



ENNOSTAR Inc.(3714.TW)

Fourth Quarter 2023 Results

Investor Conference

Feb. 23, 2024

Confidential

Security P

Safe Harbor Notice

This presentation may contain forward-looking statements. These forward-looking are subject to risks, uncertainties and other factors. Consequently, actual results could differ materially from those reflected in these forward-looking statements.

The factors include the impact of competitive products and pricing, timely acceptance of products design by our customers, timely introduction of new technologies, ability to ramp new products into volume, industry wide shifts in supply and demand, market oversupply, availability of manufacturing capacity, financial stability in end markets, potential difficulties in talents retention, unexpected costs and expenses, any merger and acquisition associated uncertainties such as obtaining of regulatory approval or integration delay, loss of significant customers, involvement in legal or administrative proceedings, new regulations that may impact our business operation, fluctuations in foreign exchange rates, global economic conditions or non-economic conditions and any other risks factors.

Except as imposed by law, we undertake no obligation to publicly revise or update these forward-looking statements, whether as a result of new information, future events or otherwise.

Consolidated Statements of Comprehensive Income

in NT\$ millions	4Q23	3Q23	4Q22	QoQ	YoY
Net Revenue	5,574	6,159	5,867	-9.5%	-5.0%
EPISTAR	3,647	3,787	4,128	-3.7%	-11.6%
LEXTAR	1,785	2,171	1,619	-17.8%	+10.2%
Gross Margin	8.1%	8.7%	8.0%	-0.6%	+0.1%
Operating Expenses	1,278	1,307	1,335	-2.2%	-4.3%
Operating Margin	(14.8%)	(12.4%)	(14.5%)	-2.4%	-0.3%
Net Non-Operating Items	(3,394)	11	(143)	-2980.5%	-2270.8%
Net Income Attributable to					
Parent Company	(3,962)	(665)	(752)	-495.6%	-427.1%
Net Profit Margin	(71.1%)	(10.8%)	(12.8%)	-60.3%	-58.3%
Basic EPS (NT Dollar)	(5.27)	(0.89)	(1.07)	(4.38)	(4.20)
EBITDA%*	6.5%	7.3%	7.7%	-0.8%	-1.2%

* EBITDA% is calculated as the operating income plus depreciation and amortization divided by revenue.

Consolidated Statements of Comprehensive Income

in NT\$ millions	2023	2022	YoY
Net Revenue	22,306	28,878	-22.8%
EPISTAR	14,044	20,656	-32.0%
LEXTAR	7,713	7,918	-2.6%
Gross Margin	5.2%	17.3%	-12.1%
Operating Expenses	5,199	5,534	-6.0%
Operating Margin	(17.9%)	(1.6%)	-16.3%
Net Non-Operating Items	(3,384)	(18)	-18835.2%
Net Income Attributable to			
Parent Company	(6,783)	38	-17937.9%
Net Profit Margin	(30.4%)	0.1%	-30.5%
Basic EPS (NT Dollar)	(9.02)	0.05	(9.07)
EBITDA%*	3.8%	16.4%	-12.6%

* EBITDA% is calculated as the operating income plus depreciation and amortization divided by revenue.

