Fitipower

Fitipower
3Q2021
Investor Conference

2021.11.16

Drive your heart
Power your life

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AGENDA

- 3Q21 Financial Results James Chen IR
- 2021 nine months ended Financial Results
- Fitipower Overview
- Key messages Young Lin Chairman
- Key Growth Driver Young Lin Chairman
- Q&A

3Q2021
Financial Results

3Q21 Consolidated Income Statement

ITEM (In NT Thousands)	3Q21	2Q21	Q/Q	3Q20	Y/Y
Revenue	6,694,103	5,869,798	14.04%	2,936,721	127.94%
Gross Profit	3,320,437	2,769,573	19.89%	564,707	487.99%
Gross Margin	**49.60%**	**47.18%**	**2.42%**	**19.23%**	**30.37%**
Selling expenses	(116,837)	(67,052)	74.25%	(64,939)	79.92%
Administration expenses	(114,522)	(70,540)	62.35%	(48,660)	135.35%
R&D expenses	(617,647)	(407,043)	51.74%	(303,516)	103.50%
Operating expenses	(852,325)	(545,115)	56.36%	(416,832)	104.48%
Operating Expense Ratio	12.73%	9.29%	3.45%	14.19%	-1.46%
Operating income	2,468,112	2,224,458	10.95%	147,875	1569.05%
Operating Margin	**36.87%**	**37.90%**	**-1.03%**	**5.04%**	**31.83%**
Net non-operating income	31,377	41,404	24.22%	(2,923)	1173.45%
Net income before income tax	2,499,489	2,265,862	10.31%	144,952	1624.36%
Income tax expense	(420,352)	(336,172)	25.04%	(23,017)	1726.27%
Net income	2,079,137	1,929,690	7.74%	121,935	1605.12%
Owners of the parent	1,912,933	1,750,094	9.30%	118,708	1511.46%
Net income Margin	**31.06%**	**32.87%**	**-1.82%**	**4.15%**	**26.91%**
EPS (NT Dollar)	10.90	10.58	3.02%	0.73	1393.15%
ROE of the parent company	**17.49%**	**25.90%**	**-8.41%**	**2.95%**	**14.55%**

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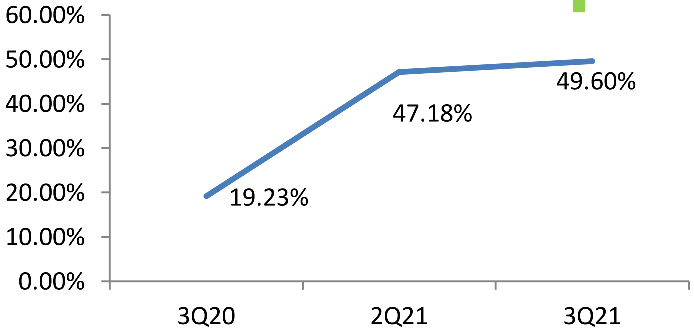
Key Ratio Chart

