



The Provider of
Integrated Material
Solutions

2024 Investor Meeting

2024.6.27

Stock code 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

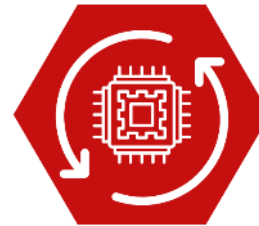


Kaohsiung



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



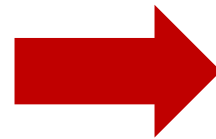
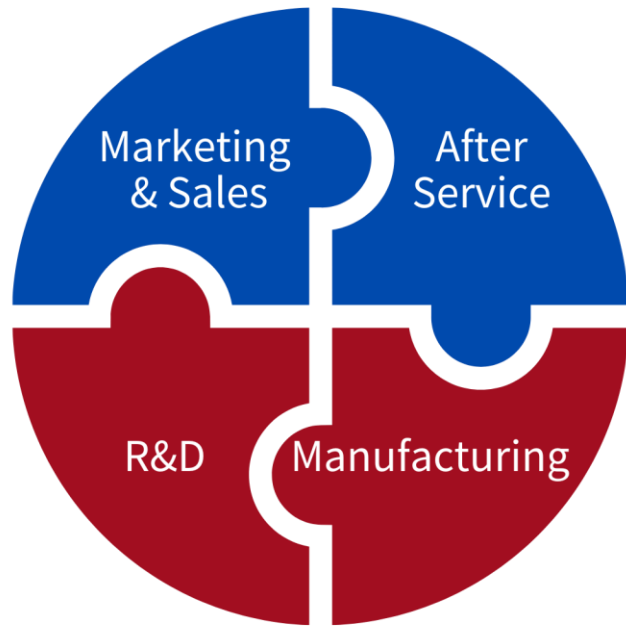
Future Outlook

