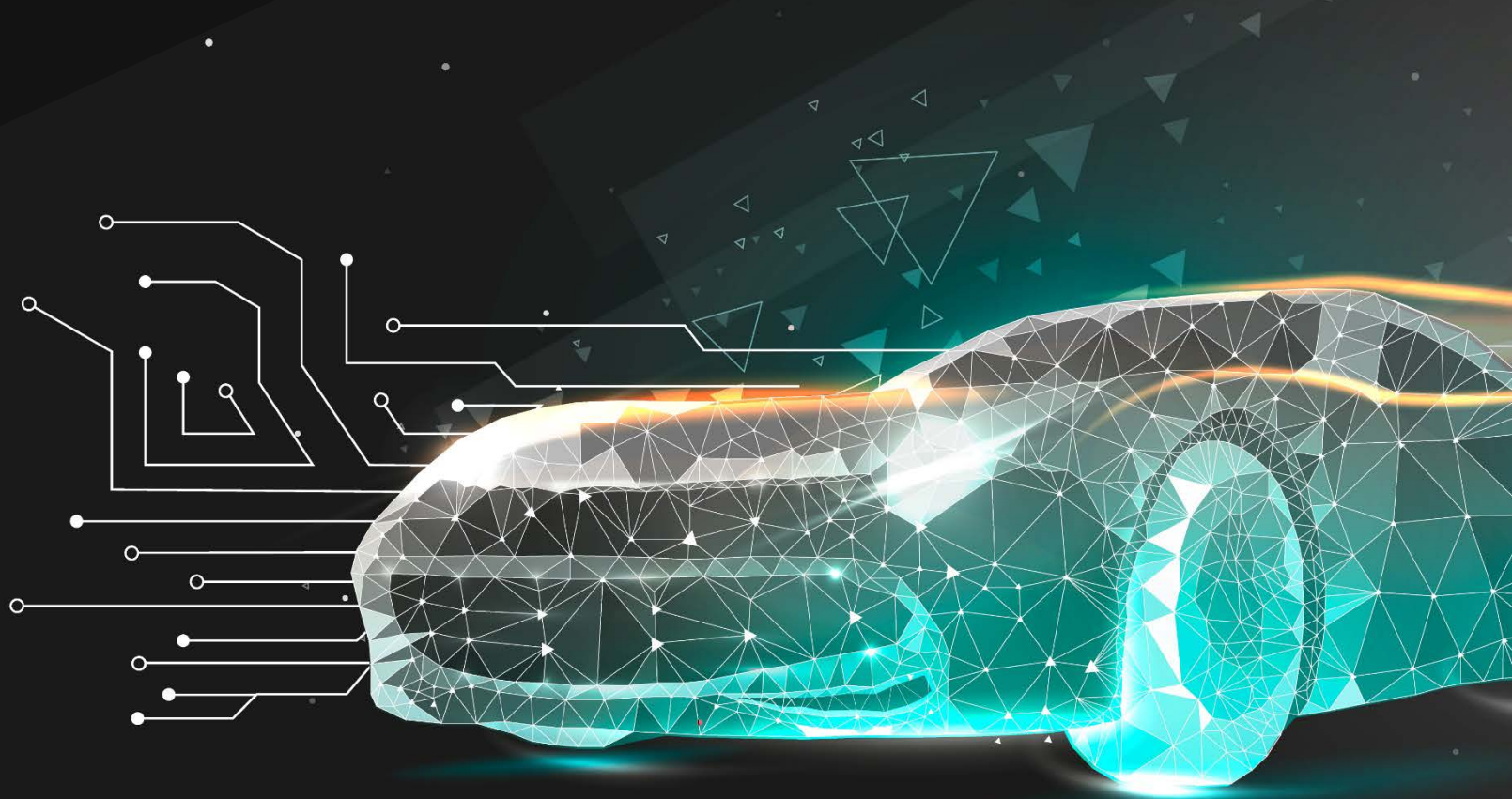




4526.TW

**Tongtai Machine & Tool Co., Ltd.**

**2021 Q1 Institutional Investor Conference**



DATE : 2021/4/15  
TIME : 15:40~16:20  
PLACE : TWSE

**TT GROUP**





# Disclaimer

The above statements that pertain to future projections constitute the expectations, opinions, outlooks, or predictions of our company and its affiliates based on information available at the time the statements were made. Such statements may be affected by known and unknown risks and inherent uncertainties, the existence or emergence of facts or factors that differ from the assumptions, suppositions, or judgments of the Company, or other factors. Consequently, there may be significant discrepancies between actual results pertaining to the Company's future earnings, management results, financial conditions, and other matters as explicitly or implicitly referred to in the statements and the content of such statements.

The presentation is run exclusively for the purpose of providing information and not for the purpose of soliciting investments or recommending the buying or selling of specific shares or products. The company makes no warranty concerning the accuracy or completeness of the information and will not be liable for any damages arising out of use of the information thereof.



# Agenda

**1**

**Tongtai and TTGroup Introduction**

**2**

**Operating Performance of 2020**

**3**

**Brief strategies in the key industries**



# **Tongtai and TTGroup Introduction**



# Introduction of Tongtai

- Tongtai was established in 1969, and was listed on the stock exchange market in 2003. We focused on developing special purpose machines in the beginning and then become a manufacturer that owns diverse production lines. The trade mark of Tongtai is made of two “T”s. The gray “T” represents what Tongtai provides and the blue “T” represents what customers gain.



*Trust & Technology*

## Profile

Capital : NT\$2.56 billion  
Stock symbol : 4526.TW  
Chairman : Mr. Jui-Hsiung Yen  
Employees : 720 (2021.03)  
Certification : ISO 9001 、 ISO 14001 、  
ISO 50001 、 AEO Certification