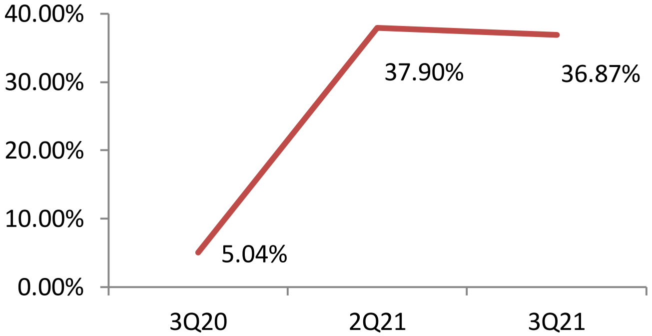
Gross Margin

Y/Y +3037bps



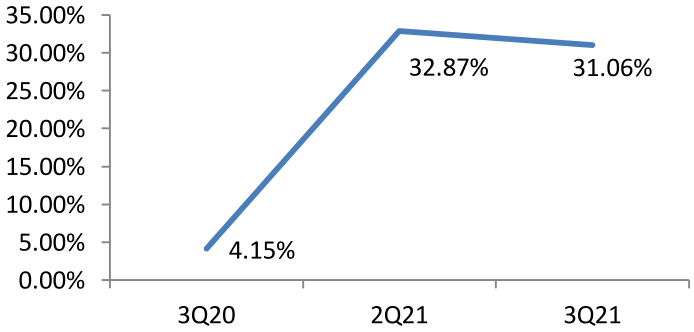
Operating Margin

Y/Y +3183bps



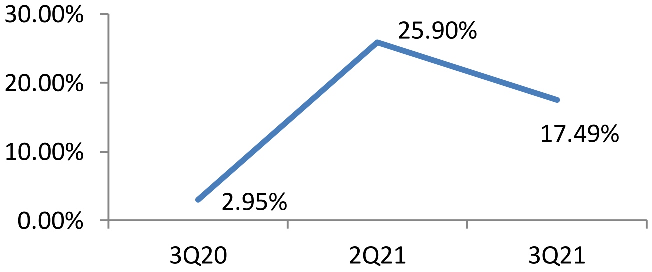
Net Income Margin

Y/Y +2691bps



ROE of the Parent company

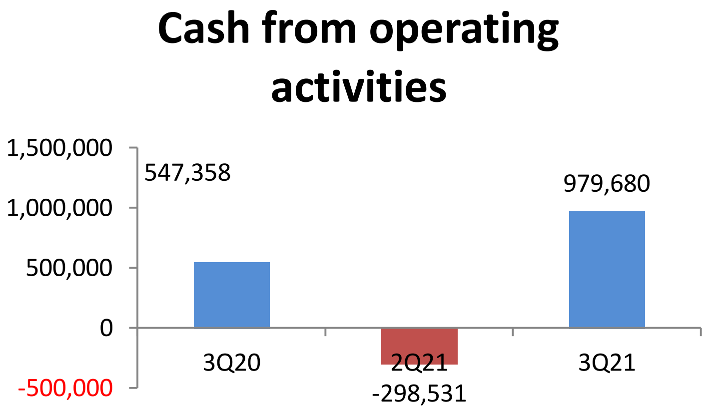
Y/Y +1455bps

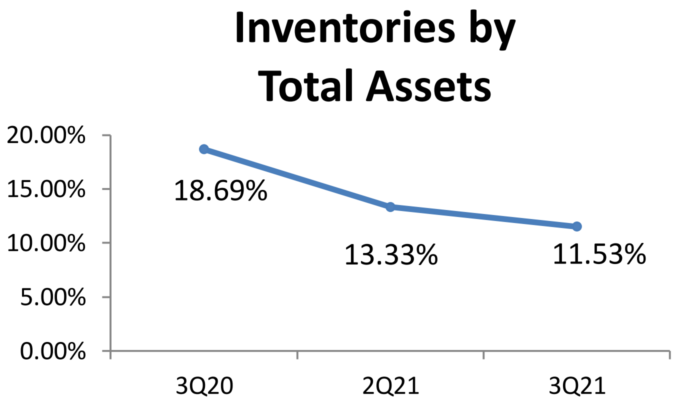


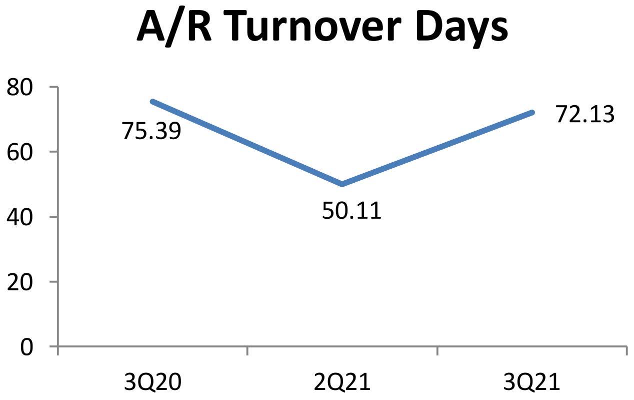
3Q21 Consolidated Balance Sheets & Key Indices

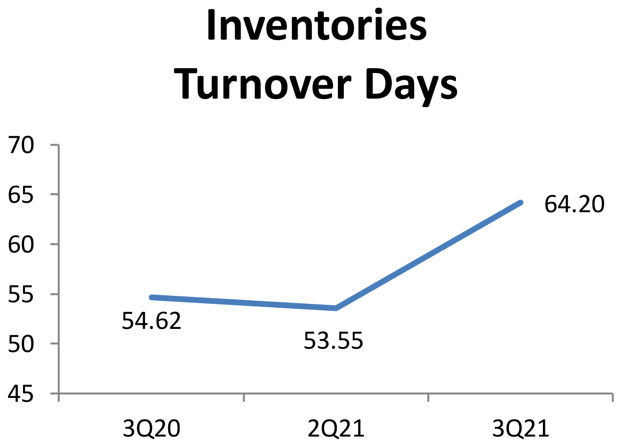
Selected Items from Balance Sheets	3Q21		2Q21		3Q20	
(In NT Thousands)	Amount	%	Amount	%	Amount	%
Cash&Marketable Securities	6,691,197	28.4	3,294,790	21.0	1,278,327	17.6
CFAFV	4,856,097	20.6	2,730,749	17.4	915,731	12.6
Accounts Receivable	6,108,897	25.9	4,620,880	29.4	2,691,370	37.2
inventories	2,718,855	11.5	2,094,447	13.3	1,353,457	18.7
Other current assets	513,897	2.2	555,834	3.5	154,609	2.1
Net PP&E	538,045	2.3	484,445	3.1	304,037	4.2
Intangible assets	241,908	1.0	243,052	1.5	240,204	3.3
Other non current assets	1,703,907	7.2	1,515,639	9.6	119,086	1.6
Total Assets	**23,584,900**	**100.0**	**15,711,181**	**100.0**	**7,242,710**	**100.0**
Short-term debt	2,726,515	11.6	2,582,622	16.4	226,980	3.1
Accounts Payable	3,076,301	13.0	3,208,500	20.4	1,885,501	26.0
Other current liabilities	733,180	3.1	487,602	3.1	382,668	5.3
Total non current liabilities	238,209	1.0	213,733	1.4	157,904	2.2
Total Liabilities	**7,741,955**	**32.8**	**7,084,599**	**45.1**	**2,778,934**	**38.4**
Total Shareholders' Equity	**15,842,945**	**67.2**	**8,626,582**	**54.9**	**4,463,776**	**61.6**
Net Shareholders' Equity of the Parent Company	**14,451,353**		**7,417,617**		**4,207,445**	
Key indices						
A/R Turnover Days	72.13		50.11		75.39	
Inventory Turnover Days	64.20		53.55		54.62	
Cash from operating activities	979,680		-298,531		547,358	
Free cash flow	872,998		-472,533		496,393	

