



**Stock Code: 6643 TT**

# 2023年第四季 法人說明會

[www.m31tech.com](http://www.m31tech.com)

**March 5<sup>th</sup>, 2024**

# Agenda

- **Welcome** Silvia Su, Spokesperson
- **4Q23 Financial Results** Silvia Su, Spokesperson
- **2024 Outlook & Key Messages** Scott Chang, CEO
- **Q&A** Scott Chang, CEO

# 免責聲明

- 本次法說會提供之簡報包含前瞻性陳述，內容包括對於未來狀況之預測及評估。此前瞻性陳述係基於本公司目前可得資訊對未來事件的期望和預測，儘管本公司認為該期望和預測具合理性，但此類前瞻性聲明仍涉及風險及不確定性。
- 鑒於這些風險、不確定性及假設，本公司實際結果可能與這些前瞻性聲明中的預期存在重大差異。若因未來實際結果與預期狀況有重大差異，除非法律要求，本公司將不負責更新或公告這些預測的結果。

# 4Q23 Financial Results

# 4Q23 Statements of Comprehensive Income

## Selected Items from Statements of Comprehensive Income

(In NT\$ thousands unless otherwise noted)

	4Q23	3Q23	4Q22	4Q23 over 3Q23	4Q23 over 4Q22
Net Revenue (US\$ thousands)	16,726	13,785	15,679	+21.3%	+6.7%
Net Revenue	519,089	432,489	489,235	+20.0%	+6.1%
<b>Gross Margin</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>		
Operating Expenses	(350,530)	(286,524)	(283,181)	+22.3%	+23.8%
<b>Operating Margin</b>	<b>32.5%</b>	<b>33.7%</b>	<b>42.1%</b>	<b>-1.3 ppt</b>	<b>-9.6 ppt</b>
Net Income	113,020	153,575	155,806	-26.4%	-27.5%
<b>Net Profit Margin</b>	<b>21.8%</b>	<b>35.5%</b>	<b>31.8%</b>	<b>-13.7 ppt</b>	<b>-10.1 ppt</b>
EPS (NT Dollar)	3.05	4.45	4.52	-31.5%	-32.5%
Average Exchange Rate-USD/NTD	31.83	31.69	31.35	+0.4%	+1.5%

\* Diluted weighted average outstanding shares were 34,624 units in 4Q23.

\*\* 4Q23 net foreign exchange loss of NTD \$49,194K.

# 2023 Statements of Comprehensive Income

## ***Selected Items from Statements of Comprehensive Income***

*(In NT\$ thousands unless otherwise noted)*

	<b>2023</b>	<b>2022</b>	<b>2023 over 2022</b>
Net Revenue (US\$ thousands)	52,399	45,296	+15.7%
Net Revenue	1,612,337	1,360,165	+18.5%
<b>Gross Margin</b>	<b>100%</b>	<b>100%</b>	
Operating Expenses	(1,165,841)	(992,215)	+17.5%
<b>Operating Margin</b>	<b>27.7%</b>	<b>27.1%</b>	<b>+0.6 ppt</b>
Net Income	435,170	379,252	+14.7%
<b>Net Profit Margin</b>	<b>27.0%</b>	<b>27.9%</b>	<b>-0.9 ppt</b>
EPS (NT Dollar)	12.6	11.06	+13.9%
Average Exchange Rate-USD/NTD	31.18	29.85	+4.5%

\* Diluted weighted average outstanding shares were 34,524 units in 2023.

\*\* 2023 net foreign exchange loss of NTD \$8,375K.

