



AP Memory Technology Corporation 2024 2nd Q Investor Conference

Aug 6th, 2024

Disclaimer

The forward-looking statements contained in the presentation are subject to risks and uncertainties and actual results may differ materially from those expressed or implied in these forward-looking statements.

AP Memory makes no representation or warranty as to the accuracy or completeness of these forward-looking statements and nor does AP Memory undertake any obligation to update any forward-looking statements, whether as a result of new information or future events.

Company Profile



[A fabless company focused on customized memory and IP]

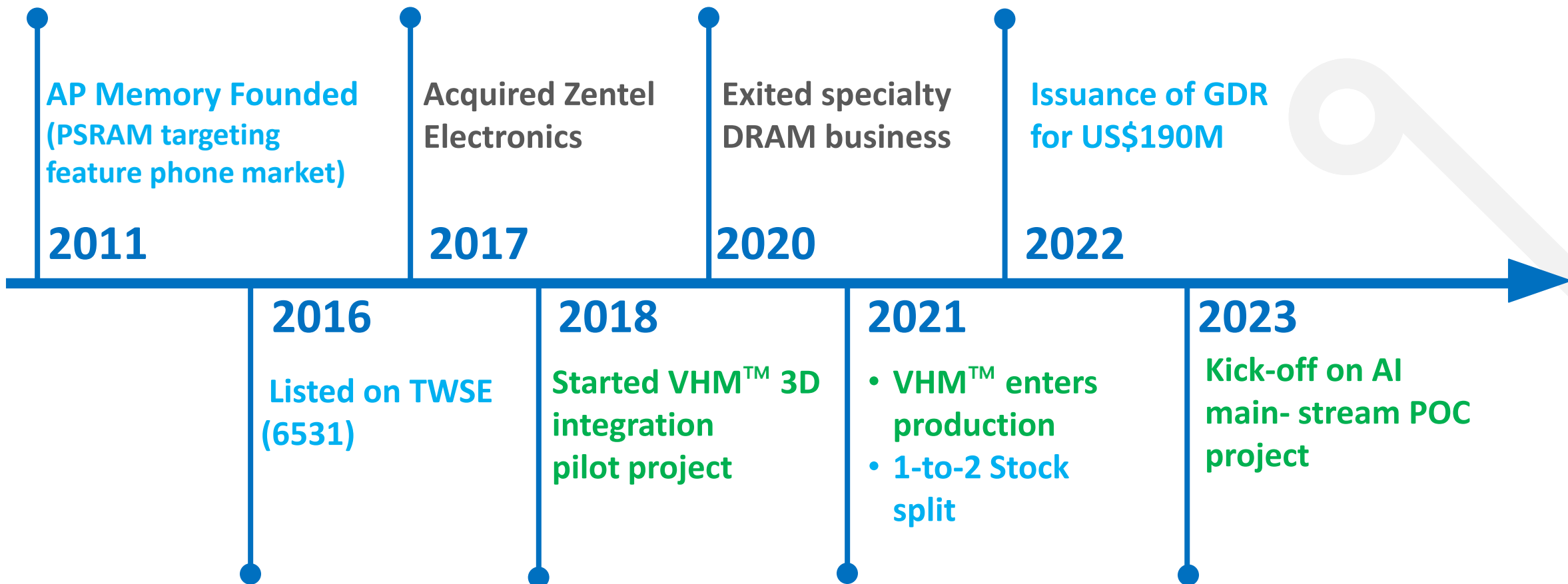
[Headquartered in Hsinchu, Taiwan]

[R&D centers in US, Taiwan, and China. Sales worldwide]

[Headcount: 218 (as of 2024 June)]

[Shares Outstanding: 162M]

Milestones



Agenda

1 2024 2nd Q Financial Highlight

2 Business Review

3 Future Outlook

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01

2024 2nd Q Financial Highlight

2024 2nd Q Consolidated Income Statement

(in NT\$K)

	2Q24		1Q24		2Q23		QoQ	YoY
Net Revenue	944,844	100%	747,858	100%	1,097,224	100%	26%	(14%)
Gross Margin	485,261	51%	344,526	46%	441,897	40%	41%	10%
Selling and marketing exp.	24,337	2%	34,245	5%	29,590	2%	(29%)	(18%)
General and admin. exp.	44,243	5%	46,115	6%	43,252	4%	(4%)	2%
Research and development exp.	188,379	20%	158,144	21%	131,104	12%	19%	44%
Expected credit loss	134	-	389	-	31,679	3%	(66%)	(100%)
Operating Expenses	257,093	27%	238,893	32%	235,625	21%	8%	9%
Operating Margin	228,168	24%	105,633	14%	206,272	19%	116%	11%
Non-Ope. Income	213,843	23%	363,834	49%	259,544	23%	(41%)	(18%)
Profit before income tax	442,011	47%	469,467	63%	465,816	42%	(6%)	(5%)
Income tax expense (benefit)	71,615	8%	101,012	14%	(16,988)	(2%)	(29%)	522%
Net income	370,396	39%	368,455	49%	482,804	44%	1%	(23%)
Basic Earnings per share (NT\$)	\$2.28		\$2.27		\$2.98		-	(23%)
Avg. Weighted Shares (K Shares)	162,200		162,143		161,855		0.04%	0.21%

2024 2nd Q Consolidated Income Statement - Pro Forma

(in NT\$K)

