

Macronix International Co., Ltd.
Third Quarter 2021 Results
October 26, 2021



MACRONIX
INTERNATIONAL Co., LTD.

Safe Harbor Statement

The presentation and discussion contain certain forward-looking statements with respect to the results of operation, financial condition and current expectation. The forward-looking statements are subject to known and unknown uncertainties and risks that could cause actual results to differ materially from those expressed or implied by such statements.

Such risks and uncertainties include but are not limited to the impact of competitive products and pricing, timely design acceptance by our customers, timely introduction of new technologies, ability to ramp new products into volume, industry wide shifts in supply and demand for semiconductor products, industry overcapacity, availability of manufacturing capacity, financial stability in end markets, and other risks.

The forward-looking statements in this release reflect the current belief of Macronix as of the date of this release and Macronix undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such date.

Agenda

Welcome

Miin Wu

3Q21 Financial Results

Paul Yeh

Business Update

Miin Wu

Remarks and Q&A

Miin Wu

3Q21 Robust Results with Record High Sales and Strong Margins Expansions

	3Q21 Reviewed	3Q21 Pro Forma*	2Q21 Reviewed	3Q20 Reviewed
Revenue (billion NT\$)	NT\$15.0	NT\$ 15.0	NT\$ 11.4	NT\$ 11.0
Gross margin %	42.9%	44.1%	39.1%	35.9%
Operating margin %	23.4.%	26.2%	20.2%	17.1%

*Pro Forma – financial restatement, excluding the effects of one-time events

*Excluding all effects of disposal of 6" fab

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Solid Financials Results

Unit : NTD Million (except EPS)	3Q21 Reviewed	3Q21 Pro Forma*	2Q21 Reviewed	3Q20 Reviewed	QoQ Change	YoY Change
Net Sales	14,974	14,974	11,426	10,957	31%	37%
Gross Profit	6,421	6,607	4,466	3,934	44%	63%
Gross Margin%	42.9%	44.1%	39.1%	35.9%	3.8ppt	7.0ppt
Operating Expenses	(2,924)	(2,685)	(2,160)	(2,063)	35%	42%
Operating Income	3,497	3,923	2,305	1,870	52%	87%
Operating Margin%	23.4%	26.2%	20.2%	17.1%	3.2ppt	6.3ppt
Net Non-Operating Income (Loss)	2,625	120	(131)	(9)		
Income Before Taxes	6,122	4,043	2,174	1,861	182%	229%
Income Taxes Expense	(693)	(508)	(248)	(244)		
Net Income	5,430	3,535	1,925	1,618	182%	236%
Basic EPS (NT\$)	2.94	1.92	1.04	0.88		
EBITDA	7,263	5,184	3,289	2,905		
EBITDA %	49%	35%	29%	27%		
Weighted avg outstanding million shares	1,844	1,844	1,844	1,838		

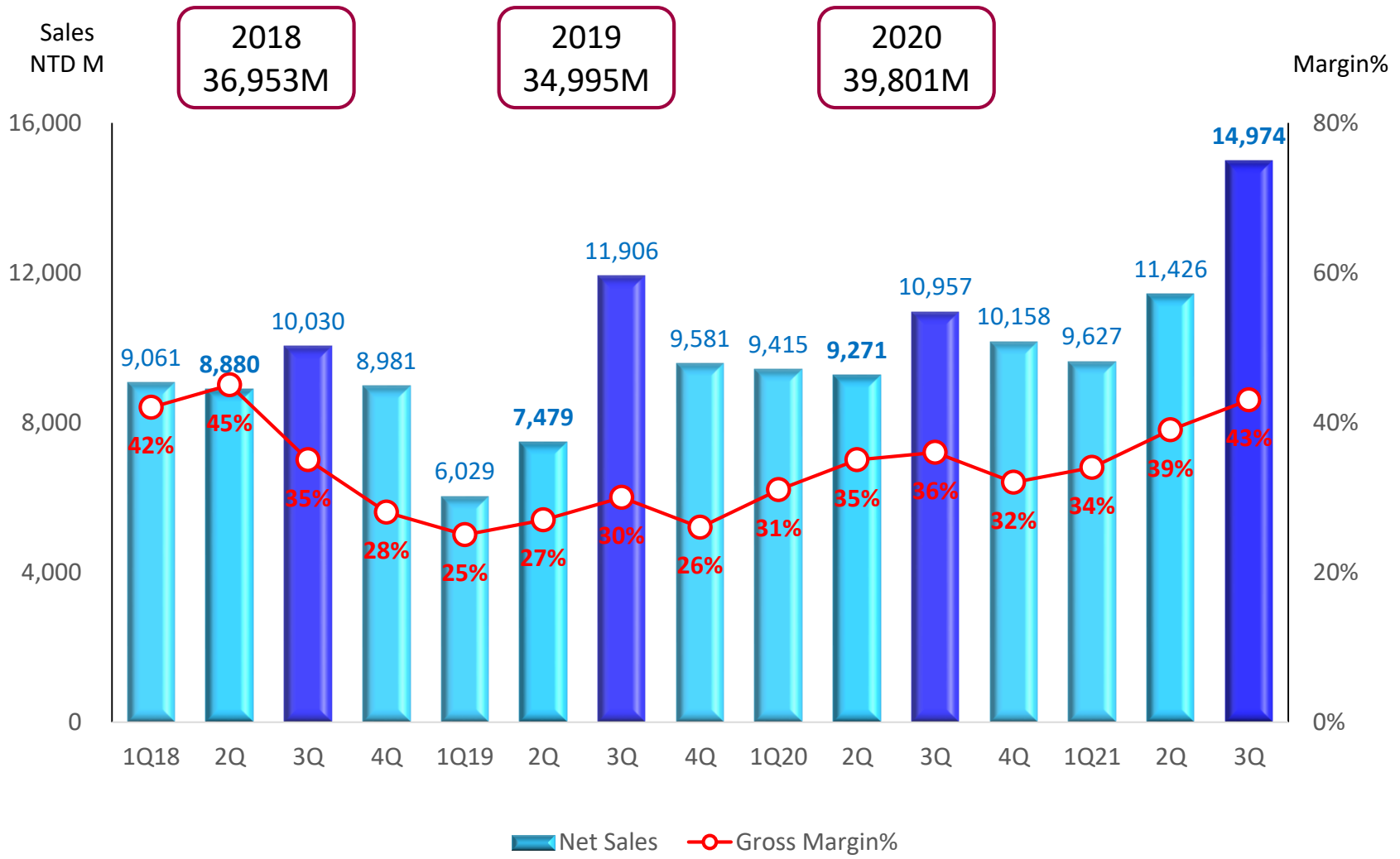
*Excluding all effects of disposal of 6" fab