# 4Q23 Balance Sheets

## Selected Items from Balance Sheets

(In NT\$ thousands)

	4Q23		3Q23		4Q22	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	1,147,938	48%	1,047,864	46%	1,114,223	47%
Accounts Receivable	373,804	16%	318,906	8%	325,217	14%
Other current assets	132,573	5%	173,836	14%	219,880	9%
Net PP&E	561,779	23%	568,637	25%	570,969	24%
Other non-current assets	180,695	8%	144,974	7%	137,009	6%
<b>Total Assets</b>	<b>2,396,789</b>	<b>100%</b>	<b>2,254,217</b>	<b>100%</b>	<b>2,367,298</b>	<b>100%</b>
Current Liabilities	326,085	14%	290,482	13%	505,125	22%
Non-current Liabilities	7,685	-	12,004	-	4,716	-
<b>Total Liabilities</b>	<b>333,770</b>	<b>14%</b>	<b>302,486</b>	<b>13%</b>	<b>509,841</b>	<b>22%</b>
<b>Total Shareholders' Equity</b>	<b>2,063,019</b>	<b>86%</b>	<b>1,951,731</b>	<b>87%</b>	<b>1,857,457</b>	<b>78%</b>

# 4Q23 Cash Flow

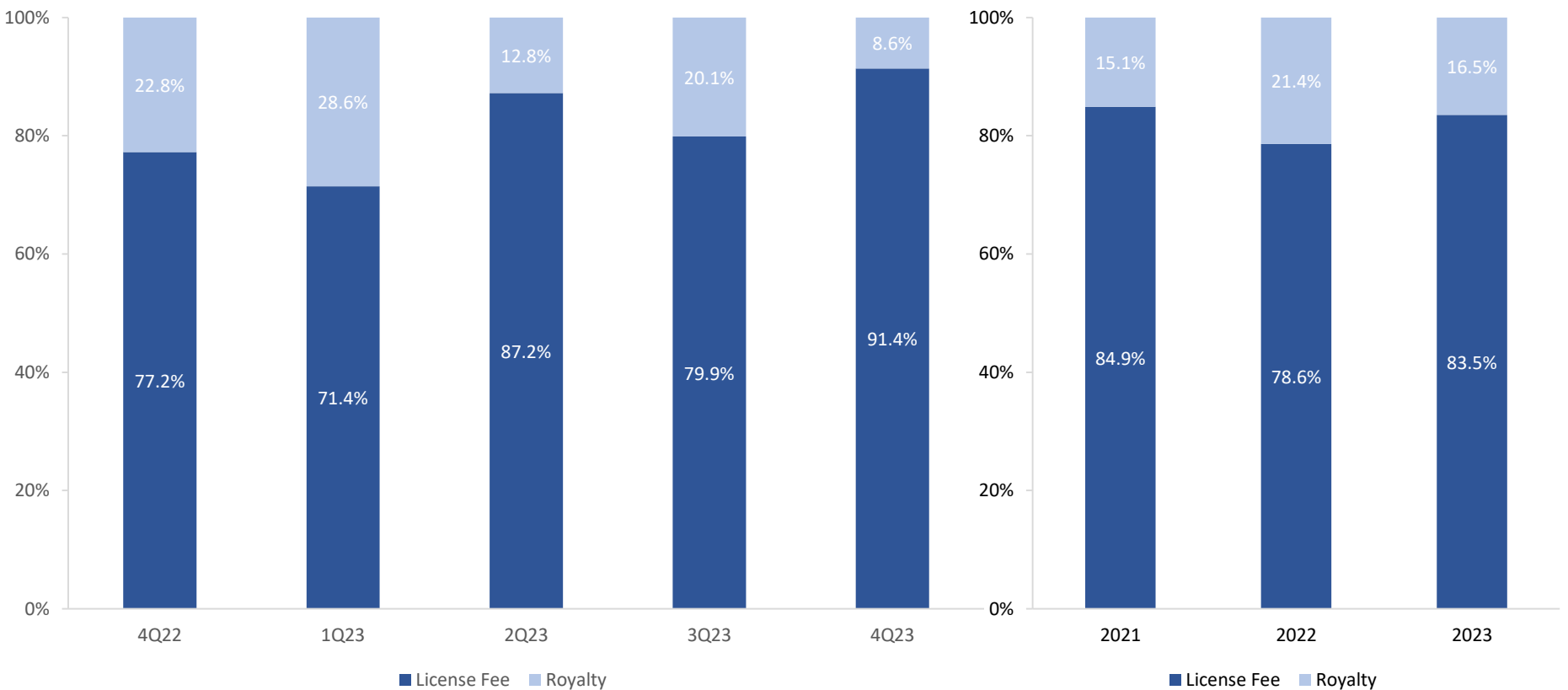
(In NT\$ thousands)

