柏騰科技
Paragon Technologies

Paragon (3518TW)

Investor Conference

2025 / 12 / 02

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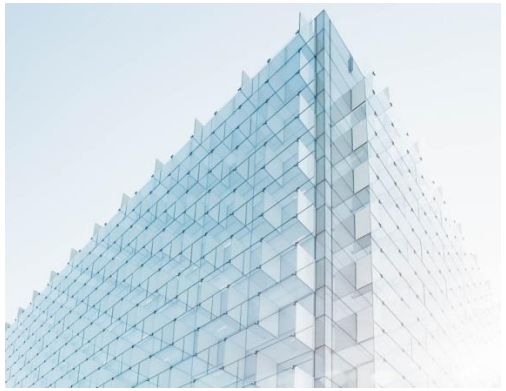
Company Overview

Paragon(3518TW)

Paragon was established in 1995 as the world's first company to apply vacuum coating (PVD) technology to EMI/ESD solutions for 3C products, it has been actively transforming in recent years to develop third-generation semiconductor materials and advanced process technologies. It is one of the few companies in the industry that simultaneously possesses the capabilities to produce silicon carbide substrates, develop vacuum coating technology and processes.

- Establishment : 1995.10.20
- Capital : NTD 979 Million
- Chairman : Mr. Kenny, Huang
- General manager : Ms. Cathy, Yu
- Main of products :
  - PVD appearance coating – 99%
  - S i C products – 1%

About Paragon



Taiwan HQ & RD Center

- Established: 1995 year
- Capital: NTD 970 million
- Taoyuan City, TW & Suzhou, China

Vacuum coating (PVD) products

EMI shielding & exterior coating services

- Nanjing Plant/Neijiang Plant (PVD Coating & Equipment)

