



# Company Presentation

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# ESG



**E** 環境  
Environmental

**S** 社會  
Social

**G** 治理  
Governance

# Company History





**2008**

SME foundation award  
1<sup>st</sup> Employee dividend  
distribution



**2010**

SME TQM award  
2nd Employee dividend  
distribution



**2013**

Build up I-Lan Factory  
Expand production line  
Start Flow Meter production



**2014**

IPO in December  
(Stock no: 4549)



**2015**

Obtain TAF Certificate  
of Flow Meter Laboratory



**2016**

M&A Germany Mütec



**2017**

Lean production  
Flexible U Line



**2017**

Pass OIML approval  
For Flow Meter



**2017**

Digital Management  
Import new ERP system  
PLM、CRM、WIP、BPM



**2018**

Set up Indonesia factory



**2019**

Network manage for water  
Utility in Taipei City  
Develop transmitter of 4G/NBIOT



民生公共物聯網

**2020**

Complete the public IOT  
4G and LoRa application



**2021** COVID-19 outbreak

Build 2<sup>nd</sup> factory  
in Tu-Cheng Industrial Park



**2021**

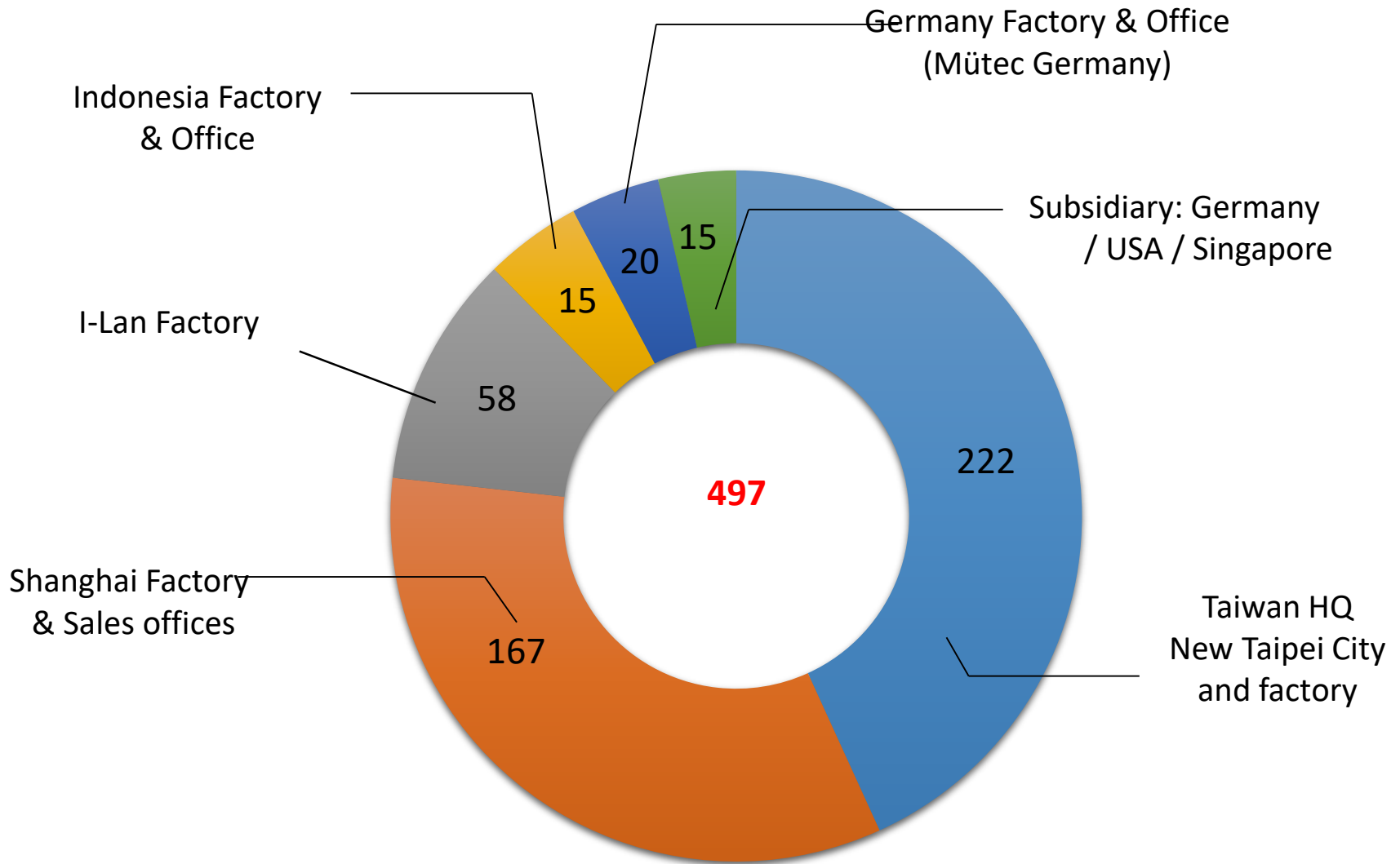
Finish RD module engineering  
application  
ESG first year



**2022**

Shanghai Subsidiary  
Improve digital management  
Import new ERP system

# Number of employees



# Organization – Taiwan Head Quarter

## TuCheng HQ – Management 、 RD 、 Sales and QA



- Marketing and Business Services Team
- More than 40 R&D team  
Research and develop new products and new technologies
- Core component research and development
- Automated Production System design
- Customized product design
- Standard measuring field construction test



# Organization

## Tucheng 2<sup>nd</sup> Factory



- Key components produce
- Local and overseas customer order produce
- Overseas subsidiary customer order produce
- New products produce



# I-Lan Factory



- Standard and big volume order produce
- Flow meter produce
- Calibration: Weighing method (TAF) + comparison table method test (accuracy up to: 0.02%)
- Supply domestic and foreign market demand
- Provide customer verification service



