



Nanya Technology

Q4 2024 Investor Conference

Dr. Pei-Ing Lee, President & Spokesman
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Safe Harbor

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01.

Q4'24 Revenue & Results

Q4'24 Financial Results Summary

Amount in Million NT\$, except for EPS & BVPS	Q4'24 (Unaudited)		Q3'24		QoQ	Q4'23		YoY
Net Sales	6,575	100%	8,133	100%	-19.2%	8,704	100.0%	-24.5%
Gross Profit (Loss) <i>Gross Margin(%)</i>	*-695	-10.6%	264	3.2%	-	-1,188	-13.6%	-
Operating Income (Loss) <i>Operating Margin(%)</i>	-2,812	-42.8%	-2,505	-30.8%	-	-4,050	-46.5%	-
EBITDA** <i>EBITDA Margin(%)</i>	1,185	18.0%	1,514	18.6%	-21.7%	-196	-2.2%	-
Non-operating Income (Expense)	900	13.7%	677	8.3%		521	6.0%	
Income Tax Benefit (Expense)	339	5.2%	341	4.2%		1,050	12.1%	
Net Income (Loss) <i>Net Margin(%)</i>	-1,574	-23.9%	-1,487	-18.3%	-	-2,480	-28.5%	-
Earnings Per Share (NT\$)	***-0.51		-0.48			-0.80		
Book Value Per Share (NT\$)	****53.27		53.17			53.88		

Remark:* Idle cost of NT\$ 639M included

** EBITDA = Operating income + Depreciation & Amortization Expenses

*** EPS is based on weighted average outstanding shares of 3,099M

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

Quarterly Revenue Results

	QoQ Q4'24 vs. Q3'24	YoY Q4'24 vs. Q4'23
Revenue	-19.2%	-24.5%
Shipment	Decreased high-single digit%	Decreased low-thirties%
ASP	Decreased low-teens%	Increased low-teens%
Exchange Rate	Flat	Increased low-single digit%

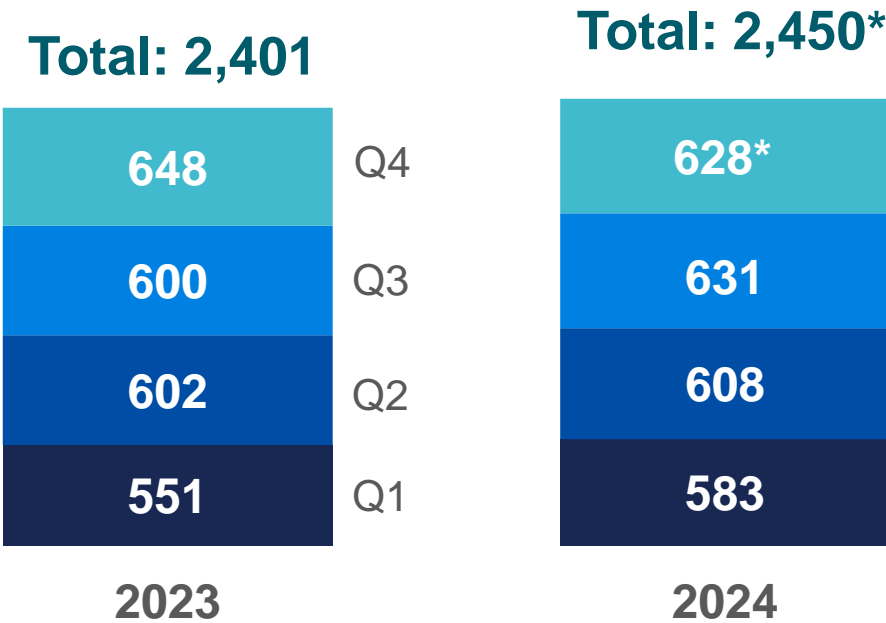
Q4'24 vs. Q3'24 Results Comparison

Amount in Million NT\$	Q4'24 (Unaudited)	Q3'24	QoQ (PPT* Delta)	Remarks
Net Sales	6,575	8,133	-19.2%	<ul style="list-style-type: none"> ■ ASP decreased low-teens% ■ Bit shipment decreased high-single digit% ■ FX flat
Gross Profit (Loss) Gross Margin(%)	-695 -10.6%	264 3.2%	-13.8%	<ul style="list-style-type: none"> ■ Gross profit decreased NT\$ 959M, mainly due to ASP decrease ■ Idle cost increased \$ 142M
Operating Expense	2,118 32.2%	2,769 34.0%	-1.8%	<ul style="list-style-type: none"> ■ OP expenses decreased NT\$ 651M, mainly due to R&D expenses decreased NT\$ 649M
Operating Income (Loss) Operating Margin(%)	-2,812 -42.8%	-2,505 -30.8%	-12.0%	<ul style="list-style-type: none"> ■ OP loss increased NT\$ 307M
Net Income (Loss) Net Margin (%)	-1,574 -23.9%	-1,487 -18.3%	-5.6%	<ul style="list-style-type: none"> ■ Net loss increased NT\$ 87M <ul style="list-style-type: none"> • FX impact: NT\$ 351M favorable

