Asia Metal Industries, Inc. Investor Conference

鄒貴銓 董事長

2024.10.23

Disclaimer

- This presentation summarizes and evaluates the operations of our company as of the time of the presentation, based on both subjective and objective factors. It contains forward-looking statements that are subject to risks, uncertainties, and assumptions, some of which are beyond our control. Actual outcomes may differ significantly from these forward-looking statements.

- The information provided (including any forward-looking statements) does not constitute an expressed or implied representation or warranty as to its accuracy, completeness, or reliability. It does not represent a comprehensive description of the company, industry conditions, or subsequent major developments.

- The outlook for the future presented here reflects the company's views as of the date of this presentation. We are not obligated to update or revise these views to reflect changes or adjustments at any time.

Table of Contents for the Presentation

- Company Introduction
- Operational Locations
- Overseas Locations
- Organizational Structure
- Competitive Advantages
- Product Introduction
- Operational Performance
- ESG Initiatives
- Q & A

Company Overview

Established:
1973 (Listed in 2020)

Capital
NTD 268,841,770

Chairperson
鄒貴銓

Group Workforce
170employees

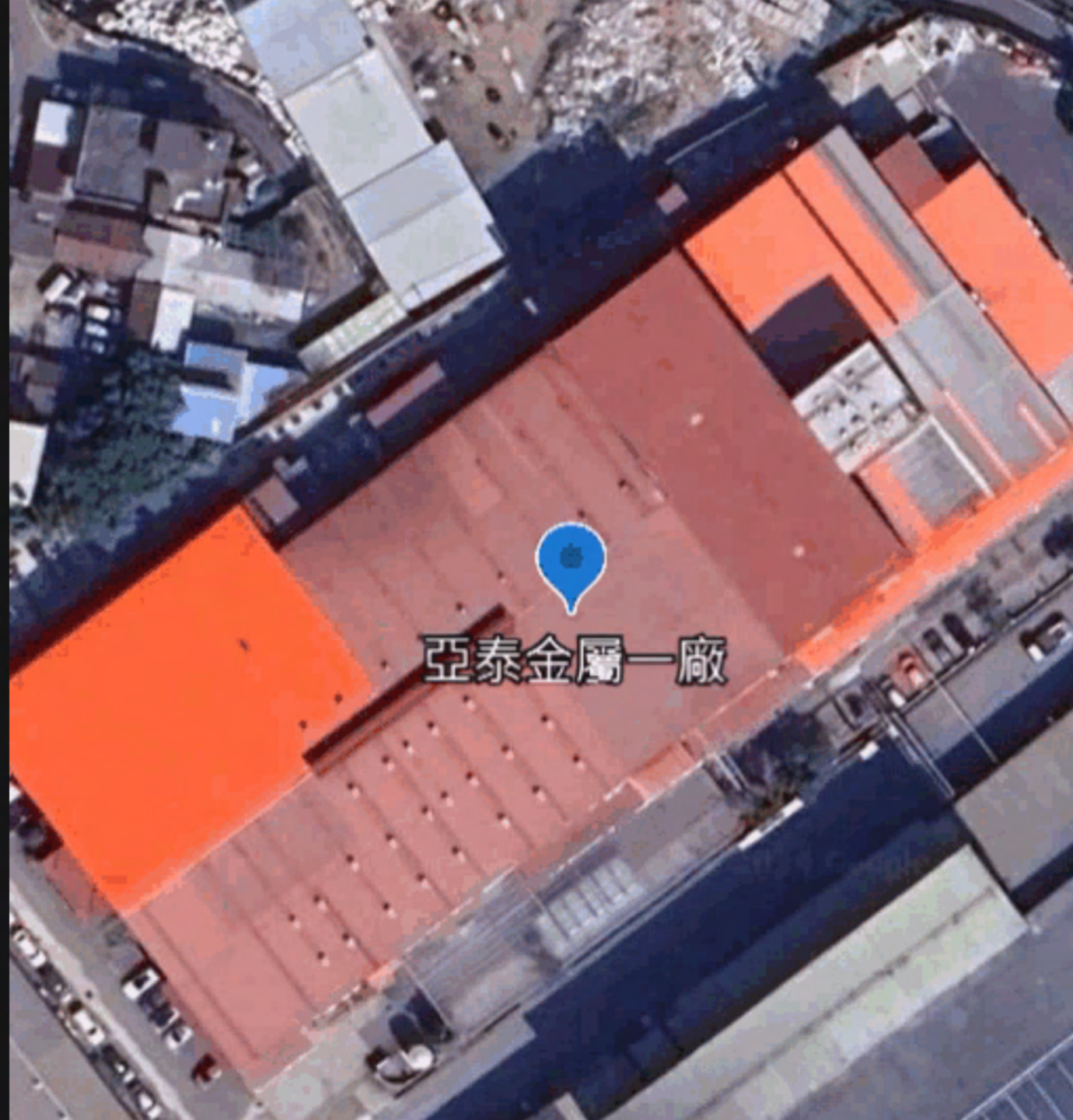
Operational Locations

AMI First Plant
4,200 ping

AMI Second Plant
3,250 ping

KSRP
720 ping

Southeast Asia Locations
Under Preparation



Overseas Locations

In response to the demand from major clients for setting up factories in Southeast Asia, we plan to establish a service location in Chonburi, Thailand, by the end of the year. The main objective is to provide our clients with enhanced services.

Yangmei Headquarters Plant 1 and Plant 2

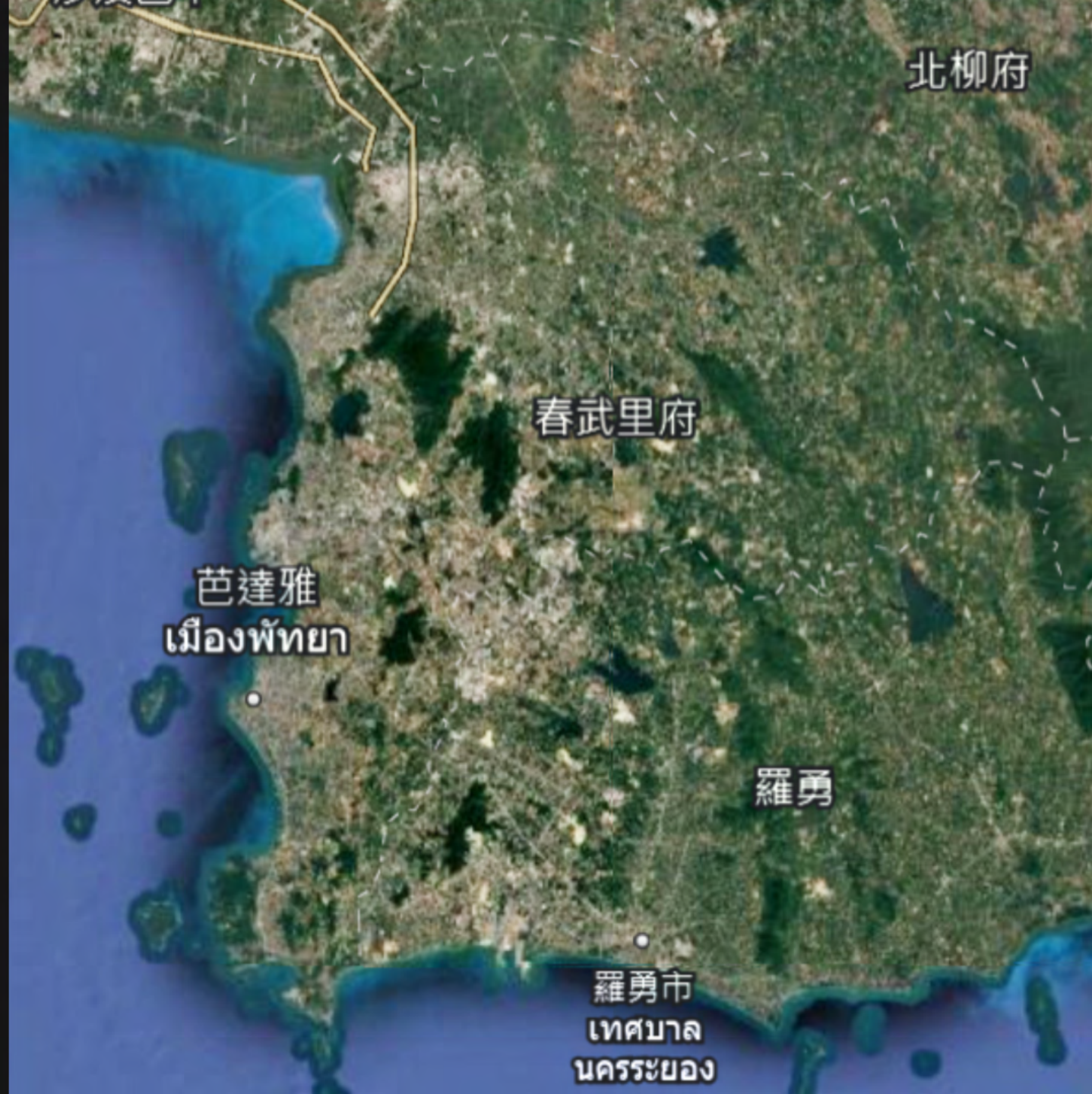
A base for research and development, design, assembly, sales, after-sales service, and production.

