# GIGABYTE

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2022 Q3  Investor Conference

2022/11/17

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# Agenda

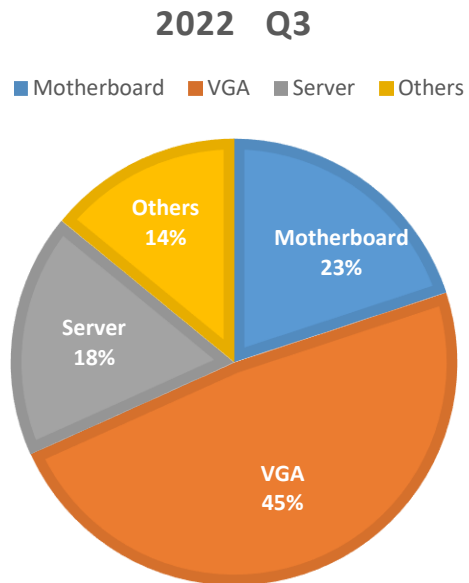2022Q3 Financial Results

Business Direction

Product News

ESG

Q&A

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# Financial Results

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# 2022 Q3 Income Statement

| ( in NT$100Mn) | 2022Q3 | 2022Q2 | QoQ | 2021Q3 | YoY |
|---|---|---|---|---|---|
| Net Revenue | 241.92 | 226.60 | 6.76% | 312.90 | -22.68% |
| COGS | 211.91 | 195.20 | 8.56% | 240.30 | -11.81% |
| Gross Profit | 30.01 | 31.43 | -4.52% | 72.63 | -58.68% |
| Operating Expenses | 27.25 | 17.60 | 54.83% | 33.01 | -17.45% |
| Operating Profit | 2.75 | 13.82 | -80.10% | 39.61 | -93.06% |
| Pre-Tax Profit | 15.27 | 17.62 | -13.34% | 45.86 | -66.70% |
| Tax | 3.58 | 7.80 | -54.10% | 9.96 | -64.06% |
| Net Profit | 11.68 | 9.82 | 18.94% | 35.91 | -67.47% |
| EPS | 1.84 | 1.55 | | 5.66 | |
| | | | | | |
| Gross Margin | 12.40% | 13.87% | | 23.21% | |
| Operating Margin | 1.14% | 6.10% | | 12.66% | |

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# 2022 Q3 Balance Sheet

| in NT$100Mn | Sep.30,2022 | June.30,2022 | QoQ | Sep.30,2021 | YoY |
|---|---|---|---|---|---|
| Cash & Equivalents | 93.06 | 103.41 | -10.01% | 85.57 | 8.75% |
| Accoounts Receivable | 121.35 | 116.16 | 4.47% | 169.70 | -28.49% |
| Inventories | 229.06 | 299.57 | -23.54% | 224.02 | 2.25% |
| **Current Assets** | **470.27** | **554.15** | **-15.14%** | **514.77** | **-8.64%** |
| Fixed Assets | 50.09 | 48.76 | 2.73% | 42.50 | 17.86% |
| **Total Assets** | **557.78** | **645.33** | **-13.57%** | **598.66** | **-6.83%** |
| Accounts Payable | 74.64 | 81.13 | -8.00% | 119.02 | -37.29% |
| **Current Liabilities** | **199.84** | **301.57** | **-33.73%** | **256.71** | **-22.15%** |
| **Total Liabilities** | **211.44** | **311.43** | **-32.11%** | **266.95** | **-20.79%** |
| Paid-in Capital | 63.57 | 63.57 | | 63.57 | 0.00% |
| **Stockholders' Equity** | **346.34** | **333.90** | **3.73%** | **331.71** | **4.41%** |
| | | | | | |
| Avg Days of Inventory | 113 | 145 | | 83 | |
| Avg Days of AR | 44 | 48 | | 41 | |
| Avg Days of AP | 49 | 50 | | 42 | |
| **Avg CCC days** | **107** | **143** | | **82** | |

## 2022 Q3
## Revenue by Product Line

## 2022 Q3
## Revenue by Geography



**2022 Q3**

- Motherboard
- VGA
- Server
- Others

Motherboard 23%
VGA 45%
Server 18%
Others 14%



**2022 Q3**

- EU
- AM
- China
- RoW

EU 28%
AM 30%
China 18%
RoW 24%

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# Business Direction

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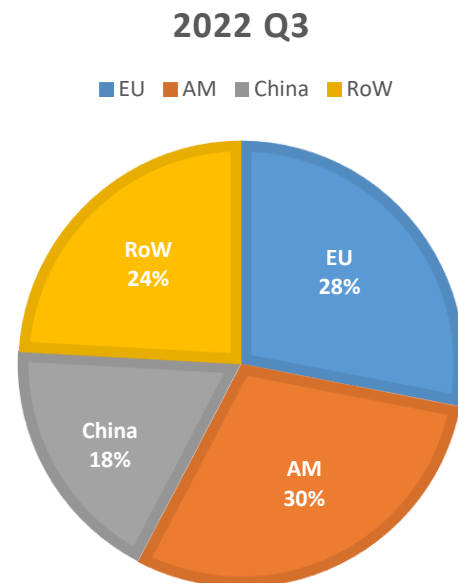
# Business Direction

