

2019 Investor Conference

Date: 26 June 2019

Presented by: Associated Industries China, Inc.

Disclaimer

The above statements that pertain to future projections constitute the expectations, opinions, outlooks, or predictions of our company based on information available at the time the statements were made. Such statements may be affected by known and unknown risks and inherent uncertainties, the existence or emergence of facts or factors that differ from the assumptions, suppositions, or judgments of the Company, or other factors. Consequently, there may be significant discrepancies between actual results pertaining to the Company's future earnings, management results, financial conditions, and other matters as explicitly or implicitly referred to in the statements and the content of such statements. The presentation is run exclusively for the purpose of providing information and not for the purpose of soliciting investments or recommending the buying or selling of specific shares or products. Company makes no warranty concerning the accuracy or completeness of the information and will not be liable for any damages arising out of use of the Information.

Agenda



1

Financial Information

2

AG Neovo Display

3

AG Neovo Solutions

4

AG Neovo Healthcare

Financial Information – 2014-2018 Consolidated I/S

In NT thousands	2014	2015	2016	2017	2018
Operating revenue	684,372	681,116	757,963	744,271	746,609
Cost of sales	(480,050)	(529,055)	(554,011)	(530,228)	(505,447)
Gross profit	204,322	152,061	203,952	214,043	241,162
Operating expense	(196,496)	(210,872)	(210,553)	(201,841)	(218,264)
Net operating income(loss)	7,826	(58,811)	(6,601)	12,202	22,898
Non-operating income and expense	(6,384)	2,675	(1,946)	2,315	(5,804)
Profit(loss) before income tax	1,442	(56,136)	(8,547)	14,517	17,094
Income tax expense	(829)	(307)	292	(5,923)	(4,998)
Profit(loss)	613	(56,443)	(8,255)	8,594	12,096
EPS (NT Dollar)	0.01	(1.08)	(0.16)	0.16	0.23

Financial Information – 2014-2018 Consolidated B/S

In NT thousands	2014/12/31	2015/12/31	2016/12/31	2017/12/31	2018/12/31
Cash & cash equivalents	171,885	96,716	94,787	108,369	100,314
Accounts receivable	62,056	81,366	89,378	86,269	98,560
Other receivables	2,006	937	222	406	419
Inventories	211,809	278,384	184,064	210,915	205,082
Prepayments	28,408	10,655	7,238	6,045	5,431
Other current assets	1,154	883	1,167	1,705	1,173
Current assets	477,318	468,941	376,856	413,709	410,979
Non-current assets	379,587	397,324	383,790	378,283	406,929
Total Assets	856,905	866,265	760,646	791,992	817,908
Short-term borrowings	40,000	173,528	89,729	88,299	117,448
Accounts payable	66,840	63,716	63,762	66,681	42,852
Other payables	53,908	48,309	46,024	61,113	65,979
Current provisions	4,807	7,678	5,024	4,108	2,413
Other current liabilities	3,788	3,222	3,472	4,169	3,007
Current liabilities	169,343	296,453	208,011	224,370	231,699
Non-current liabilities	945	945	945	945	945
Total Liabilities	170,288	297,398	208,956	225,315	232,644
Total Equity	686,617	568,867	551,690	566,677	585,264

Vision/Mission

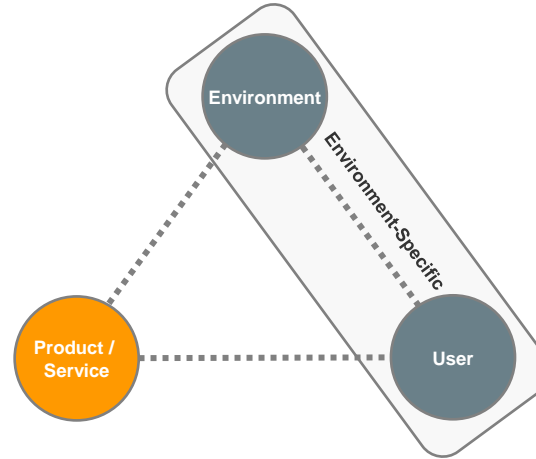
- **Vision:** 成為能充分彰顯AG Neovo價值鏈中所有關係人價值的商業平台。(Business platform which fairly presents all stakeholders at the value chain)
- **Mission:** 建立有效連結前端客戶需求與後端產品廠商優勢的服務平台，與平台上所有關係人共創並共享利潤。(Effectively and efficiently link all stakeholders at the value chain, which all together generate and share the long-term profitability)

