



ASUSTEK

4Q 2021 Investor Conference

Disclaimer

ASUSTeK's presentation contains forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.

The forward-looking statements in this release reflect the current belief of ASUS as of the date of this release, we undertake no obligation to update these forward-looking statements for new information, future events, or otherwise.

Agenda

- *4Q 2021 Financial Result*
- *Strategy & Outlook*
- *Q & A*



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4Q 2021 Financial Result

2021 4Q Brand P&L

in NT\$ Mn	2021 4Q	2021 3Q	QoQ	2020 4Q	YoY
Net Revenue	141,829	130,091	9%	113,710	25%
COGS	(114,062)	(105,922)	8%	(93,580)	22%
Gross Profit	27,767	24,169	15%	20,130	38%
Operating Expenses	(15,442)	(13,374)	15%	(11,923)	30%
Operating Profit	12,326	10,795	14%	8,207	50%
Non-OP Items	1,700	4,256	-60%	3,065	-45%
Pre-Tax Profit	14,026	15,051	-7%	11,272	24%
Tax	(1,968)	(3,721)	-47%	(1,425)	38%
Net Profit	12,058	11,330	6%	9,847	22%
EPS	16.2	15.3		13.3	
Gross Margin %	19.6%	18.6%		17.7%	
Operating Margin %	8.7%	8.3%		7.2%	

2021 4Q Brand Non-OP Items

Non-OP Items	2021 4Q	2021 3Q	QoQ	2020 4Q	YoY
Interest Income (net)	150	87	73%	89	70%
Investment Income	664	522	27%	418	59%
<i>Askey</i>	34	(180)	119%	(45)	176%
<i>Others</i>	629	702	-10%	463	36%
Exchange Gain/(Loss)	936	733	28%	2,169	-57%
Dividend Income		2,818			
Other Income (net)	(49)	96	-152%	390	-113%
Total Non-OP items	1,700	4,256	-60%	3,065	-45%

2021 4Q Brand Balance Sheet

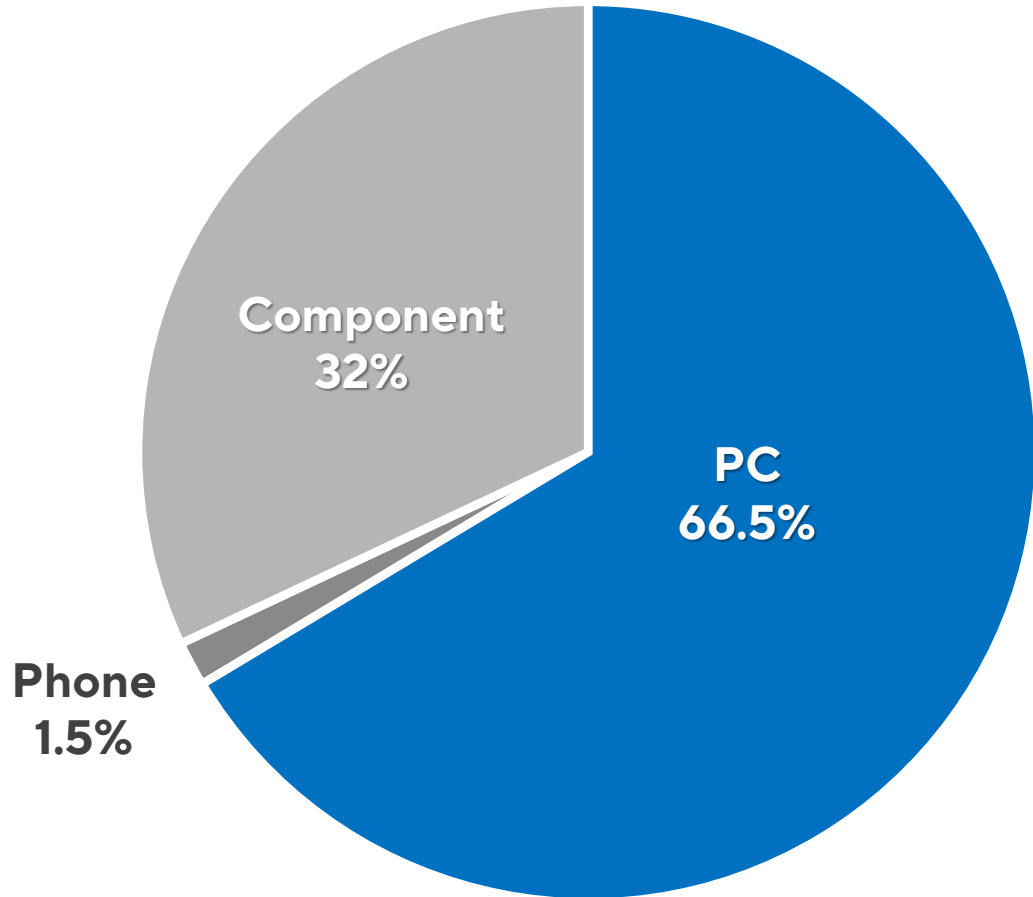
in NT\$ Mn	Dec 31, 2021	Sep 30, 2021	QoQ	Dec 31, 2020	YoY
Cash & equivalents	62,513	33,386	87%	65,645	-5%
Accounts receivable	84,892	86,109	-1%	69,407	22%
Inventories	158,154	150,577	5%	90,698	74%
Current Assets	319,877	283,253	13%	235,068	36%
Long-term investments	107,377	102,567	5%	95,701	12%
Fixed assets	14,215	15,156	-6%	16,494	-14%
Total Assets	468,110	424,715	10%	366,506	28%
Accounts payable	89,512	74,377	20%	49,633	80%
Current Liabilities	217,591	193,205	13%	149,756	45%
Total Liabilities	235,779	208,370	13%	164,742	43%
Paid-in capital	7,428	7,428		7,428	
Stockholders' equity	232,331	216,345	7%	201,765	15%
Avg. Days of Inventory	123	121		86	
Avg. Days of AR	55	58		59	
Avg. Days of AP	69	70		62	
Avg. CCC Days	110	109		83	

2021 Brand P&L

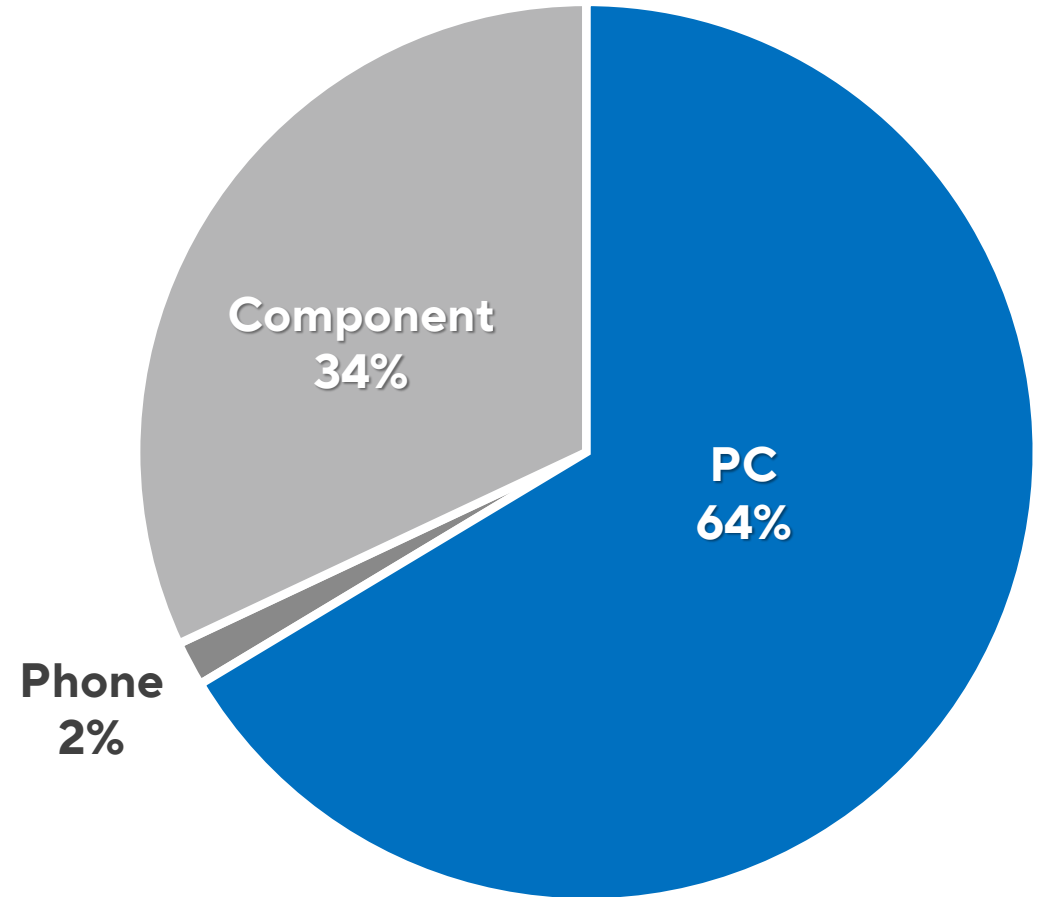
in NT\$ Mn	2021	%	2020	%	YoY
Net Revenue	500,401	100.0%	382,435	100.0%	31%
COGS	(398,875)	(79.7%)	(316,736)	(82.8%)	26%
Gross Profit	101,526	20.3%	65,699	17.2%	55%
Operating Expenses	(53,310)	(10.7%)	(40,372)	(10.6%)	32%
Operating Profit	48,215	9.6%	25,327	6.6%	90%
Non-OP Items	8,063	1.6%	8,342	2.2%	-3%
Pre-Tax Profit	56,279	11.2%	33,670	8.8%	67%
Tax	(11,729)	(2.3%)	(7,112)	(1.9%)	65%
Net Profit	44,550	8.9%	26,558	6.9%	68%
EPS	60.0		35.8		
Non-OP Items	2021	%	2020	%	YoY
Interest Income (net)	457	0.1%	515	0.1%	-11%
Investment Income	637	0.1%	1,035	0.3%	-38%
Askey	(1,718)	-0.3%	(554)	-0.1%	-210%
Others	2,355	0.5%	1,589	0.4%	48%
Exchange Gain / (Loss)	3,959	0.8%	3,217	0.8%	23%
Dividend Income	2,831	0.6%	2,848	0.7%	-1%
Other Income (net)	179	0.0%	727	0.2%	-75%
Total Non-OP items	8,063	1.6%	8,342	2.2%	-3%

