



(3661 TT)

Alchip Technologies

Investor Conference Meeting

March 1, 2024

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 innermost line being a solid blue circle. The outer lines are made of small blue dots connected by thin lines, creating a mesh-like appearance. The overall design is clean and modern, with a blue and white color scheme.

Safe Harbor Disclaimer

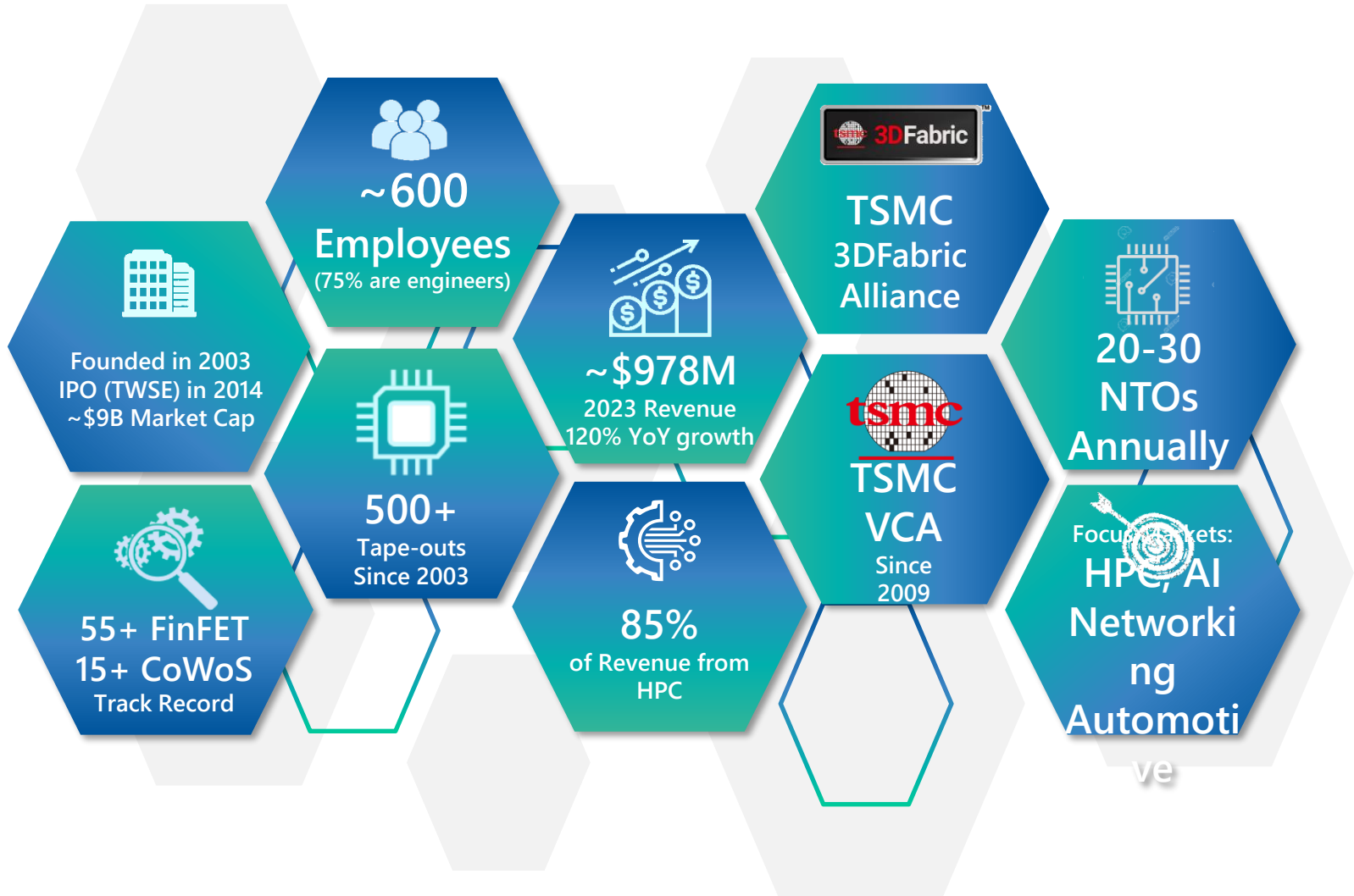


This presentation contains forward-looking statements, including statements about business outlook and strategy, and statements about historical results that may suggest trends for our business. These statements are based on estimates and information available to us at the time of this presentation and 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.



