

# Megawin Technology Co., Ltd.

Institutional Investor Conference

Code: 3122

Date: Nov. 9, 2021

# Safe Harbor Notice




Megawin's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.

Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

# Overview

- **Established:** June, 1999
- **Capital:** NTD 382 millions
- **Chairman & CEO:** Kenny Wen
- **Employees:** 74 (Taiwan: 63 & China: 11)
- **Business:** Development, design, and sale microcontrollers  
(a MCU-based IC design house)
- **Main products:** ARM Cortex-M0 MCU, 8051 MCU, and USB MCU

# Agenda

- 01  Operation Performance & Financial Results
- 02  Product Application & Business Outlook
- 03  Q & A

# 01. OPERATION PERFORMANCE & FINANCIAL RESULTS

# Key Growth Drivers for Revenue



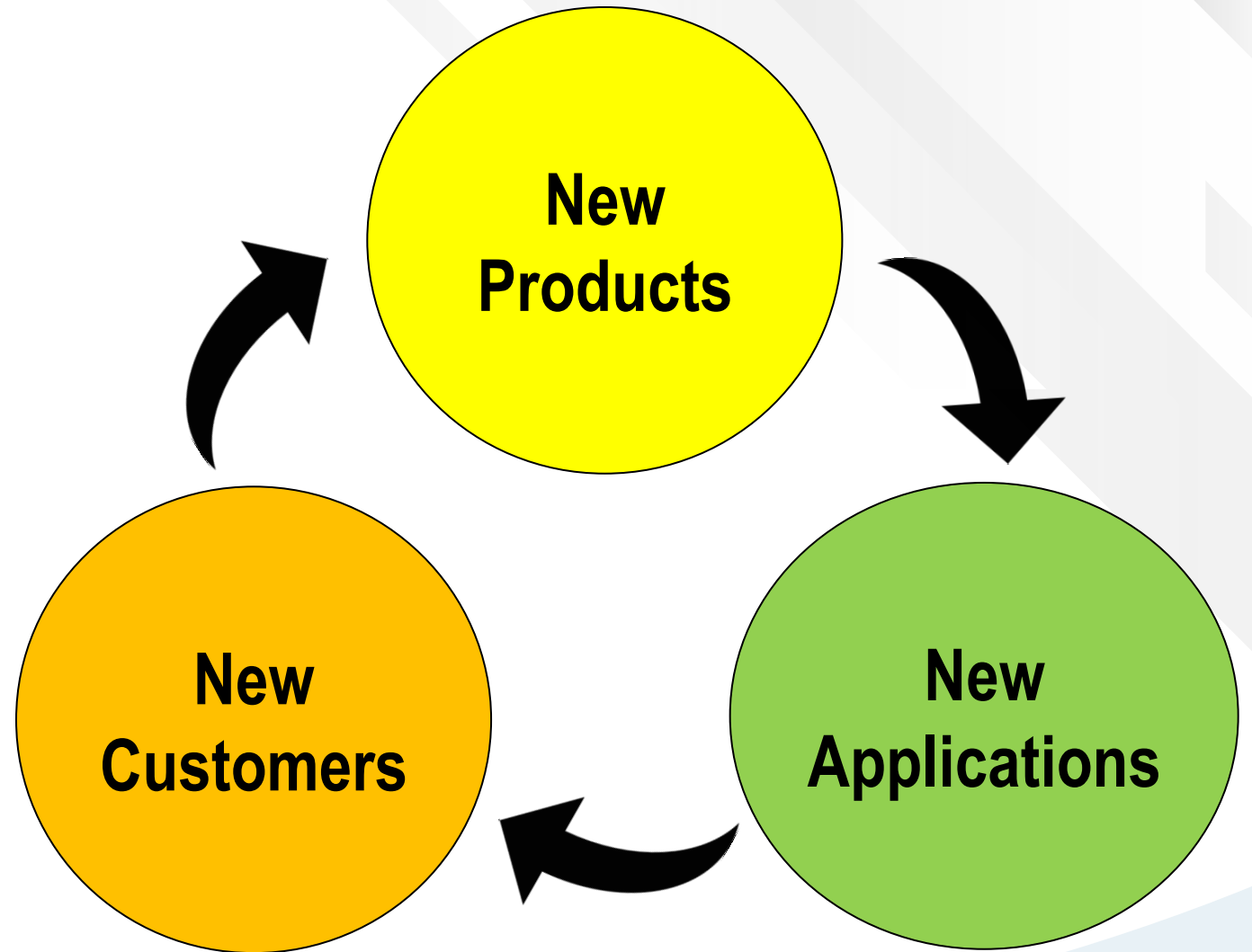
## Total solution

Provide total solution for customers



## Best cost-performance ratio

Achieve the best cost-performance ratio



# Development Strategy/ Marketing

## ■ Platform

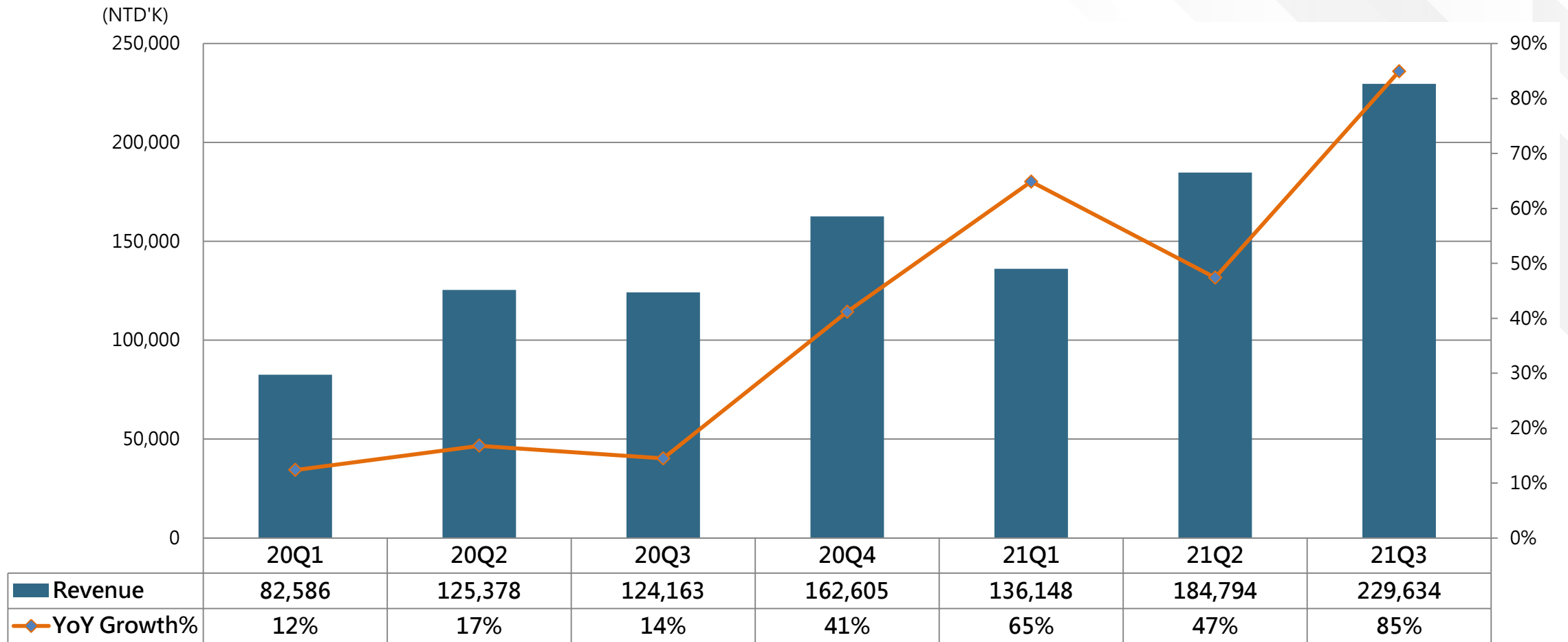
1. ARM Cortex-M0/M3 MCU
2. 8051 MCU

## ■ Application

1. General purpose
