



# 京鼎精密科技

先進設備科技 整合領航者

Foxsemicon

2022 Third Quarter  
Investor Presentation

2022/12/09

- Foxsemicon's statements of its current expectations are forward looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- Except as required by law, we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.
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- Company Profile
- Operation Performance
- Operation Outlook
- Q&A

Established: 2001/04/26

Capital: NT\$ 966 million

Chairman: Young Liu

CEO: Kevin Chiu

Business :

- Key component, module, system for high-end equipment manufacturing services.
- R&D, Sales, and Total solutions provider for automation equipment in both semi and industry.
- Medical imaging equipment manufacturing and design services.

## Awards and Milestone :

- |               |  |
|---------------|--|
| 2001          | Company set-up   |
| 2002          | Got approved vendor certified by the largest semiconductor equipment manufacturer of the world   |
| 2015          | IPO on Taiwan Stock Exchange   |
| 2016          | 「Supplier Aftermarket Collaboration」 awarded by world's leading semiconductor equipment provider   |
| 2017          | 「Contract Manufacturing supplier of the year」 and 「Global Services Accelerated Growth and Performance」 awarded by world's leading semiconductor equipment provider |
| 2018~<br>2020 | 「Best in Class Performance.」 awarded by world's leading semiconductor equipment provider   |
| 2020          | Honored the SGS 2020 CSR Awards  |
| 2022          | 「Best in Class Performance.」 awarded by world's leading semiconductor equipment provider   |
| 2022          | 「Best Companies to Work for In Asia 2022」 awarded by HR Asia   |
| 2022          | 「Top 100 Carbon Competitive Companies」 awarded by Business Weekly  |

Chunan #1,TW(HQ)



Chunan #2, TW



California,USA



Nanjing  
Jiangsu  
Shanghai  
Chunan

California  
Texas

Songjiang, CN

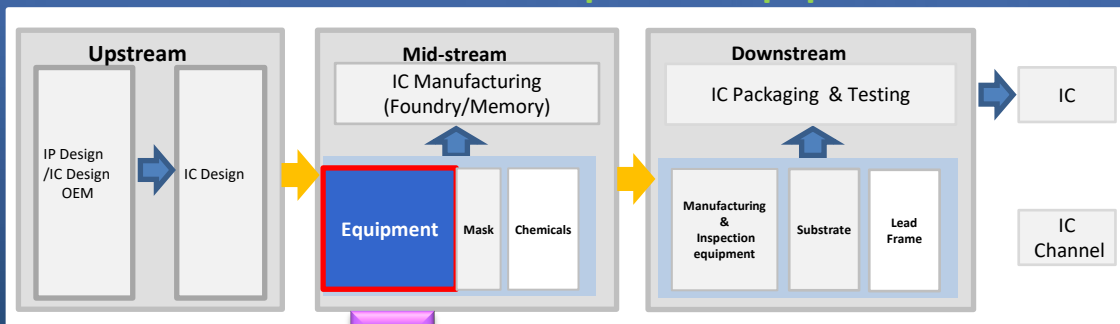


Kunshan, CN

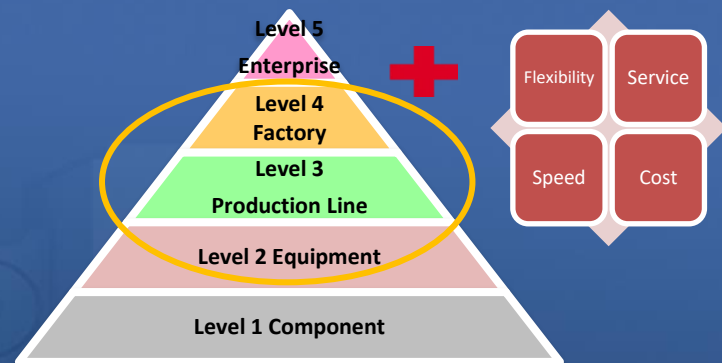


- : Operating manufacturing base (Current)-Chunan #1&2/ Songjiang/ Kunshan
- : R&D manufacturing base (Expansion)-Silicon Valley, USA
- : Sales & Service Offices-California/Texas/Nanjing

