



TSANG YOW

TSANG YOW (1568)

2025Q3 OPERATIONAL REPORT



Disclaimer



“

The best strategic partner
for transmission systems

”

The actual operating results, financial condition, and business performance of our company in the future may differ from the forecasted information, whether expressed or implied. This variance may be attributed to various factors, including but not limited to price fluctuations, competitive conditions, international economic situations, exchange rate fluctuations, market demands, and other risks beyond our control.

The forward-looking statements in this presentation reflect our views as of the present and are subject to change. The company is not obligated to provide further reminders or updates in the event of any changes or adjustments to these views in the future.

The content in this presentation is not intended as investment advice.

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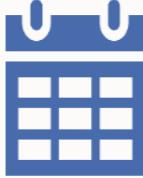
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01

公司簡介 Company Profile

Company Profile- World-Class Transmission System Manufacturer

設立日 ESTABLISH	資本額 CAPITAL	員工人數 Employees	上市時間 Company Listed	廠區 Plant
				
1985/1/16	1.03billion	320	2014	Taiwan 4 (Chiayi Minxiong) Malaysia 1 (Under construction)

Company profile- MIT high quality technology



Headquarters

- Factory area: about 10,710 m²
- Process attributes: precision machining, tooth processing, grinding, heat treatment, assembly
- Maximum production capacity: 800 million

Chenggong plant

- Factory area: about 5,200 m²
- Process attributes: precision machining, grinding, laser welding
- Maximum production capacity: 300 million

Chungshan plant #2

- Factory area: about 10,600 m²
- Process attributes: stamping, precision machining, laser welding
- Maximum production capacity: 600 million

Chungshan plant #3

- Factory area: about 8,700 m²
- Process attributes: Stamping automated production line, spin forming
- Maximum production capacity: 300 million

Company profile- Fulfill all OEM AM/OES customer

Casting

- ◆ Automatic mold casting
- ◆ pressure casting
- ◆ gravity casting
- ◆ Precision casting
- ◆ lost wax casting



TSANGYOW



High quality products

- ◆ Stamping/Mold Design
- ◆ Spin forming
- ◆ Precision Machining
- ◆ Tooth processing
- ◆ heat treatment
- ◆ laser welding
- ◆ Assemble
- ◆ test



OEM
Tier1 supplier

Forging

- ◆ hot forging
- ◆ Warm forging
- ◆ cold forging
- ◆ extrusion forging



AM/OES
Service parts
OES parts

Powder metallurgy

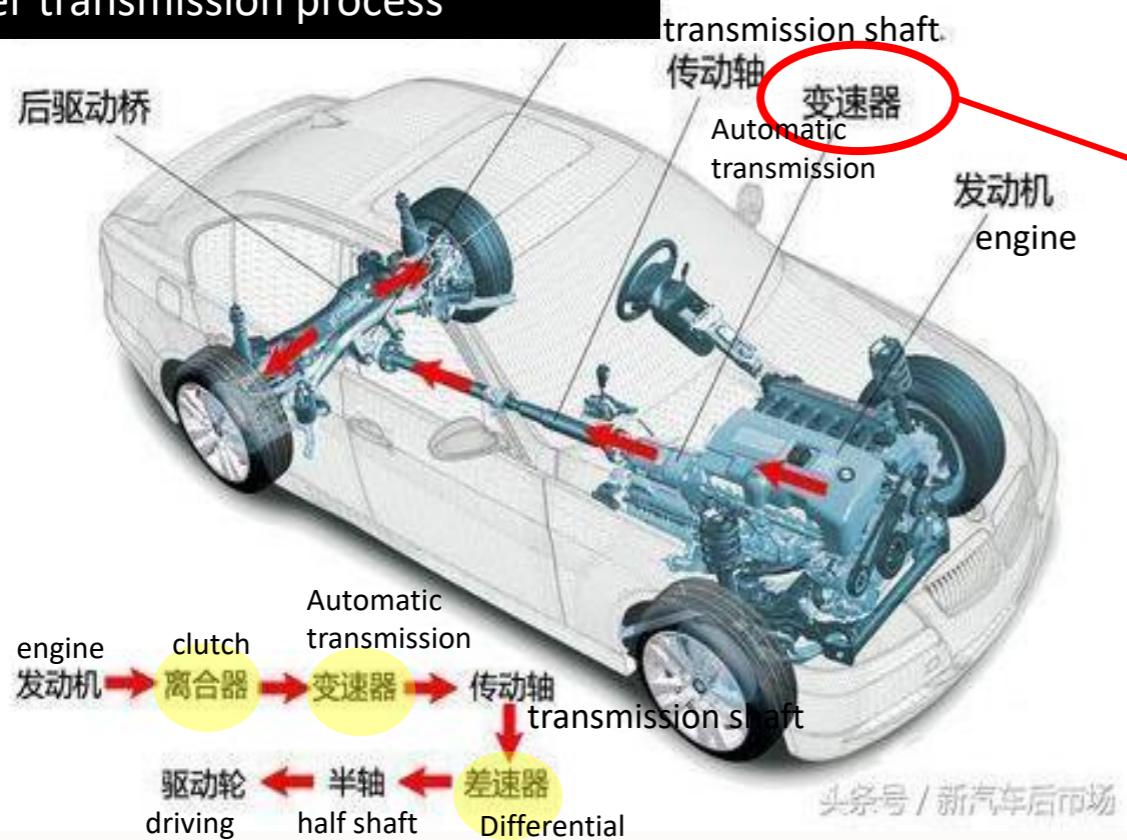


Company profile

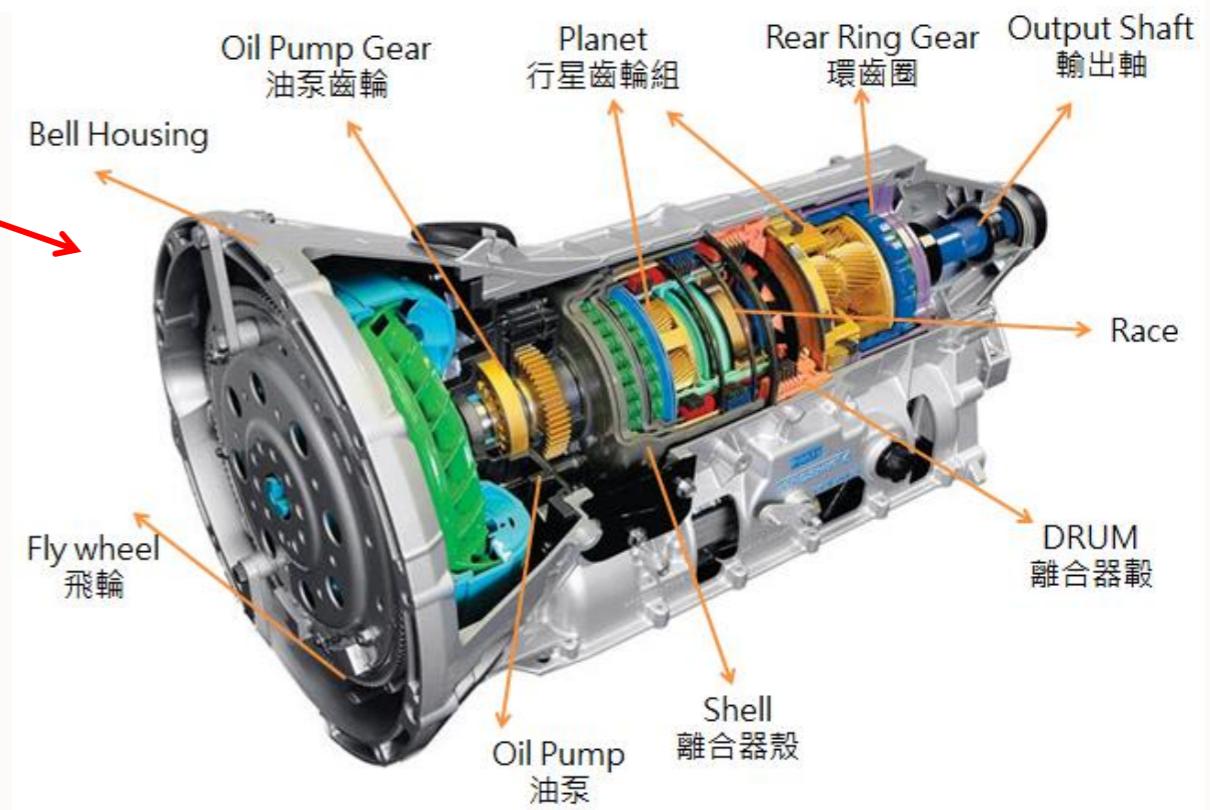
World-Class Transmission System Manufacturer

