



中美矽晶製品股份有限公司
Sino-American Silicon Products Inc.



SAS (5483 TT) 1H21 Results Presentation

August, 2021

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Executive Comments

1. Record-Breaking

■ Record-Breaking Quarter: Q221

- ✓ 2nd Best Ever :
 - Gross Profit, Operation Profit and EPS
- ✓ All-Time High:
 - Net Profit, EBITDA and Profit before Tax

■ 1H21 EPS of NT\$6.11 hit the 2nd Best Ever!

2. Commitment for Sustainability

- SAS commits 100% renewable energy usage by 2050 in all global operations sites.
- Progressive goals
 - ✓ 20% by 2030, 35% by 2035, 50% by 2040, 100% by 2050

3. Reinvestments

■ Actron Technology Corporation(ATC)

- Top 1 automotive diode supplier in the world

■ Advanced Wireless Semiconductor Company (AWSC)

- The foundry for PA and other RF components (GaN on Si, GaN on SI SiC...)

■ Taiwan Specialty Chemicals Corporation (TSC)

- The specialty gas supplier in Taiwan, local supply is beneficial for customers' BCP (Business Continuity Plan)



Executive Comments

4. Solar Industry Outlook

- As the world enters the post-pandemic era, the solar PV deployment, which is supported by various policies and laws globally, will continue to grow and boost the economic recovery.
- European renewable capacity growth is accelerated due to European Union and Europe Commission have taken significant measures to boost the PV market.
- To achieve Net Zero target, numerous nations have started energy transition, leading a promising future for renewable energy.
- German government sets aggressive goals for the renewable energy expansion to reach the goal of renewable sources to 65% by 2030.
- Taiwan government announces to boost renewable energy to 20% by 2025 and achieve net zero emissions by 2050, the capacity of renewable power is expected to grow sharply.

Executive Comments

5. GlobalWafers

■ 1H21

✓ Revenue

- Both June and Q2 revenues hit the third highest in the history.
- 1H revenue exceeded NTD\$30 billion with 10.3% YoY!

✓ EBITDA

- Q2 → record high
- 1H → the third highest in the history

✓ Net Income

- Q2 → record high

✓ EPS

- Q2 EPS NTD 9.09 → record high
- 1H EPS NTD 15.27 → the third highest in the history!

- ✓ Accumulated cash flow from operations of NT\$ 10,339mn (US\$371mn)*¹ and cash*² of NT\$ 52,011mn (US\$1,867mn)*¹ reflect our correct operation strategy and emphasize the strength of our business model and financial moats.

- ✓ Prepayment – NT\$ 18,992mn (US\$ 682mn)*¹

■ Semiconductor Industry Outlook

✓ Wafer

While wafer fab materials market is expected to grow throughout 2022, the Si wafer portion is expected to have more growth in terms of both shipments and revenue in the next two years.

Note:

1. FX Rate: NTD:USD = 27.86

2. Cash = cash and the equivalent + restricted cash



Reinvestments

Reinvestment Summary

- Apart from its successful solar business, SAS' strategic reinvestments in the semiconductor value chain also achieve remarkable performance:



Actron Technology Corporation(ATC)

- ✓ 2021 alternator LLD output double than last year
- ✓ EV IGBT module ramp up in Q4 2022



Advanced Wireless Semiconductor Company (AWSC)

- ✓ GaAs for WiFi6, 4G/5G, RF application
- ✓ Penetrating compound semiconductor market
- ✓ Strong 5G momentum further stimulate WiFi-6 & PA demand



Taiwan Specialty Chemicals Corporation (TSC)

- ✓ One of the only 2 suppliers capable of large scale Trisilane production in the world
- ✓ Disilane is verified in Tier-1 customers' advanced node, output increased



Reinvestment Summary - ATC

1. Financial results

| (NT\$m) | Q2-2021 | Q2-2020 | YoY |
|--------------------------|---------|---------|-------|
| Revenue | 984 | 567 | 73.5% |
| Net Profit* ¹ | 111 | -28 | NA |
| EPS | 1.22 | -0.3 | 1.52 |

| (NT\$m) | 1H-2021 | 1H-2020 | YoY |
|--------------------------|---------|---------|--------|
| Revenue | 1,978 | 1,424 | 38.9% |
| Net Profit* ¹ | 266 | 46 | 479.6% |
| EPS | 2.92 | 0.5 | 2.42 |

Note 1: Net profit attributable to parent company

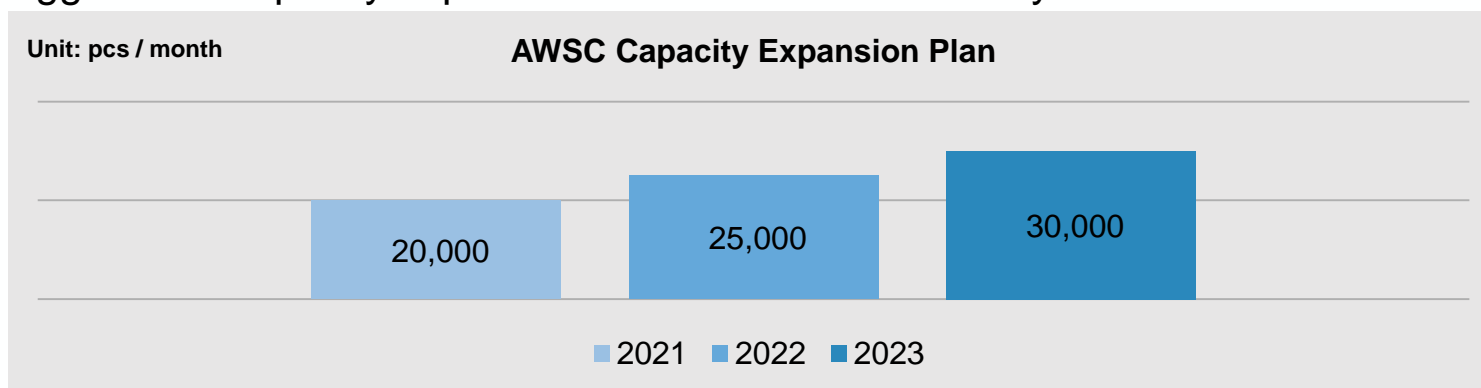
Reinvestment Summary - AWSC

1. Financial results

| (NT\$m) | Q2-2021 | Q2-2020 | YoY |
|------------|---------|---------|-------|
| Revenue | 1,150 | 840 | 36.8% |
| Net Profit | 198 | 166 | 19.0% |
| EPS*1 | 1.01 | 1.10 | -0.09 |
| (NT\$m) | 1H-2021 | 1H-2020 | YoY |
| Revenue | 2,215 | 1,645 | 34.7% |
| Net Profit | 374 | 325 | 15.0% |
| EPS*1 | 1.9 | 2.2 | -0.3 |

2. Positive outlook with mid-teens QoQ growth of both Q3 and Q4

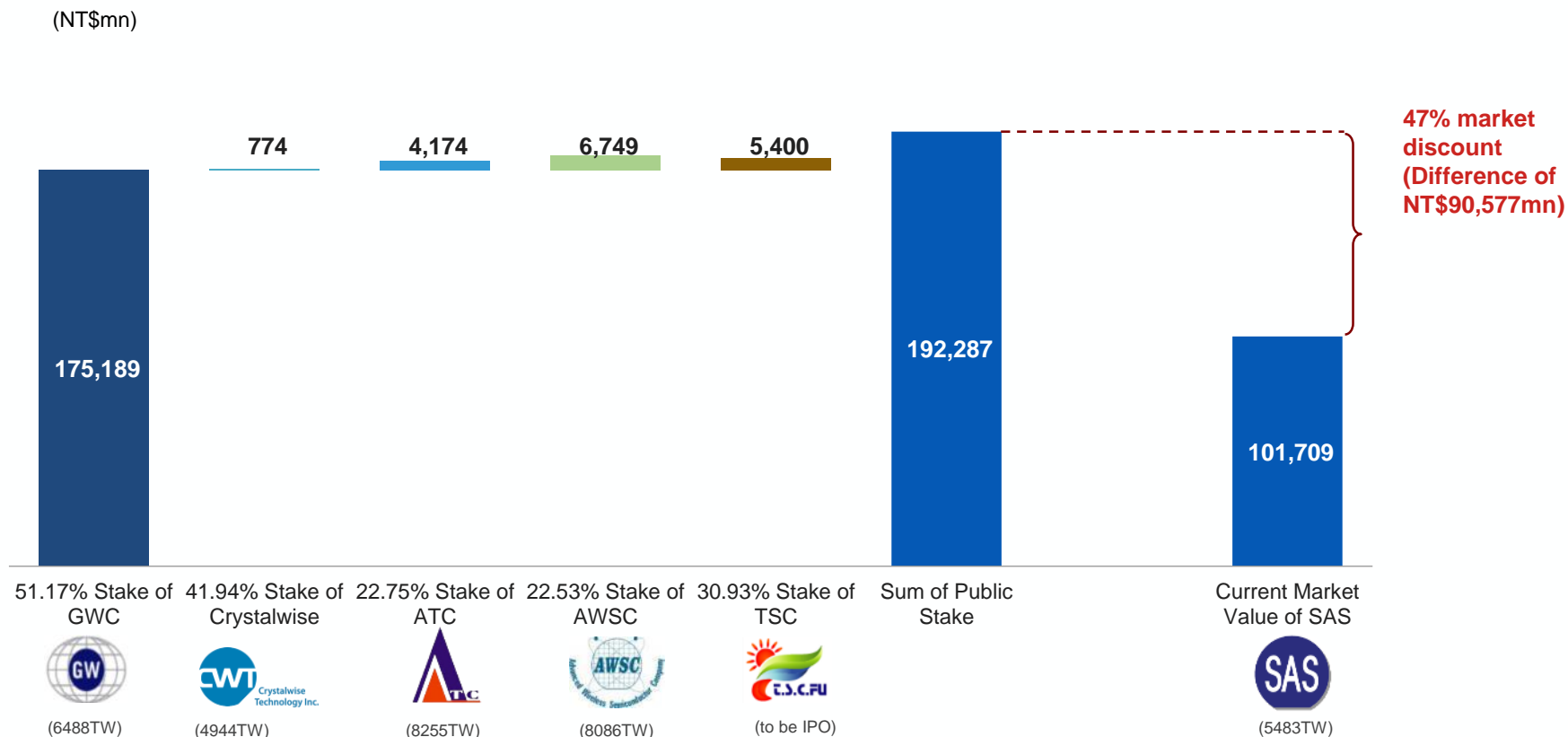
3. Aggressive capacity expansion with max. 30k/month by 2023



Note 1: EPS decreased because AWSC common share increased for to SAS' private placement

Undervalued Market Value of SAS

- Current market value of SAS trades at 47% discount compared to the sum of its stake of reinvestments in GWC, Crystalwise, Actron, AWSC and TSC, which makes SAS a worthy option to participate the future growth of promising businesses.



Source: Stock price of August 18th, 2021

Note: With assumption that TSC stock price is NTD 60.

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Commitment for Sustainability

Commitment to 100% Renewable Energy

- To support Taiwan to reach net zero emissions by practical actions, respond to the Paris Climate Agreement goal and pursue efforts to limit the global warming not exceeding 1.5°C, SAS commits to achieving 100% renewable energy usage over all of group's global operation bases by 2050.

