



# 3Q21 Earnings Conference

## **LITEON Technology**

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October 18<sup>th</sup>, 2021



# SAFE HARBOR NOTICE

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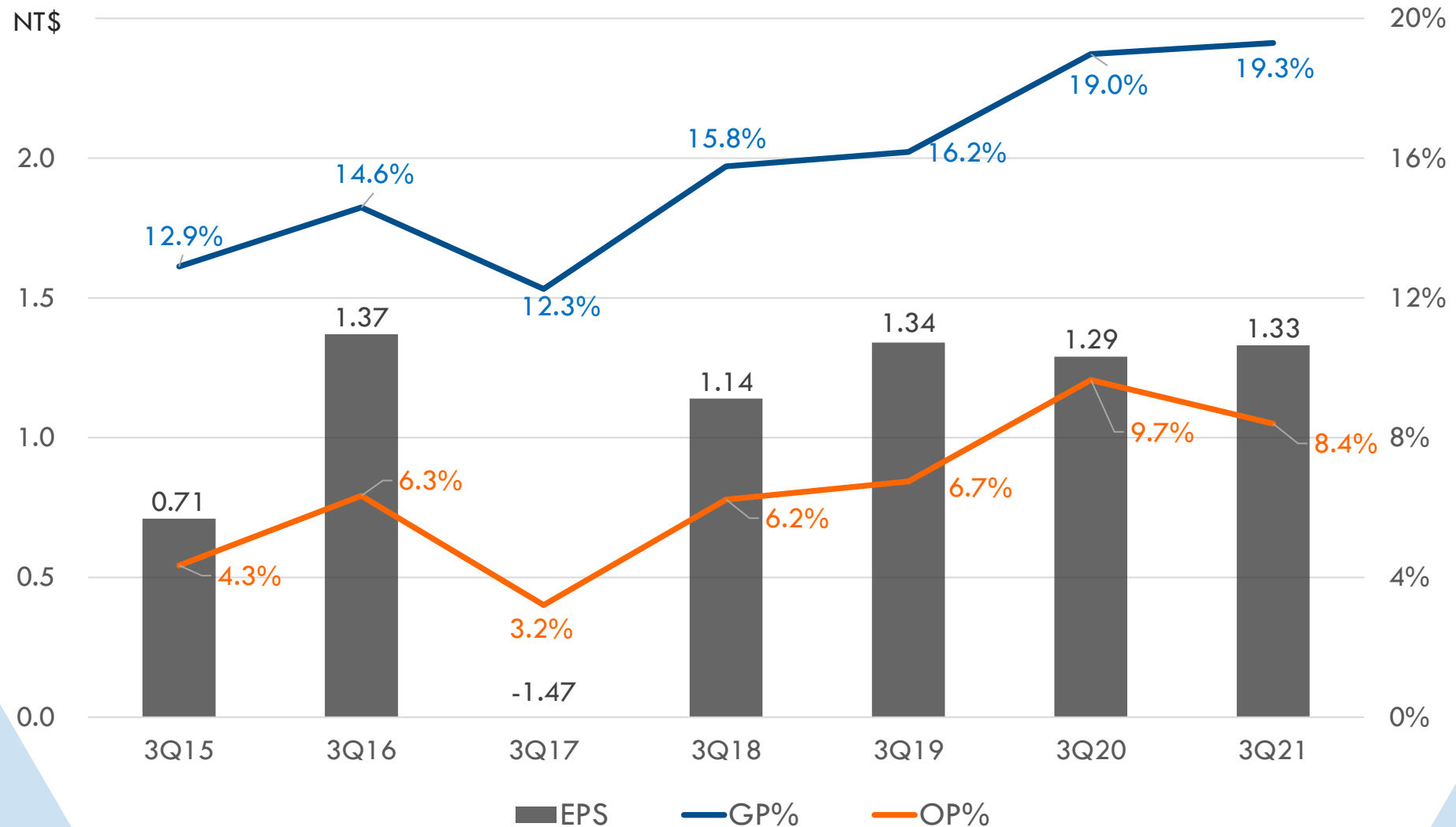
- ◆ LITEON Technology's statement of its current expectations are forward-looking statements which are subject to significant risks and uncertainties. Actual results may differ materially from those contained in any forward-looking statements.
- ◆ The numbers of the presentation are prepared under IFRS.

