



Stock Code: 6643 TT

M31, your IP partner,
your virtual team.

2021 Second Quarter Earnings Conference

www.m31tech.com //

August 11th, 2021

Safe Harbor Notice

- M31's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.



2Q21 and 1H21 Financial Results



2Q21 Statements of Comprehensive Income

Selected Items from Statements of Comprehensive Income

(In NT\$ thousands unless otherwise noted)

	2Q21	1Q21	2Q20	2Q21 over 1Q21	2Q21 over 2Q20
Net Revenue (US\$ thousands)	7,673	7,467	7,014	+2.8%	+9.4%
Net Revenue	214,281	213,135	209,479	+0.5%	+2.3%
Gross Margin	100%	100%	100%		
Operating Expenses	(152,107)	(144,750)	(121,826)	+5.1%	+24.9%
Operating Margin	29.0%	32.1%	41.8%	-3.1 ppt	-12.8 ppt
Net Income	42,313	55,637	64,470	-23.9%	-34.4%
Net Profit Margin	19.7%	26.1%	30.8%	-6.4 ppt	-11.0 ppt
EPS (NT Dollar)	1.36	1.79	2.07	-24.0%	-34.3%
Average Exchange Rate-USD/NTD	27.98	28.37	29.90	-1.4%	-6.4%

* Diluted weighted average outstanding shares were 31,107 units in 2Q21.

** 2Q21 net foreign exchange losses NTD \$11,860K.

1H21 Statements of Comprehensive Income

Selected Items from Statements of Comprehensive Income

(In NT\$ thousands unless otherwise noted)

	1H21	1H20	1H21 over 1H20
Net Revenue (US\$ thousands)	15,139	13,513	+12.0%
Net Revenue	427,416	405,764	+5.3%
Gross Margin	100%	100%	
Operating Expenses	(296,857)	(258,540)	+14.8%
Operating Margin	30.5%	36.3%	-5.7 ppt
Net Income	97,950	123,926	-21.0%
Net Profit Margin	22.9%	30.5%	-7.6 ppt
EPS (NT Dollar)	3.15	3.97	-20.7%
Average Exchange Rate-USD/NTD	28.17	30.00	-6.1%

