



UNITED
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United Orthopedic Corporation

2023 Investor Conference

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Safe Harbor Notice

Except for historical information set forth herein, this presentation contains certain forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from what may be expressed or implied by such statements. Investors shall assess the potential impact of uncertainties and conduct risk control.

Agenda

- **The third-quarter performance of 2023**
- **The first three quarters performance of 2023**
- **Business Update**
- **Q & A**

The Third-Quarter Performance of 2023

| (NT\$ thousands) | <u>2022 Q3</u> | <u>2023 Q3</u> | <u>DIFF</u> | <u>%</u> |
|------------------|----------------|----------------|-----------------|----------|
| Revenue | 759,664 | 934,365 | 174,701 | +23% |
| Operating P/L | 74,536 | 171,186 | 96,650 | +130% |
| Non-OP P/L | <u>28,857</u> | <u>(1,506)</u> | <u>(30,363)</u> | -105% |
| Net Profit | <u>78,946</u> | <u>112,682</u> | <u>33,736</u> | +43% |
| % | 10% | 12% | 2% | |
| EPS | 1.01 | 1.30 | 0.30 | |

The First Three Quarters Performance of 2023

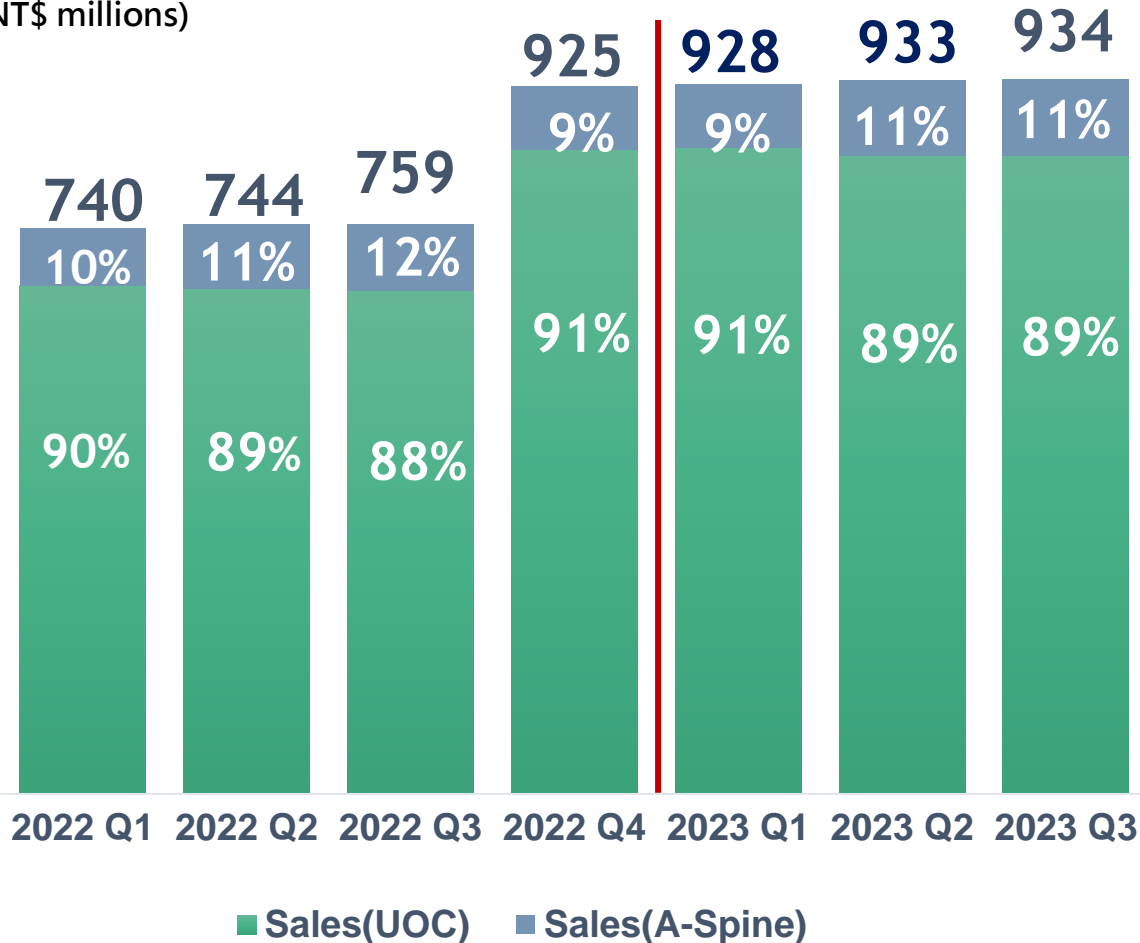
| (NT\$ thousands) | <u>2022 Q1~Q3</u> | <u>2023 Q1~Q3</u> | <u>DIFF</u> | <u>%</u> |
|------------------|-------------------|-------------------|-----------------|----------|
| Revenue | 2,243,391 | 2,795,770 | 552,379 | +25% |
| Operating P/L | 207,003 | 387,510 | 180,507 | +87% |
| Non-OP P/L | <u>(15,604)</u> | <u>(25,638)</u> | <u>(10,034)</u> | -64% |
| Net Profit | <u>139,428</u> | <u>264,423</u> | <u>124,995</u> | +90% |
| % | 6% | 9% | 3% | |
| EPS | 1.78 | 3.14 | 1.36 | |