- 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



- Q4 Updates
- 2023 Summary/Recap
 - Financial performance
 - Share performance
 - Market Leadership in HPC/AI
 - ASIC dominance
 - Successful GDR fund raise
- Future Business Outlook
- Geopolitical Risk Management
- Conclusion

4Q23 Quarterly Income Statement



US\$'000	3Q23	4Q23	QoQ (%)	YoY (%)
Revenue	240,596	291,147	21.0	96.3
COGs	183,434	224,846	22.6	108.4
Gross Profit	57,162	66,301	15.9	64.1
Op. Exp	25,185	26,883	6.6	31.9
Op. Income	31,978	39,418	23.3	96.8
Non. Op.	4,059	5,250	29.3	187.0
Pre-Tax Profit	36,036	44,668	24.0	104.4
Income Tax	-7,946	-9,232	16.2	70.1
Net income	28,090	35,436	26.2	115.7
EPS (NT\$)	12.0	15.2		

EPS is calculated on concurrent shares outstanding and FX

Yearly Income Statement

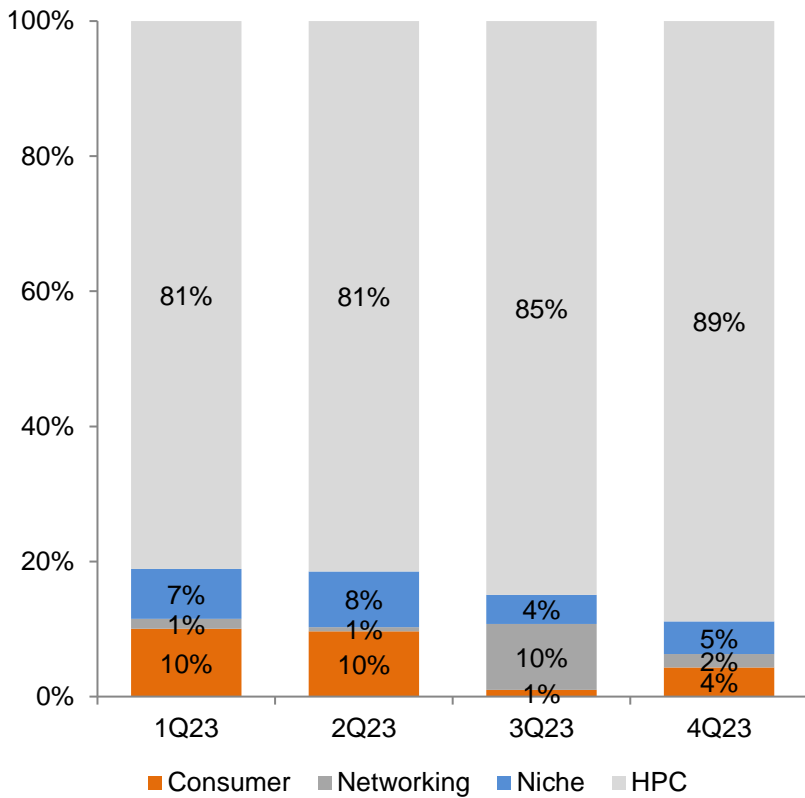


US\$'000	2022	2023	YoY (%)
Revenue	460,500	978,385	112.5
COGs	311,882	760,303	143.8
Gross Profit	148,618	218,082	46.7
Op. Exp	71,079	97,354	36.9
Op. Income	77,539	120,728	55.7
Non. Op.	2,418	14,007	479.3
Pre-Tax Profit	79,957	134,735	68.5
Income Tax	-18,447	-28,154	52.6
Net income	61,510	106,581	73.3
EPS (NT\$)	25.7	45.47	

