



Foxsemicon Integrated Technology Inc.

**2024 First Quarter
Investor Presentation**

2024/05/29

Safe Harbor Notice



- 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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Agenda



- **Company Profile**
- **Financial Reports**
- **Business Performance and Outlook**
- **Q&A**

Foxsemicon Integrated Technology, Inc.(Fiti)



Established: 2001/04/26

Capital: NT\$ 974 million

Chairman: Young Liu

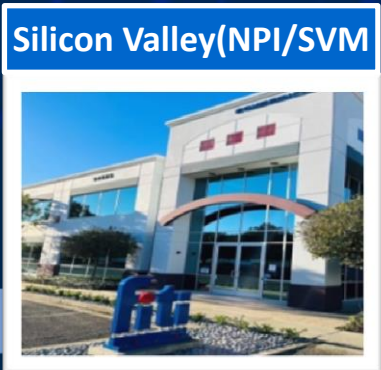
CEO: Kevin Chiu

Business :

- Key components, modules, 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 :

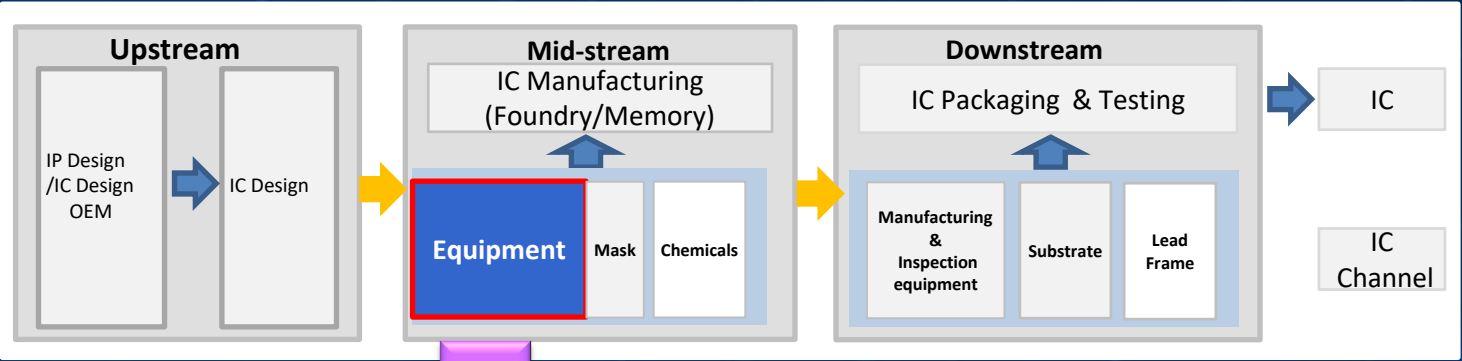
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|-----------|--|
| 2001 | Incorporated in TW |
| 2002 | Certified Vendor by the largest semiconductor equipment maker of the world |
| 2015 | IPO in Taiwan Stock Exchange |
| 2016~2022 | Recognized by world's leading semiconductor equipment provider for seven consecutive years |
| | Best in Class Performance award for six consecutive years |
| 2020 | 「SGS 2020 CSR Awards」 |
| 2022 | 「Best Companies to Work for In Asia 2022」 award by HR Asia |
| 2022 | 「Top 100 Carbon Competitive Companies」 award by Business Weekly |
| 2023 | FITI's first ESG Sustainability Report won the 2023 TCSA Bronze Award for Sustainability Reporting |
| 2024 | 「2023 Supplier Excellence」 dual award by world's leading semiconductor equipment provider |



