

4Q20 Earnings Conference

LITEON Technology

February 25th, 2021



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 and have been audited by an independent certified public accountant.***

4Q20 Results

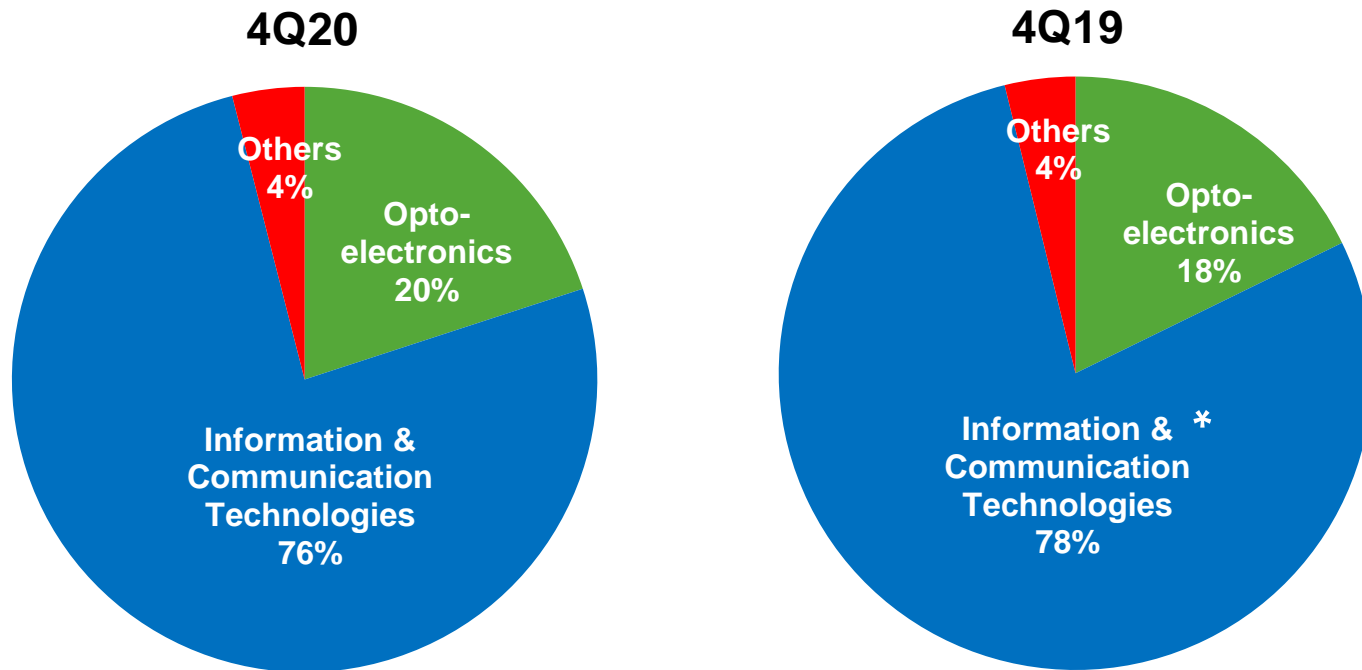
<i>In NT Millions</i>	4Q20		3Q20		QoQ	4Q19		YoY
	Amount	%	Amount	%	%	Amount	%	%
Net Sales	41,436	100.0	41,326	100.0	0	44,155	100.0	-6
COGS	34,726	83.8	33,482	81.0	4	37,014	83.8	-6
Gross Profit	6,709	16.2	7,844	19.0	-14	7,141	16.2	-6
Operating Expense	4,889 *	11.8	3,856	9.3	27	4,571	10.4	7
Operating Profit	1,820	4.4	3,987	9.6	-54	2,571	5.8	-29
Other Income/ Expense	676	1.6	-75	-0.2	-	607	1.4	11
Profit Before Tax	2,496	6.0	3,913	9.5	-36	3,177	7.2	-21
Income Tax Expense	449	1.1	900	2.2	-50	752	1.7	-40
Non-Controlling Interest	40	0.1	22	0.1	82	18	0.0	121
Profit Attributable to Parent	2,008	4.8	2,991	7.2	-33	2,407	5.5	-17
After Tax EPS	0.86		1.29			1.03		
Shares (mm shares)	2,324		2,324			2,324		

* The Group recognized the lifetime expected credit impairment loss amounting to NT\$905 million mainly due to the credit risk of partial other receivables NT\$1,500 million from the disposal of Mobile Mechanics Business in 2018. The Group has taken legal measures based on the contracts and regulations to protect The Group and shareholders' interests.

