

# Investor Conference

2024/8/22

Sysgration Ltd.  
(TPEX: 5309)



# Outline

**1** 2024/1H Operation Highlights

**2** Business Growth Strategies

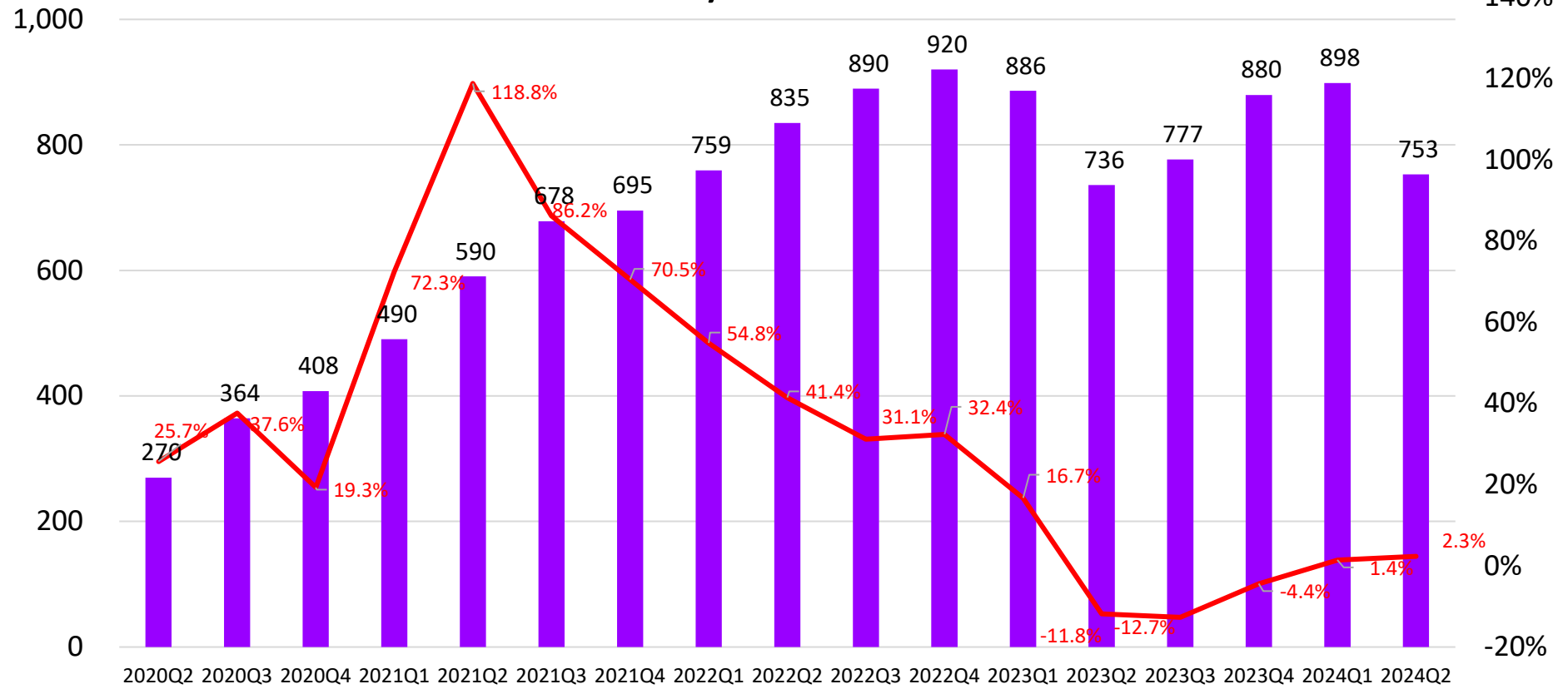
**3** US Operation Updates



## 2024/1H Operation Highlights

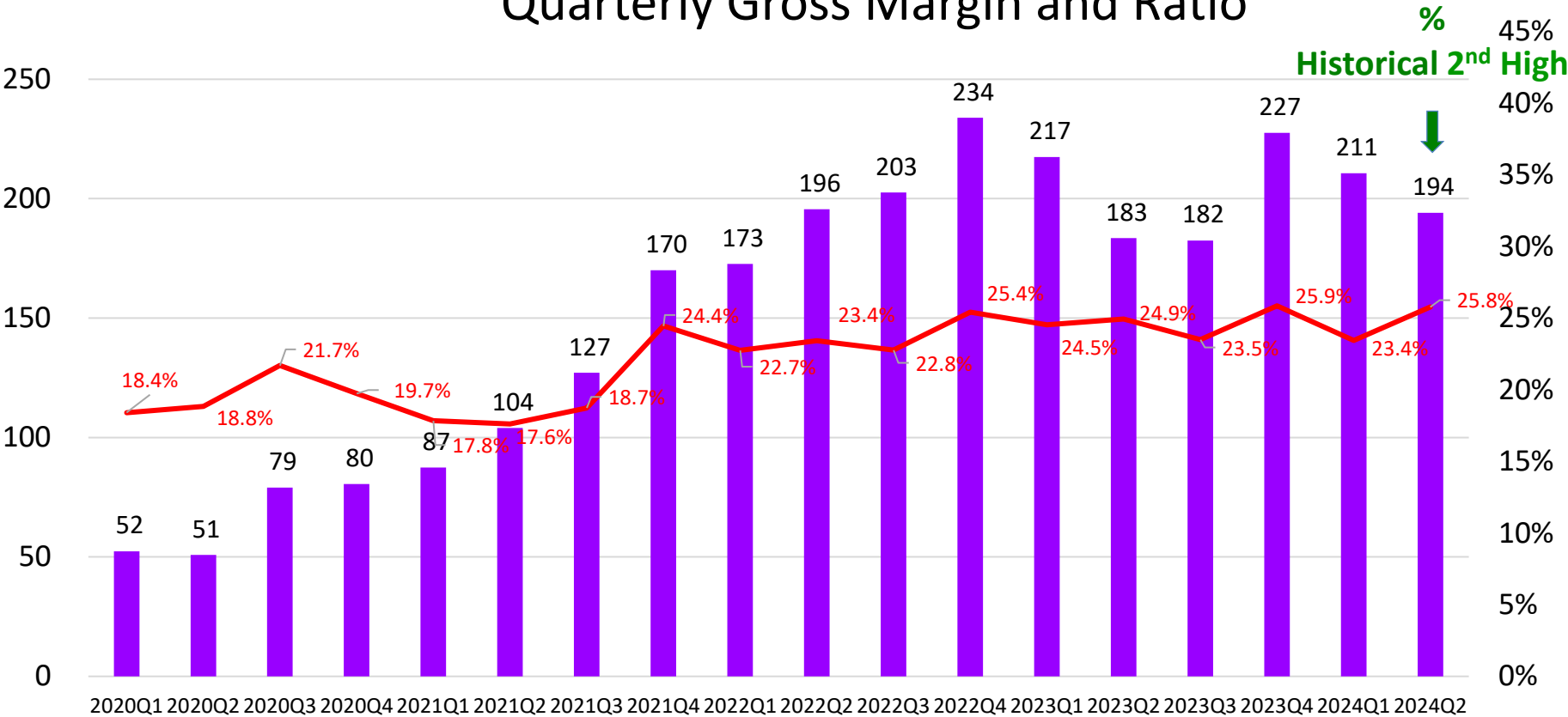
NT\$ M

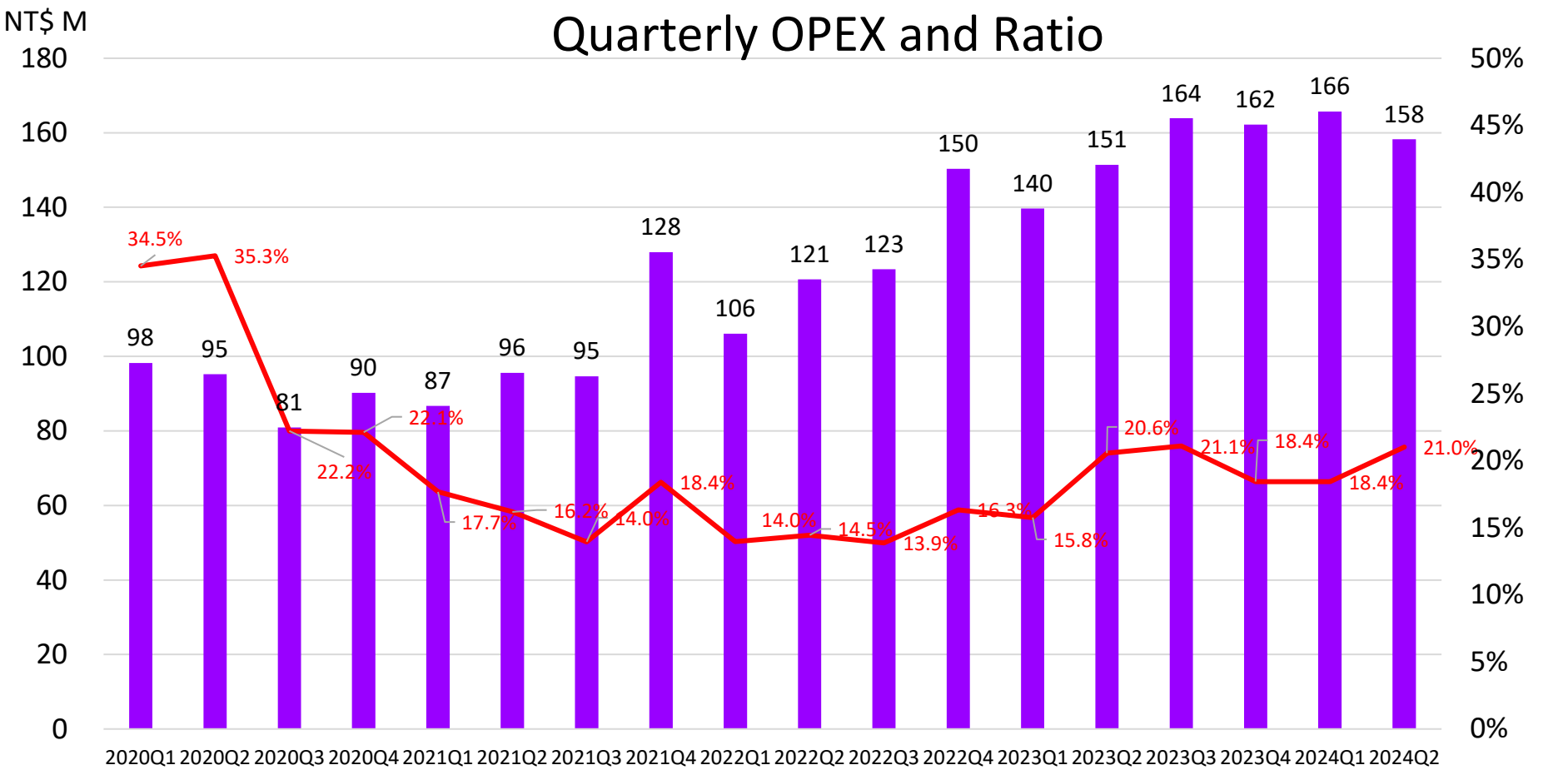
Quarterly Revenue and YoY Ratio



300 NT\$ M

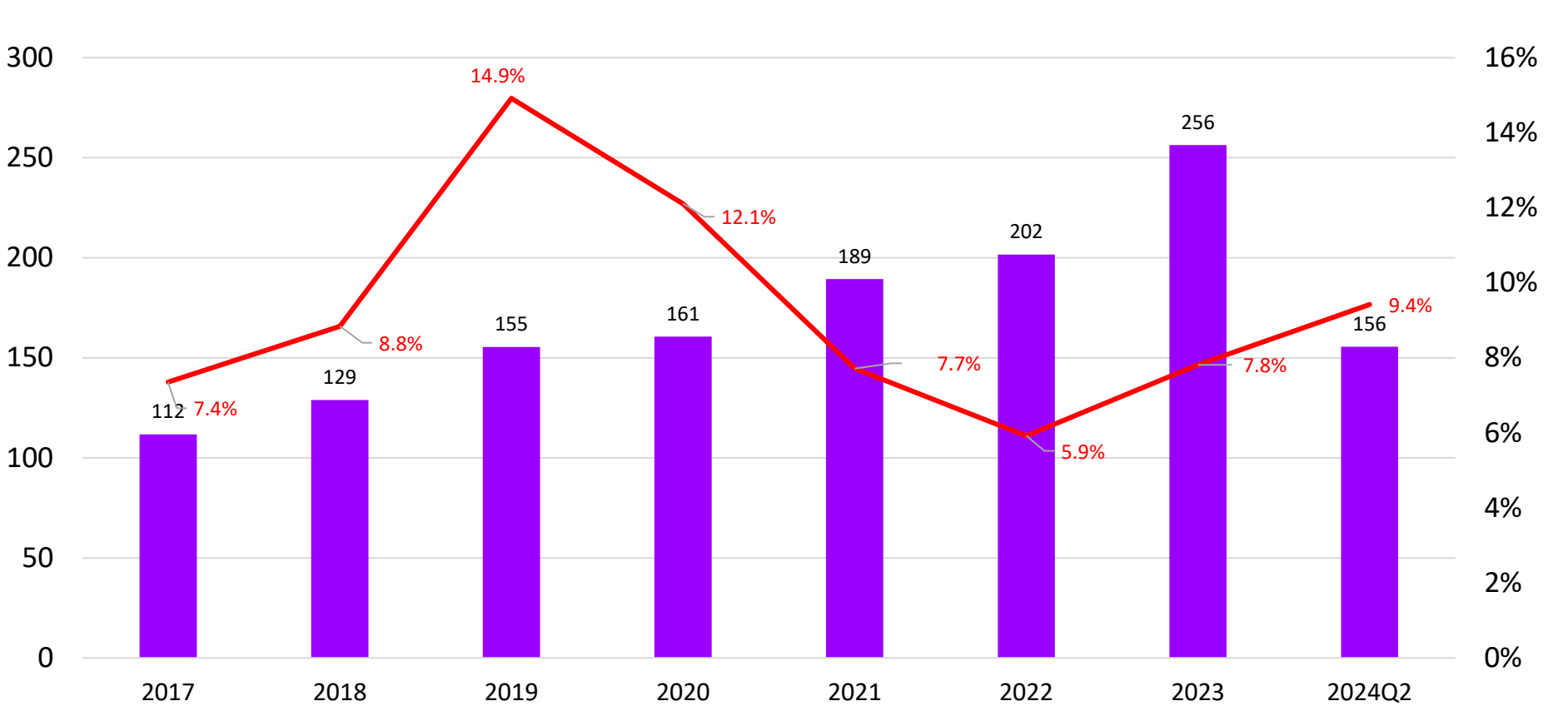
Quarterly Gross Margin and Ratio





