

# 2019 Earnings Conference 6164

Ledtech Electronics Corp.

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

2019/12/19

*Ledtech*

# Disclaimer

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- Contents of this presentation are based on CPAcertified financial statements prepared in accordance with IFRS. The full content and data are subject to the financial statements.
- 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

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



# Company Introduction

# Locations



LEDTECH ELECTRONICS CORP.  
18223 Railroad Street., City Of Industry, CA 91748 U.S.A.

LEDTECH ELECTRONICS CORPORATION  
2nd Floor, Research and Development Building 1  
(Zone 22) Guiyuan Rd. North, Jixi Rd. West,  
Duanzhou District, Zhaoqing City, Guangdong  
Province China

ENERGYLED CORPORATION  
1st Floor, Research and Development Building 1  
(Zone 22) Guiyuan Rd. North, Jixi Rd. West,  
Duanzhou District, Zhaoqing City, Guangdong  
Province China


ENERGYLED ELECTRONICS CORPORATION  
(Zone 22) Guiyuan Rd. North, Jixi Rd. West, Duanzhou  
District, Zhaoqing City, Guangdong Province China

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


ENERGYLED CORPORATION  
6F, No. 542-4, Zhongzheng Rd.,  
Xindian Dist., New Taipei City,  
Taiwan, R.O.C

GELWIN TECHNOLOGY LTD.  
UNIT17,7F.,HONG LEONG IND.,COMPLEX,4  
WANG KING RD., KOWLOON BAY, 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)

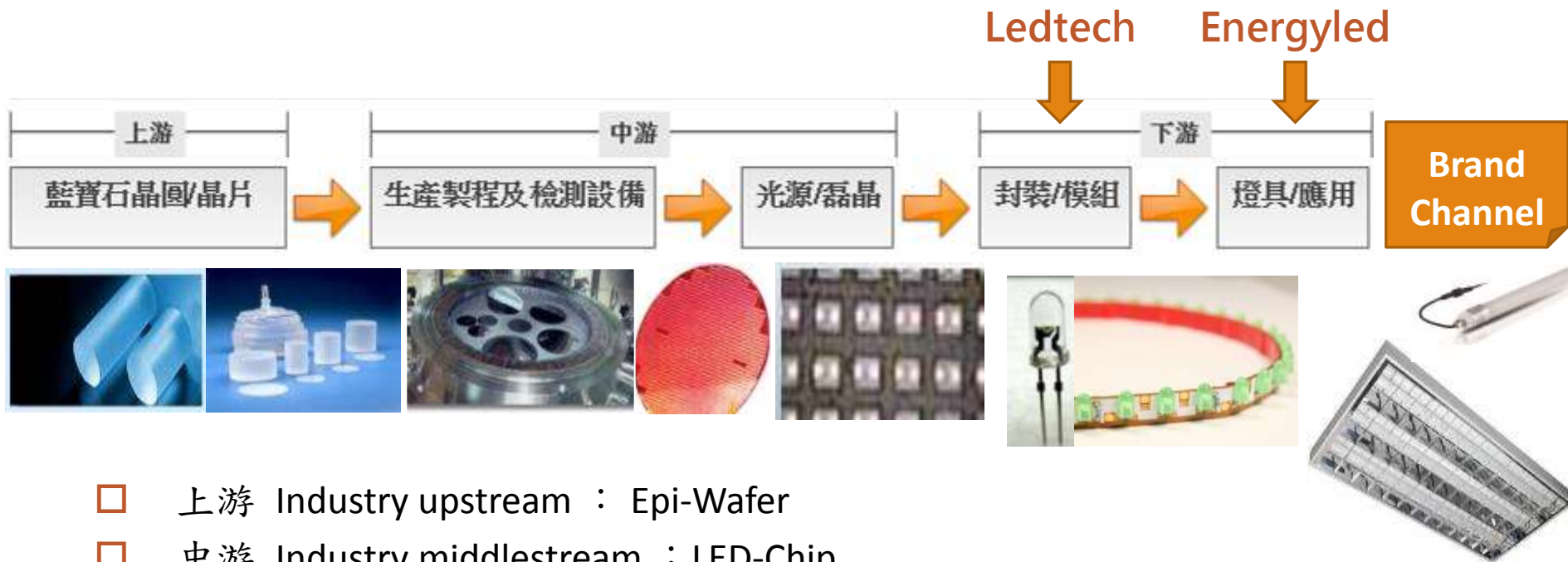


2010.10 : We established the “立能 ENERGYLED ELECTRONICS CORPORATION” in China.



