

Forcelead Technology Corp.

6996. TWO

1Q 2025 Results **Investor Presentation**

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*Shaping the colorful future;
Driving the display revolution.*

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About Forcelead

About Forcelead

“Shaping the colorful future;
Driving the display revolution.”

Company Profile

Forcelead Technology Corporation

Ticker: 6996.TWO

Established / Listed: 2009 / 2024

Headquarter: Taiwan Hsinchu

Core Products: Research, design, and sales of integrated display driver ICs (DDICs) for automotive applications

Shares Outstanding* 41,919 thousands

Market Cap* US\$228m / NT\$6.85b

Shareholders* Sitronix 55.32%

*as of 2025/4/30

Business Model

- Global market leader in mid-sized and small-sized Auto display driver ICs
- Comprehensive product line: Proprietary products
- Long-term growth drivers: The smart cockpit revolution is accelerating global demand, driving display upgrades and the spread of new energy vehicles.

Products

Automotive DDIC

Cluster

Head-up displays (HUDs)

E-rearview mirrors

3-by-1 circular control knobs

Center console

Rear-seat entertainment

Non-Auto Products

AIoT

ASIC

Power Management IC



Company Highlights and Industry Trends

Company Highlights

Why Forcelead

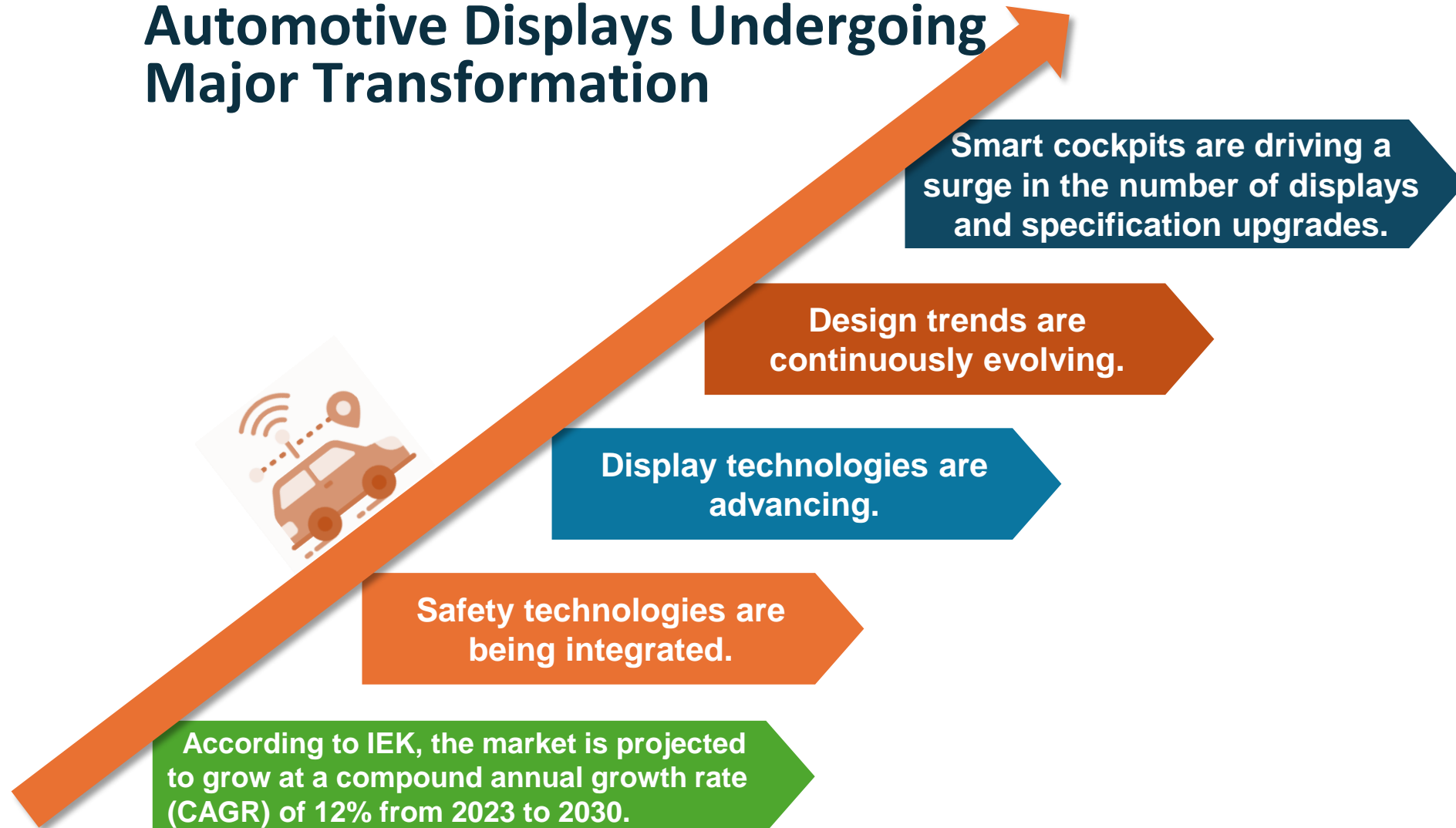
- **Automotive contents account for over 84% of total revenue.**
- **Co-developing with car makers:** gaining market share through proprietary specifications.
- **Comprehensive product line:** covering instrument clusters, head-up displays, e-rearview mirrors, circular control knobs, touch-screen central consoles, and rear-seat displays.

