

# Psi Corporate and Business Introduction

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Aug. 2018

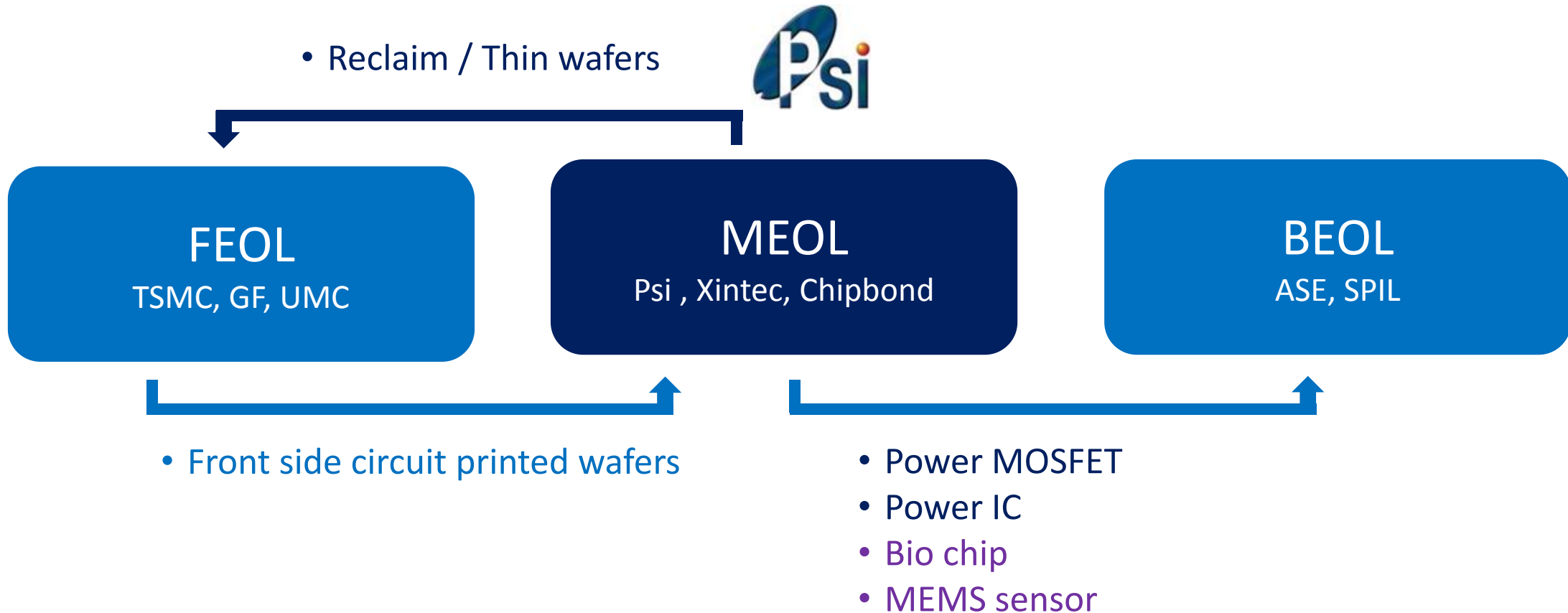
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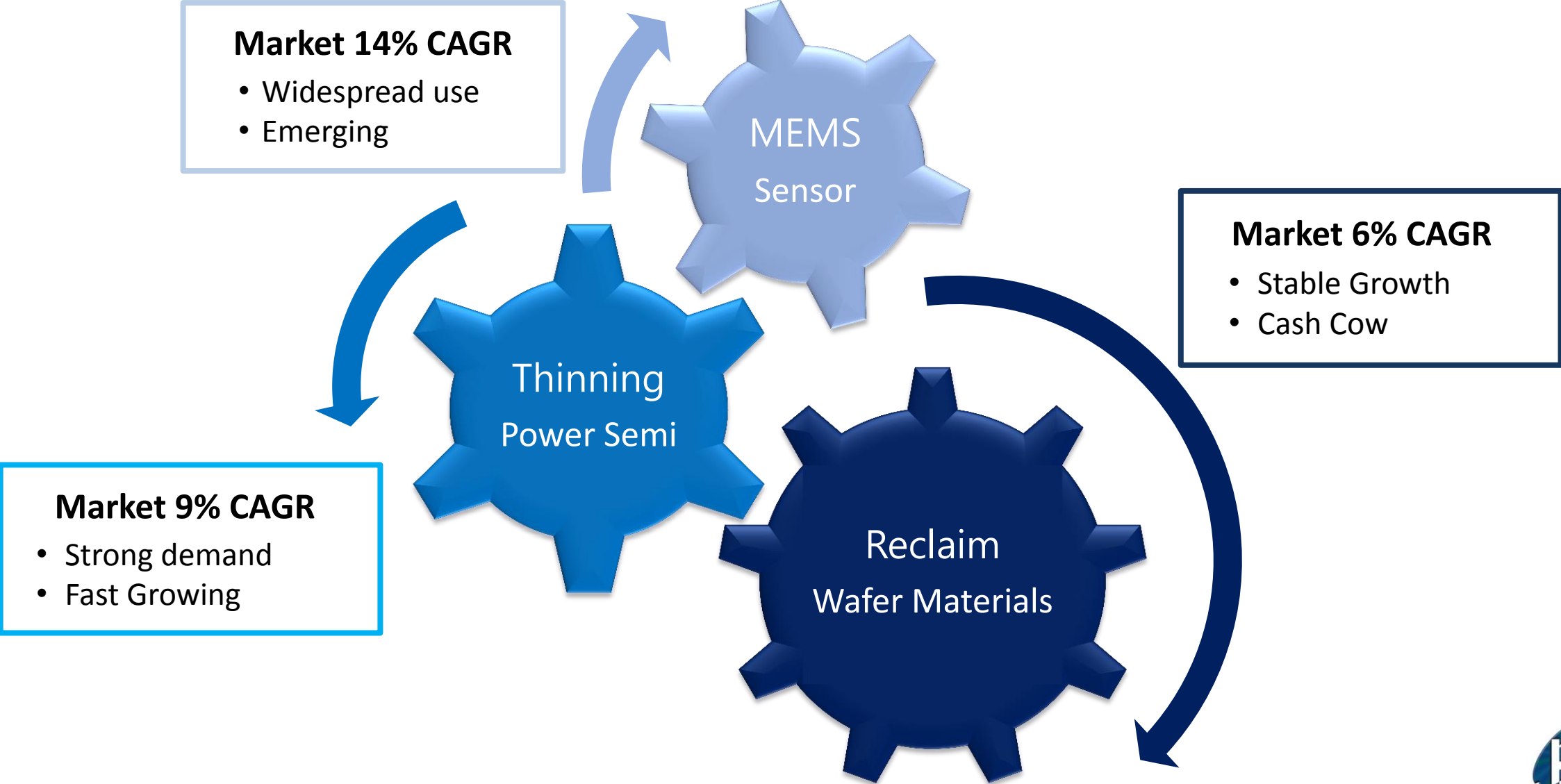
# Corporate Highlights

