

Anli-KY Thermal module parts supplier

安力-KY

2023/12/22 法說會簡報

5223.TW

 安力國際股份有限公司
Anli International Co.,Ltd

散熱模組零件供應商

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Anli-KY Crafting to Perfection

On the future pathway towards sustainable development, Anli will uphold the business philosophy of ethics as its core, and through endless learning and innovation, it strengthens the ability in product development, efficiency in production and extends its reach to 3C consumer electronics, semiconductor materials and automotive parts and components from the current single production line of heat sinks

Anli-KY Thermal module parts supplier

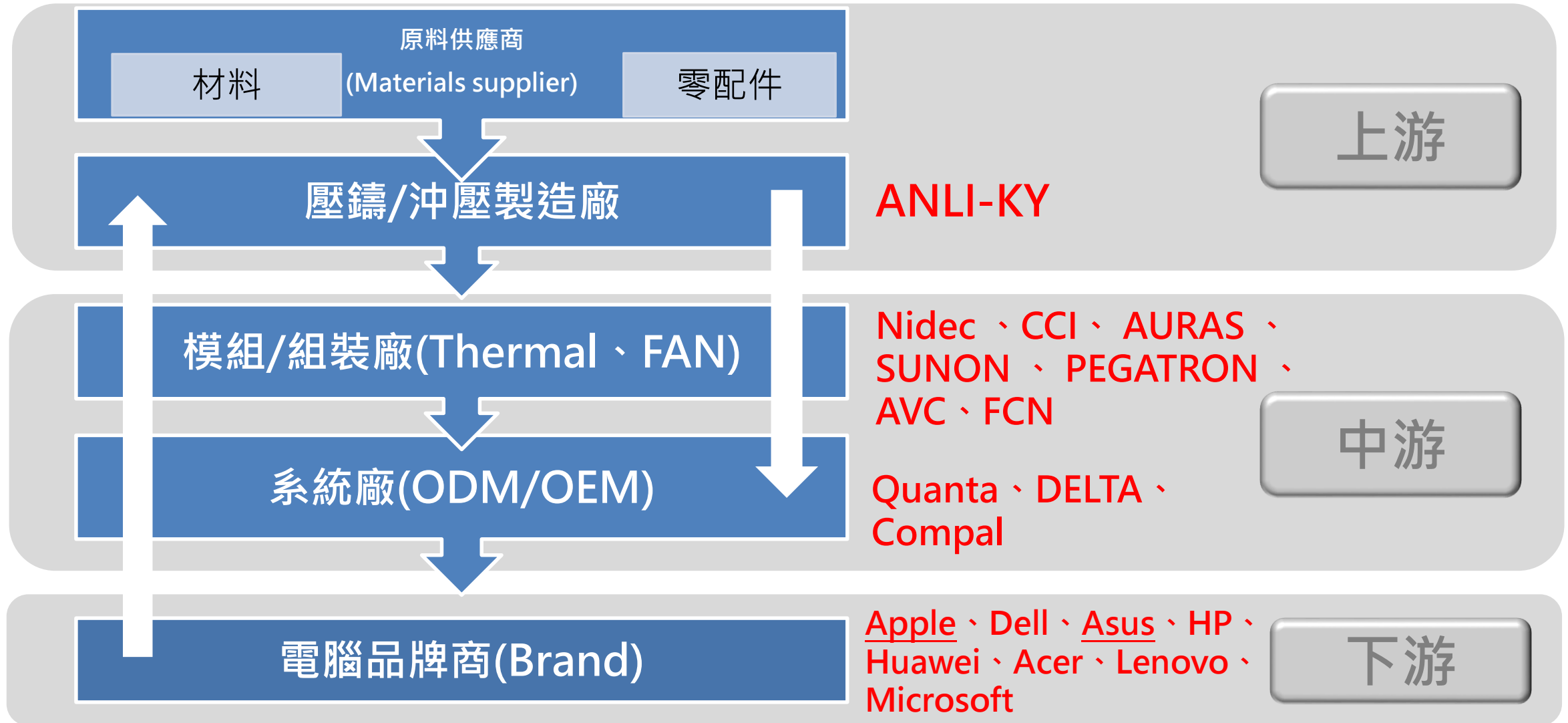
Date of foundation	June, 2010 in Cayman Islands
Raised capital	The paid-in capital amount to NT\$445,498 thousand
Date of listing in TPEX	July, 2018 (Stock code:5223)
Core production process	The metal die casting, precision metal stamping, the rear-end CNC precision processing and the product surface treatment
Product applied	Major brand notebook computers, Game consoles, Servers, Automobile devices and Handheld communication devices
Location	Taiwan 、 China Kunshan 、 Chongqing 、 Huzhou(Under construction)
Customer	Nidec 、 CCI 、 DELTA 、 AURAS 、 SUNON 、 Quanta 、 Wistron...more than 90% are well-known listed companies

Anli-KY Thermal module parts supplier

Map showing the locations of Anli's manufacturing facilities in China:

- 巨昊重慶2014 (Juhao Chongqing 2014)
- 昆山新力2001 (Kunshan Xinli 2001)
- 昆山廣禾2006 (Kunshan Guanghe 2006)
- 湖州安力2022 (Huzhou Anli 2022)
- 安力台北 (Anli Taipei)

ANLI-KY The upstream of the chain



The management team of ANLI-KY are all from Taiwan

安力-KY(5223.TT)

- **Structure of the group** :KY→HK →CN
- **Shareholder composition** :All original shareholders are Taiwanese
- **Board of Directors** : Member of the board are Taiwanese
- **Management team** : Member of the management team are Taiwanese
- **Major customers** : More than 70% of customers are Taiwan listed companies

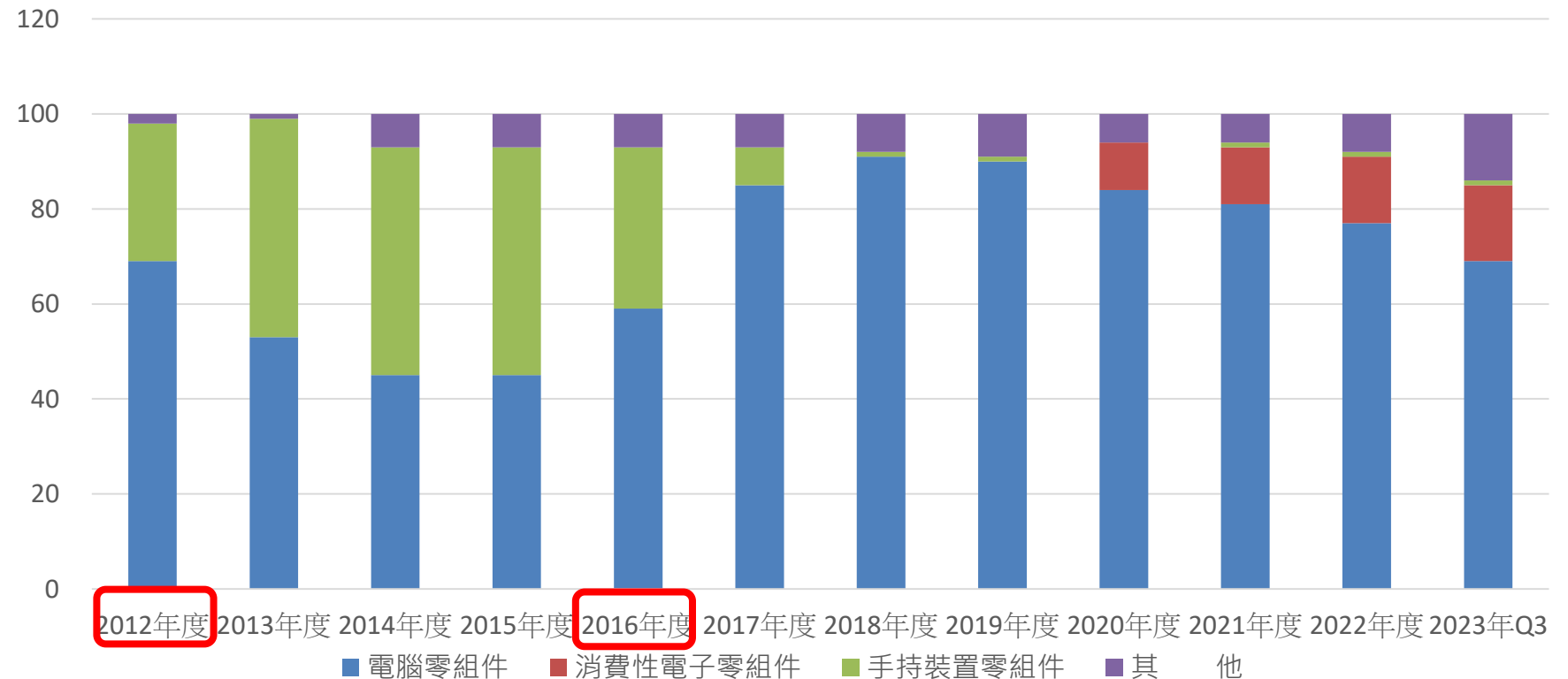
ANLI-KY(5223) Product category in the past 10 years

5223 安力KY-近十年營收變化

Changes in product revenue:

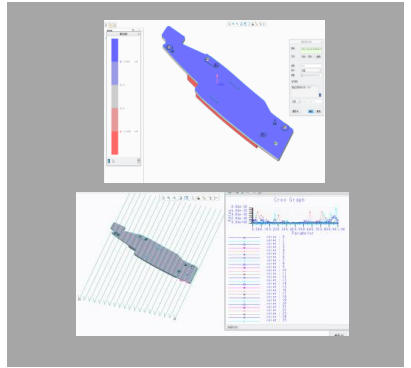
The proportion of notebook continues to decline, and the operating system of enterprises is healthier.

