



Professional Team

Comprehensive Service

Nov.18,2022



Presentation Outline

- ▶ Brief Introduction of Kuen Ling
- ▶ Product Portfolio
- ▶ Operational Performance
- ▶ Future Prospects
- ▶ Important Matters

Company Introduction

Company Name: Kuen Ling Machinery Refrigerating Co., Ltd.

Established Date : April 5th, 1988

OTC Date : September 28th, 2000

Stock Code : 4527

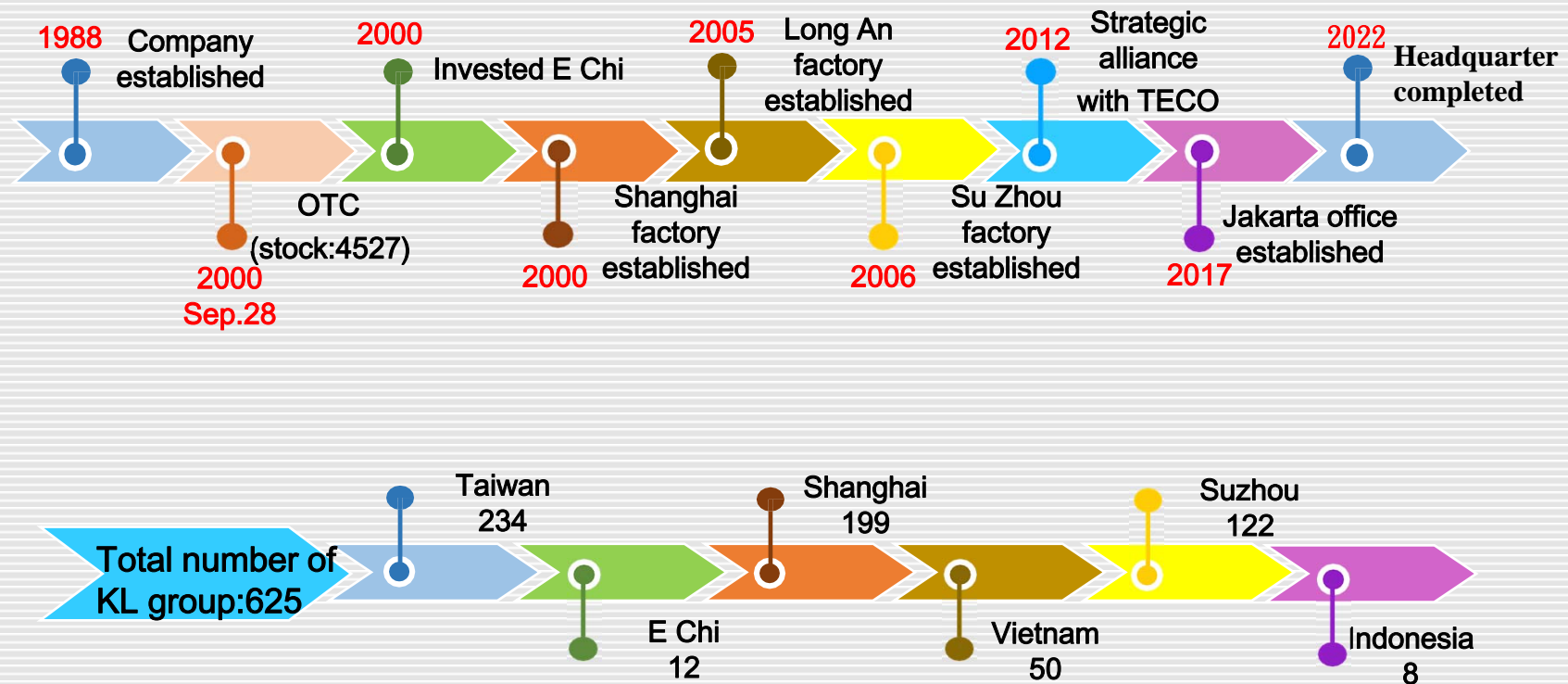
Paid-in Capital : 760 million

**Chairman &
General Manager:** Chung-Kuo Tseng

Main Business : Production of Central Air-Conditioning System
Chiller Units



Development History



*The number of employee dated on Sep. 30th,2022

Operation Locations



Certificate & Award

System Certificate

- ◆ ISO 9001
- ◆ ISO 14001
- ◆ ISO 45001



- ◆ TAF (Taiwan Accreditation Foundation) Laboratory Accreditation
- ◆ 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

