

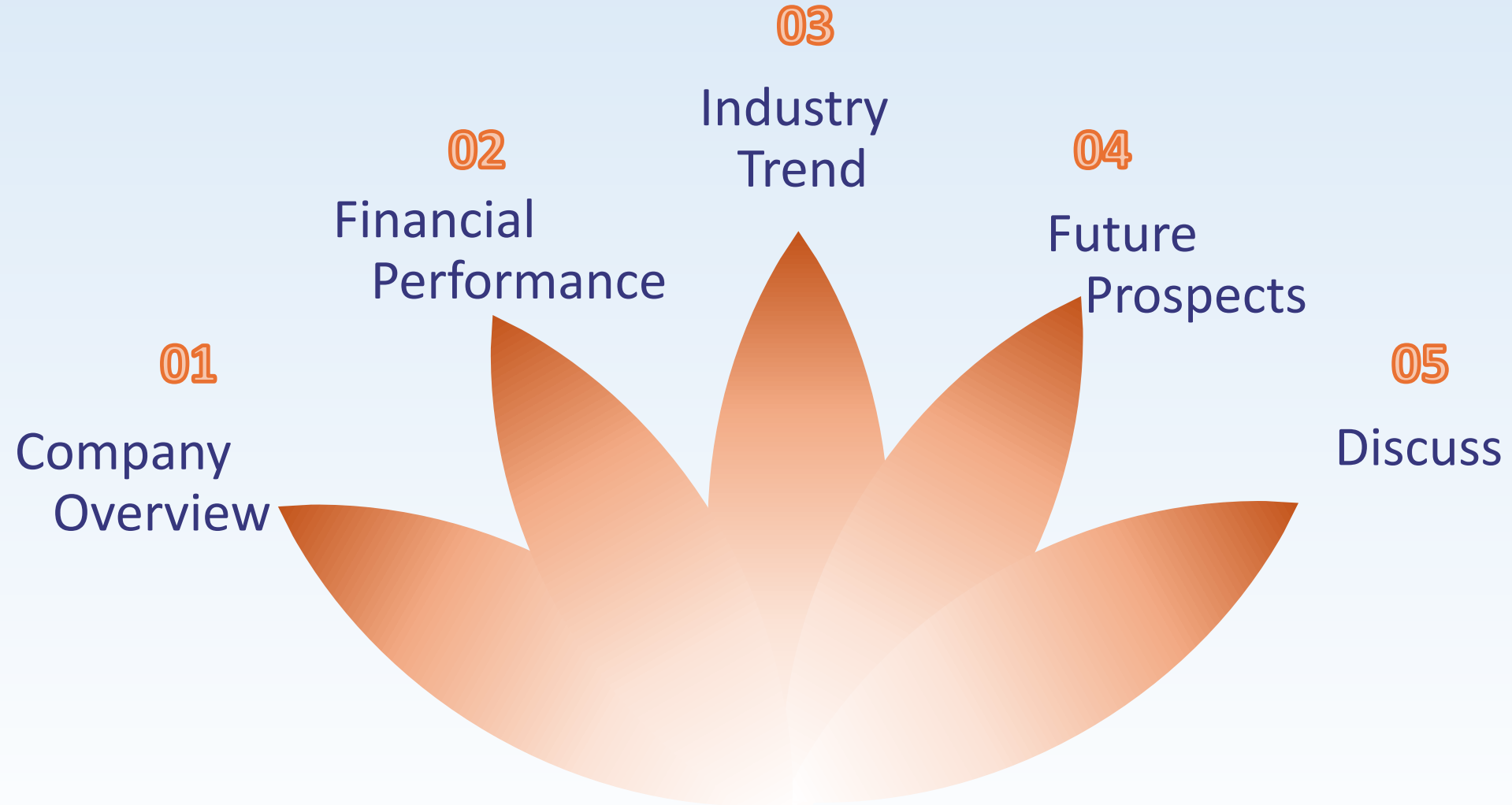
SINMAG EQUIPMENT CORPORATION

2025 Q1 Operations Report

Based in Taiwan, Engaged in Asia, Looking at the World

Ming-ching Hsieh
2025. 05. 13

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SINMAG



INTEGRITY, EXCELLENCE, INNOVATION, RECIPROCATION

RELIABLE PARTNER OF BAKERY INDUSTRY

SINMAG



Company Information

September 27, 1983

Hsieh, Shun-ho

NT\$ 502.302 million

About 1400

140,000+ square meter

OTC December 10, 2007

R&D, manufacturing and selling
of professional equipment

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RELIABLE PARTNER OF BAKERY INDUSTRY

Vision

To be the world's largest bakery equipment manufacturer and technical service provider, and work with our partners on a long-term basis to establish a mutually beneficial relationship

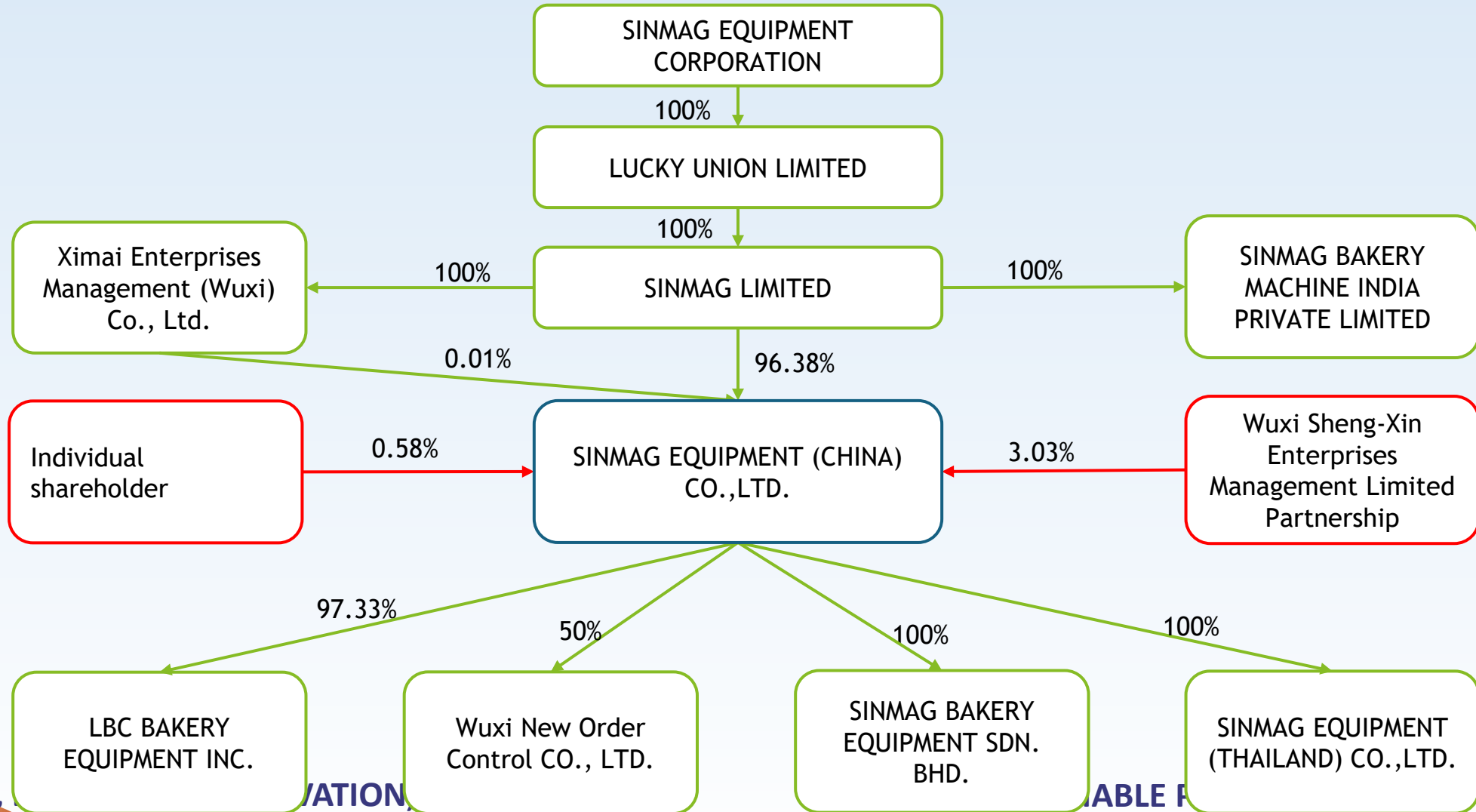
Mission

A long-time reliable partner of bakery industry

Core Values

Integrity, Excellence, Innovation, Reciprocation

Group Structure



SINMAG



Thailand



Malaysia



Wuxi (1st)



