



LINETEK

SINCE 1978

台灣良得電子股份有限公司

TAIWAN LINE TEK ELECTRONIC CO., LTD(2462)

YEAR 2022 Earnings Call

Brief by:

Speaks man - Tom Chiang

Date:2022. 12



LINETEK Worldwide



Overview of Taiwan Line Tek Group

- ◆ Established :
July 1st 1978
- ◆ Capital :
1.419 billion
- ◆ Staff :
More than 2,200 employees
worldwide
- ◆ Products :
AC power cords
DC cables
Wires & Cables
- ◆ Headquarters : Shen Keng Dist, New Taipei City, Taiwan.
Sales bases : Total 9 bases.
Worldwide production base : Huizhou, Guandong Province, China.



Chairman and General Manager: Alex Chen



Huizhou China

Everfull Electronic (Huizhou)
Co. Ltd.

- ◆ **Lands : 54,000 M² Buildings : 100,000 M²**
- ◆ **Main Products :**
 - AC power cords**
 - DC cables**
 - Wires & Cables**



Everfull Development (Huizhou) Co. Ltd.

- ◆ Lands : 82,000 M²
- ◆ Factory Building : 300,000 M²
; It will be constructed in three phases, each with an area of about 100,000 square meters. The first phase of the project has been completed in the fourth quarter.
- ◆ Plant Use :
It is mainly planned to be used in the production area of PVC plastic factory, CW processing plant, DC wiring harness, green energy and electric vehicle line; the rest is used as a factory rental business.



Product line and capacity planning

Line Tek product line		AC Power cord	DC Cable	Total
2023	Number of planned production lines	38	30	68
	Planning capacity (million pieces)/month	9.5	6	16.5
	Estimated production capacity (million pieces)/year	114	72	186

Company operating results and financial report



Operation Analysis Report

Year 2022 Jan to NOV

Total Quantity 1.65 Billion (PCs)

Total amount 44 Billion (NTD)

Operation Analysis Report



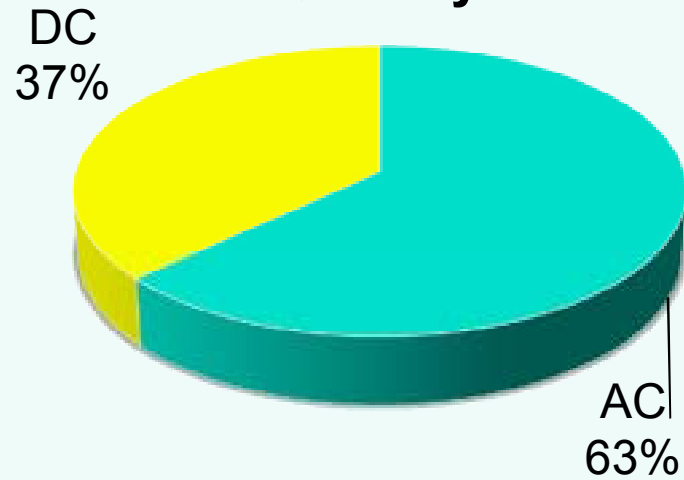
Operation Analysis Report

Ratio name		September 30, 2022 Self-compiled number (thousand yuan)	September 30, 2022 Number of reviews (thousands of dollars)
Financial structure	Liabilities to Assets Ratio	48.48	49.29
	Ratio of long-term funds to fixed assets	227.80	282.49
Solvency	Current ratio	142.61	152.25
	Quick ratio	99.56	102.49
	Interest coverage ratio	7.56	16.91
Management capacity	Accounts Receivable Turnover Ratio	2.50	2.62
	Average cash collection days	146.00	139.31
	Accounts Payable Turnover Ratio	6.02	5.97
	Average payment days	60.63	61.09
	Inventory turnover	4.21	4.24
	Average days on sale	86.69	86.00
	Net turnover of property, plant and equipment	4.31	4.68
	Total asset turnover (times)	0.92	0.95
Profitability	return on assets	2.20	2.51
	ROE	3.87	4.58
	Ratio to paid-in capital (operating profit)	(2.36)	(7.45)
	Ratio to paid-in capital (benefit before tax)	9.17	9.25
	Profit rate	2.74	3.33

