

Q3 FY22

Hon Hai Precision Industry Co., Ltd.
2022 Third Quarter Financial Results

Nov. 10, 2022



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- This document and relevant information herein may contain internal and external forward-looking information and constitute forward-looking statement.
- This document and relevant information may contain certain forward-looking statements. Such forward-looking statement is not actual results but only reflects the Company's estimates and expectations and is subject to inherent risks and uncertainties that could cause actual results to differ materially from such statement.
- Financial numbers in this document contains unaudited and unreviewed information. All information is for reference only.
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3Q22 Financial Results

3Q22 Financial Statements

1. Consolidated Statements of Income

(NTD in millions)	Q3/22	Q2/22	QoQ	Q3/21	YoY
Revenues	1,746,605	1,509,811	16%	1,405,768	24%
Gross Profit	107,628	96,628	11%	88,586	21%
Operating Income	48,549	44,337	10%	36,193	34%
Total Non-Op. Income and Expenses	2,647	2,601	2%	11,753	-77%
Income Before Tax	51,196	46,937	9%	47,946	7%
Income Tax Expense	(9,503)	(12,274)	-23%	(8,541)	11%
Profit (Loss) Attributable to Owner of the Parent	38,759	33,294	16%	36,984	5%
Earnings Per Share (NTD)	2.80	2.40	16%	2.67	5%
Gross Profit Margin	6.16%	6.40%	-24 bps	6.30%	-14 bps
Operating Profit Margin	2.78%	2.94%	-16 bps	2.57%	21 bps
Net Profit Margin	2.22%	2.21%	1 bps	2.63%	-41 bps

3Q22 Financial Statements

2.

Consolidated Balance Sheets

(NTD in millions)	2022.9.30	2022.6.30	QoQ	2021.9.30	YoY
Cash and Cash Equivalent	1,200,622	1,223,110	-2%	1,073,658	12%
Net Accounts Receivable	1,269,116	937,330	35%	927,867	37%
Inventory	880,548	750,872	17%	658,643	34%
Investments Accounted for Using the Equity Method	238,244	233,224	2%	176,681	35%
Property, Plant and Equipment	347,309	325,893	7%	295,471	18%
Total Assets	4,388,909	3,943,224	11%	3,648,706	20%
Accounts Payable	1,208,894	823,475	47%	879,592	37%
Bonds payable	239,773	230,261	4%	232,115	3%
Total Liabilities	2,740,034	2,358,185	16%	2,135,551	28%
Total Equity	1,648,875	1,585,039	4%	1,513,155	9%
Net Cash	138,505	204,636	-32%	235,479	-41%
AR Turnover Days	57	55	3	56	1
Inventory Turnover Days	46	49	-3	42	4
AP Turnover Days	56	55	1	56	-
Cash Conversion Cycle	47	49	-2	42	5
Debt Ratio	62%	60%	3%	59%	4%

3Q22 Financial Statements

3. Consolidated Statements of Cash Flow

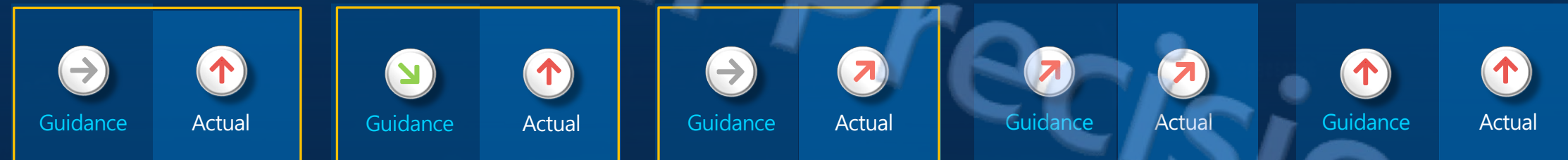
(NTD in millions)	2022.1.1~2022.9.30	2021.1.1~2021.9.30
Net Cash Flows from (Used in) Operating Activities	96,543	(129,284)
Net Cash Flows from (Used in) Investing Activities	(37,357)	(60,555)
Net Cash Flows from (Used in) Financing Activities	60,916	44,070
Capital Expenditures	(68,178)	(57,423)
Free Cash Flow (FCF) ¹	28,365	(186,707)

¹ Free Cash Flow = Net Cash Flows from (Used in) Operating Activities – Capital Expenditures

