



# **AirTAC**

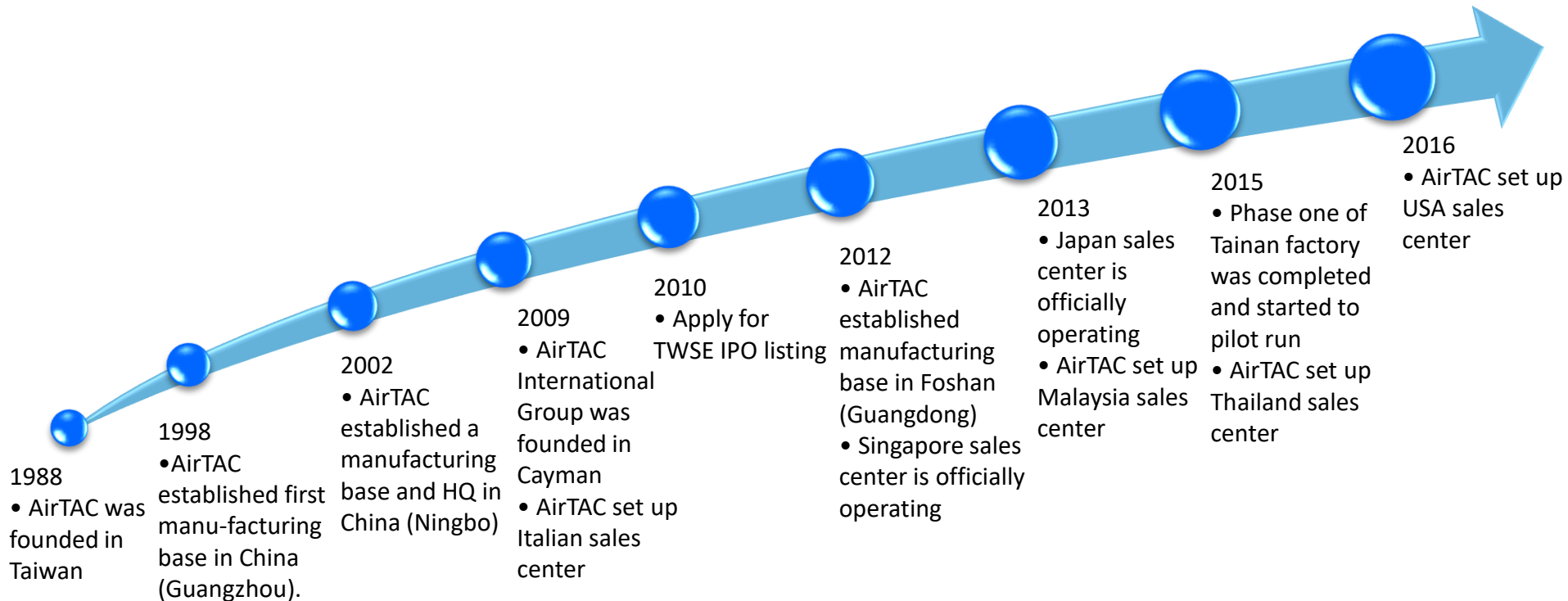
**Powered by AIRTAC**

# Agenda

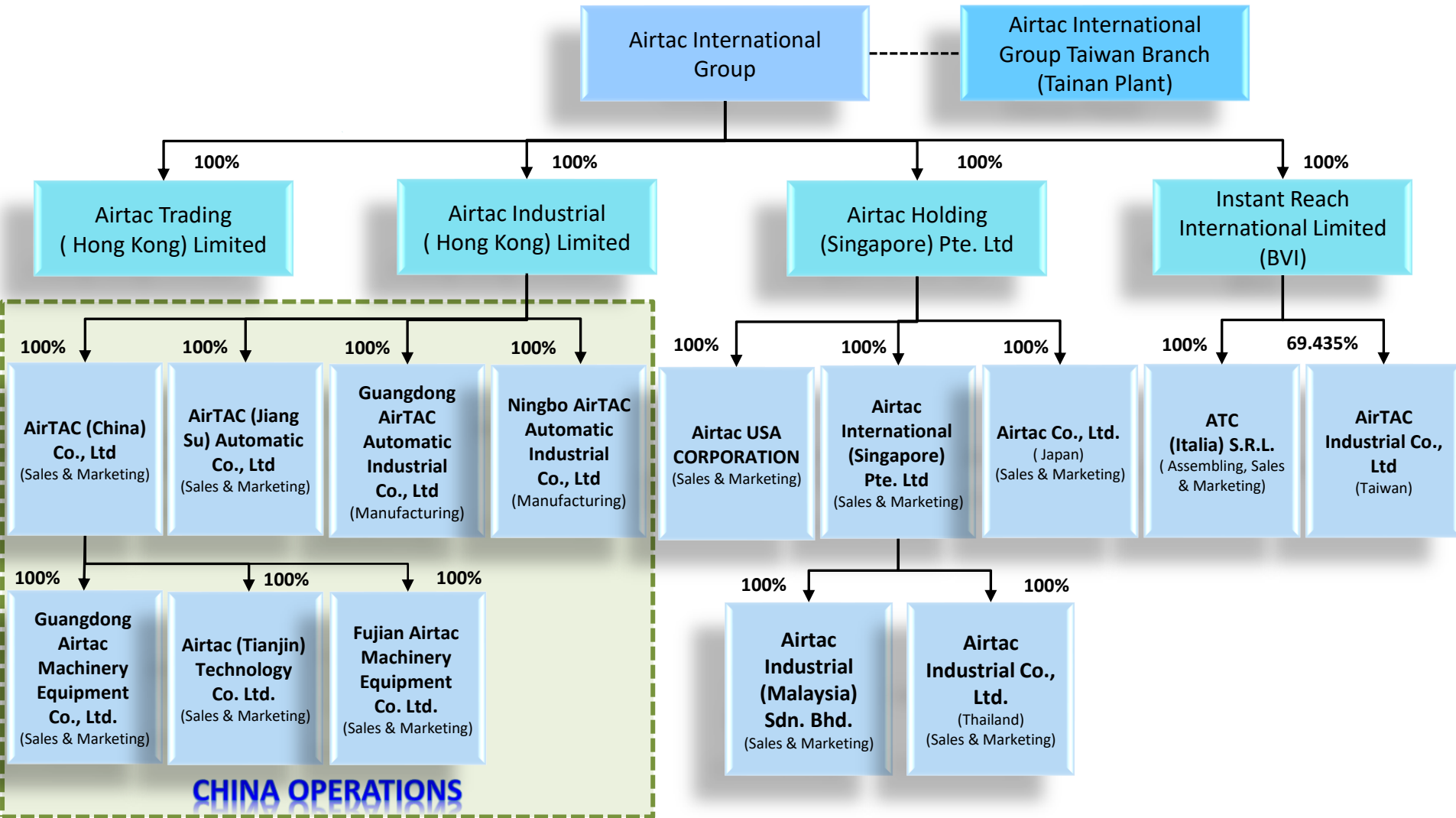
- I Group Overview**
- II Product & Market**
- III Competitive Advantage**
- IV Financial Outlook**
- V Development prospects & Strategic**

