



中揚光電股份有限公司
Zhong Yang Technology Co., Ltd

Code 6668



ZHONG YANG CORPORATION

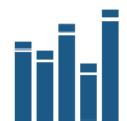
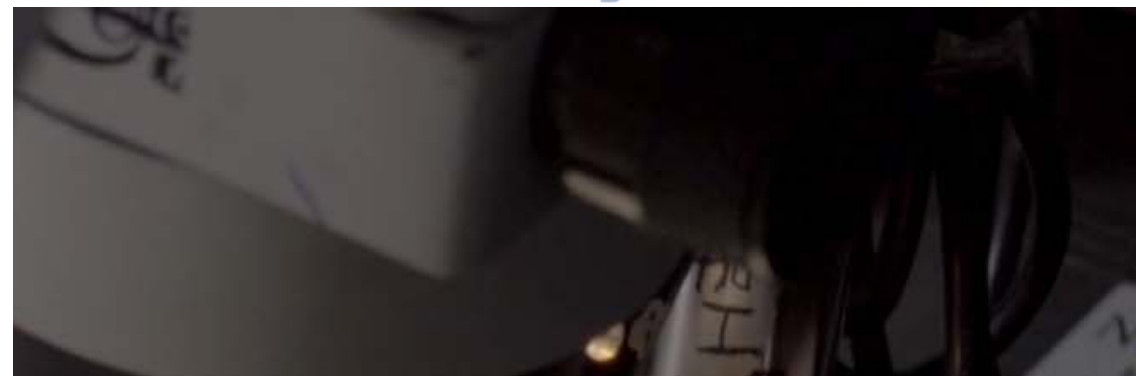
2023 Q2 INVESTOR CONFERENCE

