

# PRiMAX



**Primax Electronics (4915 TT)**

**1Q20 Earnings Conference**

**29 Apr 2020**



# Covid-19 Measurement



# 1Q20 Result

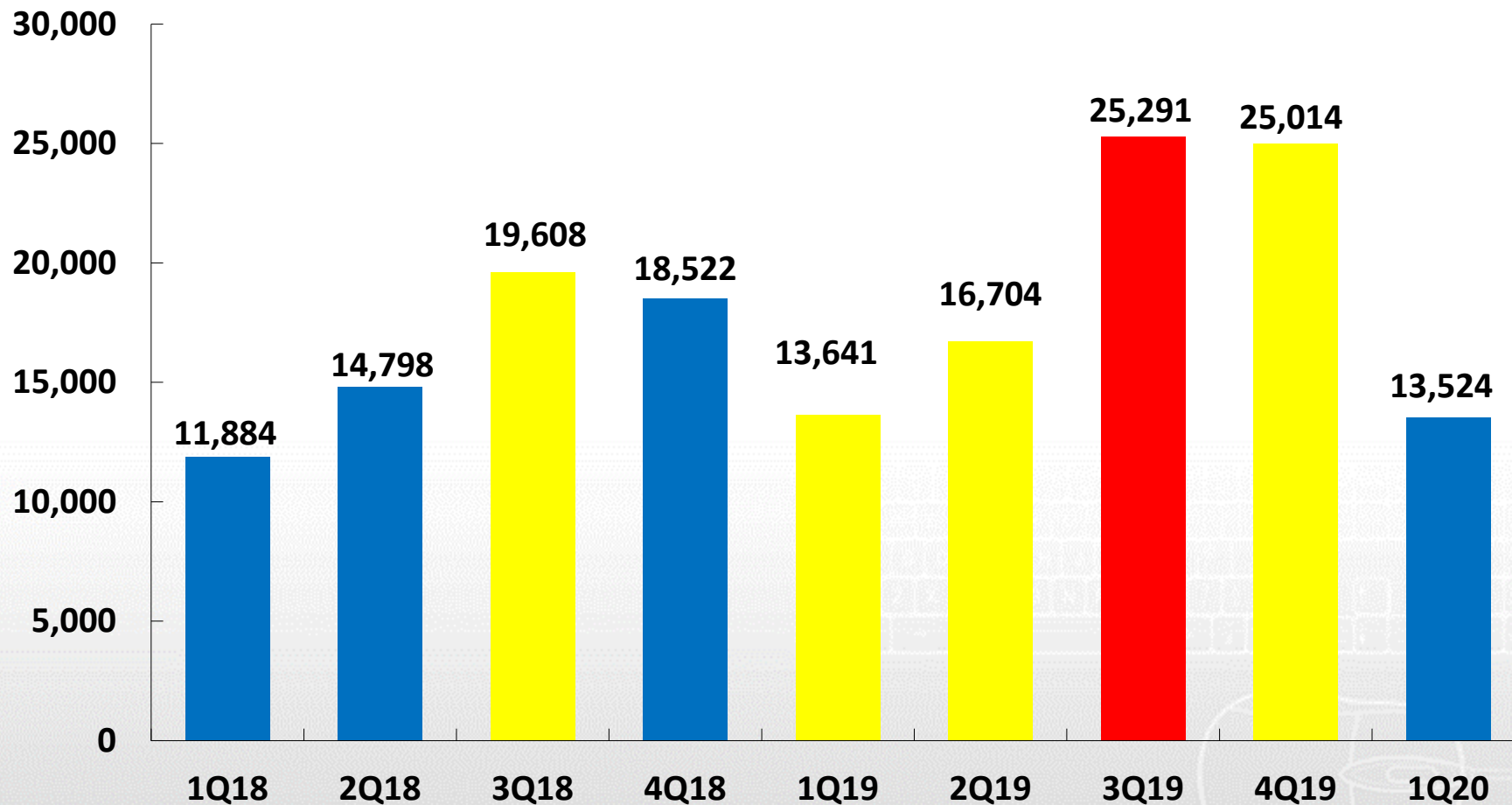


<i>Amount : NTD M</i>	Q1 20	Q4 19	Q1 19	QoQ	YoY
<b>Net Sales</b>	<b>13,524</b>	<b>25,014</b>	<b>13,641</b>	<b>-45.9%</b>	<b>-0.9%</b>
<b>COGS</b>	<b>11,999</b>	<b>22,078</b>	<b>12,028</b>		
<b>Gross Profit</b>	<b>1,525</b>	<b>2,936</b>	<b>1,614</b>	<b>-48.1%</b>	<b>-5.5%</b>
<i>Gross Margin</i>	<i>11.3%</i>	<i>11.7%</i>	<i>11.8%</i>	<i>-0.5%</i>	<i>-0.6%</i>
<b>Operating Expense</b>	<b>1,320</b>	<b>2,002</b>	<b>1,393</b>		
<i>Operating Expense %</i>	<i>9.8%</i>	<i>8.0%</i>	<i>10.2%</i>	<i>1.8%</i>	<i>-0.5%</i>
<b>Operating Income</b>	<b>205</b>	<b>934</b>	<b>221</b>	<b>-78.0%</b>	<b>-7.1%</b>
<i>Operating Margin</i>	<i>1.5%</i>	<i>3.7%</i>	<i>1.6%</i>	<i>-2.2%</i>	<i>-0.1%</i>
<b>Non-operating Items</b>	<b>60</b>	<b>(52)</b>	<b>156</b>		
<b>Income before Tax</b>	<b>266</b>	<b>882</b>	<b>377</b>	<b>-69.9%</b>	<b>-29.6%</b>
<b>Income Tax</b>	<b>58</b>	<b>193</b>	<b>85</b>		
<b>Net Income</b>	<b>207</b>	<b>689</b>	<b>293</b>	<b>-69.9%</b>	<b>-29.2%</b>
<i>Net Margin</i>	<i>1.5%</i>	<i>2.8%</i>	<i>2.1%</i>	<i>-1.2%</i>	<i>-0.6%</i>
<b>Net income attributed to Primax</b>	<b>276</b>	<b>602</b>	<b>356</b>	<b>-54.2%</b>	<b>-22.5%</b>
<b>EPS (NT\$)</b>	<b>0.62</b>	<b>1.35</b>	<b>0.80</b>		

