



# 明安國際企業股份有限公司

## Advanced International Multitech Co., LTD.

Stock Code: 8938

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# Agenda

- Company Profile
- Operational Performance
- Golf
  - Market and Industry Overview
  - Future Strategy
- Composites
  - 3C Industry Overview
  - Own Brand 'DIZO'
  - Future Strategy



# Company Profile

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# Company Profile

- Chairman and President : Sunny Cheng
- Capital : 1,353,127 (NT\$ thousands)
- Established : July 20, 1987
- Products : Golf equipment, golf ball, composites, bicycle parts and the own-brand carbon fiber bicycle "DIZO"
- Address : No. 26, Chung Lin Road, Lin-Hai Industrial District, Kaohsiung, Taiwan.
- Application for (OTC) listing : Dec. 02, 2002



# Locations and Products



**Chung Lin Factory (Lin Hai Industrial District) - Headquarter**  
Golf Sale and RD, Casting Foundry

**DAYE Branch (Lin Hai Industrial District)**  
Carbon Fiber Prepreg, Bicycle Frames, Forks & Parts

**Kaohsiung Branch (K.E.P.Z.)**  
Composites applications

**Launch Technologies, Co., Ltd. (P.E.P.Z.) -Subsidiary**  
Golf balls

**Advanced Sporting Goods (Dong Guan) Co., Ltd.**  
Golf equipment, 3C products

**Advanced International Multitech (VN) Co., Ltd.**  
Golf equipment



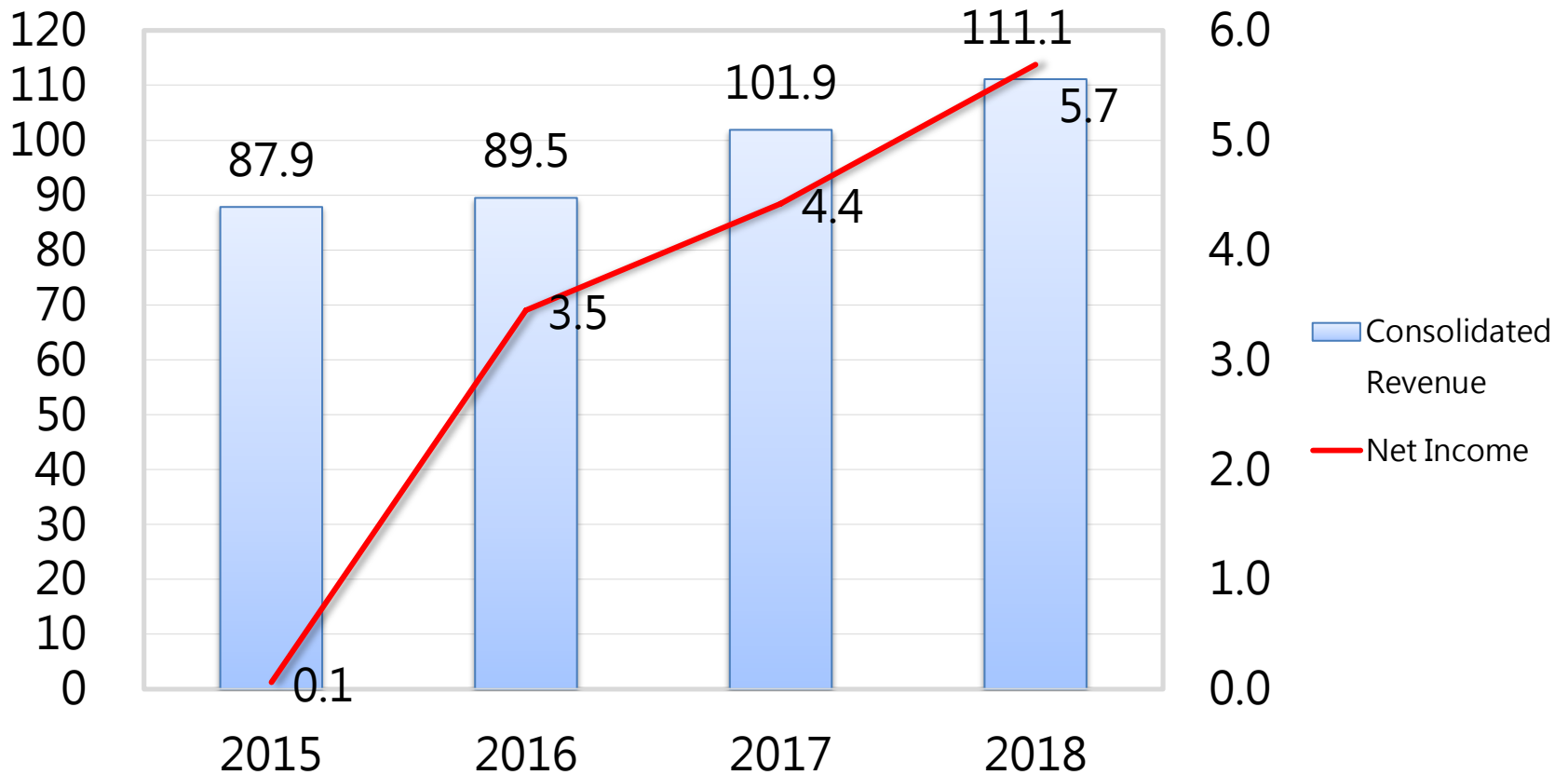
# Operational Performance

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# 2015~2018 Annual Revenue / Net Income

