



# TXC Corporation Investor Conference

August 20, 2025





# Making Every Connection Better

Precise Clock for Seamless Synchronization & Ultimate Data Transmission

## Agenda 14:00~15:00

### Topic

### Presenter

Opening

Peter Lin, CEO

Trends & Market Outlook

Oak Yu, Marketing & Sales Center

Financial Performance

Muriel Chen, Financial Division

Q & A

Peter Lin, CEO



# Disclaimer

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- Except for statements in respect of historical matters, the statements in this release are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual performance, financial condition or results of operations of TXC to be materially different from what may be implied by such forward-looking statements.
- The financial forecasts and forward-looking statements in the release reflect the current belief of TXC as of the date of this release and TXC undertakes no obligation to update these forecasts and forward-looking statements for events or circumstances that occur subsequent to such date.
- The statements in respect of historical matters may contain unaudited information, which may have certain deficiency or weakness so as not to fairly present financial condition or the results of operations of TXC.



# Opening & Introduction

Building Sustainable Revenue Portfolios

*Peter Lin, CEO*



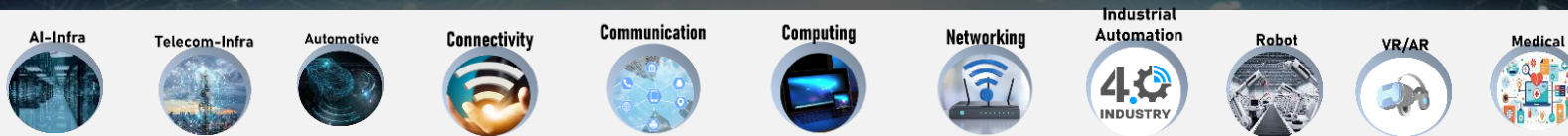
## Insight from Executive's Summary

# “Building Sustainable Revenue Portfolios”

*In order to achieve our goal, we need to diversify in mutual approaches...*

### ▶▶▶ Diversify Across Resilient Growth Engines

- Expand Through the AI Continuum: Actively position across AI Infrastructure → Edge AI → Agentic AI → Physical AI.



### ▶▶▶ Prioritize Design Conversion Efficiency

- Accelerate “**Design Wins**” by target higher win rates by compressing sample-to-production cycles

### ▶▶▶ Drive Regional and Segment-Specific Strategy

- Leverage Geopolitical Strengths & Segment-Tailored Positioning by identification of **Potential Regional Business**



# Trends and Key Segments

Key Growth Factors & Market Outlook

*Oak Yu, Marketing & Sales Center*



# Re-cap on Key Segment Blueprint Overview

Focus Segments and Identify Overall Potential Business Opportunities & Challenge



**5G-A**

**AOM +20% YoY**

**AOM+TCXO, 15% of Total Sales**

- AI Infrastructure + 5G-A Deployment



**AI**



**Automotive**

**25% of Total Sales**

- Global Tier 1 Penetration



**Emerging**

**~10% by 2030**

- New Segment Development

Initiate pre-developing as new industry segment to deploy potential business opportunities.



# Advanced Product Portfolio & Tier 1 Expansion +

Focus Segments and Identify Overall Potential Business Opportunities & Challenge

## 5G-A Infrastructure

- 5G RU construction will be saturated
- Developing towards AI-RAN & 6G
- Key Area penetration increase

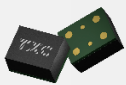
## AI Infrastructure

- Transmission Protocols Upgrade
- Precise Timing for Data Computing
- Global AI Ecosystem Diversification

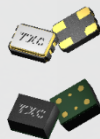
## High Speed Interconnection

- High Speed Data Throughput
- Ultra Low Data Latency for Computation
- Increase Node-to-Node Connection

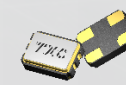
### Product Solution & Approaches



- Miniature (5.0x3.2mm)
- Power-Saving (7.0x5.0mm)
- Xterneti (AI-Powered OCXO)



- Miniature (2.0x1.6mm)
- Ultra Low Jitter (<30fs typ)
- Xterneti (AI-Powered OCXO)



- Ultra High Frequency (625MHz)
- Miniature (2.0x1.6mm)
- Ultra Low Jitter (<30fs typ)

- ◆ Global Tier 1 Allocation Expansion
- ◆ 5G-A New Platform Design Win
- ◆ Potential 5G Market : India Operators

- ◆ High Speed Interconnection Solution
- ◆ Strategy Pre-Design China IDH Localization
- ◆ Optimized Product Portfolio

- ◆ Key Projects Design Award (400G→800G/1.6T)
- ◆ Product Portfolio Optimization (Miniaturization)
- ◆ Protocol Upgrade (Tighter Phase Jitter)