# China

## Shanghai factory and sales branch



### Over 100 sales engineer

FINE AUTOMATION CO., LTD.  
In Shanghai

### Sales branch

Beijing  
Wuhan  
Guangzhou  
Jinan  
Nanjing  
Shenyang  
Chengdu  
Zhengzhou

## Mütec in Hamburg, Germany



1. Dust Monitor
2. On-Line Moisture Monitoring
3. Hi-End signal Transmitter
4. Electric vehicle battery voltage charging protection

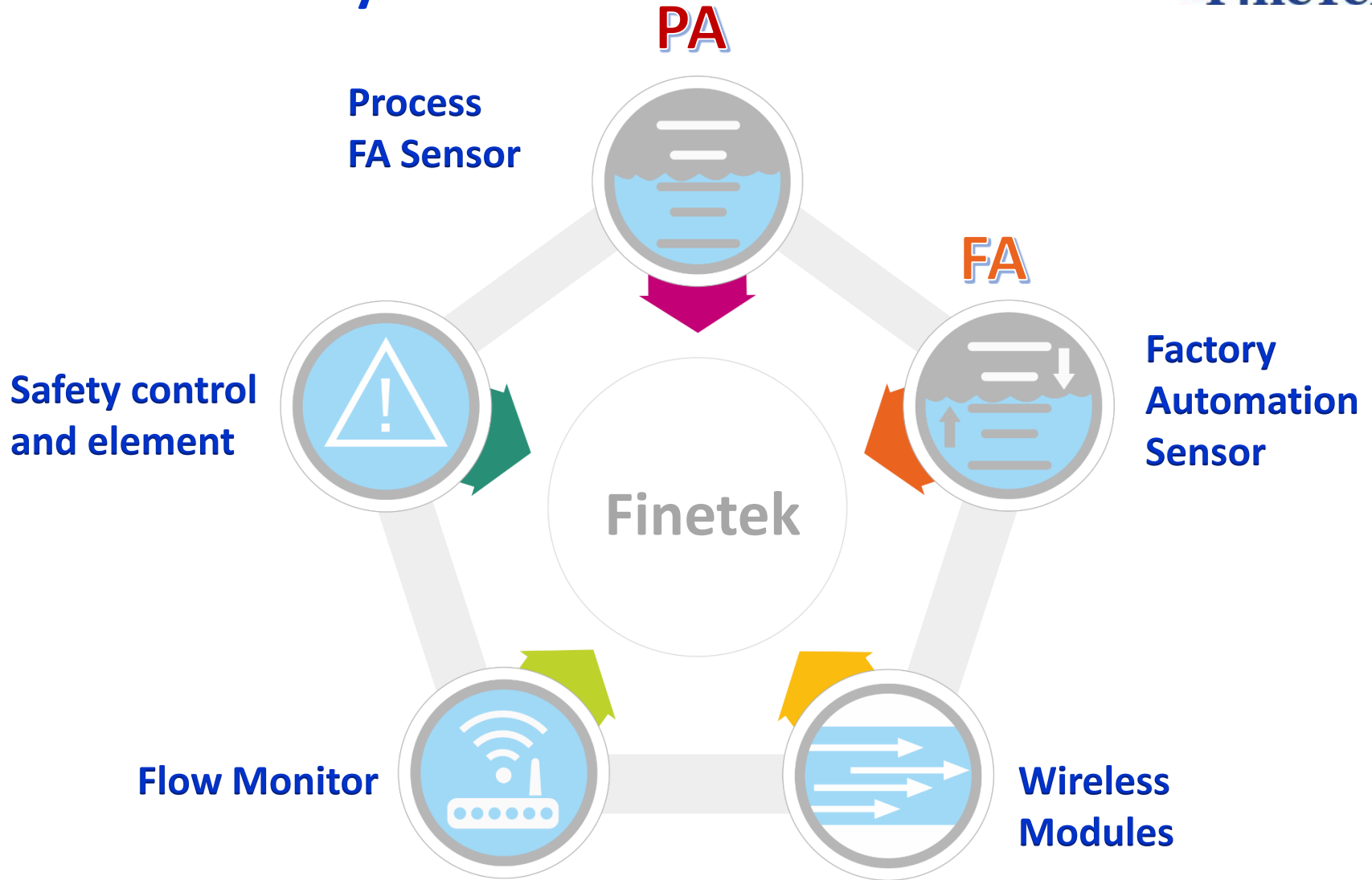
## Indonesia (Jakarta Factory)



