



The Provider of
Integrated Material
Solutions

2024 Investor Meeting

2024.9.19

Ticker: 3444

Safe Harbor Statement



This presentation may contain forward-looking statements, including but not limited to business outlook, predictions, estimates. Such statements are based upon management's current beliefs and expectations and are subject to various risks, uncertainties and other factors that could cause actual outcomes and results to differ materially. We caution readers not to place undue reliance on forward-looking statements as these statements speak only as of the date they are made, and we disclaim any obligation to, update or alter any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law or regulation. This cautionary statement is applicable to all forward-looking statements contained in this presentation.

Profile

Established: 1993

Capital: 440 million (NTD)

Listed on the Stock Exchange: 2008

Business Locations:



Taichung
(HQ)



Hsinchu

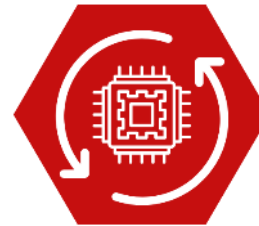


Kaohsiung



Suzhou

Business Segments:



Sales Agency of Advanced Materials

Semiconductor, FPD, and LED-related materials, components, and equipment.



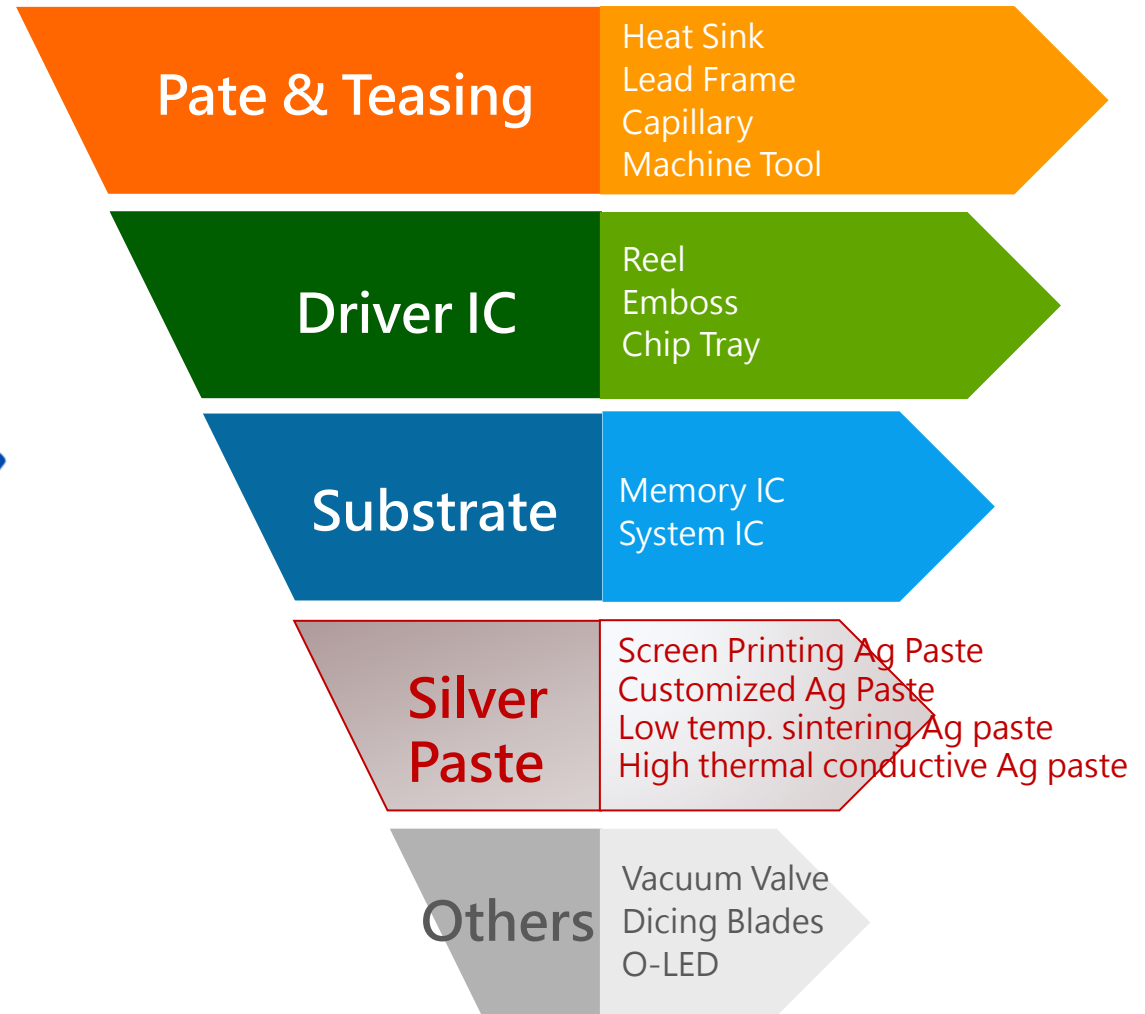
R&D technology & manufacture

1. Low-temperature Sintered Silver Paste
2. Conductive Silver Paste
3. Screen Printing Silver Paste
4. Customized Silver Paste

Operation Strategy (1/2)



Agent
↓
Materials-Integrated supplier

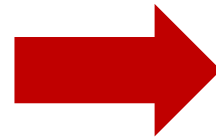
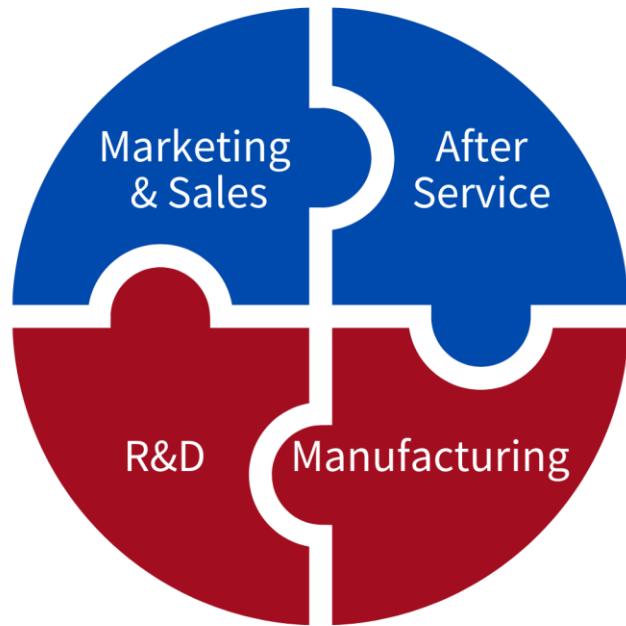


Operation Strategy (2/2)

