

2019 Investor Conference



V1.0

Respond responsibly with professionalism and improve society with heart
Phihong always works together with you

World Class, International Standard

Safe Harbor Notice

This presentation contains forward-looking statements which are subject to risks, uncertainties, and assumptions, some of which are beyond our control. Actual results may differ materially from those expressed or implied by these forward-looking statements. Please refer to the information on the MOPS website as the main basis for any adjustments that have been made. (<http://mops.twse.com.tw/mops/web/index>)

The financial numbers hereby are based on International Financial Reporting Standards (IFRS) and reviewed.

■ Agenda

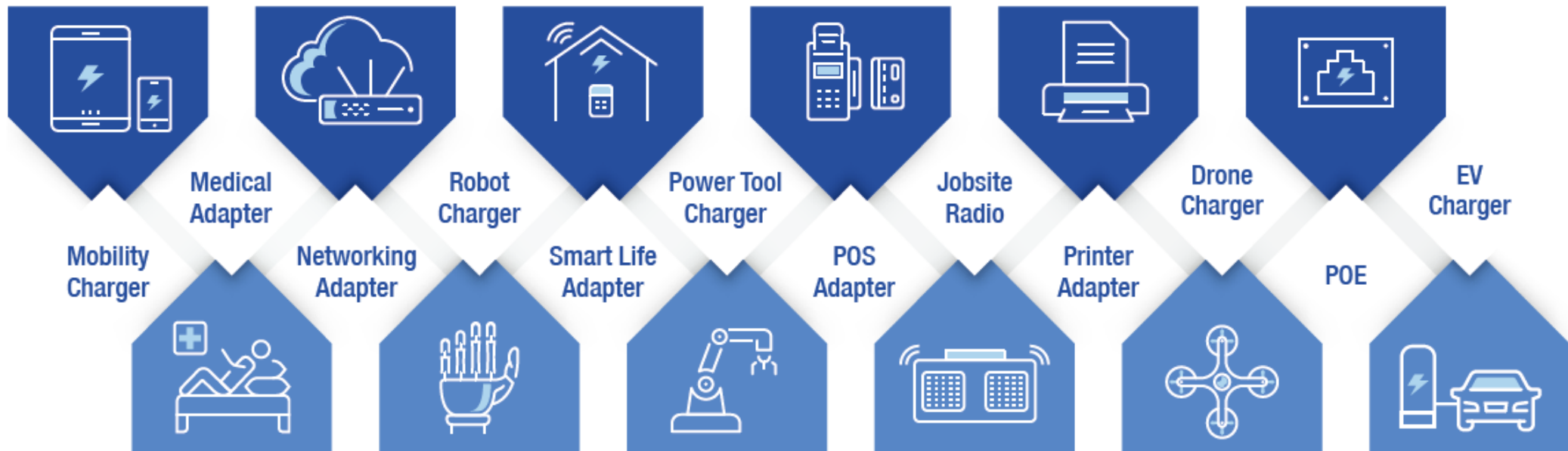
- Company Profile
- Outlook
- Future Prospects
- Q & A