# 3Q21 RESULTS

<i>In NT Millions</i>	3Q21		2Q21		QoQ	3Q20		YoY
	Amount	%	Amount	%	%	Amount	%	%
Net Sales	41,864	100.0	40,677	100.0	3	41,326	100.0	1
COGS	33,780	80.7	32,684	80.3	3	33,482	81.0	1
Gross Profit	8,084	19.3	7,994	19.7	1	7,844	19.0	3
Operating Expenses *	4,562	10.9	4,193	10.3	9	3,856	9.3	18
Operating Profit	3,522	8.4	3,801	9.3	-7	3,987	9.6	-12
Other Income/ Expense	351	0.8	1,314	3.2	-73	-75	-0.2	-
Profit Before Tax	3,872	9.2	5,115	12.6	-24	3,913	9.5	-1
Income Tax Expense	782	1.9	1,067	2.6	-27	900	2.2	-13
Non-Controlling Interests	10	0.0	14	0.0	-25	22	0.1	-52
Profit Attributable to Parent	3,080	7.4	4,034	9.9	-24	2,991	7.2	3
After Tax EPS	1.33		1.74			1.29		
Shares:(mm shares)	2,313		2,324			2,324		

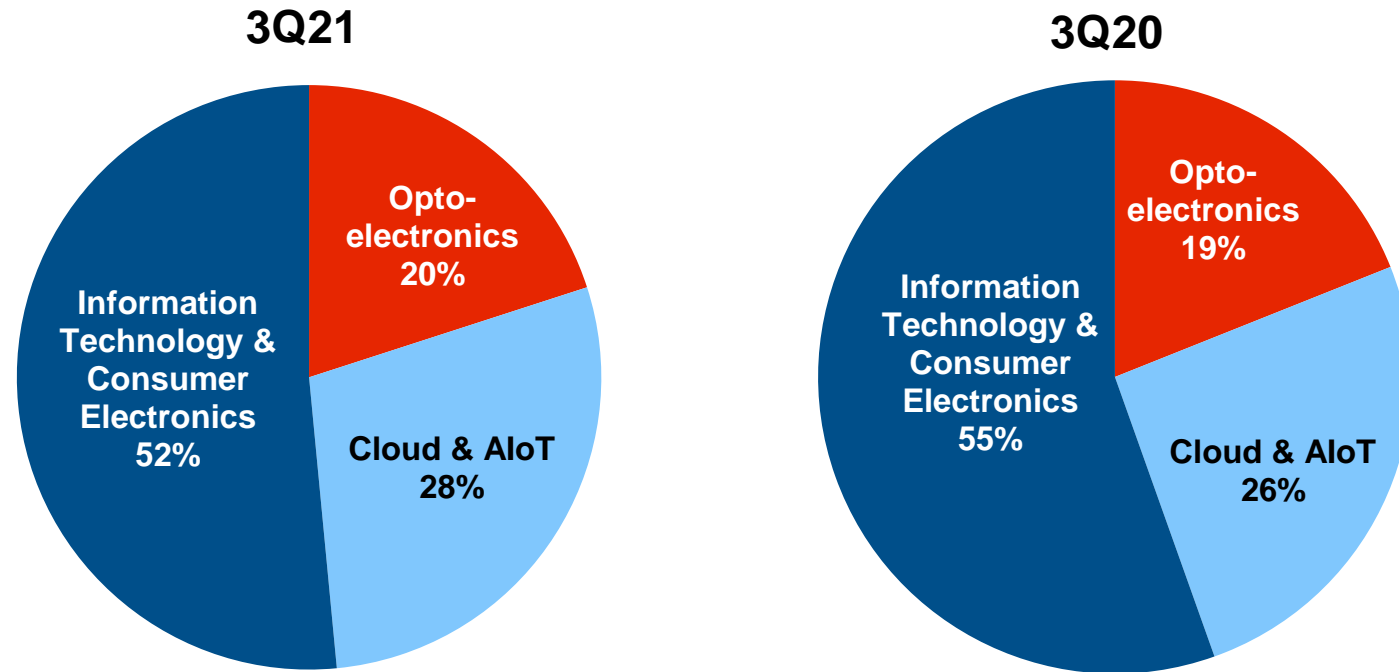
\* The Group recognized the expected credit loss of NT\$396 million mainly due to the credit risk of overdue receivables from the street light bid. The Group has taken legal measures based on the contracts and regulations. Excluding this, the Opex% was 10%, Operating Profit margin was 9.2%, and EPS was NT\$1.45 in 3Q21.

