



# **SINBON**

## 2019 Q1 RESULTS & PROSPECTS

Prepared by Finance Department  
2019/05

## Safe Harbor Notice

This presentation contains forward looking statements and is subject to significant risks and uncertainties.

Actual results may differ materially from those in the forward looking statements.

# SINBON AT A GLANCE

Solution Provider

As an integrated **SOLUTION PROVIDER** in the “**MAGIC**” industries, it’s our mission to create increasing value through continuous development on technologies and services to our customers worldwide.

*Listed on Taiwan Stock Exchange (Code # 3023)*



**30<sub>y</sub>**

Founded in 1989



**500<sup>↑</sup>**

2018 Revenue  
USD million



**4000<sup>↑</sup>**

Worldwide employees



**6**

Factories  
in Asia, Europe, America



**20<sup>↑</sup>**

Global service sites



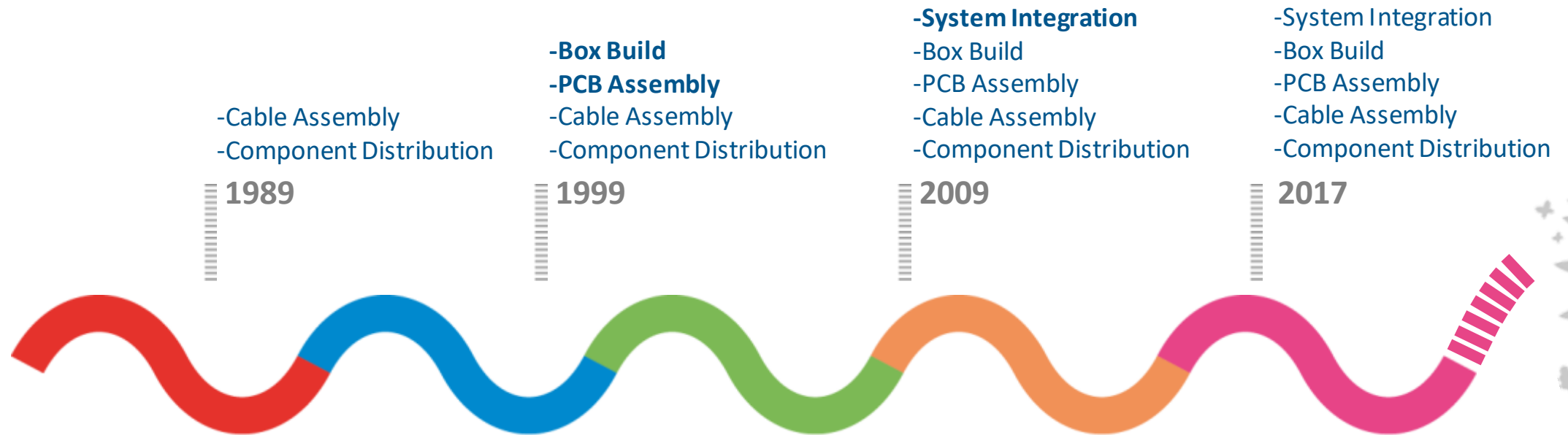
**100<sup>↑</sup>**

Branded customers

# NEVER STOP INNOVATING

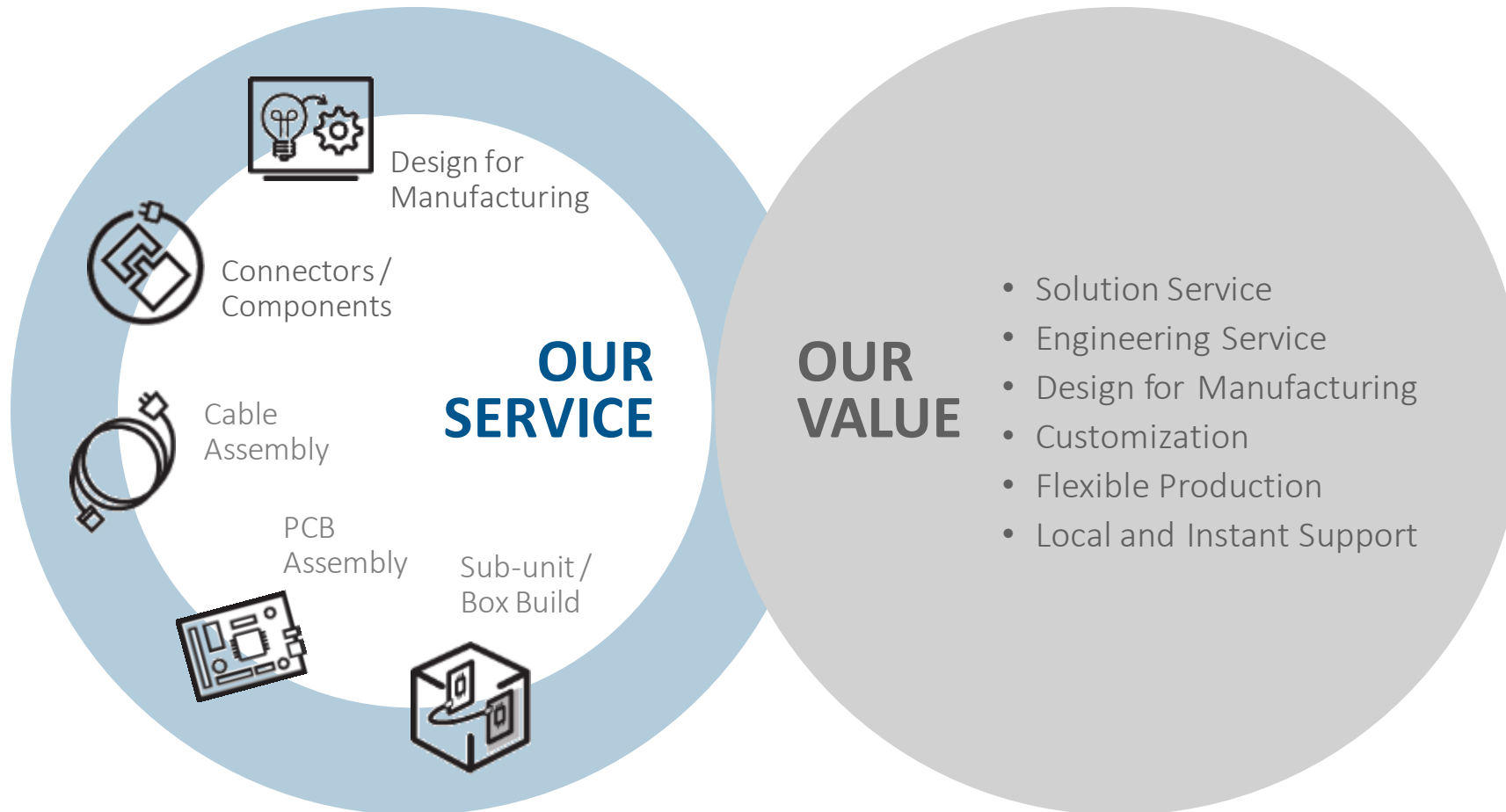
Milestone

do the **MAGIC+**



# CREATE VALUE TO CUSTOMER

Value-added Solution



do the **MAGIC+**

# MAKE CABLE INVINCIBLE

## Cable Assembly

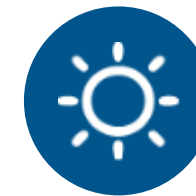
OUR  
CABLE  
CAN



**Swim**  
Waterproof



**Fire walk**  
Flame-retardant



**Sunbathe**  
UV resistant



**Dip into oil**  
Oil resistant



**Be stepped**  
Rugged



**Be smart**  
Integrated with PCBA

CAPABILITY  
& STRENGTH

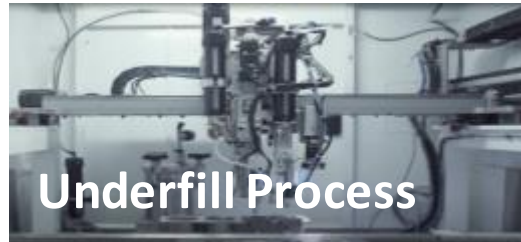
- Soldering : 16 AWG - 44 AWG wire
- Crimping : 4/0 AWG - 34 AWG wire / Max:240 mm<sup>2</sup>
- Molding : PE / PVC / TPE / ABS / TPO / PU / TPU

- Excellent at over molding and low pressure molding
- Multiple wires or cables assembled together
- Sourcing and verification of alternative materials
- Automated processes

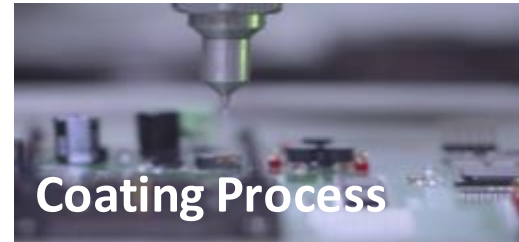
# BE SMART THAN JUST A CABLE

## PCB Assembly

### FEATURES



- DIP and SMT process capability
- Single sided, double sided
- BGA rework station
- Lean production
- SMT Error Prevention System (EPS)
- Includes **ICT, AOI, J-TAG, SPI**, and other regular tests



- PCB size : 50x50mm~460x510mm
- Chip size : QFP, BGA,  $\mu$  BGA, CSP (Max.:100\*100mm)
- Chip dimensions: 0201 (inch)
- Mounting accuracy:  $\pm 0.035$  mm ~ 0.08 mm/chip (Cpk  $\geq 1.33$ )



# DESIGN FOR MANUFACTURING

## Box Build

### Electronic Engineering

Power management / Interface data transmission / Remote side charging function / Board level design / Radio frequency technology

### Firmware Capabilities

MCU firmware design / Device driver / OS porting / Boot loader development