The main product is metal cooling components



ANLI-KY The competitive edge of the product development

The flow chart of the mold design



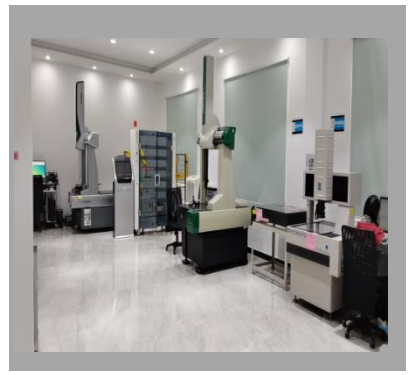
The analysis of product



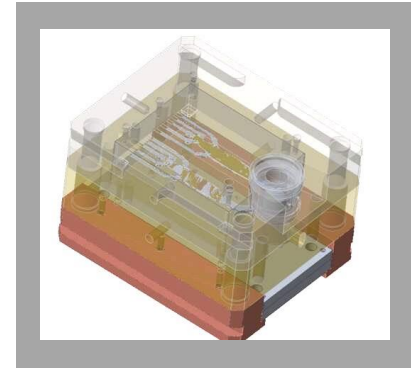
Demand of die casting



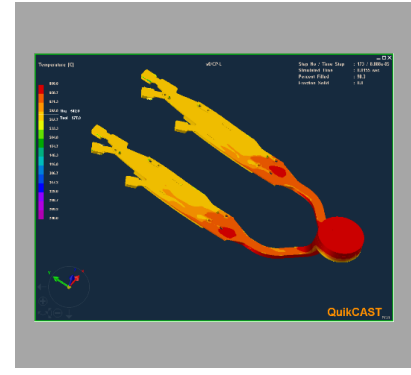
The level of mold workshop



Verification

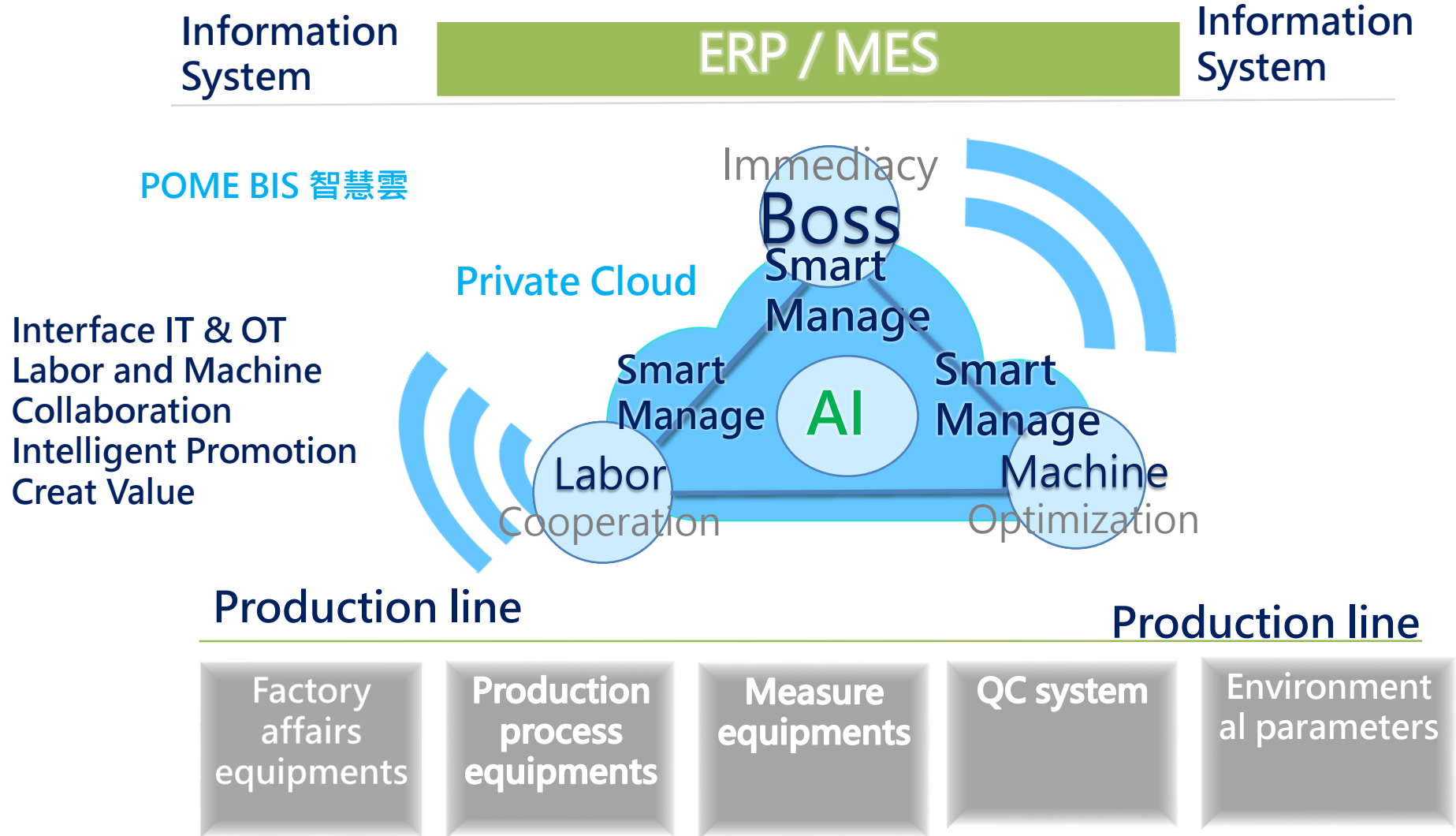


Structural design



The analysis of moldflow

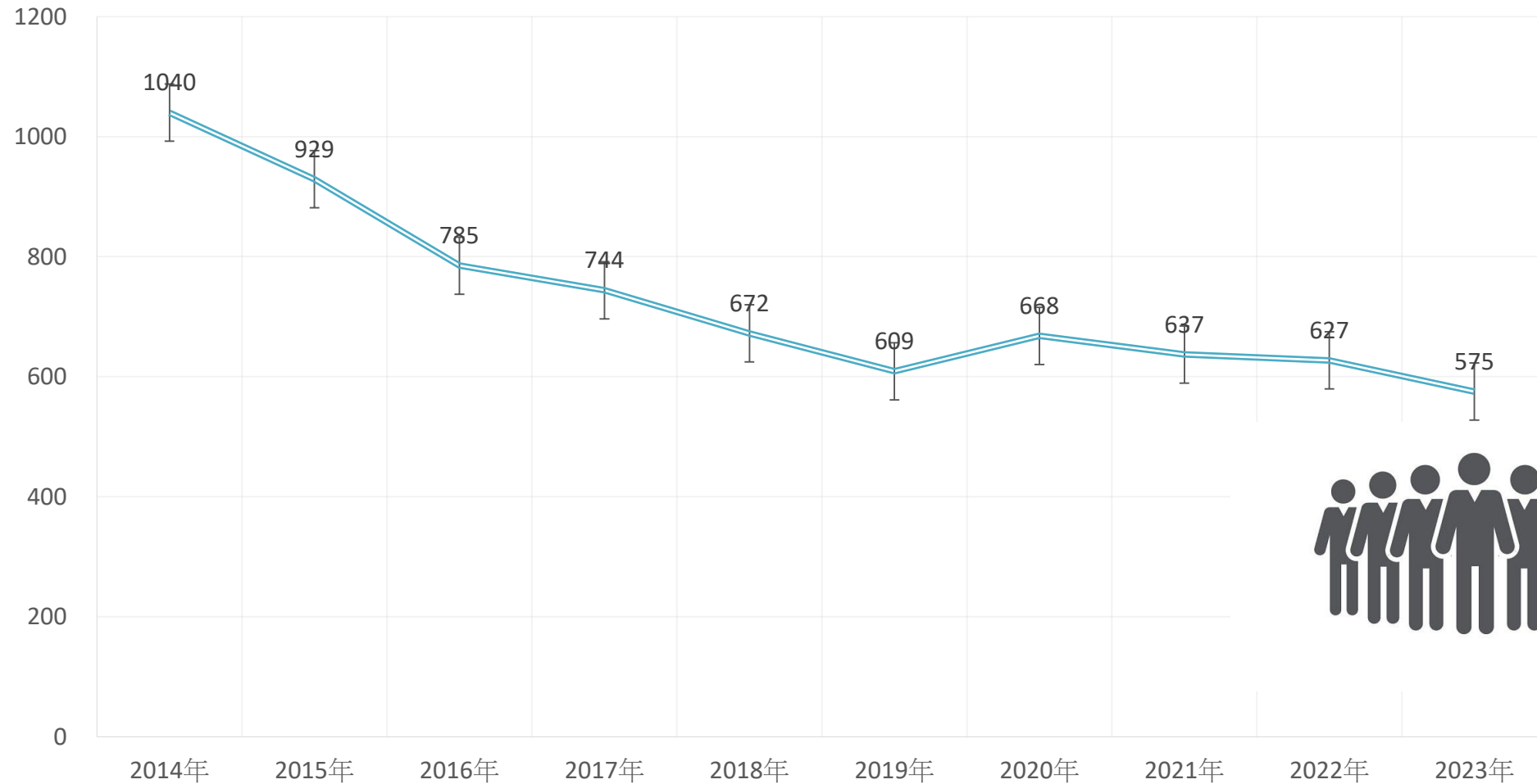




工廠產線智慧化的系統架構

The benefits of Automation

THE NUMBER OF EMPLOYEES



ANLI-KY The main products for cooling-related

筆記型電腦 NB

3C / 遊戲機 Game console

車用 automobile

5G應用相關產品



- Heat sink parts and components
- 轉軸 Hinge
- Structure parts



- Lidar
- camera
- 車載冰箱散熱系統
- Center console
- Light heat dissipation
- Hardware
- Motor housing
- Department of Power Management



- 5G Base station
- Server
- Mobile
- Intelligent video surveillance system



- Heat sink parts and components

The factory of Huzhou Anli



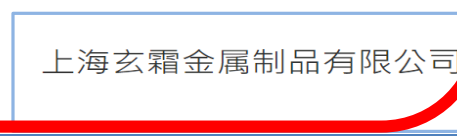
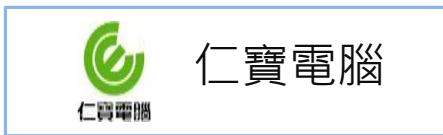
- **Address** : South Taihu High-Tech Industrial Park, High-Tech Zone, Wuxing District, Huzhou City, Zhejiang Province
- **Process technology**: In addition to the existing die-casting, CNC and stamping processes, in order to strengthen the depth of service, a new surface treatment process (precision cleaning line, electro-coating line) will be added to provide customers with one-stop product production services. . It is planned to go into production in mid-2024.
- **Land area** : 73,361 m²
- **Construction area** : 107,401 m²
- **Industrial Distribution** :
 - **New energy vehicles**
 - **Cooling application**
 - **Semiconductor related**