A vehicle traveling on the road must first set its wheels in motion. The system responsible for transmitting the engine's power to the wheels, enabling the vehicle to move, is known as the drivetrain. The basic drivetrain components include the power transfer unit, transmission mechanism, differential, and drive shaft.

Schematic diagram of automobile power transmission process



Automatic transmission



Company profile - Main products

Unit : TWD/Thousand



Automotive



Transmission parts

Customers

Ford 、 GM 、 JUGUAR 、 Range Rover 、
STELLANTIS 、 Volkswagen....等



Industry



Industrial / Mining machine /off high way/ truck

Customers

SCANIA 、 ABB 、 SUMITOMO 、
CATERILLAR 、 JOHN DEERE...等



EV E-bike



EV E bike components: clutch system parts,
gearbox parts, motor casings

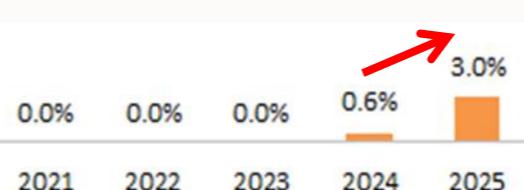
Customers

Ferrari 、 VOLVO 、 Mazda...等



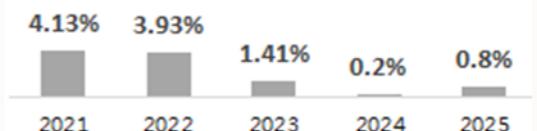
SEMI equipment

Semiconductor advanced process front-end
deposition and CMP equipment parts, etc.



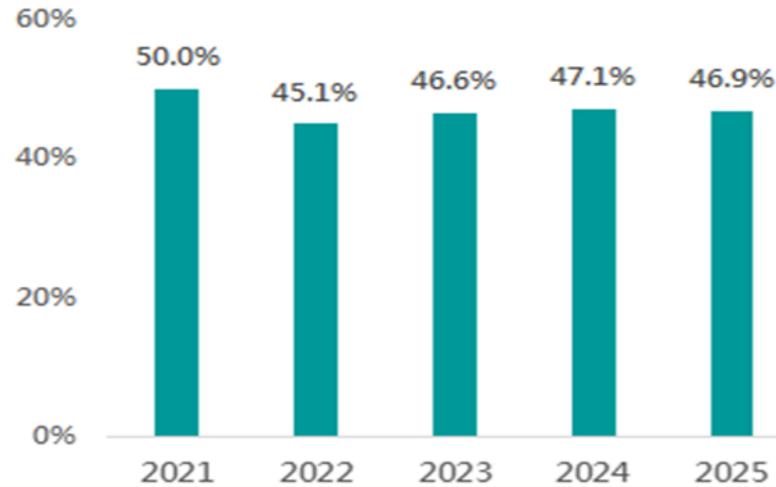
other

Ship transmission and engine system
parts, OEM parts, etc.



Company profile - TA Market products percentage

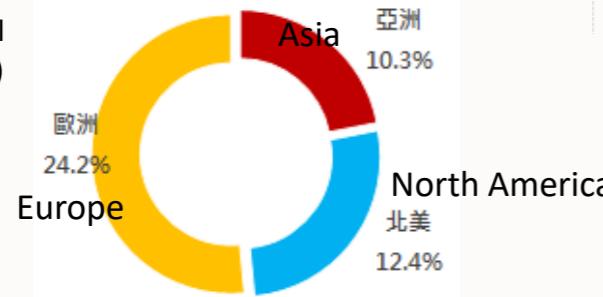
Unit : TWD/Thousand



OEM

- Automotive transmission system components
- Industrial machinery transmission system components
- New energy vehicle components

Proportion of overall revenue(2025/1-3Q)



AM

- Automotive transmission system components
- Industrial machinery transmission system components
- Engine components