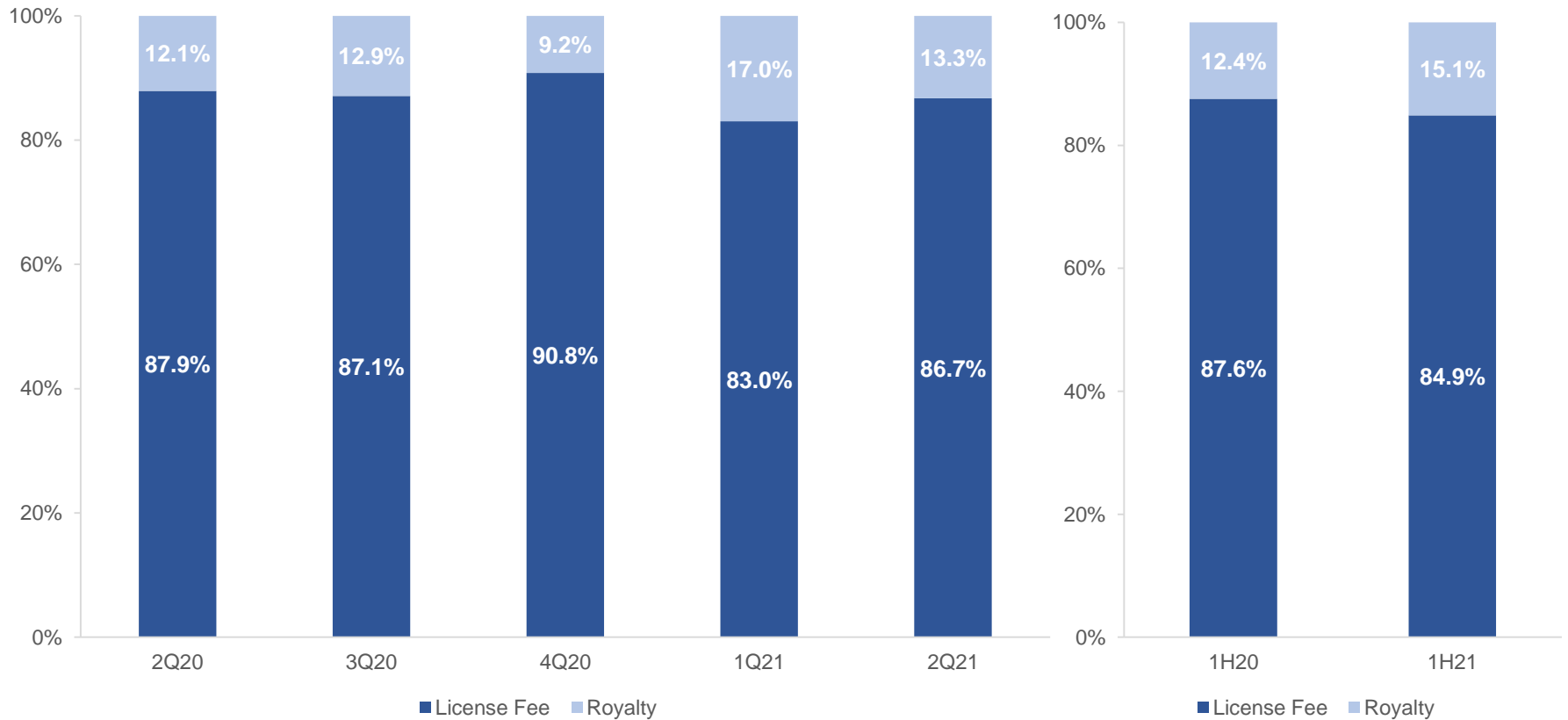
*1H21 net foreign exchange losses NTD \$14,879K.



