



Zhong Yang Technology Co., Ltd

Stock Code : 6668

Zhong Yang Technology Co., Ltd.

Pre-Listing Performance Preparation

Presenter : Deve Li, CEO

Tel 886-4-23597888
<http://www.jmo-corp.com>

台中市南屯區寶山里工業區二十二路21號
No.21, Gongyequ 22nd Rd., Nantun Dist.,
Taichung City 408, Taiwan (R.O.C.)



Agenda

1. Company Profile

2. Main Products and Industry Development
3. Financial Performance
4. Competitive Advantage
5. Future Development

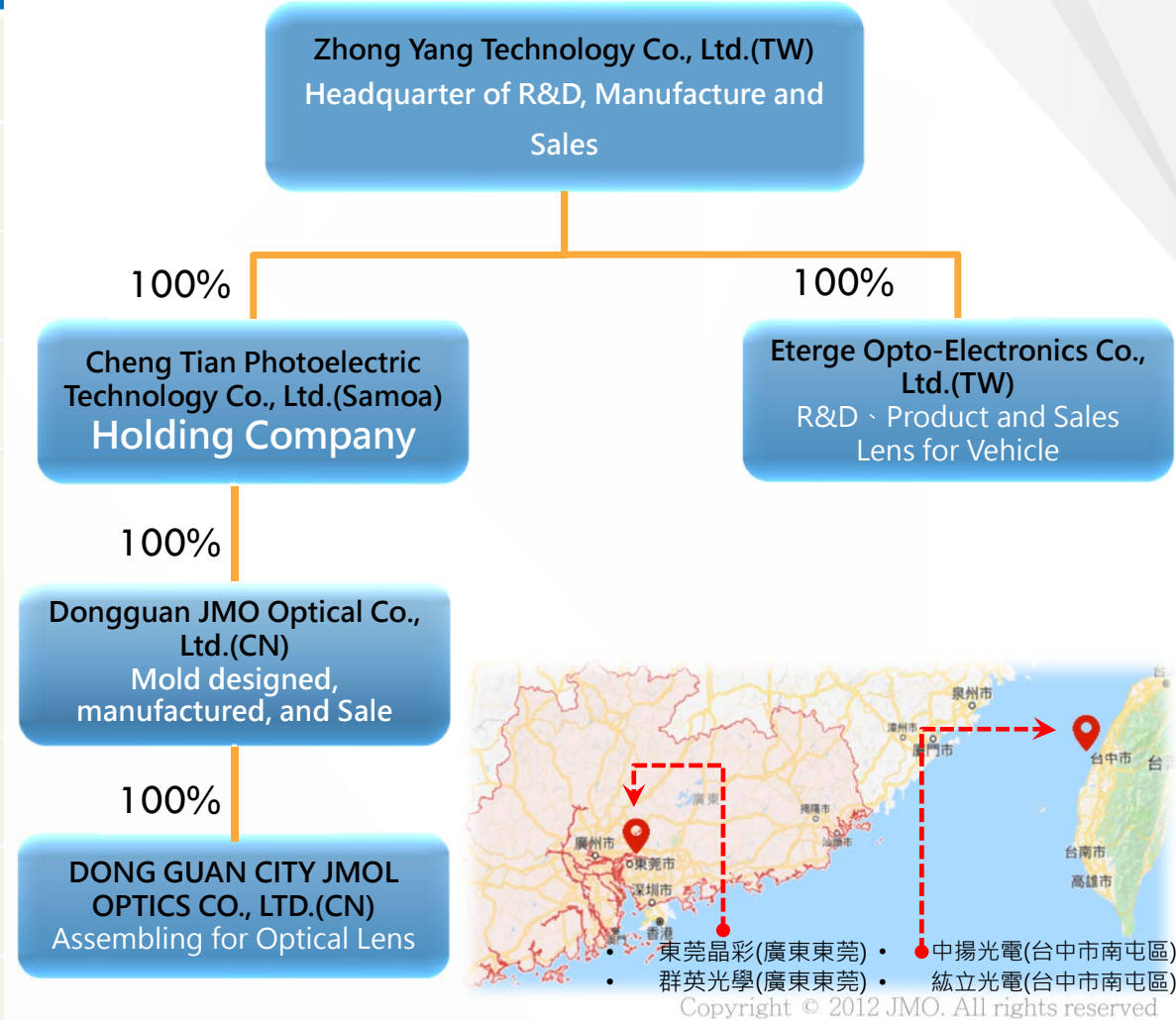


Company Profile

Company Profile

Company	Zhong Yang Technology Co., Ltd.
Establish	Jun. 4 th , 2013
Employees	672 in total(Oct. 31 st , 2018)
Capital	NTD 604,415,020
Business	<ul style="list-style-type: none"> Mold for Optical Lens Core Mold Base Assembling for Optical Lens(Dong Guan City JMOL Optics Co., Ltd.) R&D、Product and Sales Lens for Vehicle (Eterge Opto-Electronics Co., Ltd.)
Address	No. 21, Gongyequ 22 nd Rd., Nantun Dist., Taichung City 408
Accounting Firm	KPMG Michelle Wang, Chris Yen
Underwriter	Yuanta Securities

JMO Group



Milestones



Zhong Yang Technology Co., Ltd. was setup in Jun 2013 in TaiChung City. ; In Sep. CNC was established. ; In Nov. purchased ULC/ULG from Toshiba and UA3P. ◦

In Feb. 2014 obtained FANUC.

2016 completed investment structure in China ◦

In Mar. 2017, obtained ISO 9001 ◦
 In Oct. became a listed company at emerging stock market.

New plant was established.



2018 wholly owned Eterge Opto-Electronics Co., Ltd. which is engaged in vehicle camera.



Board of Directors

Title	Name	Qualification/Experience
Chairman	DANIEL & JESSICA HAPPY LIFE LIMITED Representative : CHENG-TIAN CHENG	Nan Chiang Industrial & Commercial Senior High School Guangzhou Jun-Zhun CEO、DONG GUAN CITY JMOL OPTICS CO., LTD CEO、Qun-Hon Optical Co., CEO
Director	DEVE & JOAN HAPPY LIFE LIMITED Representative : RONG-JHOU LI	NCHU Master of dep. of Mechanical and Engineering Asia-Optical Co., engineer of mold department Zhong-Ying Optical Co., CEO、Jing-Mo Optical Co., CEO、Eterge Opto-Electronics Co., Ltd. Chairman
Director	HON YUANG INTERNATIONAL INVESTMENT CO., LTD. Representative : SYUAN-HE CHEN	NCNU Dep. of banking and finances TECO manager Hon-Hai AM
Director	DANIEL & JESSICA HAPPY LIFE LIMITED Representative : JHIH-CHENG SYU	NFU Dep. Of elector-optics engineering HeYing Optical Co., R&D Manager Eterge Opto-Electronics Co., Ltd. CEO
Independent Director	SHENG-FA YE	City Univ. of Seattle MBA、King Ultrasonic Co., Ltd CEO Walton Advanced Engineering, Inc. Chairman、Pude Technology Co., Chairman、Gallant Precision Machining Co., Chairman、Apex-I international Co., Chairman
	YAN-SYUE SU	Carnegie Mellon Master of Industrial management、 UBS Director、ASUS CIO、Pegatron VP and CIO
	JHONG-CI RUAN	UIUC Accounting Deloitte Auditor、

Corporate Governance

Oct. 31st, 2018

Board of Director

- Percentage of attendance 96.83%(9 times)

Audit Committee

- Percentage of attendance 100%(6 times)

Compensation Committee

- Percentage of attendance 100%(6 times)

Directors establish objective monitoring and evaluation procedures to strengthen corporate governance and monitor functions



Corporate Social Responsibility

The company has the philosophy of giving back to the society. Not only focus on environmental protection but also being kind to shareholders and employees.



