



福懋科技股份有限公司  
FORMOSA ADVANCED THCHNOLOGIES CO., LTD

FATC Best Partner for DRAM Turn-Key Services

# Investor Conference



President & Spokesman || *Solomon Chang*

November 28, 2024

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# *Agenda*

- 1** Q3'24 Financial Statements
- 2** Research & Development Plan
- 3** Business Overview & Market Outlook
- 4** Q & A



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# *Q3'2024 Financial Statement*

# Q3'24 Financial Results Summary

(Thousand NT\$)

Item Account	Q3'24		Q2'24		Comparison		Q3'23		Comparison	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	2,080,389	100.0	2,337,549	100.0	-257,160	-11.0	1,641,108	100.0	439,281	26.8
Gross Profit	201,451	9.7	382,958	16.4	-181,507	-47.4	788	0.0	200,663	25,464.8
Operating Income	102,612	4.9	289,964	12.4	-187,352	-64.6	-73,080	-4.5	175,692	-
EBITDA	366,198	17.6	601,316	25.7	-235,118	-39.1	342,115	20.8	24,083	7.0
Non-Operating Expenses	41,011	2.0	54,323	2.3	-13,312	-24.5	127,798	7.8	-86,787	-67.9
Tax Benefit (Expenses)	-21,410	-1.0	-60,814	-2.6	39,404	-	-10,953	-0.7	-10,457	-
Net Income	122,213	5.9	283,473	12.1	-161,260	-56.9	43,765	2.7	78,448	179.2
Earning Per Share (NT\$)	0.28		0.64		-0.36		0.10		0.18	
Book Value Per Share	25.73		26.24		-0.51		26.44		-0.71	

# Quarterly Profit Comparison

(Thousand NT\$)

Item	Q3'24		Q2'24		Comparison		Q3'23		Comparison	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	2,080,389	100.0	2,337,549	100.0	-257,160	-11.0	1,641,108	100.0	439,281	26.8
Costs Of Goods Sold	1,878,938	90.3	1,954,591	83.6	-75,653	-3.9	1,640,320	100.0	238,618	14.5
Gross Profit	201,451	9.7	382,958	16.4	-181,507	-47.4	788	0.0	200,663	25,464.8
SG&A Expenses	29,307	1.4	27,979	1.2	1,328	4.7	31,353	1.9	-2,046	-6.5
R & D Expenses	69,532	3.3	65,015	2.8	4,517	6.9	42,515	2.6	27,017	63.5
Operating Income (Loss)	102,612	4.9	289,964	12.4	-187,352	-64.6	-73,080	-4.5	175,692	-
Non-Operating Expenses	41,011	2.0	54,323	2.3	-13,312	-24.5	127,798	7.8	-86,787	-67.9
Income before Tax	143,623	6.9	344,287	14.7	-200,664	-58.3	54,718	3.3	88,905	162.5
Tax Benefit (Expenses)	-21,410	-1.0	-60,814	-2.6	39,404	-	-10,953	-0.7	-10,457	-
Net Income	122,213	5.9	283,473	12.1	-161,260	-56.9	43,765	2.7	78,448	179.2
Earnings Per Share(NT\$)	0.28		0.64		-0.36		0.10		0.18	
Book Value Per Share	25.73		26.24		-0.51		26.44		-0.71	

# Q3'23 VS Q2'23 Results Comparison

(Thousand NT\$)

Items Account	Q3'24		Q2'24		Comparison		Remarks
	Amount	%	Amount	%	Amount	%	
Net Sales	2,080,389	100.0	2,337,549	100.0	-257,160	-11.0	The revenue decreased due to the quantity decreased.
Gross Profit	201,451	9.7	382,958	16.4	-181,507	-47.4	Q3'24 gross profit decreased 47.4% , mainly due to the quantity decreased.
Operating Expenses	98,839	4.8	92,994	4.0	5,845	6.3	Q3'24 operating expenses increased NT\$5,845 thousand.
Operating Income	102,612	4.9	289,964	12.4	-187,352	-64.6	Q3'24 operating income decreased NT\$187,352 thousand mainly due to the gross profit decreased NT\$181,507 thousand, operating expenses increased NT\$5,845 thousand.
Net Income	122,213	5.9	283,473	12.1	-161,260	-56.9	Net income decreased NT\$161,260 thousand mainly due to the OP income decreased NT\$187,352 thousand, other income increased NT\$56,119 thousand, exchange loss increased NT\$71,367 thousand, and income tax decreased NT\$39,404 thousand.