## Vision

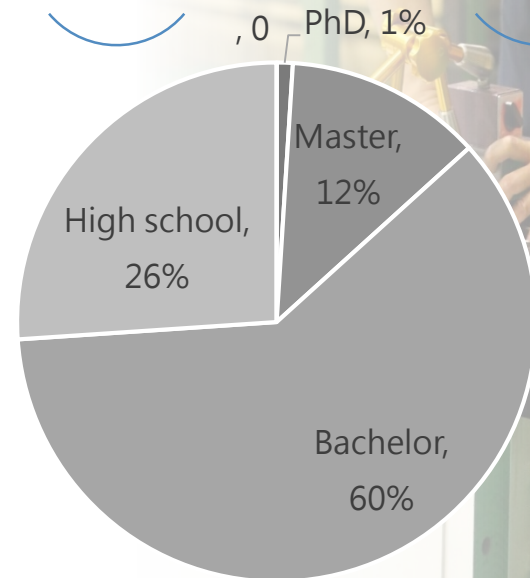
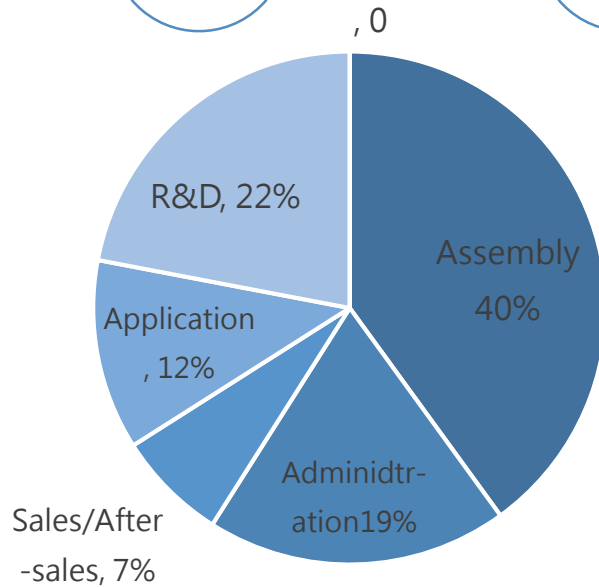
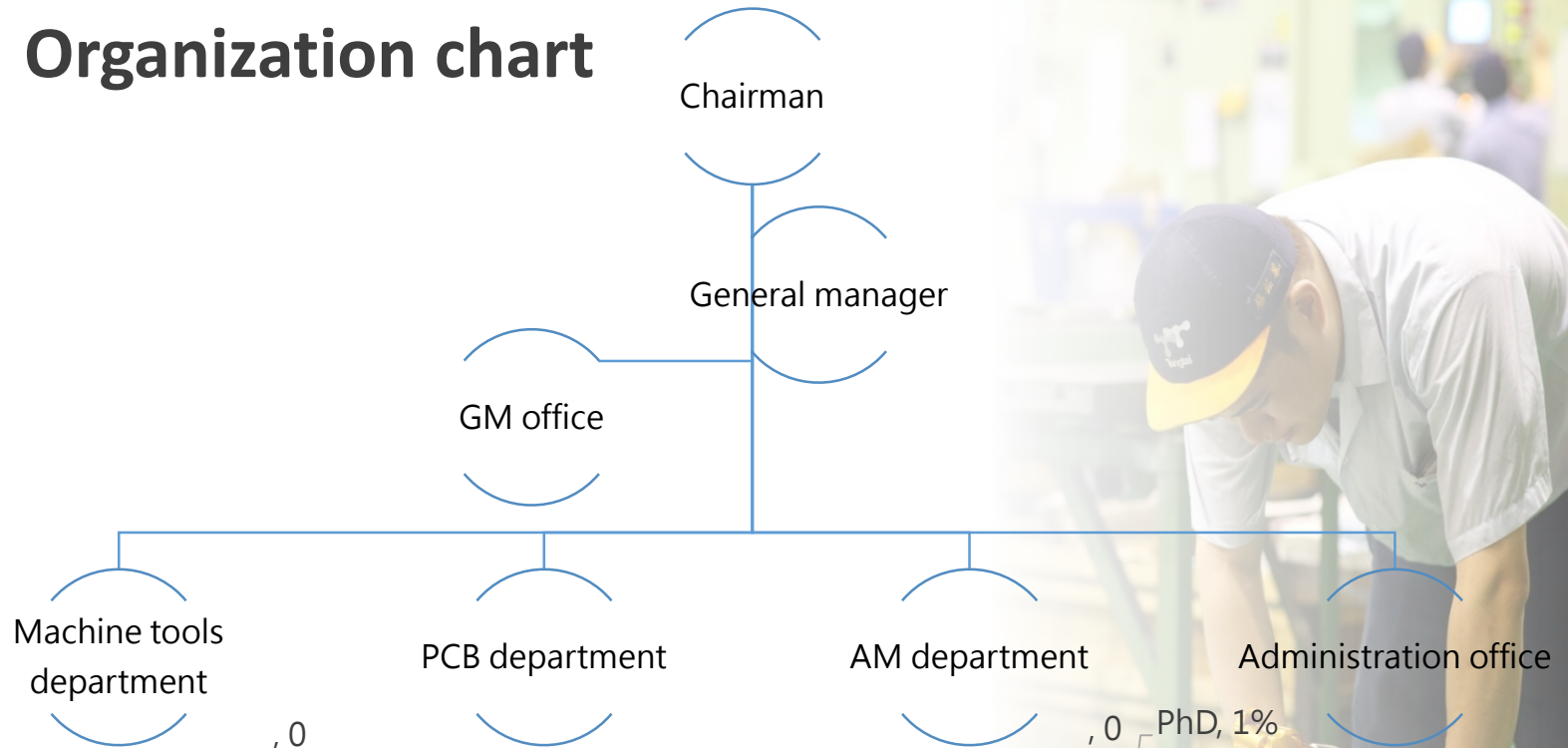
Become the top machine and machining solution provider in the global machine tool industry, and to be the most reliable partner for clients.

## Mission

To be the best solution provider of machine equipment and techno services for assisting clients to step into smart manufacturing's field.



# Organization chart





# Product overview of machine tools department

# S.O.I

S standard  
O option  
I ntegration



Standard  
Machine



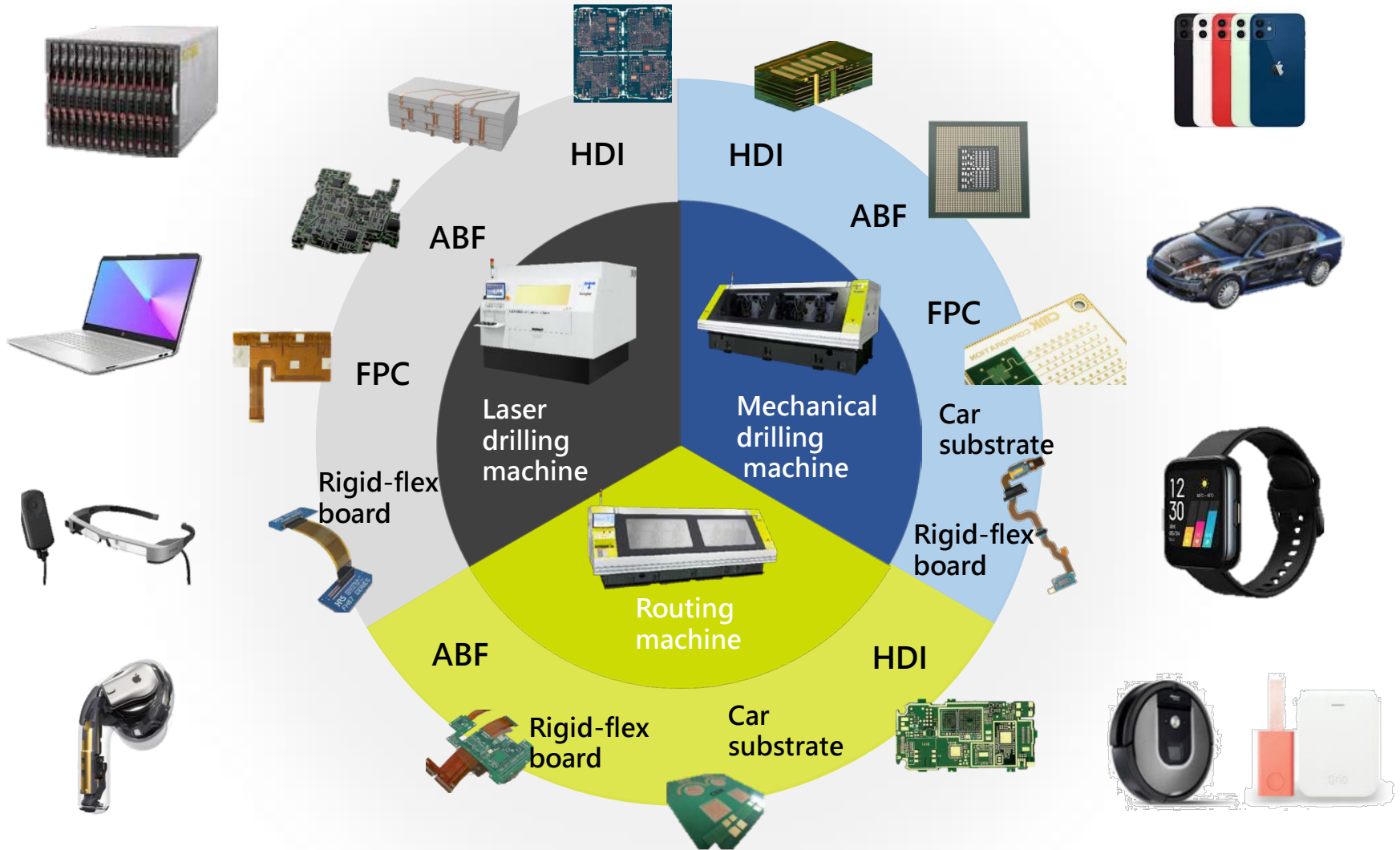
Special purpose  
machine



Turnkey  
Smart machine/Automation  
Smart production line/Automation  
Smart factory

