



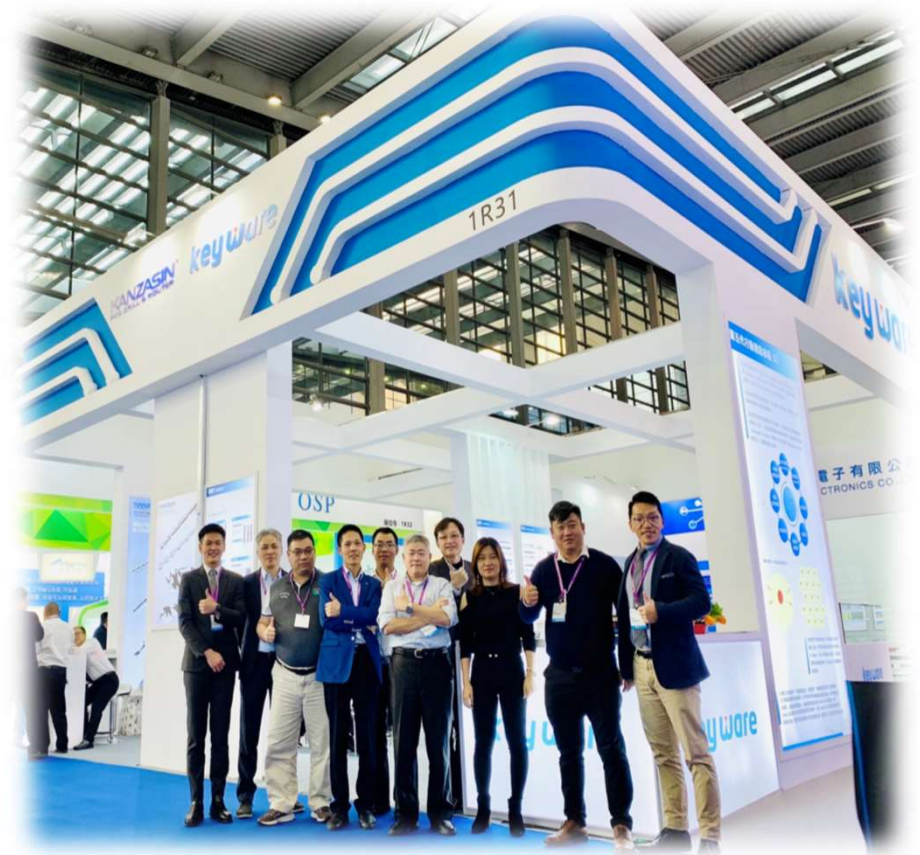
KEY WARE ELECTRONICS CO., LTD.

5498.TW

## Investor Conference

May 24, 2021

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# Agenda



1

- **Company Overview**  
Industry Position

2

- **Business Strategy**  
Expansion of OEM Services  
To Top-Tier PCB Companies

3

- **Financial Overview**  
32% YoY Revenue Growth in 2021

1

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# Company Introduction



Established : February 27, 1997

IPO (TPEX) : March 29, 2001

Business : Drill, OEM Service, CCL

Paid-in Capital : NT\$1,693 mn



# A Solid Industrial Position



1

One stop shop for dry processes pertaining to PCB manufacture:  
Drill manufacture, Laser drilling, Mechanical drilling, NC routing, Electrical testing and CCL

2

OEM service centers in Eastern China, Central China, Southern China, Taiwan,  
and Hong Kong

3

Servicing and growing with top-tier PCB companies, including Unimicron, N.P.C,  
KINSUS etc.

# 2020 Highlights



- 1 4Q 2020 Revenue NT\$387mn  
(Highest in the past six years)
- 2 2020 Revenue NT\$1,264mn and Net Income NT\$117mn  
(Highest in the past six years)
- 3 2020 Revenue of OEM Services exceeds NT\$200mn (45% YoY)  
(Highest ever)
- 4 1Q 2021 Revenue reaching NT\$361mn (32% YoY)  
(Highest in the past six years)