2. Low power consumption

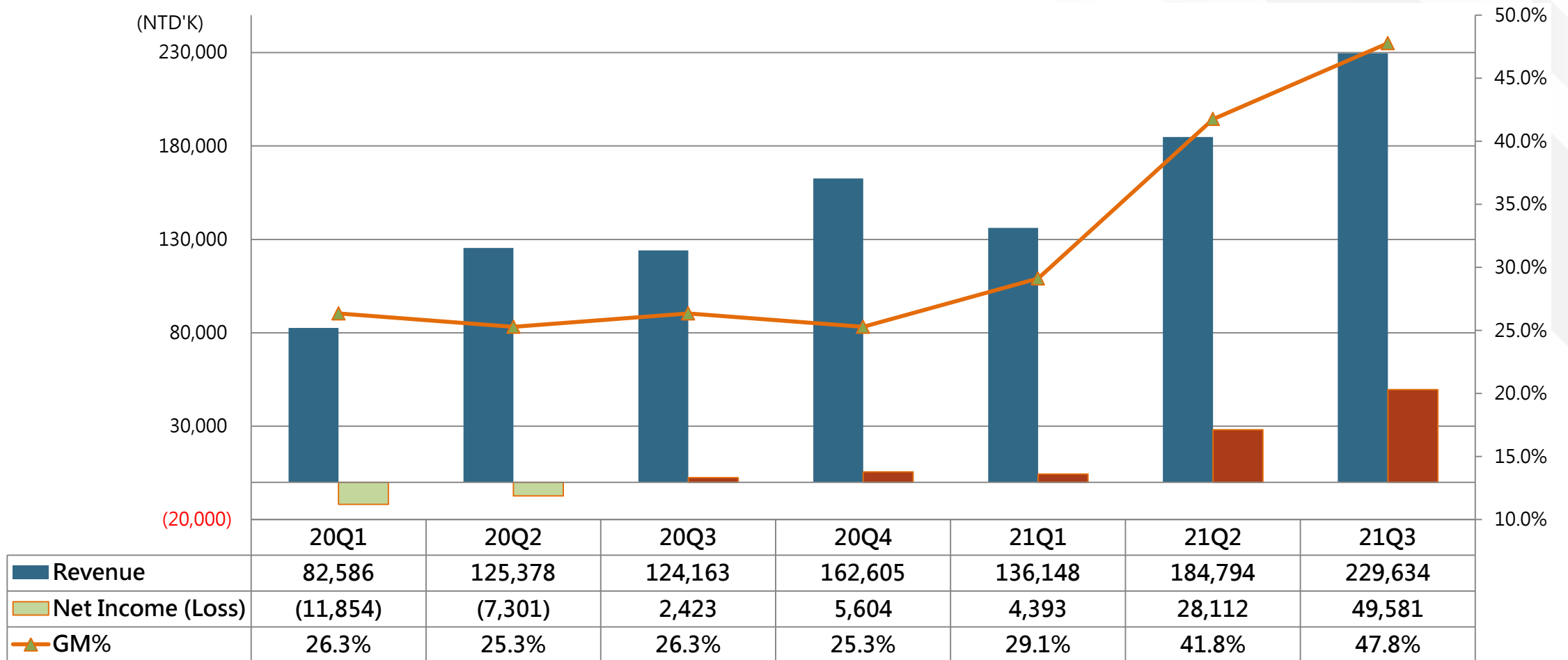


# Quarterly Revenue and Growth Rate

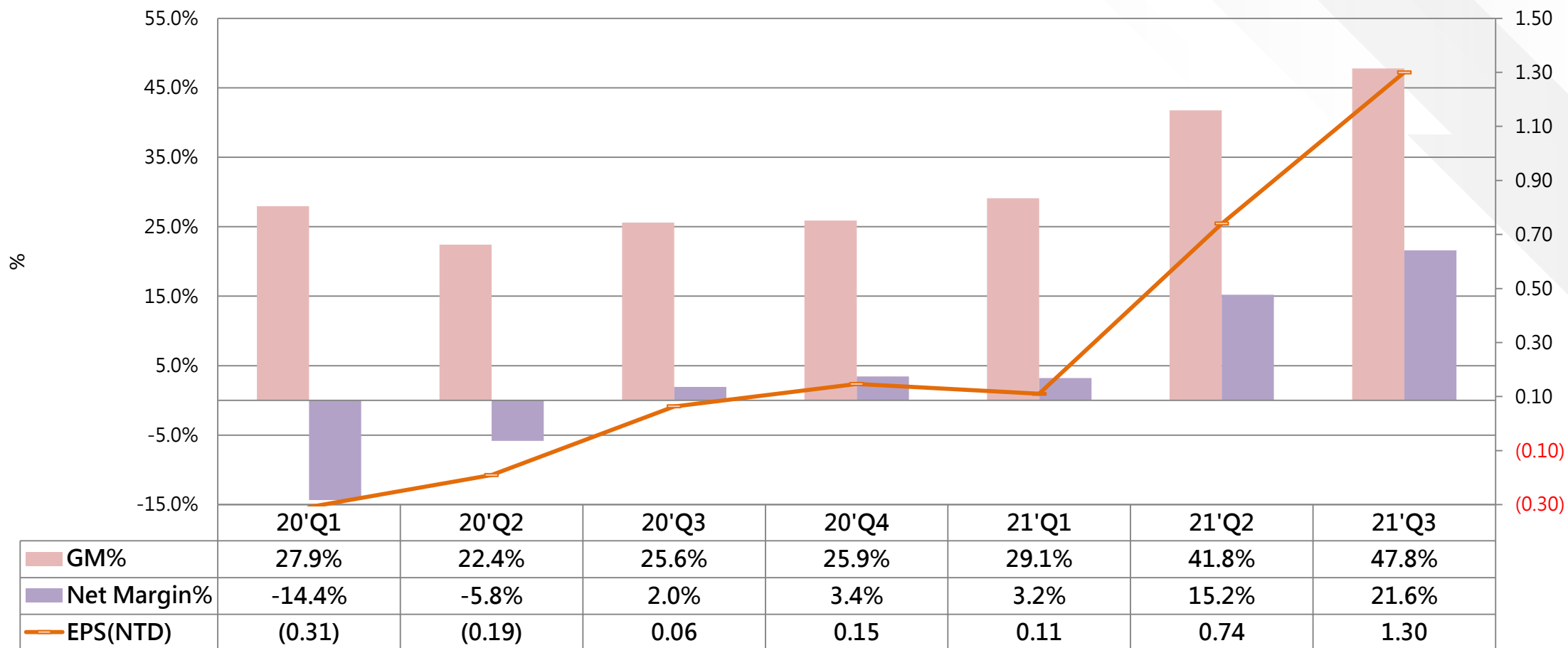




# Quarterly Operating Results (1/2)



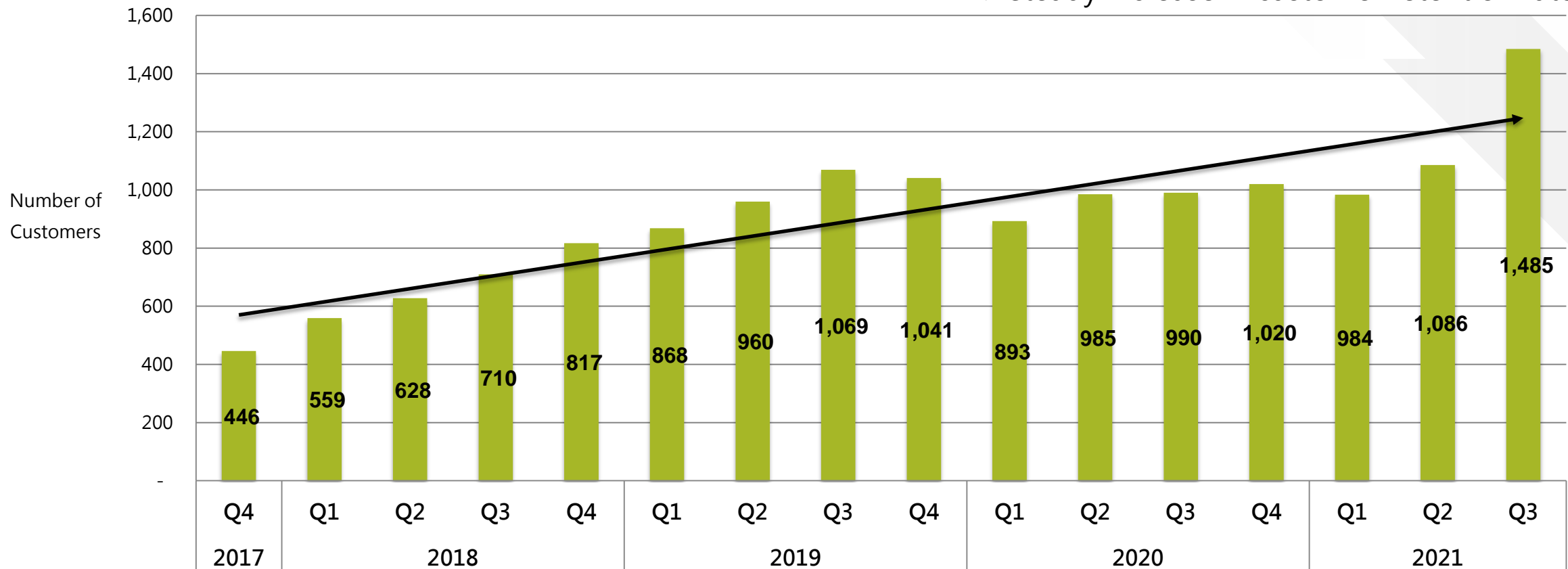
# Quarterly Operating Results (2/2)



# CRM Statistics: Quarterly Number of Customers

	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3
Total	2,171	2,316	2,345	2,439	2,553	2,637	2,782	3,275

- ▲ Number of design-in cases of main products vs.
- ▼ Steady increase in customer retention rate



