TODAY'S AGENDA

- Corporate outline

- Business results in FY2024Q3

- The mid-term strategy, "5G&Beyond-NE"

- The new mid-term strategy, "Innovate100"

Mid-term Strategy from 2022 to 2024

5G&Beyond-NE

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- **Corporate outline**

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Mid-term Strategy from 2022 to 2024

5G&Beyond-NE

Corporate outline

Provider of unique value to the world, de facto standard technology of high-speed interface, etc.

➤ Company Name THine Electronics, Inc.

(listed on Tokyo Stock Exchange, code: 6769)

➤ Founder & CEO Tetsuya Iizuka, Ph.D

➤ President & COO Yoichiro Minami

➤ Capital 1,175 million yen

➤ Founded May, 1991

➤ Incorporated June, 1992

➤ Business Area Planning, Designing and Sales of Mixed Signal LSI,

Providing AI & IoT devices/Solutions,

Planning, Designing and Sales of AI/Data Server

➤ Employees 133, consolidated as of September 30, 2024

Tetsuya Iizuka   Yoichiro Minami

THine team

Korea
THine Electronics Korea, Inc.
Seoul, Korea
Established in Mar. 2010

United States
THine Solutions, Inc.
Santa Clara, CA USA
Established in Feb. 2018

China
賽恩電子香港股份有限公司
THine Electronics Hong Kong, Co., Ltd.
Established in Nov.2012
前海賽恩电子(深圳)有限公司
THine Electronics Shenzhen, Co., Ltd.
Established in May 2013
上海分公司
Shanghai-Branch
Established in Oct.2013

LSI
Tokyo – Headquarters –
Tokyo, Japan
Start-up in May 1991

AIOT
Cathay Tri-Tech, Inc.
Yokohama, Japan
Acquired in Dec., 2018

Server
THine HyperData, Inc.
Yokohama, Japan
Establish in June 2024

Taiwan
哉英電子股份有限公司
THine Electronics Taiwan, Inc.
Taipei, Taiwan
Established in Sep. 2000

THine value

Interface to the Future
- Solution by Smart Connectivity -

LSI as smart interface,
AIOT as smart IoT solution, and
AI/Data Server providing computational resources

THine® *Interface to the Future - Solution by Smart Connectivity -*
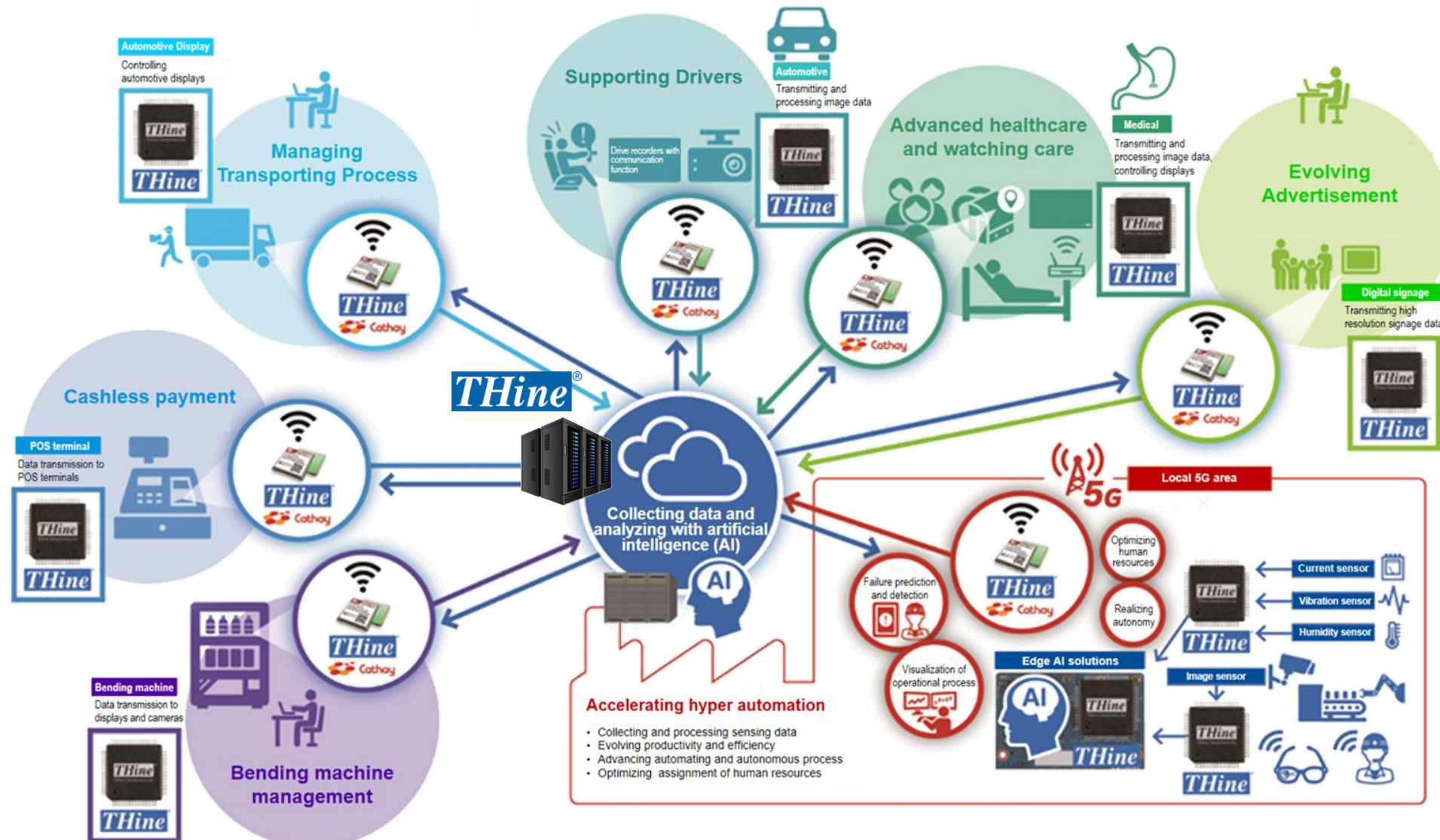
Business Area

Product and solution	Application market

LSI Biz.

<High-speed interface LSI>
  V-by-One® HS plus
  V-by-One® HS
  LVDS
  Serial Transceiver IOHA:B
<Image signal processing>
Image Signal Processor
Camera Development Kit

- Camera solution: automotive cameras, security cameras, AR/VR, recognition camera, medical cameras, etc.
- Display solution: high-resolution displays such as 8K / 4K, gaming monitors with high refresh rate
- Drive recorders, automotive CID, exp. for EVs
- Mobile, PC, and single board computers
- OA (multi-function printers), amusement
- Industrial equipment such as inspection equipment for semiconductors and LCD displays

AI & IoT Biz.

<Wireless modules>
  5G/LTE/NB-IoT
＜AI&IoT devices and solution＞
  IoT Gateway / Router
  AI & IoT Solution
＜AI Server＞
  AI Server with NVIDIA H100 GPU
＜Data Server＞
  General Server
  Smart NIC/Switch

<AI/IoT Solution>
- Drive recorders with wireless modules
- AED monitoring modules
- IP transceivers
- Remote monitoring module for vending machines and elevators
- GPS tracker
- AI thermography with facial recognition
- IoT monitoring system
<Server>
- AI servers and data servers for companies and AI research institutes though ODM/OEM

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Mid-term Strategy from 2022 to 2024

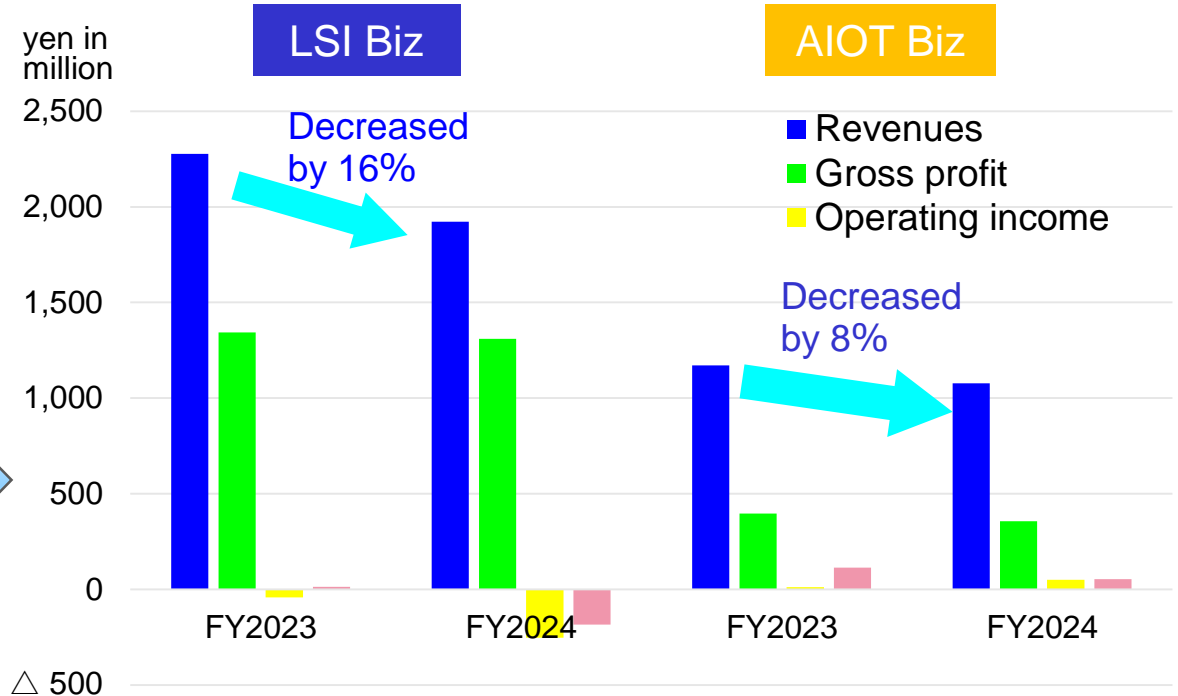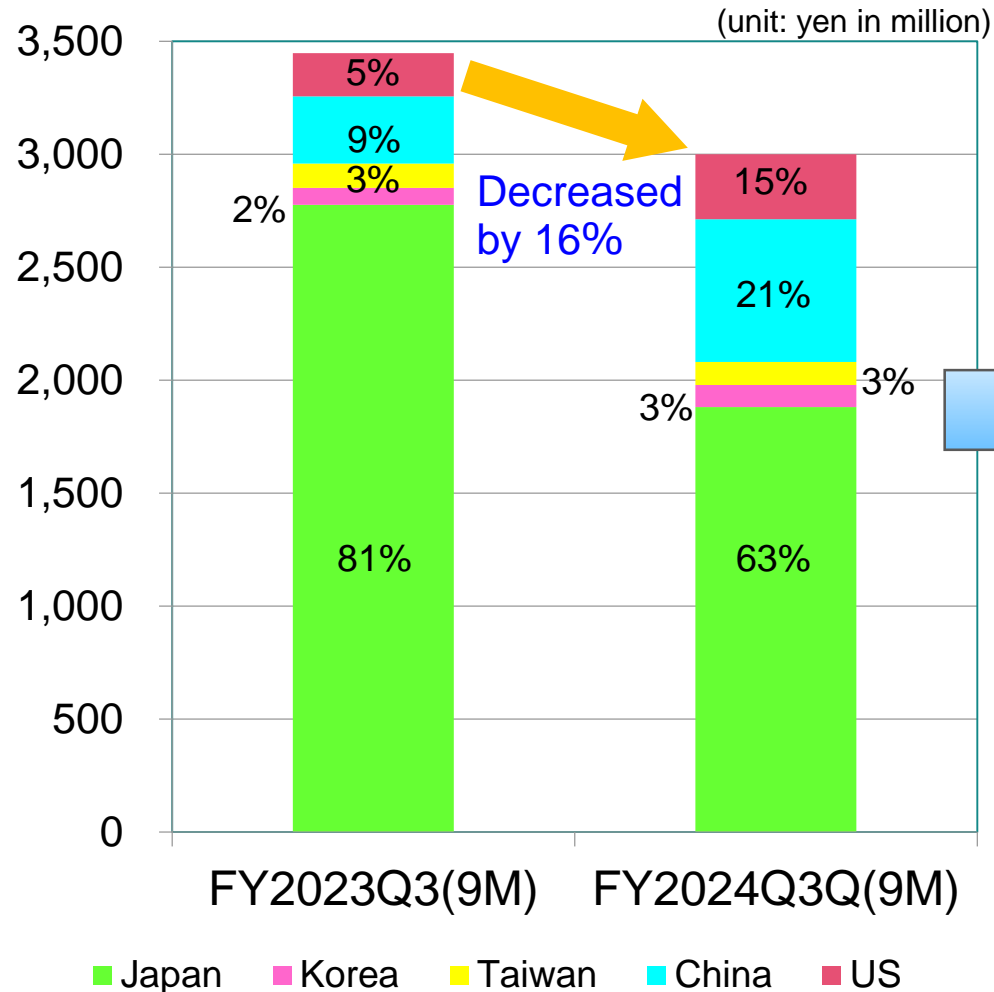5G&Beyond-NE