Seed layer PVD process equipment Heat dissipation substrate thin film services

Silicon carbide products

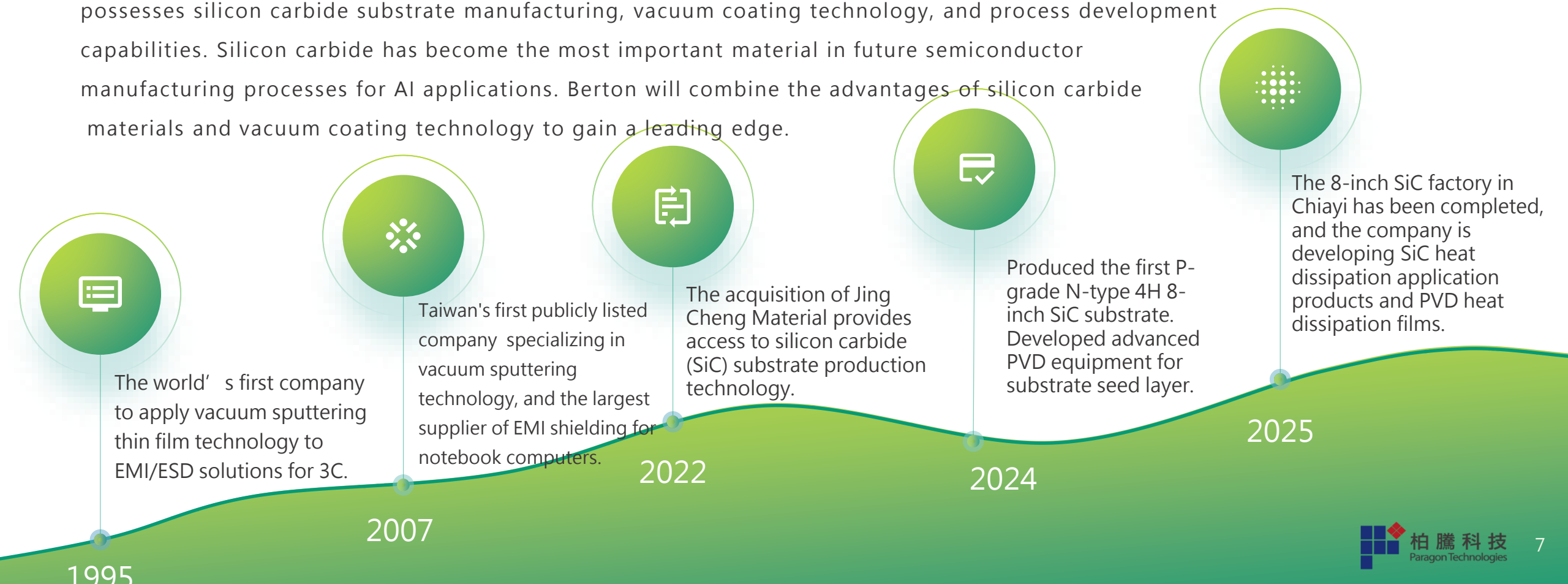
6 ~8 inches Silicon Carbide (SiC) Wafer

- N-Type / P-Type
- Semi-insulating (HPSI)
- Silicon carbide heat dissipation applications
- Ingot processing & regenerated wafers

12 inches Silicon Carbide Wafer（Under development）

Development history

As the world’ s first company to apply Applications of Vacuum Coating (PVD) technology to EMI/ESD solutions for 3C products. Currently the largest supplier of EMI shielding for notebook computers, the company acquired Crystal Materials in 2022, gaining SiC (silicon carbide) substrate production technology and entering the third-generation semiconductor supply chain. In December 2025, its new 8-inch SiC substrate plant in Chiayi was completed. It is one of the few companies in the industry that simultaneously possesses silicon carbide substrate manufacturing, vacuum coating technology, and process development capabilities. Silicon carbide has become the most important material in future semiconductor manufacturing processes for AI applications. Berton will combine the advantages of silicon carbide materials and vacuum coating technology to gain a leading edge.



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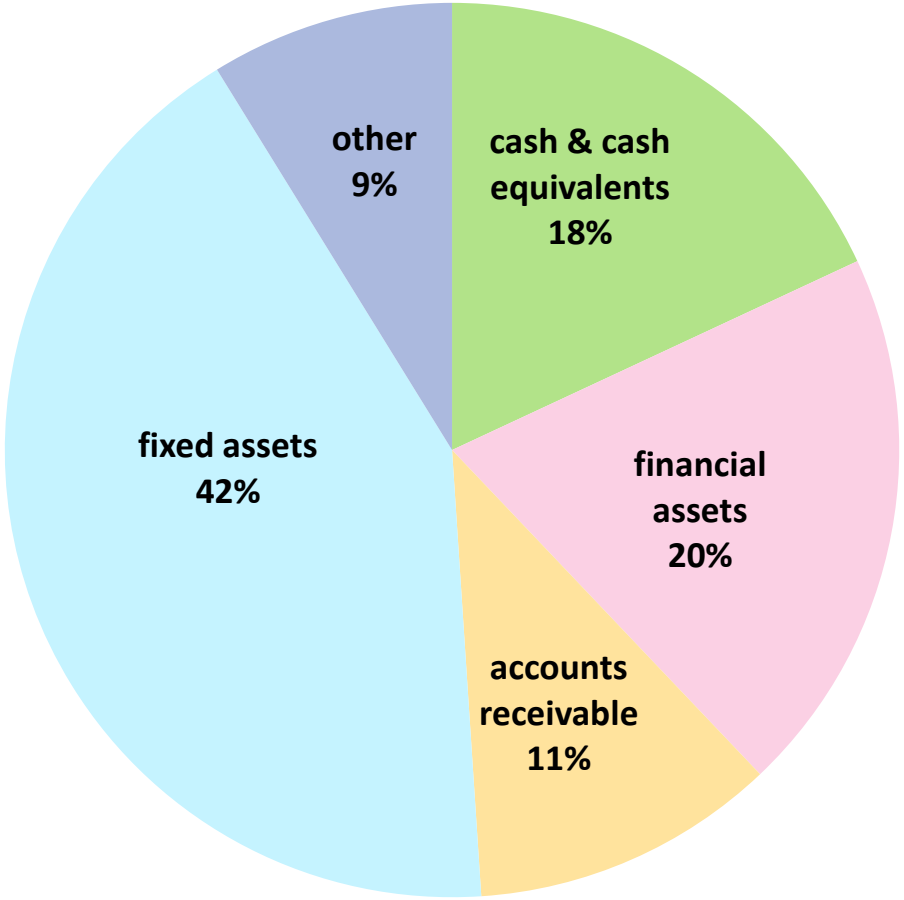
Financial Information

