

Fitipower
4Q2022
Investor Conference

2023.3.3

*Drive your heart
Power your life*

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AGENDA

- 4Q22 Financial Results
- 2022 Financial Results
- Fitipower Overview
- Key messages
- Q&A

James Chen IR

Young Lin Chairman



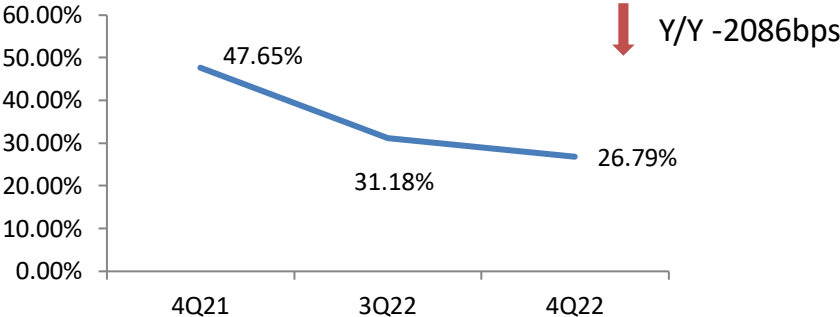
4Q2022 Financial Results

4Q22 Consolidated Income Statement

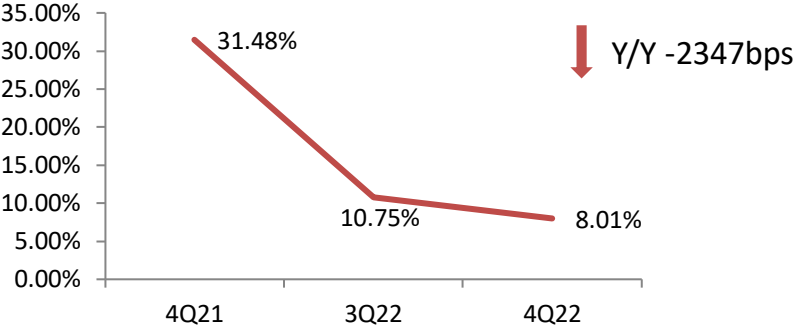
ITEM (In NT Thousands)	4Q22	3Q22	Q/Q	4Q21	Y/Y
Revenue	4,129,915	4,191,652	-1.47%	6,300,110	-34.45%
Gross Profit	1,106,578	1,306,919	-15.33%	3,001,896	-63.14%
Gross Margin	26.79%	31.18%	-4.39%	47.65%	-20.86%
Selling expenses	(87,330)	(115,738)	-24.55%	(128,804)	-32.20%
Administration expenses	(98,472)	(109,345)	-9.94%	(139,506)	-29.41%
R&D expenses	(588,505)	(631,891)	-6.87%	(748,445)	-21.37%
Operating expenses	(775,932)	(856,185)	-9.37%	(1,018,592)	-23.82%
Operating Expense Ratio	18.79%	20.43%	-1.64%	16.17%	2.62%
Operating income	330,646	450,734	-26.64%	1,983,304	-83.33%
Operating Margin	8.01%	10.75%	-2.74%	31.48%	-23.47%
Net non-operating income	(3,701)	134,950	102.74%	7,102	-152.11%
Net income before income tax	326,945	585,684	-44.18%	1,990,406	-83.57%
Income tax expense	(28,538)	(112,776)	-74.69%	(489,859)	-94.17%
Net income	298,407	472,908	-36.90%	1,500,547	-80.11%
Owners of the parent	348,545	461,194	-24.43%	1,398,580	-75.08%
Net income Margin	7.23%	11.28%	-4.05%	23.82%	-16.59%
EPS (NT Dollar)	1.87	2.48	-24.60%	7.45	-74.89%
ROE of the parent company	2.02%	2.87%	-0.85%	9.23%	-7.21%

