



TWSE : 4163

INTAI Technology Corp.



May 2018

RF Microwave
Precision Hardware
Medical Devices

Agenda

I. Company overview

II. Product categories

III. Medical devices market

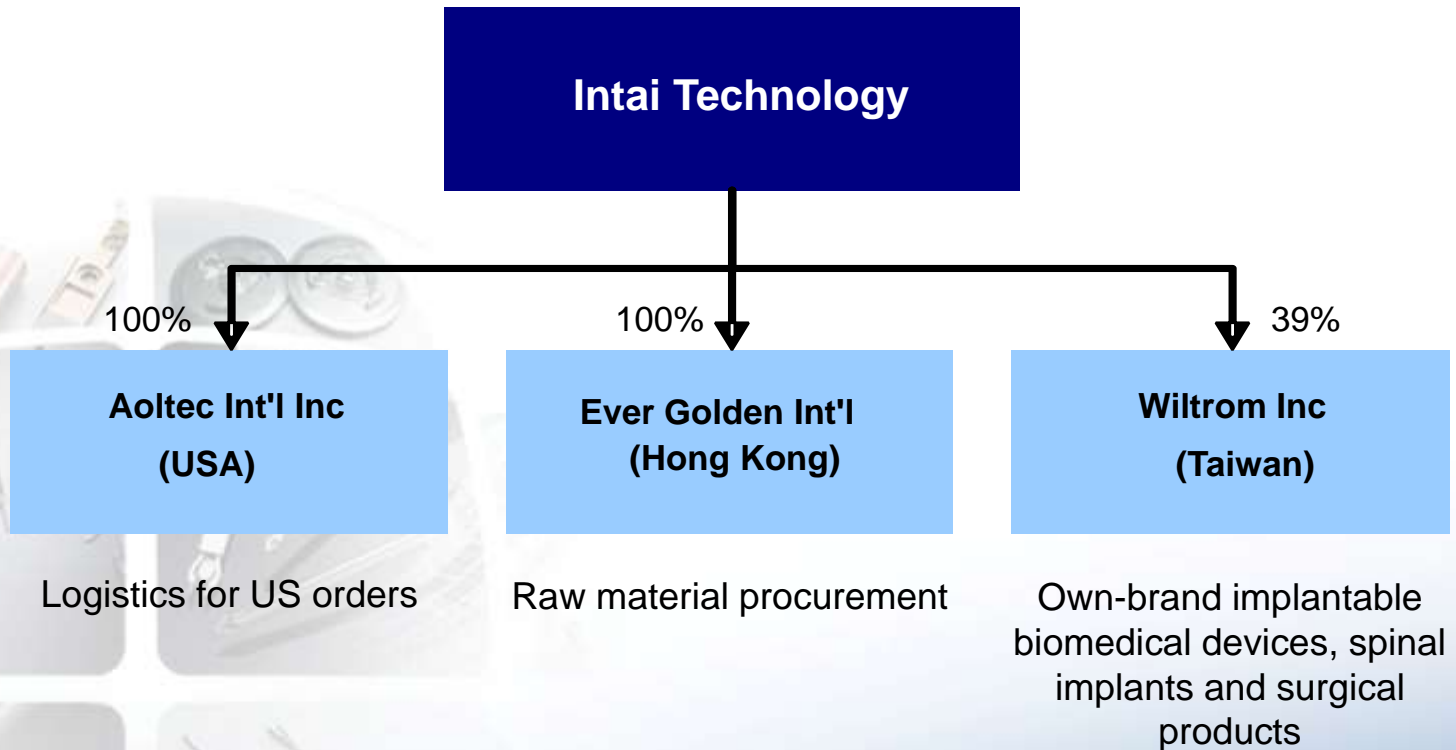
IV. Future projects

V. Financial highlights

Company profile

Founded	1988 (name changed from Intai Hardware in 2004 Oct)
Chairman	Tsai Yung-Fang
CEO	Lin Chun-Nan
Registered capital	NT\$402 mn
Industry/Product	Precision metal works, OEM/ODM for medical device components/assemblies, fasteners, radio frequency & microwave switches
Number of Employee	615 (Apr. 30, 2018)
HQs & facilities	Taichung , Taiwan
OTC listing	Nov 15, 2012

