



# **AirTAC**

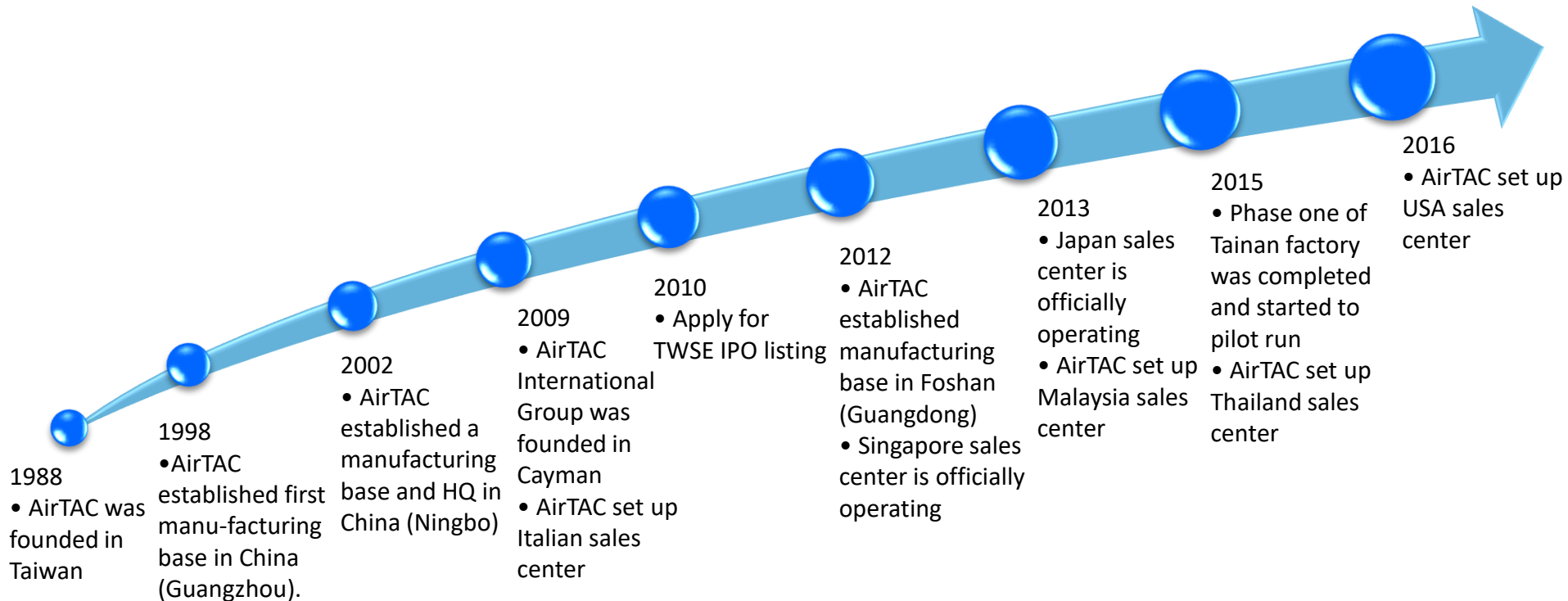
**Powered by AIRTAC**

# Agenda

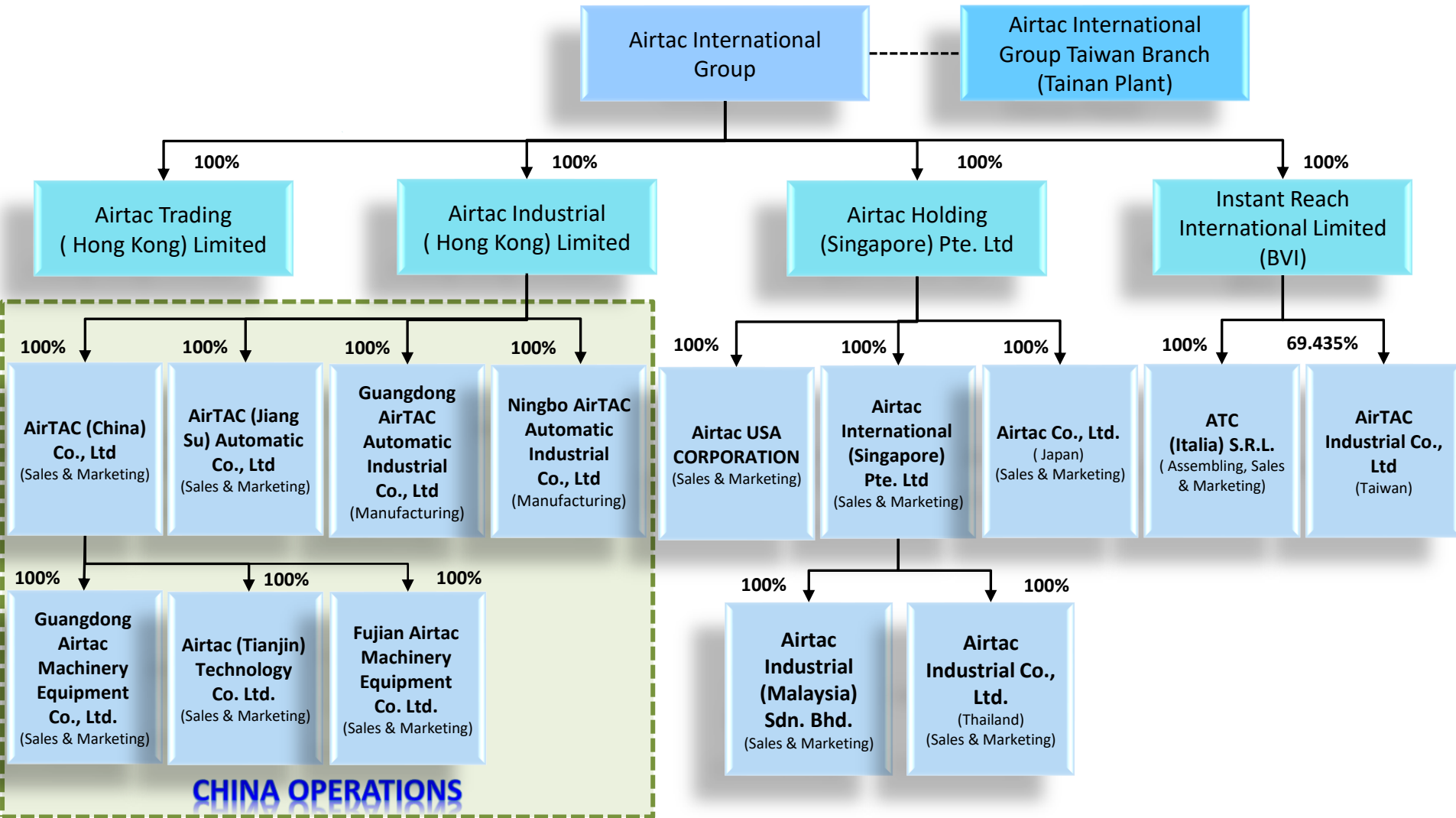
- I Group Overview**
- II Product & Market**
- III Competitive Advantage**
- IV Financial Outlook**
- V Development prospects & Strategic**

