



3Q, 2022

Earnings Conference

www.gs.com.tw

Nov. 25, 2022

Disclaimer

- ① This presentation is based on the information obtained from G-Shank Enterprise, included Business Forecasts, Development and Financial status. Please note that while the company has used its best efforts to make sure the accuracy and comprehensiveness of this presentation, all information shall be subject to the public financial information submitted to government authorities by the company. G-Shank is not responsible for the respective update changes or adjustments that might occur in the near future.
- ① This document may contain “forward-looking statements” and any non-historical information, including the company’s operating strategies, operating plans and future prospects, are forward-looking statements based on our assumptions about future operations and uncertain factors such as government regulations, economic changes, market trend... etc., so actual results may differ.
- ① This document shall not be considered as an inducement to buy or sell securities or other financial products.

Agenda

1

About G-SANK

2

**Operational
Performance**

3

**Current Status
& Prospect**



1

About G-SHANK

Who We Are? (TWSE: 2476)



Chairman: Yu-Huang Lin



Capital: **\$1.89B** (NTD)



CEO: Ying-Shou Lin



2,715 (Worldwide)



Est. 1973



Employees **787** (TW)

Group Revenue Percentage

Parts  94%

Die  4%

Merchandise | 1% (Transaction within the group)

Toolings | 1%

THE LARGEST
COMPANY
DEDICATED TO
PRECISION
STAMPINGS
IN ASIA



*2022/1~9 Group Data

Where We Are?



Global Service

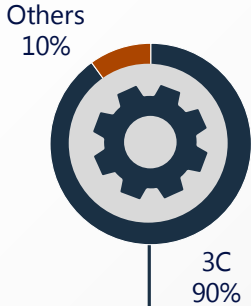
17

- 1 ★ Headquarters
- 14 📍 Branch/ Factory
- 2 ▲ Office

How Did We Start?

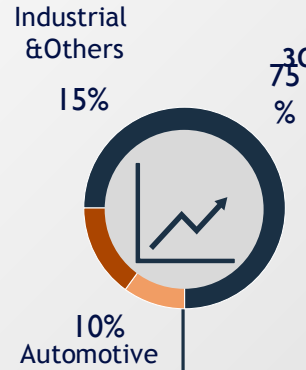
Stamping

- 1973 Founded
- 1980 Est. Design Center
- 1984 Est. 6S Policy
- 1989 Est. Malaysia Branch
- 1994 Est. G-Shank Mexico & USA
- 1996 ISO 9001 Certified
- 1996 Est. Shanghai Branch
- 1998 Listed in Over-The-Counter
(The First Company in Metal Stamping Industry in TW)
- 1998 Est. Thailand & Taiwan Bade Branches



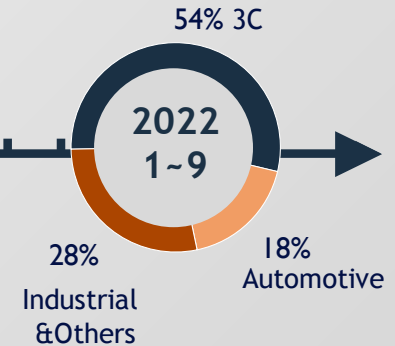
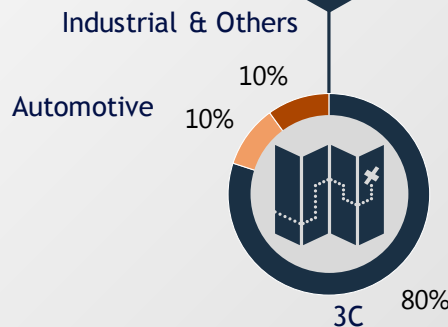
Vertical Integration

- 2009 Electroplating Lines Est.
- 2010 Est. Insert-Molding Dept.
- 2012 Est. Japan Branch
- 2012 Est. Wuhan Branch
- 2012 Record High Die PO (209 sets/mo)
- 2012 Stamping, Electroplating, Insert-Molding, Automatic Assembly Vertical Integration
- 2018 Est. Automotive Market Div.
Est. TPS & lean production



Global Growth

- 2000 Est. Shanghai II Branch
- 2001 Listed in TWSE (2476)
- 2001 Est. Dongguan, Xiamen, Suzhou, Qingdao Branches
- 2002 Est. Indonesia Branch
- 2003 Est. Tianjin Branch
- 2005 ISO14001 & ISO/TS16949 Certified
- 2006 Est. Shenzhen I Branch
- 2007 Est. Shenzhen II Branch