Product Mix

4Q 2021

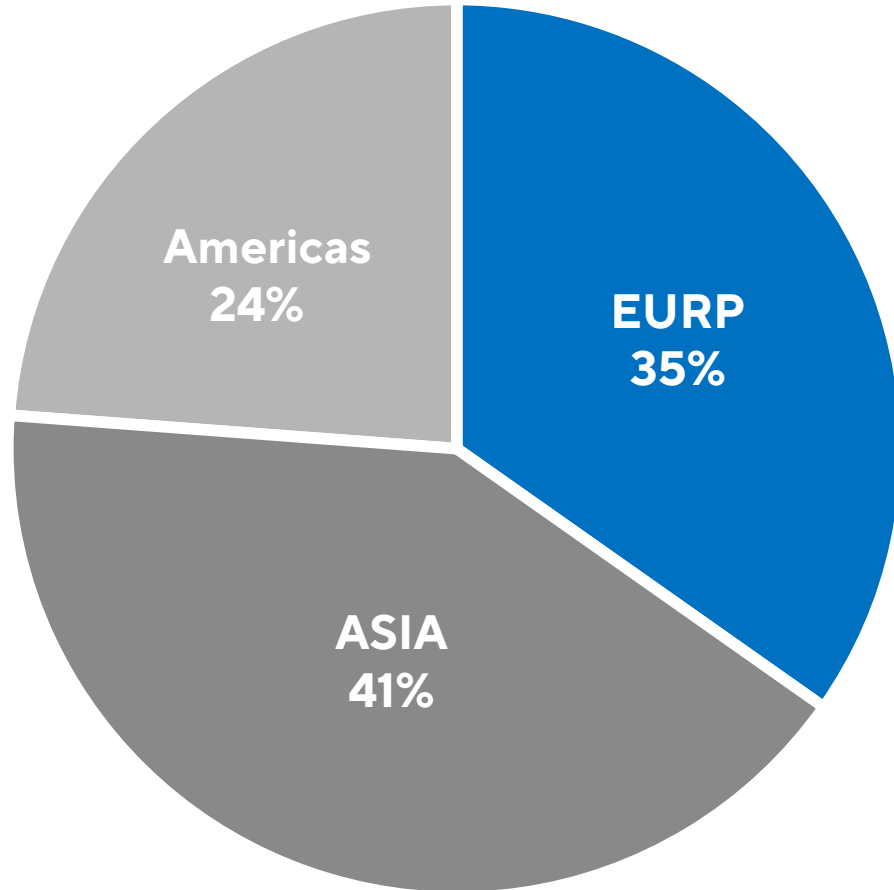


2021

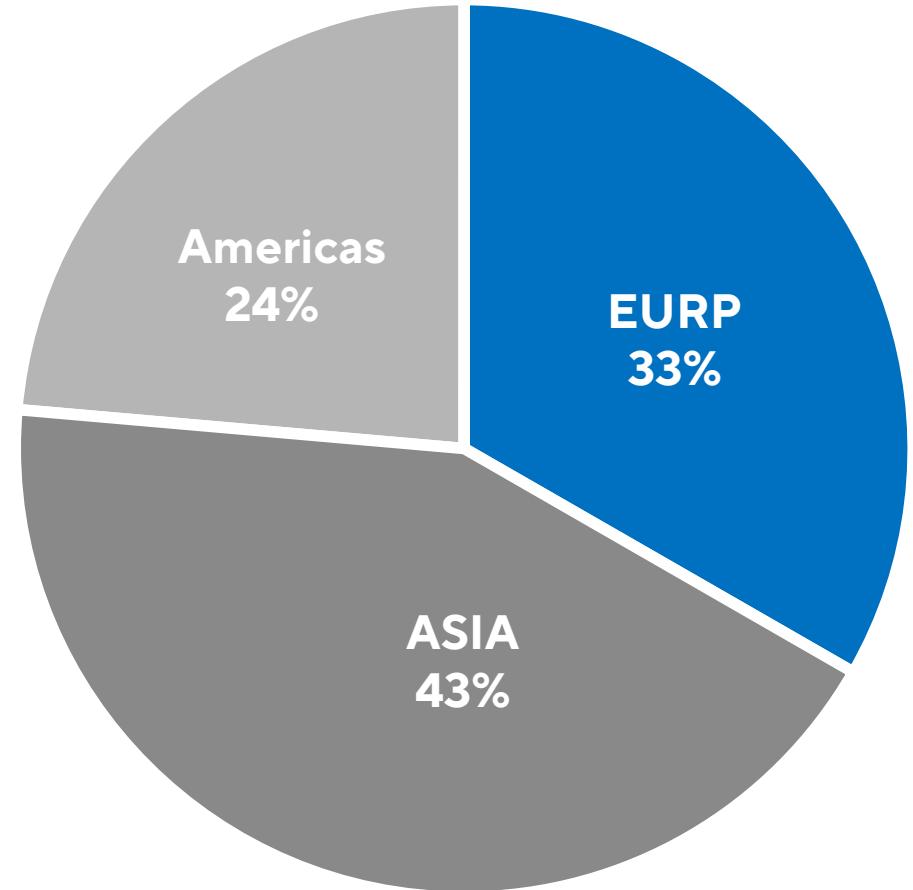


Region Mix

4Q 2021



2021



1Q 2022 Business Outlook

- PC QoQ down single digit, YoY +40%
- Component QoQ down single digit, YoY flattish



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Strategy & Outlook

Key Business Objectives

One ASUS

A unified team that trusts in radical truth and transparency, leveraging collective wisdom to achieve synergies across all business segments