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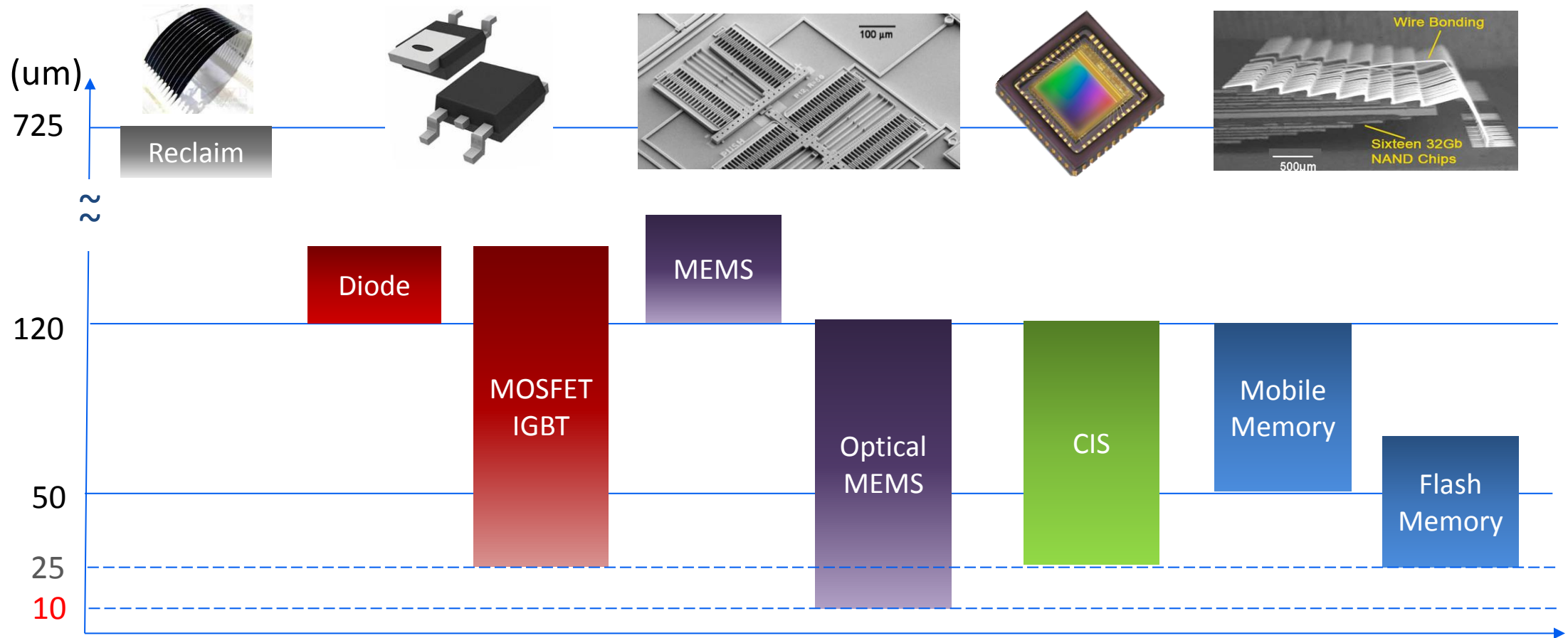
# Specialty MEOL Process Services



