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Catcher Technology

2018 Q4 Earnings Results

2019/3/22

Disclaimer

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- This presentation contains "forward-looking statements"- that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects" , "anticipates", "intends", "plans", "believes", "seeks", or "will".
- Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to different materially from those contained in any forward-looking statement. Such factors include, but are not limited to: our highly competitive environment; the cyclical nature of our business; our ability to develop new products; and our successful execution in new business developments.

4Q18 Financial Summary

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- Q4 Rev NT$29.165bn, up 16.2% qoq, but down 11.1% yoy due to weak handheld demand
- GP 10.698bn, up 0.57% qoq, but down 24.97% yoy; GPM 36.68%, down 5.71% qoq, and down 6.8% yoy due to low UTR, ASP pressure, and higher cost per unit.
- OP 7.944bn, down 4.1% qoq and down 33.1% yoy; OPM 27.2%, down 5.8% qoq and down 9.0% yoy
- NPBT 10.081bn, down 10.2% qoq and down 15.3% yoy
- NPAT 6.92bn, up 5.4% qoq, but down 16.3% yoy
- Basic EPS NT$ 8.98 vs. NT$ 8.52 in 3Q18, and NT$10.73 in 4Q17
- CAPEX NT$ 2.199bn in Q4.
- D&A NT$ 2.999bn in Q4, which remains stable

2018 Financial Summary

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- Sales Rev. NT$ 95.416bn, GP 38.624bn, OP 29.604bn, NPBT 41.319bn, NPAT 27.972bn, EPS 36.31.
- GM 40.48% and OPM 31.03% both below historical average, due to weak demand, ASP pressure, and higher cost per unit.
- CAPEX 10.988bn
- D&A 12.243bn

4Q18 vs. 3Q18 P/L

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(In NTD mn)	4Q18 Amount	4Q18 %	3Q18 Amount	3Q18 %	qoq
Revenue	**29,165**	*100.0%*	25,090	*100.0%*	*16.2%*
GP	**10,698**	*36.7%*	10,637	*42.4%*	*0.6%*
OPEX	**2,753**	*9.4%*	2,350	*9.4%*	*17.2%*
OP	**7,944**	*27.2%*	8,287	*33.0%*	*-4.1%*
Non-OP	**2,137**	*7.3%*	2,933	*11.7%*	*-27.2%*
NPBT	**10,081**	*34.6%*	11,221	*44.7%*	*-10.2%*
NPAT	**6,920**	*23.7%*	6,563	*26.2%*	*5.4%*
Basic EPS (NTD)	**$ 8.98**		$ 8.52		*0.46*
EBITDA	**10,944**	*37.5%*	11,259	*44.9%*	*-2.8%*

•EBITDA = Operating Profit + Depreciation + Amortization

4Q18 vs. 4Q17 P/L

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(In NTD mn)	4Q18 Amount	4Q18 %	4Q17 Amount	4Q17 %	yoy
Revenue	**29,165**	*100.0%*	32,794	*100.0%*	*-11.1%*
GP	**10,698**	*36.7%*	14,258	*43.5%*	*-25.0%*
OPEX	**2,753**	*9.4%*	2,391	*7.3%*	*15.2%*
OP	**7,944**	*27.2%*	11,867	*36.2%*	*-33.1%*
Non-OP	**2,137**	*7.3%*	28	*0.1%*	*7422.4%*
NPBT	**10,081**	*34.6%*	11,896	*36.3%*	*-15.3%*
NPAT	**6,920**	*23.7%*	8,271	*25.2%*	*-16.3%*
Basic EPS (NTD)	**$ 8.98**		$ 10.73		- *1.75*
EBITDA	**10,944**	*37.5%*	14,160	*43.2%*	*-22.7%*

•EBITDA = Operating Profit + Depreciation + Amortization

2018 vs. 2017 P/L

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(In NTD mn)	2018 Amount	2018 %	2017 Amount	2017 %	yoy
Revenue	**95,416**	*100.0%*	93,296	*100.0%*	*2.3%*
GP	**38,624**	*40.5%*	41,970	*45.0%*	*-8.0%*
OPEX	**9,020**	*9.5%*	8,536	*9.1%*	*5.7%*
OP	**29,604**	*31.0%*	33,433	*35.8%*	*-11.5%*
Non-OP	**11,715**	*12.3%*	- 688	*-0.7%*	*n.a.*
NPBT	**41,319**	*43.3%*	32,745	*35.1%*	*26.2%*
NPAT	**27,972**	*29.3%*	21,843	*23.4%*	*28.1%*
Basic EPS (NTD)	**$ 36.31**		$ 28.35		*7.96*
EBITDA	**41,893**	*43.9%*	44,134	*47.3%*	*-5.1%*