Growth Drivers

- **Smart cockpit trend:** fueling demand for upgraded automotive displays.
- **Diverse customer portfolio:** Chinese brands (50%), European (including Korean) brands (30%), and American brands (20%).
- **Rising OEM Adoption:** adoption of OSD, RGBW instrument clusters, circular control knobs, rear-seat displays, etc.
- **New products being delivered:** new-spec HUDs and integrated TDDI (Touch and Display Driver Integration) chips entering the validation phase.
- **Two-wheeler intelligence:** driving demand for digital instrument clusters.

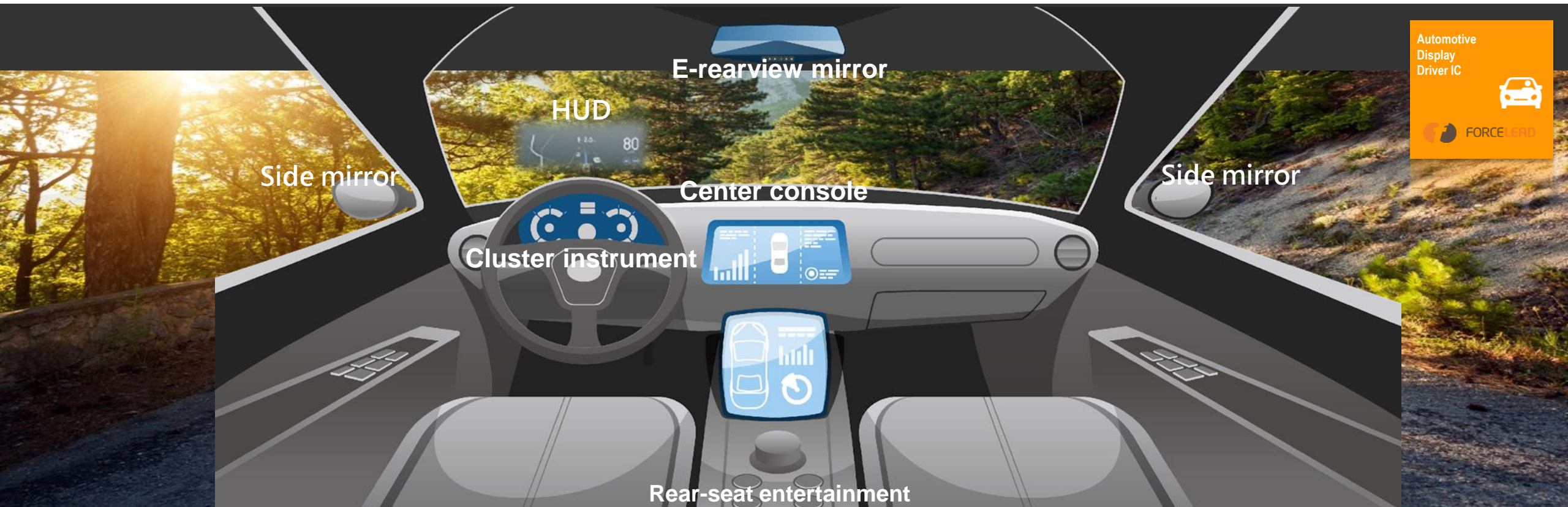
Industry Trends

Automotive Displays Undergoing Major Transformation



Auto DDI – Intelligent Cockpit

- The rising trend of smart cockpits drives global demand and technology change



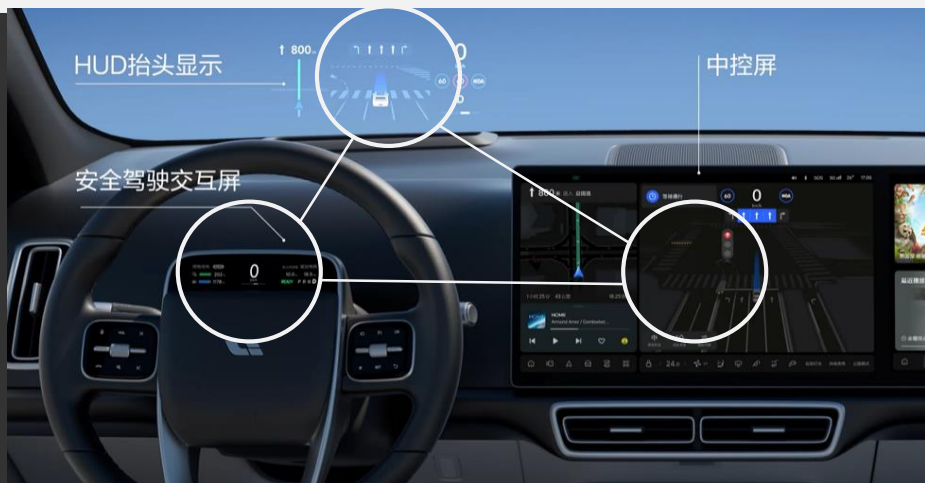
Smart Cockpit Boosts Auto Display Units

