

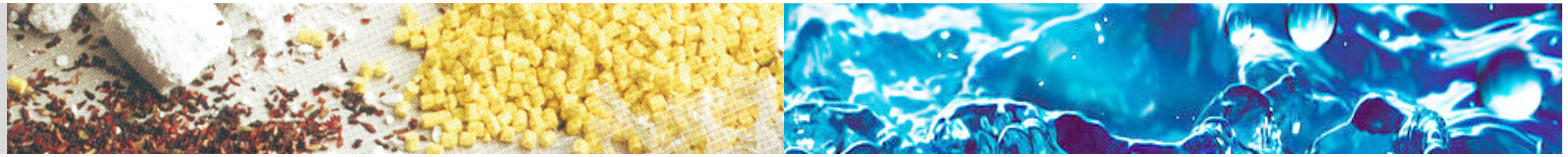


Stock No : 4549



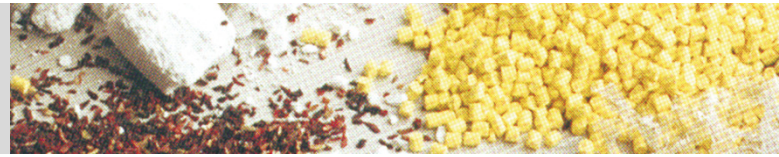
Speaker: Nancy Hsu/Special Assistant

April 10, 2019



Introduction

- **Group overview**
- **2018 financial outlook**
- **2018 sales review**
- **2019 grow up driving**





FineTek Co., Ltd.

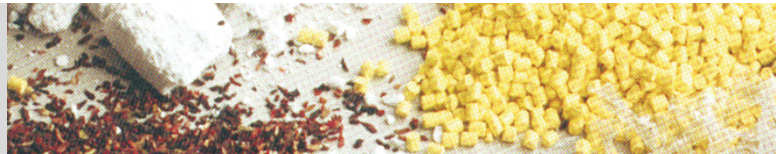
 : info@fine-tek.com
 : www.fine-tek.com

40 years of Quality & Innovation

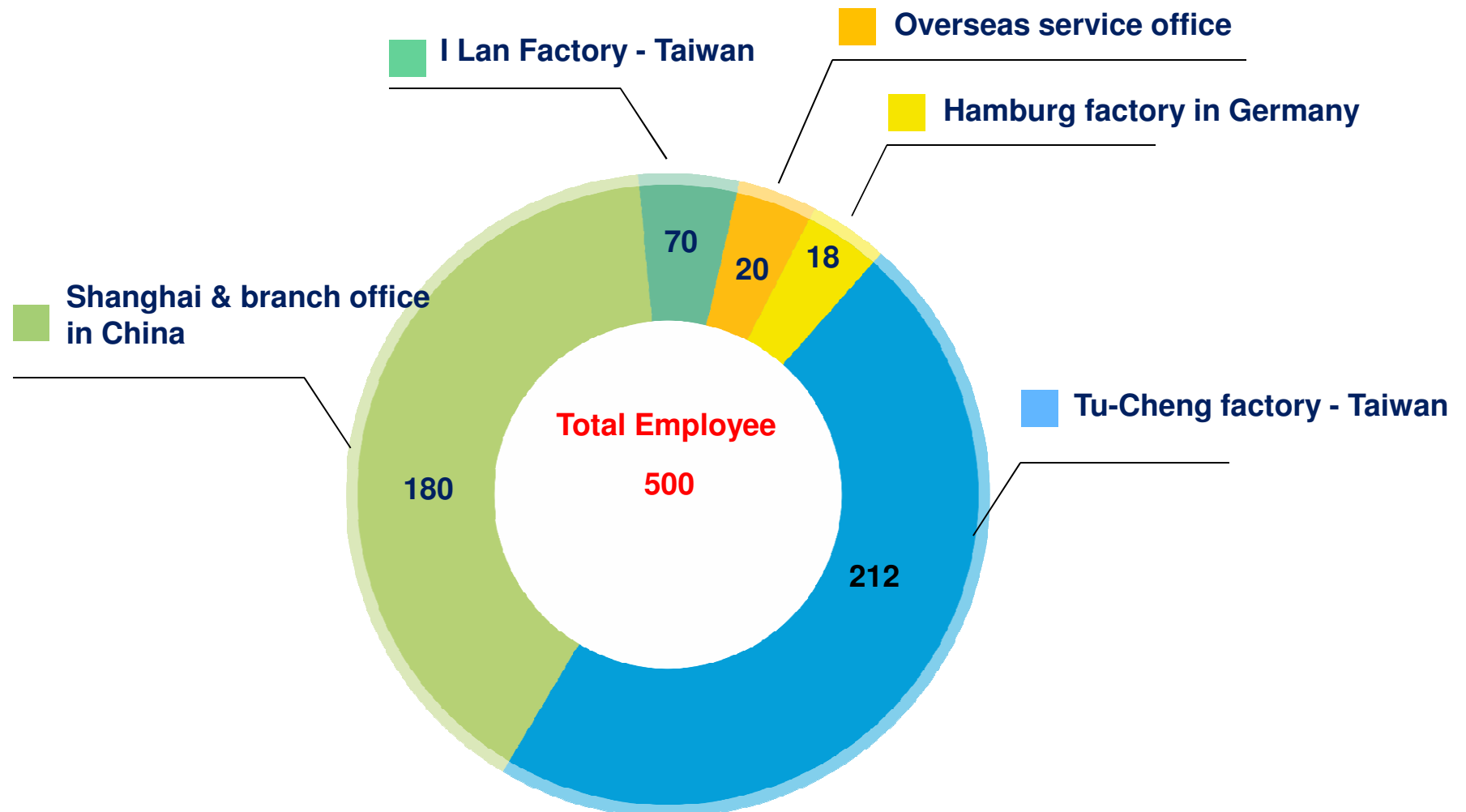
40 years of Quality & Innovation

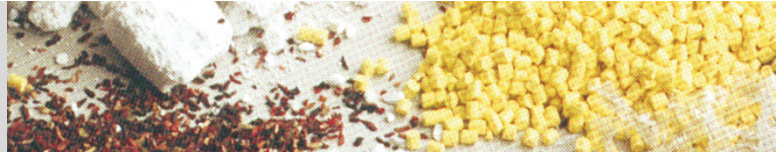
- The biggest Process Sensor and Flow Meter provider in Taiwan and Asia
- Main Advantage : ODM customs design order meet various industry
- Customer field cover various industry, over 10,000 customer in the world



