

明揚國際科技股份有限公司

Launch Technologies Co., Ltd.

Stock Code: 8420





Disclaimer

LTC have not announced financial forecast. This presentation contains financial and business statement that might be differ from the actual results in the future. We are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements.

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Agenda

1. Company Profile

2. Products and Industry Highlight

3. Competitive Advantage and
Operational Performance

4. Future Outlook



Company Profile



Company Profile

- Chairman and President : Robert Liu
- Capital : 509,900 (NT\$ thousands)
- Established : July 28, 2006
- Product : Golf Balls
- Address : No.38, JingJian Rd. P.E.P.Z. Taiwan R.O.C.
- Application for (OTC) listing : Nov. 10, 2014

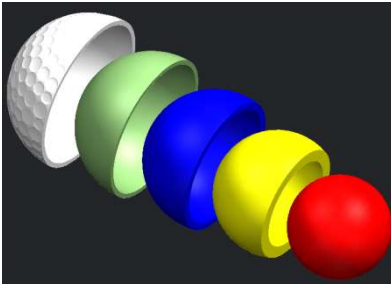


Product and Industry Highlight

- Products
- Market Highlight



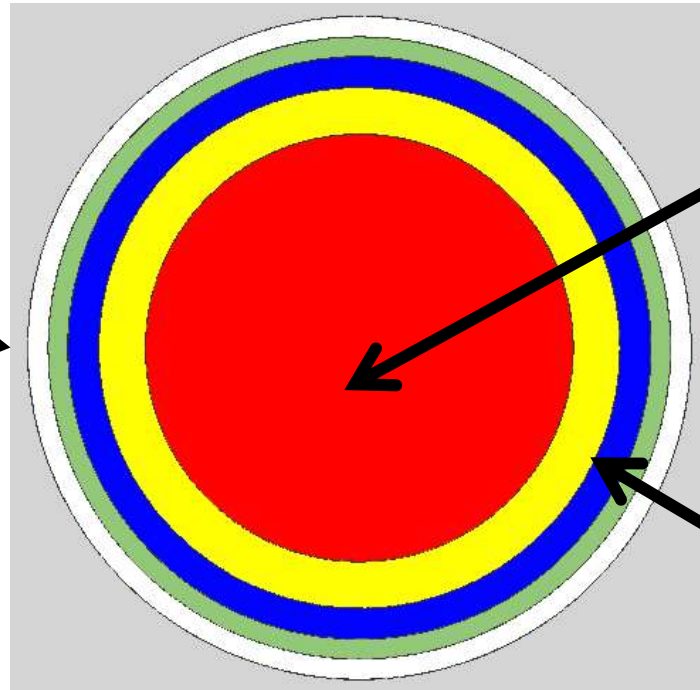
Product Introduction



- Core : Distance · feeling
- Mantle : back spin control and distance.
- Cover : Less air resistance · drop-and -stop

Cover (Injection)

- Size/Roundness
- Concentricity
- Bond strength
- Dimple
- Durability
- Softness



Core (Rubber)

- Elasticity
- Compression
- Size/Roundness

Mantle (Injection)