2023/09/22





Operational status
of the company



Operational performance

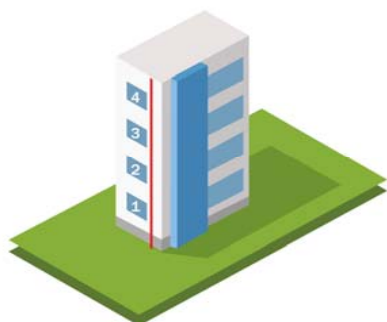
FINANCIAL STATEMENTS



Primary Products
and Industry Report



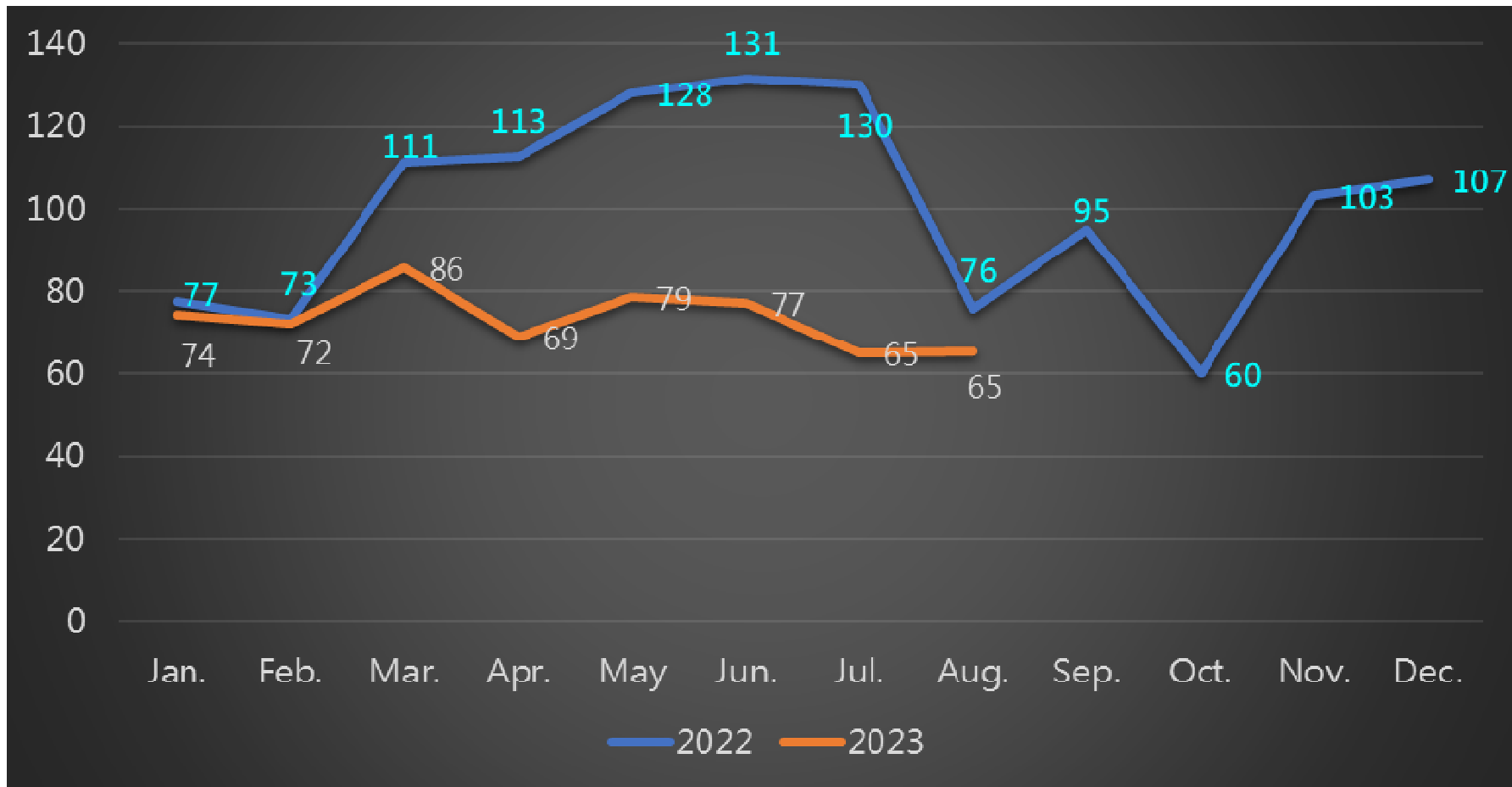
COMPANY OVERVIEW AND RECENT SITUATION



| | JMO (6668TW) | Eterge |
|--|--|---|
| JMO direct/indirect shareholding | - | 68.45% |
| Paid-in capital | NTD 832,128K | NTD 100,000K |
| Service items | <ol style="list-style-type: none"> 1. Operations headquarters 2. Manufacturing and sales of optical molds and products | <ol style="list-style-type: none"> 1. Automotive camera 2. Projection lens 3. Security camera lens 4. Customized optical lens manufacturing |
| Revenue for fiscal year 2023 (As of Q2) | NTD 456,797K (note.) | NTD 124,842K |
| NIAT for fiscal year 2023 (As of Q2) | NTD (158,221)K (note.) | NTD (21,097)K |

2023 COMPARISON OF MONTHLY OPERATING REVENUE

Unit: NT\$ Millions



2022 & 2023 INCOME STATEMENT

Unit: NT\$ Thousands

| | 2022 | 2023Q1 | 2023Q2 | 2023 Q1~Q2 |
|-------------------------------------|-----------|----------|----------|---------------|
| Operating revenue | 1,204,869 | 232,175 | 224,622 | 456,797 |
| Operating costs | 1,137,349 | 233,956 | 242,536 | 476,492 |
| Gross profit (loss) from operations | 67,520 | (1,781) | (17,914) | (19,695) |
| Operating expenses | 317,233 | 75,472 | 79,449 | 154,921 |
| Net operating income (loss) | (249,713) | (77,253) | (97,363) | (174,616) |
| Non-operating income and expenses | (90,374) | 455 | 9,059 | 9,514 |
| Pre-tax income (loss) | (340,087) | (76,798) | (88,304) | (165,102) |
| Income tax expenses (benefit) | 2,483 | 0 | (225) | (225) |
| Net profit (loss) | (342,570) | (76,798) | (88,079) | (164,877) |
| Net profit attributable to: | | | | |
| Parent company owners | (354,624) | (72,083) | (86,138) | (158,221) |
| Non-controlling interests | 12,054 | (4,715) | (1,941) | (6,656) |
| ESP (NT\$) | (4.53) | (0.92) | (1.10) | (2.02) |

2023 Q2 FINANCIAL STATEMENTS-

QUARTERLY CONSOLIDATED INCOME STATEMENT

Unit: NT\$ Thousands

| | 2023Q2 | 2023Q1 | QoQ | 2022Q2 |
|-------------------------------------|----------|----------|--------|----------|
| Operating revenue | 224,622 | 232,175 | (3%) | 372,256 |
| Operating costs | 242,536 | 233,956 | 4% | 327,198 |
| Gross profit (loss) from operations | (17,914) | (1,781) | (906%) | 45,058 |
| Operating expenses | 79,449 | 75,472 | 5% | 92,362 |
| Net operating income (loss) | (97,363) | (77,253) | (26%) | (47,304) |
| Non-operating income and expenses | 9,059 | 455 | 1891% | 17,364 |
| Pre-tax income (loss) | (88,304) | (76,798) | (15%) | (29,940) |
| Income tax expenses (benefit) | (225) | 0 | | (569) |
| Net profit (loss) | (88,079) | (76,798) | (15%) | (29,371) |
| Net profit attributable to: | | | | |
| Parent company owners | (86,138) | (72,083) | (19%) | (37,601) |
| Non-controlling interests | (1,941) | (4,715) | 59% | 8,230 |
| ESP (loss) (NT\$) | (1.10) | (0.92) | (20%) | (0.48) |

