

Q3 FY24

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

Nov. 14, 2024



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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.
- 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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3Q24 Financial Results

2024 Q3 Financial Statements

1.

Consolidated Statements of Income

(NTD in millions)	Q3/24	Q2/24	QoQ	Q3/23	YoY
Revenues	1,854,569	1,550,551	20%	1,543,164	20%
Gross Profit	114,733	99,507	15%	102,753	12%
Operating Income	54,771	44,604	23%	46,150	19%
Total Non-Op. Income and Expenses	12,882	3,795	239%	11,067	16%
Income Before Tax	67,653	48,400	40%	57,217	18%
Income Tax Expense	(12,308)	(9,455)	30%	(9,727)	27%
Profit (Loss) Attributable to Owner of the Parent	49,325	35,045	41%	43,128	14%
Earnings Per Share (NTD)	3.55	2.53	40%	3.11	14%
Gross Profit Margin	6.19%	6.42%	-23 bps	6.66%	-47 bps
Operating Profit Margin	2.95%	2.88%	8 bps	2.99%	-4 bps
Net Profit Margin	2.66%	2.26%	40 bps	2.79%	-14 bps

2024 Q3 Financial Statements

2.

Consolidated Balance Sheets

(NTD in millions)	2024.09.30	2024.06.30	QoQ	2023.09.30	YoY
Cash and Cash Equivalent	791,144	1,048,680	-25%	1,208,030	-35%
Net Accounts Receivable	1,187,816	861,609	38%	989,059	20%
Inventory	883,537	808,459	9%	772,293	14%
Investments Accounted for Using the Equity Method	203,268	196,649	3%	200,772	1%
Property, Plant and Equipment	434,691	424,230	2%	383,186	13%
Total Assets	4,272,283	3,966,849	8%	4,063,389	5%
Accounts Payable	1,149,179	891,114	29%	956,085	20%
Bonds payable	251,422	246,265	2%	238,717	5%
Total Liabilities	2,474,516	2,245,179	10%	2,376,251	4%
Total Equity	1,797,767	1,721,670	4%	1,687,138	7%
Net Cash	249,135	408,552	-39%	304,513	-18%
AR Turnover Days	51	47	4	53	-2
Inventory Turnover Days	45	49	-5	49	-4
AP Turnover Days	53	50	3	54	-1
Cash Conversion Cycle	42	46	-3	48	-5
Debt Ratio	58%	57%	1%	58%	-1%

2024 Q3 Financial Statements

3. Consolidated Statements of Cash Flow

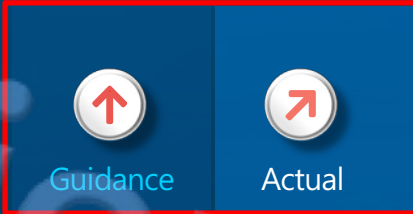
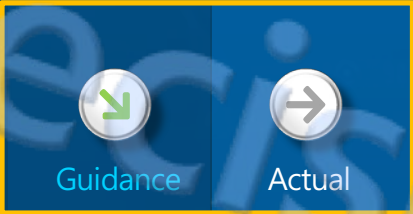
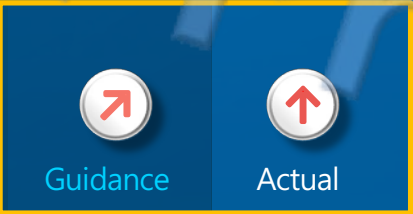
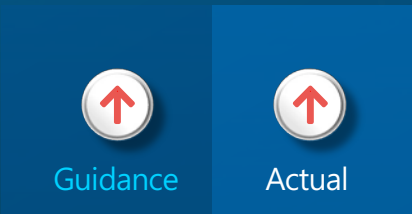
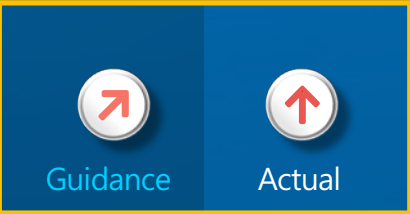
(NTD in millions)	2024.01.01~09.30	2023.01.01~09.30
Net Cash Flows from (Used in) Operating Activities	(18,634)	286,153
Net Cash Flows from (Used in) Investing Activities	(237,325)	(55,113)
Net Cash Flows from (Used in) Financing Activities	(180,546)	(104,528)
Capital Expenditures	(96,090)	(71,584)
Free Cash Flow (FCF) ¹	(114,724)	214,568