ANLI-KY The end customers / The direct customers

The end customers



The direct customers



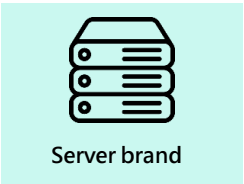
Geopolitical analysis

U.S. customers require Taiwan supply chain to diversify risks

Server : Supply chain capacity outside China is growing rapidly

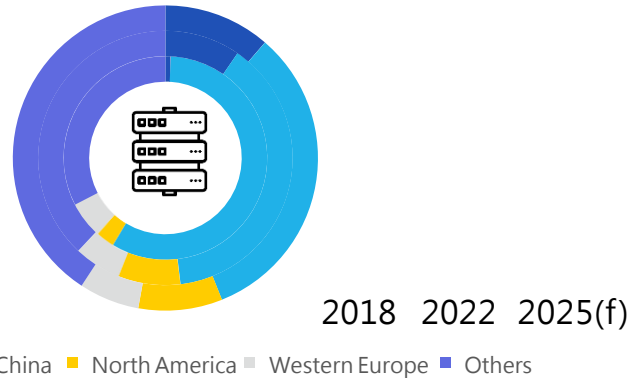


American cloud service providers such as Amazon, Microsoft, Google, and Meta were the first to require the splitting of their production lines due to accepting US government tenders. The boarding and assembly of the products they provide must be carried out in areas other than mainland China.



U.S. server brands such as Dell, HPE, Supermicro, etc. require suppliers to develop non-Chinese production capacity to cope with the de-China demand of the U.S. market

Proportion of production bases in Taiwan' s server industry from 2018 to 2025



Based on proximity to the final market and tariff considerations, Mexico was chosen as the main assembly location; Southeast Asia, such as Thailand and Malaysia, has cost advantages.

NB : Supply chains move out of China in stages

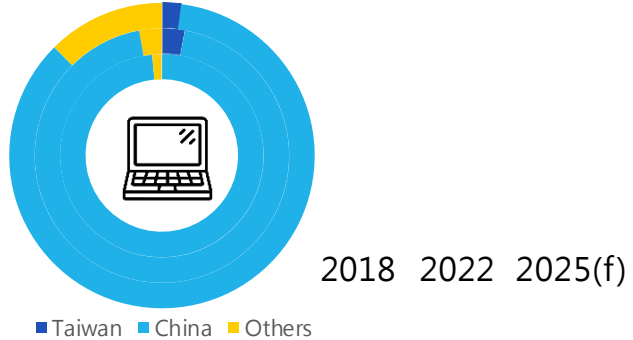
After the US-China trade war

Since notebook are not listed as tariff-controlled items, only some product categories that have security concerns or are subject to U.S. government bids have been moved to Taiwan for production, but the overall proportion is still low.

Geographical disputes continue and the risk of supply chain disruption increases

- American brand customers require ODM factories to disperse production bases
- Dell announced a phased "de-China" approach in March 2023
 - Products sold to the U.S. market will be 100% produced in factories outside mainland China in 2027
 - Phased out the purchase of products produced by mainland Chinese IC companies in domestic and overseas wafer fabs
 - Apple will promote "Made in Vietnam" from 2022

Proportion of production bases in Taiwan' s notebook industry from 2018 to 2025



Vietnam is the first choice of factory location due to cost and geographical location considerations; Mexico has become a secondary option for setting up production lines due to its proximity to the North American market.

Geopolitics affects customers' supply chain strategies, and manufacturers must adjust accordingly

American cloud service provider



focus

1

Require suppliers to develop non-Chinese production capacity and ensure that products are produced in non-Chinese regions

2

Focus on seizing U.S. cloud bids and assisting the U.S. government in building a government cloud

3

In response to increased market restrictions in Europe, it is urgent to cooperate with local companies

American server brand



focus

1

Set decentralization goals and slowly shift the supply chain

2

Change the past cooperation model with Chinese enterprises and release equity of Chinese investment companies

3

Set up assembly lines directly in the EU market and enter the manufacturing of supercomputers

Impact on Taiwan' s industries :

- At the request of U.S.-based cloud service providers and server brands, Chinese foundries must accelerate the development of non-Mainland China production capacity to cope with the de-Chinese demand of the U.S. market. Returning to Taiwan to set up production lines, Central and South America and Southeast Asia have become the current important layout Target

Supply chain restructuring, from cost reduction to risk reduction

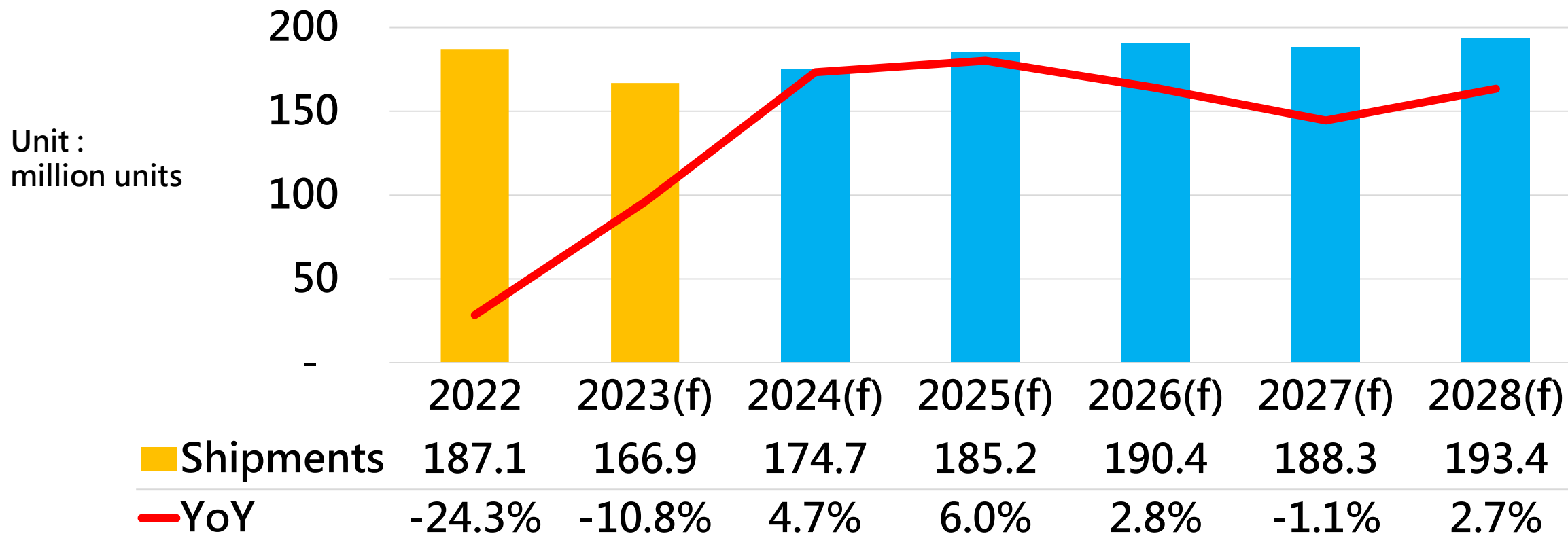


- After the U.S.-China tech war and Covid-19, major international manufacturers' thinking on production capacity layout has shifted from cost reduction to risk reduction.
- In the process of supply chain reorganization, semiconductors will be returned to the home country, and the rest will be produced in a decentralized model.

NB Analysis

CAGR predicts that global NB shipments will increase by 3% from 2023 to 2028

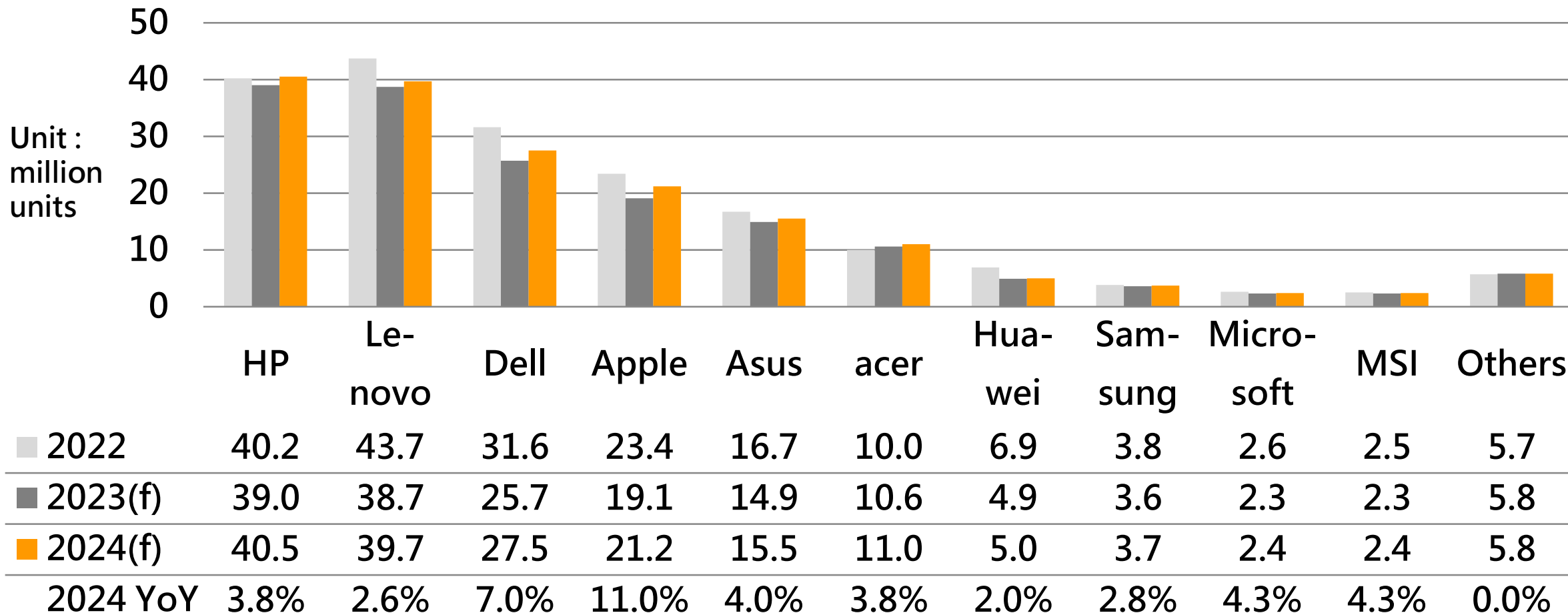
Forecast of global NB shipments and growth rate in the next five years



