

2021/Q3

法人說明會

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A photograph of two men in a laboratory or industrial setting. They are standing in front of a piece of equipment with a screen and various controls. The man on the right is gesturing towards the equipment. The image has a reddish tint.

Outline

01 經營策略方向 **Mark Lee**

02 2021/Q3營運績效摘要 **TF Hsieh**

03 營運成長動力 **TF Hsieh**

04 SDG永續發展與ESG **TF Hsieh**

05 Q&A

經營策略方向



Automotive Solutions



Electric Vehicle

1. TPMS CAGR >9%
2. Expected 6 million EVs in 2021
3. Bluetooth Patents



Metaverse/loV

1. Metaverse CAGR >70%
2. loV CAGR >15%
3. IPC rugged design for harsh environment



Power and Energy Management

Energy Storage System

1. ESS CAGR >25%
2. Global Power Shortage
3. Renewable Low Carbon Energy
4. 40-50 Patents



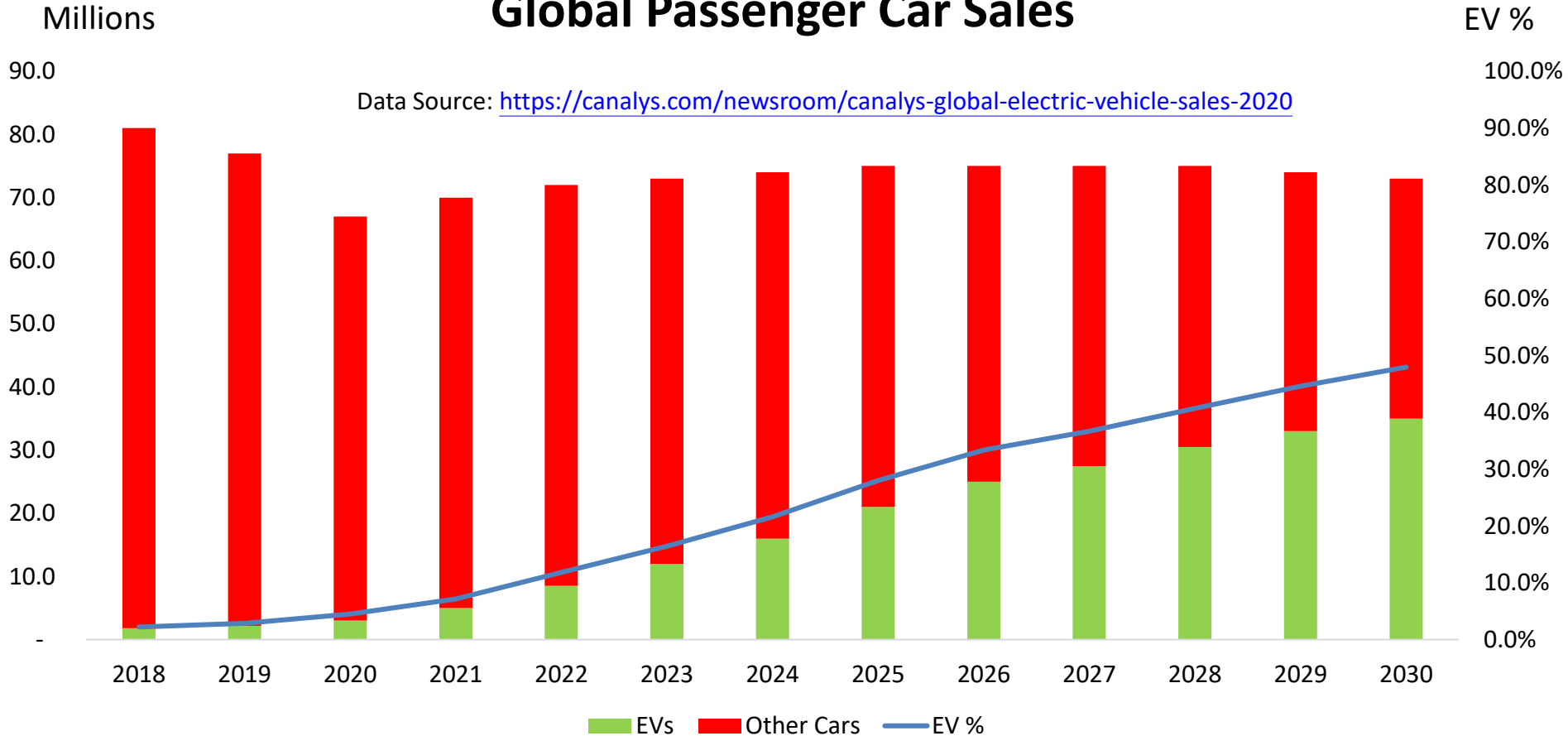
Low Earth Orbit Satellites

1. LEO CAGR >20%
2. LEO Satellite Communication
3. Millimeter Wave Transceiver
4. Datacenter Server Power



Global Passenger Car Sales

Data Source: <https://canalys.com/newsroom/canalys-global-electric-vehicle-sales-2020>



Products Offering



Construction Equipment
CAGR: 4.2%



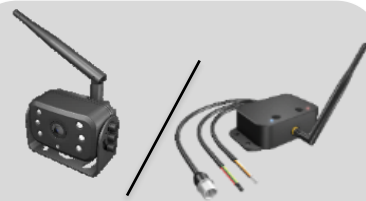
Mobile Device Terminal



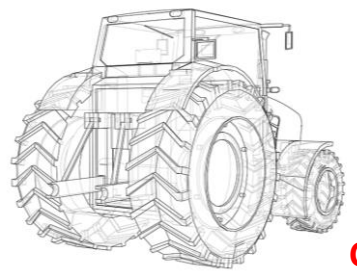
**Body Control Module(BCM)
Vehicle Gateway**



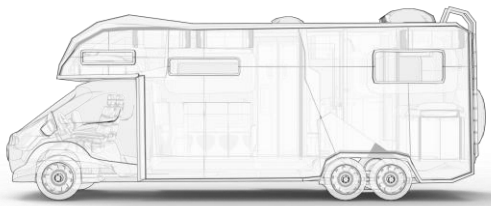
Rugged Vehicle Terminal



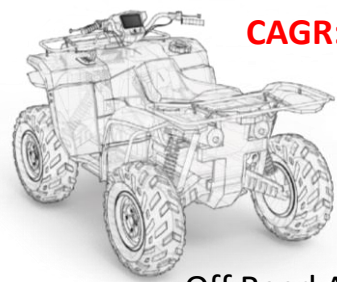
**Vehicle Surveillance
ADAS System**



Agriculture Precision Farming
CAGR: 13.1%

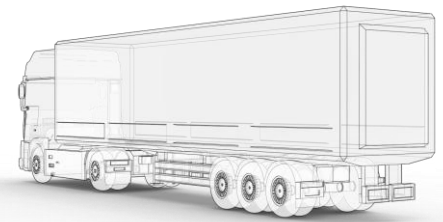


Recreation Vehicle
CAGR: 3.9%



CAGR: 5.6%

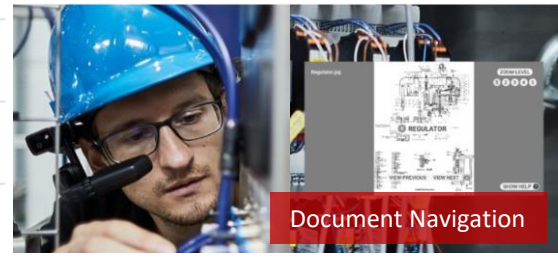
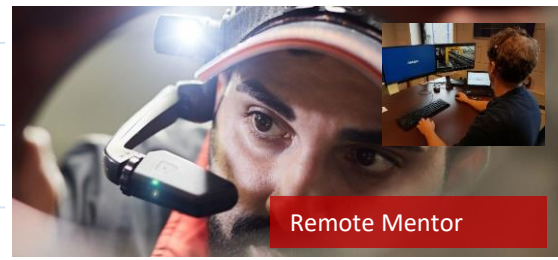
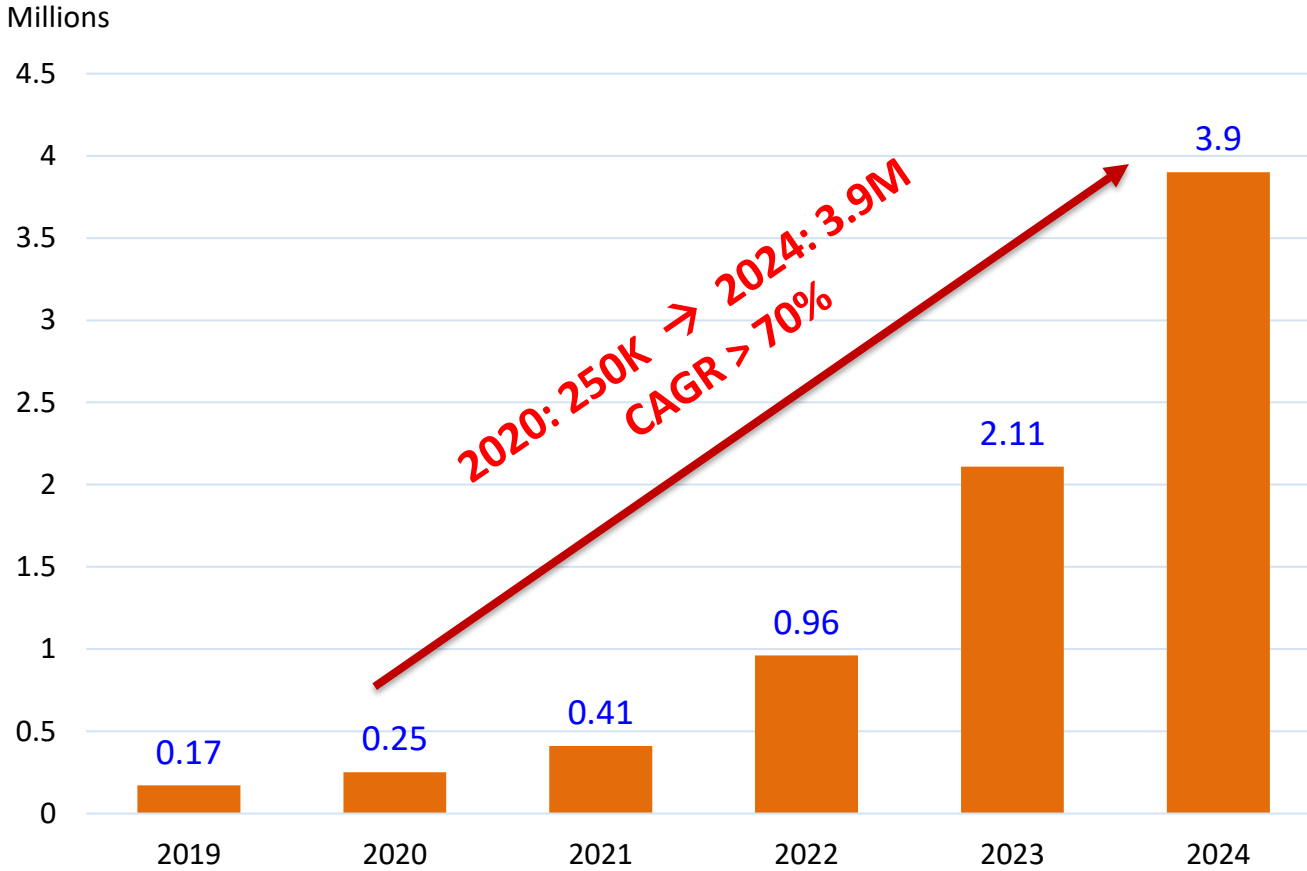
Off Road ATV/UTV