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

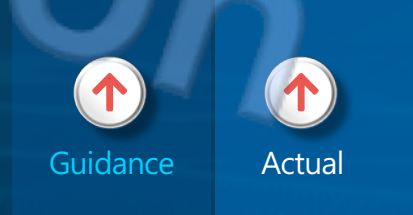
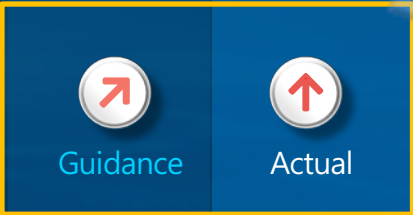
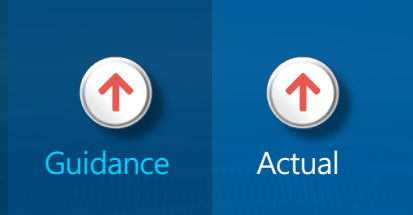
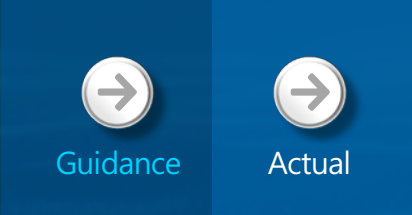
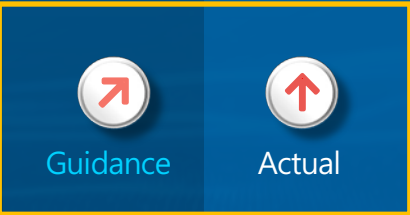
3Q24 Performance Review



