

Fitipower
3Q2022
Investor Conference

2022.11.4

*Drive your heart
Power your life*

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AGENDA

- 3Q22 Financial Results

James Chen IR

- 9 months ended 2022 Financial Results

- Fitipower Overview

- Key messages

Young Lin Chairman

- Q&A



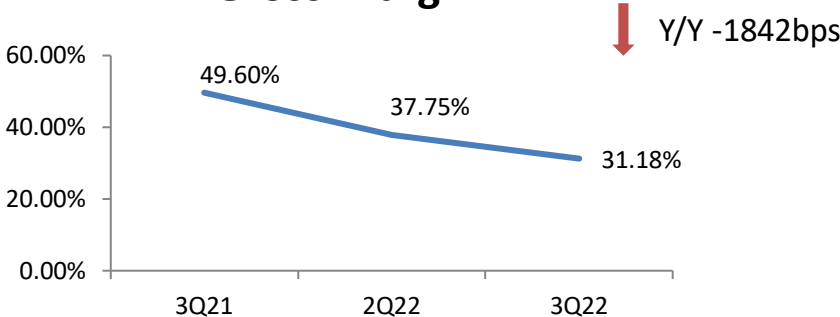
3Q2022 Financial Results

3Q22 Consolidated Income Statement

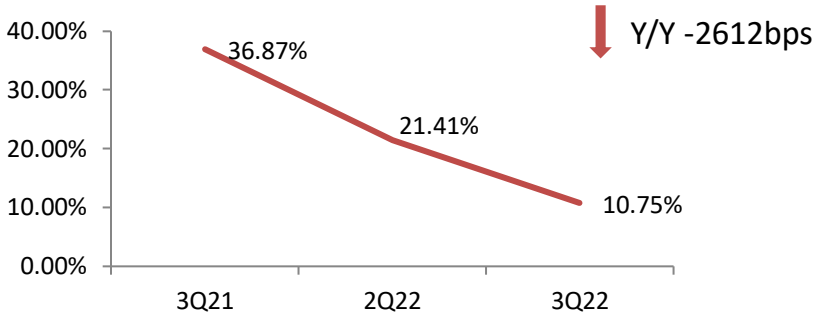
ITEM (In NT Thousands)	3Q22	2Q22	Q/Q	3Q21	Y/Y
Revenue	4,191,652	5,397,191	-22.34%	6,694,103	-37.38%
Gross Profit	1,306,919	2,037,607	-35.86%	3,320,437	-60.64%
Gross Margin	31.18%	37.75%	-6.57%	49.60%	-18.42%
Selling expenses	(115,738)	(105,098)	10.12%	(116,837)	-0.94%
Administration expenses	(109,345)	(121,755)	-10.19%	(114,522)	-4.52%
R&D expenses	(631,891)	(663,180)	-4.72%	(617,647)	2.31%
Operating expenses	(856,185)	(882,281)	-2.96%	(852,325)	0.45%
Operating Expense Ratio	20.43%	16.35%	4.08%	12.73%	7.69%
Operating income	450,734	1,155,326	-60.99%	2,468,112	-81.74%
Operating Margin	10.75%	21.41%	-10.65%	36.87%	-26.12%
Net non-operating income	134,950	(93,789)	243.89%	31,377	330.09%
Net income before income tax	585,684	1,061,537	-44.83%	2,499,489	-76.57%
Income tax expense	(112,776)	(171,984)	-34.43%	(420,352)	-73.17%
Net income	472,908	889,553	-46.84%	2,079,137	-77.25%
Owners of the parent	461,194	751,443	-38.63%	1,912,933	-75.89%
Net income Margin	11.28%	16.48%	-5.20%	31.06%	-19.78%
EPS (NT Dollar)	2.48	4.04	-38.61%	10.90	-77.25%
ROE of the parent company	2.87%	4.63%	-1.76%	17.49%	-14.63%