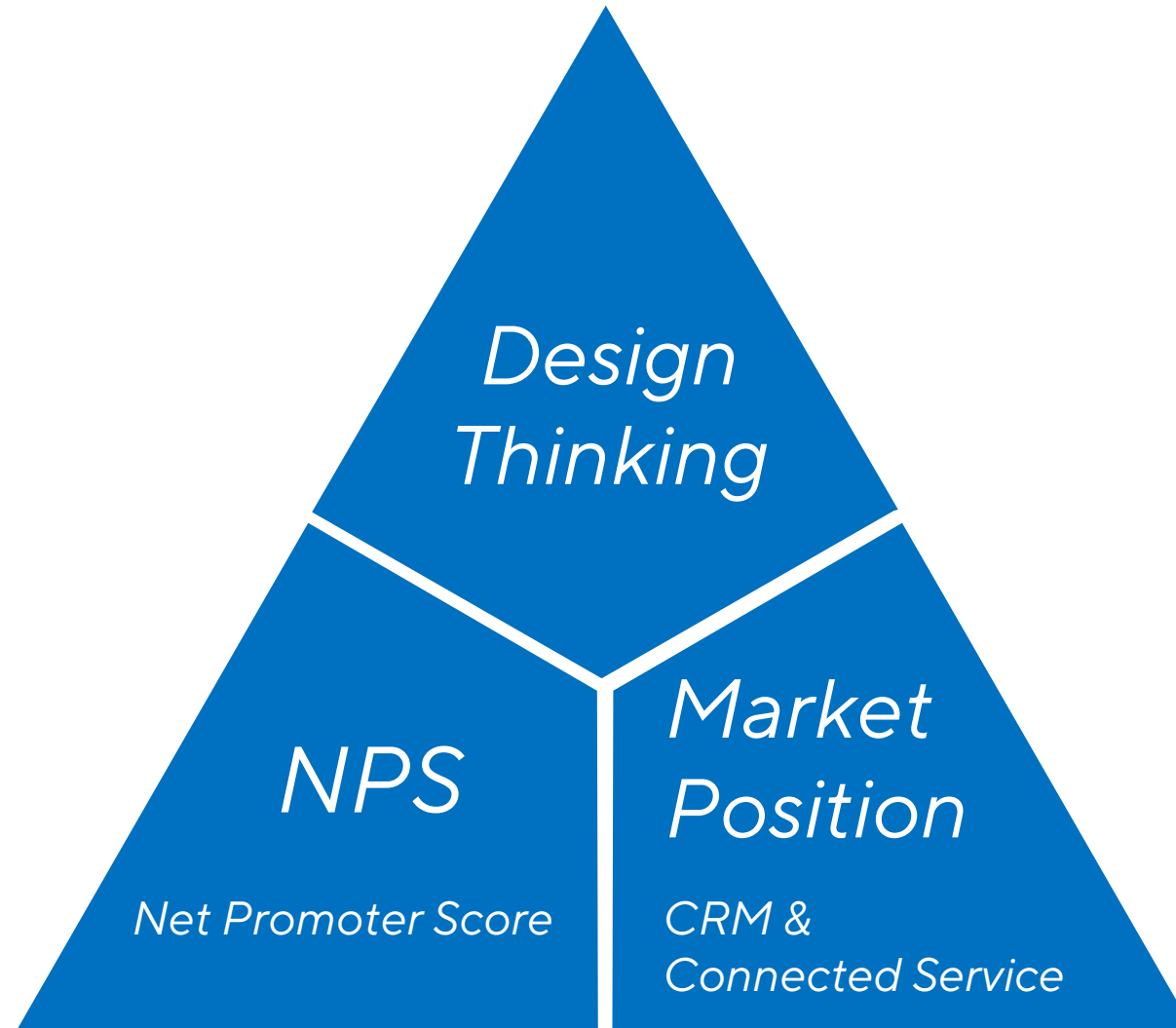
Next Era of Innovation

Fostering product, process and operational innovation

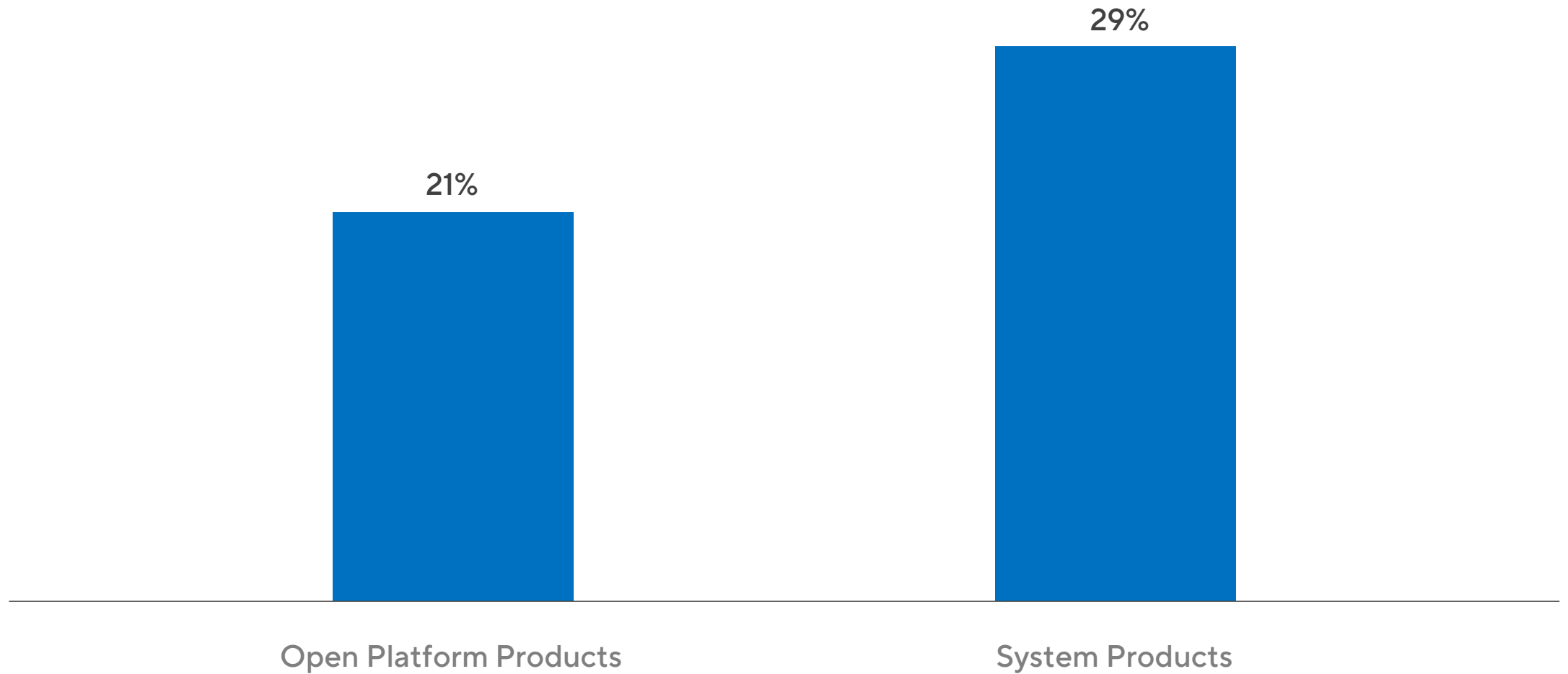
Aspirational Target

Setting aspirational growth targets that are respected by the industry

Golden Triangle of the ASUS Brand

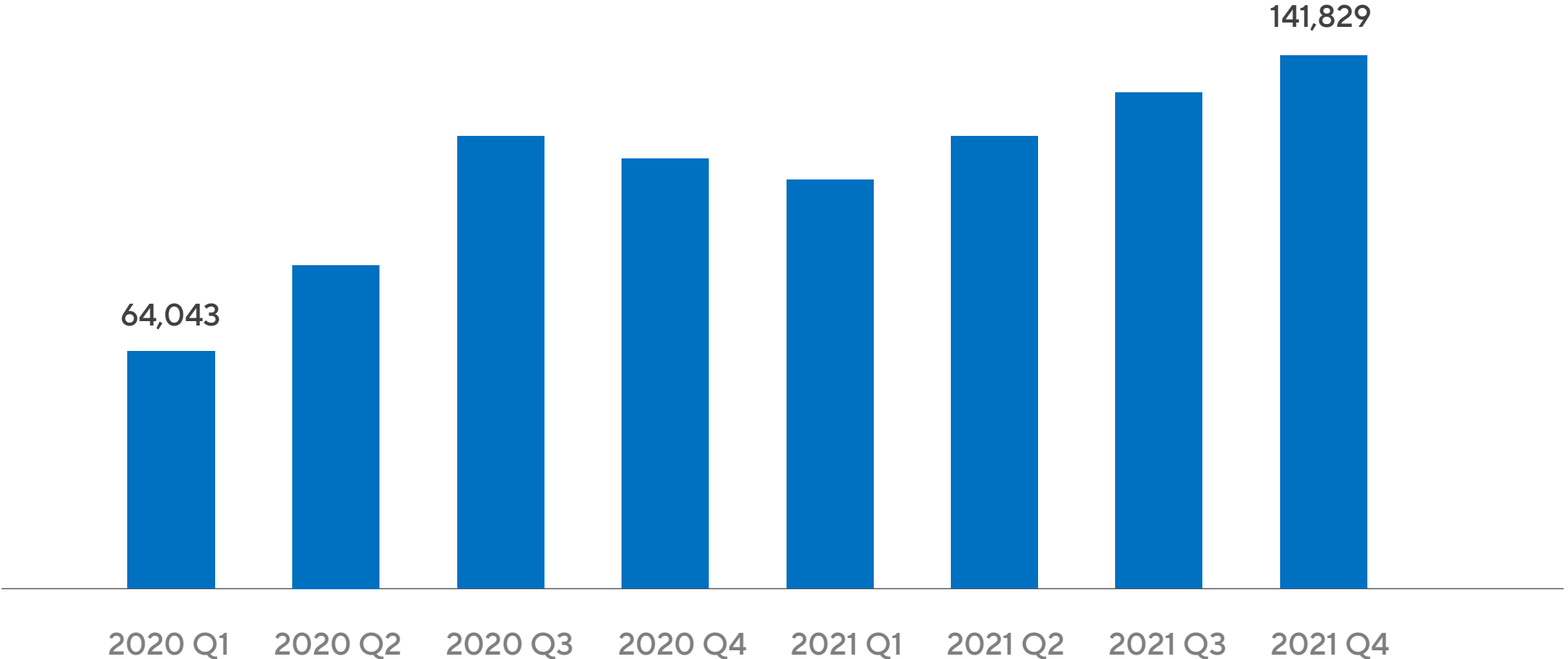


Strong Growth in Q4 2021



(Revenue YoY)

Strong and Consistent Revenue Growth



(NT\$ Mn)

Worldwide Recognition



Worldwide Recognition



ROG Zephyrus Duo 16
Dual Displays Gaming Laptop



CES Innovation Awards



ROG Flow Z13 (GZ301)
2-IN-1 Gaming Laptop

ASUS Leads in Components

Class-leading Innovations Developed through Design Thinking

World's No.1 Motherboard Brand

for over 15 years

Over 40% share in global market

**Dominates in Intel Z690 & AMD X570
High-end Motherboards**

55% market share worldwide

Rock-solid leadership in next-gen
technology



Leadership in Graphics Cards

No.1 sales share in the global market

**In touch with the future: cultivation of AI
and the Metaverse**

Voted best graphics card brand



Best Computer Monitor Brand

The highest rating for overall satisfaction

**World's best selling portable monitor
with sustaining innovations**

Earned two CES Innovation Awards in 2022 –
ProArt Display PA169CDV, ZenScreen OLED MQ series