Taiwan



Wuxi (2nd)



Seattle



Omag

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Products



Mixers



Molders



Proofers



Ovens



Showcase



Catering



Industrial



Other

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SINMAG Research & Development Achievements

New High-Tech Enterprise(Since 2009)

Specialized Enterprise in Jiangsu Province(Since 2023)

High end Bakery Machinery Engineering Technology Research Center(2016 in Wuxi 、 in Jiangsu Province since 2020)

Demonstration project for low VOC raw materials and product substitution of key industries in Wuxi

Demonstration project for low VOC process substitution of key industries in Wuxi

17 invention patents 、 98 utility model patents, and 13 design patents

ISO9001 、 ISO14001 、 CE(Europe) 、 ETL&UL(America) 、 KC(Korea) certification

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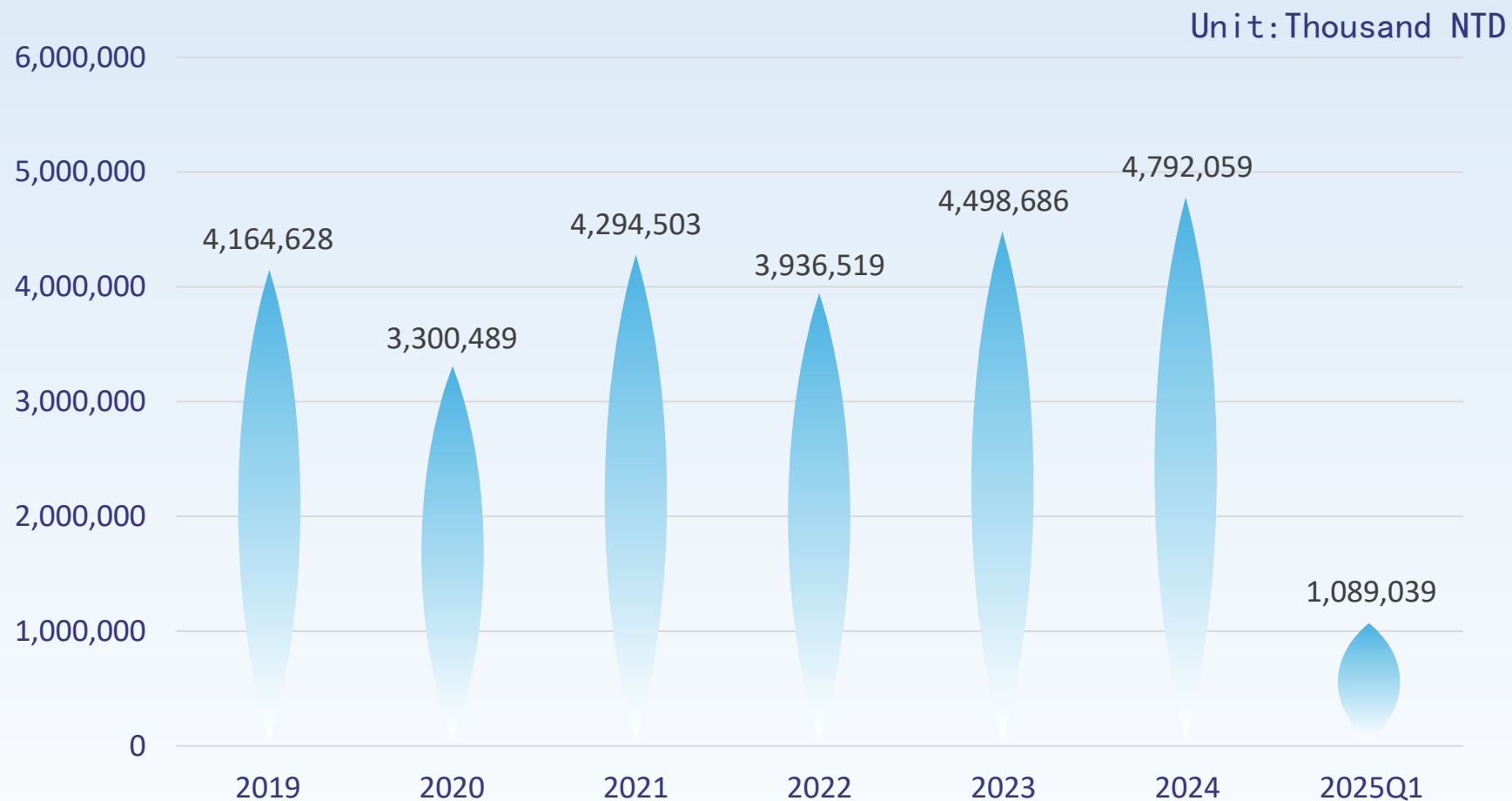
02

