



2024 Annual Results Presentation

Stock code: 2878

April 2025

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FINANCIAL REVIEW



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Financial Highlights



	2024	2023	Change %
	(US\$ million)	(US\$ million)	
Revenue	113.4	153.2	-25.9%
Gross profit	38.0	46.3	-17.9%
GP margin	33.5	30.3%	+3.2p.p.
R&D expenses	18.7	17.8	+4.9%
Profit attributable to owners of the parent	10.1	19.4	-47.9%
Earnings per share (US cents)	0.4	0.8	-50%
Current ratio	6.17	4.96	

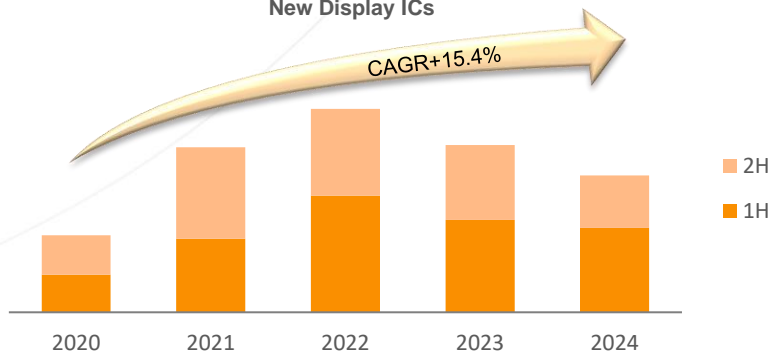
Balance Sheet



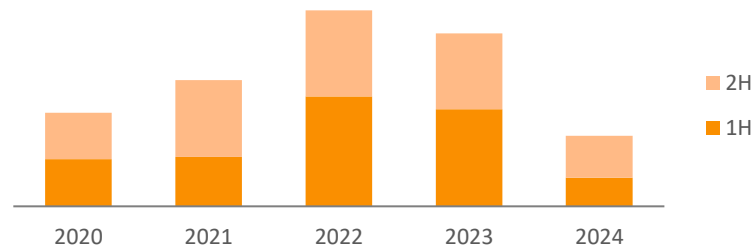
	As at 31 Dec 2024	As at 31 Dec 2023	Change %
	(US\$ million)	(US\$ million)	
Total assets	163.7	157.4	+4.0%
Shareholders' equity	137.0	126.9	+8.0%
Bank deposits and cash	107.7	86.3	+24.8%