Key Indices









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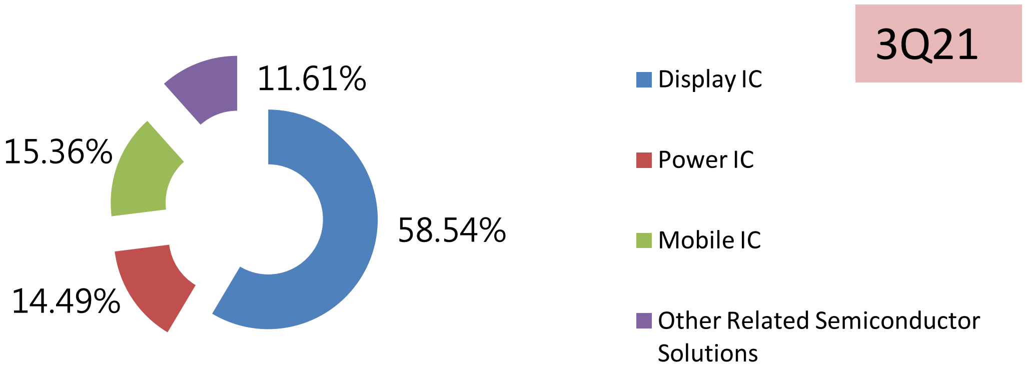
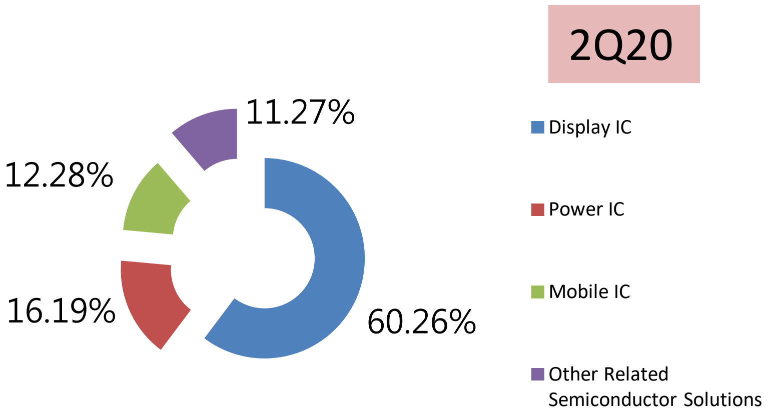
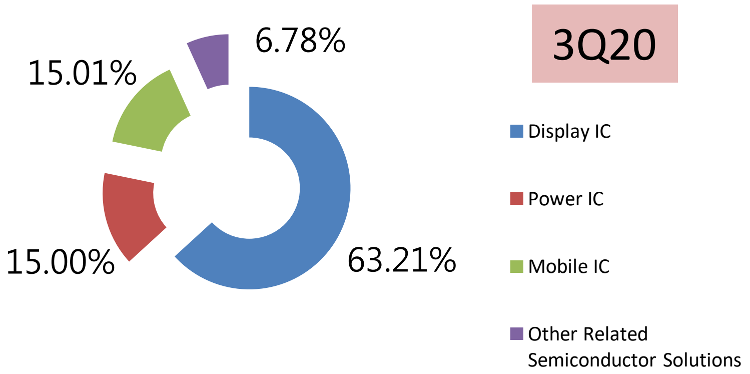
3Q21 Revenues By Product Segment





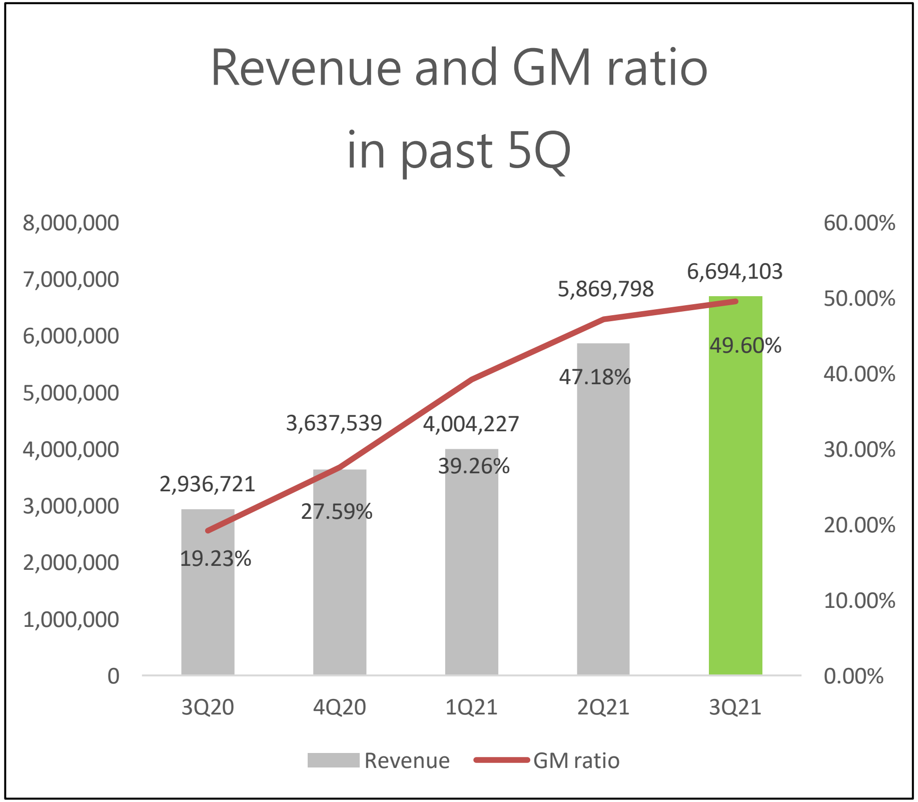
Segment	3Q2020	2Q2021	Q/Q Change%	3Q2021
Display IC	63.21%	60.26%	-1.72%	58.54%
Power IC	15.00%	16.19%	-1.7%	14.49%
Mobile IC	15.01%	12.28%	+3.08%	15.36%
Other Related Semiconductor Solutions	6.78%	11.27%	+0.34%	11.61%



Display IC including Large/Medium DDIC
Other Related Semiconductor Solutions including T-CON/EPD/ESL

Consolidated REV and GM in past 5 quarter

Revenue(Unit: NT Thousands)



Highlights

- 3Q21 Revenue Q/Q+14.04%，Y/Y+127.94%,continue hit record high .
- Mainly benefit from IT segment(including DDIC and PMIC), TDDI and other semi solutions.
- We put more attention to R&D and diversify our product mix to gain more profit.
- Quarterly growth rate mainly drive by Mobile IC/Other Related Semiconductor Solutions/Display IC(large and medium size)/Power IC.
- Annual growth rate mainly drive by Other Related Semiconductor Solutions/Mobile IC/Power IC/Display IC(large and medium) .
- Gross margin ratio rise to 45-50% range upper.

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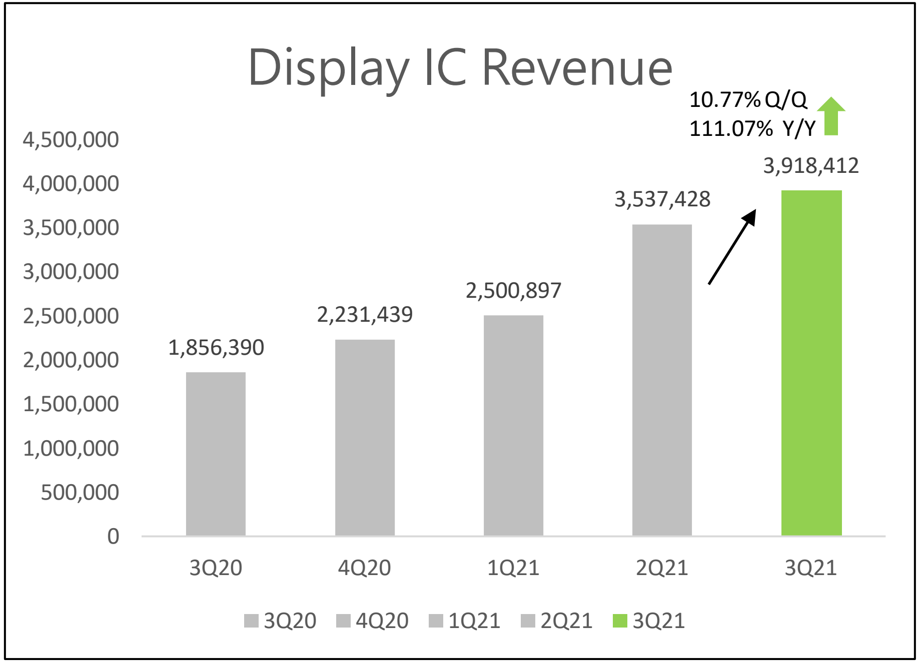
Display IC(large and medium size)

