

PSI Roadshow in Q2,2025

Q2 2025

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- The numbers of the presentation are prepared under IFRS.

Agenda

- PSI Value Proposition
- Financial Performance
- Market Trends and Competitive Analysis
- Key Messages From PSI

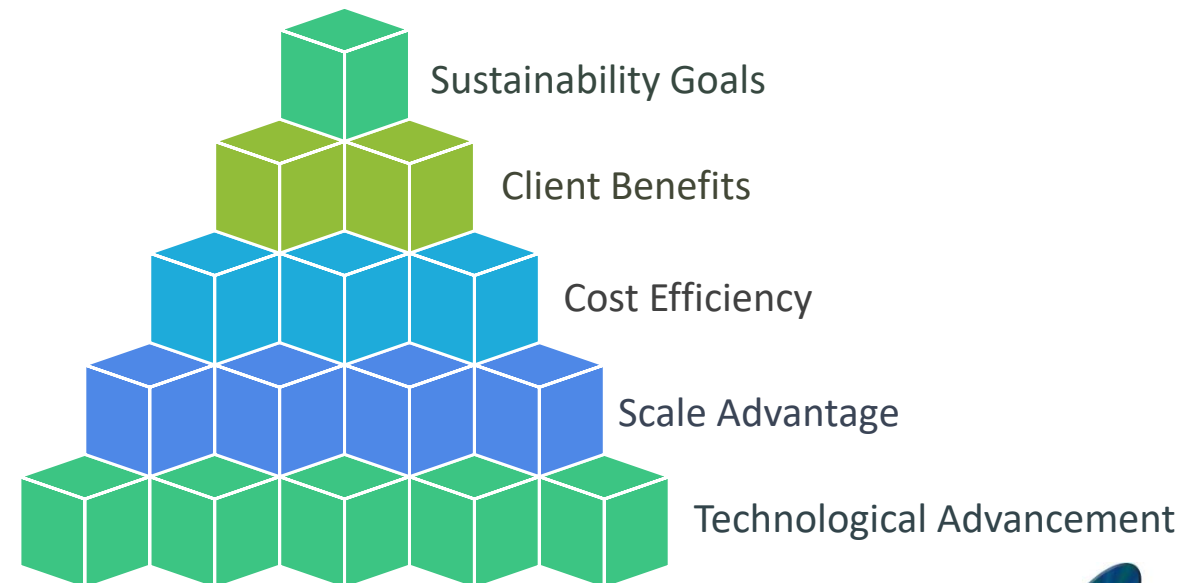
PSI Value Proposition

Redefined —

PSI Leads in **Tech Scale Cost**

Through these core strengths, PSI empowers semiconductor manufacturers to significantly reduce production costs, enhance operational efficiency, and meet sustainability objectives—all while ensuring quality and supply reliability at scale.

PSI's Core Strengths



PSI At a Glance

Sustainability & ESG

- Resource-efficient manufacturing
- Promoting circularity in semiconductors



Company Overview

- Phoenix Silicon International (PSI), 8028TT
- Founded: 1997



Market position

- WW NO.1 reclaim fab
- WW NO.1 thinning house



Financial Snapshot

- Revenue in 2024: NTD 3.55 Billion
- Market Cap., end of 2024: 24 Billion



Customer Base

- Trusted by leading global foundries and IDMs
- Long-standing partnerships with tier 1 foundry



