



(3661 TT)

# Alchip Technologies

Investor Conference Meeting

Aug 18<sup>th</sup>, 2023

Silicon Heart of  AI

The "AI" icon is a circular graphic with the letters "AI" inside. The circle is composed of several concentric lines, with the outermost line being a solid blue circle. The inner lines are dashed and form a pattern that suggests a signal or data flow.

# Safe Harbor Disclaimer



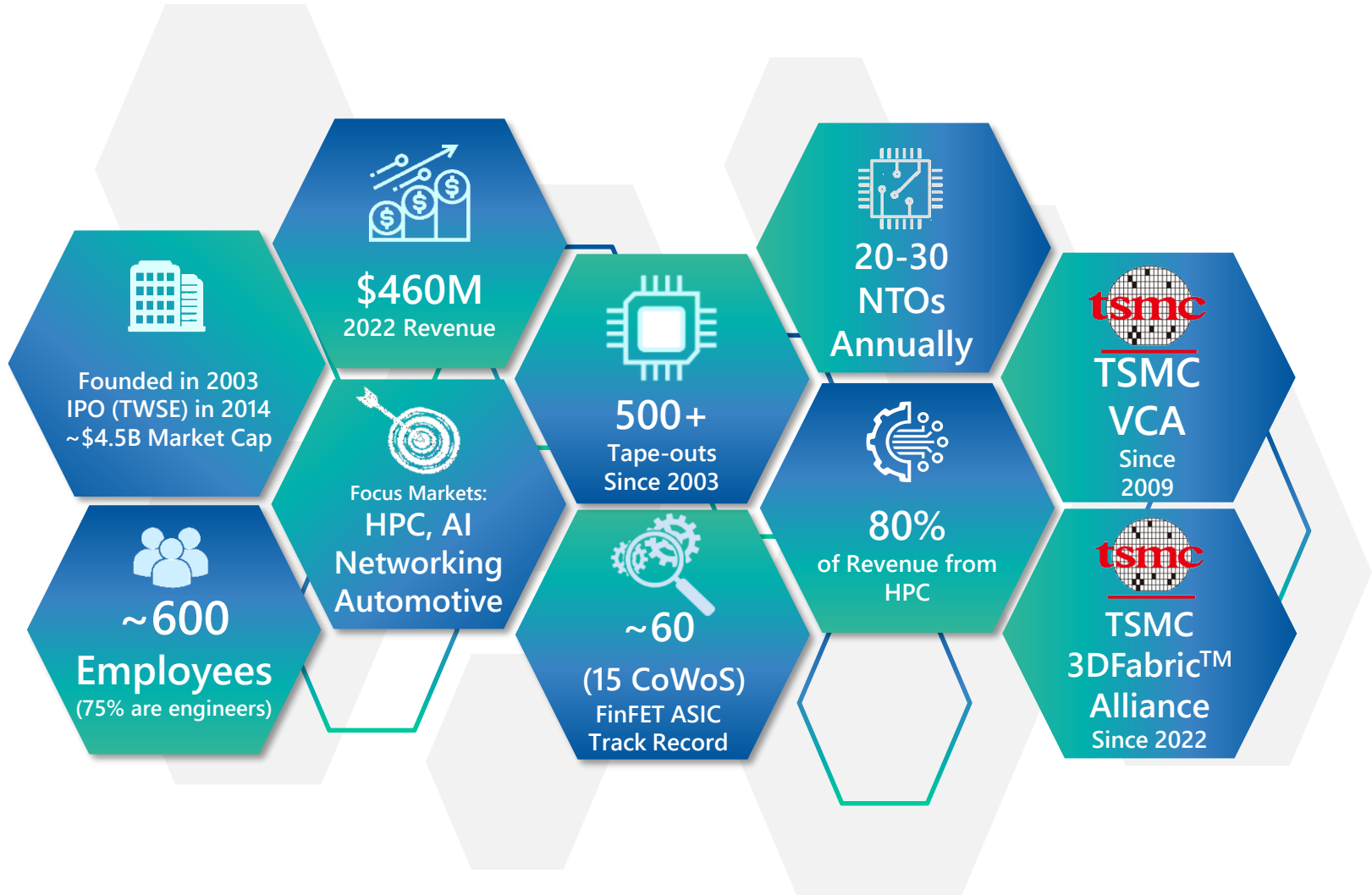
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- This meeting will be in English, If you need Chinese presentation slides, please go to MOPS to download the Chinese version
- Participants please write down your questions to host through Zoom's message function with your and your company name
- Please use the “raise hand” function through Zoom for the Q&A session, the host will unmuted you for your questions
- The video and audio content of this meeting will upload to MOPS (Market Observation Post System)