Asia
亞洲

0.7%

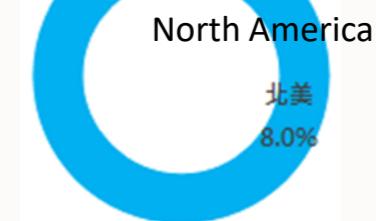
北美
North America

44.5%



OES

- Automotive transmission system components



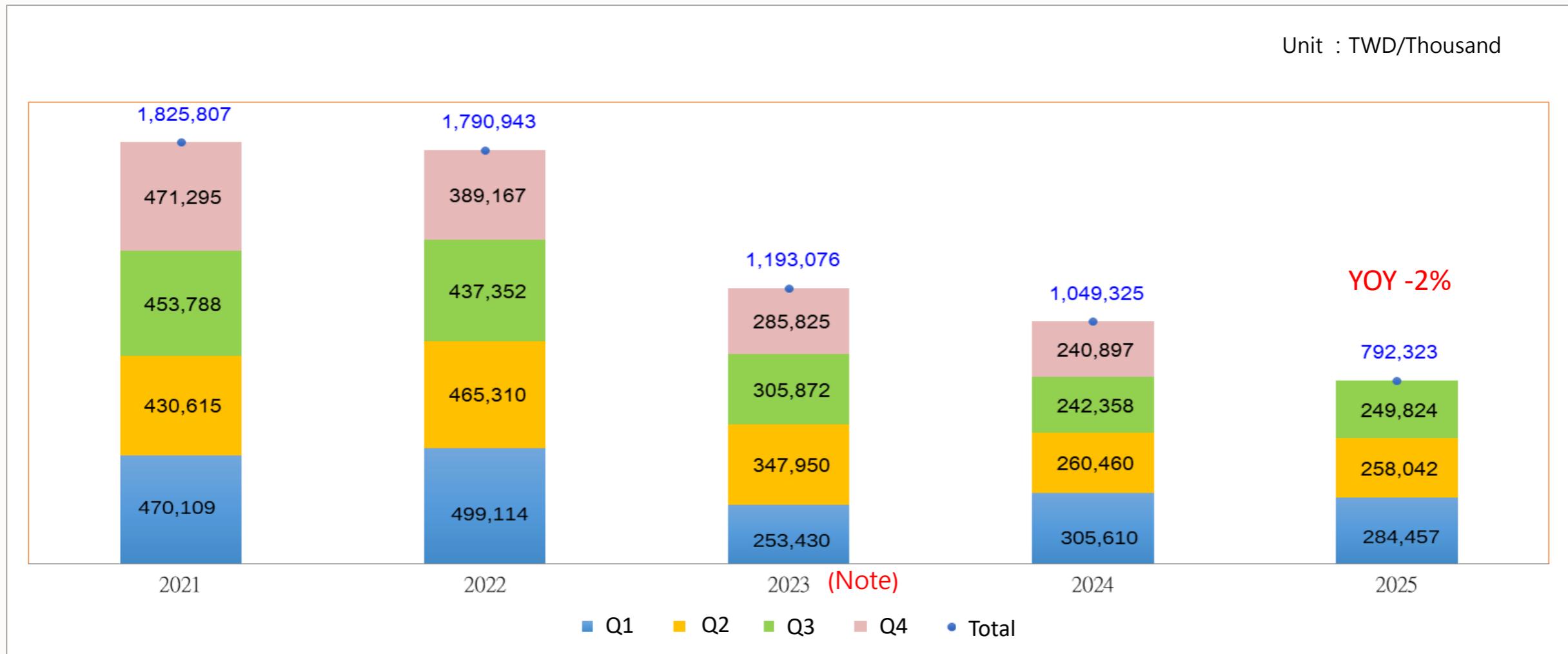


02

營運概況

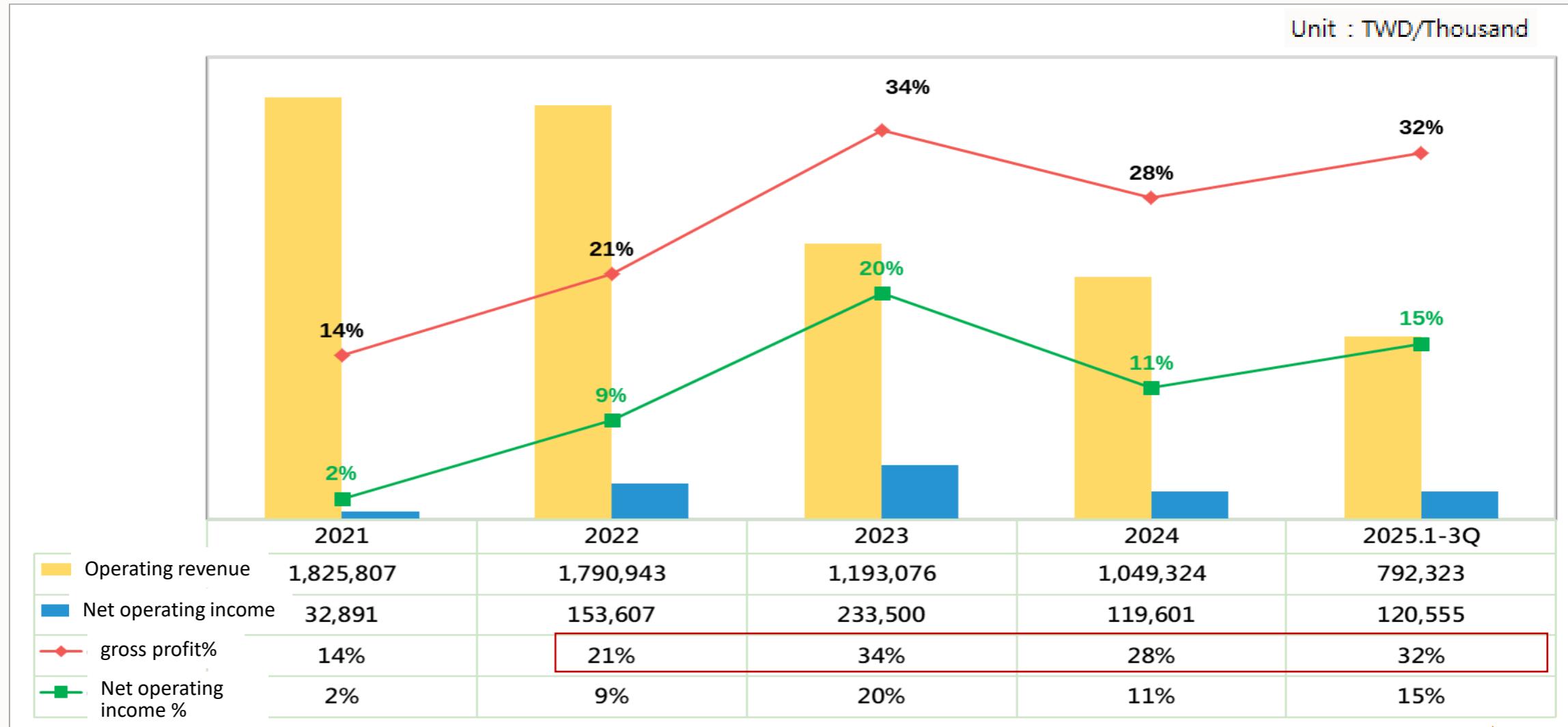
Operational overview

Operational Overview – Revenue Performance in the Past Five Years

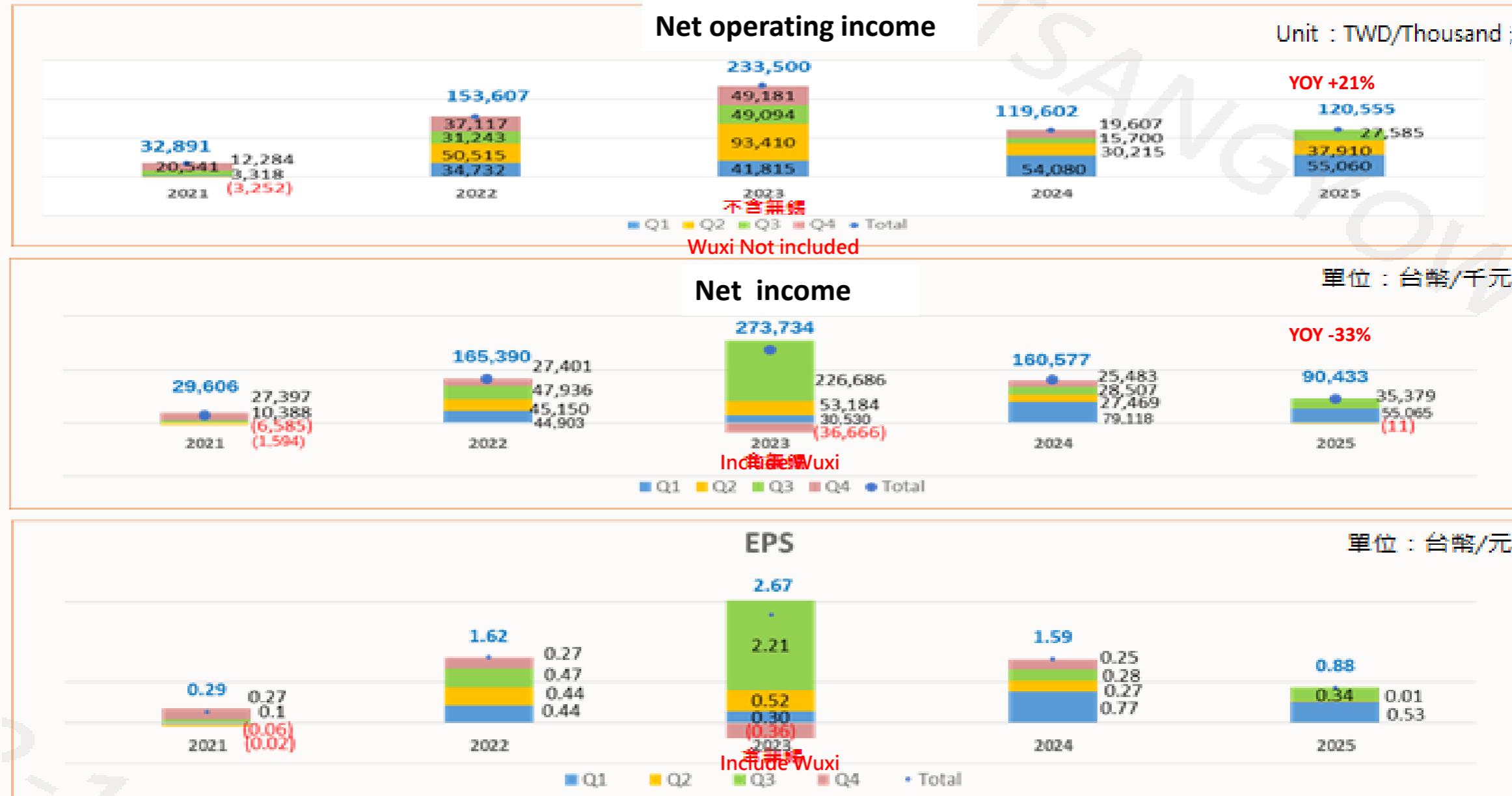


(Note): As the Wuxi subsidiary in China completed its transfer and disposal in July of the 2023 fiscal year, the consolidated income statements for each quarter of the 2023 fiscal year have been adjusted in accordance