	2Q24		1Q24		2Q23		QoQ	YoY
Net Revenue	944,844	100%	747,858	100%	1,097,224	100%	26%	(14%)
Gross Margin	485,261	51%	344,526	46%	441,897	40%	41%	10%
Selling and marketing exp.	24,337	2%	34,245	5%	29,590	2%	(29%)	(18%)
General and admin. exp.	44,243	5%	46,115	6%	43,252	4%	(4%)	2%
Research and development exp.	188,379	20%	158,144	21%	131,104	12%	19%	44%
Expected credit loss	134	-	389	-	31,679	3%	(66%)	(100%)
Operating Expenses	257,093	27%	238,893	32%	235,625	21%	8%	9%
Operating Margin	228,168	24%	105,633	14%	206,272	19%	116%	11%
Non-Ope. Income *	131,627	14%	126,523	17%	131,962	12%	4%	-
Profit before income tax *	359,795	38%	232,156	31%	338,234	31%	55%	6%
Income tax expense (benefit) *	55,172	6%	53,550	7%	(42,504)	(4%)	3%	230%
Net income *	304,623	32%	178,606	24%	380,738	35%	71%	(20%)
Basic Earnings per share (NT\$) *	\$1.88		\$1.10		\$2.35		70%	(20%)
Avg. Weighted Shares (K Shares)	162,200		162,143		161,855		0.04%	0.21%

*Exclude FX impact from the unused GDR proceeds.

2024.06.30 Consolidated Balance Sheet

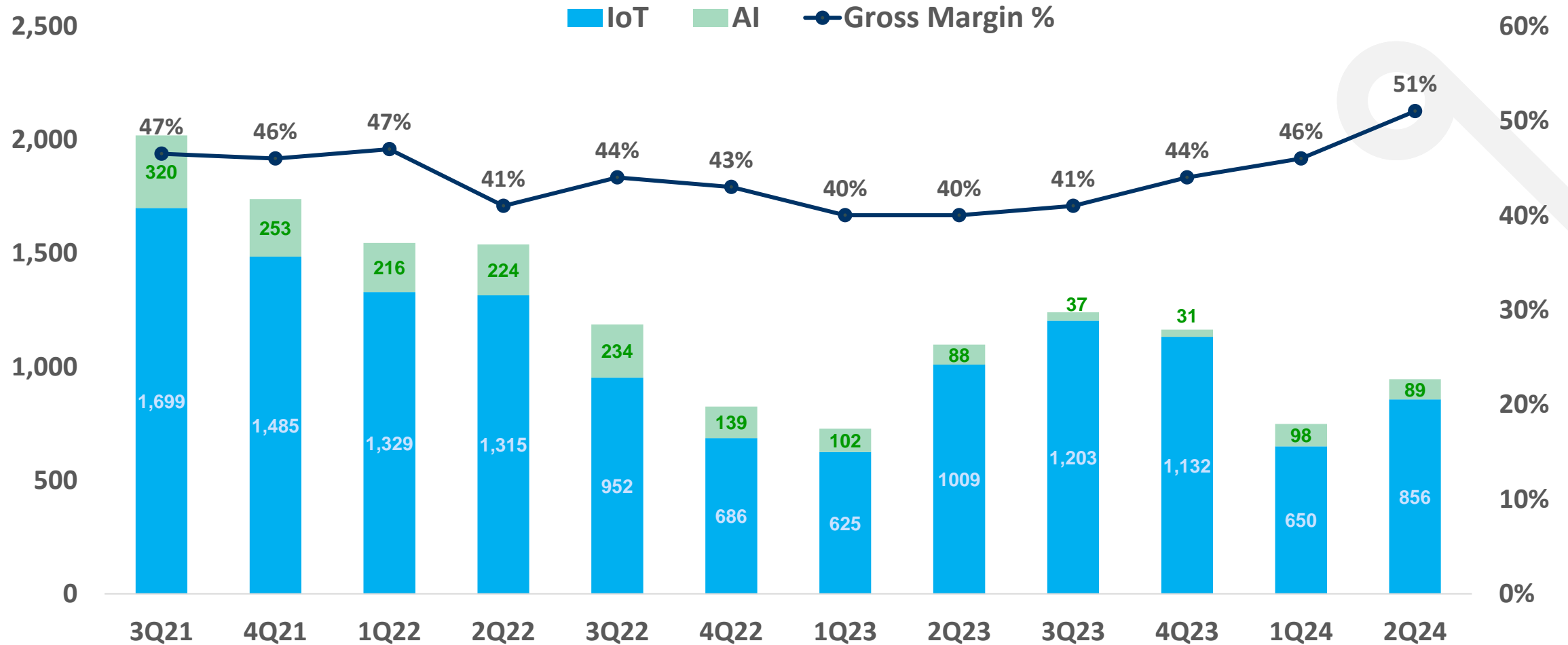
(in NT\$K)	2024.06.30		2024.03.31		2023.06.30	
	AMT	%	AMT	%	AMT	%
Total Assets	13,244,007	100%	12,808,071	100%	12,110,218	100%
Cash and Cash Equiv.	4,448,677	34%	4,150,221	32%	8,722,301	72%
Financial assets at amortized cost	5,091,269	38%	5,196,019	41%	9,446	0%
Account Receivables	551,708	4%	373,940	3%	657,960	5%
Inventories	941,089	7%	912,037	7%	1,188,197	10%
Financial assets at FVTPL	380,186	3%	380,255	3%	492,318	4%
Equity Method Investments	854,599	6%	849,845	7%	105,947	1%
Other Assets	976,479	8%	945,754	7%	934,049	8%
Total Liabilities	2,215,563	17%	2,182,224	17%	1,722,091	14%
Short-term borrowings	13,335	0%	100,000	1%	-	-
Contract liabilities	415,380	3%	75,506	0%	14,597	0%
Accounts payable	199,445	2%	252,624	2%	175,644	1%
Current Tax Liabilities	177,408	1%	339,717	3%	133,399	1%
Dividend Payable	1,135,085	9%	1,135,107	9%	1,132,442	9%
Other Liabilities	274,910	2%	279,270	2%	266,009	3%
Shareholders' Equity	11,028,444	83%	10,625,847	83%	10,388,127	86%
Net Worth Per Share (NT\$)	67.99		65.51		64.18	