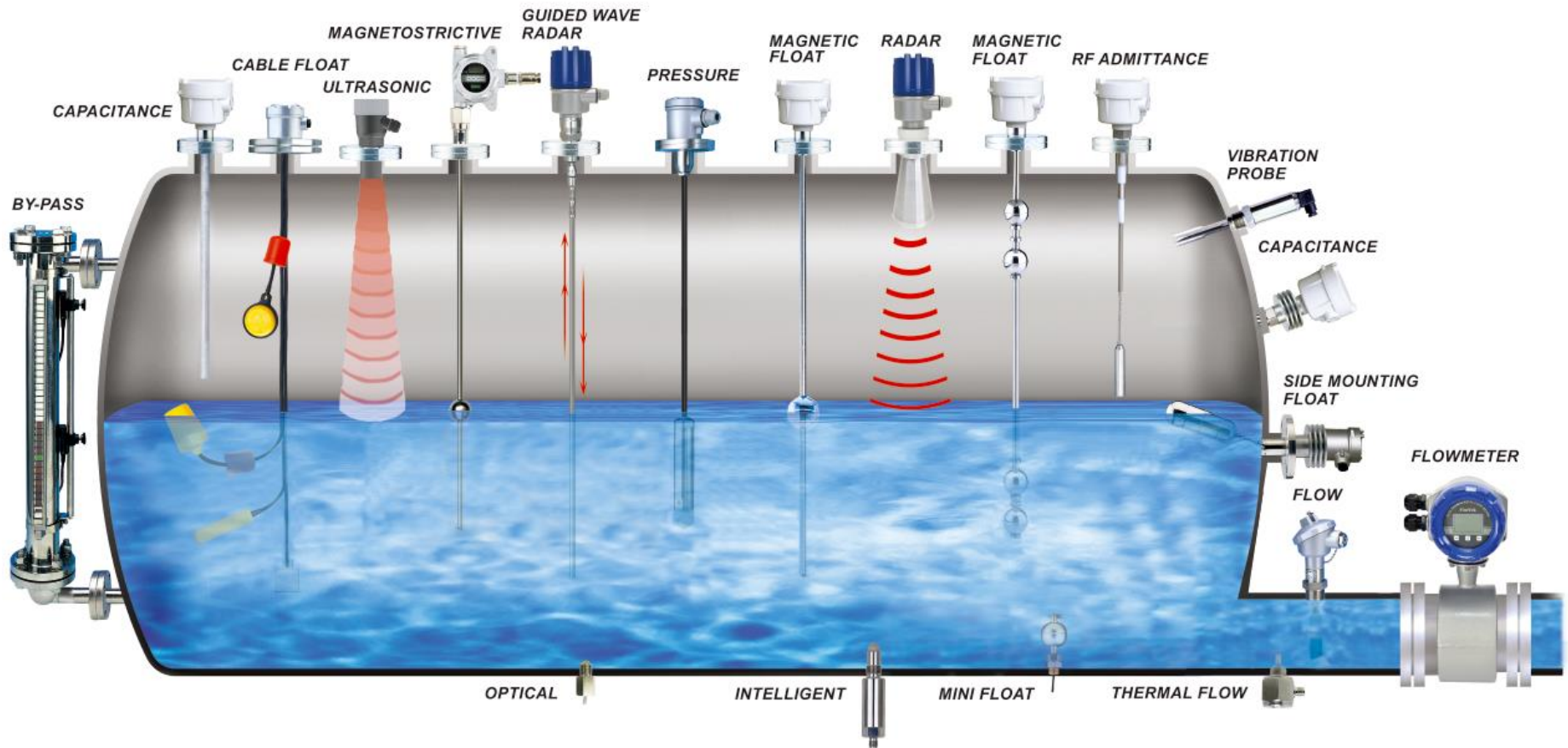
1. Targeted at ASEAN countries
2. Build up human resources to expand scale in ASEAN
3. Localized production reduces import tariffs
4. Disperse production bases to reduce operations risk



