Nanya Technology
Q1 2024 Investor Conference

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Q1’24 Financial Results Summary

Amount in Million NT$, except for EPS & BVPS	Q1’24		Q4’23		QoQ	Q1’23		YoY
Net Sales	**9,503**	*100%*	**8,704**	*100.0%*	9.2%	**6,425**	*100%*	47.9%
Gross Profit (Loss) *Gross Margin(%)*	****-277**	*-2.9%*	**-1,188**	*-13.6%*	-	**-554**	*-8.6%*	-
Operating Income (Loss) *Operating Margin(%)*	**-2,918**	*-30.7%*	**-4,050**	*-46.5%*	-	**-2,885**	*-44.9%*	-
EBITDA* *EBITDA Margin(%)*	**1,156**	*12.2%*	**-196**	*-2.2%*	690.3%	**873**	*13.6%*	32.3%
Non-operating Income (Expense)	**1,375**	*14.5%*	**521**	*6.0%*		**773**	*12.0%*	
Income Tax Benefit (Expense)	**335**	*3.5%*	**1,050**	*12.1%*		**428**	*6.7%*	
Net Income (Loss) *Net Margin(%)*	**-1,208**	*-12.7%*	**-2,480**	*-28.5%*	-	**-1,685**	*-26.2%*	-
Earnings Per Share (NT$)	*****-0.39**		**-0.80**			**-0.54**		
Book Value Per Share (NT$)	******54.16**		**53.88**			**55.62**		

Remark: * EBITDA = Operating income + Depreciation & Amortization Expenses

** Idle cost included

*** EPS is based on weighted average outstanding shares of 3,098M

**** BVPS is calculated based on 3,099M outstanding shares

Quarterly Revenue Results

	QoQ Q1'24 vs. Q4'23	YoY Q1'24 vs. Q1'23
Revenue	+9.2%	+47.9%
Shipment	Increased low-single digit%	Increased low fifties%
ASP	Increased high-single digit%	Decreased high-single digit%
Exchange Rate	Decreased low-single digit%	Increased low-single digit%