Key Ratio Chart

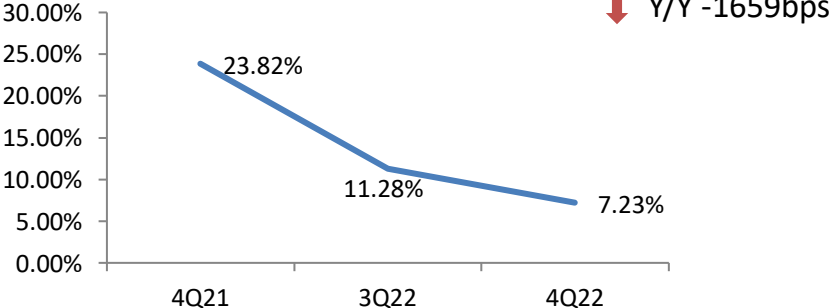
Gross Margin



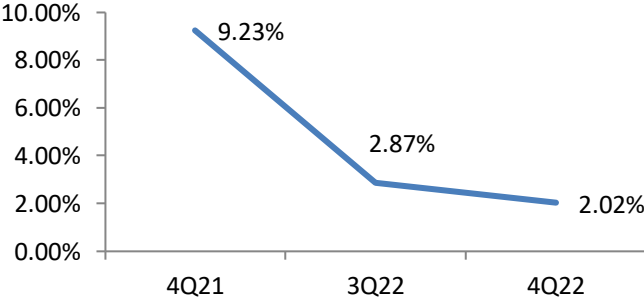
Operating Margin



Net Income Margin



ROE

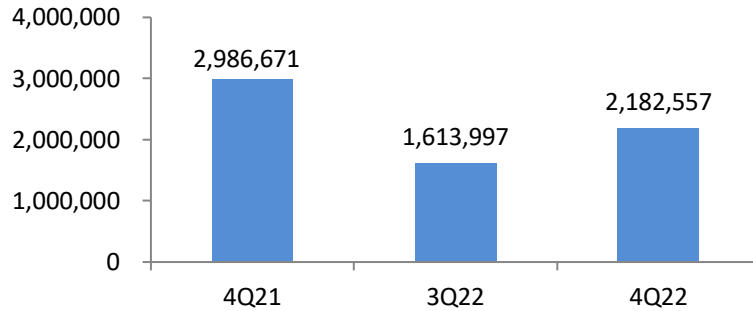


4Q22 Consolidated Balance Sheets & Key Indices

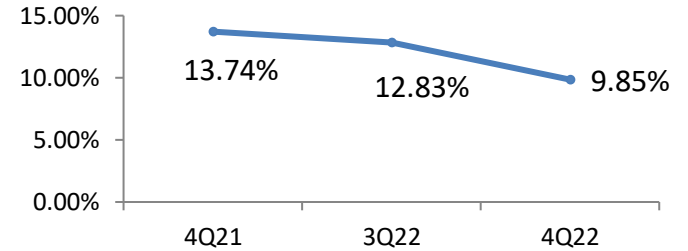
Selected Items from Balance Sheets (In NT Thousands)	4Q22		3Q22		4Q21	
	Amount	%	Amount	%	Amount	%
Cash&Marketable Securities	6,758,947	26.6	8,557,560	34.5	7,042,205	29.0
CFAFV	9,642,472	37.9	6,016,661	24.3	4,888,006	20.1
Accounts Receivable	2,744,399	10.8	3,299,492	13.3	5,145,002	21.2
Inventories	2,506,847	9.8	3,183,464	12.8	3,338,389	13.7
Other current assets	165,506	0.7	267,798	1.1	548,847	2.3
Net PP&E	1,054,976	4.1	953,675	3.8	664,800	2.7
Intangible assets	83,883	0.3	59,655	0.2	247,101	1.0
Other non current assets	2,394,852	9.4	2,395,482	9.9	1,715,323	7.5
Total Assets	25,455,457	100.0	24,803,927	100.0	24,292,542	100.0
Short-term debt	220,734	0.9	230,650	0.9	777,808	3.2
Accounts Payable	1,891,917	7.4	1,629,428	6.6	3,435,609	14.1
dividends payable	0	0.0	0	0.0	0	0.0
Other current liabilities	985,140	3.9	840,181	3.4	1,072,695	4.4
Total non current liabilities	246,161	1.0	187,146	0.8	203,310	0.8
Total Liabilities	4,311,948	16.9	3,895,877	15.7	6,908,027	28.4
Total Shareholders' Equity	21,143,509	83.1	20,908,050	84.3	17,384,515	71.6
Net Shareholders' Equity of the Parent Company	17,394,713		17,156,421		15,845,595	
Key indices						
A/R Turnover Days	65.85		82.31		80.38	
Inventory Turnover Days	84.70		105.57		82.64	
Cash from operating activities	2,182,557		1,613,997		2,986,671	
Free cash flow	1,991,174		1,418,031		2,809,248	