Equipment Unit

Water-cooled Chiller



Flooded Chiller



DC Conversion Chiller Unit



Air-cooled Chiller



Vacuum Freeze Dryer



Packaged Air Conditioner



Computer Room Packaged Unit



Freeze-up Storage Tank



Air-Cooled Heat Pump Unit



Condensing 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

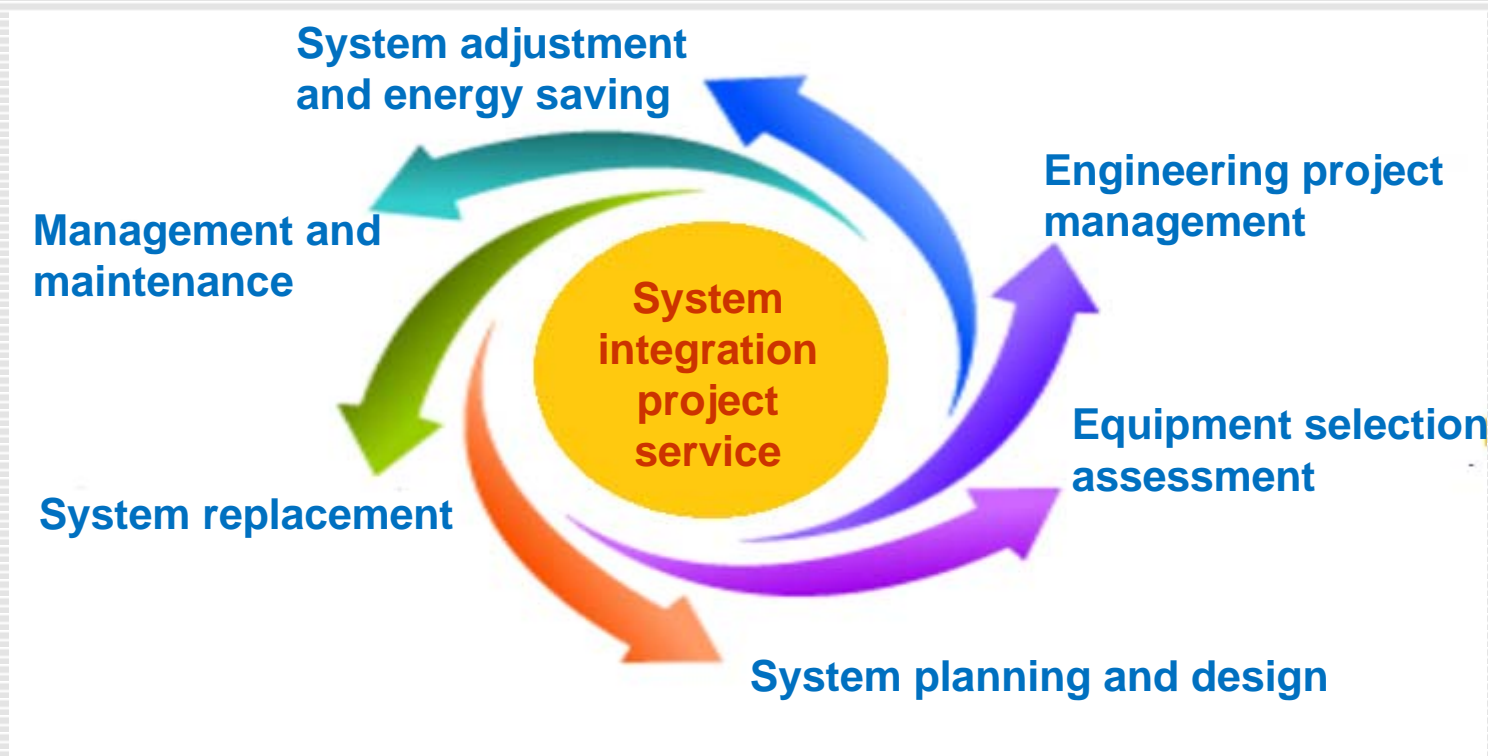
Electronics, Computer Technology industry