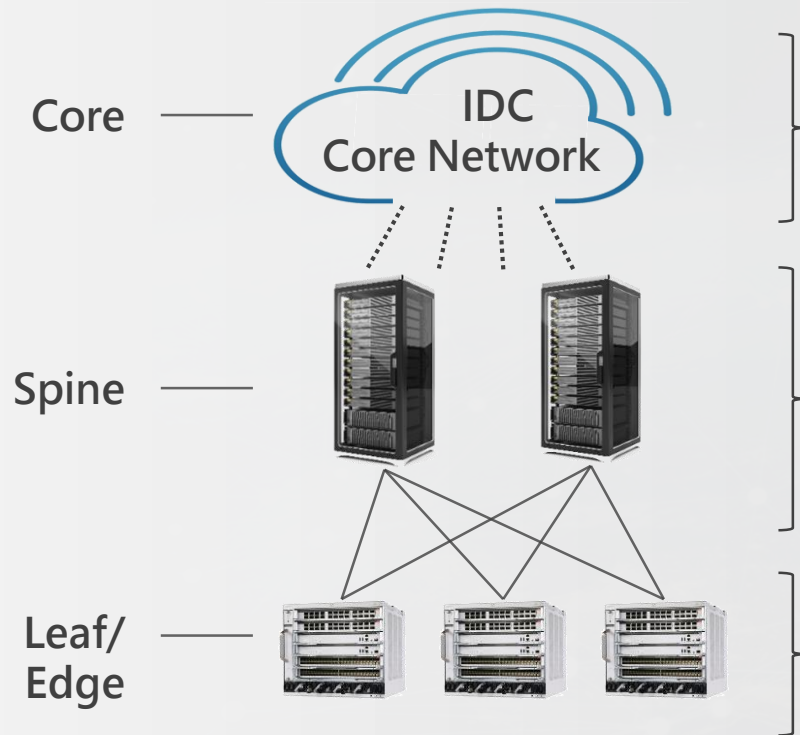


# Growing Business Opportunities from AI Deployment

High Speed Interconnection is one of necessities for AI Development

## Data Center Architecture Design

## Data Transmission Distance & Type Per Standard



< 20-120 km	ER/ZR	Optical Module (SM)
< 10-20 km	LR	
< 2-10 km	FR/LR	Optical Module (SM)
< 500 m	DR	
< 50 m	SR	Optical Module (MM) Active Electrical Cable (AEC)
< 5-10 m	Within a Rack	

Note: High-speed cable can be further divided into DAC, ACC(using in NV switch to server within a rack ) and AEC(using in customized switch to server within a rack)

Note: SR: Short Reach(<100m), DR: Datacenter(~500m), FR: Fiber Reach(~2km), LR: Long Reach(~10km), ER: Extended Reach(~40km), ZR: Ze Best Range(>80km)



# Vehicle Electrification Brings Tremendous Opportunities

## ADAS + Cockpit Integration Toward to Autonomous Driving

### 2025 Automotive Market Outlook

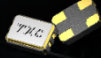
- Global Vehicle Shipments : Est. 92.8M in 2025, YoY+2%
- Fierce competitions in China Automotive market
- Unpredictable Tariff & Geopolitical impacts

### Vehicle Electrification Trends Opportunities


↑ Increasing Penetration Rate of ADAS (L2→L3→L4)

 : Differential Oscillator for High Speed Interface

↑ Key ADAS Components for Autonomous Driving

 : Miniature XO with simple compensation

↑ Smart Cockpit Integration

 : Miniature XO with low supply voltage

### Key Applications : Camera / Radar / Lidar / ADAS & Cockpit SoC



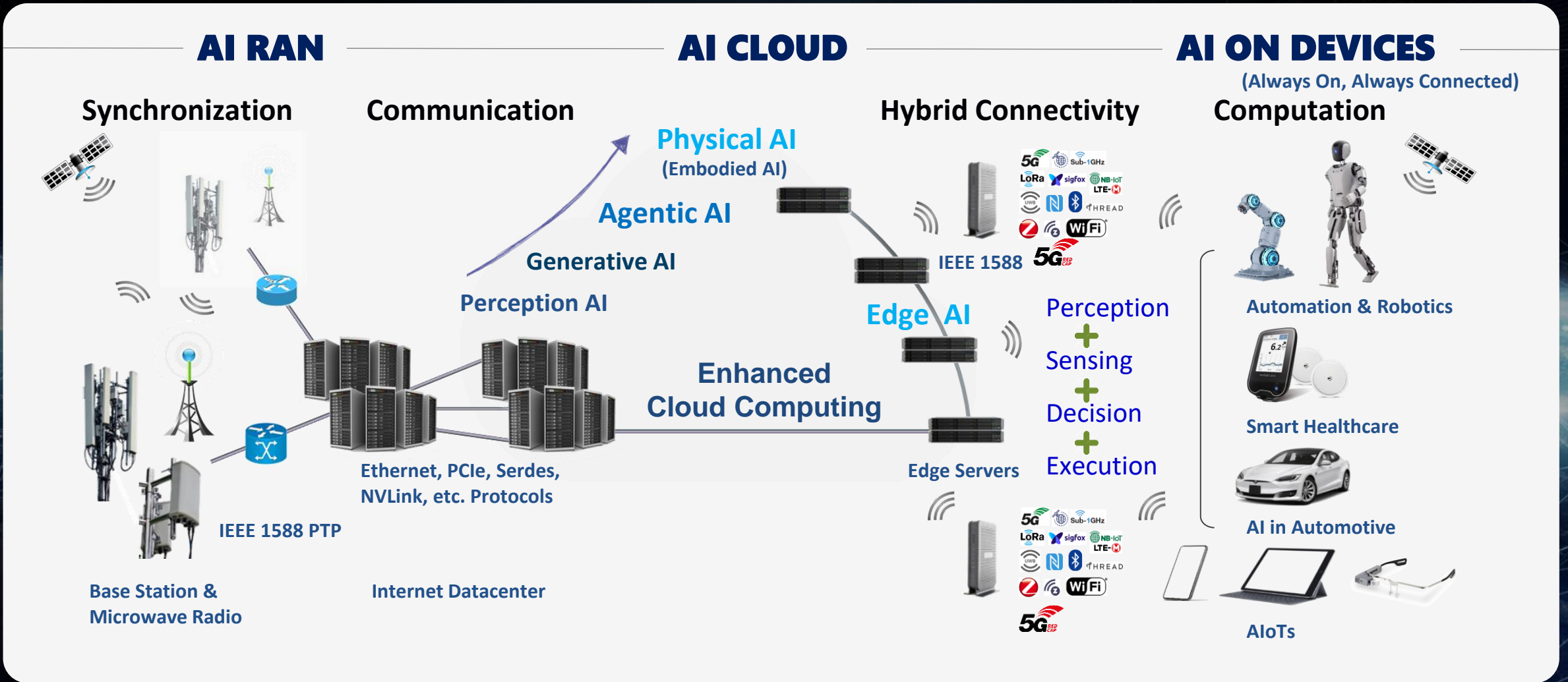
### Key Strategy Blueprint :

