

Fortune Electric Co., Ltd.

TWSE Code : 1519

2020/12/07



華城電機股份有限公司
FORTUNE ELECTRIC CO., LTD.

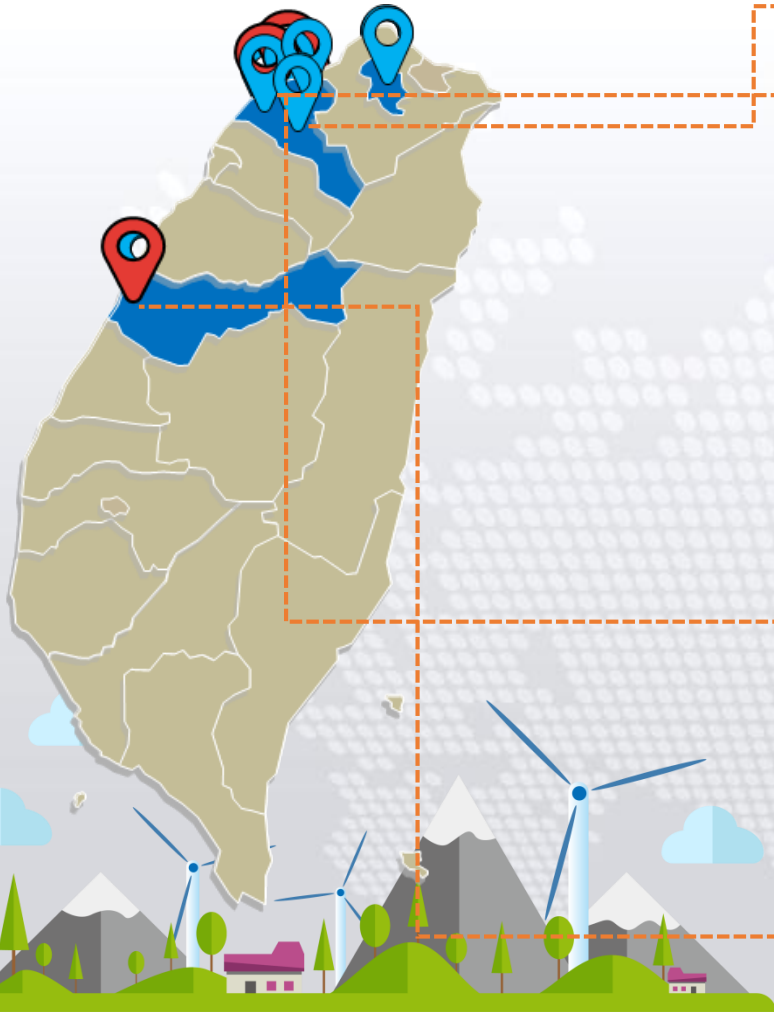
Safe Harbor Notice

- This Presentation contains certain forward-looking statements that are based on current expectation and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.
- Except as required by laws, we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

1-1 Company Overview

Type of Business	Heavy Electric	Type of TWSE	Listed
Establishment	Aug 26th, 1969	Lising Date	April 16th, 1997
Chairman	Pedro Hsu	President/CEO	Ted Hsu/Ithen Hsu
Capital	TWD 2.61 Billion	Employees	Taiwan 900 Global 1,100
Products	Equipment: Transformers, Switchgear, PV BOX, Panel, Transformer Smart Monitoring System, EV Charging Station EPC: Substation, Power Plant, Renewable Energy System, Offshore Wind Farm, Construction of charging station system, Smart Substation Maintenance 24 hours emergency recovering service throughout the year		

1-2 Company Profile(1)



Zhongli Plant



Guanyin Plant #2



Guanyin Plant #3



Taichung Plant

1-2 Company Profile (2) – Wuhan Plant



110kV Power Transformer

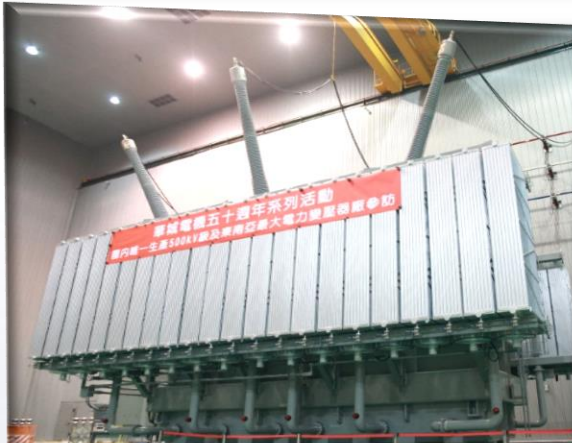


FR3 Transformer



230kV Power Transformer exported to Myanmar Power Company

2-1 Product Description



In August 2019, completed and exported a record-breaking 530kV 775MVA power transformer to an US utility.



PV BOX



DC Switch gear for Taipei MRT System (DC 750V 6,000A)



