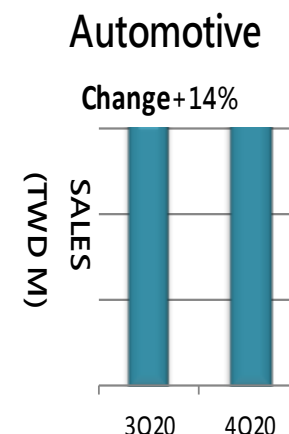
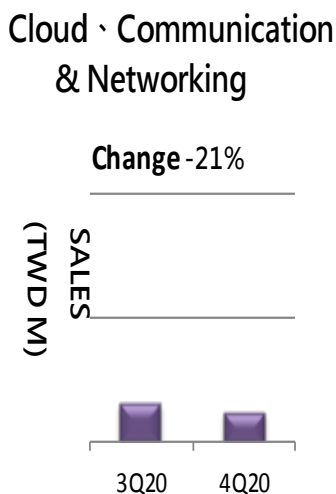
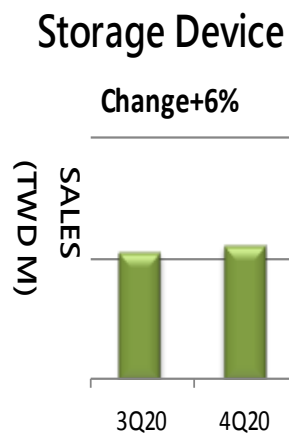
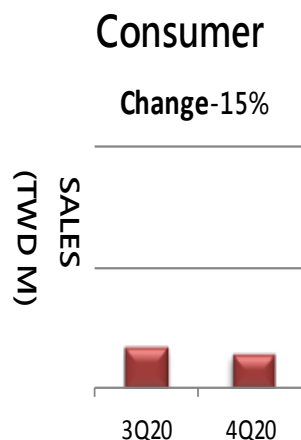
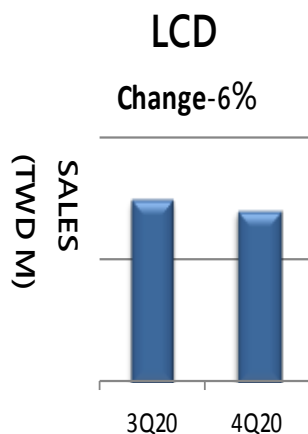
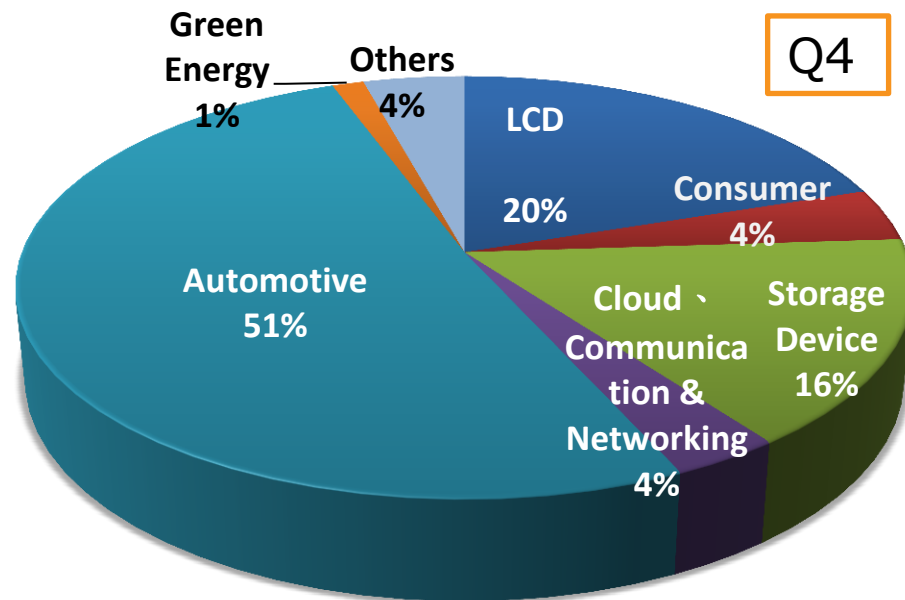
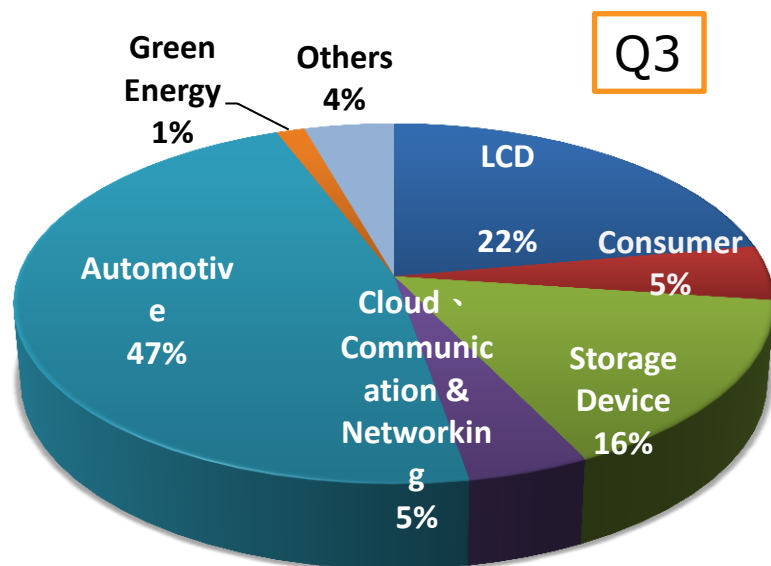


