



CVC Technologies

Stock code: 4744

【 Earnings call briefing 】

CVC Technologies Inc.

Moderator : GM Kevin Chang

Investor Relations Contact: Finance Manager Shiny Chen (TEL:+8864-24963666)

2021.11.22

D i s c l a i m e r

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C o n t e n t s

- **About CVC**
- **R&D results**
- **Financial Report**
- **Prospects**



- **CVC Technology was established in 2002 (the predecessor of CVC Company: K&K was established in 1979)**
- **OTC in July 2018**
- **Chairman: Mr. Leon Yen**
- **General Manager: Mr. Kevin Chang**
- **Asia headquarter: Taiwan, Taichung**
- **Employees:**
 - **Taiwan: 200**
 - **with Subsidiaries: 280**

Company background



- 1. Established CVC Technologies, Inc(CHINA).
- 2. Established CVC Technologies, Inc(USA).
- 3. National Award of Outstanding SMEs

Obtained invention patents for "Multiple Tandem Check Valve" and "Linear Liquid Pressure Pump"

OTC in Taiwan Stock market

CE · CSA Certification

Moved the factory to No.190, Gongye 9th Road, Dali District, Taichung City

Obtained the invention patent of "2-in-1 switchable bottle cap assembling device on the bottle body"

Distribute (CHANGSUNG) Softgel line

2004

2008

2011

2014

2016

2018

2021

2002

2007

2010

2012

2015

2017

2019

Established CVC Technologies

Collaboration with Cremer OEM Counting machine

ISO13485 Certification

Established CVCUSA east coast office

Development of "Label Manual Synchronous Pasting Machine"

Obtained the invention patent of "Feedback Automatic Seamless Compensation System"

1. Complete the development of a liquid filling machine, a powder filling machine and a bottle unscrambler + air washing machine2. Obtained ISO9001:2015 certification

Global distribution



- Headquarters: U.S. Headquarters-California, U.S.
Asia Pacific Manufacturing Center-Taichung, Taiwan

- Subsidiary:

- East Coast Office-New York, USA
- Chinese subsidiary-Kunshan, China
- India Office-Mumbai, India

- 60+ distributors

● Headquarter ● Subsidiaries ● Partners



Certifications



Main customers reference



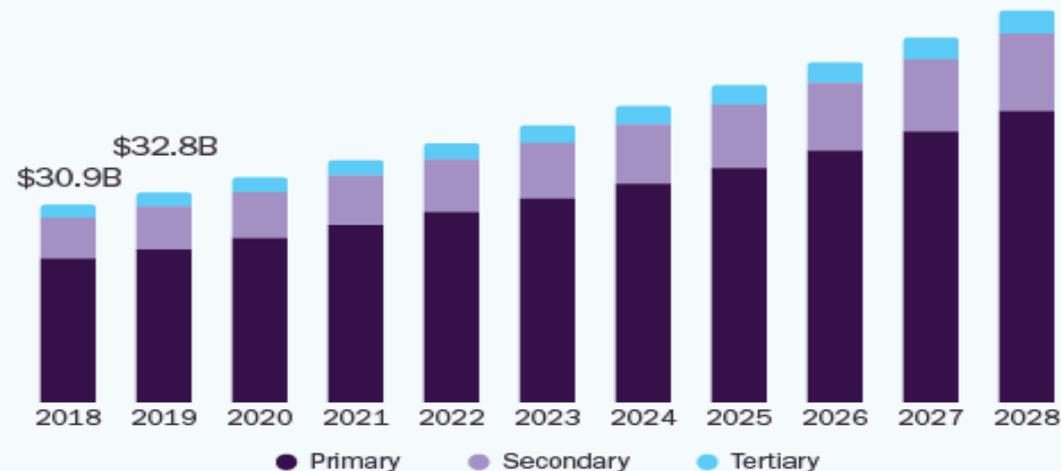
Types of pharmaceutical packaging

The most common types of **PRIMARY** pharmaceutical packaging types



U.S. Pharmaceutical Packaging Market

size, by product, 2018 - 2028 (USD Billion)



