

Pan-International (2328 TT) 4Q25 Earnings Conference

**Igniting new growth engines and
driving value chain elevation**



Pan-International

March 12, 2026



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Pan-International

4Q25 Operating results and 2026 business outlook



4Q25 Operating results summary

Revenue

NT\$ **4.95bn**

QoQ -7.8%

YoY -13.2%

Gross profit

NT\$ **618mn**

QoQ -10.3%

YoY -10.5%

Gross margin

12.5 %

QoQ -0.4ppts

YoY +0.4ppts

Operating profit

NT\$ **201mn**

QoQ -30.8%

YoY -23.8%

Operating margin

4.1 %

QoQ -1.3ppts

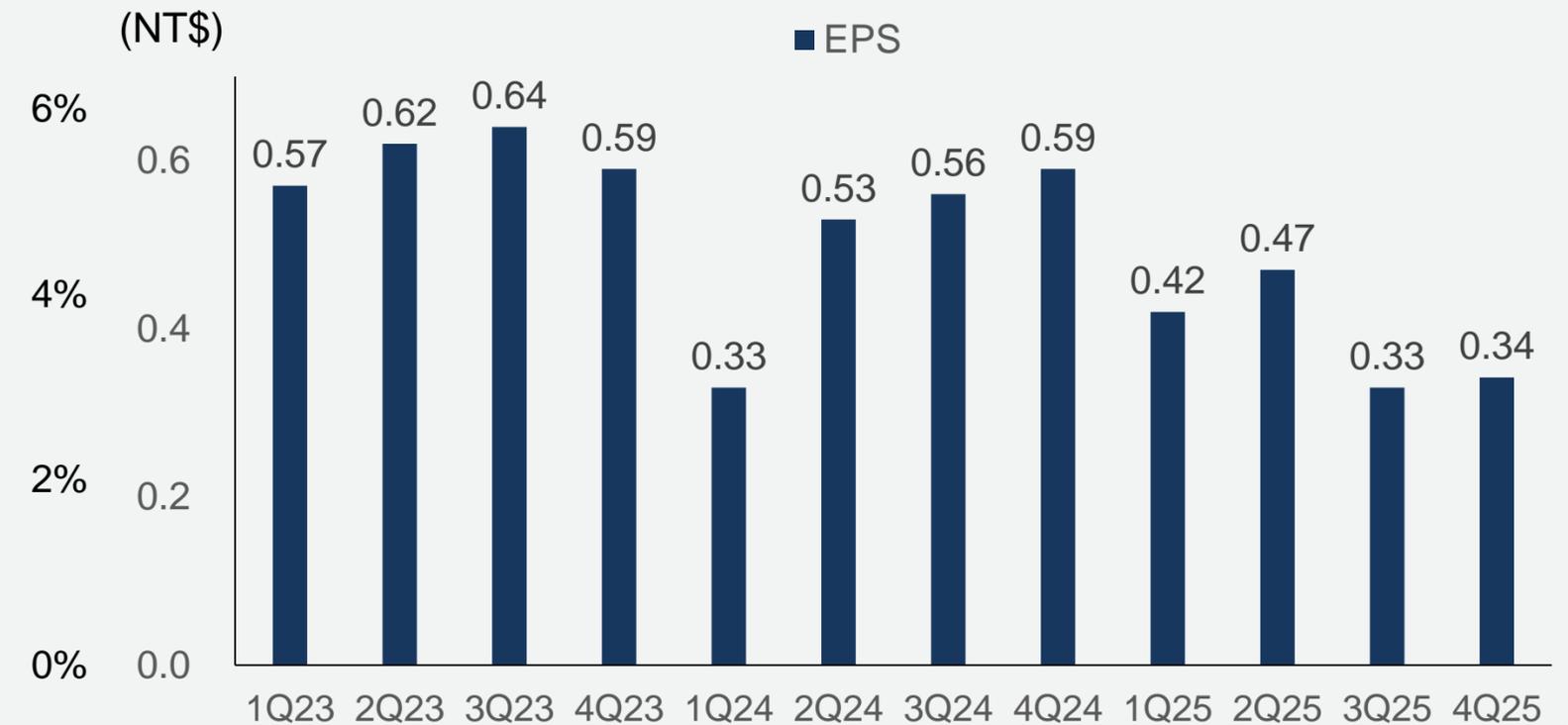
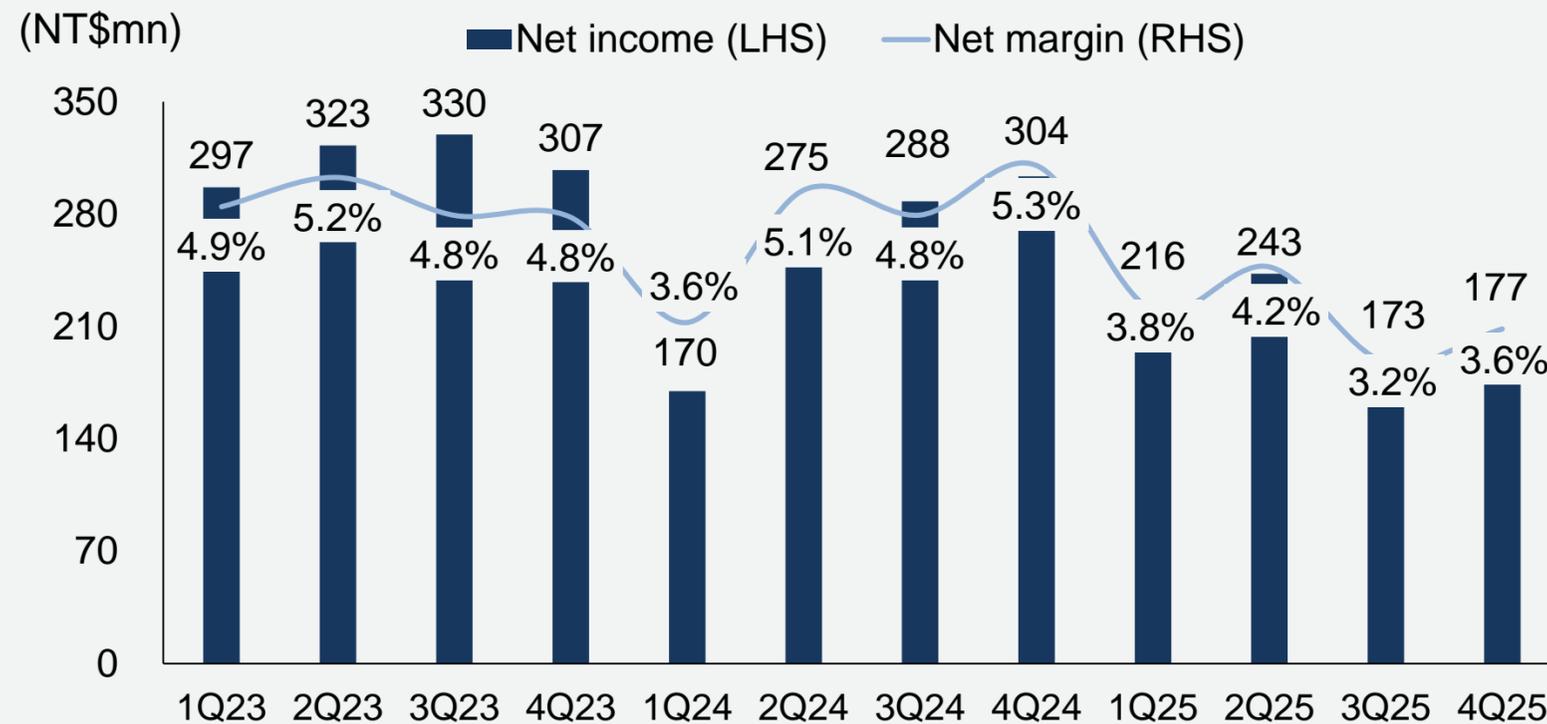
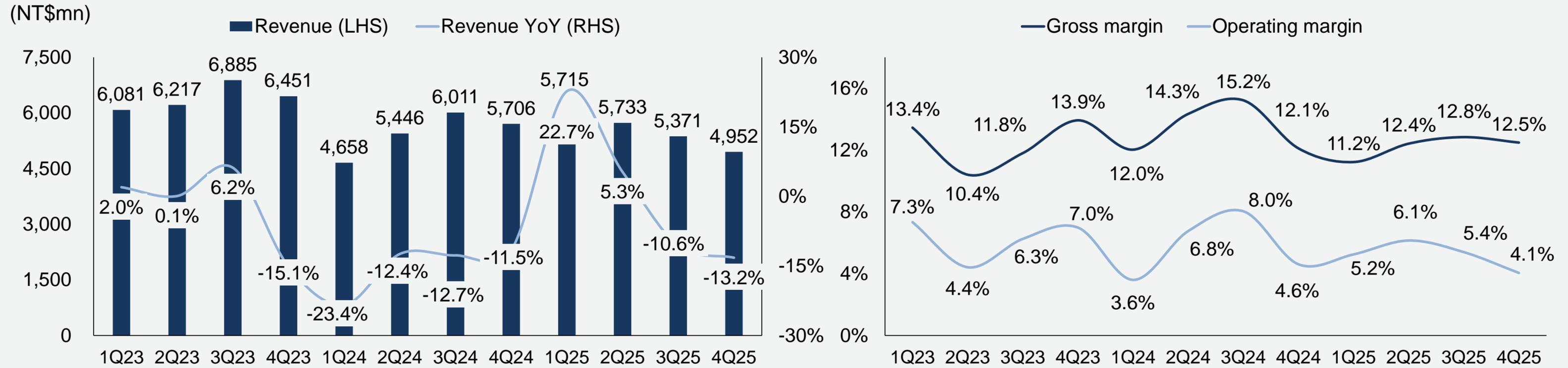
YoY -0.6ppts