### Software Capabilities

AP design (PC / mobile) / Web service design / Data base design

### Mechanical Design

ME customized design / Tooling services / ID customized design / 3D modeling

### Auto Test

Test AP design / Real time data display / Fixture design

### Design Quality Engineering

Function validation / Reliability validation / EMC / Safety validation





# Global Service Network



**CHINA**  
SALES/PRODUCTION  
/HUB

**USA**  
SALES/PRODUCTION  
/HUB

**EUROPE**  
SALES/PRODUCTION  
/HUB

**TAIWAN**  
SALES/PRODUCTION  
/HUB

- S Germany
- H P Hungary
- S UK
- S Denmark

- S Sweden
- S Finland
- S Israel
- S Italy
- S Austria

- S Tianjin
- S Xiamen
- S Wuhan
- H P S Beijing
- H P S Jiangyin
- H P S Tongcheng
- S Dalian
- S Hefei
- S Qingdao
- S Shenyang
- S Shanghai
- S Shenzhen
- S Nagoya
- S Taipei (HQ)
- H P S Miaoli

- S Chicago
- S Los Angeles
- S New York
- S Seattle
- H P S Dayton
- H Nashville

S SALES OFFICE      P PRODUCTION PLANT      H HUB

# MIAOLI FACTORY

Taiwan



## FEATURES

Cable assembly  
PCB assembly  
High mix low volume  
Clean room

## AVAILABLE SPACE

7,262 m<sup>2</sup>

## MANPOWER

>300

## STANDARD COMPLIANCE

AS 9100  
GMP  
IECQ  
IPC-610, Class 2  
IPC-620, Class 2  
ISO 9001  
ISO 14001  
ISO 14064-1  
OHSAS 18001  
SA 8000  
TS 16949  
UL



# TATABÁNYA FACTORY

Hungary



TATABÁNYA

## FEATURES

Fiber optic cable assembly  
Copper cable assembly  
High mix low volume  
High volume

## AVAILABLE SPACE

4,600 m<sup>2</sup>

## MANPOWER

>200

## STANDARD COMPLIANCE

ISO 9001  
ISO 14001  
IPC-620, class 2  
ISO 26000 (In preparation)  
TS 16949 (In preparation)

A stylized map of the United States is shown on the left side of the slide. The state of Ohio is highlighted in a solid dark blue color. The word "DAYTON" is written in large, light grey, sans-serif capital letters across the center of the Ohio map. To the left of the map, there is a partial view of a light blue circular graphic.

# DAYTON FACTORY

USA

DAYTON

## FEATURES

- Cable assembly
- PCB assembly
- Ball grid array assembly
- Hybrid assembly
- Value-added service

## AVAILABLE SPACE

4,645 m<sup>2</sup>

## MANPOWER

>90

## STANDARD COMPLIANCE

- ISO 9001
- IPC-610, class 2
- IPC-620, class 2
- ISO 13485 (In preparation)

A light blue outline map of China is positioned on the left side of the slide. The province of Beijing is highlighted in a solid dark blue color. The word "BEIJING" is written in large, light blue, sans-serif capital letters across the highlighted area.

