

# NAE(3465)

The OEM and ODM manufacturer of  
various world-renowned audio brand



# Agenda

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## 1 Company Profile

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## 2 Operation Performance

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## 3 Operation Outlook

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- The consolidated figures of this conference are prepared in accordance with the International Financial Reporting Standards and have been audited or reviewed by accountants.
- Our company does not release financial forecasts. Contents on financial and sales expectations about our company in this conference, the actual results may vary in the future if it involves the company's decisions on future operations and industrial development. The reason may be changes in market demand, price fluctuations, competition, international economic conditions, exchange rate fluctuations, upstream and downstream supply chains, and external risk factors beyond our control.
- The prospect of this conference is based on our company's forecast up to this day. If there are changes or adjustment made in the future, our company is not responsible for reminding or updating at any time.

# Company Profile

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- Professional audio solution provider for internationally renowned brands.
- As a OEM & ODM company, our service include stages such as research and development, design and manufacturing professional audio products which consists of home theater, floor-standing, bookshelf, subwoofer and surround speakers to diversified audio brand.
- Chairman : HSING,CHIA-CHEN
- Operating Location :
  - NAE(Taiwan)
  - HNAE(Hong kong)
  - VNAE(Vietman)



# Financial performance of recent fiscal quarters

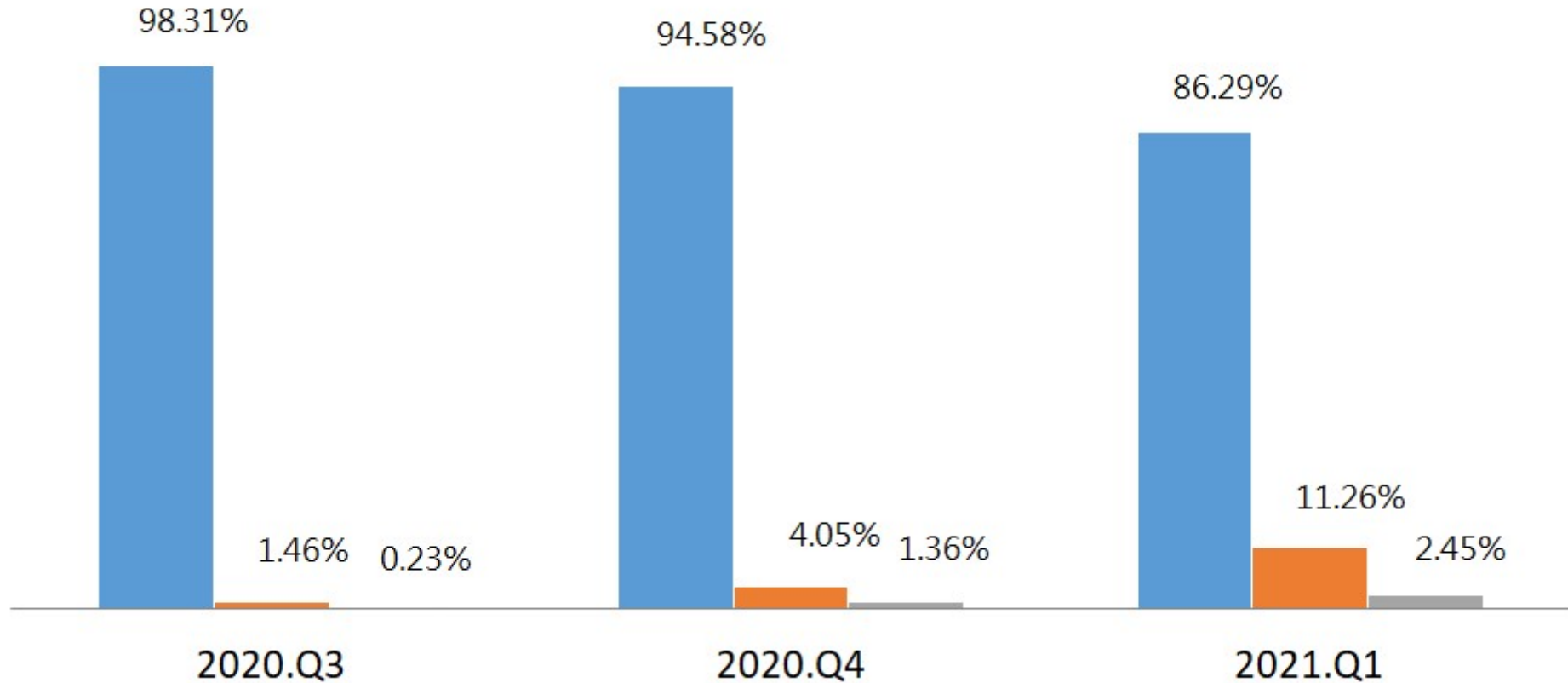
Unit : thousand	2021.Q1	2020.Q4	2020.Q3	2020.Q2	2020.Q1
Operating income	600,532	156,967	192,548	533	1,132
Operating cost	435,077	111,741	140,269	775	1,889
Operating margin(loss)	165,455	45,226	52,279	(242)	(757)
Margin rate%	27.55	28.81	27.15	(45.40)	(66.87)
Pretax net income(loss)	143,918	27,156	37,996	(11,231)	(7,684)
Ratio of net income(loss) before tax %	23.97	17.30	19.73	(2,107.13)	(678.80)
EPS	4.35	0.76	1.20	(0.35)	(0.33)