with IFRS #5. The profit and loss of the Wuxi subsidiary have been reclassified as discontinued operations. Therefore, the income statements for the 2023 fiscal year do not include the results of the Wuxi subsidiary.

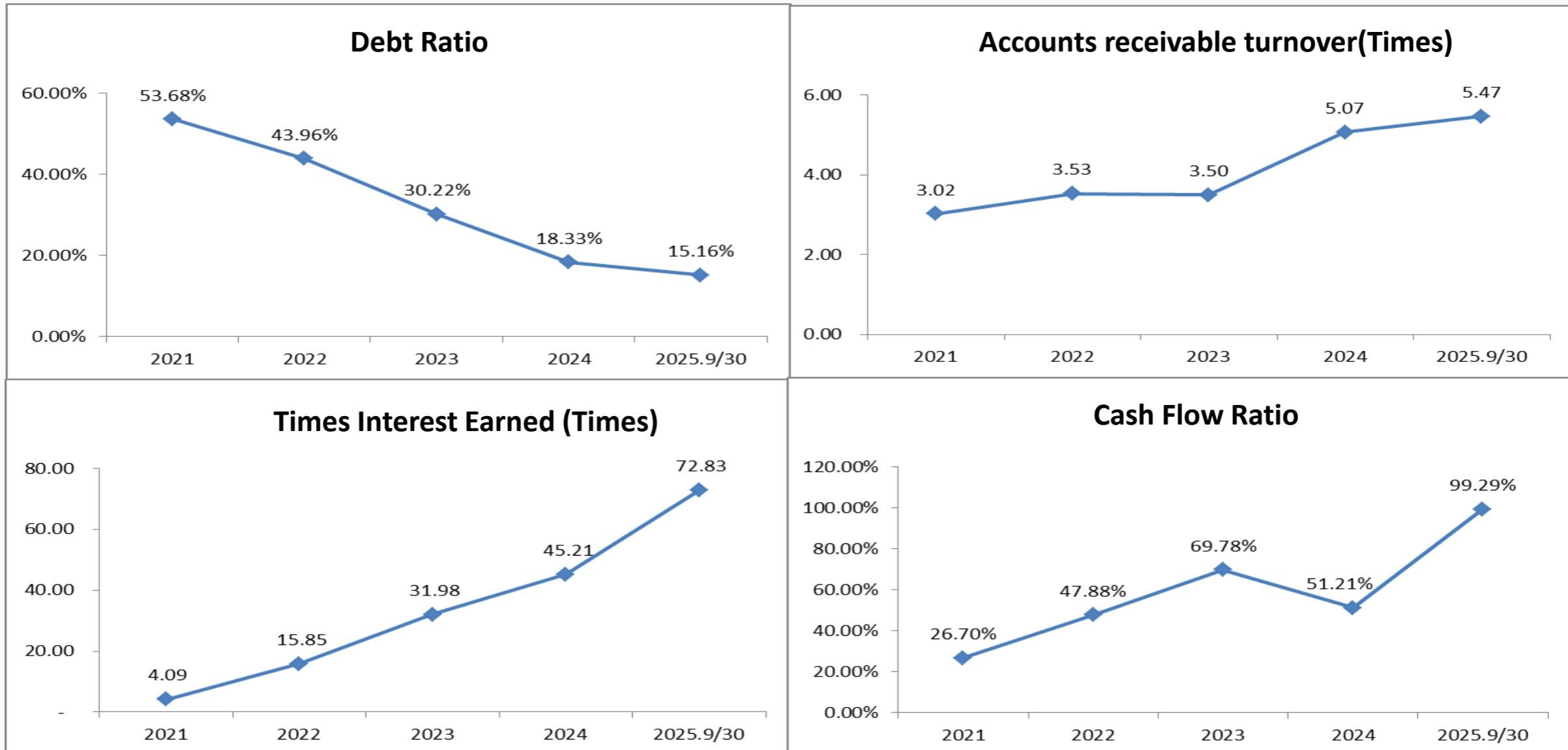
Operational Overview – Profitability Performance in the Past Five Years



Operational Overview – Profitability Performance in the Past Five Years



Operational Overview – Financial Performance in the Past Five Years





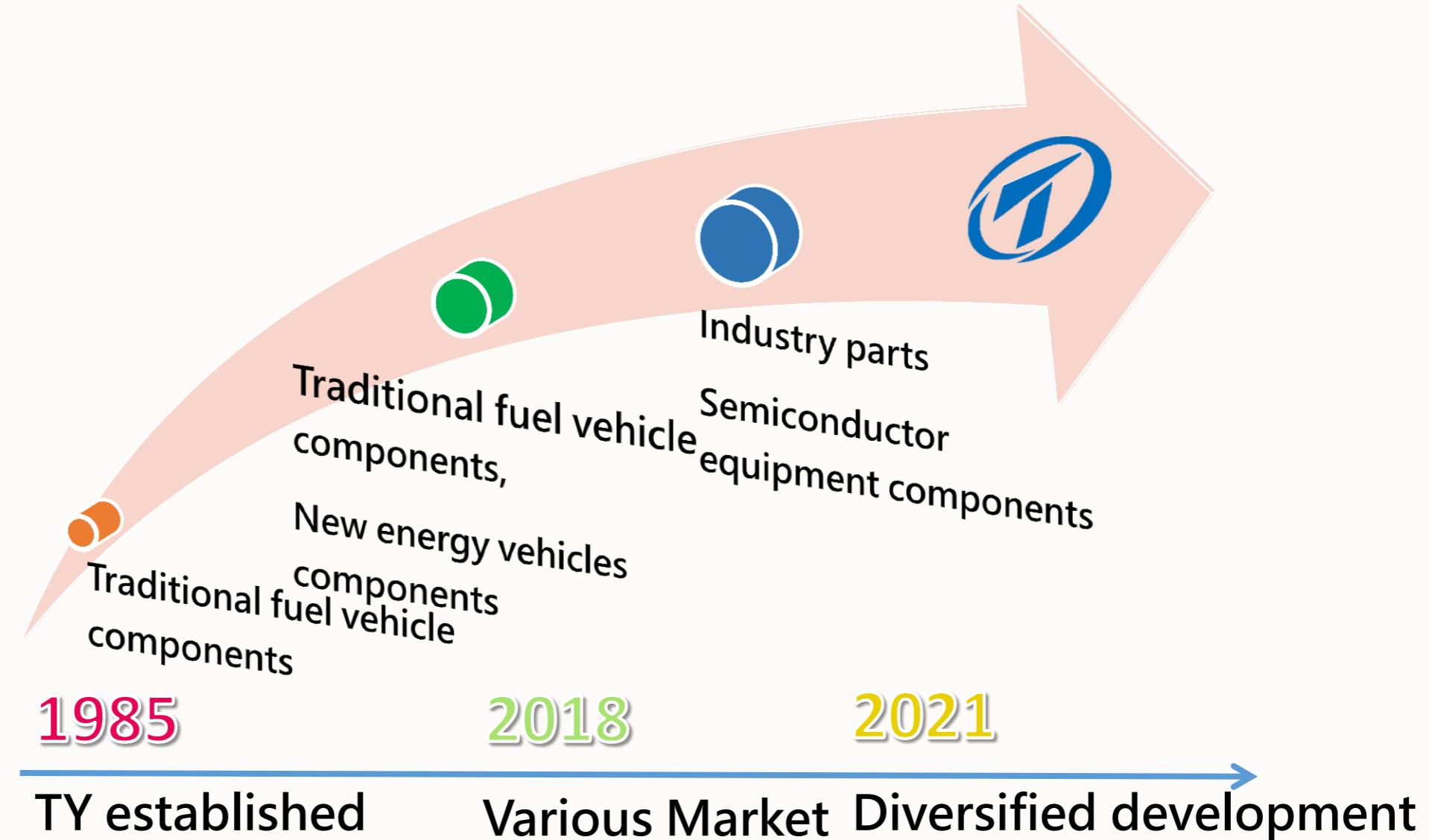
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03