# 02. PRODUCT APPLICATION & BUSINESS OUTLOOK

# Three Major Product Lines & Applications

## 8 Bit

### Wireless products



Wireless Charger



Smart light control



Meter

### Industrial control

### Appliance industry



Washing Machine Panel



BMS

### Power control



Drone

### Communication



Wireless router



Massage chair

### Electronic control

## 32 Bit

## USB

### PC Peripherals



Fingerprint Sensors



Gaming Joystick

Keyboard



USB Card Reader



QR Code Reader

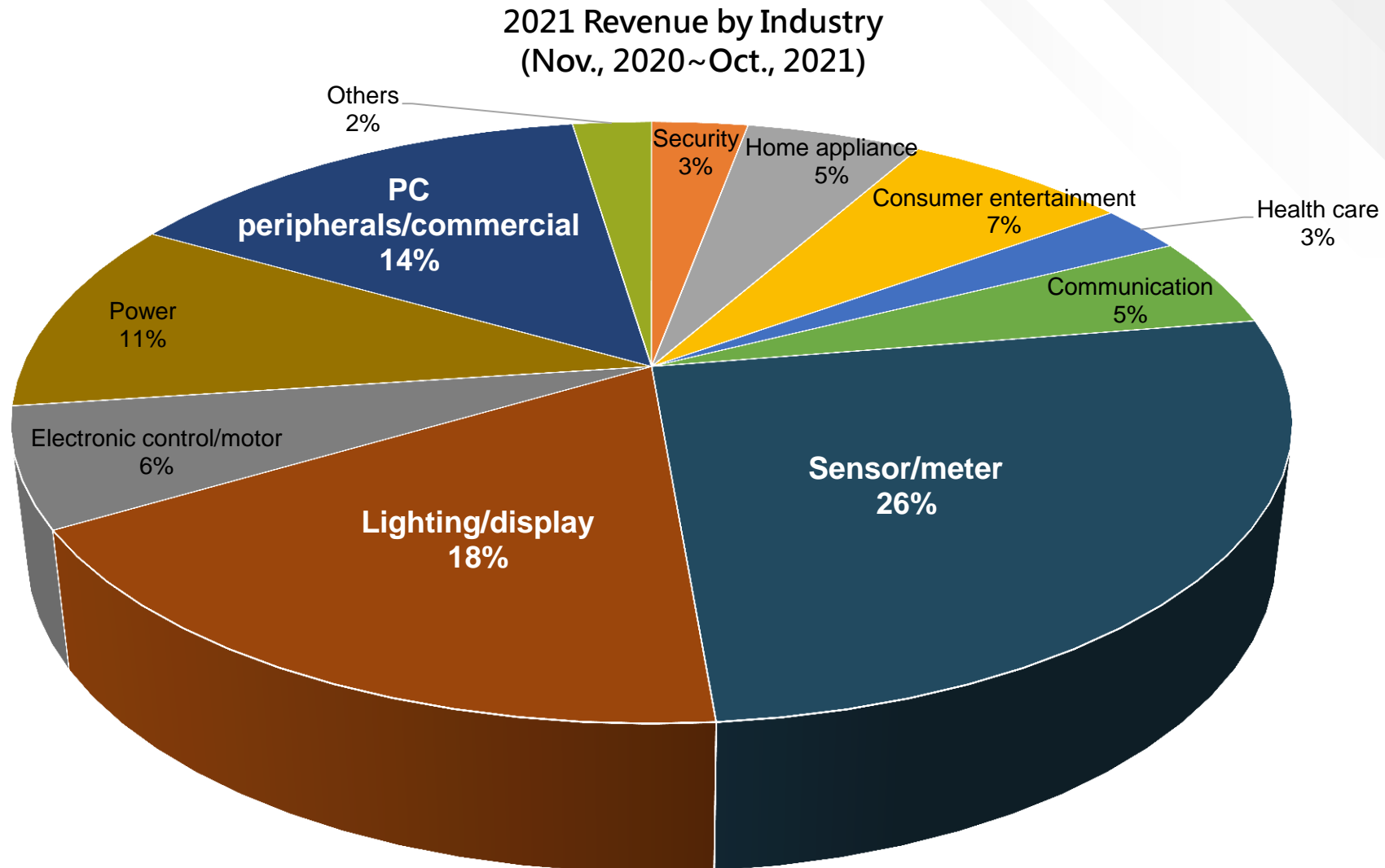
### Bank and Commercial

### Health Care



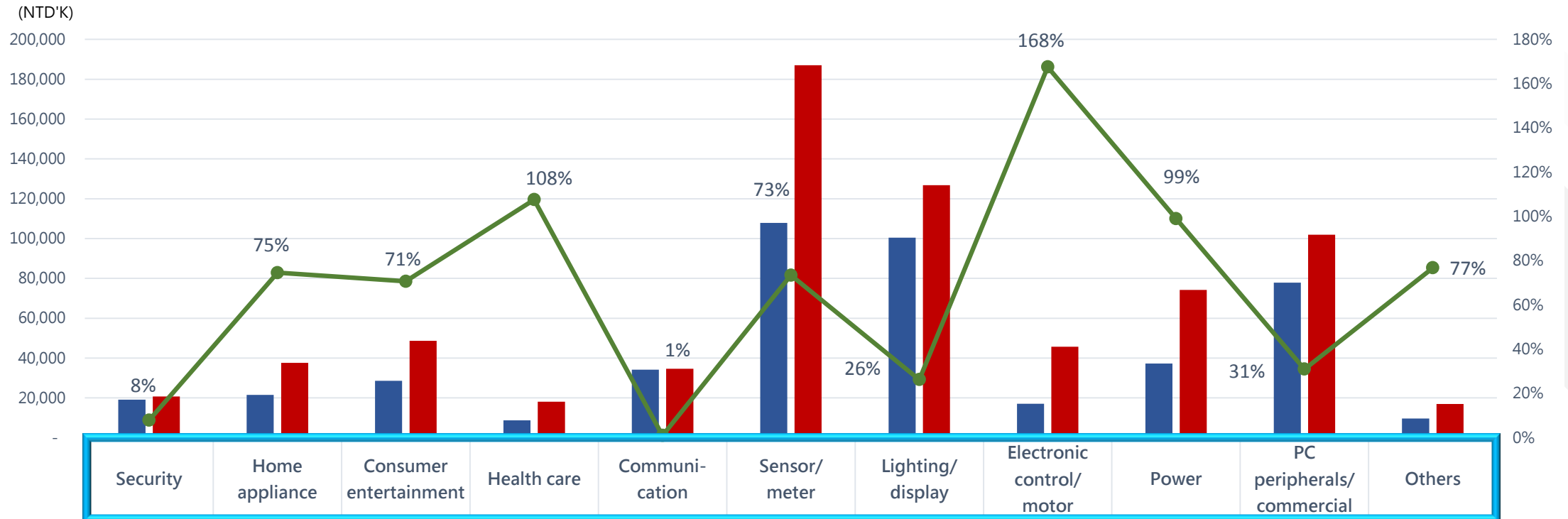
Skin care

# MCU Breakdown by Industry



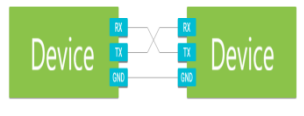




# MCU 2021 Growth Analysis by Industry

## Application Growth Trend within Two Years



	Security	Home appliance	Consumer entertainment	Health care	Communication	Sensor/meter	Lighting/display	Electronic control/motor	Power	PC peripherals/commercial	Others
■ 2020 Revenue (Nov., 2019~Oct., 2020)	19,150	21,507	28,542	8,732	34,234	107,862	100,474	17,069	37,297	77,833	9,598
■ 2021 Revenue (Nov., 2020~Oct., 2021)	20,674	37,550	48,719	18,127	34,587	187,054	126,866	45,670	74,235	101,940	16,965
● Growth%	8%	75%	71%	108%	1%	73%	26%	168%	99%	31%	77%

# Growth Analysis of Major Applications

Major Application	2020 Revenue (2019/11~2020/10)	2021 Revenue (2020/11~2021/10)	YoY Growth%
Signal conversion 	56.M	69.8M	25%
Home appliance panel 	11.1M	23.4M	111%
Industrial meter 	69.9M	131.6M	88%
Wireless charging 	27.6M	57.2M	107%
PC Keyboard 	34.9M	43.7M	25%