2023 Q2 FINANCIAL STATEMENTS - QUARTERLY CONSOLIDATED BALANCE SHEET

Unit: NT\$ Thousands

| | 2023/6/30 | 2023/3/31 | QoQ | 2022/6/30 |
|--|------------------|------------------|--------------|------------------|
| Cash and cash equivalents | 685,018 | 735,984 | (7%) | 836,772 |
| Notes and accounts receivable, net | 327,341 | 330,622 | (1%) | 515,811 |
| Inventories | 198,698 | 259,140 | (23%) | 394,790 |
| Prepayments and other current assets | 25,413 | 27,835 | (9%) | 47,609 |
| Other financial current assets | 0 | 15,225 | (100%) | 589,487 |
| Current assets | 1,236,470 | 1,368,806 | (10%) | 2,384,469 |
| Property, plant and equipment | 1,895,116 | 1,958,697 | (3%) | 2,006,669 |
| Right of use assets | 112,804 | 119,361 | (5%) | 129,046 |
| Other non current assets | 65,956 | 74,755 | (12%) | 85,362 |
| Non current assets | 2,073,876 | 2,152,813 | (4%) | 2,221,077 |
| Total assets | 3,310,346 | 3,521,619 | (6%) | 4,605,546 |
| Short term borrowings | 185,000 | 185,000 | 0% | 329,160 |
| Current contract liabilities | 44,782 | 63,886 | (30%) | 121,432 |
| Notes and accounts payable | 66,213 | 67,492 | (2%) | 117,115 |
| Other payables and other current liabilities | 219,231 | 215,773 | 2% | 218,786 |
| Bonds payable, current portion | 486,771 | 484,593 | 0% | 645,840 |
| Long term borrowings, current portion | 262,480 | 250,180 | 5% | 113,633 |
| Current liabilities | 1,264,477 | 1,266,924 | (0%) | 1,545,966 |
| Bonds payable | 0 | 0 | | 478,134 |
| Long term borrowings | 383,484 | 452,063 | (15%) | 440,435 |
| Other non current liabilities | 47,836 | 49,890 | (4%) | 94,522 |
| Non Current liabilities | 431,320 | 501,953 | (14%) | 1,013,091 |
| Total liabilities | 1,695,797 | 1,768,877 | (4%) | 2,559,057 |
| Equity attributable to the parent company | 1,548,569 | 1,684,779 | (8%) | 1,977,108 |
| Non controlling interests | 65,980 | 67,963 | (3%) | 69,381 |
| Total equity | 1,614,549 | 1,752,742 | (8%) | 2,046,489 |
| Total liabilities and equity | 3,310,346 | 3,521,619 | (6%) | 4,605,546 |

