

憶聲電子股份有限公司



Investors Conference 2016

Keynote Speaker : Tom
Chief Finance Officer &
GM at Action Asia (Shenzhen)

“... It’s inevitable for a business to see many external opportunities during its growth, but no matter what we did, we could only keep innovating and sustaining our operations by becoming the best at what we do...”

Sustainable Business

- Mr. JP Peng, Founder & Chairman

Company Core Visions

- (1) Fair and mutually-beneficial global collaborations.
- (2) Become a top-ranked business in the Chinese community via integrating strengths from both sides of the Strait.
- (3) Devote efforts and then reap and share our results.
- (4) Foster local talents, utilize local resources, and conduct our operations locally.
- (5) Invest in markets with relatively low costs.
- (6) Teamwork, client satisfaction, and co-create a bright future with our clients.



2016 Action Electronics Annual Business
Plan Announcement

Chungli HQ
Dec. 25, 2015



Action' s 6 Values: Enthusiasm, Quality, Service, Action, Innovation and Feedback

Satisfaction from Action.



企業集團 Action Group

總部及生產/技術服務基地

Headquarter & Subsidiary



Shanghai Action Tech. Co. Ltd.

上海馬新德科技有限公司

Establish: 2004.02.03

Location: Shanghai, China



Action Electronics Co., Ltd.(Headquarter)

總公司—憶聲電子股份有限公司 (上市代號: 3024)

Establish: 1976.07.21

Main Business: Financial, Human Resources,
Marketing & Sales

Location: Chung LI, Taiwan ROC

Website: www.action.com.tw



Action Technology (Jian) Co., Ltd.

華德科技(吉安)有限公司

Establish: 2006.04.14

Main Business: Portable Multimedia Player, Digital
Photo Frame: Solar Application Products
Location: Jian, China



America Action Inc.

美國憶聲公司

Establish: 1983.06.24

Main Business: Trading, After Service

Location: Pomona, CA

Website: www.actiontusa.com



Action Asia (Shenzhen) Co., Ltd.

亞憶電子深圳有限公司

Establish: 2005.02.04

Main Business: Portable Multimedia Player,
Digital Photo Frame

Location: Shenzhen, China



Action Industries (Malaysia) SDN BHD

憶聲電子工業(馬)股份有限公司

Establish: 1987.12.08

Main Business: Mobile Media Player / Mobile LCD TV

Location: Penang, Malaysia

Website: www.actionind.com.my

Satisfaction from Action.



Action's Development in the Last Four Decades:

Founded on:

TV products

Automobile electronics

Kolin smart consumer electronics

1976-1987

1988-1998

1999-2012

2012---



Alarm radio ACN-001



Mini recorder 900



Stereo with cassette tapes



Recognition from Action's partners

PHILIPS

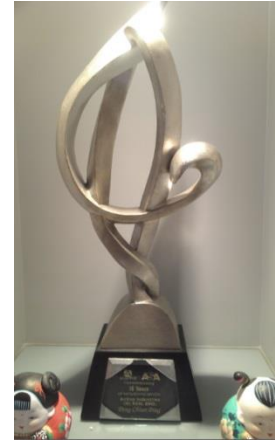
AUDIOVOX®



Carrefour



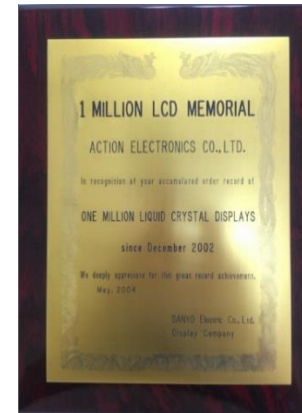
A core strategic supplier to
Philips
Recipient to the Best
Overall Award



