



Advanced International Multitech Co., LTD.

Stock Code: 8938

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Agenda

- Company Profile
- Operational Performance
- Sporting Goods
- Composite Materials Products
- Development and Planning of New Business for Composite Materials



Company Profile

Stock Code: 8939



Company Profile

- Chairman and President : Sunny Cheng
- Capital : 1,353,313 (NT\$ thousands)
- Established : July 20, 1987
- Products/Services : manufacturing of golf equipment, golf balls, carbon fiber bike parts, investment casting, manufacturing and machining of composite materials, and the own-brand carbon fiber bike “DIZO”
- Address : No. 26, Chung Lin Road, Lin-Hai Industrial District, Kaohsiung, Taiwan.
- Application for (OTC) Listing : Dec. 2, 2002

Locations and Products



Chung Lin Factory (Xiaogang, Kaohsiung) - Headquarter

Investment Casting, Bike Parts

Daye Factory (Xiaogang, Kaohsiung)

Carbon Fiber Prepreg

Kaohsiung Branch (K.E.P.Z., Kaohsiung)

Composite Industrial Products, Composite 3C Products

LaunchTech (P.E.P.Z., Pingtung) -Subsidiary

Golf Balls

Composite Material Innovation Base (Ho Fa Industrial Park)

Composite Prepreg, Composite Innovative Products

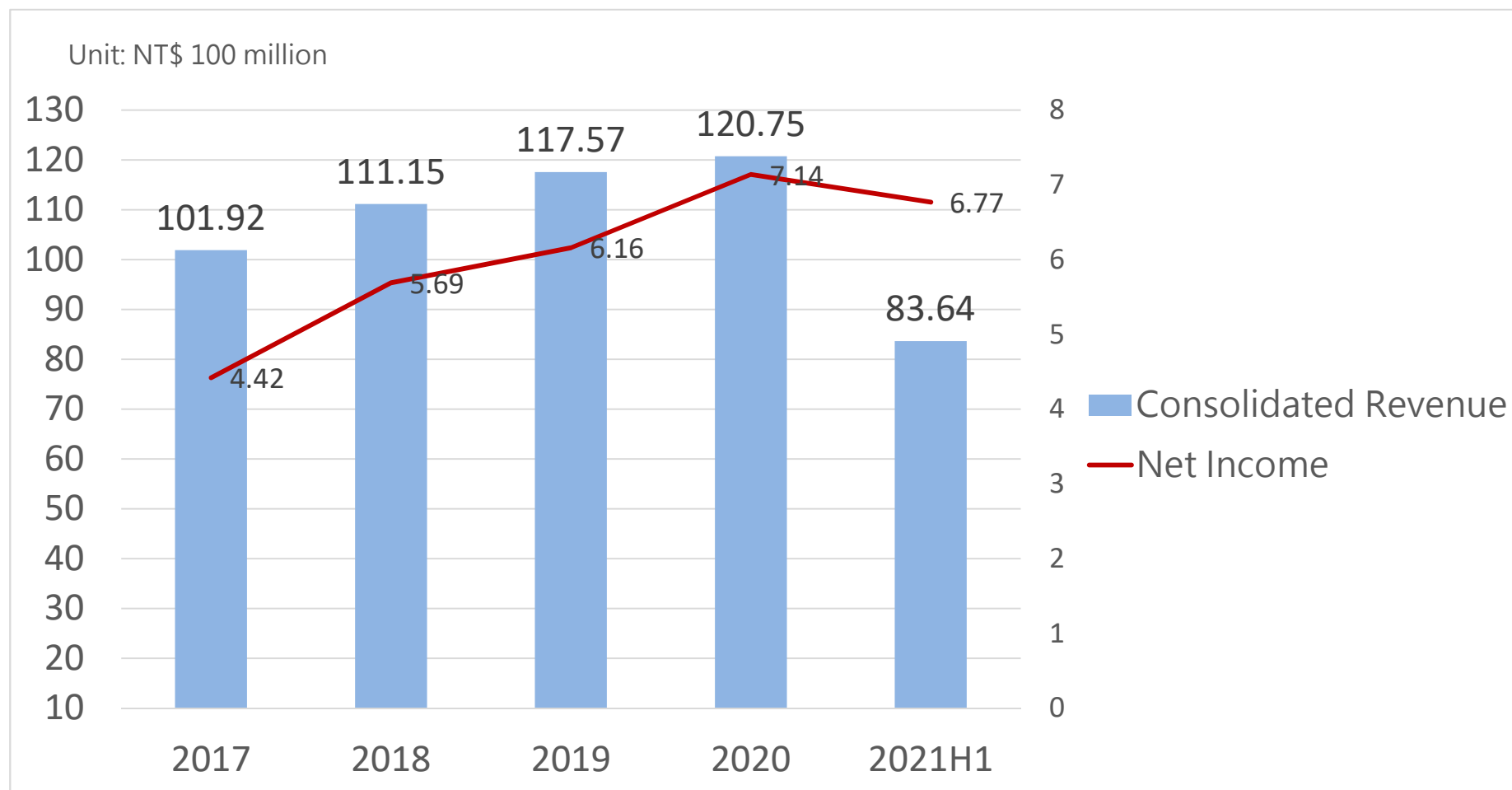


Operational Performance

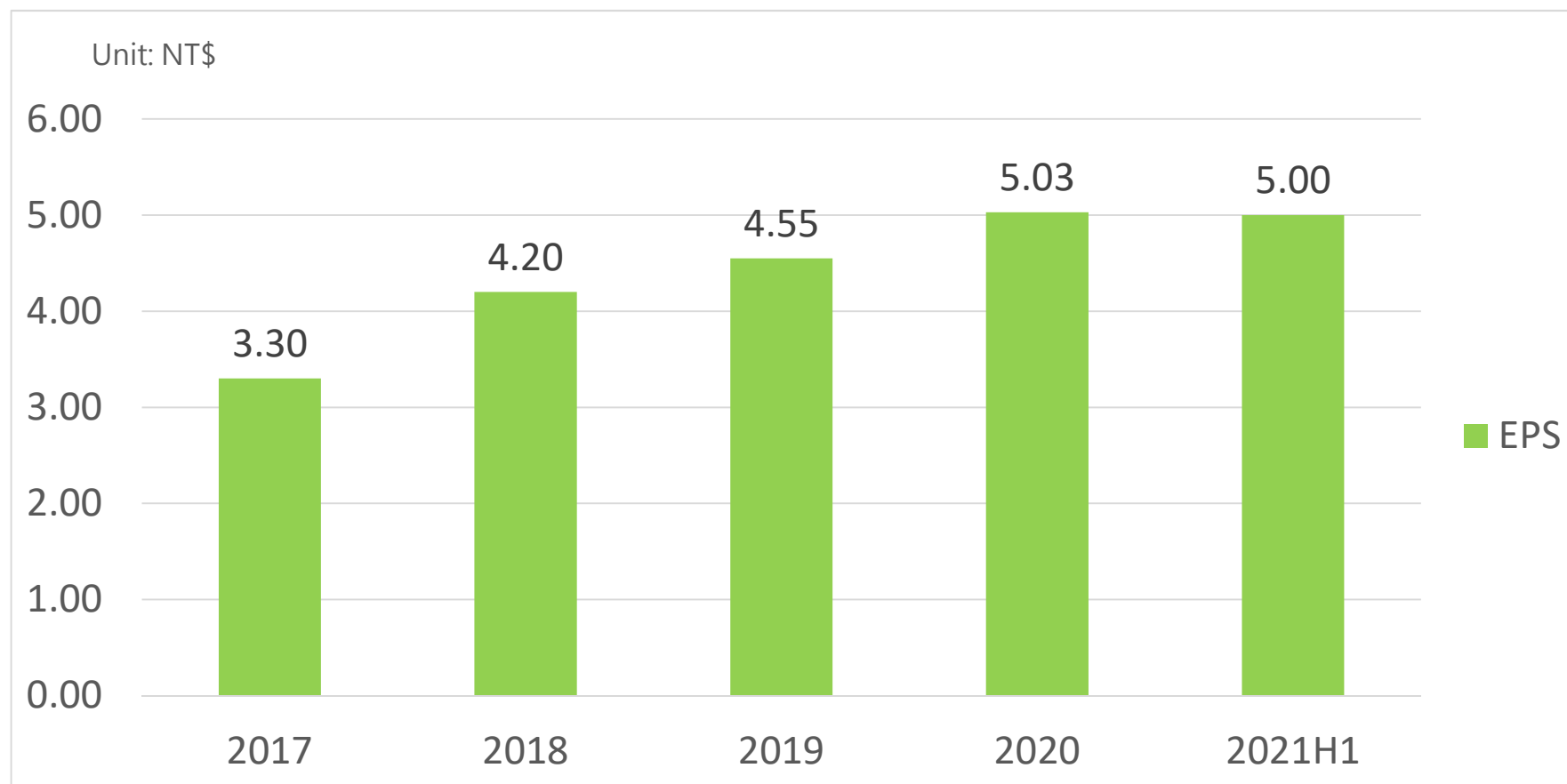


2017~2021H1

Annual Revenue / Net Income



2017~2021H1 EPS





Sporting Goods

Main Products

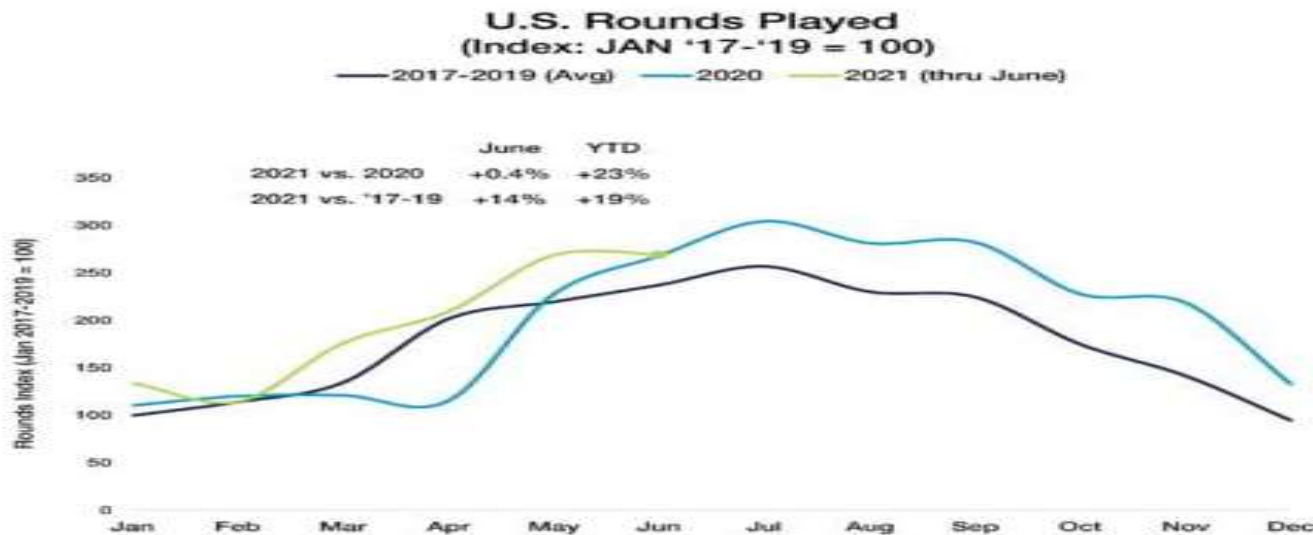
- Golf equipment (including golf club head, carbon fiber golf shaft)
- Golf balls
- Carbon fiber bike frame and fork
- Carbon fiber plate for running shoes





