Catcher Technology

2019 Q4 & Year 2019 Earnings Results

2020/03

Disclaimer

- 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.

4Q19 Financial Summary

- Rev. NT$31.9bn, +14.8% q-q; +9.5% y-y; due to new product launch.
- GM 25.4%, +2.3% q-q driven by revenue growth, but down 11.3% y-y mainly from lower ASP.
- OPM 18%, +1.9% q-q/ -9.3% y-y.
- NPBT 4.9bn, -17.8% q-q/ -51.6% y-y due to lower GM and FX losses as a result of US dollar depreciation.
- NPAT 3.4bn, +1.5% q-q/ -50.2% y-y.
- Basic EPS NT$4.48 vs NT$ 4.41 in 3Q19/NT$8.98 in 4Q18.
- CAPEX 890mn in 4Q19 vs 2.2bn in 4Q18.
- D&A 2.8bn in 4Q19 vs 3.0bn both in 3Q19 and 4Q18.
- EBITDA 8.57bn in 4Q19 vs 7.47bn in 3Q19/10.94bn in 4Q18.

•EBITDA = Operating Profit + Depreciation + Amortization

2019 Financial Summary

- Rev. NT$91.6bn, down 4% y-y due to lukewarm phone demand in H1 & lower ASP.
- GP 22.3bn, -42.3% y-y; GM 24.3%, -16.2% y-y.
- OP 14.1bn, -52.3% y-y; OPM 15.4%, -15.6% y-y; both due to lower UTR & ASP.
- NPBT 20.0bn, -51.6% y-y. Margin 21.8%, -21.5% y-y.
- NPAT 11.3bn, -59.7% y-y. Margin 12.3%, -17% y-y.
- Basic EPS NT$14.63 in 2019 vs. NT$36.31 in 2018.
- CAPEX 4bn in 2019 vs 11.0bn in 2018.
- D&A 12.1bn in 2019 vs 12.2bn in 2018.
- EBITDA 26.2bn in 2019 vs 41.8bn in 2018.

•EBITDA = Operating Profit + Depreciation + Amortization

4Q19 vs. 3Q19 P/L

(In NTD mn)	4Q19 Amount	4Q19 %	3Q19 Amount	3Q19 %	qoq
Revenue	**31,933**	*100.0%*	27,817	*100.0%*	*14.8%*
GP	**8,118**	*25.4%*	6,435	*23.1%*	*26.2%*
OPEX	**2,374**	*7.4%*	1,970	*7.1%*	*20.6%*
OP	**5,744**	*18.0%*	4,466	*16.1%*	*28.6%*
Non-OP	**- 865**	*-2.7%*	1,473	*5.3%*	*-158.7%*
NPBT	**4,879**	*15.3%*	5,938	*21.3%*	*-17.8%*
NPAT	**3,449**	*10.8%*	3,399	*12.2%*	*1.5%*
Basic EPS (NTD)	**$ 4.48**		$ 4.41		*$ 0.07*
EBITDA	**8,572**	*26.8%*	7,469	*26.8%*	*14.8%*