Medal to commemorate
our 18-year partnership



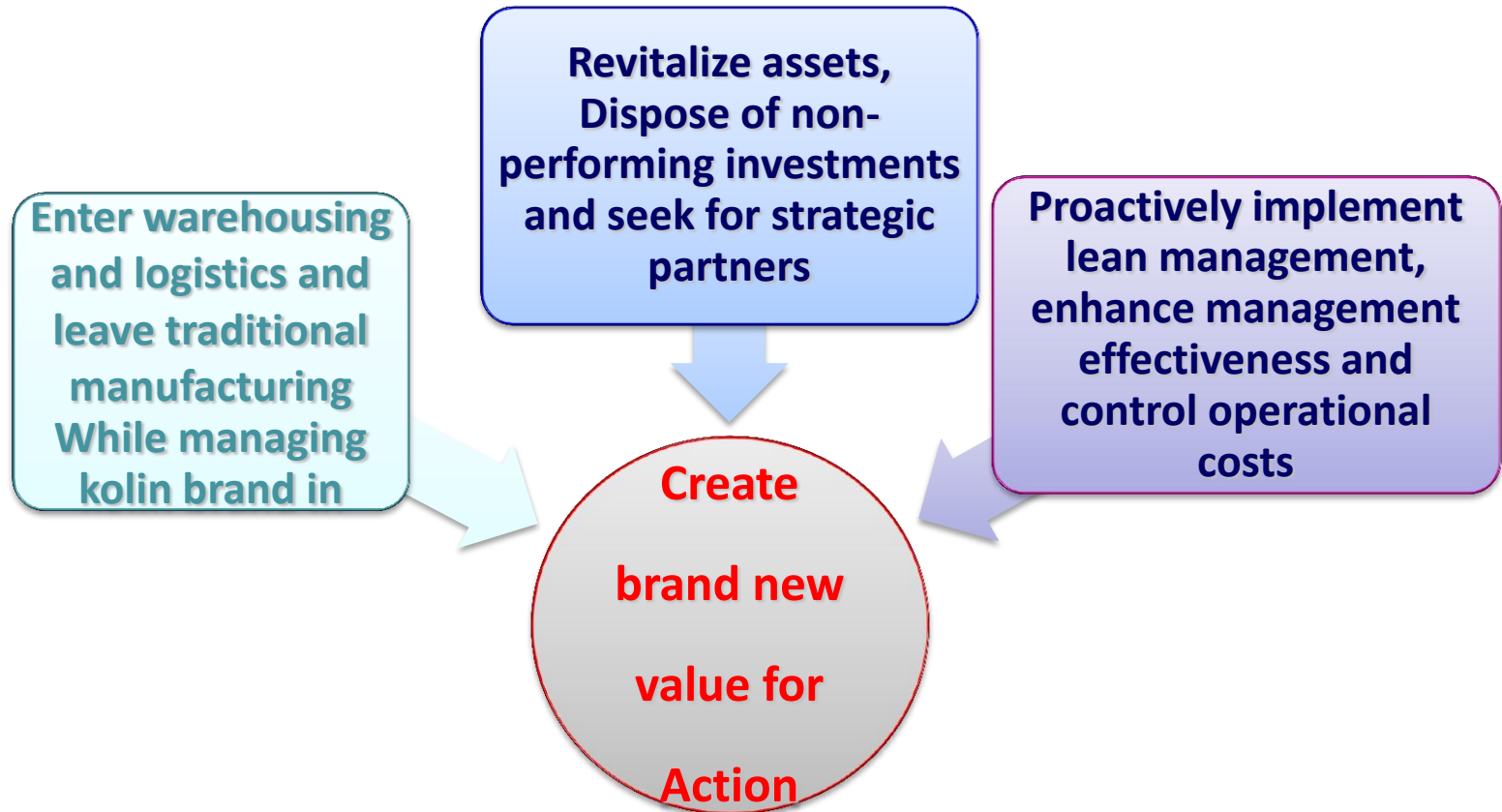
Key Overseas Taiwanese
Corporation Award



Medal to commemorate
the order of our One-
Millionth LCD monitor

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Three Primary Directions of our Transformation



Turn age-old brand around to seek for new glory

Today's Action

Our three business groups cater to the world



- Action Asia (Shenzhen) Co., Ltd.
- Action Industries (Malaysia) SDN BHD
- **Brand management for Kolin in Taiwan**
- **Shanghai Action Tech. Co. Ltd.**
- **Best Taiwan (electronics)**
- **Realise Tech-Service**
- Shanghai Action Tech. Co. Ltd.

Warehousing & Logistics – Shanghai Action Tech.

- ❑ Located in Jiading, Shanghai, a satellite town to the international city of Shanghai. Situated in between the provinces of Jiangzhe, it is the ideal location to develop warehousing services.



Warehousing & Logistics – Shanghai Action Tech.

In 2011, we started to invest in the establishment of warehouses to take opportunities of logistics and rental services. Our eco-friendly warehousing park has completed three periods of construction, and approx. 85 thousand square meters out of our 86,341 square meter building can be rented.

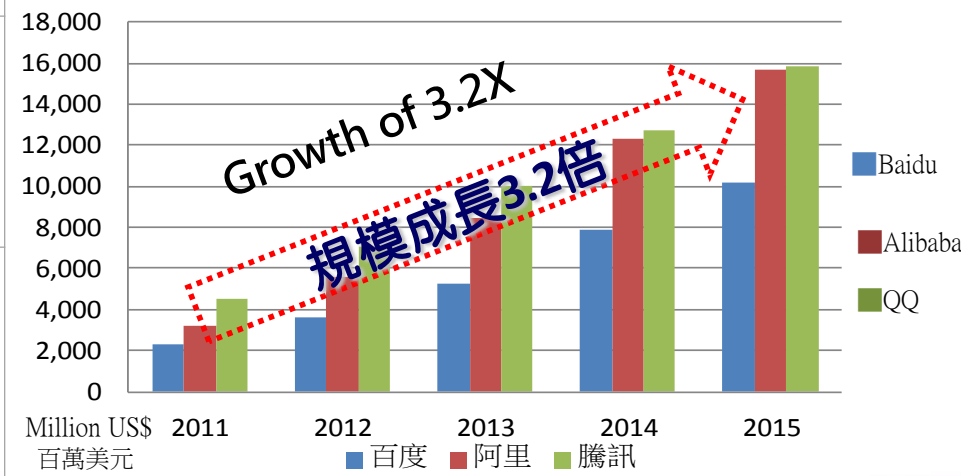
	Period 1	Period 2	Period 3
Construction area (sq. m.)	25,065	44,833	16,443
Rental ratio	62%	82%	34%
Area available for rent (sq. m.)	15,566	36,673	5,616
Date of completion		Year-end in 2013	Q1 2016
Primary clients	China Network Logistics (CNL)	Teleco Logistics Management, ELG Logistics, Teleco Warehousing, Rongqing Global Logistics and more...	S&T Logistics (Shanghai)

