



Press Release

THine Announces its New Mid-Term Strategy “Innovate100” from 2025 to 2027

~Through providing innovative solutions, THine will contribute to accelerating the implementation of AI in society and improving the productivity, aiming to achieve sales of over 10 billion yen~

THine announces its new mid-term management strategy “Innovate100” from 2025 to 2027, aiming to achieve sales of over 10 billion yen in the target year of 2027. THine also expects THine Group’s return on invested capital (“ROIC”) to reach over 10% by achieving the target.

1. Purpose of the New Mid-Term Strategy “Innovate100”

Under the current mid-term strategy “5G&Beyond-NE” from 2022 to 2024, THine Group has been working to achieve the five strategic goals by developing new growth use cases in response to changes in the business environment, providing solutions based on smart connectivity. As a result of “5G&Beyond-NE”:

- 1) THine has started mass production of innovative new semiconductor (“LSI”) products that can aggregate wiring that gives excellent impacts on the industrial IoT use cases;
- 2) THine has expanded its wireless communication solutions that connect the edge devices to the cloud servers in various markets such as drive recorders, vending machines, etc., and also has started its server business that provides computing resources to cloud sides;
- 3) in the automotive markets, THine has launched its new high-speed interface products for automotive cameras and displays to mass production;
- 4) in the medical markets, THine has applied image signal processors and high-speed interfaces for the world's first 4K disposable endoscope to mass production; and furthermore; and
- 5) establishing optical communication semiconductor technology (ultra-low power consumption, ultra-low latency) and ultra-high-speed data transmission technology for the beyond 5G era.

THine has achieved the essential results to realize its five strategic goals.

Under the new mid-term strategy “Innovate100” from 2025, THine will contribute to improving the productivity of the economy and society by providing innovative solutions that can accelerate hundreds of artificial intelligence (“AI”) use cases, leveraging THine’s three business portfolio of LSI, AI&IoT solutions, and servers.

2. Overview of the Mid-Term Strategy “Innovate100”

(1) Basic Strategy

THine Group continuously contributes to the society through differentiation and new added value based on the concept of ‘Interface to the Future - Solution by Smart Connectivity-’.

As the working population in major countries will decline and the aging society is in the deeper trend, the implementation of AI, including generative AI, is expected to be the most important key to achieving productivity improvements, and it is expected that productivity improvements through the implementation of AI will have a significant impact on the growth of the economy and society. On the other hand, it is feared that the increasing amount of data center computing for AI will expand drastically, and that the power consumption is going to be a huge problem.

In this environment, THine Group has a policy to contribute to accelerating the implementation of AI in society through our three businesses, LSIs, AI/IoT solutions, and servers, as well as helping to save the expansion of data center power consumption through THine’s optical semiconductors with lower power consumptions.

Furthermore, THine Group places ever greater emphasis on collaborations and alliances that contribute to further accelerating the implementation of AI in society, and it continues to actively seek opportunities for M&A and win-win collaboration opportunities with various partner companies.

(2) the Goal of “Innovate100”

THine Group aims to achieve sales of over 10 billion yen in fiscal 2027, the target year of our Next Mid-Term Strategy “Innovate100”.

Also when it achieves the goal of “Innovate100”, THine Group expects its ROIC to reach over 10%.

(3) Initiatives under “Innovate100”

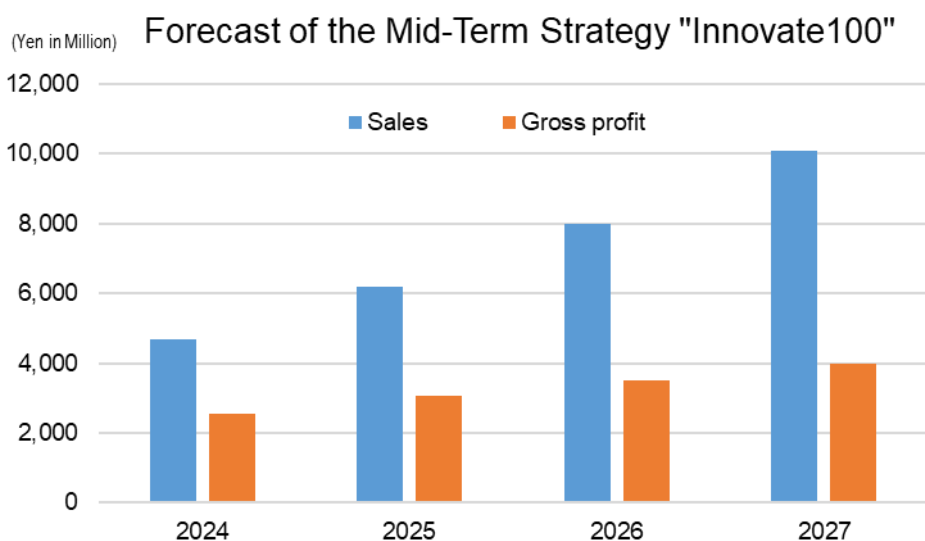
In addition to providing strong support and continuous new added value to existing customers, under the Next Mid-Term Strategy “Innovate100”, THine Group will work on the following initiatives through three businesses of LSIs, AI/IoT solutions, and AI servers.

- Launch of a solution business with AI processors
(Utilizing V-by-One® technology and smart modules with Qualcomm’s AI processing units)
- Wide application of LSIs for wiring aggregation suitable to industrial Internet-of-Things (IoT) solution
- Launch of IoT support business such as edge AI solutions with EdgeAI-Link
- Commercialization of optical semiconductors (ultra-low power consumption and ultra-low latency using THine’s unique DSP-less technology)
- Expansion of wireless communication business for smart meters, which are the key data sources for AI sensing
- Acceleration of application of wireless communication solutions that link devices and the cloud in automotive and industrial equipment
- Business development for communication carriers
- Acceleration of sales expansion for server business and maintenance business, including AI servers

(4) Enhancing THine Group’s Synergy of LSIs, AI/IoT solutions, and servers

In order to further enhance THine Group’s synergy of LSIs, AI/IoT solutions, and servers, it actively works to develop new solutions and expand value by leveraging relationships with suppliers and customers.

In line with the implementation of this next Mid-Term Strategy “Innovate100”, the company name of Cathay Tri-Tech, Inc., the core company of THine Group’s AI/IoT business, will be changed to “THine Mobile Tek, Inc.” on July 1st, 2025, and will contribute to society through innovative solutions that leverage the synergy of the THine brand in all three businesses.



* “EdgeAI-Link” and “V-by-One” are a trademark or a registered trademark of THine Electronics, Inc.

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