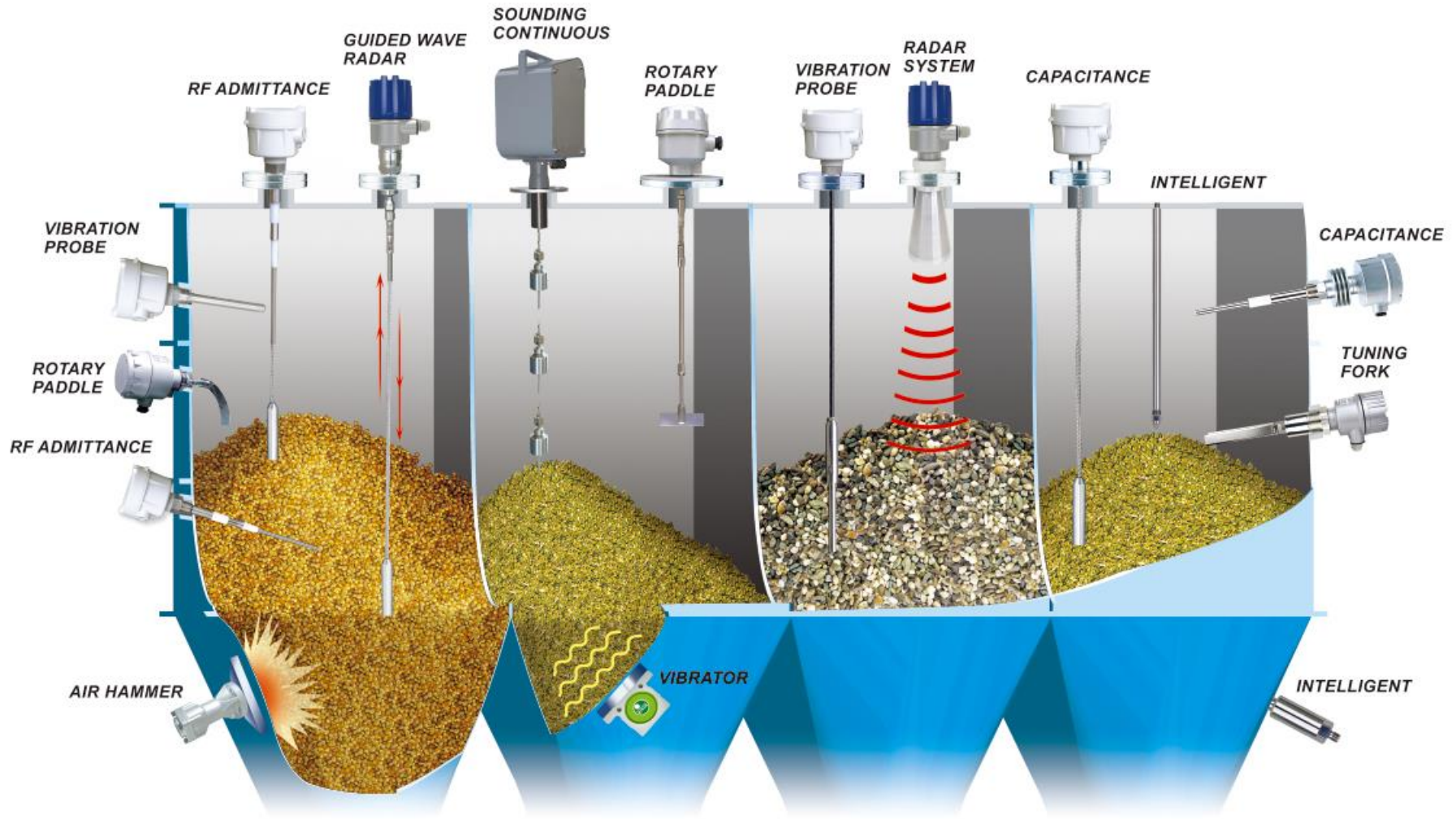
# Product family



# PA for liquid level sensor



# PA for solid level sensor





# Flow Meter



**DN20~DN600**



**pinch**  
**Ultrasonic flow meter**



**Paddle type**  
**Stainless Steel/ Plastic**



**Magnetic type**  
**(Integrated/separate)**



**Water meter**  
**Cloud communicate**



**Thermo type**



# Mütec Germany Solid and Powder Monitoring solution



Moisture Measuring System



Mass Flow Measuring System



Flow Monitoring System



Level Monitoring System



SIL2-Din rail devices





# Water Treatment Total Solution



# Solid and Powder Monitor Total Solution





# Safety control and Monitoring for Conveyor system

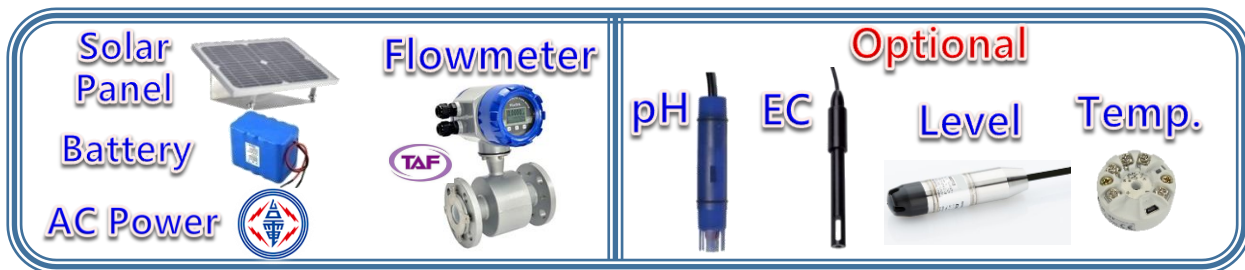


# Integrated system

## Multiple Water Management



Flow meter link with various communication, power supply, liquid level, pressure, temperature and water quality analysis





# Innovative business management under the epidemic

## 1. Training Module

- 1) new sales KM and e learning
- 2) A1-A8 management sheet
- 3) Sales territory industry analysis

## 2. CRM/ KPI monthly analysis

- 1) integrated with KPI assessment system
- 2) A, B, C, D, E customer level manage
- 3) by phone call instead of visit  
reduce the epidemic risk
- 4) target customer visit to secure the order

## 3. Big Project/Project systemize

- 1) link and co-work in different sales area
- 2) Collect industry demand for RD

## 4. Cooperate with distributor

- 1) share product and industry successful story
- 2) Collect distributor local business information





# Innovative marketing under the epidemic

## 1. Webinar instead of trade show

- 1) save the travel cost
- 2) improve speaker image
- 3) copy successful story
- 4) use YouTube for training