GRAND VIEW RESEARCH

7.2%

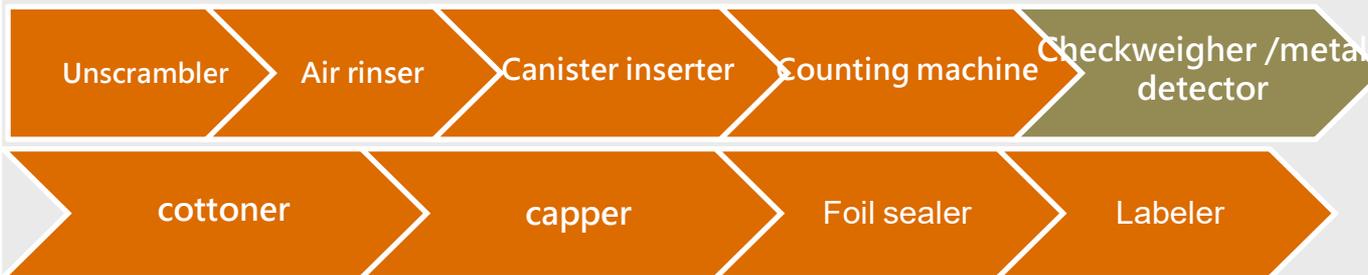
U.S. Market CAGR,
2021 - 2028

Source:
www.grandviewresearch.com

Products



Tablet/Capsule counting line



Powder filling packaging line



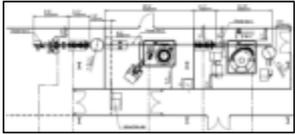
Liquid filling packaging line



Procedures



Design



Production



Electric



integration



Internal test

内部試験記録表			
試験項目	試験内容	試験結果	試験担当者
動作確認	電源投入時、各部モーターが正常に回転するか確認	正常	田中
速度調整	設定された速度で安定して動作するか確認	正常	田中
温度制御	設定温度で安定して動作するか確認	正常	田中
安全装置	緊急停止ボタンが正常に動作するか確認	正常	田中
品質検査	生産された製品の寸法と品質を確認	合格	田中