Q3 25’ Consolidated Balance

Unit in NT$ Millon

	2025.9.3	%	2024.12.31	%	2024.09.30	%
cash& cash equivalents	383	18	1,069	49	1,212	54
Financial assets-current&noncurrent	421	20	228	10	228	10
Notes and accounts receivable	234	11	246	11	265	12
Inventories	13	1	20	1	19	1
non-liquid asset in suspense	10	0	10	0	10	0
Fixed Assets & Right-of-use asset	896	42	413	20	378	17
Other Assets	164	8	196	9	145	6
Total Assets	2,121	100	2,183	100	2,257	100
Short-term loans & current portion of longterm loans payable	225	11	171	8	211	10
other payables	77	4	114	5	76	3
bonds payable	289	13	284	12	283	13
long-term debt payable	69	3	15	1	31	1
other liabilities	137	6	144	7	156	7
Total Liabilities	796	38	729	33	756	34
Total Owners’ Equity	1,325	62	1,455	67	1,501	66
Net Worth Per Share	13.57		15.00		15.48	

Q3 25’ Financial Structure



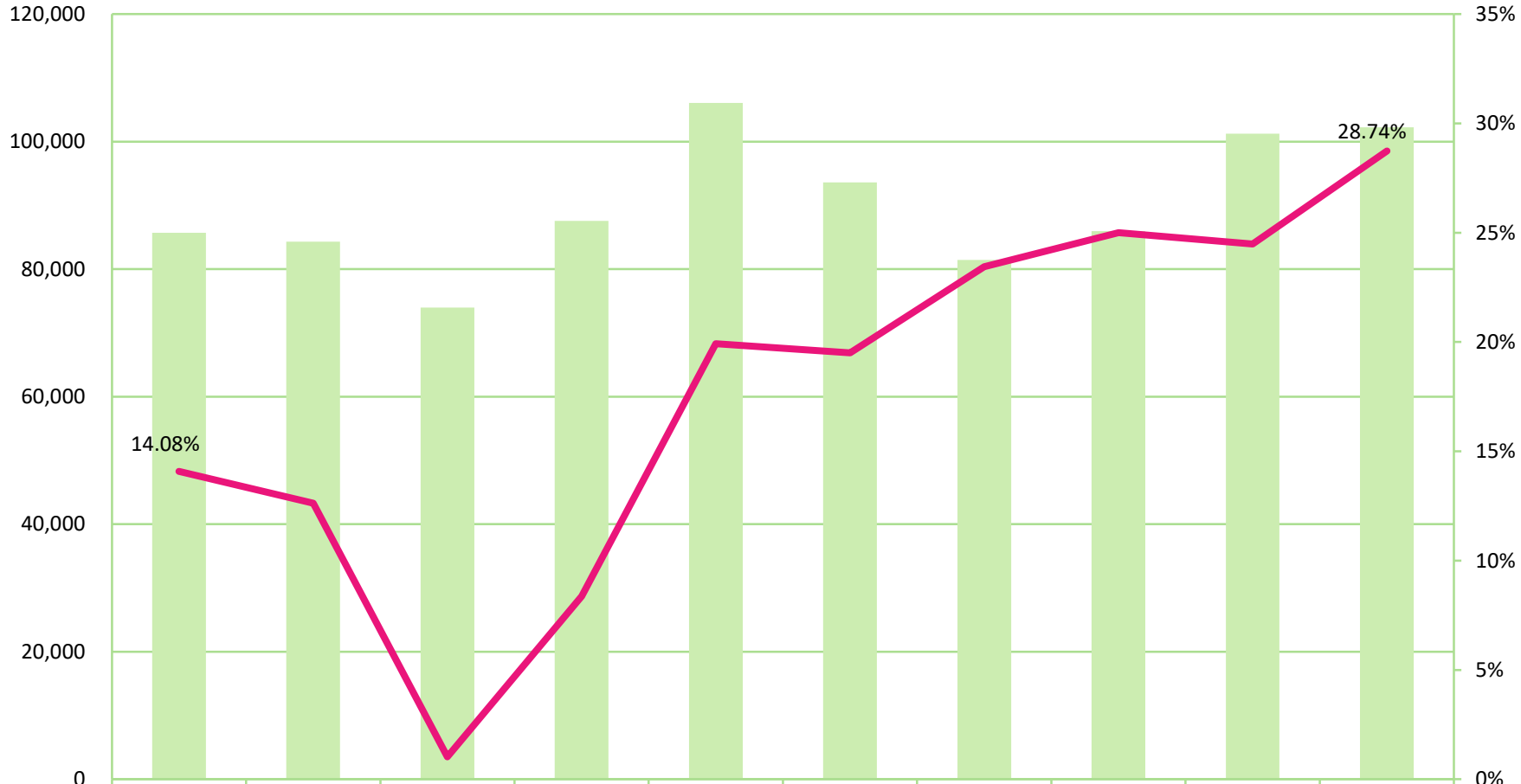
ITEM	2025.Q3	2024	2023	2022	2021
Debt Ratio	37.53	33.37	21.49	16.30	24.54
Current Ratio	332.72	511.45	395.27	606.50	377.86
Cash flow Ratio	(66.04)	(33.46)	(17.17)	63.32	31.54

