



# ACES ELECTRONICS CO., LTD.

TWSE: 3605

DEC 13 , 2023



# Disclaimer Statement

- ◆ This presentation and release contain “forward-looking statements” which may include projections of future results of operations, financial condition or business prospects based on our own information and other sources.
- ◆ Our actual results of operations, financial condition or business prospects may differ from those expressed or implied in these forward-looking statements for a variety of reasons, including but not limited to market demand, price fluctuations, competition, international economic conditions, supply chain issues, exchange rate fluctuations and other risks and factors beyond our control.
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# Company Overview



# Global Top 100 Connector Manufacturers Research Report

~Connecting to the future at high speed~

- ◆ According to the research report by  (published in 2023), ACES Group has consistently ranked among the top 50 global connector manufacturers for three consecutive years (2020-2022), securing the 46th position globally.
- ◆ As one of the top 4 connector manufacturers in Taiwan, we are committed to providing the best solutions and high-quality products.



## ACES Group's Vision

Being A Leading Brand in Connectors Industry



# Profile

- ◆ ACES Group Established in Nov. 1996.
  - ✓ Over 5,000 employees worldwide.
  - ✓ Headquarters: Zhongli, Taoyuan, Taiwan.
  - ✓ Factories: Taiwan, Dongguan, Kunshan, Philippines, and Vietnam.
  - ✓ Overseas Sales Offices: Japan, Singapore, Germany, USA, India, and UK.
- ◆ We are focusing on **designing/producing/selling** high precision connectors, cables, metal stamping, injection molding, precision machining, etc., and solution of electronic devices.
- ◆ End Product including: Industrial equipment, Cloud, Server, Automotive Electronics, NB, Consumer Electronics, and Medical Industry.



# Milestone



# ACES Group



## Cable Group

MEC TW  
MEC Taiwan

MEC KL  
MEC Kunshan

MEC HPT  
MEC Dongguan

MEC PHIL  
MEC Philippines



## Connector Group

ACES TW  
ACES Taiwan

ACES PEC TW  
ACES PEC Taiwan

ACES JP  
ACES Japan  
(office)

ACES VN  
ACES Vietnam

ACES HY  
ACES Precision  
Machinery

ACES KS  
ACES Kunshan

ACES DG  
ACES Dongguan

ACES Galis  
GALIS Kunshan  
Plating

ACES SG  
ACES Singapore  
(office)