	<u>4Q23</u>	<u>3Q23</u>	<u>4Q22</u>
	12 Months Ended	9 Months Ended	12 Months Ended
<b>Beginning Balance</b>	<b>546,776</b>	<b>546,776</b>	<b>307,421</b>
Cash generated from operating activities	241,341	68,613	651,573
Cash used in investing activities	332,001	371,829	(185,571)
Cash generated from/(used in) financing activities	(258,691)	(255,308)	(231,546)
FX effects on cash held in foreign currencies	(12,306)	18,159	4,899
<b>Ending Balance</b>	<b>849,121</b>	<b>750,069</b>	<b>546,776</b>

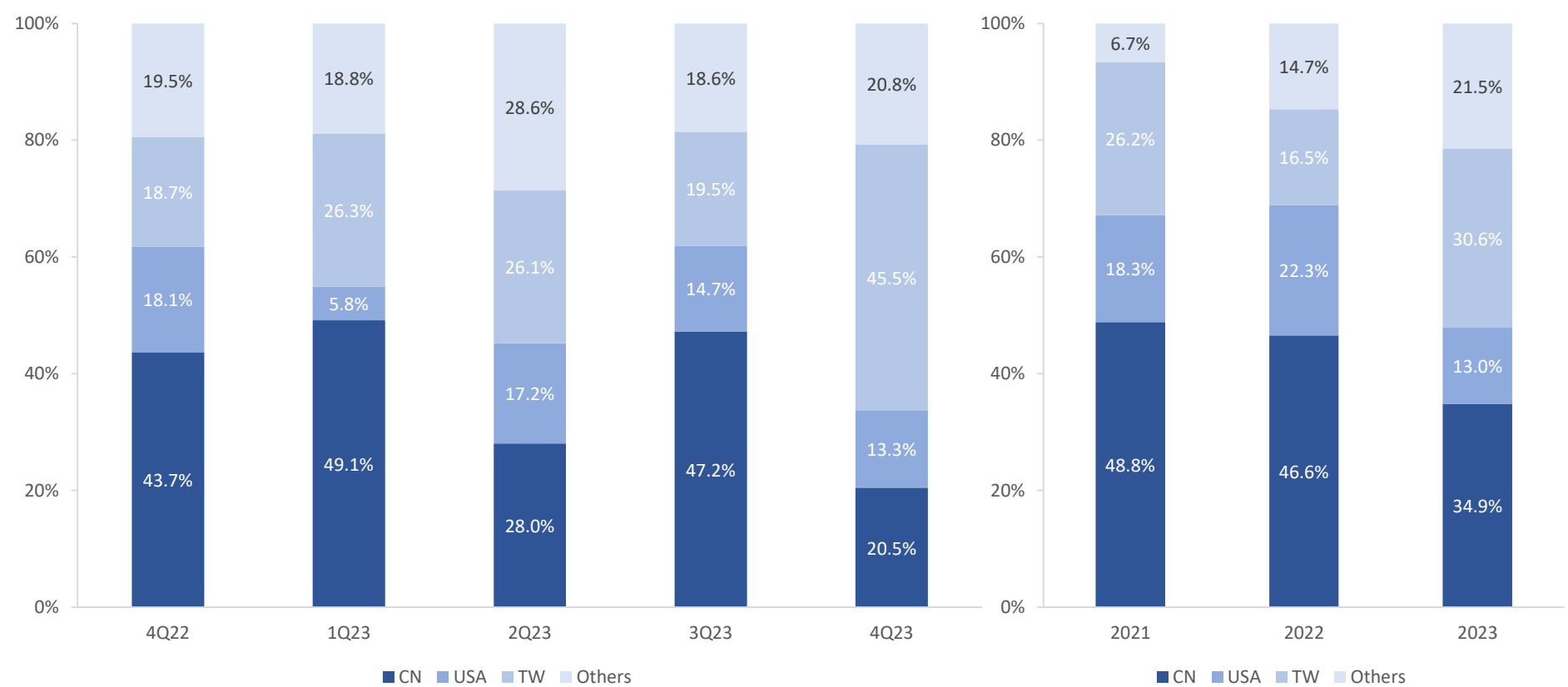


# Operating Result

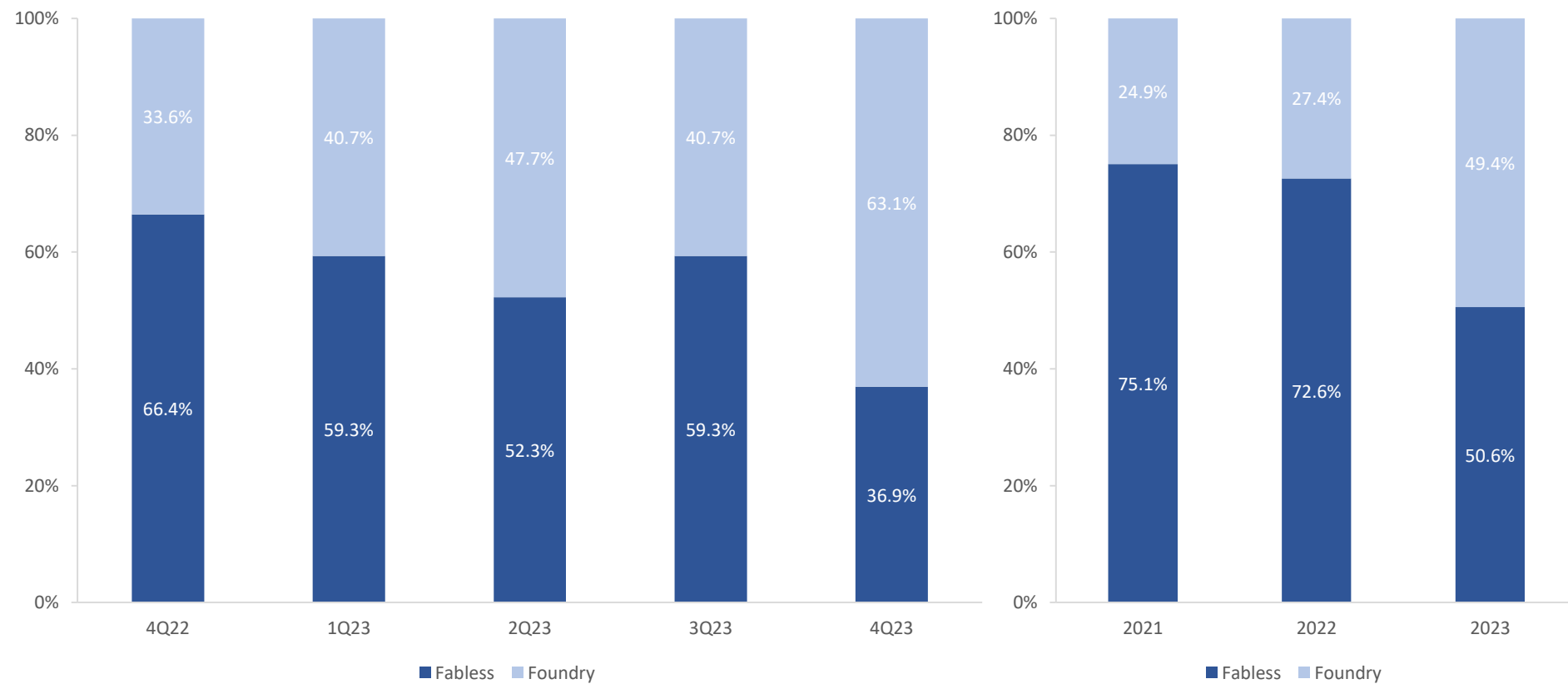
# 4Q23 Revenue by Income Source



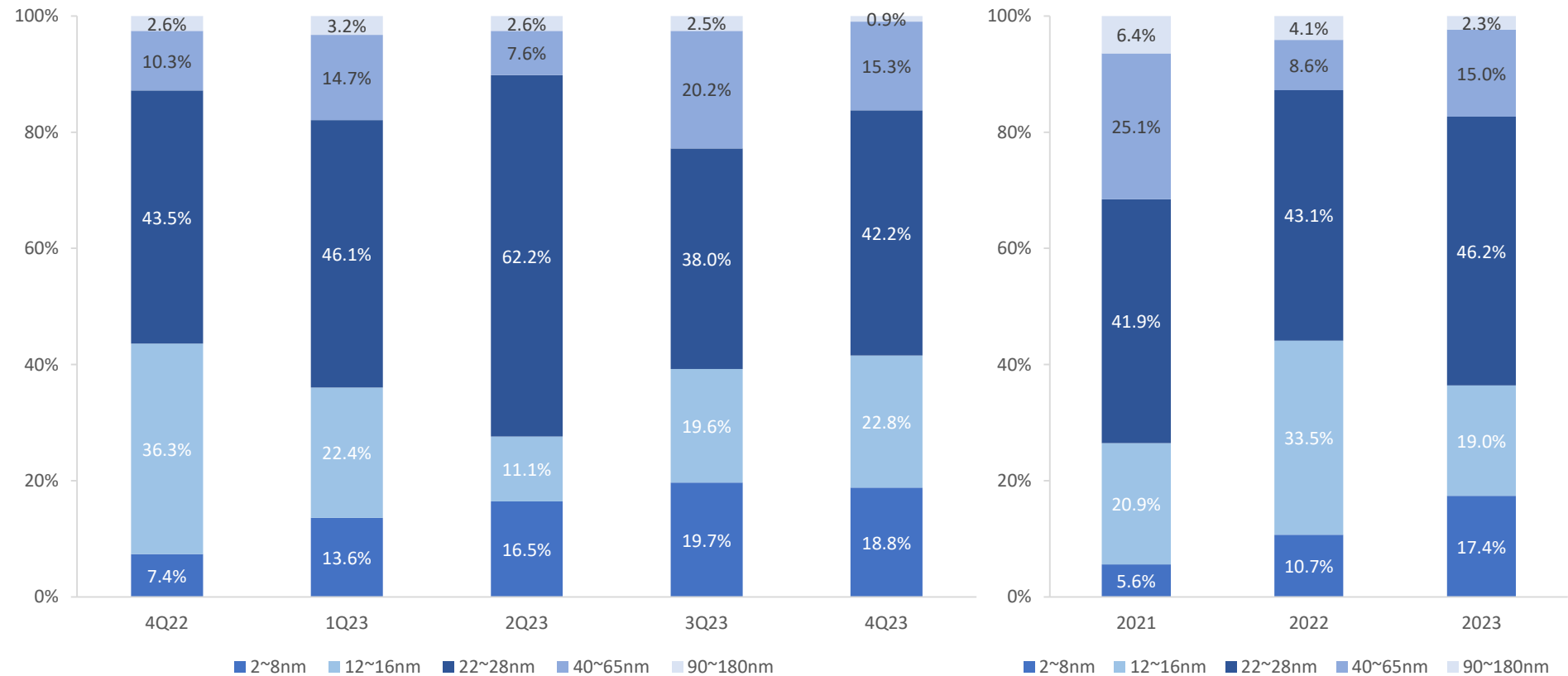
# 4Q23 Revenue by Region



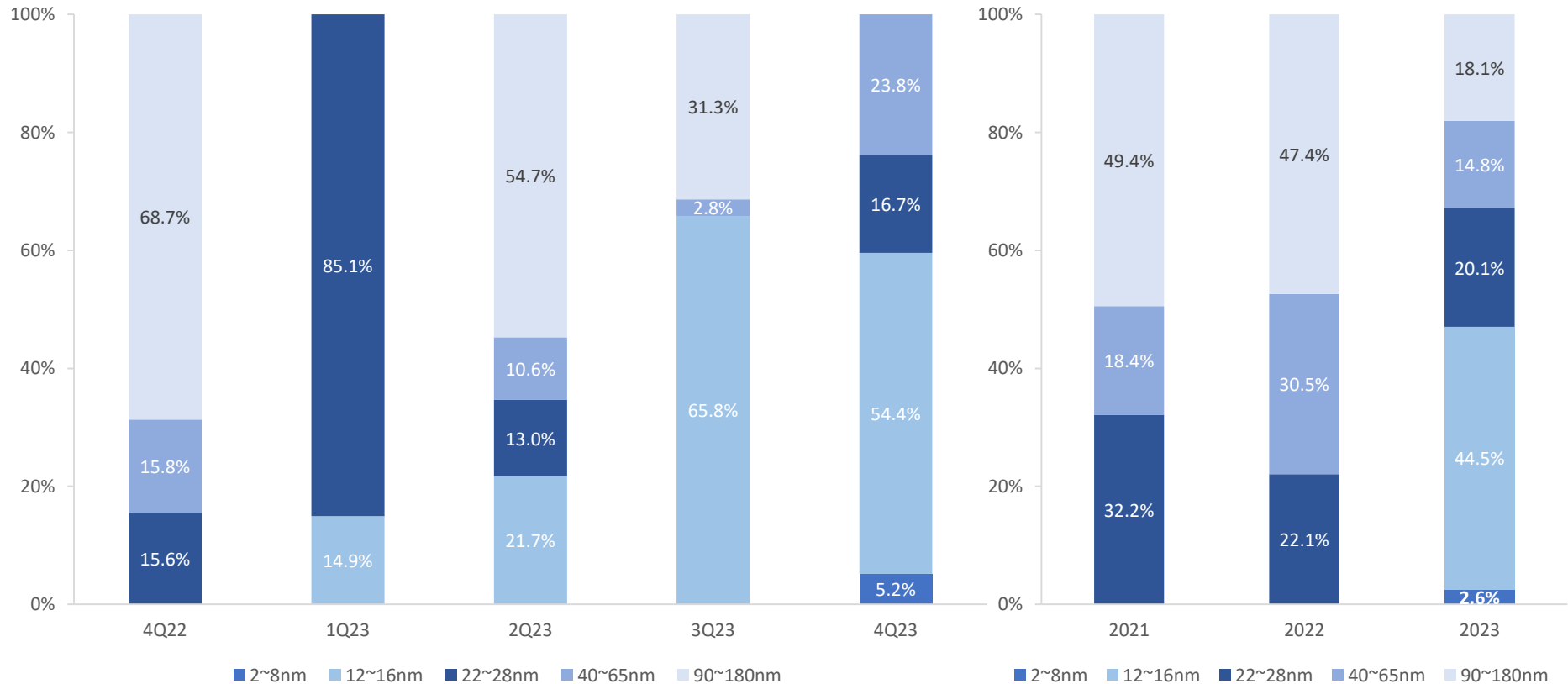
# 4Q23 Revenue by Customer Type



# 4Q23 Fabless License Fee by Nodes



# 4Q23 Foundry License Fee by Nodes



# Recap of 2023 Operating Result

- Despite 4Q23 financial results were heavily impacted by exchange losses and increased employee bonuses, M31 achieved a record-breaking annual revenue and continues to demonstrate profitable growth with improved OP margin.
- Revenue of royalties suffer the decline in capacity utilization mainly at oversea foundries. We anticipate royalties income will resume growth momentum as more chip customers migrate to 12/16nm FinFET technology platform forward.
- Thanks to new process deployment in foundry platform, advanced-node IPs at 16nm and below account for over 50% of total license fee in 4Q23. Both of foundation IP and functional IP are developing at 3nm in full swing.
- M31 India Design Center has expansion plan and focuses on the development of advanced Foundation IP solutions to meet booming foundry demand.

# *M31 Future Prospects*





*Your IP Partner*

*Your Virtual Team*

Thank You