# Proportion of main products and their regional revenue

Proportion of main products

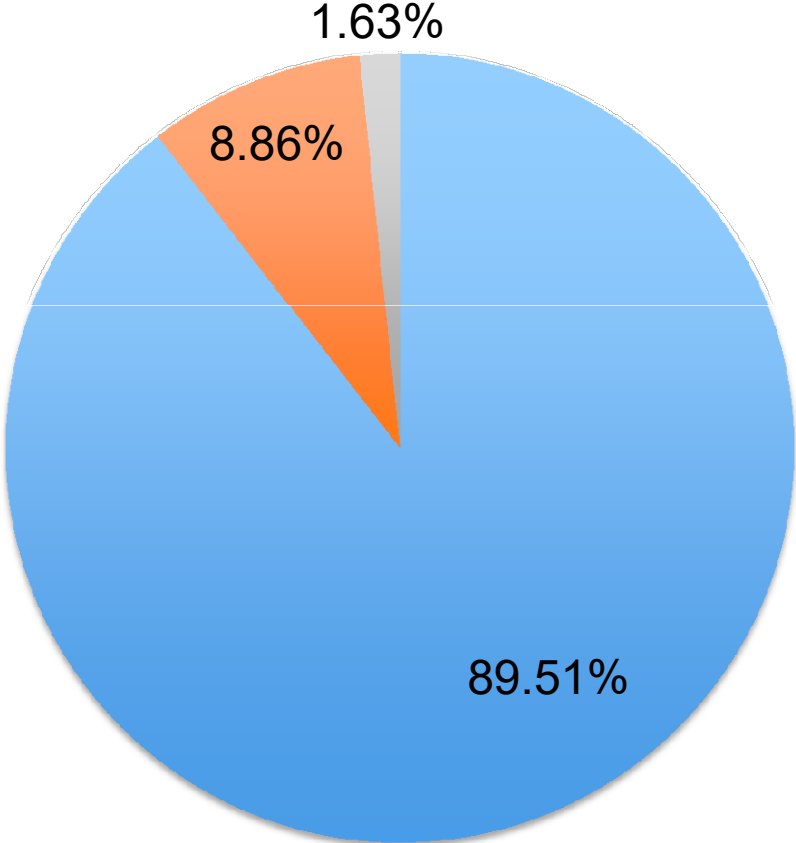
■ Speaker System   ■ Wall speaker   ■ Others



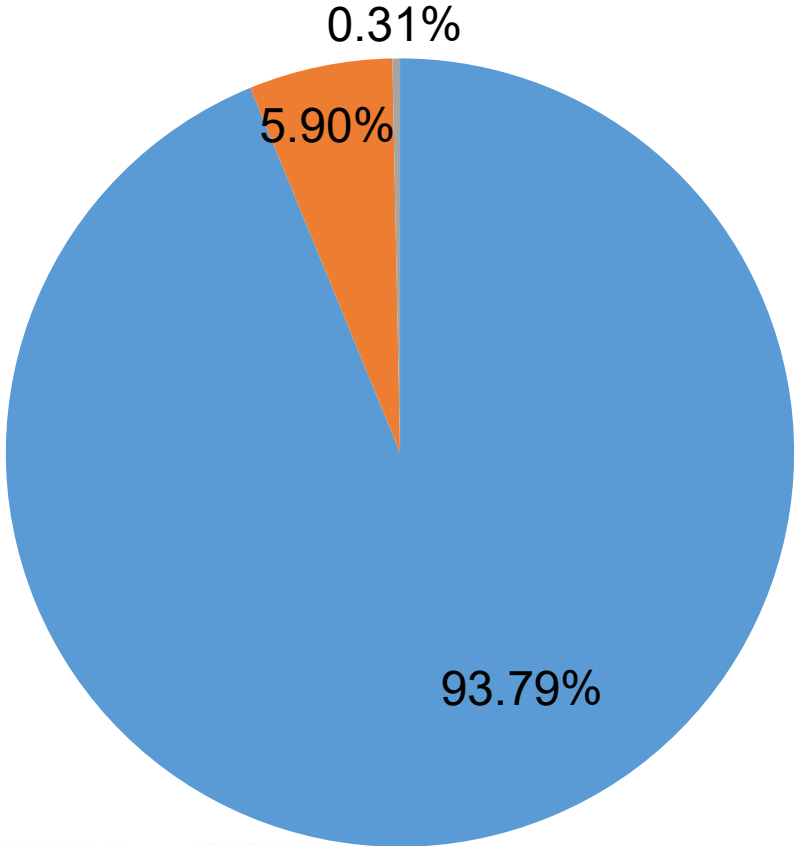
# Proportion of major consuming countries