Agenda

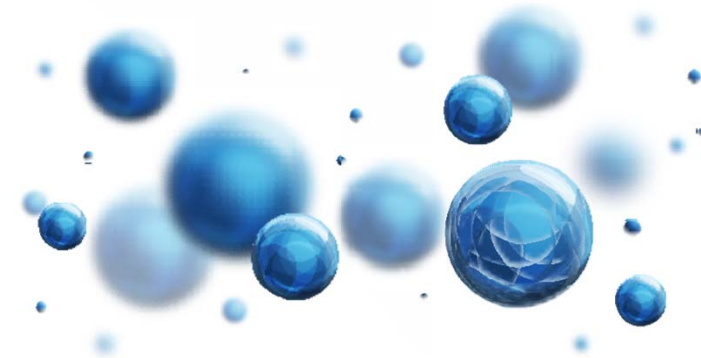
1. Company Profile

2. Main Products and Industry Development

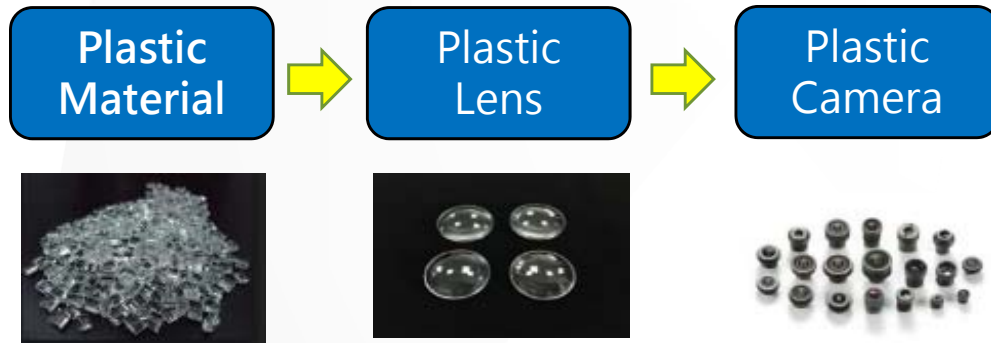
3. Financial Performance

4. Competitive Advantage

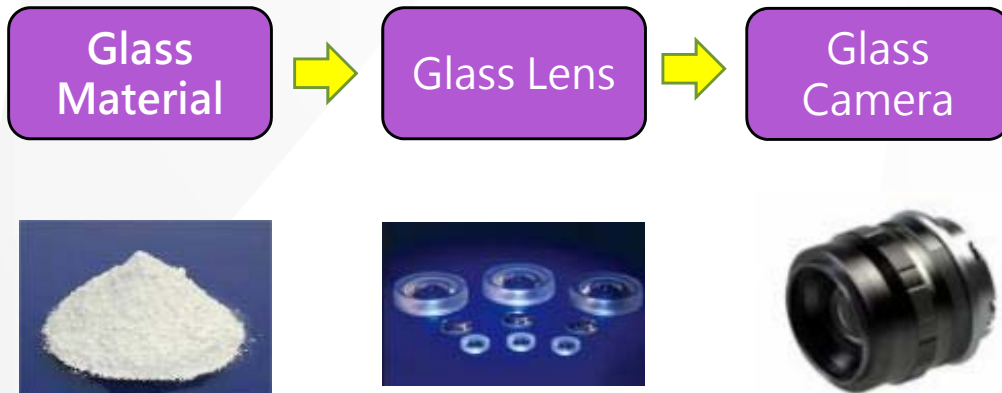
5. Future Development



Main Products and Industry Development

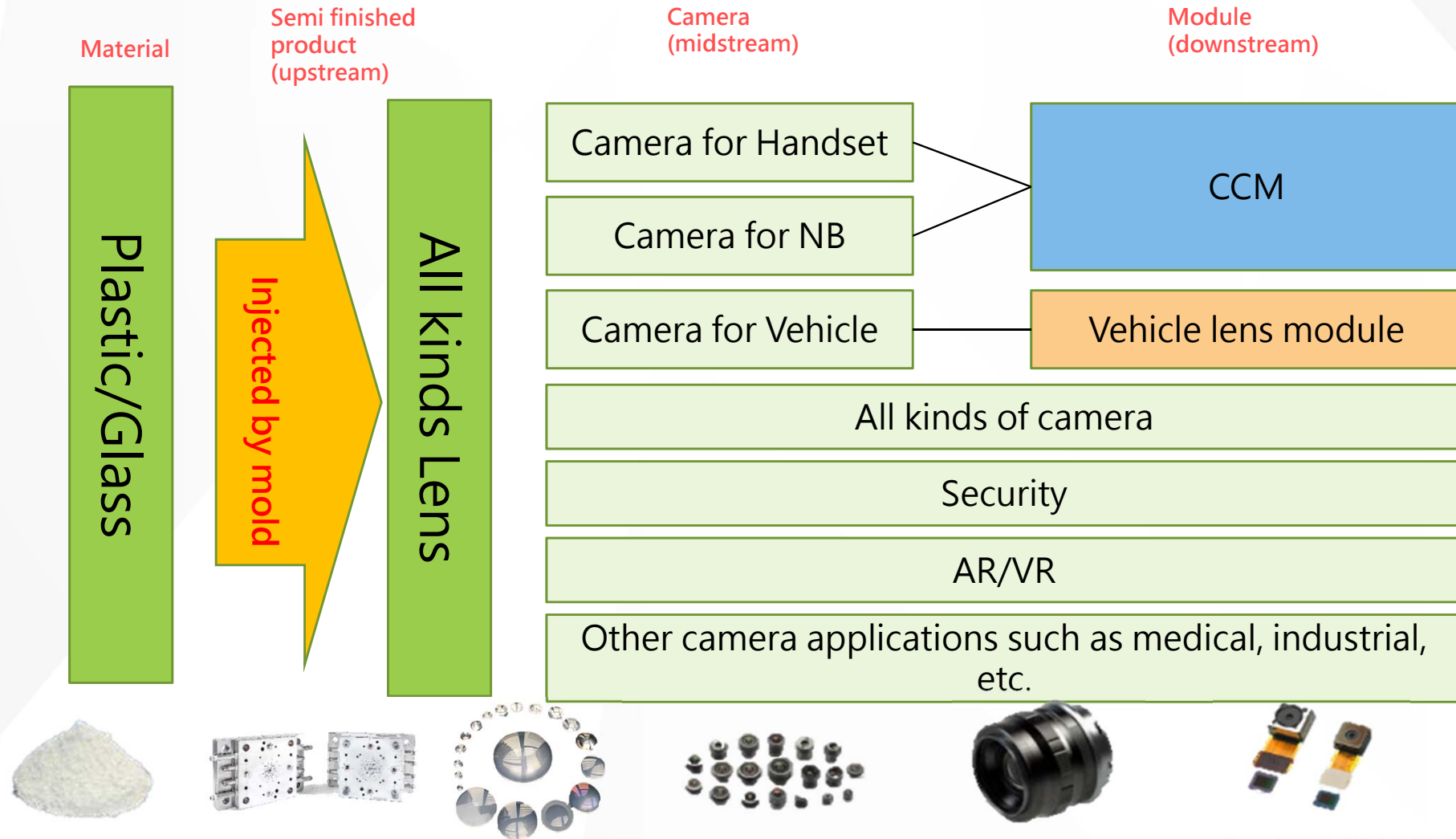


Advantage	Disadvantage
<p>+</p> <p>Low cost</p> <p>Suitable for mass production</p> <p>Light weight</p>	<p>-</p> <p>High environmental impact</p>



Advantage	Disadvantage
<p>+</p> <p>Good durability</p> <p>Suitable for high-quality camera</p>	<p>-</p> <p>High investment</p> <p>Not easy for mass production</p>