Company Profile

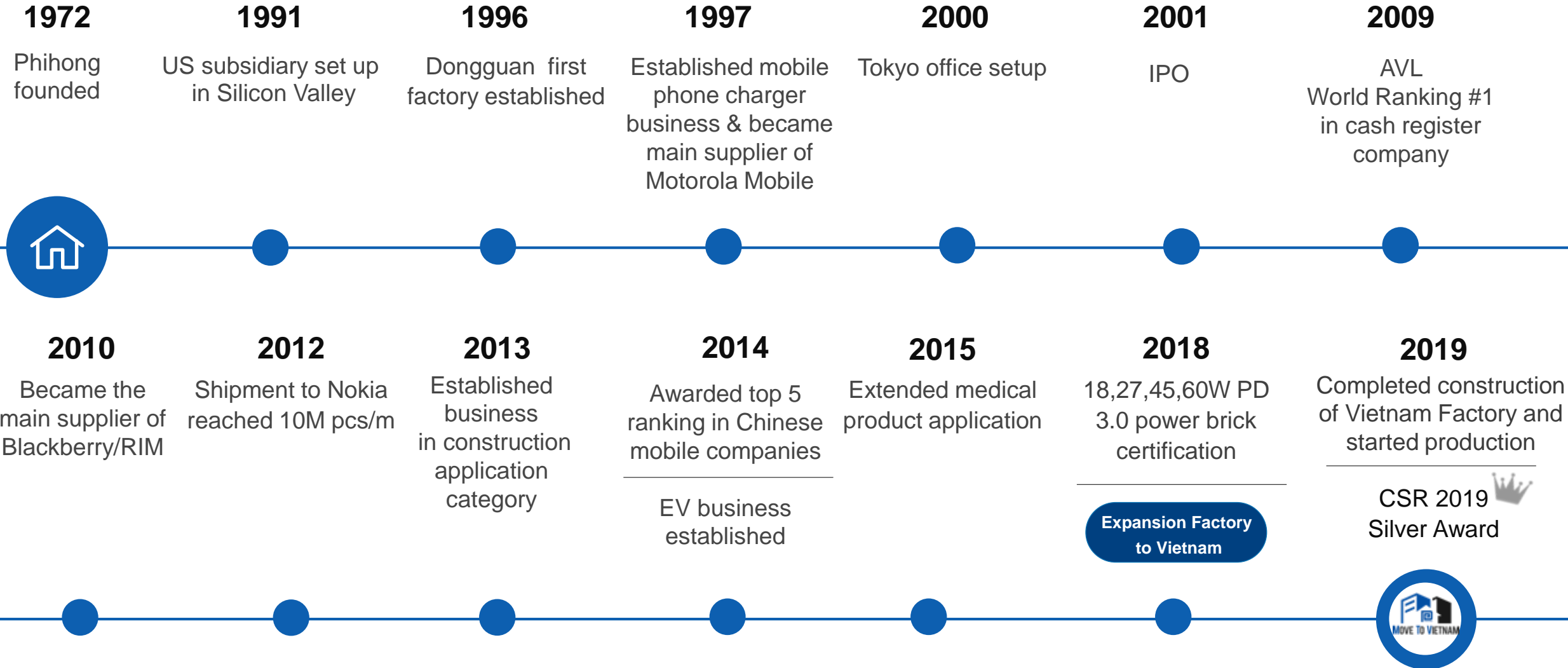
Company Profile

Phihong was founded in 1972. At the beginning, we mainly introduced high-tech equipment. In 1973, Phihong set up factories to produce autotransformers and linear power supplies. Our production line covers all kinds of power supplies and converters. After nearly 47 years of innovating in power products, Phihong Technology has become one of the top 10 suppliers of power supplies in the world.

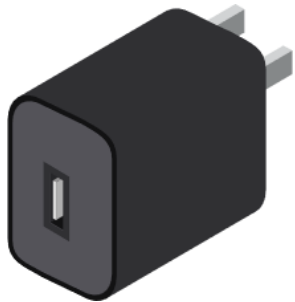
In recent years, Phihong has gradually stepped into other fields of power supply, mainly engaging in the development of power products containing adapters, battery chargers, PoE (Power over Ethernet), electric vehicle chargers, construction site audio, as well as consumer electronics such as POE Smart Home, POS, small appliances, home medical equipment, e-bikes, construction, industrial, electric vehicles, and more. Now we also plan and prepare for the coming of 5G.



Milestones



Our Products



SMPS

1W-1KW

IEC 60950UL IEC 60601
EN 60950 IEC 61000
IEC 60335 IEC 62368
EN 55024 EN 55032
FCC Class B



POE

15.4W-95W

IEEE802.3af/at/bt
Midspan
Splitter
Extender
Passive injector



Jobsite Radio

3Wx2-20Wx2

FM(RDS)/AM
DAB/DAB+
IEC 61000-4-2
IEC 60065



EV

15KW-180KW

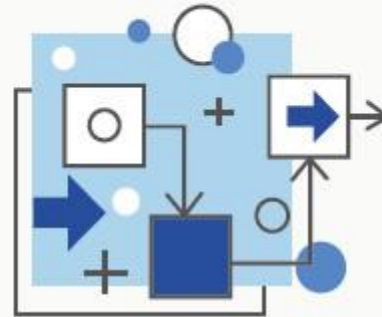
GB/T 18487-2015
GB/T 20234-2015
GB/T 27930-2015
NB33008-2013
NB33001-2010

Company Profile



Integrity

The core of the enterprise and the central thinking for its implementation of all activities



Innovation

Achievements for sustainable management with the competitive advantage in the world stage



Challenge

Promote reform and pursue the most important driving force in the process of excellence

Outlook

Consolidated Balance Sheet

單位：新台幣百萬元 (Unit: NT\$ Million)

2019年9月30日

2018年9月30日

會計項目 Accounting Title	金額 Amount	%	金額 Amount	%
現金及約當現金 Cash and cash equivalents	1,910	20.6	1,643	14.1
應收帳款 Accounts receivable, net	2,084	22.5	2,177	18.6
存貨 Inventories	1,257	13.6	1,864	15.9
其他流動資產 Other current assets	502	5.4	2,689	23.0
不動產、廠房及設備 Property, plant and equipment	2,850	30.7	2,862	24.5
其他非流動資產 Other non-current assets	668	7.2	458	3.9
總資產 Total assets	9,271	100.0	11,693	100.0
短期借款 Current borrowings	-	-	164	1.4
應付帳款 Accounts payable	2,097	22.6	3,358	28.7
其他流動負債 Other current liabilities	809	8.7	1,656	14.2
應付公司債 Bonds payable	999	10.8	999	8.5
長期借款 Non-current portion of non-current borrowings	145	1.6	280	2.4
其他非流動負債 Other non-current liabilities	196	2.1	178	1.5
總負債 Total liabilities	4,246	45.8	6,635	56.7
總股東權益 Total equity	5,025	54.2	5,058	43.3

