



KO JA (CAYMAN) CO., LTD.
Ticker: 5215

1

**INVESTOR
CONFERENCE**

About KO JA

2

- KO JA is a professional Membrane Touch Switch manufacturer
- Founded Date : August, 2009 (former company founded in April, 1975)
- Paid-in Capital : NTD 543,375,000
- Employees : 2,054 people (as of November 14, 2017)
- Worldwide Locations :

Taipei Taiwan Branch

Wujiang Suzhou Goda
 Suzhou Chia Chi
 Suzhou Chia Tsai
 Suzhou Luumii

ChongQing Jia Jun

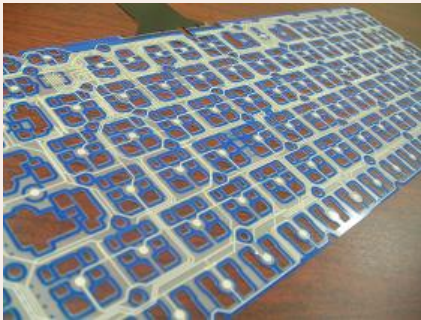


Main Products and Applications

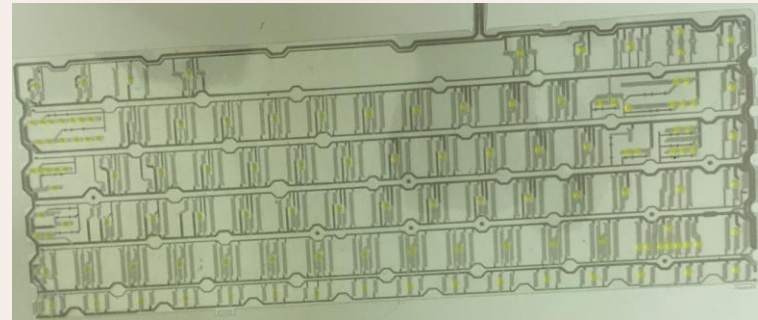
3

Main Product : MTS – Membrane Touch Switch

NB MTS



Membrane Lighting

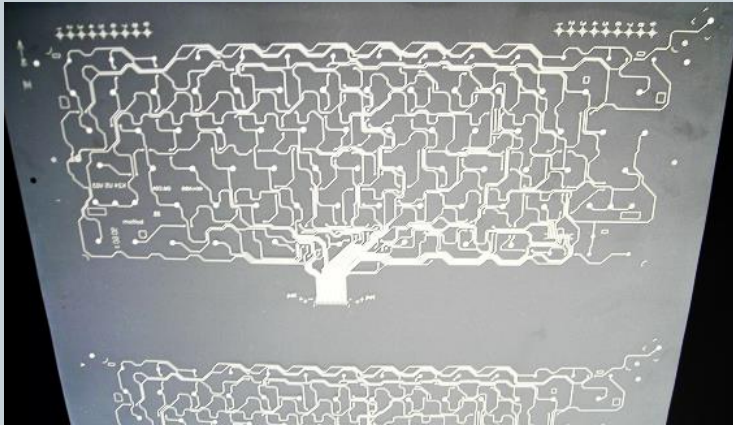


Applications : NB Keyboard, KB and logo backlight

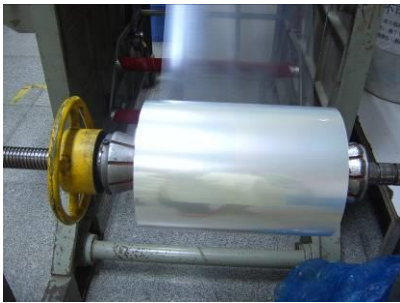


Membrane Touch Switch Diagram

4



Production Flow ~1



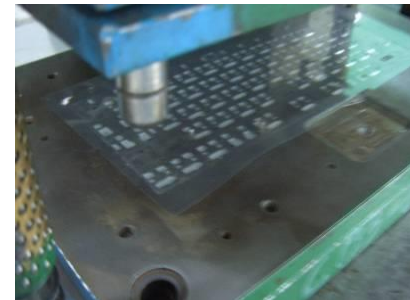
Cutting



**Set Hole
Punching**



Printing



**Spacer Layer
Punching**



Assembly

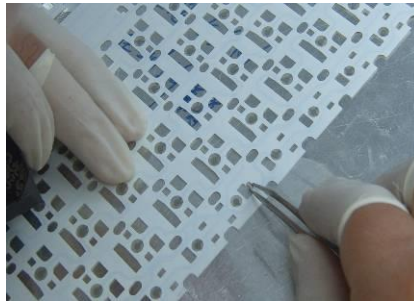


**Outline
Punching**

Production Flow ~2



Test O/S



LED Mounting



LED Test



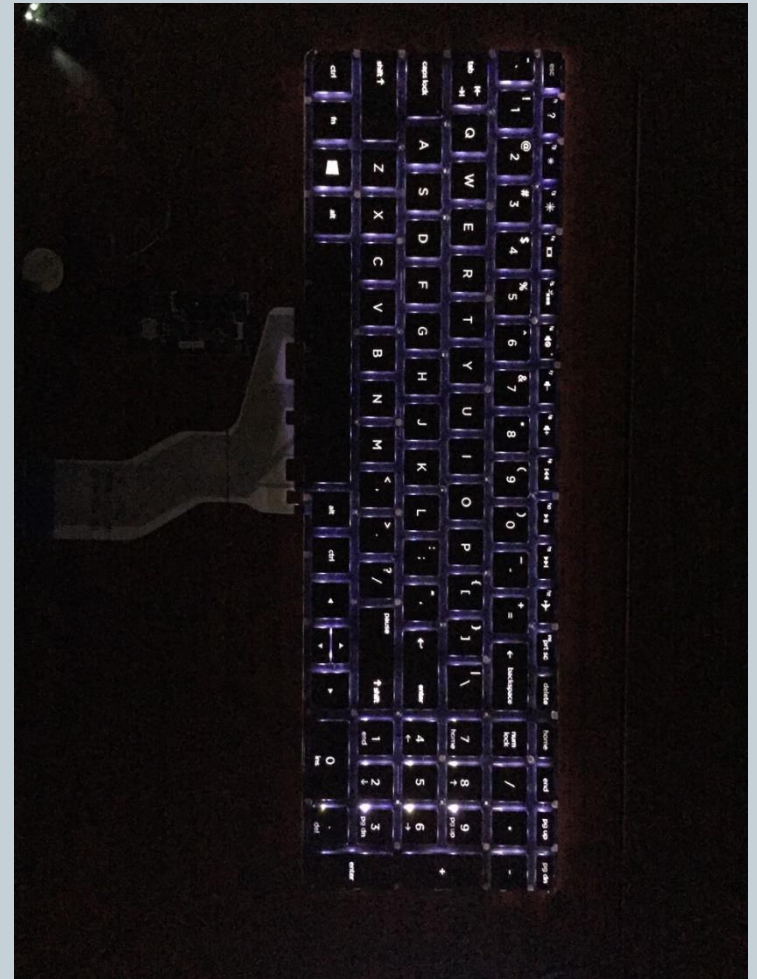
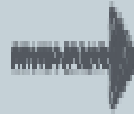
Inspection



Package

Membrane Lighting Diagram

7



Industry Supply Chain

Supplier	Competitor	Customer	End Customer
<u>PET Film</u>	<u>MTS</u>	<u>NB Keyboard</u>	<u>PC Brand</u>
Toray	<u>KO JA</u>	Chicony	Apple
Sichuan Dongfang	SOE	Darfon	Acer
<u>LED</u>	JIT	Sunrex	Asus
Osram	Transimage	LiteOn	Dell
Everlight	Fujikura	Primax	HP