Net income

NT\$ **177mn**

EPS NT\$0.34

Quarterly financial performance



2025 Operating results summary

Revenue

NT\$ **21.77**bn

YoY -0.2%

Gross margin

12.2 %

YoY -1.3ppts

Operating expenses

NT\$ **1.52**bn

YoY -8.8%

Operating expense ratio

7.0 %

YoY -0.7ppts

Operating margin

5.2 %

YoY -0.6ppts

Net income

NT\$ **808**mn

EPS NT\$ 1.56

2025 Cash flow summary

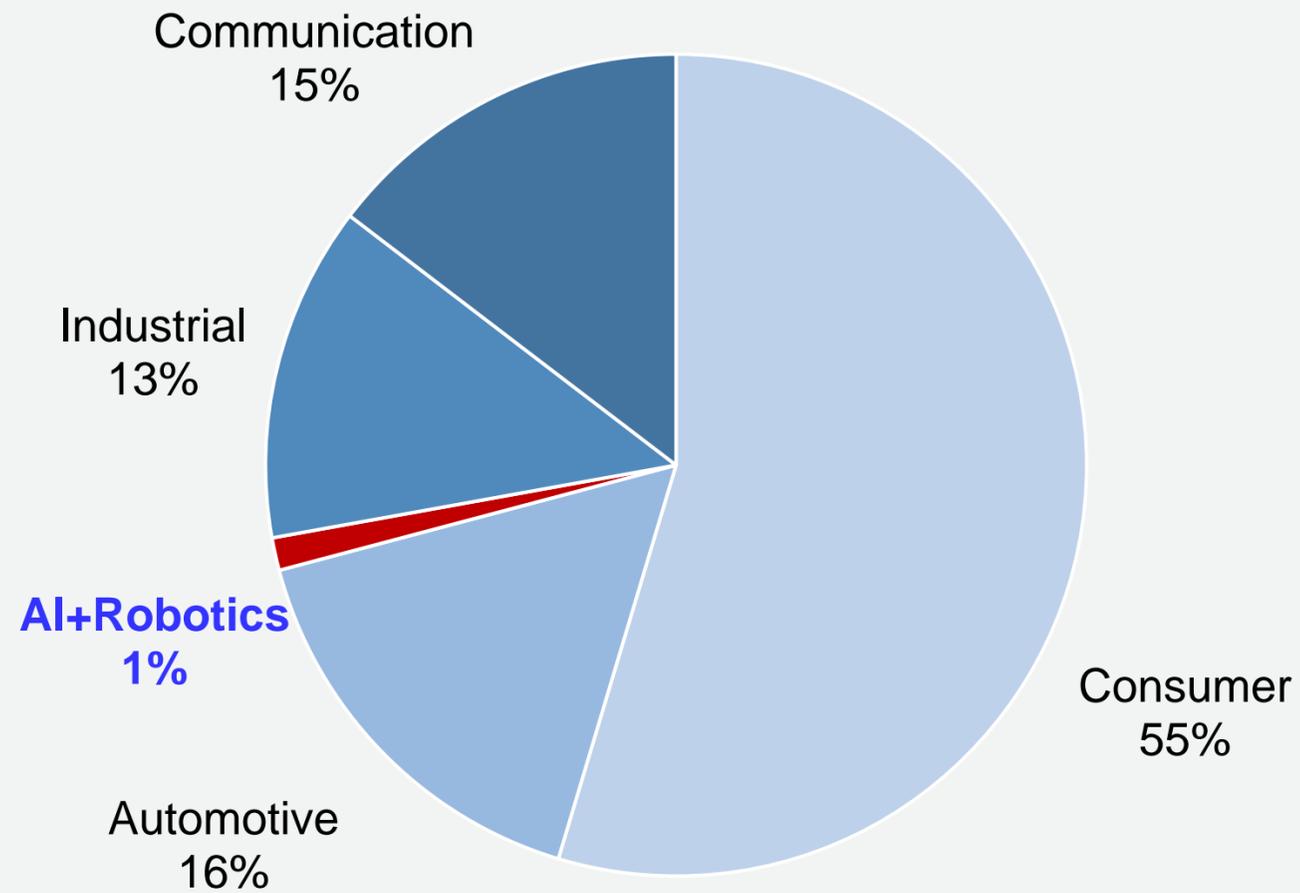
NT\$m	2025	2024
Beginning cash balance	6,755	6,440
Operating cash flow	1,066	973
Capital expenditures (CapEx)	(652)	(958)
Cash flow from investing activities	(513)	(502)
Cash flow from financing activities	(922)	(380)
Ending cash balance	6,341	6,755