競爭利基
Competitive advantage

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Expanding into Various Industries with High-Quality Products



Strive for Niche Market – Product quality management and certification



- From the procurement of raw materials to the shipment of finished products, strict quality control is implemented to ensure that every step is perfect and smooth.
- Strictly abide by the quality policy and continuously conduct quality control at each stage of incoming materials, semi-finished products and finished products to ensure that all processes meet the highest standards required by customers and maintain quality stability.
- We have implemented the IATF 16949 quality management system and ISO 14001 environmental management system, and have also introduced OEM production line management and TPM, 5S, Kanban management and other production systems from professional car manufacturers, and continue to work towards "lean production".

Diverse industries and market products

- Accumulated many years of experience in the AM market, mastered market demand conditions, had rich reverse development and design capabilities, and had a complete product line to meet customers' One-stop shopping needs
- Main Tier1 and Tier2 suppliers of major automobile manufacturers. We have complete OEM quality management capabilities and have won the trust of customers.
- Successfully entered the sales field of new energy vehicles and international semiconductor equipment, and continue to enhance our competitiveness on the path of product transformation.

Products certification

- The product market certification takes about 2 to 3 years, the production process is complicated, and the industry entry barriers are high, highlighting the high order visibility.
- Obtained Validation of automotive quality systems, aerospace quality systems, and qualification as a supplier for major international semiconductor equipment manufacturers.

Strive for Niche market- one-stop shop with experienced process technology and customization to meet order needs



Stamping /
Tool design

Flow
Forming

Precision
Machining

Gear
machining

Heat
treatment

Laser
welding

Assembly

Inspection
/Test

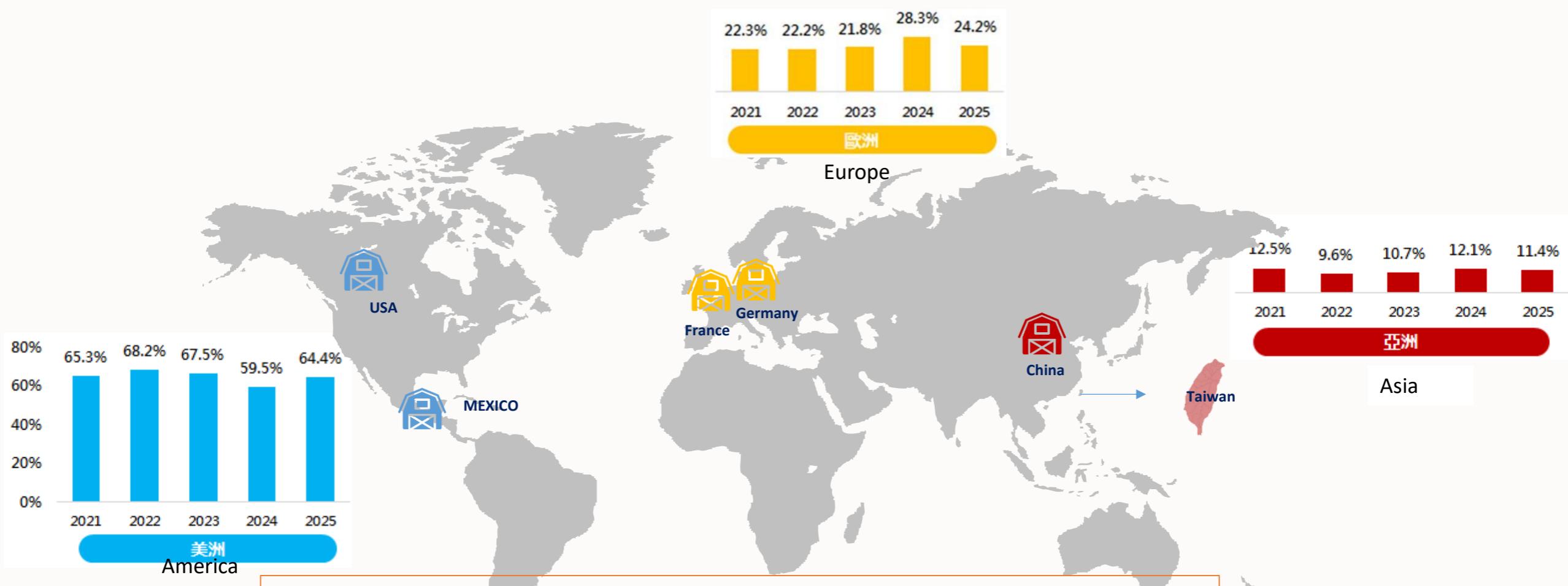
35 years of automotive parts stamping forming technology and related mold design and self-made capabilities can effectively shorten the development time of stamping products and ensure the stability of product quality.

Strive for Niche Market- High product quality certification and multi-industry market layout

Highly technical integration capabilities (stamping, precision machining, tooth processing, laser welding, heat treatment, assembly testing, etc.) can produce various high-precision metal parts for automobiles, and can operate in diversified industrial markets (EX: Semiconductors.....)



