



Stock Code: 6643 TT

M31, your IP partner,
your virtual team.

2021 Fourth Quarter Earnings Conference

www.m31tech.com //

March 9th, 2022

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.



4Q21 Financial Results



4Q21 Statements of Comprehensive Income

Selected Items from Statements of Comprehensive Income

(In NT\$ thousands unless otherwise noted)

	4Q21	3Q21	4Q20	4Q21 over 3Q21	4Q21 Nver 4Q20
Net Revenue (US\$ thousands)	13,050	7,890	10,616	+65.4%	22.9%
Net Revenue	364,122	220,341	304,600	+65.3%	19.5%
Gross Margin	100%	100%	100%		
Operating Expenses	(220,550)	(181,578)	(146,511)	+21.5%	+50.5%
Operating Margin	39.4%	17.6%	51.9%	21.8 ppt	-12.5 ppt
Net Income	121,769	32,918	116,435	269.9%	4.6%
Net Profit Margin	33.4%	14.9%	38.2%	18.5 ppt	-4.8 ppt
EPS (NT Dollar)	3.91	1.06	3.74	268.9%	4.5%
Average Exchange Rate-USD/NTD	27.83	27.86	28.73	-0.1%	-3.1%

* Diluted weighted average outstanding shares were 31,107 units in 4Q21.



2021 Statements of Comprehensive Income

Selected Items from Statements of Comprehensive Income

(In NT\$ thousands unless otherwise noted)

	2021	2020	2021 over 2020
Net Revenue (US\$ thousands)	36,080	33,288	+8.4%
Net Revenue	1,011,879	981,016	+3.1%
Gross Margin	100%	100%	
Operating Expenses	(698,985)	(562,771)	+24.2%
Operating Margin	30.9%	42.6%	-11.7 ppt
Net Income	252,637	322,248	-21.6%
Net Profit Margin	25.0%	32.8%	-7.9 ppt
EPS (NT Dollar)	8.12	10.34	-21.5%
Average Exchange Rate-USD/NTD	28.00	29.55	-5.2%

* Diluted weighted average outstanding shares were 31,107 units in 4Q21.



4Q21 Balance Sheets

Selected Items from Balance Sheets (In NT\$ thousands)

Selected Items from Balance Sheets (In NT\$ thousands)	4Q21		3Q21		4Q20	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	724,164	38%	787,132	41%	972,376	55%
Accounts Receivable	319,072	16%	235,748	13%	254,612	15%
Other current assets	88,953	4%	113,874	6%	293,793	17%
Net PP&E	674,452	35%	682,114	36%	175,035	10%
Other non-current assets	130,054	7%	74,094	4%	60,946	3%
Total Assets	1,936,695	100%	1,892,962	100%	1,756,762	100%
Current Liabilities	269,620	14%	238,895	13%	246,633	14%
Long-term Interest-bearing Debts	83,482	4%	197,923	10%	1,095	-
Total Liabilities	353,102	18%	436,818	23%	247,728	14%
Total Shareholders' Equity	1,583,593	82%	1,456,144	77%	1,509,034	86%



4Q21 Cash Flow

(In NT\$ thousands)

