



The Provider of
Integrated Material
Solutions

2024 Investor Meeting

2024.3.27

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

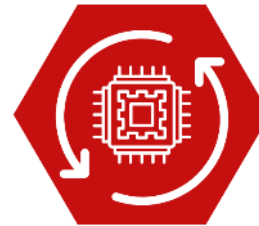


Kaohsiung



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



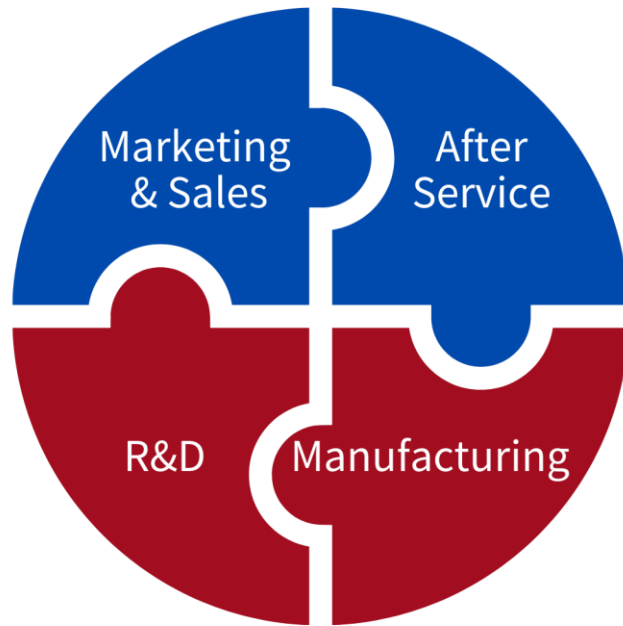
Future Outlook

Operation Strategy

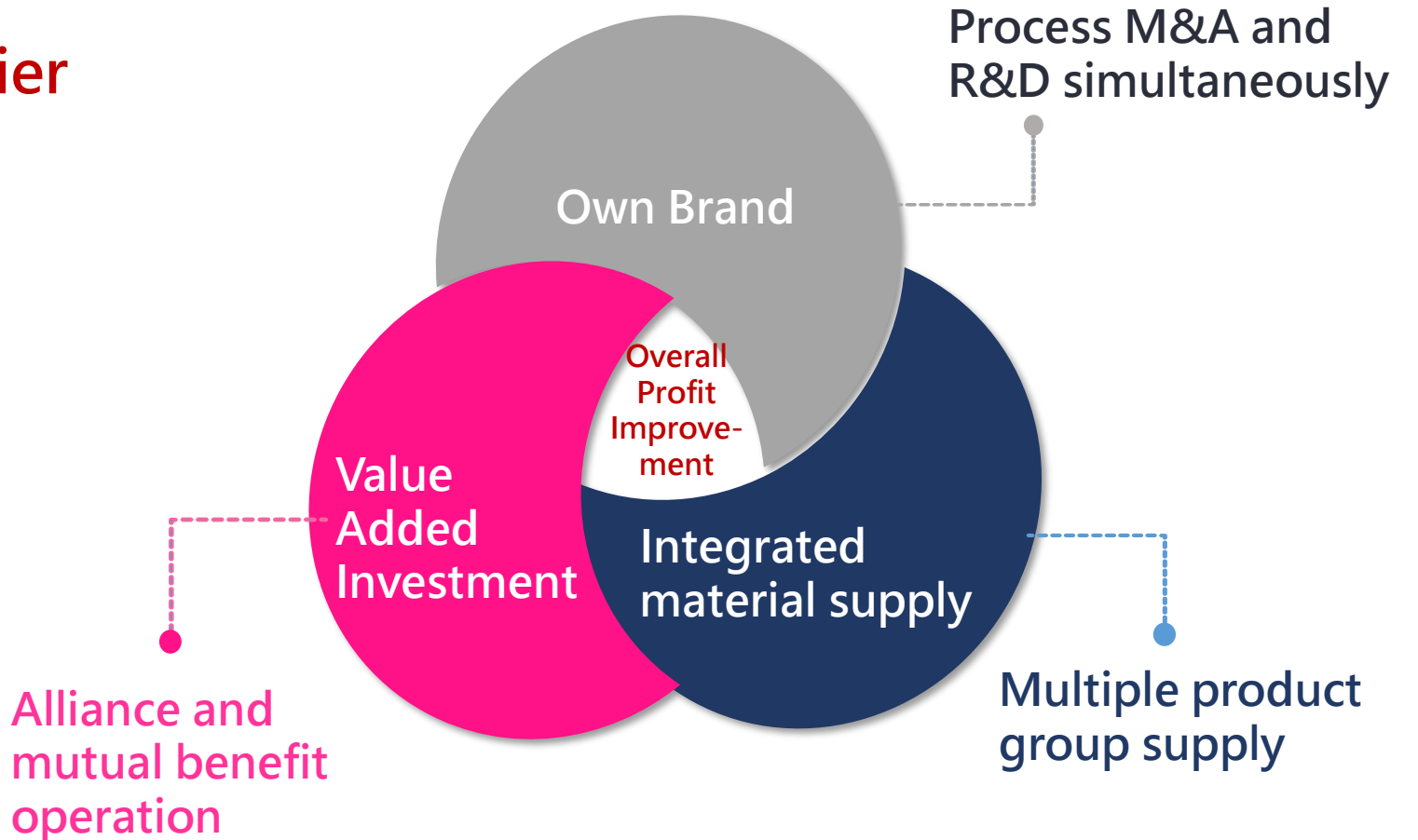
Agent



Materials-Integrated supplier