註：DIGITIMES Research將可拆卸式機種歸類為Tablet，故在此NB出貨量統計未計入該類產品。

Apple MacBook shipments will grow at the highest rate in 2024

Changes in NB shipments and growth rates of major brands over the years



註：華為出貨量為華為與榮耀合計。

Analysis of factors influence NB requirements in 2024

Influencing factors	Analysis	Impact on shipments
Overall global economic and environmental changes	Easing inflation will be beneficial to the recovery of the overall NB market. However, the high interest rate environment and continued deflation in China may inhibit the recovery. Mature markets in Europe and the United States are expected to resume slight growth, and some emerging markets will rebound strongly.	↑★ Overall demand could be better than 2023
consumer market	High-end consumer machine shipments are expected to rebound due to a low base period in 2023 and improved new specifications. Mainstream machine shipments are expected to remain flat or grow slightly due to a high base period and rising prices.	↑★ Overall consumer demand will increase within 5%
business market	Affected by high interest rates, enterprises will still be cautious in spending in 1H24. However, Windows 10 will stop updating, which is expected to drive the motivation of enterprises to replace machines in 2H24.	↑★★ Overall business demand will increase by more than 5%
education market	The GIGA School education bidding project launched during the epidemic in Japan will start a large-scale replacement, but the growth of the North American bidding project will be weaker than this year.	↑★ The education market is expected to rebound by around 5%

註：對出貨影響係與2023年比較，↓表負面影響，↑表正面影響，星星數愈多，影響程度愈高。

Analysis of factors influence NB shipments in 2024

Influencing factors	Analysis	Impact on shipments
Brand owners are cautiously optimistic	Most brands are optimistic about resuming growth in 2024, and the top five brands all have better shipment targets than 2023.	↑★ Total shipment target will be better than 2023.
Hardware configuration upgrades are better than in previous years	The NB processor specifications will be significantly updated, and it is expected that the panel, front camera, memory and other configurations will also be significantly updated.	↑★★ New product updates are large, which is expected to stimulate demand.
Accelerate supply chain migration	American brands will accelerate their movement to Southeast Asia and India in 2024. Problems such as labor shortages, power shortages, and rising transportation costs will bring uncertainty to stable shipments.	↓★ The supply chain migration process will bring risks to shipment stability.
NB costs and selling prices will increase	More software and hardware configuration upgrades, the maintenance of an inflationary environment, and a fragmented supply chain will drive up the cost of the entire machine. In contrast to the price reduction due to clearance in 2023, the price increase will be more prominent.	↓★ Higher selling prices will dampen demand.

註：對出貨影響係與2022年比較，↓表負面影響，↑表正面影響，星星數愈多，影響程度愈高。

NB market shipments will continue to grow steadily in the next five years

Four major priorities of global NB in the next five years

CAGR predicts that NB shipments will grow by 3% in the next five years, and 2025 will be the year with the highest growth rate.

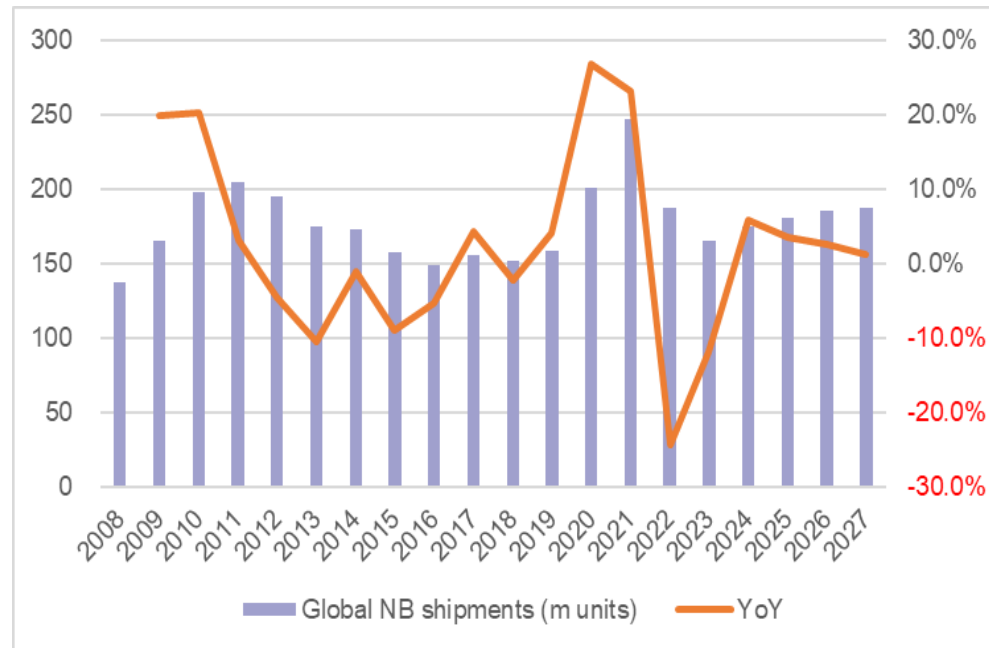
The proportion of soft OLED panels will enter an explosive period from 2026 to 2028.

The shipment of WoA models will exceed one million units in 2024, and Arm architecture NB will account for nearly 15% in 2026.

In 2024, the shipment performance of global NB brands will be better than that of Apple and Dell.

PC replacement cycle and the arrival of the AI era

- 2020~2021 COVID-19 is a period of significant growth in PC sales, and the warranty of brand laptops is usually 2 years, so the replacement cycle has arrived in 2024.
- Microsoft has launched the AI assistant Copilot in Windows 11. In terms of hardware, AI PCs will also be on display at the 24Q1 CES show.



ASUS VivoBook S14 S3402ZA-0222G12500H

●主要規格:

LCD尺寸: 14" 2.5K (2560 x 1600) OLED 180° w/ solar garnish/anti-glare display
 CPU: Intel® Core™ i5-13300H Processor 23.0C
 顯示晶片: Intel Iris Xe Graphics內建
 內建記憶體: 8GB DDR5 on-board + 8GB DDR5
 硬碟: 512GB M.2 NVMe™ PCIe® 5.0 SSD
 作業系統: Windows 11

保固: 2年全球保固 LCD無亮點保固

Lenovo IdeaPad Slim 5i Pro 82SH0074TW

處理器: Intel® Core™ i7-13650, 13C (4P + 8E)
 記憶體: 16GB (Salvaged L, DDR5)-4800
 充電器: 65W
 螢幕: 14.5" 2.5K (2560 x 1600) OLED 180° w/ solar garnish/anti-glare display
 顯示晶片: NVIDIA GeForce RTX 3050 4GB GDDR6
 作業系統: Windows 11 Home (64-bit)
 電池: 3-cell, 56.5Whr, 4-cell, 68Whr
 重量: 1.43 kg
 作業系統: Windows 11 Home (64-bit)
 電池: 3-cell, 56.5Whr, 4-cell, 68Whr
 重量: 1.43 kg

保固: 兩年Premium Care (尊榮家用服務)/ 保

DELL Inspiron 13-5330-R2808STW Platinum Silver

螢幕大小: 13.3"
 CPU: 13th Generation Intel® Core™ i7-13650P Processor (13th Gen Cache)
 記憶體: 8GB 4800MHz LPDDR5 Memory On-board
 (Slot) Maximum: 32GB (onboard)
 儲存: 1TB M.2 PCIe NVMe Solid State Drive
 螢幕: 13.3-inch 180° QHD+ (2560x1600) Anti-Glare Non-Touch 300nits 4K
 作業系統: Windows 11 家用版 (64-bit) 繁體中文(臺灣) / 簡體中文(中國) / 英文
 顯示晶片: Intel Iris Xe Graphics with shared graphics memory - on GPU

保固: 2 Premium support: In-Home

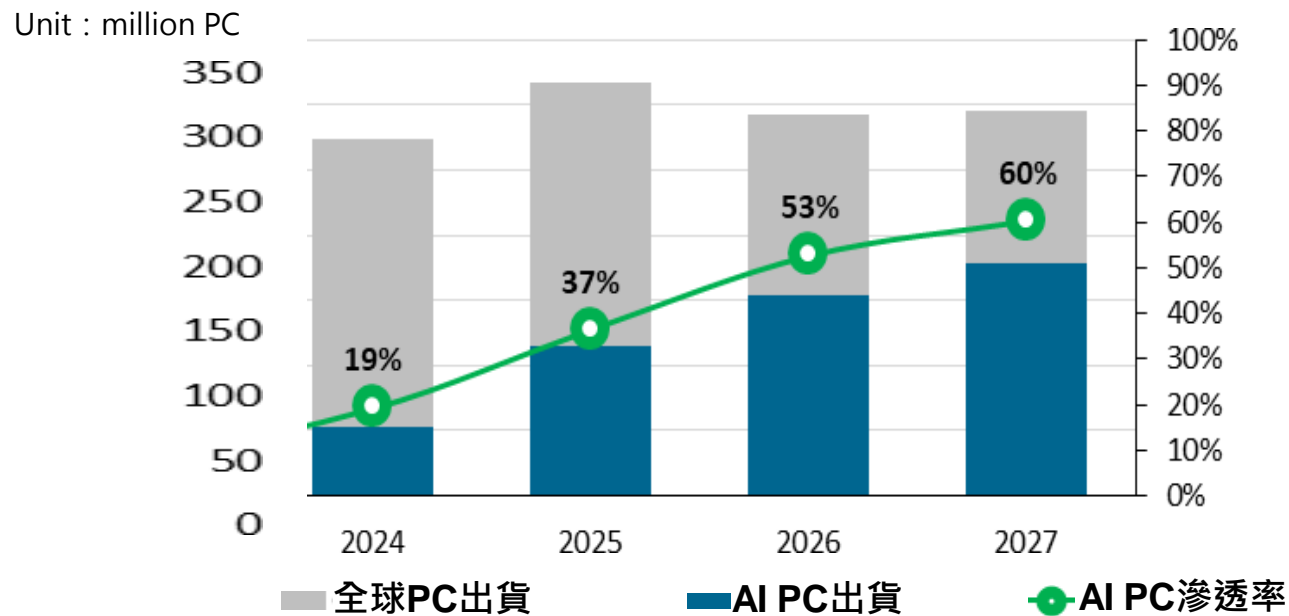
With the impact of the recovery from the bottom of consumption and the improvement of AI applications, the global PC industry is looking forward to the AI generation to drive the replacement wave.