2022 Q4

- Consumer electronics (MB and VGA) will bottom out and resume growth after effective inventory management
- Server products were previously affected by China lockdown and CPU delay, and will be postponed to start shipping in Q4

2023

- Consumer electronics (MB and VGA) will still have at least single digit growth next year
- Server products will still see double-digit growth next year

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# Product News

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# Server

## New Generation of Purpose-built Servers

In the next two quarters, we will welcome a new generation of AMD and Intel processors to the enterprise market. In response to the ultra-high-speed intercommunication challenges inherent in the chiplet design of the post-Moore era, GIGABYTE has established a large R&D database to provide solutions developed from the depth of R&D experience, helping engineers quickly develop new platforms that can ensure high-speed signal integrity. As a result, we can launch a wide range of servers optimized for diverse workloads to coincide with the launch of the new processors.



H-series

S-series

E-series

G-series

R-series

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# Server

## Complete Infrastructure Solution

Product autonomy enables GIGABYTE to implement and introduce a wide variety of server hardware to the market. Not only do we have the widest variety of GPU accelerated computing servers on the market, but we also are one of the few brands promoting ARM servers through channel sales. Besides hardware, we further assist customers with product validation, allowing consumers to create application-optimized server platforms using hardware configurations that suit their needs, providing customers with flexible options so they only get the features they require while simultaneously reducing user costs.
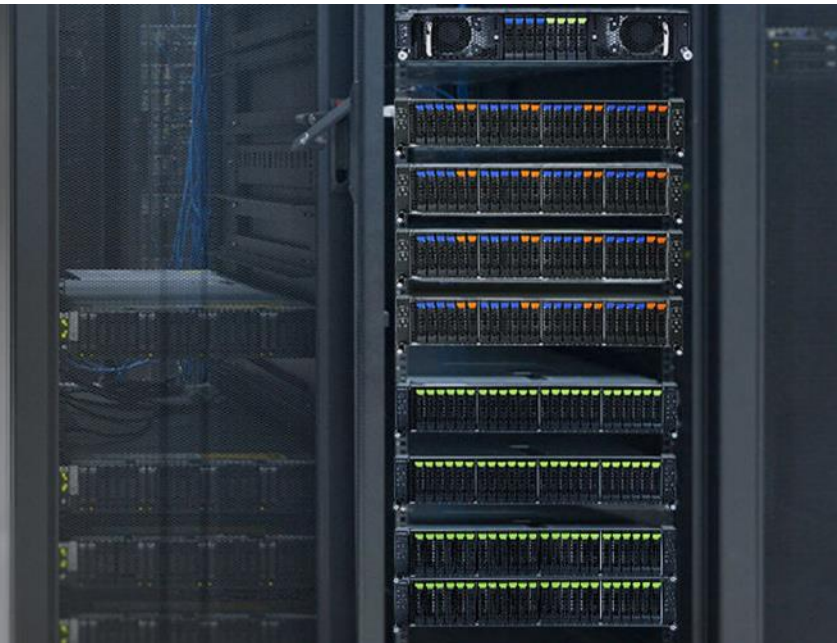
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# Motherboard

## AORUS Gaming and AERO Creator Motherboards for Intel Platform

Powered by brand new Z790 chipset and the latest Intel 13th and 12th Core CPUs, offering exceptional performance, excellent thermal design and system build convenience, that will attract new and existing users alike. Launch in Q4 this year.

