

IEI Integration Corp.

(Stock Code : 3022)

4Q22 Earnings Conference

Mar 24, 2023



Disclaimer

- IEI Integration's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Income Statement (Consolidated)

Amount: NT\$ Thousand

| | 2022Y | 2021Y | YoY |
|---------------------------------|-----------|-----------|-----|
| Net Sales | 7,942,415 | 6,243,509 | 27% |
| COGS | 5,063,904 | 4,151,167 | 22% |
| Gross profit | 2,878,511 | 2,092,342 | 38% |
| Gross margin | 36% | 34% | |
| Operating expenses | 1,560,812 | 1,371,419 | 14% |
| Net operating income | 1,317,699 | 720,923 | 83% |
| Operating margin | 16% | 12% | |
| Non-operating income & expenses | 584,712 | 317,785 | 84% |
| Net income | 1,491,332 | 865,580 | 72% |
| EPS (NT\$) | 8.45 | 4.90 | |

Balance Sheet (Consolidated)

Amount: NT\$ Thousand

| | 2022/12/31 | 2021/12/31 |
|----------------------------|-------------------|-------------------|
| Current assets | 9,178,836 | 6,837,699 |
| Non-current assets | 4,194,745 | 4,758,399 |
| Total assets | 13,373,581 | 11,596,098 |