# I · Group Overview

# Group Overview



# Organization Chart



# Corporate Culture

## People-oriented

- Value employees as the most precious resource.
- Encourage them to grow with company.

## Commitments

- AirTAC commitment to sustain growth and fulfill social responsibility

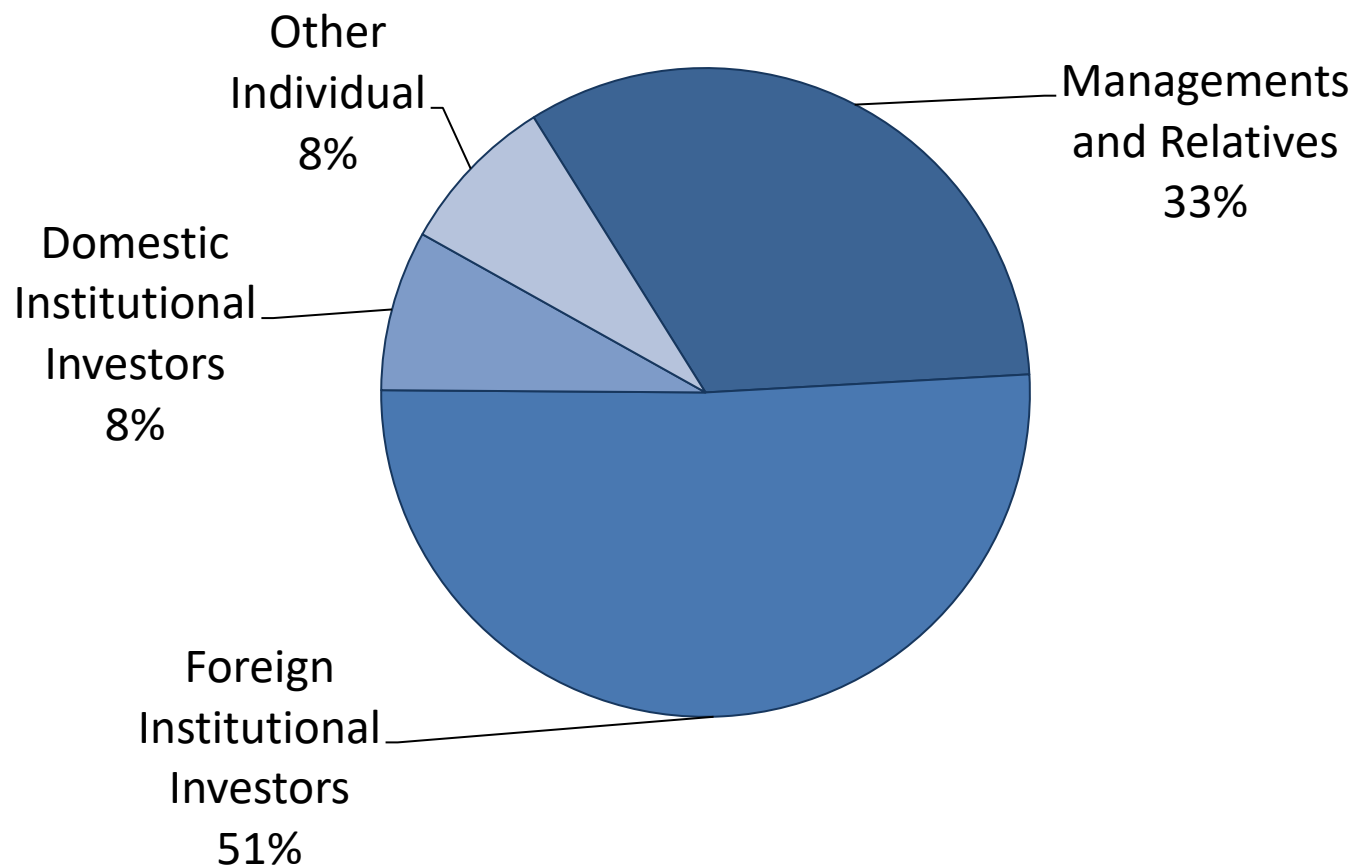
## Profit sharing

- Share the profit with every employees to reward their contribution and efforts.

## Co-development

- Match talent-development with organization development by providing the best career path for talented people with expertise or leadership skills.