Revenue(Unit: NT Thousands)



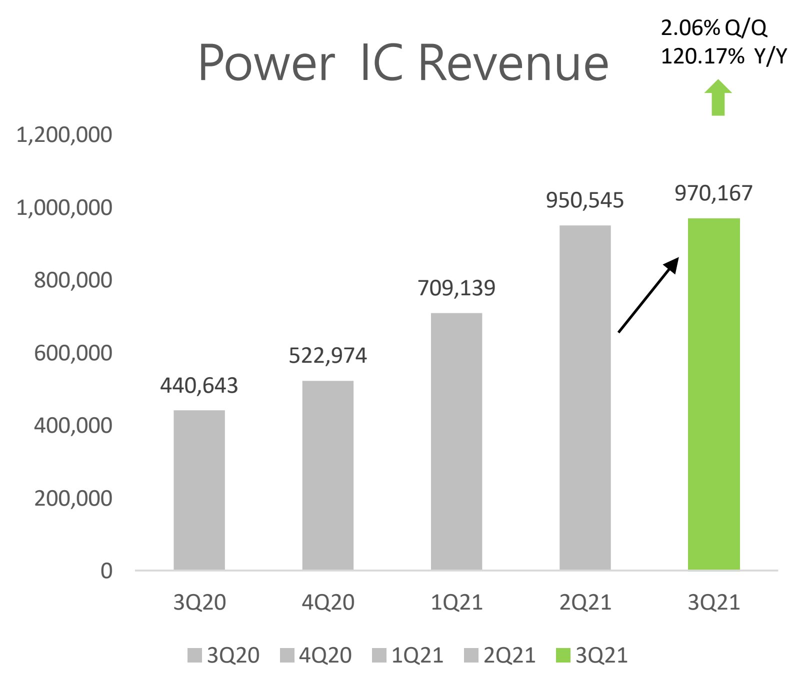
Highlights

- Quarterly growth rate mainly drive by NB/MNT/TV.
- Annual growth rate mainly drive by MNT/NB/medium size(Pad,Automotive Display, IPC)
- Because demands from high-end commercial NB and high-frame rate gaming PC product are increasing, let IT segment drive the growth role in 3Q instead of TV segment.

Revenues are including parent and subsidiaries

Power IC

Revenue(Unit: NT Thousands)



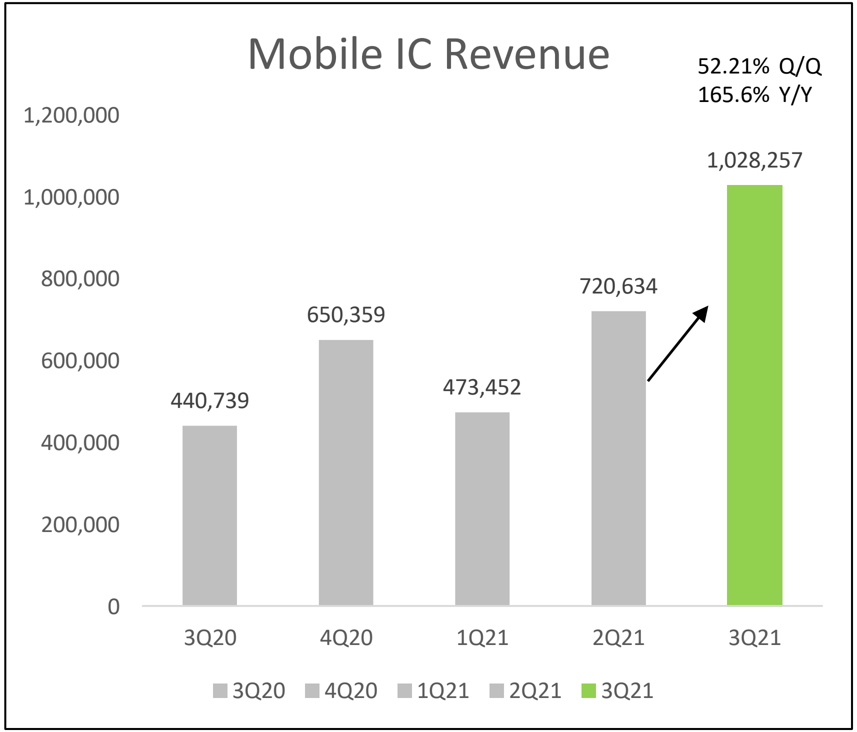
Highlights

- Quarterly growth rate mainly drive by E-BOOK PMIC/Switch/HV Buck.
- Annual growth rate mainly drive by Panel PMIC/Switch/Battery.
- E-BOOK and Communication are the main growth driver, and battery and mobile are keeping flat.