| Current liabilities | 3,152,699 | 2,605,162 |
| Non-current liabilities | 988,584 | 953,487 |
| Total liabilities | 4,141,283 | 3,558,649 |
| Capital stock | 1,765,978 | 1,765,978 |
| Additional paid-in capital | 820,437 | 820,325 |
| Retained earnings | 7,099,247 | 6,137,966 |
| Other equity interest | (453,579) | (687,892) |
| Non-controlling interests | 215 | 1,072 |
| Total equity | 9,232,298 | 8,037,449 |

Financial Highlights (Consolidated)

Amount: NT\$ Thousand ; day

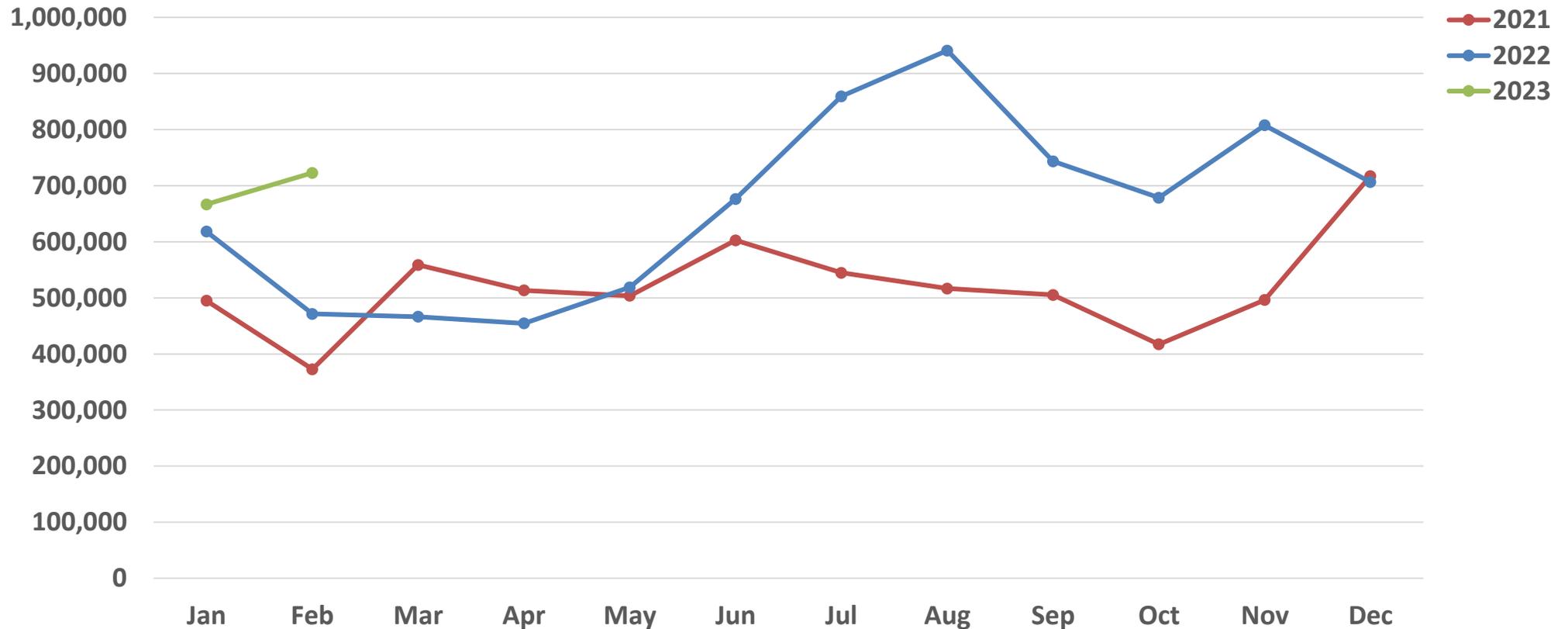
| | 2022/12/31 | 2021/12/31 |
|---|------------|------------|
| Cash and Cash equivalents | | |
| Current financial assets at fair value through profit or loss | 5,995,650 | 4,746,571 |
| Other financial assets | | |
| Accounts Receivable | 991,862 | 1,000,954 |
| Inventory | 1,798,197 | 1,530,051 |
| Property, plant and equipment | 1,312,659 | 1,209,310 |
| | 2022Y | 2021Y |
| Days of Sales Outstanding | 46 | 62 |
| Days on Hand | 120 | 116 |
| Return on Equity | 17.27% | 11.07% |