•EBITDA = Operating Profit + Depreciation + Amortization

Revenue & GM

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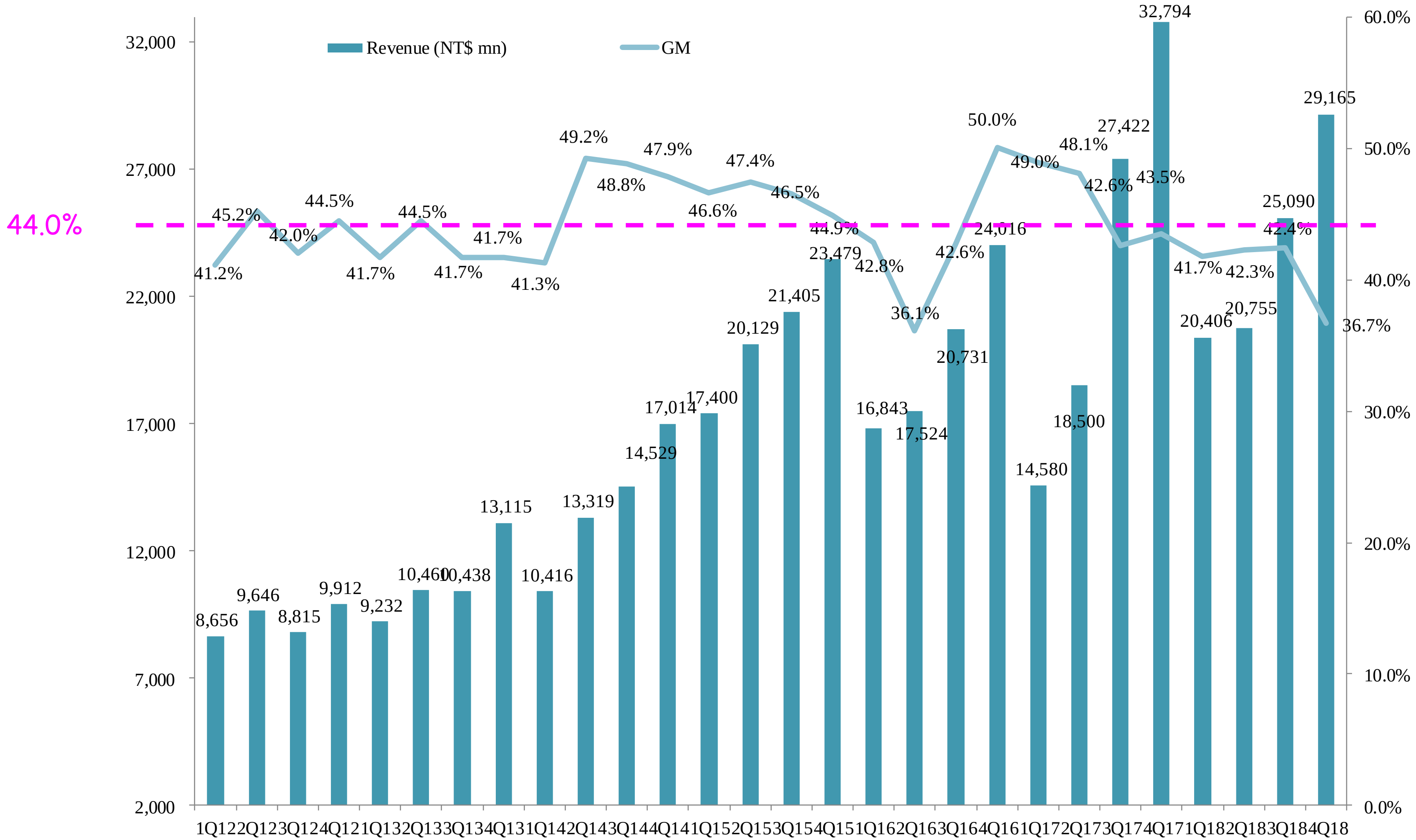