## Stamping Metal Connectors

KYN TW  
KYN Taiwan

KYN DG  
KYN Dongguan



## Genesis Group

GTW  
Genesis Taiwan

GUSA  
Genesis USA

PLX  
Genesis Dongguan



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High-Speed  
Computing



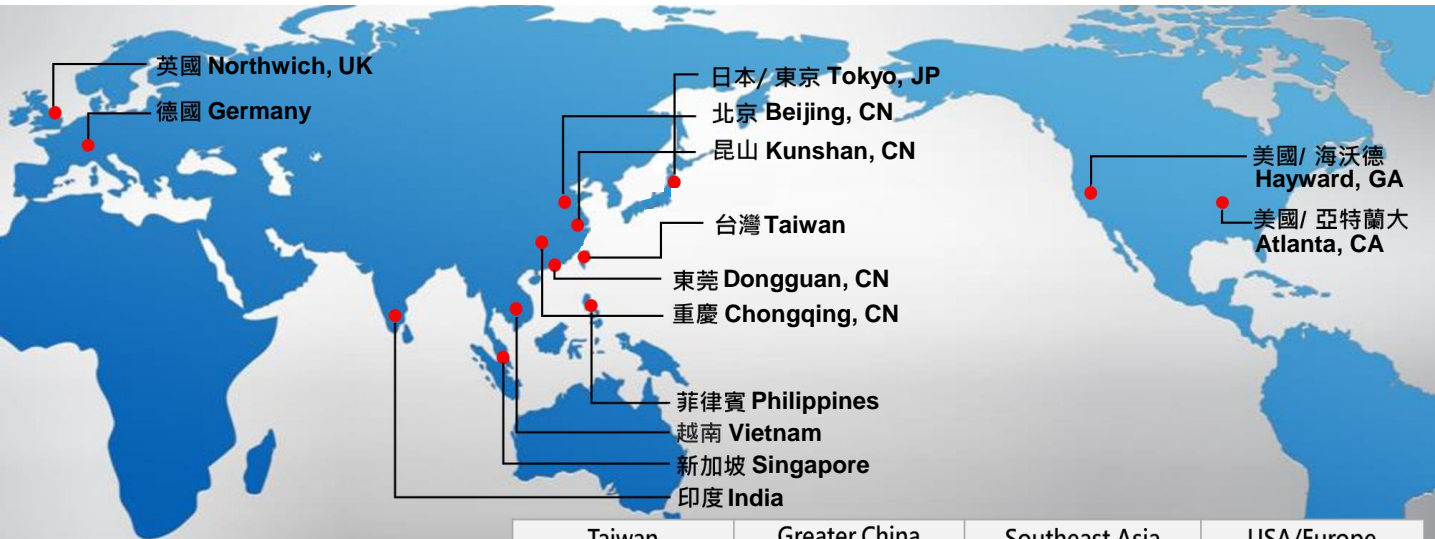
Automobile  
& ADAS



Consumer  
Electronics



# Global Service Footprints



<b>Factory</b>	<b>Office</b>	<b>Warehouse</b>
13	9	2

Taiwan	Greater China	Southeast Asia	USA/Europe
<p>Taoyuan</p> <ul style="list-style-type: none"> <li>Headquarters (office &amp; factory)</li> <li>PEC (factory X3)                             <ul style="list-style-type: none"> <li>-Connector</li> <li>-Metal Stamping</li> <li>-Cable Assembly</li> </ul> </li> </ul> <p>Taitung</p> <ul style="list-style-type: none"> <li>ACES Precision</li> <li>Machinery (factory)</li> </ul> <p>Taipei (office)</p>	<p>CHINA</p> <ul style="list-style-type: none"> <li>Dongguan (factory X4)                             <ul style="list-style-type: none"> <li>-Connector X2</li> <li>-High Speed Cable Assembly</li> <li>-Metal Stamping</li> </ul> </li> <li>Kunshan (factory X4)                             <ul style="list-style-type: none"> <li>-Connector</li> <li>-Metal Stamping</li> <li>-Electroplating</li> <li>-Cable Assembly</li> </ul> </li> </ul>	<p>Vietnam (factory)</p> <ul style="list-style-type: none"> <li>-Metal Casting</li> <li>-Electroplating</li> <li>-RF Connector</li> <li>-Metal Stamping</li> <li>-Cable Assembly</li> </ul> <p>Singapore (office)</p> <p>Japan (office)</p> <p>Philippines (factory)</p> <ul style="list-style-type: none"> <li>-Cable Assembly</li> </ul> <p>India (office)</p>	<p>USA</p> <ul style="list-style-type: none"> <li>-Atlanta, GA (office, warehouse)</li> <li>-Hayward, CA (office)</li> </ul> <p>Germany (office, warehouse)</p> <p>UK-Northwich (office)</p>



# ESG Achievements



## ENVIRONMENT

- Carbon emission reduced by 4.09% from last year.
- Power consumption reduced by 11.33% from last year.
- Certified for **ISO14064**.
- Certified for **ISO14001**.
- Certified for **ISO45001**.
- Pledge of **Hazardous Substance-Free Products**.
- Pledge of **Non-use of Conflict Minerals**.



## SOCIAL

- Community investment reached NT\$2.96 million.
- Local procurement amount reached NT\$1.98 billion.
- Donations 4 mobile library vehicles.
- 10 cases of industry-academic collaboration projects.
- Average employee training is 6.91 hours.
- No significant occupational accidents reported.