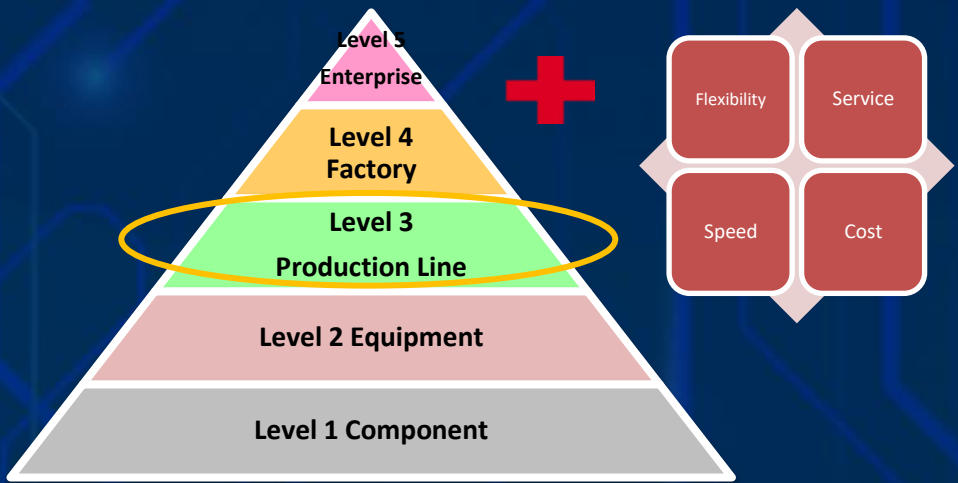
- : Operating manufacturing base -Chunan #1&2/ Songjiang/ Kunshan
- : Operating manufacturing base(new) -Thailand
- : NPI & SVM base-Silicon Valley, USA
- : Sales & Service Offices-California/Texas/Nanjing

Semiconductor Industry & Fiti's Market Position)

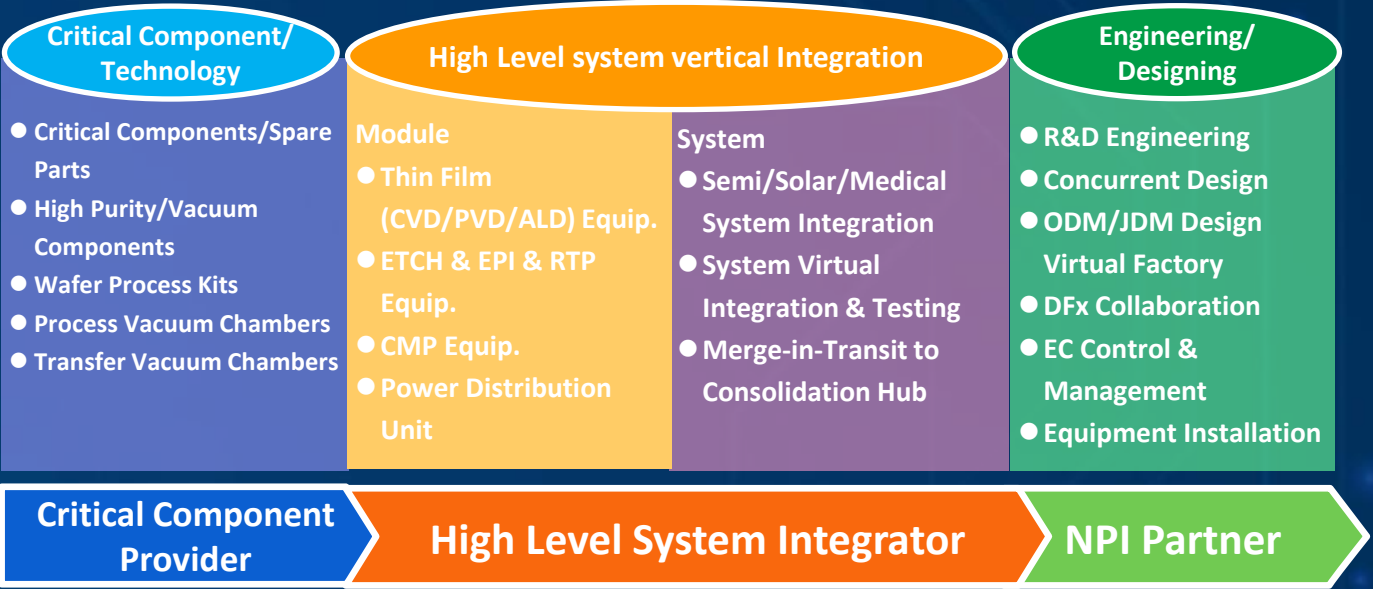
Semiconductor front-end process equipment



Semiconductor automation equipment



Semiconductor Industry Eco-System



Provide integrated solutions



Business Units & Plans



- 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.