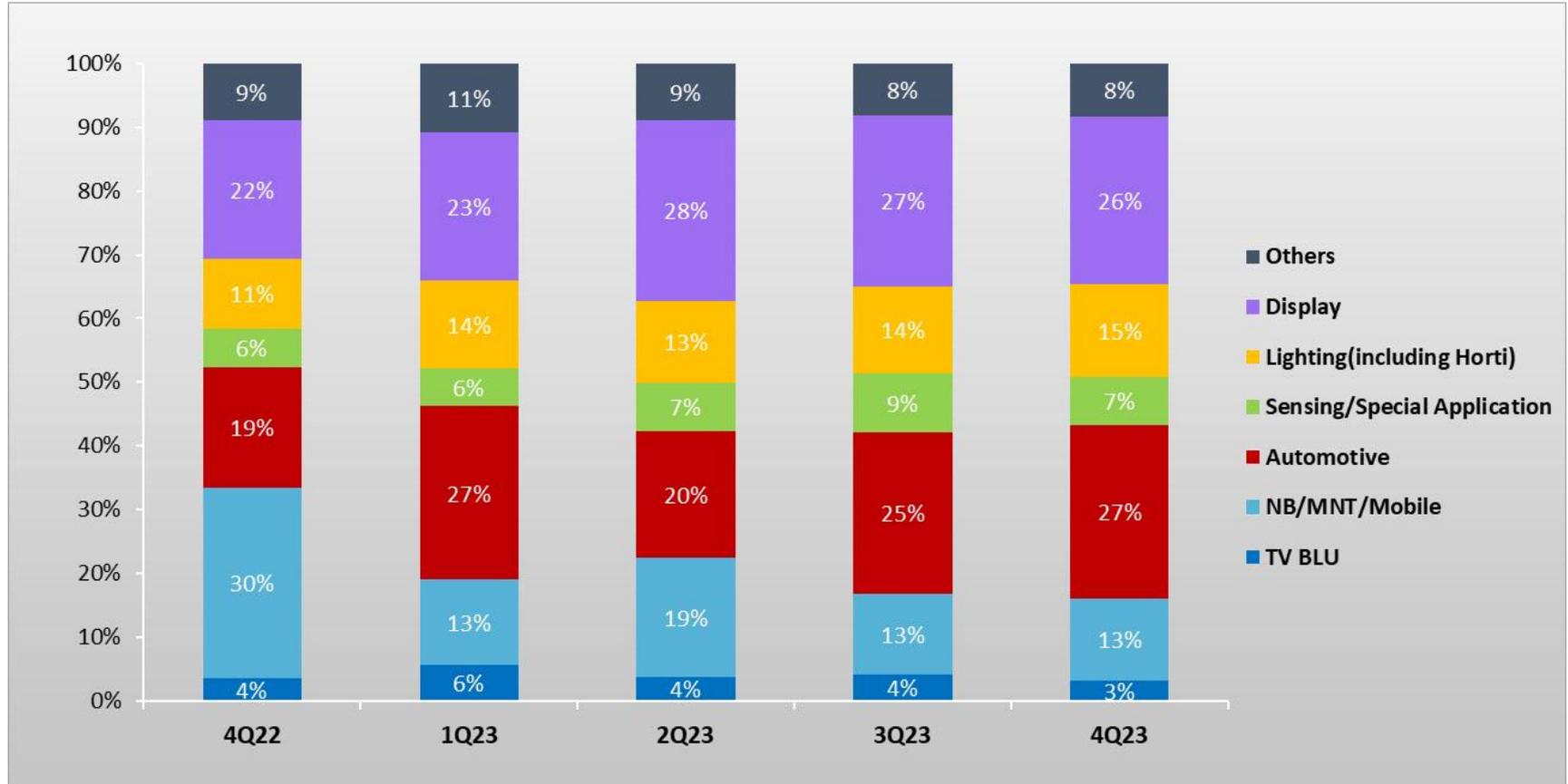
Statements of Comprehensive Income – Epistar

in NT\$ millions	4Q23	3Q23	4Q22	QoQ	YoY
Net Revenue	3,647	3,787	4,128	-3.7%	-11.6%
Gross Margin	5.4%	3.4%	8.0%	+2.0%	-2.6%
Operating Expenses	671	710	715	-5.5%	-6.2%
Operating Margin	(12.9%)	(15.0%)	(8.8%)	+2.1%	-4.1%
EBITDA%*	13.0%	10.7%	17.9%	+2.3%	-4.9%

in NT\$ millions	2023	2022	YoY
Net Revenue	14,044	20,656	-32.0%
Gross Margin	(0.1%)	18.9%	-19.0%
Operating Expenses	2,811	3,228	-12.9%
Operating Margin	(19.8%)	3.7%	-23.5%
EBITDA%*	8.2%	25.3%	-17.1%

* EBITDA% is calculated as the operating income plus depreciation and amortization divided by revenue.