# 32-Bit MCU Product Plan

## 热度排行榜前100的MCU汇总

数据来源：正能量电子网  
统计时间截至10月11日，仅供参考

品牌	型号	热度排名
	STM32F103RCT6	1
	STM32F103C8T6	2
	STM32F103VET6	3
	STM32F030C8T6	4
	STM8S003F3P6	5
	STM32F103RBT6	6
	STM32F103RET6	7
	STM32F407VET6	8
	STM32F103VCT6	9
	STM32F407VGT6	10
	STM32F103CBT6	11
	STM32F405RGT6	12
	STM32F030K6T6	13
	STM32F103ZET6	14
	STM32F407ZGT6	15

- M0 shipped 639k in 2021, a significant increase compared to 28k last year.
- Q1/2022 Megawin will launch Cortex M3 series, consisting of 4 high-performance/compatible type ICs.
  1. Target the most popular STM32F103 series on the market

MG32 M3 series	Power supply	Program density	SRAM density	Frequency	IO	20bit TM	12bit ADC	ACMP	PKG
MG32F103C9T6	2V~3.6V	96K	28K	72M	37	4+RTC	10-CH	2	LQFP48
MG32F103CBT6	2V~3.6V	128K	28K	72M	37	4+RTC	10-CH	2	LQFP48
MG32F103RBT6	2V~3.6V	128K	28k	72M	51	4+RTC	16-CH	2	LQFP64
MG32F104RCT6	2V~3.6V	256K	36K	96M	51	4+RTC	16-CH	2	LQFP64

- To expand the 32-bit MCU product line year by year
- Target applications

1. Sweeping robot
2. High-end smart lock
3. Drone control
4. Commercial printer/POS machine
5. Brushless motor control
6. ETC



# M3 Gives New Momentum to Future Performance

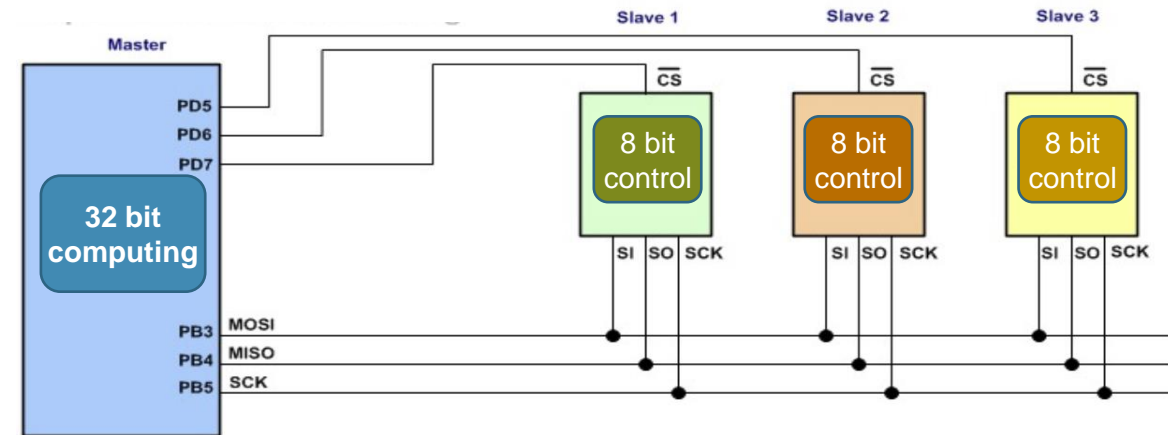
- Fast import to large-volume consumer products
  - Compatible advantages fast penetrate new customer base
  - High performance expands new application market

High-performance/compatible type M3

Industrial control characterized M0/C51

- Unique features expand existing markets
  - Continue to operate the less price-sensitive industrial control industry
  - Add special features to targeted industries to strengthen customer loyalty

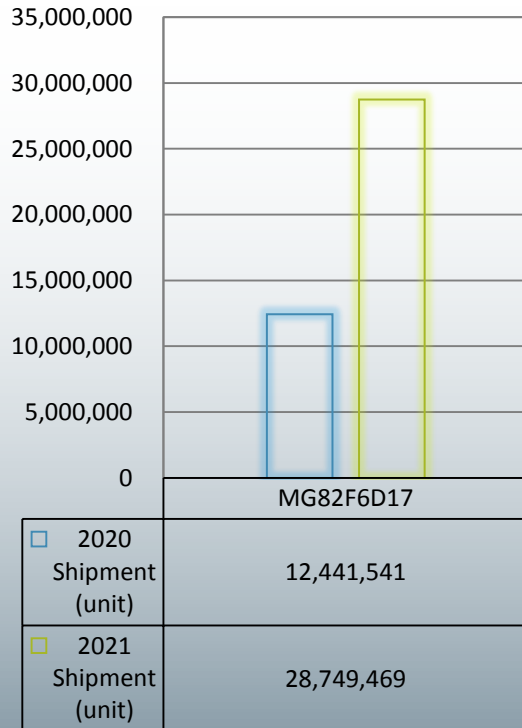
- Mid-to-high-end application architecture
  - Main control: one 32-bit computing performance type MCU
  - Combine with several 8-bit control type MCUs



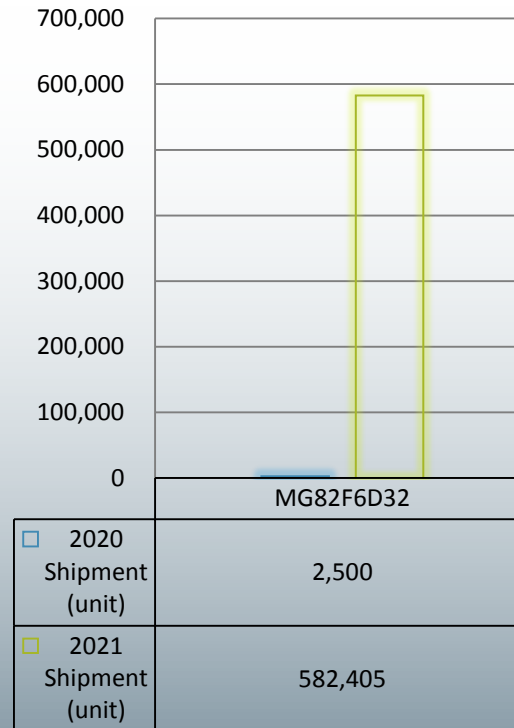
- Megawin will introduce an integrated solution
- Give full play to boosting sales performance
  - Drive the sales growth of existing 8-bit MCUs

