

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

AP Memory Founded (PSRAM targeting feature phone market)

2011

Acquired Zentel Electronics

2017

Exited specialty DRAM business

2020

Issuance of GDR for US\$190M

2022

2016

Listed on TWSE (6531)

2018

Started VHM[™] 3D integration pilot project

2021

- VHM[™] enters production
- 1-to-2 Stock split

2023

Kick-off on AI main- stream POC project

Agenda





2 Business Review

3 Future Outlook

4 Q&A

01 2024 2nd Q Financial Highlight



2024 2nd Q Consolidated Income Statement

| | _ | | · - - | | | | | | | | |
|---------------------------------|------|---------|--------------|---------|------|-----------|-------|---|-------|---|-------|
| (in NT\$K) | اً ا | 2Q24 | 1 | 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

| | · | | | | | | | | | | |
|---------|---|---|---|---|--|---|---|---|--|--|--|
| 2Q24 | 1 | 1Q24 | | 2Q23 | | Qo | Q | | YoY | | |
| 944,844 | 100% | 747,858 | 100% | 1,097,224 | 100% | | 26% | (| 14%) | | |
| 485,261 | 51% | 344,526 | 46% | 441,897 | 40% | | 41% | | 10% | | |
| 24,337 | 2% | 34,245 | 5% | 29,590 | 2% | (| 29%) | (| 18%) | | |
| 44,243 | 5% | 46,115 | 6% | 43,252 | 4% | (| 4%) | | 2% | | |
| 188,379 | 20% | 158,144 | 21% | 131,104 | 12% | | 19% | | 44% | | |
| 134 | - 1 | 389 | - | 31,679 | 3% | (| 66%) | (| 100%) | | |
| 257,093 | 27% | 238,893 | 32% | 235,625 | 21% | | 8% | | 9% | | |
| 228,168 | 24% | 105,633 | 14% | 206,272 | 19% | 1 | 16% | | 11% | | |
| 131,627 | 14% | 126,523 | 17% | 131,962 | 12% | | 4% | | - | | |
| 359,795 | 38% | 232,156 | 31% | 338,234 | 31% | | 55% | | 6% | | |
| 55,172 | 6% | 53,550 | 7% | (42,504) | (4%) | | 3% | | 230% | | |
| 304,623 | 32% | 178,606 | 24% | 380,738 | 35% | | 71% | (| 20%) | | |
| \$1.88 | | \$1.10 | | \$2.35 | | | 70% | (| 20%) | | |
| 162,200 | i | 162,143 | | 161,855 | | 0 | .04% | | 0.21% | | |
| \ | ′ | *Exclude FX impact from the unused GDR proceeds. | | | | | | | | | |
| | 944,844 485,261 24,337 44,243 188,379 134 257,093 228,168 131,627 359,795 55,172 304,623 \$1.88 | 944,844 100% 485,261 51% 24,337 2% 44,243 5% 188,379 20% 134 - 257,093 27% 228,168 24% 131,627 14% 359,795 38% 55,172 6% 304,623 32% \$1.88 | 944,844 100% 747,858 485,261 51% 344,526 24,337 2% 34,245 44,243 5% 46,115 188,379 20% 158,144 134 - 389 257,093 27% 238,893 228,168 24% 105,633 131,627 14% 126,523 359,795 38% 232,156 55,172 6% 53,550 304,623 32% 178,606 \$1.88 \$1.10 162,200 162,143 | 944,844 100% 747,858 100% 485,261 51% 344,526 46% 24,337 2% 34,245 