Revenues are including parent and subsidiaries

Mobile IC

Revenue(Unit: NT Thousands)



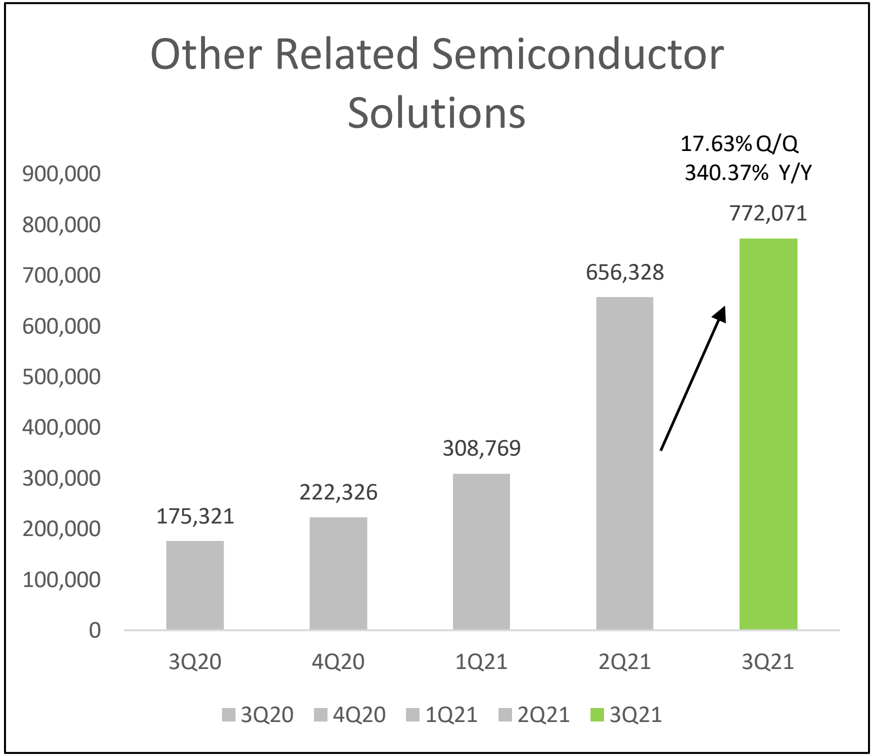
Highlights

- Mobile IC growth significantly in 3Q, because our TDDI(HD) product and SDDI product shipment increasing.
- Our Subsidiary's AMOLED wearable products will also ship to branding clients in 4Q.

Revenues are including parent and subsidiaries

Other Related Semiconductor Solutions

Revenue(Unit: NT Thousands)



Highlights

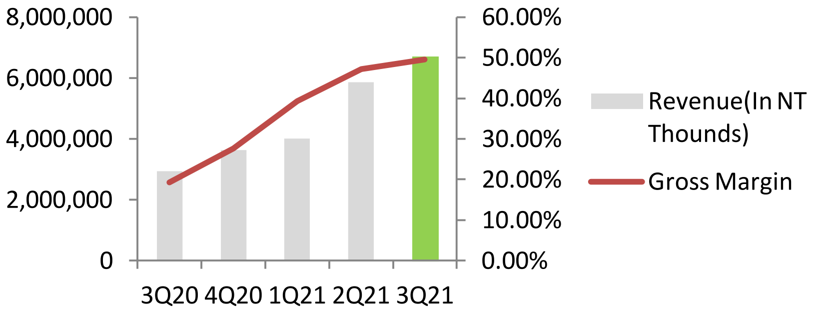
- Quarterly growth rate mainly drive by T-CON/ESL/EPD.
- Annual growth rate mainly drive by ESL/T-CON/EPD.
- Demands from epaper are increasing because the energy-efficient is more important now. Our shipments will continue increase to support our branding client in E-reader、E-note and ESL.

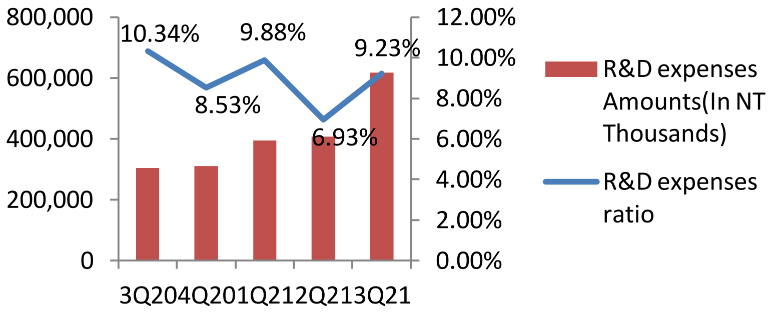
Revenues are including parent and subsidiaries

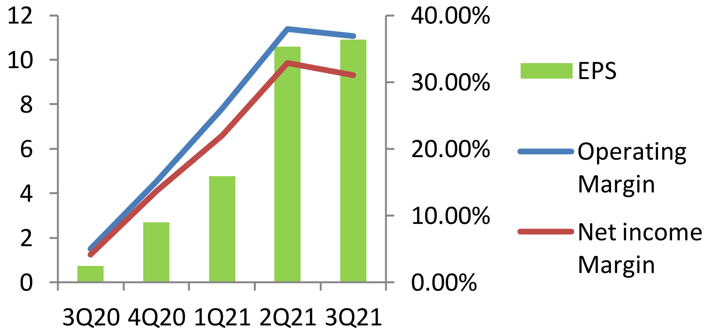
Consolidated Financial Results in past 5 Quarters

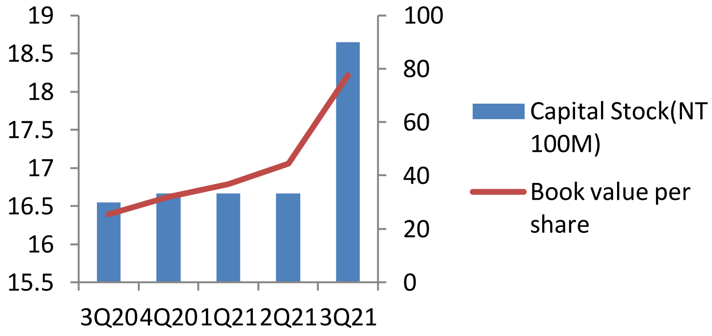
Item/Year	3Q20	4Q20	1Q21	2Q21	3Q21
Revenue(In NT Thounds)	2,936,721	3,637,539	4,004,227	5,869,798	6,694,103
Gross Margin	19.23%	27.59%	39.26%	47.18%	49.60%
R&D expenses ratio	10.34%	8.53%	9.88%	6.93%	9.23%
R&D expenses Amounts(In NT Thousands)	303,516	310,323	395,661	407,043	617,647
Operating Margin	5.04%	15.05%	26.00%	37.90%	36.87%
Net income Margin	4.15%	13.64%	21.98%	32.87%	31.06%
EPS	0.73	2.69	4.78	10.58	10.9
Capital Stock(NT 100M)	16.55	16.66	16.66	16.66	18.65
Book value per share	25.47	31.98	36.67	44.53	77.62
Total Assets(NT Thounds)	7,242,710	9,269,684	10,562,598	15,711,181	23,584,900
Debt Ratio	38.37%	32.29%	32.45%	45.09%	32.83%

