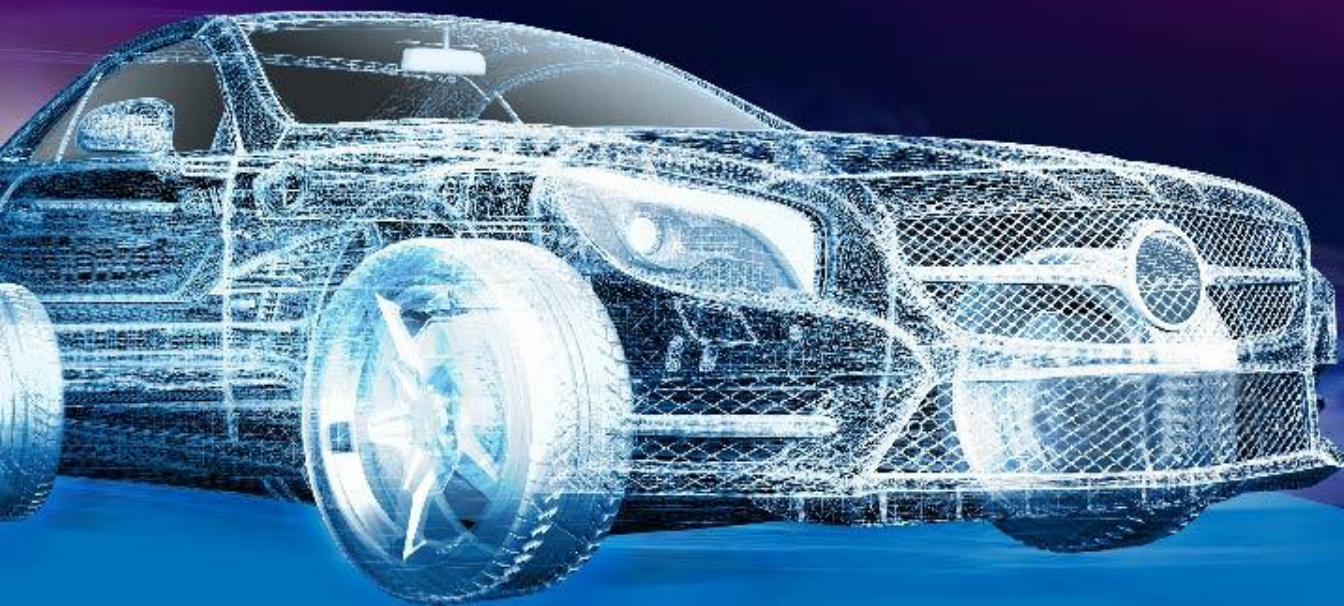




宜特科技(iST) 2024 Q2 Investor Conference



Speaker : Selina

SAFE HARBOR NOTICE



- **iST's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.**
- **Information as to those factors that could cause actual results to vary are available in iST's Annual Report and other documents filed with or submitted to the Taipei Exchange periodically.**
- **Except as required by law, we have no obligation to update any forward-looking statements, whether due to new information, future events, or otherwise.**

I、 iST : Company Profile

II、 2024 H1 Financial Results

III、 Future Operations Overview and Prospects

IV、 Q&A

I 、 iST : Company Profile

iST : Company Profile

Company Name	Integrated Service Technology(iST)
Founded	1994/09/09
Listing date	2004/12/28
Capitalization	NTD750Million
Chairman /CEO	Danny Yu https://www.youtube.com/watch?v=-aJ3VEnCzdw
Employee Number	1100+
iST Introduction Link	https://www.youtube.com/watch?v=izEPIccAdzc

iST Milestones



Milestones

1994

- Founded the company in Hsinchu, Taiwan, the company changed the existing verification model of the entire semiconductor industry with its initial service- IC FIB.



2000

- Established the Reliability Assurance (RA) Lab.

2002

- Established an operating location in Shanghai, China, to actively develop the China market.

2005

- Established an operating location in Kunshan, China, to continue expanding the market in China.



1999

- Established the Failure Analysis (FA) Lab.

2001

- Acquired the laboratory accreditation for the IECQ ISO/IEC 17025 quality system.

2004

- Became a public company listed on the Taipei Exchange with the stock code 3289.

2006

- Acquired the TÜV NORD and ISO 9001 Quality Management System certificates.
- Joining IPC International, Inc. (The Global Association for Electronics Manufacturing) and participated in establishing and developing industry standards.

2018

- Established Hsinchu Plant II to enter the back-end process area of wafers.
- Acquired the TÜV NORD ISO 9001:2015 management system certificate.



2015

- Established the "DEKRA iST" as a joint venture with DEKRA, a European company, extend our global verification business to the European market.



2011

- Selected by the Republic of China Fine Manufacturer Association as the First Brand, recognizing that iST's premium service quality is the best choice for customers.

2007

- Established operating locations in the USA, as well as Beijing and Shenzhen China. Acquired the CNAS certificate to align with the global leading trends.
- Became a member of SMTA, providing professional and premium SMT technology.

2017

- Founded headquarters in Hsinchu Science Park to provide customers with promptest and most complete solutions.



2014

- Established the Signal Integrity (SI) Lab.
- Acquired the official authorization from Simplay Labs as a lab under the HDMI/ MHL testing system.

2010

- Established the Material Analysis (MA) Lab.



