



Phihong Technology 2022 Q3 Investor Conference

November 23, 2022

Disclaimer

This presentation contains forward-looking statements which are subject to risks, uncertainties, and assumptions, some of which are beyond our control. Actual results may differ materially from those expressed or implied by these forward-looking statements. Please refer to the information on the MOPS website as the main basis for any adjustments that have been made. (<http://mops.twse.com.tw/mops/web/index>)

The financial figures hereby are based on International Financial Reporting Standards (IFRS) and have been reviewed by auditor.

Agenda

- 01 **Opening**
Benetton Li – Zerova CFO
- 02 **2022 Q3 Results Update and Outlook**
Allan Lin – CEO of Phihong Technology
- 03 **Overview of Zerova Technologies**
Alex Lin – Chairman of Zerova Technologies
- 04 **Q&A**



2022 Q3 Results Update and Outlook

2022 Q3 Financial Results



<i>(in NTD mm)</i>	2022Q3		2022Q2		QoQ	2021Q3		YoY
	Amount	%	Amount	%	%	Amount	%	%
Sales Revenue	3,804	100.0	3,392	100.0	12.1	3,144	100.0	21.0
COGS	3,265	85.8	2,917	86.0	11.9	2,747	87.4	18.9
Gross Profit (Loss)	539	14.2	475	14.0	13.5	397	12.6	35.8
Operating Expenses	564	14.8	487	14.4	15.8	447	14.2	26.2
Operating Income (Loss)	(25)	(0.7)	(12)	(0.4)	(108.3)	(50)	(1.6)	50.0
Other Income	101	2.7	65	1.9	55.4	30	1.0	236.7
Profit Before Tax (Loss)	76	2.0	53	1.6	43.4	(20)	(0.6)	480.0
Income Tax Benefits (Expense)	(52)	(1.4)	17	0.5	405.9	4	0.1	1,400.0
Profit After Tax (Loss)	24	0.6	70	2.1	(65.7)	(16)	(0.5)	250.0
EPS		0.06		0.19			(0.05)	

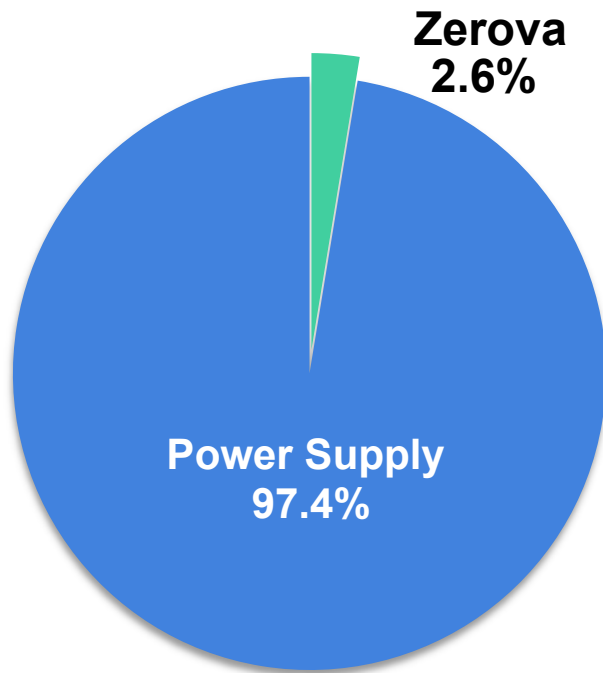
2022 Q1-Q3 Operating Performance

(in NTD mm)