23kV Switchgear

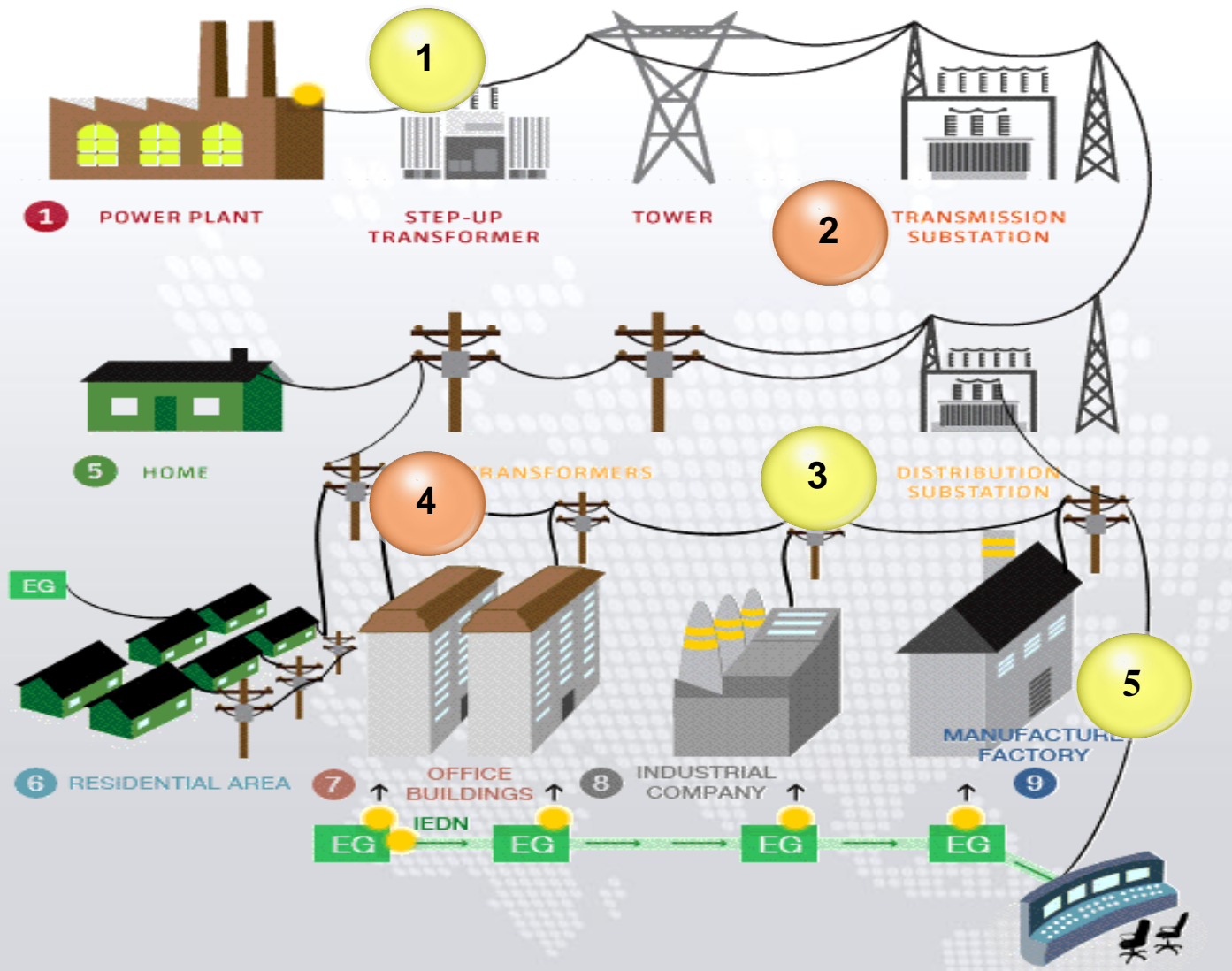


24kV GIS



Exported Australian PV BOX

2-2 The Most Completed Product Line



1

Step-up 345kV~500kV power transformers

2

Substation type 161kV power transformers

3

Substation type 69kV power transformers

4

Distribution pole/pad transformers

5

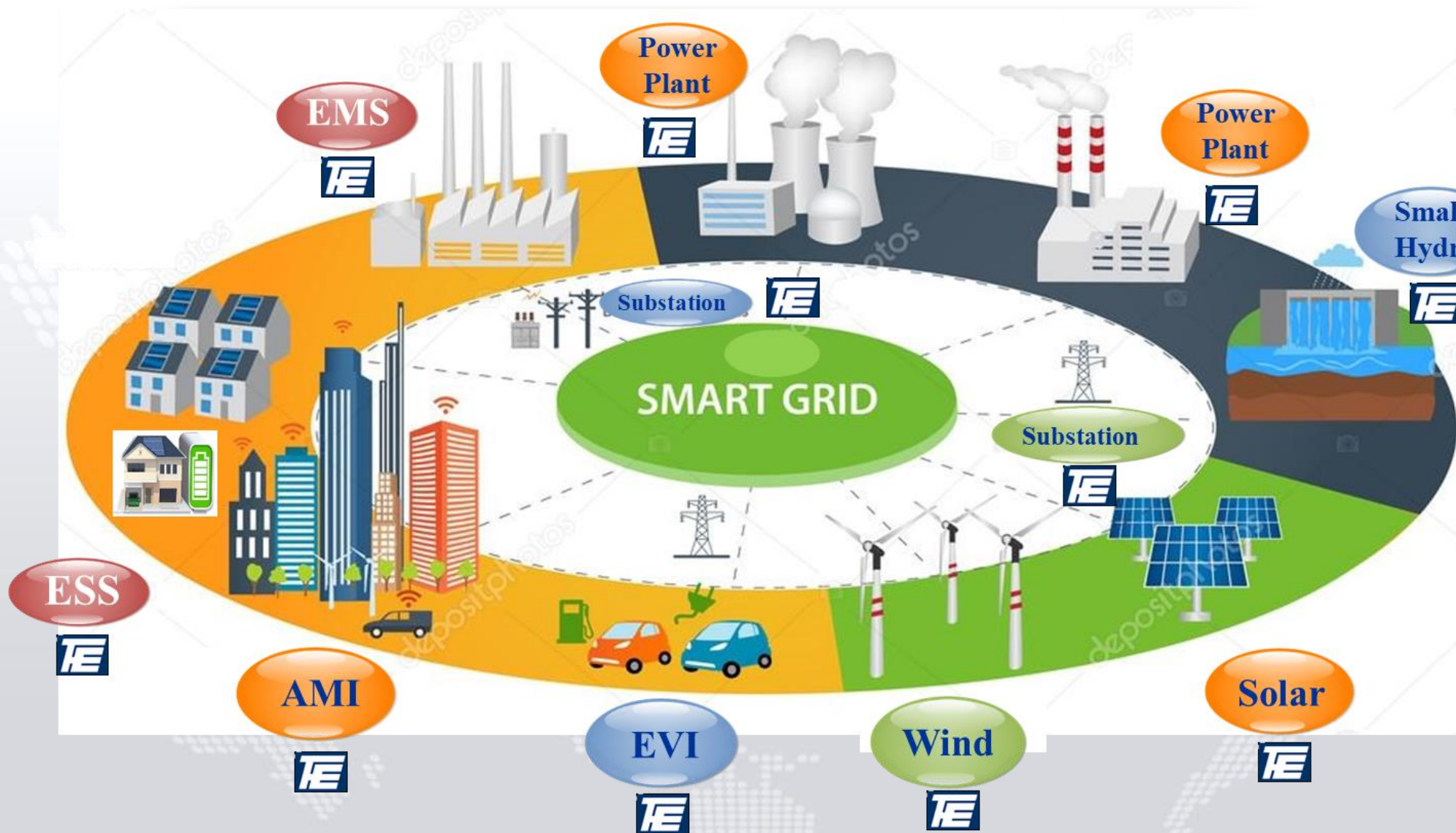
Transformers for industrial applications