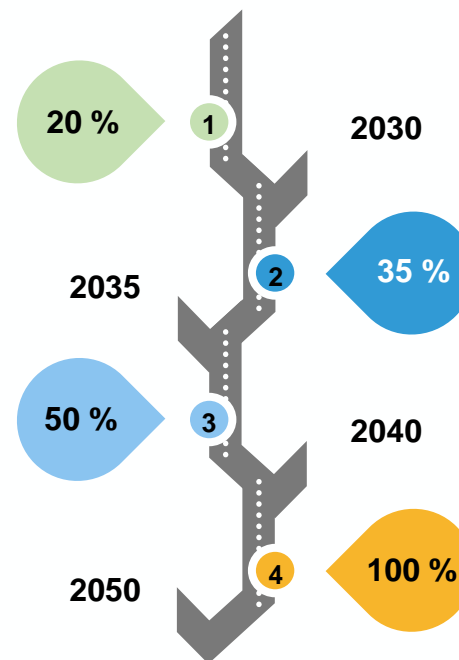
Progressive Goals and Climate Blueprint

1. Adopt renewable energy:

Increasing renewable energy usage by use self-built solar power system and buy renewable energy both in parallel (ex: PPA, RECs).

2. Improve energy efficiency:

Improvement to reduce the energy consumption of.



3. Carbon removal:

Support the promotion of tree planting projects and participate in other natural solutions and nature protection project.

4. Purchase carbon offset products:

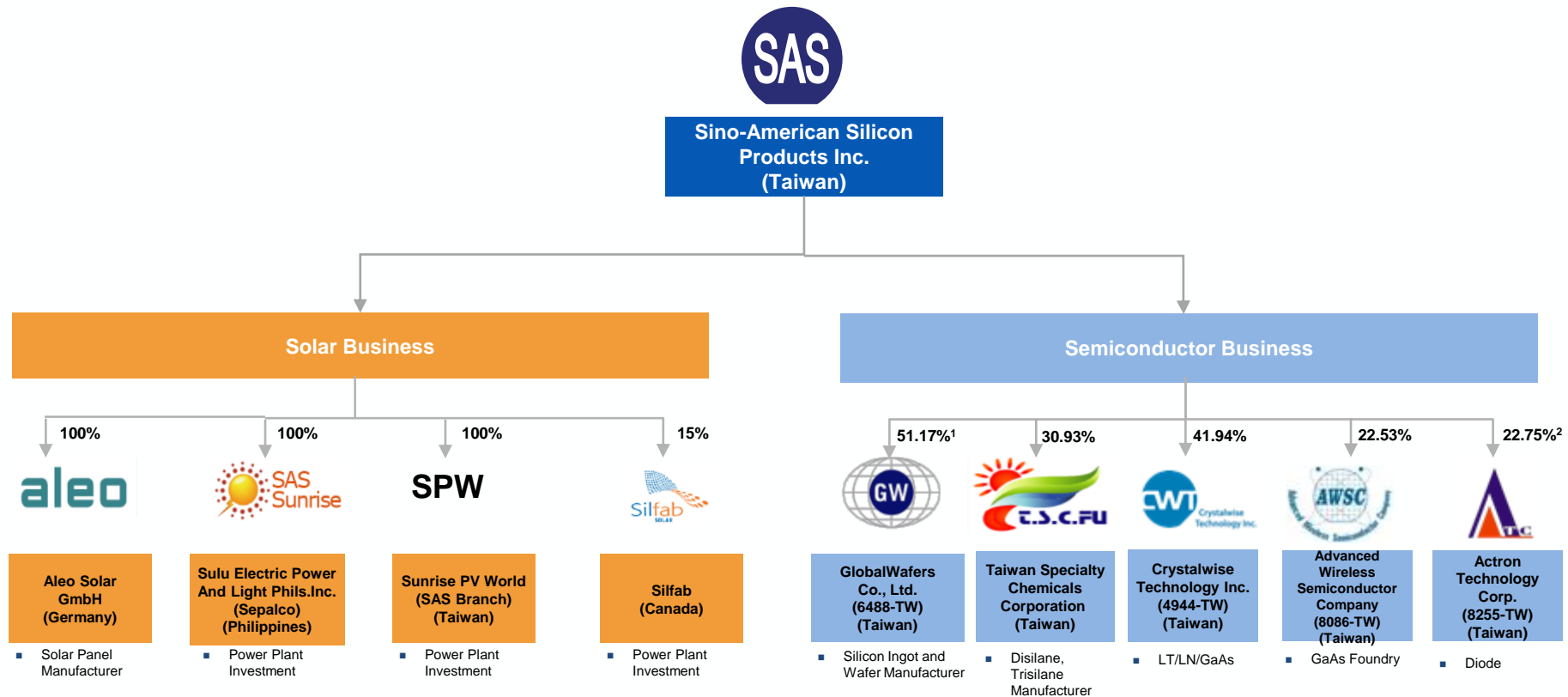
Offset their carbon emission by purchasing carbon emissions trading credits.



Company Overview



SAS Group Structure



Note:

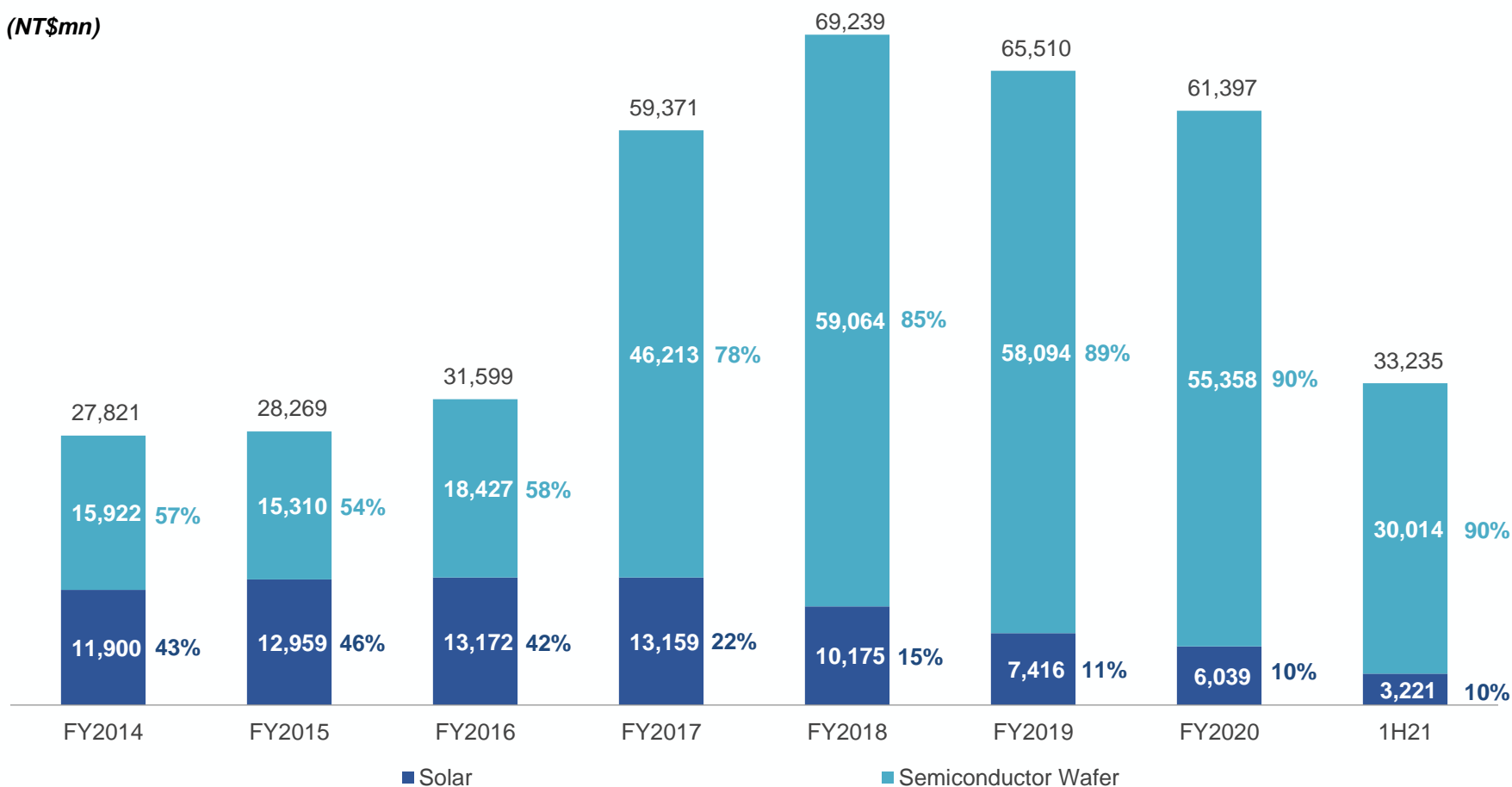
1. SAS' shareholding % of GWC : GWC shares held by SAS / GWC total outstanding shares deducting repurchased shares

2. The shareholding % of Actron Technology Corp. is as of end of July.



Group Revenue by Business

(NT\$mn)





Industry Overview

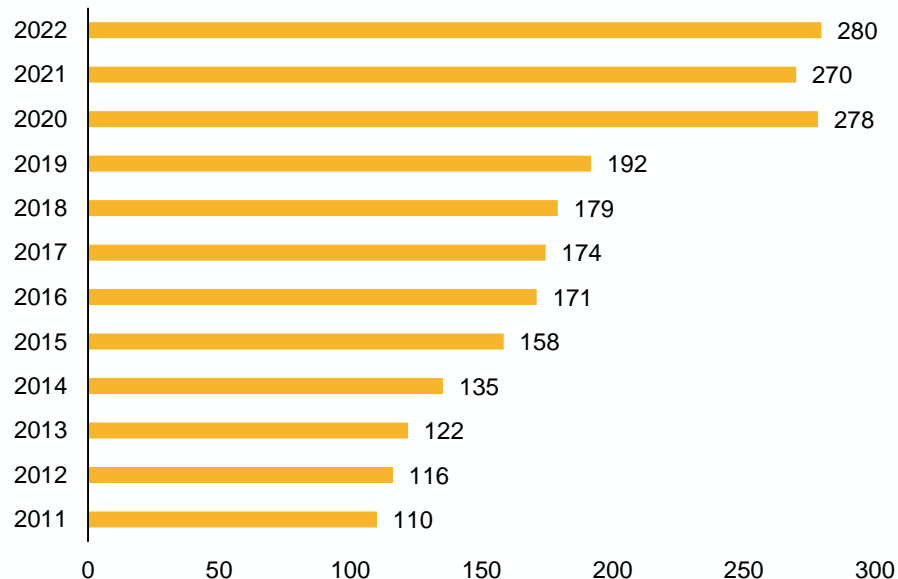


Green Energy Development is Back on Track Post-Pandemic

- As COVID-19 is gradually contained, green energy projects postponed by numerous nations are back on track. International Energy Agency forecasts that additional renewable capacity of 2021 and 2022 could reach 270 GW and 280GW.
- Spurred by lower investment costs and policies support, solar PV installations annual additions are forecasted to reach over 145 GW in 2021 and over 162 GW in 2022, making Solar PV own over 50% of renewable capacity.

