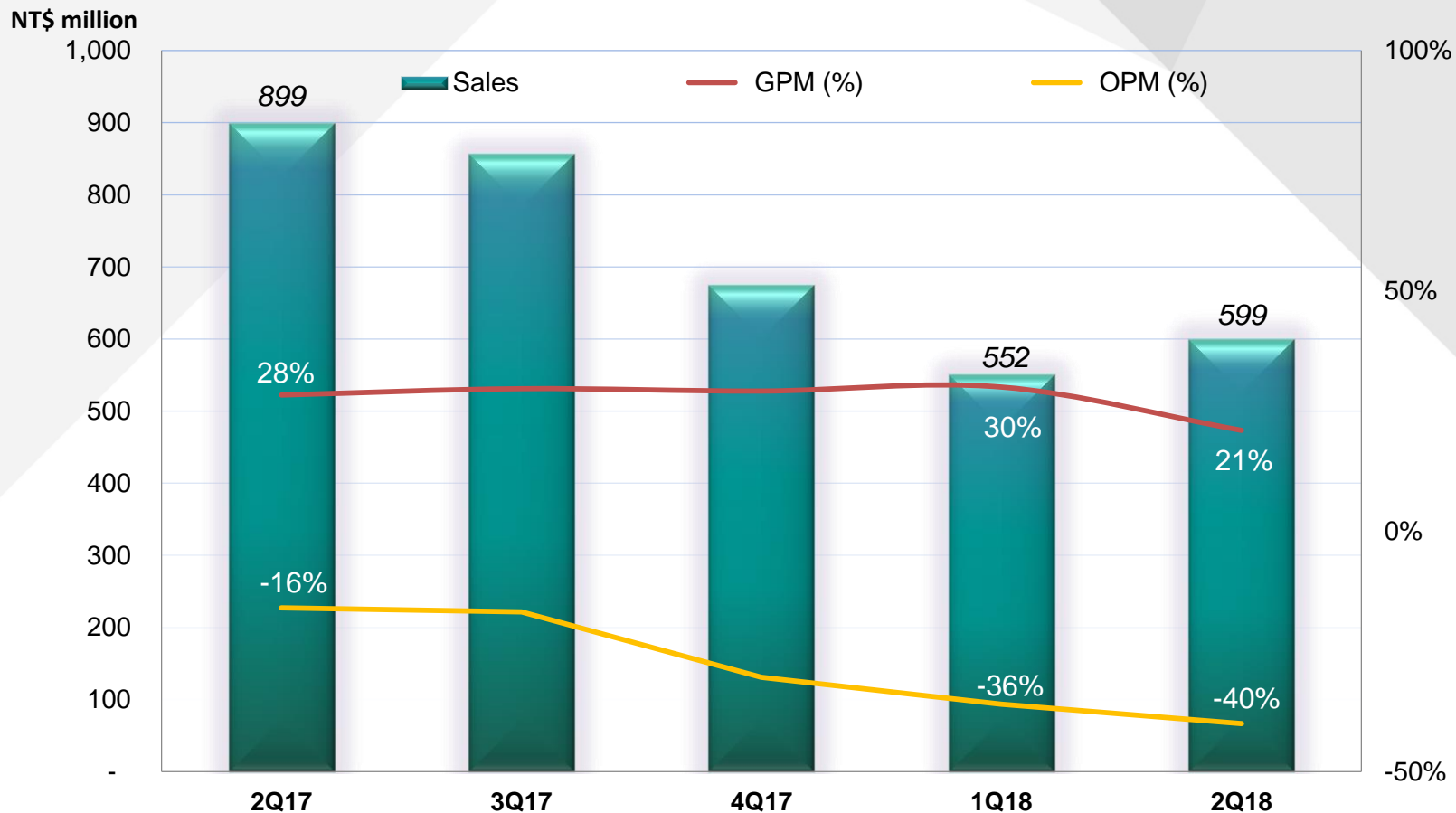


# ALi Corporation (3041 TT) 2Q18 Investor Conference

August 13<sup>th</sup>, 2018

# 2Q18 Consolidated Quarterly Results

- 2Q18 revenue reached NT\$599 million, QoQ 9%, YoY-33%
- Gross profit margin was 21%
- Operating profit margin was -40%



# 2Q18 Consolidated Income Statement

(Amounts in thousand New Taiwan Dollars  
except Earnings Per Share)

