Everlight Electronics Co., Ltd.

Investors' Conference

2020/12/28

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EVERLIGHT

Disclaimer

- Everlight’s presentation contains forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.

- The forward-looking statements in this release reflect the current belief of Everlight as of the date of this release, we undertake no obligation to update these forward-looking statements for new information, future events, or otherwise.

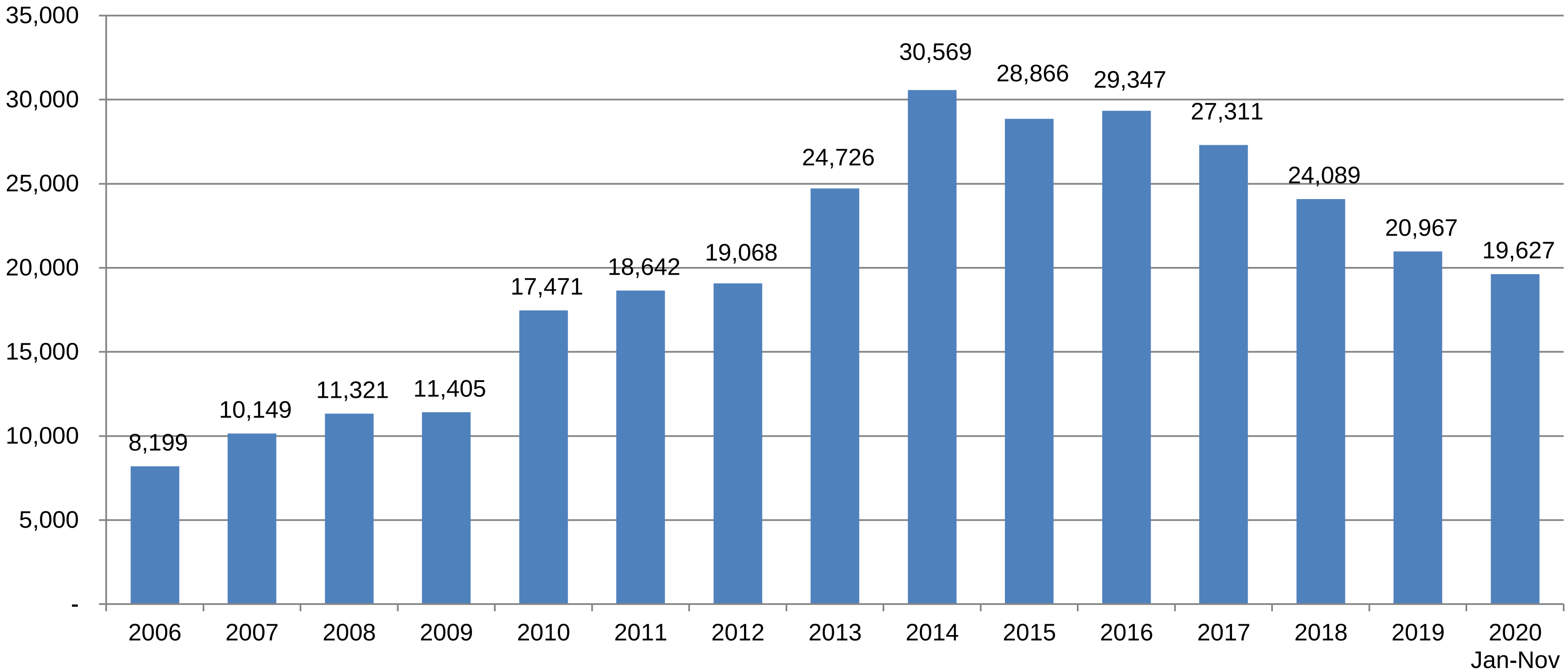
Overview

Founded	1983
IPO	1997
Business Focus	Design, Manufacture & Marketing of Optoelectronics Components and Modules
Headquarters	New Taipei City, Taiwan
Employees	Approx. 6,000 globally
Plants	Tucheng (Taiwan) Yuanli (Taiwan) Tongluo (Taiwan) Su-Zhou (China) Zhong-Shan (China)

2020 1-3Q Financial Results

Revenue

NT$, Mil.



