

Macronix International Co., Ltd.
Second Quarter 2023 Results
July 25, 2023



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

C.Y. Lu

2Q23 Financial Results

Paul Yeh

Business Update

C.Y. Lu

Remarks and Q&A

C.Y. Lu

2Q23 Financial Highlights

	2Q23	1Q23	2Q22
Revenue (Billion NT\$)	NT\$ 7.4	NT\$ 7.1	NT\$ 11.3
Gross margin %	28.3%	25.1%	48.2%
Operating margin %	(2.2%)	(6.2%)	26.3%

1H23 Financial Highlights

	1H23	1H22
Revenue (Billion NT\$)	NT\$ 14.5	NT\$ 22.9
Gross margin %	26.8%	48.3%
Operating margin %	(4.2%)	27.0%

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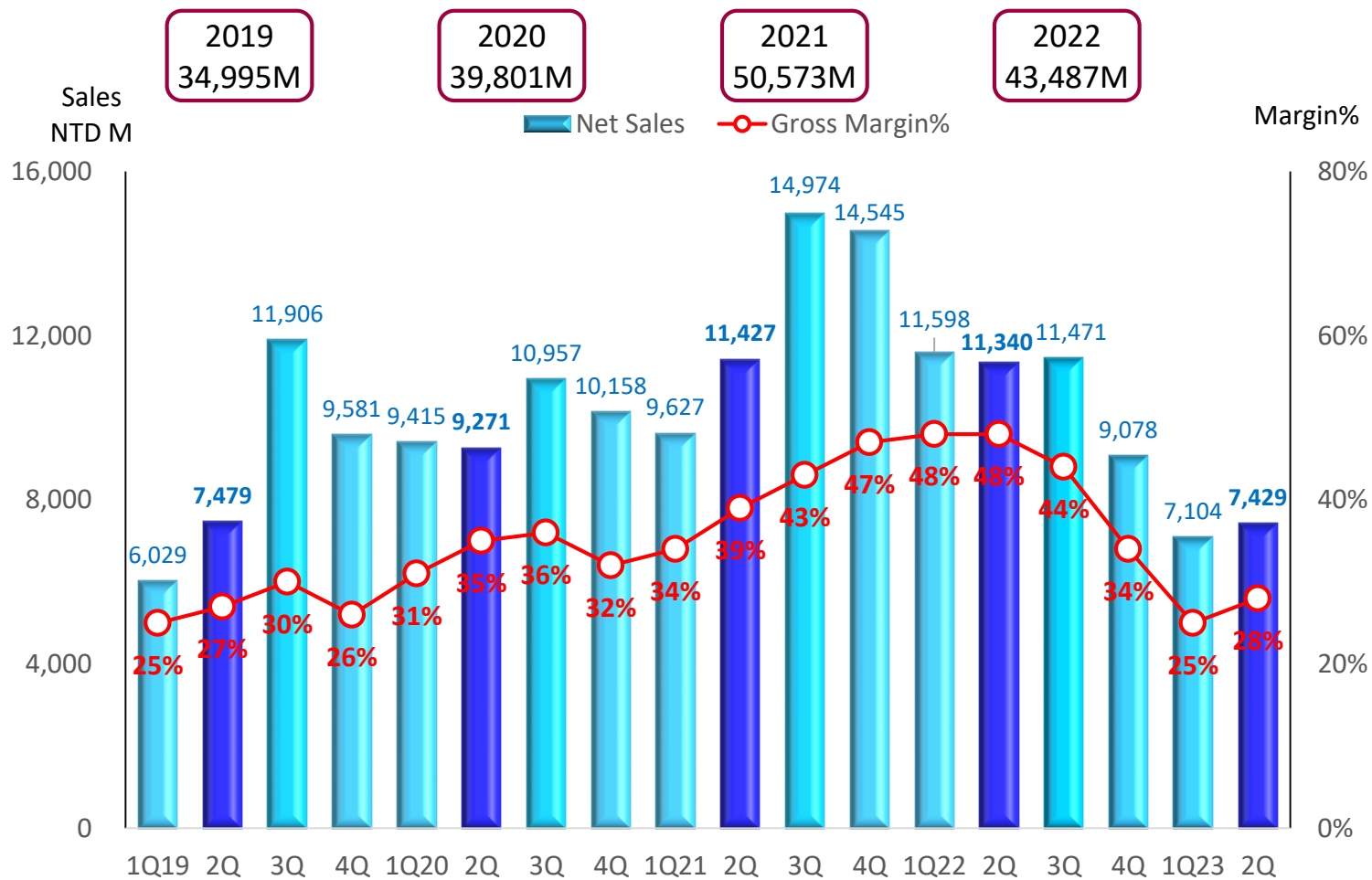
Quarterly Financial Results