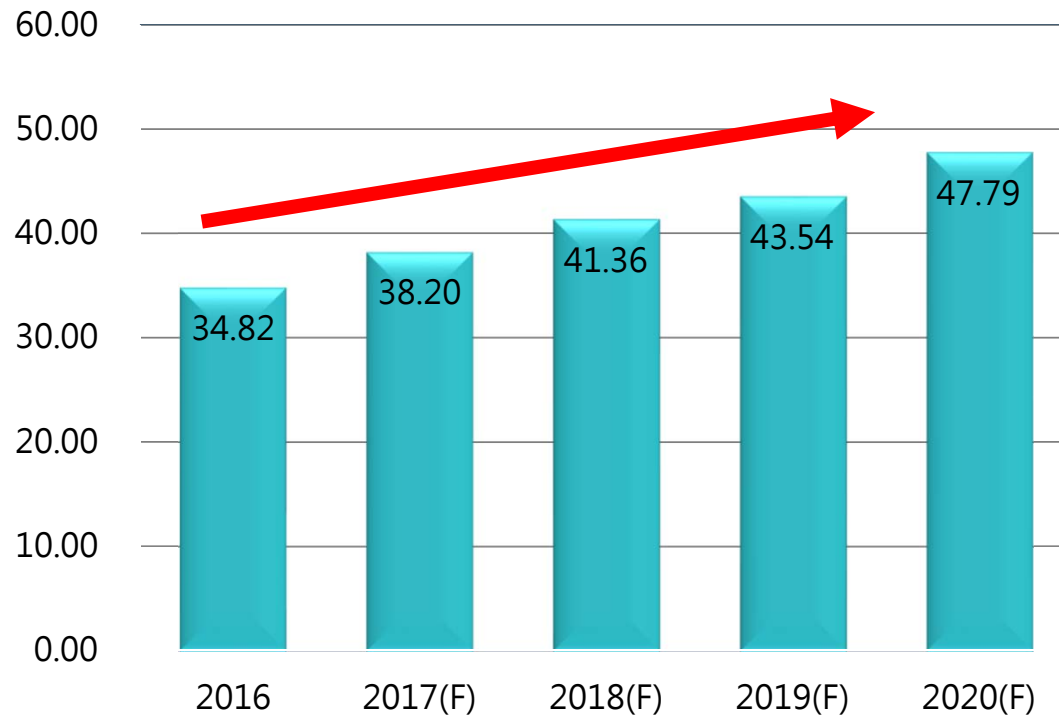
Main Products and Industry Development



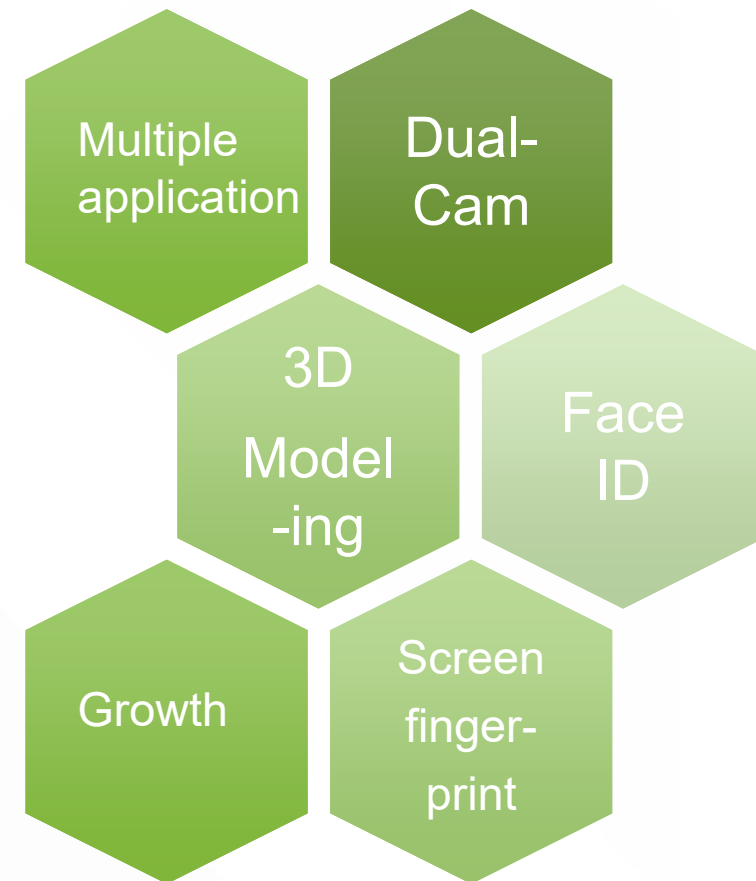
Main Products and Industry Development

sales volume of lens of global handset

Sales Volume (billion)

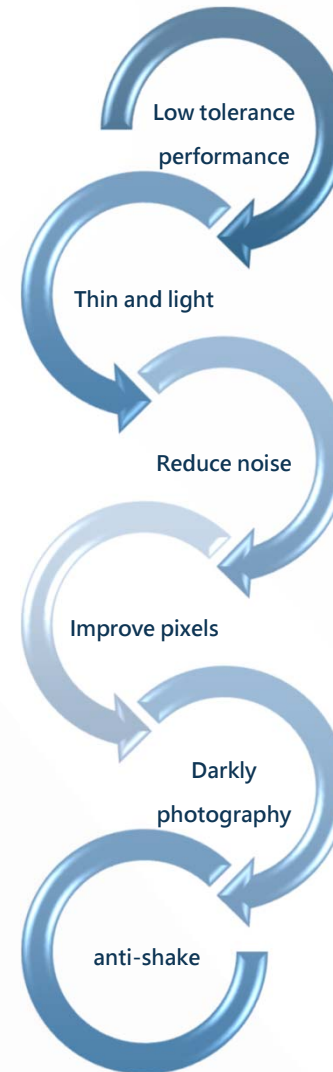
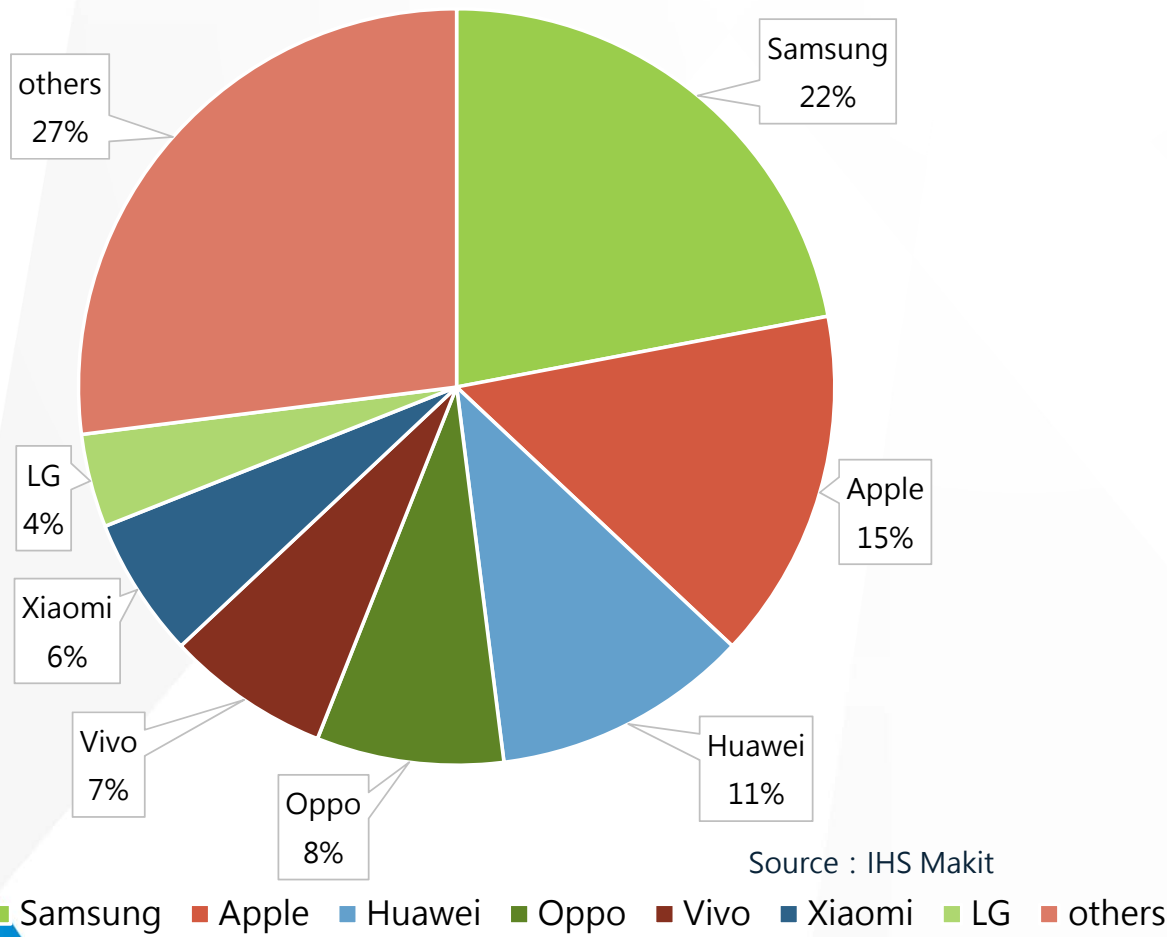