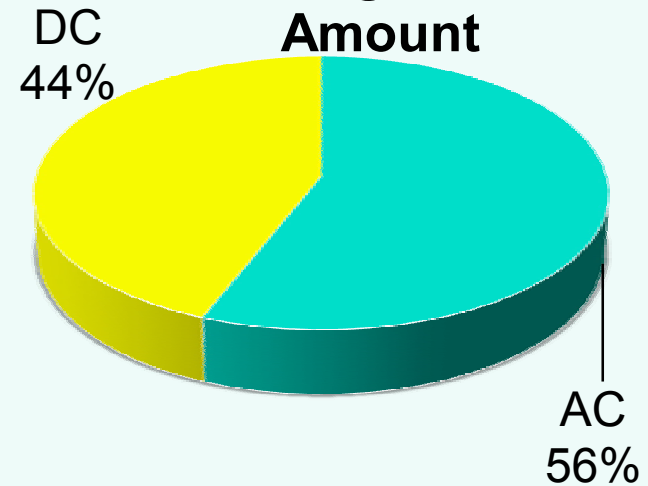
Proportion of AC Power Cords/DC Power cables in 2022

By the third quarter of 2022

Percentage of Sales Quantity



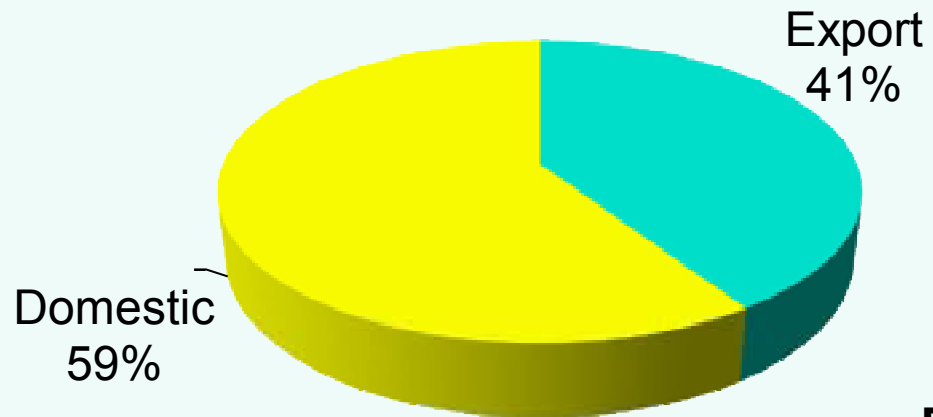
Percentage of Sales Amount



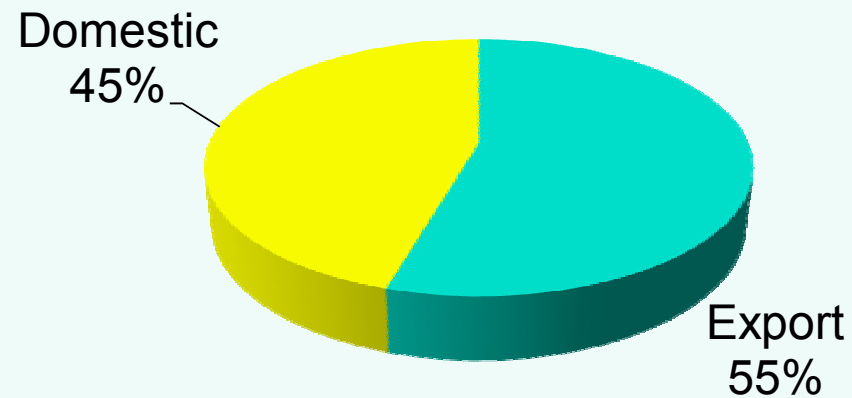
Proportion of export & domestic sales in 2022