QoQ

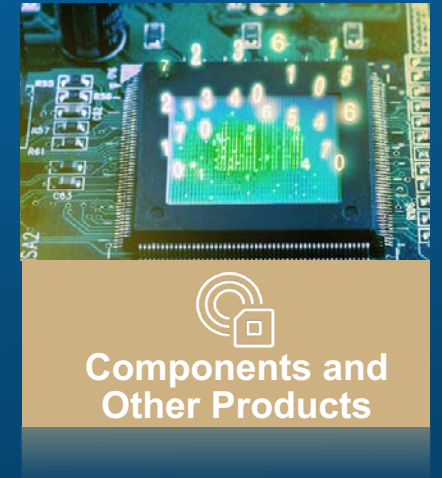


YoY



4Q24 & FY24 Business Outlook

4Q24 Outlook



QoQ



YoY



FY24 Business Outlook

FY24



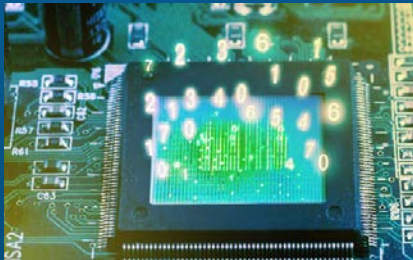
Smart Consumer
Electronics Products



Cloud and
Networking Products



Computing Products



Components and
Other Products

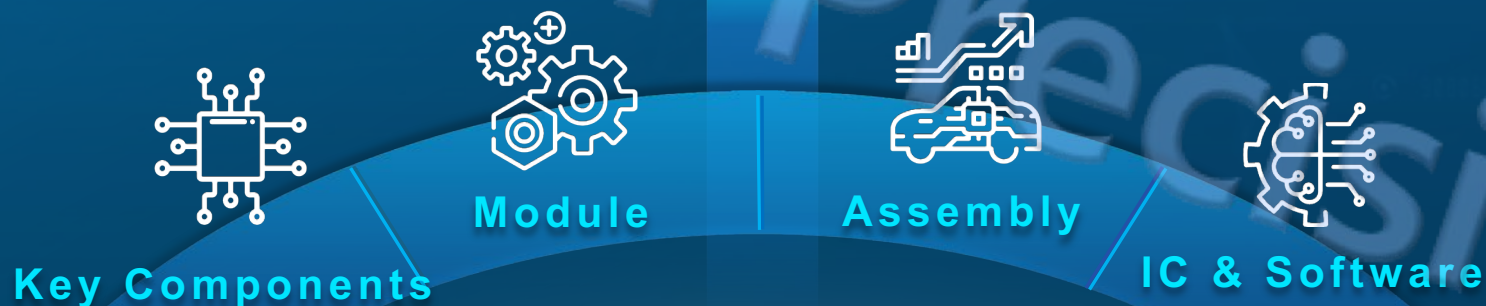
YoY
2024/8/14



YoY
2024/11/14



Key Pillars in 2024 - Platform Solution Provider



Powered by AI Factory

FY25 Business Outlook

FY25 Business Outlook



**Influencing
Factors**



**Political and
Economic Situation**

**Monetary
Policy**

**AI Industry
Development**

Key Pillars in 2025 -

Technology Manufacturing Platform
Service Company



Platform Service Provider



Key Components



Module



Assembly



IC & Software

Manufacturing Service Provider

Powered by AI Factory

Major Business Development

Rapid Growth in AI Server Business



2025 AI Server

1. Contribution to total server revenue **>50%**
2. Shipments climbing QoQ
3. Comprehensive Client Coverage

Smart Manufacturing Development



**MFG AI
Platform**

- Collaborating with BCG on Genesis Initiative Platform



**Robotics
Platform**

- Developing Robot+AI Platform with Intrinsic



**Digital Twin Factory
Platform**

- Partnering with NVIDIA & Siemens to create Digital Twin Factory Platform



Diverse Product Mix

- Launching MODEL U, D, and A, providing a diverse product mix
- Complete mass production preparation of MODEL B by end of 2024



Battery / Energy Storage Deployment

- Battery plant mass production in 2025 Q1



Software Development

- Deepen collaboration with partners
- Testing taking place on Taiwan's roads, accelerating EV software development
- Creating Smart EV platform

Smart City Development



- Showcasing CityGPT in HHTD24, receiving positive feedback from domestic and foreign markets



- Kaohsiung Smart City strengthens AI development with help from the Industrial Development Administration, Ministry of Economic Affairs
- Holding GenAI workshop with local governments

Semiconductor Deployment



Key Capacity Deployment

- Automotive Product Validation and Mass Production
- Glass Re-distribution Layer (RDL) PCB Small-Scale Production
- Establish Design Service Process (5nm Backend Design & CoWoS Design)



Automotive Power / Analog IC

- Silicon Carbide Module Factory Pilot Production and New Project Introduction
- Automotive Semiconductor Module System Design Project
- In-house Designed Power ICs and Power Semiconductors Integrated into Server Products

