AOPEN Business Update

Jason Chen

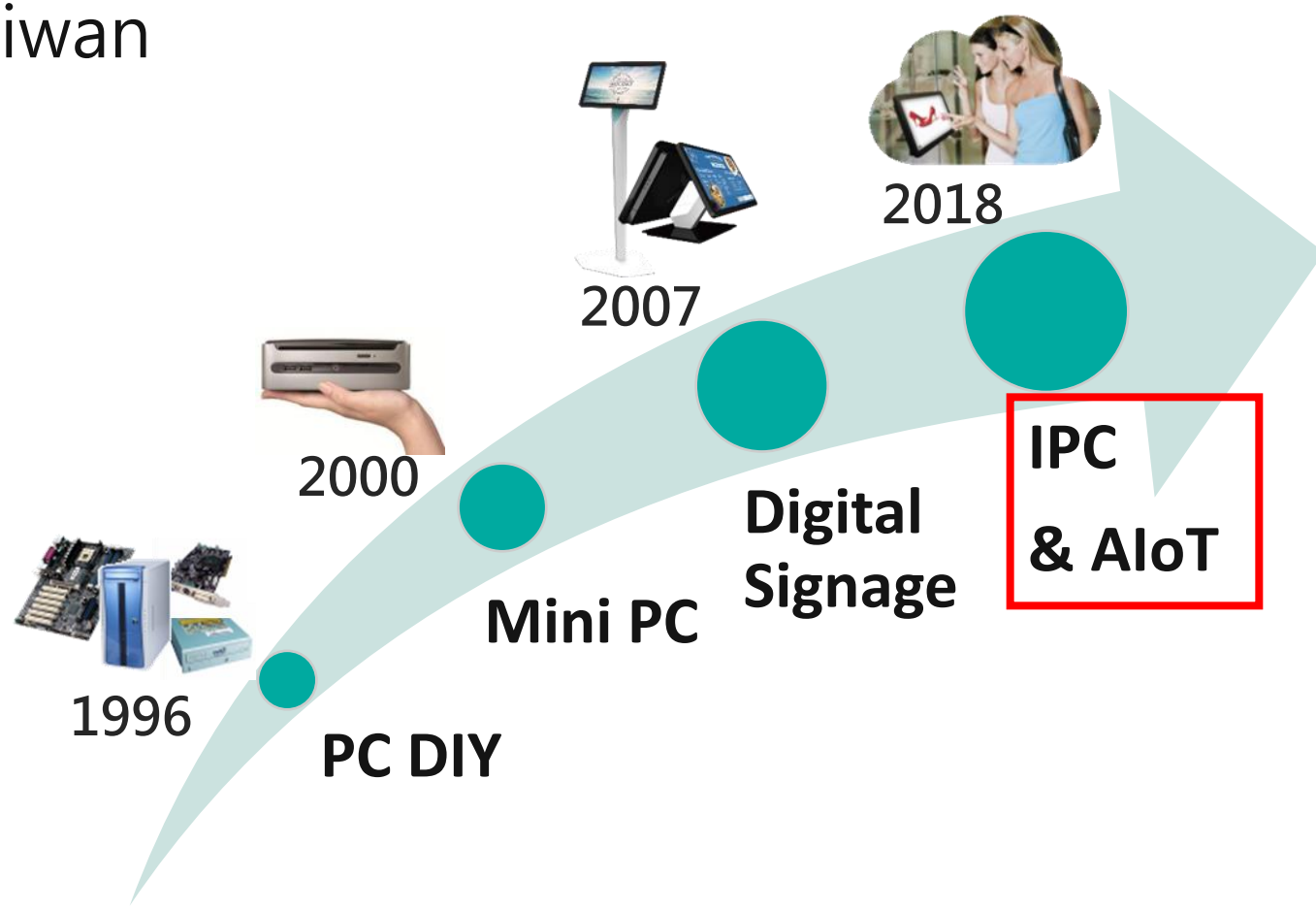
Chairman

AOPEN Inc.

November 16th, 2018

Company Profile

- Headquarter: New Taipei City, Taiwan
- Establishment: Y1996
- Capital Amount: NTD 714M
- Revenue:
  - NTD 1.35B (Jan ~ Dec Y2017)
  - NTD 1.37B (Jan ~ Oct Y2018)
- Headcount: 300 people
- Chairman：Jason Chen
- President：Dale Tsai
- Finance Head：Edward Chen



Financial Results

(NTD M)	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Oct'18	Q3 '18 YoY	Oct '18 YoY
Revenue	383	334	318	362	500	192	+31%	+74%
GP	118	136	106	130	144			
OPEX	148	153	132	133	143			
OI	-30	-17	-26	-3	1			
PAT	11	-30	-36	1	12			
Net Cash	27	352	306	303	315			

