

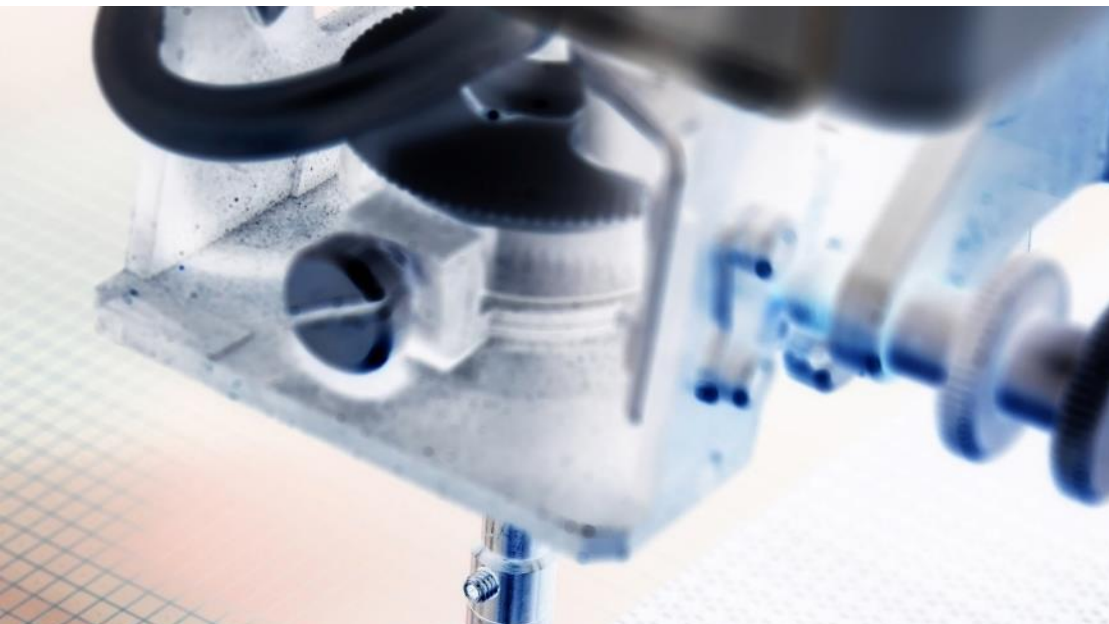


# Opportunity Day Presentation

## 3Q2023 PERFORMANCE

Investor Relations Department  
SICT, SILICON CRAFT TECHNOLOGY PLC





## SIC at a Glance

### Listed on

Market for Alternative Investment (mai)  
under the Stock Exchange of Thailand  
since 2020

### Share Symbol

SICT

### Number of share

479,999,884 shares

### Market Capitalization\*

Bt3,432mn

### Assets\*\*

Bt953mn

### ROA\*\*

21.9%

### ROE\*\*

30.5%

### Number of Employees\*

156 permanent employees

**Silicon Craft Technology PLC (SIC)** is a world-class foundry semiconductor manufactures of linear and mixed-signal integrated circuits. SIC offers novel, custom, and standard design microchips for RFID applications and delivering products that carry high value-added features and superior overall systems performance.

