



Foxsemicon Integrated Technology Inc.

**2024 Second Quarter
Investor Presentation**

2024/09/05

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.
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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\$ 1,038 million
Chairman : Young Liu
CEO : Kevin Chiu
Manpower : 3,112(As of 2024/8/31)
Market Cap : NT\$35.67 billion(As of 2024/9/2)

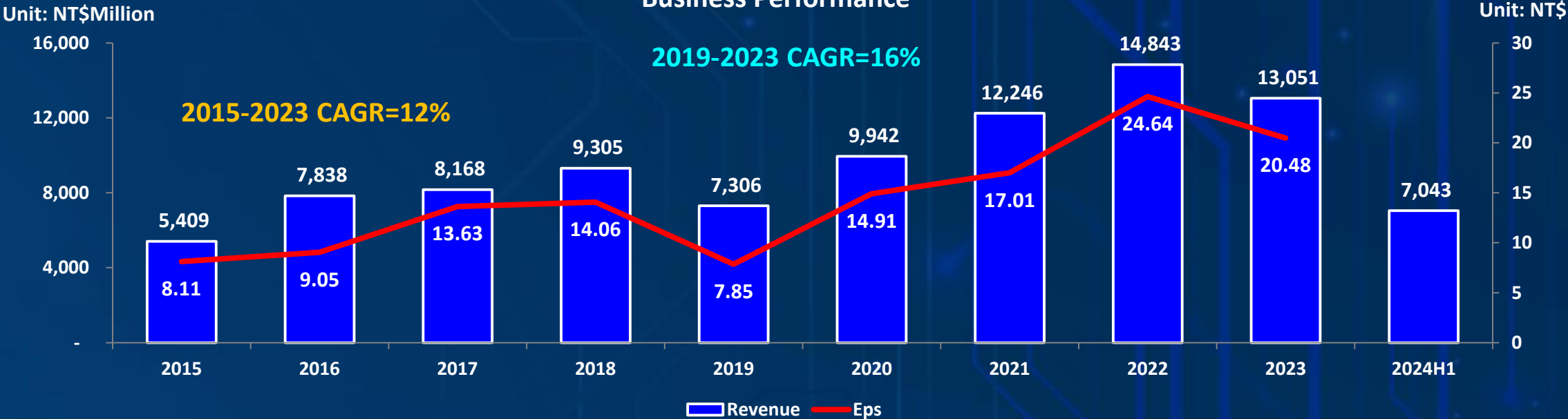
Business :

- Key components, modules, systems for semi’s front-end equipment manufacturing services.
- Semi-related equipment, spares and repair services
- R&D, Sales, and Total solutions provider for semi equipment
- Medical imaging equipment manufacturing and design services.

Awards and Milestone :

- | | |
|-----------|--|
| 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 |

Business Performance



Global Footprint



HVM (High Volume Manufacturing)



NPI (New Product Introduction)



California

Texas

SCM & IPO



Manpower in USA 75

Manpower in Taiwan 745

Manpower in China 2,292

China+1

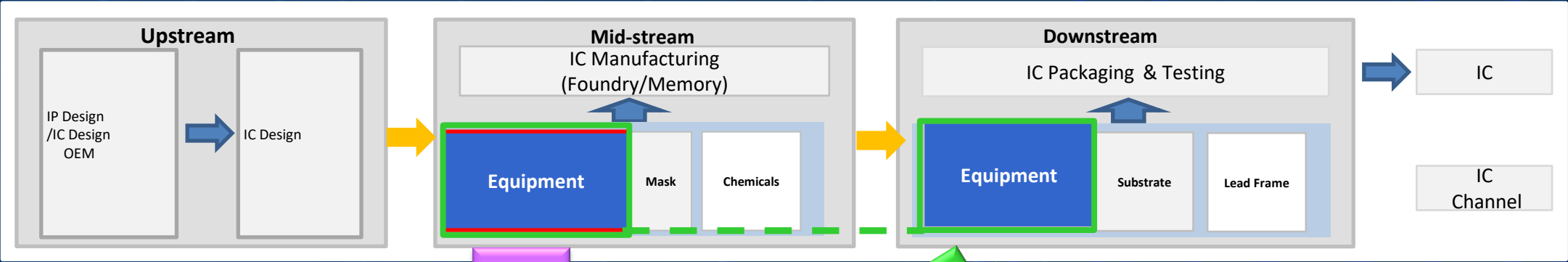


- : MFG Center-Taiwan/China
- : MFG Center(Expansion)-Thailand
- : NPI R&D Center-,USA
- : Sales/Service Center -Taiwan/China/USA