# Three Growing Business

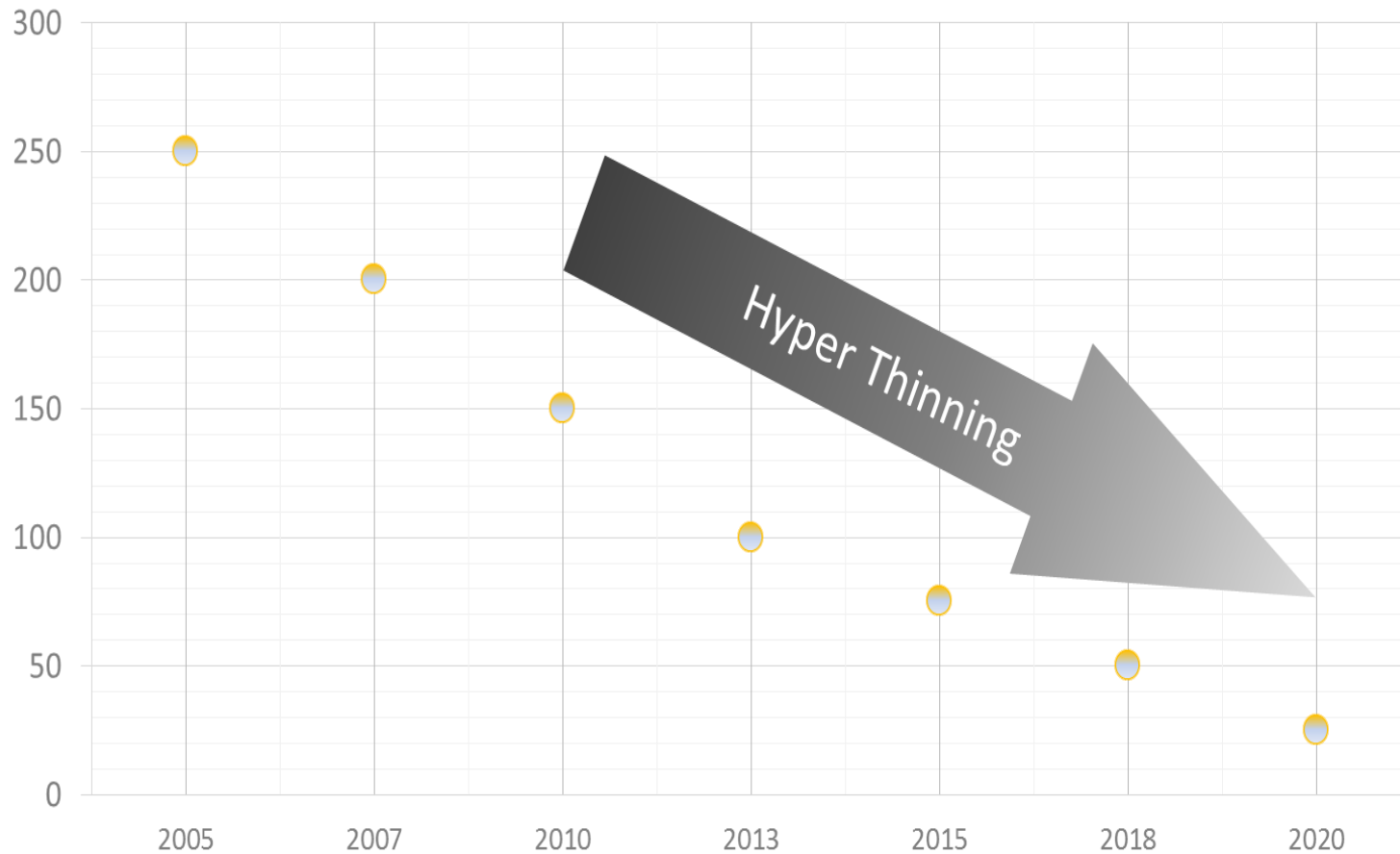


# Semiconductor Thinning Trend



# Enhance Product Function

## MOSFET Thinning Technology roadmap



- Improve electrical performance, :Lower Rds\_on
- Low heat dissipation
- Very thin packaging

# Key Investment Highlights

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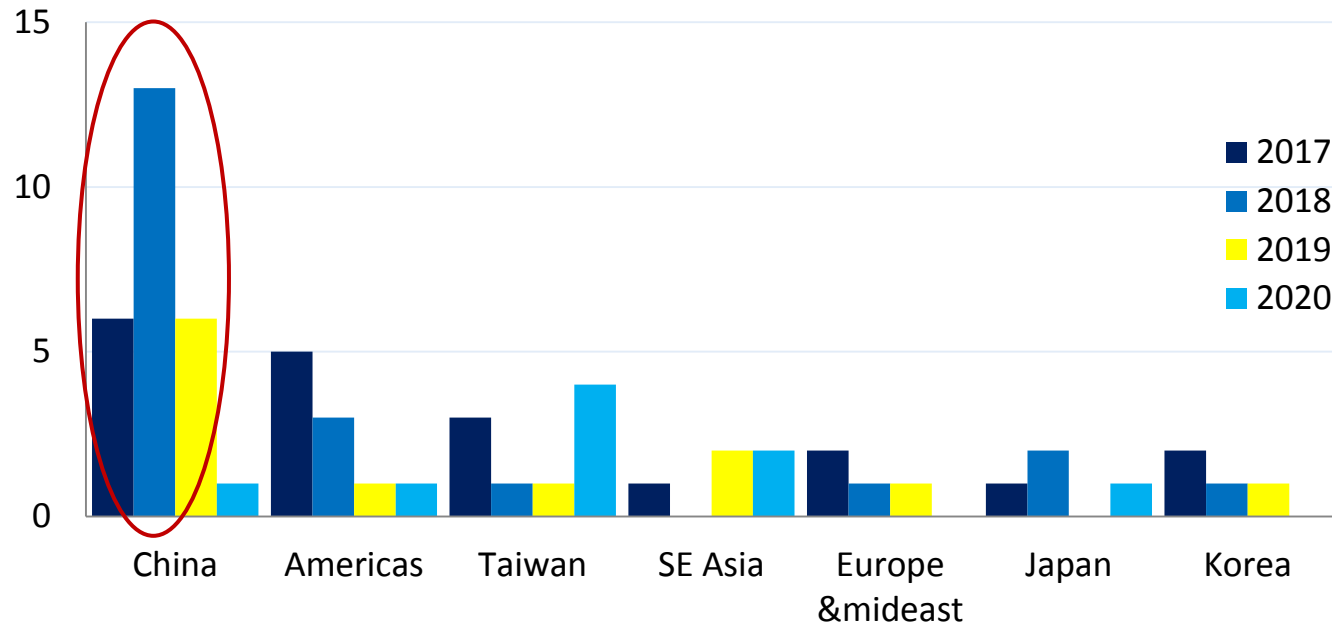


# Key Investments Highlights

1. Clear Beneficiary of Growing SEMI Market
2. IDM Outsourcing Share constantly increasing
3. Strong Partnerships With Industry Leaders on Core Tech. & Services
4. Leading Power semi MEOL Foundry

# Clear Beneficiary of Growing Fab

New Facilities & Lines Starting Operation  
(Front End, all probabilities)



Source: World Forecast report (NOV. 2016, SEMI)

