



LUHAI
HOLDING CORP.

六暉控股股份有限公司 LU HAI HOLDING CORP.

F—六暉 (2115) 2016 Q3 Business Review

Date : 2016 /11/16

Safe Harbor Notice

This presentation and discussion contain certain forward-looking statements with respect to the result of operation, financial condition and current expectation. The forward-looking statement are subject to know and unknown uncertainties and risks that could cause actual results to differ materially from those expressed or implied by such statements. Therefore, please refer to the information on MOPS website as the main basis if any adjustment has been made. LUHAI undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such date.
(<http://mops.twse.com.tw>)

Company Profile

- Foundation : 2009.10.19
- Stock Listing : 2013.12.25
- Chairman : Wu, Chin-Lu
- General Manager : Simon Hsu
- Production :
 - Valves , about 80 % (TPMS 5%)
 - Accessories and others , about 20%
- Subsidiary location :
 - Taiwan (1983)
 - Xiamen (1990, 2000)
 - Kunshan(1997)
 - Indonesia (2011)
- Number of employees : 1,479 (base date 2016/10/31)
- Capital : NTD 744.95 million
- Production Capacity : 66 million pcs / Month ; global market share 14%

Reward

1. In China, LUHAI is the only one who is consistently approved by Michelin, Bridgestone, Goodyear as qualified suppliers .
2. LUHAI's logo gained "The Well-Known Brand in China" in 2012.
3. We awarded Top 10 Happiness Enterprise in Xiamen China in 2013.
4. LUHAI awarded the 2nd Excellent Taiwan Brand in 2014.



Industry Chain

Major material



LUHAI



Customers

**Tire manufacturer/
Wheel manufacturer/
Car manufacturer/
TPMS module manufacturer**



Various Tire Valve

BC



MC



PC



T/B



T/B



AG&Otr

TPMS Valve






Area	Legislation
USA	2005.10
EU	2012.11
Korea	2013.01
Taiwan	2014.11
Russia	2016.01
China	2019.01 (F)
Japan	unknown



Subsidiary



LUHAI
HOLDING CORP.

Sub. (location)	Plant Area (square meters)	Category	
LH (Changhwa, Taiwan)	4,899	Taiwan domestic market	
XH (Xiamen, China)	X plant 12,820	1. BC, MC, electirc MC 2. 40% domestic market (south China), 60% export	
	MH plant 16,438	TPMS Valves, Precision CNC parts	

