NAFCO INVESTOR CONFERENCE

2026.05.26

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Agenda

1. Business Introduction and Finance Performance
   President Alvin Lin
2. Q & A

Business Overview

PRODUCTION SITES

Corporate Headquarters: Taoyuan, Taiwan

Production Facilities: Taoyuan, Taiwan · Kunshan, China · Negeri Sembilan, Malaysia

Taoyuan, Taiwan：
Land 45,000 m² / Floor space ：46,700 m²

Kunshan, China:
Floor space 10,000 m²

Negeri Sembilan, Malaysia
Land： 35,708 m²
Floor space：8,216 m²

COMPANY PROFILE

FOUNDED : OCTOBER 14, 1997

IPO : 2002

CAPITAL: TWD 640 million

MAJOR SHAREHOLDER: GETAC (SINCE 2007)

EMPLOYEES : 1,000

2025 REVENUE: TWD 4 BILLION

MAIN PRODUCTS: AEROSPACE FASTENERS, AEROSPACE MACHINING PARTS AND AUTOMOTIVE FASTENERS

NAFCO : Certified Supplier to the Four Major Aerospace Engine Manufacturers

GE Aerospace

cfm

SAFRAN AIRCRAFT ENGINES

LEAP

BOEING

AIRBUS

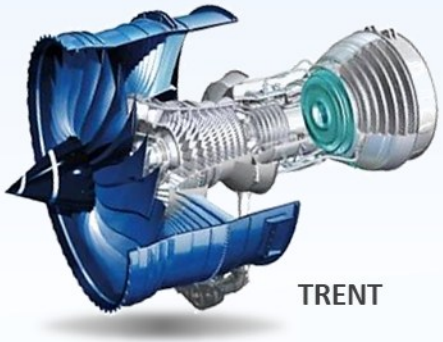
Pratt & Whitney
An RTX Business

GTF

787 Family

777 Family

Rolls-Royce



TRENT

BOEING

AIRBUS

A330 Family
A330-200/-300

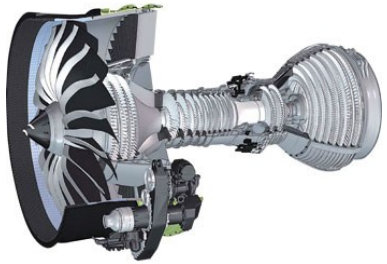
A340 Family
A340-300/-600

A350 Family
A350-800/-900

A380 Family
A380-800/-800F

NAFCO : Full penetration across Tier-1 OEM engine programs

NAFCO Engine Market Positioning: A core strategic partner in next-generation engine platforms

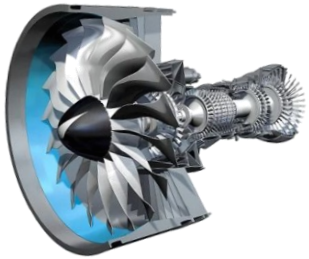


CFM / GE

- ✓ LEAP
- ✓ CFM56
- ✓ GE90
- ✓ GEnx
- ✓ GE9X
- ✓ CF6

Rolls-Royce

- ✓ Trent 700
- ✓ Trent 800
- ✓ Trent 900
- ✓ Trent 1000
- ✓ Trent XWB
- ✓ RB211



Pratt & Whitney

- ✓ PW1100G
- ✓ PW1500G
- ✓ PW800

Qualified across all major narrowbody, widebody, regional, and business jet engine platforms