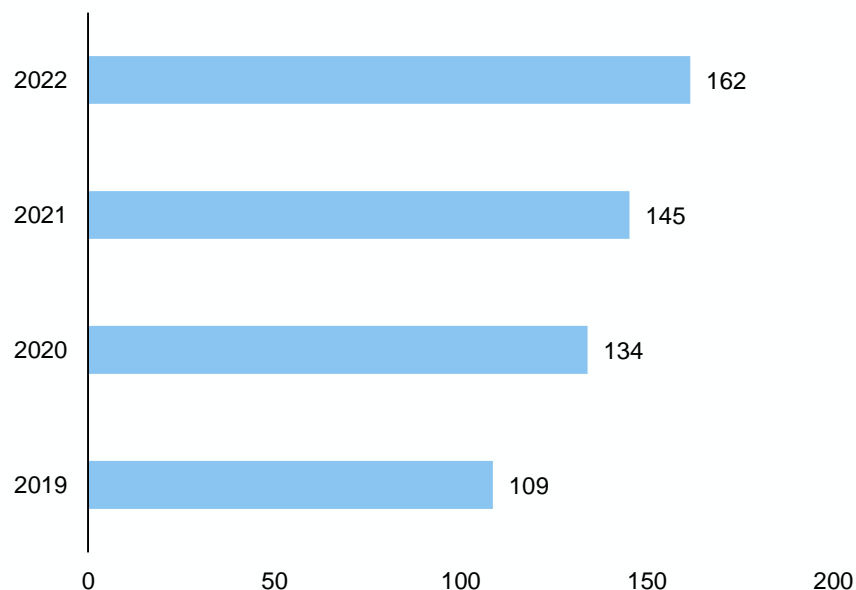
Net Renewable Capacity Additions

Unit: GW



Net Renewable Capacity Additions by PV

Unit: GW

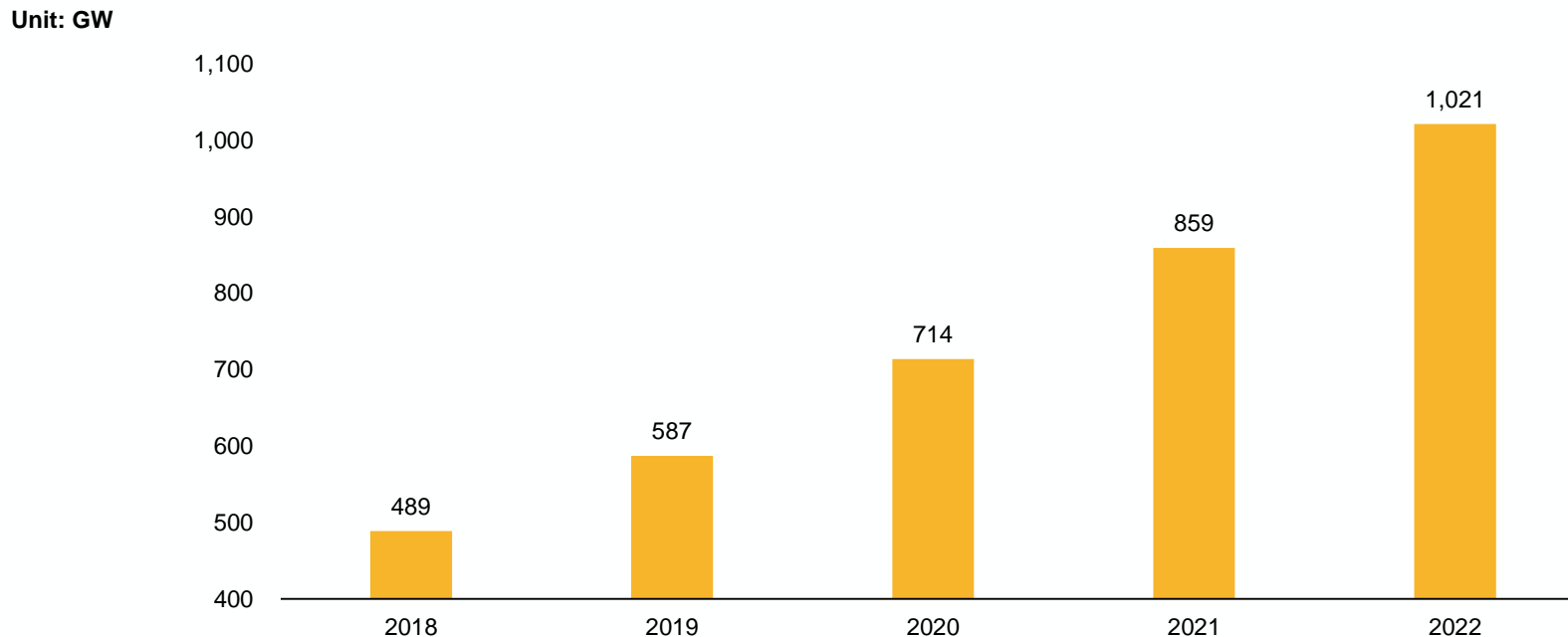


Source: Renewable Energy Market Update, IEA, May 2021.

Exceptionally High Solar Energy Capacity Additions to Become 'New Normal'

- Solar energy has become the lowest-cost option for electricity generation in many countries, which has the further cost reductions and continuous policy support from 120 governments globally. As a result, corporations are increasingly opting for bilateral contracts with large-scale solar PV plants to meet their energy demand.
- According to statistics, solar PV capacity additions are forecast to expand further to reach total capacity of 859 GW in 2021 and 1,021 GW in 2022.

Global Solar PV Total Capacity (2018-2022)

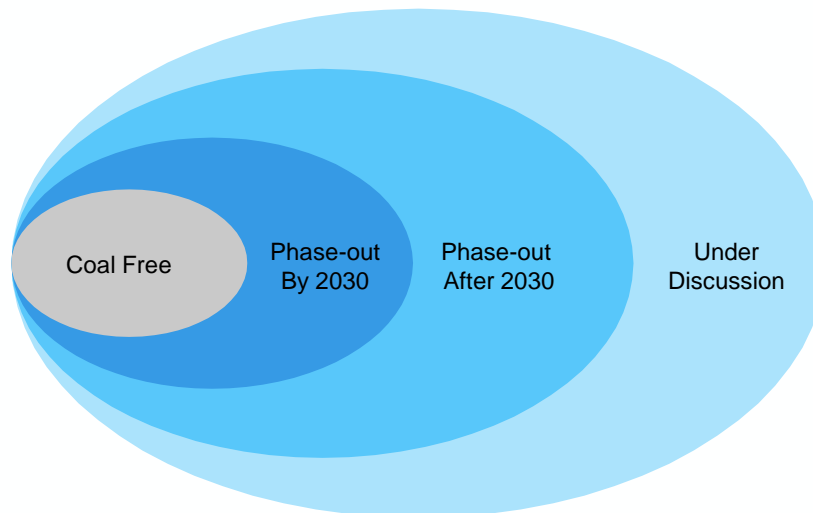


Source: Renewable Energy Market Update, IEA, May 2021; Renewable Capacity Statistics 2021, IRENA, March 2021. & Summarized by SAS.

Europe is Halfway to Exit Coal-Fired Plants by 2030

- Coal is the most carbon intensive fossil fuel, therefore phasing it out is critical to limit global warming as enshrined in the Paris Climate Agreement.
- To achieve the declaration in Paris Climate Agreement¹, European nations are ambitiously putting coal phase-out strategies into laws or policies. A total of 35.4 GW of coal power capacity in Europe have announced they will phase out by 2030.

Summary of National Coal Phase-out Announcements (Europe)



| | | | |
|----|-----------------|---------|-------------|
| 3 | Belgium | Austria | Sweden |
| 11 | Portugal | Italy | Finland |
| | France | Ireland | Netherlands |
| | UK | Greece | Slovakia |
| | Hungary | Denmark | |
| 1 | Germany | | |
| 5 | Czech Republic | Spain | |
| | North Macedonia | Romania | |
| | Slovenia | | |

Note: 1. Declaration in Paris Climate Agreement: No later than by 2030 in OECD and EU member states, and no later than by 2050 in the rest of the world should commit to phasing out existing traditional coal power.
Source: Overview: National coal phase-out announcements in Europe, European Beyond Coal, June 2021.

German Aims at Higher Renewable Expansion

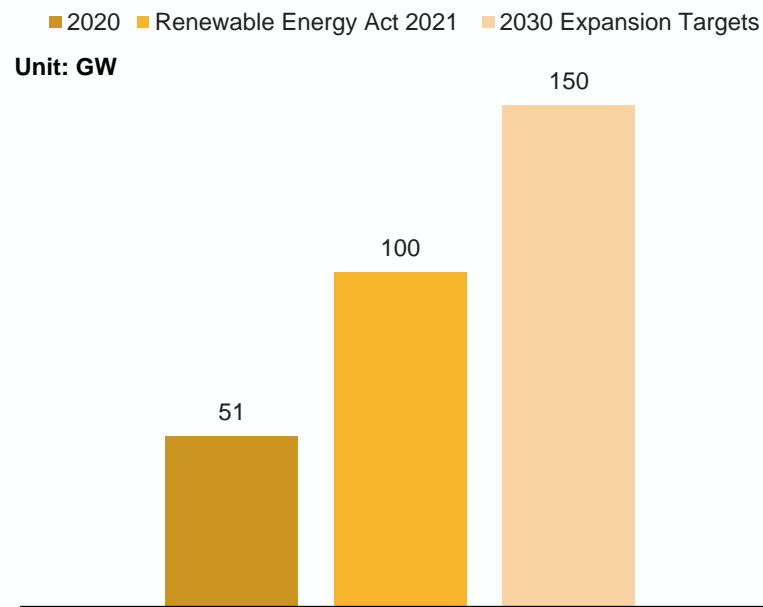
- German government approved Renewable Energy Act 2021 to raise the share of electricity from renewable sources to 65% by 2030.
- German Federal Environment Ministry called for a higher expansion for the renewables, which solar capacity would have to be almost three time higher than 2020's. This ambitious strategy would help Germany to achieve the objective of climate neutrality¹ by 2045.

SAS' Subsidiary in Germany: Aleo Solar GmbH²



Aleo Solar GmbH produces and distributes solar modules and systems.

Renewable Energy Expansion Paths in Germany (PV)



Note: 1. Climate Neutrality: To achieve net zero greenhouse gas.

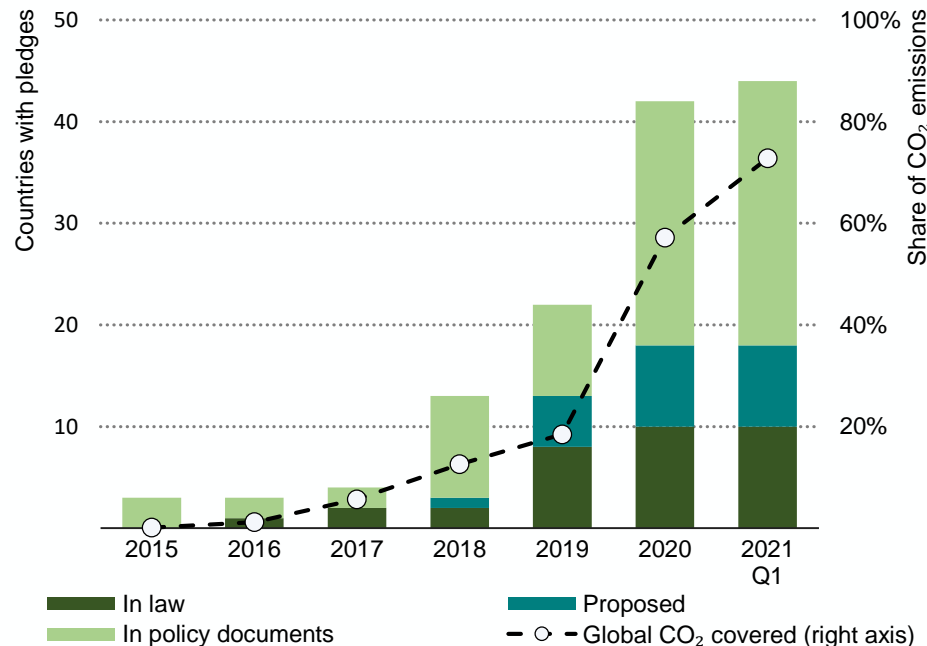
2. Aleo Solar GmbH is 100% own by SAS since 2014.