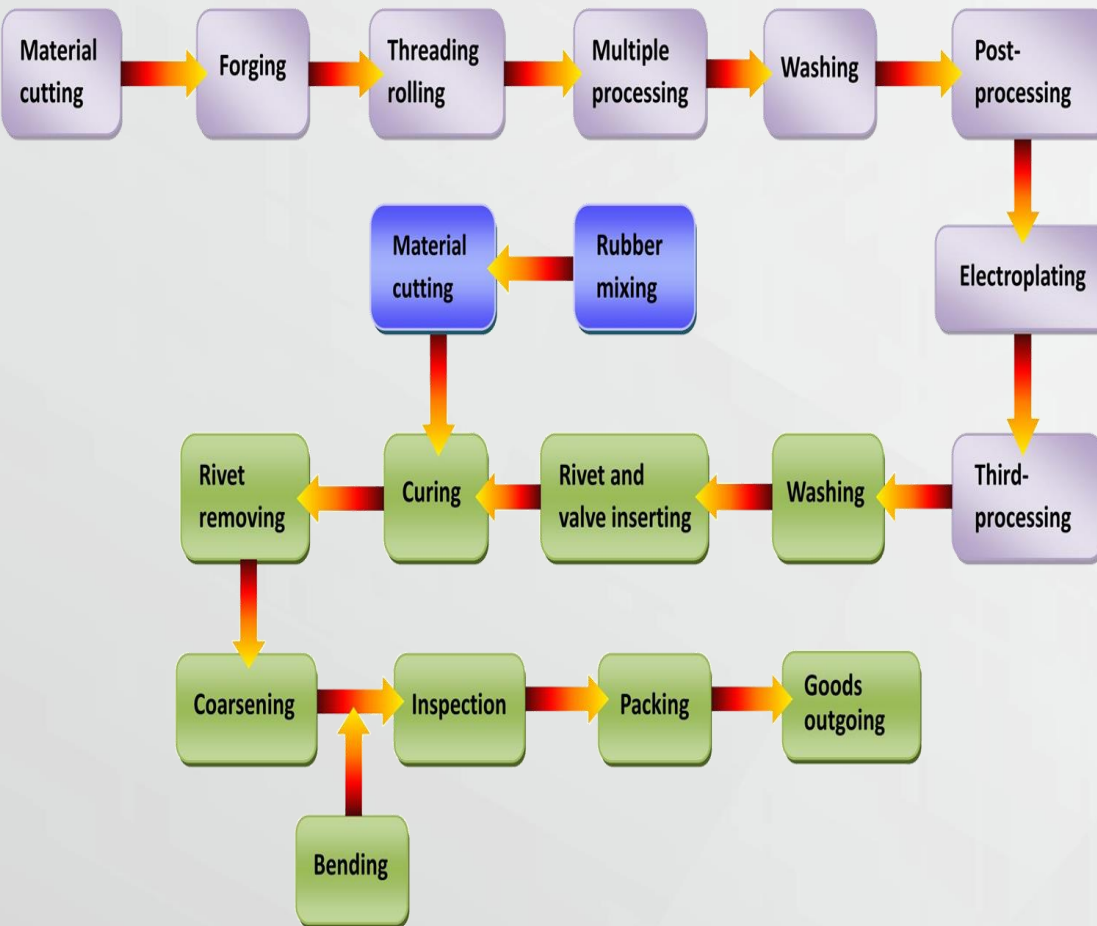
Subsidiary

Sub. (location)	Plant Area (square meters)	Category	
KH (Kunshan, China)	36,138	1. PC, T/B, L/T, AG, Otr 2. 70% domestic market (East / North China) , 30% export	
IH (Jakata, Indonesia)	57,777	1. MC 2. Indonesia market (outlook: ASEAN and Moslem market)	

Industry chain & business model

Our niche business model

1. Achieve economies of scale, renowned brand and leader manufacturer in the field.
2. Possess well-appointed production line and be able to provide one-stop shopping service.
3. Focus on own field. Only develop market with customer, never compete with customer.
4. Reclaim own copper scrap. That is to decrease cost and ensure copper quality.
5. The electroplating and rubber mixing is all done by our own factory, thus, ensuring product quality.
6. High automation level, attaching great importance to EH&S.
7. Possess three production bases which are relatively located in China and Indonesia. Group production could be allocated flexibly.