6

System pre-planning, replacement & specification requirement service

2-3

FE's Green Power Products in Smart Grid



2-4 Export Market Leader(1/2)



400kV/115kV 200MVA Transformer to America(ambient temperature -50°C)

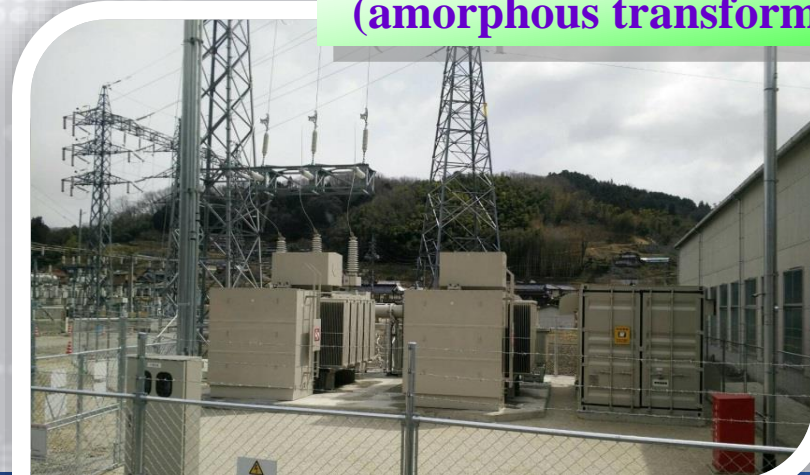
530kV 775MVA (Highest voltage and capacity in the country) Arrived in the U.S. at January 2020



PV BOX for solar power (amorphous transformer) to Japan



345kV/118kV 448MVA Low Noise Transformer to America



2-4 Export Market Leader(2/2)

Overcome the epidemic in 2020, continue to deliver and complete installation to the U.S., Australia, Japan, Southeast Asia and other places.



2-5 Performance of Offshore Wind(1/3)

(Awarded by the employer
for early completion)



In 2018, the second phase of Formosa I's 161kV substation and onshore system were awarded to Fortune.

In June 2019, 161kV substation and onshore system were completed and integrated into the grid.

In November 2019, Taiwan's first commercial-scale offshore wind farm, Formosa I started its commercial operation.



2017

2018

2019

2020

In 2017, Fortune completed the first phase of Taiwan's first offshore wind power project, Formosa I's onshore substation.

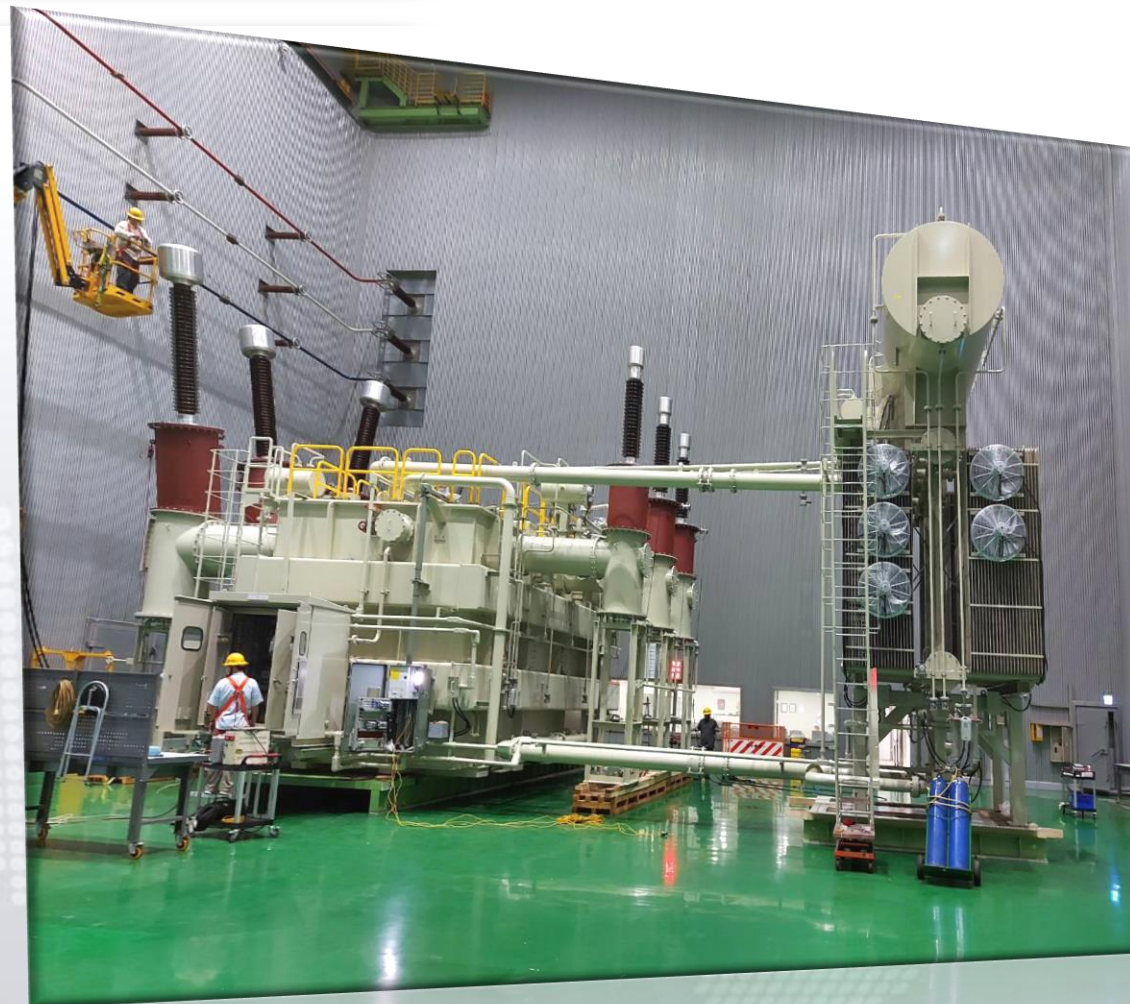


In March 2019, FE got the Formosa II's 161kV substation and onshore system. The Groundbreaking Ceremony of Formosa II Wind Power Project, Onshore Portion in November 2019. It is scheduled to be completed in 2021.