Truck/Long Haul Truck
Fleet Management

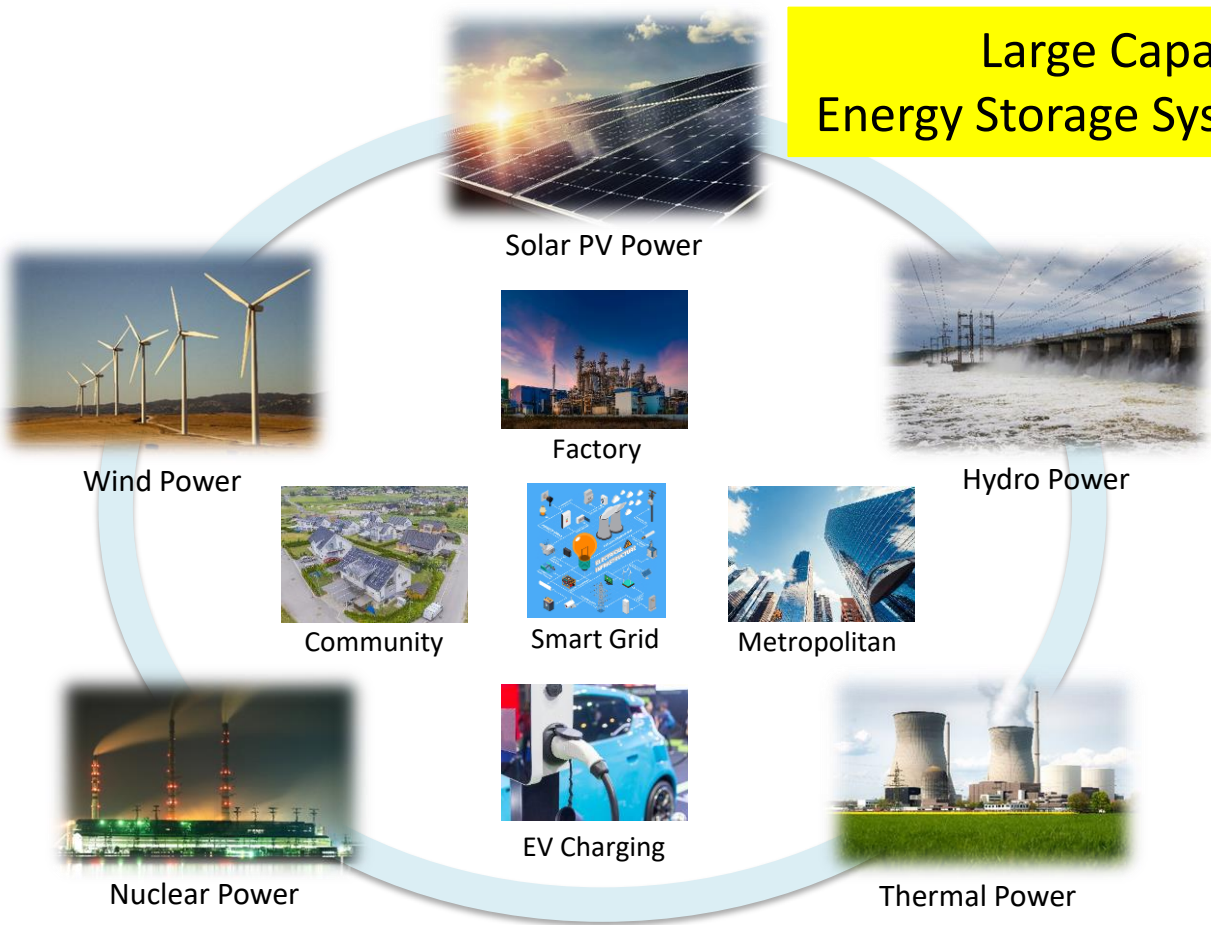
CAGR: 15%

元宇宙趨勢商機



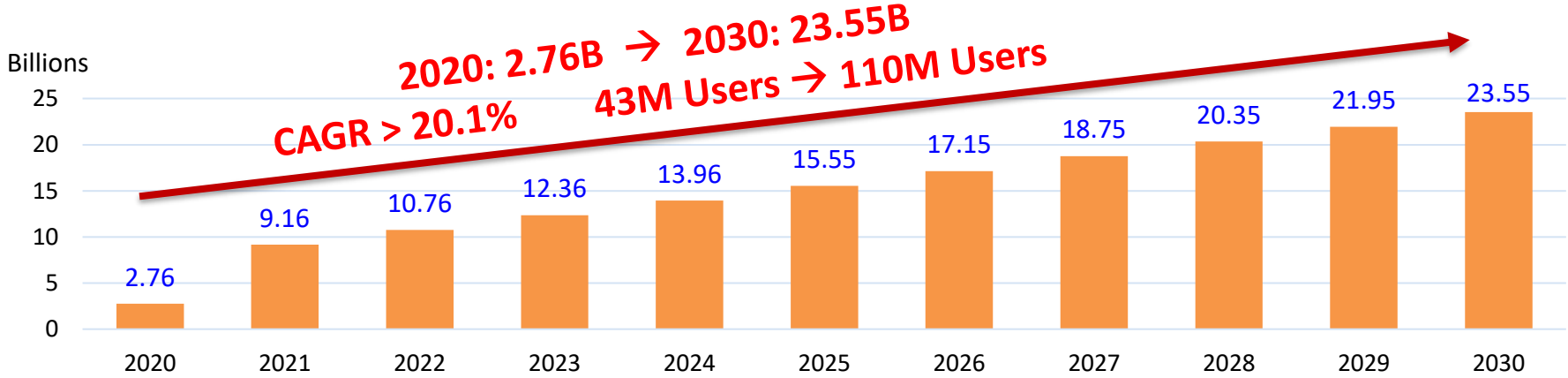
Source: Statista 2021

Large Capacity of Energy Storage System Required




低軌道衛星通訊趨勢

	SpaceX Starlink	OneWeb	Telesat Lightspeed	Amazon Project Kuiper
Launched	1,445	146	1	0
Planned	12,000 (FCC Approved) 30,000 (Pending)	2,000	1,600	3,236
Service Start	2020	2021	2023	2026
Orbit (Frequency)	560 km (Ku-band)	1,200 km (Ku-band)	1,000 km (Ka-band)	590-630 km (Ka-band)
Required Capital	\$10 billion	\$2.4 billion	\$5 billion	\$10 billion
Target Market	Consumer, Mobility	Government, Enterprise, Mobility	Government, Mobility	Consumer, Enterprise, Government



Source: Next Move Strategy & SpaceWatch.Global



Climate Change
Green Energy
SCM



Human Rights
Health
Safety



Corporate Governance
Information Transparency

What Sysgration Do For ESG

1. ESG Enabler: Expand business through light-weight, high-efficiency, low-carbon-mission products to help the world reduce air pollution.
2. Participate and contribute to low-carbon initiative associations.
3. Supplier Chain Management: Environmental hazardous material contained commitment, RoHS commitment, conflict minerals statement, California proposition 65 declaration, etc.