騒音測定	作業時の騒音レベルを測定	基準値以下	田中
エネルギー消費	一定時間あたりのエネルギー消費量を測定	設計値以内	田中
耐久性試験	連続稼働による部品の変形や破損を確認	異常なし	田中
清掃性	作業後の清掃作業が容易かどうかを確認	良好	田中
メンテナンス	定期的なメンテナンス作業が容易かどうかを確認	良好	田中

FAT



SAT





Film inserter



Sponge inserter



C a p p e r



Spoon inserter



Cotton inserter

Upgrade



Pneumatic cutter lap, precise length

Effectively improve the pull-off model and reduce lint problems

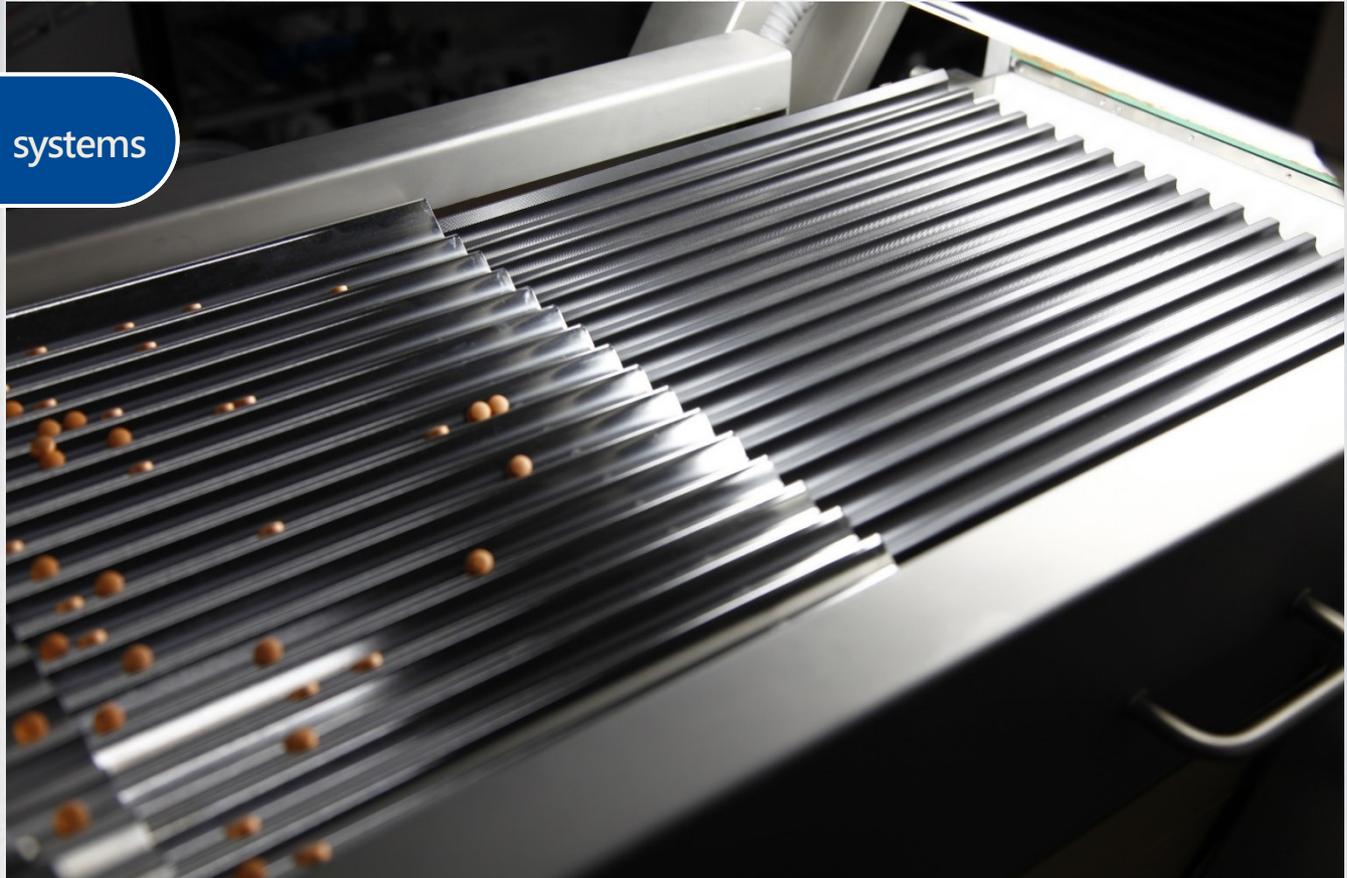
The high-speed servo-driven turret is equipped with 6 filling tubes, and the cotton can be inserted at a rate of 120 bottles per minute.

