

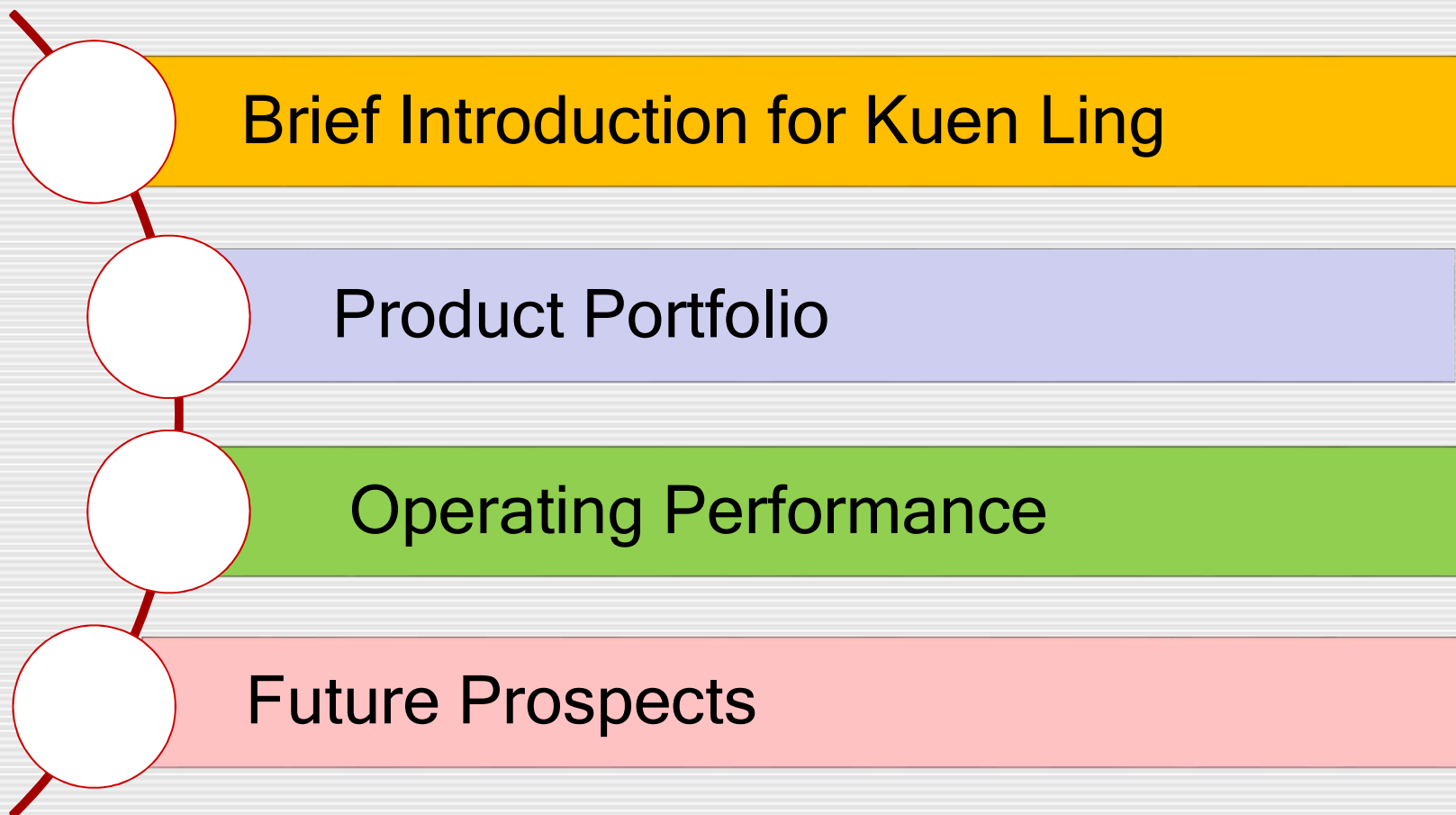


Professional Team

All-round Service

OCT.17,2018

Presentation Outline



Company Introduction

Company Name : Kuen Ling Machinery Refrigerating Co., Ltd

Established Date : April 5th, 1988

OTC Date : September 28th, 2000

Stock Code : 4527

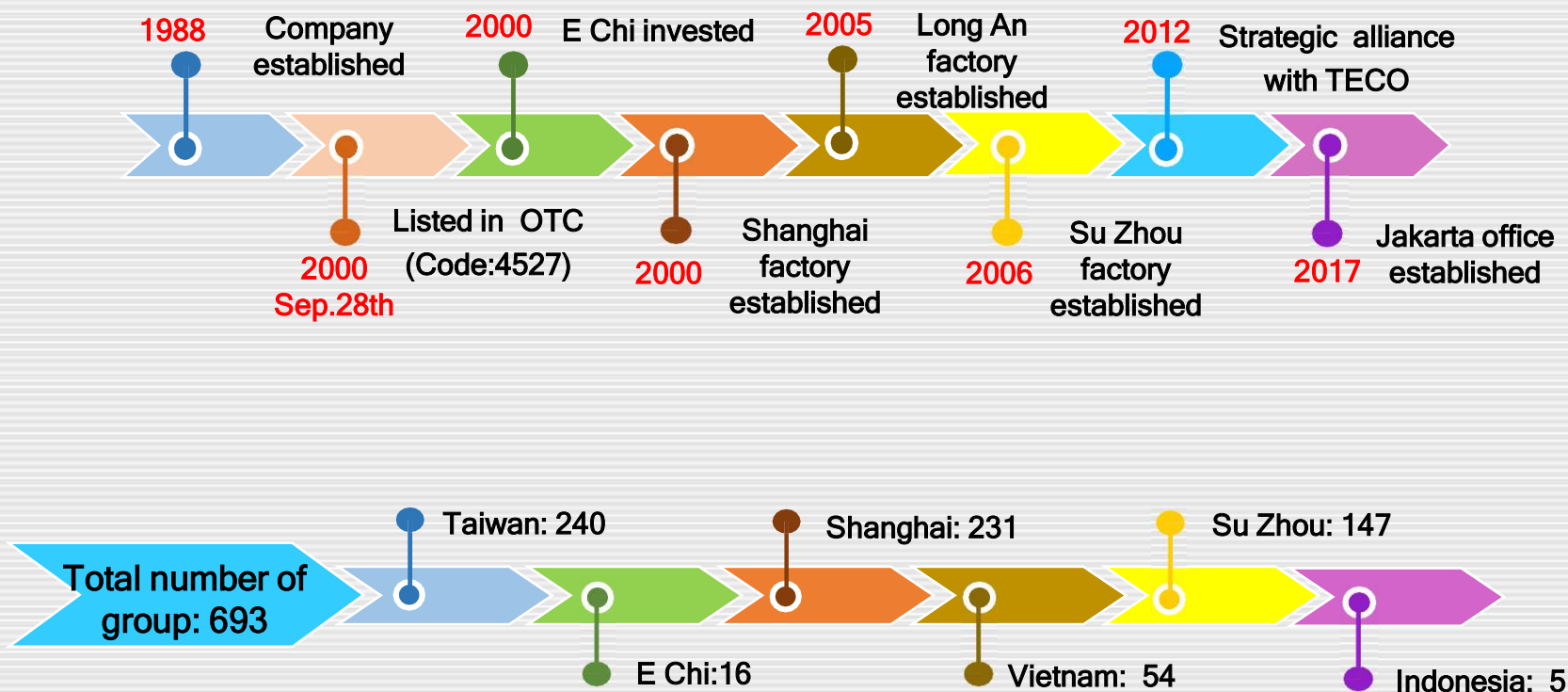
Paid-in Capital : 760 million

**Chairman &
General Manager :** CHUNG-KUO TSENG

Main Business : Central Air-Conditioning System Chiller Units



Development History



*The number of employee dated on June 30th,2018

Kuen Ling Group

Chiller Units, heat exchanger
Air-conditioning & Refrigeration Equipment/Engineering
Energy saving engineering customized application



Global Locations



Total investment: USD 9.2 million
Land area: 26,673 m²

Su Zhou



Total investment: USD 5.7 million
Land area: 16,675 m²

Shanghai



Vietnam

Total investment: USD 3 million
Land area: 46,717 m²



Taiwan

Total investment: NTD 760 million
Land area: 27,172 m²
2017 Market share :41%
Main customer:40% ODM & OEM
60% Kuen Ling brand