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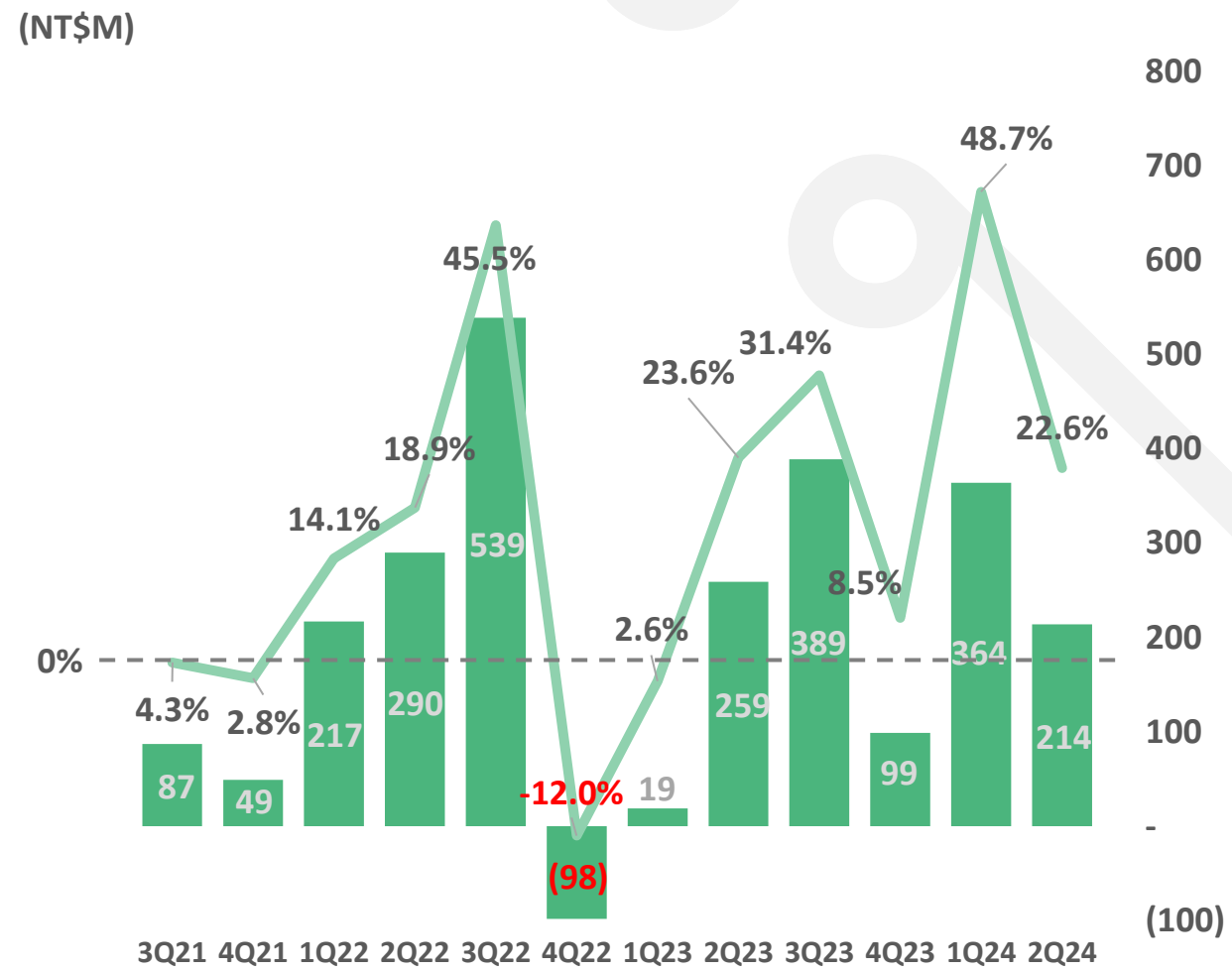
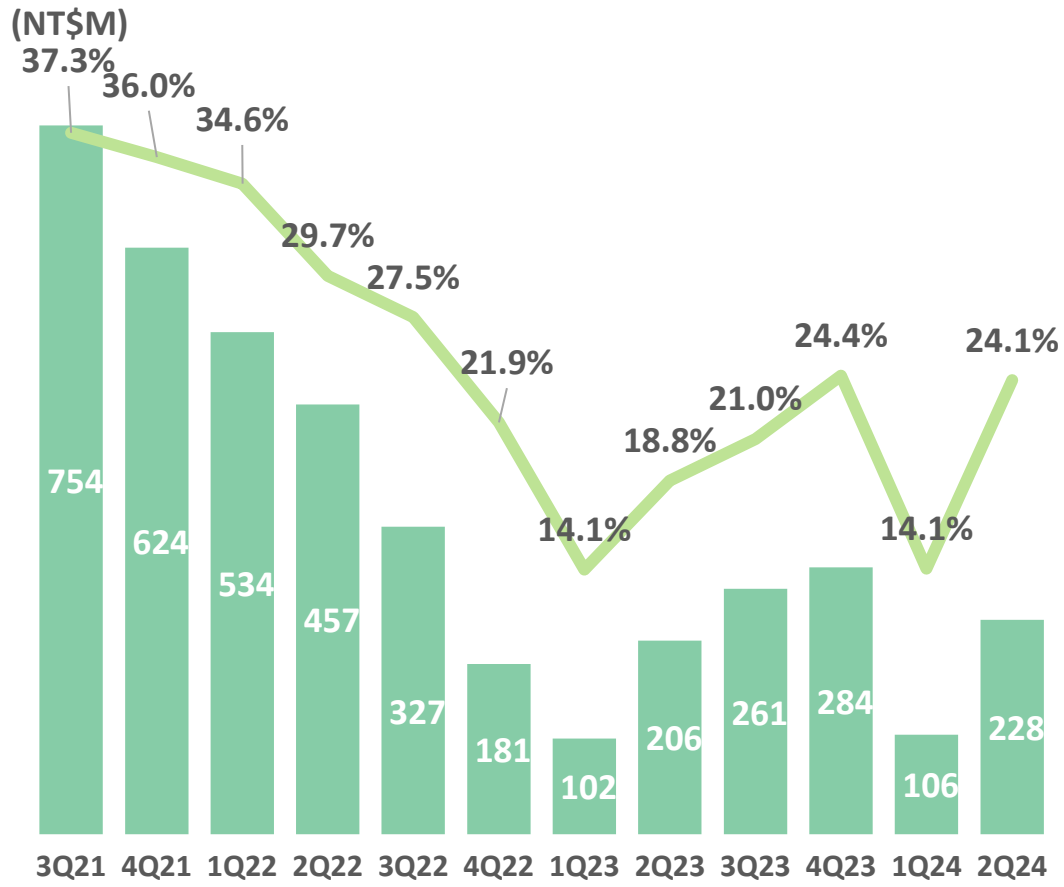
Business Review