Financial Results

NTD thousand

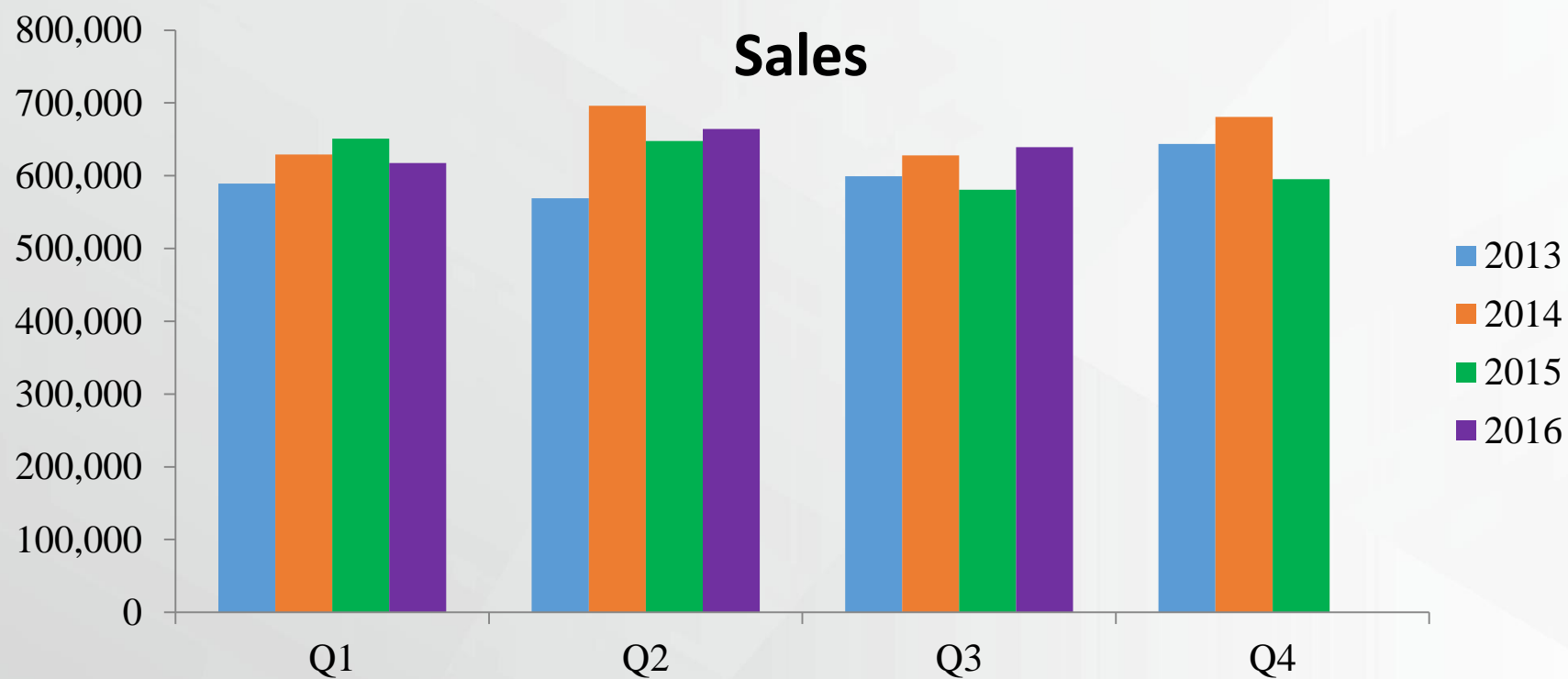
	2013	2014	2015	20160930	20150930
Sales	2,400,859	2,633,761	2,474,627	1,920,881	1,879,285
Gross Profit	444,094	553,696	545,640	493,516	404,203
Gross Profit%	18.50%	21.02%	22.05%	25.69%	21.51%
Operation Expense	249,495	261,402	263,341	198,690	192,710
Operation Expense%	10.39%	9.93%	10.64%	10.34%	10.25%
Operating Profit	194,599	292,294	282,299	294,826	211,493
Operations Profit%	8.11%	11.10%	11.41%	15.35%	11.25%
Net Income	106,825	230,569	246,505	229,717	189,811
Net Income%	4.45%	8.75%	9.96%	11.96%	10.10%
Capital	676,140	709,947	744,947	744,947	744,947
EPS	1.77	3.25	3.35	3.08	2.59
Dividend	0.5+0.5	2.09663694	2.2	—	-



Financial Results

	2013	2014	2015	2016
Q1	589,138	629,072	650,772	617,421
Q2	569,012	696,019	647,847	664,226
Q3	599,162	627,904	580,666	639,234
Q4	643,547	680,766	595,342	-