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

Equipment and components circular economy

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

Fab automation design and manufacturing

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

Medical equipment OEM and manufacturing

1Q24 Financial Reports

Statements of Comprehensive Income



(NTD in millions)	1Q24		4Q23		QoQ%	1Q23		YoY%
Revenues	3,322	100.0%	3,379	100.0%	-1.7%	3,403	100.0%	-2.4%
Gross Profit	835	25.1%	927	27.4%	-2.3 pts	891	26.2%	-1.1 pts
Operating expenses	(353)	(10.6%)	(348)	(10.3%)		(341)	(10.0%)	
Operating Income	482	14.5%	579	17.1%	-2.6 pts	550	16.2%	-1.7 pts
Non-Operating Items	263	7.9%	76	2.3%		(9)	(0.3%)	
Income Before Tax	745	22.4%	655	19.4%	+3.0 pts	541	15.9%	+6.5 pts
Net Income	545	16.4%	506	15.0%	+1.5 pts	403	11.8%	+4.6 pts
Attributable to:								
Owners of the parent	545		506		7.7%	403		35.2%
Basic EPS(NTS)	5.52		5.19		0.33	4.15		1.37
Weighted-average outstanding shares(M)	98.91		97.33			97.11		

Balance Sheets & Key Indices



(NTD in millions)	1Q24		4Q23		1Q23	
Cash, Current financial assets	10,921	54%	10,583	55%	9,189	48%
Accounts Receivable	1,122	6%	783	4%	1,075	6%
Inventory	2,587	13%	2,620	14%	3,476	18%
Long-term Investments	359	2%	417	2%	550	3%
Property, plant and equipment	3,994	20%	3,781	20%	3,721	20%
Total Assets	20,161	100%	19,370	100%	19,042	100%
Accounts Pabable	1,073	5%	941	5%	963	5%
Bank borrowings	1,679	8%	1,607	8%	1,735	10%
Bonds Pabable	1,028	5%	1,865	10%	1,854	10%
Current Liabilites	4,798	24%	3,536	18%	6,586	35%
Total Liabilities	8,194	41%	7,768	40%	9,083	48%
Total Shareholders' Equity	11,967	59%	11,602	60%	9,959	52%
Key Indices						
AR Turnover Days	26		25		28	
Days Sales of Inventory	99		125		135	
AP Turnover days	37		45		44	
Cash Cycle	88		105		119	
Current Ratio(X)	3.12		4.05		2.12	

Cash Flows



(NTD in millions)	1Q24	1Q23
Beginning Balance	6,956	8,544
Cash from operating activities	317	(267)
Capital expenditures	(295)	(215)
Time deposits	(544)	(22)
Net Change in Debt	140	(124)
Investments and others	163	(15)
Ending Balance	6,737	7,901
Free Cash Flow*	22	(482)