EPS reached a historic high, surpassing the full-year 2022 figure of 2.84

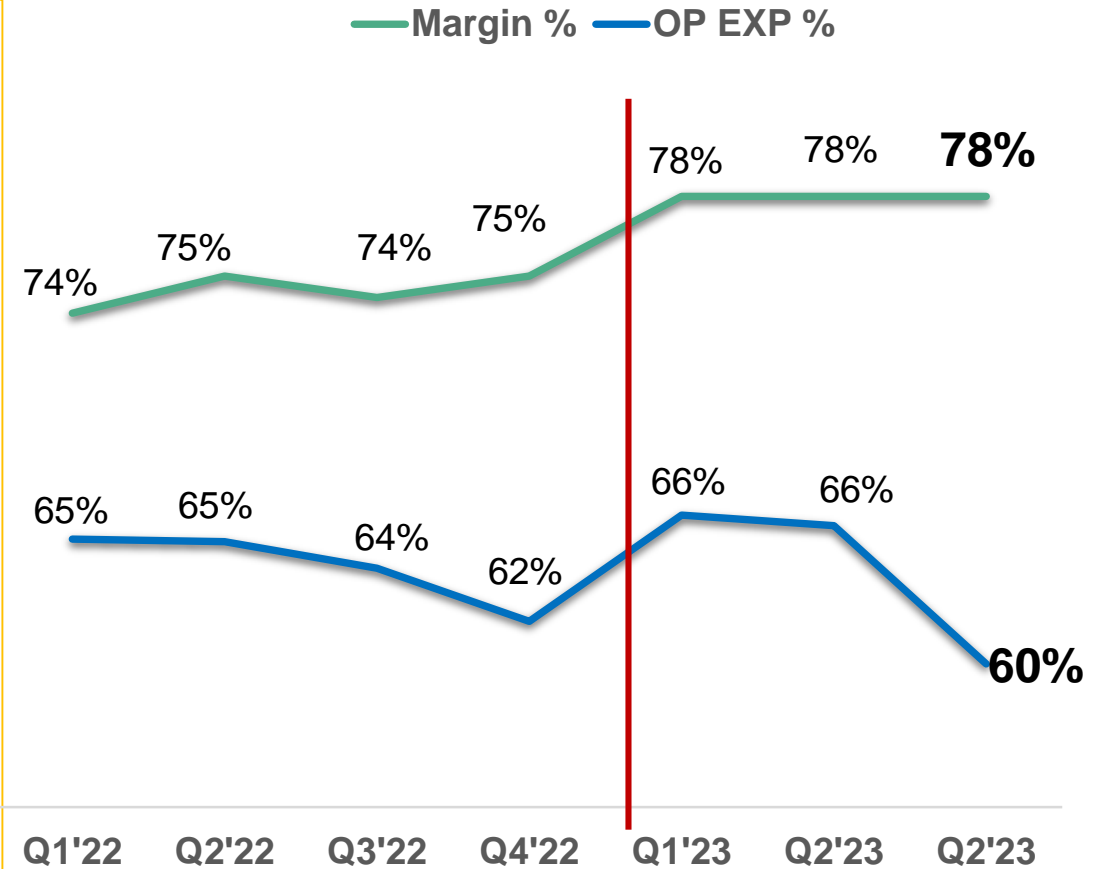
Operating Results by Quarter

Revenue Trend Chart

(NT\$ millions)



Financial Ratios



In the 1st three quarters of 2023, the gross profit margin was 78%, and the operating expense ratio was 64%.

Overview of Global Deployments

45 countries **9** worldwide offices

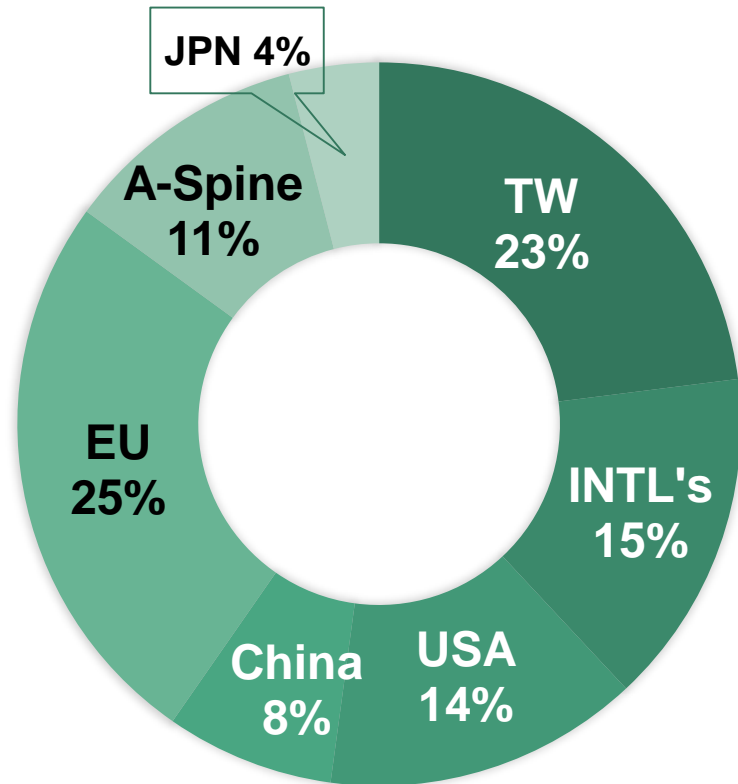
Revenue in the first 3 quarters of 2023 is 2.79 billion, with 85% from self-operated and 15% from distribution.



