



Your Best Choice



THINKING ELECTRONIC INDUSTRIAL CO., LTD.

LEGAL PERSON BRIEFING SESSION

2021 Q4



2022/4/26

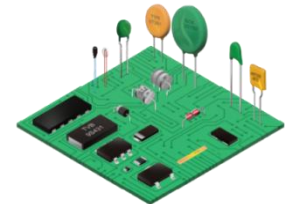


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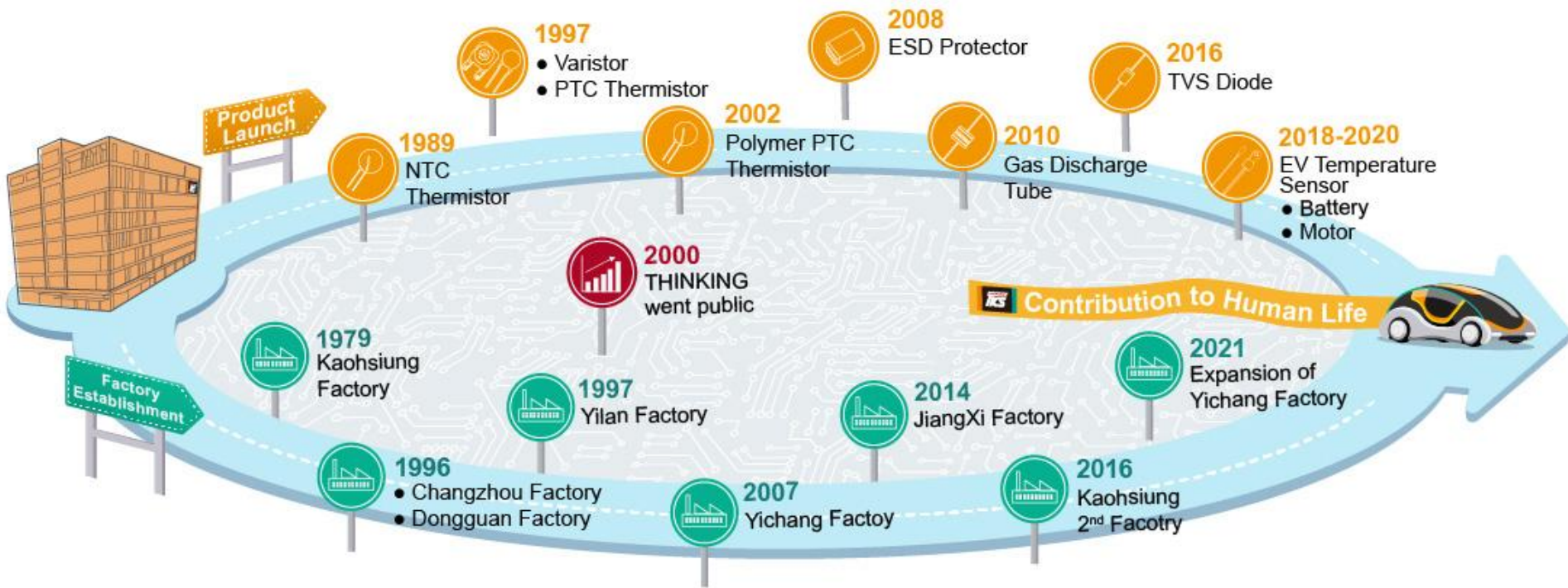
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Milestone