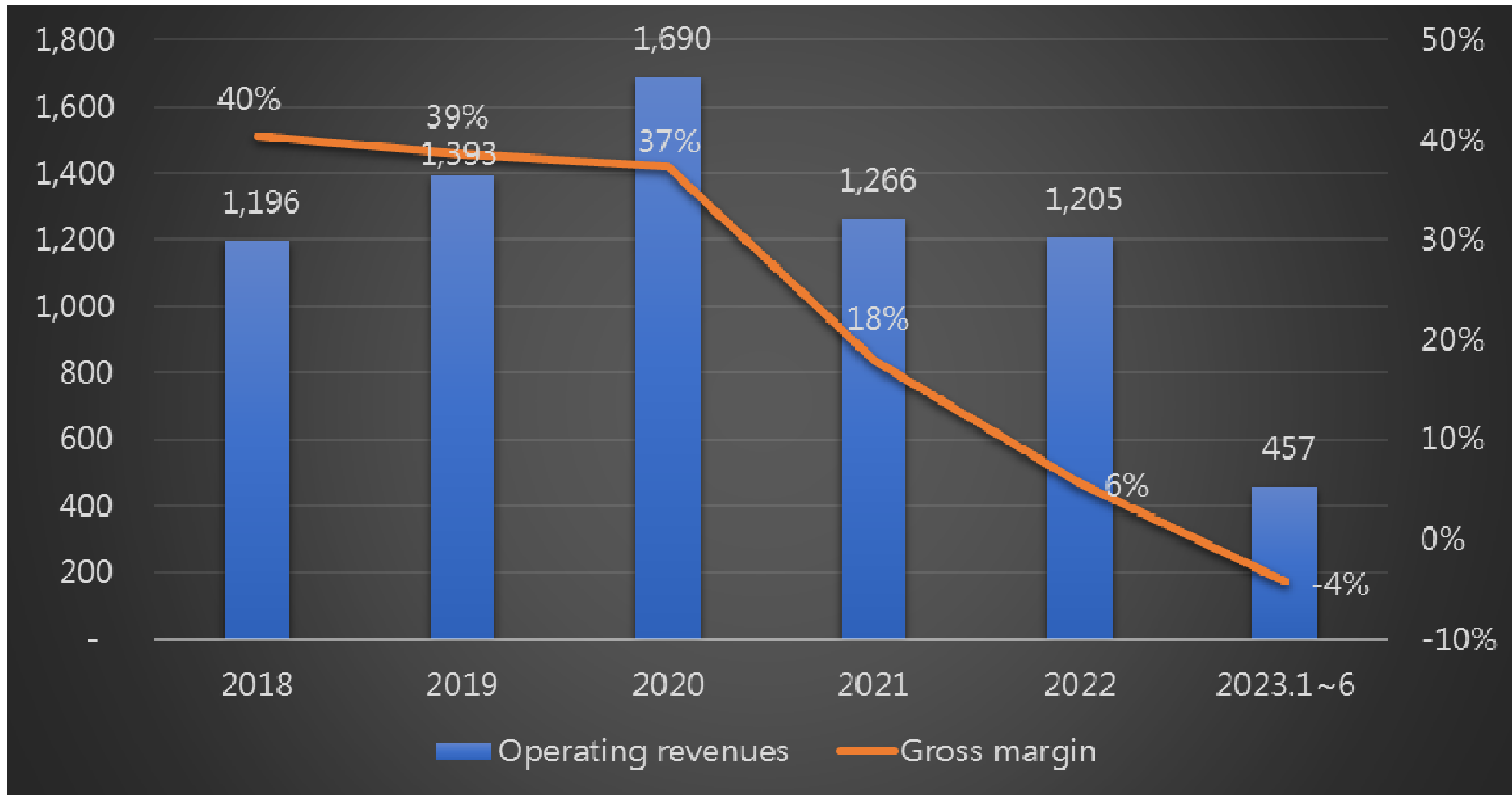
2023 Q2 FINANCIAL STATEMENTS - QUARTERLY CONSOLIDATED CASH FLOW STATEMENT

Unit: NT\$ Thousands

| | 2023 Q1~Q2 | 2022 Q1~Q2 |
|--|------------------|------------------|
| Net cash flow from operating activities | 67,230 | 9,464 |
| Decrease (increase) in accounts receivable | 40,328 | (82,987) |
| Decrease (increase) in inventory | 117,076 | 53,988 |
| Net cash flow from investing activities | 16,806 | (779,801) |
| Acquisition of property, plant, and equipment | (72,211) | (209,259) |
| Decrease (increase) in other financial assets | 15,355 | (589,787) |
| Decrease (increase) in restricted assets | 73,380 | 9,119 |
| Net cash flow from financing activities | (603,676) | 149,352 |
| Repayment of corporate bonds | (650,000) | 0 |
| Effect of exchange rate changes | (22,555) | 14,359 |
| Net increase (decrease) in cash and cash equivalents for the period | (542,195) | (606,626) |

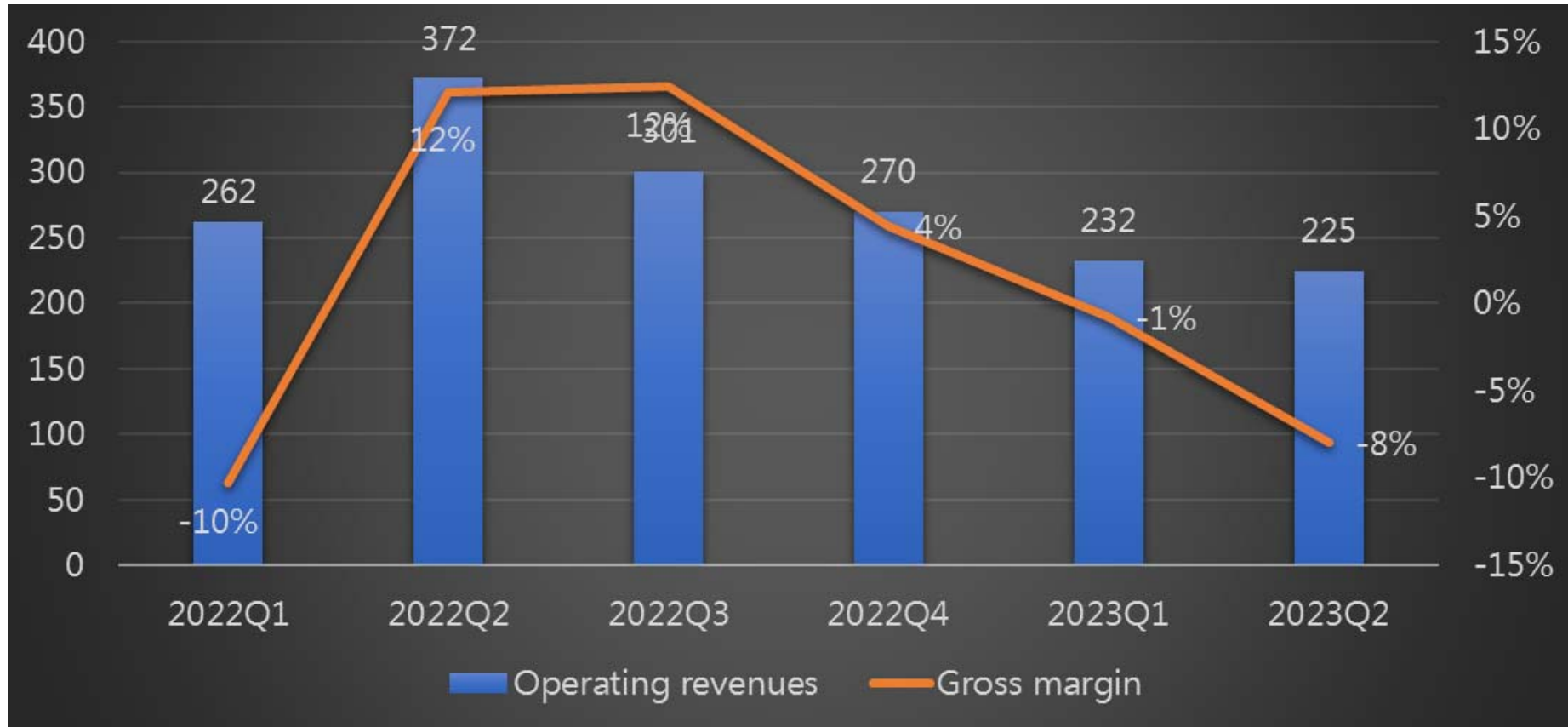
OPERATIONAL PERFORMANCE - RECENT YEARS' OPERATING REVENUE AND GROSS PROFIT MARGIN