Revenue Trend By Products

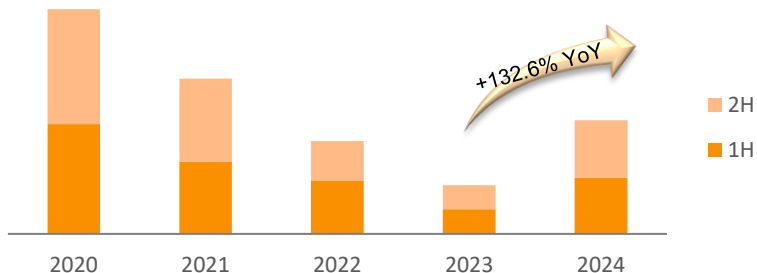
New Display ICs



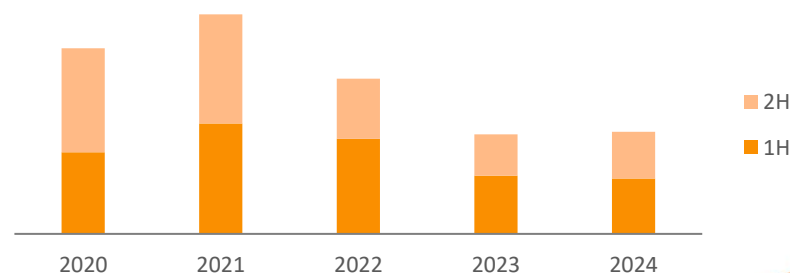
Mobile Display & Mobile Touch ICs



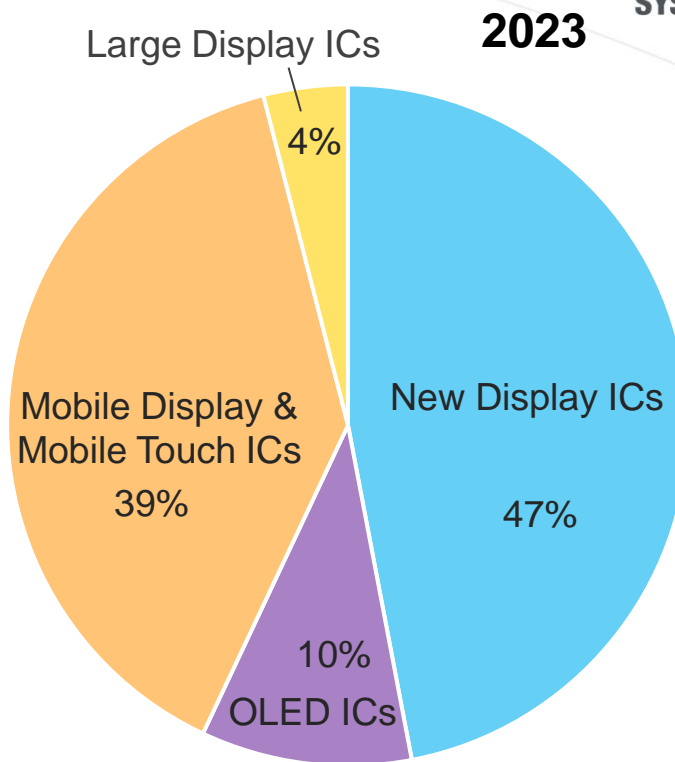
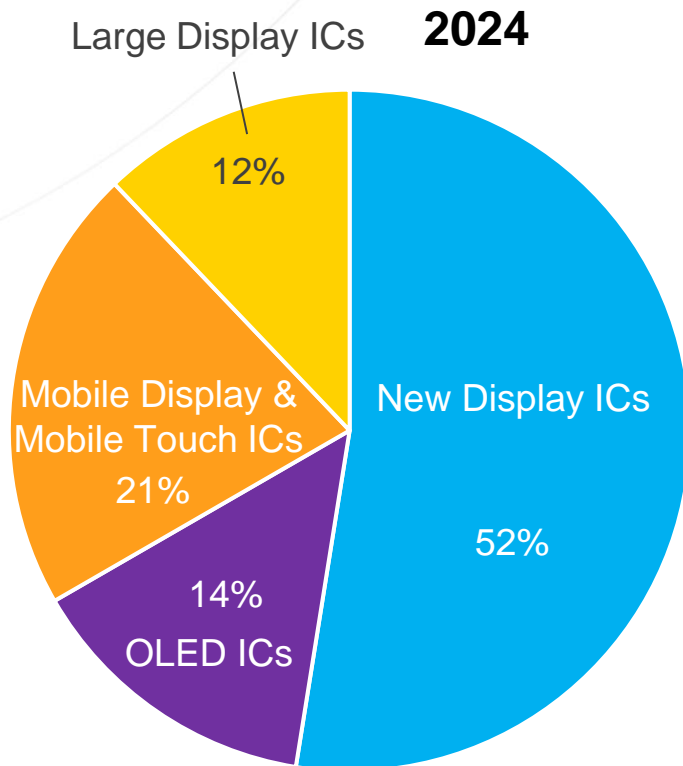
Large Display ICs



OLED Display ICs



Revenue By Products



Consolidated Cash Flow

	2024	2023	Change %
	(US\$ million)	(US\$ million)	
Net cash generated from operating activities	20.0	37.8	-47.2%
Net increase in cash and cash equivalents	24.1	35.8	-32.6%
Total bank deposits and cash	107.7	86.3	+24.8%

BUSINESS REVIEW



New Display IC



As **a globally leading supplier for e-paper display driver ICs** with the largest market share, the Group's customers include many of the world's top-ranked supermarkets



Revenue decreased due to lower shipment volume and ASP of new display ICs:

- Sales of 3-color display labels (E4) slowed down as retailers waited for the launch of the new generation 4-color display labels (E5)
- Impacted by market competition



Latest developments:

- **Large-size 4-color display labels** launched in Q4 2023
- Some models of the **small-sized 4-color display labels** completed the upgrade and commenced mass production in Q4 2024, continue to upgrade the remaining models
- **6- or 7-color electronic display labels** scheduled for mass production in 2H 2025
- Color display technology allows a wider range of applications, e.g.
 - electronic paper photo frames applicable to various products
 - electronic badges that can display photos



