



鼎翰科技股份有限公司

2020年第一季法人說明會

鄭懿誠 財務長兼發言人

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Agenda

致歡迎詞

免責聲明

2020第一季財務報告

公司營運簡報

問與答

Disclaimer

TSC Auto ID Technology and its subsidiaries have no intention and undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

2020第一季財務總結

\$13

營收 (新台幣 億元)

\$3.04

盈餘/股 (新台幣 元)

\$8.2

現金餘額 (新台幣 億元)

1.5

流動比率 (倍)

2020第一季綜合損益表 (簡式)

新台幣 百萬元	1Q20	1Q19	有利 (不利)	
營業收入	\$1,289	\$1,291	(\$2)	
營業毛利	\$459	\$497	(\$38)	
營業毛利 %	35.6%	38.5%	-2.9 pts	ppts
營業費用	(\$287)	(\$294)	\$7	
營業淨利	\$172	\$203	(\$30)	
營業淨利 %	13.4%	15.7%	-2.3 pts	ppts
營業外收入及支出	\$1	(\$3)	\$4	
本期淨利	\$129	\$166	(\$36)	
本期淨利 %	10.0%	12.8%	-2.8 pts	ppts
每股盈餘 (新台幣)	\$3.04	\$3.90	(\$0.86)	

Net Sales YoY flat in NTD due to appreciation against USD and EUR

Gross Margin -2.9ppts attributed to

- Unfavorable FX impact
- Product mix shift

Operating expenses improved NT\$7M / +2.6%

- One-time acquisition charge in '19
- Prudent expenses management in 1Q20

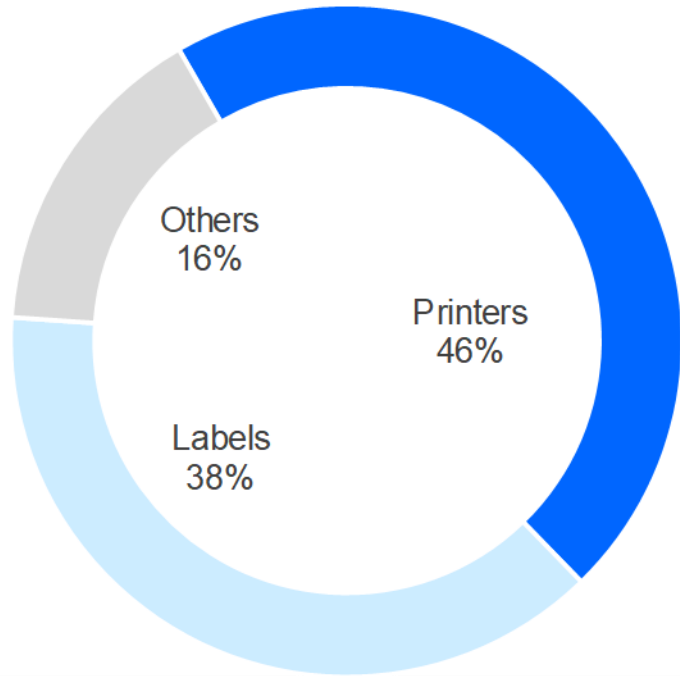
Non-operating items +\$4M contributed to

- FX gain
- Net of interest income and expense

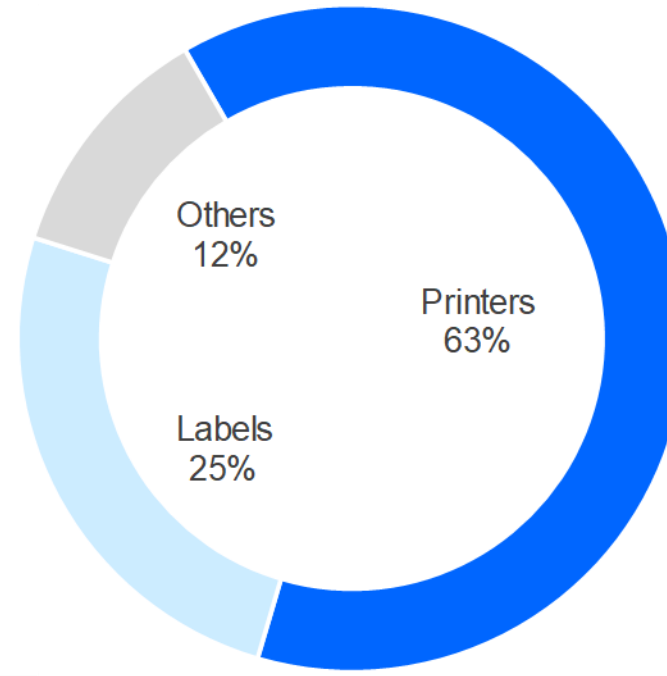
Net profit margin -2.8ppts due to

- Tax credit from subsidiary due to acquisition activity in '19

2020第一季銷售分析 – 產品別

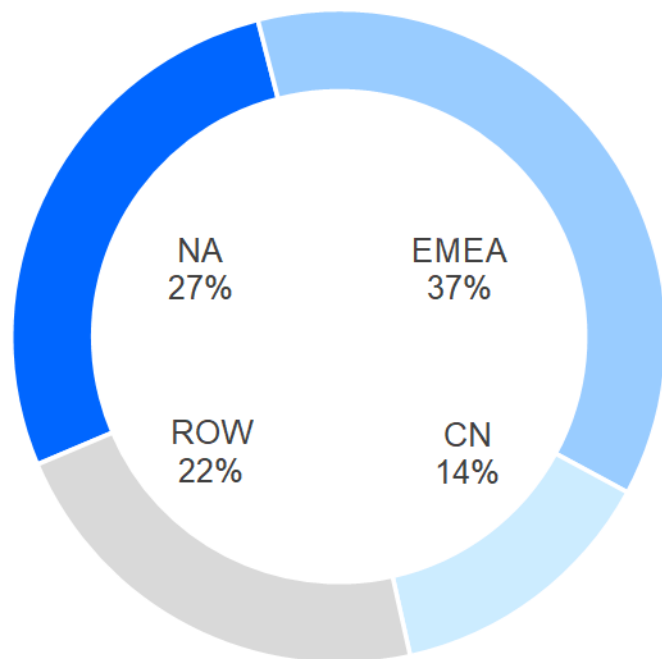


1Q20

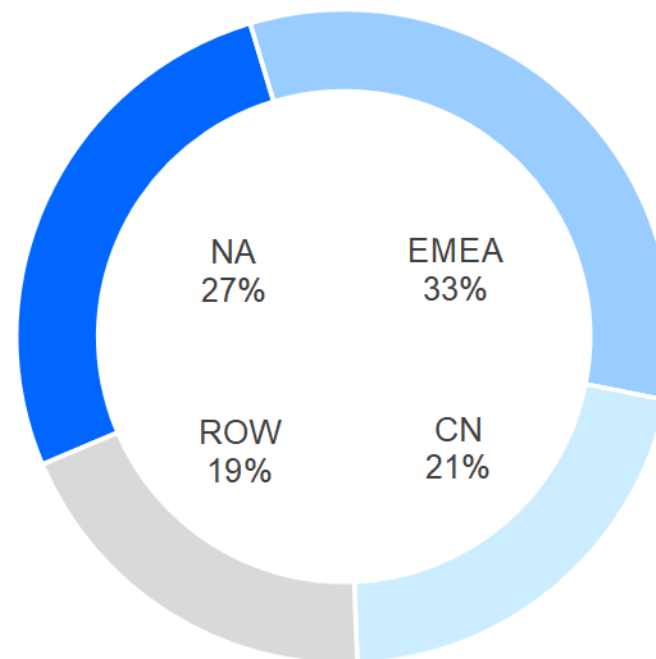


1Q19

2020第一季銷售分析 – 條碼印表機及相關



1Q20



1Q19

2020第一季資產負債表 (簡式)