# About Alchip



# Message from CEO



- Q2 recap/summary
- Future business outlook
- Automotive business updates
- Geopolitical risk management
- Conclusion

# 2Q23 Quarterly Income Statement

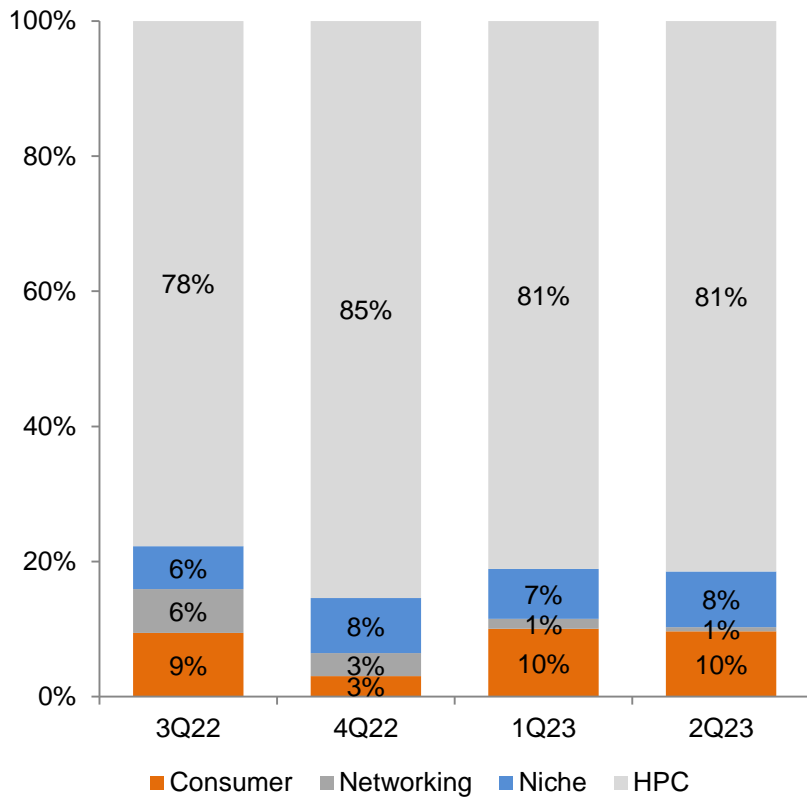


US\$'000	1Q23	2Q23	QoQ (%)	YoY(%)
Revenue	188,071	258,571	37.5	155.6
COGs	148,640	203,383	36.8	206.9
Gross Profit	39,431	55,188	40.0	58.1
Op. Exp	18,498	26,789	44.8	71.8
Op. Income	20,933	28,399	35.7	47.0
Non. Op.	3,055	1,642	-46.2	N.M.
Pre-Tax Profit	23,988	30,041	25.2	63.2
Income Tax	-4,868	-6,109	25.5	55.9
Net income	19,120	23,932	25.2	65.1
EPS (NT\$)	8.09	10.16		