Warehousing is the final step of e-commerce

- China will 'upgrade' logistics services, and the '2014-2020 Mid- to Long-term Plan of Logistics Industry' announced by the State Council has pointed out warehousing and logistics will account for approximately 7.5% in GDP by 2020.
- Online sales is still expanding, and as the last effort of e-commerce, actual warehousing services are still relied on in delivering the products to the consumers. Without a doubt, this is a great basis for the development of warehousing and logistics industries in China.

Key points in warehousing development in China

3 primary factors	Lower cost, enhance business scale, and strengthen infrastructure
7 primary missions	Enhance professionalism, IT, promote modern technology and equipment, promote synchronized development in the region, and develop green warehousing
12 key construction projects	Joint transportation, logistics park, agricultural warehousing, manufacturing warehousing, supply chain management, and information platform etc.



Distribution Services Business Group – BEST Electronics

- Joint venture between Taiwan & Japan: Best Denki of Japan
- 28 years in Taiwanese market (Original name: Tai-Yi Electronics)
- 7 online stores + 31 physical stores throughout Taiwan
- **280,000 members**
- Corporate vision:

A great neighbor for your smart-home needs

BEST Exclusive

➤ Thoughtful services: Free at-home service, 6- to 8-year warranty for large size home electronics

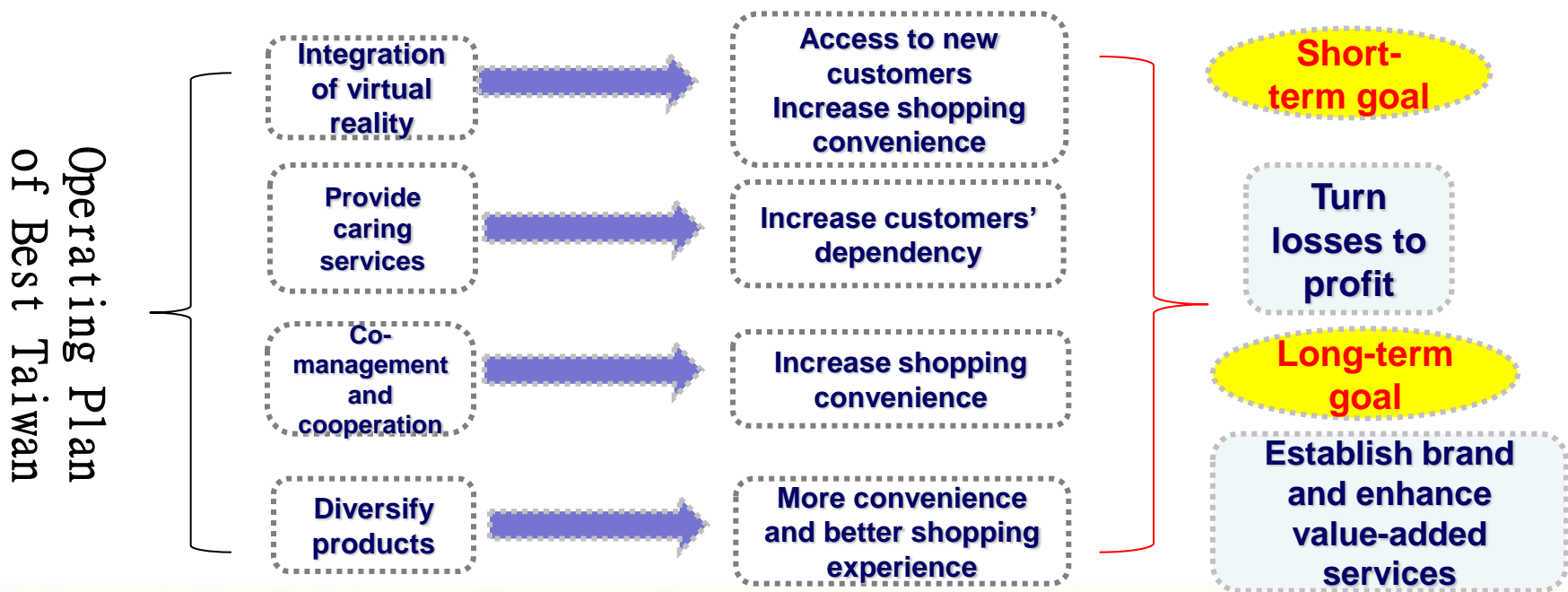
➤ **Winner of The Best Service in Taiwan Reward in 2016**



Distribution Services Business Group – BEST Electronics

Marketing strategies:

- ❑ Integration of virtual reality: through e-commerce and mobile businesses, we provide our services to the costumers 24/7.
- ❑ Integrate O2O virtual & reality resources to create a comprehensive service system.
- ❑ More cross-industry collaborations to strengthen customer service.
- ❑ Expand our product lines to grasp trends in IoT and lifestyles of senior citizens.