Unit: NT\$ Millions



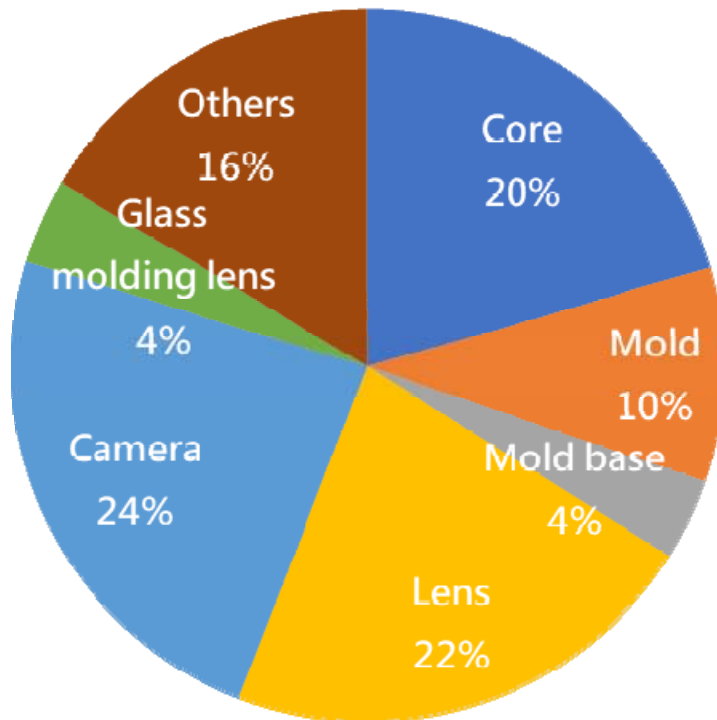
2022 & 2023 QUARTERLY OPERATING REVENUE AND GROSS PROFIT MARGIN