重要財務指標 Key Indices	3Q19	2Q19	3Q18
流動比率(倍) Current Ratio (x)	1.98	2.01	1.62
速動比率(倍) Quick Ratio (x)	1.55	1.51	1.26
負債比率 Debt Ratio	46%	46%	57%
平均收現天數 A/R Turnover Days	71	71	57
平均銷貨天數 Inventory Turnover Days	54	57	50
平均付款天數 A/P Turnover Days	83	77	86

Consolidated Statement of Comprehensive Income

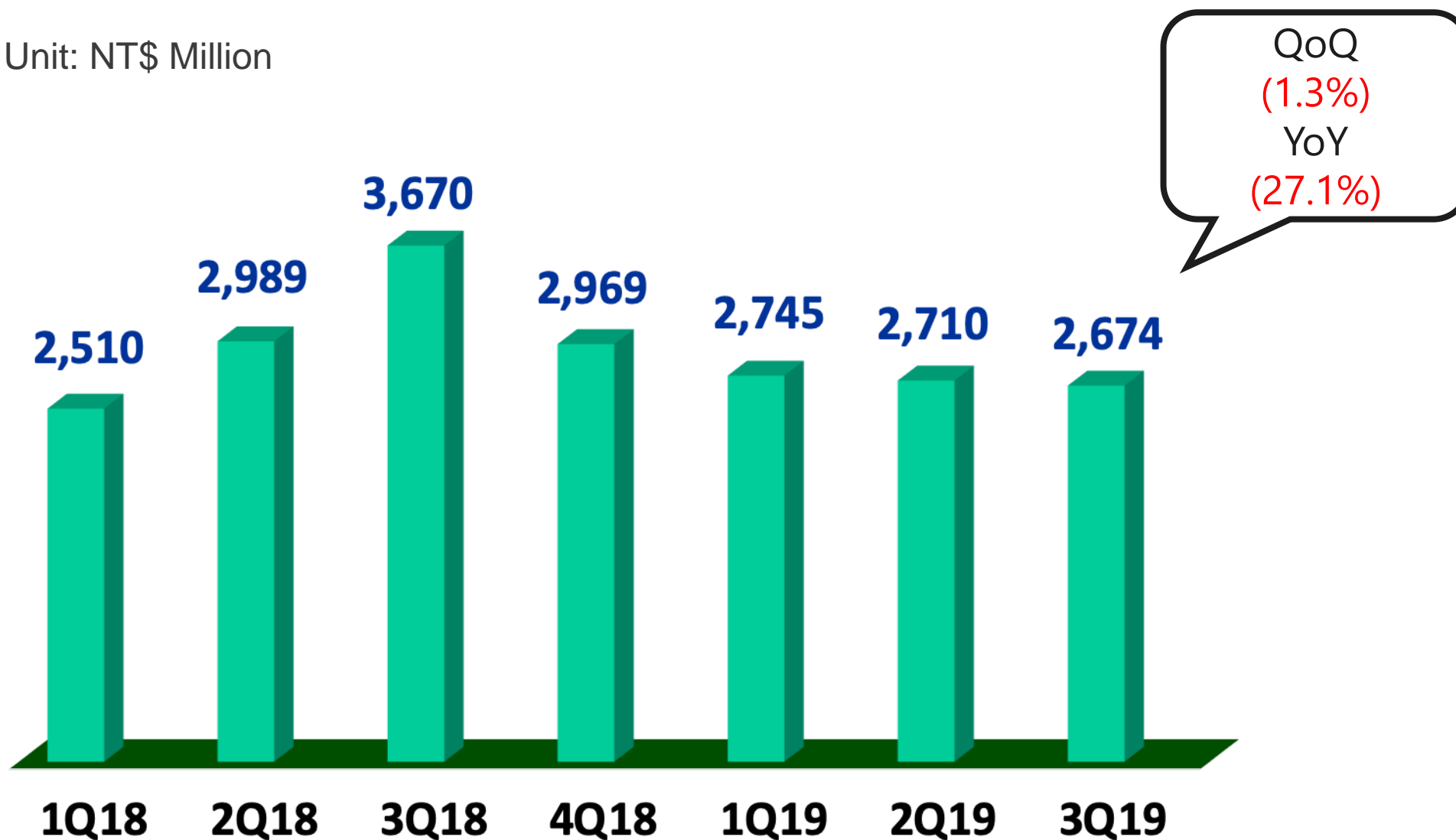
單位：新台幣百萬元 (Unit: NT\$ Million)	3Q19		2Q19		QoQ%	3Q18		YoY%
會計項目 Accounting Title	金額 Amount	%	金額 Amount	%		金額 Amount	%	
營業收入 Operating revenue	2,674	100.0	2,710	100.0	(1.3)	3,670	100.0	(27.1)
營業成本 Operating costs	2,243	83.9	2,344	86.5	(4.3)	3,201	87.2	(29.9)
營業毛利 Gross profit (loss)	431	16.1	366	13.5	17.9	469	12.8	(8.1)
營業費用 Operating expenses	401	15.0	417	15.4	(3.8)	423	11.5	(5.2)
營業淨利(損) Net operating income (loss)	30	1.1	(51)	(1.9)	158.0	46	1.3	(35.1)
營業外收入(支出) Non-operating income and expenses	4	0.2	28	1.0	(83.9)	(17)	(0.5)	126.6
稅前淨利(損) Profit (loss) before tax	34	1.3	(24)	(0.9)	244.4	29	0.8	17.3
所得稅利益(費用) Total tax income (expense)	24	0.9	12	0.5	96.3	(13)	(0.4)	282.0
稅後淨利(損) Profit (loss)	59	2.2	(11)	(0.4)	616.2	16	0.4	269.5
每股盈餘(虧損) EPS(NTD)	\$0.17		(\$0.03)			\$0.05		