The U.S. Golf Industry Outlook for 2021

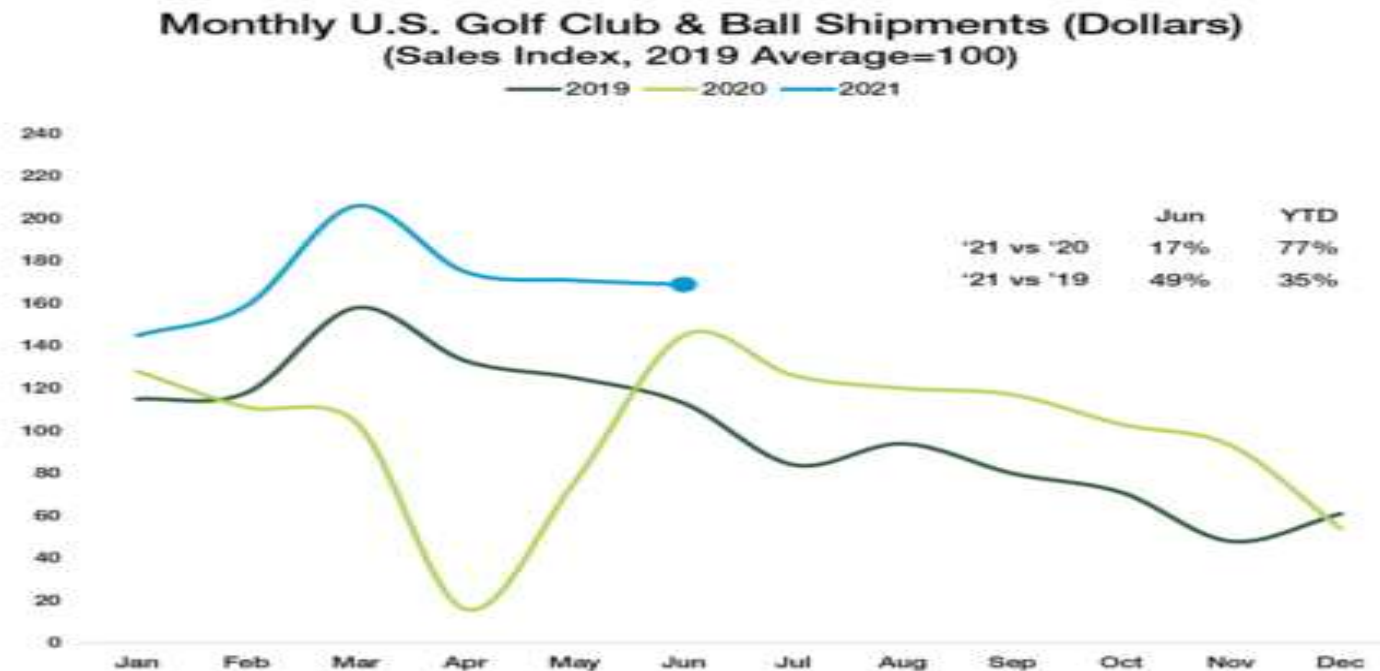
- As a whole, it shows approximately 36.9 million of the U.S. participants in golf. Golfers, in 2020, saw an increase of 2.7 million, with an annual growth rate of 8%. A continued growth in 2021 is expected.
- The sources of golfer population growth in 2020: 630,000 young golfer; 570,000 beginner golfer; and 450,000 female golfer. This had been relatively rare in the past two decades.
- The number of rounds played in 2020 kept as 500 million despite the impact of the epidemic, making a 14% increase in annual growth. In the first half of 2021 saw a 19% increase compared with the 2017-2019 average.



Source: NGF



The U.S. Golf Industry Outlook for 2021



Source: NGF

- The U.S. golf market had experienced turbulence in 2020, however, the total market had benefited from the epidemic. After the lockdown lifting in May last year, the overall market rebounded sharply and continued to grow to the first half of this year. The growth rate topped as 35%, compared with the previous regular year of 2019.
- The inventory level of the golf equipment sales had been at a low level throughout the year, the top brands ramped up their procurement efforts.



Future Outlook and Planning for Sporting Goods

- **Market growth and forecast analysis for golf**
 - A great deal of new golfers driven by the epidemic appears not a short-term effect. The prosperity of the U.S. golf market is expected to continue in the next few years.
- **R&D and production base distribution**
 - Future Focus: high-performance, high value-added product design and manufacturing capability
 - Strengthen the integration of composite materials and metal materials
 - Take advantage of 3 main production bases to create maximum value and synergy
- **The short-term impact of the epidemic in Vietnam**
 - Affected by the epidemic since August, our Vietnam factory complying with the government's epidemic prevention policy has temporarily suspended operation; the date of resumption of work depends on the development of the epidemic.
 - Orders are diverted to our factory based in China. Consequently, customer orders are not affected.
 - The new factory and capacity expansion plan in Vietnam remains unchanged.



Composite Materials Products

Main Products

- Raw materials: Composite Prepreg (TS, TP)
- Shells or interior structural parts for 3C electronic products
- Carbon fiber industrial products or other interior structural parts
- Carbon fiber exterior parts or modified products for cars





Future Strategies for Composite Materials

1988 | Carbon fiber golf shaft

1989 | Carbon fiber/glass fiber Prepreg

1992 | Carbon fiber bike frame

2007 | Carbon fiber industrial products

2009 | Composite 3C products

2015 | Compositization on golf club head

2018 | Carbon fiber plate for running shoes

2019 | Completion of composite materials R&D base

2020 | Supply of thermoplastic materials (TP)