Key Ratio Chart

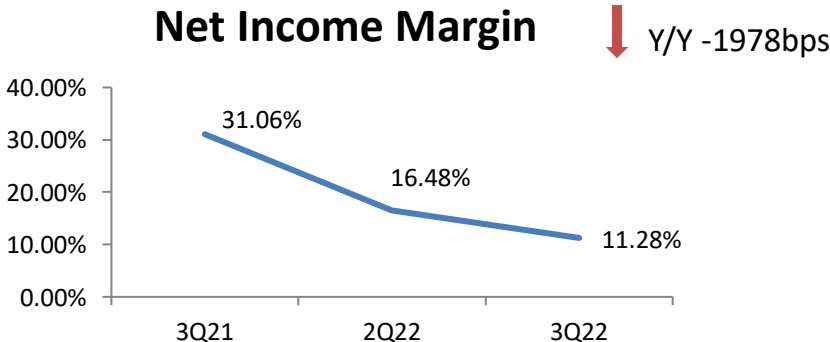
Gross Margin



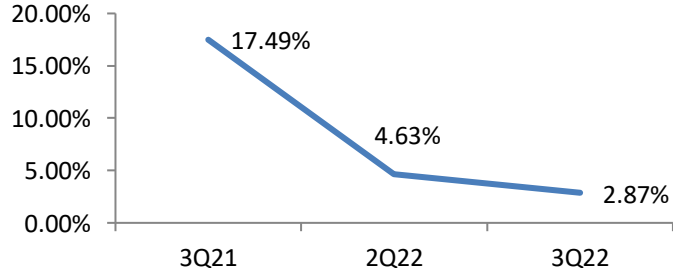
Operating Margin



Net Income Margin



ROE

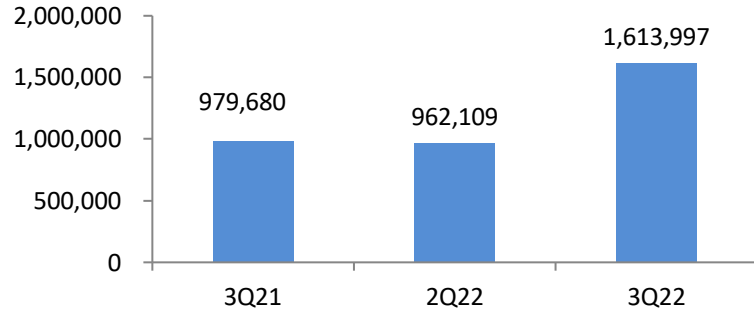


3Q22 Consolidated Balance Sheets & Key Indices

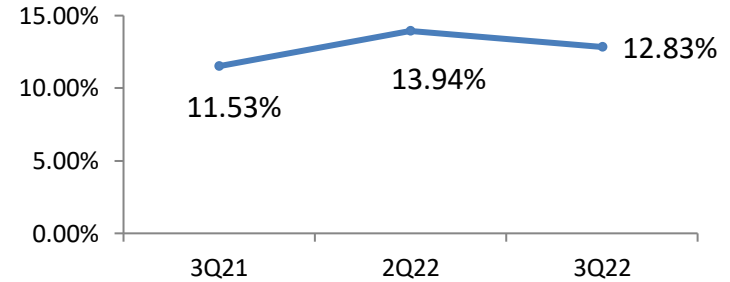
Selected Items from Balance Sheets (In NT Thousands)	3Q22		2Q22		3Q21	
	Amount	%	Amount	%	Amount	%
Cash&Marketable Securities	8,557,560	34.5	4,915,556	19.1	6,691,197	28.4
CFAFV	6,016,661	24.3	8,689,121	33.8	4,856,097	20.6
Accounts Receivable	3,299,492	13.3	4,367,291	17.0	6,108,897	25.9
Inventories	3,183,464	12.8	3,584,140	13.9	2,718,855	11.5
Other current assets	267,798	1.1	411,735	1.6	513,897	2.2
Net PP&E	953,675	3.8	825,630	3.2	538,045	2.3
Intangible assets	59,655	0.2	60,829	0.2	241,908	1.0
Other non current assets	2,395,482	9.7	2,752,979	10.7	1,703,907	7.2
Total Assets	24,803,927	100.0	25,711,550	100.0	23,584,900	100.0
Short-term debt	230,650	0.9	1,529,630	5.9	2,726,515	11.6
Accounts Payable	1,629,428	6.6	2,344,171	9.1	3,076,301	13.0
dividends payable	0	0.0	3,164,997	12.3	0	
Other current liabilities	840,181	3.4	768,436	3.0	733,180	3.1
Total non current liabilities	187,146	0.8	184,154	0.7	238,209	1.0
Total Liabilities	3,895,877	15.7	8,856,135	34.4	7,741,955	32.8
Total Shareholders' Equity	20,908,050	84.3	16,855,415	65.6	15,842,945	67.2
Net Shareholders' Equity of the Parent Company	17,156,421		15,014,597		14,451,353	
Key indices						
A/R Turnover Days	82.31		78.22		72.13	
Inventory Turnover Days	105.57		96.27		64.2	
Cash from operating activities	1,613,997		962,109		979,680	
Free cash flow	1,418,031		859,514		879,257	