Consolidated Statement of Comprehensive Income

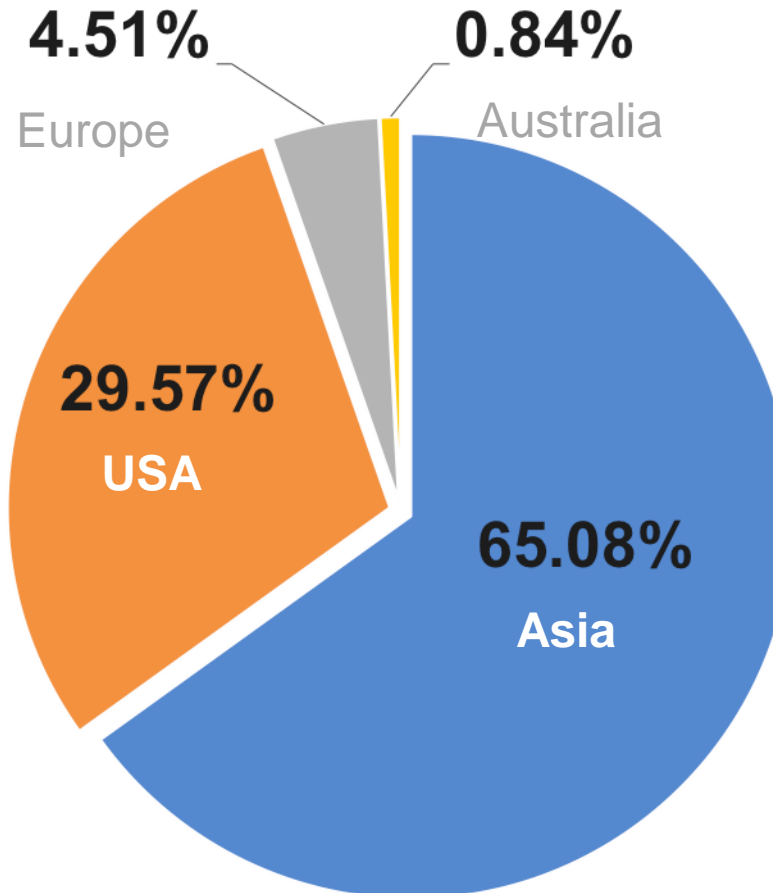
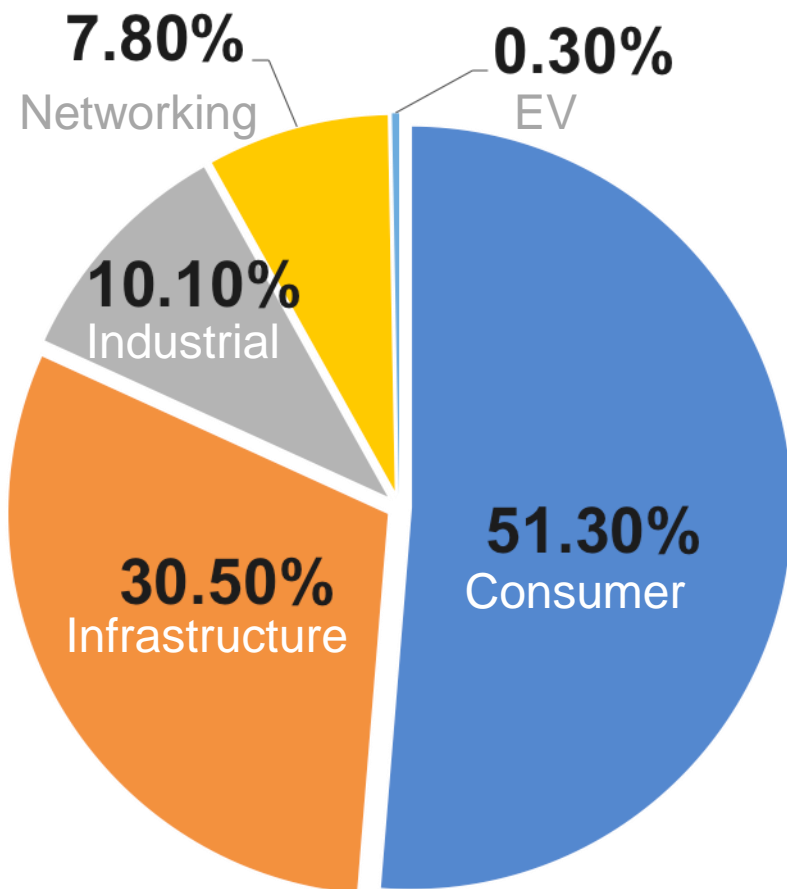
單位：新台幣百萬元 (Unit: NT\$ Million)	1Q~3Q19		1Q~3Q18		YoY%
會計項目 Accounting Title	金額 Amount	%	金額 Amount	%	
營業收入 Operating revenue	8,130	100.0	9,169	100.0	(11.3)
營業成本 Operating costs	6,992	86.0	8,267	90.2	(15.4)
營業毛利 Gross profit (loss)	1,137	14.0	902	9.8	26.1
營業費用 Operating expenses	1,230	15.1	1,184	12.9	3.9
營業淨利(損) Net operating income (loss)	(93)	(1.1)	(282)	(3.1)	67.2
營業外收入(支出) Non-operating income and expenses	48	0.6	101	1.1	(52.5)
稅前淨利(損) Profit (loss) before tax	(45)	(0.6)	(182)	(2.0)	75.4
所得稅利益(費用) Total tax income (expense)	8	0.1	(72)	(0.8)	111.4
稅後淨利(損) Profit (loss)	(37)	(0.4)	(254)	(2.8)	85.6
每股盈餘(虧損) EPS(NTD)	(\$0.11)		(\$0.75)		

