

# **2Q20 Earnings Conference**

**LITE-ON Technology**

*July 30<sup>th</sup>, 2020*



# Safe Harbor Notice

- LITE-ON 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.***

# 2Q20 Results

| <i>In NT Millions</i>         | 2Q20   |       | 1Q20   |       | QoQ | 2Q19   |       | YoY |
|-------------------------------|--------|-------|--------|-------|-----|--------|-------|-----|
|                               | Amount | %     | Amount | %     | %   | Amount | %     | %   |
| Net Sales                     | 41,796 | 100.0 | 32,576 | 100.0 | 28  | 44,468 | 100.0 | -6  |
| COGS                          | 33,682 | 80.6  | 27,859 | 85.5  | 21  | 37,469 | 84.3  | -10 |
| Gross Profit                  | 8,114  | 19.4  | 4,717  | 14.5  | 72  | 7,000  | 15.7  | 16  |
| Operating Expense             | 4,467  | 10.7  | 3,965  | 12.2  | 13  | 4,627  | 10.4  | -3  |
| Operating Profit              | 3,646  | 8.7   | 752    | 2.3   | 385 | 2,373  | 5.3   | 54  |
| Other Income/ Expense         | 834    | 2.0   | 960    | 2.9   | -13 | 764    | 1.7   | 9   |
| Profit Before Tax             | 4,481  | 10.7  | 1,713  | 5.3   | 162 | 3,137  | 7.1   | 43  |
| Income Tax Expense            | 1,030  | 2.5   | 394    | 1.2   | 162 | 754    | 1.7   | 37  |
| Non-Controlling Interest      | 6      | 0.0   | -254   | -0.8  | -   | -12    | 0.0   | -   |
| Profit Attributable to Parent | 3,445  | 8.2   | 1,572  | 4.8   | 119 | 2,394  | 5.4   | 44  |
| After Tax EPS                 | 1.48   |       | 0.68   |       |     | 1.03   |       |     |
| Shares (mm shares)            | 2,324  |       | 2,324  |       |     | 2,324  |       |     |

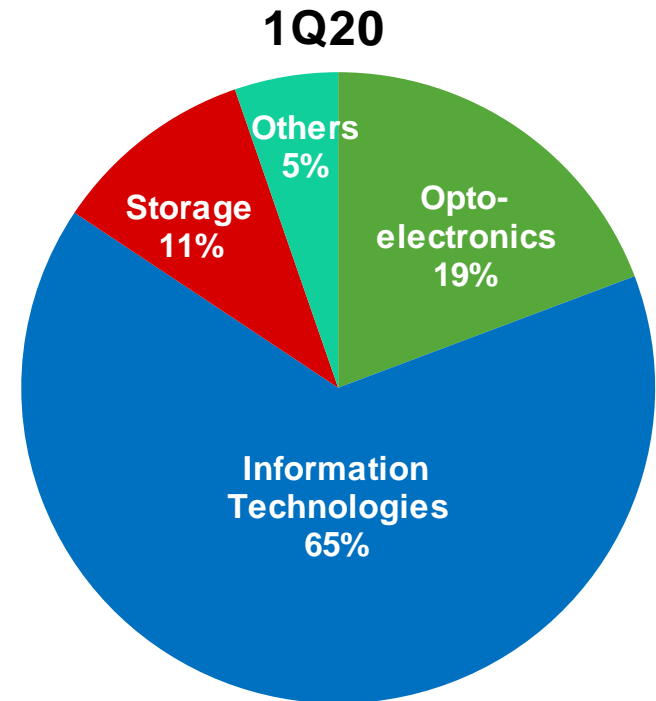
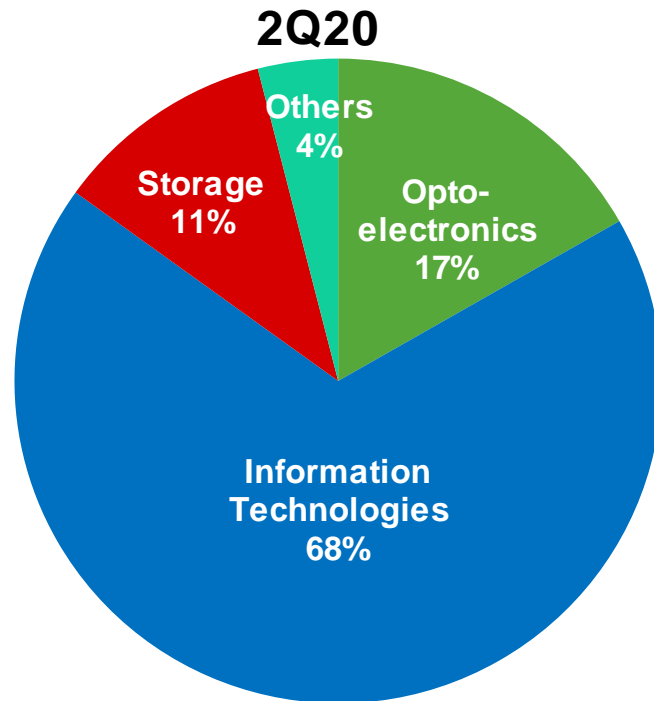
# 1H20 Results