The cotton cutting length can be set to 80-150 mm per section, and each bottle can be set to be inserted in multiple sections.

Lack of material reminder. Insertion confirmation (using color difference electric eye detection).

The outlet end is equipped with a bottle backlog stop function, and the machine will automatically start when the bottle backlog condition is removed.

Tablets inspection systems

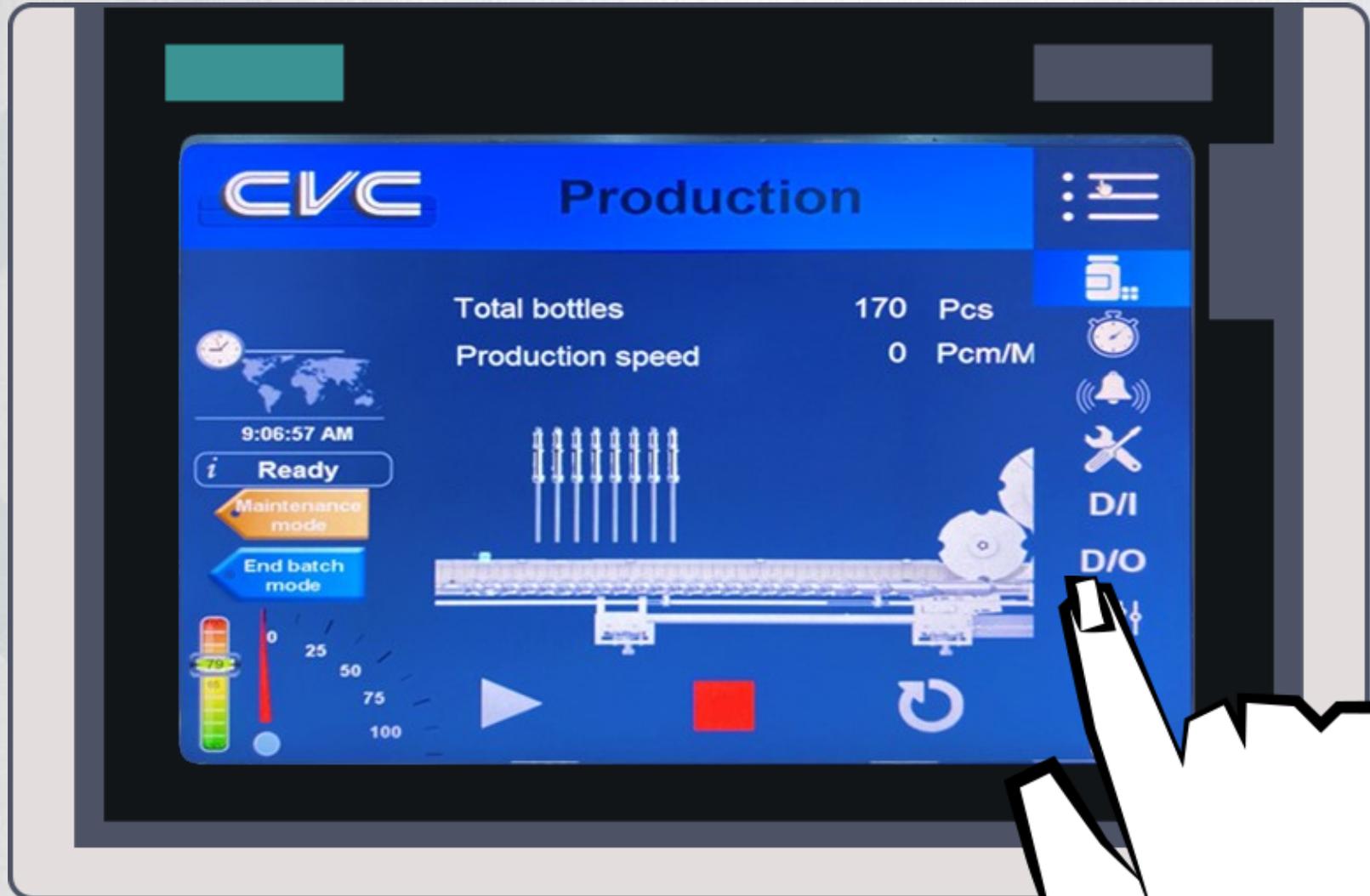


Joint development and
introduction of fragment
detection

Increase OEE

Differed types, colors

Online inspection



■ AR system intelligent inspection

■ Electronic/Visualization of Equipment System

Ensure safety



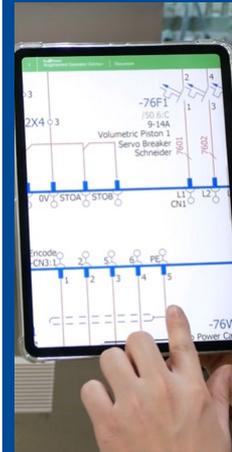
Digitize Inspection



Digitize training



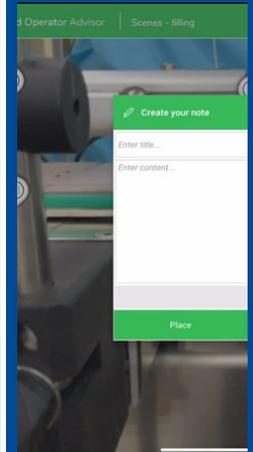
Visualization



Electronic Paper



Scandalized



January-September of 110, Q3/Q2 and Q3 of 109 consolidated income statement

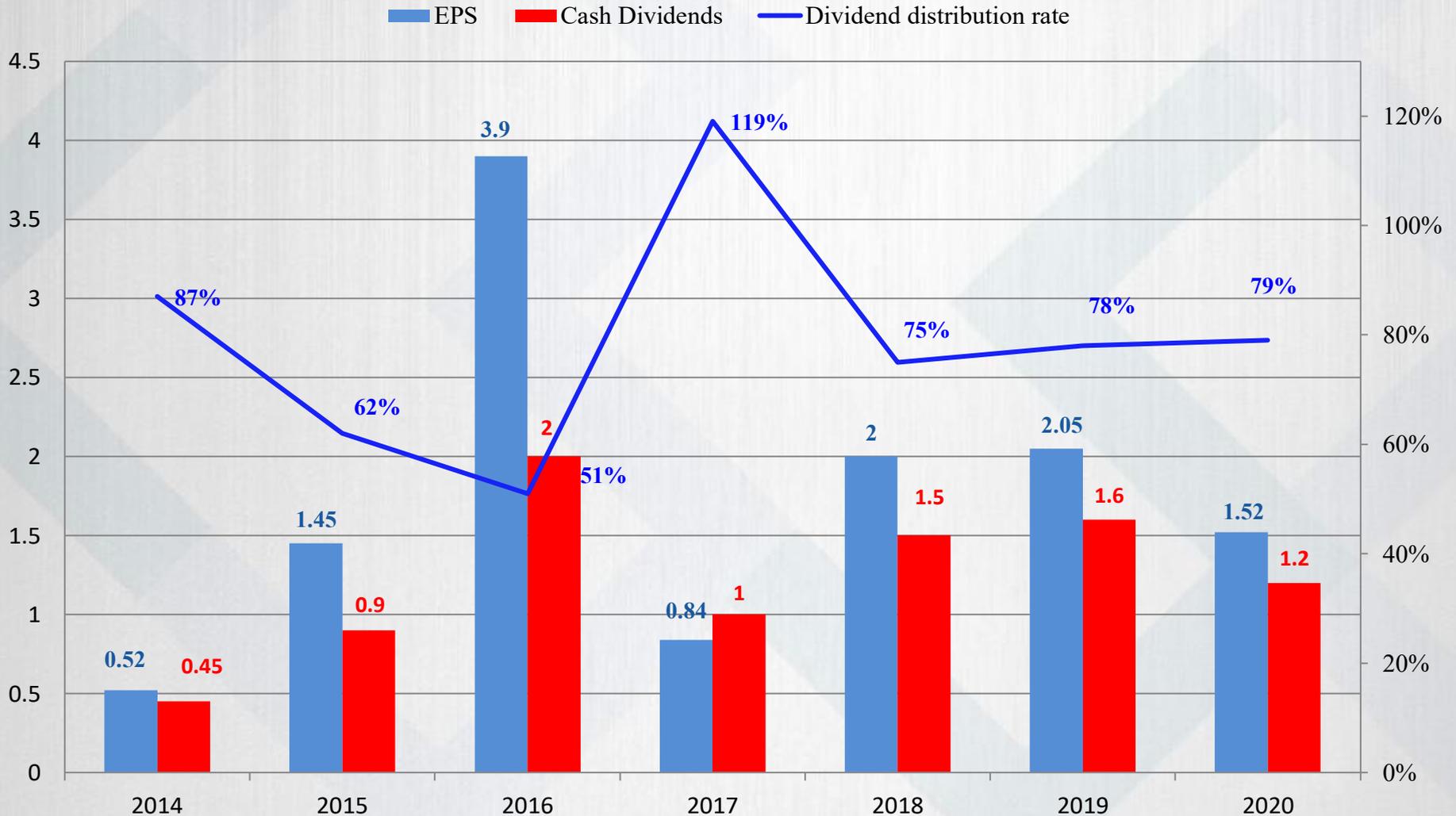
Unit: Thousand New
Taiwan Dollars

YEAR	110Q2		QoQ	110Q3		YoY	109Q3		110.Jan-Sep	
Income	207,448	100%	32%↑	274,351	100%	4%↑	263,251	100%	691,412	100%
