



Sunonwealth Electric
Machine Industry Co., Ltd

2017 Q2 Operation results

2421 TT

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Safe Harbor Notice



This presentation is based on the information obtained from various sources which the Company believes to be reliable. But at some point in the future, there are a variety of factors which could cause actual results to differ materially from those statements. Therefore, please refer to the information on MOPS website as the main basis if any adjustment has been made.

(<http://mops.twse.com.tw/mops/web/index>)



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Thermal & Thermal Management

All electronic devices and circuitry generate excess heat and thus require thermal management to improve reliability and prevent premature failure. The amount of heat output is equal to the power input, if there are no other energy interactions. There are several techniques for cooling including various styles of heat sinks, thermoelectric coolers, forced air systems and fans, heat pipes, and others.



Passive Cooling

Heat sinks



Heat pipes Vapor chamber



Active Cooling

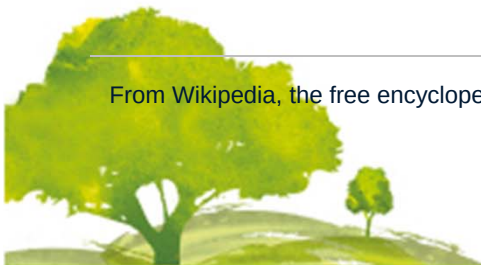
Liquid cooling



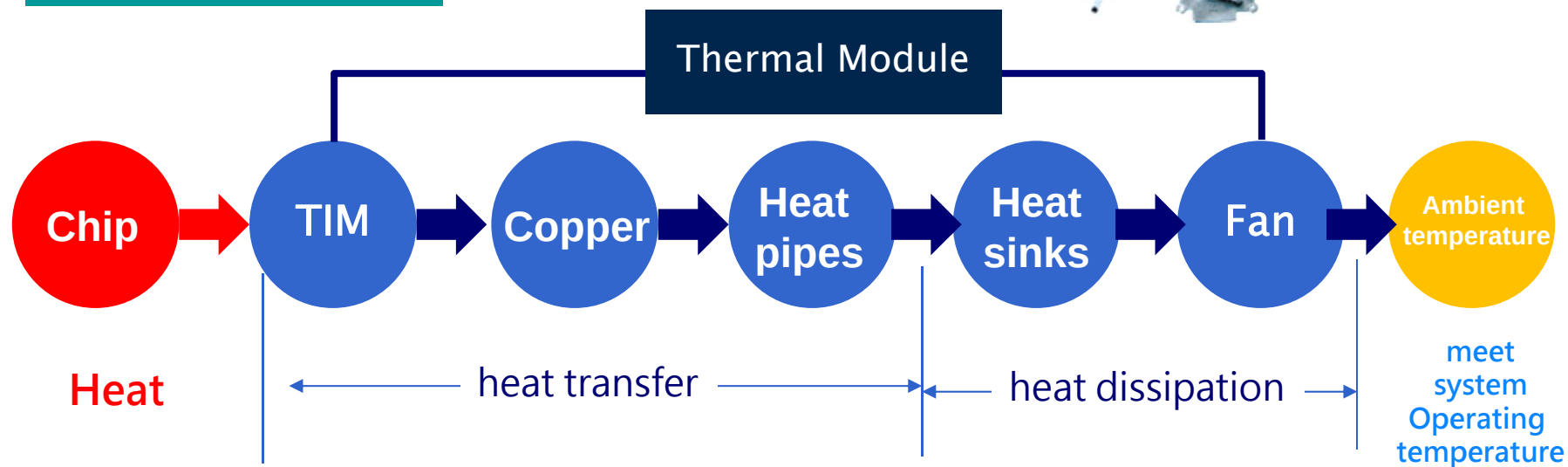
Cooling Fan



From Wikipedia, the free encyclopedia



Thermal Module



圖片來源：網路圖片

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Cooling Fan (Server)