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Factories of THINKING

Yichang Factory



Major Product



Changzhou Factory



Major Product



Yilan Factory



Major Product



Kaohsiung 1st Factory



Major Product



JiangXi Factory



Front-End

Dongguan Factory



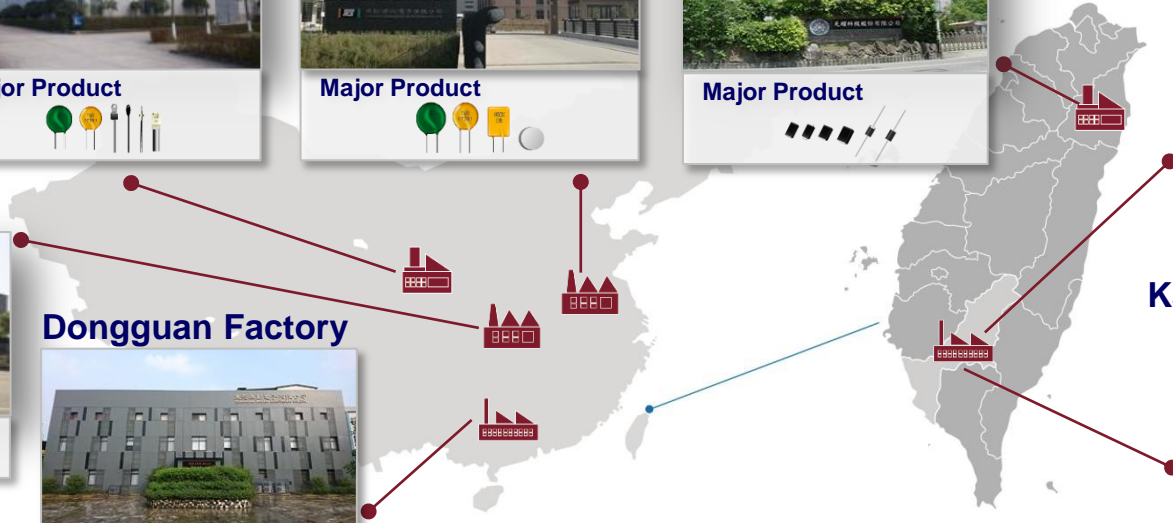
Major Product



Kaohsiung 2nd Factory



Major Product





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THINKING Products

Over-Temperature Protection



NTC Thermistor

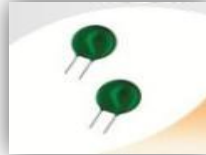


PTC Thermistor



Temperature Sensor

Over-Current Protection



NTC ICL



PTC Thermistor



Polymer PTC Thermistor

Over-Voltage Protection



General Protection



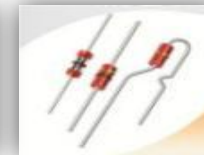
Primary Protection



ESD Protection



TVS Diode



Spark Gap Protector



Thyristor Surge Suppressor



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Major Markets

Information and Communication Technology



Telecom



Power Supply



Consumer Electronics



Computer

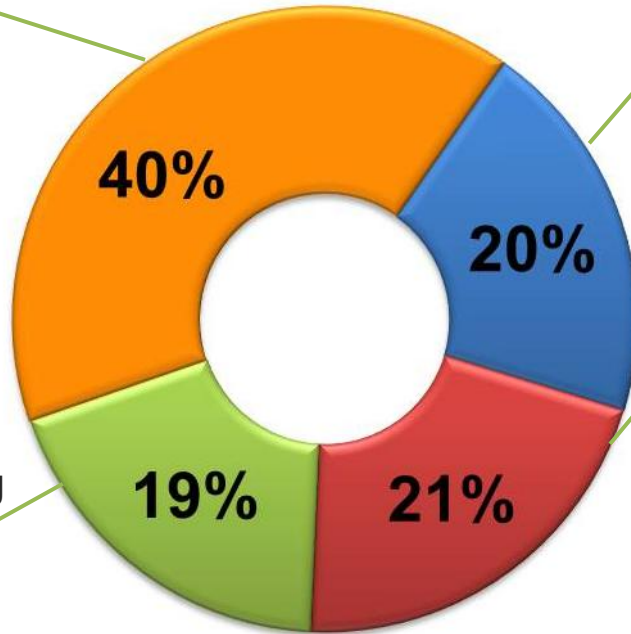
Home Appliances and Lighting



Home Appliances



Lighting



Automotive and Industrial



Automotive
(10%)