- Tailored specifications developed in collaboration with automakers

	Display	Unit/ Per Car	Rationale, Market
Traditional	Center Console	1	Spec. Change, OEM / AM
Traditional	Digital Cluster	1	Spec. Change, OEM
New	E-Rearview Mirror	1	Emerging, OEM / AM
New	E-Side Mirror	2	Emerging assist, OEM
New	Head-up Display, HUD	1	Spec. Change, OEM
New	Rear Seat touchscreen	1	Emerging, OEM
New	3-by-1 Circular Controller Knobs	3	Customized, OEM
New	Individual Displays (3 passengers)	3	Optional, OEM / AM
AM	GPS Navigation	1	AM
	Total	14	

Shifting Trends in Smart Cockpit Design

Digital information is becoming driver-safety oriented: Information for the driver is displayed through a combination of a compact instrument cluster, a large head-up display (HUD), and a large central console.



HUD Adoption Becoming a Mainstream Trend

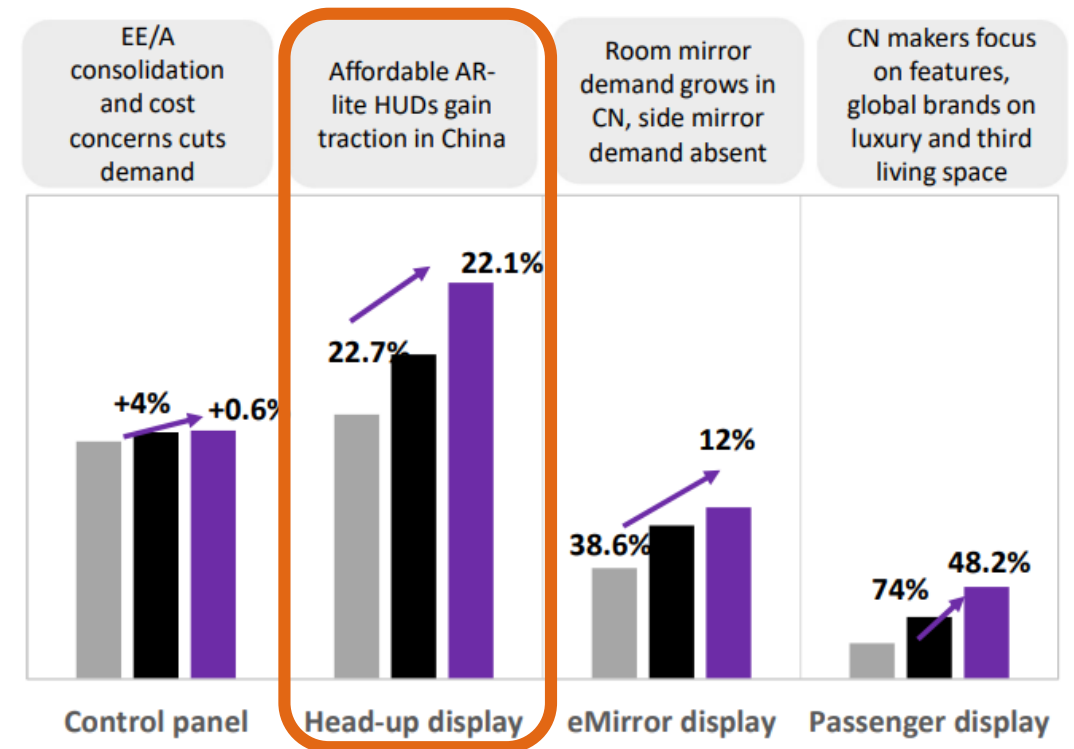
HUD Is Becoming The Future Standard.

