

Investor Conference

2023/12/12

Sysgration Ltd.
(TPEX: 5309)



Outline

- 1 Future Operation Outlook**
- 2 2023/Q3 Operation Highlights**
- 3 Business Growth Strategies**
- 4 US Operation**



Future Operation Outlook

Future Operation Outlook

◆ TPMS:

- Rapid Growth Era of Electric Vehicles
- Ranked as WW #5 in 2023, working toward #4 in 3 years
- US/EU OE customers penetration by 2025~2026
- BT key fob and TMS business under development

◆ IPC:

- Next Steps for AI: Applications of AI Edge Computing
- AI/Autonomous market demands bring significant IPC/AR growth opportunities
- Inventories start being pulled, double growth opportunity in 2024
- Strategic investment US\$3M to RealWear, expansion on AR/VR products ODM

◆ Power Tank Energy (PTE):

- Expanding UPS/BBU/SMR market, potential growth opportunities in 2024
- Strategic investment to Leadray, value chain expansion with PTE

◆ Global Manufacturing Sites:

- Global Supply Chain Restructuring and Localization of Manufacturing
- US factory plans for TPMS pilot run in 2024/Q4, MP in 2025/Q1
- European factory plans for construction in 2026-2027



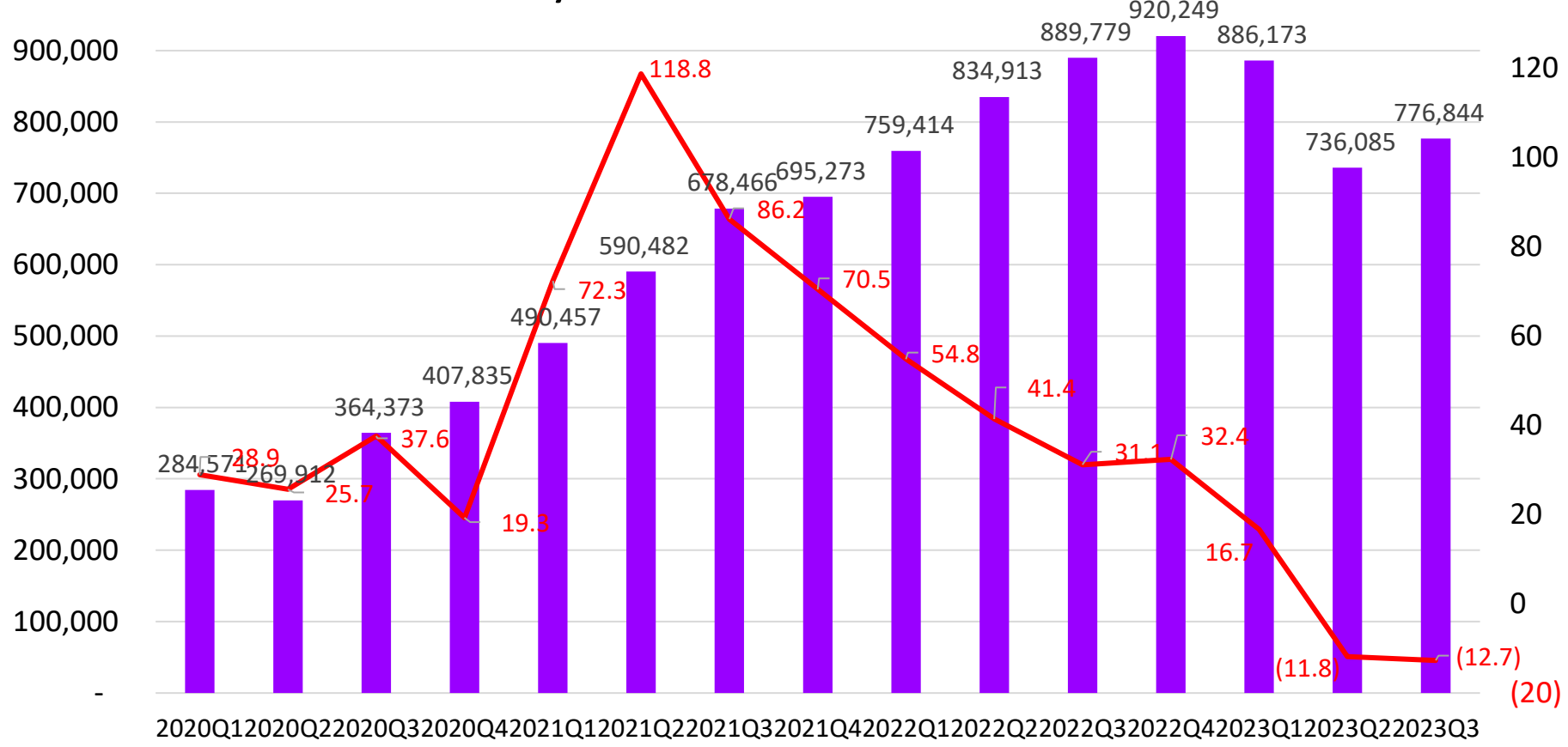
2023/Q3 Operation Highlights

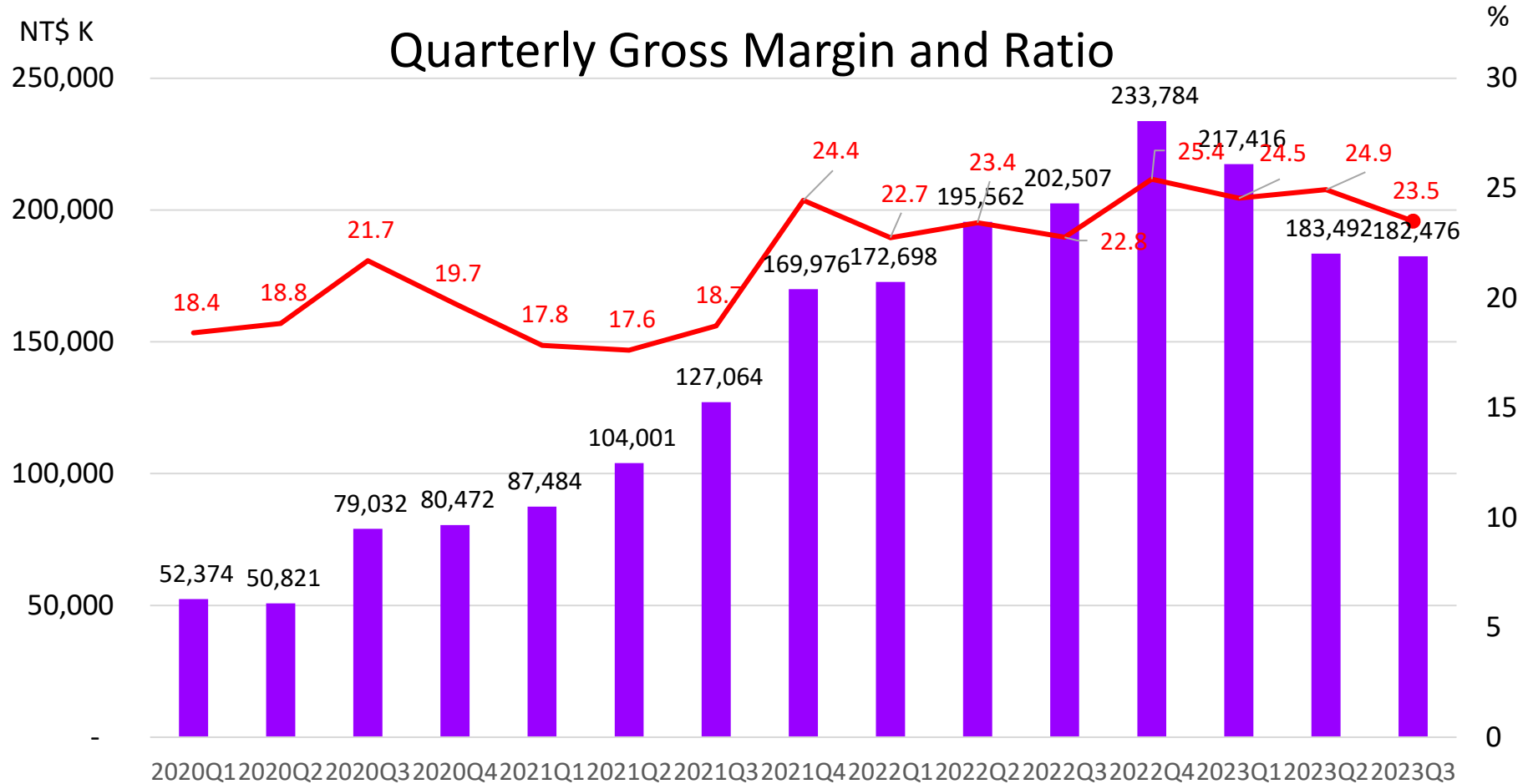
Revenue

NT\$ K
1,000,000

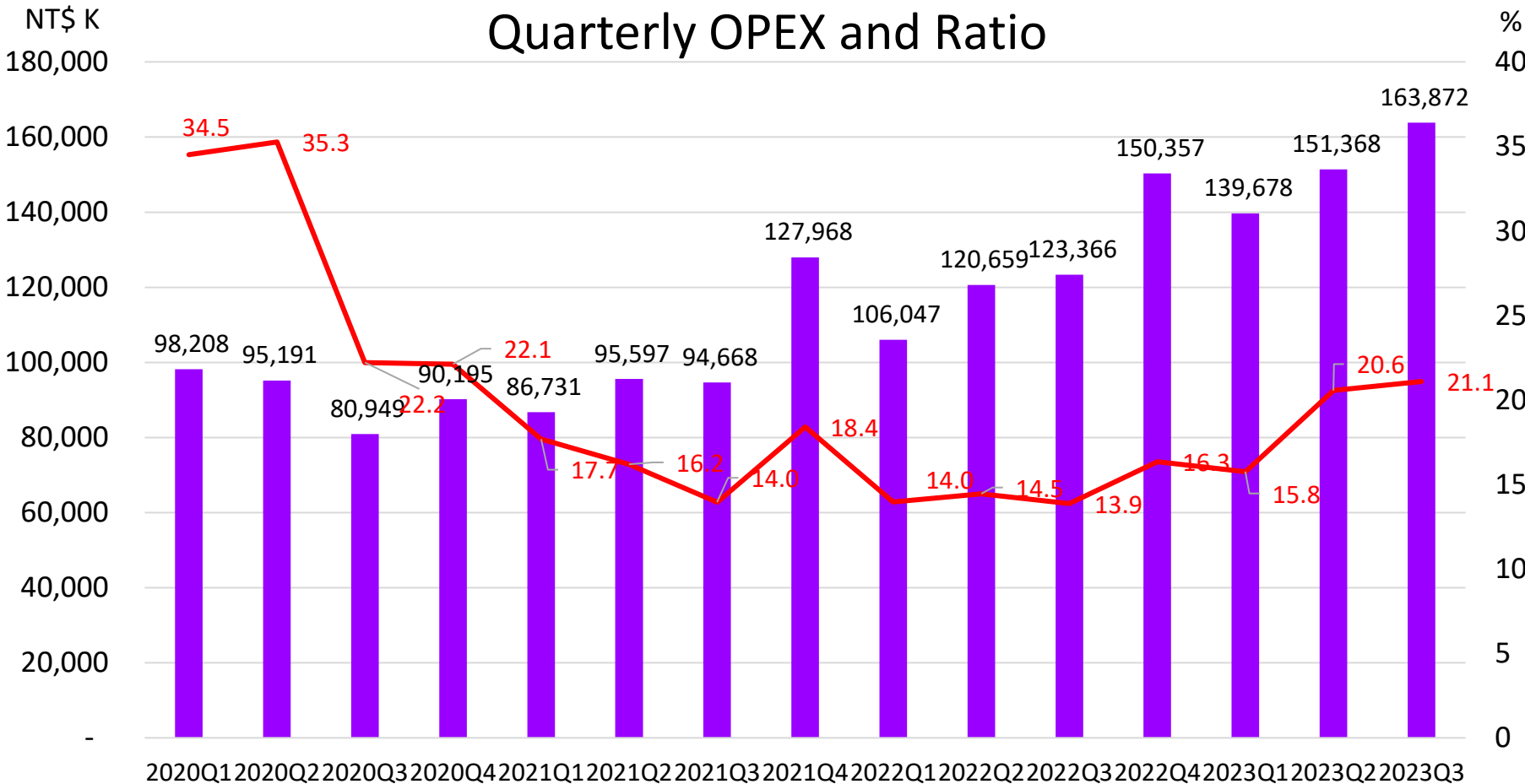