Key Indices in past 5 Quarters





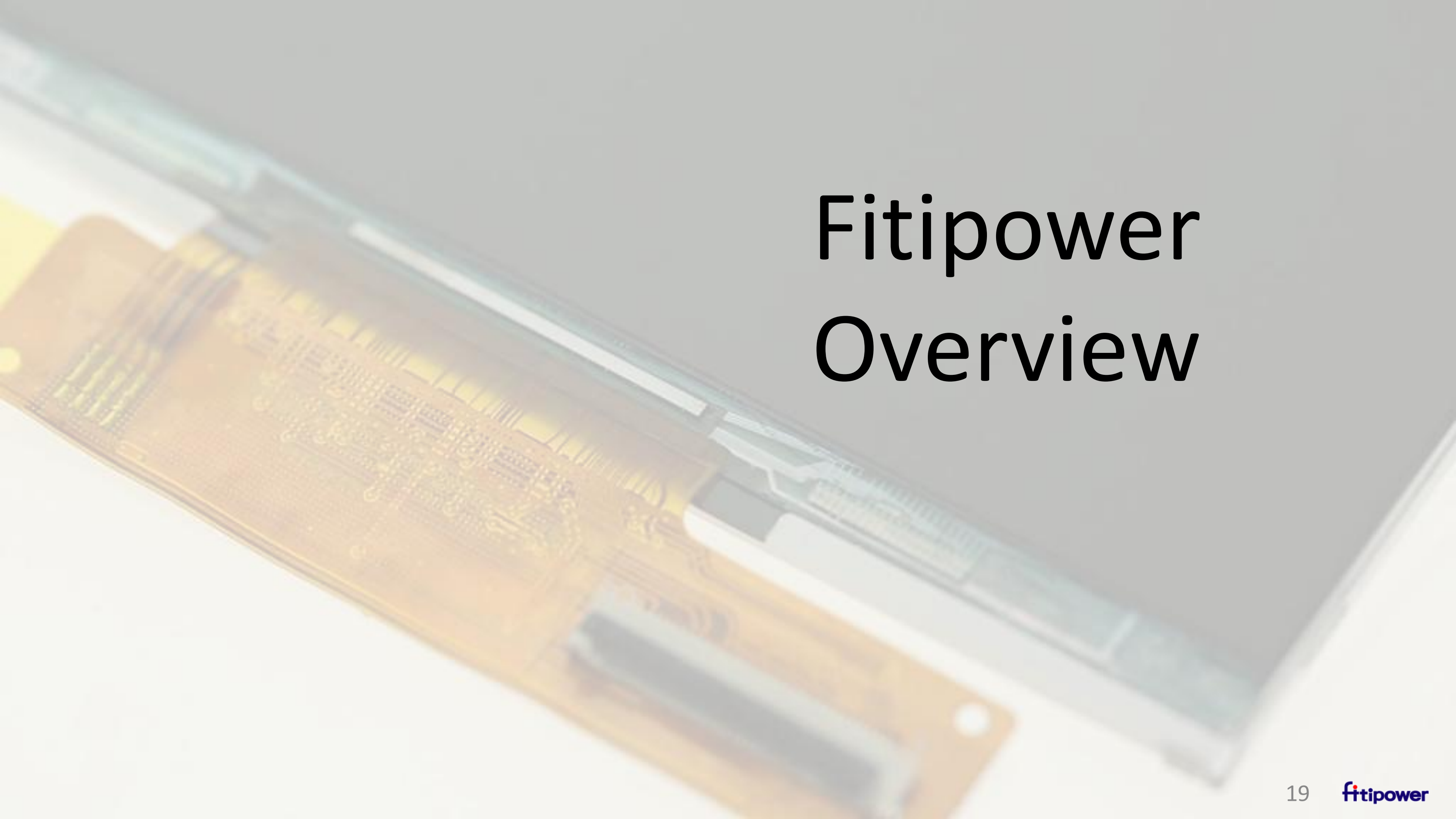




2021 nine months ended Financial Results

2021 nine months ended Consolidated Income Statement

ITEM (In NT Thousands)	2021 1/1 to 9/30	2020 1/1 to 9/30	Y/Y
Revenue	16,568,128	7,242,161	128.77%
Gross Profit	7,662,081	1,377,501	456.23%
Gross Margin	**46.25%**	**19.02%**	**27.23%**
Selling expenses	(258,155)	(178,850)	44.34%
Administration expenses	(245,558)	(129,965)	88.94%
R&D expenses	(1,420,352)	(835,695)	69.96%
Operating expenses	(1,928,268)	(1,131,712)	70.39%
Operating Expense Ratio	11.64%	15.63%	-3.99%
Operating income	5,733,813	245,789	2232.82%
Operating Margin	**34.61%**	**3.39%**	**31.21%**
Net non-operating income	62,331	27,441	127.15%
Net income before income tax	5,796,144	273,230	2021.34%
Income tax expense	(907,056)	(37,653)	2308.99%
Net income	4,889,088	235,577	1975.37%
Owners of the parent	4,453,664	225,874	1871.75%
Net income Margin	**29.51%**	**3.25%**	**26.26%**
EPS (NT Dollar)	26.38	1.38	1811.59%
ROE of the parent company	**45.06%**	**5.84%**	**39.22%**



Fitipower Overview

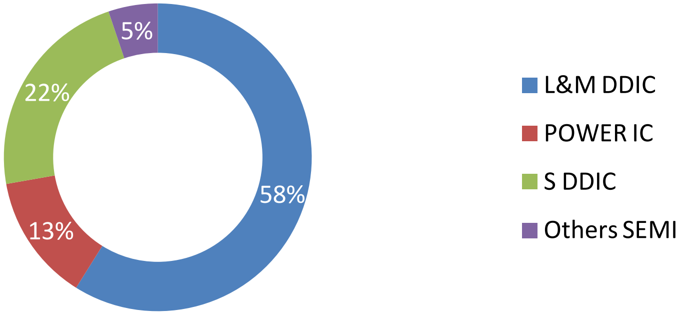
HQ：
Hsinchu
Science Park
Taiwan
Headcount：891