2025Q3 Consolidated income statement

Unit in NT$ Millon

ITEM	2025Q3	2024Q2	QoQ	2024Q3	QoQ
operating revenue	86	84	2	93	(7)
Gross Profit	12	11	1	12	(0)
operating expenses	45	49	(4)	69	(24)
Operating Profit	(33)	(39)	6	(57)	24
non-operating revenue and expenses	34	42	(8)	(4)	38
continuing operating income before tax	1	4	(3)	(61)	62
income tax expense	4	0	4	2	2
continuing operating income after tax	(3)	4	(7)	(63)	59
discontinued operation income	1	1	0	(1)	2
Net Income	(3)	4	(7)	(64)	62
Gross margin(%)	14%	13%		13%	
Net profit margin(%)	-3%	5%		-69%	
EPS	(0.03)	0.04		(0.68)	

Revenue 、Gross margin



	2025Q3	2025Q2	2025Q1	2024Q4	2024Q3	2024Q2	2024Q1	2023Q4	2023Q3	2023Q2
Revenue	85,692	84,304	73,978	87,589	106,084	93,607	81,459	85,949	101,265	102,242
Gross margin	14.08%	12.63%	1.02%	8.37%	19.93%	19.51%	23.44%	25.00%	24.49%	28.74%

Q3 25’ Consolidated Cash Flow

Unit in NT$ Millon

	2025 ended Sep 30	2024 ended Sep 30
Cash provided by (used in) operating activities	(222)	(96)
Cash provided by (used in) investing activities	(529)	(226)
Cash provided by (used in) financing activities	95	692
Effects of exchange rate change on cash	(30)	40
Net increase (decrease) in cash and cash equivalents	(686)	411
Cash and cash equivalents at beginning of year	1,069	801
Cash and cash equivalents at end of year	$383	$1,212