2025 Balance sheet summary

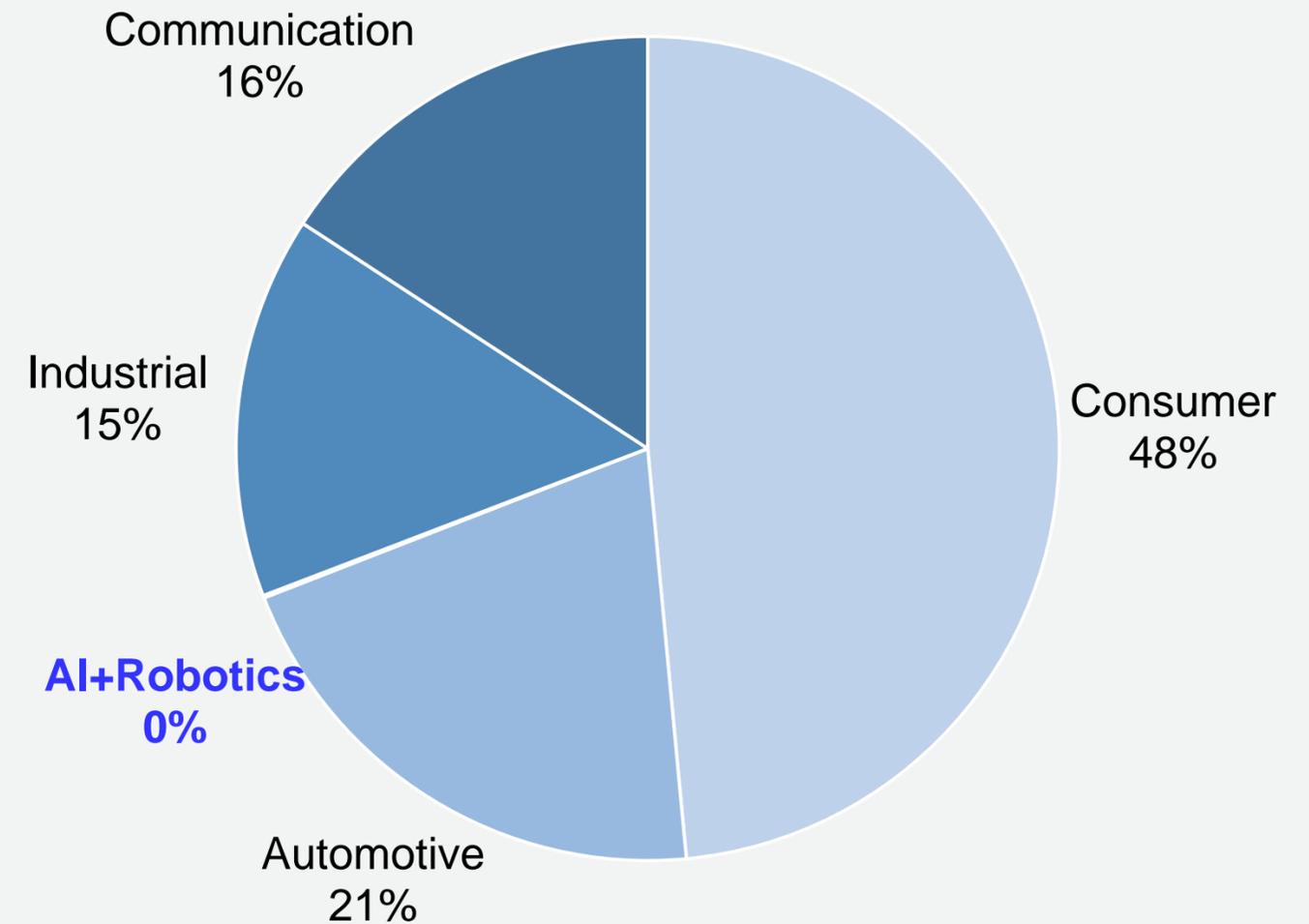
NT\$m	2025	%	2024	%
Cash and cash equivalents	6,341	26.4%	6,755	27.4%
Inventory and accounts receivable	6,123	25.5%	7,184	29.2%
Property, plant, and equipment (PP&E)	4,027	16.7%	3,830	15.5%
Total assets	24,057	100.0%	24,638	100.0%
Current liabilities	6,307	26.2%	7,619	30.9%
Non-current liabilities	497	2.1%	534	2.2%
Total liabilities	6,803	28.3%	8,152	33.1%
Total equity	17,253	71.7%	16,486	66.9%

2025 Revenue breakdown by application

2025 Revenue breakdown by application



2024 Revenue breakdown by application



	Automotive	Industrial	Communication	Consumer electronics	AI+Robotics
YoY	-21%	-12%	-8%	+12%	+1277%

2025 Strategic layout and new business development review

- **Establishing AFM as a core profit driver:** To move beyond legacy growth limits, we are leveraging our robotics wire harness expertise to penetrate the Cobot and AGV/AMR markets. AFM now serves as our primary platform for high-value component integration.
- **Strategic Malaysia expansion for AI servers:** The acquisition of the Sharp North Malaysia plant enhances our regional flexibility. As the Foxconn Group's sole production site in Malaysia, we have secured entry into the AI server market, positioning the company for significant future order wins.
- **Optimizing efficiency and product mix:** We are scaling high-margin automotive lines while consolidating our manufacturing footprint in Anhui, China. These actions structurally lower our cost base, bolstering both operational resilience and overall profitability.

2026 Business outlook

■ **AI servers and AFM to drive double-digit annual revenue growth:**

Benefiting from the commencement of AI server shipments and the ramp-up of AFM production lines. We expect AFM to contribute revenue in 2H26. We target double-digit revenue growth for the full year 2026.

■ **Strong revenue momentum expected in second quarter:**

While 1Q26 remains down both QoQ and YoY due to seasonality and a high prior-year base, 2Q26 is expected to see a sharp reversal. Driven by the scaling of AI server volumes, top-line momentum will shift from negative to positive, fueling our full-year growth trajectory.

Dual-engine drive: entering a high-growth cycle

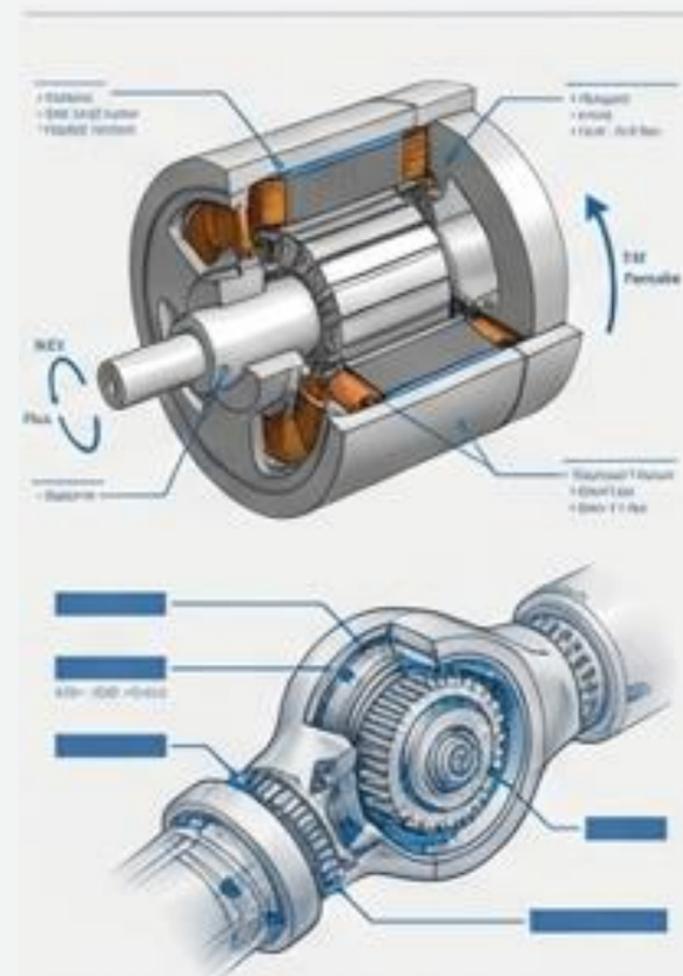
Scaling AI server shipments and commercializing AFM technology establish the foundation for double-digit revenue CAGR over the next five years.