**Won PCMag Reader's Choice Award in
2021**



PC Components Powered by ASUS

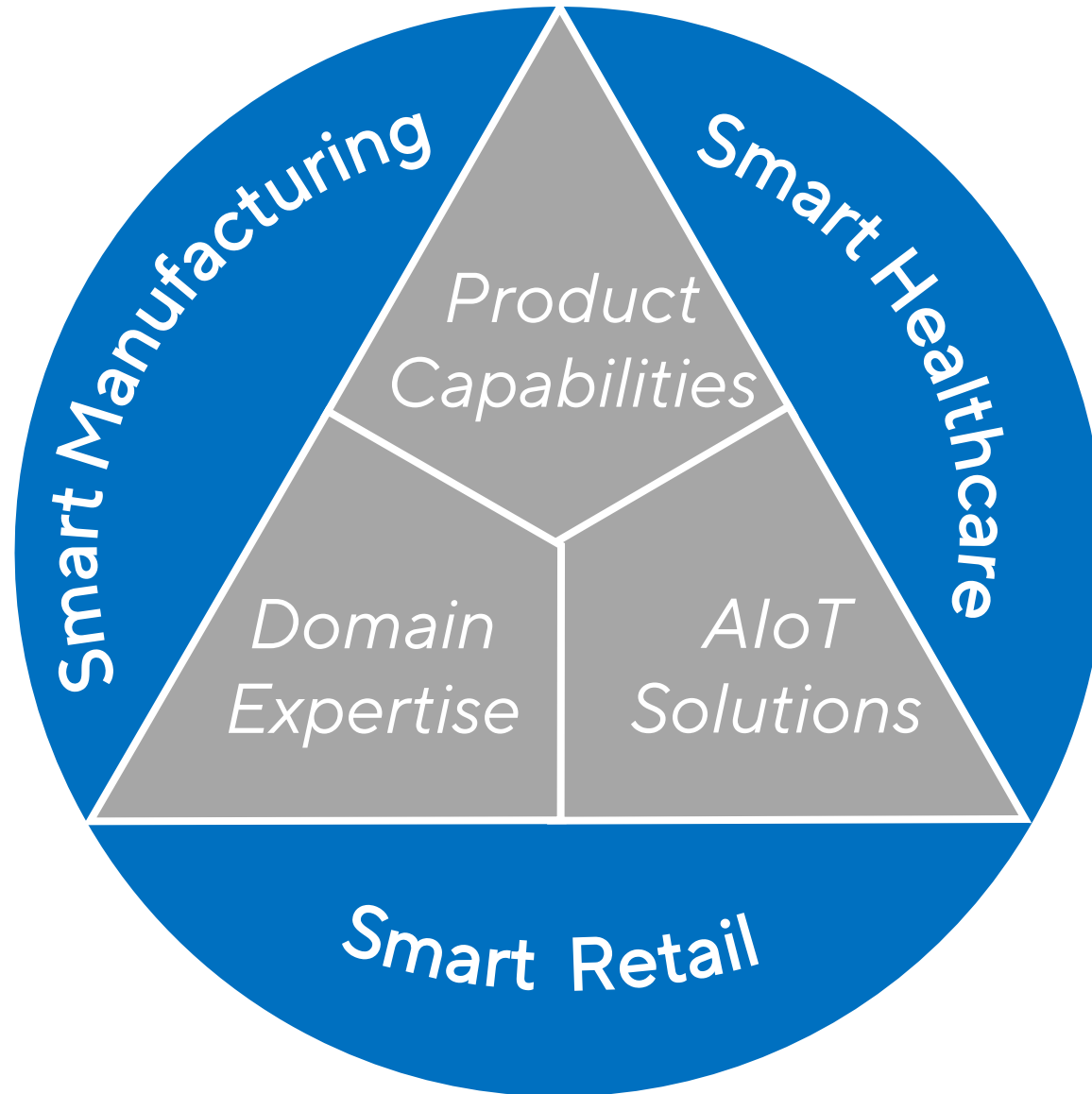
Custom PCs with the Best Parts

DOMINATE WITH THE BEST



*Aura Sync is available on selected products.

ASUS AIoT Ecosystem



ASUS xHIS Service Deployment

- Rolling out all available services at TzuChi across OPD, IPD and ER
- Building up the new xHIS platform architecture and re-implement the OPD system for more hospitals
- Joint-development projects with Taipei Veterans General Hospital and Taipei GanDau Hospital