Important events description

- The first private placement of ordinary shares in 2025 completed the share payment and capital increase benchmark date. The actual private placement of ordinary shares amounted to 5,000,000 shares, and full payment has been received. The capital increase benchmark date is November 20, 2025. . (2025.11.19)
- The Board of Directors resolved to price the private placement of common stock, setting the actual private placement price at NT$20. The number of shares offered is 5,000,000, raising NT$100,000,000. (2025.11.05)
- The Board of Directors approved the consolidated financial statements for the third quarter of 2025, with a cumulative basic loss per share of NT$0.93 for the full year 2025. (2025.11.05)
- Subsidiary Essence International Investment Limited. terminated the original equity transfer agreement for the sale of Baiting (Suzhou) Optoelectronic Technology Co., Ltd. (2025.10.17)
- The major subsidiary Paragon (Jiangsu) Technology Co.,LTD., announced a resolution to reduce its capital by US$2,500,000 in cash. (2025.09.02)
- The Board of Directors approved the consolidated financial statements for the second quarter of 2025, with a cumulative basic loss per share of NT$0.90 for the full year 2025. (2025.08.06)
- The major subsidiary, Paragon (Neijiang) Technology Co.,LTD., resolved to distribute a dividend of RMB 8,551,804.26. (June 25, 2014) (2025.06.25)

For more details, please refer to the latest news announcements on the PTTech website (https://www.pttech.com.tw) and the material information announcements on the Market Observation Post System (https://mops.twse.com.tw).

03

Progress report

SiC New Plant plan

- Budget : NT$899.53 million (First phase)
- Location : Chiayi Dapu Mei Intelligent Industrial Park
- Main products : 8-inch SiC wafer
- Phase 1 capacity : 3,000pcs/month Phase 2 capacity : 6,000pcs/month
- Processing capacity in 2026 : 6,000pcs/month

2024H2 (building)

ISO 9001 and 14001 Certifications Target Customer Certification Passed New Plant Construction and Engineering Commenced Implementing Advanced 8-inch Crystal Growth Equipment to Shorten Process Development Time

2025 ~~(Factory enabled)~~

- Q3~~Q1~~ factory completion acceptance.
- Q4~~Q2~~ Equipment installation
- Q4~~Q3~~ equipment trial mass. production preparation.
- 2026Q1~~Q4~~ new factory officially launched.
- Develop semi-insulating products
  -SiC heat dissipation substrate
  -12 inch SiC substrate (under development)

2026 (first phases)

- IAIF16949 certification.
- Target customer authentication
- Annual production capacity 24,000 pieces.
- 6-8 inch SiC substrate.
- 6-8 inch SiC processing services
- SiC wafer regeneration service.
- SiC heat dissipation substrate.

2027 (second phases)

- Passed automotive certification
- Annual production capacity 36,000 pieces.
- Prepare for the second phase of expansion of the new plant.
- Maximum annual production capacity 72,000 pieces.
- 12 inch SiC thermal interface material (Advanced Packaging)

New factory progress description

Factory construction progress 100%

The plant construction was completed in September 2025, and operational testing and acceptance of the eight major plant systems began in October. Currently, the completion and environmental impact assessment applications are being submitted, with the plant registration certificate expected to be obtained in Q2 2026.

Production capacity equipment installation is 80% complete.

All processing equipment has arrived at the factory and is being installed. Installation is expected to be completed by mid-December, process debugging will be completed in Q1 2026, and mass production will officially begin in Q2 2026.

Product verification progress

8 inch products - Process verification is underway with multiple customers, with mass production expected in 2026.
SiC thermal substrates - Small-batch verification has been completed, with mass production expected in 2026.

Business development progress

Sales of 6-8 inch SiC substrates.
6-8 inch SiC substrate processing services.
6-8 inch SiC wafer remanufacturing services.
SiC thermal applications (SiC & PVD).