資料來源：中國產業信息網(2018/01)



Main Products and Industry Development

2017 smartphone global shipments

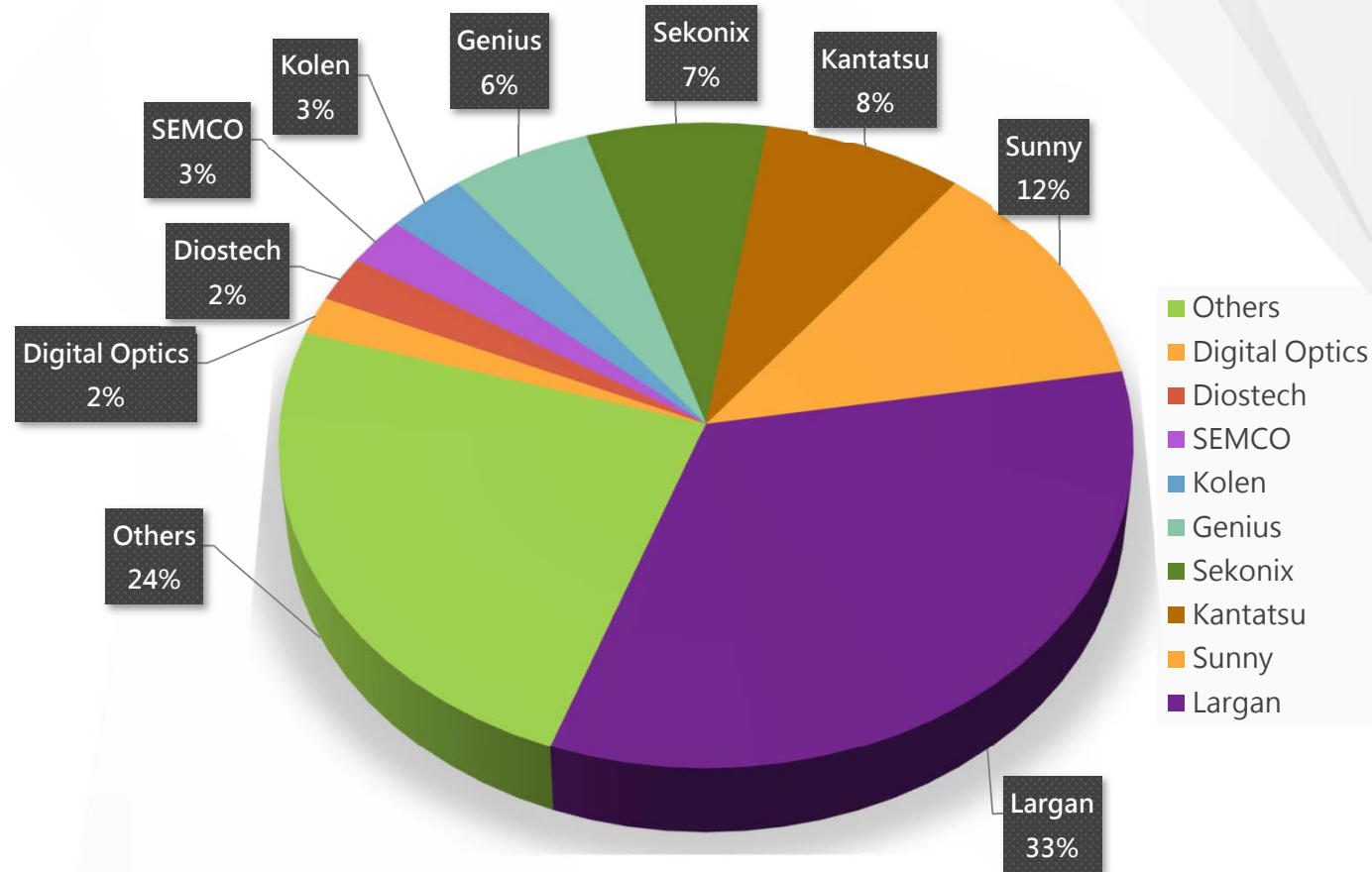


Under the competition , Zhong Yang Technology Co., provide high-precision molds with high stability.

Main Products and Industry Development

Lens producer :

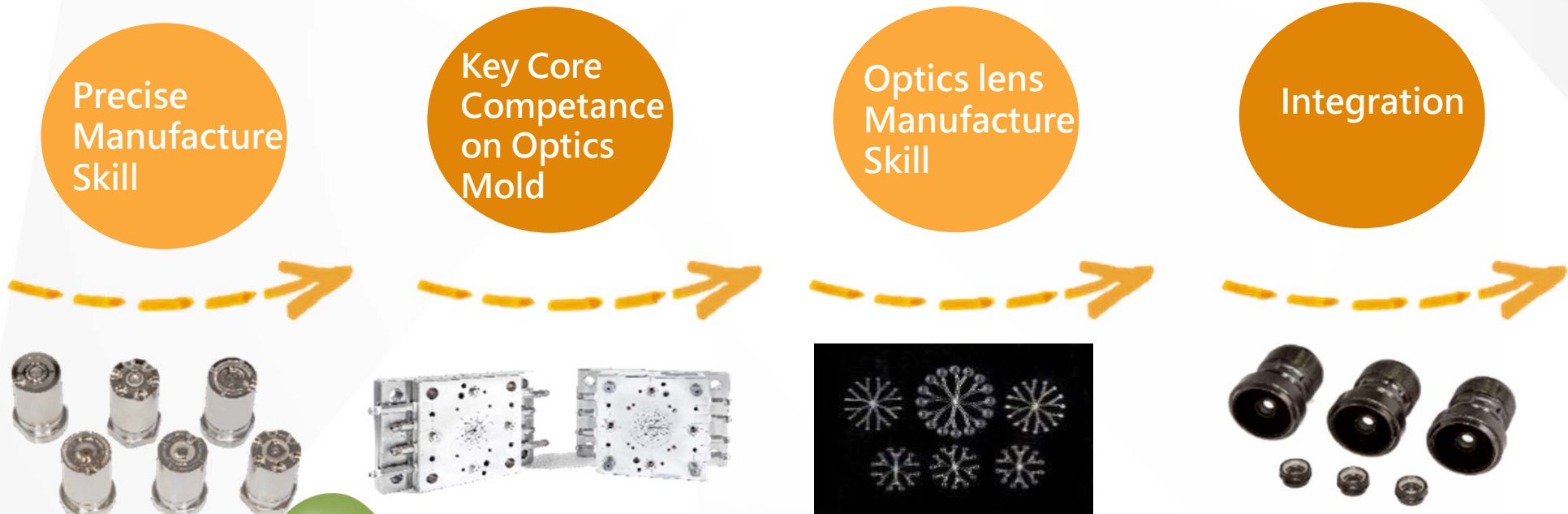
- Largan(TW)-33%
- Sunny(HK)-12%
- Kantatsu(JP)-8%
- Sekonix(Korea)-7%
- Genius(TW)-6%