Material Science Industry

Main Products

Energy Saving High Efficiency Eco-friendly

System Construction Integration



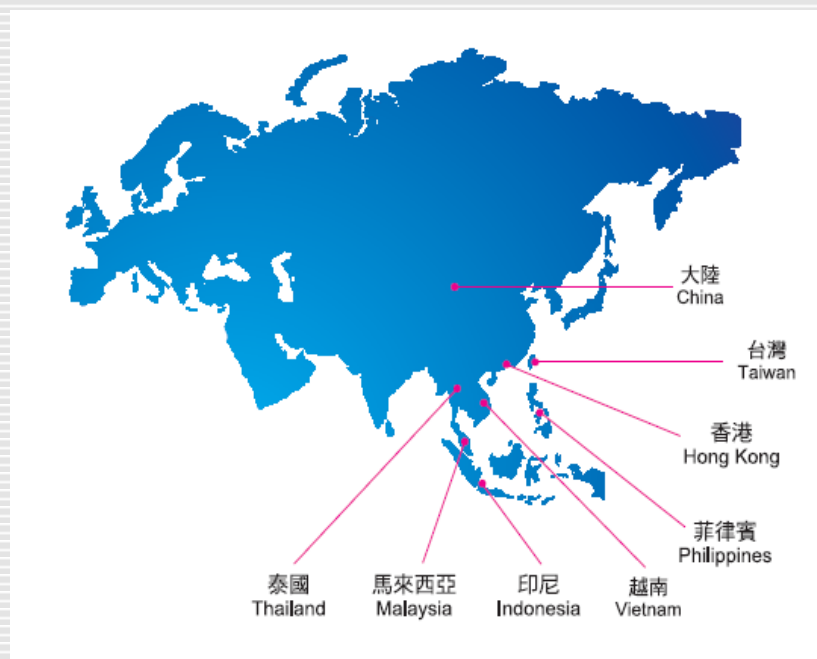
Maintenance Service

Market distribution in Asia

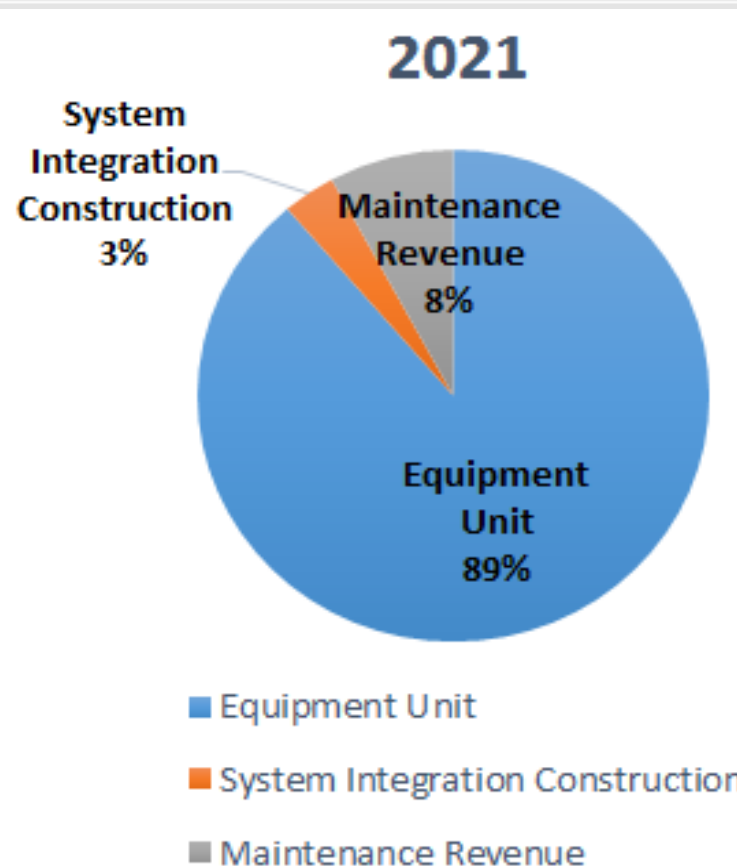
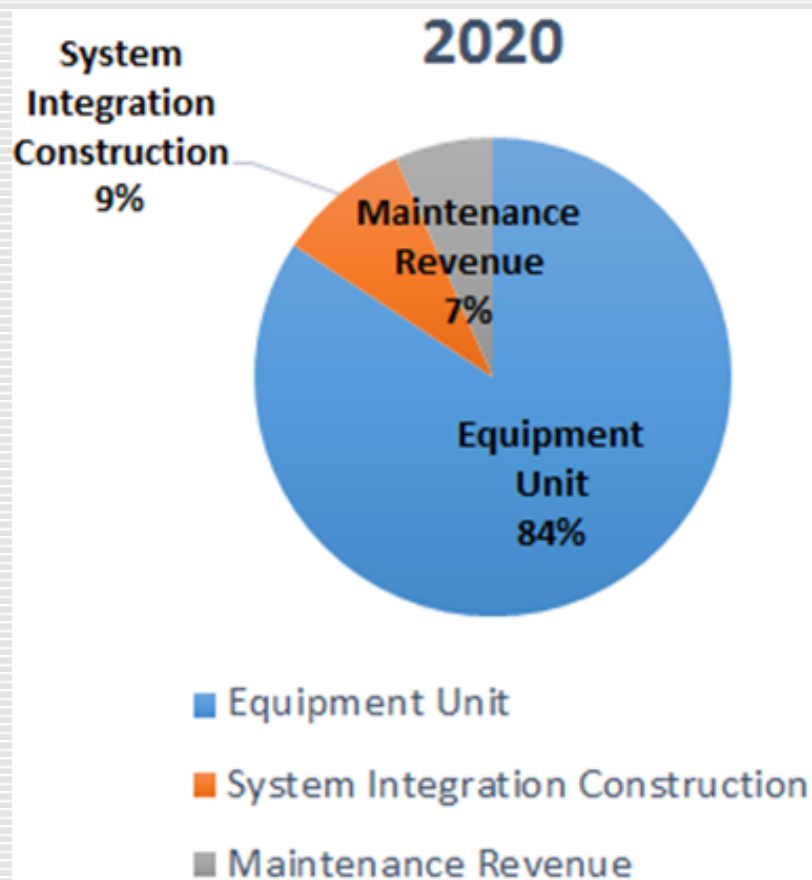
Taiwan : Taipei, Taichung, Kaohsiung