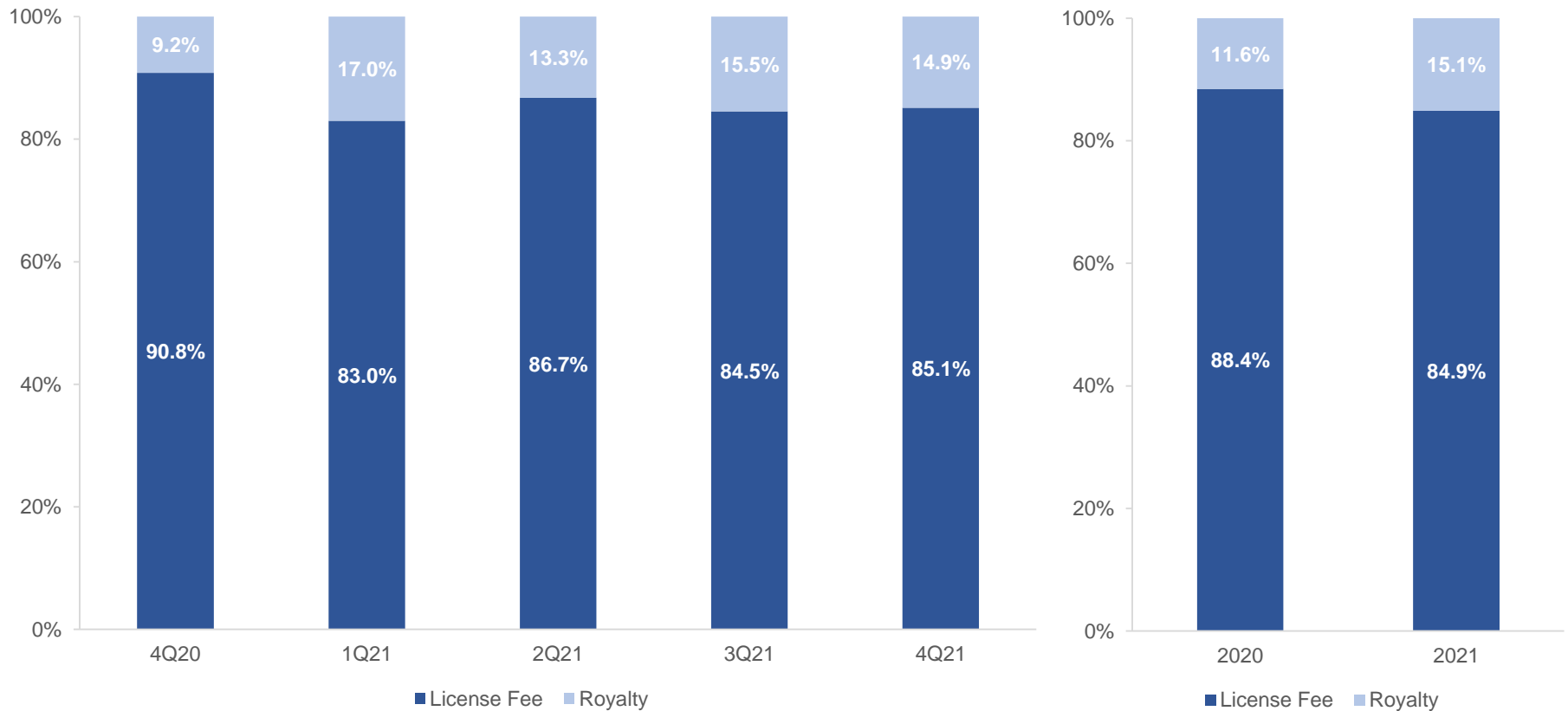
	4Q21	3Q21	4Q20
	12 Months Ended	9 Months Ended	12 Months Ended
Beginning Balance	527,760	527,760	589,555
Cash generated from operating activities	224,520	91,667	385,631
Cash used in investing activities	(313,779)	(235,865)	(145,322)
Cash generated from/(used in) financing activities	(133,808)	(11,592)	(291,836)
FX effects on cash held in foreign currencies	2,728	(5,684)	(10,268)
Ending Balance	307,421	366,286	527,760



