



Hitron Investor Conference

TWSE Stock Code : 2419

November 4, 2021



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Amy Liu Spokeswoman
- Operation status and forward-looking
April Huang Chairman
- Market Status and Product Development
Patrick Chiu, President
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Disclaimer

This presentation may contain forward-looking based on current assumption and forecasts made by Hitrontech management. Various known and unknown risk, uncertainties and other factors could lead to material differences between the actual future result, financial situation, development or performance of the company and the estimates given here.



2021 Q3 Finance Statement

2021 Q3 Financial Report

Consolidated Comprehensive Income

NT Million	2021		2020		Var. %	2021		2020		Var. %
	Q3	%	Q3	%		Q1~Q3	%	Q1~Q3	%	
Net Sales	2,169	100.0%	3,009	100.0%	-28%	7,324	100.0%	7,003	100.0%	5%
Cost of Goods Sold	1,685	77.7%	2,455	81.6%	-31%	5,901	80.6%	5,508	78.6%	7%
Gross Profit	484	22.3%	554	18.4%	-13%	1,423	19.4%	1,496	21.4%	-5%
Operating Expense	405	18.7%	436	14.5%	-7%	1,236	16.9%	1,203	17.2%	3%
Operating Profit	79	3.6%	118	3.9%	-33%	188	2.6%	293	4.2%	-36%
Non-OP Gain or Loss	12	0.6%	(14)	-0.5%	-188%	9	0.1%	2	0.0%	343%
Net Income before Tax	91	4.2%	104	3.5%	-12%	197	2.7%	295	4.2%	-33%
Income Tax	27	1.2%	12	0.4%	127%	62	0.8%	66	0.9%	-6%
Net Income after Tax	64	3.0%	92	3.1%	-30%	134	1.8%	229	3.3%	-41%
Net Income Attributable to Owners of Parent	30	1.4%	92	3.1%	-67%	51	0.7%	174	2.5%	-71%
EPS (NT\$1)	0.09		0.29		-69%	0.16		0.54		-70%

2021 Q3 Financial Report

Consolidated Balance Sheet

NT Million	2021/9/30		2020/12/31		2020/9/30		Var.
	AMT	%	AMT	%	AMT	%	%
Cash & Cash Equivalents	2,275	22.5%	3,935	31.3%	3,961	33.1%	-43%
AR	1,633	16.2%	2,197	17.5%	2,413	20.1%	-32%
Inventory	3,575	35.4%	3,614	28.8%	2,912	24.3%	23%
PP & E	1,980	19.6%	2,054	16.4%	1,930	16.1%	3%
Other Assets	642	6.4%	756	6.0%	769	6.4%	-16%
Total Assets	10,106	100.0%	12,556	100.0%	11,984	100.0%	-16%
Current Liabilities	4,716	46.7%	6,905	55.0%	5,977	49.9%	-21%
Other Liabilities	69	0.7%	68	0.5%	638	5.3%	-89%
Total Liabilities	4,785	47.3%	6,973	55.5%	6,616	55.2%	-28%
Common Stock	3,290	32.6%	3,290	26.2%	3,290	27.5%	0%
Other Equity	2,031	20.1%	2,293	18.3%	2,078	17.3%	-2%
Total Equity	5,321	52.7%	5,583	44.5%	5,368	44.8%	-1%
Total Liabilities & Equity	10,106	100.0%	12,556	100.0%	11,984	100.0%	-16%



Operational Status and foreword Looking

2021 概況及未來展望

Operate under Shortages:

proactive manage our supply chain as the shortages will continue to the first half of 2021

Improve Margin by Quarters:

agreement with customer for quarterly price review and increase

New Markets and New channels:

Gain market share in both EU and CALA and go for retail channel in N.A.

