

Global Unichip Corp. (GUC) Reports Financial Results for 4Q24

Hsinchu – Jan 23, 2025 -- Global Unichip Corporation (TAIEX: 3443) today announced consolidated net sales of NT\$6,022 million, income from operations of NT\$ 877 million, net income of NT\$ 847 million, and basic earnings per share of NT\$6.32 for the fourth quarter ended Dec. 31, 2024.

Financial Summary

(In NT\$M except EPS and percentage)

	4Q24	3Q24	QoQ	4Q23	YoY
Net Sales	6,022	6,612	-9%	6,315	-5%
NRE	1,808	2,421	-25%	1,694	7%
Turnkey	4,159	4,015	4%	4,414	-6%
Others	55	176	-69%	207	-73%
Gross Profit	2,000	2,366	-15%	1,800	11%
Gross Margin	33.2%	35.8%	-2.6PPT	28.5%	+4.7PPT
Operating Expense	1,123	1,176	-5%	973	15%
Income from Operations	877	1,190	-26%	827	6%
Operating Margin	14.6%	18.0%	-3.4PPT	13.1%	+1.5PPT
Net Income	847	1,034	-18%	712	19%
Net Profit Margin	14.1%	15.6%	-1.5PPT	11.3%	+2.8PPT
EPS (NT\$)	6.32	7.71	-18%	5.32	19%

Topics in This Report:

- Revenue Analysis
- Gross Margin Analysis
- Expense Analysis
- Net Profit & EPS
- Financial Condition Review
- Cash Flow Analysis

Financial Highlights:

4th Quarter 2024

- Net Sales was NT\$6,022 million, which decreased 9% compared to 3Q24 and also decreased 5% from 4Q23.
- In 4Q24, NRE revenue was NT\$ 1,808 million, decreasing 25% QoQ but increasing 7% YoY. Turnkey revenue was NT\$4,159 million, increasing 4% QoQ but decreasing 6% YoY.
- Gross Margin was 33.2%, which is 2.6 percentage points lower than 3Q24 but 4.7 percentage points higher than 4Q23.
- Operating Margin was 14.6%, decreasing 3.4 percentage points from 3Q24 but 1.5 percentage points higher than 4Q23.
- Net Margin was 14.1%, 1.5 percentage points lower than 3Q24 but 2.8 percentage points higher than 4Q23.
- EPS was NT\$6.32, which decreased 18% compared to 3Q24 but increased 19% from 4Q23.

Full Year 2024

- Net Sales was NT\$25,044 million, decreasing 5% compared to 2023.
- NRE revenue increased 25%, which is record high. Turnkey revenue decreased 15%.
- Gross Margin was 32.4%, 2 percentage points higher than 2023.
- Net Margin was 13.8%, 0.4 percentage points higher than 2023.
- Net Margin decreased 2% compared to 2023.

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Revenue Analysis

● By Segment

NRE by Technology	4Q24	3Q24	4Q23
	%	%	%
5nm & Below	33%	29%	20%
7nm	22%	47%	58%
16nm	33%	14%	6%
28nm & Above	12%	10%	16%
Total	100%	100%	100%
Turnkey by Technology	4Q24	3Q24	4Q23
	%	%	%
5nm & Below	25%	6%	0%
7nm	7%	12%	24%
16nm	27%	43%	35%
28nm & Above	41%	39%	41%
Total	100%	100%	100%

By segment, combined 16nm and below accounted for 88% of total NRE revenue in 4Q24 and 5nm & below accounted for 33%, mainly from projects on 5nm.

5nm& Below Turnkey revenue contribution started in 1Q24, and it accounted for 25% of total Turnkey revenue in 4Q24, increasing significantly and mainly from projects on 3nm. By segment, combined 16 nm and below accounted for 59% of total Turnkey revenue in 4Q24.

● By Technology/Application/Region

Net Sales by Technology	4Q24	3Q24	4Q23
	%	%	%
5nm & Below	27%	15%	8%
7nm	12%	25%	33%
16nm	29%	32%	26%
28nm & Above	32%	28%	33%
Total	100%	100%	100%
Net Sales by Application	4Q24	3Q24	4Q23
	%	%	%
AI/ML	12%	16%	8%
Networking	18%	20%	27%
Digital Consumer	37%	42%	41%
Industry	7%	4%	13%
Others	26%	18%	11%
Total	100%	100%	100%
Net Sales by Reigon	4Q24	3Q24	4Q23
	%	%	%
Taiwan	17%	16%	10%
USA	41%	29%	25%
China	17%	25%	34%
Japan	17%	17%	9%
Korea	6%	11%	16%
Europe	2%	2%	6%
Total	100%	100%	100%

By technology, 16nm and below revenue contribution of total revenue in 4Q24 was 68%. 5nm & below accounted for 27% of total revenue, increasing significantly.

