

C Sun Manufacturing Ltd (2467 TT)

Riding the AI Wave with Advanced Semiconductor Packaging

2025/3/10

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COMPANY OVERVIEW

Founded in 1966, C Sun began by designing ovens for PCB and panel manufacturers. With decades of experience, it expanded into the semiconductor industry, providing advanced ovens, plasma equipment, peelers, laminators, and bonders for high-precision back-end processes. As part of TSMC's CoWoS supply chain, C Sun specializes in wafer-level and substrate processes. With rising AI chip packaging demand, semiconductor equipment is expected to contribute 30% of 2024 revenue, with gross margins exceeding 40%. In 2023, C Sun received TSMC's 'Excellent Production Support' award.

KEY POINTS

AI-Driven Demand Fuels C Sun's Strong FY24 Revenue Growth: C Sun's robust revenue growth in FY24 is driven by AI-related demand. As a key supplier in the CoWoS and SoIC ecosystems, the company benefits from surging AI applications, leading to an improving book-to-bill ratio. In 2024, C Sun's consolidated revenue grew 33% YoY to NT\$4,819mn, while net income rose 48% YoY to NT\$719mn. The company is actively expanding into advanced processes, including heterogeneous integration, miniaturization, and stacking, positioning itself for long-term growth in semiconductor packaging as demand for high-performance computing accelerates.

G2C+ Alliance: A One-Stop Solution for Advanced Packaging: C Sun, GPM (5443 TT), and GMM (6640 TT) formed the G2C+ Alliance to provide a comprehensive one-stop solution for Taiwan's advanced semiconductor packaging, including CoWoS and heterogeneous integration. The alliance has established a specialized laboratory integrating heat technology, lamination, delamination, and plasma cleaning. This facility enhances synergies across partner companies, optimizing customer solutions. Additionally, G2C+ has successfully entered the supply chains of TSMC (2330 TT) and ASE (3711 TT), strengthening its position in Taiwan's semiconductor industry and capitalizing on increasing demand for advanced packaging solutions.

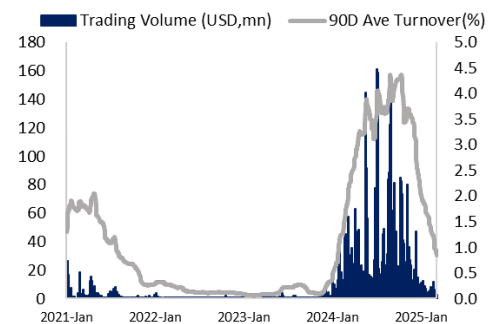
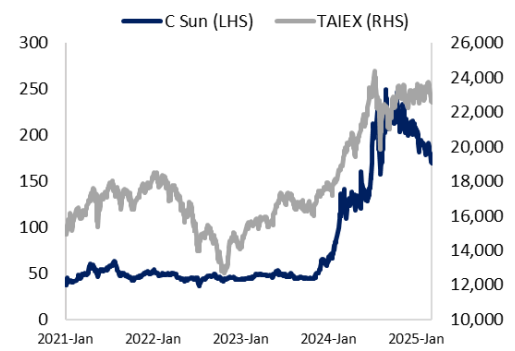
G2C+ Alliance Expands Presence in Advanced Semiconductor Packaging: The G2C+ Alliance spans Linkou, Tucheng, Hsinchu, Taichung, Tainan, and Kaohsiung, forming the "Western Corridor Diamond Chain," a symbol of its agility in global semiconductor packaging. The Foundry 2.0 model, introduced by a leading wafer manufacturer, is driving expansion, with the semiconductor market projected to reach USD 250 billion. G2C+ also serves the world's top ten OSAT firms, benefiting from rapid advancements in packaging technologies. As OSAT capital expenditures double, the alliance is well-positioned to seize emerging market opportunities in next-generation semiconductor packaging.

Leadership in PLP Technology and AI Process Capabilities: G2C+ demonstrates strong innovation in PLP (Panel-Level Packaging), an emerging field with high growth potential. As a key process equipment supplier, C Sun holds a unique competitive advantage. Since 2018, it has led technological adoption, becoming the only Taiwanese company linking top wafer manufacturers with this technology. Additionally, C Sun is expanding into AI-driven process capabilities, covering IC substrates, HBM (High Bandwidth Memory), and advanced packaging. With the rapid evolution of 2.5D and 3D packaging, C Sun's strategic position in these fields continues to strengthen, reinforcing its role in the AI-driven semiconductor ecosystem.

KEY STATISTICS

Ticker:	2467 TT
Current Price:	NT\$ 169.5
52-Week Range:	NT\$ 109 - 250
Average Volume (30-Day, k shares):	746.6
Outstanding Shares (MN):	157
FINI Holding (%):	9.57
Market Cap (MN):	US\$ 807

PRICE PERFORMANCE



FINANCIAL SUMMARY

mn,NTD	FY21	FY22	FY23	FY24
Revenue	5,723	5,367	3,626	4,818
Revenue YoY (%)	40.1	-6.2	-32.4	32.9
Gross Margin (%)	33.9	35.6	41.5	41.2
Op. Margin (%)	12.9	12.8	11.1	13.2
Net Income	660	719	486	719
Net Income YoY (%)	50.5	8.9	-32.4	47.9
Net Margin (%)	11.5	13.4	13.4	14.9
EPS (NTD)	4.22	4.59	3.12	4.80
ROA (%)	9.4	9.3	6.1	7.7
ROE (%)	24.7	23.9	15.7	18.1
ROIC (%)	6.7	5.3	-1.4	4.0
P/E (x)	12.0	9.4	20.0	35.3
P/B (x)	2.8	2.1	3.0	5.2
P/S (x)	1.4	1.3	2.7	5.3
EV/EBITDA (x)	10.2	9.1	21.1	23.5

Source: TEJ