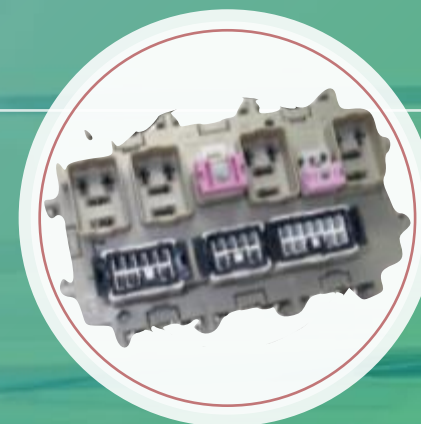




胡連精密股份有限公司
Hu Lane Associate Inc.

Connect the World
創新胡連，連接世界



CONTENTS

- **Company Profile**
- **Financial Results**
- **Future Outlook**

Company Profile



Company Profile



Foundation
1977年



Chairman

T.H. Chang

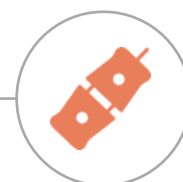
General Manager

S.C. Hu



Capital

USD \$34.2 Millions



Main Products

Housing/Terminal/Rubber Seal

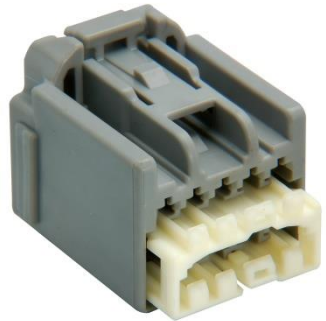


Milestone

- Hu Lane (Taipei) was established in 1977.
Hu Lane entered China market in 1999 and successively established plant in Shenzhen, Nanjing and Dongguan;
- Set up Hulane Electronic (Vietnam) in 2011;
Set up PT. Hulane (Indonesia) in 2017;
Set up Italy office in 2019.
- IPO in OTC Market in 2003.
- From 2006, Hu Lane is successively accredited for TS16949 、 ISO 14001 、 TÜV NORD ISO 14001:2015 and VDA6.1 .
- Nanjing laboratory got CNAS National Laboratory Certification in 2009.
Taipei laboratory has attained ISO/IEC17025 in 2015.
- Set up Yangzhou Lear Hulane automotive parts trading company with Lear in 2021.

Main Products

Instrument
Panel



Fuse



Oriented toward the high quality and technique
Hu Lane Can customize the best connector solution to wire harness and
Connect the World with our efficient service