xHIS Services

醫囑開立服務 *CPOE Service*

醫囑稽核服務 *Regulation Service*

醫囑表單服務 *Form Service*

行動巡房服務 *Rounding Service*

敗血預測服務 *Sepsis Prediction Service*

門診醫囑服務 *OPD Service*

病歷摘要服務 *Digital Twin Service*

用藥安全服務 *Drug Safety Service*

All available services for TzuChi

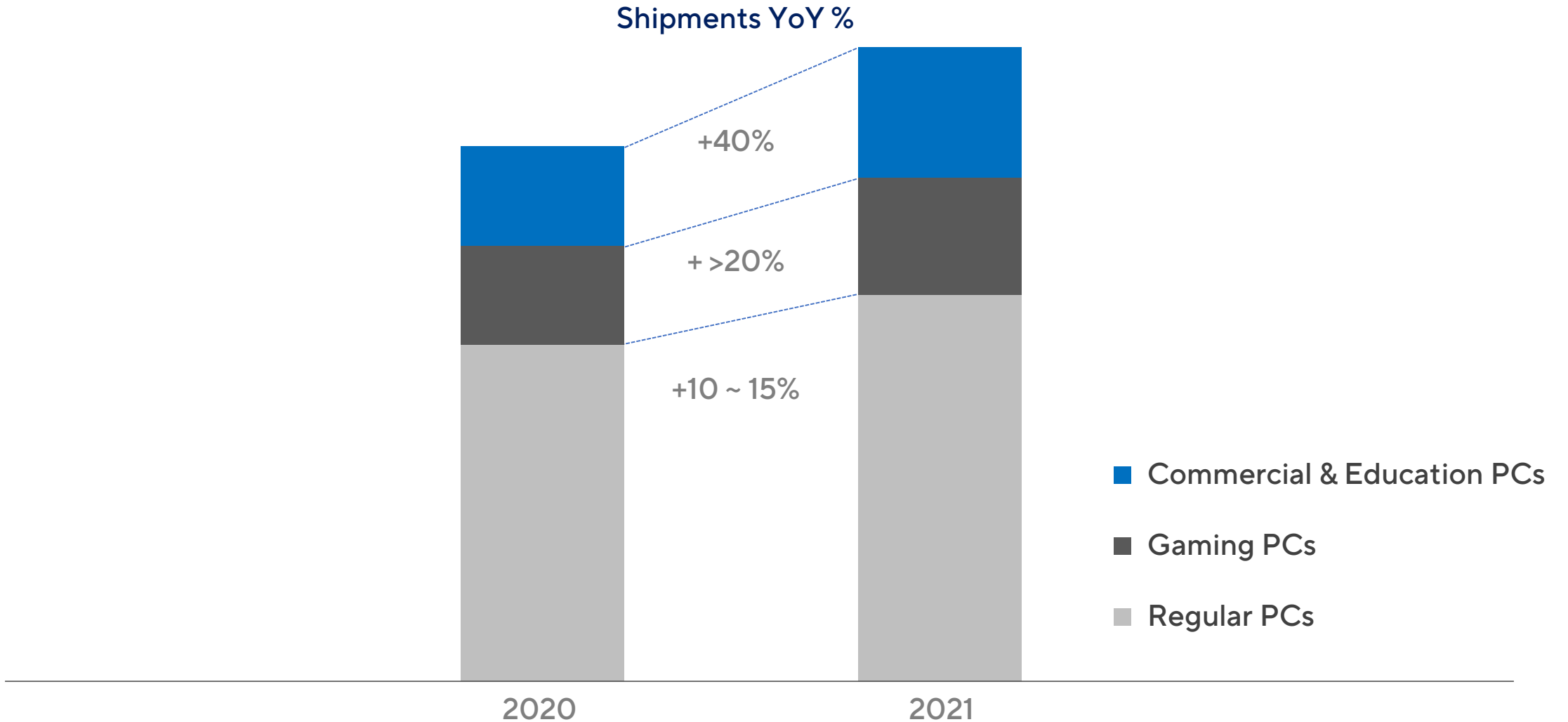


ASUS partners with Taipei Veterans General Hospital



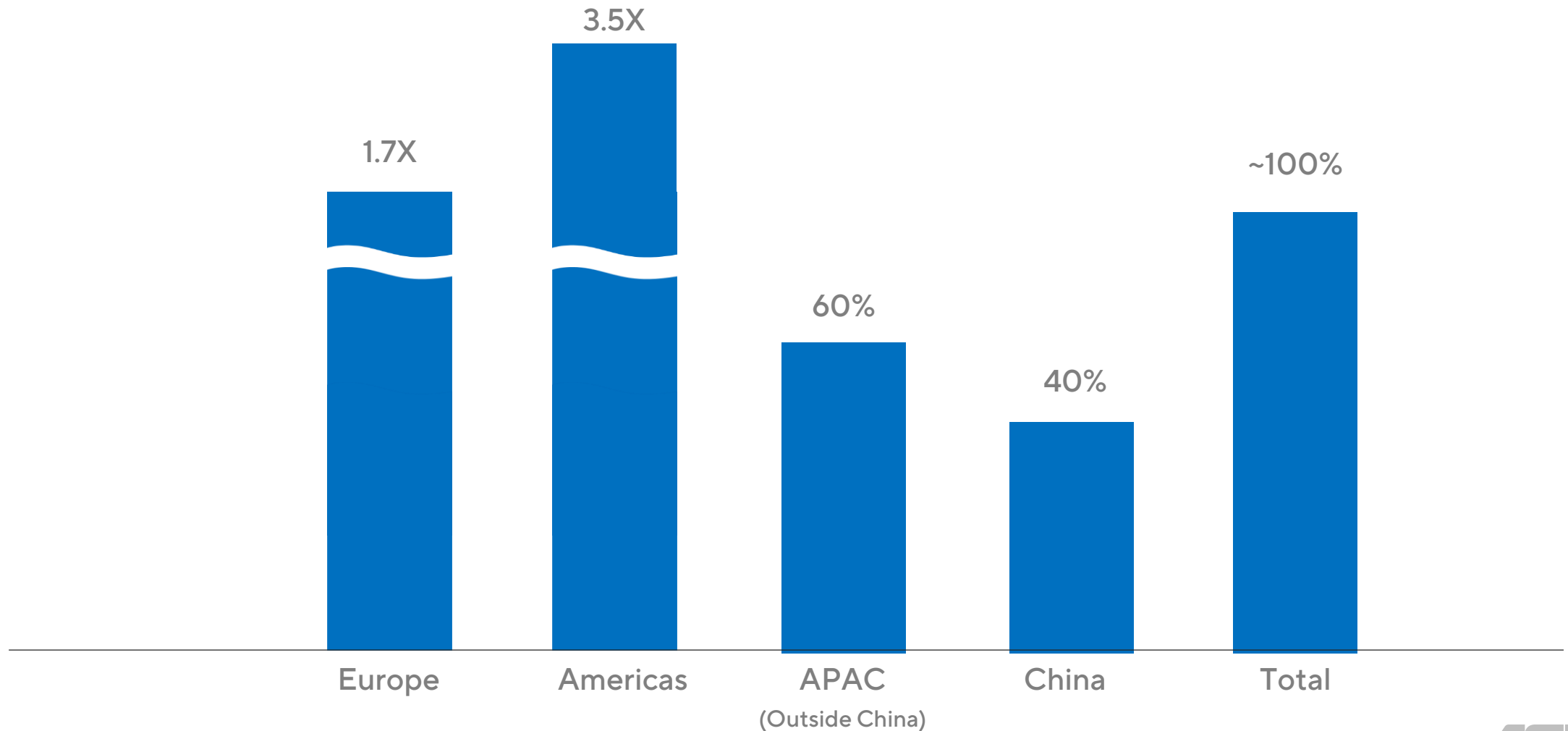
ASUS, Gandau Hospital, and NYCU signed MOU

Leadership on Multiple Fronts



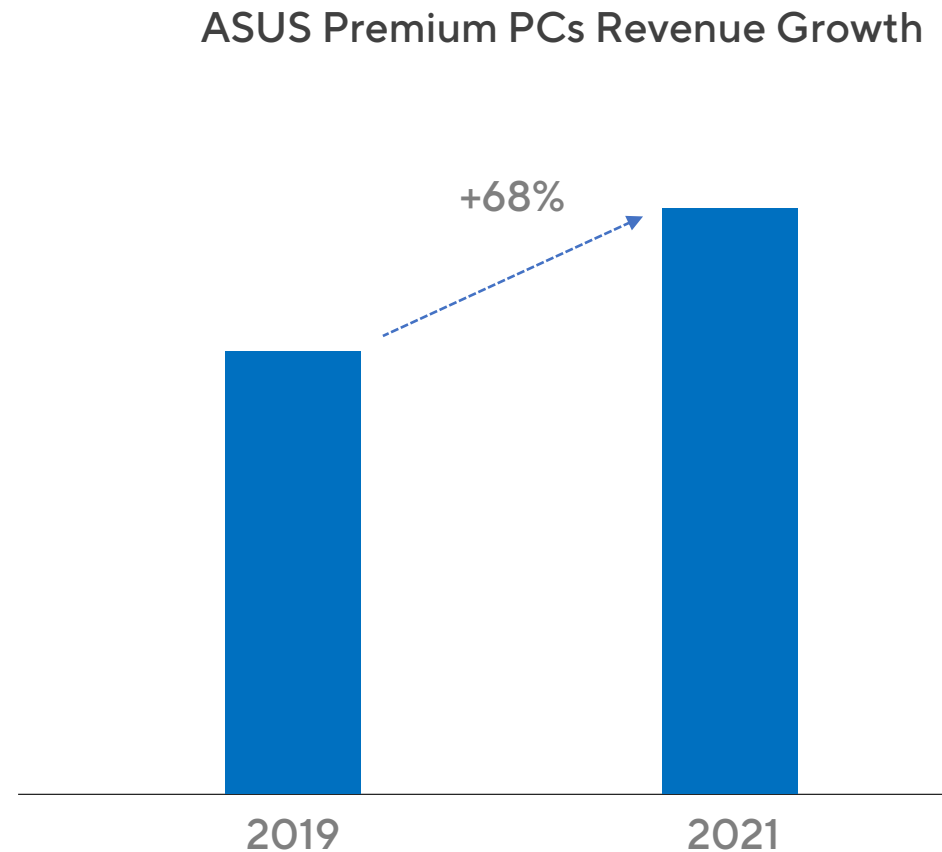
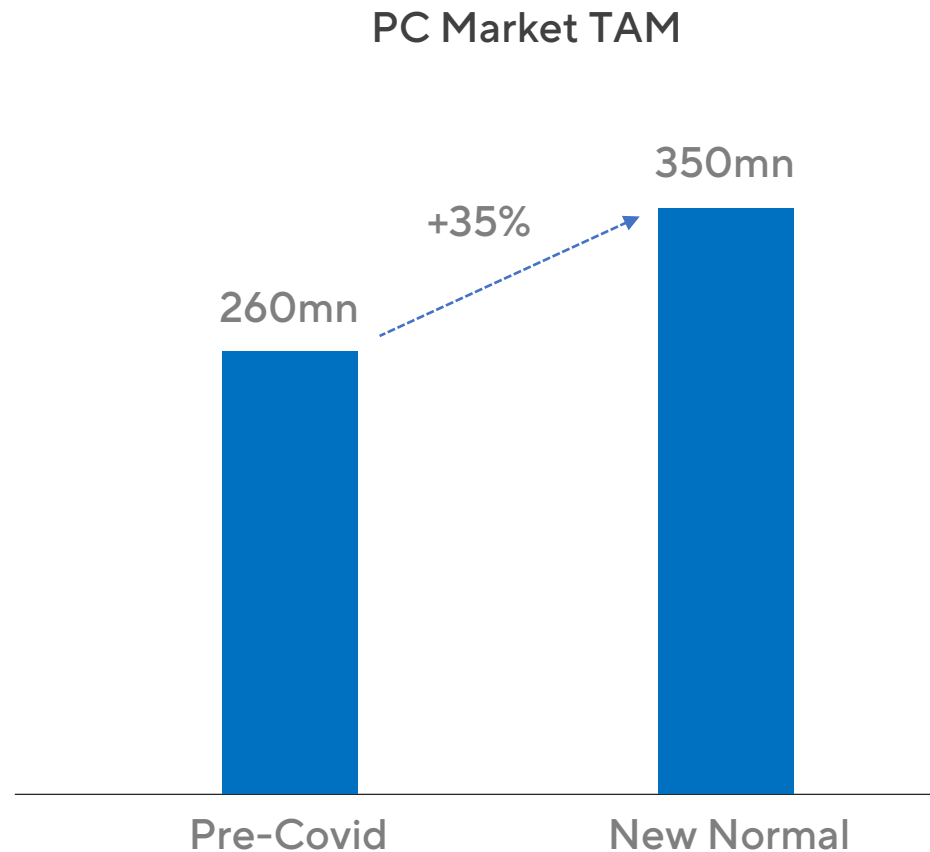
Expansion in Commercial PC Business