Key Indices

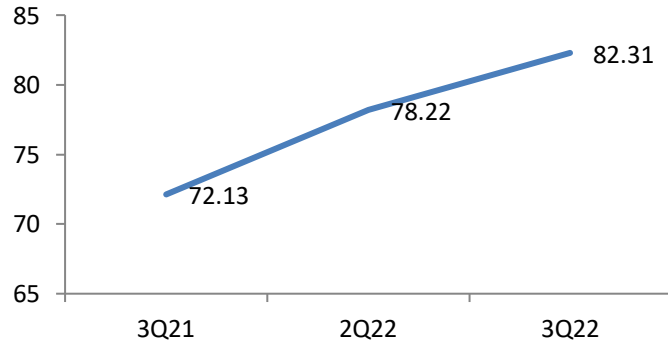
Cash from operating activities



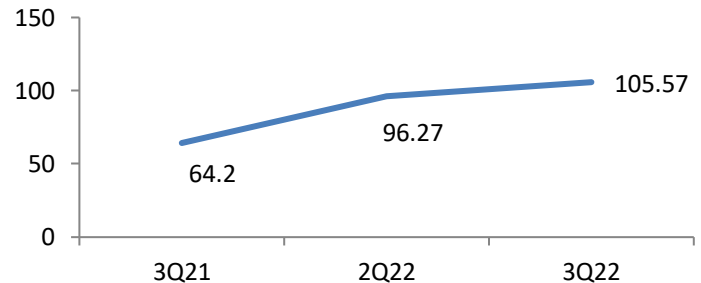
Inventories by Total Assets



A/R Turnover Days



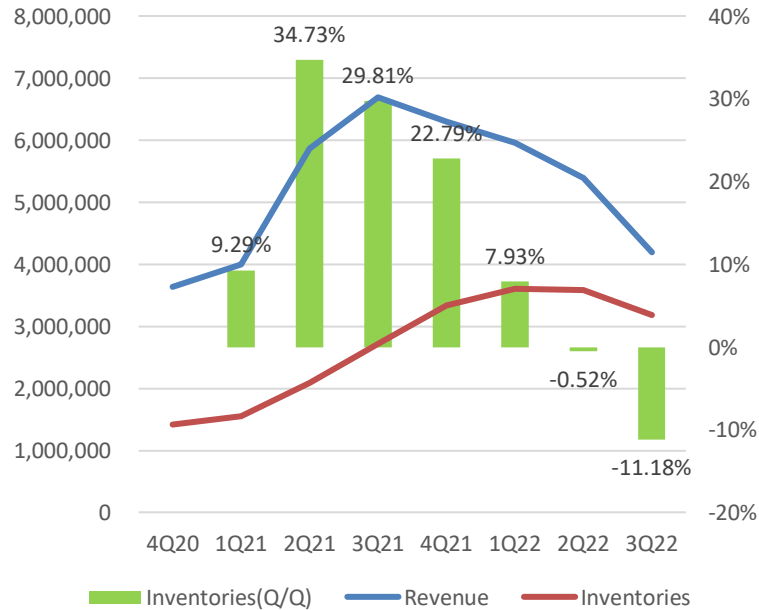
Inventories Turnover Days



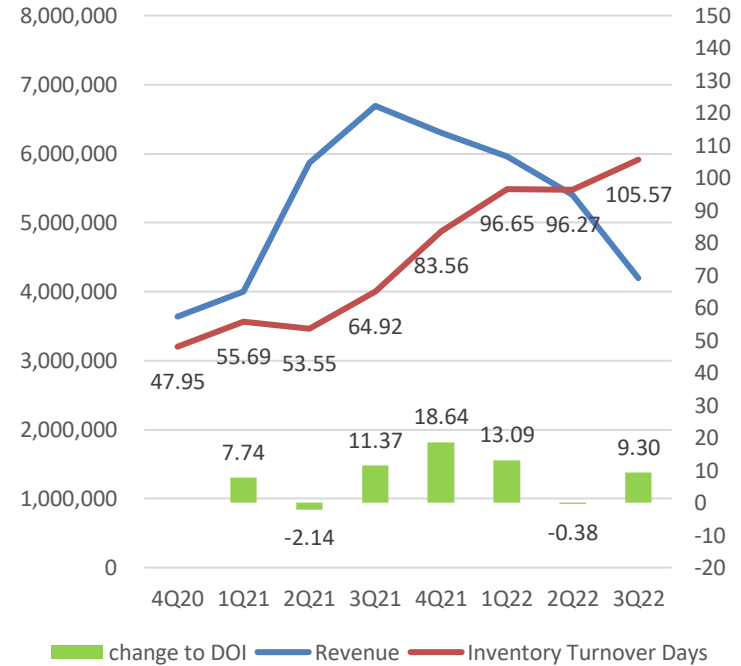
Past 8 quarters Rev/Inventories/change to DOI

8 Quarter

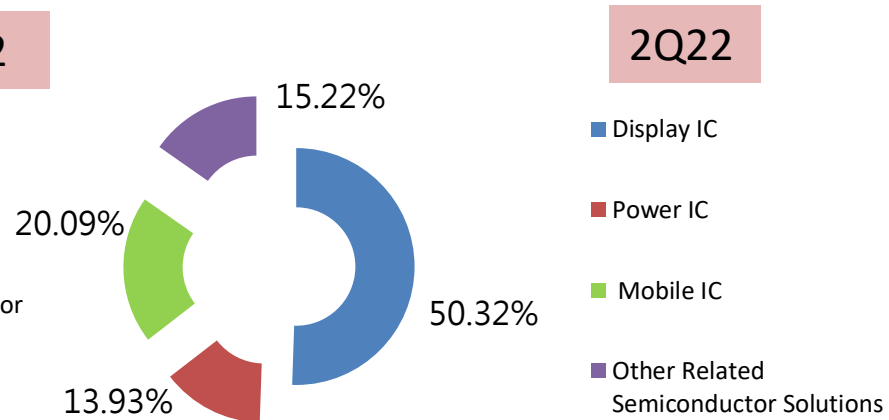
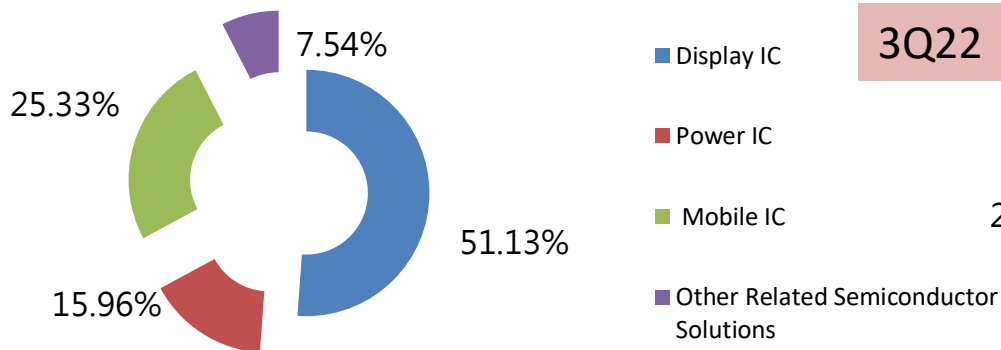
Rev/Inventories/Inventories(Q/Q)



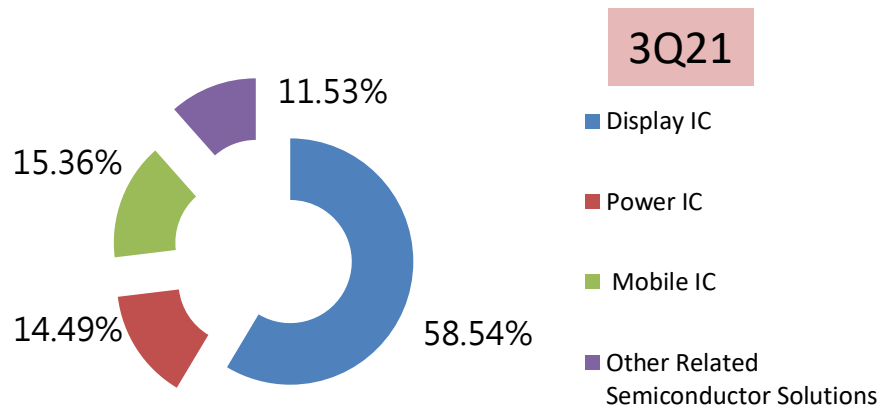
8 Quarter REV/DOI/DOI change



3Q22 Revenues By Product Segment



Segment	3Q2021	2Q2022	Q/Q Change%	3Q2022
Display IC	58.54%	50.32%	+0.81%	51.13%
Power IC	14.49%	13.93%	+2.03%	15.96%
Mobile IC	15.36%	20.09%	+5.24%	25.33%
Other Related Semiconductor Solutions	11.53%	15.22%	-7.68%	7.54%