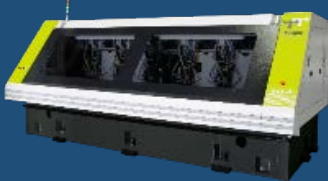




# Relevant items of PCB department





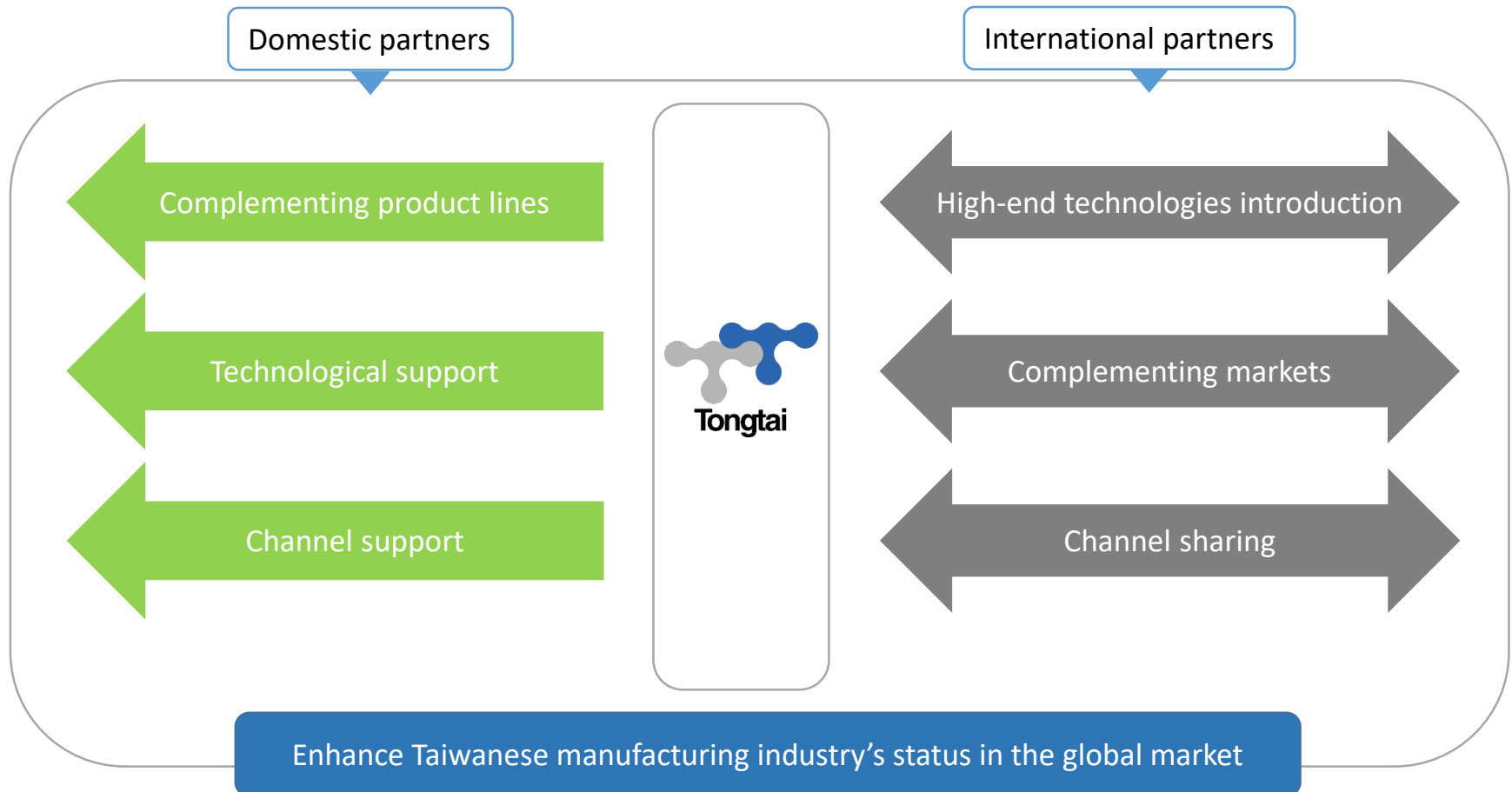
# Three major processes achieve high precision, high efficiency and efficient production

| <b>Drilling machine</b><br> | Mechanical drilling | Multilayer PCB | Car substrate | Server PCB         | Depth control         | BGA     | FPC         | HDI | CCD |
|---|---------------------|----------------|---------------|--------------------|-----------------------|---------|-------------|-----|-----|
|   | SD                  | V              | V             | V                  | V                     | V       | V           | V   |     |
|   | SDL                 | V              | V             | V                  | V                     | V       | V           | V   |     |
|   | TCDM                | V              | V             | V                  | V                     | V       | V           | V   | V   |
| <b>Routing machine</b><br>  | Routing machine     | Shape Cutting  | Depth control | Aluminum substrate | Multi-axis correction | CCD     |             |     |     |
|   | TRM                 | V              |               | V                  |                       | V       |             |     |     |
|   | DCRM                | V              | V             | V                  |                       | V       |             |     |     |
|   | TCRM                | V              | V             | V                  | V                     | V       |             |     |     |
| <b>Laser drilling</b><br> | Laser drilling      | HDI            | BGA           | FPC                | Composite Material    | Marking | IC Assembly |     |     |
|   | TLC-2H22            | V              | V             | V                  | V                     |         | V           |     |     |
|   | TLU-1H22            |                |               | V                  |                       | V       | V           |     |     |
|   | TLMG-400            |                |               |                    |                       | V       | V           |     |     |
|   | TLCU-660            |                |               |                    | V                     | V       | V           |     |     |

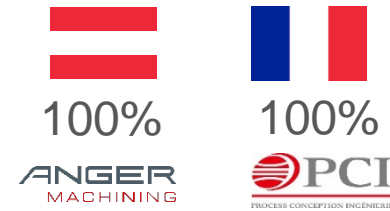


# TTGroup management philosophy

Tongtai plays a main role in TTGroup and integrates international and domestic resources for enhancing Taiwanese manufacturing industry's status in the global market.



