

Q1 FY24

Hon Hai Precision Industry Co., Ltd. **2024 First Quarter Financial Results**

May 14, 2024



50th Anniversary



- 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.
- Any business outlook or forward-looking statement hereof reflects the Company's estimates and expectations as of now and is subject to change after this date. Unless required by applicable law, the Company undertakes no obligation to update any such information.

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1Q24 Financial Results

2024 Q1 Financial Statements

1.

Consolidated Statements of Income

(NTD in millions)	Q1/24	Q4/23	QoQ	Q1/23	YoY
Revenues	1,323,992	1,852,072	-29%	1,462,437	-9%
Gross Profit	83,662	113,282	-26%	88,334	-5%
Operating Income	36,751	48,930	-25%	40,523	-9%
Total Non-Op. Income and Expenses	(4,242)	17,968	-124%	(20,120)	79%
Income Before Tax	32,509	66,898	-51%	20,403	59%
Income Tax Expense	(7,636)	(8,641)	-12%	(6,804)	12%
Profit (Loss) Attributable to Owner of the Parent	22,009	53,145	-59%	12,825	72%
Earnings Per Share (NTD)	1.59	3.83	-59%	0.93	72%
Gross Profit Margin	6.32%	6.12%	20 bps	6.04%	28 bps
Operating Profit Margin	2.78%	2.64%	13 bps	2.77%	0.5 bps
Net Profit Margin	1.66%	2.87%	-121 bps	0.88%	79 bps

2024 Q1 Financial Statements

2.

Consolidated Balance Sheets

(NTD in millions)	2024.03.31	2023.12.31	QoQ	2023.03.31	YoY
Cash and Cash Equivalent	1,163,448	1,197,663	-3%	1,119,530	4%
Net Accounts Receivable	712,095	872,270	-18%	703,678	1%
Inventory	753,150	730,765	3%	813,157	-7%
Investments Accounted for Using the Equity Method	185,024	198,480	-7%	206,038	-10%
Property, Plant and Equipment	410,372	393,967	4%	366,591	12%
Total Assets	3,773,640	3,939,789	-4%	3,659,319	3%
Accounts Payable	728,794	893,119	-18%	692,988	5%
Bonds payable	243,070	230,519	5%	220,699	10%
Total Liabilities	2,082,809	2,253,545	-8%	2,056,561	1%
Total Equity	1,690,831	1,686,244	0%	1,602,758	5%
Net Cash	439,660	424,870	3%	272,106	62%
AR Turnover Days	55	46	9	56	-1
Inventory Turnover Days	55	40	15	59	-4
AP Turnover Days	59	48	11	58	1
Cash Conversion Cycle	51	38	13	57	-6
Debt Ratio	55%	57%	-2%	56%	-1%

2024 Q1 Financial Statements

3. Consolidated Statements of Cash Flow

(NTD in millions)	2024.01.01~03.31	2023.01.01~03.31
Net Cash Flows from (Used in) Operating Activities	18,247	140,319
Net Cash Flows from (Used in) Investing Activities	8,693	(4,621)
Net Cash Flows from (Used in) Financing Activities	(87,841)	(82,119)
Capital Expenditures	(33,179)	(25,099)
Free Cash Flow (FCF) ¹	(14,931)	115,221

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

1Q24 Performance Review

1Q24



Smart Consumer
Electronics Products

48%



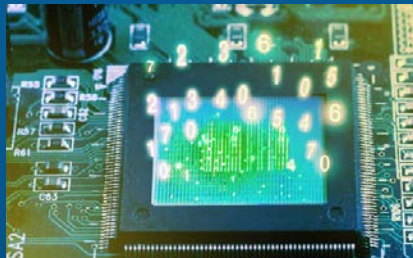
Cloud and
Networking Products

28%



Computing Products

18%



Components and
Others Products

6%

QoQ



Guidance



Actual



Guidance



Actual



Guidance



Actual



Guidance



Actual



Guidance



Actual

YoY



Guidance



Actual



Guidance



Actual



Guidance



Actual



Guidance



Actual



Guidance



Actual

2Q24 & FY24 Business Outlook

2Q24 Business Outlook



QoQ



YoY



2024 Business Outlook



YoY



Major Business Development

The latest generation of AI products

The latest AI hardware & software solutions



GPU Cluster



Platform Optimization



AI Ecosystem

AI Lab

- Compute/Network /Storage
- System performance testing and tuning

- Benchmark setting
- Systems methodology analysis construction
- Optimization of software and hardware integration