Indonesia



Certificate & Award

System Certificate

- ◆ ISO 9001
- ◆ ISO 14001
- ◆ OHSAS18001
- ◆ TOSHMS
- ◆ TAF (Taiwan Accreditation Foundation)
- ◆ Test Station Certification by Hefei General Mechanical and Electrical Products Testing Institute



Product Certificate

- ◆ AHRI
- ◆ Mechanical Safety Certification by CUC
- ◆ CRAA product certification
- ◆ China Design License of Special Equipment -Pressure Vessel



Main Products

Energy Saving High Efficiency Eco-Friendly

Water-Cooled Chiller Unit



Air-Cooled chiller unit



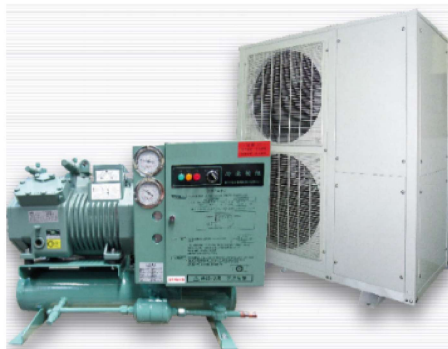
Air-Cooled Heat Pump Unit



*Computer Room
Packaged Unit*



Condensing Unit



*Vacuum Freeze-Dried
Equipment*



Main Products

Energy Saving High Efficiency Eco-Friendly

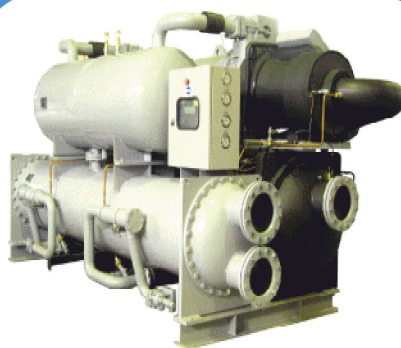
*Ice Storage Tank
(Freeze Type)*



Saving in Energy & Electricity Costs

Provide high IPLV value and minimum life period cycle operation cost when the host is partially running.

Chiller Unit(Flooded Type)



Low Noise & Vibration

Noise prevention and anti-vibration mounting are not specially required in air-conditioning room.

R134a



Environment Friendly Refrigerant

Use refrigerant R134a without destruction for ozone layer. Love the Earth and care for environment.

*DC Frequency Centrifugal
Chiller Unit*



APPLICATION

Refrigeration and Air Conditioning Technology

Agricultural, Fishery Processing Industry

Petrochemical Industry

Energy & Resources Industry

Precision Manufacturing Industry

Medical and Pharmaceutical Industry

Mechanical Industry

Textile and chemical fiber industry

Construction and civil engineering industry

Electronics, Computer Technology industry

Material Science Industry

Industrial Safety Health & Environment Industry

Market Distribution in Asia

Taiwan : Taipei, Taichung, Kaohsiung

China : There are over 16 sales locations, including Shanghai, Suzhou etc.