Financial Performance

SINMAG



Revenue

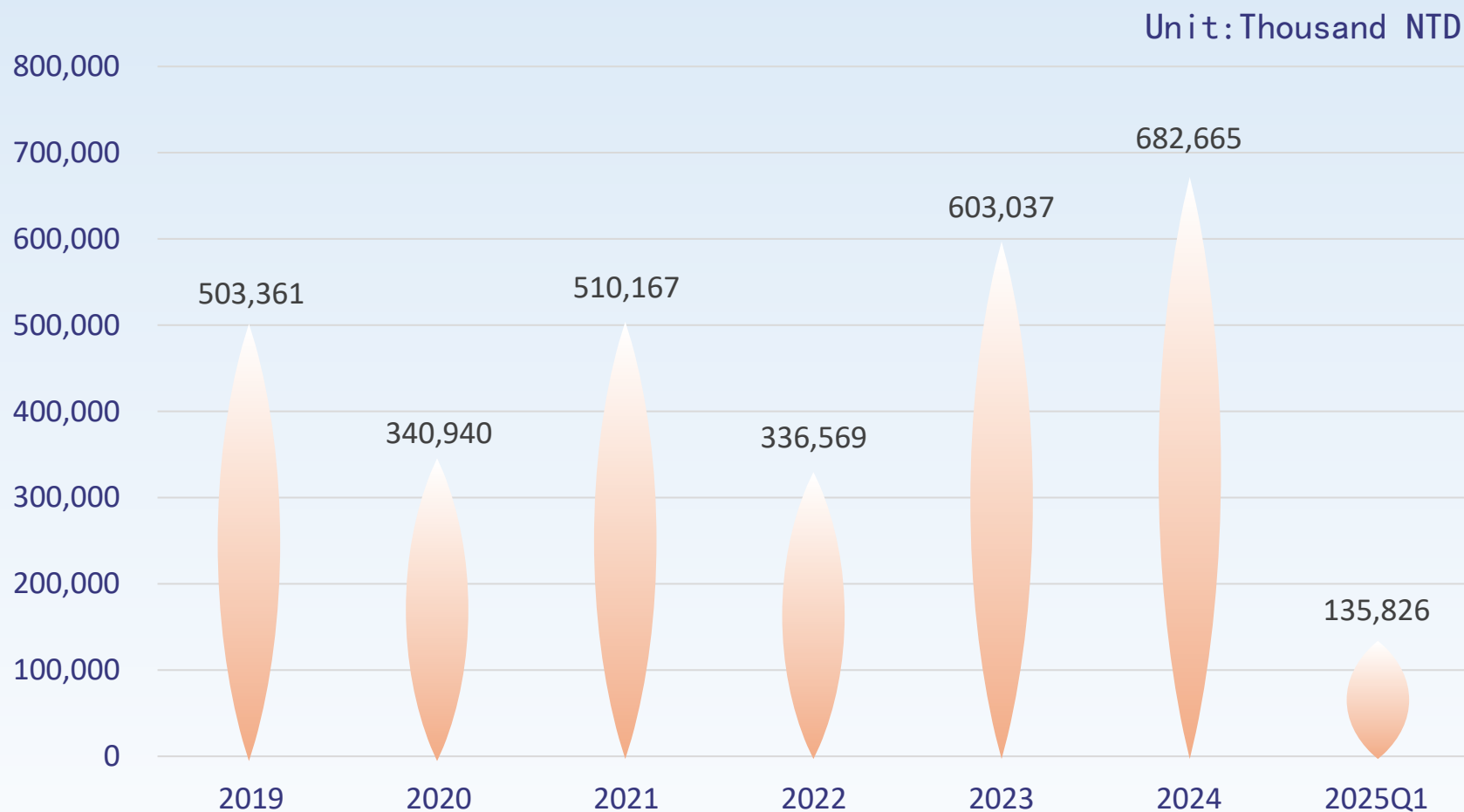


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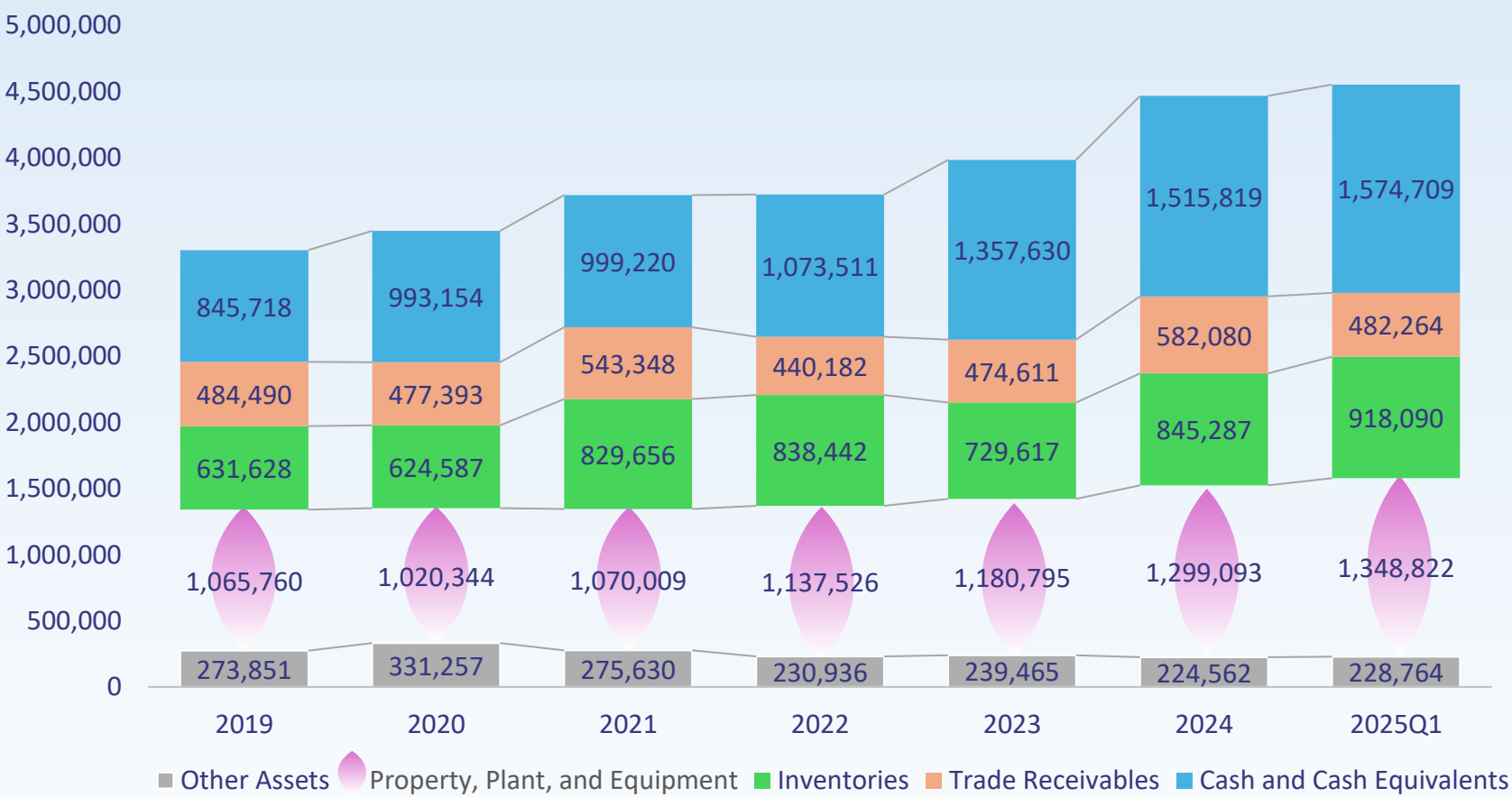
Net Profit