Strategic Partners

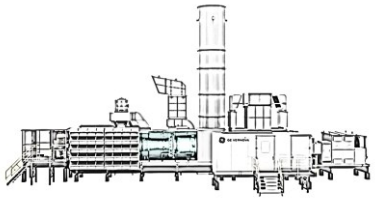
NAFCO PRODUCTS

Range of Application

- Aviation
- Space
- Land
- Marine

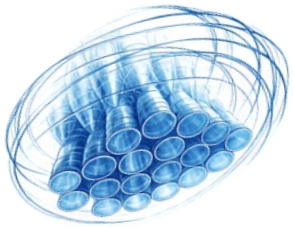
Aviation product Application

Offshore platform generator



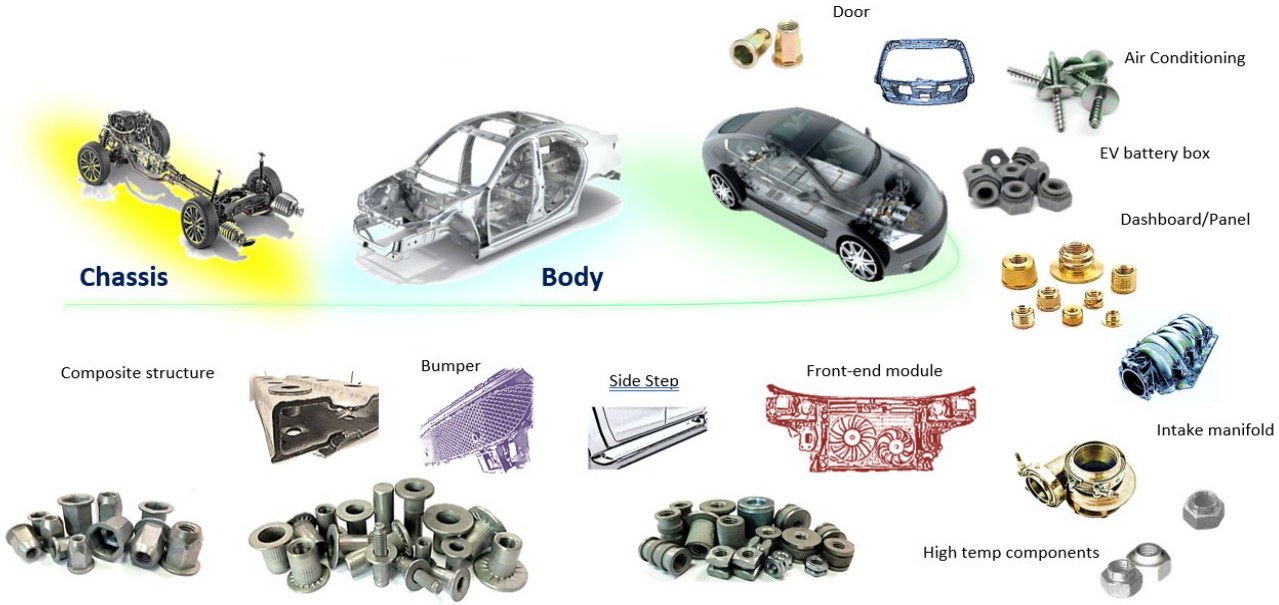
Power

Marine



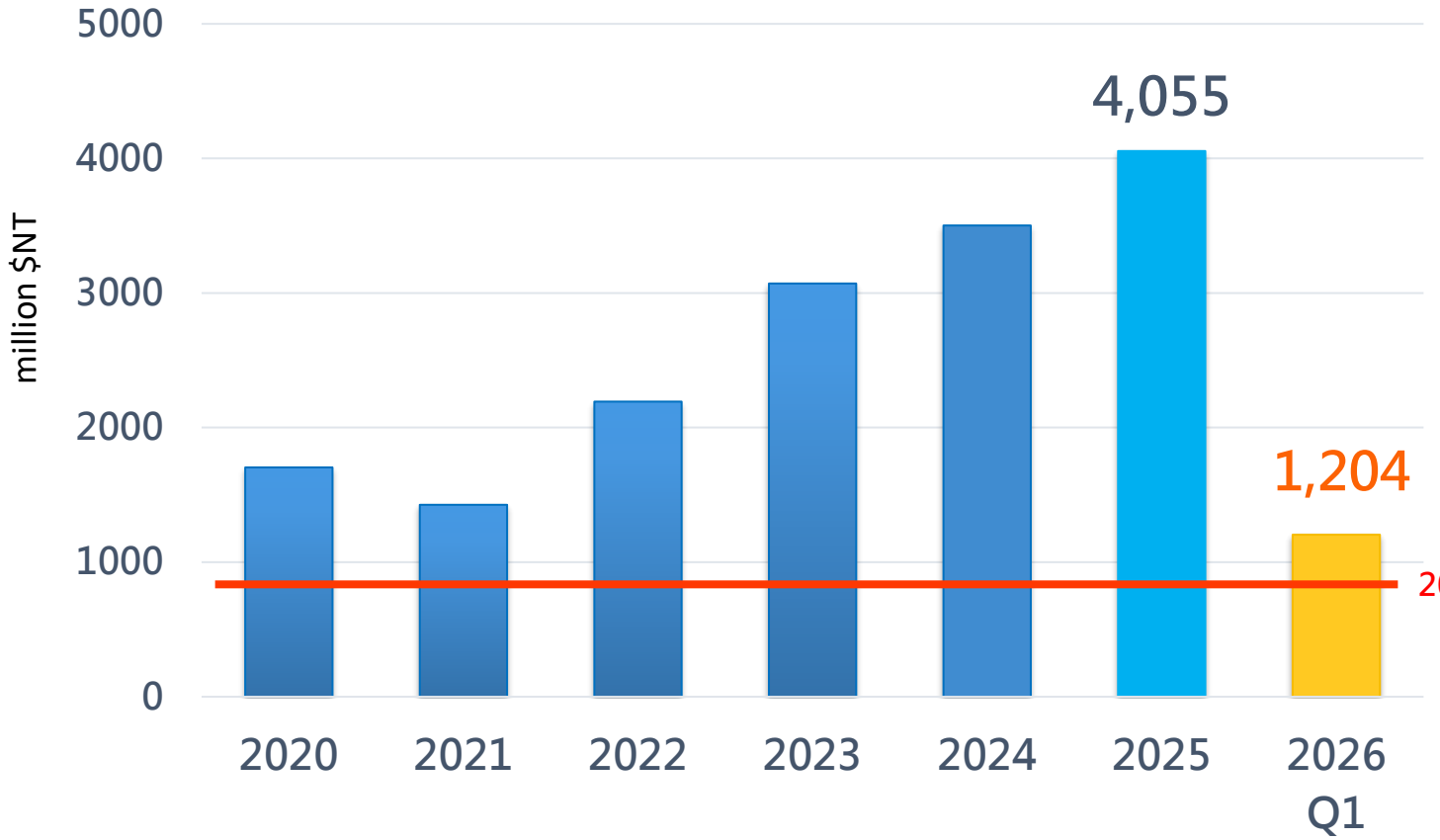
Space

New Energy

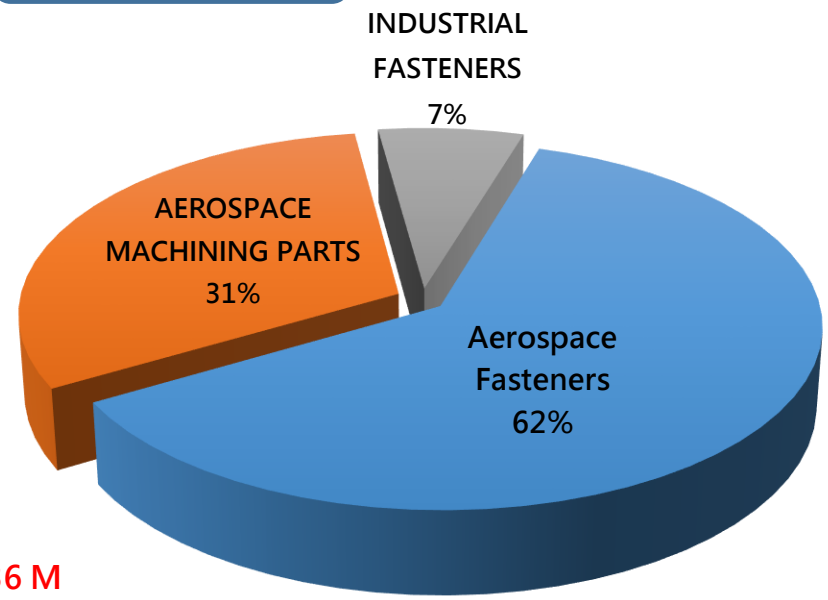


Automotive Application

2020 ~ 2026 Q1 Revenue Trend



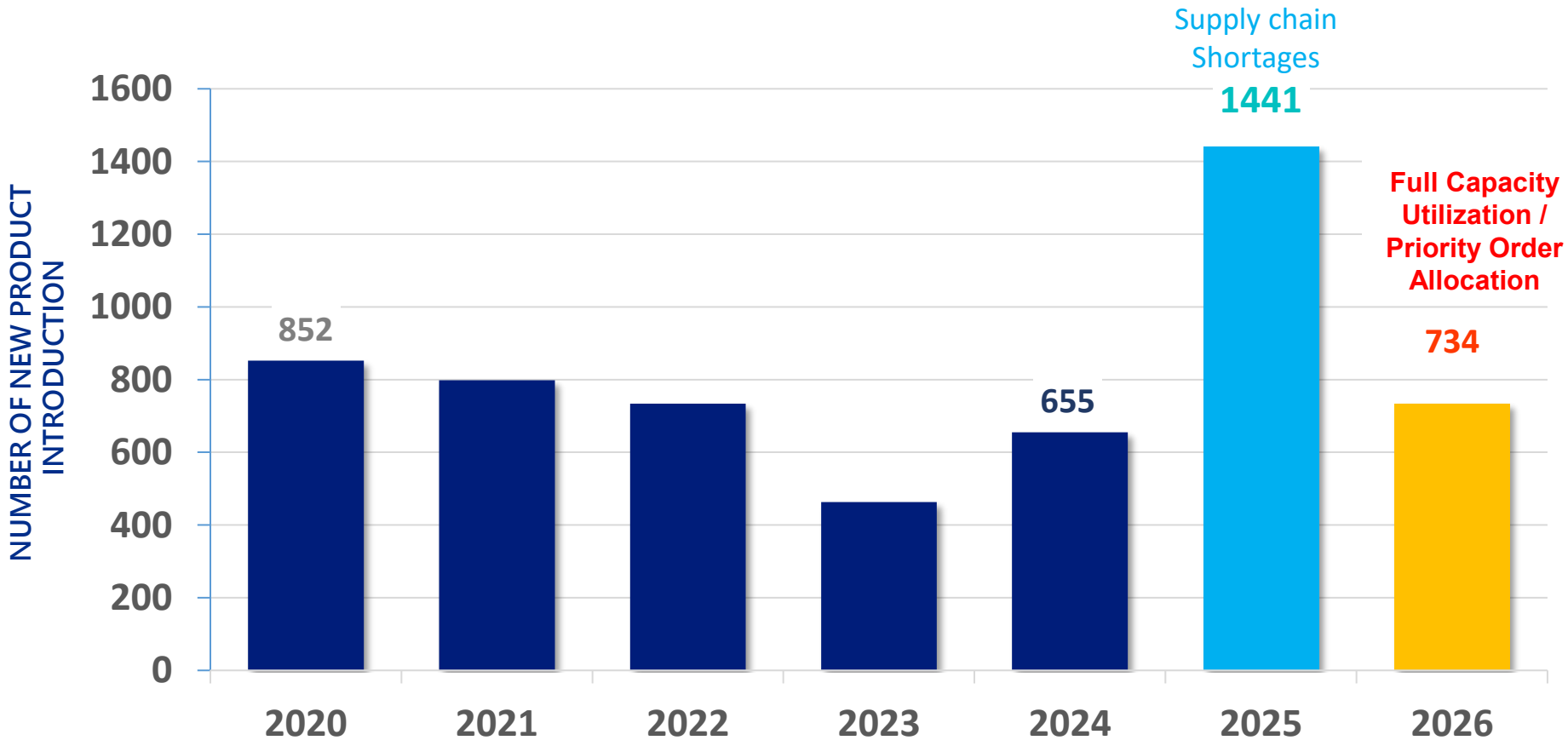
Product Proportion (2026 Q1)



Unit : NT$ Millions

Product	Amount	%
Aerospace fasteners	746	62%
Aerospace machining component	376	31%
Automotive fasteners	83	7%
TTL	1,204	100%

BUSINESS DEVELOPMENT

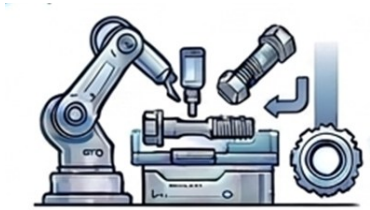


- Production is currently at full capacity, with priority given to fulfilling existing orders; new orders are temporarily suspended to ensure that contract fulfillment commitments are met.