2021 YoY Growth of ASUS Commercial PC Shipments (excluding Chromebooks)

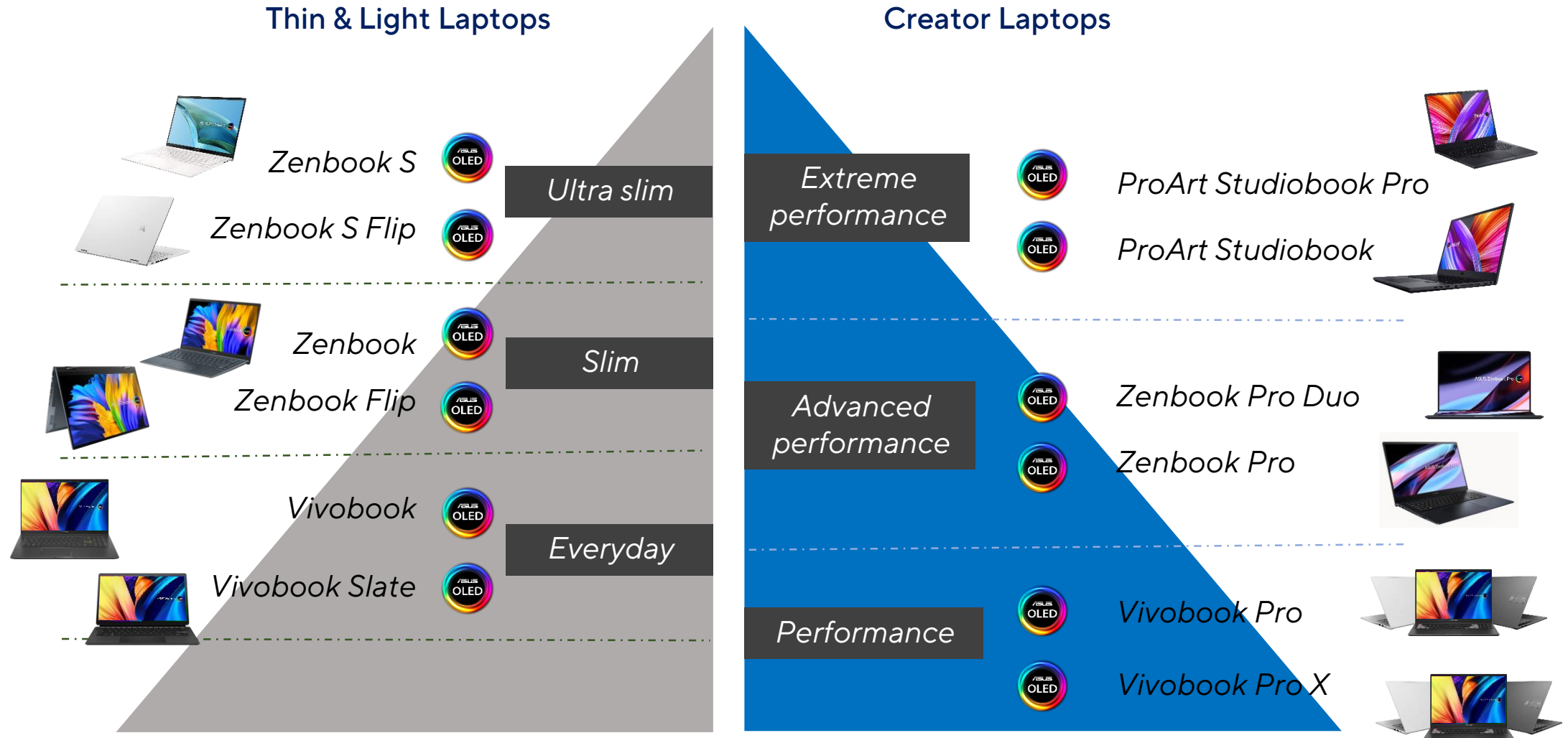


Evolved Market and Value Creation

Focus on areas of growth including Premium Consumer PCs, Gaming PCs, Creator PCs, and High-end Chromebooks