Assets

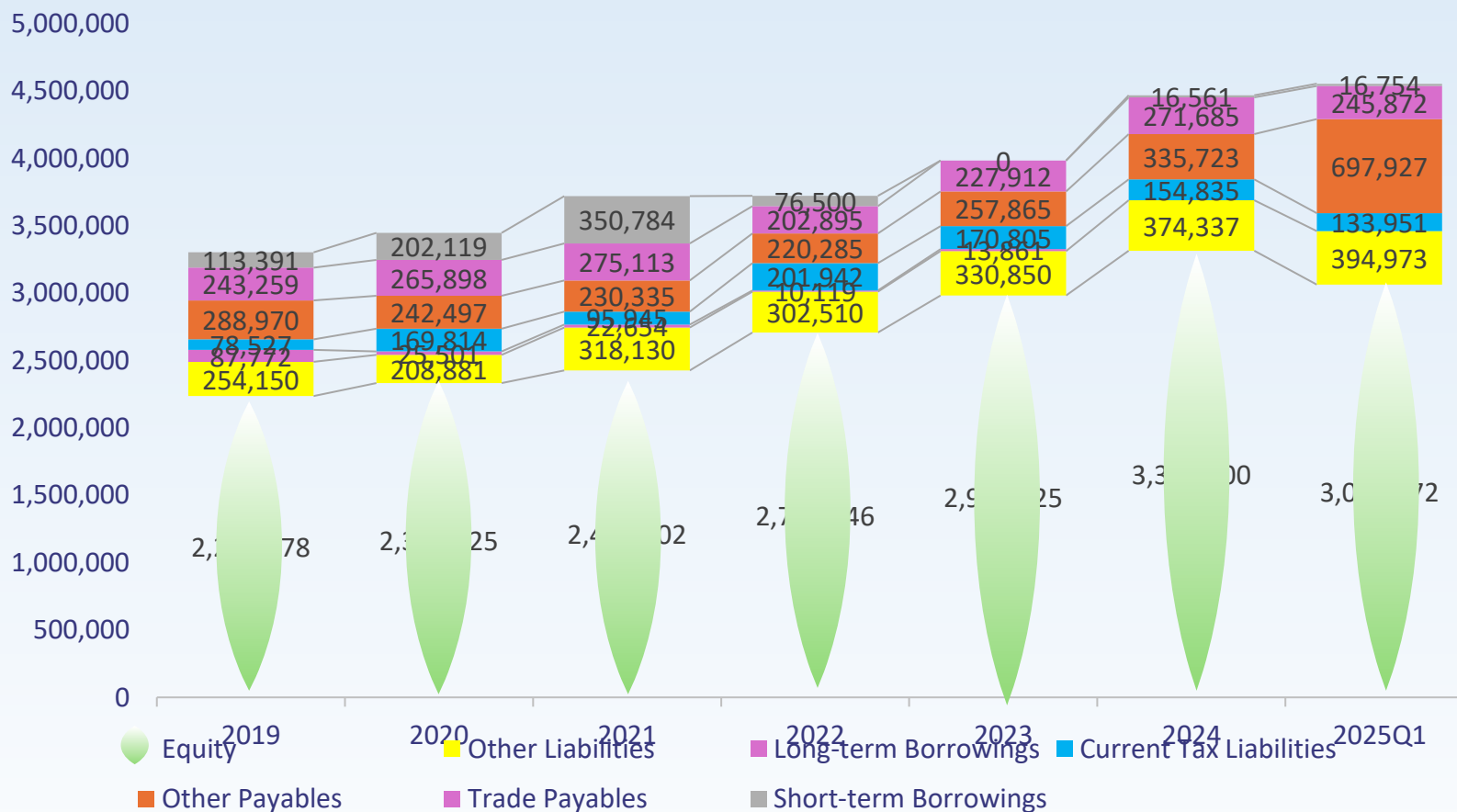
Unit: Thousand NTD





Liabilities and Equity

Unit: Thousand NTD

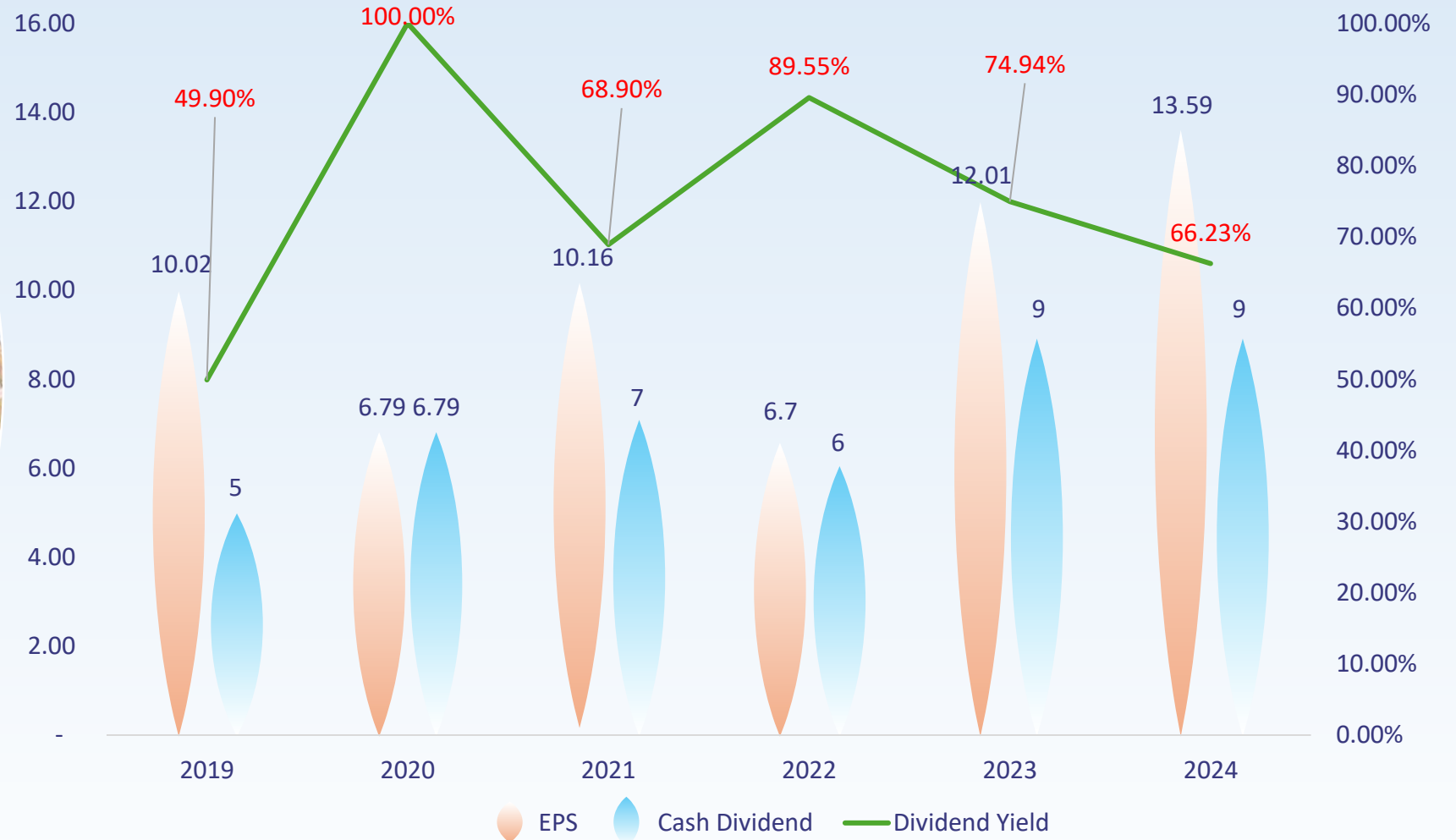


Financial Analysis

| Item | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025Q1 |
|--------------------------------------------|--------|--------|--------|--------|-------|--------|--------|
| Gross Profit Margin | 41 | 40.6 | 36.9 | 37.3 | 42.4 | 43.5 | 44.5 |
| Debts Ratio | 32.29 | 32.34 | 34.77 | 27.23 | 25.1 | 25.81 | 32.71 |
| Current Ratio | 231.91 | 191.08 | 175.11 | 249 | 290.3 | 272.85 | 211.11 |
| Quick Ratio | 156.6 | 127.24 | 104.73 | 154.78 | 200.2 | 185.39 | 138.32 |
| Average Collection Turnover | 7.11 | 6.6 | 8.18 | 7.8 | 9.5 | 8.85 | 8 |
| Average Collection Days | 51 | 55 | 45 | 47 | 38 | 41 | 45 |
| Average Inventory Turnover | 3.78 | 3.12 | 3.72 | 2.96 | 3.3 | 3.44 | 2.74 |
| Average Payables Turnover | 8.67 | 7.02 | 8.91 | 9.37 | 11.9 | 10.48 | 8.99 |
| Average Inventory Turnover | 97 | 117 | 98 | 123 | 110 | 106 | 133 |
| Return on Total Assets (%) | 15.95 | 10.6 | 14.58 | 9.66 | 16.6 | 17.26 | 12.94 |
| Return on Total Stockholders' Equity (%) | 23.68 | 15.48 | 21.84 | 13.82 | 22.4 | 23.14 | 18.27 |
| Net Income to Sales (%) | 12.37 | 10.71 | 12.09 | 9.01 | 14.1 | 15.19 | 13.37 |
| Earning Per Share (yuan) | 10.02 | 6.79 | 10.16 | 6.7 | 12.01 | 13.59 | 2.7 |