Operation Strategy

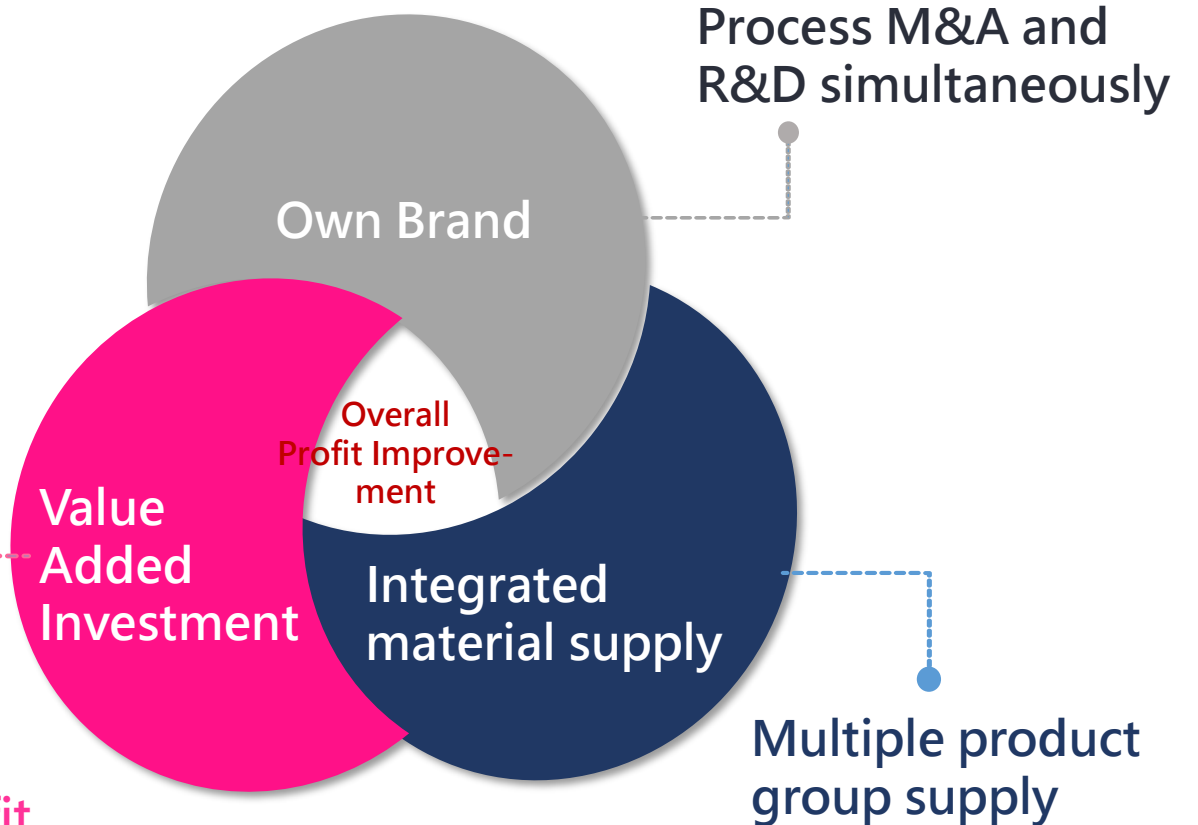
Agent

Transformation to Improve profit

Materials-Integrated supplier



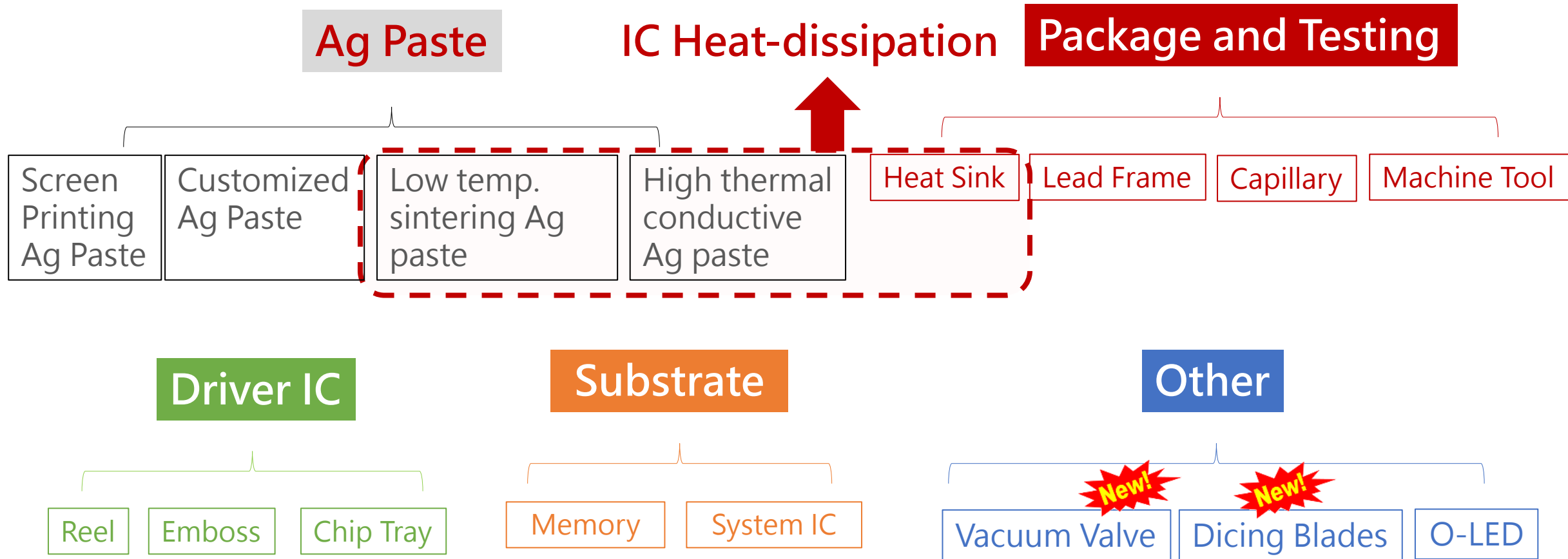
Alliance and mutual benefit operation



Operation Strategy I : Multiple product group supply



Total Solution, One Stop Shop



Operation Strategy I : Multiple product group supply

IC Heat-dissipation ↔ Develop Own advanced Materials

1. Die Attach (High thermal conductive Ag paste

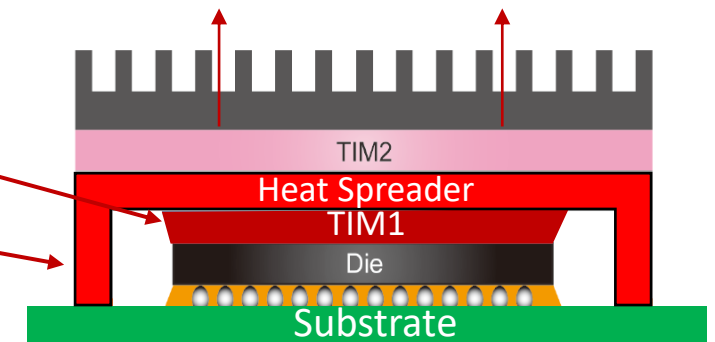
- Low temp. sintering Ag paste)
- Package: Wire Bond Package
- Application: 5G 、 RF 、 EV 、 IGBT 、 Quick Charge...



2. TIM1 (Low temp. sintering Ag paste)

3. Heatsink

- Package : Flip Chip Package
- Application : AI 、 Base Station 、 Server...