Distribution Services Business Group – Kolin



1. Kolin has been an established brand in Taiwan for 50 years, and was previously the most well-known consumer electronics brand in Taiwan.
2. In 2012, Action Electronics Co., Ltd. (Headquarter) bought the brand management rights of Kolin, and re-engineered the sales of four major home appliances and small consumer electronics through channel distribution, wholesale, and online platforms. By 2015, Kolin's revenue has achieved 1 billion NTD.
3. Our distribution of go-to blenders, coffee maker and circulation fans rank **No.1** throughout Taiwan.

Distribution Service –Kolin brand management

- **Opportunities to stand on a giant's shoulder** : our relationship is made stronger through this BD proposal, and in the future, Kolin products may be available at Gome Electronics.

憶聲電子帶領歌林品牌成功突圍

打響「以小帶大」策略 展現重返榮耀決心

在台灣深耕經營數十年的老品牌「歌林」，相信對許多台灣人來說一點也不陌生，當年更曾在國內創下年營業額 60 億元的佳績，而憶聲電子自 4 年前接手歌林後，不僅擺脫過去傳統的銷售觀念，以創新思維的行銷方式讓業績年年增長。此次特別專訪了憶聲電子總經理張鏡湖，分享如何在市場不景氣的大環境中，帶領歌林業績逆勢上升，成功抓住消費者對各類家電的需求。

受到大環境景氣不佳，節能補助政策退場影響，全台家電市場在 2016 年第一季銷售成績上有着明顯的停滯，但歌林品牌憑藉長期深耕在地的經營優勢及與各通路間良好合作關係，即便面對市場逆境，銷售成績依舊亮眼。而談到對歌林品牌的經營策略，張總經理說：「歌林是台灣的本土品牌，遭遇挫折後由憶聲接手，這四年來透過公司團隊用心經營，以「人」為出發點，落實「以小帶大」的商品策略，推出許多高品質商品讓消費者安心，其便利性、優質性及高 CP 值更成為在市場快速成長主因。」

年年推陳出新
迎合市場需求



隨行杯果汁機、隨行杯咖啡機、智能循環扇等產品，不僅提供消費者多項選擇，更讓許多人看到歌林品牌從傳統到創新的轉變。

「移動式空調」

貼心滿足生活需求

以急需、臨時使用、體貼、與直吹的概念為出發點考量，成了張總經理研發生產移動式空調的想法，補足一般空調設備無法達到的條件，例如冷氣突然故障、家中廚房、夜市攤販、野外露營及無法安裝的老舊建築等狀況及環境。張總經理便提到，很多人在夏天時需要安裝冷氣，卻常常要排隊等待師父來安裝，或者媽媽在廚房煮飯時熱到快融化，或是夜市、菜市場的老闆做生意熱到汗如雨下，這些生活上的需求，都是研發移動式空調的緣起。

細數今年成果，歌林 1-4 月業績目標達到前所未有的 100%，更比 2015 年同期成長了 20%；展望未来，張總經理希望藉由歌林移動式空調的優質產品力，再次鞏固歌林冷氣「第一品牌」業界地位，更能以貼近消費者為出發點，讓大眾更深刻感受到這個本土家電品牌溫暖的人情味。



Electronics Manufacturing Business Group

Continue to lower the ratio of manufacturing business

Action Industries (Malaysia) SDN BHD

- Founded in Penang, Malaysia in 1987
- Primary products: audio & video products for automobiles



Action Asia (Shenzhen) Co., Ltd.

- Founded in industrial park in Shenzheng in 2005
- Primary products: multimedia audio/video products and tablet PC



For asset revitalization, we have already announced joint venture BD project with GOME Electronics

Asset revitalization in Action Asia (Shenzhen) & collaboration with GOME Holdings Group CONFIDENTIAL

- Our subsidiary, Action Asia (Shenzhen) has purchased the Dede (德的) Industrial Park in 2009. De-Di spans 35,000 sq. m. and is in the Airport Metropolitan area, a key development region in Shenzhen, and is a convenient 10-min walking distance to the Shenzhen Convention & Exhibition Center (projected to be the largest in the world).
- Action Asia (Shenzhen) has already announced on Aug. 29 that 60% of our reinvestment in Dede Tech. in Shenzhen will be sold to Shenzhen Qianhai Chinese Asset Management Co., Ltd. (a GOME subsidiary) for RMB 200 million. **A joint-venture in business development agreement has also been signed, in which 25% of profit from establishing the Dede Industrial Park (after tax) will be shared.**



The world's most beautiful airport – Shenzhen Baoan International Airport

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Satisfaction from Action.



In close proximity – Airport Metropolitan



Asia Tech (Shenzhen)
is located right here

The airport metropolitan is one of the 13 key development projects in Shenzhen. The airport will serve as a hub for 8 functional areas, in which a world-class airport metro economic zone and a unique West Shenzhen Metropolis will be established.

Baoan will establish the world's largest international convention center.

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Satisfaction from Action.