- Size/Roundness
- Concentricity
- Bond strength
- Elasticity
- Thickness

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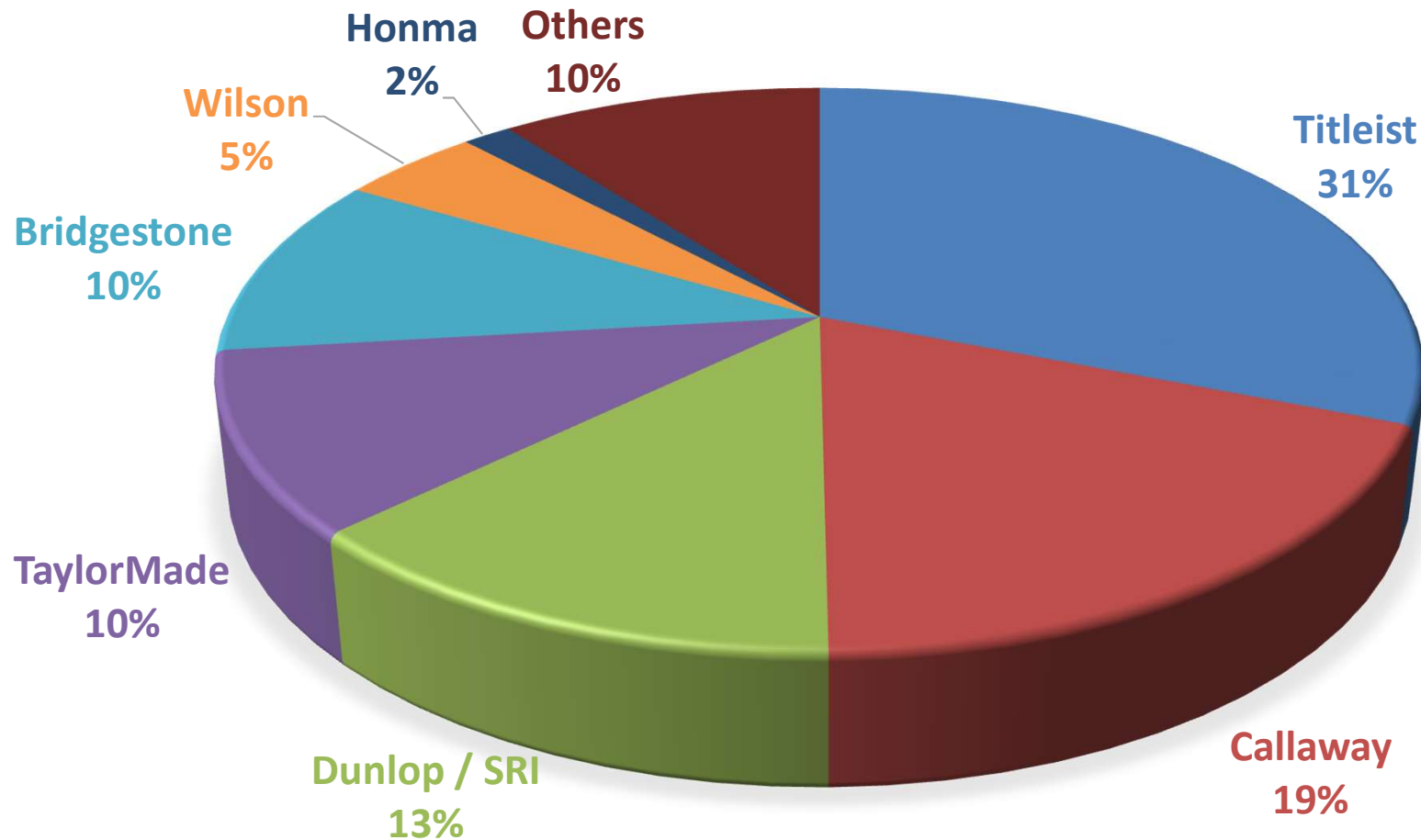
Market Highlight

Construction	Material	Product appeal	Price USD/DZ*	Market share
3~6-piece	PU	<ul style="list-style-type: none"> • For professional golfers • High performance soft cover, increased the control and feeling of short iron and putter • Hardness to match the faster swing speed of golf player 	\$30 ~ \$48	30%~35%
3~5-piece	Surlyn Higher price ball	<ul style="list-style-type: none"> • Whole function design, but the performance for short irons is slightly inferior to that of professional. • Best Choice for customers pursued high performance with great value 	\$20 ~ \$32	10%~15%
2-piece	Higher price ball	Diversity in development: <ul style="list-style-type: none"> • Color balls • Softness • Focus on lady golfers with low swing speed. 	\$16 ~ \$22	20%~30%
	Low-price ball	<ul style="list-style-type: none"> • Low price • Choice for rookies and price-sensitive consumers. 	\$10~\$16	30%~40%

* Source from: Golf Data Tech and the estimate of procurement of each golf ball brands.