Percentage of Sales Quantity

By the third quarter of 2022

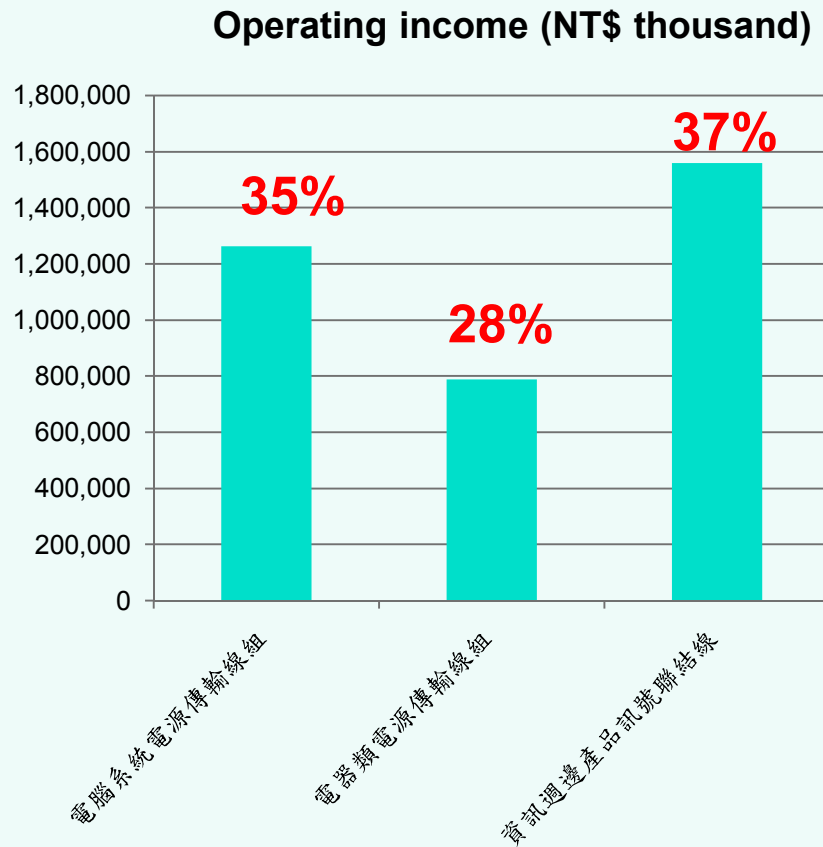


Percentage of Sales Amount

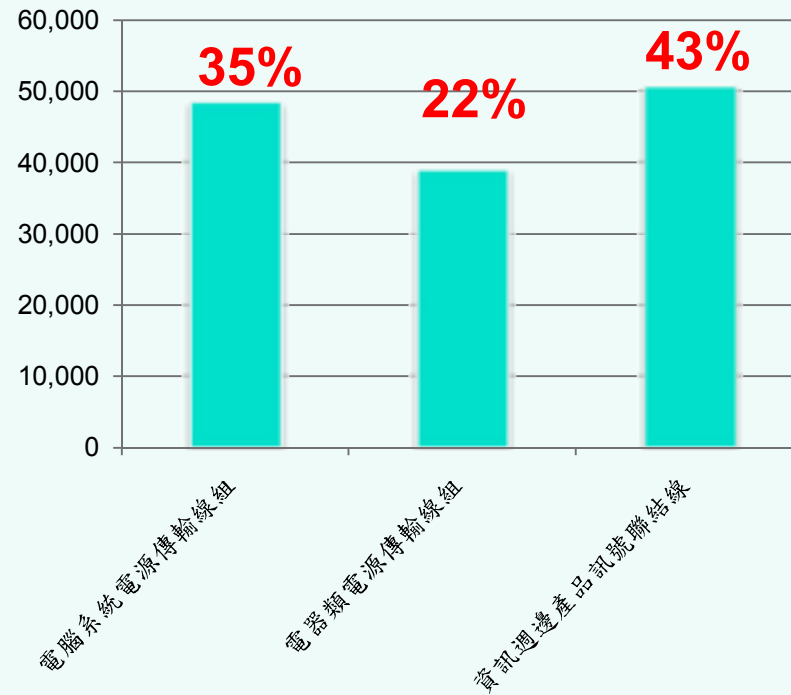




Proportion of industry sales in 2022



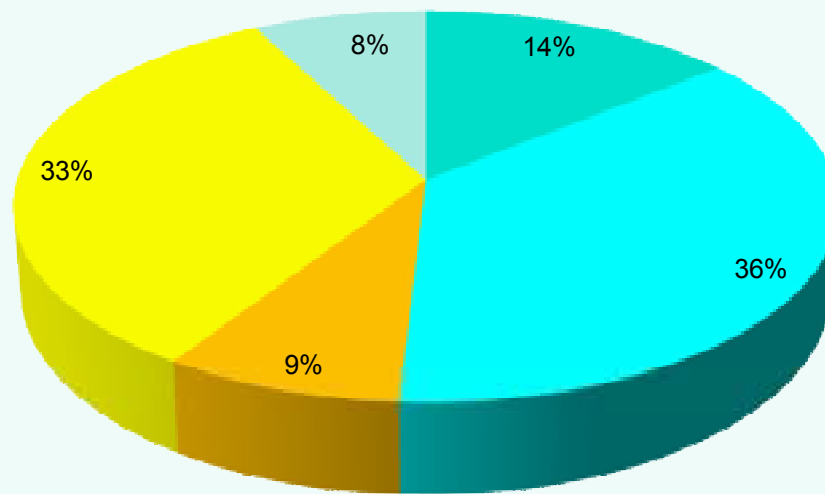
Sales Quantity (KPCS/Article)



By the third quarter of 2022

2022 Operational Analysis Report

By the third quarter of 2022



- AC: 家電產品
- AC: 筆電/桌上電腦/打印機/其它
- AC: 車用線/5G/美電商大廠
- DC: NB/其它
- DC: TYPE-C /遊戲機/智慧音箱

Main variables affecting revenue in 2022 (1)

Factors Affecting Earnings in the First Three Quarters:

**weakening
demand**

Negative

**Impact of
fluctuations
in raw
materials**

Negative

**Supply
chain
problems
persist**

Negative

**Impact of
exchange rate
fluctuations**

Positive

Main variables affecting revenue in 2022 (2)

The difference in operating growth in the first three quarters of 2022 is mainly due to:

Factory management

- Reduce manpower, reduce overall operating costs, and increase the sales proportion of automation.

Operation planning

- Adjust the sales price to reduce the impact of fluctuations in raw materials.
- Reduce NB industry sales, improve automobile product line and customized products, and increase high-margin products

Outer environment

- Inflation, Russo-Ukraine War, Global Trade War, China Lockdown

Company operating outlook

Global PC Market

Shipments decline nearly 15% in the third quarter

- Weakening demand and supply chain issues, the global PC market shipments in the third quarter fell by nearly 15% compared with the same period last year; global shipments in the third quarter are estimated to reach 74.3 million units