Strive for Niche Market- MIT base , global and timely supply



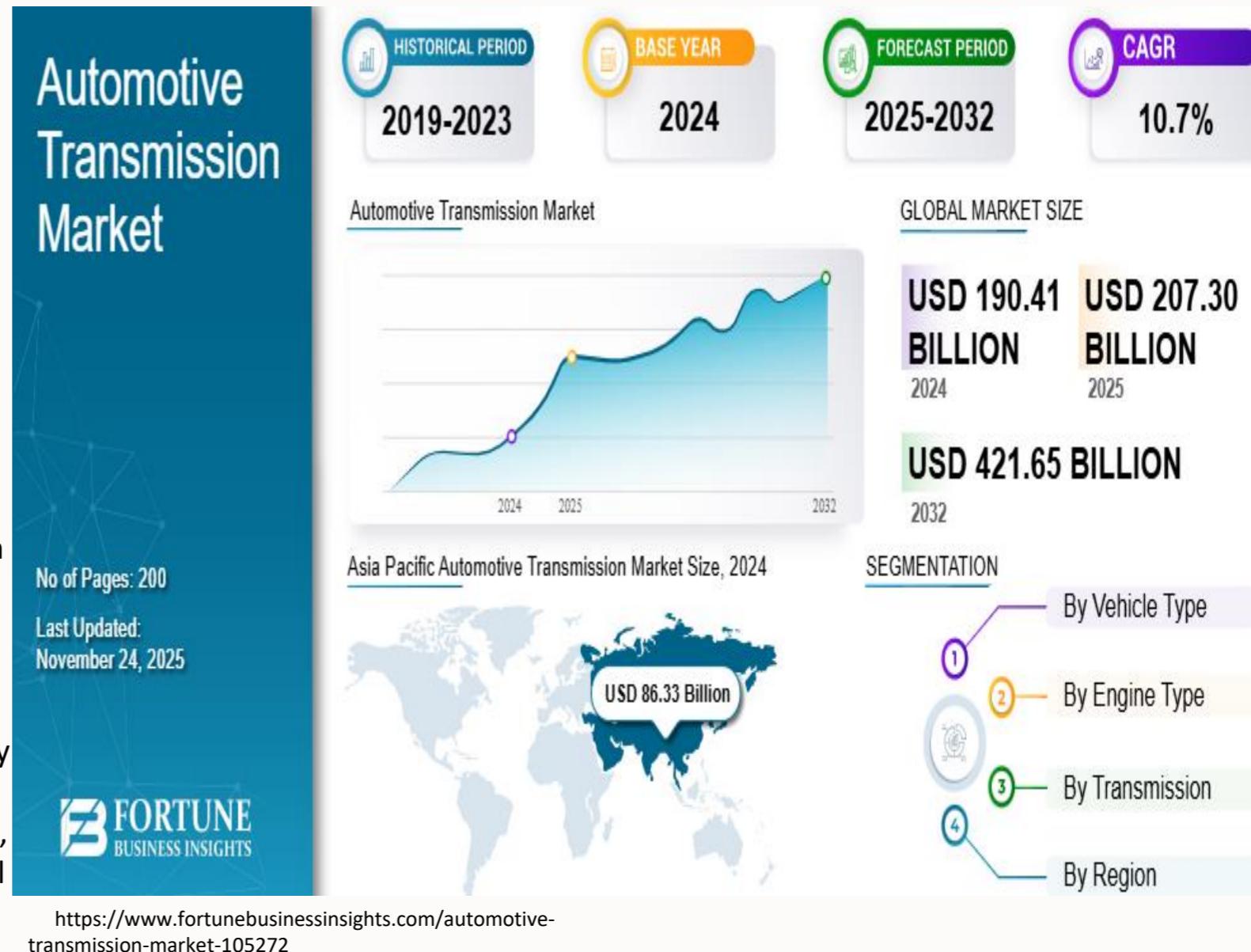
4 production bases in Taiwan and 5 overseas warehouses around the world
Produced in one place, supplied globally



04 // 未來發展
Future Development //

Market Trends - Transmission market size

According to a report by Fortune Business Insights, a foreign research institution, the global automotive transmission market reached \$190.41 billion in 2024 and is projected to grow from \$207.3 billion in 2025 to \$421.65 billion in 2032, representing a CAGR of 10.7% during the forecast period. This shows that even in the context of electrification, transmission and gear-related systems remain a high-growth core component market. The Asia-Pacific region is the world's largest automotive transmission market, with a market share of 45.34% in 2024. This growth is driven by increased vehicle production, the widespread adoption of automatic transmissions and CVTs, and the continued penetration of electric and hybrid vehicles. With the development of automotive electrification, transmission systems have not been replaced but are instead being upgraded towards higher precision, lighter weight, and electric drive integration, significantly increasing the requirements for precision machining, gear manufacturing, welding, and modularization capabilities. Under this industry trend, Tsangyow with complete process integration capabilities, deep cultivation of the Asia-Pacific supply chain, and simultaneous presence in the OEM and AM markets will continue to benefit from and expand their competitive advantages during the industry transformation.



Market Trends -The Development Potential, Challenges and Prospects of the SEMI Industry in Southeast Asia

\$125.5 billion

2025 Global equipment sales
It's projected to reach \$139 billion in 2026

Development potential

A key juncture in supply chain restructuring: the "China+1" trend drives manufacturing relocation.

\$ 191 billion

ASEAN market size in 2030
CAGR of 7.12%, driven by demand from EVs, AI, and 5G.

Equipment Market

Local-for-local strategies accelerate demand for components and modularization.

18 seats

Most of the new wafer fabs built in 2025 will begin production in 2026-2027.

Main challenges

High-level talent shortage, insufficient depth of infrastructure and regulations

Packaging and Assembly Base

Traditional role positioning

1

Advanced Packaging Center

Vietnam's semiconductor packaging and testing capacity is projected to reach 8-9% by 2030.