Core Development Directions

Building sustainable long-term competitive advantages in aerospace components through technology upgrades, product differentiation, smart manufacturing, and operational excellence

1 | Enhancing Production Capacity and Technological Capabilities



- Capacity Expansion • Strengthening Technological Barriers
  - ➥ Strengthening Product Portfolio and Market Adaptability

2 | Strategic Focus on Safety-Critical Aerospace Niches

- Focus on High-Barrier Safety-Critical Aerospace Products
  - ➥ Establishing Differentiated and Sustainable Competitive Advantages

Strengthening Core Aerospace-Grade Advantages

3 | Advancing Smart Manufacturing Capabilities

- Implementing Automation and Data-Driven Manufacturing
  - ➥ Enhancing Efficiency • Stabilizing Quality • Optimizing Workforce Allocation

4 | Advancing Intelligent Business Management

- Optimizing Operational Decision-Making and Resource Allocation
  - ➥ Continuing to Invest in Advanced and Efficient Tools to Enhance Customer Satisfaction and Uphold Quality Commitments

Aerospace Product Portfolio, Technology Deepening, and Cross-Process Integration

Integrated Technology, Core Capability Enhancement & Diversified Expansion

Niche Leadership Diversified Growth Strategy

Intelligent Manufacturing & Automation

Modular Fastening Systems

Aerospace Nut

Aerospace Bolt

Customized Products

Intelligent Manufacturing

2024 -

2020 -

Forging

2019 -

Aerospace Nut

MACHINING

Aerospace Bplt

2015

2008

2004

Founded in 1997

2023

Big Bolt

Precision Machining

2024

Aviation Hardware

2025

2019

Large nut 、 Ring … 500 mm

Gear-Structured Products

Simulation

Digital Intelligence

Smart Forging

Intelligent Assistance

Integrated Forging & Machining Enhanced Diversification

Niche Focus Diversified Expansion

Automotive Product Development Focus – Customization & Special Functions

Leveraging existing automotive rivet nut design and manufacturing capabilities to expand into the aerospace blind rivet segment.

1997 → 2017 → 2020 → 2022 → 2025

Standard parts
Rivet Nut / Brass Insert

Customized
(Co-designed with automakers & Tier 1)

Battery box and body connection
(Watertight solution)

Disc brake rotor mounting assembly

Truck Chassis

Continuous research and development

- Inserts used in lightweight (new energy) vehicles
- Lightweight/High Strength/High Torque Nut
- Customized components with unique application requirements

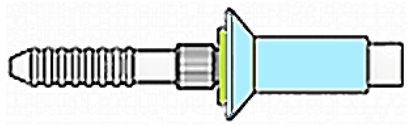
Waterproof, high strength

Waterproof + high spin-out torque

Sealing comply with ISO 20653, IPX67

Products for EV charging components

Applying bolt and rivet nut technologies to rivet products



NAS1398C5AB2

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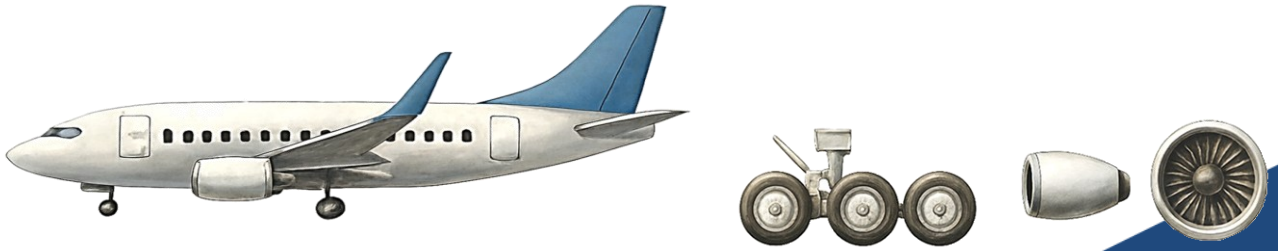
- NAS-Standard Aerospace Blind Rivets with High-Strength Performance, Self-Plugging Design, and Mechanically Locked Mandrels

Global Aerospace Market Trends



Global Aerospace Market Trends × Supply Chain Resilience and De-risking

Supplier selection is shifting from cost to reliability and stability, with customers placing greater emphasis on delivery commitments and predictability

- **Record-Breaking Growth in Commercial Aviation**(2025)
  - +500 million passengers (2025)
  - +20.6% Narrow-body Aircraft Traffic
  - 41,700 New Aircraft 3.6% CAGR
- **Dual-Base Manufacturing and Supply Chain Strategy**
  - 
  - 
  - Overseas Dual Production Bases to Mitigate Geopolitical Risks
- **Vertically Integrated Single-Base Manufacturing**
  - 
  - Fully Integrated Manufacturing within a Single Production Base (Reducing Logistics Risks and Ensuring On-Time Delivery)
- **Driving Engineering Innovation through Advanced Automation**
  - 

  - 

  - Optimizing Workforce Allocation, Stabilizing Quality, Enhancing Efficiency, and Improving Cost Competitiveness
- **Cybersecurity Operational Barriers**
  - 
  - IoT and Cloud Security Protection(Preventing Operational Disruptions and Safeguarding Data Security)
- **Middle East Geopolitical Crisis**
  - 

  - 

Source : IATA 、 Boeing 、Airbus 、 NATO

Key resilience requirements for suppliers from customers

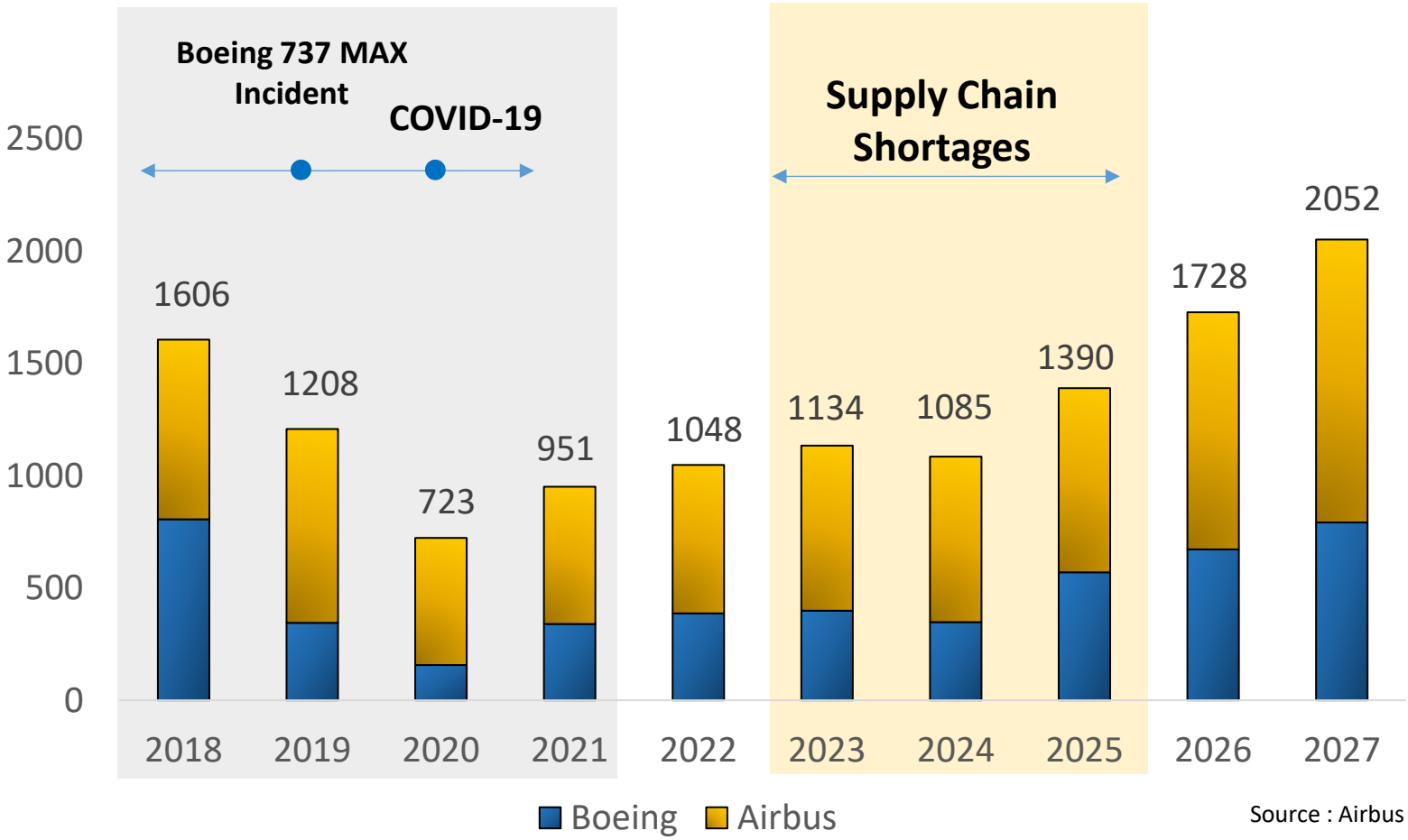
Aircraft Production Plans

Airbus Monthly Production Target: 60 Aircraft in 2025, Rising to 75 by 2027

Boeing Monthly Production Target: 38 Aircraft in 2025, Increasing to 48 in 2026 and 52 by 2027

