



# **Qisda Corporation Investor Conference : 2018 Q1 Results**

May 09, 2018

# Safe Harbor Notice

**We have made forward-looking statements in the presentation. Our forward-looking statements contain information regarding, among other things, our financial conditions, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties, and assumptions about us.**

**We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.**

# 2018 Q1 Financial Results and Business Summary

# Statement of Comprehensive Income (Consolidated)

Amount : NT\$ Million

|                                    | 2017 Q4       |               | 2018 Q1       |               | QoQ      | 2017 Q1       |               | YoY      |
|------------------------------------|---------------|---------------|---------------|---------------|----------|---------------|---------------|----------|
| <b>Net Sales</b>                   | <b>37,120</b> | <b>100.0%</b> | <b>35,654</b> | <b>100.0%</b> | -4.0%    | <b>31,687</b> | <b>100.0%</b> | 12.5%    |
| Cost of Goods Sold                 | (32,649)      |               | (31,367)      |               |          | (28,066)      |               |          |
| <b>Gross Margin</b>                | <b>4,472</b>  | <b>12.0%</b>  | <b>4,287</b>  | <b>12.0%</b>  | 0.0 ppt  | <b>3,621</b>  | <b>11.4%</b>  | +0.6 ppt |
| Operating Expenses                 | (3,568)       | -9.6%         | (3,432)       | -9.6%         |          | (2,821)       | -8.9%         |          |
| <b>Operating Income</b>            | <b>904</b>    | <b>2.4%</b>   | <b>855</b>    | <b>2.4%</b>   | 0.0 ppt  | <b>800</b>    | <b>2.5%</b>   | -0.1 ppt |
| Non-operating Income, Net          | 773           |               | 482           |               |          | 642           |               |          |
| <b>Net Income</b>                  | <b>1,548</b>  | <b>4.2%</b>   | <b>1,103</b>  | <b>3.1%</b>   | -1.1 ppt | <b>1,291</b>  | <b>4.1%</b>   | -1.0 ppt |
| Shareholders of the Company        | <b>1,417</b>  | <b>3.8%</b>   | <b>997</b>    | <b>2.8%</b>   | -1.0 ppt | <b>1,230</b>  | <b>3.9%</b>   | -1.1 ppt |
| <b>EPS (NT\$)(a)</b>               | <b>0.72</b>   |               | <b>0.51</b>   |               |          | <b>0.63</b>   |               |          |
| <b>Net Worth / Share (NT\$)(b)</b> | <b>15.74</b>  |               | <b>16.12</b>  |               |          | <b>15.03</b>  |               |          |

(a) EPS was calculated based on total weighted-averaged outstanding shares (1,967 m shares)

(b) Net worth per share was calculated based on total outstanding shares (1,967 m shares)

# Statement of Comprehensive Income (Consolidated)

Amount : NT\$ Million

|                                     | 2018          |               | 2017          |               | YoY      |
|-------------------------------------|---------------|---------------|---------------|---------------|----------|
| <b>Net Sales</b>                    | <b>35,654</b> | <b>100.0%</b> | <b>31,687</b> | <b>100.0%</b> | 12.5%    |
| Cost of Goods Sold                  | (31,367)      |               | (28,066)      |               |          |
| <b>Gross Margin</b>                 | <b>4,287</b>  | <b>12.0%</b>  | <b>3,621</b>  | <b>11.4%</b>  | +0.6 ppt |
| Operating Expenses                  | (3,432)       | -9.6%         | (2,821)       | -8.9%         |          |
| <b>Operating Income</b>             | <b>855</b>    | <b>2.4%</b>   | <b>800</b>    | <b>2.5%</b>   | -0.1 ppt |
| Non-operating Income, Net           | 482           |               | 642           |               |          |
| <b>Net Income</b>                   | <b>1,103</b>  | <b>3.1%</b>   | <b>1,291</b>  | <b>4.1%</b>   | -1.0 ppt |
| Shareholders of the Company         | <b>997</b>    | <b>2.8%</b>   | <b>1,230</b>  | <b>3.9%</b>   | -1.1 ppt |
| <b>EPS (NT\$) (1)</b>               | <b>0.51</b>   |               | <b>0.63</b>   |               |          |
| <b>Net Worth / Share (NT\$) (2)</b> | <b>16.12</b>  |               | <b>15.03</b>  |               |          |

