AP Memory Technology Corporation
2023 Third Quarter Investor Conference

Nov 2nd, 2023

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Agenda

1. 2023.3Q Financial Highlight
2. Business Overview
3. Future Outlook
4. Q&A

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2023.3Q Financial Highlight

2023.3Q Consolidated Income Statement

(in NT$K)	3Q23		2Q23		3Q22		QoQ	YoY
Net Revenue	1,239,550	100%	1,097,224	100%	1,186,304	100%	13%	4%
Gross Margin	512,253	41%	441,897	40%	517,216	44%	16%	(1%)
Selling and marketing exp.	31,288	3%	29,590	2%	33,328	3%	6%	(6%)
General and admin. exp.	41,329	3%	43,252	4%	36,806	3%	(4%)	12%
Research and development exp.	160,229	13%	131,104	12%	120,818	10%	22%	33%
Expected credit loss (gain)	18,839	1%	31,679	3%	(280)	-	(41%)	6,828%
Operating Expenses	251,685	20%	235,625	21%	190,672	16%	7%	32%
Operating Margin	260,568	21%	206,272	19%	326,544	28%	26%	(20%)
Non-Ope. Income	388,872	31%	259,544	23%	539,506	45%	50%	(28%)
Profit before income tax	649,440	52%	465,816	42%	866,050	73%	39%	(25%)
Income tax expense (benefit)	119,844	9%	(16,988)	(2%)	168,062	14%	805%	(29%)
Net income	529,596	43%	482,804	44%	697,988	59%	10%	(24%)
Basic Earnings per share (NT$)	$3.27		$2.98		$4.32		10%	(24%)
Avg. Weighted Shares (K Shares)	161,869		161,855		161,491		0.01%	0.23%

2023.3Q Consolidated Income Statement - Pro Forma

(in NT$K)	3Q23		2Q23		3Q22		QoQ	YoY
Net Revenue	1,239,550	100%	1,097,224	100%	1,186,304	100%	13%	4%
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Expected credit loss (gain)	18,839	1%	31,679	3%	(280)	-	(41%)	6,828%
Operating Expenses	251,685	20%	235,625	21%	190,672	16%	7%	32%
Operating Margin	260,568	21%	206,272	19%	326,544	28%	26%	(20%)
Non-Ope. Income *	180,554	15%	131,962	12%	158,890	13%	37%	14%
Profit before income tax *	441,122	36%	338,234	31%	485,434	41%	30%	(9%)
Income tax expense (benefit) *	78,180	7%	(42,504)	(4%)	91,939	8%	284%	(15%)
Net income *	362,942	29%	380,738	35%	393,495	33%	(5%)	(8%)
Basic Earnings per share (NT$) *	$2.24		$2.35		$2.44		(5%)	(8%)
Avg. Weighted Shares (K Shares)	161,869		161,855		161,491		0.01%	0.23%

*Exclude FX impact from the unused GDR proceeds.

2023.09.30 Consolidated Balance Sheet

	2023.09.30		2023.06.30		2022.09.30	
(in NT$K)	AMT	%	AMT	%	AMT	%
Total Assets	**11,741,570**	**100%**	**12,110,218**	**100%**	**11,734,077**	**100%**
Cash and Cash Equiv.	8,744,481	75%	8,722,301	72%	7,694,958	66%
Account Receivables	755,236	6%	657,960	5%	988,992	8%
Inventories	903,236	8%	1,188,197	10%	1,670,161	14%
Other Assets	1,338,617	11%	1,541,760	13%	1,379,966	12%
Total Liabilities	**808,114**	**7%**	**1,722,091**	**14%**	**840,870**	**7%**
Contract liabilities	13,695	0%	14,597	0%	113,255	1%
Accounts payable	218,635	2%	175,644	1%	123,779	1%
Current Tax Liabilities	255,716	2%	133,399	1%	289,694	2%
Dividend Payable	-	-	1,132,442	9%	-	-
Other Liabilities	320,068	3%	266,009	3%	314,142	3%
Shareholders' Equity	**10,933,456**	**93%**	**10,388,127**	**86%**	**10,893,207**	**93%**
Net Worth Per Share (NT$)	**67.54**		**64.18**		**67.45**	