1973

2000

2010

2022
1~9

One Stop Solution

Die Design



x**110** sets
(Monthly Capacity)

- 3D/CAD Design
- Design Database System

Stamping



x**745**
(10 - 400T)

- Servo Feeds
- AOI Machine Inspection

Insert-molding



x**37**
(35 - 110T)

- AOI Machine Inspection
- Vertical, Horizontal Insert-molding Machine

Machining



x**543**

- Vertical CNC Machine
- Jig Grinder
- Profile Grinder
- Wire E.D.M
- Grinder
- Lathe
- Milling Machine
- Sawing Machine
- E.D.M
- Drilling E.D.M
- Precision E.D.M
- Horizontal Profile Grinder

Electroplating



4 Machines
8 Lines (Hoop)

Au (Gold) Sn (Tin)



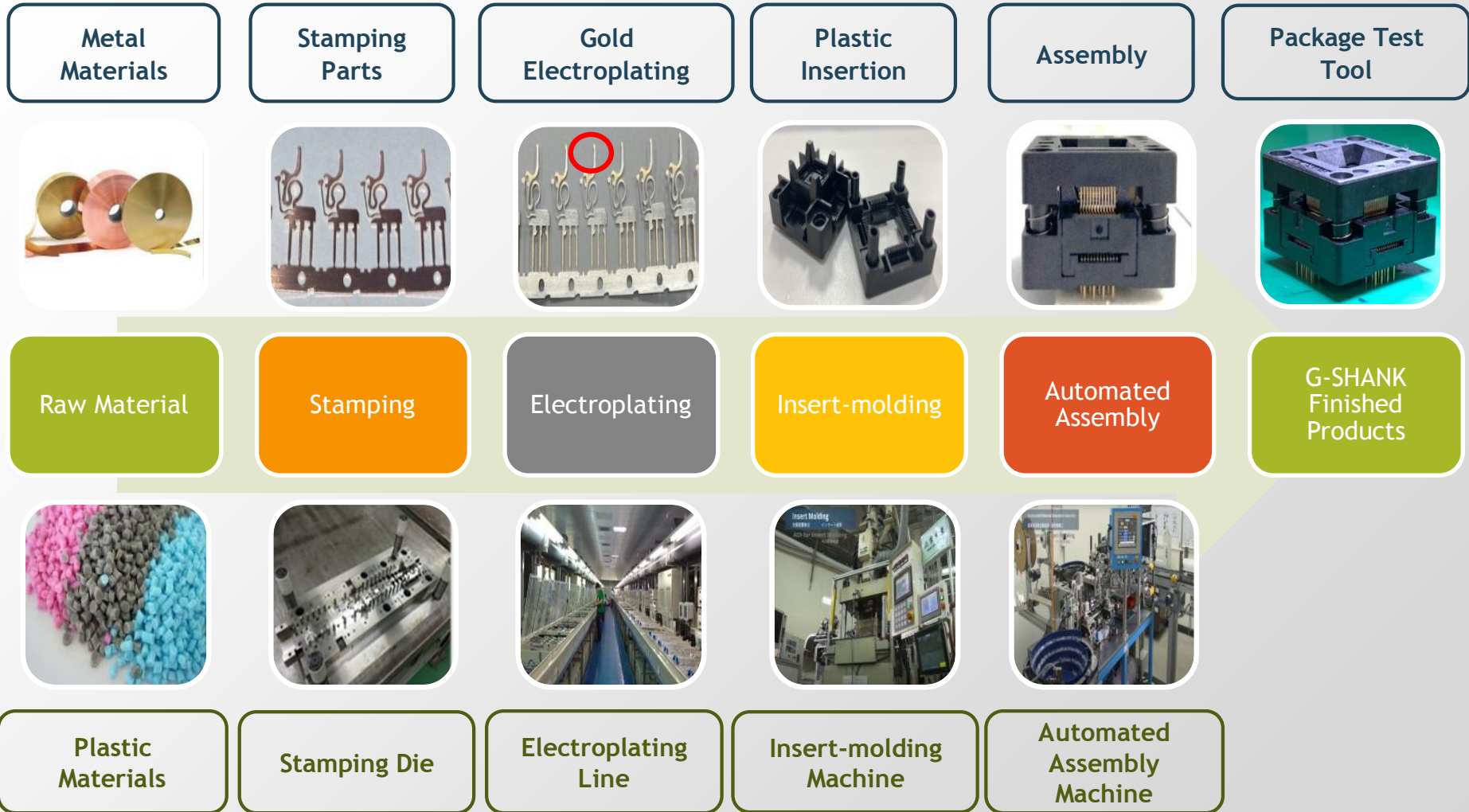
Ni (Nickel)