Future Trends

4

Malaysia

Major manufacturing center for packaging, testing and equipment components

Equipment component manufacturing

Precision machining and repair services

Singapore

Advanced Manufacturing, Equipment R&D and Regional Operations Center

Key regional manufacturing bases

High value-added manufacturing and R&D

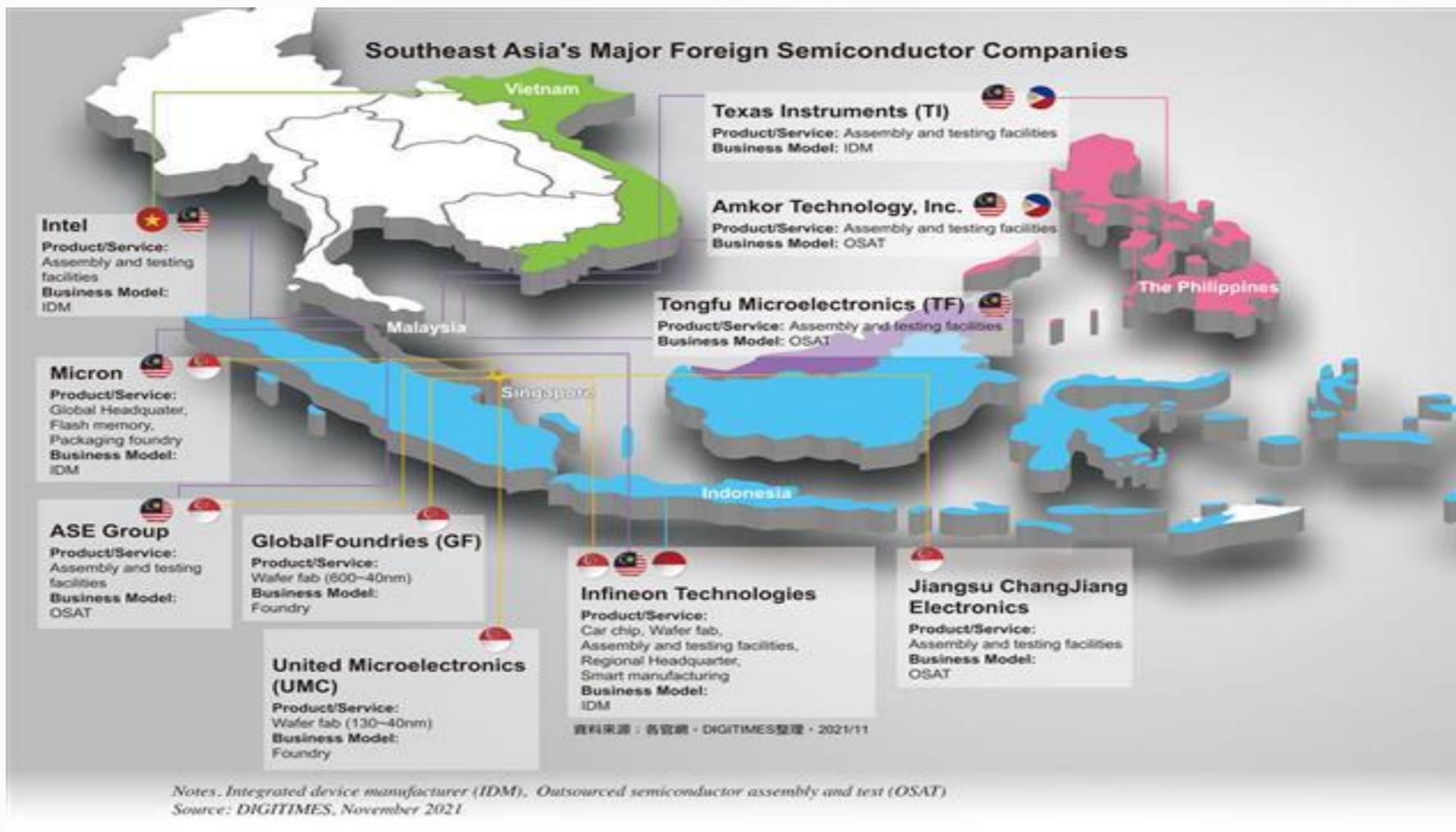
Vietnam

Emerging Packaging Testing and Electronics Manufacturing Base

Southeast Asia is upgrading from a traditional packaging and testing base to a composite node integrating "regional manufacturing + equipment services + advanced packaging".

Market Trends-The Deployment Strategies of Major International Companies in Southeast Asia

In the context of global changes, Southeast Asian countries are demonstrating a proactive attitude toward establishing semiconductor supply chains. Industries such as electric vehicles, data centers, and servers are continuously driving international investments into Southeast Asia. This presents an opportunity to gradually extend the supply chain across the upstream, midstream, and downstream sectors of the semiconductor industry.



Future development - Target Malay Market and expand into diversified industry market layout

2024/10/7

Groundbreaking ceremony



Plant construction

Oct.2025 CPC

YORU TECH (Malaysia)

- Johor Bahru
- The estimated investment amount is USD 6.6 million (TY holds 55% of the shares)
- Target market: critical components for semiconductor equipment

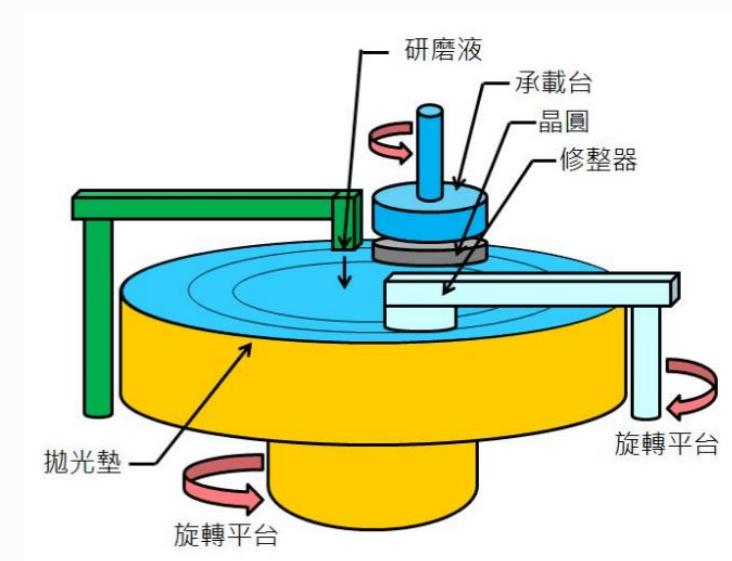
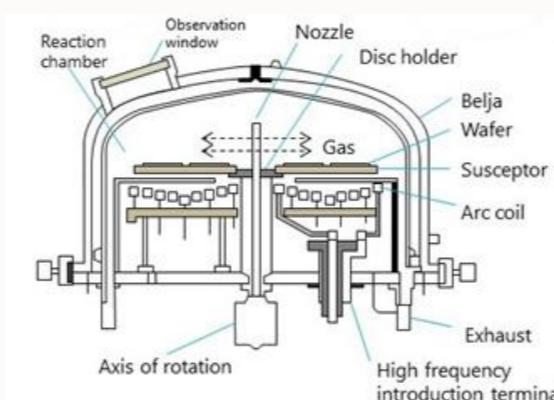
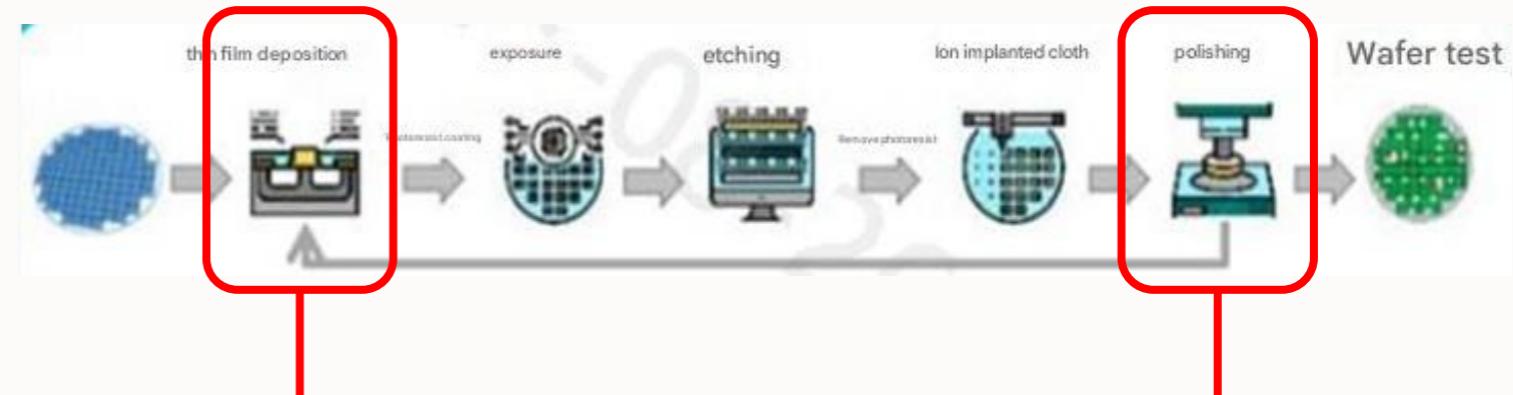
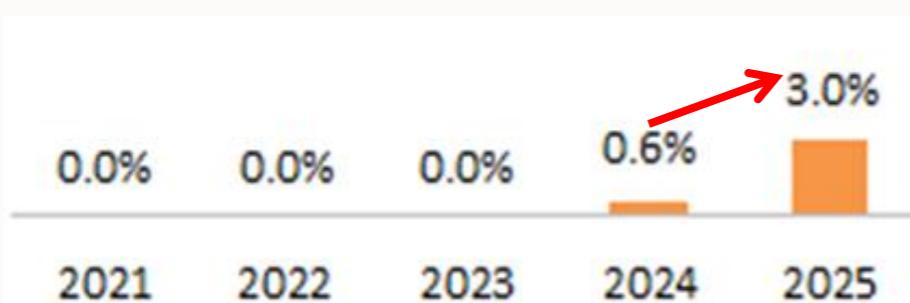
2026Q1~Q2
Equipment arrival ,
Certification

2026Q3
Mass
production

Future development – Semiconductor business will be Tsangyow next growth driver

SEMI equipment

Semiconductor advanced process front-end deposition and CMP equipment parts, etc.



