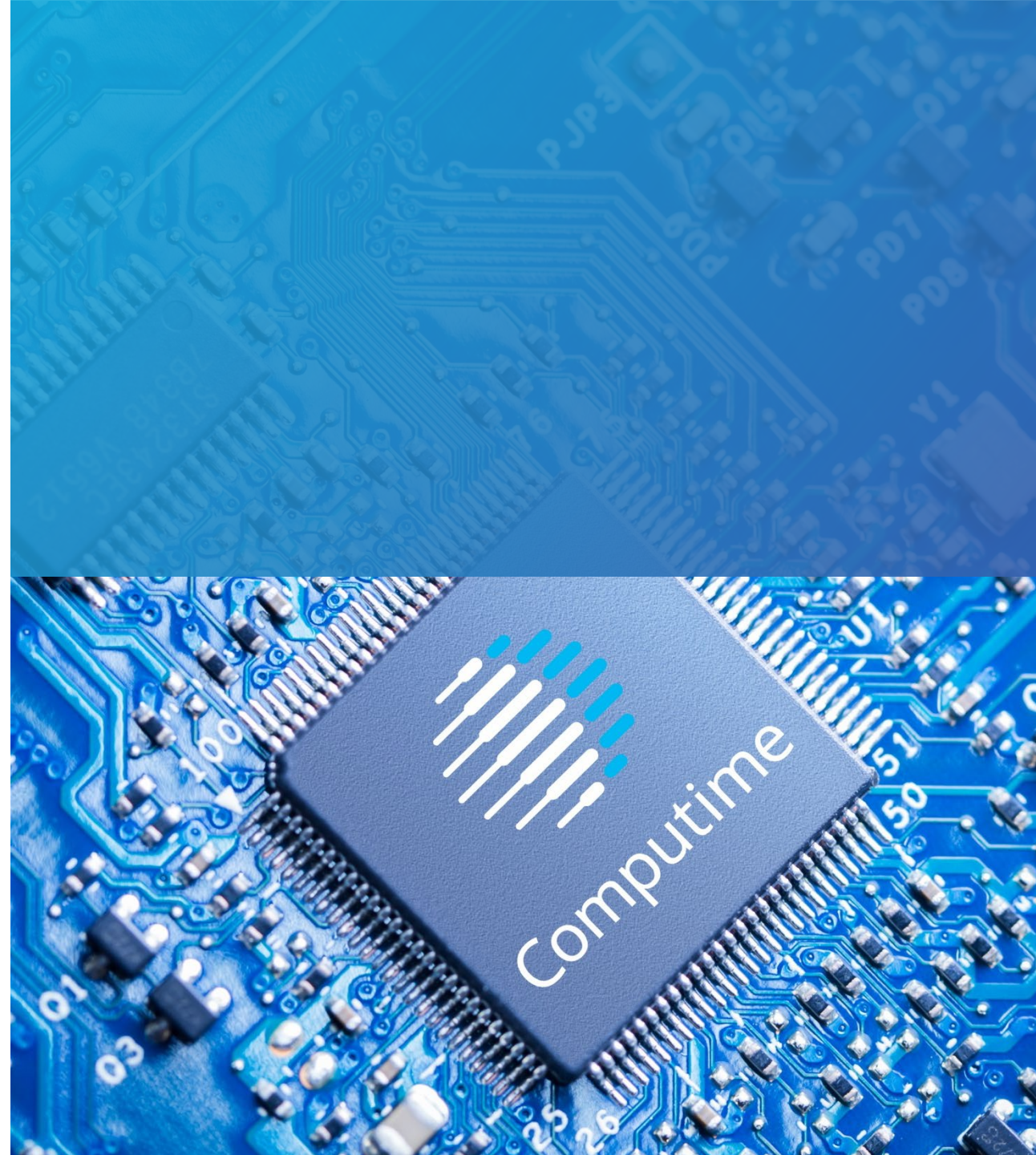




Computime Group Limited
(Stock Code: 320.HK)

2021/22 Interim Results Presentation

30 November 2021



By attending this presentation, or by reading the presentation materials, you agree to be bound by the following limitations:

The information in this presentation has been prepared by representatives of Computime Group Ltd. (the "Company") for use at investor presentations by the Company.

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained herein. Neither the Company nor any of the Company's advisors or representatives shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially.