AI servers (Stable profit and cash flow)



- **Strategic capacity advantage:** Leveraging our position as the Foxconn Group's sole production site in Malaysia to secure tier-one AI server orders.
- **Immediate revenue momentum:** The server business provides immediate top-line contributions and optimizes our overall capacity utilization.
- **Fuel for growth:** Stable profitability and strong cash flow generation provide the capital necessary for future strategic investments and M&A.

AFM products (Commercialization of high-barrier technologies)



- **Next-gen technology:** Magnax's AFM (Axial Flux Motor) technology offers superior power density and commercial viability, significantly accelerating our time-to-revenue.
- **Application expansion:** Production layout is already underway; we are targeting industrial applications first, with revenue contributions expected in 2H26.
- **Profitability upgrade:** Due to their high-tech nature, AFM products carry higher margins that will structurally elevate the company's overall profit profile.



3S Strategy-driven transformation: Roadmap and execution progress

Pan-International today: Half a century of precision manufacturing excellence

Pan-International is a leading provider of comprehensive component and turnkey solutions. Our diverse product portfolio includes **wire harnesses, connectors/enclosures, Printed Circuit Boards (PCBs), and full system assembly.**



NT\$ 21.8 Billion
2025 Revenue

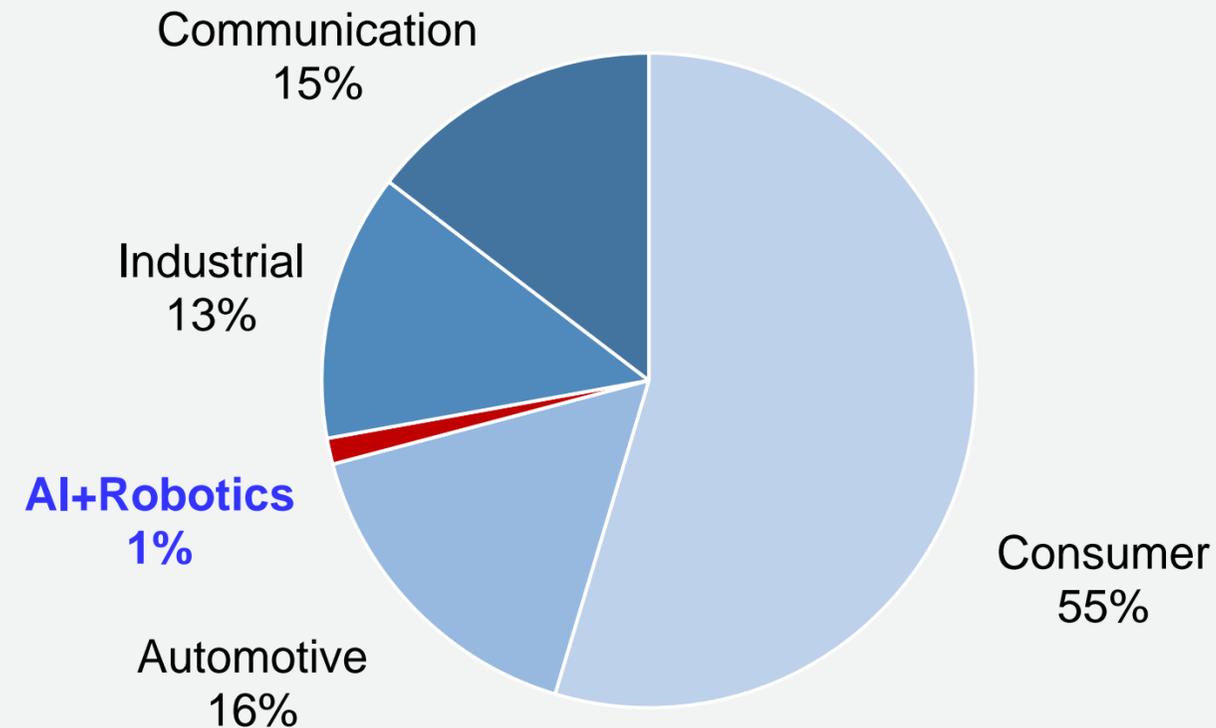
Founded: 1971

Headquarter: Taipei

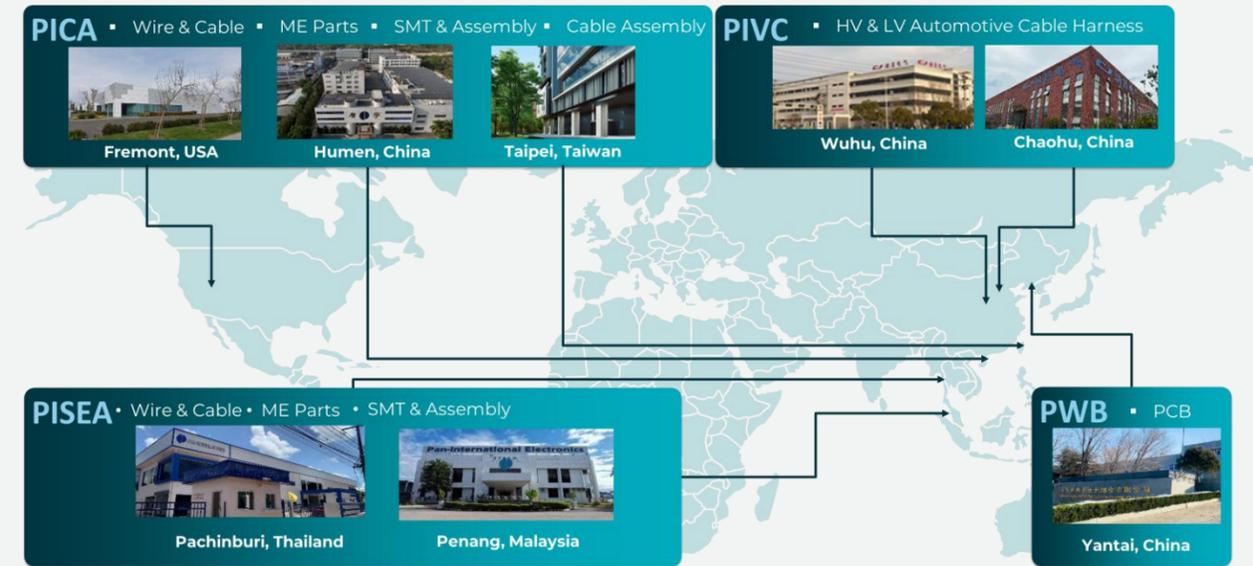
NT\$ 23.9 Billion
Market cap. (2026/3/11)