Revenues

Unit: NT\$ Million



2019 Q1-Q3 Revenue – Industry & Region



Consumer

Intelligent + Smart life + Mobile

Infrastructure

Radio + Power tools

Industrial

Medical equipment + PoE + Other industrial products

Networking

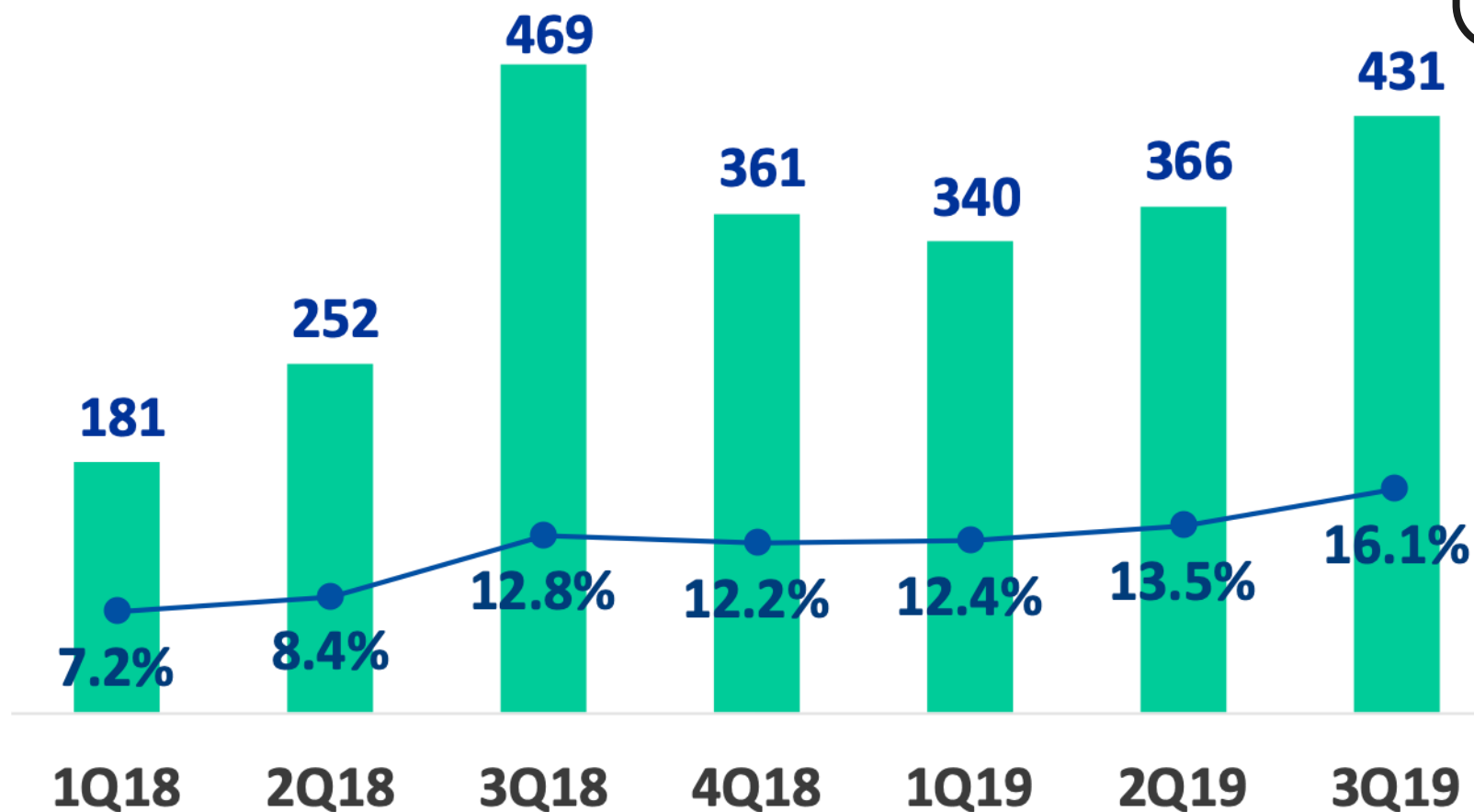
POS machines + Other networking products