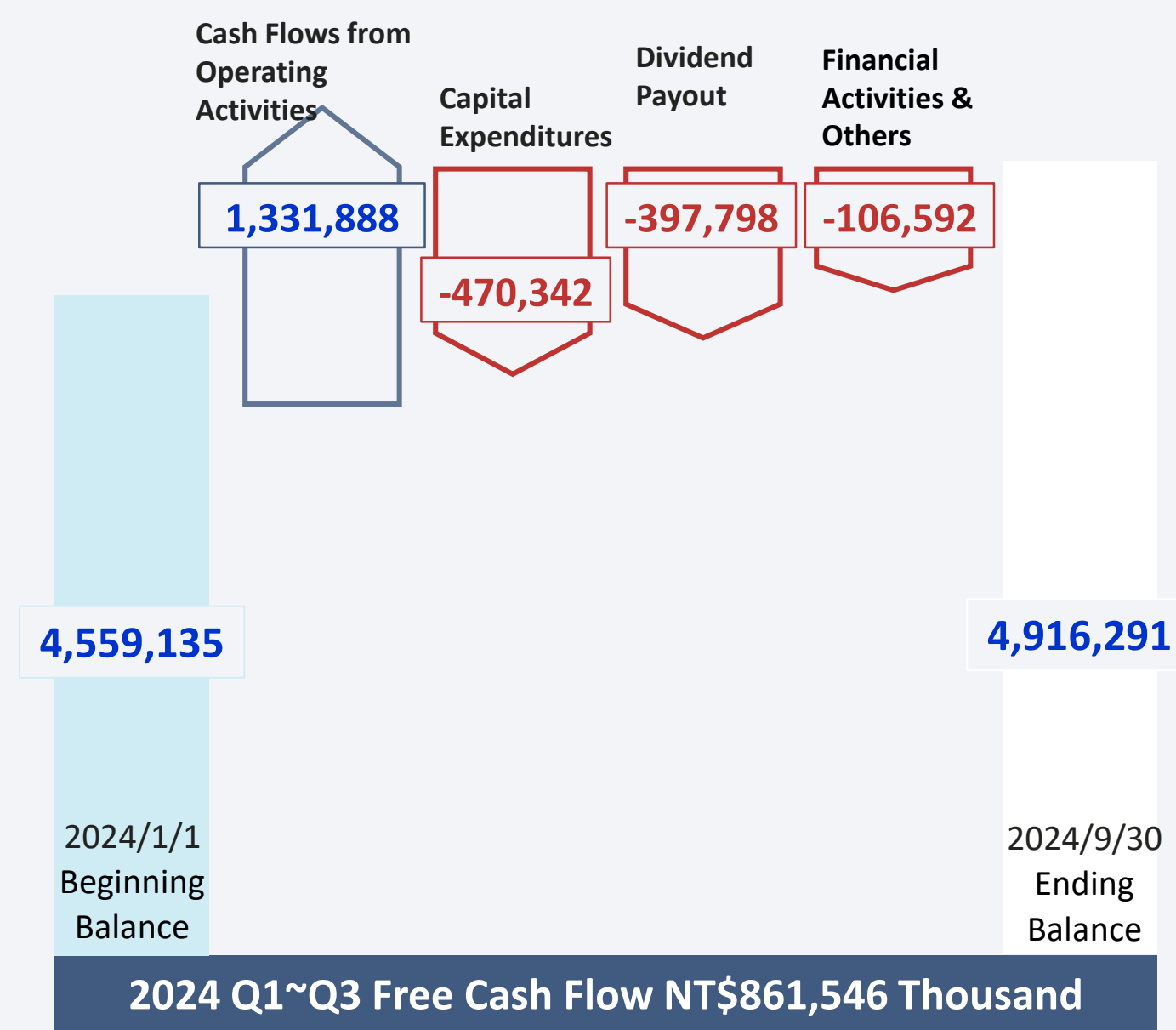


## Q1~Q3'2024 Cash Flow

# Cash Flow

Thousand NT\$

	Q3'24	Q2'24
<b>Beginning Balance</b>	<b>5,071,479</b>	<b>4,623,193</b>
Cash Flows from Operating Activities	462,685	643,010
Capital Expenditures	-160,988	-167,701
Dividend Payout	-397,798	0
Financial Activities & Others	-59,087	-27,023
<b>Ending Balance</b>	<b>4,916,291</b>	<b>5,071,479</b>
<b>Free Cash Flow</b>	<b>301,697</b>	<b>475,309</b>