Key Indices

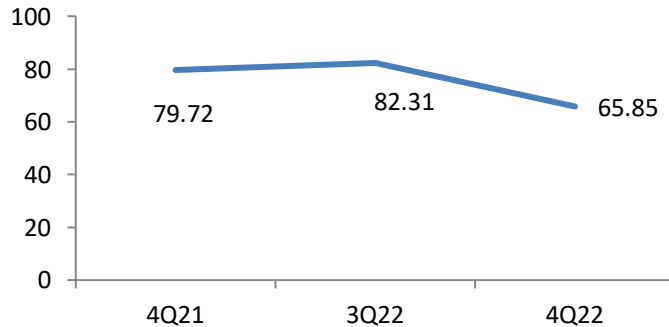
Cash from operating activities



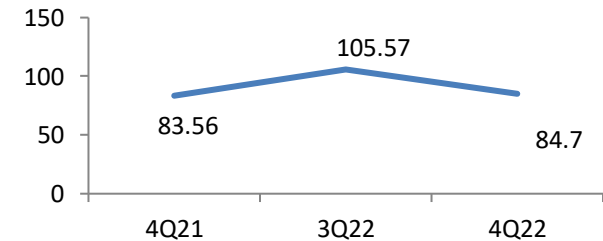
Inventories by Total Assets



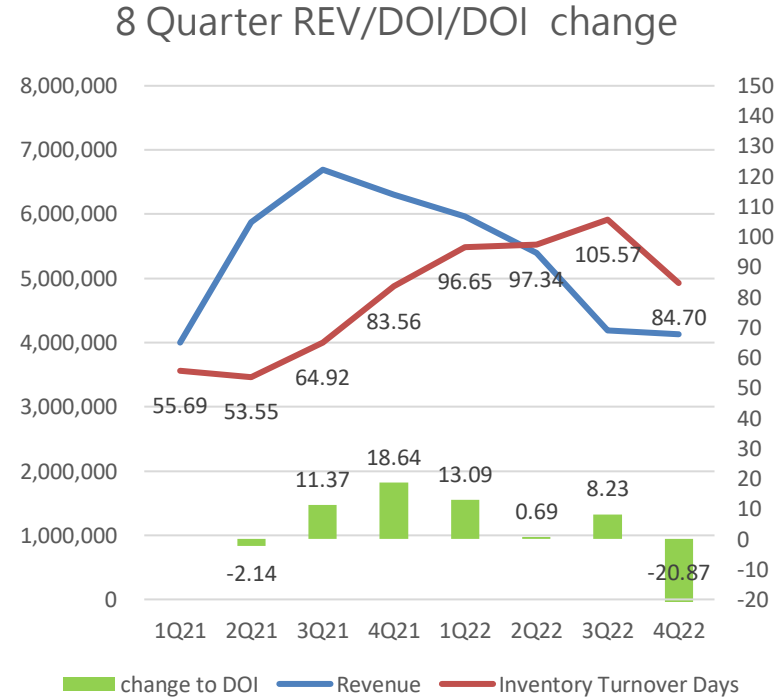
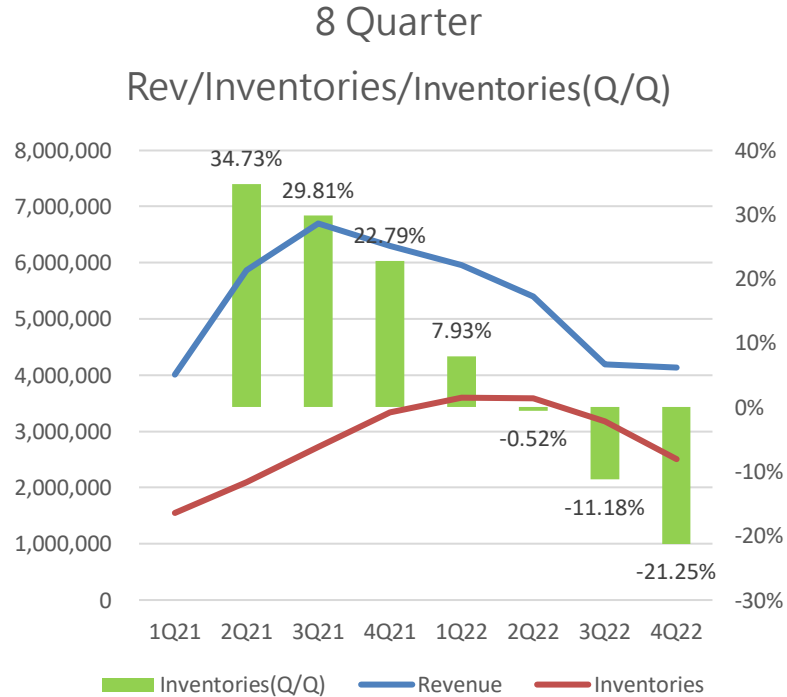
A/R Turnover Days



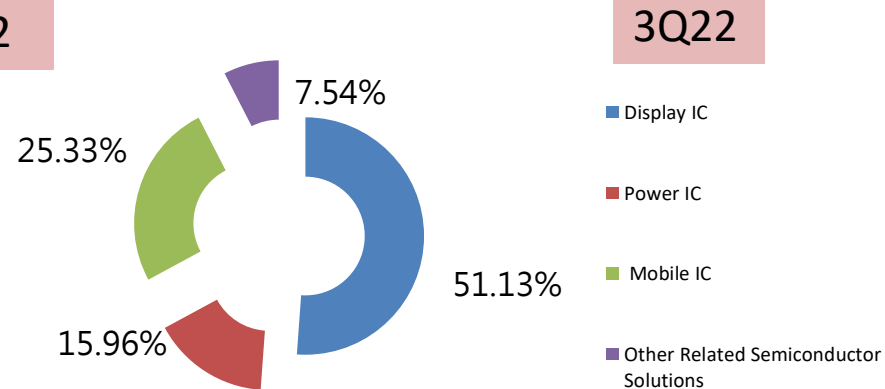
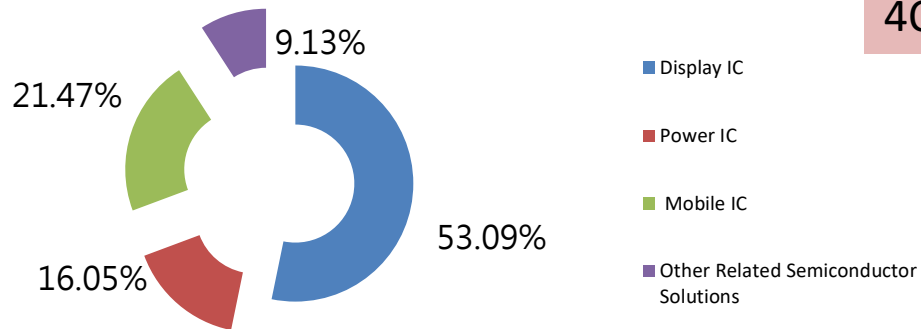
Inventories Turnover Days



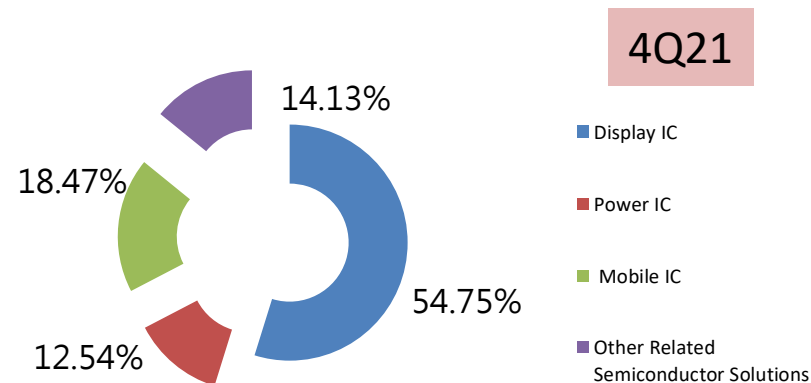
Past 8 quarters Rev/Inventories/change to DOI



4Q22 Revenues By Product Segment



Segment	4Q2021	3Q2022	Q/Q Change%	4Q2022
Display IC	54.75%	51.13%	+1.96%	53.09%
Power IC	12.54%	15.96%	+0.09%	16.05%
Mobile IC	18.47%	25.33%	-3.86%	21.47%
Other Related Semiconductor Solutions	14.13%	7.54%	+1.59%	9.13%

