



# Transcend Information Inc. Investor Conference 2020 Q4

# About Transcend



Founded in  
**1988**



Made in  
**Taiwan**



**13**  
Offices Worldwide



Total Employees  
**1300+**



Total Products  
**2000+**



Went Public Since  
**2001**

**T Transcend**

# Top 20 Taiwan Global Brand



For the 13th consecutive year, Transcend appears in *Interbrand's* **BEST TAIWAN GLOBAL BRANDS** ranking as one of Taiwan's Top 20 global brands in 2019, with a brand value of **USD 125 million**.



# Global Network



## Europe



United Kingdom



The Netherlands



Germany

## Asia



Korea



Japan

## HQ



Taiwan Headquarters



Taipei Factory

## China



Beijing



Shanghai



Shenzhen



Hong Kong

## United States



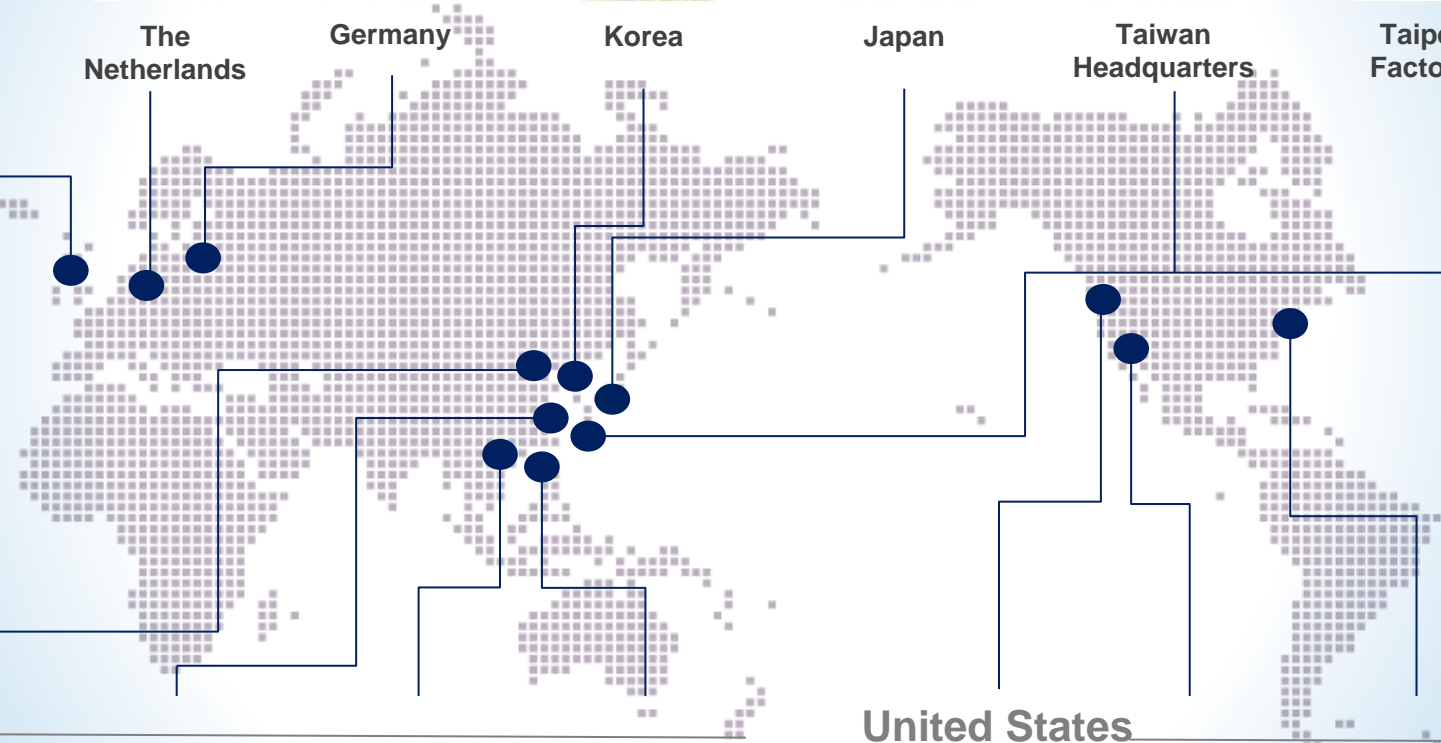
Los Angeles



Silicon Valley



Maryland



# Manufacturing Bases



Monthly Production  
**14.7M pcs**



Automation  
Systems



High-Speed SMT  
**16 Lines**



Floor Area  
**35k m<sup>2</sup>**



Environmental  
Tests



**5+**  
Certifications

# Product Portfolio



2,000+ products sold in 140+ countries



## Consumer

- Internal SSDs
- Portable SSDs
- External Hard Drives
- Personal Cloud Storage
- Dashcams