資料來源：拓樸、DIGITIMES、第一金投顧

Copyright © 2012 JMO. All rights reserved

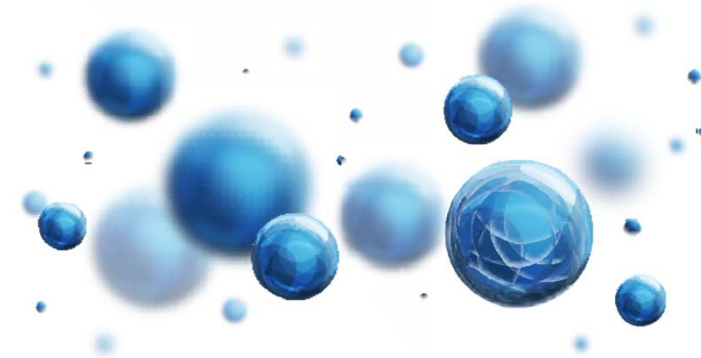
Major Products and Industry Development



Provide the most precise weapons to clients

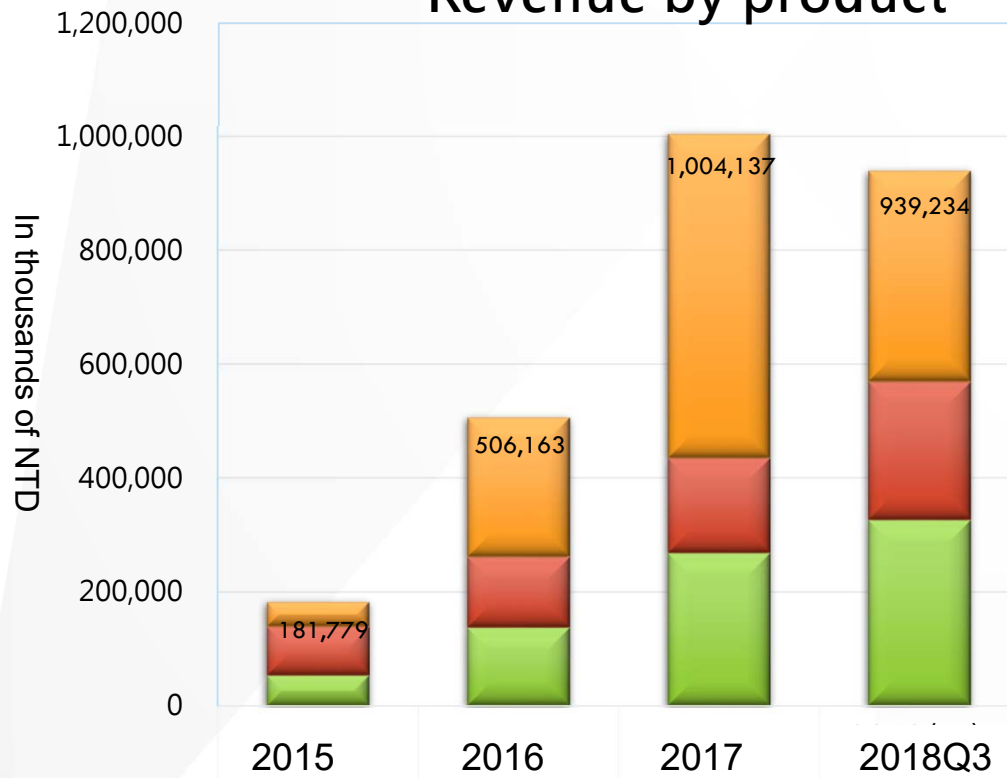
Agenda

1. Company Profile
2. Main Products and Industry Development
- 3. Financial Performance**
4. Competitive Advantage
5. Future Development



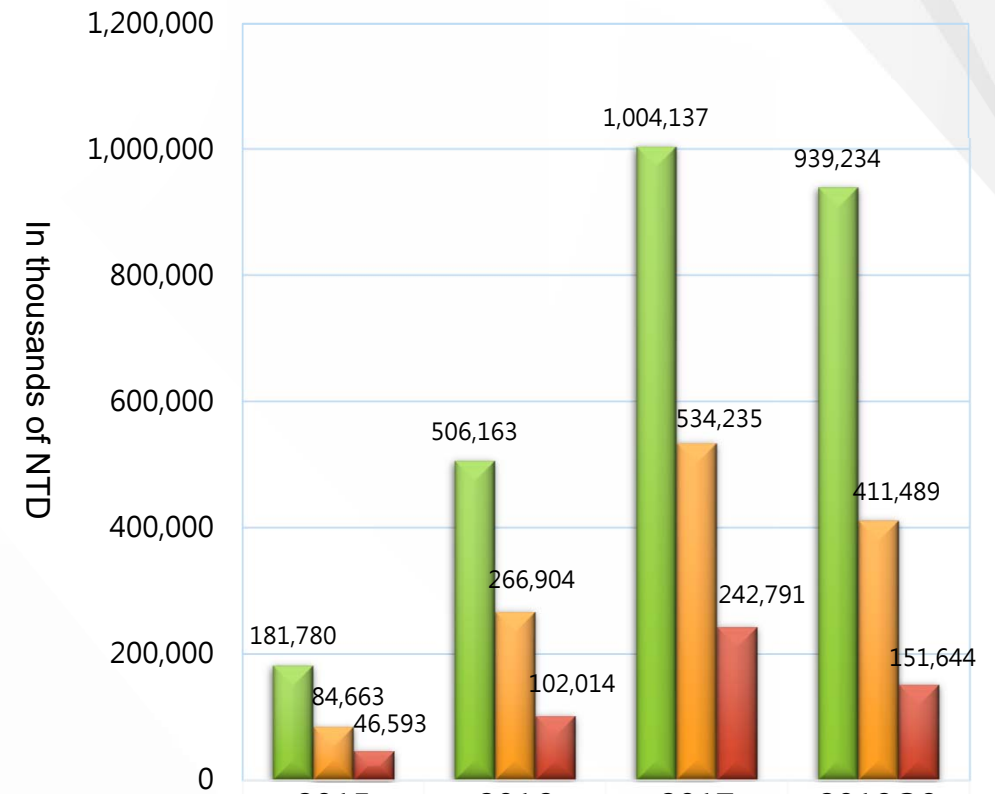
Financial Performance

Revenue by product



	2015	2016	2017	2018Q3
Mold	42,641	244,879	569,315	370,409
Core	85,850	123,914	166,512	242,507
Other	53,288	137,370	268,310	326,318

Revenue, operating profit and net income



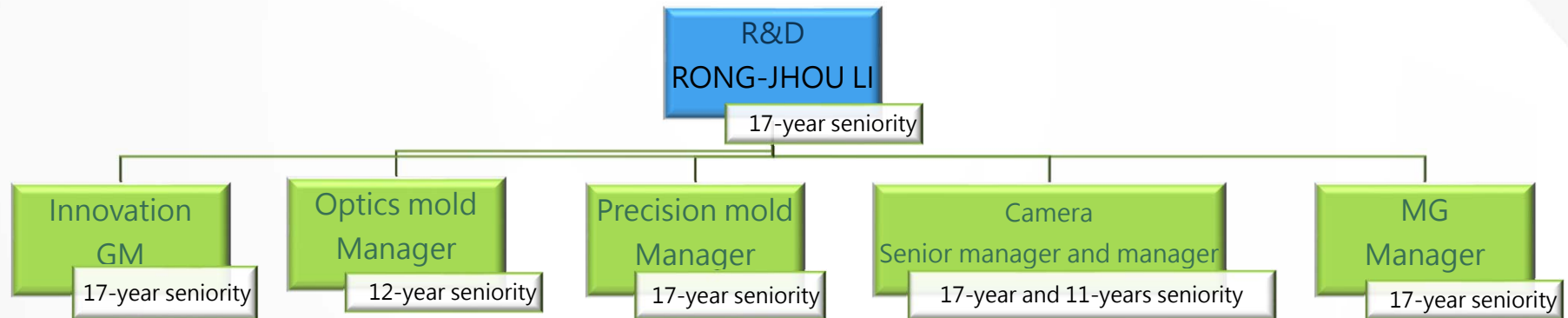
	2015	2016	2017	2018Q3
Revenue	181,780	506,163	1,004,137	939,234
Operating profit	84,663	266,904	534,235	411,489
Net income	46,593	102,014	242,791	151,644