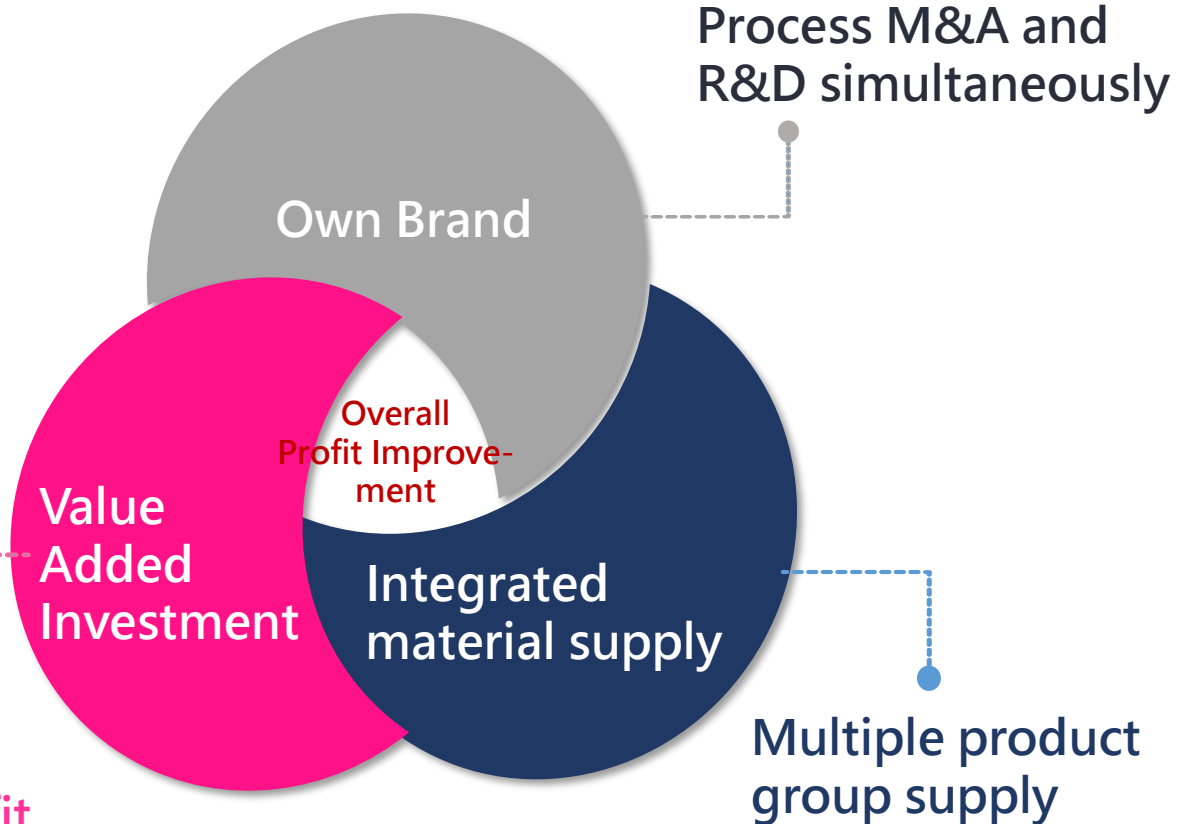
Agent

Transformation to Improve profit

Materials-Integrated supplier



Alliance and mutual benefit operation



Process M&A and R&D simultaneously

Own Brand

Overall Profit Improvement

Value Added Investment

Integrated material supply

Multiple product group supply



Operating Report

綜合損益表



(NT\$ Thousand)	2022	2023	1Q 2024	2Q 2024	1H 2024	2Q 2024		1H 2024
						QoQ	YoY	YoY
Revenue	1,060,398	976,397	238,074	301,397	539,471	27%	16%	15%
Gross Profit	310,949	255,756	63,037	73,889	136,926	17%	10%	11%
GP Margin Rate	29%	26%	26%	25%	25%	-4%	4%	-2%
Operation Income	124,057	75,279	13,241	21,977	35,218	66%	-1%	15%
Non-Operating Income	110,067	36,565	23,801	14,426	38,227	-39%	-17%	24%
Income Before Tax	234,124	111,844	37,042	36,403	73,445	-2%	-8%	19%
Net Income	195,976	93,545	31,079	33,013	64,092	6%	4%	21%
Net Income Margin	18%	10%	13%	11%	12%	-16%	-9%	6%
EPS (NT\$)	5.01	2.16	0.69	0.73	1.42	6%	4%	16%

資產負債表



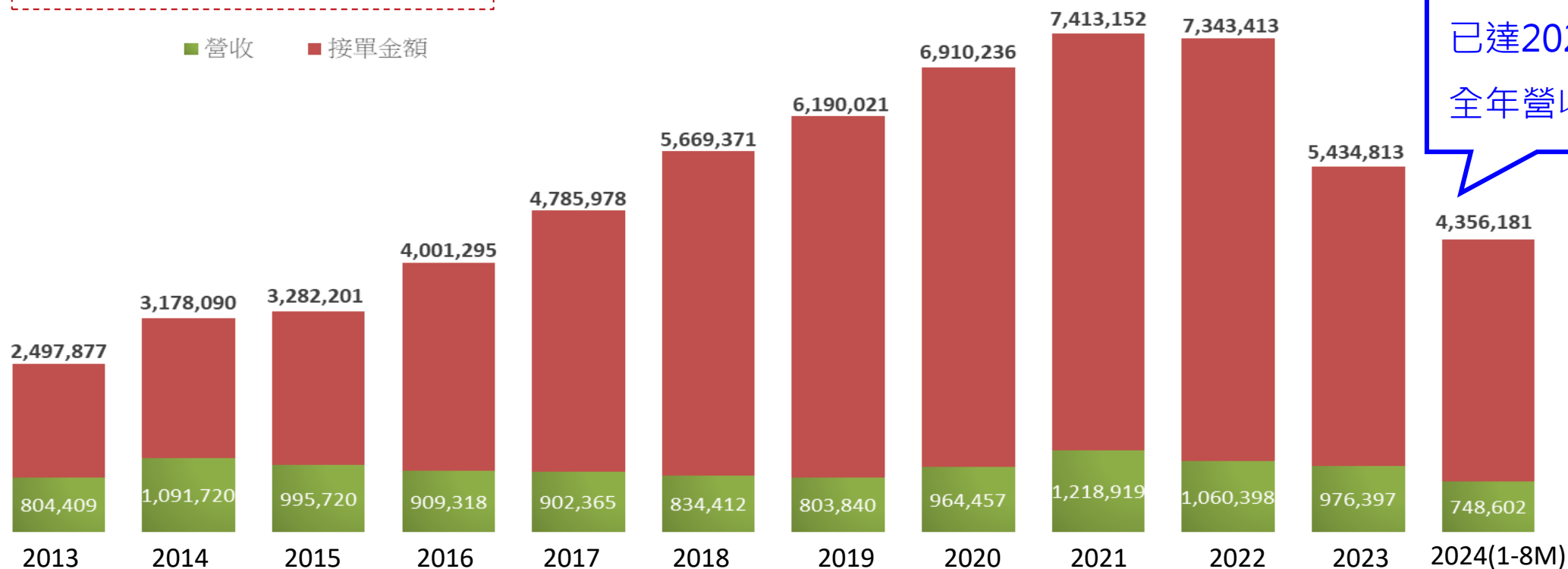
<i>(NT\$ Thousand)</i>	2020	2021	2022	2023	1H 2024
ASSETS					
Cash and cash equivalents	170,088	279,765	327,431	398,797	326,883
Accounts receivable	597,702	509,553	532,247	443,432	515,364
Inventories	47,736	66,764	60,048	67,008	48,992
Investments	188,357	205,830	257,247	263,434	289,645
Property, plant and equipment	227,025	228,528	226,154	223,341	282,946
Other assets	71,074	23,817	26,539	34,288	30,577
Total Assets	1,301,982	1,314,257	1,429,666	1,430,300	1,494,407
LIABILITIES					
Short-term loans	224,782	126,429	150,000	-	-
Accounts payable	240,718	265,051	227,968	233,559	263,109
Other liabilities	99,569	115,613	131,435	110,272	195,373
Total Liabilities	565,069	507,093	509,403	343,831	458,482
Total Stockholders' Equity	736,913	807,164	920,263	1,086,469	1,035,925
Net Asset Value	18.84	20.64	23.53	24.63	23.48