## GOVERNANCE

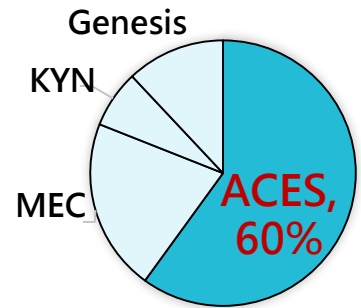
- R&D expenses reached NT\$ 5.73 billion.
- Accumulated total of 496 patents.
- Customer satisfaction reached 119.5 points.
- Green procurement amounted to NT\$ 4.41 million.
- Average salary increase rate reached 4.41%.
- No incidents of human rights and ethical issues reported.

# Business & Product Strategies



# Plant Overview- 宏致ACES

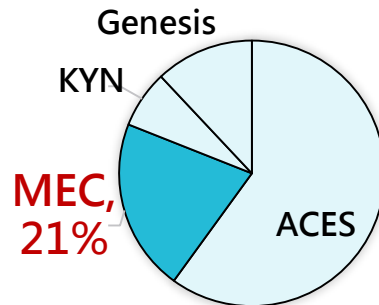
Proportion :  
Taiwan 15% / China 80% / Vietnam 5%



總部 Headquarters	精工中心 Precision Engineering Center	東莞宏致 Dongguan Plant	昆山宏致 Kunshan Plant	加利斯金屬 Galis Plating	越南宏致 Vietnam Plant
<ul style="list-style-type: none"> <li>*Marketing</li> <li>*Sales</li> </ul> 	<ul style="list-style-type: none"> <li>*R&amp;D</li> <li>*Molding, Stamping</li> <li>*Connector</li> <li>*High Speed Cable</li> <li>*Electronic System Solutions</li> </ul> 	<ul style="list-style-type: none"> <li>*Sales.R&amp;D</li> <li>*Tooling</li> <li>*Molding, Stamping</li> <li>*Cable Assembly</li> </ul> 	<ul style="list-style-type: none"> <li>*Sale.R&amp;D</li> <li>*Tooling</li> <li>*Molding, Stamping</li> <li>*Connector</li> <li>*Car Connector</li> </ul> 	<ul style="list-style-type: none"> <li>*Plating</li> </ul> 	<ul style="list-style-type: none"> <li>*Plating, Stamping</li> <li>*Cable</li> <li>*Connector</li> </ul> 

# Plant Overview- 龍翰MEC

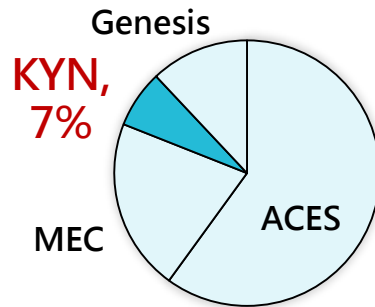
Proportion :  
 Philippines 50% / Kunshan 30% /  
 Dongguan 15% / Taiwan 5%






台灣龍翰	菲律賓龍翰	昆山龍翰	東莞奇翰
MEC IMEX Inc.	MEC Electronics (Philippines) Corp.	MEC SUZHOU ELECTRONICS CO., LTD.	MEC Homepride Tech. Inc.
<ul style="list-style-type: none"> <li>*Sales. R&amp;D</li> <li>*High Speed cable</li> <li>*Automotive</li> </ul> 	<ul style="list-style-type: none"> <li>*AC/DC Power Cable</li> <li>*Equipment Power Cable</li> <li>*Industrial Power Cable</li> </ul> 	<ul style="list-style-type: none"> <li>*NB Connector &amp; Cable</li> <li>*Automotive Electronics Cable</li> <li>*Industrial Power Cable</li> </ul> 	<ul style="list-style-type: none"> <li>*Multimedia Cable</li> <li>*External Electronic Cable</li> <li>*High Speed Cable</li> </ul> 

# Plant Overview- 廣迎新KYN

Proportion : Taiwan 10% / China 90%



<p>台灣廣迎新</p> <p>KYN Taiwan</p>	<p>東莞廣迎新</p> <p>KYN Dongguan</p>	<p>昆山廣迎新</p> <p>Kunshan Plant</p>
<p>*Stamping Metal *Server components &amp; chassis *Automotive Electronics &amp; Coolina Mechanisms</p> 	<p>*Stamping Metal</p> 	<p>*Stamping Metal</p> 