Corporate structure



Medical Devices



Precision Fasteners

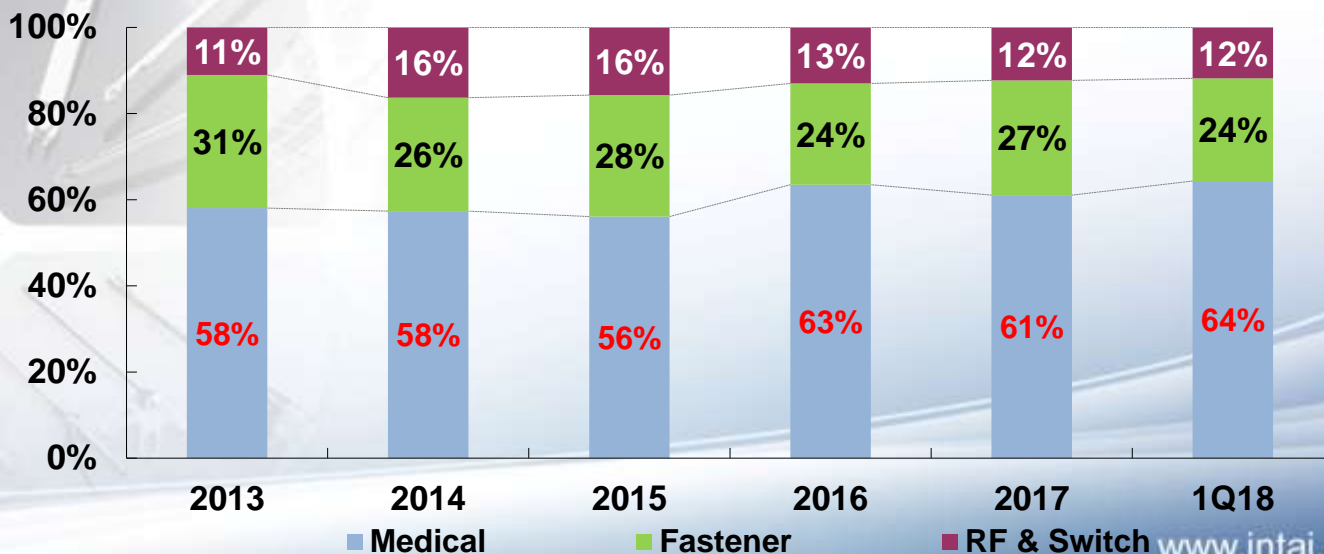


Radio Frequency & Microwave Switches



Intai products

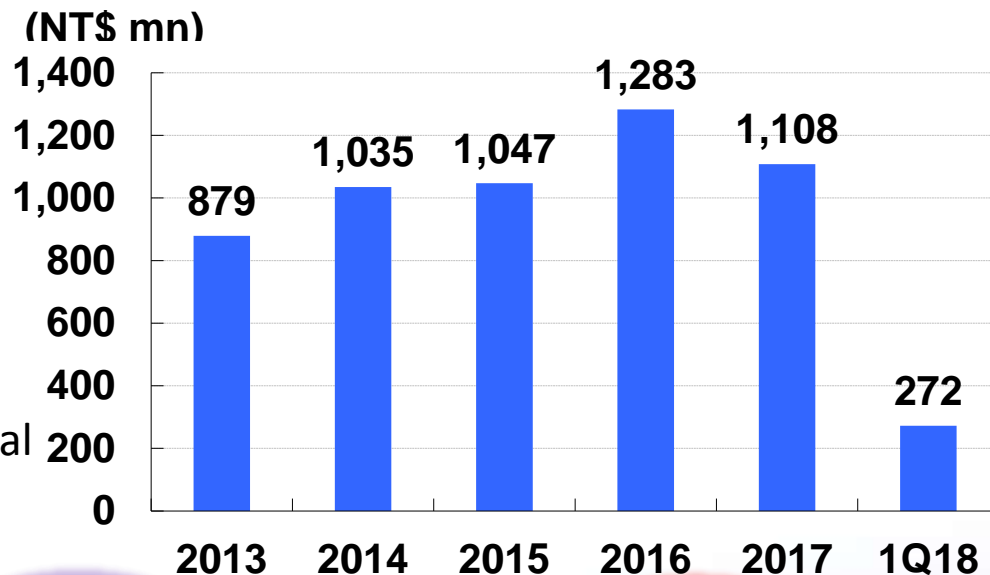
Sales percentage by segment



1. Medical devices

- Main customers are globally renowned medical device makers
- Strategic partner in Asia of main customers
- Provide medical device OEM & ODM services
- Develop own brands for orthopedic & dental implants and related products