**Shape the world of Secured and Connected devices with  
Innovation & Intelligence**

**WORLD'S LEADER AND PROVIDER OF INNOVATIVE  
RFID AND NFC IC SOLUTIONS**



\* As of 3 Nov 2023 \*\* As at Sep 2023

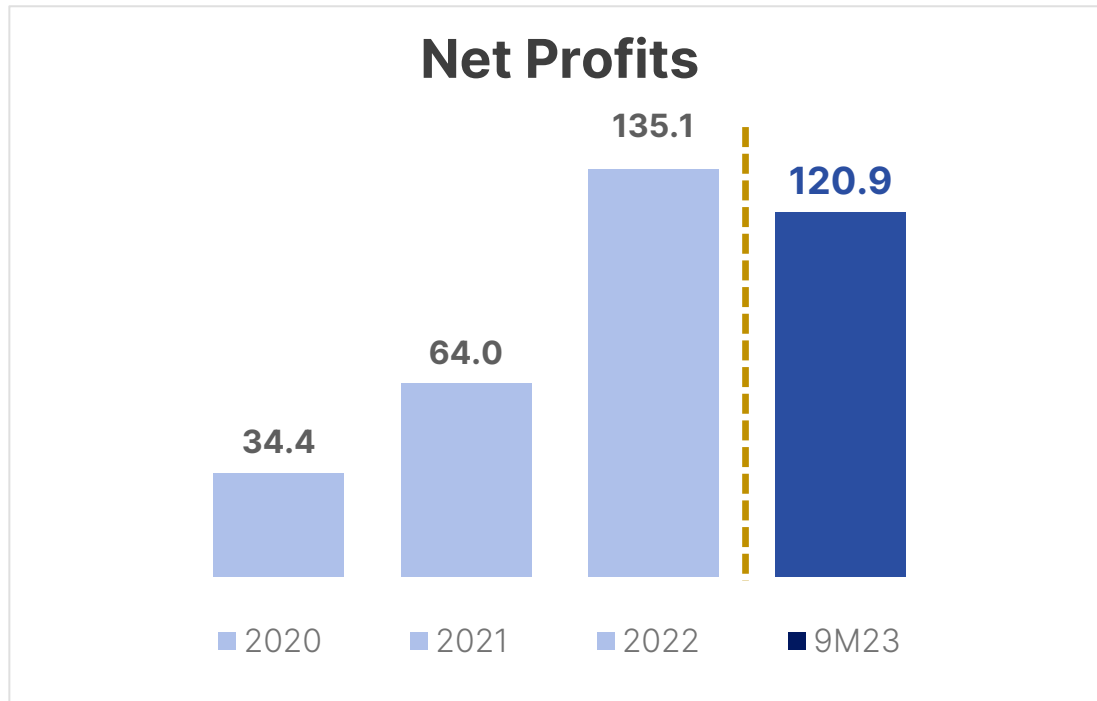


# 3Q2023 Financial Performance

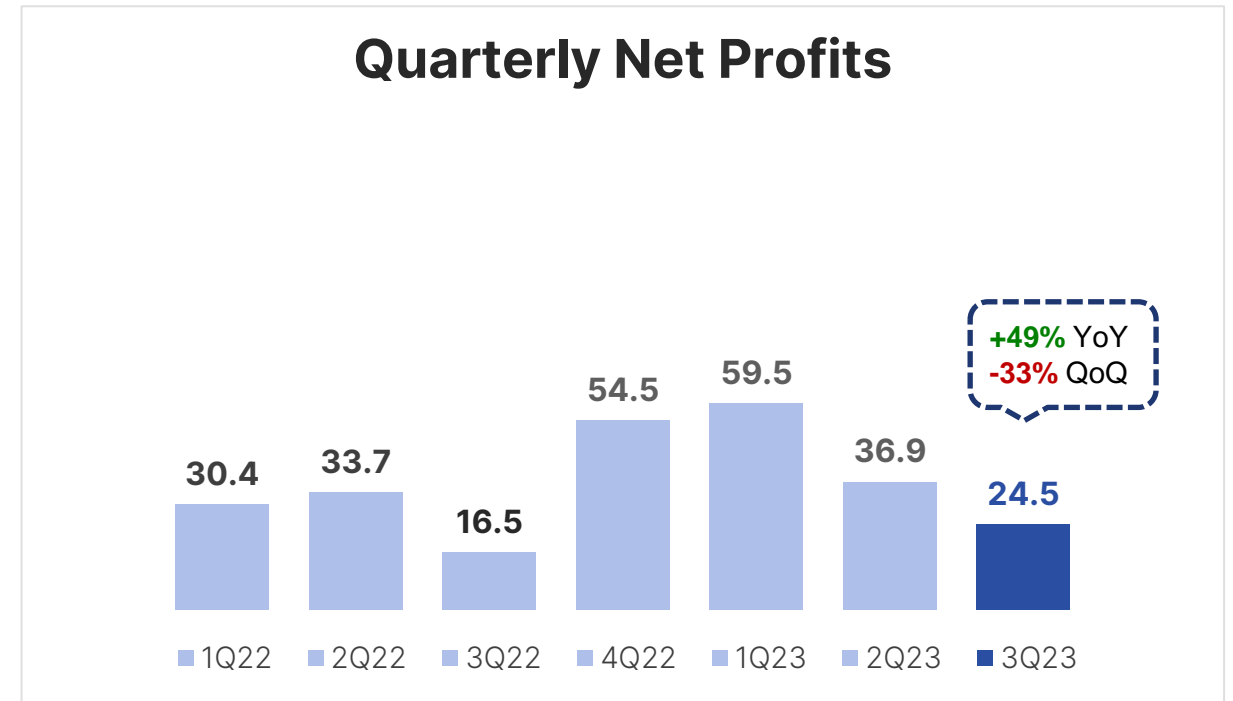


# Performance Highlight: Net Profit increased YoY

MN Baht



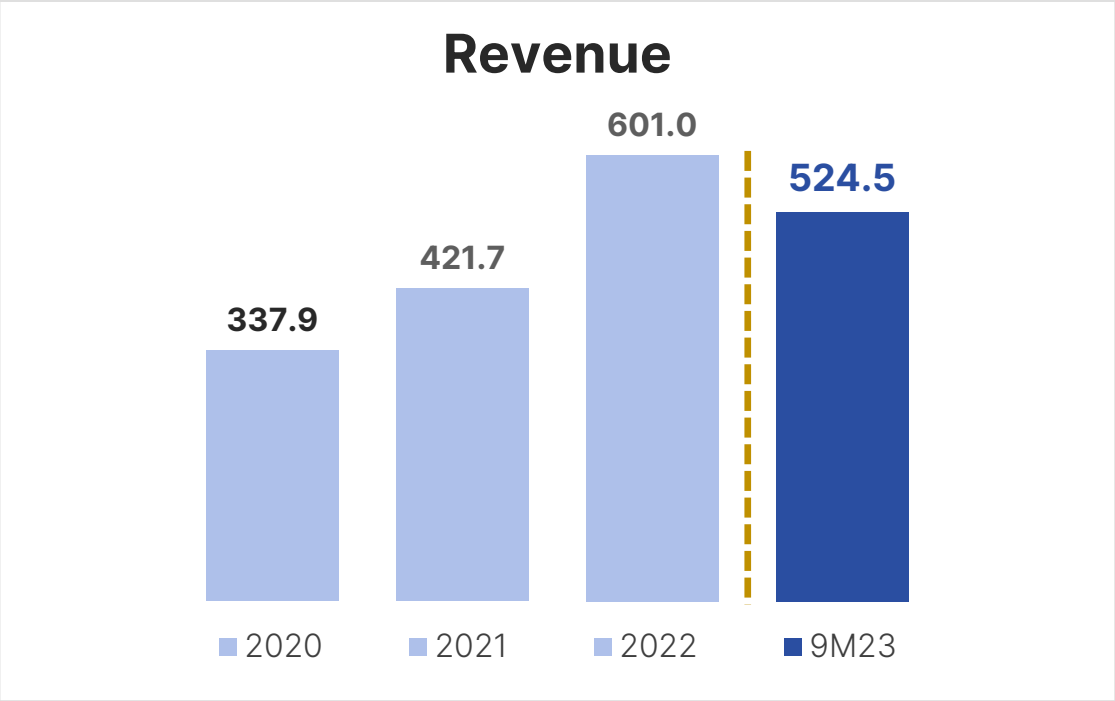
MN Baht



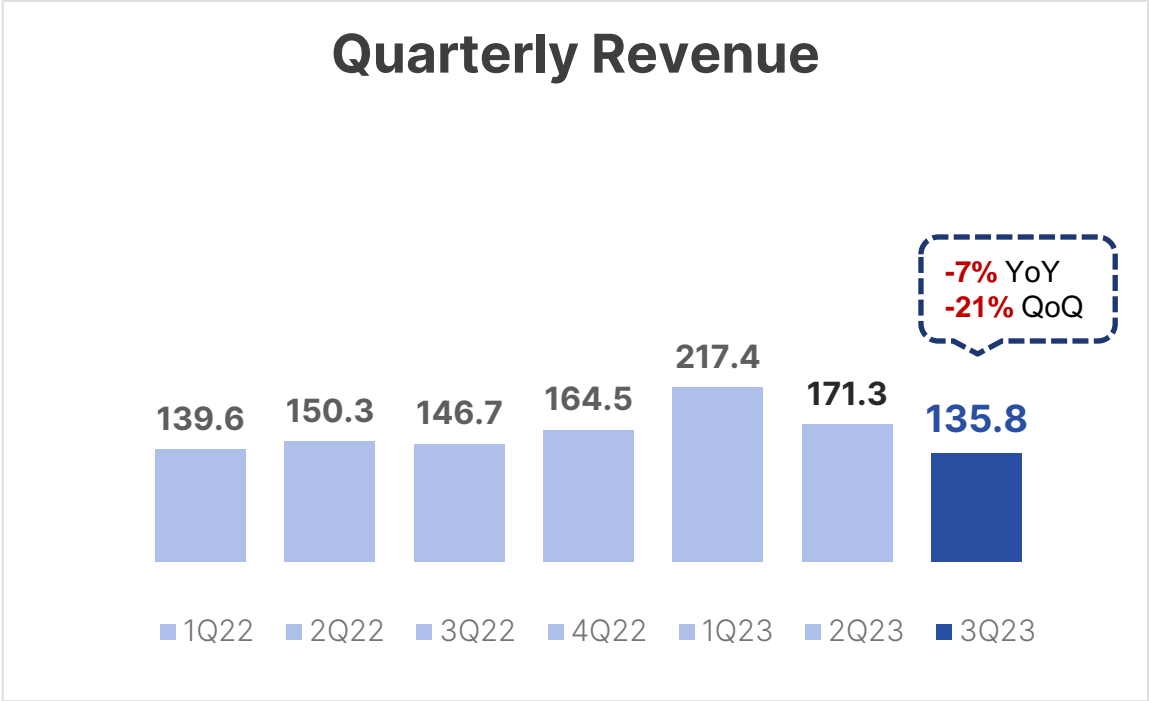
3Q23 Net profits increased **49%** YoY, from an improvement in FX management, but dropped **33%** QoQ, from a slow in revenue.