Source: Germany's Renewable Energy Act 2021: how to implement the fine policy detail of emissions reduction targets, energypost, Feb 2021; European Commission, Apr 2021.

Net Zero 2050 Commitment Boosts Renewable Energy Capacity

- To achieve the Net Zero goal by 2050, more and more nations had put a net zero pledge in approved legal bindings or policies, making 73% of global CO₂ emission reductions covered by structural action plans.
- Renewable energy technologies like solar and wind are the key to reduce emissions in the electricity sector, which is today the single largest source of CO₂ emissions. According to research, solar and wind capacity will grow 4 times larger than today.

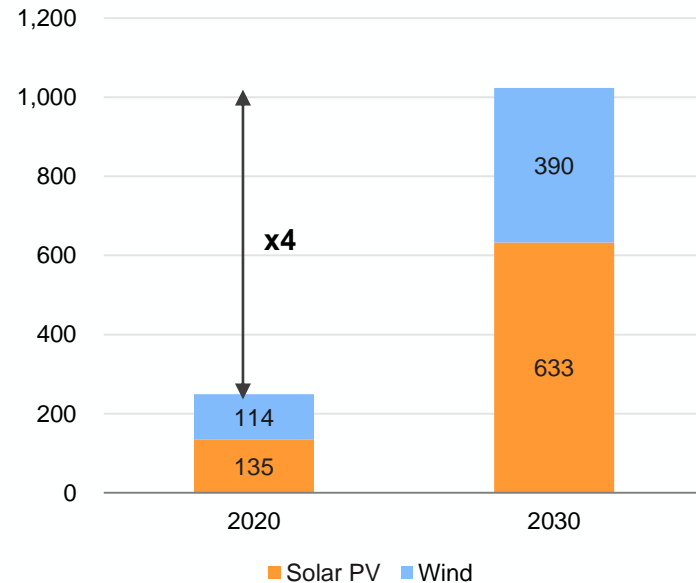
Number of National Net Zero Pledges
and Share of Global CO₂ Emissions Covered



Source: Net Zero by 2050, IEA, May 2021.

Capacity Additions in the Net Zero Pathway

Unit: GW

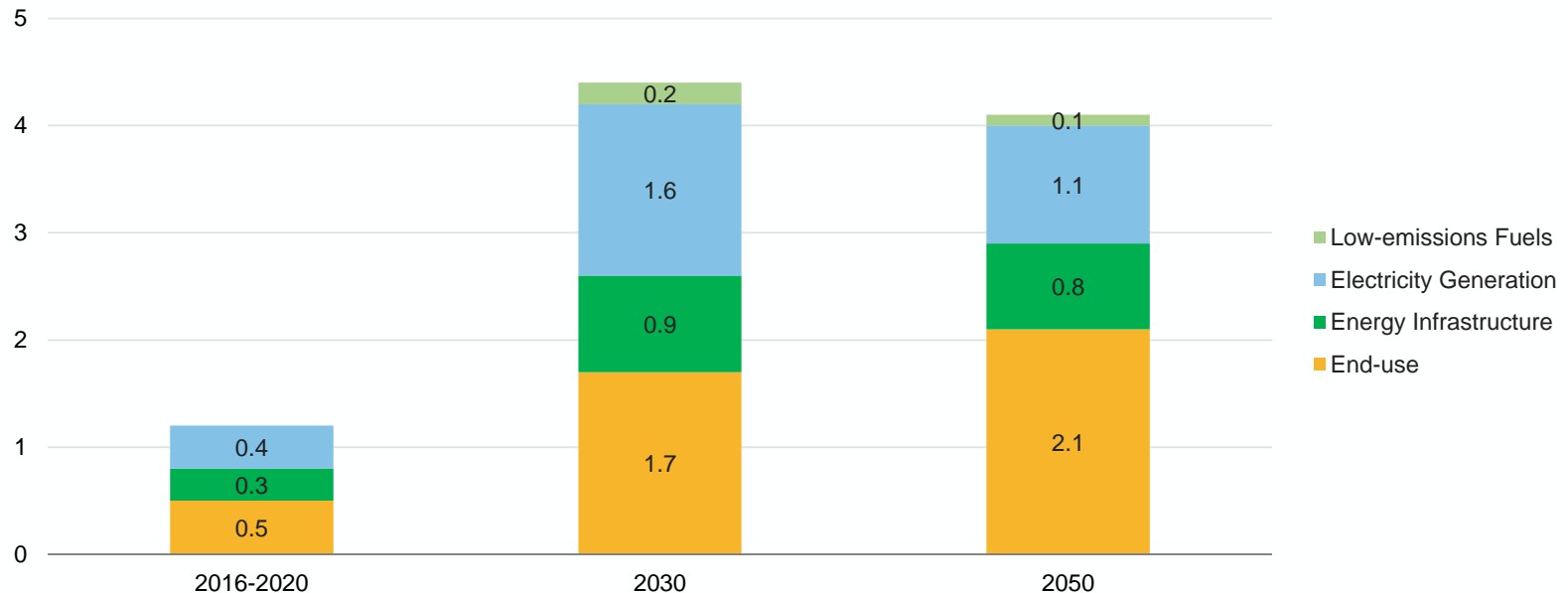


Clean Energy Investment Boom Lifts Global Economic Growth

- According to International Energy Agency and International Monetary Fund, clean electricity generation, network infrastructure and end-use sectors are the areas that could draw investments and boost economic globally while reaching the goal of net zero by 2050. The required investment in clean energy and energy infrastructure will be tripled by 2030. Also, based on current trends, global GDP is expected to be 4% higher in 2030 than it would be on the current trends.

Clean Energy Investment in the Net Zero Pathway, 2016-2050

Unit: Trillion USD



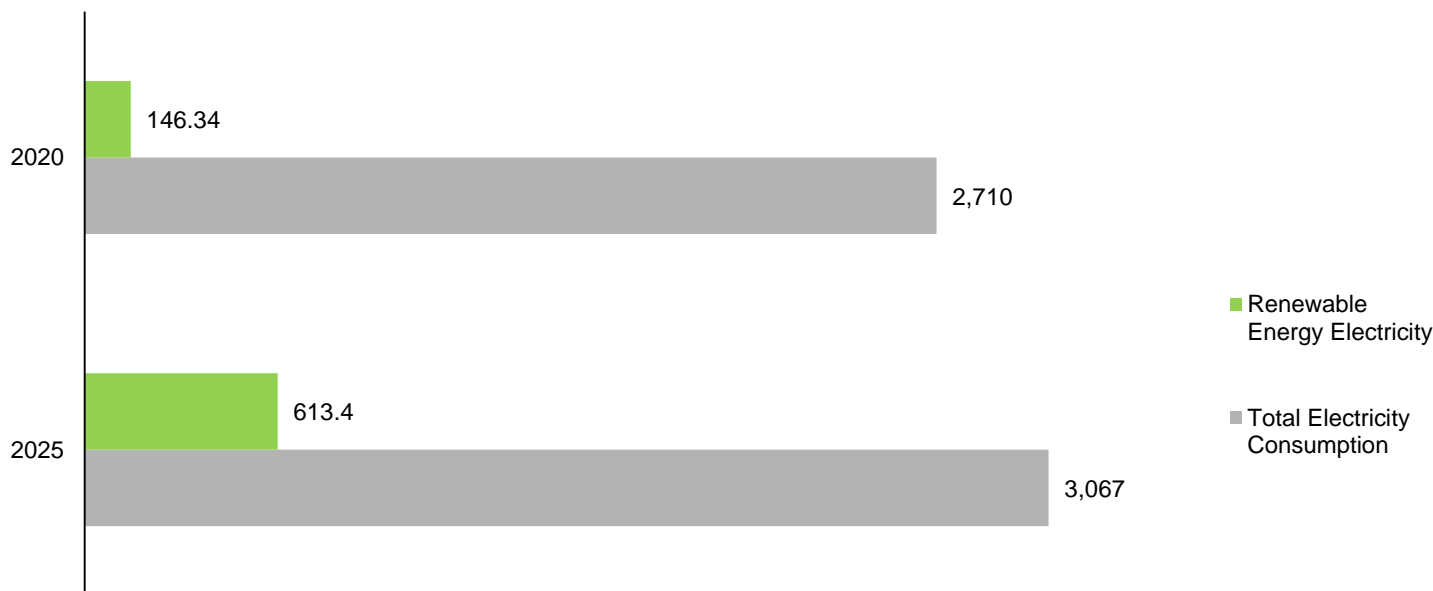
Source: Net Zero by 2050, IEA, May 2021.

Taiwan is Planning to Achieve Net Zero Emissions by 2050

- Taiwan government announced the plan to achieve net zero emissions by 2050. With more than 55% of GHG¹ emissions coming from electricity, the energy transformation is crucial.
- To achieve energy transformation, the capacity of renewable power is expected to generate 613.4 hundred GWh which providing 20% of total electricity demand in 2025.

Renewable Energy Electricity vs. Total Electricity Consumption

Unit: Hundred GWh



Note: 1. GHG: Greenhouse gas.

Source: Power Generation in Taiwan in 2025 is Estimated to be Free From Nuclear Power, GlobalData Energy, June 2021; Data from Bureau of Energy, Ministry of Economic Affairs & Summarize by SAS.



SAS Consolidated Performance Update

Financial Highlights

➤ Fruitful Business Results

- Record-Breaking Quarter: Q221
 - ✓ 2nd Best Ever:
 - Gross Profit, Operation Profit and EPS
 - ✓ All-Time High:
 - Net Profit, EBITDA and Profit before Tax
- 1H21 EPS of NT\$6.11 hit the 2nd Best Ever!



Financial Highlight : Q221 vs. Q121

| (NT\$m) | Q221 | Q121 | QoQ |
|--------------------------------|----------|----------|----------|
| Revenue | 17,183 | 16,052 | 7.0% |
| EBITDA* ¹ | 7,158 | 5,277 | 35.6% |
| EBITDA % | 41.7% | 32.9% | 8.8% |
| EBIT | 5,541 | 3,631 | 52.6% |
| Operating Profit | 4,314 | 3,961 | 8.9% |
| Operating Profit % | 25.1% | 24.7% | 0.4% |
| Net Profit | 4,052 | 2,769 | 46.3% |
| Net Profit % | 23.6% | 17.2% | 6.3% |
| EPS | NT\$3.61 | NT\$2.49 | NT\$1.12 |
| ROE* ² (annualized) | 32.3% | 22.2% | 10.1% |
| ROA* ³ (annualized) | 12.7% | 10.1% | 2.6% |

1. EBITDA = Net Profit + Tax + Interests + Depreciation + Amortization.

2. ROE = Net Profit / Average Shareholders Equity

3. ROA = (Net Profit + Interest * (1 - Effective Tax Rate)) / Average Asset



Financial Highlight : Q221 vs. Q220

| (NT\$m) | Q221 | Q220 | YoY |
|--------------------------------|----------|----------|----------|
| Revenue | 17,183 | 15,038 | 14.3% |
| EBITDA* ¹ | 7,158 | 5,539 | 29.2% |
| EBITDA % | 41.7% | 36.8% | 4.8% |
| EBIT | 5,541 | 4,123 | 34.4% |
| Operating Profit | 4,314 | 4,038 | 6.8% |
| Operating Profit % | 25.1% | 26.9% | -1.7% |
| Net Profit | 4,052 | 3,172 | 27.7% |
| Net Profit % | 23.6% | 21.1% | 2.5% |
| EPS | NT\$3.61 | NT\$2.59 | NT\$1.02 |
| ROE* ² (annualized) | 32.3% | 27.0% | 5.3% |
| ROA* ³ (annualized) | 12.7% | 11.8% | 0.9% |