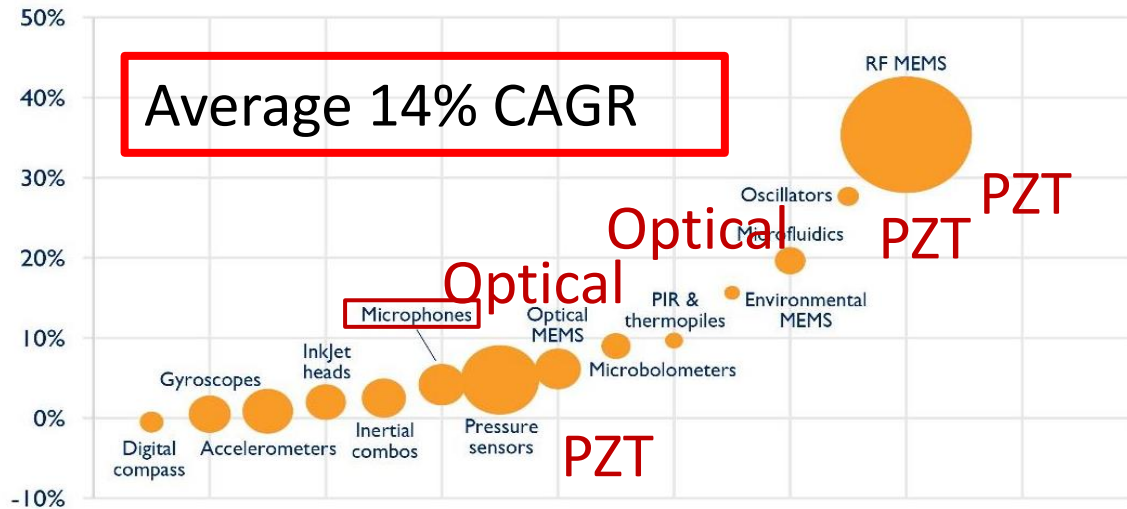
- Reclaims demand keep growing as SEMI grows
- China fab fever will continue, especially SMIC, YMTC/XMC
- China market  
Phase I Low volume from Taiwan  
Phase II High volume operation in China

# Clear Beneficiary of Growing MEMS /Sensor

## 2017-2022 MEMS CAGR for the different MEMS devices

(bubble sizes are proportional to 2022 market size in M\$)

(Source : Status of the MEMS Industry 2017, June 2017, Yole Développement)

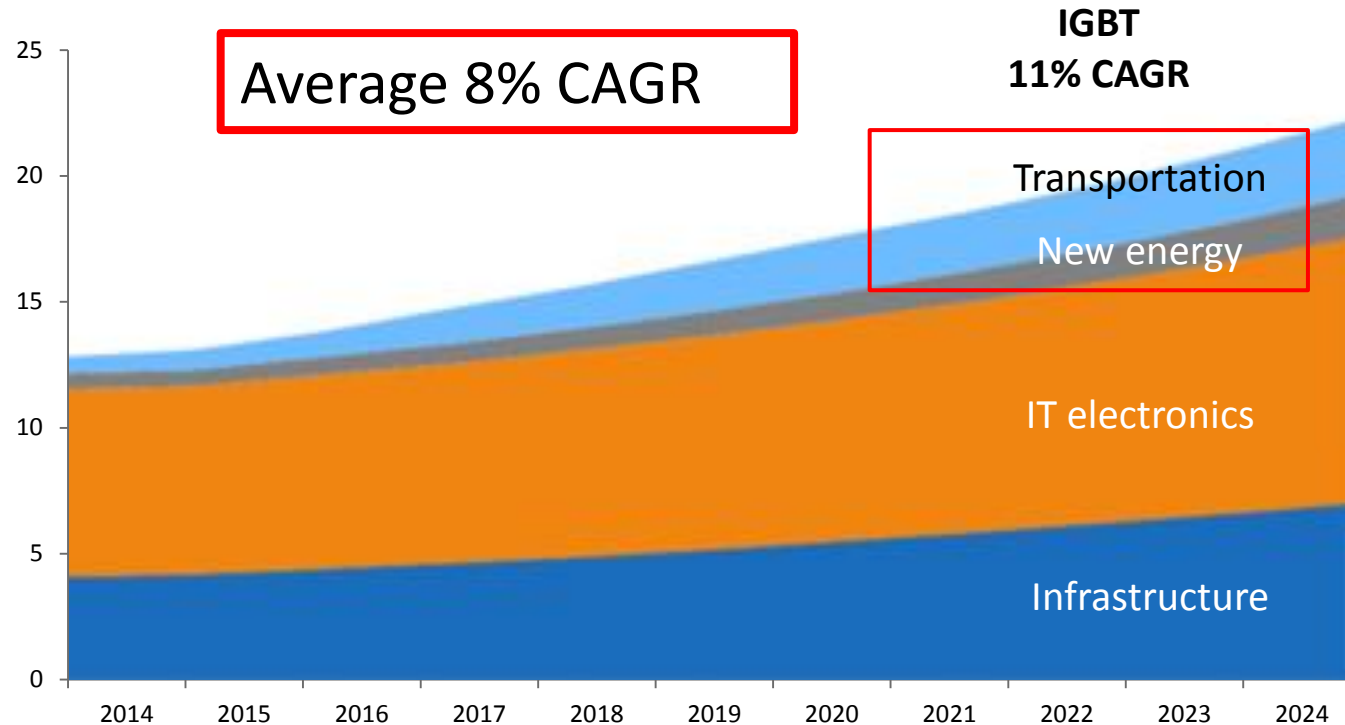


Source: Yole

- DM still dominate MEMS market while foundry business is highly selective
- Choose the OEM products base on Psi's core competence, Thin Wafer Process
- Collaborative rather redundant foundry mode could sustain win-win relationship