LiteOn		NB ODMs	Lenovo
<u>Silver Paste</u>		Quanta	Sony
Fujikura		Compal	Toshiba
Baijay		Inventec	Samsung
		Wistron	Microsoft
		Foxconn	Xiao Mi

Competitive Strength

9

- **Sufficient Production Capacity**
 - Worldwide No. 1 MTS manufacturer, monthly production 5KK
 - Full-fledged MTS factory in Chongqing
- **Leading Technological Skills**
 - Utilization of ultra-thin two layers membrane (GFM)
 - Micro-LED membrane Lighting production skill
- **Superior Quality**
 - Brand customers specified using our products
 - Cooperation with Brand customers to develop Micro-LED backlight membrane

Threats and Response

10

- **Competitors' price cut**
 - Matching customer's specs and introducing new production skill and materials
 - Selecting products order and adjusting products mix
- **Increase in wages in mainland China and in key materials cost**
 - Utilize full ranged automation technology in the all production processes
 - Improve direct labor incentive scheme to enhance productivity
- **iPad and the like and Mobile phone squeeze demand of keyboard**
 - Enter into new production line, such as KB membrane lighting, gaming computer and logo membrane lighting

2017 Q3 Earnings Release

11

Unit : Thousand Dollar/Dollar/%

	2017 Q1		2017 Q2		2017 Q3	
Revenue	335,225	100%	389,997	100%	443,300	100%
Gross Margin	48,770	15%	72,458	19%	100,564	23%
Operating Profit	(6,812)	(2%)	16,885	4%	48,924	11%
Net Profit	(34,964)	(10%)	6,110	9%	31,523	14%
EPS	(0.64)		0.11		0.58	