KSRP

A base for equipment installation, sales, and after-sales service.

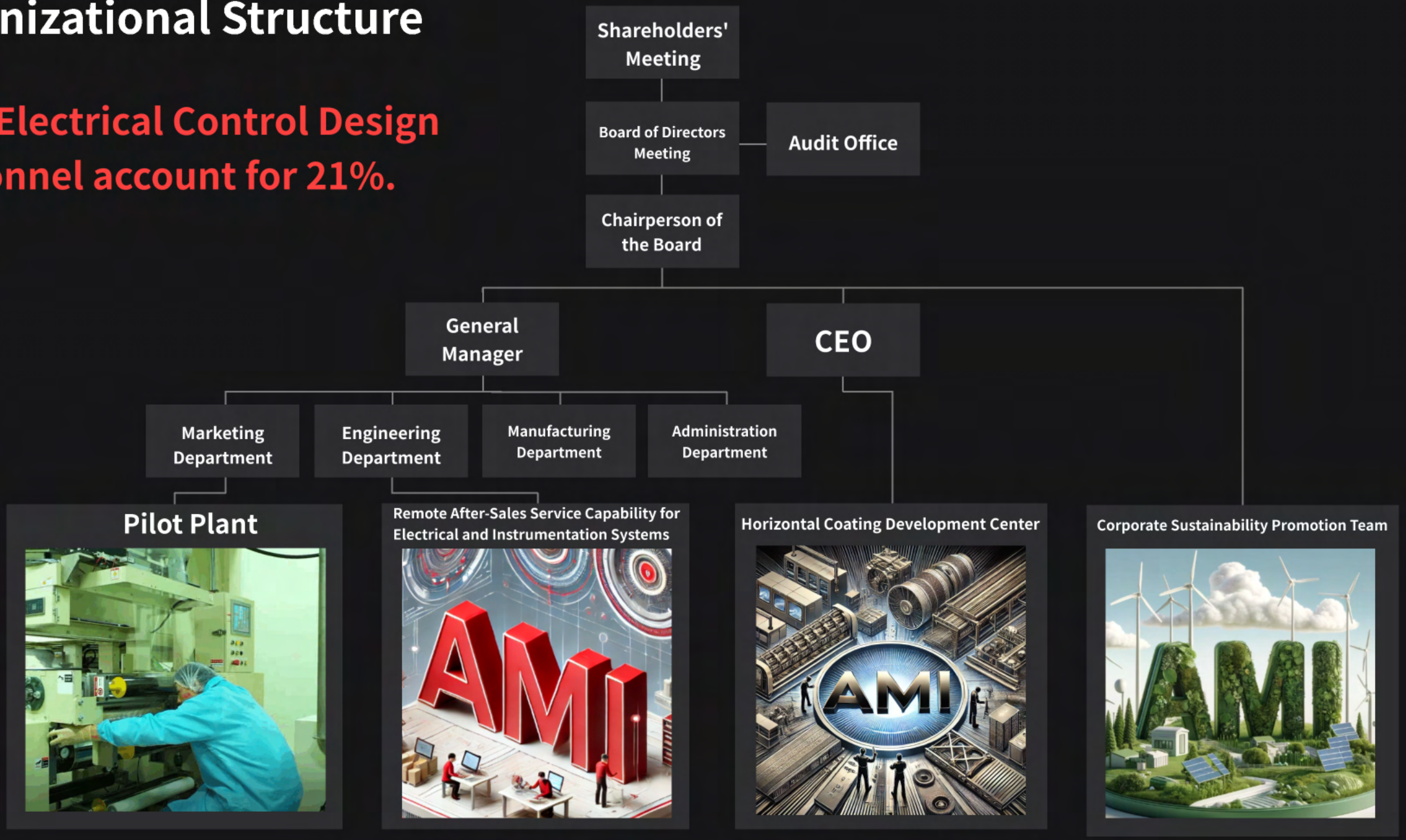
Thailand Location

Sales and After-Sales Service Locations.



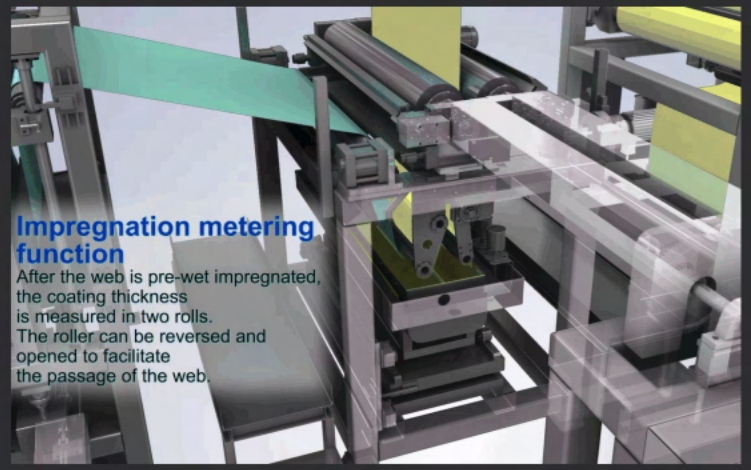
Organizational Structure

R&D/Electrical Control Design personnel account for 21%.

