



Stock Code: 6643 TT

M31, your IP partner,
your virtual team.

2022年第三季法人說明會

www.m31tech.com //

November 23th, 2022

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。



3Q22 Financial Results



3Q22 Statements of Comprehensive Income

Selected Items from Statements of Comprehensive Income

(In NT\$ thousands unless otherwise noted)

	3Q22	2Q22	3Q21	3Q22 over 2Q22	3Q22 over 3Q21
Net Revenue (US\$ thousands)	10,644	10,134	7,890	+5.0%	+34.9%
Net Revenue	323,460	299,748	220,341	+7.9%	+46.8%
Gross Margin	100%	100%	100%		
Operating Expenses	(258,520)	(226,651)	(181,578)	+14.1%	+42.4%
Operating Margin	20.1%	24.4%	17.6%	-4.3 ppt	+2.5 ppt
Net Income	101,484	82,181	32,918	+23.5%	+208.3%
Net Profit Margin	31.4%	27.4%	14.9%	+4.0 ppt	+16.4 ppt
EPS (NT Dollar)	3.26	2.64	1.06	+23.5%	+207.5%
Average Exchange Rate-USD/NTD	30.39	29.47	27.86	+3.1%	+9.1%

* Diluted weighted average outstanding shares were 31,174 units in 3Q22.

** 3Q22 net foreign exchange gains NTD \$53,165K.

3Q22 Balance Sheets

Selected Items from Balance Sheets

(In NT\$ thousands)

Selected Items from Balance Sheets (In NT\$ thousands)	3Q22		2Q22		3Q21	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	937,131	45%	922,472	44%	787,132	41%
Accounts Receivable	218,530	10%	208,802	10%	235,748	13%
Other current assets	148,444	7%	175,368	8%	113,874	6%
Net PP&E	672,287	32%	676,123	32%	682,114	36%
Other non-current assets	136,144	6%	135,476	6%	74,094	4%
Total Assets	2,112,536	100%	2,118,241	100%	1,892,962	100%
Current Liabilities	410,041	20%	584,301	28%	238,895	13%
Non-current Liabilities	7,413	-	1,688	-	197,923	10%
Total Liabilities	417,454	20%	585,989	28%	436,818	23%
Total Shareholders' Equity	1,695,082	80%	1,532,252	72%	1,456,144	77%



3Q22 Cash Flow

(In NT\$ thousands)

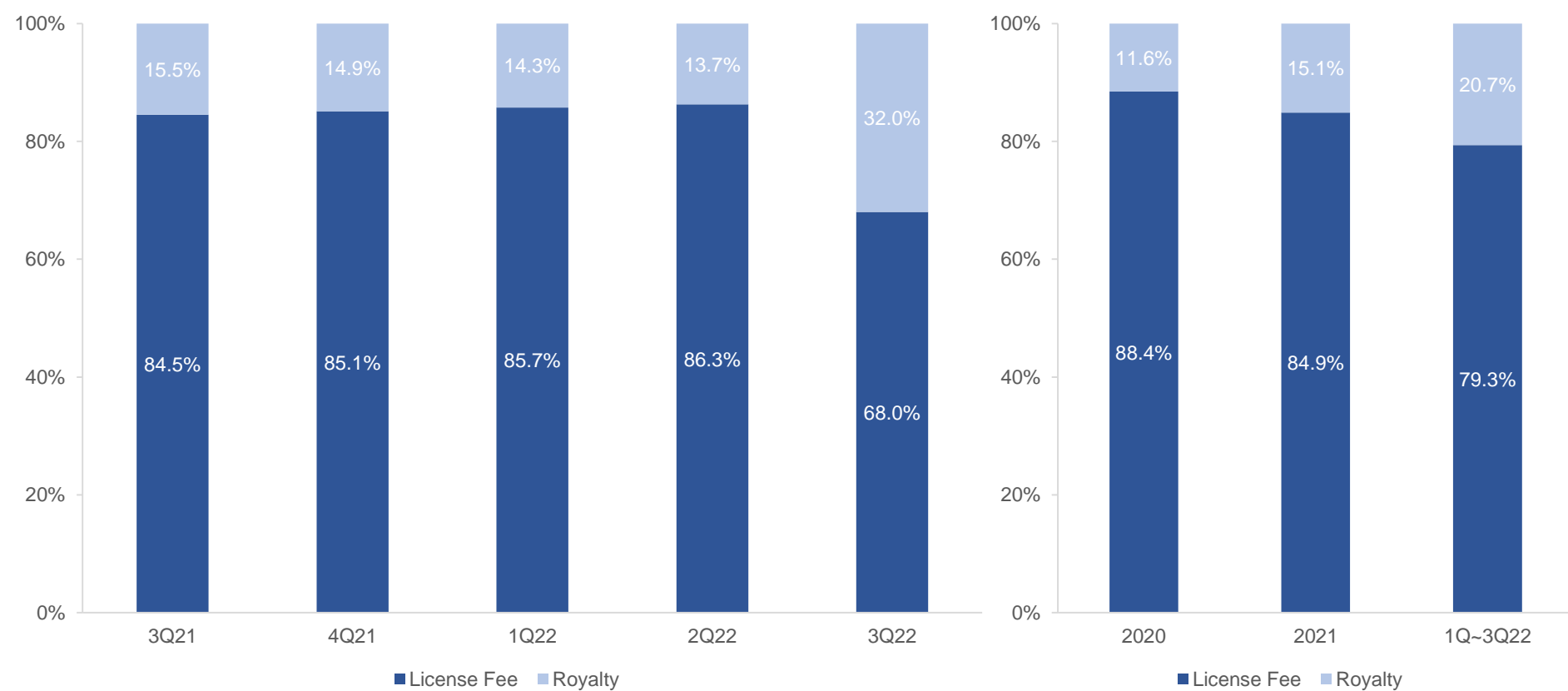
	3Q22	2Q22	3Q21
	9 Months Ended	6 Months Ended	9 Months Ended
Beginning Balance	307,421	307,421	527,760
Cash generated from operating activities	440,411	279,101	91,667
Cash used in investing activities	(19,409)	(112,175)	(235,865)
Cash generated from/(used in) financing activities	(230,103)	(79,648)	(11,592)
FX effects on cash held in foreign currencies	25,413	11,263	(5,684)
Ending Balance	523,733	405,962	366,286