*The Facilitator and Accelator between the
First mile and the Last mile*

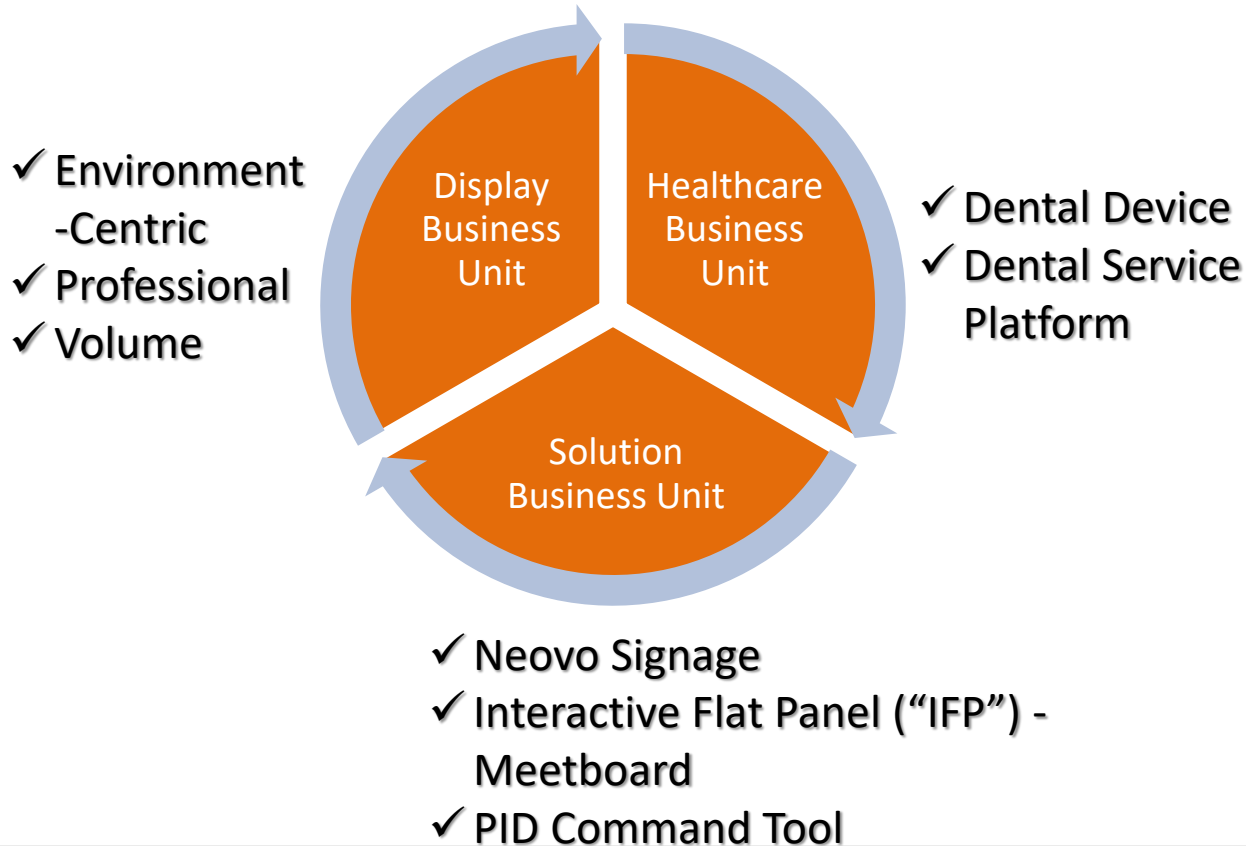
AG Neovo Brand Concept: Environment-Specific

Many users choose a display based on the environment in which the display will be used, relying on both function and form to make their decisions.

Therefore, AG Neovo Product / Service are created to deliver a “environment-specific” solution, which has shaped the uniqueness of the AG Neovo brand.

