ALi Corporation
2025 Investor Conference

2025.03.12

Safe Harbor Notice

- Ali's statement of it's current expectations are forward-looking statements which are subject to significant risks and uncertainties. Actual results may differ materially from those contained in any forward-looking statements.

- Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

# A Leader in SOC Design for Digital Multimedia

- **The first public IC design house in Taiwan:**
  A Leading SOC design company for digital multimedia since 1993, listed on TWSE:3041
- **Global Market Leadership:**
  No. 1 in Satellite Pay STB market, with 40% global market share
- **Leading cyber security technology**
  Own broadcast Conditional Access System (CAS)
- **Innovative turnkey AI Solutions:**
  Edge-AI SOC for Smart Home, Smart City and Smart Industry.
- **Skilled Engineering Team:**
  180 engineers with extensive expertise in IC design and software
- **Global Presence:**
  Headquartered in Taipei, with R&D centers and sales offices in Hsinchu, Shenzhen, Zhuhai, Seoul, and Noida.
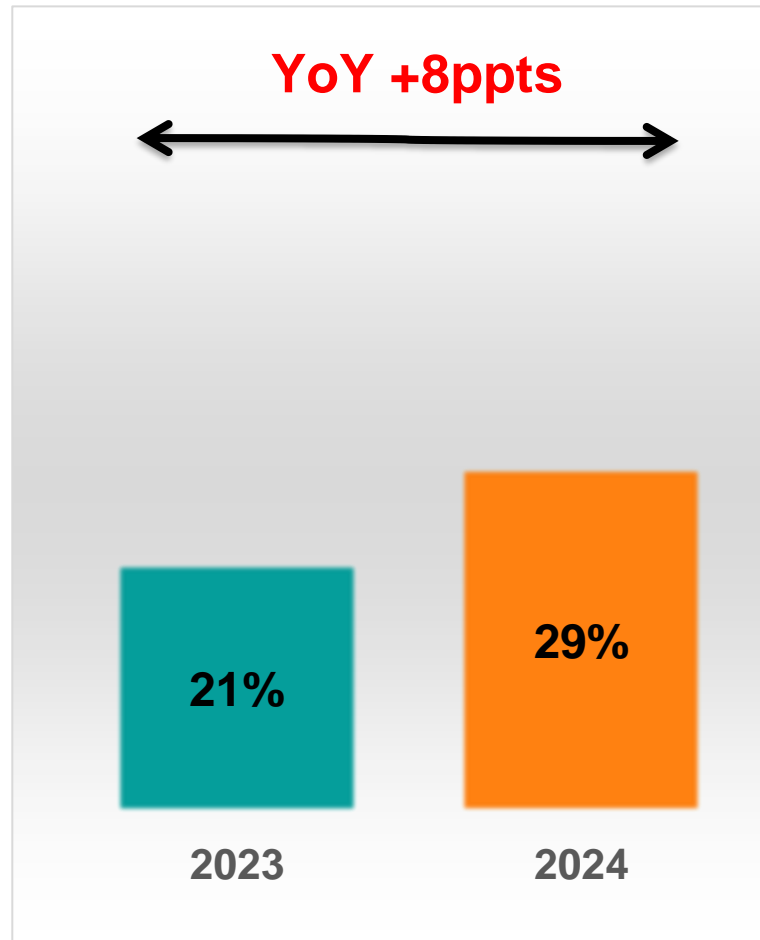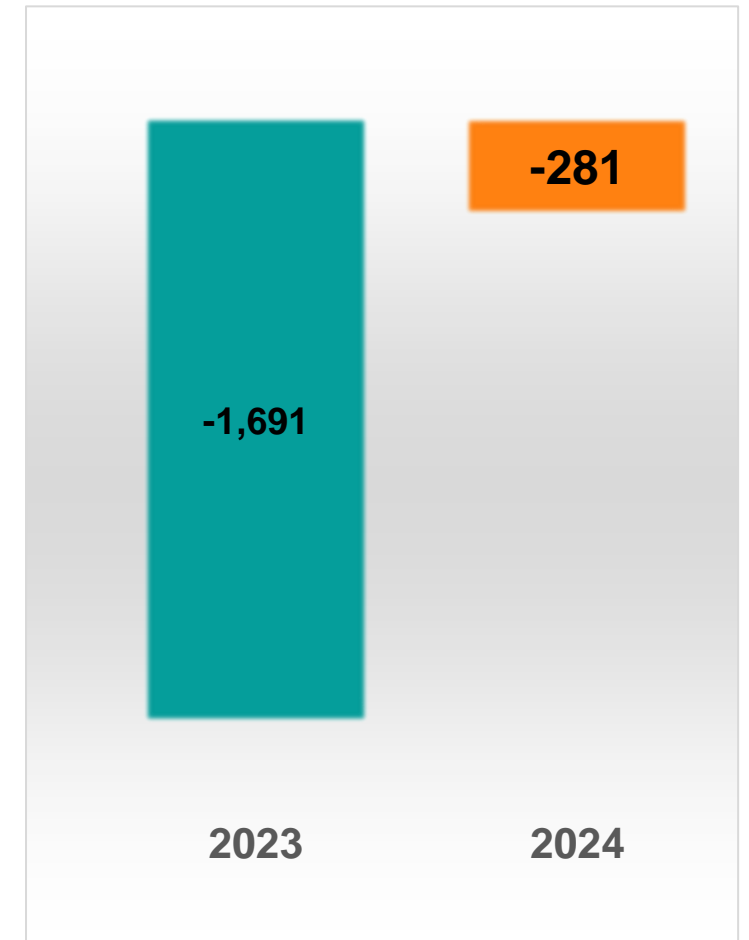
Y2024 Finance Index