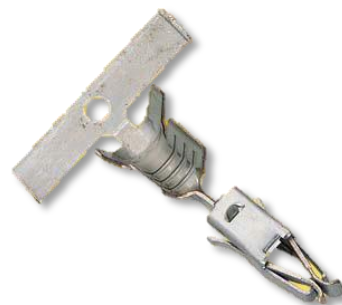
High
Frequency



EV Connector



Terminal



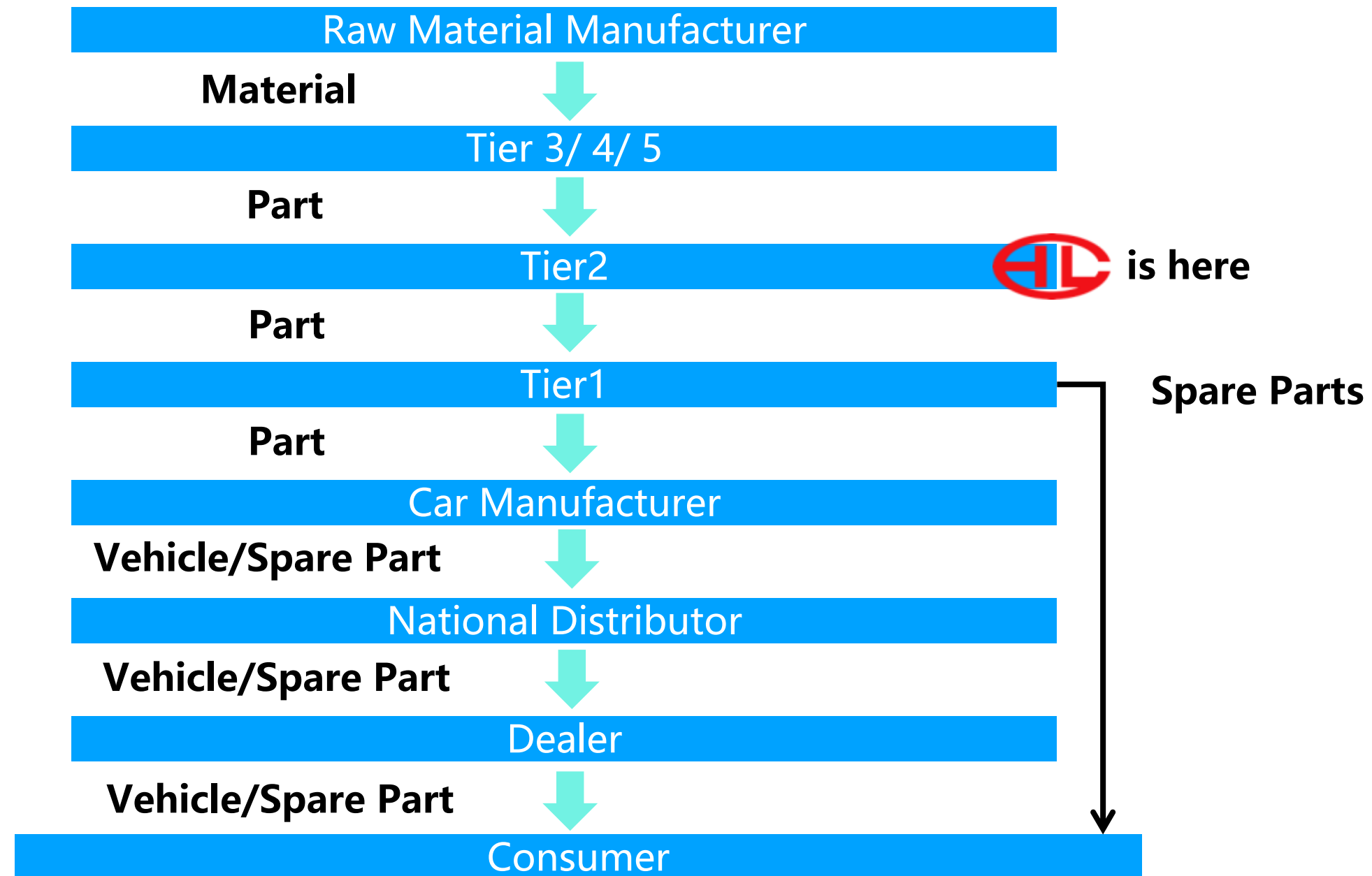
Waterproof
Connector



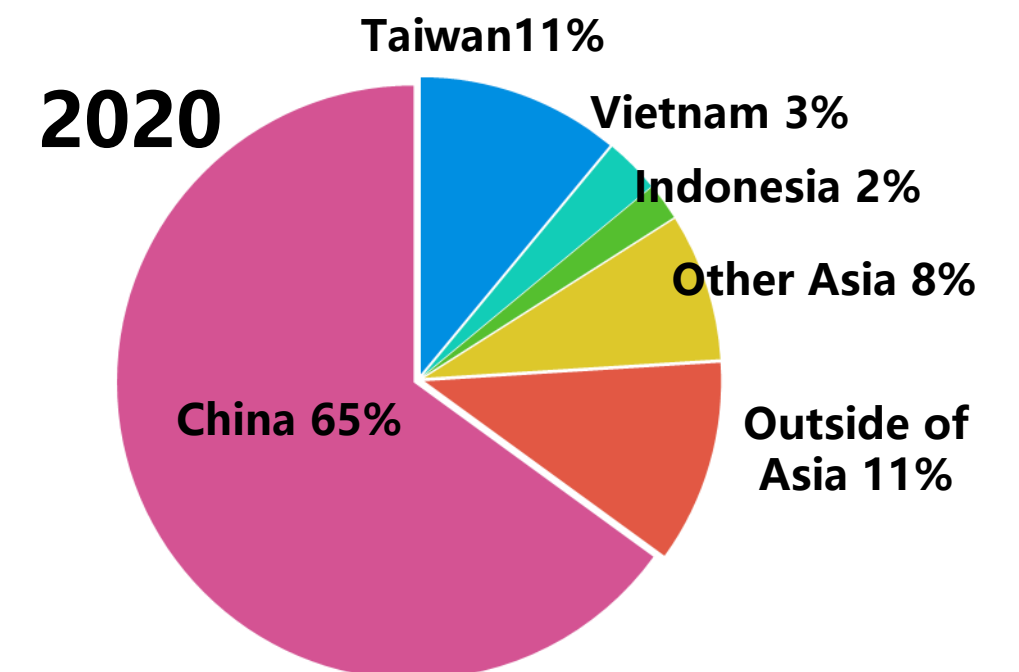
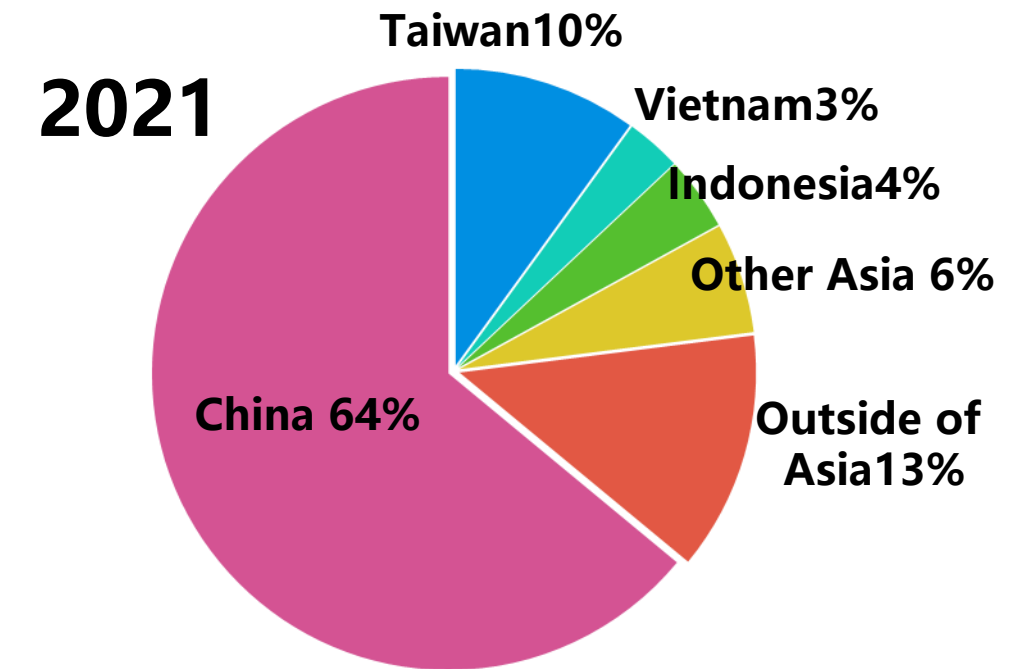