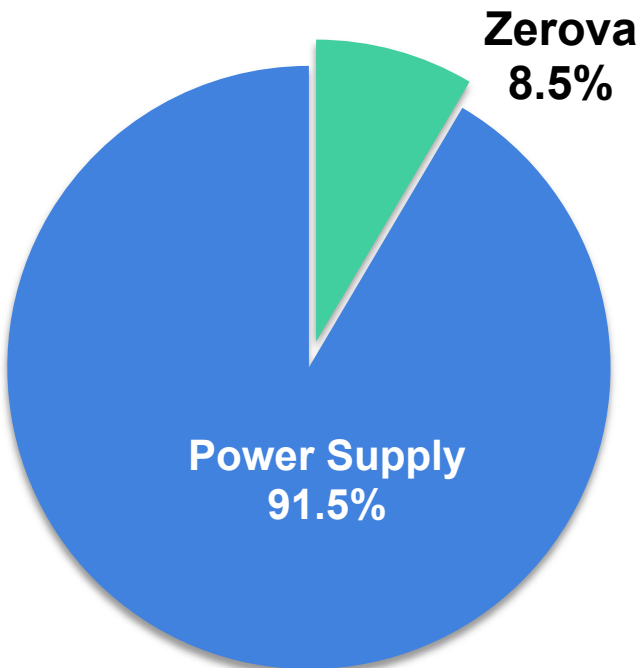
Item	2022 Q1-Q3		2021 Q1-Q3		YoY
	Amount	%	Amount	%	%
Sales Revenue	10,165	100.0	8,510	100.0	19.4
COGS	8,813	86.7	7,551	88.7	16.7
Gross Profit (Loss)	1,352	13.3	959	11.3	41.0
Operating Expenses	1,531	15.1	1,290	15.2	18.7
Operating Income (Loss)	(179)	(1.8)	(331)	(3.9)	45.9
Other Income (Loss)	237	2.3	40	0.5	492.5
Profit Before Tax (Loss)	58	0.6	(291)	(3.4)	119.9
Income Tax Benefits (Expense)	(44)	0.4	(7)	(0.1)	528.6
Profit After Tax (Loss)	14	0.1	(298)	(3.5)	104.7
EPS		0.04		(0.88)	