Creative New Product and Services:

Partner with Qisda group for new products in 5G and WiFi ;Continue to improve SW service revenue

Significant MFG cost reduction:

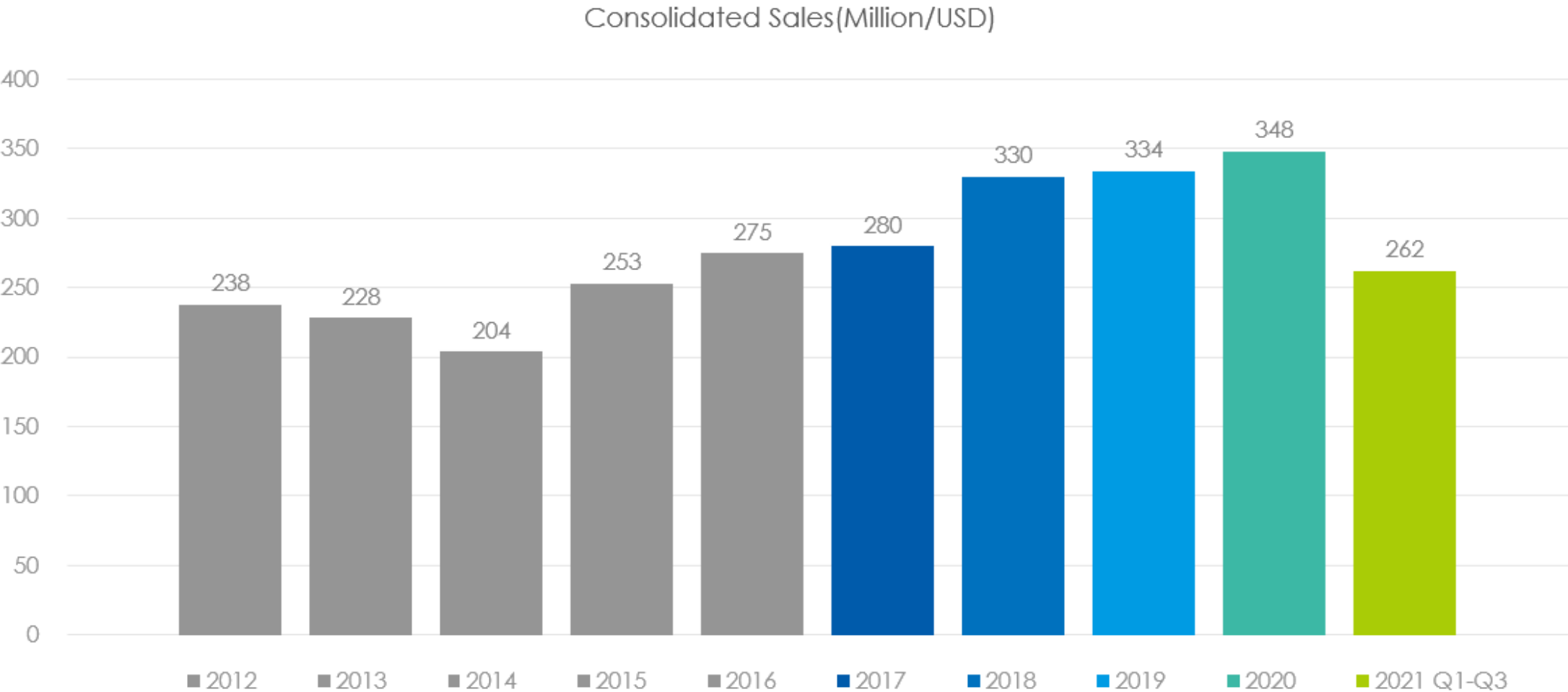
Vietnam factory fully ramp up from June of 2021

Expand via M&A

Positive for 2022 although PO are all on hand while component shortages continue to be uncertain & dynamic