Medical device sales



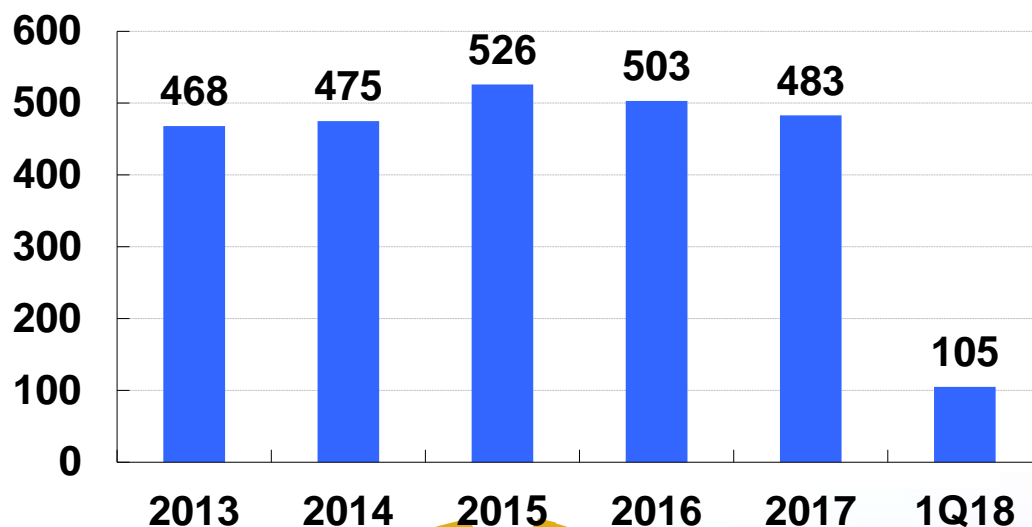
2. Precision fasteners

- Customized products widely used in automotive, construction, industrial/ commercial building & optical sectors
- Main customers are globally renowned firms
- Focus on high-value added metal components



(NT\$ mn)

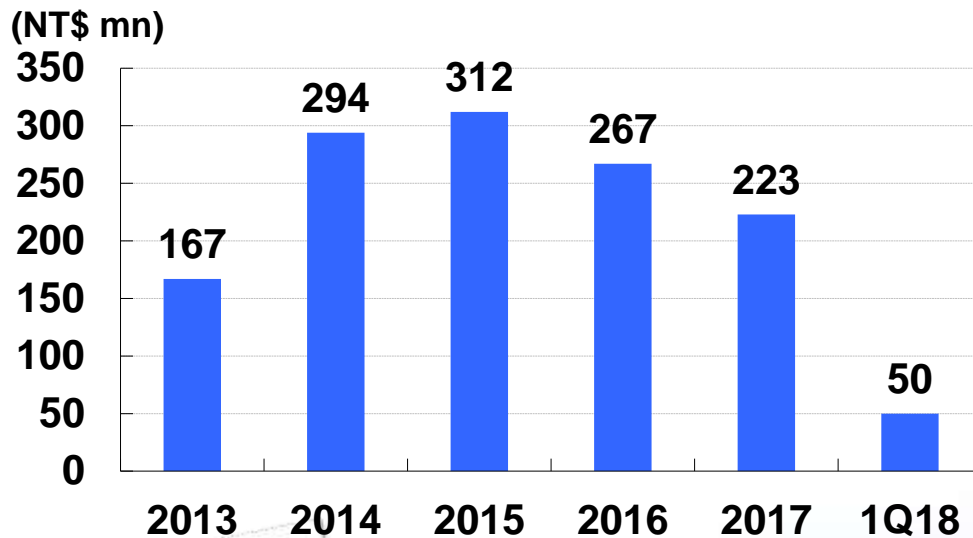
Precision fastener sales



3. Microwave switches

- Customized products widely used in communication, aerospace & precision instrument sectors
- Main customers are globally renowned firms
- Develop OBM products in recent years & in process of multinational patent applications