New Aircraft Production:

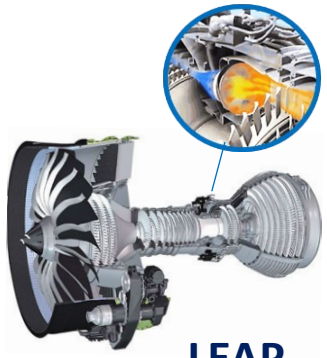
2026 Demand Expected to Grow by 24%



Source : Airbus and Boeing Market Forecast

Leading the Market in Next-Generation Aero Engines

- LEAP and GTF dominate the global narrow-body aircraft market, with CFM and PW expected to sustain a duopoly over the next 20 years.



LEAP

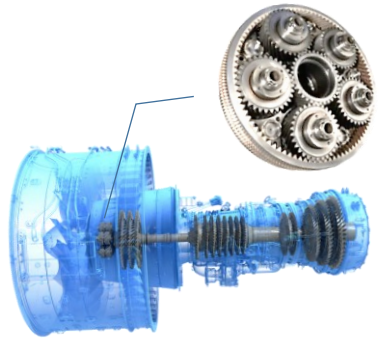
Focused on the Narrow-Body Aircraft Market

Key Technologies

- **High-Pressure Turbine**
- **Fan Module**

Commercial Aircraft

Airbus A320neo（LEAP - A）
Boeing 737 MAX（LEAP - B）
COMAC C919（LEAP- C）



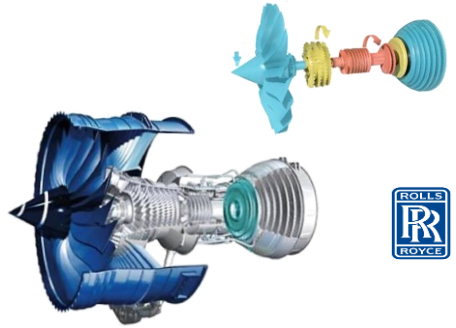
GTF

Focused on the Narrow-Body Aircraft Market

- **Gearbox**

Airbus A320neo（PW1100G-JM）
Airbus A220（PW1500G）
Embraer E-Jet E2（PW1900G）

- RR leverages its high-efficiency three-shaft technology to secure a leading position in the large wide-body aircraft market

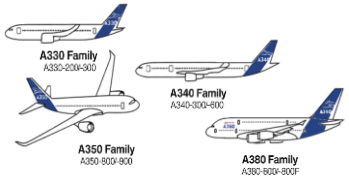


Trent

Focused on the Wide-Body Aircraft Market

- **Three-Shaft Architecture**
- **High-Pressure Turbine**
- **Fan Module**

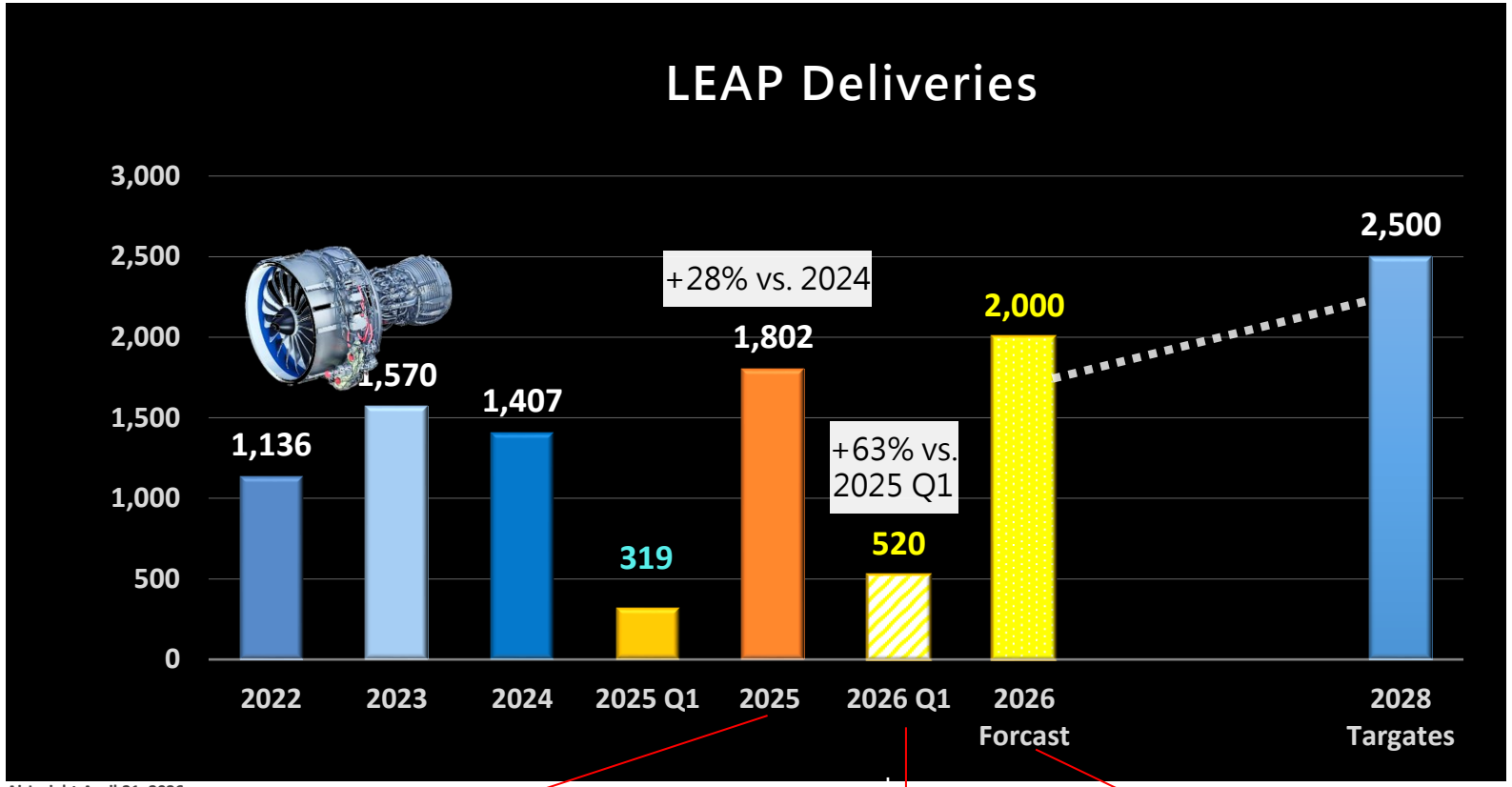
Airbus A330（Trent 700）
A330neo（Trent 7000）
A340-500/600（Trent 500）
A350（Trent XWB）, A380（Trent 900）