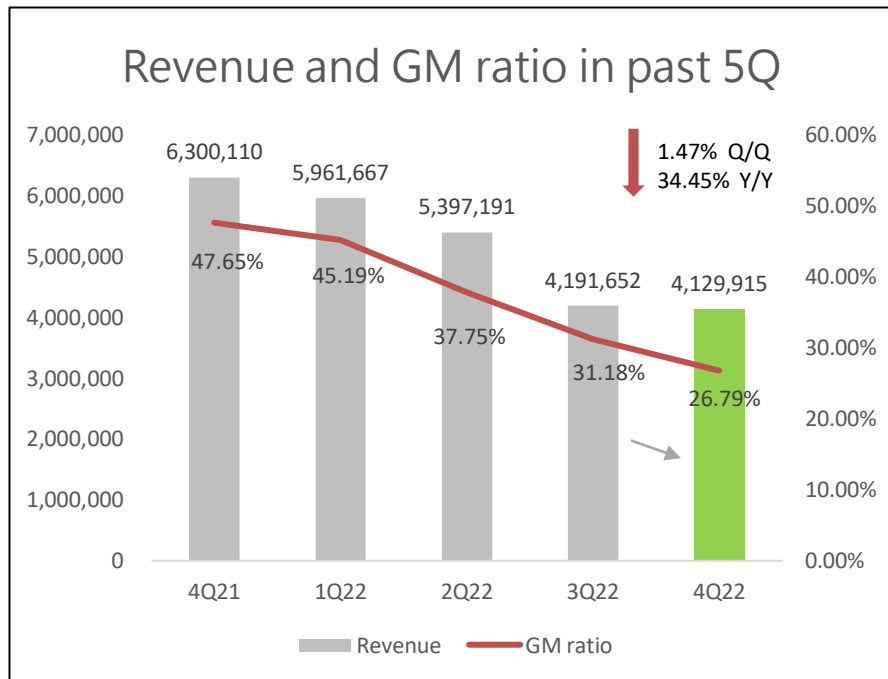


Display IC including Large/Medium DDIC(Automotive/IPC)
Other Related Semiconductor Solutions including T-CON/EPD/ESL

Consolidated REV and GM in past 5 quarter

Revenue(Unit: NT Thousands)

Highlights



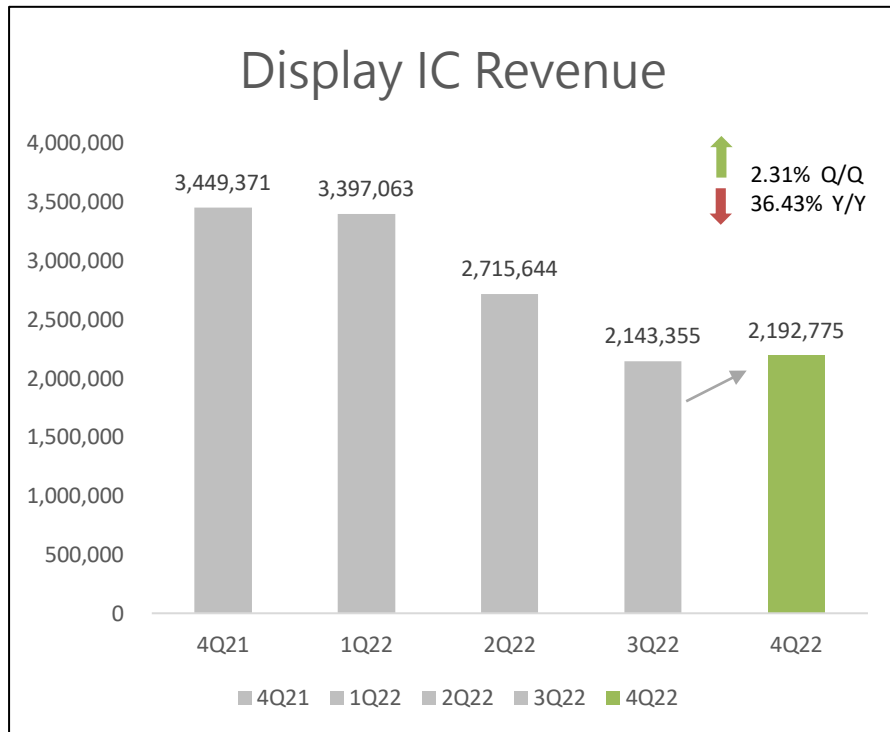
- 4Q22 Revenue Q/Q-1.47% · Y/Y-34.45%, our revenue hit record high with 7Q incessantly and stop at 4Q21.
- Our revenue almost flat, although macroeconomic issue still a factor, but some product line have rush orders to contribute revenues.
- We put more attention to R&D and diversify our product mix to gain more profit.
- The quarter over quarter in our product segments, display ic and other semi perform positive, mobile IC perform weak.
- The year over year in our product segments, other semi perform weak.
- Gross margin decline to 26-27%, because we care about client/supplier chain/inventories.
- We seek the best balance between all factors.

Revenues are including parent and subsidiaries

Display IC(large and medium size)

Revenue(Unit: NT Thousands)