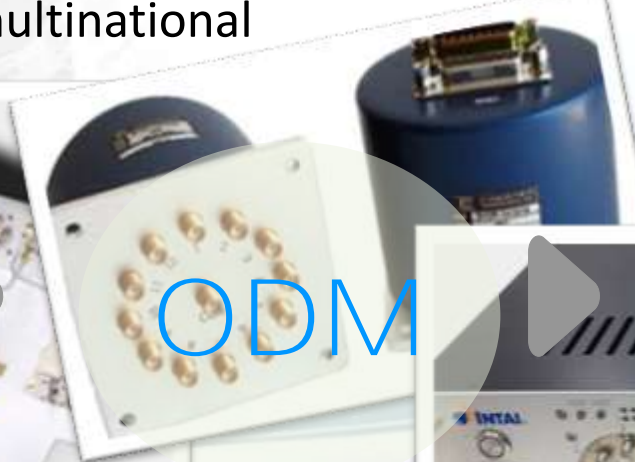
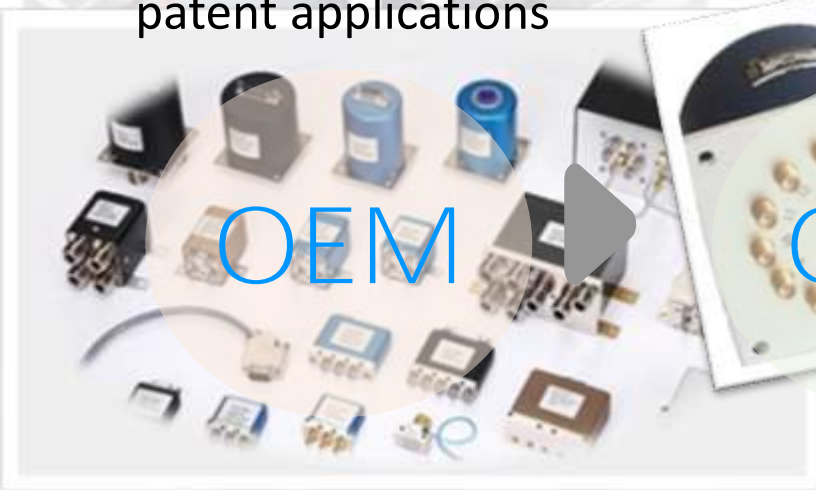
Microwave switch sales



OEM

ODM

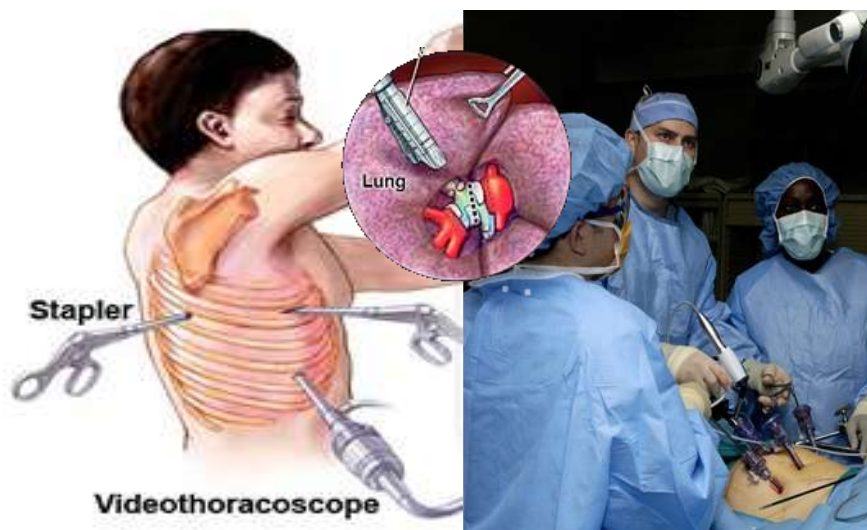
OBM



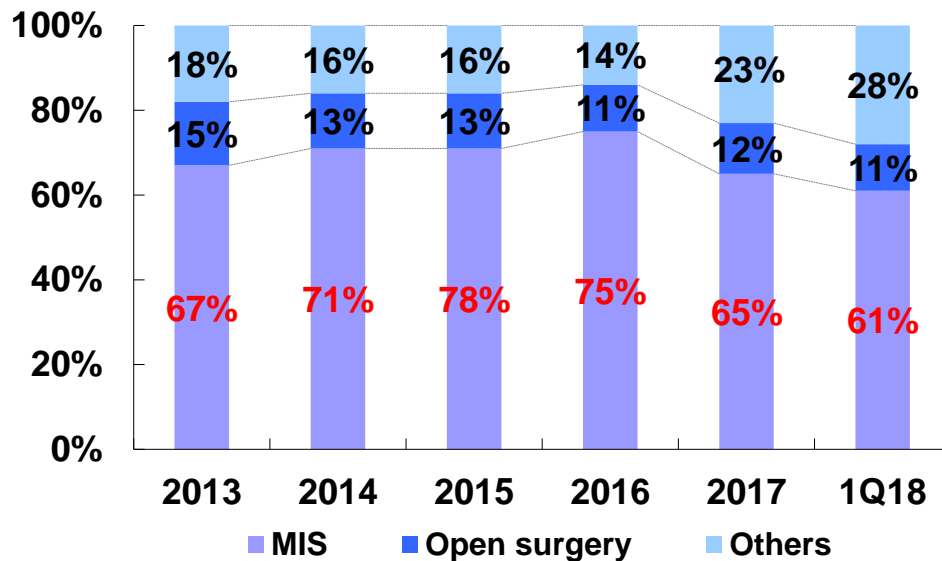
Global minimally invasive medical device market in 2013-2019F