2019

- Won the "5th Taiwan Mittelstand Award" from the Economy Ministry, being recognized for high competitive strength on global markets with outstanding operating performance.
- Won the Moving Award from the Chinese Lean Management Association (CLMA) for our continuous improvement of competitive strength.
- Acquired the TÜV NORD ISO 14001:2015 environmental management system certificate.
- Acquired the TÜV NORD ISO 45001:2018 occupational health and safety management system certificate.

2020

- Collaborated with the Taiwan Space Agency (TASA) and industry-academia-research institutions to form the "Taiwan Space Radiation Environment Verification and Testing Alliance (TSREVTA)" to enter the international space market.
- Acquired the IEC-61340-5-1:2016 certificate for protection against electrostatic discharge.
- Acquired the ISO/IEC 27001:2013 information security management system certificate.



2021

- Acquired the 7th National Industrial Innovation Award from the Economy Ministry, recognized by the government for our contributions to domestic industries.
- Won the global top 10 semiconductor packaging solution provider award from the Semiconductor Review in the U.S.A.
- Acquired the ANSI/ESD S20.20:2021 certificate for protection against electrostatic discharge.

2022

- Acquired the membership of the Automotive Electronics Council (AEC) and became a navigator for IC design and semiconductor companies entering the automotive electronics field.
- Established a laboratory in Zhubei.
- Recognized as the "Outstanding E-Invoice Business Entity" by the Ministry of Finance.

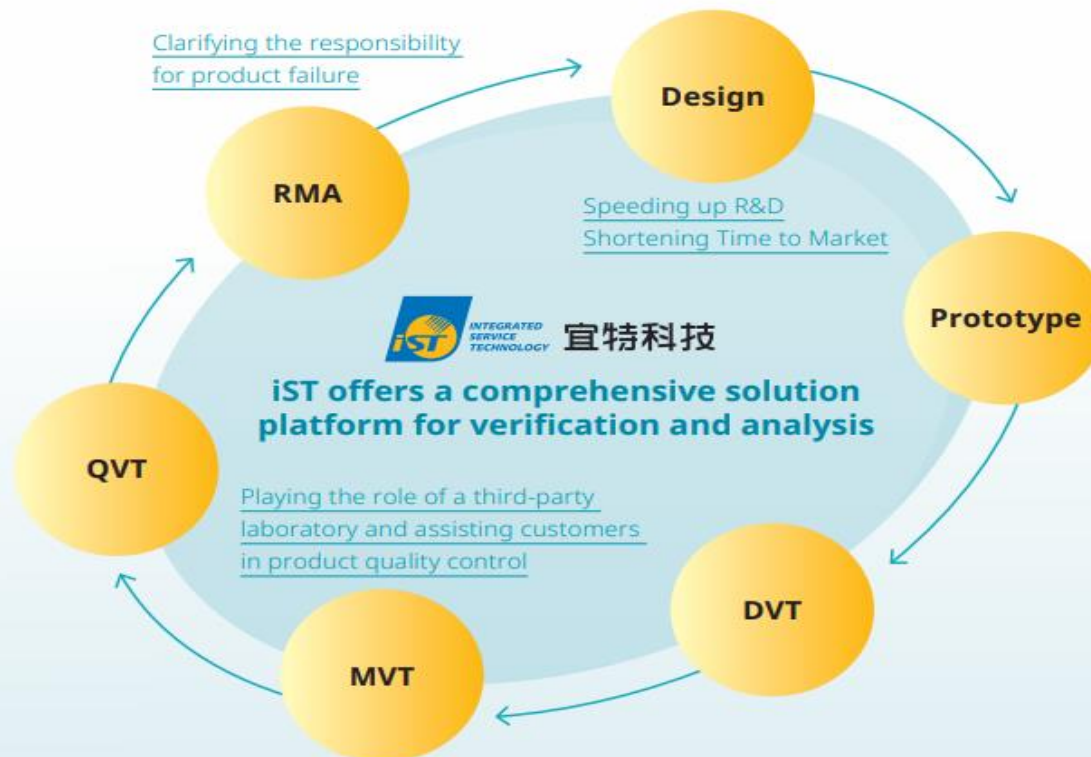


iST's Positioning

Corporate Positioning

- iST provides solutions for electronic products beyond expectations for our customers to help shorten the time to market.
- iST plays the role of a "third-party laboratory," assisting customers in product quality control.

iST keeps close tabs on electronic products at each stage, from the cradle to the grave (design to return)



INTEGRATED SERVICE'S VALUE: CREATING GREATER VALUE FOR CUSTOMERS



1 **Assisting clients in accelerating research and development**

2 **Assisting customers in ensuring product quality**

3 **Resolving customer pain makes customer case assignments' easier '**

iST Key Business Areas

Major Business Items

Over the past nearly 30 years, iST has continuously innovated and developed. Our current services can be divided into four categories: failure analysis, reliability test, material analysis, and signal test. Taking a hospital to compare, iST functions as the medical center of the electronics industry, helping customers speed up R&D and keeping close tabs on the quality of their products.

Function Test

Identify the root causes of sample function loss and failure

Failure Analysis (FA)

X-ray, ultrasound

Cross-section, electric and physical characteristics

FIB circuit edit

+ Non-contact inspection center

+ Deep inspection center

+ High-precision operating room

Quality Assurance

Testing the Lifetime of Samples and Compliance with End Customer Requirements.