Highlights

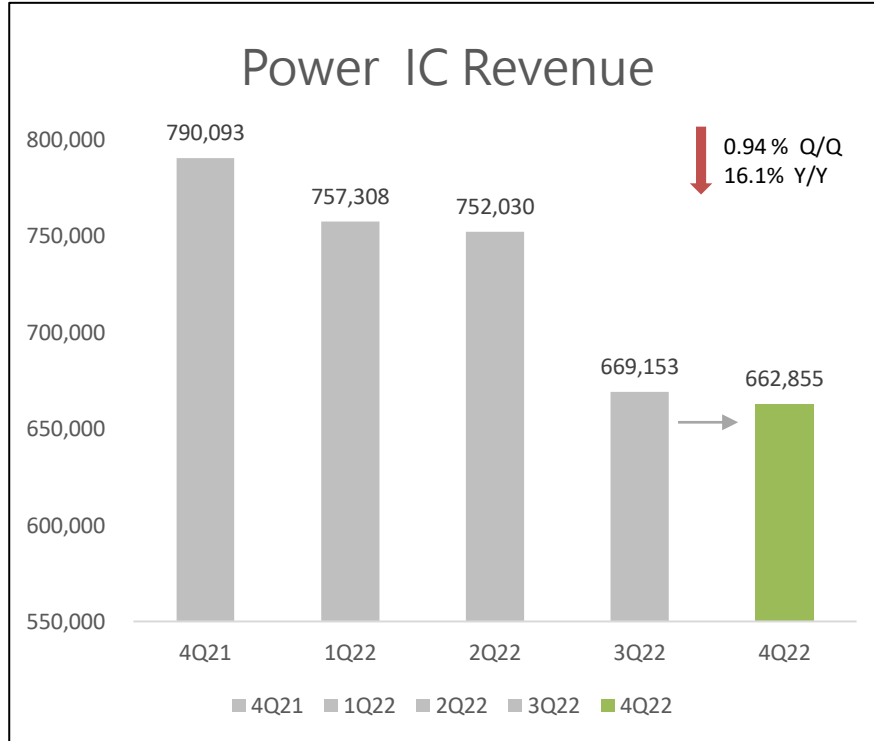


- Quarterly growth rate mainly drive by medium(auto/IPC)/MNT/TV, NB perform weak.
- The year over year mainly drive by medium, NB perform weak
- Although large size display IC still go to correction scenario(but some product line have rush orders to contribute revenues), and we have more new products and applications MP to gain more market share.

Revenues are including parent and subsidiaries

Power IC

Revenue(Unit: NT Thousands)



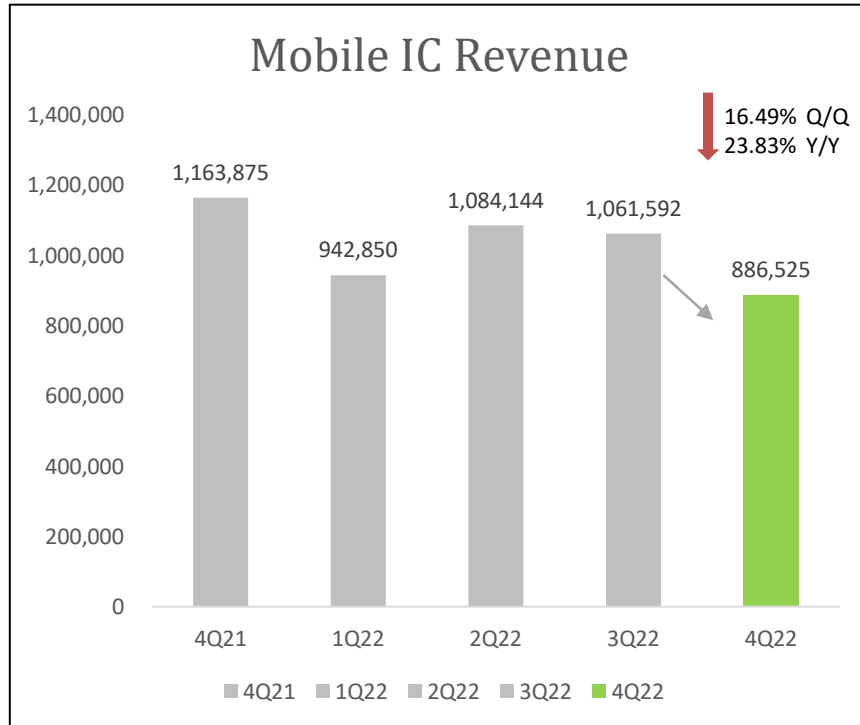
Highlights

- ▶ Quarterly growth rate mainly drive by VCM/Mobile PMIC/Panel Power.
- ▶ Annual growth rate mainly drive by LED drivers/Mobile PMIC/Boost.
- ▶ Q/Q revenues almost flat, many product line perform stably because we continually gain market share and more demand coming back.
- ▶ Many new products MP to contribute revenues.

Revenues are including parent and subsidiaries

Mobile IC

Revenue(Unit: NT Thousands)



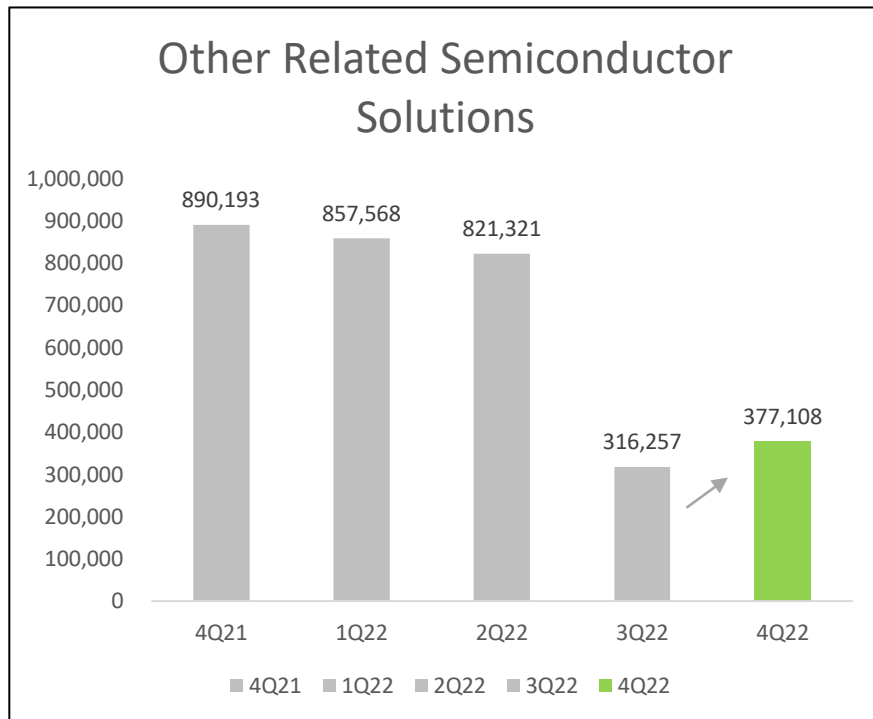
Highlights

- ▶ Q/Q and Y/Y revenues all decrease because SDDI and TDDI grow more slowly.
- ▶ Annual growth rate mainly drive by TDDI.
- ▶ Our FHD TDDI 、 tablet TDDI 、 AMOLED smart band and watch contribute revenues continuously, and AMOLED smart phone will join to the list in 4Q .