Operation Strategy II : Develop Own Advanced Materials_By RD

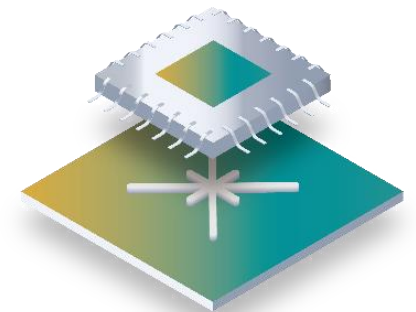
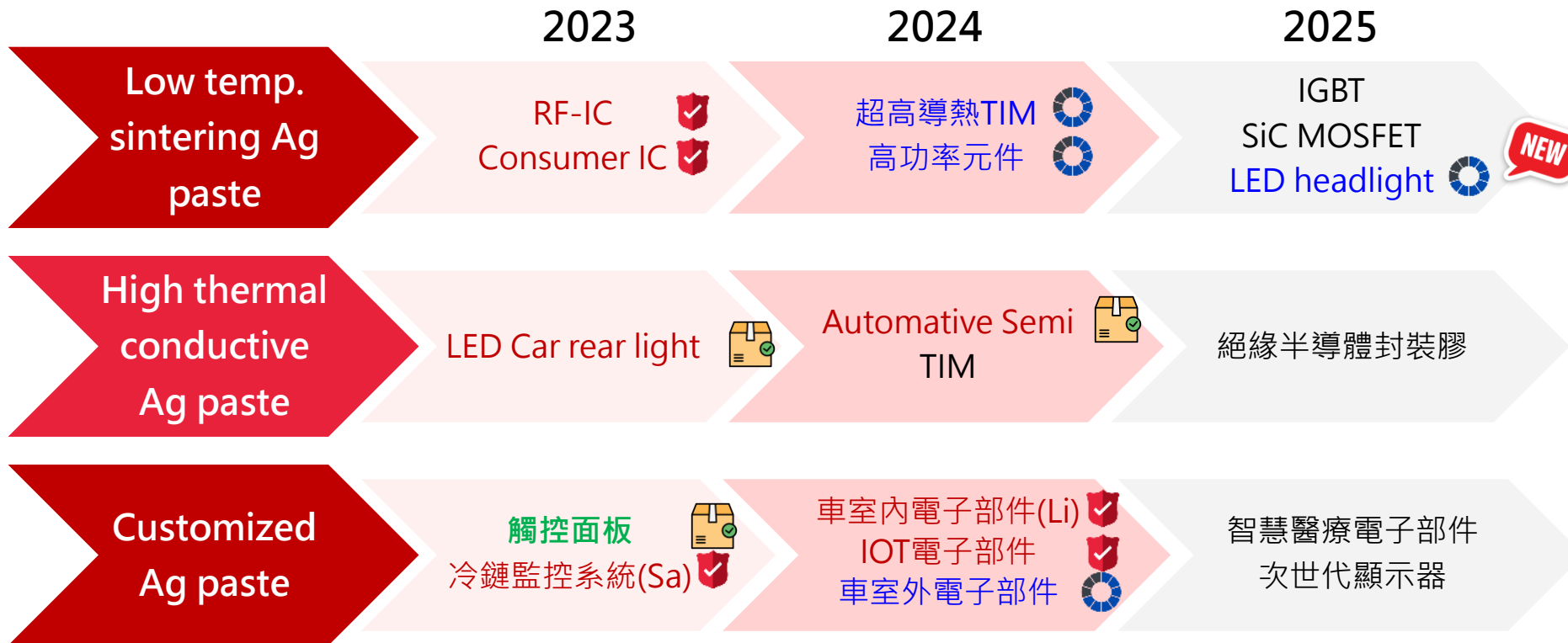


1 Own Technology Smooth progress with roadmap

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

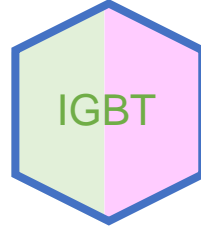


- 1. 高附著強度
- 2. 高信賴性



- 1. 超高散熱性
($> 200 \text{ W/mk}$)
- 2. 高信賴性

high-power components



- 1. 適用大尺寸
($> 5 \times 5 \text{ mm}$)晶片
- 2. 高散熱性
($> 150 \text{ W/mk}$)