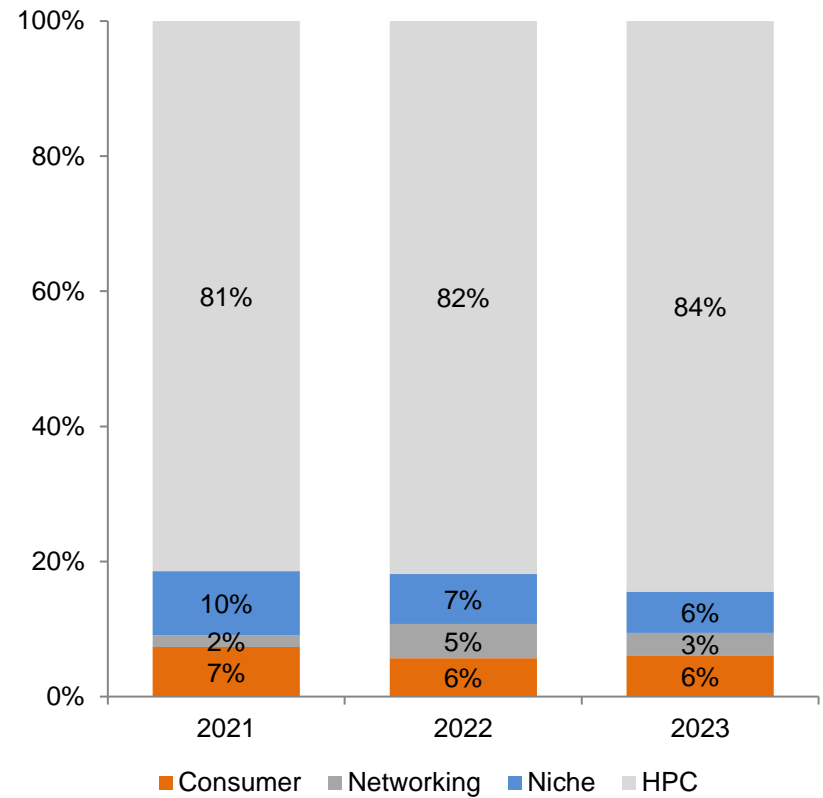
EPS is calculated on concurrent shares outstanding and FX