Quarterly Revenue & Gross Margin %

(NT\$M)



Operating & Non-Operating Profit



Operating Profit

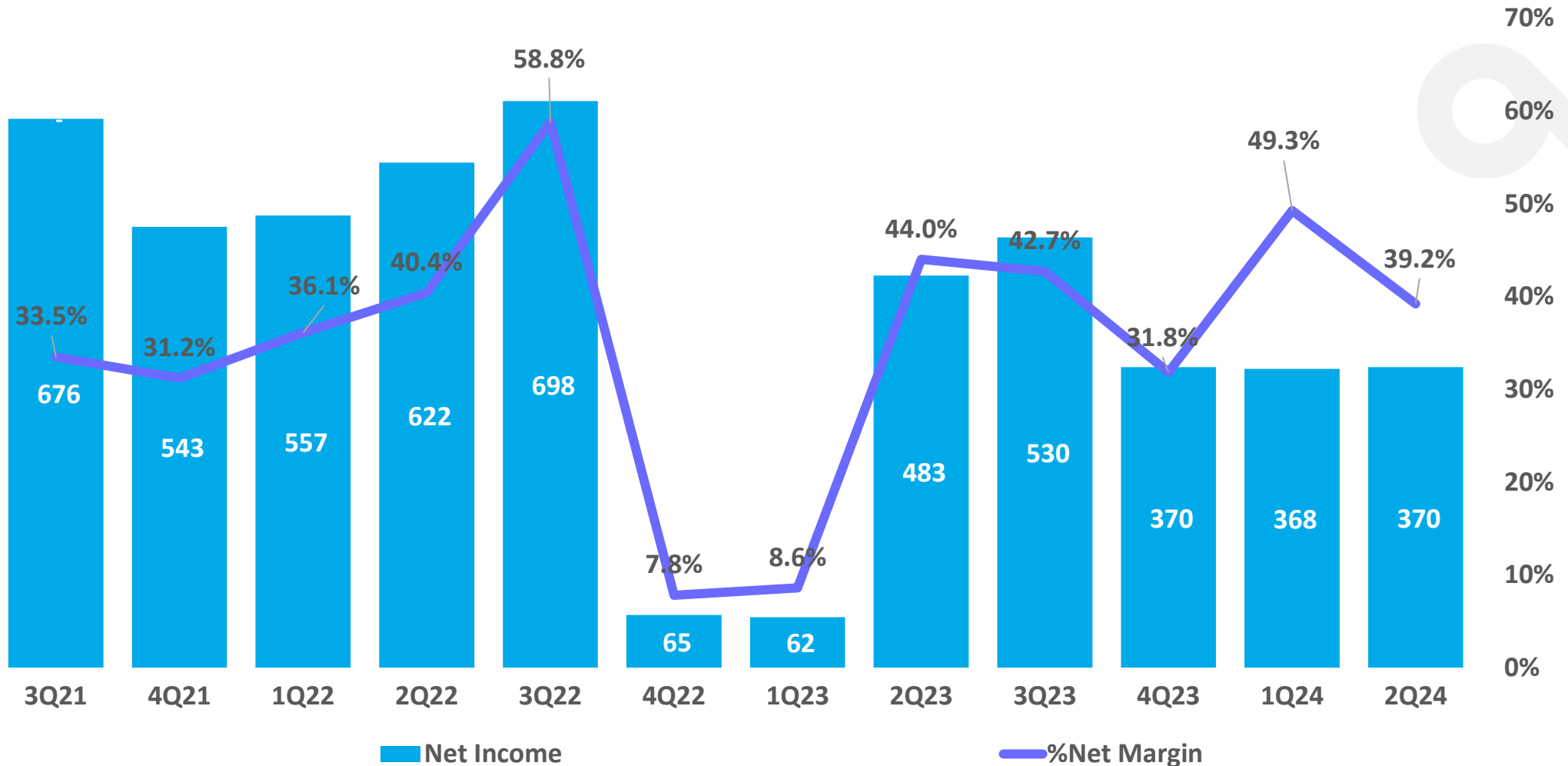
% Operating Margin