2022 | Establishment of innovation base of composite materials

4 Core Strategies

- Integrate the applications of various materials to become an expert in lightweight
- Offer one-stop shopping service to customers, from raw materials to product design and manufacturing
- Shift from delicate consumer products toward high value-added industrial applications
- In line with the trend of energy saving and environmental protection



Innovation and Application of Composite Materials

- **Demands of environmental protection and energy saving**
 - Thermoplastic composite (TP, Thermoplastic)
 - Rapid prototyping and easy recycling
 - Development in 5 sectors:
Sporting Goods / 3C / Livelihood / Automotive / Aerospace
 - Environmental recycling technology of Thermoset Composite Materials
- **Future development and needs for new composite products**
 - High temperature resistant composite materials
 - Lightweight structural composite materials and resin formulations for automobiles
 - Aerospace grade fire-resistant composite materials
- **High-performance materials: impact resistance, high toughness**



New Trends in Composite Materials Applications of 3C Products

- **Multi-materials of metal - composite in combination with production process**
 - In addition to the primary needs of lightweight, the standards for appearance and durability are gradually raised. Meanwhile, the emerging demands of 5G high-frequency signal penetration and transmission should be responded.
 - AD Group is experienced in R&D and manufacturing of various materials and that makes us capable of fulfilling different requirements from customers.
- **Applications of portable and wearable electronic products**
 - Miniaturization of electronic parts combined with high computing and communication capabilities yields explosive growth in demand of wearable electronic products in the near future. Lightweight and durable composite materials used in wearable products delivers better customer experience.
- **Hot topics in environmental recycling**
 - In recent years, AD Group has carried out ESG practices in waste reduction, energy saving and carbon reduction which includes the use of recyclable composite materials and the development of low carbon and low energy consumption processes.



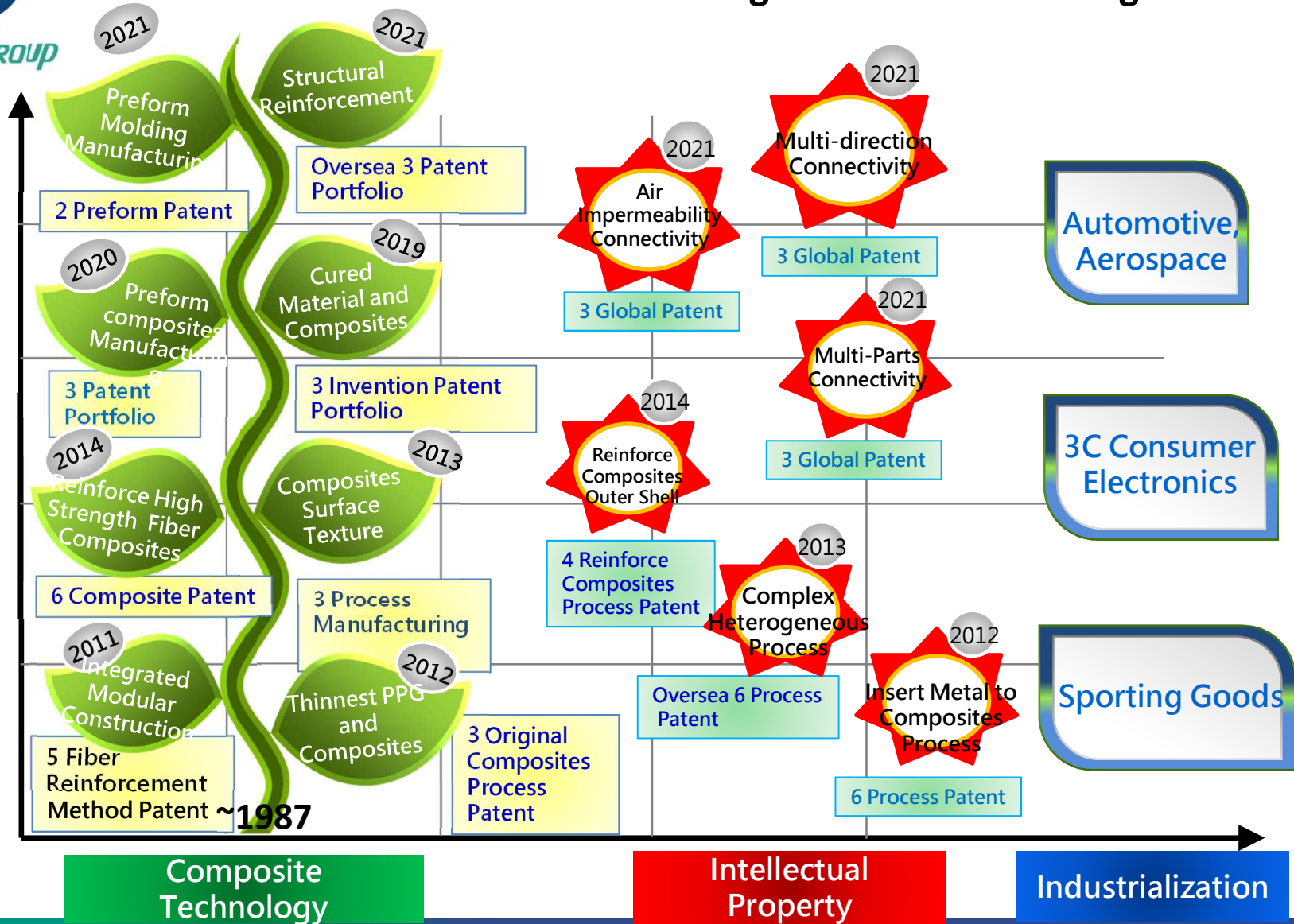
Development and Strategy of New Business Opportunity for Composite Product