Unit: NT\$ Millions

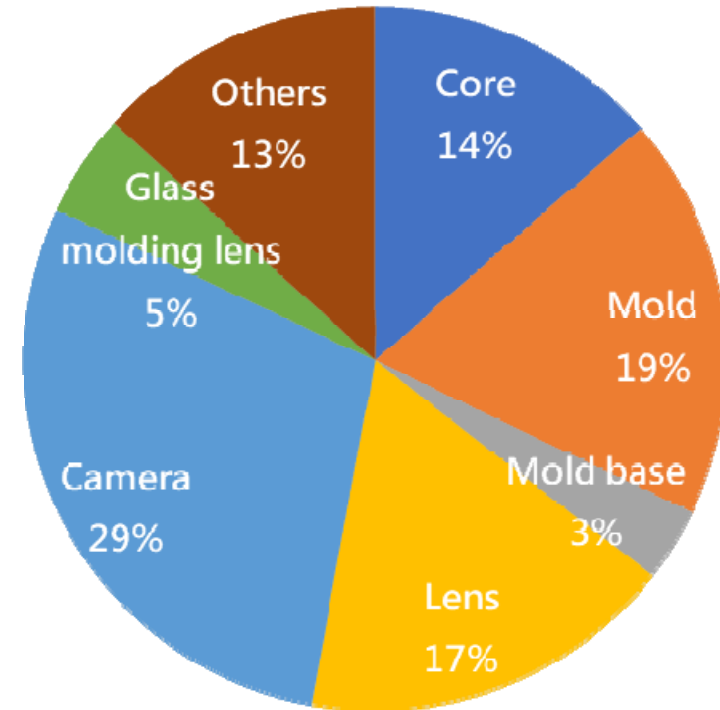


REVENUE BREAKDOWN BY MAIN PRODUCT OFFERINGS

2022

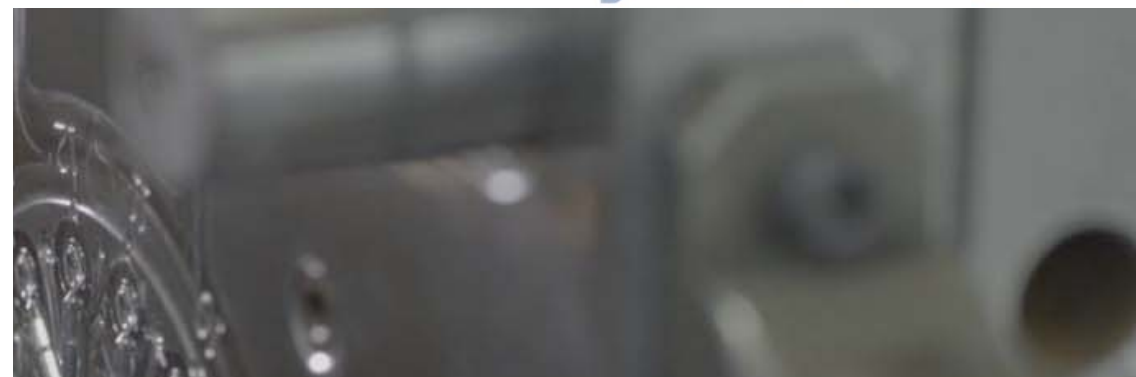


2023.01~06



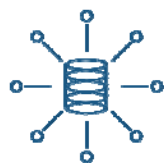


2023 Strategic Focus



Glass Molding

PROSPECTS AND OPERATING POLICIES



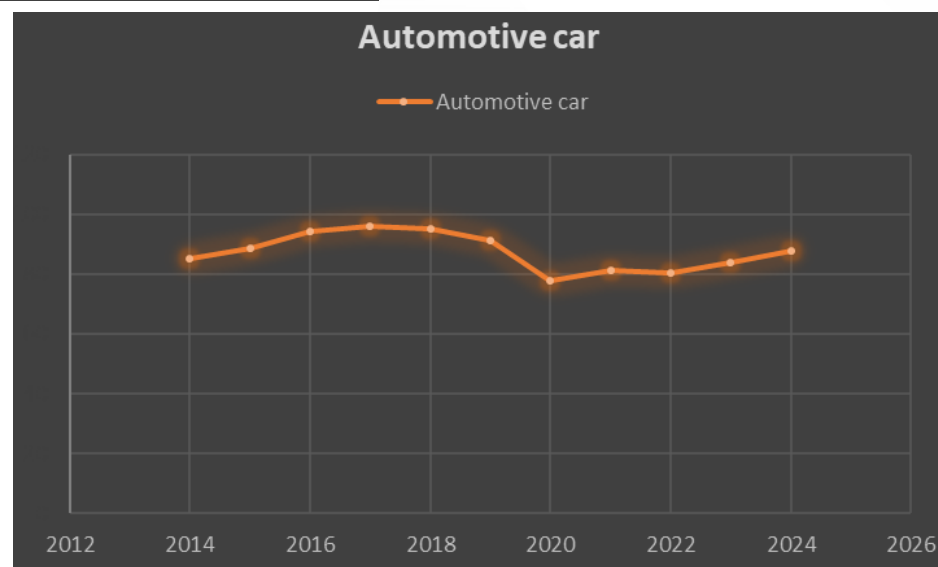
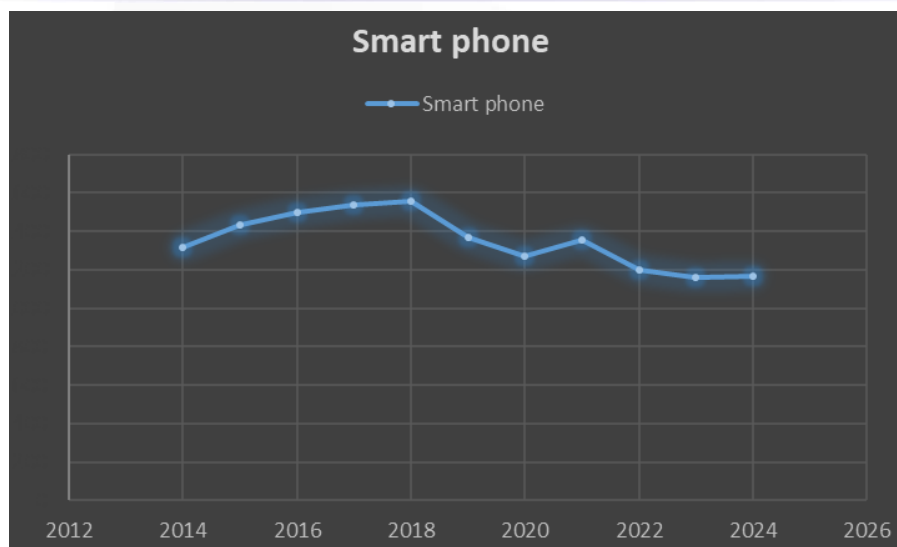
Industry Overview



STRATEGY DEVELOPMENT – TRENDS IN MOBILE SALES QUANTITY/AUTOMOBILE SALES QUANTITY



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Zhong Yang Technology Co., Ltd



STRATEGIC DEVELOPMENT – MARKET DIRECTION



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Zhong Yang Technology Co., Ltd