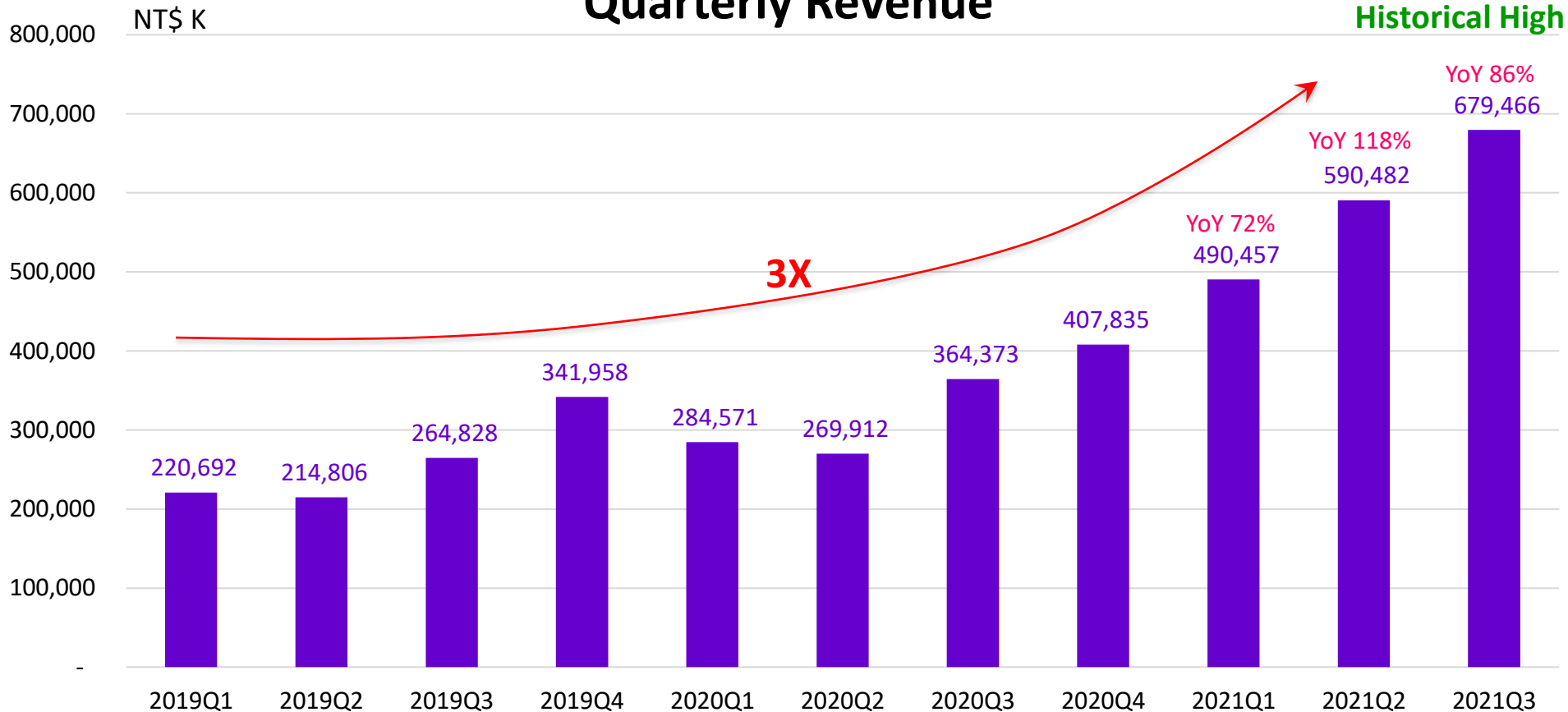
1. ISO 14001, QC80000, SA8000, ISO45001, RoHS, ISO 9001, IATF 16949, ISO26262, QS9000.
2. Employee health check and insurance, flexible working hours.
3. Employee trainings on multiple domain knowledge.
4. Product liability insurance.
5. Data protection.
6. Academia and industry collaboration for technology incubation.

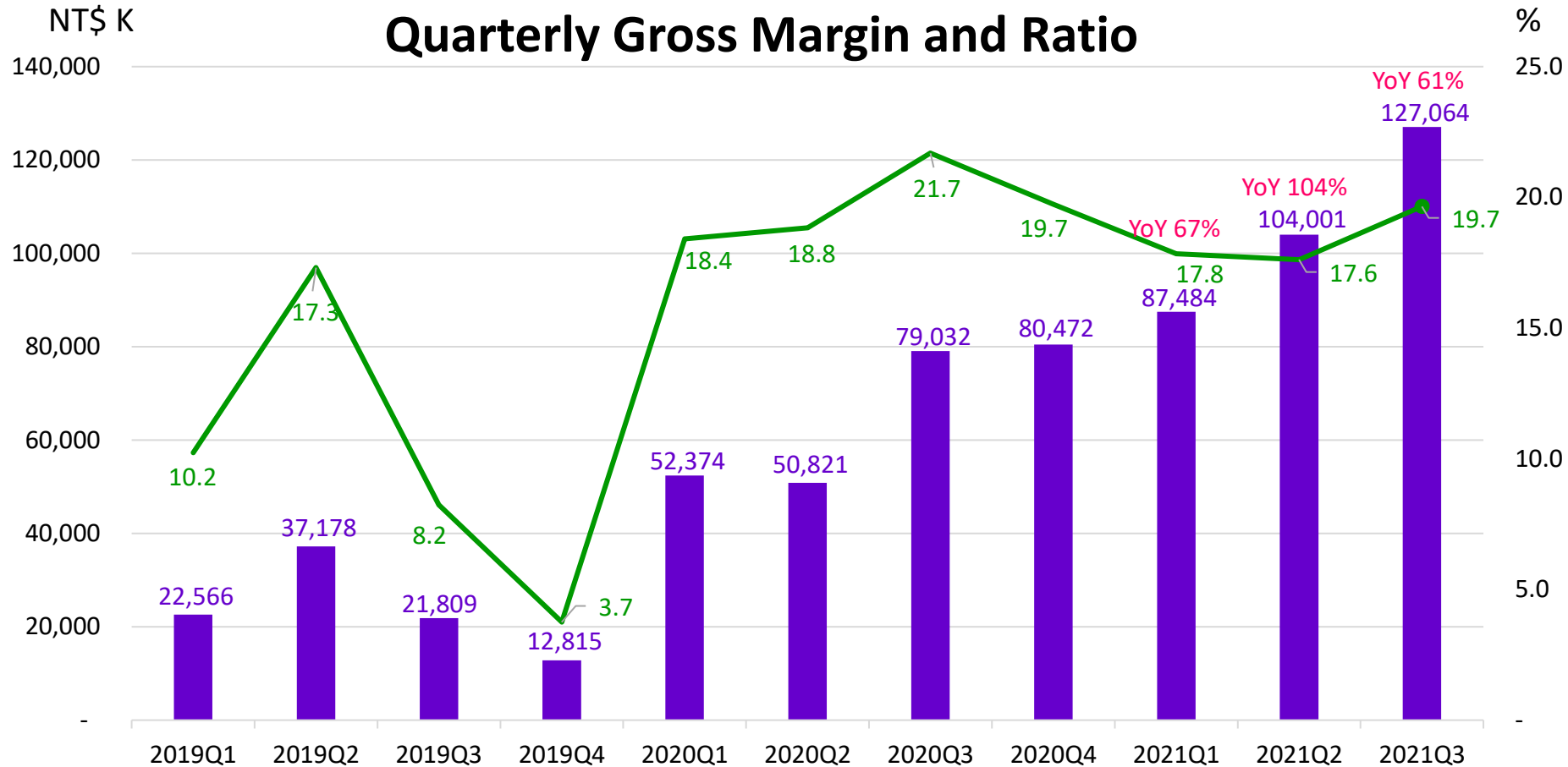
1. Disclose financial reports, BOD resolutions, and internal policies to the public, in both English and Chinese.
2. Form audit committee and remuneration committee which are composed of independent directors.
3. Risk assessment and management.
4. Employee trainings on intellectual property rights & governance regulation.
5. Patent incentive program.
6. Performance incentive program.