Financial performance in FY2024Q3(9M)

► Consolidated financial results

	FY2024Q3 (9M)			FY2023Q3 (9M)	
		Portion%	YoY		Portion%
Revenues	3,000	100.0	87.0	3,447	100.0
Gross Profit	1,665	55.5	95.7	1,740	50.5
SG&A	1,867	62.2	105.5	1,769	51.3
(R&D expenses)	897	29.9	113.7	789	22.9
Operating Income	△201	△6.7	—	△29	△0.8
(EBITDA)	△129	△4.3	—	127	3.7
Ordinary Income	△196	△6.6	—	173	5.0
(Reference purpose only) Ordinary Income without FX effects	△198	△6.6	—	△25	△0.7
Net Income Attributable to Owners of the Parent	△196	△6.6	—	53	1.6

Financial performance in FY2024Q3(9M) *by region and segment*

▶ Revenues by region

(unit: yen in million)

Decreased by 16%

Legend:
- ■ Japan
- ■ Korea
- ■ Taiwan
- ■ China
- ■ US

LSI Biz

AIOT Biz

yen in million

Decreased by 16%

Decreased by 8%

- ■ Revenues
- ■ Gross profit
- ■ Operating income
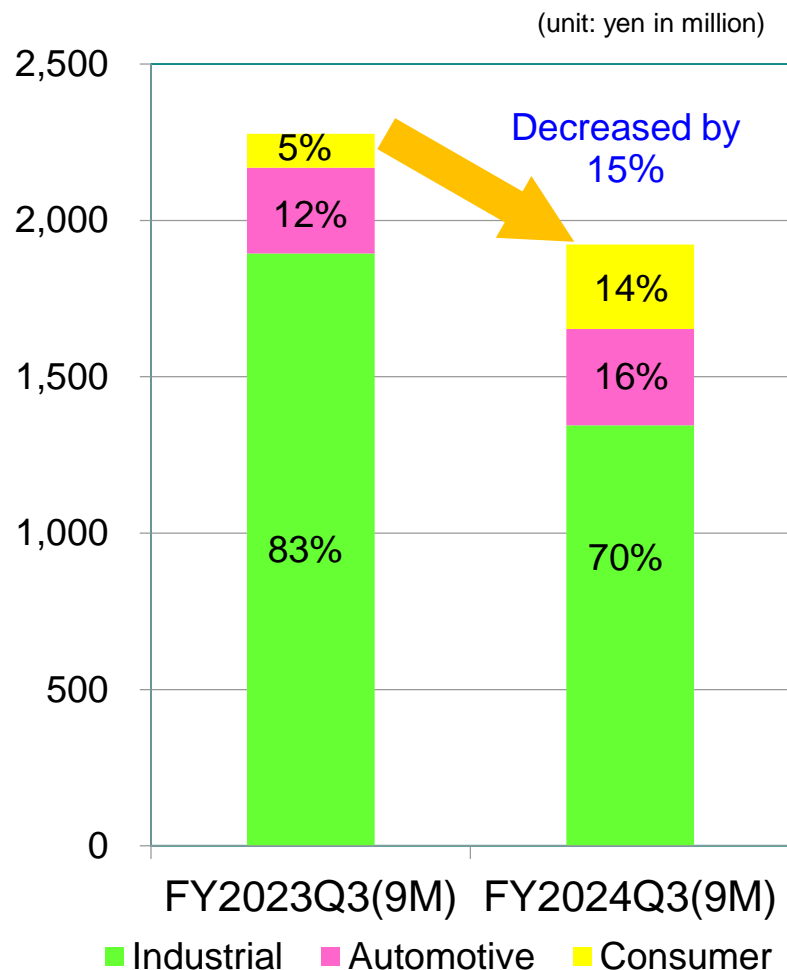
△ 500

- ➢ LSI Biz in overseas markets such as China and the US are on a recovery trend while sales from OA and amusement in the Japanese markets are still affected by inventory-level adjustment, resulted in revenue decrease by 16%.

- ➢ AIOT Biz achieved healthy delivery of wireless communication modules to vending machines, elevators, AED (Automated External Defibrillator), etc., while some large customers such as drive recorders reduced or postpone orders, resulted in revenue decrease by 8%.

- ➢ AIOT Biz is in its profitable stage, completing its goodwill amortization in FY2023.
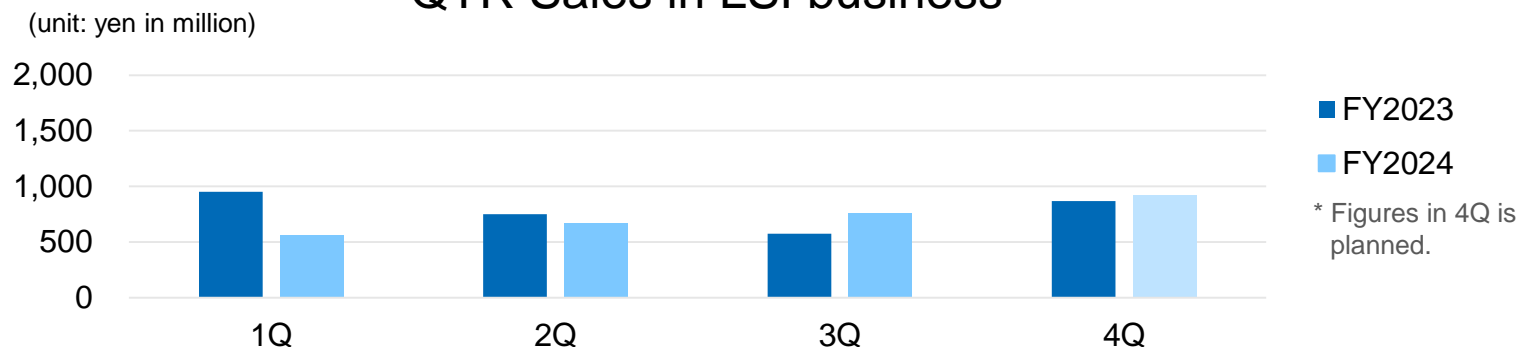
Financial performance in FY2024Q3(9M) *LSI Business by application markets*

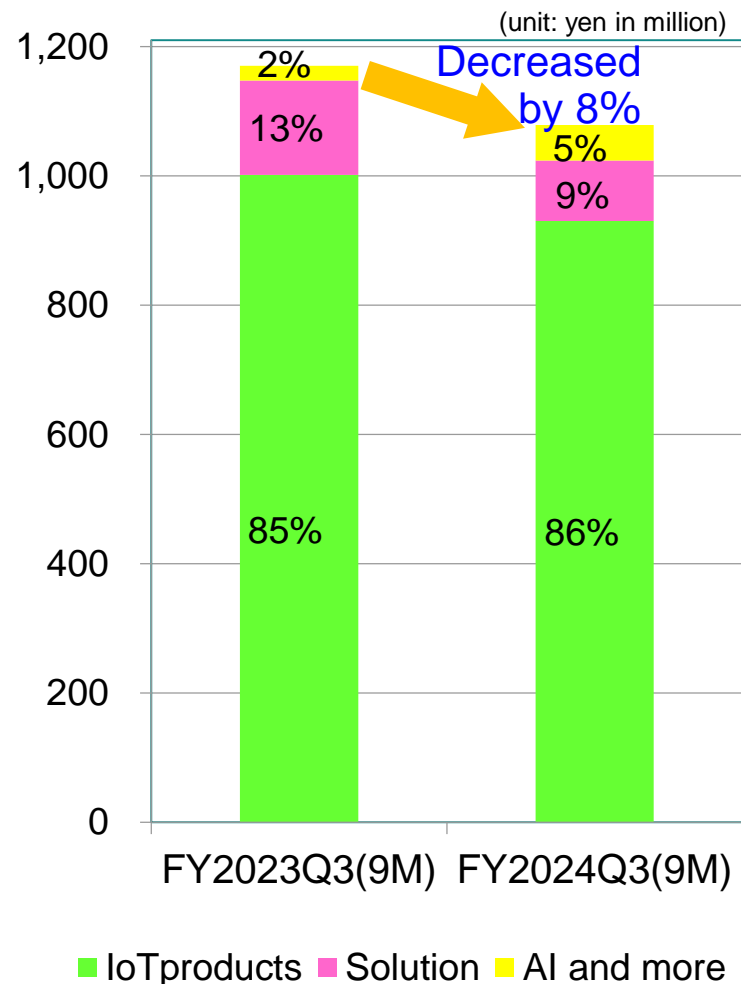▶ Revenues of LSI business by application

(unit: yen in million)

FY2023Q3(9M):
- Consumer: 5%
- Automotive: 12%
- Industrial: 83%

Decreased by 15%

FY2024Q3(9M):
- Consumer: 14%
- Automotive: 16%
- Industrial: 70%

Legend: ■ Industrial ■ Automotive ■ Consumer

| Analysis	
Industrial: decreased by 29% (70% of total)	Customers in OA and amusement markets are on recovery trend but are still affected by adjusting inventory level, resulted in △29% decrease in OA, △52% in amusement, and +14% increase in other industrial.
Automotive: increased by 12% (16% of total)	Launched new products for EV markets. China and US markets are on recovery trends, resulted in sales increase.
Consumer: increased by 150% (14% of total)	Applying the new standard interface technology "V-by-One® HS plus" for high-resolution 4K/8K television and display markets shows healthy growth.