- Meet customers' customization needs

Comprehensive upgrade of global server production base



EV Business Development



- Accelerating delivery of vehicles to customers
- Taiwan EV sales champion in April



- Entering mass production development phase



- Groundbreaking for Qiaotou E Bus factory
- Expanding E Bus production capacity



**R&D Ecosystem
Construction**

- Procurement of automotive software EV Tool Chain from international suppliers
- Reducing testing time and enhancing R&D competitiveness



ADAS

- Collaboration with NVIDIA to optimize ADAS
- Accelerating the advancement of self-driving technology



**Four Key
Components
Design**

- Offering more integrated architecture



- Collaborating with automakers and Tier 1 companies on hybrid virtual automotive platform
- SiC Modules introduced in EV motor customers in Europe, China, and Taiwan



- SiC wafer fab received automotive certification and continues expansion
- SiC module plant under construction, planned to start production in Q3



- Computing Platform "Semi" Power IC introduce the projects of graphic card, servers, power-supply units customers

LEO Satellite and Smart City



Leo Satellite

- **Aggregate group resources on the Satellite Constellation CDMS**
- **Initiate the preparation of manufacturing orders**



Smart City

- **Exploring the landing projects with city leaders from multiple countries**
- **Promoting various GenAI services from multiple domains in KH**

Recap of Recent Major Events

Recap of Recent Major Events | New Business



CityGPT E Bus Management Platform
2024 Smart City
Innovative Application Award



AMPA
Showcased Comprehensive
EV Ecosystem



Groundbreaking of Foxtron's
E Bus Factory
First AI Factory
in Kaohsiung



ZF Foxconn
Chassis JV
Official Start

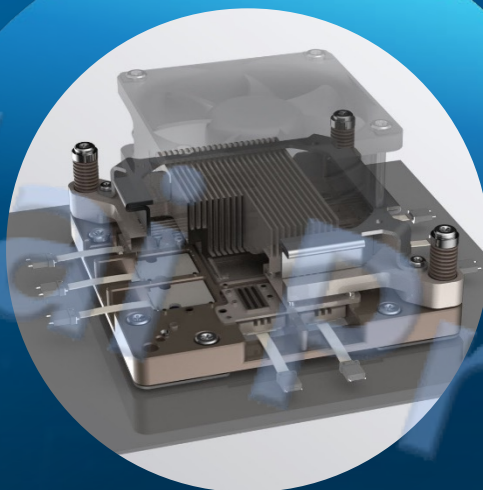


MIH Consortium
announced
Jun Seki as CEO

Recap of Recent Major Events | New Business



**NVIDIA GTC
Showcase AI
Solutions**



**FIT & MediaTek
Develop CPO
solutions**



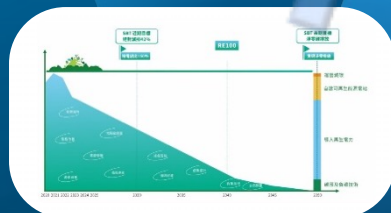
**Taiwan Telecare Association
Strengthen commitment
to digital health**

Recap of Recent Major Events | ESG Implementation

2040 target for
100% green energy
Joined RE100



Long-term net
zero target
SBTi validated



Published
Sustainable
Engagement Survey
results



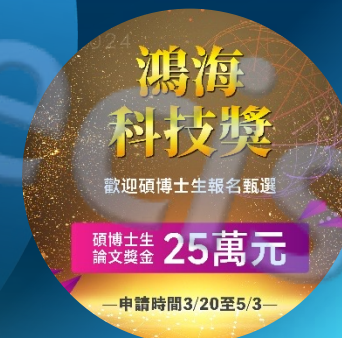
Panel Discussion



Joined 2024
Smart City Summit & Expo
& 2050 Net-zero City Expo



**First Sustainability
Awards**
ESG integrated into
employees' DNA



**2024 Hon Hai
Technology Award**
**Open for
registration**

Recap of Recent Major Events

ESG Implementation & Recognition

Volunteer and Employee Activities



Clarivate Top 100 Global Innovators

Recognized by Clarivate™

Top 100
Global Innovator
2024



CDP scorings upgraded
in three areas
Two areas receive
leadership label

Q&A

Hon Hai Precision

धन्यवाद

谢谢

Muchas Gracias

Thank you

謝謝

Obrigado

Cảm ơn



50th Anniversary



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