2021/Q3

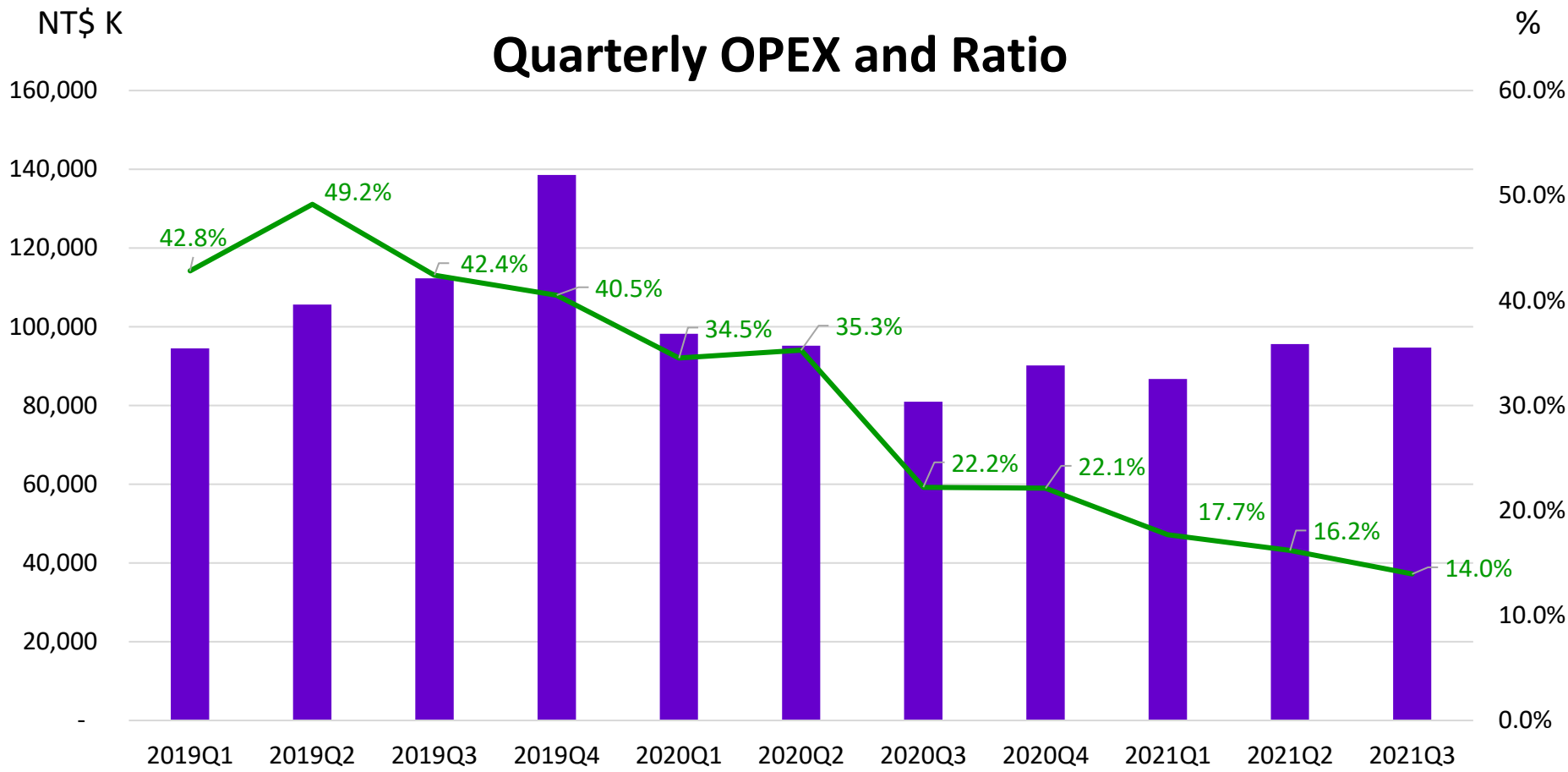
營運績效摘要

Quarterly Revenue

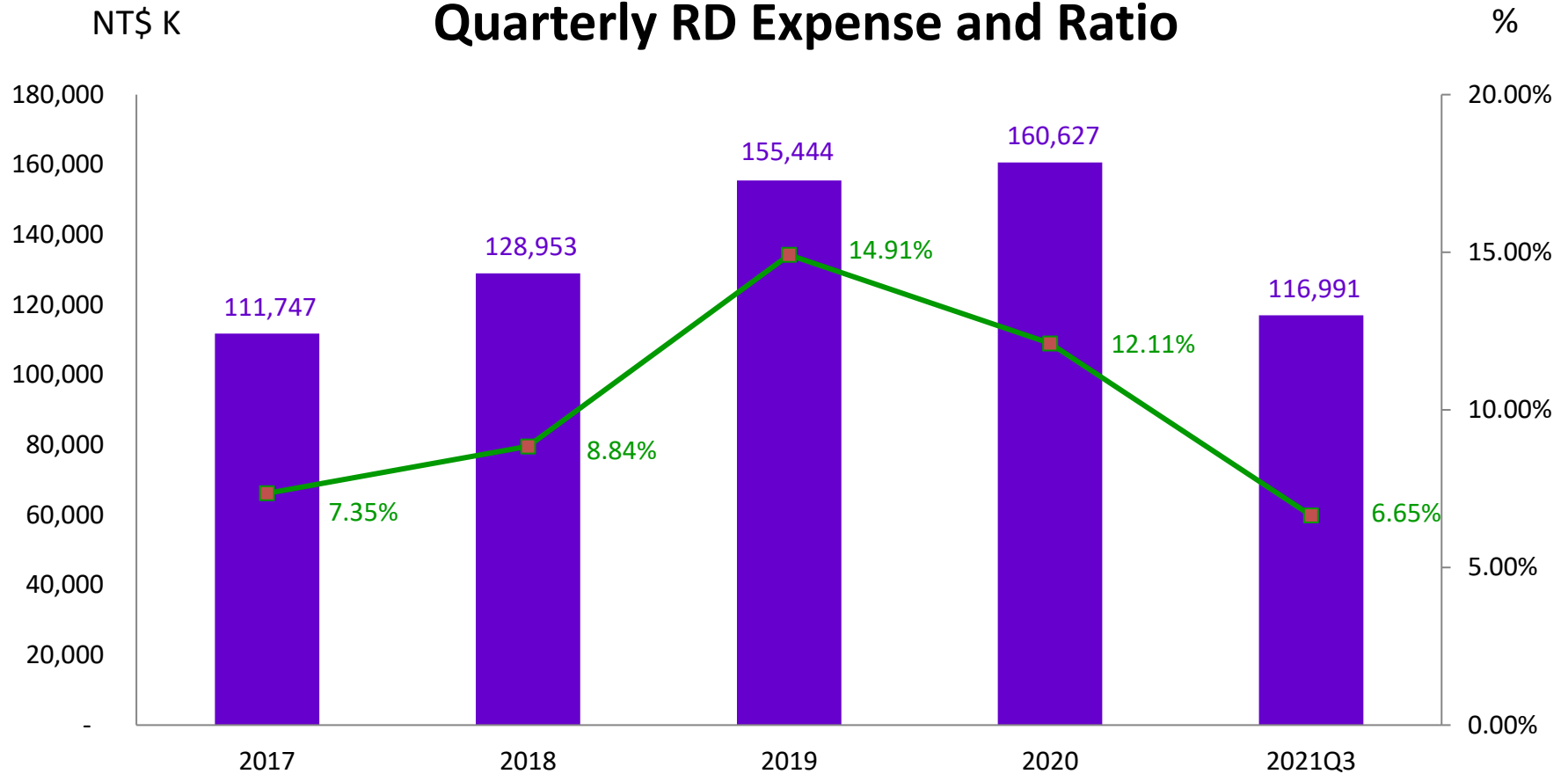


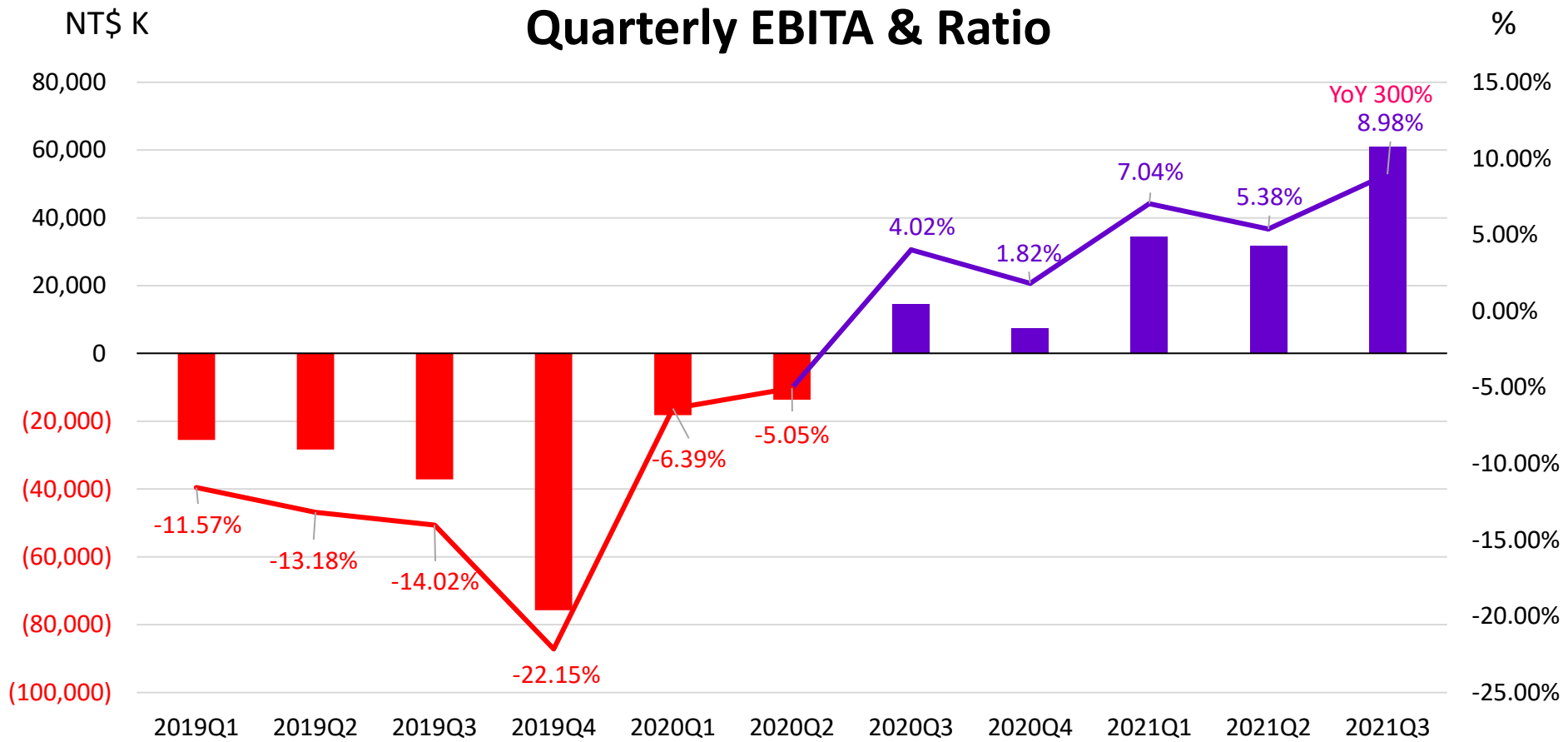


Quarterly OPEX and Ratio

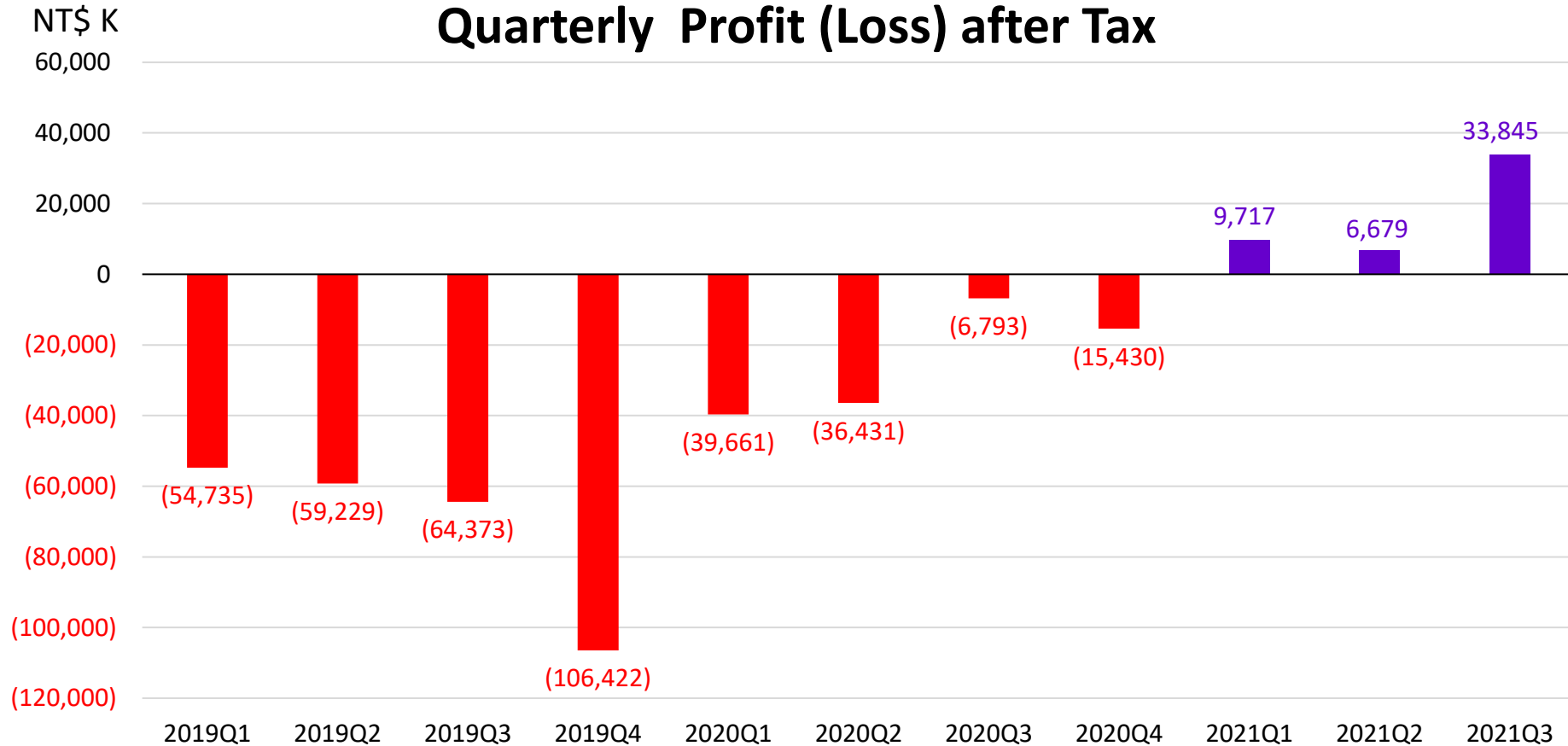


Quarterly RD Expense and Ratio



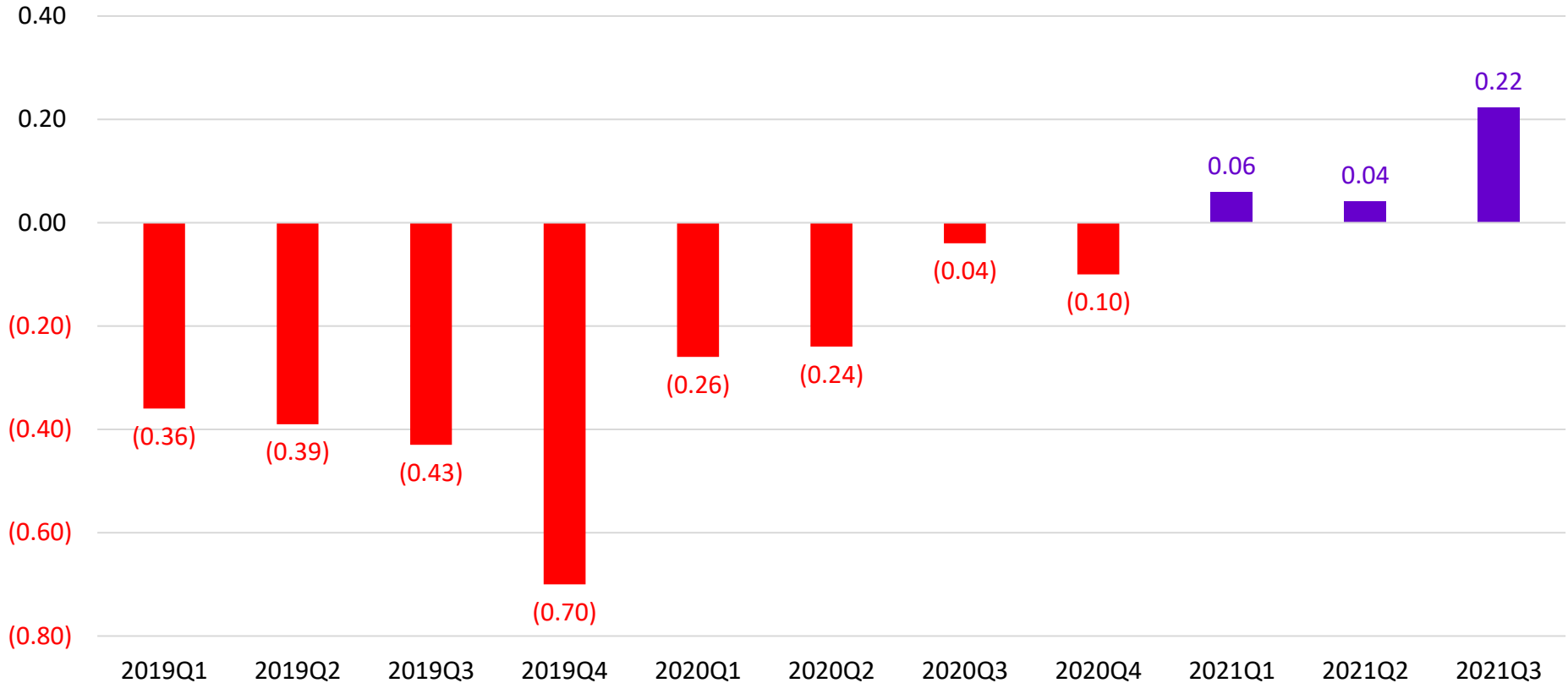


Quarterly Profit (Loss) after Tax

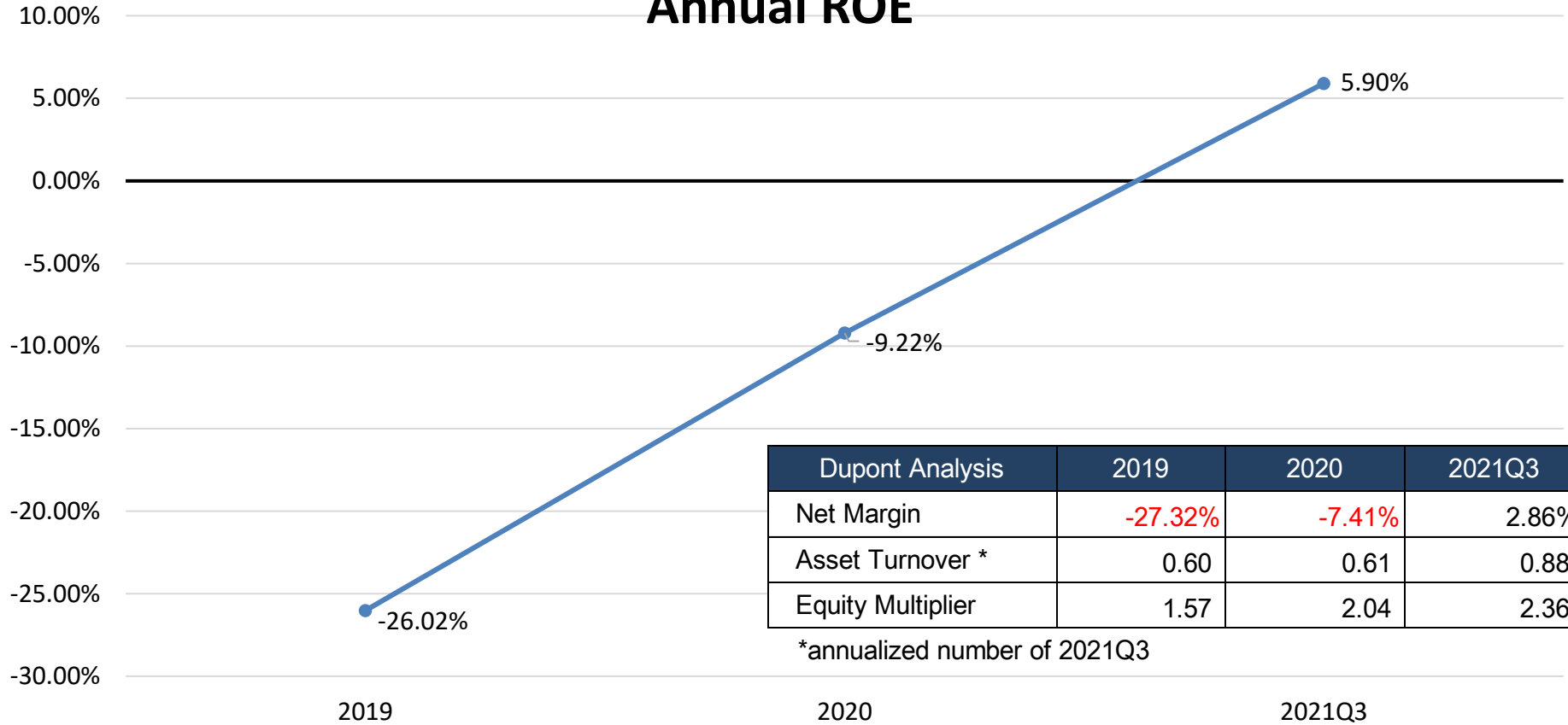


NT\$/Share

Quarterly EPS



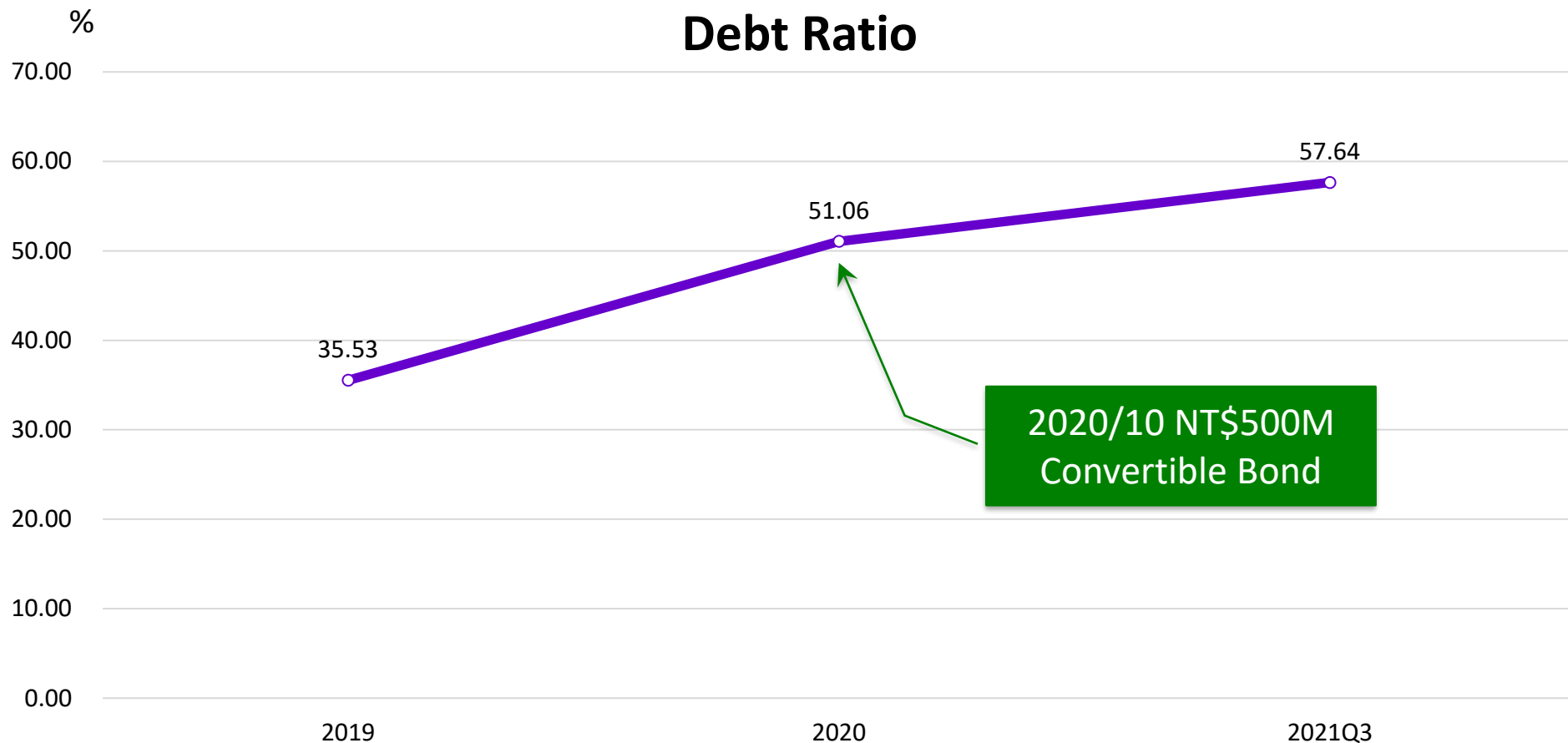
Annual ROE



Dupont Analysis	2019	2020	2021Q3
Net Margin	-27.32%	-7.41%	2.86%
Asset Turnover *	0.60	0.61	0.88
Equity Multiplier	1.57	2.04	2.36

*annualized number of 2021Q3

Debt Ratio



2020/10 NT\$500M
Convertible Bond

營運成長動力

系統電子綜觀



1977

Founded



600+

Worldwide
Employees



40+

Years
Design &
Manufacturing
Service Experiences



4

Locations
Taiwan - Taipei/NanKang
China - Huizhou/ZhenJiang



5309

TW Stock
Publicly Trade
Capital: NT\$1.5 B
