

2018 Earnings Conference 6164

Ledtech Electronics Corp.

<http://www.ledtech.com.tw>

2018/11/12

Ledtech

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- The presentation may contain statements regarding the future based on current expectations and are subject to known or unknown risks or uncertainties. Actual future results may differ significantly.
- Unless otherwise required by law, the Company is not obliged to update its future prospects in response to new information or future events.

Agenda

- I、Company Introduction
- II、Products Introduction
- III、Operating Results
- IV、Future Prospects





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Zhaoqing City, Guangdong, China.

ENERGYLED CORPORATION
Nanya Industrial Zone, Mugang Town,
Zhaoqing City, Guangdong, China.

ENERGYLED ELECTRONICS CORPORATION
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City Ledtech Electronics Corporation Room 108

LEDTECH ELECTRONICS CORPORATION
5F, No. 542-5, Zhongzheng Rd., Xindian Dist.,
New Taipei City, Taiwan, R.O.C

ENERGYLED CORPORATION
6F, No. 542-5, Zhongzheng Rd.,
Xindian Dist., New Taipei City,
Taiwan, R.O.C

GELWIN TECHNOLOGY LTD.
UNIT 17, 7F., HONG LEONG IND., COMPLEX, 4
WANG KING RD., KOWLOON BAY, KOWLOON,
HONG KONG

1977.09 : Ledtech Electronics Corp. was established in Taiwan with an initial capital of NTD 5 Millions

1980.11 : Moved to the current HQ in Xindian District and still possesses the old one on Banqiao District

1992.07 : We established the “Zhao Qing Ledtech Electronics Corp.” in China.

1996.12 : We established “Ledtech USA” in L.A..

1997.05 : Initial Public Offerings

2002.04 : We went public in OTC.



2007.01 : We established “Energyled Corp. “ for lighting products.



2007.12 : We established the “立曜 ENERGYLED CORPORATION” in China.



2008.10 : LEDTECH went public in TWSE. (TWSE: 6164)



2010.10 : We established the “立能 ENERGYLED ELECTRONICS CORPORATION” in China.

The First Decade

- Focus on the indicator light source for applications from 7-segment displays, monitors, game consoles, audio equipments, to home appliances.

The Second Decade

- Concentrate on high value-added LED modules for industrial applications, mainly used on modems, remote controllers, or indicators for high-end equipments or automobiles.

The Third Decade

- Strengthen automation production scale: to transform the company from a component provider to a module designerto increase product added-value by using LED as a point light source to linear and even surface light source to engage in LED core technology and solidify lighting application fundamentals

The Fourth Decade

- Usher into LED lighting era with the efficiency improvement in blue, green, and 4-element red/yellow chips.
“Incandescent light bulbs lit the 20th century; the 21st century will be lit by LED lamps.” When the Royal Swedish Academy of Sciences stated it in 2014, Ledtech Group also stepped into niche market lighting segment

The Next Decade

- Usher into LED lighting era with the efficiency improvement in blue, green, and 4-element red/yellow chips.
“Incandescent light bulbs lit the 20th century; the 21st century will be lit by LED lamps.” When the Royal Swedish Academy of Sciences stated it in 2014, Ledtech Group also stepped into niche market lighting segment

Products Introduction

Industrial Structure



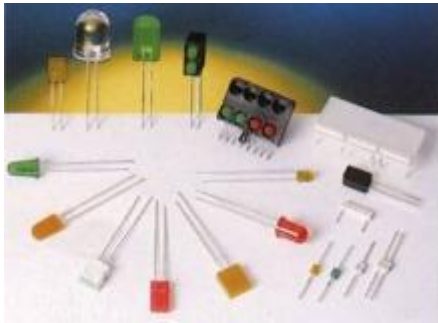
- 上游 Industry upstream : Epi-Wafer
- 中游 Industry middlestream : LED-Chip
- 下游 Industry downstream : LED package and module(Ledtech)