# M&A history



quicktech 52%

- High-end Turnkey solutions
- Tier 1 automotive market

- Multi-tasking turning center
- Hardware market



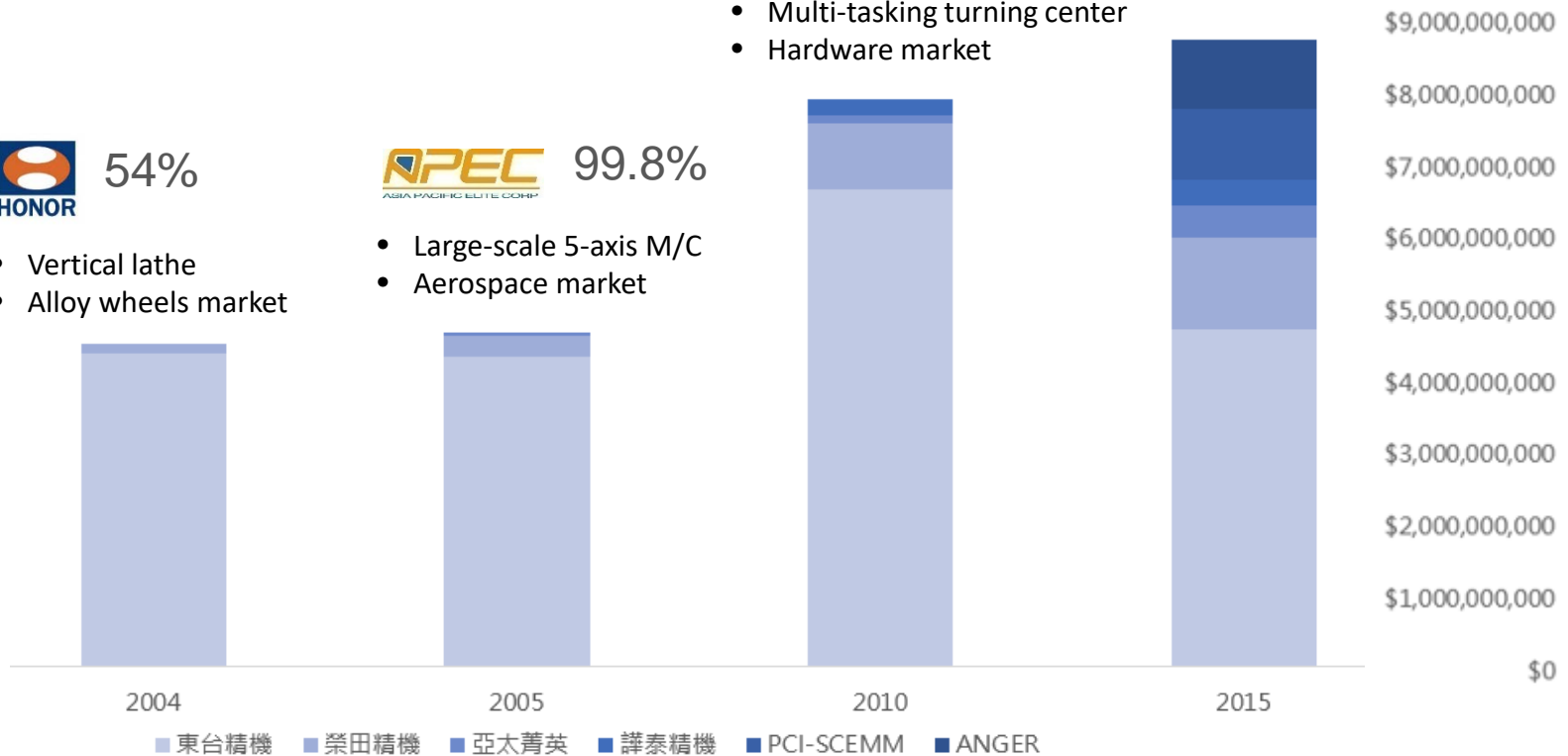
54%

- Vertical lathe
- Alloy wheels market

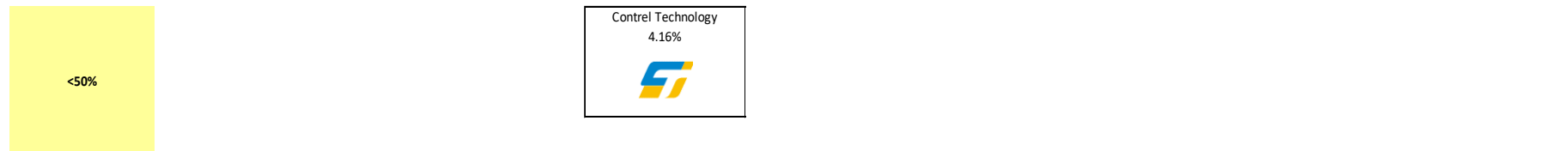
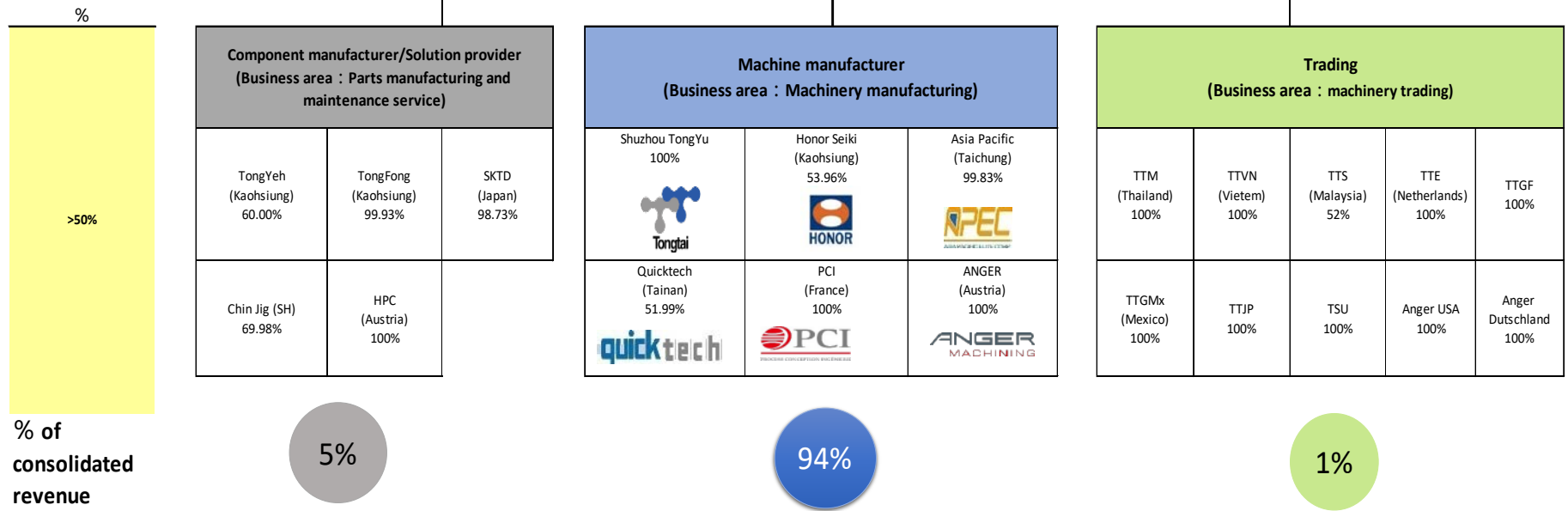
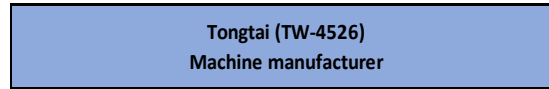


99.8%

- Large-scale 5-axis M/C
- Aerospace market



# Classification of investees



## 2

## Operating Performance of 2020

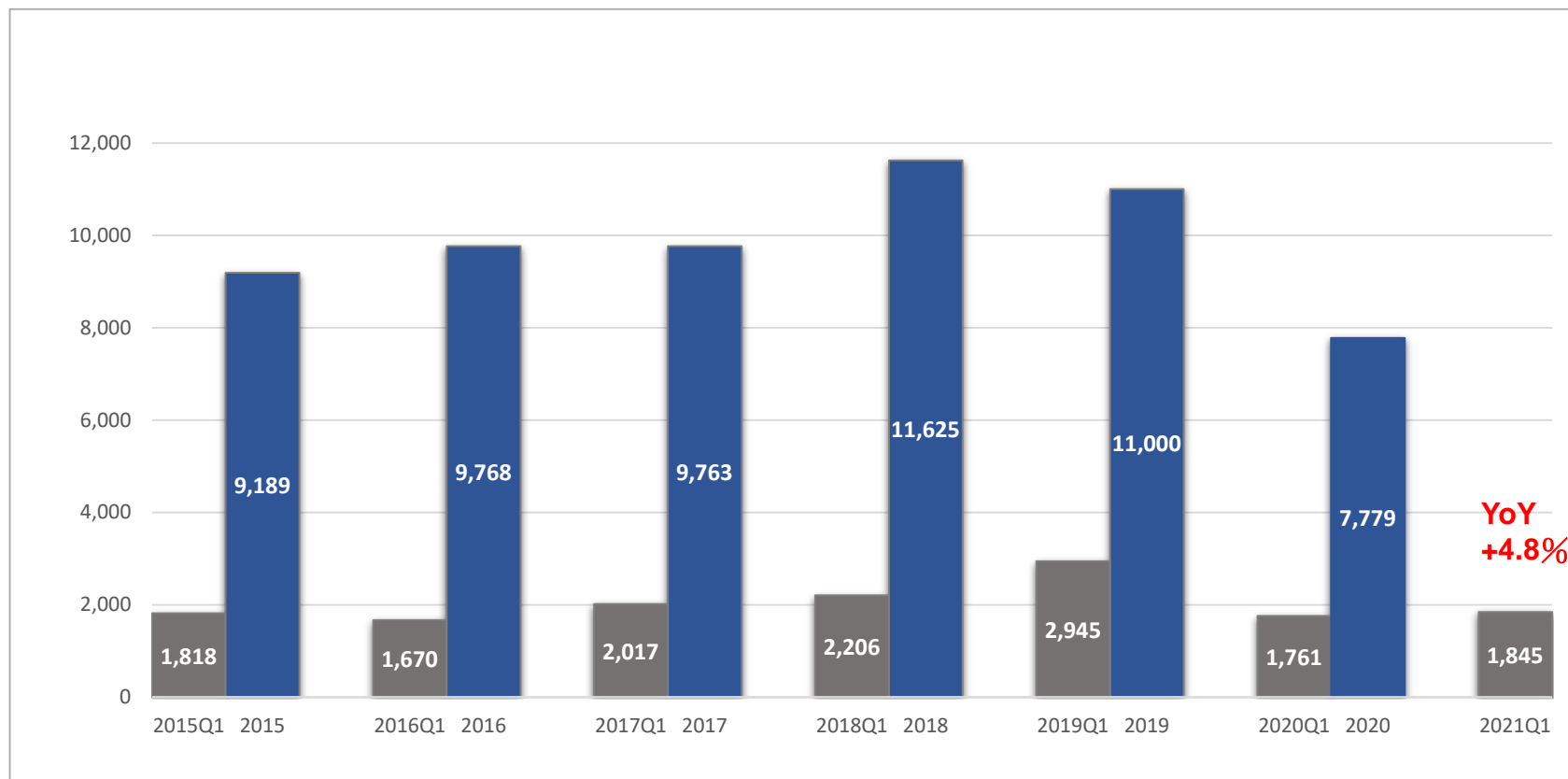
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# Consolidated revenue

- Consolidated revenue for 2021 Q1 increased by 5% YoY due to the economic rebound, similar to the industry situation.