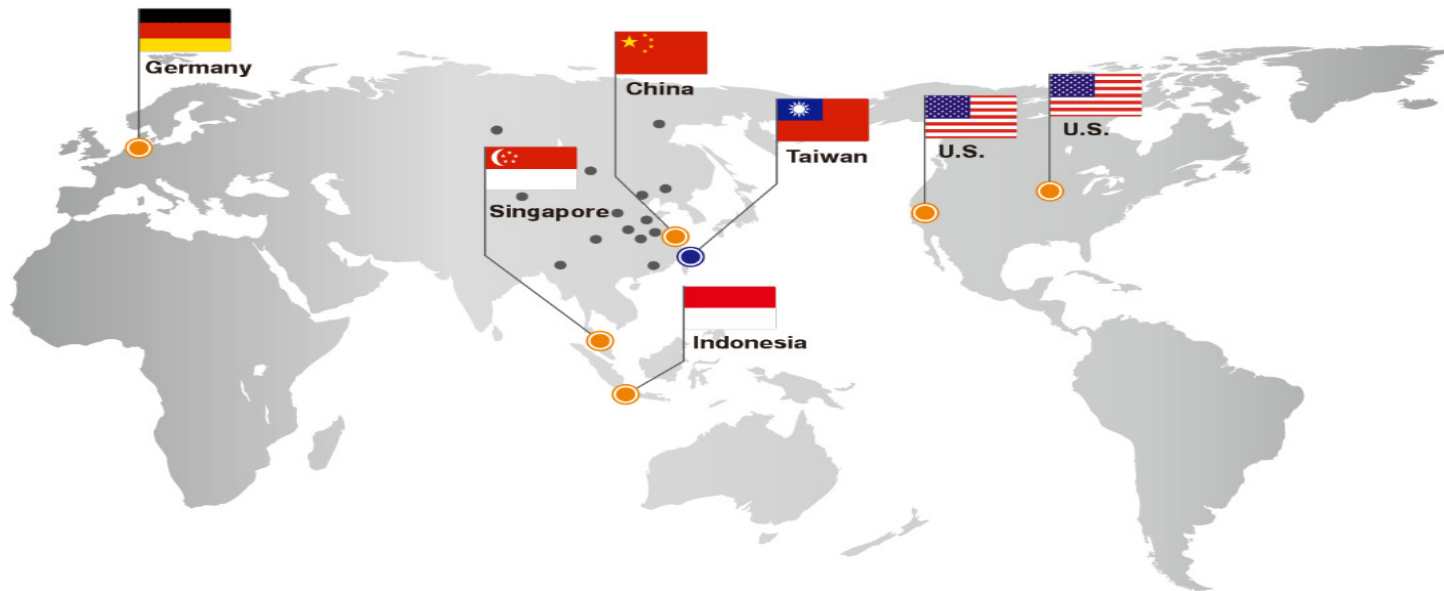


Company Organization

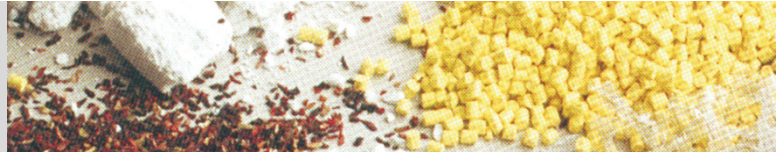




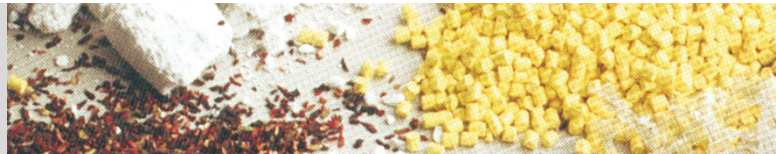
Global Sales Channel



- Taiwan – Head Quarter, RD Center, Main Production
- China – 8 sales branch offices, head office in Shanghai
- Overseas office - Germany Hamburg, USA Los Angeles
- Overseas office in South Asia – Singapore, Malaysia and Indonesia
- Build up Indonesia Factory – will be finished in Q3 of 2019
- Overseas distributor – over 600 distributor in the world