# Performance Highlight: Revenue decreased from softer demands

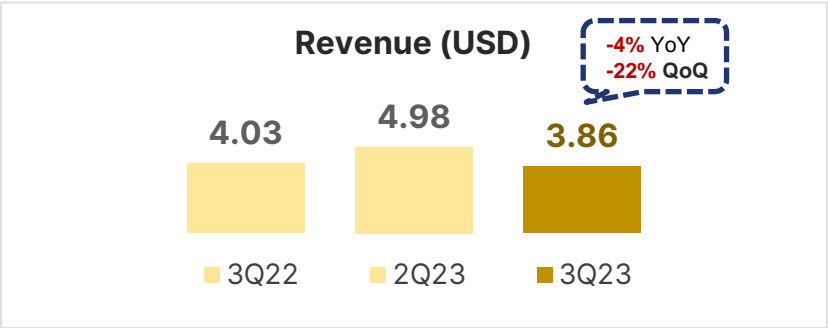
MN Baht



MN Baht



MN USD

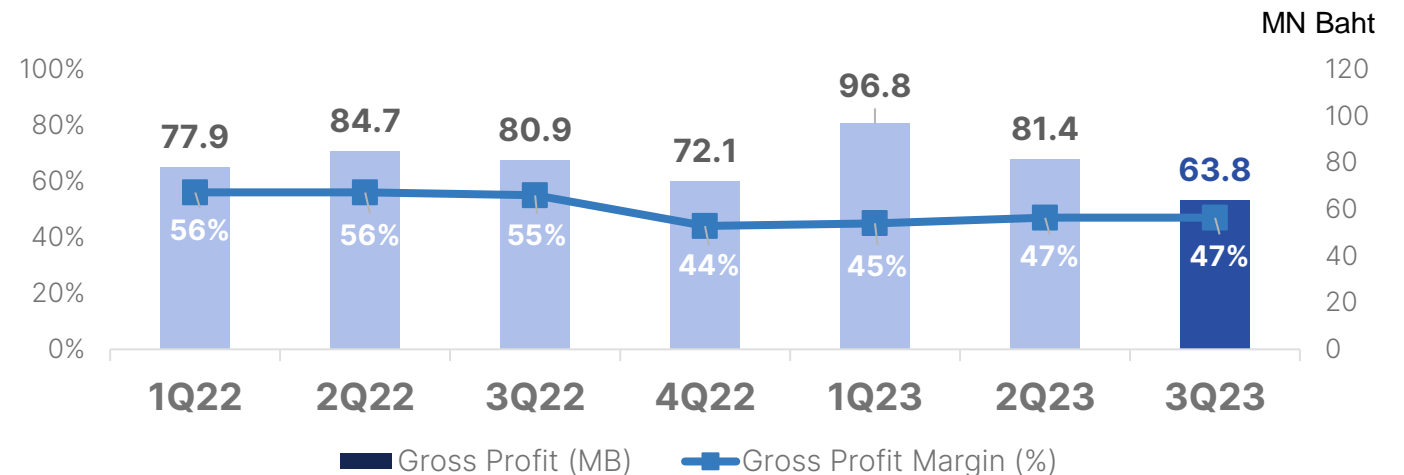
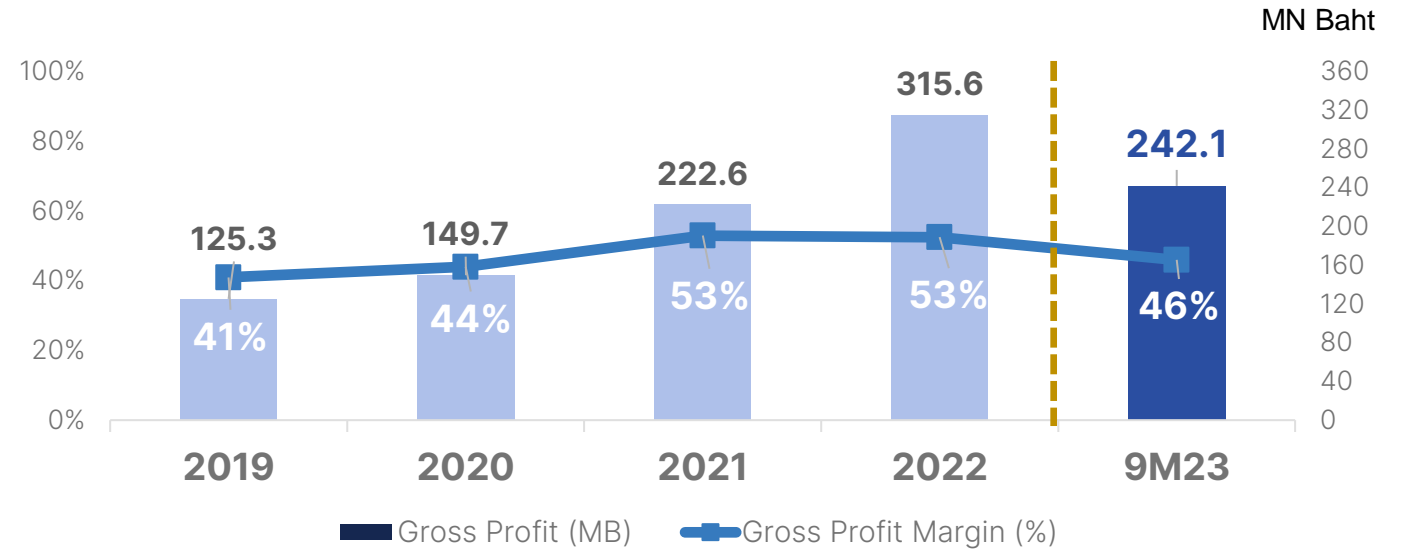


3Q23 **Revenue** dropped **7%** YoY and **21%** QoQ, due mainly to high inventory level in the markets; Animal ID group was the main contributor to 3Q23 revenue.

3Q23 Revenue in USD decreased 4% YoY, and 22% QoQ

# Performance Highlight: 3Q23 GPM maintained QoQ

3Q23 Gross Profit Margin (GPM) maintained at **47%**, from well-managed costs, but dropped YoY mainly from higher raw material costs.