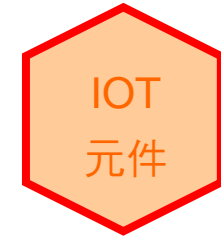
high-computing heat dissipation

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



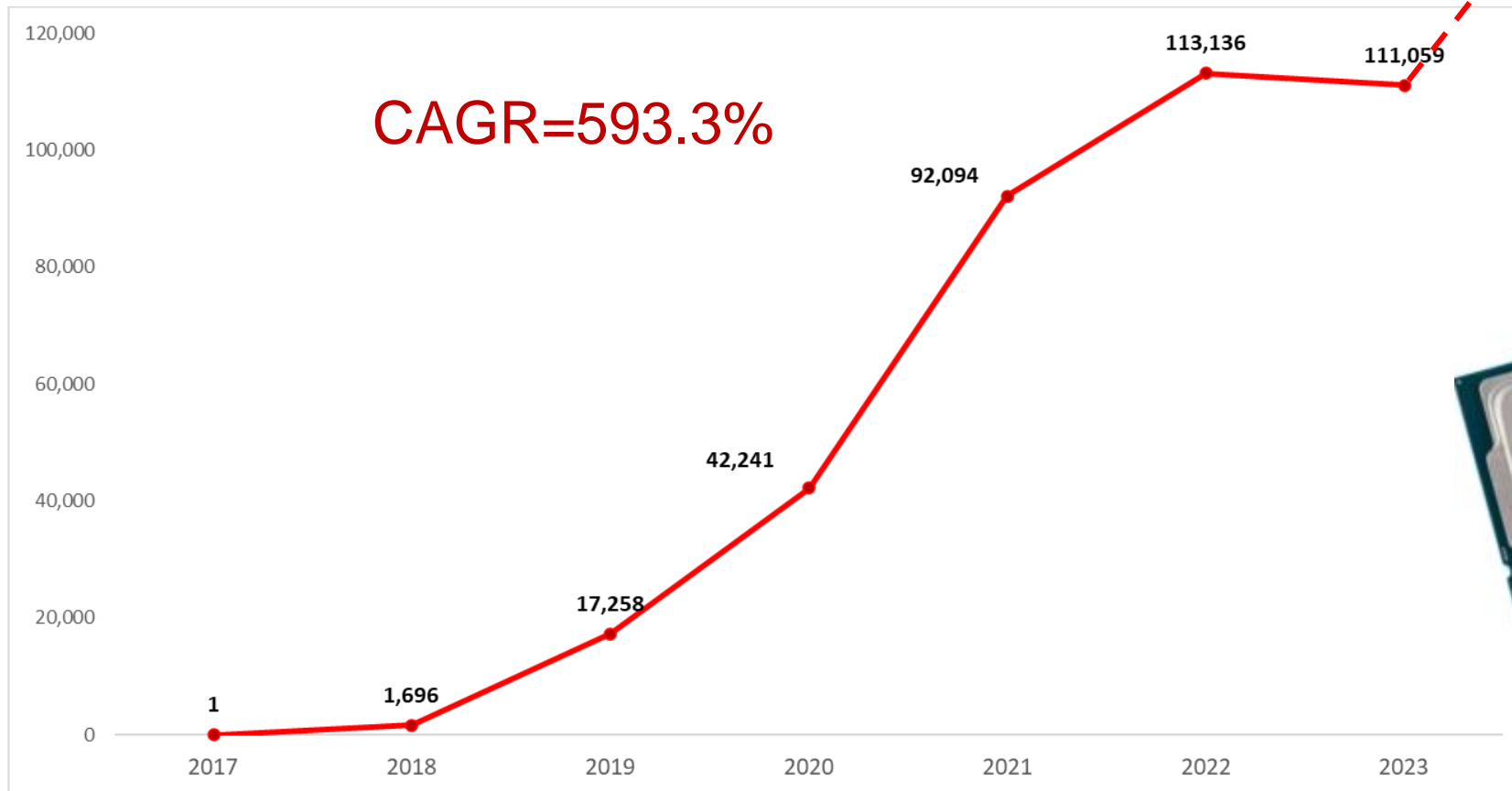
2 Acquisition of Heat Sink Manufacturer

1. Establishing various processes for Heat Sink Electroplating, including electroless nickel plating & electroless nickel plating, catering to all packaging customer needs, enhancing service coverage.
2. Becoming one of the key suppliers for customer Heat Sink needs, providing safety, timely delivery, high quality, and advanced technology.
3. Continuing to drive acquisitions of Heat Sink manufacturers in 2024.

Heat Sink Revenue by Year



Unit: thousand (NTD)



Operation Strategy III :