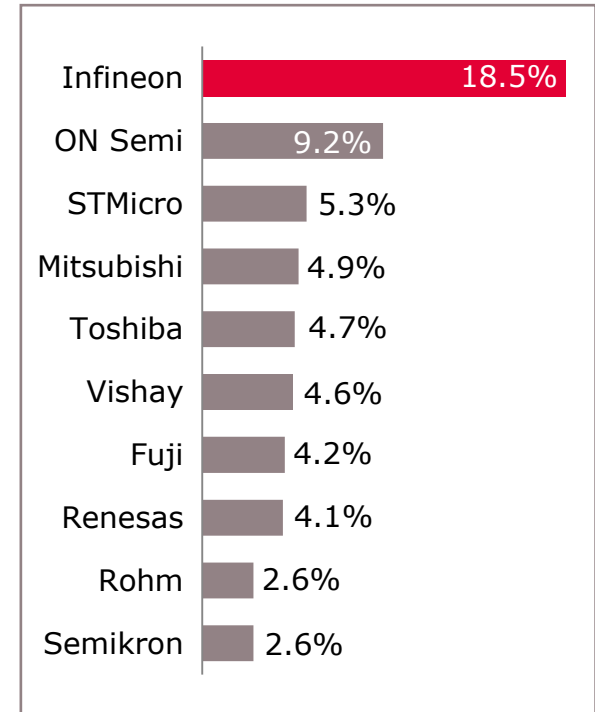
# Driven by Automotive, Industry 4.0, New Energy

Total discrete electronics market is set to reach \$23billion in 2024



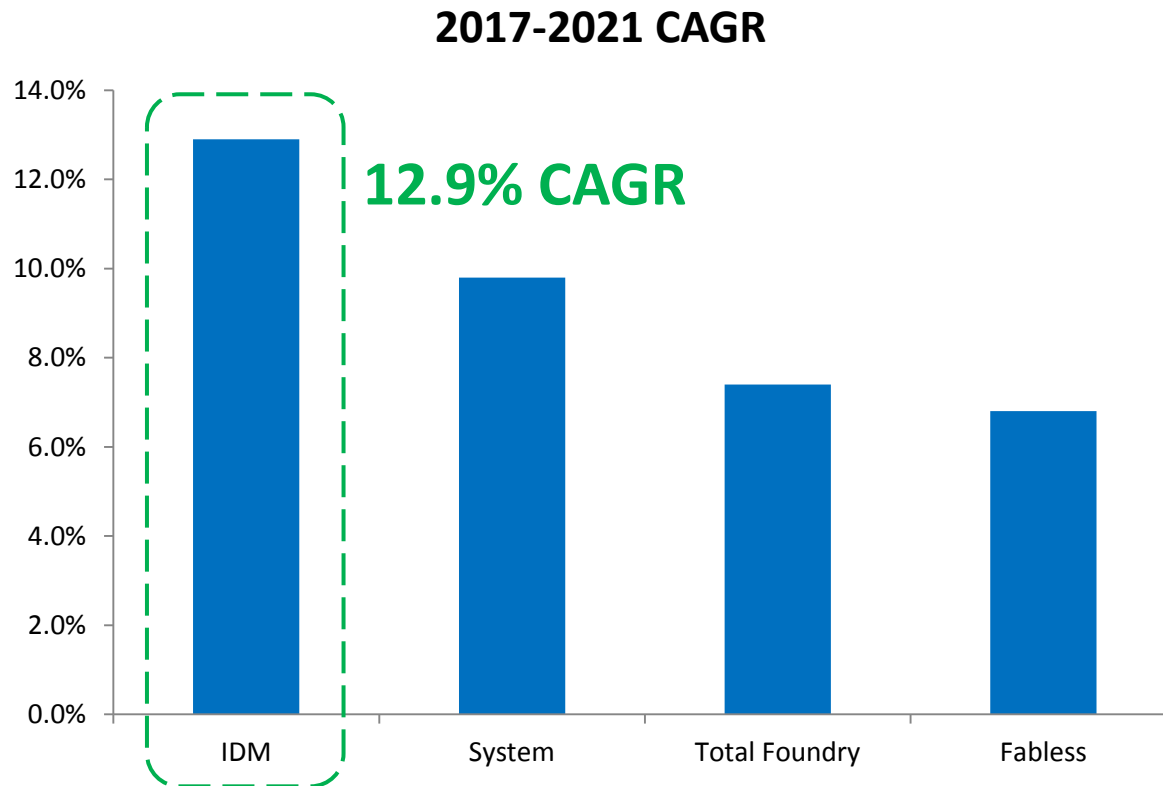
Source: Lux Research Inc.

Power discretes and modules  
total market in 2016: \$15.9bn



# Accelerating Trend of Outsourcing

IDM client should see 12.9% CAGR over 2017-2021,  
Strongly outpacing total foundry growth of 6.8%