This presentation is based on the economic, regulatory, market and other conditions as in effect on the date hereof. It should be understood that subsequent developments may affect the information contained in this presentation, which neither the Company nor its advisors or representatives are under an obligation to update, revise or affirm.

The information communicated in this presentation contains certain statements that are or may be forward looking. These statements typically contain words such as "will", "expects" and "anticipates" and words of similar import. By their nature forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Any investment in securities issued by the Company will also involve certain risks. There may be additional material risks that are currently not considered to be material or of which the Company and its advisors or representatives are unaware. Against the background of these uncertainties, readers should not rely on these forward-looking statements. The Company assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.

This presentation and the information contained herein do not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities of the Company. The securities of the Company have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered, sold or delivered within the United States absent registration under or an applicable exemption from the registration requirements of the United States securities laws.

This presentation and the information contained herein are being furnished to you solely for your information and may not be reproduced or redistributed to any other person, in whole or in part. In particular, neither the information contained in this presentation nor any copy hereof may be, directly or indirectly, taken or transmitted into or distributed in the United States or any other jurisdiction which prohibits the same except in compliance with applicable securities laws. Any failure to comply with this restriction may constitute a violation of U.S. or other national securities laws. No money, securities or other consideration is being solicited, and, if sent in response to this presentation or the information contained herein, will not be accepted.

No invitation is made by this presentation or the information contained herein to enter into, or offer to enter into, any agreement to purchase, acquire, dispose of, subscribe for or underwrite any securities or structured products, and no offer is made of any shares in or debentures of a company for purchase or subscription, except as permitted under the laws of Hong Kong.

Contents

01

Company
Overview

02

2021/22
Interim Results
Review

03

2021/22
Interim Results
Operational Highlights

04

Outlook

01

COMPANY OVERVIEW

Who We Are



COMPUTIME IS A TECHNOLOGY AND MANUFACTURING COMPANY THAT ENABLES AND ADVANCES SMART AND SUSTAINABLE LIVING FOR EVERYONE.

We focus on AI and ML that promote connected homes and buildings, evolving robotic automation technologies, and innovating renewable energy and water saving technologies.

Stock Code: 0320.HK
Listing Date: 9 October 2006

Stock Price:

As at 29 Nov 2021

HK\$0.870



What We Do



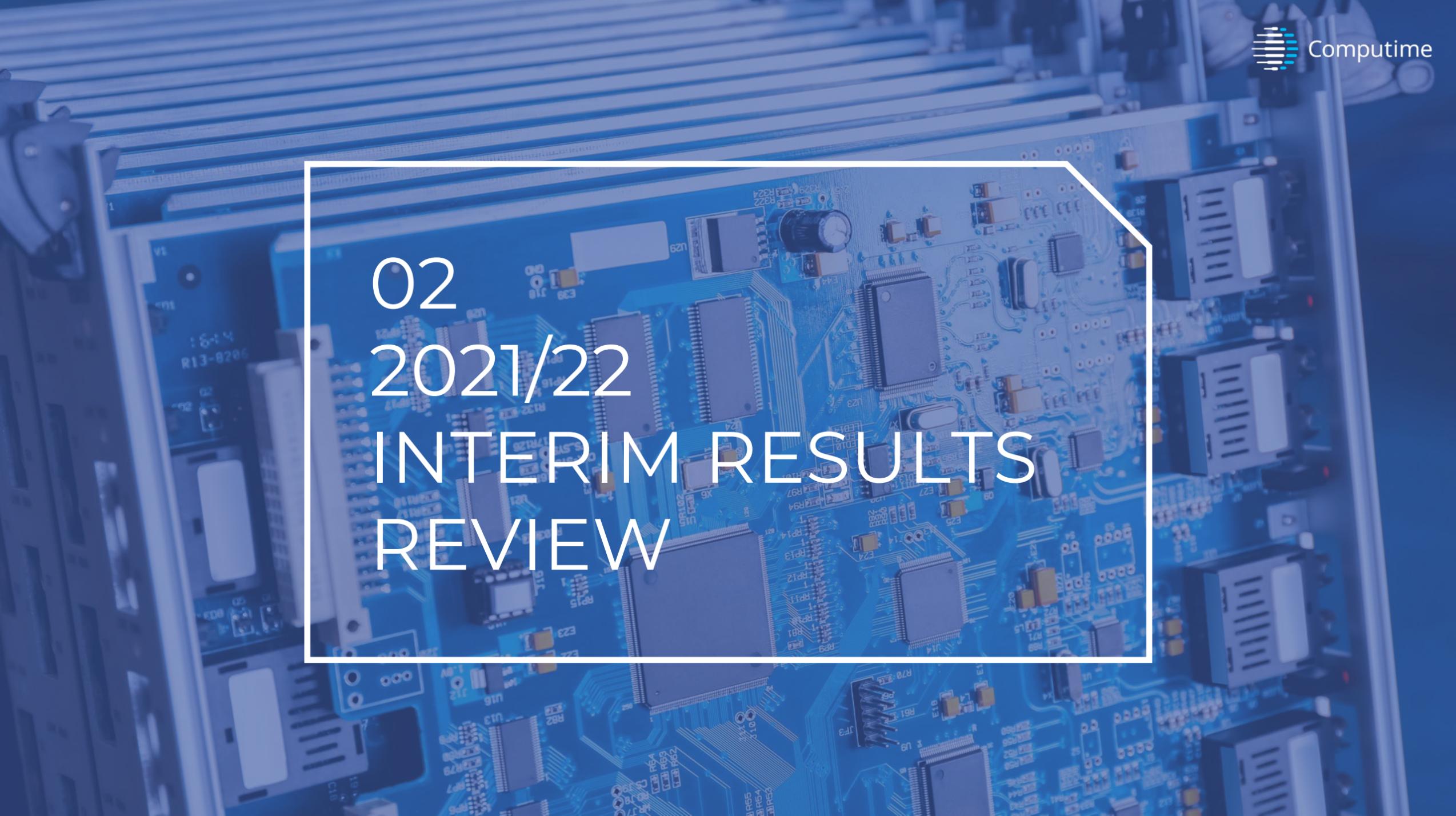
- Technology and Manufacturing Company
- Specializes in Appliance Control, HVAC systems, Home Controls, and Industrial Controls