# BEIJING FACTORY

China

## FEATURES

Cable assembly  
PCB assembly  
Box build  
HV cable lab  
High mix low volume

## AVAILABLE SPACE

9,915 m<sup>2</sup>

## MANPOWER

>600

## STANDARD COMPLIANCE

Green Partner (Sony)  
IPC-610, Class 2  
IPC-620, Class 2  
ISO 9001  
ISO 13485  
ISO 14001  
OHSAS 18001  
UL

# JIANGYIN FACTORY

China



## FEATURES

- Cable assembly
- PCB assembly
- Box build
- Raw cable factory
- Tooling center
- Laboratory
- High mix low volume
- High volume low mix

## AVAILABLE SPACE

- Factory I – 13,000 m<sup>2</sup>
- Factory II – 21,450 m<sup>2</sup>
- Factory III – 2,000 m<sup>2</sup>

## MANPOWER

>2,300

## STANDARD COMPLIANCE

- AS 9100
- Eco-Partner
- FDA
- Green Partner
- IPC-610, Class 2
- IPC-620, Class 2
- ISO 9001
- ISO 14001
- ISO 13485
- MedAccred
- TS 16949
- UL



# TONGCHENG FACTORY

China



## FEATURES

Cable assembly  
Tooling center  
Laboratory

## AVAILABLE SPACE

6,000 m<sup>2</sup>

## MANPOWER

>400

## STANDARD COMPLIANCE

EICC  
Green Partner (Canon)  
ISO 9001  
ISO14001  
TS 16949  
UL



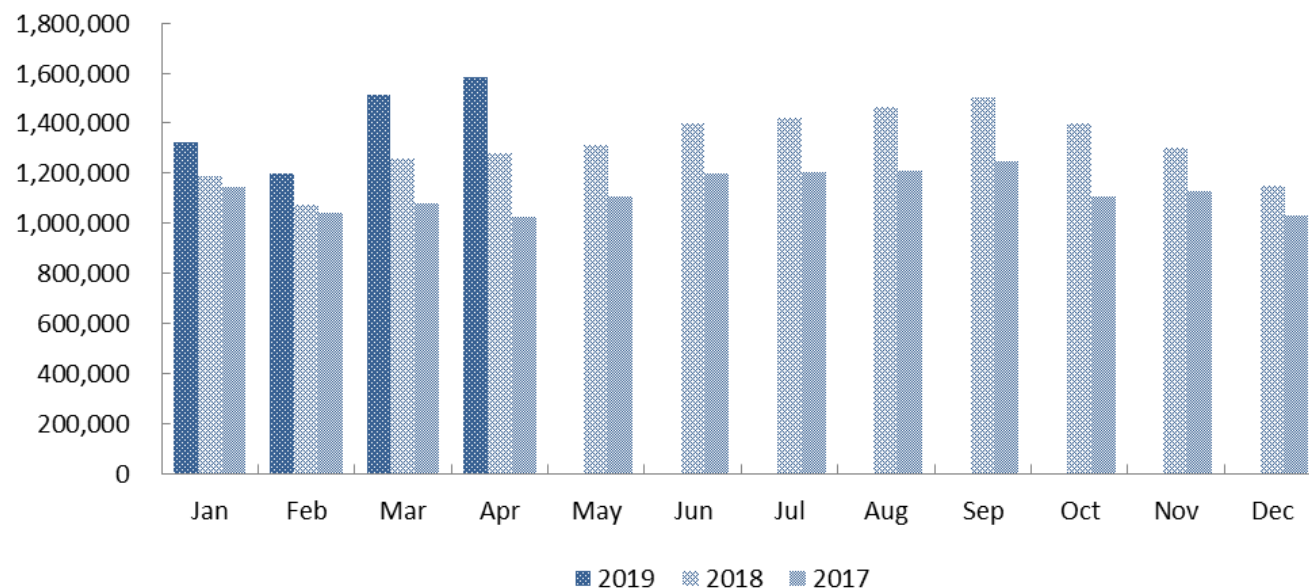
# Financial Focus

# MONTHLY REVENUE

## Non-audited and Consolidated

(Expressed in Thousands of NTD)

	2019	2018	2017	2016
Jan	1,327,632	1,192,179	1,151,241	1,237,837
Feb	1,206,314	1,080,475	1,044,775	1,010,416
Mar	1,520,619	1,263,544	1,086,436	1,118,070
Apr	1,588,031	1,284,709	1,031,539	1,142,696
May		1,320,190	1,112,308	1,156,504
Jun		1,402,581	1,203,510	1,167,868
Jul		1,425,256	1,208,239	1,069,748
Aug		1,470,550	1,214,617	1,088,207
Sep		1,507,963	1,250,674	1,102,747
Oct		1,406,590	1,113,106	1,047,481
Nov		1,308,573	1,135,489	1,054,954
Dec		1,152,609	1,035,184	1,019,057
<b>Total</b>	<b>5,642,596</b>	<b>15,815,219</b>	<b>13,587,118</b>	<b>13,215,585</b>



# LAST 5 YEARS RESULT HIGHLIGHT

Audited

(Expressed in Thousands of NTD)	2018 Consolidated	2017 Consolidated	2016 Consolidated	2015 Consolidated	2014 Consolidated
Net Sales	<b>15,645,253</b>	<b>13,061,439</b>	<b>12,925,843</b>	<b>12,111,258</b>	<b>11,642,719</b>
YOY(%)	19.78%	1.05%	6.73%	4.02%	10.30%
COGS	(11,725,308)	(9,781,088)	(9,716,741)	(9,389,101)	(9,112,319)
Gross Profit	<b>3,919,945</b>	<b>3,280,351</b>	<b>3,209,102</b>	<b>2,722,157</b>	<b>2,530,400</b>
Gross Profit(%)	25.06%	25.11%	24.83%	22.48%	21.73%
Operating Expenses	(2,288,256)	(1,887,205)	(1,790,898)	(1,655,368)	(1,579,810)
Operation Income	<b>1,631,689</b>	<b>1,393,146</b>	<b>1,418,204</b>	<b>1,066,789</b>	<b>950,590</b>
Operaion Profit(%)	10.43%	10.67%	10.97%	8.81%	8.16%
Net Non-operating P/L	288,379	226,398	178,840	303,220	92,932
Income before Taxes	<b>1,920,068</b>	<b>1,619,544</b>	<b>1,597,044</b>	<b>1,370,009</b>	<b>1,043,522</b>
Income Taxes	(548,539)	(395,456)	(435,309)	(415,906)	(268,575)
Less: Minority Interests	(41,948)	(2,383)	4,349	(16,092)	(18,805)
Net Income	<b>1,413,477</b>	<b>1,226,471</b>	<b>1,157,386</b>	<b>970,195</b>	<b>793,752</b>
Net Profit(%)	9.03%	9.39%	8.95%	8.01%	6.82%
Outstanding Shares('000)	225,727	225,416	225,416	214,224	207,671
Basic EPS(NTD)	6.26	5.44	5.15	4.53	3.82
Equities	6,572,643	6,084,637	5,732,732	5,583,341	5,019,057
ROE(%)	21.51%	20.16%	20.19%	17.38%	15.81%