Revenue and Business Amount



單位：仟元

2013-2023 CAGR(複合成長率)
營收：2%
接單金額：8.1%

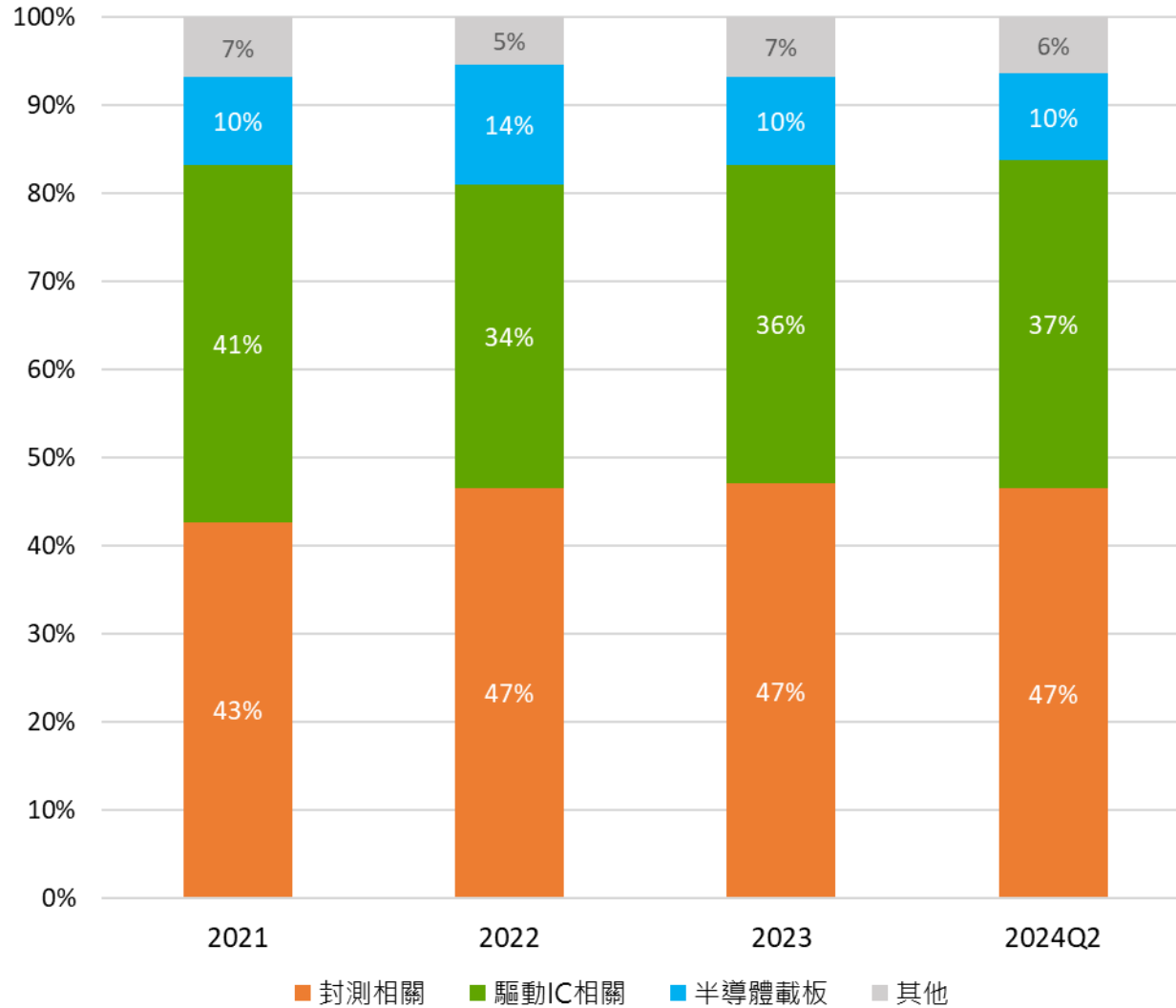


已達2023年
全年營收77%

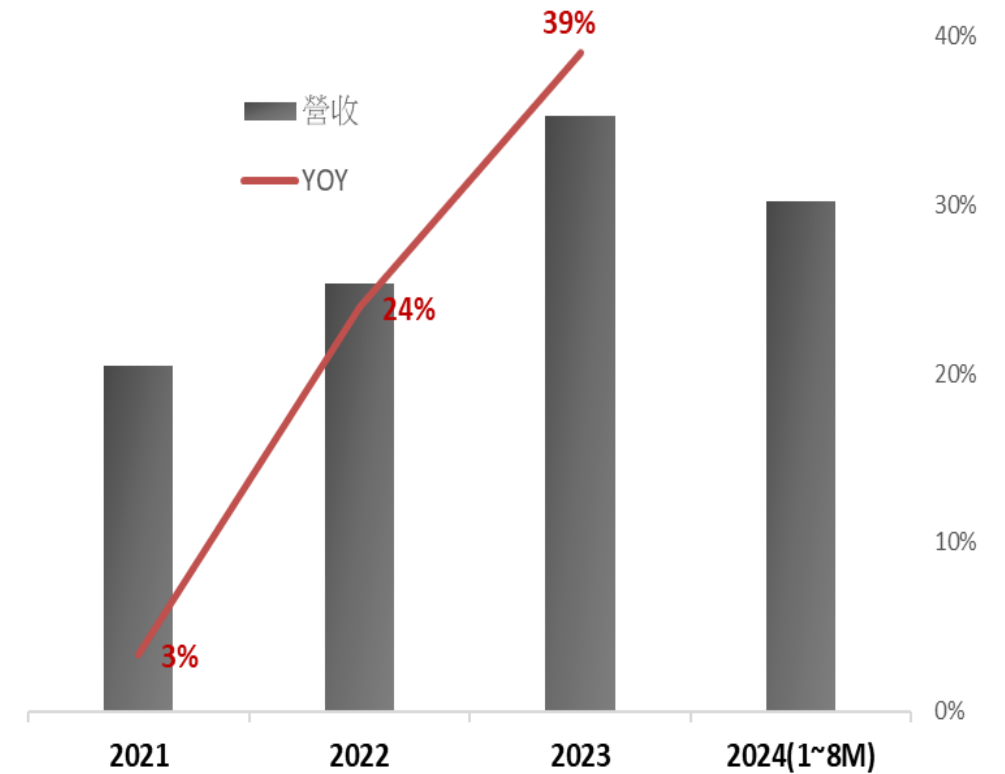
說明： 營收模式：分為買賣模式(營收全部認列)及佣金模式(僅佣金收入認列)

接單金額=訂單總金額(銷售模式+佣金模式)