| <i>In NT Millions</i>         | 1H20   |       | 1H19   |       | YoY |
|-------------------------------|--------|-------|--------|-------|-----|
|                               | Amount | %     | Amount | %     | %   |
| Net Sales                     | 74,372 | 100.0 | 85,641 | 100.0 | -13 |
| COGS                          | 61,541 | 82.7  | 73,235 | 85.5  | -16 |
| Gross Profit                  | 12,831 | 17.3  | 12,406 | 14.5  | 3   |
| Operating Expense             | 8,432  | 11.3  | 8,879  | 10.4  | -5  |
| Operating Profit              | 4,399  | 5.9   | 3,527  | 4.1   | 25  |
| Other Income/ Expense         | 1,795  | 2.4   | 1,546  | 1.8   | 16  |
| Profit Before Tax             | 6,193  | 8.3   | 5,074  | 5.9   | 22  |
| Income Tax Expense            | 1,424  | 1.9   | 1,219  | 1.4   | 17  |
| Non-Controlling Interest      | -248   | -0.3  | -5     | 0.0   | -   |
| Profit Attributable to Parent | 5,017  | 6.7   | 3,859  | 4.5   | 30  |
| After Tax EPS                 | 2.16   |       | 1.66   |       |     |
| Shares (mm shares)            | 2,324  |       | 2,324  |       |     |

# Other Incomes/ Other Expenses

| In NT\$ Millions | 2Q20 | 1H20  |
|------------------|------|-------|
| Net Interest     | 297  | 577   |
| FX               | 303  | 631   |
| Others           | 234  | 587   |
| Total OIOE       | 834  | 1,795 |

# Revenue Contribution by Segment



|                                 |   |
|---------------------------------|---|
| <b>Opto-electronics</b>         | LED Components & Lighting Products, Camera Modules and Automotive Electronics             |
| <b>Information Technologies</b> | Products used in Server, Networking Devices, NB, Tablets, DT and Multifunction Peripheral |
| <b>Storage</b>                  | Optical Disk Drives and Solid State Drives  |
| <b>Others</b>                   | Other products not yet reaching quantitative thresholds                                   |

# Revenue by Segment

*In NT Millions*

| Revenue By Segment       | 2Q20   | 1Q20   | QoQ |
|--------------------------|--------|--------|-----|
| Opto-electronics         | 6,998  | 6,272  | 12% |
| Information Technologies | 28,504 | 21,208 | 34% |
| Storage                  | 4,623  | 3,375  | 37% |
| Others                   | 1,671  | 1,721  | -3% |

# Operating Profit by Segment

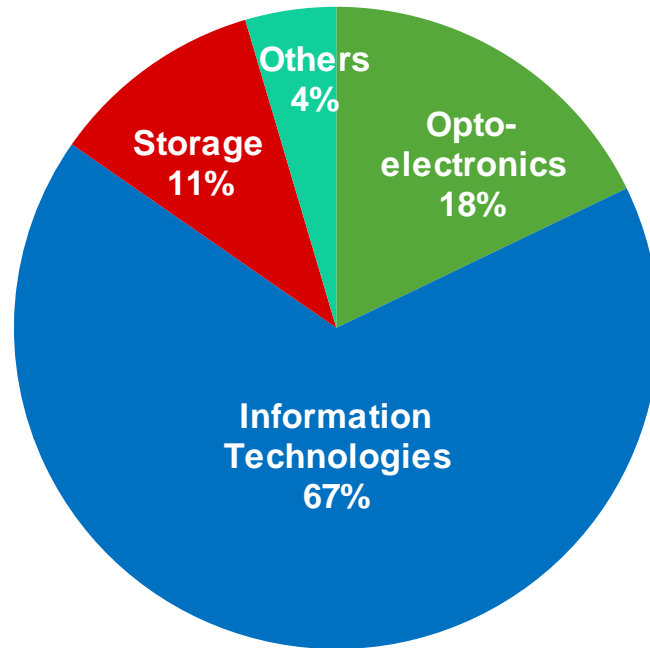
*In NT Millions*

| OP by Segment            | 2Q20  | 1Q20  | QoQ   |
|--------------------------|-------|-------|-------|
| Opto-electronics         | 1,038 | 614   | 69%   |
| Information Technologies | 2,918 | 936   | 212%  |
| Storage                  | 389   | (61)  | -     |
| Others                   | (426) | (194) | -120% |