2020 Results

<i>In NT Millions</i>	2020		2019		YoY
	Amount	%	Amount	%	%
Net Sales	157,134	100.0	177,954	100.0	-12
COGS	129,750	82.6	150,617	84.6	-14
Gross Profit	27,384	17.4	27,338	15.4	0
Operating Expense	17,178	10.9	17,992	10.1	-5
Operating Profit	10,206	6.5	9,345	5.3	9
Other Income/ Expense	2,396	1.5	3,019	1.7	-21
Profit Before Tax	12,602	8.0	12,364	6.9	2
Income Tax Expense	2,773	1.8	2,958	1.7	-6
Non-Controlling Interest	-187	-0.1	31	0.0	-
Profit Attributable to Parent	10,016	6.4	9,375	5.3	7
After Tax EPS	4.31		4.03		
Shares (mm shares)	2,324		2,324		

Revenue Contribution by Segment



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

* SSD has been transferred since 3Q20, before then, it was inclusive of ICT revenue.

Revenue by Segment

In NT Millions

Revenue By Segment	4Q20	4Q19	YoY
Opto-electronics	8,279	7,842	6%
Information & Communication Technologies	31,507	34,617 *	-9%
Others	1,650	1,696	-3%

* SSD has been transferred since 3Q20, before then, it was inclusive of ICT revenue.

Operating Profit by Segment

In NT Millions

OP by Segment	4Q20	4Q19	YoY
Opto-electronics	818	624	31%
Information & Communication Technologies	2,226	2,412 [*]	-8%
Others	(833)	(102)	-

* SSD has been transferred since 3Q20, before then, it was inclusive of ICT revenue.

Robust Balance Sheet

<i>In NT millions</i>	4Q20		3Q20		4Q19	
	Amount	%	Amount	%	Amount	%
Cash & Equivalent	71,508	41%	68,629	39%	67,639	36%
Accounts Receivable	35,990	20%	36,029	20%	38,079	20%
Inventories	24,669	14%	24,447	14%	23,647	13%
Current Assets	140,584	80%	140,747	80%	146,853	79%
Intangible Assets *	4,841	3%	5,184	3%	5,948	3%
Total Assets	176,067	100%	176,675	100%	186,633	100%
Short Term Debt	24,892	14%	26,438	15%	30,434	16%
Accounts Payable	42,622	24%	42,458	24%	44,304	24%
Current Liabilities	99,599	57%	100,351	57%	109,398	59%
Long Term Debt	0	0%	0	0%	0	0%
Total Liabilities	101,926	58%	102,885	58%	111,991	60%
Equities	74,142	42%	73,789	42%	74,641	40%