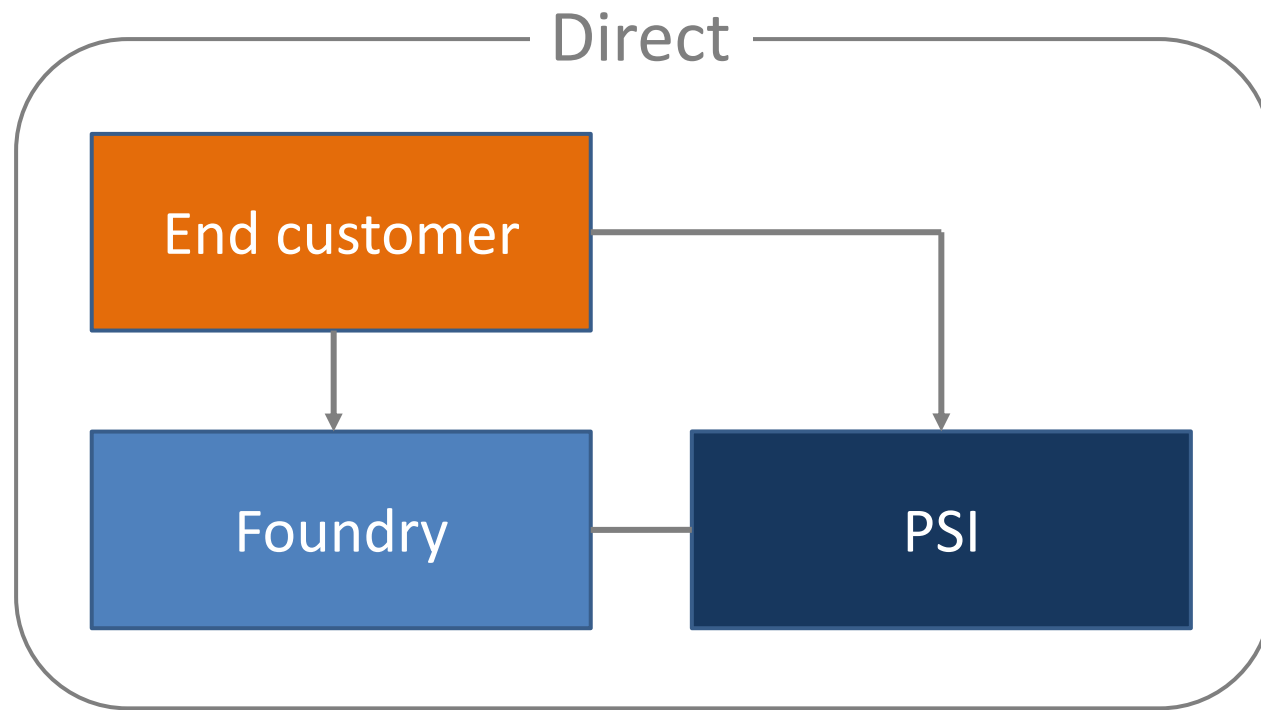
Source: Gartner, Nomura

- Asset-light strategy of global IDMs
- In the next 5 years, Infineon frontend outsourcing share will increase from ~22% to ~30%.
- Power semi IC fabless is fast growing