# AirTAC Shareholder Structure



## II · Product & Market



# Diversified Product Lines

## ► Cylinder



## ► Air valve & mechanical valve



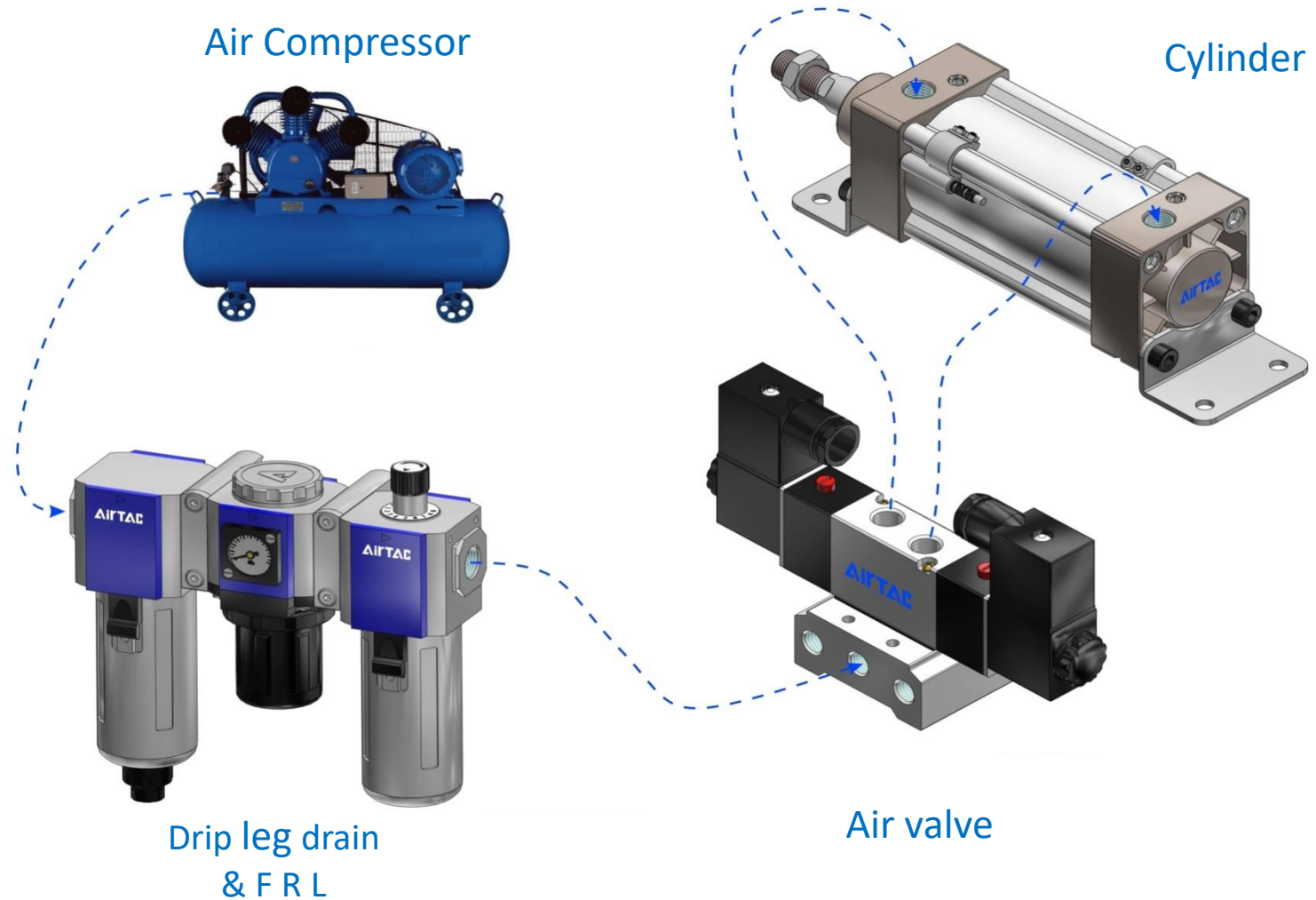
## ► Drip leg drain & F R L



## ► Linear guide



# Pneumatic operation of the process



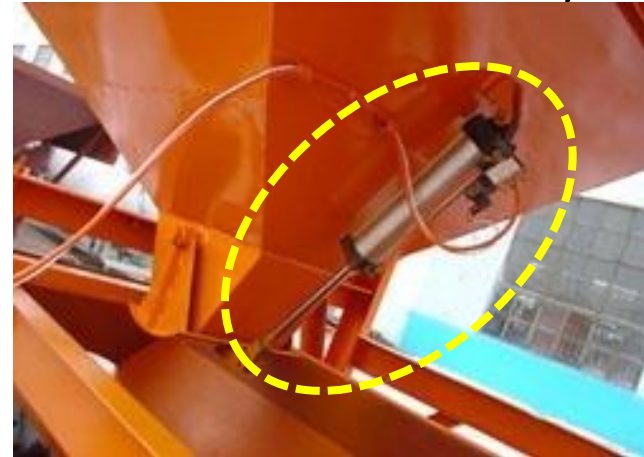
# Products Application by Industry

AirTAC products are applied in various industrial automation equipment and assembly processes, such as environmental protection machinery, construction machinery, electronic industry, automotive assembly line and the robot arm.