Components : Lamp 、 Display 、 SMD 、 Back light 、 High power 、 Chip on board leds

- 應用 Applications : Led light source and lighting fixture(Energyled)

Finish products : commercial lighting (Light Bulb 、 Tubes 、 Panel light 、 Down light)
Industrial lighting(Spotlight 、 Flood light 、 High bay light 、 Street light)
Low-temperature lighting

LED Lamp



SMD LED



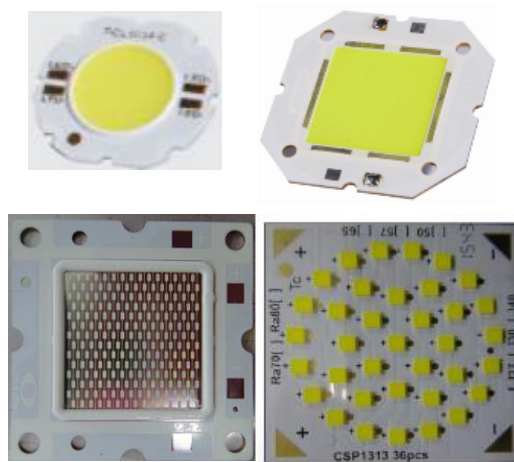
High Power LED



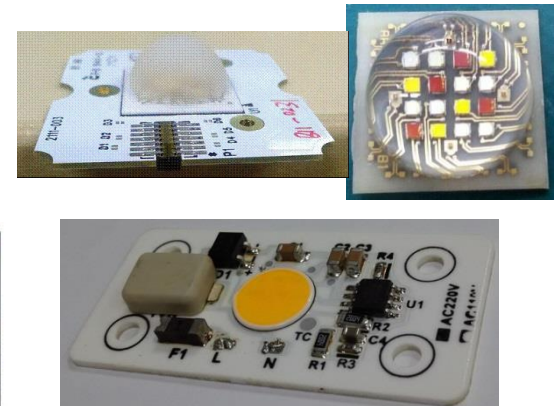
LED Display



Chip On Board LED



COB NEW LED





Sharp Cash Register / Japan



Haier Washing Machine / China



LG Kimchi Fridge / Korea



LG Dios Ref. / Korea



M-BENZ / Germany

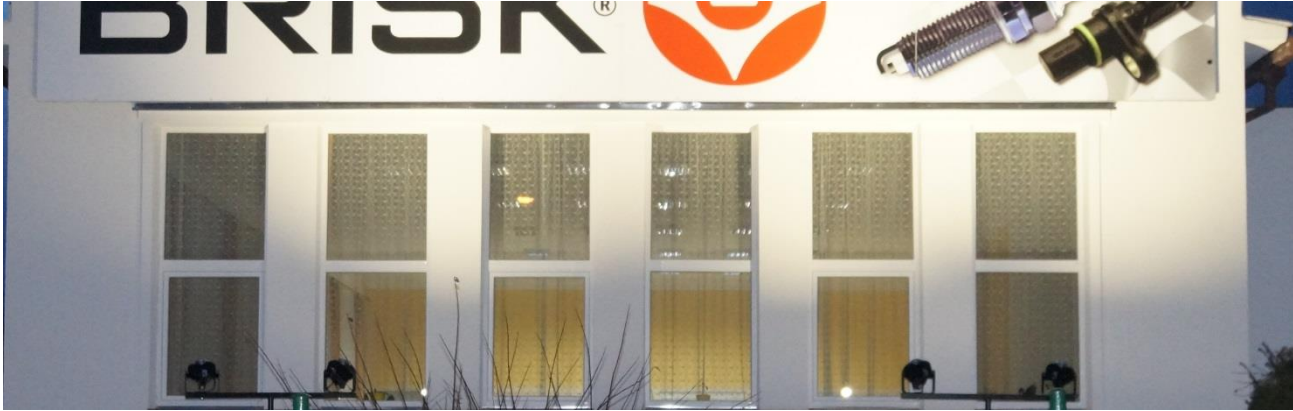


Porsche Cayenne / Germany

Products Introduction

Commercial Lighting Successful Projects





Products Introduction

Industrial Lighting
Successful Projects

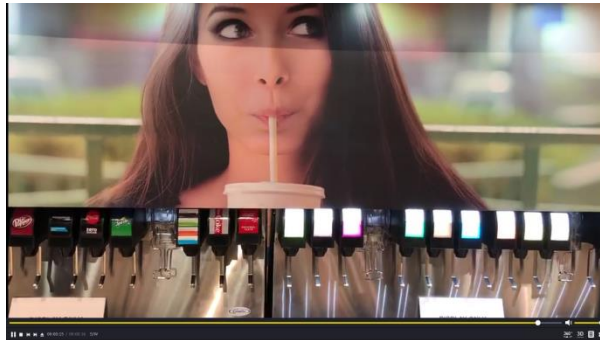
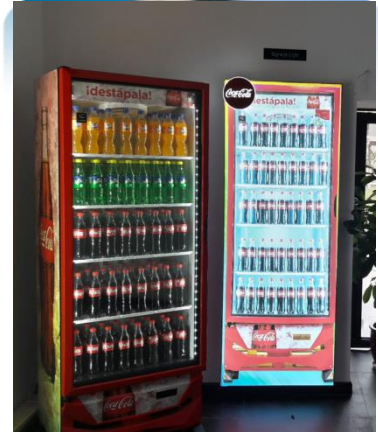
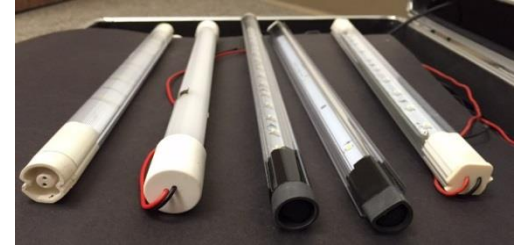
High/Low Bay
Light





Products Introduction

Low-temperature Lighting Successful Projects



Products Introduction