Quarterly Revenue and YoY Ratio

YoY%
140

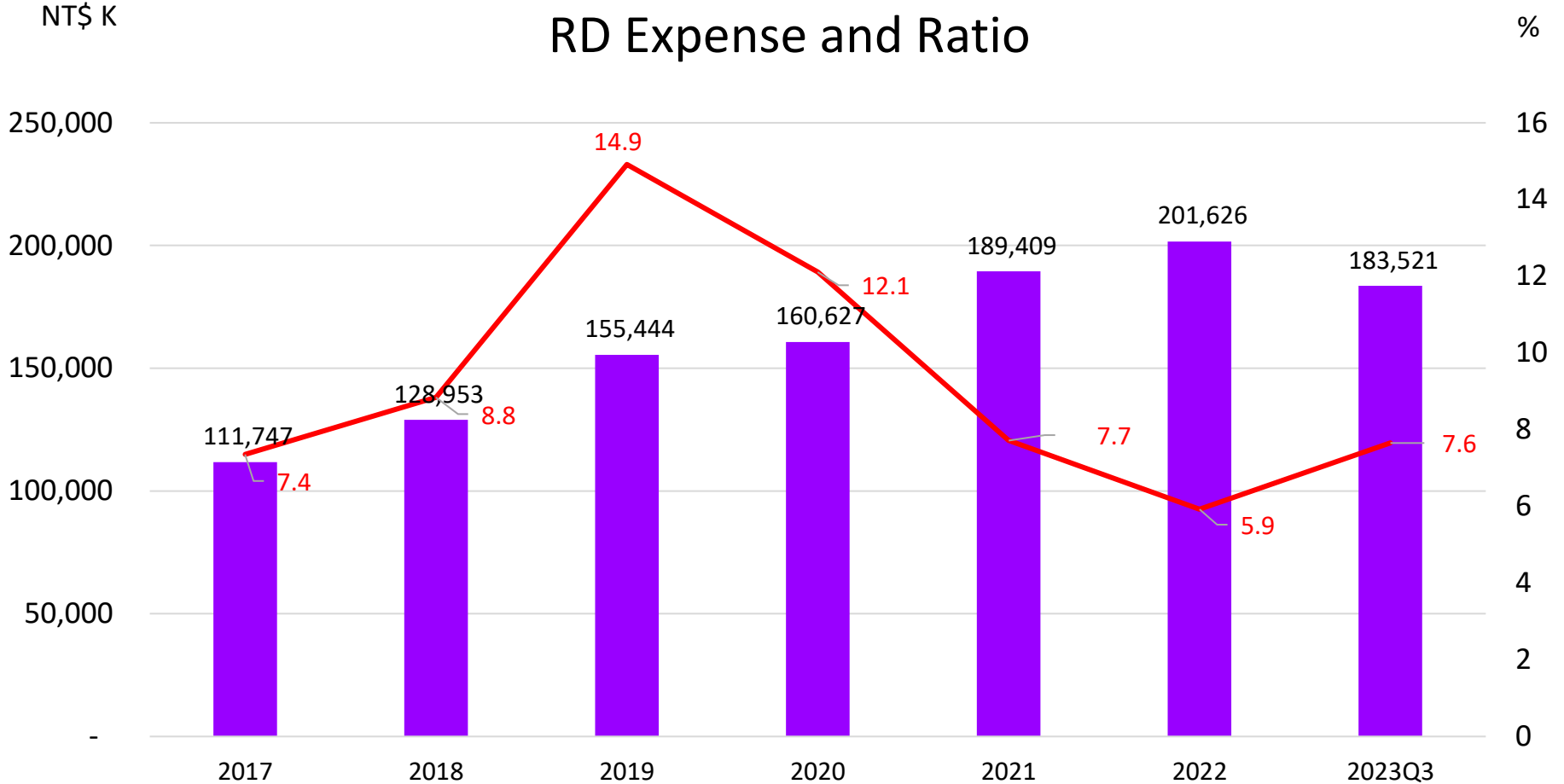




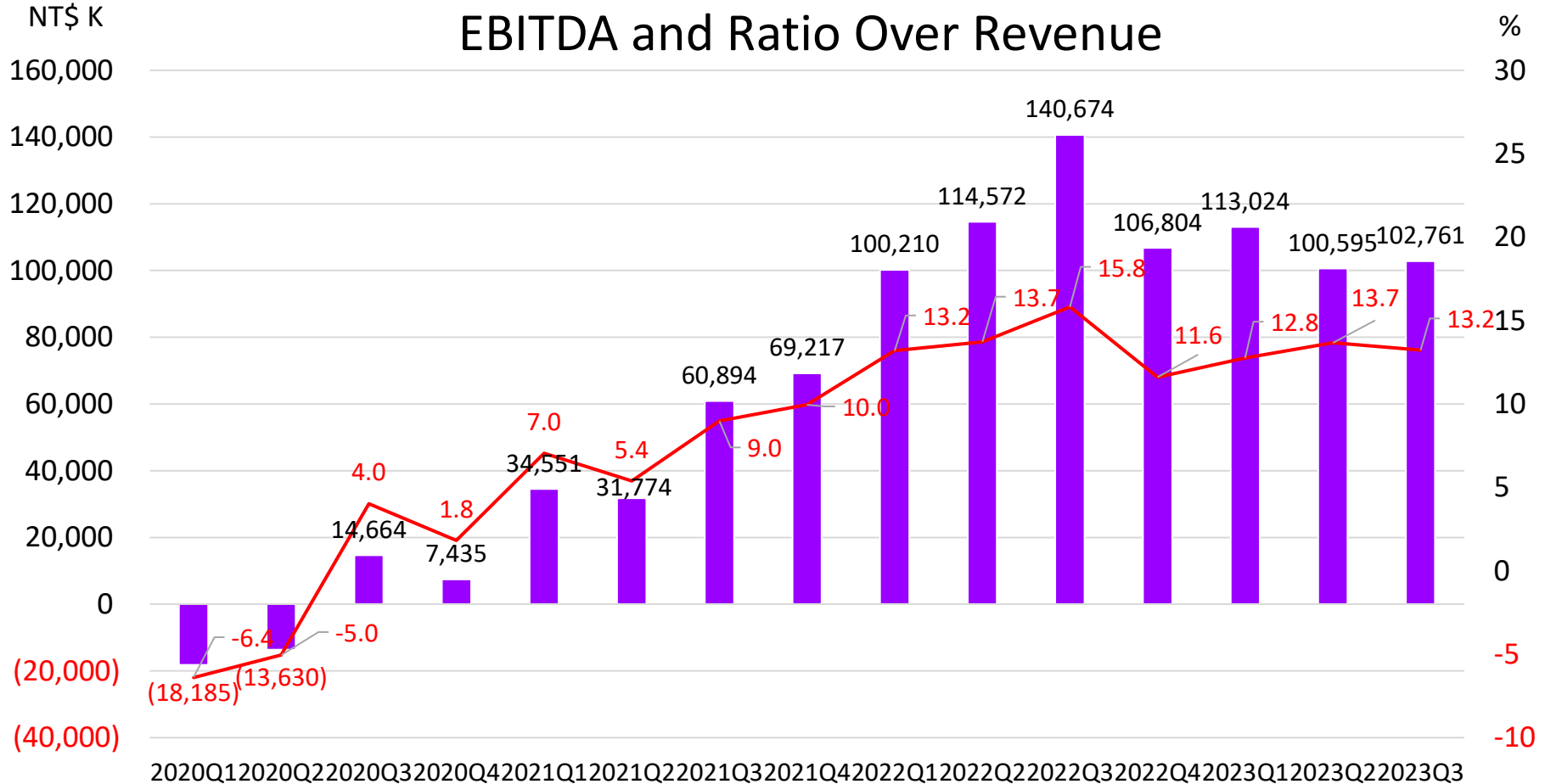
Operational Expense



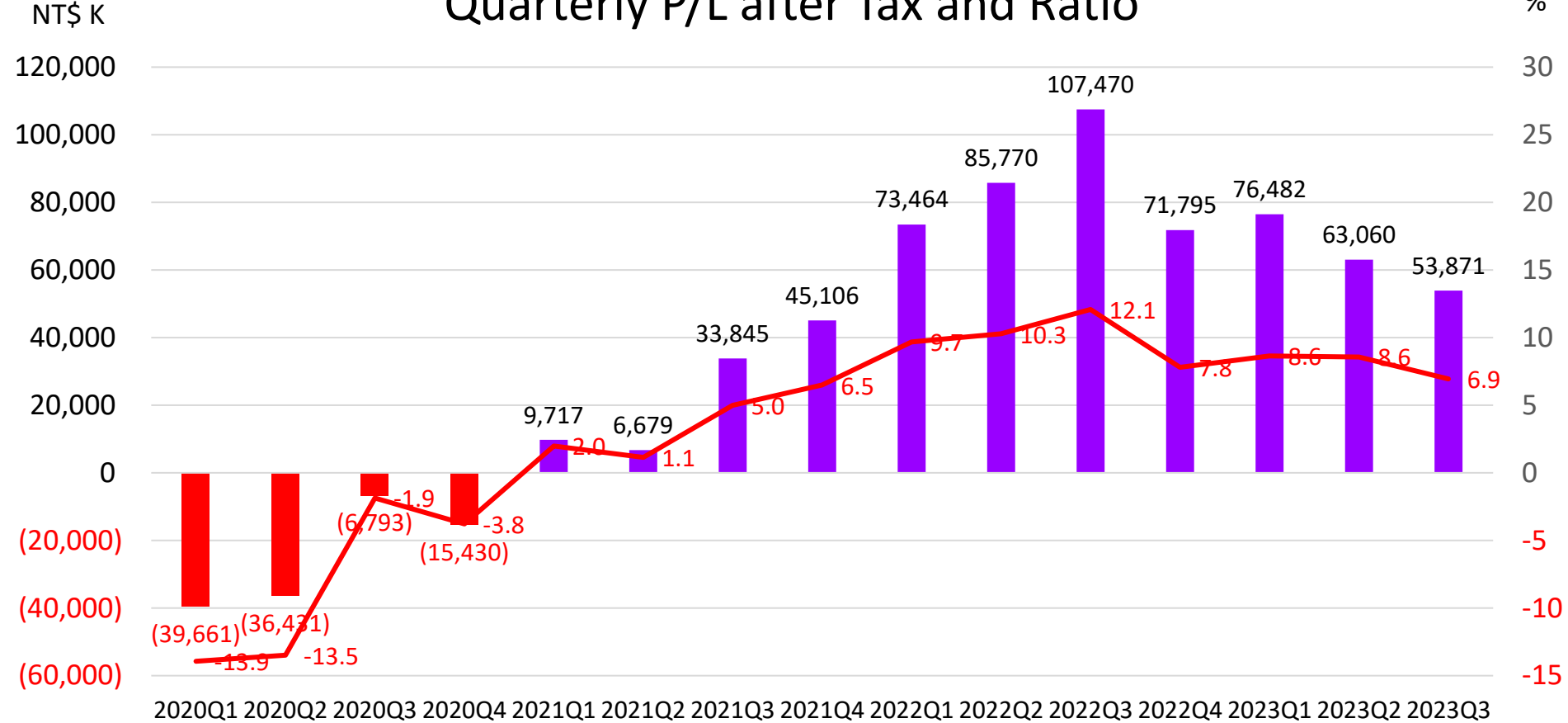
RD Expense and Ratio



EBITDA and Ratio Over Revenue

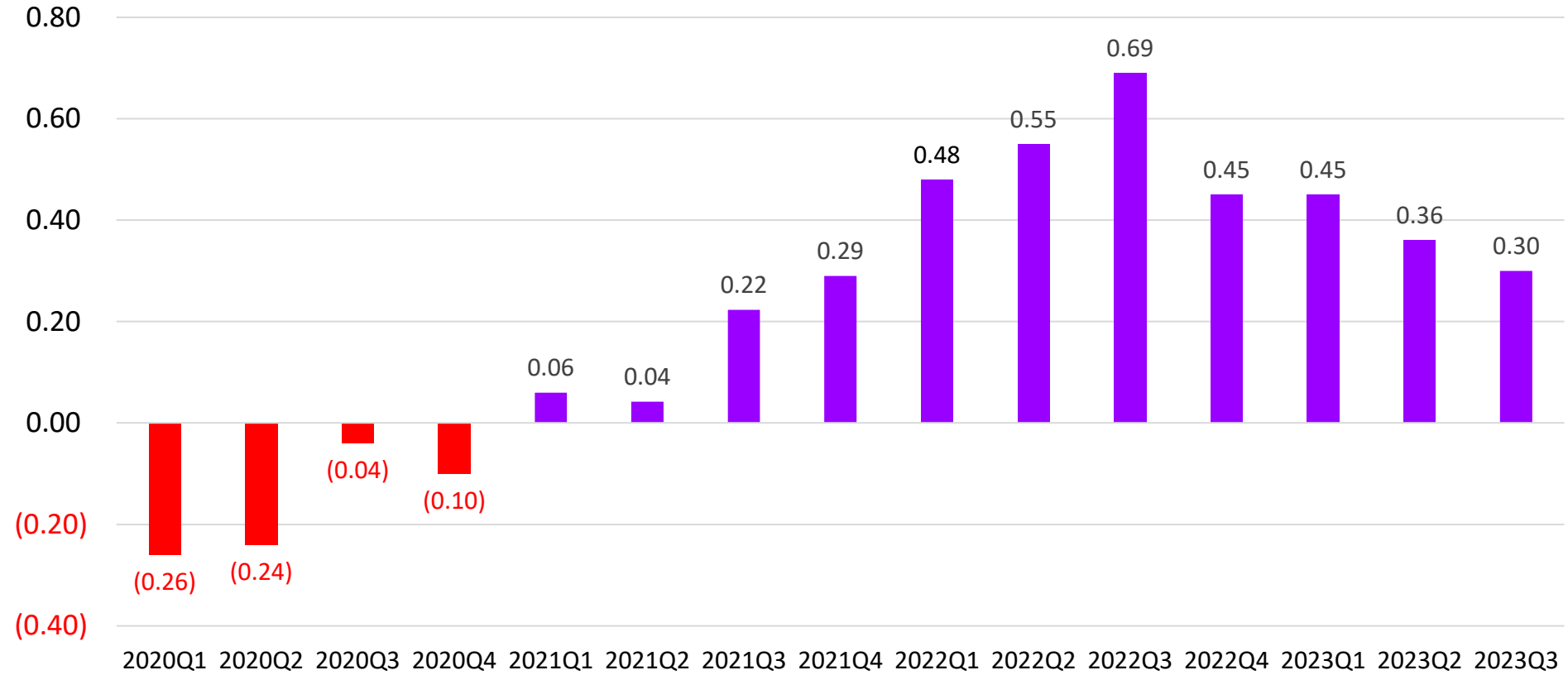


Quarterly P/L after Tax and Ratio

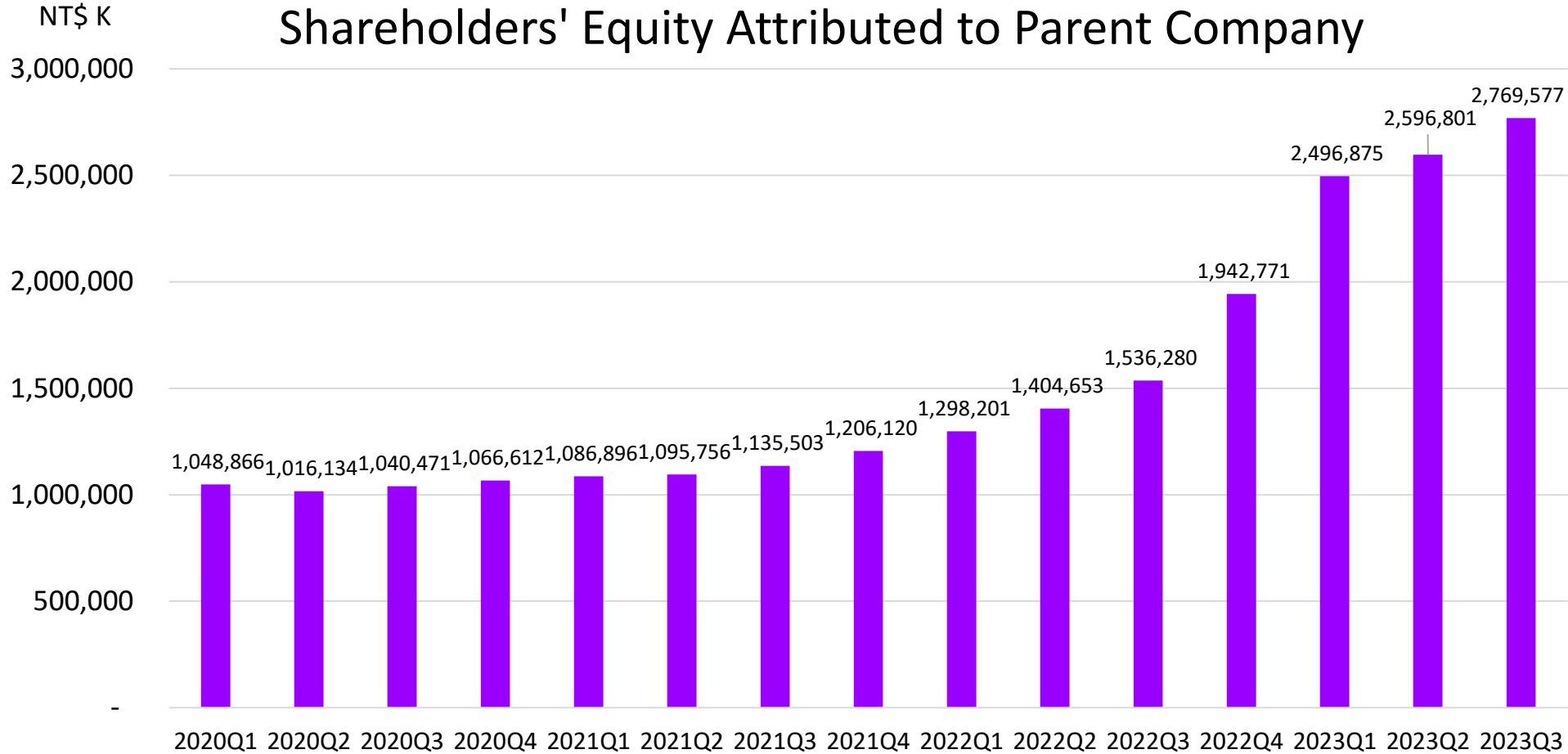


NT\$/Share

Quarterly EPS



Shareholders' Equity Attributed to Parent Company