Segment Revenue Contribution

FY2021
NTD 12,284 mm

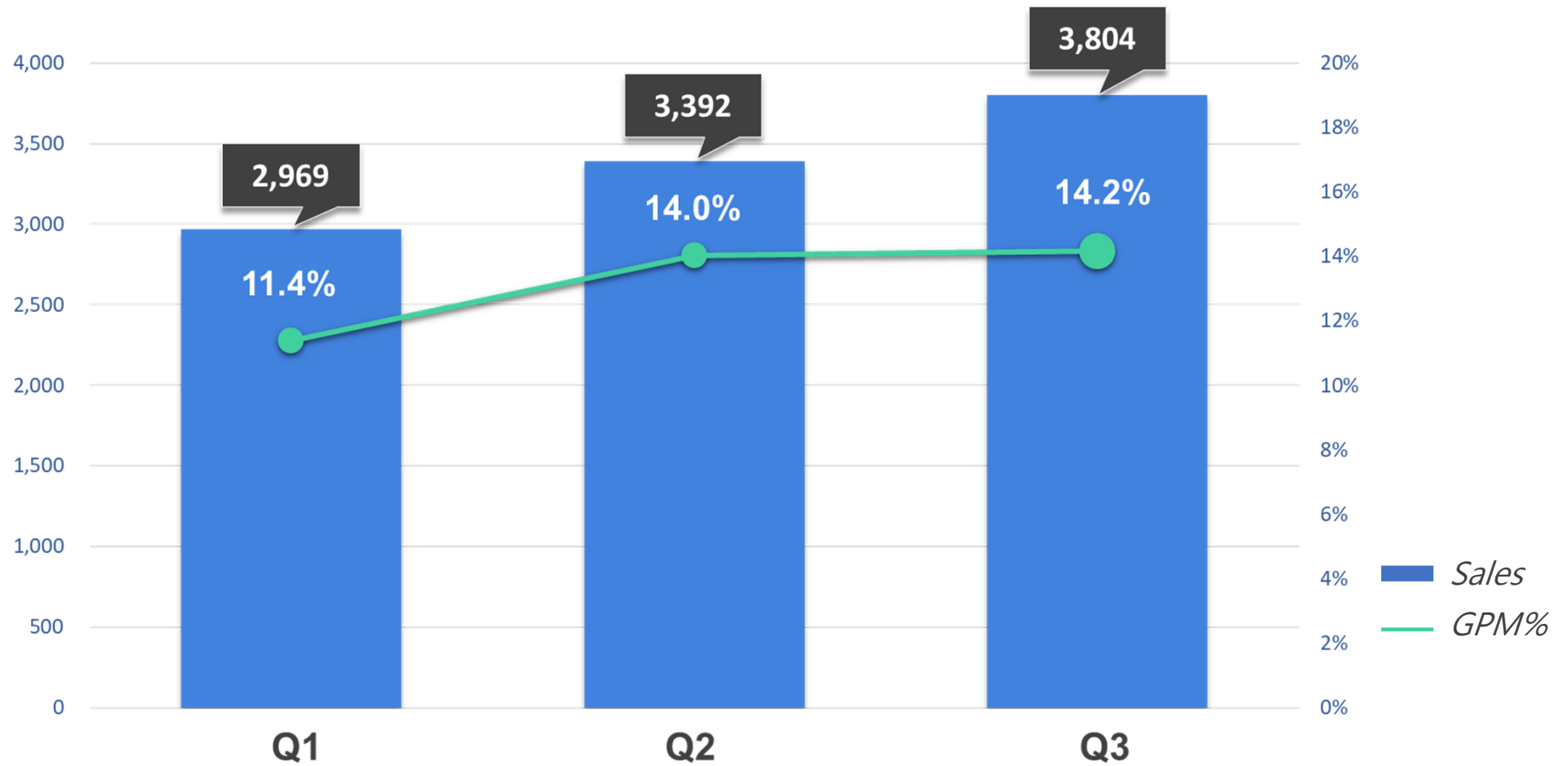


Q1-Q3 2022
NTD 10,165 mm



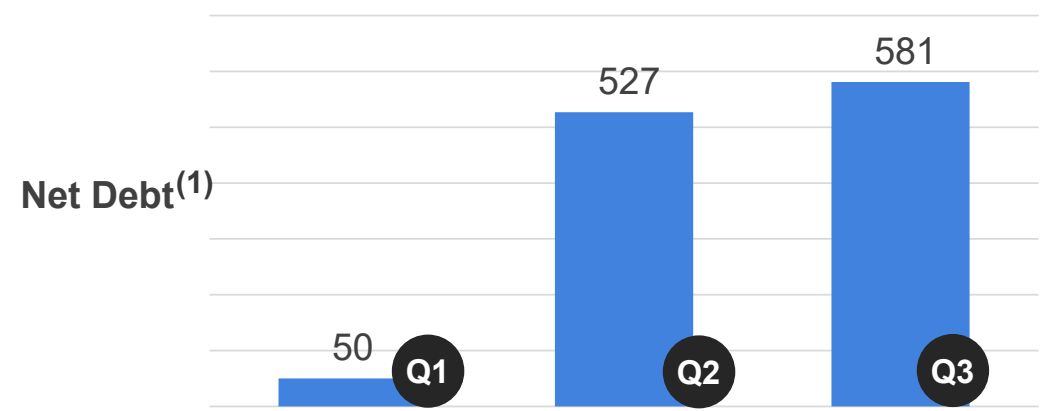
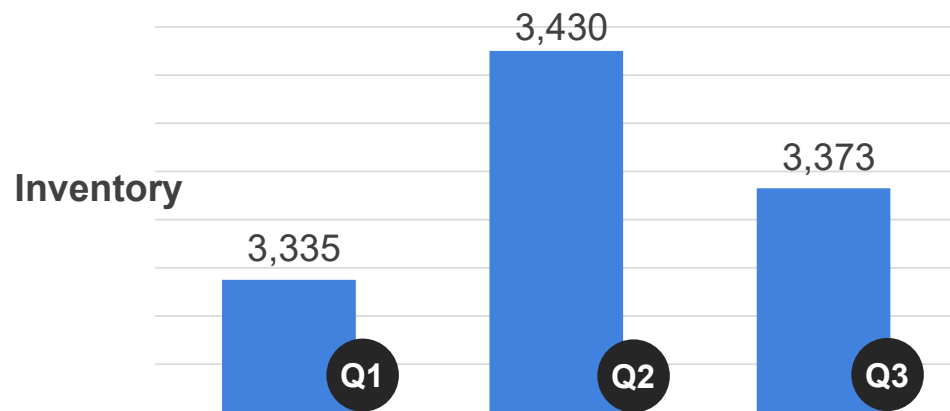
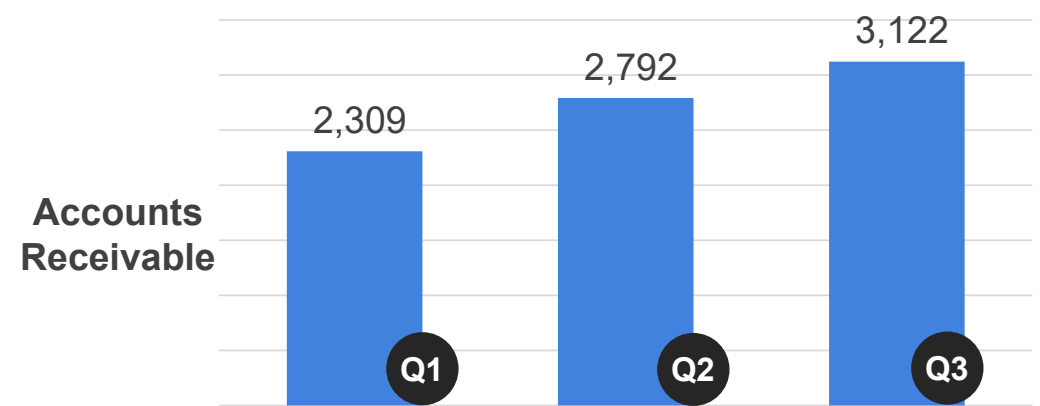
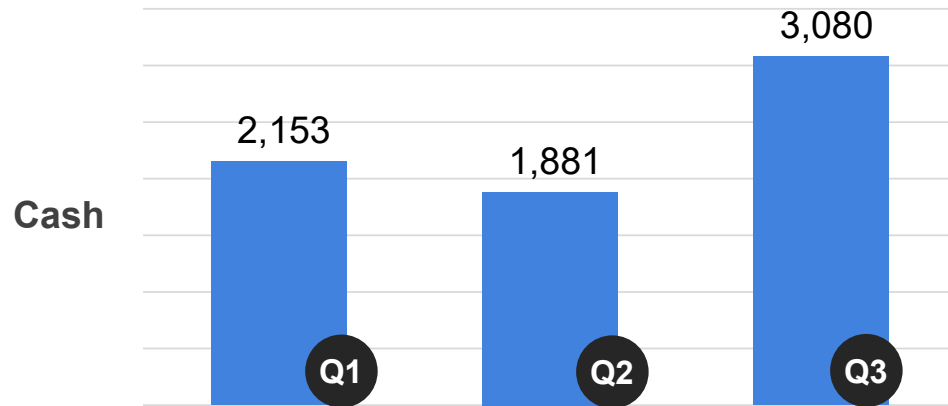
Gross Margin Trends