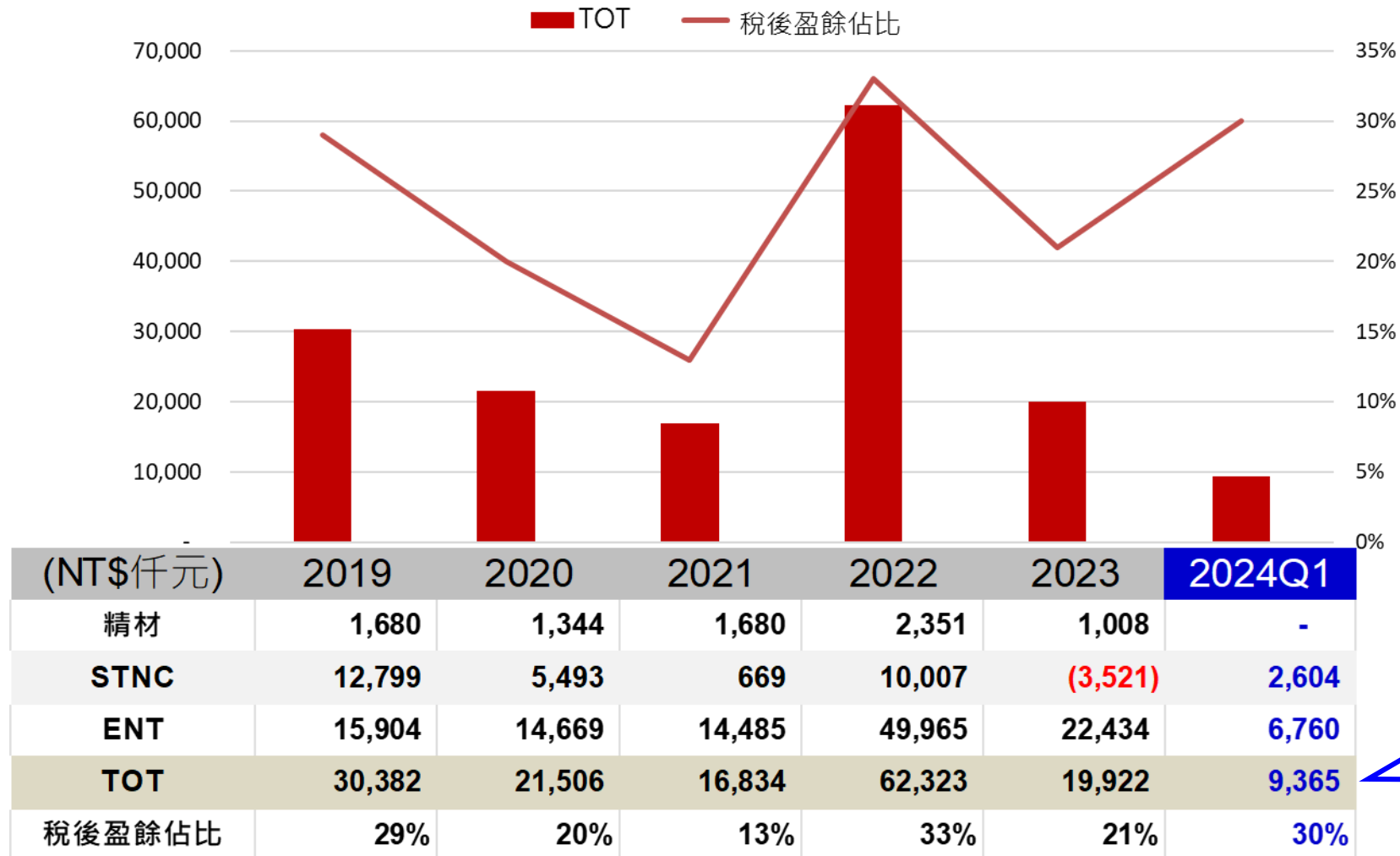
Expand Value Added Investment



Alliance-based Operations: Mutual Benefits and Reciprocity

1. STNS has transformed from a cost center to a profit center, with an increase in commission rate. In Q1, it contributed NTD 2.6 million in investment income, a quarterly increase of 461%. At the same time, Niching increased its shareholding from 30% to 49% at the end of March, which is expected to drive substantial growth in investment income in 2024.
2. Niching and Japan's Enplas Group are expanding Niching's holdings in Taiwan to jointly operate the mainland Socket market.
3. Niching and UTYC jointly invested in precise materials technology to expand the market for driving IC materials such as Emboss and Reel. The profit last year was good and increased Niching's dividend income.

Value-added investment contributes to long-term stable profits



Has reached 47% of last year



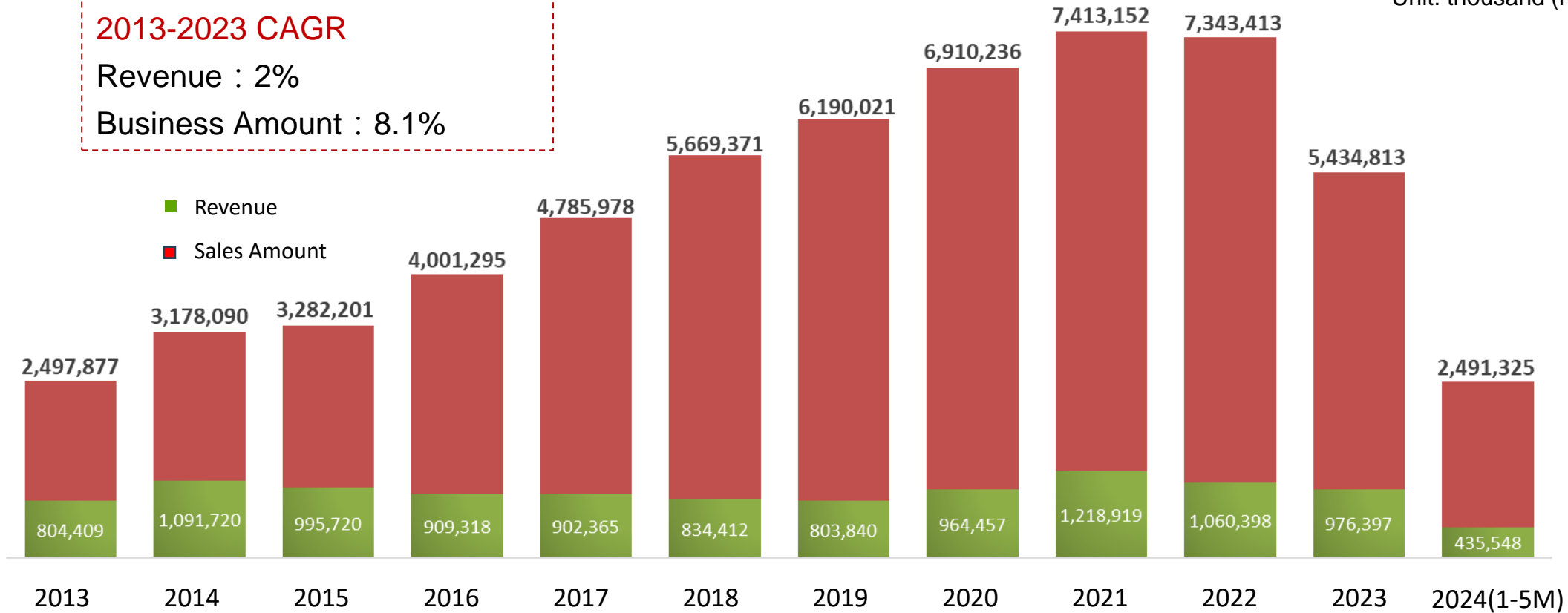
Operating Report

Revenue and Business Amount



Unit: thousand (NTD)