Global trend from open surgery to Minimally Invasive Surgery(MIS)



INTAI's Medical device revenue



Smaller wound

Less complications

Reduce pain

Fast recovery

Higher safety

Shorter hospitalization

Cost saving

Orthopedic implants

Bone plate – Clavicle & Humerus

SUPERIOR ANTERIOR CLAVICLE PLATE (RIGHT/LEFT)



CLAVICLE HOOK PLATE (RIGHT/LEFT)



DISTAL HUMERUS PLATE (DORSOLATERAL WITH SUPPORT, RIGHT/LEFT)



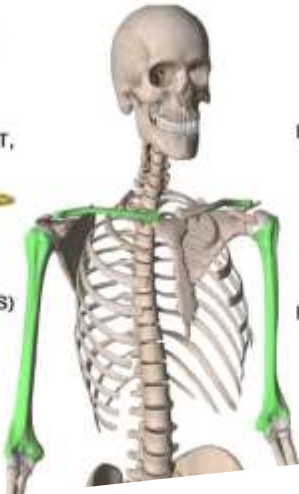
PROXIMAL HUMERAL PLATE, A TYPE



METAPHYSEAL PLATE (FOR DISTAL MEDIAL HUMERUS)



PROXIMAL HUMERAL PLATE, B TYPE



☑ There are more than 10,000 cases every year that have been successfully implemented without complications.

Pedicle Screw

MIS Cage

MIS Pedicle Screw

wittrom
Your Health Partner

Artificial bone/
dental materials



Cage



Single Portal Arthroscopy Surgery System

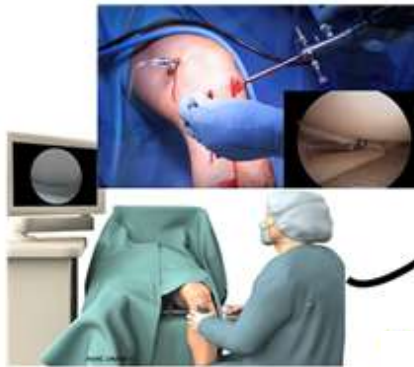
Arthroscopy is a minimally-invasive procedure used for the diagnosis and treatment of conditions affecting joints.

• **Incision 5-7cm**
Open Surgery



Traditional Arthroscopy

• **2-3 incision 2cmx2**
Arthroscopy Surgery



Single Portal Arthroscopy Surgery



Features

- S/I function
- Disposable
- Allow two instruments in one port to operate incision less than 2cm

INTAI Arthroscopy Single Portal Cannula



Digital Arthroscope



Current Status

- FDA 510K listing
- TFDA approval (non-sterilization)

Next Stage

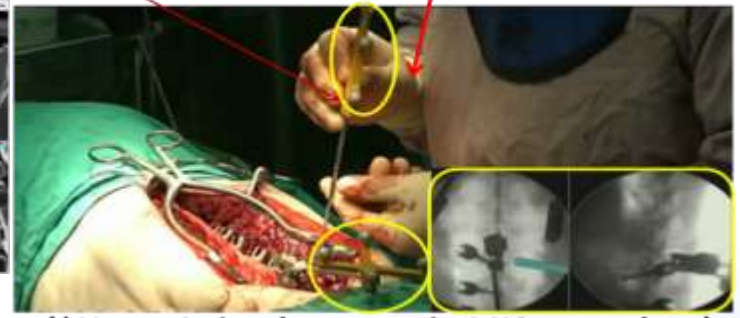
- Conduct clinical trial
- Complete sterilization approval