2-5 Performance of Offshore Wind(2/3)



**In July 2019, Completion of Hitachi
 TPC Phase 1 22kV 5.8MW
 Transformer inside
 the Wind Turbine Module**



**In 2020, Completion of 230kV 360MVA
 Offshore Wind power transformer**

2-5 Performance of Offshore Wind(3/3)



2019/10

Delivery of the First 33kV Wind Turbine Module

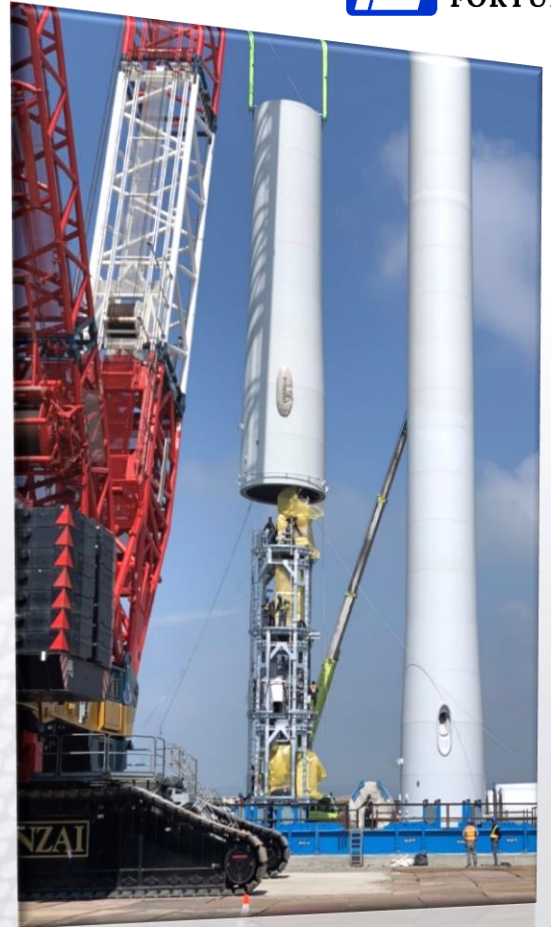


In 2020, Continued delivery of 33kV Wind Turbine Modules, approx. 21 sets.



2020~

In 2020, the implementation of the tower/fan/tower assembly project so far



2-6 Performance of Ground-Mounted Solar



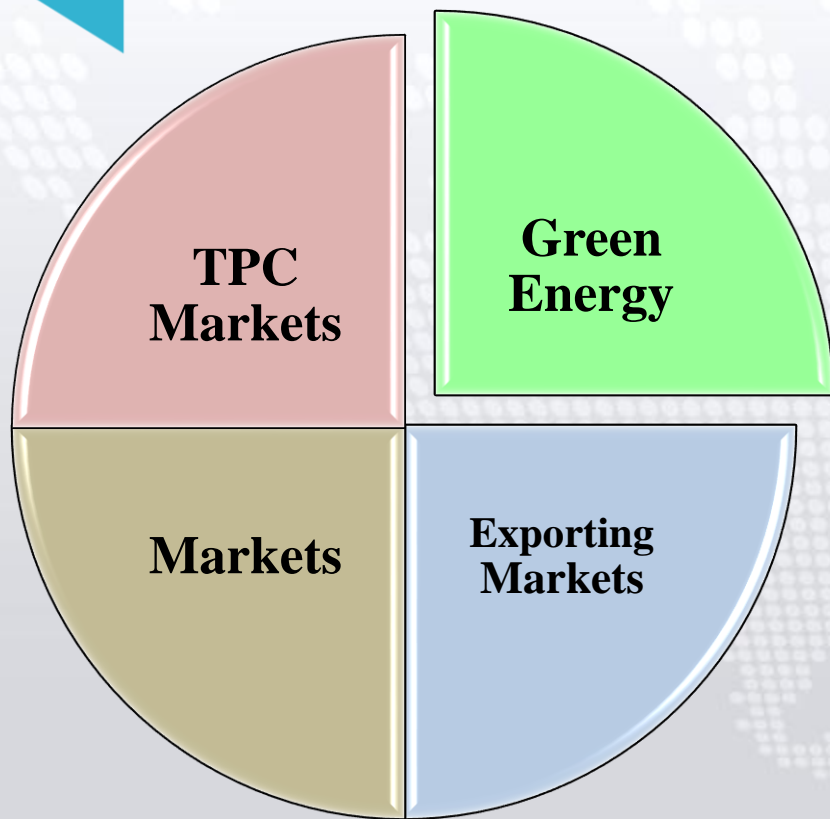
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In 2019, Received order for Taiwan's Largest solar project 150MWp in Tainan Yantian. In April 2020, completed 40MW on-grid commissioning for TPC's Yentian Solar Power Plant. In June, completed the floating type solar for 5.6MWp and integrated into grid.
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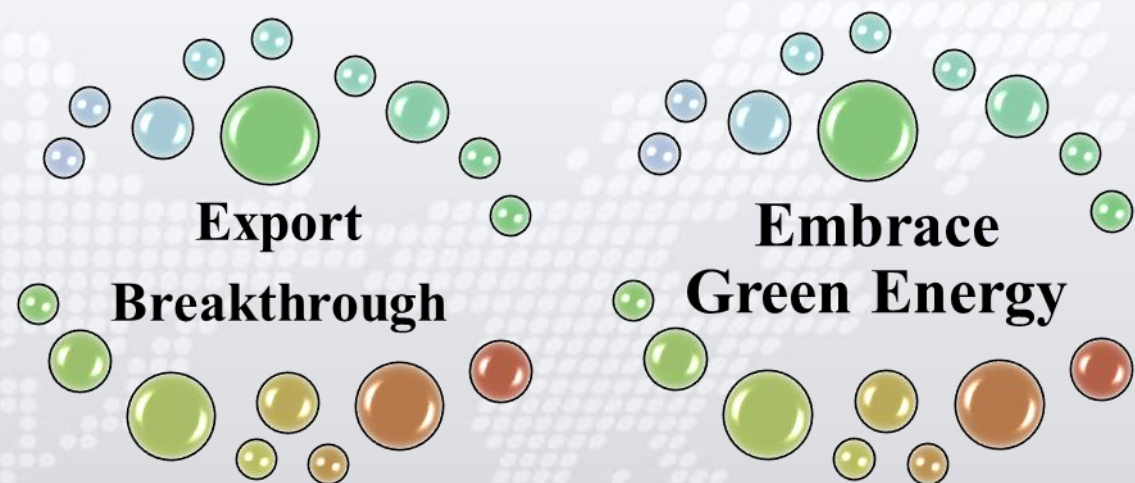
In Dec. 2020, completed the Syuejia First Solar Power Plant system of 69kV 50+50M and integrated into grid.

