



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.**
- **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)



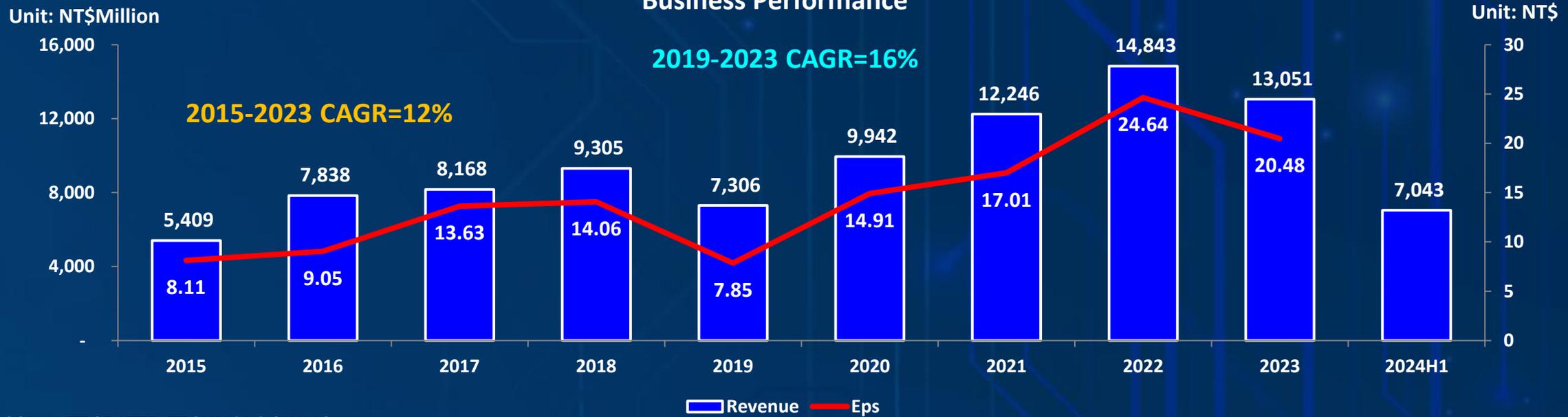
Established : 2001/04/26
 Capital : NT\$ 1,038 million
 Chairman : Young Liu
 CEO : Kevin Chiu
 Manpower : 3,112(As of 2024/8/31)
 Market Cap : NT\$35.67 billion(As of 2024/9/2)

- 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)



