

LITEON[®]

1Q22 Earnings Conference

LITEON Technology

April 19th, 2022



Safe Harbor Notice

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.

1Q22 Record Operating Profit in the First Quarter

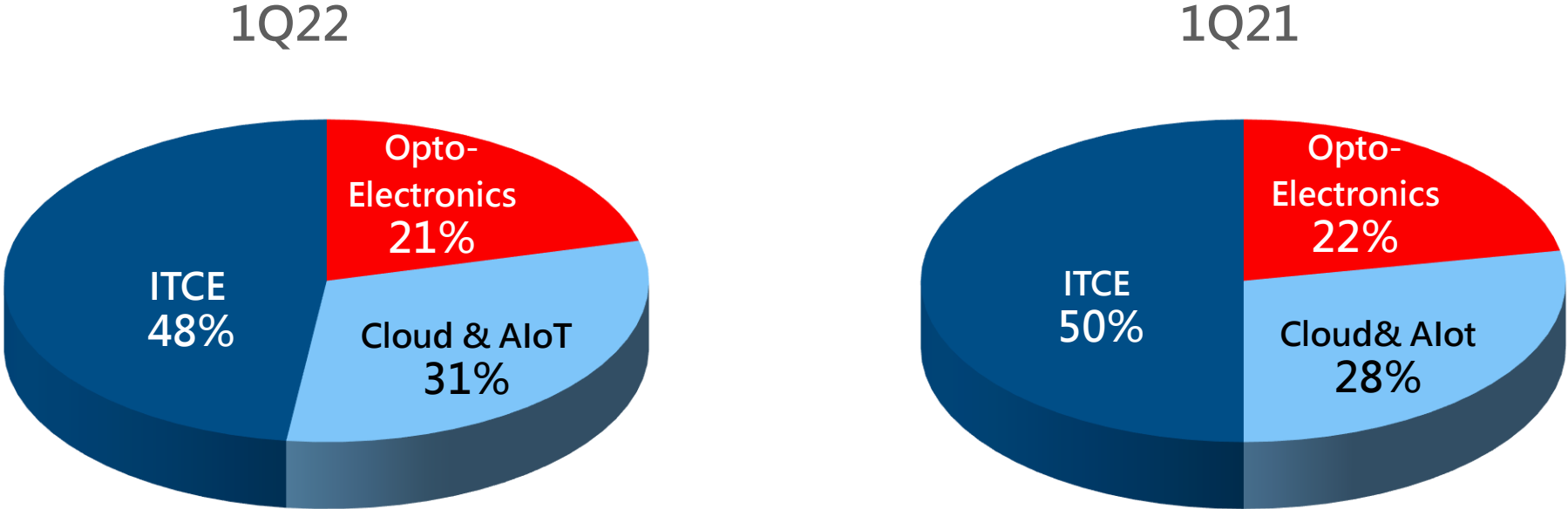
<i>In NT Millions</i>	1Q22		4Q21		QoQ	1Q21		YoY
	Amount	%	Amount	%	%	Amount	%	%
Net Sales	41,230	100.0	44,569	100.0	-7	37,718	100.0	9
COGS	34,163	82.9	36,867	82.7	-7	31,000	82.2	10
Gross Profit	7,067	17.1	7,702	17.3	-8	6,718	17.8	5
Operating Expenses	4,086	9.9	4,089	9.2	0	4,611	12.2	-11
Operating Profit	2,981	7.2	3,613	8.1	-17	2,107	5.6	42
Other Income/ Expense	-324 *	-0.8	-455	-1.0	29	3,381 *	9.0	-
Profit Before Tax	2,657	6.4	3,158	7.1	-16	5,487	14.5	-52
Income Tax Expense	545	1.3	642	1.4	-15	1,212	3.2	-55
Non-Controlling Interests	8	0.0	7	0.0	28	12	0.0	-28
Profit Attributable to Parent	2,104	5.1	2,509	5.6	-16	4,263	11.3	-51
After Tax EPS	0.92		1.11			1.83		

* Non-operating income/expense includes the evaluation loss on VIZIO of NT\$1 bn in 1Q22, and the evaluation gain on Vizio of NT2.6 bn in 1Q21.