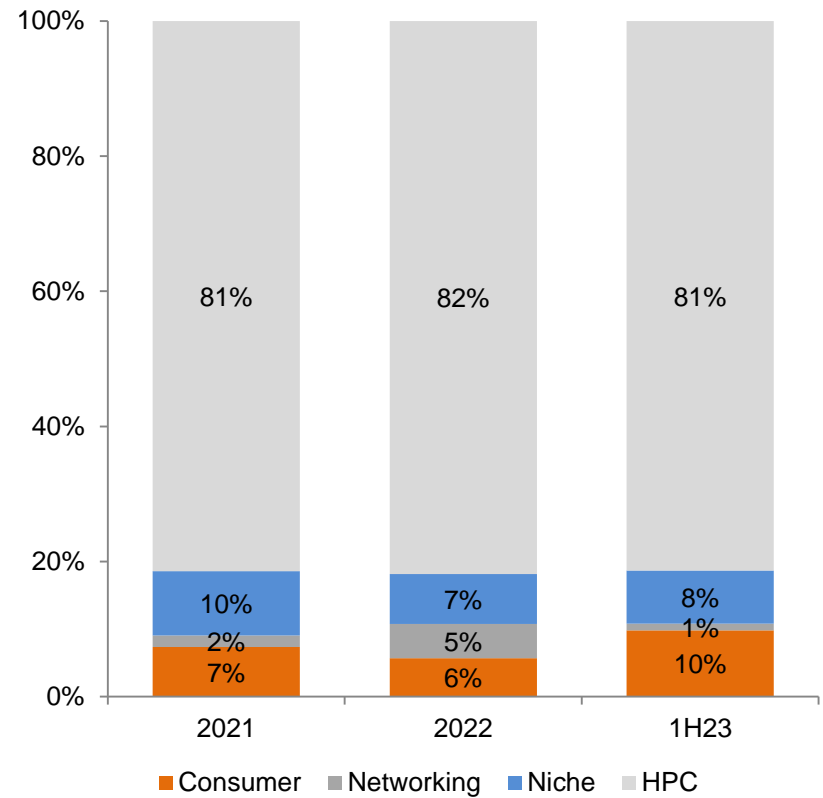
EPS is calculated on concurrent shares outstanding and FX