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

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



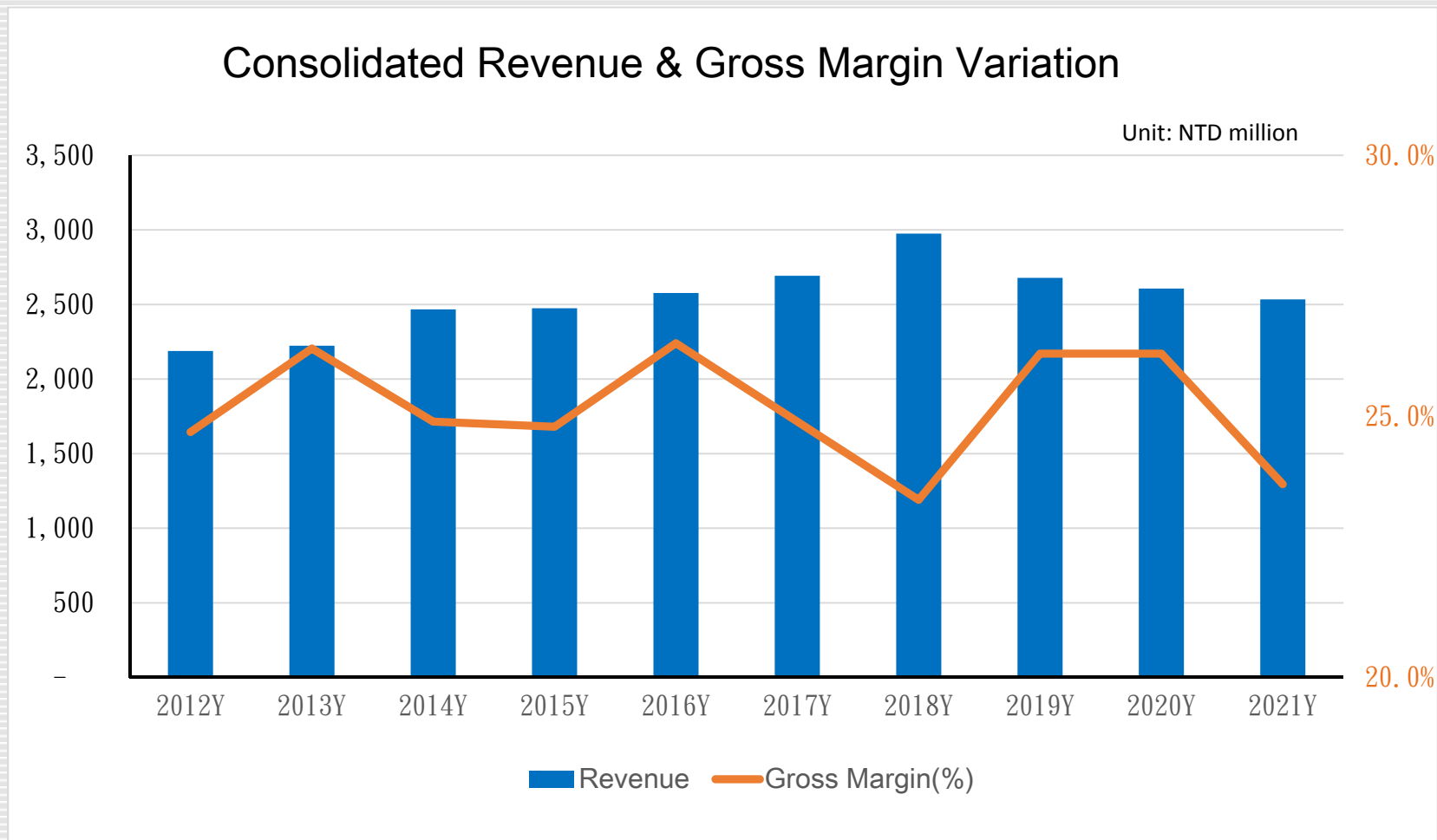
Main Products



Consolidated Income Statement

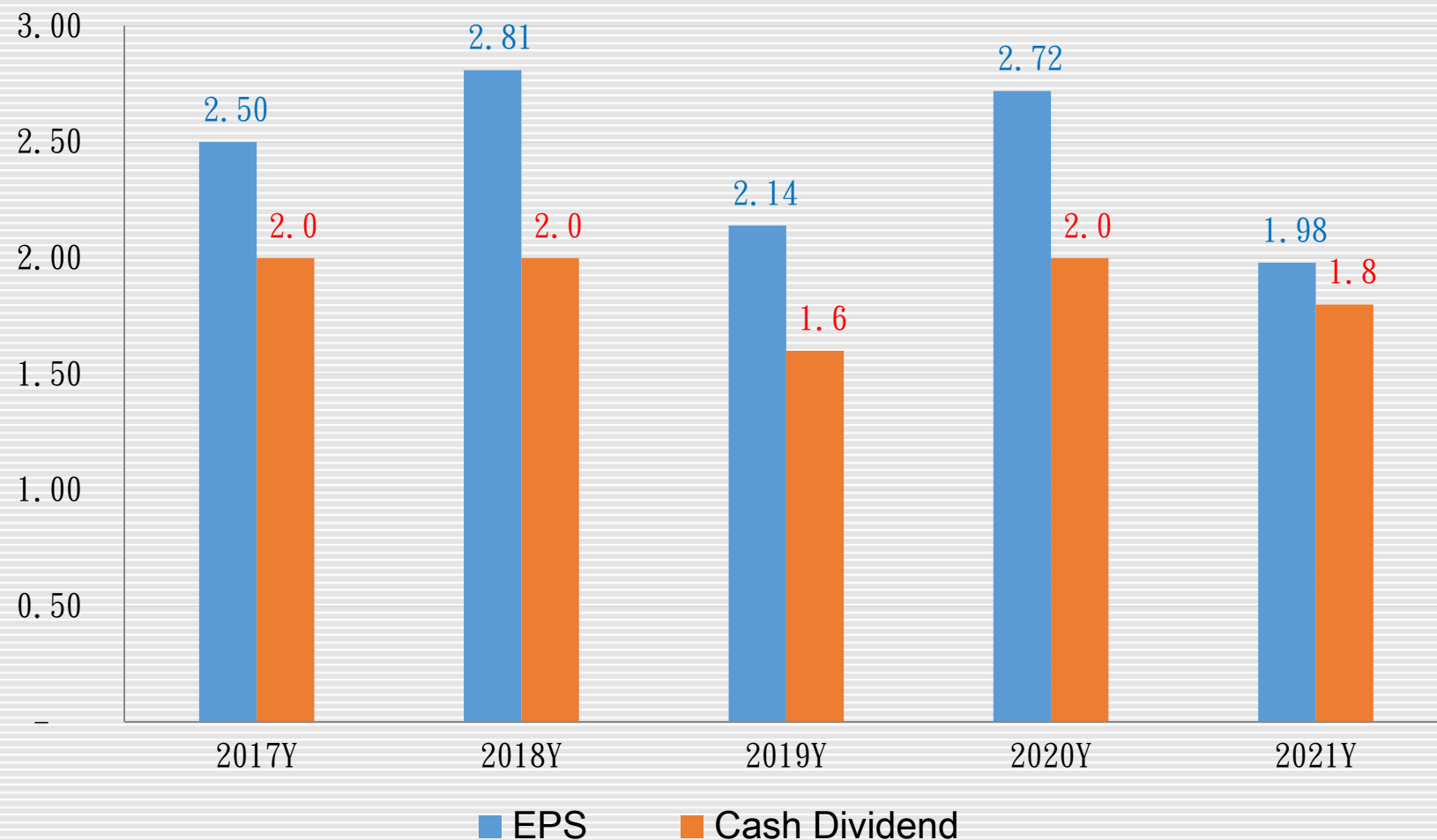
Item	Unit: NTD Million						
	2019		2020		2021		YoY
	Amount	%	Amount	%	Amount	%	%
Operating Revenue	2,678	100	2,607	100	2,534	100	-3%
Gross Profit	702	26	683	26	601	24	-12%
Operating Income	195	7	241	9	176	7	-27%
Profit before tax	210	8	261	10	195	8	-25%
Net Income for Current Period	162	6	210	8	151	6	-28%
EPS	2.14		2.72		1.98		
Cash Dividends	1.6		2		1.8		
Dividends Payout Ratio(%)	75%		74%		91%		
Dividends Yield(%)	6.05%		7.68%		6.18%		

Consolidated Revenue & Gross Margin Variation



Dividend Strategy

Historical EPS & Dividend Distribution(yuan)