Failure Analysis (FA) Reliability Assurance (RA)

+ Physical examination center

+ DNA blood analysis center

Material Analysis (MA)

Development of New Technology Production Processes

Components, characteristics, and structure of materials on the micro level

+ EEG analysis laboratory

Signal Integrity (SI)

Compatibility test

Compatibility of different device products



INTEGRATED
SERVICE
TECHNOLOGY

宜特科技

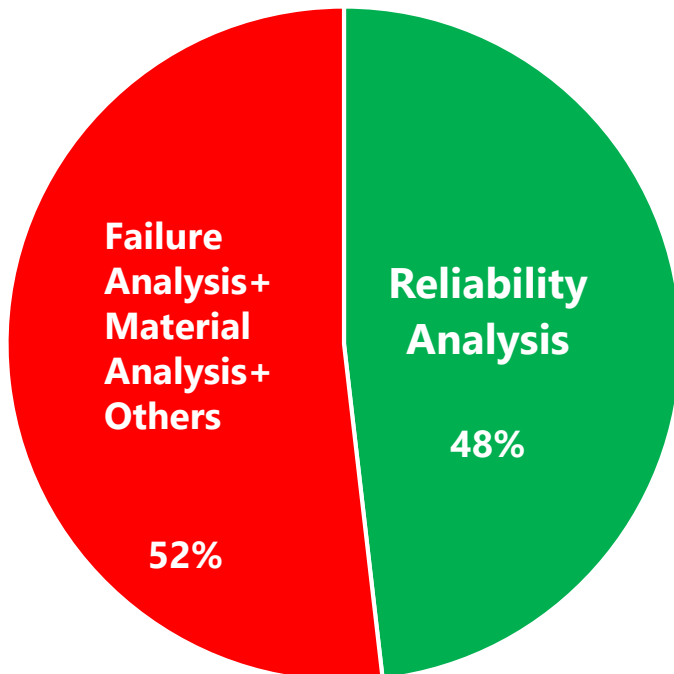
Medical center of the
electronics industry