Unit : NTD Million (except EPS)	2Q23	1Q23	2Q22	QoQ	YoY
Net Sales	7,429	7,104	11,340	5%	(34%)
Gross Profit	2,103	1,786	5,465	18%	(62%)
Gross Margin%	28.3%	25.1%	48.2%	3.2ppt	(19.9ppt)
Operating Expenses	(2,269)	(2,225)	(2,484)	2%	(9%)
Operating Income (Loss)	(166)	(439)	2,980	(62%)	(106%)
Operating Margin%	(2.2%)	(6.2%)	26.3%	4.0ppt	(28.5ppt)
Net Non-Operating Income (Loss)	249	51	409		
(Loss)Income Before Taxes	83	(388)	3,389	(121%)	(98%)
Income Taxes Benefit (Expense)	(12)	33	(454)		
Net (Loss)Income	71	(355)	2,935	(120%)	(98%)
Basic EPS (NT\$)	0.04	(0.19)	1.59		
EBITDA	1,193	755	4,579		
EBITDA %	16%	11%	40%		
Weighted avg outstanding million shares	1,854	1,854	1,849		

1H23 Revenue and Operating Margin

Unit : NTD Million (except EPS)	1H23	1H22	YoY
Net Sales	14,533	22,938	(37%)
Gross Profit	3,888	11,069	(65%)
Gross Margin%	26.8%	48.3%	(21.5ppt)
Operating Expenses	(4,494)	(4,871)	(8%)
Operating Income	(606)	6,198	(110%)
Operating Margin%	(4.2%)	27.0%	(31.2ppt)
Net Non-Operating Income (Loss)	300	597	
Income Before Taxes	(305)	6,795	(104%)
Income Taxes Benefit (Expense)	21	(931)	
Net Income	(284)	5,864	(105%)
Basic EPS (NT\$)	(0.15)	3.17	
EBITDA	1,948	9,156	
EBITDA%	13%	40%	
Weighted avg outstanding million shares	1,854	1,844	