- The global market share in the third quarter was led by Lenovo (22.7%), and the top five brands also included HP (17.1%), Dell (16.1%), Apple (13.5%), and ASUS (7.5%)

Top 5 Companies, Worldwide Traditional PC Shipments, Market Share, and Year-Over-Year Growth, Q3 2022 (Preliminary results, shipments are in thousands of units)

Company	3Q22 Shipments	3Q22 Market Share	3Q21 Shipments	3Q21 Market Share	3Q22/3Q21 Growth
1. Lenovo	16,880	22.7%	20,129	23.1%	-16.1%
2. HP Inc.	12,706	17.1%	17,603	20.2%	-27.8%
3. Dell Technologies	11,963	16.1%	15,184	17.4%	-21.2%
4. Apple	10,060	13.5%	7,174	8.2%	40.2%
5. ASUS	5,540	7.5%	6,011	6.9%	-7.8%
Others	17,103	23.0%	21,218	24.3%	-19.4%
Total	74,252	100.0%	87,319	100.0%	-15.0%

Source: IDC Quarterly Personal Computing Device Tracker, October 10, 2022

2023 Operational Outlook

IDC: PC declines 11.9%, expected to rebound in 2024

- Global traditional PC shipments to reach 456.8 million units in 2022
- It will shrink further in 2023. Overall PC plus tablet market forecast to decline 5.6% in 2023

Worldwide Personal Computing Device Forecast by Market Category, Shipments, Year-Over-Year Growth, and 2022-2026 CAGR (shipments in millions)

Market Category	2022 Shipments	2022/2021 Growth	2026 Shipments	2026/2025 Growth	2022-2026 CAGR
Consumer	265.3	-9.8%	260.3	0.5%	-0.5%
Enterprise	56.3	-4.0%	62.1	0.8%	2.5%
Public Sector	67.4	-22.6%	65.5	1.1%	-0.7%
SMB	67.9	-13.4%	71.1	0.5%	1.2%
Total	456.8	-11.9%	459.0	0.6%	0.1%