- Global Tier 1 Key Accounts : AVL Passed & Key Target Penetration
- Existing Business Share Rate : Increase Allocation from Global Tier 1
- Oscillator Expansion for ADAS Applications



# The AI-Powered Ecosystems

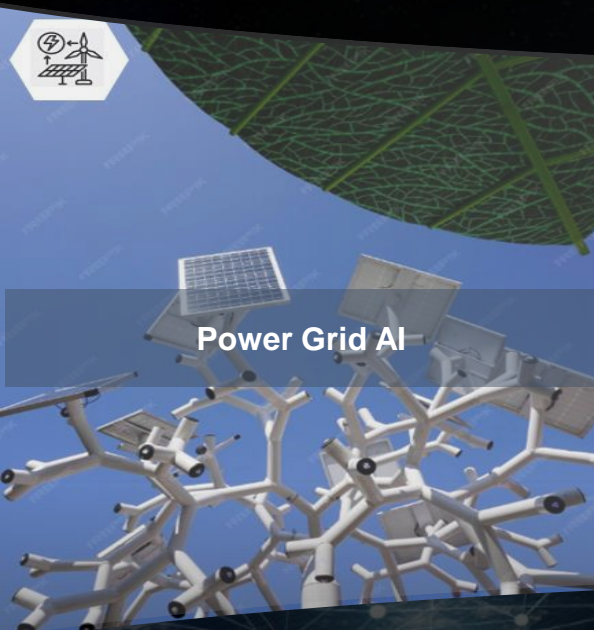
Infrastructure deployment and Ecosystem enhancement will be major with next 5 years





# AI Enable Numerous Emerging Market Segments

Focus Segments and Identify Overall Potential Business Opportunities & Challenge



- 1 Energy Management
- 2 Energy Inverter

- 3 Industrial IoT
- 4 Digital Twin
- 5 Robotics

- 6 Farming Automation
- 7 Livestock Management

- 8 Telemedicine
- 9 Hearing Aid

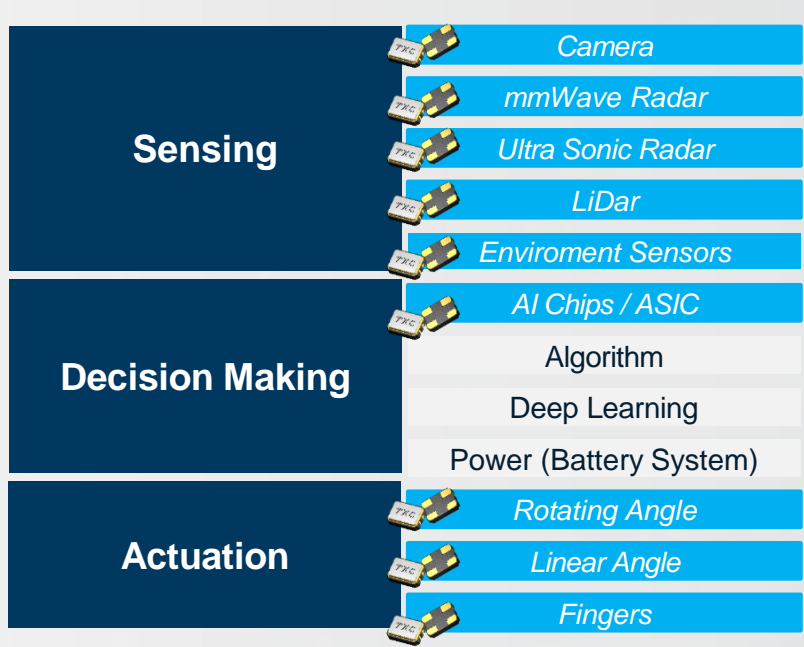






# Next AI-Edge Opportunities : AI Robotics

TXC LLM, Domain Expert, Generative AI, & System Integration



**50~100 pcs, per Robotic set**

(Note : Below calculation excludes the AI Processor & clock for sensors integration.)

Actuator	Part	Side	Motor	MCU
Rotating Angle	Shoulder	3	6	12
	Bot	0	3	6
	Wrist	1	2	4
Linear Angle	Elbow	0	3	6
	Wrist	2	4	4
	Knee	2	4	4
	Ankle	2	4	4
Fingers	Elbow	1	2	2
	Knuckles	6	12	12
Total			40	54

**43.80%**

Global Market CAGR%  
2025 - 2033

Market Size by 2032, USD : 41.02B (from USD 2.24b in 2025)