OLED Display IC



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OLED display ICs

- The Group is **the world's No.1 PMOLED display driver IC player** with a dominant market share in terms of shipment volume
- The shipment volume slightly increased YoY



Continuous promotion

- **Mini-LED/Micro-LED display IC**
 - Launched the world's 1st small-sized passive matrix micro-LED display driver IC - SSD2363 in March 2023. Applicable to the next-generation high brightness displays of 3 inches or less. Suitable for wearable devices, home appliances, and industrial applications
 - Mini-LED DDI solutions for 50-inch to 100-inch indoor signage - used in the curved signage display in subways in the UK and the US
- **New series icon IC**
 - Applicable to displays ranging from 1 to 4 inches
 - Suitable for the large display market of portable products and smart home appliances



New products

- **IC products supporting transparent PMOLED displays**
 - Transparent PMOLED displays, a new technology suitable for end-use applications e.g. diving goggles and golf goggles that require transparent displays
 - Newly developed IC products supporting transparent PMOLED displays, these end products launched in 1H 2024



Mobile Display & Mobile Touch ICs



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- Affected by the **sluggish personal consumption market**, shipment volume and revenue of mobile display and mobile touch IC products significantly declined
- Sales of **game console controller ICs** boosted by the launch of new games in the market
- Collaborated with leading small-to-medium-sized TFT-LCD panel makers to jointly develop a human interface display platform, this product scheduled for mass production in 2H 2025



Latest developments:

- Actively research and develop the application of mobile display and mobile touch ICs to a wider range of areas
- Currently developing a **mini-LED backlight solution**, with the FPGA development platform already completed. Proceed to develop standard ICs and expect to be launched in **2H 2025** for automotive head-up display applications



Large Display ICs



Shipment and revenue of large display ICs surged

- Benefitted from a series of home appliance subsidy policies introduced in mainland China in 2024, lead to a surge in the sales of large-size display e.g. monitors and smart TVs. The **shipment volume and revenue grew over 50%** for the large display ICs YoY
- The global market trend together with the subsidies that encouraged consumers to choose high-end and large-sized display products accelerated product mix upgrade that brought more high-end offerings e.g. commercial displays/ gaming monitors with high refresh rate and high-resolution TVs
- Collaborated with major panel makers to mass-produce various mainstream new products for international brands, including new projects for **23.8-inch UHD gaming monitors with a high-refresh rate of 100Hz, 43-inch smart FHD TVs and 32-inch HD entry-level smart TVs**



Large Display ICs



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Latest developments:

▪ Display driver ICs

- Authorized by a major Chinese display manufacturer to develop a new generation **P2P high-speed interface display driver ICs** (prototypes for project validation expected to be produced in 2H 2025)

▪ Automotive driver ICs

- Signed a strategic cooperation memorandum with a leading Shenzhen display manufacturer and commenced the cooperation in the design and development of the 1st **automotive-specific integrated driver ICs** (target to mass-produce in 2025)

▪ Medium and large-sized electronic paper driver ICs

- Completed validation for **ultra-large-size e-Paper learning whiteboards** and **ultra-large-size color electronic retail signage** driver ICs in 2024, both will enter mass production in 2025
- Successfully shipped large quantities of **full-color electronic paper notebook** driver IC packages in 2024, an international renowned brand, co-developed with the Group, has launched end products in 2H 2024
- The abovementioned full-color e-paper notebooks has utilized our Active Matrix Electrophoretic Display (AMEPD) driver ICs designed for advanced color e-paper displays (**ACeP**). This technology is expected to see wider adoption in the future