3Q21 YTD Revs. Up 22% Y/Y with 530 Bps Margin Expansion

Unit : NTD Million (except EPS)	'21 YTD Reviewed	'21 YTD Pro Forma*	'20 YTD Reviewed	YoY Change
Net Sales	36,028	36,028	29,643	22%
Gross Profit	14,187	14,374	10,122	40%
Gross Margin%	39.4%	39.9%	34.1%	5.3ppt
Operating Expenses	(7,217)	(6,978)	(5,693)	27%
Operating Income	6,970	7,396	4,430	57%
Operating Margin%	19.3%	20.5%	14.9%	4.4ppt
Net Non-Operating Income (Loss)	2,317	(188)	59	
Income Before Taxes	9,287	7,208	4,488	107%
Income Taxes Expense	(1,016)	(831)	(318)	
Net Income	8,271	6,377	4,170	98%
Basic EPS (NT\$)	4.48	3.46	2.27	

*Excluding all effects of disposal of 6" fab

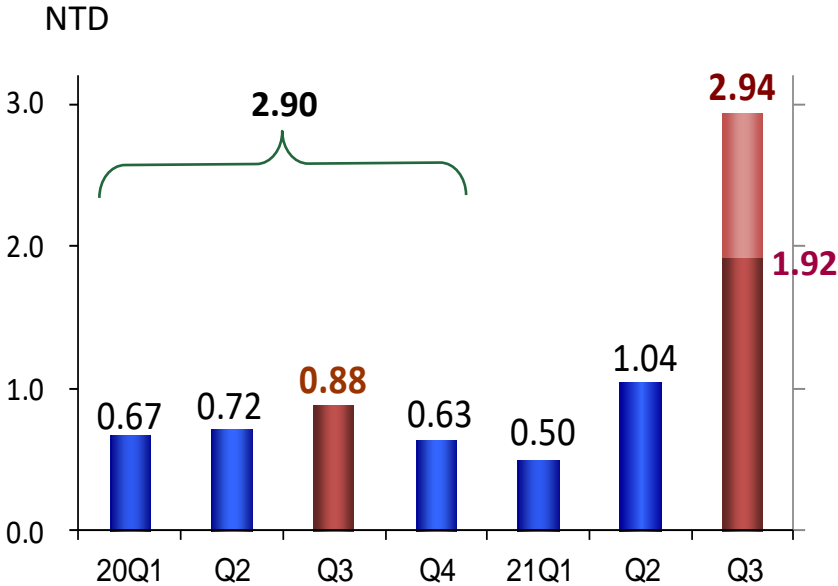
Sustainable Sales and Margin Growths



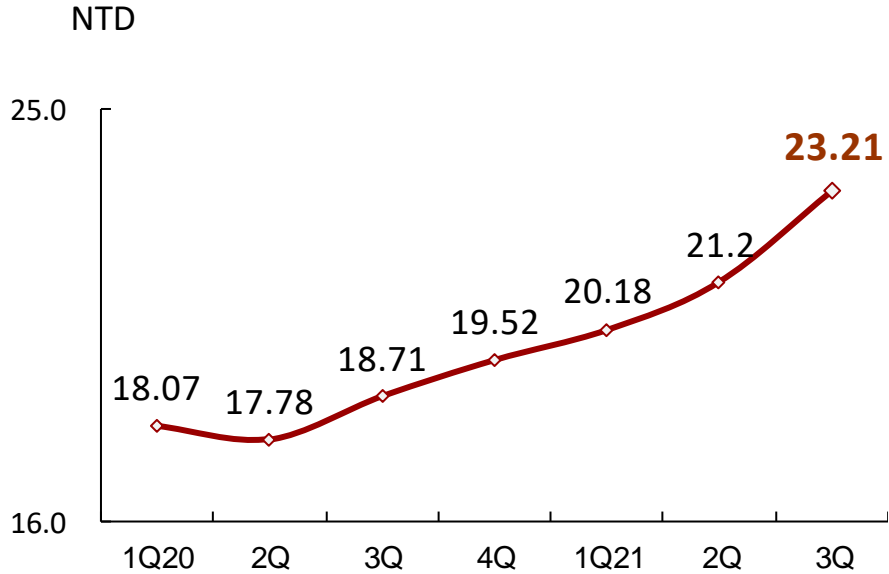
Rising Corporate Value

	3Q21	3Q20
Basic EPS -- NT\$	2.94	0.88
Book Value -- NT\$	23.21	18.71

Basic EPS



Book Value



Strong Balance Sheet with a Healthy Debt Ratio