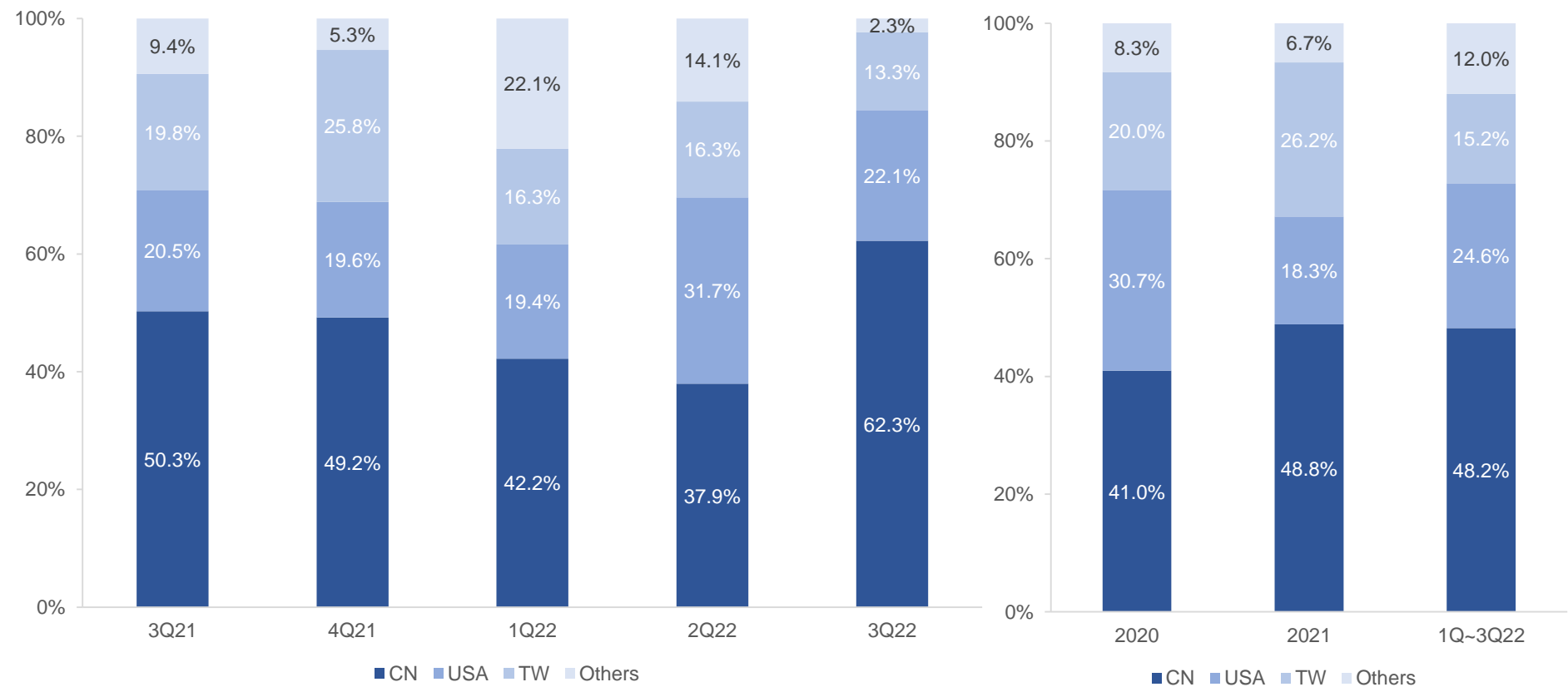
Operating Result



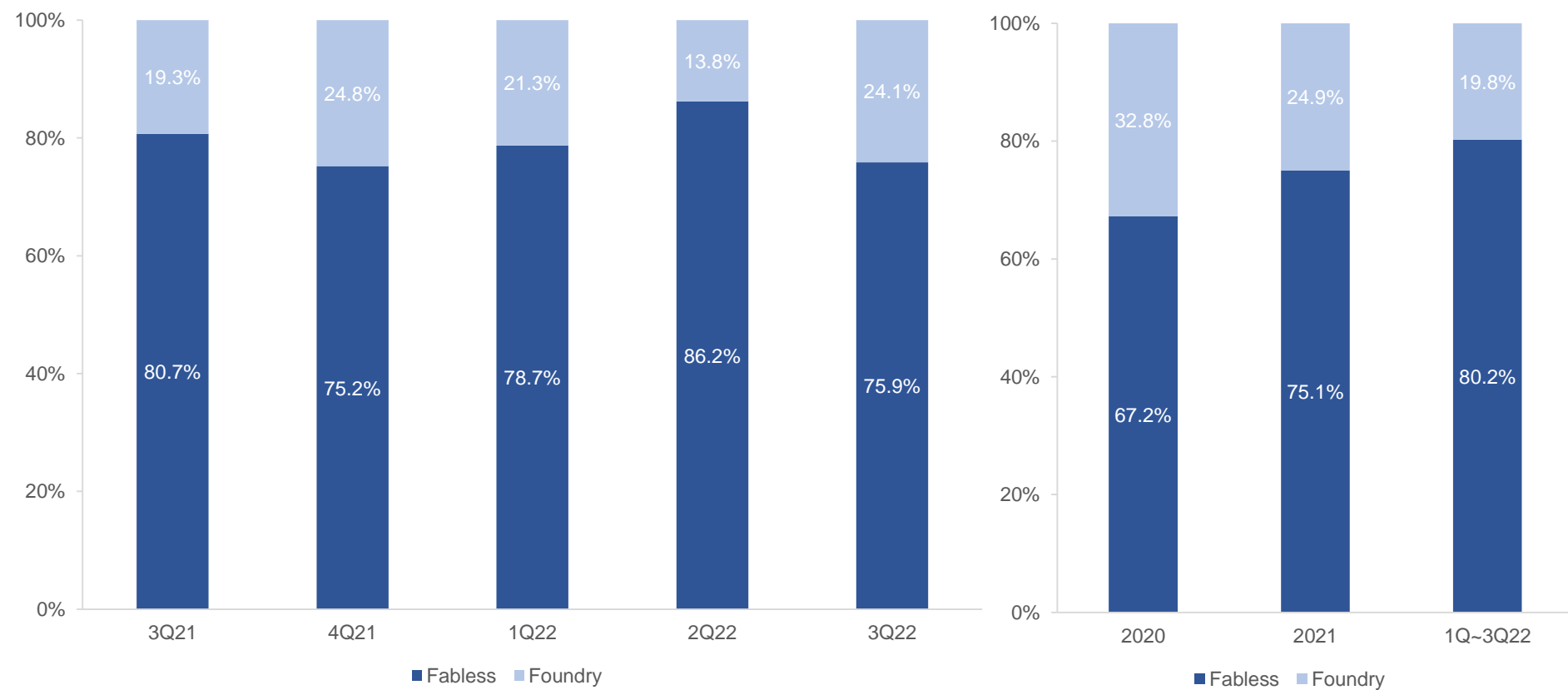
3Q22 Revenue by Income Source



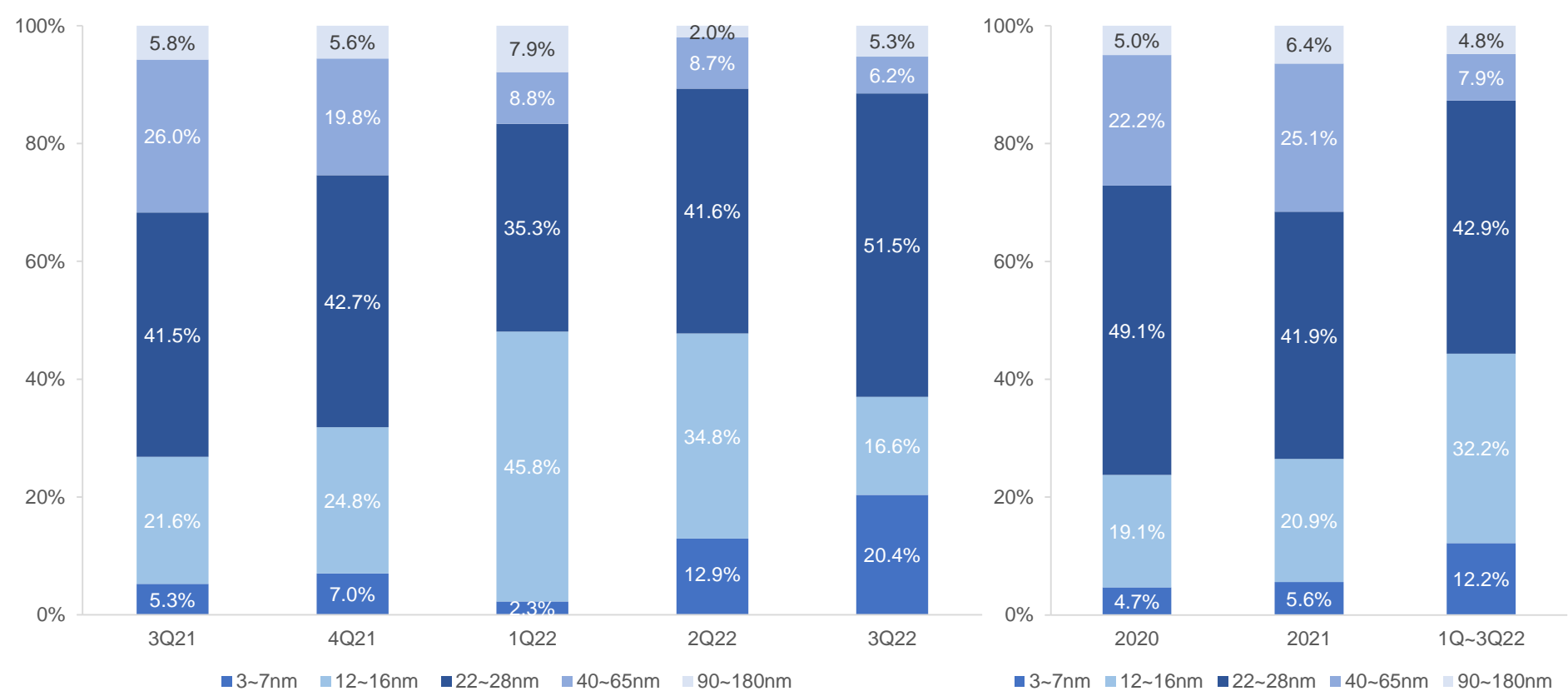
3Q22 Revenue by Region



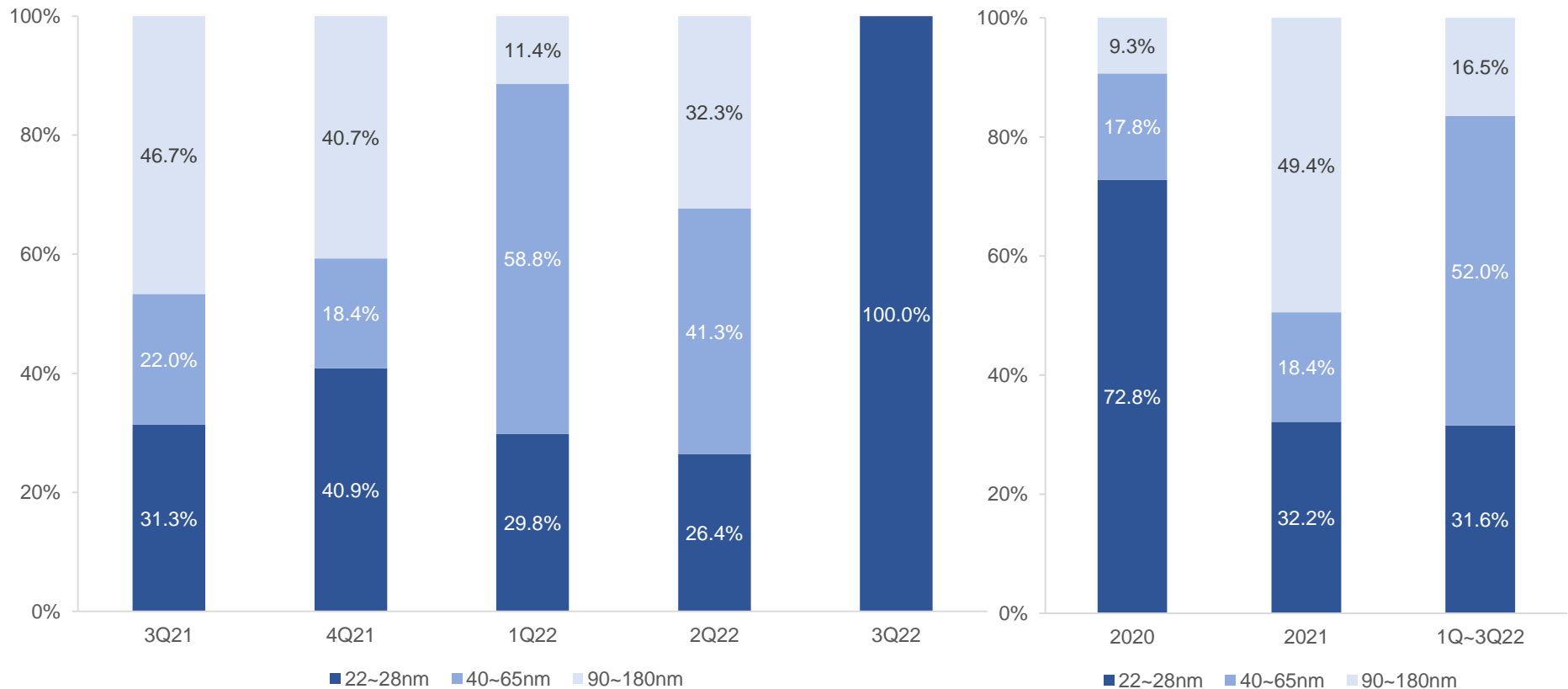
3Q22 Revenue by Customer Type



3Q22 Fabless License Fee by Nodes



3Q22 Foundry License Fee by Nodes



Recap of 3Q22 Operating Result

- **Given 1H22 revenue in NTD has grown by 28.1% YoY, M31's 3Q22 revenue continues to rise by 7.9% QoQ and 46.8% YoY to NT\$323 million with structural growth trend.**
 - The royalty contribution rises to 32% for 3Q22. This percentage is much higher than 15.5% in 3Q21. From a year earlier, the net profit margin expands from 14.9% to 31.4% for 3Q22 along with favorable FX benefits.
 - M31 benefits from an increasing projects moving into mass production, with a rising royalty contribution driving earnings growth on operating leverage.
- **Thanks to M31's expertise in advanced-node IP development, we can capture robust IP demand especially in 16nm and below especially for US customers.**
 - Increasing design complexity and cost in advanced nodes drives growth in third-party IP demand with continued momentum from fabless customers. Due to technology migration to more advanced nodes, M31 has growth outlook to license both of foundation and interface IP at 16nm and below.

2022 Outlook

- **Based on our current business outlook, management expects:.**
 - Revenue to be between US\$ 43 million and US\$ 45 million.
- **And, based on the exchange rate assumption of 1 US dollar to 31.5 NT dollars, management expects:**
 - Gross profit margin keeps 100%.
 - Operating profit margin to be between 25% and 30%.
 - Non-operating income accounts for above 10% of net income major from foreign exchange gain.

Future Prospects



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Thank You

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