## Embedded

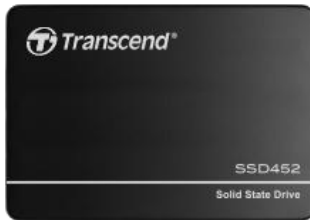
- Body Cameras
- Apple Solutions
- Memory Cards
- USB Flash Drives
- DRAM Modules
- SSD Solutions
- Flash Solutions
- Memory Cards
- Dram Modules

# Product Launch



## Embedded 96-layer 3D NAND Products

- 3K P/E cycles
- Extended / wide temperature
- Corner bond
- 30μ gold fingers
- Covers all range of form factors



**SSD452K2**



**MTE662T2**



**MTE652T2**



**MTE452T2**



**MTE352T**



**MTS552T 2**



**MTS952T 2**



**MSA452T2**

# Product Launch



## USB Flash Drives

MLC/3D NAND USB Flash Drives offer stable reliability that surpasses others



**JetFlash 270M**



**JetFlash 280T**

## Memory Cards

Uninterrupted transfers and uncompromised endurance for write intensive applications



**SDC410M**



**USD410M**

## DRAM Modules

Stable performance and high transmission efficiency to boost up servers and workstations



**DDR4 3200  
Unbuffered DIMM**



**DDR4 3200  
ECC DIMM**



**DDR4 3200  
Registered DIMM**

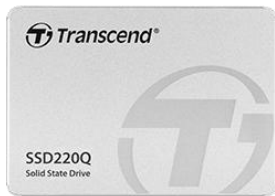


# Product Launch



## Internal SSD

QLC NAND flash to unleash speeds and performance



**SSD220Q**

## USB Flash Drive

High transfer speeds and great endurance to store data on the go



**JetFlash 920**

## Memory Cards

Capture RAW images and Full HD video with high-speed memory cards featuring vast storage space



**SDC330S**



**CFE820**

## DRAM Modules

High transmission rate, optimal stability and low power consumption to improve desktops, laptops, and MacBook performance



**DDR4-3200 U-DIMM  
(JetRam)**



**DDR4-3200 SO-DIMM  
(JetRam)**

# Product Launch



## External SSD

High transfer rate, compact size, and high endurance to safe data



**ESD370C**

## Card Reader

Type-C port, dual card slots, and high compatibility



**RDC3**

## Portable Hard Drives

Massive storage space and anti-shock design to retain data with extra care



**StoreJet 25M3 4TB**



**StoreJet 25M3C 4TB**

## Dashcams

Protect driving safety with STARVIS™ high-sensitivity image sensor and high-quality footage



**DrivePro 10  
(Starvis)**



**DrivePro 110  
(Starvis)**

## Body Cameras

Rugged design, vast storage space, and long battery life to support high-quality image capturing



**DrivePro Body 10  
(Starvis)**



**DrivePro Body 30  
(Starvis)**

# Financial Information



# 2020~Q3 Consolidated I/S

Unit: NTD\$ million (Except EPS)

	2020~Q3		2019~Q3		YoY
	Amount	%	Amount	%	%
Sales	8,471	100.0	10,210	100.0	(17.0)
Cost of goods sold	(6,552)	(77.3)	(7,925)	(77.6)	(17.3)
Sales Margin	1,919	22.7	2,285	22.4	(16.0)
Operating Expenses	(965)	(11.4)	(973)	(9.6)	(0.9)
Operating Income	954	11.3	1,312	12.8	(27.3)
Non-OP Income & Exp.	201	2.3	349	3.5	(42.5)
Income Before Tax	1,155	13.6	1,661	16.3	(30.5)
Net Income	933	11.0	1,333	13.1	(30.0)
<b>Earnings Per Share</b>	<b>2.17</b>		<b>3.09</b>		