Unit: NTD Million (except BV)	09/30/'21 Reviewed	06/30/'21 Reviewed	09/30/'20 Reviewed
Cash	15,152	11,796	7,798
Inventory(Net)	13,313	14,009	12,485
Property, Plant and Equipment	31,320	30,428	30,812
Total Assets	73,694	66,883	62,528
Interest bearing debt - short term	4,706	4,847	4,462
Interest bearing debt - long term	6,707	8,059	10,030
Total Liabilities	30,662	27,571	27,838
Debt Ratio (%)	41.6%	41.2%	44.5%
Shareholders' Equity	43,032	39,311	34,691
Book Value -- NT\$	23.21	21.20	18.71

Growing FcF

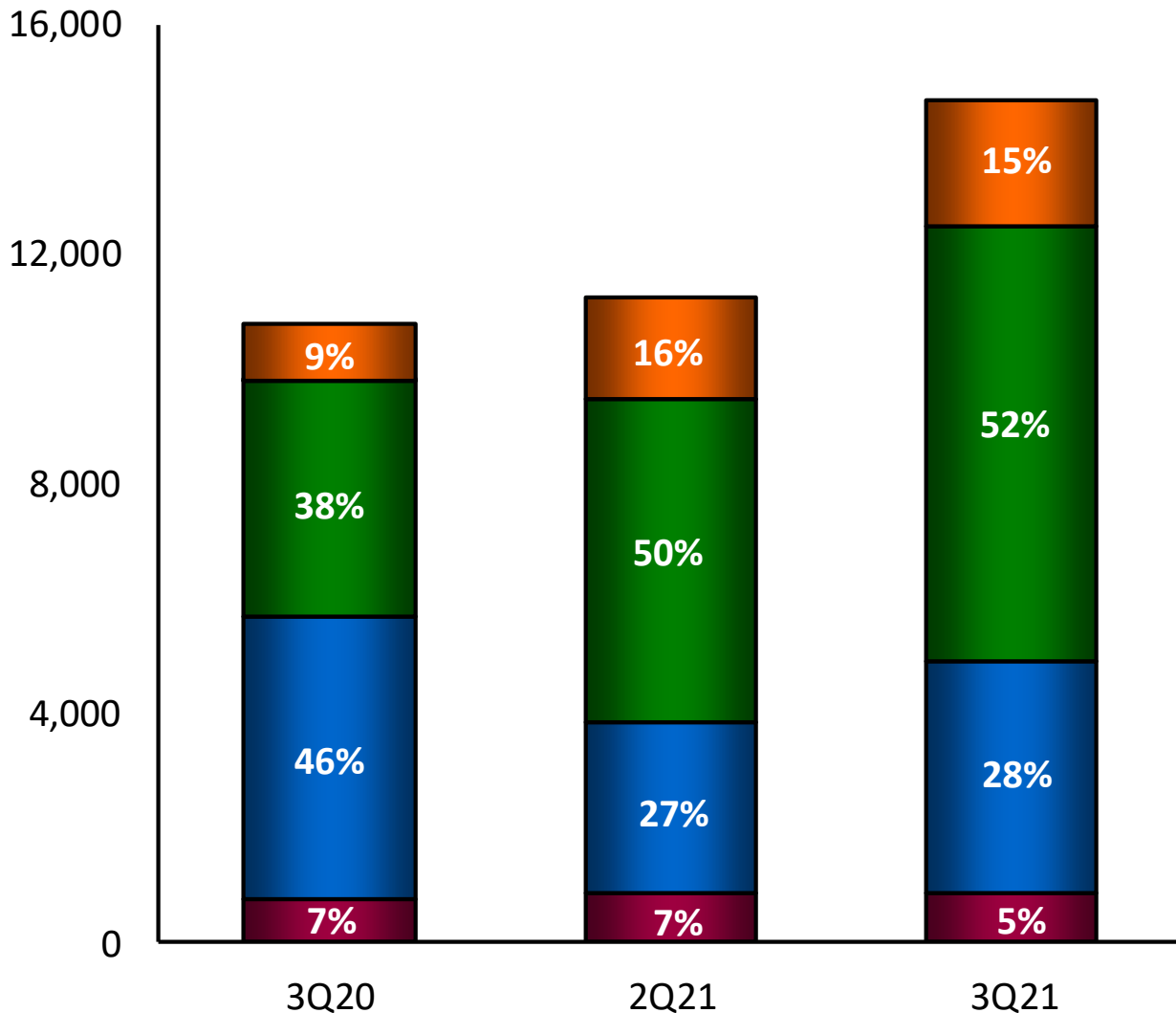
Unit: NTD Million	3Q21 Reviewed	2Q21 Reviewed	3Q20 Reviewed
Cash Flow from Operating	4,217	2,851	1,486
Depreciation & Amortization	1,086	1,056	977
Cash Flow from Investing	636	(453)	(2,573)
Capital Expenditures	(1,198)	(520)	(2,577)
Cash Flow from Financing	(1,521)	(875)	(997)
Net Change*	3,356	1,426	(2,092)
Ending Balance	15,152	11,796	7,798
Free Cash Flow**	3,019	2,332	(1,091)