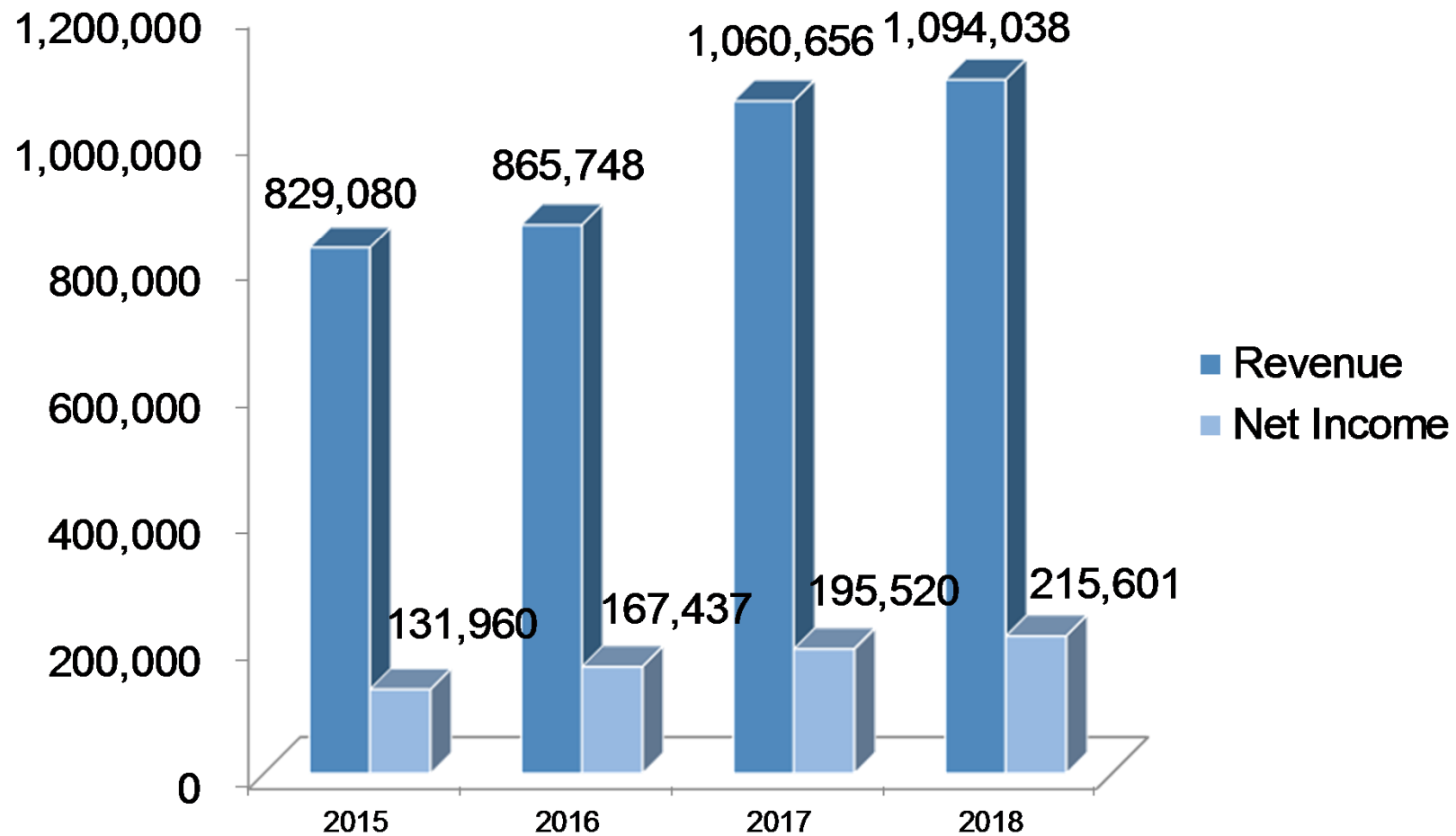


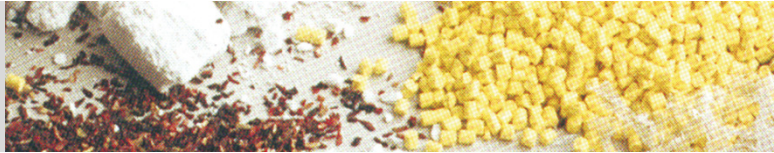
2018 financial outlook



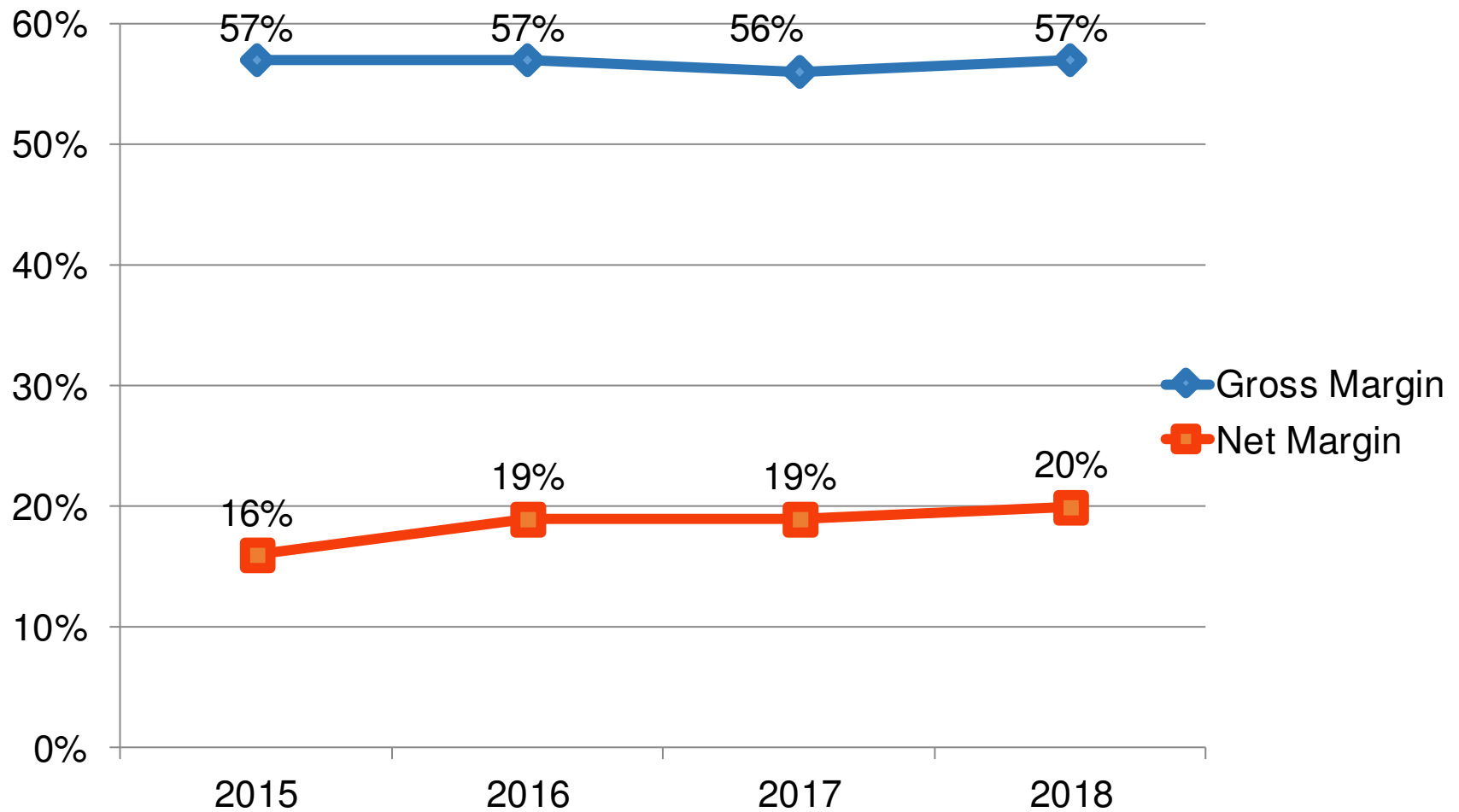
Revenue & Net Income

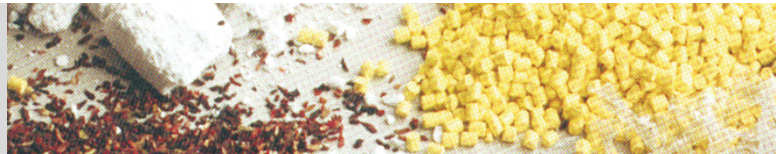
In NTD thousands



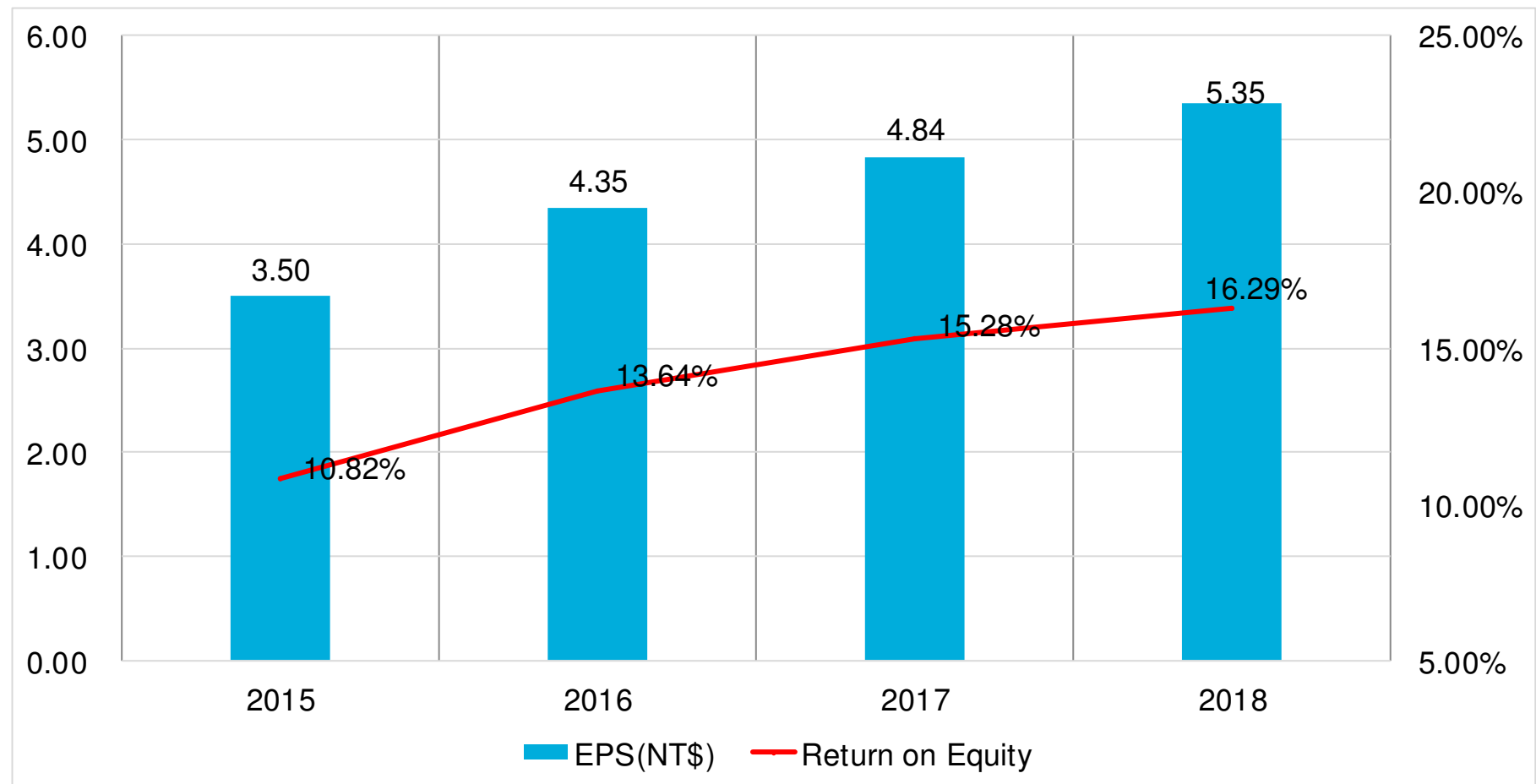


Gross Margin & Net Margin





Earnings Per Share & Return on Equity(%)

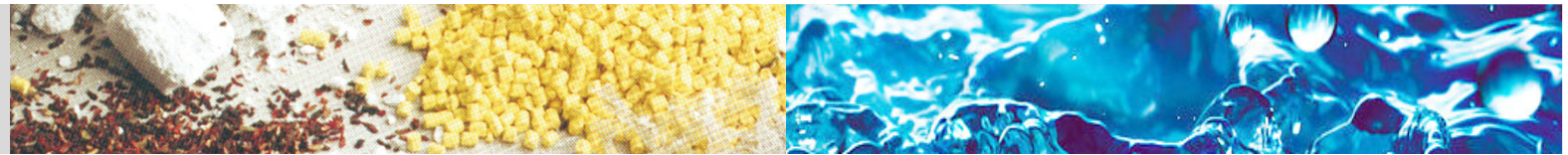




Income statement

In NTD thousands, except EPS

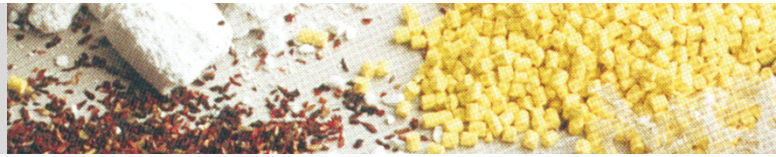
Item	2016		2017		2018	
	NT\$	%	NT\$	%	NT\$	%
Sales Revenue	865,748	100	1,060,656	100	1,094,038	100
Gross Profit	495,079	57	591,287	56	623,087	57
Operating Income	188,148	22	233,505	22	260,313	24
Non-operating Income and Expenses	(3,565)	(1)	8,540	1	37,044	3
Net Income	167,437	19	195,520	19	215,601	20
Earning Per Share	4.35		4.84		5.35	
Cash dividends	3.0		4.0		4.0	