Costs	108,309	52%	44%↑	155,543	57%	7%↑	145,719	55%	377,537	55%
Margin	99,139	48%	20%↑	118,808	43%	1%↑	117,532	45%	313,875	45%
Expenses	84,718	41%	3%↑	87,304	31%	11%↑	78,779	30%	264,196	38%
Profit	14,421	7%	118%↑	31,504	12%	-19%	38,753	15%	49,679	7%
Other income	-15,711	-7%	-	14,161	5%	-	-12,113	-5%	517	-
Net profit	2,898	2%	1198%↑	37,603	14%	87%↑	20,064	9%	44,194	6%
EPS	\$0.07			\$0.84			\$0.45		\$0.99	

Important financial information in recent years

YEAR	103	104	105	106	107	108	109
Cash and cash equivalents (unit : 100 millions)	1.79	2.32	5.51	5	5.5	8.33	8.16
Net profit rate	2.20%	4.23%	11.44%	3.33%	7.35%	8.30%	6.60%
EPS	0.52	1.45	3.90	0.84	2	2.05	1.52
Dividend per share	0.45	0.90	2.00	1.00	1.50	1.60	1.20元
Dividend allotment rate	87%	62%	51%	119%	75%	78%	79%

Dividend distribution in recent years



In 2020, the global pharmaceutical market is estimated to reach US\$1.5 trillion, and the generic drug market accounts for about one-third. Based on the global generic drug market size growing year by year, the annual growth rate will be 8.3% in the future.