新台幣 百萬元	1Q20		1Q19	
	金額	%	金額	%
現金及約當現金	\$825	13%	\$1,218	17%
應收帳款及票據	\$957	15%	\$1,062	15%
流動資產總計	\$2,819	44%	\$3,221	45%
長期投資	\$351	5%	\$646	10%
非流動資產總計	\$3,617	56%	\$3,992	55%
資產總計	\$6,436	100%	\$7,213	100%
流動負債	\$1,907	30%	\$1,920	27%
非流動負債	\$1,492	23%	\$2,260	31%
負債總計	\$3,398	53%	\$4,180	58%
權益總計	\$3,038	47%	\$3,033	42%

- Current Assets reduced NT\$ 402M YoY mainly in cash to repay outstanding borrowings
- Non-current Assets decreased NT\$375M mainly attributed to
 - Amortization of intangible assets and right-of-use asset
 - Long-term investment revaluation
- Long-term liabilities reduced NT\$768M, including NT\$ 850M long-term borrowing re-payment made
- Debt ratio improved from 58% (1Q19) to 53% (1Q20)

2020第一季現金流量表 (簡式)

新台幣 百萬元	1Q20	1Q19
期初現金及約當現金	\$921	\$1,282
營業活動之現金流入	\$206	\$152
投資與籌資活動之現金流(出)入	(\$302)	(\$215)
取得子公司之現金流出	-	(\$1,115)
購置不動產、產房及設備	(\$15)	(\$20)
短期借款(減少)增加	(\$234)	\$198
償還可轉換公司債	-	(\$1,200)
舉債長期借款	\$120	\$1,960
償還長期借款	(\$120)	
支付租賃本金	(\$33)	(\$31)
匯率變動對現金影響數	(\$1)	(\$2)
Ending Balance	\$824	\$1,217

Cash flow in 1Q20

- Cash on hand NT\$824M, - NT\$97 lower than beginning of the quarter
 - Cash from operations +NTD \$206M; offset by
 - Investing activities out flow of \$278M, including short-term loans repayment of \$234M
- Free cash flow of NT\$190M
- Operating cash flow to net income improved to 160% (1Q20) from 92% (1Q19)

Managing the Uncertainty

During COVID-19 pandemic outbreak, we adopt a contingency plan and apply it to all subsidiaries worldwide, so we stay focus on our business and operation, and build strength with resilience during global health crisis and economic challenges

✓ Protect our Employees

- Tianjin plant carefully re-open with EE health tracked
- US & EU employee work from home

✓ Serve our Customers

- Work with customers to review payment terms
- Check inventory and freight capacity to fulfill customer orders

✓ Stabilize our Continuity

- Collect overdue A/R 100% after business resume
- Review raw materials and suppliers to continue operations

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TSC**

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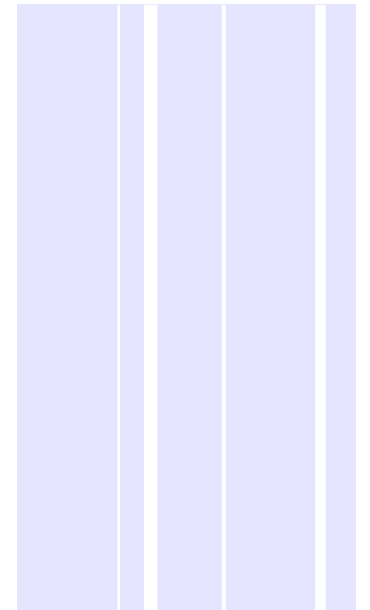
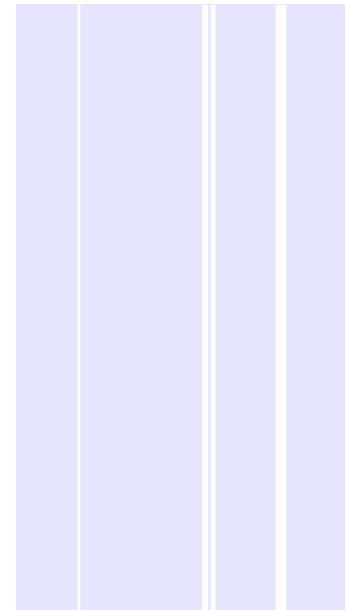
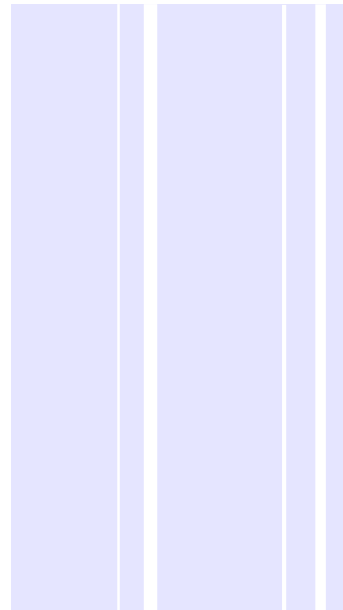
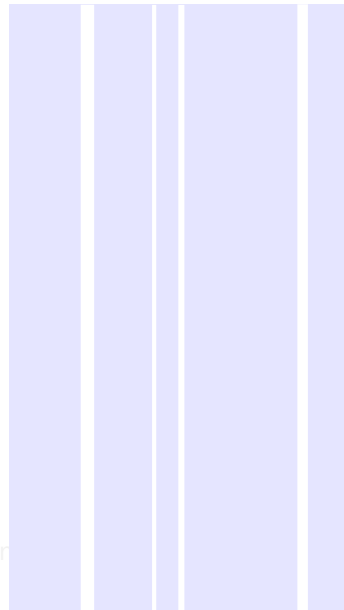
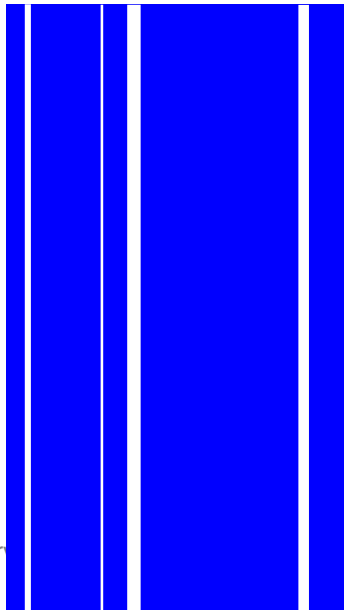
TSC
Market