Stock dividends	0.5		-		0.5	
Payout ratio	80%		83%		84%	



Balance sheet

In NTD thousands

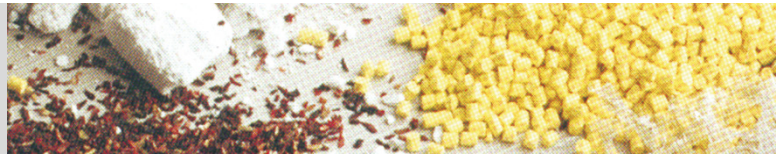
Item	2016		2017		2018	
	NT\$	%	NT\$	%	NT\$	%
Cash and cash equivalents	465,609	31	474,012	30	566,695	36
Receivable	185,109	13	203,235	13	192,923	12
Inventory	178,733	12	215,770	14	219,131	14
Other Current Assets	20,980	2	72,561	5	23,056	2
Property, plant and equipment, Other Non-current Assets	623,768	42	595,092	38	593,296	37
Total Assets	1,474,199	100	1,560,670	100	1,595,101	100
Bank Debt	28,385	1	22,050	1	5,155	-
Other Current Liabilities	162,365	11	176,849	12	196,489	13
Other Long-term liabilities	40,500	3	45,161	3	63,424	4
Total Liabilities	231,250	15	244,060	16	265,068	17
Total Equity	1,242,949	85	1,316,610	84	1,330,033	83
AR Turnover Days	77		72		69	
Inventory Turnover Days	213		184		201	
AP Turnover Days	51		52		52	