Revenue by Regions

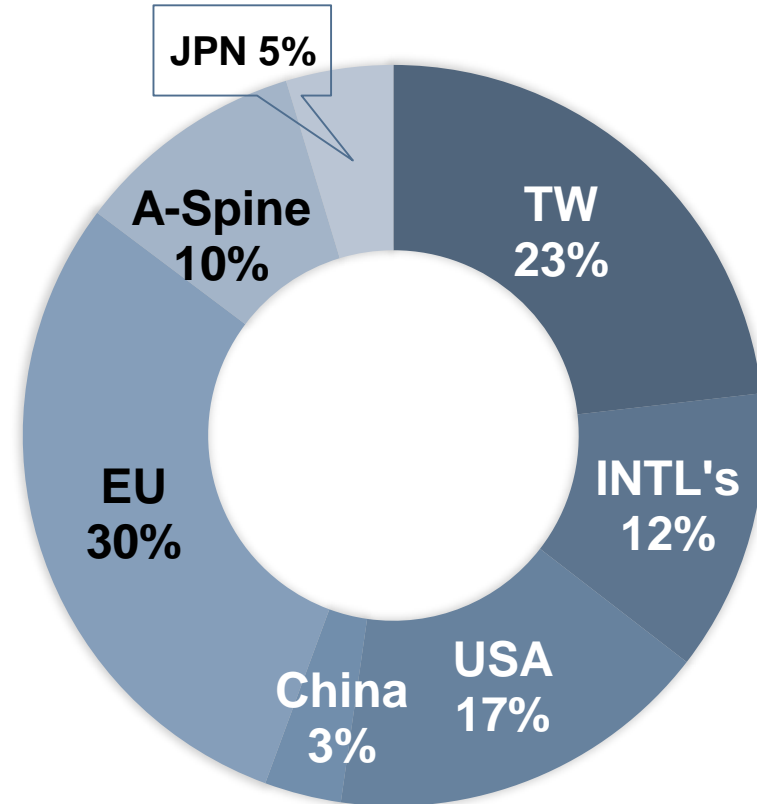
2022 Q1~Q3

2.24 billions



2023 Q1~Q3

2.79 billions



Revenue Performance of Each Business Unit in Q3 (2022 vs. 2023)

The Third Quarter NT\$ 9.34 million

| (NT\$ M) | 2022 | 2023 | YoY% |
|----------------|--------------|--------------|------------|
| <u>Revenue</u> | <u>759.7</u> | <u>934.4</u> | <u>23%</u> |
| TW | 188.8 | 216.2 | 15% |
| INTL | 119.9 | 140.5 | 17% |
| China | 53.9 | 18.6 | -66% |
| USA | 110.3 | 176.1 | 60% |
| EU | 171.4 | 238.5 | 39% |
| Japan | 28.7 | 44.7 | 56% |
| A-Spine | 86.7 | 99.8 | 15% |

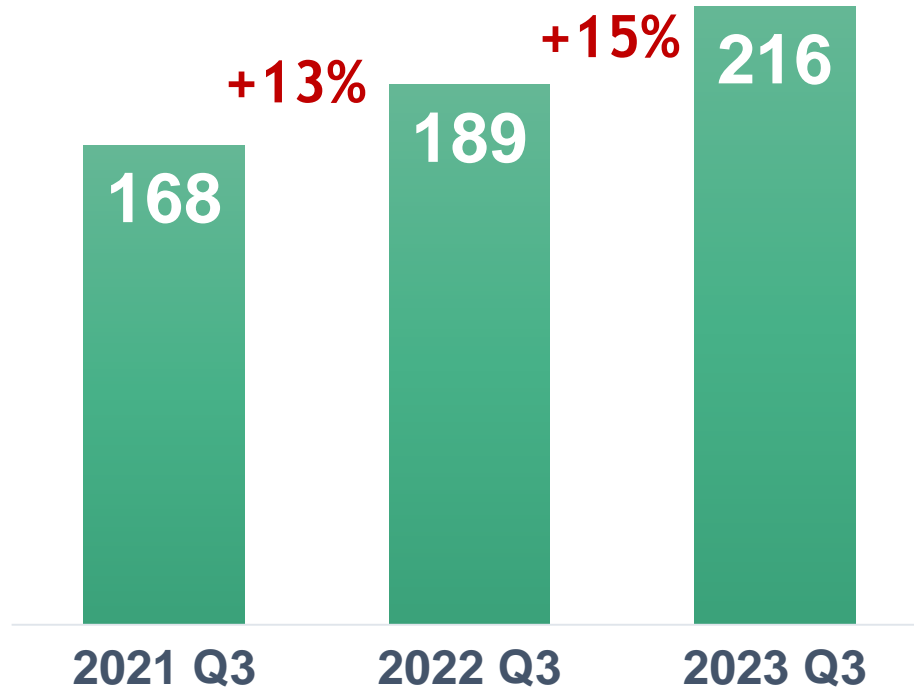
The First 3 Quarters NT\$ 27.96 million

| (NT\$ M) | 2022 | 2023 | YoY% |
|----------------|----------------|----------------|------------|
| <u>Revenue</u> | <u>2,243.4</u> | <u>2,795.8</u> | <u>25%</u> |
| TW | 516.1 | 648.1 | 26% |
| INTL | 337.3 | 343.5 | 2% |
| China | 168.9 | 93.7 | -44% |
| USA | 316.4 | 469.7 | 48% |
| EU | 568.3 | 828.6 | 46% |
| Japan | 90.2 | 130.8 | 45% |
| A-Spine | 246.3 | 281.3 | 14% |