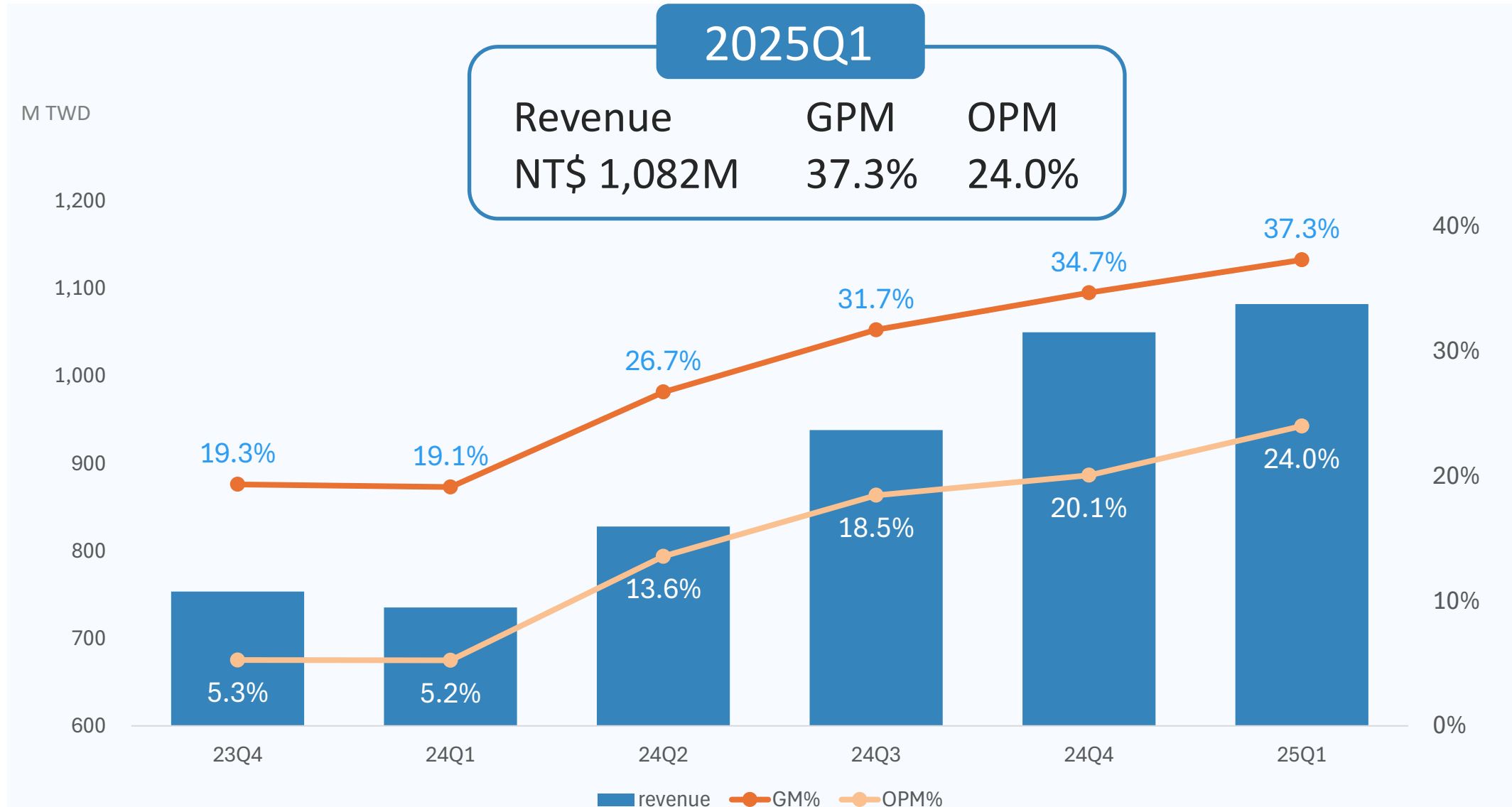
Technology Leadership

- Leading in sub-5nm reclaim wafers
- First 12" power MOS thinning foundry

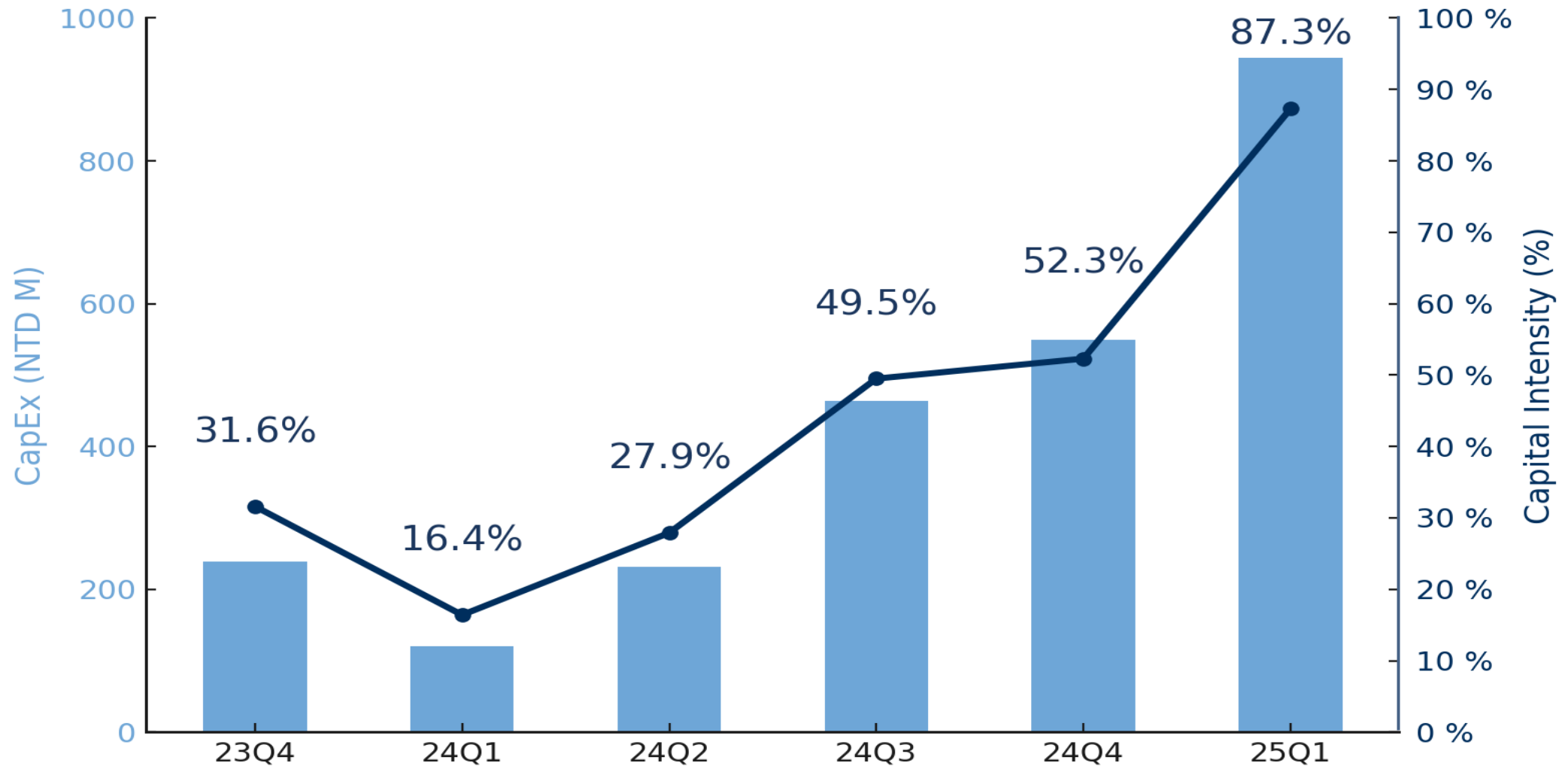


Financial Performance

Financial Highlights



PSI's CaPeX and Capital Intensity Trend



Financial Matrix

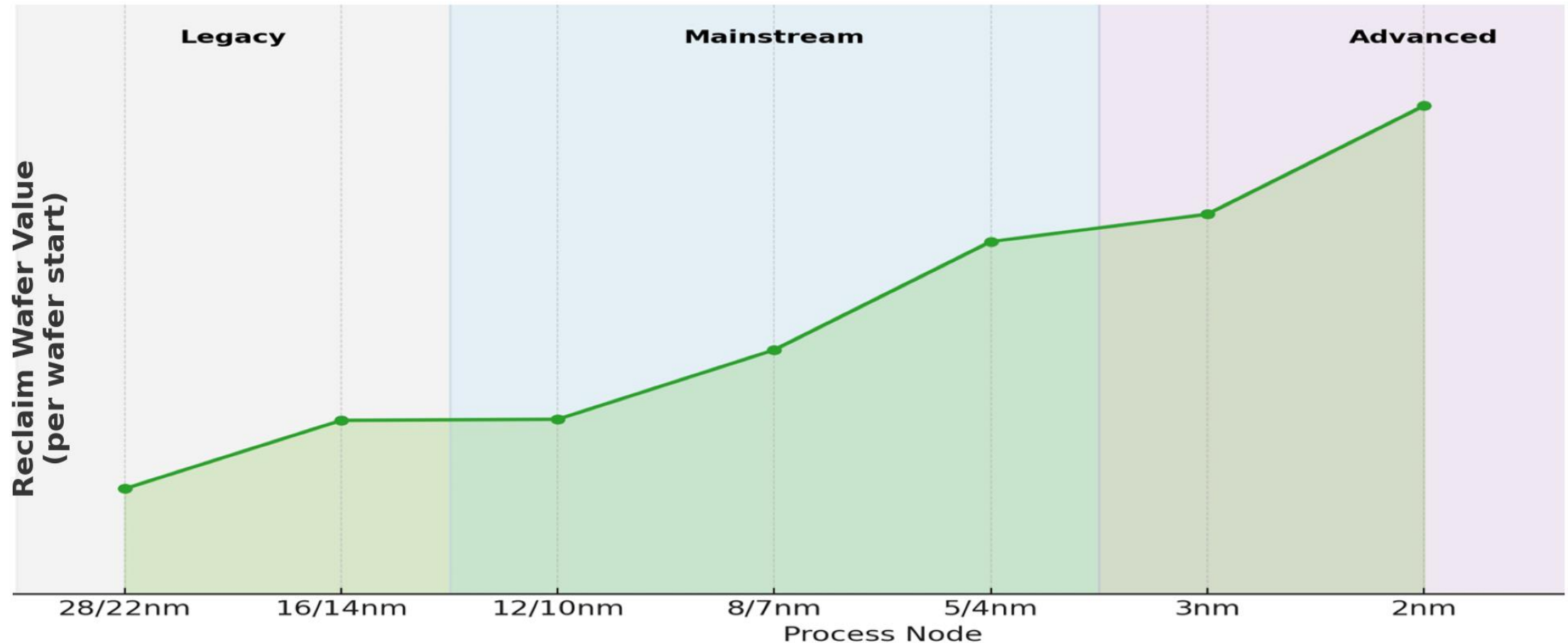
Item	2025Q1	2024Q4	2024Q1
Shipment (Kpcs, 12"-equiv. Wafer)	2,099	1,963	1,519
Net Revenue (NT\$ Millions)	1,082	1,050	735
Gross Margin	37.3%	34.7%	19.1%
Operating Margin	24.0%	20.1%	5.2%
Net Profit Margin	21.3%	19.0%	8.6%
EPS (NT\$)	1.34	1.16	0.36
ROE (annualized)	21.2%	19.9%	6.4%
Operating Cash Flow (NT\$ M)	426	449	312
Capital Expenditures (NT\$ M)	944	549	120
Free Cash Flow (NT\$ M)	-518	-57	192

- **Revenue & Shipment Growth:** Sustained YoY and sequential growth driven by higher wafer shipments.
- **Margin Expansion:** Gross margin rose to 37.3% from 19.1% YoY, driven by scale and UTR improvements.
- **Profitability:** EPS surged to 1.34, showing strong QoQ and YoY improvement.
- **Cash Flow & CaPeX:** Capacity expansion impacts short-term FCF, paving the way for future growth.