5% 44,243 5% 46,115 6% 188,379 20% 158,144 21% 134 - 389 - 257,093 27% 238,893 32% 228,168 24% 105,633 14% 131,627 14% 126,523 17% 359,795 38% 232,156 31% 55,172 6% 53,550 7% 304,623 32% 178,606 24% \$1.88 \$1.10 162,200 162,143 | 944,844 100% 747,858 100% 1,097,224 485,261 51% 344,526 46% 441,897 24,337 2% 34,245 5% 29,590 44,243 5% 46,115 6% 43,252 188,379 20% 158,144 21% 131,104 134 - 389 - 31,679 257,093 27% 238,893 32% 235,625 228,168 24% 105,633 14% 206,272 131,627 14% 126,523 17% 131,962 359,795 38% 232,156 31% 338,234 55,172 6% 53,550 7% (42,504) 304,623 32% 178,606 24% 380,738 \$1.88 \$1.10 \$2.35 162,200 162,143 161,855 | 944,844 100% 747,858 100% 1,097,224 100% 485,261 51% 344,526 46% 441,897 40% 24,337 2% 34,245 5% 29,590 2% 44,243 5% 46,115 6% 43,252 4% 188,379 20% 158,144 21% 131,104 12% 134 - 389 - 31,679 3% 257,093 27% 238,893 32% 235,625 21% 228,168 24% 105,633 14% 206,272 19% 131,627 14% 126,523 17% 131,962 12% 359,795 38% 232,156 31% 338,234 31% 55,172 6% 53,550 7% (42,504) (4%) 304,623 32% 178,606 24% 380,738 35% \$1.88 \$1.10 \$2.35 162,200 162,143 161,855 | 944,844 100% 747,858 100% 1,097,224 100% 485,261 51% 344,526 46% 441,897 40% 24,337 2% 34,245 5% 29,590 2% (44,243 5% 46,115 6% 43,252 4% (188,379 20% 158,144 21% 131,104 12% 134 - 389 - 31,679 3% (257,093 27% 238,893 32% 235,625 21% 228,168 24% 105,633 14% 206,272 19% 1 131,627 14% 126,523 17% 131,962 12% 359,795 38% 232,156 31% 338,234 31% 55,172 6% 53,550 7% (42,504) (4%) 304,623 32% 178,606 24% 380,738 35% \$1.88 \$1.10 \$2.35 162,200 162,143 161,855 0 | 944,844 100% 747,858 100% 1,097,224 100% 26% 485,261 51% 344,526 46% 441,897 40% 41% 24,337 2% 34,245 5% 29,590 2% (29%) 44,243 5% 46,115 6% 43,252 4% (4%) 188,379 20% 158,144 21% 131,104 12% 19% 134 - 389 - 31,679 3% (66%) 257,093 27% 238,893 32% 235,625 21% 8% 228,168 24% 105,633 14% 206,272 19% 116% 131,627 14% 126,523 17% 131,962 12% 4% 359,795 38% 232,156 31% 338,234 31% 55% 55,172 6% 53,550 7% (42,504) (4%) 3% 304,623 32% 178,606 24% 380,738 35% 71% \$1.88 \$1.10 \$2.35 < | 944,844 100% 747,858 100% 1,097,224 100% 26% (485,261 51% 344,526 46% 441,897 40% 41% 24,337 2% 34,245 5% 29,590 2% (29%) (44,243 5% 46,115 6% 43,252 4% (4%) 19% 188,379 20% 158,144 21% 131,104 12% 19% 19% 134 - 389 - 31,679 3% (66%) (257,093 27% 238,893 32% 235,625 21% 8% 228,168 24% 105,633 14% 206,272 19% 116% 131,627 14% 126,523 17% 131,962 12% 4% 359,795 38% 232,156 31% 338,234 31% 55% 55,172 6% 53,550 7% (42,504) (4%) 3% 304,623 32% 178,606 24% 380,738 35% 71% | | |