# 2020Q3 Consolidated B/S

Unit: NTD\$ million

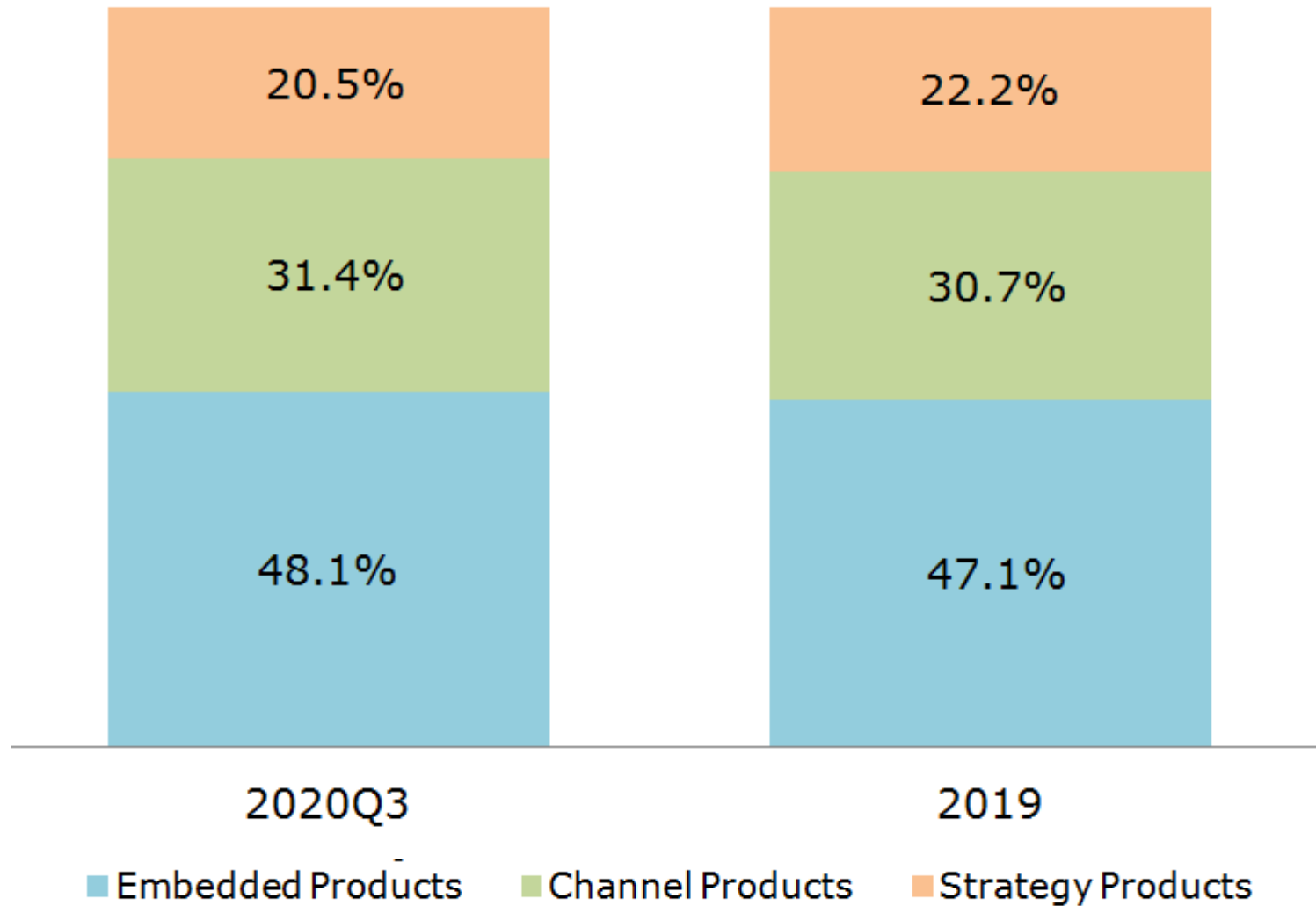
	2020Q3		2019Q3		YoY
	Amount	%	Amount	%	%
<b>Total Assets</b>	<b>20,136</b>	<b>100.0</b>	<b>21,259</b>	<b>100.0</b>	<b>(5.3)</b>
Current Assets	14,019	69.6	15,509	73.0	(9.6)
Cash & cash equivalents	819	4.1	1,871	8.8	(56.2)
Current Financial Assets	8,616	42.8	10,052	47.3	(14.3)
Accounts Receivable	1,327	6.6	1,691	8.0	(21.5)
Inventory	3,166	15.7	1,777	8.4	78.2
Non-current Assets	6,117	30.4	5,750	27.0	6.4
Non-current Financial Assets	810	4.0	166	0.8	387.4
Property, plant and equipment	4,925	24.5	5,093	24.0	(3.3)
<b>Total Liabilities</b>	<b>1,757</b>	<b>8.7</b>	<b>2,129</b>	<b>10.0</b>	<b>(17.5)</b>
Current Liabilities	1,526	7.6	1,794	8.4	(15.0)
Accounts Payable	965	4.8	1,194	5.6	(19.2)
<b>Total Equities</b>	<b>18,379</b>	<b>91.3</b>	<b>19,130</b>	<b>90.0</b>	<b>(3.9)</b>
<b>Financial Ratio</b>					
Return on Equity	6.77		9.29		
Return on Assets	6.18		8.36		