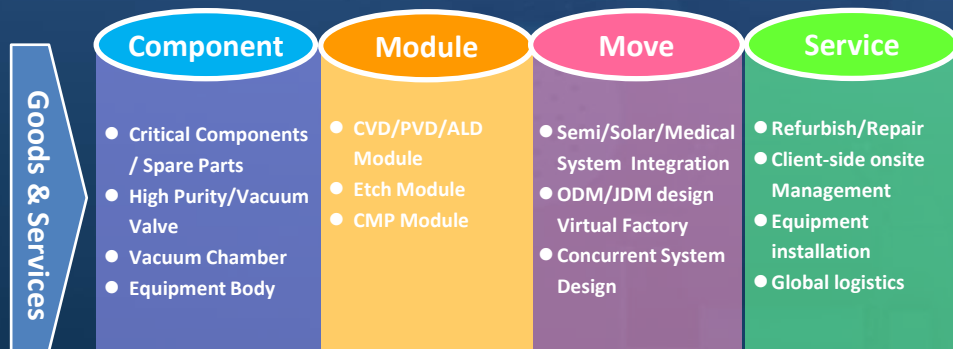
## Semiconductor front-end process equipment



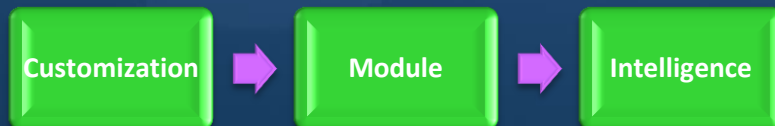
## Semiconductor automation equipment



## Vertical integration of manufacturing services model



One-stop shopping for design services and solutions



- Wafer process equipment manufacturing (ETCH, Thin-Film, CMP)
- Solar/Panel/LED Equipment Manufacturing
- Critical components and spare parts Manufacturing

**Semi-conductor process related product manufacturing service.**

**Fab automation design and manufacturing**

- Non-process equipment development
  - Micro Contamination Control solution
  - Wafer AOI inspection equipment
  - Wafer handling automation

- Equipment / Parts refurbishing, repairing, and recycling services
- Technology application at re-circular services

**Equipment and components circular economy**

**Medical equipment OEM and manufacturing**

- Medical image diagnostic equipment
  - Critical components OEM
  - Equipment contract manufacturing
- Radiotherapy equipment manufacturing



( NTD in millions )

	3Q22		2Q22		QoQ%	3Q21		YoY%	1Q-3Q22		1Q-3Q21		YoY%
Revenues	4,055	100.0%	3,197	100.0%	26.8%	3,182	100.0%	27.4%	10,662	100.0%	8,885	100.0%	20.0%
Gross Profit	1,228	30.3%	953	29.8%	+0.5ppts	834	26.2%	+4.1 ppts	3,089	29.0%	2,270	25.5%	+3.5 ppts
Operating expense	(400)	(9.9%)	(340)	(10.6%)		(294)	(9.2%)		(1,079)	(10.1%)	(811)	(9.1%)	
Operating Income	828	20.4%	613	19.2%	+1.2 ppts	540	17.0%	+3.4 ppts	2,010	18.9%	1,459	16.4%	+2.5 ppts
Non-Operating Items	155	3.8%	64	2.0%		(8)	(0.3%)		360	3.4%	(26)	(0.3%)	
Income Before Tax	983	24.2%	677	21.2%	+3.0 ppts	532	16.7%	+7.5 ppts	2,370	22.3%	1,433	16.1%	+6.2 ppts
Net Income	791	19.5%	602	18.8%	+0.7 ppts	436	13.7%	+5.8 ppts	1,927	18.1%	1,152	13.0%	+5.1 ppts
<b>Attributable to: The first three quarters has exceeded last full year results in Eps NT\$20.41(NT\$17.01 in 2021)</b>													
Equity holders of the parent company	787		591		33.2%	429		83.4%	1,903		1,128		68.7%
Basic EPS(NT\$)	8.14		6.26		30.0%	4.88		66.8%	20.41		12.91		58.1%
Weighted-average outstanding shares(M)	96.71		94.42			87.77			93.21		87.42		

GPM/OPM/NPM  
Record highs



- Revenue exceeded NT\$1.4 billion in September, a record high monthly revenue in history
- Q3 revenue of **\$4.055** billion, QoQ **+26.8%** YoY **+27.4%**, "double-digits" double growth, rewriting a new record high
- The first three quarters revenue of **\$10.66** billion, **YoY 20% growth**, a record high in the same period



Note:

■ Manufacturing Services

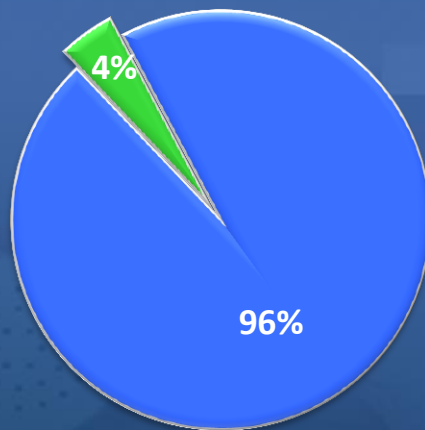
■ Self-Development

— Revenue Growth Rate

Manufacturing Services = Semiconductor/Panel equipment critical part manufacturing+ Solar processing equipment and critical parts