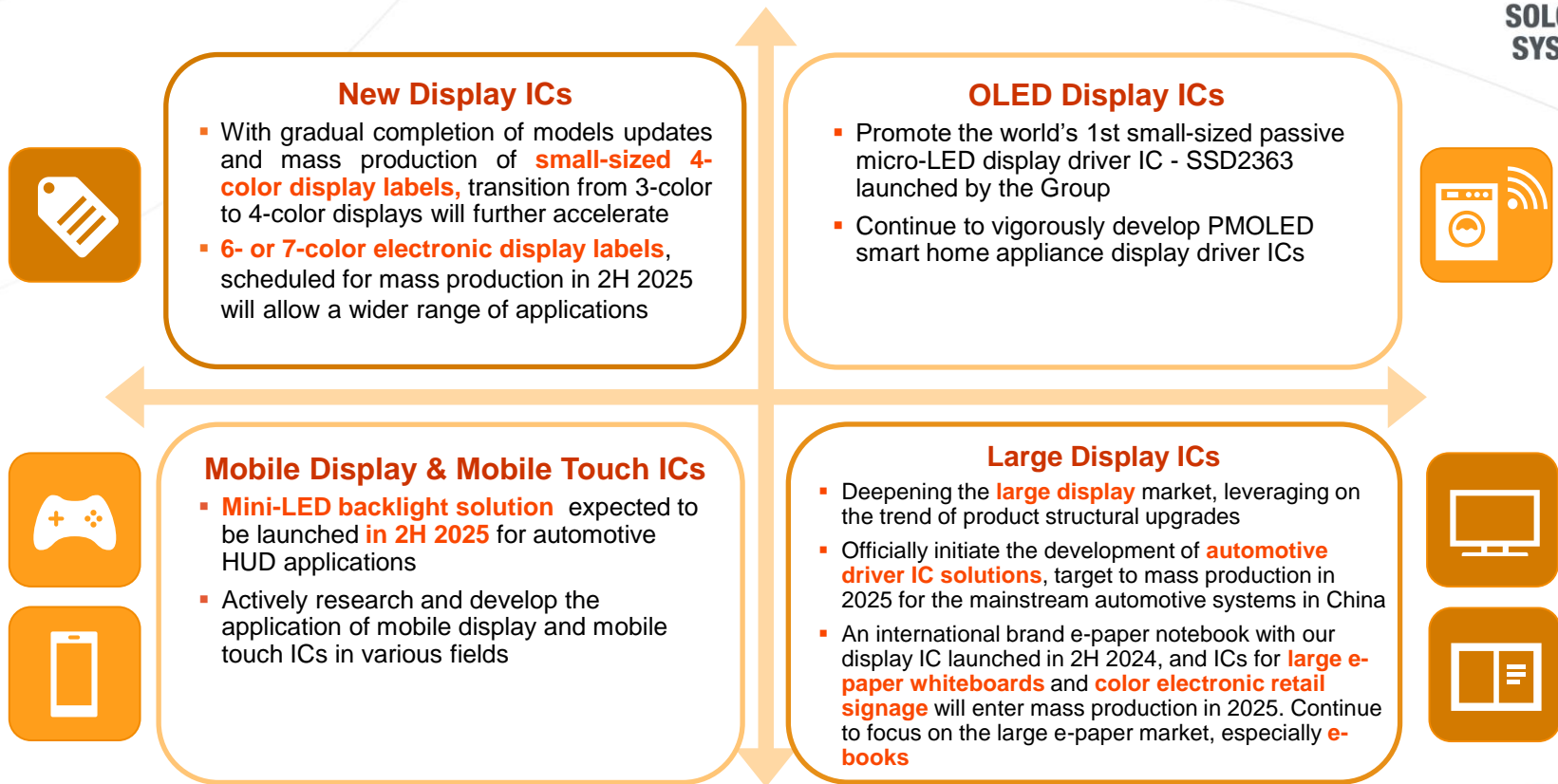


OUTLOOK



**SOLOMON
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Outlook



ABOUT THE COMPANY



Our Milestones



Set up of Shenzhen Technology Center



Rebranded with new company logo



Listed on main board of HKEx (stock code: 2878)



Set up of Taiwan & Nanjing Technology Center

1999

2000

2002

2003

2004

2017

2025

Established in Hong Kong



Entered Hong Kong Science Park as the 1st semiconductor company in the Park



Along the years, we have launched:

- World's 1st In-Cell PMOLED TDDI IC
- World's 1st Full Color TDDI in Wearable Display
- World's 1st Passive Matrix display driver dedicated for PM-micro-LED display

...and a lot more!