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Product
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Financial
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Operation & Service

2

manufacturing sites
Taiwan | China

15

Offices worldwide

4

Million printers
Installed WW



Our Journey

1991

Sets up Printer Division in parent company, for OEM Partnership with Eltron

1996

Expansion to Americas

2003

Production assembly in Tianjin Plant

2002

Expansion to Europe

2007

Spin-off from parent company

2006

Moved to Li Ze Plant

2008

Listed on the Taiwan Stock Exchange

2011

Expansion to Russia and Middle East

2019

Acquisition of Diversified Labeling Solutions, Inc. (DLS)

2016

Acquisition of Printronix thermal and AIDC business

Business Setup

Foundation for Growth

Business Expansion

Acquisition & Integration

Global Presence



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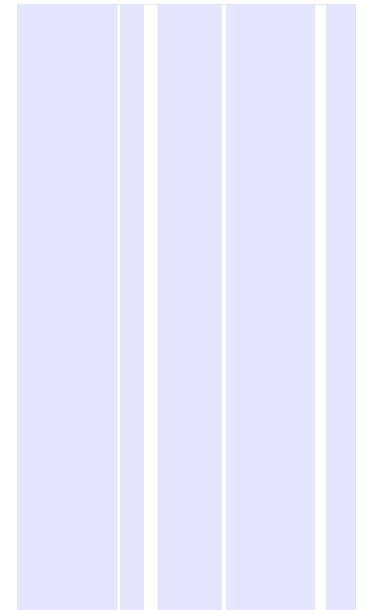
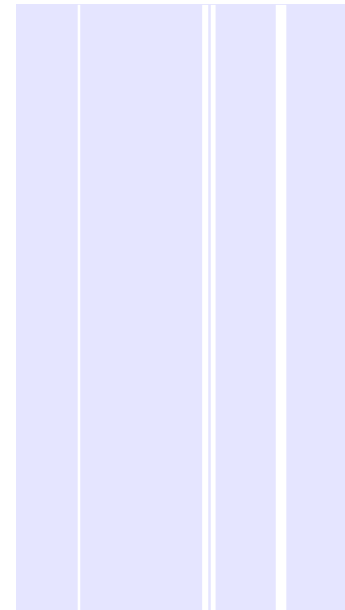
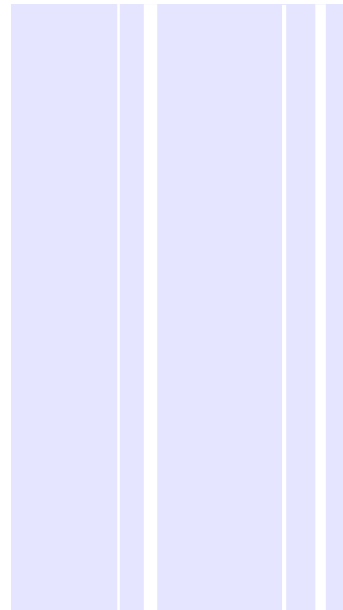
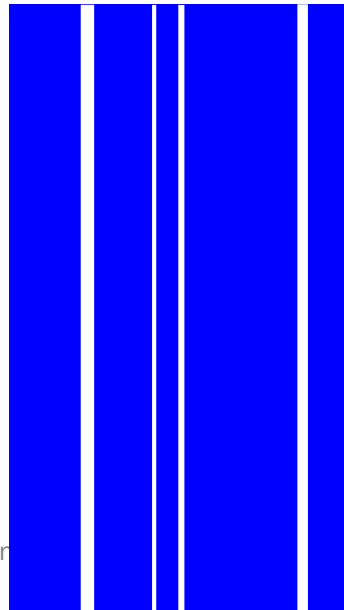
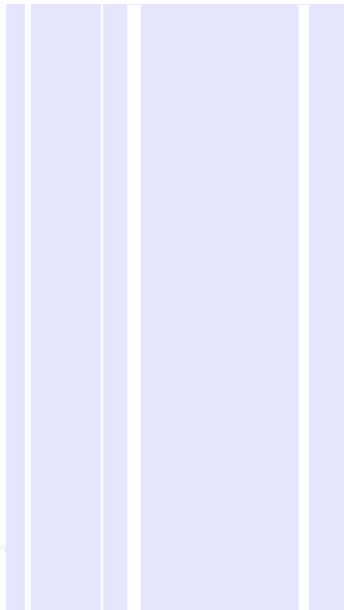
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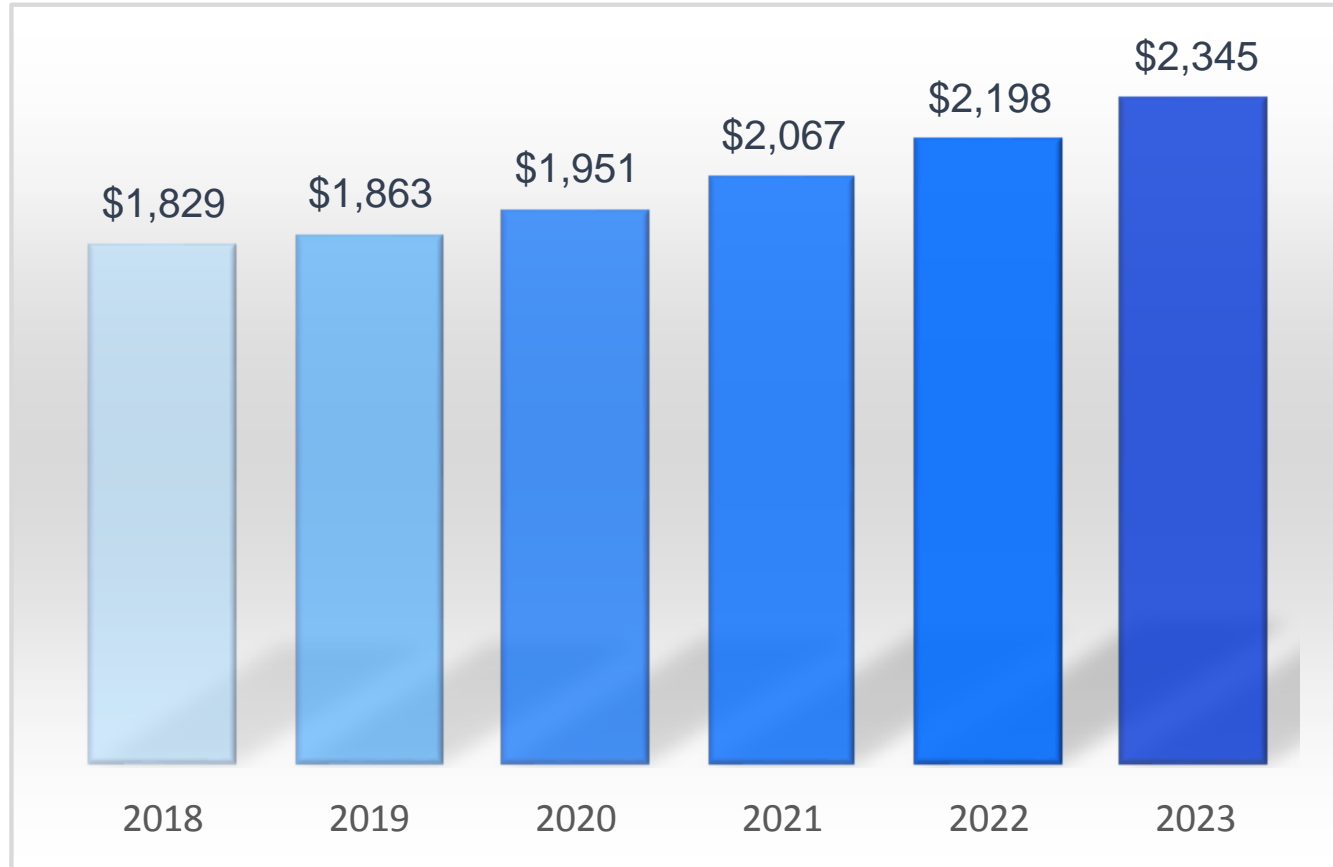
Product
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Financial
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Global Barcode Printers