	各廠看法
Microsoft	Microsoft is optimistic about the prospects of Windows Copilot application and believes that natural language dialogue will be the main interaction method in the future
Intel	<p>The "AI PC Acceleration Plan" was launched on 2023/10/19 and is working with more than 100 ISVs such as Adobe, CyberLink, and Zoom to develop more than 300 AI acceleration functions, covering sound effects, content creation, games, and security , streaming, video collaboration, etc. Intel said it confidently expects AI PC shipments to reach 100 million units in the next two years.</p> <p>The Meteor Lake PC processor is expected to be launched on 2023/12/14. It combines CPU, GPU and NPU to allow AI applications to run directly on PC devices. In addition to reducing the use of cloud platforms and reducing cloud computing costs, it can also Let PC users retain their data sovereignty.</p>
AMD	Many customers use a five-year equipment update cycle. Therefore, both businesses and consumers are likely to start purchasing new AI desktop computers in the next few years. In 2024, AMD expects to release several AI chip products.
NVIDIA	In the operation of AI workloads, the performance of RTX GPU is 20 to 100 times that of ordinary CPUs.
Qualcomm	For mobile phones and PCs, Qualcomm continues to emphasize that generative AI operates independently on edge devices, which will be the key to promoting the implementation of the entire AI application.
Google	Google announced the launch of Chromebook Plus, with built-in artificial intelligence (AI)-powered Google and Adobe applications.
Apple	Although the term AI PC is not proposed, the concepts are similar, such as emphasizing that AI can be decentralized to terminal devices.
HP	HP is already working hard to integrate AI functions into PCs and is expected to launch a new generation of PCs that support AI workloads in 24H2.
Lenovo	It is planned to launch a new AI PC in 24H2 or 25H1, which will have local intelligence rather than a cloud data center-based architecture.
Asus	Management expects AI PC penetration to be single digits in 2024 and grow to double digits in 2025, which will push up the average product price.

AI PC will become a mainstream product in the market in 2025

According to data from research firm Canalsys, AI PC will become a mainstream product in the market in 2025. AI PC sales will account for more than half of overall PC sales in 2026, and will account for 60% of shipments in 2027. It will allow users to It can enhance productivity and creativity, maximize efficiency, security and personalization, and promote the advent of the AI PC era.

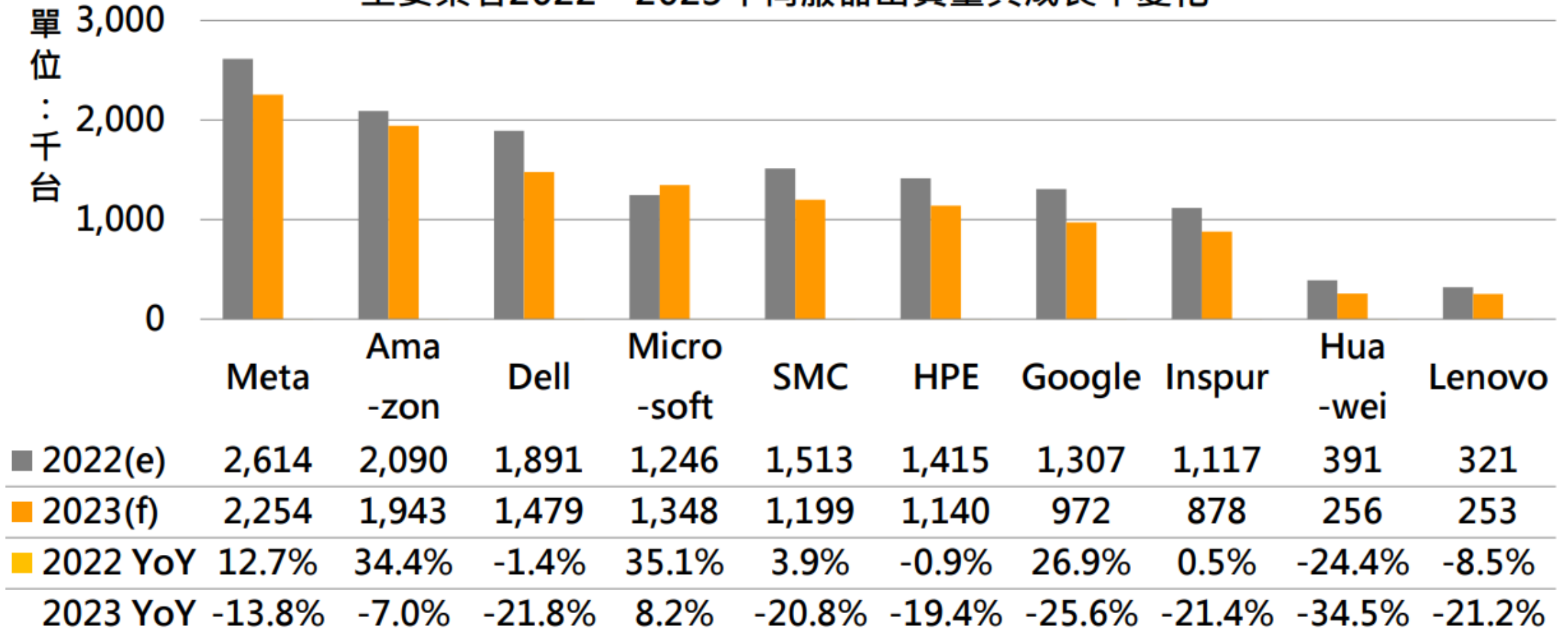
Canalsys estimates AI PC penetration to exceed half by 2026



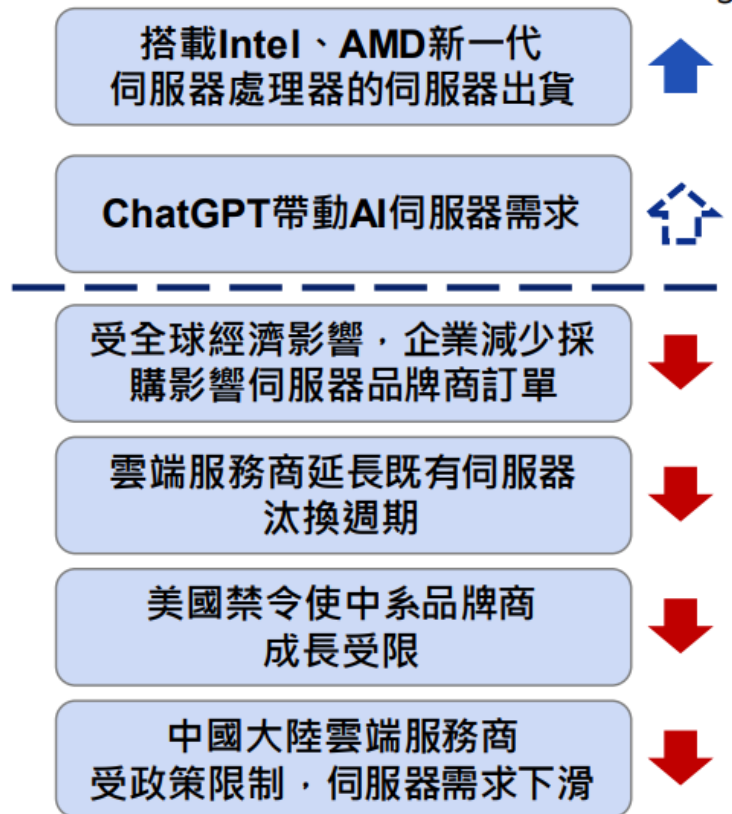
Server Analysis

In 2023, Microsoft is expected to be the only one, and most companies will decline by 2-digit percentages.