QTR Sales in LSI business

(unit: yen in million)

Legend: ■ FY2023 ■ FY2024

* Figures in 4Q is planned.

(Quarters: 1Q, 2Q, 3Q, 4Q)

THine Electronics, Inc.

Financial performance in FY2024Q3(9M) *AIOT Business by segment*

▶ Revenues of AIOT business segments

(unit: yen in million)

FY2023Q3(9M)	FY2024Q3(9M)
2%	Decreased by 8%
13%	5%
	9%
85%	86%

■ IoTproducts ■ Solution ■ AI and more

Analysis	
IoT products: decreased by 7% (86% of total)	Business in monitoring systems for vending machines and elevator, vending machines payment system, AED, etc. made successful shipments while that in dashcam decreased and delayed.
Solution: decreased by 36%	Developing new solution such as OEM routers for surveillance cameras made success while some projects delayed.
AI and more: increased by 142%	Focusing on newly developing solutions and products, including server business.

QTR Sales in AIOT business

(unit: yen in million)

■ FY2023
■ FY2024

* Figures or 4Q is planned.
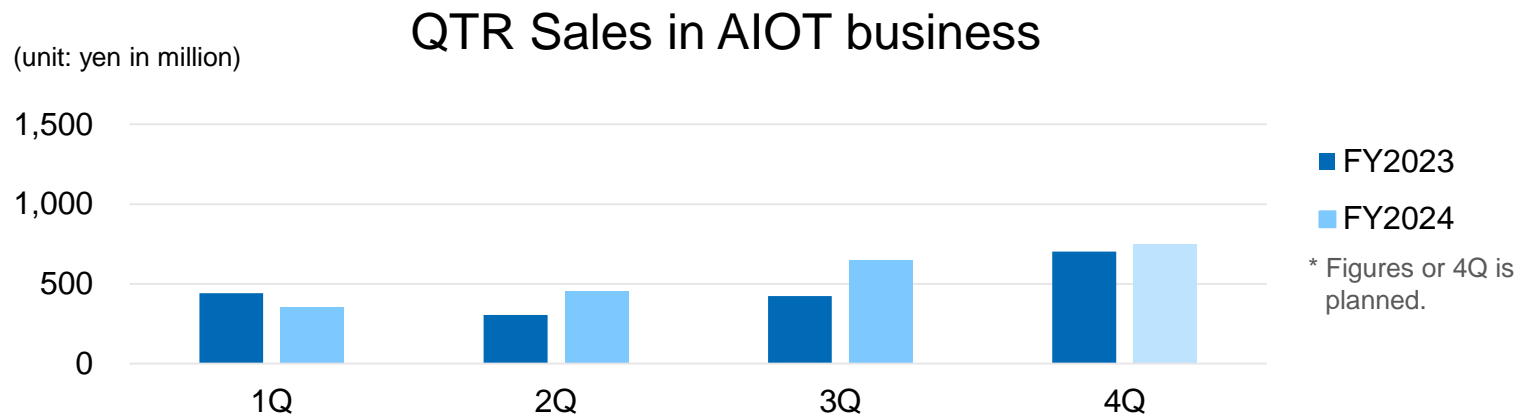
Financial performance in FY2024Q3(9M) *SGA compared to FY2023Q2-6M*

▶ Reasons of changes in operating income

➤ Gross profit decreased by 4% with the improved gross profit rate from 51% to 56%

➤ Made intensive investment in research and development (R&D) with JPY897M, increased by 14%: developing new V-by-One® HS products for displays and cameras for EV markets, new power management products, low power and low latency optical chipset for advanced PCI Express 6.0/7.0, modules for edge AI, gateway products with voice communication, smart IoT router products, etc.
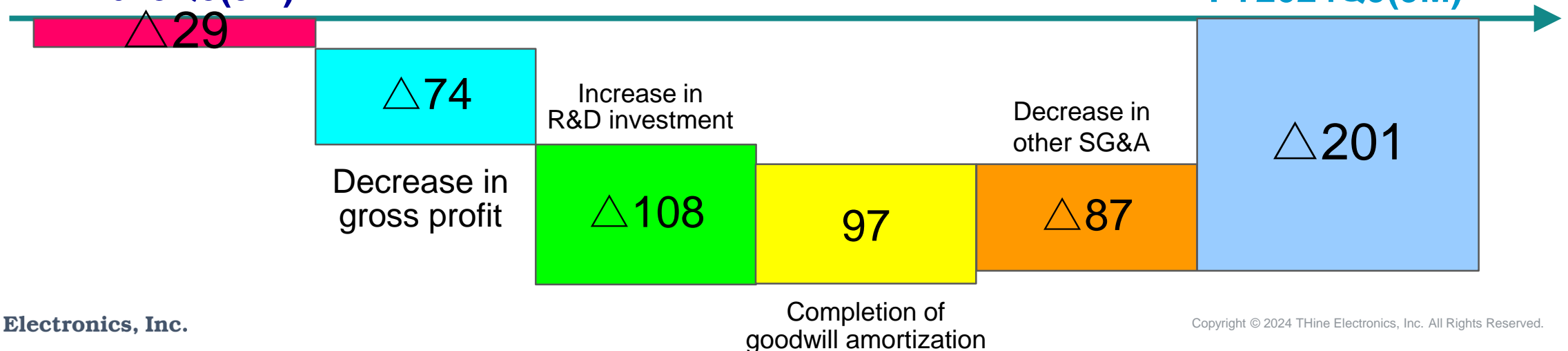
  * Also continued government-contracted R&D project using 300GHz communication mostly at the cost of MIAC

➤ Goodwill amortization by acquiring AIOT business has been completed in FY2023.

(unit: yen in million)
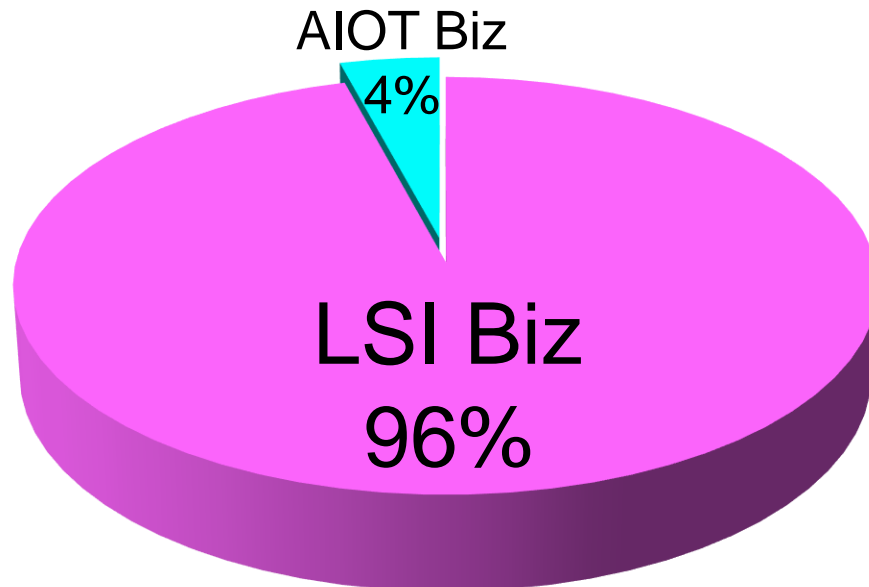
Operating loss in FY2023Q3(9M)
△29

Operating loss in FY2024Q9(9M)
△201

△74
Decrease in gross profit

Increase in R&D investment
△108

Completion of goodwill amortization
97

Decrease in other SG&A
△87

Financial performance in FY2024Q2(6M) *R&D investment*
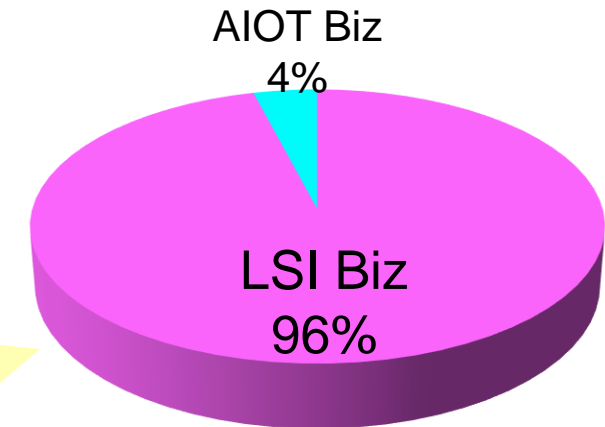
▶ Intensive investment in R&D

▷ R&D investment plan in FY2024:
totally JPY1,220M (increased by 11%)

R&D in FY2024Q3(9M) (actual)

➤ **JPY897M**
compared to the plan: 74%
compared to FY2023Q3 114%

R&D in FY2024 (Planned)

AIOT Biz
4%

LSI Biz
96%

AIOT Biz
4%

LSI Biz
96%

Focused development to achieve the 5 goals of the mid-term strategy, "5G&Beyond-NE"

➤ New V-by-One®HS products for display panels and cameras of EVs

➤ New power management products

➤ Low power and low latency optical chipset for advanced PCI Express 6.0/7.0

➤ Modules for edge AI processing

➤ Voice-communication-support gateway products

➤ Smart IoT router products

➤ High-speed wireless communication technology applicable to 1000Gbps data transmission (Beyond 5G), etc.