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Business Overview

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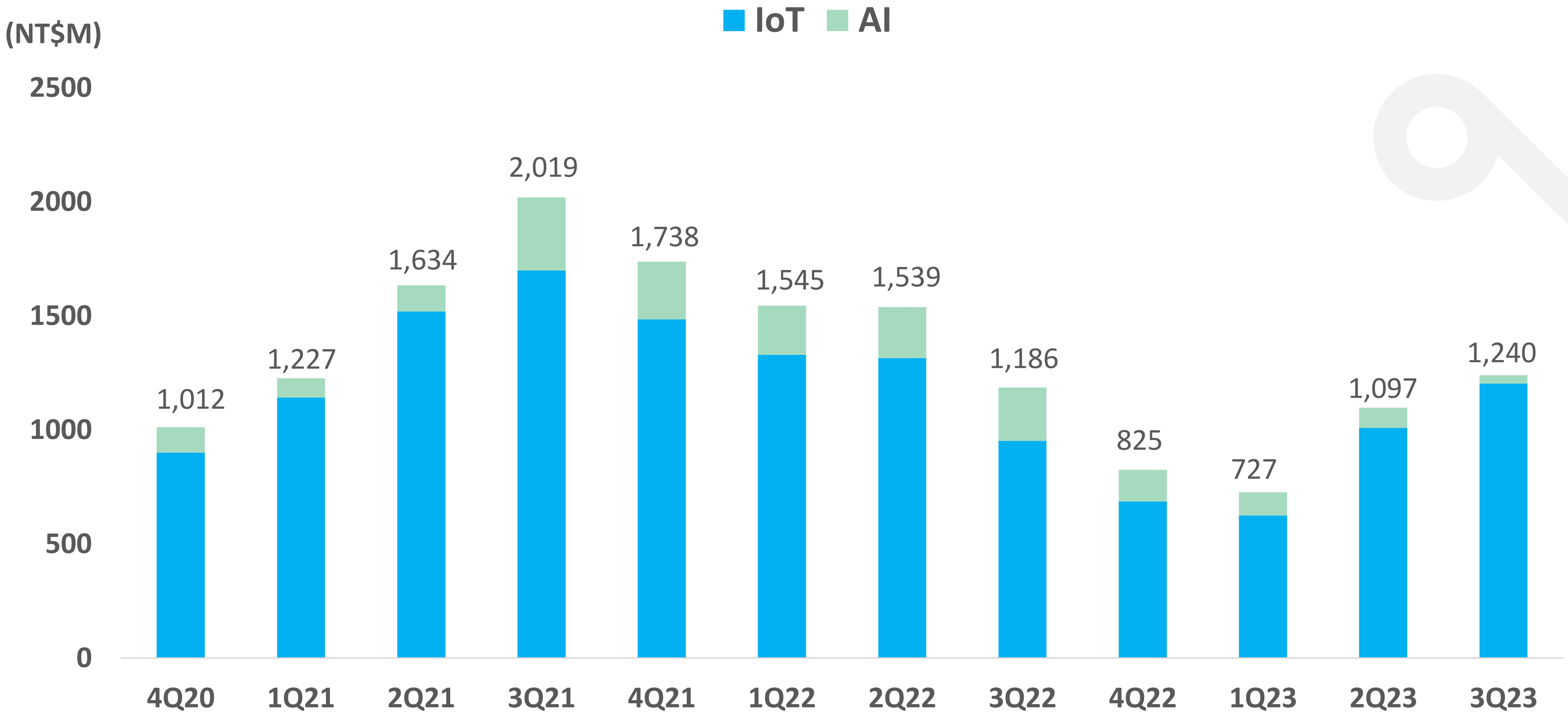
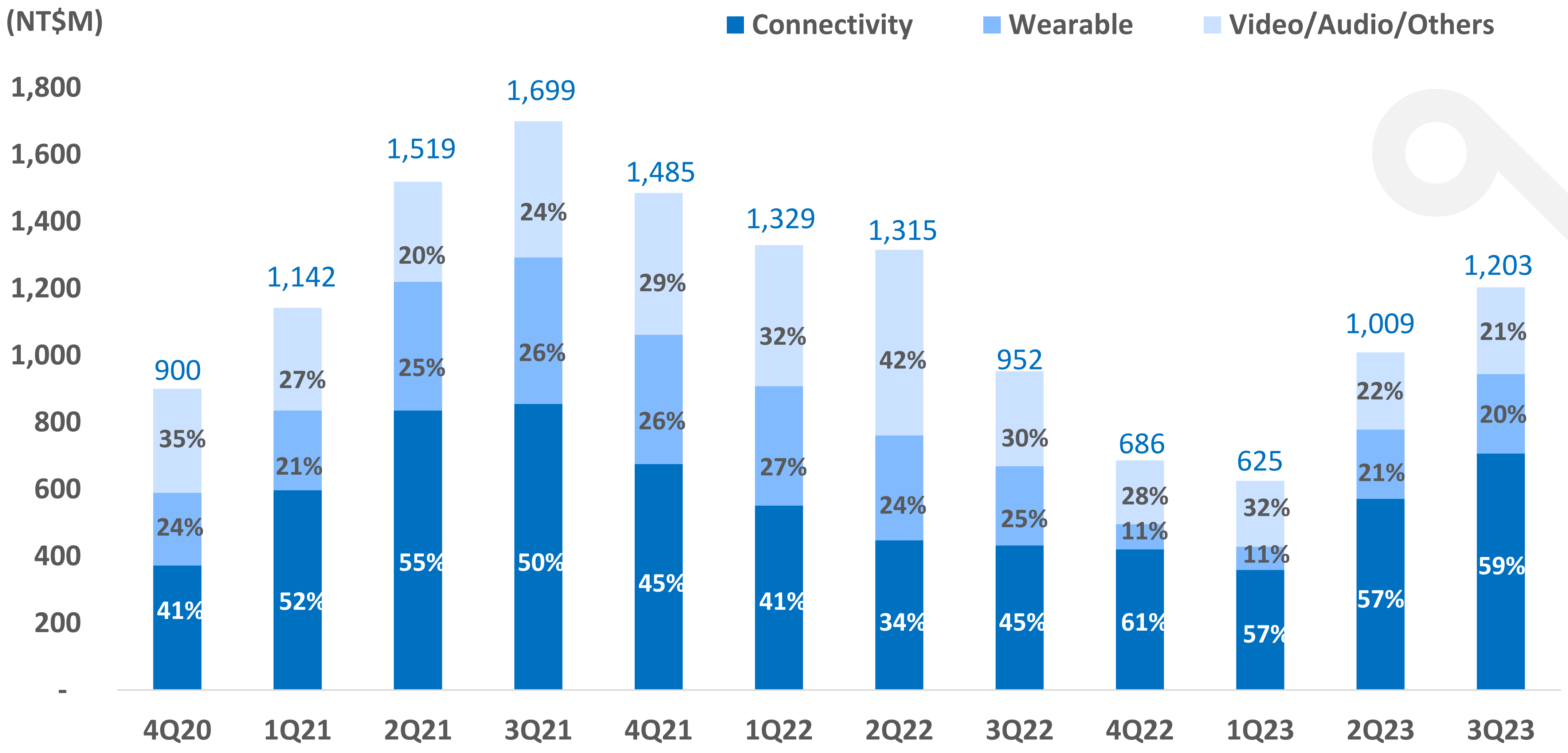
Quarterly Revenue Trend