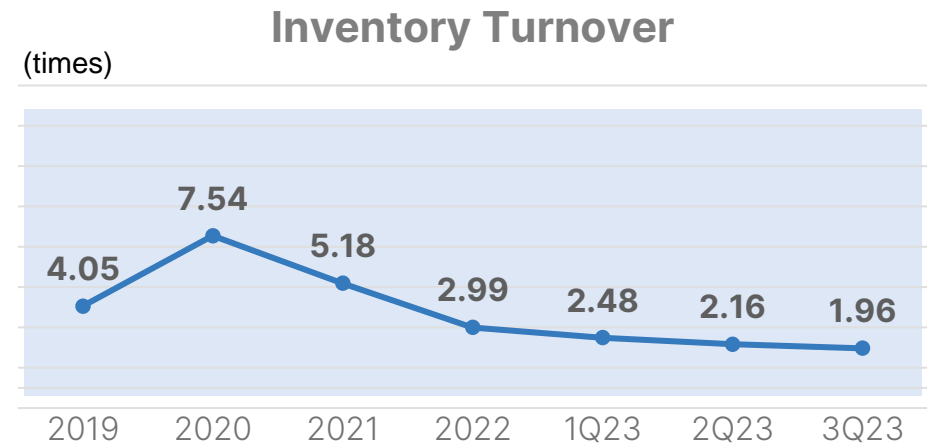
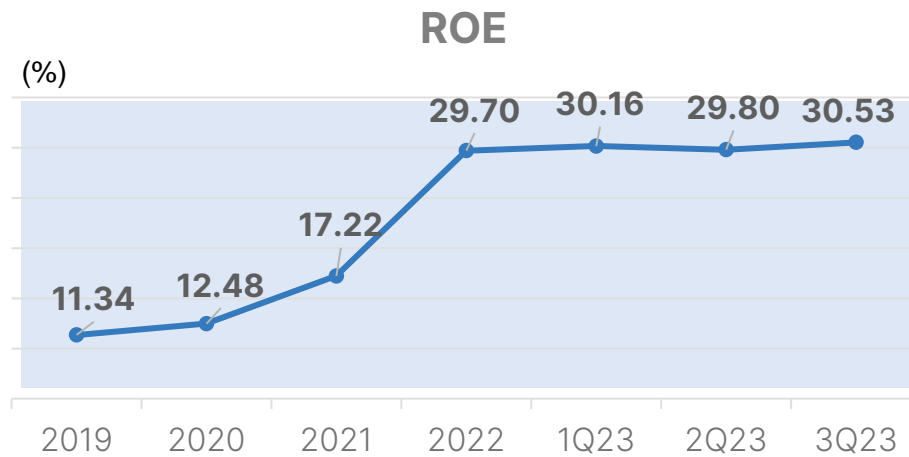
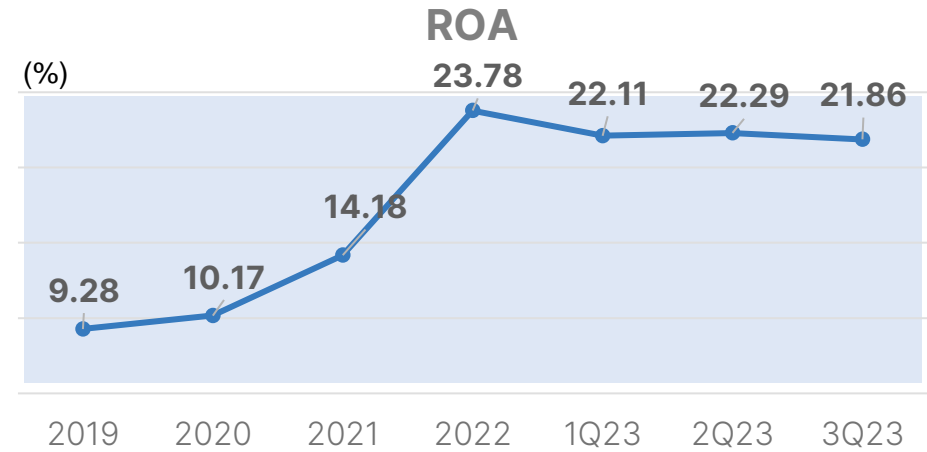
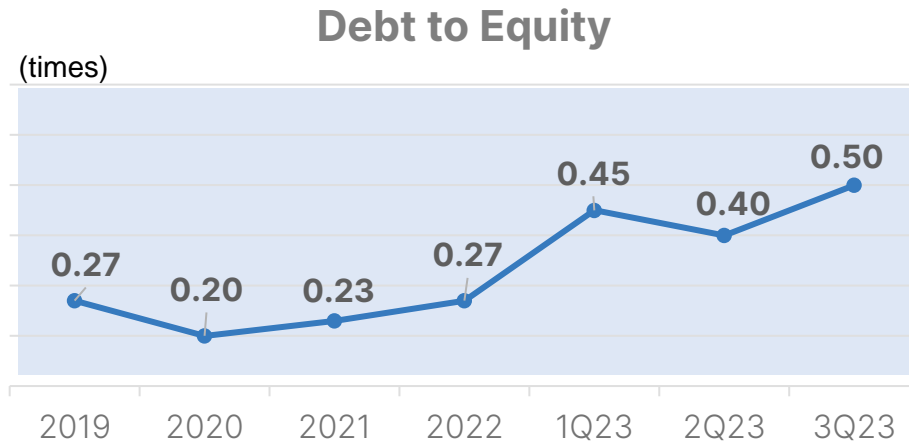
# 3Q2023 Financial Performance Summary

(Unit: million Baht)	3Q2022	2Q2023	3Q2023	% YoY	% QoQ	9M2022	9M2023	% YoY
Revenue from sales and services	146.7	171.3	135.8	-7%	-21%	436.5	524.5	20%
COGS	(65.8)	(89.9)	(71.9)	9%	-20%	(193.0)	(282.5)	46%
<b>Gross Profit</b>	<b>80.9</b>	<b>81.4</b>	<b>63.8</b>	-21%	-22%	<b>243.5</b>	<b>242.1</b>	-1%
<b>%GPM</b>	<b>55%</b>	<b>47%</b>	<b>47%</b>	n.a.	n.a.	<b>56%</b>	<b>46%</b>	n.a.
<b>SG&amp;A</b>	<b>(35.3)</b>	<b>(43.0)</b>	<b>(40.8)</b>	16%	-5%	<b>(107.6)</b>	<b>(122.1)</b>	13%
Distribution costs	(9.4)	(10.1)	(8.7)	-8%	-13%	(23.8)	(28.6)	20%
Administrative expenses	(25.8)	(32.9)	(32.1)	24%	-2%	(83.8)	(93.5)	12%
Other Income*	0.42	0.06	(0.3)	-182%	-664%	1.8	1.0	-42%
Other Expenses*	(2.2)	(0.3)	0.3	-113%	-200%	(1.6)	-	n.a.
Other gain (losses)**	(25.0)	(0.2)	3.0	n.a.	n.a.	(48.5)	5.0	n.a.
Finance Income	0.11	0.10	0.08	-23%	-14%	0.35	0.28	-21%
Finance costs	(0.1)	(0.8)	(0.9)	890%	19%	(0.4)	(2.2)	473%
Tax income (expenses)	(2.4)	(0.4)	(0.5)	-77%	39%	(6.9)	(3.1)	-55%
<b>Net Profits</b>	<b>16.5</b>	<b>36.9</b>	<b>24.5</b>	49%	-33%	<b>80.6</b>	<b>120.9</b>	50%
<b>%NPM</b>	<b>11%</b>	<b>22%</b>	<b>18%</b>	n.a.	n.a.	<b>18%</b>	<b>23%</b>	n.a.

Note: \* Other Income including realized gain from exchange rate, funding support for R&D projects etc.; Other Expenses including realized losses from exchange rate.

\*\* Other gains (losses) is the net unrealized gain (loss) from the exchange rate that do not enter the hedging accounting conditions.

# Key Ratios

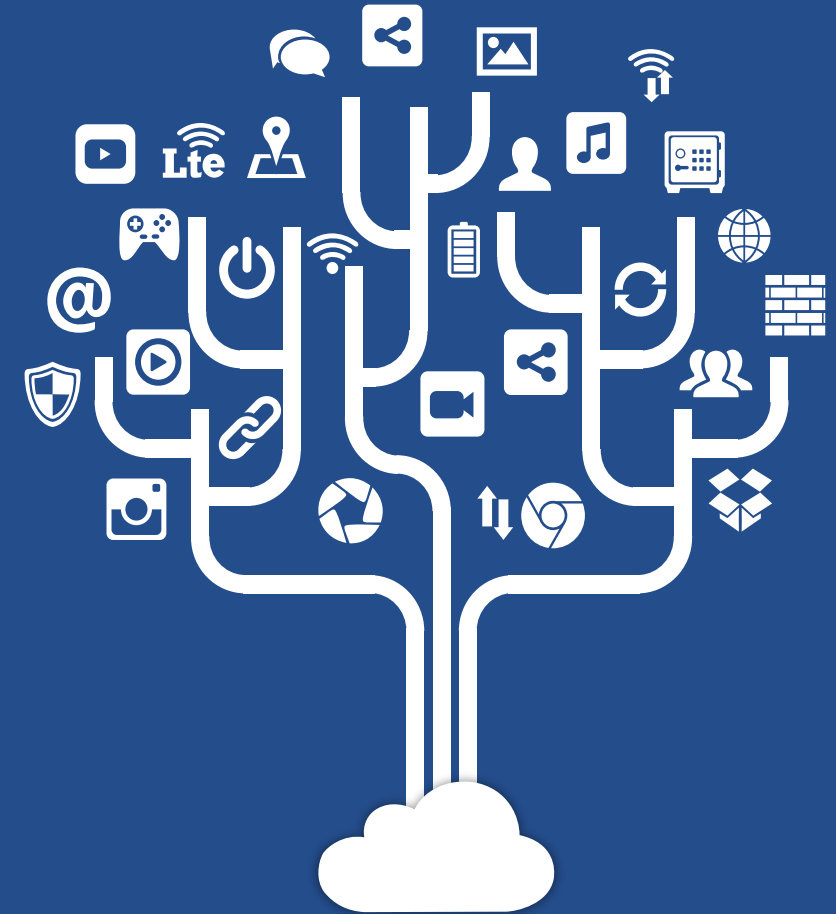




# Key Takeaway

## 3Q23 Financial Performance

- 3Q23 Net profits rose 49% YoY, mainly from well-managed FX, but dropped 33% QoQ, from a decrease in revenue
- 3Q23 Revenue decreased 7% YoY and 21% QoQ, from softer demand due to high level of inventory in the market; the revenue was driven mainly by Animal ID
- GPM in 3Q23 was at 47%, maintained QoQ from well-managed costs
- SG&A slightly dropped in this quarter, mainly due to a decrease in selling expenses
- 3Q23 NPM stood at 18%