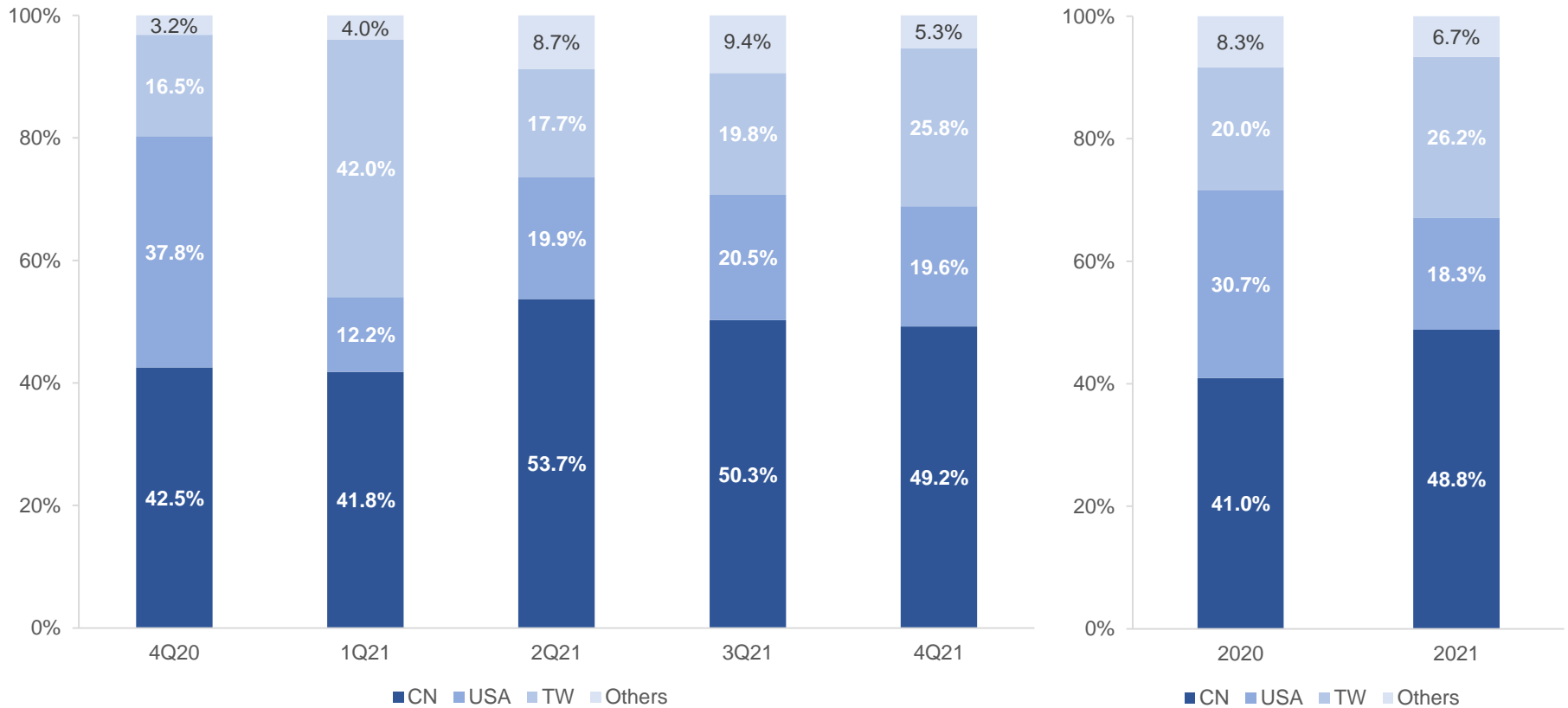
Operating Result



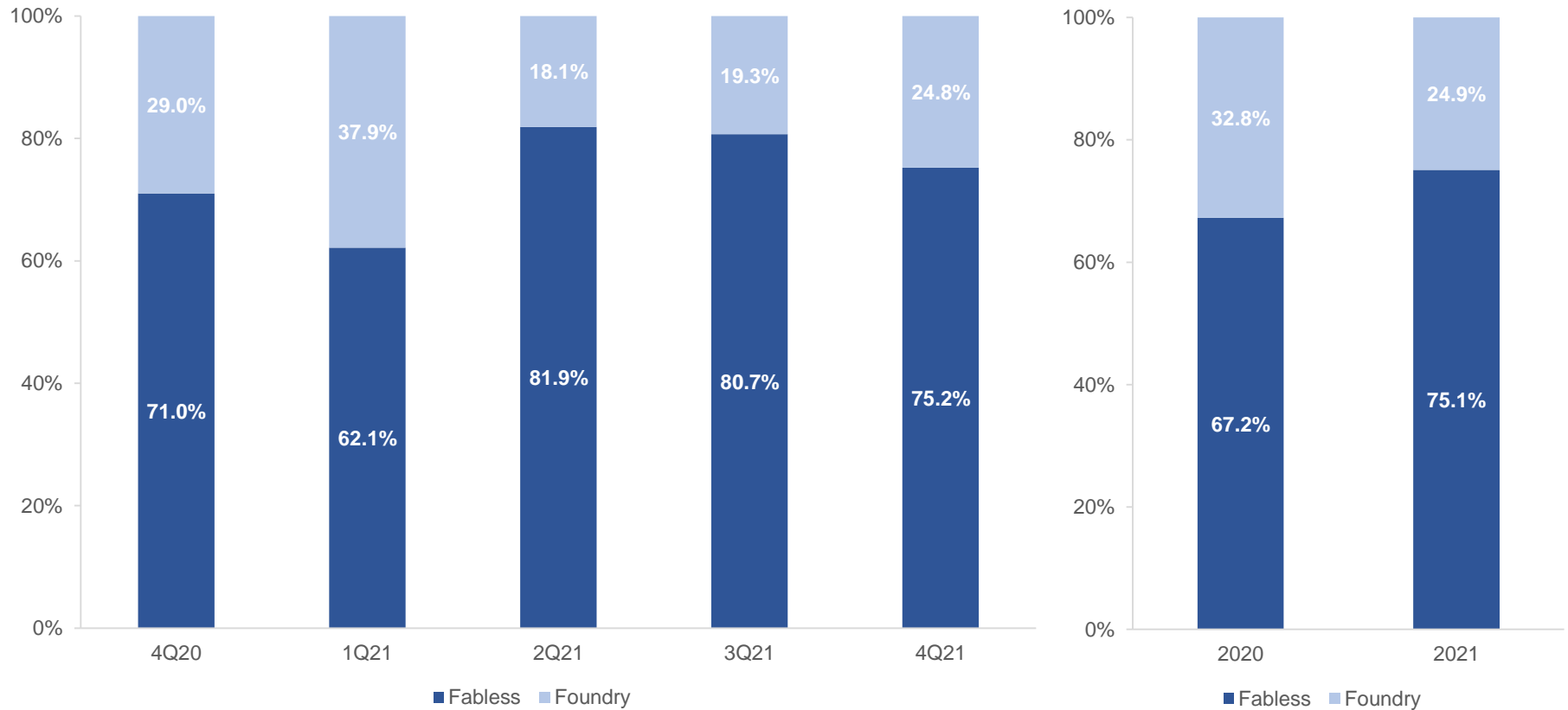
4Q21 Revenue by Income Source



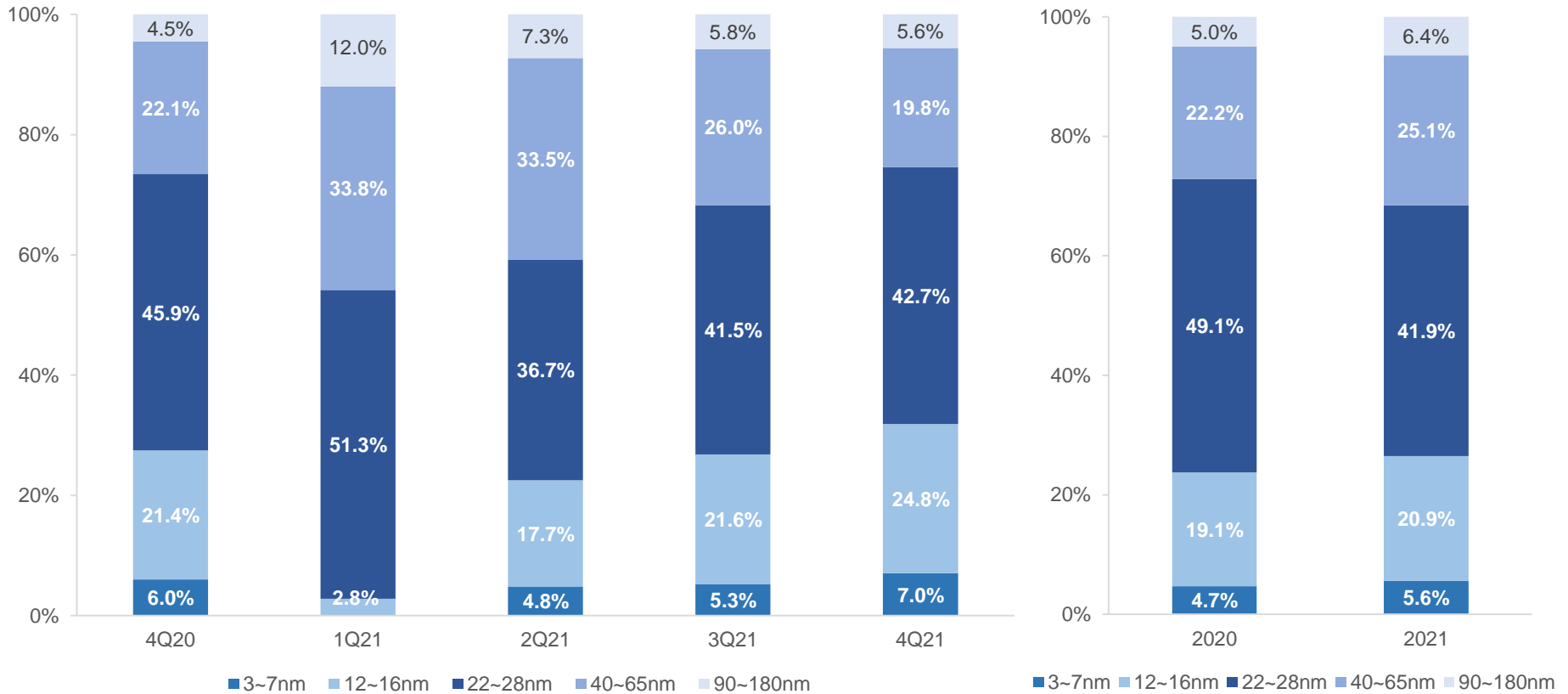
4Q21 Revenue by Region



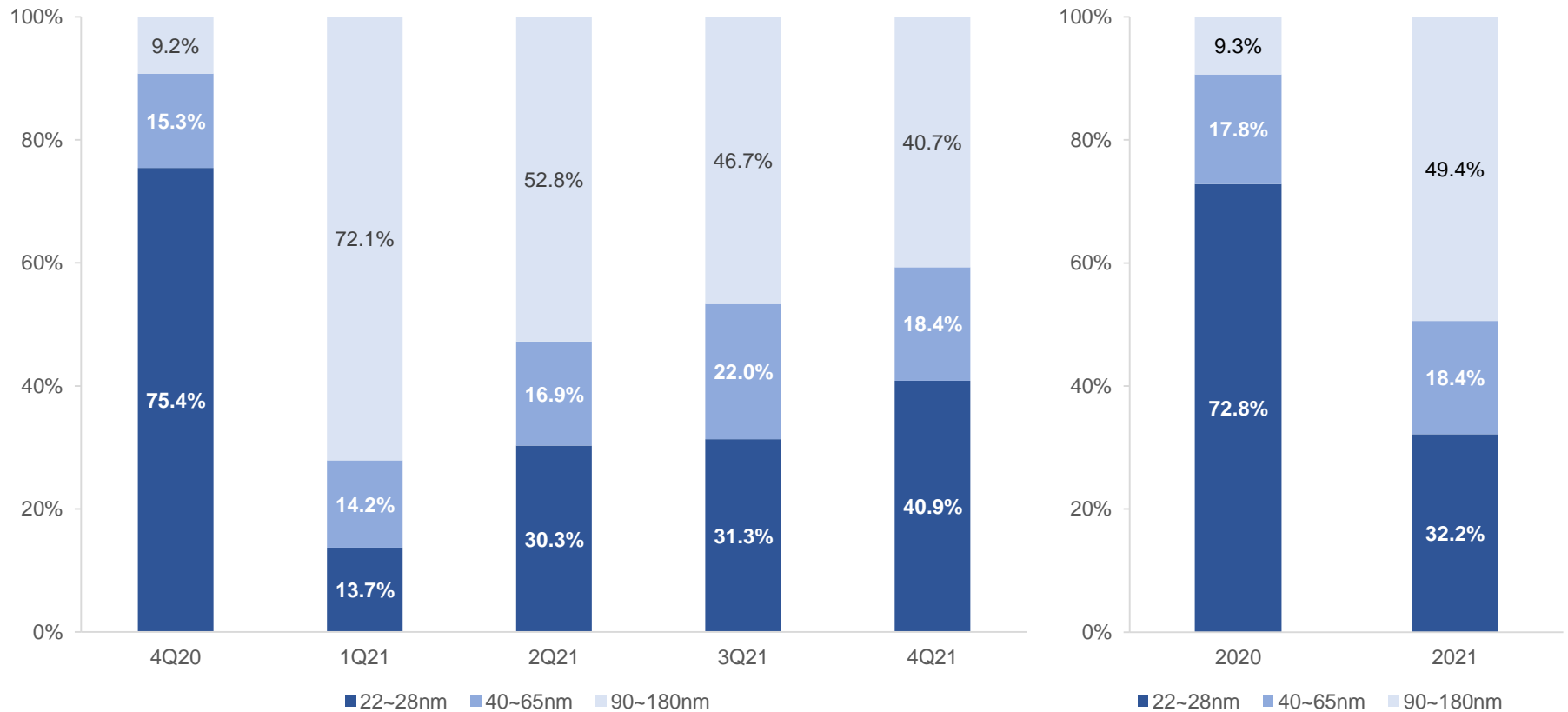
4Q21 Revenue by Customer Type



Fabless License Fee by Nodes



Foundry License Fee by Nodes



4Q21 Recap & Highlights

- After a weak 3Q21 with the COVID-19 and foundry tight capacity impact, 4Q21 significant revenue growth benefits from recovery of new orders and recognition of deferred revenue over time.