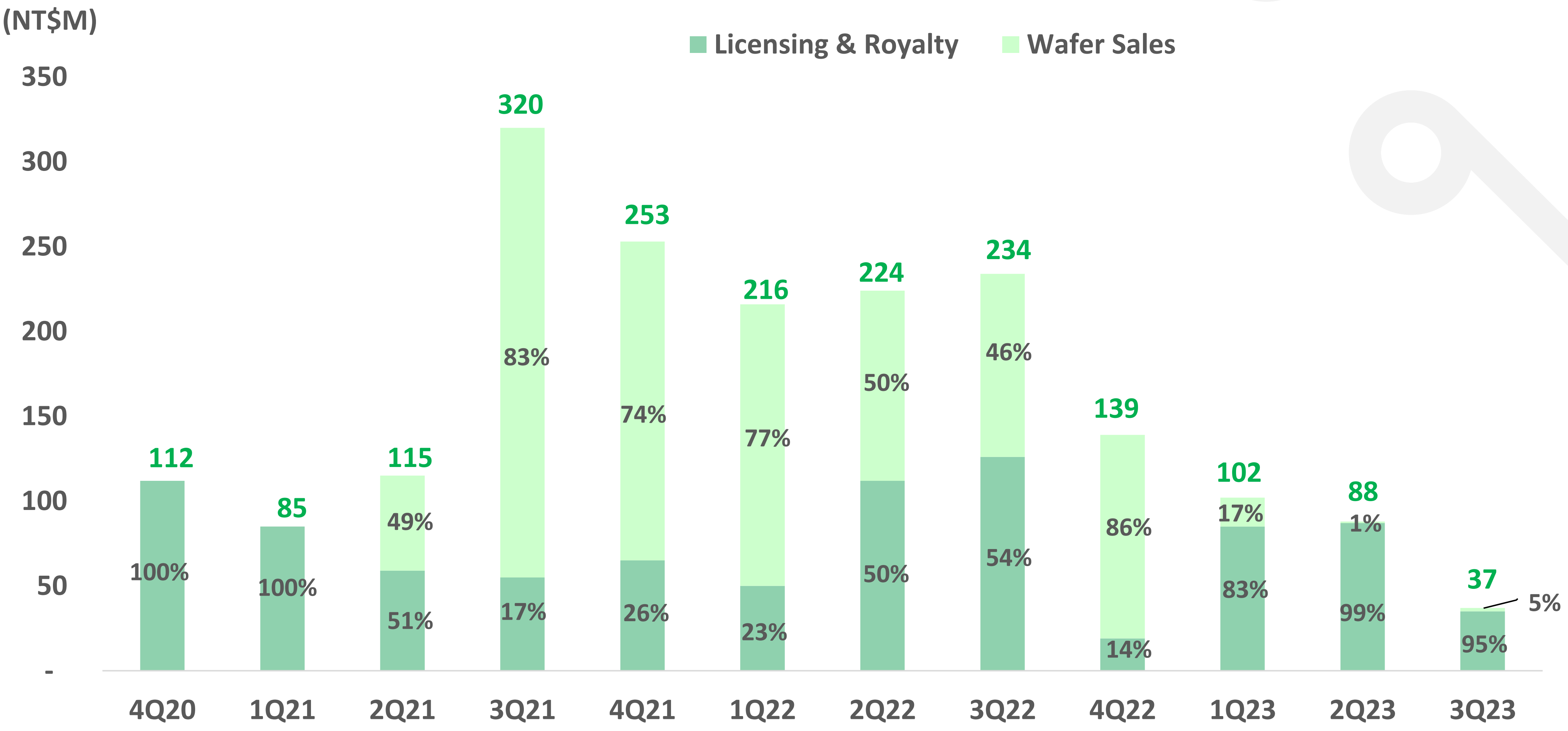
Note: Segment breakdown has been disclosed since 2021.

IoT BU Revenue by category



Note: Segment breakdown has been disclosed since 2021.

AI BU Revenue by category



Note: Segment breakdown has been disclosed since 2021.