# 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

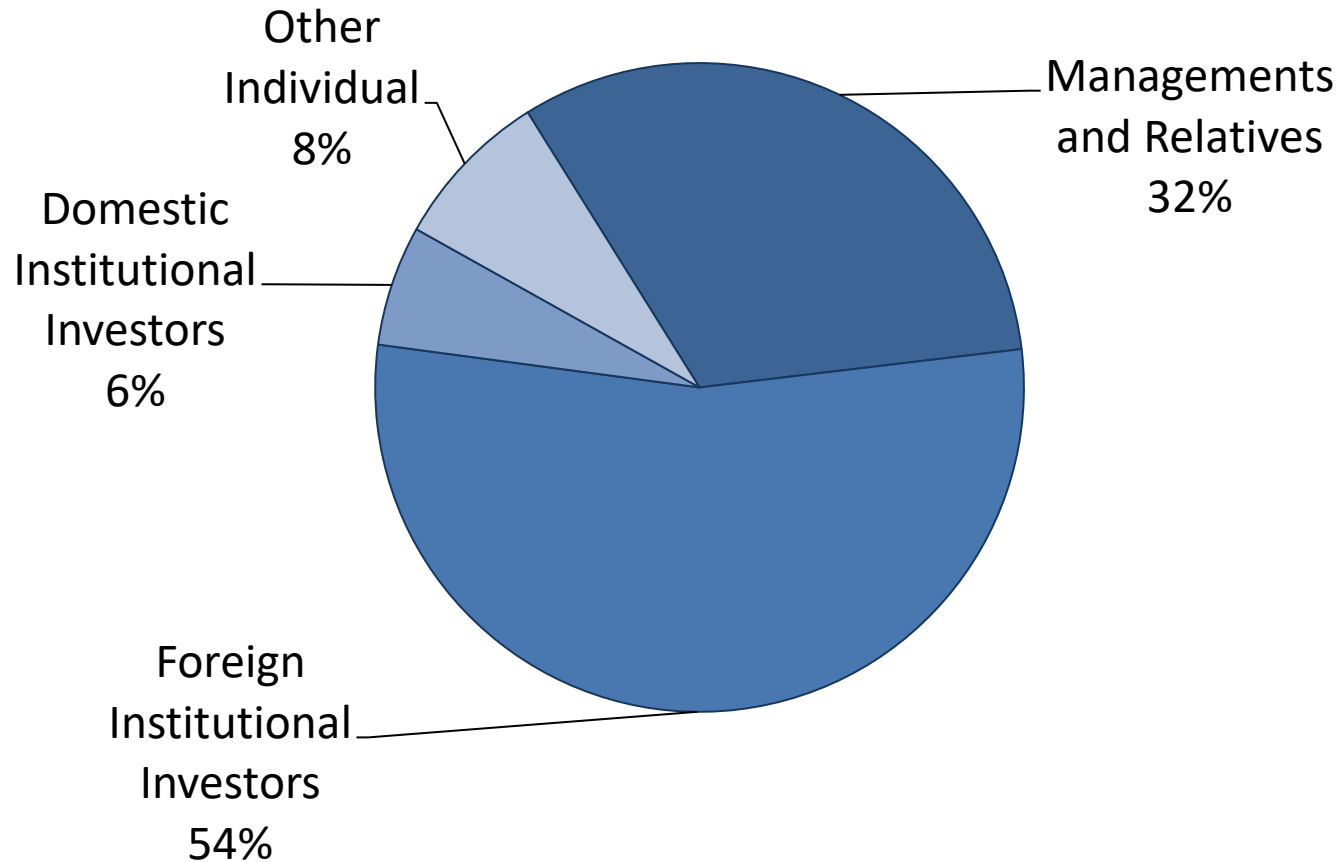
## Profit sharing

- 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



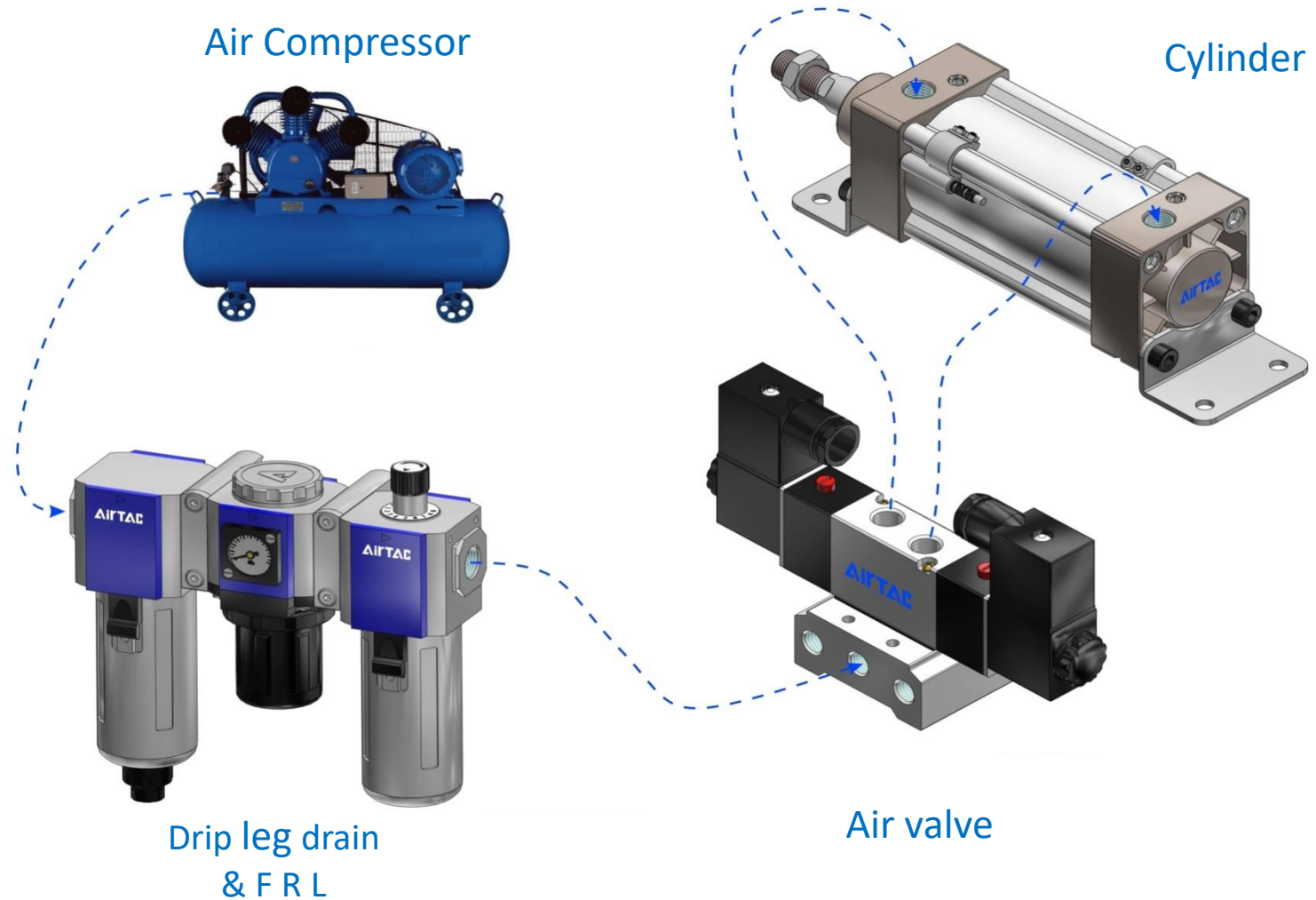