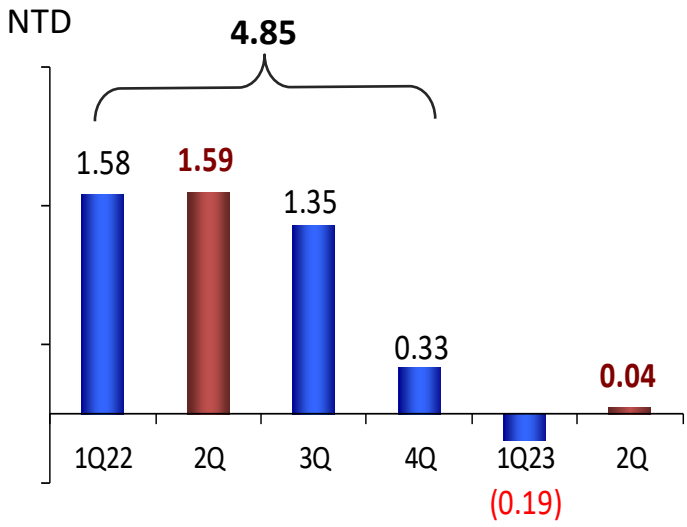
Sales and Gross Margin Rate



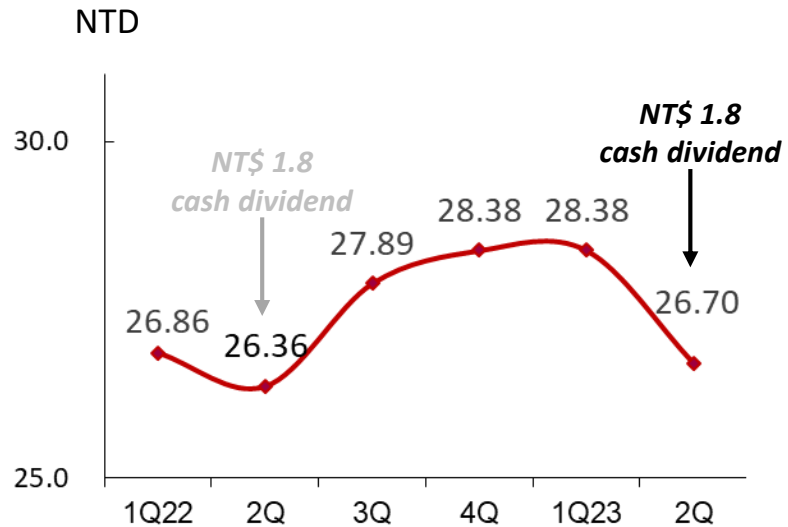
Corporate Value

	2Q23	2Q22
Basic EPS -- NT\$	0.04	1.59
Book Value -- NT\$	26.70	26.36