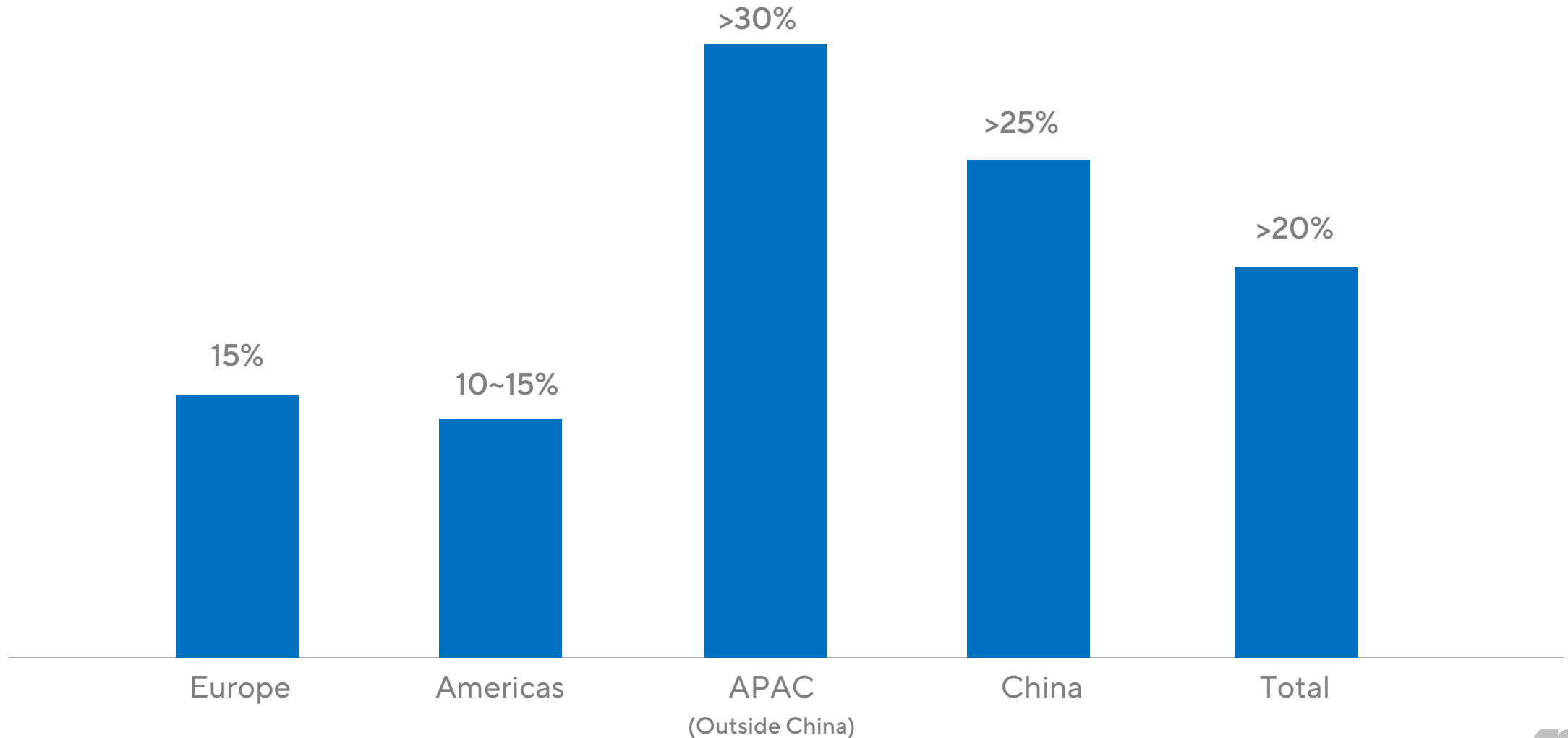


The Most Complete OLED Laptop Solutions



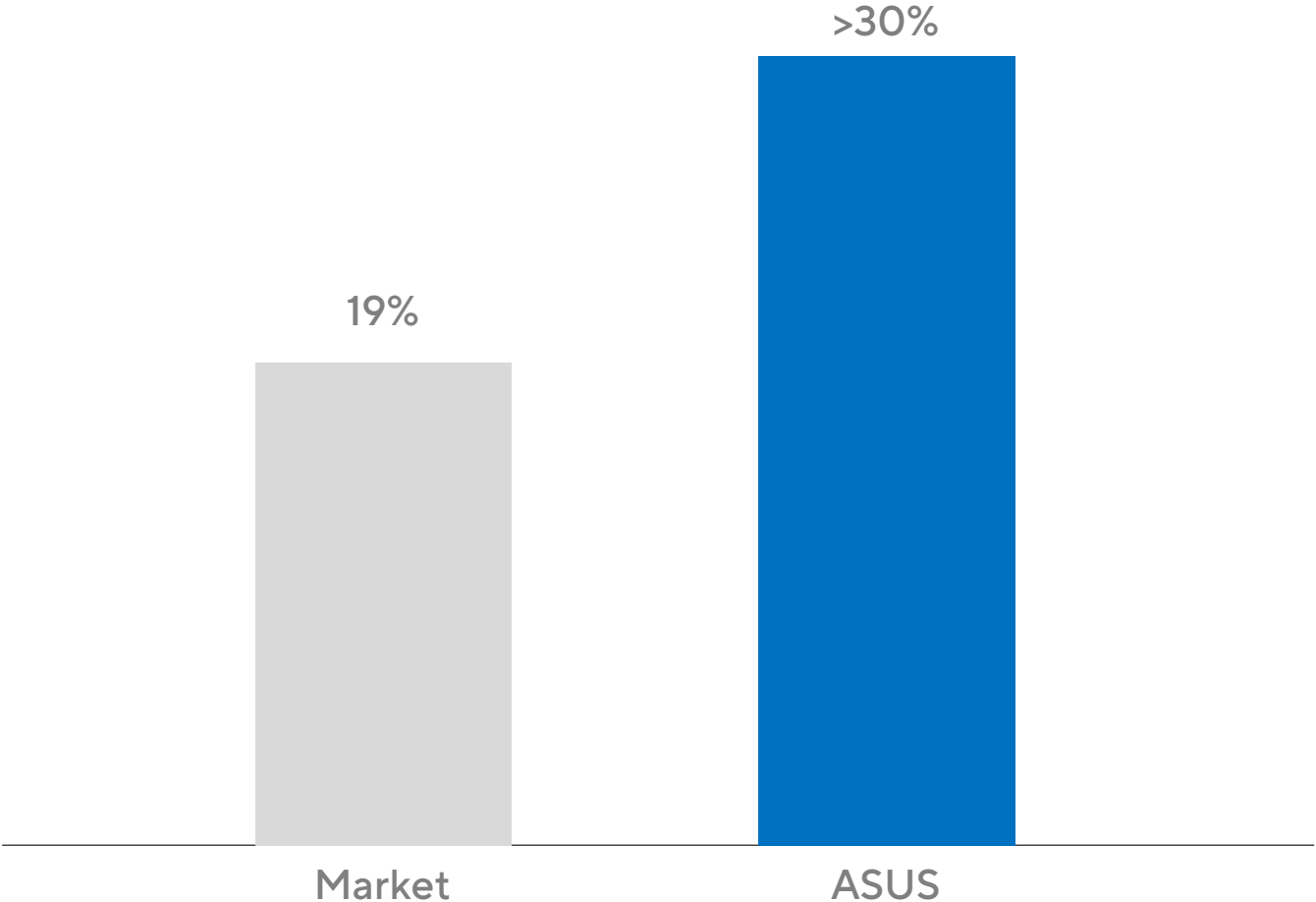
Hypergrowth in Gaming PC Business

2021 YoY Growth of ASUS Gaming PC Shipments



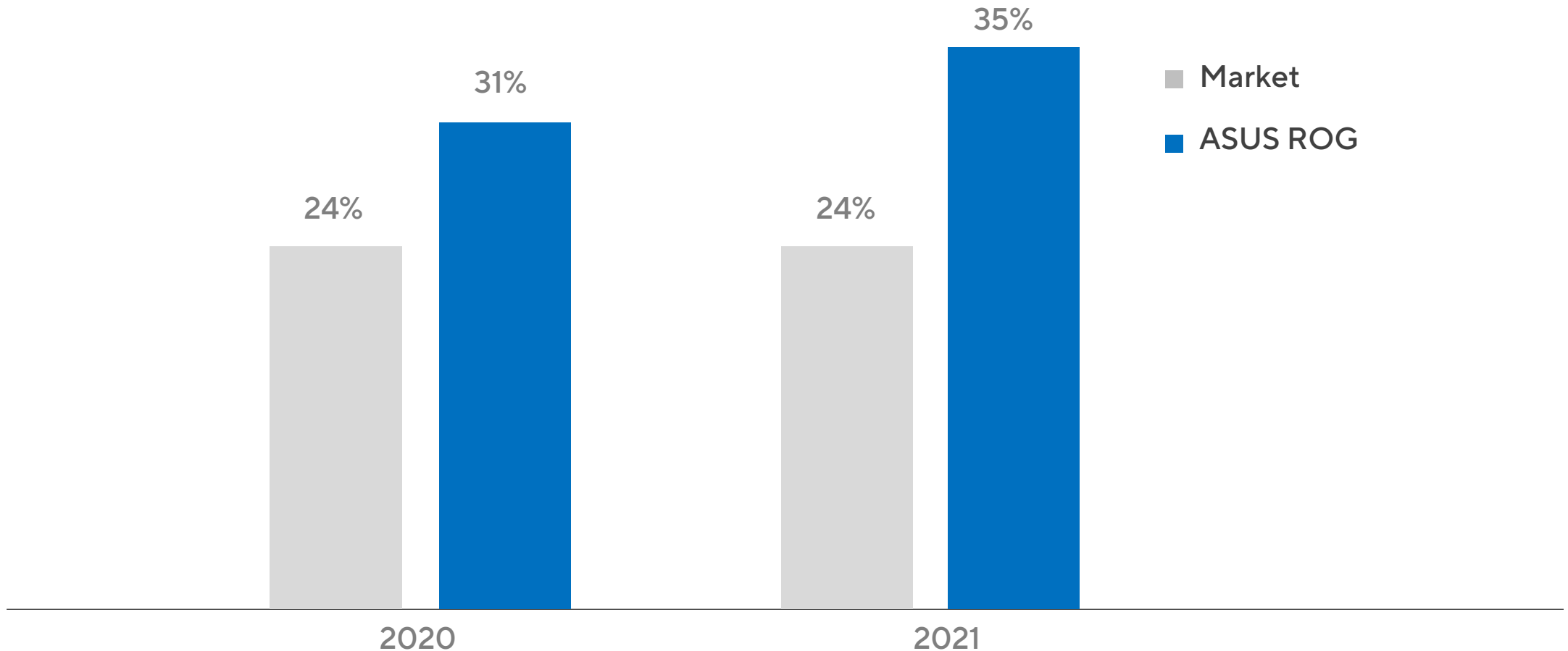
Consistently Outperforming the Gaming PC Market

2019-2021 Average YoY Growth of Gaming PC Shipments

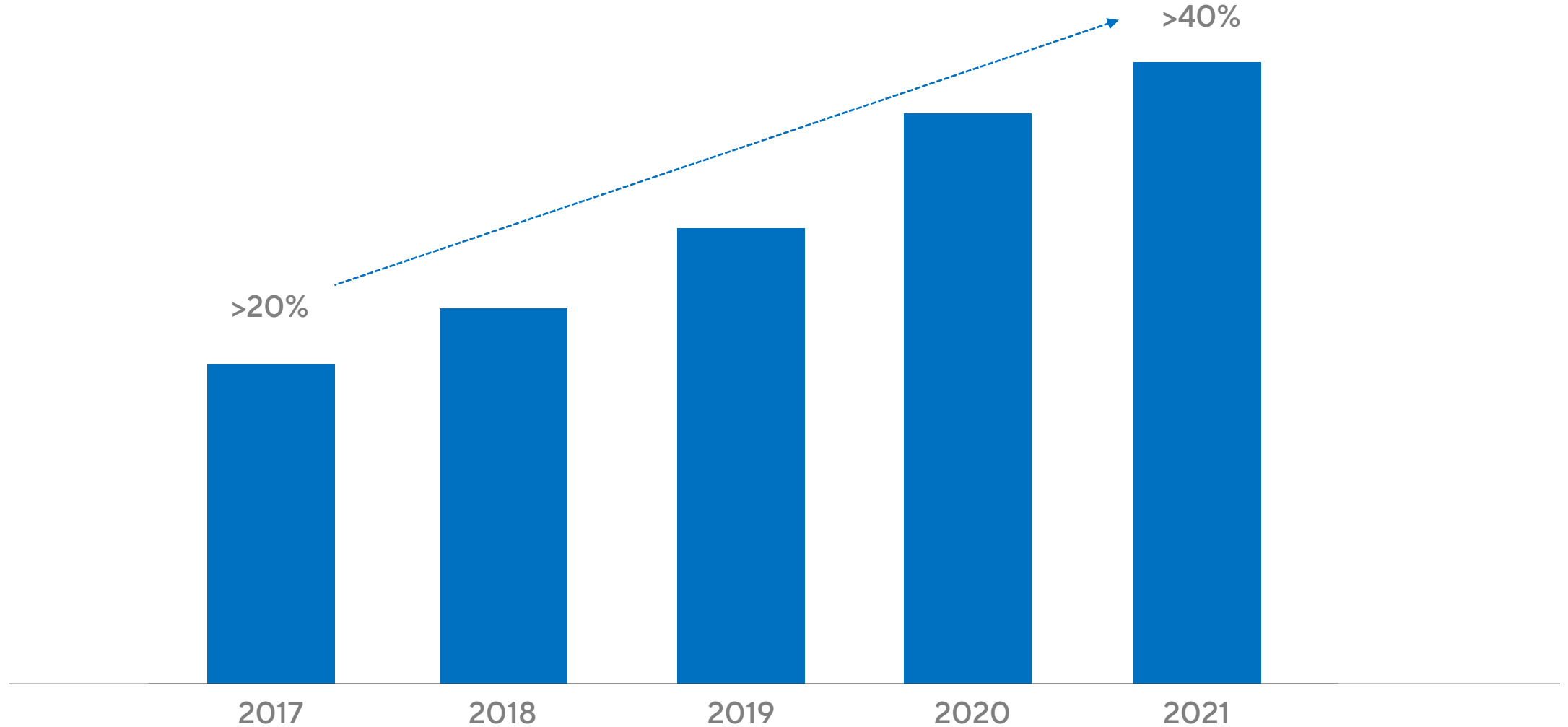


Leader in Gaming Notebooks

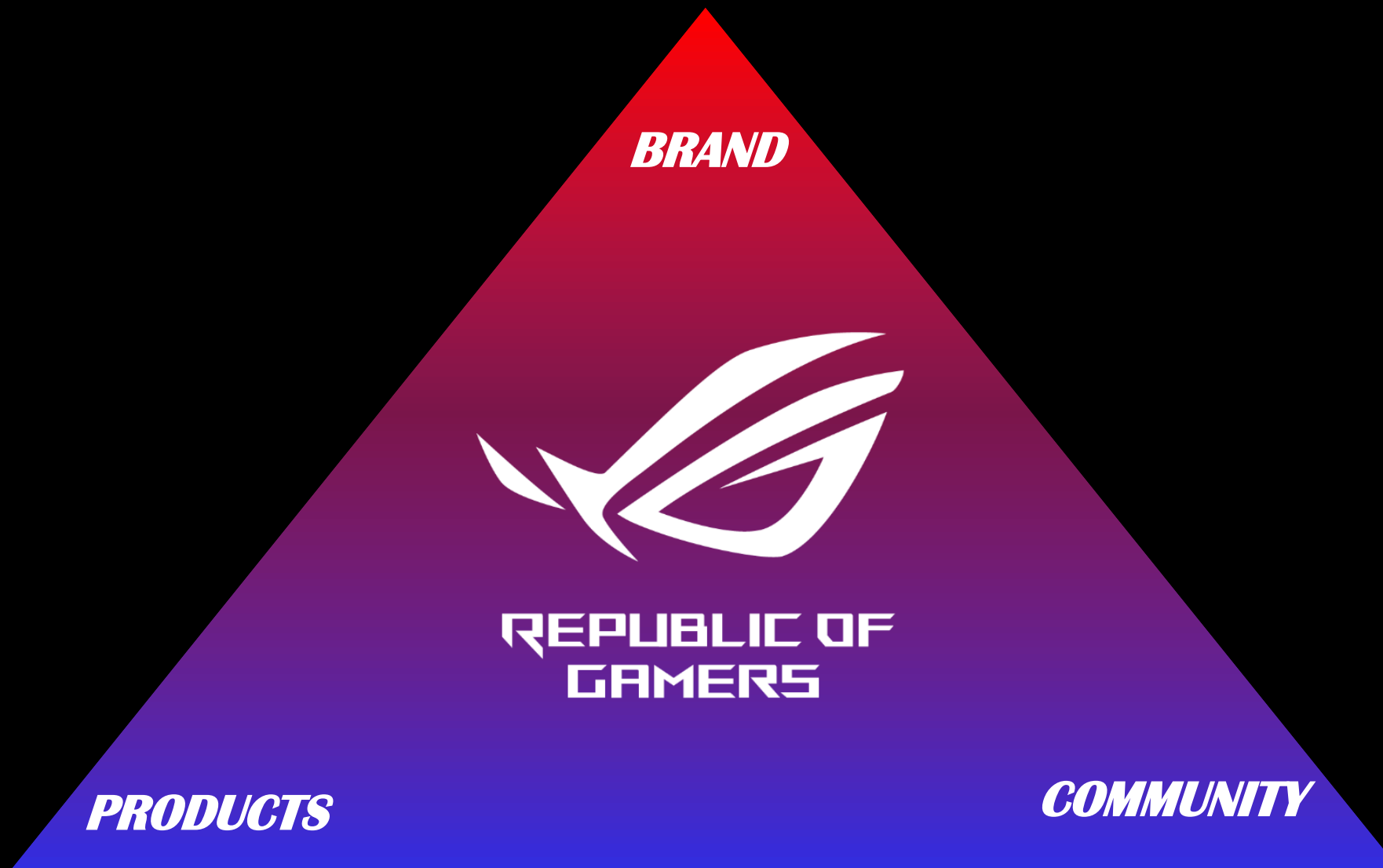
Premium Gaming NB as % of total Gaming NB Shipments