Worldwide Revenue Growth

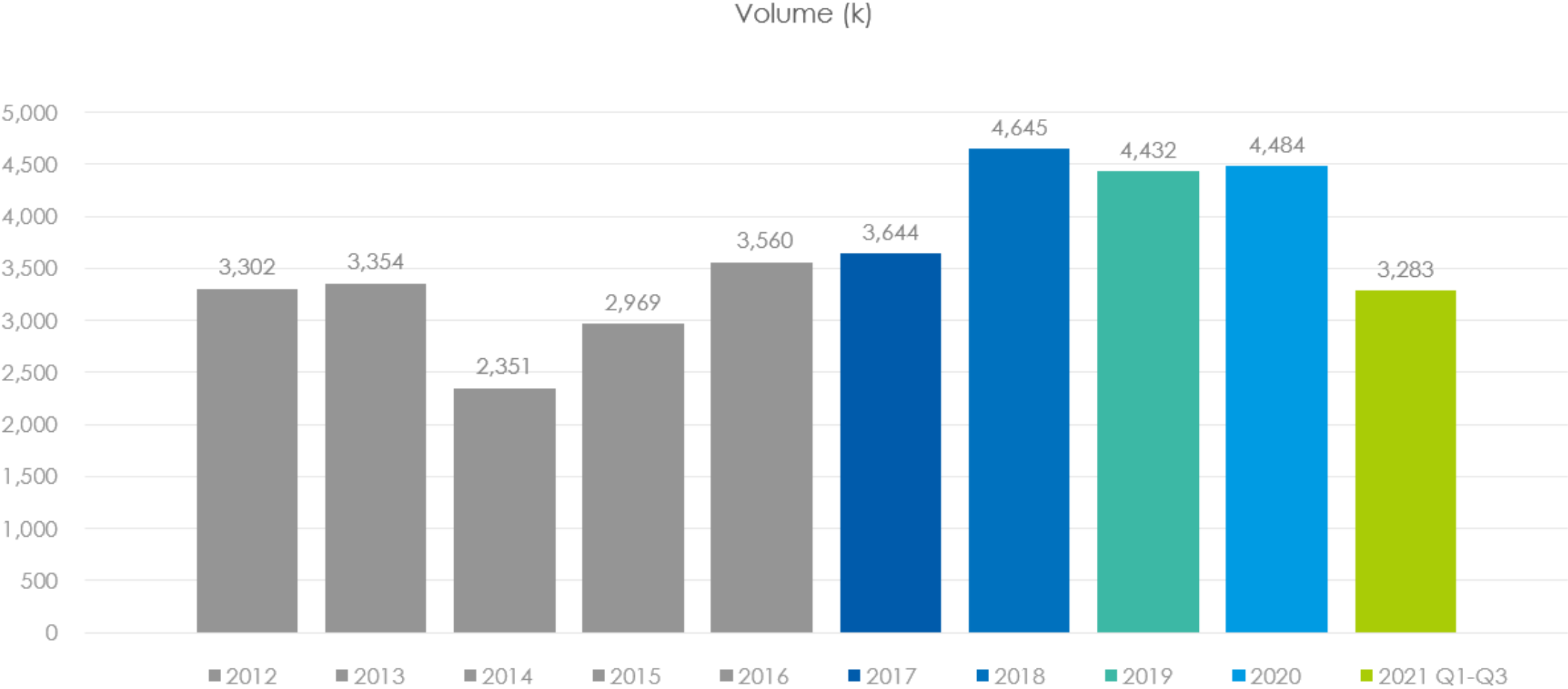
2012 – 2021 Q3



*Revenue in USD is calculated based on the annual average exchange rates

Global Shipping Volume

2012 – 2021 Q3



Manufacturing Center

VSIP-Hai Phong, Vietnam



Why VSIP-HP ?