# LAST 5 QUARTERS RESULT HIGHLIGHT

Audited or Reviewed

(Expressed in Thousands of NTD)	Q1'19	Q4'18	Q3'18	Q2'18	Q1'18
Net Sales	<b>4,009,043</b>	<b>3,825,621</b>	<b>4,392,642</b>	<b>3,940,772</b>	<b>3,486,218</b>
Gross Profit	<b>1,031,046</b>	<b>979,029</b>	<b>1,095,676</b>	<b>969,555</b>	<b>875,685</b>
Gross Profit %	25.72%	25.59%	24.94%	24.60%	25.12%
Operation Income	<b>435,040</b>	<b>394,304</b>	<b>550,343</b>	<b>346,886</b>	<b>340,156</b>
Non-operating Income	61,925	33,880	99,729	225,987	9,217
Non-operating Expenses	(16,311)	(30,041)	(10,420)	(9,659)	(30,314)
Income before Taxes	<b>480,654</b>	<b>398,143</b>	<b>639,652</b>	<b>563,214</b>	<b>319,059</b>
Income Taxes	(130,687)	(188,221)	(169,079)	(143,328)	(47,911)
Minority Interests	(14,902)	(17,998)	(9,547)	(8,990)	(5,413)
Net Income	<b>364,869</b>	<b>227,920</b>	<b>480,120</b>	<b>428,876</b>	<b>276,561</b>
Net Profit %	9.10%	5.96%	10.93%	10.88%	7.93%
EPS (in NT Dollars)	1.60	1.00	2.13	1.90	1.23
Stockholders' Equity	7,230,481	6,572,643	6,252,007	5,901,805	6,311,637
ROE (by quarterly)	5.05%	3.47%	7.68%	7.27%	4.38%

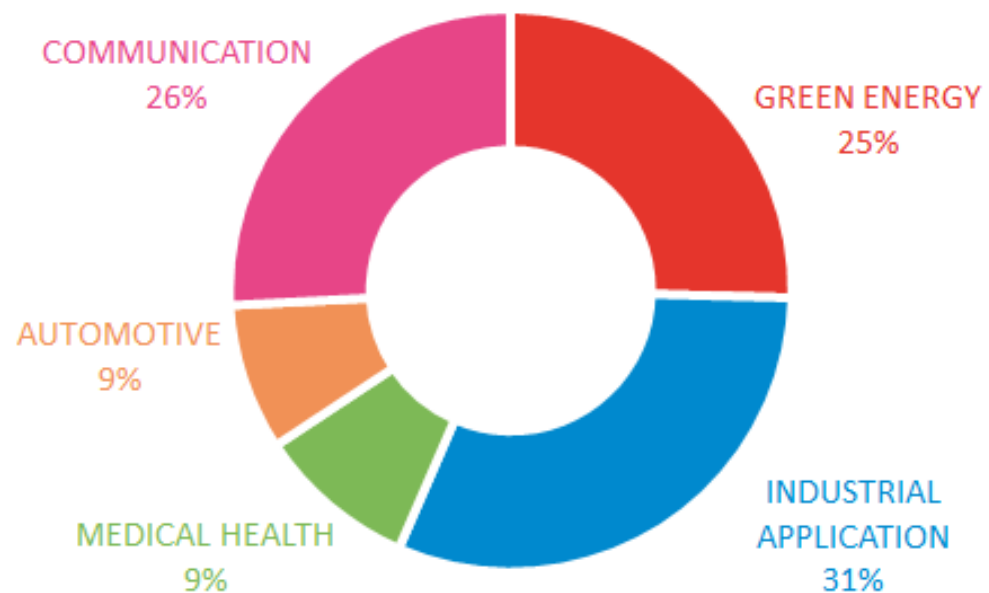
# REVENUES BY MARKET SEGMENT (QUARTERLY)

(Expressed in Thousands of NTD)

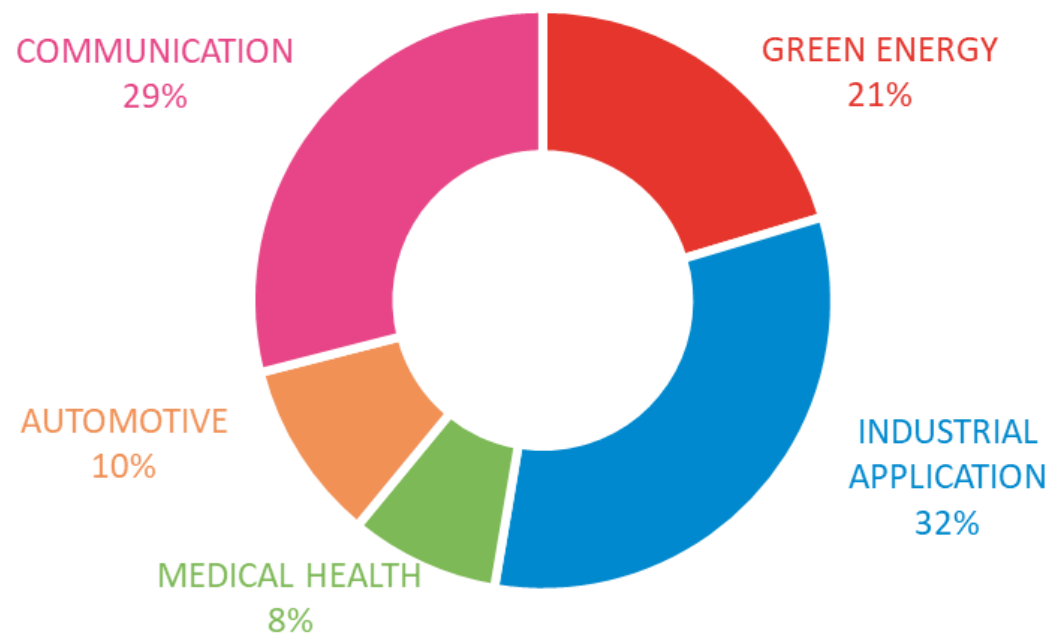
Industry	2019 Q1	2018 Q1	Increase (Decrease)	%
GREEN ENERGY	1,018,955	710,954	308,001	43%
INDUSTRIAL APPLICATION	1,247,015	1,125,078	121,937	11%
MEDICAL HEALTH	368,925	289,169	79,756	28%
AUTOMOTIVE	338,316	350,851	(12,535)	-4%
COMMUNICATION	1,035,832	1,010,166	25,666	3%
<b>Total</b>	<b>4,009,043</b>	<b>3,486,218</b>	<b>522,825</b>	<b>15%</b>