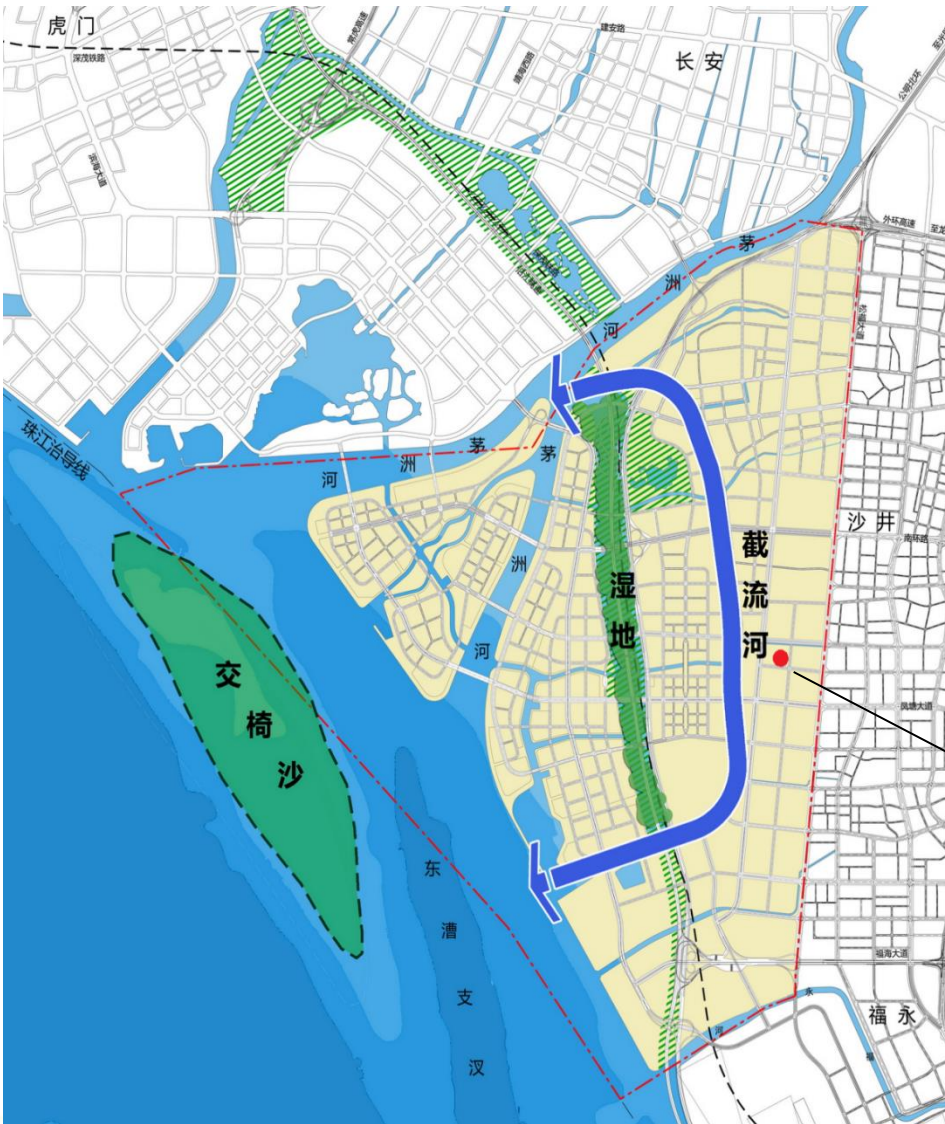


Baoan will establish the world's largest international convention center.