Self-Development= Automation equipment





Manufacturing Services

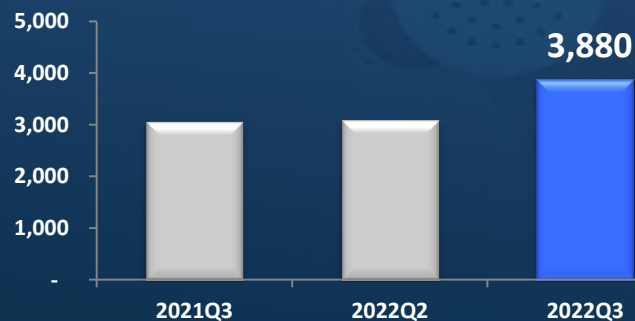
Self-Development

### Manufacturing Services

+25.6% QoQ

+26.7% YoY

Unit: NT\$M

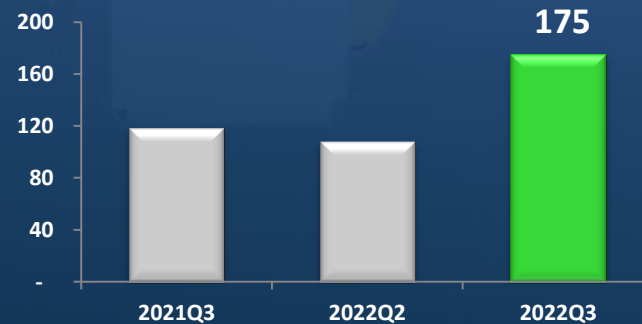


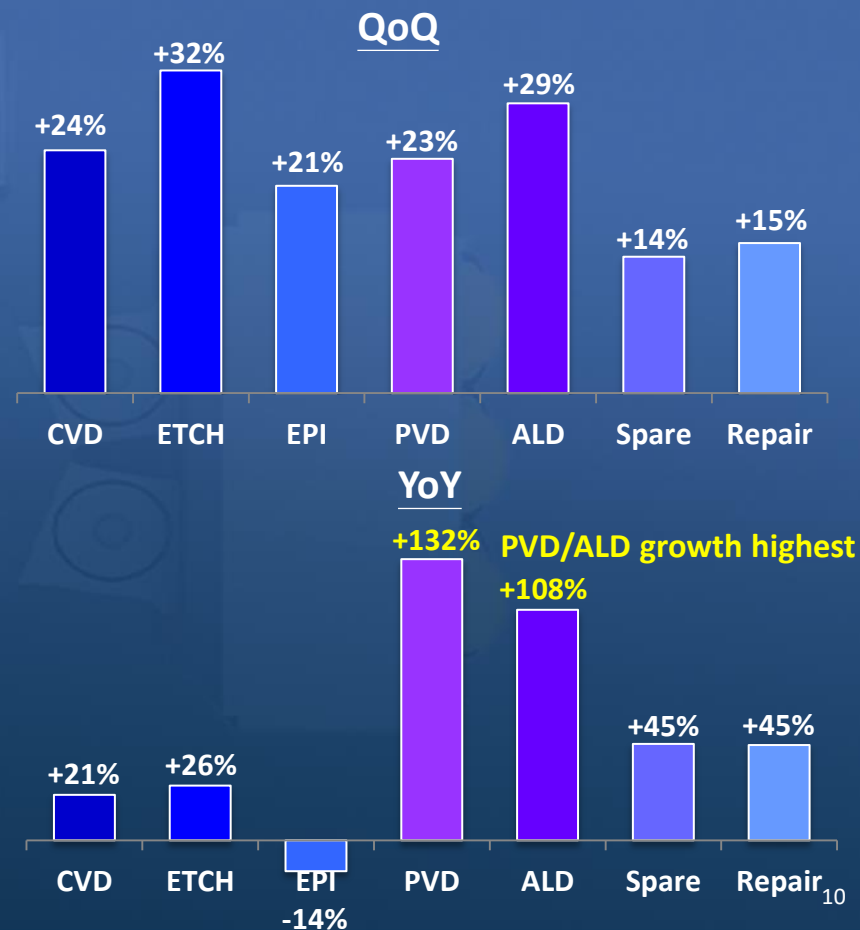
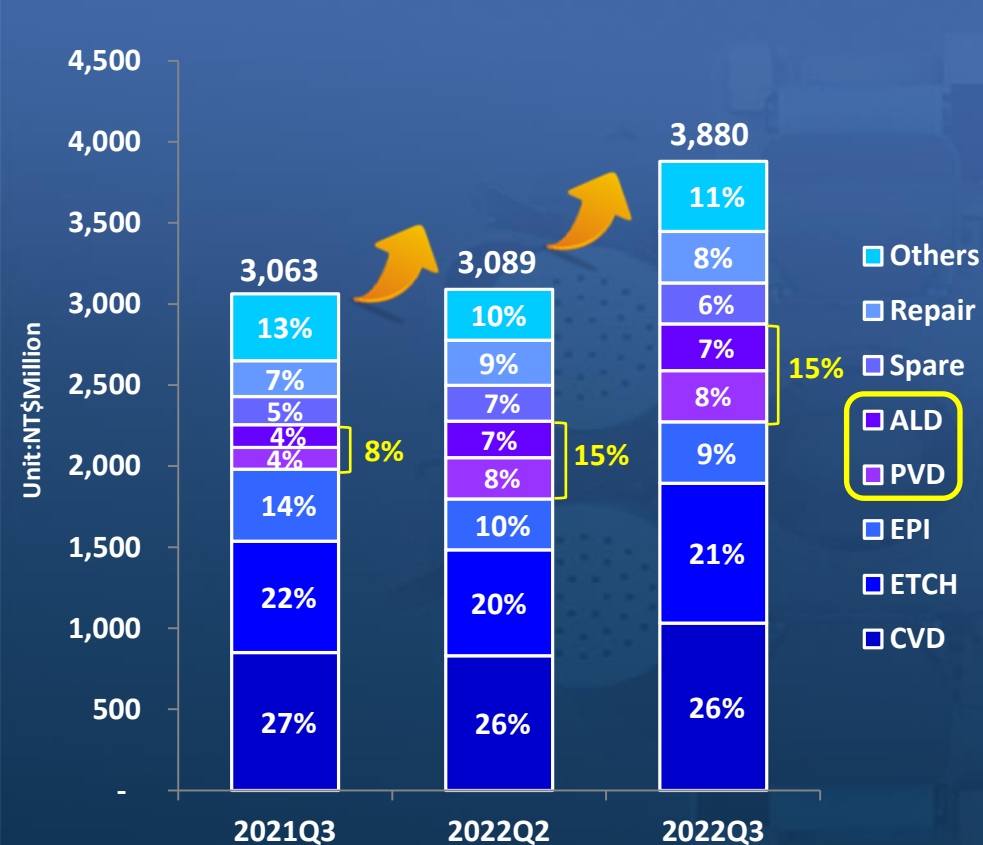
### Self-Development