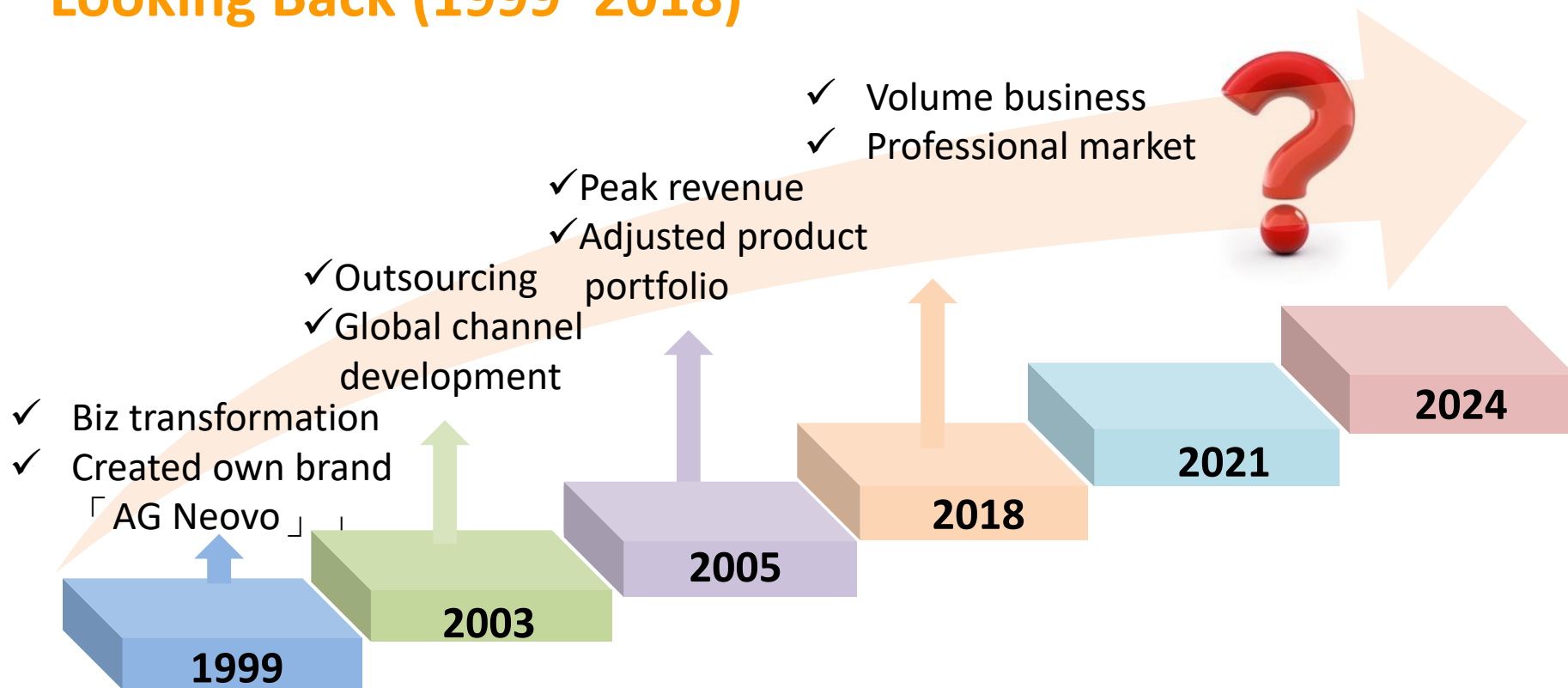


AG Neovo Business Units

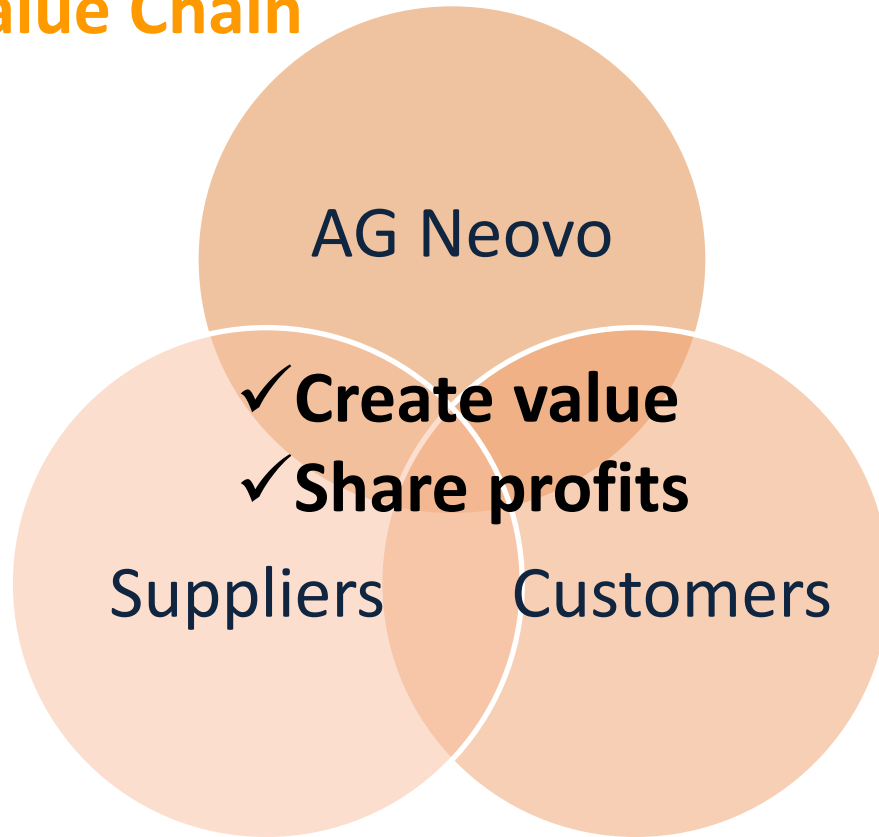


AG Neovo Display

Looking Back (1999~2018)



AG Neovo Value Chain



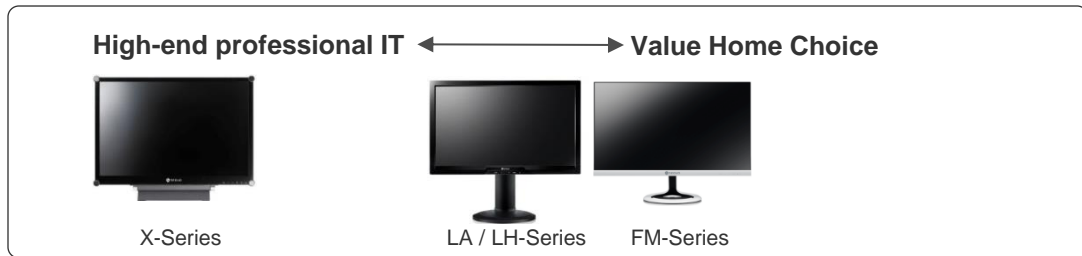
Development Strategy(Direction)



Action Plan

Security & Surveillance

- Optimize product portfolio



Security & Surveillance

- Adjust supply chain



Security & Surveillance

- Customization service



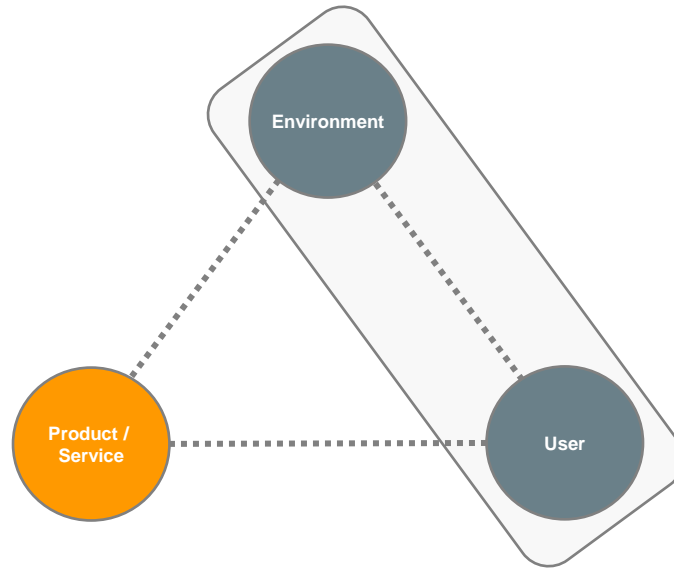
Security & Surveillance

- Penetrate deep in the market



Professional/Niche Market

- Develop Environment-Centric products



Professional/Niche Market

- Partner with external professional teams to accelerate the launch of products.