# Currency Outlook

## USD/THB



- Thailand's economy is expected to grow 2.5% to 3.0% this year
- The current policy rate of 2.50% remains appropriate for economic outlook as assessed by the central bank
- Digital Wallet can boost purchasing power but could raise concerns about fiscal stability
- The Company expected the USD/THB will stay in the range of 34.50-37.50 Baht in year 2024
- The Company manage FX by focusing on natural hedge approach

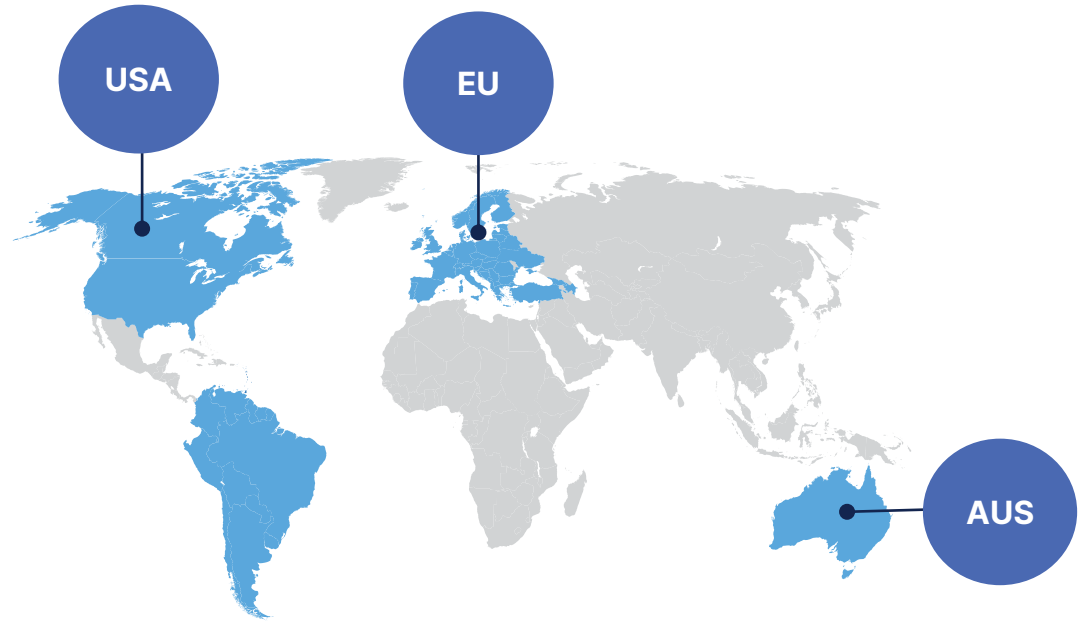
Source: Krungsri PCL, THB Thermometer, November 2023

# Company Product Performance



# ANIMAL IDENTIFICATION

Longest read range; Best performance



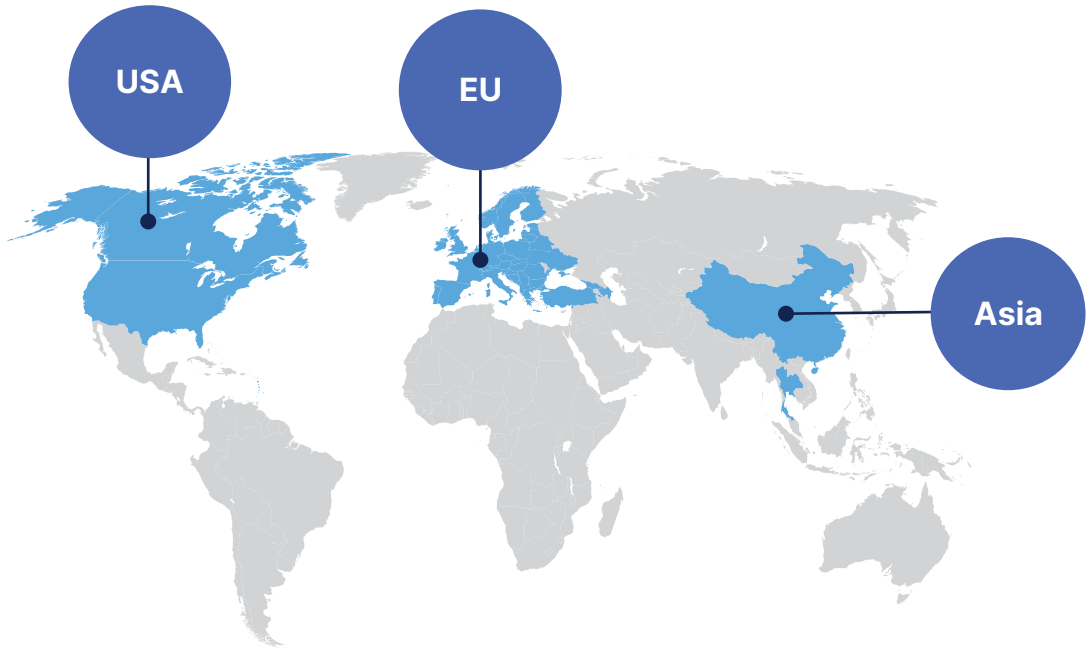
- 3Q2023 Revenue from Animal ID decreased 19% QoQ but rose 7% YoY, due mainly to the progress in the enforcement of electronic ID tags for sheep and goats in Australia
- Key Driver: the enforcement of electronic ID tags for sheep and goats in Australia and the trend to enforce in other nations from the spread of viral diseases in animals

Million Baht

3Q22	2Q23	3Q23	QoQ	YoY	9M22	9M23	YoY
57.0	74.8	60.9	-19%	7%	156.9	229.4	46%

# IMMOBILIZER

Applicable with almost automotive series to increase security in accessing vehicle



- 3Q2023 Revenue from Immobilizer decreased 11% QoQ and 25% YoY, mainly due to a slowdown in revenue from key customer in U.S. resulting from a high level of inventory
- Key Driver: ULTX biz expansion