Monthly Revenue (Consolidated)

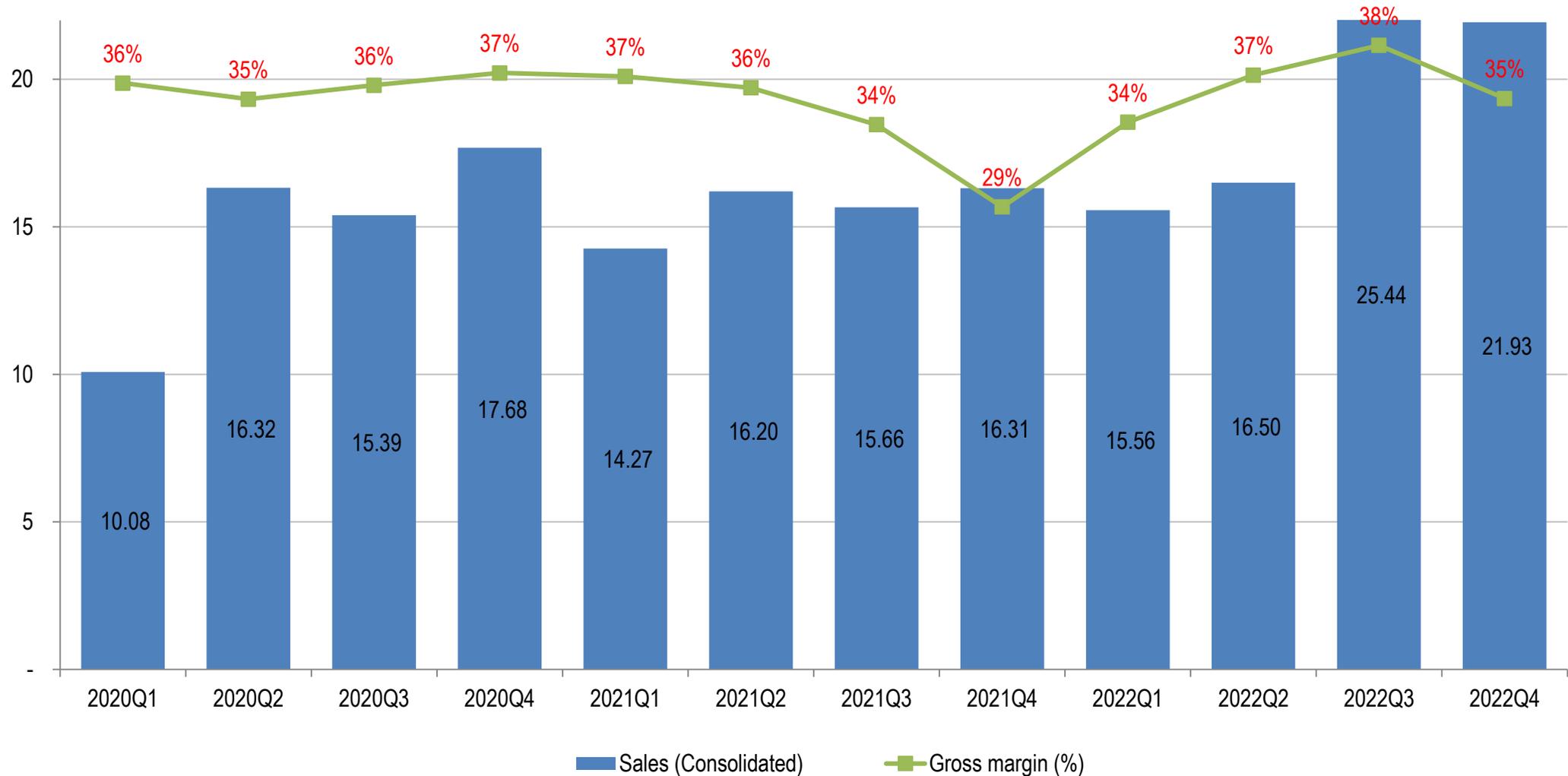
Amount: NT\$ Thousand

| | Jan | Feb | Mar | 1Q | Apr | May | Jun | 2Q | Jul | Aug | Sep | 3Q | Oct | Nov | Dec | 4Q | YTD |
|------|---------|---------|---------|-----------|---------|---------|---------|-----------|---------|---------|---------|-----------|---------|---------|---------|-----------|-----------|
| 2023 | 666,814 | 722,839 | | | | | | | | | | | | | | | |
| 2022 | 618,164 | 471,425 | 466,483 | 1,556,073 | 454,487 | 518,773 | 676,327 | 1,649,586 | 859,297 | 941,034 | 743,602 | 2,543,933 | 678,522 | 807,780 | 706,521 | 2,192,823 | 7,942,415 |
| 2021 | 494,980 | 372,770 | 558,842 | 1,426,592 | 513,413 | 503,746 | 602,623 | 1,619,782 | 544,689 | 516,569 | 505,231 | 1,566,489 | 417,331 | 496,134 | 717,181 | 1,630,646 | 6,243,509 |
| YoY | 25% | 26% | -17% | 9% | -11% | 3% | 12% | 2% | 58% | 82% | 47% | 62% | 63% | 63% | -1% | 34% | 27% |