Successful Projects
In Taiwan



FamilyMart

Total 3,298 Stores in Taiwan

Phase two :
Commercial Lighting



Phase one : Low Temp. Lighting



Phase three : General Lighting



Phase four : Signage Lighting



Products Introduction

Successful Projects
In the export area



Operating Results

3Q18 Results

<i>In NT thousand</i>	3Q18		2Q18		QoQ	3Q17		YoY
	Amount	%	Amount	%	%	Amount	%	%
Net Sales	255,378	100.0	335,202	100.0	-24	306,812	100.0	-17
COGS	170,494	66.8	241,299	72.0	-29	219,542	71.6	-22
Gross Profit	84,884	33.2	93,903	28.0	-10	87,270	28.4	-3
Operating Expense	82,994	32.5	84,347	25.2	-2	79,677	26.0	4
Operating Profit	1,890	0.7	9,556	2.8	-80	7,593	2.4	-75
Other Income/Expense	(1,059)	(0.4)	(7,000)	(2.1)	85	2,722	0.9	-139
Profit Before Tax	831	0.3	2,556	0.7	-67	10,315	3.3	-92
Income Tax Expenses	1,406	0.6	(1,357)	(0.4)	204	(4,212)	(1.4)	133
Non-Controlling Interest	45	0.0	96	0.0	-53	(64)	(0.0)	-170
Profit Attributable to Parent	2,192	0.9	1,103	0.3	99	6,167	1.9	-64
After Tax EPS	0.02		0.01			0.06		
Shares:(thousand shares)	100,000		100,000			100,000		