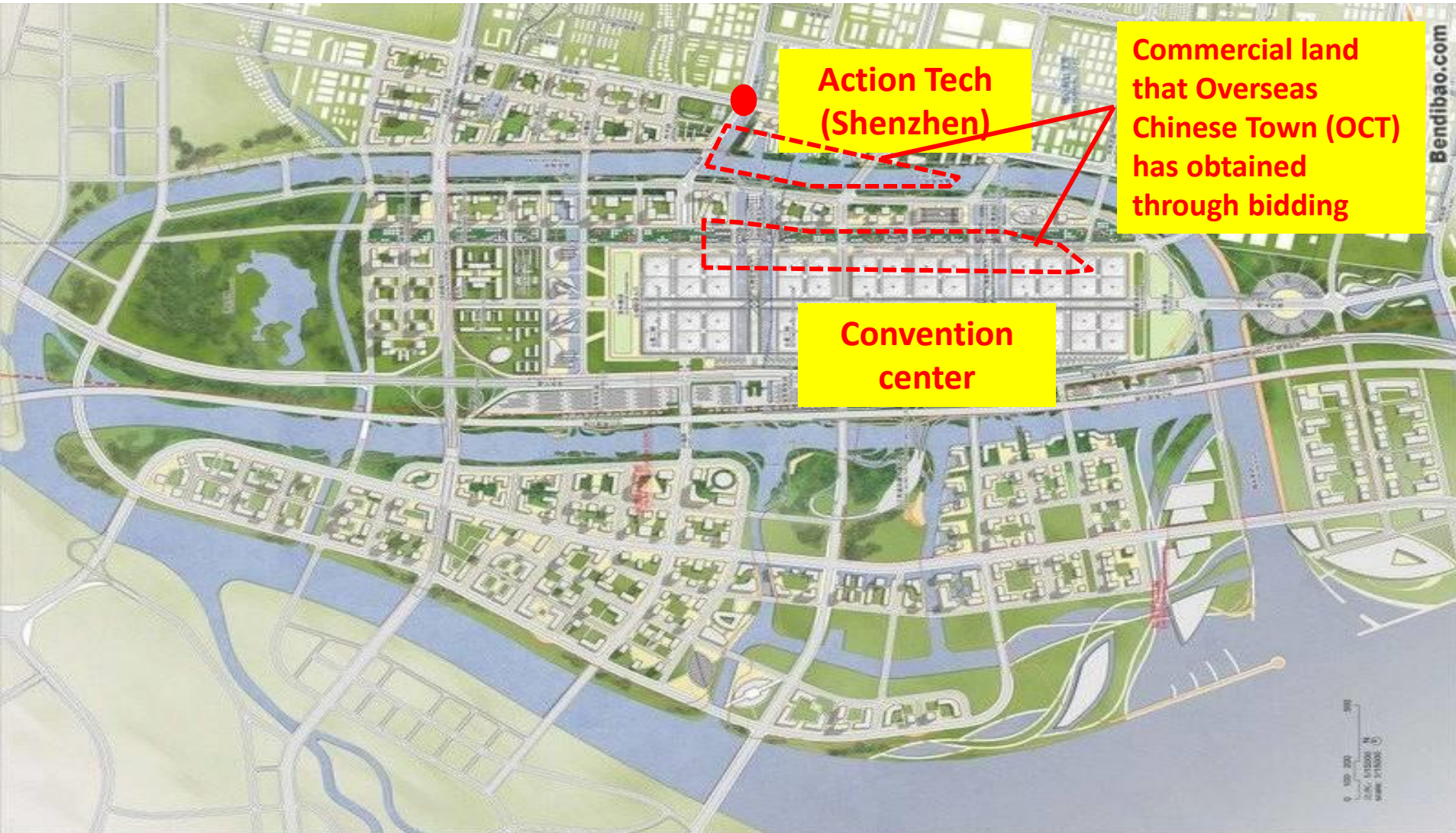
- The total area of Shenzhen Convention & Exhibition Center consists of 850 thousand sq. m. and the indoors exhibition hall is 500 thousand sq. m. It will become the world's largest convention center, and the new momentum for growth in the Pearl River Delta Economic Zone. Period 1 consists of 300 thousand sq. m. and has already begun in September 2016, and will be ready by 2018.
- The new convention center is only 3km from the T4 hub and 7km from T3 terminal. It is close to as well as connected with many highways, including Yanjiang and Guangshen. In the future, subway lines 13 and 20 and bus routes will also be directly connected to the center, providing seamless transit for all.



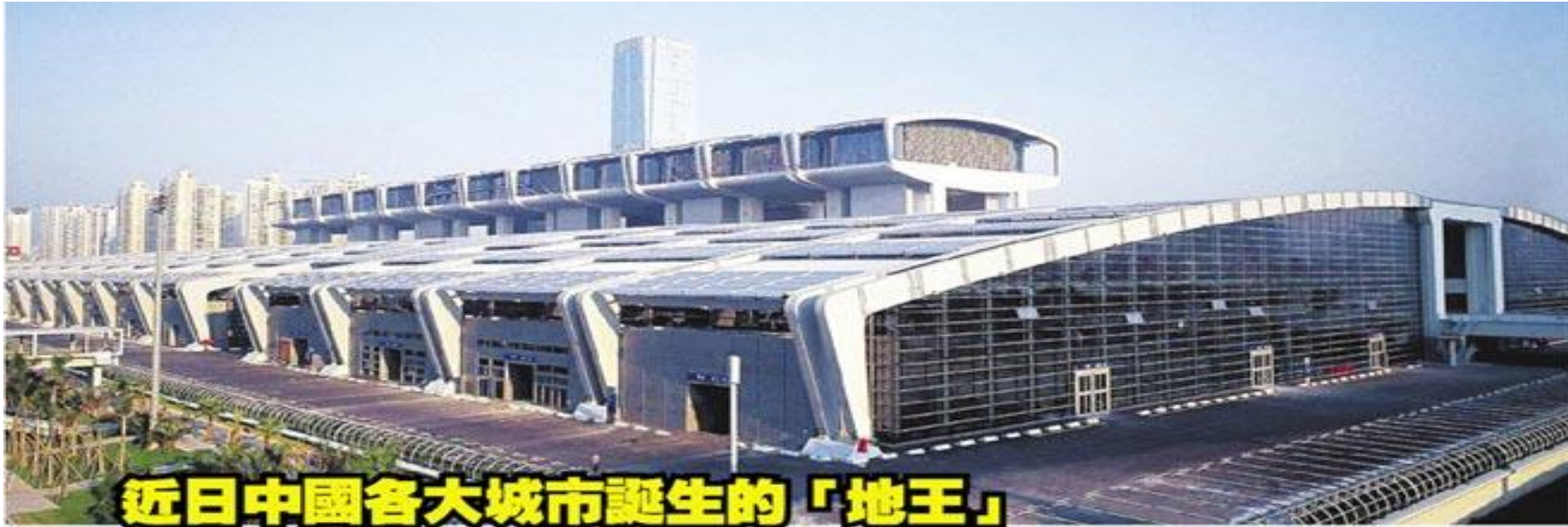
Location of Action Tech (Shenzhen) in the Airport Metropolitan region