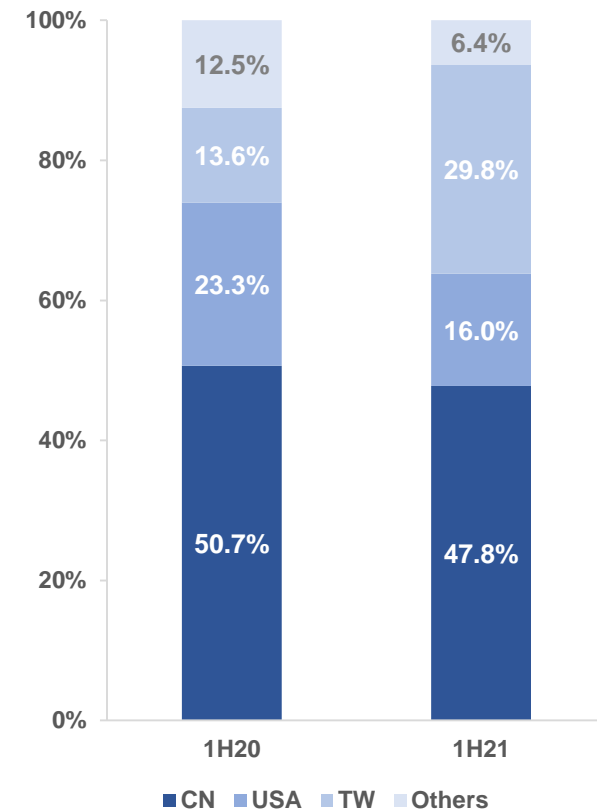
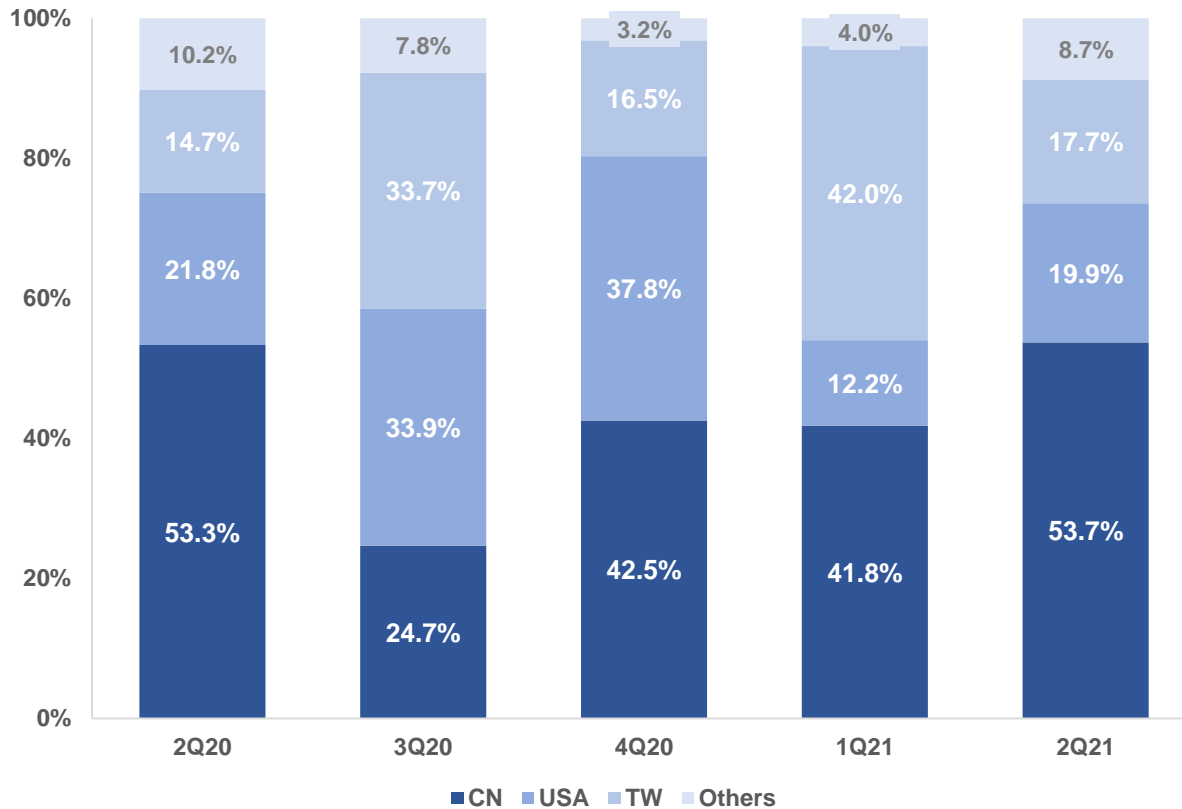
Operating Result