Southeast Asia : Vietnam, Indonesia, Hong Kong, Philippines, Malaysia, Thailand

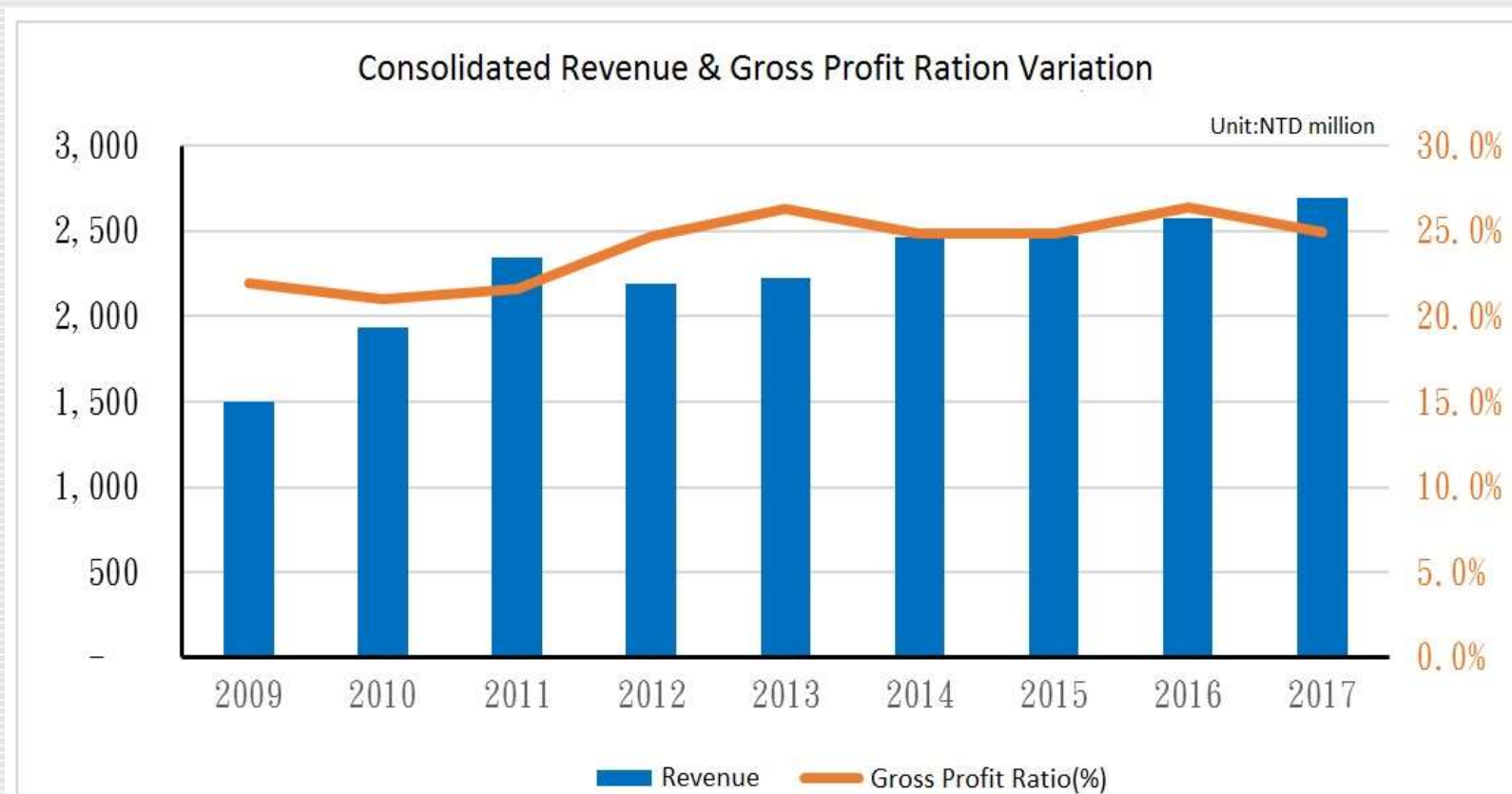


Consolidated Income Statement

Unit : NTD million

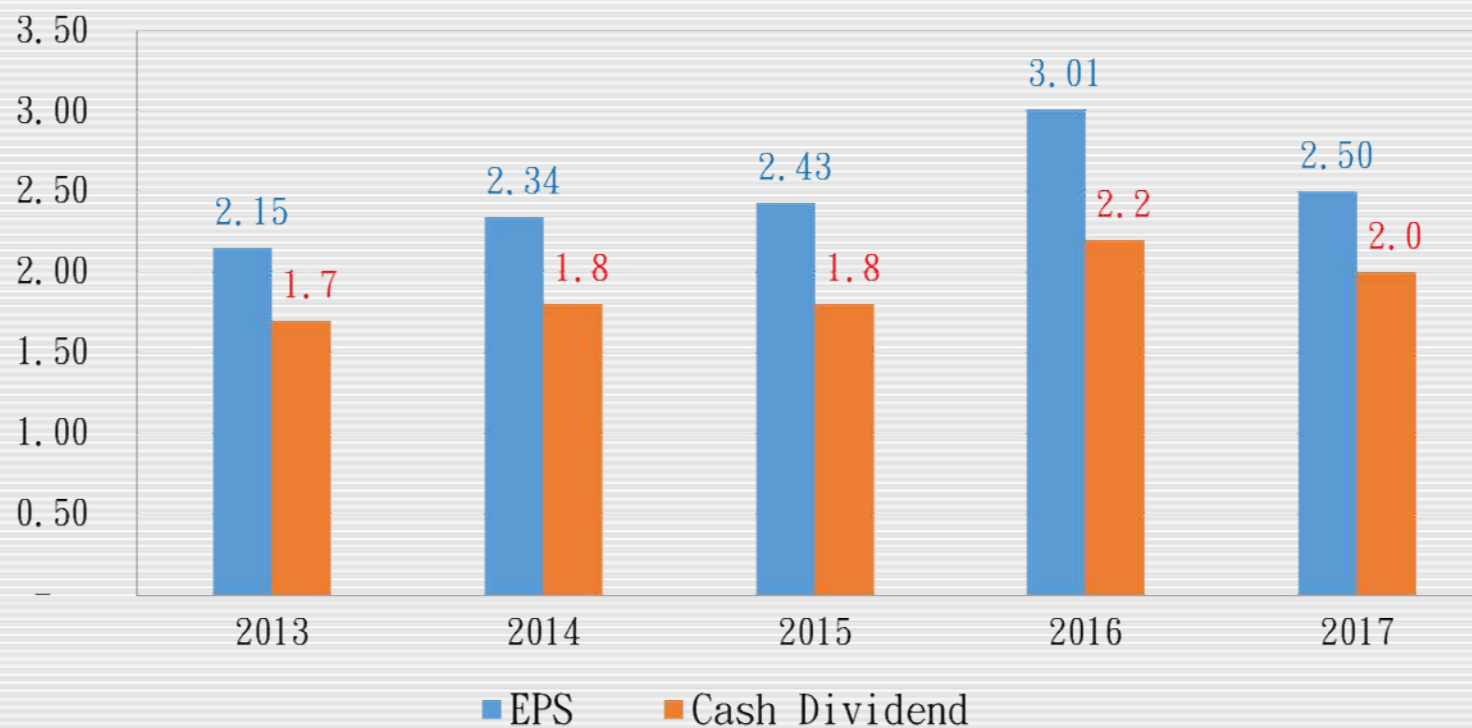
Item	2015		2016		2017		YoY
	Amount	%	Amount	%	Amount	%	
Operating Revenue	2,475	100	2,577	100	2,692	100	4%
Gross Profit	615	25	681	26	671	25	-1%
Operating Income	237	10	281	11	245	9	-13%
Pre-Tax Income	238	10	295	11	253	9	-14%
Net Income	192	8	239	9	196	7	-18%
EPS	2.43		3.01		2.5		
Cash Dividends	1.8		2.2		2		
Dividends Payout Ratio (%)	74%		73%		80%		
Dividends Yield(%)	6.90%		6.29%		6.15%		

Revenue & Gross Profit Ratio Variation



Dividend Strategy

Historical EPS & Dividend Distribution(yuan)