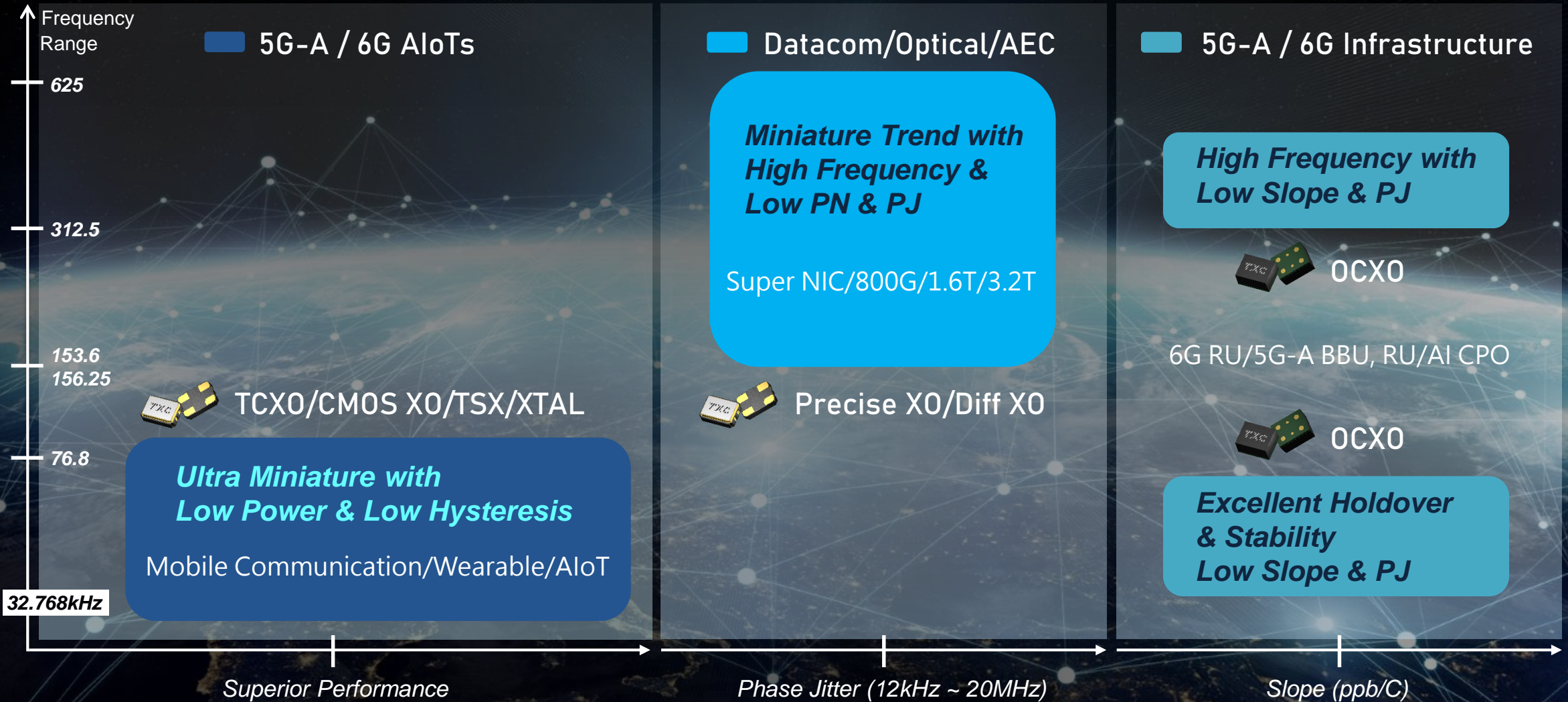
Unit Shipments Insight: Interact estimates

~40,000 units/year by 2032, up to forecasts 2M/Y by 2035



# Product Solutions Requirement for The Future

## Crystal Oscillator Solution Overview and Key Requirements for Product Enablement



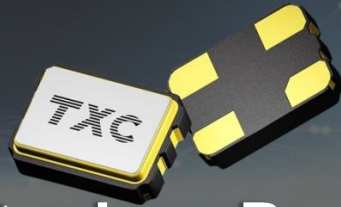


# New Product Solutions for AI-Powered Ecosystem

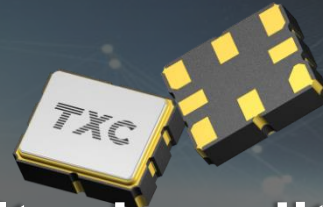
Ultra High Frequency, Super Miniature, Ultra Low Power, Jitter, & Stability



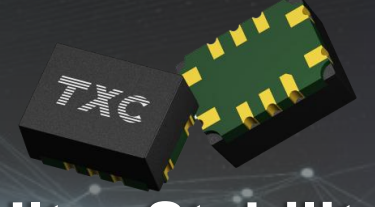
**Super Miniature**  
Crystal  
(Crystal & TSX)



**Ultra Low Power**  
Oscillator  
(kHz & MHz XO)



**Ultra Low Jitter**  
Oscillator  
(Differential XO)



**Ultra Stability**  
Oscillator  
(OCXO)

## Product Solution Key Features

- Miniature Crystal : 0.8x0.6mm
- High Frequency Crystal for HPC
- New Generation TSX for 6G

- Low Power MHz XO : (< 2 mA)
- Low Power kHz XO : ( 0.25uA typ)
- Miniature : 1.2x1.0mm

- Ultra Low Jitter : < 30 fs typ
- Ultra High Frequency : ~ 625MHz
- Ultra Stability :  $\pm 0.1$  ppm ~  $\pm 20$ ppm

- Miniature : 5.0x3.2mm
- Ultra Stability :  $\pm 5$ ppb, -40 to +105C
- Extended Holdover : Xterneti