Operating Results

3Q18YTD Results

<i>In NT thousand</i>	3Q18		3Q17		YoY
	Amount	%	Amount	%	%
Net Sales	862,759	100.0	981,083	100.0	-12
COGS	612,638	71.0	679,629	69.3	-10
Gross Profit	250,121	29.0	301,454	30.7	-17
Operating Expense	250,165	29.0	247,158	25.2	1
Operating Profit	(44)	(0.0)	54,296	5.5	-100
Other Income/Expense	(3,642)	(0.4)	8,044	0.8	-145
Profit Before Tax	(3,686)	(0.4)	62,340	6.3	-106
Income Tax Expenses	8,201	1.0	(20,075)	(2.0)	141
Non-Controlling Interest	15	0.0	48	0.0	-69
Profit Attributable to Parent	4,500	0.6	42,217	4.3	-89
After Tax EPS	0.05		0.42		
Shares:(thousand shares)	100,000		100,000		

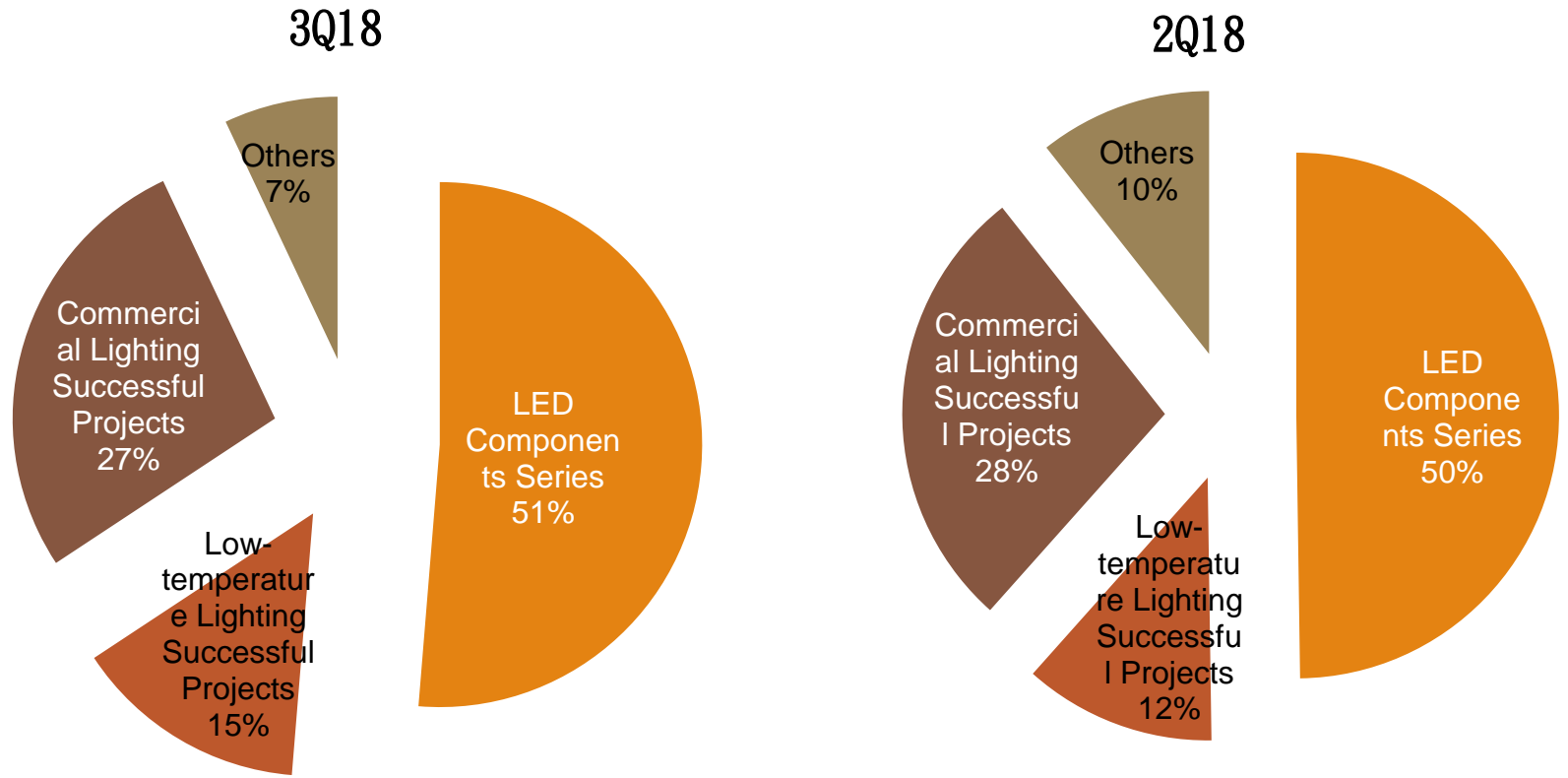
Operating Results

Other Incomes/Other Expenses

<i>In NT\$ thousand</i>	3Q18	3Q18YTD
Net Interest	525	2,235
FX	(11,941)	(13,709)
Others	10,357	7,832
Total OIOE	(1,059)	(3,642)

Operating Results

3Q18 Revenue Contribution by Product

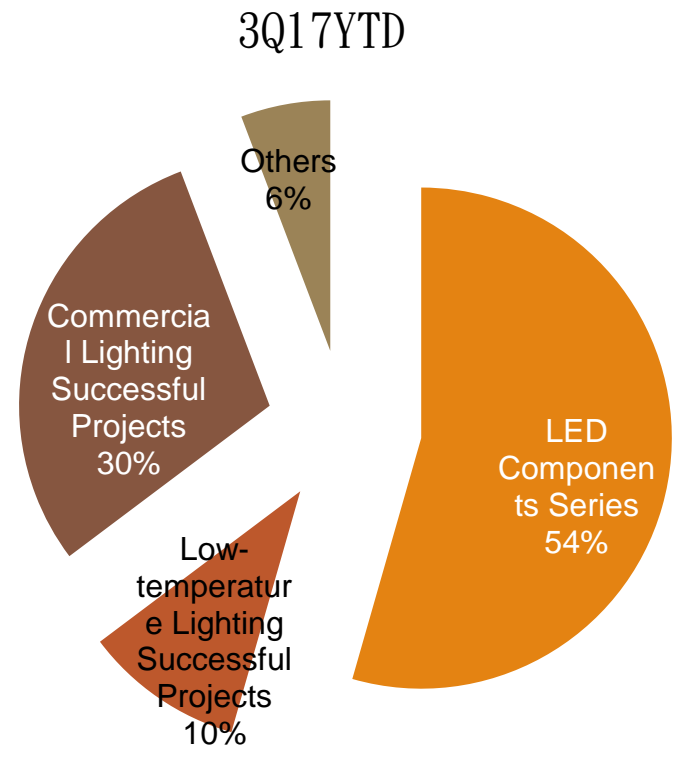
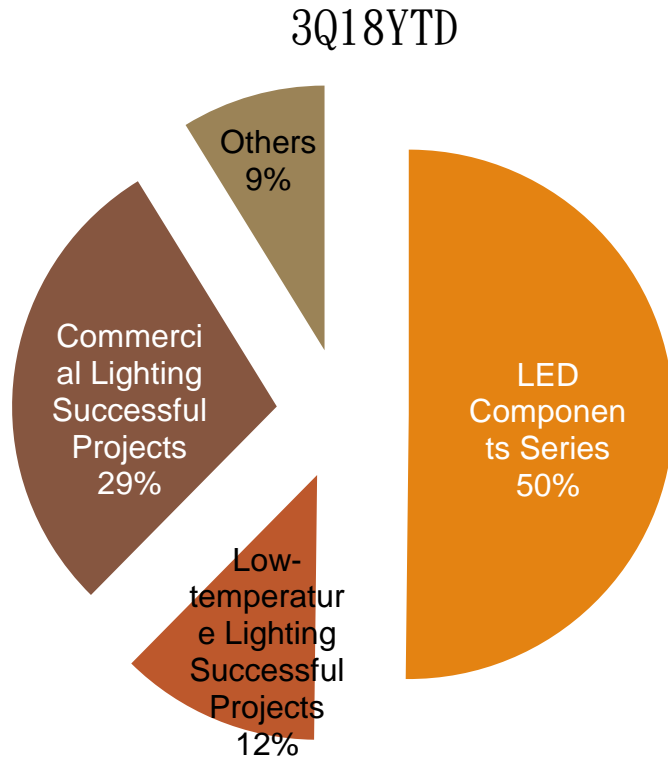