2020 Q4 Operating Performance Report

Mar. 17, 2021

2020 Q4 Revenue by Application



Consolidated Income Statement

Accounts (TWD 100M)	4Q20	3Q20	Q-o-Q Change%	4Q19	Y-o-Y Change%	Q1-Q4 2020	Q1-Q4 2019	Y-o-Y Change%
Sales Revenue	35.12	33.62	4.5 %	35.58	(1.3)%	126.24	137.17	(8.0)%
Gross Profit %	10.9 %	12.7 %	(1.7)%	15.8 %	(4.8)%	13.6 %	12.8 %	0.8 % ppts
Operating expense	3.02	2.81	7.6 %	3.15	(4.2)%	11.65	12.33	(5.5)%
Operating Income%	2.3 %	4.3 %	(2.0)%	6.9 %	(4.6)%	4.3 %	3.8 %	0.5 % ppts
Non-operating income/expenses	(0.80)	(0.91)	12.8 %	(1.74)	54.4 %	2.29	(2.89)	179.2 %
Net Income (loss)	(0.06)	0.37	(116.8)%	0.61	(110.1)%	6.79	1.55	337.2 %
Net Income (loss)%	(0.2)%	1.1 %	(1.3)%	1.7 %	(1.9)%	5.4 %	1.1 %	4.2 % ppts
EPS(NTD)	(0.02)	0.12	(119.4)%	0.21	(111.1)%	2.58	0.55	369.1 %
ROE (%)	(0.5)%	2.9 %	(3.4)%	6.1 %	(6.6)%	13.2 %	4.0 %	9.3 % ppts
Quantity(M SF)	907	857	5.8 %	907	0.0 %	3262	3414	(4.5)%
Average exchange	29.58	29.85	(0.9)%	30.93	(4.4)%	29.58	30.93	(4.4)%

* The weighted average shares to 263,663,573 of ordinary shares outstanding during the fourth quarter of 2020.

** The ROE is the annualized data calculated by the average equity of the parent company.

Consolidated BS & Financial Indicator

Accounts (TWD 100M)	4Q20		3Q20		4Q19	
	金額	%	金額	%	金額	%
Cash and cash equivalents	12.00	9.1%	18.75	14.1%	10.61	7.8%
Accounts receivable	37.17	28.2%	35.75	26.9%	39.40	29.1%
Inventories	15.98	12.1%	14.53	10.9%	15.20	11.2%
Property, plant and equipment	52.40	39.7%	51.19	38.5%	53.31	39.4%
Total Assets	131.85	100.0%	132.86	100.0%	135.19	100.0%
Current liabilities	65.94	50.0%	67.93	51.1%	81.52	60.3%
Long-term loans	6.55	5.0%	6.37	4.8%	6.45	4.8%
Total liabilities	80.54	61.1%	82.37	62.0%	96.09	71.1%
Total equity	51.31	38.9%	50.49	38.0%	39.10	28.9%
Important Financial Indicator						
Average collection turnover	118		118		109	
Average inventory turnover	56		56		55	
Current ratio (Times)	1.1		1.1		0.9	
Asset productivity(Times)	1.1		1.1		1.1	

Ps. Asset productivity= Sales Revenue/ Average total Assets.