Revenue by Application – Epistar



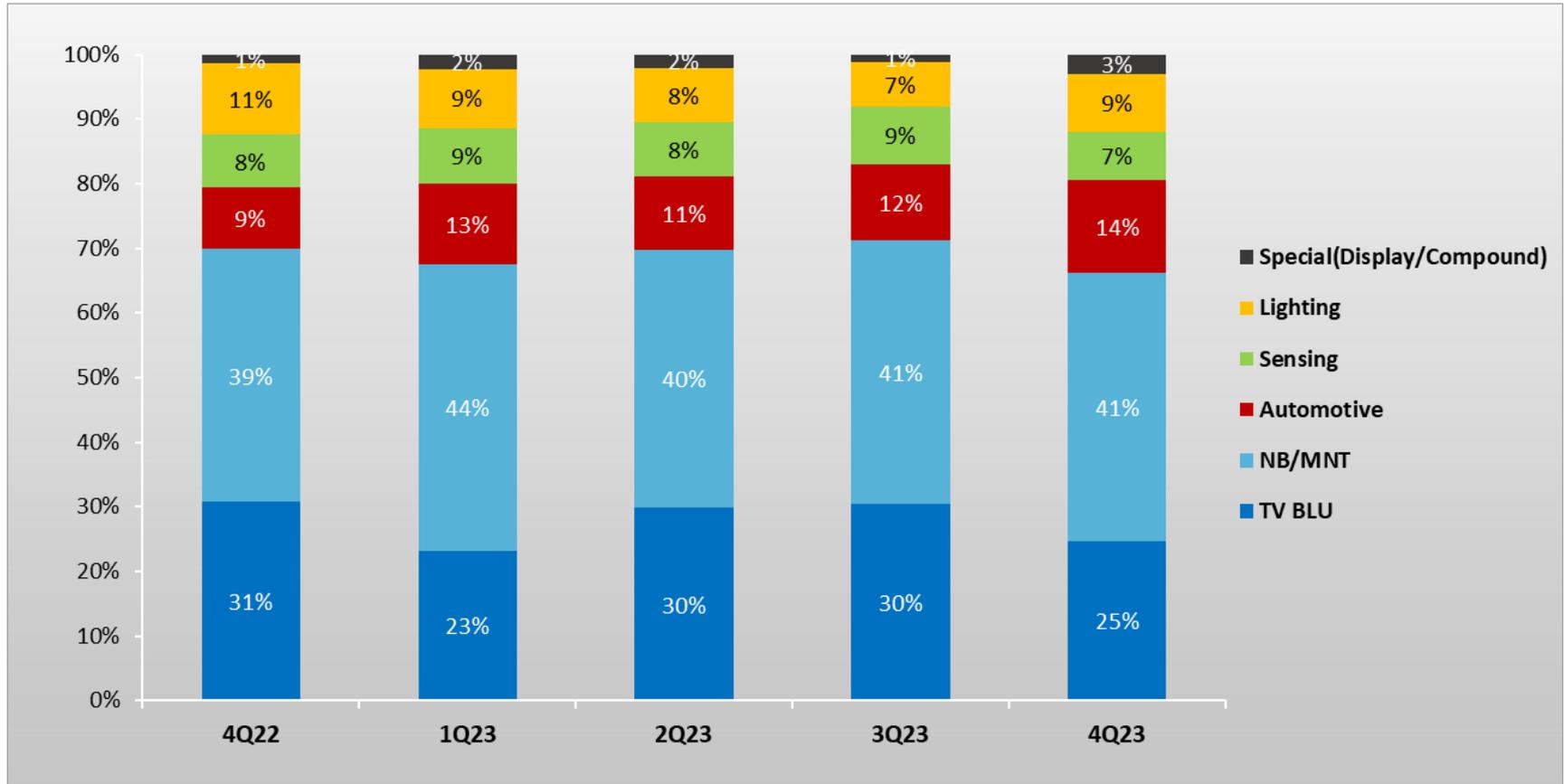
Statements of Comprehensive Income – Lextar