Revenues are including parent and subsidiaries

Other Related Semiconductor Solutions

Revenue(Unit: NT Thousands)



Highlights

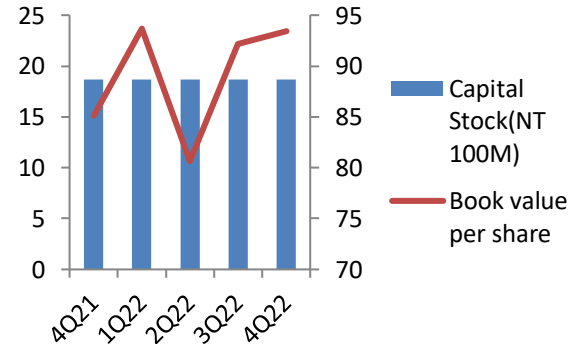
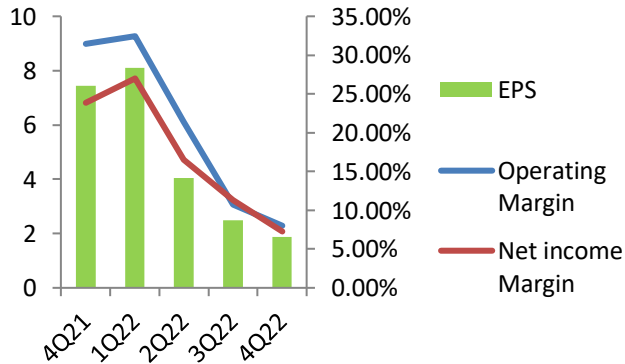
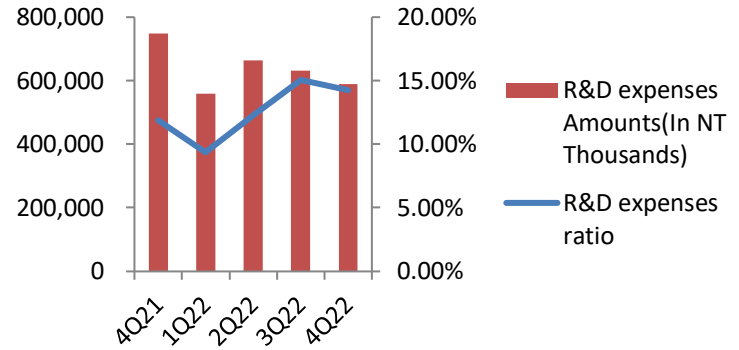
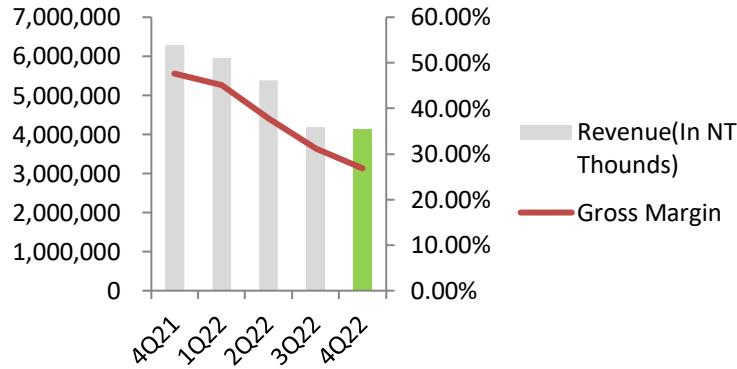
- ▶ Quarterly growth rate mainly drive by T-CON/EPD, ESL still has macroeconomic and supply chain inventory issue.
- ▶ The year over year decrease both because EPD and ESL still affected by macroeconomic and supply chain inventory .
- ▶ T-CON still perform strong and gain more market share.


Revenues are including parent and subsidiaries

Consolidated Financial Results in past 5 Quarters

Item/Year	4Q21	1Q22	2Q22	3Q22	4Q22
Revenue(In NT Thounds)	6,300,110	5,961,667	5,397,191	4,191,652	4,129,915
Gross Margin	47.65%	45.19%	37.75%	31.18%	26.79%
R&D expenses ratio	11.88%	9.38%	12.29%	15.07%	14.25%
R&D expenses Amounts(In NT Thousands)	748,445	558,995	663,180	631,891	588,505
Operating Margin	31.48%	32.41%	21.41%	10.75%	8.01%
Net income Margin	23.82%	26.98%	16.48%	11.28%	7.23%
EPS	7.45	8.11	4.04	2.48	1.87
Capital Stock(NT 100M)	18.65	18.65	18.65	18.65	18.65
Book value per share	85.11	93.66	80.65	92.15	93.43
Total Assets(NT Thounds)	24,292,542	26,757,036	25,711,550	24,803,927	25,455,457
Debt Ratio	28.44%	28.49%	34.44%	15.71%	16.84%

Key Indices in past 5 Quarters





2022

Financial Results

2022 Consolidated Income Statement

ITEM	2022	2021	Y/Y
(In NT Thousands)			
Revenue	19,680,425	22,868,238	-13.94%
Gross Profit	7,145,025	10,663,977	-33.00%
Gross Margin	36.31%	46.63%	-10.33%
Selling expenses	(409,600)	(386,959)	5.85%
Administration expenses	(430,723)	(385,064)	11.86%
R&D expenses	(2,442,571)	(2,168,797)	12.62%
Operating expenses	(3,276,205)	(2,946,860)	11.18%
Operating Expense Ratio	16.65%	12.89%	3.76%
Operating income	3,868,820	7,717,117	-49.87%
Operating Margin	19.66%	33.75%	-14.09%
Net non-operating income	87,587	69,433	26.15%
Net income before income tax	3,956,407	7,786,550	-49.19%
Income tax expense	(687,222)	(1,396,915)	-50.80%
Net income	3,269,185	6,389,635	-48.84%
Owners of the parent	3,070,306	5,852,244	-47.54%
Net income Margin	16.61%	27.94%	-11.33%
EPS (NT Dollar)	16.49	33.83	-51.26%
ROE	18.47%	55.31%	-36.84%