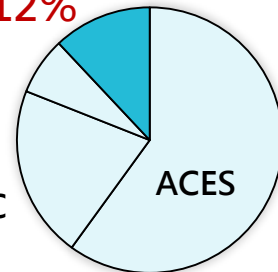
# Plant Overview- 創世紀Genesis

Genesis,  
12%

KYN

MEC

ACES



Proportion :

China 70% / Taiwan 30%

台灣創世紀/美國

昆山宏致

東莞普利星

GTW / GUSA

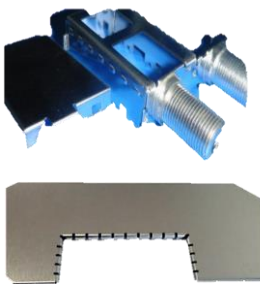
GTN

PLX

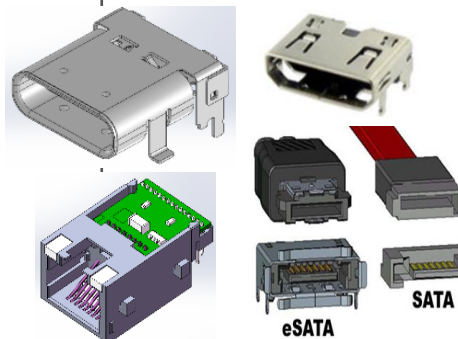
\*Sales, R&D,  
High Speed Cable  
\*Product Management,  
Procurement Center,  
Logistics Center"



\*RF Connector  
\*Shielding  
\*Heat sink



\*Connector, Cable



# Strategic Planning for main market category



## Industry

UPS,  
Smart Industrial  
Equipment,  
Industrial Computer

## Cloud

Server,  
Network  
Equipment,  
RF  
STB  
Modem

## Automobile

ADAS,  
Smart Cabin,  
Connected  
Vehicle  
Technology

Laptop  
Computer,  
Consumer  
Electronics





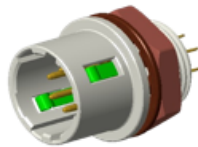
# Industrial Industry



## UPS, Smart Industrial Equipment, Industrial Computer



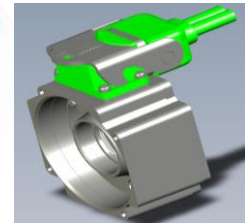
Motor Wire  
0.8 pitch IDC



Circular Connector



Water Proof Cable



Servo Motor  
Connector& Cable



# Cloud Communication Industry

## Server, Network Equipment, RF, STB, Modem, Router

Cooling Fan  
Power and Signal  
Connector/Cable

Storage  
Device Signal

High Speed Cable  
SFP, QSFP, SlimSAS, MCIO....

Metal bracket

SAS&SFF8639  
Connector

Control  
panel signal

Server chassis

I/O Connector

High Speed Cable

Storage  
Device Signal

CEM Cable /  
Flyover Cable

High Speed connector

RJ Conn.

PCIE



Power Connector



RF Connector



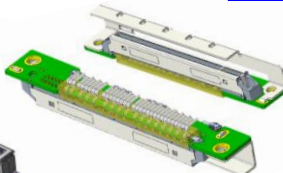
RJ Conn.