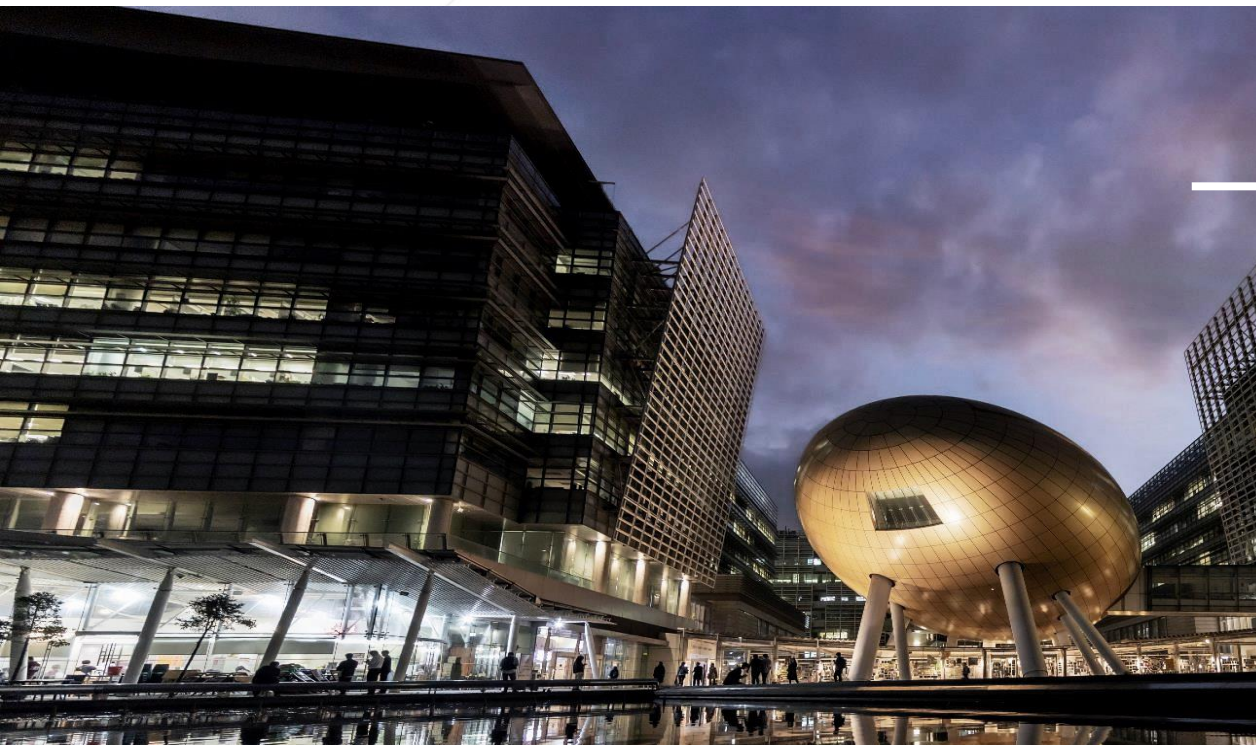
- World no.1 PMOLED display driver IC player
- World-leading market share for ESL applications
- Approx. 680 IC design patents