# Toward the Future : Digital Transformation - AiX

TXC LLM, Domain Expert, Generative AI, & System Integration





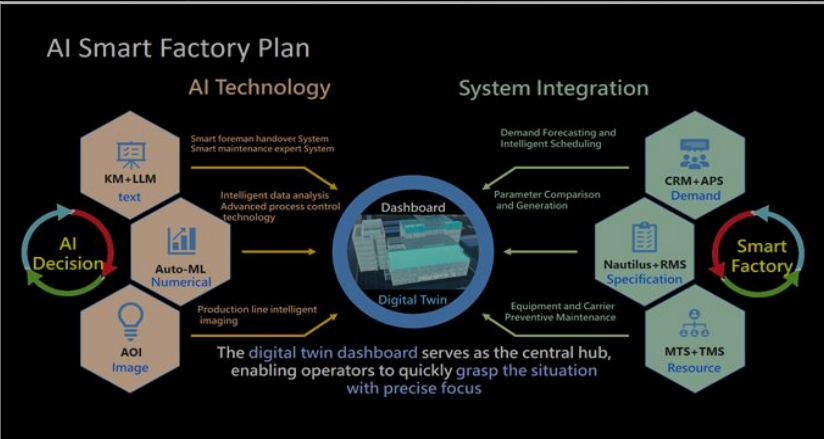
### 1 Data Collection and Visualization

Build the foundation for AI applications and ensure data integrity and reliability

**Modularity Data Collection**

- Equipment Data Collection
- Data Visualization
- Abnormal Alarm

**Data Collection and Visualization**



### 2 AI-Driven Abnormal Detection

AI models predict production abnormalities, reducing downtime and scrap

**Modularity Data Analysis**

- Predictive Machine Maintenance
- Product Quality Abnormal Detection
- Process Data Abnormal Monitoring

**AI AOI - Visual inspection assistance**

- Sealing Tray AOI: Check the damage of tray
- Six Sides Chip Inspection: Sealing quality inspection
- As Is Visual Inspection
- WB AOI: Self-developed equipment, Check for wire bonding abnormal
- BP AOI: Quartz chip double-sided inspection, Turn inspection capability
- To Be Automated Optical Inspection

**AI Driven Abnormal Detection**

# AiX Transformation 15% + Efficiency improvement

AI Transformation, Sustainability, & Geo-politic Diversification

### 3 Product and Parameter Optimization

AI Models to Provide Product Optimization Parameter to Improve Production Efficiency and Yield

**Modularity Model Prediction**

- Automatic Tuning Parameters
- Production Scheduling Optimization
- Best Match for Carrier

**R2R - Automatic control process parameters**

TXC Manufacturing Execution System

**R2R Architecture**

Automatic computation provides parameters and automatically shuts down defective positions.

Run to Run: TMS, RMS, PMS, RASVA

**Benefit**

Yield improvement

**Product Optimization**

As Is: Requires a significant amount of analytical manpower.

### 4 AI Automated Decision Making

AI automated decision-making reduces human judgment errors and improves response speed

**Modularity Instant Decision Making**

- Equipment maintenance expert
- Foreman handover summary
- Smart production line image management

**GenAI - Equipment Maintenance Expert**

**Document Collection**

Instructions for use, Operating manual, Pick-up report, Quality, Maintenance records, Parameter change records, Implementation reports...

**Data Transformer**

Document: change to PDF format, Expert System

**Parallel Expansion**

Domain knowledge expansion

**AI Automated Decision**

As Is: Reading the paper manual

To Be: AI guidance for maintenance

**CCD Scenario:**

- Outside the equipment: Monitor personnel producing status
- Inside the equipment: Monitor machine abnormalities

### 5 AI Smart Factory

The factory has achieved high automation and intelligence, and can autonomously learn and adapt to changes

**Modularity Behavior Feedback**

- End-to-end intelligent manufacturing
- Human-machine collaboration
- AI automated decision-making center

**AI Smart Factory**



# Financial Performance

Financial Results, CAPEX, DPS, ESG

*Muriel Chen, Financial Division*



# 2025/1st Half Corporate Snapshot

## Corporate Operation Status Update

### Highlights

### Key Market Segments

5G-A, Automotive, AI-Powered Comprehensive Ecosystem  
With Double Digits Revenue Growth

### Optimized Product Portfolio

Miniature / Higher Frequency / Tighter Stability  
Low Phase Noise / Low Power Consumption  
Ultra-Stability Precise Oscillator