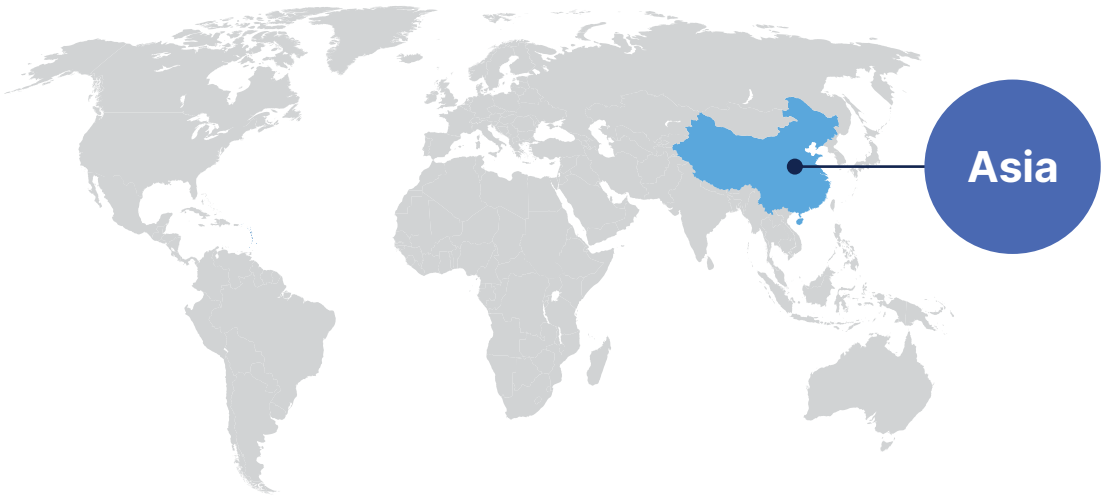
Million Baht

3Q22	2Q23	3Q23	QoQ	YoY	9M22	9M23	YoY
42.4	35.7	31.8	-11%	-25%	131.8	125.2	-5%



# INDUSTRIAL IoT

High efficiency and unique key features



- 3Q2023 Revenue from Industrial IoT decreased 33% QoQ and 14% YoY, partly due to a slowdown in revenue from customers in China caused by macroeconomic challenges
- Key Driver: Rev expansion from new product: SIC73F1 (Wafer Cassette Tracking Chip)

Million Baht

3Q22	2Q23	3Q23	QoQ	YoY	9M22	9M23	YoY
44.1	56.5	37.8	-33%	-14%	138.3	155.8	13%

# NFC & Others

High efficiency; can be applied in a wide range of applications



- 3Q2023 Revenue from NFC & others increased 22% QoQ and 63% YoY; mainly from the growth of NFC Authentication products
- Key Driver: Progress in New products

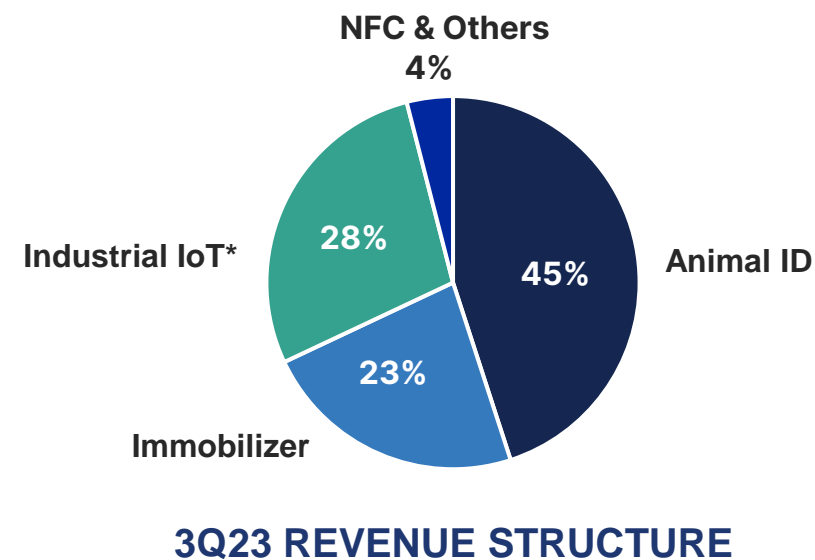
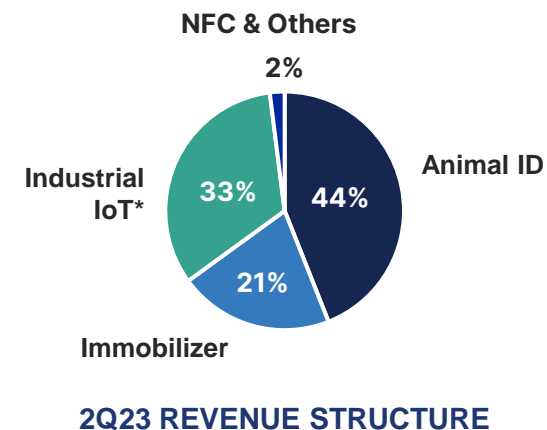
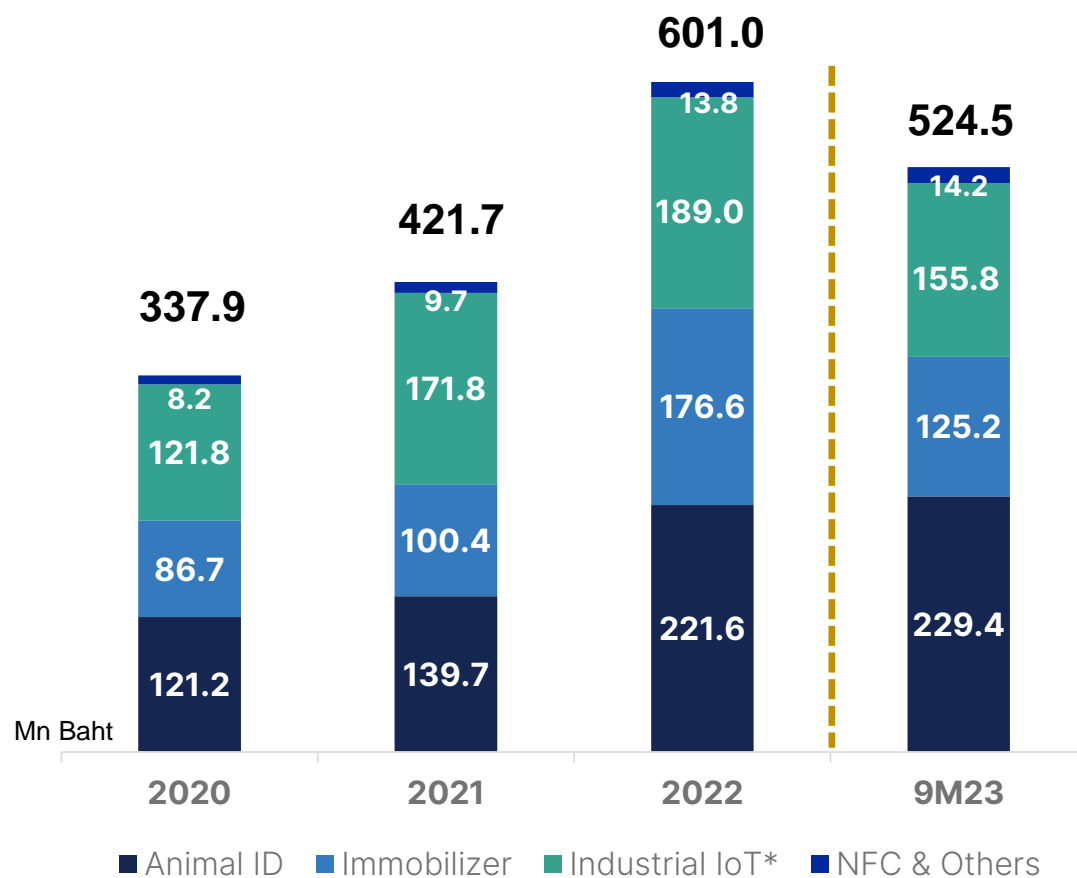
Million Baht

3Q22	2Q23	3Q23	QoQ	YoY	9M22	9M23	YoY
3.2	4.3	5.3	22%	63%	9.6	14.2	48%

For more information:  
trustify@sic.co.th

# Revenue Structure

## Breakdown by products



Note: \* Starting from Quarter 2/2022, the Company has updated the category of application groups from “Access Control/Reader” group to “Industrial IoT” group, in order to be aligned with the current business portfolio.