# Main Product Line: 6D Series (8-Bit MCU) Grows Fast

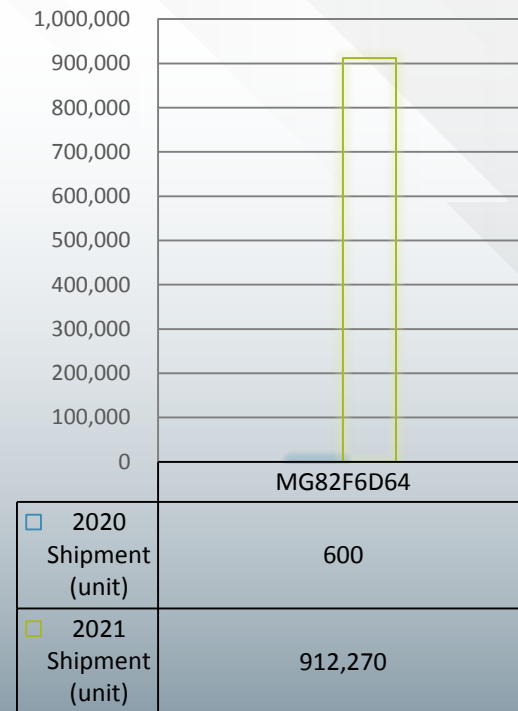
### Sales trend of 6D17



### Sales trend of 6D32



### Sales trend of 6D64



- 6D17 was brought to mass production in 2019. Then maintains a stable sales volume from 2020. For covering a wide range of applications, its shipments begins to grow rapidly from 2021.
- The 32k/64k versions of the same series were launched in 2020, and also achieved explosive growth in 2021.
- The 6D series has excellent specifications & performance, and incorporates many characteristics of 32-bit MCU. It is highly accepted by customers and expected to grow continuously in the future.

# Diversified Applications of 6D Series



## High-speed analog input

- Sensor industry
- Power management application
- Lithium battery protection industry