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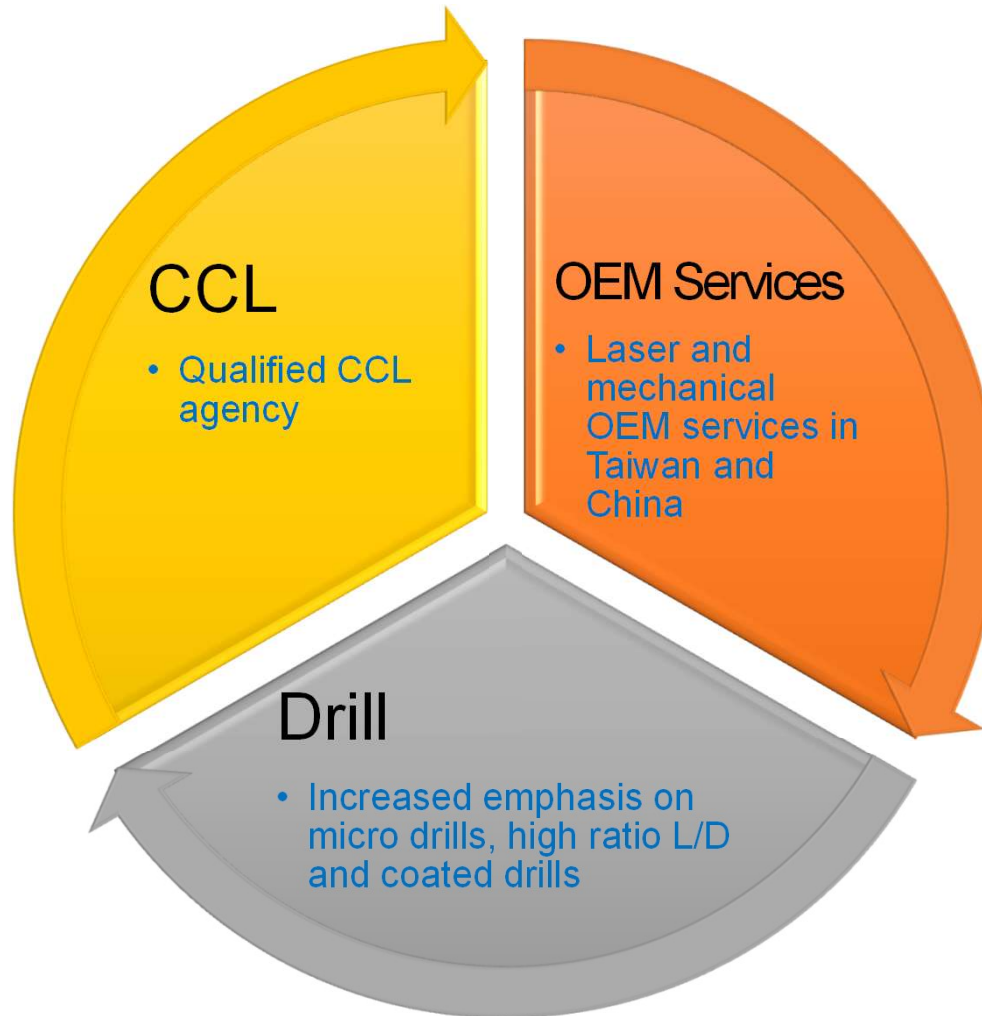
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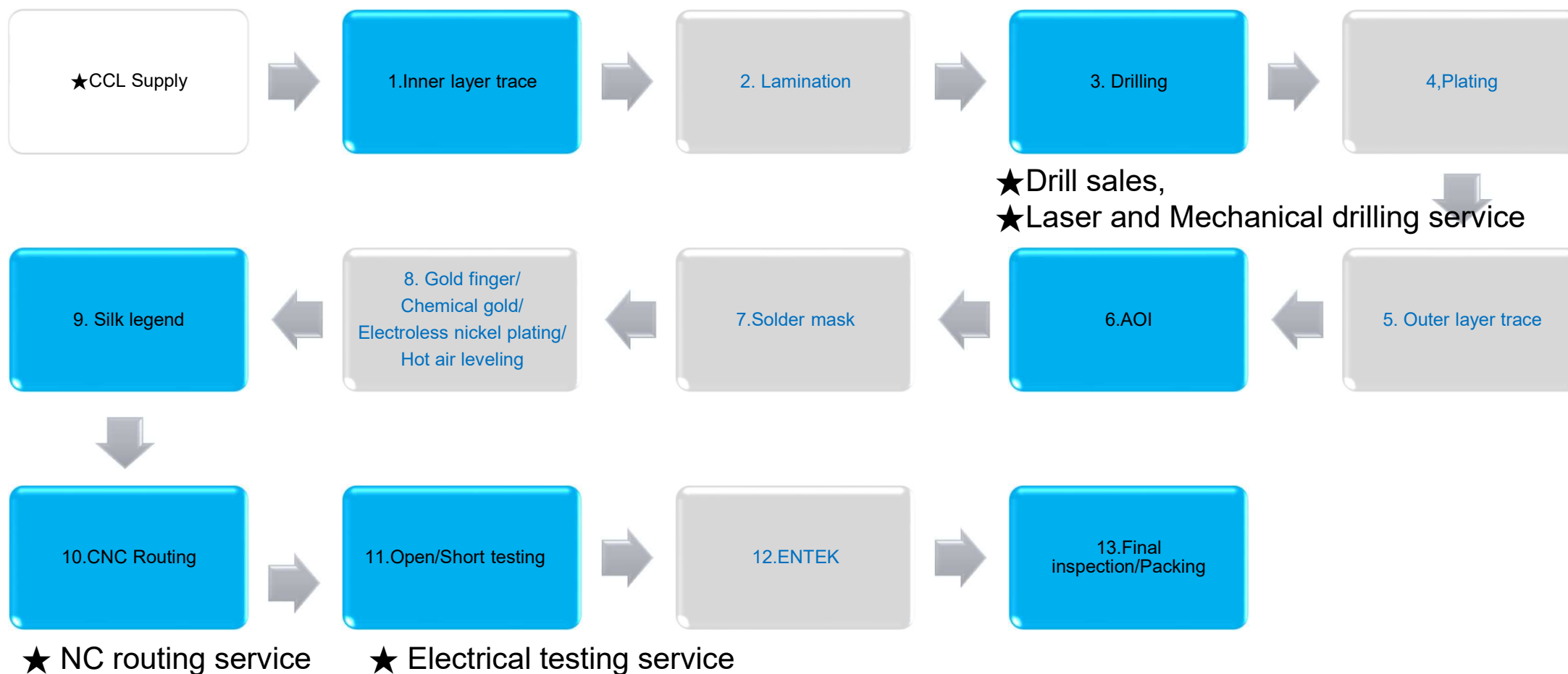


