



Hitron Investor Conference

TWSE Stock Code : 2419

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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.



2022 Q3 Finance Statement



2022 Q3 Financial Report

Consolidated Comprehensive Income

NT Million	2022		2021		2022		2021	
	Q3	%	Q3	%	Q1~Q3	%	Q1~Q3	%
Net Sales	3,163	100.0%	2,169	100.0%	8,643	100.0%	7,324	100.0%
Cost of Goods Sold	2,515	79.5%	1,685	77.7%	6,711	77.6%	5,901	80.6%
Gross Profit	647	20.5%	484	22.3%	1,932	22.4%	1,423	19.4%
Operating Expense	474	15.0%	405	18.7%	1,360	15.7%	1,236	16.9%
Operating Profit	173	5.5%	79	3.6%	572	6.6%	188	2.6%
Non-OP Gain or Loss	(30)	-0.9%	12	0.6%	(33)	-0.4%	9	0.1%
Net Income before Tax	144	4.5%	91	4.2%	540	6.2%	197	2.7%
Net Income Attributable to Owners of Parent	108	3.4%	30	1.4%	350	4.1%	51	0.7%
EPS (NT\$1)	0.34		0.09		1.09		0.16	
EBITDA	237		165		786		442	
EBITDA per share (NT\$1)	0.74		0.51		2.44		1.38	

2022 Q3 Financial Report

Consolidated Balance Sheet

NT Million	2022/9/30		2021/12/31		2021/9/30	
	AMT	%	AMT	%	AMT	%
Cash & Cash Equivalents	2,171	16.8%	3,175	28.9%	2,275	22.5%
AR	2,572	19.9%	1,797	16.4%	1,633	16.2%
Inventory	4,620	35.7%	3,453	31.4%	3,575	35.4%
PP & E	2,294	17.8%	1,964	17.9%	1,980	19.6%
Other Assets	1,270	9.8%	597	5.4%	642	6.3%
Total Assets	12,928	100.0%	10,986	100.0%	10,106	100.0%
Current Liabilities	6,824	52.8%	5,463	49.7%	4,716	46.6%
Other Liabilities	155	1.2%	116	1.1%	69	0.7%
Total Liabilities	6,978	54.0%	5,579	50.8%	4,785	47.3%
Common Stock	3,213	24.8%	3,290	29.9%	3,290	32.6%
Other Equity	2,736	21.2%	2,117	19.3%	2,031	20.1%
Total Equity	5,950	46.0%	5,407	49.2%	5,321	52.7%
Total Liabilities & Equity	12,928	100.0%	10,986	100.0%	10,106	100.0%

2022 Third Quarter Results

➤ Strong top line growth

Q3 revenue is \$3.16B which is 45% growth of YoY. First 3 quarter revenue is \$8.64B which is 18% growth for YoY. New Product is launched in North America and new customers in rest of the world.

➤ Balanced Revenue among all regions

Significant growth rate in LATAM and Europe compared YoY in Q3 and also better than North America market which is 15% growth. More balanced revenue contributions among 4 regions

➤ Enrich product lines outside DOCSIS

Launch and start deliver xPON, Extender and LOS gateway products and provide various broadband CPE products to MSO and Teleco carrier.