Revenue (NT$ million)

YoY +13%

- 2023: 1,446
- 2024: 1,628

Gross Margin (%)

YoY +8ppts

- 2023: 21%
- 2024: 29%
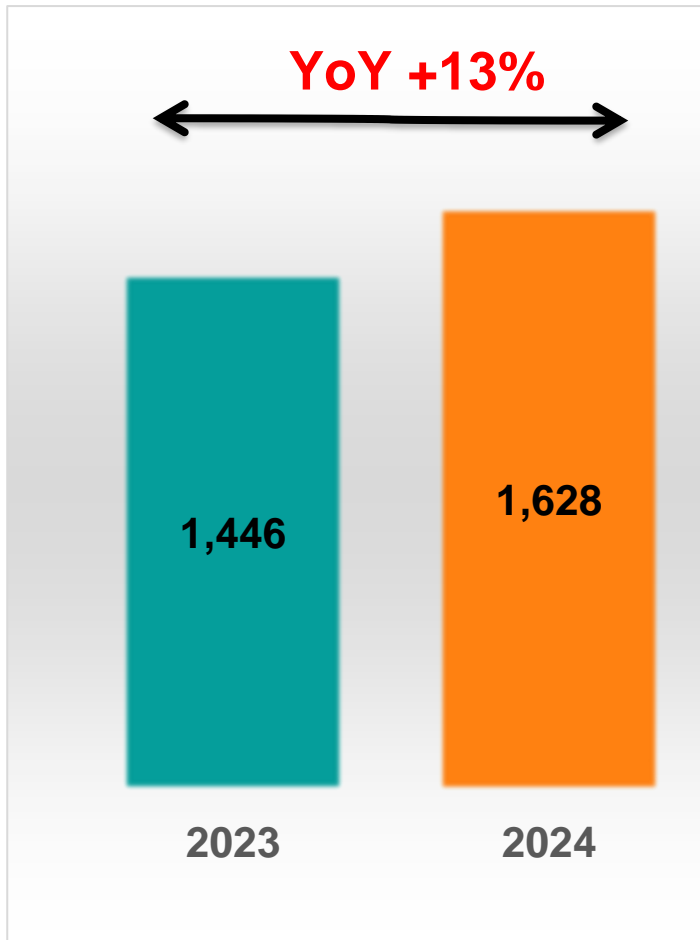
Net income (NT$ million)