Our Presence



**SOLOMON
SYSTECH**



Head Office

Hong Kong

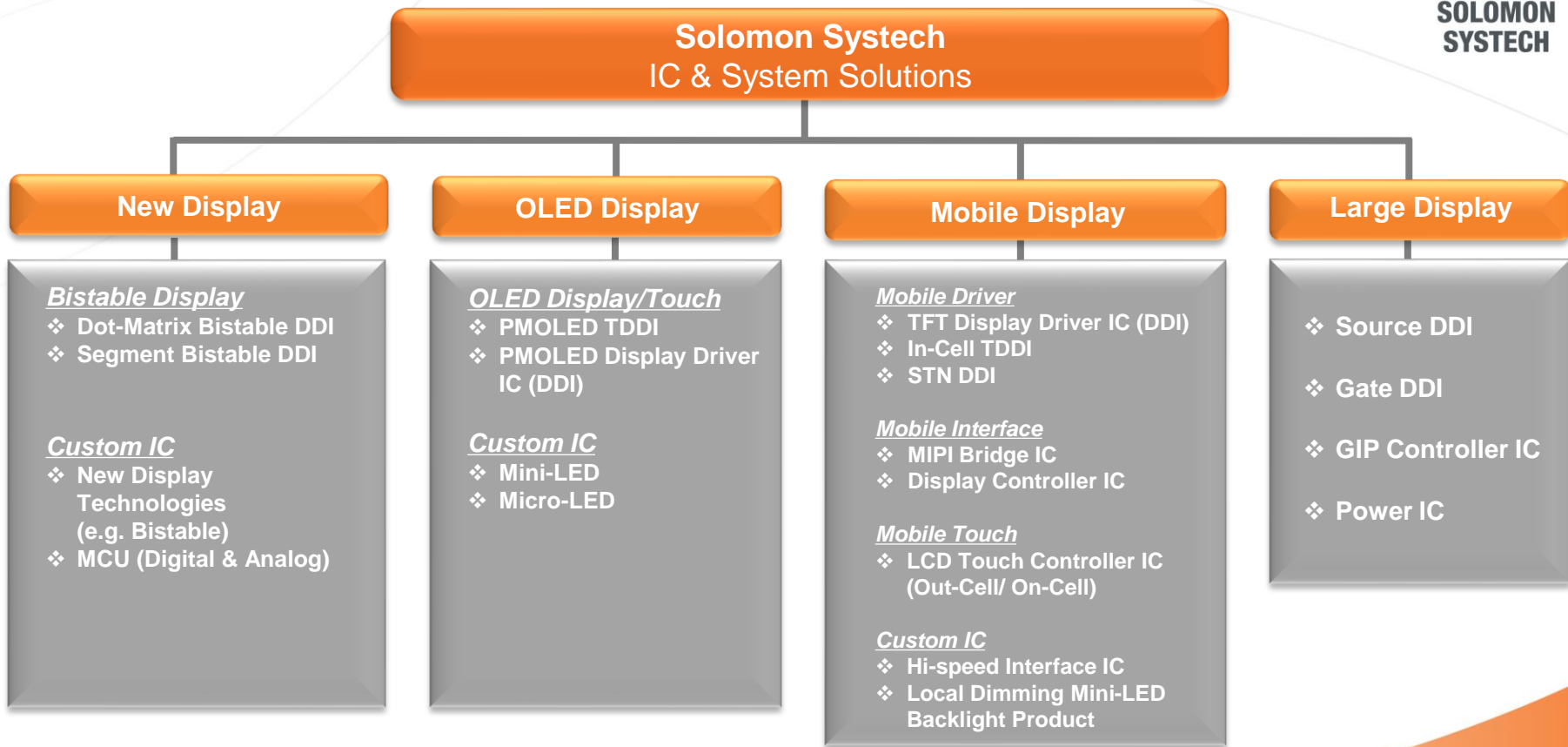
Technology Centers

Hong Kong
Nanjing
Shenzhen
Taiwan

Sales Networks

Hong Kong
Shenzhen
Beijing
Nanjing
Shanghai
Taiwan
Japan
Korea
USA
Europe

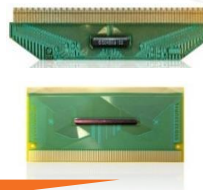
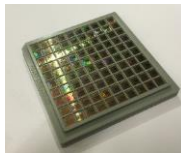
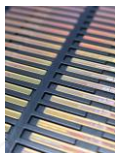
Key Business Units



Product Applications



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ePaper/ Electronic Shelf Label



Smartphone / Tablet



Gaming



Smart Home Appliances



Medical



Custom ICs

- ❖ Custom ICs for digital, analog and mixed-signal applications
- ❖ One-stop solution from designing, testing to delivering
- ❖ Our turnkey services provide one of the most convenient and easiest ways from ASIC to SoC production