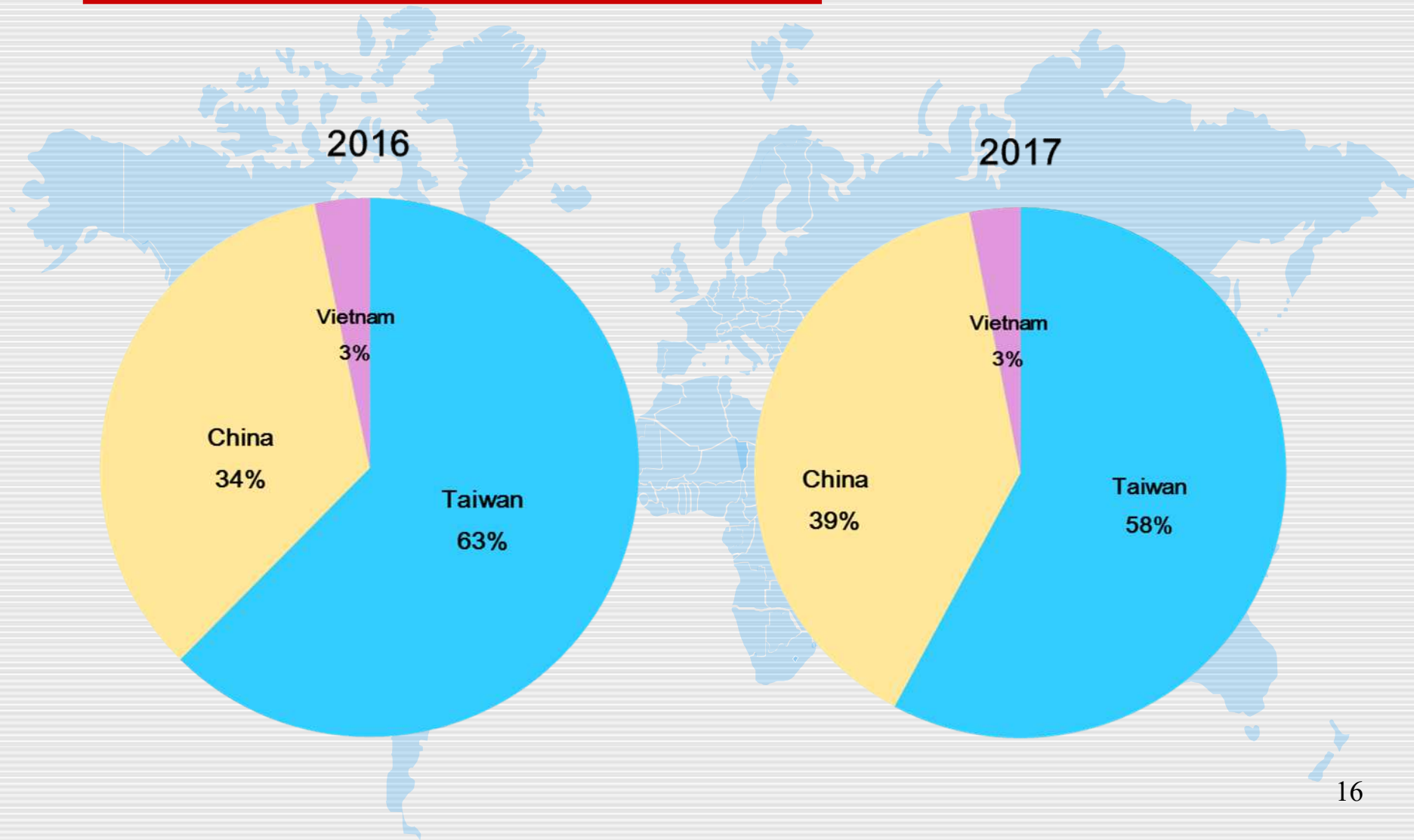


Revenue by Region

Unit : NTD million

Item	2015		2016		2017		YoY
	Amount	%	Amount	%	Amount	%	
Taiwan	1,490	60	1,609	63	1,558	58	-3%
China	930	38	884	34	1,051	39	19%
Vietnam	55	2	84	3	83	3	-2%
Total	2,475	100	2,577	100	2,692	100	4%

Revenue Ratio by Region



Consolidated Balance Sheet

Unit : NTD million

Item	2015		2016		2017		YoY
	Amount	%	Amount	%	Amount	%	%
Cash	302	14	403	17	361	15	-10%
Account Receivable	776	35	855	36	860	36	1%
Inventory	388	18	442	18	456	19	3%
Other Current Asset	85	4	101	4	80	3	-21%
Other non-current Asset(real estate,factory, Equipment etc.)	648	29	601	25	631	26	5%
Total Assets	2,199	100	2,402	100	2,388	100	-1%
Current Liability	666	30	833	35	817	34	-2%
Non-current Liability	156	7	148	6	153	6	3%
Total Liability	822	37	981	41	970	41	-1%
Capital Stock	762	35	762	32	762	32	0%
Shareholders Equity	1,377	63	1,421	59	1,418	59	0%
Total Liability & Equity	2,199	100	2,402	100	2,388	100	-1%

Consolidated Income Statement

Unit : NTD million

Item	2017 H1		2018 H1		YoY
	Amount	%	Amount	%	%
Operating Revenue	1,204	100	1,338	100	11%
Gross Profit	295	25	315	24	7%
Operating Income	101	8	104	8	3%
Pre-Tax Income	103	9	110	8	7%
Net Income	77	6	85	6	11%
EPS(after tax)	1.01		1.14		13%

Competitiveness

Professional Customized Products
Manufacturing & Management

Mature Industrial
Product Technology

Complete Product Family

Competitiveness

Professional Pre-Sales &
After-Sales Service

Future Prospect

System and
Energy Saving
Integration
Service.

Monitor air conditioning in various environments ,collect energy using data, adjust power usage , energy saving and carbon reduction to save electricity and money.