- 2023: -1,691
- 2024: -281

Income Statement

(Unit : NT$ million)

	2024	2023	YoY
Operating Revenue	1,628	1,446	13%
Operating Costs	(1,169)	(1,141)	2%
Gross profit from operations	459	305	50%
Gross Margin	29%	21%	+8pts
Selling expenses	(44)	(45)	-2%
Administrative expenses	(184)	(171)	8%
Research and development expenses	(486)	(712)	-32%
Impairment loss	-	(30)	-100%
Total operating expenses	(714)	(958)	-25%
Net operating (loss) income	(255)	(653)	61%
Operating Margin	-15%	-45%	+30pts
Non-operating income and expenses	20	(562)	-104%
Net Income(Loss)	(280)	(1,691)	83%
Net Profit Margin	-17%	-117%	+100pts
Earnings Per Share(NT$)	(2.41)	(14.59)	

Balance Sheet

(Unit : NT$ million)	Dec.31,2024	Dec.31,2023
Cash and cash equivalents	864	589
Accounts receivable,net	68	133
Inventories	333	339
Other current assets	286	390
Non-current assets	1,050	1,092
Total assets	2,601	2,543
Current liabilities	686	922
Non-current liabilities	577	17
Total liabilities	1,263	939
Total equity	1,338	1,604
Key Indices		
A/R turnover Days	23	35
Inventory turnover Days	105	103

High Security, Highly Integrated Multi-media SOC

4K UHD HDMI2.0
H.264 MPEG-4/AVC
H.265 HEVC
VERY HI-SPEED CERTIFIED **USB3.0** Unoffical Logo

DVB C **DVB S2X** **DOLBY**

Security Solution
conax
verimatrix
WIDEVINE a Google company
NAGRA KUDELSKI GROUP
irdeto
Microsoft PlayReady®

Video Engine

Display Engine

Memory Management

Security Engine

Communication & Connectivity

Processor Unit
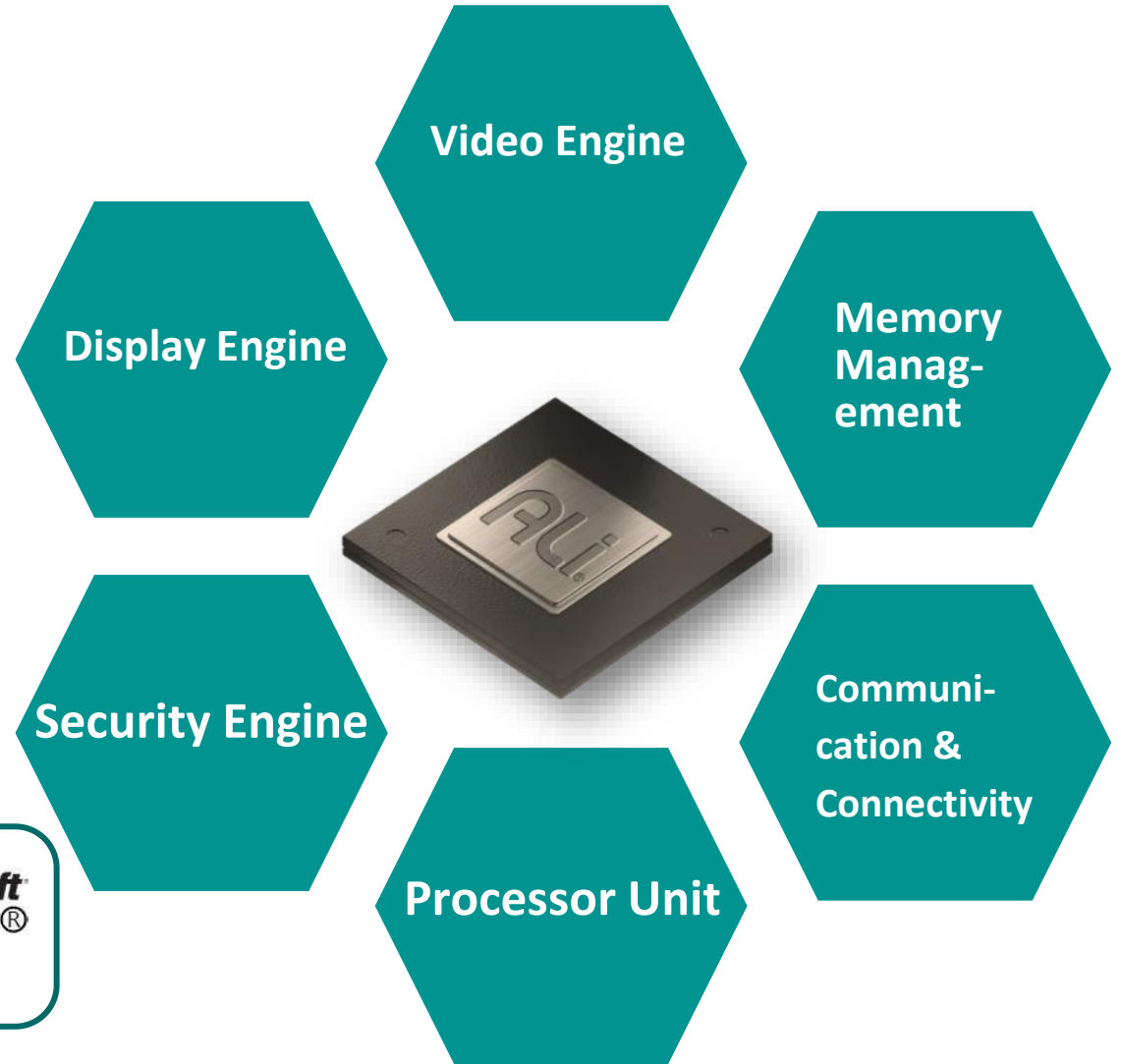
The World's First Satellite Broadcast System
Video Streaming Platform