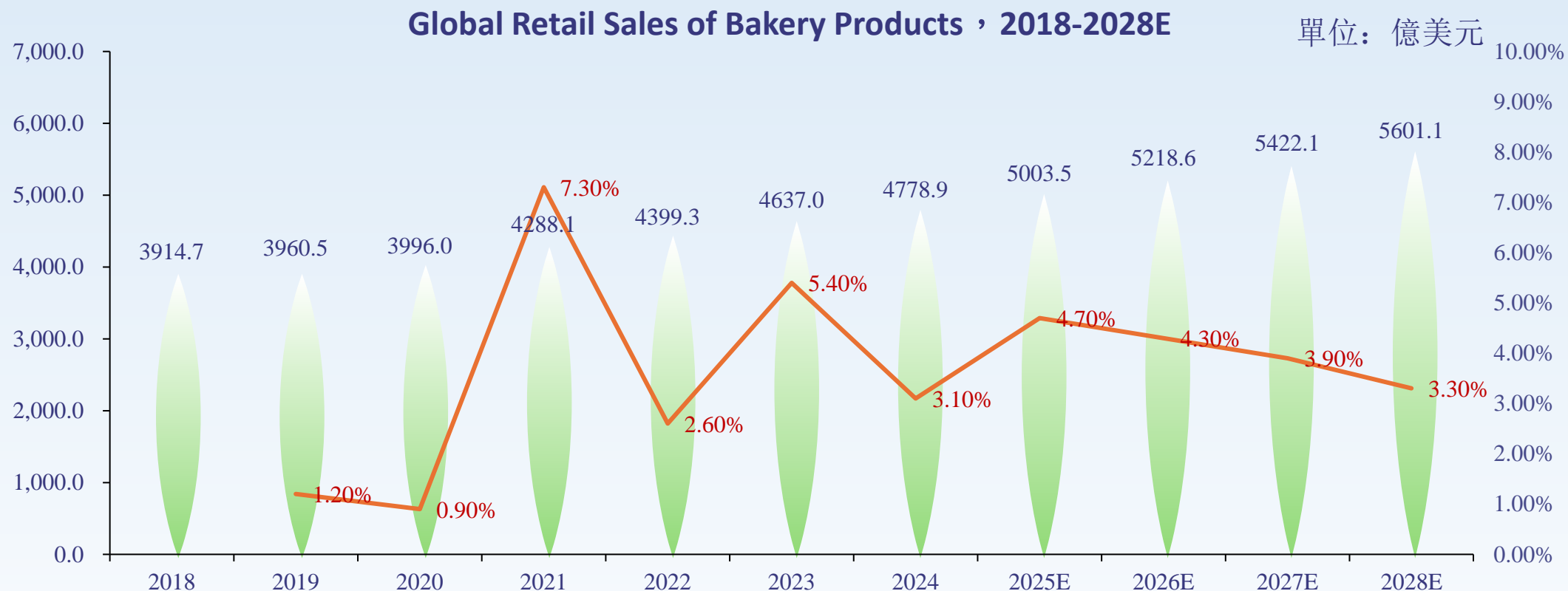
Dividend Policy



03

Industry Trend

Global Retail Sales of Bakery Products



Source: iiMedia Research

Global Baking Industry Trends

Health-conscious concepts

- Functional ingredients (probiotics 、 high protein)
- Clean label (no artificial additives 、 Non-GMO)
- Gluten-Free Products
- Keto-Friendly

Supply Chain Innovation

- Increase of frozen dough and pre-baked products
- Increase of raw material prices 、 consolidated upstream
- Large companies expand through mergers and acquisitions

Intelligent Transformation

- IoT ovens, reduce energy consumption and increase production capacity
- Heat recovery technology, reduce carbon emissions
- Automated forming, reduce manual labor dependency

Channel integration and premiumization

- Brand crossover of tea and coffee
- Localization of baking, Brand image transformation (Indian Turmeric Baguettes, Halal Certification, etc.)
- Premium co-branded products

Emerging market-driven growth

- High market share in Europe and America, but slow growth
- Low market share in China, India, and Southeast Asia, but rapid growth