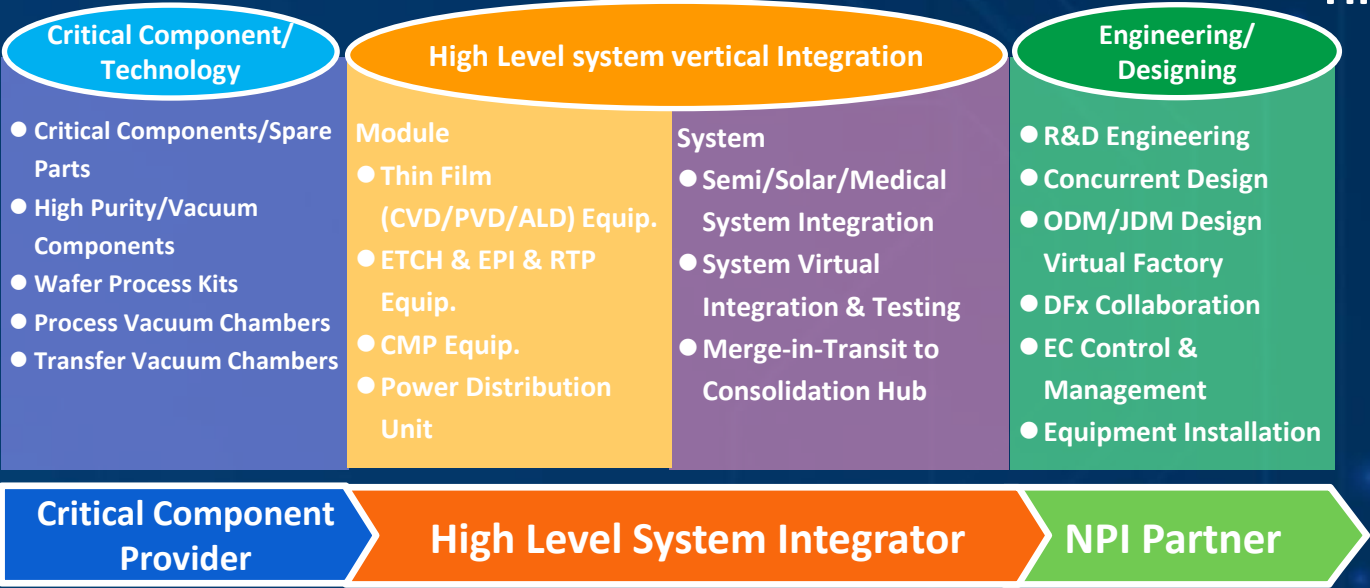
Semiconductor Industry & Fiti's Market Position)

1.Semiconductor front-end process equipment

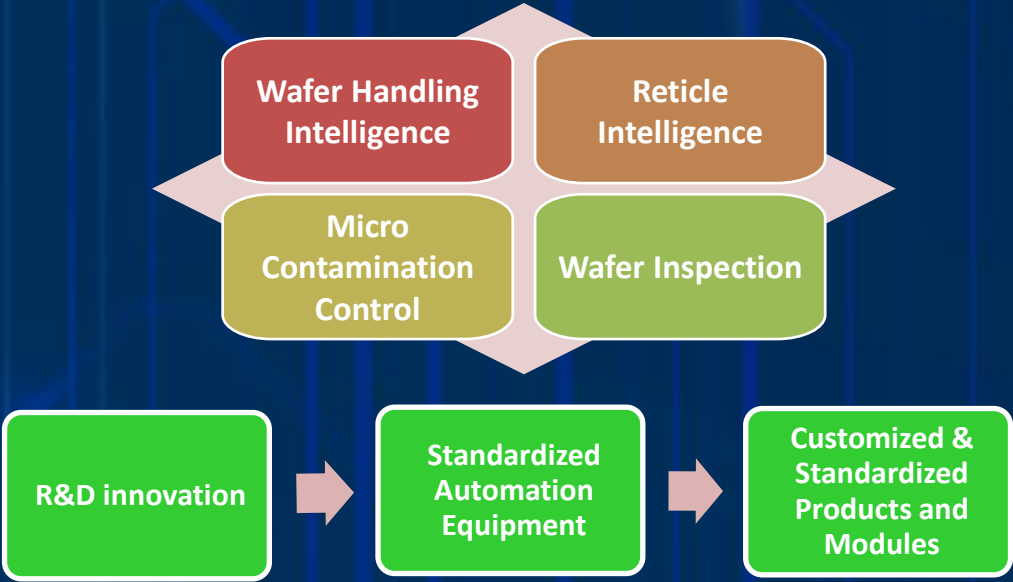
2.Semiconductor automation equipment



Semiconductor Industry Eco-System



High-yield Fab productivity & Provide Total 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
 - Wafer Handling Intelligence
 - Reticle Intelligence
 - Micro Contamination Control
 - Wafer Inspection