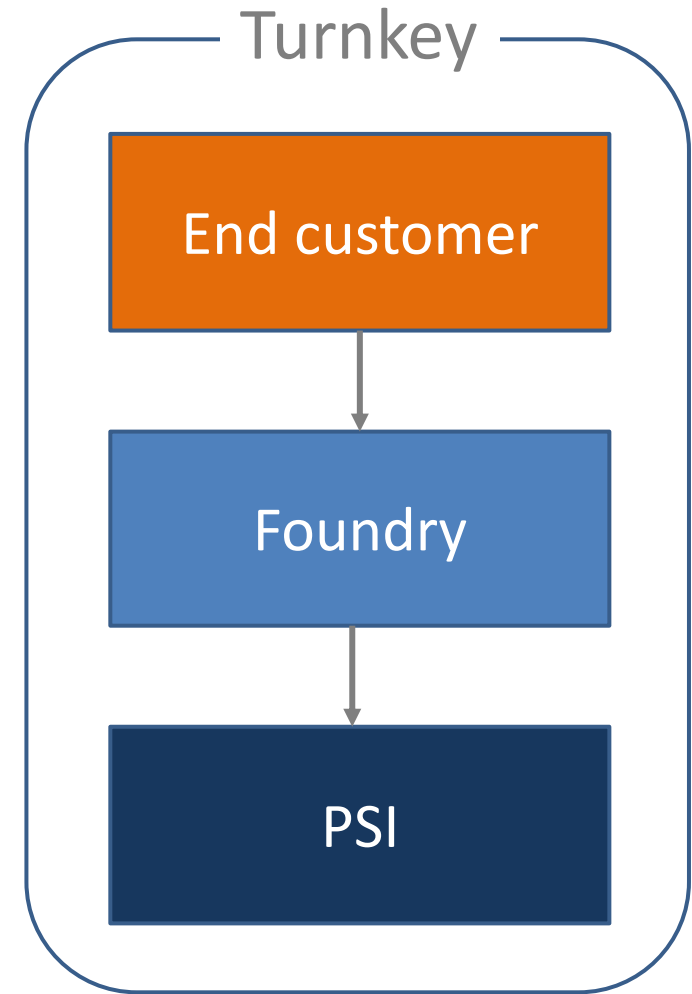
# Major Customers: Tier-1 in Each Field



# Business Model: Direct or Turnkey



Because of IP Protection



# Leading Power semi MEOL Foundry

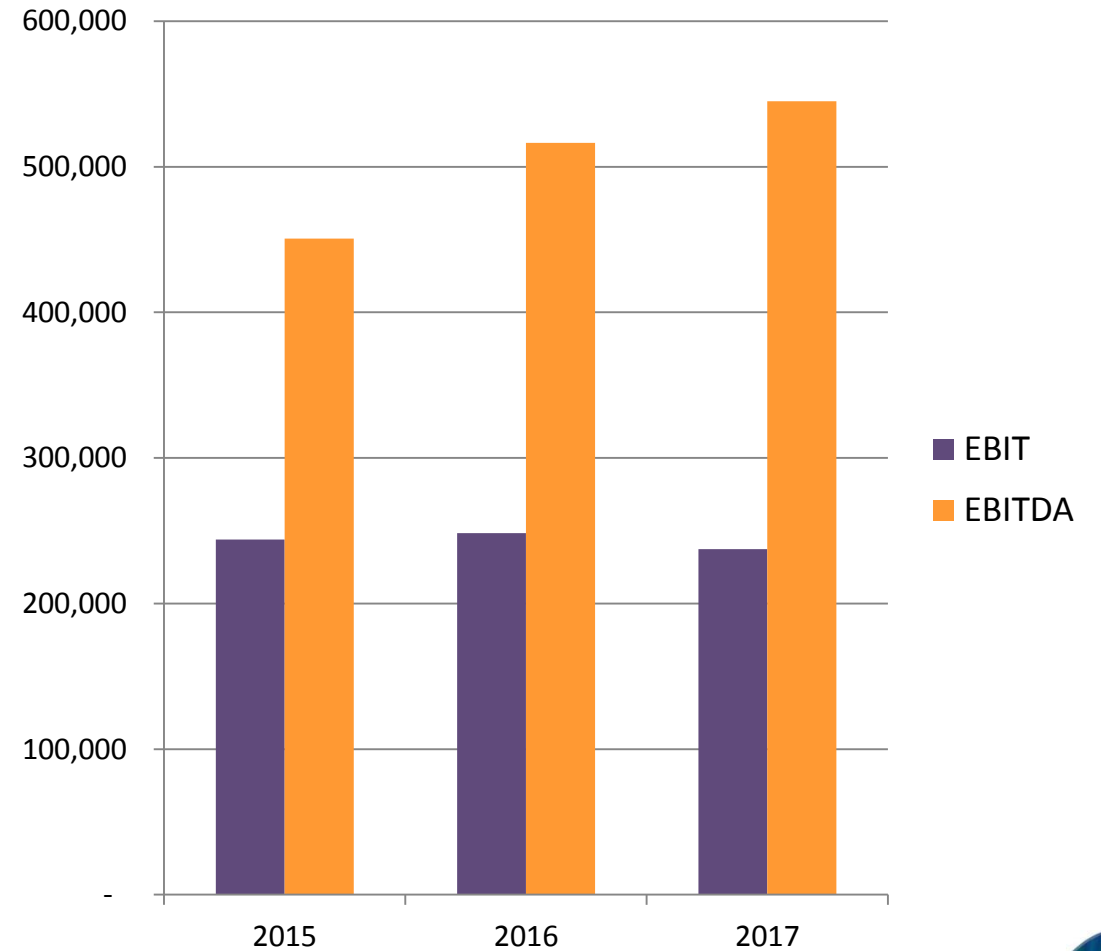
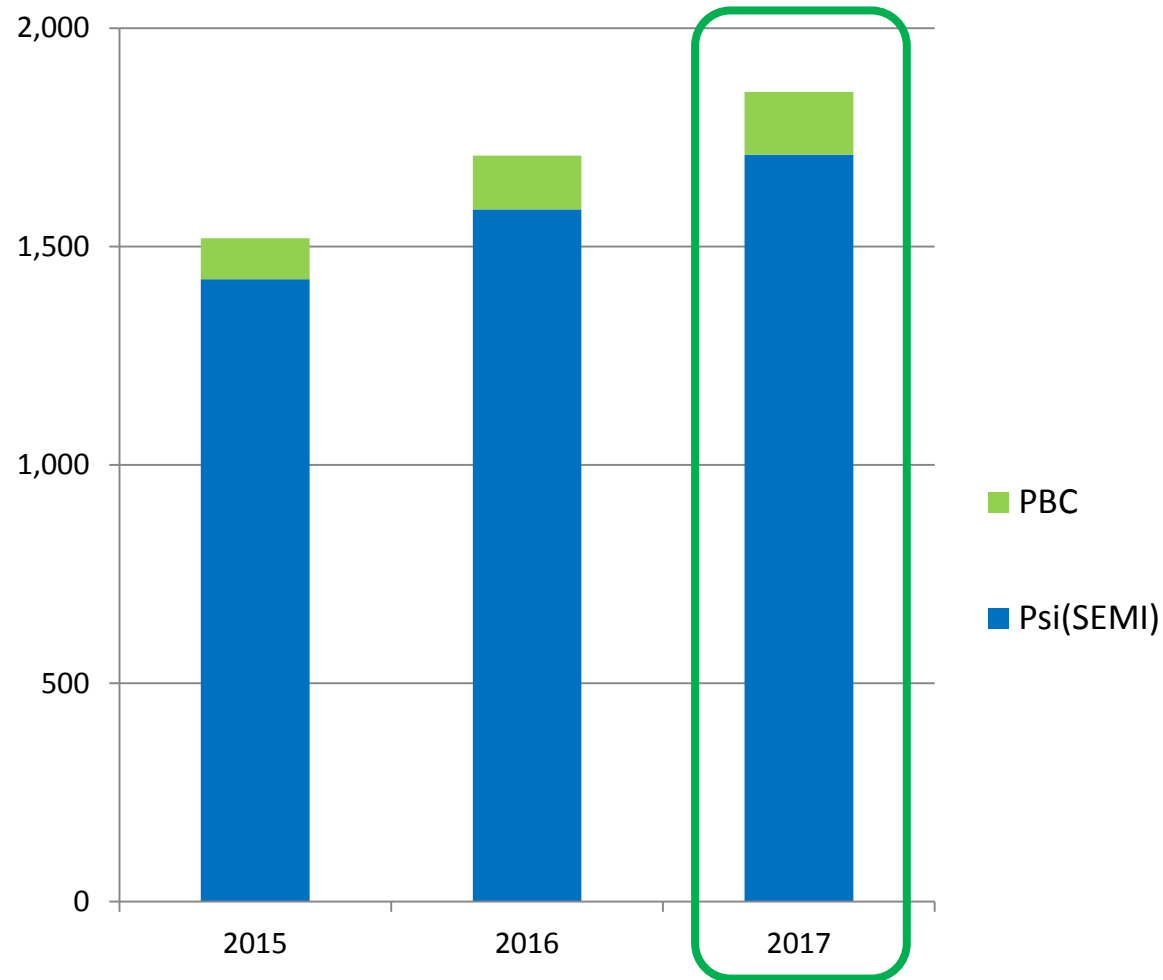
- Unique etching material
- Thinning wafer OEM Capacity WW NO.1, Continue Expanding
- Quality and Yield rate meet Tier-1 IDM's specification
- Thin wafer mass production experience ( > M pieces)