(a) EPS was calculated based on total weighted-averaged outstanding shares (1,967 m shares)

(b) Net worth per share was calculated based on total outstanding shares (1,967 m shares)

# Balance Sheet Highlights (Consolidated)

Amount : NT\$ Million

|                              | 2018.03.31     |               | 2017.12.31     |               | 2017.03.31    |               |
|------------------------------|----------------|---------------|----------------|---------------|---------------|---------------|
| <b>Cash &amp; Equivalent</b> | <b>7,280</b>   | <b>6.6%</b>   | <b>6,637</b>   | <b>6.1%</b>   | <b>6,623</b>  | <b>7.1%</b>   |
| <b>Accounts Receivable</b>   | <b>27,010</b>  | <b>24.5%</b>  | <b>28,125</b>  | <b>25.8%</b>  | <b>25,028</b> | <b>26.9%</b>  |
| <b>Inventory</b>             | <b>18,813</b>  | <b>17.1%</b>  | <b>20,179</b>  | <b>18.5%</b>  | <b>15,840</b> | <b>17.0%</b>  |
| <b>L-T Investments</b>       | <b>19,564</b>  | <b>17.7%</b>  | <b>16,748</b>  | <b>15.4%</b>  | <b>16,078</b> | <b>17.3%</b>  |
| <b>Total Assets</b>          | <b>110,337</b> | <b>100.0%</b> | <b>108,939</b> | <b>100.0%</b> | <b>93,149</b> | <b>100.0%</b> |
| <b>Fin. Debt *</b>           | <b>32,475</b>  | <b>29.4%</b>  | <b>31,031</b>  | <b>28.5%</b>  | <b>25,319</b> | <b>27.2%</b>  |
| <b>Accounts Payable</b>      | <b>25,396</b>  | <b>23.0%</b>  | <b>25,869</b>  | <b>23.7%</b>  | <b>23,031</b> | <b>24.7%</b>  |
| <b>Total Liabilities</b>     | <b>71,886</b>  | <b>65.2%</b>  | <b>71,395</b>  | <b>65.5%</b>  | <b>60,139</b> | <b>64.6%</b>  |
| <b>Equity</b>                | <b>38,451</b>  | <b>34.8%</b>  | <b>37,544</b>  | <b>34.5%</b>  | <b>33,011</b> | <b>35.4%</b>  |

\* Fin. debt included long term and short term financial debts and lease obligations payable .