Professional/Niche Market

- Build channels and after-sales service system.

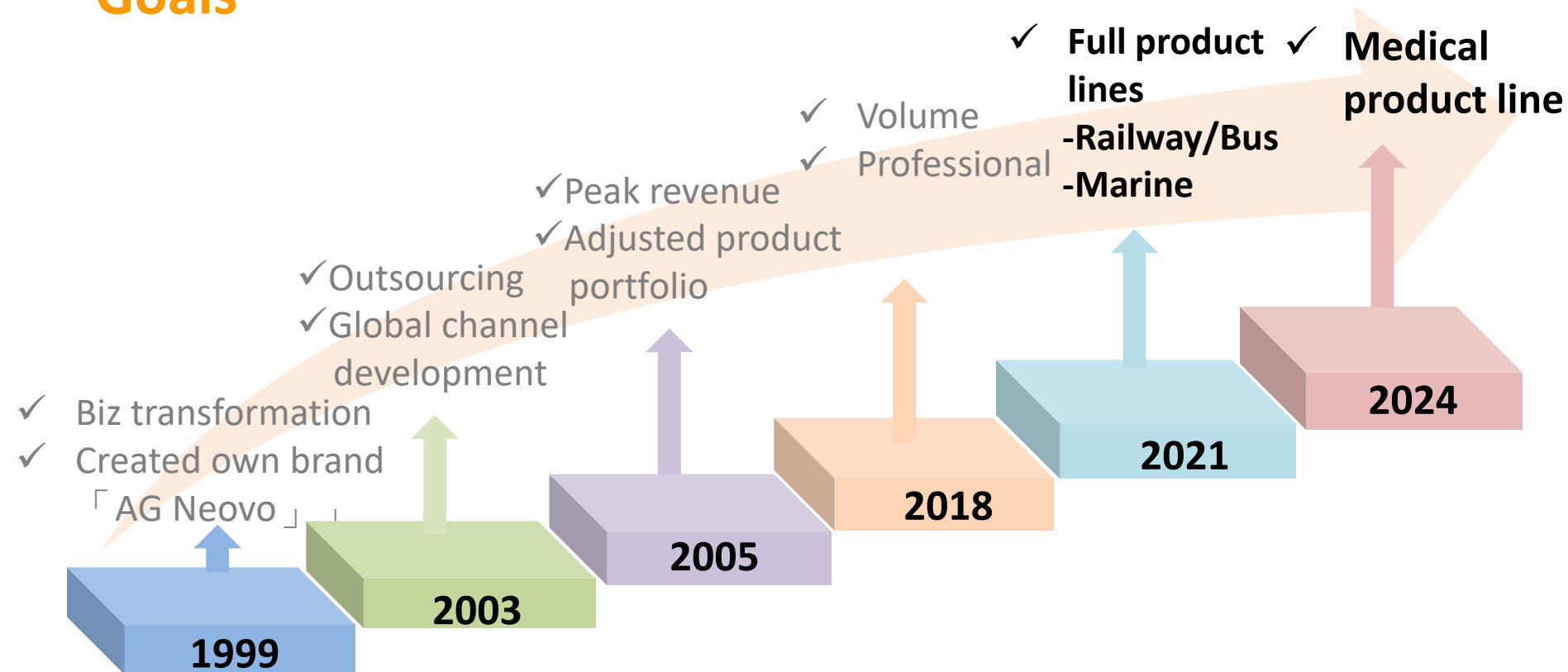


Professional/Niche Market

- Establish a technical support center



Goals



AG Neovo Solutions

AG Neovo Transformation

Where To Go?

In past 10 years, AG Neovo learnt market needs from many business partners around the world, including distributors, system integrators, resellers and even end users.

Creating specific products or solutions to fit specific environment and application is always the AG Neovo spirit.

Providing not only professional displays but **display centric solutions** will be one of the new direction for AG Neovo.

Know customers' pain points, thoughtful and provide flexible solutions will be the key differentiation of AG Neovo Solutions.