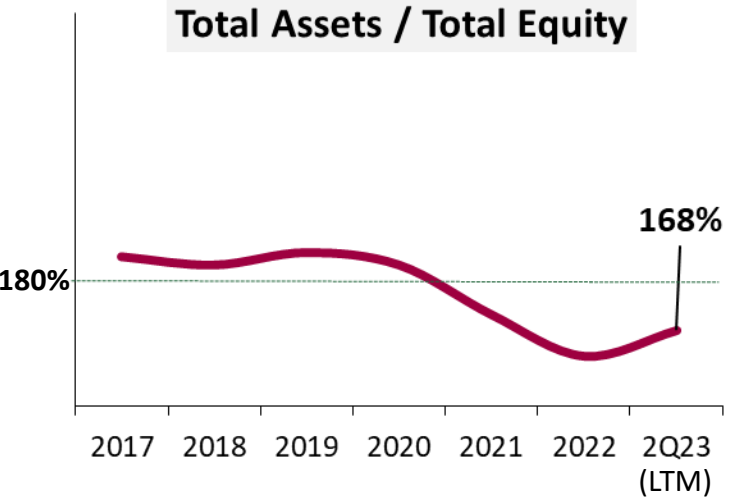
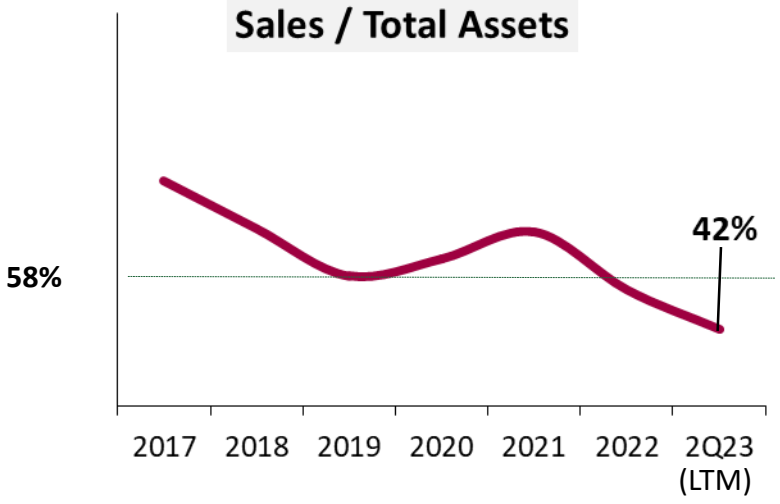
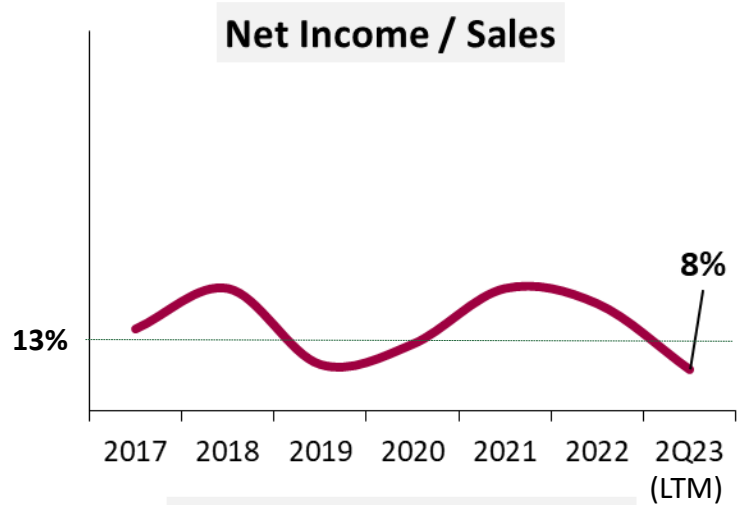
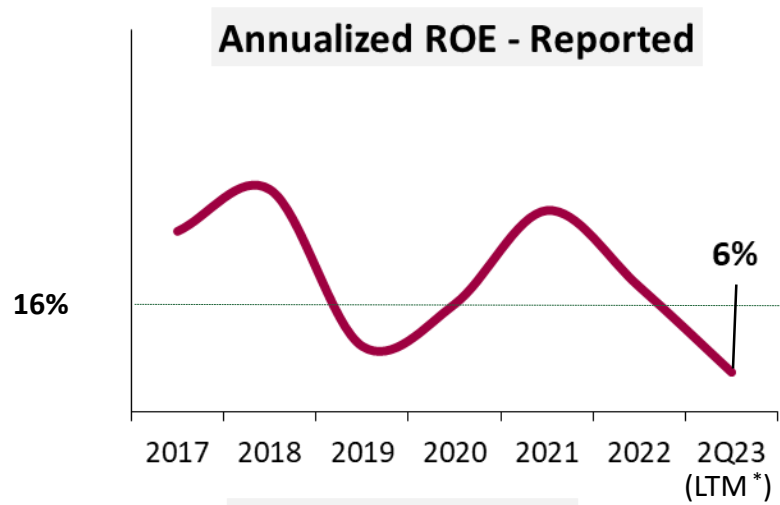
Basic EPS