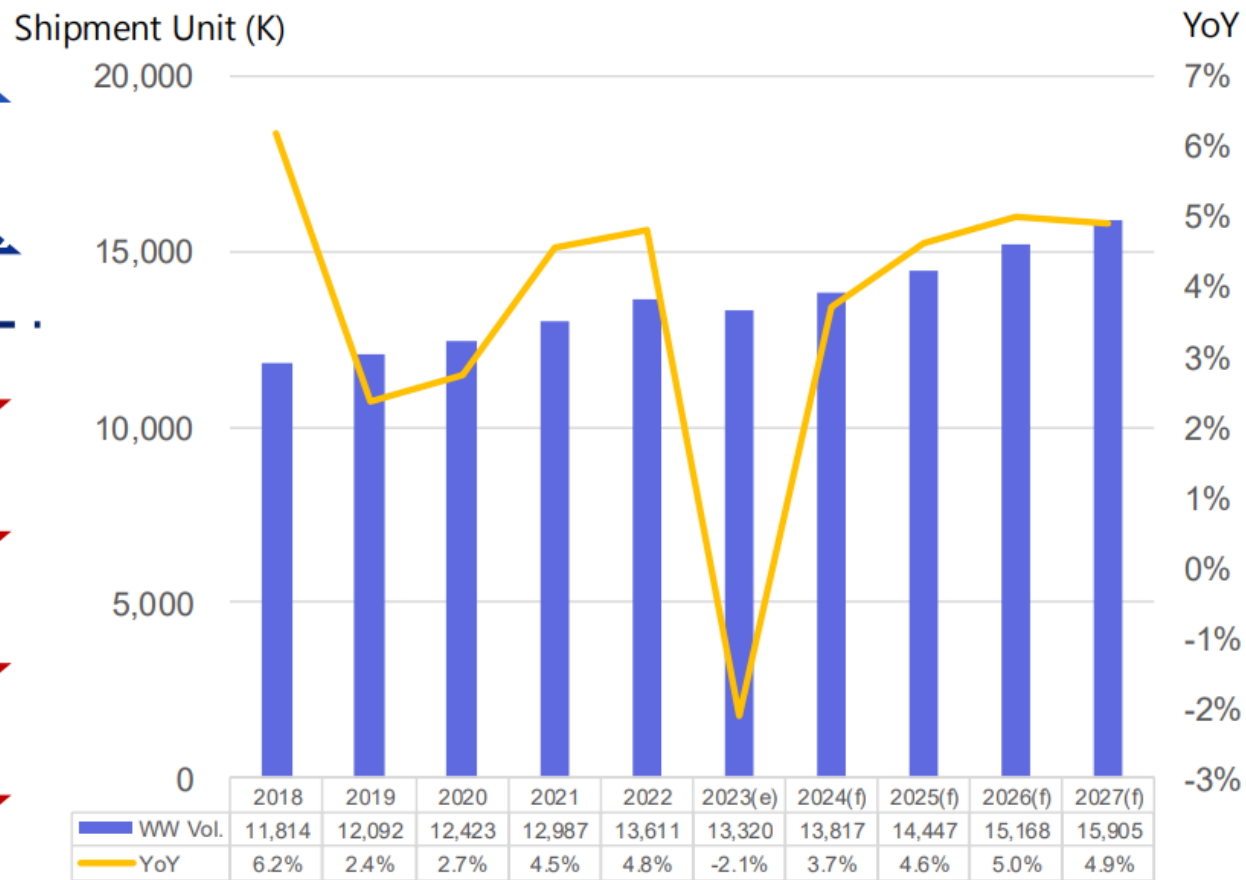
主要業者2022、2023年伺服器出貨量與成長率變化



影響全球伺服器市場因素



2018~2027年全球伺服器市場預測



資料來源：MIC，2023年8月

- The global server market is affected by enterprises reducing purchases, US cloud service providers extending server replacement cycles, adjusting data center construction plans, and sluggish demand from Chinese brands and cloud service providers.
- Factors such as new-generation server shipments and ChatGPT support have led to lower-than-expected shipments in the third quarter. The global server market will decline in 2023 compared with 2022.

Server vendors increase AI Serve budgets and reduce general server budgets

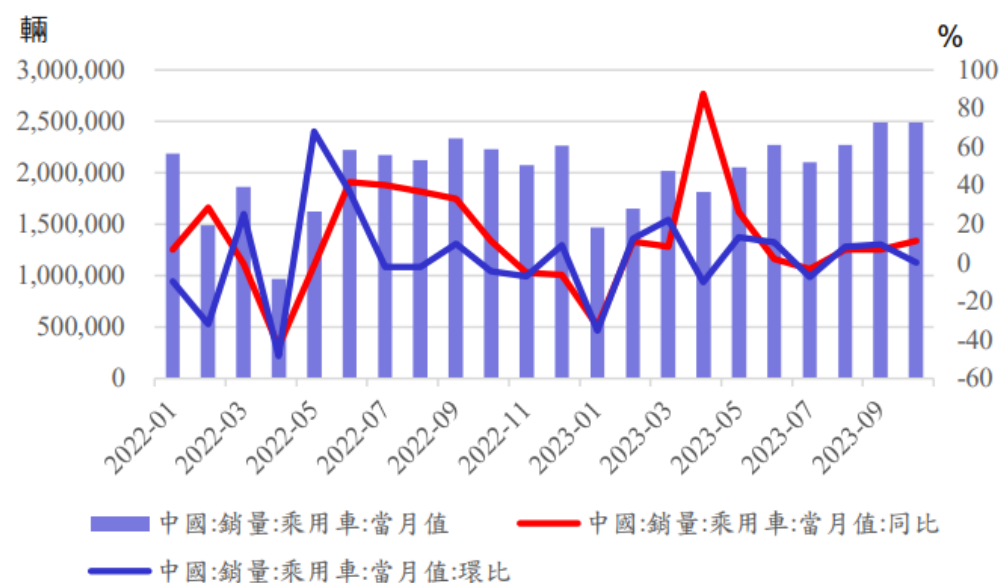
	2Q23 Results	Outlook
Meta	2Q23 capital expenditures \$7.087 billion, QoQ-10%、YoY-18%	Capital expenditures in 2023 were revised down to US\$27 billion to US\$30 billion, emphasizing that AI Server procurement will not be affected, and significantly reducing the budget for general-purpose servers.
Alphabet	Google Cloud revenue \$8.031 billion(QoQ+8%、YoY+28%). Capital expenditures \$6.9 billion, YoY+1%, construction of some data centers delayed。	2H23 CAPEX is expected to be better than 1H23, with a significant increase in technology infrastructure. Capital expenditures in 2024 will increase compared with this year, market consensus YoY+6%.
Amazon	AWS revenue \$22.1 billion, YoY+12%. Capital expenditures \$11.45 billion, YoY-27%.	Maintaining capital expenditures this year lower than last year, and looking forward to the third quarter, revenue is expected to be US\$138 billion to US\$143 billion, YoY +9~13%.
Microsoft	Revenue \$52.86 billion, QoQ+6%, YoY+12%, Intelligent Cloud revenue is US\$23.99 billion, YoY+17%. Azure revenue YoY+26%. And 1% comes from AI contributing \$10.7 billion in capital expenditures, QoQ+37%, YoY+23%.	In the future, we will continue to invest in AI and integrate it into products such as Alexa. 4Q23 FY1Q24 median revenue was US\$54.3 billion, YOY +8%, Intelligent Cloud revenue was US\$23.3~23.6 billion. Driven by investment in AI infrastructure, CAPEX is expected to increase quarter by quarter in 2024.

Analysis of New Energy Vehicles in China

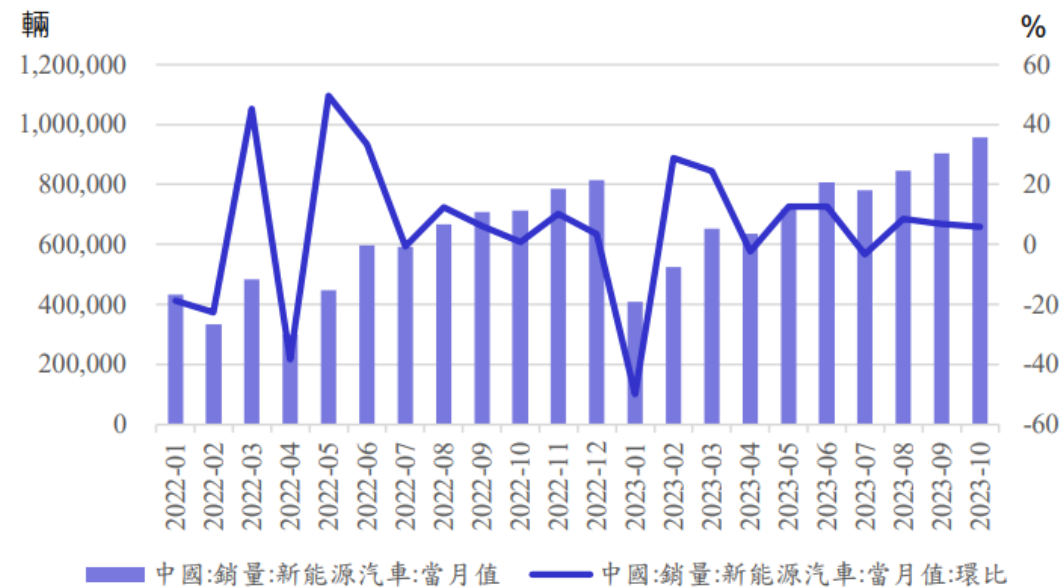
The increasing penetration rate of new energy vehicles has become the main growth driver of China auto market

- It is expected that China's auto market will reach 27 million vehicles in 2023, with YoY +3.9% as the shortage of automotive chips eases in 23Q1 and new energy vehicle purchase tax exemptions are extended.
- Looking forward to 2024, with the continuation of local government subsidy policies and new energy vehicle purchase tax reductions, China's new energy vehicle sales are expected to reach 8.6 million units, YoY +19%.

中國乘用車銷量自23Q1車用晶片缺貨緩解逐步改善



中國新能源車銷量持續創同期新高



China has recently released new policies for the electric vehicle industry, with the goal of stimulating end demand and increasing corporate investment.

Comparison of China's newly launched electric vehicle industry policies

policy projects	Electric vehicle purchase tax reduction policy	Policy on bringing new energy vehicles to rural areas
Covered area	Nationwide	County and township area
Announcement date	June 21, 2023	June 12, 2023
During execution	From 2024 to the end of 2027	June to December 2023
policy impact	As terminal consumer demand continues to be stimulated, automobile companies will increase investment in electric vehicles.	Increase the penetration rate of electric vehicles in counties and townships, and car companies will increase their efforts to launch vehicle models suitable for residents in counties and townships.
Mainstream car models	Car models below RMB 300,000	Micro/small and medium-sized passenger cars, small commercial vehicles.

註：中國稱新能源車即電動車。

China's fourth extension of electric vehicle purchase tax reduction, single extension period is long, tax reduction amount is capped

Overview of China's electric vehicle purchase tax reduction and exemption policies from 2014 to 2027

	Announcement date	主要內容
Policy begins to be implemented	August 1, 2014	Electric vehicles purchased between September 1, 2014 and December 31, 2017 are exempt from vehicle purchase tax.
	December 26, 2017	Electric vehicles purchased between January 1, 2018 and December 31, 2020 are exempt from vehicle purchase tax.
Policy extended four times	April 16, 2020	Electric vehicles purchased between January 1, 2021 and December 31, 2022 are exempt from vehicle purchase tax.
	September 18, 2022	Electric vehicles purchased between January 1, 2023 and December 31, 2023 are exempt from vehicle purchase tax.
	June 21, 2023	The electric vehicle purchase tax reduction policy will be extended from 2024 to the end of 2027, and will be phased out gradually.