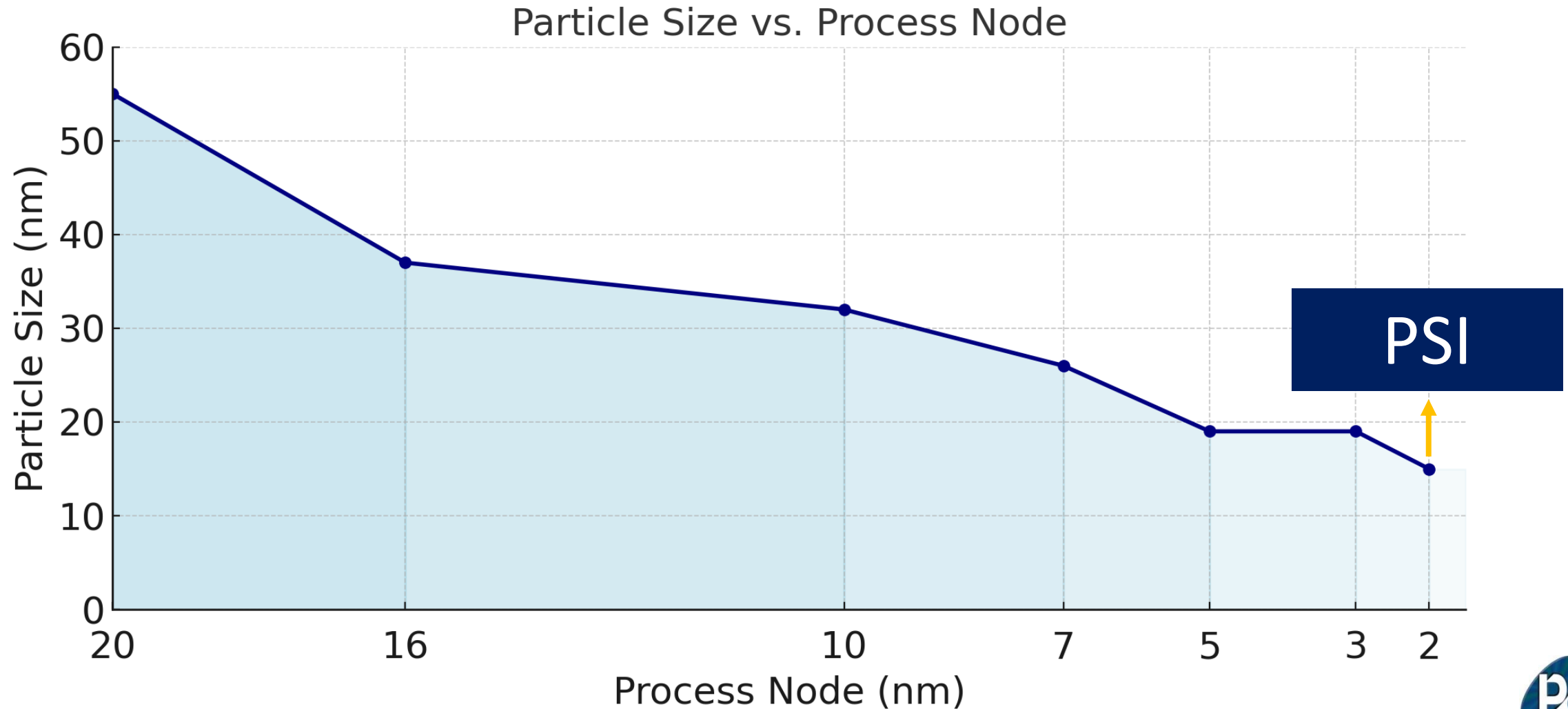
Market Trends & Competitive Analysis

Directly Benefiting From Advanced Nodes

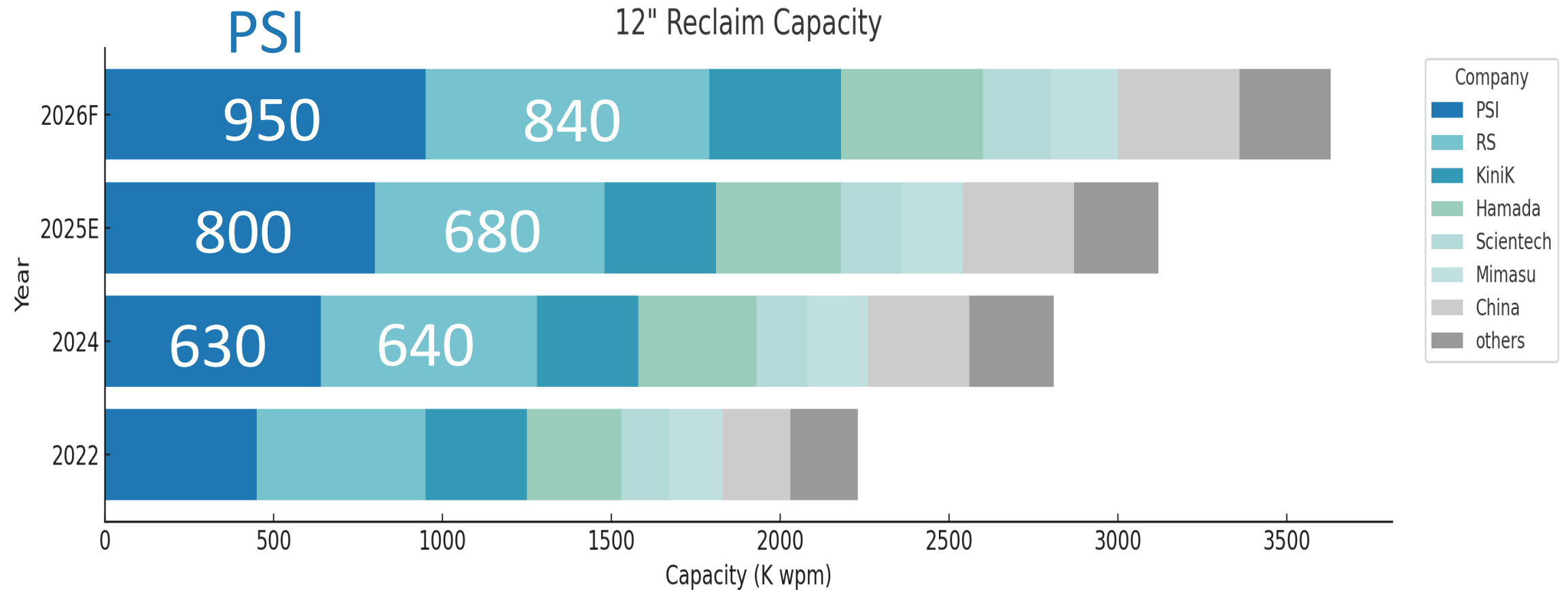
- PSI 70-75% from Advanced node
- PQ both increasing, higher spec reclaimed wafers emerging