Mini-LED/ Micro-LED Custom Driver Controller

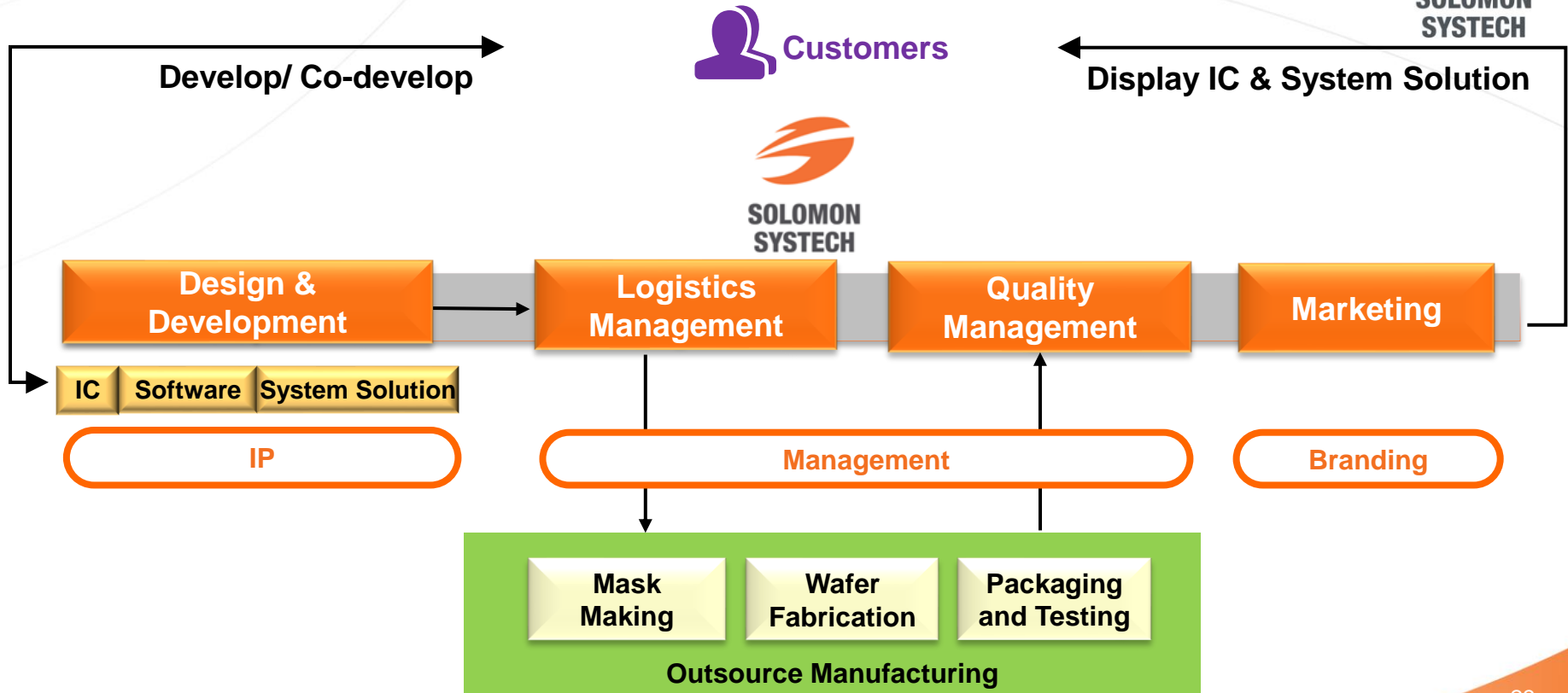
- ❖ The fast-response and vivid color mini-LED/micro-LED display is very popular for high resolution devices nowadays.
- ❖ The Group has rich experience in passive matrix, amorphous/LTPS/Oxide-TFT driver design.
- ❖ The Group owns a library featuring state-of-the-art IPs that are tailor-made for mini-LED/ micro-LED display.

Applications

Mobile phone, tablet PC, TV, consumer appliance, ePaper/ electronic shelf label, portable game console etc.



“Fabless” Business Model



Awards & Achievements



- ❖ **World-leading** market share for **electronic shelf labels (ESL)** applications
- ❖ **Ranked 1st** in global market share for **PMOLED** applications for consecutive years

Hong Kong Awards for Industries - Technological Achievement Award



EE Awards Asia

- Best of the MCU/Driver IC 2023
- Most Topical Product and Technology 2022



China Semiconductor Innovative Products and Technology Award



QuamIR Awards 2020



IET Innovation Award



1st runner up, Industry Category of Hong Kong Electronics Project Competition 2019, Hong Kong Institution of Engineers



CEC Technology Advancement Award



2022 Benchmark IC Enterprise Award



EE Awards Asia 2021 – Executive of the Year



HDSC Outstanding Semiconductor Entrepreneurs 2022

International Partnership

Solomon Systech's customers include many international labels:



Brand Owners



Display Module Makers



Patents



- ❖ **Approx. 680 IC design patents from China, US, Europe and other Asia regions**
- ❖ **PMOLED**
 - ❖ Developed world's first PMOLED TDDI
 - ❖ Patented driving architecture in US and China
- ❖ **ePaper**
 - ❖ Patent on fully automated panel defeat detection method which benefits IoT application
- ❖ **Mini-LED/ Micro-LED**
 - ❖ Various patents to increase color depth/ allow high refresh rate plus high dynamic range/ minimize white balance shift...etc.





solomon-systech.com

Thank You

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