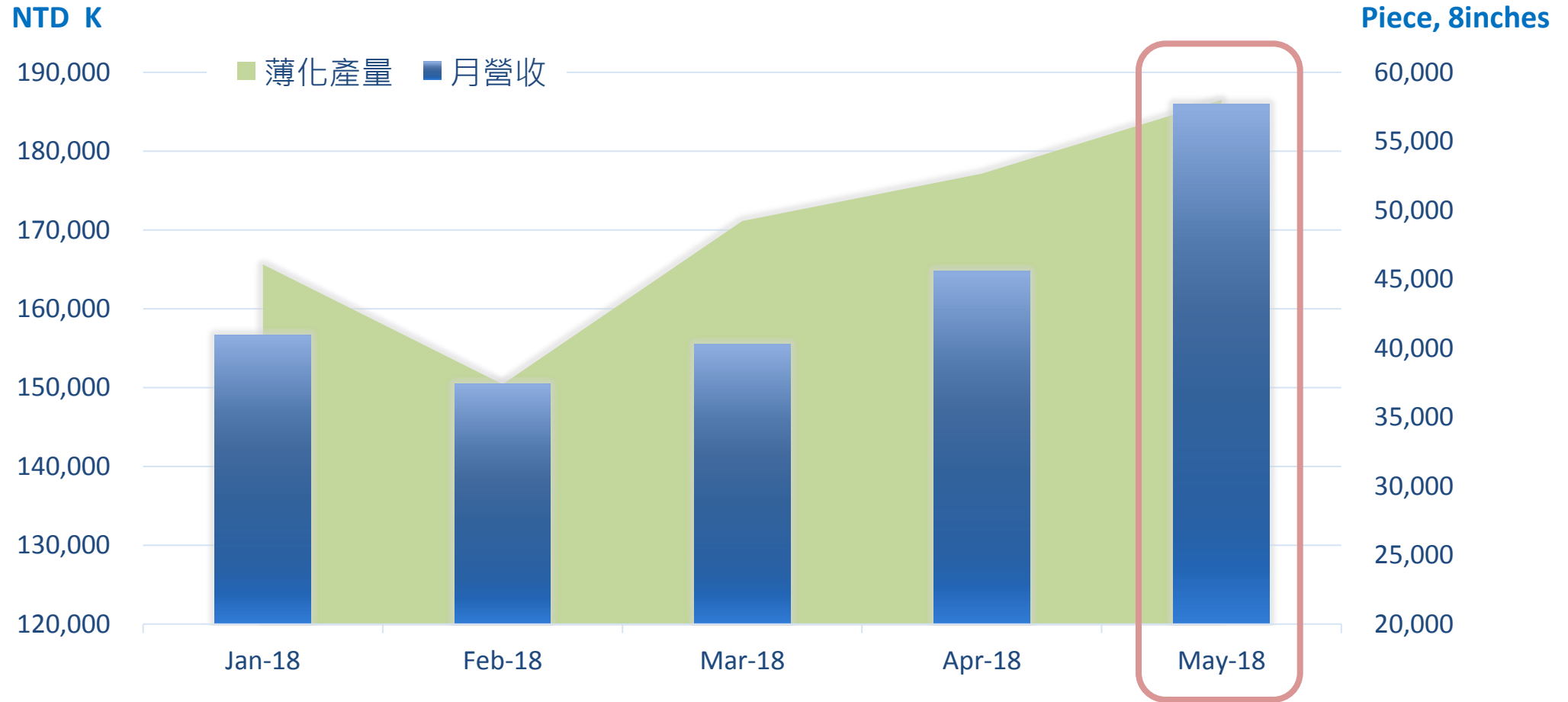
# Financial Highlights

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# Continue Growing



# Thinning Capacity Grows Revenue Grows



# Summary

## Specialty MEOL Process Service

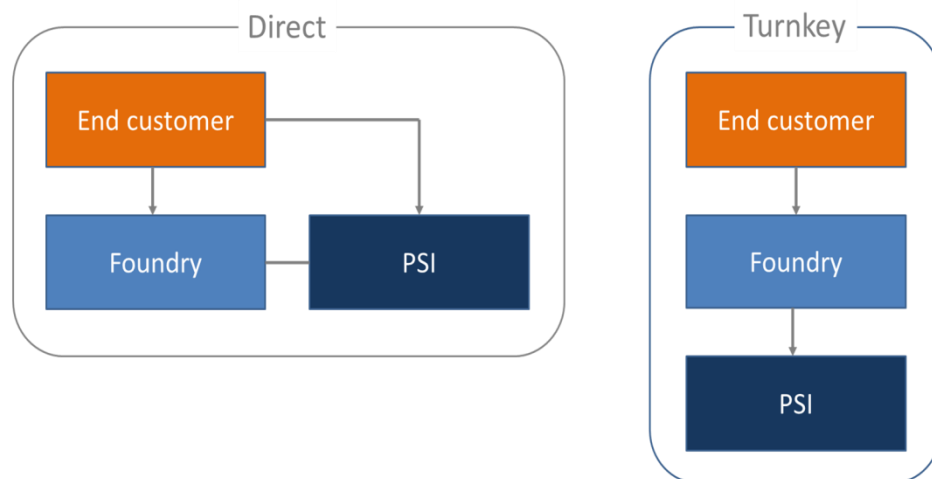
- **WW NO.1 Efficient Reclaim Wafer foundry**
- **WW NO.1 Power device MEOL foundry**
- **WW No.1 MEMS automation foundry**

## Power Semi & MEMS



Thinning

## Business Model



## Core Competence

- **Unique Etching Material**
- **> 50  $\mu\text{m}$  ultra thin MP Experience**
- **Meet Tier-1 IDM's Specification**
- **Competitive Cost Structure**

# Business Outlook



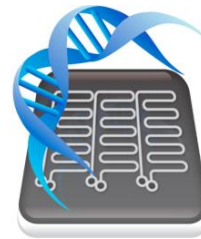
- Cultivation TW

## CHINA

- Pay attention to CN



- Capacity optimization



- Acoustics, Optical, Bio Sensor



- Power Semi for Vehicle Spec



- Advanced Reclaim Wafer



Thinner Is Better  
Thinning Is the King



# Q & A

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