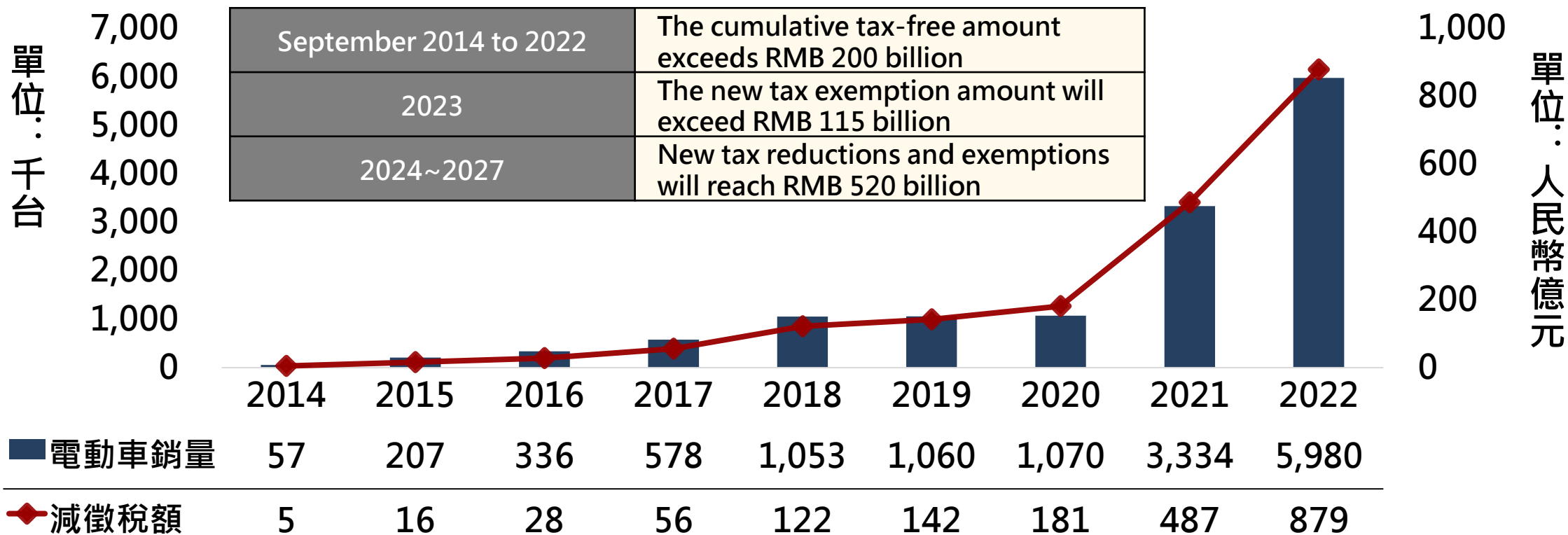


January 1, 2024 to December 31, 2025	Purchase date	January 1, 2026 to December 31, 2027
Vehicle purchase tax exemption	Reduction policy	Halve vehicle purchase tax
Not exceeding RMB 30,000	Tax exemption for each electric vehicle	Not exceeding RMB 15,000

註：中國車輛購置稅的稅率為車輛不含稅價格的10%。

The policy of exempting electric vehicle purchase tax is inclusive and has a positive relationship with electric vehicle sales

Changes in sales volume and purchase tax reduction amount of electric vehicles in China from 2014 to 2022



註：以上指乘用車款，不含商用車，因電動車購置稅減免政策適用於乘用車款。

Sales ranking of the world's top ten electric vehicle manufacturers from January to June 2023. BYD ranks first, with a market share of more than 20%

Sales volume and market share of the world's top ten electric vehicle brands in 2022

Ranking	Brand	Sales volume	Market share
1	BYD	1,863,494	18.5%
2	Tesla	1,313,851	13.0%
3	上汽通用五菱	482,056	4.8%
4	Volkswagen	433,636	4.3%
5	BMW	372,694	3.7%
6	Mercedes-Benz	293,597	2.9%
7	GAC Group	271,557	2.7%
8	SAIC	237,562	2.4%
9	Changan Automobile	237,429	2.4%
10	Chery	230,867	2.3%

Sales volume and market share of the world's top ten electric vehicle brands in the first six months of 2023

Ranking	Brand	Sales volume	Market share
1	BYD	1,191,405	20.4%
2	Tesla	888,879	15.2%
3	BMW	220,795	3.8%
4	GAC Aion	212,090	3.6%
5	Volkswagen	209,852	3.6%
6	SAIC-GM-Wuling	191,767	3.3%
7	Mercedes-Benz	165,213	2.8%
8	Li Auto	139,874	2.4%
9	Volvo	138,301	2.4%
10	Changan Automobile	134,871	2.3%

Semiconductor Analysis

Global actively promote the development of regional semiconductor supply chains

各國對區域半導體供應鏈發展提供之政策激勵	國家	研發投資	租稅優惠	建廠補助
	美國	●	●	●
	日本	●		●
	韓國	●	●	
	歐盟	●		
	中國大陸	●	●	



» U.S. : Focus on local advanced logic chip manufacturing capacity and resilient and secure supply chain



» EU: Advanced processes will reach 20% production capacity target by 2030



» China: Independent and controllable one-stop semiconductor supply chain

- China actively improves its semiconductor independent capabilities, and the second phase of the large fund strengthens the research and development of core equipment
- China's "14th Five-Year Plan" actively develops third-generation semiconductors



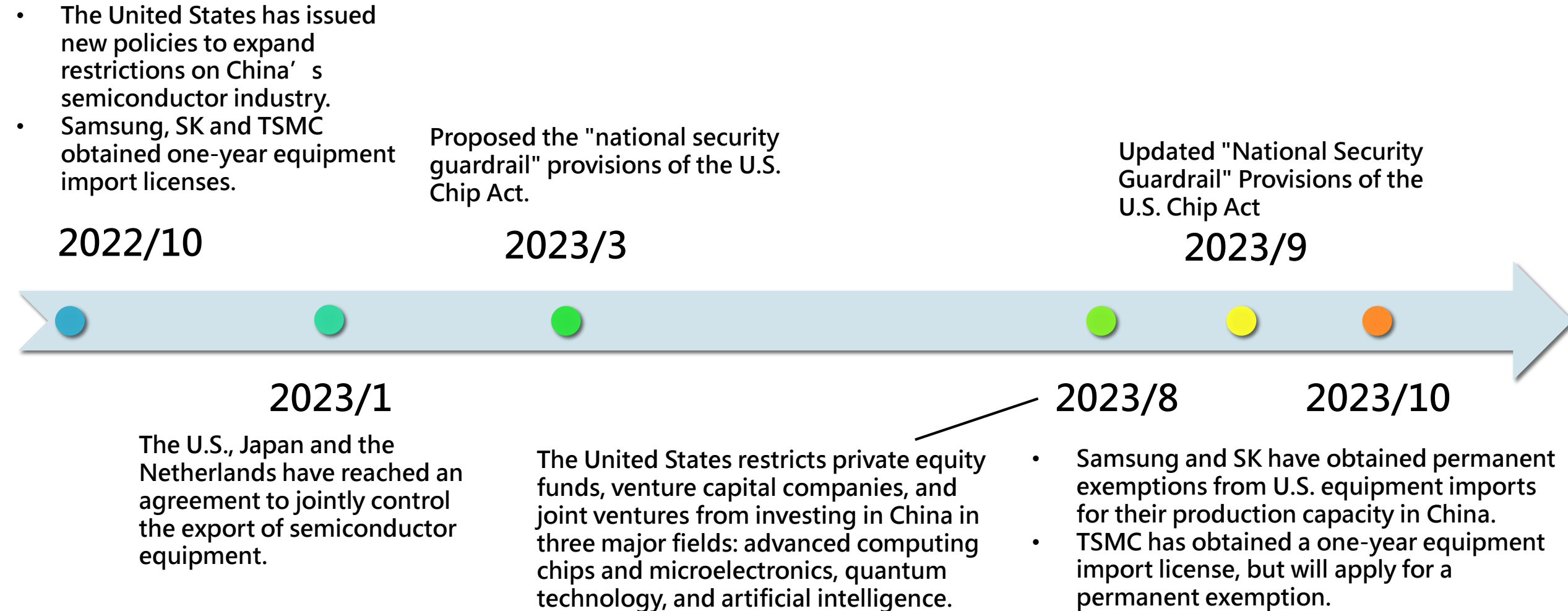
» Japan: Semiconductor and Digital Industry Strategy

» South Korea: K Semiconductor Strategy to create a complete semiconductor industry cluster in 2030

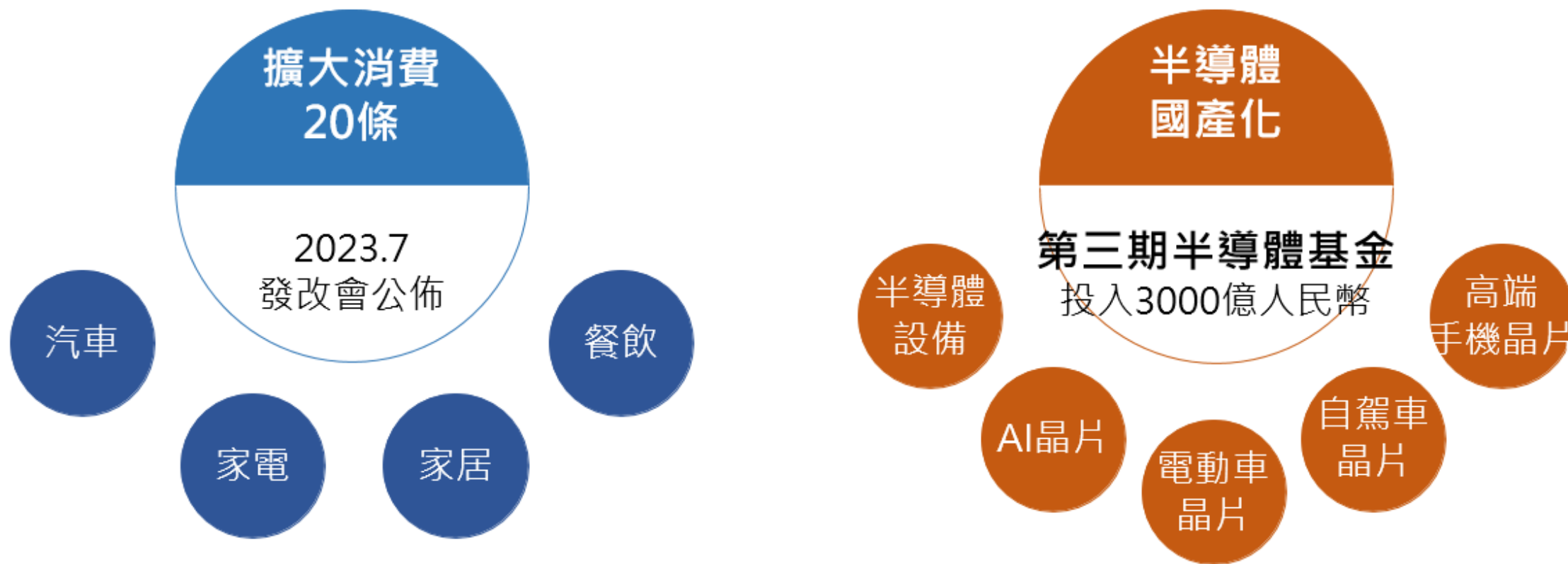
- China, Taiwan and South Korea will continue to rank among the top three in equipment spending by 2025; equipment shipments to the Chinese market in 2023 are expected to exceed US\$30 billion, making the Chinese market firmly in the first place in equipment spending and continuing to expand with other market gaps.
- The U.S.-Japan ban will accelerate China's semiconductor independence, and China's wafer foundry and equipment industry will benefit significantly. According to the Semiconductor Industry Association (SIA), China accounts for 38% of the global semiconductor assembly, testing and packaging market, more than any other country. As for advanced packaging, although China still lags behind Taiwan and the United States, analysts all agree that compared to wafer processing, China's position in the packaging industry is clearly better able to catch up. China already has the largest number of semiconductor manufacturing back-end production lines, including Jiangsu Changdian, the world's third largest packaging and testing company, whose revenue is second only to Taiwan's ASE and the United States' Amkor. Not only that, relevant Chinese companies are also expanding their market share. For example, Changdian Electronics acquired an advanced manufacturing facility in Shanghai and built an advanced packaging factory in Jiangyin City, Jiangsu Province, where the company was founded. "For China, advanced packaging is a way to get around technology transfer restrictions because This is the safe field that everyone has invested in so far.