# 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



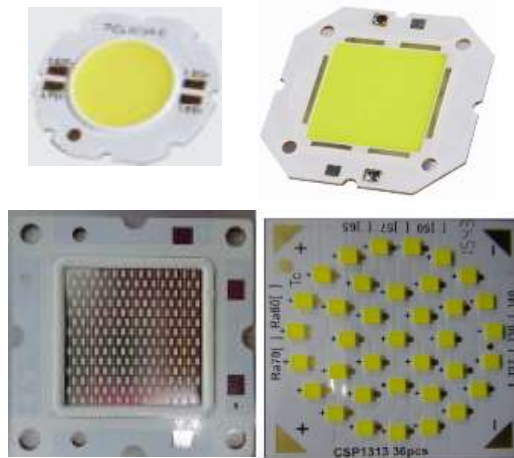
### High Power LED



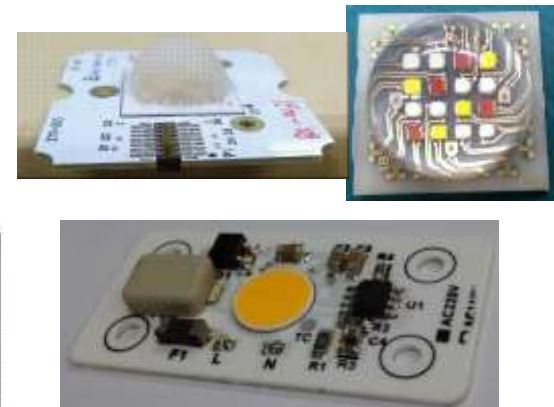
### LED Display



### 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

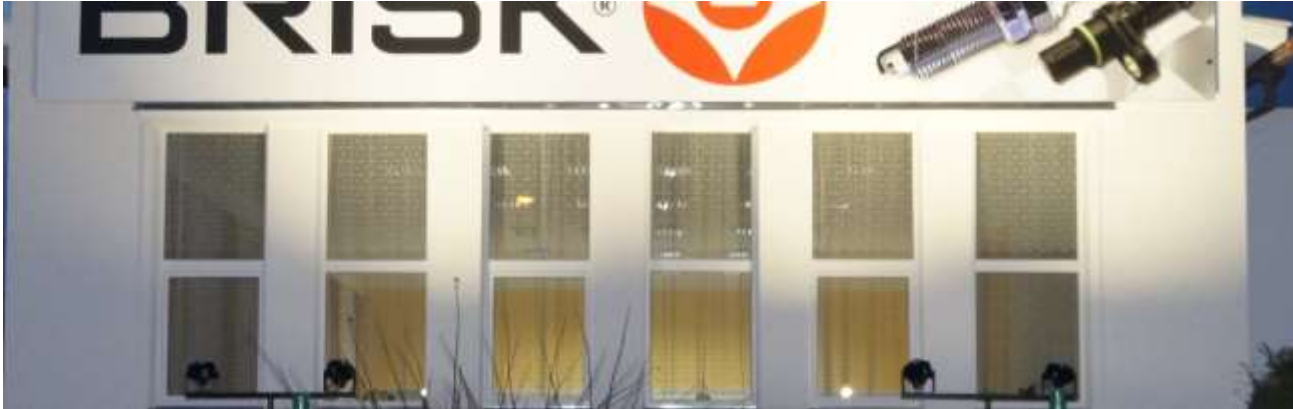


Porsche Cayenne / Germany

# Products Introduction

## Commercial Lighting Successful Projects







# Products Introduction

Industrial Lighting  
Successful Projects

High/Low Bay  
Light

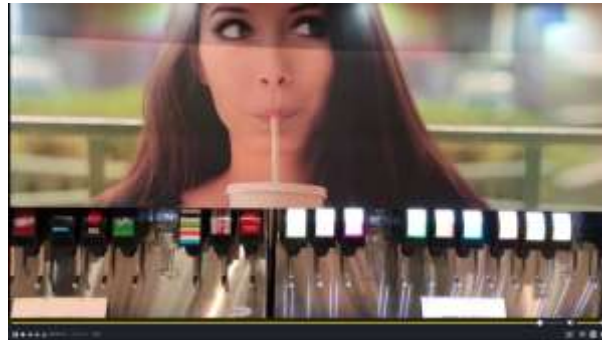






# Products Introduction

## Low-temperature Lighting Successful Projects



# Products Introduction

## Successful Projects In Taiwan



Total 3,541 Stores in Taiwan

Phase two : Commercial Lighting



Phase one : Low Temp. Lighting



Phase three : General Lighting



Phase four : Signage Lighting



Active partnerships with hotels, convenient stores, supermarkets, food industry, banking and local channel partners.



# Products Introduction

Successful Projects  
In China

Successful classroom  
lighting projects in  
Beijing  
Qingdao  
Guangdong  
Fujian  
Heilongjiang



# Products Introduction

Successful Projects  
In China

Successful classroom  
lighting projects in  
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Heilongjiang





# Products Introduction

Successful Projects  
In the export area





# Operating Results

# 3Q19 Results

| <i>In NT thousand</i>         | 3Q19     |        | 2Q19     |       | QoQ   | 3Q18    |       | YoY     |
|-------------------------------|----------|--------|----------|-------|-------|---------|-------|---------|
|                               | Amount   | %      | Amount   | %     | %     | Amount  | %     | %       |
| Net Sales                     | 227,990  | 100.0  | 247,411  | 100.0 | (8)   | 255,378 | 100.0 | (11)    |
| COGS                          | 173,614  | 76.1   | 181,644  | 73.4  | (4)   | 170,494 | 66.8  | 2       |
| Gross Profit                  | 54,376   | 23.9   | 65,767   | 26.6  | (17)  | 84,884  | 33.2  | (36)    |
| Operating Expense             | 73,877   | 32.4   | 78,152   | 31.6  | (5)   | 82,994  | 32.5  | (11)    |