Photo Source :Internet



36 YEARS

Innovative
Energy-Saving Motor
Design & Technology



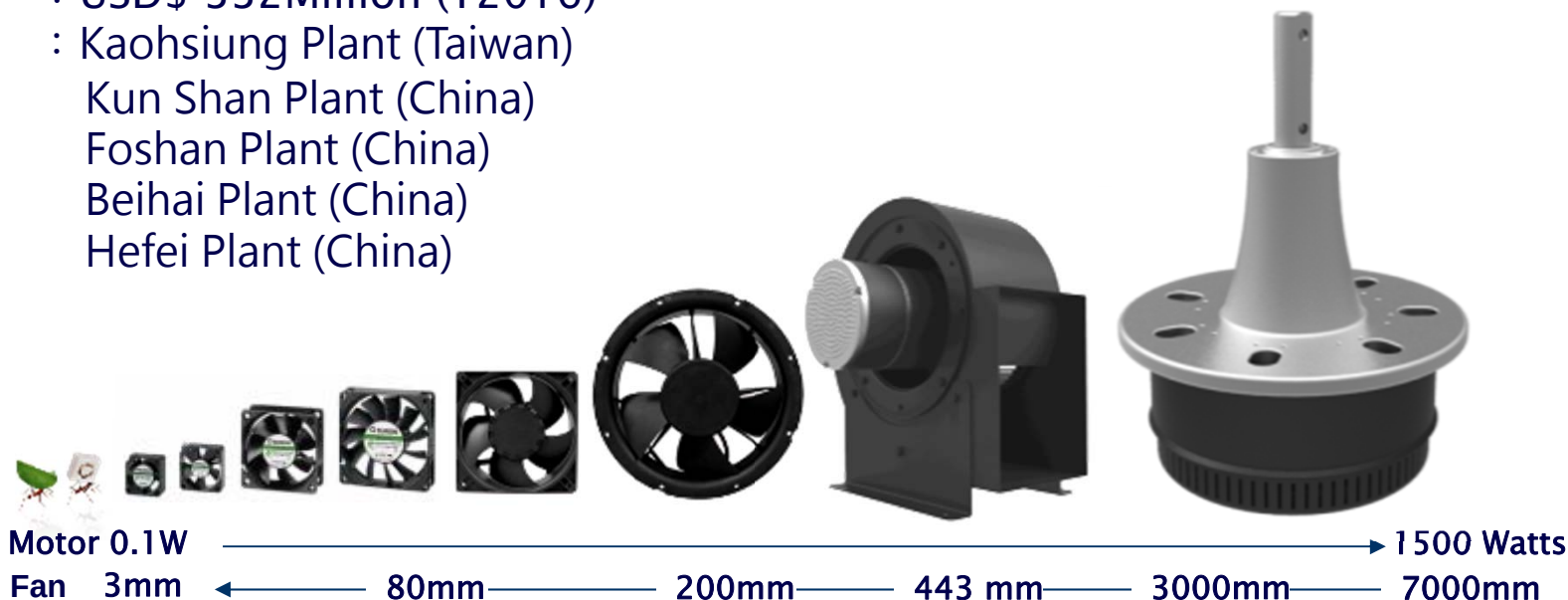
Company Overview

Established : 1980

Employees : 600 people (Taiwan)
7750 people (China)

Turnover : USD\$ 332Million (Y2016)

Factories : Kaohsiung Plant (Taiwan)
Kun Shan Plant (China)
Foshan Plant (China)
Beihai Plant (China)
Hefei Plant (China)