### New Production Facilities

Initiate Oversea Facility Plan for N+1  
# Japan  
# Indonesia

## 2024Y

General AI Related

7.5%

Automotive

21.8%

Advanced Product %

12.8%

## 2025(E)

General AI Related

10% ▲

Automotive

26% ▲

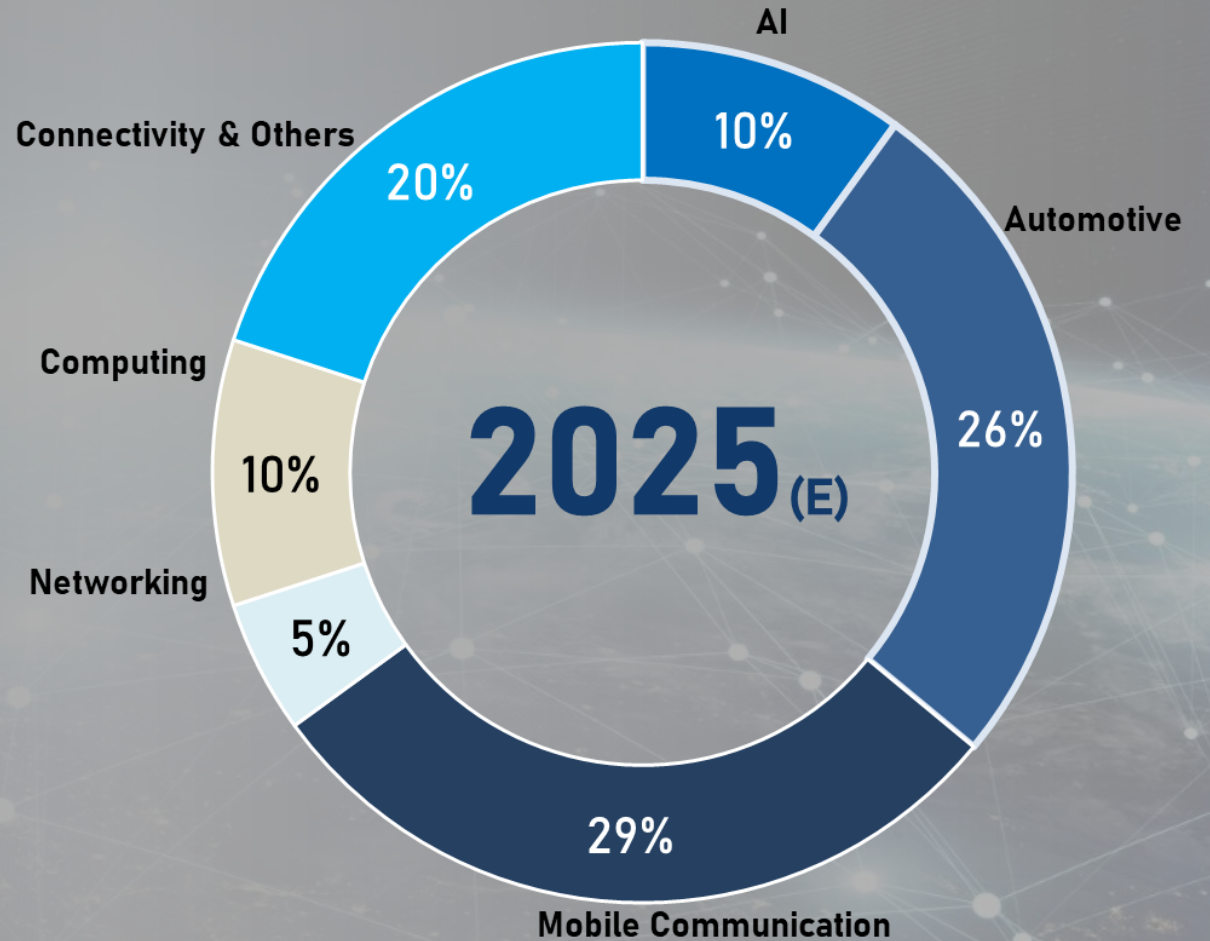
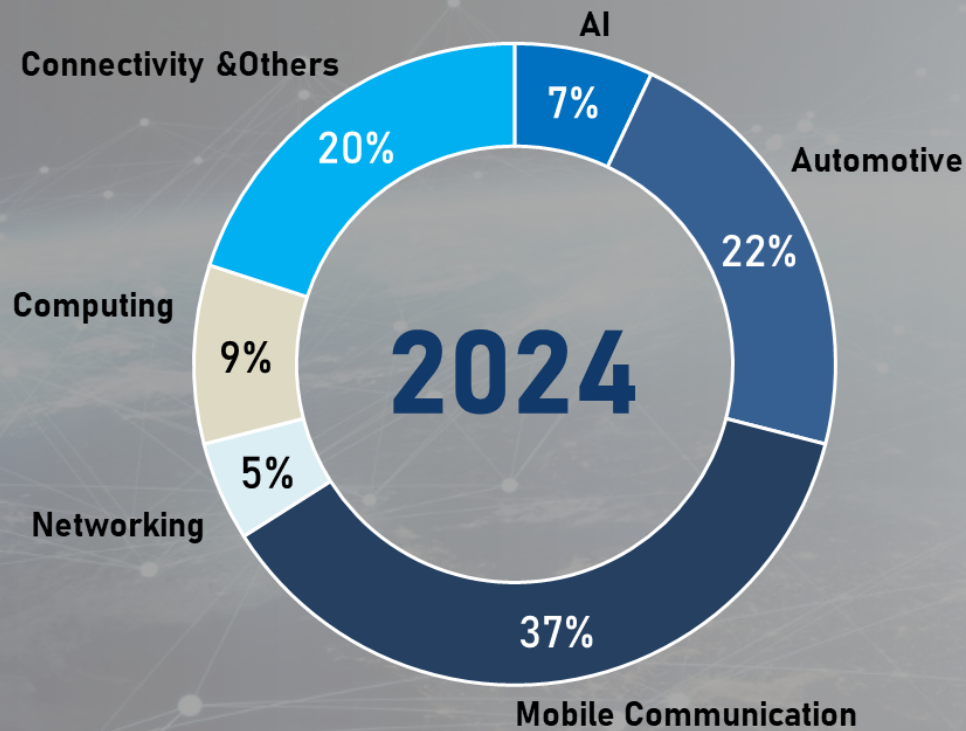
Advanced Product %