>10,000
employees
Global workforce

2025 Revenue breakdown

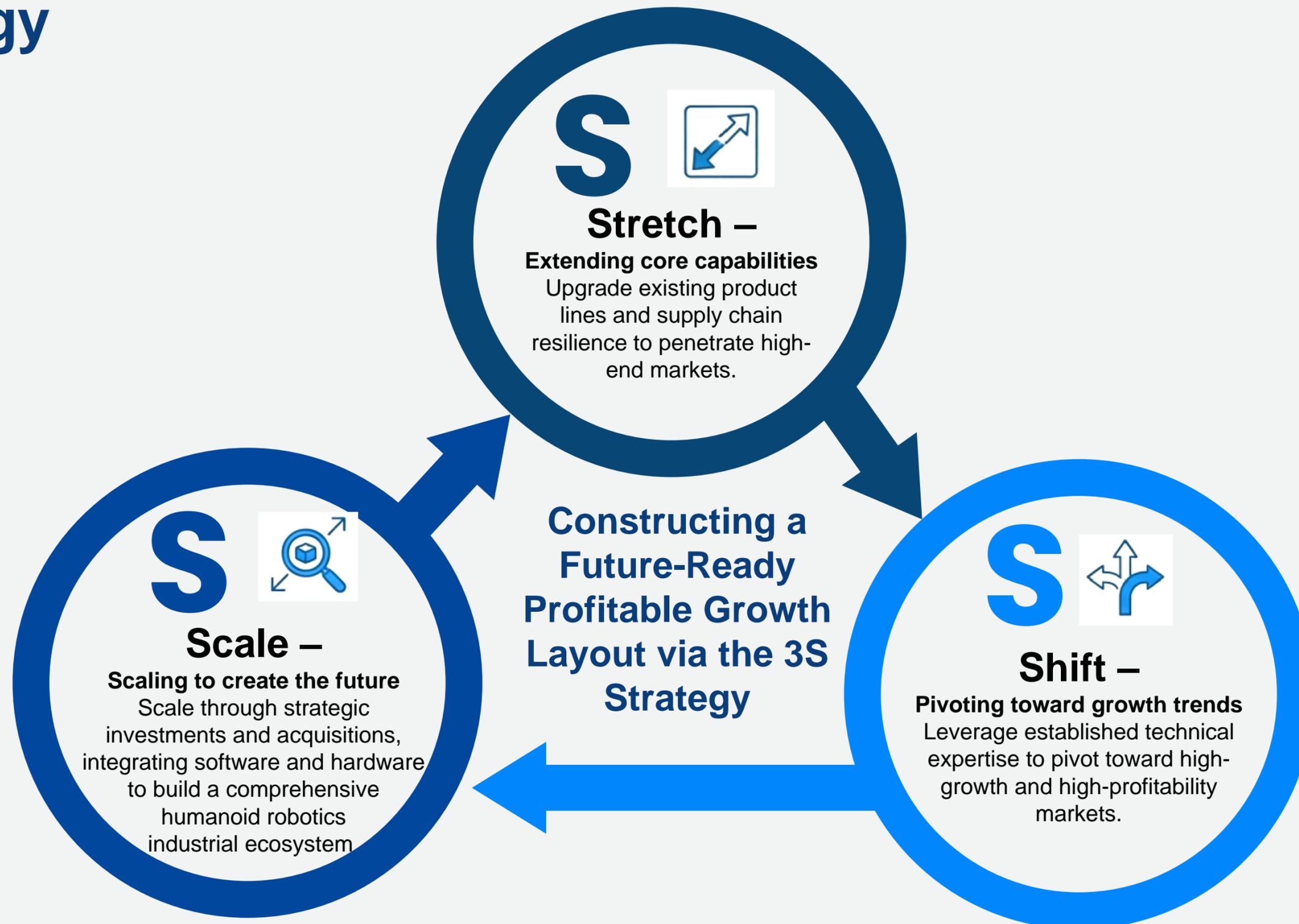


Global Manufacturing hubs



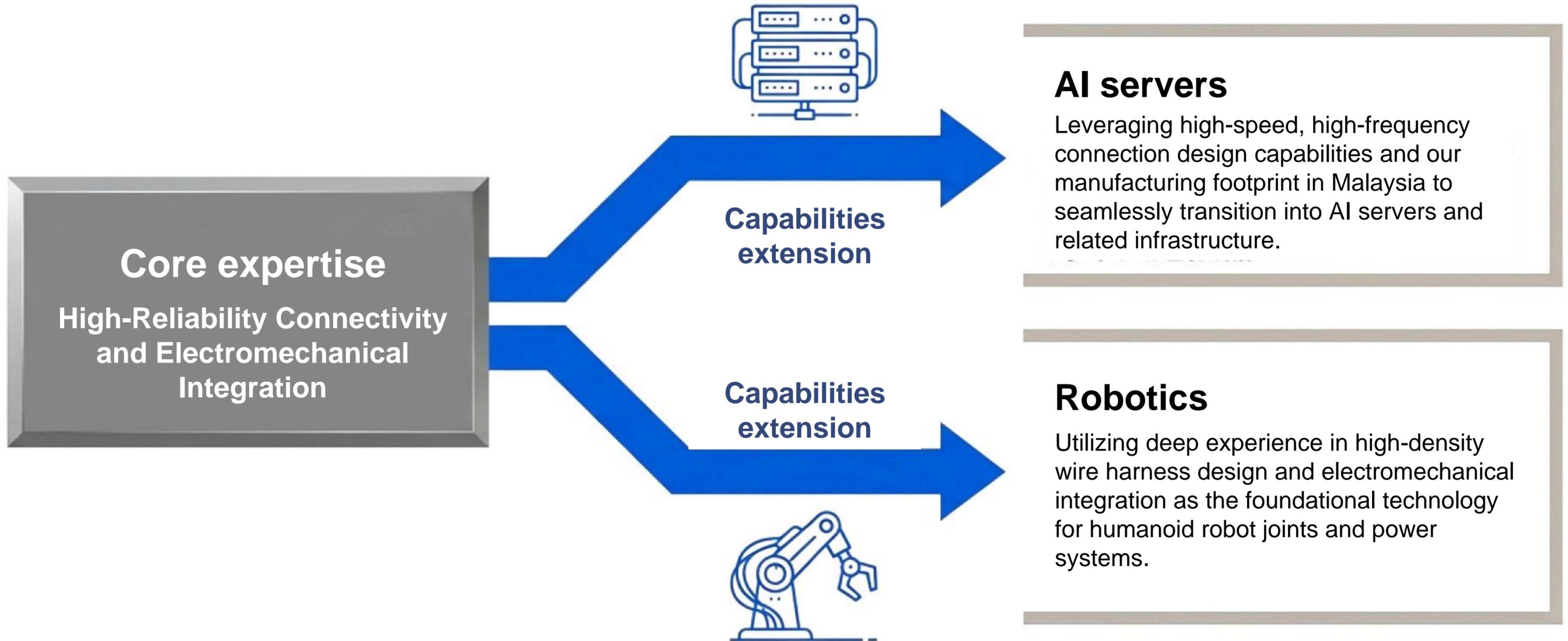
8 major production bases located across Taipei, Dongguan, Malaysia, Thailand, Anhui, Shandong, and California, USA.

Pan-International of tomorrow: Building the future via 3S strategy



Stretch: Leveraging core platform technologies to power two major growth markets

Pan-International's core technical advantages will serve as the foundation for the next phase of our growth engines.