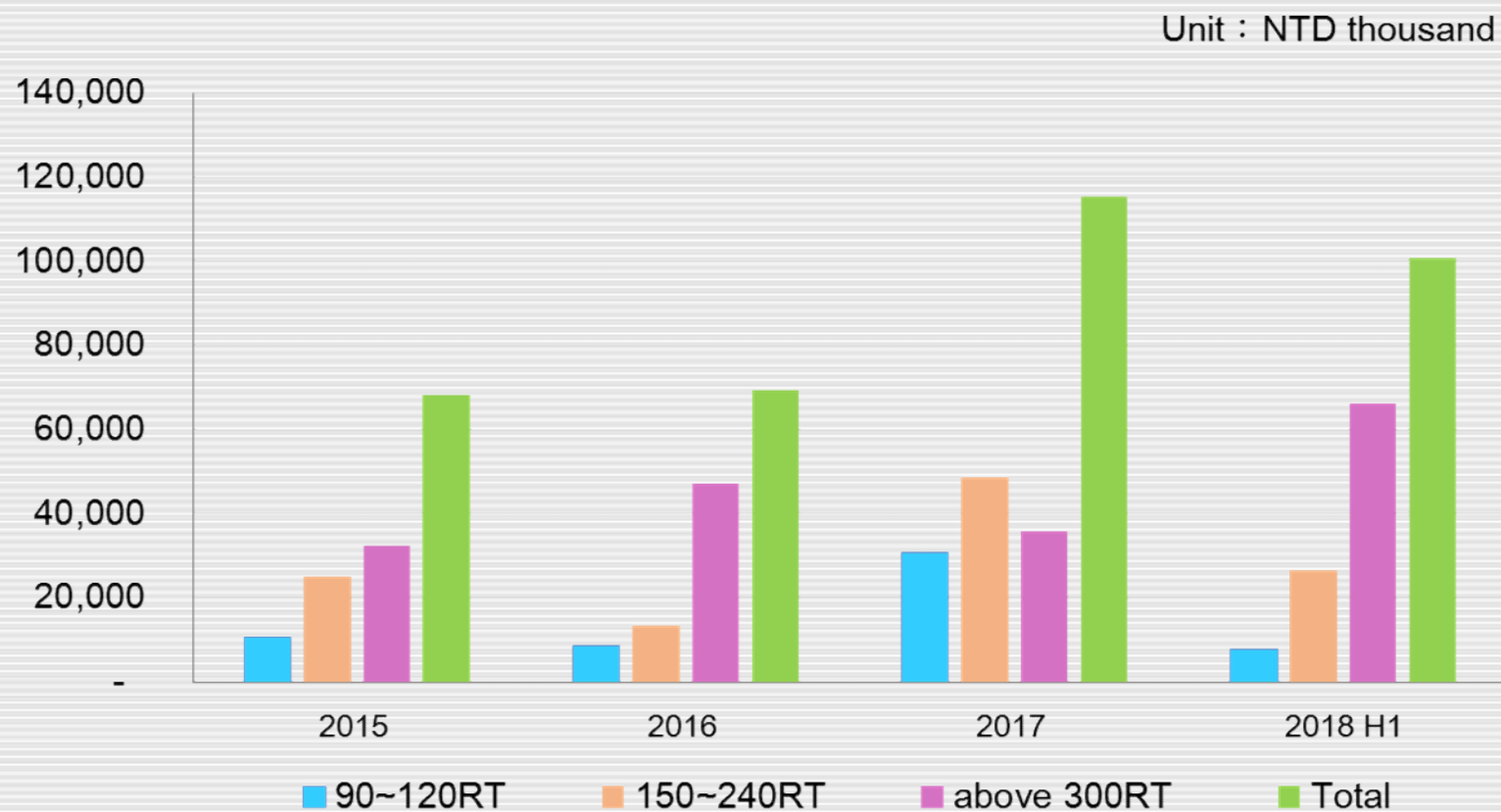
Plant Facility
Export


Export refrigeration/freezer equipment to Southeast Asia market and provide plant planning to make production process more smoothly.

Magnetic DC
Frequency
Centrifugal Chiller
Unit

Market demand is growing yearly.

Magnetic DC Frequency Chiller Unit Sales Amount





Thank You!
Q&A

<http://www.kuenling.com.tw>