EV

EV products

Gross Profit

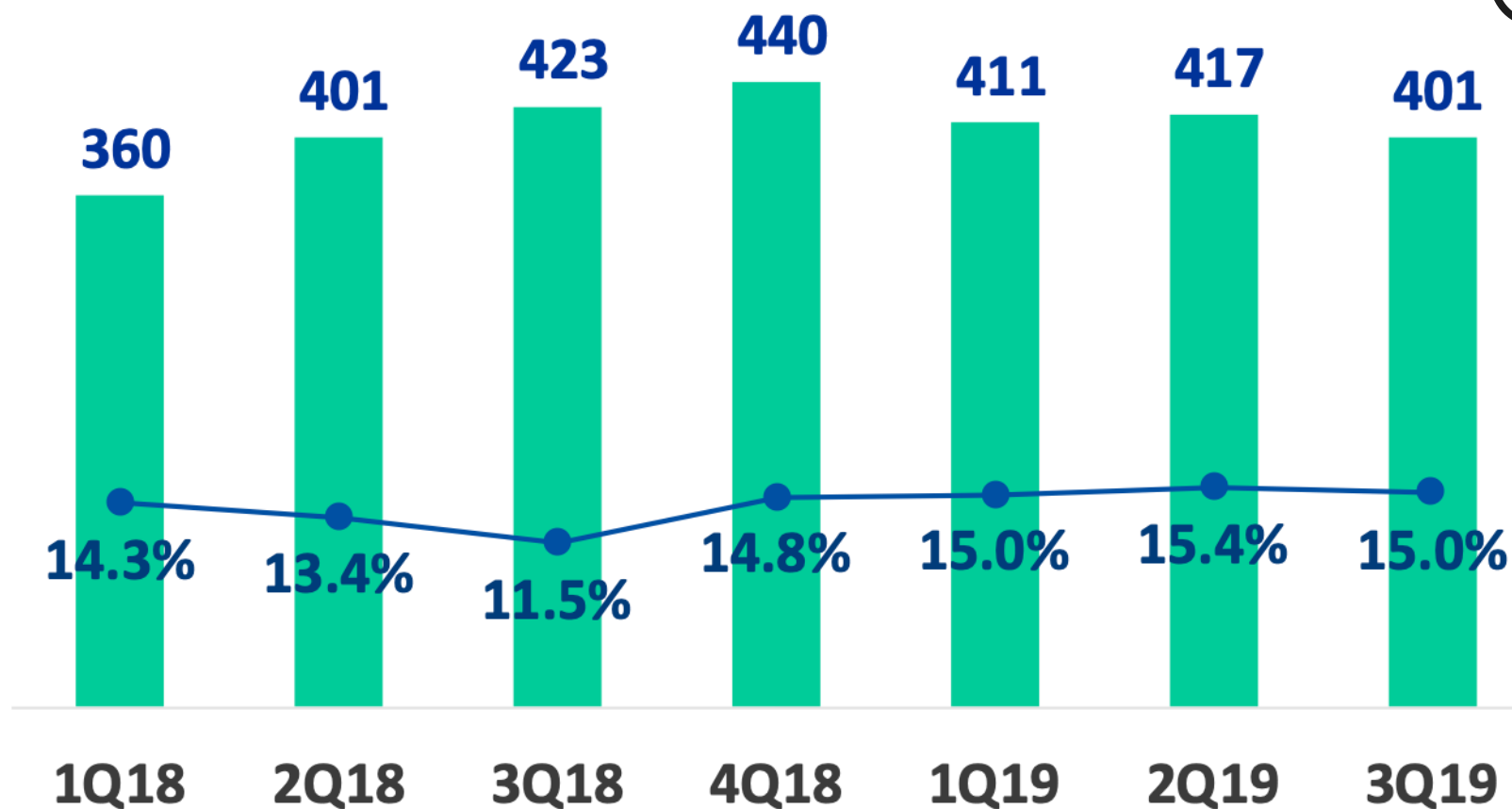
Unit: NT\$ Million & of Sales



QoQ
17.9%
YoY
(8.1%)

