

**CHANG WAH
TECHNOLOGY CO., LTD
CWTC(6548)**

November 26, 2019

Outline

- A. The denomination of the first listed company was changed to 1 NTD.
- B. Back to Taiwan for Investment
- C. Business Overview
- D. Market & Future Prospects
- E. Q&A

- A. The denomination of the first listed company was changed to 1 NTD.

- **Purpose: Increase stock liquidity**
- The share capital was unchanged, but the number of stock sheets increased from the original 36.4 thousand to 364.1 thousand (increased to 10 times the original), and the re-listed reference price was reduced to 1/10.
- **Volume changes before and after**

Average (number of sheets)	Base on 2019/8/28	Base on 2019/11/13	Rate of change
Week	70	592	745%
Month	53	1,190	2145%
Quarter	28	-	-
Year	29	-	-
2019/9/9~11/13	-	1,143	-

PS : 2019/8/28(the last trading day of the original stock), 2019/9/9(new shares were re-listed).

B. Back to Taiwan for Investment

- September 2019, through the Ministry of Economic Affairs, "Welcome Taiwanese Businessmen to the Joint Review Conference," CWTC planned to invest NT\$3 billion to expand the plant and new equipment at the Nanxun plant in Kaohsiung.
- On November 7, 2019, the board of directors passed and initially invested NT\$500 million to build a new plant in the existing plant.

C. Business Overview

Financial Results(Consolidated Income Statement/QoQ)

MN NTD	3Q 2019		2Q 2019		QoQ
	Amount	%	Amount	%	%
Revenues	2,471	100	2,251	100	10
Cost of Goods Sold	2,047	83	1,890	84	8
Gross Profit	423	17	361	16	17
Operating Expenses	187	8	161	7	16
Operating Income	236	10	200	9	18
Non-operating Income	38	2	20	1	92
Income before Tax	275	11	220	10	25
Tax	87	4	73	3	20
Net Income	187	8	148	7	27
Income Attributable to Shareholders of the parent	184		145		27
EPS(NTD)	<u>0.52</u>		<u>0.41</u>		
EBIT	448		395		

Financial Results(Consolidated Income Statement/YoY)

MN NTD	3Q 2019		3Q 2018		YoY
	Amount	%	Amount	%	%
Revenues	2,471	100	2,539	100	(3)
Cost of Goods Sold	2,047	83	2,026	80	1
Gross Profit	423	17	513	20	(18)
Operating Expenses	187	8	173	7	8
Operating Income	236	10	340	13	(30)
Non-operating Income	38	2	23	1	67
Income before Tax	275	11	363	14	(24)
Tax	87	4	106	4	17
Net Income	187	8	257	10	(27)
Income Attributable to Shareholders of the parent	184		254		(28)
EPS(NTD)	0.52		0.72		
EBIT	448		530		

Financial Results(Consolidated Income Statement)

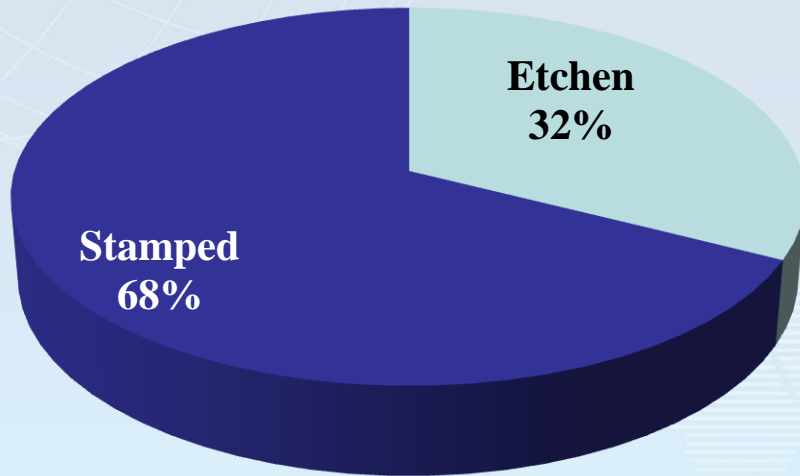
MN NTD	1~3Q 2019		1~3Q 2018		YoY
	Amount	%	Amount	%	%
Revenues	6,878	100	7,484	100	(8)
Cost of Goods Sold	5,745	84	6,063	81	(5)
Gross Profit	1,133	16	1,421	19	(20)
Operating Expenses	521	8	530	7	(2)
Operating Income	611	9	891	12	(31)
Non-operating Income	68	1	90	1	(24)
Income before Tax	680	10	981	13	(31)
Tax	221	3	304	4	(27)
Net Income	459	7	678	9	(32)
Income Attributable to Shareholders of the parent	452		670		(33)
EPS(NTD)	1.28		1.87		