| Operating Profit              | (19,501) | (8.5)  | (12,385) | (5.0) | (57)  | 1,890   | 0.7   | (1,132) |
| Other Income/Expense          | (5,065)  | (2.2)  | 8,557    | 3.5   | (159) | (1,059) | (0.4) | (378)   |
| Profit Before Tax             | (24,566) | (10.7) | (3,828)  | (1.5) | (542) | 831     | 0.3   | (3,056) |
| Income Tax Expenses           | 4,595    | 2.0    | 112      | 0.0   | 4,003 | 1,406   | 0.6   | 227     |
| Non-Controlling Interest      | 54       | 0.0    | 163      | 0.1   | (67)  | 45      | 0.0   | 20      |
| Profit Attributable to Parent | (20,025) | (8.7)  | (3,879)  | (1.6) | (416) | 2,192   | 0.9   | (1,014) |
| After Tax EPS                 | (0.20)   |        | (0.04)   |       |       | 0.02    |       |         |
| Shares:( thousand shares)     | 100,000  |        | 100,000  |       |       | 100,000 |       |         |

# Operating Results

## 3Q19YTD Results

| <i>In NT thousand</i>         | 3Q19     |       | 3Q18    |       | YoY       |
|-------------------------------|----------|-------|---------|-------|-----------|
|                               | Amount   | %     | Amount  | %     | %         |
| Net Sales                     | 703,001  | 100.0 | 862,759 | 100.0 | (19)      |
| COGS                          | 519,601  | 73.9  | 612,638 | 71.0  | (15)      |
| Gross Profit                  | 183,400  | 26.1  | 250,121 | 29.0  | (27)      |
| Operating Expense             | 233,275  | 33.2  | 250,165 | 29.0  | (7)       |
| Operating Profit              | (49,875) | (7.1) | (44)    | (0.0) | (113,252) |
| Other Income/Expense          | 17,290   | 2.5   | (3,642) | (0.4) | 575       |
| Profit Before Tax             | (32,585) | (4.6) | (3,686) | (0.4) | (784)     |
| Income Tax Expenses           | 5,540    | 0.8   | 8,201   | 0.9   | (32)      |
| Non-Controlling Interest      | 249      | 0.0   | 15      | 0.0   | 1,560     |
| Profit Attributable to Parent | (27,294) | (3.8) | 4,500   | 0.5   | (707)     |
| After Tax EPS                 | (0.27)   |       | 0.05    |       |           |
| Shares:(thousand shares)      | 100,000  |       | 100,000 |       |           |