Taiwan Market Performance

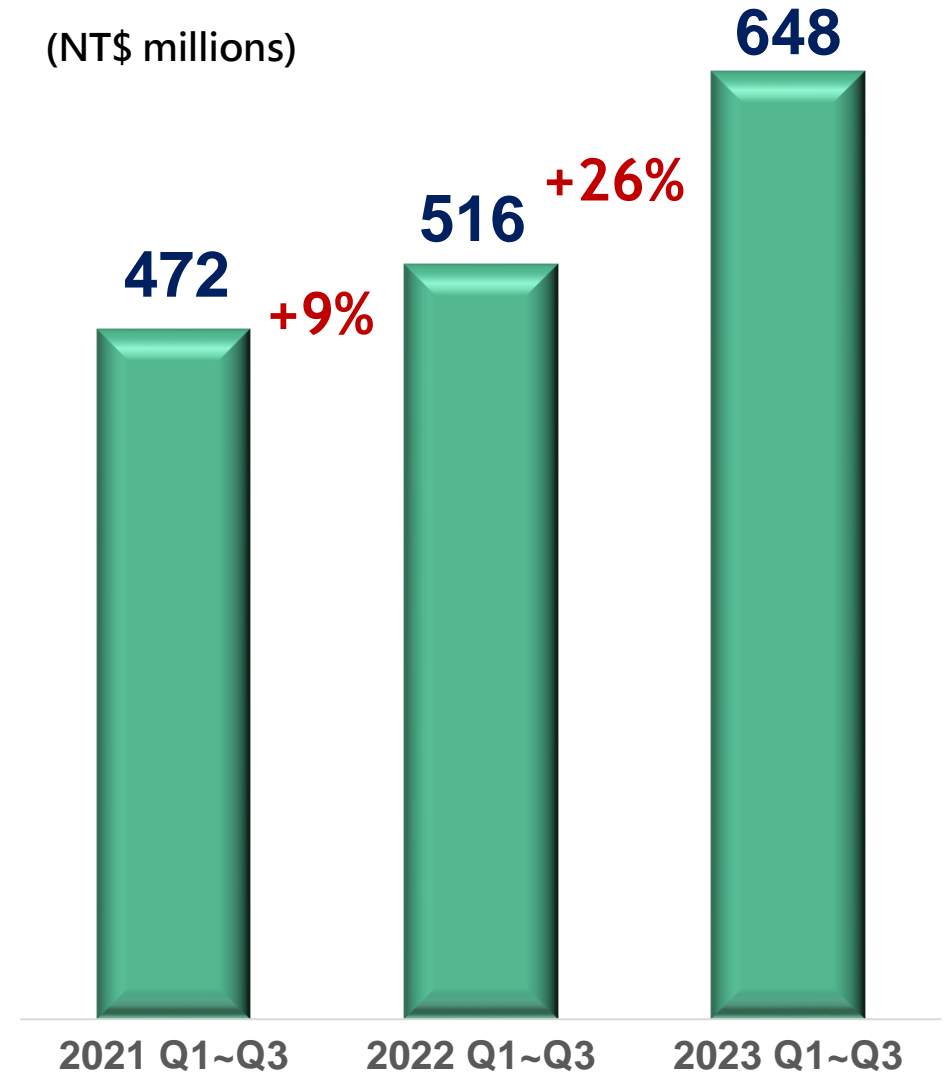
The Third-Quarter Revenue

(NT\$ millions)



Revenue from January to September

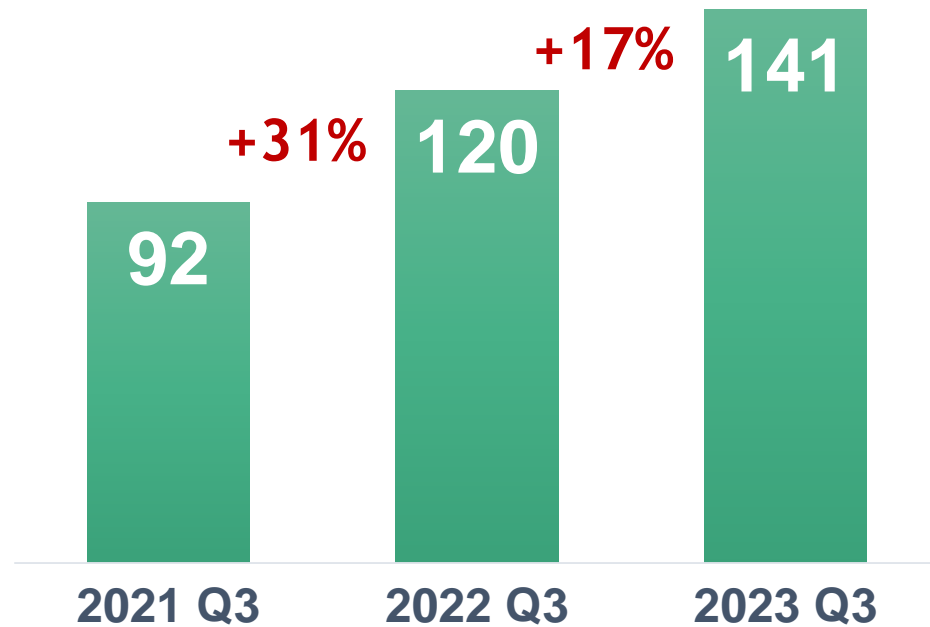
(NT\$ millions)