2024.06.30 Consolidated Balance Sheet

| | 1 | 2024.06.30 | | 2024.03.31 | | | 2023.06.30 |) |
|------------------------------------|-----|------------|------|------------|-----------|------|------------|------|
| (in NT\$K) | | AMT | % | Al | MT | % | AMT | % |
| Total Assets | i i | 13,244,007 | 100% | 12 | 2,808,071 | 100% | 12,110,218 | 100% |
| Cash and Cash Equiv. | 1 | 4,448,677 | 34% | ۷ | 4,150,221 | 32% | 8,722,301 | 72% |
| Financial assets at amortized cost | 1 | 5,091,269 | 38% | 1 5 | 5,196,019 | 41% | 9,446 | 0% |
| Account Receivables | 1 | 551,708 | 4% | L | 373,940 | 3% | 657,960 | 5% |
| Inventories | + | 941,089 | 7% | ! | 912,037 | 7% | 1,188,197 | 10% |
| Financial assets at FVTPL | i i | 380,186 | 3% | 1 | 380,255 | 3% | 492,318 | 4% |
| Equity Method Investments | 1 | 854,599 | 6% | i | 849,845 | 7% | 105,947 | 1% |
| Other Assets | | 976,479 | 8% | | 945,754 | 7% | 934,049 | 8% |
| Total Liabilities | 1 | 2,215,563 | 17% | 2 | 2,182,224 | 17% | 1,722,091 | 14% |
| Short-term borrowings | i | 13,335 | 0% | : | 100,000 | 1% | - | - |
| Contract liabilities | 1 | 415,380 | 3% | i | 75,506 | 0% | 14,597 | 0% |
| Accounts payable | 1 | 199,445 | 2% | i . | 252,624 | 2% | 175,644 | 1% |
| Current Tax Liabilities | ! | 177,408 | 1% | I | 339,717 | 3% | 133,399 | 1% |
| Dividend Payable | 1 | 1,135,085 | 9% | <u> </u> 1 | 1,135,107 | 9% | 1,132,442 | 9% |
| Other Liabilities | 1 | 274,910 | 2% | l I | 279,270 | 2% | 266,009 | 3% |
| Shareholders' Equity | i | 11,028,444 | 83% | 10 |),625,847 | 83% | 10,388,127 | 86% |
| Net Worth Per Share (NT\$) | | 67.99 | | / | 65.51 | | 64.18 | |

02 Business Review



Quarterly Revenue & Gross Margin %

(NT\$M) Al **→**Gross Margin % loT 2,500 60% 51% 50% **47% 47%** 46% 46% 2,000 44% 44% 43% 320 41% 41% 40% 40% 40% 253 1,500 216 224 30% 31 234 1,000 20% 1,699 139 1,485 1,329 102 1,315 1,203 1,132 500 1009 952 856 10% 686 650 625