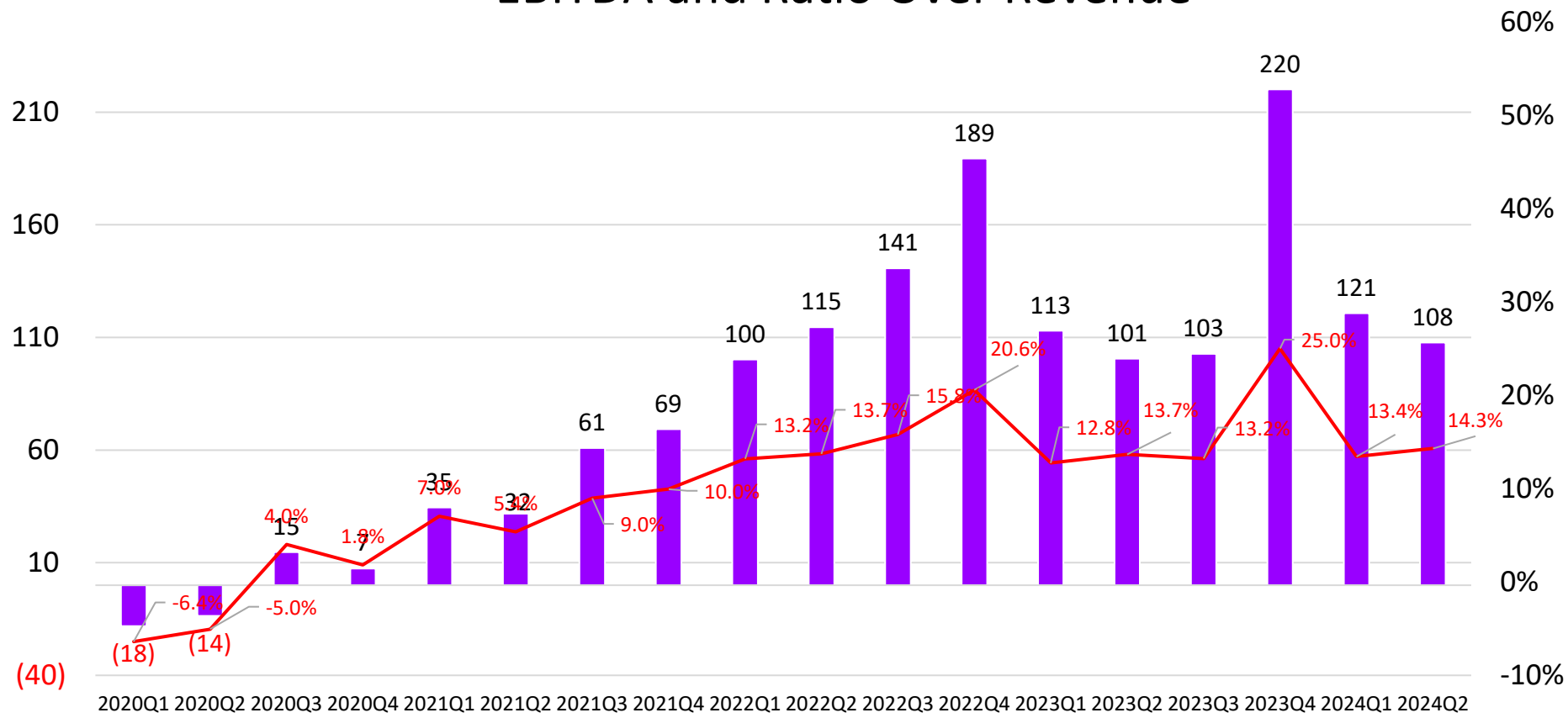
NT\$ M

RD Expense and Ratio



NT\$ M

EBITDA and Ratio Over Revenue

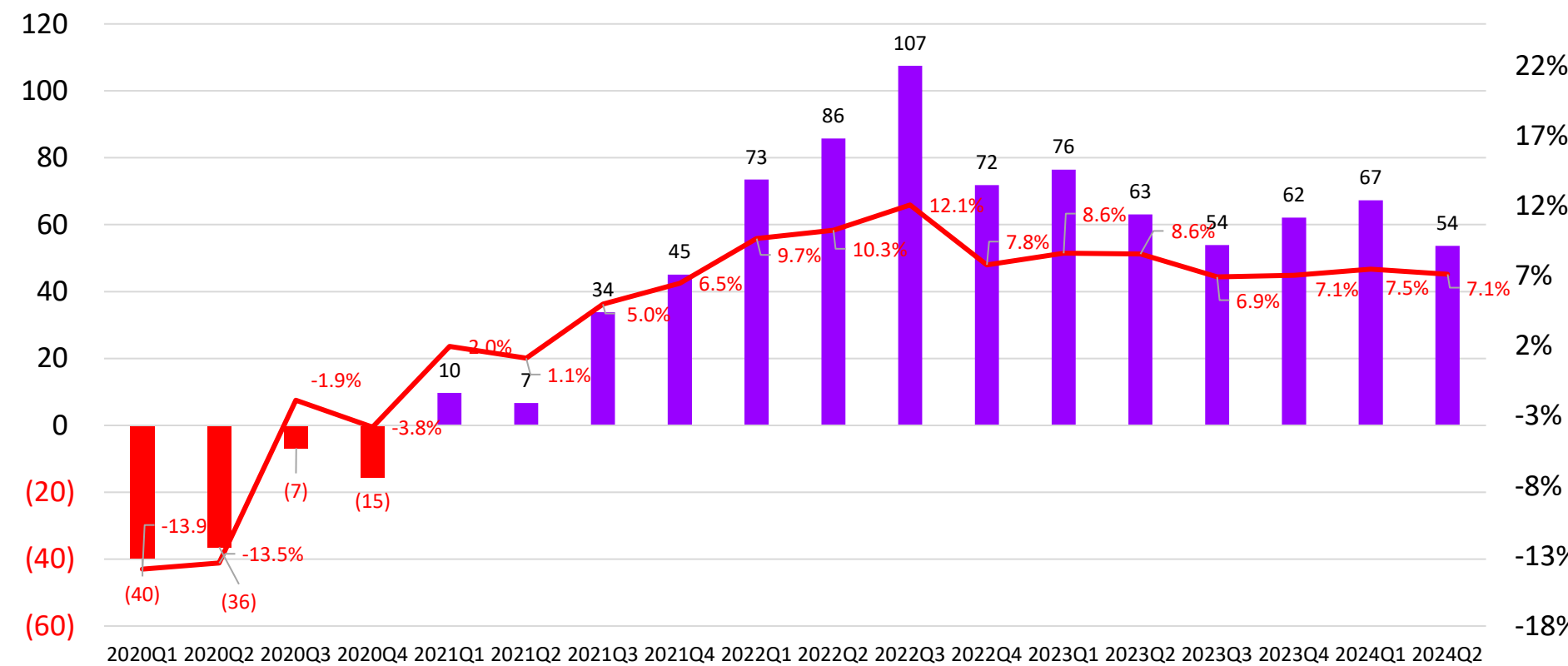




# Profit (Loss) after Tax

NT\$ M

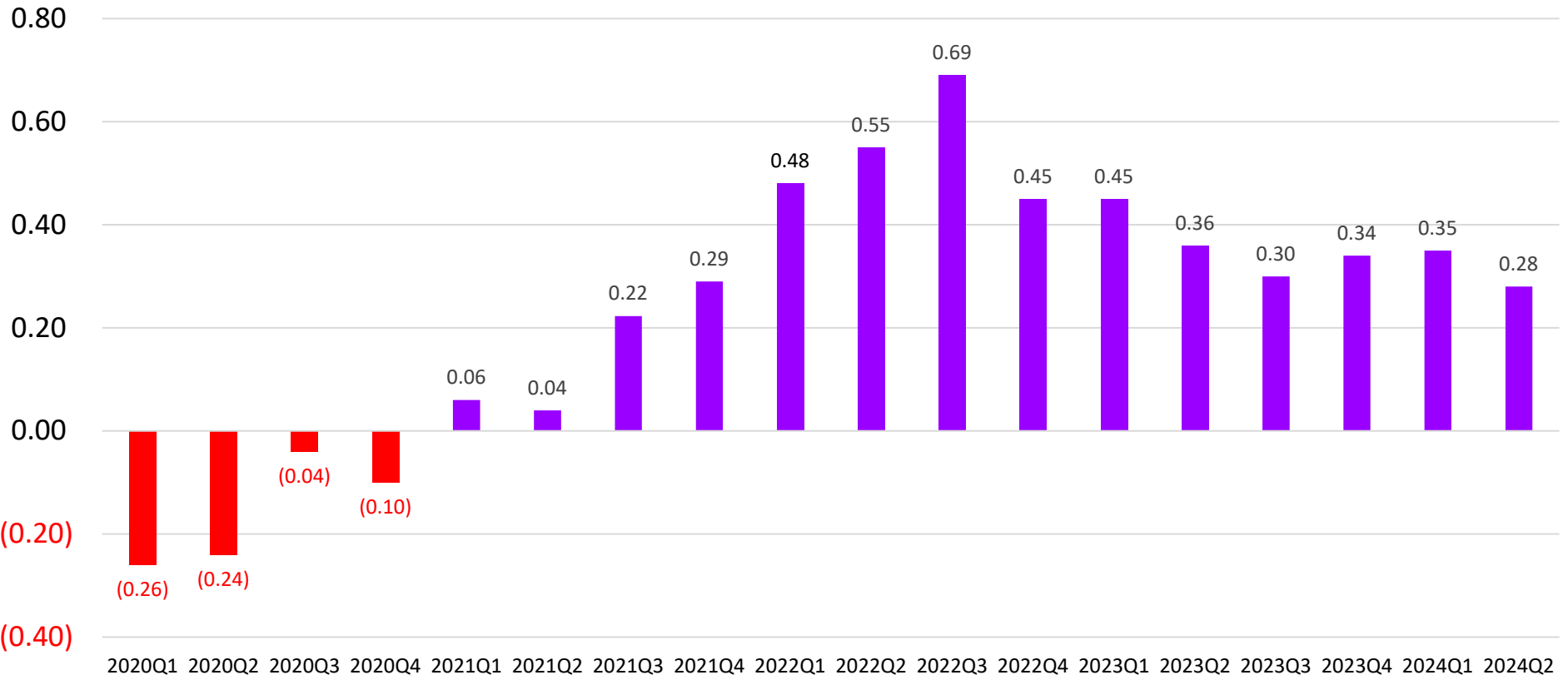
## Quarterly P/L after Tax and Ratio



# Earning per Share

NT\$/Share

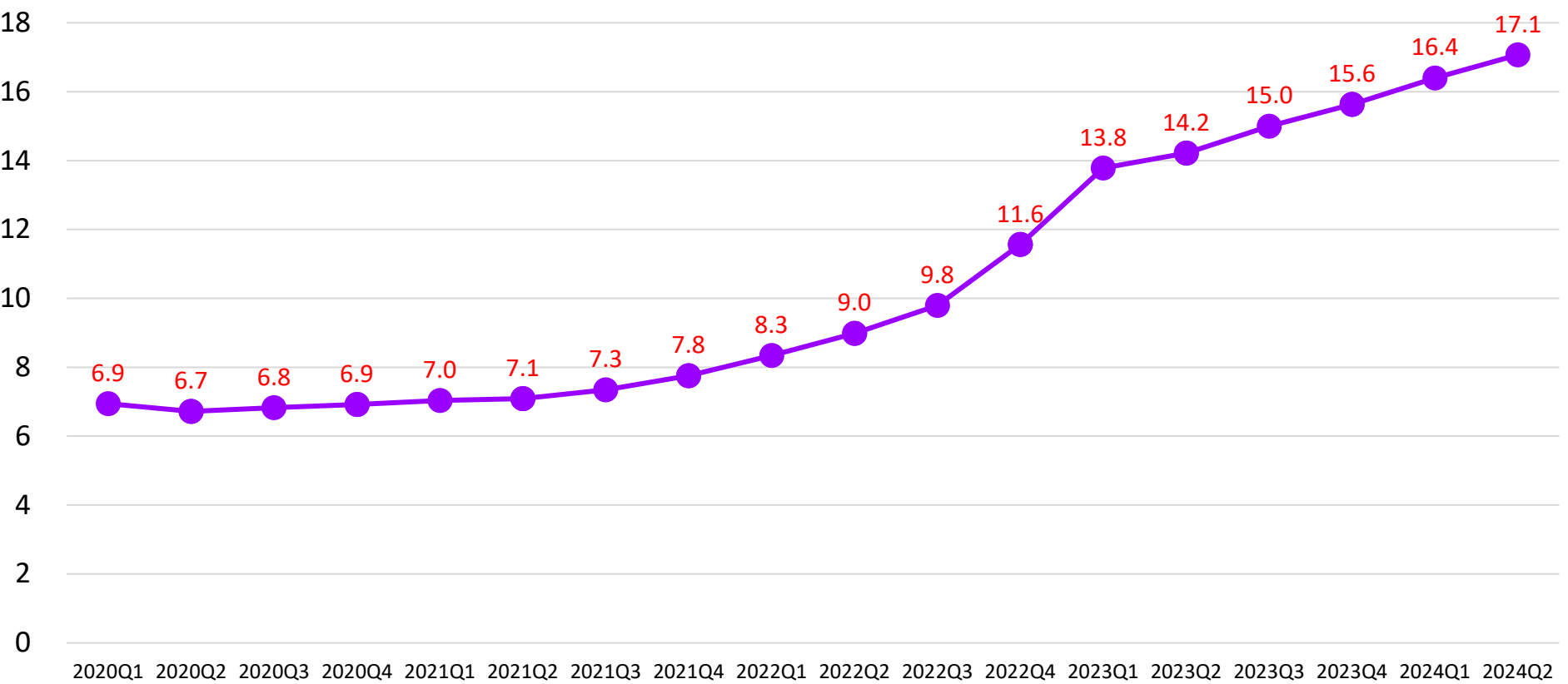
## Quarterly EPS



# Net Worth per Share

NT\$/Share

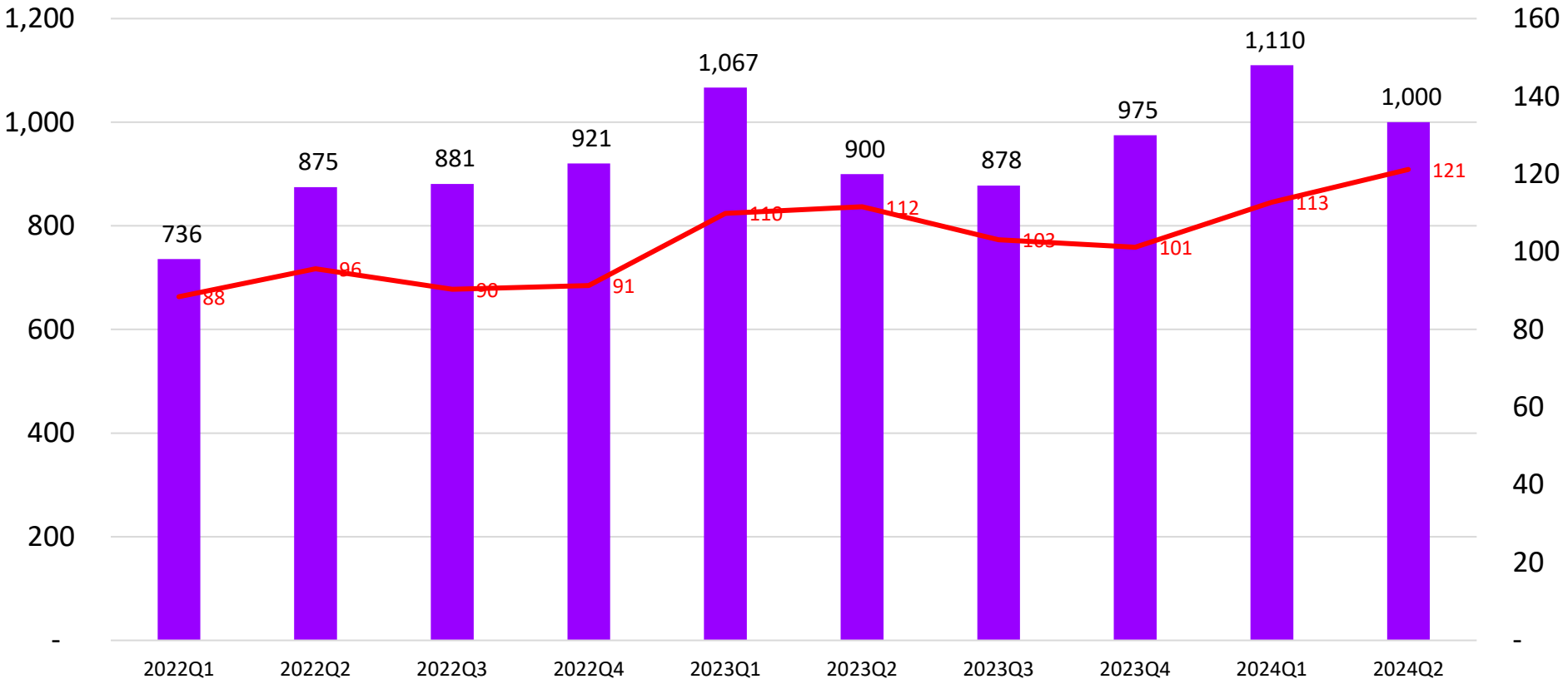
## Net Worth Per Share



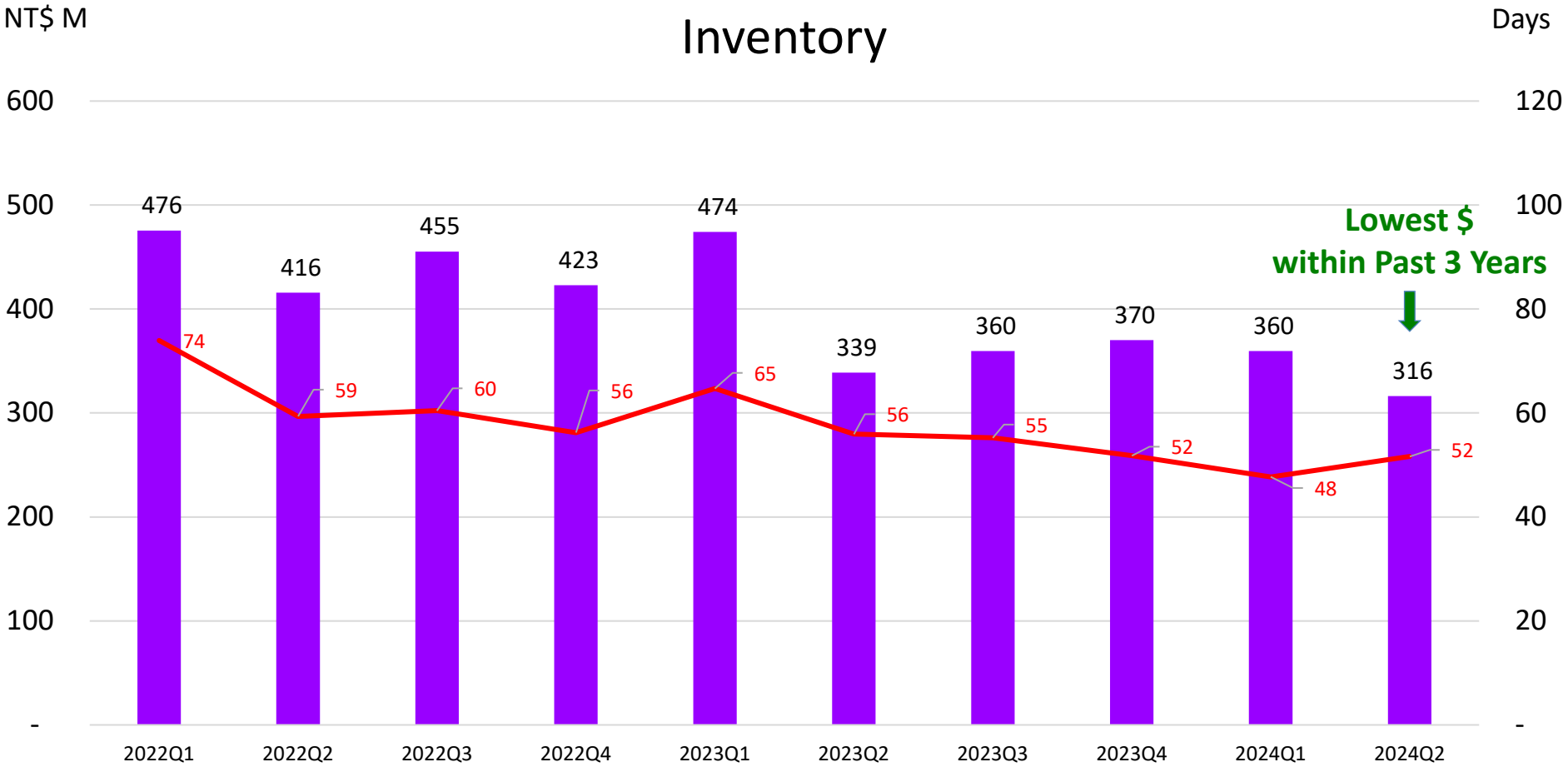