※FX losses was NT$2,094mn in 4Q19

4Q19 vs. 4Q18 P/L

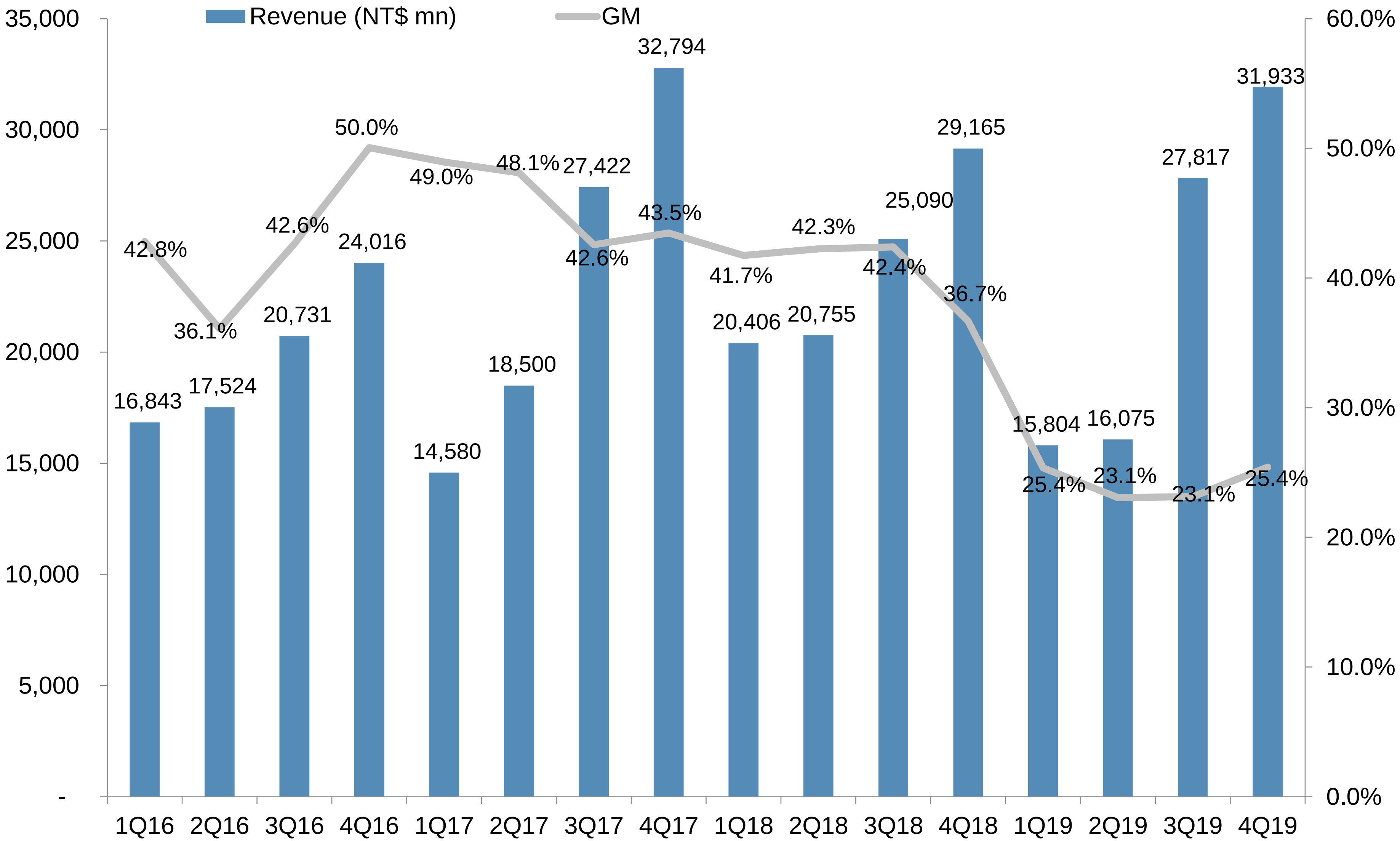
(In NTD mn)	4Q19 Amount	4Q19 %	4Q18 Amount	4Q18 %	yoy
Revenue	**31,933**	*100.0%*	29,165	*100.0%*	*9.5%*
GP	**8,118**	*25.4%*	10,698	*36.7%*	*-24.1%*
OPEX	**2,374**	*7.4%*	2,753	*9.4%*	*-13.8%*
OP	**5,744**	*18.0%*	7,944	*27.2%*	*-27.7%*
Non-OP	**- 865**	*-2.7%*	2,137	*7.3%*	*-140.5%*
NPBT	**4,879**	*15.3%*	10,081	*34.6%*	*-51.6%*
NPAT	**3,449**	*10.8%*	6,920	*23.7%*	*-50.2%*
Basic EPS (NTD)	**$ 4.48**		$ 8.98		*-$ 4.50*
EBITDA	**8,572**	*26.8%*	10,944	*37.5%*	*-21.7%*