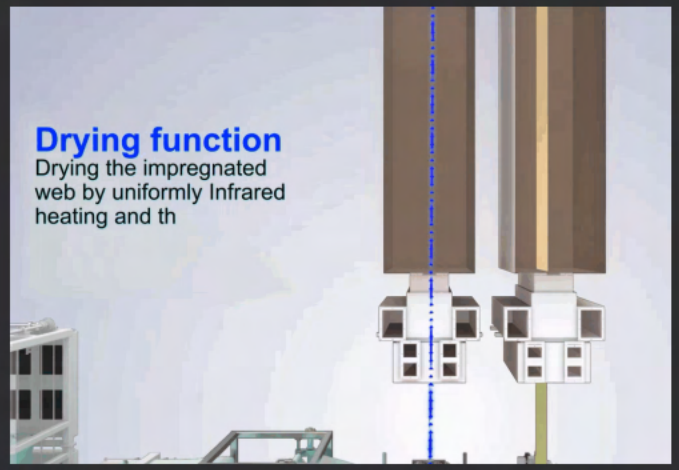


Competitive Advantages

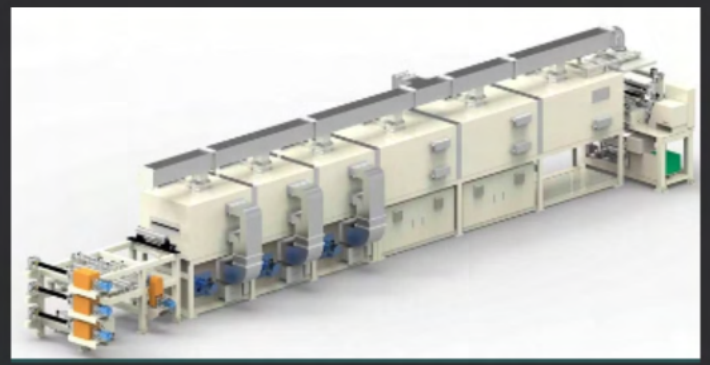
We are experts in the Roll-to-Roll equipment field, providing high-quality equipment solutions.



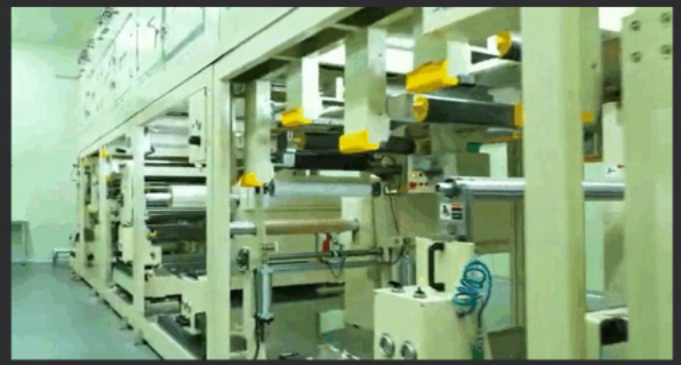
Impregnation Technology



Drying and Film Formation Technology



Coating Technology



Lamination Technology

Product Introduction

We are committed to research and innovation, providing high-quality solutions for our customers.

CCL

Market Application Trends

Applied in AI, IoT, 5G/6G, mass storage products, smart vehicles, smart home appliances, laptops, tablets, industrial and medical devices, smartphones, and wearable devices.

Research and Development Achievements

- Roller Gap Adjustment Device.
- Roller Device.
- Hot Air Circulation Heating Device.
- Hot Plate with Nanoceramic Coating and Heating Device Containing It.

Research and Development Focus

- Development of Ultra-Thin Fabric Impregnation Equipment Technology.
- Development of High-Temperature Oven Technology.
- Development of High-Precision Low-Tension Control Technology.

FCCL

Market Application Trends

Applied in AI, IoT, 5G/6G, mass storage products, smart vehicles, smart home appliances, laptops, tablets, industrial and medical devices, smartphones, and wearable devices.

Research and Development Achievements

- Roller Gap Adjustment Device.
- Roller Device.
- Hot Air Circulation Heating Device.
- Hot Plate with Nanoceramic Coating and the Heating Device Containing It.

Research and Development Focus

Collaborating with customers to develop new processes, focusing on ultra-thin substrates and low-tension advancements.

PTFE

Market Application Trends

Electronics Industry, Automotive and Aerospace Industry, Communication Substrates, Low Earth Orbit Satellites.

Research and Development Achievements

We have sold to multiple high-end communication substrate customers, offering products with unique features, and have obtained several patents.