	2Q18		1Q18		2Q17		QoQ	YoY
<b>Net sales</b>	599,985	100%	551,936	100%	899,706	100%	9%	-33%
Cost of goods sold	(471,447)		(384,527)		(644,630)		23%	-27%
<b>Gross profits</b>	128,538	21%	167,409	30%	255,076	28%	-23%	-50%
Operating expenses:								
Selling expenses	(39,006)		(39,259)		(51,970)		-1%	-25%
Administrative expenses	(53,151)		(59,920)		(69,658)		-11%	-24%
Research and development expenses	(274,336)		(264,428)		(276,882)		4%	-1%
Expected Credit Losses	(12)		(14)				-14%	n/a
Total operating expenses	(366,505)		(363,621)		(398,510)		1%	-8%
<b>Operating income</b>	(237,967)	-40%	(196,212)	-36%	(143,434)	-16%	21%	66%
Non-operating income and gain (expense & loss)	20,822		10,446		23,572		99%	-12%
<b>Income before income tax</b>	(217,145)		(185,766)		(119,862)		17%	81%
Income tax (expense) benefit	43,438		89,462		20,590		-51%	111%
<b>Net income</b>	(173,707)		(96,304)		(99,272)		80%	75%
Earnings Per Share (in New Taiwan Dollars)	(0.59)		(0.33)		(0.34)			

# 2Q18 Consolidated Balance Sheet

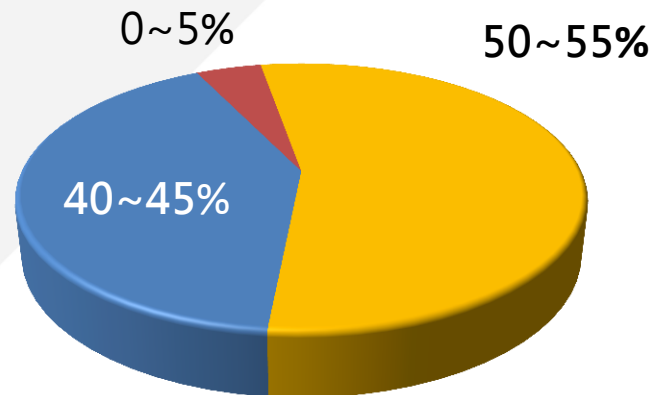
(Amounts in thousand New Taiwan Dollars except Key Indices)

## Selected Items from Balance Sheet

	Jun 30, 2018	Mar 31, 2018	Jun 30, 2017
Cash, cash equivalents and investments in marketable financial instruments	2,161,733	2,689,854	3,282,926
Notes and accounts receivable	264,140	137,313	237,798
Inventory (net)	691,617	813,040	582,756
Other current assets	252,893	266,957	323,441
<b>Total current assets</b>	<b>3,370,383</b>	<b>3,907,164</b>	<b>4,426,921</b>
Long-term Investments	78,490	77,079	58,203
Net PP&E	626,206	618,270	634,556
Intangible assets	148,711	168,060	156,530
Other assets	466,860	422,072	270,000
<b>Total assets</b>	<b>4,690,650</b>	<b>5,192,645</b>	<b>5,546,210</b>
Notes and accounts payable	286,111	614,578	540,847
Other current liabilities	265,116	258,703	358,654
Non-current liabilities	10,656	12,047	13,154
<b>Total liabilities</b>	<b>561,883</b>	<b>885,328</b>	<b>912,655</b>
<b>Total shareholders' equity</b>	<b>4,128,767</b>	<b>4,307,317</b>	<b>4,633,555</b>
<b>Key Indices</b>			
A/R Turnover Days (net)	30	34	26
Inventory Turnover Days (net)	145	164	83
Current Ratio	6.1	4.5	4.9

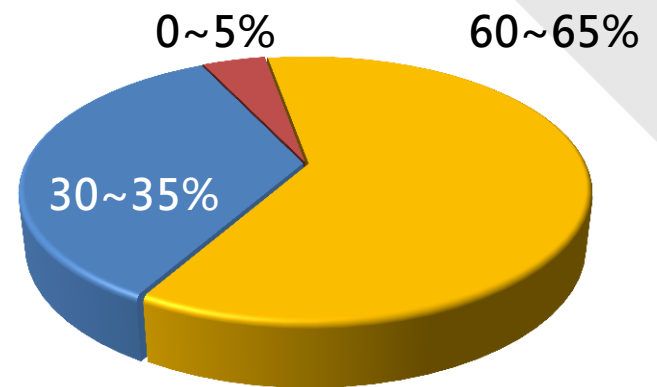
# Quarterly Revenue Breakdown

1Q18



■ Pay-TV Operator STB ■ Retail STB ■ Others (Non-STB)

2Q18



■ Pay-TV Operator STB ■ Retail STB ■ Others (Non-STB)

Thank You