Our Core Business

- Display IC
- PMIC
- Others SEMI

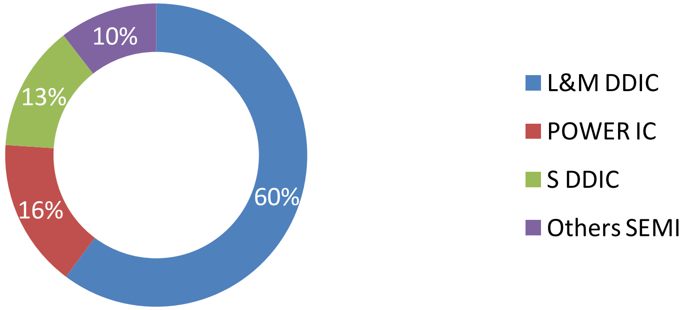
Change from Our Revenue Segment

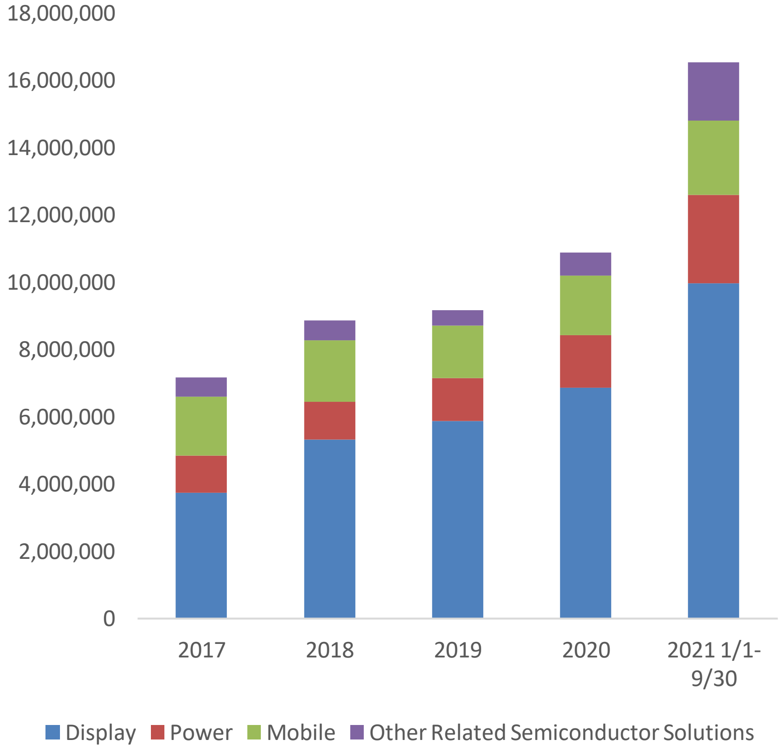
2018 1/1-9/30



Business Mix (%)

2021 1/1-9/30





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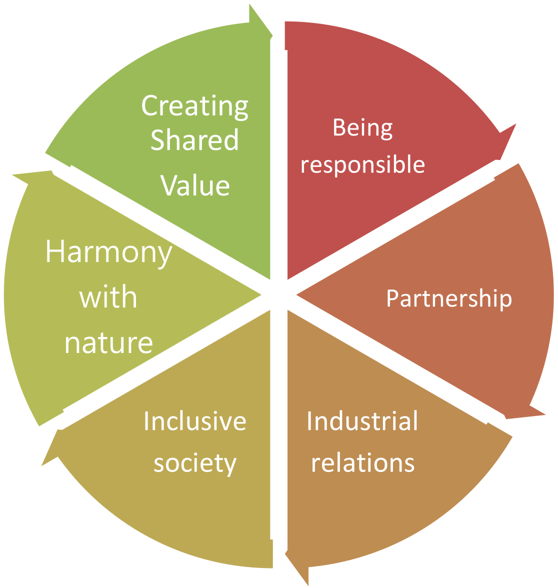
COMMITMENT TO ESG

2020Corporate Governance Evaluation
36%-50%

Join Taiwan corporate Sustainability Awards



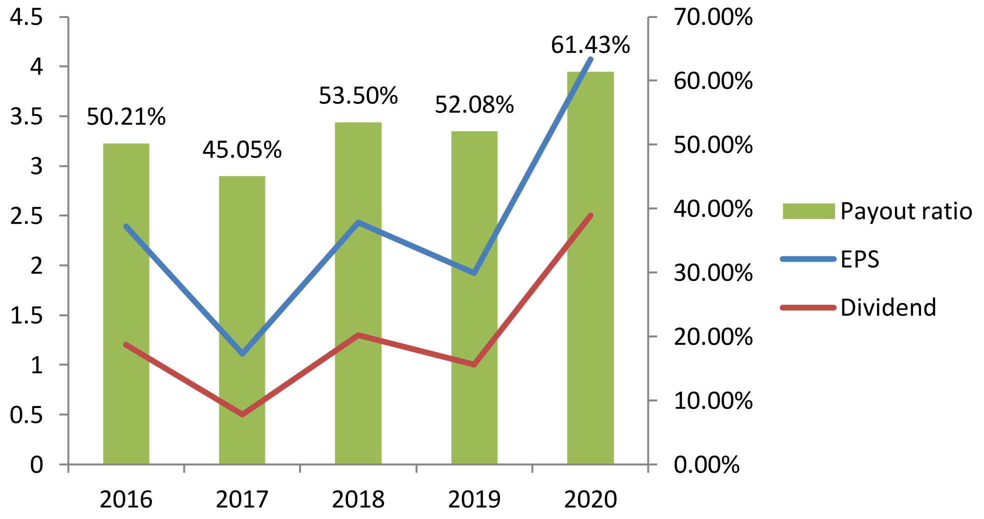
Set up ESG Committee

Set up FITIPOWER Environmental sustainability Foundation

Process ESG Policy with our partnership

Dividend and Payout Ratio

Item/Year	2016	2017	2018	2019	2020
EPS	2.39	1.11	2.43	1.92	4.07
Cash Dividend	1.2	0.5	1.3	1	2.5
Payout ratio	50.21%	45.05%	53.50%	52.08%	61.43%