International Market Performance

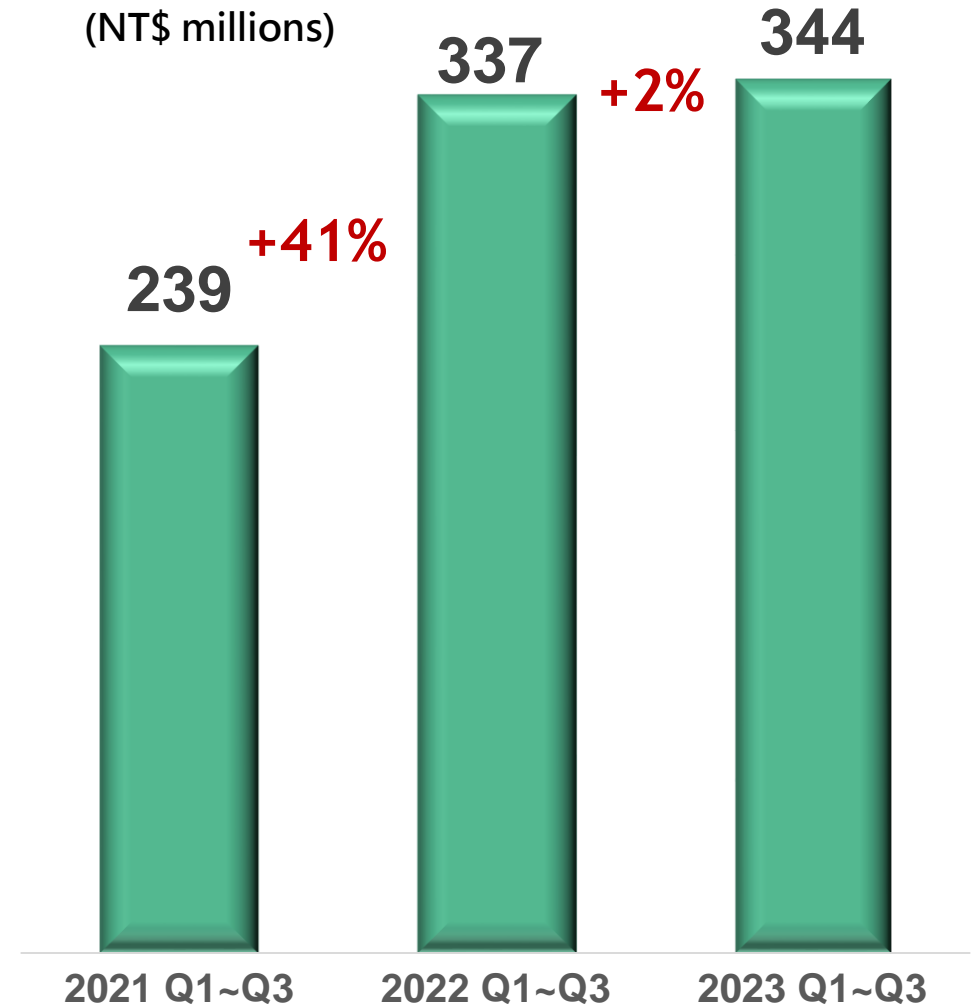
The Third-Quarter Revenue

(NT\$ millions)



Revenue from January to September

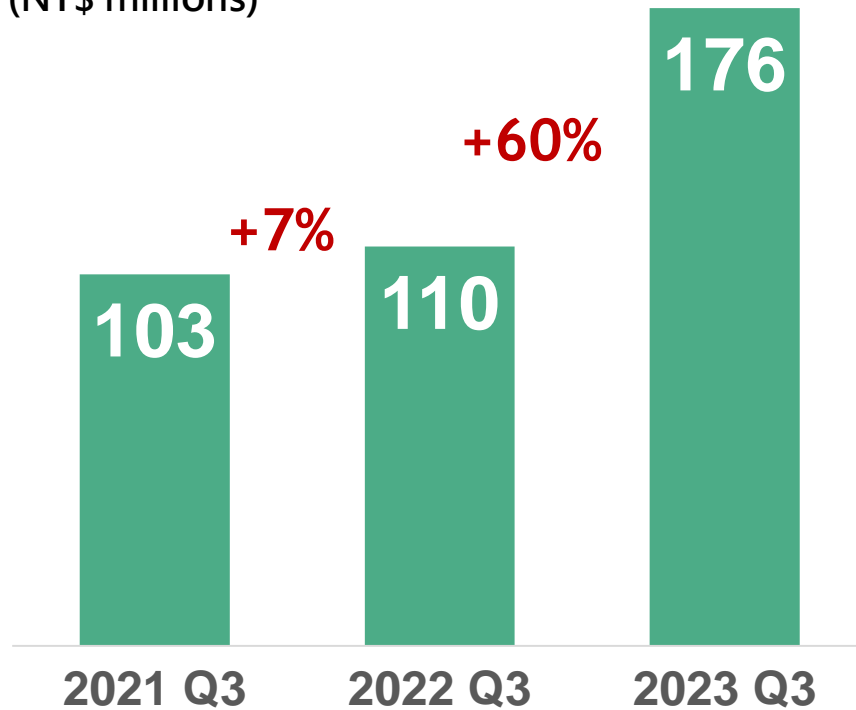
(NT\$ millions)



USA Market Performance

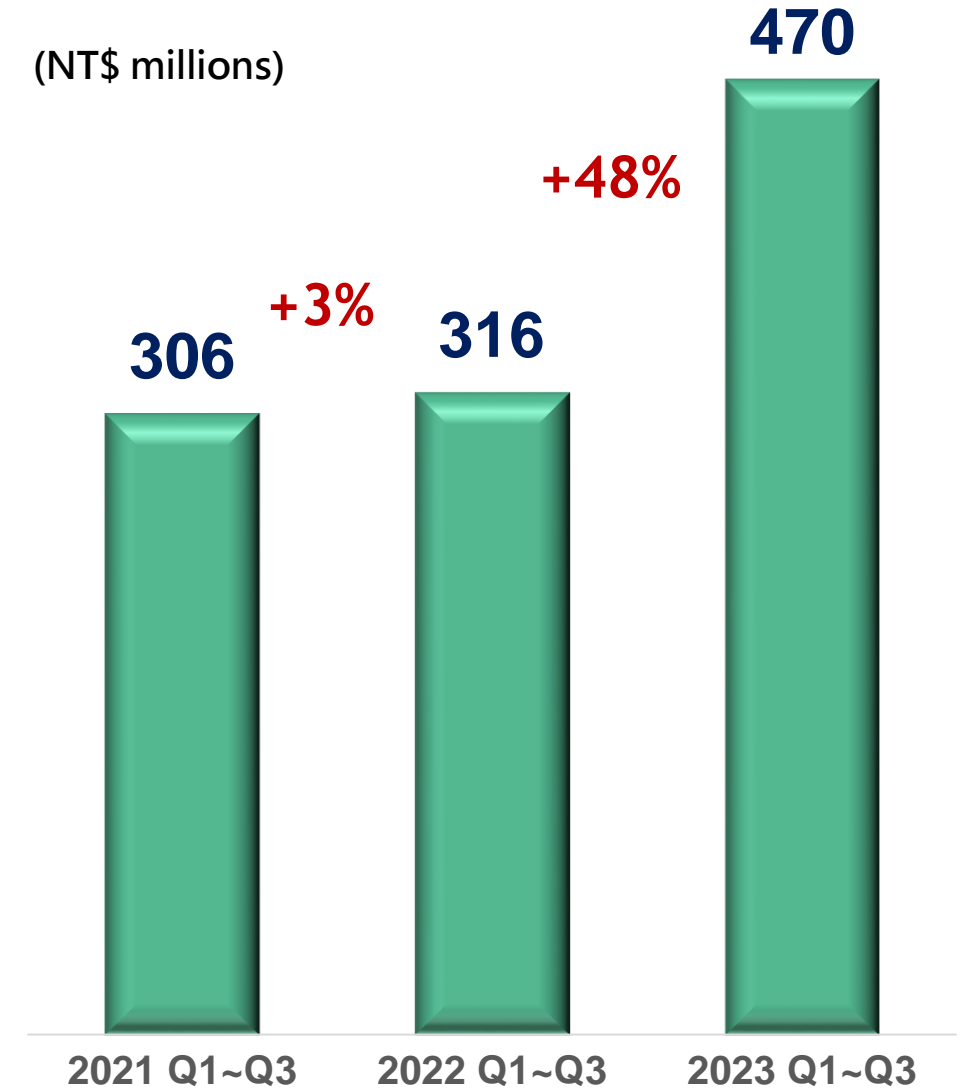
The Third-Quarter Revenue

(NT\$ millions)