## ► Drip leg drain & F R L



## ► 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.

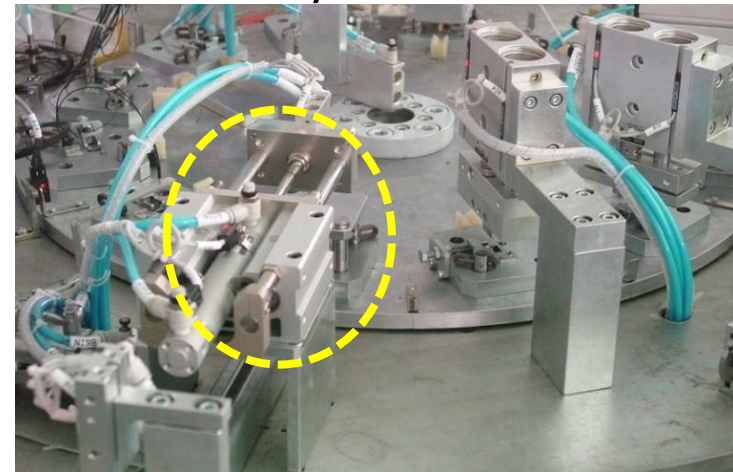
## Construction machinery



## Environmental processing machinery



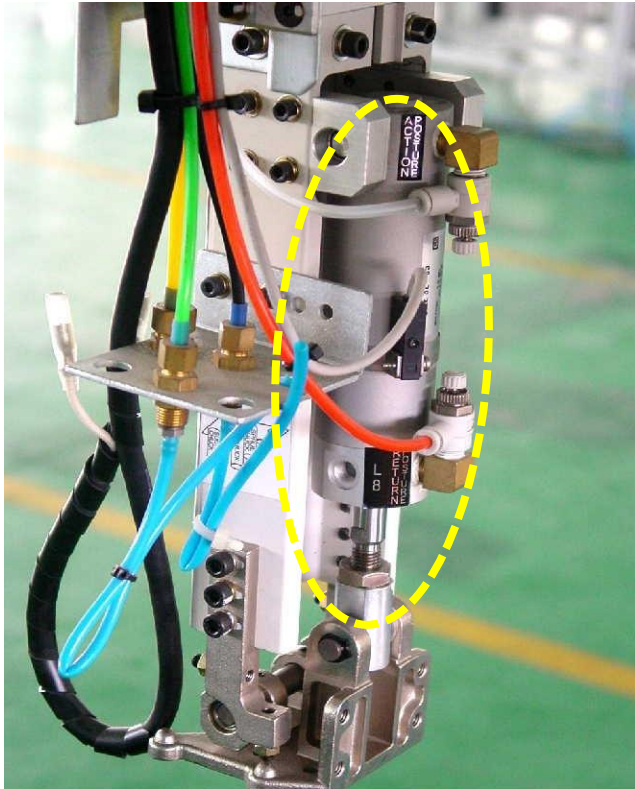