Non Operating Profit and Loss

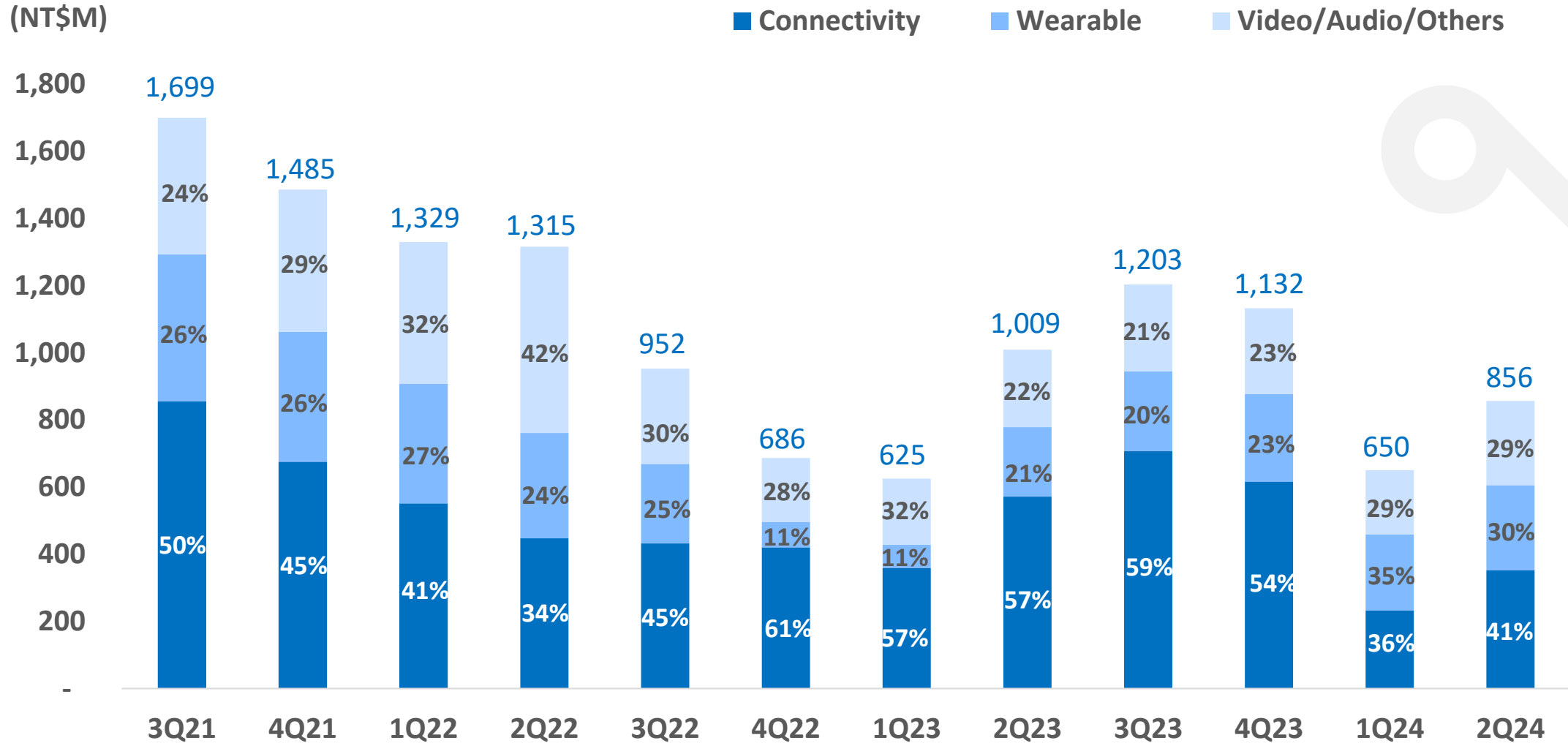
% Non Operating Profit and Loss

Net Income

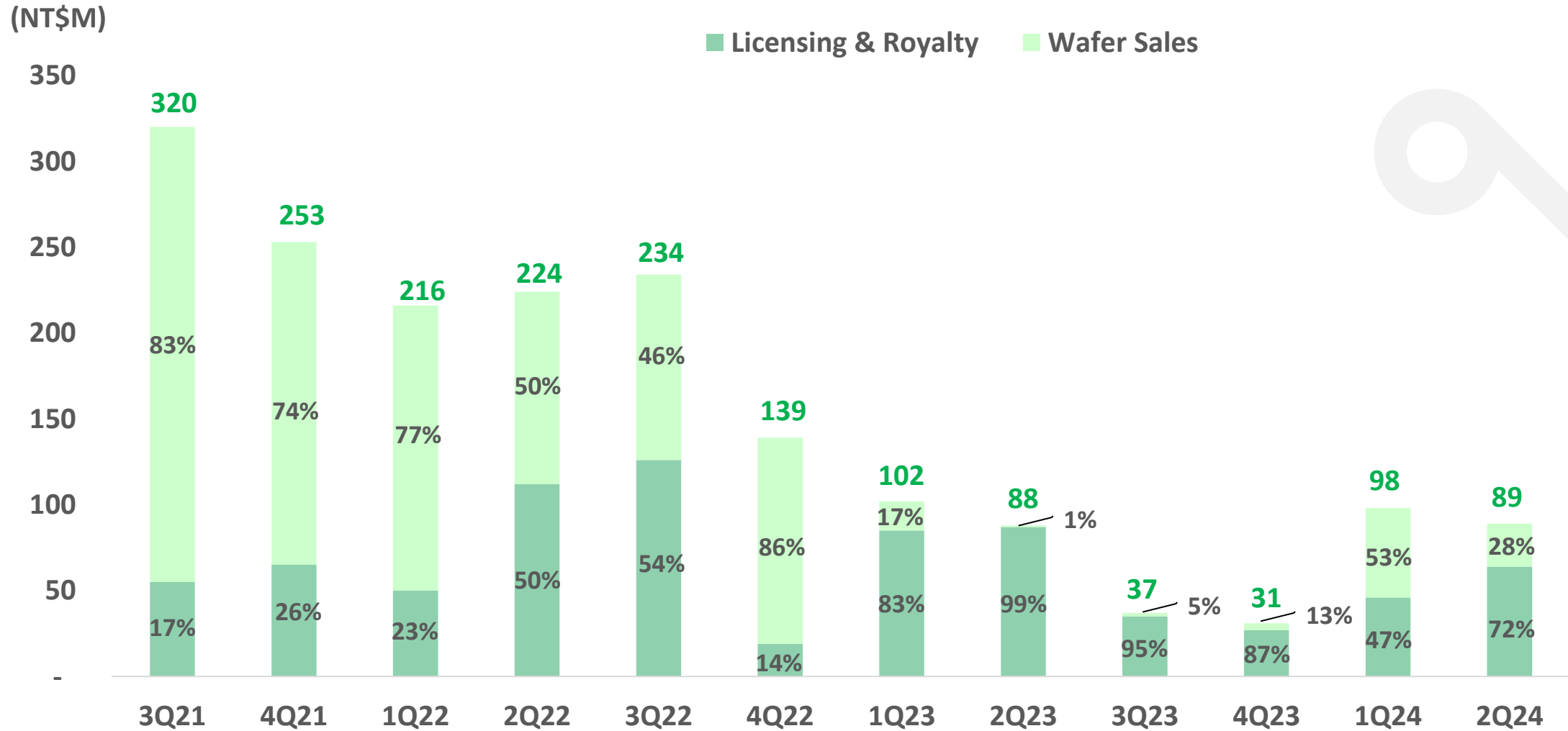
(NT\$M)