By application, major revenue contribution is still Digital Consumer in 4Q24, but revenue contribution of “Others” accounted for 26%, mainly from Crypto currency projects.

From a geographic perspective, revenue from Taiwan, China and USA totally accounted for 75% in 4Q24. Revenue from USA accounted for 41% tis quarter and revenue from Korea and China both declined continuously.

Gross Margin Analysis

	4Q24		3Q24		4Q23	
	Amount	% of	Amount	% of	Amount	% of
		net sales		net sales		net sales
(In NT\$M except percentages)						
Cost of sales	4,022	66.8%	4,246	64.2%	4,515	71.5%
Gross profit	2,000	33.2%	2,366	35.8%	1,800	28.5%

Gross margin rate was 33.2% in 4Q24, lower than 35.8% in 3Q24 but higher than 28.5% in 4Q23, which is due to different product mix.

Expenses Analysis

	4Q24		3Q24		4Q23	
	Amount	% of	Amount	% of	Amount	% of
		net sales		net sales		net sales
(In NT\$M except percentages)						
SG&A Exp	315	5.2%	316	4.8%	224	3.5%
R&D Exp	808	13.4%	860	13.0%	749	11.9%
Total operating expenses	1,123	18.6%	1,176	17.8%	973	15.4%

Total operating expenses in 4Q24 represented 18.6% of net sales. From the perspective of dollar amount, operating expenses increased compared with the same period in 2023, which is attributed to higher employee bonus accrued because of higher profit and credit impairment loss.

Net Profit & EPS

	4Q24		3Q24		4Q23	
	Net	EPS	Net	EPS	Net	EPS
	Income	(NT\$)	Income	(NT\$)	Income	(NT\$)
(In NT\$M except EPS)						
	847	6.32	1,034	7.71	712	5.32

Net income in 4Q24 was NT\$847 million and EPS was NT\$6.32, decreasing 18% compared with 3Q24 but increasing 19% on YoY basis.

Financial Condition Review

● Liquidity Analysis

Unit: NT\$M

	12,31,2024	9,30,2024	12,31,2023
Assets			
Cash and cash equivalents	10,427	9,257	7,638
Accounts receivable, net	2,007	2,145	1,989
Inventories	2,794	3,214	4,851
Other current assets	9,252	5,814	4,958
Total current assets	24,480	20,430	19,436
Property, plant and equipment	942	465	559
Other non-current assets	887	954	1,079
Total assets	26,309	21,849	21,074
Liabilities			
Current liabilities	14,669	10,928	10,954
Non-current liabilities	346	474	438
Total liabilities	15,015	11,402	11,392
Equity			
Total equity	11,294	10,447	9,682
Total liabilities and equity	26,309	21,849	21,074
Net working capital (NT\$M)	9,811	9,502	8,482
Current ratio(%)	167	187	177

At the end of 4Q24, total assets were NT\$26,309 million and total liabilities were NT\$15,015 million. Both increased compared to previous quarter. In this quarter, inventory kept falling, and cash and contract liability both increased sequentially. Current ratio declined compared with previous quarter and the same period of 2023 is because of the acquisition of land and building this quarter. And net working capital increased significantly both on QoQ and YoY basis.

Days of A/R turnover and Inventory turnover in 4Q24 were 31 days and 68 days, respectively. Inventory turnover days is decreasing continuously compared to previous quarter and the same period in 2023.

● Receivable and Inventory days

	4Q24	3Q24	4Q23
A/R turnover days	31	28	29
Inv. turnover days	68	80	103

Cash flow analysis

Unit: NT\$M

	4Q24	3Q24	4Q23
Cash flows from operating activities:	1,933	2,626	1,745
Cash flows from investing activities:	(737)	(670)	(438)
Cash flows from financing activities:	(20)	(21)	(20)
Effect of exchange rate changes on cash and cash equivalents	(6)	15	(21)
Net increase (decrease) in cash and cash equivalents	1,170	1,950	1,266
Cash and cash equivalents, beginning of period	9,257	7,307	6,372
Cash and cash equivalents, end of period	10,427	9,257	7,638

Profit in this quarter and increase of contract liability in 4Q24 contributed to operating cash inflow. NT\$420 million invested in acquisition of land and building this quarter is the main reason of cash outflow in investing activities in 4Q24. Financing activities spent cash of NT\$20 million during this quarter.



The Advanced ASIC Leader

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GLOBAL UNICHIP CORP. (GUC) is the Advanced ASIC Leader™ whose customers target IC devices to leading edge computing, communications, and consumer applications. Based in Hsin-chu, Taiwan GUC has developed a global reputation with a presence in China, Europe, Japan, Korea, Vietnam and North America. GUC is publicly traded on the Taiwan Stock Exchange under the symbol 3443. For more information, please visit GUC's company website ([http:// www.guc-asic.com](http://www.guc-asic.com)) for details.

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