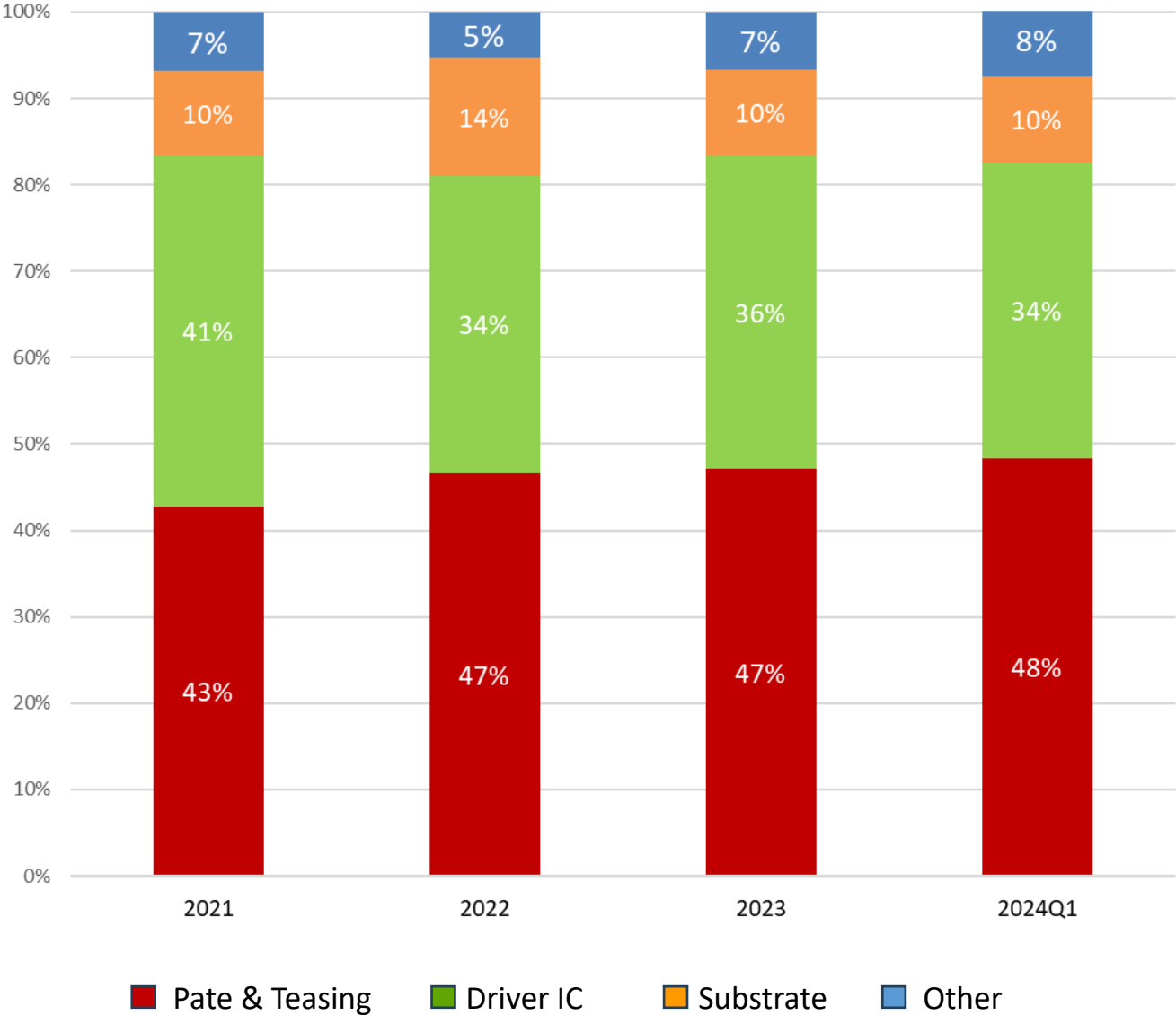
2013-2023 CAGR
 Revenue : 2%
 Business Amount : 8.1%



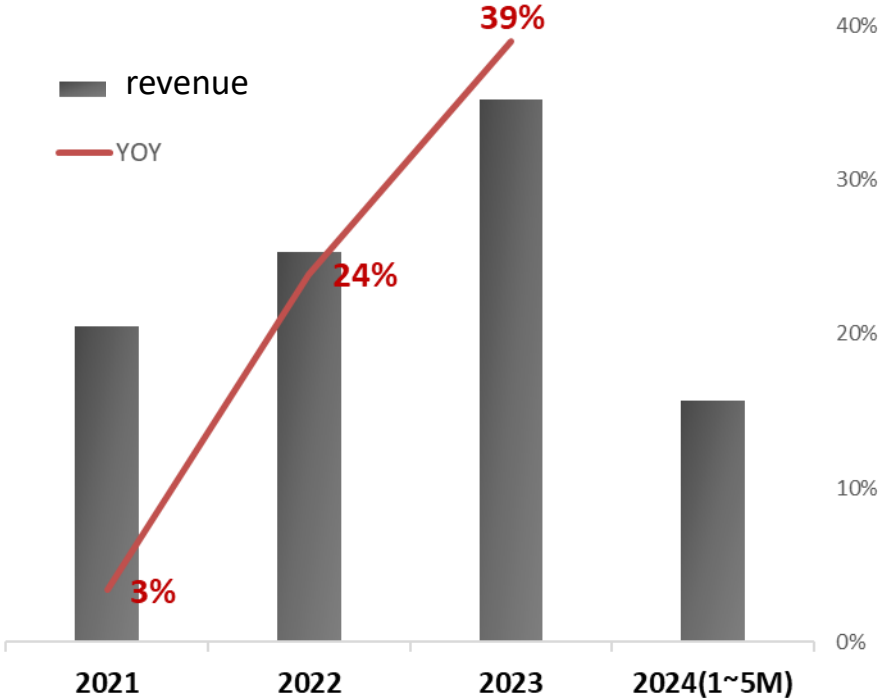
Revenue : Segmented into Trading Model (all revenue recognized) and Commission Model (only commission income recognized)