Operating Expenses

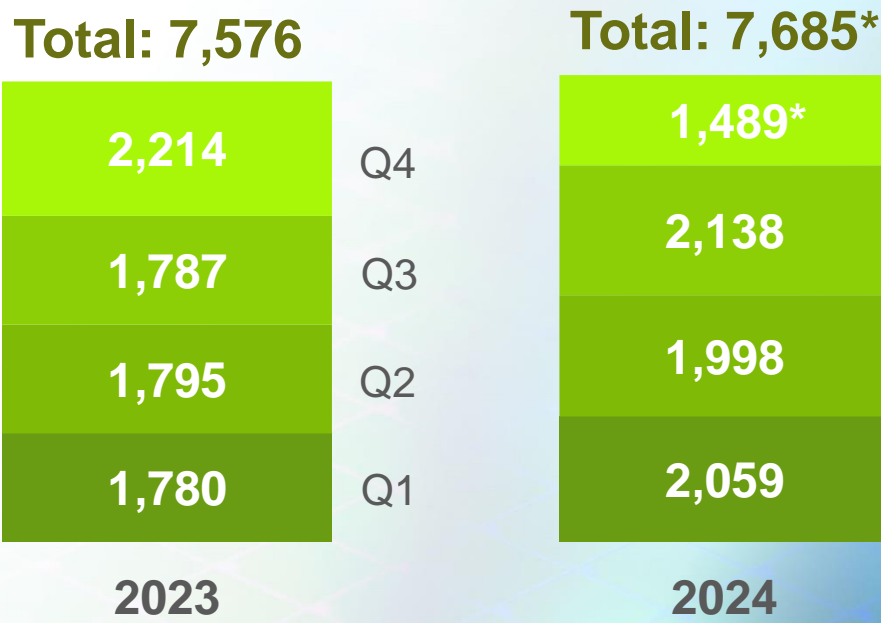
SG&A Expenses (*Unaudited)

(Million NT\$)



R&D Expenses (*Unaudited)

(Million NT\$)



Cash Flows

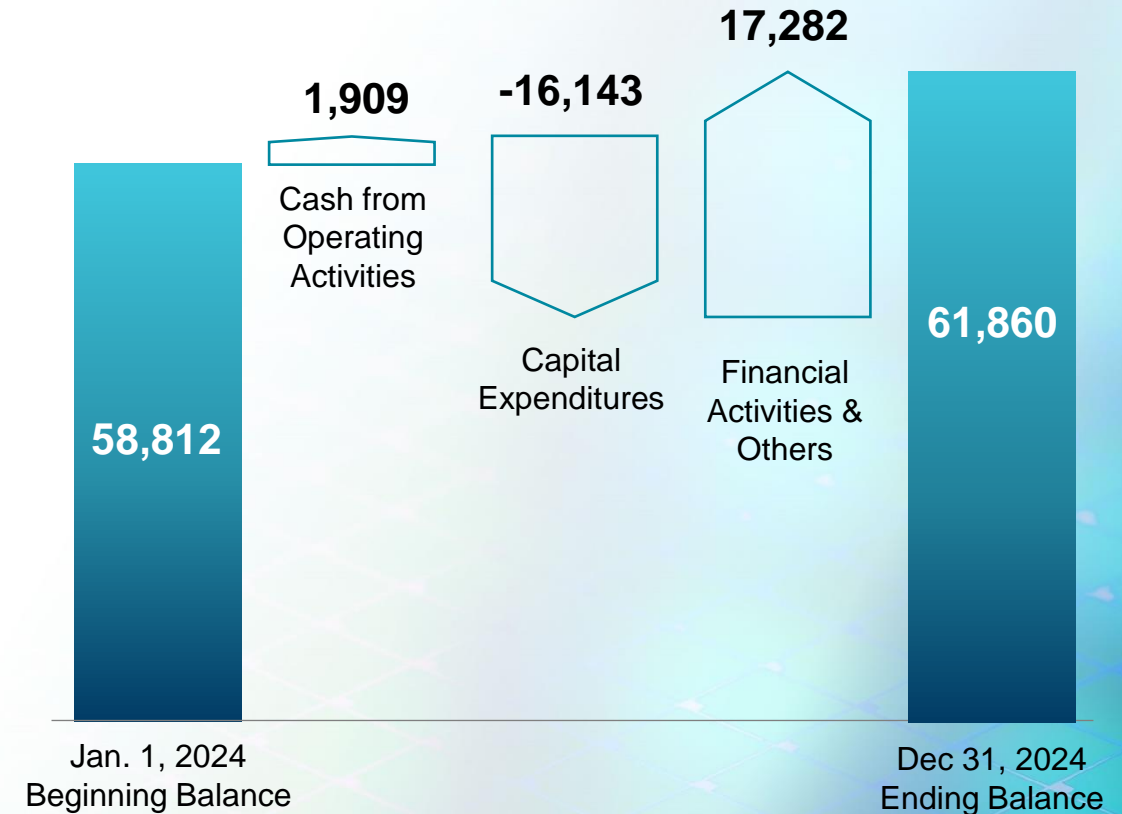
Unit: Million NT\$	Q4'24 (Unaudited)	Q3'24
Beginning Balance	61,157	65,491
Cash from Operating Activities	-258	-42
Capital Expenditures	-3,372	-7,333
Financial Activities & Others	4,333	3,041
Ending Balance	61,860	61,157
Free Cash Flow ⁽¹⁾	-3,630	-7,375