Cash flow

In NTD thousands

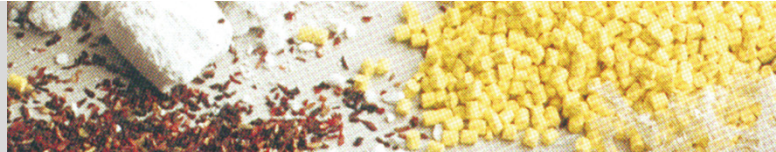
Item	2016	2017	2018
Cash flows from operating activities	188,255	217,346	299,094
Cash flows from investing activities	(142,305)	(73,882)	7,744



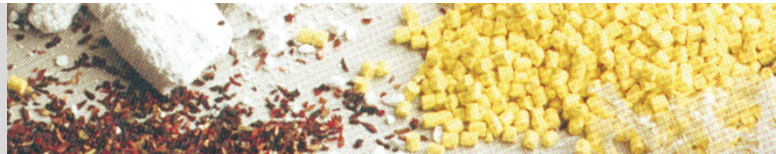
Dividend Policy

Year	Cash	Stock	Total
2019	4	0.5	4.5
2018	4	0	4
2017	3	0.5	3.5
2016	2.8	0.2	3
2015	3.8	0.2	4
2014	3	0.5	3.5
2013	3.5	0.5	4