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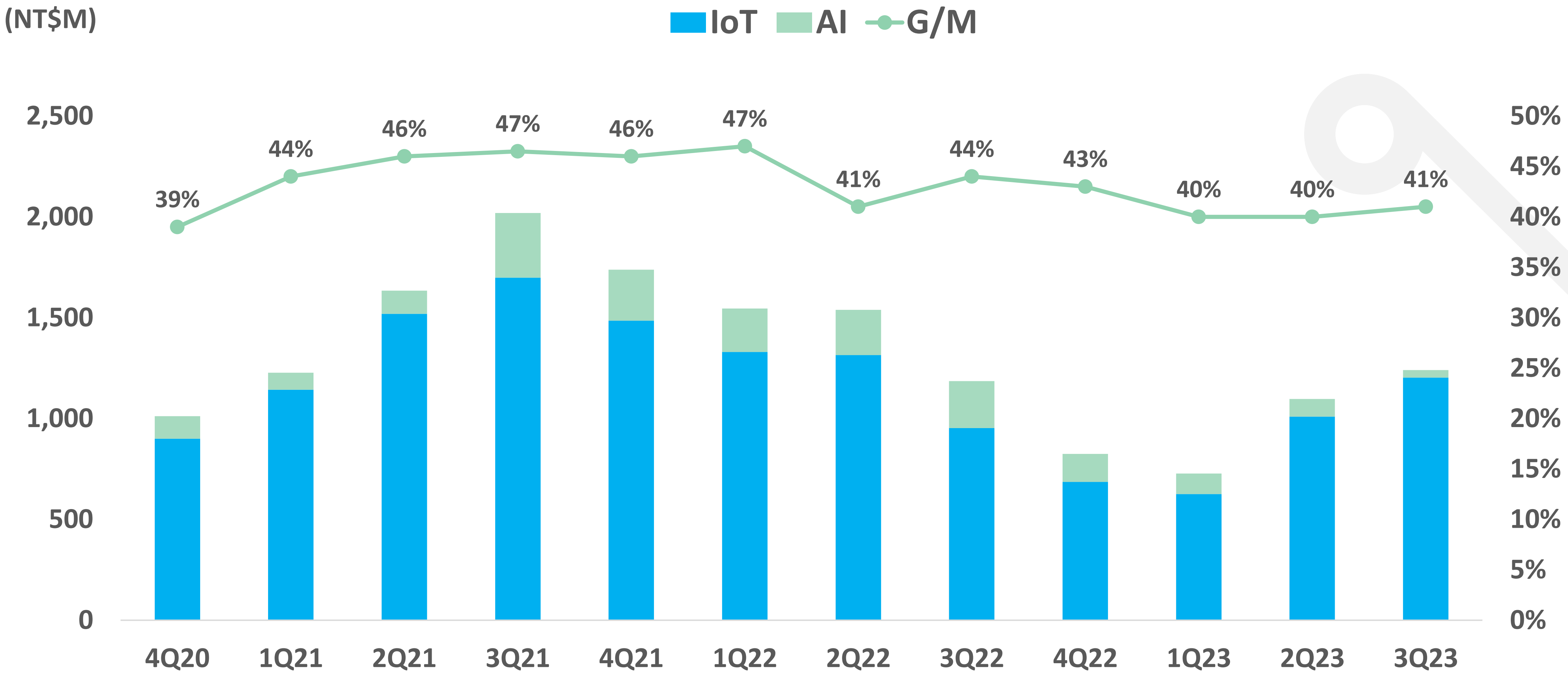
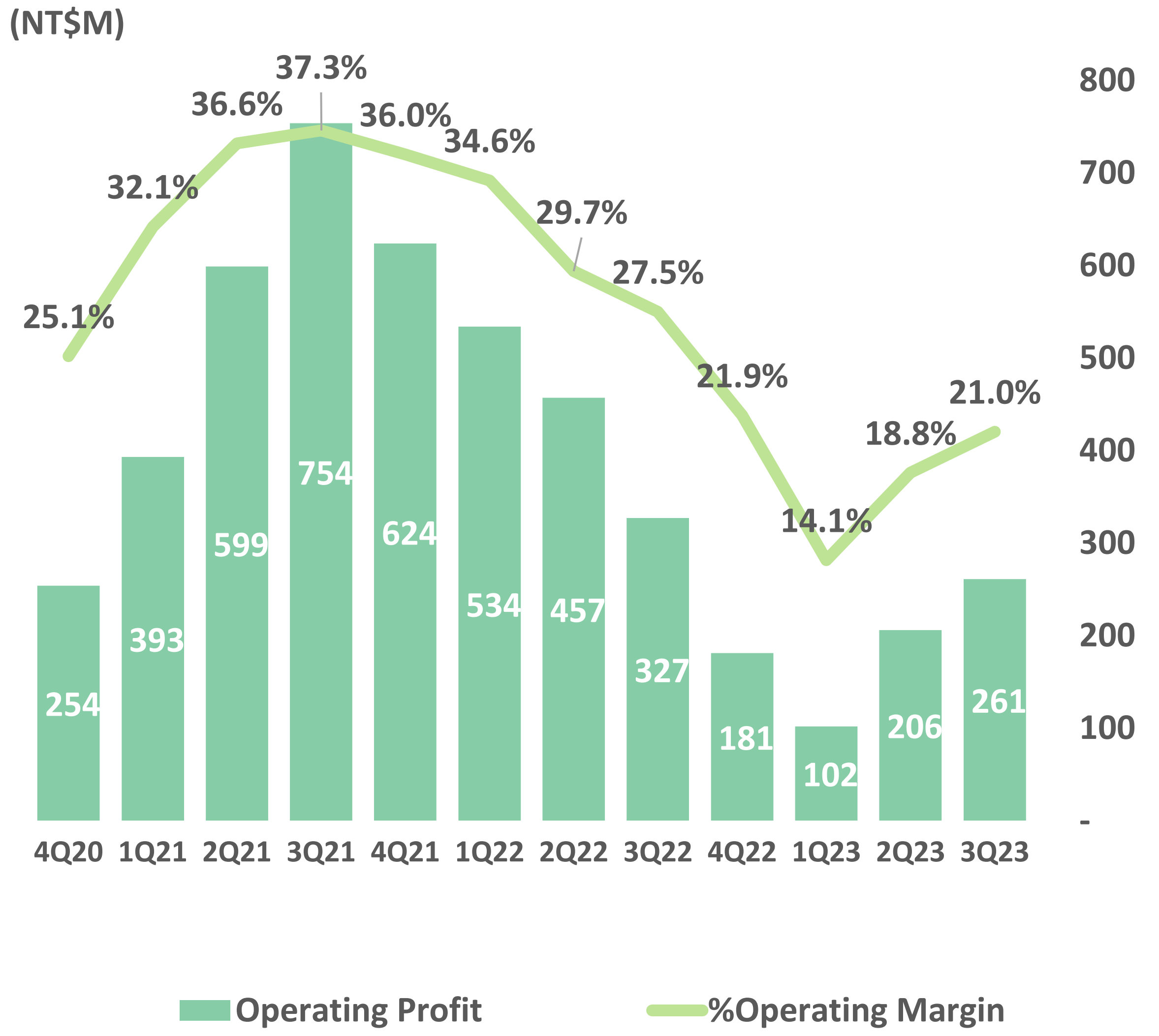