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# Motherboard

## AORUS Gaming and AERO Creator Motherboards for AMD Platform

Powered by the X670 & B650 series chipset, support for the latest AMD 7000 Series AM5 CPUs, DDR5 memory, and PCIe 5.0 hardware design, offering exceptional performance that will attract new and existing users alike. Launch in Q4 this year.
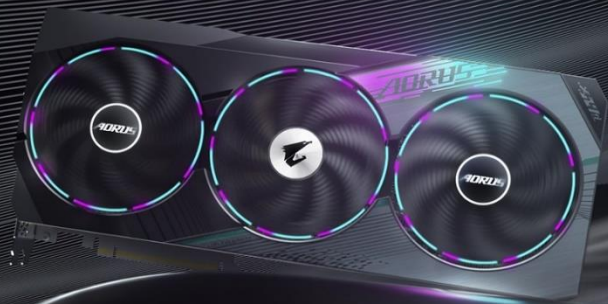
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# Graphic Card

## GeForce RTX 4090 Graphics Cards

To fully unleash the unparalleled performance of NVIDIA GeForce RTX 4090, GIGABYTE equipped its graphics cards with amped-up designs and improved features, giving hardcore gamers and content creators more of everything.



AORUS GeForce RTX® 40 Series
Apex of Cooling
WINDFORCE Bionic Shark Fans

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# Graphic Card

## GeForce RTX 4080 Series Graphics Cards

GIGABYTE provides both WATERFORCE and WINDFORCE thermal solutions, including AORUS XTREME water-cooled graphics cards, AORUS MASTER, GAMING OC, AERO OC, and EAGLE OC air-cooled graphics cards, which all meet the diverse requirements and needs.

# Notebook

## AORUS 17X/16/15X  Gaming Laptops

GIGABYTE has defined users' vision with Raptor lake laptops, powered by 13th gen Intel Core platform. This year, with the latest Nvidia graphic card embedded, for gamers to truly reshape the game.



AORUS 17 GAMING LAPTOP
Reshape the Game

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# Notebook

## AERO 14 OLED & AERO 16 OLED

GIGABYTE has defined users' vision with Raptor lake laptops, powered by 13th gen Intel Core platform. With X-rite and Pantone dual color calibration, for creators to truly define their vision again.



AERO 16 LAPTOP
# ELEVATE YOUR VISION
SEE THE TRUE COLORS WITHOUT BOUNDARIES

# Monitor

## M32UC Gaming Monitor

The world's first 31.5-inch 4K 144HZ curved gaming monitor. Equipped with the SuperSpeed VA panel, the response time can be shortened to 1ms for an extremely smooth and immersive gaming experience. The 3000:1 high contrast ratio makes the M32UC a great monitor for gaming in dark rooms.

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# Monitor

## M28U/M32U Arm Edition Gaming Monitor

The 4K pro gaming experience is now lifted to a whole new level by the Arm Edition gaming monitors. GIGABYTE M28U/M32U Arm Edition introduces an ergonomic monitor arm that adapts to every desktop scenario. From PC gaming, console gaming, to even streaming media.



Adapt to Win
Unlimited Pro Gaming
4K Arm Edition

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# Power Supply

## Best Power Supply for RTX 40 Series Graphics Cards

GIGABYTE presents a series of PSUs that are next-gen PCIe 5.0 compatible and go perfectly with the GeForce RTX 40 Series graphics cards.

**Power Supply for RTX 40 Series**

# Power through the game.

GIGABYTE presents a series of PSUs that are next-gen PCIe 5.0 compatible and go perfectly with the GeForce RTX 40 Series graphics cards.

**16-pin Connector Compatible***

* Only for PCIe 5.0 models.

**Support Model**

| AORUS P1200W 80+ Platinum | GIGABYTE UD1000GM PG5 | GIGABYTE UD1000GM | GIGABYTE UD850GM PG5 | GIGABYTE UD850GM |

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**E**nvironmental
**S**ociety
**G**overnance

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# Innovative Technology, "Upgrade Your Life", Sustainable Business and Brand

Aim to achieve zero carbon footprint, reduce greenhouse emission by
▼ 38.85%
carbon emission intensity per revenue
▲ 4.7 times

Promise to make Earth green again, planted over
89,399 trees

Sustaining a clean and eco-friendly business and supply chain, reduced water consumption by
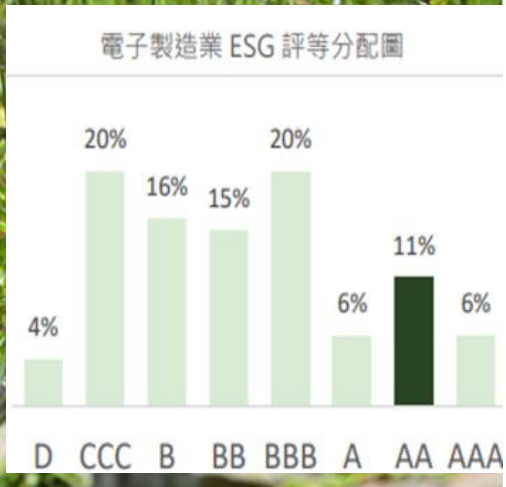▼ 33.56%