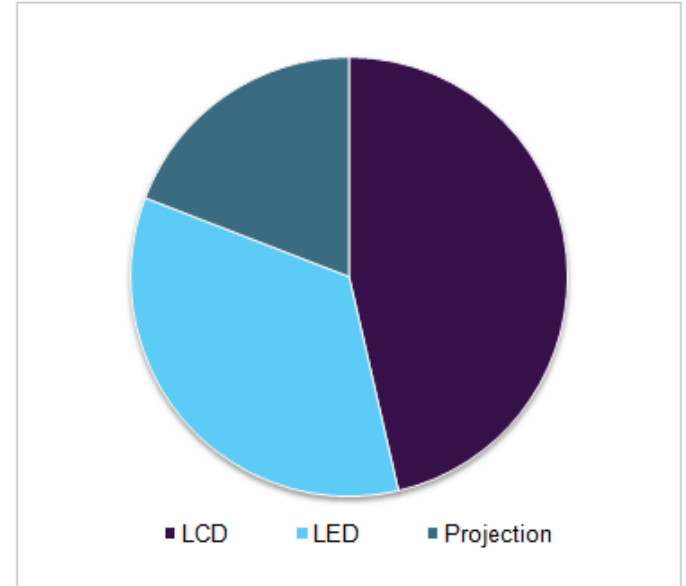
Trends

Digital Signage Market Trends

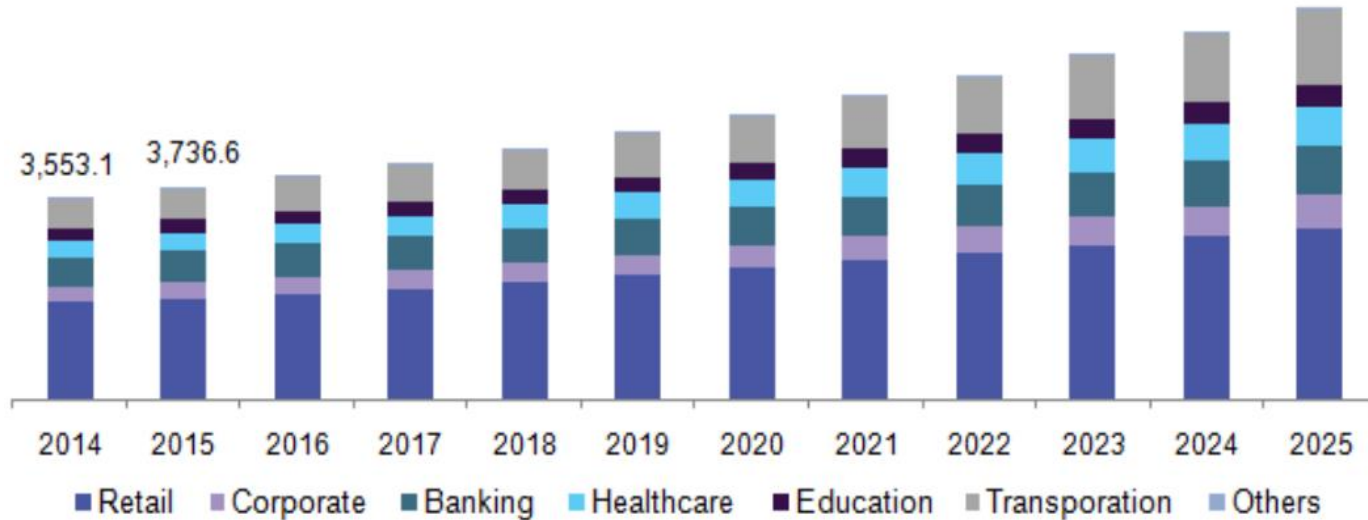
The increasing demand for digital signage in public and commercial sectors, advancements in technology offerings and rising infrastructure are the key driving factors for the digital signage market.

There is an increasing demand for **customized solutions** and **software** used in the commercial sector; it makes the system **interactive and user-friendly**. This leads to improved customer retention by providing an enhanced experience for customers through **interactive screens**. **Content management system** is widely used in the market for effective management of content to be displayed on digital signage systems.

Digital signage market by technology, 2016

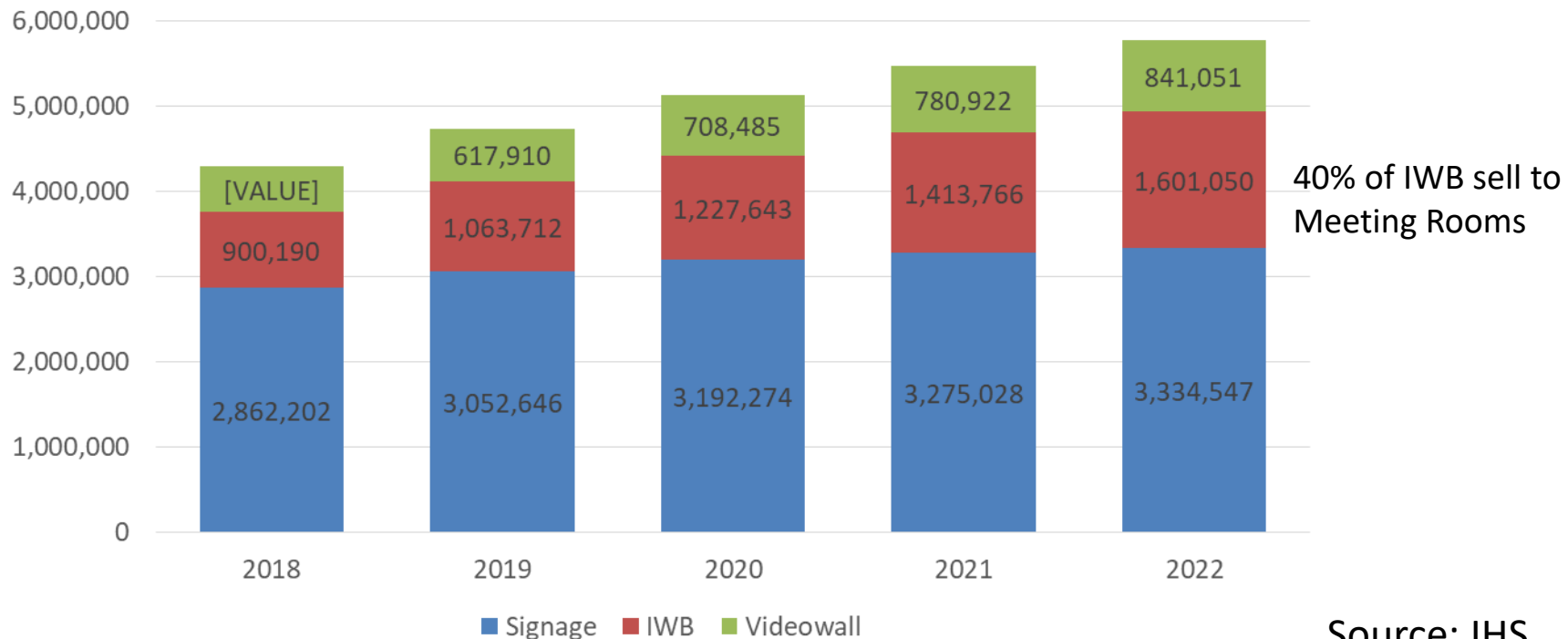


Digital Signage Market Trends



The digital signage market is expected to grow to **USD 32.84 Billion by 2023**, at a CAGR of 7.4%