Revenue Distribution by Product Category



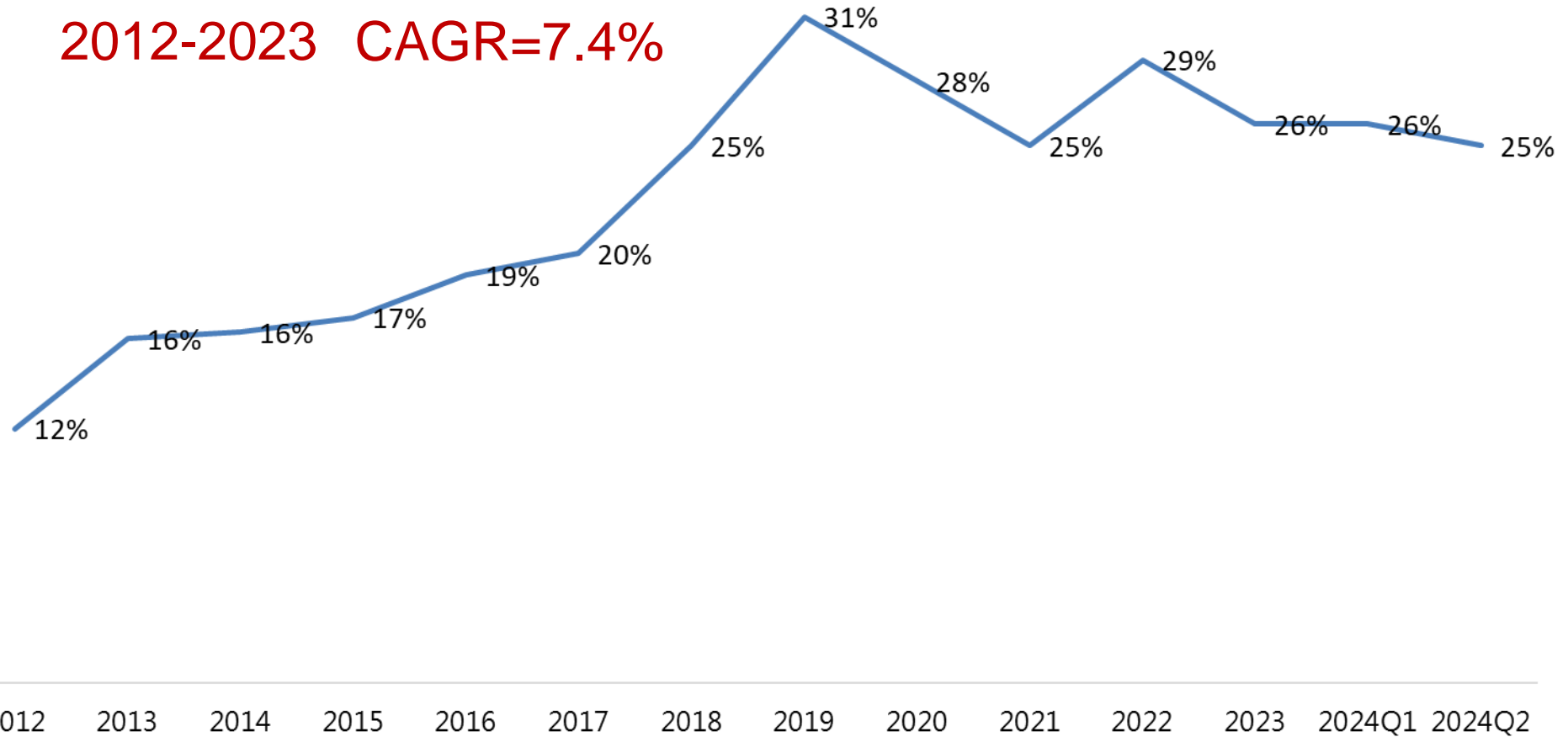
Revenue of Silver Pater



GP Margin Rate



2012-2023 CAGR=7.4%



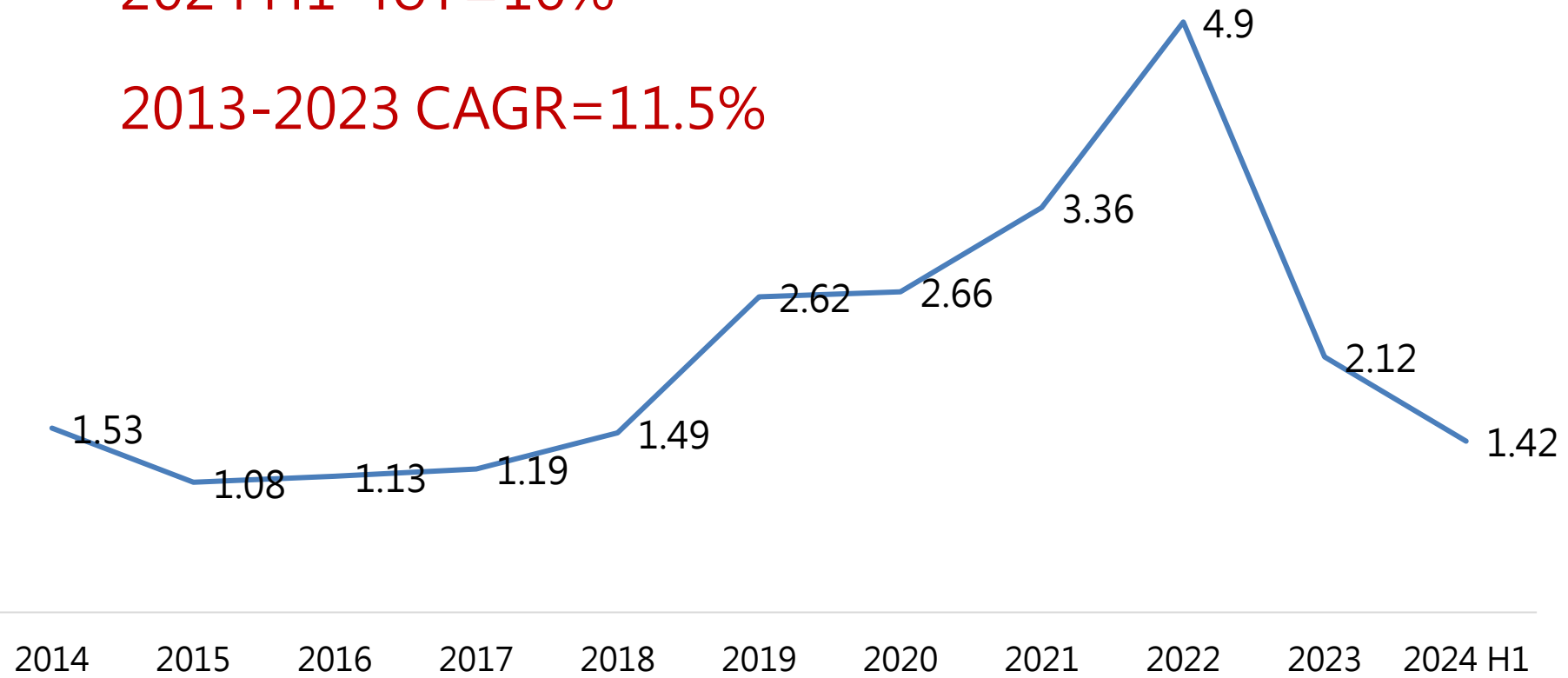
EPS



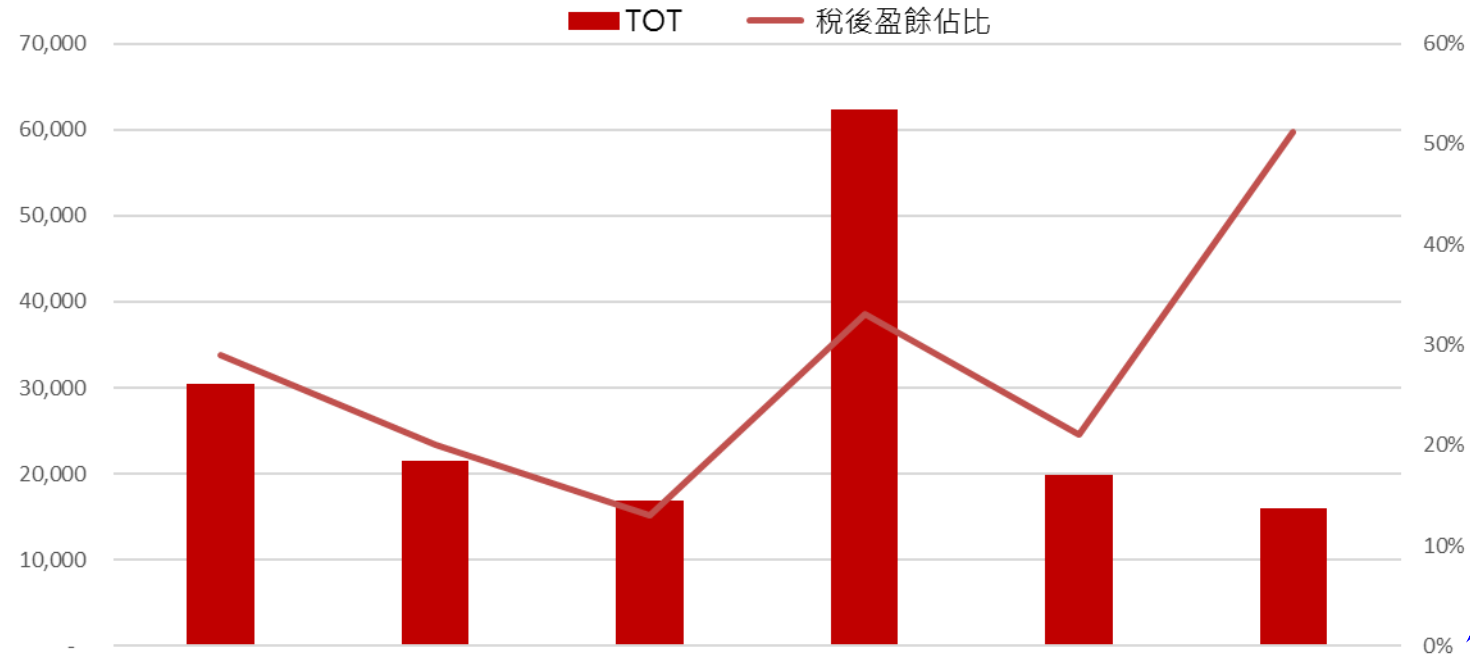
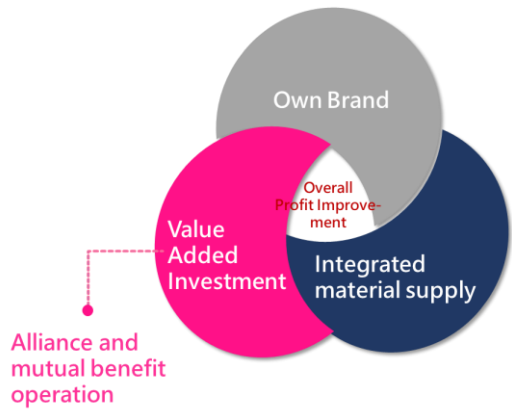
單位：元

2024 H1 YoY=16%

2013-2023 CAGR=11.5%



Value-added investment contributes to long-term stable profits



STNS has transformed from a cost center to a profit center, with an increase in commission rate. Niching increased its shareholding from 30% to 49% at the end of March.