*Net change includes the effect of exchange rate changes

**Free Cash Flow=Cash Flow from Operating - Capital Expenditures

Quarterly Sales Breakdown by Products (Parent Company)

Unit: NTD Million



	QoQ Change	YoY Change
NAND	+25%	+122%
NOR	+34%	+84%
ROM	+36%	-17%
FBG	-1%	+11%

* FBG (foundry business group)

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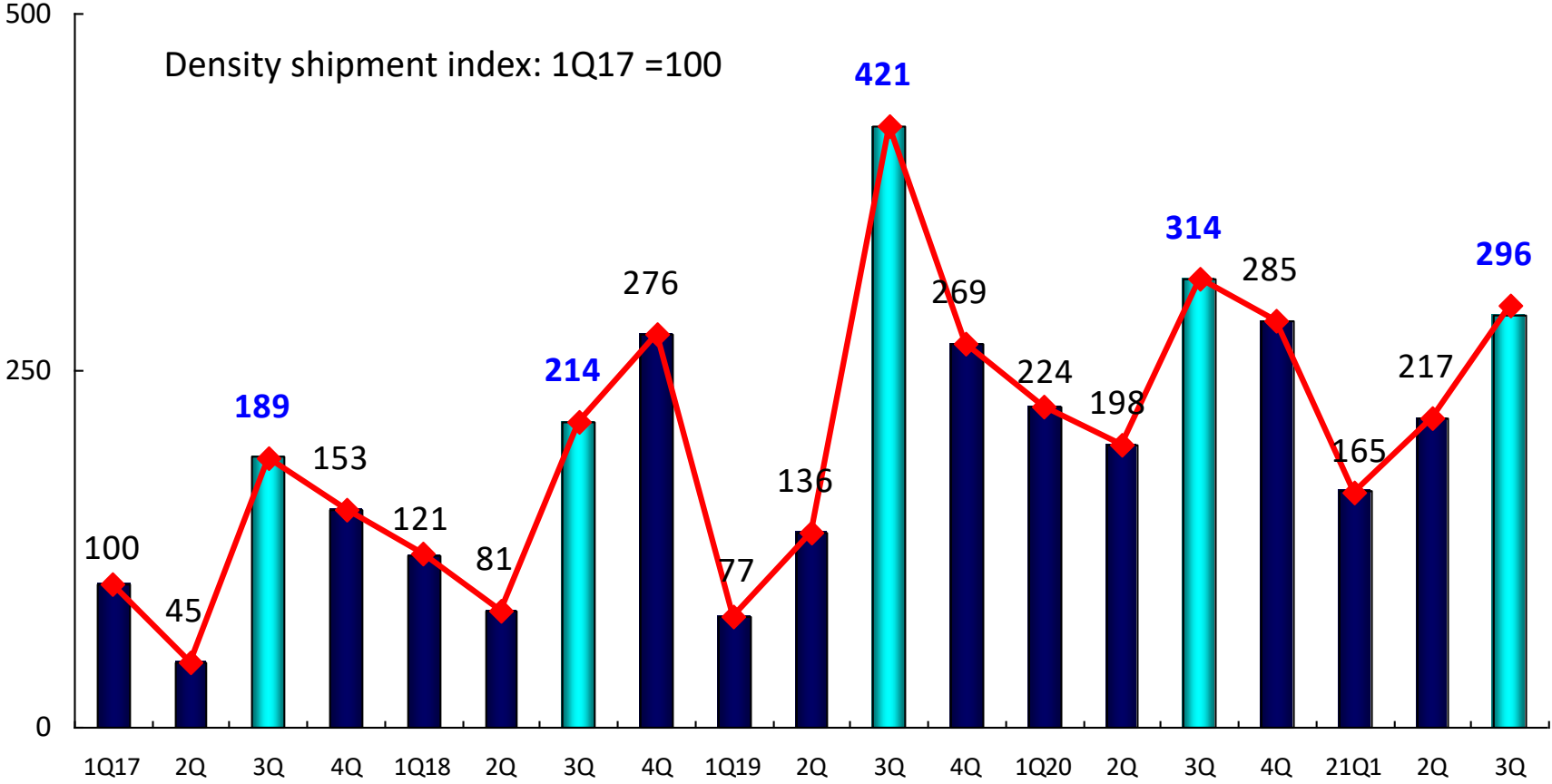
Remarks and Q&A