NT\$ M

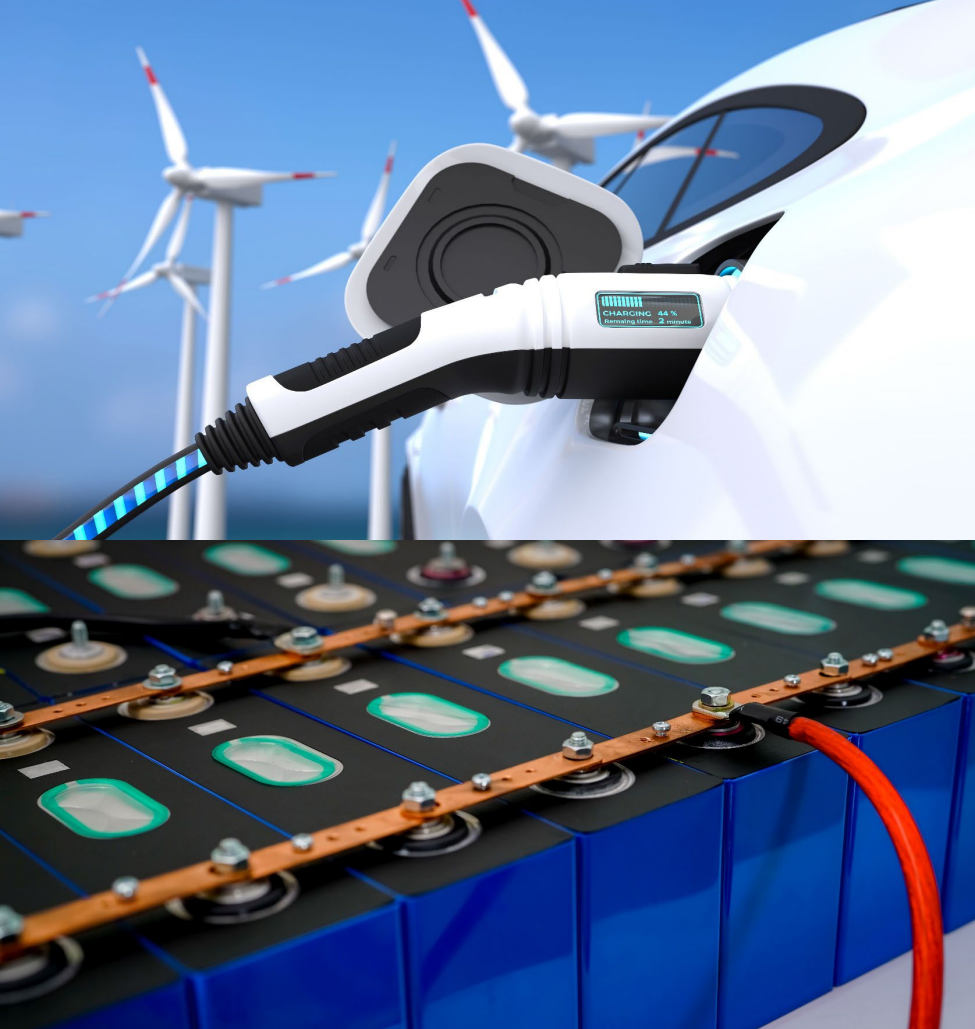
AR Collection

Days



# Inventory Turnover





## Business Growth Strategies



TPMS

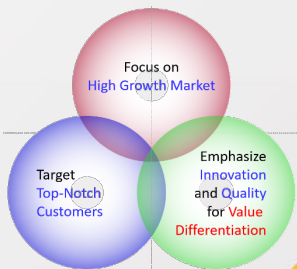


IPC



LIB Pack

# Future Business Growth Drivers

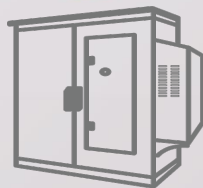


**TPMS**

- OE
- Replacement
- Fleet

- Semiconductor Fab
- Community
- Data Center

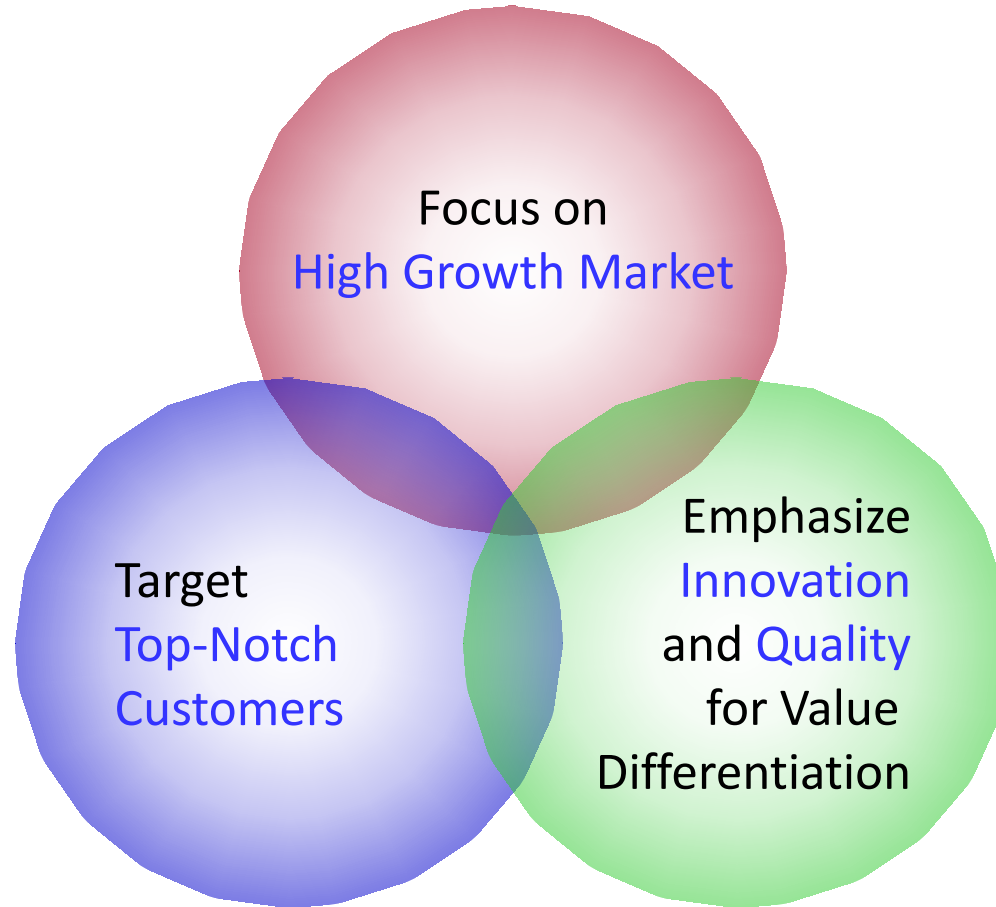
**LIB Pack**



**IPC**

- Commercial & Industrial Vehicle