Fab automation design and manufacturing

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

Medical equipment OEM and manufacturing

2Q24 Financial Reports

Statements of Comprehensive Income



(NTD in millions)	2Q24		1Q24		QoQ%	2Q23		YoY%	1H24		1H23		YoY%
Revenues	3,721	100.0%	3,322	100.0%	12.0%	3,292	100.0%	13.0%	7,043	100.0%	6,695	100.0%	5.2%
Gross Profit	992	26.7%	835	25.1%	+1.6 pts	841	25.5%	+1.2 pts	1,827	25.9%	1,732	25.9%	-
Operating expenses	(386)	(10.4%)	(353)	(10.6%)		(350)	(10.6%)		(739)	(10.5%)	(691)	(10.4%)	
Operating Income	606	16.3%	482	14.5%	+1.8 pts	491	14.9%	+1.4 pts	1,088	15.4%	1,041	15.5%	-0.1 pts
Non-Operating Items	141	3.8%	263	7.9%		228	6.9%		404	5.8%	219	3.3%	
Income Before Tax	747	20.1%	745	22.4%	-2.3 pts	719	21.8%	-1.7 pts	1,492	21.2%	1,260	18.8%	+2.4 pts
Net Income	696	18.7%	545	16.4%	+2.3 pts	609	18.5%	+0.2 pts	1,242	17.6%	1,012	15.1%	+2.5 pts
Attributable to:													
Owners of the parent	696		545		27.7%	609		14.3%	1,242		1,012		22.7%
Basic EPS(NTS)	6.75		5.52		1.23	6.27		0.48	12.29		10.42		1.87
Weighted-average outstanding shares(M)	103.09		98.91			97.16			101.00		97.13		



Balance Sheets & Key Indices



(NTD in millions)

Cash, Current financial assets

Accounts Receivable

Inventory

Long-term Investments

Property, plant and equipment

Total Assets

Accounts Payable

Bank borrowings

Bonds Payable

Current Liabilities

Total Liabilities

Total Shareholders' Equity

Key Indices

AR Turnover Days

Days Sales of Inventory

AP Turnover days

Cash Cycle

Current Ratio(X)

2Q24

11,169 53%

1,472 7%

2,984 14%

396 2%

4,013 19%

21,254 100%

1,272 6%

1,624 8%

836 4%

5,233 25%

8,314 39%

12,940 61%

29

102

39

92

3.05

1Q24

10,921 54%

1,122 6%

2,587 13%

359 2%

3,994 20%

20,161 100%

1,073 5%

1,679 8%

1,028 5%

4,798 24%

8,194 41%

11,967 59%

26

99

37

88

3.12

2Q23

10,408 53%

919 5%

2,904 15%

569 3%

3,723 19%

19,514 100%

956 5%

1,834 9%

1,859 10%

6,668 34%

9,042 46%

10,472 54%

26

126

44

108

2.16

Cash Flows



(NTD in millions)	1H24	1H23
Beginning Balance	6,956	8,544
Cash from operating activities	691	837
Capital expenditures	(437)	(350)
Time deposits	50	(3,382)
Net Change in Debt	153	73
Investments and others	158	34
Ending Balance	7,571	5,756
Free Cash Flow*	254	487