Transformation to Improve profit



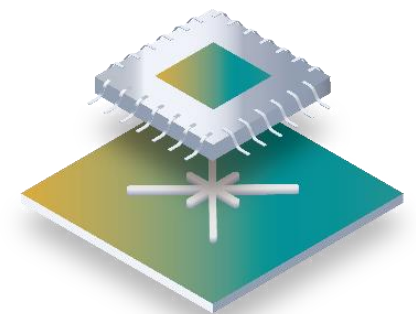
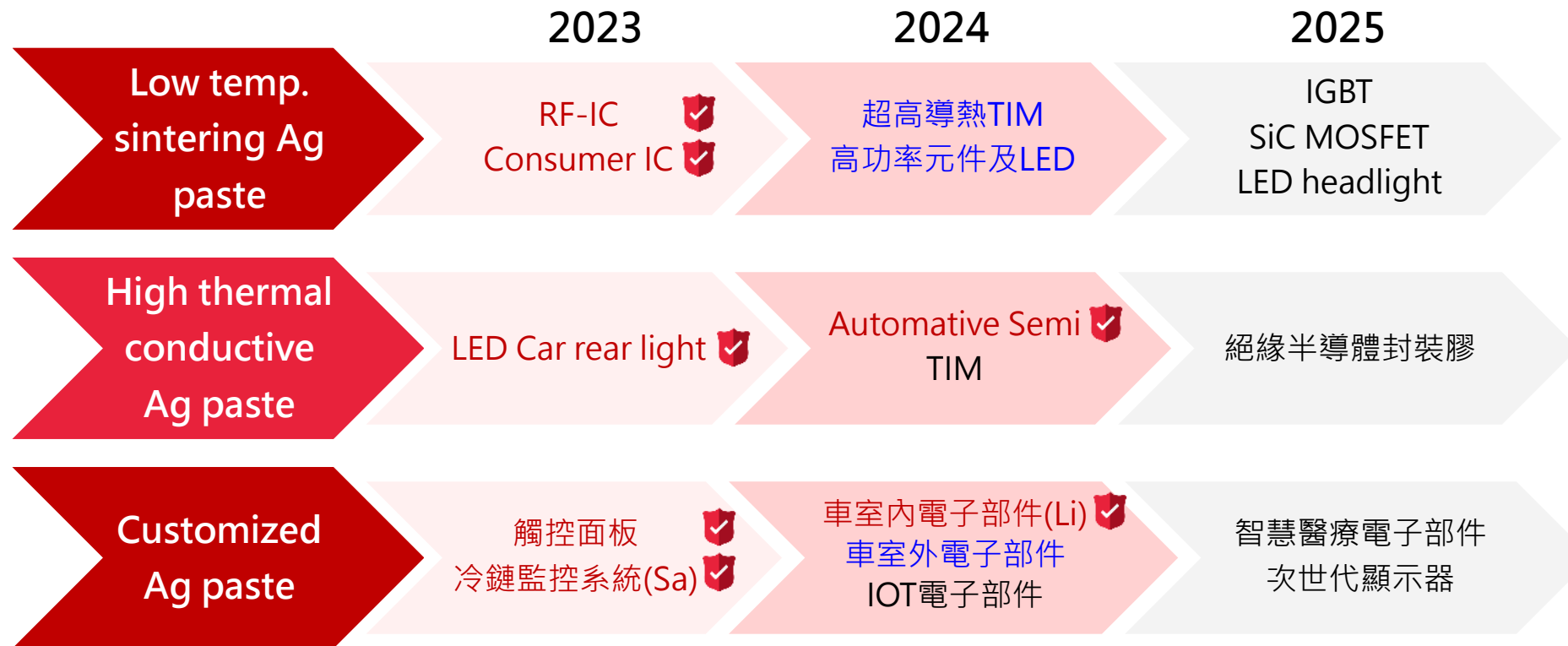
Operation Strategy I : Develop Own advanced Materials_By RD



1 Own Technology Smooth progress with roadmap

✓ Verified

⦿ In Progress



Operation Strategy I : Develop Own advanced Materials_By RD



1 Own Technology

Technical advancements expand,
industry landscape trends towards completion.