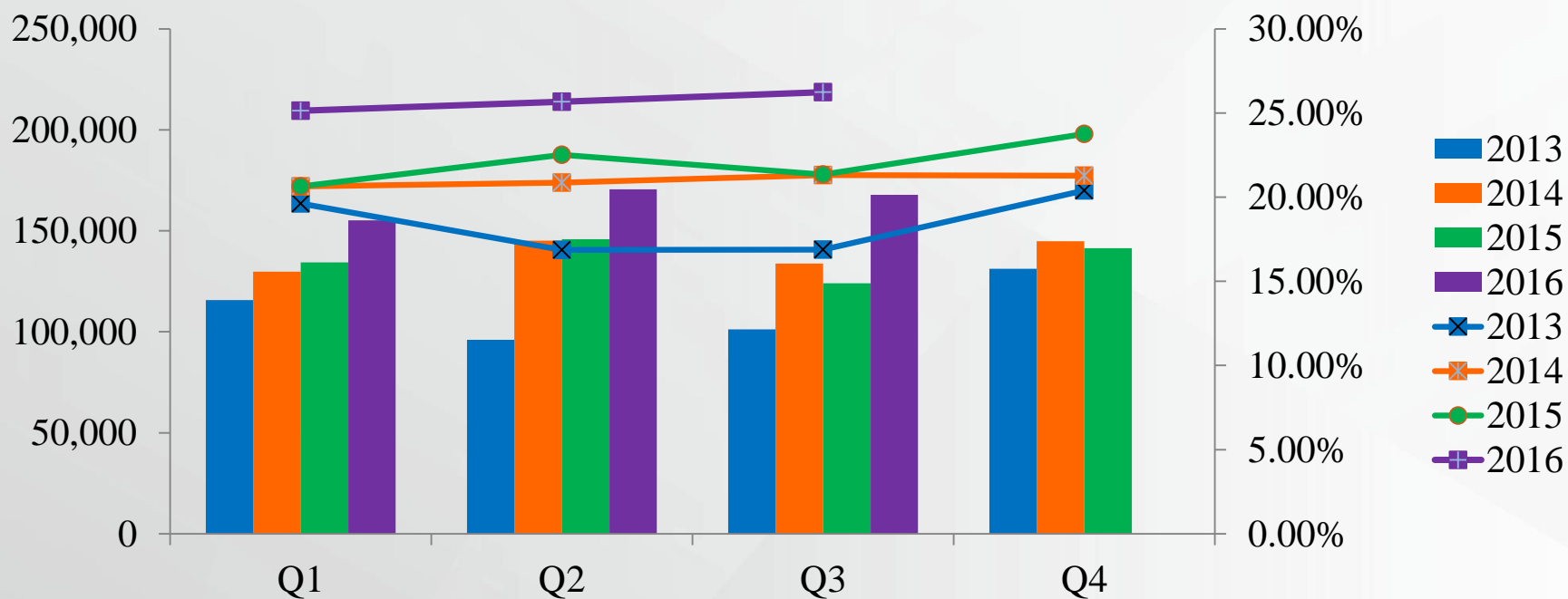
NTD thousand



Financial Results

	Gross Profit				Gross Profit Ratio			
	2013	2014	2015	2016	2013	2014	2015	2016
Q1	115,654	129,818	134,301	155,248	19.63%	20.64%	20.64%	25.14%
Q2	95,965	145,202	145,910	170,507	16.87%	20.86%	22.52%	25.67%
Q3	101,223	133,811	123,992	167,761	16.89%	21.31%	21.35%	26.24%
Q4	131,252	144,865	141,437	-	20.40%	21.28%	23.76%	-

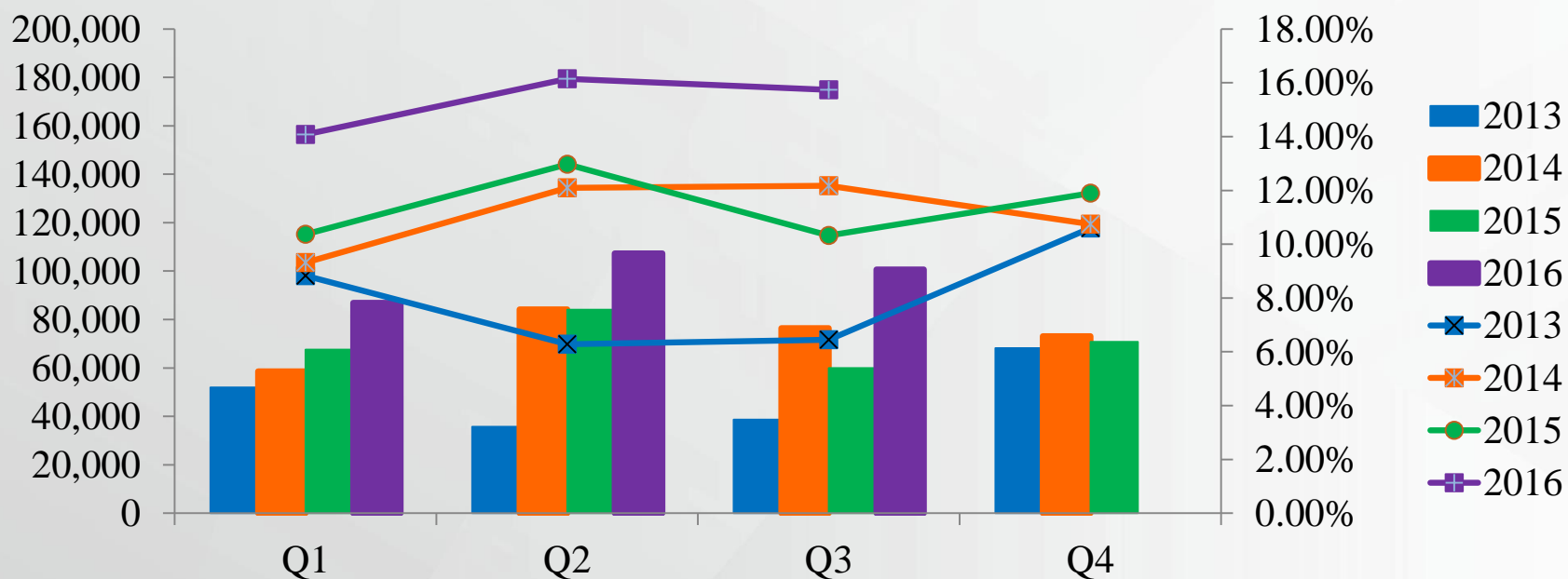
NTD thousand



Financial Results

	Operating Profit				Operating Profit Ratio			
	2013	2014	2015	2016	2013	2014	2015	2016
Q1	52,005	58,636	67,511	86,910	8.83%	9.32%	10.37%	14.08%
Q2	35,732	84,126	84,035	107,297	6.28%	12.09%	12.97%	16.15%
Q3	38,621	76,418	59,947	100,617	6.45%	12.17%	10.32%	15.74%
Q4	68,241	73,114	70,806	-	10.60%	10.74%	11.89%	-