Market Value NT\$5.5 B

- Sysgration Founded in Taipei, Taiwan

- TS-16949 Certificated
- Tier-One Supplier of Germany OE Customer
- Rear-Seat Infotainment System to Japan Customer

- Rear-Seat Infotainment System to Germany and Spain OE Customers

- BLE TPMS ODM for China OE Brand
- RV Control System ODM for USA Tier-One Customer

- UPS Li-Ion Battery Pack for Semiconductor Fab
- Smart Marine Control System MP

1977

1988

1995

1996

2009

2010

2011

2015

2016

2017

2018

2020

2021

- Taiwan Factory Established
- Started Mouse ODM/OEM Business

- IPO in Taiwan (TPEX #5309)

- BLE TPMS ODM for Tire Brand Customer
- Li-Ion Battery Pack to China EV Customer

- RF Dual-Band Universal TPMS ODM for US Wheel Channel

- BLE TPMS for OE Customer
- PSU for Satellite Ground Systems



經營市場與主要產品

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



Body Control Module



Industrial PC



Infotainment
System



EV Battery Pack



Li-Ion Based
Energy Brick



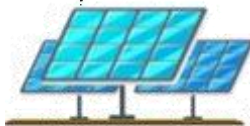
Recreation Vehicles
CAGR ~6% by 2025



Electric Vehicles
CAGR ~80% by 2025



Semiconductors
CAGR ~25% by 2025



Renewable Energy Storage
CAGR ~28% by 2025

全球胎壓偵測器法規與需求

Country	Car Sales	Subtotal	TPMS Legislation
China	25,769,000	56,092,077	O
USA	17,038,617		O
Canada	1,928,468		O
Germany	3,905,597		O
France	2,677,830		O
UK	2,676,885		O
Italy	2,095,680		O
Japan	5,119,652	11,247,347	X
India	3,464,125		X
Brazil	2,663,570		X
Subtotal	67,339,424		

Annual **300M** Pcs OE Demands
plus **100M** Aftermarket Demands



Data Source: Autocar <https://www.autocarindia.com/industry/global-car-sales-2019-an-in-depth-analysis-416557>

系統電子高價值差異化創新

WW 2nd

Multi-Band Universal RF TPMS



Efficient Inventory Management



Sensor Programmable

WW 1st & #1

BLE TPMS



Internal TPMS



External TPMS



Tire Mounted Sensor (TMS)