AR head-up displays that project information 10 meters ahead of the driver, covering navigation, ADAS, vehicle status, and entertainment information.



HUD market is growing at an annual rate of approximately 22% and continues to expand.*

In the China market, HUD-equipped vehicle volume grew from 1.0m units in 2020 (penetration rate of 4.7%) to 3.9m units in 2024 (penetration rate of 13.9%).**



*Source: Omdia 2025,

**Source: China Industry Research Institute (CIC) Report

Safety Technology Integration – Instrument Cluster

Warning Lights with OSD Design

- OSD (On-Screen Display) is an instrument technology featuring an independent backup control circuit.
- It enhances reliability by ensuring that warning and malfunction indicator icons are displayed correctly.
- In response to the needs of new energy vehicles, it allows for a greater number of icons and increased flexibility in their use.



Complete Product Lines

- Cluster Display
- E-rearview Mirror Display
- Head-up Display, HUD
- 3-by-1 circular control knobs
- Rear-seat entertainment displays.
- Auto display design
- High brightness, low power consumption
- OSD technology

Major Products

Head-up Display, HUD



3-by-1 circular control knobs



Navigation Display



E-rearview Mirror



Cluster Display



Automotive Industry

Characteristics

- **Long validation cycles:** meet zero-defect standards and pass AEC-Q100 certification requirements
- **Custom specifications** developed with automakers
- **Sole-source supply** and stable delivery
- **Long product life cycles**

High Entry Barriers



Compliance with IATF 16949 standards

Patents

Patents granted across Taiwan, the U.S., Japan, China, and South Korea

Automotive-grade reliability certification AEC-Q100





Financial Data

Revenue

- Revenue (FY2024): NT\$2.97 bn (+11.77% YoY)
- EPS (FY2024): NT\$15.37
- Revenue (1Q 2025): NT\$624m (−13.75% QoQ, −8.52% YoY)

Details	1Q25	4Q24	Q/Q	1Q24	Y/Y
Revenue (NT'000)	624,295	723,821	-13.75%	682,455	-8.52%
Gross Profit Margin%	39.03%	38.42%	+0.61%	39.16%	-0.13%
Operating Margin%	17.35%	16.09%	+1.26%	21.48%	-4.13%
EPS (NT\$)	2.40	2.89	-0.49	3.58	-1.18

Sales Mix

- Increasing automotive revenue share supports long-term gross margin expansion

Product Type	2020	2021	2022	2023	2024	1Q2024	2Q2024	3Q2024	4Q2024	1Q2025
Auto	40.44%	43.91%	65.12%	75.80%	84.56%	82.33%	84.77%	86.25%	84.60%	87.85%
Non-Auto	59.56%	56.09%	34.88%	24.20%	15.44%	17.67%	15.23%	13.75%	15.40%	12.15%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Turnover Metrics

Turnover day	2020	2021	2022	2023	2024	1Q2024	2Q2024	3Q2024	4Q2024	1Q2025
Inventory	86	80	127	126	106	112	103	109	115	123
AR	28	21	28	25	24	25	27	28	28	31
AP	69	74	56	40	55	57	57	63	62	63