## Proportion of consuming countries

2020.Y



2021.Q1



■ United States ■ Canada ■ Others



# Audio-visual streaming platform (OTT) increases the demand for home audio

PwC

- 「 PwC Global Entertainment & Media Outlook 」
- Global revenue of OTT audio and video is estimated to double from US\$46.4 billion in 2019 to US\$86.8 billion in 2024.

## Global Market Insights



## KBV Research



# Outlook for the Global Audio Industry

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- Globenewswire estimates: The global home theater market will increase from US\$15 billion in 2020 to US\$48.1 billion in 2027, with a compound annual growth rate of 18.1%.
- Mordor Intelligence estimates : The global Soundbar market will reach 8.303 billion U.S. dollars in 2026, with a compound growth rate of 8.06% from 2021 to 2026.
- Key feature of the audio industry: “The winner takes it all.” Brand companies have a high market share.
  - Europe & USA: Brand marketing and design
  - Japan, Korea and China : R&D and manufacture





# World's Top 10 audio brands

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**BOSE**<sup>®</sup>

**B&W**

**Klipsch**

Bowers & Wilkins

 **SENNHEISER**

© 2008 Klipsch

**harman/kardon**<sup>®</sup>  
by HARMAN

**SONY**<sup>®</sup>

**IRB**

BANG & OLUFSEN **B&O**

**KEF**<sup>®</sup>  
INNOVATORS IN SOUND

**D.**  
DEFINITIVE TECHNOLOGY

**Paradigm**<sup>®</sup>

# NAE' s positioning of product

Amazon's Choice



Bluetooth Speakers

Portable,Waterproof,Wireless Speakers,Dual Pairing,...

★★★★☆ ~ 8,268

Electronics

\$31<sup>69</sup> ~~\$39.99~~



Sound bar,2.1 Channel TV soundbar with Subwoofer,DSP Technology,LED...  
★★★★☆ 92  
\$108.99 ✓prime



Reference Premiere Surround Speakers - Pair (Ebony)  
★★★★★ 143  
\$682.99



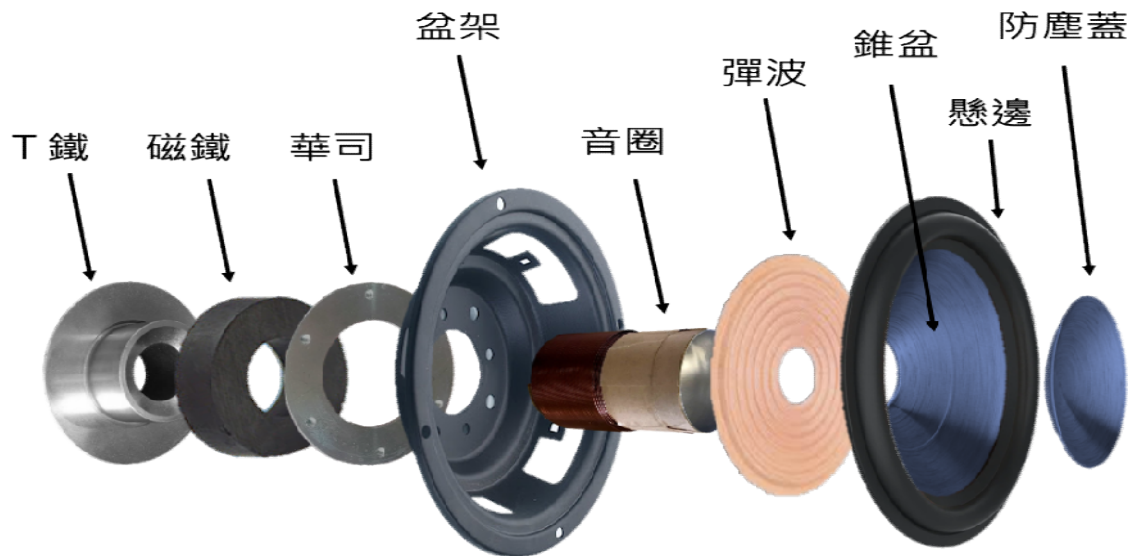
High End Audio



# Professionalism and Craftsmanship

## The secret for high margin rate

- Experience + Professional technology = determine the moat trend of the audio industry
- The perfect combination of each part can achieve the celestial sound we're looking for.
- Technicians with more than 20 years of experience can quickly plan out the most feasible combination from tens of thousands of parts to achieve the audio solution required by the customer.