Automated Assembly



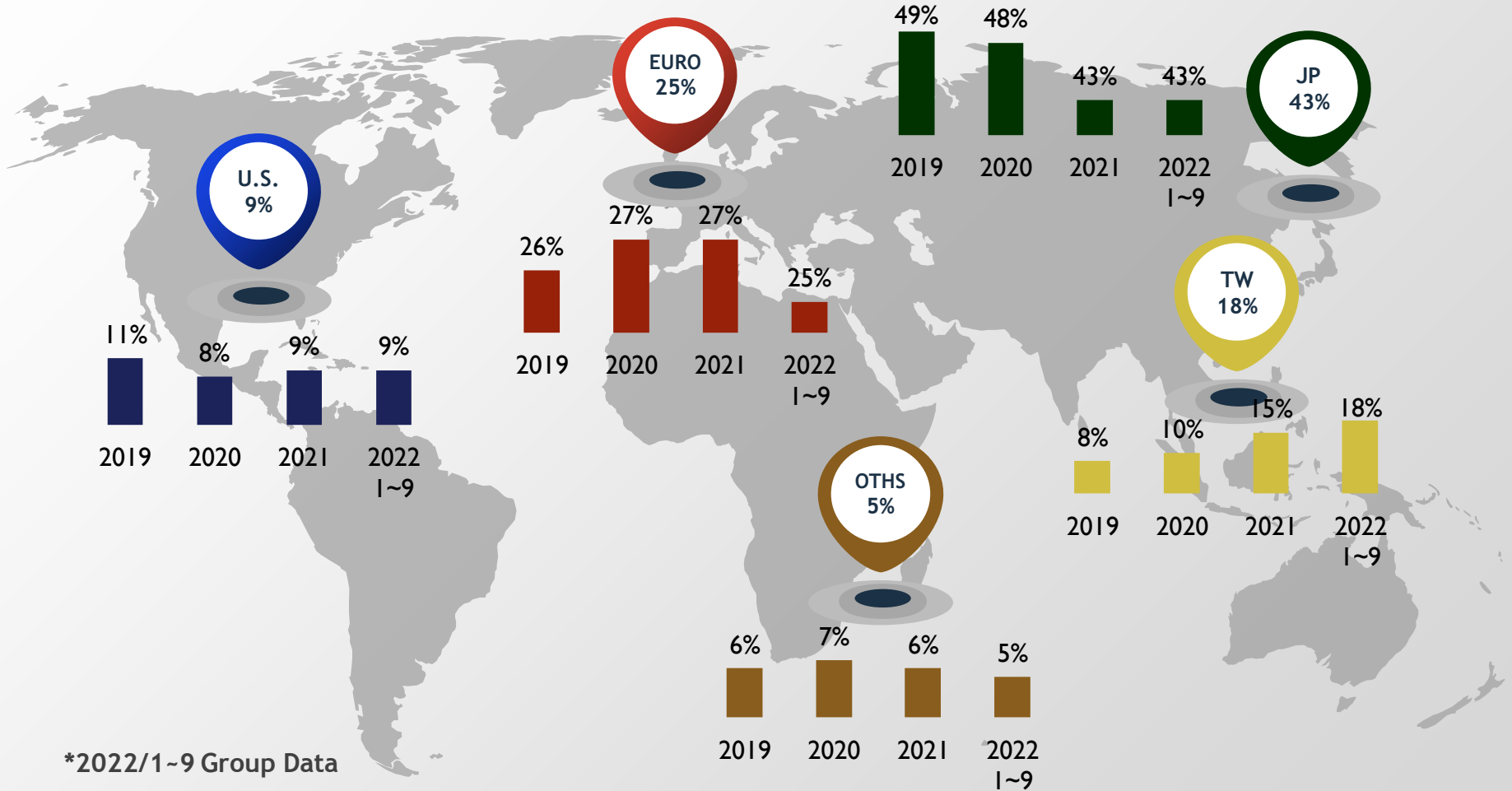
- R J 45 Connector
- D-SUB Connector
- Automatic Laser Welding Machine
- Automatic Silver Brazing Assembly
- Automotive Safety Device Assembly

One Stop Solution Legend



Total Sales by Region

(based on customer's region)



*2022/1~9 Group Data

What Do We Do?

