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COMPANY OF THE YEAR

Driving impact across the customer value chain

*RECOGNIZED FOR BEST PRACTICES IN THE
GLOBAL MID-TIER ELECTRONIC
MANUFACTURING SERVICES INDUSTRY*

F R O S T & S U L L I V A N

Table of Contents

<i>Best Practices Criteria for World-class Performance</i>	3
The Transformation of the Mid-tier Electronic Manufacturing Services Industry	3
Prioritizing the Customer through Flexibility and Transparency	4
Positive Internal Culture Powering Customer Loyalty	5
Thought Leadership and Scalability Enabling Significant Growth	5
<i>Conclusion</i>	7
<i>What You Need to Know about the Company of the Year Recognition</i>	8
Best Practices Recognition Analysis	8
Visionary Innovation & Performance	8
Customer Impact	8
<i>Best Practices Recognition Analytics Methodology</i>	9
Inspire the World to Support True Leaders	9
<i>About Frost & Sullivan</i>	10
The Growth Pipeline Generator™	10
The Innovation Generator™	10

Best Practices Criteria for World-class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each recognition category before determining the final recognition recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. SMTC excels in many of the criteria in the mid-tier electronic manufacturing services space.

RECOGNITION CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Megatrends	Customer Purchase Experience
Leadership Focus	Customer Ownership Experience
Best Practices Implementation	Customer Service Experience
Financial Performance	Brand Equity

The Transformation of the Mid-tier Electronic Manufacturing Services Industry

Electronics manufacturing services (EMS) companies predominantly assemble components on printed circuit boards and box builds for original equipment manufacturers (OEM). This market has grown into a multi-billion-dollar business bolstered by the boom in technology advancements, such as electrification, aerospace & defense, semiconductor, IoT, and artificial intelligence (AI), increasing the demand for electronic components. While many OEMs outsource operations to EMS vendors, many challenges hinder widespread adoption. Logistic problems stemming from geopolitical chaos led to onshore production demands, while many manufacturers struggle with post-COVID-19 supply chain disruptions and delays. Furthermore, many EMS vendors focus solely on box builds, limiting flexibility to clients’ various needs. For an EMS vendor to remain competitive it must ensure part availability, rapid manufacturing, and quick shipments.

Founded in 1985 and headquartered in Melbourne, Florida, SMTC Corporation (SMTC) is a mid-sized company and one of the fastest-growing vendors offering a complete range of EMS solutions. Frost & Sullivan’s ongoing research confirms that the company’s true differentiation stems from its customer-centric business practices driven by its unparalleled transparency and flexibility. Its commitment to ethical business practices derives from its internal culture, focusing on supporting its employees to foster long-term loyalty and retention. As a result, SMTC maintains leading expertise across its supported sectors, empowering it to become true partners with its clients.

Frost & Sullivan commends SMTC's technological proficiency and ongoing innovation and believes that its key differentiator is its ethical business practices and commitment to bettering the world, which it reflects in its internal culture, sustainable operations, and customer-centric transparency practices.

Prioritizing the Customer through Flexibility and Transparency

"SMTC recognizes the necessity of experts to provide creative solutions tailored to its clients' needs. As such, it places its internal culture at utmost importance, fostering high employee retention to ensure it retains a highly educated and experienced employee base."

- Sujan Sami
Industrial Research Director
GOA

SMTC builds customer-centricity into its DNA. The company aligns its innovation and internal culture to provide customers with best-in-class experiences. It invests heavily in various technologies (e.g., assembly, fabrication, and automation), enabling a streamlined and more consistent production processes. Moreover, SMTC integrates additional automation capabilities, offering clients enhanced product consistency and lower production costs. As a result, the company's EMS capabilities span the entire product lifecycle, enabling it to provide comprehensive services - such as precision enclosure fabrication, product configuration, and build-to-order.

SMTC sets itself apart from the EMS "one-size-fits-all" standard by collaborating and customizing every client's supply chain solution to meet their specific needs. Clients receive guidance from the company's design team, ensuring they select the best architecture across varying parameters, such as cost targets, functionalities, and time-to-market (TTM) goals. Furthermore, it provides potential clients project simulations with multiple parameters, including cost, TTM, production plans, labor resources, bill of materials, production plants, and timeline requirements, providing accurate and specific plans. The simulations also include a total cost analysis (environment, social, and governance (ESG) goals, cost assessments, and competitive analysis), helping clients understand SMTC's benefits upfront. This also grants customers increased control, as they can change parameters to meet their cost or timeline constraints. While facilitating a faster onboarding time, this transparency is central to fostering client trust and loyalty, as they see how SMTC operates and enjoy clear expectations regarding project costs and timelines.