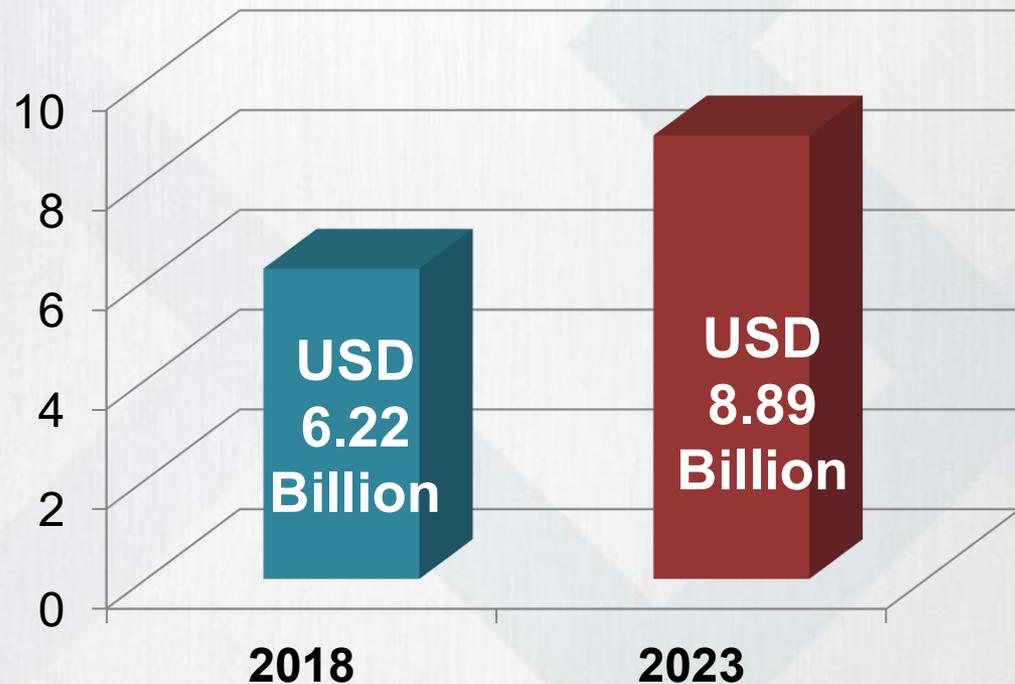
■ Pharmaceutical packaging market demand continues to expand

With the increase in healthcare expenditures, the introduction of new drugs and the prevalence of chronic diseases, it is expected that the global pharmaceutical market will continue to grow in the next few years.

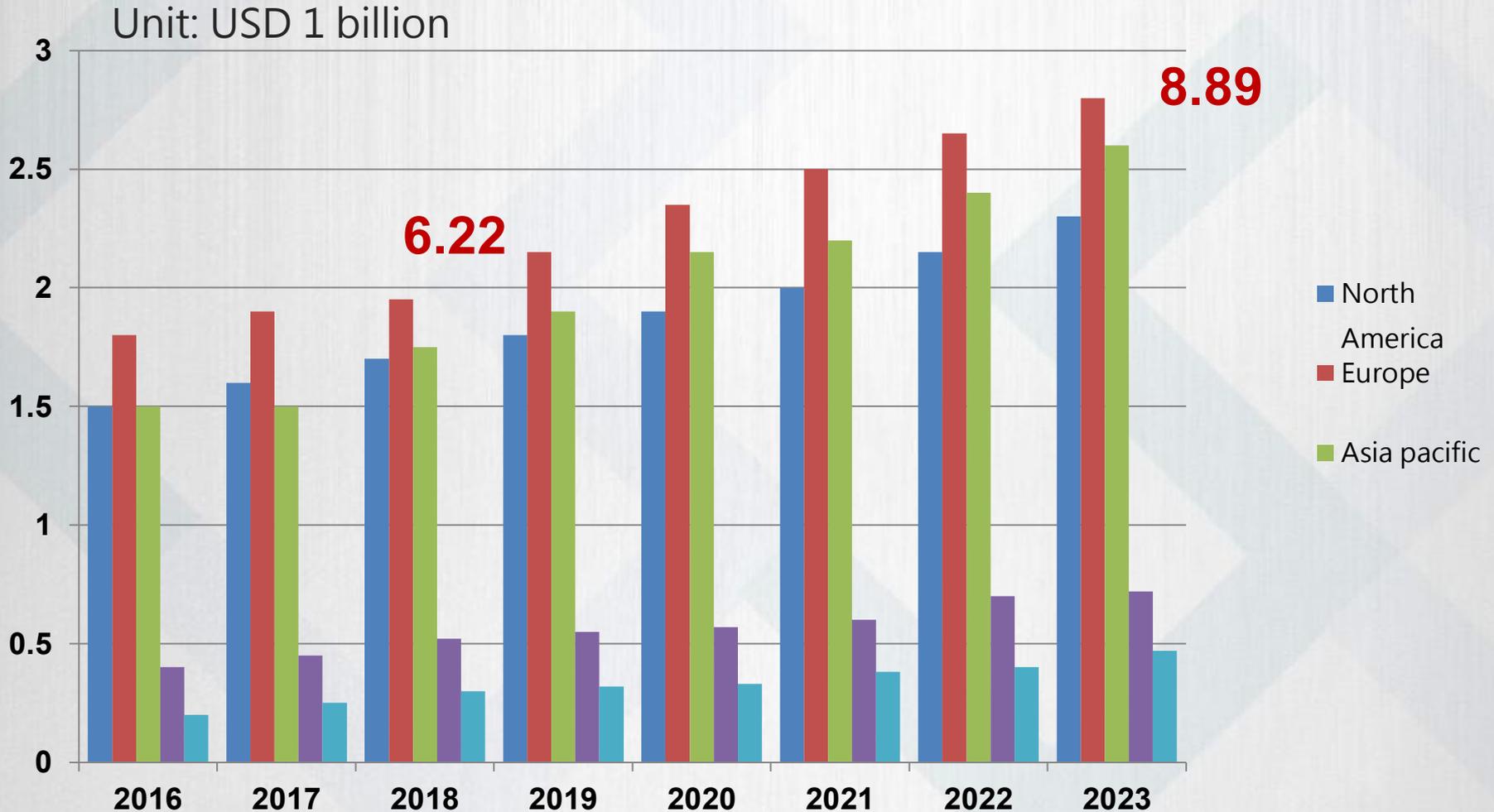
The global pharmaceutical packaging market is expected to grow from 6.22 billion U.S. dollars in 2018 (USD 6.22 Billion) to 8.89 billion U.S. dollars (USD 8.89 Billion) in 2023. The forecast (2018-2023) CAGR is 7.4%