Composite Material Innovation Building

- Located in Ho Fa Industrial Park, Kaohsiung City, with a total area of about 8,000 square meters.
- The construction of the factory is scheduled to be completed by the end of 2021 and will put into production in 2022.
- **Integration and planning for composite factories**
 1. Innovation and R&D Base of raw composite materials: customized development of diversified composite products makes AD Group capable of providing customers from different industries with one stop shopping service, from material research to manufacturing.
 2. Prepreg composite material manufacturing: Thermosetting and thermoplastic system composite materials are available for internal use as well as external sales.
 3. R&D and manufacturing base for new automotive and aerospace products.

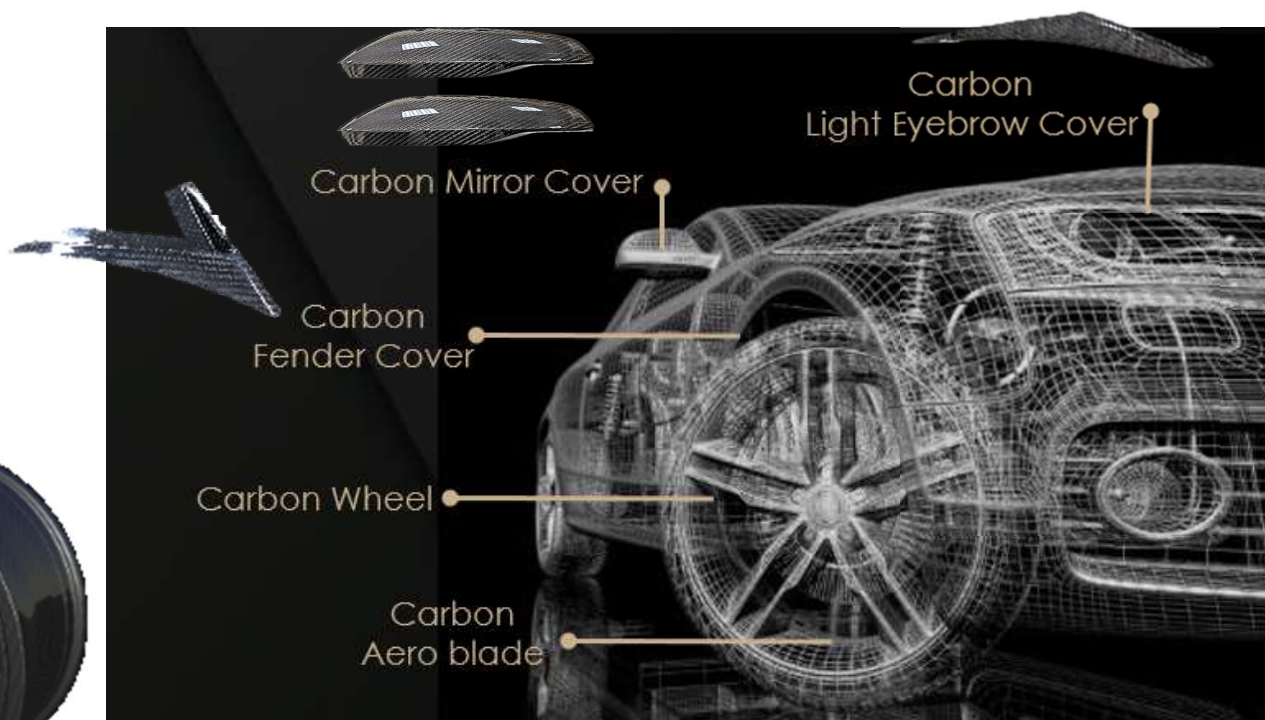


One Stop Shopping Customized Service, from Material to Product Design and Manufacturing