# Product Advantage



# Industry Chain

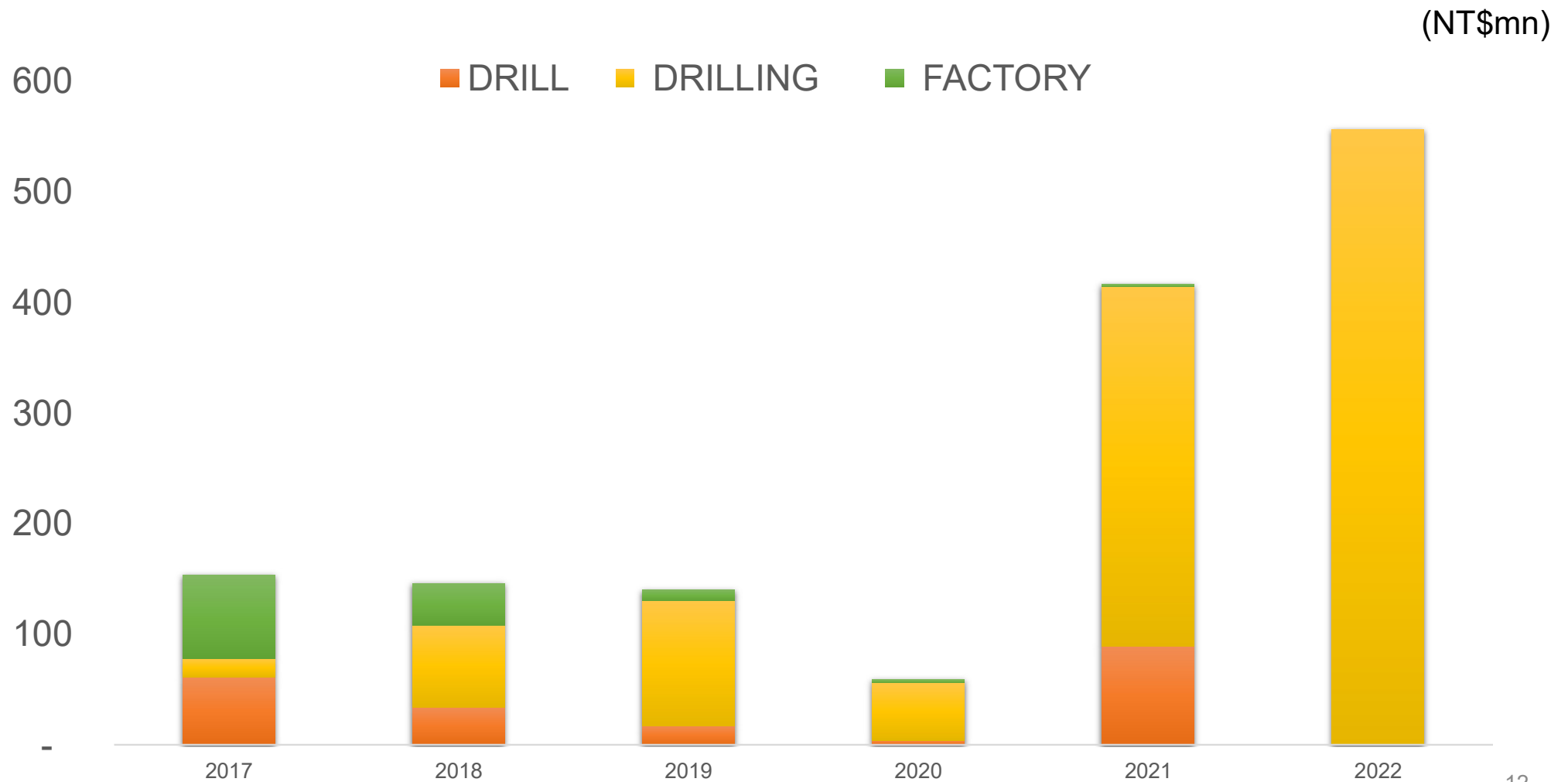
Established dry process train services



- 5G, autos, and semiconductors continue to drive PCB demand. HDI and substrate are in high demand, therefore demand for laser and mechanical OEM services continues to increase.
- Main service companies : Unimicron 、 N.P.C 、 KINSUS 、 ASE 、 CHIN-POON 、 Tripod etc.

# CAPEX

Expected expenditure will focus on equipment



# Development Map

Expansion of OEM Services



Keyware provides OEM services to first-tier PCB companies :

## 1.Substrate :

Unimicron 、 N.P.C 、 KINSUS 、 ASE 、 Samsung

## 2.HDI :

COMPEQ MFG. 、 Unimicron 、 N.P.C 、 AT&S 、 MWG 、 Shennan Circuits Co.,Ltd. 、 Suntak Technology Co.,Ltd.

## 3.PCB- in-vehicle :

CHIN-POON 、 Tripod 、 DYNAMIC 、 ZDT 、 APEX 、 ELNA 、 KCE

## 4.PCB-others :

GCE 、 HSB 、 AutoNavi 、 WUS



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# Balance Sheet



	(NT\$mnn)		
	1Q-2021	4Q-2020	1Q-2020
Cash and cash equivalents/Financial assets at fair value	769	854	481
Accounts receivables	707	693	672
Inventories	437	430	457
Investments accounted for under equity method	37	38	32
Property, plant and equipment	1,036	1,011	967
<b>TOTAL ASSETS</b>	<b>3,568</b>	<b>3,547</b>	<b>3,088</b>
Current liabilities	1,080	992	866
Non-current liabilities	526	513	496
<b>TOTAL LIABILITIES</b>	<b>1,606</b>	<b>1,505</b>	<b>1,362</b>
<b>TOTAL EQUITY</b>	<b>1,962</b>	<b>2,042</b>	<b>1,726</b>

The accompanying notes are an integral part of these consolidated financial statements.



# Income Statement



	(NT\$m)		
	1Q-2021	4Q-2020	1Q-2020
Revenue	361	387	274
Gross Profit	45	40	35
Gross Margin Rate	12%	10%	13%
Operation Expense	33	36	32
Operation Income	12	4	2
Non-Op Income(Expense)	0	15	9