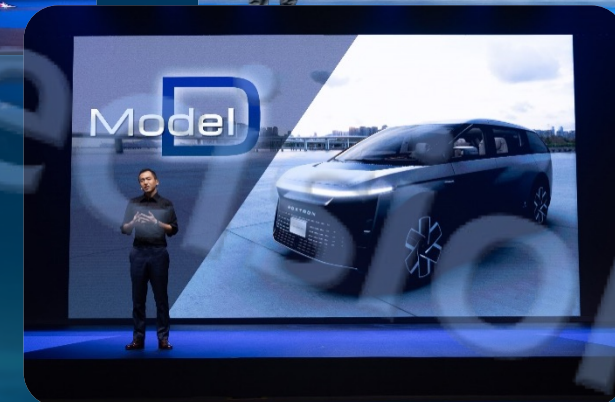
2024 Hon Hai Tech Day

HHTD24 Highlights | Opening



HHTD24 Highlights | Opening

Keynote conversations with world-class partners



HHTD24 Highlights | EV Exhibition



HHTD24 Highlights | New EV Models Launch



MODEL D



MODEL U

HHTD24 Highlights | Exhibition Areas

Showcasing Foxconn's capabilities in providing solutions across six areas



Super Computing Center



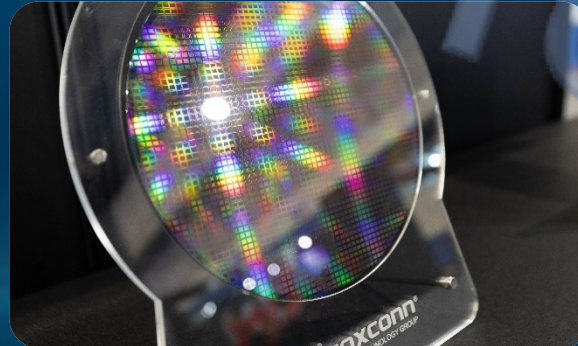
Smart Manufacturing



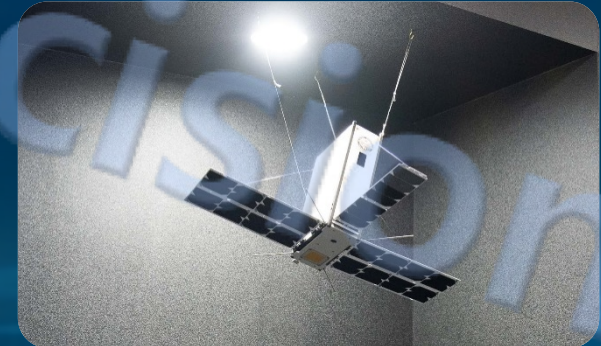
Smart EV



Smart City



Semiconductor



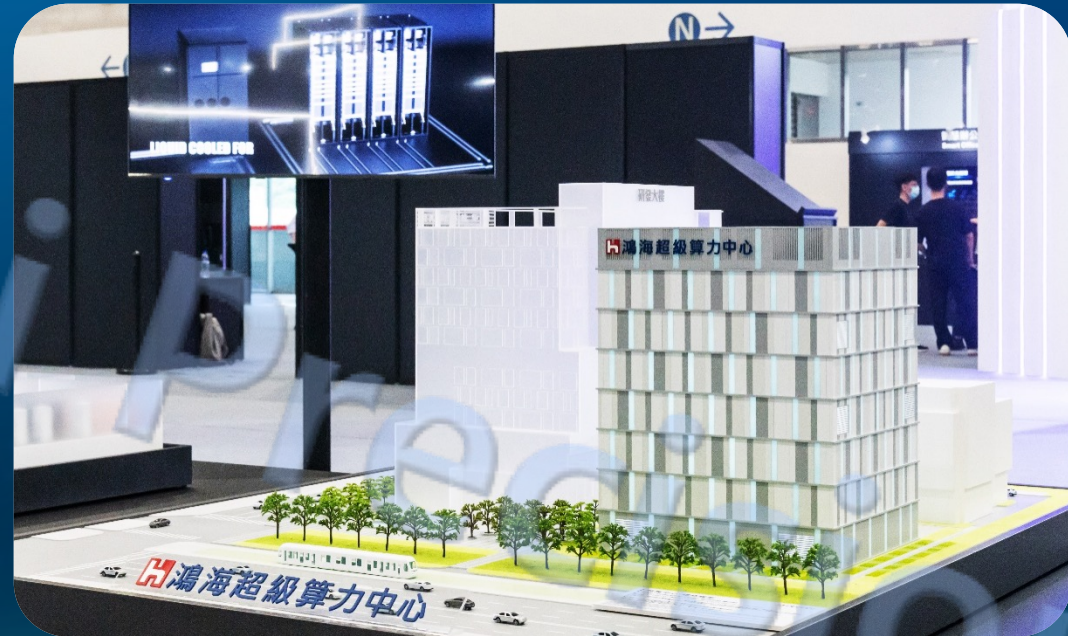
Advanced Technology

HHTD24 Highlights | Exhibition Areas

Showcasing first mass produced superchip-powered AI server rack in the world



**NVL72 & Liquid
Cooling solution**



Super Computing Center

HHTD24 Highlights | Forums

Partners leading discussions in exploring industry technologies and future strategies



HHTD24 Highlights | Day Two Open to the Public



Open to the general public for the first time,
to share and inspire, technology and
Taiwan through HHTD24



Over 3,000 people attended

Recap of Recent Major Events

Recap of Recent Major Events | New Business Development