Manpower in Taiwan 745

Manpower in China 2,292

China+1



California
Texas

SCM & IPO

CA/TX, USA



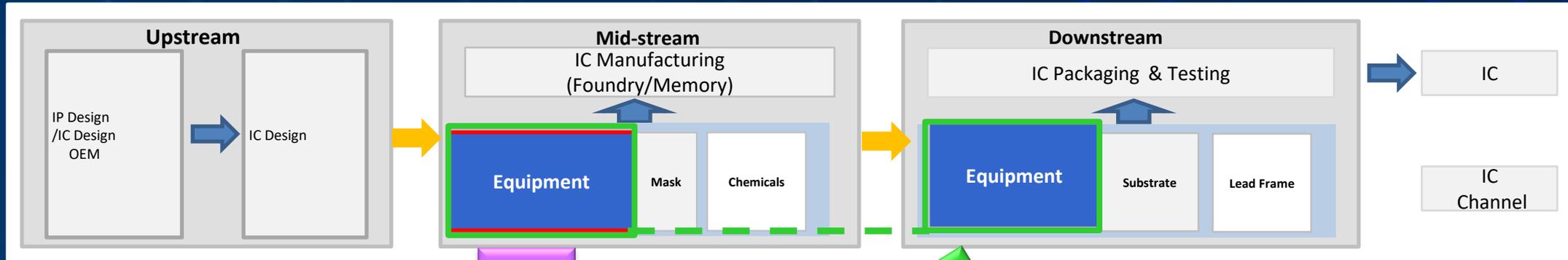
Manpower in USA 75

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

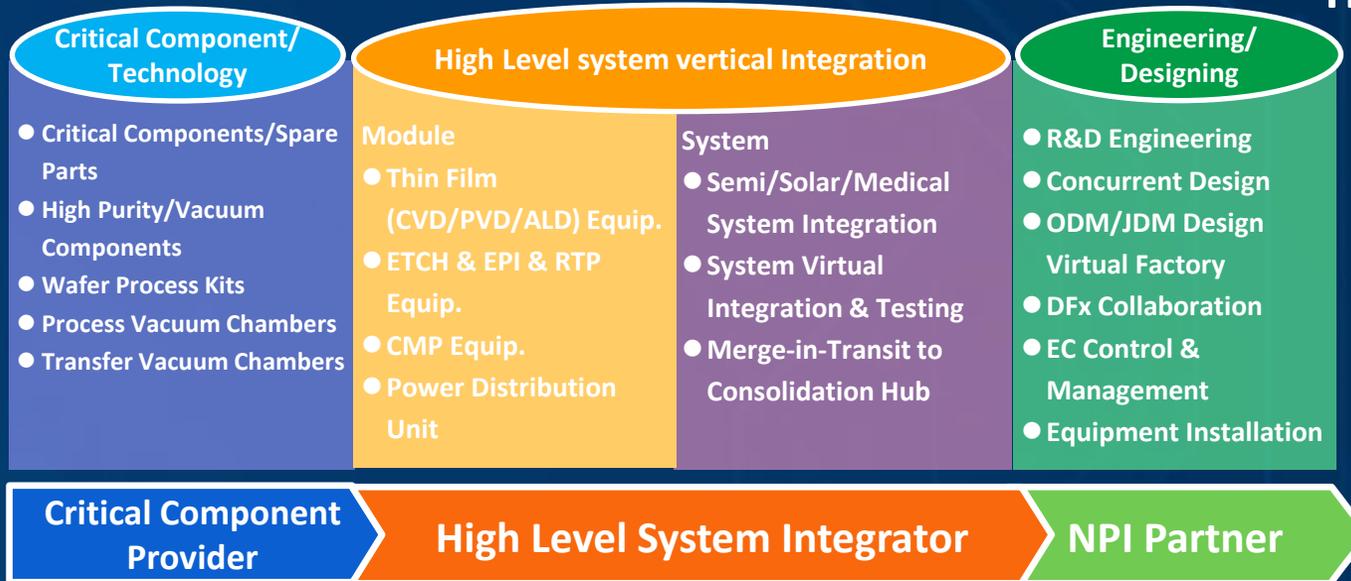
Semiconductor Industry & Fiti's Market Position)

1.Semiconductor front-end process equipment

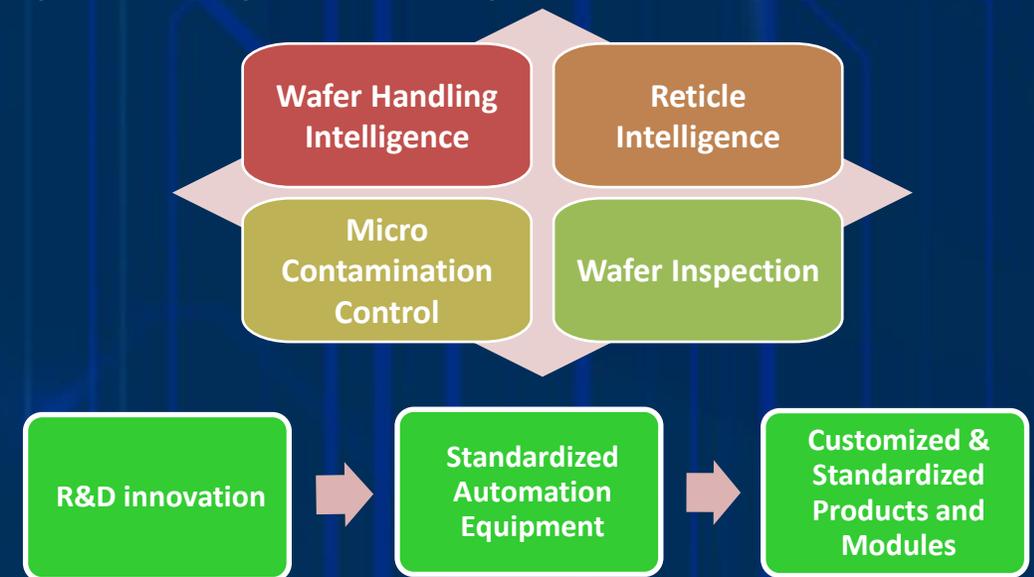
2.Semiconductor automation equipment



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



- Non-process equipment development
 - Wafer Handling Intelligence
 - Reticle Intelligence
 - Micro Contamination Control
 - Wafer Inspection