Agenda

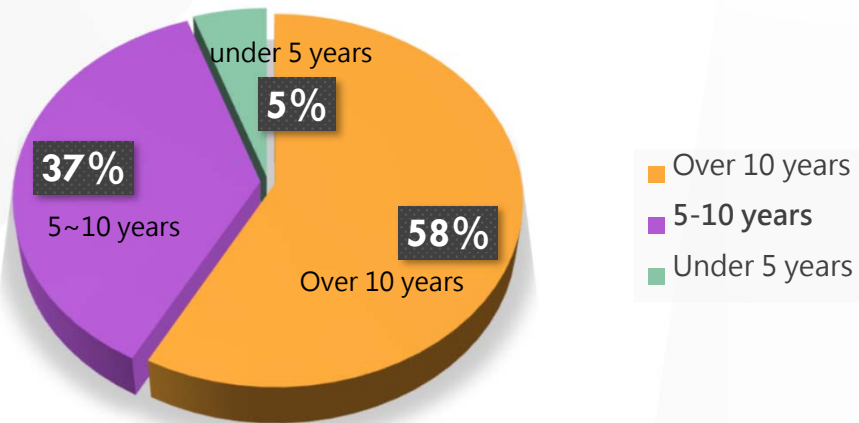
1. Company Profile
2. Main Products and Industry Development
3. Financial Performance
- 4. Competitive Advantage**
5. Future Development



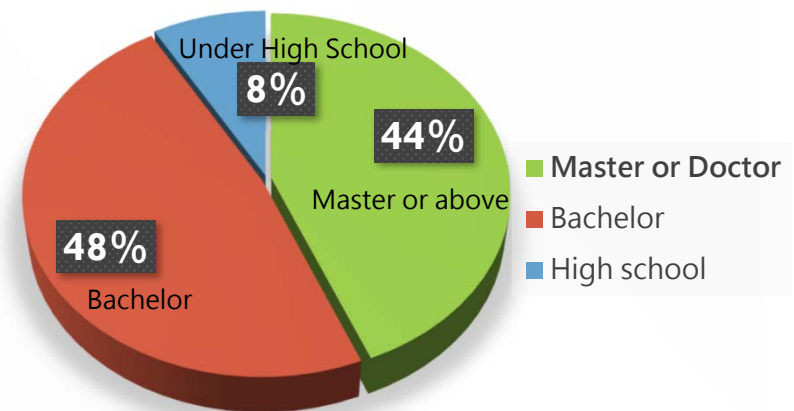
Competitive advantage–R&D team’s rich experience



Industry seniority for R&D



Educational background for R&D



Competitive advantage—High capacity in R&D

Patents applied and under application :

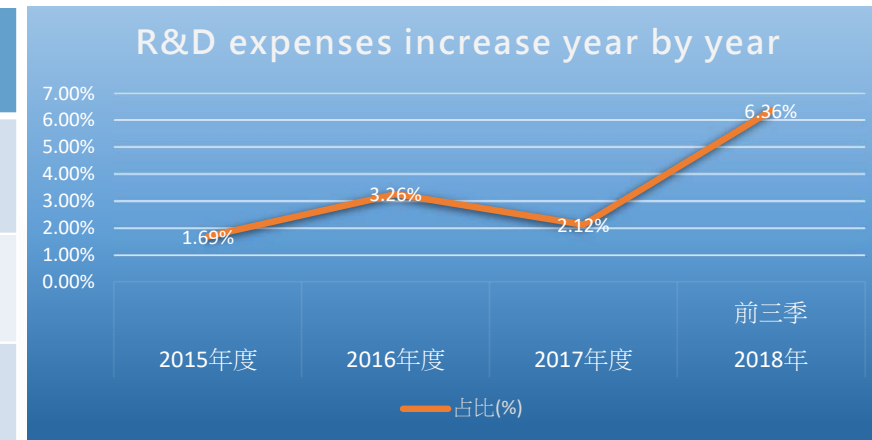
Country	Invention		Design		New Model		Total	
	Under application	Applied	Under application	Applied	Under application	Applied	Under application	Applied
Taiwan	3(Note)	—	—	4	—	5	3(Note)	9
China	—	—	—	1	—	4	—	5
Total	3	—	—	5	—	9	3	14

Note : The patents are for camera lens °

R&D expenses by period

In thousand of NTD

Item \ Year	2015	2016	2017	2018 Q3
R&D expenses	3,065	16,486	21,301	59,725
Revenue	181,780	506,163	1,004,137	939,234
Percentage (%)	1.69%	3.26%	2.12%	6.36%

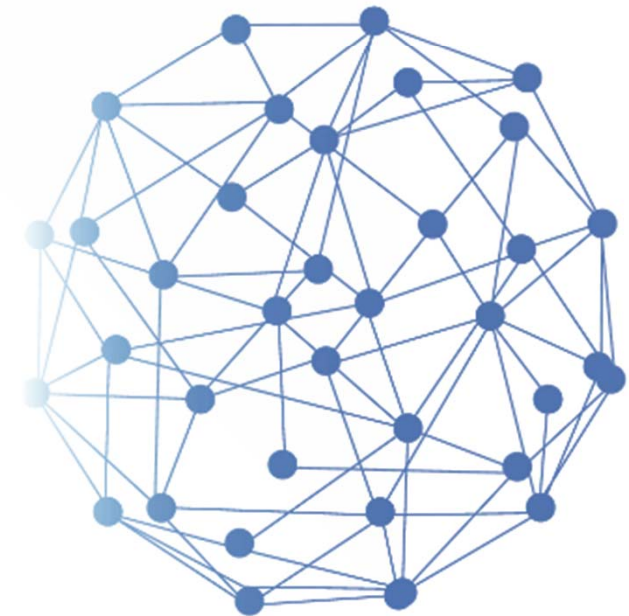


Competitive advantage—Served industry leading clients

The main clients are the major suppliers for optics lens which located in Northeast Asia



Taiwan、China、Korea、Japan and etc.