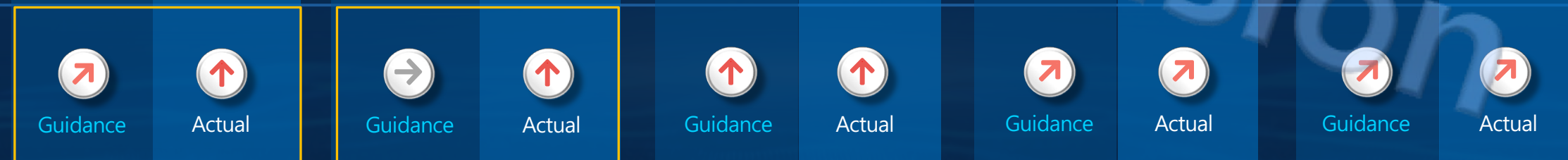
3Q22 Performance Review



QoQ



YoY



4Q22 & FY22 Business Outlook

4Q22 Business Outlook



QoQ



YoY



FY22 Business Outlook



YoY
(11/10 '22)



YoY
(08/10 '22)



FY23 Business Outlook

FY23 Business Outlook



Factors ►

Inflation

Epidemic

Geopolitics and
Macroeconomics

3+3 New Business Development



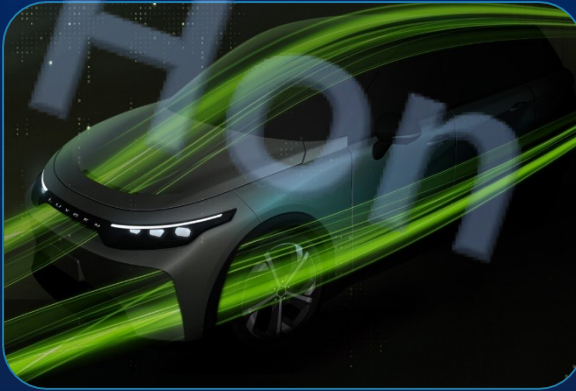
Indonesia

- Established a JV with Indika
- To produce E-bus & battery, to build up EV ecosystem



Saudi Arabia

- Established a JV with PIF called CEER
- Hon Hai provides EV EEA and software



LUXGEN launched n⁷ Pre-order with Model C adoption

- Over 25,000 Pre-orders
- Estimated delivery in 2H23



Signed MOU with INDIEV

- To produce INDI One prototype
- Manufacturing contract under negotiation



MODEL T delivered to Tainan, Kinmen and Yuanlin

- Delivered 20 more units
- ADAS, battery, motor, and EE control systems and advanced electronic equipment integration

2023 EV Outlook

Taiwan

Model C deliveries to LUXGEN



Saudi Arabia

SW and engineering services in progress



USA

Production of INDIEV prototype



Indonesia

Manufacture of E-bus and battery in progress



USA

Commercial production of Monarch Tractor



Taiwan

Kaohsiung Battery Center under construction



Thailand

EV factory under construction



Mexico

Automotive components factory expansion





SiC Wafer Fab

- Hon Young Semiconductor completed 1200V SiC MOSFET process
- Customer engagement under discussion



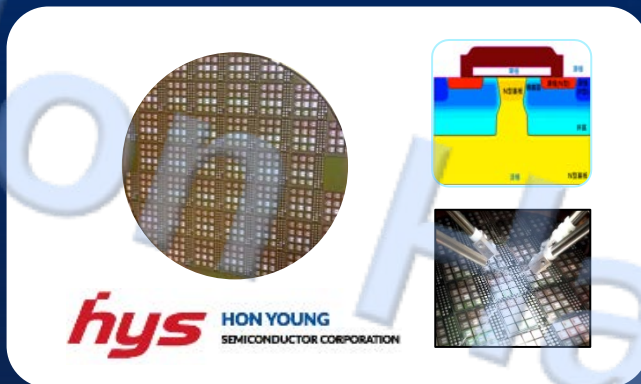
SiC Power Module for EV Powertrain

- Completed EV inverter 1200V/800A SiC power module and to begin design-in collaboration with car manufacturers



SiC Component for EV Application

- EV charging SiC MOSFET sample available and to begin trial production



SiC Foundry Service

- Hon Young Semiconductor to obtain IATF16949 certification in 2H23
- To provide SiC MP service in 2H23



Strategic Regional Collaboration

- Expand Semiconductor BOL business model
- Accelerate regional strategic cooperation and investment