OP & OPM

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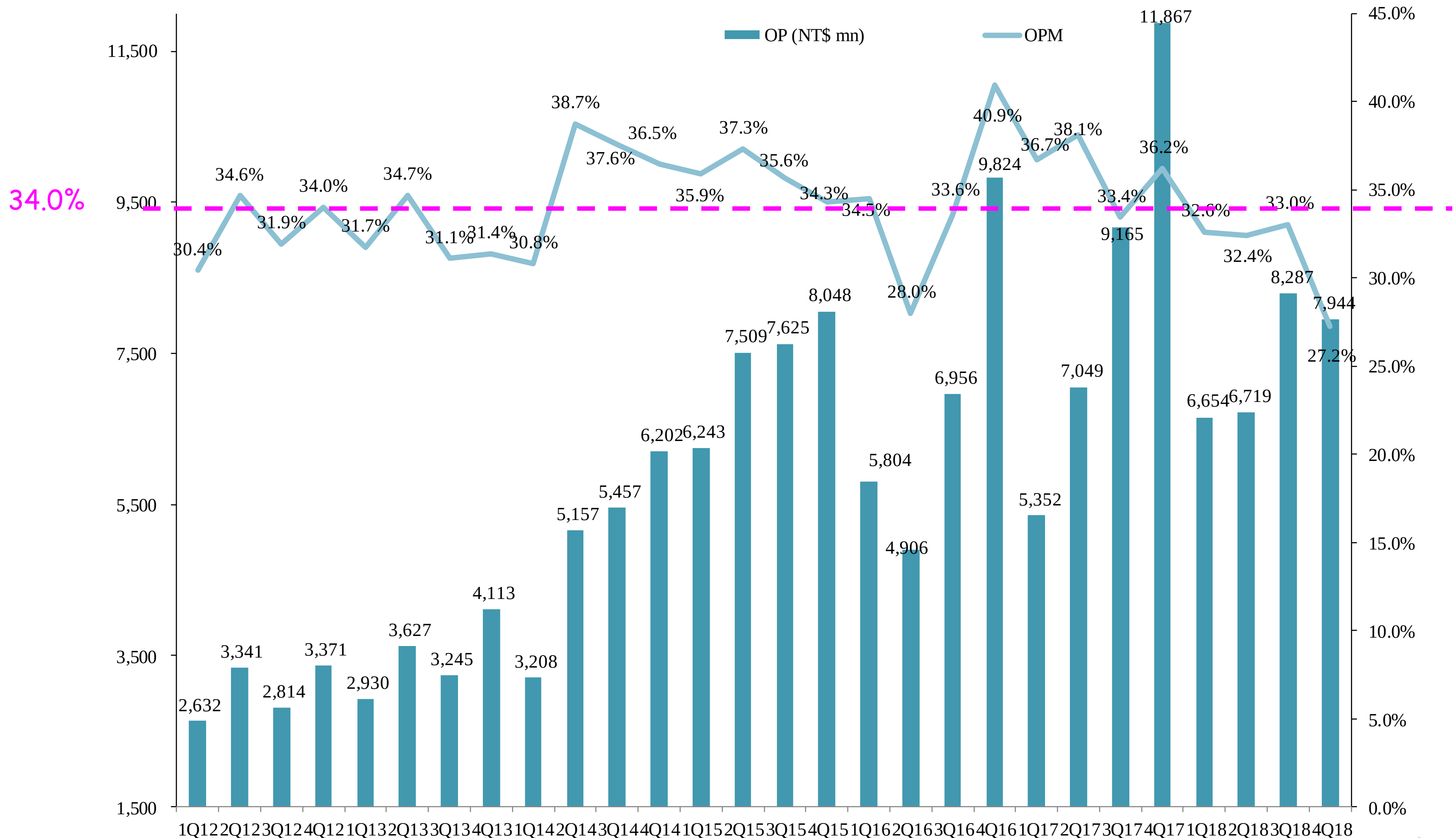

Consolidated Balance Sheet

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(In NT$ mn)	4Q18		3Q18		4Q17	
Total Assets	**257,160**	***100%***	**241,167**	***100%***	**213,864**	***100%***
Cash	29,305	*11%*	32,221	*13%*	17,017	*8%*
Current Asset	196,505	*76%*	180,374	*75%*	151,436	*71%*
Fixed Asset	50,264	*20%*	50,700	*21%*	52,066	*24%*
Total Liabilities	**105,836**	***41%***	**97,684**	***41%***	**80,729**	***38%***
Current Liab.	103,990	*40%*	95,278	*40%*	77,326	*36%*
Long-term Liab.	1,845	*1%*	2,406	*1%*	3,403	*2%*
Shareholders Equity	**151,219**	***59%***	**143,384**	***59%***	**133,050**	***62%***
Total Liab. & Equity	257,160	*100%*	241,167	*100%*	213,864	*100%*
BVPS	196.3		186.1		172.7	