- Established in 2004
- B2B IoT Technology-based Company
- Offers branded energy efficiency and environmental control products
- Operations cover over +30 countries



- B2C global brand and product leader in home and baby markets
- Innovative DTC solutions through online and offline retail channels



02
2021/22
INTERIM RESULTS
REVIEW

2021/22 Financial Highlights

1). Strong profit uplift by 15.2 times to HK\$34M despite severe global shortage in components, COVID-19 disruption in manufacturing operation and global logistics

- **+22.3%** yoy **revenue growth**
- **+2.4 % pt gross margin** vs LY
- **SG&A cost ratio** stays **flat** vs LY

2). Healthy Financial Position Maintained

- **Net Cash** landed at **HK\$316M**, still managed **higher** than LY despite **strategic inventory build** up of selected critical components to fulfil strong order pipeline secured



Summary of Key P/L Items

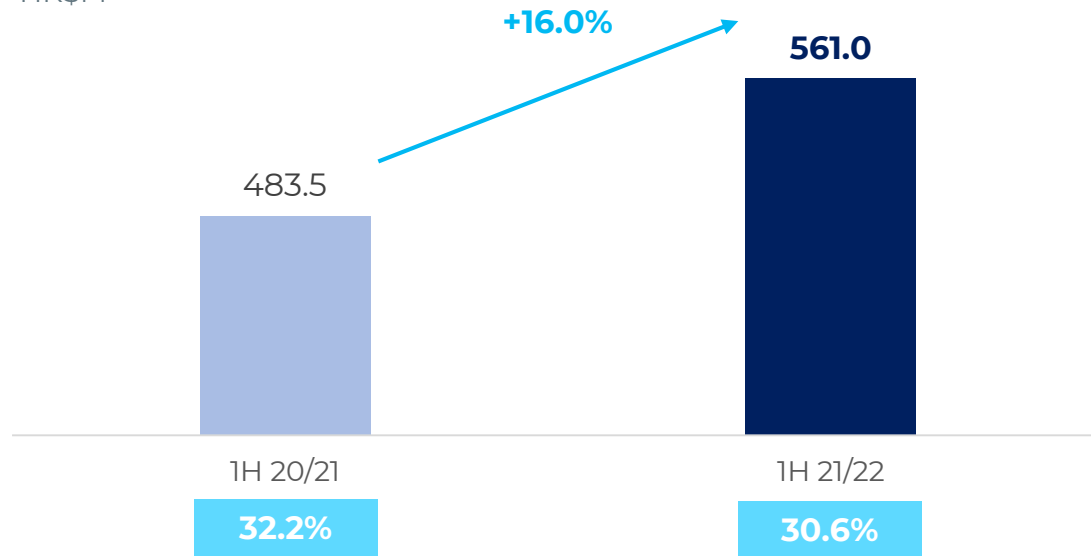
(HK\$ million)	1H 20/21	1H 21/22	Change	
Revenue	1,501.9	1,836.2	+22.3%	New business won from both existing & new customers
Gross profit	172.2	255.8	+48.5%	
Gross profit margin	11.5%	13.9%	+2.4 % pt	Favourable sales mix and better leveraging of factory overheads
Total SG&A expenses & others	174.1	211.2	+21.3%	
Total SG&A expenses & others to revenue ratio	11.6%	11.5%	-0.1 % pt	Re-engineered cost base
Finance costs	7.6	5.7	-25.0%	
Other Operating income(net)	15.2	2.7	-82.2%	Less Government subsidies received
Tax	3.6	7.4	+105.6%	
Profit for the Period	2.1	34.2	+1,521.8%	
Net profit margin	0.1%	1.9%	+1.8 % pt	
Basic earnings per share (HK Cents)	0.25	4.06	+1,524%	