Software Progress and Roadmap



2022 Saudi Arabia EEA Design and Software

- Smart Cockpit
- Smart Driving
- Smart Gateway



2023 EV Connected Cloud

- SW OTA service
- Fleet management
- Aftersales maintenance system



2025 Data and BI Services

- Data Analytics
- Financial services support
- Advertisement with EVs

Recap of Recent Major Events

2022 Hon Hai Tech Day



EV Exhibition Area

MODEL C

HHTD22 Highlights



EV Exhibition Area

MODEL B

HHTD22 Highlights



EV Exhibition Area

MODEL V



Key Components Exhibition

TSN Zonal E/EA EV Electronic control system

- Multiple screen cockpit system
- Ethernet Backbone Zonal EEA with TSN capability
- Self-developed modular controller

Key Components Exhibition

Battery



Solid State Battery for EV

- Pouch type with high energy density and high capacity
- Excellent performance at low temperature
- High safety



Anode free Solid State Battery

- All solid state battery (high safety)
- High energy density and wide working voltage range
- Low energy loss in harsh environment

Key Components Exhibition

Motor

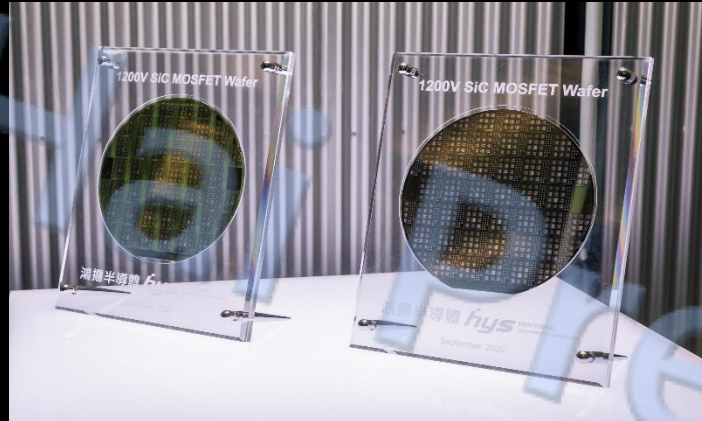
Electric Power Steering System

- The exclusive 48V R Type EPS manufacturer in Taiwan. In-house manufacturing rate reached 90% with MIH. Compared with 12V EPS system motor, size can be reduced by 20%.

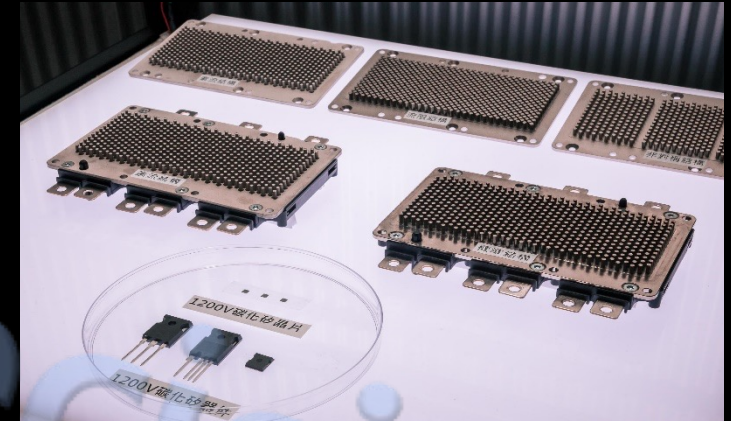


Key Components Exhibition

Semiconductor



**1200V SiC
MOSFET Wafer**



**EV SiC
Power Module**

HHTD22 Highlights



HHRI Innovation Technology (HIT) Showcase

Keynotes and Exhibition

- Information Security Research Center
- Semiconductor Research Center
- Next-generation Communication Research Center
- IONLAB
- Quantum Computing Research Center
- Artificial Intelligence Research Center

Recap of Recent Major Events | EV Business Event and Exhibition



2022/10/07

**MODEL T awarded Japan Good
Design Award**



2022/10/12

**Model E participated in TAIWAN
EXPO USA 2022**



2022/11/08

**Invested in LMC,
strengthening CDMS business model
and providing customers more
solutions**

Recap of Recent Major Events | ESG Implementation and Awards



2022/08/12 & 2022/08/19

**2022 Asia-Pacific Sustainability
Action Awards
&
HR Asia Best Companies to
Work For in Asia**



**2022/09/12 & 2022/10/06
& 2022/10/20**

**Certified by ISO ABMS
and ISO BCM
&
Headquarter certified
by Fitwel award**



2022/09/29

**Received “Dingge Award”
for 2 straight years in
recognition for internal entrepreneurship
digital health**

Thank you