2020 Q3 Consolidated Income Statement

NT$, '000

Item \ Year	2020 Q3	2020 Sales %	2019 Q3	2019 Sales %	YoY(%)
Revenue	5,852,832	100.00%	5,172,580	100.00%	13.15%
Cost of Goods Sold	(4,307,539)	-73.60%	(3,830,601)	-74.06%	12.45%
Gross Margin	**1,545,293**	**26.40%**	**1,341,979**	**25.94%**	**15.15%**
Operating Expenses	(1,012,583)	-17.30%	(1,063,857)	-20.57%	-4.82%
Operating Income	**532,710**	**9.10%**	**278,122**	**5.38%**	**91.54%**
Non-operating Income/Loss	47,681	0.81%	63,096	1.22%	-24.43%
Income before Taxes	**580,391**	**9.92%**	**341,218**	**6.60%**	**70.09%**
Taxes	(109,667)	-1.87%	(39,764)	-0.77%	175.79%
Income after Taxes	**455,271**	**7.78%**	**301,454**	**5.83%**	**51.03%**
Income to the Parent Co.,	**462,269**		**292,068**		**58.27%**
EPS	**1.04**		**0.66**		

Outstanding shares:443 million shares

2020 1-3Q Consolidated Income Statement

NT$, '000

Item \ Year	2020 1-3Q	2020 Sales %	2019 1-3Q	2019 Sales %	YoY(%)
Revenue	16,026,442	100.00%	15,519,777	100.00%	3.26%
Cost of Goods Sold	(11,956,424)	-74.60%	(11,877,137)	-76.53%	0.67%
Gross Margin	**4,070,018**	**25.40%**	**3,642,640**	**23.47%**	**11.73%**
Operating Expenses	(3,035,759)	-18.94%	(3,087,917)	-19.90%	-1.69%
Operating Income	**1,034,259**	**6.45%**	**554,723**	**3.57%**	**86.45%**
Non-operating Income/Loss	199,089	1.24%	216,480	1.39%	-8.03%
Income before Taxes	**1,233,348**	**7.70%**	**771,203**	**4.97%**	**59.93%**
Taxes	(302,317)	-1.89%	(146,562)	-0.94%	106.27%
Income after Taxes	**931,031**	**5.81%**	**624,641**	**4.02%**	**49.05%**
Income to the Parent Co.,	**914,917**		**598,437**		**52.88%**
EPS	**2.06**		**1.35**		