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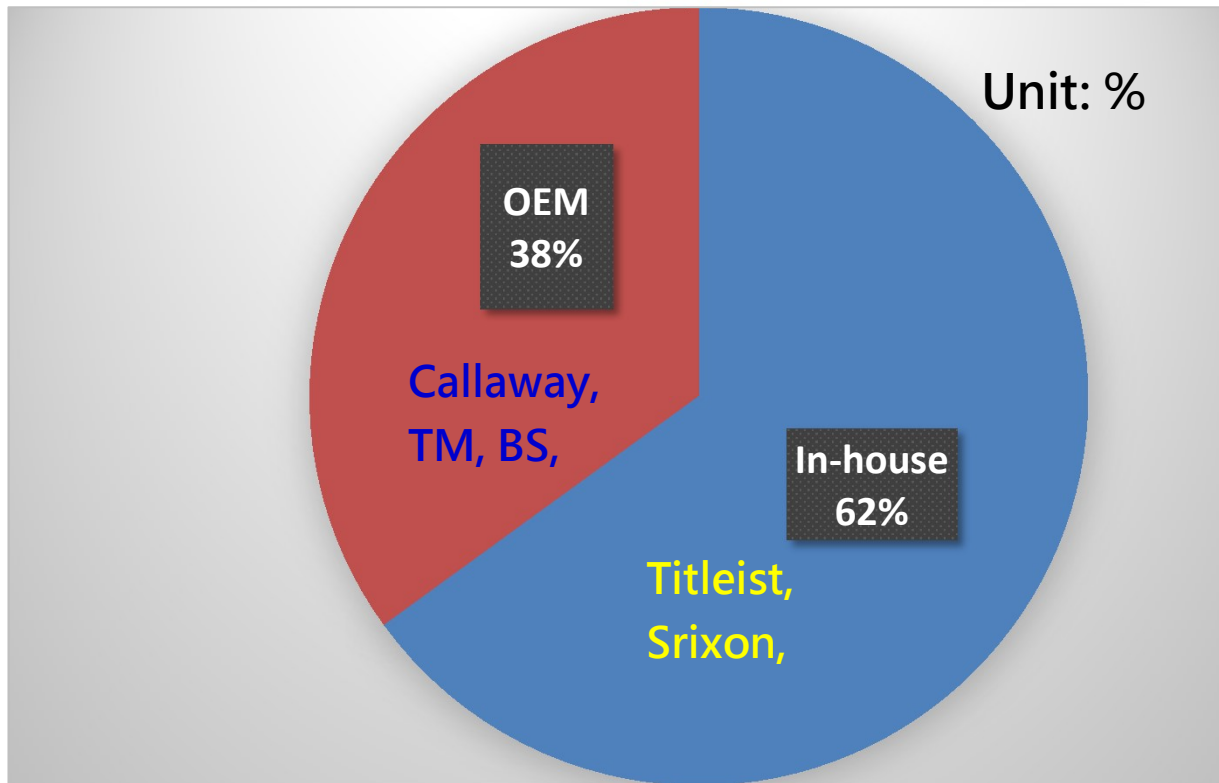
Market share of Golf Ball Brands



* Source from: Golf Data Tech and the estimate of procurement of each golf ball brands.

Golf Ball OEM Market Ratio

- Titleist & Srixon 100% keep production in house.
- Estimated of Golf ball market demand, there are more than 62% in-house production.



* Source from: Golf Data Tech and the estimate of procurement of each golf ball brands.