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

* Net cash and equivalents (NT\$ 36.6B) = Cash and equivalents (NT\$ 61.9B) – Short-term debt (NT\$ 21.3B) - Long-term debt (NT\$ 4.0B)

2024 Cash Flow

Unit: Million NT\$



02.

2024 Revenue & Results

2024 Financial Results Summary

Amount in Million NT\$, except for EPS & BVPS	2024 (Unaudited)		2023		YoY
Net Sales	34,132	100%	29,892	100%	14.2%
Gross Profit (Loss) <i>Gross Margin(%)</i>	*-421	-1.2%	-4,483	-15.0%	-
Operating Income (Loss) <i>Operating Margin(%)</i>	-10,555	-30.9%	-14,460	-48.4%	-
Non-operating Income (Expense)	3,998	11.7%	3,756	12.6%	
Income Tax Benefit (Expense)	1,474	4.3%	3,265	10.9%	
Net Income (Loss) <i>Net Margin(%)</i>	-5,083	-14.9%	-7,440	-24.9%	-
Earnings Per Share (NT\$)	** -1.64		-2.40		
Book Value Per Share (NT\$)	***53.27		53.88		

Remark: * Idle cost of NT\$ 1.9B included

** EPS is based on weighted average outstanding shares of 3,099M

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

2024 vs. 2023 Results Comparison

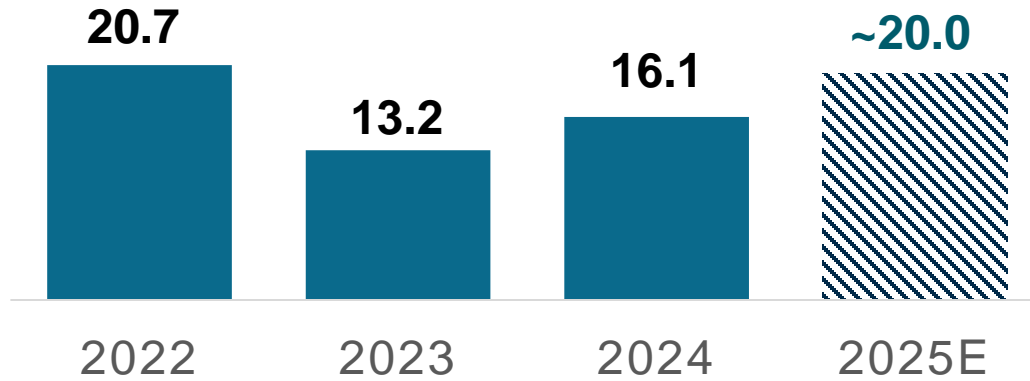
Amount in Million NT\$	2024 (Unaudited)	2023	YoY (PPT* Delta)	Remarks
Net Sales	34,132	29,892	14.2%	<ul style="list-style-type: none"> ■ Bit shipment flat ■ ASP increased low-teens% ■ FX favorable low-single digit%
Gross Profit (Loss) Gross Margin(%)	-421 <i>-1.2%</i>	-4,483 <i>-15.0%</i>	13.8%	<ul style="list-style-type: none"> ■ Gross loss decreased NT\$ 4.1B, mainly due to ASP increases and lower idle cost
Operating Expense	10,135 <i>29.7%</i>	9,977 <i>33.4%</i>	-3.7%	<ul style="list-style-type: none"> ■ Operating expenses increased NT\$0.2B
Operating Income (Loss) Operating Margin(%)	-10,555 <i>-30.9%</i>	-14,460 <i>-48.4%</i>	17.5%	<ul style="list-style-type: none"> ■ OP loss decreased NT\$ 3.9B
Net Income (Loss) Net Margin (%)	-5,083 <i>-14.9%</i>	-7,440 <i>-24.9%</i>	10.0%	<ul style="list-style-type: none"> ■ Net loss decreased NT\$ 2.4B, mainly due to unfavorable income tax impact

03.