※FX losses was NT$2,094mn in 4Q19

2019 vs. 2018 P/L

	2019		2018		
(In NTD mn)	**Amount**	*%*	Amount	*%*	*yoy*
Revenue	**91,628**	*100.0%*	95,416	*100.0%*	*-4.0%*
GP	**22,267**	*24.3%*	38,624	*40.5%*	*-42.3%*
OPEX	**8,158**	*8.9%*	9,020	*9.5%*	*-9.6%*
OP	**14,109**	*15.4%*	29,604	*31.0%*	*-52.3%*
Non-OP	**5,874**	*6.4%*	11,715	*12.3%*	*-49.9%*
NPBT	**19,983**	*21.8%*	41,319	*43.3%*	*-51.6%*
NPAT	**11,272**	*12.3%*	27,972	*29.3%*	*-59.7%*
Basic EPS (NTD)	**$ 14.63**		$ 36.31		*-$21.68*
EBITDA	**26,231**	*28.6%*	41,847	*43.9%*	*-37.3%*

Revenue & GM


Revenue (NT$ mn)
GM
35,000
30,000
25,000
20,000
15,000
10,000
5,000
-
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
16,843
17,524
20,731
24,016
14,580
18,500
27,422
32,794
20,406
20,755
25,090
29,165
15,804
16,075
27,817
31,933
42.8%
36.1%
42.6%
50.0%
49.0%
48.1%
42.6%
43.5%
41.7%
42.3%
42.4%
36.7%
25.4%
23.1%
23.1%
25.4%
1Q16
2Q16
3Q16
4Q16
1Q17
2Q17
3Q17
4Q17
1Q18
2Q18
3Q18
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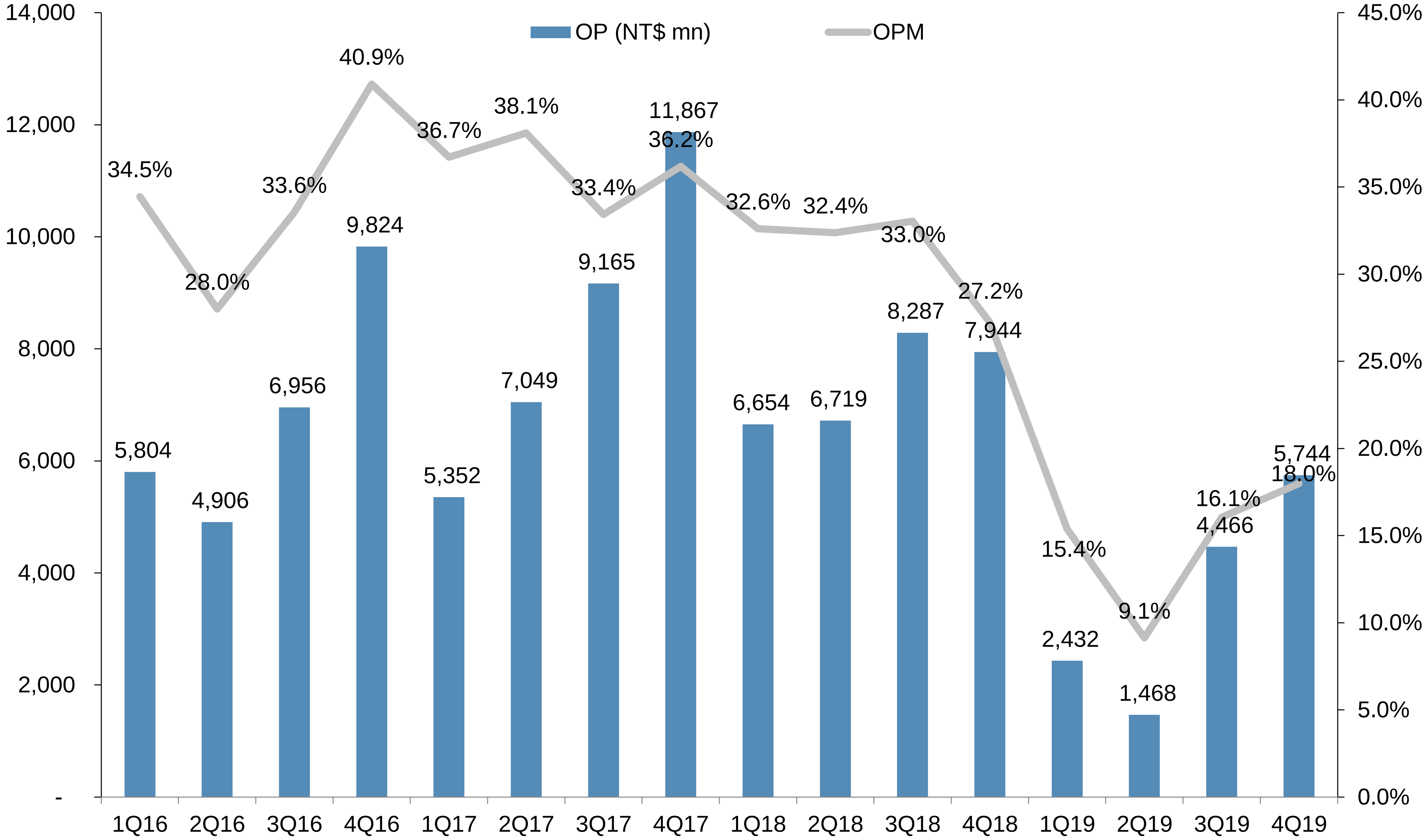
2Q19
3Q19
4Q19