1. EBITDA = Net Profit + Tax + Interests + Depreciation + Amortization.

2. ROE = Net Profit / Average Shareholders Equity

3. ROA = (Net Profit + Interest * (1 - Effective Tax Rate)) / Average Asset



Financial Highlight : 1H21 vs. 1H20

| (NT\$m) | 1H21 | 1H20 | YoY |
|--------------------------------|----------|----------|----------|
| Revenue | 33,235 | 30,315 | 9.6% |
| EBITDA* ¹ | 12,435 | 10,634 | 16.9% |
| EBITDA % | 37.4% | 35.1% | 2.3% |
| EBIT | 9,172 | 7,889 | 16.3% |
| Operating Profit | 8,275 | 7,744 | 6.9% |
| Operating Profit % | 24.9% | 25.5% | -0.6% |
| Net Profit | 6,821 | 5,959 | 14.5% |
| Net Profit % | 20.5% | 19.7% | 0.9% |
| EPS | NT\$6.11 | NT\$4.96 | NT\$1.15 |
| ROE* ² (annualized) | 27.4% | 25.4% | 2.0% |
| ROA* ³ (annualized) | 10.7% | 11.1% | -0.4% |

1. EBITDA = Net Profit + Tax + Interests + Depreciation + Amortization.

2. ROE = Net Profit / Average Shareholders Equity

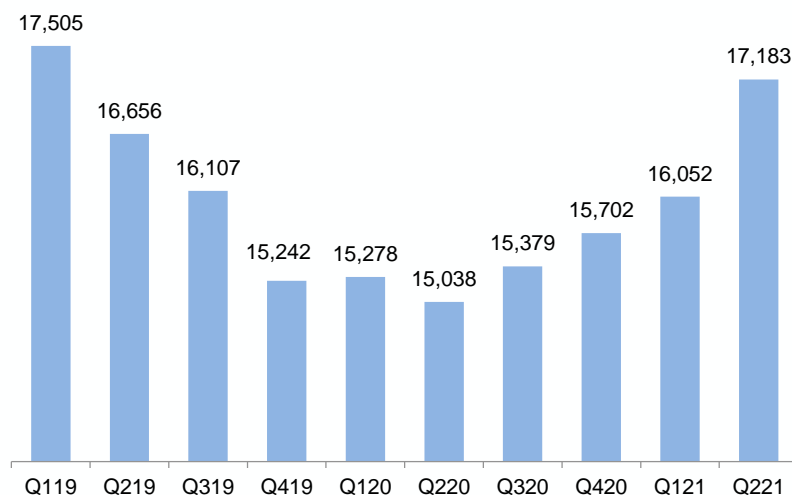
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Revenue

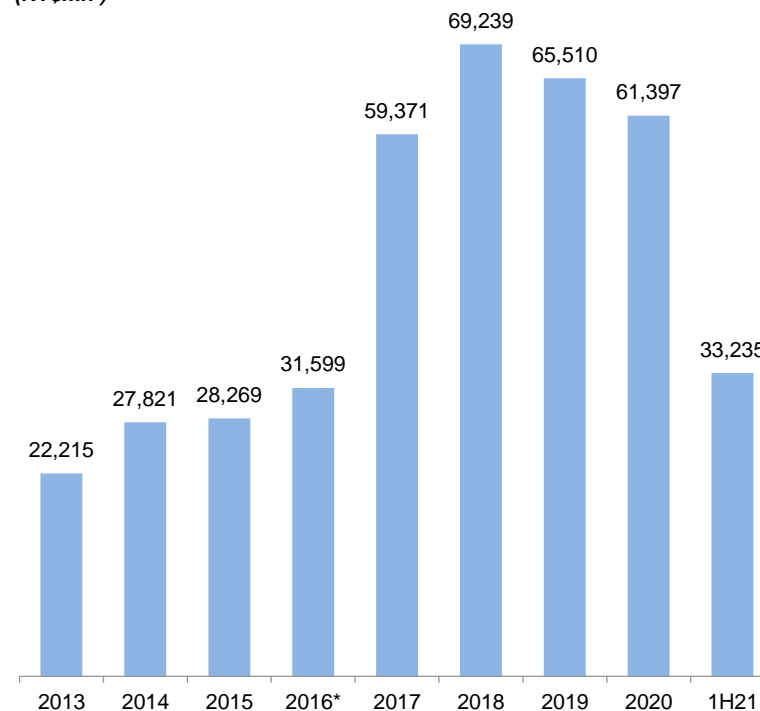
Quarterly

(NT\$mn)



Annual

(NT\$mn)



Note:

1. Upon completion of GWC's acquisition of SunEdison Semiconductor ("SEMI") in 2016, FY2016 financials has included earnings from SEMI from the period of 02 Dec 2016 – 31 Dec 2016.

2. Impairment of assets and onerous contract provision were recognized in 4Q18 & 2Q19 respectively.

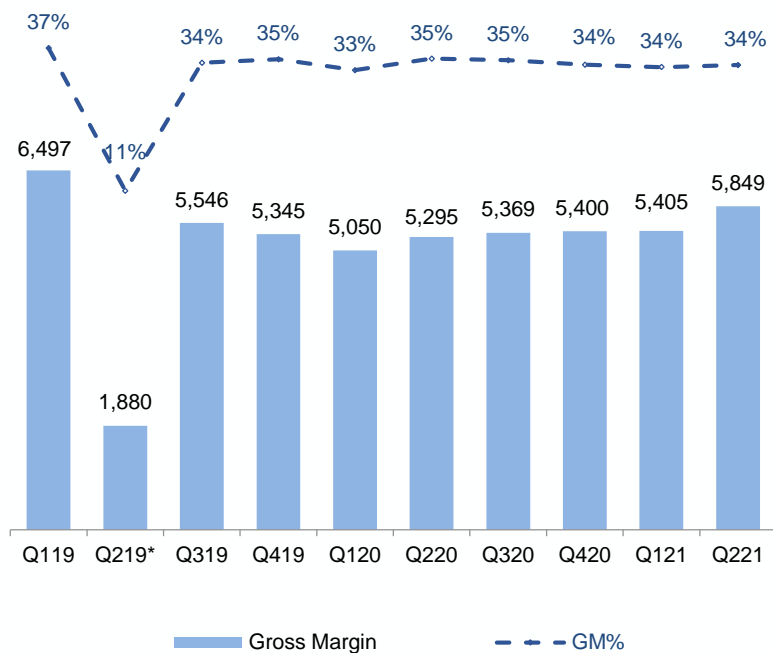
3. 1H21: Accumulated number



Gross Profit

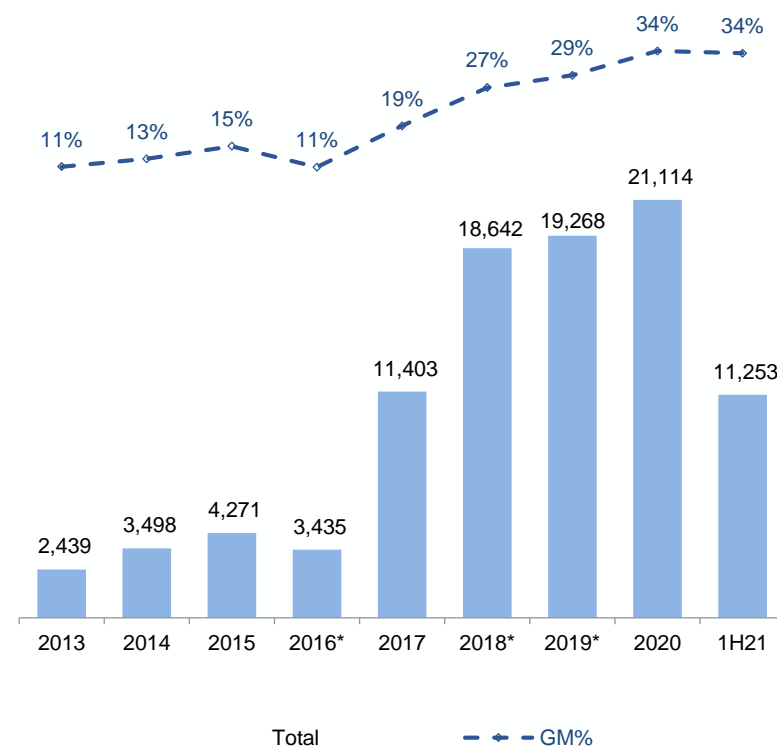
Quarterly

(NT\$mn)



Annual

(NT\$mn)



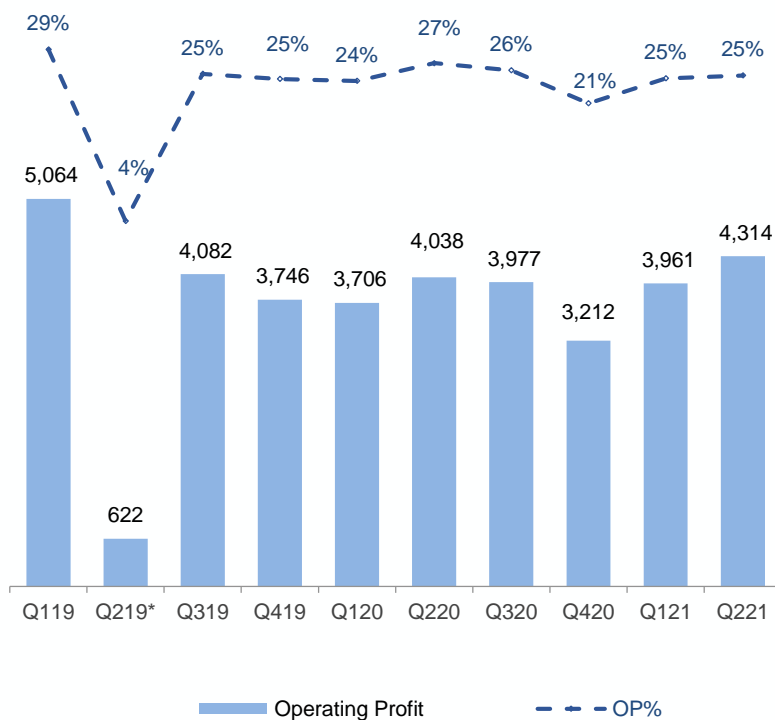
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Operation Profit

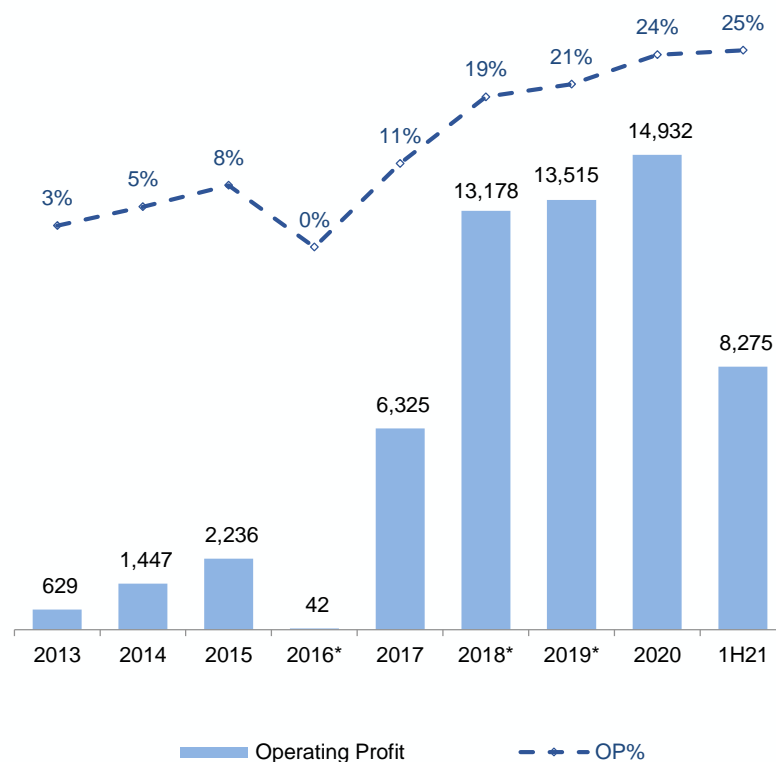
Quarterly

(NT\$mn)