# **Business Outlook & Update**



# Challenges: Macroeconomics View

## High interest rate



Rising global interest rate may impact on the stock market, bond market, and cause fluctuations in currency values.



## Geopolitical tension

Several conflicts: US-China, Russia-Ukraine, and Israel-Palestine, contribute to business uncertainty, impacting material costs, and lead to trade regulation challenges.

## External Issues

## Chinese economic slowdown

Property crisis significantly affects economic recovery, leading to a slowdown in labor market, lower consumption and impacts Thailand's exports.



## Volatile in the currency

Currency value swings due to high U.S. bond yields, oil & gold prices fluctuations, uncertainty in fiscal policy and geopolitical tensions.

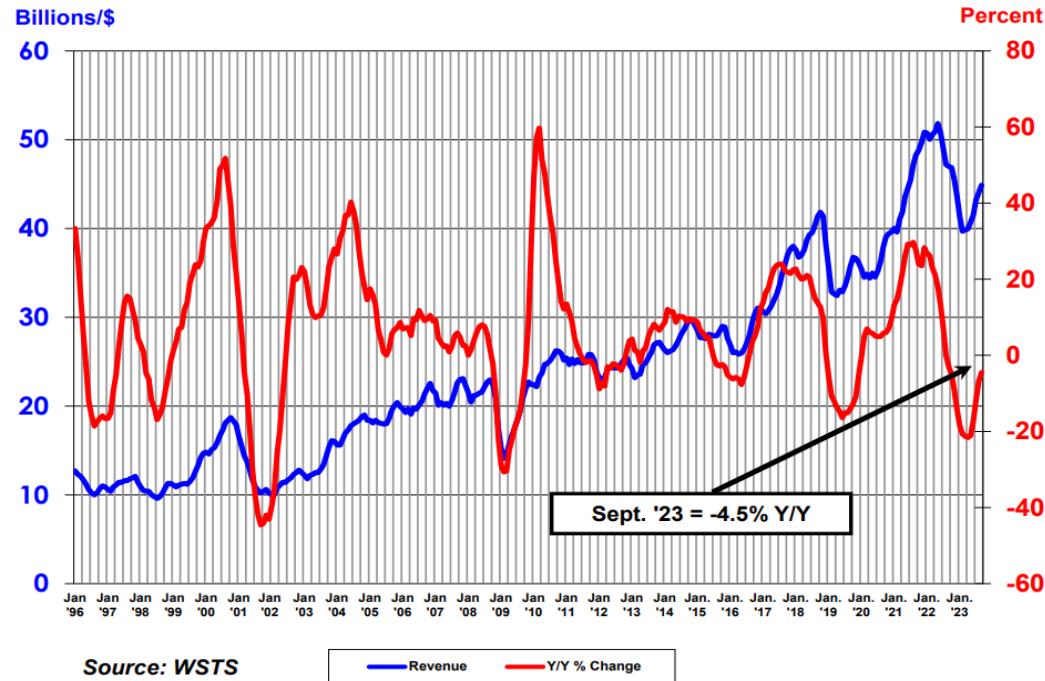




# Semiconductor Industry Outlook

## Worldwide Semiconductor Revenues

Year-to-Year Percent Change



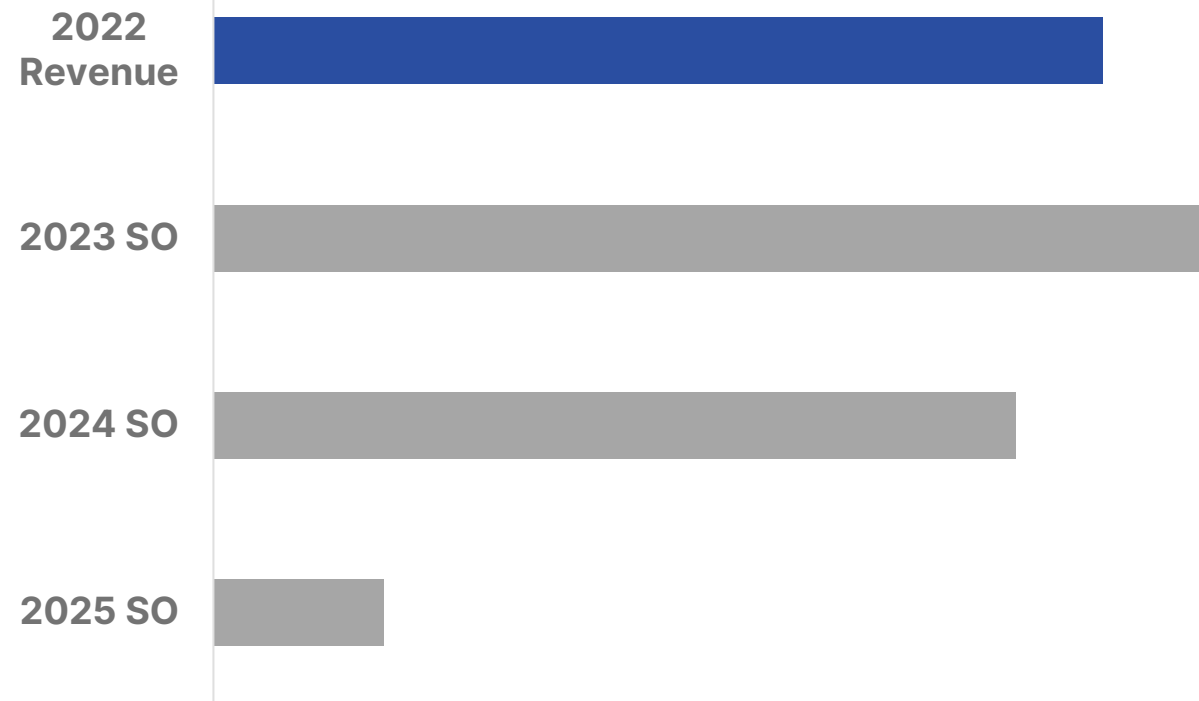
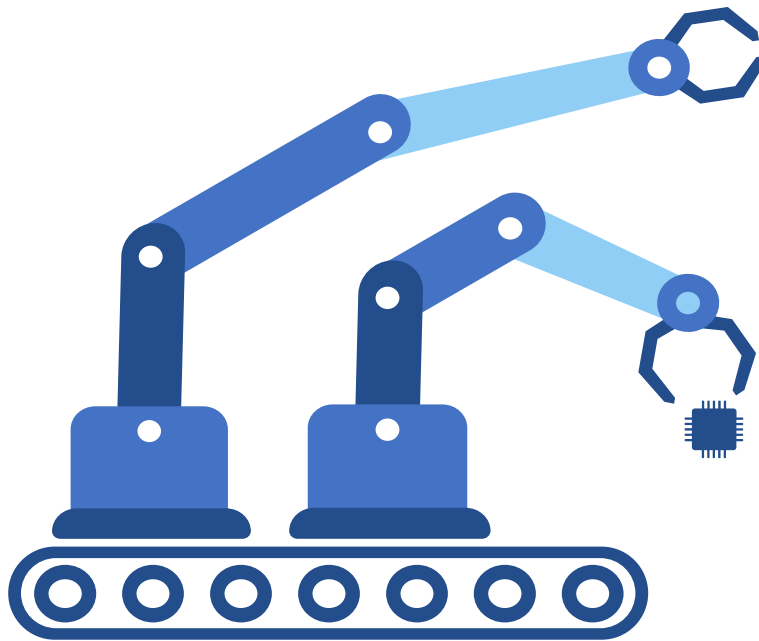
Year-to-Year Sales			
Market	Last Year	Current Month	% Change
Americas	12.03	11.79	-2.0%
Europe	4.52	4.82	6.7%
Japan	4.05	3.91	-3.6%
China	14.41	13.05	-9.4%
Asia Pacific/All Other	11.99	11.32	-5.6%
<b>Total</b>	<b>47.00</b>	<b>44.89</b>	<b>-4.5%</b>