- Provide video streaming through satellite broadcasting
- IP Streaming video (ex, Youtube) in area not covered by broadband.
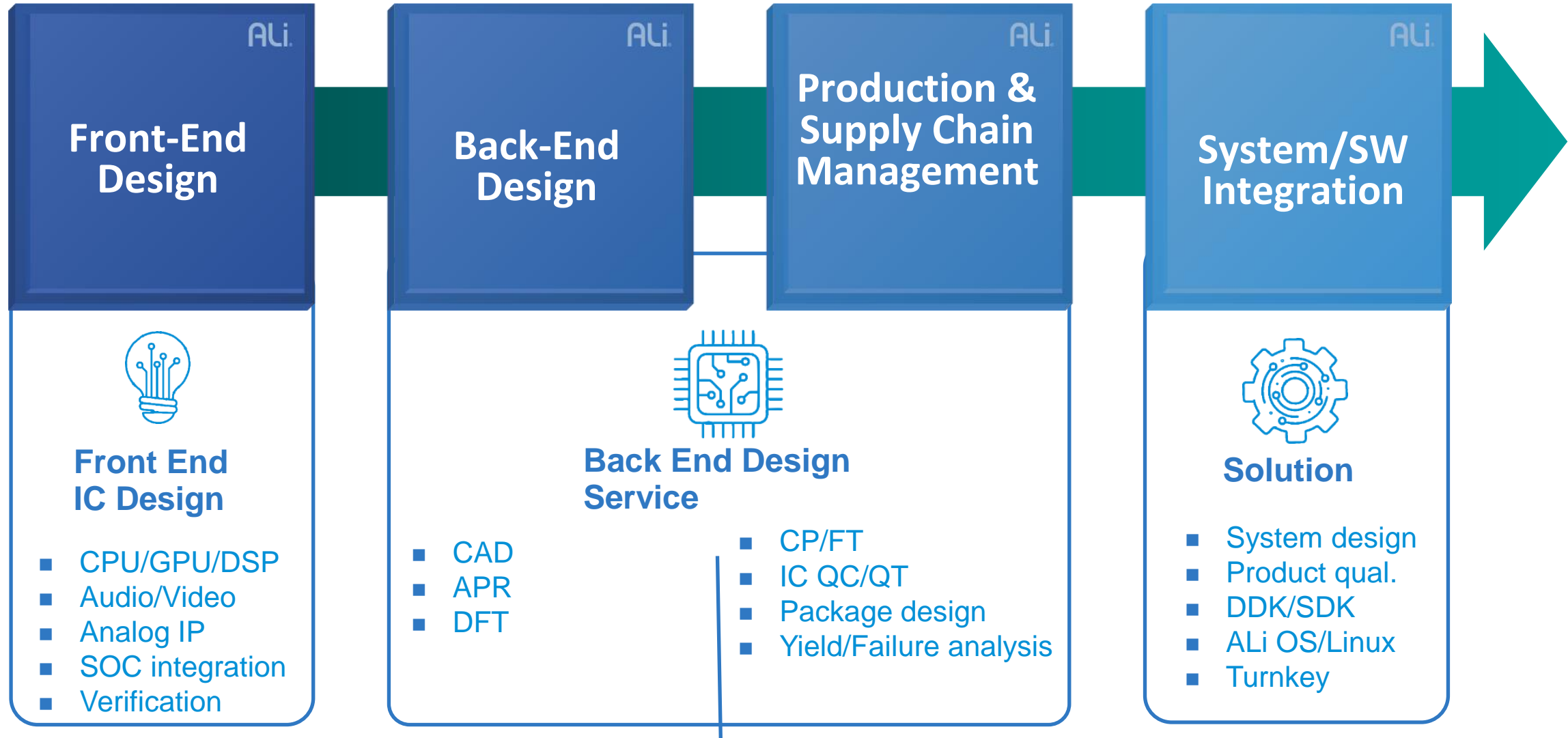