Chen Ho-Huang competed in Asia Cross Country Rally (AXCR) as first ever EV entrant with Luxgen N7



CoDoctor Pro - The professional version of the multifunctional tester has been awarded **Class II** medical device license



WEF recognition: Foxconn added **2 more world-class Smart Manufacturing Lighthouse** factories



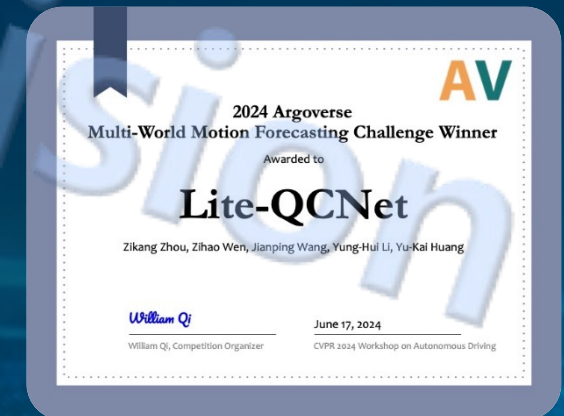
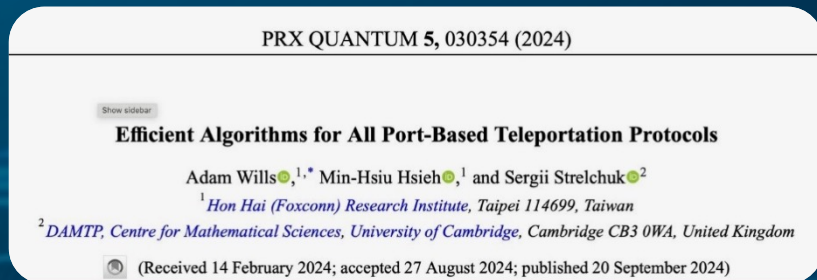
ZF Foxconn Chassis Modules Business keeps growing, Shenyang factory will be completed next year



2024 Smart Medical Device Cross-Disciplinary Unit Expo Focusing on Digital Health Innovation and Cross-Industry Collaboration

Recap of Recent Major Events | HHRI Research Achievements

- In collaboration with the University of Cambridge, research results were published in the international top-tier quantum computing journal, PRX Quantum
- Joint advanced research with National Yang Ming Chiao Tung University was featured on the cover of the top-tier materials science journal, Materials Today Advances
- Breakthroughs in advanced research: Results were published in the prestigious international journal, IEEE TPEL
- Hon Hai Research Institute teams up with SEMICON Taiwan to host "NEXt Forum"
- Argoverse2 secures top spot for two consecutive years in the Challenge