Financial performance in FY2024Q3(9M)

▶ Outline of Balance Sheet as of the end of September, 2024　　（unit: yen in million）

Assets			Liabilities and Net Assets		
	End/Sep/2024	End 2023		End/Sept/2024	End 2023
Cash and Cash Equivalent	7,146	7,377	Account Payable	243	270
Account Receivables	538	937	Other Current Liabilities	297	401
Inventories	995	846	Non-current Liabilities	141	137
Other Current Assets	283	303	Shareholders' Equity	8,772	9,139
Property, Plant and Equipment	183	212	Accumulated Other Comprehensive Income	73	73
Intangible Assets	59	69	Deferred Stock-based Compensation	67	150
Investments and others	503	504	Non-controlling Interests	112	77
Total Assets	9,710	10,250	Total Liabilities and Net Assets	9,710	10,250

➤ US-dollar-based cash as of the end of FY2024Q3 is approximately US$9M.
➤ The amortization of goodwill by acquisition of Cathay Tri-Tech (AIOT business) has been completed in FY2023.
➤ THine HyperData, Inc. has been established in June 2024 with its capital of JPY100M.

Financial performance in FY2024Q3(9M)

▶ Outline of Cash Flow Statements

（unit: yen in million）

	FY2024Q3(9M)	FY2023Q3(9M)
CF from Operating Activity	2	753
CF from Investing Activity	△91	△78
CF from Financing Activity	△161	△160
Effect of Exchange Rate Changes	19	178
CCE at the beginning of the FY	7,377	7,302
CCE at the end of the QTR	7,146	7,995

➤ net loss before tax, decrease account receivables and account payable, and increase in inventories

➤ investment in fixed asset, etc.

➤ payment of dividend for FY2023, acquisition of treasury stock, exercise of stock options, establishing THine HyperData Inc., etc.

➤ Exchange rate
JPY142 as of the end of FY2023
JPY142 as of the end of FY2024Q3

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Mid-term Strategy from 2022 to 2024

5G&Beyond-NE

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Outline of **"5G&Beyond-NE"**

<Basic Strategy>
THine provides differentiated values for customers based on the prior mid-term strategy, "5G&Beyond," corresponding to business environment, and contribute to customers' innovation.

Beyond5G/8K
Ultra-High-Speed Data Transmission
8K Video Solution

5G/AI·IoT Solution
5G Wireless Communication
Face Recognition, Smart Infrastructure

Mobility
High Resolution / Multiple
Automotive Cameras and Displays

Hyper Automation
Serial Transceiver for IoT Platform

Medical
Medical Cameras(ex. Endoscope)
High Resolution Monitor

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Action in FY2024

①Enhance growing business in **automotive and industrial markets**,
contributing to support new use cases of autonomous, unmanned, and remoted situation

②Continuously launch new LSI products for **automotive cameras and displays,**
targeting automotive markets in China

③Promote products and solutions for **smart IoT communication,**
including drive recorders and smart meters

④Cultivate future growing opportunities in **5G, AI&IoT, medical**

⑤Positively invest in **research and development** as well as **talented HR** to create value from
new products, making **developing projects more efficient within shorten periods**

⑥Entering the **server business** as **the third portfolio** following to LSI and AIOT

⑦Provide **effective solutions with THine's interface technology**, seeking **alliance and**
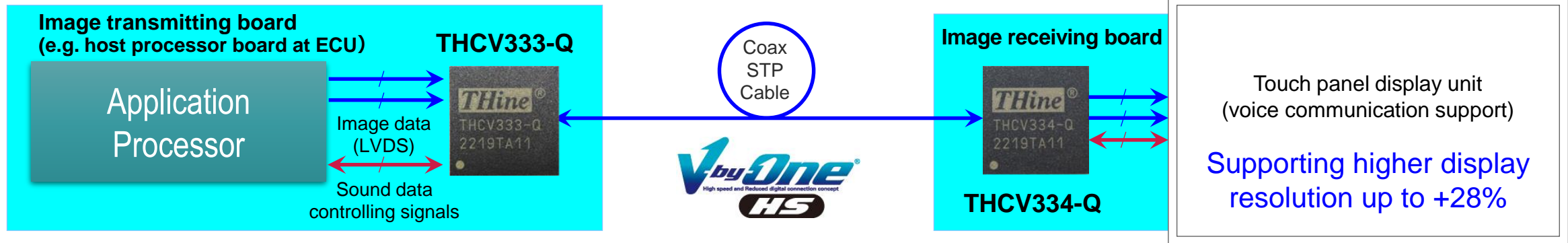**collaboration opportunities** aggressively

THine® Interface to the Future
- Solution by Smart Connectivity -

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

Mobility | **Hyper Automation**

▶ Enhancing user experience – simplifying cable wiring solution for in-vehicle touch panels for EVs

Start volume production shipping of new V-by-One®HS products for EVs and industrial equipment

➢ Enabling to transmit and receive fullHD60fps images, controlling signals, and voice signals only with 1 chip
➢ Capable to handle approximately +28% more data volume, compared to similar-class products in automotive industry
  the world-fastest class SerDes support OpenLDI(LVDS)

Image transmitting board
(e.g. host processor board at ECU)　　THCV333-Q

Application Processor

Image data (LVDS)

Sound data controlling signals

Coax STP Cable

V-by-One HS

THCV333-Q 2219TA11

Image receiving board

THCV334-Q 2219TA11

THCV334-Q

Touch panel display unit
(voice communication support)

Supporting higher display resolution up to +28%

1) Automotive in-vehicle touch panel display
➢ Information display
➢ Rear seat entertainment
➢ Navigation
➢ Display Audio

2) Industrial embedded touch panel display
➢ HMI/programmable display
➢ Vending machines with touch panel
➢ Elevator interior panel
➢ Traffic monitors

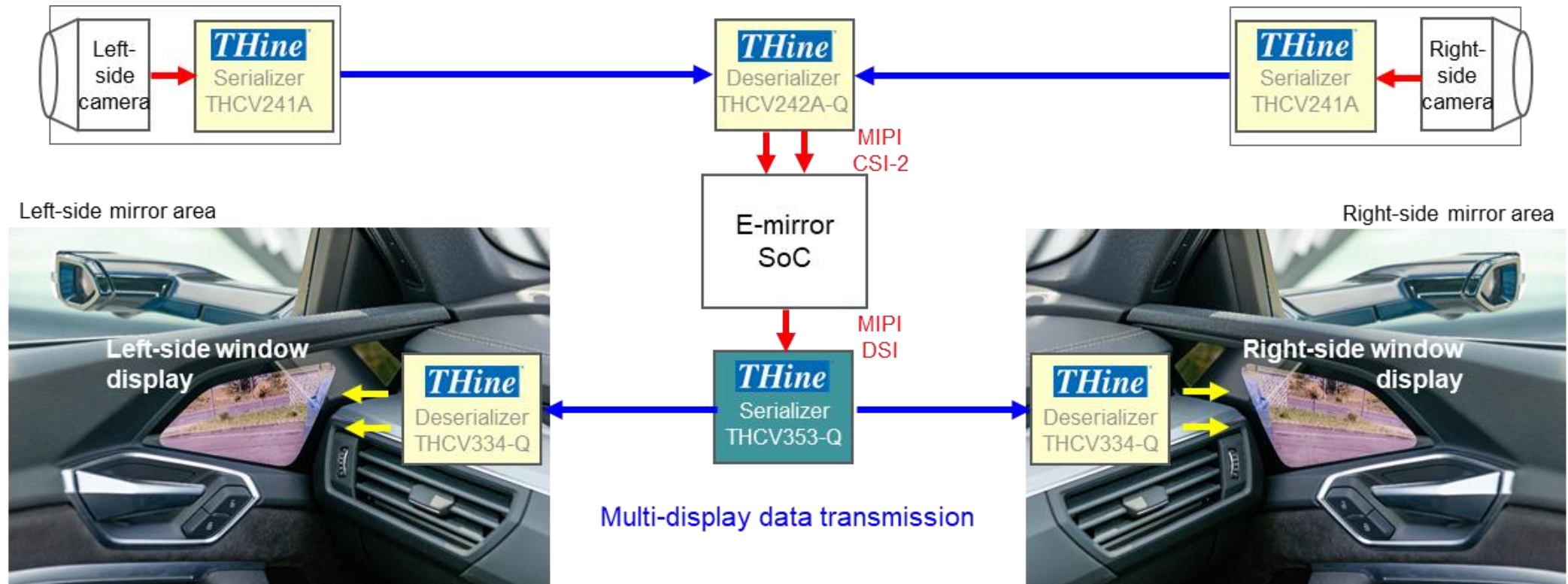# 5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

Mobility **Hyper Automation**

▶ Enhancing user experience – solution for multi-displays

車載・産機組み込みパネル向けV-by-One®HS技術応用 新製品出荷開始

➤ Images from left/right-side mirrors can be displayed on left/right-side window displays, simplifying automotive systems.

➤ Achieves well-performing tach-panel responses, transmitting together with sound data through the same cables.
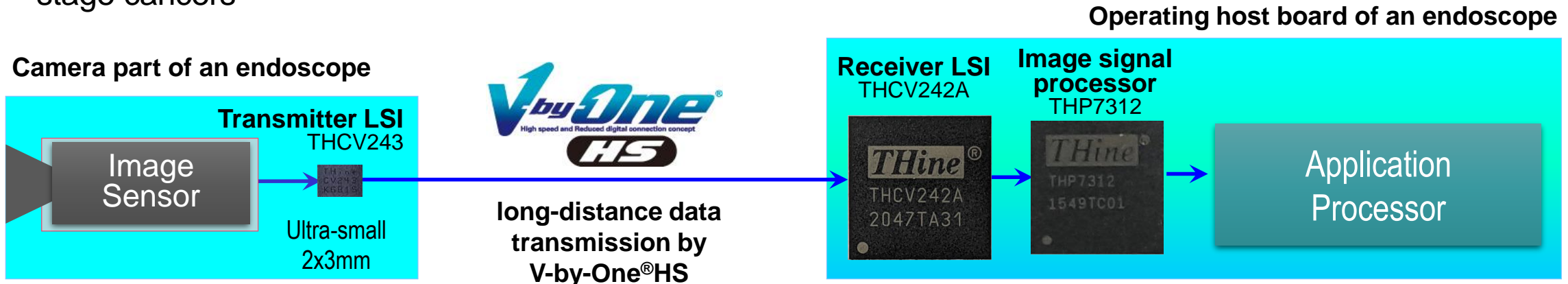
5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Contribution to envolving medical cameras

Medical

V-by-One®HS product supports 4K medical cameras

➢Contributing to achieve 4K high-resolution endoscope cameras

➢The world smallest V-by-One® HS product enables to transmit images from 4K cameras to operating equipment for several meters through just one cable