18% Automotive

- Regulators
- Transmission Coolers
- GPS/ USB/ Charger Connectors
- Airbag & Seat Belt Connectors
- Air Conditioning
- Fuses
- Button Adaptors
- TPMS
- Headlight Parts
- Anti-theft Systems
- Automotive Camera Module

2020: 17%
2021: 16%

2020: 10%
2021: 11%

13% Communications

- Mobile Phones
- ADSL
- Internet Related

2020: 17%
2021: 17%

20% PC/NB

- I/O
- Type C
- USB
- HDMI
- FPC/FFC
- Memory Card
- Board-to-board

2020: 25%
2021: 24%

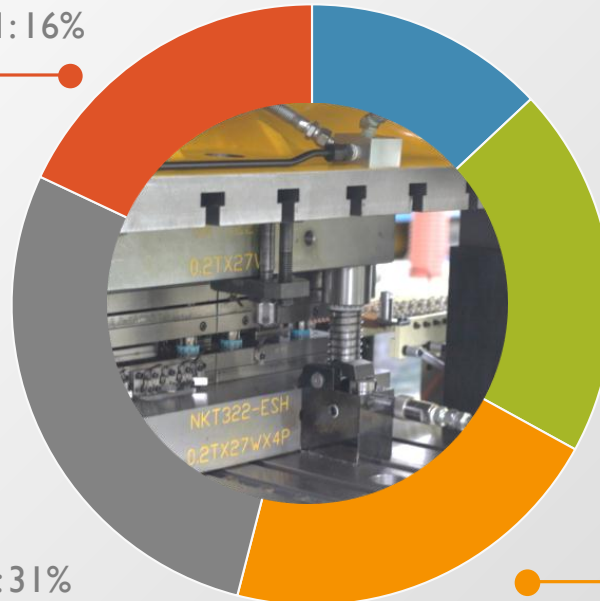
21% Consumer Electronics

- Appliances
- Digital Cameras
- Gaming Parts
- Switches
- Video Recorders

28% Industrial & Others

- Sensors
- Relays
- No Fuse Breakers/ Switches
- PLC
- Timers
- Blood Sugar Testers
- Scalpels
- Semiconductor Lead Frames
- Furniture Parts
- Electronic Cigarettes
- Jewelry industry