Mega Infrastructure Project in Hai Phong



Special tax incentives



Comprehensive infrastructure and amenities



Logistic hub & On-site customs clearance

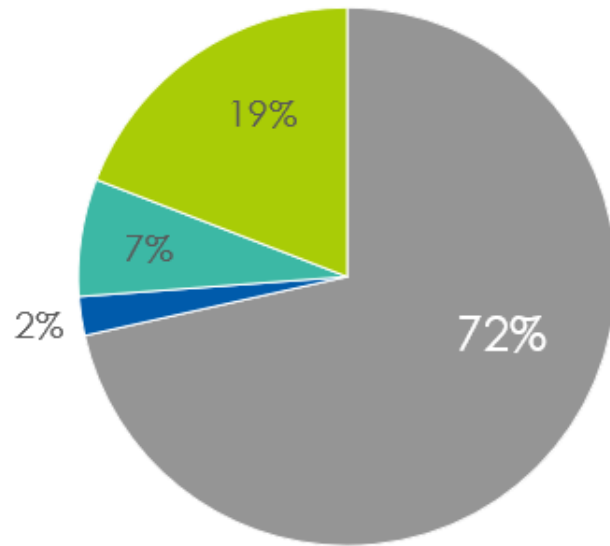


Adjacent to new city center

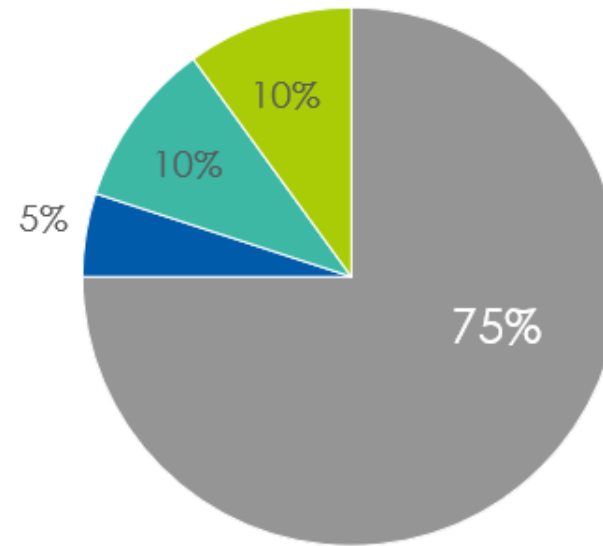
Shipping Volume

by Area

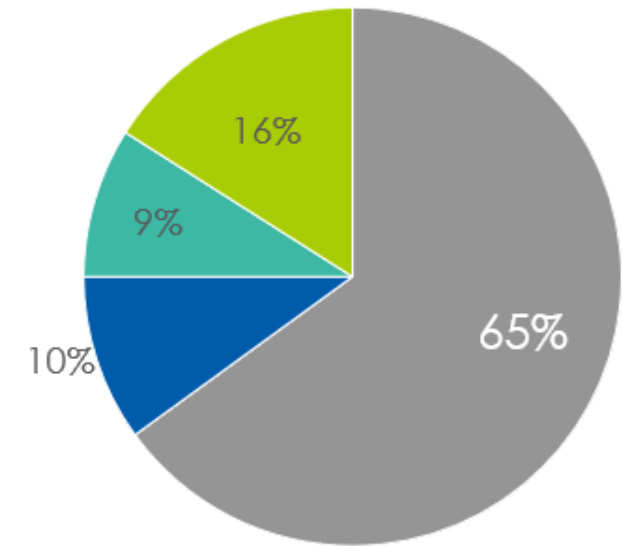
2019



2020



2021 Q1-Q3



■ North America

■ CALA

■ EMEA

■ APAC



Our Growth - Market Status and Product Development

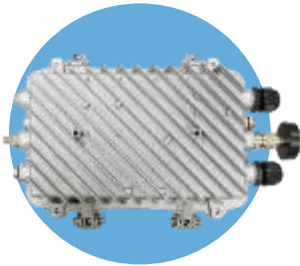
Hitron's Major Product Lines

Hardware + Software Solutions to Reduce OPEX, Improve Customer Satisfaction & Increase ARPU