Stretch : Realizing the commercial value of AFM technology through execution

- **Magnax acquisition and financial consolidation:** The deal is officially closed and consolidated. We are now aggressively scaling production capacity, accelerating R&D, and onboarding specialized talent.
- **Asset-light expansion in China:** We are utilizing leased facilities for AFM assembly to capture mainland industrial opportunities. This model minimizes capital intensity and significantly accelerates our timeline to break-even.
- **Rapid pivot from cost center to profit driver:** With initial applications in heavy electrical equipment and industrial fans, we expect revenue contributions by 2H26, swiftly transitioning the AFM line into a core profit contributor.

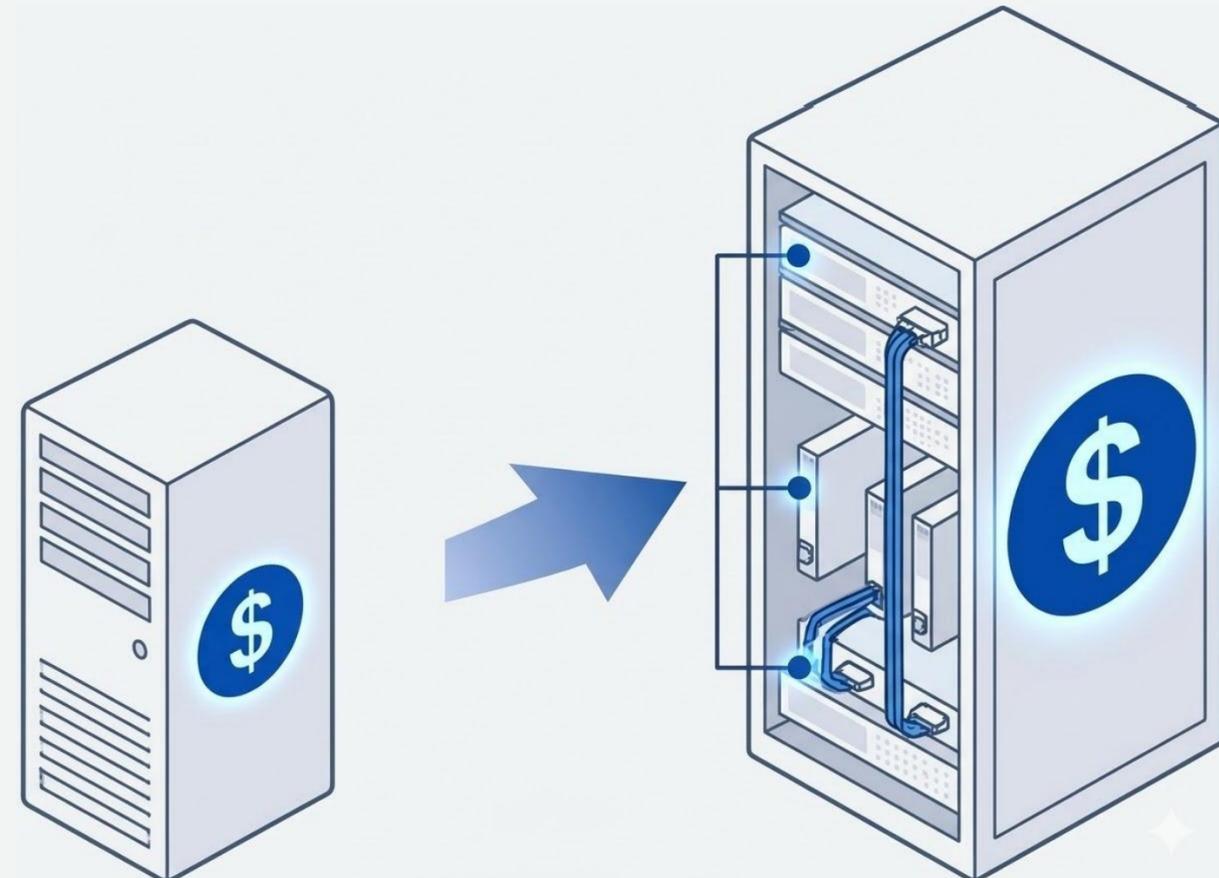
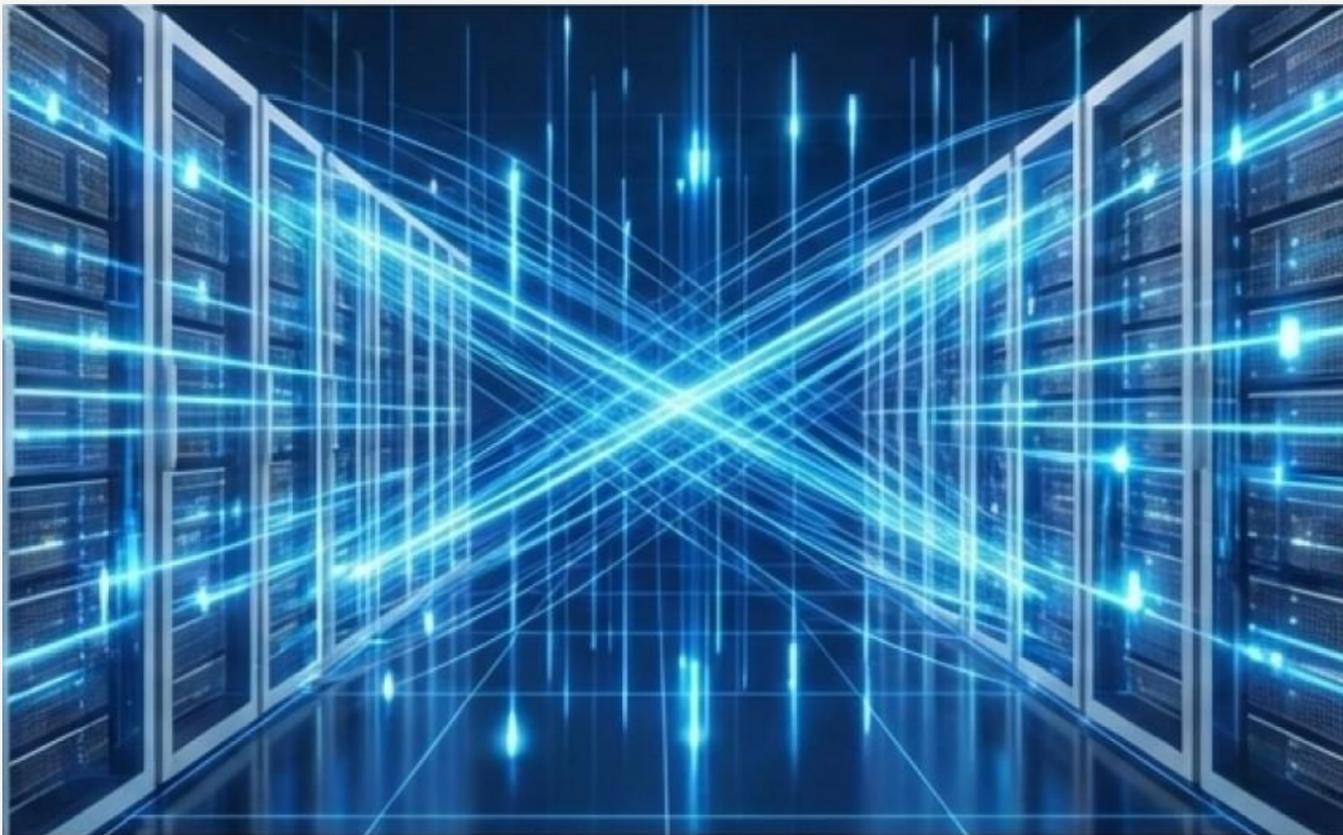
Shift: leveraging Malaysia's capacity layout to pivot toward the AI server market

Continued growth in AI demand and supply chain realignment

The continuous growth in computing power demand is driving server architecture upgrades. Simultaneously, the global realignment of the supply chain creates significant opportunities for manufacturers with a diversified global production footprint.