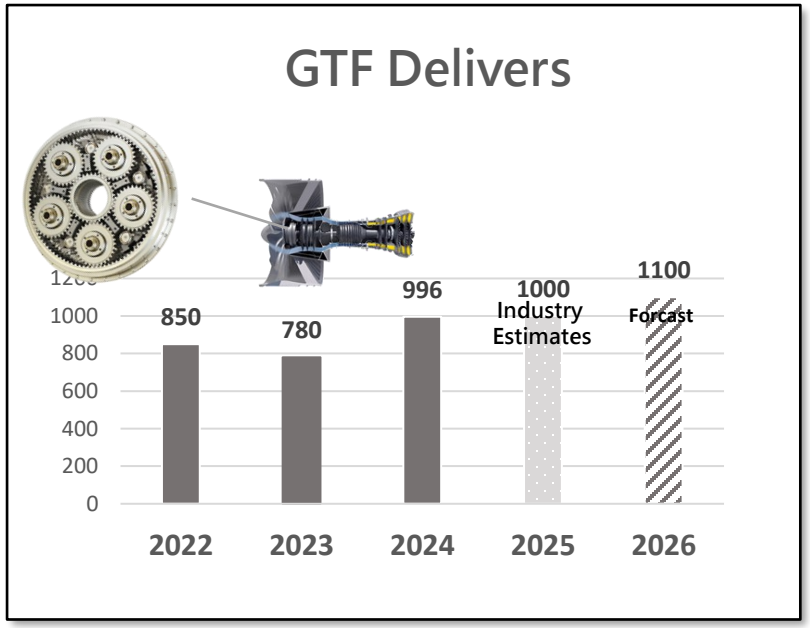
Boeing 777（Trent 800）
787 Dreamliner（Trent 1000）

■ Narrow-body aircraft will dominate the market, accounting for 71%–79% of total deliveries

LEAP and GTF deliveries in 2026 are expected to exceed 2025 levels



AirInsight April 21, 2026



AIR DATA NEWs January 22, 2026

Note: PW has not publicly disclosed complete engine delivery data

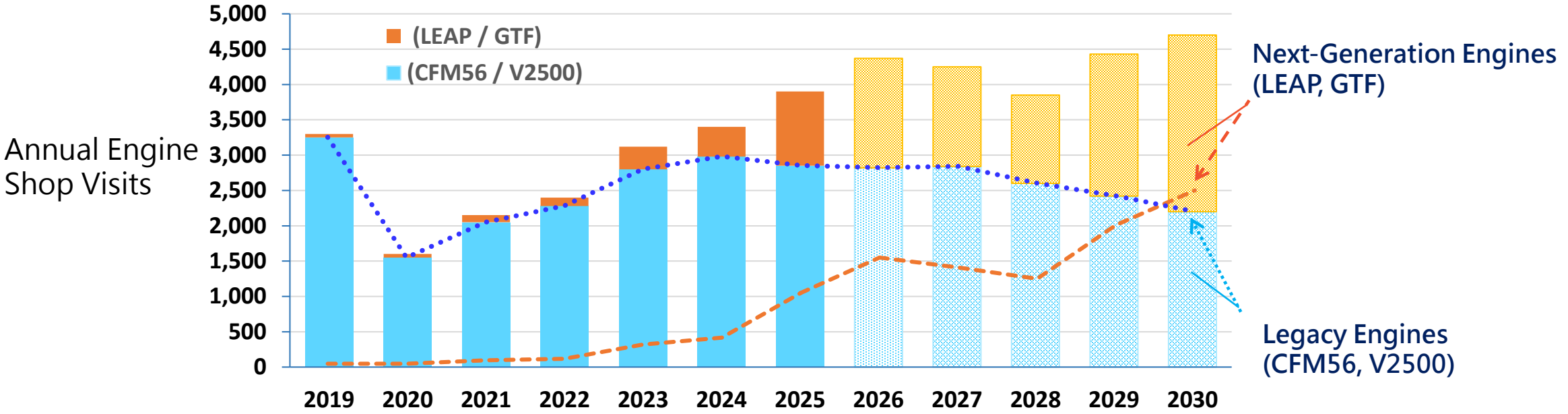
Key Constraints on LEAP Engine Deliveries in 2025
1. Material Shortages: Insufficient supply of high-temperature alloys and titanium
2. Capacity Constraints: Limited casting and forging capabilities
3. Supplier Delays: Unstable delivery of secondary components

- The growth in LEAP engine deliveries underscores sustained demand for fuel-efficient engines, while also reflecting CFM's supply chain recovery

- Sustained Growth Expected:
  While certification challenges for the C919 continue to create uncertainty for LEAP-1C demand, strong demand for LEAP-1A/1B engines—driven by the A320neo and 737 MAX programs—remains intact. CFM delivered 520 engines in 1Q26, demonstrating robust momentum, with full-year targets likely to be achieved.
- Easing Supply Chain Pressure with Emerging Risks:
  Supply chain constraints have gradually eased; however, uncertainties in the Middle East have introduced a new layer of risk that warrants close monitoring.

Demand in the aerospace MRO market continues to grow

Strong demand for aerospace hardware, including fasteners, in the MRO market—particularly driven by post-pandemic engine reactivation and delays in new engine deliveries



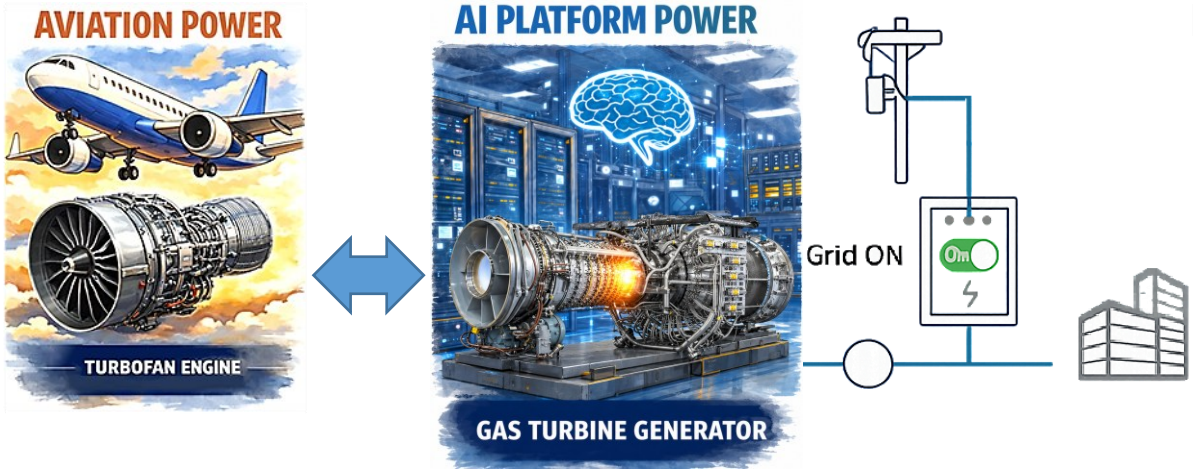
- **MRO Market Upgrade** ：2026 market size revised significantly upward From USD 100B to USD 135B
- **Unresolved Maintenance Backlog**：Pandemic-delayed engine maintenance continues into 2026
- **Engine Issues Persist** ：
  - PW GTF: Powder metal contamination issues remain in 2026, sustaining maintenance demand
  - GE/CFM LEAP: Powder metal and HPT durability issues largely under control, with relatively lower maintenance pressure
- **Strong Demand Growth**：Delays in new aircraft deliveries and fleet aging accelerating MRO market expansion
- **Supply Chain Opportunity**：European MRO providers and distributors actively diversifying sourcing Creating entry opportunities for new suppliers

Source : Aviation Week Network, IBA ,Oliver Wyman, Customers

Industrial Gas Turbines – Aerospace Engine Adjacent Market (Excluding Large-Scale Power Generation Turbines)

- The IGT market is expected to grow from approximately USD 10.5 billion in 2026 to around USD 20–21 billion by 2030