Revenue Breakdown by Application

Quarterly breakdown



Yearly breakdown

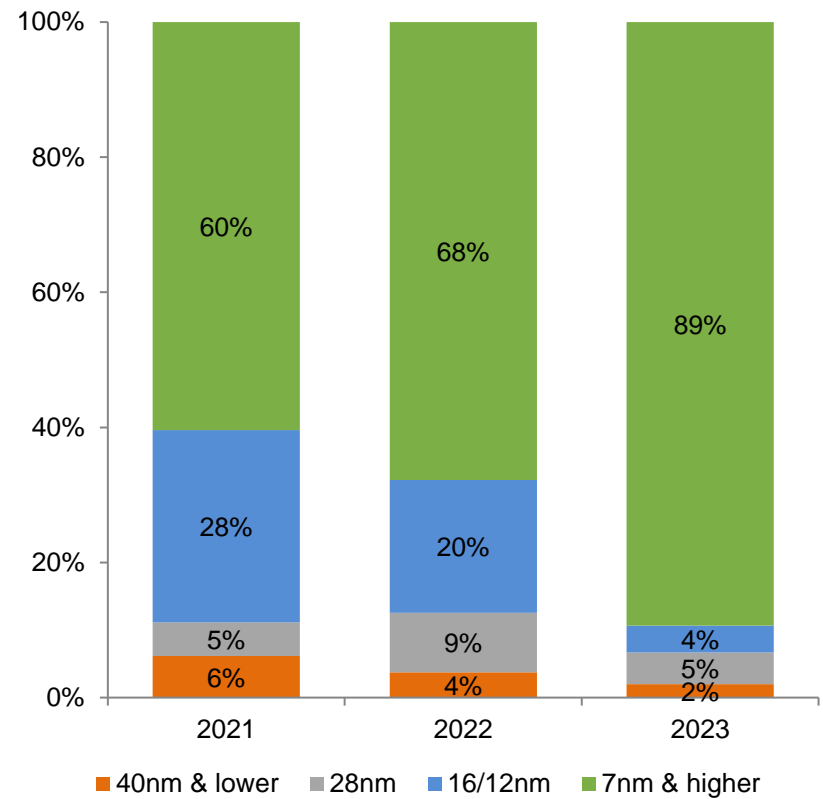
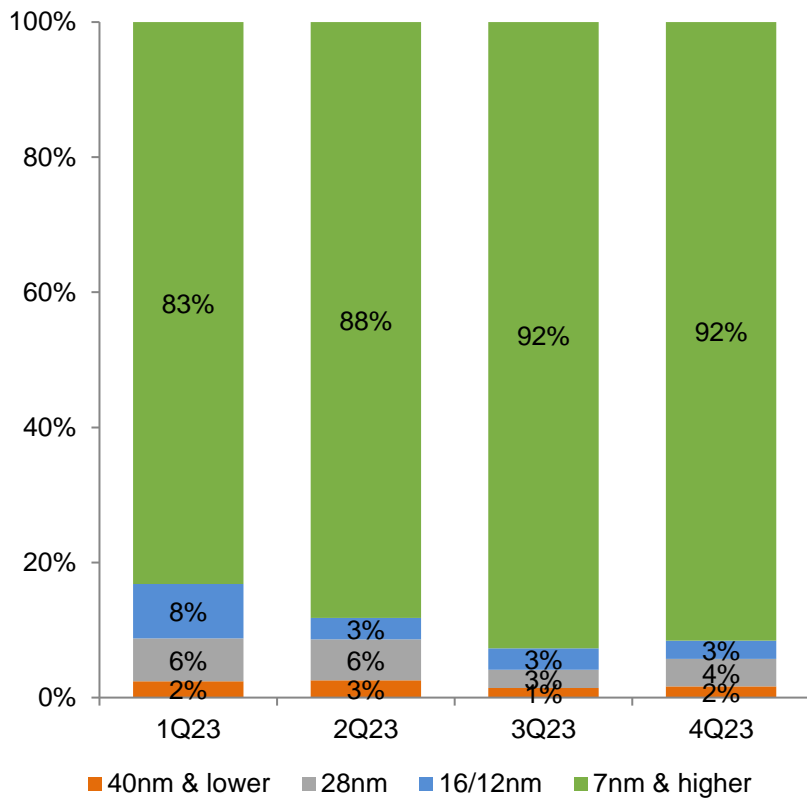