# Revenue Breakdown by Application

## Quarterly breakdown



## Yearly breakdown

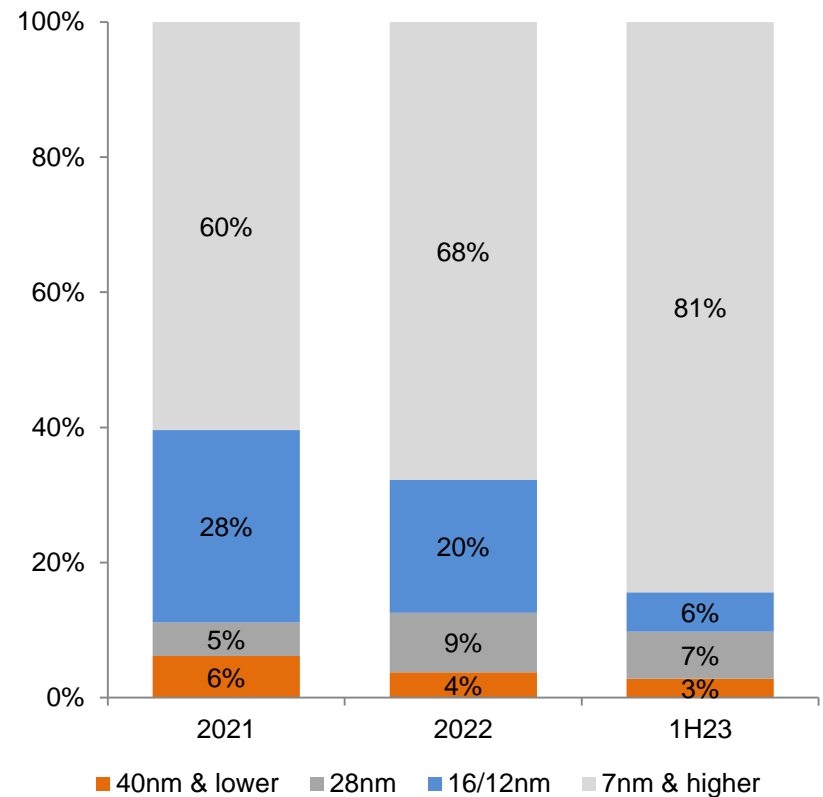
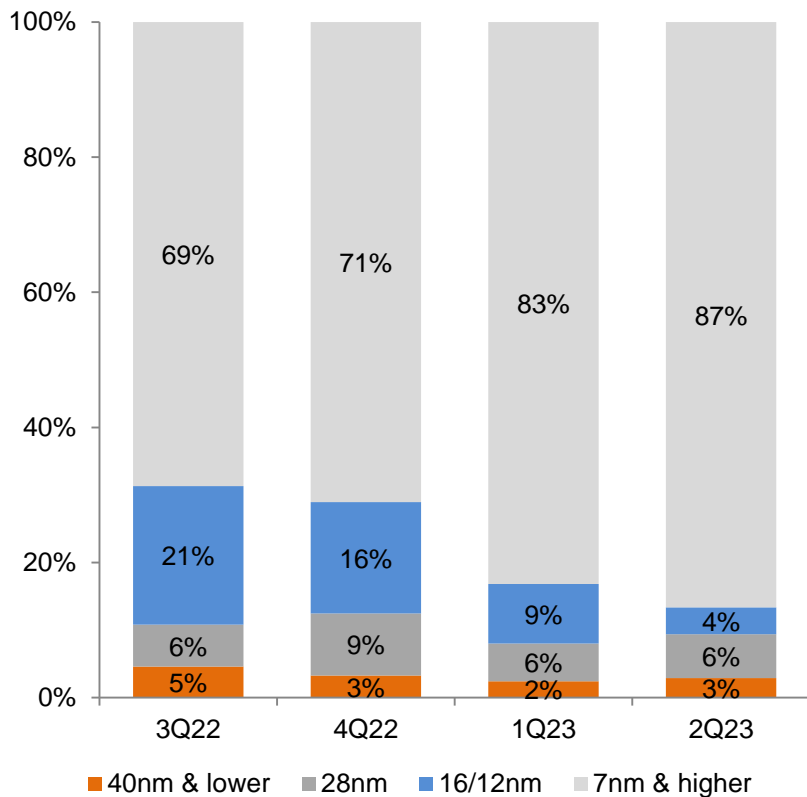