# 2020Q3 Consolidated Cash flow

Unit: NTD\$ million

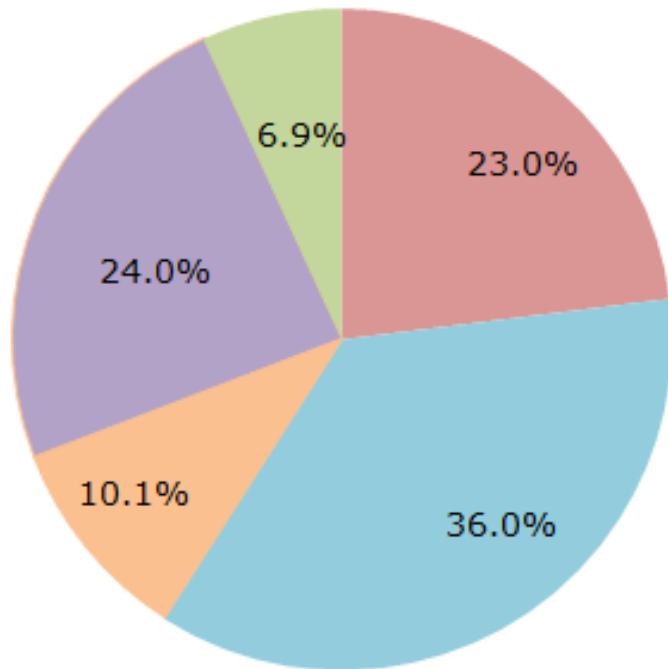
	2020Q3	2019Q3	YoY
	Amount	Amount	%
<b>Consolidated income before income tax</b>	1,155	1,661	(30.5)
Changes in inventory	(1,103)	1,408	(178.4)
Other adjustments	(172)	(1,479)	88.4
<b>Cash flows (used in) from operating activities</b>	(120)	1,589	(107.6)
<b>Cash flows from investing activities</b>	1,723	1,022	68.6
Acquisition of Yuanta Taiwan High-yield Leading Company Fund B	(500)		
<b>Cash flows used in financing activities</b>	(2,019)	(2,209)	8.6
Effect of foreign exchange rate change	2	39	(95.8)
<b>(Decrease) increase in cash and cash equivalents</b>	(414)	441	(193.8)
<b>Cash and cash equivalents at beginning of the year</b>	1,233	1,430	(13.7)
<b>Cash and cash equivalents at end of period</b>	819	1,871	(56.2)