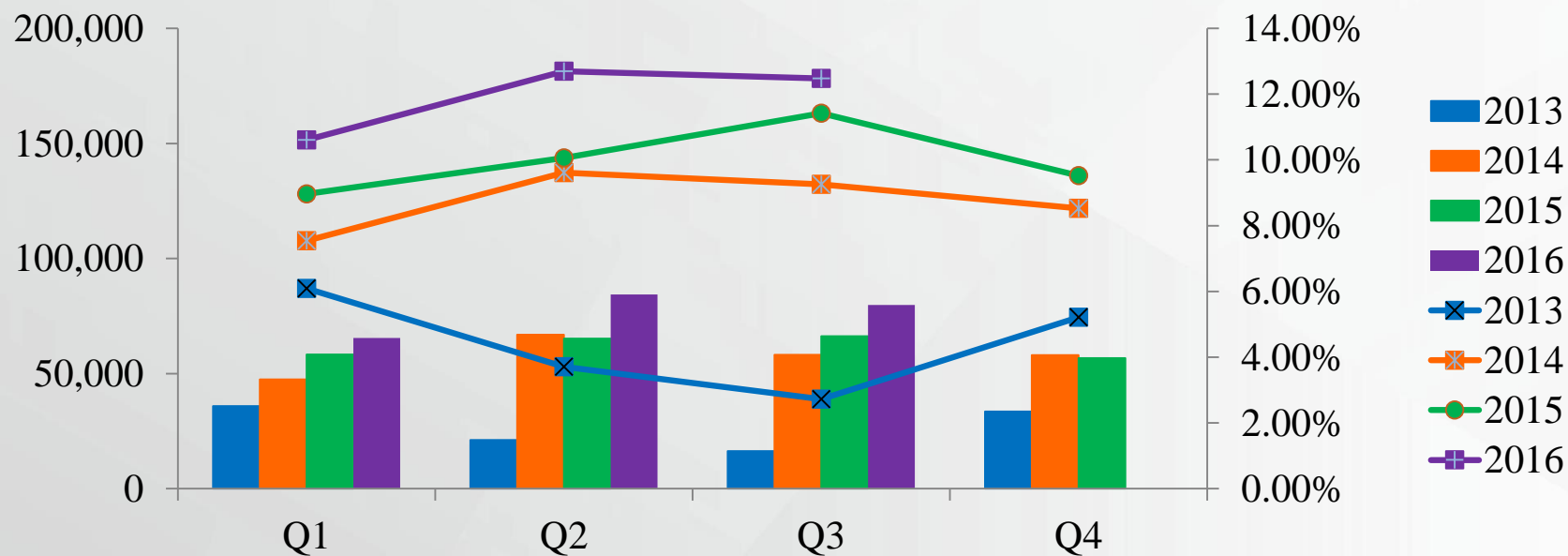
NTD thousand



Financial Results

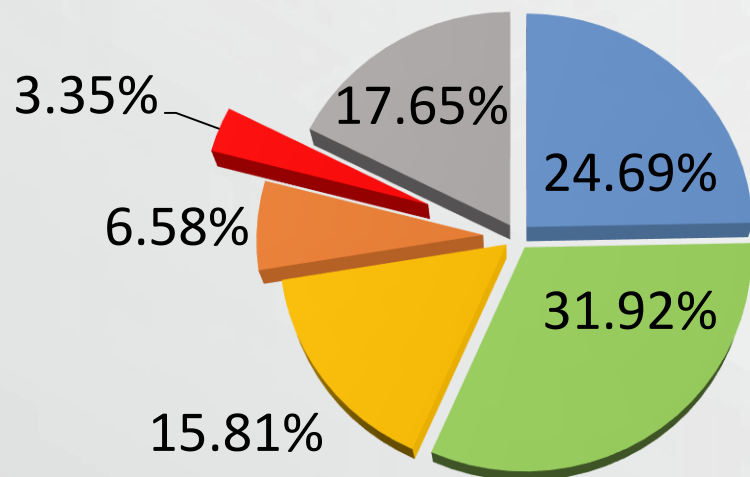
	Net Income				Net Income Ratio			
	2013	2014	2015	2016	2013	2014	2015	2016
Q1	35,892	47,460	58,296	65,530	6.09%	7.54%	8.96%	10.61%
Q2	21,112	66,865	65,198	84,386	3.71%	9.61%	10.06%	12.70%
Q3	16,296	58,174	66,317	79,801	2.72%	9.26%	11.42%	12.48%
Q4	33,525	58,070	56,694	-	5.21%	8.53%	9.52%	-