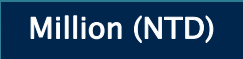
Fan 8mm-443mm

EC motor for HVLS Fav ~7000mm



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Growth Pattern



SUNON Research

- Applied materials research
- Development and experiments of raw materials

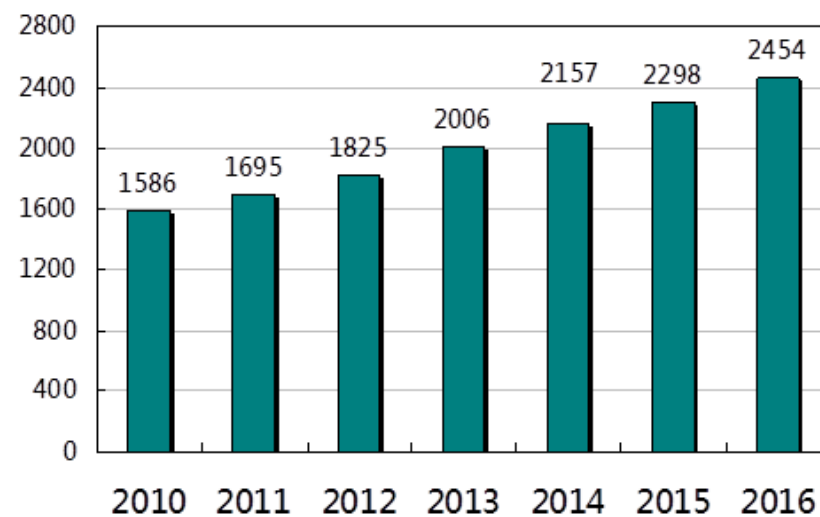


- Commercialization of motor applications

- Design, simulation, and verification of the total solution to heat dissipation

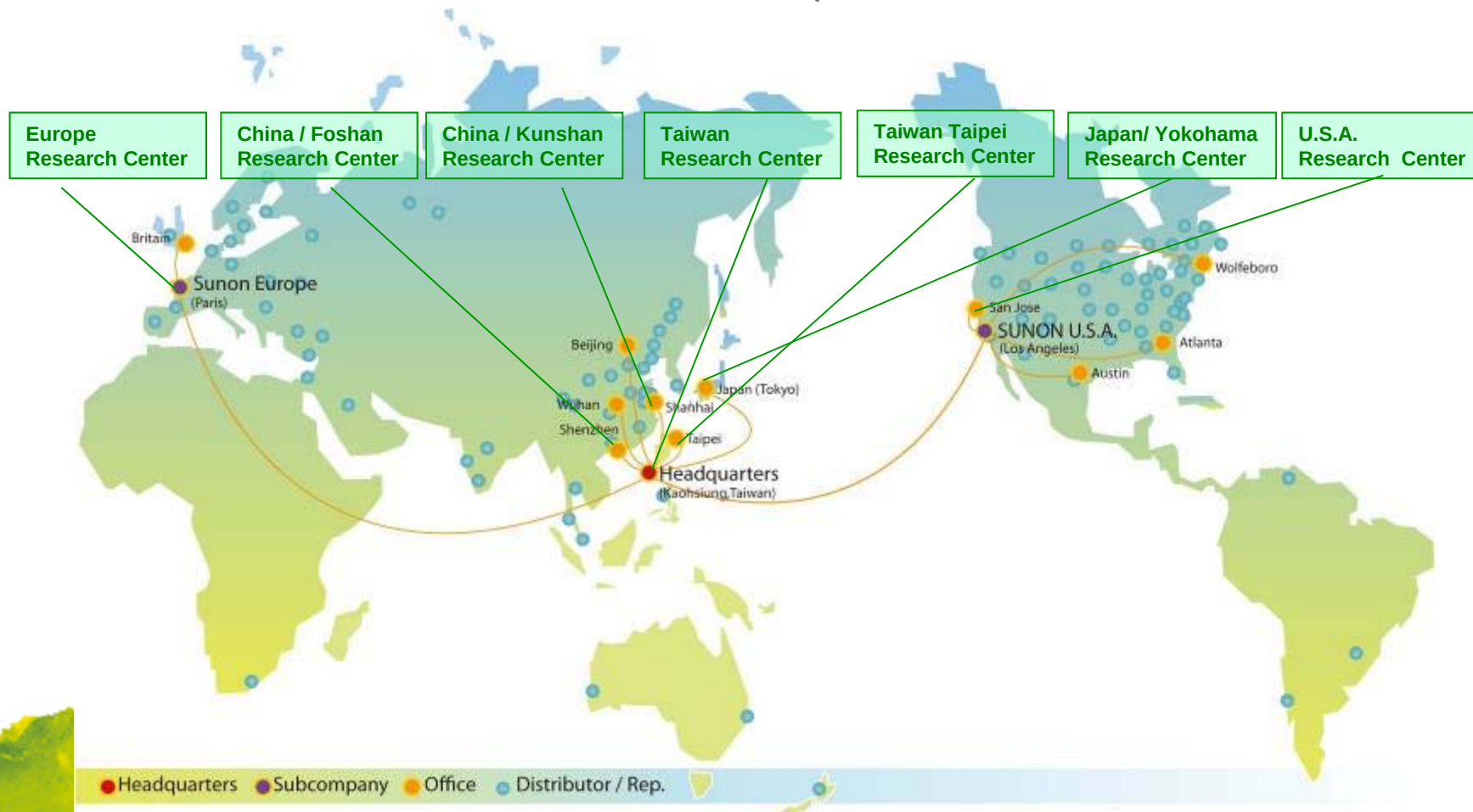


PATENTS



Global Support

- Over 1,000 sales representatives, 12 subsidiaries and offices, and over 130 distributors around the world.
- 7 research centers which provide a worldwide technological service network for quick and efficient services.



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World Leading Motor Technology



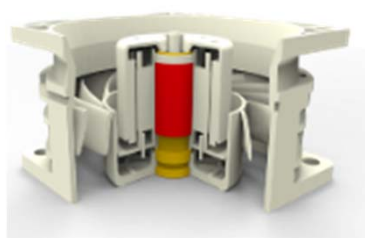
MagLev
System

Shockproof
System

Ultra
Thin

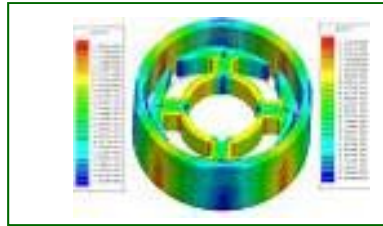
Energy
Efficient

Sound
Quality
Analysis

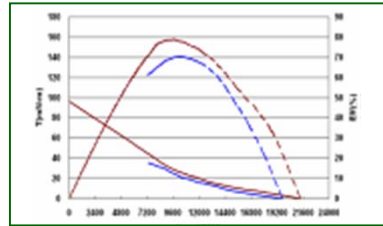


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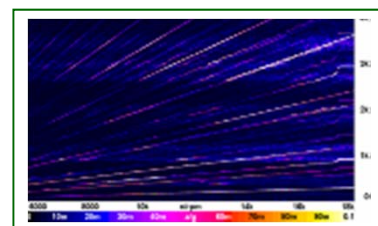
Outstanding Technology