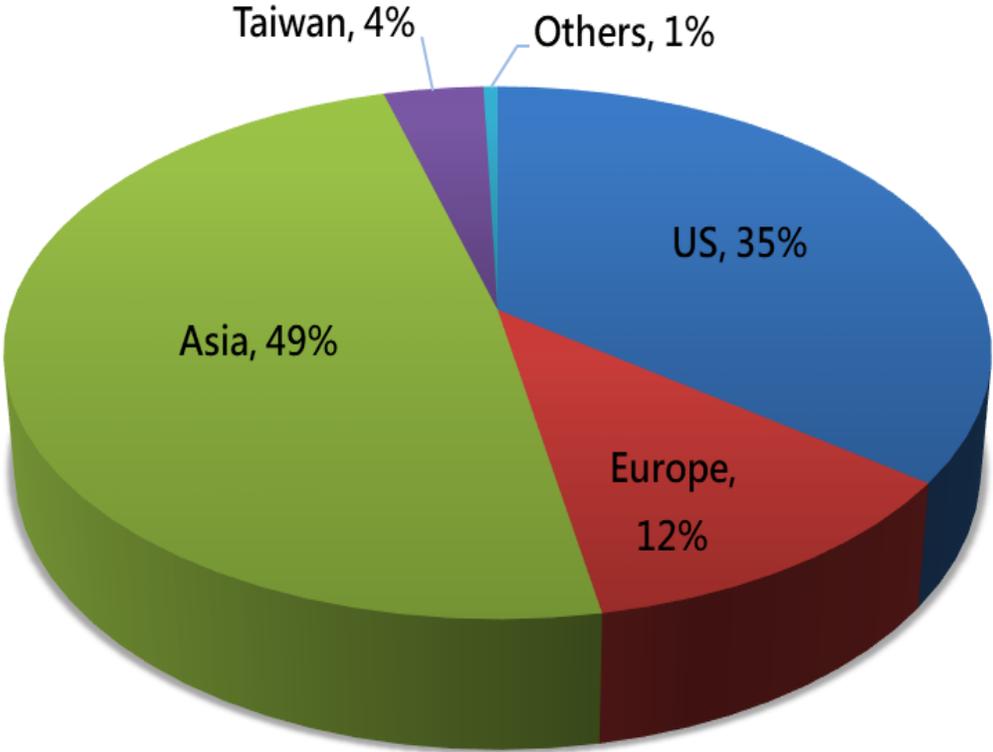
Quarterly Revenue & Gross Margin

Amount: NT\$ 100 million

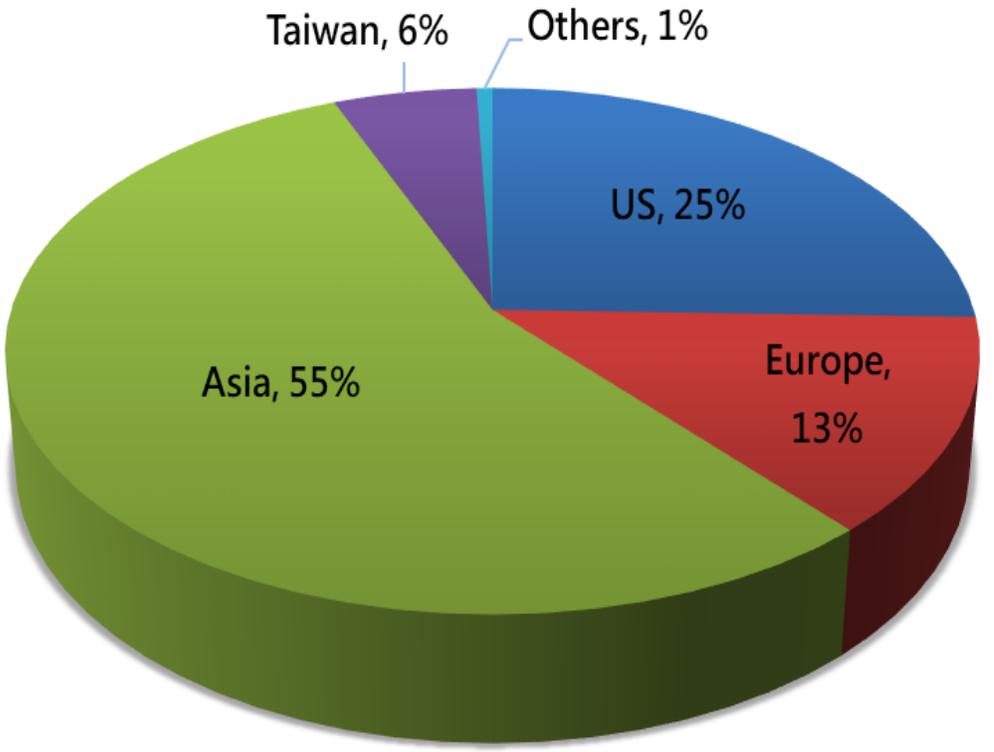


Revenue by Region

2022 Y

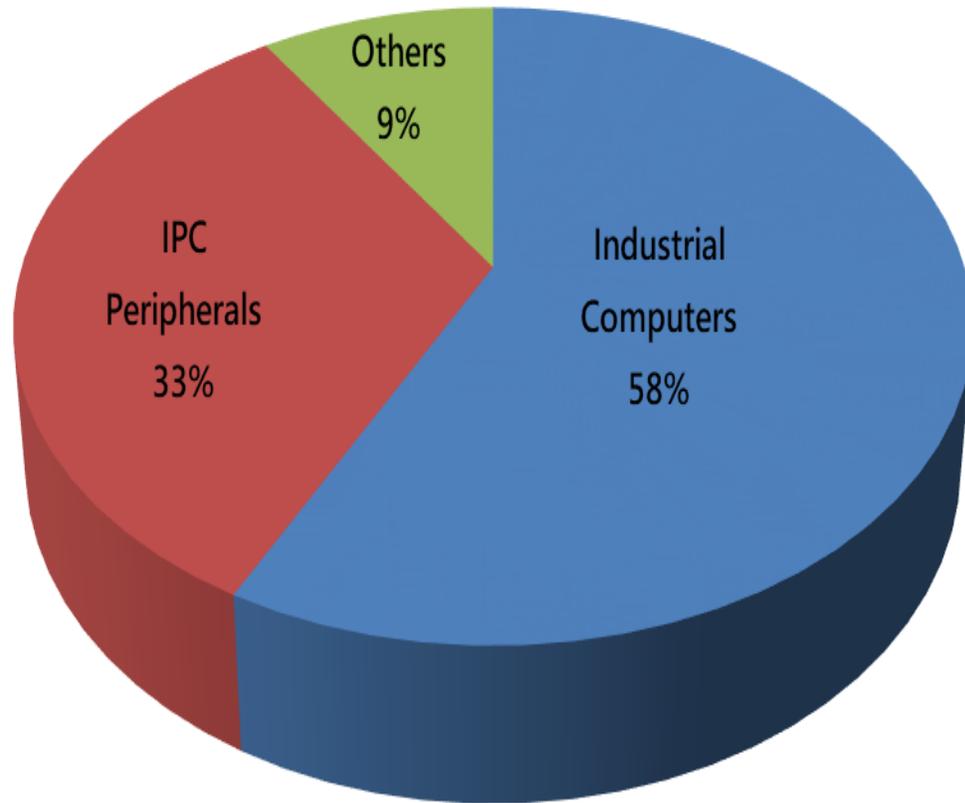


2021 Y

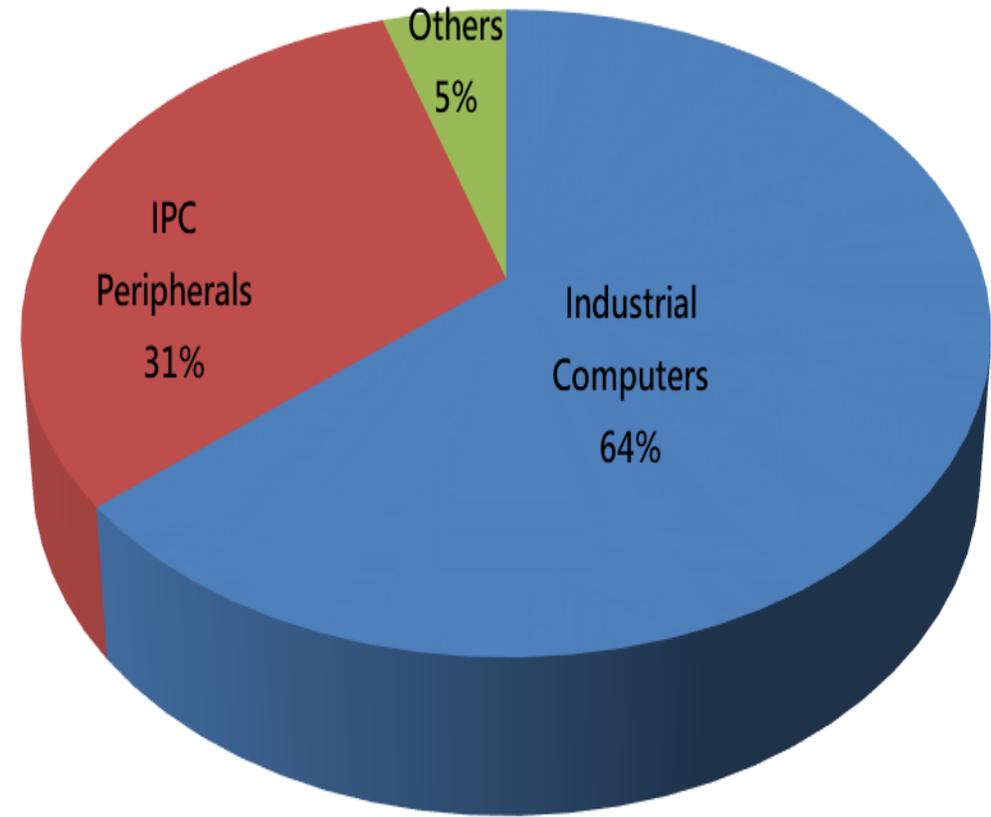


Revenue by Product Lines

2022 Y



2021 Y



IEI ESG

IEI's ESG Guideline

“Environmental protection, employee health and safety, and social participation fulfill corporate social responsibility and the pursuit of business continuity”



Environmental Sustainability



- Environmental policy
- Carbon reduction management
- Green procurement
- Environmental sustainability education
- Supply chain management
- Energy and waste management

Customer Engagement



- Product and service liability
- Ensuring confidentiality of customer information
- Customer relationship maintenance
- Green products

Employee Care



- Employee compensation and benefits
- Labor rights
- Employment environment
- Competency management
- Labor relation
- Education & training