•BVPS was calculated based on 2017 weighted average shares of 770,391k

Consolidated Cash Flow

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(NT$ mn)	2018	2017
Beginning Balance	17,017	29,667
Cash from operating activities	26,929	32,862
Depreciation & Amortization	12,243	10,666
Cash from investing activities	- 29,972	- 45,280
Capital Expenditure	- 10,988	- 13,192
Cash from financing activities	16,007	1,403
Short-term & Long-term loans	25,771	9,427
FX Impact	- 677	- 1,635
Change in cash	12,288	- 12,650
Ending Balance	29,305	17,017
EBITDA	41,893	44,134
Free Cash Flow	15,941	19,670

•EBITDA=Operating Profit + Depreciation + Amortization
•Free cash flow=Cash from operating activities - Capital Expenditure

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Appendix

Revenue Trend (2000 - 2018)

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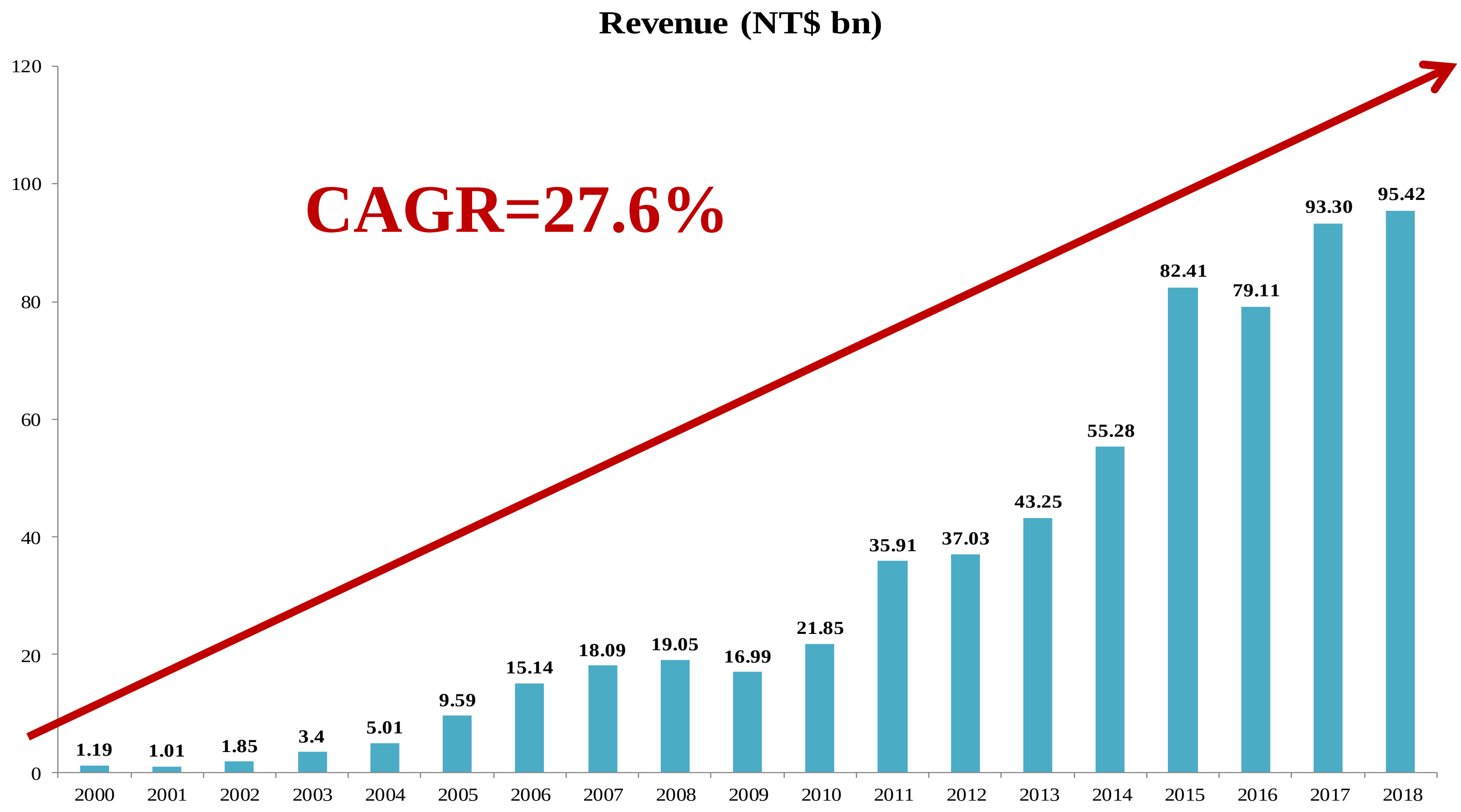