MIS navigation system for spinal surgery

Optical Tracking Technologies

Optical Tracker
Tracking passive marks in Instrument

Surgical Instrument



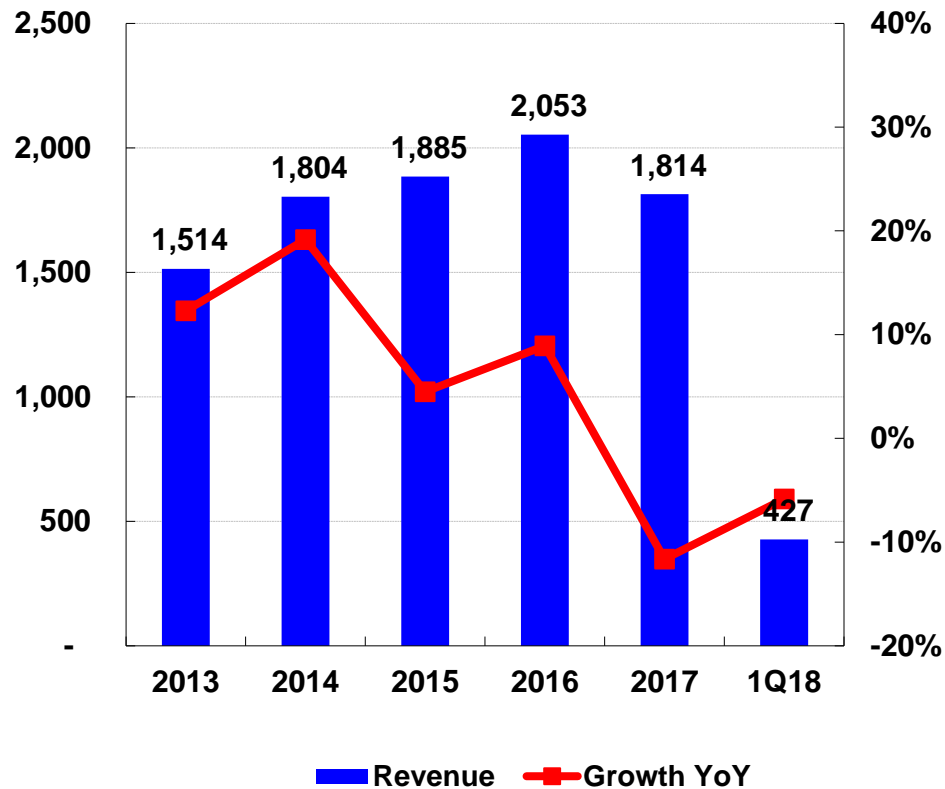
Navi. Display

- Navigation Software
- 3D surgical planning DICOM Viewer
 - 3D image navigation (pre-CT+ Intraoperative C-arm registration)
 - MIS Pedicle Screw Fixation
 - MIS PLIF/TLIF Cage Fusion
 - Easier and faster instrument registration by RFID technology
 - Simple design system with high-performance all-in-one computer implemented

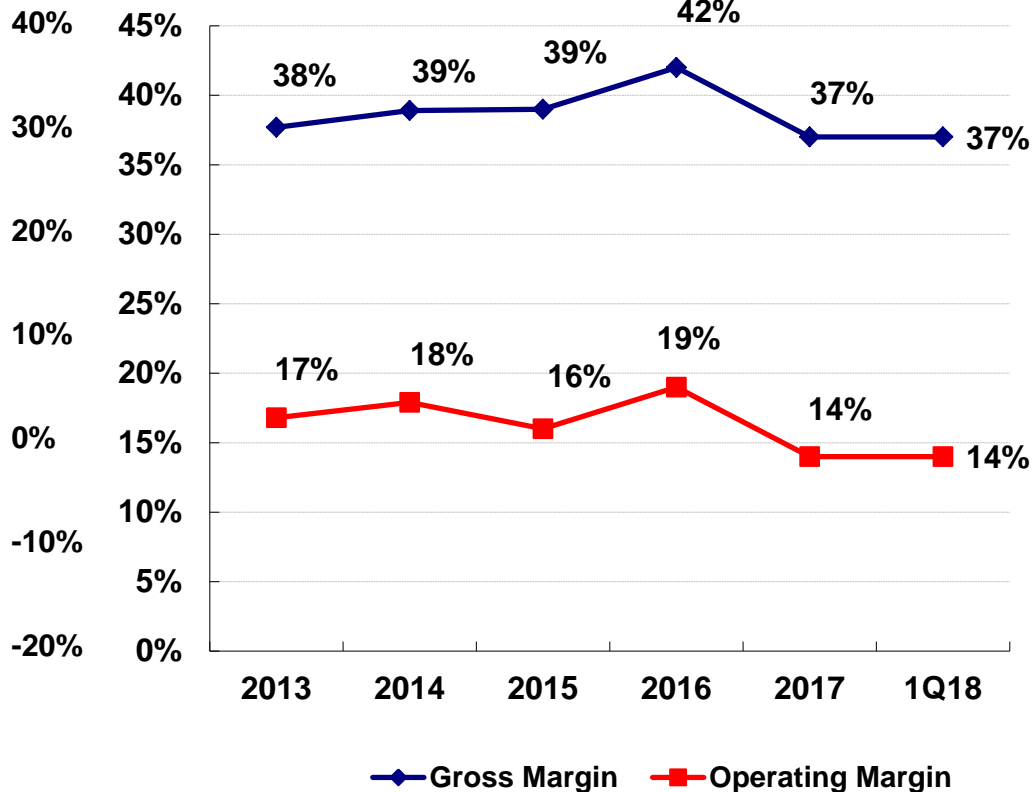
- **2017 Q2** Hardware / Software validation and usability test have been completed
- **2018 Q3** Apply for FDA 510K
- **2018 Q4** Estimate to get GMP approval
- **2018 Q4** Estimate to get approval from TFDA
- **2019** Product launch in Taiwan
- **2019** To complete more clinic studies for applying CFDA intai.com.tw