# Revenue Mix by Process Node



## Quarterly breakdown

## Yearly breakdown



Advanced process node means 28nm or better

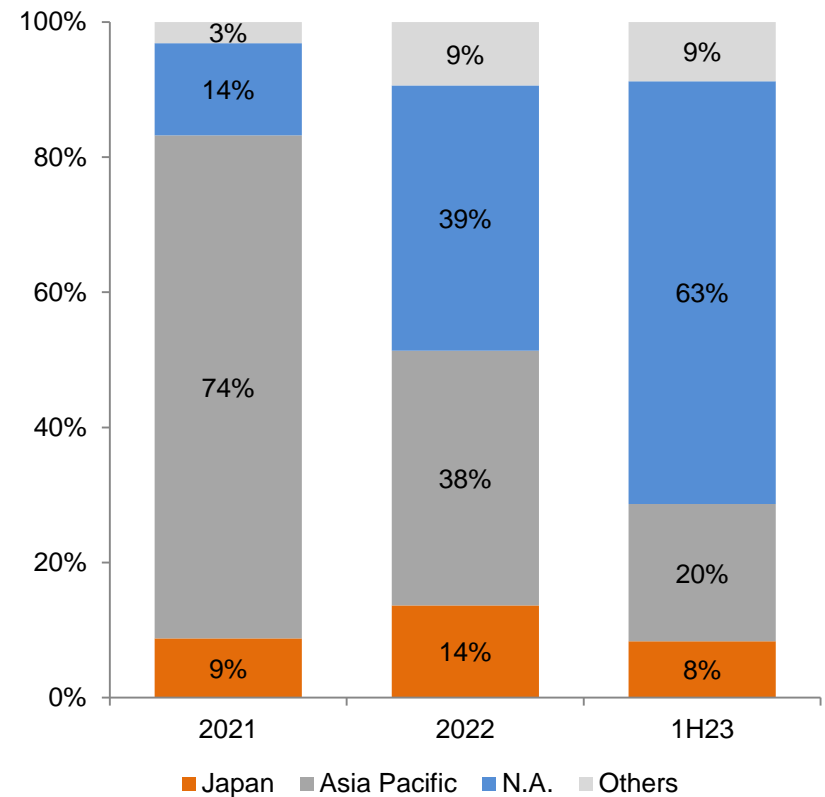
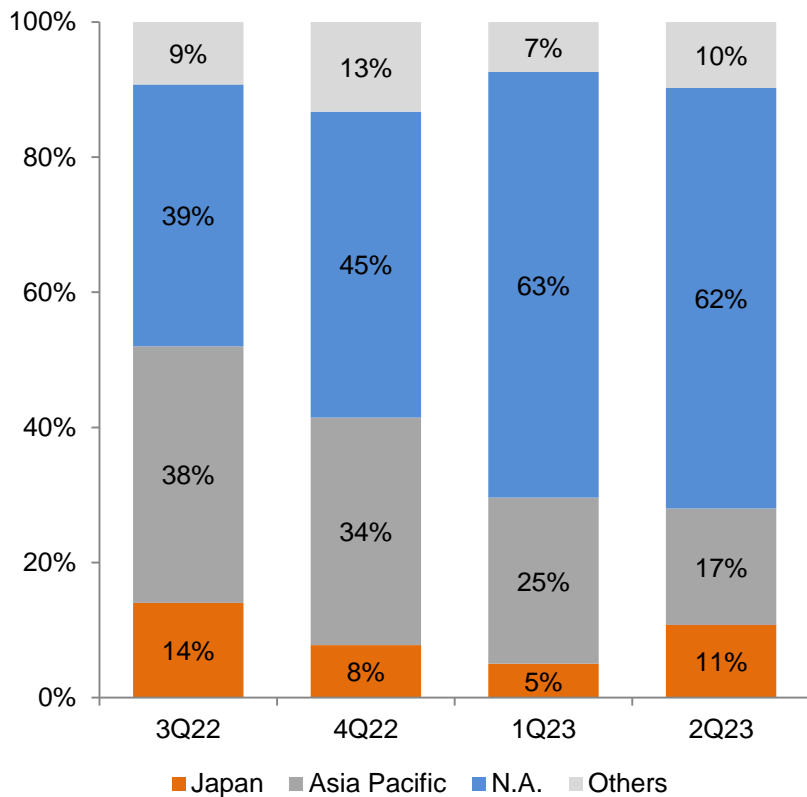


# Revenue Breakdown by Region



## Quarterly breakdown

## Yearly breakdown



# 2Q23 Business Review



## Revenue came higher than expected

- Two reasons behind the higher than expected 2Q23 revenue: 1) parts for N.A. customer delayed shipments from 1Q23 and, 2) pushing by same customer for speeding up shipments
- Comparing to 1Q23, 2Q has slightly higher NRE exposure

## Profit margin down on multiple reasons

- 2Q23 gross margin came at 21.4% given high shipment of AI chip to N.A. customer pressured the NRE exposure.
- Operating profit impacted by one time bad debts allowance accrual of a Japan customer. This bad debts allowance could be reversed in 2H23 once customer paying it
- Non-op income lower QoQ given the weakness of RMB in 2Q23



**Thanks!**

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