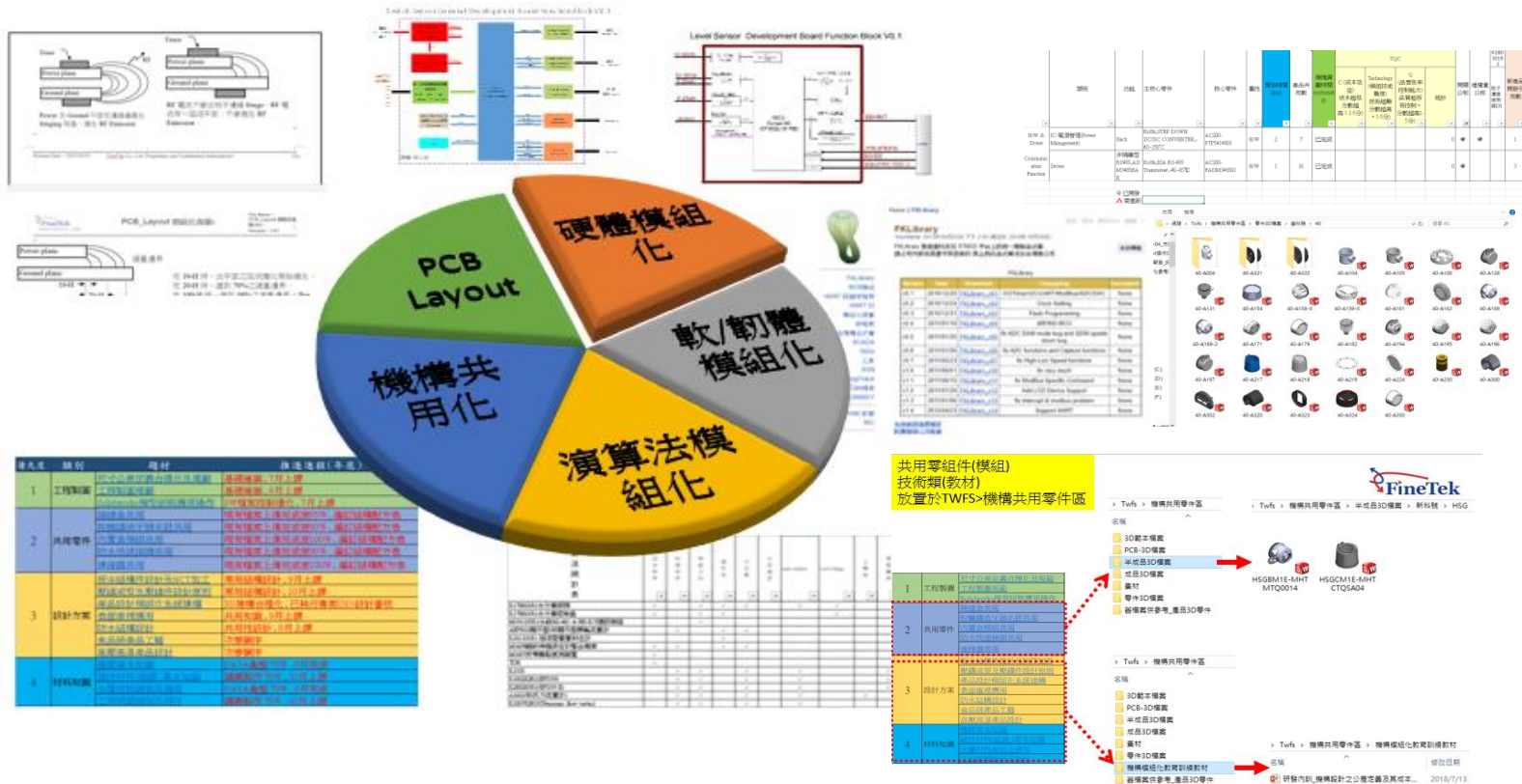
## 2. On-Line meeting

- 1) Video conference meeting
- 2) Service overseas distributor
- 3) Provide online service



# R&D modular management

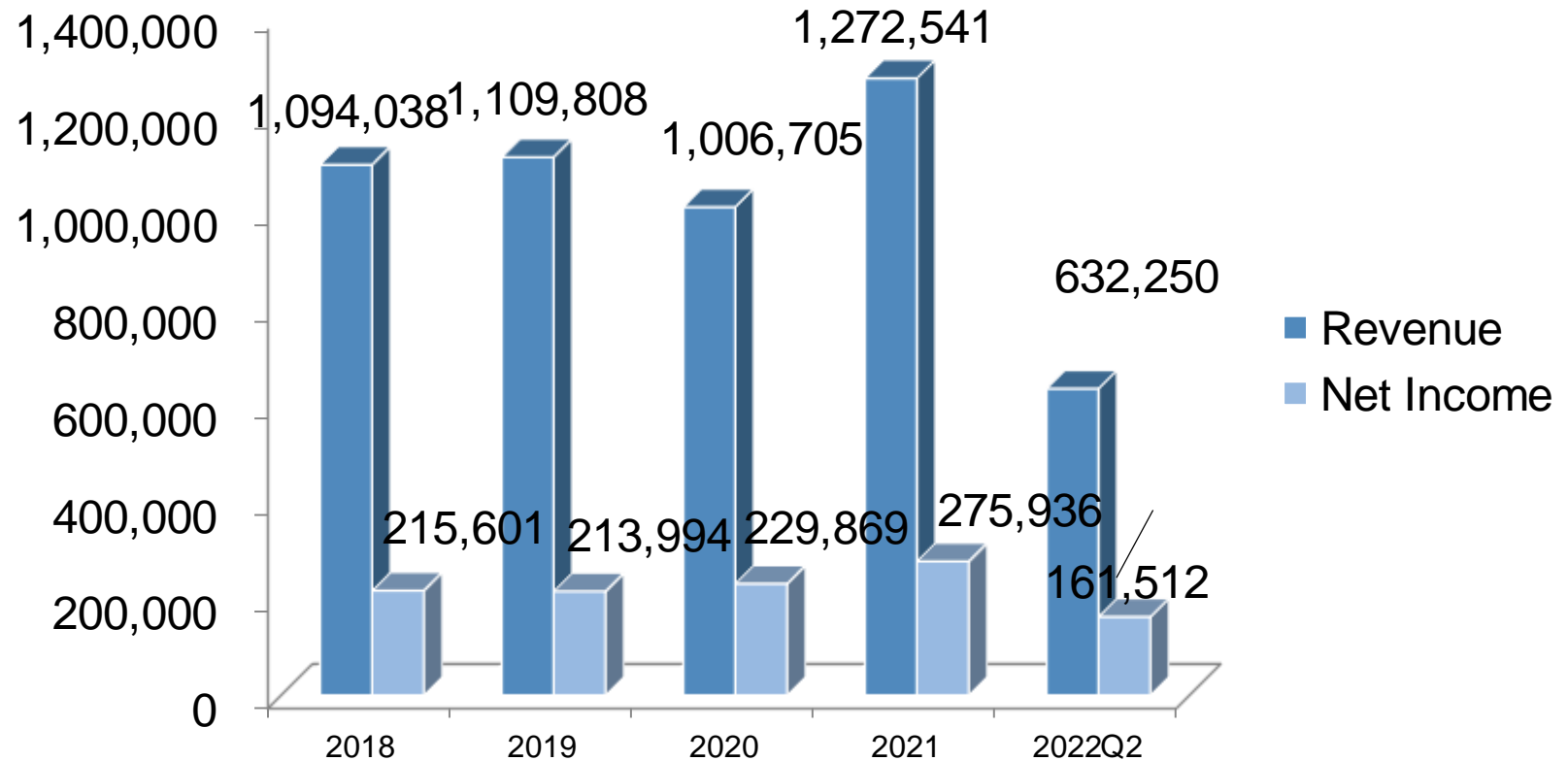
1. Modularization of software, firmware, hardware and mechanism
2. Share MCU to increase usage, no need to develop program
3. Reduce circuit design man-hours and save the time for functional verification
4. Use the module board for functional training to short the trial time
5. Continue to innovate and integrate to improve performance with modular concept
6. R&D man-hours and costs are easy to control