Industrial

Medical and Others



Medical

Other

Other applications

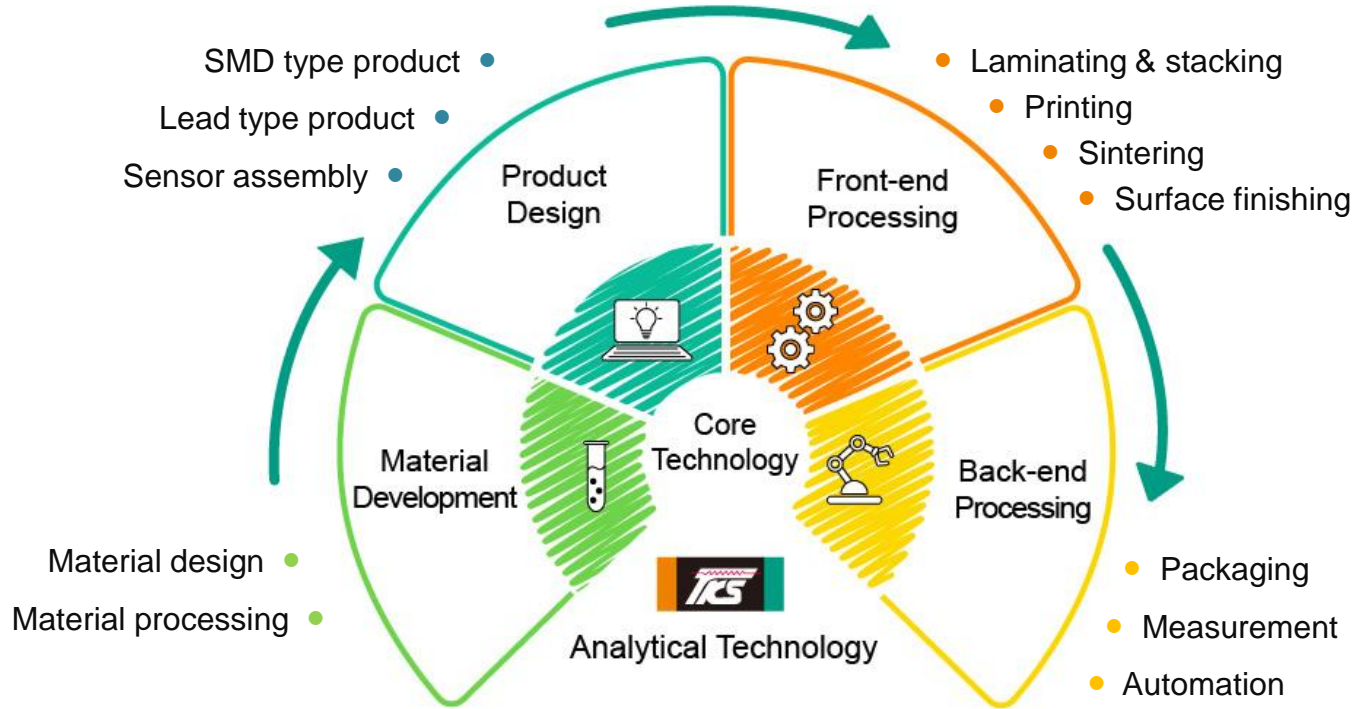


Distributor



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Core Technology

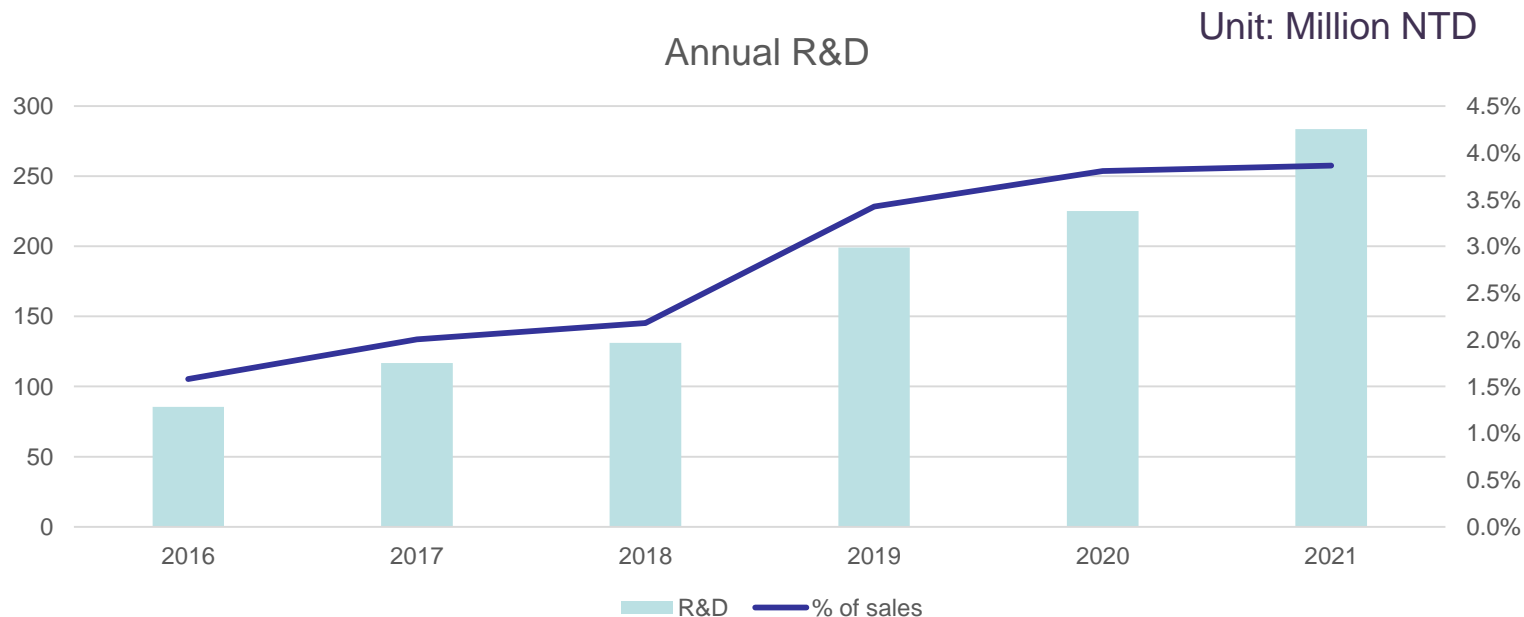




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Commitment to R&D