NT\$ K

AR Collection

Days

1,200,000

160

1,000,000

140

800,000

120

600,000

100

400,000

80

200,000

60

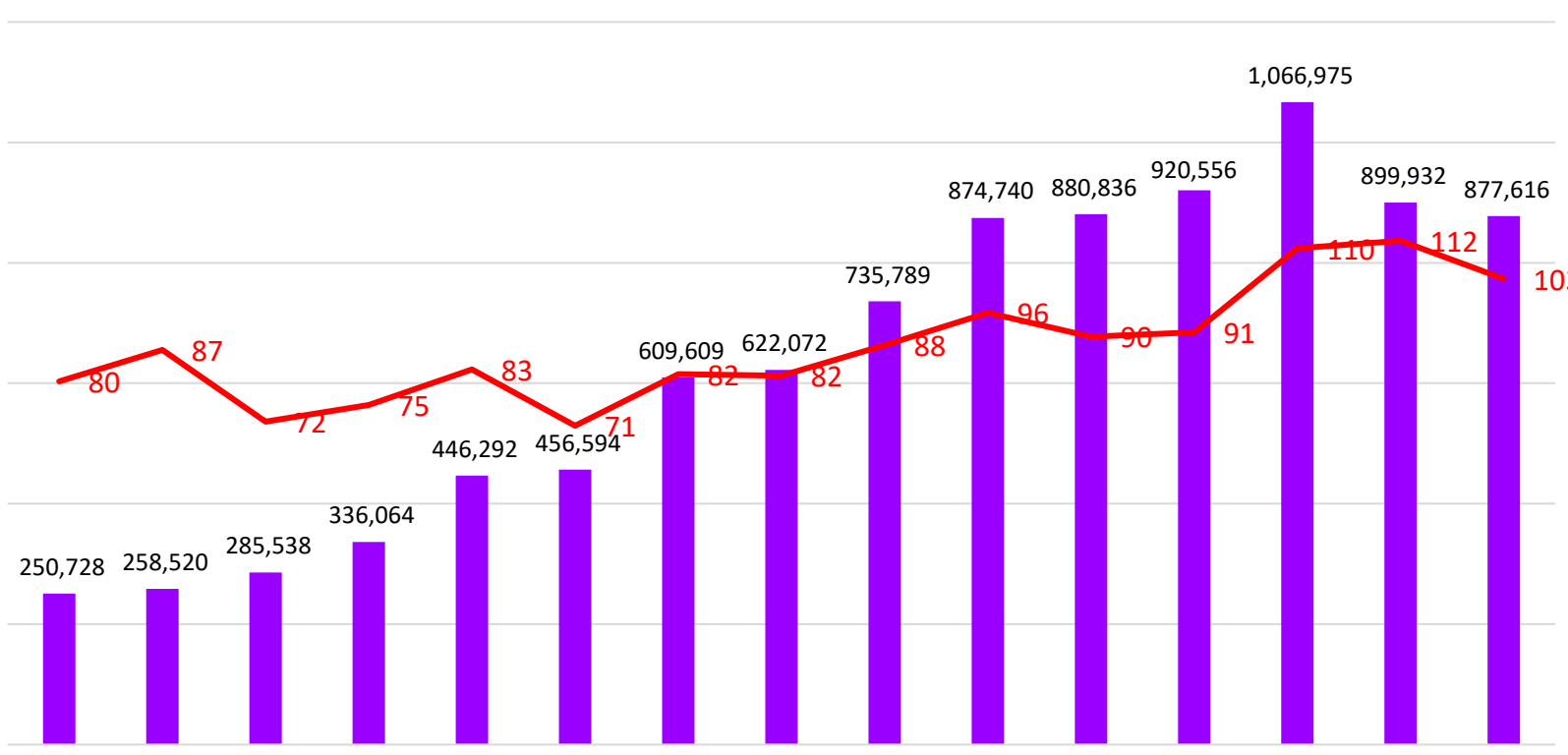
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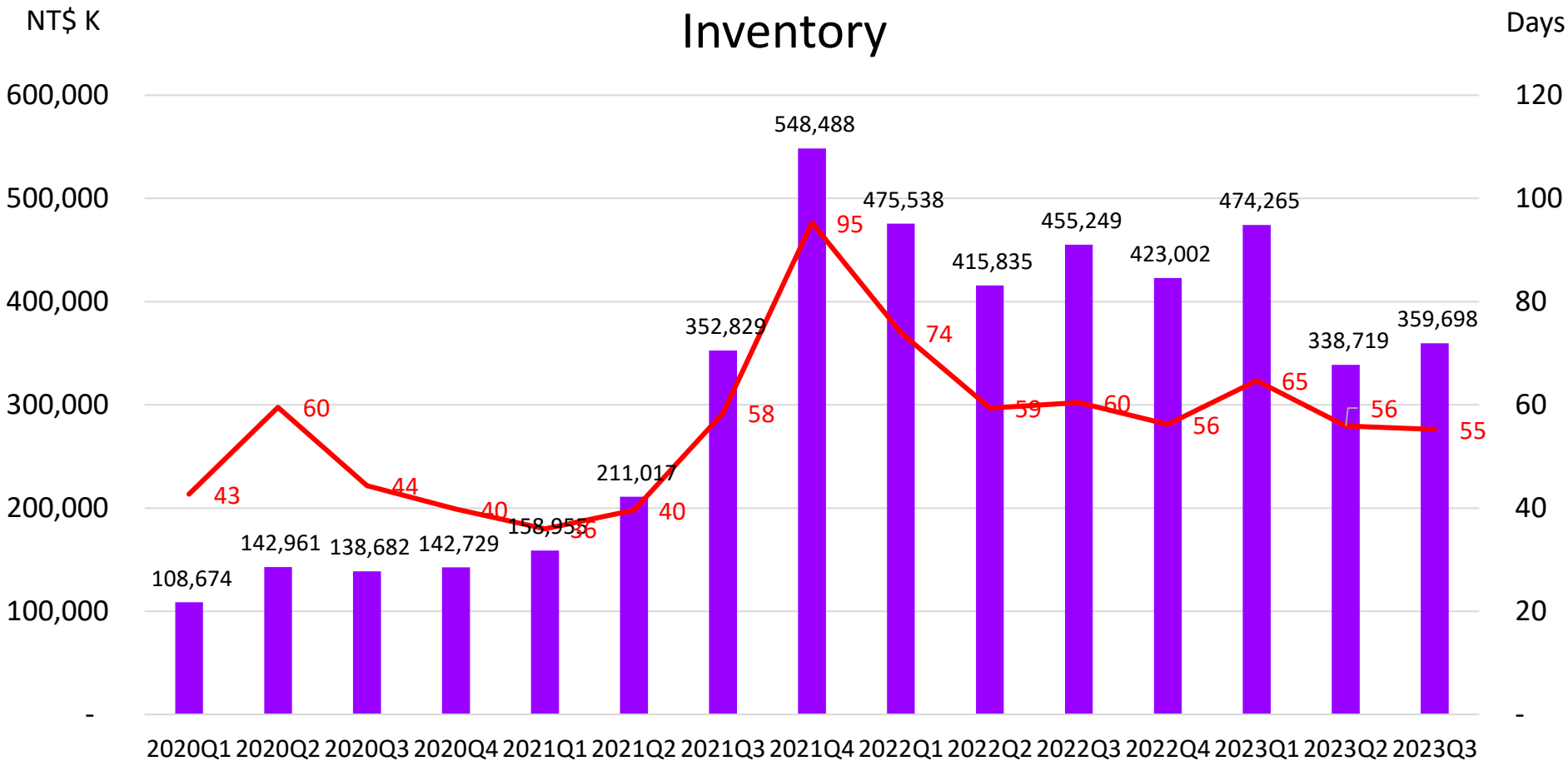
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2020Q1 2020Q2 2020Q3 2020Q4 2021Q1 2021Q2 2021Q3 2021Q4 2022Q1 2022Q2 2022Q3 2022Q4 2023Q1 2023Q2 2023Q3