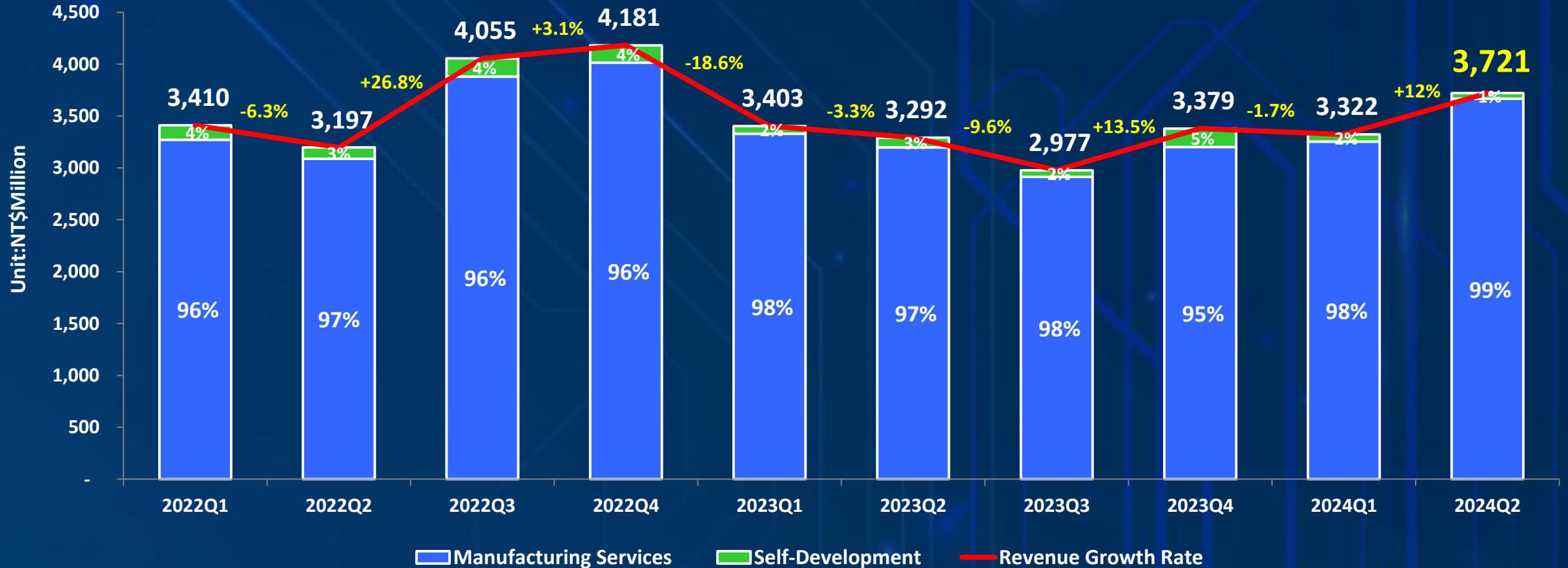
***Free Cash Flow=Cash from operating activities-Capital expenditures**