Operating Expense

Unit: NT\$ Million & of Sales

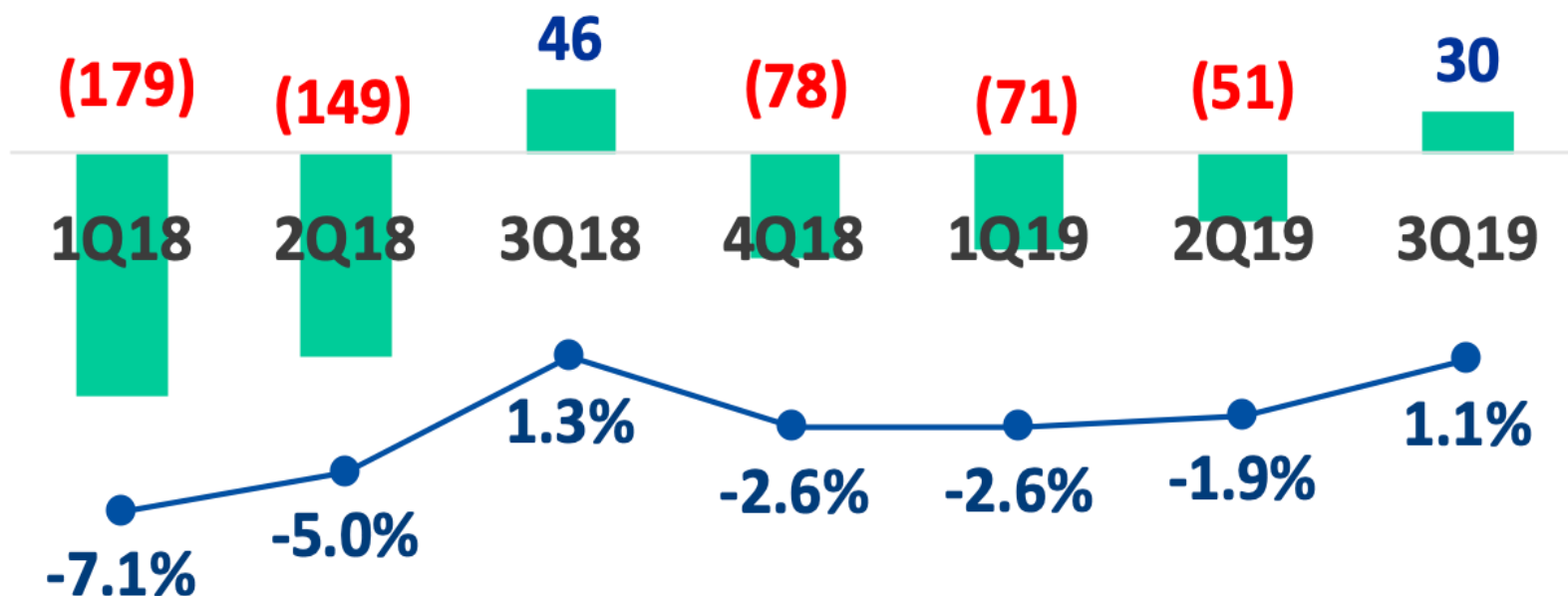


QoQ
(3.8%)
YoY
(5.2%)

Operating Profit

Unit: NT\$ Million & of Sales

QoQ
158%
YoY
(35.1%)



Future Prospects

Future Prospects

Phihong New Factory (PHV) Geography –Advantages

At the end of 2018, in response to the economic turmoil caused by the Sino-US trade war, the New Southbound Plan was immediately launched. By setting up factories in Vietnam, we avoid the risk of concentrating production in China and increase the flexibility of shipments.



Industrial Park Amenities:

Key development locations for electronics industry:

Well known companies such as Samsung, LG, Foxconn, Fuji, and similar companies have invested nearby.

Transportation:

- ① Second largest seaport in Vietnam
- ② Weekly vessels to China, Japan, Korea, EU, and NA

Labor Force:

- ① Population of 2 million within 10km radius
- ② Workers will be coming from local area