- With the development of 7nm and 5nm USB/PCIe/MIPI/ONFi IP, 3nm IP is developing in full swing.
- Royalty grows by 43% in USD and 35% in NTD YoY in 2021.
- Keep extensive collaboration with strategic partners such as foundry, design service vendor, CPU designer, and EDA provider.
- Regarding IP integration service, Arm® Cortex®-M55 and Ethos™-U55 processor hardcore IPs have been launched successfully.
- Robust demand from Automotive, AI accelerator, 5G communications, customized IoT and Hyperscale Computing applications.

Future Prospect



M31 Products



Foundation IP

- Memory Compiler
- Standard Cell
- GPIO, Specialty IO
- OPPA* Libraries

7nm / 12nm/ Specialty Process



High Speed Interface IP / Analog IP

- USB
- PCIe
- MIPI
- SATA
- PLL
- ADC
- LDO
- PVT Sensor

3nm / 5nm / 6nm / 7nm / 12nm



IP Integration Service

- Processor Core Hardening
- IP Subsystem Integration Service

12nm Arm M55 & U55 Processor Hardcore

* OPPA Libraries : a set of optimized PPA memories and standard cells

Data-centric Computing

- PCIe5.0/4.0
- ONFi5.0/4.2
- USB3.2
- MIPI C/D PHY Rx/Tx
- High-Speed Standard Cell Libraries
- High-Speed SRAM Compiler

Automotive

- MIPI D-PHY Tx/Rx
- MIPI CD-PHY Tx/Rx
- GPIO
- USB3.2
- PCIe 4.0/3.1
- MIPI M-PHY
- SRAM Compiler

Edge Computing

- PCIe5.0/4.0
- USB3.2
- MIPI C/D PHY Rx/Tx
- Serdes PHY
- ONFi4.2
- High-Speed SRAM Compiler

