7	-152
Effect of exchange rate changes on cash and cash equivalents	71	-99
Cash and cash equivalents at end of period	-64	-53
Free Cash Flow	-6	6
	802	740
	59	193









■ EPS  
■ Cash Dividend

**90% payout ratio from operational profit remains unchanged**

# Q&A

We have made forward-looking statements in the presentation. Our forward-looking statements contain information regarding, among other things, our financial conditions, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties, and assumptions about us.

We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risk, uncertainties and assumptions, the forward-looking events in the conference might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.

# Simply Better Connections