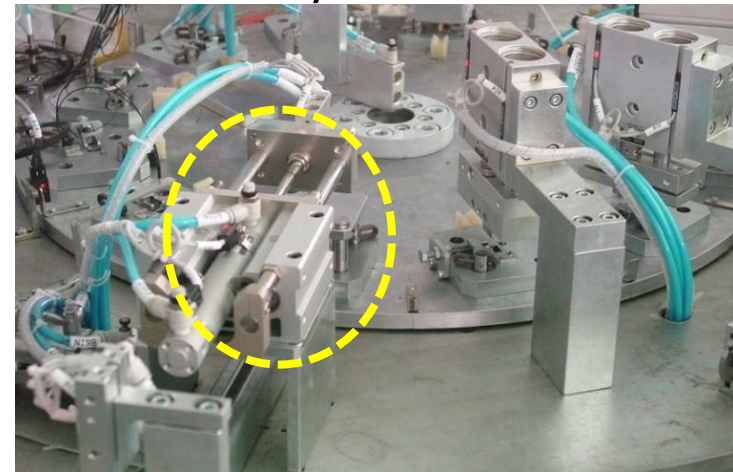
## Environmental processing machinery



## Construction machinery



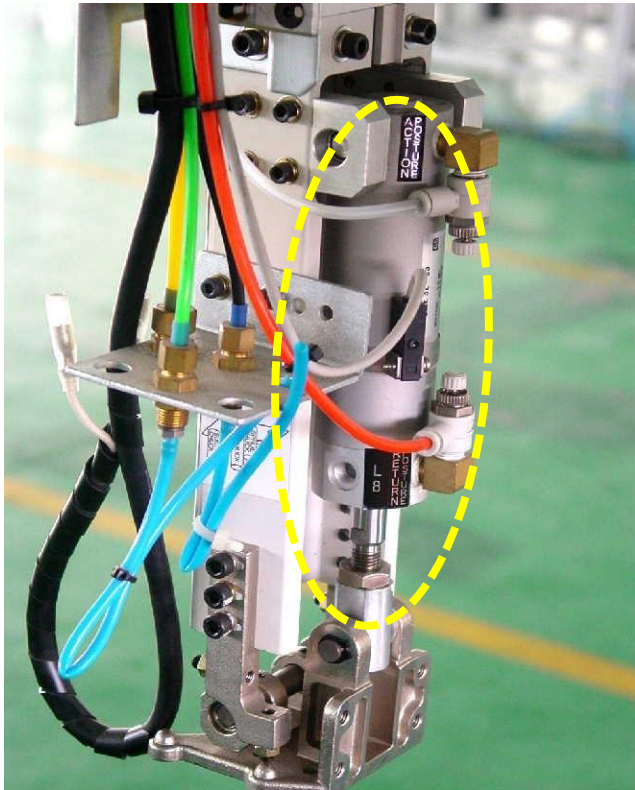
## Assembly automation



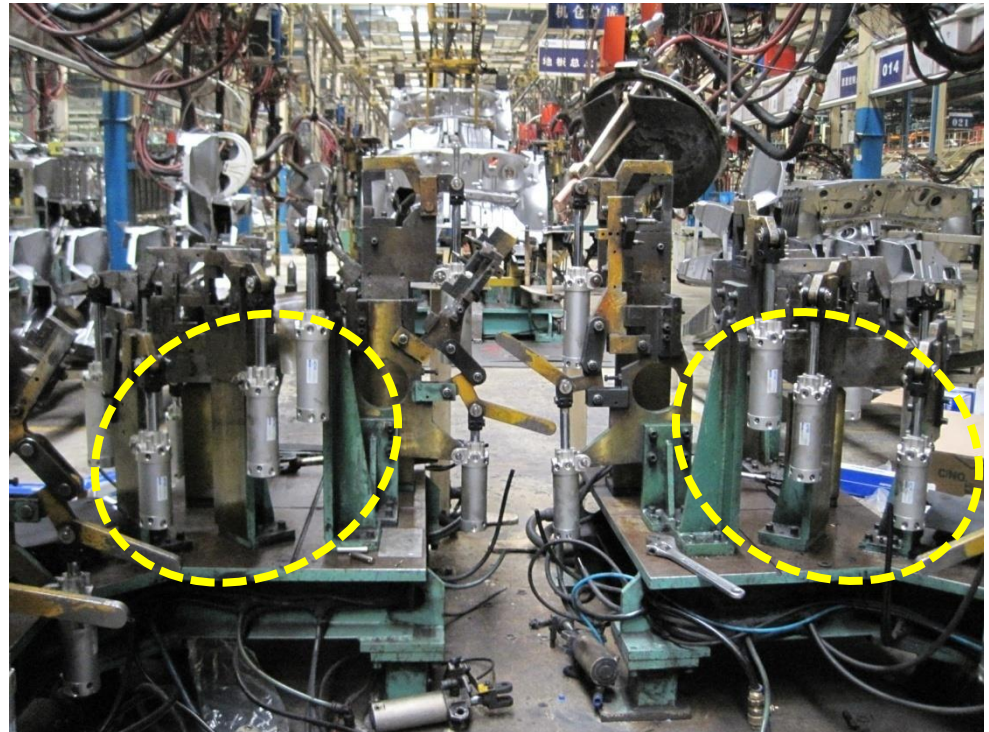


# Products Application by Industry

Robot arm

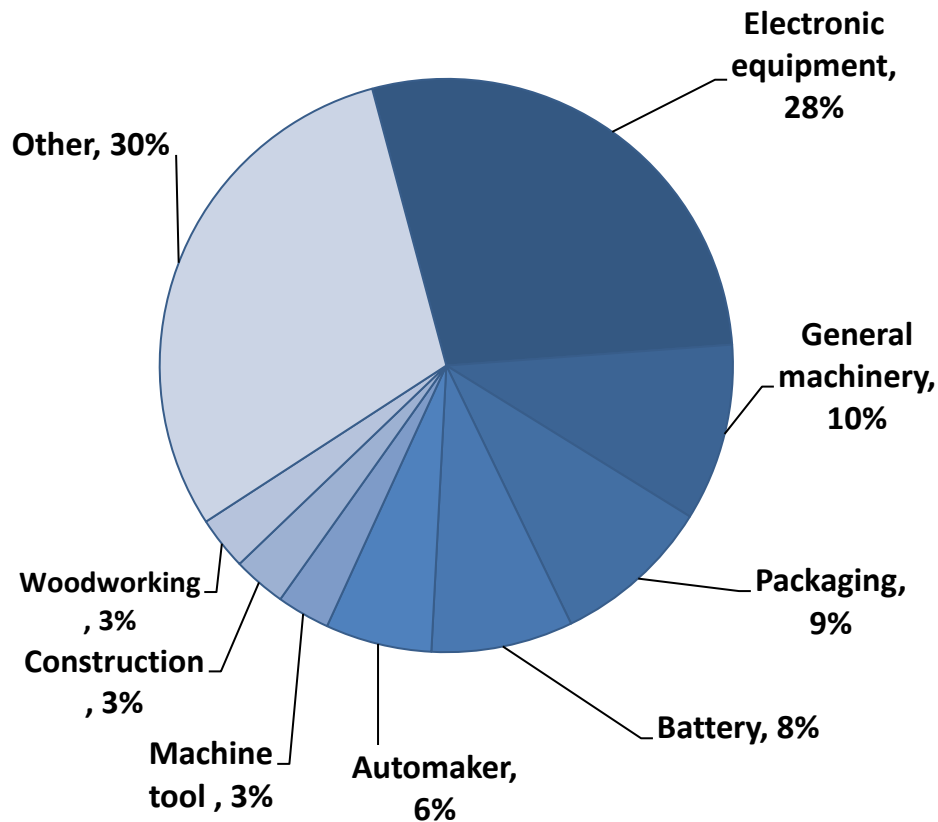


Automobile assembly

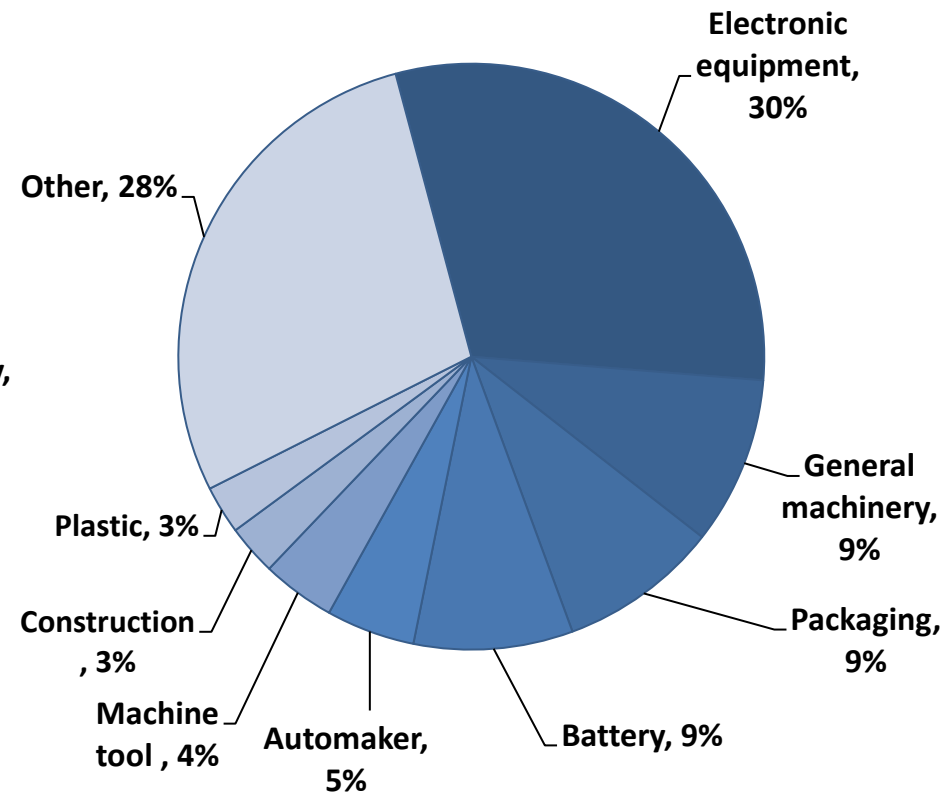


# Clients breakdown by industry

2019 Sales



2020 Sales



## III · Competitive Advantage

# Competitive Advantage

## Own Brand

- Sell products under the **AirTAC** brand.
- Establish spec & price in Greater China.

## Own Sales Channels

- Strong self own sales channels in Greater China.
- Provide nation-wide after-sales service in Greater China.