Book Value



Return On Equity (GAAP)



Note : *LTM (Last Twelve Months)



Quarterly Consolidated Condensed Balance Sheet

Unit: NTD Million (except BV)	6/30/'23	3/31/'23	6/30/'22
Cash	15,885	14,999	20,078
Inventory(Net)	14,224	14,959	15,241
Property, Plant and Equipment	40,186	39,914	35,278
Total Assets	81,783	81,740	83,722
Interest bearing debt - short term	5,429	5,325	3,220
Interest bearing debt - long term	11,841	8,790	8,678
Total Liabilities	32,290	29,132	34,845
Debt Ratio (%)	39.5%	35.6%	41.6%
Shareholders' Equity	49,493	52,608	48,877
Book Value -- NT\$	26.70	28.38	26.36

Note: MXIC Issues 2023/06/30 outstanding million shares of 1,854

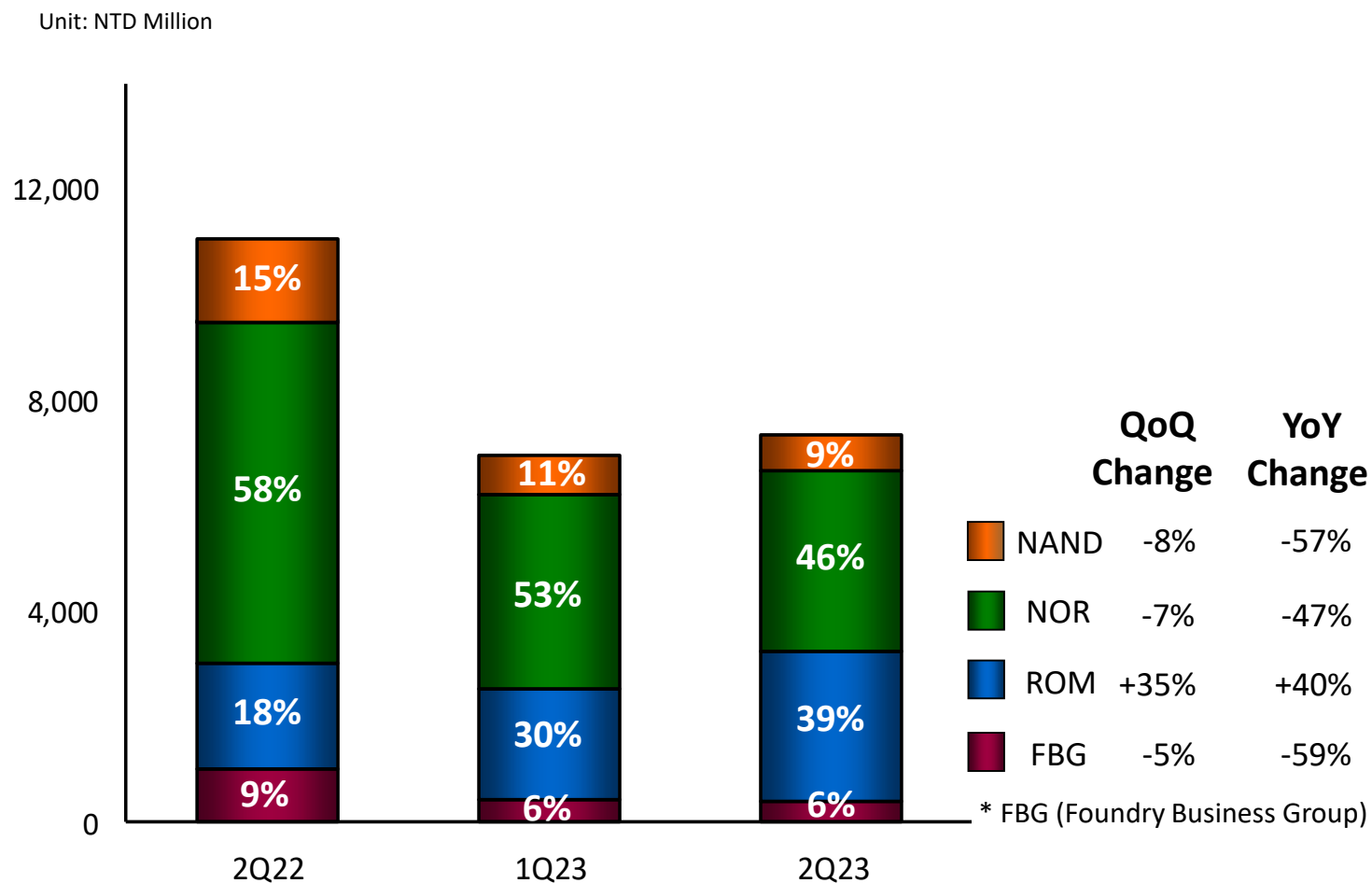
Quarterly FCF and Capex Plan

Unit: NTD Million	2Q23	1Q23	2Q22
Cash Flow from Operating	(506)	(425)	4,090
Depreciation & Amortization	1,044	1,076	1,141
Cash Flow from Investing	(1,746)	(2,689)	(1,956)
Capital Expenditures	(1,703)	(2,748)	(2,126)
Cash Flow from Financing	3,167	(1,566)	(294)
Net Change*	887	(4,765)	1,545
Ending Balance	15,885	14,999	20,078
Free Cash Flow**	(2,210)	(3,173)	1,964

*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)



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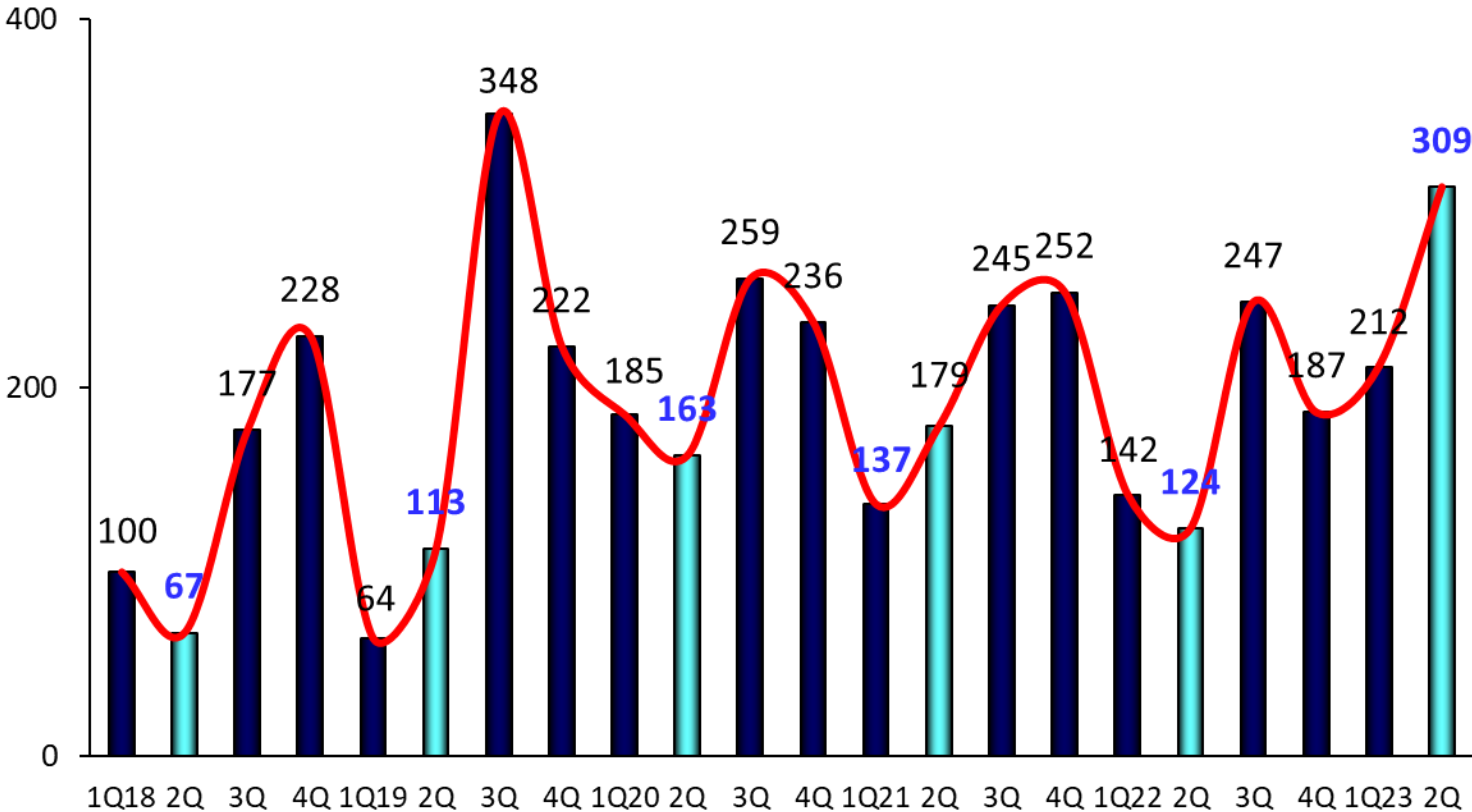
C.Y. Lu