In addition to unmatched transparency, SMTC's executives are hands-on, supporting clients and nurturing intimate relationships to guarantee its services meet their needs. Many executives maintain open communication lines, making themselves available for inquiries through messaging at clients' convenience. The company conducts annual Net Promoter Score surveys with clients to gauge satisfaction and performs engagement sessions on a monthly or quarterly basis. This extensive feedback provides fast and accurate client engagement regarding unmet needs or overall satisfaction, further evidencing SMTC's core focus of exceeding expectations.

Positive Internal Culture Powering Customer Loyalty

SMTC attributes its significant customer loyalty to its close customer relationships fostered through transparency, engagement, and directness. The company's expertise also enables it to provide customers with consulting, thereby ensuring its products meet their desired goals. SMTC recognizes the necessity of experts to provide creative solutions tailored to its clients' needs. As such, it places its internal culture at utmost importance, fostering high employee retention to ensure it retains a highly educated and experienced employee base. The company's Chihuahua, Mexico office is a prime example that it encourages a family culture, as many employees at this location bolster an average of seven years of employment. SMTC emphasizes personnel recognition, showcasing members going beyond their job responsibilities via "halls of fame" or celebrating longevity milestones. The company places personnel feedback as a central tenant, holding quarterly question-and-answer sessions with executives, posting suggestion boxes, and measuring team engagement to understand internal needs and find potential avenues for improvement. It also hosts a Champions Club for personnel who work on the factory floors, bringing them to exotic locations with a family member and giving them face-to-face time with SMTC's executives. This recognition empowers employees to provide feedback to executives while promoting personnel loyalty.

SMTC's mission statement is to enhance people's lives and the world every day. Its extensive ESG program reduces its carbon footprint and empowers clients to meet their ESG goals. The company evaluated itself under Ecovadis performance and has achieved scope one and two expanding into scope three. SMTC focuses on ESG and sustainability, discussing with sub-suppliers how to best reduce carbon emissions and further support its internal and customer net zero carbon emission goals. As a result, SMTC expects to achieve net zero carbon emissions by 2035.

Thought Leadership and Scalability Enabling Significant Growth

SMTC experiences consistent growth that aligns with its supported sectors, including industrial infrastructure sectors (e.g., water and power applications), aerospace and defense, data centers, and semiconductors. The company increases its growth with the growing need for power distribution units for data centers fostered by the widespread AI adoption. As a result, SMTC has expanded globally, including South Asia, India, and Malaysia, giving it a multinational presence.

SMTC gains additional clients organically, focusing more on forming close partnerships - rather than simply gaining additional logos for expansion purposes. The company's strategic growth plan centers on leaders within sectors, enabling it to gain valuable insight into their needs to increase its sector-specific abilities and grow organically with clients. For example, SMTC partners with SMART Power Distribution Units PDU, Electric Vehicle Charges, or Prosumer Cameras in the United States, giving it unique insight into the market.

“As a result of its highly strategic customer acquisition and thought leadership, SMTC has experienced double-digit year-over-year growth since 2021, servicing \$100 million companies and reaching run rate of over \$600+ million in revenue.”

**- Mike Buseman
President & CEO**

Furthermore, SMTC’s competence is supported by its thought leadership and participation in industry events across the various sectors it supports. For example, the company attends sector-specific events, such as the Electronic Distributor Show, to remain at the forefront of innovation and understand customer needs across various applications. Moreover, it engages with potential clients at events, gauging their emerging needs to ensure its innovation and support align with them. SMTC’s ongoing thought leadership position safeguards its expertise

longevity, thereby ensuring it remains aligned with customer’s growing needs and can advise clients accurately and effectively.

“The company plans on expanding to additional locations, where our customers have needs, empowering us to provide unique solutions & services in degrees of freedom in a changing market to continue supporting clients effectively.”