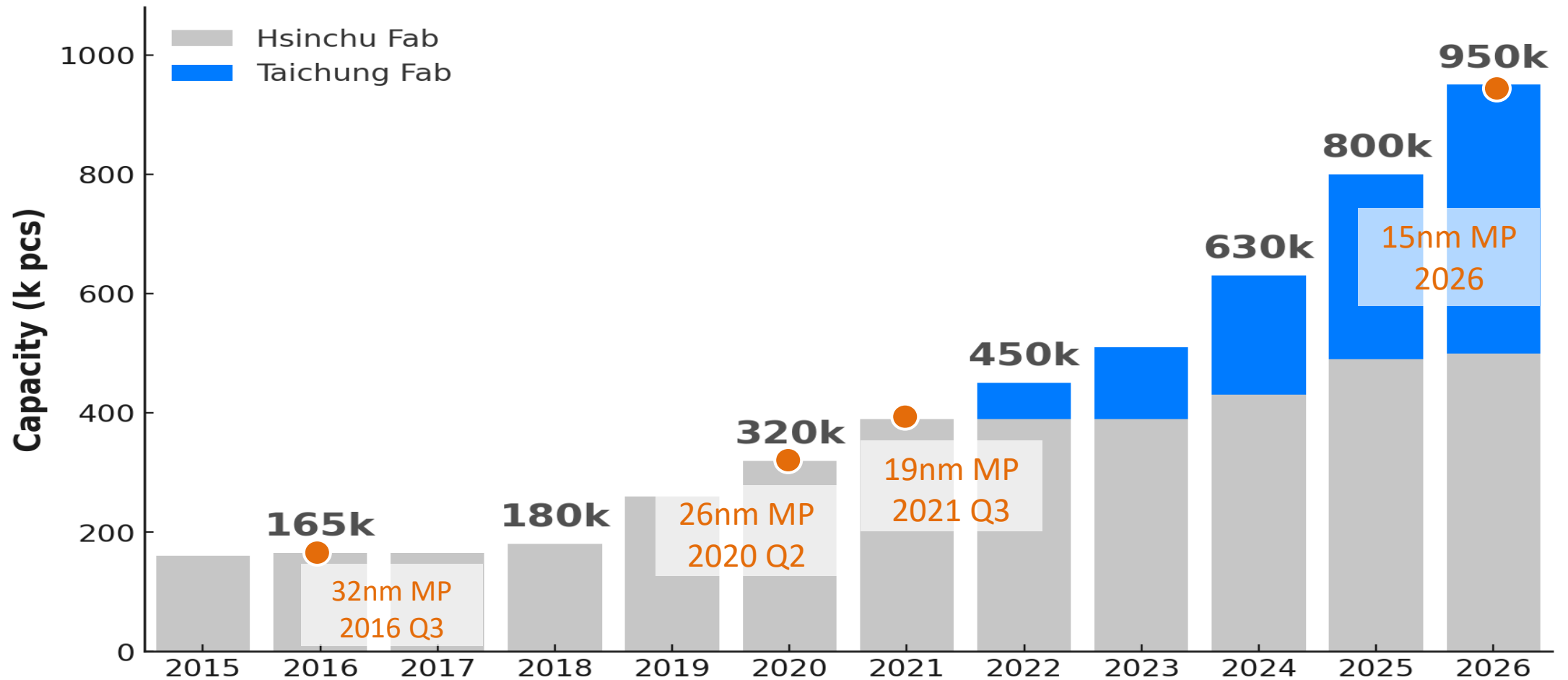
PSI is Leading in sub-5nm Reclaim Wafers