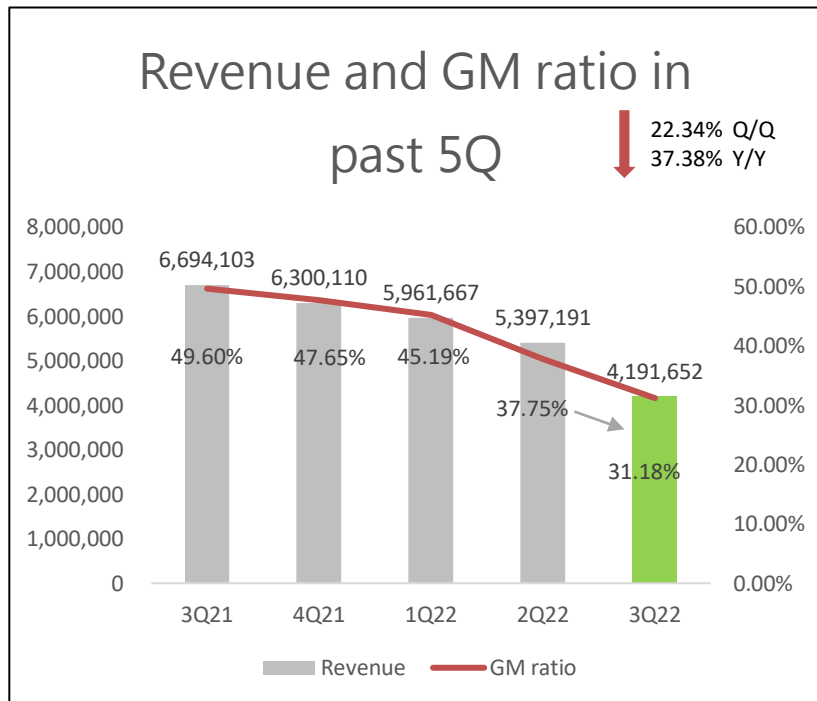


Display IC including Large/Medium DDIC(Automotive/IPC)
 Other Related Semiconductor Solutions including T-CON/EPD/ESL

Consolidated REV and GM in past 5 quarter

Revenue(Unit: NT Thousands)

Highlights

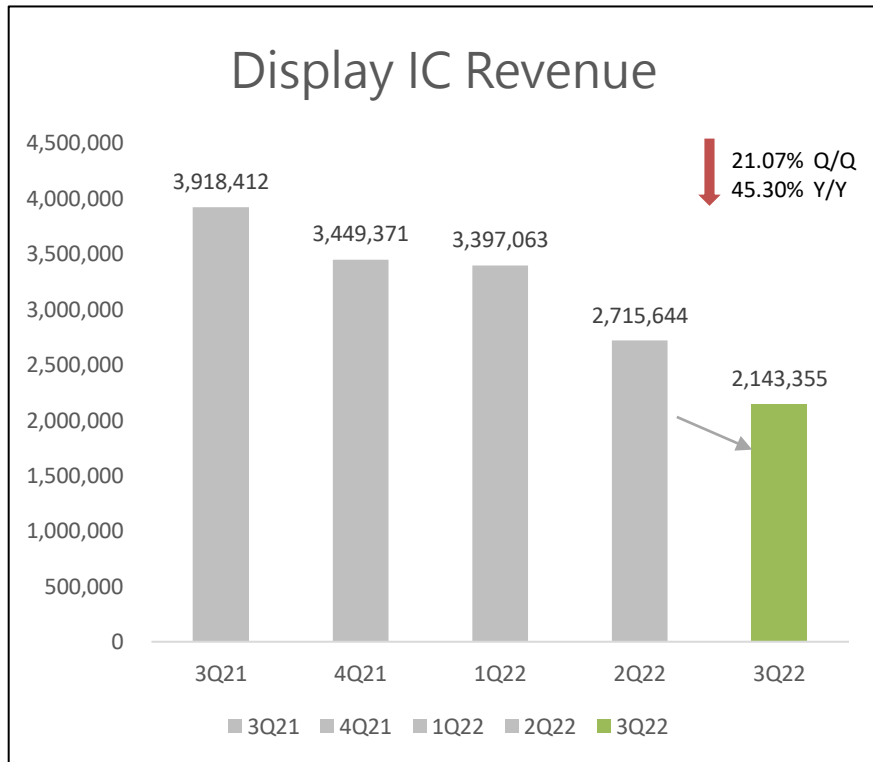


- 3Q22 Revenue Q/Q-22.34% · Y/Y-37.38%, our revenue hit record high with 7Q incessantly and stop at 4Q21.
- Our revenue decline in low double digit by macroeconomic reason.
- We put more attention to R&D and diversify our product mix to gain more profit.
- The quarter over quarter in our product segments, mobile ic perform flat, other semi perform weak.
- Annual growth rate mainly drive by Mobile IC, other semi perform weak.
- Gross margin decline to 31-32%, 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)