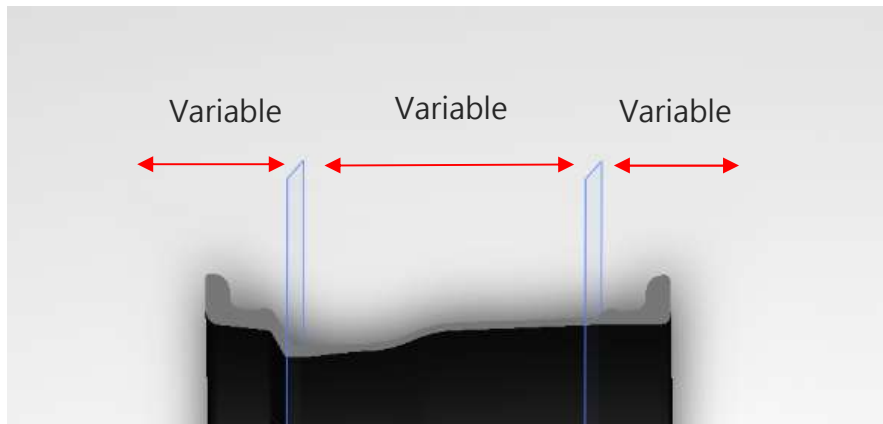
Composite related Technology meet the Trends of Cars



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Cutting-Edge technology for Preforming modules

➤ Advanced Modular Preforming



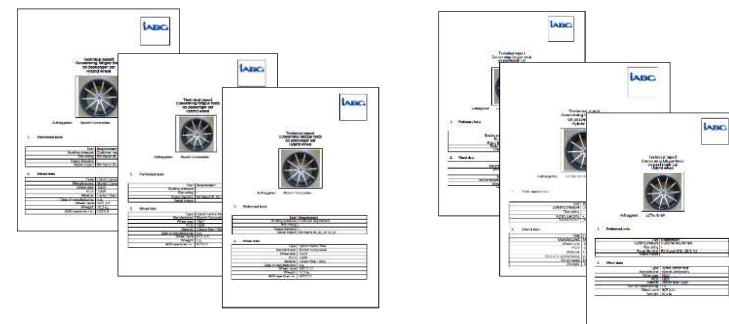
Carbon Rim

- Modularized preforming available
- Preform manufactured separately

➤ Pass StVZO Function Test

• Function & Fatigue Testing

- ✓ Bursting 8 bar pressure test
- ✓ Bending fatigue
 - Bending fatigue 75%_completed 200,000 cycles
 - Bending fatigue 50%_completed 1,800,000 cycles
- ✓ Radial fatigue test 3,000,000 cycle
- ✓ Radial impact test
- ✓ Bi-axial test (7500km)



Comprehensive System available for Mass Production



High-pressure resin transfer molding

- Fast filling of a closed cavity
- Complete impregnation of fiber preform by raised cavity pressure
- Short cure times
- High volume



Resin transfer molding with 3 dosing unit

- High speed and precision control for resin infusion
- Modularized Injection program available



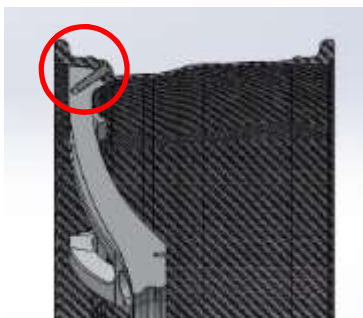
Preform system

- Modularized preforming System
- Flexible Width & diameter adjusted by demands



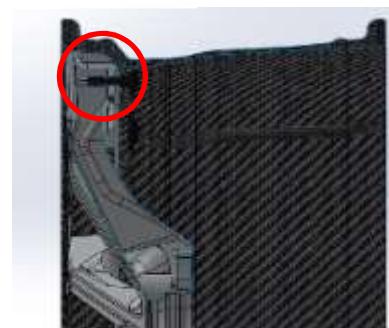
Design Capability with Multi-specification