Strong Topline Growth Driven by Market Demand Recovery and Favourable Customer Mix

Smart Solutions (SS)

Segment Revenue

HK\$M



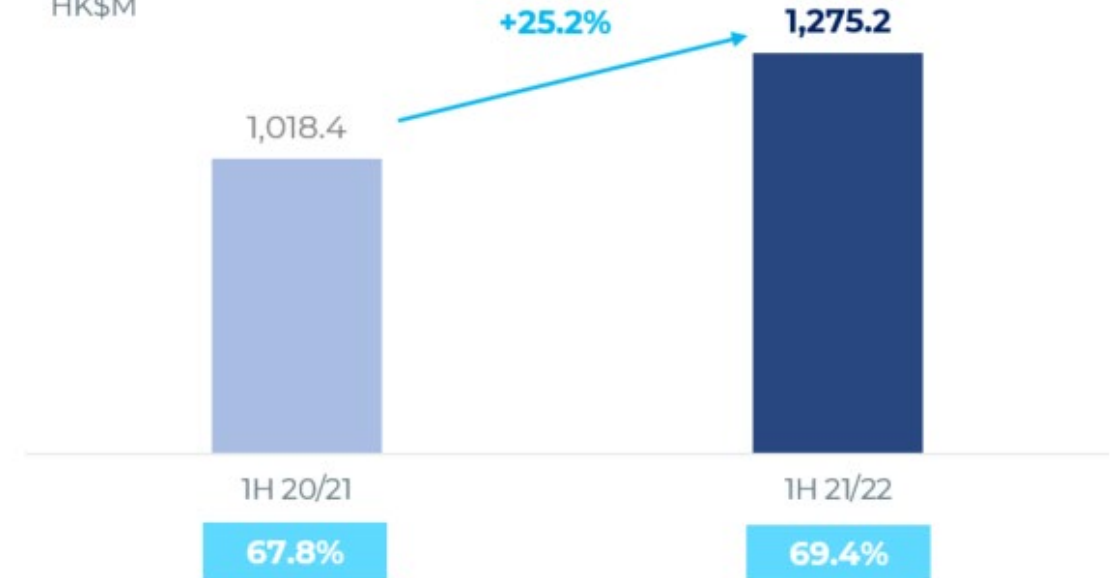
Segment Dynamics

- **Revenue growth** contributed by recovery in customer demand in the US & Europe while still adversely impacted by **severe component shortage**
- Own brand **Salus** enjoyed strong growth in both **sales & profit** contributed by high **customer demand** and our ability to **raise price**

Contract Manufacturing Services (CMS)

Segment Revenue

HK\$M



Segment Dynamics

- **Increase in revenue** driven by strong demand on **home usage** of appliances, power tools, fireplace and gardening devices, etc.
- **Strong order pipeline** and good inflow of **new projects** from existing and new customers

Resilient Balance Sheet and Financial Position

(HK\$ Million)		As at 30 September 2020	As at 30 September 2021	Change
Key Balance Sheet Items & Cash Position	Inventories	773.9	1,075.4	+39.0%
	• Inventory turnover days	102	116	+14 days
	Trade receivables	346.4	485.8	+40.2%
	• Days sales outstanding	35 days	45 days	+10 days
	• Overdue as % of receivables (> 1 month)	3.8%	2.7%	-1.1 % pt
	Net cash*	282.8	315.5	+11.6%
	Trade and bills payables	709.1	1,003.8	+41.6%
	• Trade payable turnover days	93 days	108 days	+15 days
Cash Conversion Cycle	Interest-bearing bank borrowings	116.8	90.2	-22.8%
	CCC	44 days	53 days	+9 days