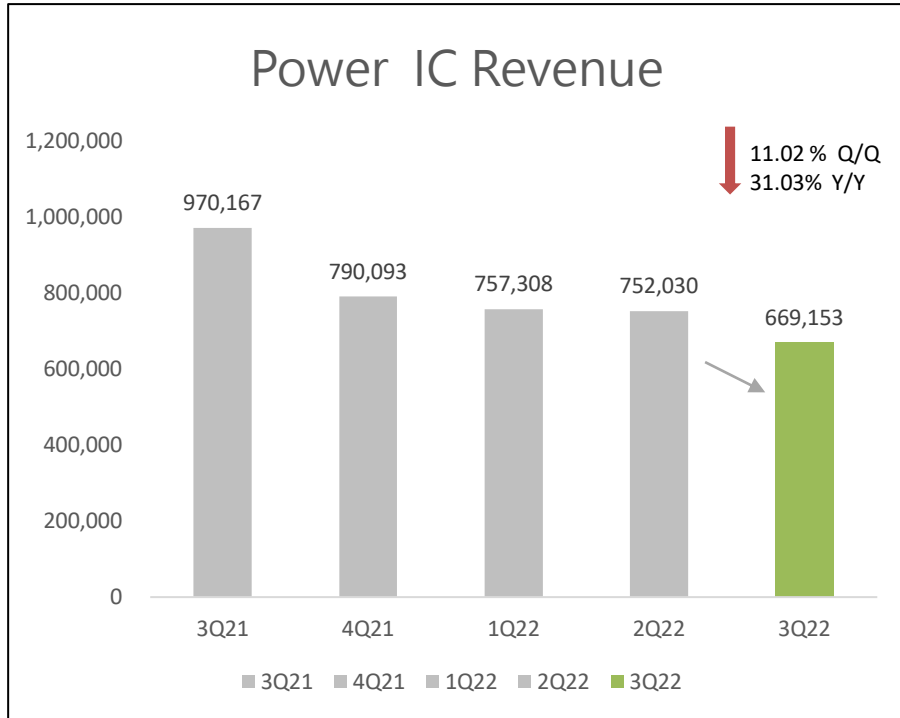
Highlights

- ▶ Quarterly growth rate mainly drive by medium(auto/IPC), NB perform weak.
- ▶ The year over year in our product segments, MNT perform weak
- ▶ Although large size display IC still go to correction scenario(some product line near bottom), but 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)



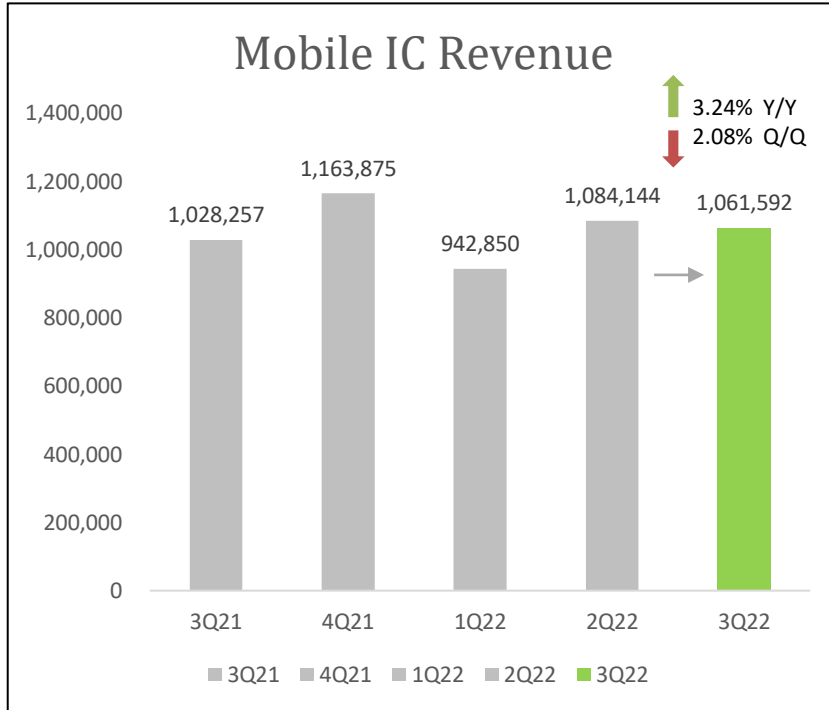
Highlights

- ▶ Quarterly growth rate mainly drive by Battery/EPD PMIC/Switch.
- ▶ Annual growth rate mainly drive by LED drivers/Switch/Boost.
- ▶ Although revenue decline both Q and Y, but so many others product line perform well due to 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)



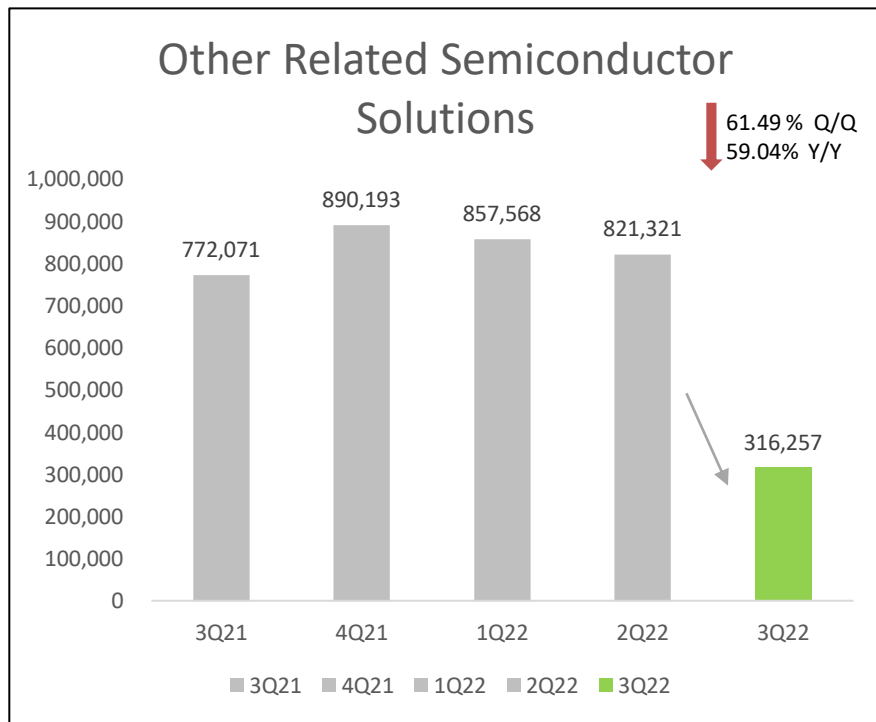
Highlights

- ▶ Quarterly growth rate mainly drive by TDDI.
- ▶ Annual growth rate mainly drive by TDDI.
- ▶ Our FHD TDDI 、 tablet TDDI 、 AMOLED smart band and watch start to contribute revenues.