II 、 2024 H1 Financial Results

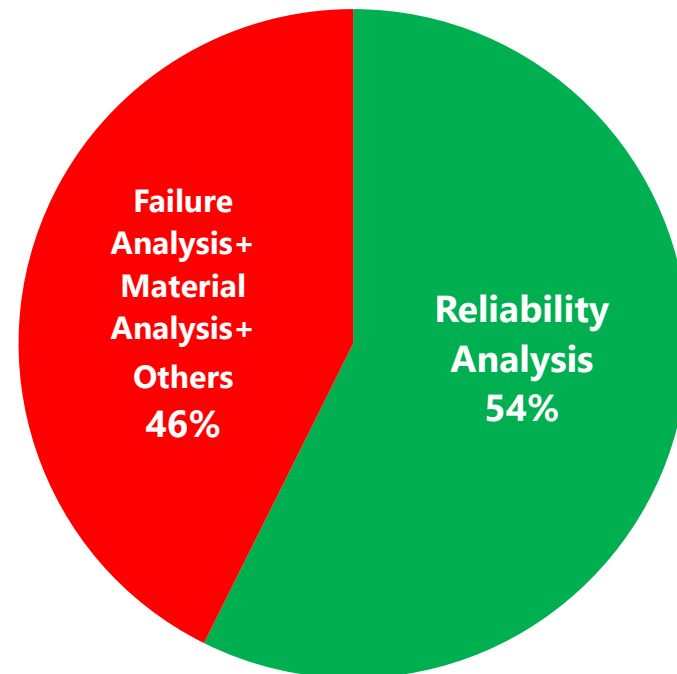
Revenue Breakdown by Labs

2023Q1 – 2024 Q2

2023Q1-Q4



2024H1



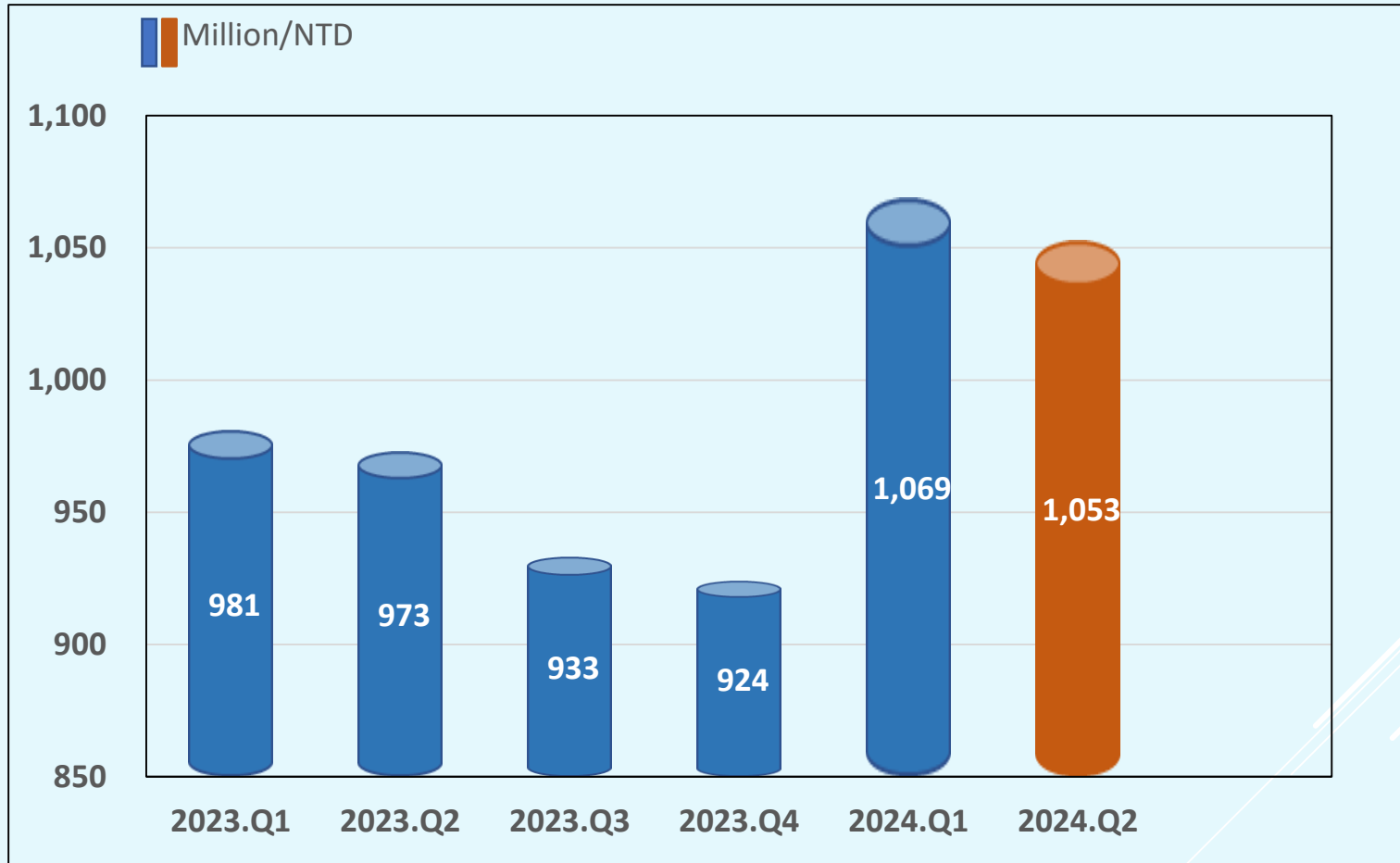
Quarterly Statement of Comprehensive Income Summary



in NT\$ Million unless otherwise noted

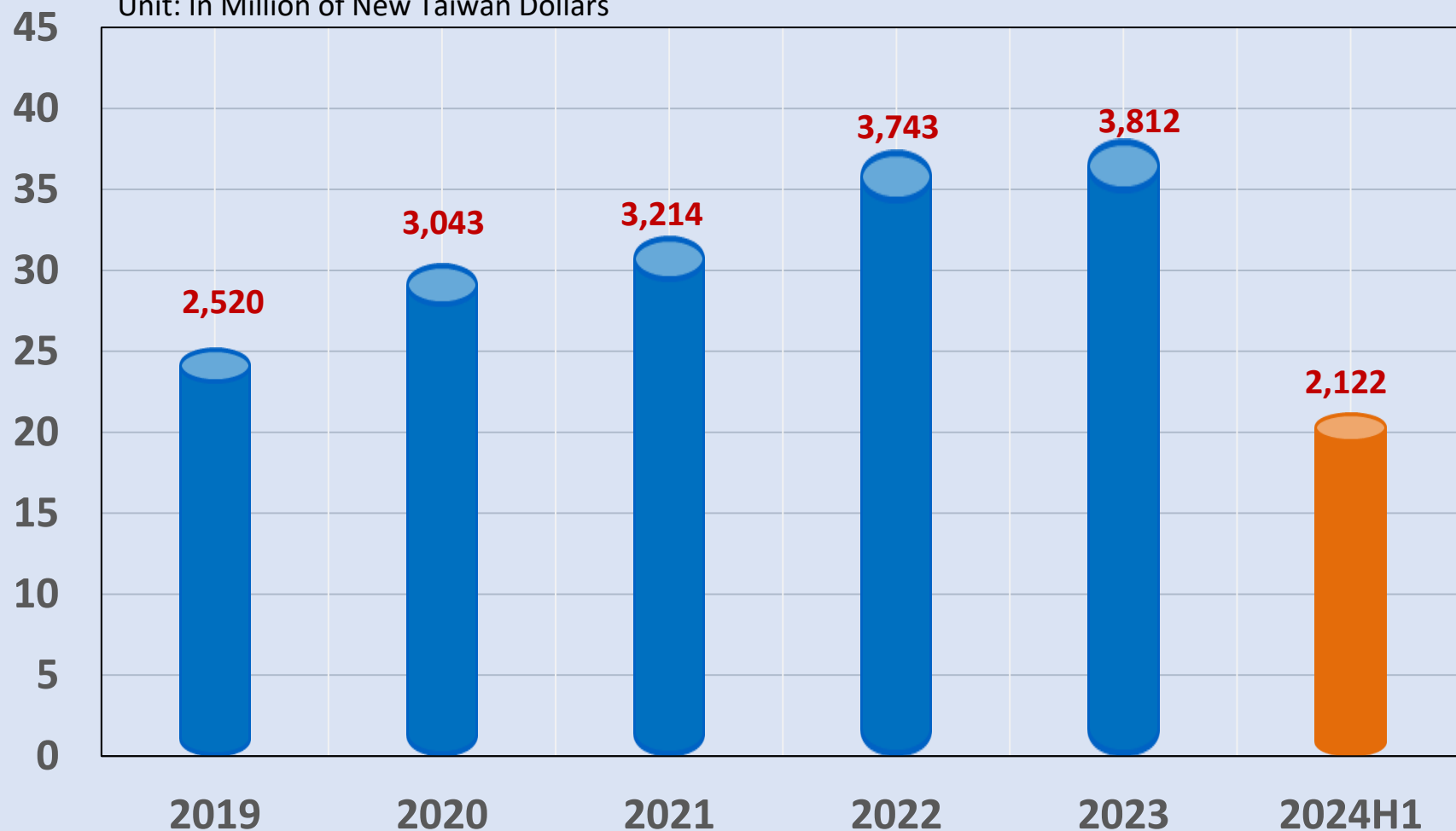
	2024Q2		2024Q1		QoQ		2023Q2		YoY	
	amt	g%	amt	g%	amt	g%	amt	g%	amt	g%
Net Sales	1,053	100%	1,069	100%	-16	-1%	973	100%	80	8%
Operating Cost	760	72%	787	74%	-27	-3%	697	71%	63	9%
Gross Margin	293	28%	282	26%	11	4%	276	29%	17	6%
Operating Expenses	214	20%	188	17%	26	14%	172	18%	42	24%
Operating Margin	79	8%	94	9%	-15	-16%	104	11%	-25	-24%
Non-Operating Items	118	11%	9	1%	109	1,211%	18	2%	100	556%
Net Profit Margin :	172	16%	133	12%	39	29%	151	15%	21	14%
EPS(NT Dollar)	2.33		1.80		0.53	29%	2.02		0.31	15%