10-min Walking Distance from the Shenzhen Convention & Exhibition Center



Currently the Most Expensive Land in Shenzhen – allotted commercial land for the Convention & Exhibition Center



成交日期	地點	成交總價	得拍者
8.17	上海靜安區住宅用地	110億	融信中國
8.26	廈門翔安區	42.18億	融僑
8.28	珠海高新區	12.33億	雅居樂
8.29	深圳國際會展中心配套商業用地	310億	招商蛇口、華僑城

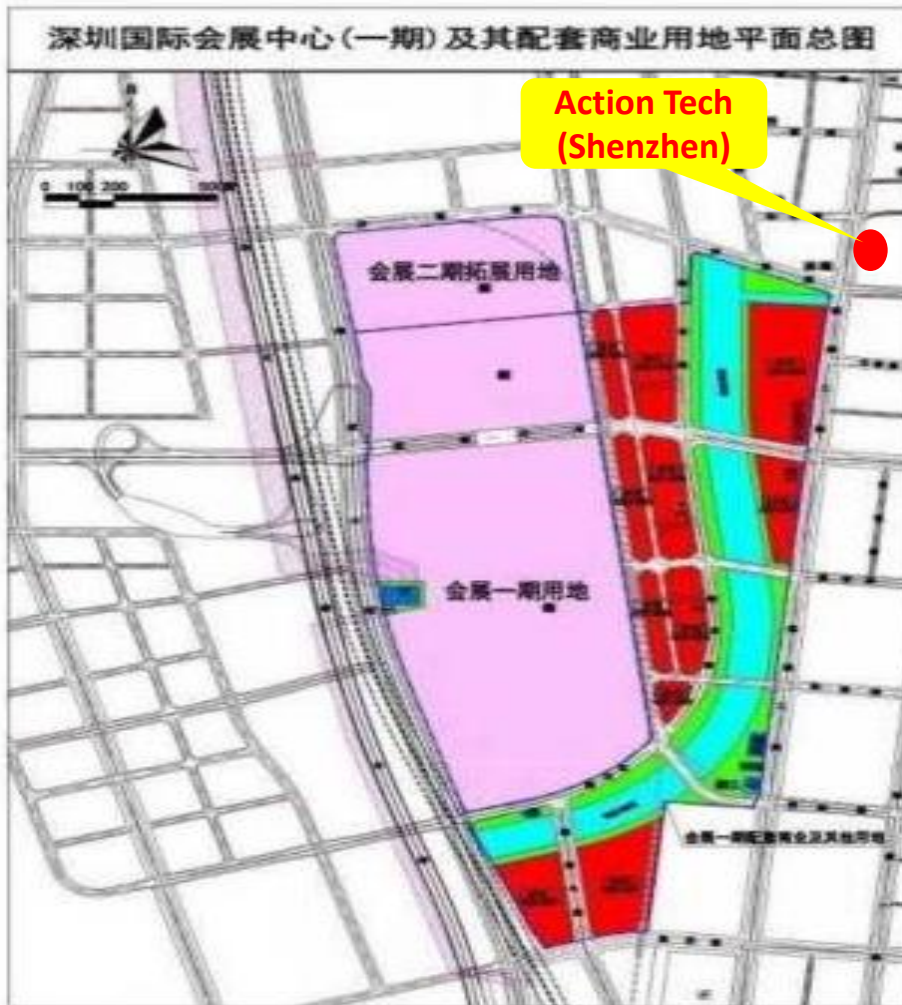
註：成交價單位為人民幣。資料來源：綜合媒體

整理：鍾寧

● 深圳誕生的最新「地王」位於新空港新城的新會展中心，總面積為154.33萬平方公尺，包括商業、辦公、飯店、商務公寓等多功能建築。
圖／取自網站

Source: Commercial Times

Currently the Most Expensive Land in Shenzhen – allotted commercial land for the Convention & Exhibition Center