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Business update - ROM

➤ ROM business

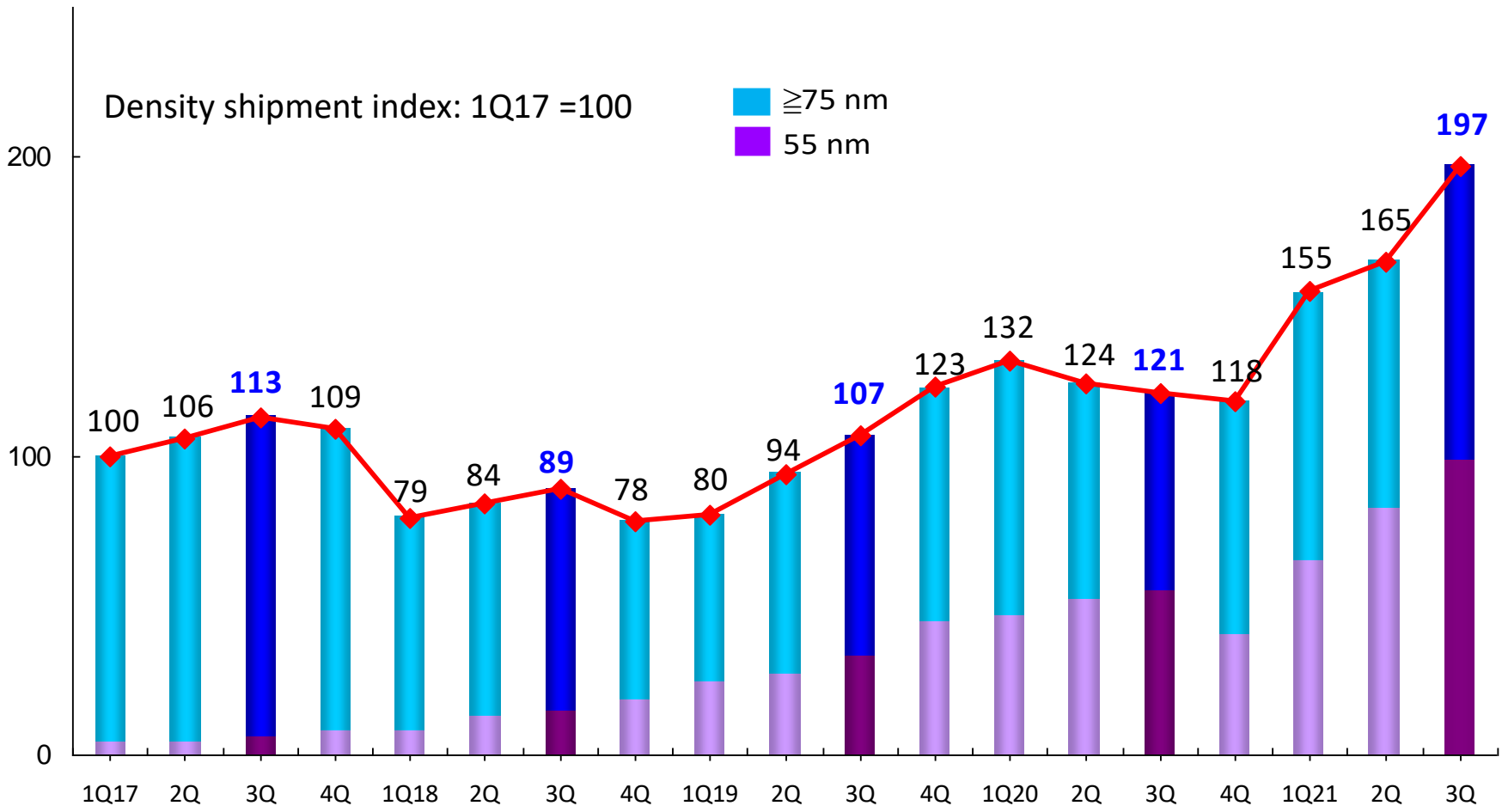
- 3Q21 density shipments rose 36% Q/Q, inline with normal seasonality