Inventory Turnover





Business Growth Strategies

Sysgration at a Glance



1977
Founded



550+
Worldwide
Employees



40+
Years
Design &
Manufacturing
Service Experiences



4
Locations
Taiwan - Taipie/NanKang
China - Huizhou/ZhenJiang



5309
TW Stock
Publicly Trade
Capital: NT\$1.8B
Market Value NT\$7B





Focused Market and Product Portfolio

Automotive Solutions

Power and Energy Management



Wireless Camera Around-View System



Tire Pressure Monitoring Systems



Rugged Head-Mount AR Device



Li-Ion Battery Pack for Semiconductor Fab



Li-Ion Based Energy Storage Systems



100+ Patents

40+ Patents



Body Control Module



Industrial PC



Infotainment System



EV Battery Pack



Li-Ion Based Energy Brick



Construction/Agriculture Vehicles
CAGR ~12% by 2025



Electric Vehicles
CAGR ~80% by 2025



Semiconductors
CAGR ~25% by 2025



Renewable Energy Storage
CAGR ~28% by 2025

Future Business Growth Drivers



TPMS

- OE
- Replacement
- Fleet

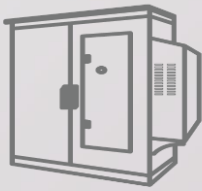
- Semiconductor Fab
- Community
- Data Center

ESS



IPC

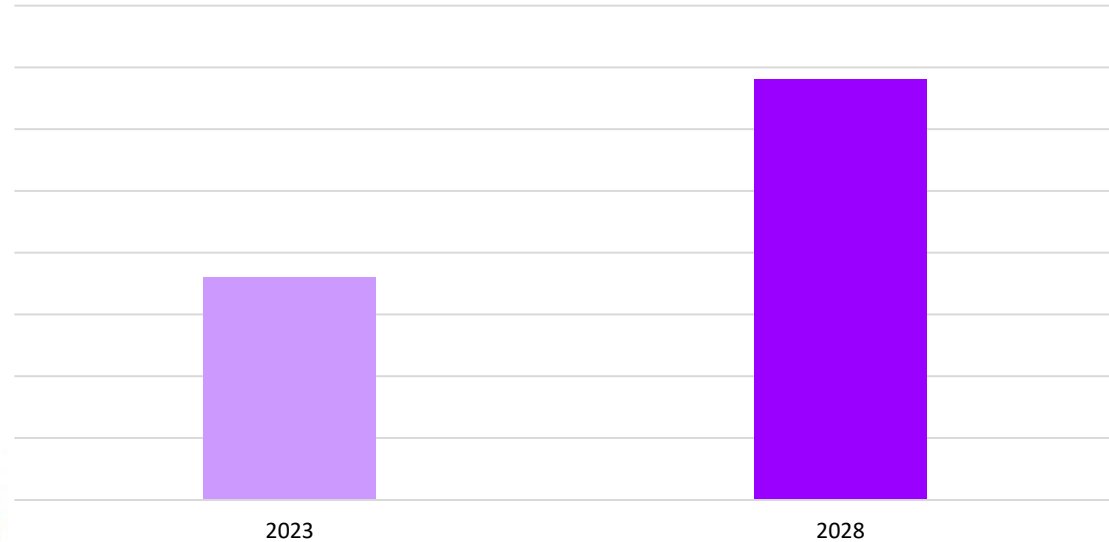
- Commercial Vehicle
- Industrial Vehicle
- Rugged Tablet



TPMS Market Growth

- ◆ 2023~2028 CAGR > 13%.
- ◆ Market Preference on ADAS Plays a Significant Role in TPMS Growth.
- ◆ Largest Market: North America.
- ◆ Fastest Growing Market: Asia-Pacific.