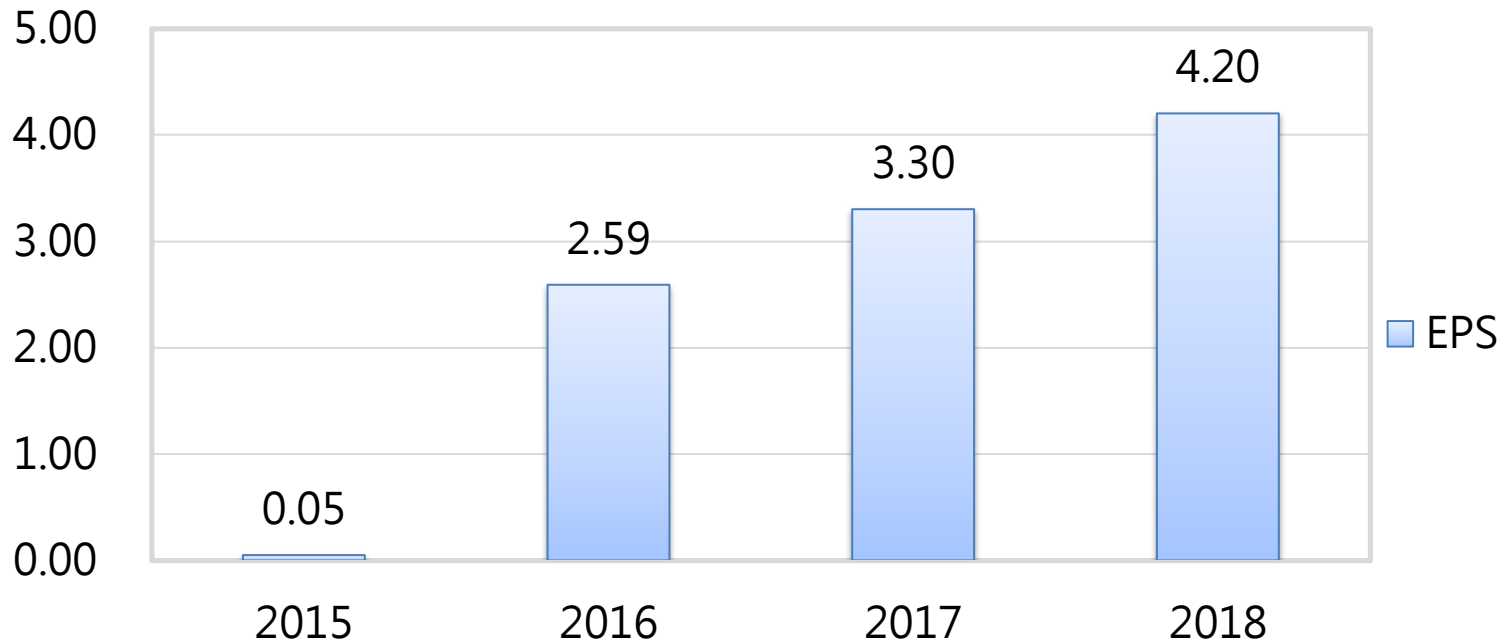
Unit : 0.1 Billion NT\$





# 2015~2018 EPS

Unit : NT\$







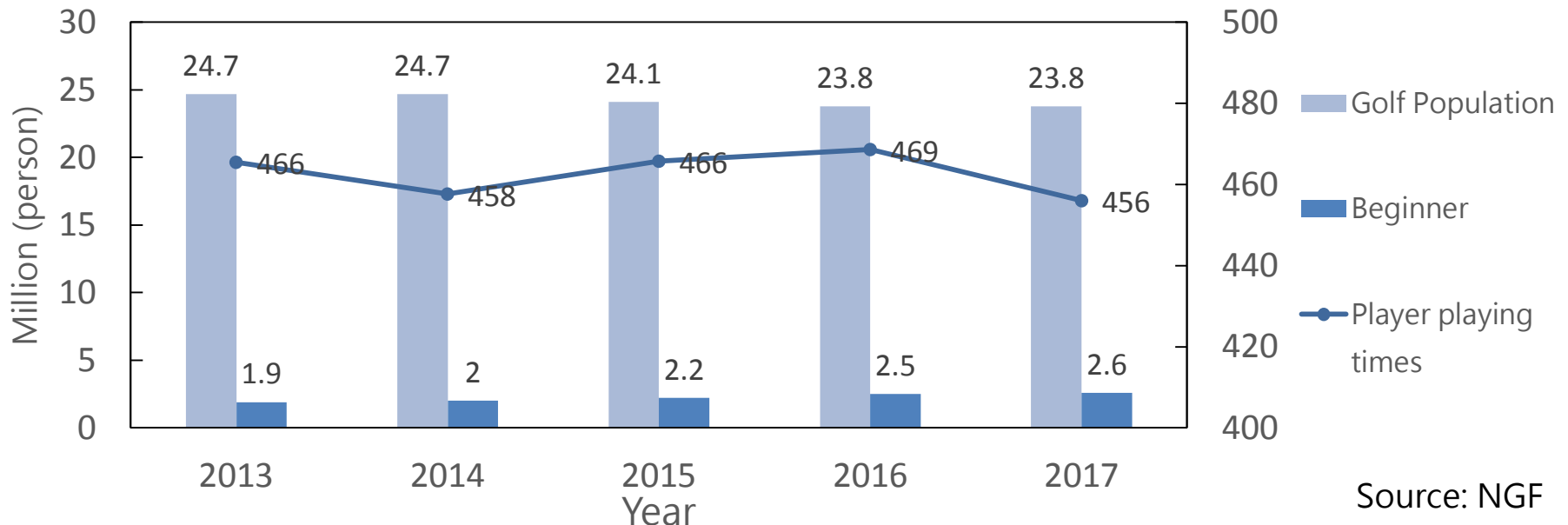
# Golf

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# Golf Industry Outlook

- Nowadays, there are about 24 million golfers in the US. With the aging of baby boomers after the war and the changes in the consumption habits of young people, the number of golf population has declined slightly. However, the average number of golf players each year is about 460 million that reflects a gradual rise in growth. As a result of the civilianization of golf, the number of beginners has grown dramatically in recent 20 years, and there is still of room left for growth in the market.