Unit: NT\$ million

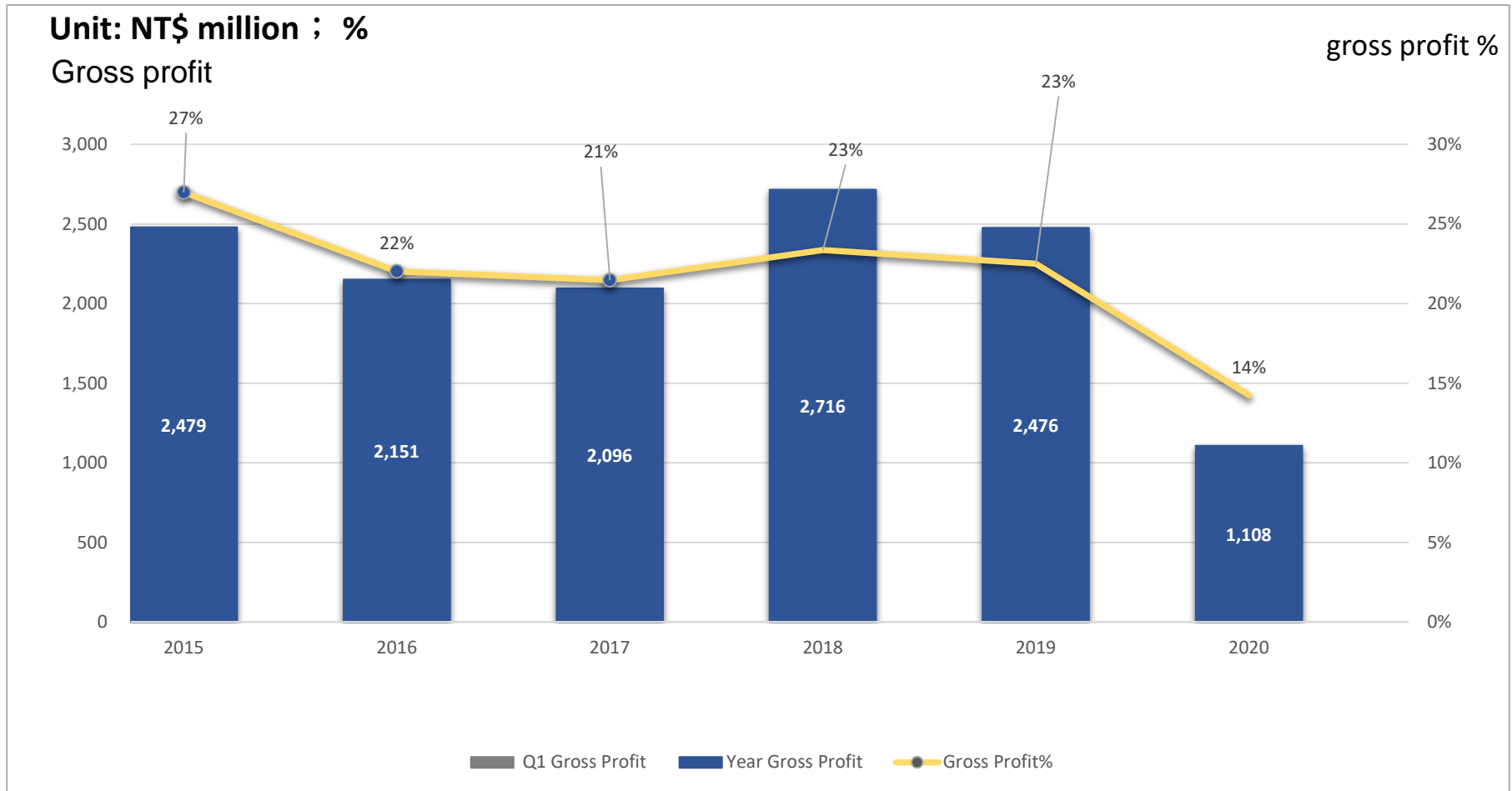


Data Source: 2015-2020 Audited Consolidated Report & 2015 Q1-2020 Q1 Reviewed Consolidated Report



# Gross profit and gross profit %

- Gross profit decreased following the decrease of revenue and the impact of the exchange rate



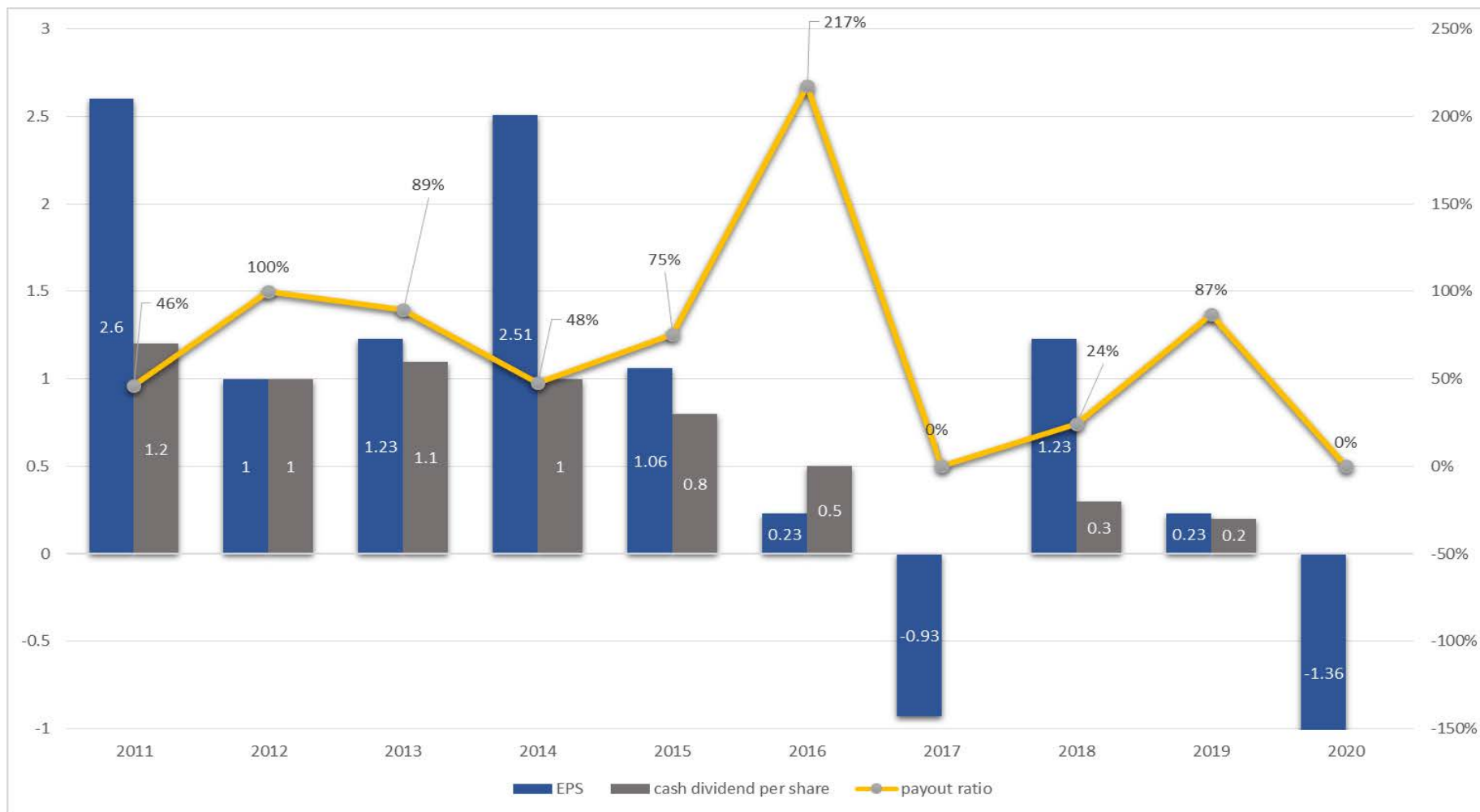
Data Source: 2015-2020 Audited Consolidated Report



# EPS and dividend payout rate

- Dividend distribution policy adjusts with development of the company.
- Due to the loss in 2020, the Company's Board of directors proposed not to distribute dividends.

Unit: NT\$ ; %



\*FY2014 also declared another stock dividend of NT\$0.2 per share.