Consolidated Balance Sheet Summary

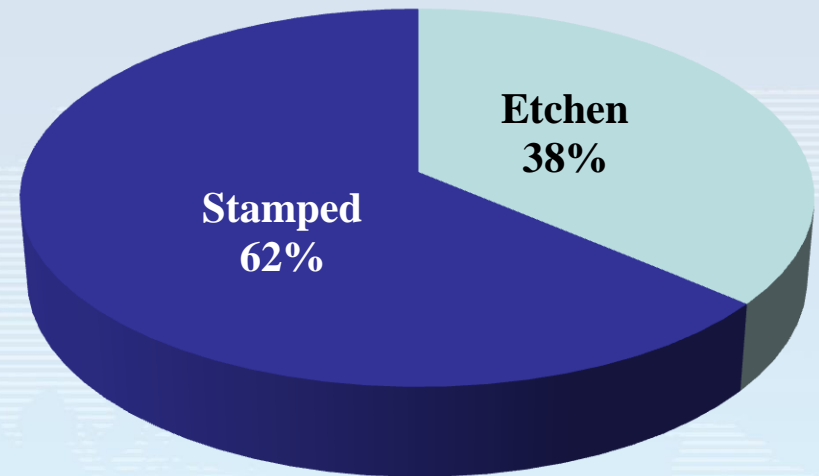
Amount NTD in MN	2016.12.31 (IFRSs) (After renumbering)	2017.12.31 (IFRSs)	2018.12.31 (IFRSs)	2019.09.30 (IFRSs)
Cash & Short-Term Investments	637	2,131	2,304	2,768
Accounts Receivable	523	1,816	1,925	2,081
Current Assets	1,625	5,350	5,791	6,289
Long-Term Investments	292	146	169	174
Current Liabilities	295	2,150	2,758	2,874
Long-Term Liabilities	299	3,970	4,617	5,320
Shareholders' Equity	966	5,064	5,098	5,036
Total Assets	2,333	9,100	9,788	10,356
Book Value Per Share (NT\$)	39.0	140.0	140.0	13.6
Current Ratio	551%	249%	210%	219%
Debt Ratio	13%	44%	47%	51%

Products Percentage(Process)

2019 Q1~Q3



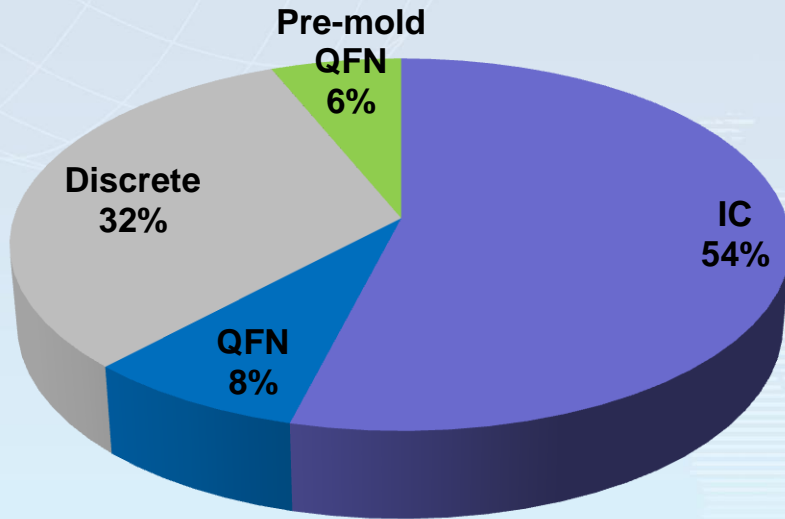
2018



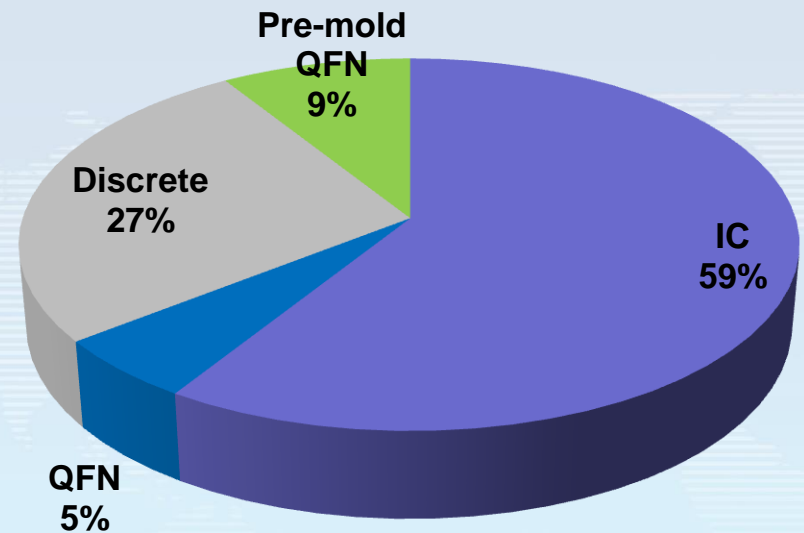
*Classified by sales amount (US\$)