## Assembly automation



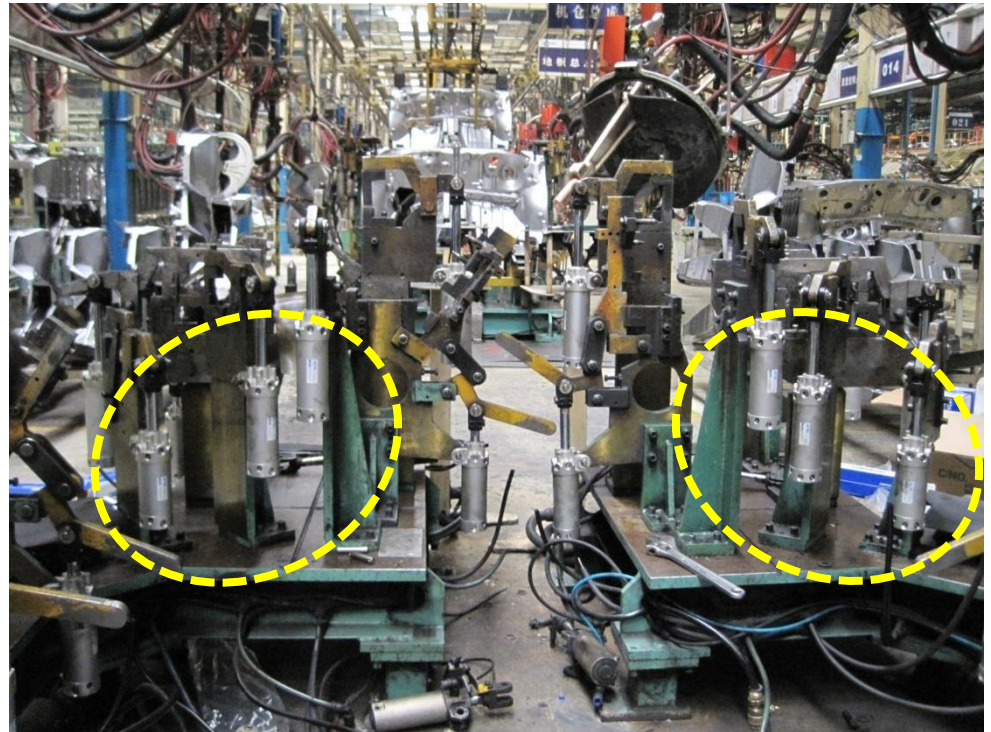


# Products Application by Industry

Robot arm

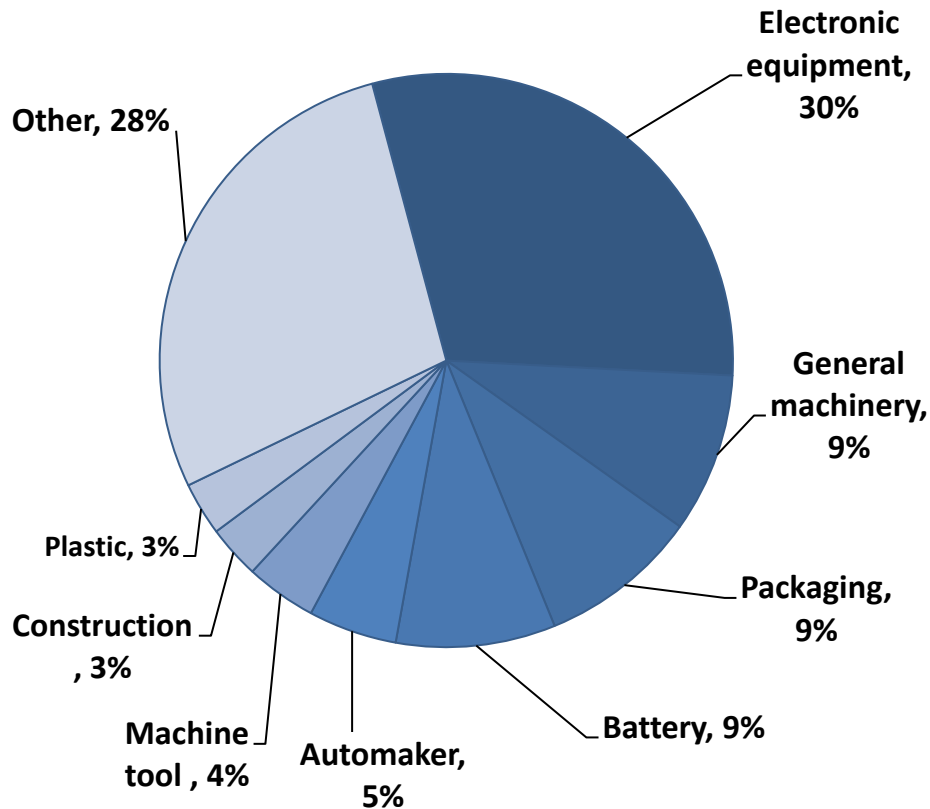


Automobile assembly

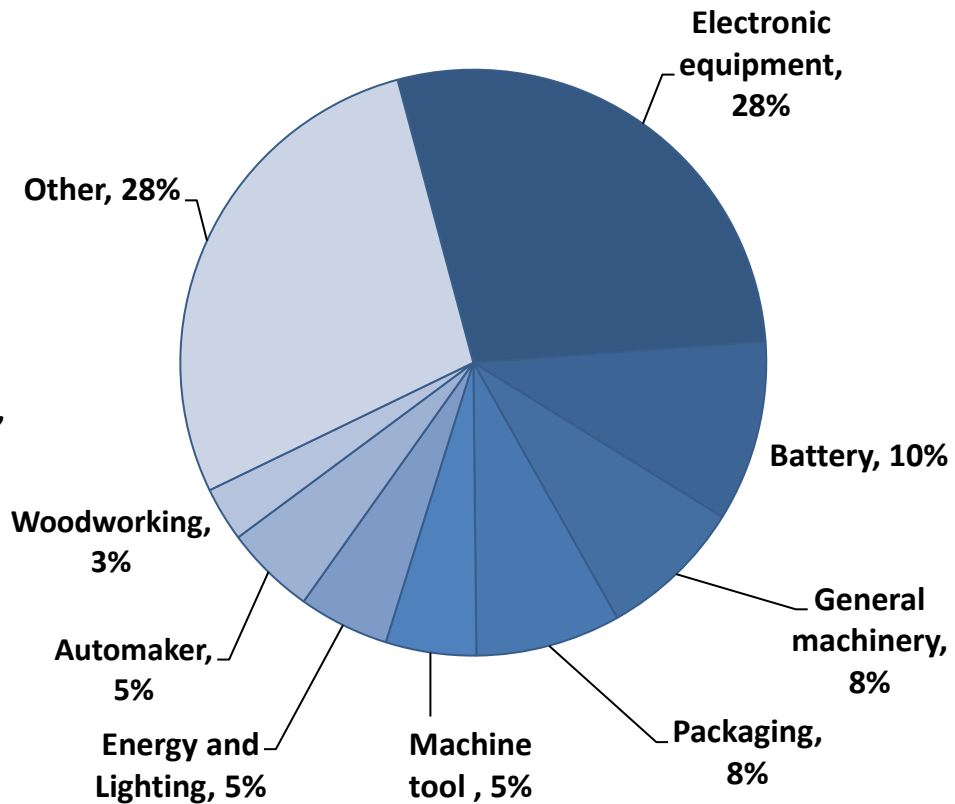