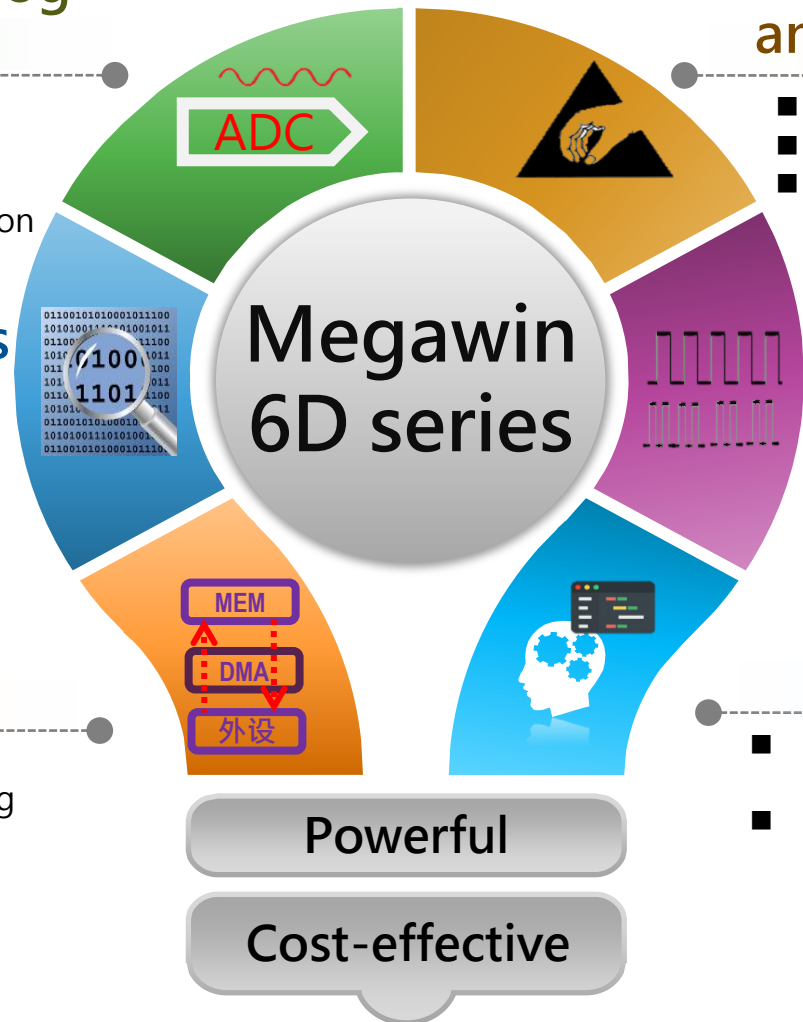
## Hardware diagnostics

- Home appliance control panel
- Industrial control board



## High-speed signal transmission

- 3C products signal conversion
- Timely sensing data processing



## High standard anti-interference

- Industrial control
- Industrial control meter
- Motor/electronic control



## High-speed PWM

- Wireless charging industry
- LED lighting control
- Massager



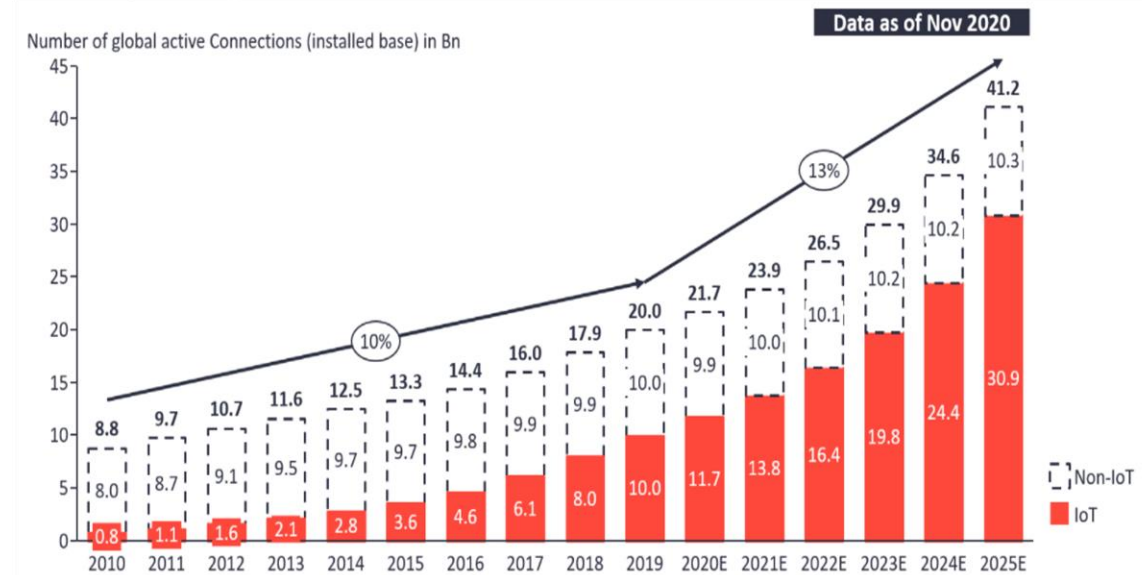
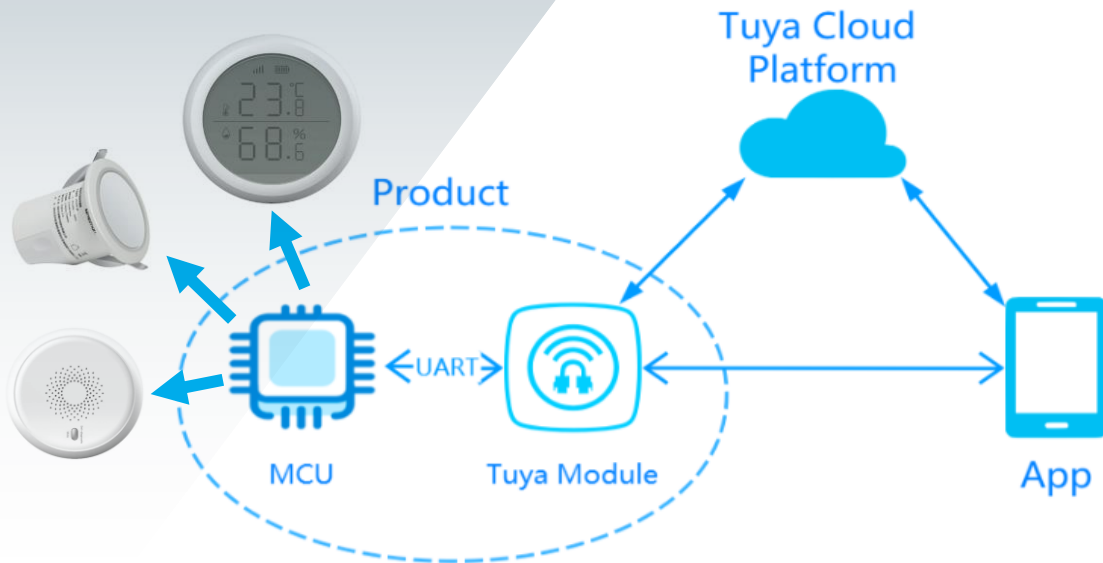
## Exclusive Keil Wizard

- Speed up project development
- Well-received by customers



# IoT Platform Encourages Growth of 8-Bit MCU

- With the rise of IoT platform “Tuya Smart” will
  1. drive the growth of performance type 8-bit MCUs
  2. enable the connection with a variety of sensors easily
  3. **Megawin 6D series meets the specification requirements of the IoT platform.**
    - Many customers have adopted our products and imported them to the IoT platform.



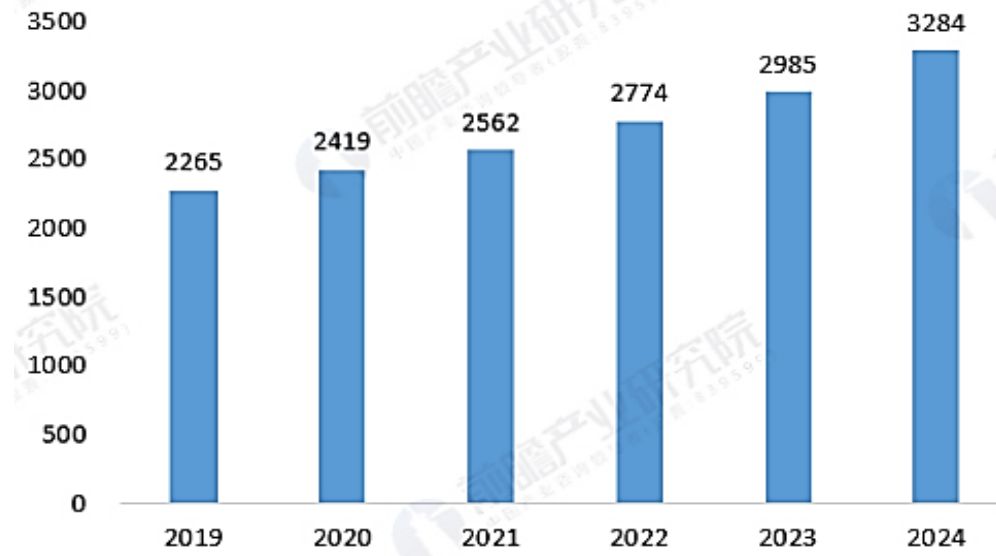
▲ Total number of device connections in Bn  
Source: IoT Analytics. 2020, 11

# IoT Stimulates the Sensor Market

- In 2021, sensor-related industry shipment is about 20.5kk, an increase of **53%** from 13.4kk last year.
- The global sensor market will maintain a growth rate of about 8% in the next three years. The market size in 2024 will reach US\$328.4 billion.
- Megawin is planning to announce a signal amplifier MCU in 2022.
- A high-resolution analog signal converter will be launched in 2023.
- In addition to the existing measurement/sensing industry, Megawin is also aiming for:
  1. Biosensor market
  2. Smart restaurant



▼ 2019~2024 Global sensor market size forecast in US\$100M



Source: ARCHINA, 2019, 11

# Wireless Charging Industry



- Shipments in the past year have reached 12kk, an increase of **76%** compared to 6.8kk last year.
- The key growth driver will be wireless charging for vehicles.
  - Besides MCUs for charging application, Megawin also provides MCUs for electric grippers.
- With the release of Apple's new smartphones, the market expects a 15% growth in the near future.
- Advantages of the current wireless charging industry
  - High-speed PWM allows customers to more accurately control the charging efficiency, and make it easier for them to pass certification.
- The wireless charging industry has moved towards USB PD charger.
  - Megawin intends to develop an exclusive endec to support PD encoding/decoding.
- MCUs embedded with amplifiers will also be launched in 2022 to reduce external components.