INTEGRITY

EXCELLENCE, INNOVATION

RECIPROCATION

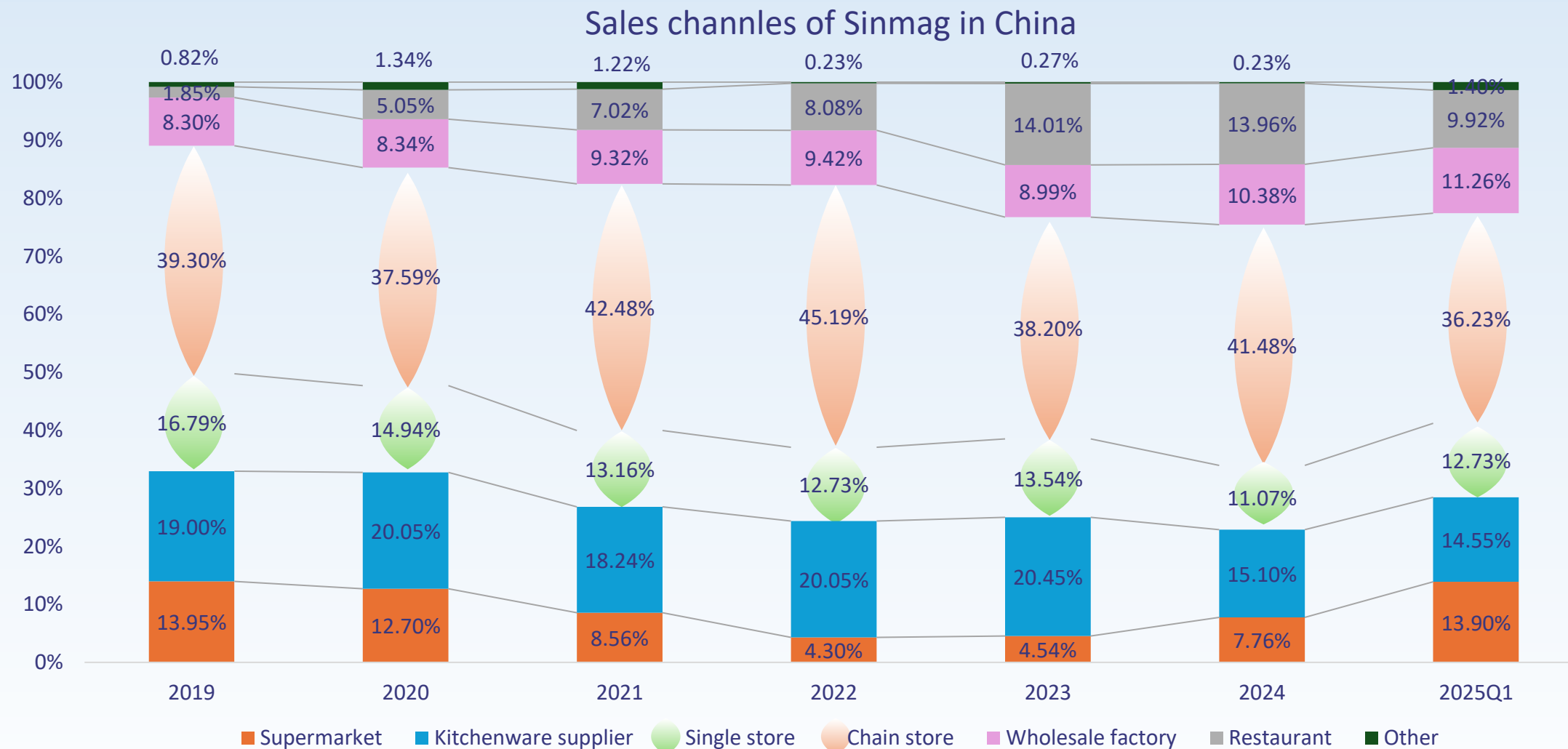
RELATIONSHIP

BE PARTNER OF BAKING

INDUSTRY

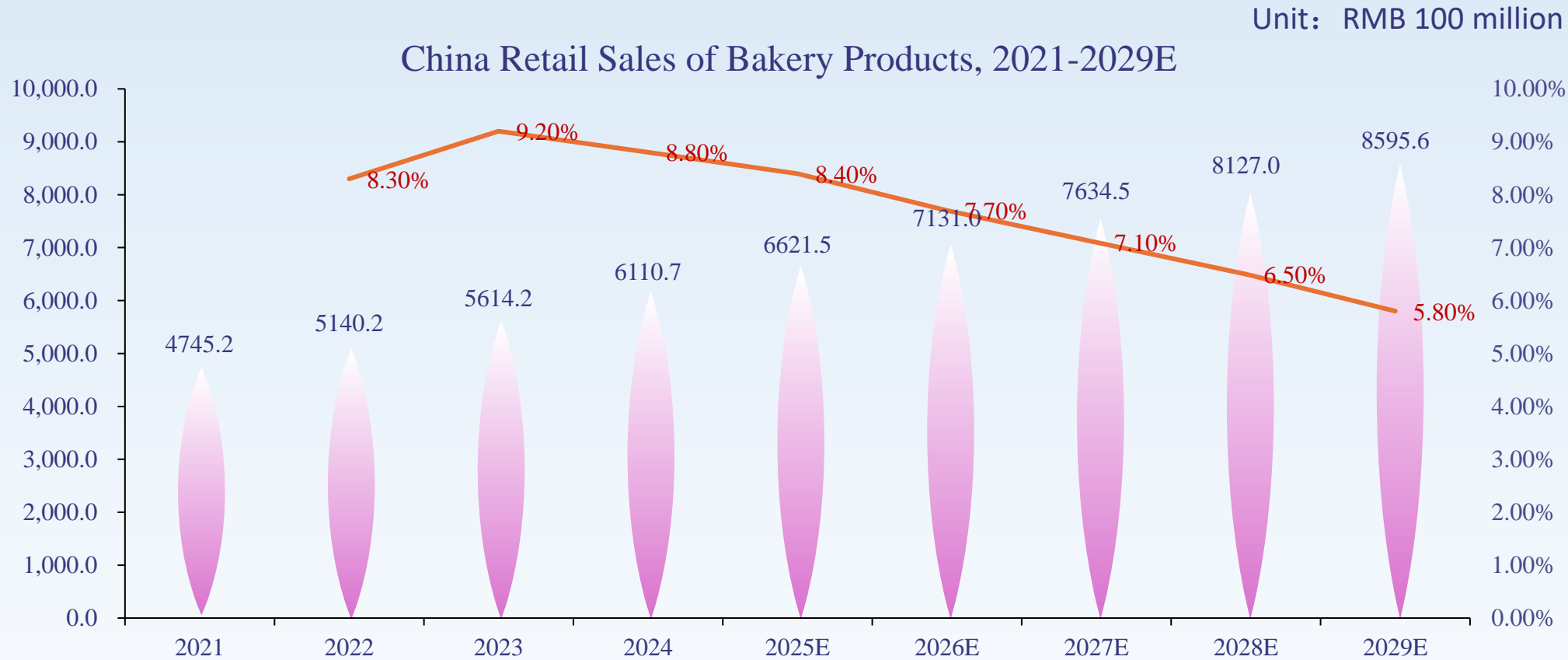
Regional Market Growth Rate Comparison

| Region | 2018-2024 Average Growth | Core Characteristics |
|----------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| China | 8.3% | Per Capita Consumption increased from 7.3KG to 9.2KG Pre-made baking products increase rapidly Online marketing proportion significantly increased |
| Europe | 1.5% | High proportion of healthy products Fast growth in biodegradable packaging market High closure rate of small and medium-sized bakeries |
| India/Southeast Asia | 8.0% | Middle-Class expansion driving demand Low rate of using frozen dough High growth rate in specific countries |
| North America | 3.5% | High proportion of Plant-Based Products Supermarket sales channels significantly increased Short shelf-life products account for 50% of the market |





SINMAG China Bakery Products Market



Source: iiMedia Research

**Retail
Amount
Increase**

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SINMAG Main Brand Forces Distribution

Leading Brands —

Focus on Strategic Adjustments and Nationwide Layout

Holiland- Pursuing Premiumization and Youthfulness

Xingfu Xibing- Private Domain Operations and O2O Deepening

Emerging Challengers —

Traffic Breakthroughs & Category Segmentation

Hot Gatherings- Mid-to-High-end Standard

Steamy Bakeshop- Low-cost Replication & IP Collaborations

KUMOKUMO- Single-Item Efficiency Revolution

Regional Leader -

Localization & Model Innovation

Luxixian- Community Roots & Supply Chain Strength

Master Bao- Hit Products & Production Upgrade

Pangdonglai- Premium Service & Regional Dominance

Membership Retailers -

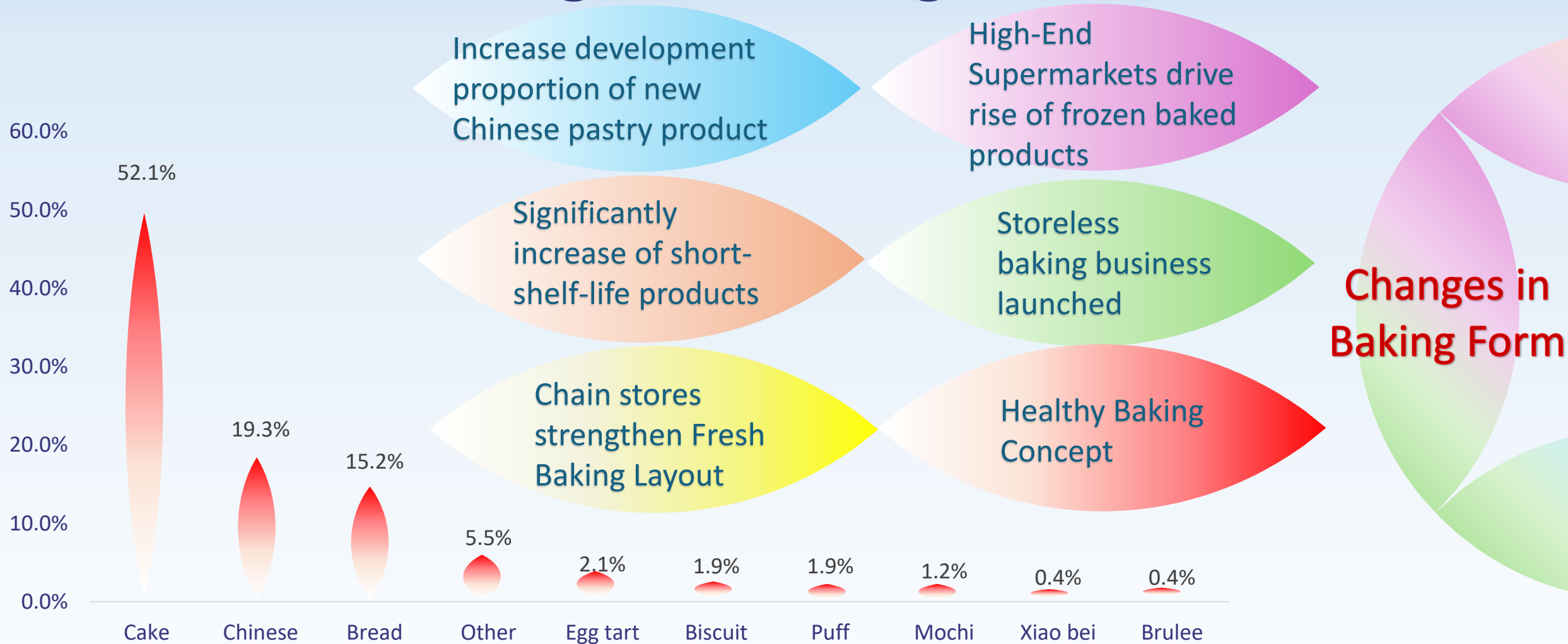
Supply Chain Synergy & Cost Performance

Sam's Club- Private Label Ascent

Hema Fresh- Supply Chain Integration & Cost Reduction

High-end and
Downward
Expansion
Parallel Market
Development

Changes in Baking Form



Changes in Baking Form

Source: iiMedia Research pastry

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SINMAG Store Development Trends

Homogeneous competition intensifies

Short lifecycle of Internet-Famous Products



- ▶ Slow growth rate in first-tier cities
- ▶ Second-tier cities are the home ground for brand expansion
- ▶ Rapid growth rate in third-tier cities