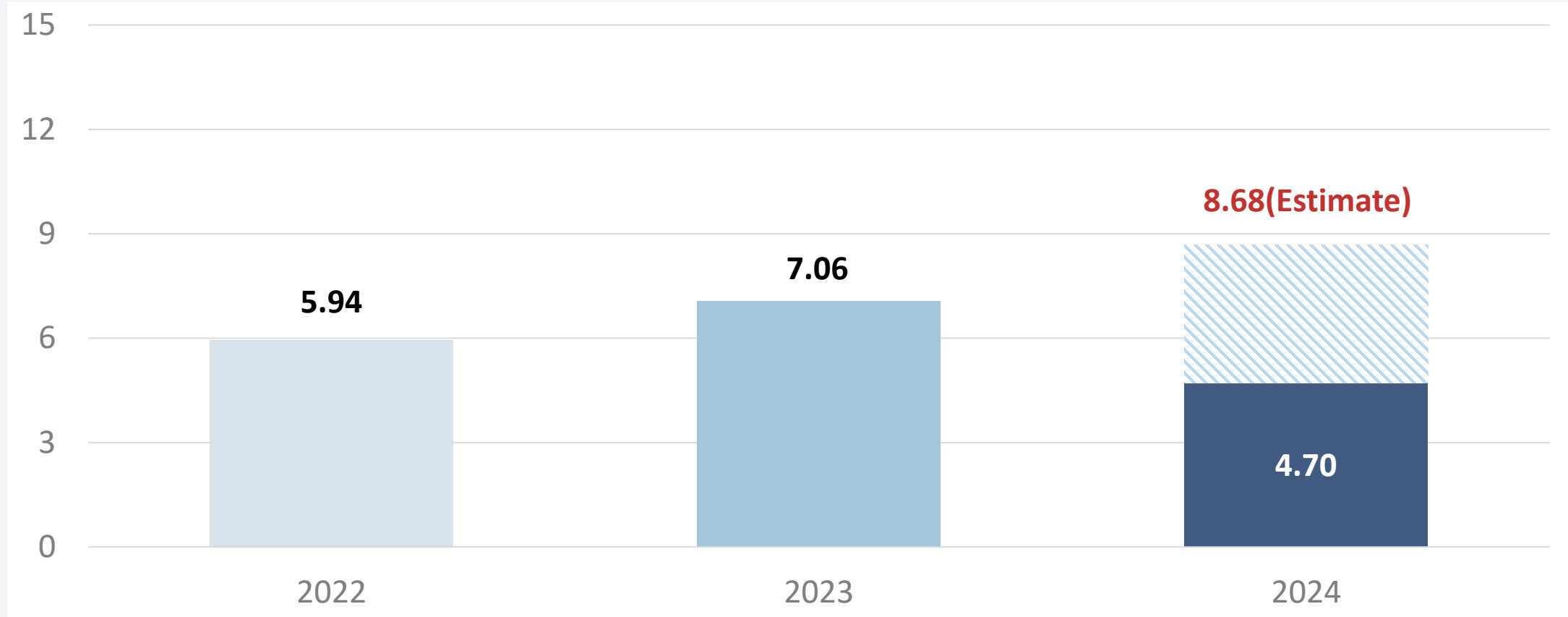




# CAPEX

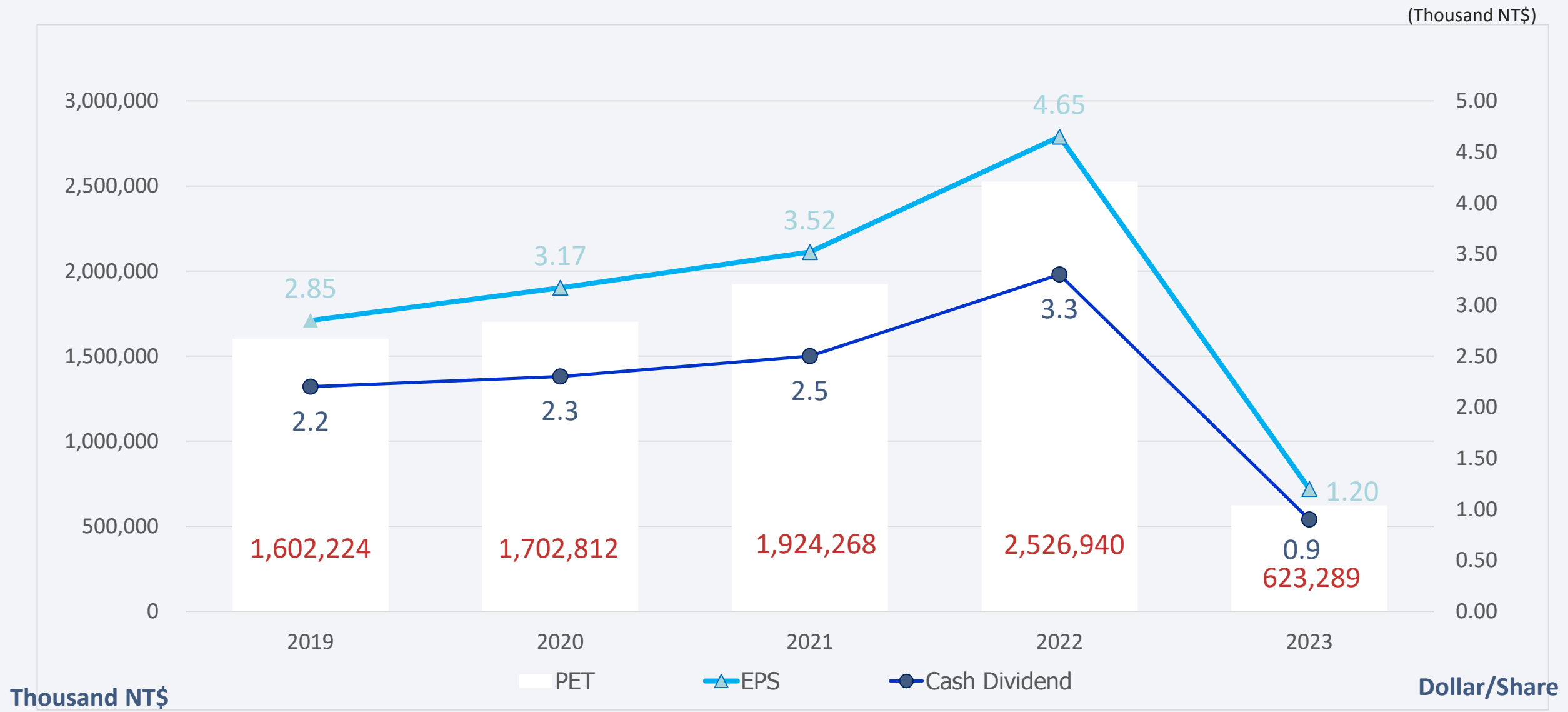
NTD 100 million

(Million NT\$)



- The actual CAPEX from Q1 to Q3 of 2024 was NT\$ 470 million.
- The estimated CAPEX for 2024 will be NT\$ 868 million.

# PET, EPS and CASH DIVIDEND 2019-2023





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*Research  
&  
Development Plan*

# *Research & Development Plan*

## **Development of Wafer Bumping, TSV Reveal and Multi-Stack Technologies:**

1

As end products become increasingly compact, with higher demands for low power consumption and high-speed computing capabilities, in addition to existing flip-chip packaging, wafer bumping (Bumping) and redistribution layer (RDL) technologies have also been developed.

2

To address the development trends of High Bandwidth Memory (HBM) featuring low power consumption, high capacity, and high speed, the 3D TSV Reveal process technology is being developed to establish an early presence in advanced packaging technologies.

3

To meet the demand for high-capacity products, the development of 9-layer chip stacking and wire bonding capabilities has been successfully achieved, marking a new milestone in multi-layer chip stacking technology.