MAGNETIZATION
SIMULATION ANALYSIS



MOTOR EFFICIENCY
ANALYSIS



VIBRATION FREQUENCY
SPECTRUM ANALYSIS



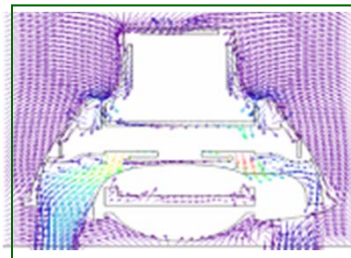
MATERIAL ANALYSIS
AND RESEARCH

Total motor, thermal, ventilation solution

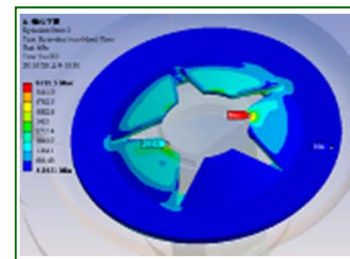
SOUND QUALITY
ANALYSIS



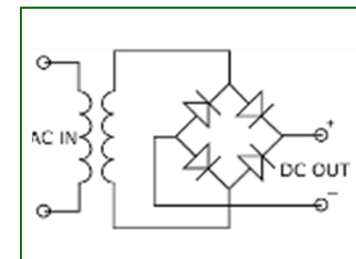
THERMAL ANALYSIS



STRUCTURAL SIMULATION
ANALYSIS

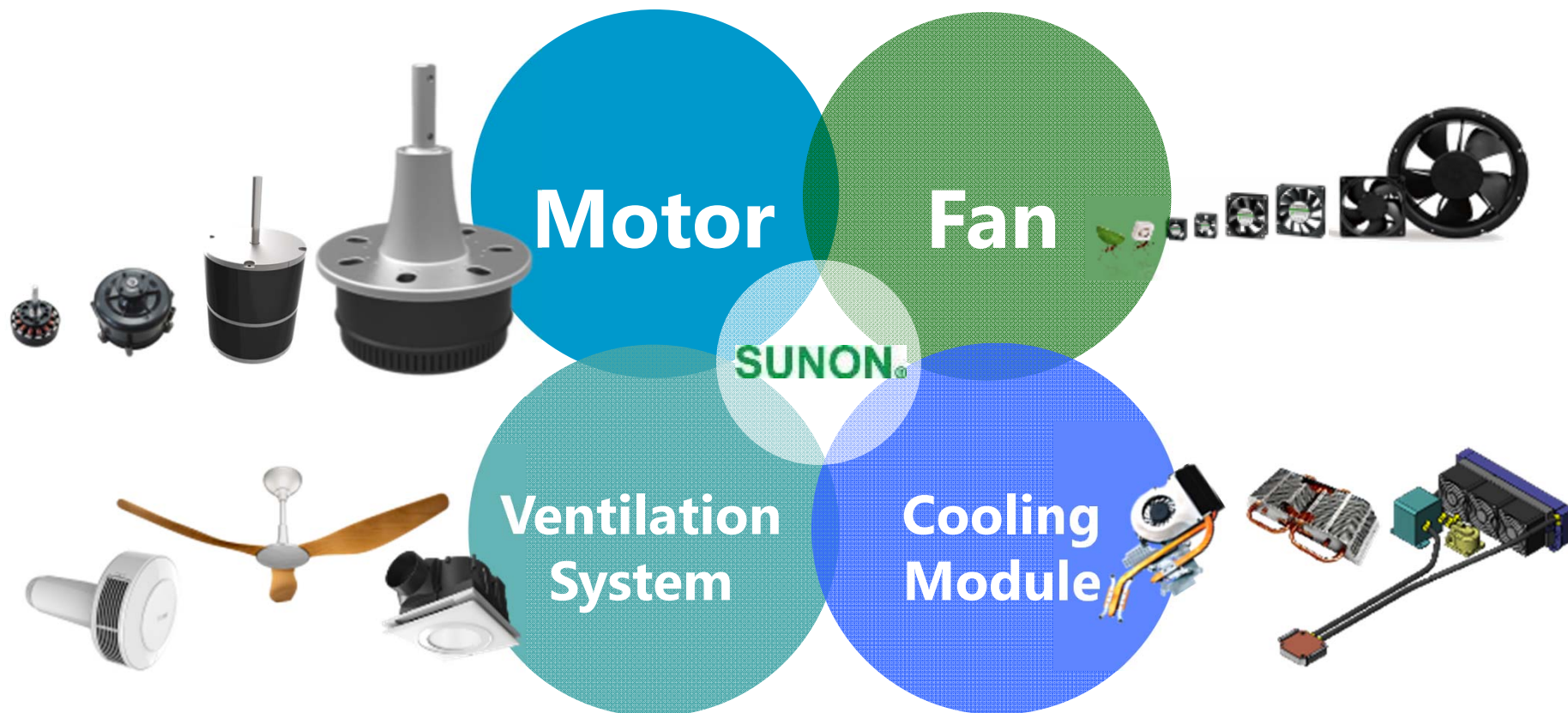


HIGH VOLTAGE DIRECT
CURRENT(DC)
ELECTRICITY



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SUNON Product Line



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Fan & Blower



Fan Size
3mm– 443mm



Fan Tray



DC Axial Fan



DC Blower



AC Axial Fan



Mighty Mini Fan



Water proof Fan



Explosion-proof Fan



EC Axial Fan



EC Blower



EC Centrifugal Fan

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Cooling Module



Cooling module

(up to 2.5mm)

Active Series



passive Series



Ultra thin heat pipe

(up to 0.4 mm)



Vapor chamber

(up to 0.6mm)



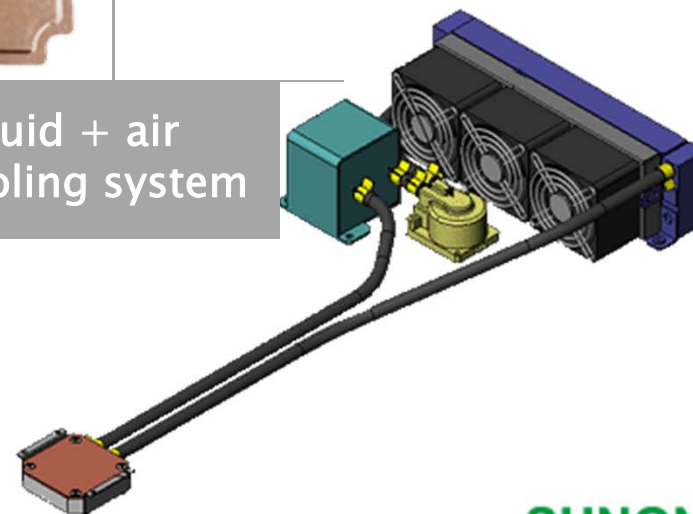
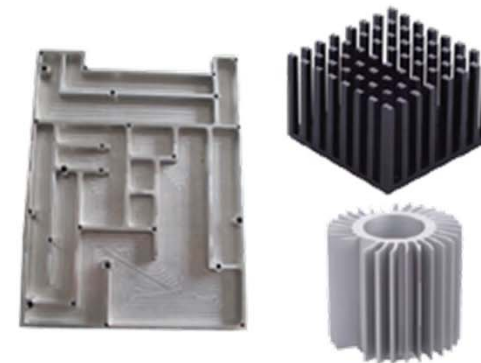
Liquid cooling



Liquid + air
cooling system

Metal Processing

(Stamping / Aluminum Extrusion
/ Die Casting)