Revenue from January to September

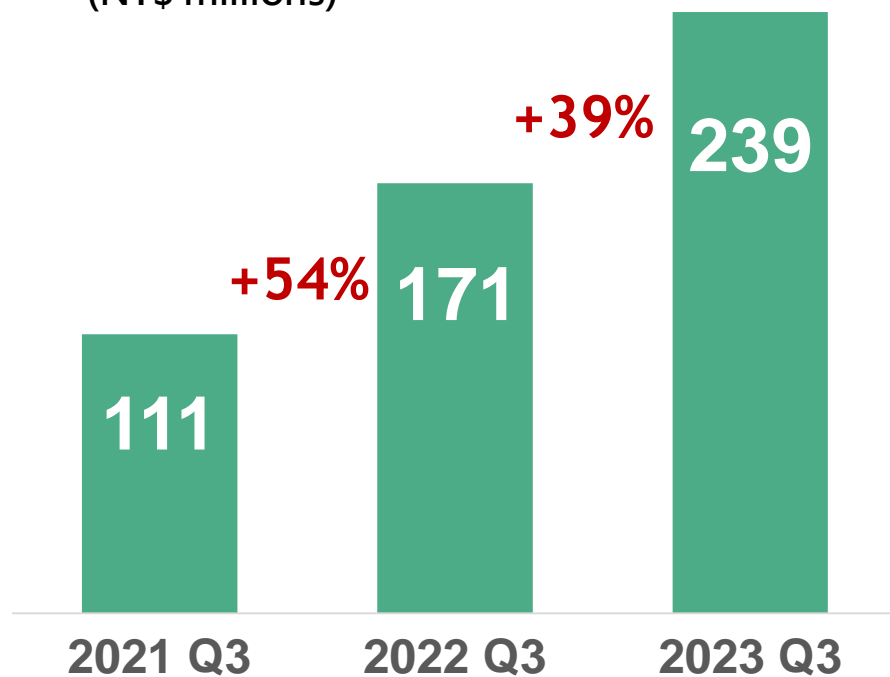
(NT\$ millions)



Europe Market Performance

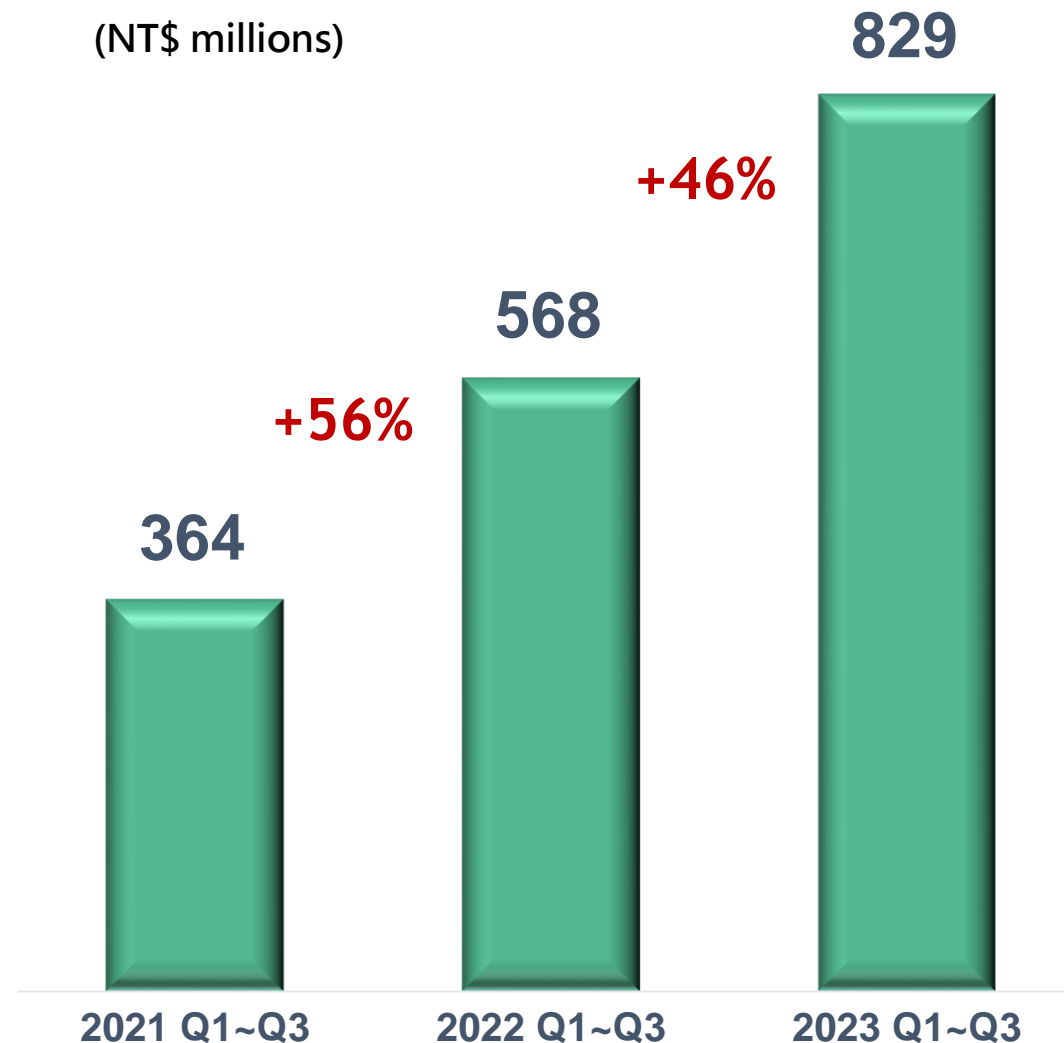
The Third-Quarter Revenue

(NT\$ millions)