Income Statement

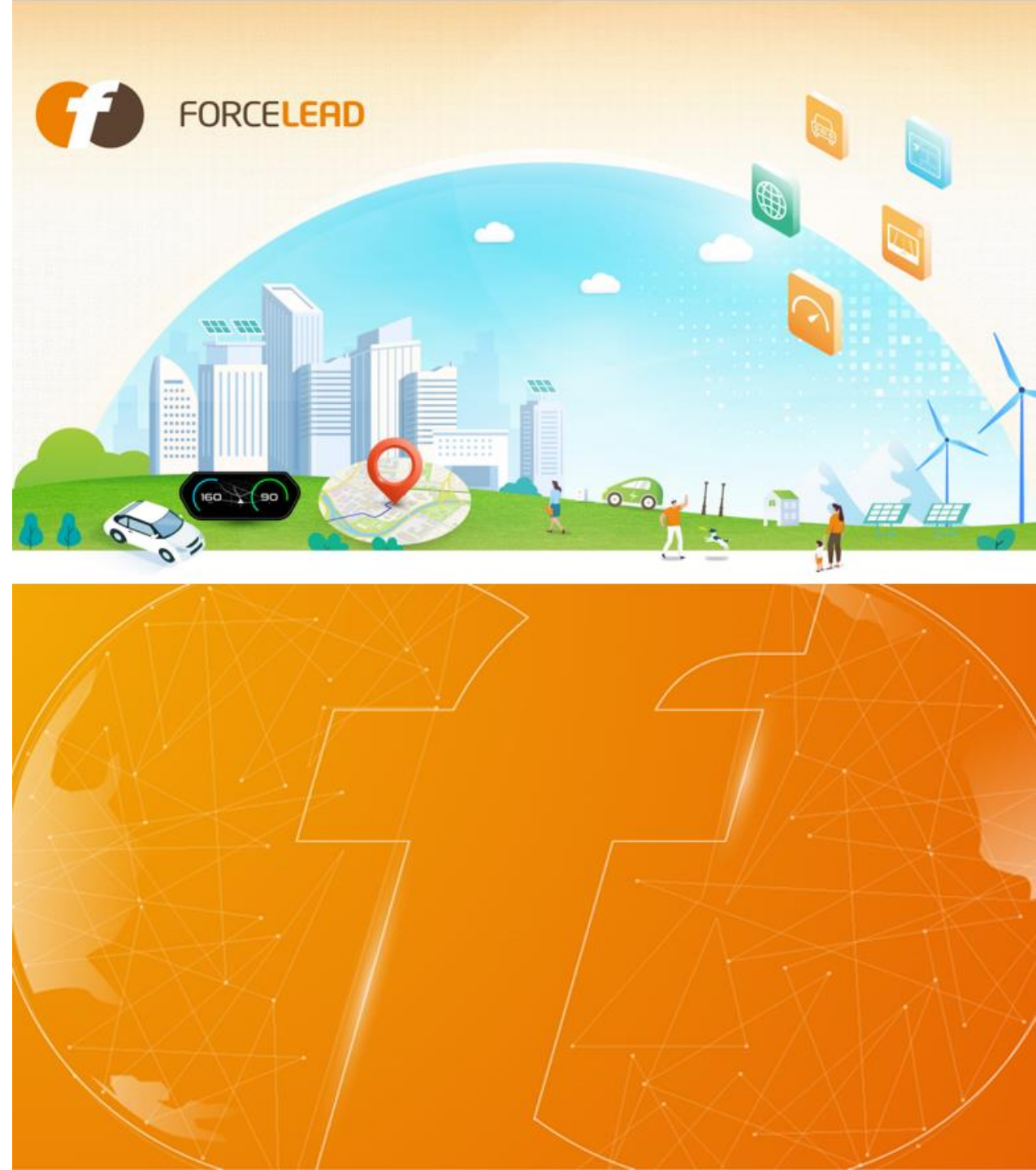
NT\$ / Year	2021	2022	2023	2024	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025
Sales (000')	3,532,757	2,809,051	2,656,536	2,969,215	682,455	778,742	784,197	723,821	624,295
GPM %	56.86%	41.10%	36.04%	40.30%	39.16%	41.32%	42.00%	38.42%	39.03%
Opex/sales %	18.62%	16.34%	17.41%	18.63%	17.70%	16.99%	17.57%	22.39%	21.70%
Op. Margin %	38.25%	24.76%	18.63%	21.70%	21.48%	24.35%	24.44%	16.09%	17.35%
Non-OP (000')	8,393	18,182	22,215	31,782	8,531	9,002	4,016	10,233	11,710
Tax %	17.69%	19.19%	15.51%	12.95%	12.33%	12.64%	15.69%	9.99%	16.85%
Net Income %	31.68%	20.53%	16.45%	19.82%	19.93%	22.28%	21.04%	15.75%	15.99%
EPS (NTD)	32.50	18.20	11.74	15.37	3.58	4.56	4.34	2.89	2.40



Sustainability Initiatives

Sustainability Initiatives

- The latest ESG report is available on our company website (www.forcelead.com.tw).
- Dec: established The Sustainability and Risk Management Committee.
- Completed a greenhouse gas self-inventory since 2022.



Q & A
Thank You.



FORCELEAD

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