Revenues are including parent and subsidiaries

Other Related Semiconductor Solutions

Revenue(Unit: NT Thousands)



Highlights

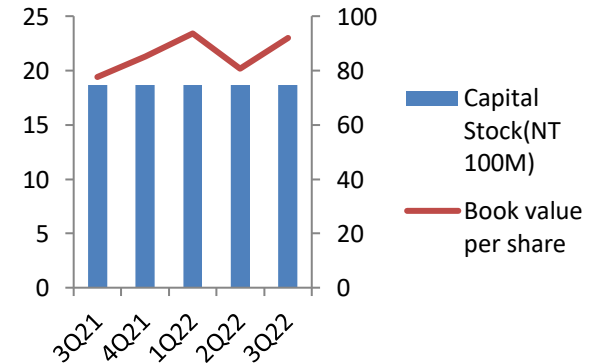
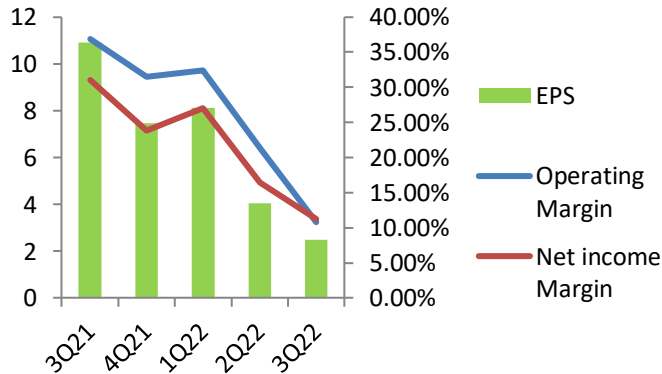
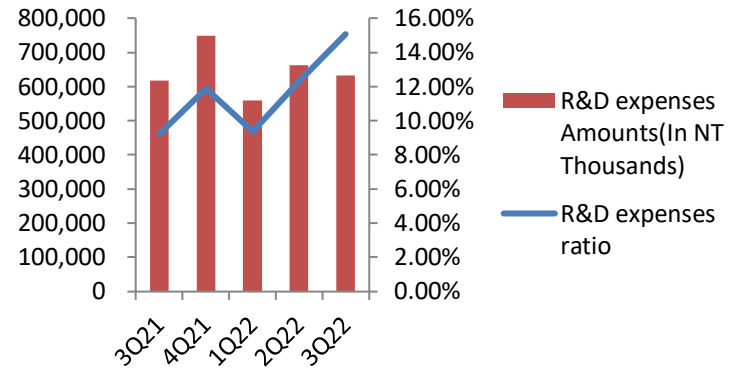
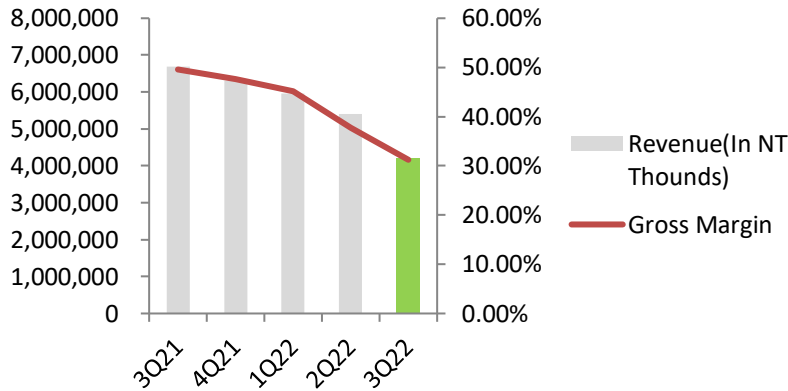
- ▶ In third quarter, EPD and ESL revenues have large decline both Q and Y, because macroeconomic and supply chain inventory issue.
- ▶ T-CON still perform strong and gain more market share.

Revenues are including parent and subsidiaries

Consolidated Financial Results in past 5 Quarters

Item/Year	3Q21	4Q21	1Q22	2Q22	3Q22
Revenue(In NT Thounds)	6,694,103	6,300,110	5,961,667	5,397,191	4,191,652
Gross Margin	49.60%	47.65%	45.19%	37.75%	31.18%
R&D expenses ratio	9.23%	11.88%	9.38%	12.29%	15.07%
R&D expenses Amounts(In NT Thousands)	617,647	748,445	558,995	663,180	631,891
Operating Margin	36.87%	31.48%	32.41%	21.41%	10.75%
Net income Margin	31.06%	23.82%	26.98%	16.48%	11.28%
EPS	10.9	7.45	8.11	4.04	2.48
Capital Stock(NT 100M)	18.65	18.65	18.65	18.65	18.65
Book value per share	77.62	85.11	93.66	80.65	92.15
Total Assets(NT Thounds)	23,584,900	24,292,542	26,757,036	25,711,550	24,803,927
Debt Ratio	32.83%	28.44%	28.49%	34.44%	15.71%

Key Indices in past 5 Quarters





9 months Ended 2022 Financial Results

9 months ended 2022 Consolidated Income Statement

ITEM	2022	2021	
(In NT Thousands)	9 months ended	9 months ended	Y/Y
Revenue	15,550,510	16,568,128	-6.14%
Gross Profit	6,038,447	7,662,081	-21.19%
Gross Margin	38.83%	46.25%	-7.41%
Selling expenses	(322,270)	(258,155)	24.84%
Administration expenses	(332,251)	(245,558)	35.30%
R&D expenses	(1,854,066)	(1,420,352)	30.54%
Operating expenses	(2,500,273)	(1,928,268)	29.66%
Operating Expense Ratio	16.08%	11.64%	4.44%
Operating income	3,538,174	5,733,813	-38.29%
Operating Margin	22.75%	34.61%	-11.85%
Net non-operating income	91,288	62,331	46.46%
Net income before income tax	3,629,462	5,796,144	-37.38%
Income tax expense	(658,684)	(907,056)	-27.38%
Net income	2,970,778	4,889,088	-39.24%
Owners of the parent	2,721,761	4,453,664	-38.89%
Net income Margin	19.10%	29.51%	-10.40%
EPS (NT Dollar)	14.62	26.38	-44.58%
ROE	16.49%	49.47%	-32.97%