Focused R&D to capitalize on opportunity in growing markets such as 5G, EV, Medical, Industrial





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Technical Support

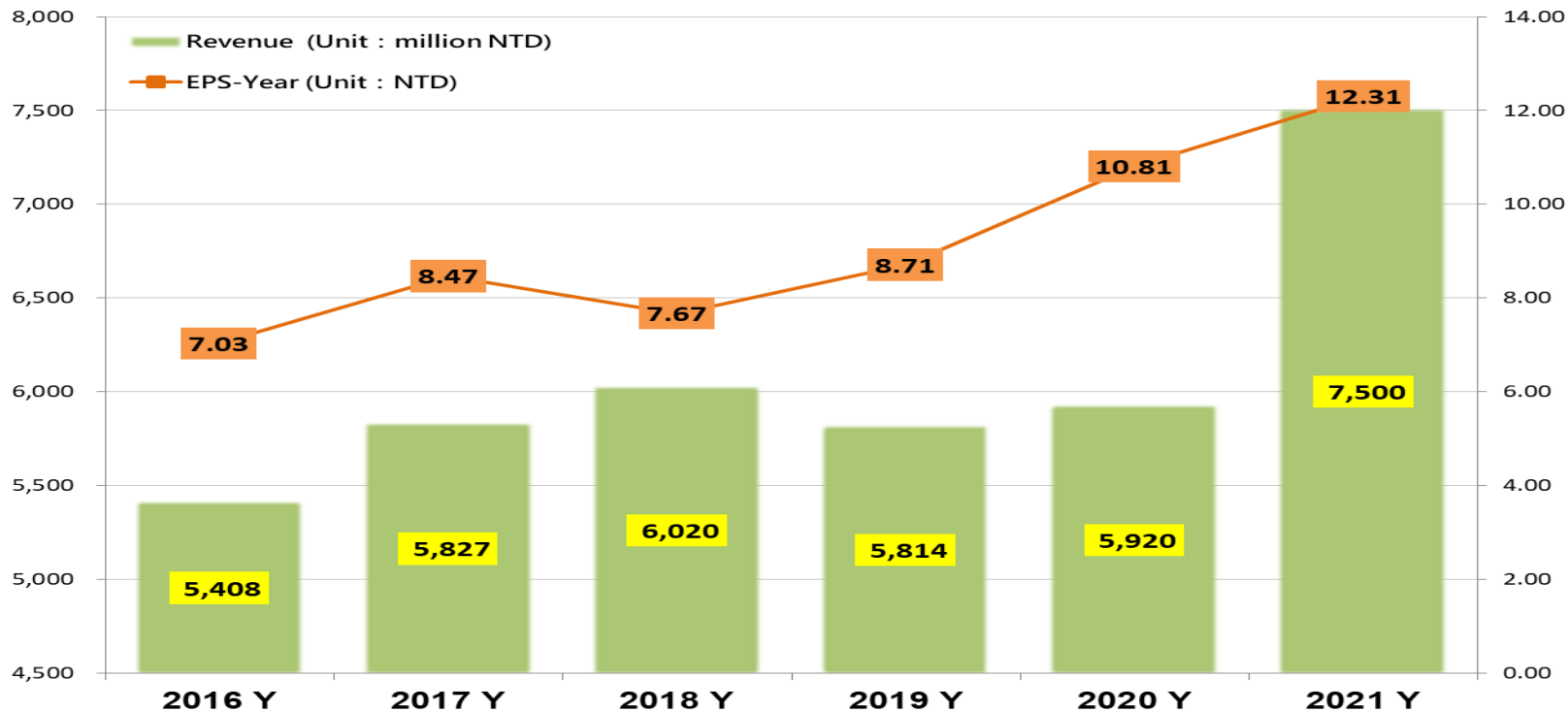
THINKING AE team provides comprehensive technical support.