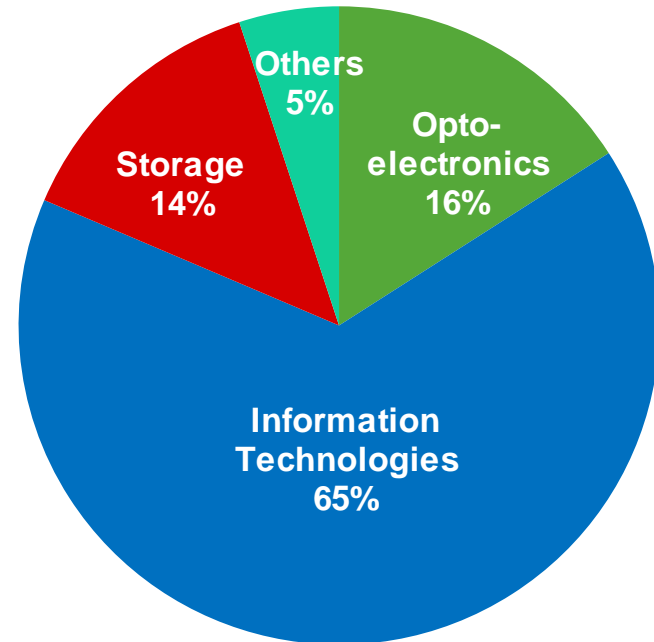


# Revenue Contribution by Segment

1H20



1H19



|                                 |   |
|---------------------------------|---|
| <b>Opto-electronics</b>         | LED Components & Lighting Products, Camera Modules and Automotive Electronics             |
| <b>Information Technologies</b> | Products used in Server, Networking Devices, NB, Tablets, DT and Multifunction Peripheral |
| <b>Storage</b>                  | Optical Disk Drives and Solid State Drives  |
| <b>Others</b>                   | Other products not yet reaching quantitative thresholds                                   |

# Revenue by Segment

*In NT Millions*

| Revenue By Segment       | 1H20   | 1H19   | YoY  |
|--------------------------|--------|--------|------|
| Opto-electronics         | 13,270 | 13,634 | -3%  |
| Information Technologies | 49,712 | 56,100 | -11% |
| Storage                  | 7,998  | 11,593 | -31% |
| Others                   | 3,391  | 4,315  | -21% |

# Operating Profit by Segment

*In NT Millions*

| OP by Segment            | 1H20  | 1H19  | YoY  |
|--------------------------|-------|-------|------|
| Opto-electronics         | 1,652 | 519   | 218% |
| Information Technologies | 3,854 | 3,534 | 9%   |
| Storage                  | 328   | 514   | -36% |
| Others                   | (620) | (330) | -88% |

# Balance Sheet

| <i>In NT millions</i> | 2Q20    |      | 1Q20    |      | 2Q19    |      |
|-----------------------|---------|------|---------|------|---------|------|
|                       | Amount  | %    | Amount  | %    | Amount  | %    |
| Cash & Equivalent     | 66,381  | 37%  | 72,491  | 41%  | 65,796  | 35%  |
| Accounts Receivable   | 34,448  | 19%  | 27,622  | 16%  | 41,068  | 22%  |
| Inventories           | 23,360  | 13%  | 21,269  | 12%  | 25,415  | 13%  |
| Current Assets        | 139,831 | 78%  | 135,928 | 78%  | 148,175 | 78%  |
| Total Assets          | 178,895 | 100% | 175,124 | 100% | 190,204 | 100% |
| Short Term Debt       | 30,242  | 17%  | 31,946  | 18%  | 28,997  | 15%  |
| Accounts Payable      | 36,859  | 21%  | 35,615  | 20%  | 40,853  | 21%  |
| Current Liabilities   | 105,855 | 59%  | 105,007 | 60%  | 114,977 | 60%  |
| Long Term Debt        | 0       | 0%   | 0       | 0%   | 0       | 0%   |
| Total Liabilities     | 108,295 | 61%  | 107,348 | 61%  | 117,591 | 62%  |
| Equities              | 70,601  | 39%  | 67,776  | 39%  | 72,613  | 38%  |

## Key Indices

|                        |        |        |        |
|------------------------|--------|--------|--------|
| Current Ratio (x)      | 1.32   | 1.29   | 1.29   |
| Quick Ratio (x)        | 1.10   | 1.10   | 1.07   |
| Net Cash (NT Millions) | 36,139 | 40,545 | 36,799 |

# Business Re-Segmentation from 3Q20

## Current

|                                 |   |
|---------------------------------|---|
| <b>Opto-electronics</b>         | LED Components & Lighting Products, Camera Modules and Automotive Electronics             |
| <b>Information Technologies</b> | Products used in Server, Networking Devices, NB, Tablets, DT and Multifunction Peripheral |
| <b>Storage</b>                  | Optical Disk Drives and Solid State Drives  |
| <b>Others</b>                   | Other products not yet reaching quantitative thresholds                                   |

## From 3Q 2020

|   |   |
|---|---|
| <b>Opto-electronics</b>                             | LED Components & Lighting Products, Camera Modules and Automotive Electronics   |
| <b>Information &amp; Communication Technologies</b> | Products used in Server, Networking Devices, NB, Tablets, DT, 5G, AIoT, Optical Disk Drives and Multifunction Peripheral, |
| <b>Others</b>                                       | Other products not yet reaching quantitative thresholds   |

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**Thank You!**