➢THine's image signal processor applicable simultaneously

➢Contributing for users to apply AI-based machine learning with 4K images for higher detection rates for early-stage cancers

Operating host board of an endoscope

Camera part of an endoscope

Receiver LSI
THCV242A

Image signal processor
THP7312

Transmitter LSI
THCV243

Image Sensor

THine CV243 K6R19

Ultra-small 2x3mm

long-distance data transmission by V-by-One®HS

THine® THCV242A 2047TA31

THine® THP7312 1549TC01

Application Processor

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

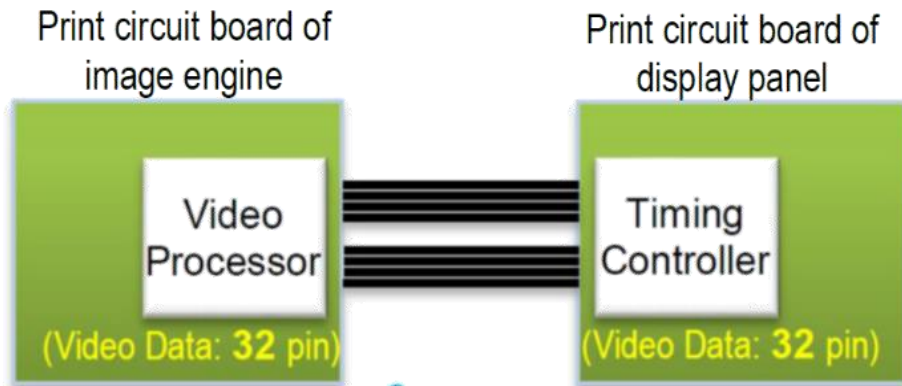▶ Contribution to high-speed video data transmission

| Mobility | Medical | Beyond 5G/8K |

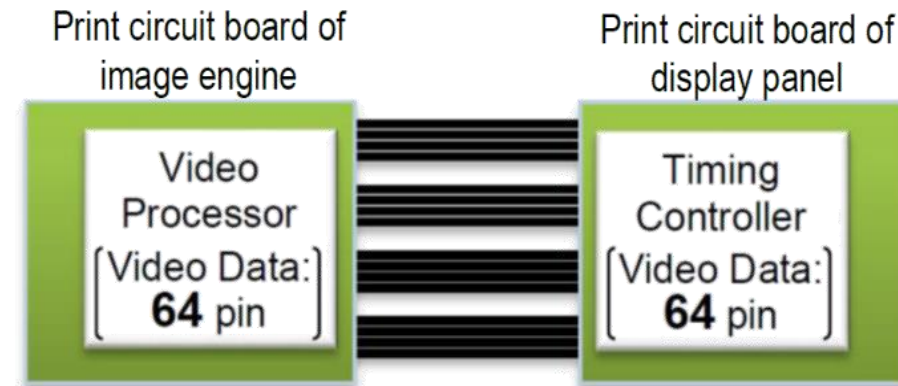**Providing "V-by-One®HS plus Standard" since June, 2023**

➢ Double-speed interface technology of today's *de facto* standard V-by-One® HS for 4K/8K TVs and displays
➢ Contributing to enhanced eco-design requirements in Europe, US, etc.

Comparison of video data transmission systems in case of 8K60fps or 4K240fps

Video data transmission by V-by-One® HS plus
Only 16 lanes required, reducing pin counts of LSIs and lowering power consumption

Print circuit board of image engine
Print circuit board of display panel
Video Processor (Video Data: 32 pin)
Timing Controller (Video Data: 32 pin)

Current video data transmission requires **32 lanes**

Print circuit board of image engine
Print circuit board of display panel
Video Processor [Video Data: 64 pin]
Timing Controller [Video Data: 64 pin]

* These images are for illustrative purposes only.

THine® Interface to the Future
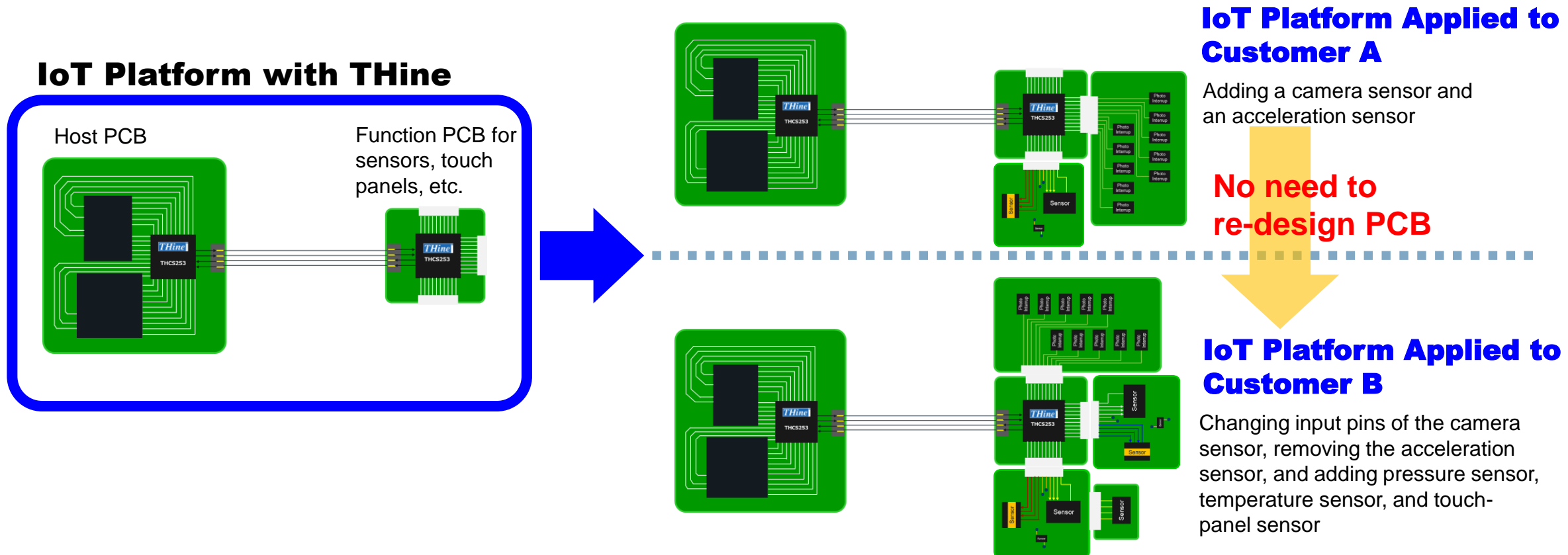- Solution by Smart Connectivity -

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Contribution to simplifying sensing & control systems

Hyper Automation

Launching the industry-first unique serial transceiver that enables to achieve IoT platform

➢ Flexible I/O pattern of sensors and controlling signals up to 4.3-billion different configuration degrees of freedom

IoT Platform with THine

Host PCB

Function PCB for sensors, touch panels, etc.

IoT Platform Applied to Customer A

Adding a camera sensor and an acceleration sensor

No need to re-design PCB

IoT Platform Applied to Customer B

Changing input pins of the camera sensor, removing the acceleration sensor, and adding pressure sensor, temperature sensor, and touch-panel sensor

THine ® Interface to the Future
- Solution by Smart Connectivity -

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

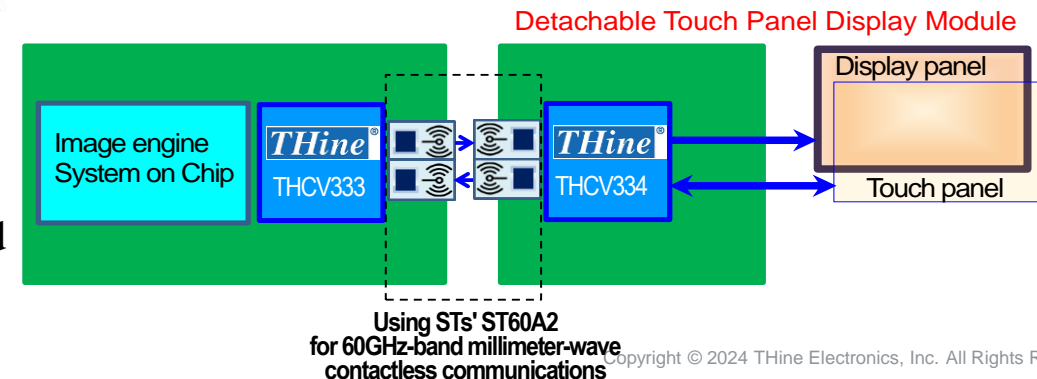▶ Contribution to use cases with contactless communication   **Medical**   **Hyper Automation**

Collaboration with STMicroelectronics's near field communiation technology

➢ To support for new use cases in high-speed contact connectivity, combining THine's high-speed interface technology and ST's 60GHz RF millimeter-wave

➢ THine's V-by-One® and other interface technologies, together with ST's ST60A2 contactless 60GHz transceiver, enables high-speed data transmitting solutions of board-to-board contactless connections.

Using ST's ST60A2 for 60GHz-band millimeter-wave contactless communications
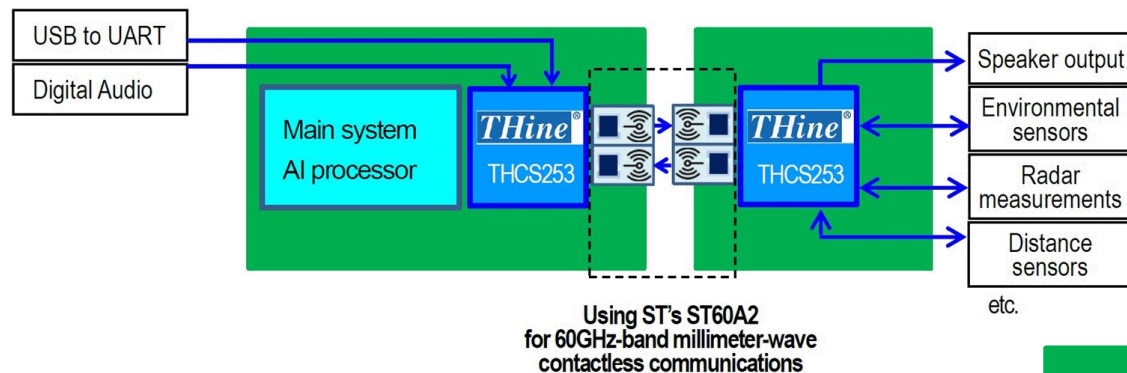
Seamless device-to-device data transfer without cables and connectors
(e.g., docking stations for PCs, game consoles)

Solution for detachable touch panel display
(Mechanical connectors replacement for large signage modules, water-proof and dust-proof, and vibration-resistant devices can also be realized.)