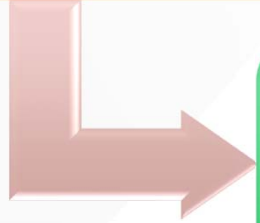
Copyright © 2012 JMO. All rights reserved

Competitive advantage—Ahead of Competitors



The biggest scale of equipments

√ the fastest speed and the most capacity



The highest precision of equipments

√The highest precision leads to the best quality



Seasoned employees

√Seasoned R&D and management team

Agenda

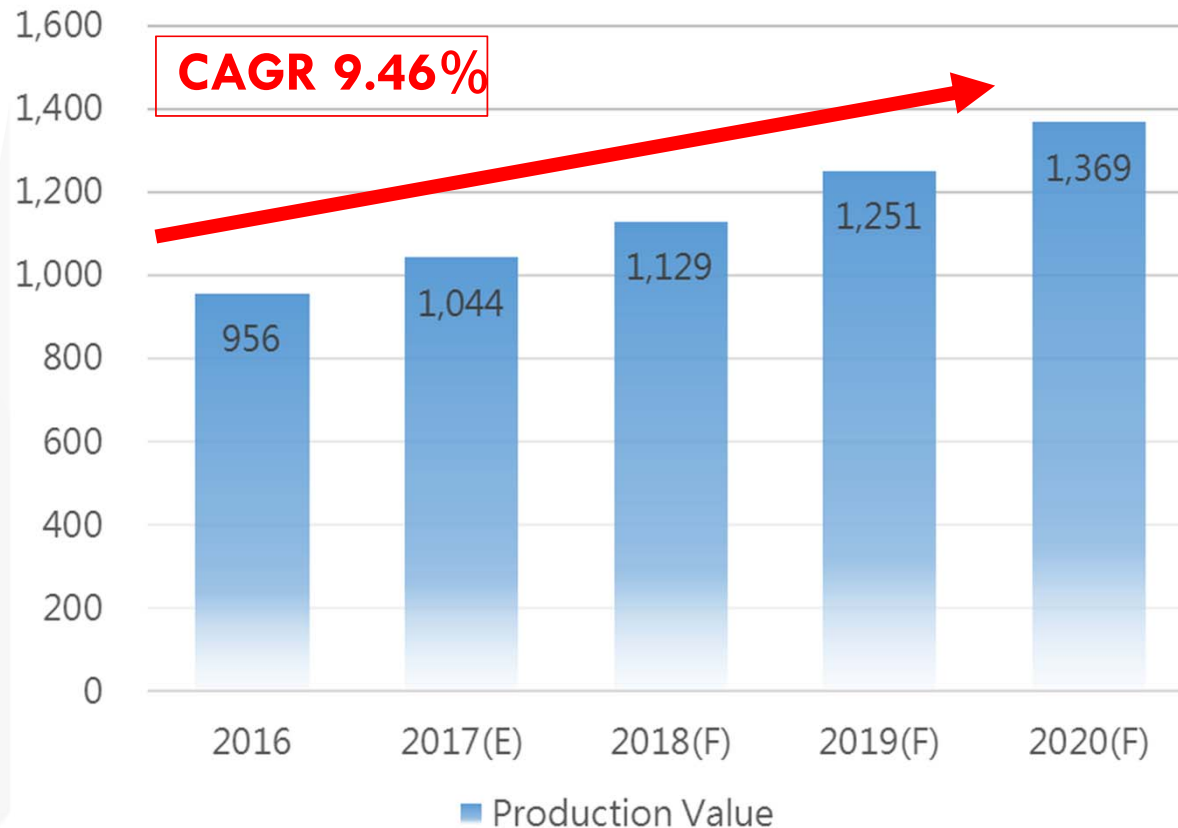
1. Company Profile
2. Main Products and Industry Development
3. Financial Performance
4. Competitive Advantage
- 5. Future Development**



Future Develop–Unlimited Developing Marker

台灣精密光學元件產值

單位：新台幣億元

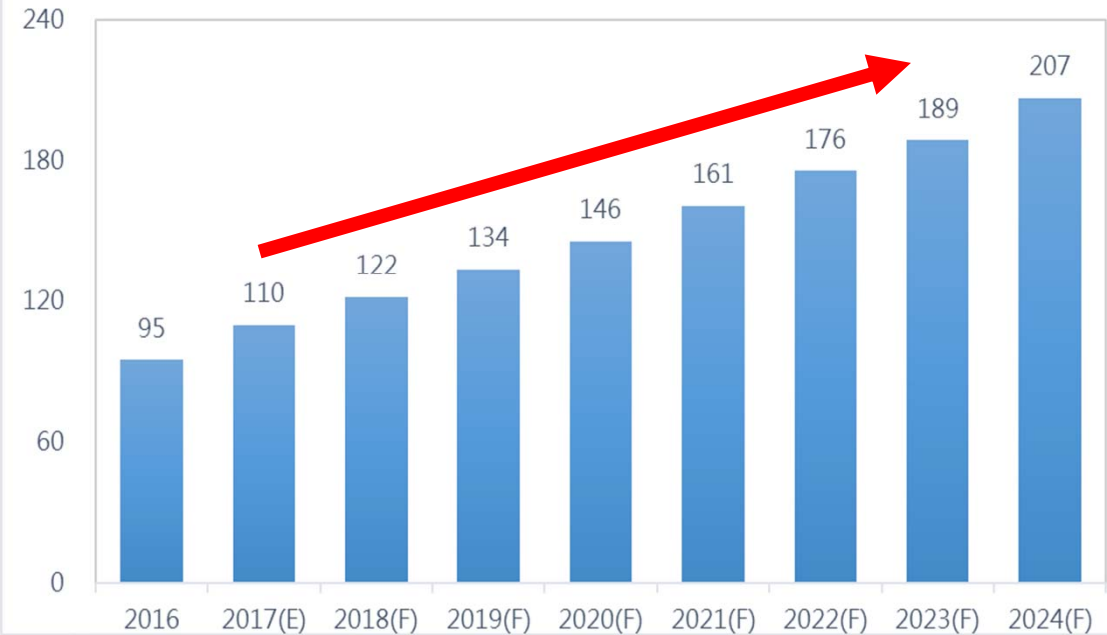


Stable Increase

資料來源：PIDA(2017/11) · 元大證券整理

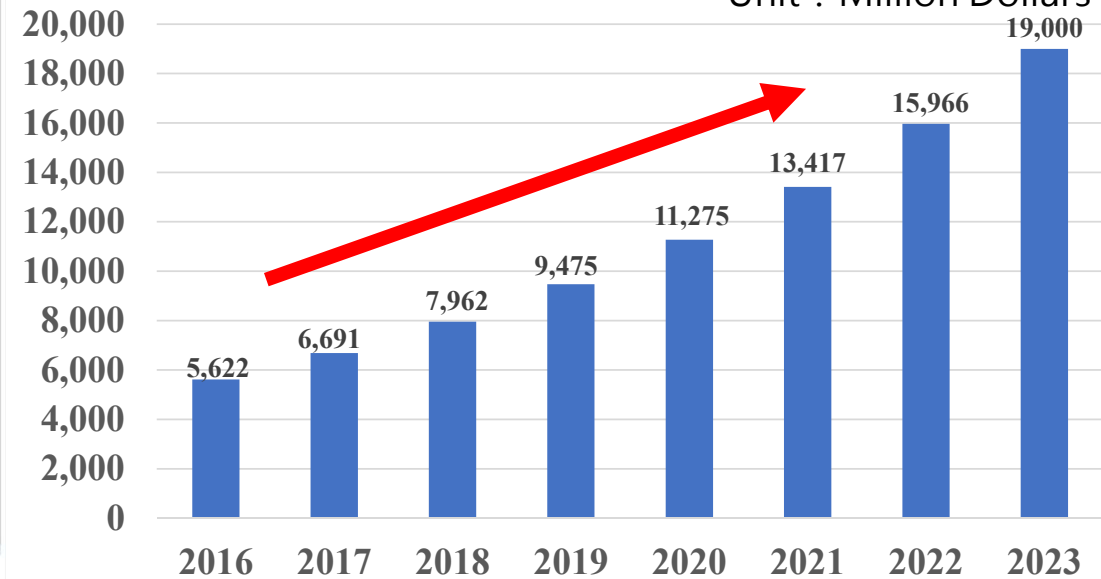
Future Develop –Market of Lens for Vehicles