Key Indices

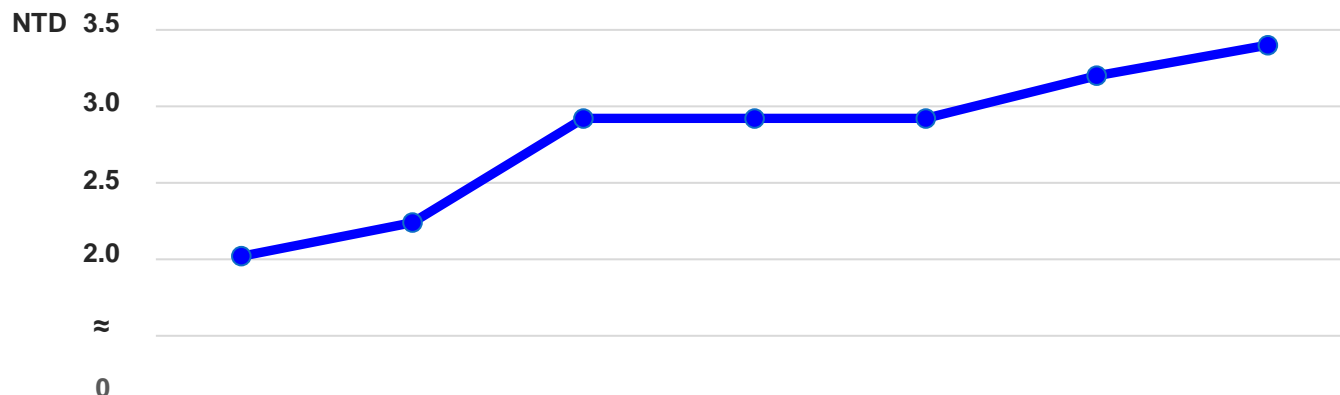
Current Ratio (x)	1.41	1.40	1.34
Quick Ratio (x)	1.16	1.17	1.13
Net Cash (NT Millions)	46,616	42,191	37,205

* Intangible Assets of NT\$4.8 billion on December 31, 2020, decreased by NT\$1.1 billion YoY. The Group evaluates assets with conservatism principle in accordance with the IFRS.

Strong Commitment to Shareholders' Value

- BOD approved its 2020 NT\$3.4 cash dividend per share, a record DPS, with payout ratio of 79%, attributable to the improvement of LITEON's profitability.
- LITEON is committed to maintaining a generous and stable cash dividend.

Historical Dividend Per Share



NTD	2014	2015	2016	2017 *	2018	2019	2020
EPS	2.8	3.11	4.05	1.13	3.42	4.03	4.31
DPS	2.02	2.24	2.92	2.92	2.92	3.2	3.4
Payout Ratio	72 %	72 %	72 %	258 %	85%	79%	79%

* 2017 NT\$2.92 cash dividend per share including NT\$0.41 and NT\$2.51 from retained earnings and additional paid-in capital respectively.

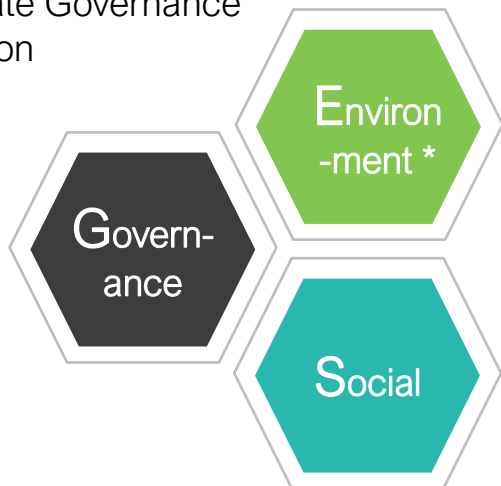
Business Re-Segmentation from 2021

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

Note: Silitech has become an unconsolidated entity from 1Q21.

LITEON continuous efforts in ESG to achieve sustainability

- ◆ Corporate Sustainability Committee reporting to BOD
- ◆ Thorough information security and privacy management
- ◆ Ranked Top 5% in TWSE 2020 Corporate Governance evaluation



- ◆ On 'A list' in 2019 CDP
- ◆ Environmental targets approved by SBTi
- ◆ Greenhouse Gas Emissions ▼18%
- ◆ Waste generation ▼15%
- ◆ Renewable energy usage ratio 13%
- ◆ Product green design

- ◆ In compliance with Responsible Business Alliance (RBA) code of conduct in employee, health, safety and business ethics

Recognized by indicative organizations

2020 MSCI ESG Leaders Indexes Constituent

MEMBER OF
Dow Jones Sustainability Indices

In Collaboration with RobecoSAM



FTSE4Good
TIP Taiwan ESG Index



CLIMATE



* Year 2019 Result comparing with the base year

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