Fitipower Overview

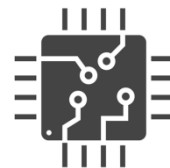
“IT'S OFFICIAL: FITIPOWER IS NOT JUST A DRIVER IC COMPANY ANYMORE”



HQ :
Hsinchu
Science Park
Taiwan
Headcount : 900

Our Core Business

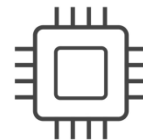
Display IC



PMIC

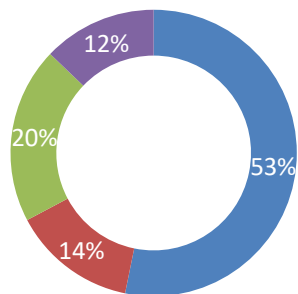


Others
SEMI

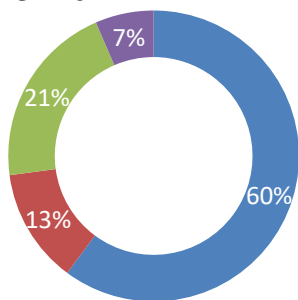


Change from Our Revenue Segment

DDIC 73% **2022**



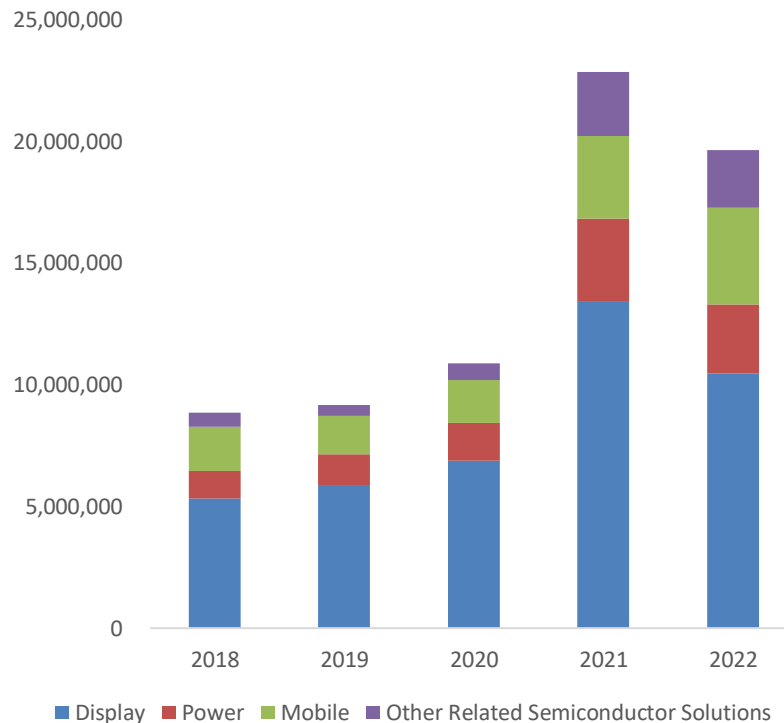
DDIC 81% **2018**



- L&M DDIC
- POWER IC
- S DDIC
- Others SEMI

Business Mix (%)

- L&M DDIC
- POWER IC
- S DDIC
- Others SEMI



COMMITMENT TO ESG

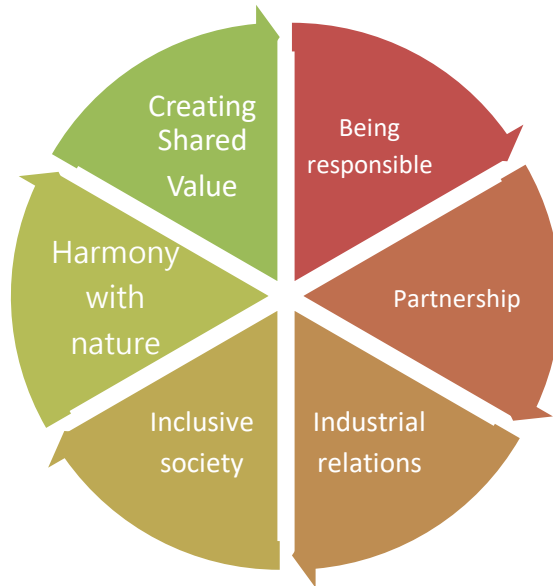
2022

2021 Corporate Governance
Evaluation
21%-35%

Co-work with National
Taiwan Library about
SDGs Plan

Hold campus technology
competition about ESG
(EV/ energy saving)