Fitipower Overview

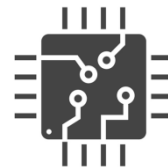
“IT'S OFFICIAL: FITIPOWER IS NOT JUST A DRIVER IC COMPANY ANYMORE”



HQ :
Hsinchu
Science Park
Taiwan
Headcount : 926

Our Core Business

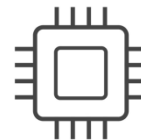
Display IC



PMIC

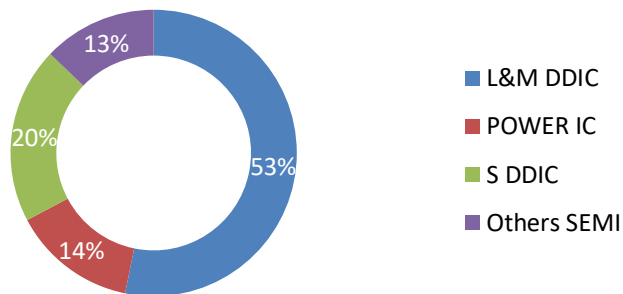


Others
SEMI

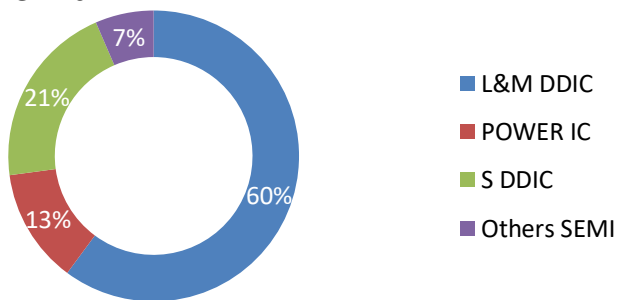


Change from Our Revenue Segment

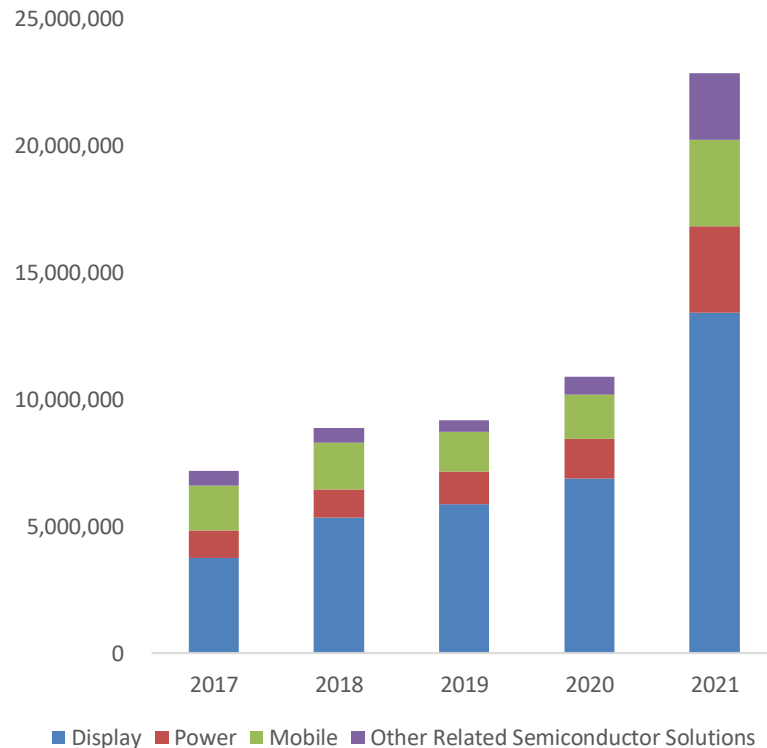
DDIC 73% **9 months ended 2022**



DDIC 81% **2018**



Business Mix (%)



COMMITMENT TO ESG

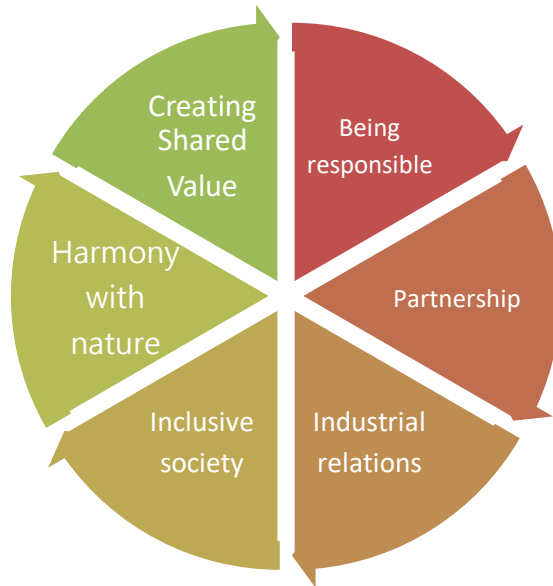
2021

2020 Corporate Governance
Evaluation
36%-50%

Set up ESG Committee

Set up FITIPOWER
Environmental sustainability
Foundation

Process ESG Policy with our
partnership



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)