Outstanding shares:443 million shares

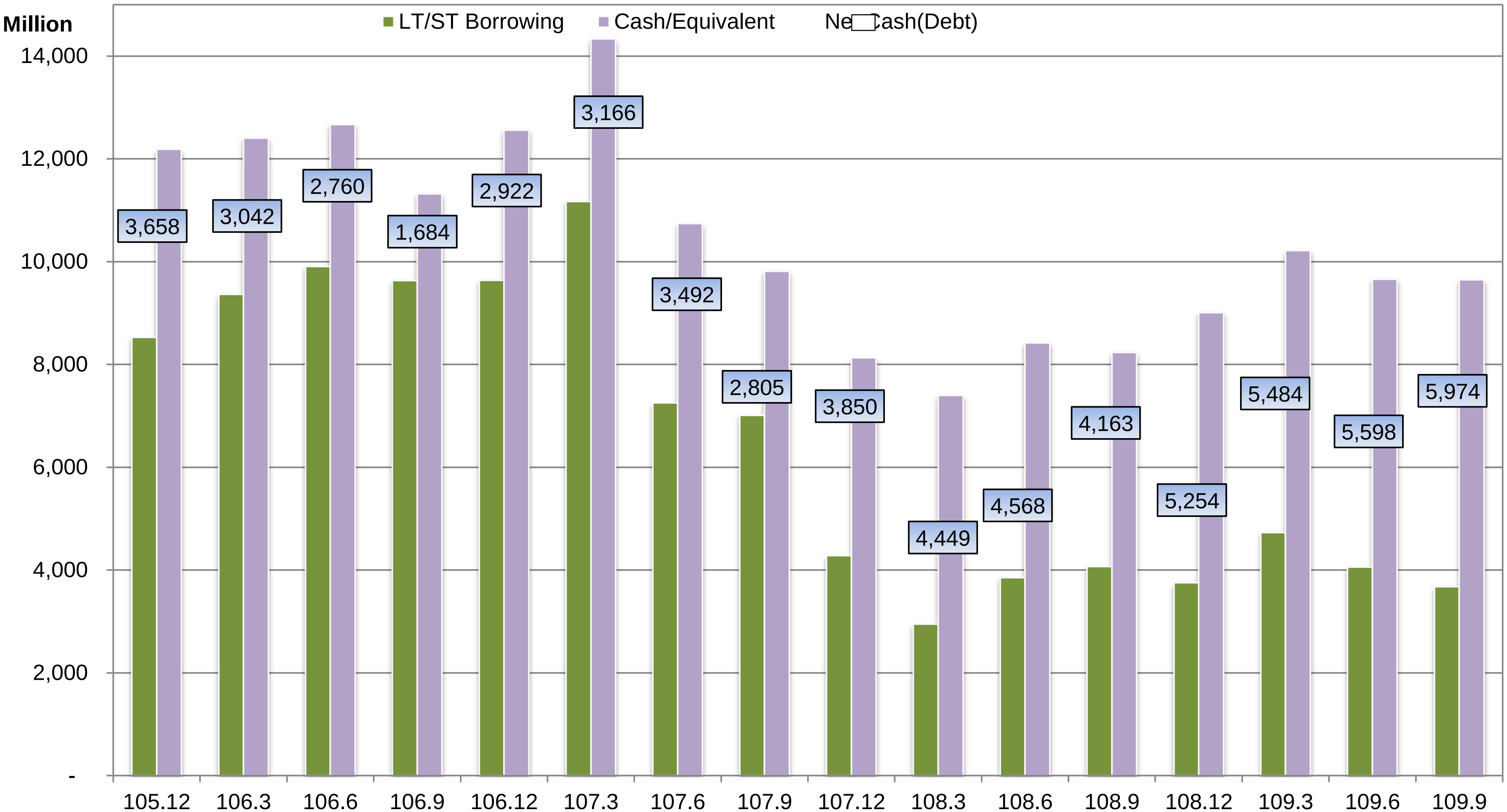
2020 Q3 Consolidated Balance Sheet

NT$, '000

	Assets	September 30, 2020 Amount	%	December 31, 2019 Amount	%	September 30, 2019 Amount	%
	Current assets:						
1100	Cash and cash equivalents (note 6(a))	$ 3,315,801	11	4,982,698	18	3,636,168	13
1110	Current financial assets at fair value through profit or loss (note 6(b))	2,079,062	7	596,882	2	1,996,716	7
1140	Current contract assets (note 6(x))	45,542	-	106,363	-	-	-
1170	Notes and accounts receivable, net (note 6(d))	6,581,424	23	6,027,709	21	6,438,675	23
1180	Accounts receivable due from related parties, net (notes 6(d) and 7)	33,502	-	34,684	-	32,195	-
1310	Inventories (note 6(f))	1,758,758	6	1,785,349	6	1,656,993	6
1470	Other current assets	493,575	2	423,006	2	546,025	2
1476	Other current financial assets (notes 6(a),6(d), 6(e), 6(m) and 8)	4,252,933	15	3,429,945	12	2,599,247	9
		18,560,597	64	17,386,636	61	16,906,019	60
	Non-current assets:						
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	37,360	-	41,201	-	38,006	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))	-	-	325,758	1	254,730	1
1550	Investments accounted for using the equity method, net (note 6(g))	62,621	-	79,013	-	136,012	-
1560	Non-current contract assets (note 6(x))	594,956	2	-	-	-	-
1600	Property, plant and equipment (note 6(k))	8,252,200	28	8,909,437	32	9,226,022	33
1755	Right-of-use assets (note 6(l))	408,388	2	404,510	2	409,439	2
1780	Intangible assets	81,313	-	82,650	-	88,911	-
1840	Deferred tax assets	460,412	2	457,663	2	428,802	2
1900	Other non-current assets (notes 6(a), 6(d), 6(x) and 8)	535,433	2	662,204	2	674,636	2
		10,432,683	36	10,962,436	39	11,256,558	40
	Total assets	$ 28,993,280	100	28,349,072	100	28,162,577	100