# Battery Management Industry

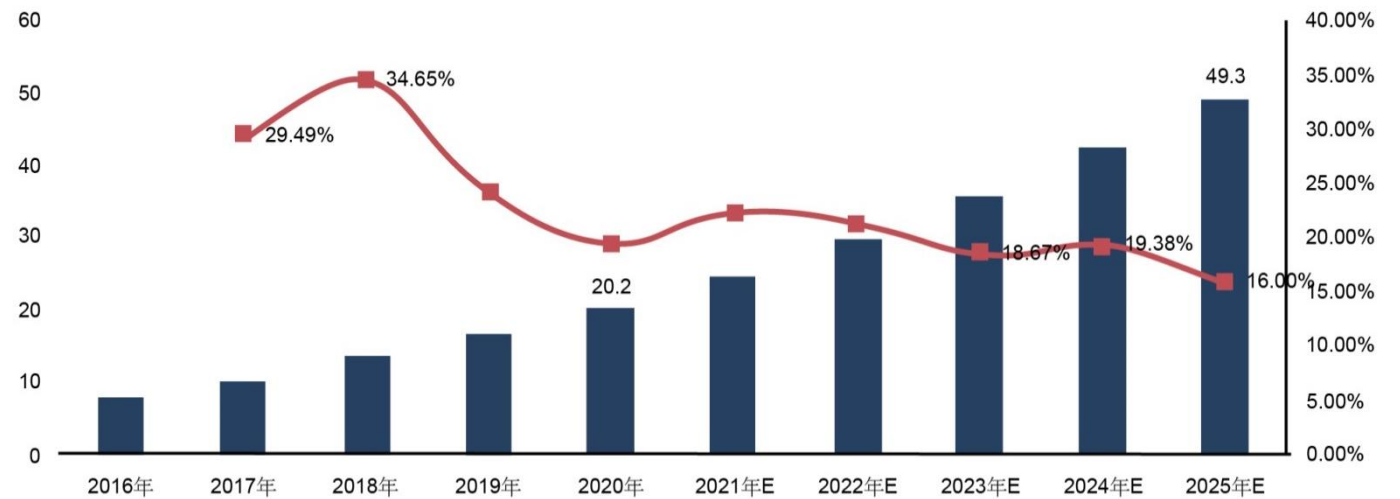


## ■ Lithium battery management application (BMS)

1. Base station power supply
2. UPS
3. Power tool

## ■ Battery management application MCU shipped 1,359k this year, an **83% increase** from last year's 742k.

1. The major growth comes from the battery protection for power tools.
2. Global shipments of power tools will reach 550 million units in 2025, and the market share of lithium battery power tools is expected to reach 90%.
3. The estimated shipment of battery packs in 2025 will reach 4.9 billion units.
4. Megawin MCUs have been adopted by many customers, and mass produced in the field of battery management for power tools.



▲ Global shipments of high-rate lithium batteries for power tools in 100 million units

Source: EVTank and Ivey Economic Research Institute , 2021, 05



# 03. Q & A

# APPENDIX

**1: Consolidated Statement Of Comprehensive Income**

**2: Consolidated Balance Sheet**

# Appendix 1: Consolidated Statement of Comprehensive Income

單位：新台幣仟元

	110年1月1日至9月30日		109年1月1日至9月30日	
	金額	%	金額	%
營業收入淨額	550,575	100	332,127	100
營業成本	324,059	59	249,153	75
營業毛利	22,516	41	82,974	25
營業費用	150,214	27	101,781	31
營業淨利 (損)	76,302	14	(18,807)	(6)
營業外收入及支出	5,786	1	2,081	<u>1</u>
稅前淨利 (損)	82,088	15	(16,726)	(5)
所得稅費用	(2)	=	(5)	=
本期淨利 (損)	82,086	15	(16,731)	(5)
每股盈餘 (虧損) (單位:元)	2.14		(0.44)	

## Appendix 2: Consolidated Balance Sheet (1/3)

單位：新台幣仟元

資 產	110年9月30日 (經核閱)			109年9月30日 (經核閱)		
	金 額	%		金 額	%	
<b>流動資產</b>						
現金及約當現金	\$368,827	44		\$50,333	11	
透過損益按公允價值衡量之金融資產-流動	-	-		22	-	
按攤銷後成本衡量之金融資產 - 流動	109,004	13		97,663	20	
應收票據及帳款	80,760	10		54,917	12	
存貨	73,320	9		85,905	18	
其他流動資產	17,042	2		9,055	2	
流動資產總計	<u>648,953</u>	<u>78</u>		<u>297,895</u>	<u>63</u>	
<b>非流動資產</b>						
不動產、廠房及設備	156,043	19		158,620	33	
使用權資產	6,542	1		2,032	-	
無形資產	15,166	2		16,722	4	
存出保證金	645	-		780	-	
非流動資產總計	<u>178,396</u>	<u>22</u>		<u>178,154</u>	<u>37</u>	
<b>資 產 總 計</b>	<u>\$827,349</u>	<u>100</u>		<u>\$476,049</u>	<u>100</u>	

## Appendix 2: Consolidated Balance Sheet (2/3)

負 債 及 權 益	單位：新台幣仟元			
	110年9月30日		109年9月30日	
	(經核閱)		(經核閱)	
	金 額	%	金 額	%
<b>流動負債</b>				
短期借款	\$ -	-	\$ -	-
透過損益按公允價值衡量之金融負債				
- 流動				
應付票據及帳款	49,994	6	53,419	11
其他應付款	60,400	7	22,559	5
租賃負債 - 流動	2,632	-	2,109	-
其他流動負債	<u>5,330</u>	<u>1</u>	<u>2,548</u>	<u>1</u>
流動負債總計	<u>118,356</u>	<u>14</u>	<u>80,635</u>	<u>17</u>
<b>非流動負債</b>				
應付公司債	192,565	23	-	-
租賃負債 - 非流動	3,831	1	-	-
淨確定福利負債 - 非流動	-	-	1,208	-
存入保證金	<u>3,535</u>	<u>-</u>	<u>1,476</u>	<u>1</u>
非流動負債總計	<u>199,931</u>	<u>24</u>	<u>2,684</u>	<u>1</u>
<b>負債總計</b>	<u>318,287</u>	<u>38</u>	<u>83,319</u>	<u>18</u>

## Appendix 2: Consolidated Balance Sheet (3/3)

	110年9月30日		109年9月30日	
	(經核閱)		(經核閱)	
負債及權益	金額	%	金額	%
單位：新台幣仟元				
歸屬於本公司業主之權益				
股本				
普通股股本	382,999	46	382,999	80
資本公積	45,472	6	32,706	7
保留盈餘				
未分配盈餘	82,086	10	(21,564)	( 5)
其他權益	( 1,495)	-	( 1,411)	-
本公司業主權益總計	<u>509,062</u>	<u>62</u>	<u>392,730</u>	<u>82</u>
權益總計	<u>509,062</u>	<u>62</u>	<u>392,730</u>	<u>82</u>
負債及權益總計	<u>\$ 827,349</u>	<u>100</u>	<u>\$ 476,049</u>	<u>100</u>
每股淨值(單位:元)	13.29		10.25	

# Thank you!



You may visit us at  
[www.megawin.com.tw](http://www.megawin.com.tw)



Copyright© 2021 by MEGAWIN  
TECHNOLOGY CO., LTD.  
All rights reserved.