Source: IDC Worldwide Personal Computing Device Tracker, December 1, 2022

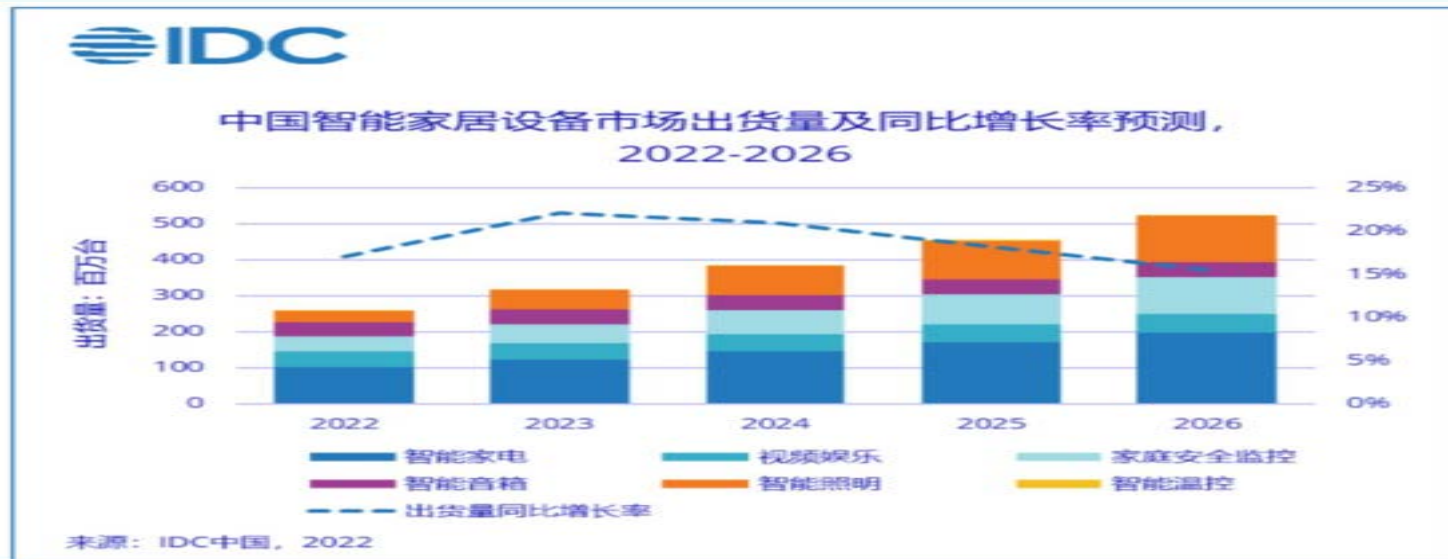
2023 Operational Outlook

China's home appliance market: green + smart "home appliance consumption upgrade

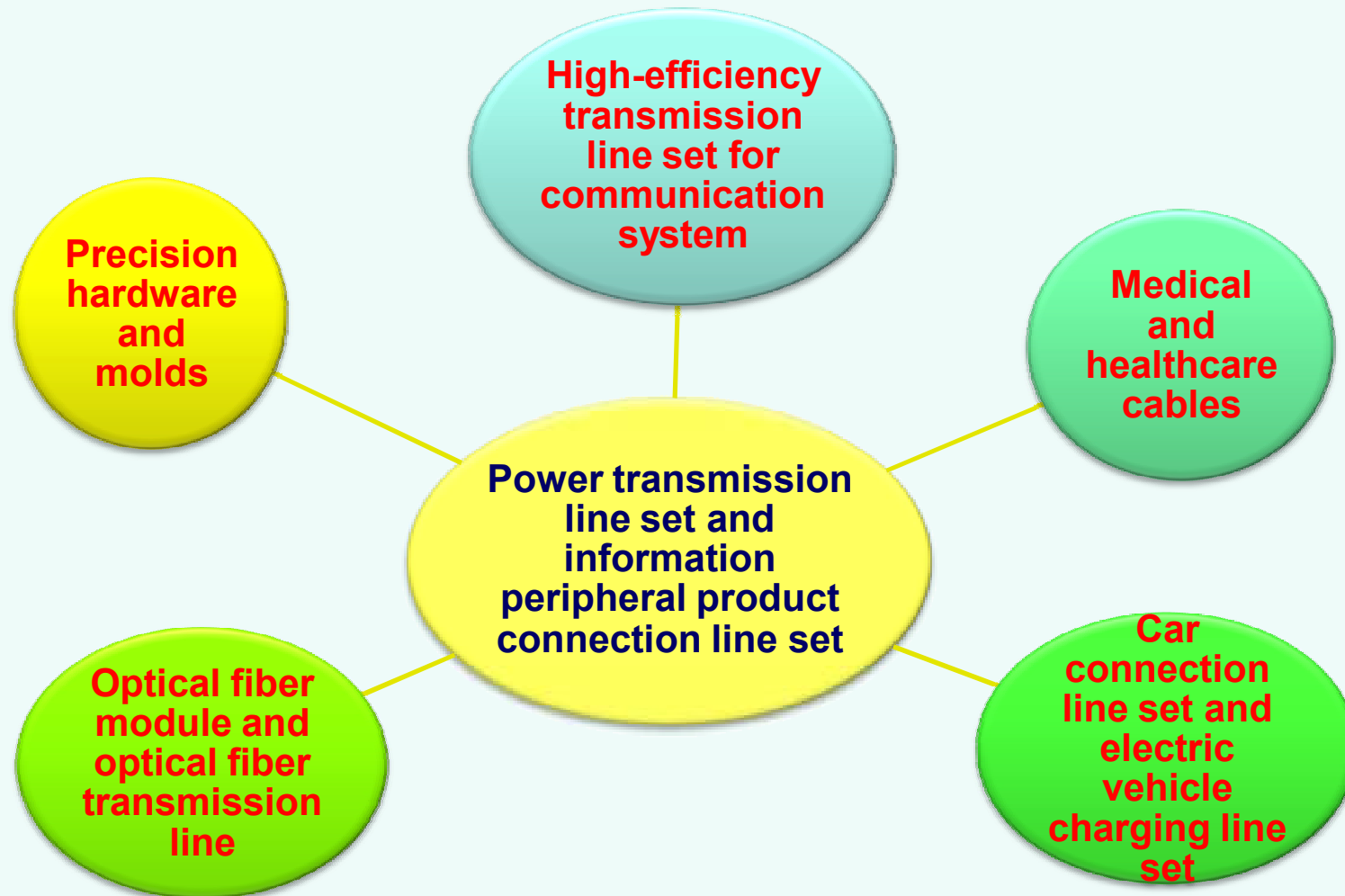
The action plan to promote the high-quality development of the home furnishing industry clearly states that by 2025, the proportion of personalized customization will steadily increase, and new formats such as smart home will accelerate the development.