- **Portable TV dongle reference design for better user experience**
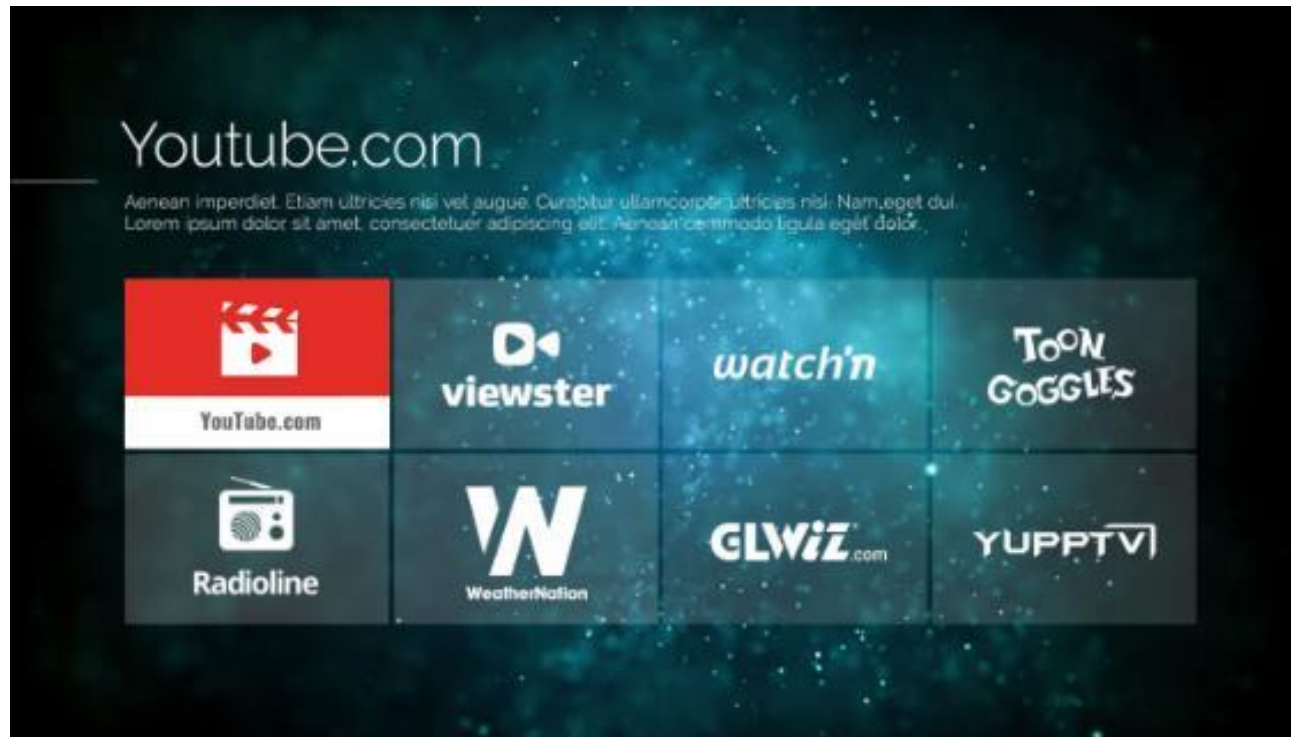
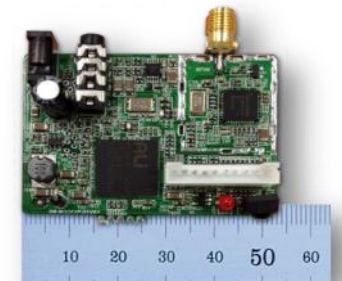