Operating Revenue

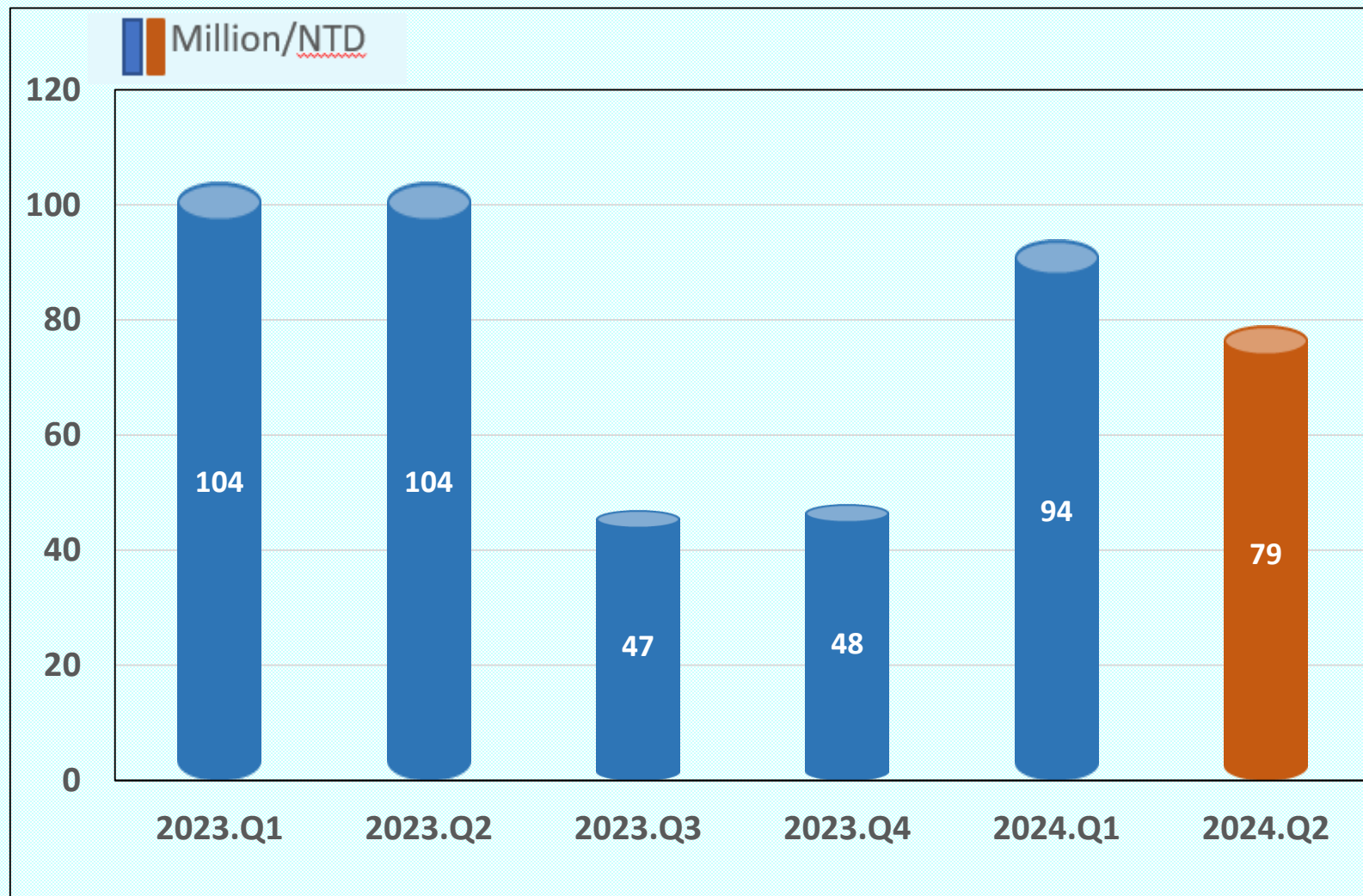


iST Annual Operating Revenue

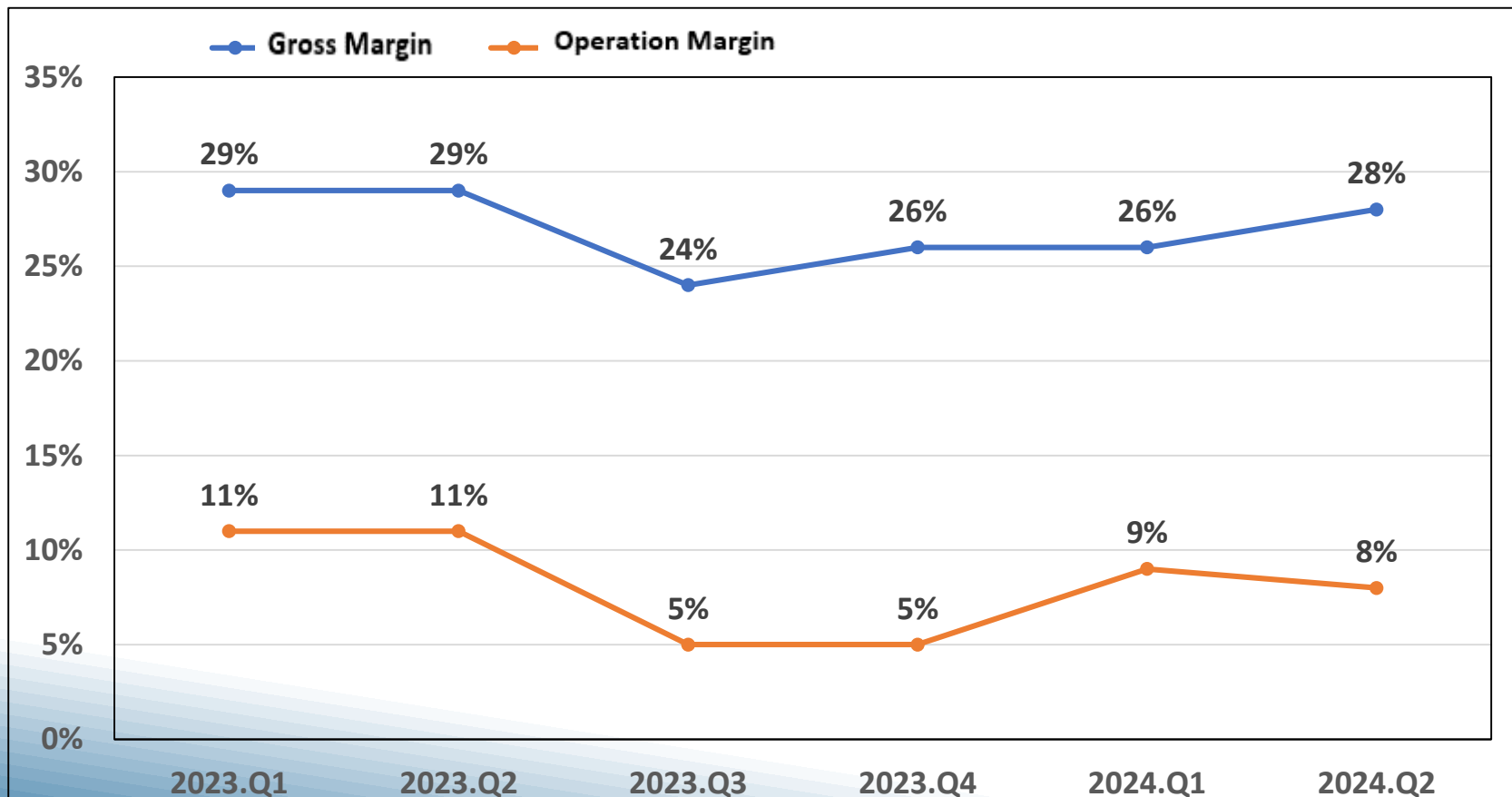
Unit: In Million of New Taiwan Dollars



Operating Margin

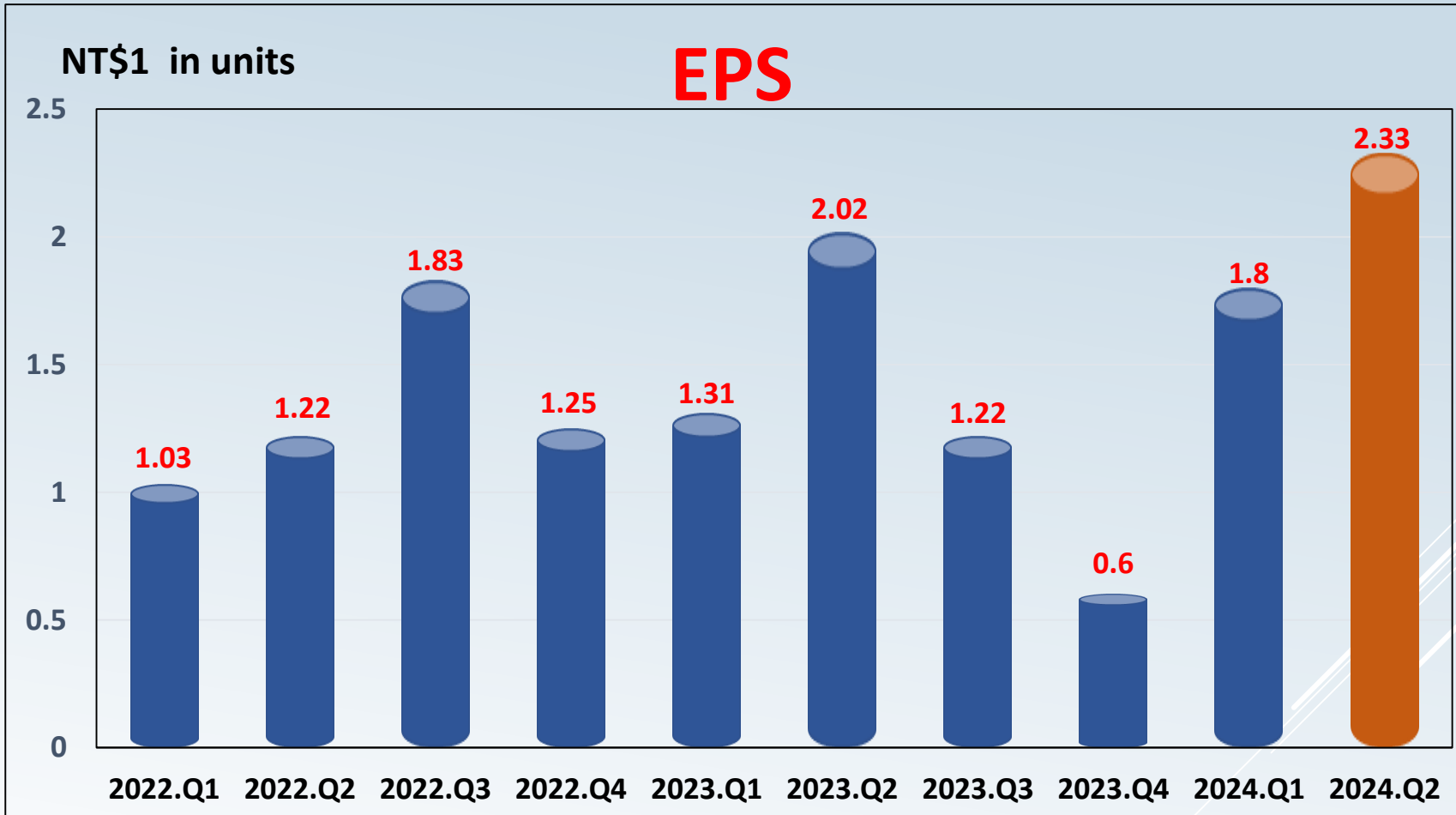


Gross Margin & Operating Margin



iST 's EPS

2022Q1 – 2024 Q2



Summary Of Key Accounts Balance Sheet



Unit: NT\$ 1 Million	2024.6.30		2024.3.31		QoQ		2023.6.30		YoY	
	amt	g%	amt	g%	amt	g%	amt	g%	amt	g%
Cash and Equivalents	752	10%	714	9%	38	5%	774	10%	-22	-3%
Notes and Accounts Receivable, Net	1,625	21%	1,504	20%	121	8%	1,566	21%	59	4%
Investments Accounted for Using Equity Method	729	9%	840	11%	- 111	-13%	813	11%	-84	-10%
Property, Plant and Equipment	3,951	50%	3,858	51%	93	2%	3,867	51%	84	2%
Total Assets	7,908	100%	7,577	100%	331	4%	7,599	100%	309	4%
Current Borrowings	733	9%	836	11%	- 103	-12%	669	9%	64	10%
Non-current Portion of Non-current Borrowings	1,822	23%	1,636	22%	186	11%	1,725	23%	97	6%
Total Liabilities	4,390	56%	4,159	55%	231	6%	4,101	54%	289	7%
Total Equity	3,518	44%	3,418	45%	100	3%	3,498	46%	20	1%

Financial Benchmark



	2024.6.30	2024.03.31	QoQ	2023.6.30	YoY
Days Sales Outstanding(DSO)	135	129	6	137	(2)
Days Payable Outstanding(DPO)	26	27	(1)	33	(7)
Current Ratio	112%	108%	0.042	119%	-7%

SIGNIFICANT SUBSIDIARY PROSPECTS FOR FUTURE DEVELOPMENT

Subsidiary companies Prosperity Power Technology Inc. (hereinafter referred to as PPT Company) and Innovative Turnkey Solution (hereinafter referred to as ITS Company) merged and operated on December 8, 2023, as approved by the extraordinary shareholders' meeting of both parties. ITS Company is the dissolved company, while PPT Company is the surviving company. The following explanation is given:

- 1. Merger reference date: March 31, 2024**
- 2. Conversion ratio: PPT Company is 1:3.7921 compared to ITS Company**
- 3. After the merger, the total paid up capital of PPT Company will increase to NT \$459,822,530**
- 4. Merger synergy: Consider the current operating conditions, business environment, and future prospects of both PPT Company and ITS Company after the share conversion
Under the integration and optimization of resources, the company will be able to improve overall operational efficiency and strengthen competitiveness.**