Host education seminars and activities to pass on social and environmental awareness for over
87,727 hours

To cultivate innovative talents, "G-Design" competition has been run for
19 years

Lower the environmental impacts of business operation, reduced industrial waste by
▼ 1.54%
Revenue per ton of waste
▲ 2.9 times

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# Uphold the spirit of ESG

**GIGABYTE Ranks in the TOP 10%**
of OSHA Active Evaluation of Corporate **Occupational Health and Safety** from companies' CSR Reports

技嘉 ESG 評等

| ESG 評等 | 社會(S) | 經濟(E) | 環境(E) | 揭露(D) |
|---|---|---|---|---|
| **AA** | 76-100% | 51-75% | 76-100% | 51-75% |

電子製造業 ESG 評等分配圖

| D | CCC | B | BB | BBB | A | AA | AAA |
|---|---|---|---|---|---|---|---|
| 4% | 20% | 16% | 15% | 20% | 6% | 11% | 6% |

Awardee
(Listed Companies)

2303 聯電
2330 台積電
2337 旺宏
**2376 技嘉**
2377 微星
2383 台光電
2409 友達
2439 美律
3037 欣興
3231 緯創
3481 群創
3711 日月光投控
4919 新唐
6239 力成
6669 緯穎
8021 尖點
8150 南茂

- ✓ OSH commitment, targets, and organizations
- ✓ OSH disclosure in accordance with GRI403 and SASB standards
- ✓ OSH risk identification, management, and implementation
- ✓ Overall OSH performance and mid- and long-term targets
- ✓ Obtain a third-party certification

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# From Reverse Logistics to Outlets – E-waste Recycle and Rebirth

Gigabyte founded Bestyield based on its expertise in PCB repairs and customer service for more than 20 yeas. Bestyield aims to:

- Establish a sustainable circular economy business model with a core philosophy of "*Mottainai*"

- Build a market for recycling and reselling electronic products without brand restrictions

In 2021, the service model reduced 90,000 tonnes of carbon emissions by avoiding 634 tonnes of e-waste

2020 BS8001
Optimizing Level

2022 Taiwan Circular Economy Awards
Service Innovation Award

## Outcome of Circular Economy

**Trans-industrial cooperation**
RMA centers transform into G+3C outlet showroom
Launch cross-border e-commerce services

## Co-create Business Opportunities

Provide B2B laptop rental service to enterprises
Realize 100% of products returning for repairing
Recycled rental products return to market after refurbished and certified by the Sweet Lemon standard

Repair
Refurbish
Resell
Repurchase

**3 MONTHS WARRANTY**

G+ 3C Outlet 概念店

MB & VGA – 3 months
Refurbished NB – 1 years
New NB – 2 years

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Sweet Lemon Refurbished Product Certification

Manufacturer approved

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# Thousand Mile Trek
## - Go Green Taiwan

Since 2015, a group of nature lovers at GIGABYTE decided to venture beyond the office and launch the "Thousand Mile Trek - Go Green Taiwan" round-island trek. The trekkers would pick up plastic rubbish along the way.

As of October 2022:

**1,106.76 km**
Walking distance

**31,991 hours**
Cumulative environmental service time

**15,722.38 kg**
Picked and removed wastes

運綠台灣
千里足夢

累計徒步里程：1,106.76公里
累積清除垃圾：15,722.38公斤
志工時數累積：31,991小時

**2015** 94.2 KG
01 誓師大會
02 草嶺古道
03 合興車站

**2016** 494.61 KG
04 國境之南
05 瘋媽祖佑安康
06 峨嵋湖巡禮
07 南迴越嶺道
08 發現好望角

**2017** 434.68 KG
09 府城懷古行
10 媽祖文化薪傳行
11 蘭陽之美
12 探訪山城
13 噶瑪蘭行腳

**2018** 2,071.84 KG
14 漫步白沙屯
15 壯遊蘇花
16 東岸鐵道行
17 文創行旅
18 大甲好運通

**2019** 3,769.13 KG
19 跨年作伙行
20 打狗走透透
21 戀上龍洞灣
22 海廢大逃出
23 再會台中港
24 雙足慶雙十

**2020** 2,575.96 KG
25 西濱風情
26 車過枋寮
27 悠遊北海岸

**2021** 2,885.63 KG
28 鹿港小鎮
29 獅頭望燭台
30 寶桑山海戀
31 邂逅新金山
32 日昇太麻里

**2022** 3,396.33 KG
33 糖都物語
34 流浪到淡水
35 布袋好厝邊

因道路危險
為搭車行經路段

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# Q&A

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