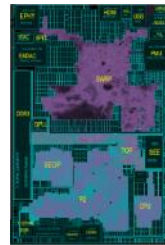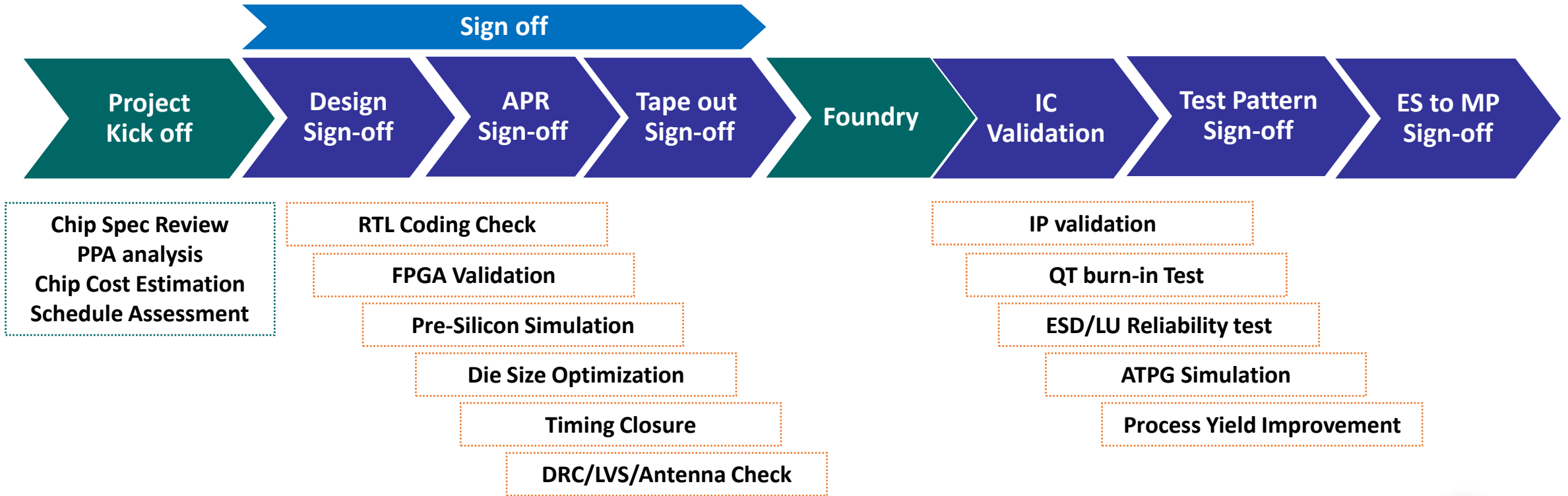# Outstanding ESG Contributions Through New Technology