# PERCENTAGE OF REVENUES BY MARKET SEGMENT

2019 Q1



2018Q1



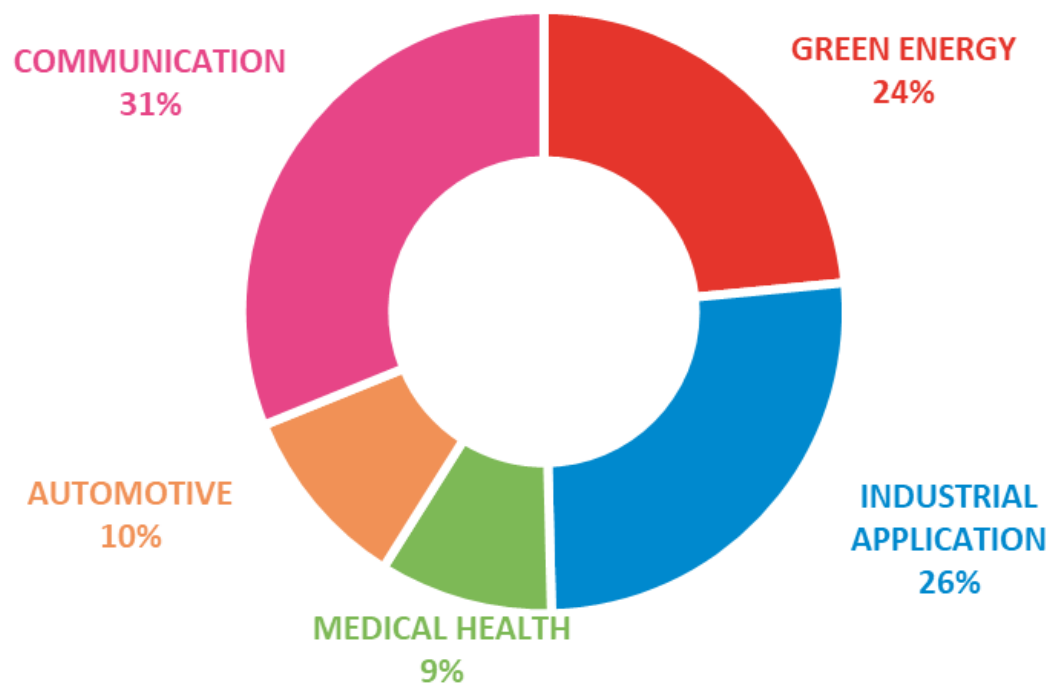
# REVENUES BY MARKET SEGMENT (YEARLY)

(Expressed in Thousands of NTD)

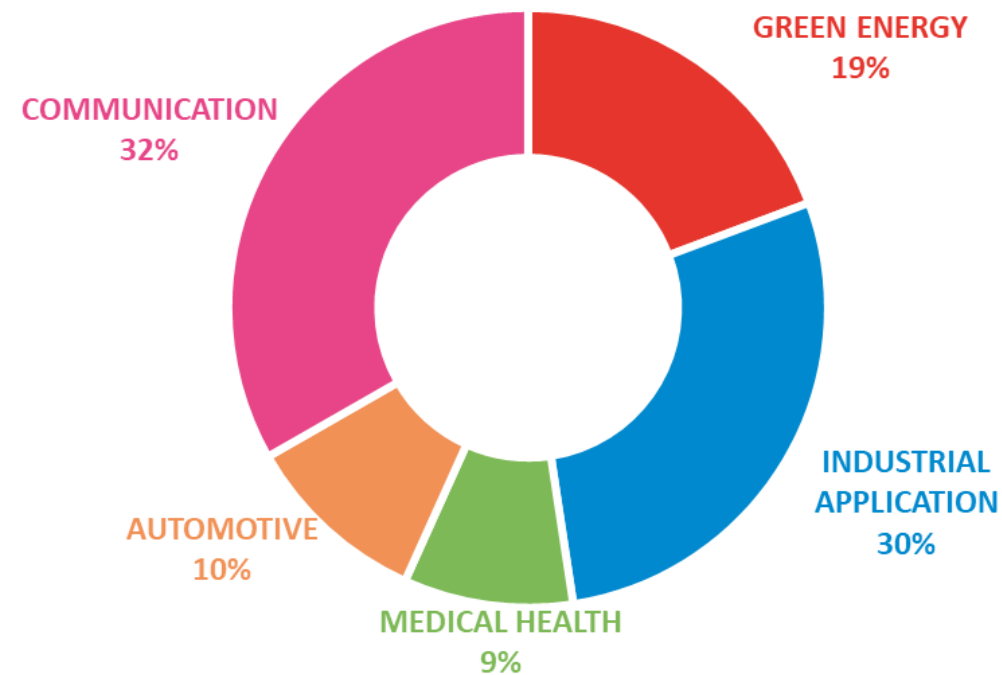
Industry	2018	2017	Increase (Decrease)	%
GREEN ENERGY	3,672,134	2,522,430	1,149,704	46%
INDUSTRIAL APPLICATION	4,088,135	3,693,855	394,280	11%
MEDICAL HEALTH	1,457,058	1,195,107	261,951	22%
AUTOMOTIVE	1,557,368	1,304,426	252,942	19%
COMMUNICATION	4,870,558	4,345,621	524,937	12%
<b>Total</b>	<b>15,645,253</b>	<b>13,061,439</b>	<b>2,583,814</b>	<b>20%</b>