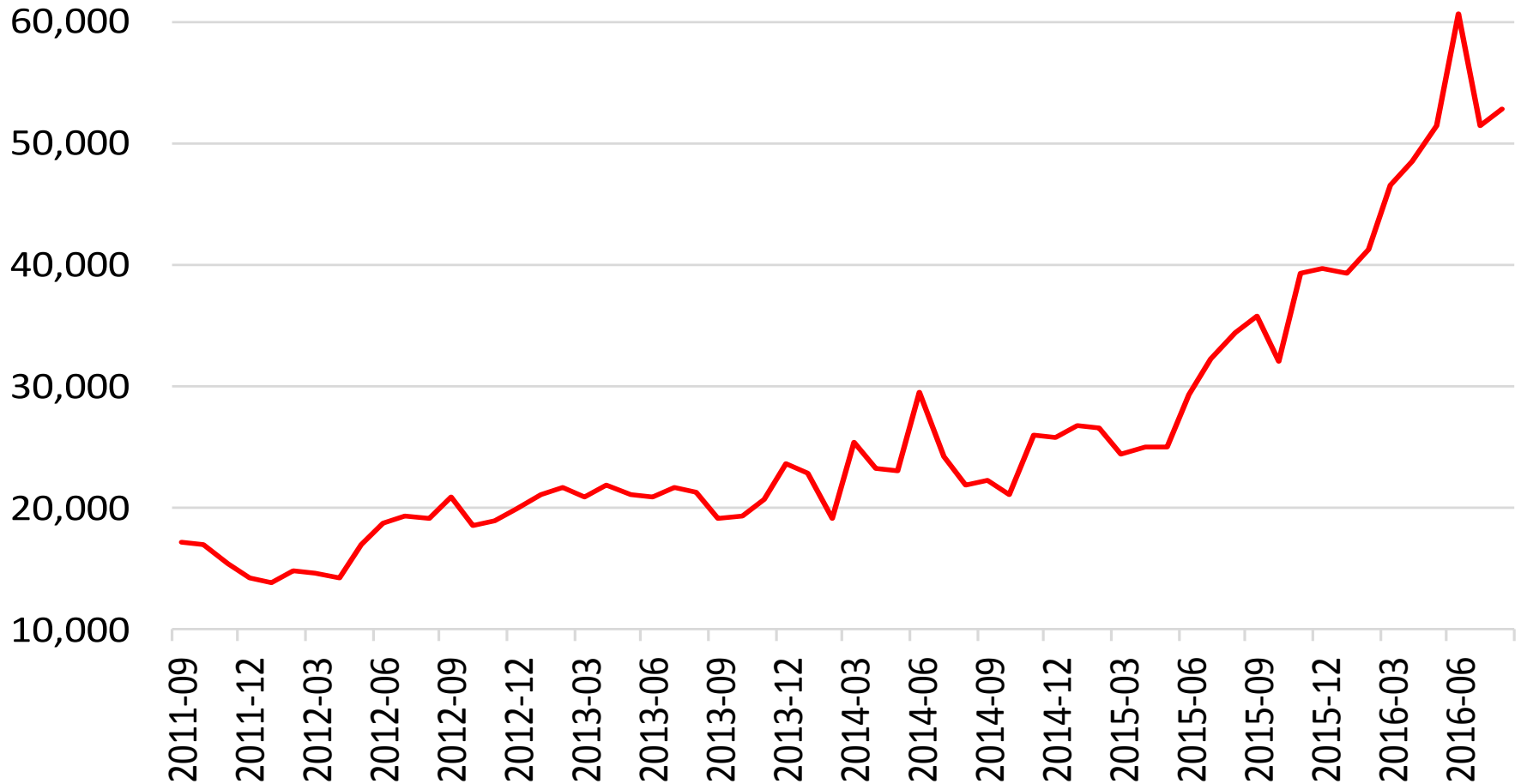
- Chinese Merchants Shekou Holdings and OCT have jointly won the allotted commercial land for Shenzhen Convention & Exhibition Center for RMB 31 billion, making it the new most expensive land in China in terms of total price.
- According to the announcement on website of the Department of Land in Shenzhen, the total allotted commercial land for the convention center up for bidding was 528.2 thousand sq. m., and the total area available for construction was 1.5433 million sq. m. and can be multi-functional for purposes of business, office buildings, hotels, and/or serviced apartments. Hence, the cost of the land is approximately RMB 20 thousand per square meter.

Long-term Objective: Baoan Metropolitan will Establish a “Chinese Manhattan”

- An overseas highway that connects Shenzhen and Zhongshan (will be completed in 5 yrs) will be constructed at Baoan. The highway will be 24km in length, and after its completion, traveling from Shenzhen to Zhongshan will only take 30 min.
- There is also a super-skyscraper office building (international finance center and HQ economic building) being constructed at Baoan. Its land is 120 thousand sq. m. in size and houses a 100 thousand sq. m. building that is 230 m. in height. Construction is set to be completed by 2018.



Average Transaction Price of Condominiums in Baoan, Shenzhen



Source: WIND

Consolidated P&L Statement – Q3 2016

單位:新台幣仟元

	2016年第三季		2015年第三季	
營業收入淨額	740,290	100%	1,279,786	100%
營業毛利	123,281	17%	148,083	12%
營業費用	(216,594)	(29%)	292,749	23%
營業利益	(93,313)	(13%)	(144,666)	(11%)
營業外收入及支出	130,230	18%	11,202	1%
所得稅費用	9,153	1%	(12,526)	(1%)
本期淨利	46,070	6%	(120,938)	(9%)
歸屬母公司淨利	46,382	6%	(95,405)	(7%)
每股盈餘(元)	0.17		(0.34)	

We have succeed in turning loss into gain in Q3 2016

**Action Electronics has
reaped effective results
in corporate
transformation in a
decade.**

Satisfaction from Action.