Expanding Market



Brand
Outsourcing

Developing
Countries
Income
Increasing

Global Golf
Events
heating up

Included in
2016
Olympics
sport

US Market
Re-growth



Competitive Advantages and Operational Performance

- Competitive Advantages
- Operational Performance

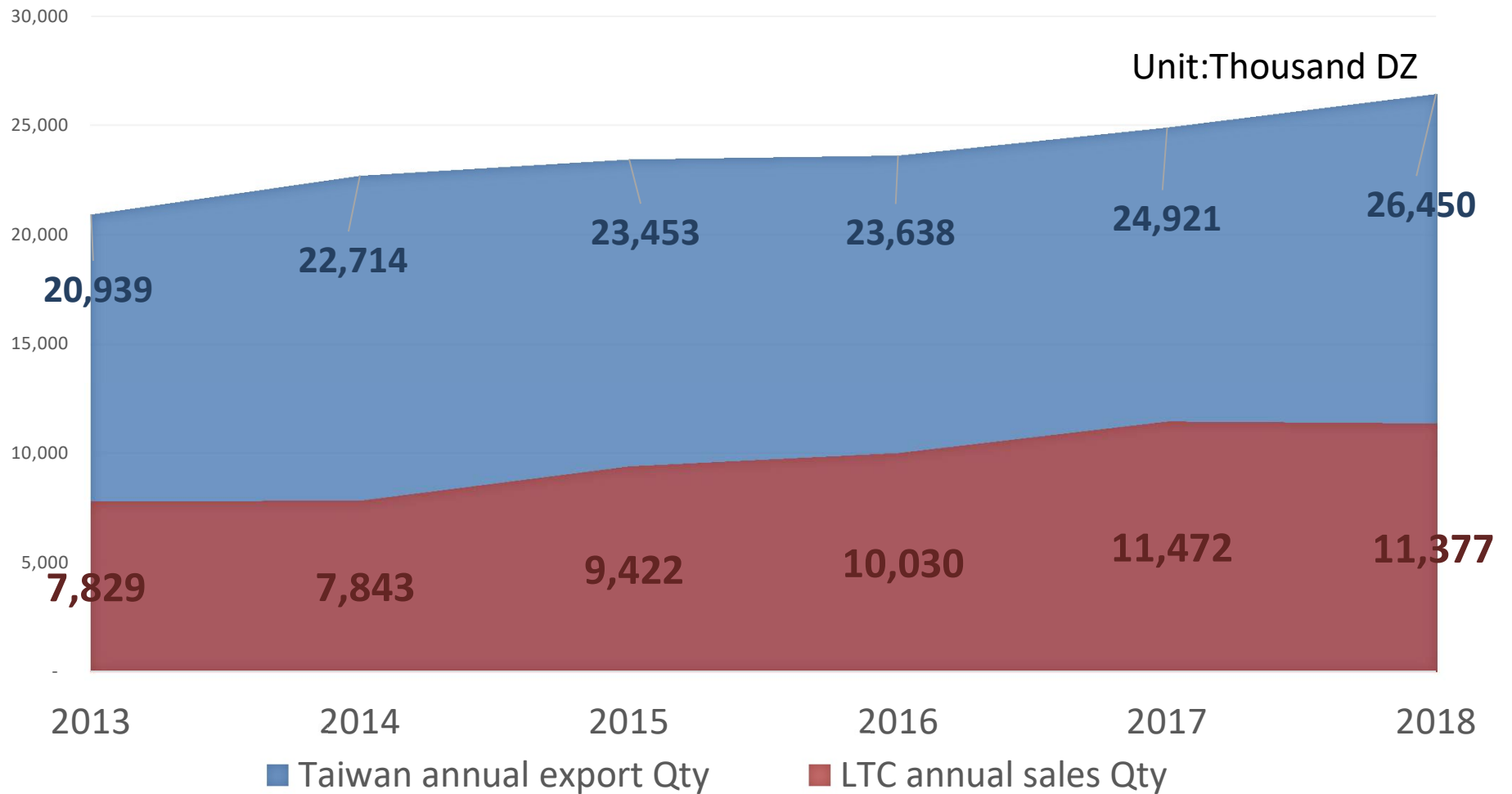


Competitive Advantages

Sales	Research and development	Manufacture	Management
<ul style="list-style-type: none">• Dedicated team• Strong customer relationship	<ul style="list-style-type: none">• Dedicated team• Government, industry, university Alliance• Development can be completed within 1 month• 2008 first one who imported high speed thin cover IM in Golf industrial.	<ul style="list-style-type: none">• Dedicated production line• High flexibility• Good appearance• Good process capability and stability• Good staff working efficiency• Received Project Assistance from the Industrial Bureau on "Smart Manufacturing and Supply Chain Integration Platform"	<ul style="list-style-type: none">• Complete internal and external training programs to enhance staff ability• ERP information system management• New plant capacity expansion brings more potentiality• Supply chain localization