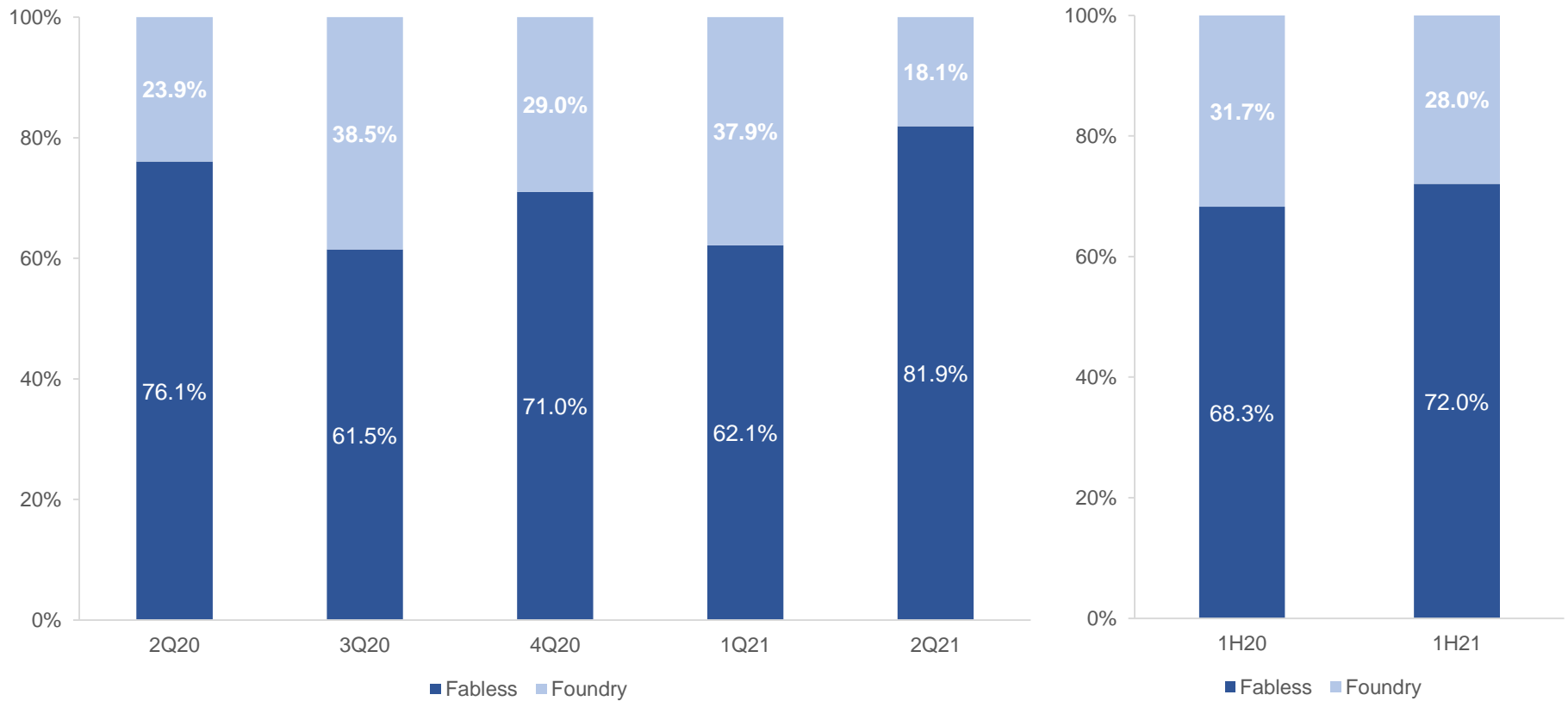
2Q21/1H21 Revenue by Income Source



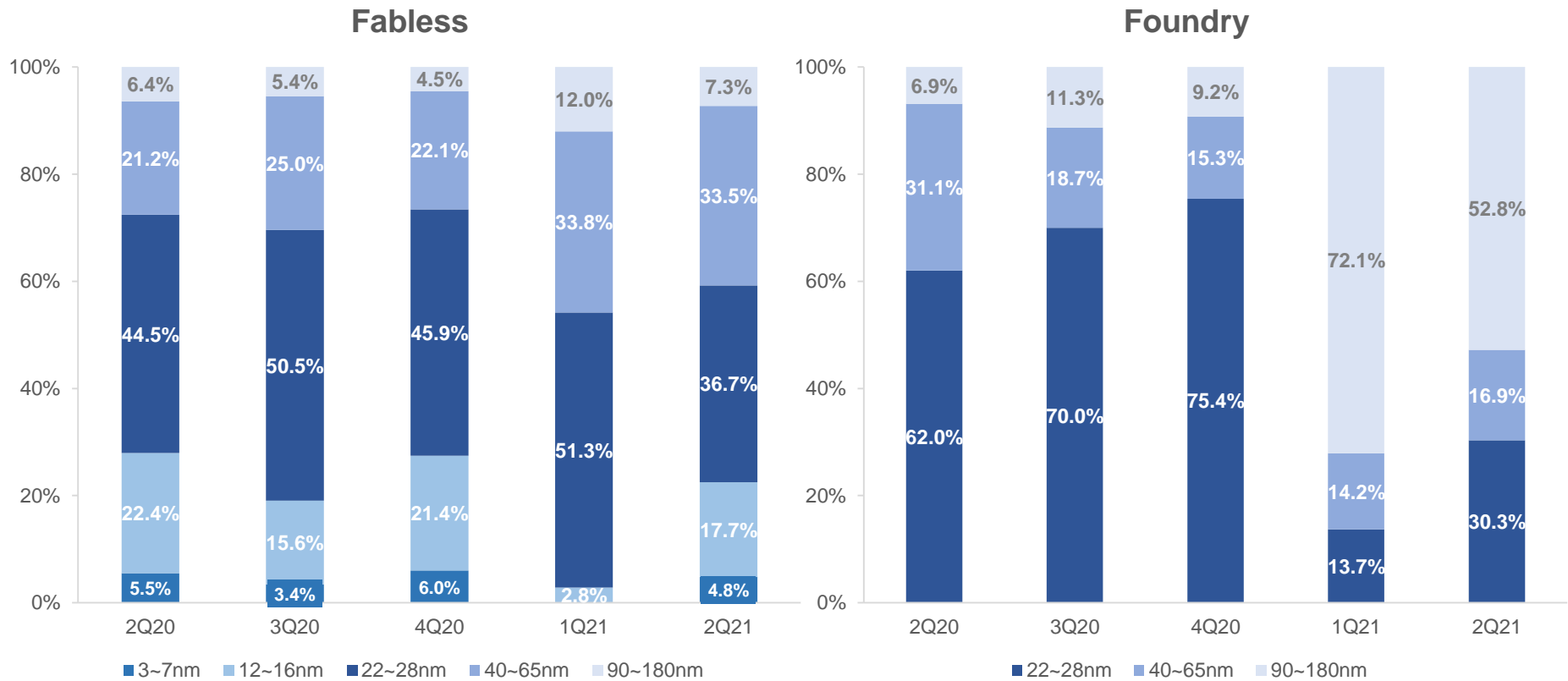
2Q21/1H21 Revenue by Region



2Q21/1H21 Revenue by Customer Type



Fabless vs. Foundry License Fee by Technology



2021 1H Highlights

- Deep nanometer advanced nodes: 1st 7nm eUSB completed, 2nd 4nm eUSB ongoing.
- Won 1st IP membership program searching for more onwards.
- Set up IP integration service team.
- New specialty process platforms: 55BCD, 55eF, 40HV.
- Automotive applications upturn.
- Royalty of H1 reach 37% up YoY in USD.

Future Prospect



New BU, Products & Platforms

IP Integration Service

- Processor Hard Core IP
- IP Subsystem Integration Service



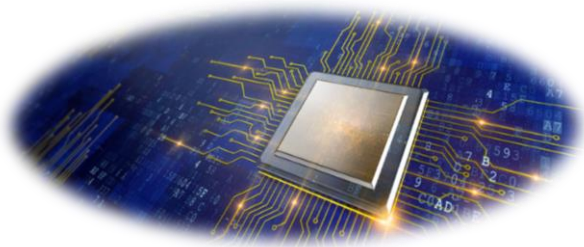
Functional IP

- eUSB2 PHY
- USB PHY 4.0
- PCIe PHY 5.0
- LPDDR4 PHY
- PAM4 SerDes
- MIPI PHY



Foundation IP

- 55nm BCD
- 55nm eFlash
- 40nm HV
- Optimized PPA Library for Processor



2021 Prospect

Target: **mid-teens** growth YoY in USD



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Thank You

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