# PERCENTAGE OF REVENUES BY MARKET SEGMENT

2018



2017



# FINANCIAL RATIO

Ratio	2013	2014	2015	2016	2017	2018
Debt Ratio	50.42%	51.52%	49.27%	47.85%	49.71%	52.14%
Long-term Funds to Property, Plant and Equipment Ratio	321.56%	349.93%	397.86%	432.88%	474.09%	389.43%
Current Ratio	164.03%	165.75%	166.75%	174.54%	177.53%	162.74%
Quick Ratio	123.72%	121.24%	122.32%	130.90%	125.04%	108.69%
Times Interest Earned Ratio	24.39	26.71	36.81	57.74	55.41	45.27
A/R Turnover	3.59	3.76	3.94	4.14	3.85	3.88
A/P Turnover	4.77	4.52	5.01	4.91	4.92	4.67
Inventory Turnover	4.96	4.93	4.57	4.38	4.08	3.77
Property, Plant and Equipment Turnover	6.69	7.53	8.03	9.08	8.79	8.44
Total Assets Turnover	1.12	1.17	1.09	1.16	1.04	1.10
ROA	7.00%	8.14%	9.13%	10.68%	10.69%	9.95%
ROE	13.88%	15.92%	17.80%	20.35%	20.27%	20.80%
Profit before Tax to Capital	41.75%	50.25%	62.95%	70.85%	71.85%	85.06%
Net Profit Rate	5.76%	6.66%	7.88%	8.99%	9.39%	9.03%
Basic EPS (NT\$)	3.20	3.82	4.53	5.15	5.44	6.26

The relevant information is as follows : <http://www.sinbon.com/investor-relations/financial-statement/>