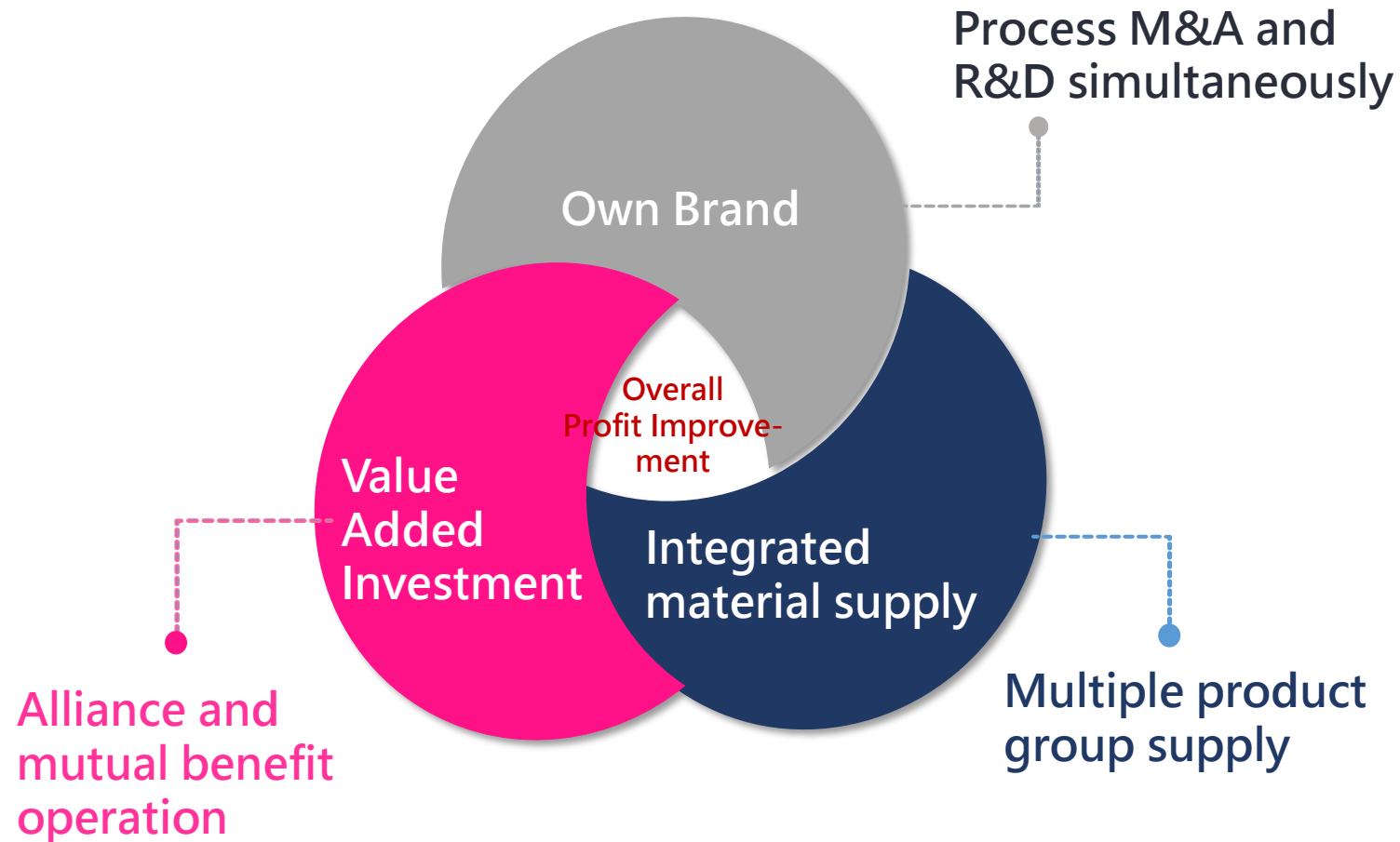
Has reached 80% of last year

(NT\$千元)	2019	2020	2021	2022	2023	2024H1
精材	1,680	1,344	1,680	2,351	1,008	1,680
STNC	12,799	5,493	669	10,007	(3,521)	5,010
ENT	15,904	14,669	14,485	49,965	22,434	9,223
TOT	30,382	21,506	16,834	62,323	19,922	15,913
稅後盈餘佔比	29%	20%	13%	33%	21%	25%



Future Outlook

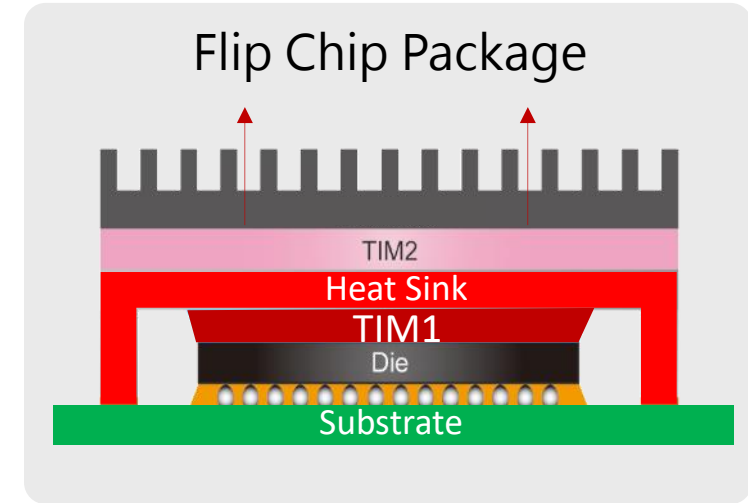
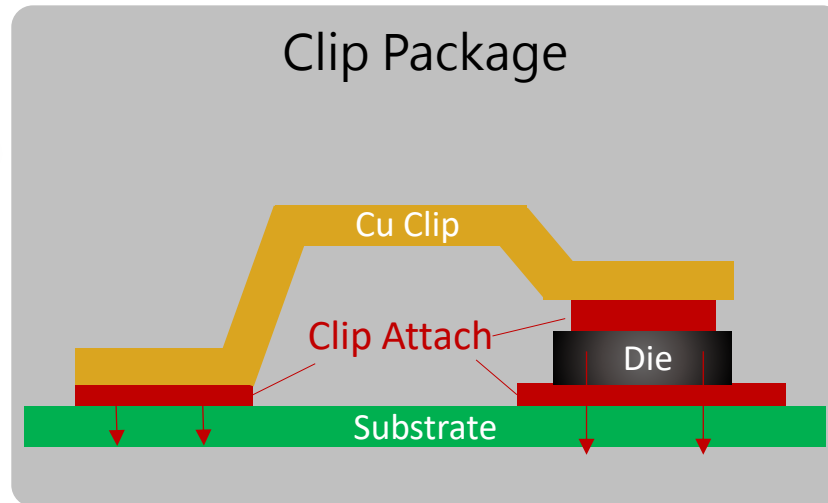
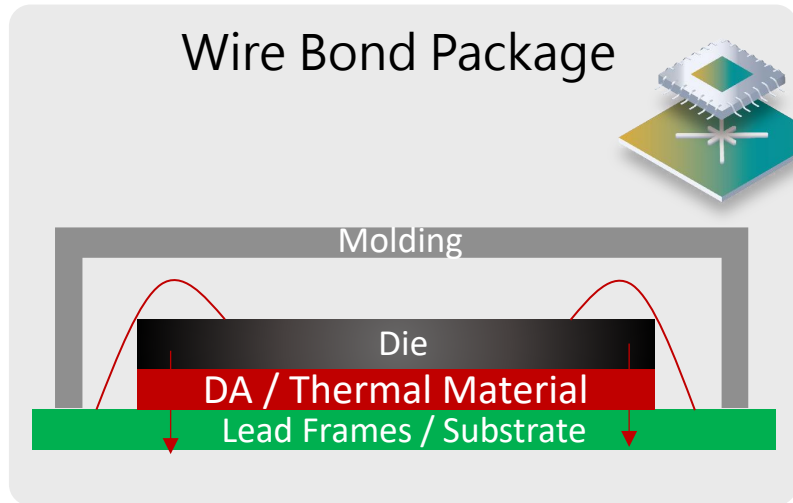
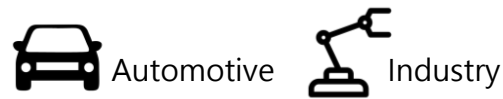
Transformation to Improve profit