Accelerated Gaming Product Revenue



NO.1 GAMING BRAND AND ECOSYSTEM



No.1 Gaming Portfolio



**ROG Strix LC
GeForce RTX™ 3080 Ti**



ROG Flow Z13



ROG Phone 5/5s Series



**ROG SWIFT OLED
PG42UQ & PG48UQ**



ROG Archer Series



**ROG MAXIMUS Z690
EXTREME GLACIAL**



**ROG Rapture GT-
AXE16000**



ROG Delta S Animate



**ROG Strix Flare II
Animate**



ROG Chakram X



Fostering Evolution of The Gaming Ecosystem





Music

ROG x Alan Walker



Sports

ROG x Nyjah Huston



Fashion

ROG x Acronym **ACRONYM®**

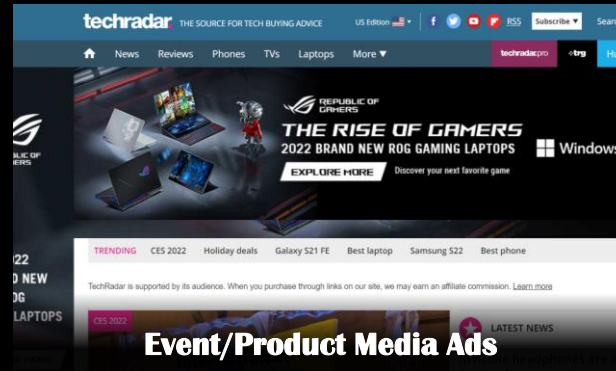


Lifestyle

ROG x IKEA **IKEA®**



CES 2022: The Rise of Gamers



The Most Complete Creator Solutions

No.1 Creator Portfolio

ProArt
Power Up Your Imagination



ProArt Station & MiniPC



Professional Creator Laptops



ProArt Studiobook



Advanced Creator Laptops



Zenbook Pro Duo 15 OLED



Zenbook Pro 15



ProArt Motherboards



ProArt Display



Casual Creator Laptops



Vivobook Pro 14X / 16X OLED

Vivobook Pro 14 / 15 OLED



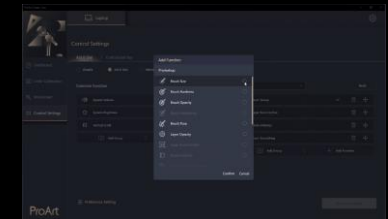
ProArt Mouse & Mouse Pad



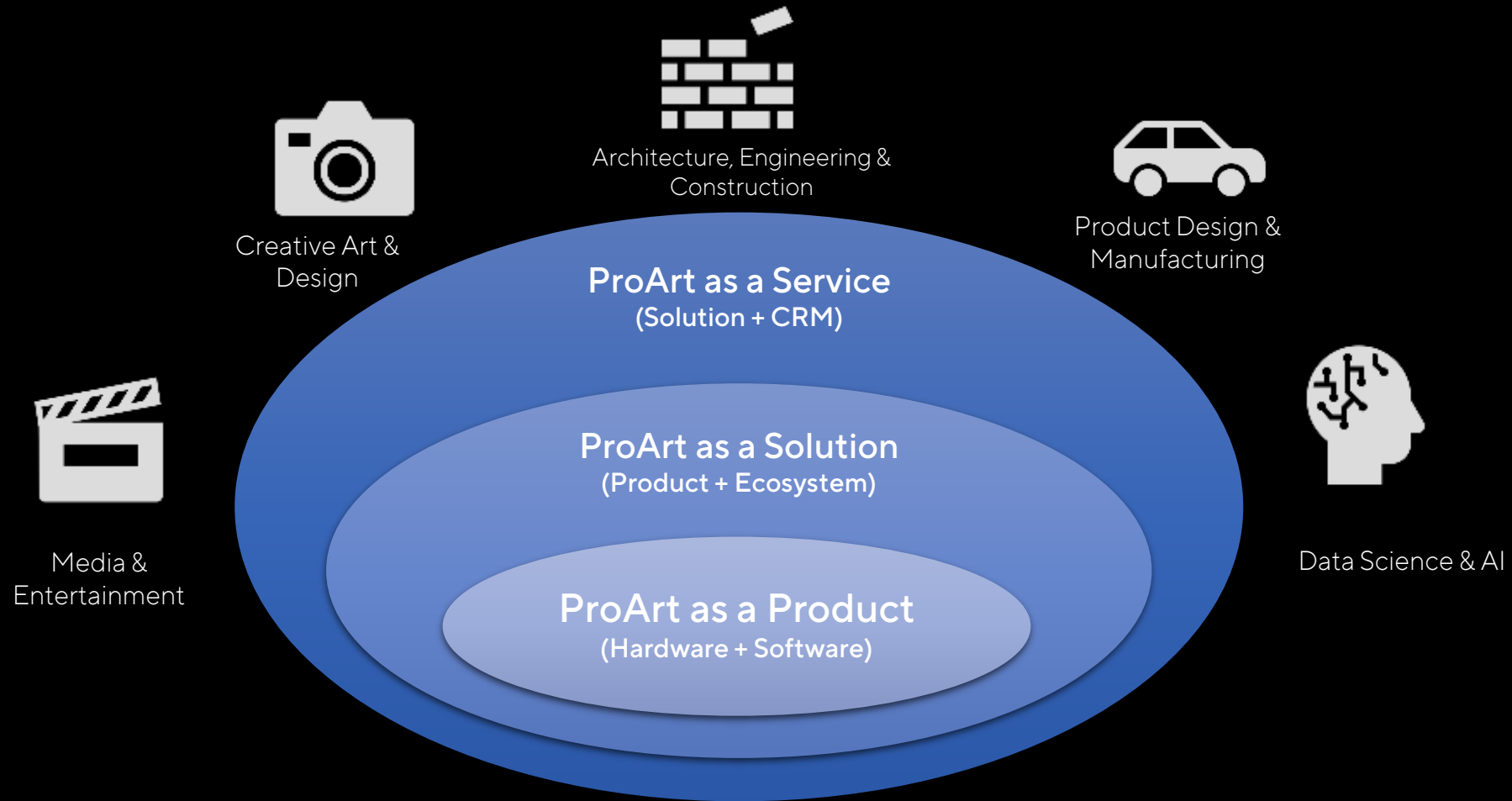
ProArt Projector



ProArt Creator Hub



Creator: From Product to Solution & Service



ABSOLUTE
PRECISION

PROMISED STABILITY

EXTREME
PERFORMANCE

VERSATILE
CONNECTIVITY

What Pros Say



MoonShine Studio Founder
Lin Chia Chi
Taiwan



DaVinci Resolve Instructor
Blake Jones
U.S.A.



Director of Imaging, Dolby Lab.
Hari Ganti
U.S.A.



Colorist, President of CSI
Kevin Shaw
U.K.



Film Director/Cinematographer
Tom Antos
U.S.A.



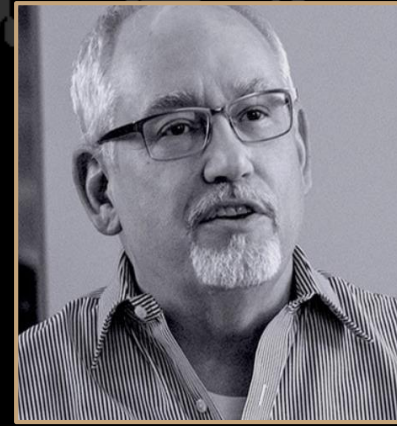
Art Designer, Juror of Grammy Awards
Xiao Qing-Yang
Taiwan



Director
Jacob Schwarz
U.S.A.



Professional Photographer
Stefan Jermann
Switzerland



Director and Executive Producer
Gary Adcock
U.S.A.



According to market research, ASUS is the worldwide No. 1 Nvidia GTX/RTX Creator Laptop brand. ASUS is ranked No. 1 in terms of shipments and maintains leadership in the global market with 27.7% market share as of December 2021.



ProArt Studiobook
Performance for Professional Creators



Zenbook Pro
Mobility for Advanced Creators



Vivobook Pro
Style and Performance for Everyday Creators





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Q & A