Average Survival Cycle of stores: 32months

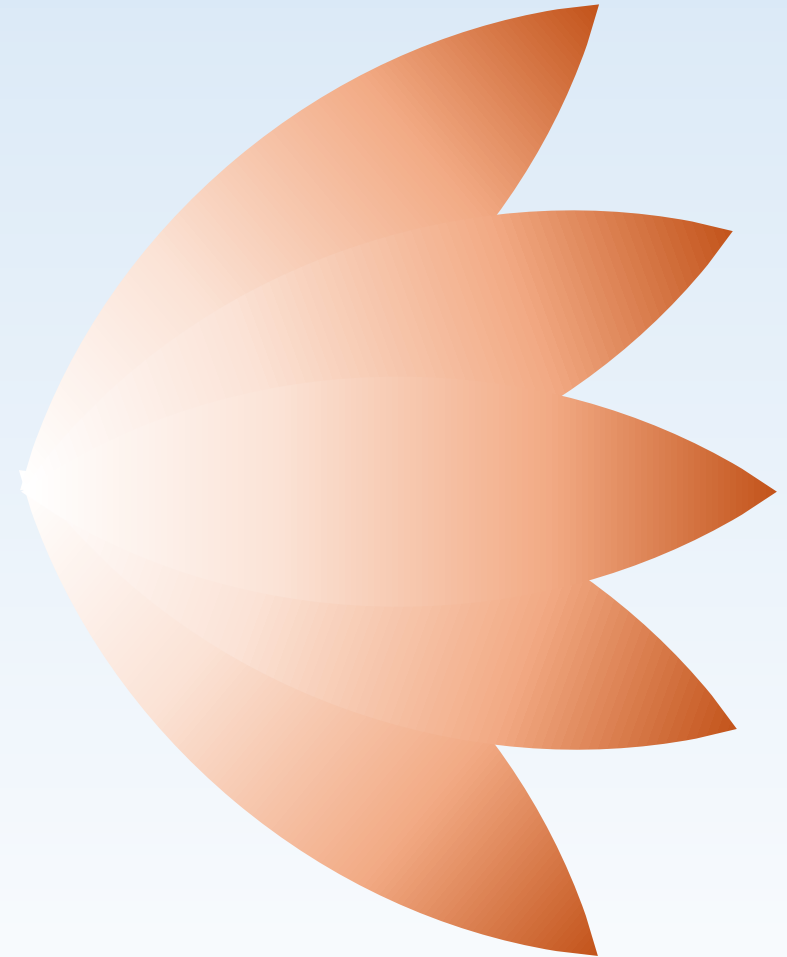
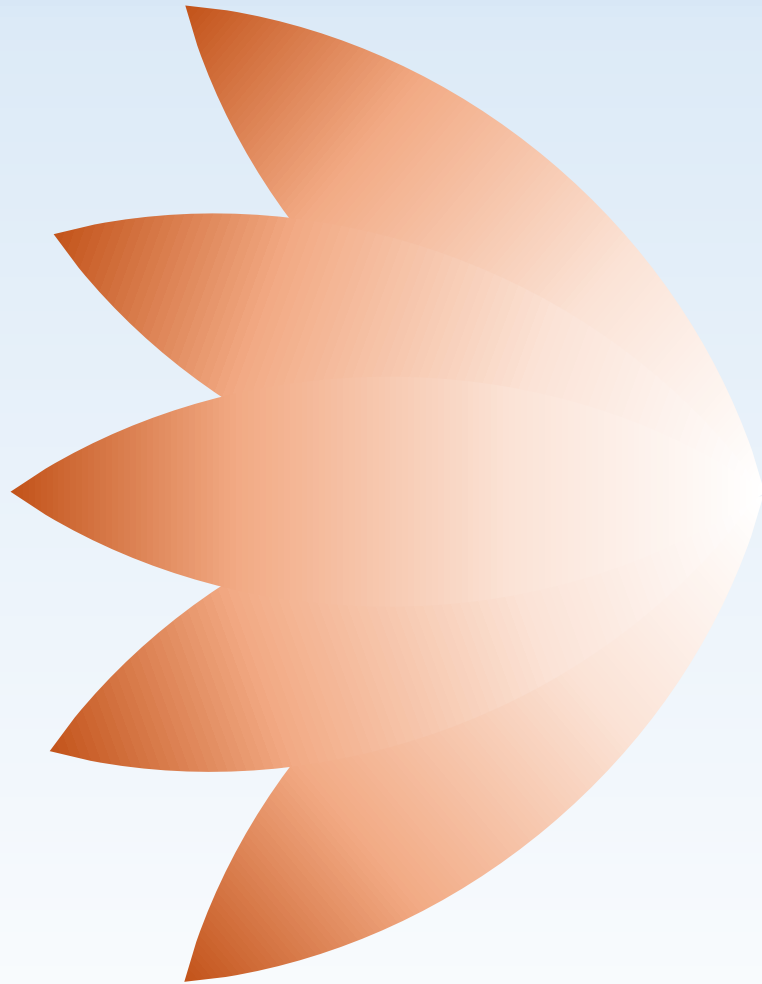
Raw Material Price Increase



Competition
Intensifies

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ARTNER OF BAKERY INDUSTRY



SWOT Analysis



Vision

To be the world's largest bakery equipment manufacturer and technical service provider, and work with our partners on a long-term basis to establish a mutually beneficial relationship

Global Layout

New Plant to Capacity
Add Equipments to Quality
Improve Process to Efficiency

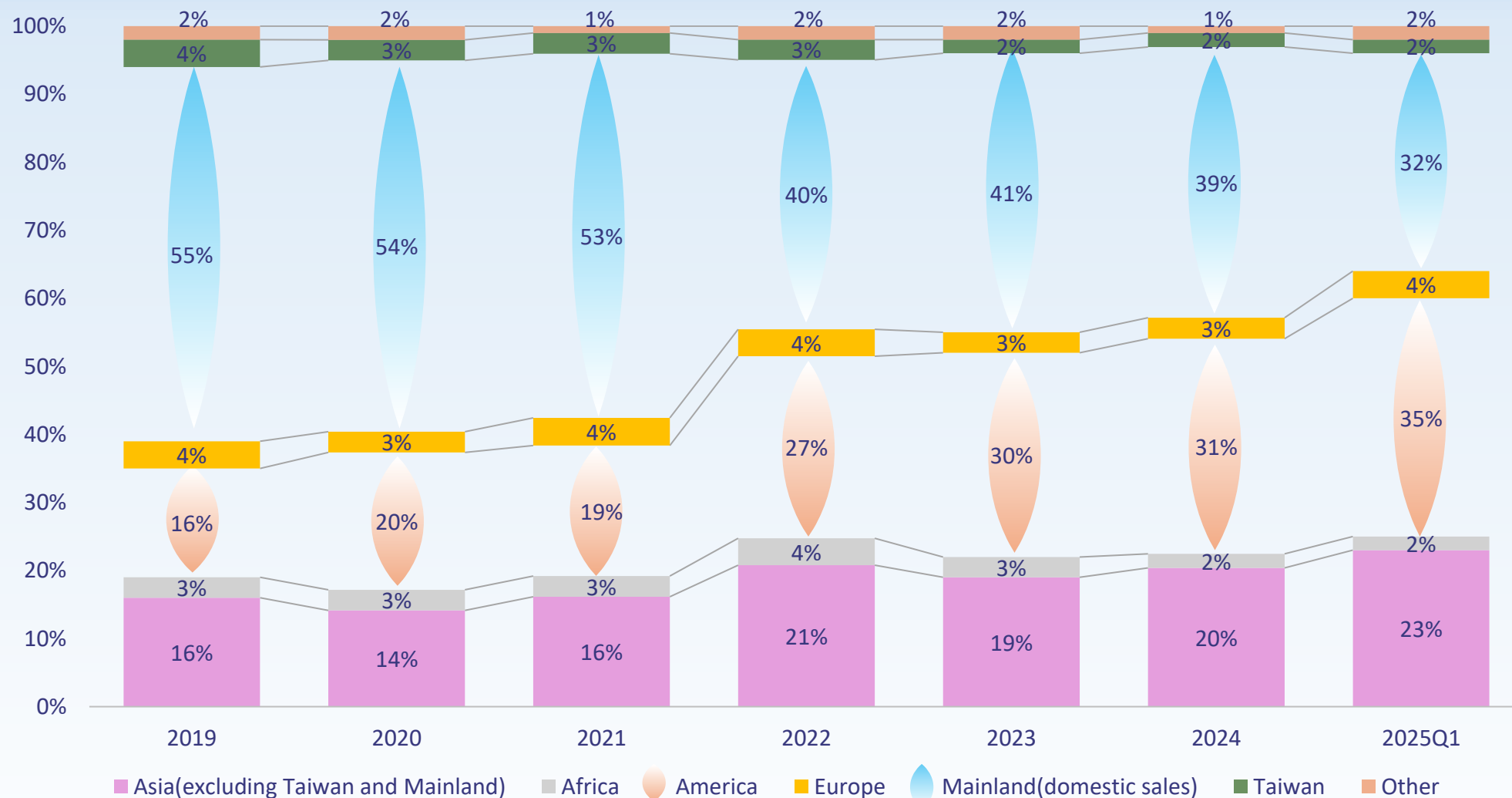
Customized Service
Independent R&D
Introducing New Tech.