- 2017 Q3 Revenue QoQ 14% ; YoY -10% ◦
- 2017 Q3 Net Profit QoQ 516% ; YoY 123% ◦
- 2017 Q3 EPS QoQ 527% ; YoY 123% ◦

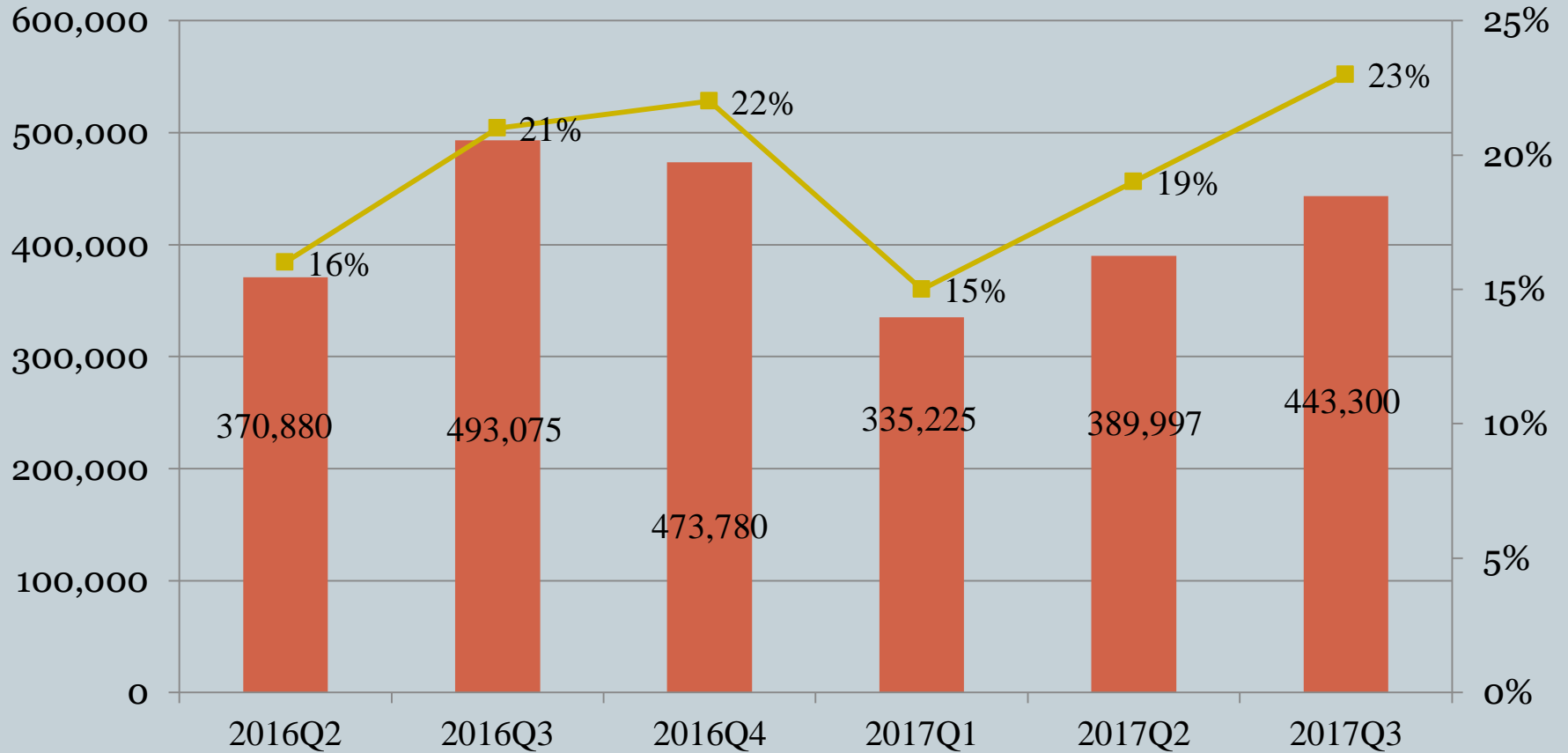
Turnover and Gross Margin Trend

12

Unit : NTD thousand dollar/%

Turnover

Gross Margin

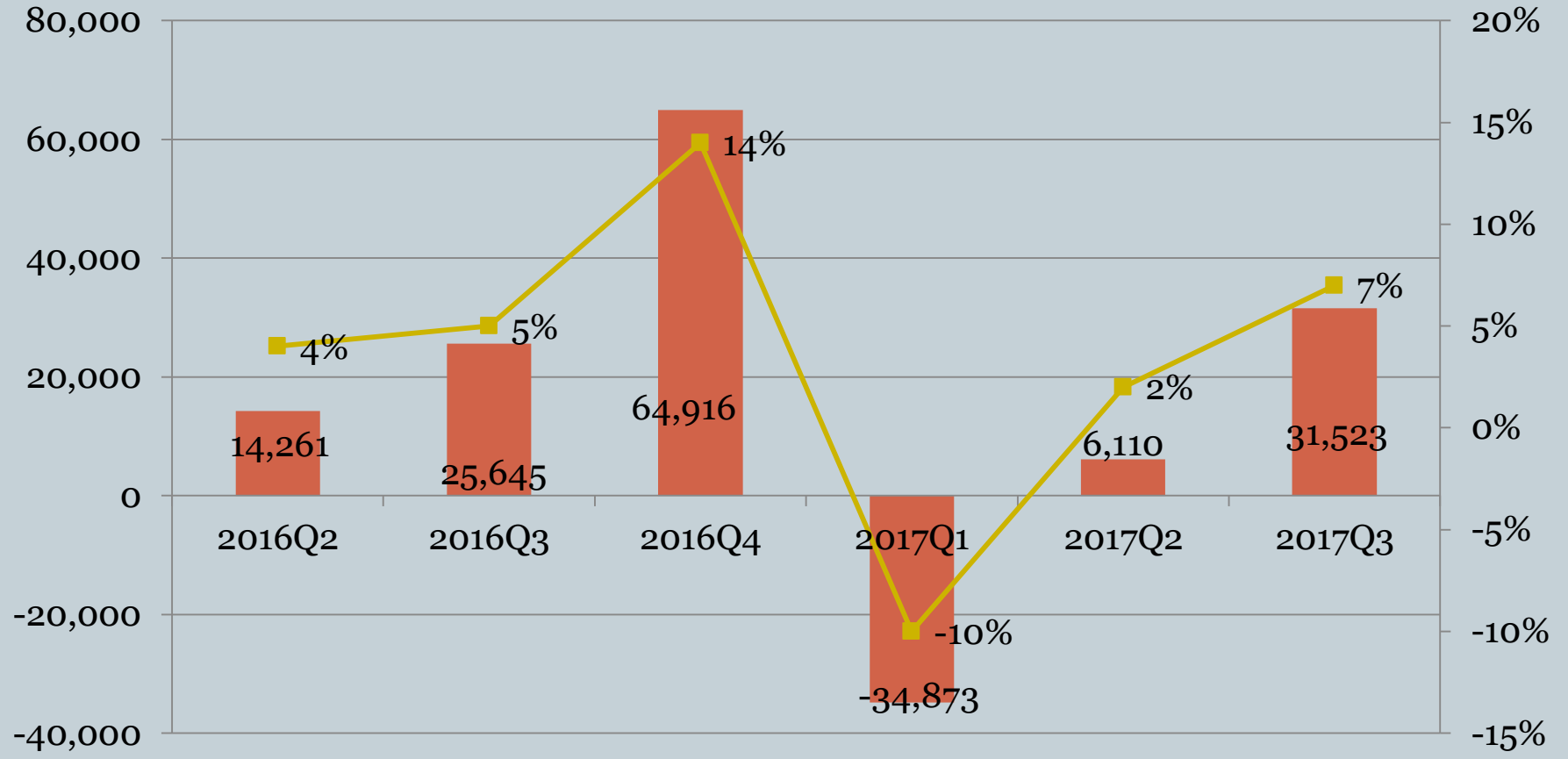


Net Income and Net Income Margin Trend

Unit : NTD thousand dollar / %

Net Income

Net Income Margin



Financial Data & Ratio Summary



14

	2015/12/31	2016/9/30
Item	NTD thousand dollar/%	NTD thousand dollar/%
Cash & Equivalent	642,449	496,270
Cash & Equivalent Per Share	11.82	9.13
Current Asset	1,880,390	1,662,483
Total Asset	2,556,523	2,385,211
Current Liability	443,704	387,019
Bond Payable	145,463	147,811
Total Liability	651,968	586,183
Total Equity	1,904,555	1,723,386
Book Value Per Share	35.1	31.7
Current Ratio	424%	429%
Debt to Asset Ration	26%	25%

Summary

15

New Products & Technology
Development : RTR printing
and GFM

Market Expansion :
Membrane Lighting

Core Competitive Strength
Leading Technology & Quality

Leading Capacity &
Market Share

Cooperation with Global PC
& Specified Use

Solid Foundation

Q & A

16