Automotive TPMS Market Size
CAGR > 13%

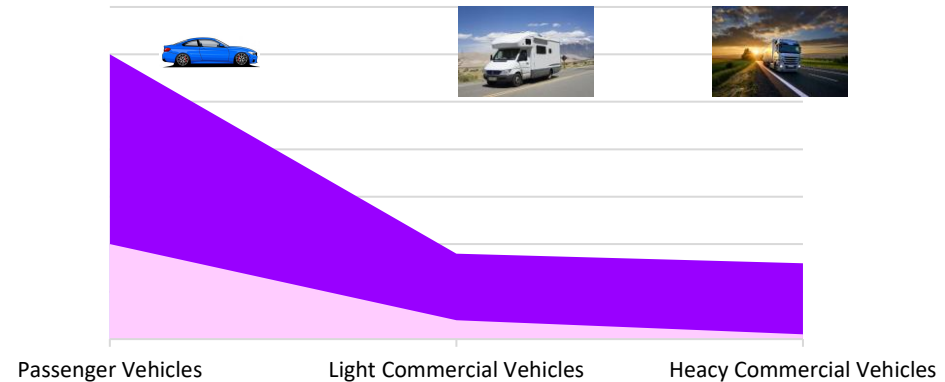


Data Source: www.mordorintelligence.com/industry-reports/automotive-tpms-market

BLE TPMS Growth Opportunities

- ◆ TPMS Become a Compulsory Fitment for Commercial Vehicle across Europe:
 - on M1, M2, M3, N1, N2, N3, O3, and O4 vehicles (trucks, trailers, buses, coaches)
 - from 2022/7: [new type approvals](#), and
 - from 2024/7: all new vehicles for registration.
- ◆ Commercial Vehicle Market the Most Lucrative.
- ◆ BLE TPMS Excellent for Commercial Vehicles and Fleets.

TPMS Market by Vehicle Type



Data Source: <https://www.alliedmarketresearch.com/tire-pressure-monitoring-system-market-A07166> ■ 2031 ■ 2021

Sysgration TPMS Market Position

- ◆ Ranked by Key Component Suppliers as WW #5.
- ◆ Recognized by WW Market Reports as One Global Key Player.

Key Players

Schrader, Baolong, Pacific Industrial, Continental AG, Huf Group, TRW,
Sysgration, Dias Automotive Electronic Systems, Sate, Steelmate and Other

Rugged Vehicle



Autonomous Construction CAGR = 18.45%

Rugged Tablet



Surveying CAGR = 11.0%

Headmount Device



Enterprise AR CAGR = 66.2%



Precision Farming CAGR = 13.3%

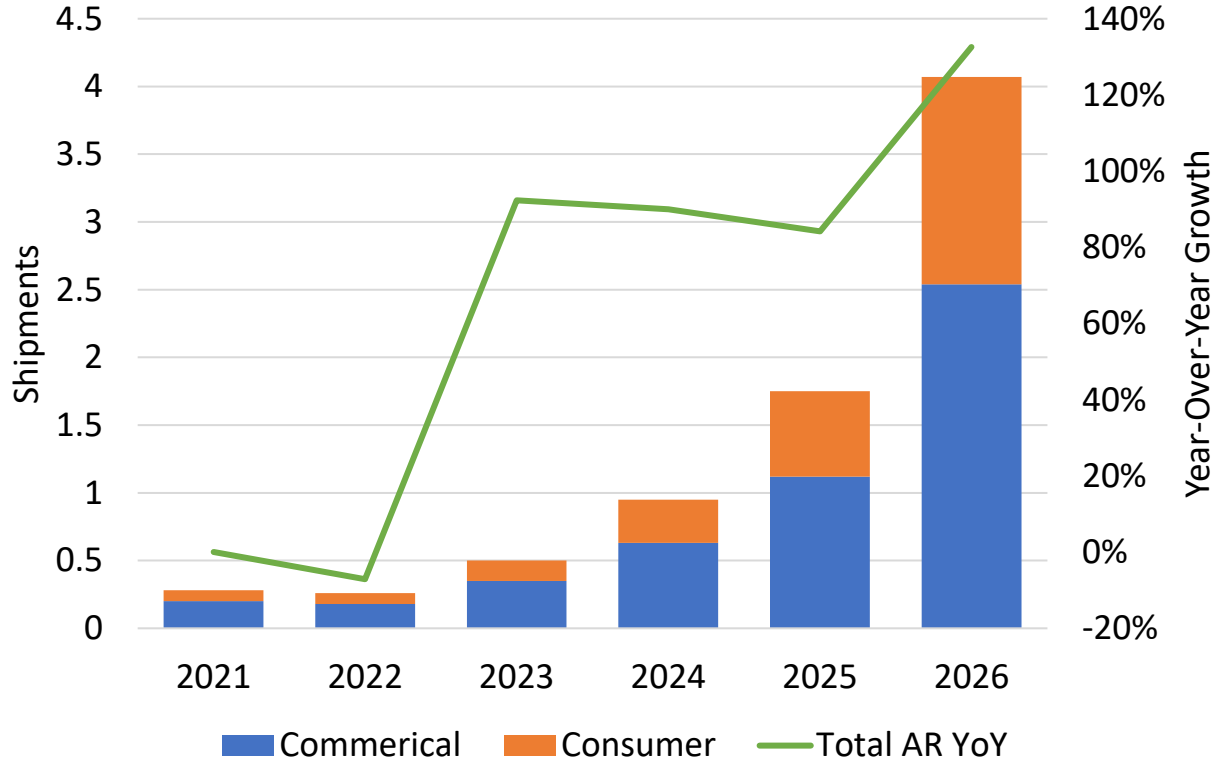


Diagnostic CAGR = 10.1%



Medical AR CAGR = 21%

Worldwide AR Headset Forecast



- IDC forecasts substantial growth for the AR market, with a 5-year CAGR of **70.3%**.
- By 2024, sales are expected to hit 900,000 units and reach 4.1 million by 2026, with **2.6 million units in the Enterprise sector, CAGR of 66.2%**

Rugged AR Devices Business Model

SYSGRATION®

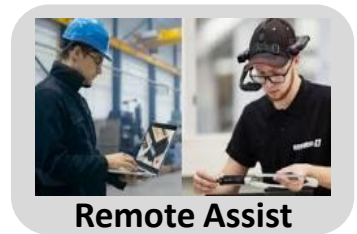
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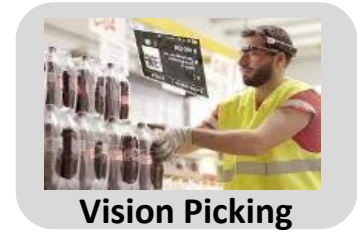
realwear®



Telehealth



Remote Assist



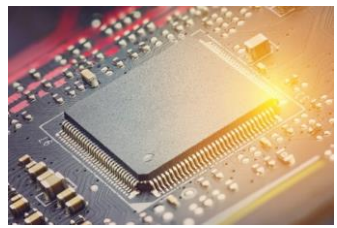
Vision Picking



AR SOP



+ Design



+ Manufacturing



Sales/Distribution



Service



+ AI Integration



● From BIM to DIM

- The term Building Information Modeling (BIM) will evolve into the more easily understood Digital Information Management (DIM).

● Digital Twin Technology

- This technology produces a virtual model of a construction project that is continually updated in real-time.
- **Sysgration Products: AR Head Mount Device, Precision Surveying**

● Connected Construction Sites

- Connected construction sites are made up of a network of people, equipment, vehicles, and devices that communicate with each other via wireless/digital technologies under the umbrella of a single organization
- **Sysgration Products: Rugged Vehicle Terminal(RVT), Body Control Module(BCM) & Vehicle Gateway**

● More Use of Construction Robotics

- Robots can complete repetitive and time-consuming tasks, thereby speeding up building processes.
- **Sysgration Products: Modules for Autonomous Mobile Robot (AMR)**

● Green Building and Sustainability

- Lowering of energy consumption and greenhouse gas emissions.
- **Sysgration Products: PowerTank Energy Storage System (ESS)**

Power Tank Target Market



Region / Product		China	Taiwan	US	ASEAN	EU
Installation site based	Large Scale ESS 					
	Distributed ESS 					
Customer based	UPS Battery 					
	BBU 					



US Operation



SYSGRATION Global Footprint

Headquarter with majority of R&D located in Taipei, Taiwan.