- **Technical Consultation:** Discussion of technical problems with customers
- **Product Selection Suggestion:** Selecting products in accordance with customer's needs
- **Circuit Design Assistance:** Discussion of circuit design for problems that customers encounter
- **Application Example:** Application experience sharing with customers



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Operation Overview: Revenue and EPS of Recent Years





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Operation Overview: Yearly Consolidated Income Statement

Unit: Million NTD

Item	2020 Q4	2021 Q3	2021 Q4	QoQ	YoY
Net sales	1,706	1,916	1,865	-2.7%	9.3%
Gross profit margin (%)	47.9%	42.2%	41.0%	-1.2%	-6.9%
Operating Expense	275	273	329	20.5%	19.6%
Operating profit ratio (%)	16.1%	14.2%	17.6%	3.4%	1.5%
Non-operating income and expense	-3	16	19	18.8%	-733.3%
Net income	428	380	364	-4.2%	-15.0%
After-tax profit margin (%)	25.1%	19.8%	19.5%	-0.3%	-5.6%
Earning per share (NTD)	3.34	2.94	2.80	-0.14	-0.54

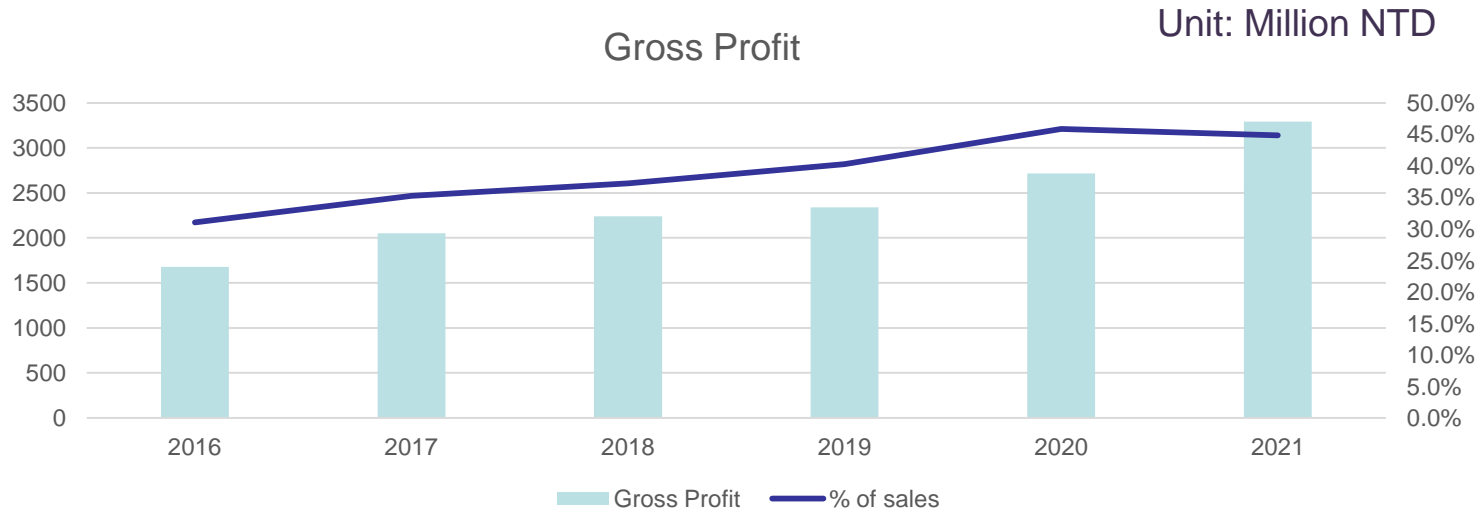


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Operation Overview: Gross Margin Improvement

Improvement in gross profit margin driven supported by increased R&D spend to enter higher margin, fast growing industries, including EV, 5G, Medical, Industrial.

Continuous improvement culture focused on improving efficiency and increasing productivity in response to sharp escalation in wages and raw materials.





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Operation Overview: Consolidated Balance Sheets

Unit: Million NTD

Item	2020.12.31	2021.9.30	2021.12.31	%	QoQ	YoY
Cash and cash equivalent	2,505	2,535	2,579	20%	1.7%	3.0%