Revenue Mix by Process Node



Quarterly breakdown

Yearly breakdown



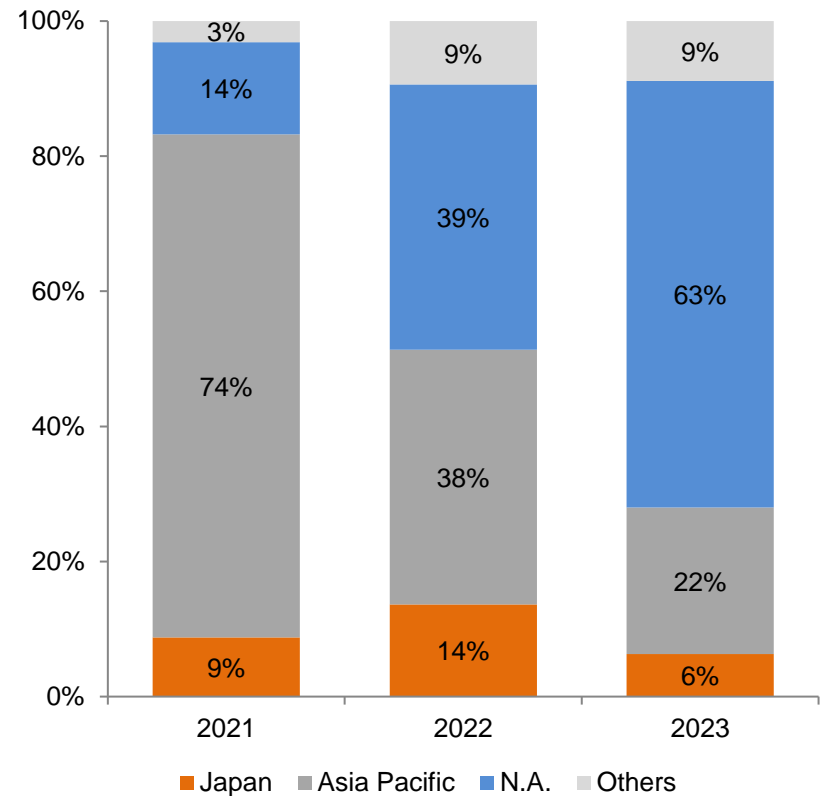
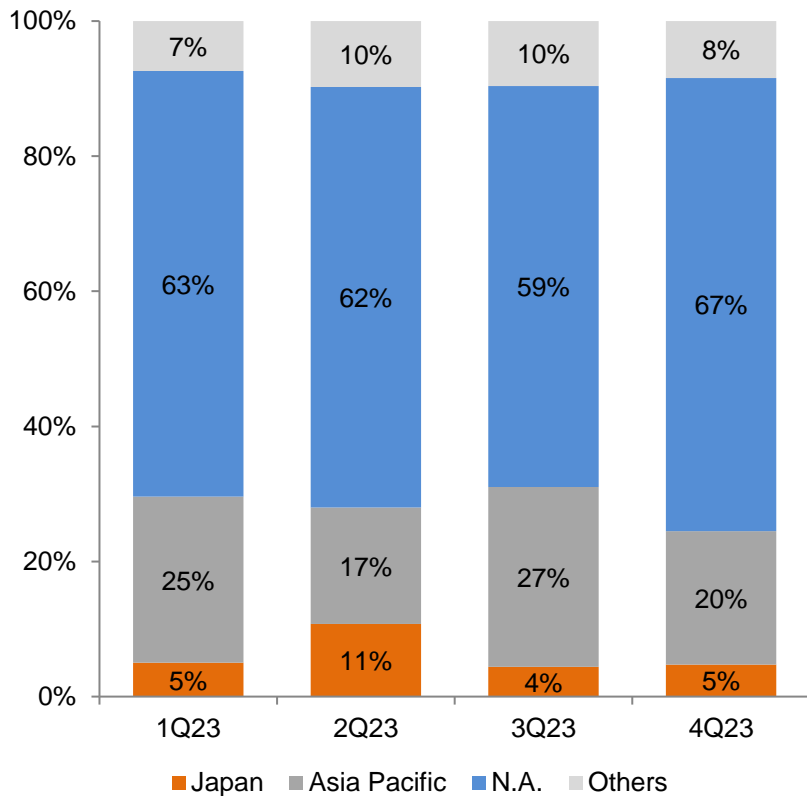
Advanced process node means 40nm or better

Revenue Breakdown by Region



Quarterly breakdown

Yearly breakdown



2023 Business Review



Record breaking revenue at US\$978.4M, up 112.5% YoY

- The strong AI chip shipment to company's biggest N.A. customer was the major driver for our 2023 promising revenue growth
- In addition to the shipment to our biggest N.A. customer, the ramping up AI chip shipment to N.A. IDM customer gradually amplified its contribution in late 2023
- NRE revenue accounted for around 20-30% of total revenue while the rest was production sales

Gross margin went down on surging weight of production

- 2023 blended gross margin came at 22.3%, decreased from 32.3% in 2022.
- Gross margin went down due mainly to the surging weight of production revenue, from 50-60% to 70-80% of total
- Relatively lower gross margin of AI chips to largest customer was also a reason



Thanks!

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