➤ Profit increase

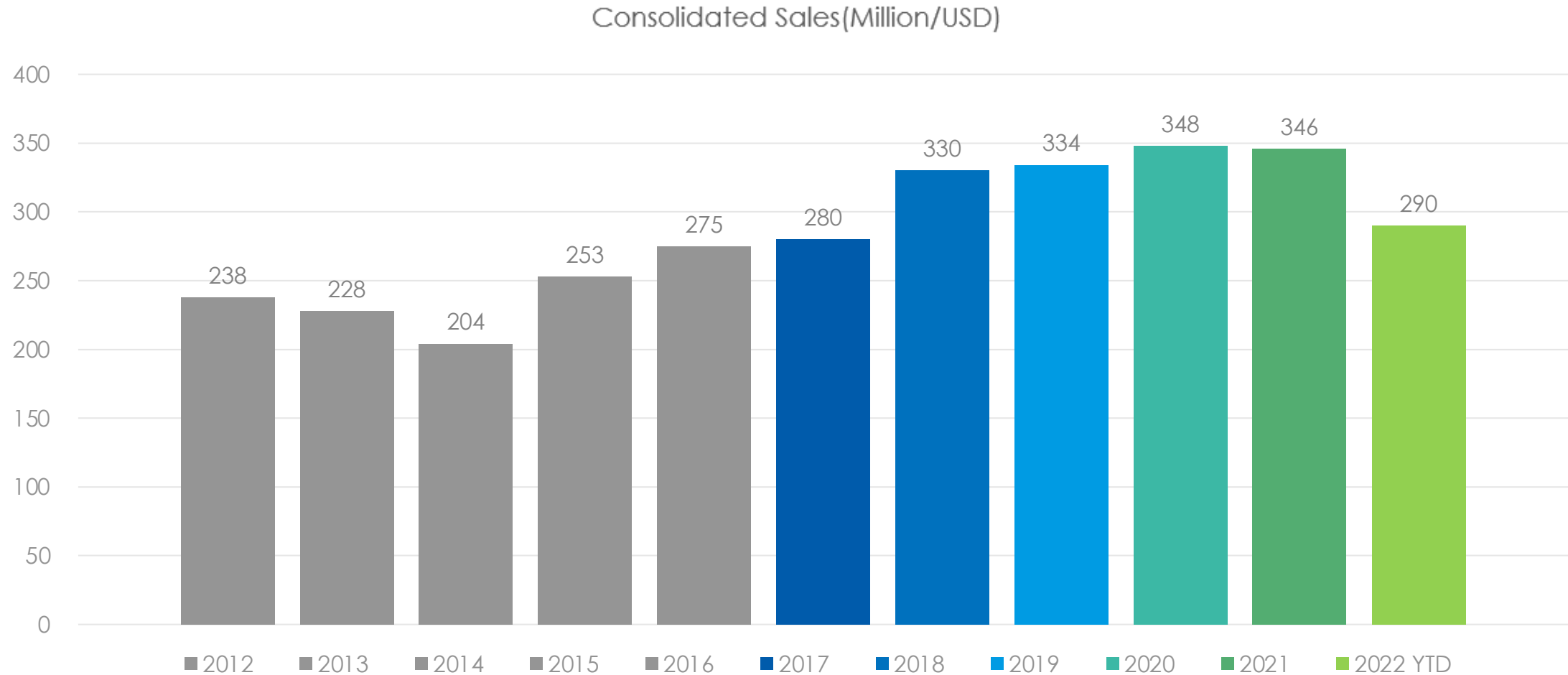
Profit margin and net profit increase due to effort of improving operation and manufacturing efficiency, revenue contribution from new market and new product launch

Inventory ADS

inventory (M NTD)	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3
Hitron Consolidated Total amount (F/R Net Amount)	3,451	3,584	3,575	3,454	4,809	4,874	4,620
Hitron Factory ADS (including in transit material and FG in factory)	75	110	111	112	118	98	68
Hitron RO ADS (including RO warehouse and in transit FG)	53	65	75	92	81	60	71