NTD thousand

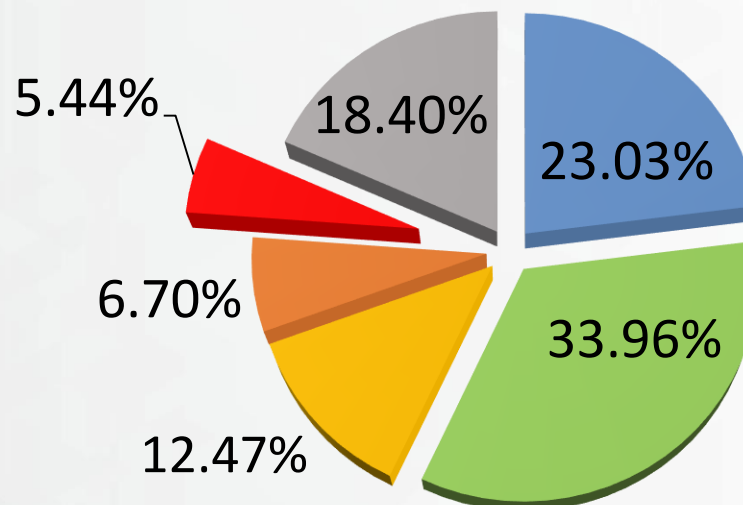


Revenue Breakdown by product category

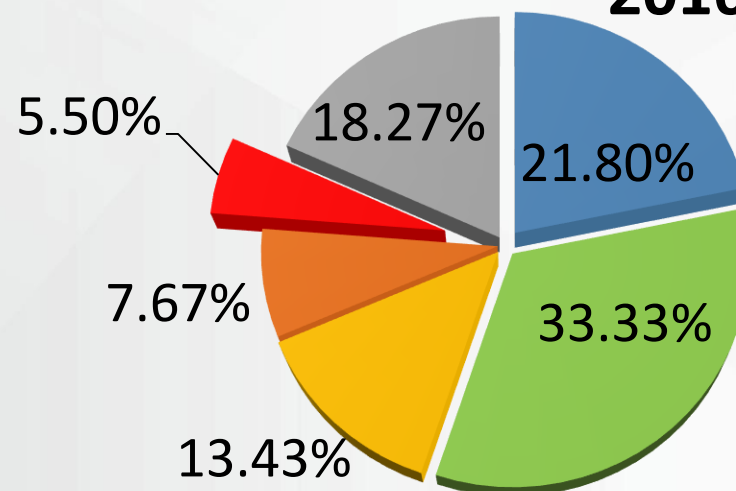
2014



2015



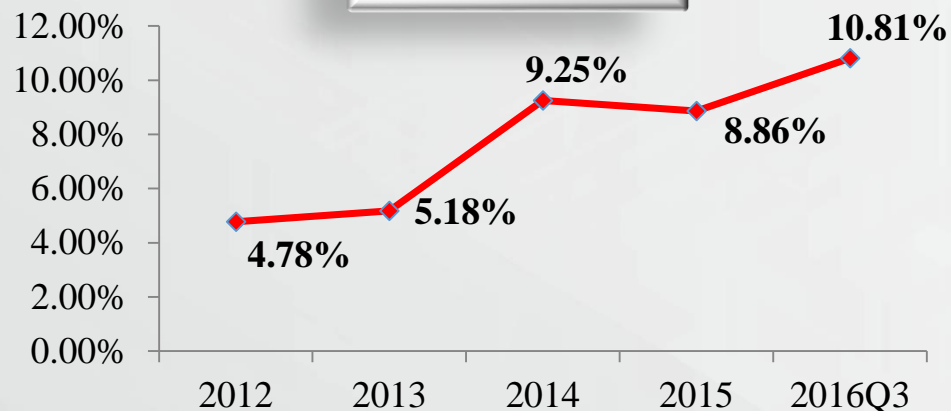
2016Q3



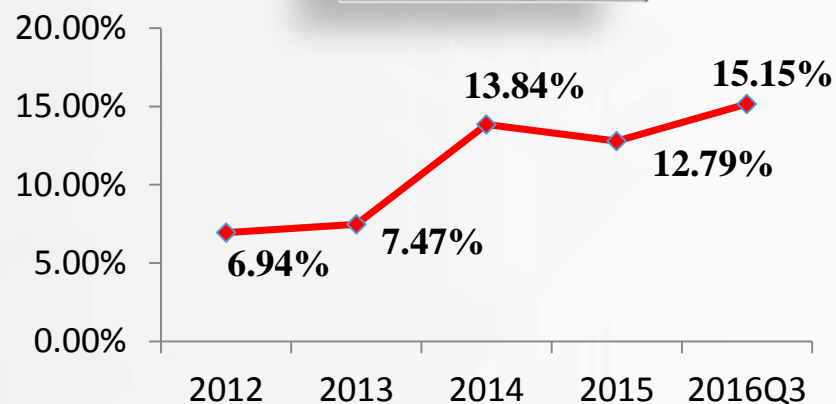
- 腳踏車BC
- 機車、電動摩托車MC, electric MC
- 卡車及非道路用車類T/B, L/T, AG, Otr
- 汽車類PC
- TPMS類
- 配件及其他accessories and others