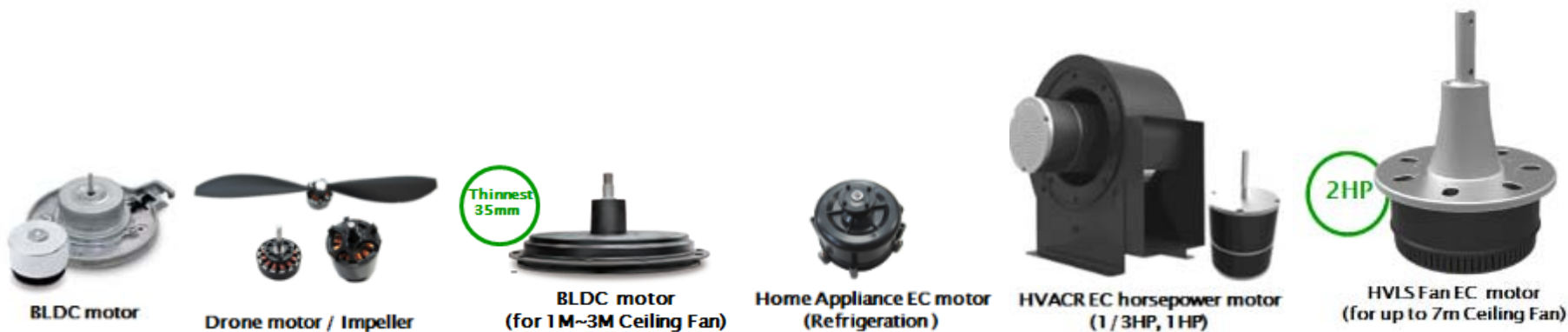


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Motor

Highly Energy efficient motor 0.1W ~ 1500W



The application of high horsepower motors



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Ventilation

Eco ventilation solution



Ventilation Fan



Flow2 One



Case Study



Moon Light Motel
天月人文休閒旅館



Hooyai Hotel
日月光飯店



Taipei Fullerton Hotel
台北斐敦



E-DA ROYAL HOTEL
義大皇家