CAGR
7.4%

Unit: USD 1 billion



■ Market dynamics-by region



Sales in North America in the past five years

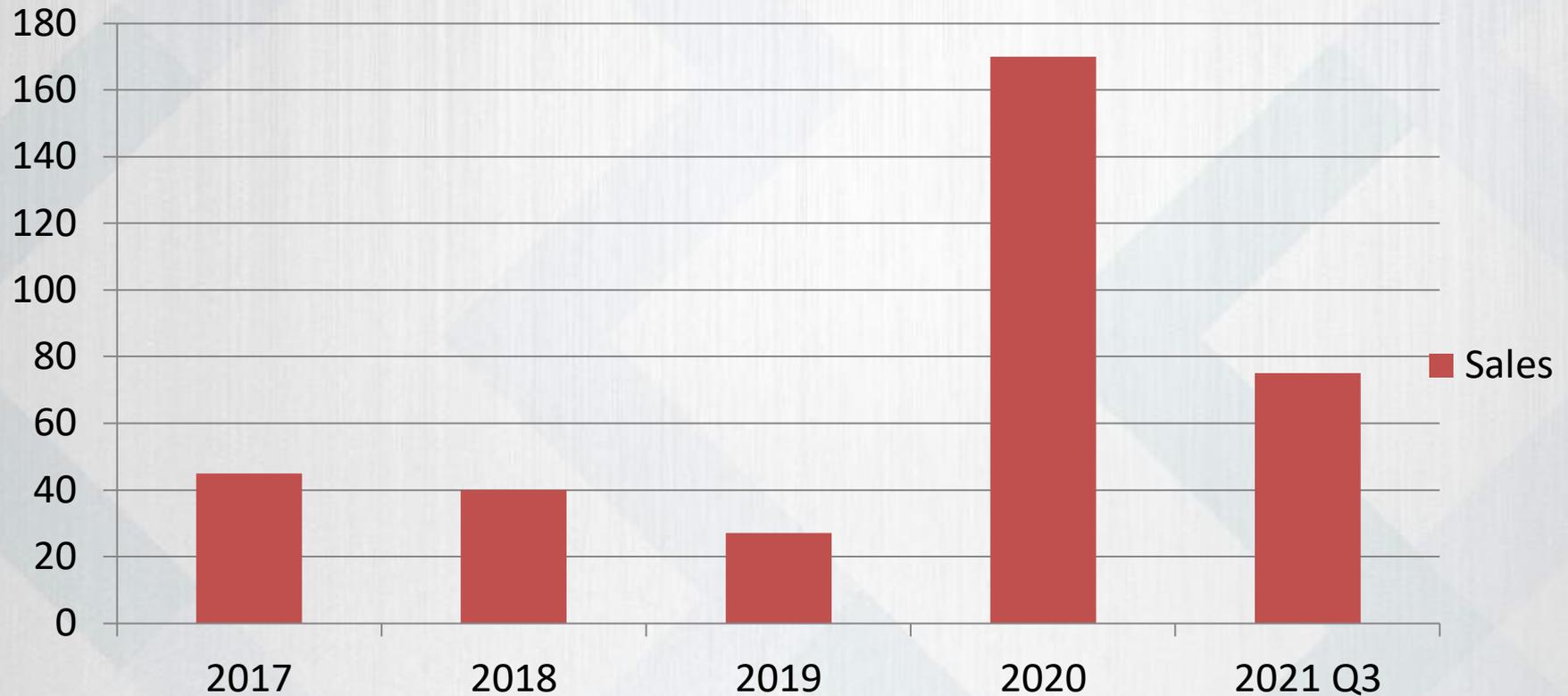


(Unit: Ten thousand U.S. dollars)