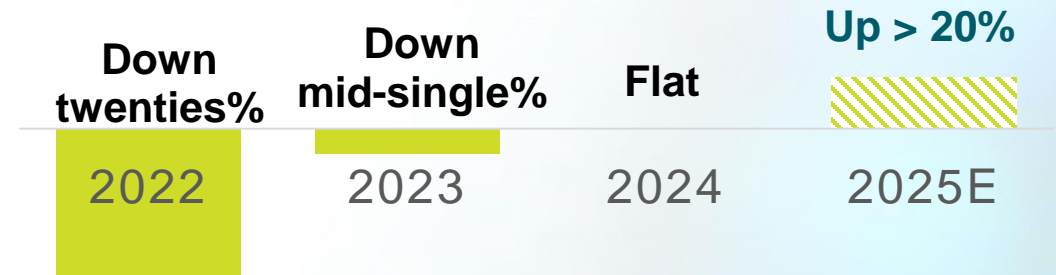
CAPEX & Bit Shipment

CAPEX & Bit Shipment

NT\$ Billion



CAPEX



Bit Shipment (YoY)

Capital Expenditure

(CAPEX)

- Q4'24 CAPEX was NT\$ 3.4B; Y2024 CAPEX was NT\$ 16.1B
- 2025 CAPEX plan up to NT\$20B*

*Subject to Board's approval

Bit Shipment

- 2024 bit shipment unchanged year-on-year
- 2025 bit shipment plan to increase > 20% YoY

04.

Market Outlook

DRAM Market Outlook (2025)

Outlook

- AI continues to drive DRAM demand in cloud data centers and edge computing, with applications spanning from servers to PCs, smartphone, robotics and other smart devices.
- Demands for general PCs, mobiles and consumer products remains weak
- Market may bottom out in 1H'25, with a potential recovery beginning in Q2'25, due to regional economic improvements by stimulation policies

Supply

- DRAM supply is expected to grow in 2025, with expanded capacity mainly for HBM and DDR5
- Ongoing reductions in inventory of standard DRAM products (i.e. DDR4, LPDDR4 and DDR3)

Demand

- **Server:** Markets for both AI-focused and general servers have sustained positive growth
- **Mobile:** Inventory levels are normalizing, resulting in a better supply-demand balance in 1H'25
- **PC:** Enterprise device upgrades drive PC growth, while AI PC contribute to higher DRAM content
- **Consumer:** Potential recovery from weak demand starting from Q2'25 by regional economic improvements due to stimulation policies

05.

Business Review & Outlook

Nanya Business Review & Outlook

- Q4'24 net loss NT\$ 1,574 million, EPS NT\$ -0.51;
2024 net loss NT\$ 5,083 million, EPS NT\$ -1.64
- 2nd 10nm-class (1B) are ramping up, with an expected bit production exceeding 30% of total output by 2025
 - 16Gb DDR5 5600 delivered to market in Q4'24
 - 16Gb DDR5 6400 target to release in 1H'25
- Develop strategic partnership to explore market opportunities driven by the growing demand for AI edge computing; planning to release the product by the end of 2026
- ESG recognitions: Inclusion in DJSI World Index for the fourth consecutive year, MSCI ESG Rating upgraded to 'AA', Prime status from ISS ESG Rating for the fifth consecutive year, Taiwan Corporate Sustainability Award for the eighth consecutive year



Thanks & Questions

Q4'24 Consolidated Income Statement

Amount in Million NT\$, except for EPS & BVPS	Q4'24 (Unaudited)		Q3'24		QoQ	Q4'23		YoY
Net Sales	6,575	100.0%	8,133	100.0%	-19.2%	8,704	100.0%	-24.5%
Cost of Goods Sold	7,270	110.6%	7,869	96.8%		9,892	113.6%	
Gross Profit (Loss)	-695	-10.6%	264	3.2%	-	-1,188	-13.6%	-
SG&A Expenses	628	9.6%	631	7.8%		648	7.4%	
R&D Expenses	1,489	22.7%	2,138	26.3%		2,214	25.4%	
Operating Income (Loss)	-2,812	-42.8%	-2,505	-30.8%	-	-4,050	-46.5%	-
Non-operating Income (Exp.)	900	13.7%	677	8.3%		521	6.0%	
Income before Tax (Loss)	-1,913	-29.1%	-1,828	-22.5%	-	-3,530	-40.6%	-
Income Tax Benefit (Expense)	339	5.2%	341	4.2%		1,050	12.1%	
Net Income (Loss)	-1,574	-23.9%	-1,487	-18.3%	-	-2,480	-28.5%	-
Earnings Per Share (NT\$)	-0.51		-0.48			-0.80		
Book Value Per Share(NT\$)	53.27		53.17			53.88		