# Past(China),Present(Vietman) Future(ASEAN & India)

## VNAE :

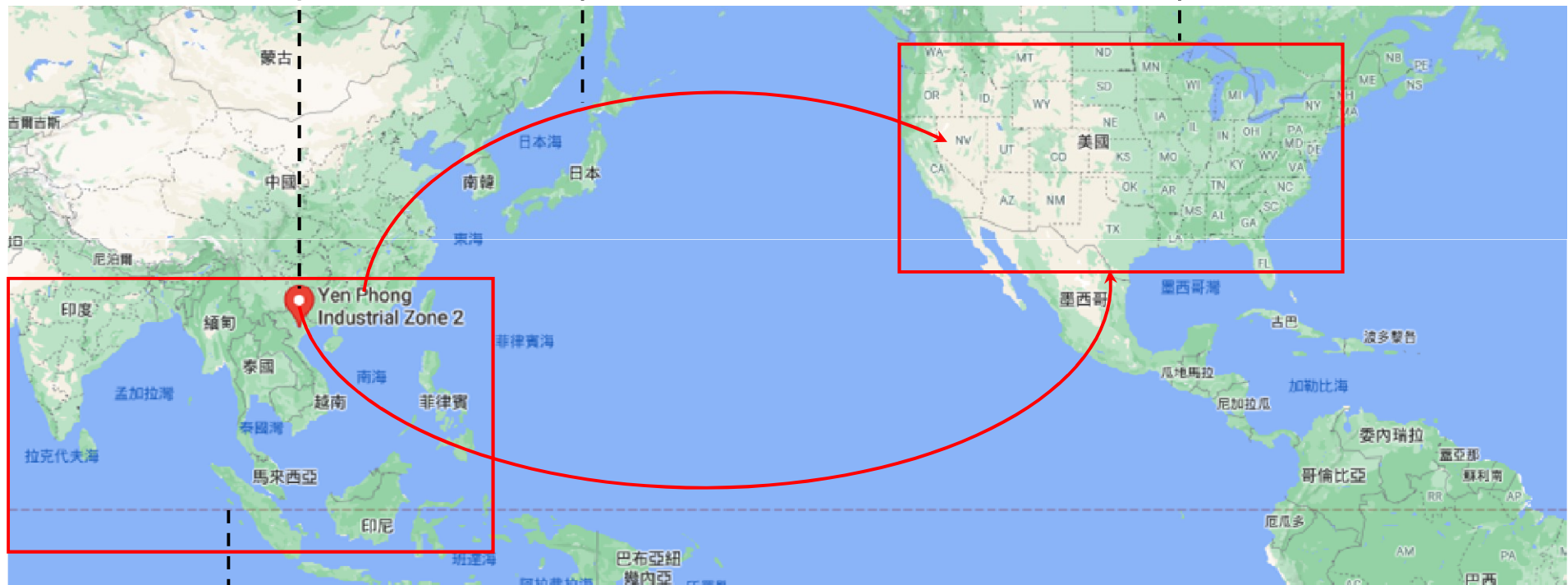
- Supply for the U.S. market
- The production capacity is twice than OXTOP.

## OXTOP:

- Supply for the U.S. market
- Medium and high-end products

## United States :

- Home audio
- Netflix video streaming platform



## ASEAN & India :

- 2 billion population

# VNAE

## Best Enterprise for Development in Vietnam Industrial Zone



## 北宁简介

属于河内-海防-广宁越南北部经济发展三角区



面积  
822.7 km<sup>2</sup>

人口  
1,379,000人

全省劳动人力资源  
678,000人

4/63  
2019年竞争力指数 (PCI)

### 劳动资源：

- GRDP (2019): 6,613 USD
- 人均收入: 3,130美元/年 (2019)
- 大学, 高等学校, 职业学校: 27所
- 职业大专学校: 42所
- 从邻近省份来就业的总劳动量: 740万人 (包括北江省, 海阳省, 兴安省)

# Future challenges and risks

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- Material and labor costs are raising.
- Trade tariffs - Conflict between China and United states.

# Professional, Extraordinary, and Achievement of Nature Beauty