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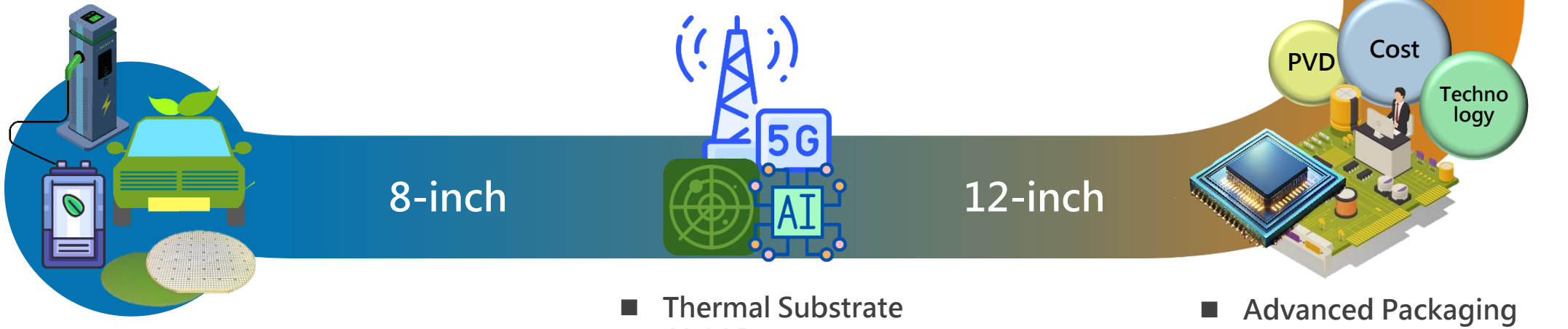
Operational status

Product development



- EV
- High Voltage Power Supply
- Energy Storage
  Green Energy Systems

- Thermal Substrate
- AI / AR
- Satellites
- radar
- Military Applications

- Advanced Packaging

spacer
- Enhanced Thermal Dissipation and Package Structural Integrity

interposer
- Enhanced Thermal Dissipation and Multi-Chip Interconnection

P-Type

N-Type

HPSI

PVD

8-inch Conductive → 6~8-inch SI → SiC heat dissipation applications → PVD + SiC

Operational status

EMI coating products

With the overall economy weakening and tariff risks rising, laptop brand shipments are projected to grow by about 3% year-on-year in 2026. Due to the cost risks of US-China tariffs, brands are forced to adopt more conservative production and procurement strategies. In the short term, production capacity for products destined for the US market is shifting out of mainland China at an accelerated pace this year, affecting EMI orders in China. The extent of the impact on operations in the Chinese market will need to be monitored in 2026.

PVD coating technology

Vacuum sputtering (PVD) coating technology has a wide range of applications. Especially in line with the trend of ESG and environmental protection and carbon reduction, PVD coating technology is applied to functional coatings and appearance surface treatments.

(1)AF coating – NB products.

(2)Anode-like coating – NB, 3C product

(3)Functional coatings include heat dissipation films, advanced package redistribution lines (RDL), seed layers, and back metallization

SiC wafer products

Global 8-inch wafer fabs will gradually begin mass production, and research institutions predict that by 2028, the demand ratio of 6-inch to 8-inch wafers will reach 1:1, with the CAGR of 8-inch SiC wafers expected to reach 18.5%. Single-crystal SiC substrates possess excellent thermal conductivity among high thermal conductivity materials. Currently, major semiconductor manufacturers are actively developing applications for SiC heat dissipation materials, which will further expand the overall demand for SiC materials in the future.

SiC wafer processing services

(1)6~8 inch SiC wafer processing

(2)SiC Reclaim wafer

(3)SiC heat dissipation substrate and thinning service

The new facility is equipped with crystal processing capabilities, with a monthly processing capacity of up to 7,200 wafers. It provides nearby wafer processing support for domestic 6-inch and 8-inch crystal growth fabs, as well as SiC reclaimed wafer services for epitaxy fabs.

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Q&A

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Paragon Technologies

TRUE PARTNER FOR A BRIGHTER FUTURE

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