Import ISO 14001 、ISO45001 、
ISO 14064 、TCFD

RECOGNITIONS

Harvard Business Review's The CEO 100

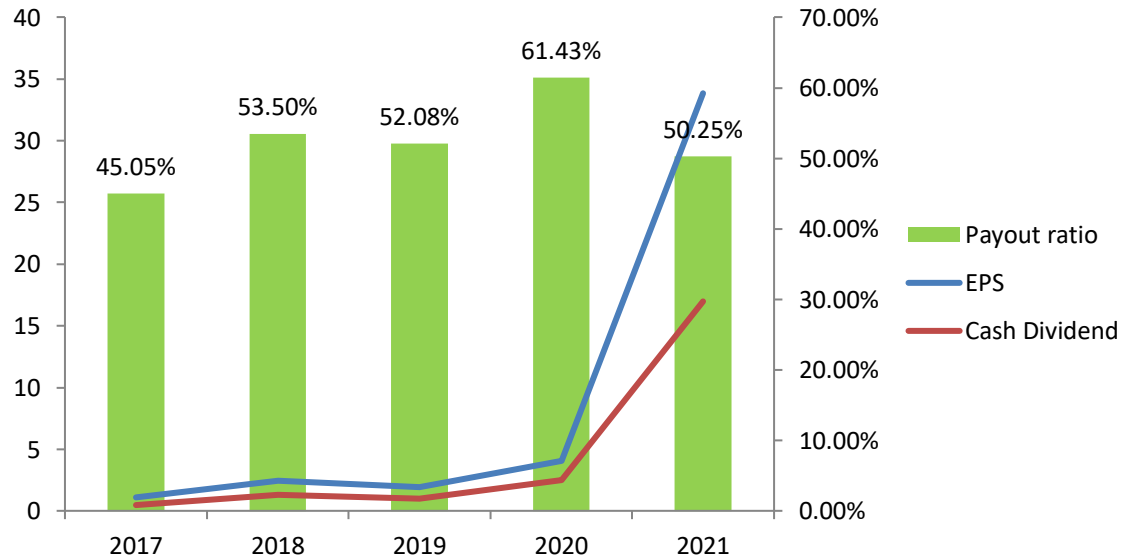


Common Wealth Magazine
Operational performance
TOP50-3rd in all Taiwan company



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%

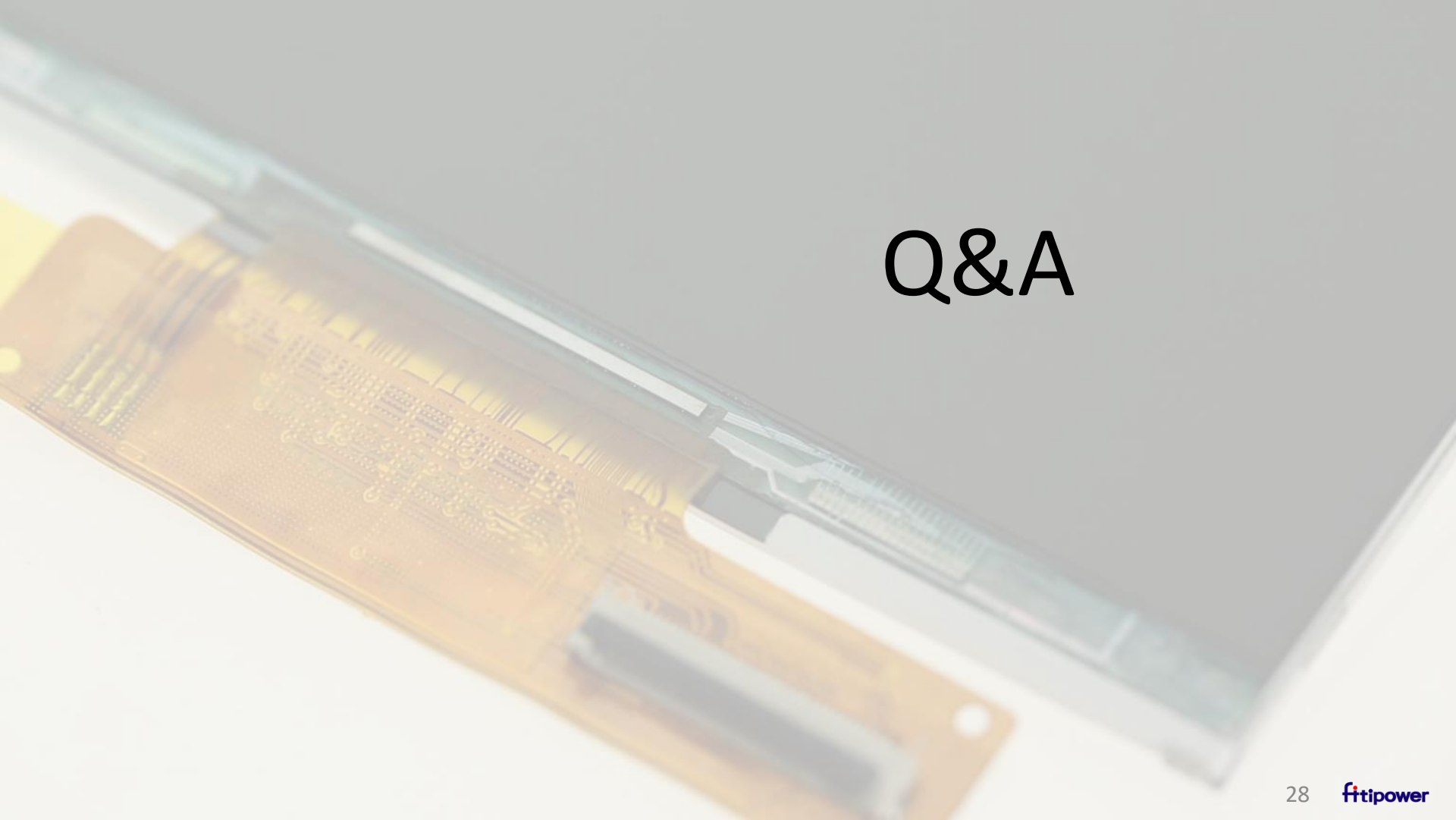




CEO Key Messages

CEO Key Messages

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



Q&A



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