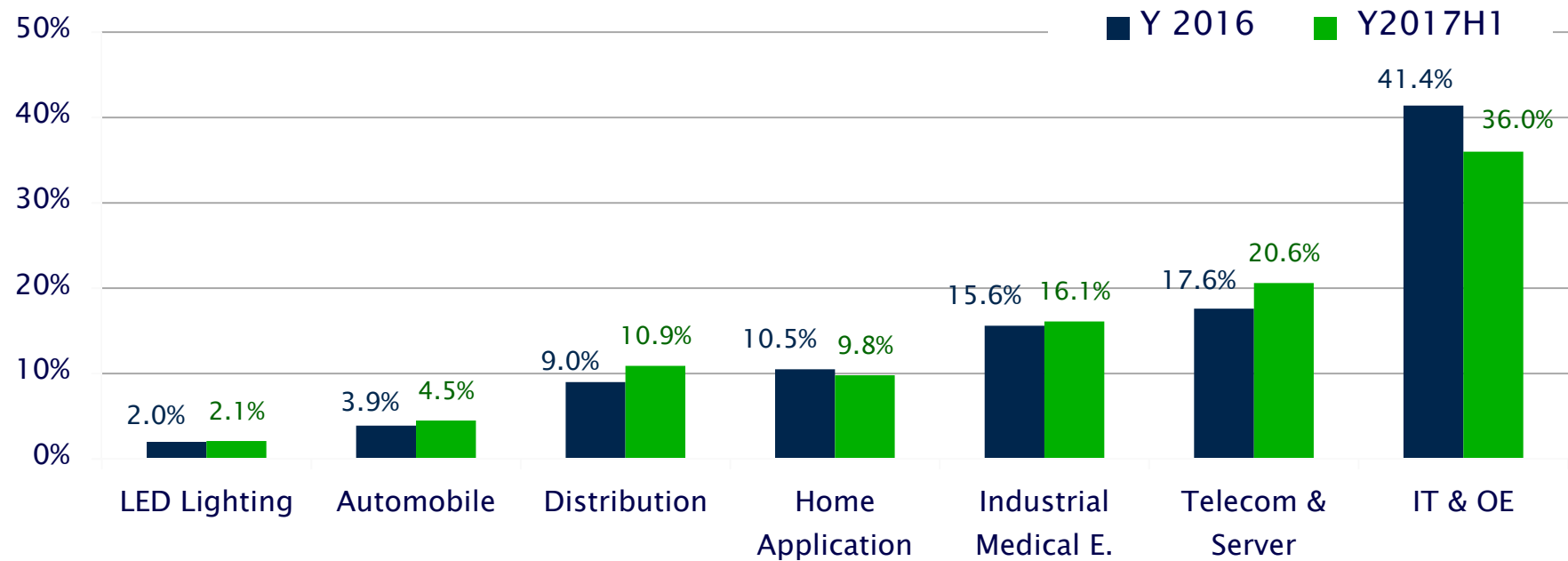
International Hotel
寒軒國際



Promisedland Resort &
Lagoon 理想大地

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Products Application

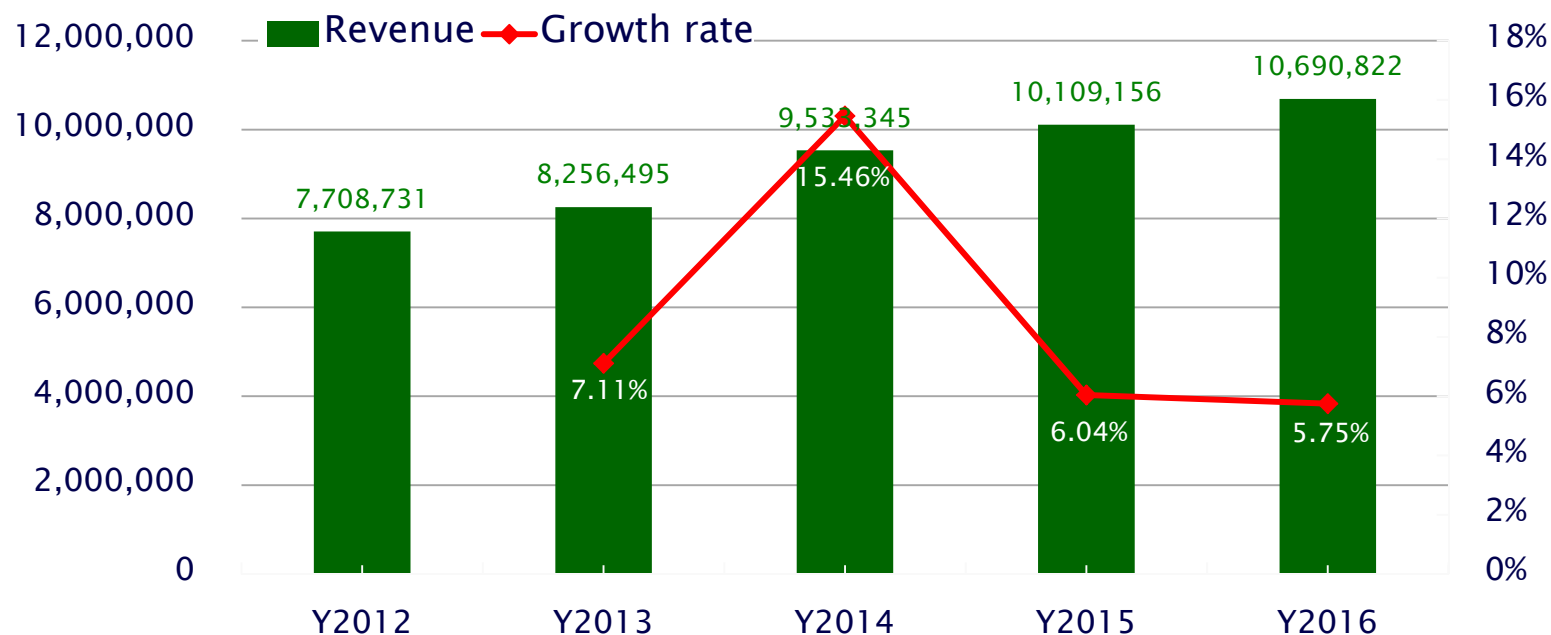


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Revenue Performance



UNIT: NTD (K)

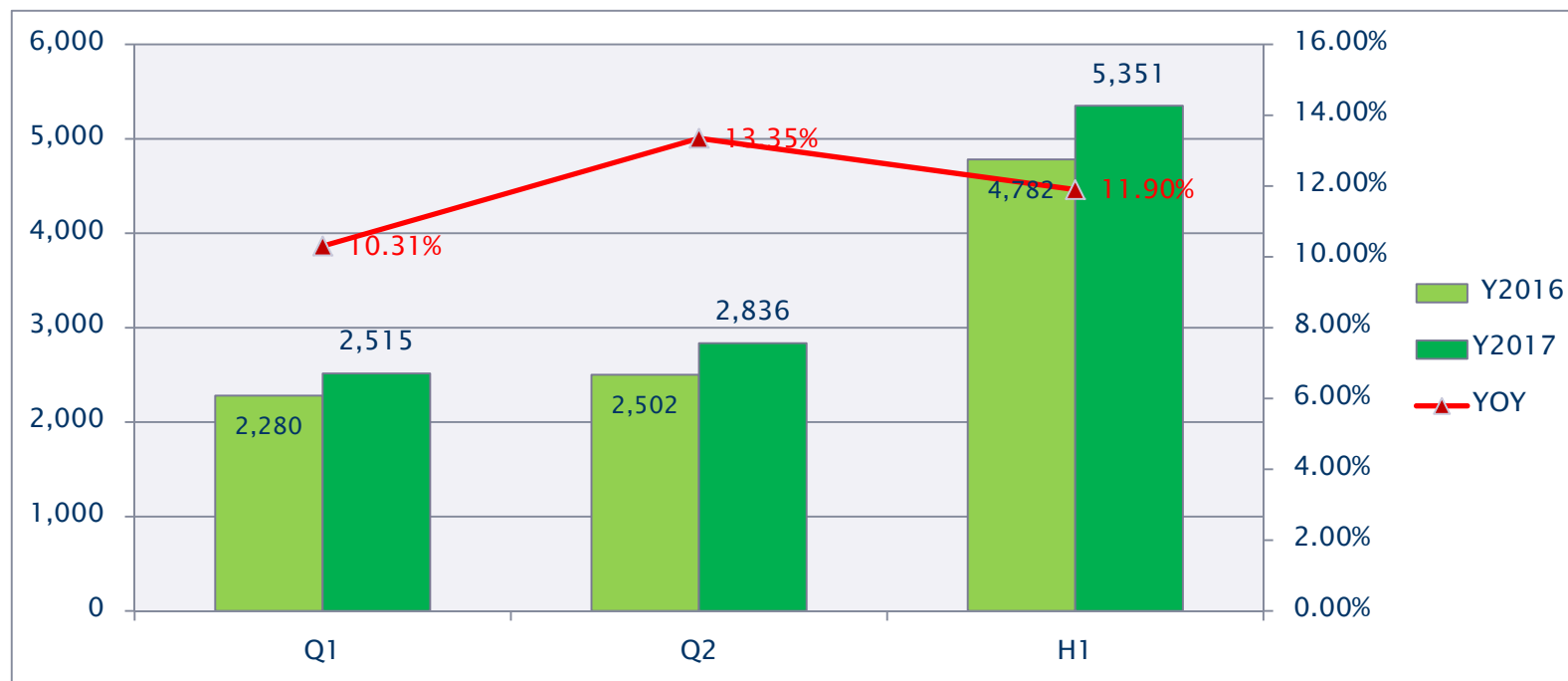


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Short Term Growth – Revenue



UNIT: NTD (M)