Business update - NOR

➤ NOR business

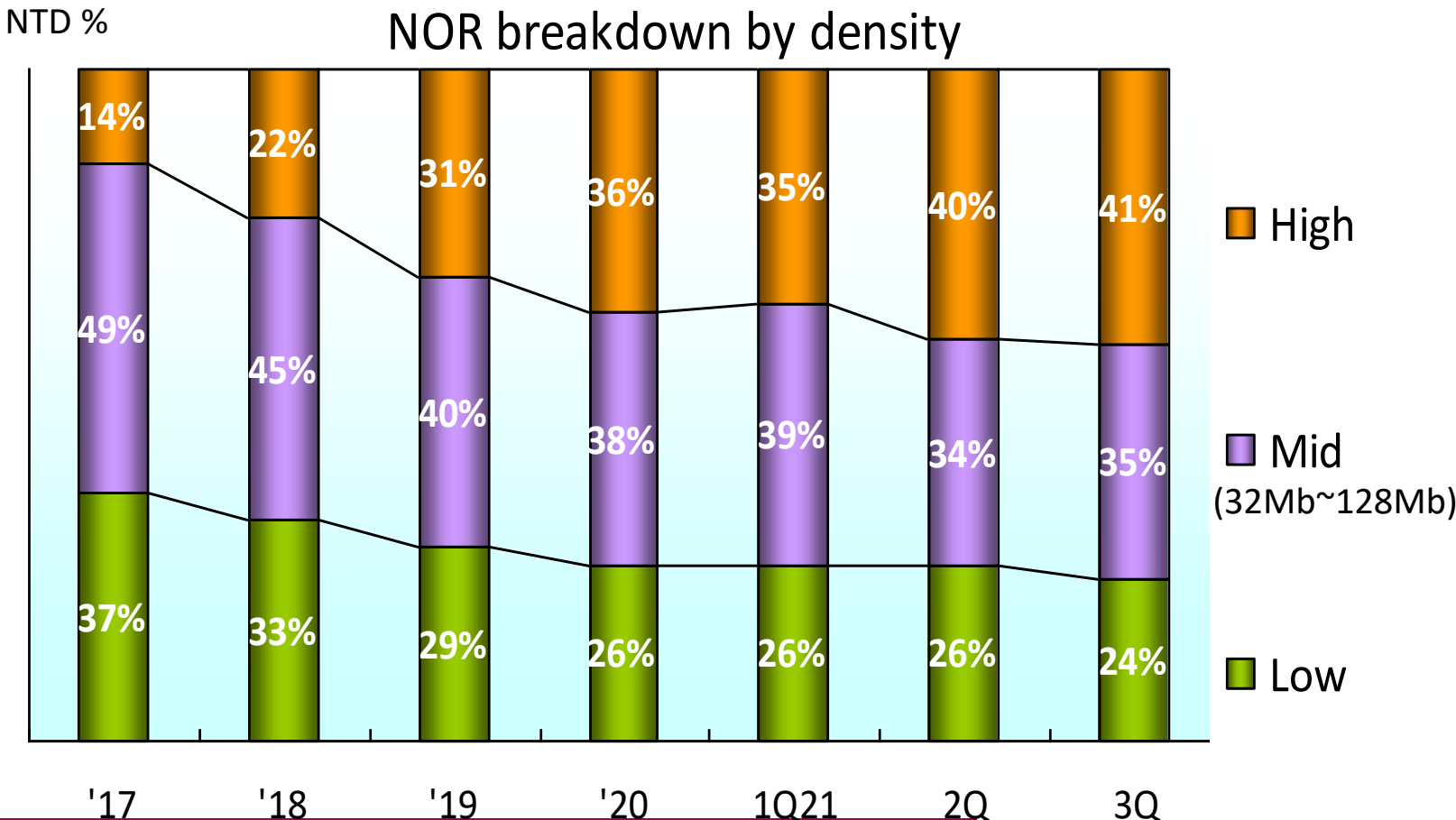
- 3Q21 density shipments continued to remain record high, +19% q/q and +63% y/y
- 55nm represented 50%+ of density shipment in 3Q21
- ASP hikes mainly due to strong demand across all segments



Business update – NOR breakdown (Parent Company)

➤ NOR business

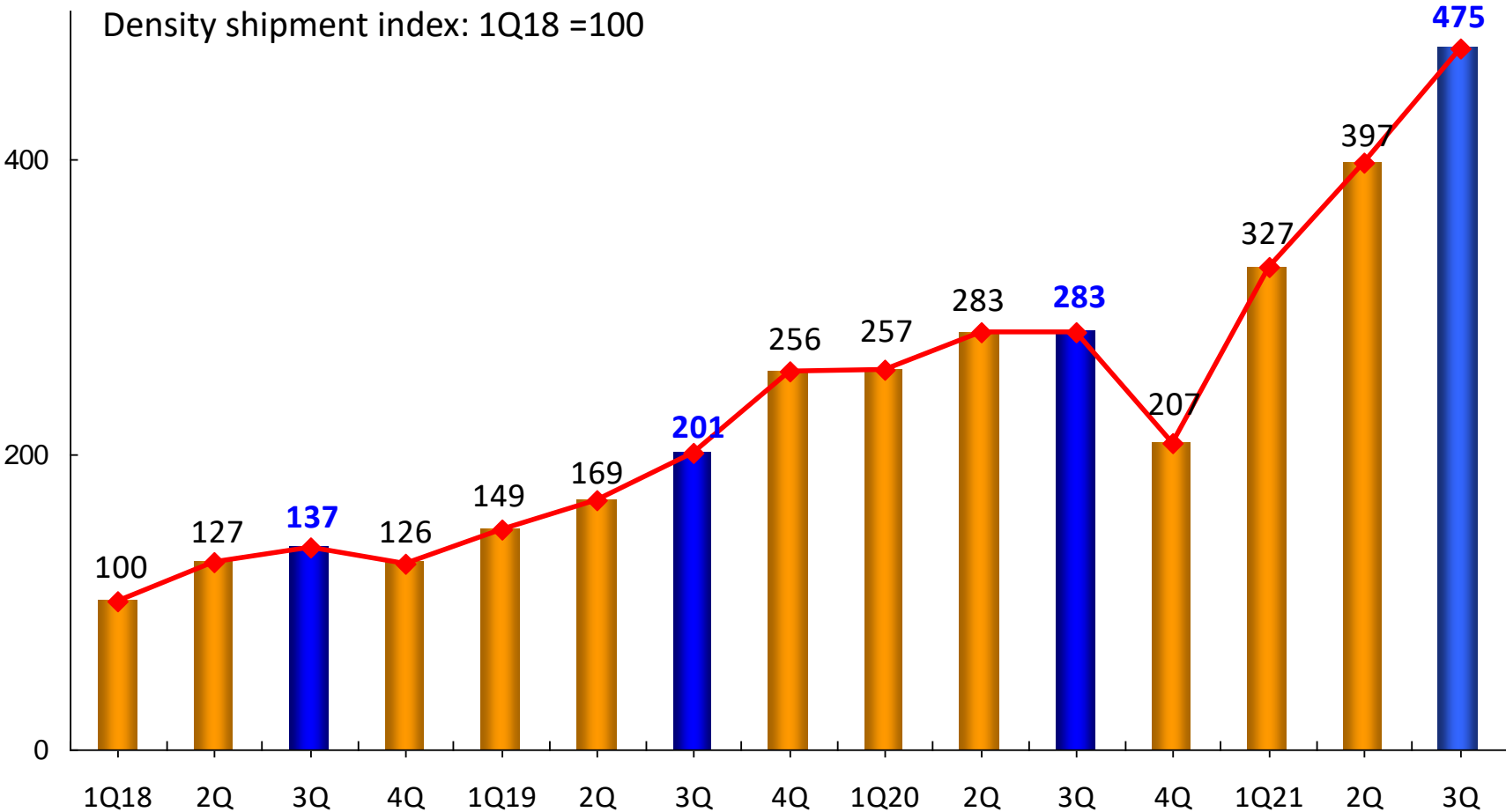
- Continued to expand capacity for 55nm and more advanced process technologies
- Migrated 75nm to 68nm for mid-low density products