Research and Development Focus

We are advancing towards ultra-thin fabric impregnation, multiple impregnation processes, low-tension technology, and remote intelligent control modules.

MLCC & LTCC

Market Application Trends

Electric Vehicles, Autonomous Vehicles, Smartphones, Personal Computers, Industrial Applications.

Research and Development Achievements

- Coating width: 340 ~ 380 mm.
- Machine speed: 30 M/min.
- Dry thickness: ≤ 2 μm.
- The standard deviation of film layer uniformity is approximately < 0.5.

Research and Development Focus

- High-speed production.
- Ultra-thin coating.
- Development of high-precision tension control technology.

Operational Performance

Recent Consolidated Balance Sheet

Assets	2024.6.30		2023.6.30		YoY	
	Amount	%	Amount	%	Amount	%
Total Current Assets	2,523,138	79.84	2,967,616	82.62	(444,478)	-15
Total Non-Current Assets	636,920	20.16	624,432	17.38	12,488	2
Total Assets	3,160,058	100.00	3,592,048	100.00	(431,990)	-12
Cash and Cash Equivalents	678,399	21.47	313,467	8.73	364,932	116
Accounts Receivable	174,874	5.53	405,682	11.29	(230,808)	-57
Inventory	1,264,076	40.00	1,600,417	44.55	(336,341)	-21
Property, Plant and Equipment	584,169	18.49	578,551	16.11	5,618	1
Liabilities and Equity						
Total Current Liabilities	1,786,285	56.53	2,445,956	68.09	(659,671)	-27
Total Non-Current Liabilities	124,683	3.95	145,918	4.06	(21,235)	-15
Total Liabilities	1,910,968	60.47	2,591,874	72.16	(680,906)	-26
Contract Liabilities-Current	1,211,701	38.34	1,501,805	41.81	(290,104)	-19
Accounts Payable	329,235	10.42	244,112	6.80	85,123	35
Bonds Payable Due within One Year or One Operating Cycle	0		136,934	3.81	(136,934)	-100
Long-Term Loans	118,589	3.75	135,567	3.77	(16,978)	-13
Total Equity	1,249,090	39.53	1,000,174	27.84	248,916	25
Total Liabilities and Equity	3,160,058	100.00	3,592,048	100.00	(431,990)	-12

Recent Consolidated Income Statement

(NT$ million)	2021	2022	2023	2024年(As of Q2)
Operating Revenue	1250.63	1455.60	1310.41	763.23
Gross Profit	**286.69**	**246.30**	**214.37**	**166.78**
Operating Expenses	118.50	134.41	117.67	66.84
Operating Profit	**168.19**	**111.89**	**96.71**	**99.94**
NNOI	-20.11	138.43	40.27	29.08
Pre-Tax Income	**148.08**	**250.32**	**136.98**	**129.02**
Net Income	121.17	200.12	110.35	104.68
EPS(NT$)	**5.75**	**8.83**	**4.60**	**4.06**

Recent Four Quarters Consolidated Statement of Comprehensive Income

(NT$ million)

項　目	2023Q3	%	2023Q4	%	2024Q1	%	2024Q2	%
Operating Revenue	355	100	288	100	367	100	396	100
Operating Costs	(266)	-75	(283)	-98	(294)	-80	(303)	-76
Gross Profit	**89**	**25**	**5**	**2**	**73**	**20**	**93**	**23**
Operating Expenses	71	20	(25)	-9	33	9	33	8
Operating Profit	**18**	**5**	**29**	**10**	**40**	**11**	**60**	**15**
NNOI	33	9	(11)	-4	17	5	12	3
Pre-Tax Income	51	14	18	6	57	15	72	18
Tax Benefit	(11)	-3	(2)	-1	(12)	-3	(13)	-3
Net Income	40	11	16	6	45	12	59	15
EPS	**1.64**		**0.68**		**1.82**		**2.23**	

Consolidated Statement of Comprehensive Income for Q2 2024

(NT$ million)