3-1 Ensure the Existing Markets, Grasp the Opportunities of Green Energy.

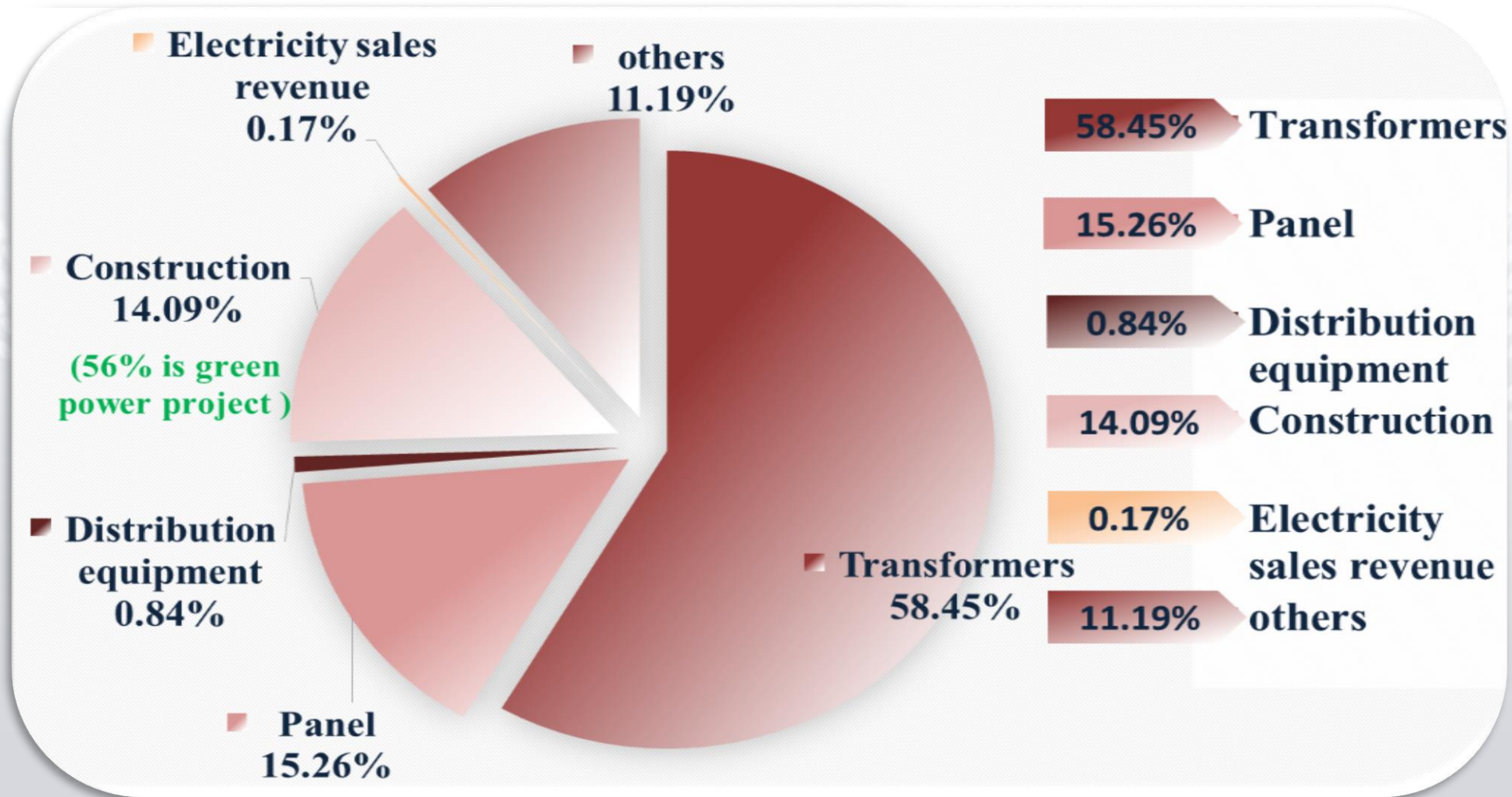
Four Pillars



Two Highlights

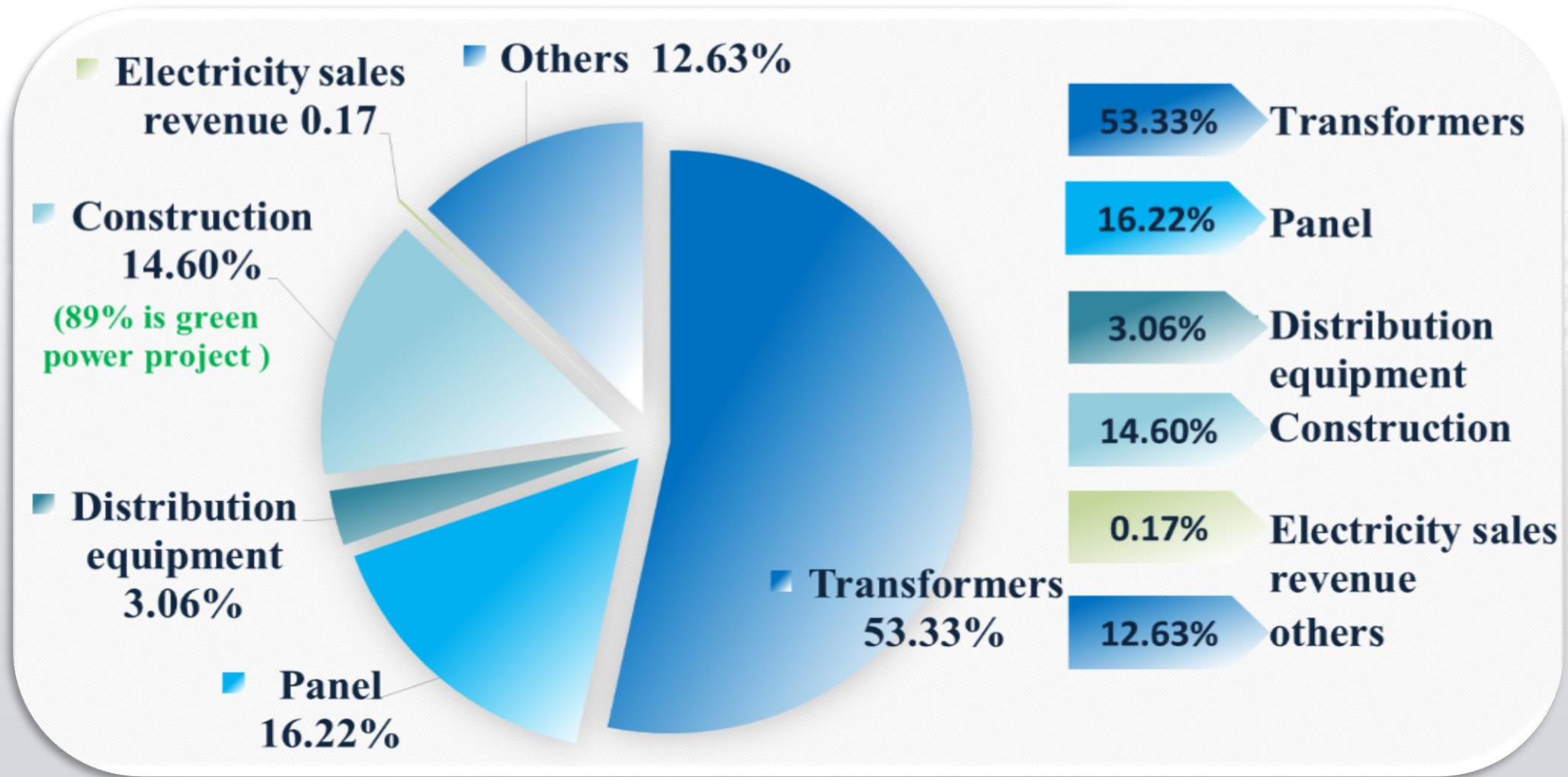


3-2 Percentage of Products for 2019