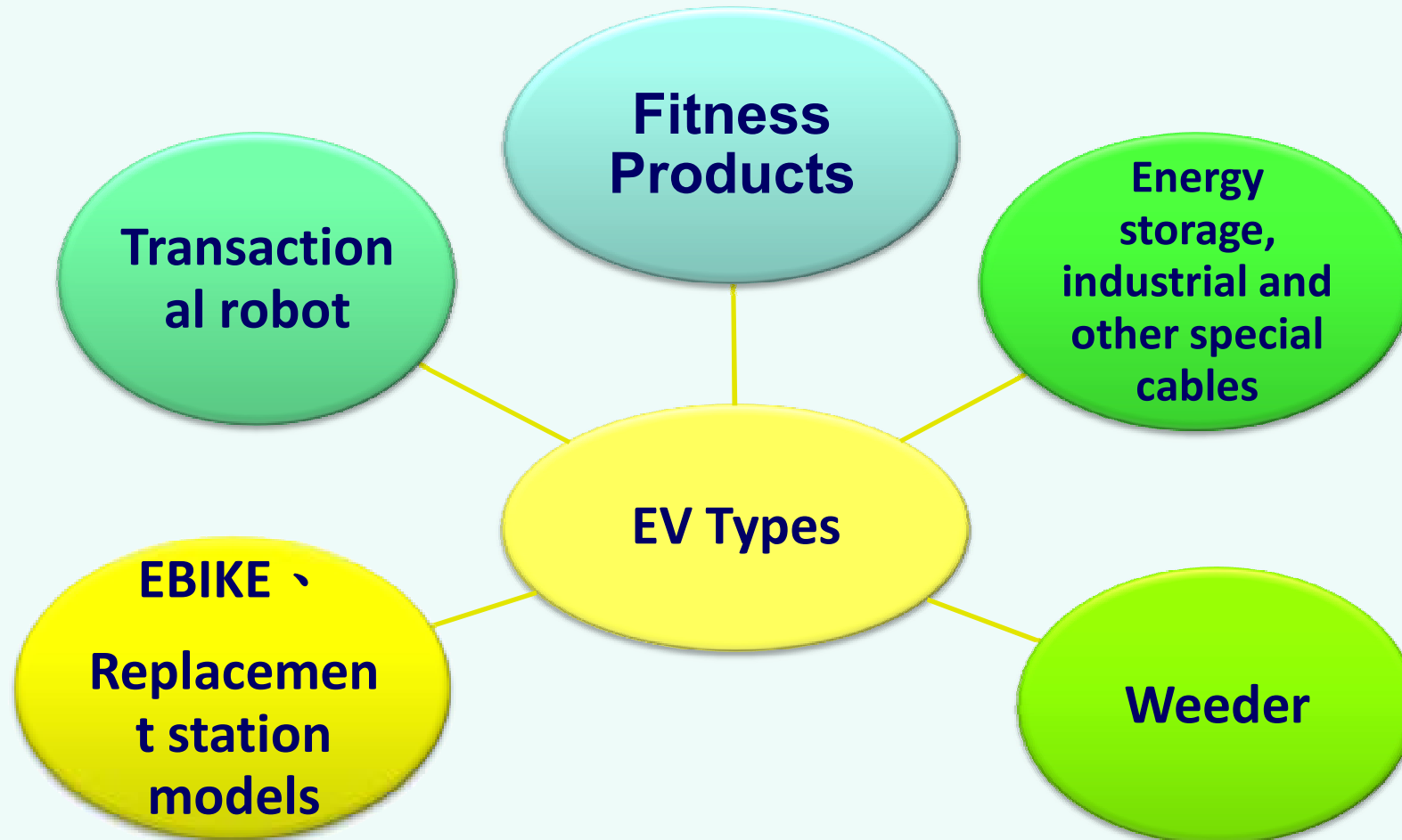
Trend 1: Demand for mid-to-high-end smart home appliances is rising, brand awareness is getting stronger, and the advantages of leading companies will be further expanded.

Trend 2: The new home appliance and silver-haired home appliance market is expected to become a new explosive point.



資料來源：IDC中國







Development Status and Prospect of Cables for Electric Vehicles



The development projects of the three major European car manufacturers, and the continuous mass production of new development projects

Another European factory in 2023
Demand is expected to double

Cables for Electric Vehicles Contribute revenue and increase gross profit margin in 2022 and continued growth in operations in 2023

American electric car models have been shipped, but the overall quantity is different from the expected

Japanese electric vehicle models, new development projects are currently in mass production. It is expected that the production capacity will continue to be released in 2023



Development Status and Outlook

In 2023, the NB market will be reduced, and the revenue of customization and smart home will continue to grow

Customized

- Fitness products
- Weeder
- EBIKE
- Food delivery robot
- Farm machine

Important project

- Cables for Electric Vehicles
- Smart monitoring

Smart Home

- Home Robot
- Smart Speaker
- Smart monitoring
- Bluetooth Speaker

Development Status and Outlook

NB recycling copper machine,
non-woven and braided wire
machine...in trial production

Major American game console
manufacturer...AC is being
introduced, mass production is
expected in 2023Q3