Net Income	13	19	12
Net income attributable to owners of the parent	6	25	7
EPS(NT\$)	0.03	0.15	0.04

The accompanying notes are an integral part of these consolidated financial statements.

# Cash Flow



	(NT\$mnn)		
	1Q-2021	4Q-2020	1Q-2020
Cash and cash equivalents at beginning of year	114	78	78
Net cash flows from operating activities	77	65	41
Net cash flows used in investing activities	(101)	(119)	(49)
Net cash flows used in financing activities	38	90	63
Cash and cash equivalents at end of year	128	114	133
Free Cash Flow(*)	(2)	40	39

The accompanying notes are an integral part of these consolidated financial statements.

\*Free Cash Flow=Net cash flows from operating activities – Capital Expenditures

# Expansion of OEM Services



- Taoyuan Yangmei service center (phase one) was completed. Shenzhen service center was completed too, both will contribute revenue from next quarter.
- Order demand of main customers Unimicron, N.P.C and KINSUS continues to increase. Supply is governed by long-term contracts. Taoyuan Yangmei service center (phase two) will see completion in June 2021.
- The Kunshan service center will begin mass production in May 2021.
- The Wuhan service center has plans to double capacity in the upcoming year.

# Expansion of OEM Services



Service items :

Service center	Taiwan	East China	Central China	South China
Existing	Laser 、 Electrical testing	Laser 、 NC routing	Mechanical drilling	-
Adding	Mechanical drilling	Mechanical drilling	-	Laser 、 Mechanical drilling 、 NC routing
Total	Laser 、 Mechanical drilling 、 Electrical testing	Laser 、 Mechanical drilling 、 NC routing	Mechanical drilling	Laser 、 Mechanical drilling 、 NC routing

# *keyware*

Thank You For Your Attention