Revenue from January to September

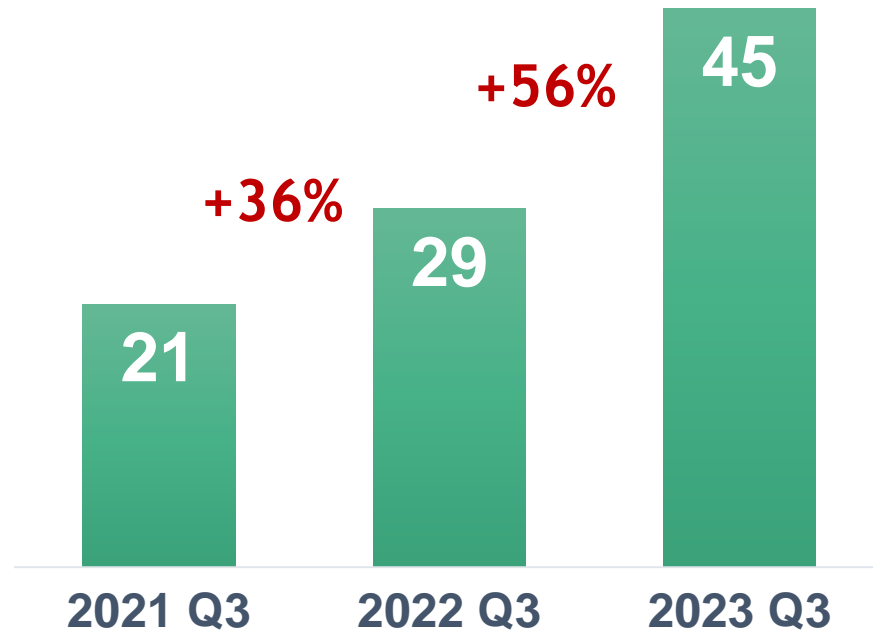
(NT\$ millions)



Japan Market Performance

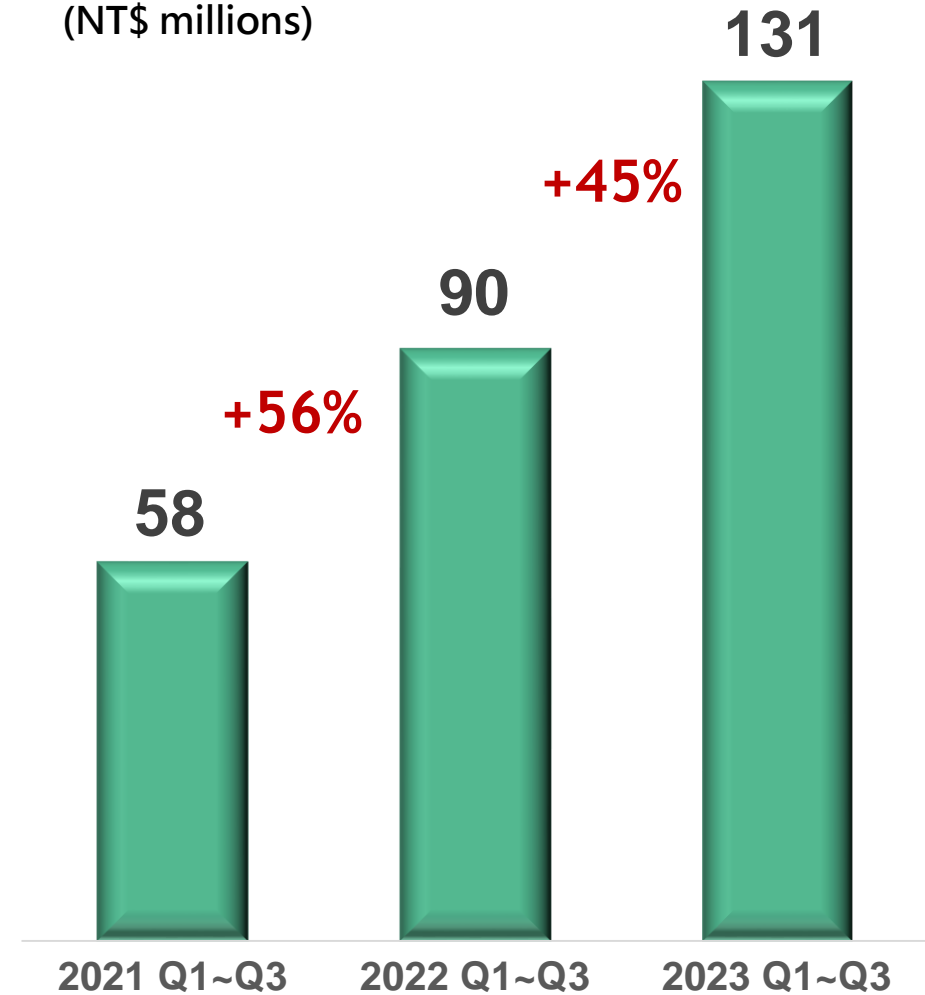
The Third-Quarter Revenue

(NT\$ millions)