Operation Strategy I : Multiple product group supply



IC Heat-dissipation ↔ Develop Own advanced Materials



Die Attach Paste
(High thermal conductive silver paste 、 silver sintering paste)

Clip Attach Paste
(Silver sintering paste)

TIM1 、 Heat Sink
(Silver sintering paste)

Operation Strategy II : Develop Own Advanced Materials_By RD

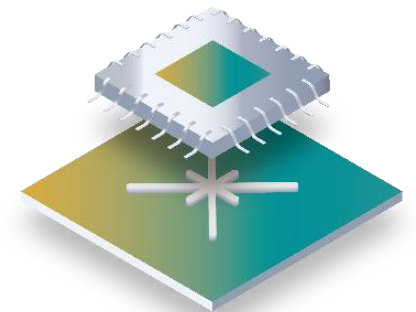
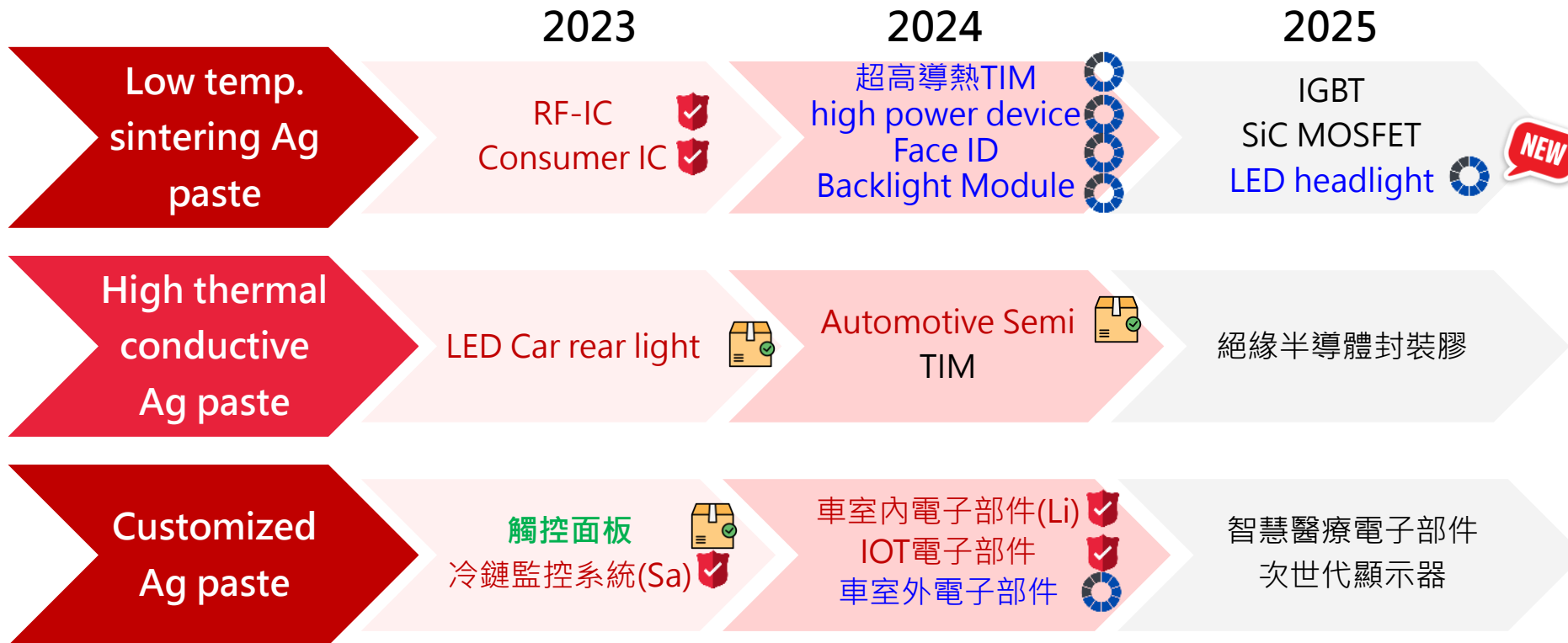


1 Own Technology Smooth progress with roadmap

Verified

In Progress

Mass production



Operation Strategy II : Develop Own Advanced Materials_By RD



1 Own Technology

Focus on high-power components and high-computing heat dissipation applications

- Customized
- Low-temp. sintering
- High thermal conductive

high-power components

Automotive

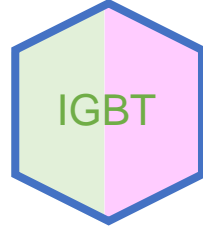


- 1. 高附著強度
- 2. 高信賴性



- 1. 超高散熱性 (>200 W/mk)
- 2. 高信賴性

high-power components



- 1. 適用大尺寸 (>5x5 mm)晶片
- 2. 高散熱性 (>150 W/mk)