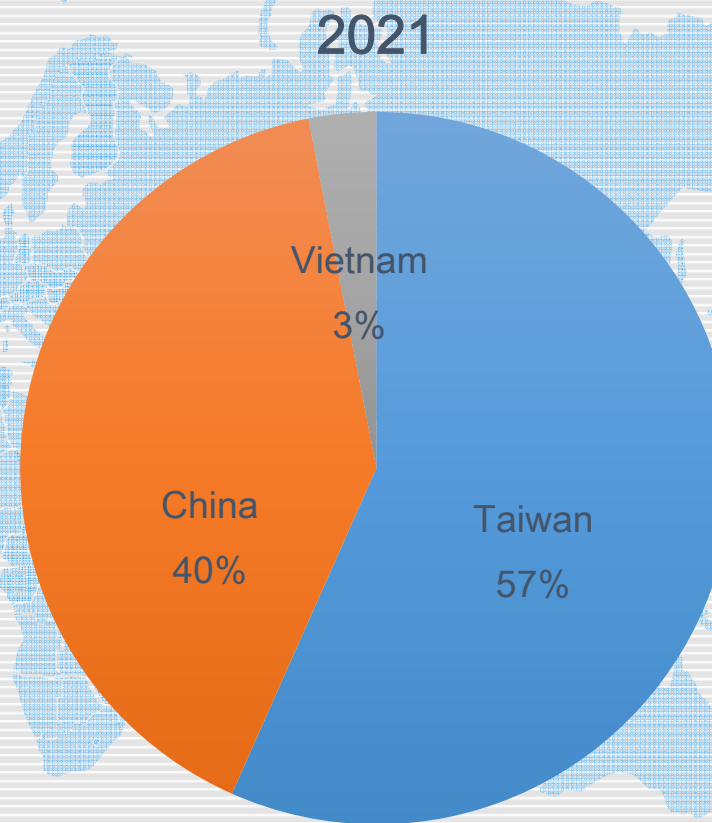
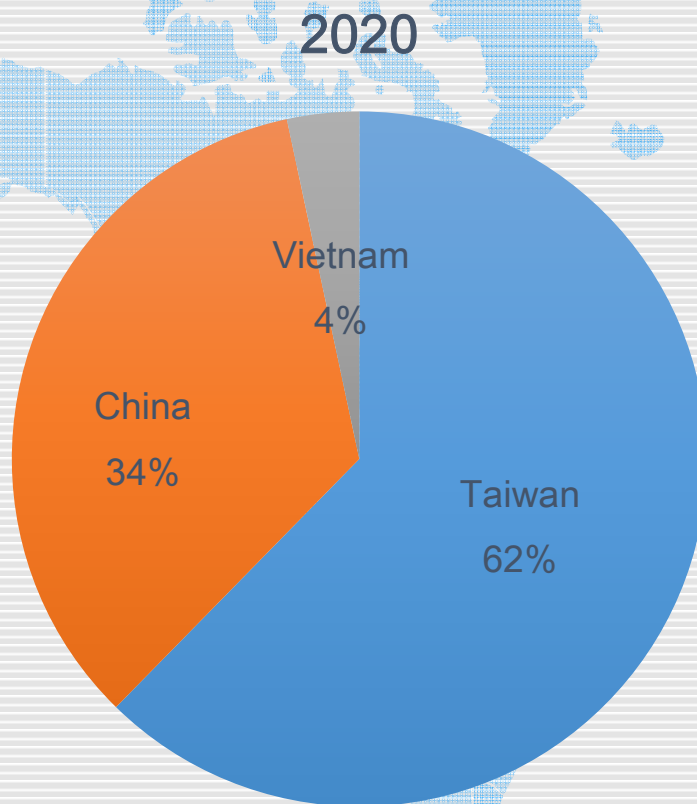


Revenue by Region

Unit : NTD Million

Item	2019		2020		2021		YoY
	Amount	%	Amount	%	Amount	%	%
Taiwan	1,571	60	1,625	62	1,435	57	-12%
China	994	37	894	34	1,021	40	14%
Vietnam	113	4	87	3	77	3	-11%
Total	2,678	101	2,607	100	2,534	100	-3%

Revenue Ratio by Region



Consolidated Balance Sheet

Unit : NTD Million

Item	2019		2020		2021		YoY
	Amount	%	Amount	%	Amount	%	
Cash	436	17	615	23	539	19	-12%
Account Receivable	963	37	864	32	875	30	1%
Inventory	427	16	413	15	573	20	39%
Other Current Asset	79	3	114	4	171	6	51%
Other non-current Asset(real estate, factory, equipment etc.)	712	27	726	27	712	25	-2%
Total Asset	2,617	100	2,731	100	2,870	100	5%
Current Liability	876	33	908	33	1,107	39	22%
Non-current Liability	291	11	287	11	233	8	-19%
Total Liability	1,167	45	1,195	44	1,340	47	12%
Share Capital	762	29	762	28	762	27	0%
Total Equity	1,451	55	1,536	56	1,530	53	0%
Total Liability & Shareholder Equity	2,617	100	2,731	100	2,870	100	5%

Consolidated Income Statement-Q1~Q3,2022

Unit : NTD Million

Item	Q1,2022		Q2,2022		Q3,2022	
	Amount	%	Amount	%	Amount	%
Operating Revenue	551	100	651	100	762	100
Gross Profit	121	22	141	22	170	22
Operating Income	19	3	27	4	55	7
Profit before tax	22	4	39	6	62	8
Net Income for Current Period	16	3	31	5	49	6
EPS	0.24		0.44		0.66	