Business Performance and Outlook

Consolidated Revenue Trend



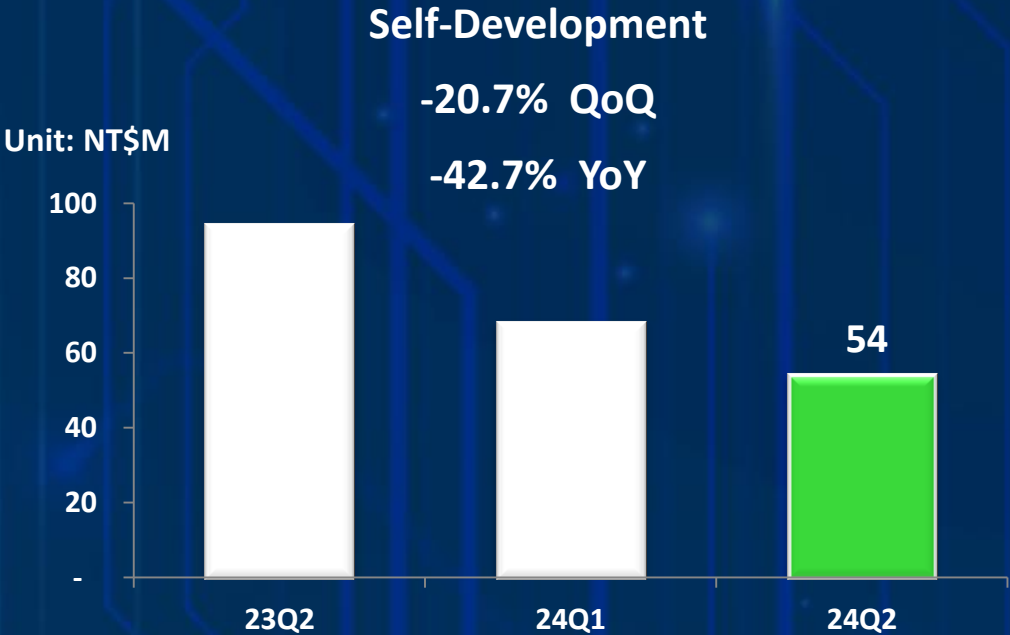
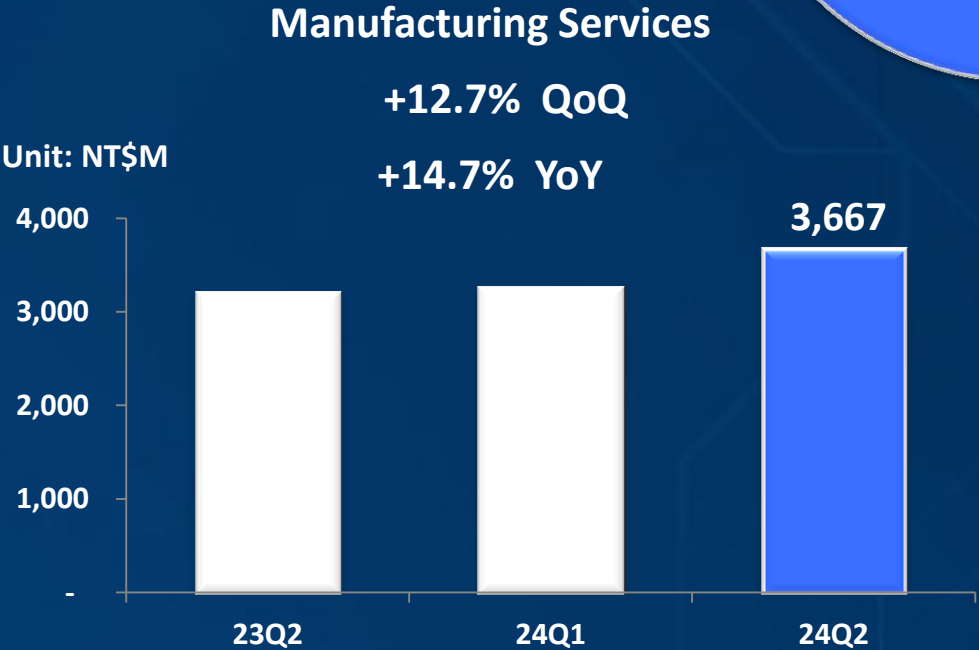
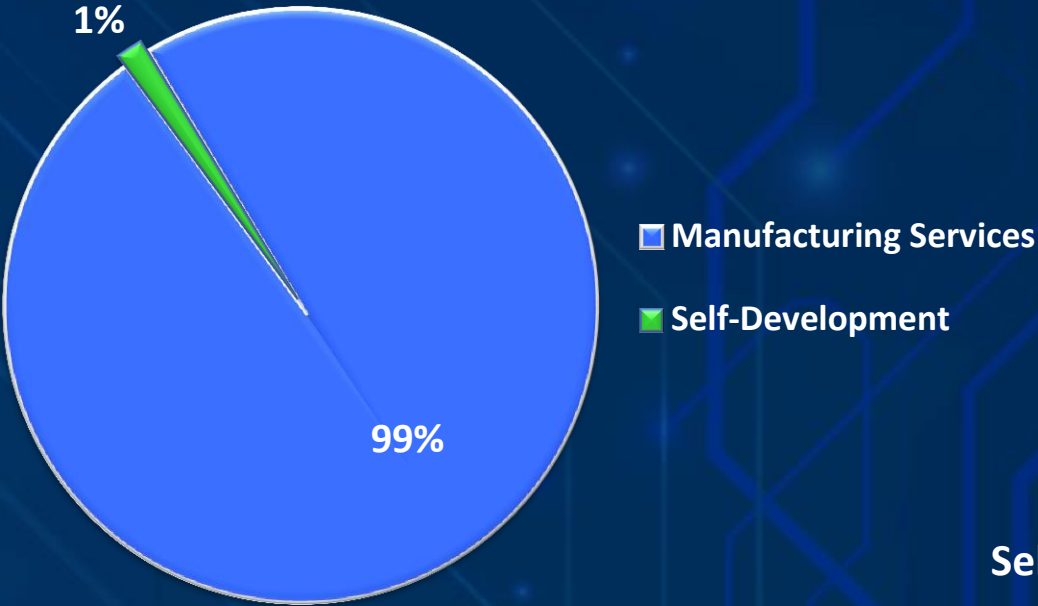
- 2024Q2 revenue: \$3.721 billion, QoQ: **+12**,YoY: **+13%**, a record high for the period
- 2024H1 revenue: \$7.043 billion,YoY: **+5.2%**, a record high in the same period



Note:

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

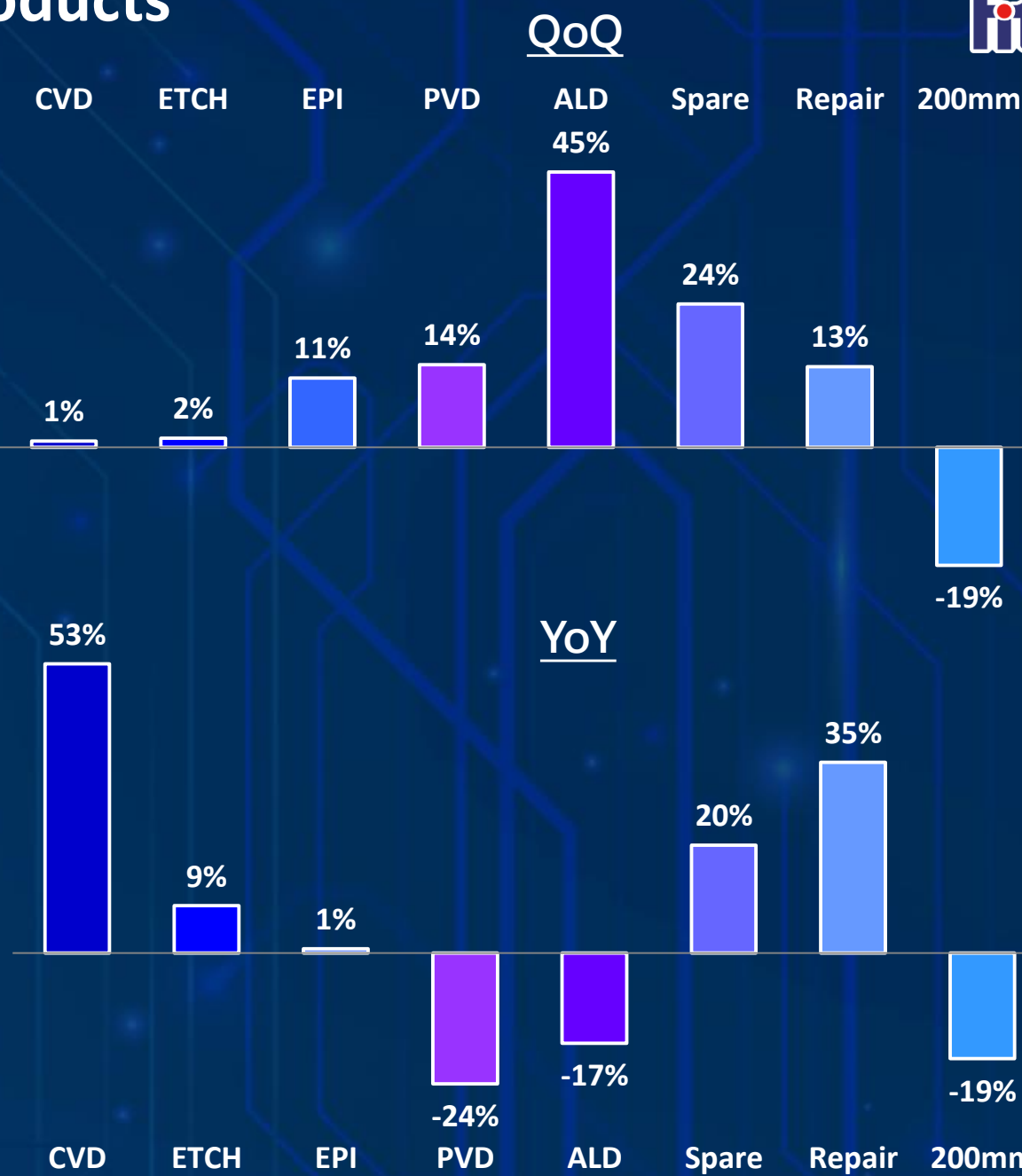