Profitable Growth from Each Segment in 1Q22

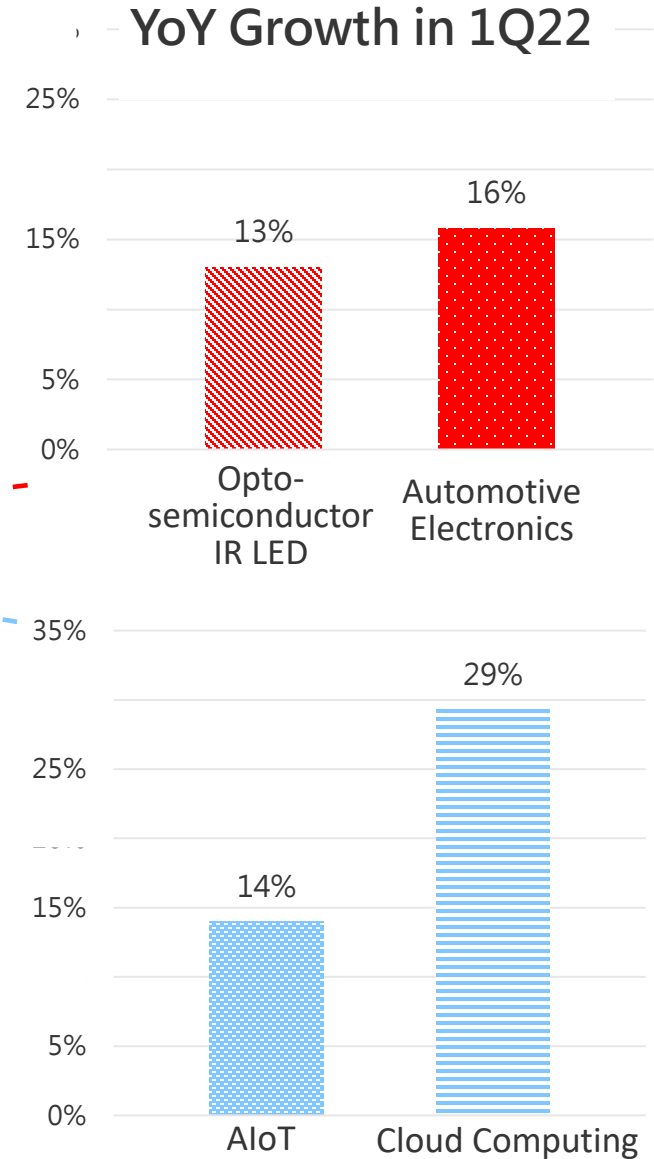
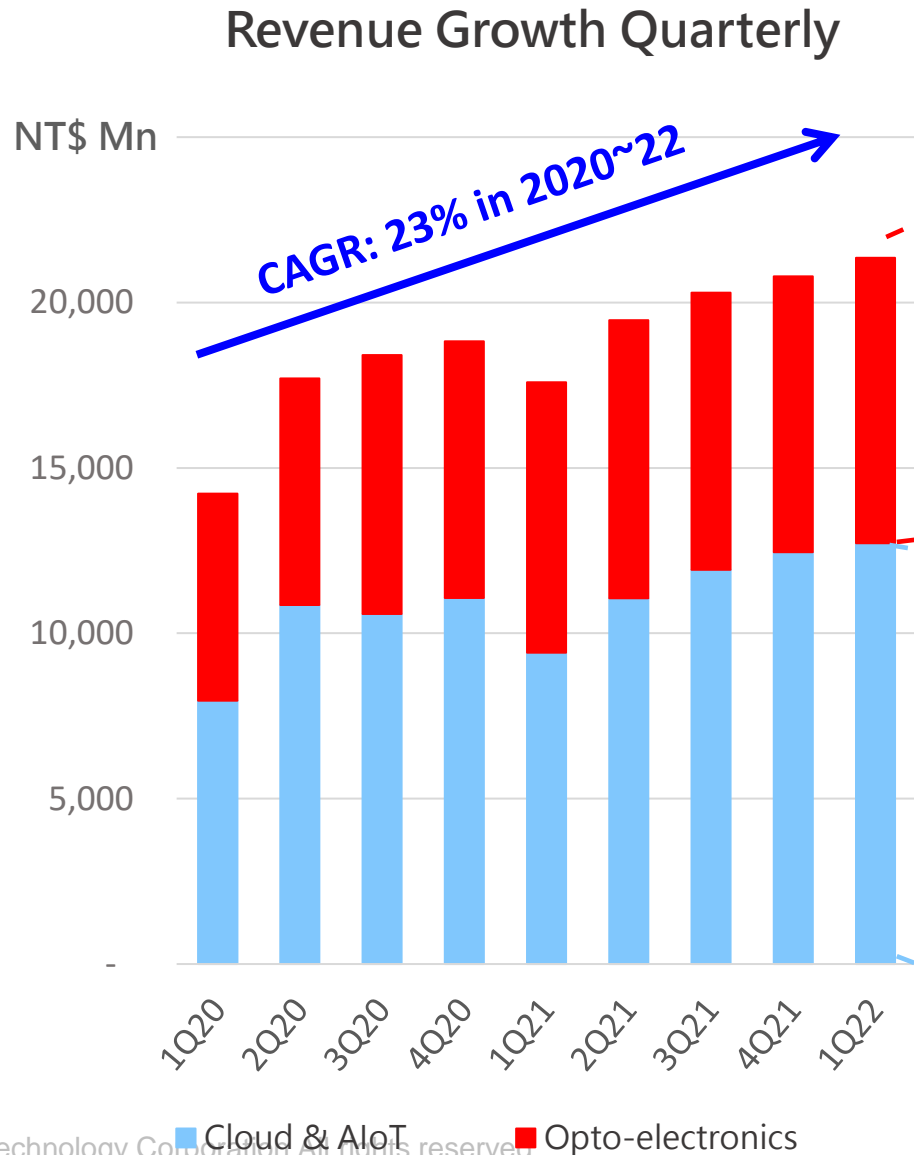
NT\$MIn	Revenue		Gross Profit Margin Range	Operating Profit	
	Amount	YoY		Amount	YoY
Opto-electronics	8,626	5%	20%~32%	1,087	5%
Cloud & AIoT	12,725	18%	14%~25%	692	76%
Information Technology & Consumer Electronics	19,879	6%	11%~17%	1,920	72%