US\$**2.3**B

5.1% CAGR
2018 - 2023

(Source: VDC | Research, The Global Market for Stationary Thermal Barcode Printers, October 2019)

Label Printing Industry

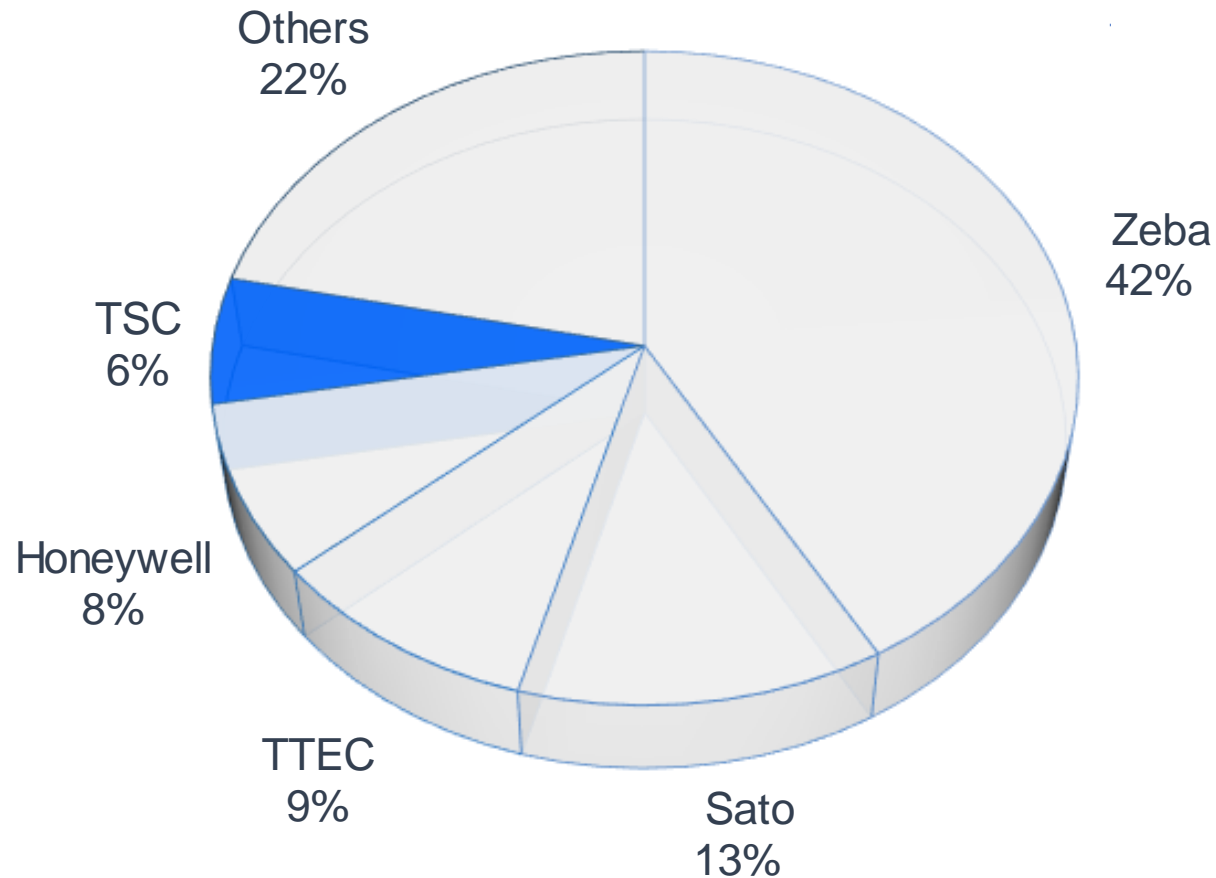
400											
'19	'18	Company	Total Sales (Millions)	Previous Year's (Millions)	Change (%)	Principal Officer	Employees	Primary Specialties	Printing Processes/Capabilities	Ownership	Plants
1	1	RR Donnelley, Chicago, IL	\$6,800.00	\$6,940.00	-2	Dan Knotts	39,500	SPEC 44% (Logistics, digital print and creative services, labels, supply chain management, forms, BPO); COM 28%; PKG 9%; DM 8%; S/T 8%	DCW; DCS; DWF; FLX; LTR; OFS; OFD; SCR	Pub	302
2	—	Graphic Packaging International, Atlanta, GA	\$6,000.00	\$4,500.00	+33	Michael P. Doss	18,000	PKG 100%	FLX; GRV; OFS; OFW	Pub	70
3	2	Quad, Sussex, WI	\$4,194.00	\$4,131.00	+1	Joel Quadracci	20,600	SPEC 31%; INS 19%; CAT 15%; PUB 14%; DM 10%; BKS 6%; PKG 5%	DCW; DWF; GRV; OFS; OFW	Pub	57
4	3	LSC Communications, Chicago, IL	\$3,826.00	\$3,603.00	+6	Thomas J. Quinlan III	22,000	SPEC 41% (Magazines, catalogs, retail inserts); BKS 27%	DCW; DCS; DWF; FLX; GRV; LTR; OFS; OFW; OFD; SCR	Pub	47
5	4	Cimpress, Waltham, MA	\$2,592.00	\$2,135.00	+21	Robert Keane	13,000	SPEC 100% (Mass-customization products)	DCS; DWF; OFS; OFD	Pub	14
6	—	Taylor Corp., N. Mankato, MN	\$2,200.00	—	—	Glen Taylor	12,000	N/A	N/A	Prv	N/A
7	7	Transcontinental Inc., Montreal, QC	\$2,040.52	\$1,527.32	+33	Francois Olivier	9,000	INS 44%; NEWS 13%; SPEC 13% (Premedia and distribution); PUB 10%; COM 10%; BKS 6%; DWF 4%	DCW; DCS; DWF; FLX; OFS; OFW	Pub	44
8	6	Deluxe Corp., Shoreview, MN	\$1,998.03	\$1,965.56	+1	Barry McCarthy	6,701	SPEC 100% (Checks, printed forms)	N/A	Pub	11
9	8	Cenveo Enterprises, Stamford, CT	\$1,200.00	\$1,300.00	-7	Robert G. Burton Jr.	6,000	SPEC 72% (Labels, envelopes); COM 28%	DCW; DCS; DWF; FLX; OFS; OFW	Prv	30
10	9	Donnelley Financial Solutions, Chicago, IL	\$963.00	\$1,004.90	-4	Daniel Lieb	3,100	FIN 100%	N/A	Pub	N/A
76	86	OMNI Systems, Richmond Heights, OH	\$69.00	\$61.00	+13	Adam DeFrancesco	154	PKG 100%	DCW; FLX	Prv	2
76	72	SpeedPro Imaging, Centennial, CO	\$69.00	\$62.00	+11	Larry Oberly	N/A	DWF 100%	N/A	Prv	130
78	77	Thomas Printworks, Richardson, TX	\$66.50	\$68.00	-2	Bryan Thomas	520	COM 50%; S/T 20%; DM 15%; CAT 5%; INS 5%	DCS; OFS; OFD	Prv	26
78	60	Friesens Corp., Altona, MB	\$66.50	\$60.00	+10	Chad Friesen	580	BKS 87%; SPEC 7% (Self-publishing); PKG 6%	DCW; FLX; OFS; OFW	Emp	3
80	71	Core Publishing Solutions, Eagan, MN	\$66.30	\$68.50	-3	Todd Roth	351	BKS 100%	DCW; DCS; OFS; OFW	Pub	1
81	80	Kirkwood, Wilmington, MA	\$66.00	\$64.00	+3	Bob Coppinger	245	COM 40%; CAT 20%; DM 20%; S/T 5%; PUB 5%; BKS 5%; FIN 5%	DCS; DWF; OFS	Prv	1
82	79	Diversified Labeling Solutions, Itasca, IL	\$65.53	\$64.12	+2	Jim Kersten	203	SPEC 100% (Labels, tags)	DCW; FLX	Pub	4
83	86	The Meyers Printing Cos., Minneapolis, MN	\$65.00	\$61.00	+6	Mike Lane	250	SPEC 90% (Wide-format, litho, digital, POP displays); PKG 10%	DCW; DCS; DWF; FLX; OFS; SCR	Prv	1
84	83	Primary Color, Cypress, CA	\$64.70	\$62.00	+4	Dan Hirt	315	SPEC 50% (Large- and small-format digital, fabrication,	N/A	Prv	2