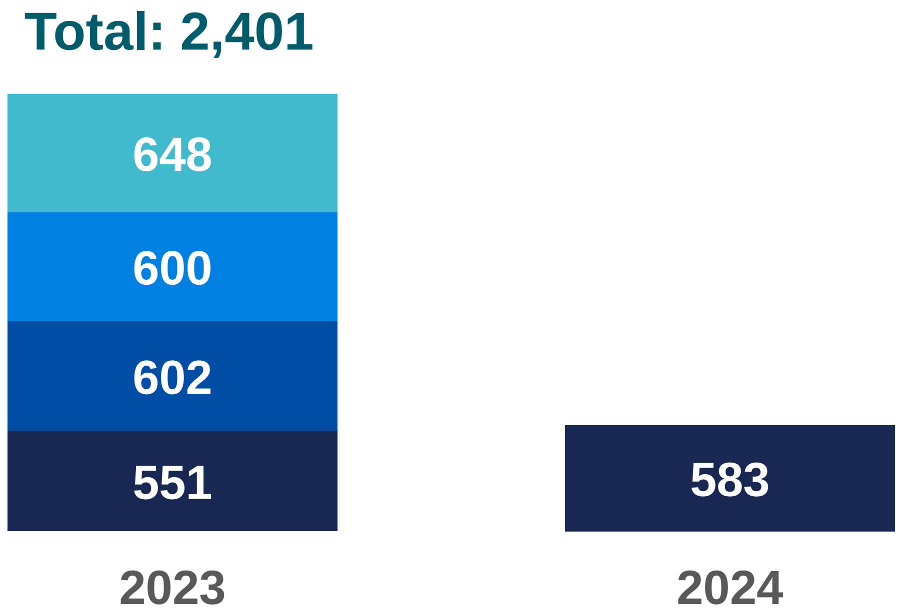
Q1’24 vs. Q4’23 Results Comparison

Amount in Million NT$	Q1’24		Q4’23		QoQ (PPT* Delta)	Remarks
Net Sales	**9,503**		**8,704**		9.2%	■ Bit shipment increased low-single digit% ■ ASP increased high-single digit% ■ FX rate unfavorable low-single digit%
Gross Profit (Loss) Gross Margin(%)	**-277**	*-2.9%*	**-1,188**	*-13.6%*	10.7%	■ Gross loss decreased NT$ 911M, mainly due to higher ASP and lower idle costs
Operating Expenses	**2,642**	*27.8%*	**2,863**	*32.9%*	-5.1%	■ Operating expenses decreased NT$ 221M with lower R&D expenses
Operating Income (Loss) Operating Margin(%)	**-2,918**	*-30.7%*	**-4,050**	*-46.5%*	15.8%	■ OP loss decreased NT$ 1,132M
Net Income (Loss) Net Margin (%)	**-1,208**	*-12.7%*	**-2,480**	*-28.5%*	15.8%	■ Net loss decreased NT$ 1,272M • FX favorable NT$ 810M • Income tax unfavorable NT$ 715M

Operating Expenses

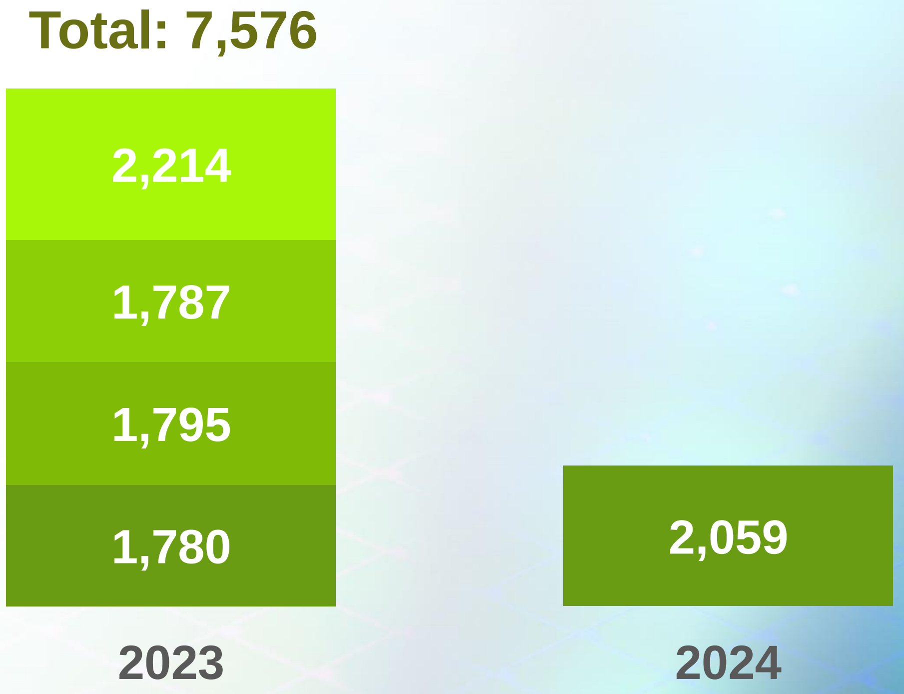
SG&A Expenses

(Million NT$)



R&D Expenses

(Million NT$)