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



- Medical image diagnostic equipment
 - Critical components OEM
 - Equipment contract manufacturing
- Radiotherapy equipment 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 ppts	841	25.5%	+1.2 ppts	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 ppts	491	14.9%	+1.4 ppts	1,088	15.4%	1,041	15.5%	-0.1 ppts
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 ppts	719	21.8%	-1.7 ppts	1,492	21.2%	1,260	18.8%	+2.4 ppts
Net Income	696	18.7%	545	16.4%	+2.3 ppts	609	18.5%	+0.2 ppts	1,242	17.6%	1,012	15.1%	+2.5 ppts
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)	2Q24		1Q24		2Q23	
Cash, Current financial assets	11,169	53%	10,921	54%	10,408	53%
Accounts Receivable	1,472	7%	1,122	6%	919	5%
Inventory	2,984	14%	2,587	13%	2,904	15%
Long-term Investments	396	2%	359	2%	569	3%
Property, plant and equipment	4,013	19%	3,994	20%	3,723	19%
Total Assets	21,254	100%	20,161	100%	19,514	100%
Accounts Payable	1,272	6%	1,073	5%	956	5%
Bank borrowings	1,624	8%	1,679	8%	1,834	9%
Bonds Payable	836	4%	1,028	5%	1,859	10%
Current Liabilities	5,233	25%	4,798	24%	6,668	34%
Total Liabilities	8,314	39%	8,194	41%	9,042	46%
Total Shareholders' Equity	12,940	61%	11,967	59%	10,472	54%
Key Indices						
AR Turnover Days	29		26		26	
Days Sales of Inventory	102		99		126	
AP Turnover days	39		37		44	
Cash Cycle	92		88		108	
Current Ratio(X)	3.05		3.12		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

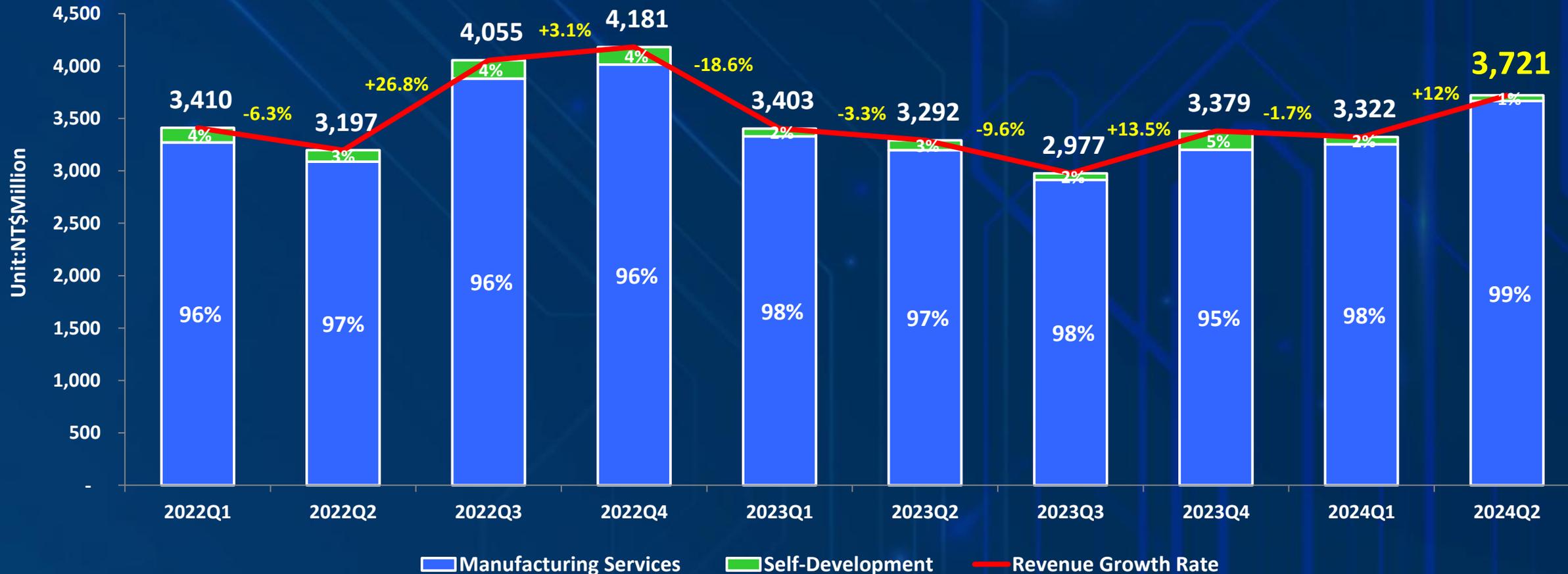
***Free Cash Flow=Cash from operating activities-Capital expenditures**