Extending capacity advantages into the AI server sector

Building upon its existing capabilities and established manufacturing presence in Malaysia, Pan-International is increasing its value-added contribution to the AI infrastructure market to capture higher market share and profitability.

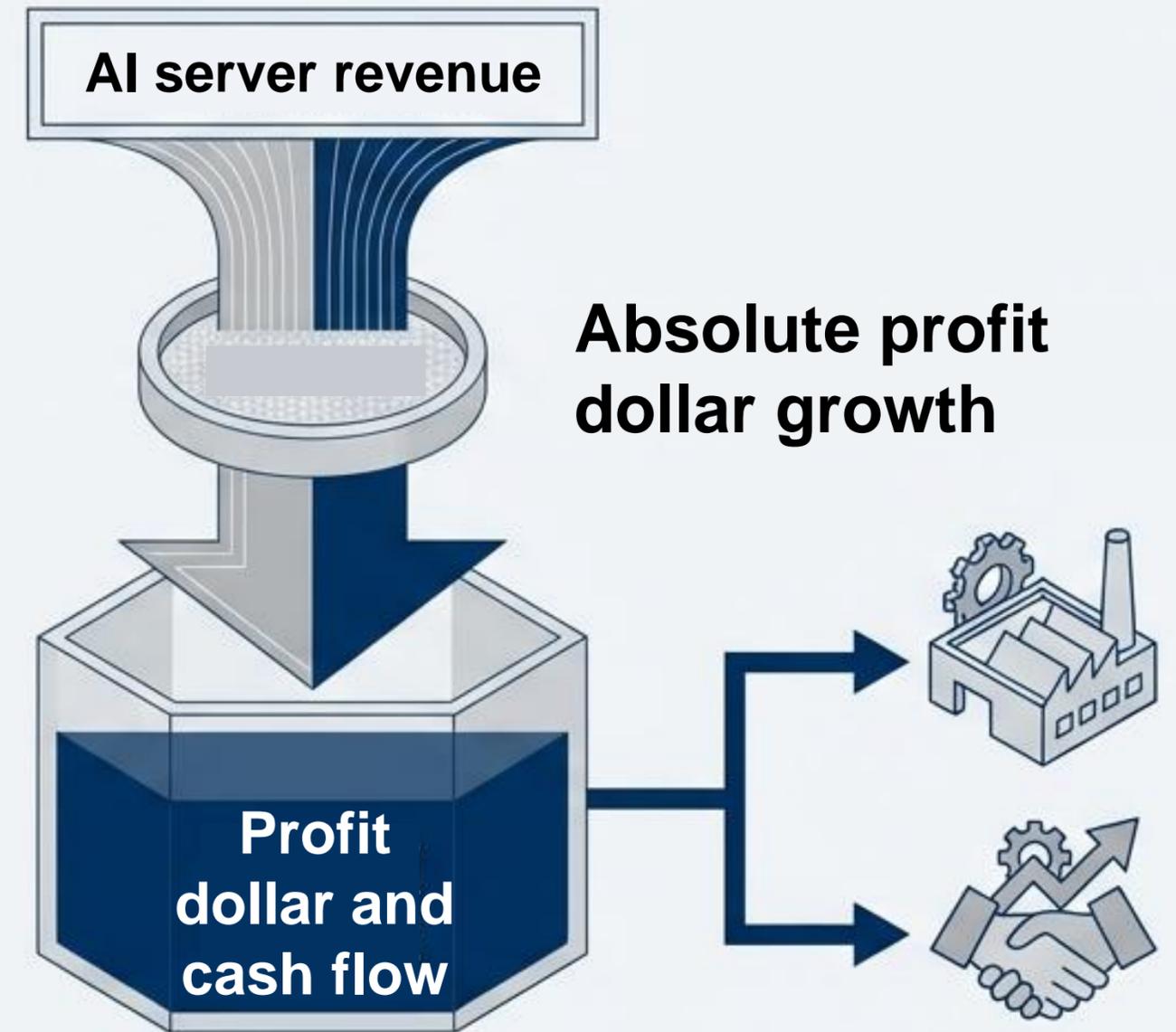


Shift : AI servers providing geographic advantage and a stable financial foundation



- Providing alternative manufacturing solutions outside of China.
- A core competitive advantage for securing orders from Western (US/European) clients.

Tangible financial benefits



Increased profit and cash flow provide the stable capital required to support future investments and M&A activity.

Scale: Building a humanoid robotics ecosystem from core components

The Magnax acquisition is more than just a technological lead; it is the cornerstone for developing a complete industrial ecosystem.



Foundation of excellence:

Pan-International's half-century of precision manufacturing and electromechanical integration provides a solid foundation for developing key humanoid robot components.

Synergistic power:

Magnax's advanced AFM technology, combined with Pan-International's manufacturing prowess, accelerates the development of optimized power solutions for humanoid robots.

Ecosystem construction:

Starting from critical components, we will continue to focus on the humanoid robotics value chain through investments, acquisitions, and strategic alliances to build a complete ecosystem and drive value chain elevation.

Strategic objectives and outlook

Journey of growth via strength: Key strategy actions & timeline



Humanoid business

2025	2026	2027	2028	2029	2030				
Sample delivery of AGV & humanoid wire harnesses	Enter AGV market	Acquisition of AFM and Robotics Software Technology	Acquisition of critical reducer technology.	AFM products start contributing to revenue	AFM products begin profit contribution	Integration of upstream & downstream ecosystems	Significant revenue growth in key modules	Joint Entry into finished robot markets with strategic partners	Capitalization of robotics data assets