Annual

(NT\$mn)



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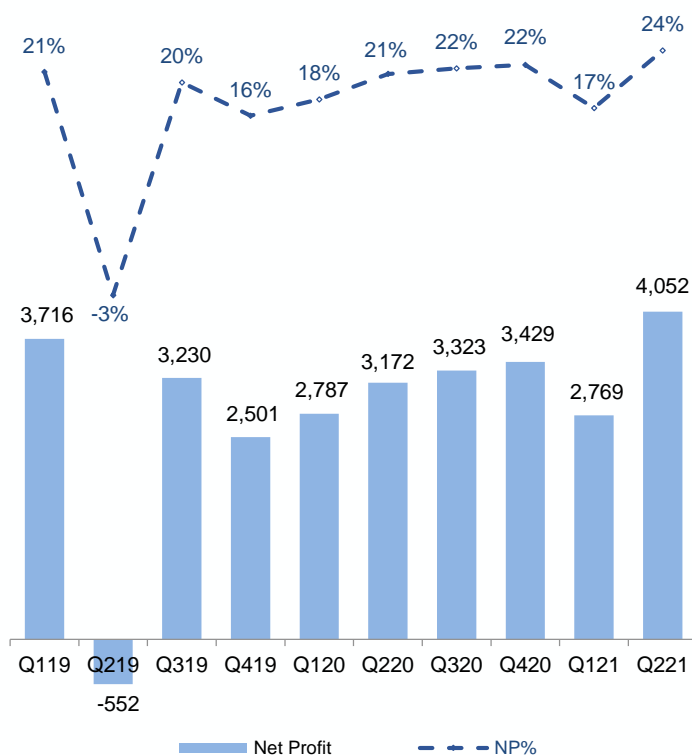
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3. 1H21: Accumulated number

Net Profit

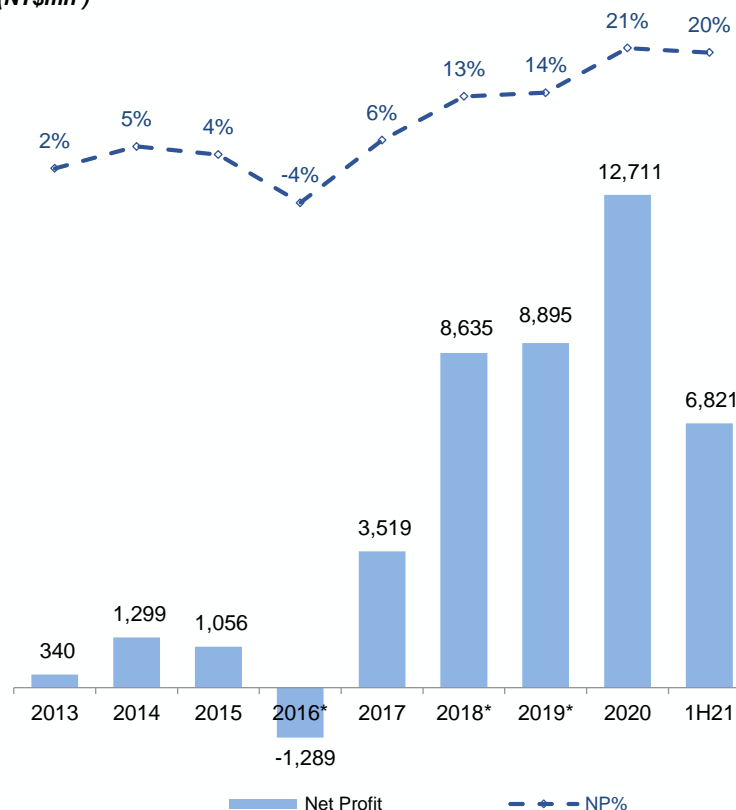
Quarterly

(NT\$mn)



Annual

(NT\$mn)



Note:

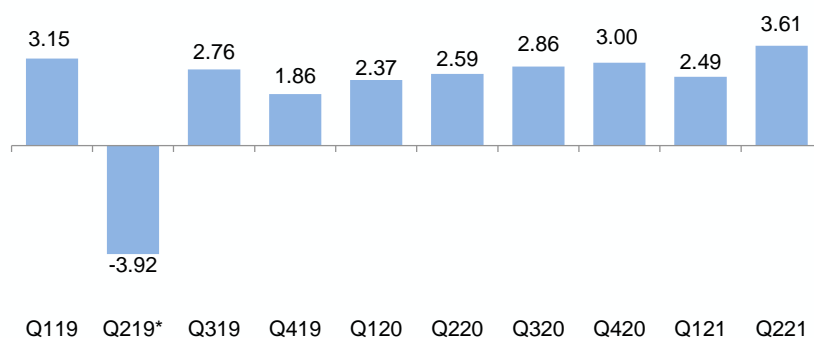
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EPS

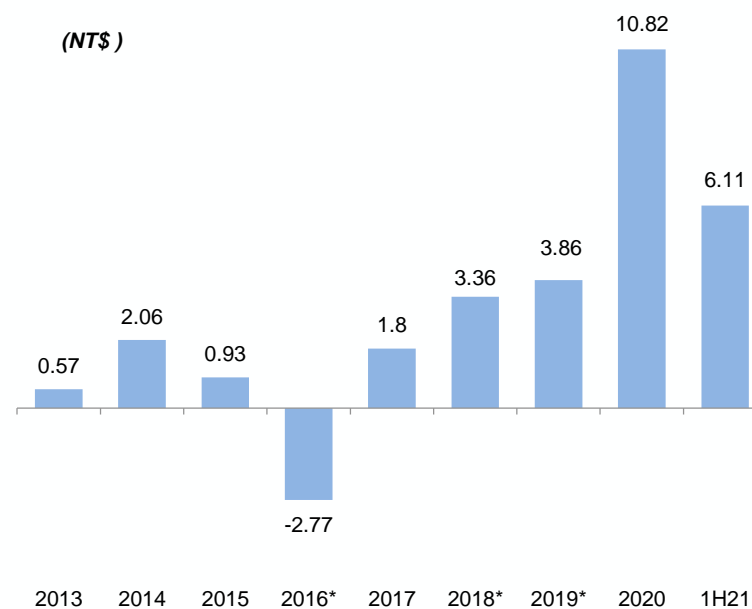
Quarterly

(NT\$)



Annual

(NT\$)



Note:

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2. Impairment of assets and onerous contract provision were recognized in 4Q18 & 2Q19 respectively
3. 1H21: Accumulated number



Income Statement

Income statement

| (NT\$mn) | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 1H21 |
|-------------------------------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|
| Revenue | 22,215 | 27,821 | 28,269 | 31,599 | 59,371 | 69,239 | 65,510 | 61,397 | 33,235 |
| <i>Growth (%)</i> | 20.8% | 25.2% | 1.6% | 11.8% | 87.9% | 16.6% | (5.4%) | (6.3%) | - |
| Gross Profit | 2,439 | 3,498 | 4,271 | 3,435 | 11,403 | 18,642 | 19,268 | 21,114 | 11,253 |
| <i>Gross Profit Margin (%)</i> | 11.0% | 12.6% | 15.1% | 10.9% | 19.2% | 26.9% | 29.4% | 34.4% | 33.9% |
| EBITDA | 4,058 | 4,214 | 4,184 | 2,052 | 11,741 | 19,030 | 18,668 | 22,232 | 12,435 |
| <i>EBITDA Margin (%)</i> | 18.3% | 15.1% | 14.8% | 6.5% | 19.8% | 27.5% | 28.5% | 36.2% | 37.4% |
| Operating Profit | 629 | 1,447 | 2,236 | 42 | 6,325 | 13,178 | 13,515 | 14,932 | 8,275 |
| <i>Operating Profit Margin (%)</i> | 2.8% | 5.2% | 7.9% | 0.1% | 10.7% | 19.0% | 20.6% | 24.3% | 24.9% |
| Profit before Tax | 128 | 1,925 | 1,960 | (856) | 5,126 | 13,318 | 13,924 | 16,238 | 9,119 |
| <i>Profit before Tax Margin (%)</i> | 0.6% | 6.9% | 6.9% | (2.7%) | 8.6% | 19.2% | 21.3% | 26.4% | 27.4% |
| Net Profit | 340 | 1,299 | 1,056 | (1,289) | 3,519 | 8,635 | 8,895 | 12,711 | 6,821 |
| <i>Net Profit Margin (%)</i> | 1.5% | 4.7% | 3.7% | (4.1%) | 5.9% | 12.5% | 13.6% | 20.7% | 20.5% |
| EPS (NT\$) | 0.57 | 2.06 | 0.93 | (2.77) | 1.80 | 3.36 | 3.86 | 10.82 | 6.11 |

Note:

1. Upon completion of GWC's acquisition of SunEdison Semiconductor ("SEMI") in 2016, FY2016 financials has included earnings from SEMI from the period of 02 Dec 2016 – 31 Dec 2016.

2. Impairment of assets and onerous contract provision were recognized in 4Q18 & 2Q19 respectively

3. 1H21: Accumulated number



Balance Sheet

Balance Sheet

| (NT\$mn) | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 1H21 |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|
| Assets | | | | | | | | | |
| Cash and cash equivalents | 3,682 | 5,391 | 5,902 | 9,269 | 20,343 | 36,829 | 34,901 | 23,813 | 49,571 |
| Account receivable | 4,064 | 5,019 | 6,204 | 8,560 | 8,830 | 9,881 | 8,507 | 8,407 | 9,968 |
| Inventories | 4,416 | 1,607 | 5,749 | 9,708 | 10,048 | 7,881 | 7,398 | 7,929 | 7,945 |
| Property, plant and equipment | 16,098 | 15,244 | 18,905 | 41,398 | 37,529 | 37,439 | 40,277 | 42,455 | 39,310 |
| Other assets | 11,414 | 13,627 | 9,427 | 14,079 | 12,593 | 11,955 | 18,300 | 27,349 | 40,632 |
| Total assets | 39,674 | 40,887 | 46,186 | 83,014 | 89,343 | 103,985 | 109,383 | 109,953 | 147,426 |
| Liabilities | | | | | | | | | |
| Short-term loan | 2,576 | 3,486 | 2,676 | 17,704 | 14,367 | 9,335 | 11,465 | 10,804 | 12,610 |
| Account payable | 2,754 | 2,713 | 2,932 | 6,328 | 5,352 | 5,236 | 4,180 | 4,204 | 4,334 |
| Long term loan | 4,373 | 3,807 | 2,546 | 16,357 | 5,034 | 2,040 | -- | 1,048 | 33,489 |
| Other liabilities | 9,385 | 9,299 | 9,464 | 15,399 | 20,814 | 39,460 | 45,122 | 44,227 | 46,929 |
| Total liabilities | 19,088 | 19,304 | 17,617 | 55,787 | 45,566 | 56,071 | 60,767 | 60,283 | 97,362 |
| Shareholder Equity | 20,586 | 21,583 | 28,570 | 27,227 | 43,777 | 47,914 | 48,616 | 49,669 | 50,064 |