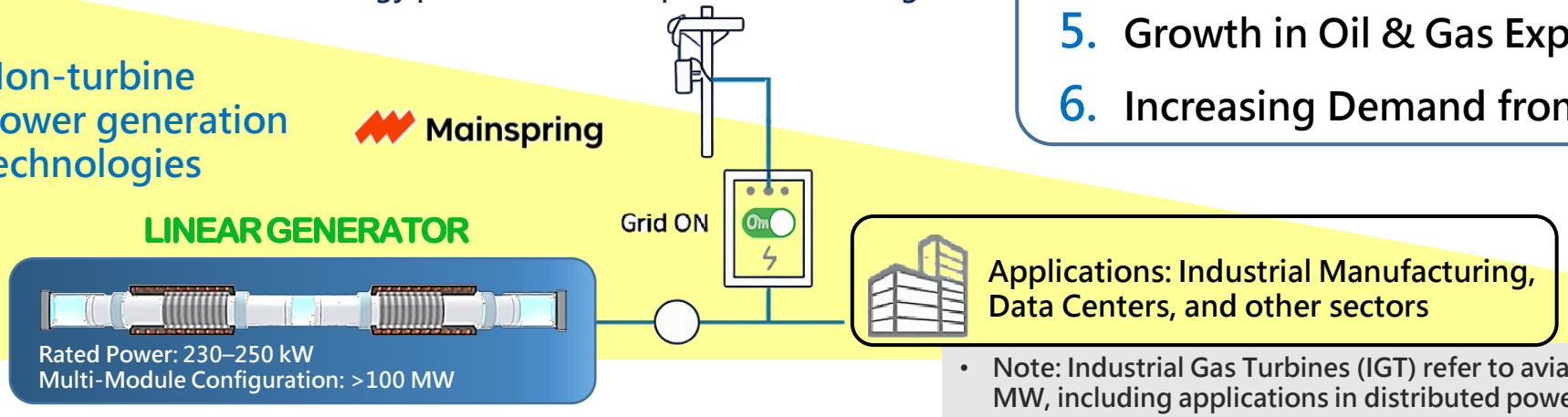
GE VERNOVA SIEMENS MITSUBISHI



Based on the same technology platform as aerospace turbofan engines

- Non-turbine power generation technologies

Mainspring



Key Drivers of Industrial Gas Turbine Demand Growth

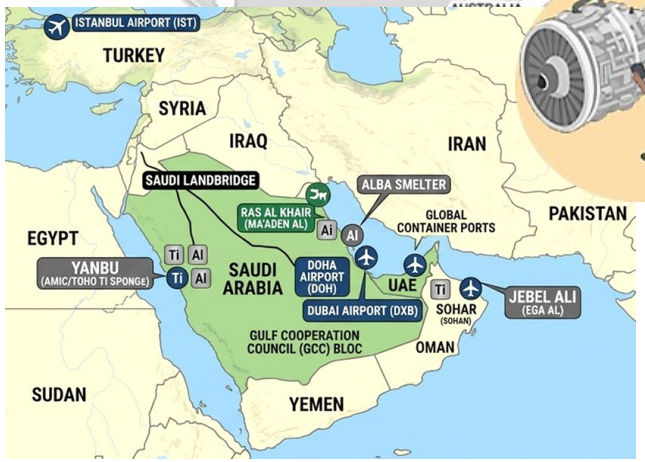
1. Increasing LNG (Liquefied Natural Gas) Supply
2. Shift Toward Cleaner Fossil Fuels (vs. Coal)
3. Complementary Solution to Intermittent Renewable Energy
4. Rising Adoption of Distributed Power Generation
5. Growth in Oil & Gas Exploration Activities
6. Increasing Demand from Data Centers

Applications: Industrial Manufacturing, Data Centers, and other sectors

- Note: Industrial Gas Turbines (IGT) refer to aviation-derivative turbines with capacity ≤70 MW, including applications in distributed power generation and petrochemical operations.
- Source: Global Market Insights; MarketsandMarkets; Allied Market Research.
  (Data has been compiled and adjusted for trend analysis and may differ slightly from the original reports.)

2026 Middle East Conflict – Impact on High-Nickel Alloy Aerospace Engine Fasteners

Engine Fastener Demand Remains Resilient

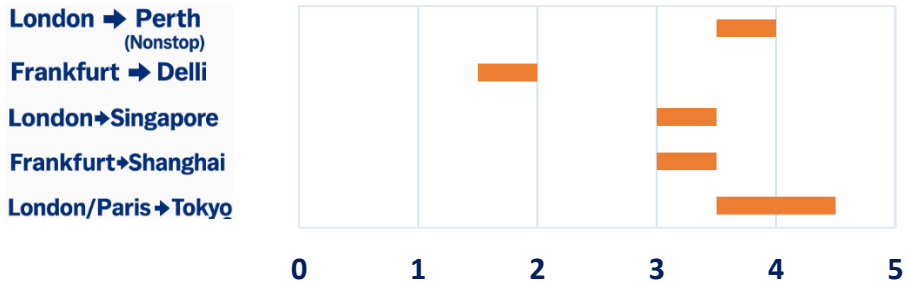


- Raw Materials(Ti / Al) • Logistics
- Maintenance • Manufacturing

MA'ADEN (SAUDI VISION 2030) · BOEING (TITANIUM) · AMIC TOHO (TITANIUM) · ALBA (ALUMINIUM) · SAFRAN (ENGINE COMPONENT) · EGA (ALUMINIUM) · AIRBUS (TITANIUM)

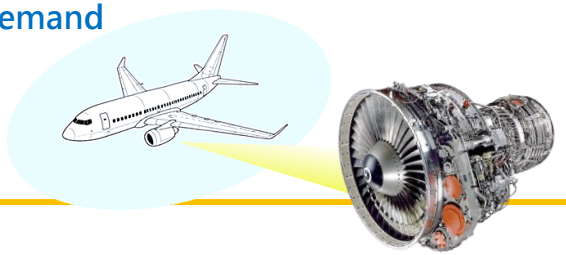
Companies with significant operations in conflict regions

2026 Extended Flight Routes: Europe–Asia sectors increased by 2+ hours on average



- Middle East Conflict: Extended flight routes and increased flight durations
- Increased Engine Load: Prolonged high-temperature operations accelerate wear, driving higher MRO demand
- Supply Chain Disruptions: Delays in raw materials and product deliveries pose challenges for Boeing and Airbus production
- Constrained Aircraft Deliveries: Airlines accelerate replacement of aging engines, boosting demand for new engines

☑ Dual demand drivers from new aircraft assembly and engine replacement support balanced growth in new engine demand

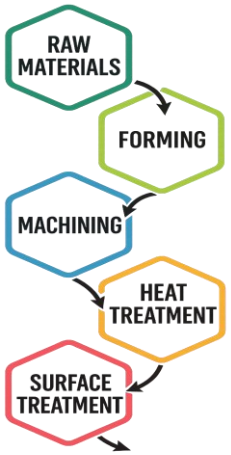


Our Strategic Initiatives in Response to Market Uncertainties

Through four strategic pillars, we enhance quality and cost control, build technological advantages, reduce geopolitical risks, and continuously improve delivery reliability and predictability

① Vertical Integration

- Strengthen quality and cost control
- Accelerate development cycles
- Enhance delivery reliability

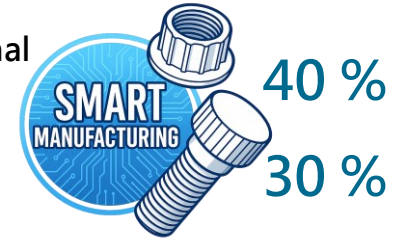


② Flexible Production Footprint

- Mitigate geopolitical risks through diversification
- Expand into growth markets
- Enhance supply chain flexibility

③ Digitalized Smart Manufacturing

- Optimize processes and product development
- Enable technology sharing and transfer
- Accumulate talent and institutional knowledge

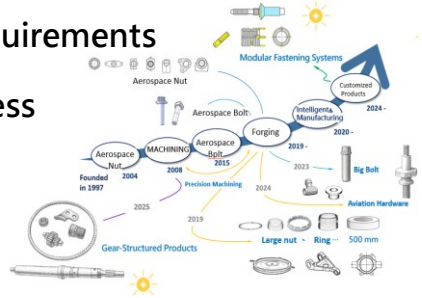


40 %

30 %

④ Niche Product Development

- Broaden product portfolio
- Address specific customer requirements
- Enhance global competitiveness