1Q22 52% Revenue Contribution from Opto-Electronics and Cloud& AIoT



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

Significant Yearly Growth in Core Businesses in 1Q22



Robust Balance Sheet

<i>In NT millions</i>	1Q22		4Q21		1Q21	
	Amount	%	Amount	%	Amount	%
Cash & Equivalent	68,517	37%	68,276	37%	71,300	41%
Accounts Receivable	38,099	20%	41,246	22%	33,362	19%
Inventories	31,307	17%	32,299	18%	26,652	15%
Current Assets	150,602	81%	147,111	80%	137,686	79%
Total Assets	185,982	100%	183,543	100%	175,291	100%
Short Term Debt	27,304	15%	28,385	15%	18,412	11%
Accounts Payable	44,646	24%	46,659	25%	43,916	25%
Current Liabilities	110,997	60%	107,915	59%	101,933	58%
Equities	72,199	39%	72,874	40%	71,147	41%
Key Indices						
Current Ratio (x)	1.36		1.36		1.35	
Net Cash (NT Millions)	41,213		39,891		52,888	

1Q22 Executive Summary

- 1Q22 Revenue +9% YoY, GPM 17.1%, OPM 7.2%, EPS: NT\$1.11. Revenue hitting 1Q record high in 4 consecutive years. Operating profit +42% YoY, OPM 7.2%, both hit first quarter record highs.
- Continuing profitable growth thanks to product mix optimization, well-managed supply chain as well as flexibility of global smart manufacturing.
- Opto-electronics Segment and Cloud & AIoT Segment accounted for 52% of total revenue, with CAGR of 23% in the latest two years.

Outlook for 2Q22

- Under the assumption that the pandemic will not further impact the global supply chain and logistics, a stable profit and sales growth from core businesses is expected, and Opto-electronics and Cloud& AIoT Segments will account for over 50% of total revenue.
- Key growth drivers: Cloud computing, Opto, and Automotive electronics:
 - * Cloud computing: ongoing market share gain and production growth from high-end power management solutions with high wattage, high efficiency and high density applied in data center and enterprise customers
 - * Opto semiconductor: dynamic application in green energy, industrial automation, wearables and AR/VR.
 - * Automotive Electronics: market demand of EV Charger, automotive LED lighting and ADAS is expected to grow rapidly

1Q22 Major Board Resolutions

- The Board announced a cash dividend of NT\$2.5 per share in the fourth quarter of 2021. Adding the cash dividend of NT\$2 per share in the first half of 2021, the DPS of the full year of 2021 reaches NT\$4.5, up 32% Y-o-Y, a record DPS, with a payout ratio of 75%.
- The Board approved the issuance of Restricted Stock Awards (RSAs) to attract, retain and motivate critical talents, by focusing on the market demand, expanding the R&D investment, optimizing the product portfolio and creating profitable growth to the company and shareholders' value in the long run, and further pursue a win-win for employees, company and investors.
- In accordance with the company' s overall strategic planning, the outdoor lighting business will be transferred and establish a new subsidiary. Through independent operation and concentrated resources, it is expected to enhance competitiveness and business performance, and help partnership with local and global companies in intelligent transportation field to make efforts on "Roadway Intelligence," improving road safety and implement sustainable development.
- The AGM will be held on May 20th, 2022.



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