



Date: 15th October, 2020

To,
The General Manager
The Department of Corporate Services – CRD
BSE Ltd,
PJ Towers, Dalal Street,
Mumbai – 400 001

Dear Sir/Madam,

Sub: Submission of a copy of press release

Ref: Scrip Code: 532407

With reference to the subject cited above, please find attached a copy of the press release which is being issued to the press on 15th October, 2020.

Kindly take the above information on your records.

Yours truly,

For MosChip Technologies Limited

A handwritten signature in black ink, appearing to read 'Suresh Bachalakura', with a horizontal line underneath.



CS Suresh Bachalakura
Company Secretary & Compliance Officer

Encl: as above

MosChip Technologies Limited
(formerly MosChip Semiconductor Technology Limited)
CIN: L31909TG1999PLC032184
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500034, Telangana, India Tel: +91 40 6622 9292, Fax: +91 40 66229393, www.MosChip.Com

MOSCHIP SECOND QUARTER UPDATE

Background:

The Hyderabad based BSE Listed, **MosChip Technologies Ltd. (MosChip)**, a Semiconductor & Embedded systems company with below expertise:

- 20+ years of track record in Semiconductor & Embedded Product Design. Its unique combination of product development expertise and deep knowledge of competencies ranging from Chip Design to Systems Development makes MosChip, a perfect “**Chip to Cloud**” company.
- First fabless semiconductor company in India and over the years it had shipped millions of connectivity-based chips to customers all across the world.
- Leveraging its experience and expertise MosChip, over the years, has been offering end to end services and Turn-Key ASIC solutions to industry leaders.
- MosChip’s production proven SerDes IP supporting various protocols is a key value proposition to our customers. Moschip continues to invest in the next generation PAM4 serDes technology with the development at advanced stage.
- MosChip’s training division “Moschip Institute of Silicon Systems” has been providing high quality training in VLSI and Embedded System Design and it has been supporting the growth of Moschip with handpicked talent graduating from the Institute.
- In addition, MosChip has been providing “Internet of Things” (IoT) solutions in the areas of Asset Tracking and Telematics and providing solutions for street lighting, smart metering and Industrial IoT.

Quarterly Update:

MosChip, under the new leadership and management, initiated significant restructuring measures along with operational changes, over the last few quarters, resulting in positive results and paving way for long term sustainable growth.

As the world is slowly getting out of the COVID-19 pandemic, new market opportunities are emerging for both semiconductor and product design services due to large investments flowing into the areas of Artificial Intelligence, 5G and IoT solutions.

MosChip is poised to be part of such emerging opportunities by continuing to focus on its inherent strengths in services, turnkey solutions, IP, IoT & Training.

Financials performance

- Q2 & H1 FY21

Though there is no significant increase in income from operations when compared to same periods of previous years, management has effectively worked on product mix / productivity / operational efficiencies resulting in positive EBIDTA.

- EBIDTA for the quarter ended 30 Sept 2020 is Rs 102 lakhs as against Rs (645) lakhs for the same quarter of previous year, resulting in increased by 116%.
- EBIDTA to income ratio for the quarter ended 30 Sept 2020 is 4.04% as against (26.3%) for the same quarter of previous year
- EBIDTA for the six months ended 30 Sept 2020 is Rs 240 lakhs as against Rs (692) lakhs for same period of previous year, resulting in increased by 135%.
- EBIDTA to income ratio for the six months period ended 30 Sept 2020 is 4.9% as against (12.5%) for the same period of previous year

- Q1 & Q2 FY21

The Decrease in EBIDTA from 5.7% in Q1 FY 21 to 4.0% in Q2 FY 21 is partially attributed to annual salary hikes.

Market Opportunity:

According to Semiconductor Industry Association (SIA), worldwide sales of semiconductors were \$35.0 billion in May 2020 and expected to grow steadily thru 2020-21. Additionally, a newly released WSTS industry forecast projects annual global sales will increase 3.3 percent in 2020 and 6.2 percent in 2021. The global semiconductor market has been largely resistant to the widespread economic disruptions caused by the COVID-19 pandemic, but there are uncertainties in some of the market segments. The latest industry forecast projects modest annual growth for 2020, followed by more substantial sales increases in 2021.

“MosChip has gone thru a significant transformation and the company is positioned to address the most complex needs of semiconductor and embedded system customers. MosChip is committed to the success of our customers by investing in new technologies, value added services and broad expertise in IP accumulated in the last twenty years.”

-Venkata Simhadri, MD & CEO

SAFE HARBOR: This release comprises certain forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those mentioned in such forward-looking statements.

The risks and uncertainties including but not limited to, those risks and uncertainties, viz, our ability to compete in highly competitive semiconductor industry, ability to define, develop and sell new products, dependency on subcontractors for the supply and quality of raw material, dependency on markets considering the cyclical nature of the industry and our ability to attract and retain technical manpower. MosChip may from time to time make additional forward looking statements in any manner and does not undertake to update any of these forward looking statements that may be made from time to time by or on behalf of the company.