Consolidated Cash Flow Statement

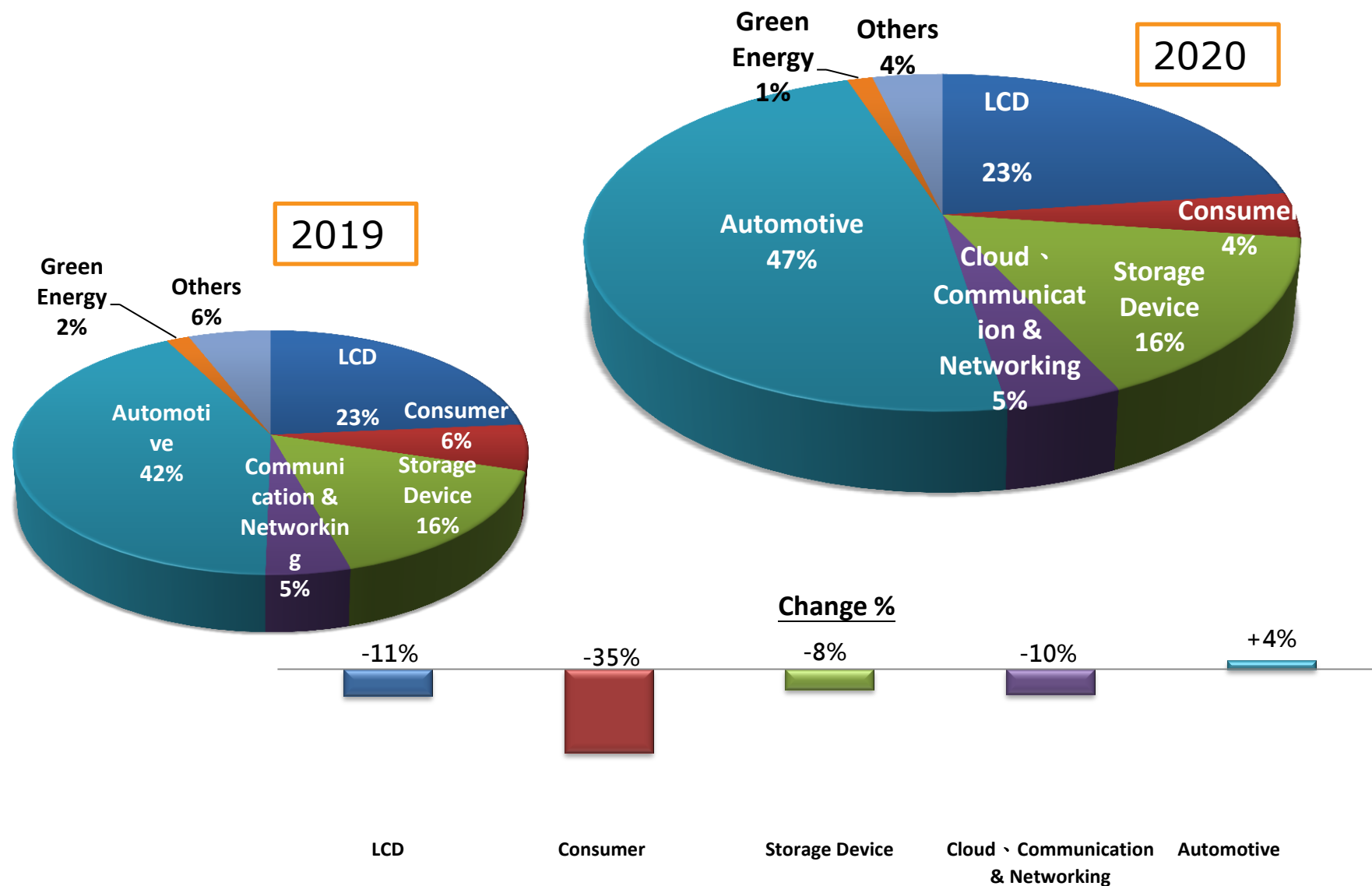
(TWD 100M)	4Q20	3Q20	4Q19
Cash at beginning of period	16.70	8.51	13.02
Cash Flow from Operating	4.81	3.21	4.85
Capital Expenditure	(1.88)	(1.40)	(2.71)
Cash Dividends Paid			
Cash Flow from Financing	(9.66)	8.65	(4.09)
Investment & Other	0.02	(2.26)	(0.69)
Cash at end of period	9.99	16.70	10.38
Free Cash Flow	2.93	1.81	2.14