Revenue from January to September

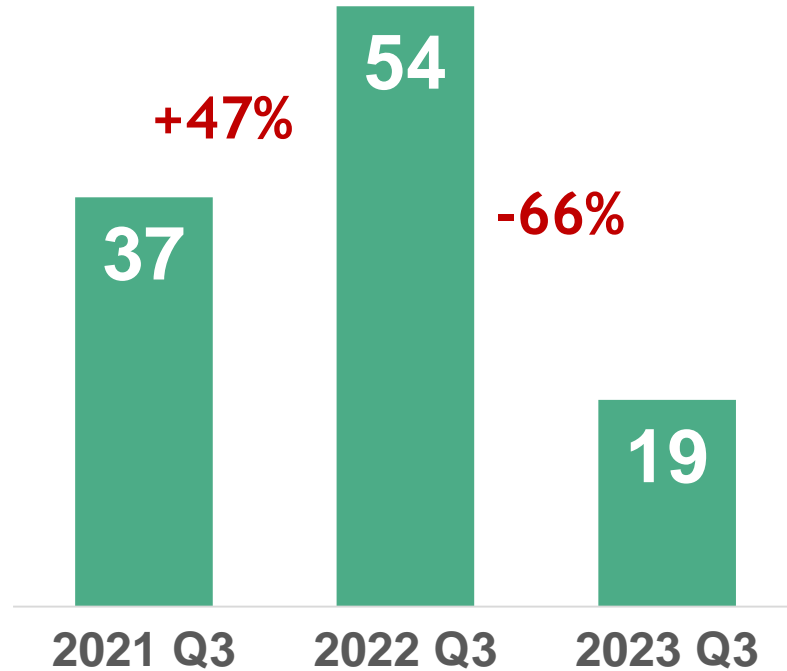
(NT\$ millions)



China Market Performance

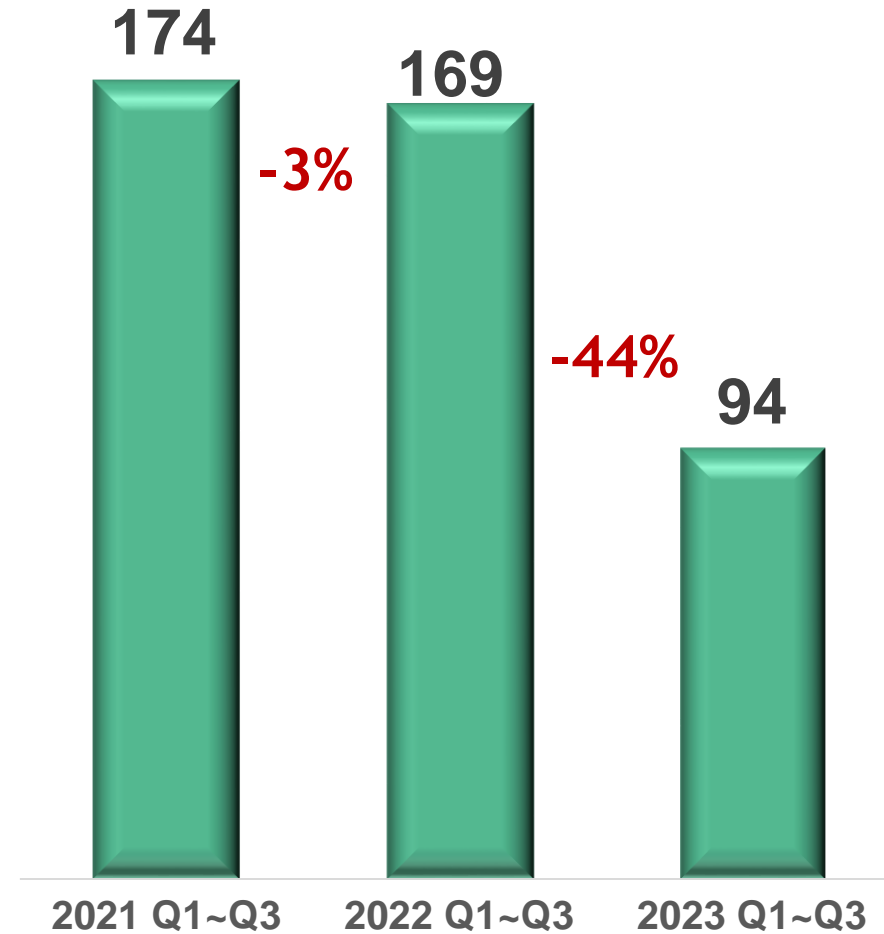
The Third-Quarter Revenue

(NT\$ millions)



Revenue from January to September

(NT\$ millions)



Dividend Policy

Maintaining a high dividend payout ratio, sharing profits with shareholders.

| Dividend Fiscal Year | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| EPS (NT\$) | <u>0.41</u> | <u>1.52</u> | <u>2.30</u> | <u>2.06</u> | <u>1.78</u> | <u>1.61</u> | <u>1.05</u> | <u>1.00</u> | <u>0.37</u> | <u>2.84</u> |
| Dividend Distribution Year | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Cash Dividend (NT\$) | <u>0.45</u> | <u>1.21</u> | <u>1.60</u> | <u>1.39</u> | <u>1.26</u> | <u>2.00</u> | <u>0.82</u> | <u>0.84</u> | - | <u>2.28</u> |
| - Earnings | 0.45 | 1.21 | 1.60 | 1.39 | 1.26 | 1.26 | 0.28 | 0.84 | - | 2.28 |
| - Capital Surplus | - | - | - | - | - | 0.74 | 0.54 | - | - | - |
| Earnings Distribution Ratio (%) | <u>109%</u> | <u>80%</u> | <u>70%</u> | <u>67%</u> | <u>71%</u> | <u>124%</u> | <u>78%</u> | <u>84%</u> | <u>0%</u> | <u>80%</u> |
| - Cash Dividend | 109% | 80% | 70% | 67% | 71% | 124% | 78% | 84% | 0% | 80% |
| - Stock Dividend | - | - | - | - | - | - | - | - | - | - |

October revenue reaches a record high of NT\$ 407 million

Revenue for January to October 2023: NT\$ **3.20** billion
exceeds the full-year revenue of NT\$ **3.17** billion in 2022

| (NT\$ thousands) | 2022 | 2023 | YoY% |
|------------------|----------------|----------------|------------|
| 營業收入 | <u>310,457</u> | <u>406,864</u> | 31% |
| TW | 69,888 | 90,535 | 30% |
| INTL | 50,023 | 53,989 | 8% |
| China | 10,542 | 1,947 | -82% |
| USA | 45,618 | 73,577 | 61% |
| EU | 97,298 | 131,371 | 35% |
| Japan | 11,481 | 15,982 | 39% |
| A-Spine | 25,607 | 39,463 | 54% |

Thank you for listening

Each Step We Care