EPS Trend (2000 - 2018)

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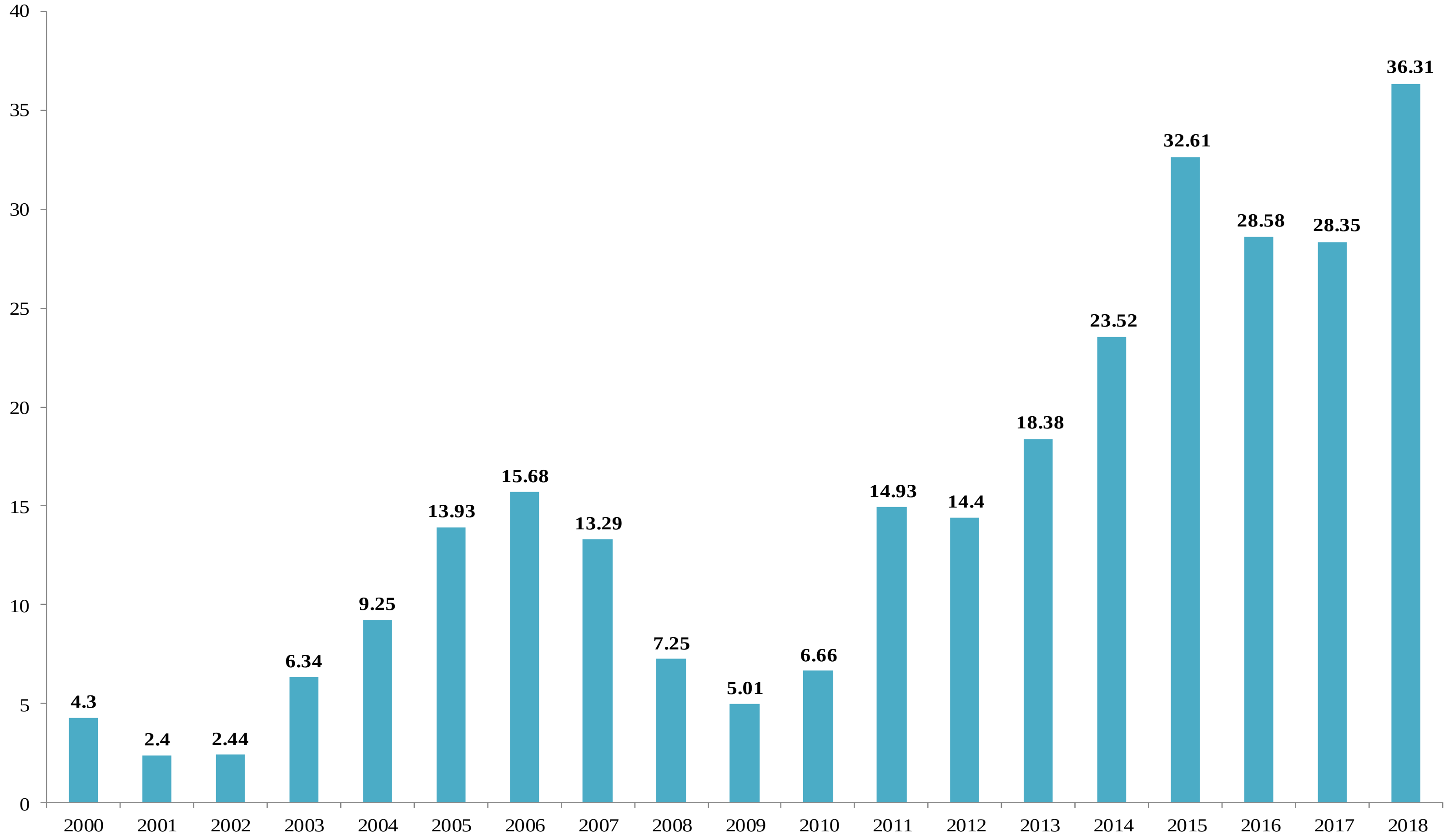

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