# Product Mix from 2019 to 2020Q3

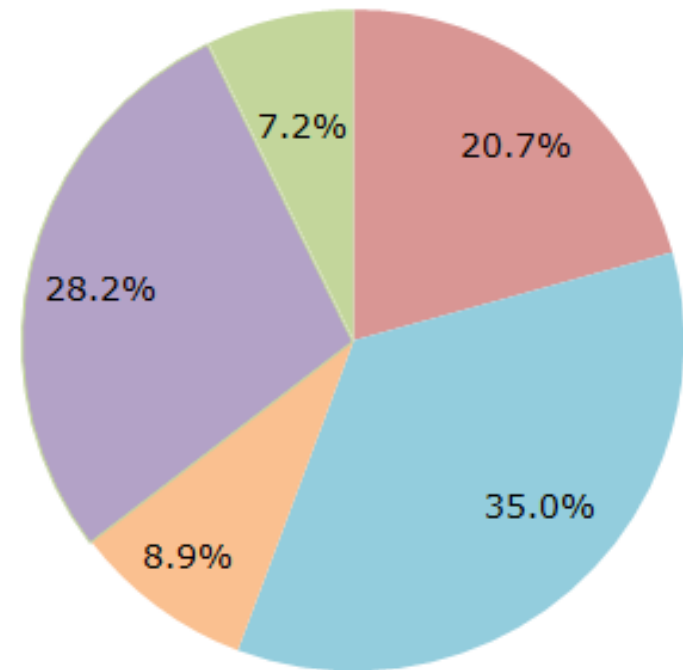


# Territories from 2019 to 2020Q3

## 2020Q3



## 2019



■ Taiwan ■ Asia ■ America ■ Europe ■ Others



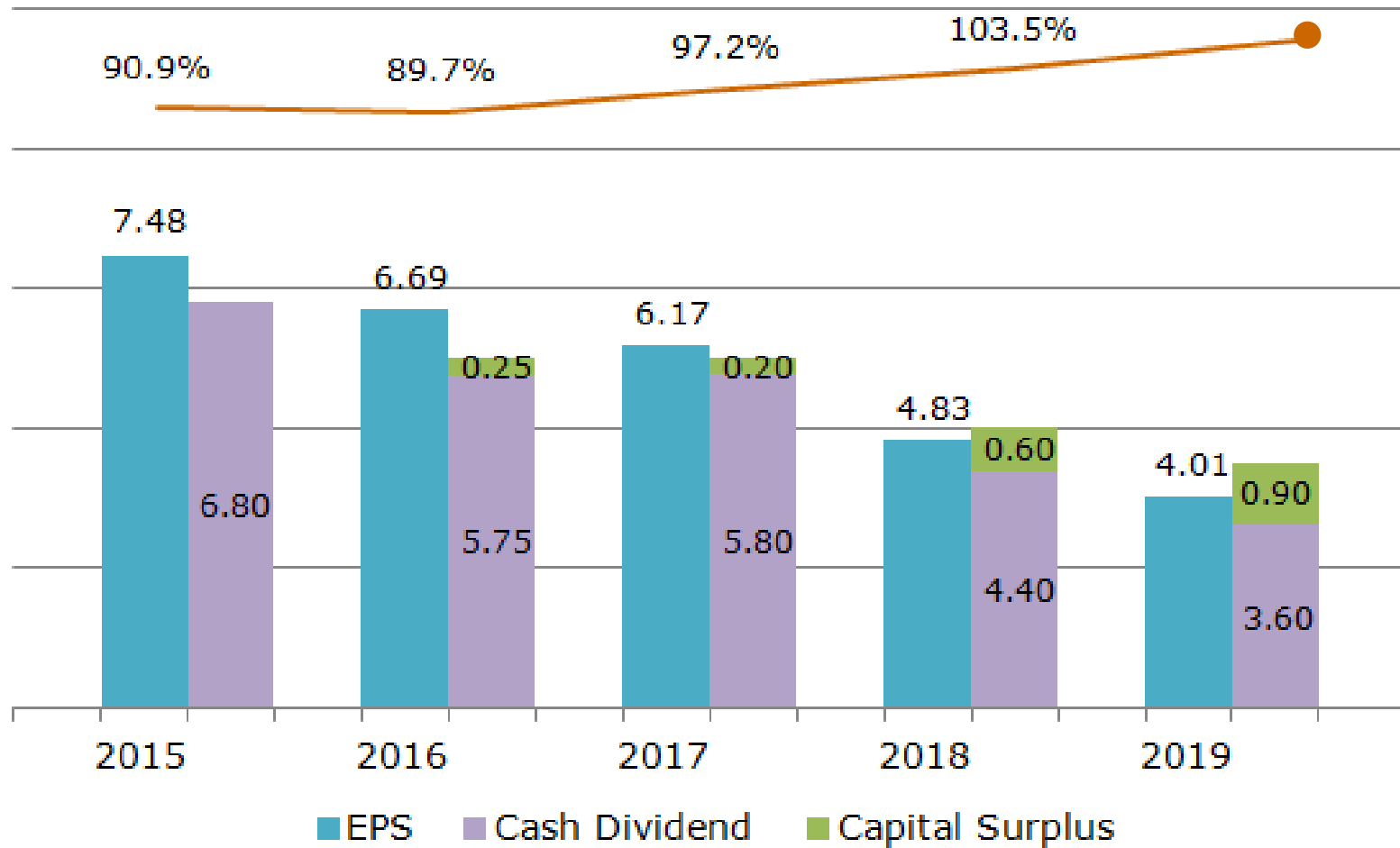
# 2015-2020Q3 EPS by Quarter

	Q1	Q2	Q3	Q4
2015	1.94	1.14	2.52	1.88
2016	1.45	1.77	1.10	2.37
2017	1.33	1.80	1.65	1.39
2018	1.11	1.68	1.13	0.91
2019	0.85	1.00	1.24	0.92
2020	1.08	0.62	0.48	