Ps. Free Cash Flow=Cash Flow from Operating-Capital Expenditure

2020Q4 Summary

- Customer' s demand remained strong in Q4. The revenue increased by approximately 4.5% compared to Q3.
- The gross profit rate of Q4 decreased by 1.7% compared to Q3, mainly due to: 1. RMB and Taiwan dollar appreciated against the US dollar (RMB appreciated about 4%, Taiwan dollar appreciated about 2%) 2. Labor costs increased due to the labor shortage of Kunshan plant.
- The non-operating exchange loss was about NT\$76 million.
- The after-tax loss was about NT\$6.4 million

2020 Revenue by Application



Consolidated IS & Cash Flow Statement

Accounts (TWD 100M)	2020	2019	年變化
Sales Revenue	126.24	137.17	(8.0)%
Gross Profit %	13.6 %	12.8 %	0.8 % pts
Operating Income%	4.3 %	3.8 %	0.5 % pts
Net Income (loss)	6.79	1.55	337.2 %
EPS(NTD)	2.58	0.55	369.1 %
Cash Flow from Operating	16.61	16.49	0.7 %
Capital Expenditure	(6.68)	(14.02)	(52.4)%
Free Cash Flow	9.93	2.47	302.4 %
Cash Dividends Paid			
Cash and cash equivalents	12.00	10.38	15.5 %
ROE (%)	13.2 %	4.0 %	9.3 % pts

2020 Summary

- Year 2020 was a dramatic and challenging year. From the outbreak of the Covid-19 epidemic at the end of January to its spread to the world in March. Due to the severe epidemic, each big city has closed down one by one following by home-based epidemic containment have been, which also led to factory shutdowns, increase in unemployment rates and severance of supply chain, forcing governments and central banks to take unprecedented measures to ease the global economic decline. As the epidemic control gradually improved, the economy has recovered in the second half of the year, but the economic environment was hit by the sharp depreciation of the US dollar and the continuous rise in metal prices.
- Amid this volatility, Dynamic adopted strict closed-off management in the factory in the first quarter to ensure all employees' health, and operation continued with non-stop feedstock, production, and shipments, supporting customers with over 70% of operating ratio; In the second quarter, due to the suspension of major European and American automotive customers, demand dropped sharply. We strived to control costs to achieve a new high gross profit. In the second half of the year, European and American automakers resumed operations. The strong rebound in demand from automotive customers stabilized revenue. However, the appreciation of the Taiwan dollar against the U.S. dollar, the decrease in utilization rate and increase in labor costs caused by lack of labor, and the low gross profit of some old automotive boards have resulted in a decline in profit.

2020 Summary (continued)

- Revenue decreased by 8% compared to 2019 due to the disposal of Taoyuan plant and the impact of COVID-19 epidemic.
- Gross profit rate increased by 0.8%.
- Operating net profit rate increased by 0.5%
- Non-operating exchange loss: NT\$124 million.
- After-tax net profit: NT\$679 million, including the sale of Taoyuan plant for NT\$426 million (EPS NT\$1.62) and the operating profit NT\$253 million (EPS NT\$0.96).

2021 Outlook

Challenges and Countermeasures

- The shortage and the rising cost of raw material such as substrate and copper foil.

Countermeasure: Increase the sources(supplier) and stock up on the material. Strengthening the negotiation with the upper management of the suppliers and strive for price flexibility with the customers.

- Fluctuation in Exchange Rate

Countermeasures: Signing forward foreign exchange contracts with banks to minimize the impact of exchange rate

- Low gross profit of automotive PCB

Countermeasures: Accelerate the development of applications in communications, satellites, new energy vehicles and advanced driving. Introduce related technologies to continuously improve production yields and costs.

We are optimistic about the revenue and profit in 2021.

Thank You!

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