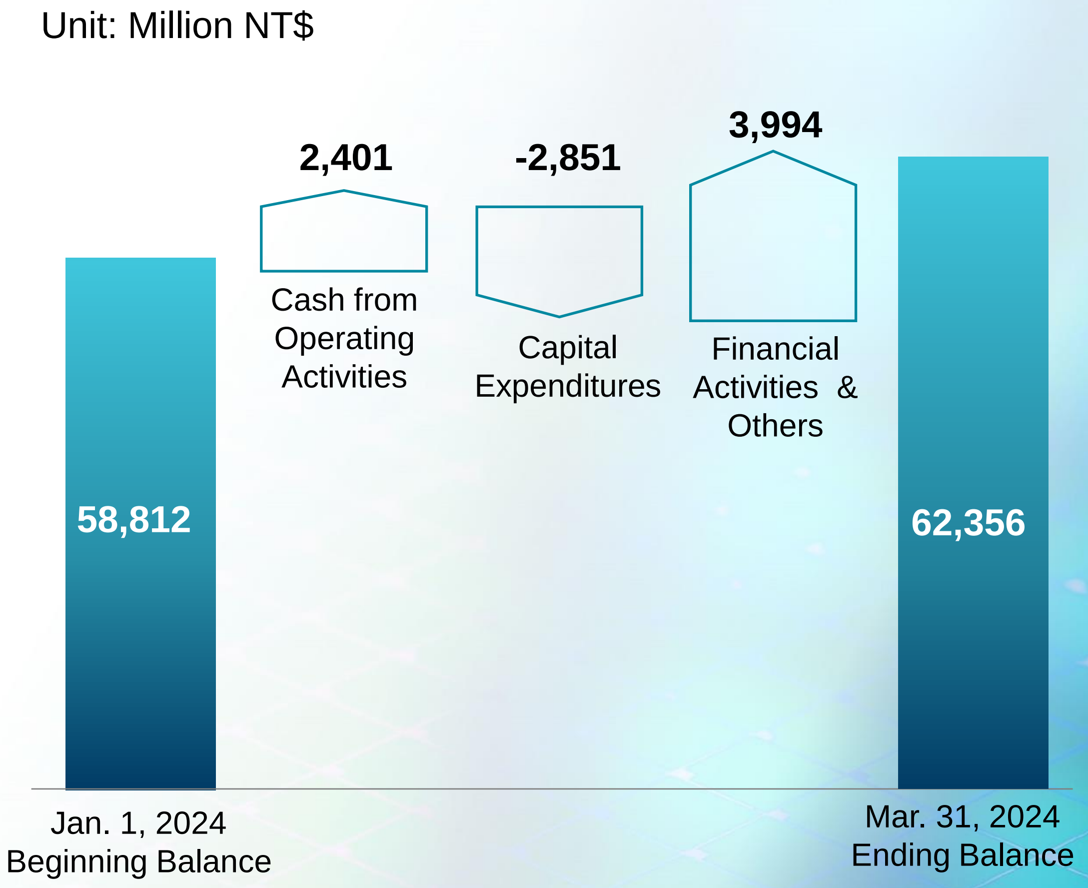
Cash Flow

Unit: Million NT$	Q1’24	Q4’23
Beginning Balance	**58,812**	**60,474**
Cash from Operating Activities	2,401	577
Capital Expenditures	-2,851	-2,189
Financial Activities & Others	3,994	-50
Ending Balance	***62,356**	**58,812**
Free Cash Flow (1)	**-450**	**-1,612**

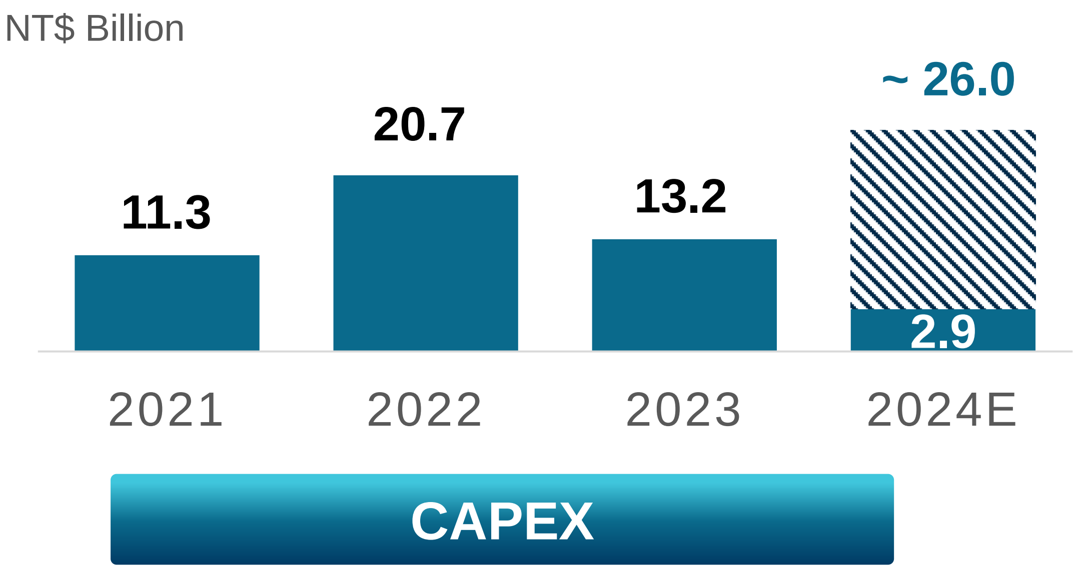
(1) Free Cash Flow = Cash from operating activities – Capital expenditures