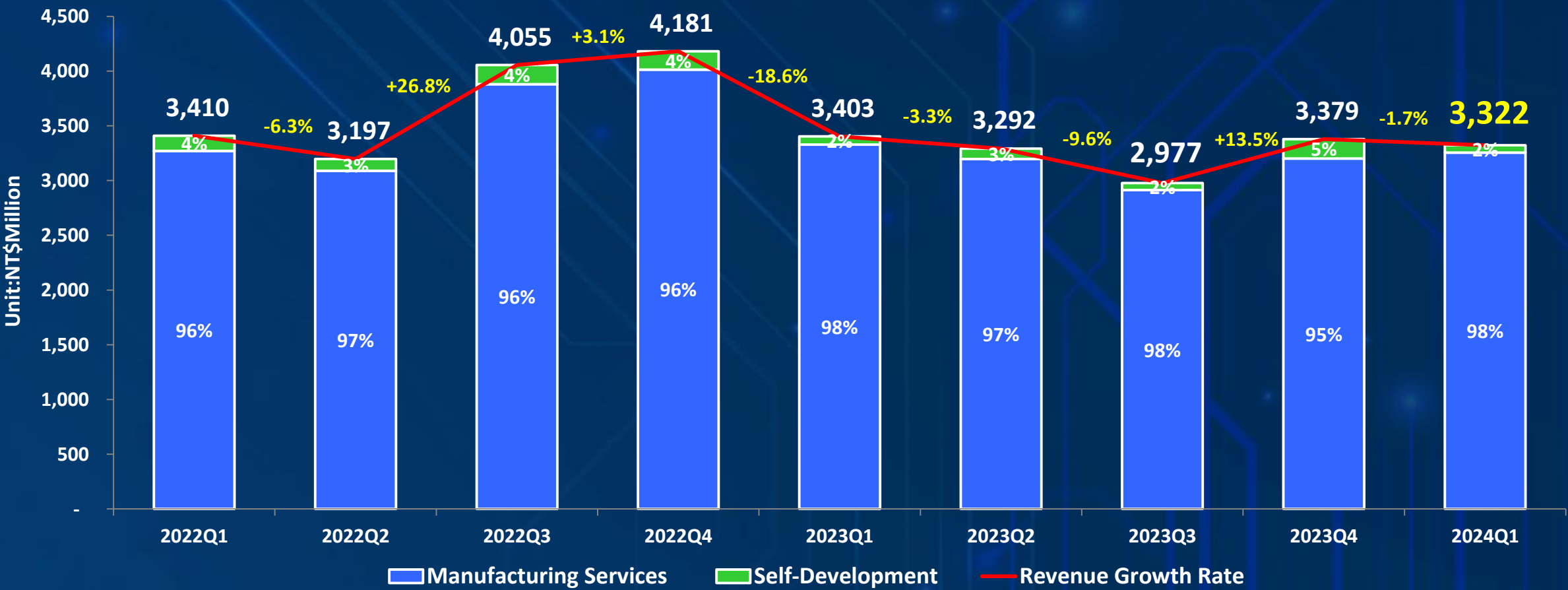
***Free Cash Flow=Cash from operating activities-Capital expenditures**

Business Performance and Outlook

Consolidated Revenue Trend

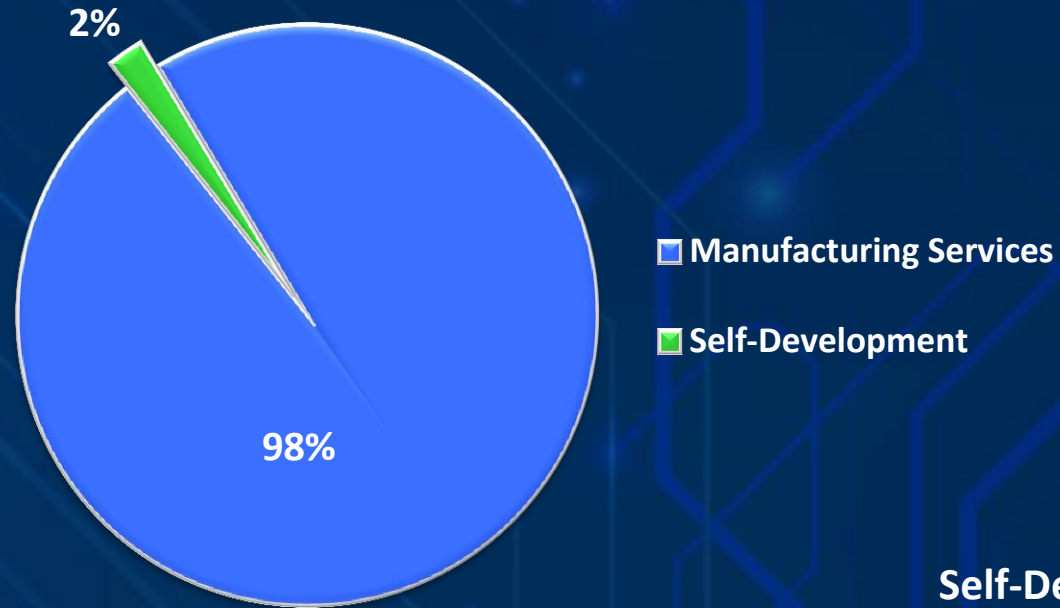


Q1 revenue: \$3.322 billion, QoQ: **-1.7%** ,YoY: **-2.4%**, the third highest in the same period