Lens

- Automotive ★★
- Multifunction ★★
- Security ★
- Biometric/Medical ★
- AR/VR ★

Optical Components

- Glass molding lens ★★
- Plastic Lens ★

Precision machining

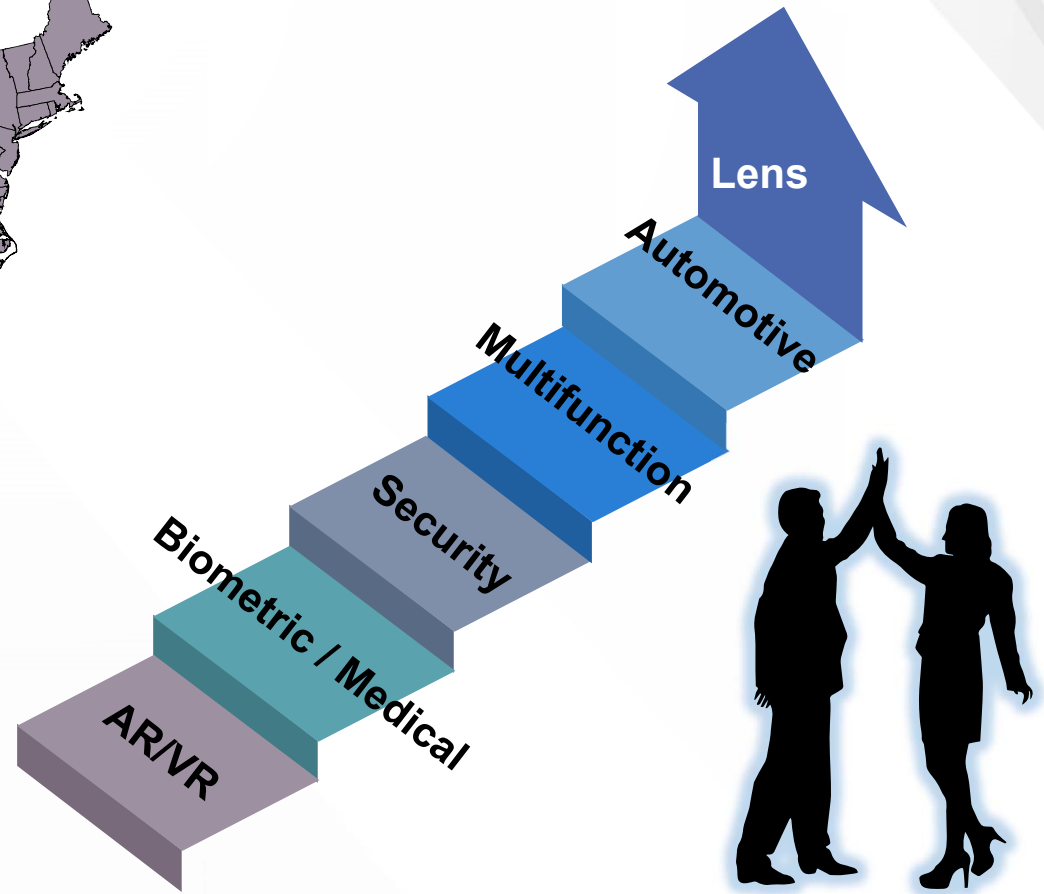
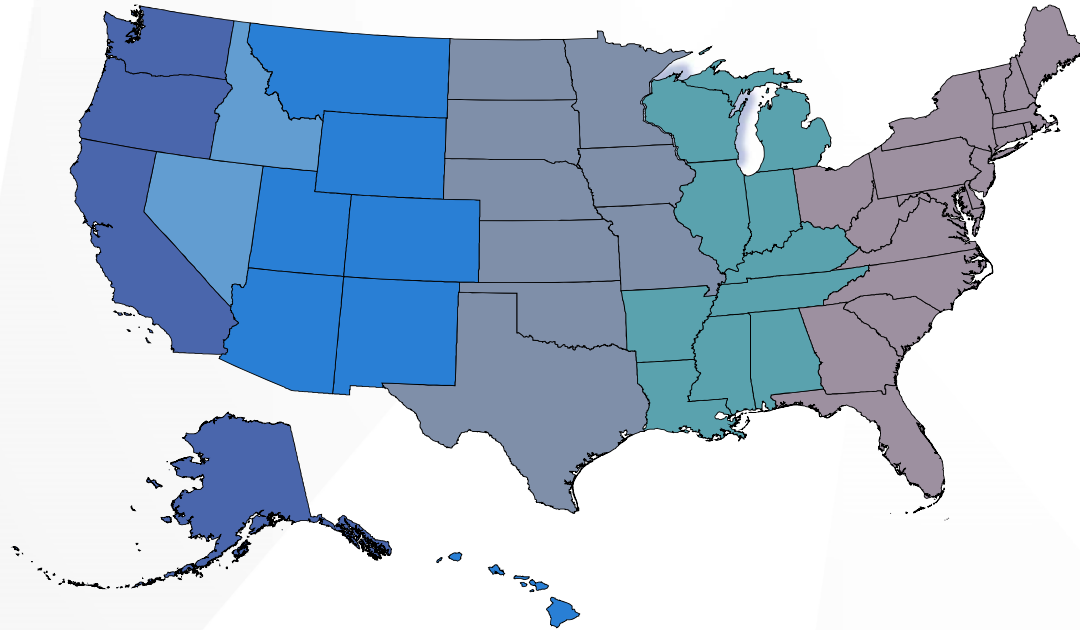
- Core ★★
- Molds for non-mobile ★
- Molds for mobile ★



