

矽瑪科技股份有限公司 Simula Technology Inc.

2023 Q3 Result Summary

2023/10/31

A decorative graphic at the bottom of the slide consisting of a purple gradient shape that curves upwards from the left and right sides towards the center, resembling a stylized 'U' or a wide smile.

1 、 Company Profile

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Safe Harbor Notice



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 risks, uncertainties and assumptions, the forward-looking events might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.

Company Profile

President JY HU

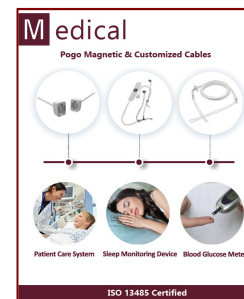
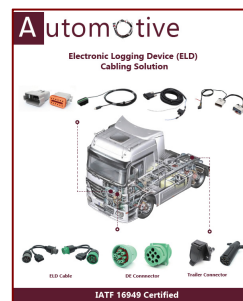
矽瑪科技股份有限公司

- www.simulatechnology.com
- 1990 Established
- 2009 IPO
- 2020 Join Qisda Group
- 2021 Invest Action Star Co.
- Employees: 1100
- Capital : NTD 799 M.
- Sales Location : TW 、USA 、CN
- Manufacture Location : TW 、CN
- RD Location : TW 、CN
- 2022Revenue : NTD 4,321M
- For the nine months ended 2023
Revenue : NTD 1,684M

HQ : Taoyuan, Taiwan

From parts to Key components and to Solution Provider

- Service from standard connectors 、 cables to the customized service
- Focus on Automotive 、 Medical 、 Industrial 、 Consumer and Wearable fields.
- Focus on EARLY STAGE and grow up with customers
- Focus on HIGH ADDED VALUE products and business development(ex: ID design + Circuit Design + IC)



2023 Q3 Financial Results

CFO Kevin Huang

Consolidated Statement of Comprehensive Income – 2023/Q3



Unit : NTD M

	2023 / Q3		2023 / Q1		QoQ		2022 / Q3		YoY	
	amt	%	amt	%	amt	g%	amt	%	amt	g%
Net Sales	438	100%	493	100%	(55)	-11%	1,196	100%	(758)	-63%
Cost of Good Sold	(402)		(424)		22		(947)		545	
Gross Margin	36	8%	69	14%	(33)	-48%	249	21%	(213)	-86%
Operating Expenses	(90)	-21%	(95)	-19%	5		(119)	-10%	29	
Operating Income	(54)	-12%	(26)	-5%	(28)	108%	130	11%	(184)	-142%
Non-Operating Income and Loss	(4)		1		(5)		34		(38)	
Income Before Income Tax	(58)	-13%	(25)	-5%	(33)	132%	164	14%	(222)	-135%
Net Income	(50)	-11%	(30)	-6%	(20)	67%	132	11%	(182)	-138%
Net Income attributable to Parent Company	(34)	-8%	(24)	-5%	(10)	42%	97	11%	(131)	-135%
EPS (NT\$)(a)	(0.42)		(0.30)		(0.12)		1.21		(1.63)	

(a) EPS was calculated based on total weighted average number of ordinary shares outstanding (80M shares)

Consolidated Statement of Comprehensive Income-2023Q1-Q3



Unit : NTD M

	For the nine months ended		For the nine months ended		YoY	
	2023		2022		amt	g%
Net Sales	1,684	100%	3,164	100%	(1,480)	-47%
Cost of Good Sold	(1,451)		(2,478)		1,027	
Gross Margin	233	14%	686	22%	(453)	-66%
Operating Expenses	(284)	-17%	(365)	-12%	81	
Operating Income	(51)	-3%	321	10%	(372)	-116%
Non-Operating Income and Loss	(8)		45		(53)	
Income Before Income Tax	(59)	-4%	366	12%	(425)	-116%
Net Income	(68)	-4%	287	9%	(355)	-124%
Net Income attributable to Parent Company	(60)	-4%	209	7%	(269)	-129%
EPS (NT\$)(a)	(0.75)		2.62		(3.37)	

(a) EPS was calculated based on total weighted average number of ordinary shares outstanding (80M shares)

Consolidated Balance Sheets –

2023/09/30



Unit : NTD M

	2023.09.30		2023.06.30		QoQ		2022.09.30		YoY	
	amt	%	amt	%	amt	g%	amt	%	amt	g%
Cash & Equivalent Cash	674	24%	959	31%	(285)	-30%	508	13%	166	33%
Account Receivables (net)	457	17%	496	16%	(39)	-8%	1,068	28%	(611)	-57%
Inventory (net)	333	12%	342	11%	(9)	-3%	785	21%	(452)	-58%
Property, Plant and Equipment	747	27%	754	24%	(7)	-1%	786	21%	(39)	-5%
Intangible Assets	451	16%	461	15%	(10)	-2%	491	13%	(40)	-8%
Total Assets	2,762	100%	3,110	100%	(348)	-11%	3,781	100%	(1,019)	-27%
Accounts Payable	257	9%	206	7%	51	25%	672	18%	(415)	-62%
Other Accounts Payable	192	7%	522	17%	(330)	-63%	249	7%	(57)	-23%
Bank Loan	120	4%	130	4%	(10)	-8%	263	7%	(143)	-54%
Total Liabilities	636	23%	940	30%	(304)	-32%	1,363	36%	(727)	-53%
Total Equity	2,126	77%	2,170	70%	(44)	-2%	2,418	64%	(292)	-12%

Key Financial Ratios (Consolidated)



	2023.09.30	2023.06.30	QoQ	2022.9.30	YoY
AR Turnover (days)	107	100	7	82	25
Inventory Turnover (days)	92	85	7	88	4
AP Turnover (days)	60	51	9	68	-8
Cash Conversion Cycle (days)	139	134	5	102	37
Current Ratio	276%	218%	58%	217%	59%

Business Update and Outlook

President JY HU

- ❖ Customer inventory adjustment, order reduction, revenue and gross margin decline.
- ❖ Continuously increase revenues and cost savings, effectively control operating expenses.
- ❖ Orders from automotive gradually picked up in Q3 and profits increased.
- ❖ In line with customer needs, increase the ratio of MIT.

- ❖ In response to tariffs and customer's needs, continuously increase the ratio of MIT.
- ❖ By semi-automating production in Taiwan and increasing the ratio of MIT, we will be able to increase production capacity and secure more orders for automotive cable business.
- ❖ Evaluate connector automation solution to reduce cost and supply to contracted manufacturer locally.
- ❖ Accelerate self-development and M&A of high-frequency cables to capture the market trend aligned with the Group's resources.

Q & A