Note:
Manufacturing Services = Semiconductor/Panel equipment critical part manufacturing+ Solar processing equipment and critical parts
Self-Development= Automation equipment

1Q24 Revenues by Business

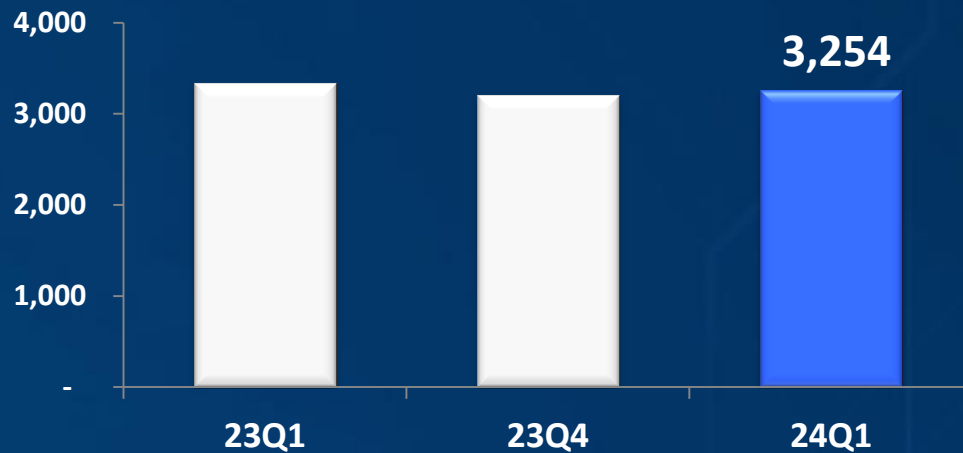


Manufacturing Services

+1.7% QoQ

-2.3% YoY

Unit: NT\$M