Note:

1. Upon completion of GWC's acquisition of SunEdison Semiconductor ("SEMI") in 2016, FY2016 financials has included earnings from SEMI from the period of 02 Dec 2016 – 31 Dec 2016.
2. Impairment of assets and onerous contract provision were recognized in 4Q18 & 2Q19 respectively
3. Account receivables include account receivables from related.
4. Account payables include account payables from related parties. Parties
3. 1H21: Accumulated number



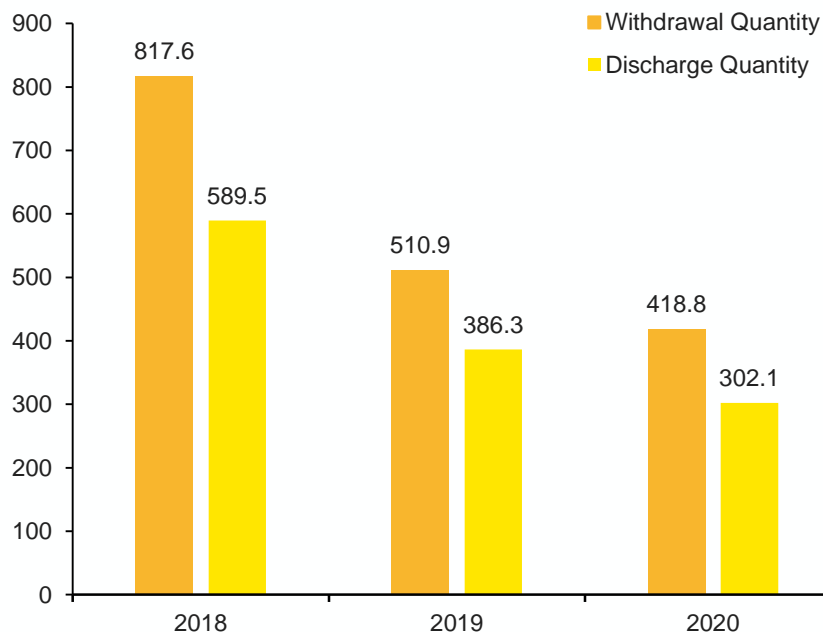
ESG Highlights

Sustainable Environment - Water

- We treasure water and carefully select water sources, none of the water is withdrawn from underground, national or international reserves to prevent underground over-utilization, land subsidence, or environment ecology damage.
- Ratio for water recycled are 55.5%, 49.8% and 56.5% respectively in 2018, 2019 and 2020, it shows that more than half the water is reused and reflected in the declining-quantities of water withdraw and discharge.

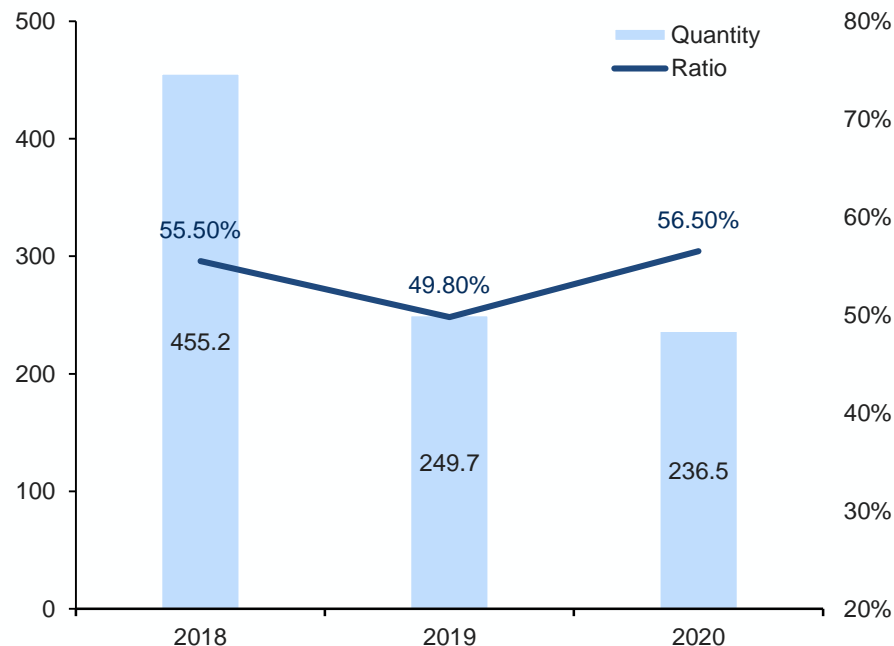
Water Withdrawal & Discharge Quantity

Unit: Km³



Recycled Water Quantity

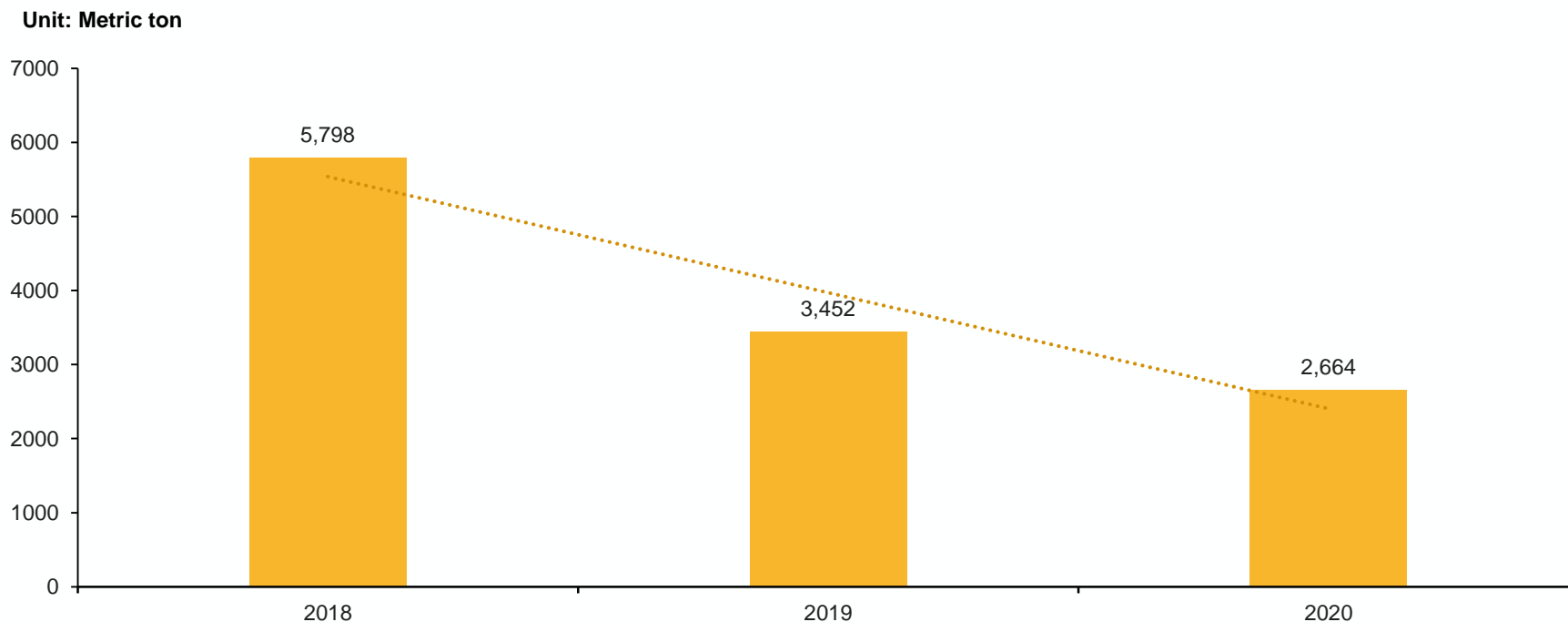
Unit: Km³



Sustainable Environment - Waste

- The first priority of waste management is to lower waste output by reducing the use of raw materials from the source and followed by the second priority to recycle and reuse.
- In 2020, industrial waste output shows a downward trend for 3 consecutive years to 2,664 (metric ton),

Industrial Waste Output



Committed to Green Energy

- As one of the pioneers in green energy, SAS actively works with its subsidiaries and reinvestments to extend its solar footprint by providing high-efficiency panels for a greener earth.
- As of June 2021, the overall installed solar capacity of SAS-group total solar projects reached 20.46 MW which could generate 24.56 million kWh electricity per year, equivalent to 12,500 tons of CO₂ emissions reduction and 1,136,376 trees.

Solar System Project

Yilan Plant Rooftop Solar Project



Actron Technology Rooftop Solar Project



Note: Including all solar projects owned/co-constructed in SAS-group and reinvestments.



Ethical Business Practice

Legal Compliance

Achieve compliance with local legal requirements and international standards

Codes of Ethical Conduct

Formulate guidelines to be observed by all directors, managers and staff members

Grievance System

Set up grievance system to prevent dishonesty and protect whistleblower to the fullest extent possible

Risk Assessment

Establish risk assessment mechanism, analyze and evaluate periodically

Corporate Governance

- SAS is dedicated to achieving corporate governance and fulfills its social responsibility. With this determination, SAS has been awarded top 5% among all listed companies for 7 consecutive years.
- The gender, tenure, and expertise diversity as well as the independence of the board directors are the guidance for SAS to nimbly navigate in the competitive industry.

TOP 5% Corporate Governance

Awarded Top 5% corporate governance among all listed companies in Taiwan.
(for 7 consecutive years)

3 Independent Directors

Among 10 directors, 3 seats are independent directors, bringing balance and new perspective to the board

Board & CPA Evaluation

SAS annually evaluates independence and performance of the board and CPA and discloses publicly on the company website.

Functional Committees

Audit Committee, Remuneration Committee, Nominating Committee, and Sustainability Development Committee are established to enhance independence and CSR responsibility.

Volunteering - Kindness Matters

- Kindness matters. SAS hopes to contribute a better tomorrow by fostering a common goal among colleagues to volunteer and share.
- Our community services include Christmas gifts for underprivileged children and fund raising for the elderly living alone, assisting rural schools renovation, beach cleaning and ecological tours to encourage colleagues as well as their families and friends to practice environmental protection and arouse employees' awareness of protecting the environment.