Large Format Displays Market Trends



Goals

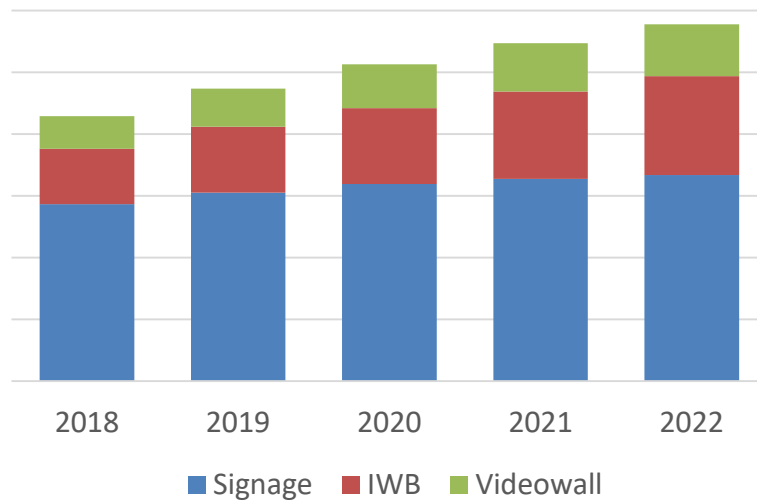
Goals for Large Format Displays market share by 2021

0.5% market share of **Digital Signage** and **Video Wall displays**.

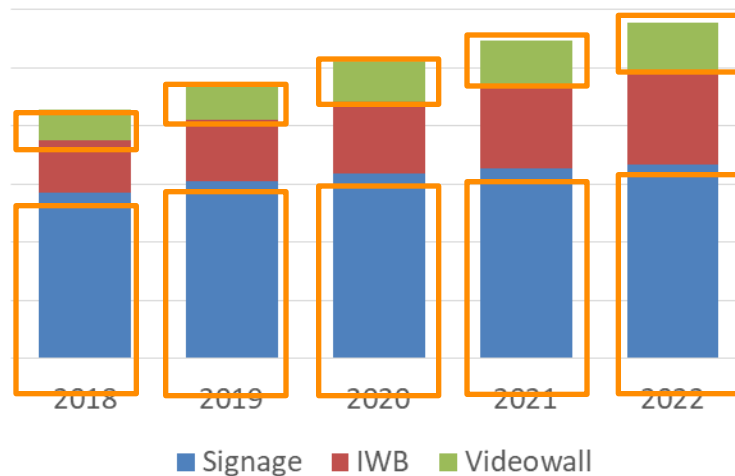
1.5% market share of **Meeting Room AIO**.

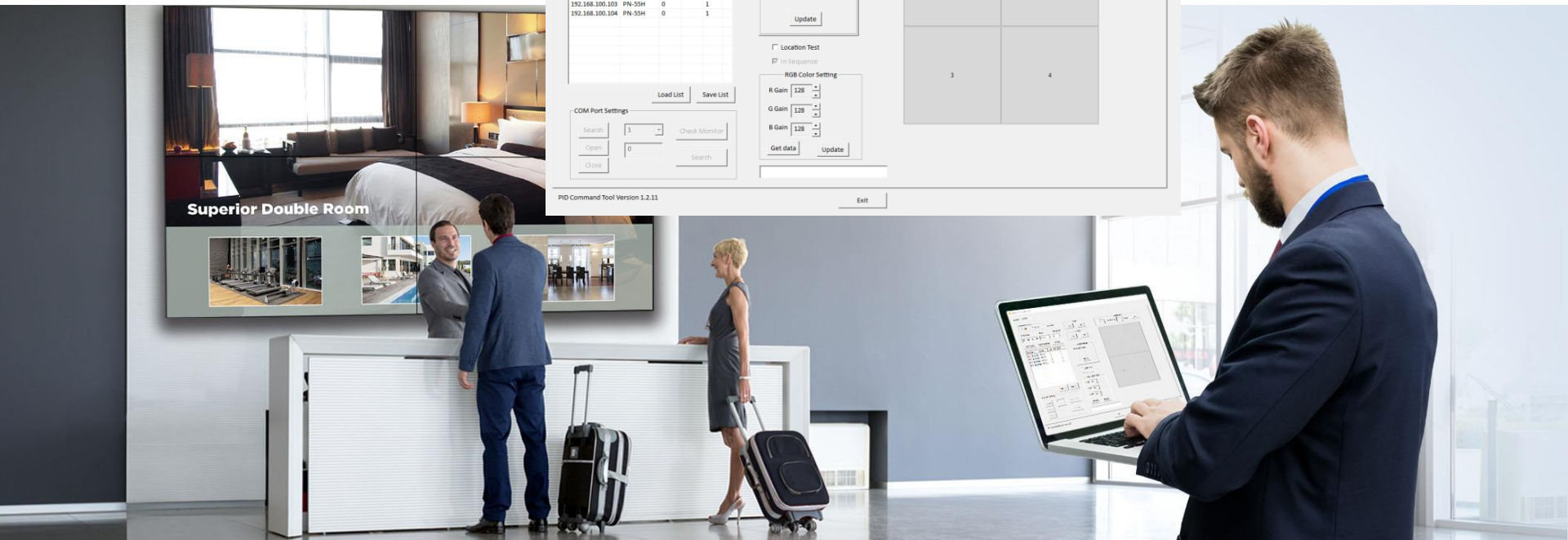
AG Neovo Solutions Focuses

Three Focuses



PID Command & Control Software





AG Neovo PID Command Tool

Control UniWall

Comms Interface
☒ LAN ☐ RS-232 Lock Model

IP Address: 192.168.100.104 Model: PN-SSH Monitor ID: 1

Add Device Remove Device IP Scan

IP Address	Model	LINK	Pos	ID
192.168.100.101	PN-SSH	0	1	1
192.168.100.102	PN-SSH	0	1	1
192.168.100.103	PN-SSH	0	1	1
192.168.100.104	PN-SSH	0	1	1