Revenues

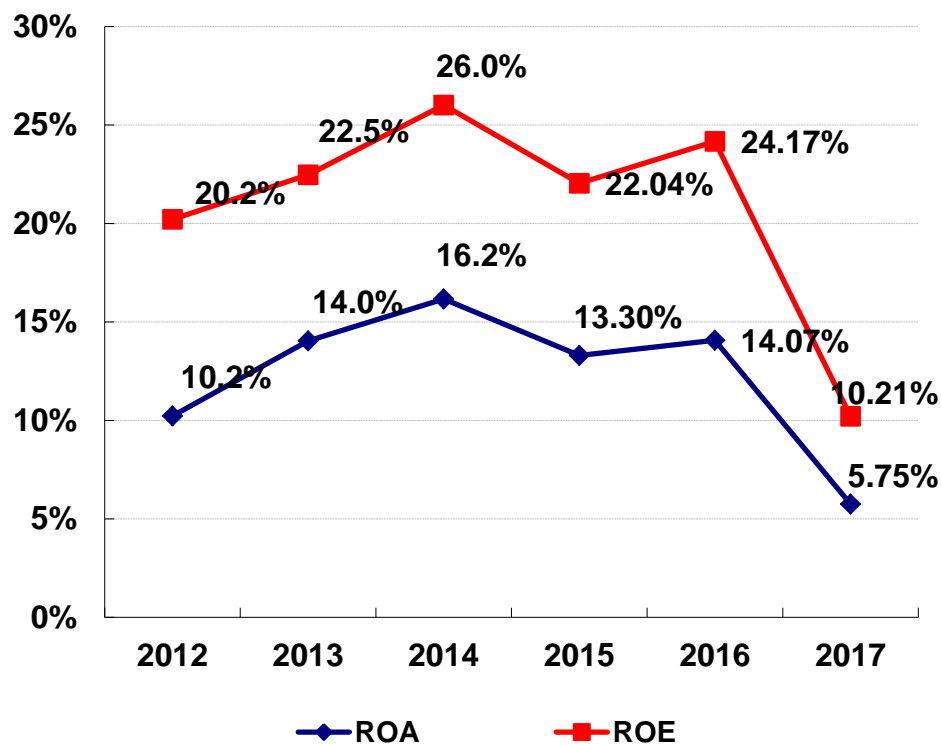
NT\$ mn



Margins

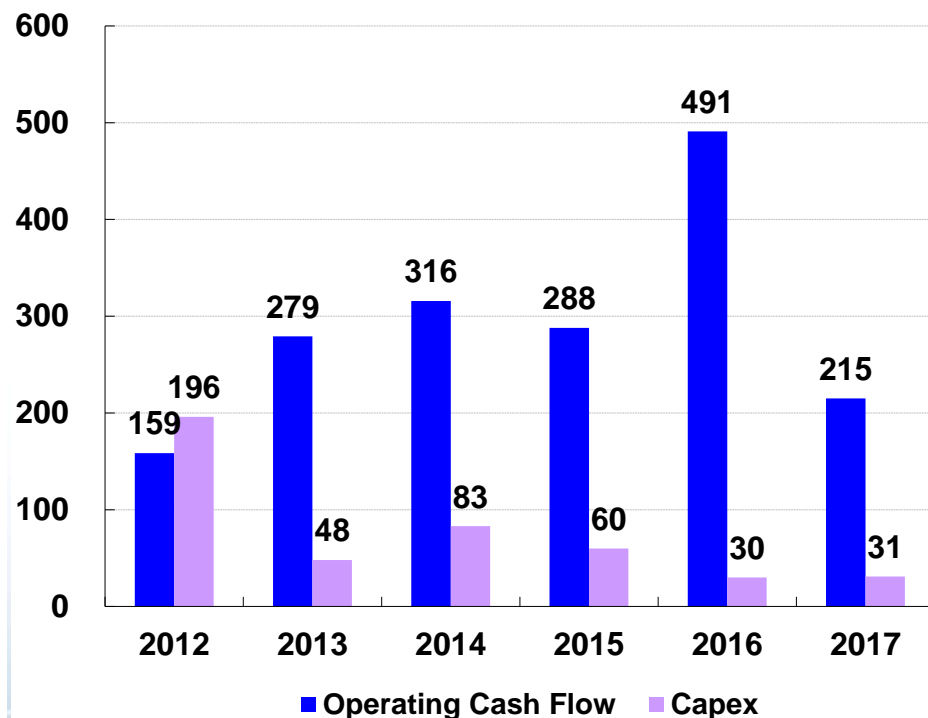


ROE & ROA



Operating Cash flow & Capex

(NT\$ mn)