Social Involvement



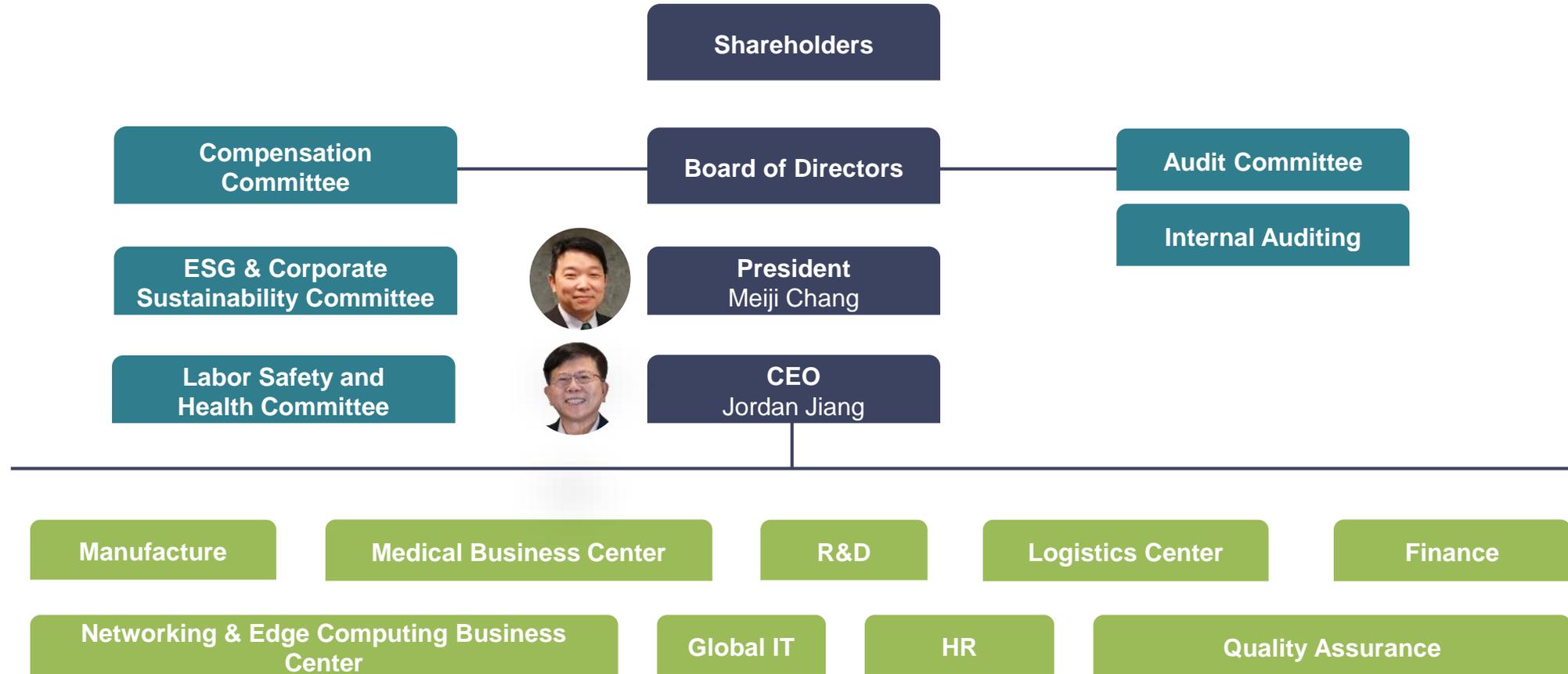
- Social care
- Community involvement
- Charitable activities
- Corporate image

Corporate Governance



- Integrity management
- Organizational strategy
- Regulations compliance
- Information transparency
- Internal control
- Stakeholder communication

Corporate Governance



Green Product Design Management

Green Design



Green materials

- RoHS II
- RoHS China
- REACH
- United States "TSCA" regulation
- Taiwan EPA
- Conflict Free Minerals Policy
- EU Deca-BDE, PFOS and DMF



Green Packaging

- EU Packaging and Packaging Waste Directive 94/62/EC -
- Total of Pb, Cd, Hg, Hexavalent Cr shall not exceed than 100mg/kg(ppm)



Product Recycling

- Waste Electrical and Electronic Equipment (WEEE) Directive



Environmental Responsibility

IEI plans to reduce **CO₂** emissions by **4%** in 5 years.

- Operation guidelines related to environmental protection management, environmental management systems (ISO 14001)
- Energy saving appliance replacement, and tracking CO₂ emissions
- Reduce electric consumption by using LED lights and inverter air conditioners throughout the company



Waste gas



Waste water



Waste



Carbon emission

Supply Chain Management

IEI has a skilled supply chain management team that proactively uses advanced ERP tools to help customers gain a competitive edge.

We ensure that our customers can reduce their TCO (Total Cost of Ownership) with the following criteria:



Reduced
Inventory



Stable
Quality



Time to
Market



Reliable
Sources



Competitive
Costs



Conflict Mineral
Procurement Strategy

Employees and Social Care

Social participation

- Charity event engagement
- Cash/material donations



Donating recycled computers to children in developing countries



Boxing cardio club

Employee development & retention

- Employee training
- Performance appraisal
- Employee welfare system (insurance, retirement system)

Employee health and safety

- Annual employee health checks
- Occupational health training
- Sporting competitions/classes/club



Donations to Huashan Social Welfare Foundation



Thanks for your attention

iEi® **Integration Corp.**

Create the Intelligent Life, Beyond Your Imagination