Location: Haiphong, North Vietnam

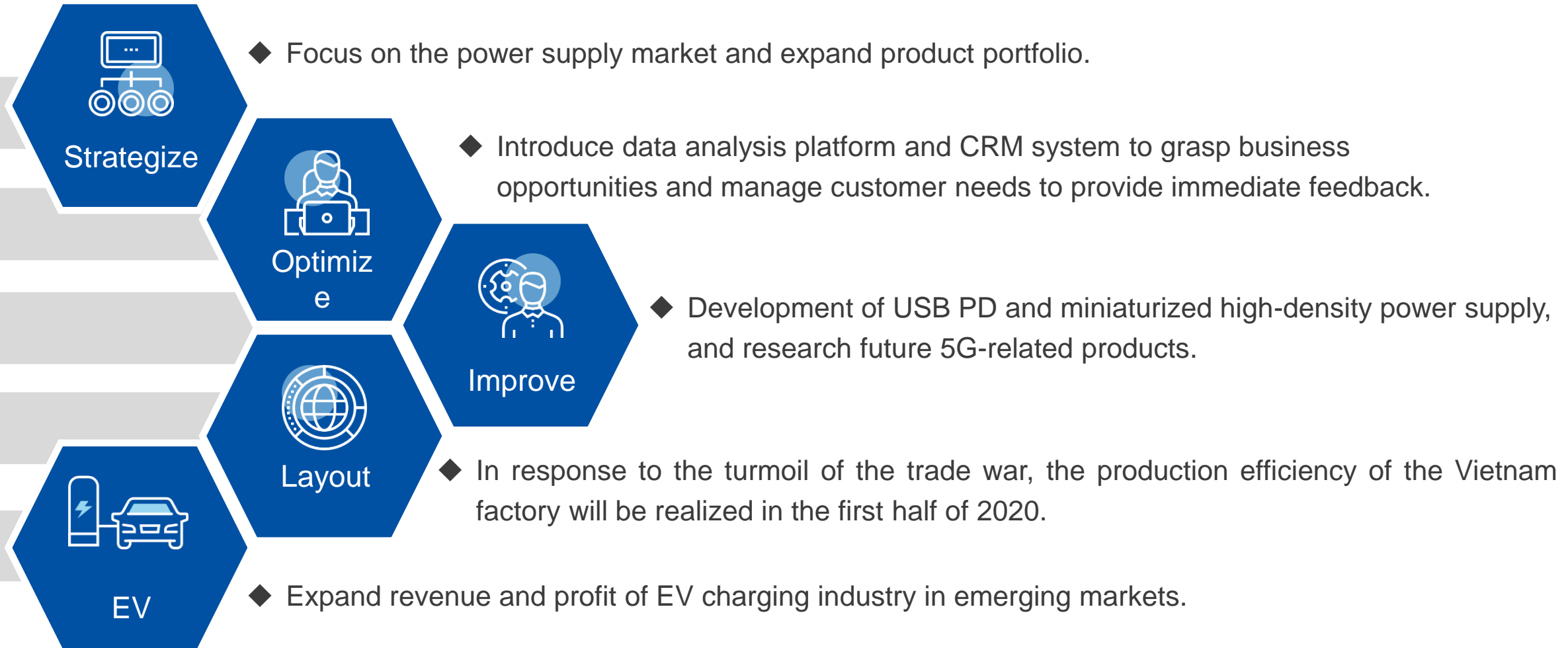
- 3rd largest city in Vietnam; 2.5 hours away from Hanoi
- Second largest seaport in Vietnam
- Experiencing rapid growth in attracting foreign investments (Belgium/Japan/Korea/Singapore)

Future Prospects



Phase 1 and Phase 2 in 3D effect

Future Prospects



Q & A

Thanks for coming and we kindly appreciate your support.

PHIHONG Website : <http://www.phihong.com.tw>

MOPS website : <http://mops.twse.com.tw/mops/web/index>

Contact us



www.phihong.com.tw

Phihong Taiwan

📍 No.568,Fuxing 3rd Rd.,Guishan Dist.,
Taoyuan City (33383),Taiwan,R.O.C.
☎ +886-3-327-7288
✉ phsales@phihong.com.tw
🌐 www.phihong.com.tw

Phihong Tainan

📍 No. 99, Zhengnan 1st St., Yongkang
Dist., Tainan City 710, Taiwan (R.O.C.)
☎ +886-6-254-7588
✉ phsales@phihong.com.tw
🌐 www.phihong.com.tw

Phihong China

📍 Science & Technology Rd., Silver Lake
Industrial Area Qingxi Town, Dong
Guan City, Guang Dong , China
☎ +86-768-86817888
✉ phsales@phihong.com.tw

Phihong US

📍 47800 Fremont Blvd.Fremont, CA, USA
☎ +1-510-445-0100
✉ usasales@phihongusa.com
🌐 www.phihongusa.com
🌐 www.midspans.com

Phihong Japan

📍 〒135-0016 東京都江東区東陽3丁目23
番24号VORT 東陽町ビル5階
☎ +81-3-5677-1678
✉ phsales@phihong.com.tw
🌐 www.phihong.co.jp

Phihong EU

📍 Wattstraat 50, 2171 TR Sassenheim,
The Netherlands
☎ +49-173-6308089
✉ sales@phihongeu.com
🌐 www.phihong-lighting.com

Phihong Vietnam

📍 Lot CN5 An Duong Industrial Zone,
Hong Phong Commune, An Duong
County, Hai Phong City, Vietnam
☎ +84-22588-31557
✉ phsales@phihong.com.tw
🌐 www.phihong.com.tw