AI

- GPIO
- SRAM Compiler
- Low Power, High-Performance Processor Hard Cores
- PCIe 5.0/4.0
- MIPI C/D PHY Rx/Tx
- USB 3.2
- DisplayPort Tx

Security

- BCK-USB2.0/1.1
- ULF-PLL
- Low VccMIN Memory Compiler

Mobile

- 7T/9T/12T Library
- GPIO/
- eMMC/SDIO
- SRAM/ROM Compiler
- BCK-USB 3.2/2.0
- USB 3.2/2.0
- PCIe 4.0/3.1
- MIPI D-PHY Rx/Tx
- MIPI C/D-PHY Rx/Tx

Embedded Device

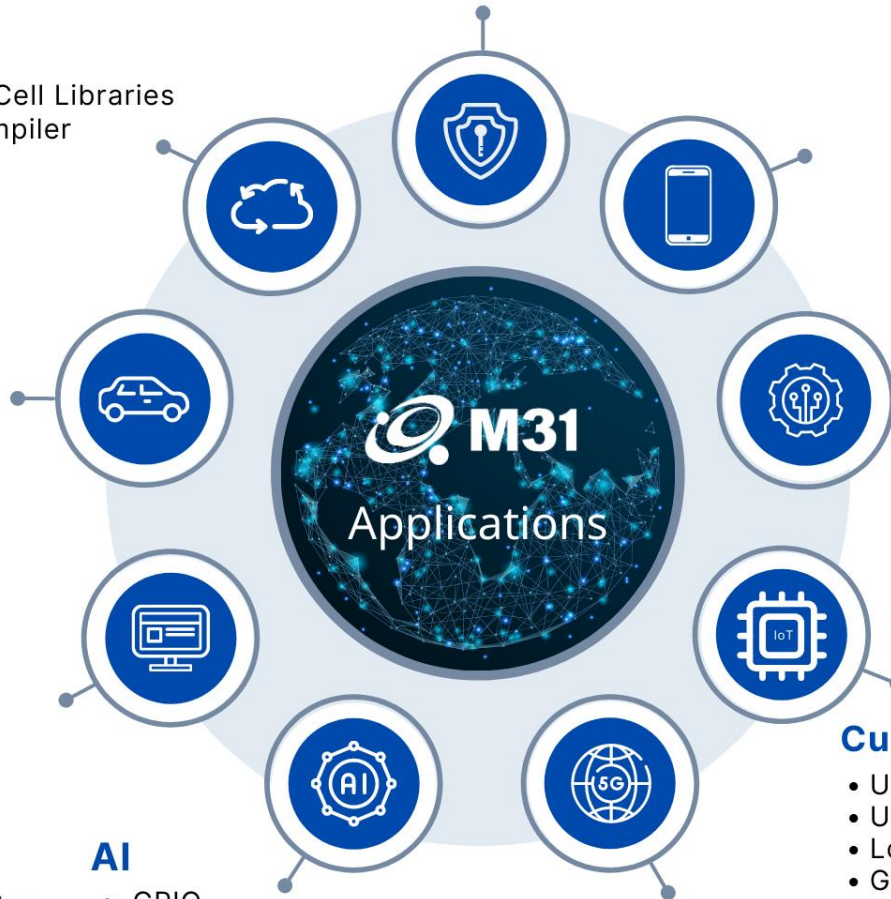
- BCK-USB2.0/1.1
- PCIe2.1/1.1
- MIPI DPHY Rx/Tx
- Low Power Cell Libraries
- Low VccMIN Memory Compiler

Customized IoT

- ULF-PLL
- USB 3.2/2.0/1.1
- Low Power Cell Libraries
- Green Memory Compiler
- Low VccMIN Memory Compiler
- Ultra-Low Power Processor Hard Core

5G

- PCIe5.0/4.0
- USB3.2 G2/G1
- SerDes PHY



2022 PROSPECT

Revenue Target:

+15%~20%
growth YoY in USD



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Thank You

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