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*Business Overview  
&  
Market Outlook*

# *Business Overview*

1

In response to the memory products' trend towards high speed and high capacity, continuous efforts are being made to develop advanced packaging, testing, and module process technologies.

2

Collaborating with customers to develop and introduce DDR5 products and 10-nanometer-grade products into mass production.

3

Ongoing construction of Plant 5 is underway, with completion expected by mid-next year.

# Market Outlook

1

In 2024, while AI-related applications are expected to show strong demand, conventional memory products such as DDR3/DDR4 are anticipated to face weakening demand due to global economic downturns. Demand for smartphones, PCs, and various consumer electronics remains sluggish, leading to overall weakened memory demand, slow inventory clearance, and short-term conservative demand for IC packaging and testing services.

2

General PC and notebook (NB) market demand remains weak, resulting in conservative demand for standard memory module contract manufacturing. However, demand for gaming memory modules is gradually increasing, driven by the transition to high-end products.

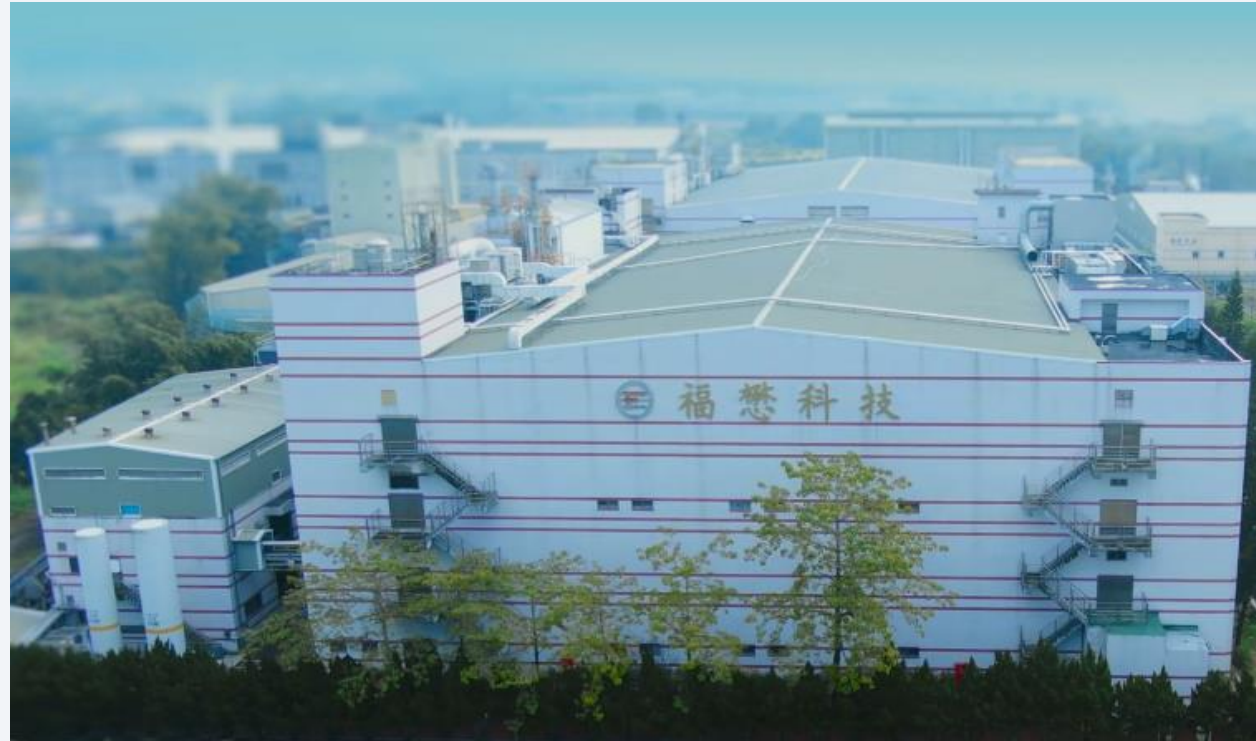
3

The company is committed to shortening production lead times to meet customer needs. The fourth quarter is traditionally the peak season for the gaming memory module market. Coupled with the increased adoption of DDR5, driving replacement demand, contract manufacturing demand for modules is expected to grow.



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Q & A