US\$50B

4.0% CAGR
2019 - 2025

(Source: Future Markets Insights' research, January 2019)

Auto ID On Demand Printing Industry Overview



2018 Auto ID Printing Industry

- Zebra as the market leader with 40%+ market share
- Sato and TTEC focus on domestic market (Japan)
- TSC currently holds a 6% market share
- Top 5 companies have around 80% market share

(Source: VDC | Research, The Global Market for Stationary Thermal Barcode Printers, October 2019)

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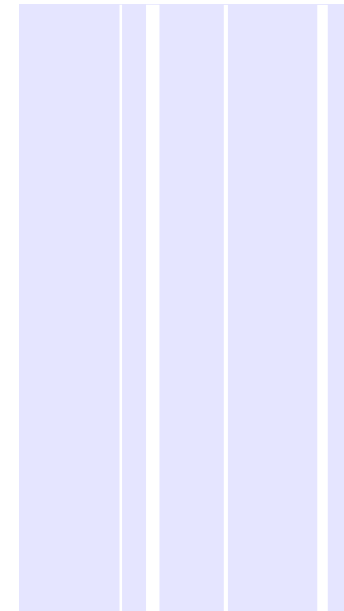
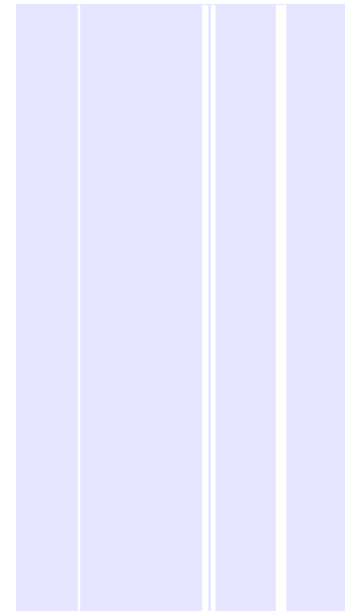
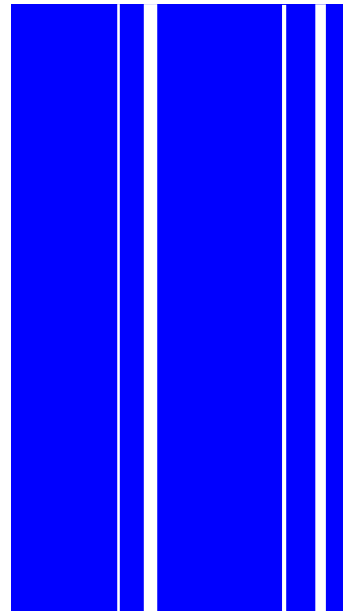
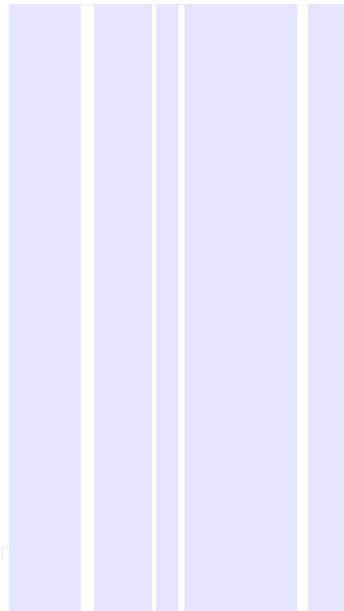
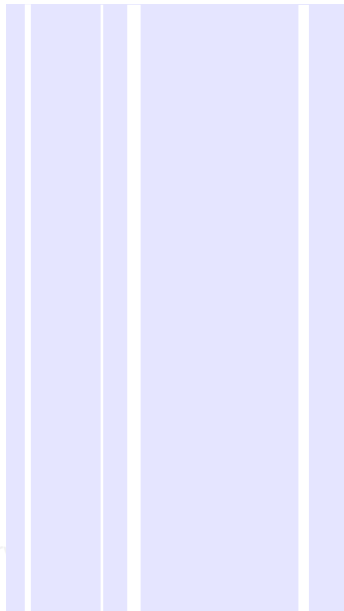
TSC
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TSC - Trusted by Leading Companies