2021 Note of our Technology Node

1Q

- New Gen heavy current EBOOK PMIC
- Base on M0+ Multi-protocol PD/QC IC*
- MNT Total Solution MP for China Customer
- HD TDDI*

2Q

- EBOOK high sensitive front light sensor IC
- 18V/8A step-down IC
- Narrow bezel NB P2P Driver IC
- AMOLED wearable driver IC*

3Q

- VCM Closed Loop IC*
- Large Size products MP In BOE & CSOT (BOE / Tcon & Driver、CSOT / Tcon & PMIC)
- MNT ES9.0 Total Solution
- NB eDP Tcon
- Local Dimming Bridge IC

4Q

- 8V/1.5A BLDC IC
- Color EBOOK IC (ACeP)
- FHD TDDI *

*Subsidiaries

Key Messages and Key Growth Driver

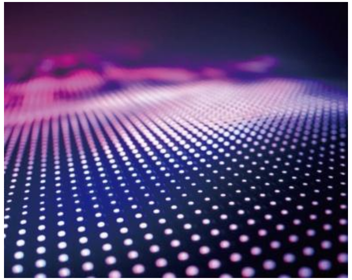
Key growth driver

- TV UD 120Hz/D-gate TCON IC
- NB FHD eDP 1.4 TCON IC

- TV UD USIT Source Driver
- NB FHD (Stylus) ADDI

- Mini-LED Driver

Evolution

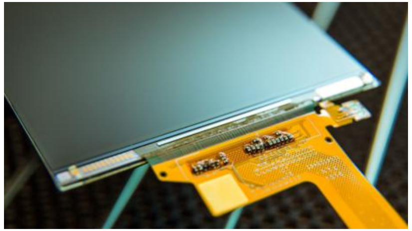


- ESL E5 Driver*
- Color E-Book

EPD、ESL

- Tablet WUXGA(Stylus) TDDI*
- Mobile TDDI(FHD,HD FAN TYPE)*
- Wearable AMOLED TDDI*
- Mobile AMOLED*

TDDI 、AMOLED



- OLED PMIC
- DDR5 PMIC
- BLDC controller
- Gate driver for GaN/SiC
- PD 3.1 protocol*
- Close loop AF*
- OIS(VCM,SMA)*

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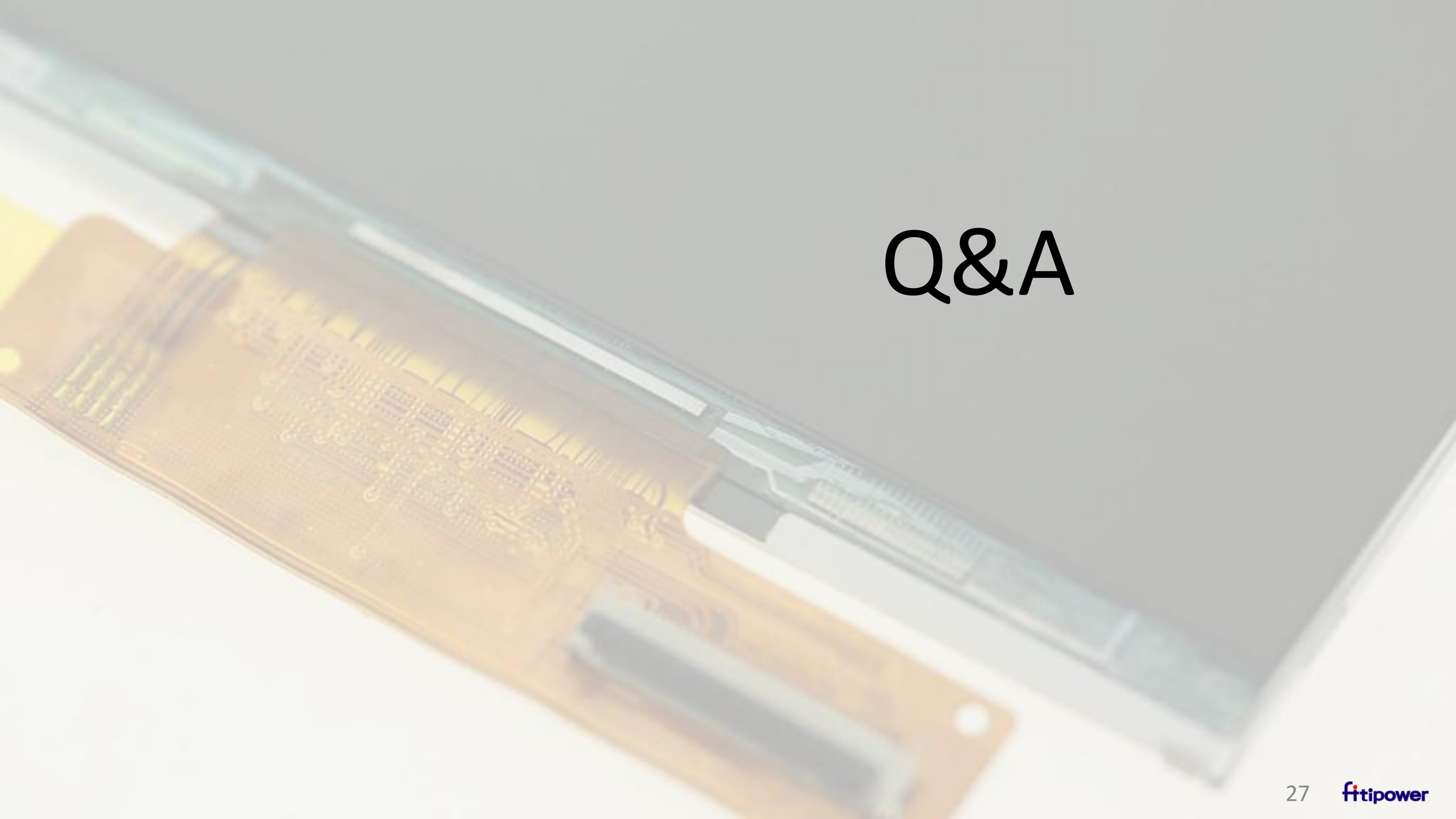
*Subsidiaries



Q&A

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