Account receivable	2,432	2,402	2,212	17%	-7.9%	-9.0%
Inventories	1,266	1,798	1,946	15%	8.2%	53.7%
Current assets	8,084	9,087	8,851	70%	-2.6%	9.5%
Fixed assets	2,228	2,524	2,666	21%	5.6%	19.7%
Non-current assets	2,946	3,599	3,819	30%	6.1%	29.6%
Total assets	11,030	12,686	12,670	100%	-0.1%	14.9%
Short-term debt	506	1,352	750	6%	-44.5%	48.2%
Account payable	646	718	606	5%	-15.6%	-6.2%
Other Account payable	551	541	684	5%	26.4%	24.1%
Current liabilities	2,051	2,904	2,309	18%	-20.5%	12.6%
Long-term debt	340	597	688	5%	15.2%	102.4%
Non-current liabilities	1,534	1,932	2,084	16%	7.9%	35.9%
Total liabilities	3,585	4,836	4,393	35%	-9.2%	22.5%
Total equity	7,445	7,850	8,277	65%	5.4%	11.2%



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Operation Overview: Analysis of Financial Ratios

Unit: Million NTD

Item		2020.12.31	2021.9.30	2021.12.31	QoQ	YoY
Debt Ratio		32.50%	38.12%	34.67%	-3.45%	2.17%
Current Ratio		394.08%	312.93%	383.25%	70.32%	-10.83%
Account receivable	Turnover ratio (times)	2.64	3.11	3.23	0.12	0.59
	Average collection days	138	117	113	- 4.42	- 25.07
Inventories	Turnover ratio (times)	2.78	2.75	2.65	- 0.10	- 0.13
	Average inventory turnover days	131	133	138	4.87	6.32
Account payable	Turnover ratio (times)	4.92	6.18	6.81	0.63	1.89
	Average payables turnover days	74	59	54	- 5.45	- 20.53



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Vision

Contribution to Human Life in **A T I M**



Automotive



Telecom



Industrial



Medical



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Q&A



Mission Statement:

Contribute to safety and operation efficiency of electronics



- T** Think
- K** Keen
- S** Service





THANK YOU!

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