MANUFACTURING

- Caterpillar
- Dole
- Ford Motor
- John Deere
- Michelin Tire
- Renault Nissan
- Samsung
- Volkswagen
- GEBERIT Group

RETAIL

- Adidas
- Carrefour
- Goodwill Industries
- IKEA
- Marks & Spencer
- RT-Mart
International Ltd
- Safear Group
- Whole Foods
- SM group

HEALTHCARE

- Cleveland Clinics
- Hospital Citadelle (Belgium)
- Hospital Graz (Austria)
- Hospital Klagenfurt
- National Taiwan University Hospital
- University of Cincinnati Hospitals
- University Hospital Hannover
(Germany)
- University Hospital Maribor (Slovenia)
- Yale University Hospitals

LOGISTICS

- DHL
- Hermes
- Panalpina
- TNT
- Flipkart
- Kerry

POSTAL

- Belgium Post
- China Post
- Taiwan Post
- Turkish Post
- Thai Post

GOVERNMENT

- China Central
Treasury
- City of Munich
- U.S. Social Security

FOXCONN®

FedEx®

DHL

Walmart
Save money. Live better.



Coca-Cola

CATERPILLAR



PANALPINA



sears



MARS



BNSF
RAILWAY

Hermes

BEST
BUY



US
FOODS



TNT



Gordon
FOOD SERVICE

■ GEBERIT



MARKS &
SPENCER



BIMBO
PRINTRONIX
AUTO ID

Stronger Together



Comprehensive Product Lineup

Full desktop, industrial, print engine and mobile product portfolio

Advanced Product Lineup

- Barcode Verification (ODV)
- RFID printers

Unmatched Solution

- Standalone application
- Flexible customization

Enterprise Software Solution

- Remote printer management
- SOTI Connect
- PrintNet Enterprise (PNE)

Exceptional Resolution

- 600 dpi for small label printing

Unique Design Platform

Printronix System Architecture (PSA); replace and install printers easily

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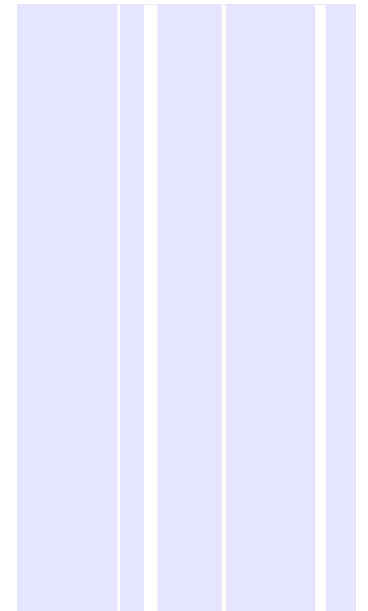
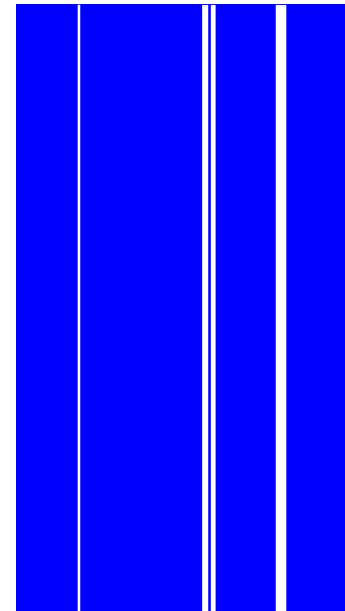
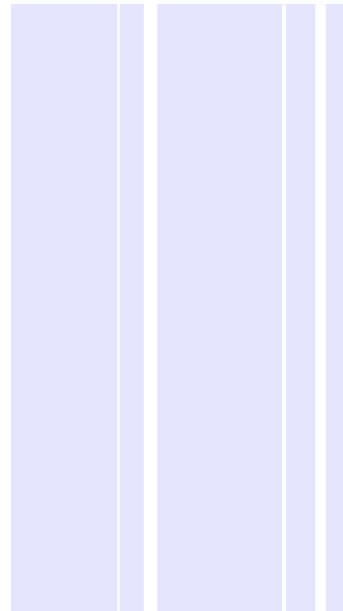
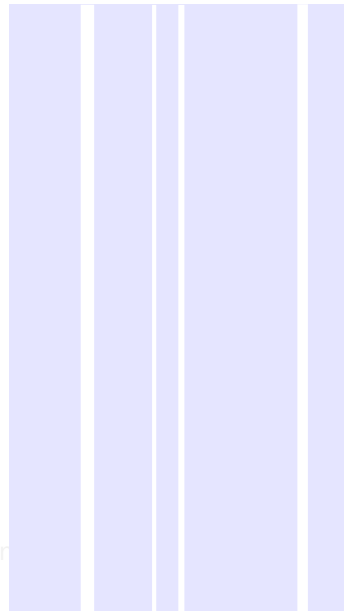
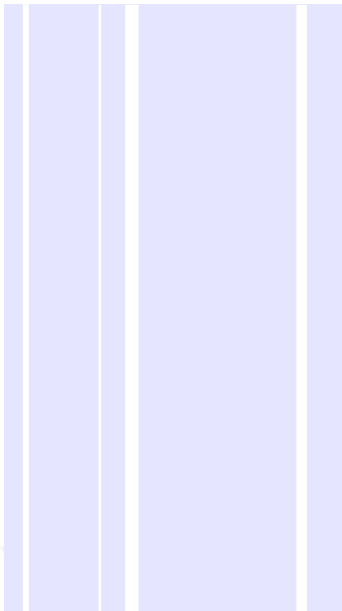
TSC
Market

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**Product
Overview**

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Product Family



Mobile

Desktop

Industrial

RFID

Barcode
Verification
(ODV)