- Rugged Portable/Wearable
- AI-Driven

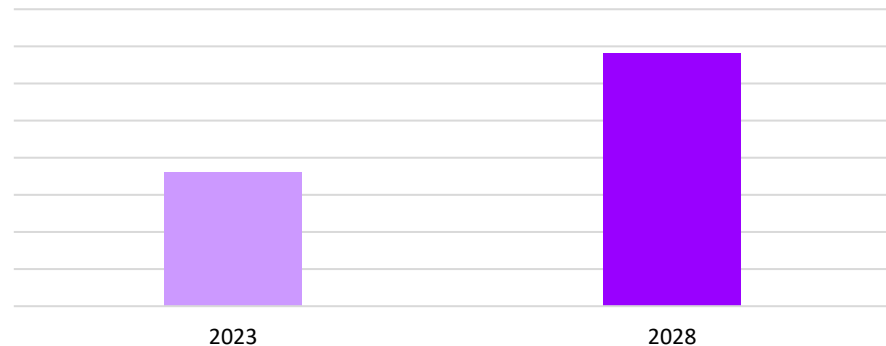




- ◆ 2023~2028 CAGR > 13%.
- ◆ Largest Market: North America.
- ◆ Fastest Growing Market: Asia-Pacific.
- ◆ New Geopolitical Growth Opportunity in North America and Europe OE Makers.



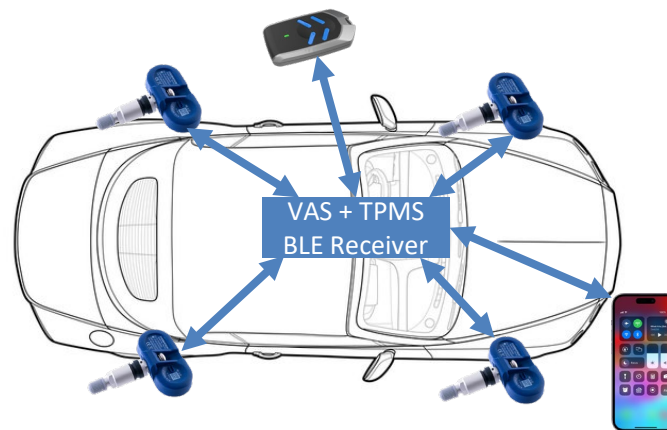
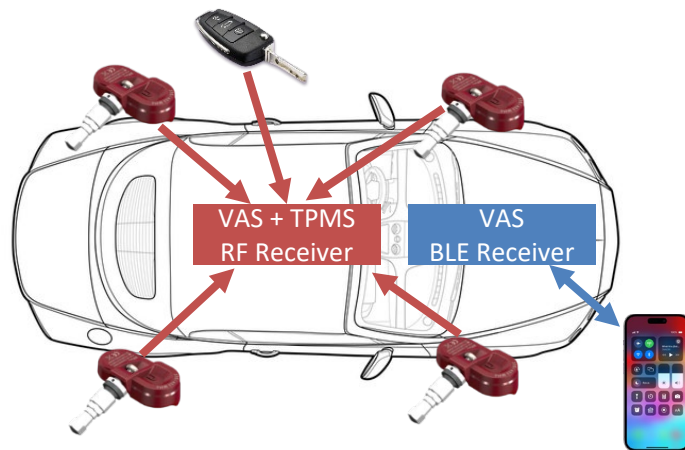
Automotive TPMS Market Size  
CAGR > 13%



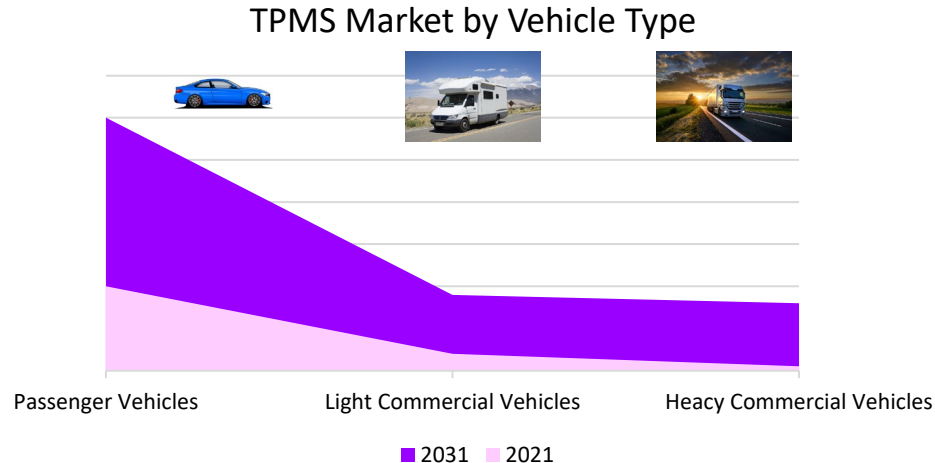
Data Source: [www.mordorintelligence.com/industry-reports/automotive-tpms-market](http://www.mordorintelligence.com/industry-reports/automotive-tpms-market)

# TPMS Moving from RF to BLE

- ◆ Market Preference on ADAS Plays a Significant Role in TPMS Growth.
- ◆ “Phone as A Key” Drives VAS (Vehicle Access System) from RF to BLE/UWB.
- ◆ Adopting BLE TPMS Helps Automakers to Eliminate the Dedicated RF Receiver.
- ◆ Technology Matures to Reach Good Performance/Price Ratio for Mass Adoption.