# Clients breakdown by industry

2020 Sales



2021 Q1 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



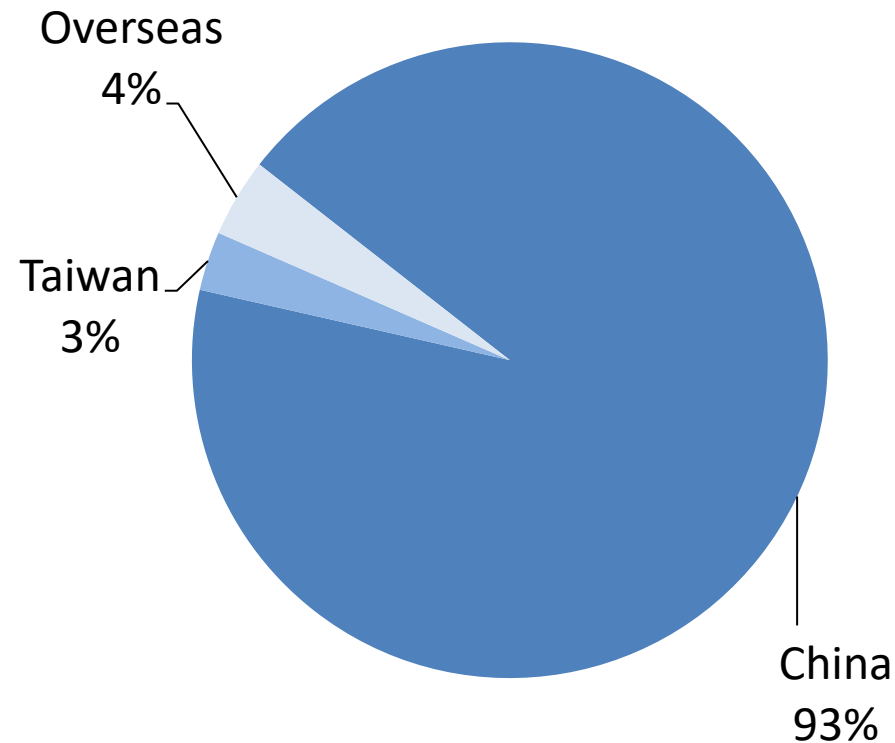
● Manufacturing Base    ● Overseas Sales Center