(in NTD mm)



2022 Q1-Q3 Key Balance Sheet Metrics

(in NTD mm)



Note: (1) Net Debt = Total Bank Debt and Notes - Cash and Short-term Investments

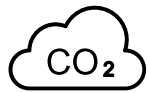
Cash Flows Snapshot

<i>in NTD mm</i>	2022 Q1~Q3	2021 Q1~Q3
Cash Flows from Operating Activities	(1,027)	(957)
Cash Flows from Investing Activities	(640)	(893)
Cash Flows from Financing Activities	931	1,355
Effect of Exchange Rate Changes on Cash and Cash Equivalents	225	(25)
Net Increase / (Decrease) in Cash and Cash Equivalents	(511)	(520)
Cash and Cash Equivalents at the Beginning of Financial Year	3,591	2,546
Cash and Cash Equivalents at the End of Financial Year	<u>3,080</u>	<u>2,026</u>



Overview of Zerova Technologies

Global Decarbonization and Electrification Driving EV Infrastructure Build-out



**Transportation:
largest source of
carbon emission**



The sector accounts for 37%⁽¹⁾ of global CO2 emissions



**Strong regulatory
support**



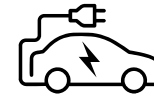
Emission reduction mandates by governments accelerating transition to EVs



**Lower cost through
technology
improvements**



Declining battery price and rising EV infrastructure investments have made EV total cost of ownership competitive against ICE



**Rising EV demand
and adoption**



166mm new EVs expected from 2022-2030 accounting for 20% of total global vehicle sales⁽²⁾