Worldwide Revenue Growth

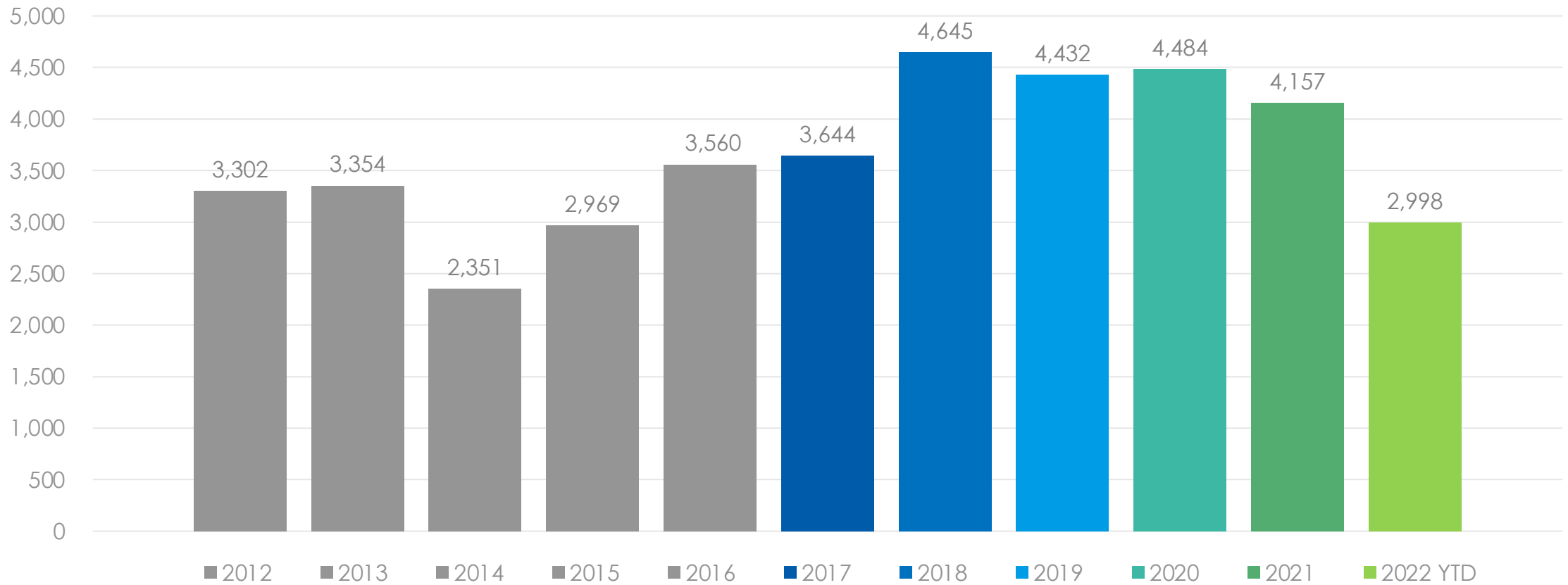
2012 – 2022 Q3



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

Global Shipping Volume

2012 – 2022 Q3



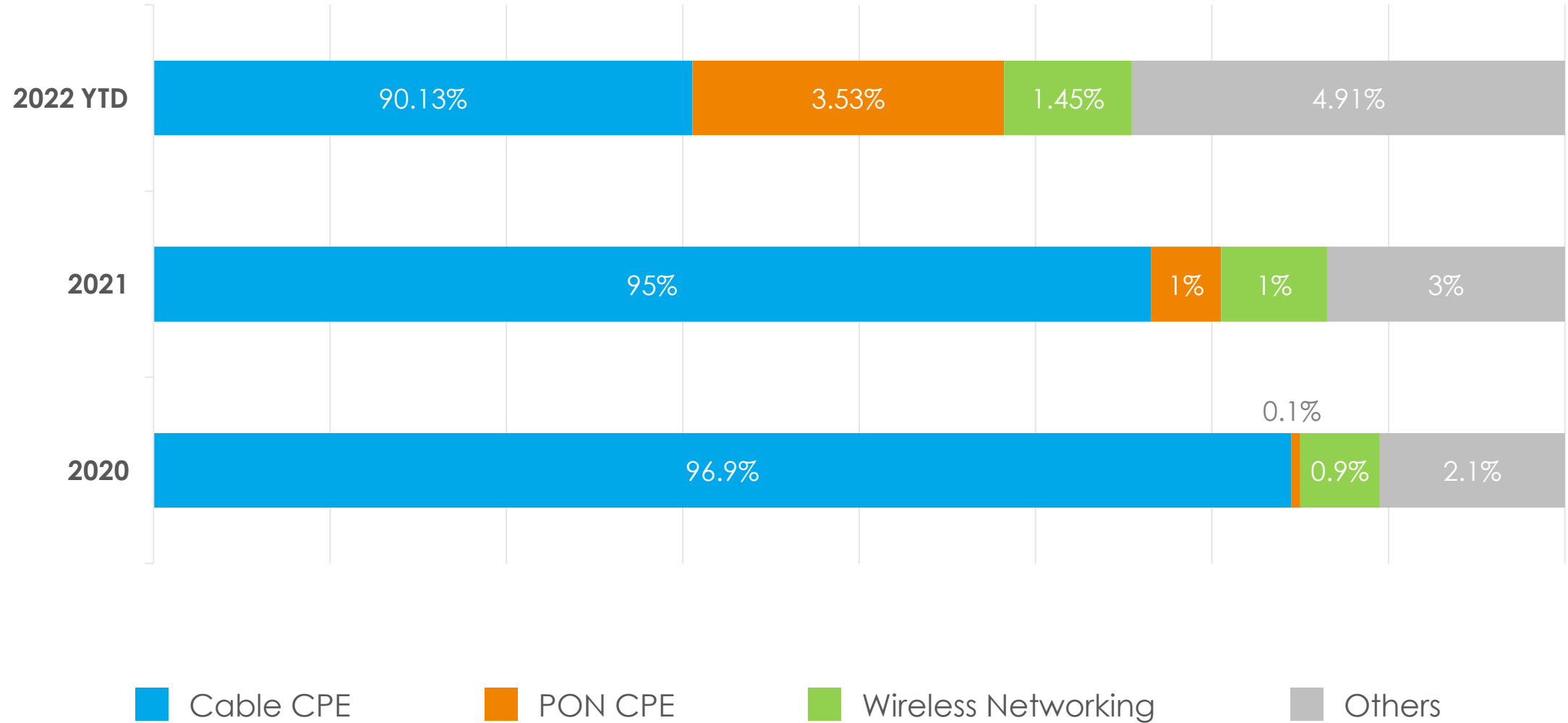
各地區營收表現

By Region

	Net Sales (\$M)						GP%			GP%			Notes
	Q3'21	Q3'22	YoY	YTD'21	YTD'22	YoY	Q3'21	Q3'22	YoY	YTD'21	YTD'22	YoY	
North America	41.9	60.1	+44%	144.8	165.9	+15%			+1.4%			+5.0%	<ul style="list-style-type: none"> Major North American MSO demand remains strong Increased demand for Wi-Fi 6 from small and medium operators Routers for low-orbit satellite operators begin shipping
EMEA	6.7	9.2	+36%	27.0	29.1	+8%			+3.3%			+6.4%	<ul style="list-style-type: none"> Major growth comes from Portugal and the UK 2023 will strengthen the development of the German-speaking market
LATAM	8.8	16.6	+90%	31.3	41.9	+34%			+4.4%			+3.7%	<ul style="list-style-type: none"> Despite chipset shortage in second half of 2022, high growth maintained through penetration with the top MSOs in Brazil, Colombia and Peru
APAC	6.8	7.5	+10%	16.6	21.3	+22%			+0.3%			+3.5%	<ul style="list-style-type: none"> USD revenue impact from NTD depreciation offset by wireless extender launch in Taiwan 2023 will accelerate the development of the Southeast Asian market (PON, Extender)

Shipping Revenue

by Segment



Q4 Focus and Forward Looking

- Continue to reduce inventory.
- BOM cost reduction & improve Manufacture efficiency.
- Staff up RD resource and expand new product line in Fiber and 5G small cell related products.
- Expect Q4 will be better than Q3. Expect significant growth in Europe and CALA region compared to last year Q4.
- New Wi-Fi 6 extender had certified by Plume and start selling together with the Wi-Fi gateway to Low Orbit Satellite service provider.

Q & A



Thank you.