Print Engine

PrintCart

Color

Performance Product Line



Mobile



Alpha-2R



IUM-2U



Alpha-3R



TDM-30



Alpha-4L

Desktop



TDP-225 Series



TDP-324W Series



TTP-225 Series



DA210/DA220 Series



TX200 Series



TC Series



TE200 Series

Industrial



MX240P Series



MH240 Series



MB240 Series



ML240 Series



TTP-2610MT Series



TTP-286MT Series

Specialty



PEX-1000 Series



CPX4P Series



Print Modules

Enterprise Product Line

	Mobile	Desktop	Industrial			Specialty
Standard	 <p>M4L2</p>	 <p>T800</p>	 <p>T4000</p>	 <p>T6000e</p>	 <p>T8000</p>	 <p>PrintCart</p>
RFID		 <p>T800 RFID</p>	 <p>T4000 RFID</p>	 <p>T6000e RFID</p>		
Verifier (ODV)			 <p>T6000e ODV-ID</p>	 <p>T8000 ODV-ID</p>	 <p>T8000 ODV-2D</p>	



Replace old printers or maintain a fleet of printers with ease

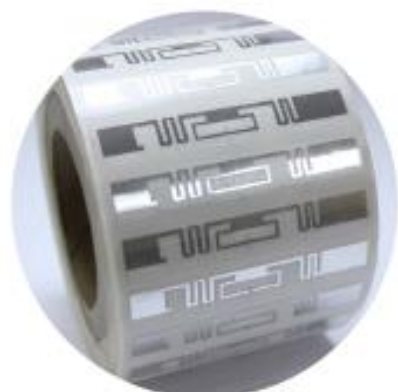
An intelligent design platform that combines exclusive features with a common set of building blocks to simplify printer replacement and installation to improve productivity.

Supplies Overview

Our product expertise runs deep and our supplies knowledge base is comprehensive. With product experts that can guide you through all stages of your consumables application, you can be assured that your supplies will be optimized in form, fit and function.



**Standard Labels,
Thermal Transfer
Ribbons, Receipt Rolls**



UHF RFID Labels



Wristbands



**Inkjet Labels
and Tanks**



Cleaning Supplies

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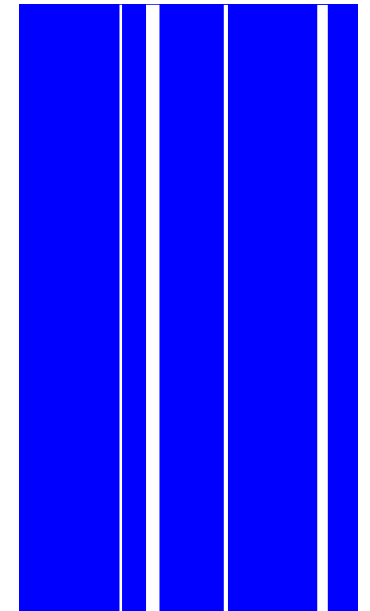
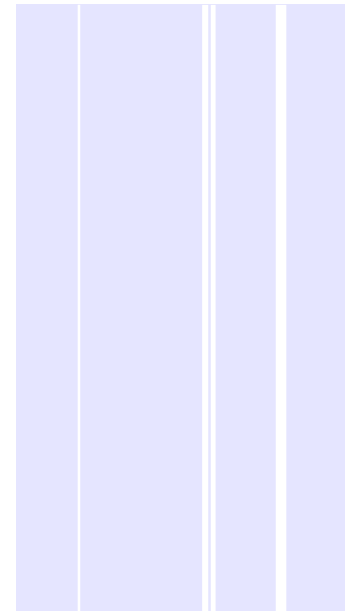
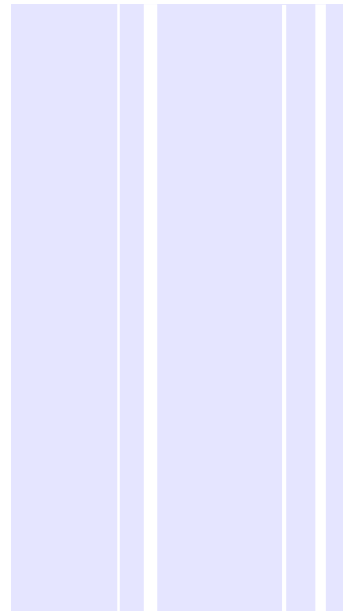
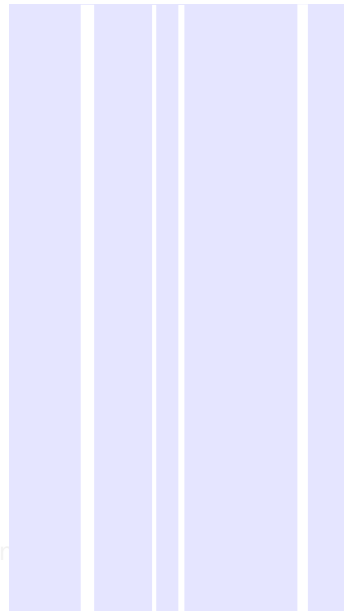
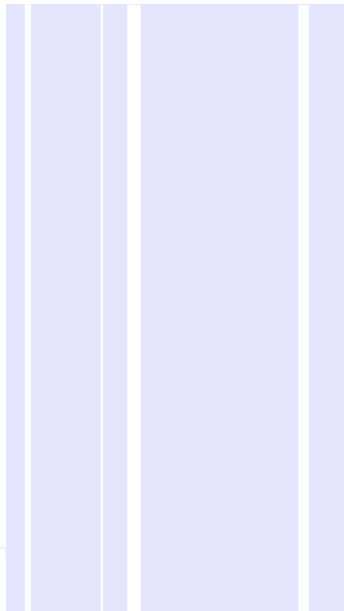
TSC
Market