- ◆ 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

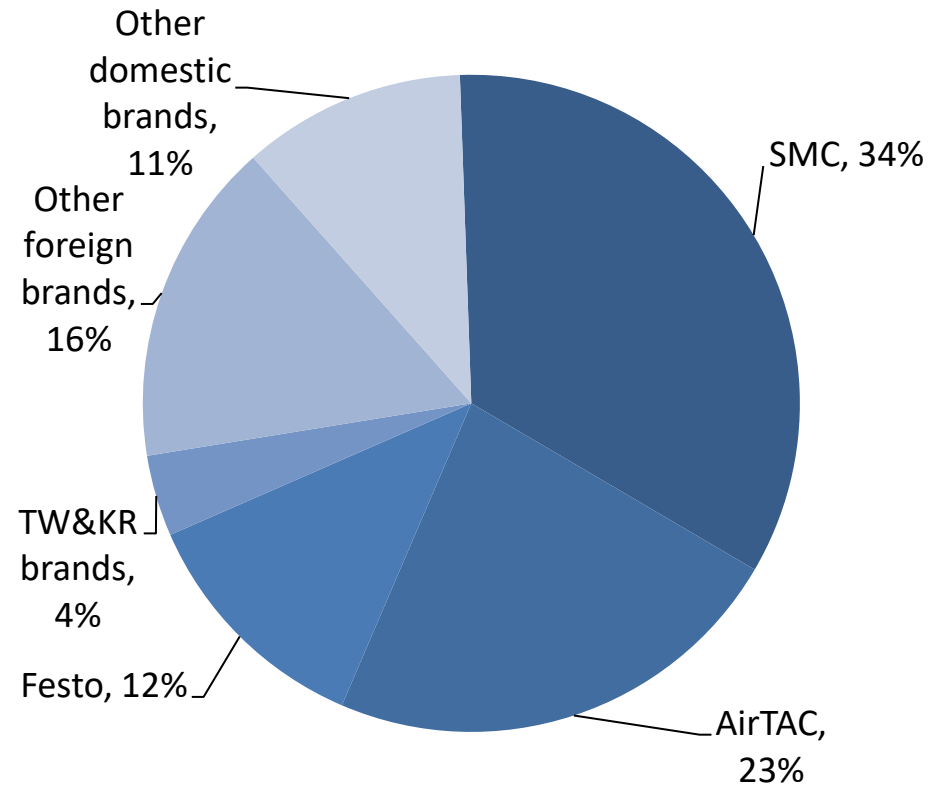


# Ranked the second largest market share in China

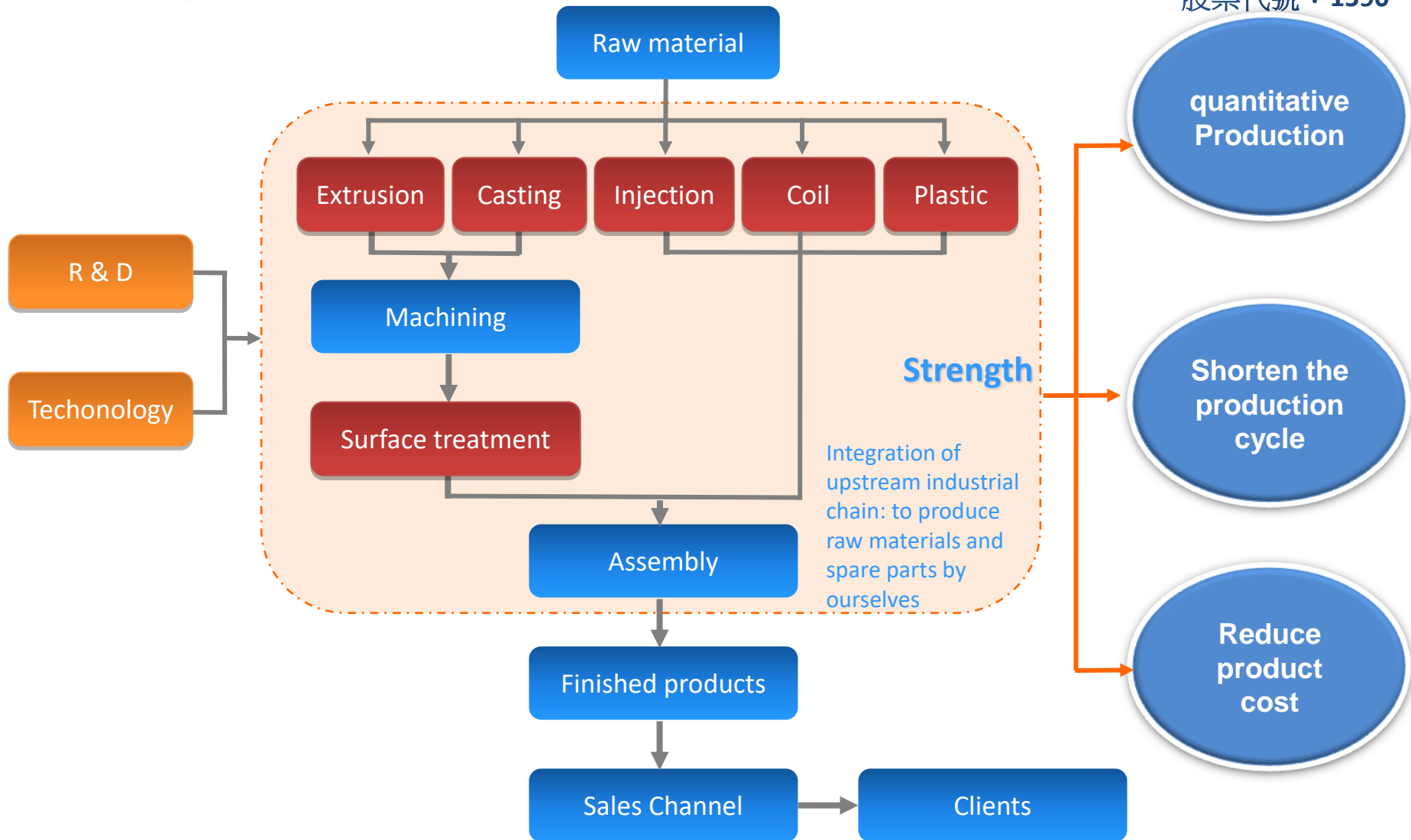
AirTAC Sales by region



Pneumatic equipment - market share in China