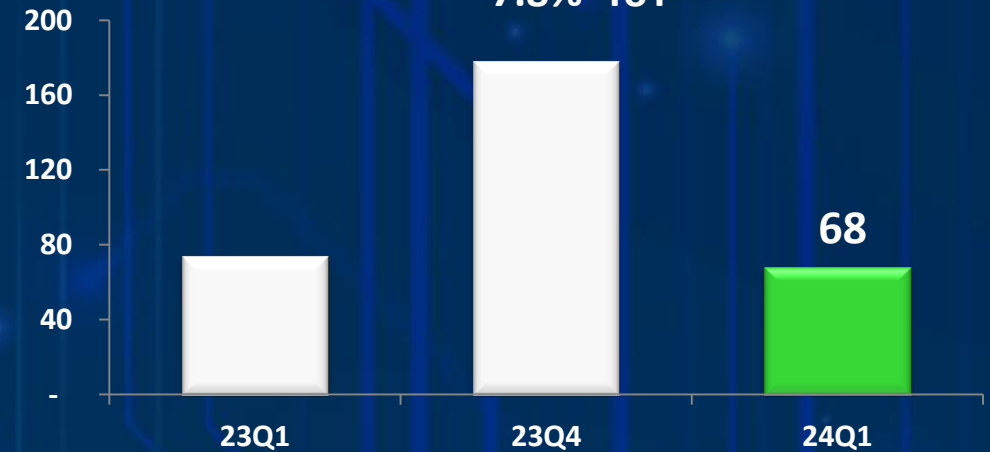


Self-Development

-61.8% QoQ

-7.8% YoY

Unit: NT\$M

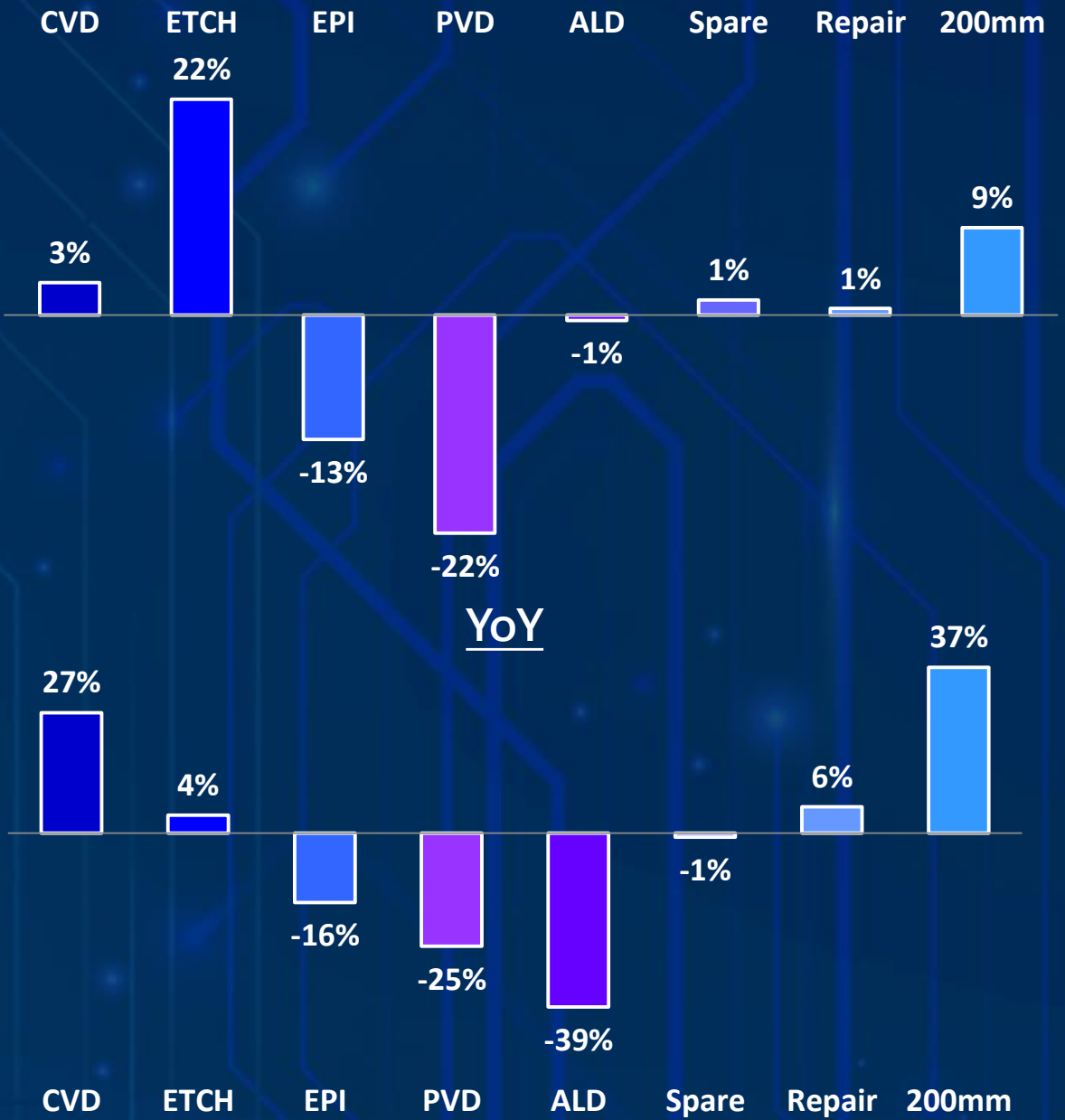
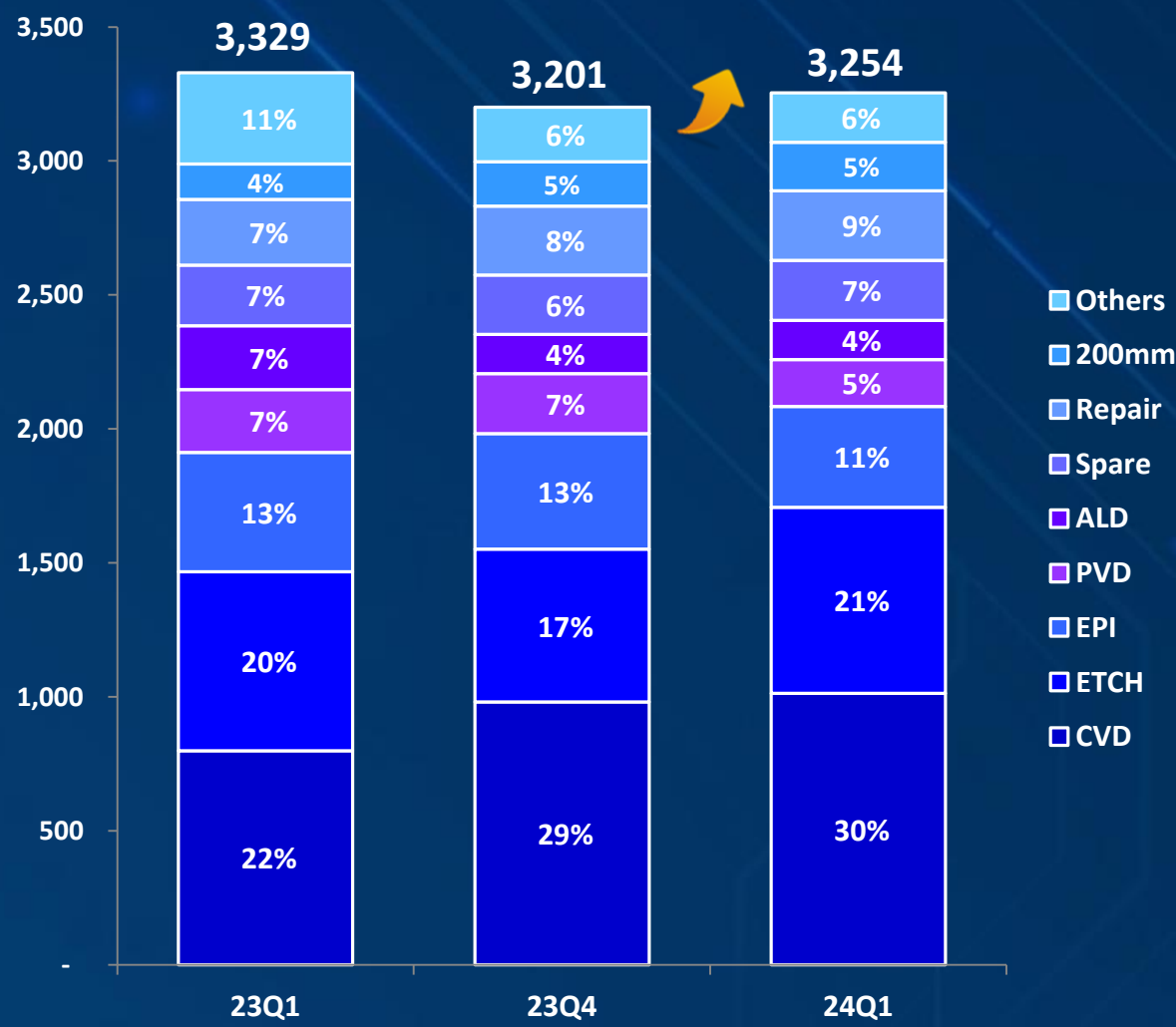


