U-TECH The Best Information and Culture Carrier

Stock code：3050

鈺德科技股份有限公司
U-Tech Media Corporation

Y19 Earning Conference
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Hope . Happy . Heart~

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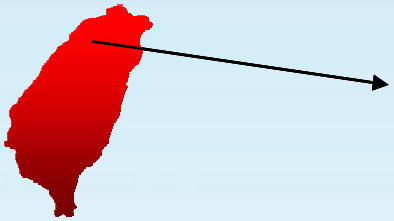
Outline

- Company Profile
- Operating Location
- Certificated Status
- Company Advantage
- Financial Structure
- Investment
- Developing strategy and Future Business plan

Operating Location

- Establish time: August 1994
- Capital: NT $ 1.45 billion
- Main products: pre-recorded CD / DVD / Blue-Ray Disc (BD)
- Company Factory:
  - Domestic: Tao-yuan Hua-ya Science and Technology Park
  - Oversea: South Korea

Operating Location



U-Tech Hua-Ya Headquarters

U-Tech Korea

Certification Status

- Certified by McDonald's Social Responsibility Certification in the highest grade "Green Level“
- ISO9001, ISO14001, OHSAS 18001 Certification
- Qualified by SONY Green Partner in environmental quality assurance
- BDA (Blu-ray Disc Alliance) BD25/BD50 certification
- The 1st disc manufacturer Certificated by International Toy Industry Association (ICTI)
- The 1st CDSA (IRMA) Anti-Piracy Compliance Program certified plant in Asia
- Qualification of class “B” DVD test lab by DVD Forum

Company Advantage

- One of largest pre-recorded media factory in Asia
- Contractual pre-recorded disc manufacturer in the Asia Pacific with the Hollywood Studios
- Offload Partner with major Replicators in the world
- The only one pre-recorded disc media factory providing one-stop integrated services in South East Asia
- Provide full range of Disc Copy Protection service
- The only Blue-Ray Disc manufacture in Asia except Japan

Financial structure－Income Statement

In NT$,000s

Item / Year	Year 2016	Year 2017	Year 2018	Q3 Year 2019
Sales revenue	948,476	815,563	790,567	750,107
Cost of goods sold	603,948	572,954	566,891	456,095
Gross profit	344,528	242,609	223,676	294,012
Operating expense	220,182	226,452	182,770	156,173
Operating profit（loss）	124,346	16,157	40,906	137,839
Non-operating income/exp.	（27,095）	125,249	28,571	5,487
Pre-tax income（loss）	97,251	141,406	69,477	143,326
Income tax	9,876	12,602	6,584	10,181
Net income（loss）	87,375	128,804	62,893	133,145
Basic EPS	0.57	0.86	0.41	0.87

Financial structure —Financial analysis

		Year 2016	Year 2017	Year 2018
Financial structure	Debts / Assets(%)	23.62	23.46	44.23
	Long-term capital / fixed assets(%)	250.67	283.19	173.14
Solvency	Liquidity ratio(%)	187.23	308.60	206.49
	Quick ratio(%)	178.06	296.45	196.72
	Interest Protection Multiples	11.76	18.39	6.76
Operational capacity	AR overturn (times)	5.41	5.07	5.34
	Average collection period (days)	67.46	71.99	68.35
	Inventoty overturn (times)	13.69	12.33	11.22
	Average sales period (days)	26.66	29.60	32.53
	Fixed asset overturn (times)	0.97	0.87	0.53
	Asset overturn (times)	0.32	0.27	0.22
Profitability	ROA(%)	3.15	4.55	2.02
	ROE(%)	3.88	5.66	2.72
	Pre- tax income / actual capital ratio(%)	6.40	9.69	4.76
	Net income ratio(%)	9.21	15.79	7.96
	EPS	0.57	0.86	0.41
Cash flow	Cash flow ratio (%)	26.07	21.33	22.35
	Cash flow allowable ratio (%)	333.04	224.46	136.35
	Cash flow re-invest ratio(%)	0.31	0.91	0.75

Investment

U-TECH

Optical disc manufacturing

Renewable energy

ASEC

大樂司文創 DOLLARS

Cultural industry

Wine industry

昭富

Investment

- **Cultural industry**
  - Cooperation with Taipei city Government “ROT” the historic buildings in Yang-Ming Mountain. Developing the America Club & Grass Mountain Old Town Cultural Park, supporting and developing the cultural and creative business.
- **Renewable energy**
  - Supporting the government's energy policy and strengthen the operational structure through the integration of the Groups’ resources.

Cultural industry

America club & Old Town

Cultural industry

- Provide a recreational area for people in the North District.
- Rebuilding the collapse building to revitalize the old house and give new life.
- Landscape gardening to rebuild the surrounding environment
- Inheriting the soul of music - vinyl story library.

America club(Brick Yard 33 1/3)

OLD TOWN

Renewable energy

- Supporting the government's low carbon policy. Set up the solar power plant
- Unique appoach, all the solar panel build on government building and school.
- Up to date, total 309 solar plants with a total generation capacity in 63.26 MW and 44.24 MW have been completed and working in good conditions.

Rich experience in solar plant

Developing strategy and Future Business plan

- Impacted by the broadband Internet, content could be viewed in different ways. The digital content business is growing up day by day. Currently, our physical media strategy is focus on “survival”, keeping on the 1st place position in the industry. And try to find the synergy relative business in digital post production, CG and VFX.
- Focus on the regional development of the America Club (Brick Yard 33 1/3) and “Old Town”, Build a operations team for future development.
- Continue to cooperation with government to build the solar plant in public and government own building. Try to development large solar plant in the land or lake. To build the team to maintenance and operation in the island wide. We expect the scale of the capacity & operations will growth.

The End