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Short Term Growth – Profit

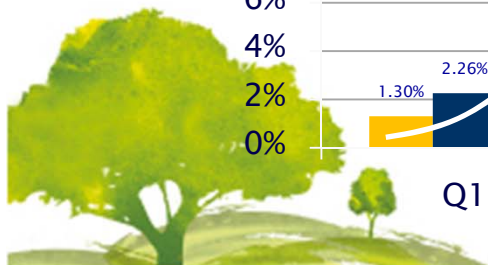
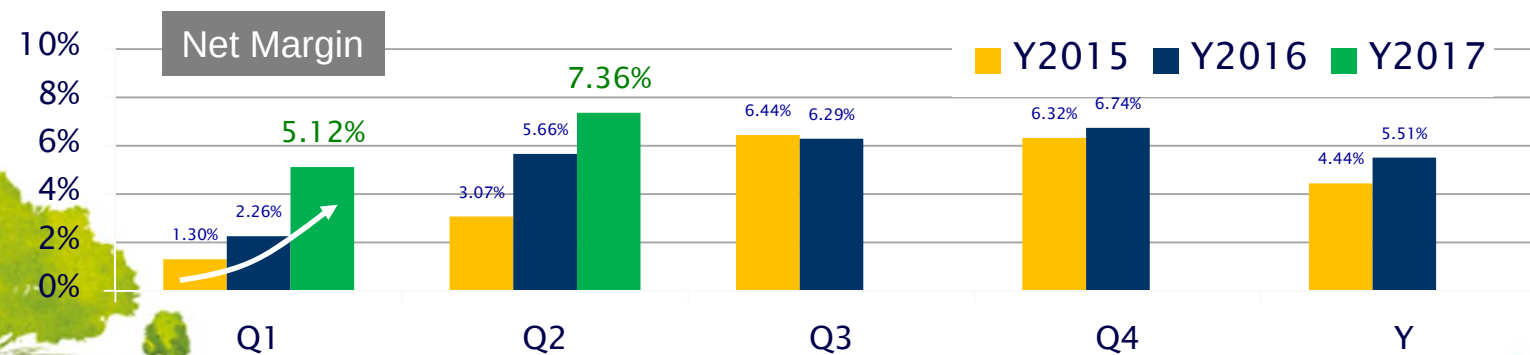
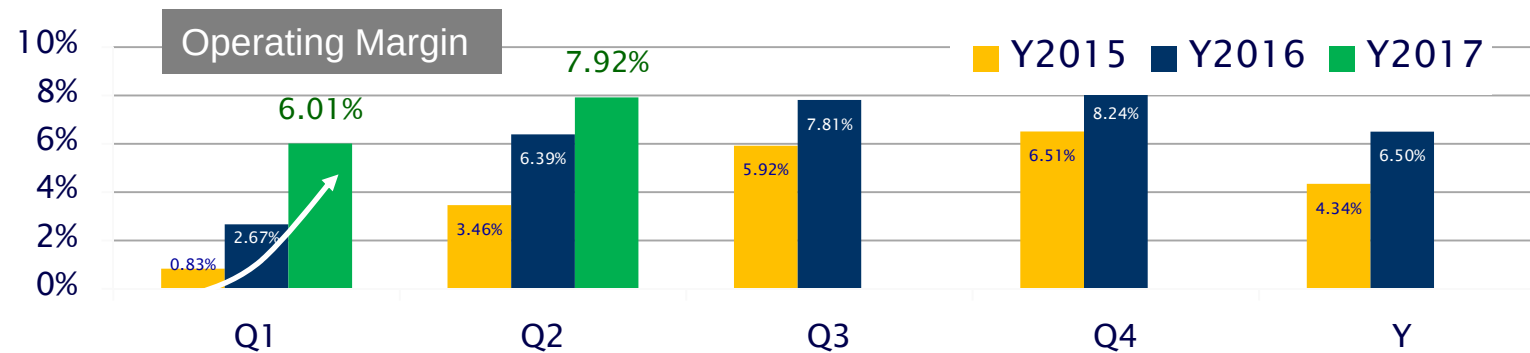
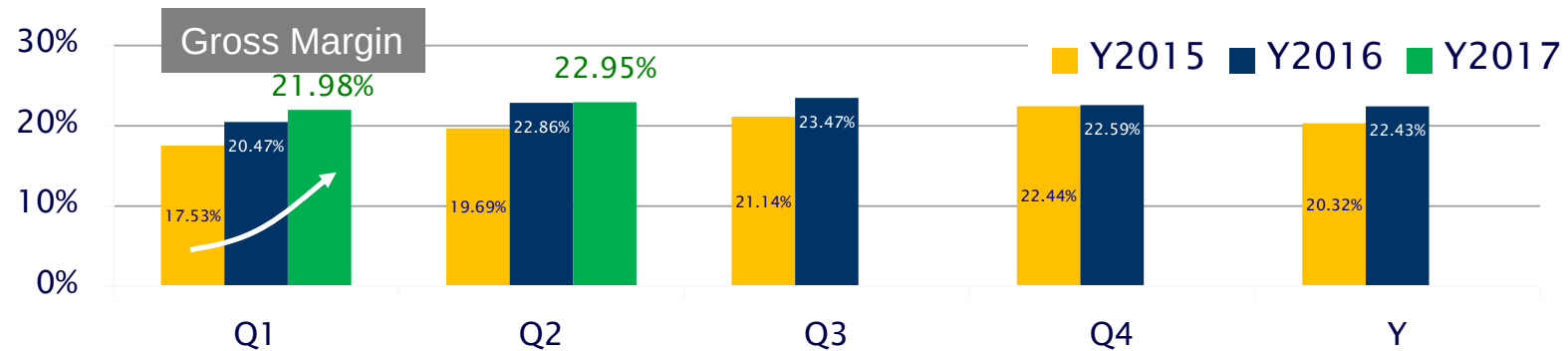