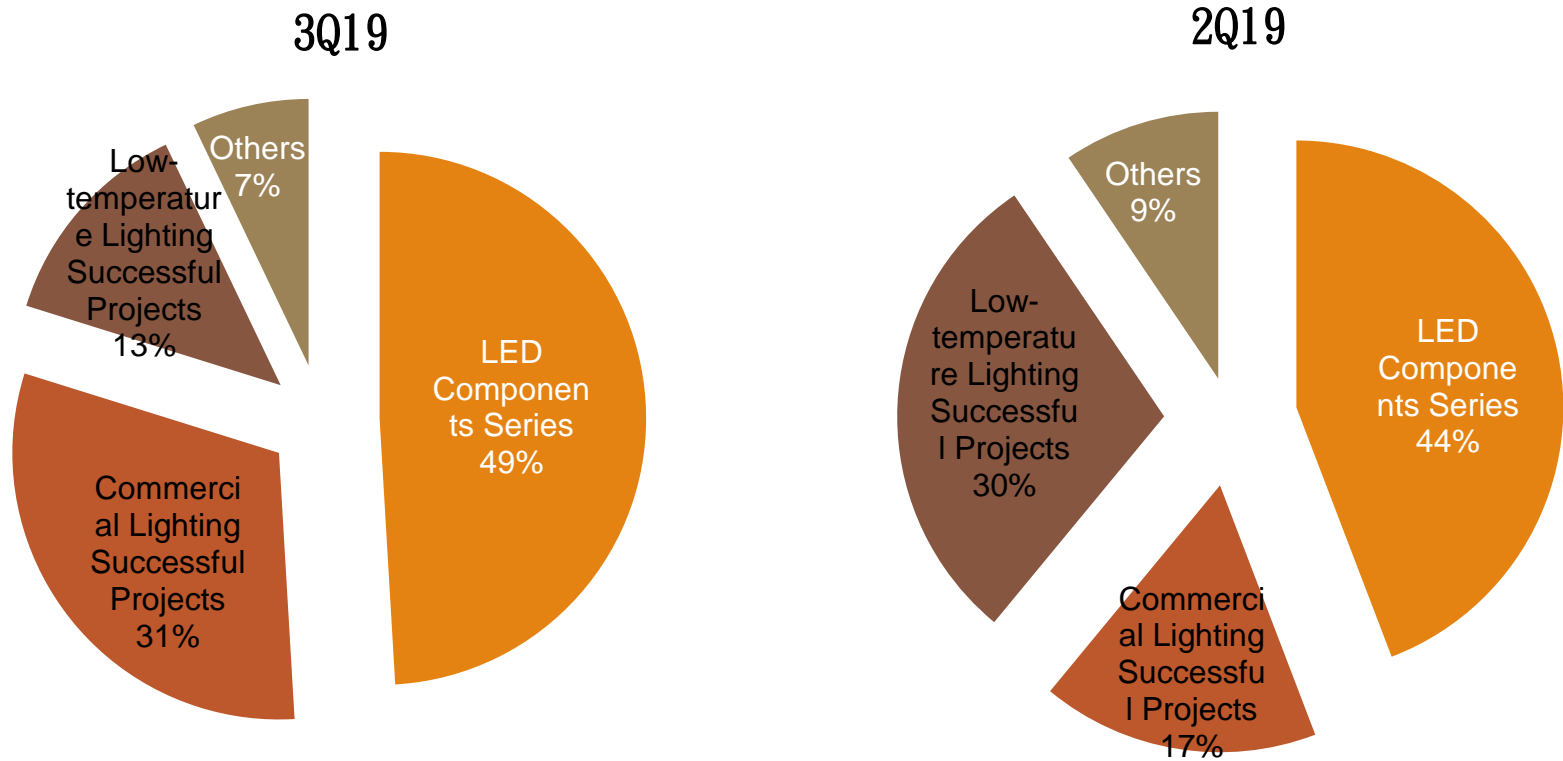
# Operating Results

## Other Incomes/Other Expenses

| <i>In NT\$ thousand</i> | 3Q19    | 3Q19YTD |
|-------------------------|---------|---------|
| Net Interest            | 433     | 1,751   |
| FX                      | (7,186) | (4,536) |
| Others                  | 1,688   | 20,075  |
| Total OIOE              | (5,065) | 17,290  |

# Operating Results

## 3Q19 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   |

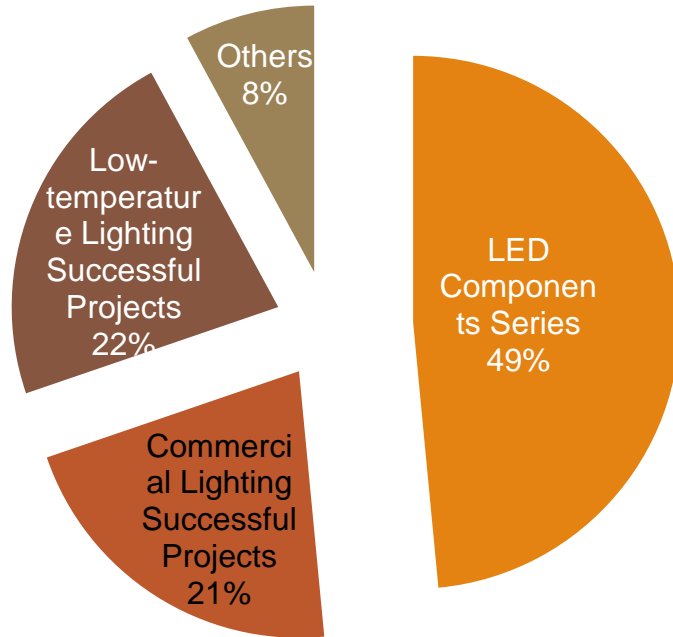
| <i>In NT thousand</i>                        | 3Q19    | 2Q19    | QoQ  |
|--|---------|---------|------|
| LED Components Series                        | 111,864 | 109,330 | 2%   |
| Commercial Lighting Successful Projects      | 70,119  | 41,551  | 69%  |