14.5% ▲



# Key Industry Segment Breakdown

Focus on Potential Market with Sustainable Growth





# Statements of Comprehensive Income

## Growth with Stable & Health Financial Status

Unit: NT\$ Million	Q2'25	Q1'25	QoQ	YOY	H1'25	H1'24	YoY
Net Revenue	<b>3,367</b>	<b>3,166</b>	6.32%	15.19%	<b>6,533</b>	<b>5,676</b>	15.09%
Gross Profit	<b>1,131</b>	<b>1,120</b>	0.98%	5.33%	<b>2,252</b>	<b>2,074</b>	8.59%
Operating Expenses	<b>582</b>	<b>605</b>	-3.84%	3.54%	<b>1,187</b>	<b>1,096</b>	8.31%
Operating Profit	<b>550</b>	<b>515</b>	6.64%	7.28%	<b>1,065</b>	<b>978</b>	8.91%
Non-Operating Items	<b>-143</b>	<b>62</b>	-332.25%	-226.82%	<b>-81</b>	<b>294</b>	-127.67%
Income before Tax	<b>407</b>	<b>577</b>	-29.52%	-34.94%	<b>984</b>	<b>1,272</b>	-22.68%
Net Income (attributed to the parent)	<b>370</b>	<b>472</b>	-21.50%	-28.40%	<b>842</b>	<b>1,054</b>	-20.14%
Basic EPS (NT\$)	<b>1.08</b>	<b>1.38</b>	-21.74%	-35.33%	<b>2.46</b>	<b>3.40</b>	-27.65%
Gross Margin(%)	<b>33.61%</b>	35.39%			<b>34.47%</b>	<b>36.53%</b>	
OPEX(%)	<b>17.28%</b>	19.11%			<b>18.17%</b>	<b>19.30%</b>	
Operating Margin(%)	<b>16.33%</b>	16.28%			<b>16.30%</b>	<b>17.23%</b>	
Income before Tax Margin(%)	<b>12.08%</b>	18.22%			<b>15.06%</b>	<b>22.41%</b>	
Net Income(%) (attributed to the parent)	<b>11.00%</b>	14.90%			<b>12.89%</b>	<b>18.58%</b>	



# Balance Sheet

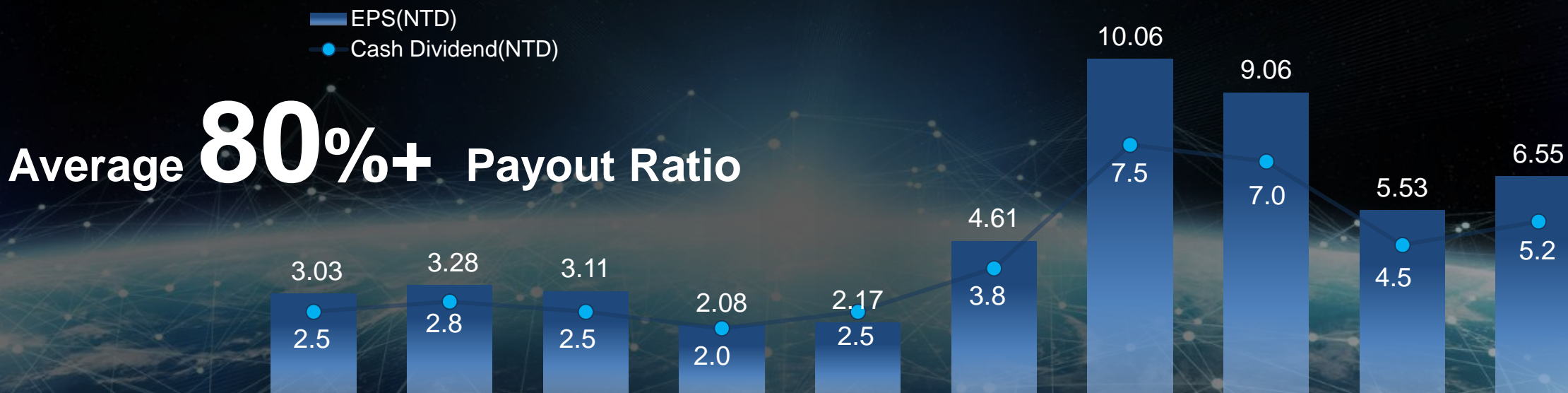
## Growth with Stable & Health Financial Status

Unit: NT\$ Million Item	Jun. '25		Dec. '24		Jun. '24	
	Amount	%	Amount	%	Amount	%
Cash & Cash equivalents	5,943	25.7%	3,906	17.6%	5,646	26.1%
NR+AR	3,332	14.4%	3,760	17.0%	3,050	14.1%
Inventories	2,789	12.0%	2,825	12.7%	2,844	13.2%
Current Assets	14,063	60.8%	12,559	56.6%	12,776	59.1%
Total Assets	23,147	100.0%	22,171	100.0%	21,602	100.0%
Current Liabilities	6,689	28.9%	4,199	18.9%	6,044	28.0%
Non-current Liabilities	1,789	7.7%	1,527	6.9%	3,454	16.0%
Total Liabilities	8,478	36.6%	5,726	25.8%	9,497	44.0%
Total Shareholders' Equity	14,669	63.4%	16,444	74.2%	12,104	56.0%
AR Turnover Days	99		101		102	
Inventory Turnover Days	120		118		135	
Current Ratio(%)	210%		299%		211%	
Debt Ratio(%)	36.6%		25.8%		44.0%	
ROA(%)	7.6%		10.6%		10.7%	
ROE(%)	10.8%		15.1%		17.6%	