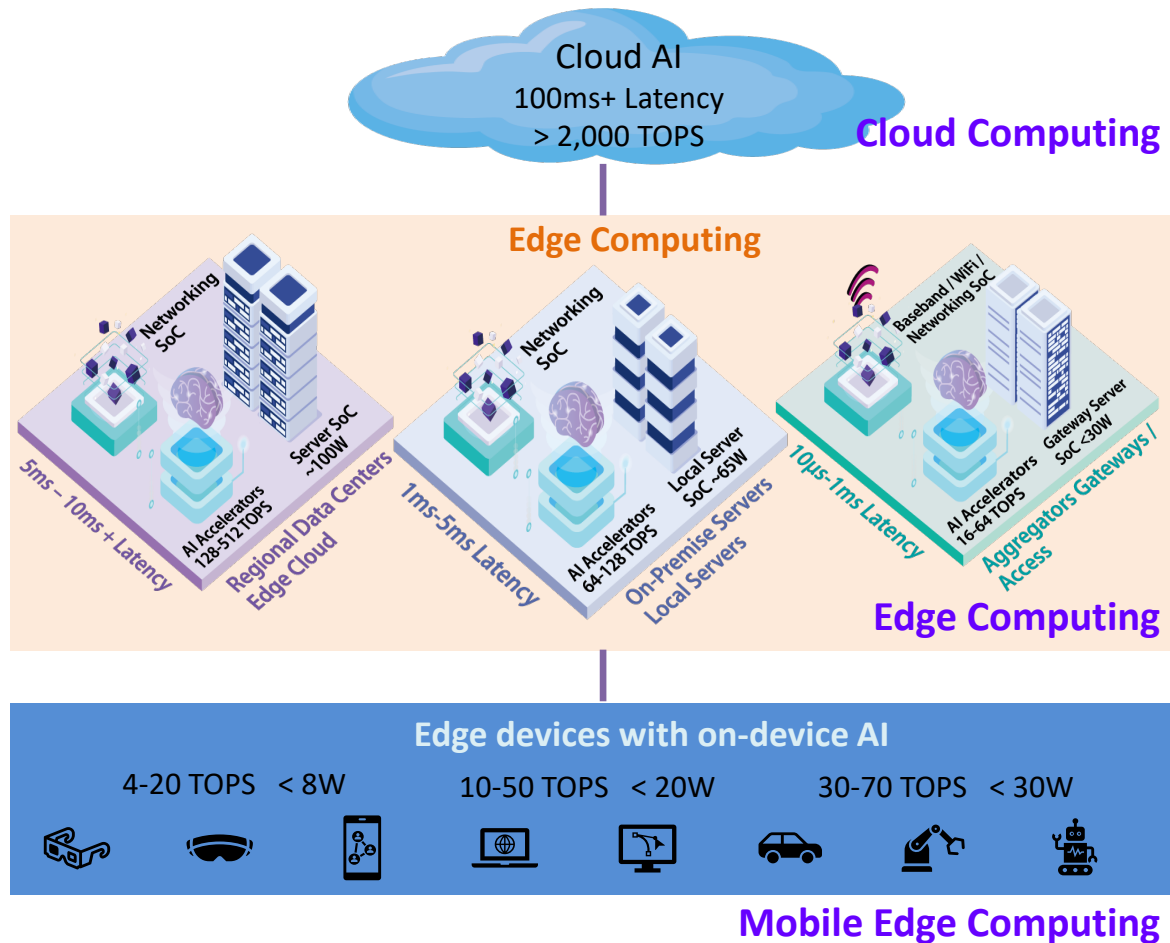


- ◆ TPMS Become a Compulsory Fitment for Commercial Vehicle across Europe:
  - on M1, M2, M3, N1, N2, N3, O3, and O4 vehicles (trucks, trailers, buses, coaches)
  - from 2022/7: new type approvals, and
  - from 2024/7: all new vehicles for registration.
- ◆ BLE TPMS Excellent for Commercial Vehicles and Fleets. Margin is Most Lucrative.
- ◆ A US Truck OE is evaluating BLE TPMS for their FCEV Truck.
- ◆ Top Tire Makers are adapting BLE TPMS as part of their Fleet Solution.



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

# The AI Future: Distributed & Decentralized AI



**Cyber Physical System  
Digital Twin**

**Example:**

Jarvis supports Tony Stark on building models, simulation, and prototyping.

**AI Assistance  
Co Pilot**

**Example:**

Jarvis supports Tony Stark as co-pilot assistant during battles.

**AI AMR**

**Example:**

Lots of Mark xx Armors fight together with Tony Stark during battles.

Market	Server	PC	Laptop	Smartphone	Industrial PC
Current Value (2024)	USD 153.9 billion	USD 201.8 billion	USD 120.84 billion	USD 493.08 billion	USD 6.05 billion
Projected Growth (2030)	USD 200 billion	USD 300 billion	USD 179 billion	USD 735 billion	USD 9.94 billion
CAGR	11.40%	6.0% - 7.8%	6.0% - 7.3%	6.85%	7.30%
Impact of AI	Enhanced data processing, predictive maintenance, AI-driven analytics	Enhanced productivity, security, performance, and user experience	Enhanced productivity tools, customization, and security features	Enhanced user experience, smart assistants, AI-driven features	Smart manufacturing, predictive maintenance, real-time analytics
AI-Driven Market Value Projection (2030)	USD 230 billion	USD 350 billion	USD 200 billion	USD 790 billion	USD 15.8 billion
Sources	IDC, Expert Market Research, Technavio	IDC, Gartner, Future Market Insights	Canalys, Fortunly, Cognitive Market Research	IDC, Canalys, Market Data Forecast	Maximize Market Research, Future Market Insights

- ◆ Computing power demanded by AI gradually shifts from Cloud Servers to **Edge Computing** and **Smart Devices** (on-device AI).
- ◆ With the rise of edge computing, **Distributed AI Models** become increasingly important. These models run on **Multiple Edge Devices** and work collaboratively to enhance computing efficiency and system reliability.
- ◆ **Federated Learning** is a distributed machine learning approach which allows devices to train models locally and share only **Model Updates** but not **Raw Data**, thus preserving data privacy and gaining more attention.

- ◆ USA President Biden signed a \$1.2 trillion infrastructure investment and jobs act covering:
  - Environmental restoration and green infrastructure.
  - Transportation infrastructure and safety facilities.
  - Public utility infrastructure.
  - Electric vehicles and infrastructure.
- ◆ U.S. Department of Agriculture (USDA) has earmarked funds to support AI in Precision Agriculture, which allocated additional funds to Agricultural Research Service (ARS) to develop AI tools that help farmers manage crops and resources effectively, including AI-Driven analytics for improving Agricultural Productivity and Sustainability.



## Rugged AloV Computing & Control



## Rugged Handheld AIoT Device

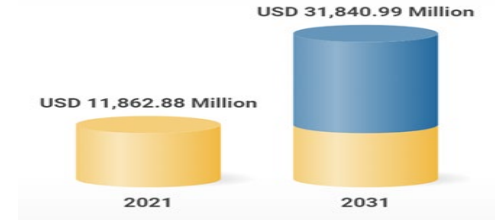


## Enterprise Wearable AIR Device



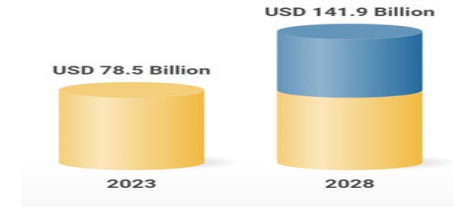
## Global Autonomous Construction Market

Market forecast to grow at a CAGR of **10.4%**



## Global Geospatial Analytics Market

Market forecast to grow at a CAGR of **12.6%**



## Global Augmented Reality Market

Market forecast to grow at a CAGR of **36.8%**



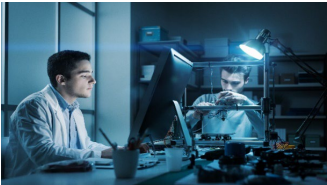
# Enterprise Wearable AI + AR Devices



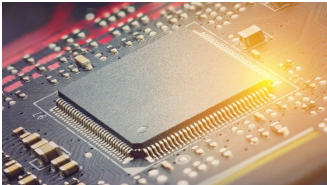
- Global No.1 Enterprise AR Head Mount Device/Smart Glasses.
- 41 of Fortune 100 Companies have deployed RealWear devices.



**Design**



**Manufacturing**



**Distribution**



**Service**



**AI Integration**



# Autonomous Mobile Robot (AMR)

## ◆ Expected to see substantial growth over the next decade:

- Expert Market Research: \$3.96B in 2024 → \$9.47B by 2029, CAGR 18.5%.
- Coherent Insights: \$2.96B in 2023 → \$8.47B by 2030, CAGR 16.2%.

## ◆ Key Application Areas:

- Manufacturing (75% of AMR revenue in 2022, based on Grand View Research).
- Logistics.
- Warehouses.
- Fulfillment centers.



# Autonomous Delivery Robot (ADR)

## ◆ Expected to see substantial growth over the next decade:

- Polaris Market Research: \$0.19B in 2023 → \$2.15B by 2032, CAGR 30.7%.
- Mordor Intelligence: \$1.09B in 2024 → \$3.15B by 2029, CAGR 23.6%.