Financial Results

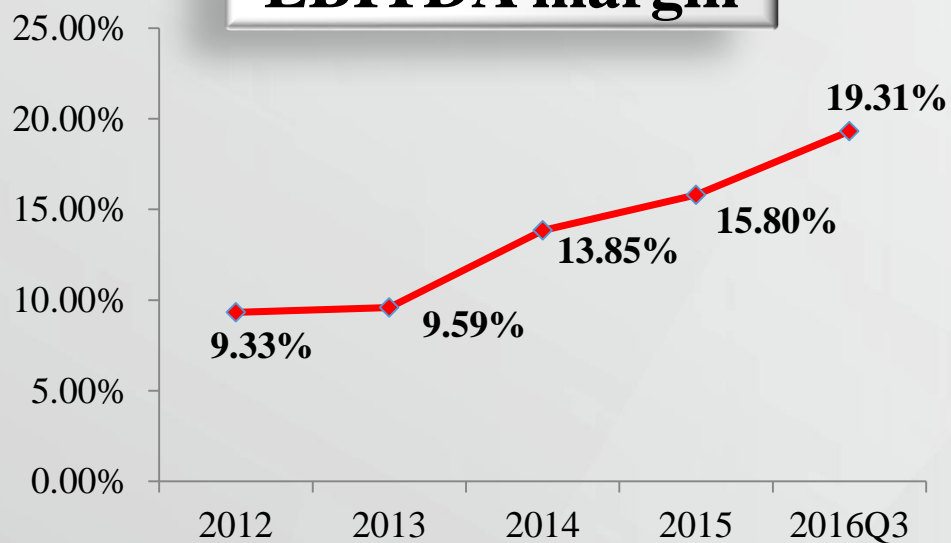
ROA



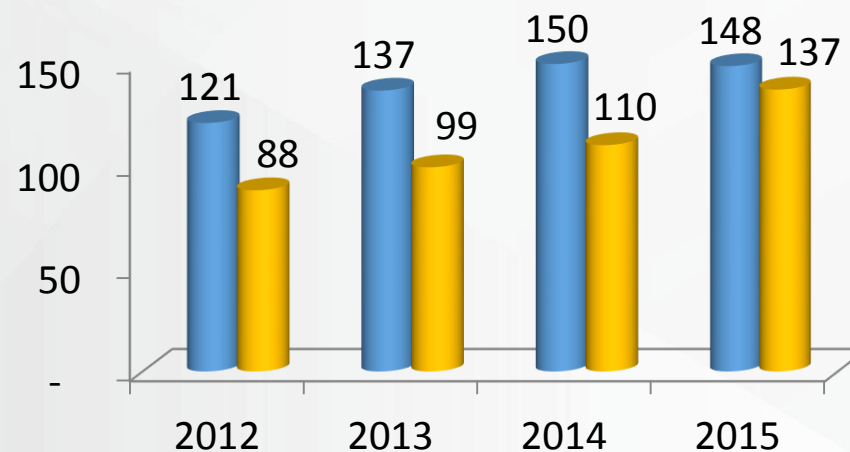
ROE



EBITDA margin



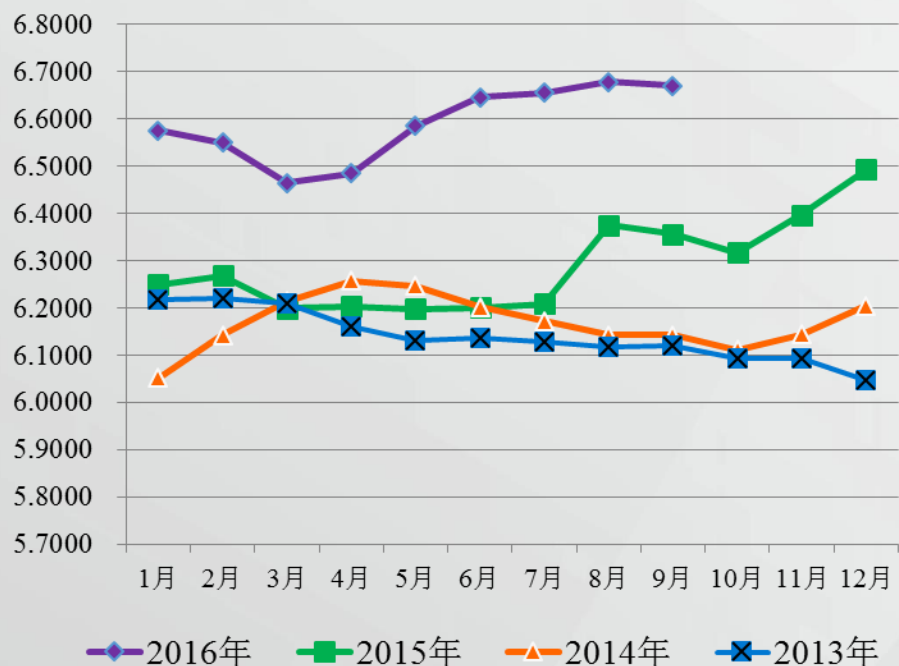
■ 人均貢獻月營收 ■ 人均月產值



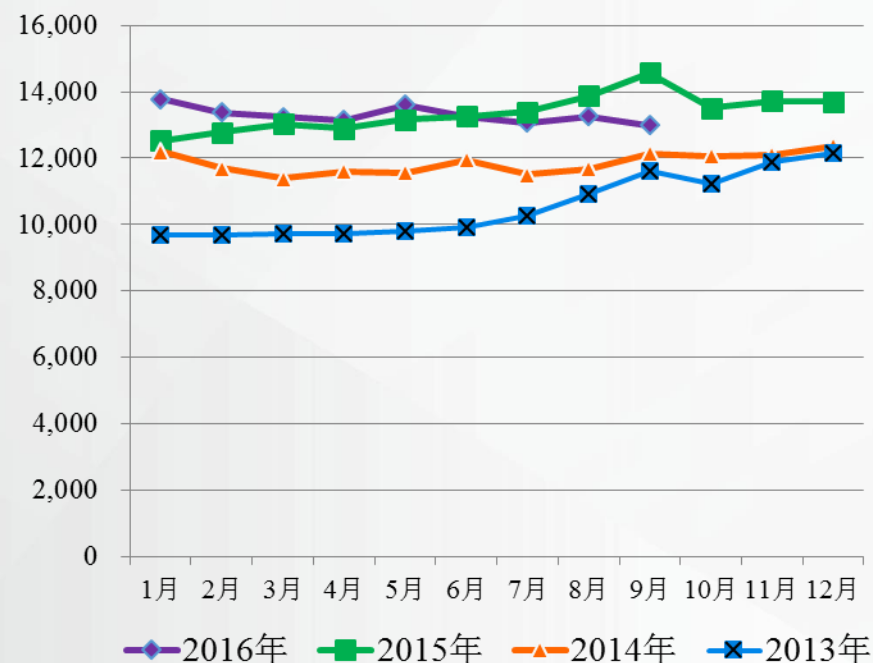
Financial Results

Foreign Exchange	2013 H1	2013 H2	2014 H1	2014 H2	2015 H1	2015 H2	2016 0930
NTD thousand	(9,356)	(17,900)	3,373	(3,989)	(1,342)	18,777	5,848

USD/RMB



USD/INR





THANK YOU !!

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LU HAI HOLDING CORP. We Deliver the Best Quality & High-end Technology from Taiwan !

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