WW NO.1 Reclaim Capacity

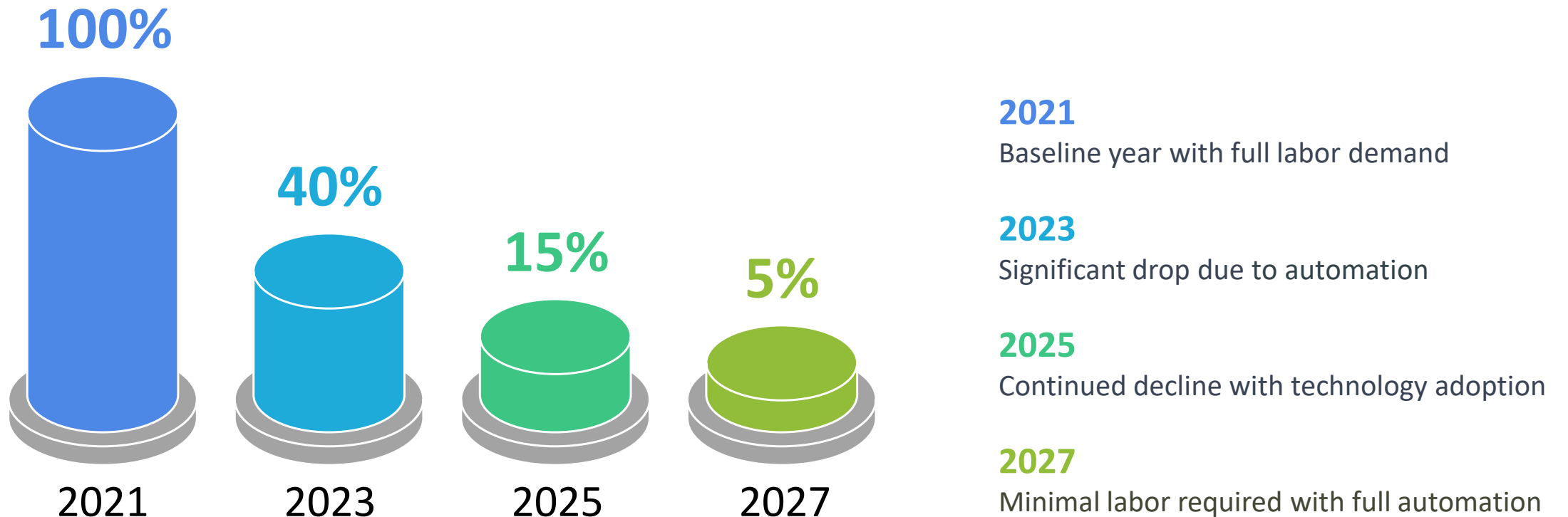


WW No.1 Reclaim in Quantity and Quality

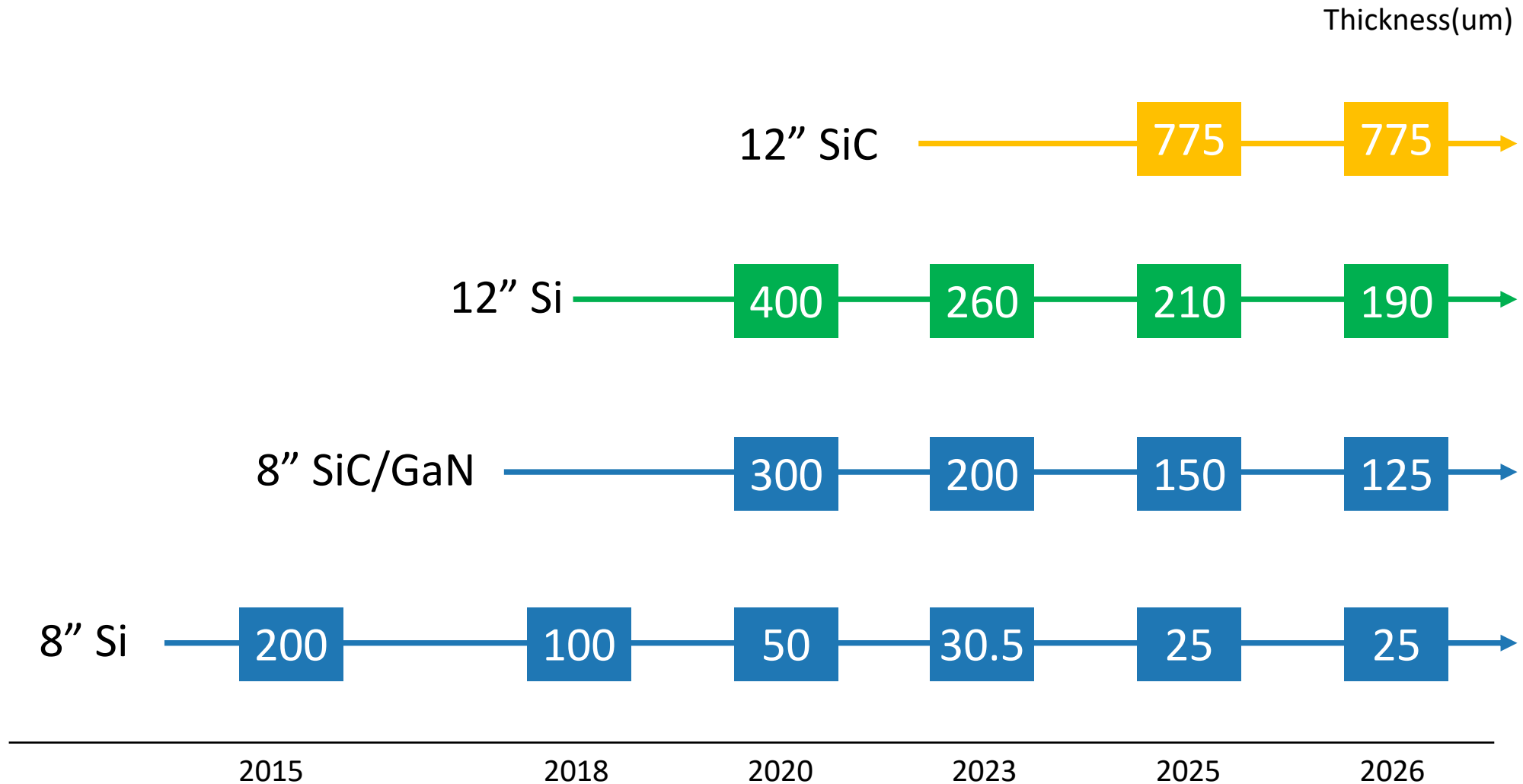


WW No.1 Lights out Wafering Fab

Decline in Labor Demand (2021-2027)



Thinning From Power to Advanced Packaging



Technology Development Highlights

- Reclaim ramping for 2nm node
- Test wafer production ramping
- 8" GaN/SiC BGBM qual.
- 12" Si Power MOSFET BGBM qual.
- Carrier qualification
 - ✓ Advanced Packaging
 - ✓ HBM stacking

2026

2025

- Reclaim qualification for sub 2nm
- Carrier production ramping
- Carrier qualification for BSPDN
- 8" GaN/SiC BGBM piloting
- 12" Si Power MOSFET BGBM MP
- 12" SiC wafering qualification

Market Trends– TWD Appreciation

Immediate Impact Analysis:

- 1% revenue and 0.5% margin impact per 1% TWD rise.
- A one-time 2% inventory impact and 1% margin impact.

Strategic Response and Outcome:

- Expanding capacity more aggressively to offset the margin loss.
- Currency pressure accelerates operational efficiency and cost control efforts .
- Controllable, with <0.3% full-year margin impact per 1% TWD rise.

Market Trends— Reciprocal Tariff

Immediate Impact Analysis:

- **Very limited** impact given customer strength, FOB terms, and <10% revenue.

PSI's Strategic Response:

- Evaluate USA ecosystem to determine best landing strategy – brown or green.
- Collaborate with customers to redefine wafer cycling flow to reduce tariff impact.

Key Messages From PSI

Leading future, Harvesting return

■ Enlarge leading position in reclaim business

- Shipments rising, with >30% YoY; capacity to reach near 1000kwpm next year
- Evaluate expansion opportunity in Taiwan and USA beyond 2028

■ Explore new business territories within core competence

- New carrier wafer business starting from 2025 for advanced packaging
- New thinning business booming in 8"/12" GaN/SiC in next three years

■ Earning improvement and risk control are all in good shape

- ROE% and EPS significant improvement with predictable dividend policy
- Controllable currency impact, with 0.3% margin impact per 1% TWD
- Very limited tariff impact, however, new expansion plans are on the way

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