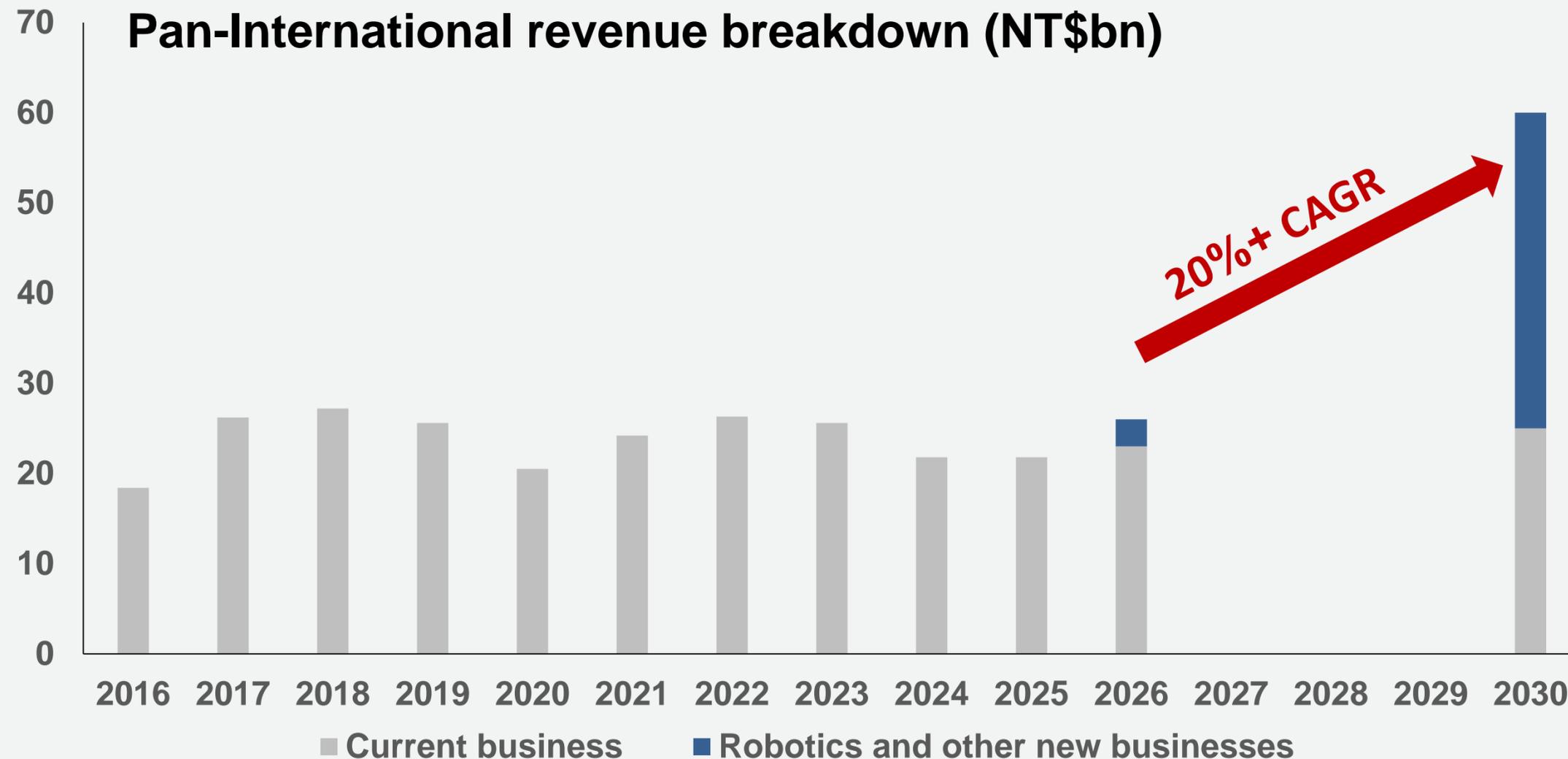
Leveraging the acquisition of core component technologies and expansion into robotics applications, the 2030 objective is to supply **25–50%** of the total component value within the overall robot cost structure, driving significant revenue and earnings contributions from the robotics segment.

Ai server business

Malaysia plant begins mass production of AI servers	Entering AI server component market	Capture localized AI data center opportunities
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2030 Target: **>5%** global robotics market share & **>50%** revenue contribution from new businesses

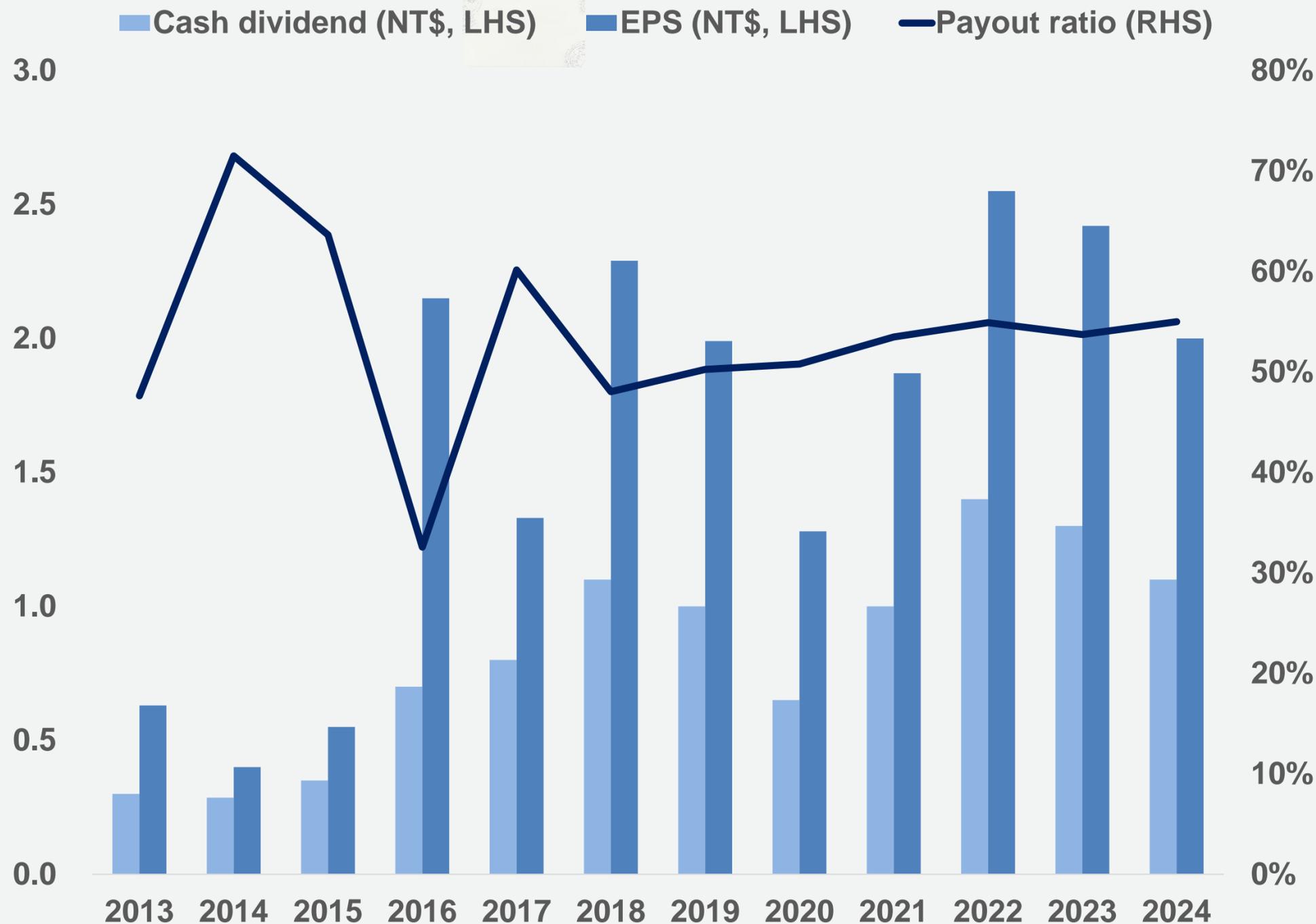
Driving a new growth Trajectory through the execution of our "3S Strategy" in robotics and new business ventures



- 2030 Global market leadership:** We are targeting a global market share of over 5% in the robotics sector. Based on an estimated total addressable market (TAM) of USD 15 billion, we expect Robotics and our other new business segments to contribute **more than 50%** of Pan-International's total revenue and profit by 2030.
- Accelerated revenue expansion:** Starting from 2026, we are committed to maintaining **an average annual revenue growth rate (CAGR) of at least 20%**, driven by the scaling of these high-growth segments.

Maintaining a stable dividend payout ratio and yield

Balancing shareholder returns with strategic growth and transformation



- Commitment to consistent payouts:** In recent years, Pan-International has remained dedicated to maintaining a cash dividend payout ratio of **at least 50%**.



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**Shaping the future with
Sincerity and Innovation!**



Thank you

