

Sanyang Motor Co Ltd (2206 TT)

Expanding Global Presence with Strong Two-Wheel and Auto Partnerships

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COMPANY OVERVIEW

Established in 1954, Sanyang is a leading manufacturer of motorcycles and automobiles, operating under the SYM brand for motorcycles and partnering with Hyundai for automobile manufacturing and distribution. With production facilities in Taiwan, China, and Vietnam and subsidiaries in Italy and Germany, the company has a strong global presence. Its diverse portfolio includes scooters, motorcycles, and Hyundai vehicles, supported by distribution, repair, and maintenance services. Recognized for its R&D innovation and international partnerships, Sanyang continues to expand its market reach and technological capabilities.

KEY POINTS

Taiwan's Leading Two-Wheel Manufacturer: Sanyang Motor (SYM) is Taiwan's top motorcycle and scooter manufacturer, known for its cutting-edge design and comprehensive product portfolio. In 2024, SYM achieved annual sales of over 300,000 motorcycles, securing an impressive 41% market share. Beyond two-wheelers, Sanyang has a strategic partnership with Hyundai (005380 KR), manufacturing and distributing Hyundai vehicles in Taiwan. This collaboration has propelled Hyundai's Taiwan market share to a record-high 5.0%, marking its strongest performance since entering the passenger car market. SYM's dual presence in motorcycles and automobiles strengthens its market leadership and long-term growth prospects.

Achieving Market Leadership Through Strategic Transformation: SYM's market dominance is the result of a decade-long transformation. In 2014, SYM held the lowest market share among Taiwan's top three motorcycle brands at just 9%, largely due to product quality issues and weak marketing. After assuming leadership in 2014 as Vice Chairman and later as Chairman & CEO in 2017, Chairman Wu spearheaded a strategic turnaround. His initiatives included enhancing dealer networks, integrating consumer feedback, and prioritizing flagship models with improved design, performance, and features tailored to younger riders. SYM also partnered with athletes and influencers to elevate brand recognition. These efforts resulted in a market share surge to 46.5% by January 2025, solidifying SYM's market leadership since 2021. In 2024, SYM achieved record-high revenue of NT\$65.7 billion (+1.8% YoY), marking a historic milestone in its growth trajectory.

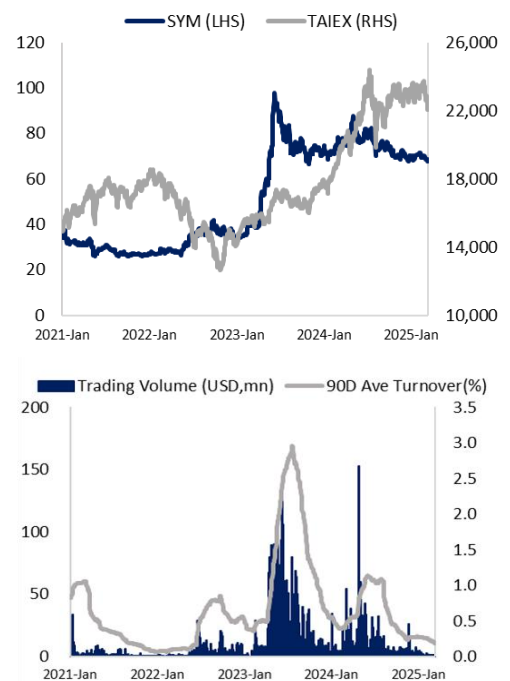
Strategic Partnerships in Battery Innovation: As the electric motorcycle market expands, Sanyang is actively investing in next-generation battery technology. Unlike competitors solely focused on lithium batteries, SYM is collaborating with CPC Corporation, Taiwan (CPC) and APh ePower to develop cost-effective, long-lifecycle, and fast-charging soft carbon and aluminum battery technologies. These innovations are expected to enter small-scale production between 2025 and 2026, with gradual commercialization planned for 2027. By diversifying battery solutions, Sanyang positions itself to capitalize on the evolving electric vehicle landscape, offering sustainable and competitive alternatives to meet the growing global demand for electric mobility.

Expanding Global Markets as a Key Growth Driver: Looking ahead, SYM has outlined a three-year strategic plan focused on innovation, market expansion, and reinforcing its leadership in both motorcycles and automobiles. For motorcycles, SYM will continue investing in new technologies and capacity expansion, targeting over 10% annual growth in exports and aiming to reach global sales of one million units per year. In automobiles, SYM plans to strengthen its partnership with Hyundai, introducing new models to further expand its market share and secure a top-four position among automotive brands in Taiwan. These initiatives underscore SYM's commitment to sustainable growth, ensuring its continued dominance and competitiveness in the global market.

KEY STATISTICS

Ticker:	2206 TT
Current Price:	NT\$ 67.7
52-Week Range:	NT\$ 67.6 - 87.6
Average Volume (30-Day, k shares):	601.6
Outstanding Shares (MN):	797
FINI Holding (%):	9.26
Market Cap (MN):	US\$ 1,639

PRICE PERFORMANCE



FINANCIAL SUMMARY

mn,NTD	FY21	FY22	FY23	LTM*
Revenue	41,617	50,851	64,461	66,136
Revenue YoY (%)	2.1	22.2	26.8	6.5
Gross Margin (%)	19.1	19.1	20.8	20.3
Op. Margin (%)	5.3	6.7	9.5	8.8
Net Income	1,830	3,116	6,298	5,124
Net Income YoY (%)	-5.6	70.3	102.1	-5.6
Net Margin (%)	4.4	6.1	9.8	7.7
EPS (NTD)	2.30	3.93	7.95	6.46
ROA (%)	4.0	6.0	10.0	8.0
ROE (%)	12.1	18.7	28.1	22.5
ROIC (%)	2.3	5.3	10.5	5.5
P/E (x)	11.8	8.6	9.0	10.5
P/B (x)	1.4	1.5	2.5	2.2
P/S (x)	0.5	0.5	0.9	0.8
EV/EBITDA (x)	10.2	8.8	10.1	10.4

* 4Q23-3Q24

Source: TEJ

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