Voice Receiver



Display Voice Receiver



Truck Repeater



Trigger Tool for Truck

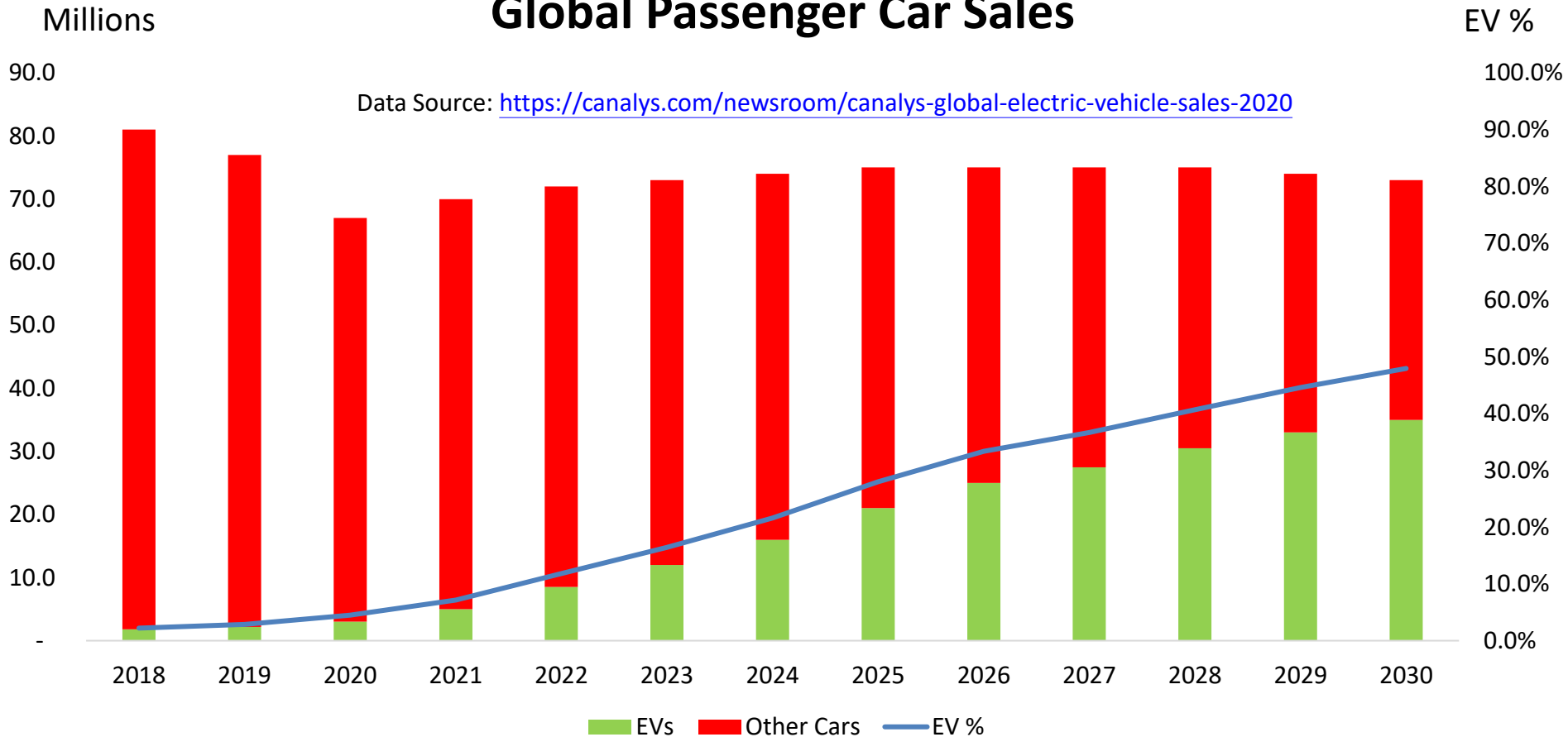
WW 1st

Tri-Band TPMS



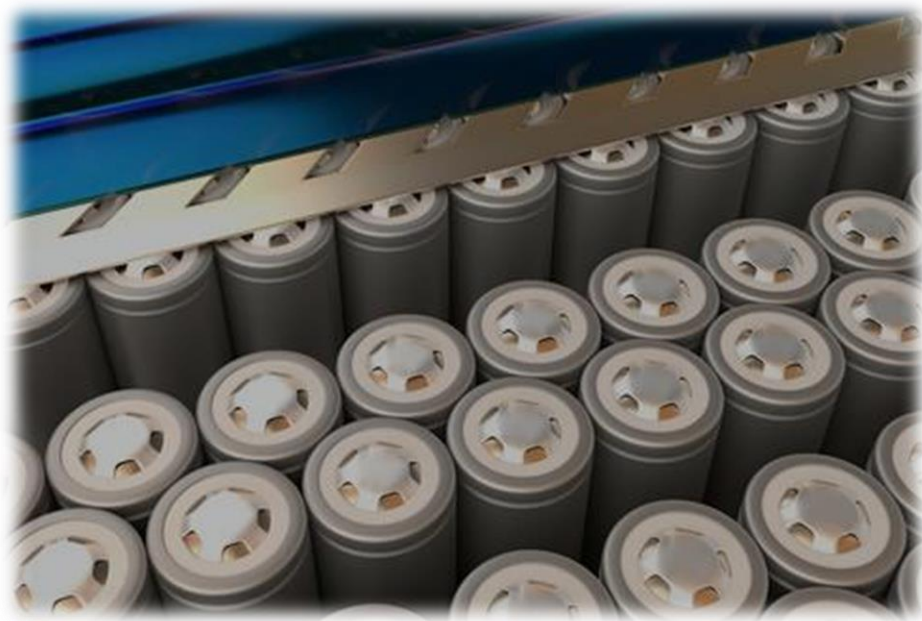
Global Passenger Car Sales

Data Source: <https://canalys.com/newsroom/canalys-global-electric-vehicle-sales-2020>

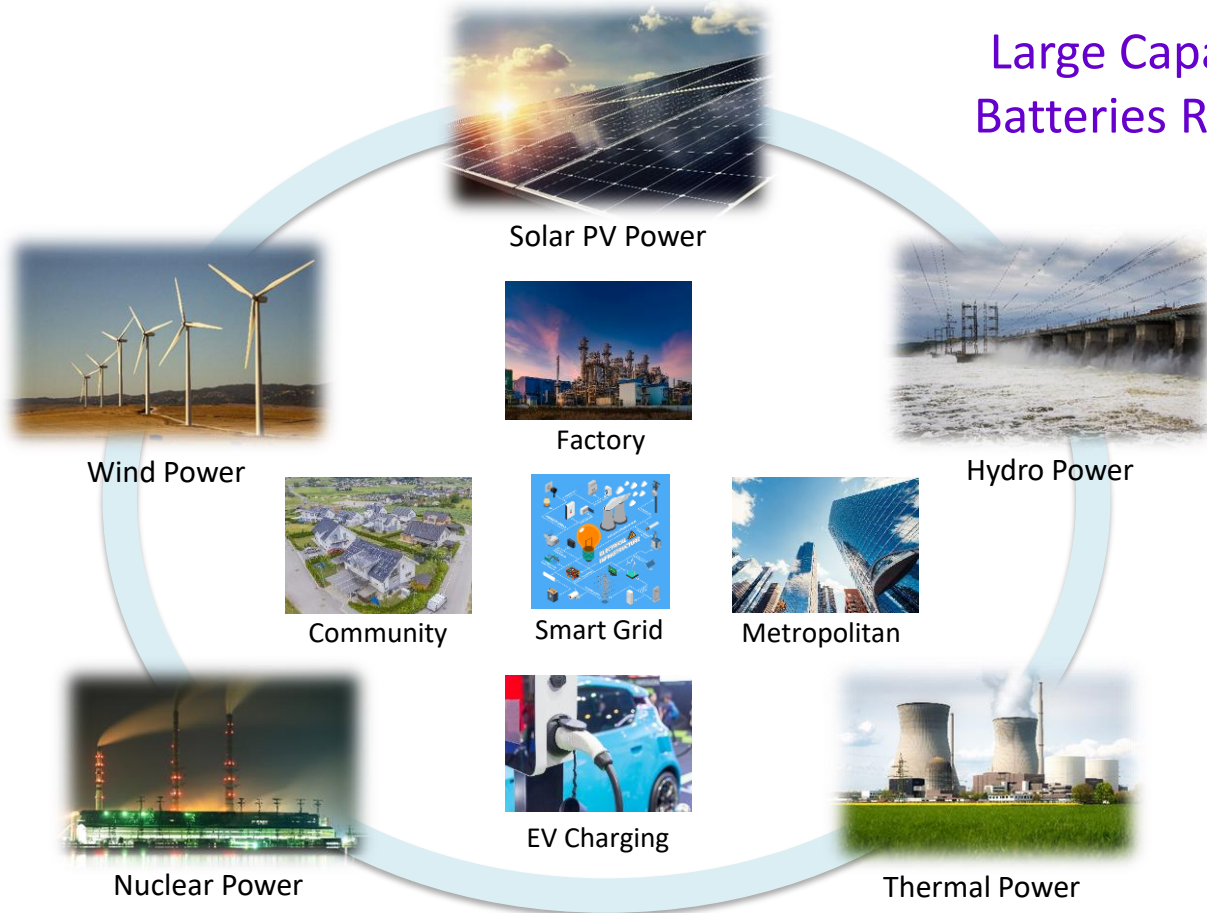


鋰電相較鉛酸之優勢

- ◆ More Environment Friendly
- ◆ Less Hazard Substances
- ◆ Higher Energy Density
- ◆ Higher Power Density
- ◆ Smaller Volume
- ◆ Longer Lifecycle
- ◆ Lower Maintenance Cost
- ◆ Lower Air-Con Cost