全球車載鏡頭市場出貨量 Unit : Million Pcs



全球車載鏡頭產值

Unit : Million Dollars



資料來源：Techno Systems Research、台灣經濟研究院產經資料庫整理(2017/12)、元大證券整理

ADAS、Cameras for Surround View

Future Develop–Increase in Lens for Security

World Demand for Lens of Security



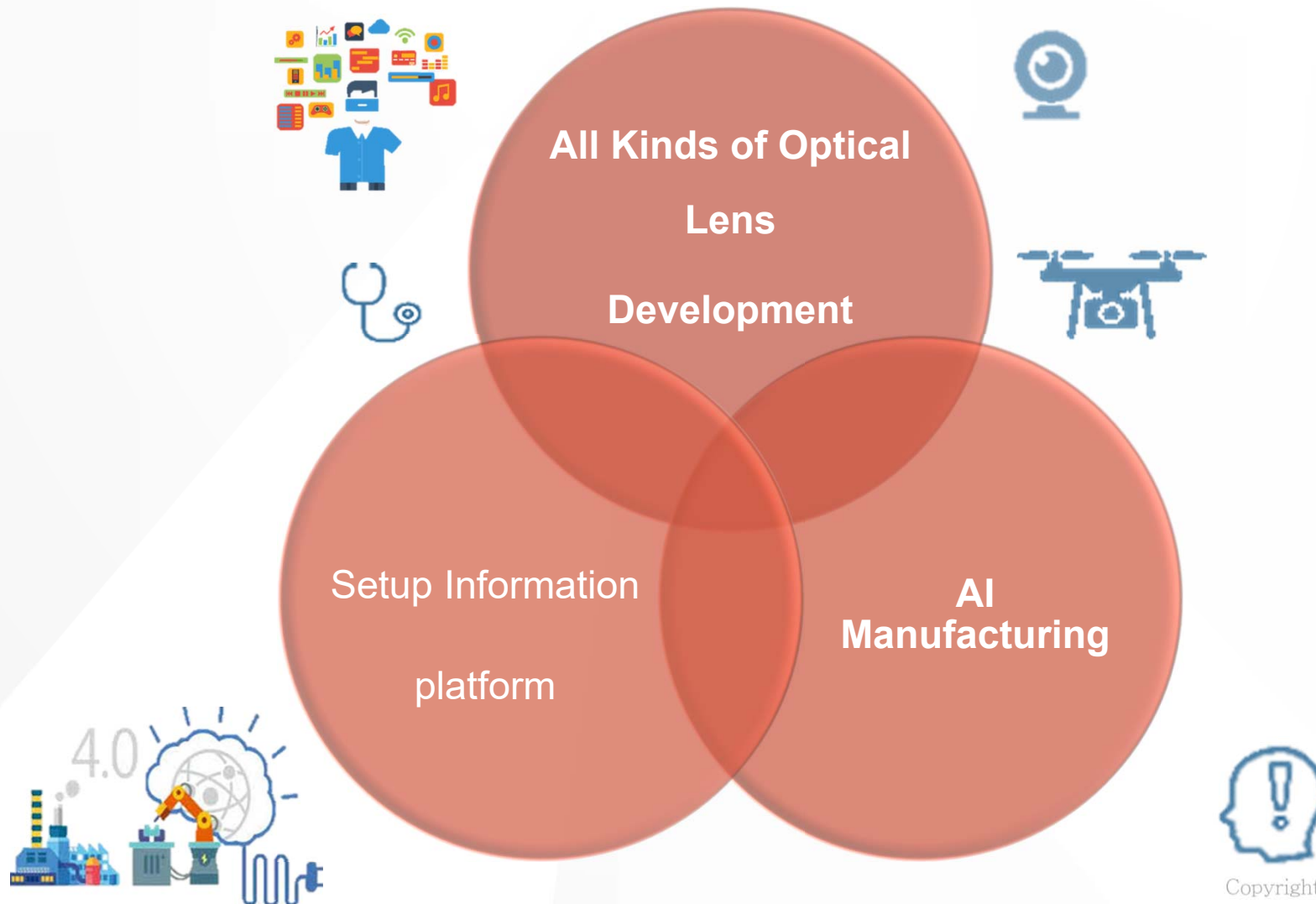
■ 銷量(件)	12,200	14,200	16,100	17,200	18,000	18,400
○ 收入(百萬美元)	455.5	532.7	576.7	621.0	652.9	653.1

資料來源：中國產業訊息網(2018/1/4) · 元大證券整理

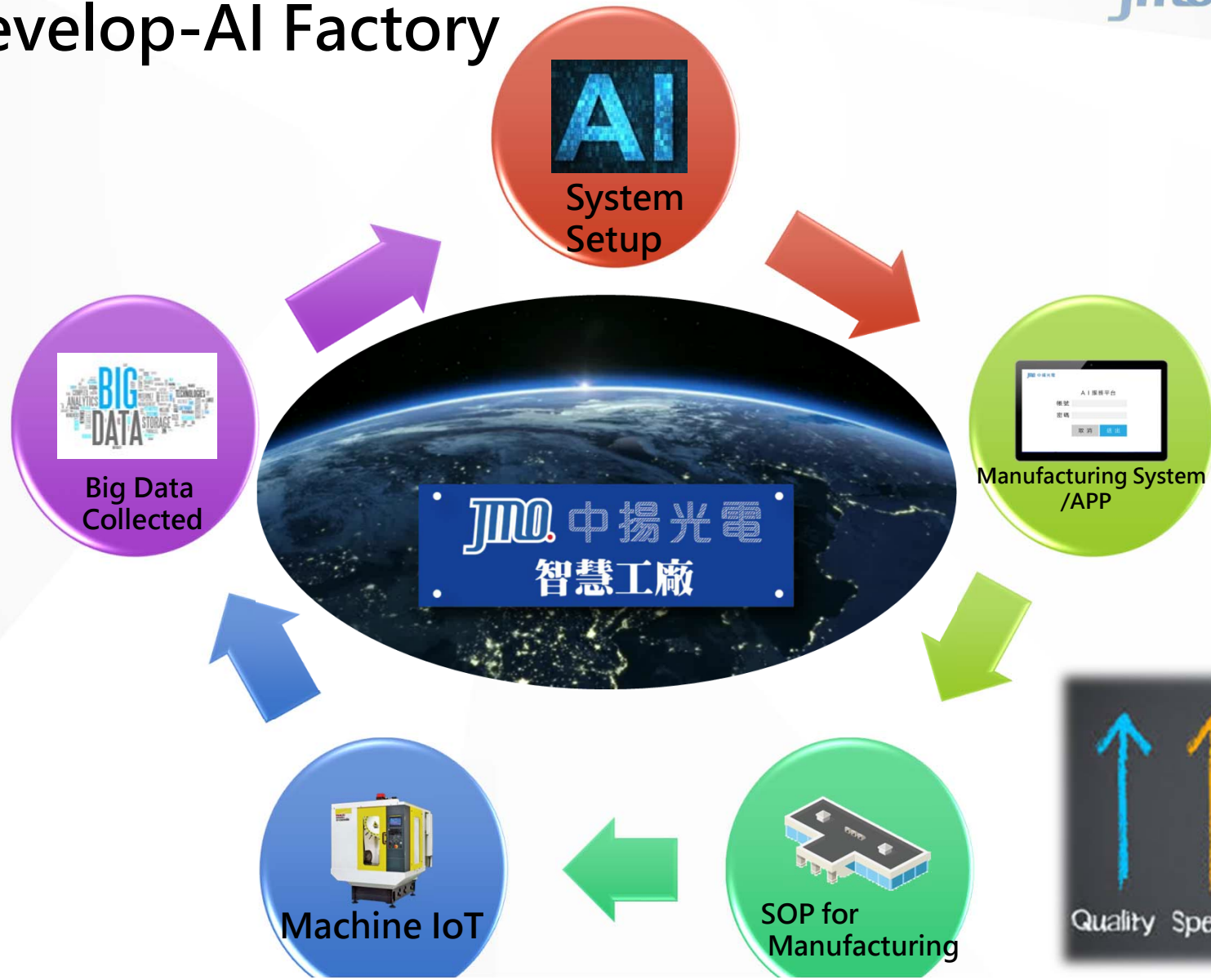
- Smart City
- Smart House
- Smart Factory



Future Develop–Mid-Term and Long-Term R&D



Future Develop-AI Factory





Thank you!