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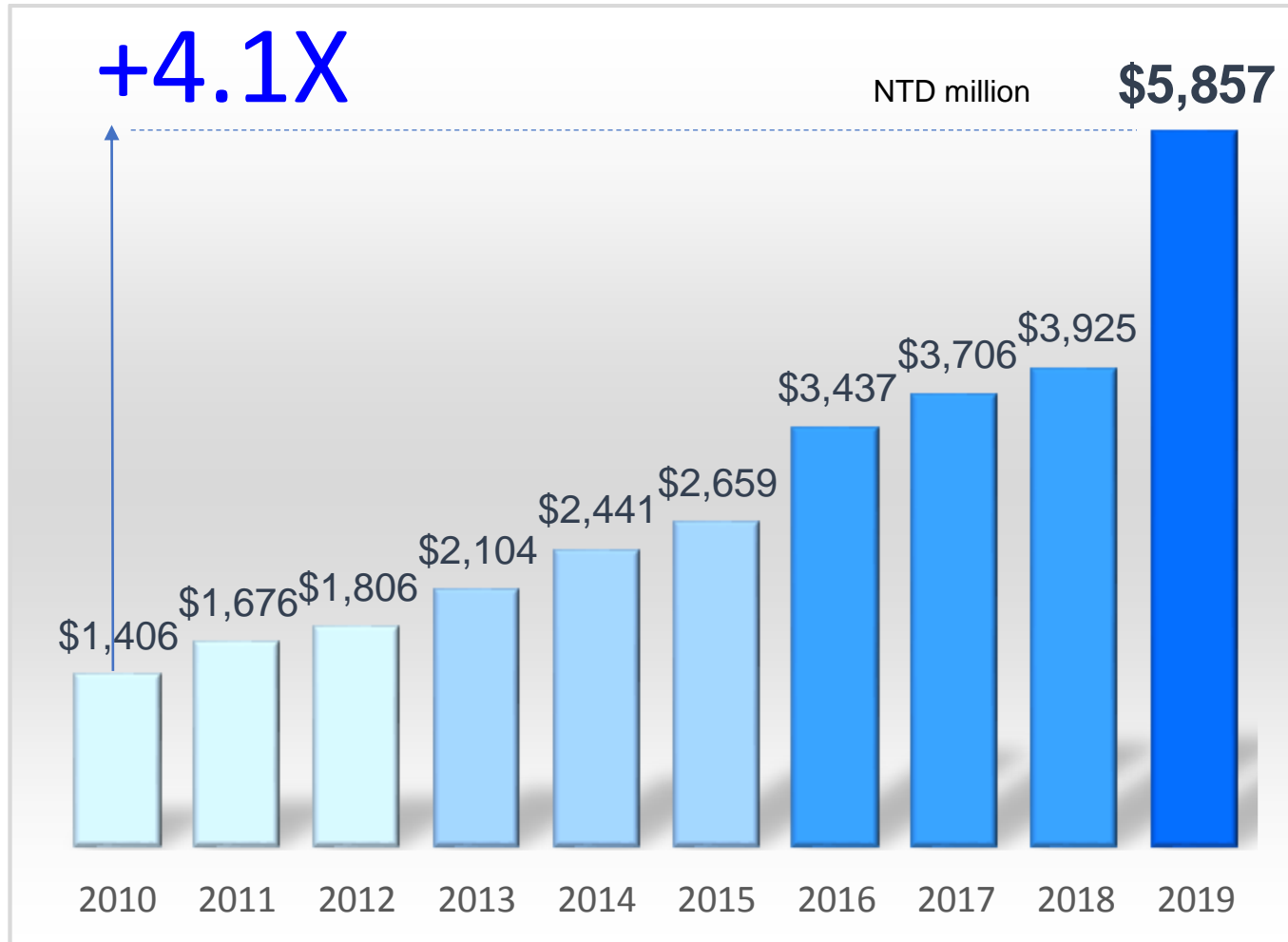
Product
Overview

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**Financial
Update**



Revenue Trend Chart



Maintains a strong momentum to grow business. Consolidated sales of NT\$5.8 billion in 2019, quadruples the revenue since 2012, including acquisition from

- Nov-2015 Acquisition of Printronix Thermal/AIDC Business
- Jan-2019 Acquisition of Diversified Labeling Solutions Inc., (DLS)

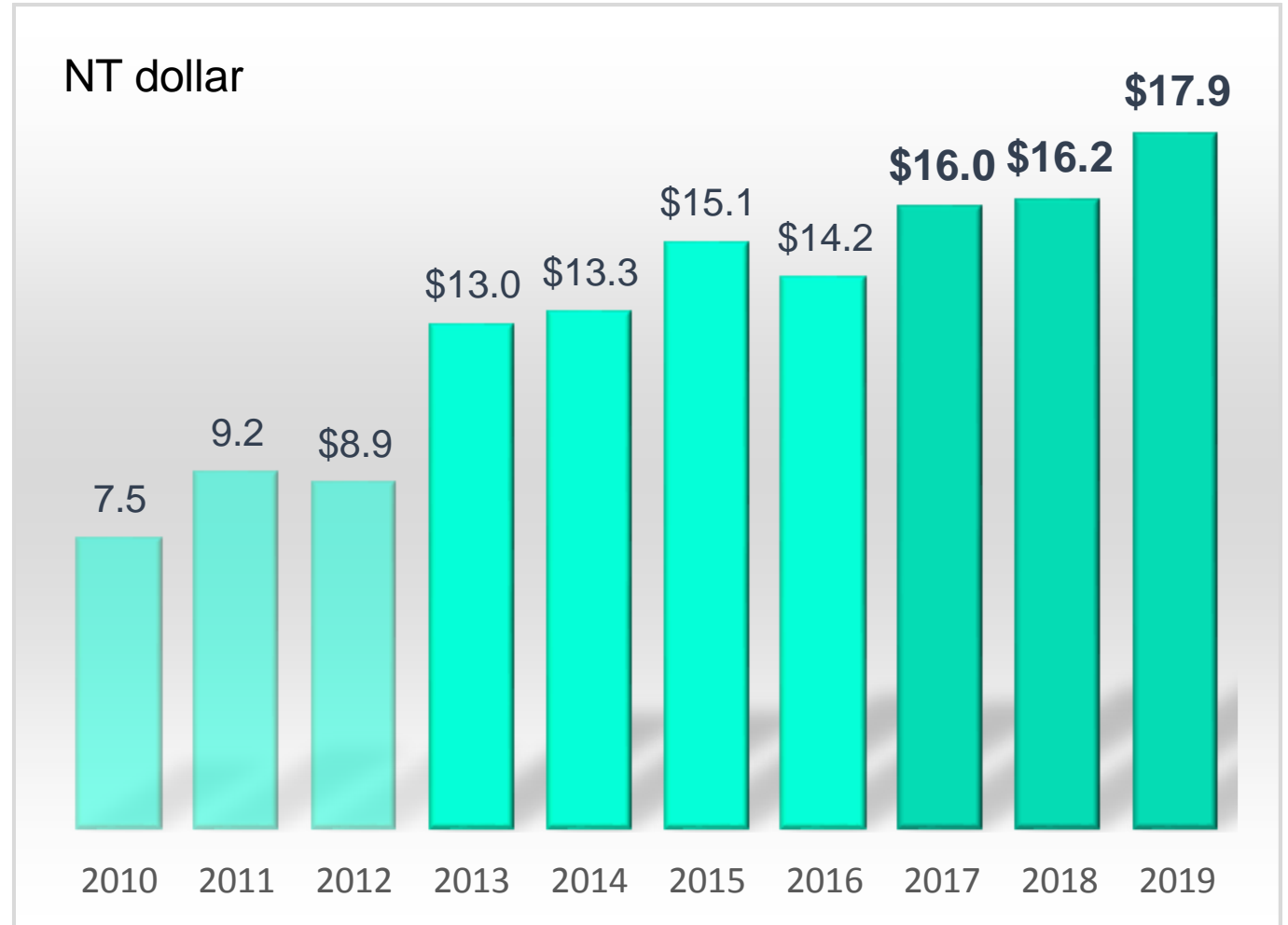
EPS Trend Chart

\$16.7

3 yr. Average
(2017 – 2019)

\$13.1

10 yr. Average
(2010 – 2019)



Thank You

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Q&A