Data Source: 2011-2020 Audited Consolidated Report

# Condensed Consolidated Income Statement

Unit: In NT\$ million, Except Earnings (Loss) Per Share in NT\$

| Item   | 2020Y  |        | 2019Y  |        | YoY     |        |
|--|--------|--------|--------|--------|---------|--------|
|  | Amount | %      | Amount | %      | Amount  | %      |
| Operating Revenues   | 7,779  | 100.0% | 11,000 | 100.0% | (3,221) | -29.3% |
| Gross Profit   | 1,108  | 14.2%  | 2,476  | 22.5%  | (1,368) | -55.3% |
| Profit (Loss) from Operations                                | (670)  | -8.6%  | 271    | 2.5%   | (941)   | 347.2% |
| Non-operating income (expenses)                              | 157    | 2.0%   | (138)  | -1.3%  | 295     | 213.8% |
| Profit (Loss) before Income Tax                              | (513)  | -6.6%  | 133    | 1.2%   | (646)   | 485.7% |
| Net Profit (Loss) for the Year                               | (397)  | -5.1%  | 90     | 0.8%   | (487)   | 541.1% |
| Net Profit (Loss) Attributable to Shareholders of the Parent | (347)  | -4.5%  | 59     | 0.5%   | (406)   | 688.1% |
| Basic Earning (Loss) Per Share                               | (1.36) |        | 0.23   |        | (1.59)  |        |

Data Source: 2020 Audited Consolidated report

# Key Consolidated Balance Sheet Items & Indices

Unit: In NT\$ million, except Net Asset Value per Share in NT\$

| Item  | 2020.12.31 |      | 2019.12.31 |      | YoY Change |      |
|---|------------|------|------------|------|------------|------|
|   | Amount     | %    | Amount     | %    | Amount     | %    |
| Cash and cash equivalents                         | 1,703      | 11%  | 1,090      | 6%   | 613        | 56%  |
| Notes and accounts receivable                     | 3,226      | 20%  | 3,881      | 23%  | (655)      | -17% |
| Inventories                                       | 5,016      | 31%  | 5,607      | 33%  | (591)      | -11% |
| Total current assets                              | 10,962     | 68%  | 11,849     | 70%  | (887)      | -7%  |
| Property, plant and equipment                     | 3,323      | 21%  | 3,341      | 20%  | (18)       | -1%  |
| Total Assets                                      | 16,009     | 100% | 16,922     | 100% | (913)      | -5%  |
| Short-term loans and bills payable                | 2,818      | 18%  | 3,241      | 19%  | (423)      | -13% |
| Long-term liabilities - current portion           | 1,889      | 12%  | 1,041      | 6%   | 848        | 81%  |
| Notes and accounts payable                        | 1,487      | 9%   | 1,666      | 10%  | (179)      | -11% |
| Total current liabilities                         | 8,476      | 53%  | 7,954      | 47%  | 522        | 7%   |
| Long-term bank loans                              | 1,321      | 8%   | 2,214      | 13%  | (893)      | -40% |
| Total Liabilities                                 | 10,548     | 66%  | 10,930     | 65%  | (382)      | -3%  |
| Equity attributable to shareholders of the parent | 4,883      | 31%  | 5,285      | 31%  | (402)      | -8%  |
| Total Equity                                      | 5,461      | 34%  | 5,992      | 35%  | (531)      | -9%  |
|   |            |      |            |      |            |      |
| Net Asset Value per Share                         | 19.16      |      | 20.74      |      |            |      |
| Current ratio                                     | 129%       |      | 149%       |      |            |      |
| Debt to Equity ratio                              | 193%       |      | 182%       |      |            |      |

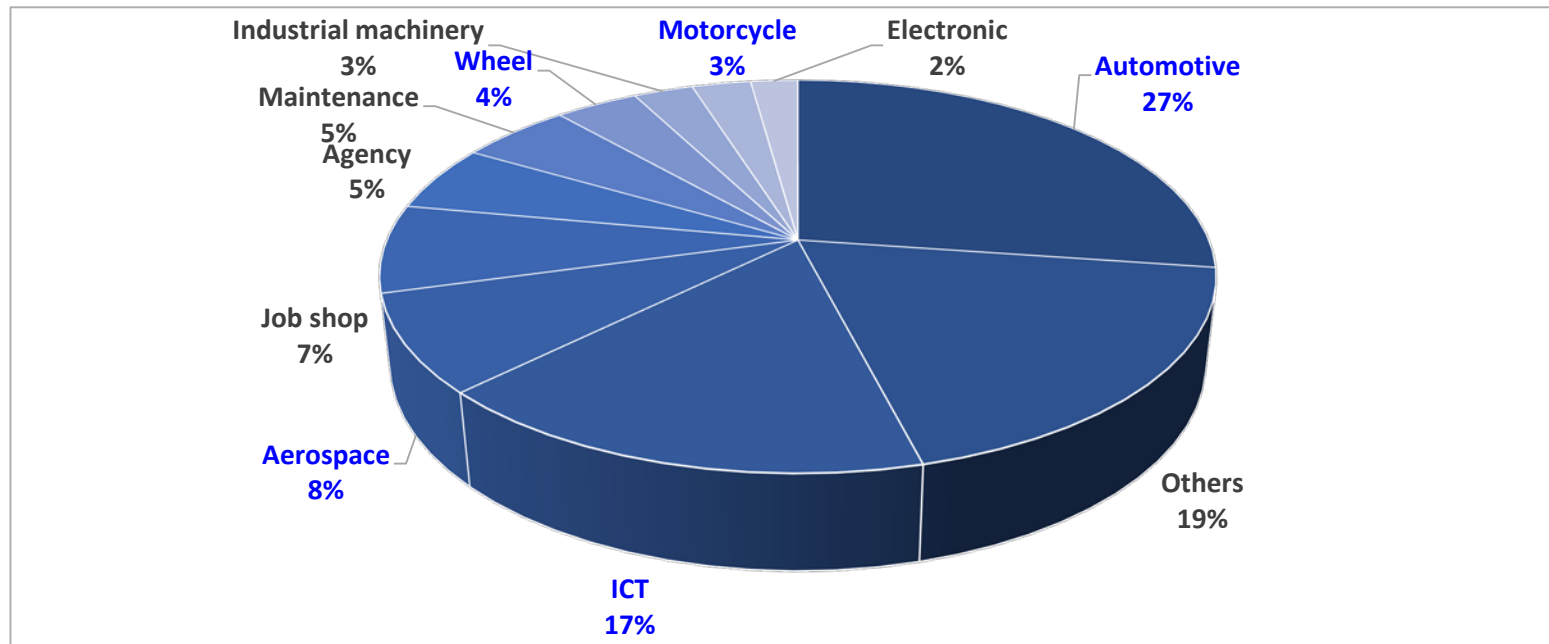
Data Source: 2020 Audited Consolidated report



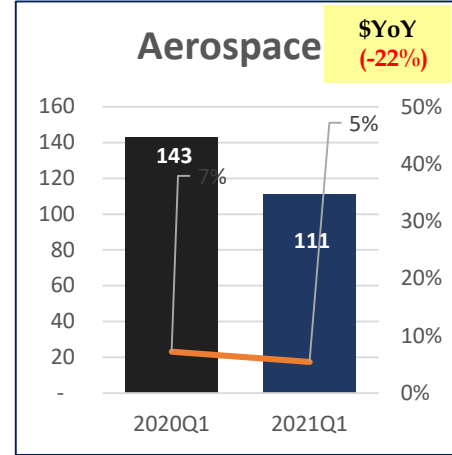
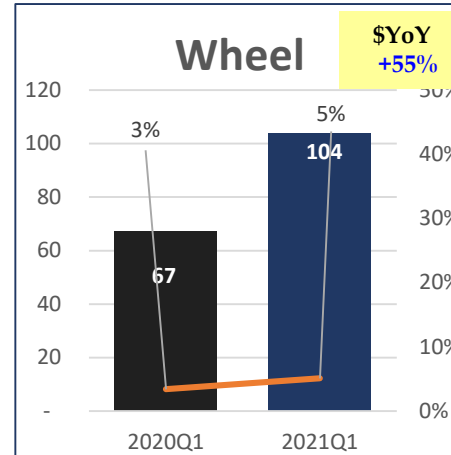
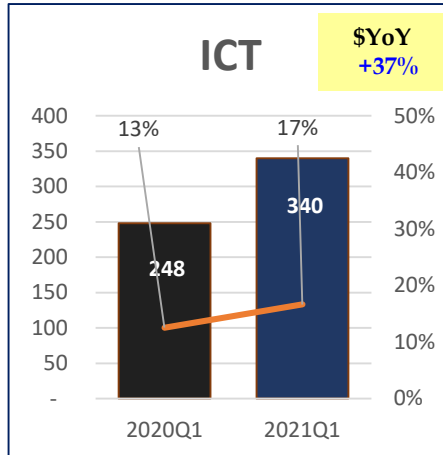
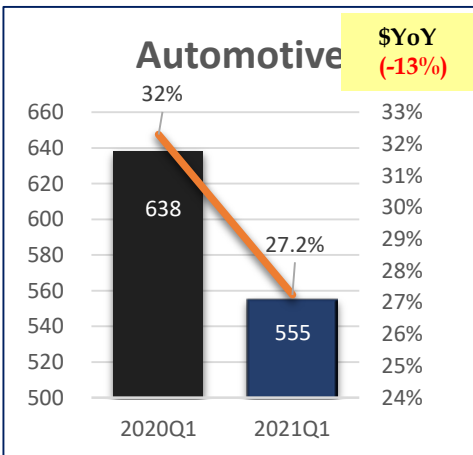
# Consolidated Revenue by Application