# Financial outlook

# Revenue & Net Income

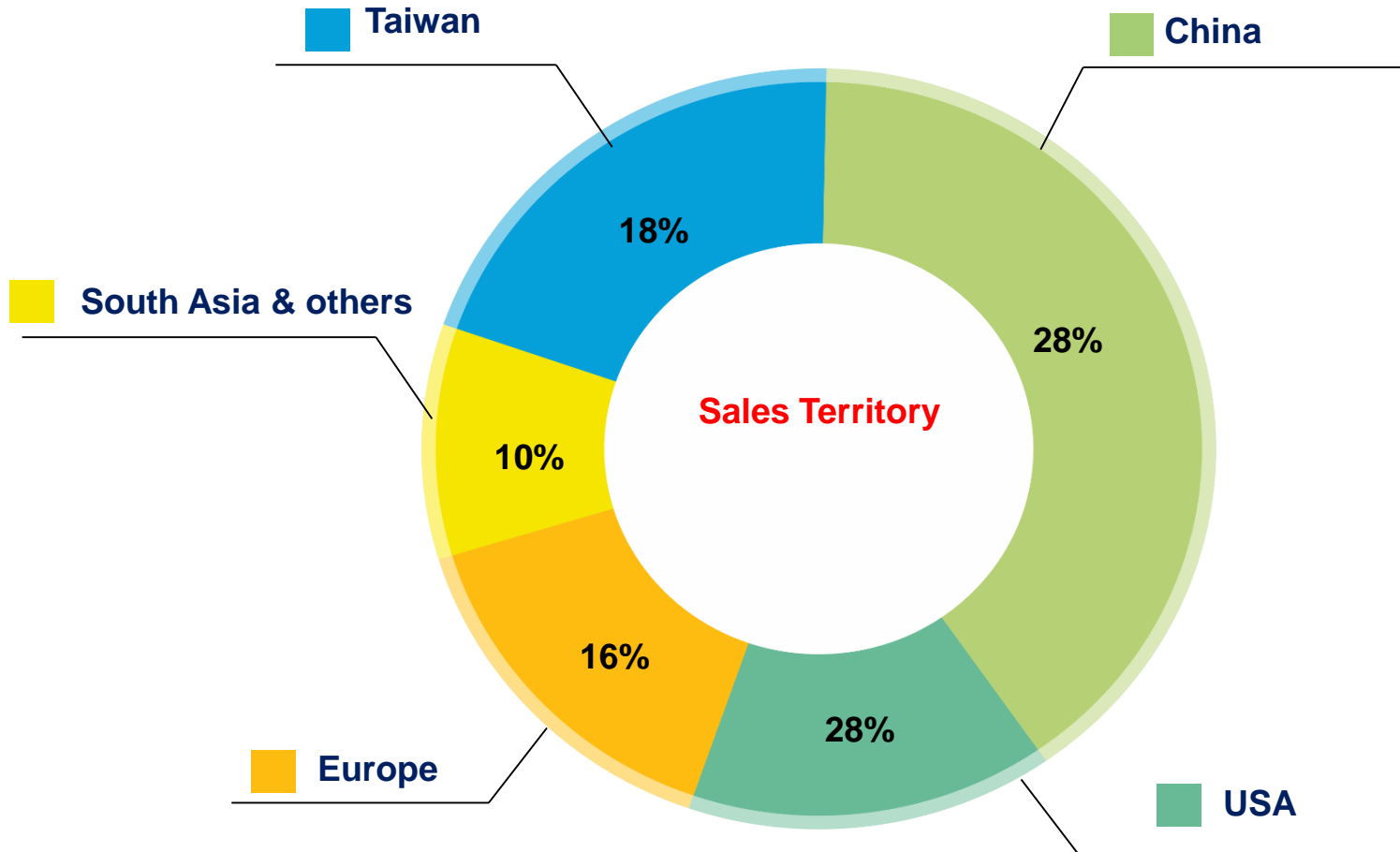
In NTD thousands



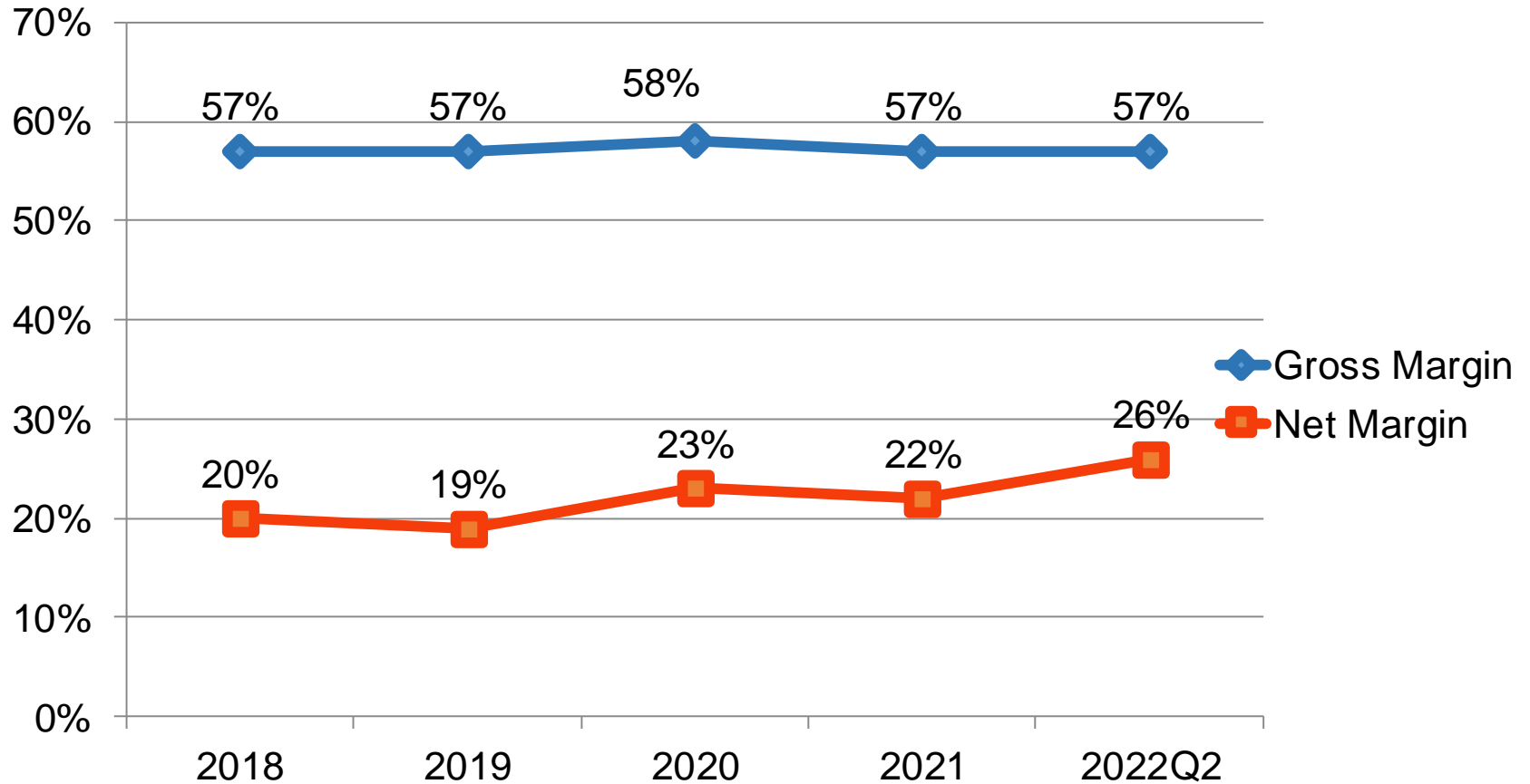
**Revenue**

**2022 Jan – July vs 2021 Jan - July growth 15%**

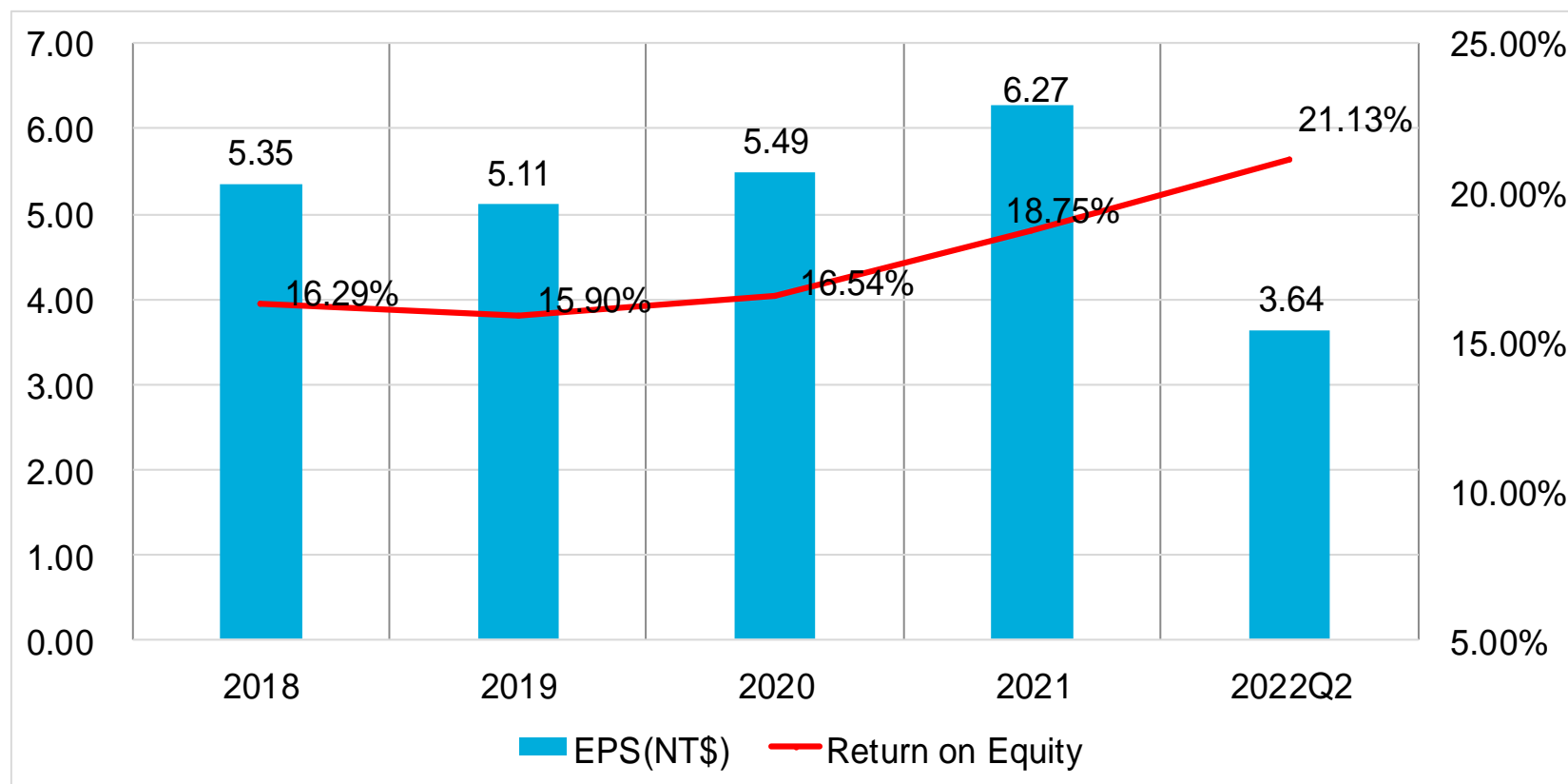
# 2022 Q1-Q2 Sales Territory



## Gross Margin & Net Margin



# Earnings Per Share & Return on Equity(%)



➤ **2022 H1 EPS 3.64 vs 2021 H1 EPS 2.94 growth 24 %**



# Income statement

In NTD thousands, except EPS

Item	2020		2021		2022Q2	
	NT\$	%	NT\$	%	NT\$	%
Sales Revenue	1,006,705	100	1,272,541	100	632,250	100
Gross Profit	586,103	58	723,961	57	361,034	57
Operating Income	258,453	26	337,418	27	167,366	26
Non-operating Income and Expenses	37,798	4	27,719	2	42,893	7
Net Income	229,869	23	275,936	22	161,512	26
Earning Per Share	5.49		6.27		3.64	
Cash dividends	4.0		4.1		-	
Stock dividends	0.5		1.1		-	
Payout ratio	82%		83%		-	

# Balance sheet



In NTD thousands

Item	2020		2021		2022Q2	
	NT\$	%	NT\$	%	NT\$	%
Cash and cash equivalents	526,255	27	550,448	27	609,965	27
Receivable	169,907	9	240,786	9	273,581	12
Inventory	167,146	9	210,027	9	261,735	11
Other Current Assets	112,949	6	153,370	6	228,226	9