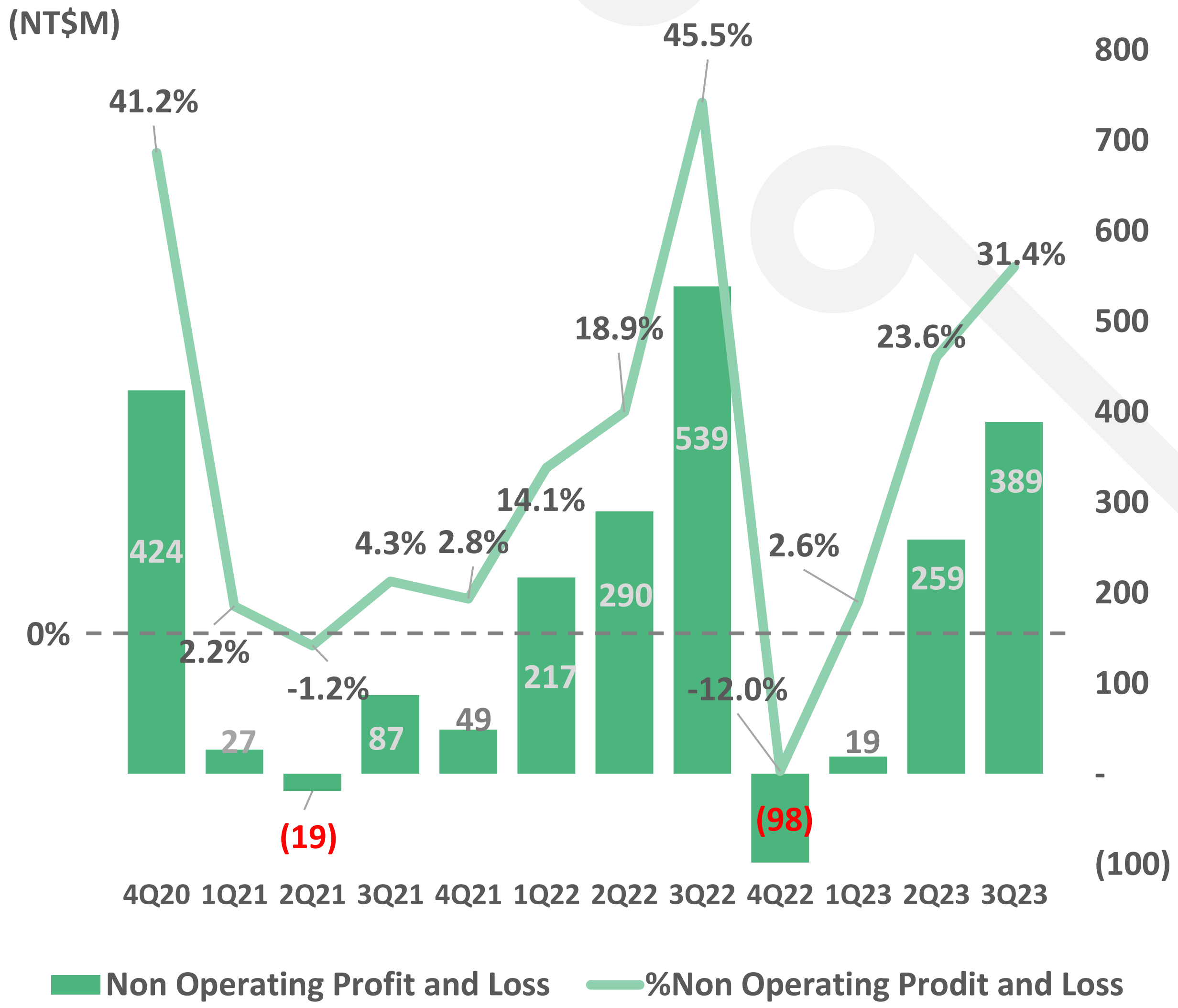
Future Outlook