## Comprehensive Vertical Integration

- More than 80% of parts are manufactured in house.
- Achieve better profitability than its peers.

## Tech Innovation

- Maintain high-quality products by sealant technology.
- Improve production process continuously.

# Worldwide manufacturing bases & sales branches



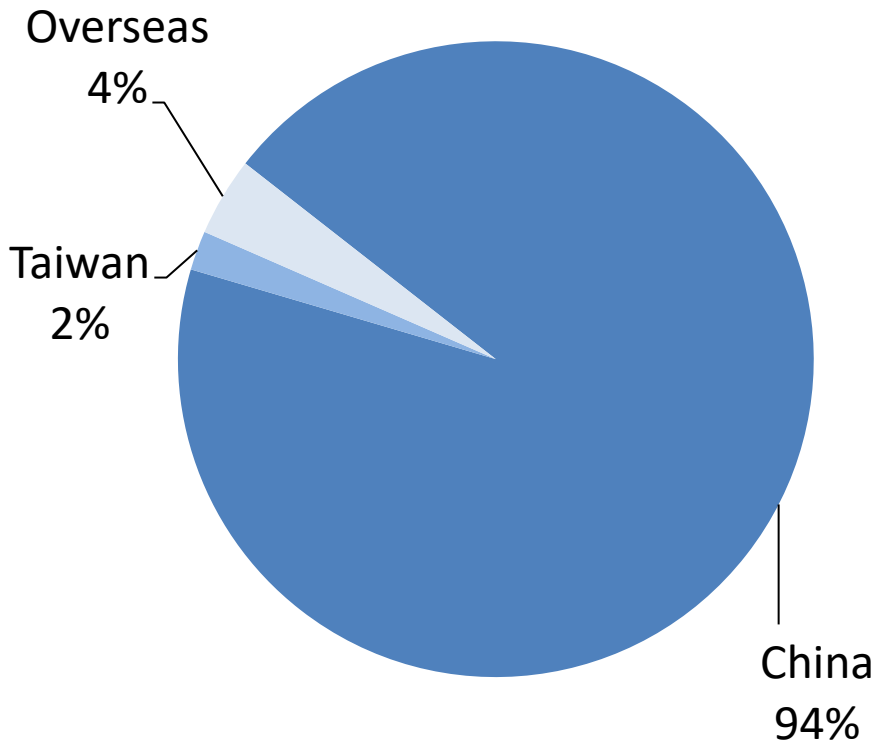
● Manufacturing Base    ● Overseas Sales Center

- ◆ Mainland： 2 manufacturing bases; 5 branches, 128 offices
- ◆ Taiwan： 1 manufacturing base and 3 offices
- ◆ Europe： 1 assembling and sales center in Italy
- ◆ Singapore： 1 sales center
- ◆ Japan： 1 sales center
- ◆ Malaysia： 1 sales center
- ◆ Thailand： 1 sales center
- ◆ USA： 1 sales center
- ◆ Overseas： 40+ distributors to provide comprehensive sales network and service

