



Alchip Technologies

Institutional Investor meeting



Safe Harbor Disclaimer



This presentation contains forward-looking statements, including statements about business outlook and strategy, and statements about historical results that may suggest trends for our business. These statements are based on estimates and information available to us at the time of this presentation and are not guarantees of future performance. Actual results could differ materially from our current expectations as result of many factors, including: our financial performance, including our net revenue, cost of revenue, operating expenses and ability to sustain profitability; our planned capital expenditures; our ability to expand our customer base; our ability to expand our product and service offerings; the impact of seasonality on our business; our ability to remediate the material weaknesses and significant deficiencies in our internal control over financial reporting; our ability to stay abreast of modified or new laws applying to our business; and our spending of the net proceeds from this offering. 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.

Agenda



- **Announcement**
- **Business Update**
- **Summary**
- **Q&A**

Company Announcement

Business Update

Business Update



Phytium's Business

- All the productions of Phytium's projects are currently put on hold.
- We are collecting all the detailed documents for our US counsel to determine if the products are subject to EAR (Export Administration Regulations)
- BIS permit will be obtained for Phytium's products if necessary.

Impact assessment



Business Impact assessment

- Revenue contribution from Phytium in **2020: ~39%**
- Assuming zero contribution from Phytium, the expected revenue impact to our **2021 revenue target: ~25%**
- **However, we still expect YoY Top and Bottom line growth in 2021**
- It is expected to recover the NRE impact by adding projects from other customers on the waiting list within 3-4 months
- Production revenue impact is hardly recovered in the short-term before it is clear that products are not subject to EAR or BIS permit receiving

Summary



Alchip is facing a big Challenge now

Alchip is growing continuously without Phytium

- Much less concentration from Phytium business
- Significant YoY growth for both top/bottom line
- Promising Q1 results and strong Q2 outlook

ASIC market and outlook

- Rapid growing WW ASIC market at an 8.2% CAGR
- Multiple design won (35+) within 2 years
- 50% from non-China business
- 15+ new customers won
- 95% are in most leading-edge technology (12/7/5nm)

Q&A