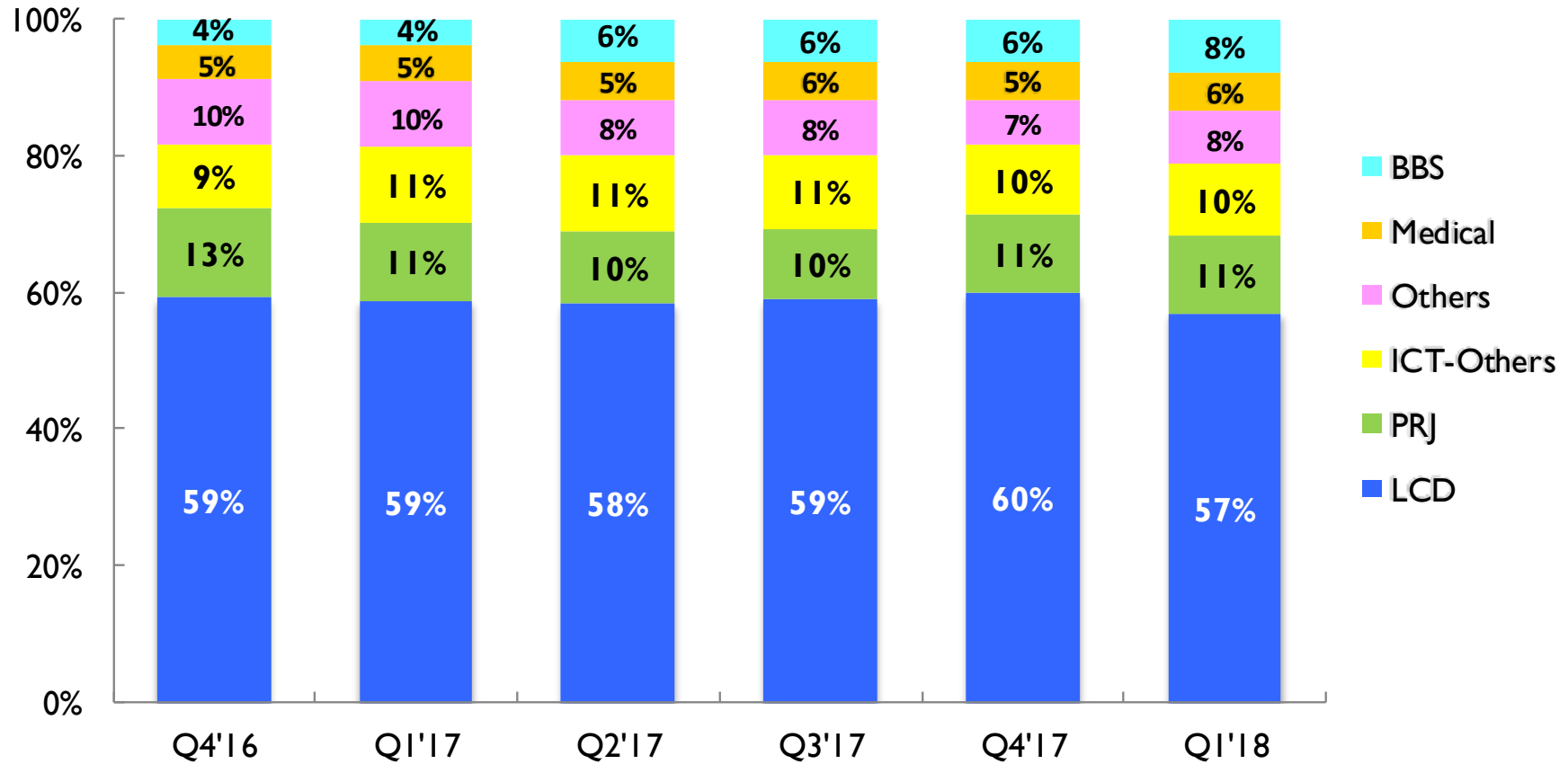
# Key Financial Ratios (Consolidated)

|   | 2018.03.31   | 2017.12.31   | 2017.03.31   |
|---|--------------|--------------|--------------|
| <b>AR Turnover (Days)<sup>(a)</sup></b>       | <b>78</b>    | <b>80</b>    | <b>79</b>    |
| <b>Inventory Turnover (Days)</b>              | <b>57</b>    | <b>56</b>    | <b>53</b>    |
| <b>AP Turnover (Days)</b>                     | <b>75</b>    | <b>80</b>    | <b>81</b>    |
| <b>Cash Conversion Cycle (Days)</b>           | <b>60</b>    | <b>56</b>    | <b>51</b>    |
| <b>ROE (annualized)</b>                       | <b>11.6%</b> | <b>16.0%</b> | <b>15.7%</b> |
| <b>Current ratio</b>                          | <b>102%</b>  | <b>106%</b>  | <b>106%</b>  |
| <b>Fin. Debt<sup>(b)</sup> / Total Assets</b> | <b>29%</b>   | <b>28%</b>   | <b>27%</b>   |

(a) AR included AR factoring

(b) Fin. debt included long term and short term financial debts and lease obligations payable .

# Revenue Breakdown by Product Line



\* BBS : BenQ business solution

\* Medical : includes medical Service 、 medical equipment 、 medical consumable

\* Others : includes BenQ Materials Corp. and other products

\* ICT-Others : includes professional/industrial display, signage, TV and automobile electronics products





# Qisda

## Value-Up Solutions