CMP process diagram

Future development - high product quality certification, multi-industry market layout

Transformation

Refining technological advantages, promoting product transformation, entering new industrial fields and diversified product markets, and increasing revenue capacity

Specialization

Optimize production and sales schedules, continue lean production, ensure quality/cost/delivery optimization and risk control, and maintain operational resilience

Digital transformation

Promote digital transformation, move towards intelligent production and digital management, drive new corporate value and enhance industrial competitiveness

Globalization

Accelerate regional economic layout, establish short-chain supply capabilities, and enhance global competitiveness.

Niche market

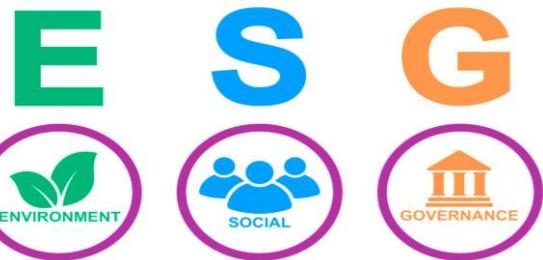
In order to diversify export markets and reduce tariff impacts and trade risks, in addition to taking into account the North American market, our largest customer, we will also actively develop the European and Southeast Asian markets.

ESG Sustainability

Implement corporate governance, environmental symbiosis, and social prosperity, and pursue sustainable corporate growth.



Future Development- ESG Sustainability



- ISO14001 Certificated
- Completed ISO 14064-1 GHG inventory categories
- Established private own Solar Power Plant (renewable energy)
- To reduce CO2 (carbon dioxide) emission and replace the Energy saving equipment
- Established Tsang Yow charity foundation in 2016
- Participated Blood Donation Event locally in 2023 and 2024
- Sponsor Charitable Fundraising Activities in 2023
- 2024 Cerebral Palsy Association Charity Bread Purchase Program
- 2024 Hualien Earthquake Disaster Relief Donations
- 2024 Haomeiliao Parent-Child Beach Cleanup Activity
- ISO45001 Certificated
- National Outstanding Healthy Workplace-Health Management Award in 2022
- 2021&2023 Taiwan Outstanding Workplace – Vitality Award
- 2024 National Excellence Award for Healthy Workplaces – Holistic Health Award
- Support the job opportunity for hearing impairment people, and hire more vulnerable workers
- Formulate an employee assistance plan to help employees work with peace of mind, live happily, and be healthy and secure

Future Development- Excellent performance in Corporate Governance Evaluation

The 11th Round (2024) Corporate Governance Evaluation

- All listed companies **TOP 36% to 50%**
- The market value under NT\$5 Billion **TOP 2% to 10%**



The 10th Round (2023) Corporate Governance Evaluation

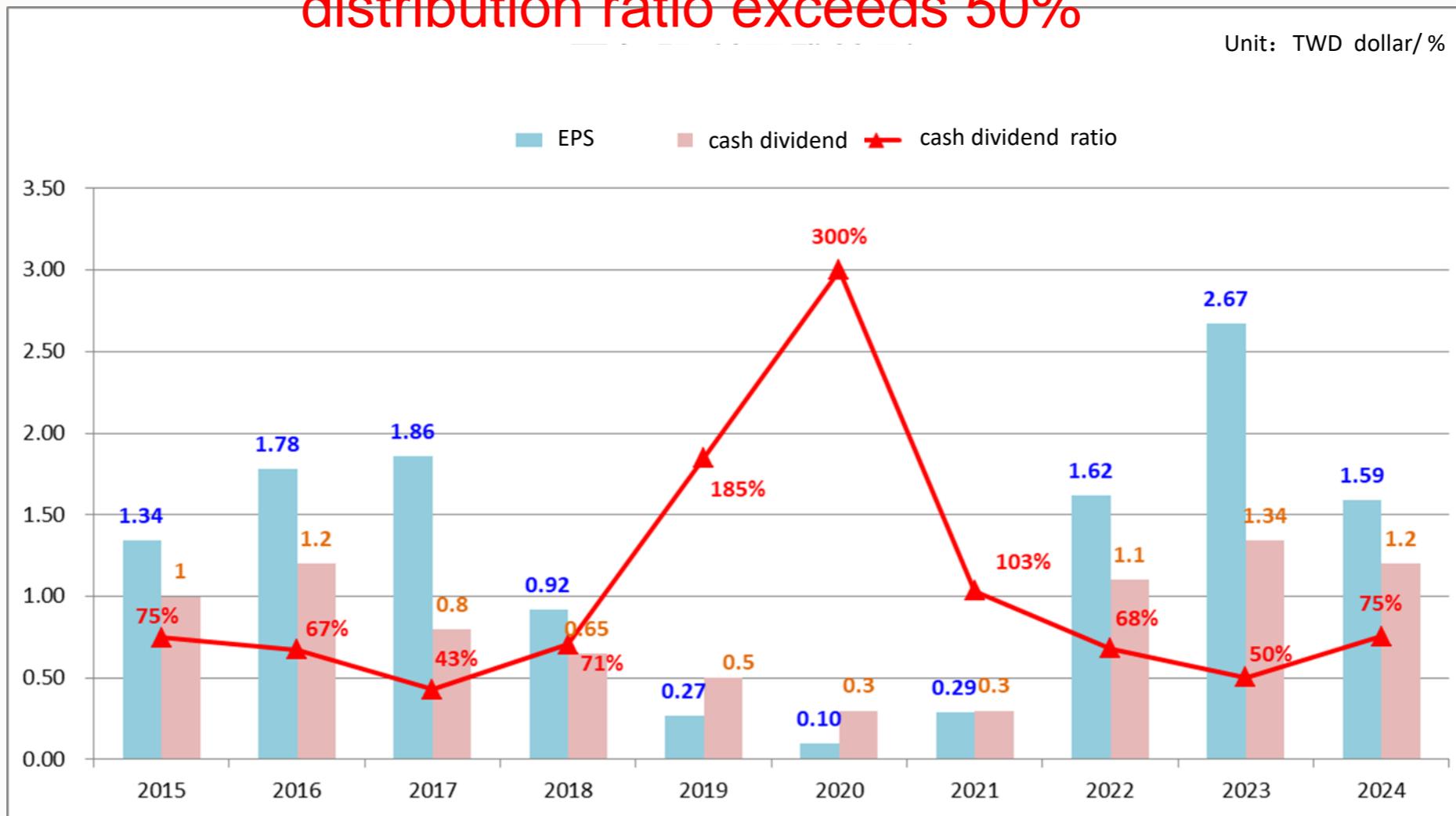
- All listed companies TOP 66% to 80%
- The market value under NT\$5 Billion TOP 21% to 40%

Awarded by the Occupational Safety and Health Administration, MOL, as one of the top 10 performing companies in the 2025 "ESG Report Occupational Safety Performance Evaluation".



Dividend distribution situation

➤ The average cash dividend distribution ratio exceeds 50%



THANK YOU

Q & A



TSANGYOW

Tsang Yow is committed to understanding each customer in order to provide services that meet or even exceed customer requirements. Let each other become the best partners on the road to success to achieve WIN-WIN.



: <https://www.tsangyow.com.tw/tw/index.php>