# GPM HIT 3Q RECORD HIGHS



\* The Group recognized the expected credit loss of NT\$396 million in 3Q21. Excluding this, the Operating Profit margin was 9.2%, and EPS was NT\$1.45, both hitting 3Q record high.

# Revenue Contribution by Segment



<b>Opto-electronics</b>	Optoelectronics Product Solutions, Outdoor Lighting Solution and Automotive Electronics
<b>Cloud &amp; AIoT</b>	Datacenter, Server, Networking, AIoT, Smart Devices and Video Intelligence Solutions
<b>Information Technology &amp; Consumer Electronics</b>	NB, Tablets, DT, Gaming, Consumer Electronics and Multifunction Peripherals applications

# Stable Growth in Sales and Profit from Each Segment in 3Q21

NT\$Mln	Sales	YoY	Sales %	Gross Profit Margin Range	Operating Profit	YoY
Opto-electronics	8,379	7%	20%	22%~32%	634	-43%*
Cloud & AIoT	11,918	13%	28%	15%~25%	963	24%
Information Technology & Consumer Electronics	21,566	-6%	52%	12%~18%	2,358	-5%

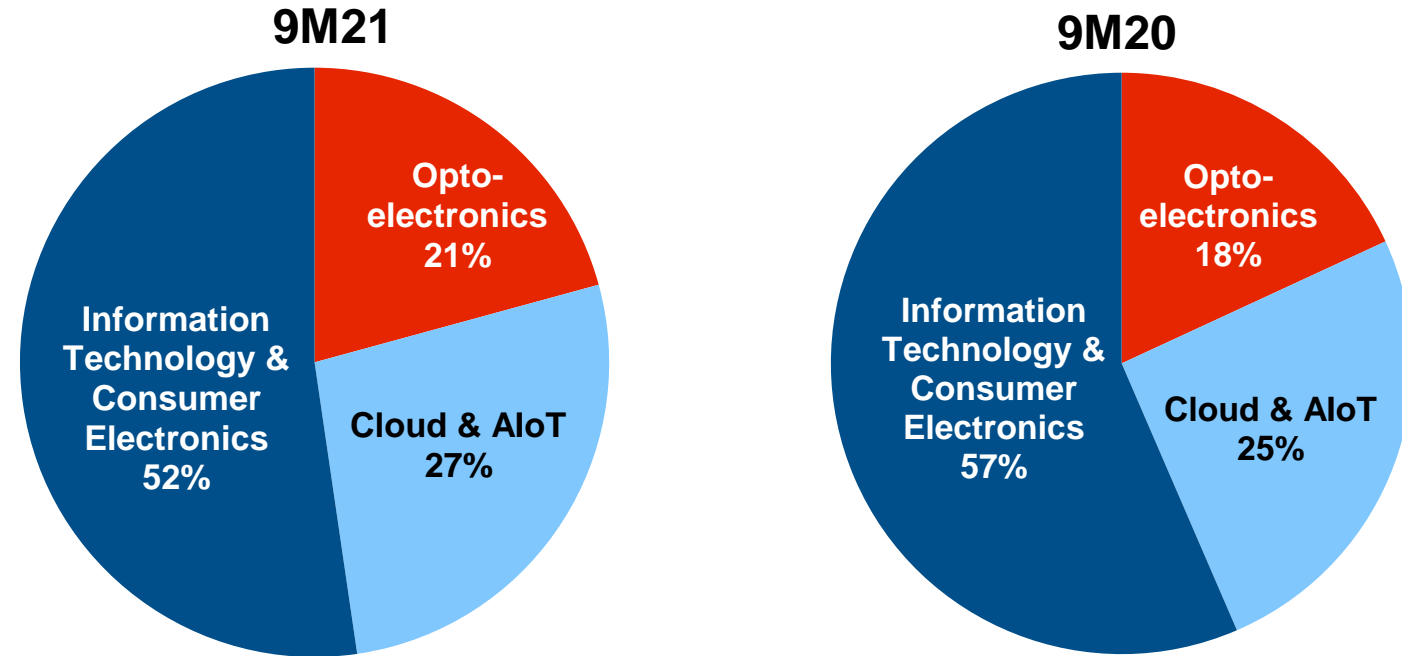
\* The Operating Profit declined YoY in Opto-electronics Segment due to the expected credit loss of NT\$396 million in 3Q21.