IoT BU Revenue by category



AI BU Revenue by category

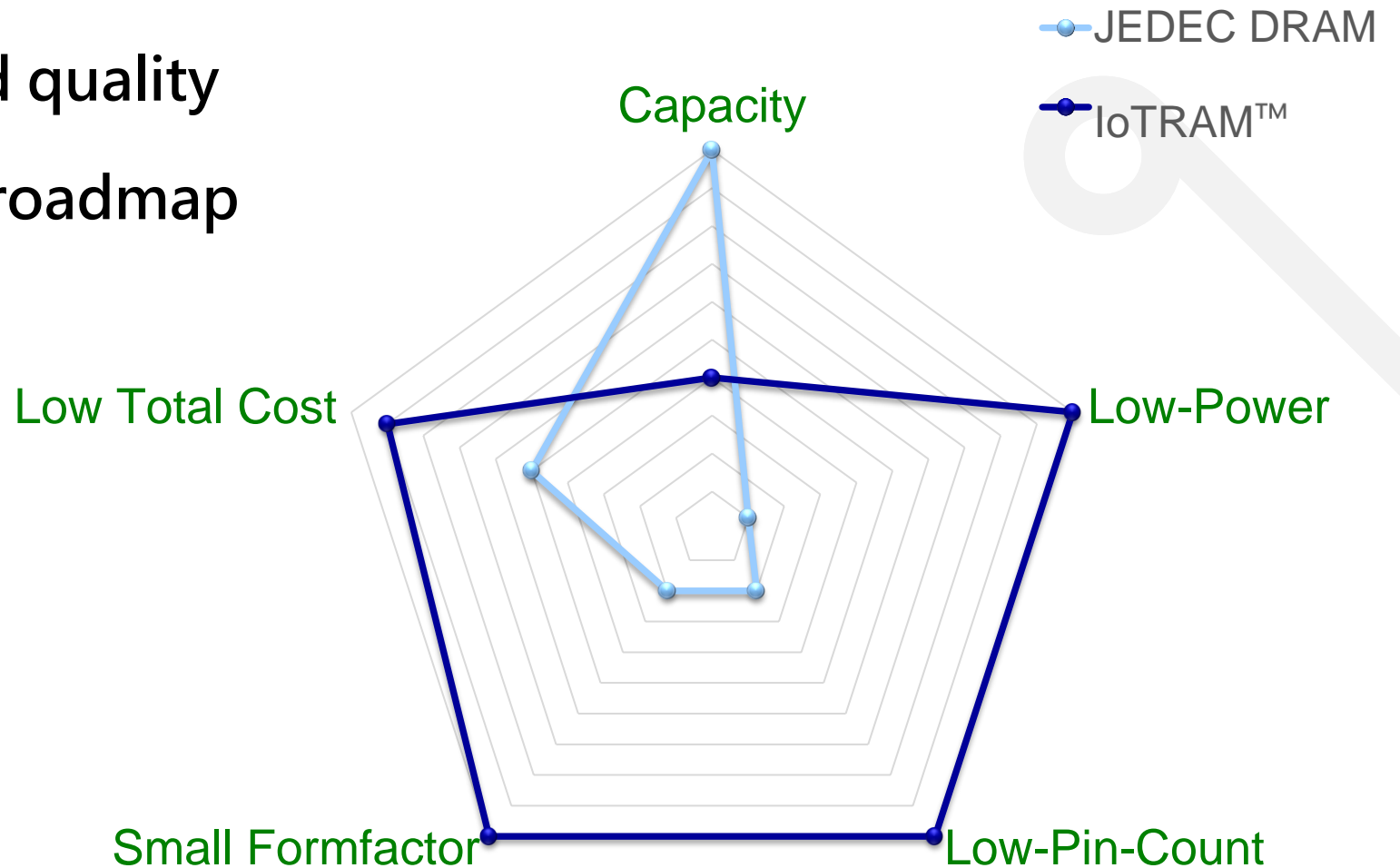


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Future