Large Capacity of
Batteries Required





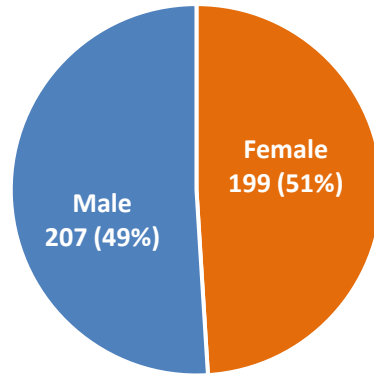
SDG永續發展
與ESG

SUSTAINABLE DEVELOPMENT GOALS

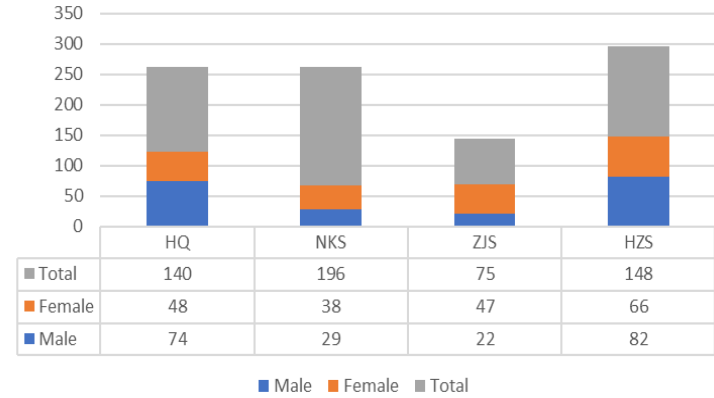




Gender vs Vaccination



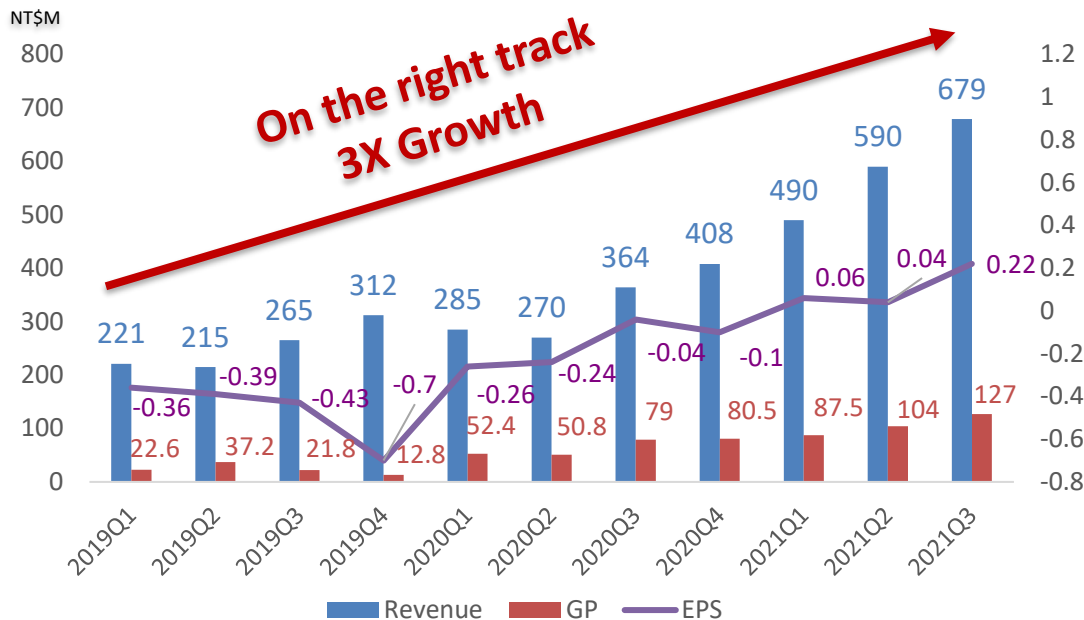
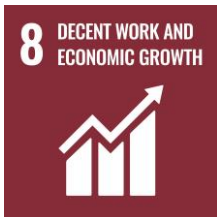
Vaccination Coverage Rate



- Taiwan Country **56%** (as of 2021/11/30) vs. **Sysgration 74%**
- Vaccination Dose: **406 Female 199 (49%) vs. Male 207 (51%)**
- Staff: **552 Female 319 (58%) vs. Male 233 (42%)**
- Staff well-being during COVID-19 pandemic

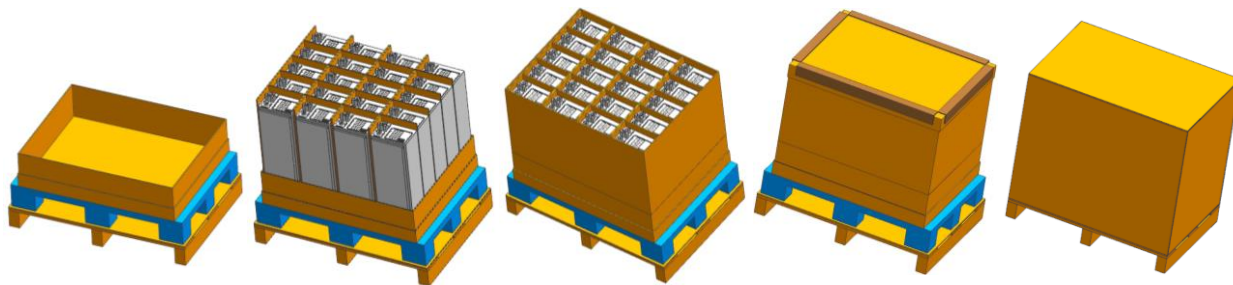
**No Layoffs, No Halting Production, No Income Cuts,
Work From Home, Health Management**

綠能與低碳輕量化產品帶動高幅經營成長



- Li-Ion Battery Storage System applicable to **All Renewable Energy sources like solar, wind, small hydro**
- BLE TPMS **Reduce Vehicle Weight and Carbon Emission**
- BLE TPMS **WW 1st and #1, with 80 Patents**

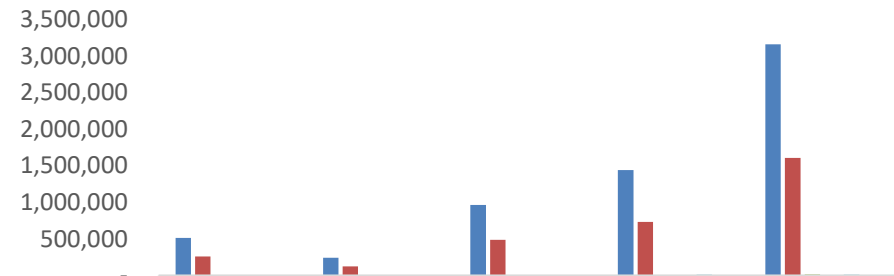
12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



- **Sustainable Production = Green Packaging**
Production Optimization, Cost Down, Green Material,
Lightweight, Reduce Electricity Consumption
- Sysgration China Factory
Electricity LIGHT User = Carbon Emission Friendly
- Sysgration Taiwan Factory
Expand AUTOMATION = Climate Change Friendly



Carbon Consumption and Renewable Energy



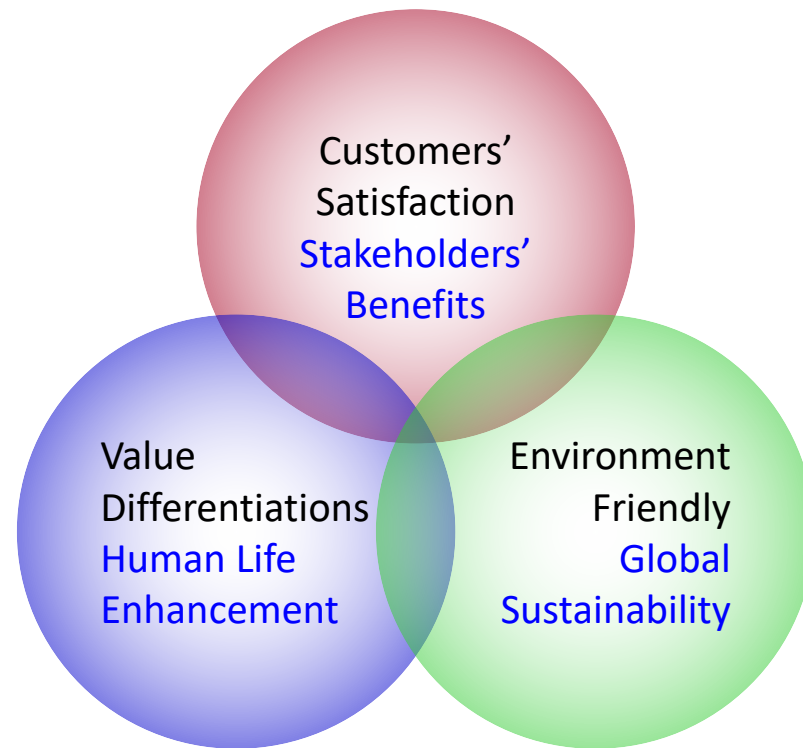
	HQ	ZJS	HZS	NKS	Total
Electricity(kWh)	514,052	243,968	962,774	1,440,394	3,161,188
Electricity GHG(kg)	261,653	124,180	490,052	733,161	1,609,046
Water(m3)	2,234	1,377	6,138	7,162	16,911
Water GHG(kg)	340	209	933	1,089	2,571
Solar(kWh)				12,894	12,894
Solar GHG(kg)				6,563	6,563

- **Climate Action = Improve Solar Energy**
- **Communicate Climate Action to All Staffs, Organization, Value Chain, Supply Chain Companies**



系統電對於永續經營之承諾

- ◆ Light-Weight Solutions
- ◆ High Added Values
- ◆ High Efficiency
- ◆ Energy Saving
- ◆ Low Carbon Emission
- ◆ Battery Rejuvenation



Sysgration integrates sustainability into business practices for human life enhancement, that will benefit profitability of the company.



Q&A



Q&A





Thank You