SIGNIFICANT SUBSIDIARY FINANCIAL PERFORMANCE



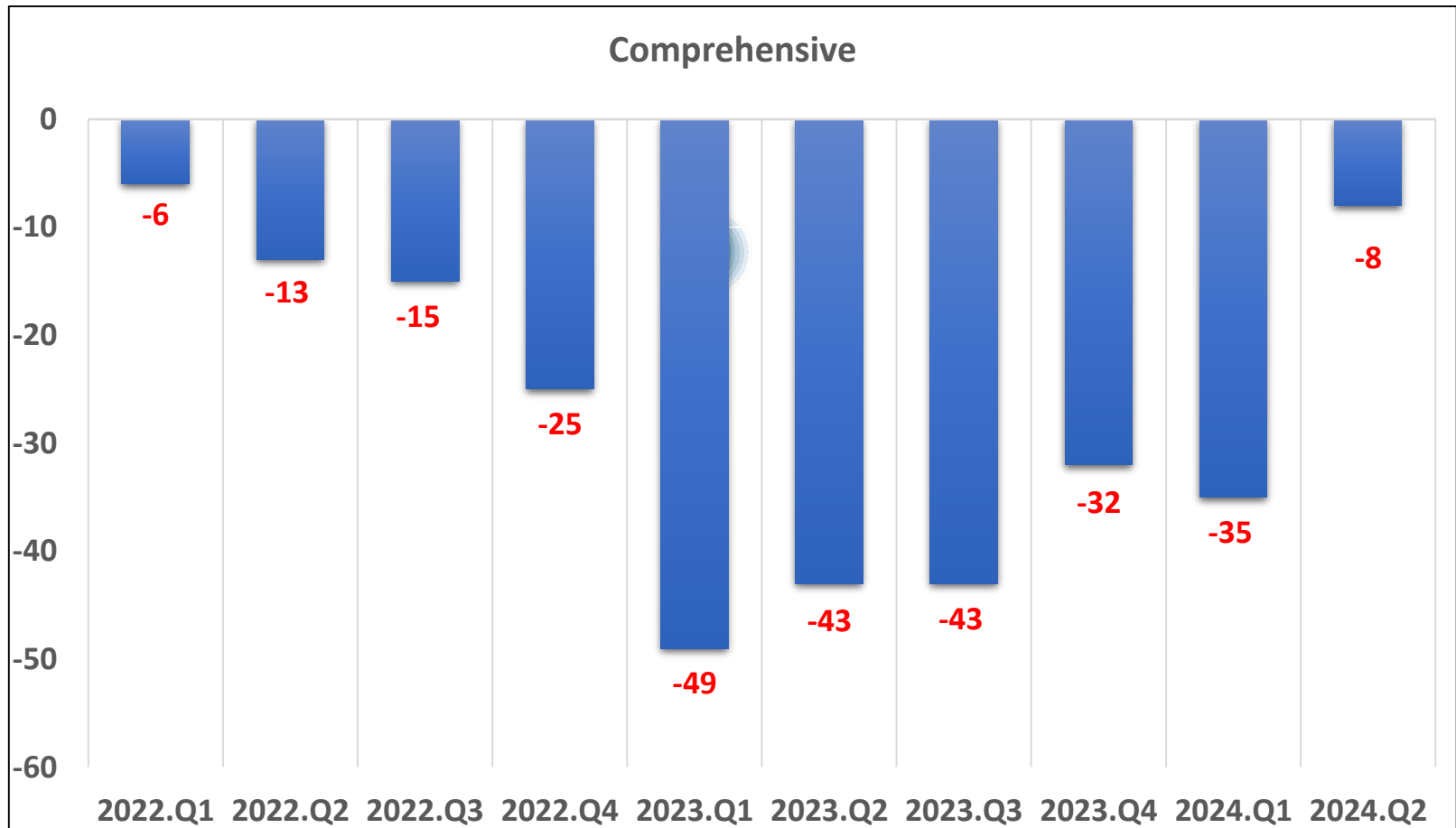
Products	Companies	2024Q2				2024Q1				2023Q2			
		2024/6/30 comprehensive shareholding ratio (note)	Revenue (in millions)	Net profit (in millions)	Recognized as profit and loss	2024/3/30 comprehensive shareholding ratio (note)	Revenue (in millions)	Net profit (in millions)	Recognized as profit and loss	2023/6/30 comprehensive shareholding ratio	Revenue (in millions)	Net profit (in millions)	Recognized as profit and loss
Electronic product testing business	ITS Company (IKS)	0%	0	0	0	61%	27	-19	-11	51%	27	-27	-13
Manufacturing and selling various types of integrated circuits (chips) thinning and metal deposition businesses	PPT Company (PPT)	77%	108	-10	-8	81%	53	-31	-24	81%	37	-38	-30

(Note): ITS Company and PPT Company will merge through absorption. ITS Company is the dissolved company, and the merger reference date is March 31, 2024,
The company holds a total of 77% of PPT Company

Recognized Comprehensive Analysis 2022Q1-2024Q2



Unit: NT\$ 1 Million



III 、 Future Operations Overview and Prospects

- 1. Focusing on the semiconductor industry**
- 2. Increasing gross profit margin**
- 3. Focusing on turn-key solution verification services**

IV 、 Q & A



Vibration Testing Acoustic Testing Shock Testing EMC Thermal Vacuum Cycling Test Radiation Testing



Taiwan Space Agency Plans LEO Satellite Supply Chain!

What Tests Must COTS Electronics Pass?