**Significant spend on
EV infrastructure**

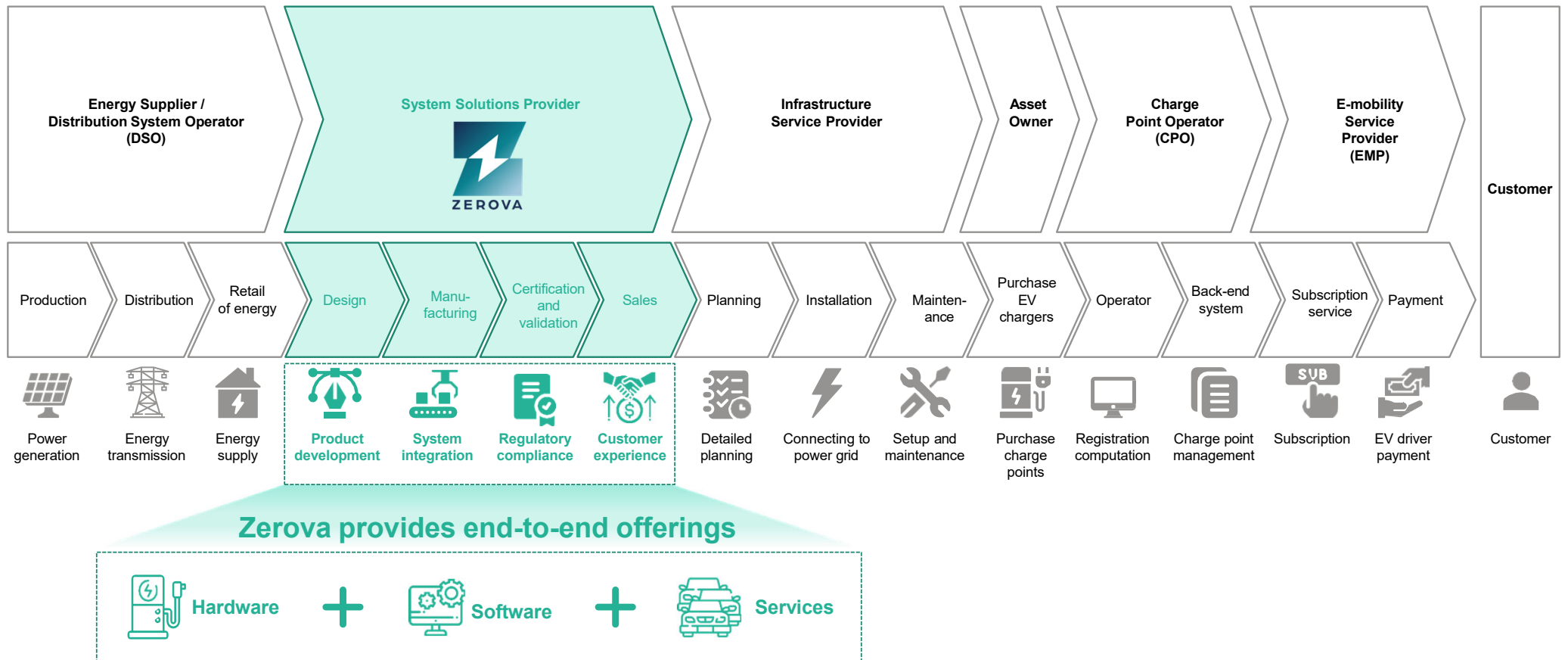


US\$589bn spending on EV infrastructure by 2040 with charging hardware accounting for 45% of total value⁽³⁾

Source: IEA, BNEF.

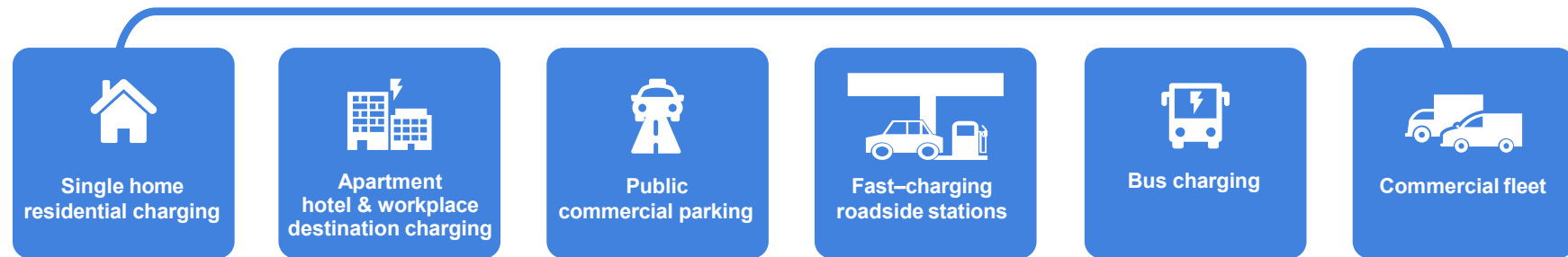
Notes: (1) Includes passenger and freight. (2) Battery electric and plug-in hybrid passenger vehicles as a percentage of total global passenger vehicle sales. (3) According to BNEF estimates, cumulative EV charging infrastructure investments will reach US\$589bn in 2040, of which US\$264bn will be invested in hardware.

Clear Business Model and Positioning



Diversified Product Portfolio Catering to Customers Across Segments

Applications



Charging Solutions

Q & A