LED Components Series	LAMP 、CHIP LED 、 DISPLAY 、 HIGH POWER 、 BACKLIGHT 、 COB 、 SMD etc.
Commercial Lighting Successful Projects	Led Bulbs 、 Led Tubes 、 Panel Light 、 Spot Light 、 Flood Light 、 Flood Light 、 High/Low Bay Light 、 Street Light etc.
Low-temperature Lighting Successful Projects	Led Bulbs 、 Led Tubes etc.
Others	Raw materials and parts

<i>In NT thousand</i>	3Q18	2Q18	QoQ
LED Components Series	130,995	166,830	-21%
Commercial Lighting Successful Projects	36,846	39,631	-7%
Low-temperature Lighting Successful Project	69,626	93,105	-25%
Others	17,911	35,636	-50%

Operating Results

3Q18YTD Revenue Contribution by Product



LED Components Series	LAMP 、CHIP LED 、DISPLAY 、HIGH POWER 、BACKLIGHT 、COB 、SMD etc.
Commercial Lighting Successful Projects	Led Bulbs 、Led Tubes 、Panel Light 、Spot Light 、Flood Light 、Flood Light 、High/Low Bay Light 、Street Light etc.
Low-temperature Lighting Successful Projects	Led Bulbs 、Led Tubes etc.
Others	Raw materials and parts

<i>In NT thousand</i>	3Q18	3Q17	QoQ
LED Components Series	432,965	534,054	-19%
Commercial Lighting Successful Projects	105,305	101,163	4%
Low-temperature Lighting Successful Project	248,595	289,172	-14%
Others	75,894	56,694	34%

Operating Results

Balance Sheet

<i>In NT thousand</i>	3Q18		2Q18		3Q17	
	Amount	%	Amount	%	Amount	%
Cash & Equivalent	346,352	16	394,168	18	376,557	18
Accounts Receivable	272,624	13	340,944	16	300,478	14
Inventories	198,604	9	198,747	9	187,589	9
Current Assets	1,279,320	60	1,249,124	58	1,329,506	64
Total Assets	2,125,373	100	2,133,702	100	2,090,900	100
Short Term Debt	328,000	15	268,000	13	285,000	14
Accounts Payable	243,463	12	212,552	10	163,597	8
Current Liabilities	749,712	35	721,194	34	604,013	30
Long Term Debt	107,796	5	111,673	5	150,877	7
Total Liabilities	922,488	43	902,961	42	823,400	40
Equities	1,202,885	57	1,230,741	58	1,267,500	60

Key Indices

Current Ratio (x)	1.71	1.73	2.20
Quick Ratio (x)	1.44	1.46	1.89

1. Carry out core technology:

to develop niche markets, such as automotive electronics, biomedical engineering, security, smart lighting, low temperature, signage and film industry, based on LED packaging core technology.

2. Reinforce scale production advantage:

to provide the best quality, highest performance, and most competitive products to our customers with production automation in the new facility.

3. Explore lighting product business:

to win more business with local channel partners and bring out new exporting opportunities based on domestic success in industry and commercial lighting.

4. Bring in strategic system partners:

to fulfill customers' demands by working with controlling system solution providers and driver manufactures.

5. Expand low temperature market share:

to expands the Coca-Cola cooler market in China, Southeast Asia, India, Mid East, Africa, and Oceania, from Coca-Cola low temperature lighting expanding to other lighting products.

THE END

Thank You

Q & A