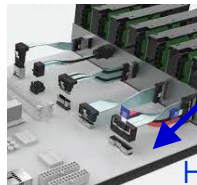
High Speed Cable



Server chassis



CEM Cable /  
Flyover Cable



High Speed connector



I/O Connector



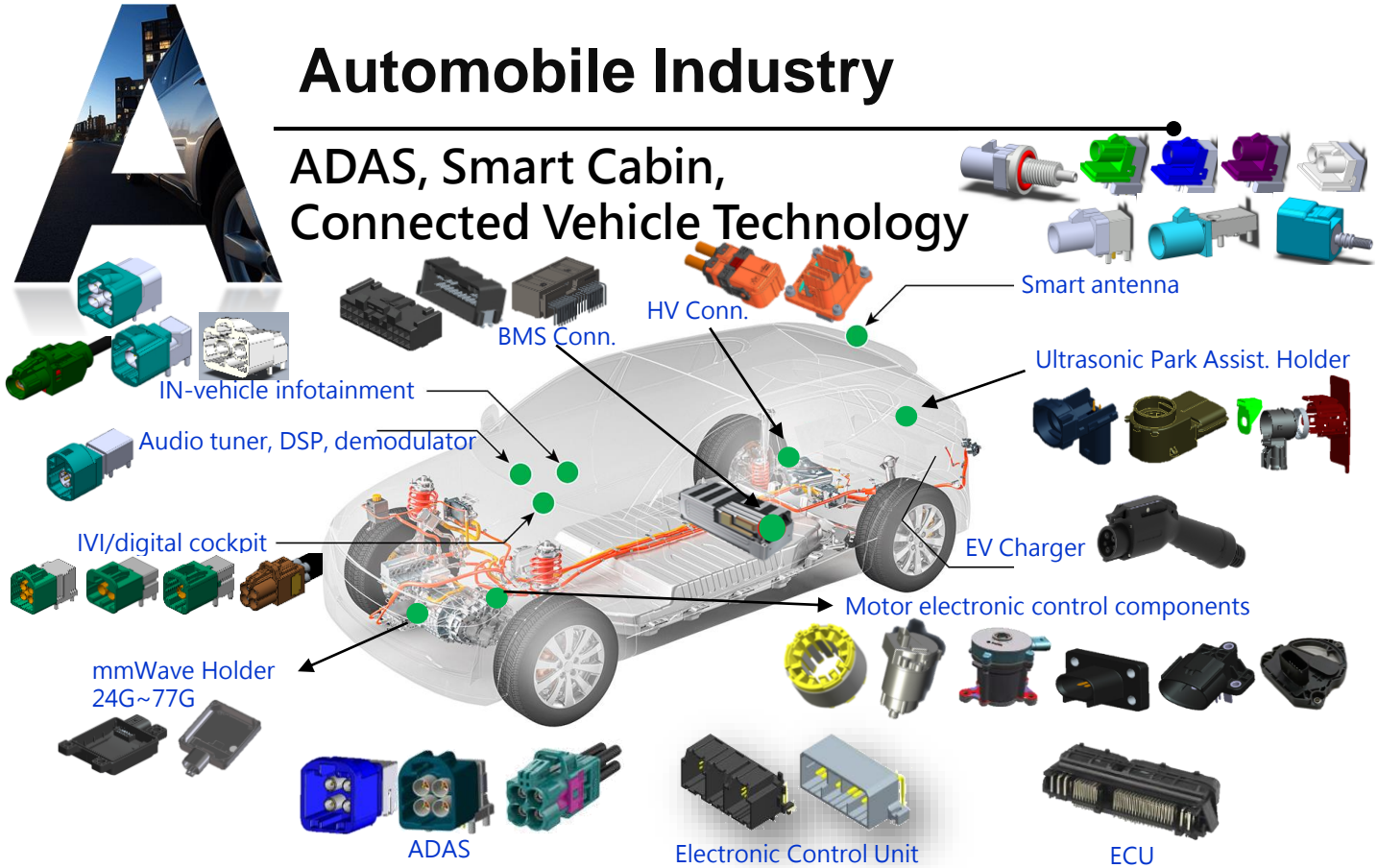
Metal bracket



SAS&SFF8639  
Connector

# Automobile Industry

## ADAS, Smart Cabin, Connected Vehicle Technology



# Computer Peripherals Consumer Electronics

## Laptop Computer, Consumer Electronic



External Connector



Mag Fit Connector



LVDS Connector & Cable



High Speed Cable



I/O Connector



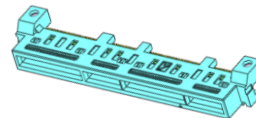