* Net cash and equivalents (NT$ 49.4B) = Cash and equivalents (NT$ 62.4B) – Short-term debt (NT$ 13B)

2024 Q1 Cash Flow



CAPEX & Bit Shipment



Capital Expenditure (CAPEX)

- Q1'24 CAPEX was NT$ 2.9B
- 2024 CAPEX to be up to NT$26B, in which WFE CAPEX accounts for ~50%

Bit Shipment

- Q1'24 bit shipment increased low-single digit% QoQ
- 2024 bit shipment expected to increase more than twenties% YoY

DRAM Market Outlook (Q2'24)

Outlook

- DRAM price expected to grow in 2024 as demands for AI servers, HBM and DDR5 increase.
- Suppliers accelerate migrating to high-end products, which may lead to overall output constraint.
- Market recovery momentum subjects to geopolitical conflicts and regional economy uncertainty.

Supply

- Prioritized production of HBM & TSV products may cause constrained supply of standard DRAMs.
- Suppliers increase capex mainly for HBM products.

Demand

- **Server Market:** Overall shipment expected to increase significantly as AI and high-end servers drive demands for DDR5 and high-density products.
- **Mobile Market:** Smartphone sales recovered in China, share of high-end models also increased.
- **PC Market:** AI PC launch may contribute to DRAM shipment and content growth.
- **Consumer Market:** Demands for IP CAM, TV, industrial and automotive remain stable.

Nanya Business Review & Outlook

- Nanya Q1’24 net loss NT$ 1,208 million, EPS NT$ -0.39
- DRAM market recovery expected to continue in 2024
- Nanya’s 2nd generation of 10nm-class (1B) products 8Gb DDR4 and 16Gb DDR5 to enter mass production in 2H’24
- Selected for CDP's A lists in Climate Change and Water Security
- Selected as the Top 100 Innovator by Clarivate
- Received the National Quality Management Award by the Ministry of Economic Affairs, Taiwan

Thanks & Questions

Q1’24 Consolidated Income Statement

Amount: Million NT$	Q1’24		Q4’23		QoQ	Q1’23		YoY
Net Sales	**9,503**	100.0%	**8,704**	100.0%	9.2%	**6,425**	100.0%	47.9%
Cost of Goods Sold	**9,780**	102.9%	**9,892**	113.6%		**6,979**	108.6%	
Gross Profit (Loss)	**-277**	-2.9%	**-1,188**	-13.6%	-	**-554**	-8.6%	-
SG&A Expenses	**583**	6.1%	**648**	7.4%		**551**	8.6%	
R&D Expenses	**2,059**	21.7%	**2,214**	25.4%		**1,780**	27.7%	
Operating Income (Loss)	**-2,918**	-30.7%	**-4,050**	-46.5%	-	**-2,885**	-44.9%	-
Non-operating Income (Exp.)	**1,375**	14.5%	**521**	6.0%		**773**	12.0%	
Income before Tax (Loss)	**-1,543**	-16.2%	**-3,530**	-40.6%	-	**-2,112**	-32.9%	-
Income Tax Benefit (Expense)	**335**	3.5%	**1,050**	12.1%		**428**	6.7%	
Net Income (Loss)	**-1,208**	-12.7%	**-2,480**	-28.5%	-	**-1,685**	-26.2%	-
Earnings Per Share (NT$)	**-0.39**		**-0.80**			**-0.54**		
Book Value Per Share(NT$)	**54.16**		**53.88**			**55.62**		