Recap of Recent Major Events | ESG Implementation & Activities

E

- Slovakia Campus Participates in "Bike to Work" Event: Over 1,300 Kilograms of Carbon Emissions Were Reduced
- Czech Campus Employees Involved in Animal Rescue and Wildlife Conservation
- Wisconsin Campus in the U.S. Hosts Nature Experience Activities



S

- Texas Campus Partners with Houston Food Bank to Donate Supplies
- Slovakia Campus and U.S. Virginia Campus Donate Supplies for Back-to-School Season



G

- Czech Campus Participates in "Sport Park Pardubice" to Experience Various Sports Activities



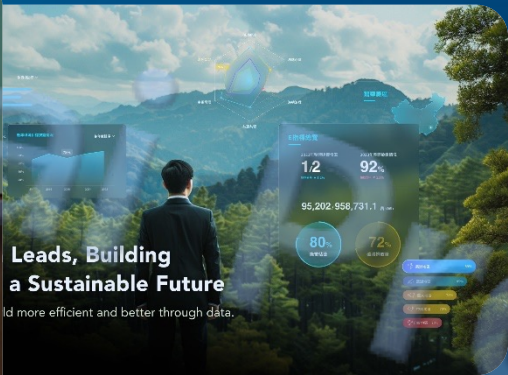
Recap of Recent Major Events | ESG Recognition



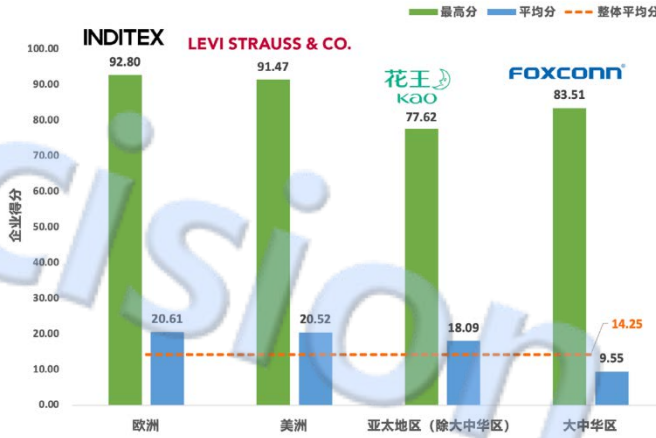
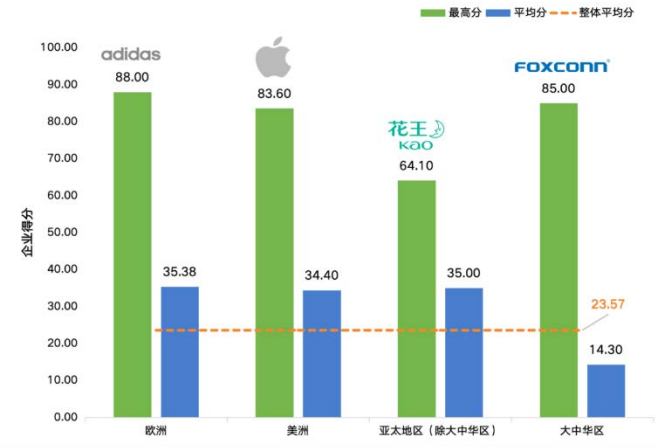
CommonWealth Sustainability Award
Significant Growth in Four Key Areas



IPC Asia Electronics Industry Outstanding Contribution Award
ESG Benchmark Company Award



Hon Hai Sustainable Monitoring Platform Wins Red Dot Design Award



Ranked No. 1 in Greater China for Four Consecutive Years in the CITI and CATI Green Supply Chain Index

Recap of Recent Major Events | ESG Recognition



Ragan CSR & Diversity Awards



Brandon Hall Group Excellence Awards

Q&A

धन्यवाद

谢谢

Muchas Gracias

Thank you

謝謝

Obrigado

Cảm ơn