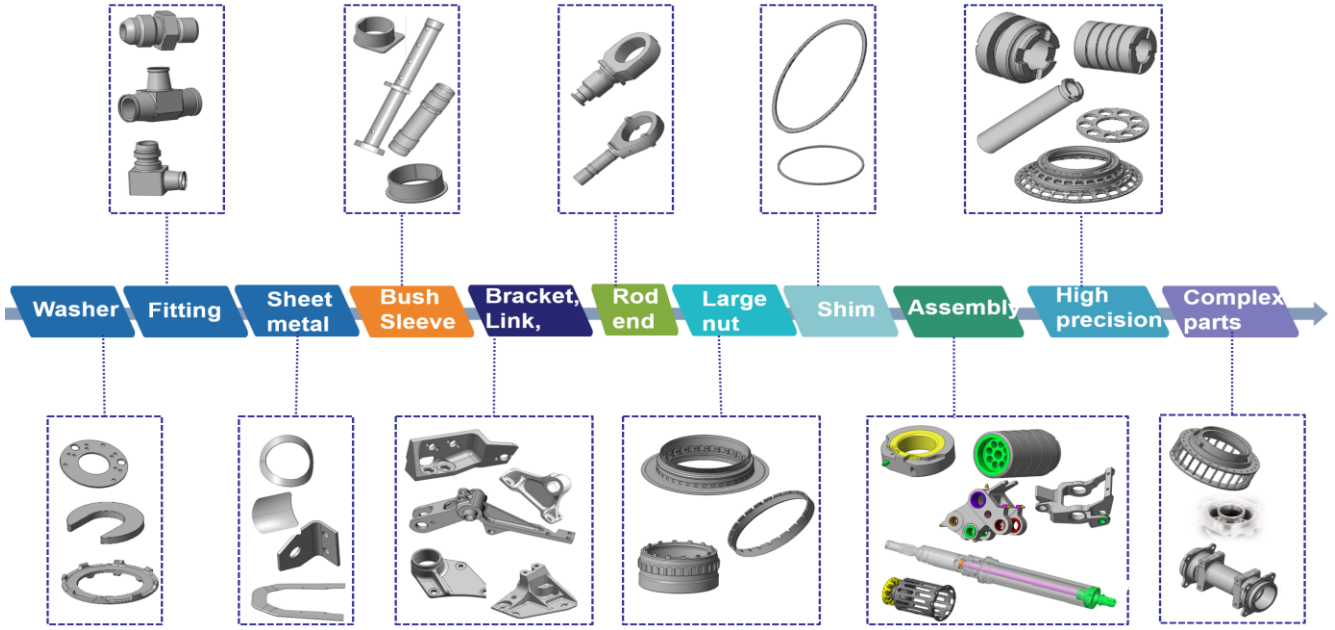


Malaysia Investment Plan

MY NAFCO PRECISION SDN.BHD.

MY NAFCO PRECISION SDN.BHD. Investment Plan

Internationalization and regionalization strategy: shifting manufacturing closer to end markets and upstream customer clusters



Machining capabilities to be established in phases at the Malaysia plant.

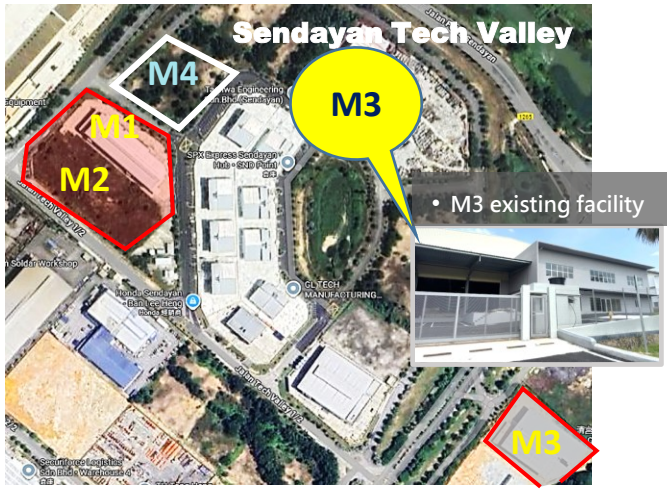
Malaysia Aerospace Industry Environment

- **Major MRO Hubs:** Airbus SAE, MAB Engineering, AIROD
- **Multi-OEM Ecosystem:** Airbus, Rolls-Royce, Boeing, GE, Pratt & Whitney
- **Strategic ASEAN Hub:** Gateway linking Southeast Asia and the broader Asia-Pacific market
- **Strong Government Support:** Active promotion of the aerospace industry, supported by tax incentives

MY NAFCO PRECISION SDN.BHD.

• M1 existing facility

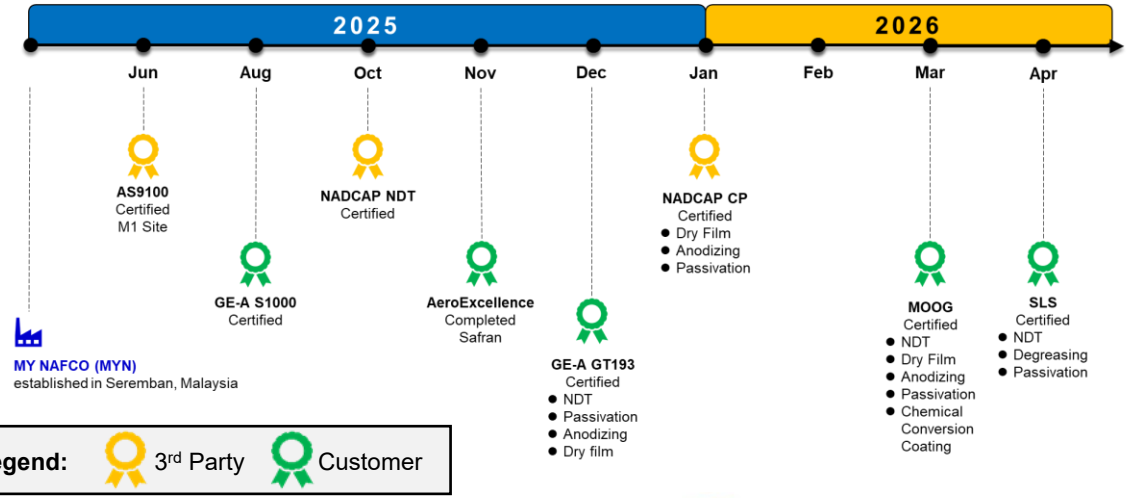
• M2 Plant Scheduled for Completion in 4Q27



• M3 existing facility

• Occupancy Permit Expected in 2Q26; Equipment Installation in 4Q26

Aerospace System Certification Status



- MYN Location Confirmation
- Contract Signing
- Production License Obtained in June
- Obtain Business License (Oct)
- Recruitment and Training of Workforce
- Equipment Installation and Commissioning
- AS9100 Certification Obtained
- NADCAP Accreditation and Special Process Certification Completed
- 2026 will focus on NPI development, with limited shipment volumes

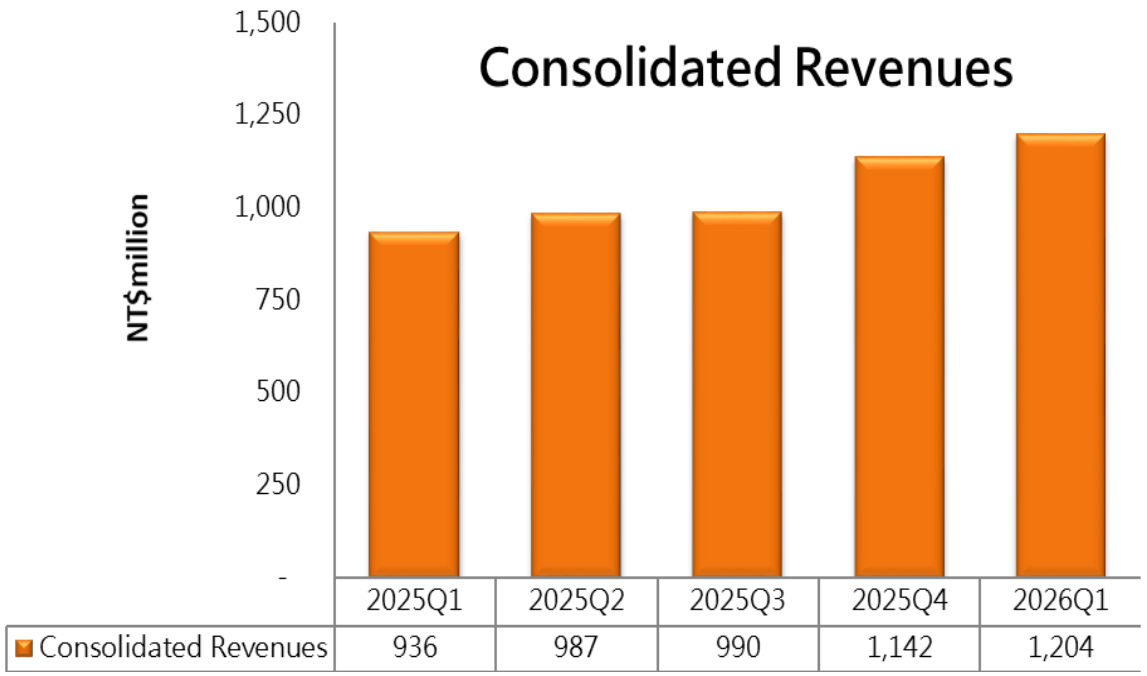
2023 Nov | 2024 Q1 | Q2 | Q3 | Q4 | 2025 Q1 | Q2 | Q3 | Q4 | 2026 Q1 | Q2 | Q3 | Q4