Type C



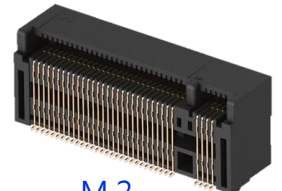
Shielding BTB  
Connector



FFC/FPC Connector

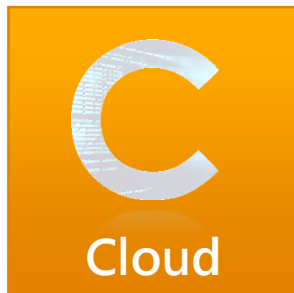


Gen-Z



M.2

# Market Analysis and Forecast



2021

15%

20%

5%

60%

2022

18%

27%

6%

49%

2023

21%

19%

7%

53%

2024

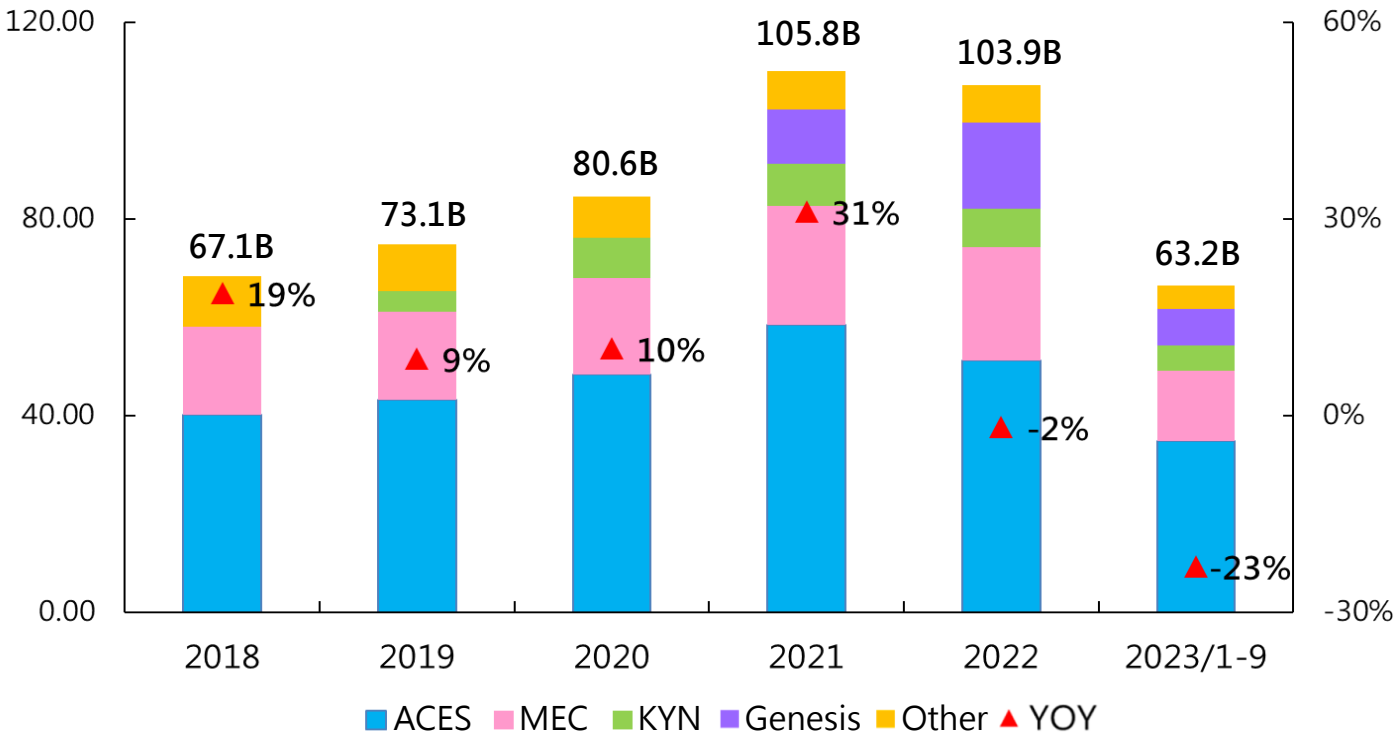


# Financial Results



# Revenue changes in recent years

Unit NTD :  
B (Billion)



# Consolidated Statement of Comprehensive Income - Cumulative

Unit: NT\$ Thousand (Except Per Share Data)