# Integration of upstream industrial chain

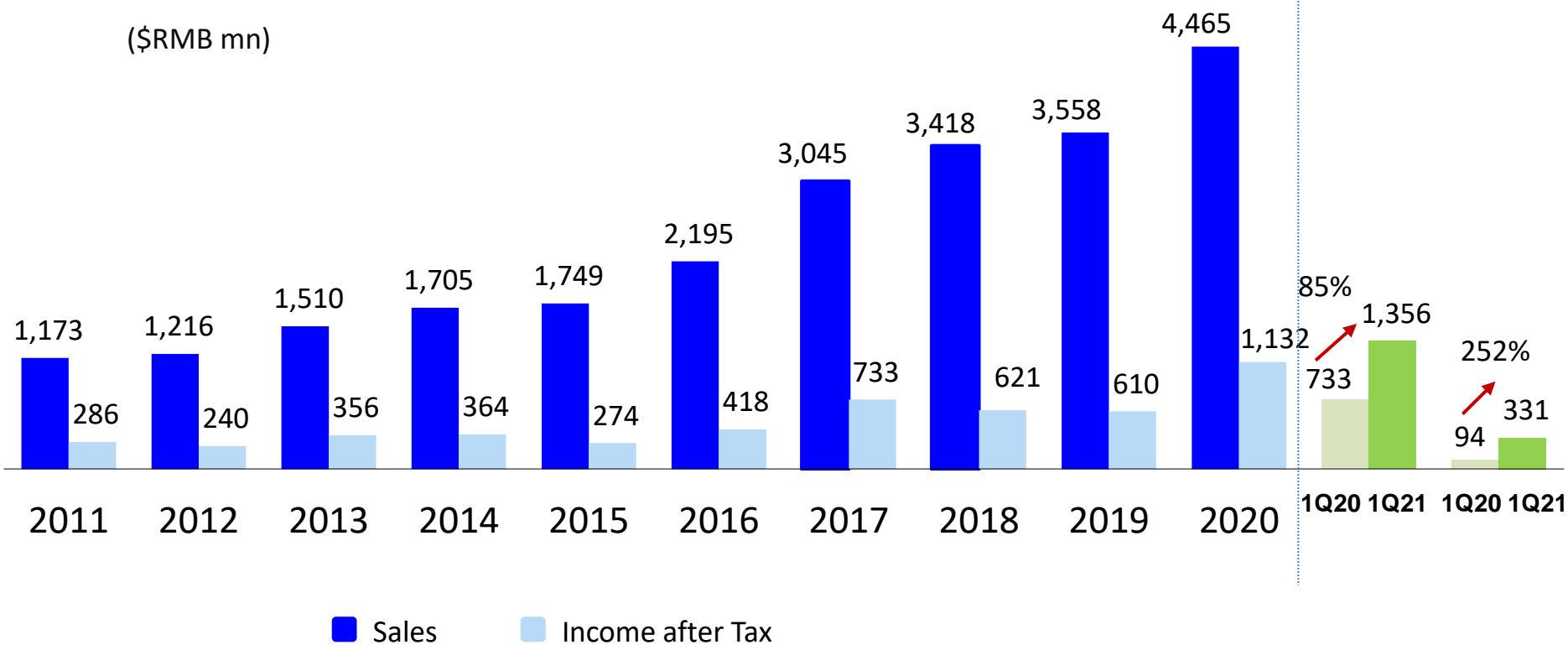


## IV · Financial Outlook

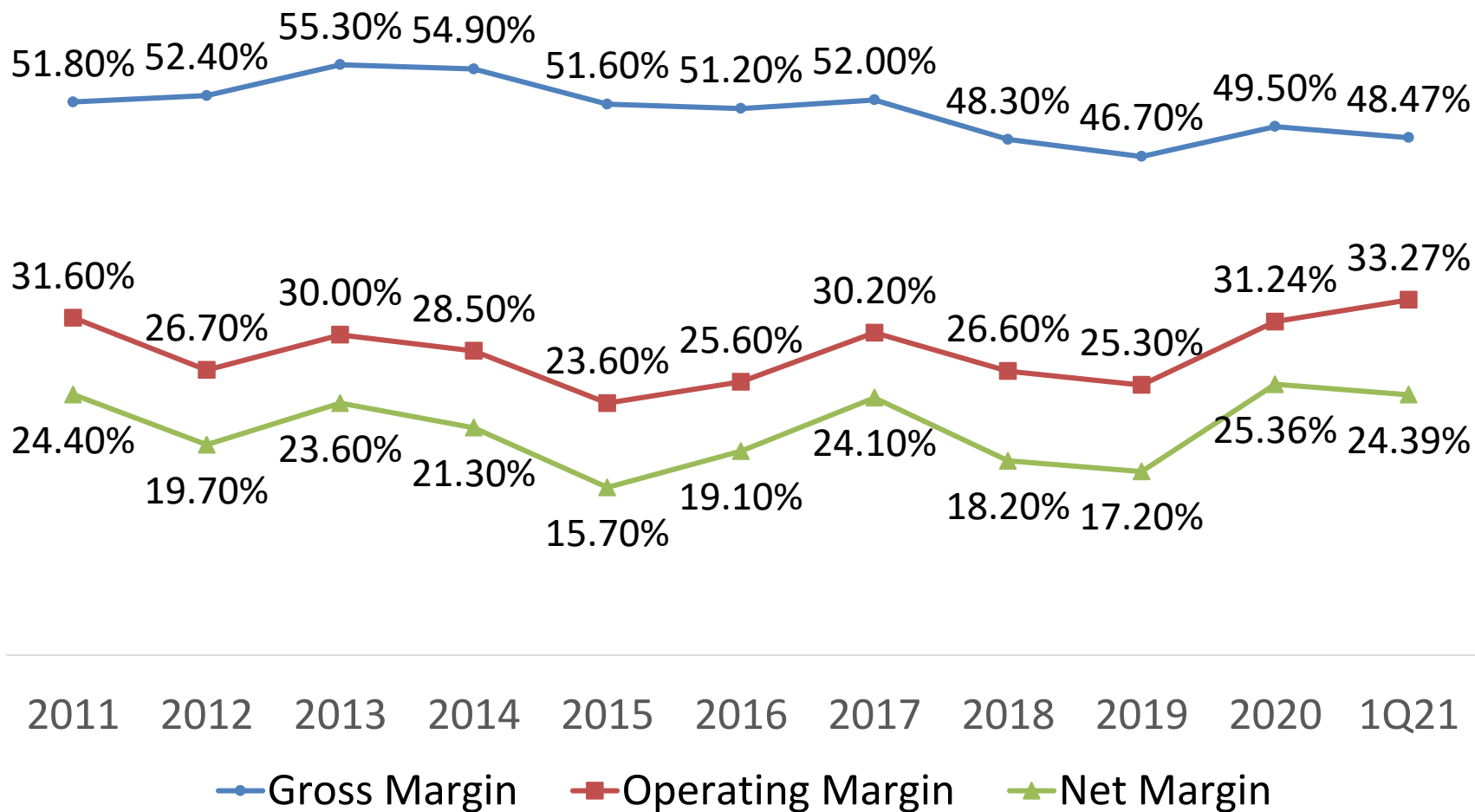
# 2011~2021 Sales & Income after Tax

Sales    Income after Tax

(\$RMB mn)