Detachable Touch Panel Display Module

Using STs' ST60A2 for 60GHz-band millimeter-wave contactless communications

THine ® Interface to the Future
- Solution by Smart Connectivity -

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Contribution to AI camera use cases
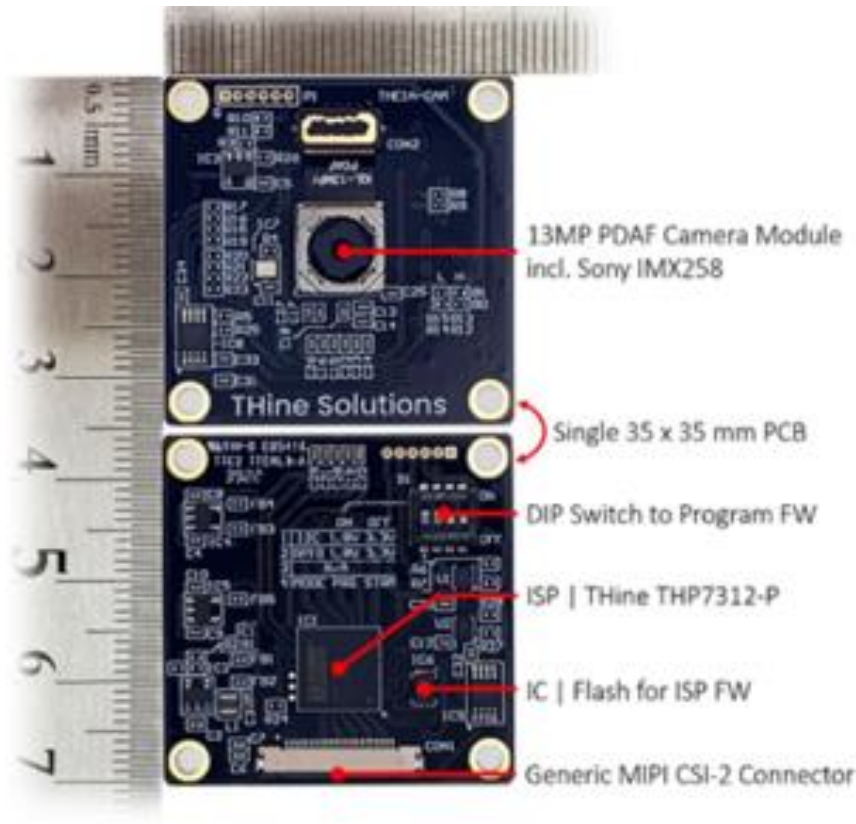
| Mobility | Medical | Hyper Automation | 5G AI/IoT |

13MP PDAF Camera Kit for NVIDIA Jestson Orin NX/Nano

➢ Users can easily integrate advanced imaging capabilities with NVIDIA Jetson Orin into their systems.

13MP PDAF Camera Module incl. Sony IMX258

Single 35 x 35 mm PCB

DIP Switch to Program FW

ISP | THine THP7312-P

IC | Flash for ISP FW

Generic MIPI CSI-2 Connector

✓ Ultra-quick phase detection autofocus (PDAF)

✓ Perfect unit-to-unit image quality for high volume production

✓ Selectable high-resolution: e.g.,13MP at 20fps, 4K2K at 30fps, and 1080p at 60fps, etc.

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Contribution to reducing power consumption in data centers, while generative AI requires more power consumption

5G AI/IoT　　**Beyond 5G/8K**

The industry first DSP-less optical chipset (low power and low latency) for advanced PCI Express

➢ Developed the world first optical chipset without digital signal processors (DSPs) for PCI express 6.0, supporting VCSEL as well as developing chipset for PCI express 7.0

➢ Reducing power consumption in data transmission by more than 60% and reducing latency by approximately 90%, resulting in faster response in faster computational response in AI use cases

➢ Exhibited in ECOC2024, receiving a lot of praise for its excellent performance

Demonstration of THine's optical chipset in ECOC2024, showing excellent performance

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Real-time-based AI image diagnosis from remoted video cameras

Hyper Automation   **5G AI/IoT**

Collaboration with VAAK by EdgeAI-Link®, a cloud-linked Edge-AI cameras

➢ Collaboration with VAAK, a company with strengths in AI-based video analysis in crime prevention, industrial automation

➢ Combining VAAK's highly-accurate analysis technology in detection and recognition with THine's cutting edges in video data transmission technology

➢ Cooperation in providing a video analysis starter kit that enables easy application of AI services

Collaboration between VAAK and THine
with EdgeAI-Link® in industrial automation process

Edge camera THine + Cathay

Cloud AI analysis by VAAK

VAAK x **THine**®
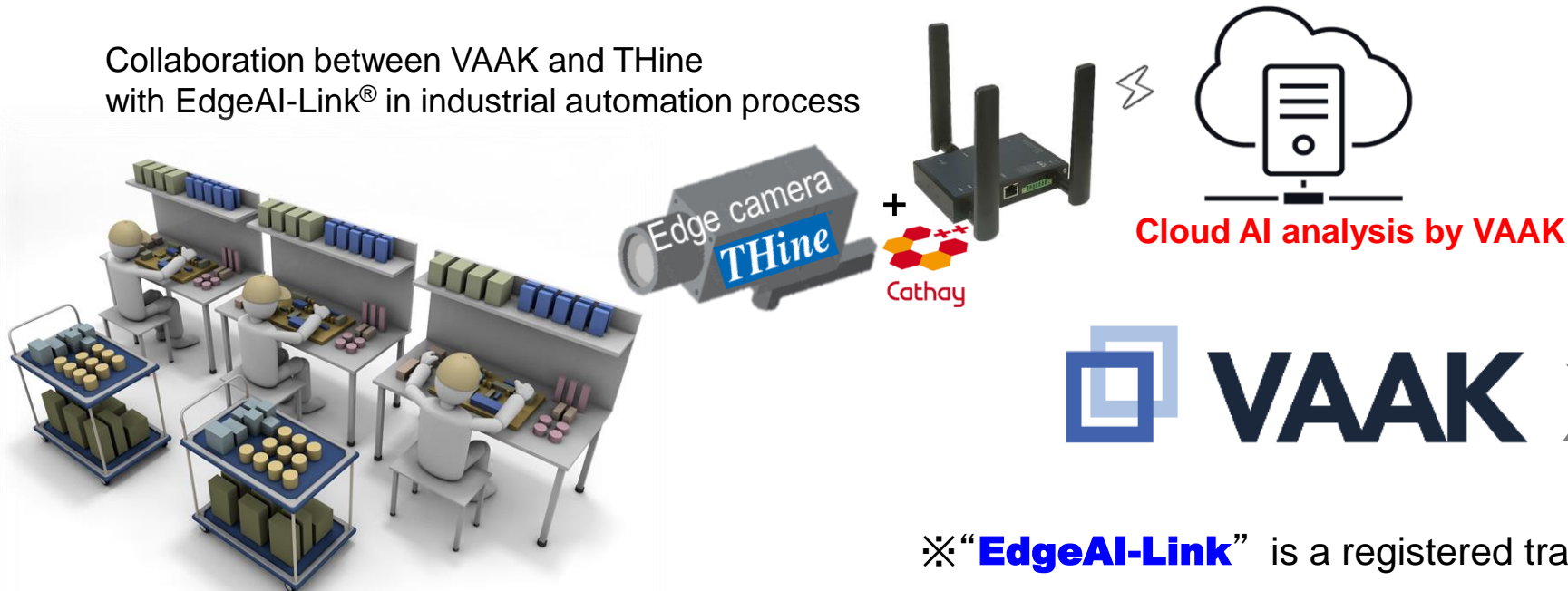
※ "**EdgeAI-Link**" is a registered trade mark of THine Electronics, Inc.

THine® Interface to the Future
- Solution by Smart Connectivity -

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Contribution to computational resources including AI server

Hyper Automation

5G AI/IoT

Entering the server business, establishing "THine HyperData, Inc."

➢ Contribution to further utilization of generative AI and AI research in Japan
➢ Starting sales with 7 models, including AI servers equipped with NVIDIA's GPUs, H100.

AI server model
with NVIDIA's GPU H100

Outline of the new server company

Name	THine HyperData, Inc.
Address	3-24-11, Shin-yokohama, Kohoku-ku, Yokohama, Japan
Representatives	*Chairman and CEO*: Takashi Nakahara (Director for AIOT Biz, THine Electronics, Inc.） *President* : Kenji Mizuno (the former president of Fujitsu Isotec Limited)
Business	Planning, development, manufacturing, sales and maintenance of AI server and data server products, storage products, switch products, etc., and development, provision and construction of related software, systems and solutions, etc.

THine® Interface to the Future
- Solution by Smart Connectivity -

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Contribution to various IoT use cases