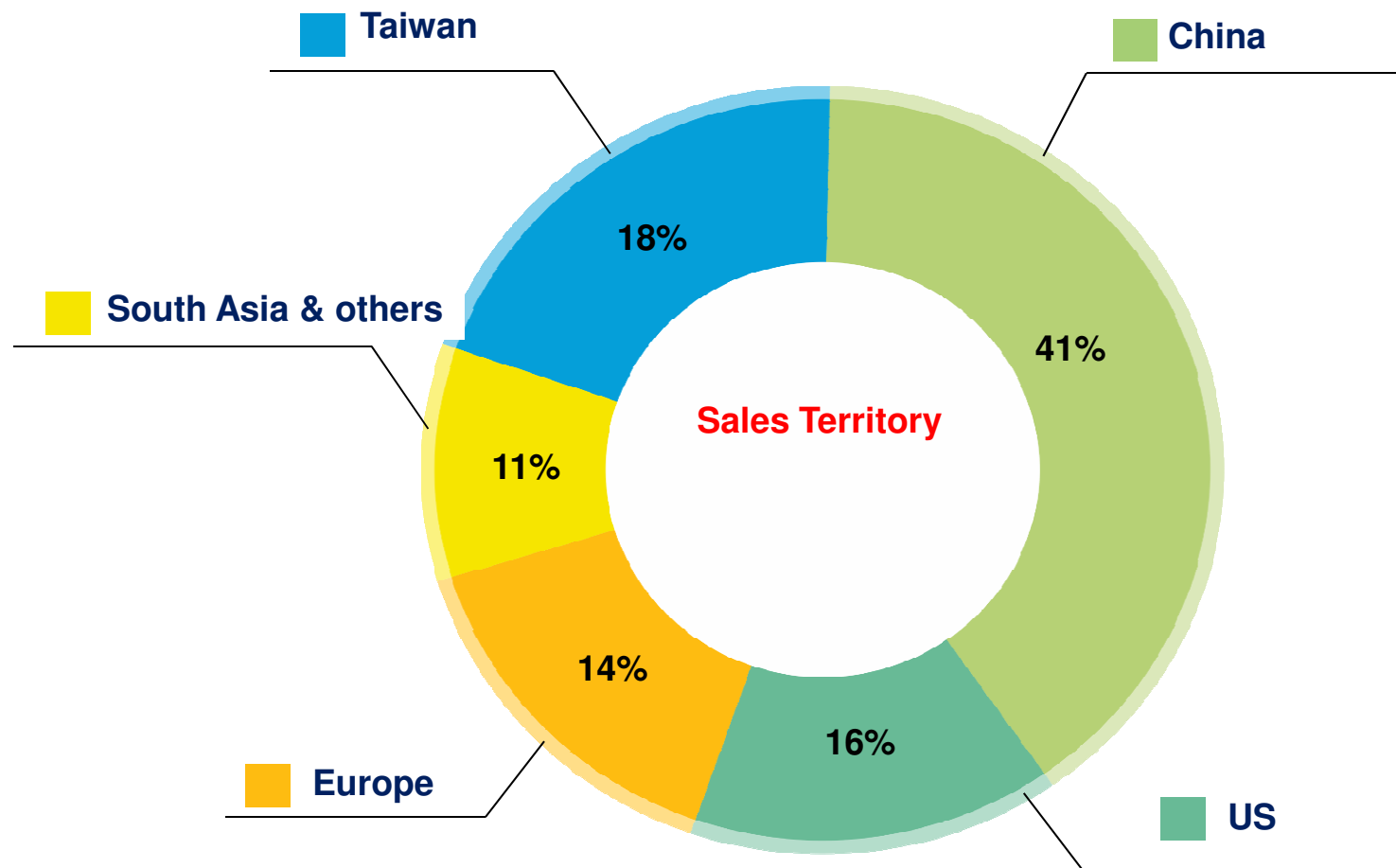
Continuous to pay dividend for 7 years

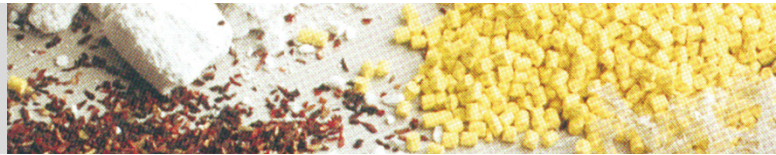


2018 Sales review



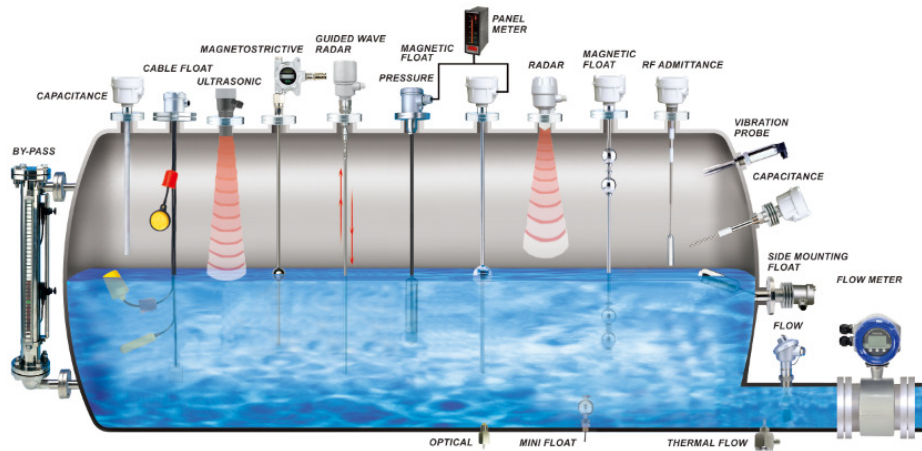
2018 Sales in different Territory





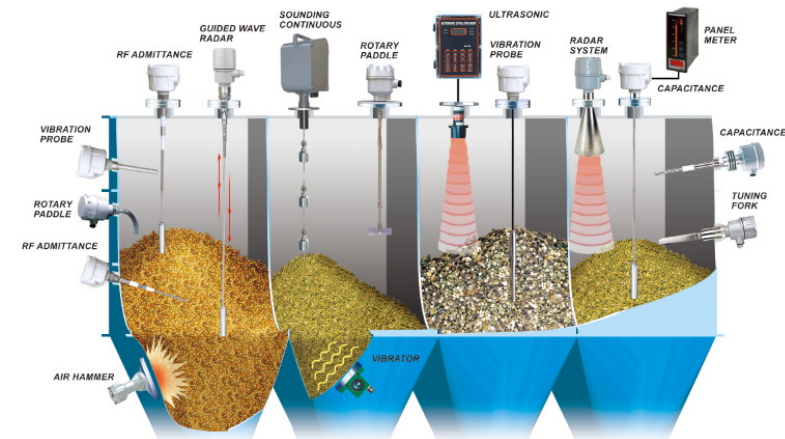
Level Sensor

Liquid



Application to measure and control the storage for various water, waste water, flow liquid, chemical acid or petro-chemical....

Solid



Application to measure and control the storage for various powder, solid, mining, volume feeding or chemical plastic....



Total Solution for Powders & Bulk Solids

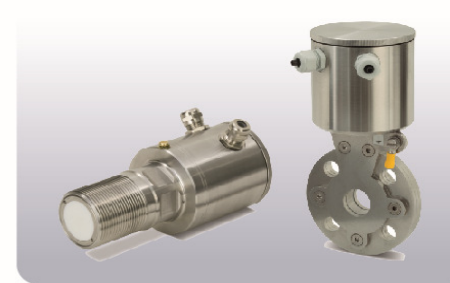
Moisture Measuring System



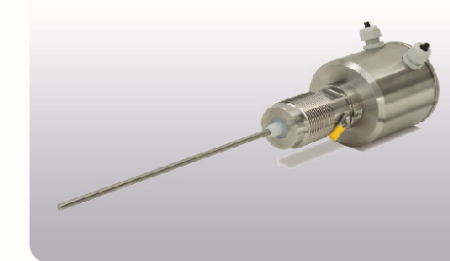
Mass Flow Measuring System



Flow Monitoring System



Level Monitoring System



SIL2-Din rail devices



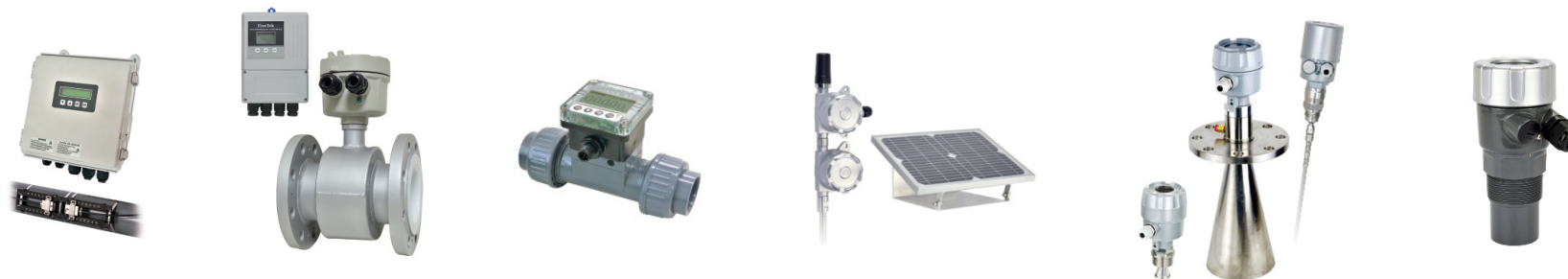
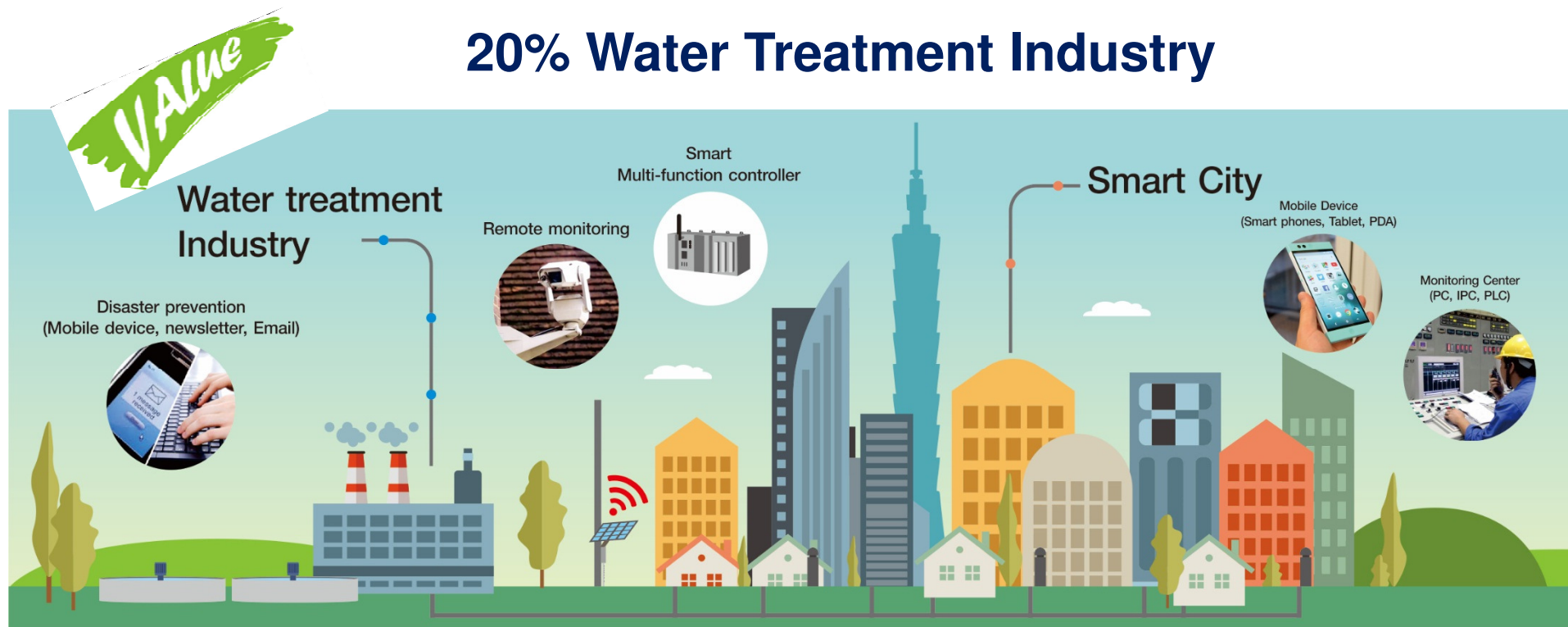