UNIT: NTD



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Profit Margin

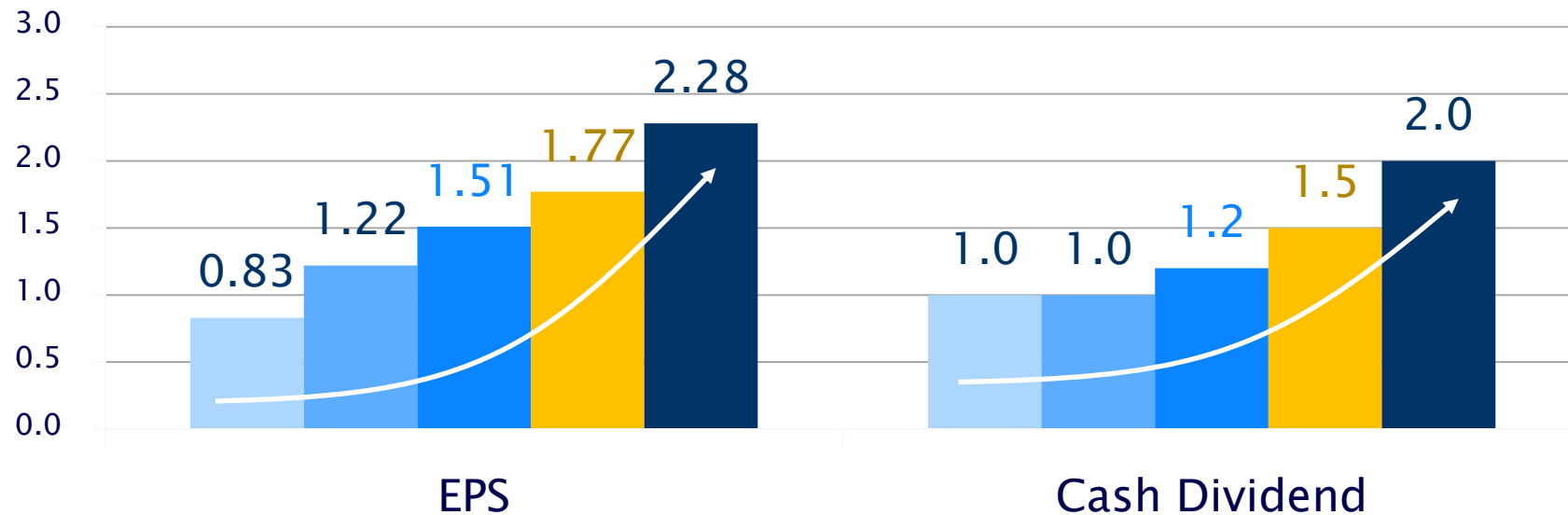


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Earning & Cash Dividend



UNIT: NTD



Y2012

Y2013

Y2014

Y2015

Y2016

Payout R.	120.48%	81.97%	79.47%	84.75%	87.72%
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Medium Term Drivers



Cooling Module in
Cloud Computing



Gaming Concept



Drone



VR MR AR



Air Purifier



IoT & Home
Application



Automobile



EC motor for HVACR



Photo Source :Internet

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Appendix I



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NT\$ M	2013	2014	2015	2016	2017 H1	Growth YOY(%)			
						2014	2015	2016	2017 H1
OPERATING REVENUES	8,256	9,533	10,109	10,691	5,351	15.47%	6.04%	5.76%	11.90%
GROSS PROFIT	1,780	1,953	2,054	2,398	1,203	9.72%	5.17%	16.75%	15.87%
INCOME FROM OPERATIONS	384	418	439	695	376	8.85%	5.02%	58.31%	70.13%
INCOME BEFORE INCOME TAX	441	525	584	833	405	19.05%	11.24%	42.64%	60.61%
NET INCOME attribute to owners	306	379	442	572	336	23.86%	16.62%	29.41%	76.35%
EPS (NT\$)	1.22	1.51	1.77	2.28	1.34				
Gross Margin	21.56%	20.49%	20.32%	22.43%	22.49%				
Operating Margin	4.66%	4.38%	4.34%	6.50%	7.02%				
Net Margin(*)	3.71%	3.98%	4.37%	5.35%	6.28%				
(*)Net Margin=Net Income attribute to owners / Revenue									



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Appendix II



CONSOLIDATED BALANCE SHEETS									
NT\$ M	2013	2014	2015	2016	2017 H1	Growth YOY(%)			
						2014	2015	2016	2017 H1
TOTAL ASSETS	6,778	7,324	7,523	8,391	8,035	8.06%	2.72%	11.54%	14.41%
Cash	1,183	961	1,269	1,338	1,035	-18.77%	32.05%	5.44%	-16.46%
A/R, N/R	2,001	2,440	2,439	2,871	2,731	21.94%	-0.04%	17.71%	26.61%
Inventories	1,154	1,338	1,480	1,377	1,494	15.94%	10.61%	-6.96%	23.27%
PP&E	1,814	1,810	1,775	2,182	2,207	-0.22%	-1.93%	22.93%	22.07%
TOTAL LIABILITIES	3,067	3,364	3,516	4,324	4,211	9.68%	4.52%	22.98%	30.33%
Short-term loans	576	497	464	454	396	-13.72%	-6.64%	-2.16%	18.21%
A/P	1,653	1,934	2,084	2,469	2,077	17.00%	7.76%	18.47%	24.00%
Long-term loans	0	0	0	320	320				NA
TOTAL EQUITY	3,711	3,960	4,007	4,067	3,824	6.71%	1.19%	1.50%	0.84%
Days sales outstanding	83	85	88	91	96				
Days sales of inventory	59	60	64	63	63				
Current Ratio	1.6032	1.635	1.6317	1.5336	148.05				



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