Products Percentage(Application)

2019 Q1~Q3



2018

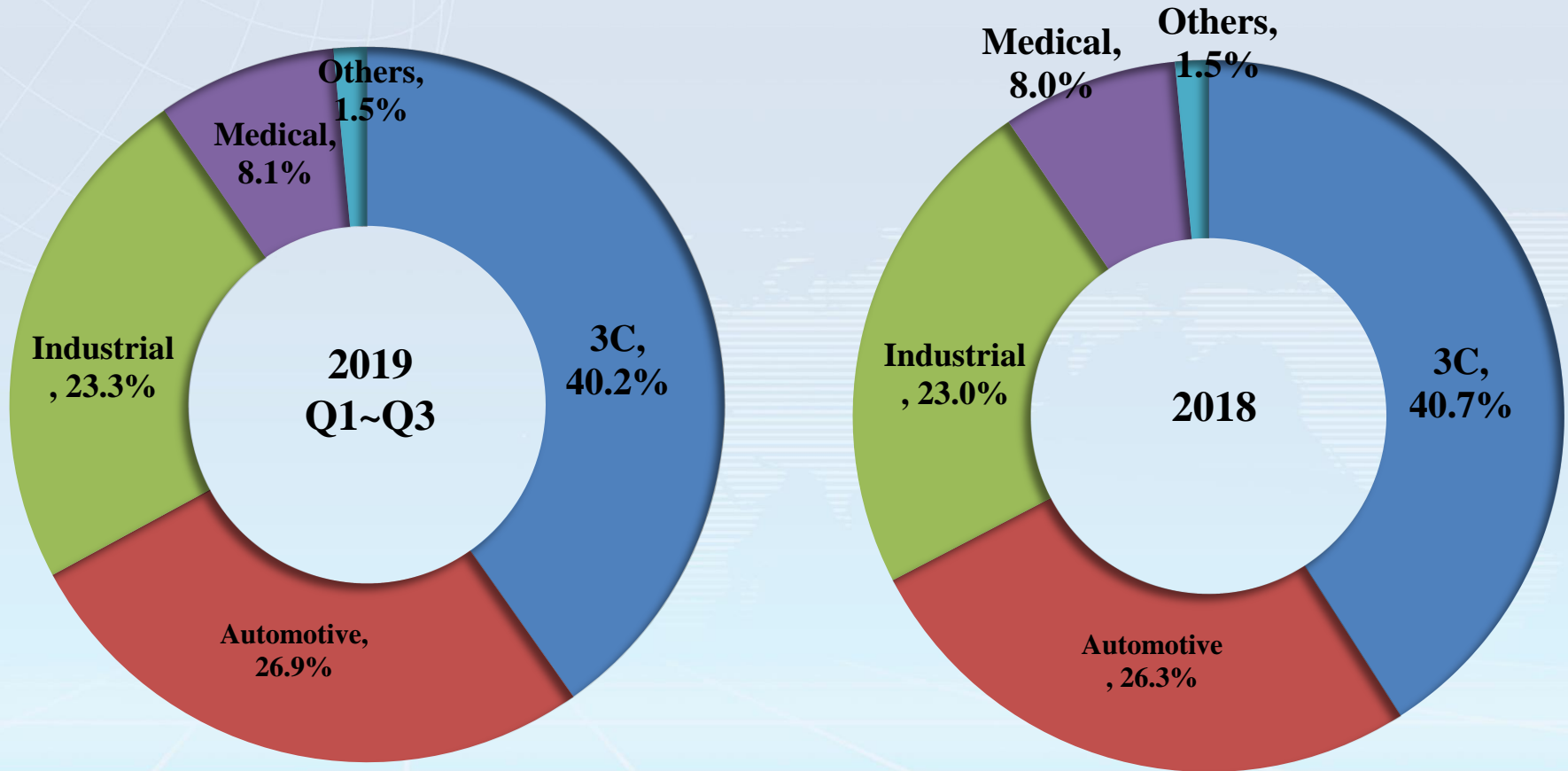


IC : SOP 、 TSSOP 、 TSOP 、 QFP

Discrete : SOT

*Classified by sales amount (US\$)

Lead Frame Application



D. Market & Future Prospects

Market Status

- 2019/4Q : Slightly Drop.
- 2020 :

Future Prospects

- QFN
- Power
- Return to Taiwan to expand the new factory
- M&A Opportunity



E. Q&A