in NT\$ millions	4Q23	3Q23	4Q22	QoQ	YoY
Net Revenue	1,785	2,171	1,619	-17.8%	+10.2%
Gross Margin	21.2%	22.0%	16.5%	-0.8%	+4.7%
Operating Expenses	497	525	500	-5.2%	-0.6%
Operating Margin	(6.7%)	(2.2%)	(14.4%)	-4.5%	+7.7%
EBITDA%*	1.0%	3.9%	(6.0%)	-2.9%	+7.0%

in NT\$ millions	2023	2022	YoY
Net Revenue	7,713	7,918	-2.6%
Gross Margin	20.9%	17.9%	+3.0%
Operating Expenses	1,959	1,886	+3.9%
Operating Margin	(4.4%)	(6.0%)	+1.6%
EBITDA%*	2.5%	1.5%	+1.0%

* EBITDA% is calculated as the operating income plus depreciation and amortization divided by revenue.

Revenue by Application – Lextar



Consolidated Balance Sheets & Key Indices

in NT\$ millions	4Q23		3Q23		4Q22	
	Amount	%	Amount	%	Amount	%
Cash & Cash Equivalent	15,563	24.3%	16,830	23.8%	16,127	22.1%
Accounts Receivable	8,899	13.9%	9,235	13.1%	9,854	13.5%
Inventories	4,216	6.6%	4,465	6.3%	4,825	6.6%
Long-term Investments	3,300	5.1%	3,409	4.8%	3,609	4.9%
Net PP&E	19,465	30.4%	20,873	29.5%	22,037	30.2%
Total Assets	64,102	100.0%	70,680	100.0%	73,043	100.0%
Short-term Debt	2,537	4.0%	3,443	4.9%	1,630	2.2%
Long-term Debt	1,934	3.0%	2,395	3.4%	3,691	5.1%
Total Liabilities	14,958	23.3%	16,661	23.6%	16,382	22.4%
Total Equity	49,145	76.7%	54,018	76.4%	56,661	77.6%
Inventory Turnover Days	77		72		81	
Current Ratio	2.8		2.7		3.2	
Net Cash	11,093		10,992		10,806	

Consolidated Cash Flows

in NT\$ millions	4Q23	3Q23	4Q22
From Operating Activities	370	395	2,083
Profit before Tax	(4,219)	(753)	(992)
Depreciation & Amortization	1,190	1,216	1,297
Net Change in Working Capital	(50)	(70)	1,836
From Investing Activities	(560)	(1,066)	(720)
Capital Expenditure	(367)	(646)	(1,241)
From Financing Activities	(1,159)	(163)	270
Net Change in Loans	(1,330)	(242)	492
Net Change in Cash	(1,267)	(546)	1,021
Ending Balance	15,563	16,830	16,127

Consolidated Cash Flows

in NT\$ millions	2023	2022
From Operating Activities	2,380	7,959
Profit before Tax	(7,385)	(483)
Depreciation & Amortization	4,840	5,210
Net Change in Working Capital	1,467	3,268
From Investing Activities	(2,134)	(4,699)
Capital Expenditure	(2,034)	(4,320)
From Financing Activities	(765)	296
Net Change in Loans	(921)	(2,317)
Cash Capital Increase	0	3,627
Cash Dividends	0	(1,366)
Net Change in Cash	(564)	3,791
Ending Balance	15,563	16,127

Q&A



Thank You

<https://www.ennostar.com>