Business Performance and Outlook

Consolidated Revenue Trend



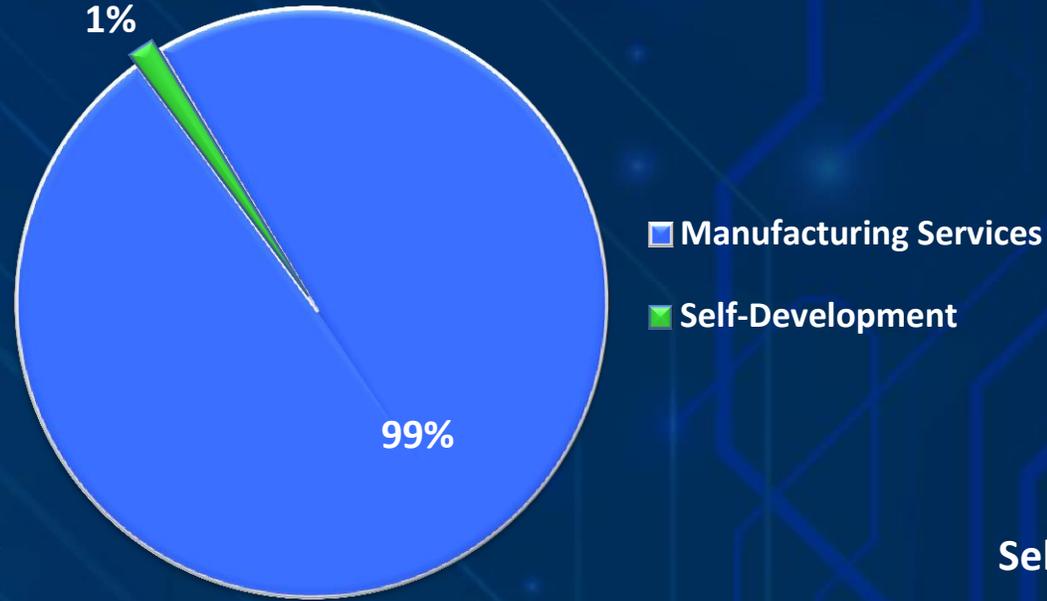
- 2024Q2 revenue: \$3.721 billion, QoQ: **+12**,YoY: **+13%**, a record high for the period
- 2024H1 revenue: \$7.043 billion, YoY: **+5.2%**, a record high in the same period



Note:

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

2Q24 Revenues by Business

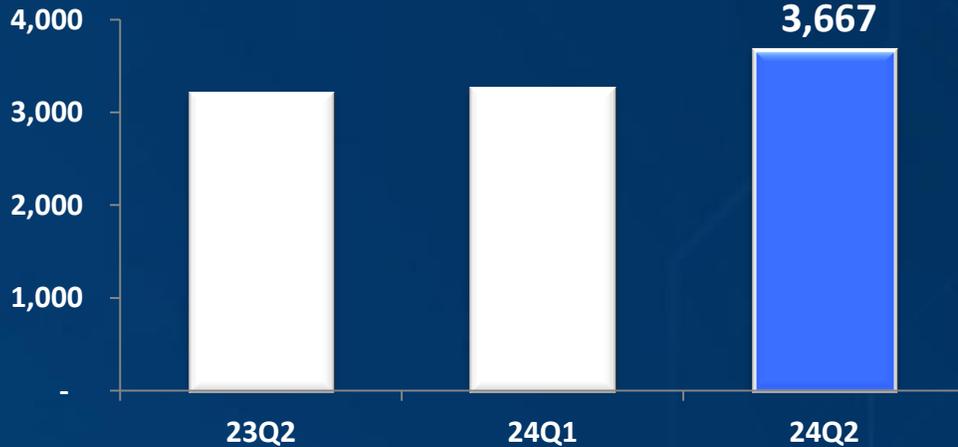


Manufacturing Services

+12.7% QoQ