30% Food 、Feeding Industry



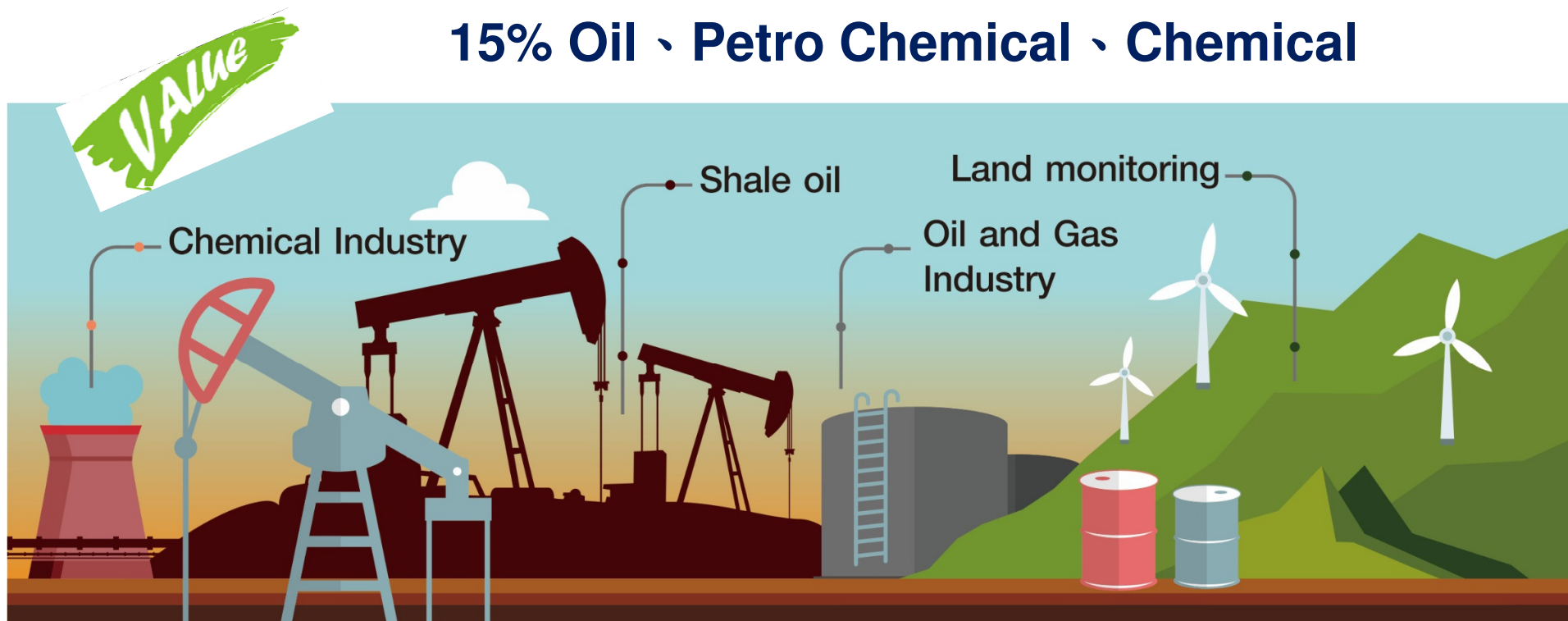


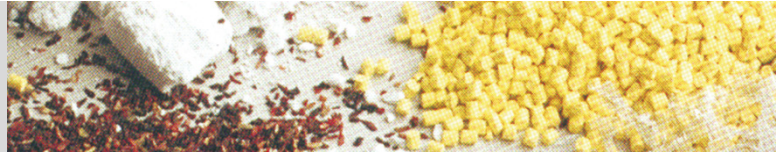
20% Water Treatment Industry





15% Oil 、 Petro Chemical 、 Chemical





2019 grow up driving



1. China market grow up driving

應用於危險區域的智慧防爆儀表

SIL Ex IEC IECEx Ex NEPSI SP TS

Hazardous Zone

Safety Zone

- 最具安全功能的合作夥伴。
- 本產品具安全及可靠性。
- 應用於各種行業的智慧系統。

記錄器

可程式邏輯控制器

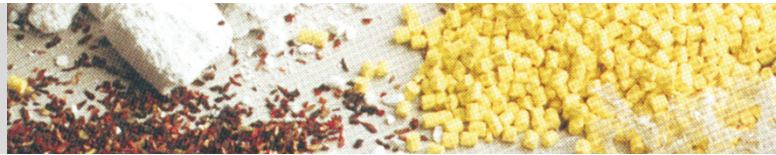
PC (MMS)

Analog (4~20mA)

Digital (RS-485)

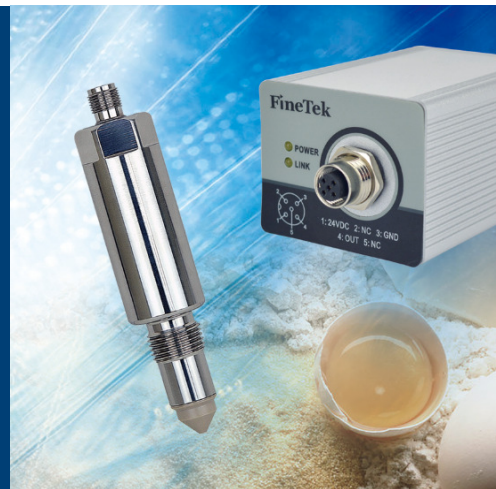
HART

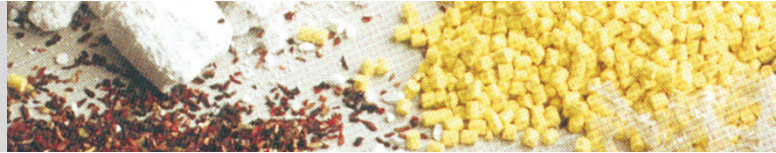




- China Flavor Industry –
New factory and replacement demand
- Ex type Level Switch (demand increase)
Quantity : 15000 pc for 3 years (firm order)