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

Automotive

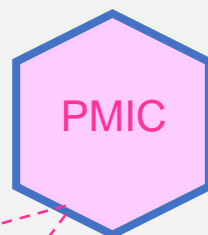
Power Components

IOT

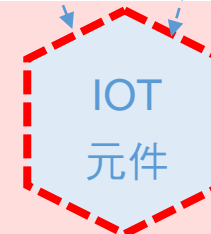
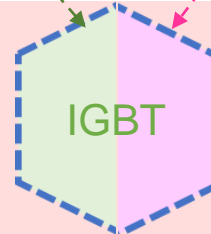
AI

5G

Existing Products



2024 Dev.



技術特色 ▶

- 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

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

- 1. 快速固化
- 2. 高導電性 (DX23)

- 1. 高導熱性
- 2. 高韌性
- 3. 高信賴性

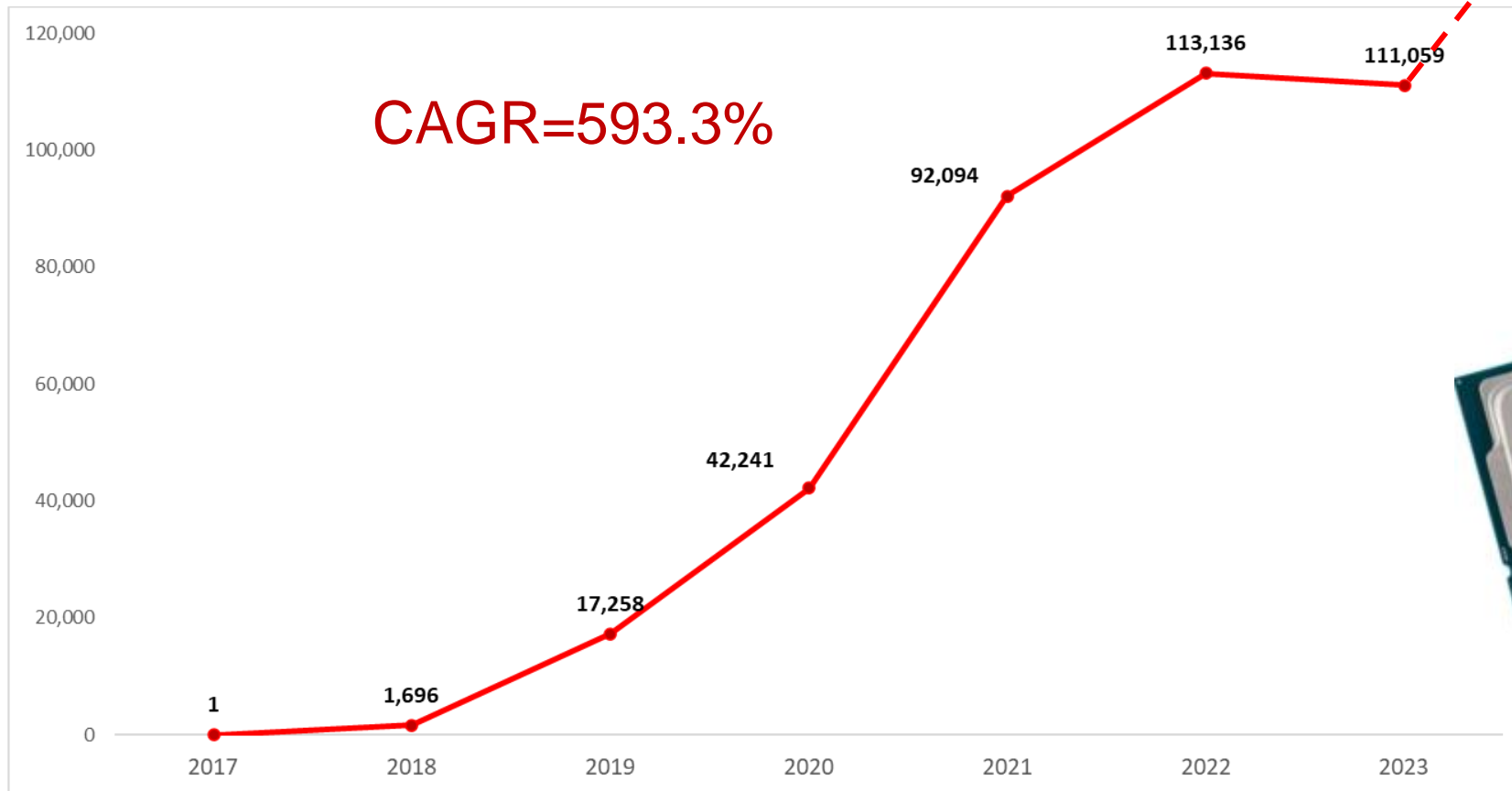
2 Acquisition of Heat Sink Manufacturer

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)