Dividend policy

Year	2012	2013	2014	2015	2016	2017
EPS (NT\$)	4.68	6.05	7.87	7.31	8.75	3.77
Cash dividend (NT\$)	3.0	5.0	5.0	4.5	6.0	2.3
Payout ratio (%)	64.0	82.6	63.5	61.6	68.6	61.0
Dividend yield (%)	2.7	2.5	3.7	2.3	5.4	2.3*

- Dividend yield is based on the closing price on the day before the ex-dividend date.

* Dividend yield is based on the closing price on 11/05/2018

Consolidated income statement - summary

NT\$ mn	2013	2014	2015	2016	2017	1Q18
Sales	1,514	1,804	1,885	2,053	1,814	427
Gross profit	571	702	741	869	676	270
<i>Gross margin (%)</i>	38	39	39	42	37	37
Operating profit	254	323	311	400	257	59
<i>Operating margin (%)</i>	17	18	16	19	14	14
Pre-tax profit	288	365	360	421	196	39
Net profit	243	316	294	352	152	35
<i>Net margin (%)</i>	16	17	15	17	9	8
EPS (NT\$)	6.05	7.87	7.31	8.75	3.77	0.87
YoY (%)	2013	2014	2015	2016	2017	1Q18
Sales	12.3	19.2	4.45	8.91	(11.64)	
Gross profit	33.1	22.9	5.56	17.27	(22.21)	
Operating profit	100.0	27.2	-3.72	28.62	(35.75)	
Net profit	38.9	30.0	-6.96	19.73	(56.82)	

Consolidated balance sheets - summary

NT\$ mn	2013	2014	2015	2016	2017	1Q18
Cash & cash equivalents	237	547	535	1,062	956	996
Inventories	461	519	588	558	555	550
Total current assets	875	1,274	1,326	1,807	1,796	1,808
Long-term investments	37	34	34	88	86	83
Net fixed-assets	786	857	869	867	854	863
Total assets	1,728	2,233	2,301	2,826	2,814	2,847
Short-term bank loans	160	0	0	335	450	450
Total current liabilities	516	416	857	731	1,291	1,291
Long-term liabilities	0	458	0	477	0	0
Other liabilities	69	65	67	83	90	90
Total liabilities	585	942	924	1,291	1,381	1,381
Undistributed earnings	375	482	686	846	750	785
Total equity	1,143	1,291	1,377	1,535	1,433	1,466
Total liabilities and equity	1,728	2,233	2,301	2,826	2,814	2,847

Note: Prepared in accordance with International Financial Reporting Standards

Consolidated statement of cash flows

NT\$ mn	2013	2014	2015	2016	2017	1Q18
Net profit	288	365	360	421	196	39
Depreciation and amortization expenses	49	55	65	70	76	19
Net changes in working capital	(36)	(50)	(95)	39	(14)	40
Others	(22)	(54)	(42)	(39)	(43)	(13)
Net cash generated by operating activities	279	316	288	491	215	85
Acquisition of fixed assets	(48)	(83)	(60)	(30)	(31)	(18)
Long-term equity investments	(22)	0	0	(53)	0	0
Net changes in other assets	(14)	(64)	(43)	(31)	(113)	(11)
Net cash used in investing activities	(84)	(147)	(103)	(114)	(144)	(29)
Cash capital increase	0	0	0	0	0	0
Convertible corporate bond issuance	0	495	0	0	0	0
Net changes in other liabilities	(241)	(160)	0	335	114	(51)
Other adjustments	(121)	(201)	(201)	(181)	(241)	0
Net cash generated by (used in) financing activities	(362)	134	(201)	154	(127)	(51)
Free cash flows	231	233	228	461	215	67

Note: Prepared in accordance with International Financial Reporting Standards

The background features a complex pattern of overlapping blue hexagons in various shades, from light sky blue to deep navy blue. This pattern is set against a light blue gradient background. In the lower-left corner, there is a faint, semi-transparent image of an office desk with a pen, a calculator, and some papers. The overall aesthetic is clean, modern, and professional.

THANK YOU FOR YOUR ATTENTION.