Consolidated Income Statement-Q1~Q3,2022

Unit : NTD Million

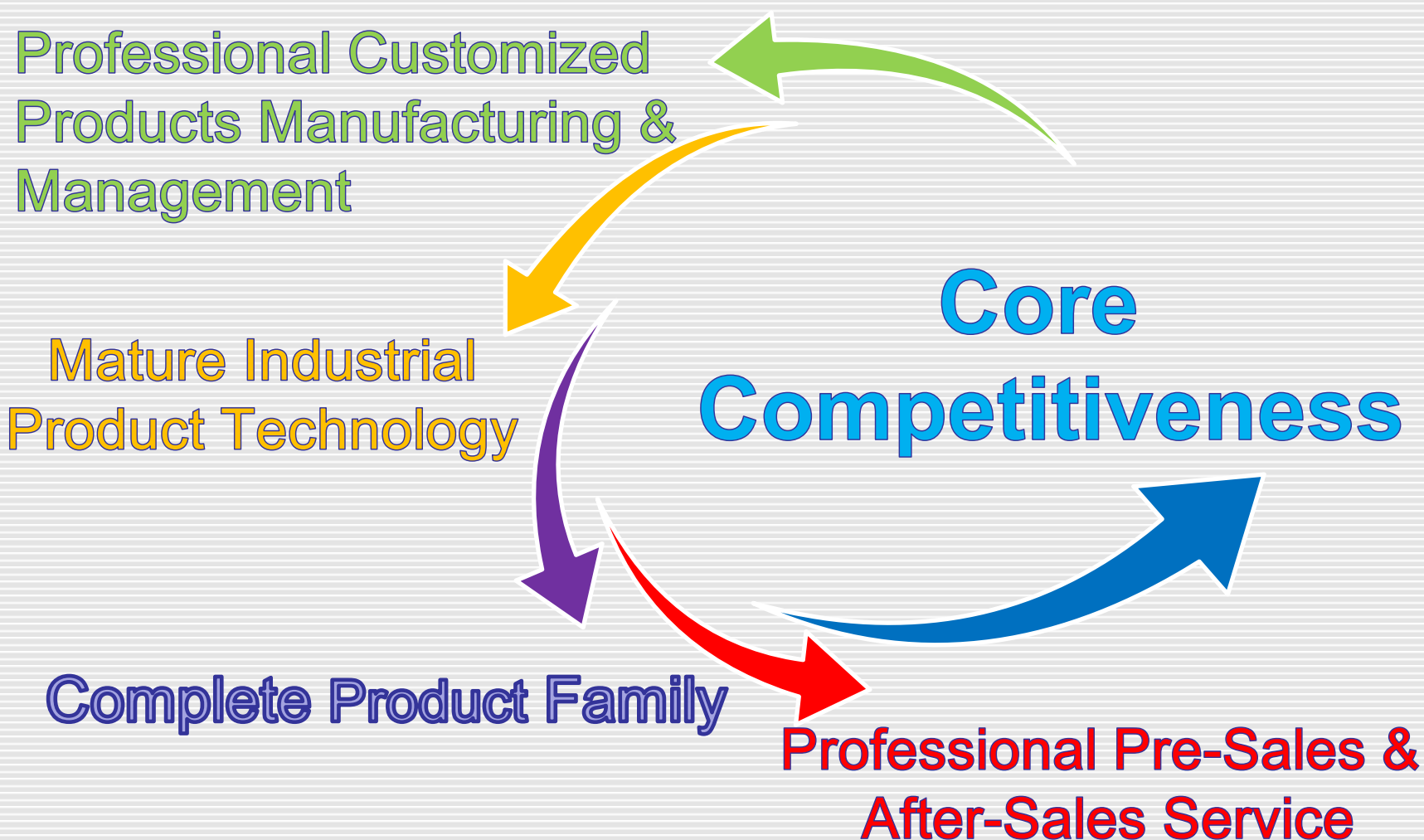
Item	Q1~Q3,2022		Q1~Q3,2021		YoY
	Amount	%	Amount	%	%
Operating Revenue	1,963	100	1,789	100	10%
Gross Profit	432	22	419	23	3%
Operating Income	102	5	114	6	-11%
Profit before tax	123	6	127	7	-3%
Net Income for Current Period	96	5	95	5	1%
EPS	1.34		1.25		7%

Consolidated Balance Sheet-Q3,2022

Unit : NTD Million

Item	Sep.30,2022		Dec.31,2021		Sep.30,2021		YoY
	Amount	%	Amount	%	Amount	%	
Cash	381	12	539	19	472	18	-19%
Account Receivable	1,074	35	911	32	820	31	31%
Inventory	734	24	573	20	555	21	32%
Other Current Asset	186	6	135	5	117	4	59%
Other non-current Asset(real estate, factory, equipment etc.)	704	23	712	25	702	26	0%
Total Asset	3,081	100	2,870	100	2,667	100	16%
Current Liability	1,370	44	1,107	39	951	36	44%
Non-current Liability	189	6	233	8	247	9	-24%
Total Liability	1,559	51	1,340	47	1,199	45	30%
Share Capital	762	25	762	27	762	29	0%
Total Equity	1,522	49	1,530	53	1,469	55	4%
Total Liability & Shareholder Equity	3,081	100	2,870	100	2,667	100	16%

Core Competitiveness



Future Prospects

System and Energy Saving Integration Service.

Monitor air conditioning promptly in various environments and collect energy using data 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 Levitation Centrifugal Chiller

Due to ESG, industries pay much attention on energy saving and carbon reduction, market demand is growing year by year

DC Conversion Refrigeration/ Freezer Unit

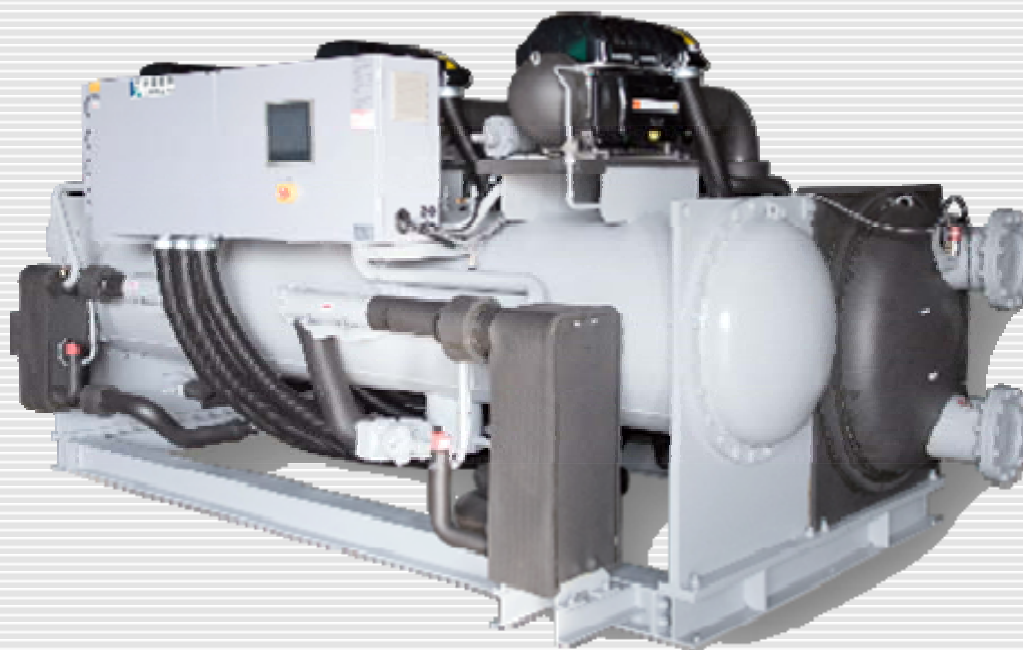
To meet demands of energy saving and reducing noise required by convenience stores, it has been successfully developed and sold.