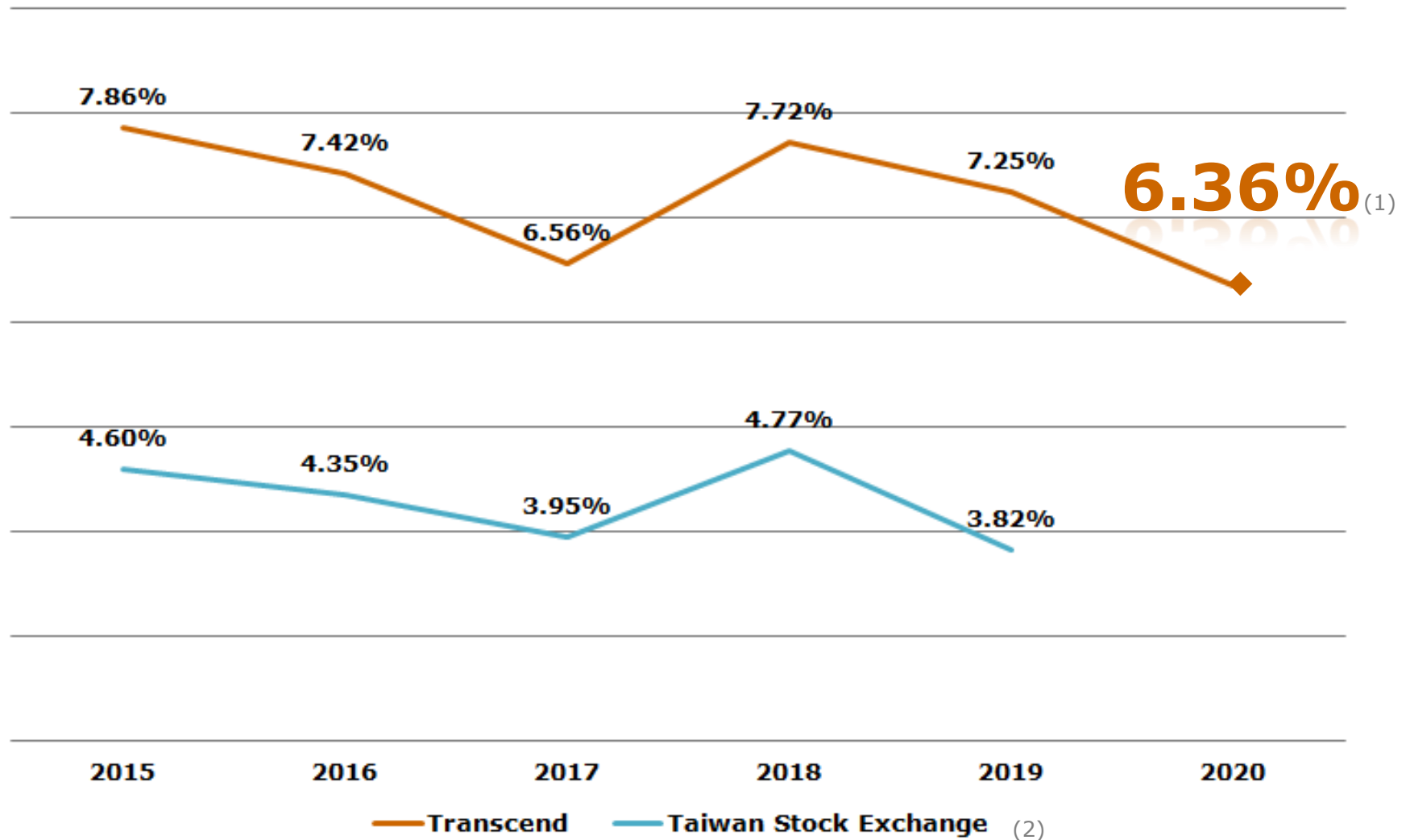
Note: Outstanding shares: 2015~2019Q3 **431 million shares** and 2019Q4~2020Q3 **429 million shares**

# Dividend Pay-out 2015-2019

**Payout Ratio**  
**112.2%**



# Dividend Yield 2015-2020



Note:

(1) Based on average market price 70.8

(2) Data from TWSE statistics of securities market

**Q & A**





**Thank You**