# EPS & DPS

High Dividends Payout, with Sustainable Business Growth



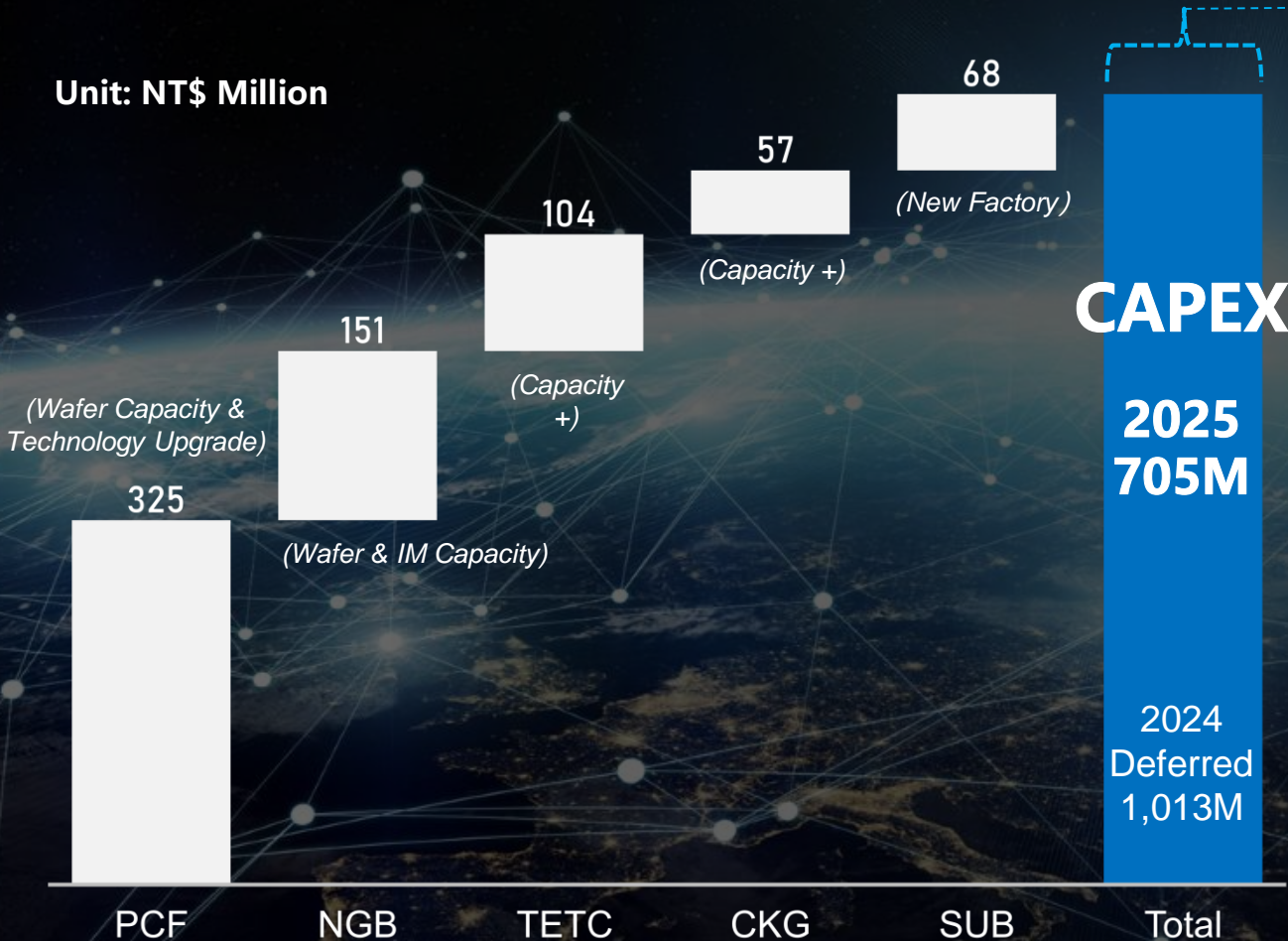
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Share Price	41.1	44.5	39.0	36.0	44.0	99.8	98.0	89.4	105.5	100.5
Payout Ratio(%)	82.5%	85.4%	80.4%	96.2%	115.2%	82.4%	74.6%	77.3%	81.4%	79.4%
EPS (NTD)	3.03	3.28	3.11	2.08	2.17	4.61	10.06	9.06	5.53	6.55
Cash Dividend(NTD)	2.5	2.8	2.5	2.0	2.5	3.8	7.5	7.0	4.5	5.2



# 2025 CAPEX Outlook

## AiX Transformation, Sustainability, & Geo-politic Diversification

Unit: NT\$ Million



### Key Segments of CAPEX

#### ◆ A+ Enhancements

- ✓ Core Technology
- ✓ Advanced Process
- ✓ Innovation Capability

#### ◆ Smart Factory

- ✓ Smart Manufacturing
- ✓ Automation and Robotics
- ✓ Data Analytics and AI

#### ◆ ESG Sustainability

- ✓ Environment
- ✓ Social Responsibility
- ✓ Governance

#### ◆ N+1 New Factory

- ✓ Indonesia
- ✓ Japan
- ✓ Asia



# Environments, Sustainability, Governance

## 2025 RE%

# 12%

(On Schedule)

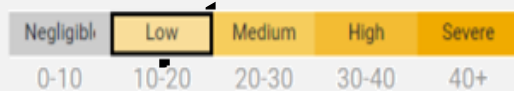
Roadmap to Net Zero Carbon  
RE 30 By 2030  
RE100 By 2050

MORNINGSTAR SUSTAINALYTICS

### ESG Risk Rating

# 19.9

(Low Risk)



Top 6%~20% Listed Corporates of the 11th Corporate Governance Evaluation



"Taiwan Best-in-Class 100"



"Conform to 1.5°C temperature control target" label from Common Wealth Magazine



ISO 14064 / ISO 14067 / ISO 50001





# Thank You

*Think of Frequency, Think of TXC*

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