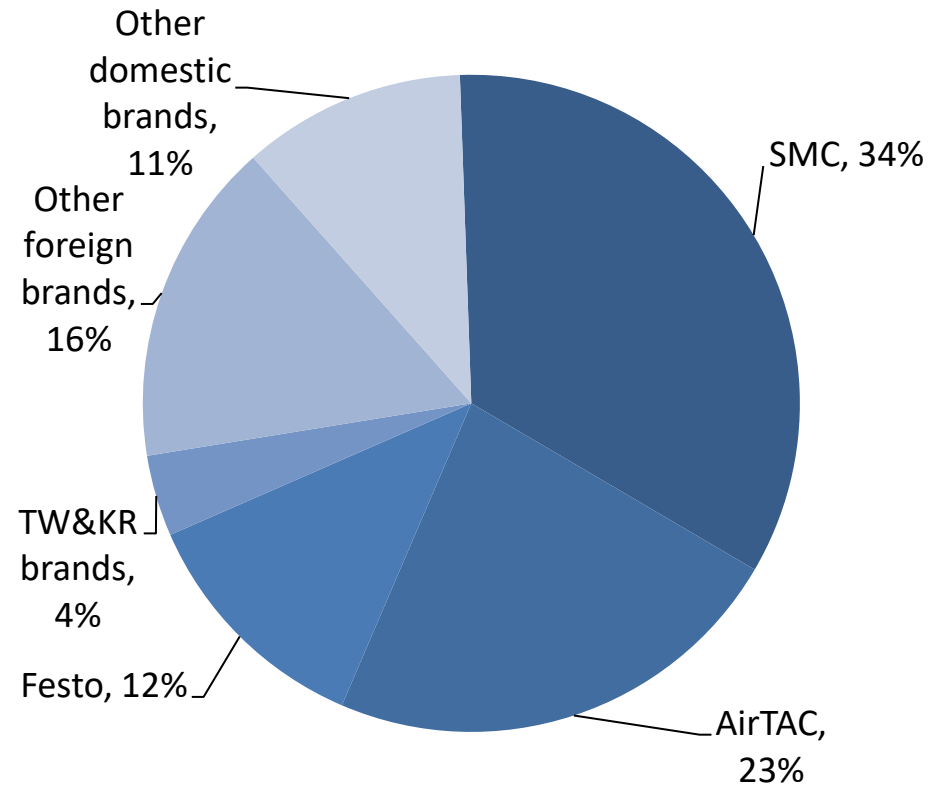


# Ranked the second largest market share in China

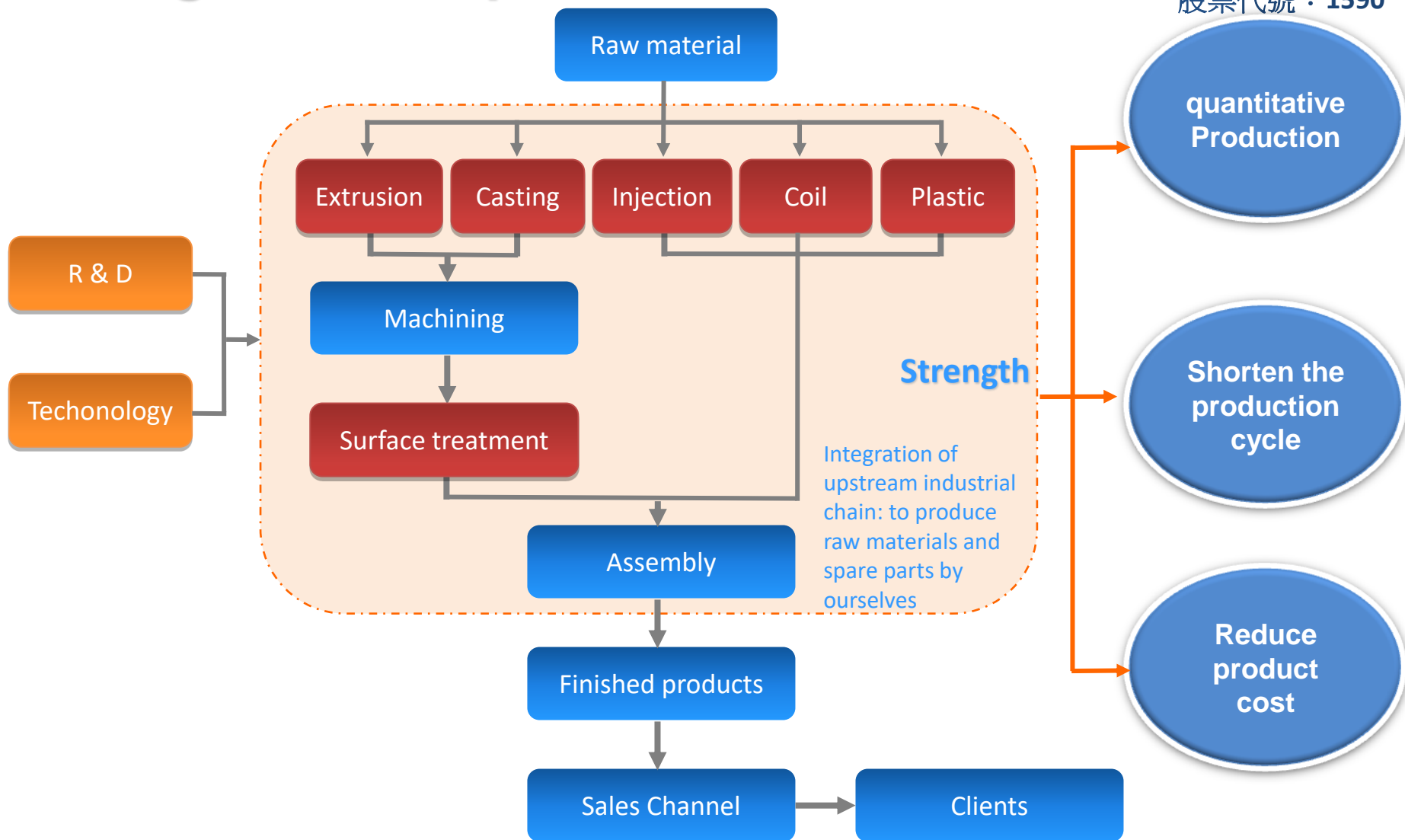
AirTAC Sales by region



Pneumatic equipment - market share in China



# Integration of upstream industrial chain