Trial run/import

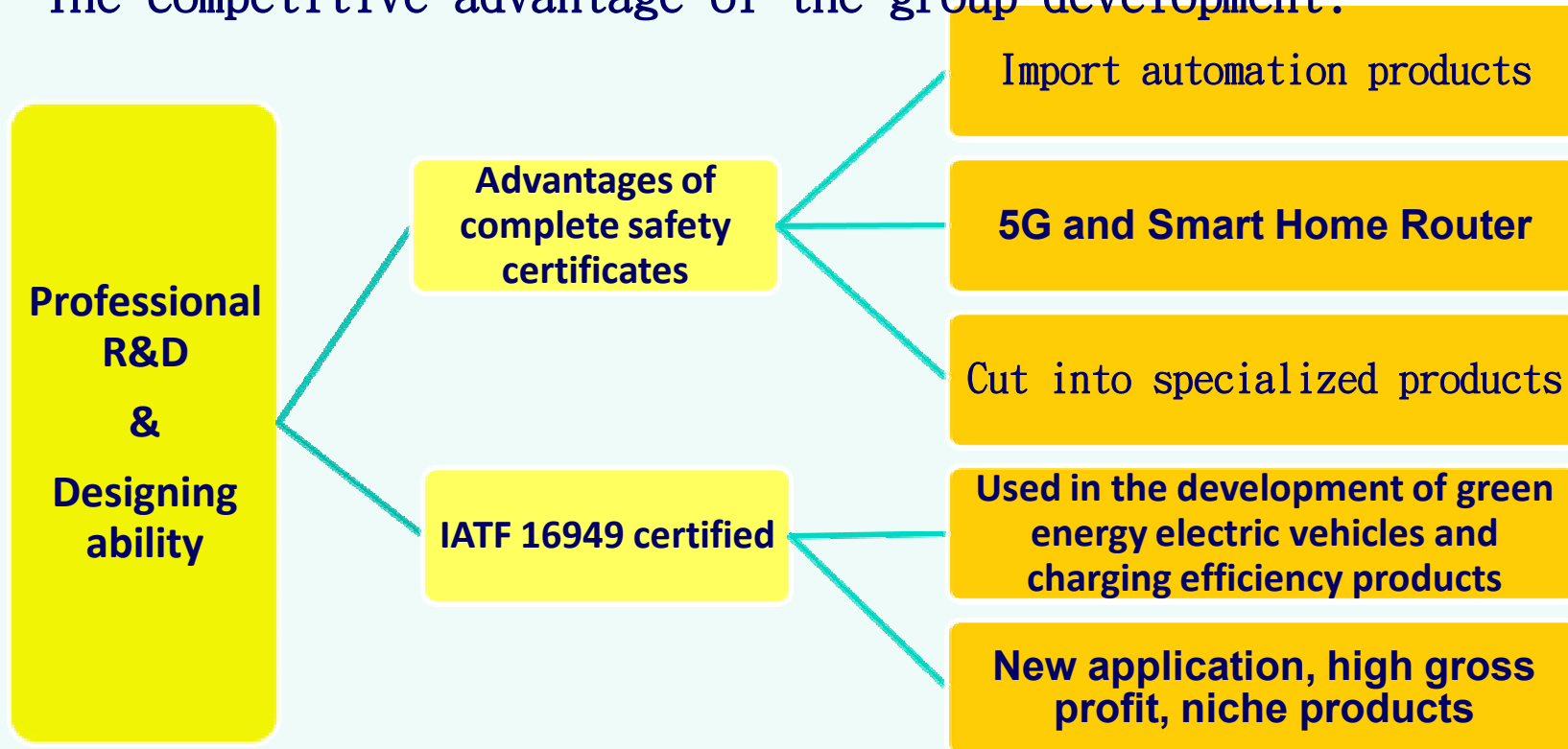
American gameng machine
manufacturer... DC importing

Water resistant and UV
resistant power cord for server
equipment...The model has
been approved, mass
production will be in December
2022

American Private
Aerospace Manufacturing and
Space Transportation

Core competitiveness advantage

The competitive advantage of the group development:



**Focus on products with high gross profit and high operating profit.
The group's profit figures are expected to exceed the past**



Introduction to Everfull Development Longxi Park

● Add: NO. 2 EVERFULL Av XIAO PENG GANG VILLAGE LONGXI TOWN BOLUO COUNTY

HUIZHOU China.

● Established : 2021

● Land : 81, 712 m²

● Construction area : 306, 592 m²

● Accommodate staff : About 5, 000 people

● Park planning: Large-scale industrial supporting industrial park

● Park scale: 9 factory buildings + 2 dormitory buildings

● Construction progress :

3 buildings in the first phase (Expt.to be Put into use in 2023)

4 buildings in the second phase (expected to start construction in early 2023)

4 buildings in the third phase (under planning)



**Thanks again to all
investors for coming and
supporting and caring to
our company**