## 2021Y Q1

Unit : % of revenue



Unit : NTD million/ % of revenue



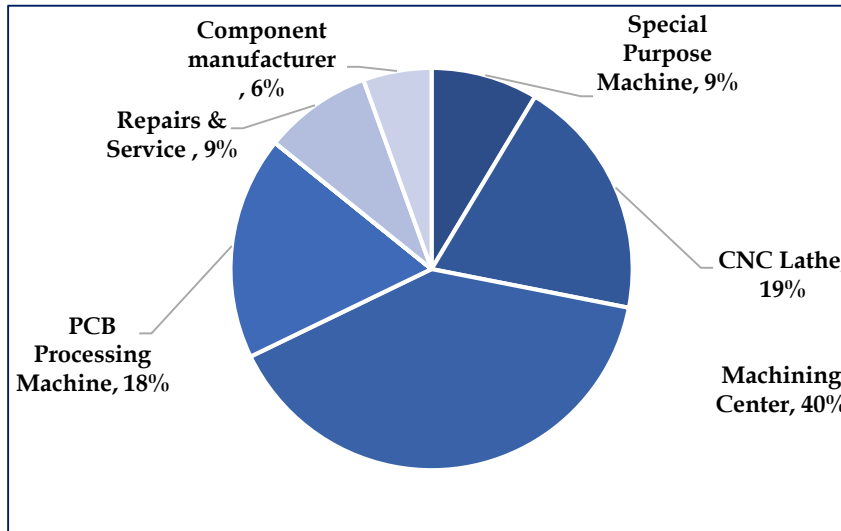


# Consolidated Revenue by Product and by Geography

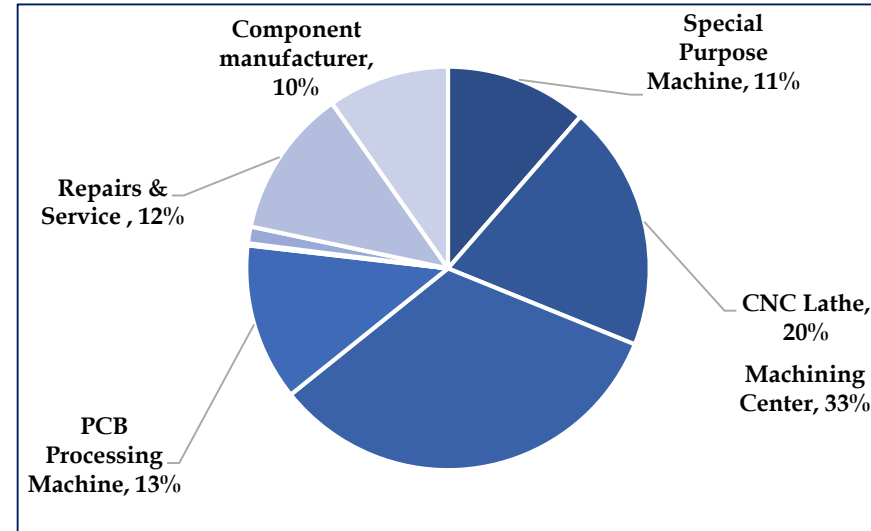
Unit : % of revenue

## ■ By Product

2021Y Q1

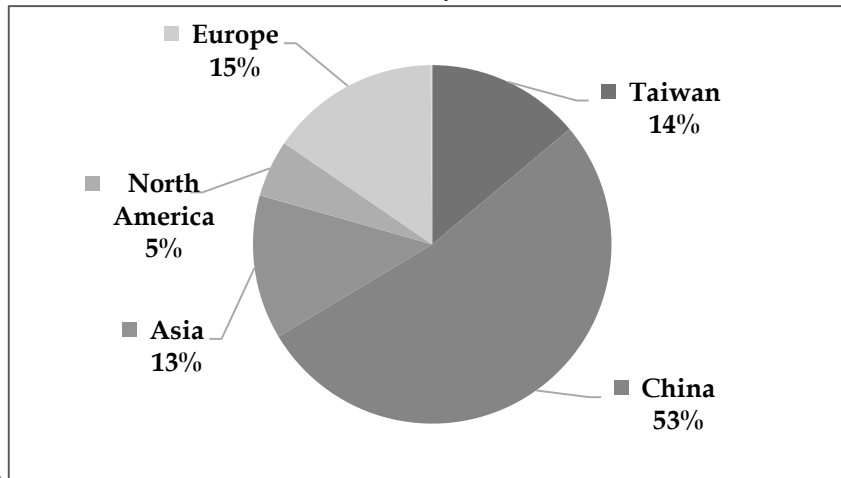


2020Y Q1

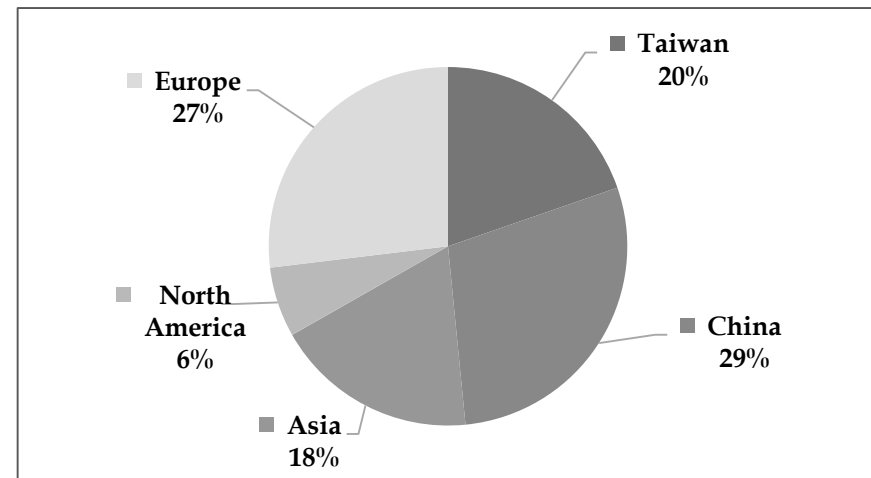


## ■ By Geography

2021Y Q1



2020Y Q1





# 3

## Brief strategies in the key industries

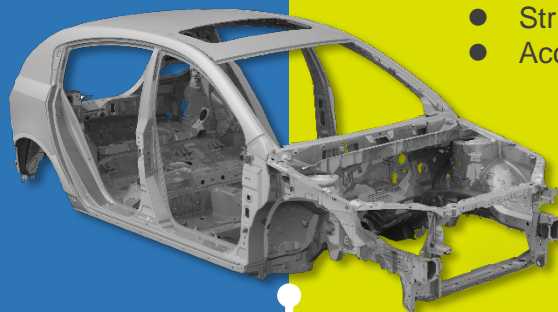
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# Summary in the EV market

- After three years of development, Anger Machining GmbH, the Austrian member of TTGroup, has successfully developed the specialized equipment in battery tray machining.
- For branded EV manufacturers in Europe & US, such as Tesla and other manufacturers, their tier1 supply chains have already introduced our machines in parts machining.
- With the strategic alliance in the MIH EV Open Platform, we are looking forward to exploring potential customers in the expanding markets.