Load List Save List

COM Port Settings
Search: 1 Check Monitor
Open: 0 Search
Close

Power
On Off

UniWall
On Off

UniWall Settings
☒ Enable UniWall
Update

Location Test
☒ In Sequence

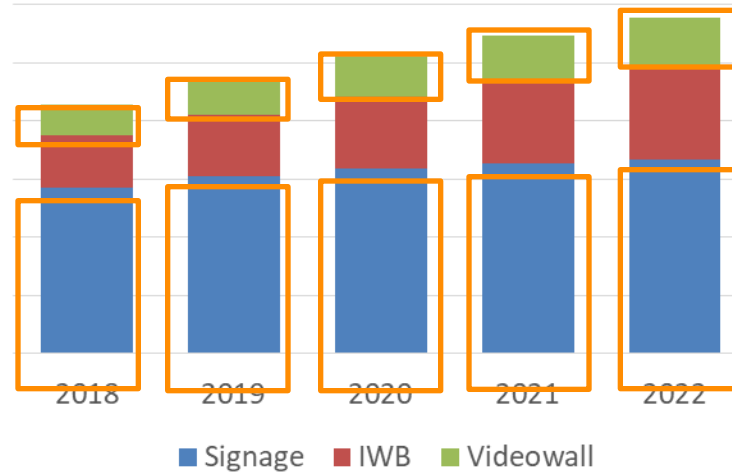
RGB Color Setting
R Gain: 128
G Gain: 128
B Gain: 128
Get data Update

UniWall Matrix
Columns by: 2 Rows: 2 Set

1	2
3	4

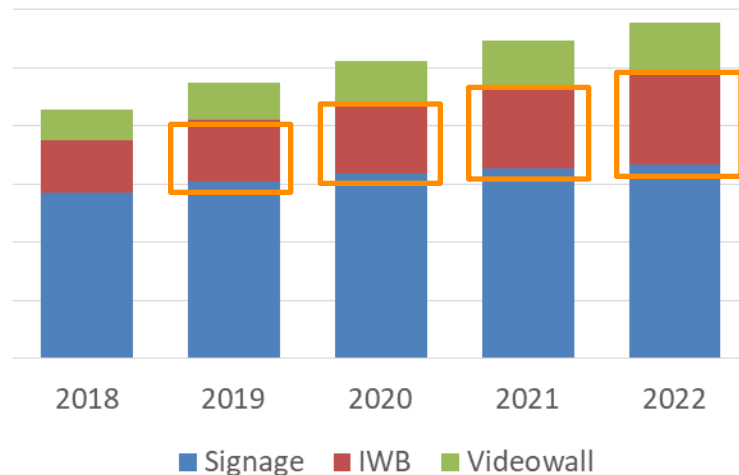
PID Command Tool Version 1.2.11 Exit

Cloud and LAN Based Digital Signage CMS





Meeting & Collaboration Solutions



Meetboard. 