- Promote ESG energy conservation and carbon reduction with innovative technologies

- Launching the world's lowest power consumption satellite set-top box single chip (F6P) in 2024

- The latest integrated multimedia chip has advanced dynamic power self-adaptation function (Adoptive Dynamic Power Distribution), which reduces power consumption by 20% compared with the previous generation chip.

- It can reduce the annual electricity consumption of each household by 30 kilowatt hours. If 20 million users are shipped every year, 480 million kilowatt hours of electricity can be saved.
- Reduce 4.8 million tons of CO_2 emissions throughout the year, equivalent to US$3.6 billion in carbon rights

- More than one million units have been shipped to major radio and television operators in emerging markets around the world.

Various ASIC Design Services Models

Front-End Design

Back-End Design

Production & Supply Chain Management

System/SW Integration

Front End IC Design

- CPU/GPU/DSP
- Audio/Video
- Analog IP
- SOC integration
- Verification

Back End Design Service

- CAD
- APR
- DFT

- CP/FT
- IC QC/QT
- Package design
- Yield/Failure analysis

Solution

- System design
- Product qual.
- DDK/SDK
- ALi OS/Linux
- Turnkey

Robust Project Management Process

ALi

Sign off

Project Kick off → Design Sign-off → APR Sign-off → Tape out Sign-off → Foundry → IC Validation → Test Pattern Sign-off → ES to MP Sign-off

Chip Spec Review
PPA analysis
Chip Cost Estimation
Schedule Assessment

RTL Coding Check

FPGA Validation

Pre-Silicon Simulation

Die Size Optimization

Timing Closure

DRC/LVS/Antenna Check

IP validation

QT burn-in Test

ESD/LU Reliability test

ATPG Simulation

Process Yield Improvement

UHD Display Engine Technology

- **Video post-process (Display Engine)**
  - Multi(5) layers video + graphic
  - Scaling, super resolution, HQX, 1/16-16x
  - De-interlacing, De-noise, de-blocking,
  - HDR HDR2SDR SDR2HDR HDR10 HLG TCH …
  - Watermark (NexGuard，Verimatrix)
  - 2D to 3D
  - Keystone

- **Video enhancement**
  - Brightness
  - Contrast
  - Saturation
  - Hue
  - Sharpness
  - XvYCC/SYCC/BT.601/BT.709/YCgCo/SMPTE-240M color space conversion
  - Gamma correction
  - Adaptive contrast enhancement
  - Adaptive color enhancement (green, blue, red color stretch, flesh-tone correction)

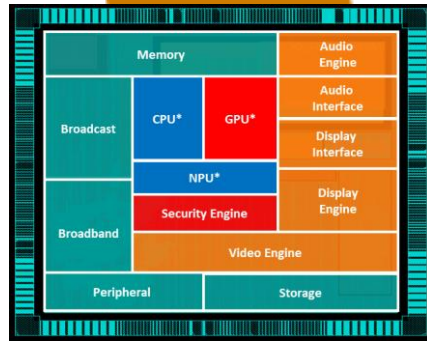Nearest-neighbor interpolation 3x

ALi 3x

Original Picture

ALi enhanced picture

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Focus on Dual Engine Strategy for 2025 Growth

ASIC Design Service and IP License

Continue Multimedia Business Growth

- More than 400 intellectual property patents worldwide
- The only provider of multimedia AI-ASIC design services
- Imaging and audio system-level design capabilities 8K display chip design core technology
- Huge business opportunities in associated application market
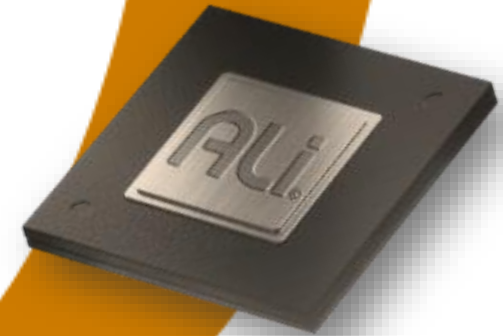
- Emerging country markets continue to grow
- Gaining a geopolitical competitive advantage
- Demand for satellite broadcast communications continues to grow
- New products will create AI innovative applications