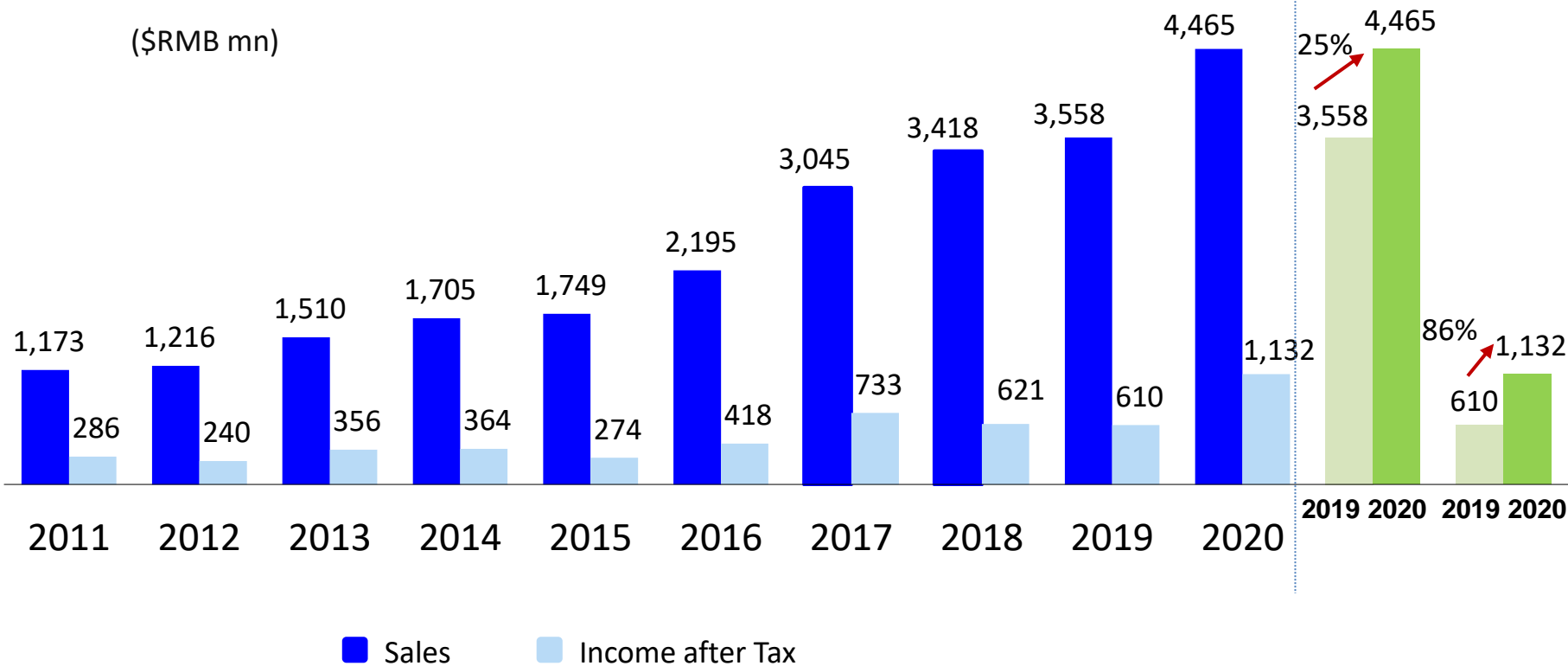


## IV · Financial Outlook

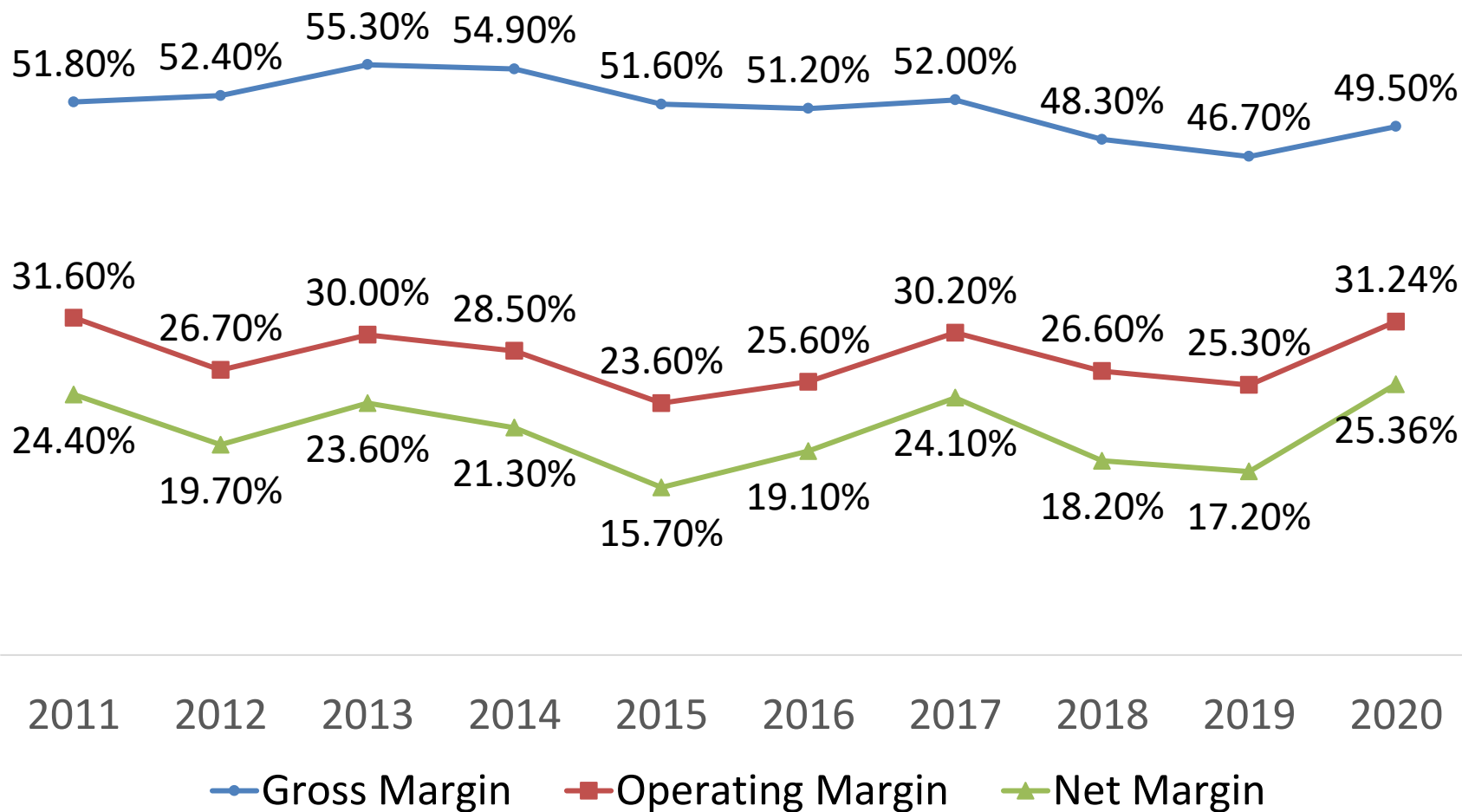
# 2011~2020 Sales & Income after Tax

Sales    Income after Tax

(\$RMB mn)



# 2011~2020 Profitability Trend



# Income Statement

(\$RMB mn)