Sales in the European market in the past five years

(Unit: Ten thousand U.S. dollars)

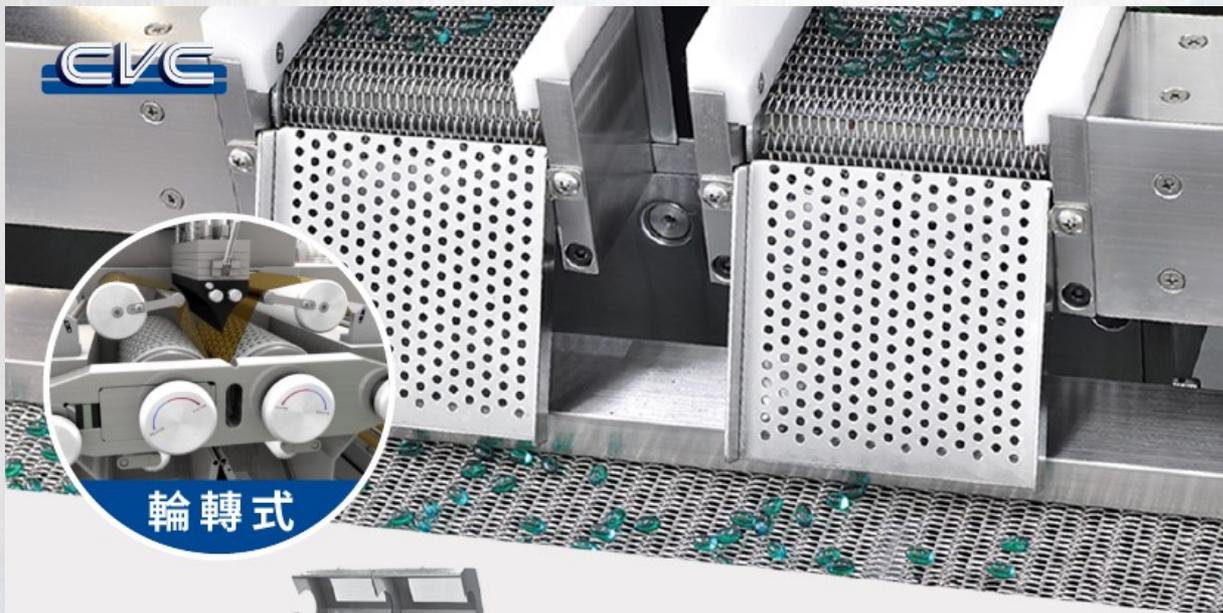


【Prospects】



CVC always thinks about how to provide customers with more complete production line planning services?

Whether it's a capsule or tablet counting line or a soft capsule production
CVC Technologies will always be able to provide you with a complete solution



總代理

韓國昌誠

CHANGSUNG

軟膠囊生產線

【Prospects】



Track & Trace System

線上研討會



7/15(四) | 10:00~11:00



主持人

劉一弘



業務部 經理

嚴巧芬



台灣區 區經理

曾俊凱



研發部 副理

黃俊元



精聯電子 經理

劉家豪

敬邀您撥冗與會

Summary



- In the post-epidemic era, COVID-19 vaccines and oral medications were launched, and they were gradually unblocked, and economic activities gradually recovered.
- European and American countries have accelerated the resumption of commercial activities due to the high penetration rate of vaccines
- Demand in the pharmaceutical industry continues to be strong, and the growth of orders can be expected
- Strong orders in the fourth quarter of 2021, based on experience, marketing will be better in the second half of the year than in the first half of the year, and it is expected that the quarter will increase
- Order visibility is high until the first quarter of 2022The North American market continues to thrive
- Expand European operations and establish European direct sales centers
- Continuous investment in new products contributes to revenue
- New high-speed bottle counting production line launched to increase revenue
- Track and Trace Serialization System (Track and Trace Serialization System) USFDA (Drug Supply Chain Security Act DSCSA) Continue to receive orders
- Automatic optical imaging tablet inspection system (Tablet Visual Inspection System) continues to receive orders
- Various customized liquid filling production lines launched
- Production line with AR application (simplification/intelligence) to meet customer needs



**Thank You for
Listening.**