Others: including transformer installation / maintenance works, sale of materials / spare parts, et

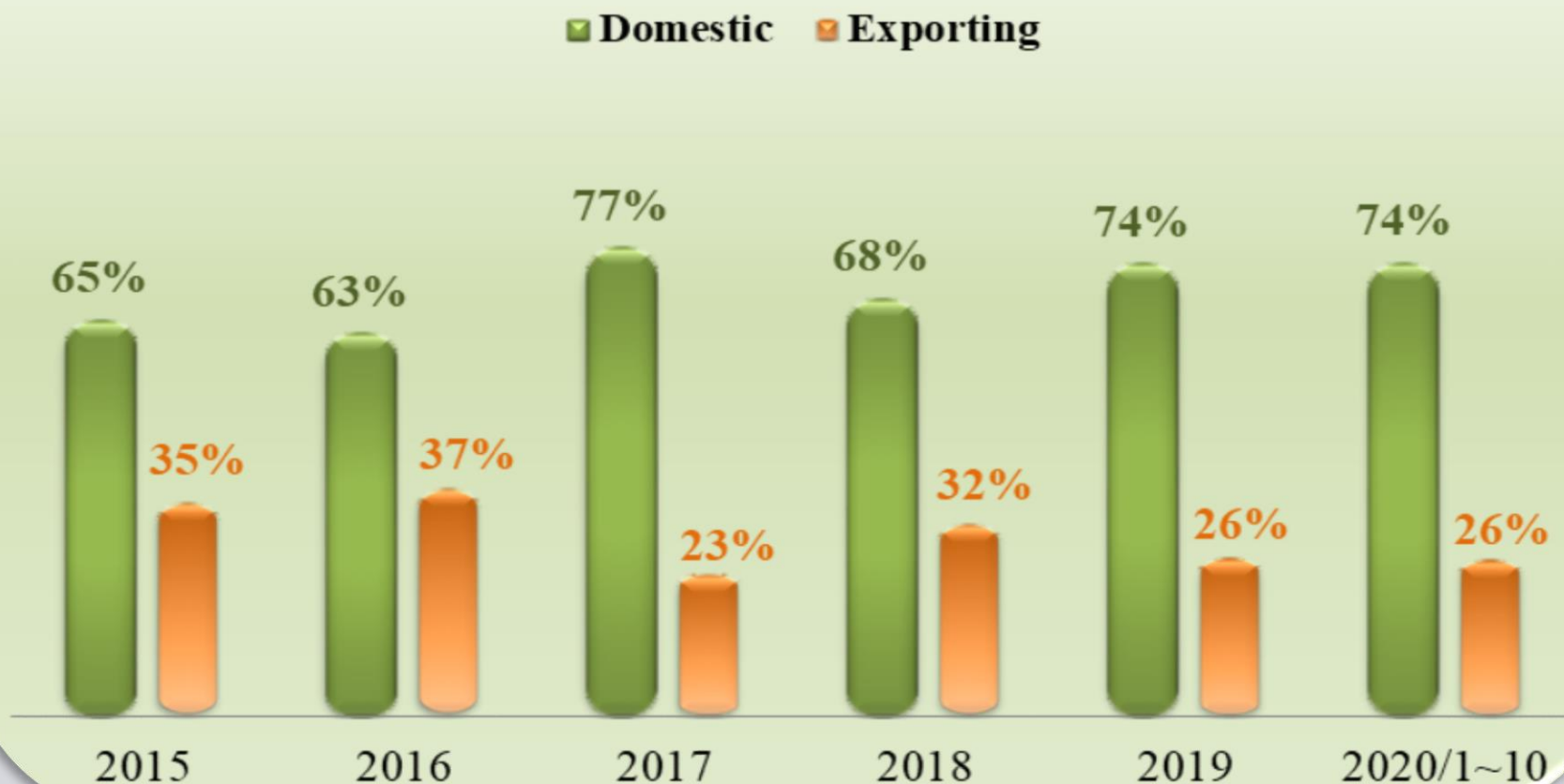
3-3 Percentage of Products for 2020/1~10



Others: including transformer installation / maintenance works, sale of materials / spare parts, et