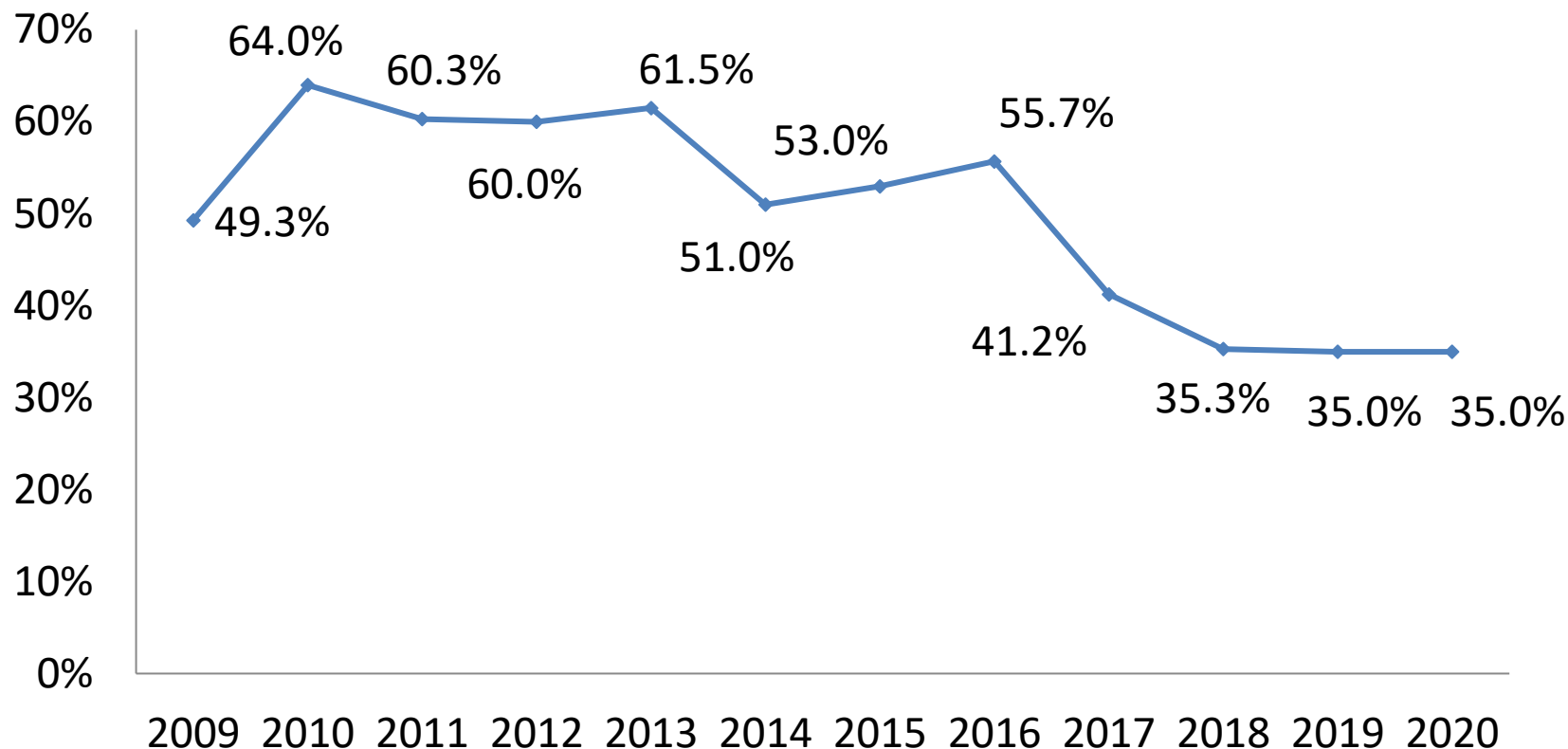
	<b>2017</b>		<b>2018</b>		<b>2019</b>		<b>2020</b>	
Sales	\$3,045	100%	\$3,418	100%	\$3,558	100%	\$4,465	100%
Cost	1,463	48%	1,769	52%	1,896	53%	2,255	51%
Gross Profit	1,582	52%	1,649	48%	1,662	47%	2,210	49%
Operating Expenses	662	22%	740	22%	760	22%	815	18%
Income from Operations	920	30%	909	26%	902	25%	1,395	31%
Non-operating Income & Exp.	48	2%	-76	-2%	-73	-2%	87	2%
EBT	968	32%	833	24%	829	23%	1,482	33%
TAX	235	8%	212	6%	219	6%	350	8%
Net Income	\$733	24%	\$621	18%	\$610	17%	\$1,132	25%

# Balance Sheet

(\$RMB mn)

	<b>2017</b>		<b>2018</b>		<b>2019</b>		<b>2020</b>	
Cash & Cash Equivalents	\$443	7%	\$871	11%	\$1,945	20%	\$1,315	14%
NR & AR	1,190	19%	1,117	14%	1,162	12%	1,614	17%
Inventory	868	14%	913	12%	732	9%	830	9%
Other Current Assets	102	1%	232	3%	50	1%	44	-%
Property, plant and equipment, Other	3,729	59%	4,703	60%	5,392	58%	5,662	60%
<b>Total Assets</b>	<b>\$6,332</b>	<b>100%</b>	<b>\$7,836</b>	<b>100%</b>	<b>\$9,281</b>	<b>100%</b>	<b>\$9,465</b>	<b>100%</b>
Bank Debt	\$2,200	35%	\$3,398	43%	\$4,237	46%	\$3,429	37%
Other Current Liabilities	554	9%	502	6%	657	7%	754	8%
Other Long-term liabilities	81	1%	110	2%	162	1%	144	1%
<b>Total Liabilities</b>	<b>\$2,835</b>	<b>45%</b>	<b>\$4,010</b>	<b>51%</b>	<b>\$5,056</b>	<b>54%</b>	<b>\$4,327</b>	<b>46%</b>
<b>Total Equity</b>	<b>\$3,497</b>	<b>55%</b>	<b>\$3,826</b>	<b>49%</b>	<b>\$4,225</b>	<b>46%</b>	<b>\$5,138</b>	<b>54%</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$6,332</b>	<b>100%</b>	<b>\$7,836</b>	<b>100%</b>	<b>\$9,281</b>	<b>100%</b>	<b>\$9,465</b>	<b>100%</b>

# Dividend Payout (Include stock dividends)



Expected 2020 Cash dividends to shareholders – RMB 2.1 per share ( around NTD 9.1476 per share )



# V · Development prospects & Strategic

# Goals in our expending schedule

1. Expand sales channels
2. Expand overseas markets
3. Expand product portfolio
4. To be global top 3 players

Q & A