Property, plant and equipment, Other Non-current Assets	943,794	49	936,585	49	939,649	41
<b>Total Assets</b>	<b>1,920,051</b>	<b>100</b>	<b>2,091,216</b>	<b>100</b>	<b>2,313,156</b>	<b>100</b>
Bank Debt	262,000	14	252,000	12	252,000	11
Other Current Liabilities	192,918	9	261,132	13	473,360	20
Other Long-term liabilities	47,760	3	52,579	2	56,863	3
<b>Total Liabilities</b>	<b>502,678</b>	<b>26</b>	<b>565,711</b>	<b>27</b>	<b>782,223</b>	<b>34</b>
<b>Total Equity</b>	<b>1,417,373</b>	<b>74</b>	<b>1,525,505</b>	<b>73</b>	<b>1,530,933</b>	<b>66</b>
AR Turnover Days	67		59		74	
Inventory Turnover Days	203		163		194	
AP Turnover Days	42		47		68	

## Cash flow

In NTD thousands

Item	2020	2021	2022Q2
Cash flows from operating activities	273,540	252,126	118,810
Cash flows from investing activities	(376,330)	(44,606)	(92,298)

## Dividend Policy

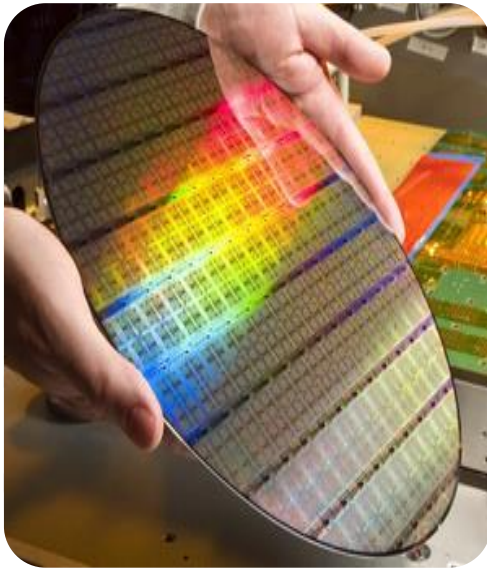
Year	Cash	Stock	Total
<b>2022</b>	<b>4.1</b>	<b>1.1</b>	<b>5.2</b>
2021	4	0.5	4.5
2020	4	0	4
2019	4	0.5	4.5
2018	4	0	4
2017	3	0.5	3.5
2016	2.8	0.2	3

**Dividend Policy by cash, pay rate is over 80%**

# 2022 Sales Forecast

# 1. Taiwan market

- Taiwan Semiconductor new facility Project
- Taiwan circuit board cleaning equipment industry
- Taiwan Industrial Zone Wastewater Treatment Project
- Energy industry (thermal power and wind power generation)



## 2. China market

- Overseas projects of large feed machinery
- Localization Trend of In Vitro Diagnostic Analyzers
- The new factory case of flour, grain and oil group
- Carbon neutral environmental protection industry projects  
new projects such as air pollution treatment, sewage treatment,  
waste incineration power plants, etc.
- State Grid UHV DC substation project accelerates
- New projects for semiconductor factories such as chips and memory
- Demand for ship maintenance and new shipbuilding projects





### 3. US market

- 2022 H1 Revenue vs 2021 H1 growth 150%
- 2022 ODM flow meter and level sensor sales increase
- customer confirm the firm order to Q4



## 4. Germany



- 2022 H1 sales stable, Germany and US order increase
- Sales more high margin products – Net margin increase
- Sales increase – HVT Electric vehicle battery voltage charging protection



## 5. Overseas distributor

- Europe market - Marine demand strong
- SEA market – Water and Feeding industry growth