# Gas vehicle

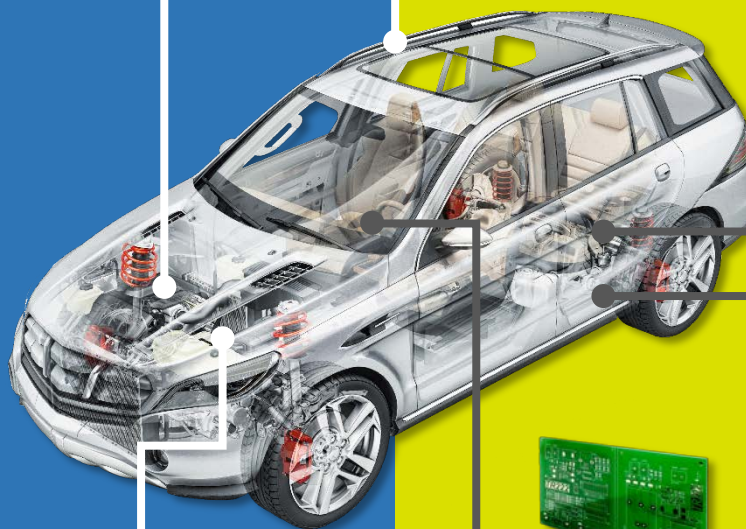


## Car body

- Structure parts
- Accessories

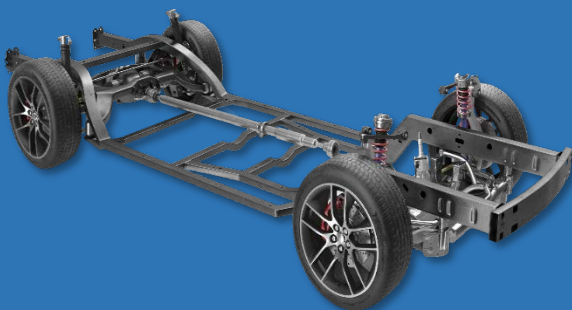
## Powertrain system

- Transmission system
- Engine system



## Chassis system

- Steering system
- Suspension system
- Brake system
- Drivetrain system
- Wheel



# Electric vehicle

## Battery, motor and electric control system

- Drive system
- Control system
- Battery system



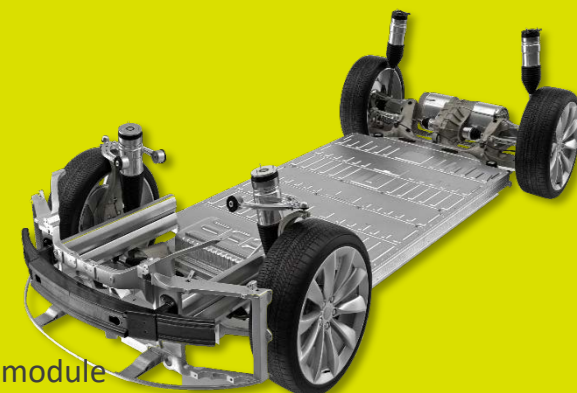
## Chassis system

- Steering system
- Suspension system
- Brake system
- Wheel



## Electric system

- Sensor module
- Car camera module
- ECU
- 5G communication module



# Battery, motor and electric control system



## Drive system

### Motor Housing



Tongtai  
TMV-920A

### Differential



Tongtai  
TVL-40、DC-350

### Other components



Tongtai  
EZ-5+4TH



## Control system

### Control box



Tongtai  
TMV-850QII



## Battery system

### Battery tray

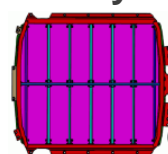


(hybrid)

Anger-Machining  
SP2



### Battery tray

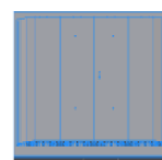


(EV)

PCI-SCHEM  
TS 3000V-W



### Lower cover



Tongtai  
TMV-1500A+4TH



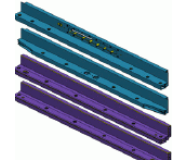
### Rib



Tongtai  
VP-8



### Battery profile



Anger-Machining  
SP2







# Automotive Printed circuit board

## Control system

### Control Panel



**Tongtai**  
SD-6 Series  
TRM Series

### Audio/Video System



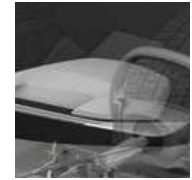
**Tongtai**  
SD-6 Series  
TRM Series

### GPS Module



**Tongtai**  
SD-6 Series  
TRM Series

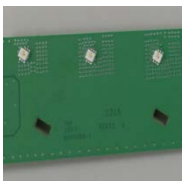
## LCD Display Module



**Tongtai**  
SD-6 Series  
TRM Series

## Lighting system

### Control panel



**Tongtai**  
SD-6 Series  
TRM Series

## Engine control module



**Tongtai**  
SD-6 Series  
TRM Series

## Transformation System



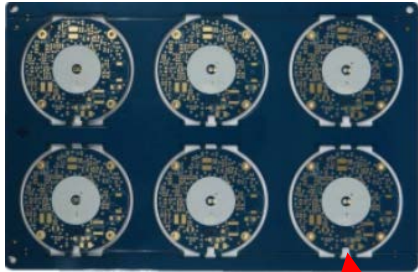
**Tongtai**  
SD-6 Series  
TRM Series

## Door Switch Module



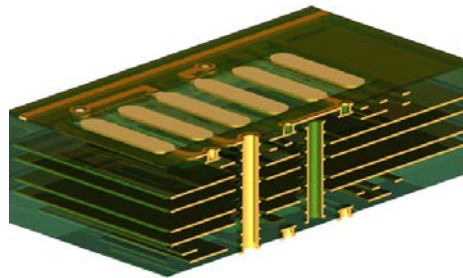
**Tongtai**  
SD-6 Series  
TRM Series

# Case - lighting control panel



Module & headlamp

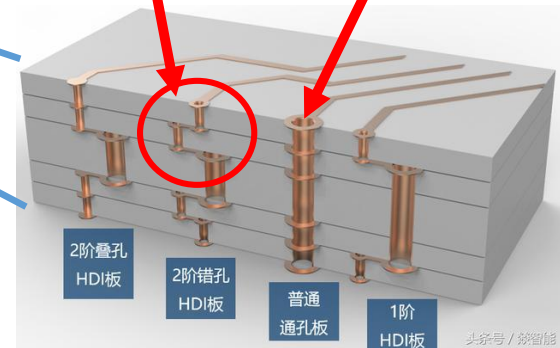
## Drilling process



The process of laser drilling machine



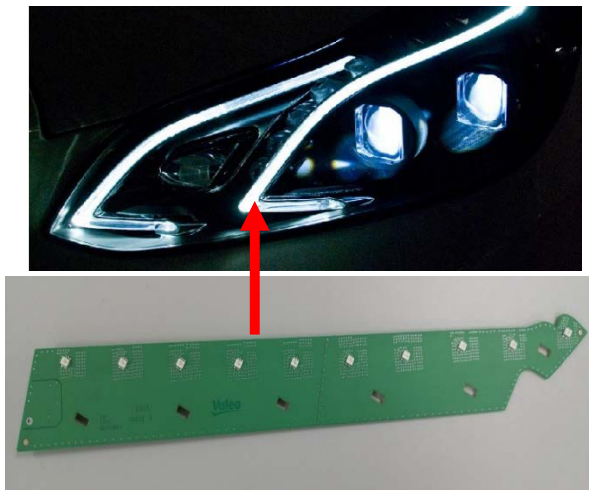
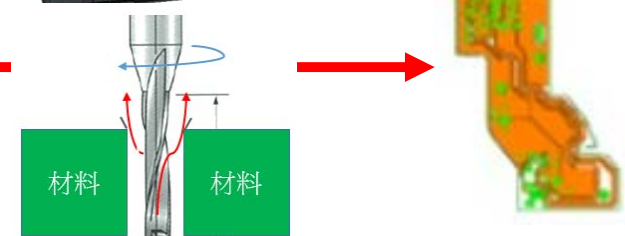
The process of drilling machine



## Forming process



## Mechanical forming process







東台精機股份有限公司

Tongtai Machine & Tool Co., Ltd. - 4526.TW

# Thank You!

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[www.tongtai.com.tw](http://www.tongtai.com.tw)