Webcam and Speakers
for videoconference



Wi-Fi Adapter for
wireless communication



Slot-in PC for diverse
application needs



External Storage for
easy files access

AG Neovo Healthcare

AG Neovo Healthcare - Original Intention



Taiwan Aging Population, Home & Rural Healthcare

Population over 65 yr old

12%
Year 2014



44%
Year 2060

Home Dental Care Service

30 ppl
Year 2011

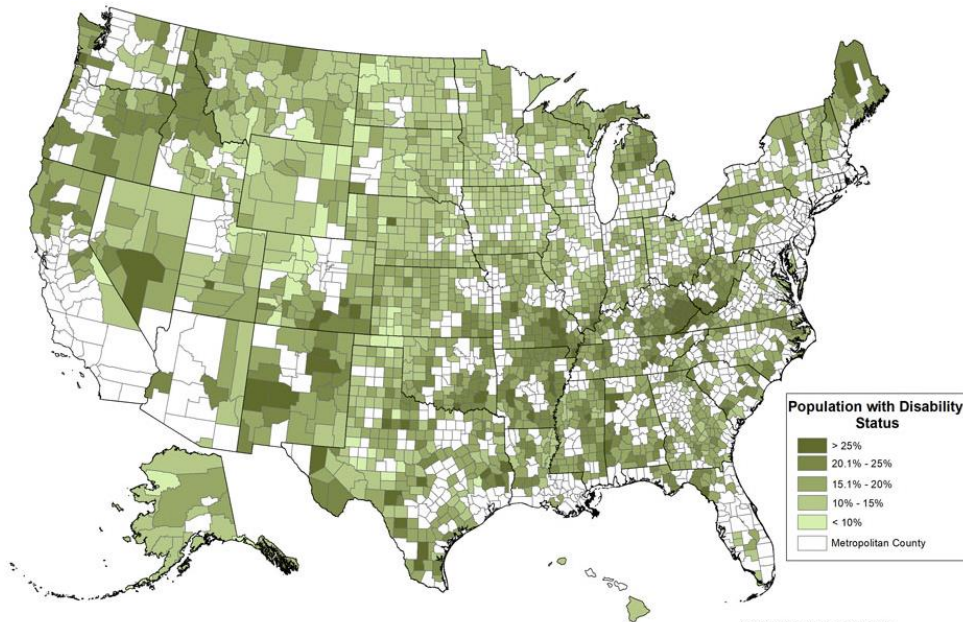


over 460 ppl
Year 2017

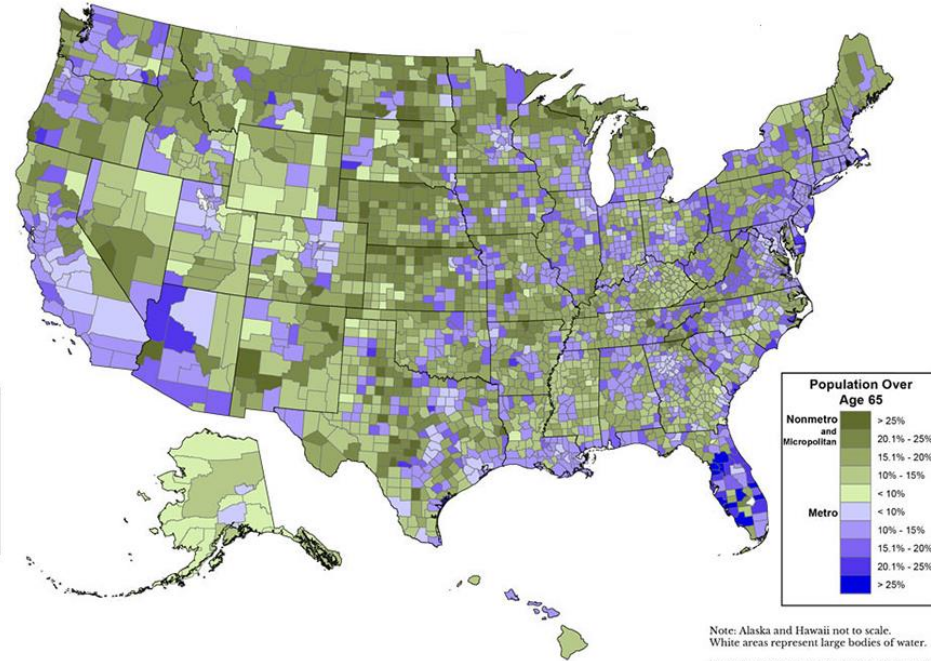


<https://ppt.cc/fE37Ox>

USA Rural Population with Disability and Aging



Note: Alaska and Hawaii not to scale.
White areas represent large bodies of water.
Source(s): U.S. Census Bureau, ACS 2013-2017
5-Year Estimates



Note: Alaska and Hawaii not to scale.
White areas represent large bodies of water.
Source(s): U.S. Census Bureau, 2010 Decennial
Census, Summary File 1

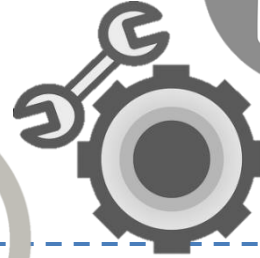
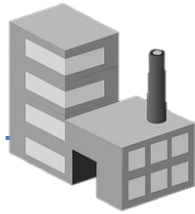
<https://ppt.cc/fTeifx> <https://ppt.cc/f3SUZx>

AG Neovo Healthcare Vision

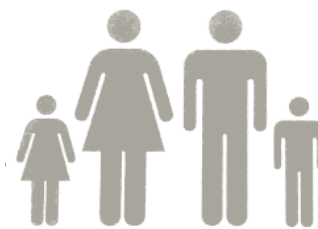
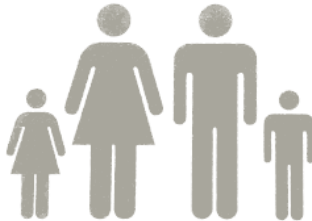
Healthcare
Service Network



Business
Platform



AG neovo
HEALTHCARE



AG Neovo Dental

2012



2016

Successfully listed
on 1 of top 3 dental
channels in US

2019



2014

AG Neovo started
selling in US and
attending Exhibition

2018

ISO 13485 certified &
recruiting strategic
partner



<https://ppt.cc/f62L5x>

USA



AG Neovo
||
Product Brand
+
Service Brand



USA Planning-Increase Sales Rep & Channel



Future Plan-Sales Target Audience Readjustment



Future Plan-Product Enrichment



Future Plan-Sales Strategy Readjustment



Future Plan-Increase Product Listing Chance thru Channel

1

STRATEGIC FIT.

Patterson strives to provide products that align closely with, or work in conjunction with, existing product categories.

2

FINANCIAL VIABILITY.

Our business model requires industry-standard gross profit margins, while maintaining competitive price points.

3

COMPETITIVE ADVANTAGE.

Our sales force is energized by unique, exclusive products that provide strong value to customers. Product differentiation is crucial, and emotional appeal is also important, especially when tied to a rapidly expanding business opportunity implied by the product.

4

PARTNER VIABILITY.

The ideal situation exists when the potential business partner relationships will be healthy, all parties are capable of meeting long-term obligations and win-win relationships can be established.




PATTERSON[®]
DENTAL

BencoDental



 **HENRY SCHEIN[®]**
SOLUTIONS FOR HEALTH CARE PROFESSIONALS

Future Plan-Increase Marketing Program Participation



EXAMPLE SPREAD

PACKAGE STUFFER PROGRAM



Future Plan-Worldwide Dental Exhibition Participation



Goal: Expanding Globally





Thank You

All specifications are subject to change without prior notice.

© 1999-2019 AG Neovo. All rights reserved.

The name AG Neovo is a trademark of Associated Industries China, Inc.

All other trademarks are the property of their respective owners.