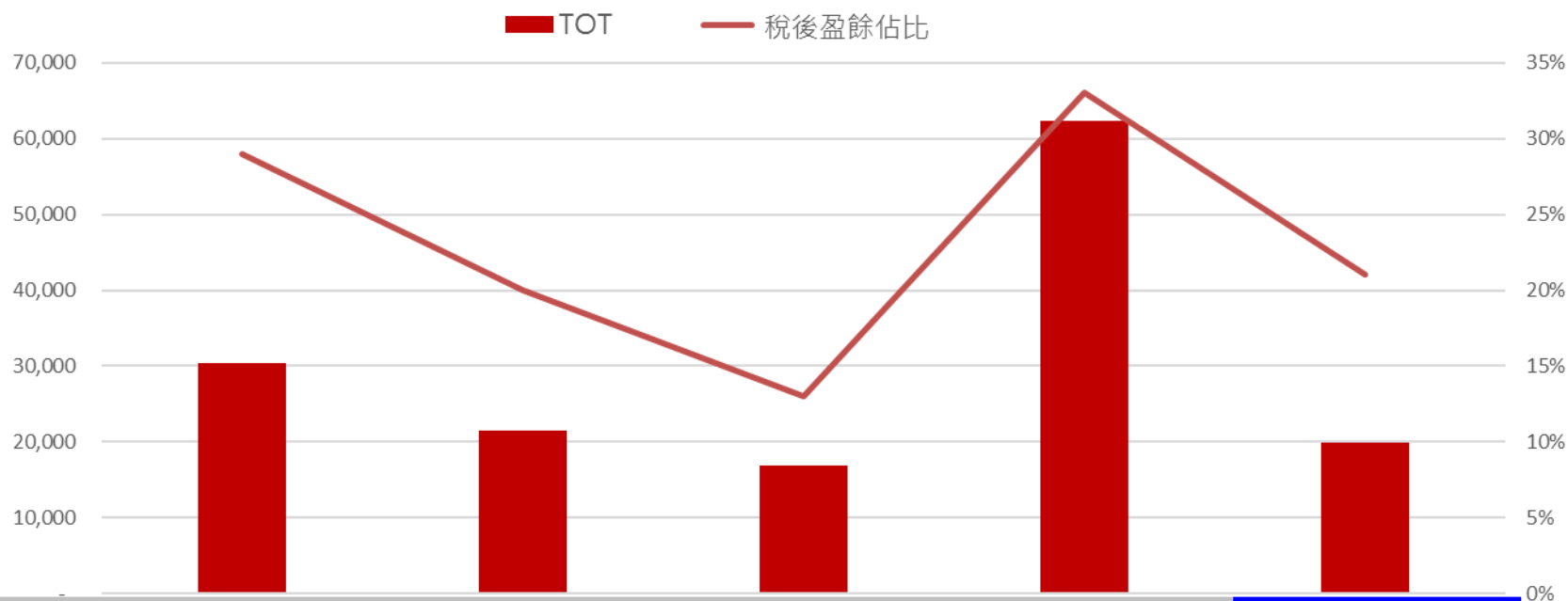
Operation Strategy II : Expand Value Added Investment



Alliance-based Operations: Mutual Benefits and Reciprocity

1. Simmtech Suzhou (STNS) has shifted from a cost center to a profit center, led by Niching, with increased commission rates and expanded Niching ownership. There is a significant opportunity for investment growth 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(勤輝科技) jointly invest in precise materials technology to expand the market for driving IC materials such as Emboss and Reel.

Value-added investment contributes to long-term stable profits



(NT\$千)	2019	2020	2021	2022	2023
精材	1,680	1,344	1,680	2,351	1,008
STNC	12,799	5,493	669	10,007	(3,521)
ENT	15,904	14,669	14,485	49,965	22,434
TOT	30,382	21,506	16,834	62,323	19,922
稅後盈餘佔比	29%	20%	13%	33%	21%
YOY	119%	-29%	-22%	270%	-68%

Operation Strategy III : Develop Own advanced Materials



1 Product Line Expansion

Package and Testing

Heat Sink Lead Frame Capillary Machine Tool

Driver IC

Reel Emboss Chip Tray

Substrate

Memory System IC

Ag Paste

Low temp. sintering Ag paste High thermal conductive Ag paste Screen Printing Ag Paste Customized Ag Paste

Other

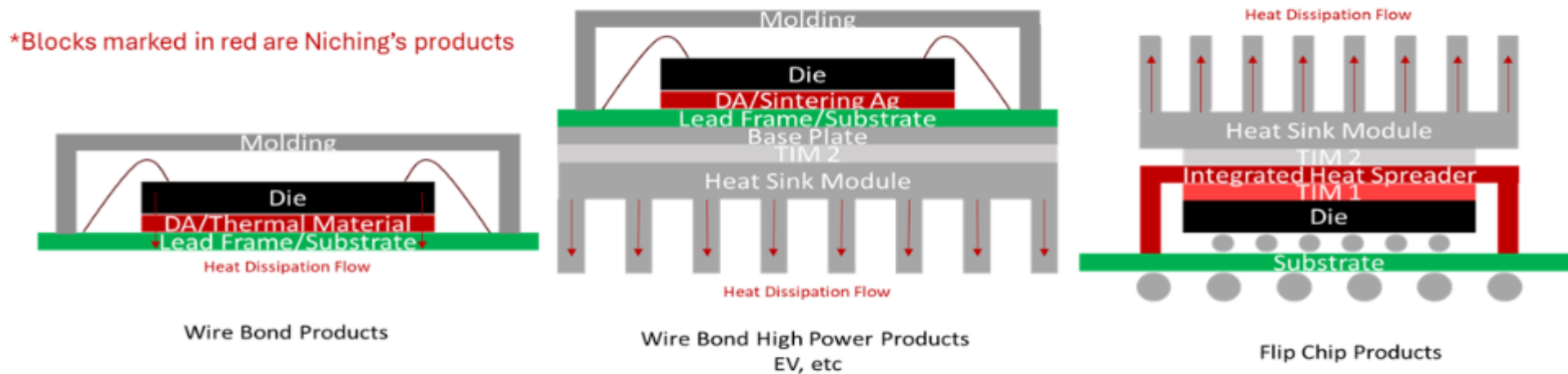
New! Vacuum Valve **New!** Dicing Blades O-LED