OP & OPM


OP (NT$ mn)
OPM
14,000
12,000
10,000
8,000
6,000
4,000
2,000
-
45.0%
40.0%
35.0%
30.0%
25.0%
20.0%
15.0%
10.0%
5.0%
0.0%
1Q16
2Q16
3Q16
4Q16
1Q17
2Q17
3Q17
4Q17
1Q18
2Q18
3Q18
4Q18
1Q19
2Q19
3Q19
4Q19
5,804
4,906
6,956
9,824
5,352
7,049
9,165
11,867
6,654
6,719
8,287
7,944
2,432
1,468
4,466
5,744
34.5%
28.0%
33.6%
40.9%
36.7%
38.1%
33.4%
36.2%
32.6%
32.4%
33.0%
27.2%
15.4%
9.1%
16.1%
18.0%

Consolidated Balance Sheet

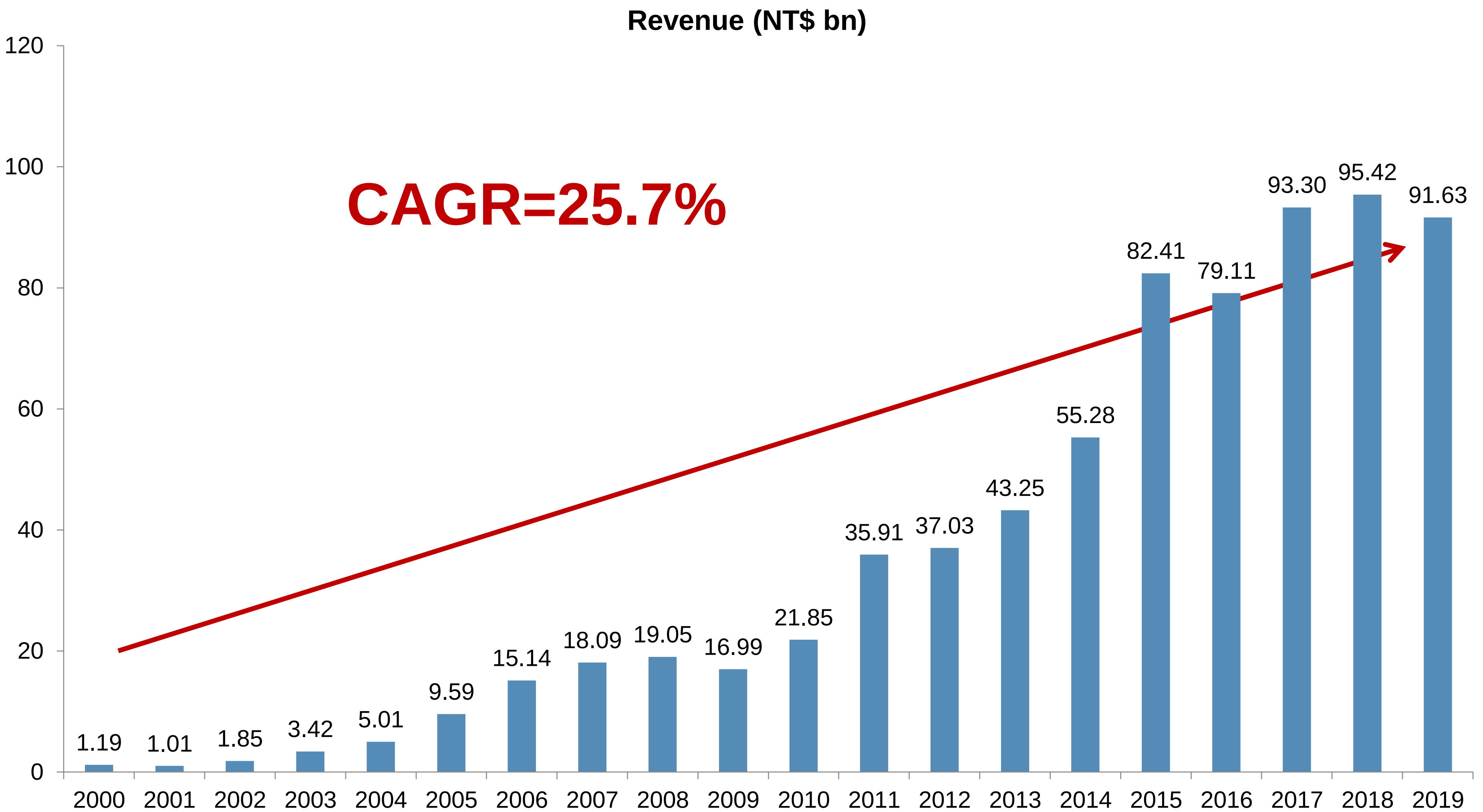
(In NT$ mn)	4Q19		3Q19		4Q18	
Total Assets	**243,114**	***100%***	**252,051**	***100%***	**257,160**	***100%***
Cash	69,017	*28%*	66,594	*26%*	29,305	*11%*
Current Asset	191,845	*79%*	197,769	*78%*	196,505	*76%*
Fixed Asset	41,297	*17%*	44,255	*18%*	50,264	*20%*
Total Liabilities	**94,526**	***39%***	**102,542**	***41%***	**105,836**	***41%***
Current Liab.	93,271	*38%*	101,392	*40%*	103,990	*40%*
Long-term Liab.	1,255	*1%*	1,150	*0%*	1,845	*1%*
Shareholders Equity	**148,463**	***61%***	**149,392**	***59%***	**151,219**	***59%***
Total Liab. & Equity	243,114	*100%*	252,051	*100%*	257,160	*100%*
BVPS	192.7		193.9		196.3	
Weighted Average Shares (mn)	770.391		770.391		770.391	