Process ESG Policy with our
partnership



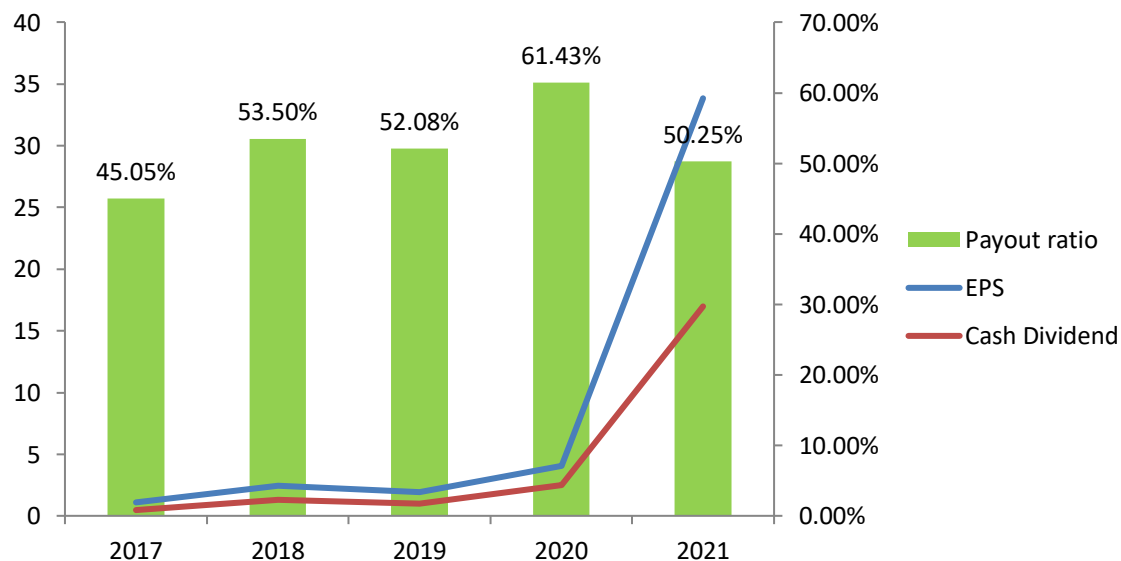
2023

Our 2022 Corporate
Governance Evaluation
Goal is 6%-20%

Import ISO 14001/ISO45001 and
get certification in 2023. Build a
product energy saving and
carbon reduction benefit
evaluation platform. Import ISO
14064 and get certification in
2024. Import ISO 27001 and get
certification in 2023

Dividend and Payout Ratio

Item/Year	2017	2018	2019	2020	2021
EPS	1.11	2.43	1.92	4.07	33.83
Cash dividend	0.5	1.3	1	2.5	17
Payout ratio	45.05%	53.50%	52.08%	61.43%	50.25%

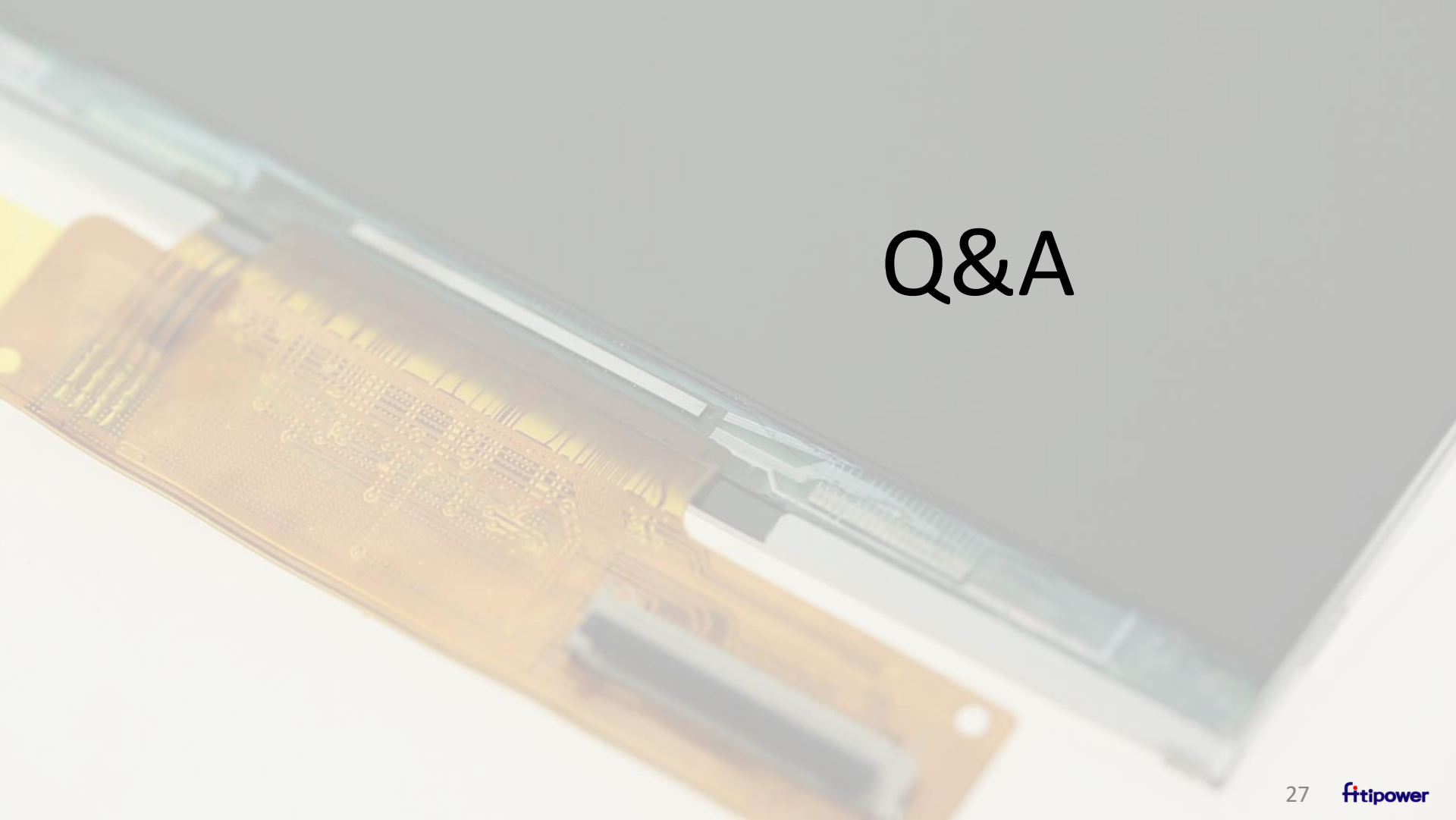




CEO Key Messages

CEO Key Messages

- ▼ Key growth driver
- ▼ Demands and Inventories
- ▼ Capacity



Q&A



<https://www.fitipower.com>
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