2 IC Heat-dissipation

TIM · Die Attach · Heat Sink

IC Heat-dissipation Diagram



-5G · RF

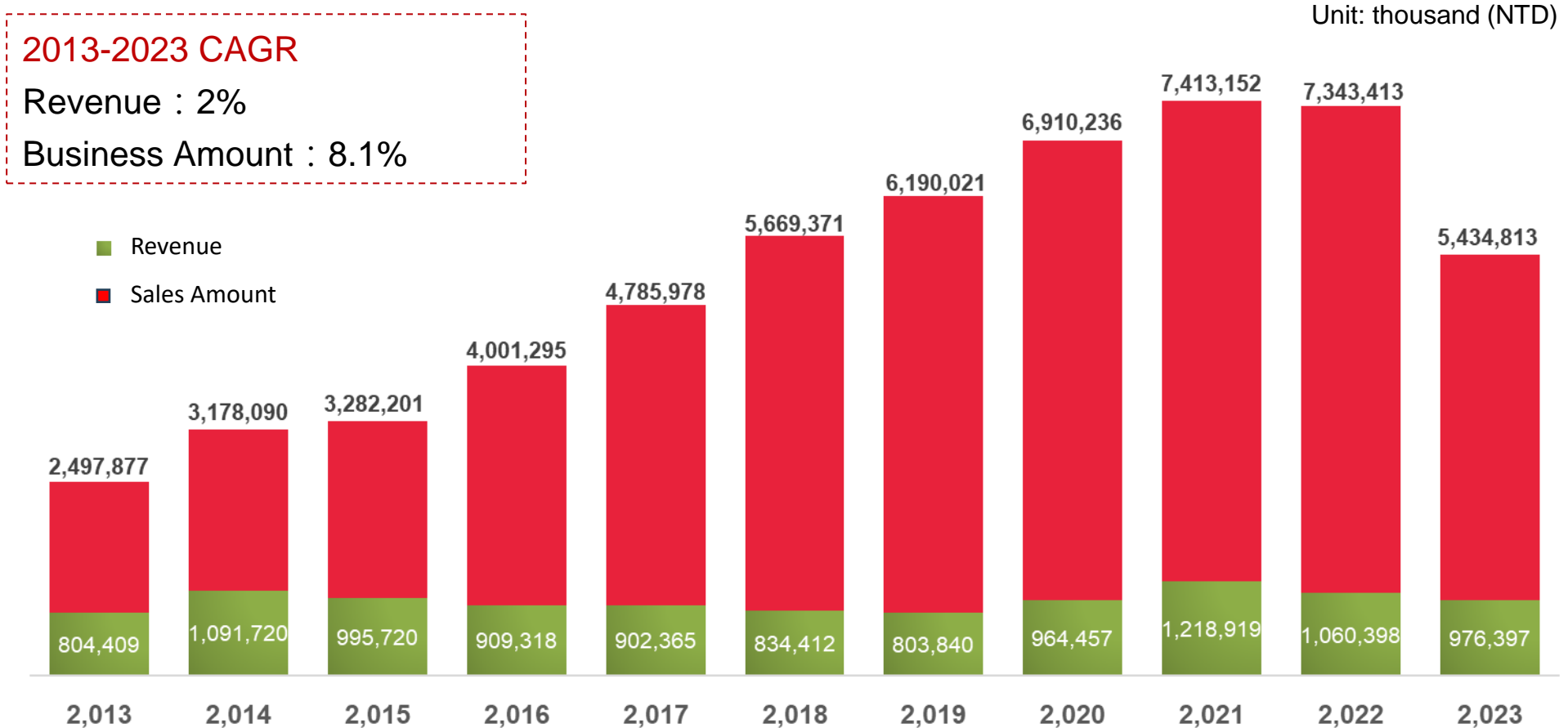
-EV · IGBT · Quick Charge
-3rd-gen semiconductor packaging
process