Consolidated Cash Flow

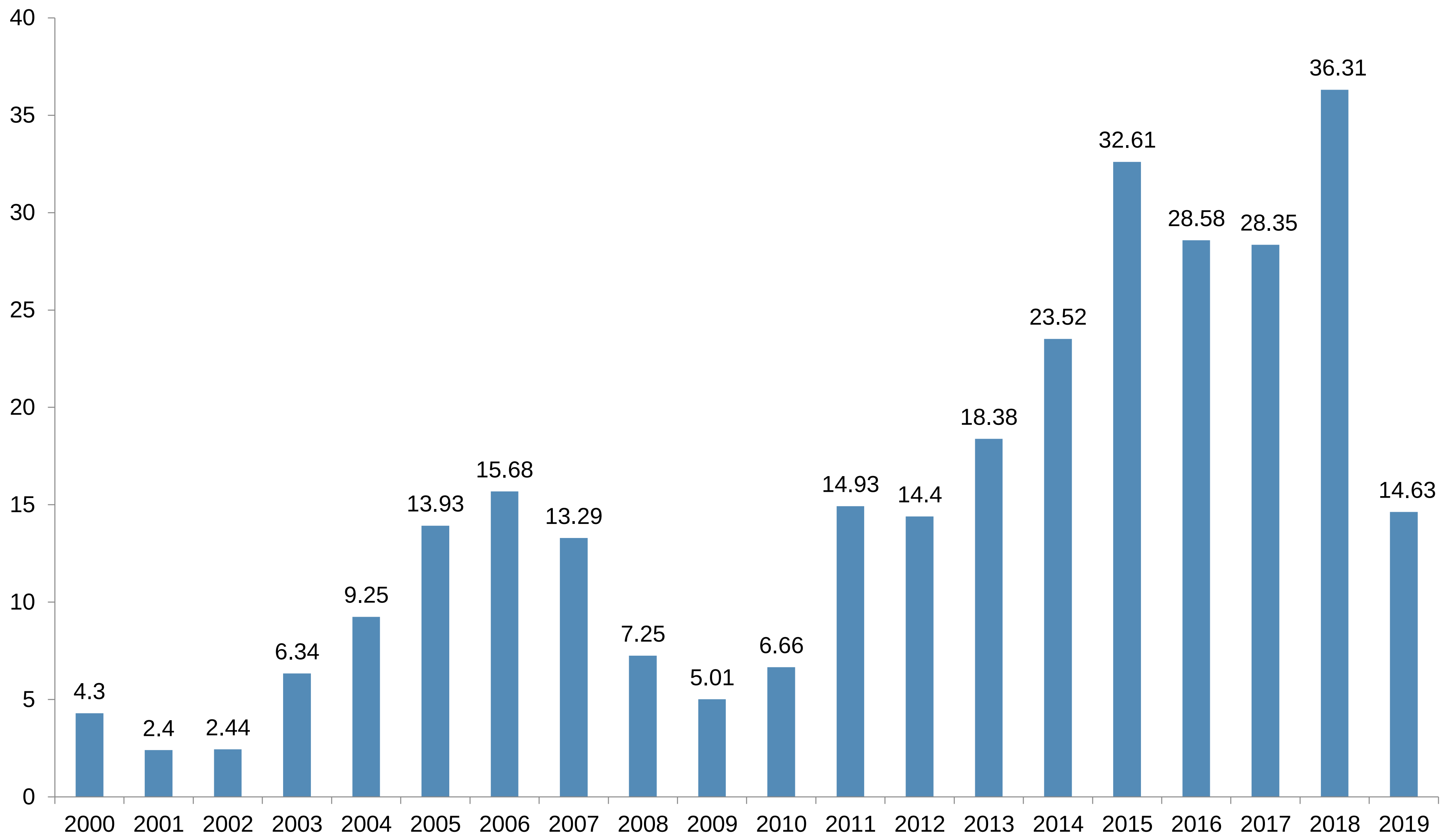
(NT$ mn)	2019	2018
Beginning Balance	29,305	17,017
Cash from operating activities	25,802	26,929
Depreciation & Amortization	12,121	12,243
Cash from investing activities	28,651	- 29,972
Capital Expenditure	- 4,030	- 10,988
Cash from financing activities	- 13,377	16,007
Short-term & Long-term loans	- 3,104	25,771
FX Impact	- 1,363	- 677
Change in cash	39,713	12,288
Ending Balance	69,017	29,305
EBITDA	26,231	41,847
Free Cash Flow	21,772	15,941

Appendix

Revenue Trend (2000 - 2019)



EPS Trend (2000 - 2019)



Catcher Technology
– Innovative Leader in Casing

Investor Relations

Kristen Fang 方文妍
+886-2-2701-5900 # 2811

Teresa Wang 王彤
+886-2-2701-5900 # 2812

IR@catcher-group.com

http://www.catcher-group.com