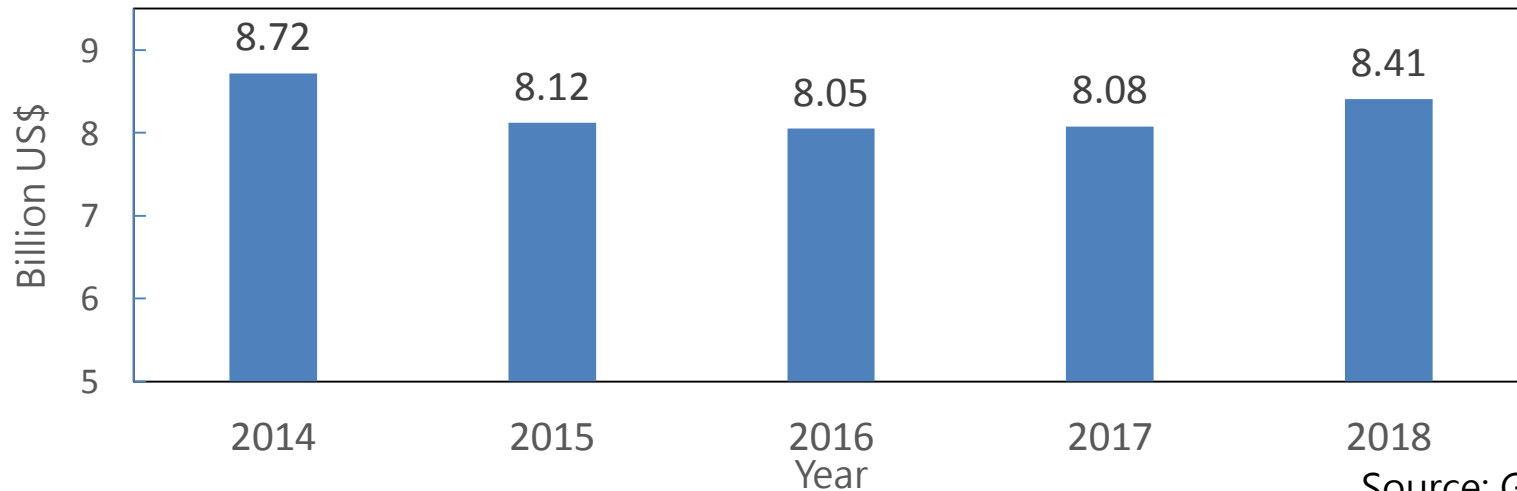
Source: NGF



# Golf Industry Outlook

- The golf equipment market has undergone the recession from saturation and market consolidation in 2013-2014. There is a steady increase of the golf equipment's average price in the past two or three years. Top four US brands occupy US and Japan markets, the big will get bigger. More than half of AD Group's turnover comes from the US top brands, and its future growth is expecting.

Estimate for global golf equipment market (Billion US\$)



Source: Golf Datatech

# Golf Industry Outlook

- All major brand products appeal to high functionality, and the complexity of product design. The ball equipment industry officially went to the era of “**compositization**” after TaylorMade, AD’s largest client, launched M1/M2 series in 2015. Other brands have launched golf heads with light weighted carbon fiber and its application expands from 1-wood to other product lines. Due to the complexity of the products, the R&D power, process solutions and flexible supply capabilities of the manufacturers will be the key factors when those major brands choose their suppliers.



Image source:  
TaylorMade Golf  
Callaway Golf



# Future Strategies for Golf

- Strengthen R&D and innovation power
  - High-performance, high value-added design and process capability.
  - Lightweight, functional material applications (composite/metal).
- Allocation strategy for locations and resources
  - TW plants : R&D base, design center, innovative process.
  - CN plants : enhance added value, optimize operation efficiency, and introduce automation.
  - VN plants : expand production capacity, improve process capability, and strengthen supply chain system.
- The synergy between golf clubs and balls
  - LTC, AD's subsidiary, continually grows in sales. Its new factory expansion will be completed in 2019, and that will strengthen the AD Group's advantages of "one-stop shopping" and "full-service" for customers.



# Composites

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# Composite Applications in 3C products

- More diversified needs - 5G and environmental protection
  - With the advent of the 5G era, in addition to the 3C brand's requirements for environmental protection, the laptop top brands are not only pursuing thinner and lighter functions, but also looking for materials and corresponding processes that meet the requirements of 5G communication and environmental protection.
- Applications of portable wearable electronic products
  - With the miniaturization, high computing and communication capabilities of electronic components, a tremendous growth lies in the future portable 3C products. Composite that is light, durable, and aesthetically pleasing gives consumers a better user experience.
- AD Group is experienced in R&D and manufacturing of various materials such as metals and composite materials and that makes AD Group being capable of providing customers variety of solutions and to fulfill different requirements.





# Own Brand-DIZO

- DIZO, the brand name is taken from the homonym "custom-made" in Chinese and Taiwanese. DIZO indicates that we always care about the customers and tailor the products to customer's needs.
- MIT High quality and high performance of carbon fiber bike rack
  - S6-R, EOS, M8 and other three bikes have won the 2018-2019 Taiwan Excellence Award
  - extensively reach to China, Korea, Japan and Southeast Asia markets.
  - Being sponsor of DIZO Linyuan High School Team and SPDI cycling Team



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# Future strategies for composite materials

1988 Carbon fiber golf shaft

1992 Carbon fiber bicycle frame

2009 Compound materials applied to 3C products

2017 Thermoplastic composite (TP)

2019 Completion of composite material R&D building

1989 Carbon fiber/glass fiber prepreg

2007 Carbon fiber industrial products

2015 compositization on golf club head

2018 Development of larger size structural composite parts

- From "light and thin" to "light but strong"
- Pursuing for energy conservation and environmental protection
  - Environmentally friendly and easily recycled (thermoplastic composite TP)
  - Lightweight vehicles or industrial parts (medium and large parts)
- AD Group will integrate its expertise in composite materials, from material R&D, strength design, innovative process to manufacturing, in responding to the customer's requirements of lightweight and high-quality.



# 明安國際集團

ADVANCED INTERNATIONAL MULTITECH CO., LTD.

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THANK YOU FOR YOUR LISTENING

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