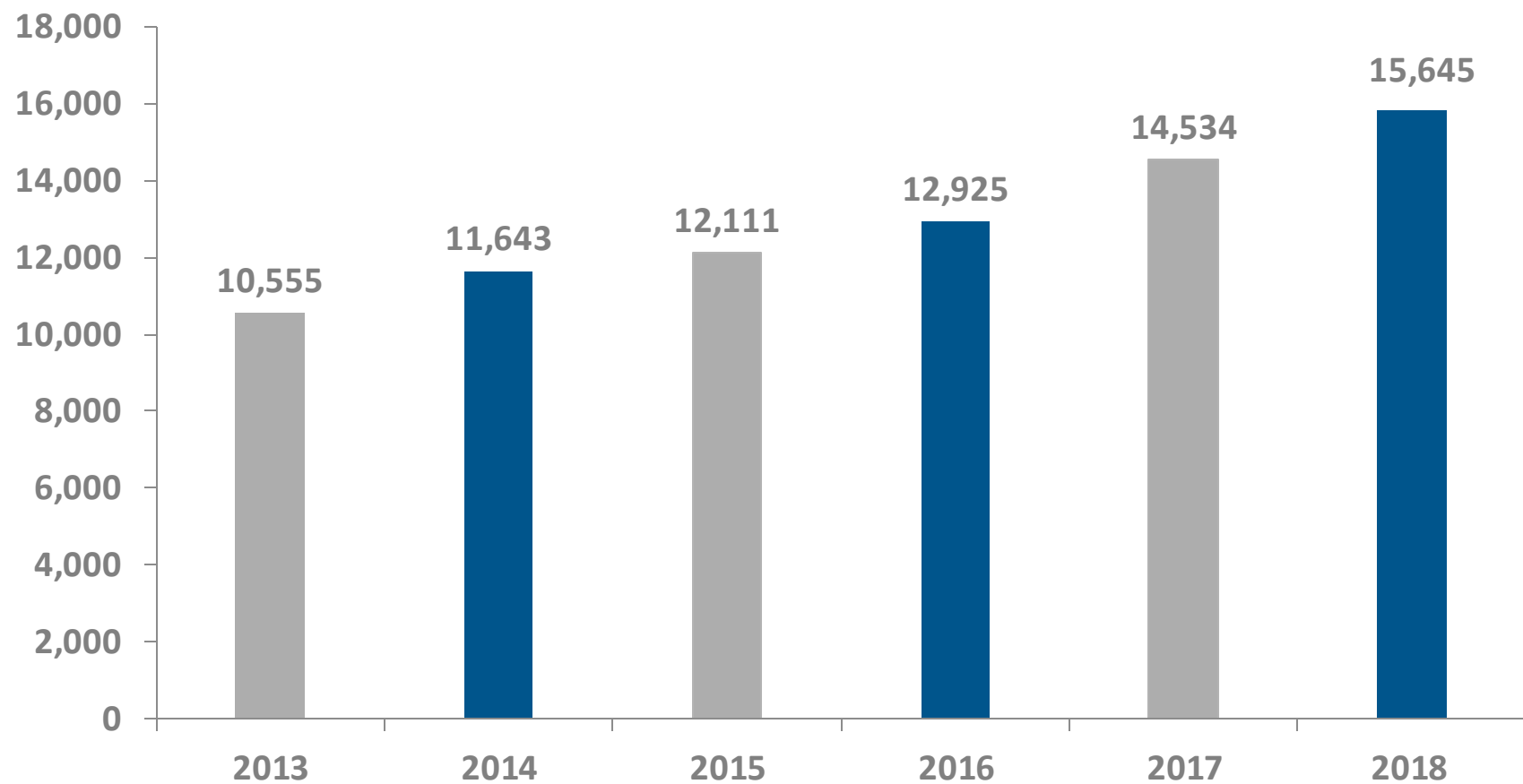


# Financial Records

# REVENUE

2013-2018

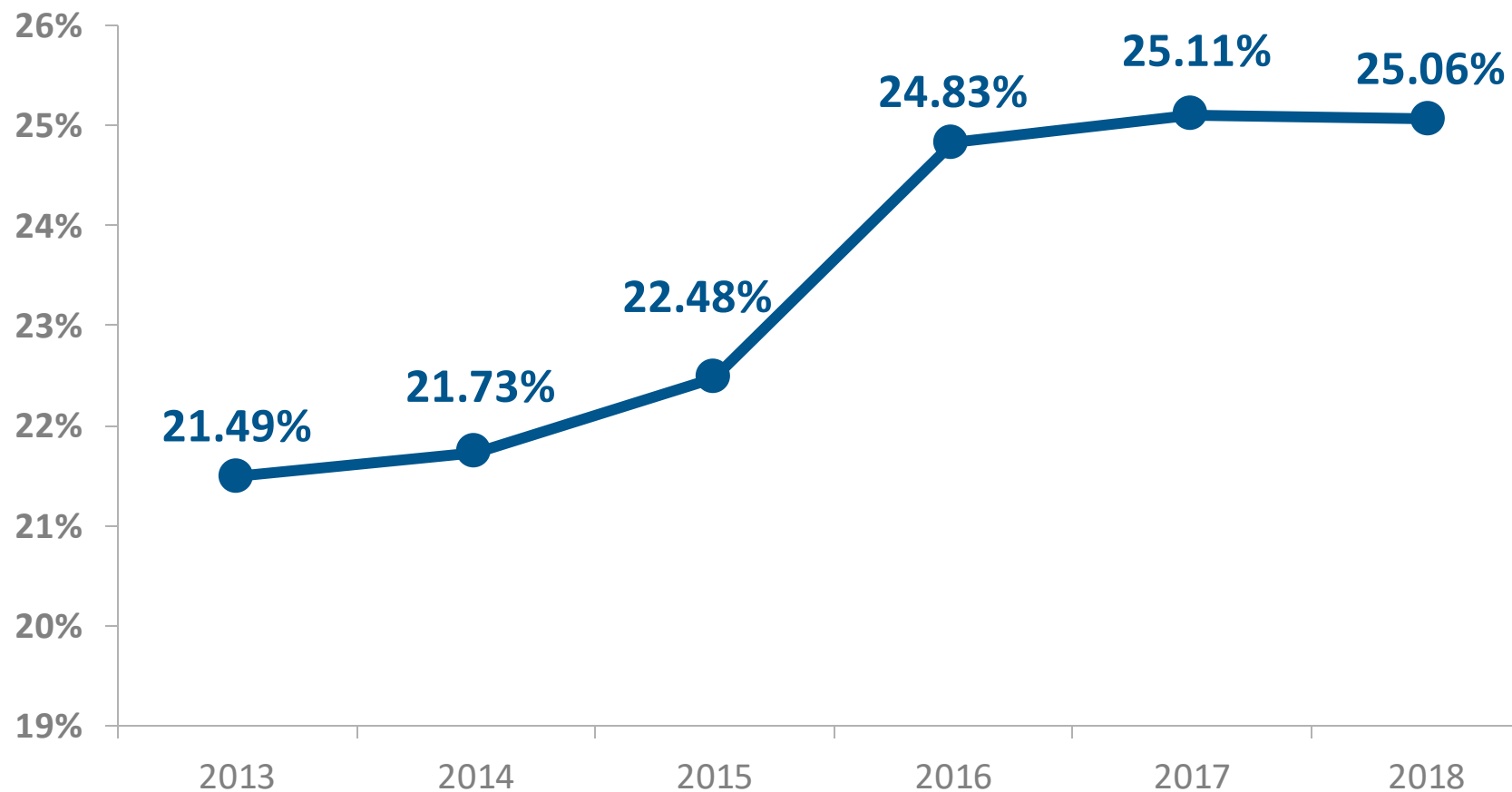
NTD Million



# GROSS PROFIT

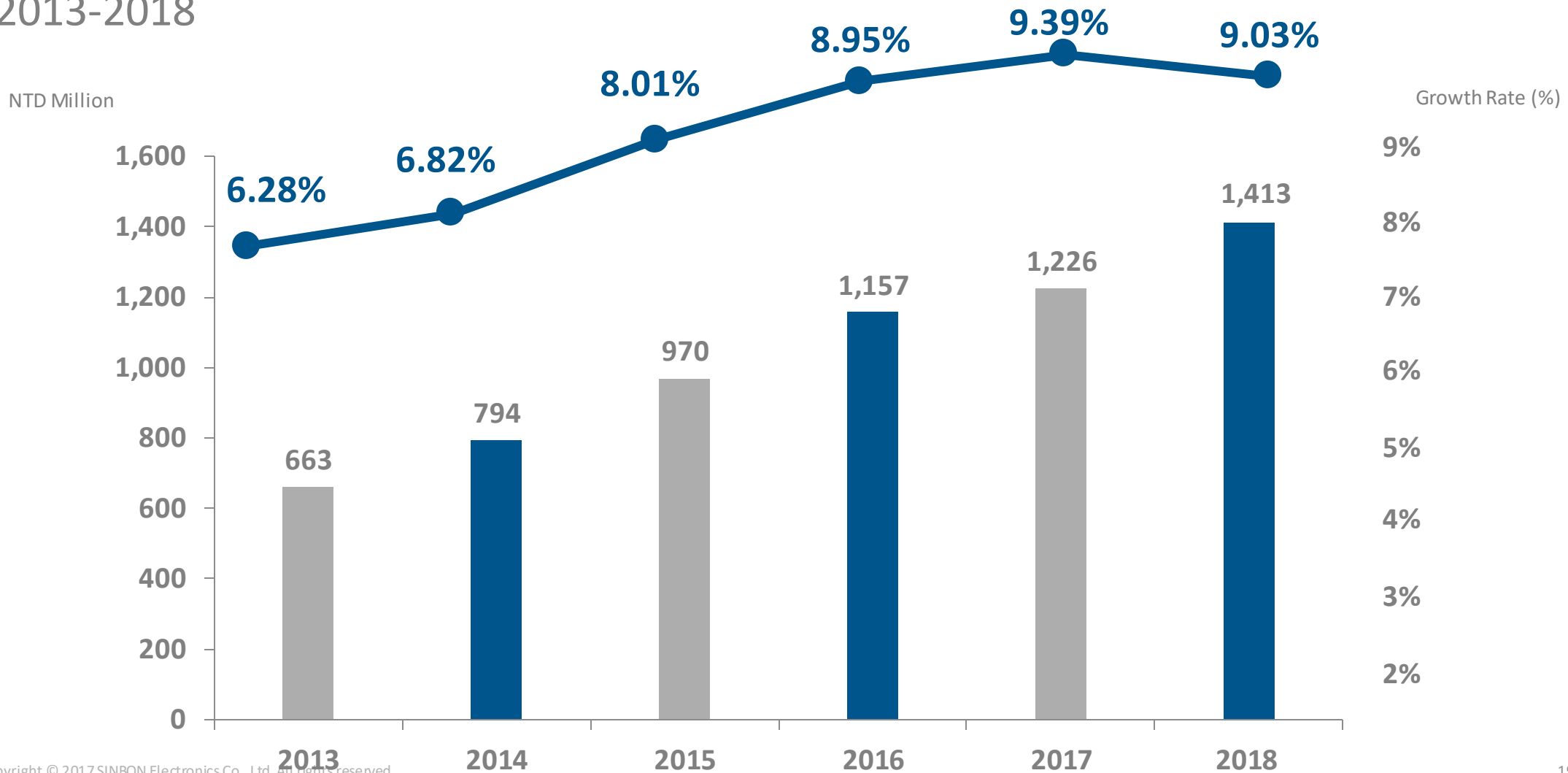
2013-2018

Gross Profit  
Rate (%)