+61.9% QoQ

+48.3% YoY

Unit: NT\$M





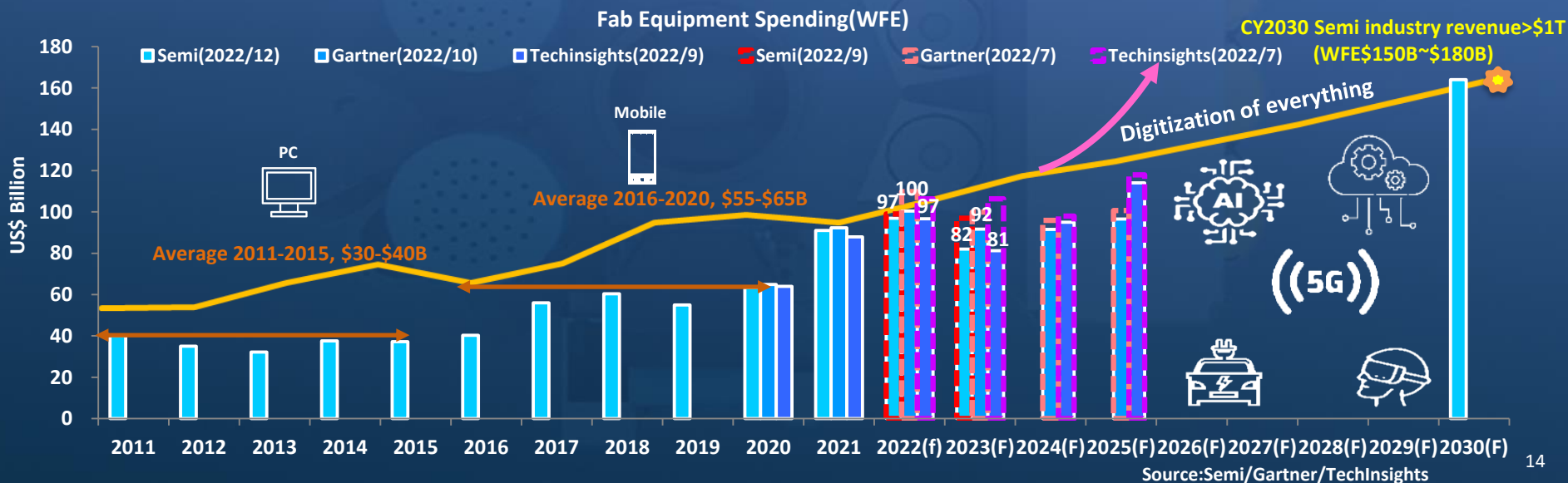
( NTD in millions )	3Q22		2Q22		3Q21	
Cash, Current financial assets	8,769	46%	9,207	51%	6,469	50%
Net Account Receivable	1,386	7%	1,177	7%	1,614	13%
Inventory	4,059	21%	3,911	21%	2,199	17%
Long-term Investments	548	3%	557	2%	496	3%
Net PP&E	3,258	17%	2,659	15%	1,760	14%
<b>Total Assets</b>	<b>19,132</b>	<b>100%</b>	<b>18,258</b>	<b>100%</b>	<b>12,942</b>	<b>100%</b>
Accounts Pabable	1,718	9%	1,777	10%	1,814	14%
Bonds Pabable	1,844	10%	1,839	10%	1,893	15%
Current Liabilites	4,758	25%	5,404	30%	3,355	26%
<b>Total Liabilities</b>	<b>8,690</b>	<b>45%</b>	<b>8,566</b>	<b>47%</b>	<b>5,908</b>	<b>46%</b>
<b>Total Shareholders' Equity</b>	<b>10,442</b>	<b>55%</b>	<b>9,692</b>	<b>53%</b>	<b>7,034</b>	<b>54%</b>
<b>Key Indices</b>						
AR Turnover Days	39		35		42	
Days Sales of Inventory	115		113		85	
AP Turnover days	64		69		66	
Cash Cycle	90		79		61	
Current Ratio(X)	3.05		2.69		3.11	

( NTD in millions )	1Q-3Q22	1Q-3Q21
Beginning Balance	5,068	6,283
Cash from operating activities	1,611	521
Capital expenditures	(1,691)	(421)
Cash dividends	(840)	(613)
Issuance of common stock for cash	1,706	-
Net Change in Debt	1,472	322
Time deposits	1,382	56
Investments and others	(118)	322
Ending Balance	8,590	6,469
Free Cash Flow*	(80)	100

\*Free Cash Flow=Cash from operating activities-Capital expenditures



- The semiconductor industry is affected by the macroeconomic weakness, geopolitics and export regulations factors, three research institutions revised downward the growth rate of WFE to 7%~10% in 2022, and will turn into a recession of -9%~-16% in 2023
- Major semiconductor equipment suppliers also announced in the recent Earnings Call that the semiconductor CapEx will slow down in next year
- Semiconductor Equipment Market Weakness in 2023 Mainly Due to Reduced Memory Spending and U.S. Export Control Regulations
- In AI, 5G, HPC, eV and other end products demand and silicon content continue to increase, process equipment increasing complexity to drive semiconductor industry and equipment spending in the medium and long term demand upward growth





Chunan No. 2 Factory was grand opening in October this year



Ground  
Breaking

Grand  
Opening

Operation

Output  
> NT\$3B

### Capacity Expansion

- Critical components and sub-system module assembly and testing production site

### Expanded vertically integrated manufacturing capabilities

- Improve Critical components margin

### Improve supply chain resilience

- Regionalized manufacturing reduces the risk of supply chain breakage

## ■ 2022 Operations continue to record highs

- Fiti Q3 and the first three quarters the margin in GP/OP/NP increased, with revenue, profit and EPS reaching new highs beyond last year's full year
- Q4 revenue will hit high, full-year operations will reach new heights

## ■ 2023 Operating Outlook to maintain stability and drive growth

- Consumer electronics demand slows but automotive, industrial markets remain robust
- Memory manufacturers postpone their production expansion due to weak demand as macroeconomics situation. However both foundry/logic manufacturers maintain their investment in advanced processes in order to pursue technology leadership
- New product Penetration is gradually increasing and new factory (Chunan No. 2) will start production in Q1 2023, which will add growth momentum to next year's operations



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Thanks for  
your attention

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