*Net cash = total cash and cash equivalents less total interest-bearing bank borrowings

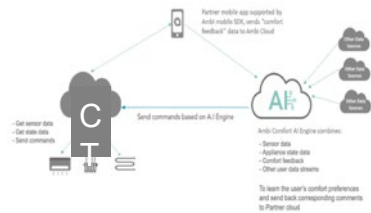


03
2021/22 Interim
Results Operational
Highlights

Innovative R&D Platforms

Consolidate leadership position in IoT and smart control industries

✓ AI CLOUD-TO-CLOUD



✓ SMART THERMOSTAT AWS/TUYA



✓ SUPER QUIET SMART TRV



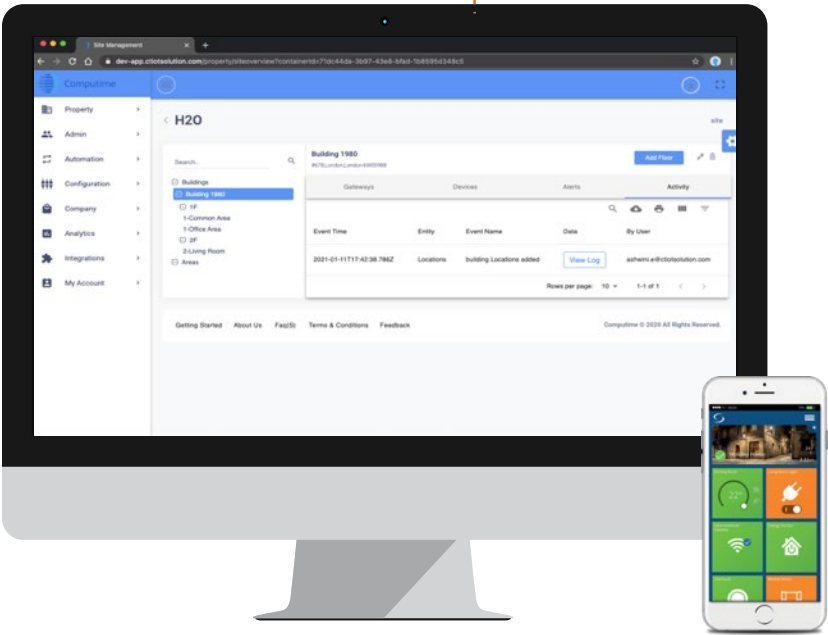
✓ ZIGBEE 3.0

✓ REMOVABLE RING THERMOSTAT



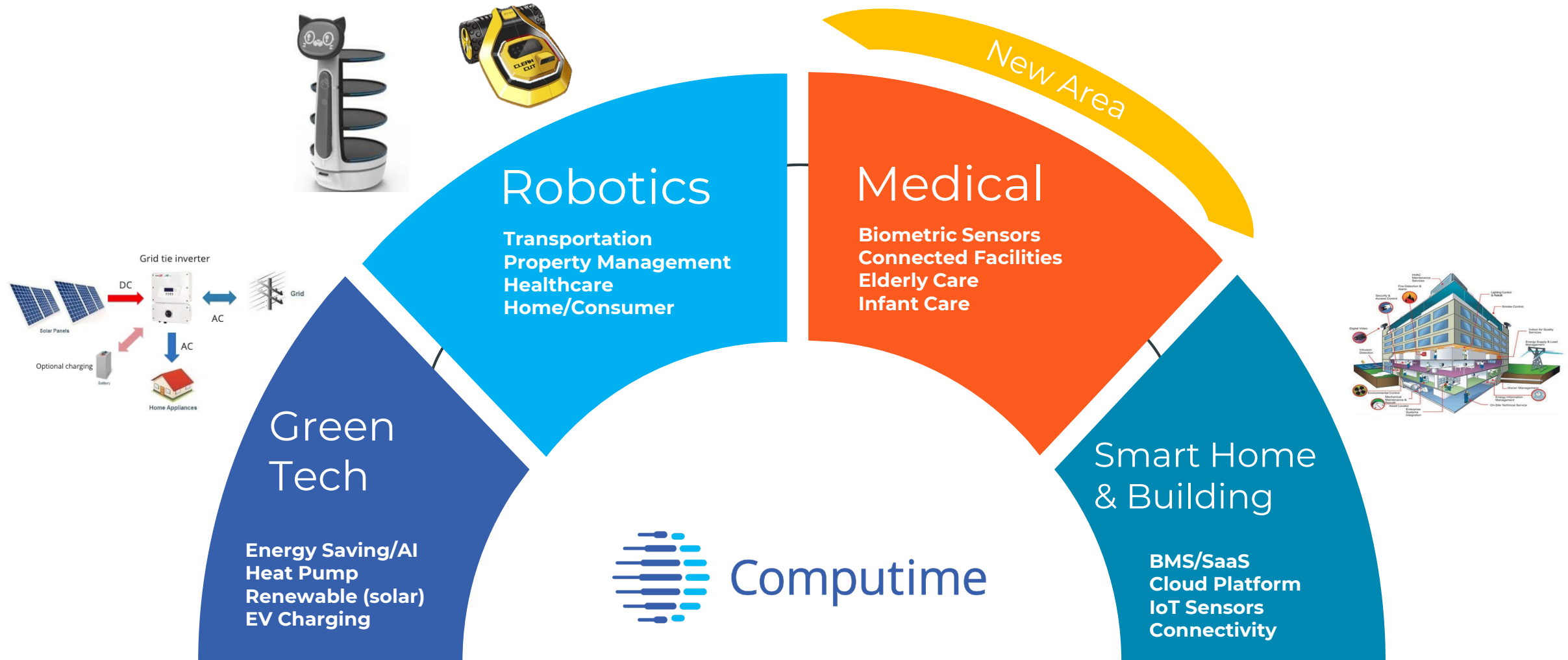
✓ IoT GATEWAY

Centers of Excellence:
HK, China, Romania, US



Technology Innovations

Expanding capabilities in 4 major categories