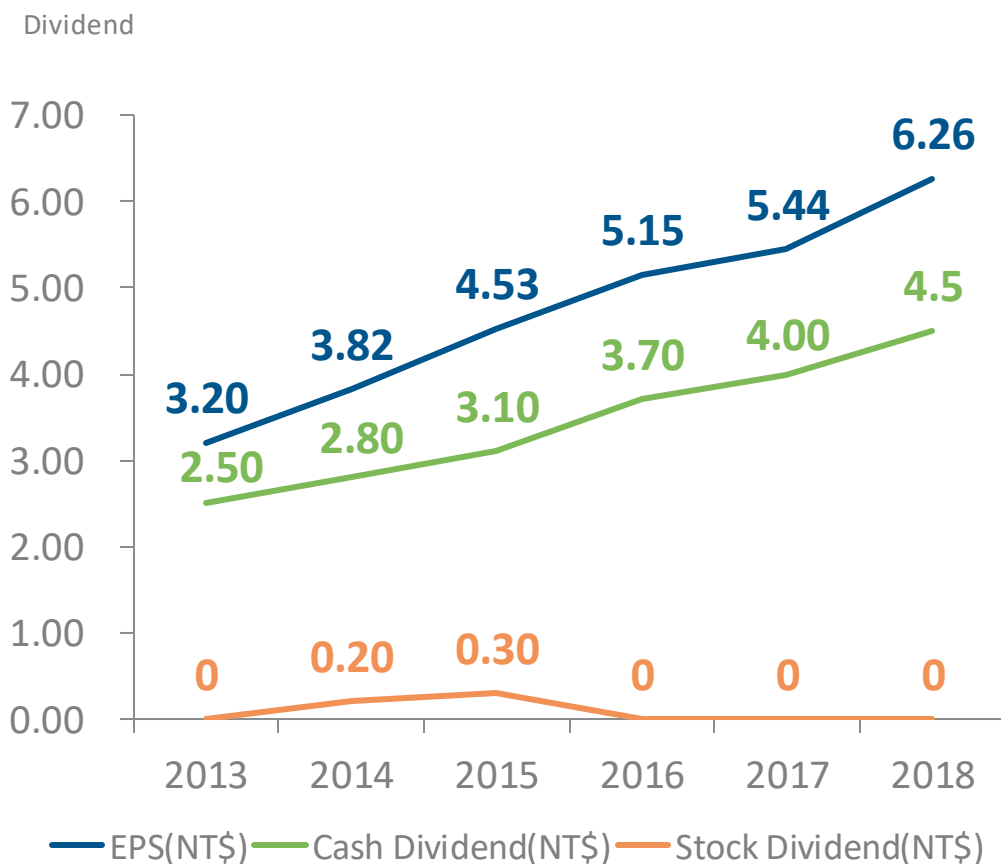
# NET INCOME

2013-2018



# DIVIDEND POLICY

## 2013-2018



	2013	2014	2015	2016	2017	2018
EPS(NT\$)	3.20	3.82	4.53	5.15	5.44	6.26
Cash Dividend(NT\$)	2.50	2.80	3.10	3.70	4.00	4.50
Stock Dividend(NT\$)	0.00	0.20	0.30	0.00	0.00	0.00
SUM	2.50	3.00	3.40	3.70	4.00	4.50
Payout Ratio	78%	79%	75%	72%	74%	72%
Year-end Stock Price	30.52	48.9	53.82	69.3	86.3	82.8
Yield Rate	8.19%	6.13%	6.32%	5.34%	4.63%	5.43%

(Base on average price)



# Business Outlook

# DO THE MAGIC<sup>+</sup>

Solution Services in Five Fields



Medical Health



Automotive



Green Energy



Industrial Application



Communication

do the **MAGIC<sup>+</sup>**

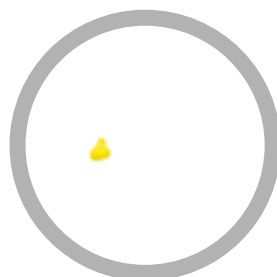
Intelligent / Integrated / International



# MEDICAL HEALTH

## APPLICATIONS

Diagnostic Imaging Equipment  
 Aesthetic Equipment  
 Patient Monitor  
 Fitness Equipment  
 Electric Bicycle  
 Massage Equipment




## MAJOR CUSTOMERS

Cardinal Health	Nox Medical
Carestream	Philips
GE Healthcare	Toshiba
Lumenis	United Imaging
Medtronic	Spacelabs
Mindray	Stryker
Natus Medical	Wandong
Neusoft	





# AUTOMOTIVE



## APPLICATIONS

Electric Vehicle Charging System  
 Automotive Applications  
 Parking-related System  
 Motorsport  
 Aviation



## MAJOR CUSTOMERS

Delphi  
 Denso  
 Fujitsu  
 Guoxuan High-tech  
 Honda  
 HTK  
 Lear  
 Magna  
 Mitsubishi  
 Nissan  
 TTE





# GREEN ENERGY



## APPLICATIONS

Wind Energy  
Solar Energy  
Smart Grid



## MAJOR CUSTOMERS

APS  
Enphase  
Envision  
Gamesa  
GE  
Goldwind  
NEGO  
Siemens  
SunPower  
Trinasolar  
Vestas





# INDUSTRIAL APPLICATION

## APPLICATIONS

Energy Distribution  
Automation & Control  
Construction & Transportation  
Industrial Robot  
High Precision Equipment

Material Handling  
Field Engineering  
Safety & Security  
Data Capture



## MAJOR CUSTOMERS

ASML  
Datalogic  
Dover  
HAAS  
Honeywell  
Husmann  
Parker  
Schneider  
Siemens  
Trimble  
Xplore  
Zebra



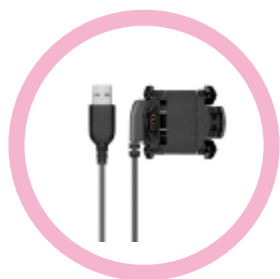


# COMMUNICATION

## APPLICATIONS

RF Applications  
 Mobile Device  
 Digital Home  
 Antennas (design & manufacturing)

IoT (consumer & industrial)  
 Data Centers  
 Telecom  
 Fiber Optics



## MAJOR CUSTOMERS

ASUS  
 Belden  
 CommScope  
 Datwyler  
 DJI  
 Garmin  
 Hisense  
 Lenovo  
 Logitech  
 Quanta  
 R&M  
 Vivo



# OUR MAGIC SERVICE TO MEET YOUR NEEDS

## Business Coverage



**Medical Health**



**Automotive**



**Green Energy**



**Industrial Application**




**Communication**



 **Component**

 **Cable assembly**

 **PCB assembly**

 **Box build**

 **System integration**

  **In progress**



**thank you**

*danke děkuji ありがとう merci gracias  
grazie kiitos תודה köszöni tak tack*