5G AI/IoT

Compact LTD router for industrial use: CTL-005

CTL-005

LTE network

SIM Standard LTE connection

Local BWA

SIM Complimentary LTE connection

Cloud SIM Server

Cloud Server

Remote Control Surveillance Maintenance

■ **Feature of CTL-005**

1) Supporting Japaneses communication carriers: NTT docomo/KDDI/SoftBank*/Rakuten Mobile*and MVNO [loading wireless module SIM7600JC-HG]
2) Supporting local BWA, private LTE(self-operated BWA, sXGP)
3) Use of Cloud SIM is available that enhance the use in case of communication network failure
4) Aluminum alloy case with excellent durability and heat dissipation
5) Compact and light weight design: size:80.2x68.8x28.7mm, weight approx.108g
6) Easy setup with Web GUI
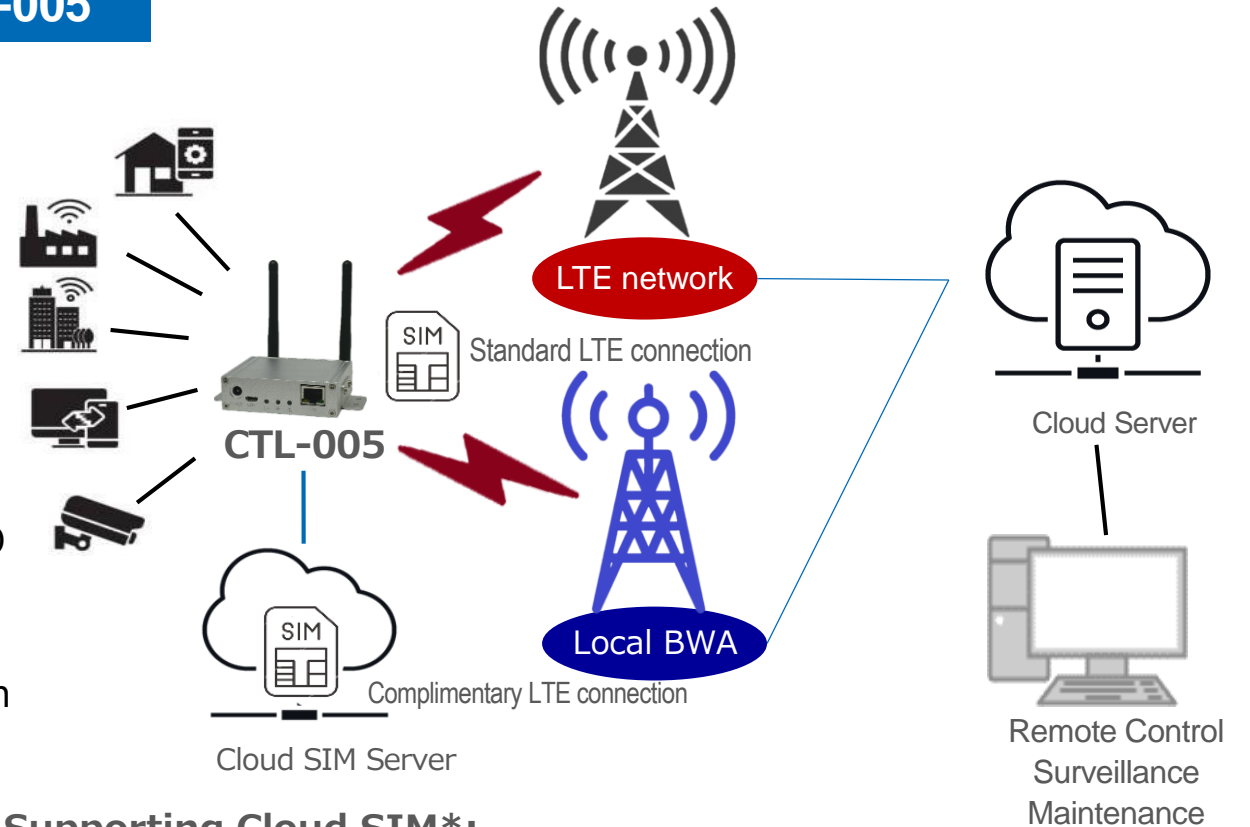
Supporting Cloud SIM*:
Users can keep network connection in case of communication failure by SIM card connection through connecting to Cloud SIM as back up line.

＊Connecting Cloud SIM requires additional contracts with its service providers.

THine Electronics, Inc.

*Rakuten Mobile will be supported in the future

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Innovating solution of beyond 5G and 8K, obtaining beyond growth advantages

Beyond 5G/8K

R&D toward 1000Gbps ultra-high-speed data transmission

➢ Successfully developed the World's First Mixed-Signal Baseband Demodulator Technology

Wide application
- **remote medical diagnosis,**
- **eSports,**
- **8K TV, etc.**

The National Institute of Information and Communications Technology (NICT)

Ministry of Internal Affairs and Communications (MIAC)
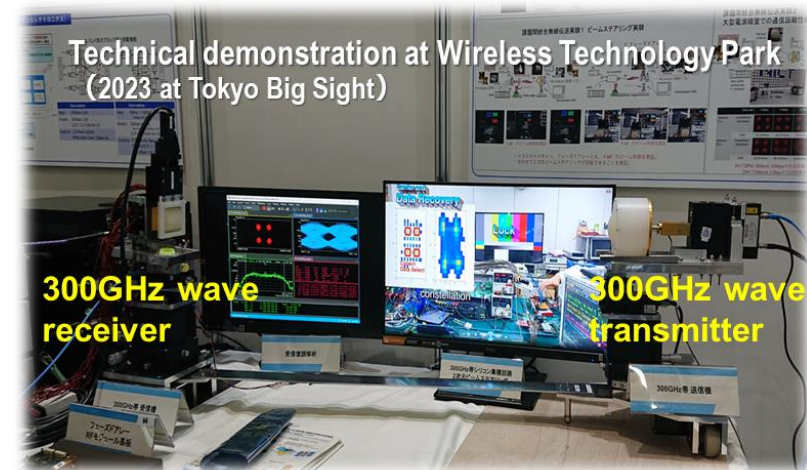
Hiroshima University

Nagoya Institute of Technology

Tokyo University of Science

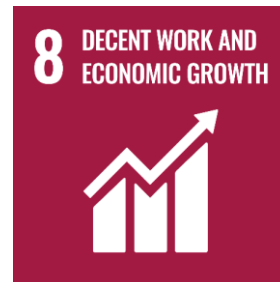Technical demonstration at Wireless Technology Park (2023 at Tokyo Big Sight)

300GHz wave receiver

300GHz wave transmitter

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

► Contribution to SDGs

Interface to the Future
- Solution by Smart Connectivity -

3 GOOD HEALTH AND WELL-BEING

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

✓ V-by-One® HS plus contributes to reduce energy consumption in high-resolution displays

✓ Smarter data transmission in automotive sensing

✓ Reducing number of cables
by high-speed data transmission technology

✓ Reducing energy consumptions
by achieving low power consumption and
by achieving heat efficiency in power system

✓ Reducing energy consumptions in transporting and delivering through AI and IoT technology

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*
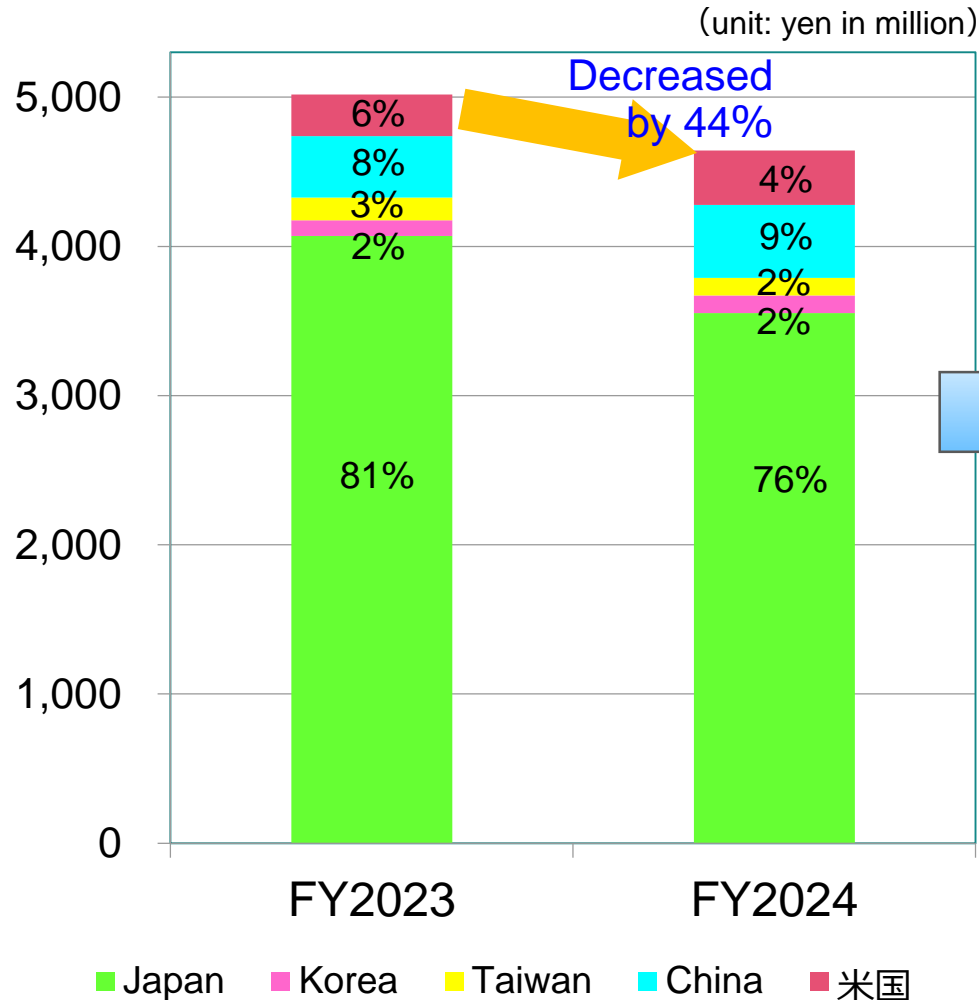
▶ Forecast in FY2024

FY2024 is the last year of "5G&Beyond−NE." THine has amended its forecast of FY2024 as follows.
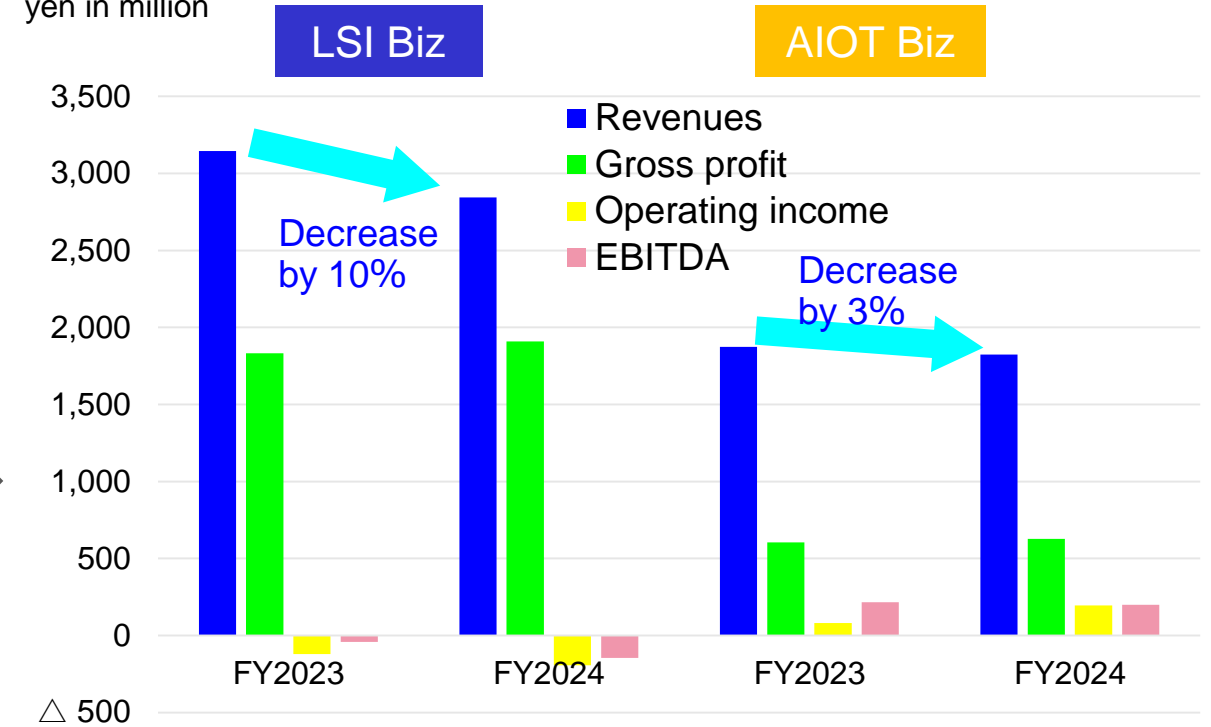
（yen in million）