21" Carbon Wheel



Screws mounted from tire side

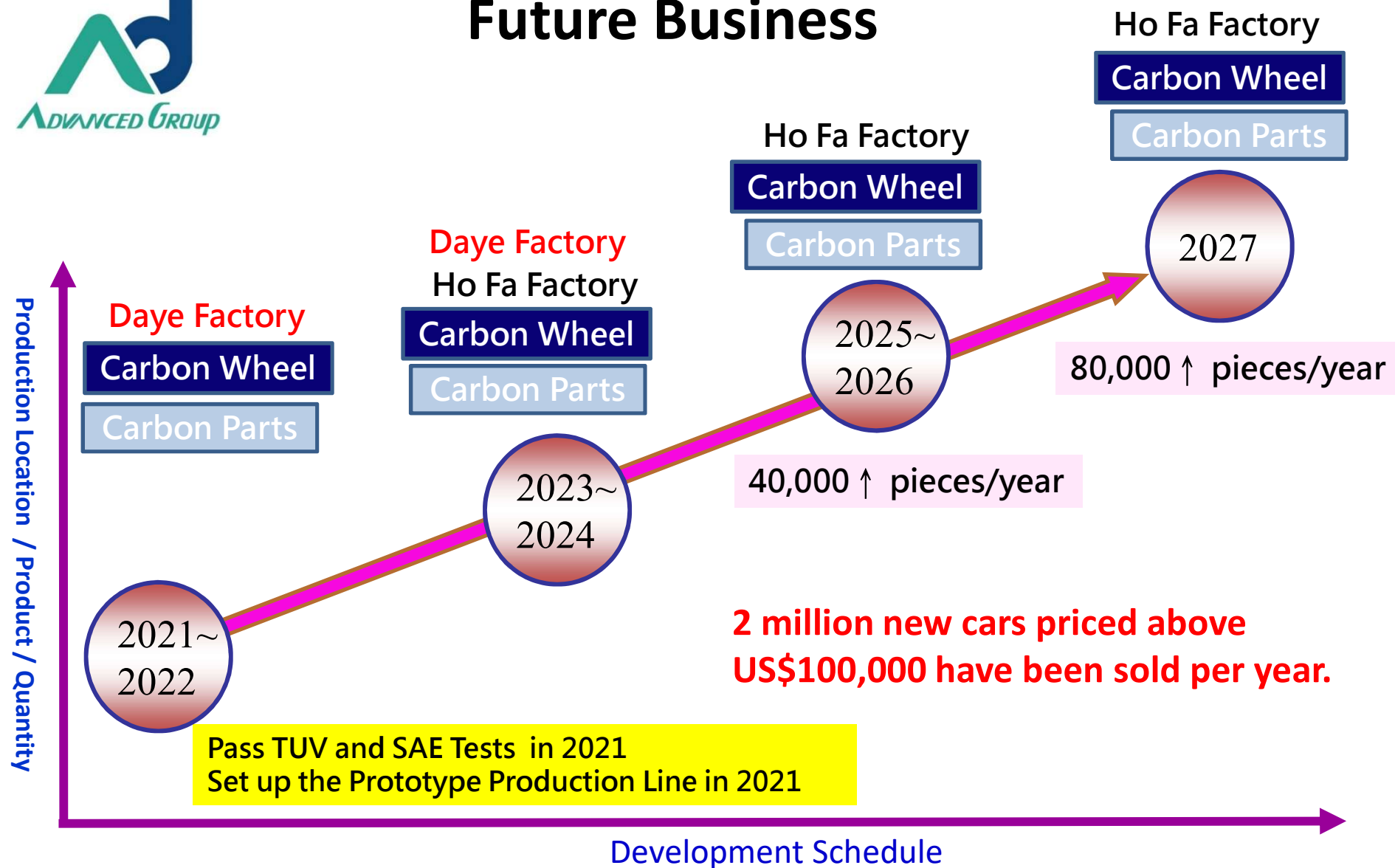
20" Carbon Wheel



Screws mounted from back side

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Future Business





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ADVANCED INTERNATIONAL MULTITECH CO., LTD.

THANK YOU FOR LISTENING