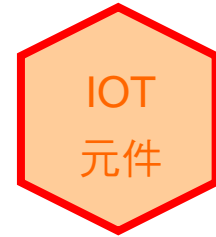
high-computing heat dissipation

AI



- 1. 高導熱性
- 2. 高韌性
- 3. 高信賴性

IOT



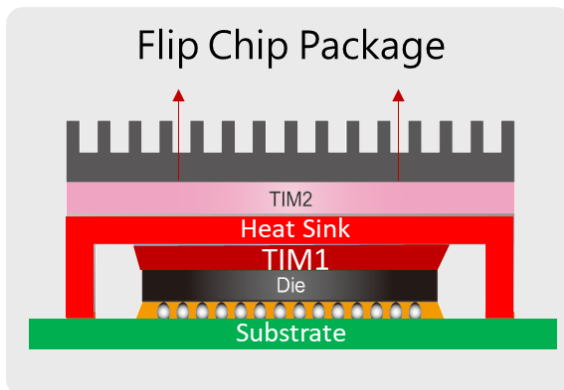
- 1. 快速固化
- 2. 高導電性

Operation Strategy II : Develop Own advanced Materials By MA



2 Acquisition of Heat Sink Manufacturer

1. Complete sizes, customized production, focusing on large size and advanced packaging in 2024.
2. Through mergers and acquisitions to complete different processes, including electroless nickel plating and electrolytic nickel plating, will be able to undertake all packaging customer needs and provide more comprehensive services.

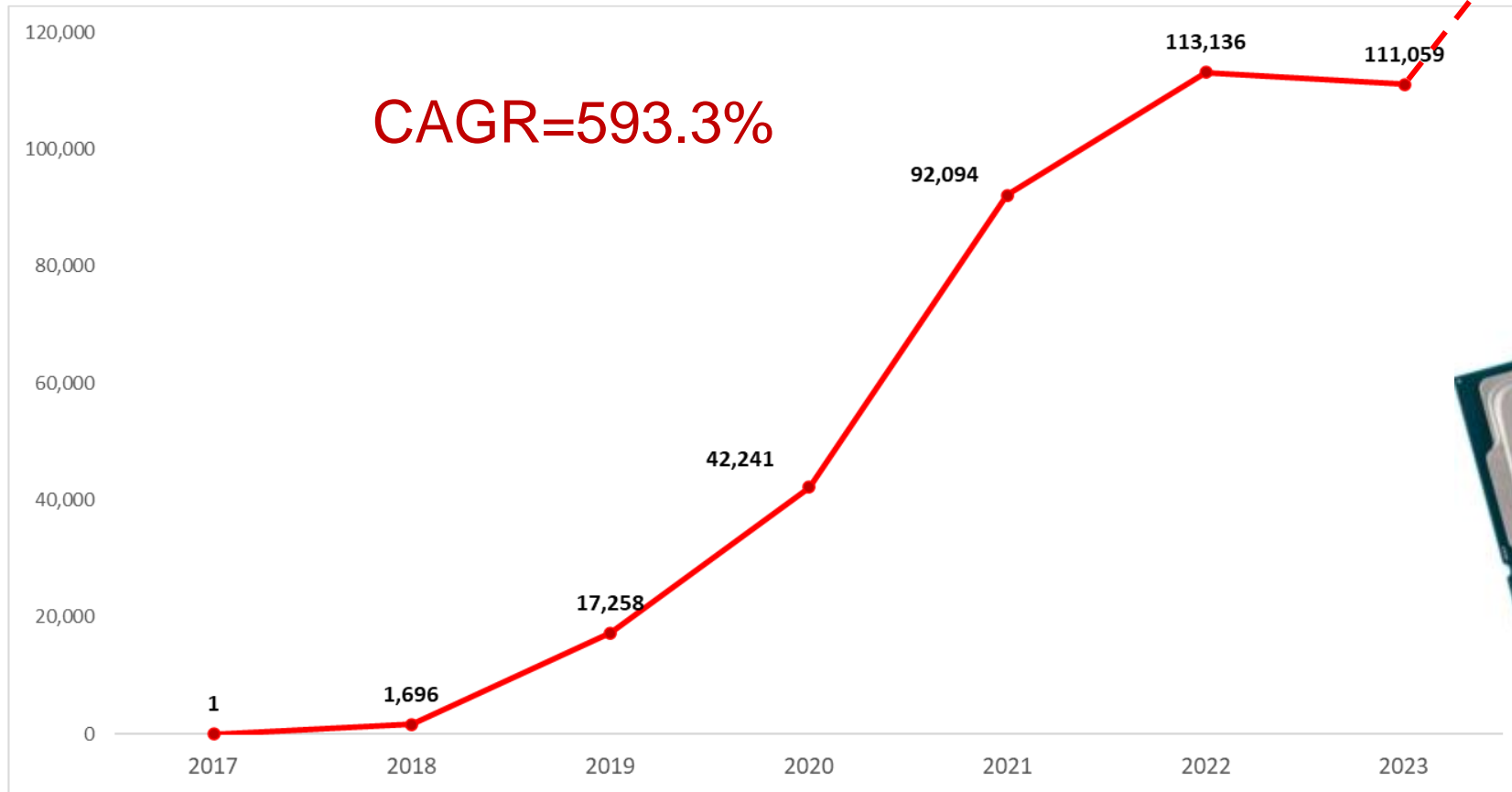


Application	Size	Technology	Prize	Niching's advantage
Consumer IC	Small	Low	Low	1. Tools copper/aluminum/stainless steel high-precision stamping technology and customized production 2. Qualified suppliers from Taiwanese packaging company
Wireless AP	Large above 40*40mm	High	High	
Server				
CPU/GPU				

Heat Sink Revenue by Year



Unit: thousand (NTD)



Summary (1/2)



1. Monthly revenue has exceeded 100 million for four consecutive months. The cumulative revenue from January to August has reached 77% of the full-year revenue in 2023, which is better than market expectations and strives to achieve a new high in full-year revenue.
2. Silver paste products - partially mass-produced and currently verified by multiple customers. In 2024, we are focusing on high-power components and high-computing heat dissipation applications,. Two new customers are sending samples, and high-power components received new orders in the second half of the year.
3. New Products - new drivers for business growth
 - 1) Vacuum Valves - Received new orders in the first half of the year, launching new products in the second half of the year, and currently being verified by multiple customers.
 - 2) Dicing Blades – Received new orders, and package saw is expected to obtain opportunities with major packaging manufacturers.

Summary (2/2)



4. Value-added investment - The investment income in the first half of the year has reached 80% of the full year of 2023. Profit contributions are expected to grow significantly in 2024.



THANK YOU