## ◆ Market Segmentations:

- Regions: Mostly North America
- Applications: Food, Pharmacy, Grocery, Post
- Load Capacity: 10Kg, 50Kg
- # of Wheels: 3, 4, 6





# Power Tank Target Market



POWER TANK ENERGY  
A SYSGRATION GROUP COMPANY

## Energy Storage Systems (ESS)



Energy Brick



ESS Battery Rack



Container ESS

## Active Power



AI Data Center BBS/BBU



Volume Up from 2025



Telecom SMR Battery Rack

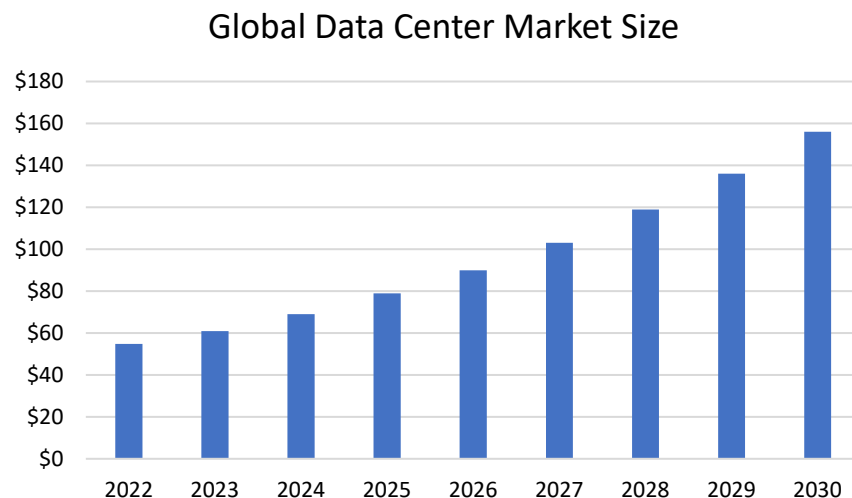


AC UPS Battery Rack

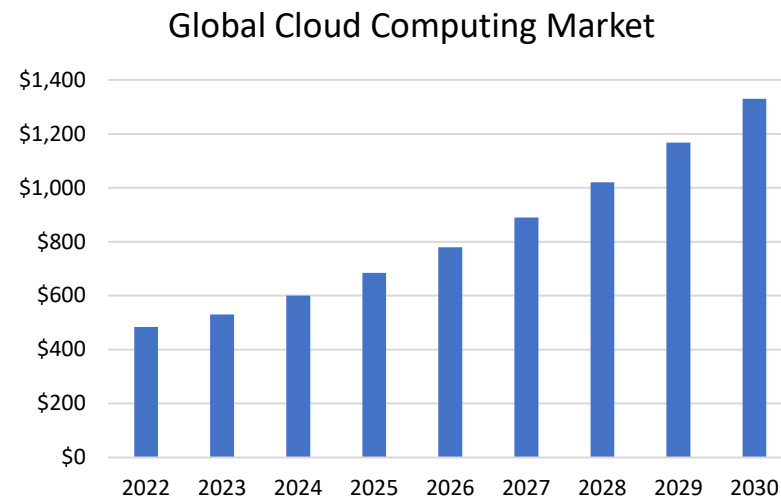
Booming for  
AI Demands...

# AI Data Center Market Trend

Global DC colocation market size was **US\$55B** in 2022, with **14.2%** CAGR from 2023~2030.



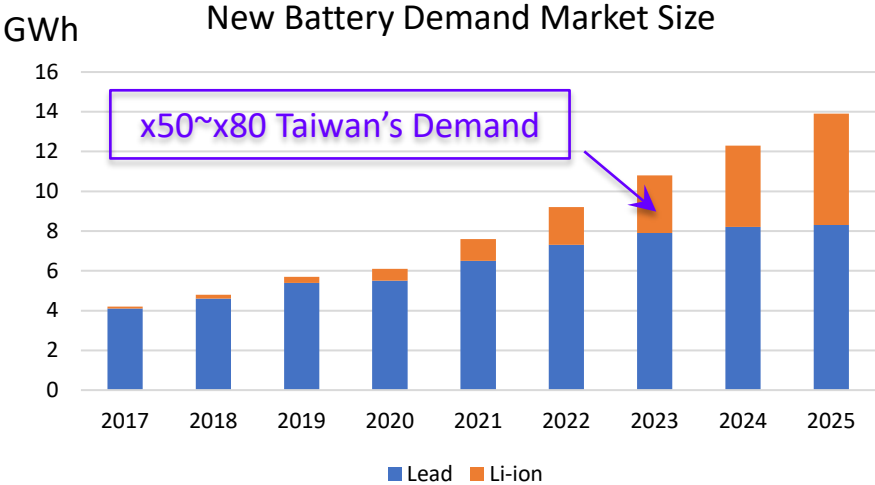
Global cloud computing market size was **US\$484B** in 2022, with **14.1%** CAGR from 2023~2030.



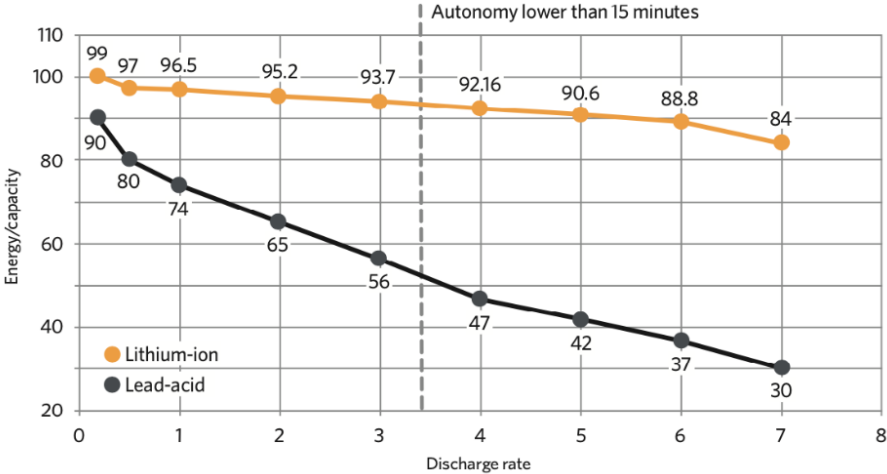
With 10% Lead-Acid to LIB Transformation Rate, around US\$700M LIB Business in 2022.

Source <http://www.grandviewresearch.com>

## Annual Battery Demands in US/EU CAGR (2023~2025): Total 13.4%, LIB 38.9%



## Telecom & Data Center Market



## Lead-Acid vs Li-Ion Battery Discharge Efficiency

<https://www.cibsejournal.com/technical/battery-technology-vrla-or-li-ion-batteries/>

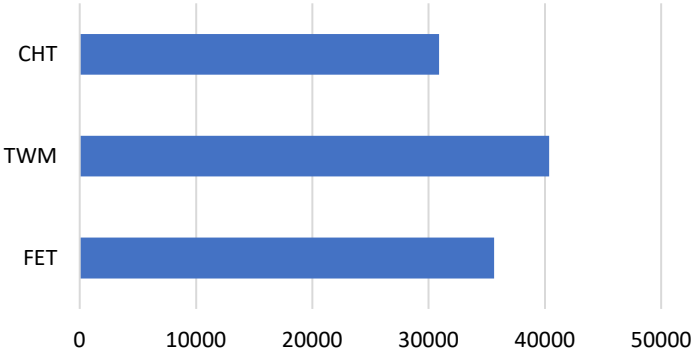
<https://www.datacenterknowledge.com/business/intel-make-altera-unit-standalone-business#close-modal>