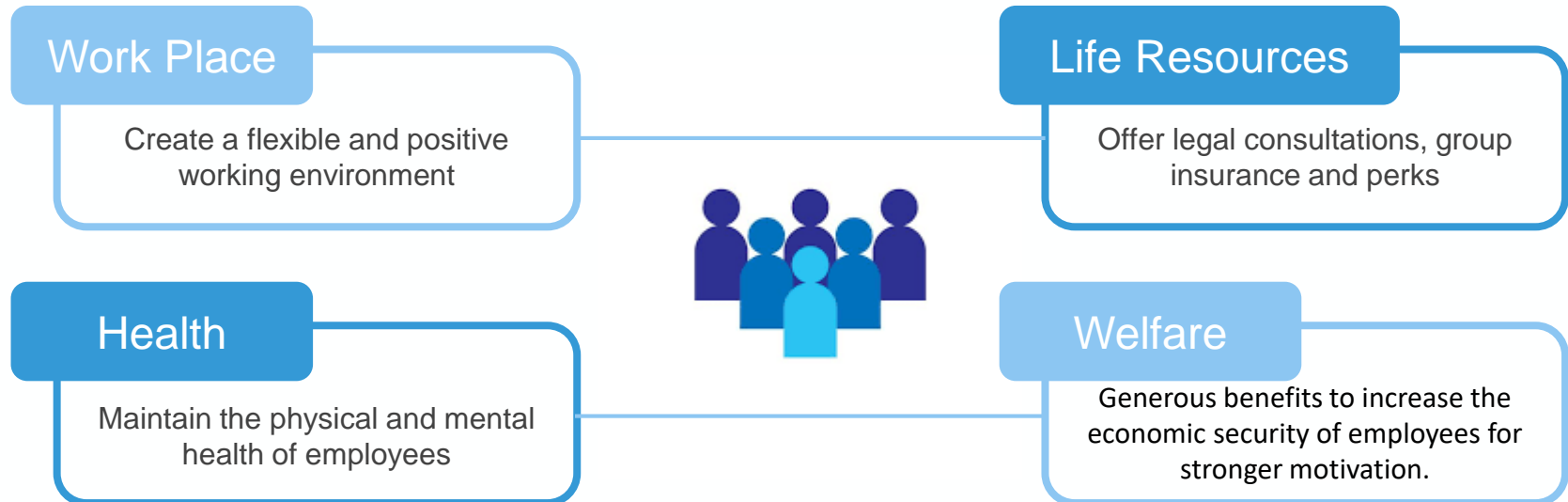
Sharing - Make a Difference

- SAS encourages employees to spread their love by giving back to society, caring for disadvantaged groups so as to fulfill corporate social responsibility.
- In Taiwan, our activities include “Disable Elders Home Showering”, “Daycare for Children After School”, “Charitable Breakfast for Children”, etc. These social welfare activities embody our wish to respond to people in need to pursue a better world.



Caring - Employee Welfare

- Happy employees stay. By fostering a genuinely caring atmosphere that focuses on employee welfare, SAS not only motivates employees but also raises the productivity levels.
- SAS enhances overall employee benefits through developing a holistic plan with programs in four aspects: workplace, health, life resources and welfare. By integration and reorganization of resources, we believe that we are deepening team bonding and improving team spirits.





GlobalWafers Performance Update



Development of Takeover Offer for Siltronic

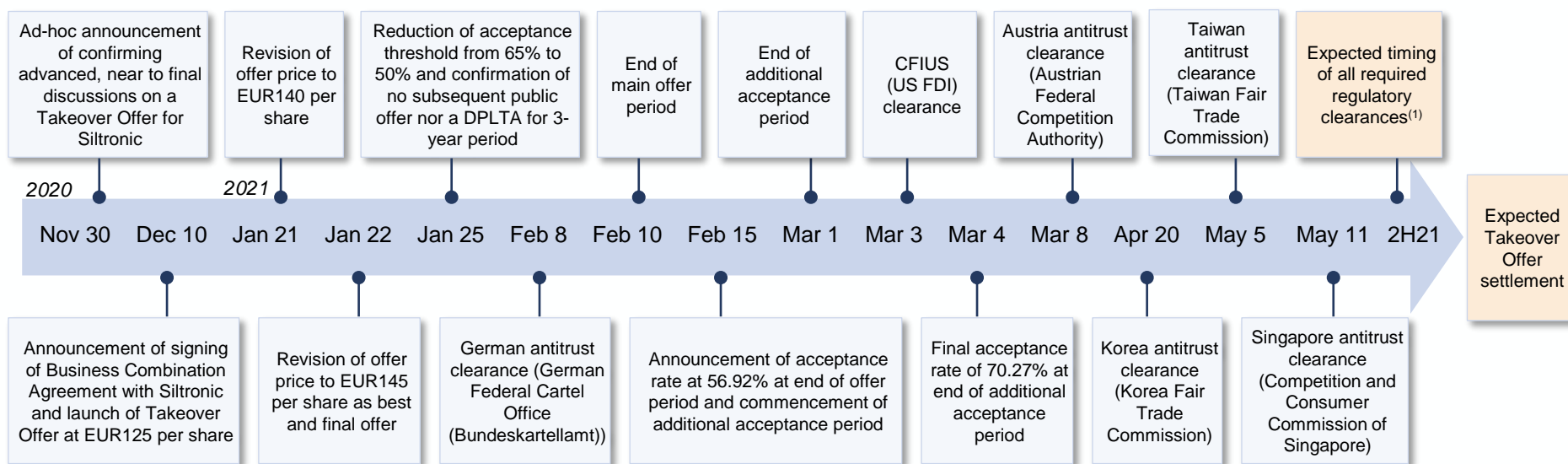
- GlobalWafers achieved a final acceptance rate of 70.27%
- Settlement of the Takeover Offer is expected in the second half of 2021, following receipt of required regulatory approvals



Past events



Future events



1. Further anti-trust approvals required in USA, China, and Japan; foreign direct investment ("FDI") approvals in Germany and UK (if required).



Financial Highlight : Q221 vs. Q121

| (NT\$mnn) | Q221 | Q121 | QoQ |
|--------------------------------|----------|----------|----------|
| Revenue | 15,208 | 14,806 | 2.7% |
| EBITDA* ¹ | 6,919 | 5,051 | 37.0% |
| EBITDA % | 45.5% | 34.1% | 11.4% |
| EBIT | 5,438 | 3,544 | 53.5% |
| Operating Profit | 4,259 | 3,952 | 7.8% |
| Operating Profit % | 28.0% | 26.7% | 1.3% |
| Net Profit | 3,955 | 2,690 | 47.0% |
| Net Profit % | 26.0% | 18.2% | 7.8% |
| EPS | NT\$9.09 | NT\$6.18 | NT\$2.91 |
| ROE* ² (annualized) | 35.1% | 24.2% | 10.8% |
| ROA* ³ (annualized) | 14.0% | 11.3% | 2.7% |

1. EBITDA = Net Profit + Tax + Interests + Depreciation + Amortization.
2. ROE = Net Profit / Average Shareholders Equity
3. ROA = (Net Profit + Interest*(1- Effective Tax Rate))/Average Asset



Financial Highlight : 1H21 vs. 1H20

| (NT\$m) | 1H21 | 1H20 | YoY |
|--------------------------------|-----------|-----------|----------|
| Revenue | 30,014 | 27,216 | 10.3% |
| EBITDA* ¹ | 11,970 | 10,624 | 12.7% |
| EBITDA % | 39.9% | 39.0% | 0.8% |
| EBIT | 8,982 | 8,189 | 9.7% |
| Operating Profit | 8,211 | 8,034 | 2.2% |
| Operating Profit % | 27.4% | 29.5% | -2.2% |
| Net Profit | 6,645 | 6,278 | 5.8% |
| Net Profit % | 22.1% | 23.1% | -0.9% |
| EPS | NT\$15.27 | NT\$14.42 | NT\$0.85 |
| ROE* ² (annualized) | 29.6% | 29.6% | 0.0% |
| ROA* ³ (annualized) | 11.8% | 13.2% | -1.4% |

1. EBITDA = Net Profit + Tax + Interests + Depreciation + Amortization.
2. ROE = Net Profit / Average Shareholders Equity
3. ROA = (Net Profit + Interest*(1- Effective Tax Rate))/Average Asset



Income Statement

Income Statement

| (NT\$mn) | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 1H21 |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue | 15,570 | 15,922 | 15,310 | 18,427 | 46,213 | 59,064 | 58,094 | 55,359 | 30,014 |
| Growth (%) | - | 2.3% | -3.8% | 20.4% | 150.8% | 27.8% | -1.6% | -4.7% | - |
| Gross Profit | 3,663 | 3,728 | 4,073 | 4,130 | 11,808 | 22,299 | 22,847 | 20,568 | 10,777 |
| Gross Profit Margin (%) | 23.5% | 23.4% | 26.6% | 22.4% | 25.6% | 37.8% | 39.3% | 37.2% | 35.9% |
| EBITDA | 4,053 | 4,087 | 4,046 | 3,025 | 12,221 | 22,712 | 22,648 | 21,967 | 11,970 |
| EBITDA Margin (%) | 26.0% | 25.7% | 26.4% | 16.4% | 26.4% | 38.5% | 39.0% | 39.7% | 39.9% |
| Operating Profit | 2,194 | 2,336 | 2,685 | 1,378 | 7,414 | 17,578 | 17,897 | 15,287 | 8,211 |
| Operating Profit Margin (%) | 14.1% | 14.7% | 17.5% | 7.5% | 16.0% | 29.8% | 30.8% | 27.6% | 27.4% |
| Profit before Tax | 2,204 | 2,679 | 2,808 | 1,344 | 6,875 | 18,253 | 18,554 | 16,615 | 8,937 |
| Profit before Tax Margin (%) | 14.2% | 16.8% | 18.3% | 7.3% | 14.9% | 30.9% | 31.9% | 30.0% | 29.8% |
| Net Profit | 1,948 | 2,095 | 2,044 | 939 | 5,278 | 13,634 | 13,636 | 13,104 | 6,645 |
| Net Profit Margin (%) | 12.5% | 13.2% | 13.4% | 5.1% | 11.4% | 23.1% | 23.5% | 23.7% | 22.1% |
| EPS (NT\$) | 6.14 | 6.60 | 5.80 | 2.54 | 12.68 | 31.18 | 31.35 | 30.11 | 15.27 |

1. Upon completion of GWC's acquisition of SunEdison Semiconductor ("SEMI") in 2016, FY2016 financials has included earnings from SEMI from the period of 02 Dec 2016 – 31 Dec 2016.

2. 3Q20: Accumulated number

Balance Sheet

Balance Sheet

| (NT\$mn) | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 1H21 |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Assets | | | | | | | | | |
| Cash and cash equivalents | 1,536 | 2,685 | 3,662 | 5,628 | 18,794 | 35,214 | 32,822 | 22,439 | 46,768 |
| Account receivable | 3,165 | 3,694 | 4,538 | 7,642 | 7,869 | 9,226 | 8,140 | 8,037 | 8,874 |
| Inventories | 3,291 | 2,829 | 3,262 | 7,307 | 7,347 | 7,040 | 6,849 | 7,208 | 6,974 |
| Property, plant and equipment | 9,796 | 8,972 | 9,361 | 31,036 | 28,202 | 30,887 | 34,697 | 37,111 | 34,163 |
| Other assets | 3,286 | 3,204 | 2,994 | 8,948 | 8,020 | 7,455 | 14,078 | 20,056 | 34,723 |
| Total assets | 21,074 | 21,385 | 23,816 | 60,560 | 70,232 | 89,822 | 96,586 | 94,852 | 131,502 |
| Liabilities | | | | | | | | | |
| Short-term loan | 1,302 | 2,069 | 696 | 12,982 | 10,738 | 5,042 | 9,886 | 9,871 | 10,543 |
| Account payable | 1,816 | 1,789 | 1,383 | 5,126 | 4,269 | 4,870 | 3,837 | 3,895 | 4,027 |
| Long term loan | -- | -- | -- | 14,367 | 3,663 | 430 | -- | -- | 32,479 |
| Other liabilities | 4,821 | 4,325 | 5,012 | 12,267 | 17,508 | 36,324 | 37,790 | 36,930 | 38,955 |
| Total liabilities | 7,939 | 8,184 | 7,091 | 44,742 | 36,178 | 46,666 | 51,513 | 50,697 | 86,004 |
| Shareholder equity | 13,135 | 13,201 | 16,725 | 15,819 | 34,054 | 43,156 | 45,073 | 44,155 | 45,497 |

1. Upon completion of GWC's acquisition of SunEdison Semiconductor ("SEMI") in 2016, FY2016 financials has included earnings from SEMI from the period of 02 Dec 2016 – 31 Dec 2016.
2. Account receivables include account receivables from related parties.
3. Account payables include account payables from related parties.



Q&A



Thank you