# 9M21 RESULTS

<i>In NT Millions</i>	9M21		9M20		YoY
	Amount	%	Amount	%	%
Net Sales	120,259	100.0	115,698	100.0	4
COGS	97,464	81.0	95,023	82.1	3
Gross Profit	22,795	19.0	20,674	17.9	10
Operating Expenses <sup>*</sup>	13,366	11.1	12,288	10.6	9
Operating Profit	9,429	7.8	8,386	7.2	12
Other Income/ Expense	5,046	4.2	1,720	1.5	193
Profit Before Tax	14,475	12.0	10,106	8.7	43
Income Tax Expense	3,061	2.5	2,324	2.0	32
Non-Controlling Interests	36	0.0	-226	-0.2	-
Profit Attributable to Parent	11,377	9.5	8,008	6.9	42
After Tax EPS	4.90		3.45		
Shares:(mm shares)	2,320		2,324		

\* The Group recognized the expected credit loss of NT\$396 million in 3Q21. The Group has taken legal measures based on the contracts and regulations. Excluding this, the Opex% was 10.8%, Operating Profit margin was 8.1%, and EPS was NT\$5.02 in 9M21.

# Revenue Contribution by Segment



<b>Opto-electronics</b>	Optoelectronics Product Solutions, Outdoor Lighting Solution and Automotive Electronics
<b>Cloud &amp; AIoT</b>	Datacenter, Server, Networking, AIoT, Smart Devices and Video Intelligence Solutions
<b>Information Technology &amp; Consumer Electronics</b>	NB, Tablets, DT, Gaming, Consumer Electronics and Multifunction Peripherals applications

\*SSD has been transferred since 3Q20. Silitech has become an unconsolidated entity from 1Q21. Before then, they were inclusive of ITCE revenue.



# Stable Growth in Sales and Profit from Each Segment in 9M21

NT\$Mln	Sales	YoY	Sales %	Gross Profit Margin Range	Operating Profit	YoY
Opto-electronics	24,961	19%	21%	22%~32%	2,772	5%*
Cloud & AIoT	32,389	10%	27%	15%~25%	2,107	19%
Information Technology & Consumer Electronics**	62,909	-4%	52%	12%~18%	5,841	-13%

\* The Operating Profit declined YoY in Opto-electronics Segment due to the expected credit loss of NT\$396 million in 3Q21. Excluding this, the Operating Profit was NT\$317 million, up 20% YoY in 9M21.

\*\* SSD has been transferred since 3Q20. Silitech has become an unconsolidated entity from 1Q21. Before then, they were inclusive of ITCE revenue. Excluding these, ITCE revenue was up 4% YoY in 9M21.

# Robust Balance Sheet

<i>In NT millions</i>	3Q21		2Q21		3Q20	
	Amount	%	Amount	%	Amount	%
Cash & Equivalent	69,459	38%	65,612	37%	68,629	39%
Accounts Receivable	38,737	21%	36,448	21%	36,029	20%
Inventories	30,791	17%	28,646	16%	24,447	14%
Current Assets	144,513	80%	138,492	79%	140,747	80%
Total Assets	181,365	100%	175,149	100%	176,675	100%
Short Term Debt	31,349	17%	16,643	10%	26,438	15%
Accounts Payable	44,976	25%	42,477	24%	42,458	24%
Current Liabilities	108,779	60%	98,641	56%	100,351	57%
Equities	70,098	39%	74,291	42%	73,789	42%
<b>Key Indices</b>						
Current Ratio (x)	1.33		1.40		1.40	
Quick Ratio (x)	1.05		1.12		1.16	
Net Cash (NT Millions)	38,110		48,969		42,191	

# LITEON ESG UPDATE



2020  
Sustainability  
Report

## LITEON Received The 2021 TSAA Sustainability Action **GOLD** Award For Its Unique Marine Waste Solution



- Raising Ocean Awareness With A Special Beach Clan-up Model
- Design For SDG14: Green Talent Cultivation
- Rethinking Plastic: A Win-win Solution For Blue Circular Economy

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