2020: 31%
2021: 32%

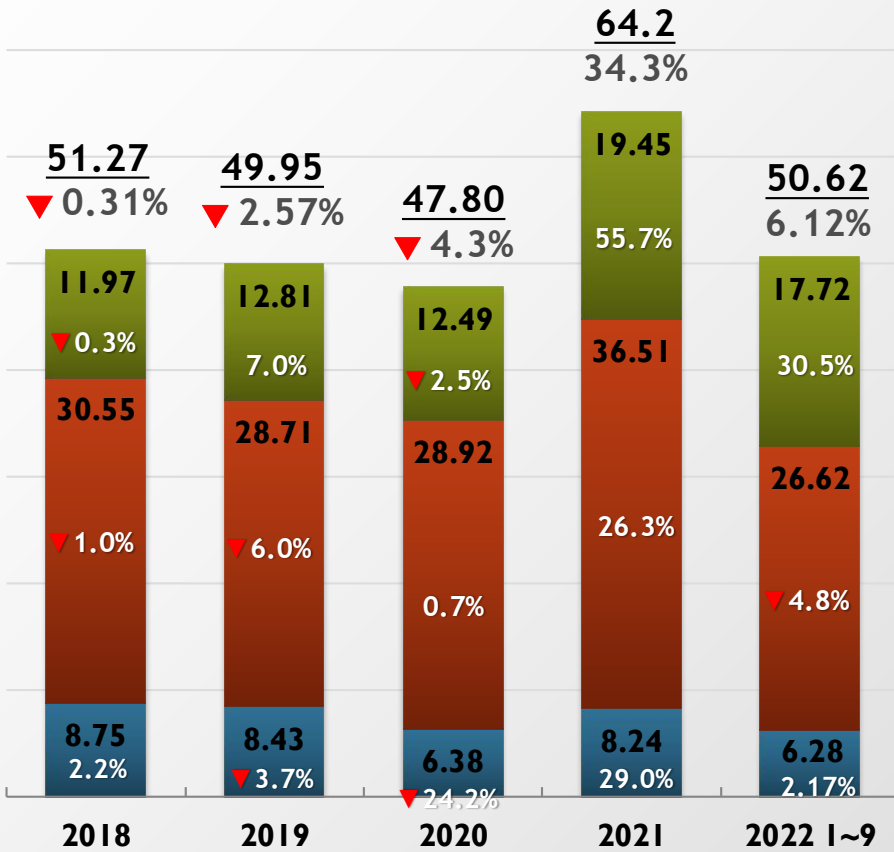


The background of the slide features a blurred, high-angle view of industrial machinery. On the right side, there is a vertical assembly consisting of several stacked metal blocks, with a threaded rod passing through them. On the left side, a large, circular, metallic component, possibly a flywheel or a pulley, is visible. The overall color palette is muted, with greys, silvers, and a hint of yellowish-green from the machinery's lighting.

2 Operational Performance

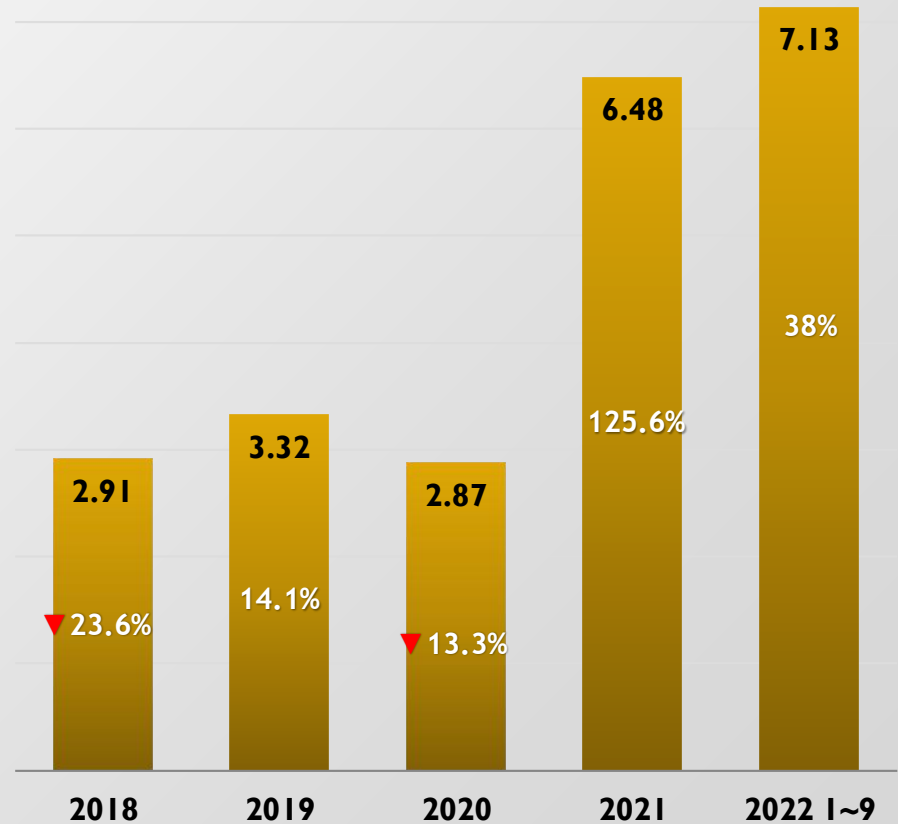
Group Revenue

■ Other Regions ■ China ■ Taiwan



Net Profits after Tax

(Attributable to owners of parent)



NT\$ billion % : YoY

(2018~2021 audited; 2022/1~9 reviewed)