Future Prospects



Future Prospects

Kuen Ling Water-cooled Magnetic Levitation Centrifugal Chiller Unit **600 USRT~800 USRT**



Future Prospects

Magnetic Levitation Centrifugal Chiller



Savings on Energy and Operating Electricity

Excellent full-load and partial-load operating efficiency, providing high-efficiency IPLV value and the lowest life cycle operating cost when the unit is partially operating.



Oil Free

Using magnetic bearings, the system does not need lubricating oil, the unit runs with 100% oil-free, and maintenance becomes easier.



Low Noise and Vibration

Low noise and vibration during operation, no need for special noise and vibration-proof devices in the air-conditioning room.



Simple System

The magnetic bearing is the only moving part, and the mechanical structure is simple, which reduces the cost of repair and maintenance.



High Reliability

The unit has a long service life and can withstand more than 100,000 switching operations. In case of abnormal power failure or tripping the circuit breaker, the UPS will supply power by itself, and it will stop normally. °



Variable Speed Operation

Variable frequency 2 stage impeller. According to the change of air-conditioning load and the change of outdoor temperature, it can automatically match variable speed to achieve the highest operating performance



Soft Start Device

The starting current of a single compressor is only 2~3Amp, which reduces the input current at the moment of starting.



Concise System Design

Small size, easy to install, more suitable for use in replacement systems



Eco-friendly Refrigerant

Use eco-friendly refrigerant R-134a which does not cause damage to ozone layer, friendly to the Earth and caring for the environment.

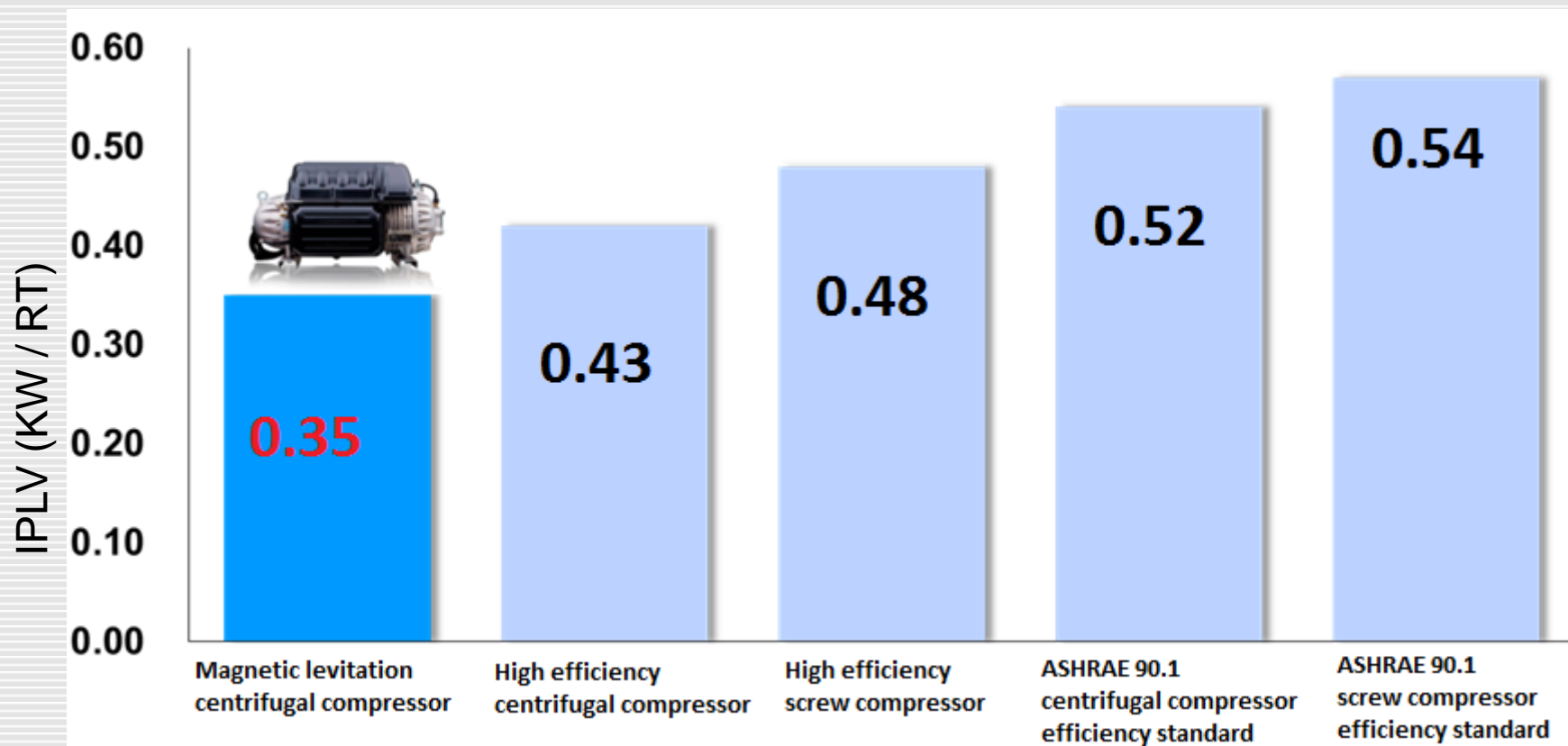


Digital Technology

Using the most advanced human-machine interface control, a fully digital system with system integration, the unit runs at the highest performance.