Source: Semiconductor Industry Association (SIA)

- Global semiconductor sales for the month of September 2023 increased 1.9% compared to August 2023 and fell 4.5% compared to September 2022
- However, long-term outlook for semiconductor demand remains strong, with chips enabling countless products the world depends on and giving rise to new, transformative technologies of the future

# Sales Order Update

Slow demands in 2H23, but optimistic outlook remained in long term



# Business Outlook, 4Q2023

- Product technology migration from outdated wafer technology to more advanced analog technology for cost & performance improvement
  - Activities started since Q1, 2023
  - Inventory built for customers' product migration (~350 M-THB), 3-year transition plan
  - Majority of inventory used for Animal ID application
  - 2024 SO for related products already available
- Inventory built up for Animal ID business for key customers according to long-term customer supply agreement
- Insignificant inventory amount affected from Immobilizer business due to slow down of Chinese market and high level of overall global inventory level
- 10% of YTD Revenue from new product ramp-up (ULTX and SIC73F1)
- 3 new products expected to release in H1, 2024
- Estimated 2023 revenue growth in \$US still maintain at >10%



# 2023 FINANCIAL GUIDANCE **MAINTAINED**



## Core Revenue Growth

**10-15%**

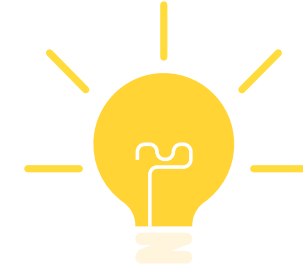
Growth continues from Market Demand



## Gross Profit Margin

**Maintain  
Acceptable Level  
46-47%**

**New Product contribution and  
Inventory & Cost Management  
required  
due to COGS increase**



## R&D Investment

**15-20%**  
of expected revenue

**Focusing on Development Speed  
for New Applications &  
New Research Projects for Future  
Technologies**

# Participated Exhibitions

## Euroanalysis 2023



SIC attended Euroanalysis 2023 in Geneva, Switzerland, to showcased RFID and NFC ICs especially sensor interface including: Galvanostat sensor, Potentiostat sensor and Voltage sensor

## Electronica India 2023



SIC joined co-showcase booth with Elektronika Sales to promoted our RFID and NFC microchips especially High Frequency (HF) innovations such as microchips designed for access control.

## Luxe Pack Monaco 2023



SIC exhibited showcase booth in Luxe Pack Monaco 2023, presented innovative packaging with RFID and NFC microchips, which elevating packaging to be smart and secure.

## Wireless IoT Tomorrow 2023



SIC attended Wireless IoT Tomorrow 2023, highlighted product lines of RFID&NFC-IoT which can use both in industries and residences.





### CG Rating 5 stars

SICT has received the results of the Corporate Governance Report of Thai Listed Companies 2023 under the **5-star “Excellent” for 2 consecutive years** from the Thai IOD



### SET awards 2023

SICT has been nominated for SET Awards 2023, which will be held on 21 Nov, in 3 categories

- Company Performance Awards
- Innovative Company Awards
- Investor Relations Awards

## 2023 AWARDS



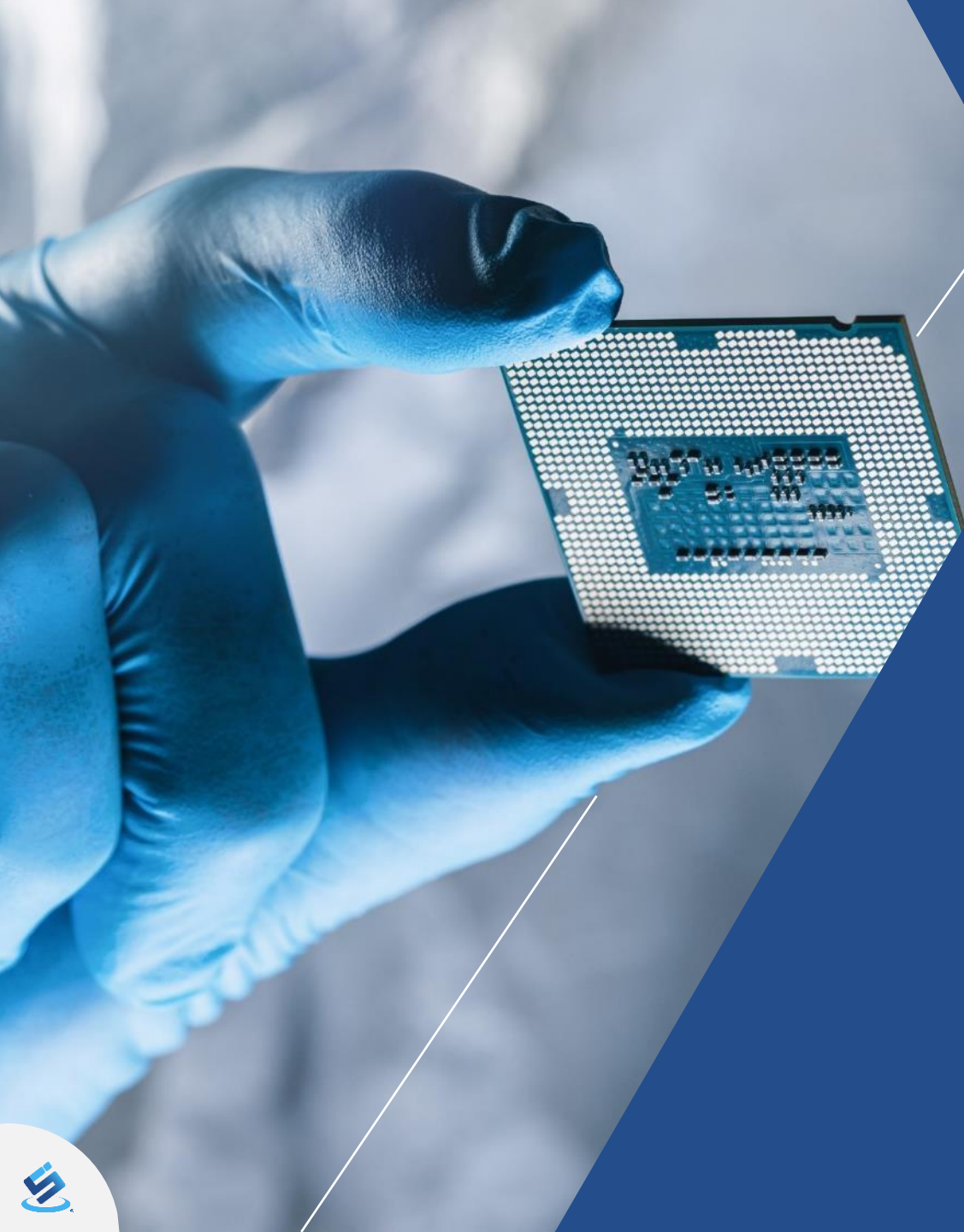
### AGM Score 2023

SICT received **99% score**, improving from 97% from the previous year, under Project "Quality Assessment of the Annual General Meeting of Shareholders", assessing by Thai Investors Association (TIA)



### ESG100 & SET ESG Ratings (THSI)

SICT has been selected on **SET ESG Rating with “A” rating** by the SET, and rated as a securities in the **ESG100 Universe** for the year 2023 by Thaipat Institute.



# THANK YOU



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