Outlook

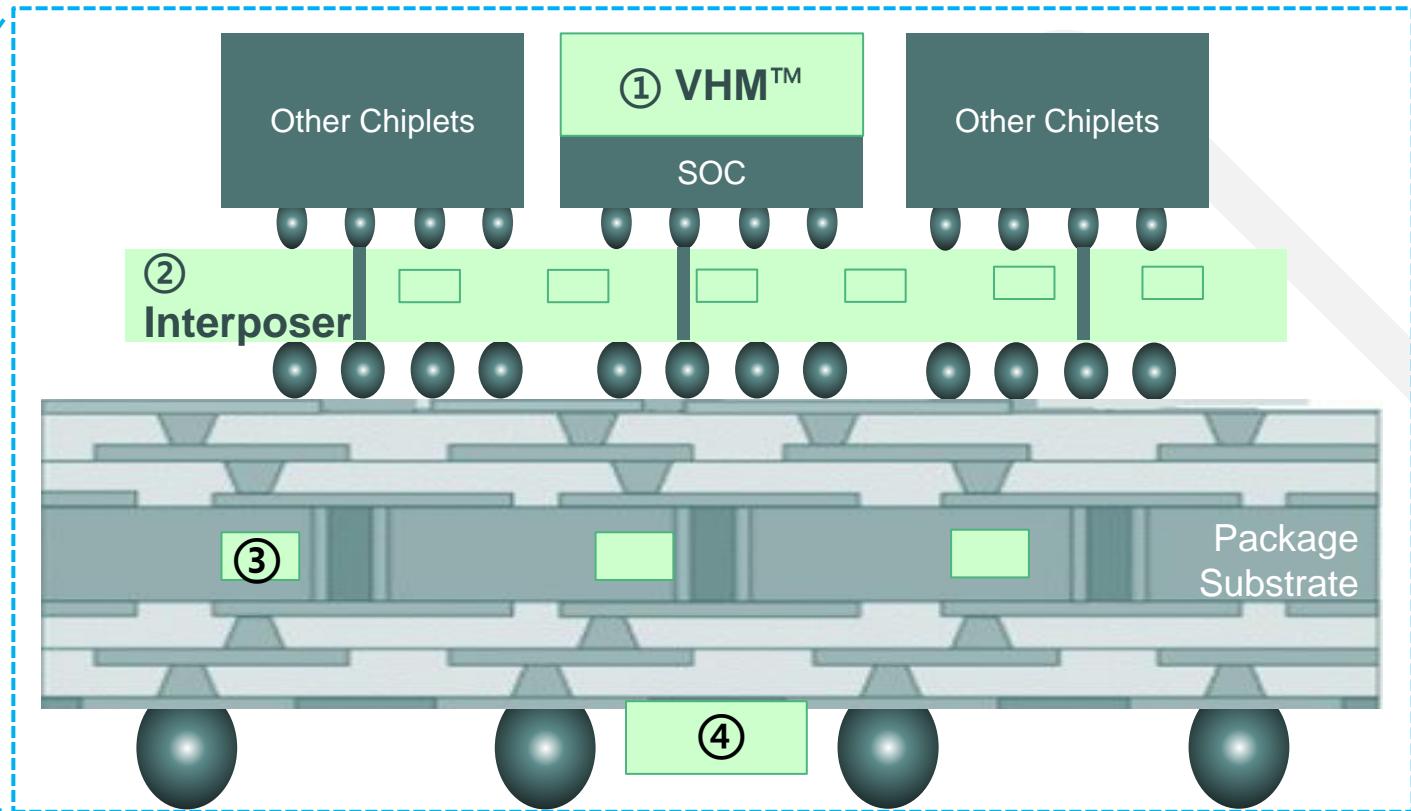
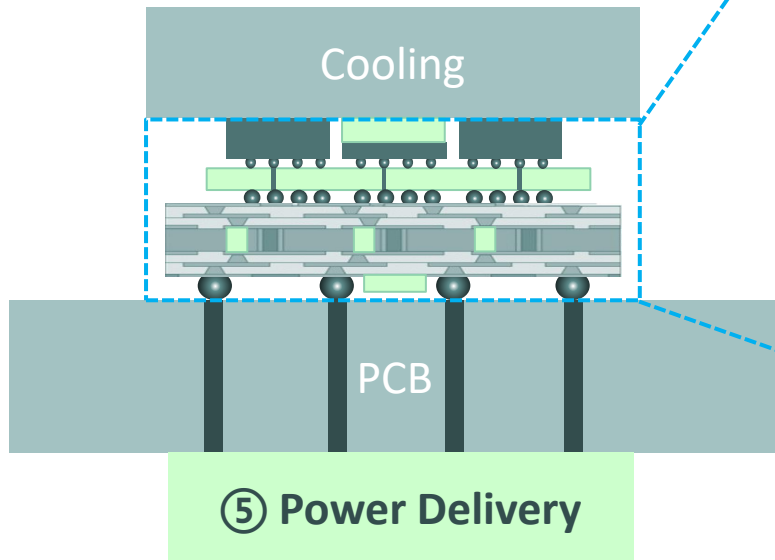
Market Positioning of IoTRAM™