Multiple production bases including 2 located in China, 1 Taiwan, and 1 in US.

Each factory is fully equipped for full system production (from PCBA SMT/DIP to full unit Assembly/Test/Packing).

Flexible to allocate production resources to meet different logistic needs.



Sysgration Headquarter

Location: Neihu, Taipei, Taiwan
Sales, R&D, PM, SCM



Sysgration Nankang Factory (NKS)

Location: Nankang, Nantou, Taiwan
TPMS, IPC, ESS



Sysgration US

Location: Texas, US
PCBA, TPMS, IPC, AR, BBU/ESS



High Speed SMT Line



Auto Insertion Line



Automatic Production Line



Sysgration Huizhou Factory (HZS)

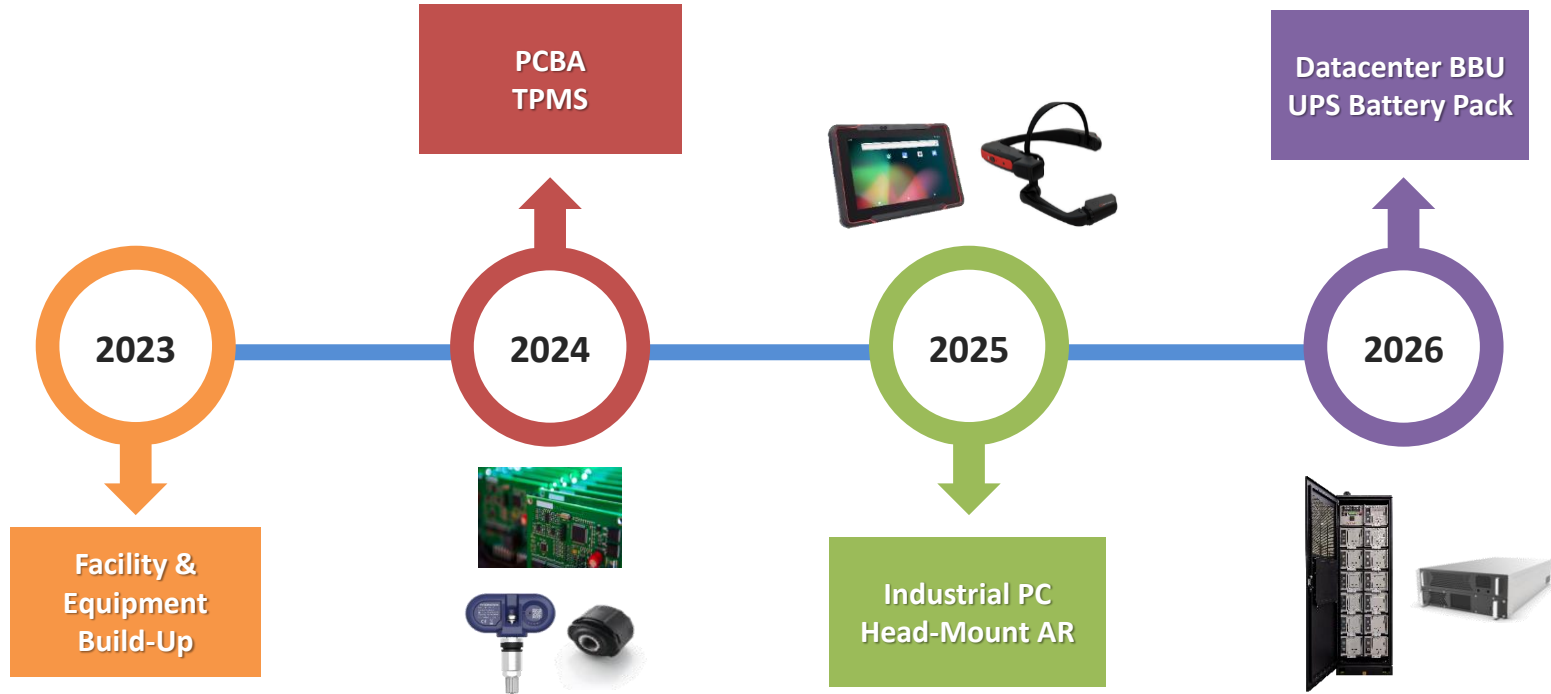
Location: Huizhou, Guangdong, China
TPMS

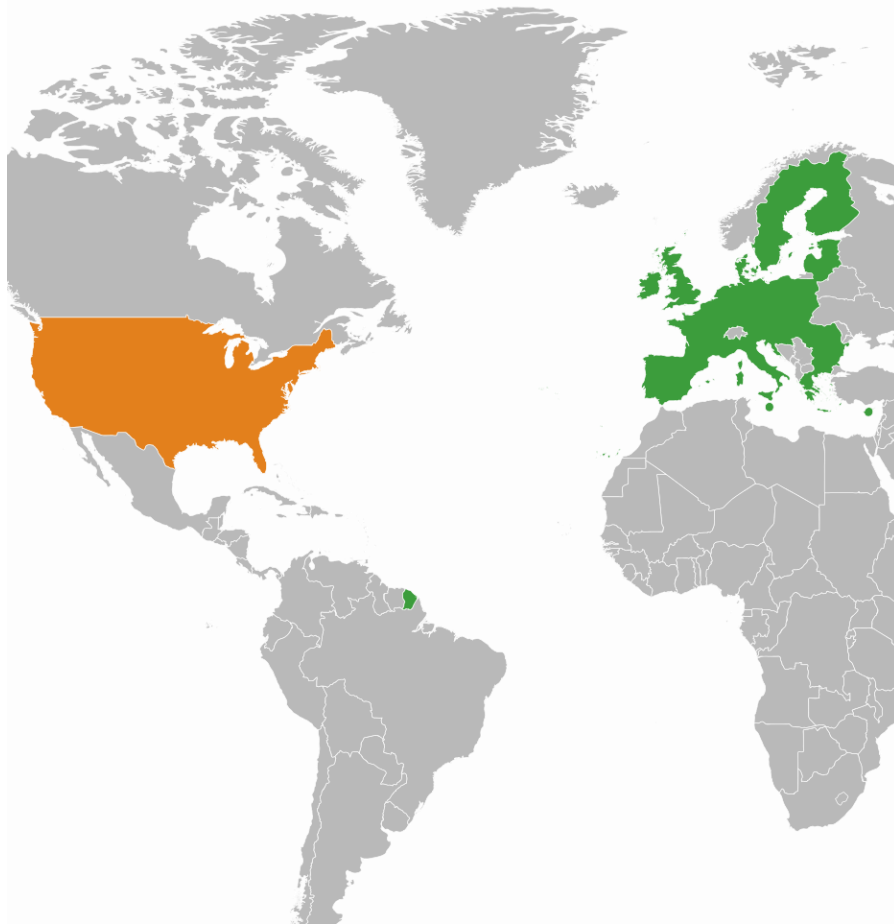


Sysgration Zhenjiang Factory (ZJS)

Location: Zhenjiang, Jiangsu, China
ESS, Li-Ion Battery Pack









Q&A





Thank You