Future Prospects

The IPLV efficiency of the magnetic levitation centrifugal chiller is **20%~40% higher** than that of other fixed-frequency chiller unit.



Future Prospects

Market Segments



Internet Data Center



Hospital



Industrial Process



Office Building



Hyper Market



Government Building



Library



Museum



Hotel

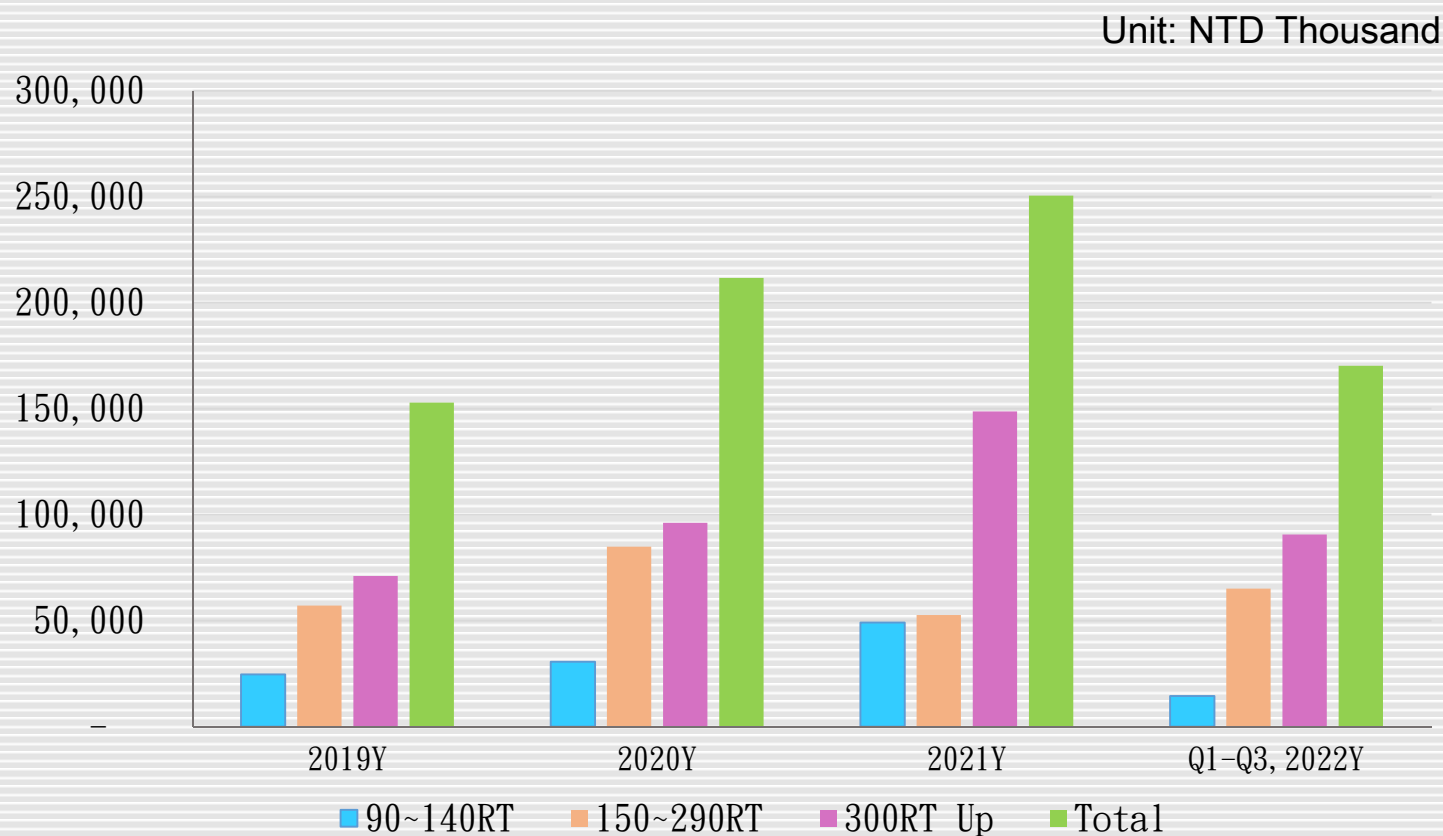


School

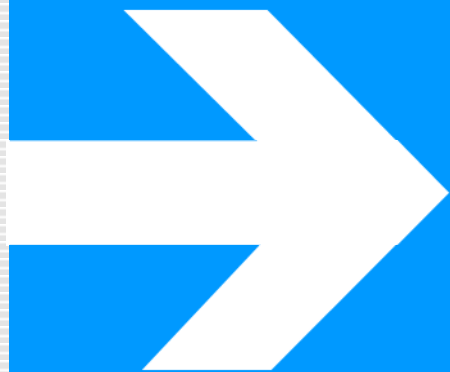


Music Hall

Magnetic Levitation Chiller Sales Amount(Taiwan)



Corporate Governance



Audit Committee Established

**For sound corporate governance,
strengthen the powers of the board of directors.**

Shareholders' meeting was re-elected on July, 2021 and the first term of audit committee was established, consisting of 4 independent directors.


Corporate Social Responsibility



Employee Stock Ownership Trust

Sign a contract of employee stock ownership trust with CTBC bank on Nov.,2022.

For the purpose of retaining and cultivating top talent, encouraging employees to serve in the company for a long time and develop their special skills in the future, helping employees accumulate wealth to ensure their life stability after retirement or resignation.



Thank You.
Q&A

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