| Low-temperature Lighting Successful Projects | 29,830  | 73,077  | -59% |
| Others                                       | 16,177  | 23,453  | -31% |



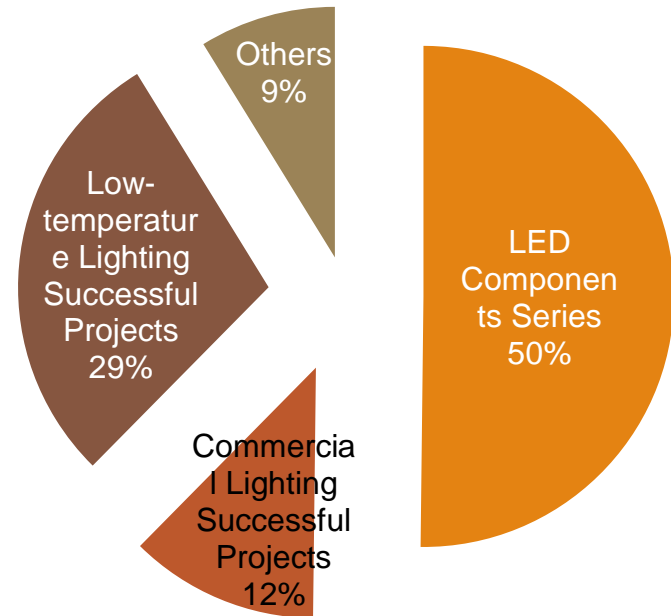
# Operating Results

## 3Q19YTD Revenue Contribution by Product

3Q19YTD



3Q18YTD



|  |  |
|--|--|
| 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>                        | 3Q19    | 3Q18    | QoQ  |
|--|---------|---------|------|
| LED Components Series                        | 340,867 | 432,965 | -21% |
| Commercial Lighting Successful Projects      | 149,505 | 105,305 | 42%  |
| Low-temperature Lighting Successful Projects | 157,052 | 248,595 | -37% |
| Others                                       | 55,577  | 75,894  | -27% |