It has become the norm for the United States to revise its semiconductor control policy towards China on a rolling basis

Timetable for U.S. Semiconductor Control and Exemption Mechanisms in China



China implements consumption stimulus policies and domestic semiconductor production policies



- After China lifted its anti-epidemic policies, the economy only showed a weak recovery. In order to stimulate consumption and drive growth, the National Development and Reform Commission launched 20 policies to expand consumption.
- After the US-China technology war, China strived to break through in the fields of technology and semiconductors, proposing policies to build a digital China and increase the localization rate of semiconductors.

ANLI-KY financial analysis

ANLI-KY Operation Overview – Consolidated Statements of comprehensive income

Unit:NTD/Thousands

Item	2023Q3	2022	2021	2020
OPERATING REVENUE	1,110,442	2,059,560	2,275,541	2,075,283
GROSS PROFIT	223,658	531,467	625,473	707,336
Gross margin(%)	20%	26%	28%	34%
PROFIT/(LOSS) FROM OPERATIONS	(14,136)	194,481	287,042	408,535
Operating profit margin	-1%	10%	13%	20%
NET PROFIT/(LOSS) FOR THE YEAR OPERATIONS	(2,792)	195,968	231,168	283,484
EPS(Dollars)	(0.06)	4.40	5.22	6.56

ANLI-KY Operation Overview – Simple income statement for the last seven quarters

Unit:NTD/Thousands

Item	2022Q1	2022Q2	2022Q3	2022Q4	2023Q1	2023Q2	2023Q3
Operating revenue	581,262	514,118	559,435	404,745	337,291	342,076	431,075
Operating costs	418,185	377,773	399,796	332,339	276,951	274,893	334,940
Gross profit from operations	163,077	136,345	159,639	72,406	60,340	67,183	96,135
Operating expenses	81,546	84,860	95,314	75,266	71,524	72,751	93,519
Operating income	81,531	51,485	64,325	(2,860)	(11,184)	(5,568)	2,616
Non-operating income and expenses	4,231	15,022	33,231	(5,129)	(2,366)	6,553	4,930
Profit before income tax	85,762	66,507	97,556	(7,989)	(13,550)	985	7,546
Income tax expense	25,425	15,110	2,186	3,147	2,843	(12,539)	7,469
Profit	60,337	51,397	95,370	(11,136)	(16,393)	13,524	77
EPS	1.35	1.15	2.14	(0.25)	(0.37)	0.30	-

ANLI-KY Operation Overview - Consolidated Balance sheets

Unit:NTD/Thousands

	2023	2022	2021	2020	2019
	Sep.30	Dec.31	Dec.31	Dec.31	Dec.31
Total current assets	1,553,757	2,052,413	2,581,059	1,983,009	1,254,440
Total non-current assets	1,756,705	1,523,318	1,181,206	1,184,942	1,157,503
TOTAL ASSETS	3,310,462	3,575,731	3,762,265	3,167,951	2,411,943
Total current liabilities	1,007,487	1,179,977	1,173,203	695,902	590,181
Total non-current liabilities	326,644	342,698	637,366	713,943	317,940
Total liabilities	1,334,131	1,522,675	1,810,569	1,409,845	908,121
Total equity	1,976,331	2,053,056	1,951,696	1,758,106	1,503,822
TOTAL LIABILITIES AND EQUITY	3,310,462	3,575,731	3,762,265	3,167,951	2,411,943
The Net Asset Value of Each Share(Dollars)	44.41	46.14	43.80	40.65	34.77

ANLI-KY Operation Overview -Simple Balance sheets

Unit:NTD/Thousands

Item	September 30, 2023	December 31, 2022	Amount difference	
			Amount	%
Current assets				
Cash and cash equivalents	402,584	796,667	(394,083)	(49.47)
Financial assets	179,782	264,610	(84,828)	(32.06)
Accounts receivable	740,669	787,279	(46,610)	(5.92)
Inventories	144,653	145,291	(638)	(0.44)
Other current assets	86,069	58,566	27,503	46.96
Total current assets	1,553,757	2,052,413	(498,656)	(24.30)
Non-current assets				
Financial assets	114,382	89,305	25,077	28.08
Property, plant and equipment	1,331,073	1,152,072	179,001	15.54
Other Non-current assets	311,250	281,941	29,309	10.40
Total non-current assets	1,756,705	1,523,318	233,387	15.32
Total assets	3,310,462	3,575,731	(265,269)	(7.42)
Current liabilities				
Short-term borrowings	231,396	348,046	(116,650)	(33.52)
Accounts payable	124,927	142,090	(17,163)	(12.08)
Other current liabilities	651,164	689,841	(38,677)	(5.61)
Total current liabilities	1,007,487	1,179,977	(172,490)	(14.62)
Non-current liabilities				
Bonds payable	-	-	-	-
Other Non-current liabilities	326,644	342,698	(16,054)	(4.68)
Total non-current liabilities	326,644	342,698	(16,054)	(4.68)
Total liabilities	1,334,131	1,522,675	(188,544)	(12.38)
Total equity	1,976,331	2,053,056	(76,725)	(3.74)
Total liabilities and equity	3,310,462	3,575,731	(265,269)	(7.42)

ANLI-KY Financial ratios

	Analysis Items	2023Q3	2022	2021	2020	2019	2018	2017	2016
Finance Structure	Debt to assets ratio(%)	40.30	42.58	48.12	44.50	37.65	36.96	41.22	46.11
Profitability	ROE(%)	(0.14)	9.78	15.28	17.38	10.29	13.05	6.98	5.23
	Net profit rate(%)	(0.25)	9.52	10.16	13.95	10.47	11.86	6.19	4.79
	Earnings per share (NTD)	(0.06)	4.40	5.22	6.56	3.57	4.40	2.25	1.80

Anli-KY -Revenue breakdown

Unit:NTD/Thousands

應用別	Q3'23		Q2'23		QoQ		Q3'22		YOY	
Computer components	302,355	70.1%	231,781	67.8%	70,574	30.4%	381,109	68.1%	(78,754)	-20.7%
Server/Game Console	50,103	11.6%	55,402	16.2%	(5,299)	-9.6%	109,872	19.6%	(59,769)	-54.4%
handheld device	3,943	0.9%	4,231	1.2%	(288)	-6.8%	3,015	0.5%	928	30.8%
Consumer Electronics and Accessories	8,560	2.0%	8,598	2.5%	(38)	-0.4%	8,046	1.4%	514	6.4%
Car accessories	37,035	8.6%	21,090	6.2%	15,945	75.6%	23,496	4.2%	13,539	57.6%
Communication equipment accessories	7,176	1.7%	9,845	2.9%	(2,669)	-27.1%	8,389	1.5%	(1,213)	-14.5%
Others	21,904	5.1%	11,126	3.3%	10,778	96.9%	25,508	4.6%	(3,604)	-14.1%
Total	431,076	100.0%	342,073	100.0%	89,003	26.0%	559,435	100.0%	(128,359)	-22.9%

Anli-KY Changes in Inventory Allowance for Falling Price Losses

Unit:NTD/Thousands

Item	Inventories		Allowance for decline in value (B)	Allowance for falling prices % (B)/(A)	Net amount
	Amount (A)	%			
September 30, 2023					
Finished good	22,126	12.02	5,842	26.40%	16,284
Work in progress	58,477	31.77	8,447	14.44%	50,030
Materials	103,435	56.20	25,096	24.26%	78,339
Total	184,038	100.00	39,385	21.40%	144,653
December 31, 2022					
Finished good	28,742	15.80	6,029	20.98%	22,713
Work in progress	66,890	36.78	6,525	9.75%	60,365
Materials	86,223	47.41	24,010	27.85%	62,213
Total	181,855	100.00	36,564	20.11%	145,291
Amount of change	2,183		2,821		(638)

Note: On December 31, 2022 and September 30, 2023, the inventory turnover ratio will be 8.70 and 8.16 (compared to 5.19 in 2022)

ANLI-KY Real estate/plant/equipment change table

Unit:NTD/Thousands

類別	2023 (F)	2022.12.31	2023年新增	%
Land	42,672	42,672	-	-
Building	376,580	303,188	73,392	27
Mechanical equipment	1,000,800	971,711	29,089	11
Other equipment	122,000	120,866	1,134	-
Construction in progress	640,000	469,664	170,336	62
Total Cost	2,182,052	1,908,101	273,951	100

Illustrate: :

- In 2022, the capital expenditure will be 400 million, and the depreciation fee will be about 120 million.
- In 2023, the estimated capital expenditure is 270 million, and the depreciation expense is expected to be 120 million.
- In 2024, the estimated capital expenditure is 350 million, and the depreciation expense is expected to be 170 million.

Q&A