- Grinding process solution
- Ex type Level Switch
- Estimated demand 40,000 pcs
In 3 years
- Sample testing in April

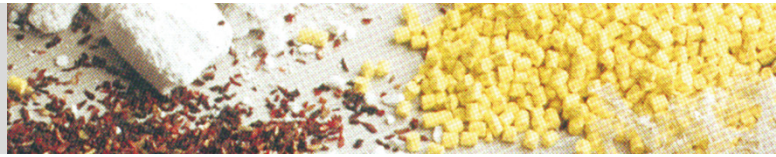




2. Shale Oil in US market – grow up driving

- ✓ Oil Shale requires a variety of tank inventory management during transport
- ✓ The system integrator Level Sensor demand is keep increasing
- ✓ For the new junction box demand is continuous for delivery in Q1/Q2 of 2019





3. Mutec Germany – grow up driving

- SIL 2 Signal Transmitter - for RD big project in EU has start in Q1 of 2019



SIL2-Din rail devices



- On-Line Moisture Measurement Instrument and Dust Monitor Instruments Demand is increase in Mainland China and South Asia countries

Moisture Measuring System

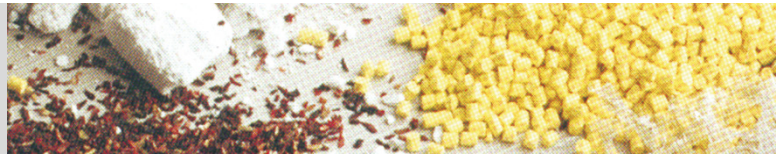


Mass Flow Measuring System



Flow Monitoring System





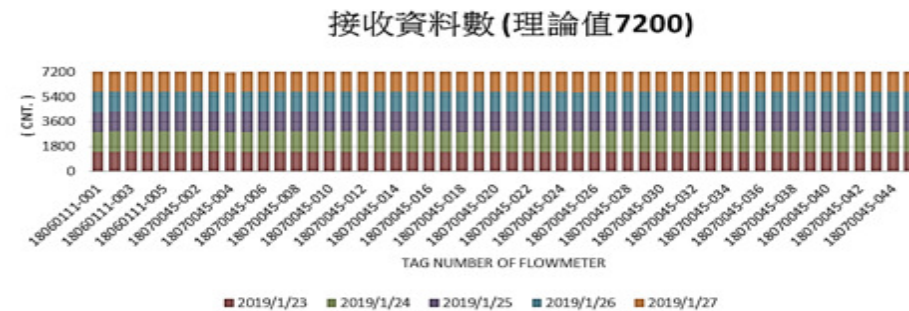
4. Taipei City Utility Project – Flow Meter System

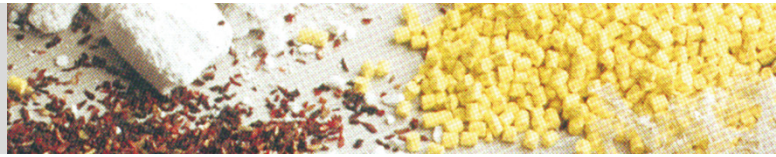
- 2018 First Batch - Finish
- 2019 Second Batch got order in Q1
- 2020 Third Batch

The first small region internet management system

Use wireless 4G/LTE protocol
Read/writing set and adjust
Measurement Equipment

Replace foreign brand
ABB and Siemens

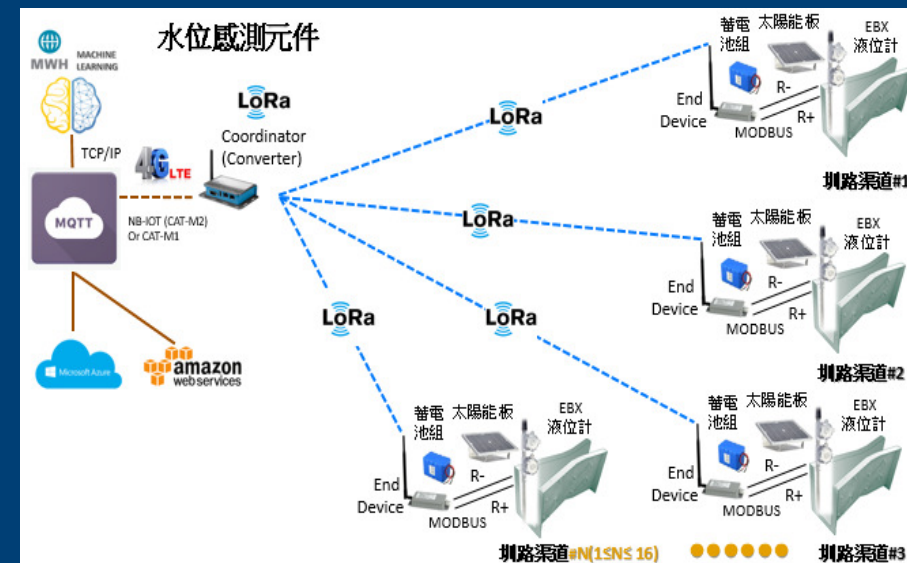




5. Taiwan Prospect Water Environment Construction

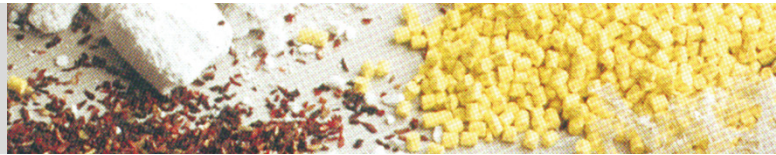
2019/Q1

- Water Resource Agency, MOEA IOT smart sensor and innovation
- Team : MWH Global Inc, Finetek, and Chunghwa Telecom
- Plan to build up 20 demo system in Taoyuan Shimen Reservoir



2019/Q2

- Plan to enter City Utility groundwater, spring water Water Level, Flow Rate and Temp on-line and real time signal measurement
- Product Integration : Flow Meter EPR 、 EPD and wireless EST-130



Q & A