1Q23

2Q23

3Q23

4Q23

1Q24

4Q22

3Q22

0%

2Q24

3Q21

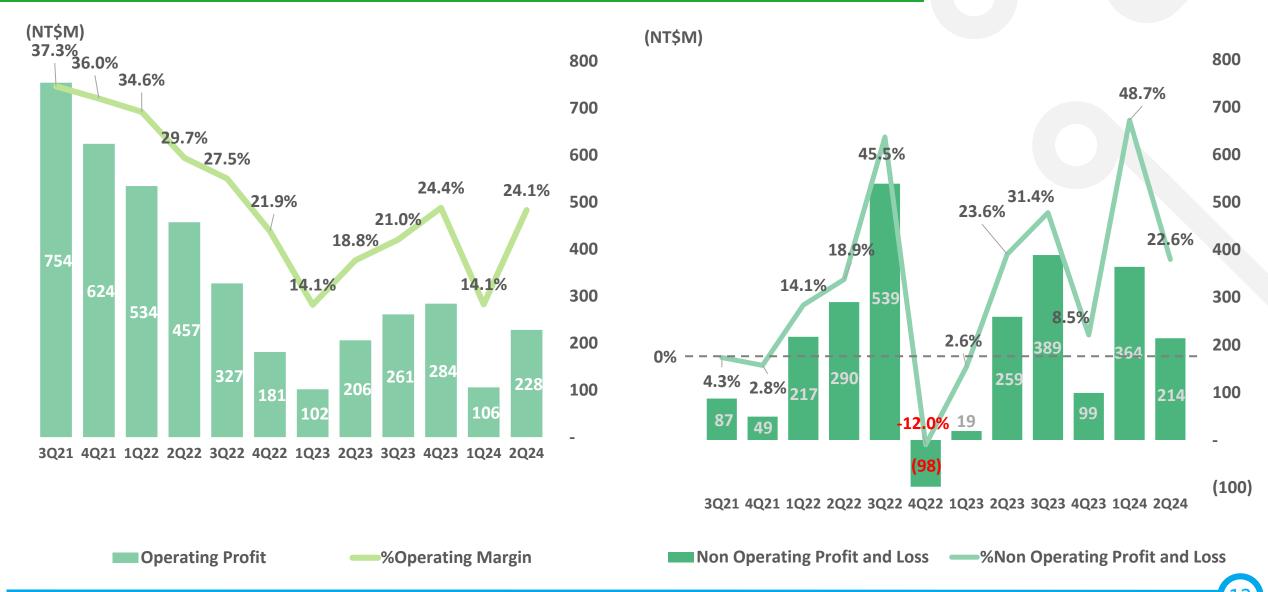
4Q21

1Q22

2Q22

0

Operating & Non-Operating Profit

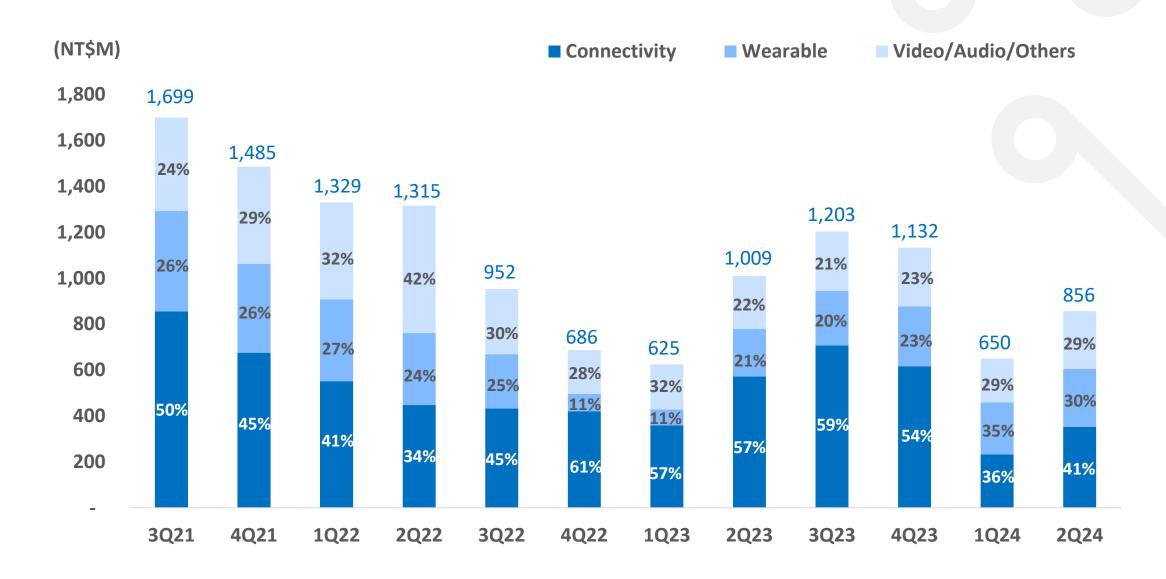


Net Income

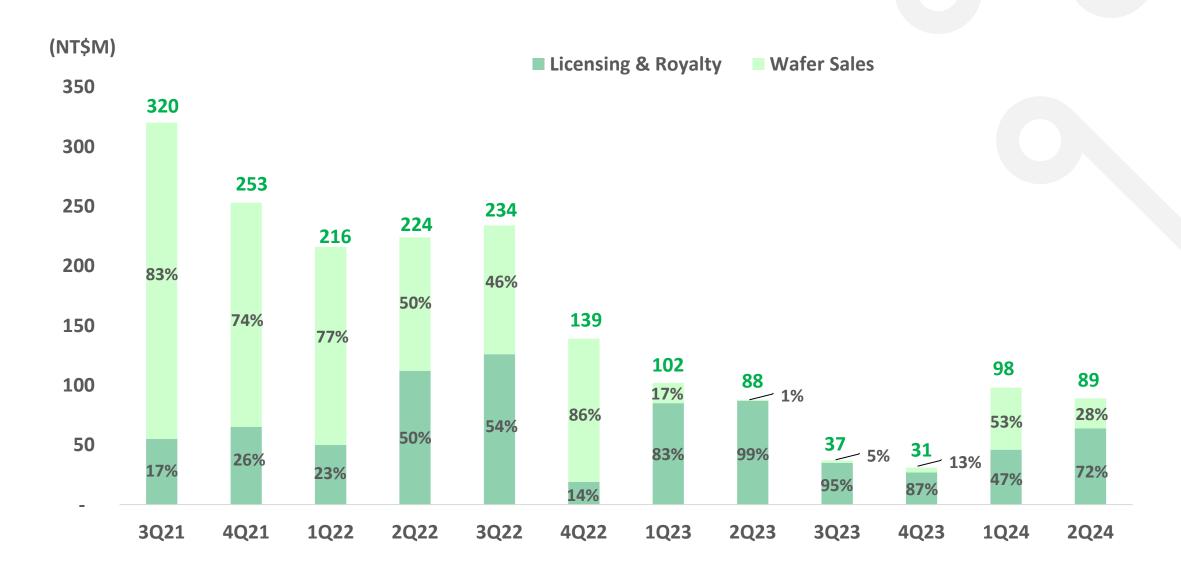
(NT\$M) **70**% 58.8% 60% 49.3% 50% 44.0% 39.2% 40.4% 36.1% 40% 33.5% 31.8% 31.2% 698 30% 676 622 557 543 530 483 20% 370 368 370 10% 65 62 0% 3Q21 1Q22 3Q22 4Q21 2Q22 **4Q22 1Q23 2Q23 3Q23** 4Q23 **1Q24** 2Q24 Net Income %Net Margin