Revenue & Gross Margin %



Operating & Non-Operating Profit





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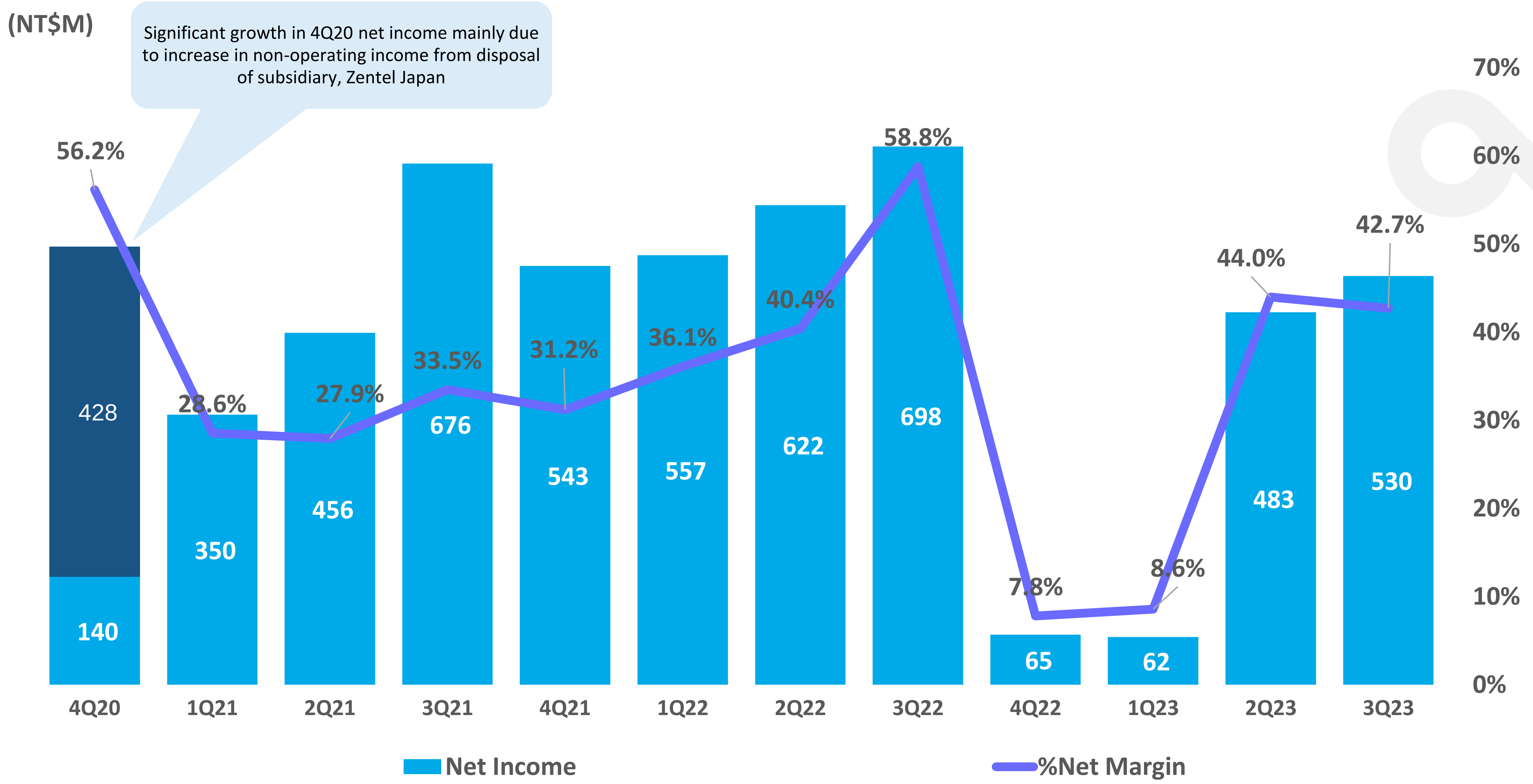
Net Income



Significant growth in 4Q20 net income mainly due to increase in non-operating income from disposal of subsidiary, Zentel Japan

Future Outlook

Mid-Term

- IoTRAM™ seasonality in Q4
- IPD gaining momentum in Adv Pkg & enabled interposer for 2.5D market
- Focusing on POC execution and LLM design-in

Long-Term

- New generation of IoTRAM™ to enable new applications
- More mainstream adoption in AI over time

Note: IPD, Integrated Passive Devices; POC, Project of Concept; LLM, Large Language Model

Q&A

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