Composite Income Sheets

(reviewed)
NTD\$ Thousand

Items	2022/1~9	2021/1~9	Growth%
Sales revenue	5,062,054	4,770,310	6.1%
Operating costs	(3,582,908)	(3,352,318)	6.9%
Gross Profit	1,479,146	1,417,992	4.3%
Gross Profit%	29.2%	29.7%	-0.5ppts
Operating Expense	(682,851)	(647,770)	5.4%
Net operating income	796,748	771,186	3.3%
Gains from Operations %	15.7%	16.2%	-0.5ppts
Non-operating income and expenses	283,614	55,862	407.7%
Revaluation Gains (Losses) on Financial Assets	(56,485)	(16,566)	-241.0%
Foreign exchange gain (loss)	213,132	(16,853)	1364.7%
Income before Tax	1,080,362	827,048	30.6%
Tax expense (income)	(273,500)	(223,128)	22.6%
Income tax %	25.3%	27.0%	-1.7ppts
Profit (loss)	806,862	603,920	33.6%
Profit (loss), attributable to owners of parent	712,635	516,478	38.0%
Consolidated Net Income Attributable to Parent Company %	14.1%	10.8%	+3.3ppts
Basic earnings per share	3.77	2.79	35.1%

Balance Sheets

(reviewed)
NTD\$ Thousand

Items	2022/9/30		2021/9/30	
	Amount	%	Amount	%
Cash & Marketable Securities	4,610,555	48.2%	4,220,733	48.0%
Notes Receivable and Net Accounts receivable	1,728,478	18.1%	1,562,930	17.8%
Current Inventories	1,176,714	12.3%	1,032,719	11.7%
Long-term Investments	407,599	4.3%	364,356	4.1%
Property, Plant and Equipment	1,227,867	12.8%	1,196,360	13.6%
Right-of-use Asset	258,590	2.7%	134,761	1.5%
Total Assets	9,562,757	100.0%	8,795,247	100.0%
Total Liabilities	3,249,748	34.0%	3,251,481	37.0%
Total Equity Attributable to Owners of Parent	5,663,156	59.2%	4,963,212	56.4%
Non-controlling Interests	649,853	6.8%	580,554	6.6%
Total Equity	6,313,009	66.0%	5,543,766	63.0%
Book Value Per Share	29.8		26.4	

Cash Flow

(reviewed)
NTD\$ Thousand

Items	2022/1~9	2021/1~9
Cash and cash equivalents at beginning of period	3,232,253	3,134,587
Net cash flows from operating activities	968,090	132,493
Capital expenditures	(120,386)	(137,529)
Net cash flows from (used in) investing activities	22,132	44,644
Net cash flows from (used in) financing activities	(620,984)	(248,914)
Effect of exchange rate changes on cash and cash equivalents	239,268	(68,244)
Cash and cash equivalents at end of period	3,720,373	2,857,037

A grayscale, high-magnification photograph of a microchip or integrated circuit, showing its intricate grid of pins and various components. The image is slightly blurred and serves as a background for the text.

3

Current Status & Prospect

The Challenges and Opportunities of the Future



Labor Shortage



China-United States Trade War & Russo-Ukrainian War



Transfer Supply Chain



Environment Social Governance

Process Optimization: Automated Production On-line Operation

Before Improvement:
Manual Operation

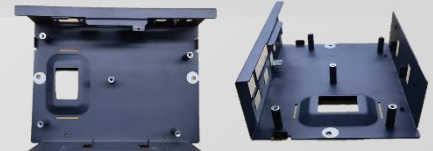


After Improvement:
Automated Production



Reduce operating personnel
6 people → 2people

Shape Shear → Incision Shear → Bend → Rivet Processing → Tapping → Bend → Finished Product



G-SHANK Entered the Jewelry Industry



- ❖ G-SHANK entered the jewelry industry in 2021. The jewelry chain adopts a self-developed production method, which has innovative production advantages of low cost and high production capacity compared with general casting production.
- ❖ The jewelry setting of the chain is made of silver, and the production size can reach 1.56mm X 1.56mm, and the distance between each setting is controlled at 0.2mm, and the tolerance can be controlled within 0.02mm. The production is delicate and precise, ensuring multiple jewelry chain can be welded side by side, showing the designer's patterns and ingenuity.

Thank You



For any financial information of G-SHANK,
welcome to G-SHANK investors overview,
<http://www.gshank.info/home/investors/>

or MOPS (code: 2476)

<https://mops.twse.com.tw/mops/web/index>