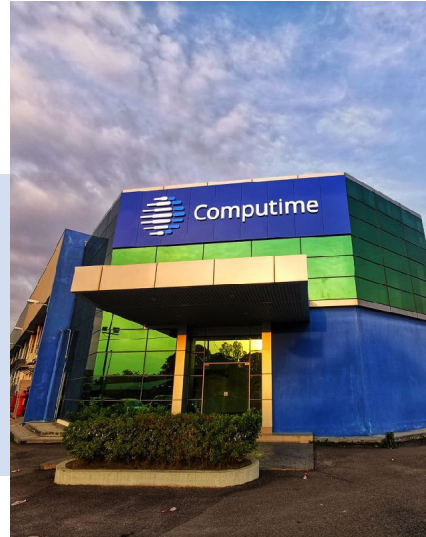
Globalizing Manufacturing Footprint



Shenzhen, China



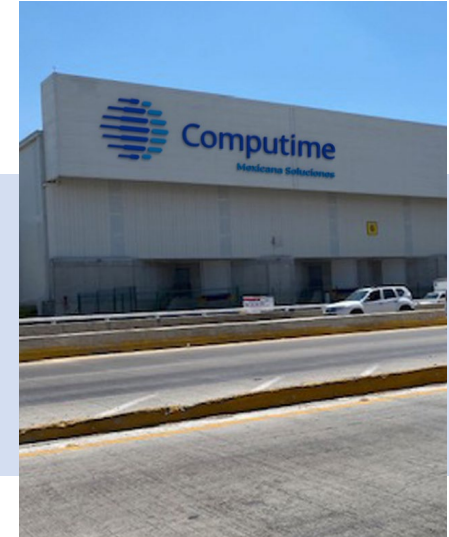
Yunfu, China (VM)



Penang, Malaysia



HCM, Vietnam (VM)



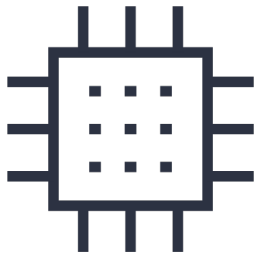
Guadalajara, Mexico

FUTURE FOOTPRINT: EASTERN EUROPE

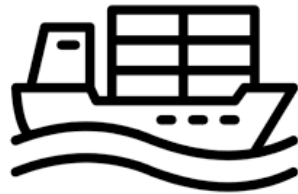
04

Outlook

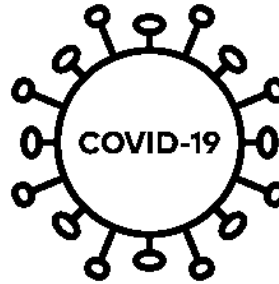
Current Challenges



Materials



Logistics



COVID



Power Stoppage



Price Increase

2H Preview

- Strong order book
- Challenges in material supplies
- Challenges in fulfillment rate
- SAP implementation
- Open Mexican Plant
- Finalize own B2C brand/product