	Liabilities and Equity	September 30, 2020 Amount	%	December 31, 2019 Amount	%	September 30, 2019 Amount	%
	Current liabilities:						
2100	Short-term borrowings (note 6(n))	$ 3,635,233	12	2,582,152	9	2,895,628	11
2130	Current contract liabilities (note 6(x))	18,180	-	23,752	-	3,361	-
2170	Notes and accounts payable	4,338,534	15	4,199,131	15	3,965,790	14
2180	Accounts payable to related parties (note 7)	242,546	1	168,285	-	189,596	1
2213	Payable on machinery and equipment	458,140	2	298,852	1	372,225	1
2230	Current tax liabilities	251,128	1	201,077	1	94,546	-
2280	Current lease liabilities (note 6(r))	41,713	-	49,958	-	49,137	-
2300	Other current liabilities (notes 6(b) and 6(o))	1,820,422	6	1,621,844	6	1,528,121	6
2410	Bonds payable, current portion (note 6(q))	-	-	1,119,659	4	1,115,365	4
2322	Long-term borrowings, current portion (note 6(p))	13,609	-	15,778	-	16,058	-
		10,819,505	37	10,280,488	36	10,229,827	37
	Non-Current liabilities:						
2540	Long-term borrowings (note 6(p))	24,497	-	37,866	-	41,752	-
2570	Deferred tax liabilities	101,657	-	183,169	1	262,005	1
2580	Non-current lease liabilities (note 6(r))	279,260	1	262,852	1	266,371	1
2640	Non-current provisions for employee benefit	120,671	1	124,282	-	139,822	-
2600	Other non-current liabilities	183,698	1	265,987	1	229,728	1
		709,783	3	874,156	3	939,678	3
	Total liabilities	11,529,288	40	11,154,644	39	11,169,505	40
	Equity:						
	Equity attributable to owners of parent (note 6(u)):						
3110	Ordinary shares	4,433,931	15	4,432,457	16	4,431,913	16
3200	Capital surplus (note 6(q))	9,084,110	31	9,089,121	32	9,088,719	32
	Retained earnings:						
3310	Legal reserve	2,671,978	9	2,589,754	9	2,589,754	9
3320	Special reserve	1,461,039	5	1,224,277	4	1,224,277	4
3350	Unappropriated retained earnings	404,810	2	968,323	4	742,946	3
		4,537,827	16	4,782,354	17	4,556,977	16
3400	Other equity interests	(958,435)	(3)	(1,461,039)	(5)	(1,467,129)	(5)
		17,097,433	59	16,842,893	60	16,610,480	59
3610	**Non-controlling interests**	366,559	1	351,535	1	382,592	1
	Total equity	17,463,992	60	17,194,428	61	16,993,072	60
	Total liabilities and equity	$ 28,993,280	100	28,349,072	100	28,162,577	100

Net Cash(Debt)



Solid Financial Structure

Growth

-Better Sales/Capital Rate

Profitbility

-Outstanding Gross Margin and ROE

Solid Financial Ratio

Liquidity

-Strong cash inflow

Operation

-Better Inventory and AR Turnover rate

Thank You!!