STRATEGIC DEVELOPMENT - OPTICAL COMPONENTS



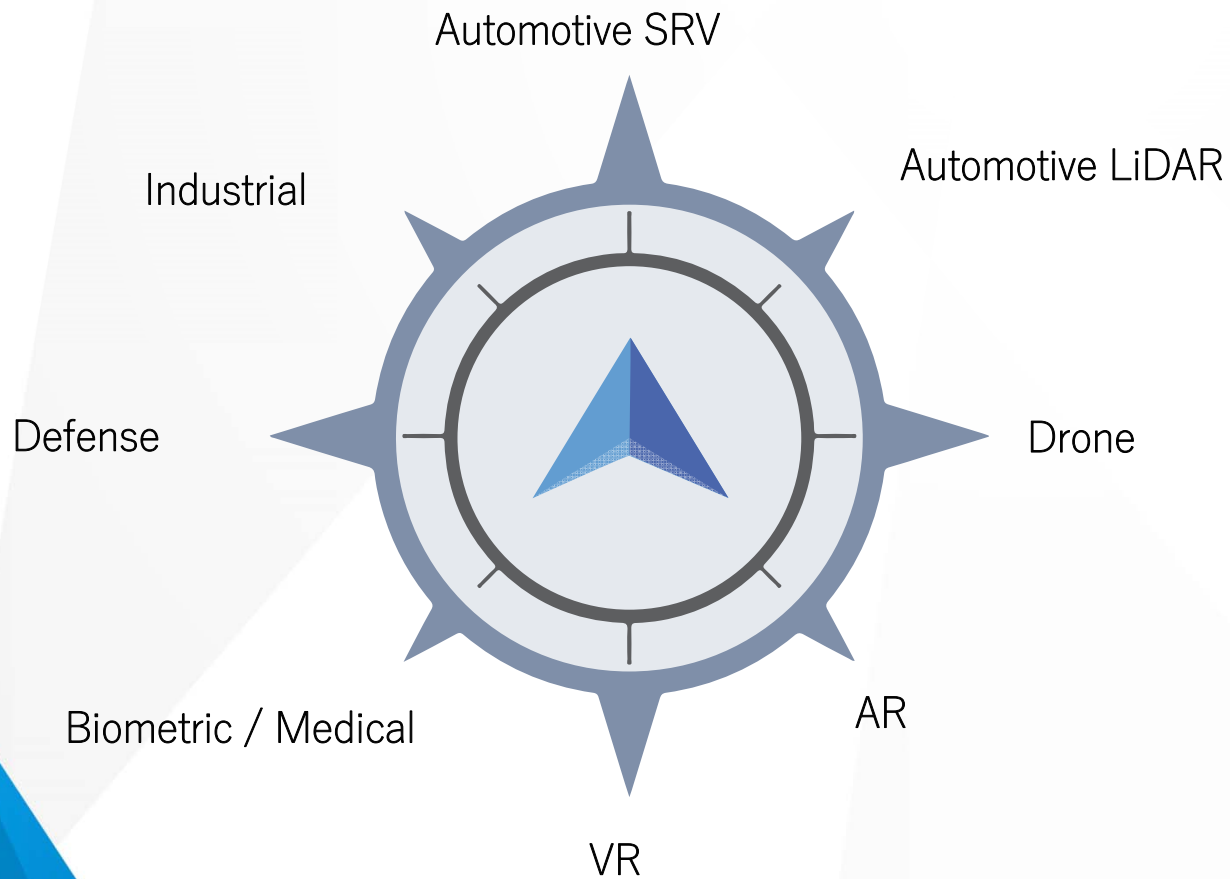
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STRATEGIC DEVELOPMENT - OPTICAL COMPONENTS



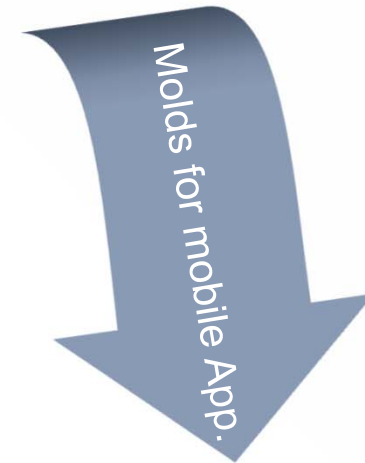
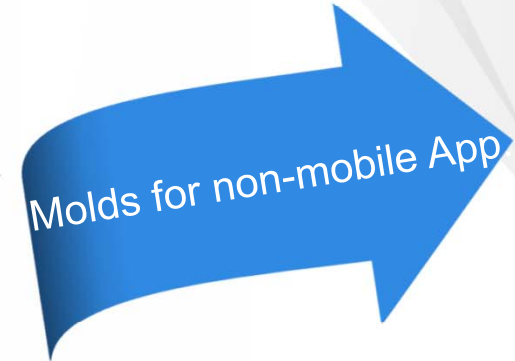
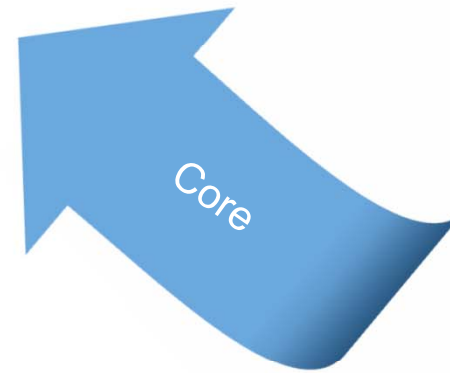
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STRATEGIC DEVELOPMENT – PRECISION MACHINING



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STATUS OF THE NEW PLANT IN CHINA



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- New plants expansion
- Capacity expansion
- Product focus strategy



A close-up photograph of a person wearing a white lab coat and safety glasses, looking through the eyepieces of a microscope. The scene is dimly lit, with the primary light source coming from the microscope's illumination. The person's face is partially visible, showing concentration. The microscope is a light-colored, modern model. In the background, a glass test tube is visible on a stand.

Q & A