# Quarterly Sales



Amount : NTD M

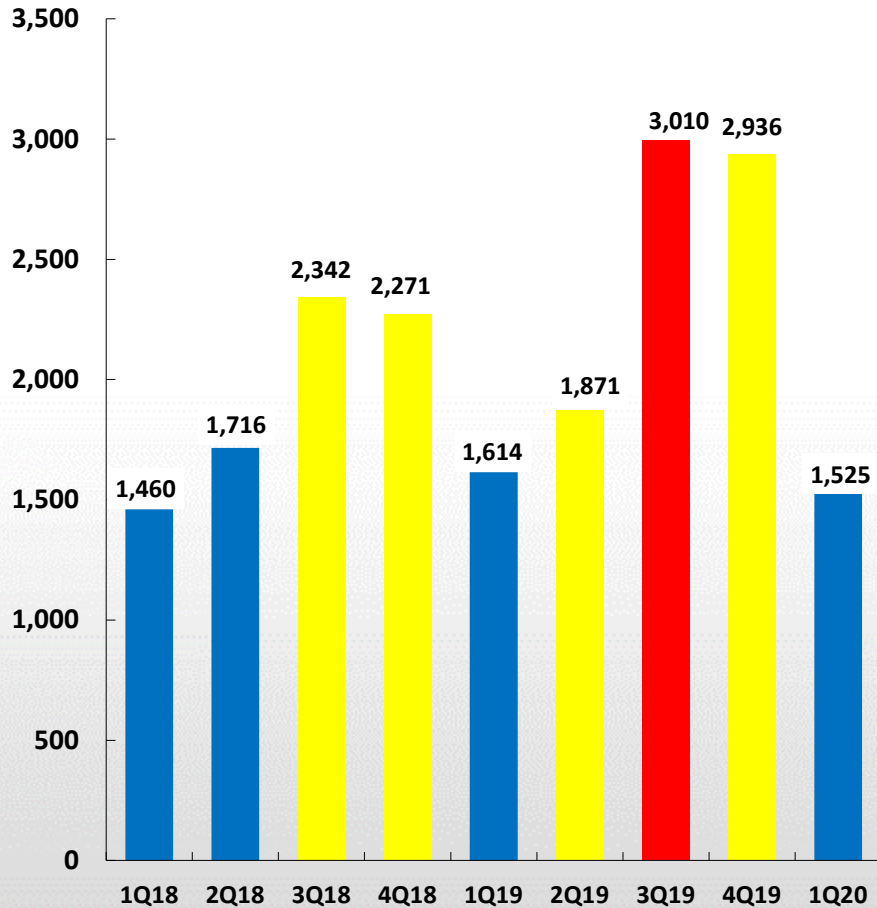


# Gross Profit 、 Gross Margin

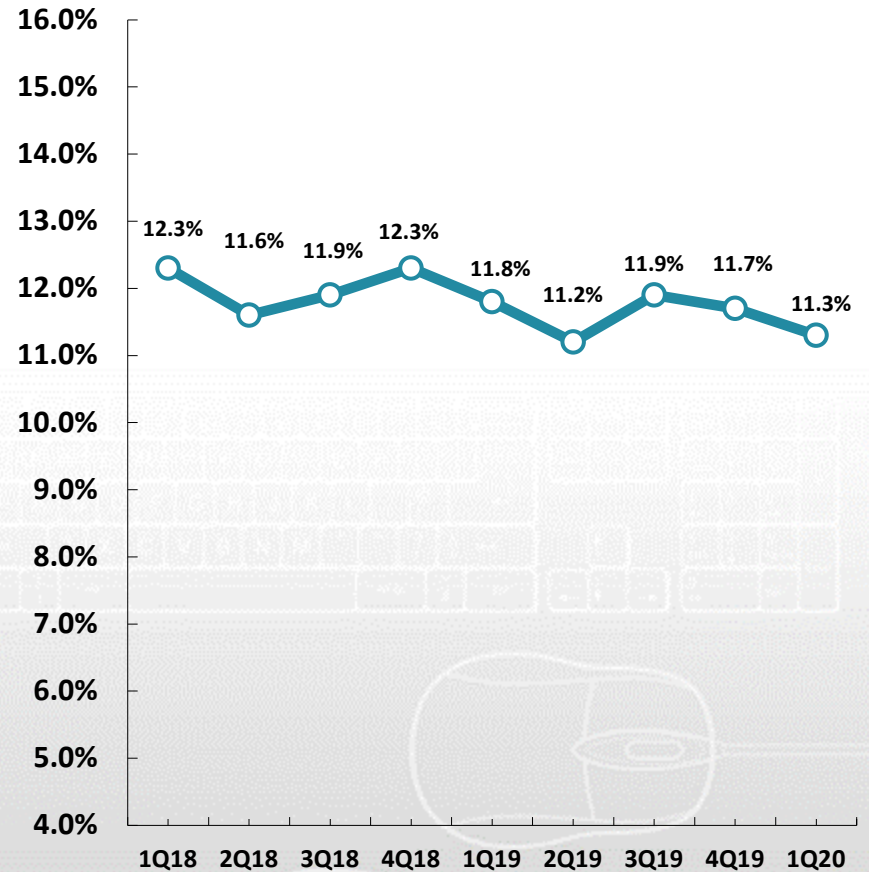


## Gross Profit

Amount : NTD M



## Gross Margin

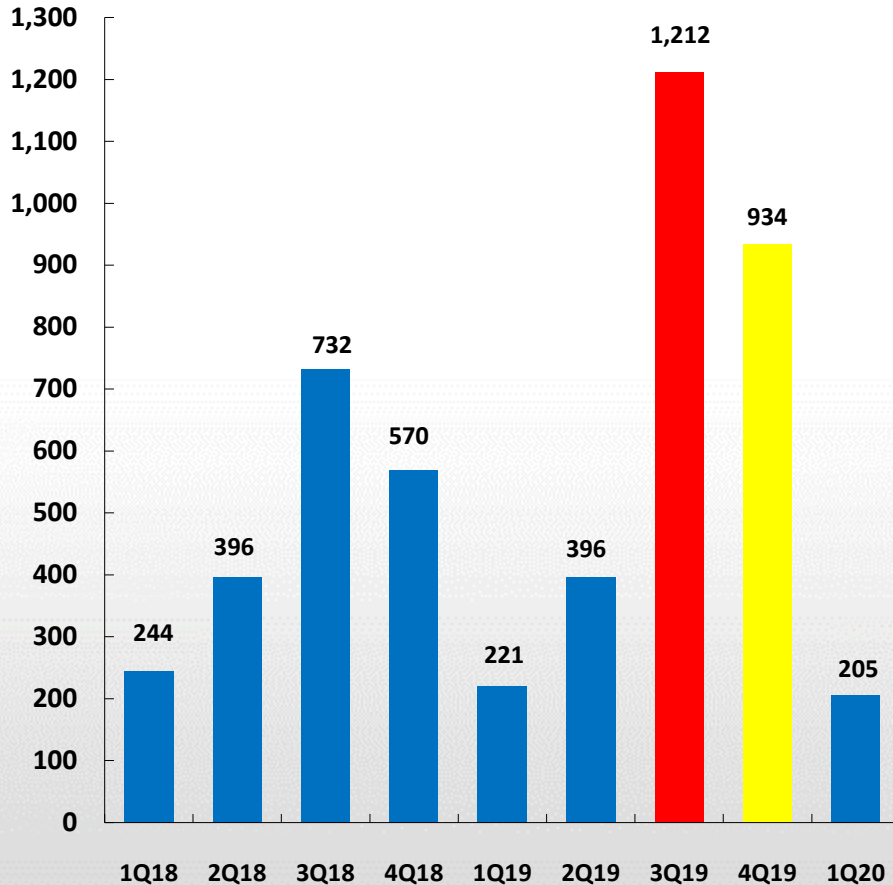


# Operating Income 、 Operating Margin

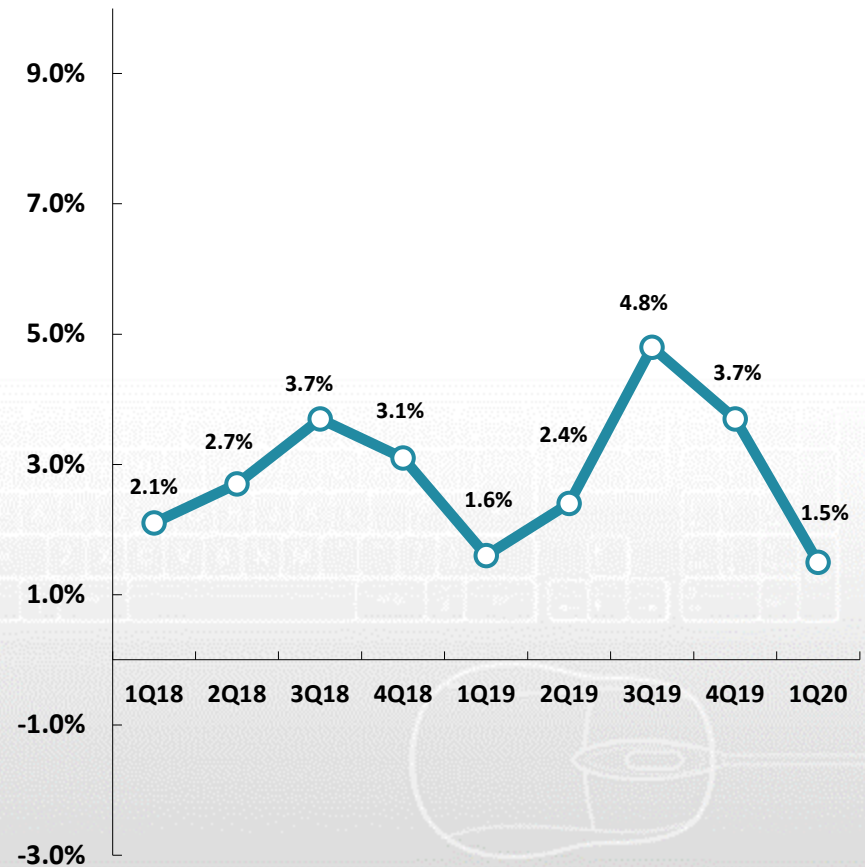


## Operating Income

Amount : NTD M

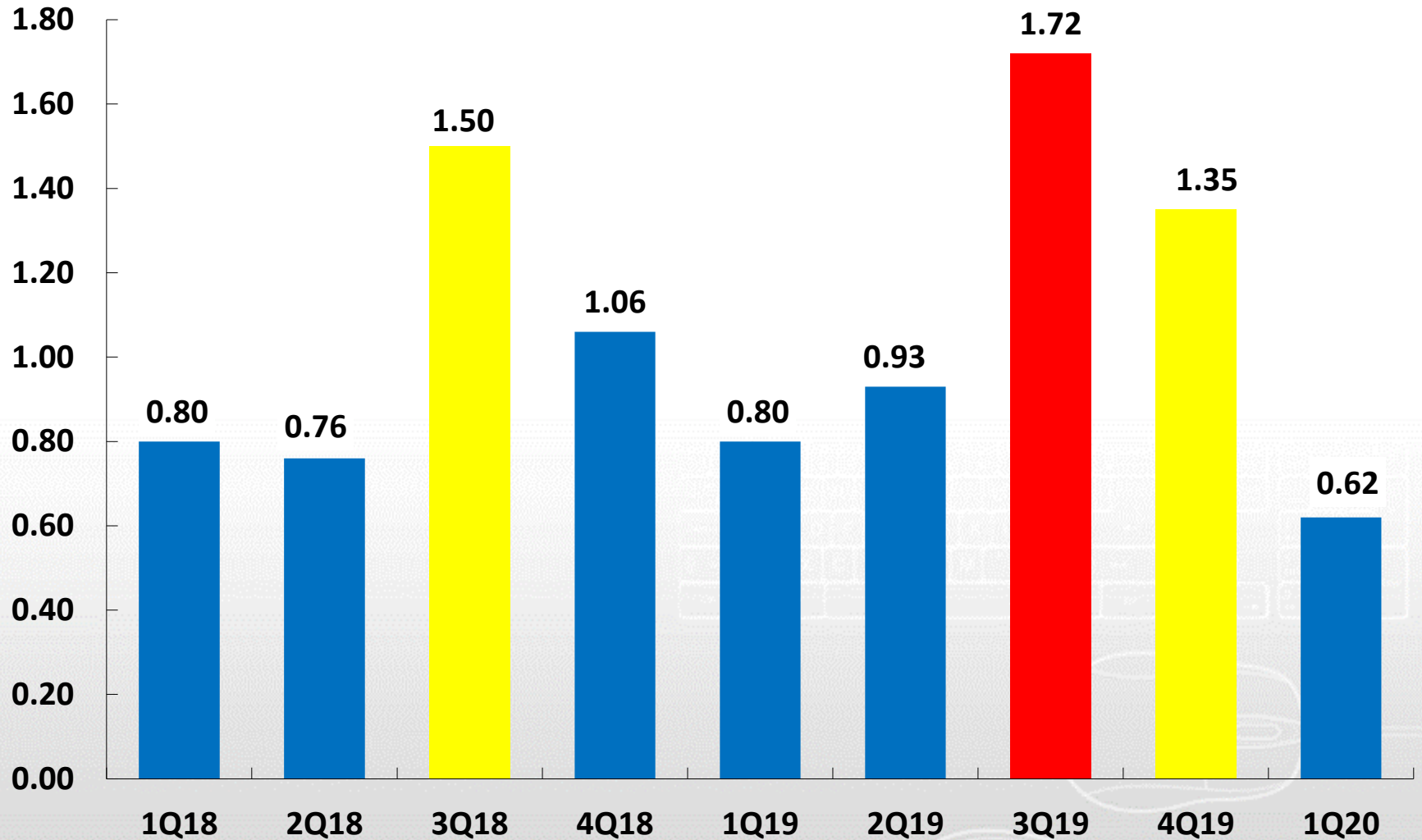


## Operating Margin





Amount : NTD



# 1Q20 Balance Sheet



Selected items from Balance Sheet

(Amount : NTD M)

	2020/3/31		2019/3/31	
	Amt	%	Amt	%
Cash	15,639	31%	6,426	15%
Notes and Accounts receivable	11,016	22%	10,681	26%
Inventory	8,840	17%	7,524	18%
<b>Total Current Assets</b>	<b>38,139</b>	<b>75%</b>	<b>27,618</b>	<b>66%</b>