– Josh Chien, Chief Commercial Officer

SMTC’s deliberate expansion and focus on megatrends allows it to adapt and scale responsibly. The company invests heavily in automation to enhance efficiency, guarantee product consistency, and decrease labor force requirements, passing on capital expenditure savings to clients. It also recognizes the need for large and efficient manufacturing sites. For example, SMTC’s 400,000-square-foot facility in Chihuahua, Mexico, is its largest assembly operation, offering customers high-quality services in a cost-effective site. The company plans on expanding to additional locations, where our customers have needs, empowering us to provide unique solutions & services in degrees of freedom in a changing market to continue supporting clients effectively.

As a result of its highly strategic customer acquisition and thought leadership, SMTC has experienced double-digit year-over-year growth since 2021, servicing \$100 million companies and reaching run rate of over \$600+ million in revenue.”¹

¹ Provided by SMTC during call.

Conclusion

Frost & Sullivan believes innovation and ethical business practices foster long-term client loyalty. SMTC exemplifies what it means to be a true partner. The company's unyielding commitment to client satisfaction stems from project origination, providing unprecedented transparency that builds trust with clients, forming lasting long-term relationships. Its ethical business practices span beyond its customers and are underscored by its internal culture of appreciation and loyalty, giving employees both recognition and support. Frost & Sullivan concludes that this approach clearly showcases SMTC's commitment to bettering the world, setting it apart from other competitors within the electronics manufacturing services (EMS) industry. SMTC's ongoing and explosive year-over-year double-digit growth emphasizes its success, leading it to reach a run rate of over \$600 million in revenue in 2023 and towards \$700 million 2025 and beyond.

With its strong overall performance, SMTC earns the Frost & Sullivan 2025 Global Company of the Year Recognition in the mid-tier electronic manufacturing services industry.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Recognition is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Recognition Analysis

For the Company of the Year Recognition, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed to create growth opportunities across the entire value chain

Visionary Scenarios Through Megatrends: Long-range scenarios are incorporated into the innovation strategy by leveraging mega trends and cutting-edge technologies, thereby accelerating the transformational growth journey

Leadership Focus: The company focuses on building a leadership position in core markets to create stiff barriers to entry for new competitors and enhance its future growth potential

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate consistent, repeatable, and scalable success

Financial Performance: Strong overall business performance is achieved by striking the optimal balance between investing in revenue growth and maximizing operating margin

Customer Impact

Price/Performance Value: Products or services offer the best ROI and superior value compared to similar market offerings

Customer Purchase Experience: Purchase experience with minimal friction and high transparency assures customers that they are buying the optimal solution to address both their needs and constraints

Customer Ownership Excellence: Products and solutions evolve continuously in sync with the customers' own growth journeys, engendering pride of ownership and enhanced customer experience

Customer Service Experience: Customer service is readily accessible and stress-free, and delivered with high quality, high availability, and fast response time

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty, which is regularly measured and confirmed through a high Net Promoter Score®

Best Practices Recognition Analytics Methodology

Inspire the World to Support True Leaders

This long-term process spans 12 months, beginning with the prioritization of the sector. It involves a rigorous approach that includes comprehensive scanning and analytics to identify key best practice trends. A dedicated team of analysts, advisors, coaches, and experts collaborates closely, ensuring thorough review and input. The goal is to maximize the company's long-term value by leveraging unique perspectives to support each Best Practice Recognition and identify meaningful transformation and impact.

VALUE IMPACT			
STEP		WHAT	WHY
1	Opportunity Universe	Identify Sectors with the Greatest Impact on the Global Economy	Value to Economic Development
2	Transformational Model	Analyze Strategic Imperatives That Drive Transformation	Understand and Create a Winning Strategy
3	Ecosystem	Map Critical Value Chains	Comprehensive Community that Shapes the Sector
4	Growth Generator	Data Foundation That Provides Decision Support System	Spark Opportunities and Accelerate Decision-making
5	Growth Opportunities	Identify Opportunities Generated by Companies	Drive the Transformation of the Industry
6	Frost Radar	Benchmark Companies on Future Growth Potential	Identify Most Powerful Companies to Action
7	Best Practices	Identify Companies Achieving Best Practices in All Critical Perspectives	Inspire the World
8	Companies to Action	Tell Your Story to the World (BICEP*)	Ecosystem Community Supporting Future Success

*Board of Directors, Investors, Customers, Employees, Partners

<http://www.frost.com>.

is fuelled by the Innovation Generator™.

[Learn more.](#)

Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- Megatrend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)