+14.7% YoY

Unit: NT\$M



Self-Development

-20.7% QoQ

-42.7% YoY

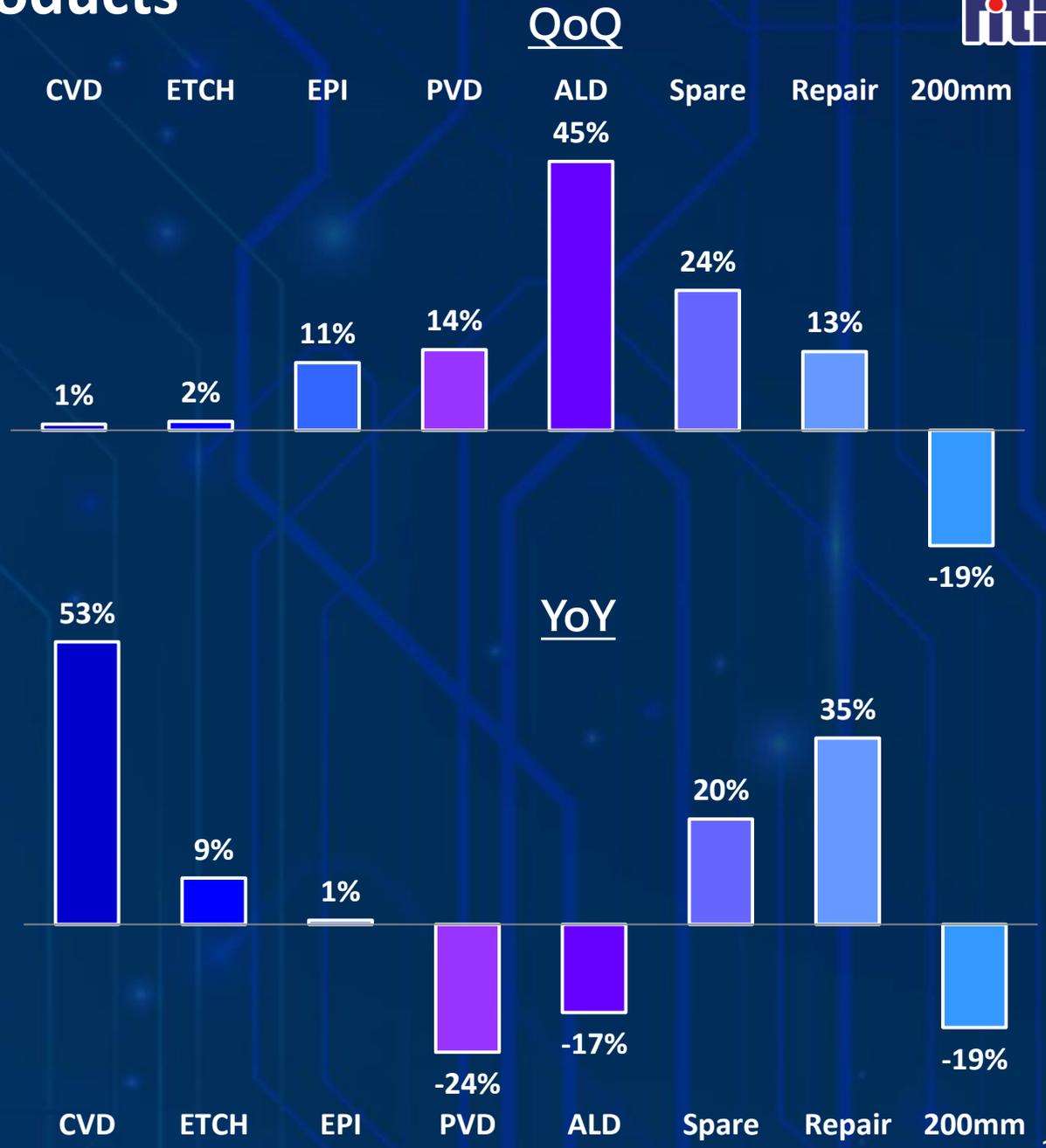
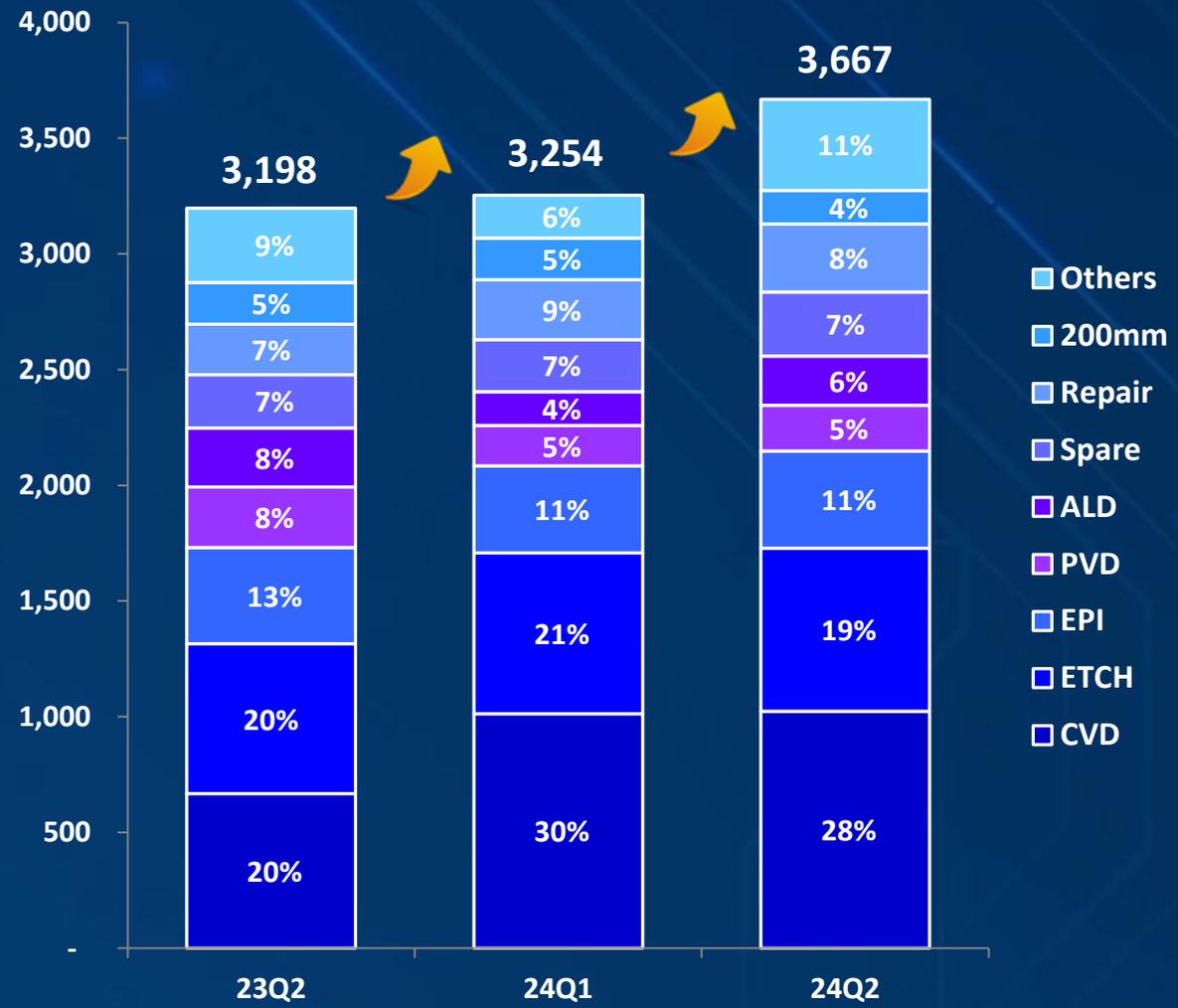
Unit: NT\$M