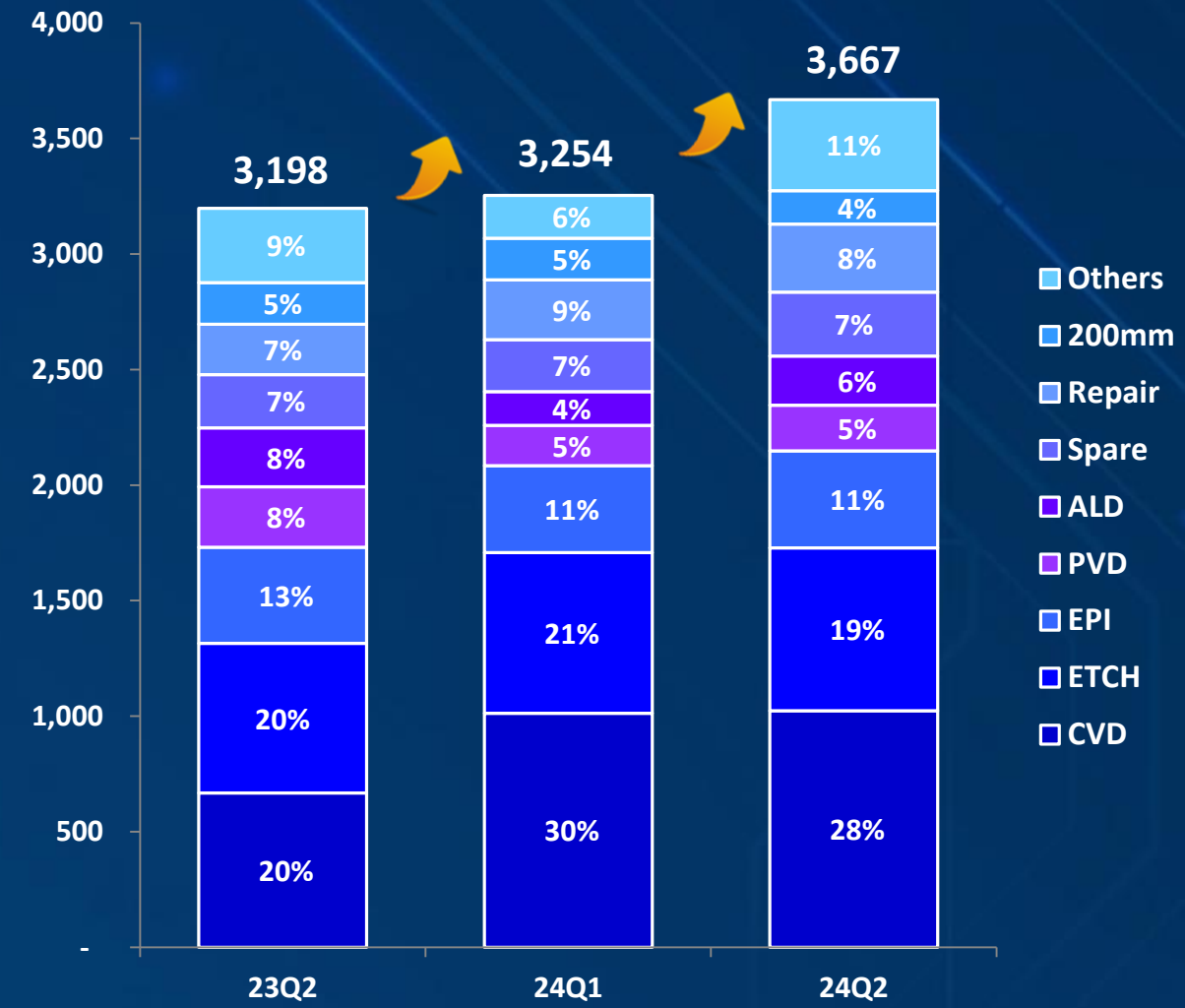
2Q24 Revenues by Business