Sales growth is better than industry average

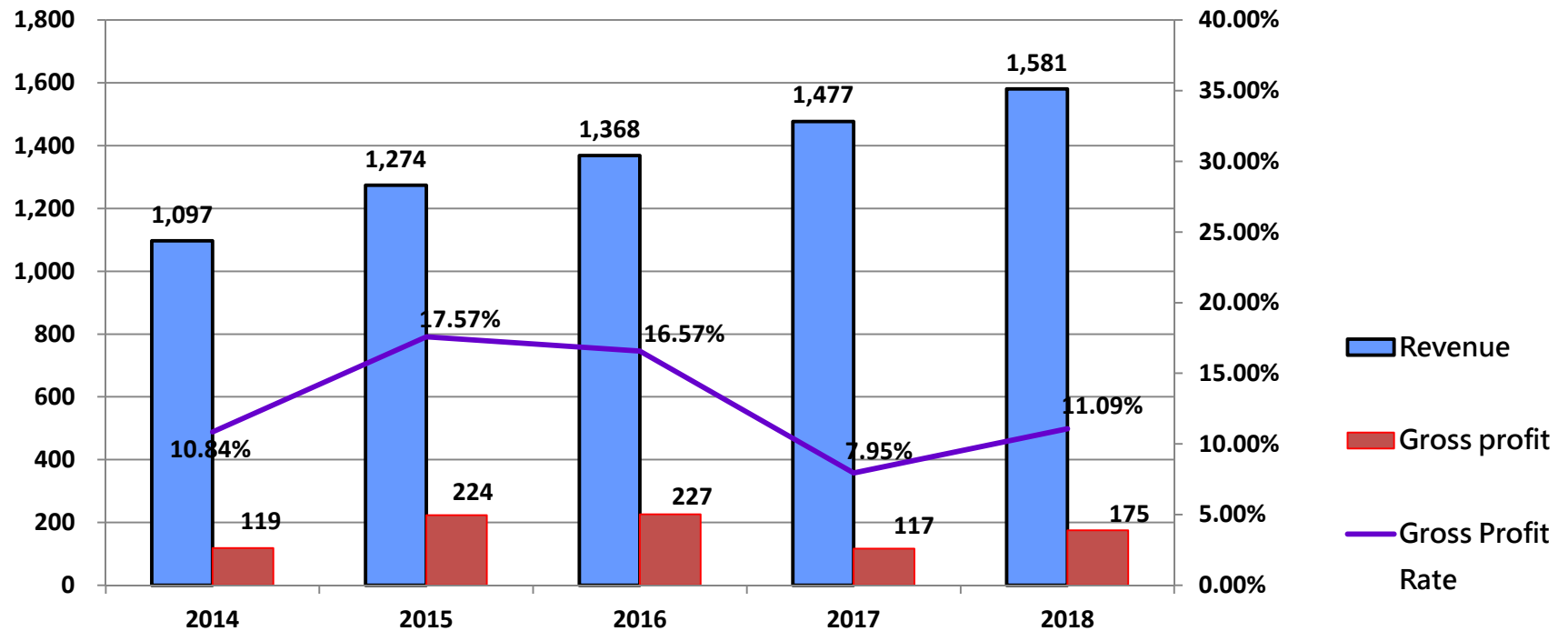


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Revenue, sales gross profit, gross profit margin in the past five years