Chrome Synergy by Acer Group

- Chrome solutions for Enterprise market

AOPEN
Bright Ideas Connected

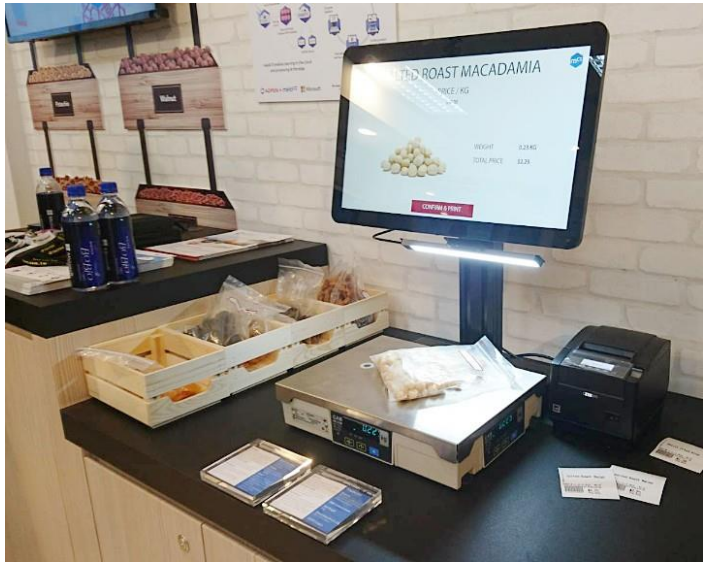
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Google for Work
Partner
Premier

Won Supermarket Chain Thousand Stores With AOPEN Machine Vision

Using camera and machine vision technology to self checkout.



Nuts detection solution


SCALE
meld CX
舀起秤重
AOPEN + meld CX
Bright Ideas Connected

Financials

Income Statement for 2018-Q3

Unit : NT$K	Q3 '18		Q2 '18		QoQ	Q3 '17		YoY
Net revenues	**500,381**	**100.0%**	**361,499**	**100.0%**	**38%**	**381,574**	**100.0%**	**31%**
Gross profit	143,939	28.8%	130,101	36.0%	11%	117,592	30.8%	22%
Operating expense	142,771	28.5%	133,097	36.8%	7%	147,798	38.7%	-3%
Operating income(loss)	**1,168**	**0.2%**	**(2,996)**	**-0.8%**	**-139%**	**(30,206)**	**-7.9%**	**-104%**
Non-operating income	12,705	2.5%	7,734	2.1%	64%	43,311	11.4%	-71%
Profit before tax	13,873	2.8%	4,738	1.3%	193%	13,105	3.4%	6%
Net profit	**11,616**	**2.3%**	**1,383**	**0.4%**	**740%**	**11,174**	**2.9%**	**4%**
Earning per share (in dollars)	**0.15**		**-**			**0.30**		

Income Statement for 2018-Q3 (YTD)

Unit : NT$K	2018		2017		YoY
Net revenues	**1,179,498**	**100.0%**	**1,022,690**	**100.0%**	15%
Gross profit	380,328	32.2%	315,730	30.9%	20%
Operating expense	407,696	34.6%	439,026	42.9%	-7%
Operating income(loss)	**(27,368)**	**-2.3%**	**(123,296)**	**-12.1%**	**-**
Non-operating income	12,668	1.1%	44,114	4.3%	-71%
Profit before tax	(14,700)	-1.2%	(79,182)	-7.7%	-
Net Profit	**(22,607)**	**-1.9%**	**(86,816)**	**-8.5%**	**-**
Earning per share (in dollars)	**(0.35)**		**(2.57)**		

Balance Sheets (YOY)

Thousands of New Taiwan dollars	2018.9.30		2017.12.31		2017.9.30	
Cash and cash equivalents	315,161	23%	676,409	44%	448,214	34%
Accounts receivable, net	268,502	20%	190,513	12%	242,649	18%
Current inventories	323,836	24%	193,405	13%	184,187	14%
Other current assets	68,682	5%	62,326	4%	80,295	6%
Total current assets	976,181	71%	1,122,653	73%	955,345	72%
Available-for-sale financial assets-non-current	344,452	25%	363,036	24%	335,533	25%
Investments accounted for using equity method	12,621	1%	23,309	2%	11,868	1%
Property, plant and equipment and other assets	41,582	3%	31,135	2%	32,700	2%
Total assets	1,374,836	100%	1,540,133	100%	1,335,446	100%
Current borrowings	0	0%	325,894	21%	419,786	31%
Accounts payables	484,548	35%	249,288	16%	342,085	26%
Other liabilities	52,292	4%	83,114	5%	91,371	7%
Total current liabilities	536,840	39%	658,296	43%	853,242	64%
Other non-current liabilities	98,306	7%	87,613	6%	94,380	7%
Total liabilities	635,146	46%	745,909	48%	635,145	48%
Total equity	739,690	54%	794,224	52%	387,824	29%

Quarterly Revenue by Regions