Business Update - ROM

➤ ROM business

- ✓ Strong high density products shipment in Q2'23
- ✓ Consumers' feedback on the legendary game title is good

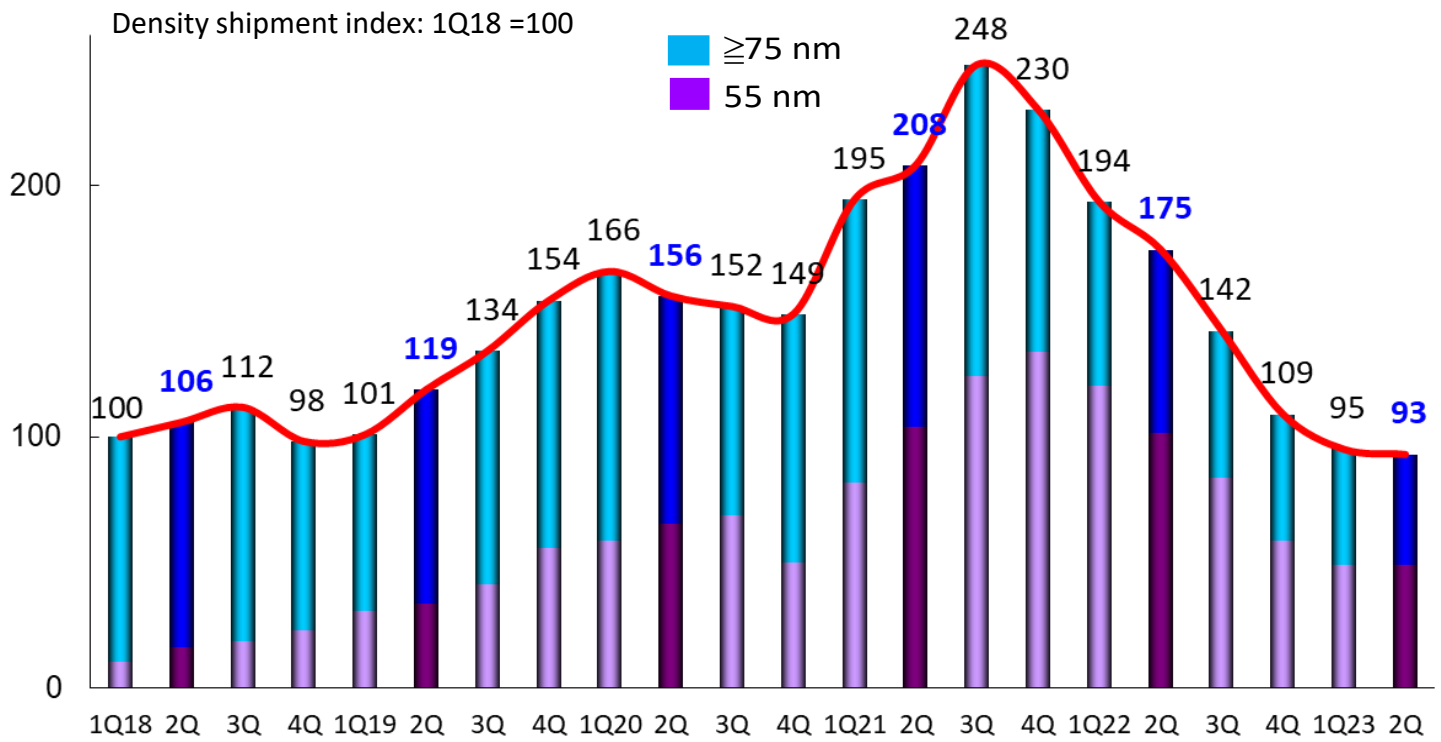
Density shipment index: 1Q18 =100



Business Update - NOR

➤ NOR business

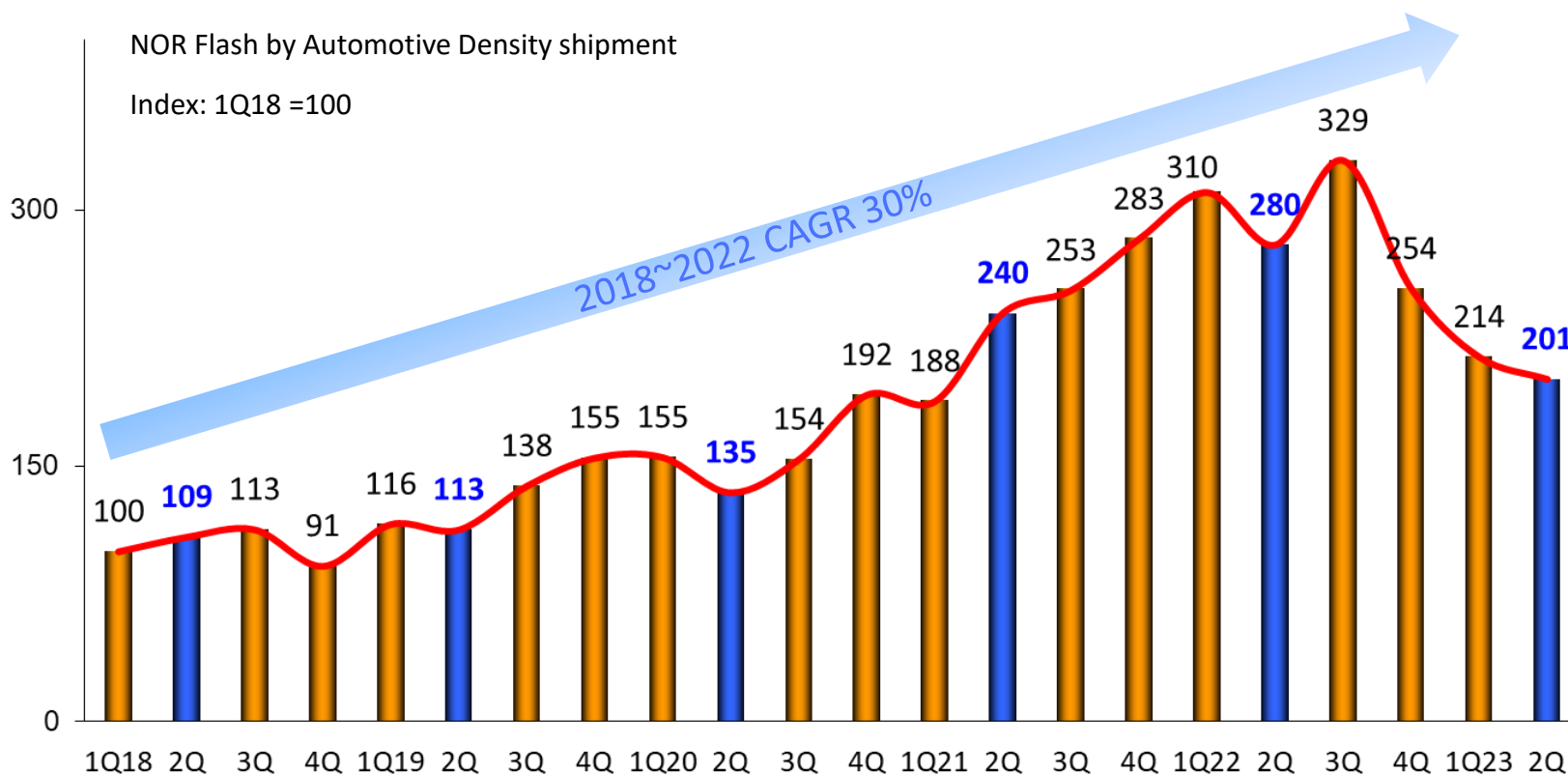
- ✓ Inventory digestion takes longer time due to the macroeconomic slowdown
- ✓ End applications markets demand is lukewarm while the decline slope is getting slower than previous quarter