# 2011~2021 Profitability Trend



# Income Statement

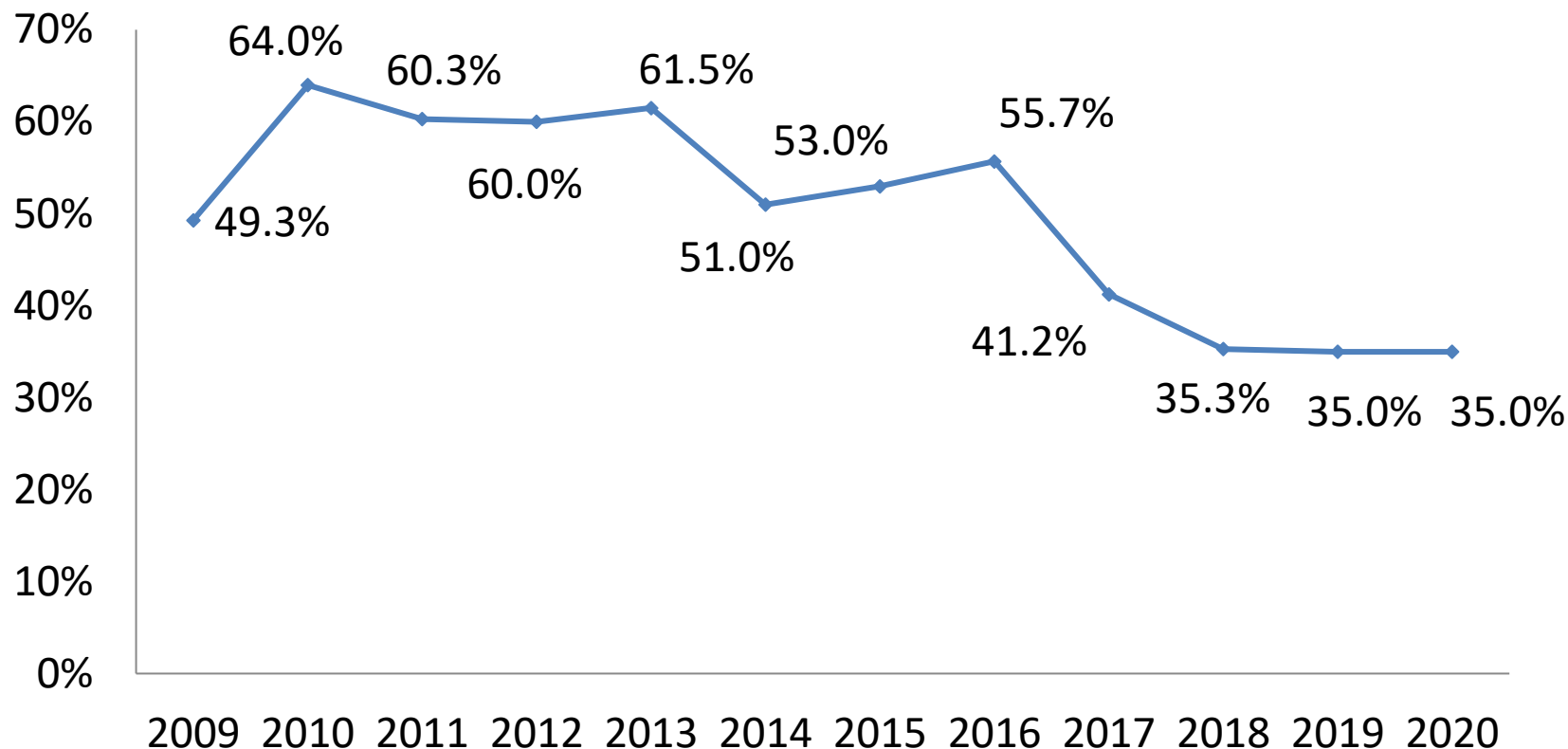
(\$RMB mn)	<b>2018</b>		<b>2019</b>		<b>2020</b>		<b>2021 Q1</b>	
Sales	\$3,418	100%	\$3,558	100%	\$4,465	100%	\$1,356	100%
Cost	1,769	52%	1,896	53%	2,255	51%	699	52%
Gross Profit	1,649	48%	1,662	47%	2,210	49%	657	48%
Operating Expenses	740	22%	760	22%	815	18%	206	15%
Income from Operations	909	26%	902	25%	1,395	31%	451	33%
Non-operating Income & Exp.	-76	-2%	-73	-2%	87	2%	14	1%
EBT	833	24%	829	23%	1,482	33%	437	32%
TAX	212	6%	219	6%	350	8%	106	8%
Net Income	\$621	18%	\$610	17%	\$1,132	25%	\$331	24%

# Balance Sheet

(\$RMB mn)

	<b>2018</b>		<b>2019</b>		<b>2020</b>		<b>2021 Q1</b>	
Cash & Cash Equivalents	\$871	11%	\$1,945	20%	\$1,315	14%	\$1,413	15%
NR & AR	1,117	14%	1,162	12%	1,614	17%	1,743	18%
Inventory	913	12%	732	9%	830	9%	831	9%
Other Current Assets	232	3%	50	1%	44	-%	61	-%
Property, plant and equipment, Other	4,703	60%	5,392	58%	5,662	60%	5,767	58%
<b>Total Assets</b>	<b>\$7,836</b>	<b>100%</b>	<b>\$9,281</b>	<b>100%</b>	<b>\$9,465</b>	<b>100%</b>	<b>\$9,815</b>	<b>100%</b>
Bank Debt	\$3,398	43%	\$4,237	46%	\$3,429	37%	\$3,550	36%
Other Current Liabilities	502	6%	657	7%	754	8%	1,056	11%
Other Long-term liabilities	110	2%	162	1%	144	1%	135	1%
<b>Total Liabilities</b>	<b>\$4,010</b>	<b>51%</b>	<b>\$5,056</b>	<b>54%</b>	<b>\$4,327</b>	<b>46%</b>	<b>\$4,741</b>	<b>48%</b>
<b>Total Equity</b>	<b>\$3,826</b>	<b>49%</b>	<b>\$4,225</b>	<b>46%</b>	<b>\$5,138</b>	<b>54%</b>	<b>\$5,074</b>	<b>52%</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$7,836</b>	<b>100%</b>	<b>\$9,281</b>	<b>100%</b>	<b>\$9,465</b>	<b>100%</b>	<b>\$9,815</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