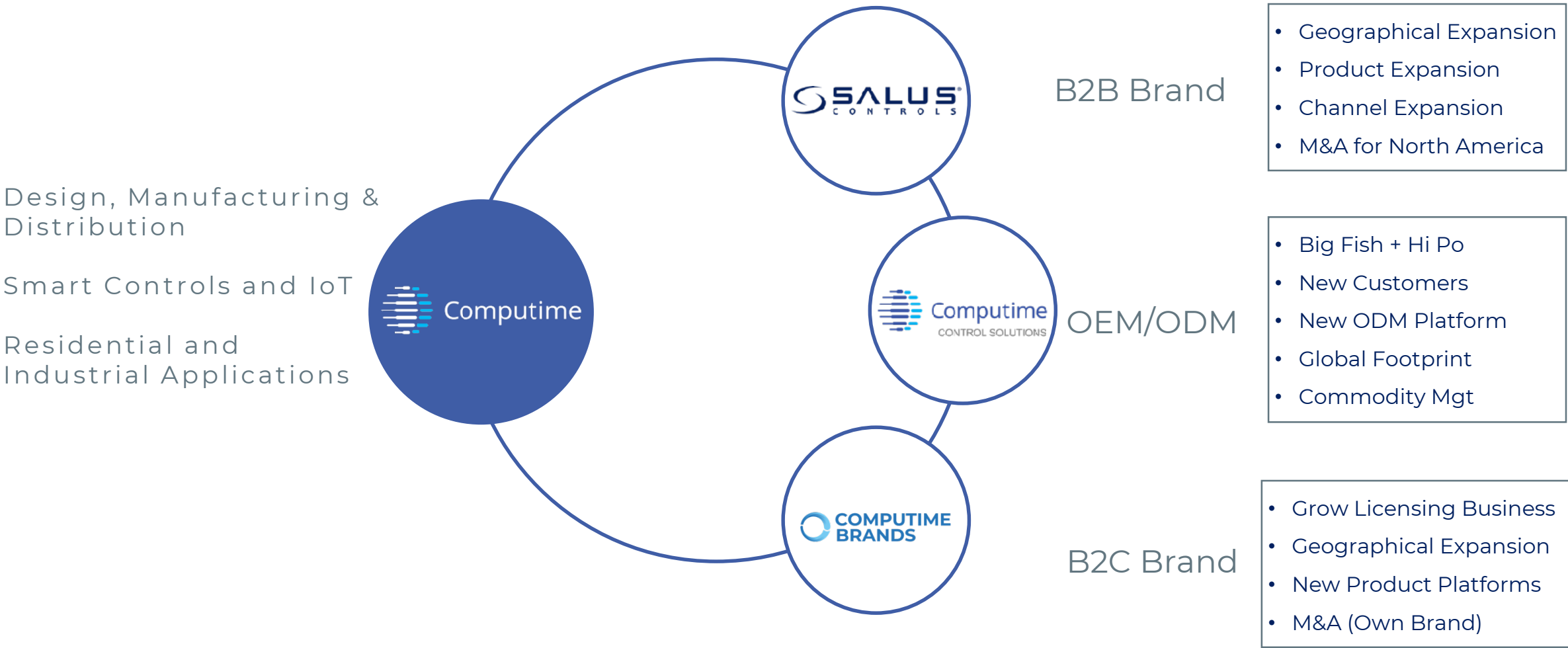
M&A Projects



Our key objective is to accelerate our transformation into a technology, manufacturing and brand company through strategic M&A activities.

- **Transform from hardware to ecosystem/subscription model**
 - Product line expansion
 - Geographical expansion
 - IP acquisition
- **Transform from OEM to ODM (design capabilities)**
 - Economies of scale and growth acceleration
 - Global footprint setup
 - New market entry
- **Establish own brand**
 - New product area
 - New online business model

Strategic Plan



Q&A

Thank You

www.computime.com