	Sep 30, 2023 (Unaudited)		Sep 30, 2022 (Unaudited)		YoY Change %
Sales Revenue <sup>(a)</sup>	6,318,090	100%	8,157,881	100%	(22.6%)
Cost of Goods Sold	(5,041,383)	(79.8%)	(6,393,771)	(78.4%)	(21.2%)
Gross Profit	1,276,707	20.2%	1,764,110	21.6%	(27.6%)
Operating Expenses	(1,559,456)	(24.7%)	(1,627,926)	(20.0%)	(4.2%)
Operating Income (Loss)	(282,749)	(4.5%)	136,184	1.7%	(307.6%)
Net Non-operating Income	113,840	1.8%	350,657	4.3%	(67.5%)
Income (Loss) before Tax	-168,909	(2.7%)	486,841	6.0%	(134.7%)
Income Tax Benefit (Expense)	(7,627)	(0.1%)	(97,775)	(1.2%)	(92.2%)
Net Income (Loss)	(176,536)	(2.8%)	389,066	4.8%	(145.4%)
EPS (NT\$)	(NT\$1.30)		NT\$2.91		
Depreciation & Amortization	520,313	8.2%	507,891	6.2%	
<b>EBITDA (Operating Income + D&amp;A)</b>	<b>237,564</b>	<b>3.8%</b>	<b>644,075</b>	<b>7.9%</b>	

(a) Sales Revenue includes both shipping revenue and revenue from sale of scraps.

(b) Accounting Firm: KPMG Certified Public Accountants



# Five-year operating results

Unit: NT\$ Thousand (Except Per Share Data)

	Sep 30 2023 (Unaudited)		2022 (Audited)		2021 (Audited)		2020 (Audited)		2019 (Audited)	
Sales Revenue <sup>(a)</sup>	6,318,090	100%	10,392,504	98%	10,575,862	100%	8,062,865	100%	7,311,836	100%
Cost og Goods Sold	(5,041,383)	(79.8%)	(8,159,619)	(77.2%)	(8,146,641)	(77.0%)	(6,226,899)	(77.2%)	(5,639,431)	(77.1%)
Gross Progit	1,276,707	20.2%	2,232,885	21.1%	2,429,221	23.0%	1,835,966	22.8%	1,672,405	22.9%
Operating Expenses	(1,559,456)	(24.7%)	(2,176,138)	(20.6%)	(1,915,218)	(18.1%)	(1,487,428)	(18.4%)	(1,403,917)	(19.2%)
Operating Income (Loss)	(282,749)	(4.5%)	56,747	0.5%	514,003	4.9%	348,538	4.3%	268,488	3.7%
Net Non-operating Income	113,840	1.8%	258,316	2.4%	74,910	0.7%	(25,117)	-0.3%	87,545	1.2%
Income (Loss) begore Tax	(168,909)	(2.7%)	315,063	3.0%	588,913	5.6%	323,421	4.0%	356,033	4.9%
Income Tax Benegit (Expense)	(7,627)	(0.1%)	(91,730)	(0.9%)	(80,742)	(0.8%)	(63,475)	(0.8%)	(53,316)	(0.7%)
Net Income (Loss)	(176,536)	(2.8%)	223,333	2.1%	508,171	4.8%	259,946	3.2%	302,717	4.1%
EPS (NT\$)	(NT\$1.30)		NT\$1.68		NT\$4.16		NT\$2.26		NT\$2.55	
Depreciation & Amortization	520,313	8.2%	698,657	6.7%	593,173	5.6%	465,955	5.8%	456,141	6.2%
EBITDA (Operating Income + D&A)	237,564	3.8%	755,404	7.3%	1,107,176	10.5%	814,493	10.1%	724,629	9.9%

(a) Sales Revenue includes both shipping revenue and revenue from sale of scraps.

(b) Accounting firm: KPMG Certified Public Accountants

# Q&A

宏致集團  
連接無限可能的未來與願景

ACES GROUP  
MORE SOLUTIONS FOR RELEVANT CONNECTIONS



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