Business update – high density NOR (Parent Company)

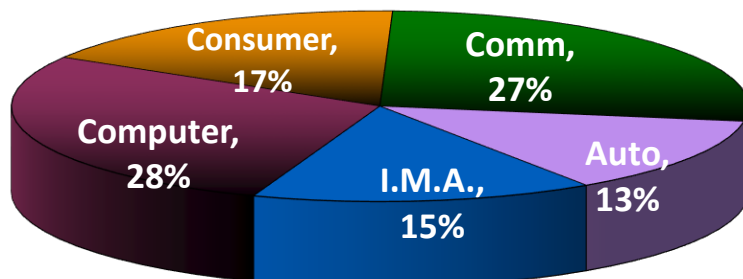
➤ High density NOR business

- Strong demands driven by 5G, Automotive, Medicare, Server, and Data Center

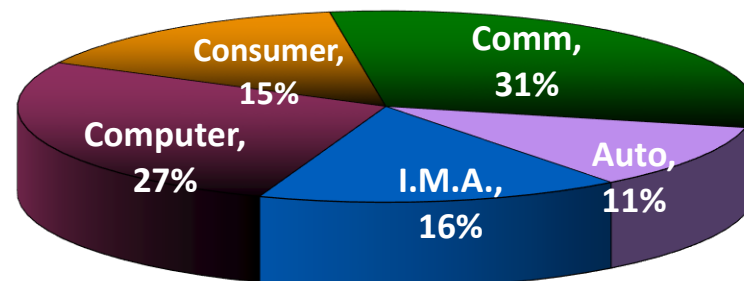


Business update NOR – Well Diverse Applications

2Q21 NOR revenue breakdown



3Q21 NOR revenue breakdown



* **Comm:** including handsets

* **I**(Industrial), **M**(Medical), **A**(Aerospace-defense)