Unit: NTD in Millions



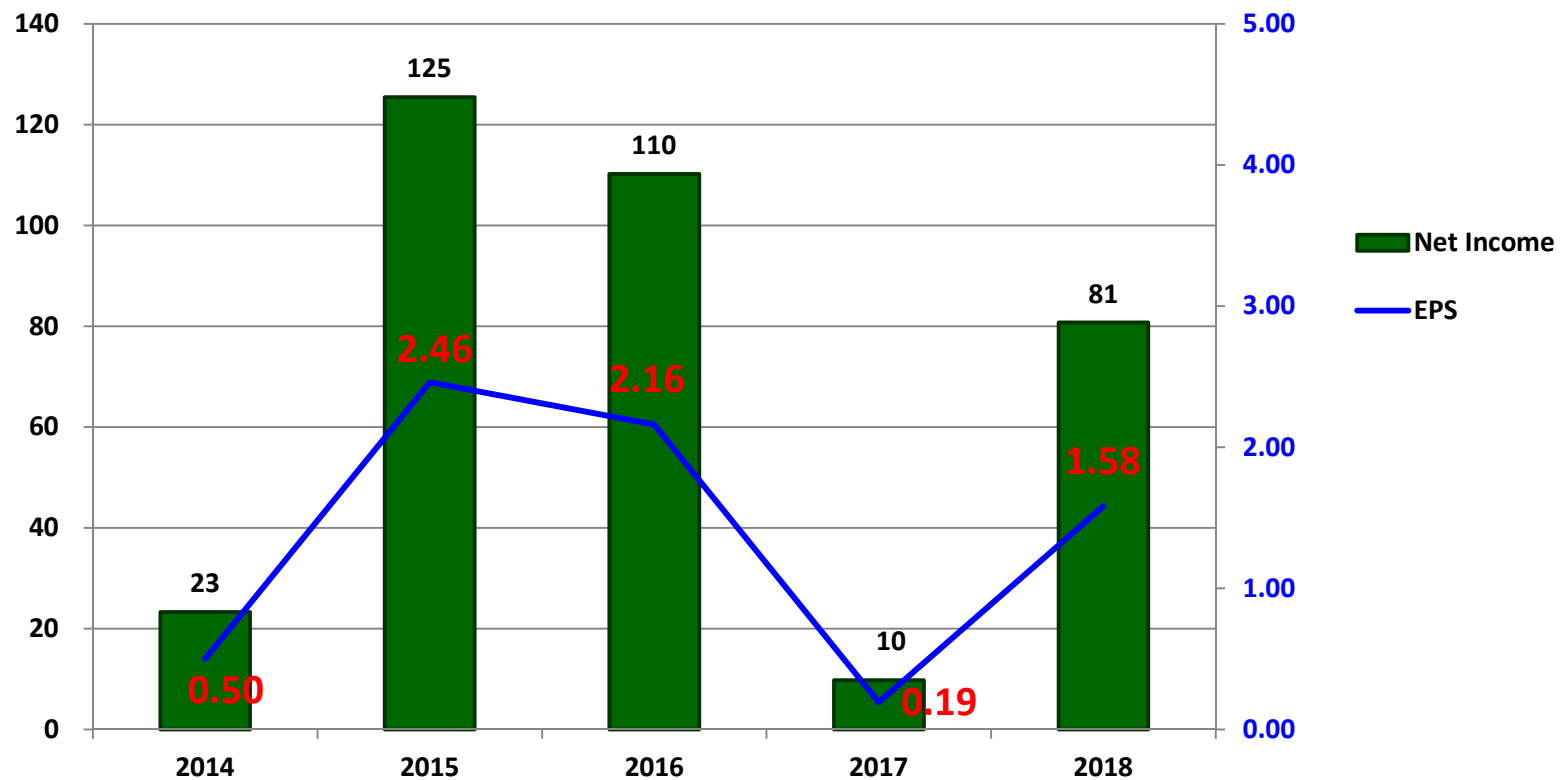
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Net Income, EPS in the past five years

Unit : NTD Million

EPS : NTD



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Future Outlook



Future Innovation

- Self-developing rubber recipe and cover materials.
- Process development and improvement for energy saving and carbon reduction of environment protection.
- New dimple design.
- Multi-color and large area stamping.
- Construction for Artificial Intelligent production lines.

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Sustainable Environment



- Apply physical treatment for suspended solids in the grinding wastewater to reduce the amount of chemicals used, therefore reduce the impact on the environment.
- The water used in the grinding process is recovered by more than 92%.
- Energy-saving and carbon-reducing, greenhouse gas management, power-saving results reached 330,000 degrees in 2017.

Social Care



- Sponsored Moon Cake Charity Sales hold by Genesis Social Welfare Foundation
- Participated in "Christmas Dreams Come True" event hold by Taiwan Fund for Children and Families and donated 41 gifts for children.
- Being a sponsor of National Kaohsiung Center for the Arts (Weiwuying) to support southern Taiwan's performing arts.
- Sponsored Three bond TPGA Challenge Tour.
- Regularly hold "blood donation for love" events.

Friendly Workplace



- Continually hold Occupational Safety and Health training, and obtained the "OHSAS18001:2007 Occupational Safety and Health Management System" certification.
- Actively invest in intelligence projects.
- Hosting Family Day, Cultural Festivals Activities, Physical and Mental Health Lectures and Aerobics Courses.



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THANK YOU FOR YOUR LISTENING

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