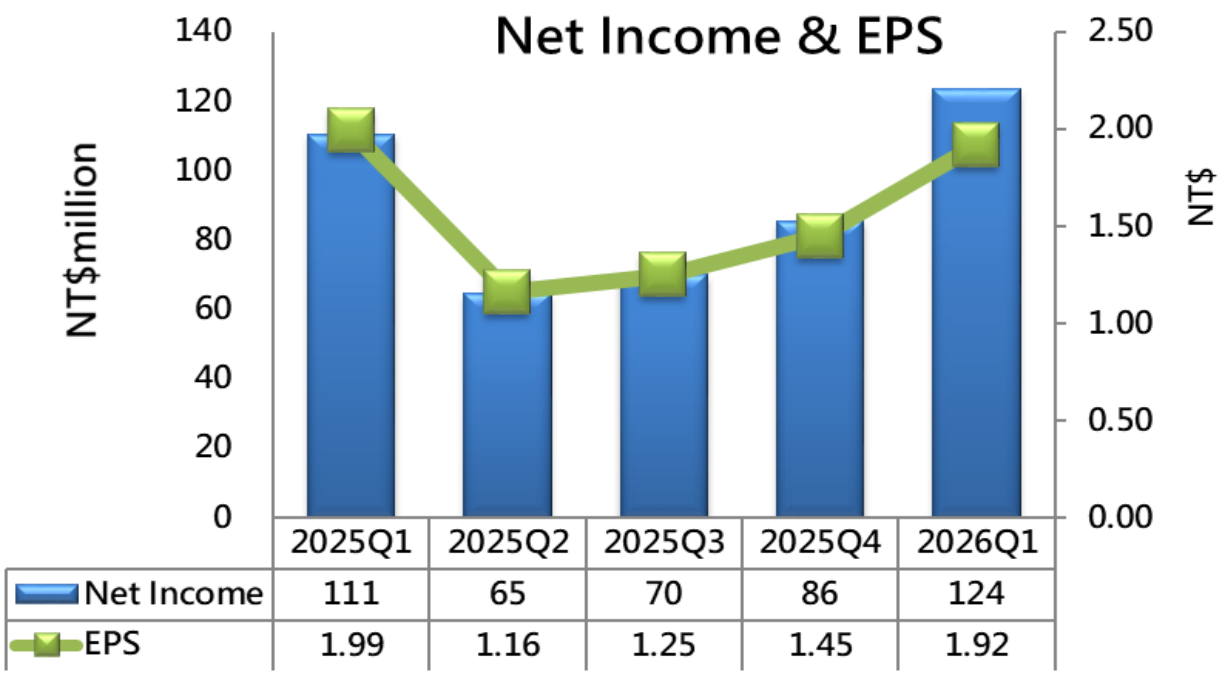
- Preparation for License Application
- HR Recruitment Preparation

Malaysia Plant Operational (2025/4/15)

FINANCE PERFORMANCE

Revenue, Net Income and EPS





Equity and Equity per share

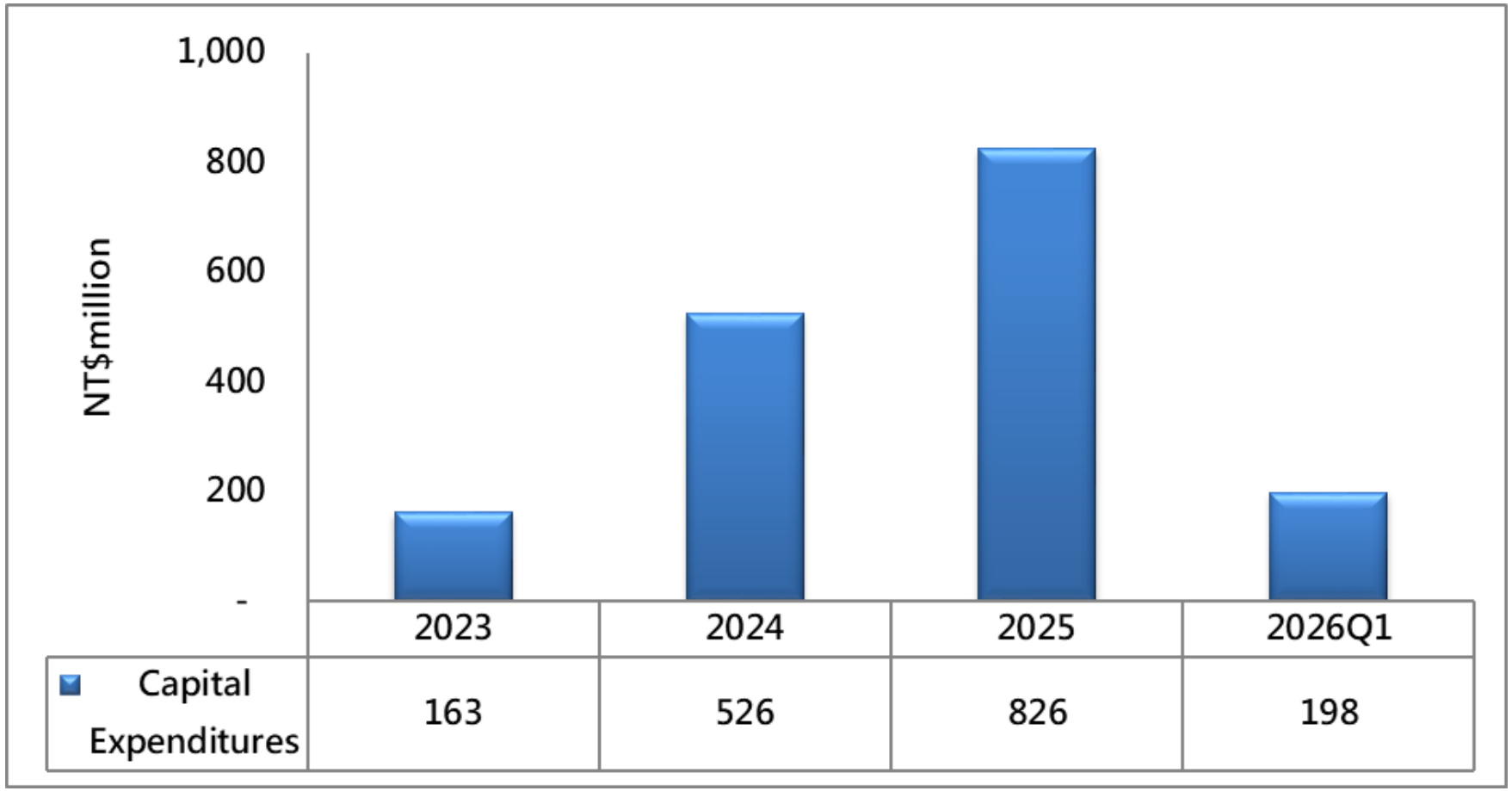
	2025.03.31	2025.06.30	2025.09.30	2025.12.31	2026.03.31
Equity	2,705	2,692	2,810	3,639	3,642
Equity per share	48.58	48.15	50.21	56.63	56.58

Dividends and Payout Ratios Over the Past Five Years

	2021	2022	2023	2024	2025
Sales revenue(NT$ million)	1,426	2,193	3,071	3,502	4,055
Net profit after tax (NT$ mill	(97)	150	308	376	331
EPS：(NTD)	(1.84)	2.85	5.77	6.88	5.85
Dividend(Cash：NTD)	-	1.02	2.5	3.01	2.55
Dividend rate %	-	36%	43%	44%	44%

Dividend payout ratio remained stable at approximately 40% – 45% from 2023 to 2025

Capital Expenditures



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Thank You