3-4 Percentage of Domestic and Exporting

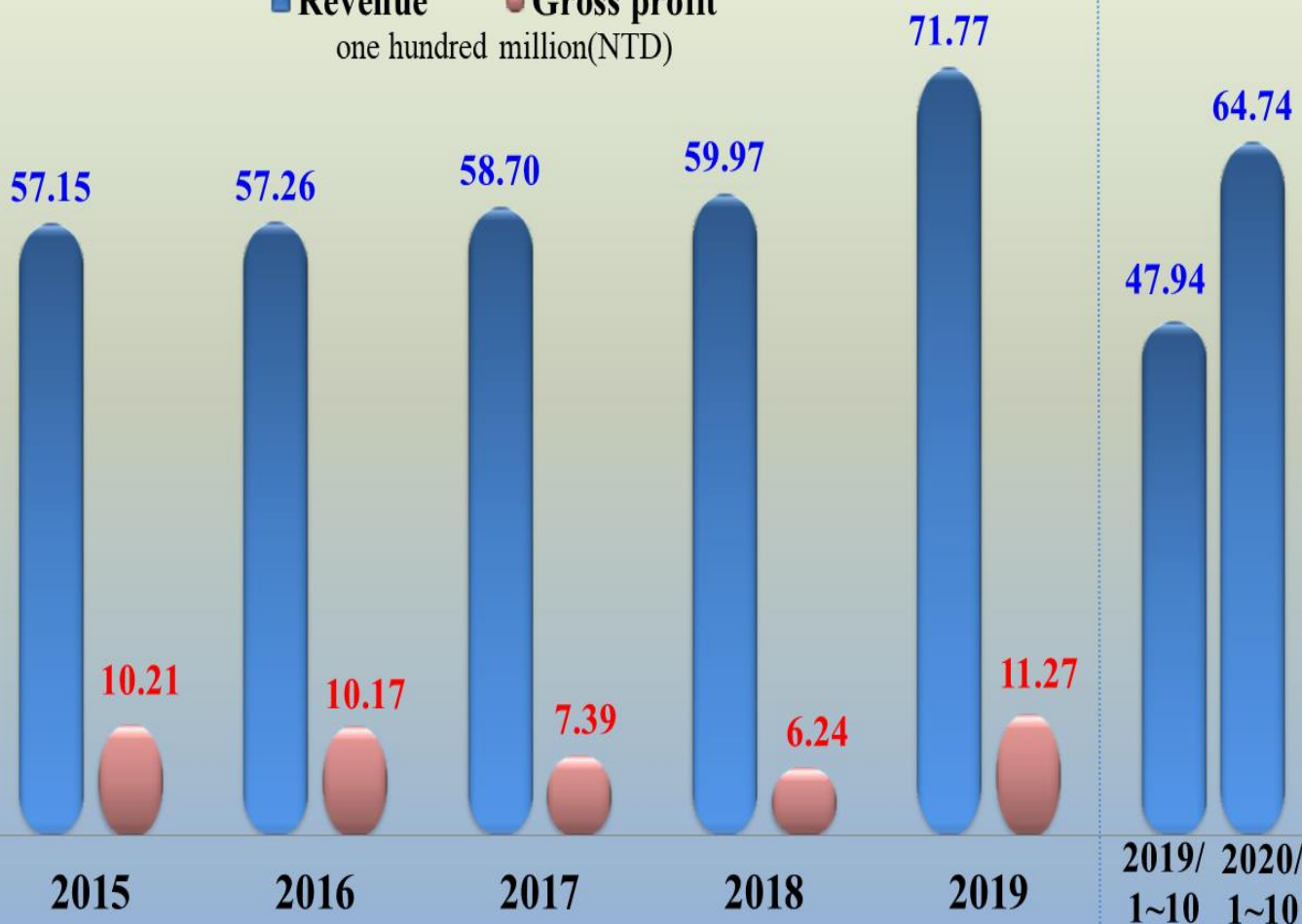
Percentage of Domestic and Exporting for 2015~2020/1~10



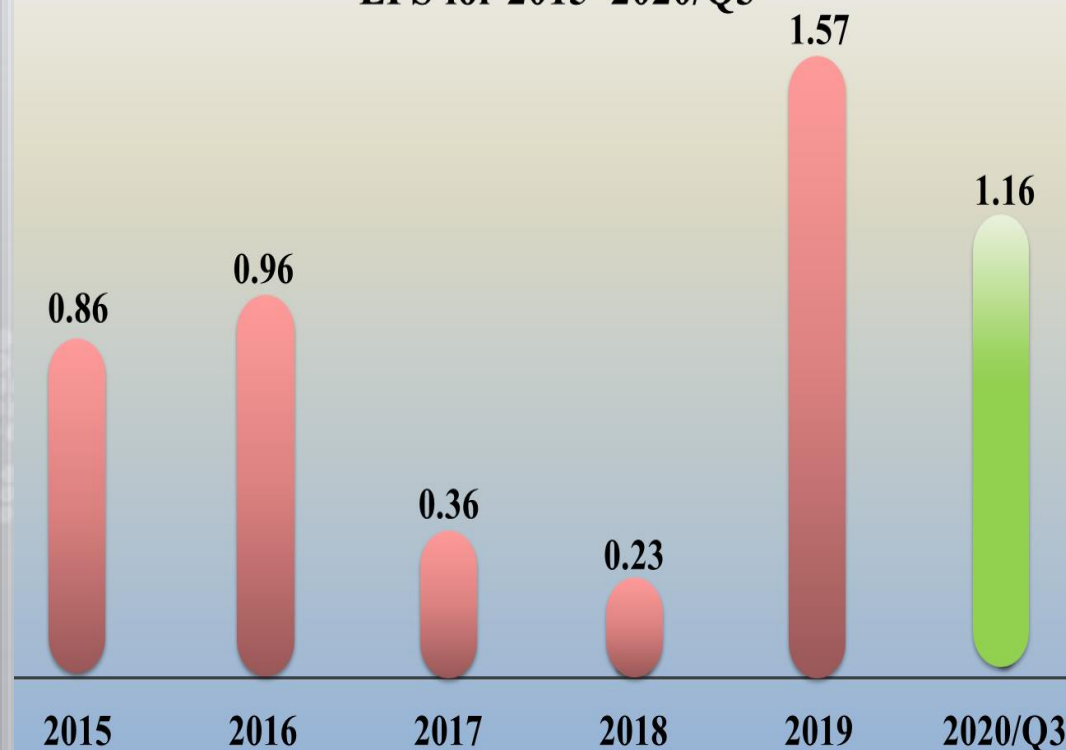
3-5 Revenue Grew Steadily

Revenue and Profit for 2015~2020/10

■ Revenue ■ Gross profit
one hundred million(NTD)