Manufacturing Services Revenue by Products

QoQ



Unit:NT\$Million

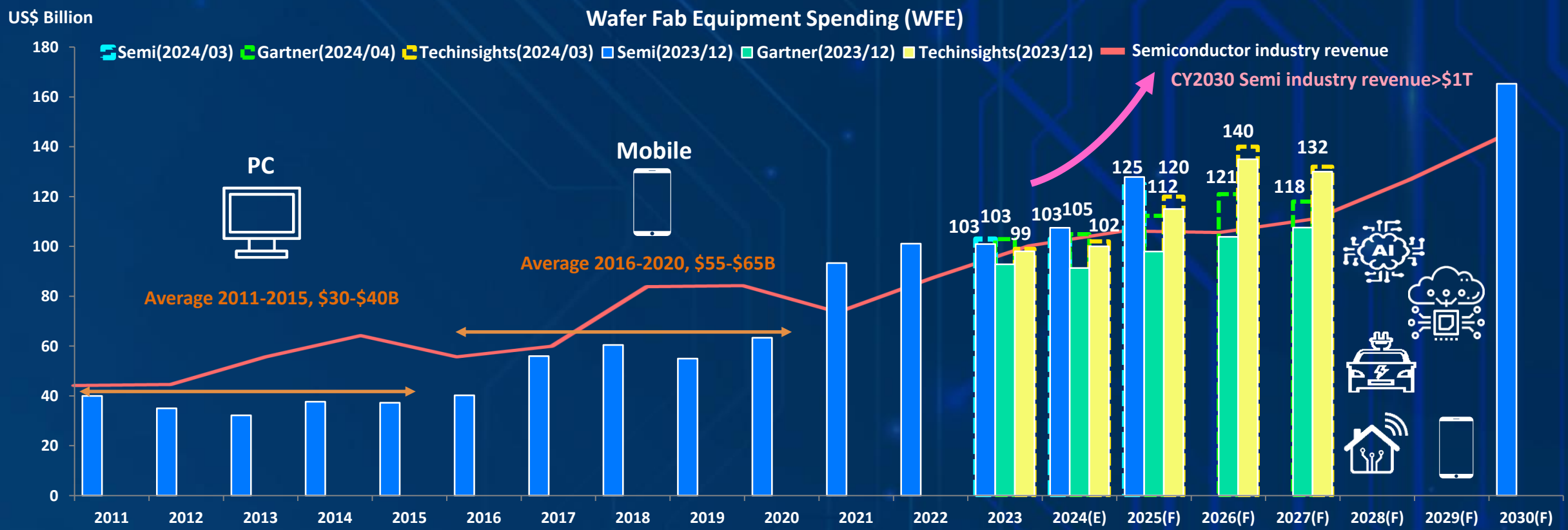


2Q24 Business Outlook



WFE Market Forecast

- Inventory adjustments are going to end. The end-users' demand is recovering. The long-term demand for AI, HPC, and ICAPS is upward. Institutions forecast a double-digit growth in the global semiconductor market in 2024 (13.1%~20.0%)
- AI and HPC applications drive strong demand for High Bandwidth Memory (HBM) to increase investment and expansion of capacity in related areas. Research institutes estimate that 2024 WFE will be flat to modest growth Equipment market demand will remain upward in 2025 and 2026
- Emerging technology applications drive up silicon content, semiconductor processes become more complex, and countries' independent supply chains and Fabs continue to make strategic investments, pushing the semiconductor equipment industry upward



Recap of Recent Major Events

- Fiti's shareholders' meeting on May 27th approved to distribute cash dividends from the 2023 surplus, totaling NT\$1,173,260,000, estimated to be about NT\$12 per share
- Thailand land plant under construction
- The "Top 2,000 Companies Survey "in 2024 Commonwealth Magazine's: Fiti was ranked #28 in the semiconductor industry and #271 in the manufacturing industry

Summary



- **Q1 revenue is expected to be the bottom of the year, and the revenue is expected to grow quarter-by-quarter**
 - **The Q1' EPS of NT\$5.52 was the 2nd highest in the same period. Both the Net Income Attributable to Shareholders of the Parent Company and Net Profit Margin rank the highest s in the same period**
 - **The revenues of \$1.197 billion in April hit a 15-month high. A record high of growth of both YoY and MoM from the past 10 months**
- **The 2024 operations will outperform the current Semiconductor Equipment Market**
 - **Order Visibility extends, and Business Performance Strengthens**
 - **Q2 revenue will deliver a growing QoQ and YoY**
 - **Accelerate “China+1” capacity to meet semiconductor equipment market growth**
 - **AI drives a strong demand for memory and increases foundry utilization rate, adding a growth momentum to the operation**



Thank you