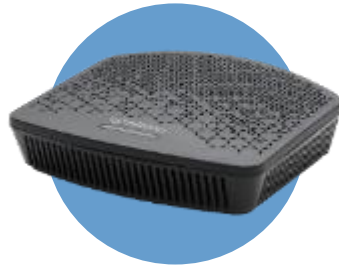
**Cable Modems
& Gateways**



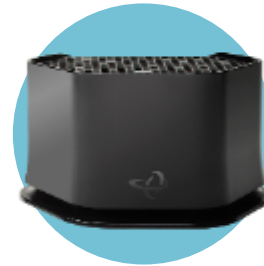
**5G Mobility
(Small Cell Backhaul)**



**10G PON
ONT/ONUs**



**Wi-Fi
Extenders**



**Coax & Network
Testing Tools**



**Home Network
Management**



Hitron—Your Trusted Partner in Networking

Offering Best-in-class Broadband Access Experience



**Leading D3.1
Gateway**



**Great Wi-Fi U/E on
Design and Quality**



**Internet to
Many Things**



**High Quality, ARPU
Creator, OPEX saver**



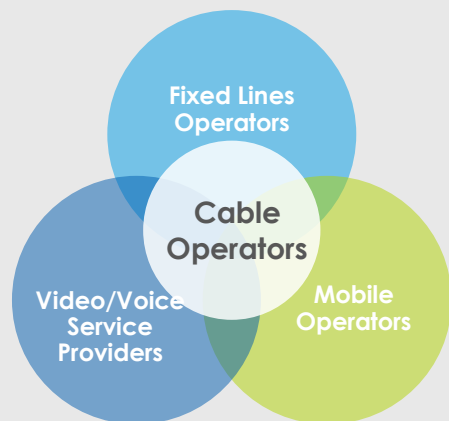
**Total Cost
Ownership**



**Flexibility &
Customization**

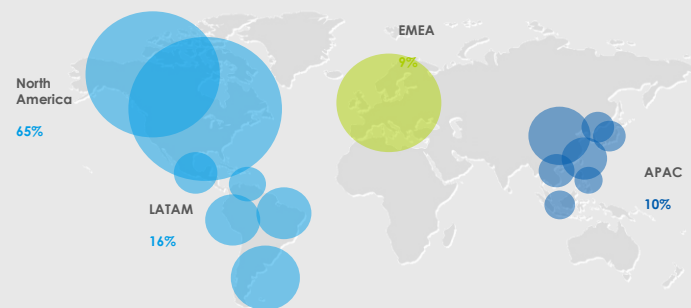
Long Term Strategies

Expand Market Segments



- Cable Modems & Gateways
- Satellite Home Router & WiFi extender
- 5G Backhaul/5G CPE
- Coax & Network Testing Tools
- 10G PON ONT/ONUs
- Home Network Management Solutions

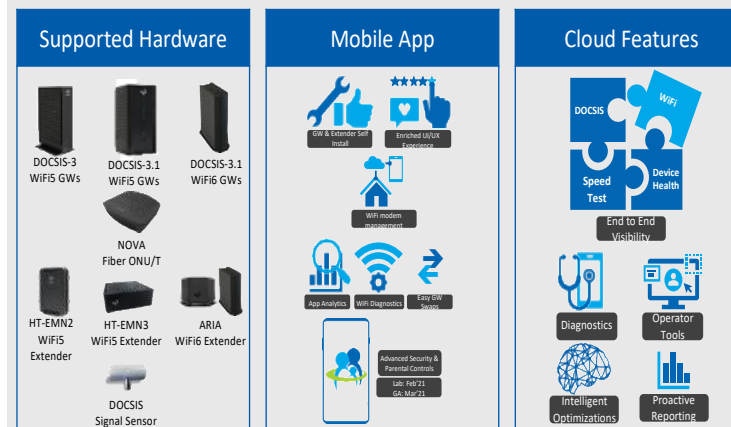
Expand Customer Footprints



Enhance Intelligence Worldwide Local Service Channel

- North America
- Europe
- LATAM
- China
- Japan

Expand Customer Footprints



- End to End visibility network topology
- Customized app solution applies to Residential and Business
- Parental controls are enforced on clients outside the home
- Remote customer service support for real time issue resolution
- Open platform to integrate 3rd party SW

Our Business focus and strategy for 2022



Expand to All Broadband service provider and operator

Cloud Solutions



Continue Hitron Cloud Platform and partner with 3rd party SW companies to increase ARPU

End-User App



Fully run Vietnam factory and fulfill all PO with good quality for 2022

Q&A



Thank you.