## Operating Results

## Balance Sheet

| <i>In NT thousand</i> | 3Q19      |     | 2Q19      |     | 3Q18      |     |
|-----------------------|-----------|-----|-----------|-----|-----------|-----|
|                       | Amount    | %   | Amount    | %   | Amount    | %   |
| Cash & Equivalent     | 270,098   | 14  | 358,143   | 18  | 346,352   | 16  |
| Accounts Receivable   | 252,405   | 13  | 243,983   | 12  | 272,624   | 13  |
| Inventories           | 152,472   | 8   | 171,552   | 9   | 198,604   | 9   |
| Current Assets        | 1,069,659 | 56  | 1,097,476 | 56  | 1,279,320 | 60  |
| Total Assets          | 1,917,386 | 100 | 1,970,190 | 100 | 2,125,373 | 100 |
| Short Term Debt       | 317,000   | 17  | 266,000   | 14  | 328,000   | 15  |
| Accounts Payable      | 144,712   | 8   | 161,719   | 8   | 243,463   | 12  |
| Current Liabilities   | 617,222   | 32  | 599,822   | 30  | 749,712   | 35  |
| Long Term Debt        | 71,974    | 4   | 76,324    | 4   | 107,796   | 5   |
| Total Liabilities     | 756,289   | 39  | 755,514   | 38  | 922,488   | 43  |
| Equities              | 1,161,097 | 61  | 1,214,676 | 62  | 1,202,885 | 57  |

### Key Indices

|                   |      |      |      |
|-------------------|------|------|------|
| Current Ratio (x) | 1.73 | 1.83 | 1.71 |
| Quick Ratio (x)   | 1.49 | 1.54 | 1.44 |

# Future Business Opportunities - Category one

## 低溫照明 Low Temp Lighting



- 全球知名的品牌
- A Well Know Brand
- 持續與低溫最大客戶密切合作
- A “PLLM” for World Biggest Beverage Brand
- 拓展到更多的市場及Cooler的製造商，如俄羅斯，中東及印度地區
- Customers: Enter Russia, Middle East and India
- 除了飲料櫃，還有啤酒櫃及紅白酒櫃
- Beverage cooler, Beer Cooler, Wine Cellar
- 產品也更多元，不只是白色燈管
- Products Variety (Disc, RGB Tubes)

# Future Business Opportunities - Category Two

## 商用及工業照明 Commercial/ Industrial

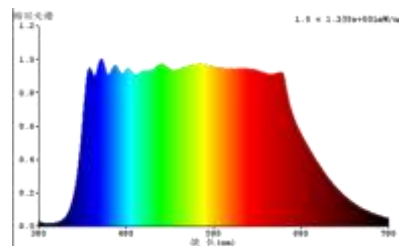


- 高端LED T5燈管切入市場
- T5 LED retrofit to replace conventional T5
- 平板燈的銷售會有兩位數的成長
- Flat panel lighting business will be double digits growth
- 中國教室照明興起換燈潮
- All the classrooms in China will need to replace with LED Lightings
- 智能路燈在北美市場
- Smart Street Lighting in North America



# Future Business Opportunities - Category Three

## 特殊元件及照明 Special Lighting



- 紫外線A LED 的應用
- UVA (320-400nm) LED Proliferation
  
- 紫外線C LED 的應用
- UVC (less than 280 nm) LED Proliferation
  
- 高演色性LED元件的機會
- High CRI LED components for Cinema/Entertainment Industry and Medical Industry
  
- 人因照明及健康照明的先鋒
- Human Centric Lighting (Full Spectrum or Sun-Like, Low or No Blue Light)

# THE END

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## Thank You

Q & A