Manufacturing Services Revenue by Products



Unit:NT\$Million



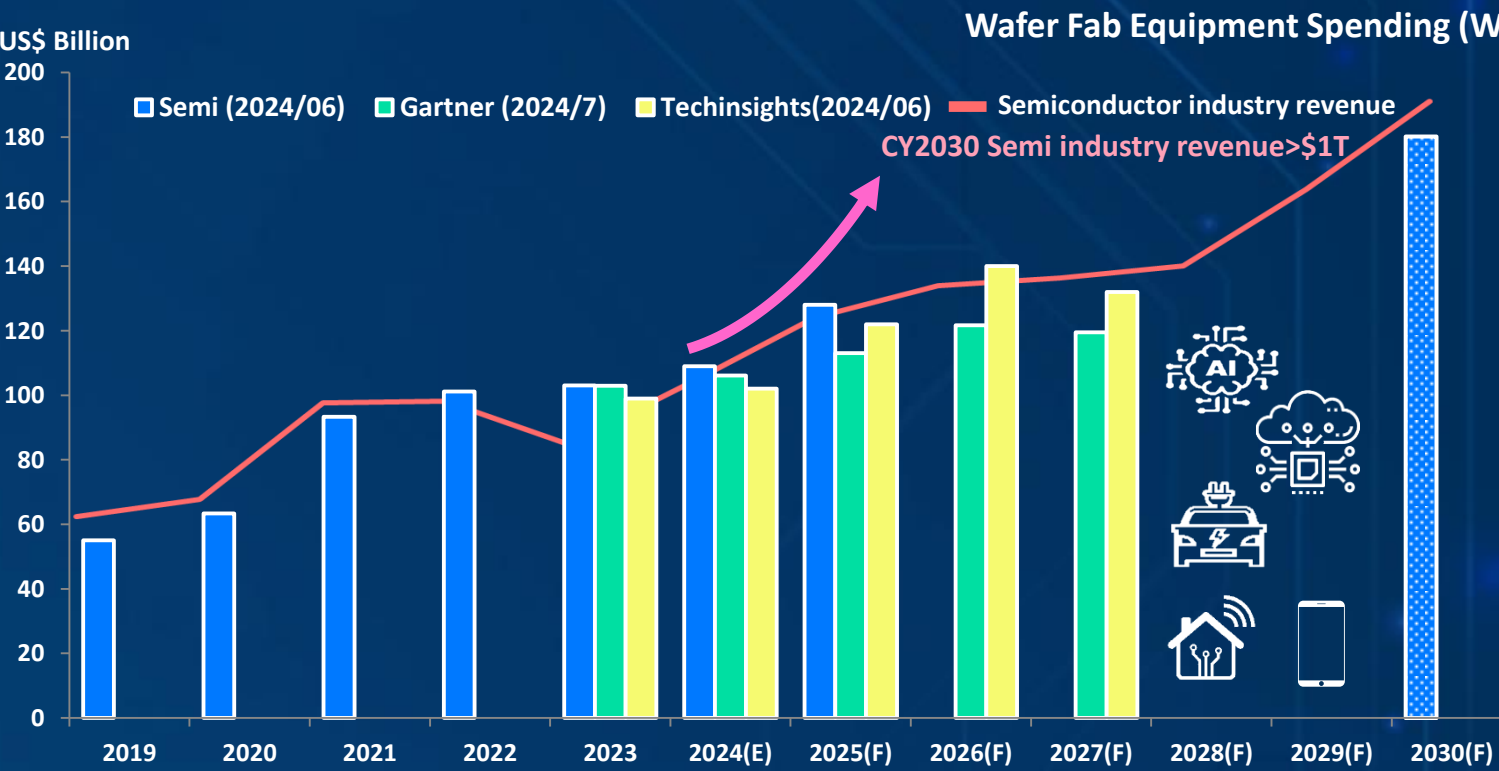
3Q24 Business Outlook



WFE Market Forecast



- AI, HPC, and other emerging technology applications are increasing, pushing the growth of high-bandwidth memory (HBM) , advanced logic equipment and utilization of the equipment, and driving the overall semiconductor equipment and market to continue growing.
- Three research institutions forecast WFE
 - 2024: Slight increase of 3%~6%
 - 2025~2026: Significant growth of 7%-20%
- Emerging technology markets with rising silicone content, semiconductor processes become more complex, countries establishing independent semiconductor supply chains, and fab utilization rates are pushing the semiconductor equipment industry upward over the long term



WFE(\$B)	2023	2024(F)	2025(F)	2026(F)	2027(F)
Semi (2024/06)	103	109	128		
YoY	2%	6%	17%		
Gartner (2024/07)	103	106	113	122	119
YoY	2%	3%	7%	8%	-2%
TechInsights (2024/06)	99	102	122	140	132
YoY	1%	3%	20%	15%	-6%

Source:Semi/Gartner/TechInsights

Recap of Recent Major Events



- **FITI has distributed a cash dividend of NT\$1,173,260,000 (approximately NT\$11.29991481 per share) on 31 July for the 2023 earnings**
- **The Board of Directors increased capital expenditure for the establishment of a plant in Thailand, increasing the budget from US\$120 million to US\$292 million**
- **Kainova Technology, a subsidiary of Foxsemicon, will participate SEMICON Taiwan 2024 on September 4-6 to showcase the latest semiconductor and EUV Reticle Automation and technology**

Summary

- **2024 H1 Revenue and Profit double growth**
 - **H1 EPS of NT\$12.29 hits record high**
 - **Fiti Q2 margin in GP/OP/NP grows QoQ and YoY, EPS NT\$6.75 at second highest in a quarter**
- **Q3 revenue to hit new highs, 2024 operations to outperform semiconductor equipment market**
- **AI applications push growth of memory and advanced logic process equipment and capacity utilization rate, which will contribute to the Company's revenue performance**
- **Existing customers & products growth, new customers & new products in-depth cultivation to sustain the company's operational capability.**
- **Accelerated China+1 capacity in response to geopolitical impacts and to meet semiconductor equipment market growth**



Thank you