Business amount : Total order amount (Sales model + Commission model)

Revenue Distribution by Product Category



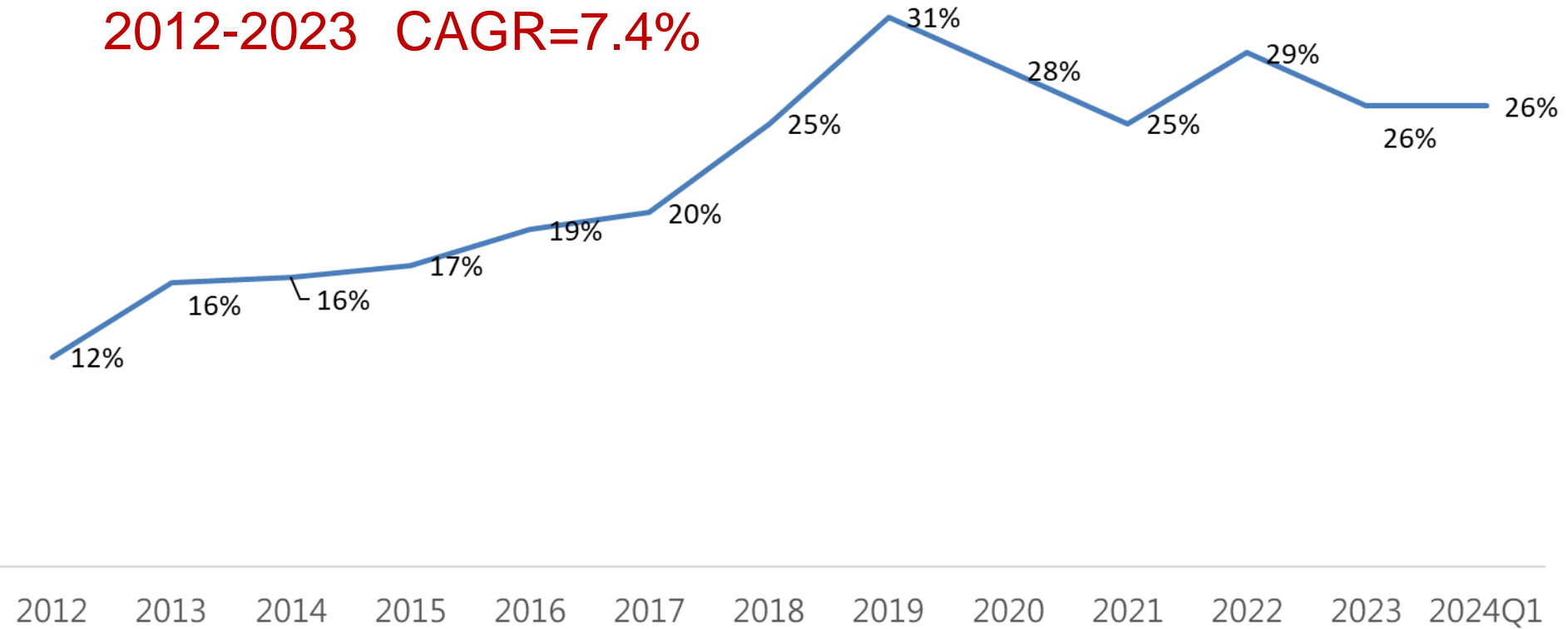
Revenue of Silver Pater



GP Margin Rate



2012-2023 CAGR=7.4%

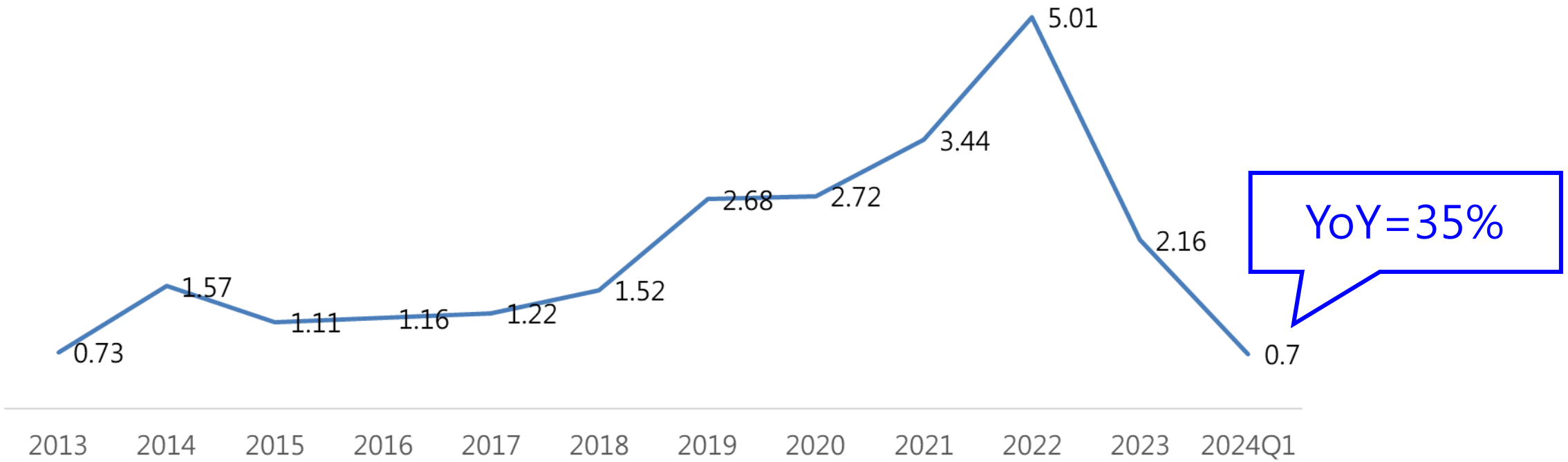


EPS

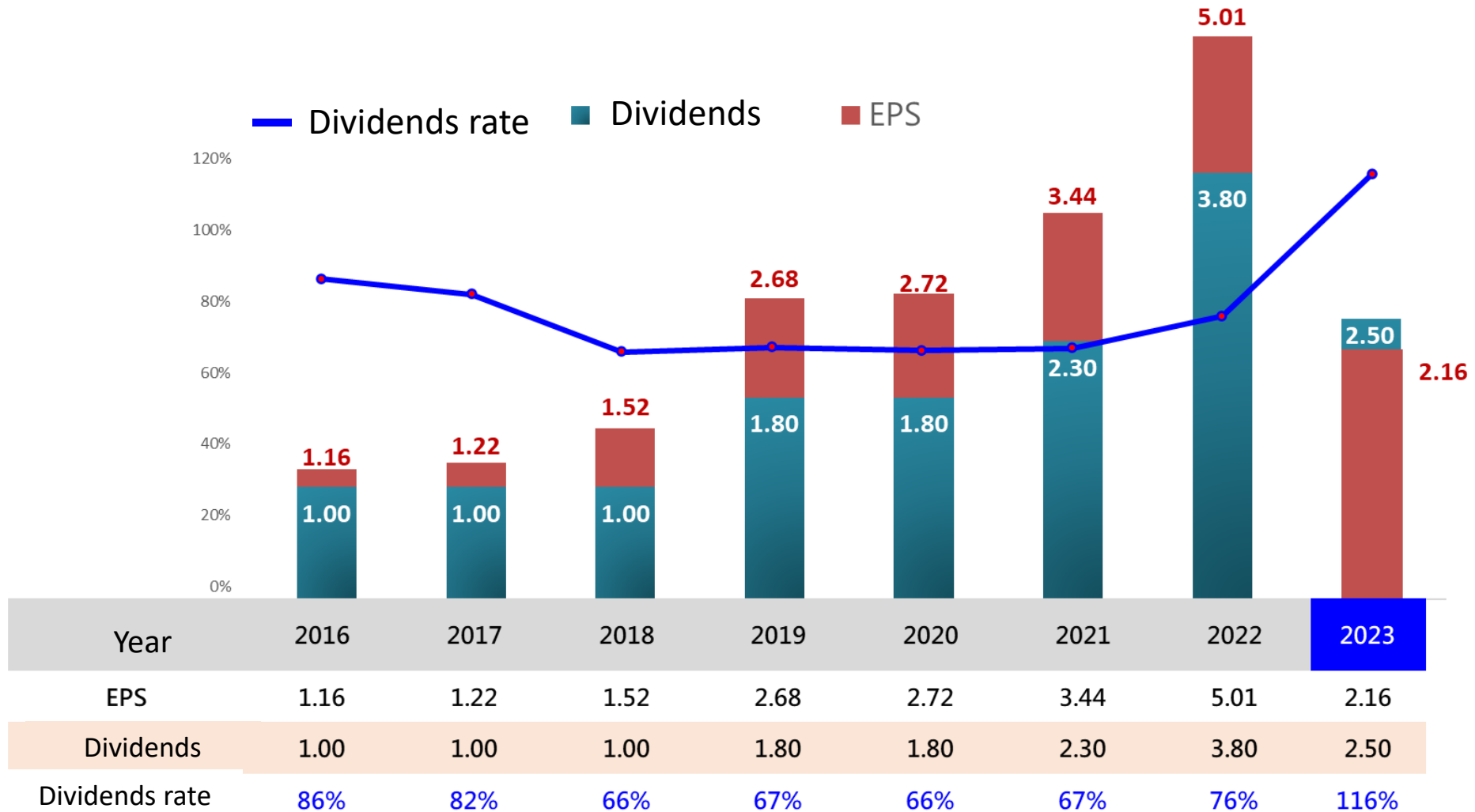


Unit : Dollar (NTD)

2013-2023 CAGR=11.5%



Dividends Rate



Summary (1/2)



1. In 2024 Q1, operating gross profit increased by 11% YoY, which was better than expected. Performance of the three main product categories, driver IC, packaging-related products, and substrates, has been growing quarter by quarter. We maintain an optimistic outlook for the entire year's operations.
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. High-power components are expected to receive 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 - package saw is expected to obtain opportunities with major packaging manufacturers.

Summary (2/2)



4. Value-added investment - STNS has been transformed into a profit center, turning losses into gains in Q1. Profit contributions are expected to grow significantly in 2024.



**THANK
YOU**