EPS for 2015~2020/Q3



3-6 Consolidated Financial Simple Highlights

Fortune Electric Co., Ltd. and Subsidiaries Consolidated Financial Simple Highlights

Unit : NTD in Thousands

Item	2020Q3		2019Q3	
	Amount	%	Amount	%
Property, plant and equipment	1,989,545	20%	2,067,359	22%
TOTAL Assets	9,946,043	100%	9,278,907	100%
Interest-bearing Debt	2,533,913	25%	2,830,295	31%
Total Liabilities	6,565,637	66%	6,110,359	66%
Total Equity	3,380,406	34%	3,168,548	34%
Operating Revenues (for the Nine Months Ended September 30)	5,865,856	100%	4,118,456	100%
GROSS PROFIT	995,714	17%	657,130	16%
NET PROFIT FOR THE PERIOD	304,076	5%	220,289	5%
Key Indices				
Current Ratio	146%		139%	
Acid Test Ratio	80%		67%	
Total Liabilities to Equity Ratio	194%		193%	
Net profit rate	5%		5%	
EPS (NTD dollar)	1.16		0.83	

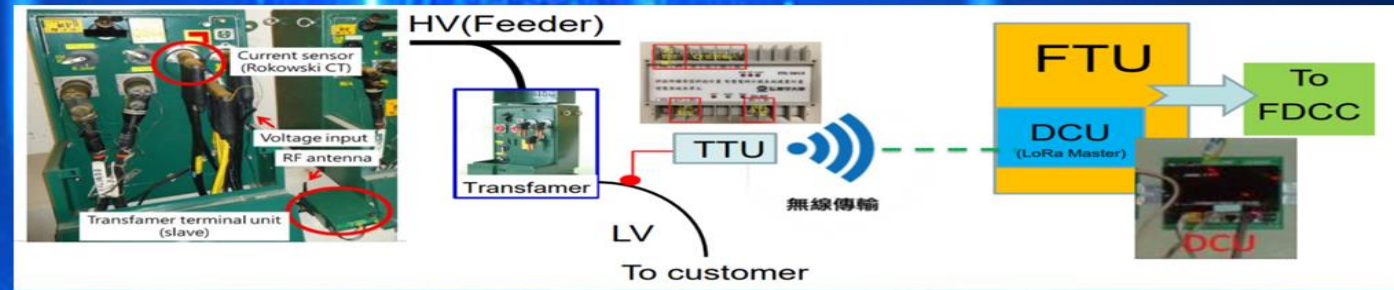
4-1 Technology Continues to Improve

New development in 2020 Distribution transformer IoT system

Taipower
The project of
improve the power
system

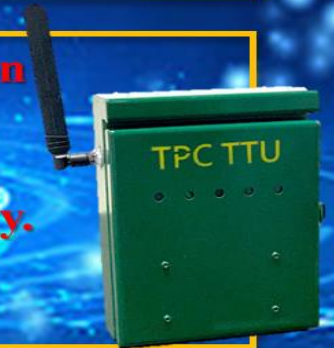
In order to maintain a large number of power equipment, the "Distribution System improvement Project" introduced new technology applications and big data analysis, and introduced intelligent systems when updating old equipment to enhance the strength of line equipment and improve the quality of power supply.

**Distribution
Transformer
Terminal Unit,
TTU**



**Characteristics
of distribution
transformer IoT
system**

1. **Real-time control of power off information on distribution lines.**
2. **Real-time monitoring of transformer operation status.**
3. **Adopt advanced concentration communication technology.**
4. **Reduce power off time and improve grid power supply reliability.**



4-2 R&D Innovation Performance is Affirmed

Innovation honor and patent



**2020 Taiwan Innotech Expo
Invention Competition
WON THE GOLD MEDAL**



INVENTED PATENT NO. I682131

**INTELLIGENT AIR
DRYING SYSTEM AND
METHOD**



5-1 Transformed to FE Digital System, Smart Factory Constructed

AIoT

Quality Control
Application

Energy Management
Application



5-2 Transformed to FE Digital System, Smart Factory Constructed

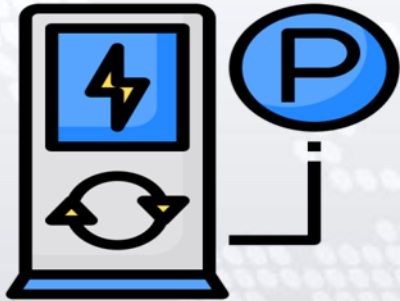
IT and OT data integration, real-time control of man, machine, material production progress information, and using data visualization for factory management.



6-1 Electric vehicle industry total solution capabilities 2020

EVALUE

Charging Equipment



- Cooperating with 3 depots
- DC Charging
 - 30kW and 120kw
 - 480kW is in development
- AC Charging
 - 7kW and 17kW
 - The fourth generation is in development

Operation



- Cooperating with 2 depots
- EVALUE APP activation
- Financial flow
- Charging management platform
- Supply charging service and counseling solutions
- Parking space reservation and occupying equipment development

Engineering



- Cooperating with 5 depots
- Completed 25 cases of DC charging
- Completed 700 cases of Home charger Installation
- Supplying site survey, Construction planning, and assessment of electricity

6-2 Deployment domestic charging operation network 2020



EVALUE completed charging station-Neihu Flagship, Hsinchu Science Park, Golf Course & Country Club in Kuanhsi, Alishan Attractions, Jianguo North Road parking lot, JC Park in Taoyuan, Taichung Harbor Hotel, Windsor Hotel Taichung, Silks Place Yilan.

EVALUE operated 24 charging stations and 71 charging piles in total. The charging stations and charging piles are constantly increasing.

EVALUE operate charging station and holds 40% market share.



6-3 Electrical/Power Control/ MRT Power System Construction

- **Electrical and Mechanical Construction(Public/Private)**
 - **Construction in Process**
 - **Administration Building and Parking Lot Construction Project of Yangmei District Office, Taoyuan City**

- **Green Power and Electric Power Control**
 - **Construction in Process**
 - **Taipower Substation Power SCADA Update**
 - **The Second Phase of Solar Power PV Plant Construction Project in Pingtung Linbian**

- **MRT Power System Construction**
 - **Construction in Process**
 - **Replacement of AC/DC Equipment in Traction Power Substation**



Thank You for
Your Attention.