Manufacturing Services Revenue by Products



Unit: NT\$ Million

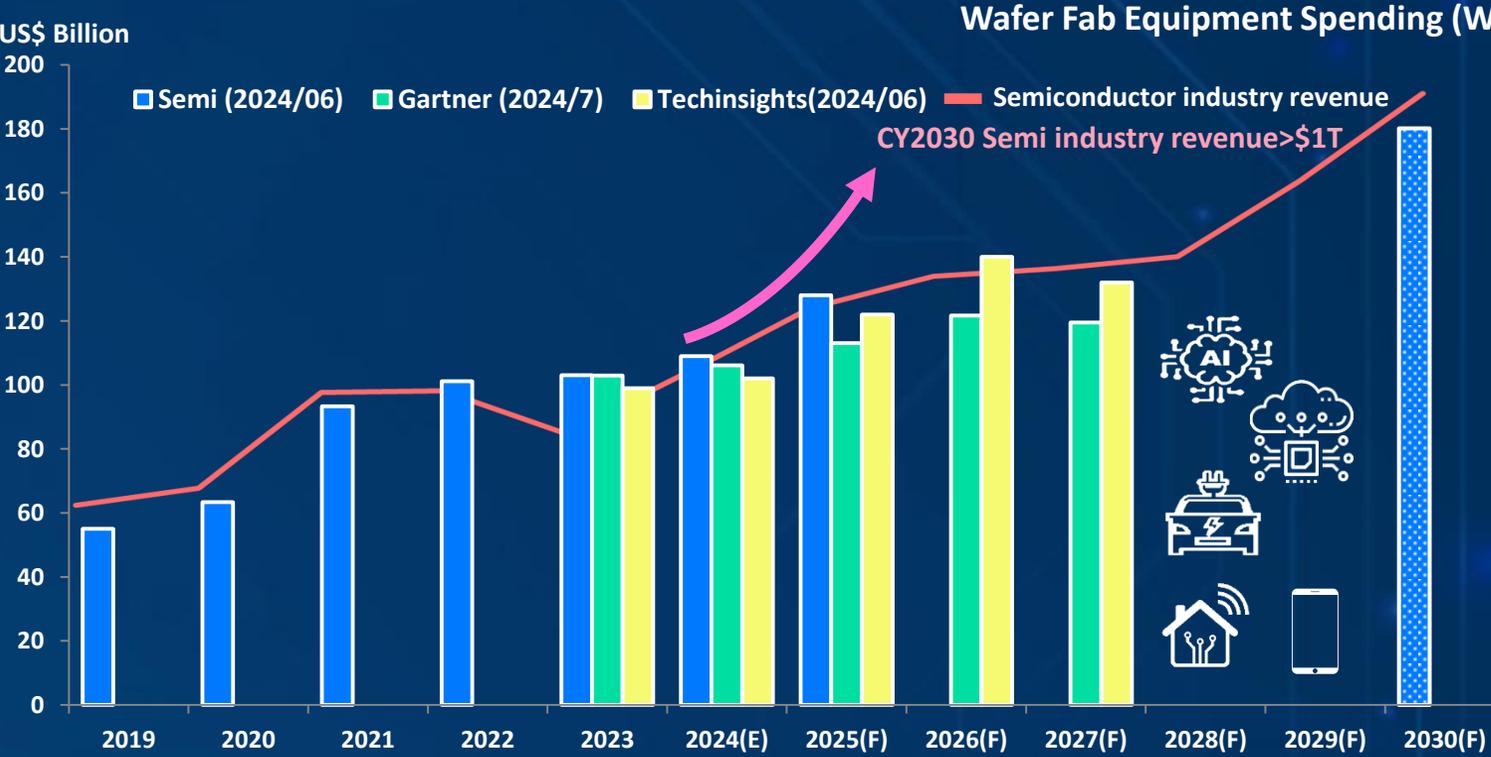


3Q24 Business Outlook



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