- Server
-AI
-Base Station



Operating Report

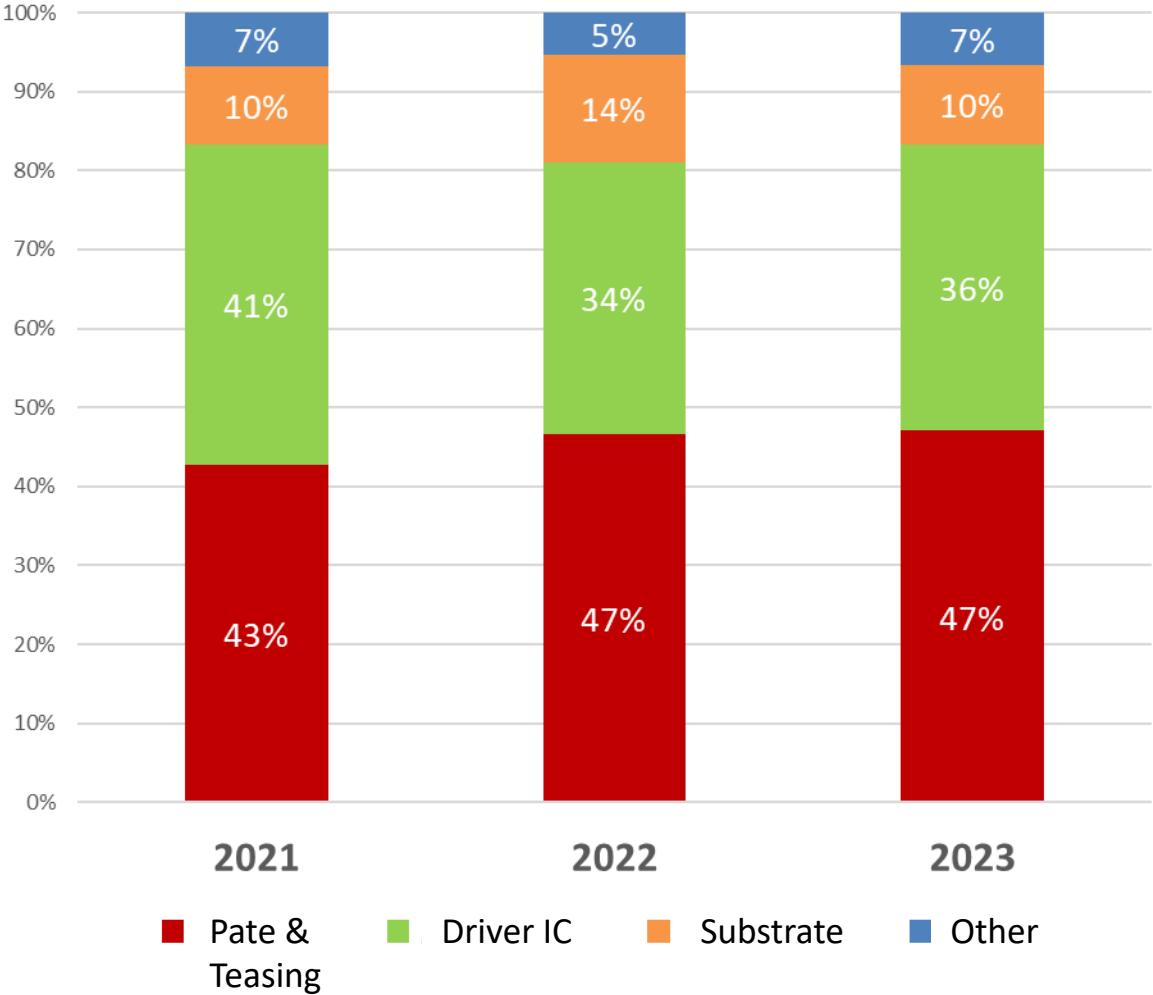
Revenue and Business Amount



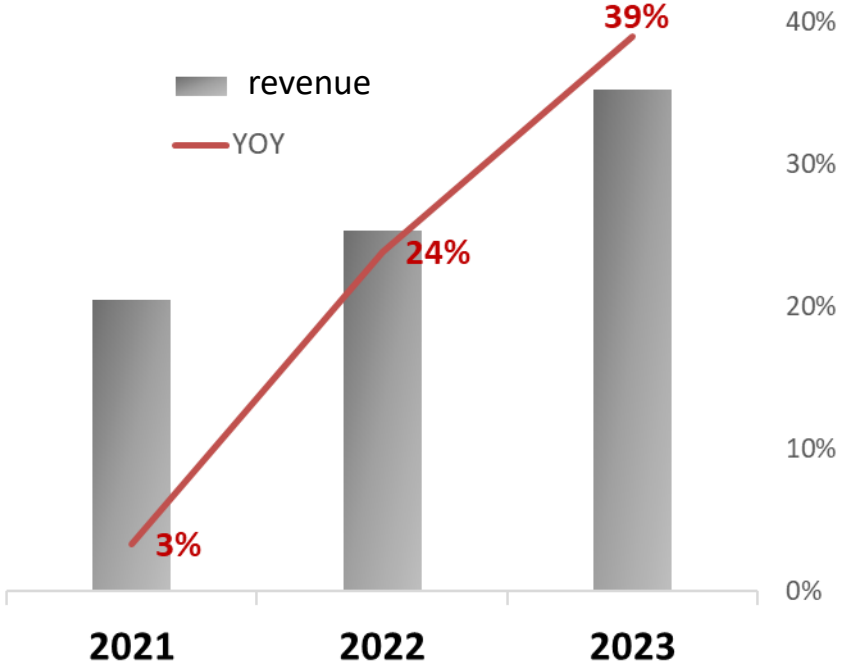
Revenue : Segmented into Trading Model (all revenue recognized) and Commission Model (only commission income recognized)