IoT BU Revenue by category



Al BU Revenue by category



03 Future Outlook

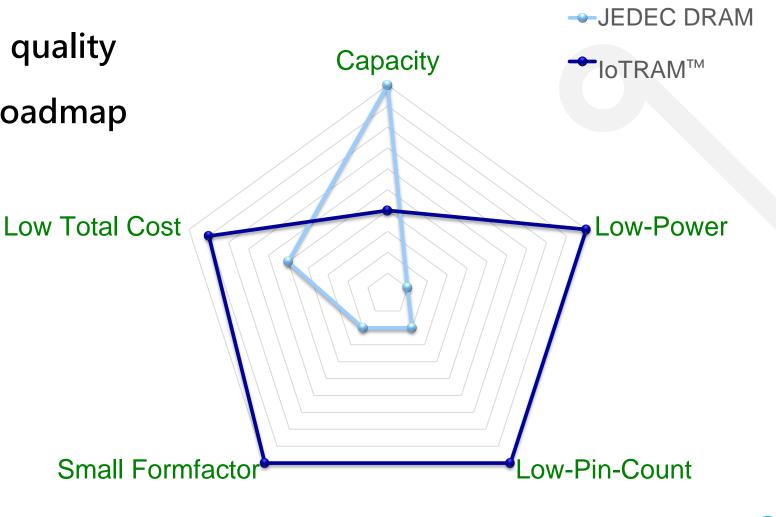


Market Positioning of IoTRAM™

Service: find the best solutions for customers

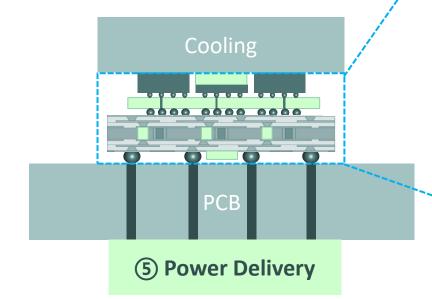
Dependability: supply and quality

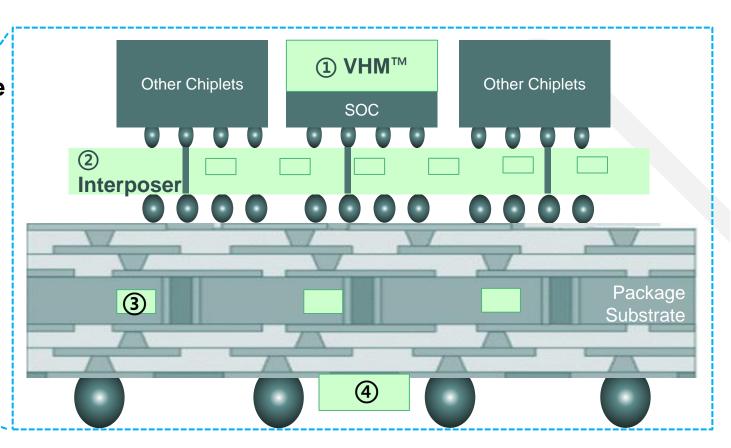
Commitment: long-term roadmap



Positioning of AP Memory Solutions in AI/HPC

- ② Interposer with *S-SiCap™
- ③ S-SiCap™ embedded in Package Substrate
- **④** S-SiCap[™] on landside
- ⑤ Power delivery solutions (future)



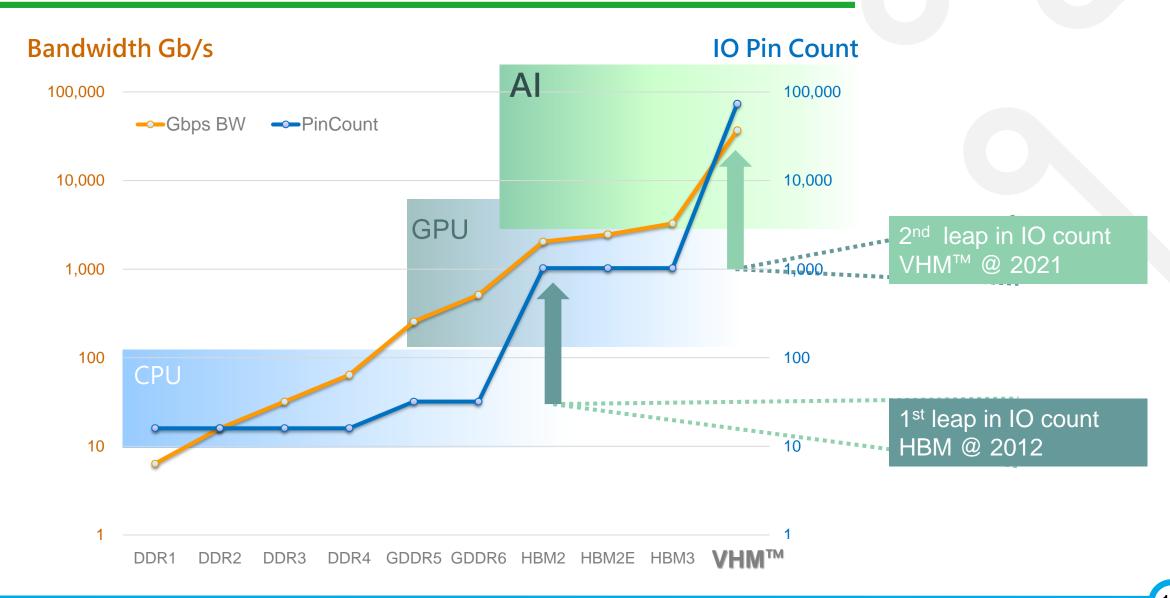


Note: VHM™ - Very High-bandwidth Memory

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



DRAM Bandwidth for Al Age



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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