3Q21 NOR revenue comparison

Computer

+32% QoQ

+134% YoY

Consumer

+18% QoQ

+113% YoY

Communication

+51% QoQ

+39% YoY

Automotive

+13% QoQ

+56% YoY

I.M.A

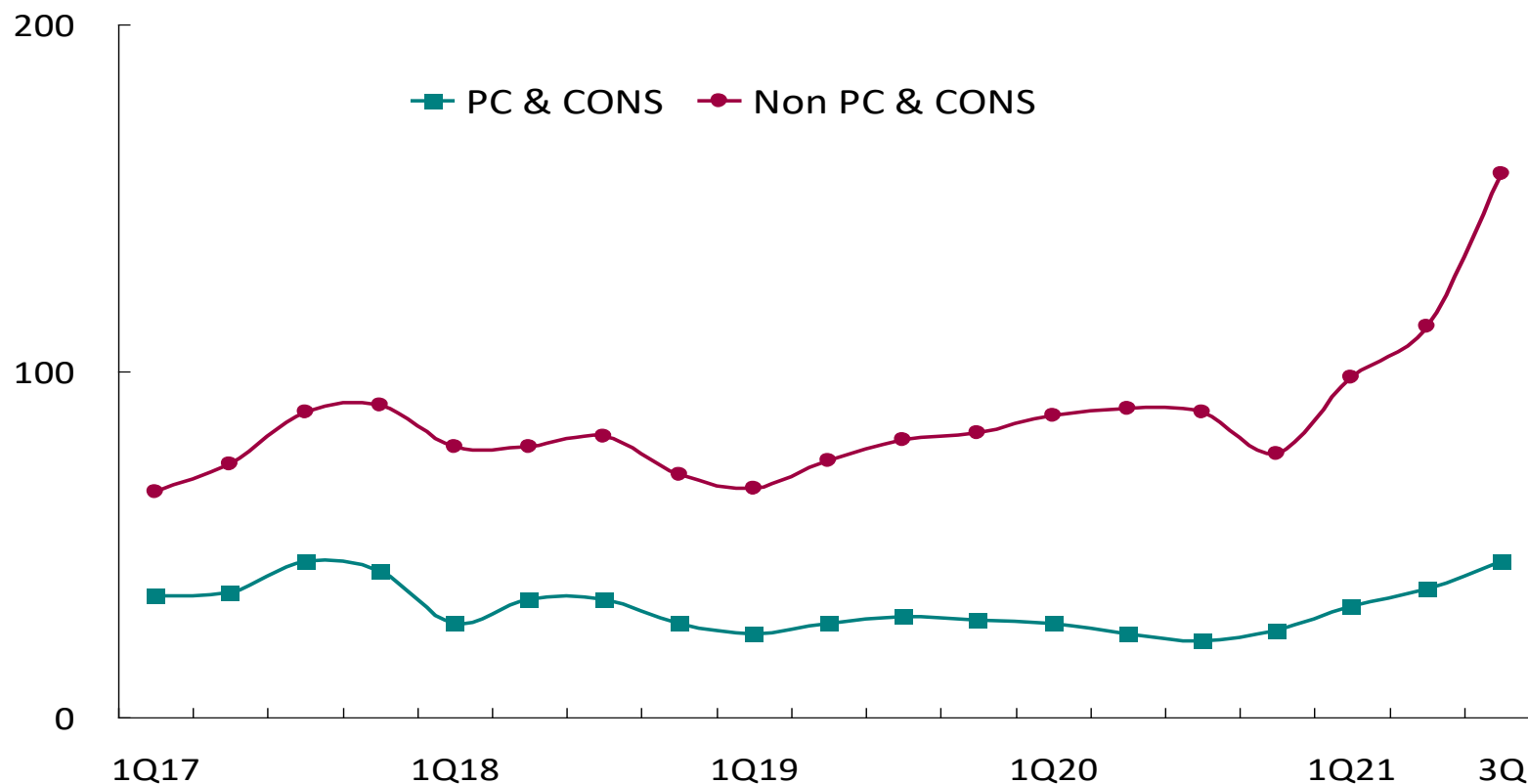
+46% QoQ

+161% YoY

Transforming into Less-Cyclical Applications

Revenue index: 1Q17 Total =100

NOR revenue Index Trend



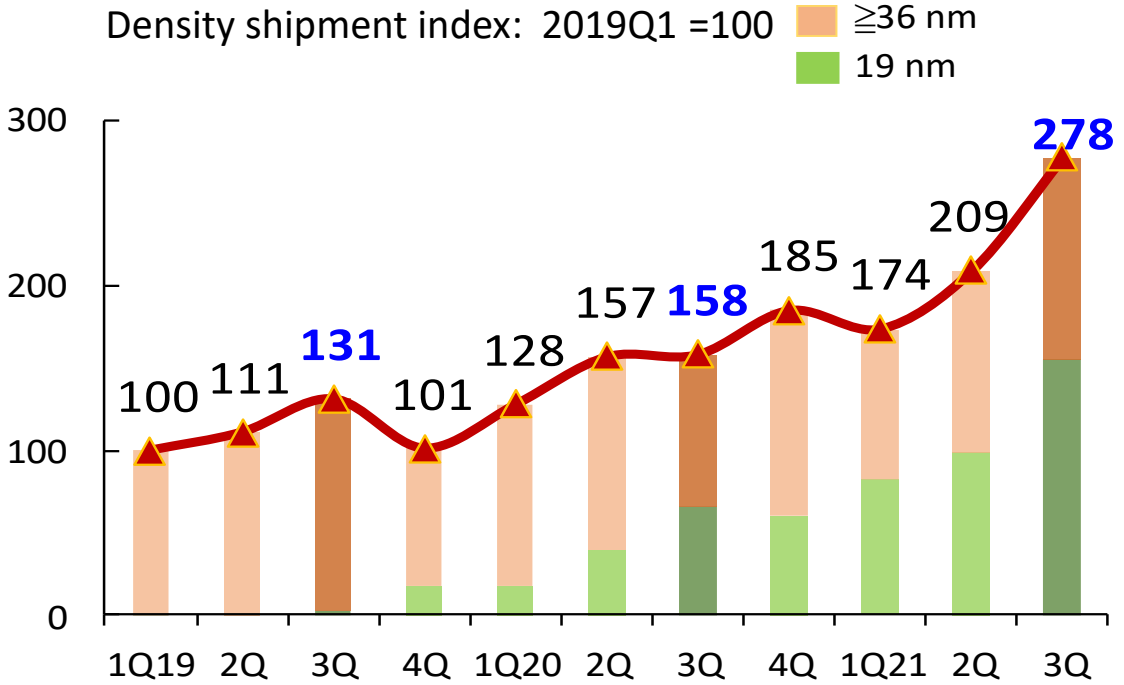
PC : DTPC 、 NB 、 Web Cam 、 Monitors 、 Tablet

CONS : Printers/MFP 、 TV 、 Audio 、 Game Consoles 、 Pachinko 、 STB 、 Ela Toys 、 Video

Business update – SLC NAND (Parent Company)

➤ SLC NAND business

- 19nm represented 56% of density shipment in 3Q21
- 36nm is mainly for Automobile and Industrial (longevity) applications
- Strong demands mainly on Surveillance, STB, and Server



Joint Development Projects with IBM

- **Macronix joins IBM AI Hardware Center as a member**
- **Initiating an equal partner cooperation program for Phase Change Memory (PCM)
-based Analog AI technology**

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For more information regarding Macronix
<http://www.macronix.com>



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