Fixed Assets	6,447	13%	6,210	15%
<b>Total Assets</b>	<b>51,012</b>	<b>100%</b>	<b>41,591</b>	<b>100%</b>
Notes and Accounts Payable	15,974	31%	11,581	28%
S-T Borrowings	9,152	18%	5,460	13%
CPLTD	0	0%	68	0%
<b>Total Current Liabilities</b>	<b>31,877</b>	<b>62%</b>	<b>22,377</b>	<b>54%</b>
L-T Borrowings	151	0%	208	0%
<b>Total Liabilities</b>	<b>36,445</b>	<b>71%</b>	<b>26,050</b>	<b>63%</b>
<b>Total Equity</b>	<b>14,566</b>	<b>29%</b>	<b>15,541</b>	<b>37%</b>



# 1Q20 Cash Flow



<i>Amount : NTDM</i>	<b>1Q20 YTD</b>	<b>1Q19 YTD</b>
<b>From Operation</b>	<b>2,088</b>	<b>(1,724)</b>
- Income Before Tax	266	377
- Depreciation and Amortization	590	511
- Notes and Accounts Receivable	8,601	5,699
- Notes and Accounts Payable	(7,771)	(6,867)
- Inventory	1,549	225
- Financial instruments held for trading		
- Other Operating Sources / (Uses)	(1,146)	(1,670)
<b>From Investment</b>	<b>(1,047)</b>	<b>(1,135)</b>
- Fixed Assets	(993)	(1,126)
- Other Investing Sources / (Uses)	(53)	(8)
<b>From Financing</b>	<b>7,976</b>	<b>4,151</b>
- S-T Borrowings	8,060	4,257
- L-T Borrowings	(28)	(31)
- Other Financing Sources / (Uses)	(56)	(76)
<b>Net Cash Position Change</b>	<b>9,018</b>	<b>1,292</b>
<b>Effect of Foreign Currency Exchange Translation</b>	<b>(79)</b>	<b>144</b>
<b>Cash at Beginning of Year</b>	<b>6,701</b>	<b>4,990</b>
<b>Ending Cash Balance</b>	<b>15,639</b>	<b>6,426</b>

# 2Q20 、 2020 Outlook



## 2Q20

- ❖ Upward QoQ Revenues
- ❖ Maintain Stable Earning Structure      Control Expense
- ❖ Covid-19 Lifts NB、 Gaming Demand
- ❖ Acoustics、 Headphone、 Smartphone Weak demand
- ❖ Thailand Site Go MP

## 2020



- ❖ Covid-19 Uncertainty      Extremely low visibility
- ❖ All New Project Timeline Deferred
- ❖ Assert Visual Technology New Applications 、 Visual & Acoustic Integrated Smart Products
- ❖ Thailand Manufacturing Site to Account ~5% Output Diversifying Concentration Risk
- ❖ Restrain on Unnecessary 2020 Capex

# PRiMAX



**Thank you!**



- ❖ All figures stated above are unaudited and subject to audit amendments
- ❖  Record Quarter
-  Historical Record High





- ❖ 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 in the conference might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.