The Best Flash Solution for Automobile Applications

➤ Auto business

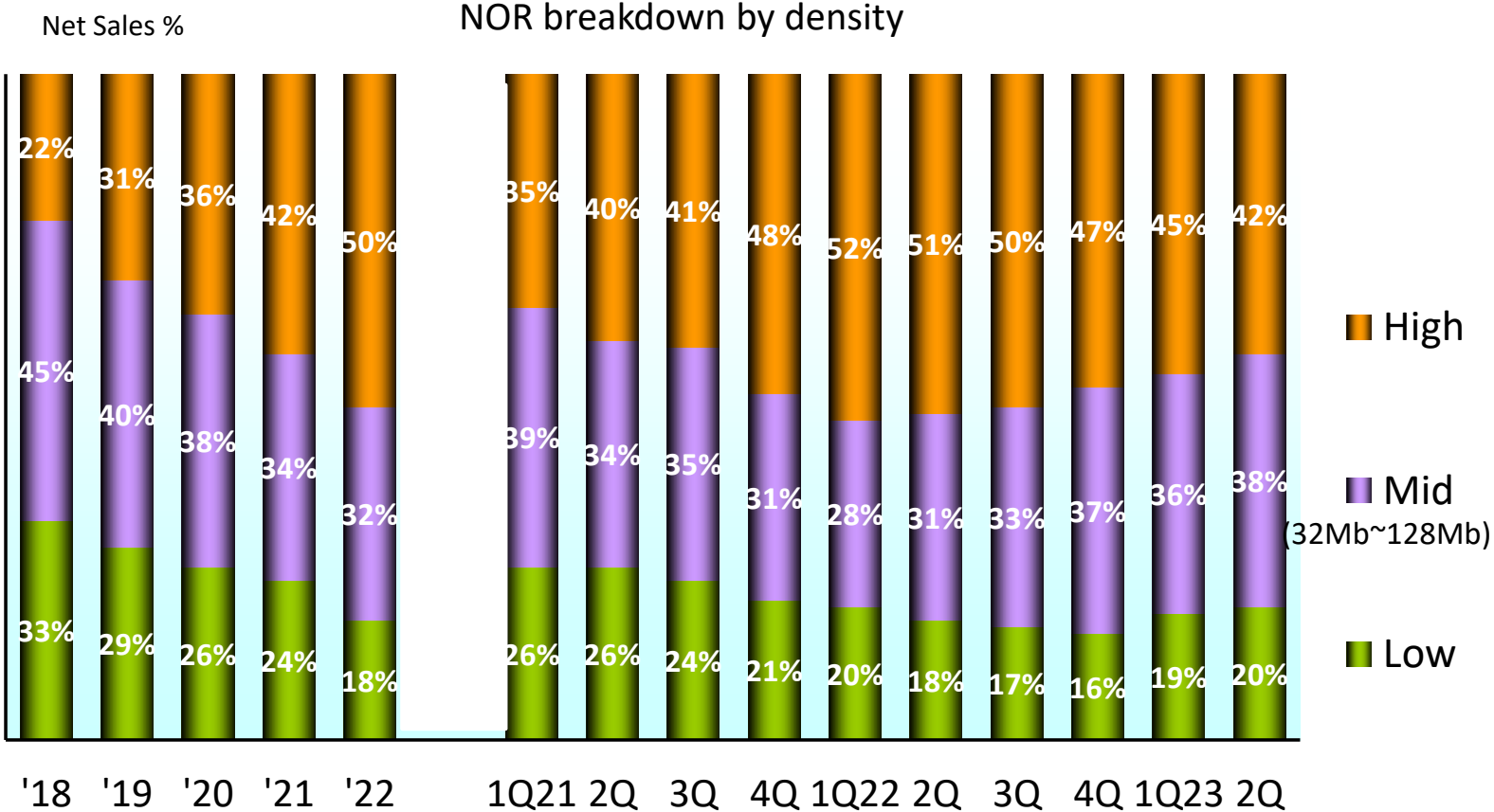
The leading automotive brands keep launching their innovative auto solutions with more electronics devices and smart functions



Business Update – NOR Breakdown (Parent Company)

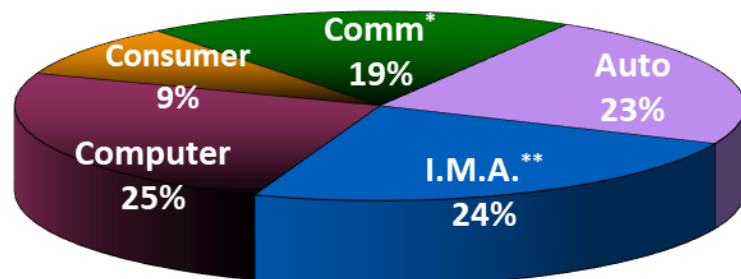
➤ High Value-add Markets

Beside high density, Macronix helps our innovative customers with various density of NOR such as automotive, industrial and medical applications

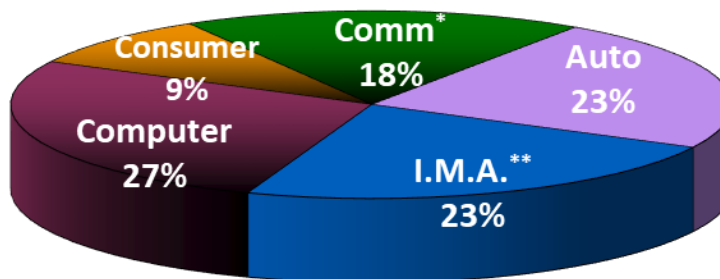


Business Update NOR – Quarterly (Parent Company)

1Q23 NOR Revenue Breakdown



2Q23 NOR Revenue Breakdown



Computer

+1% QoQ

-49% YoY

Consumer

-10% QoQ

-52% YoY

Communication

-12% QoQ

-58% YoY

Automotive

-6% QoQ

-28% YoY

I.M.A

-11% QoQ

-46% YoY

Note : * Comm: including handsets ; ** I(Industrial), M(Medical), A(Aerospace-defense)

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



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