- Service: find the best solutions for customers
- Dependability: supply and quality
- Commitment: long-term roadmap



Positioning of AP Memory Solutions in AI/HPC

- ① VHM™ stacked with Compute
- ② Interposer with *S-SiCap™
- ③ S-SiCap™ embedded in Package Substrate
- ④ S-SiCap™ on landside
- ⑤ Power delivery solutions (future)

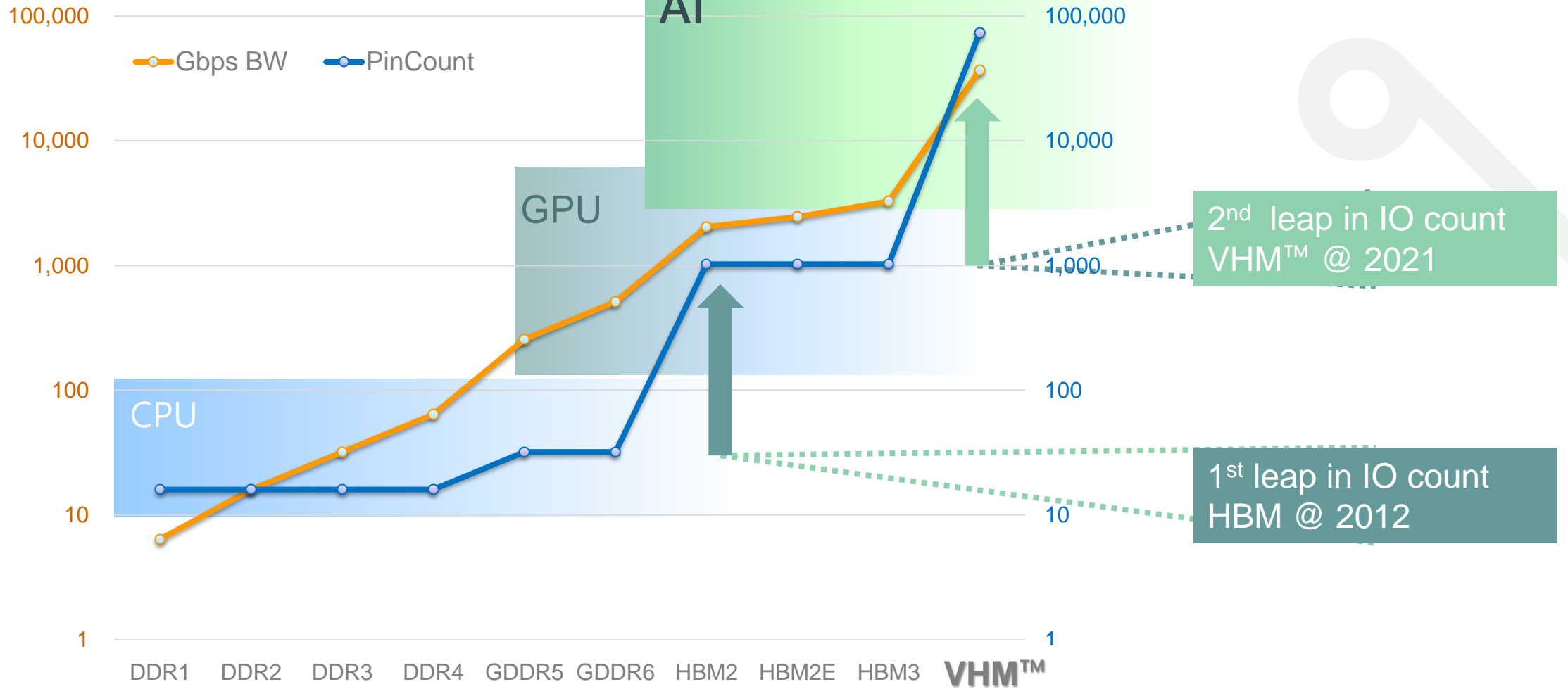


Note: **VHM™** - Very High-bandwidth Memory
S-SiCap™ - Stack Silicon Capacitor, AP Memory's SiCap technology which uses a stack capacitor

DRAM Bandwidth for AI Age

Bandwidth Gb/s

IO Pin Count



Summary & Future Outlook

- **VHM™:**
LLM inference design-in activities ramping up. Crypto MP continues.
- **IoTRAM™:**
New low-power interface has multiple design-ins.
- **S-SiCap™ Interposer:**
More design-in done & ongoing, MP in late 2024 or early 2025.
- **S-SiCap™ Embedded in Package Substrate:**
In partnership with substrate vendors, MP in 1-2 years.

Note: **VHM™** - Very High-bandwidth Memory

S-SiCap™ - Stack Silicon Capacitor, AP Memory's SiCap technology which uses a stack capacitor

Q&A

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