Promote
Manufacturing Capacity

Diversify Single Market Risk
Combining Advantages of Markets
Line with International Standards

Deepen Technological
Development

SINMAG Proportion of Regional Revenue



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Strategy in China

Market Characteristics

- Competition Intesify
- High-end and Downward Expansion
- Parallel Market Development
- Changes in Baking Form

Opportunity and Threats

- Market Growth in China
- Competitors
- Low Recovery of China Economy



Strategy in China



One Policy for One Office

1st Tier City Emerging Celebrities

2nd Tier City Focus on Chain Transformat

3rd Tier City Penetrate Lower Markets

Online Store Channels

Tmall

Ali1688

Baidu

Customer Service

CRM System

Online Log of Production, Parts, and
Maintenance

Strategy in US

Market Characteristics

High market share but slow growth
Supermarket sales channels increased
IoT ovens, reduce energy consumption

Opportunity and Threats

Anti-US
Customer Requirement Increase
Tariff Policy of US



Strategy in US



Repricing

- Absorb part of tariff
- Raise Price

Develop Markets outside US

- Expand Canadian Agent
- Deepen Central and South America

Use Tech. and Service Advantages

- IoT Equipments
- Improve service coverage

Strategy in Asia

Market Characteristics

Low market share but rapid growth

Low rate of using frozen dough

Middle-Class expansion driving demand

Opportunity and Threats

Raise of Specific Country

Anti-US



Strategy in Asia



Kazakhstan(Central Asia)

Main food: flatbread, Russian and European bread

Food processing industry upgrade needs Uzbekistan, Kyrgyzstan

Main customer groups: supermarkets and chain stores

Thailands

Evaluating the establishment of a factory

新麦机械（中国）股份有限公司新建厂房效果图



Promote Manufacturing Capacity

Factory Reconstruction

Main Part 70%

Capped at May

Fill Wall in June

Painting in July

Scaffold Removal in August

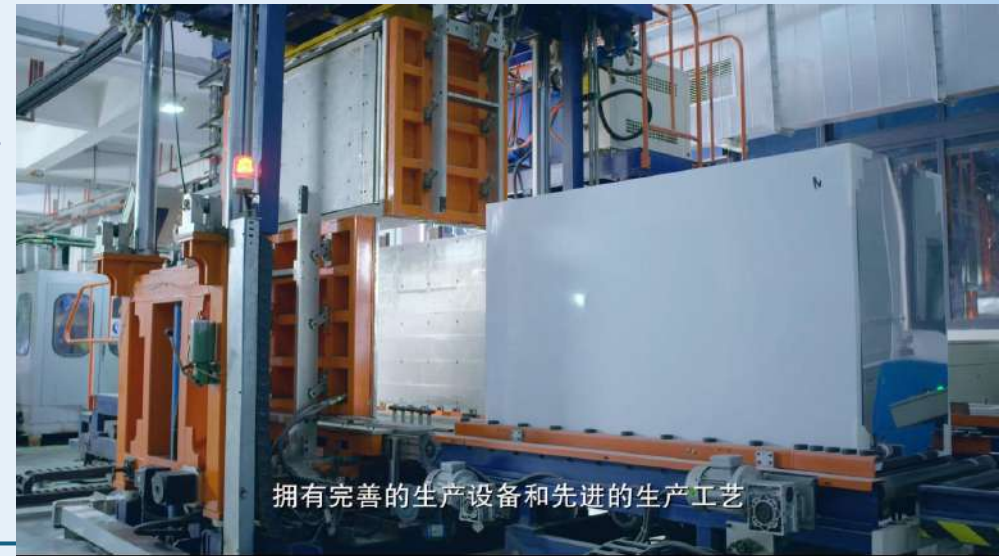
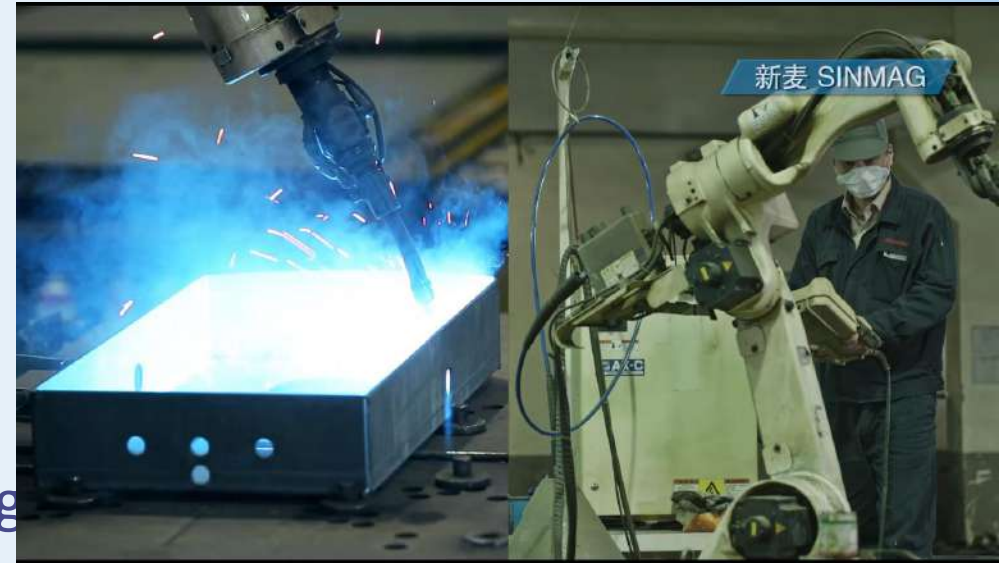
Outdoor Construction

Completion in November

SINMAG Promote Manufacturing Capacity



Equipment Investment
Robotic Arm
Laser Welding
Automatic Foaming
Continuous Painting line
Precision Bending
Laser Cutting



CATION

Deepen Technological Development

Product Improvement

- ▶ Optimize product
- ▶ Modular
- ▶ Easy after-sales maintenance

New Product Release

- ▶ Enhance appearance
- ▶ Reduce carbon emissions
- ▶ Increase performance



CE, INNOVATION, RECIPROCATION

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Deepen Technological Development

Customized control system, connected to the Internet of Things (IoT) monitoring, and reduced energy consumption.

Case:
China Yum! Brands (Pizza Hut),
Walmart USA



N, RECIPROCATION

RELI



SINMAG

05

Discuss

INTEGRITY, EXCELLENCE, INN