# SMR Market Trend



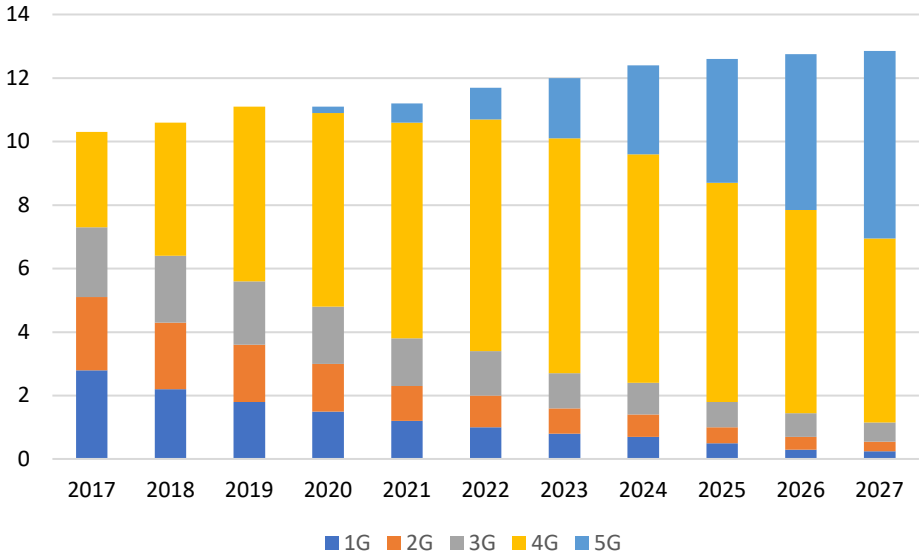
Li-Ion Battery Pack for Base Stations

# of Taiwan 4G Base Stations (2022/03)



- 100K+ Base Stations for Taiwan 4G Services
- In Average 270 People/Unit

Billions # of Worldwide Phone Users for Each Generation



30M+ Base Stations in 2023





## US Operation Updates

# US Plano Factory Building

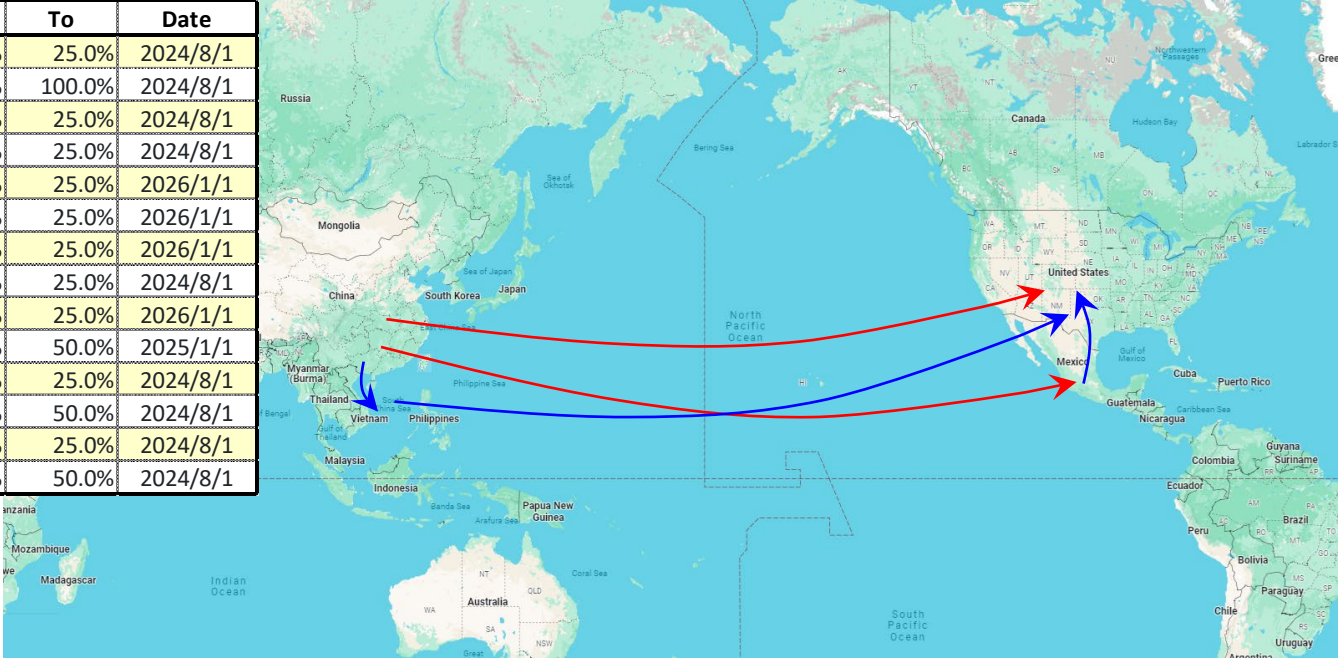
**SYSGRATION®**



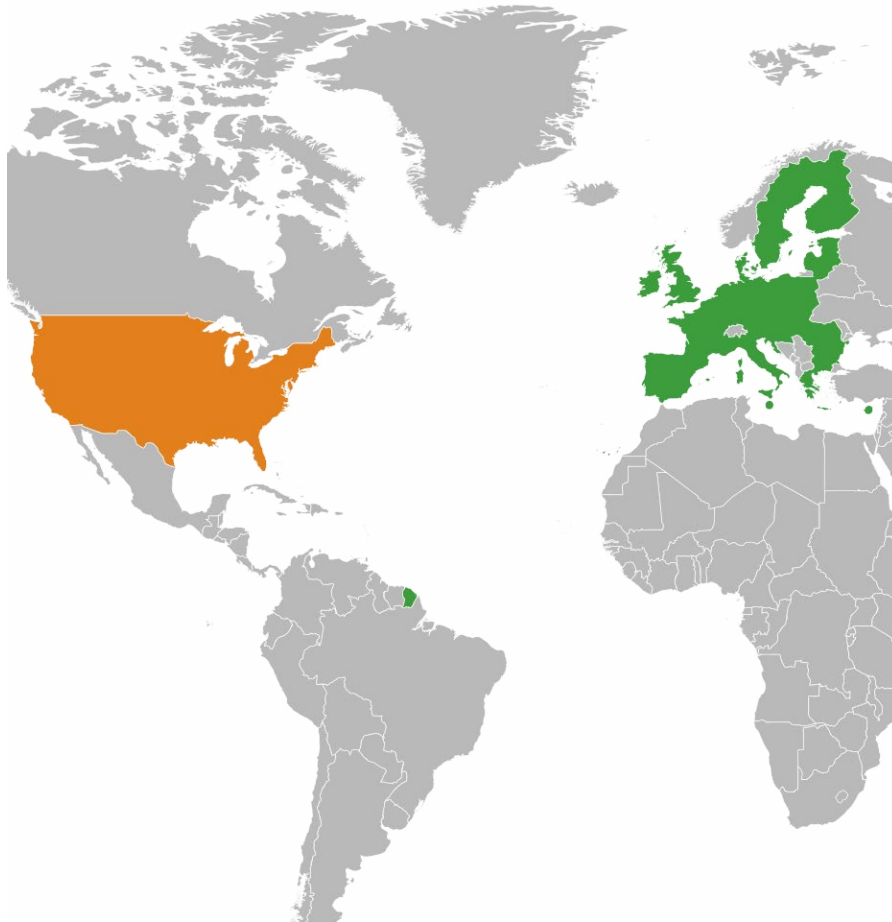
# US's and Mexico's New Tariff Policies

- ◆ 2024/4/22 Mexico Reinstates Tariff Hikes 5%~50% on 544+ Goods.
- ◆ 2024/5/14 US Tariff Increases on Chinese Imports, ~\$18B of Goods.

Category	From	To	Date
Battery Parts	7.5%	25.0%	2024/8/1
Electric Vehicles	25.0%	100.0%	2024/8/1
Facemasks	0 ~ 7.5%	25.0%	2024/8/1
Lithium-Ion EV Batteries	7.5%	25.0%	2024/8/1
Lithium-ion non-EV Batteries	7.5%	25.0%	2026/1/1
Medical Gloves	0 ~ 7.5%	25.0%	2026/1/1
Natural Graphite	0.0%	25.0%	2026/1/1
Other Critical Minerals	0.0%	25.0%	2024/8/1
Permanent Magnets	0.0%	25.0%	2026/1/1
Semiconductors	25.0%	50.0%	2025/1/1
Ship-to-Shore Cranes	0.0%	25.0%	2024/8/1
Solar Cells and/or Modules	25.0%	50.0%	2024/8/1
Steel and Aluminum Products	0 ~ 7.5%	25.0%	2024/8/1
Syringes and Needles	0.0%	50.0%	2024/8/1







# 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

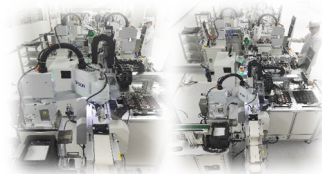
**PCBA, TPMS,  
IPC, AR, BBU/ESS**



High Speed SMT Line



Auto Insertion Line



Automatic Production Line



### Sysgration Huizhou Factory (HZS)

**Location:** Huizhou,  
Guangdong, China

**TPMS**



### Sysgration Zhenjiang Factory (ZJS)

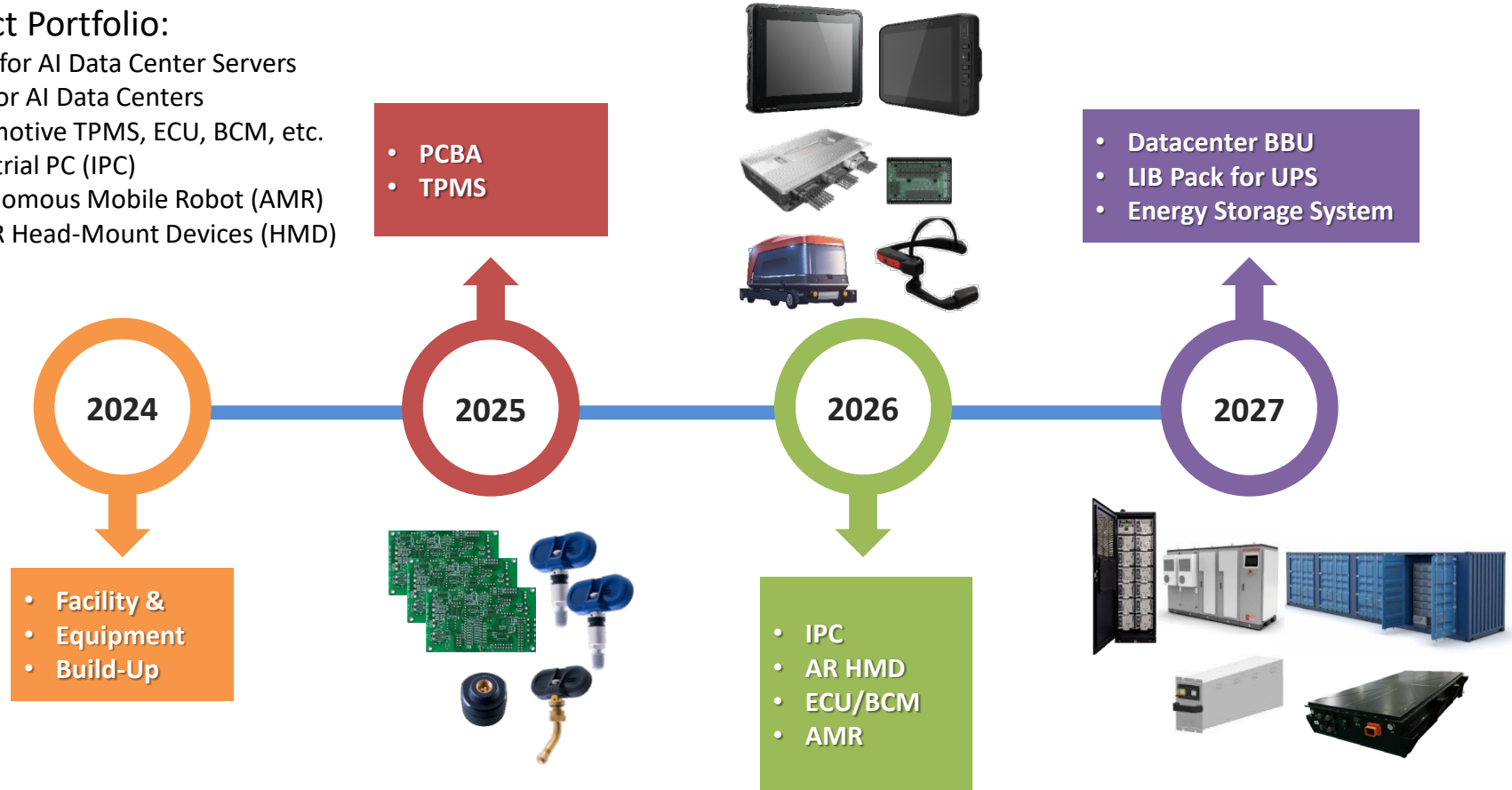
**Location:** Zhenjiang,  
Jiangsu, China

**ESS, Li-Ion Battery Pack**

# US Plano Factory Planned Product Portfolio

## ➤ Product Portfolio:

- ✓ PCBA for AI Data Center Servers
- ✓ BBU for AI Data Centers
- ✓ Automotive TPMS, ECU, BCM, etc.
- ✓ Industrial PC (IPC)
- ✓ Autonomous Mobile Robot (AMR)
- ✓ AR/VR Head-Mount Devices (HMD)





Q&A







Thank You