項　目	2024年Q2	%	2023年Q2	%	YoY	%
Operating Revenue	396	100	325	100	71	22
Operating Costs	(303)	-76	(273)	-84	(29)	11
Gross Profit	**93**	**23**	**52**	**16**	**40**	**77**
Operating Expenses	33	8	38	12	1	3
Operating Profit	**60**	**15**	**14**	**4**	**46**	**325**
NNOI	12	3	15	5	(3)	-20
Pre-Tax Income	72	18	29	9	43	147
Tax Benefit	(13)	-3	(6)	-2	(7)	128
Net Income	59	15	23	7	36	158
EPS	**2.23**		**0.99**		**1.24**	

EPS & Dividends

	2020	2021	2022	2023	2024年(截至Q2)
EPS	4.02	5.75	8.83	4.60	4.06
Dividend	2.5	3	4	2	
Cash Dividend	2.5	3	4	2	
Stock Dividend	0	0	0	0	

ESG Initiatives

Carbon Footprint, Sustainability Report, and Carbon Reduction Actions

Implementation of the Carbon Footprint/ESG Report System.
By leveraging systemization and automation, we enhance efficiency and quickly capture the latest carbon footprint parameters, ensuring compliance with GRI and third-party verification standards.

Carbon Footprint Capability
We have multiple personnel qualified as ISO 14064-1 Lead Verifiers, and we complete the carbon footprint assessments in accordance with ISO standards.

Laundry Detergent Refill Station
Reducing Single-Use Containers
(Reduces 0.34 kg CO2e per container)

Reusable Meal Containers
By using reusable meal containers, we achieve carbon reduction while offering employees a wider variety of meal options.
(Reduces 0.48 kg CO2e per container)

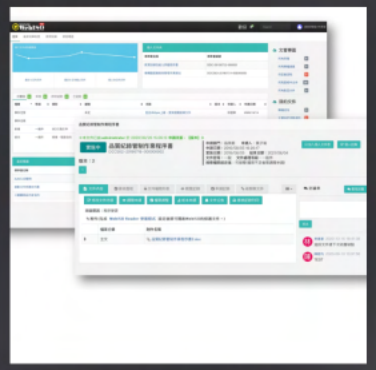
- Gradually Replacing Energy-Efficient Equipment
- Energy-saving hand dryers (reduce carbon emissions by 85% compared to paper towels).
- Replacing with LED lights.

Corporate Governance

AMI in the Top 2000 Manufacturing Companies by CommonWealth Magazine

Year	2023	2022	2021
Industry	Manufacturing	Manufacturing	Manufacturing
Sector	Electromechanical Equipment	Electromechanical Equipment	Electromechanical Equipment
Ranking	1204 ↑	1214	1316

We hold multiple patents and have several additional patents currently under application.



Implementation of Document Management System (2024)

ISO Quality Management System Certification

Social Actions

Yu De Children's Home
Charity Donation Event

Blood Donation Charity Day
In collaboration with Hsinchu Blood Donation Center, regular blood donation events are held.

Suiyuan Elementary School
Sustainability Program
Continuously providing resources to local community schools, fostering the foundation of sustainable development from a young age.

Material Donation Event
Charity Event for Ren-Ai Home

Gender-Friendly Spaces
- Little Red Riding Hood Physical Friendly Space Map.
- Organizing Gender Equality Seminars.
- Setting up Gender-Friendly Restrooms.

Charity Donation Events
- Eden Social Welfare Foundation.
- Taiwan Environmental Information Association.
- Heart of Taiwan Animal Care Association.

Guanyin Caota Beach
Corporate Beach Cleanup Event

Sustainable Woodworking Activities
- Hongmei Library Arts and Cultural Education Program.
- Fugang Library Arts and Cultural Education Program.

Thank You for Your Attention

The presentation concludes here. I welcome any questions from the distinguished guests.