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

Revenue Distribution by Product Category



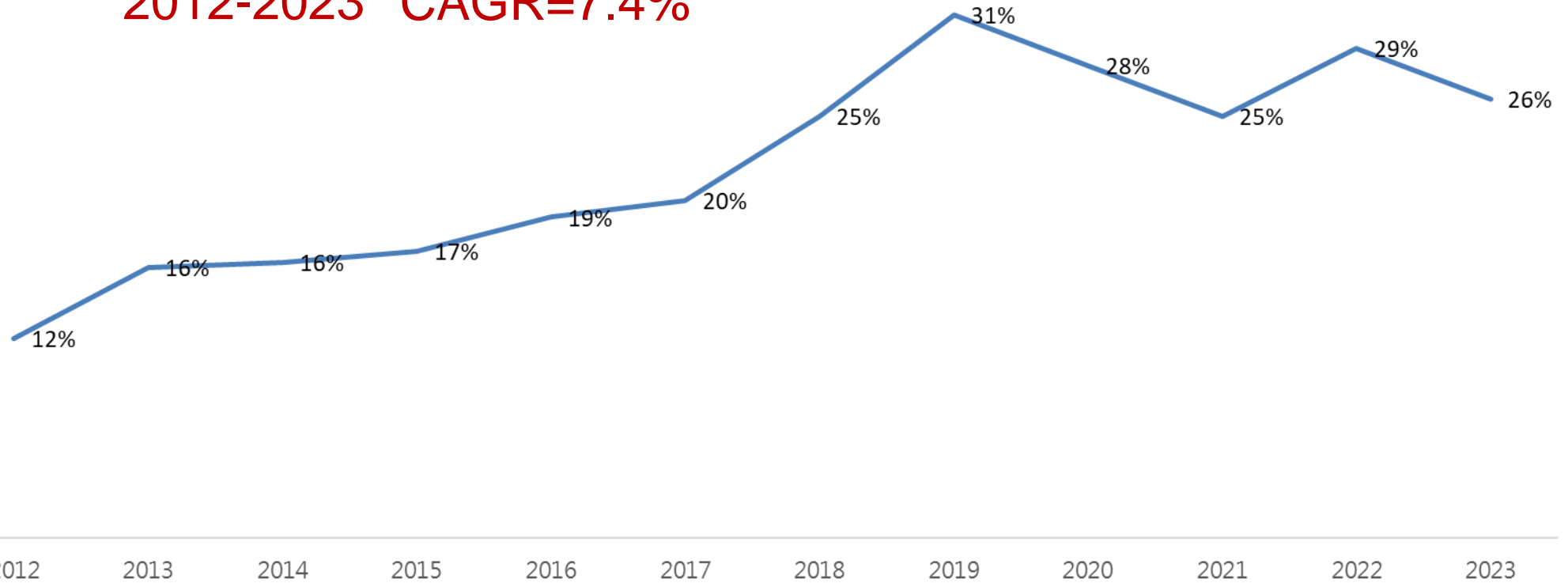
Revenue of Silver Pater



GP Margin Rate



2012-2023 CAGR=7.4%

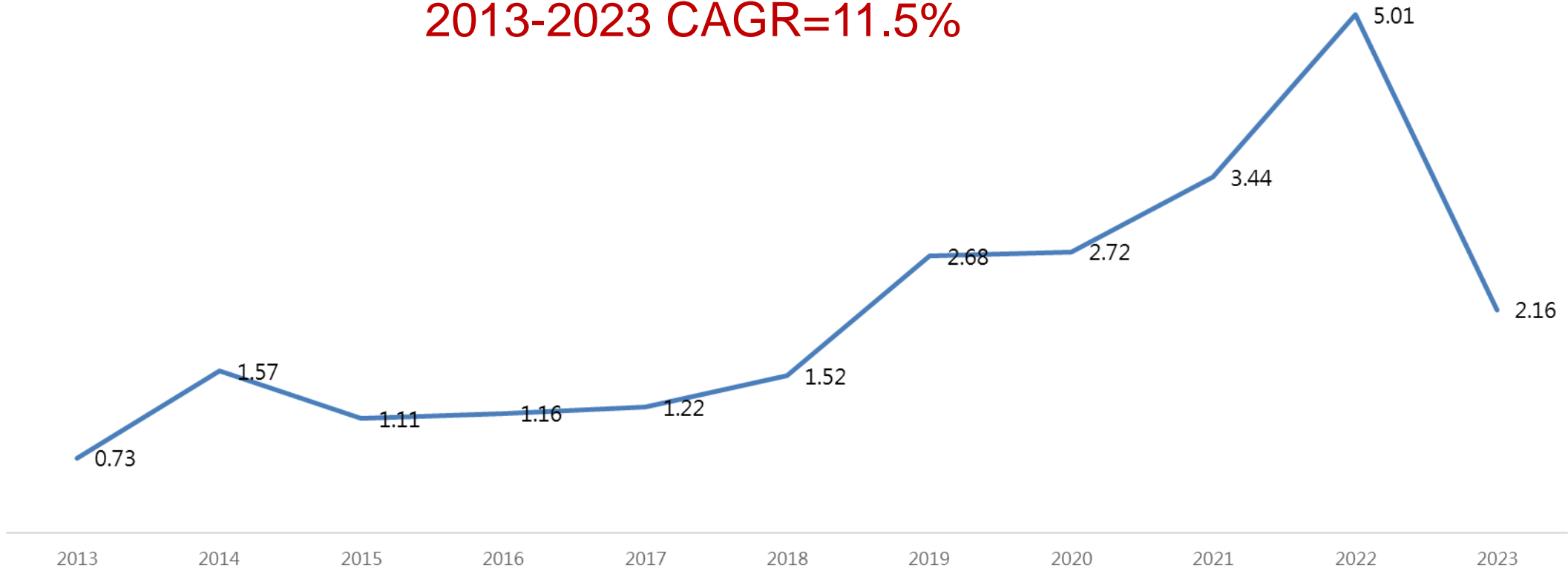


EPS

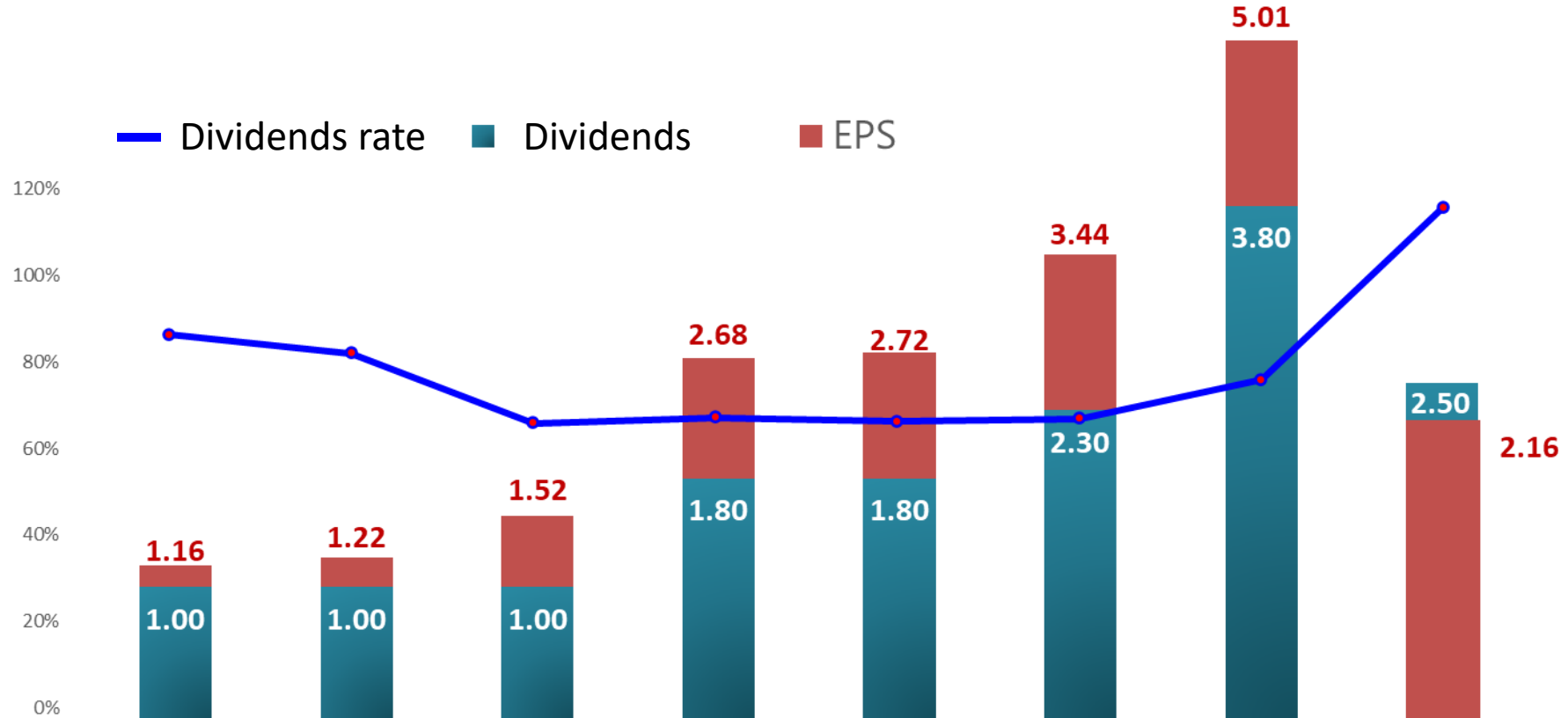


Unit : Dollar (NTD)

2013-2023 CAGR=11.5%



Dividends Rate



Year	2016	2017	2018	2019	2020	2021	2022	2023
EPS	1.16	1.22	1.52	2.68	2.72	3.44	5.01	2.16
Dividends	1.00	1.00	1.00	1.80	1.80	2.30	3.80	2.50
Dividends rate	86%	82%	66%	67%	66%	67%	76%	116%

Summary (1/2)



1. In 2023, consolidated revenue declined by 8% due to economic and exchange rate factors, but overall, it outperformed the industry average.
2. Semiconductor industry is expected to gradually rebound in 2024, with the overall semiconductor package and testing industry returning to growth. Niching's growth strategy lies in increasing the proportion of proprietary products and expanding its multi-product offerings.
3. Silver paste products - Continuously obtaining certifications from domestic and foreign customers, with some already in small-scale shipments. Volume production is expected to gradually begin in 2024, leading to significant revenue growth.
4. Substrates- Despite a significant decline in 2023, there was sequential recovery and growth. In 2024, we will continue to increase the proportion of system IC and optimize product portfolio, contributing to substantial profits.

總結 (2/2)



5. Driver IC - Performance met expectations in 2023, and with the terminal market warming up in 2024, revenue is expected to grow.
6. New Products – Valves and dicing & blades have received excellent customer feedback and orders, making them another major highlight for operational growth in the future.
7. Value-added investment in STNC - Gaining operational control is expected to significantly contribute to profit growth.

Recent Important Events



"On March 7th, the board of directors of Niching has approved the acquisition of a corporate operating headquarters, showcasing the company's pursuit of excellence and meeting future operational development needs.

Location: Kuma Tower (Taichung City)

Expected completion year : 2028





THANK YOU