	Forecast in FY2024			FY2023		FY2022	
		Portion%	YoY		Portion%		Portion%
Revenues	**4,668**	**100.0**	**93.0**	5,018	100.0	5,456	100.0
Gross Profit	**2,535**	**54.3**	**104.1**	2,435	48.5	2,987	54.8
SG&A	2,525	54.1	102.0	2,476	49.3	2,386	43.7
(R&D expenses)	1,220	26.1	110.7	1,102	22.0	1,009	18.5
Operating Income	**10**	**0.2**	**—**	△40	△0.8	601	11.0
EBITDA	61	1.3	35.6	173	3.5	775	14.2
Ordinary Income	87	1.9	122.3	71	1.4	906	16.6
(Ordinary Income※ without foreign currency exchange gain or loss)	**13**	**0.3**	**—**	△32	△0.7	636	11.7
Net income attributable to Owner of the Parent	111	2.4	—	△69	△1.4	820	15.0

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

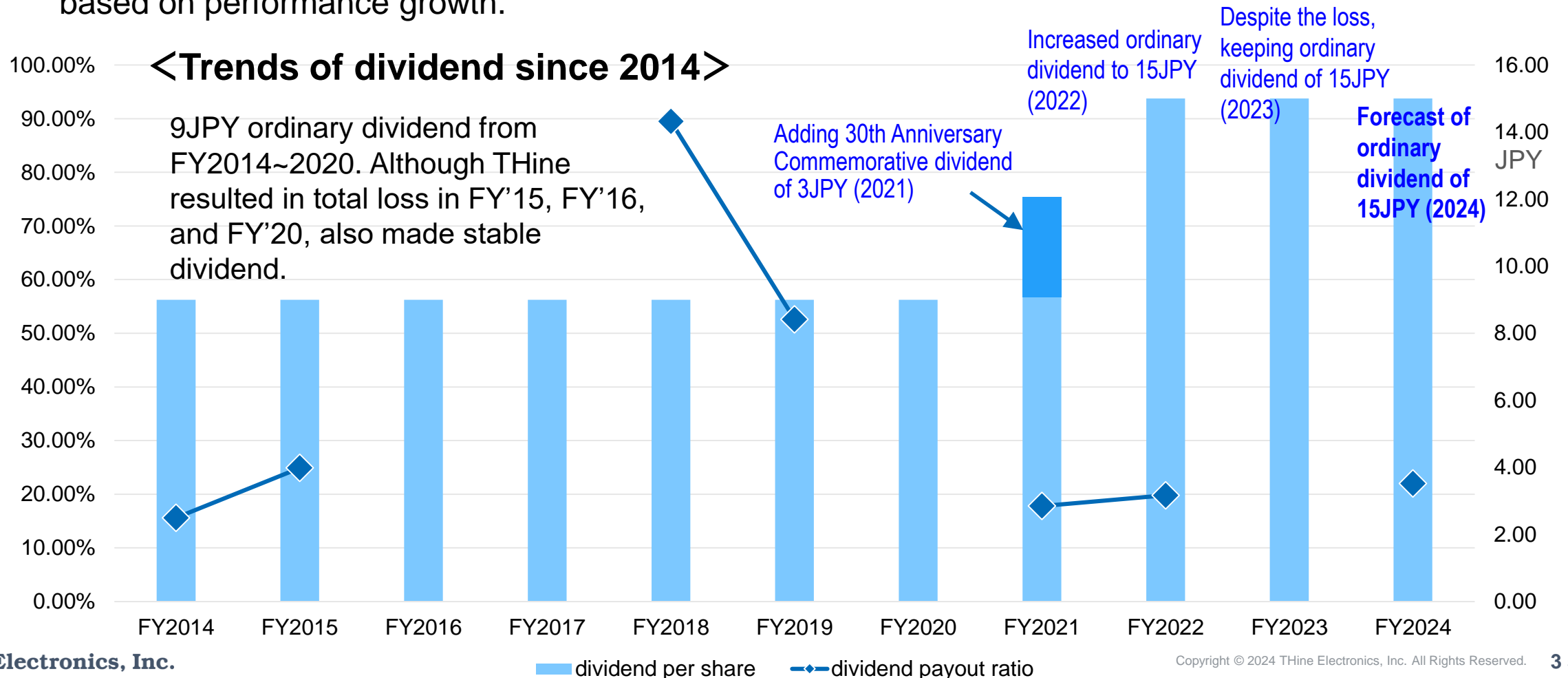▶ Forecast in FY2024 by region and segment

（unit: yen in million）

yen in million

LSI Biz   **AIOT Biz**

- Revenues (blue)
- Gross profit (green)
- Operating income (yellow)
- EBITDA (pink)

Decrease by 10%

Decrease by 3%

Japan Korea Taiwan China 米国

FY2023 bar: 米国 6%, China 8%, Taiwan 3%, Korea 2%, Japan 81%
FY2024 bar: 米国 4%, China 9%, Taiwan 2%, Korea 2%, Japan 76%

Decreased by 44%

➢ LSI Biz in overseas markets such as China are on a recovery trend while Japanese OA and amusement markets' recovery is assumed to delay in the next fiscal year.

➢ AIOR Biz achieved healthy delivery of wireless communication modules to vending machine, elevators, AED, etc. while some large customers such as drive recorders reduced or postpone orders in or in the next fiscal year.

5G&Beyond-NE, *the mid-term strategy from 2022 to 2024*

▶ Shareholder return policy

➢ The entire team will work together to realize our growth strategy and implement shareholder returns based on performance growth.

＜**Trends of dividend since 2014**＞

9JPY ordinary dividend from FY2014~2020. Although THine resulted in total loss in FY'15, FY'16, and FY'20, also made stable dividend.

Adding 30th Anniversary Commemorative dividend of 3JPY (2021)

Increased ordinary dividend to 15JPY (2022)

Despite the loss, keeping ordinary dividend of 15JPY (2023)

Forecast of ordinary dividend of 15JPY (2024)

Legend: ▮ dividend per share —◆— dividend payout ratio

TODAY'S AGENDA

- Corporate outline

- Business results in FY2024Q3

- The mid-term strategy, "5G&Beyond-NE"

- The new mid-term strategy, "Innovate100"

The next mid-term strategy, "Innovate100" from 2025 to 2027

▶To increase the corporate value of THine

◆ **Making our best effort to achieve the revenues of JPY10Billion in Mid-term Strategy "Innovate100"**

5G&Beyond-NE
（2022—2024）

Innovate100
（2025—2027）

FY2027 Revenues of JPY10Bn or more

Assuming in the case of achieving the goal
ROIC (return on invested capital) exceeds 10%

Assumed THine's performance under the mid-term strategy "Innovate100"

(JPY in million)

■ Revenues ■ Gross profit

	FY2024	FY2025	FY2026	FY2027
Revenues	~4,500	~6,200	~8,000	~10,100
Gross profit	~2,500	~3,050	~3,500	~4,000
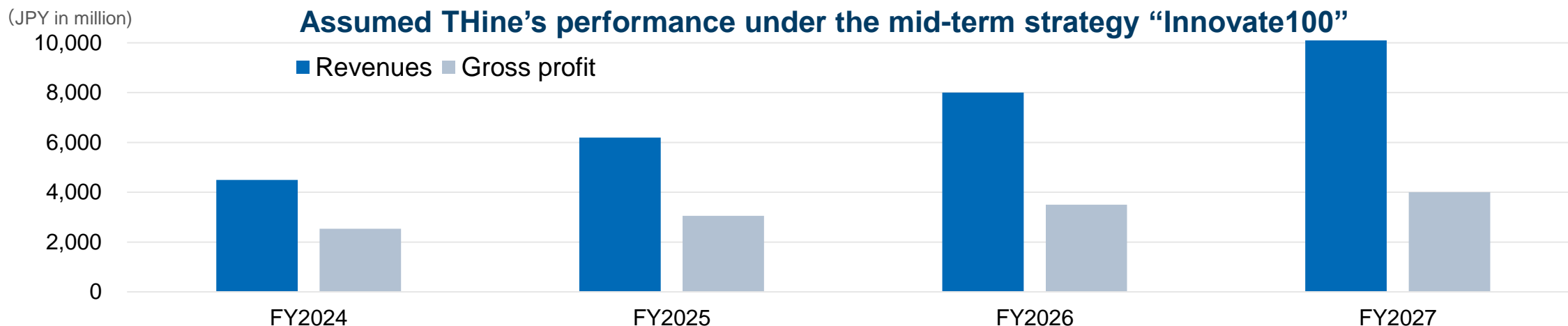
The next mid-term strategy, "Innovate100" from 2025 to 2027

▶ Outline of the next mid-term strategy, "Innovate100"

◆ **Basic strategy**

> THine Group will contribute to accelerating implementation of AI use cases through its three business portfolio of LSI, AIOT, and Server, proposing low power solution for data center markets that shall increase power consumption enormously.
> THine Group will proactively cultivate collaboration opportunities with partners, including M&A deals.

◆ **Typical action items**

➢ Launching solution business with AI processors
➢ Widely applying THine's LSI solution that can aggregate IoT wiring drastically
➢ Launching EdgeAI solution business, supporting industrial IoT use cases
➢ Developing new DSP-less optical chipsets that extraordinary reduce power consumption and latency
➢ Providing wireless communication solution for smart meters that can be data source for AI-based sensing
➢ Applying wireless communication solution to automotive and industrial equipment that communicate with cloud
➢ Starting business for telecommunications carriers
➢ Widely applying server business, including AI servers

◆ **Enhancing synergy among THine Group's 3 business of LSI, AIOT solution, and Servers**

On July 1st, 2025, Cathay Tri-Tech., Inc., THine Group's AIOT solution company, will change its company name to **"THine MobileTek., Inc."**, enhancing THine Group's synergy.

Interface to the Future
- Solution by Smart Connectivity -

URL https://www.thine.co.jp/corporate/investors/

Please inquire through the inquiry form in the URL.

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