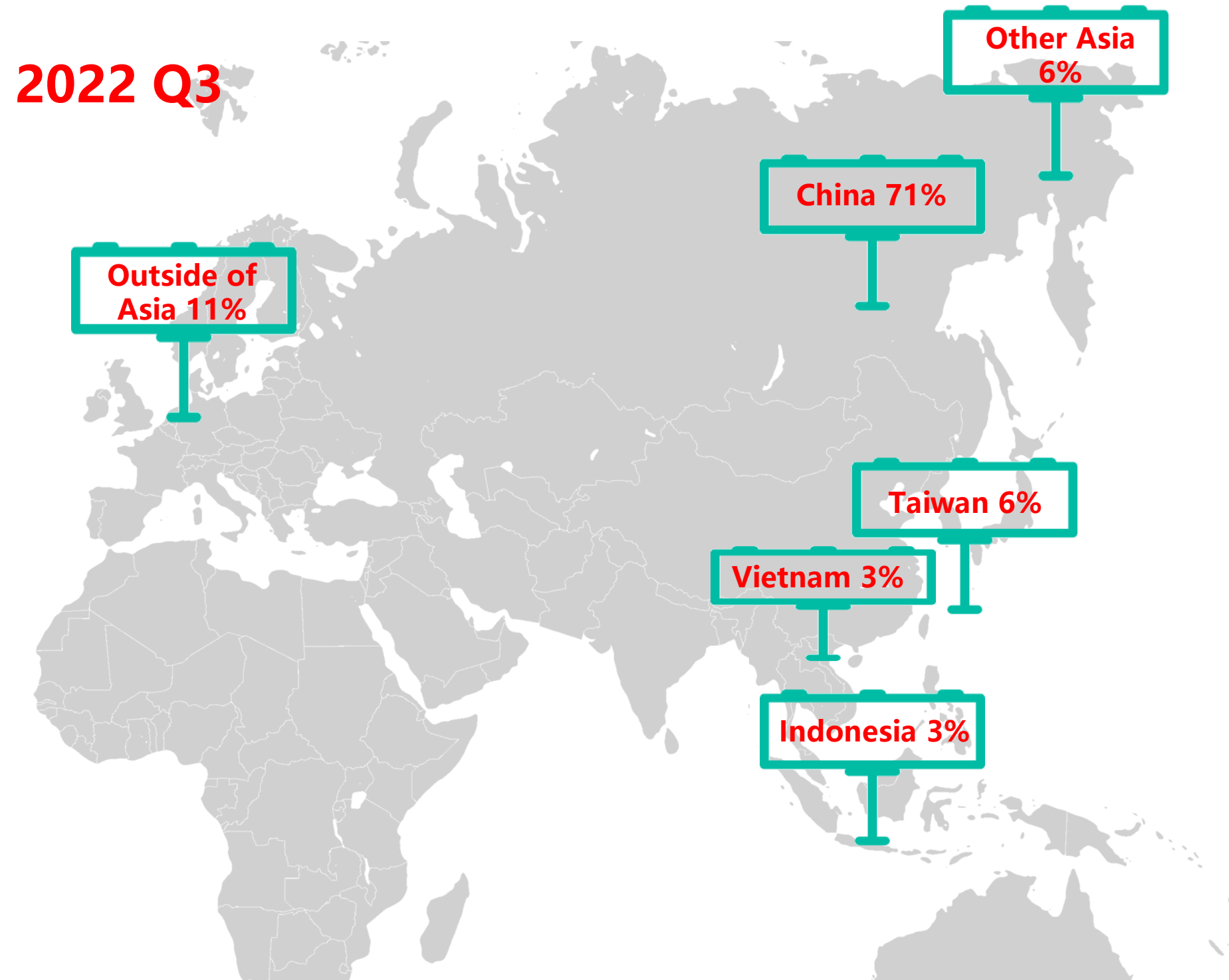
Rubber Seals



The automotive supply chain



Sales Revenue by Geographic Area



Capacity

Category	Press Machine		Injection Machine		Rubber Machine		%of total capacity
Facility Location	amount	%	amount	%	amount	%	
Taipei	43	45%	62	27%	-	-	30%
Nan Jing *	23	24%	108	46%	13	76%	42%
Vietnam	6	7%	29	12%	-	-	10%
Dongguan	23	24%	35	15%	4	24%	18%
Total	95	100%	234	100%	17	100%	100%

*** Daily Capacity of Fuse & Relay Box Automation Assembly is 5,160 PCS**
Update to 2022/10/31

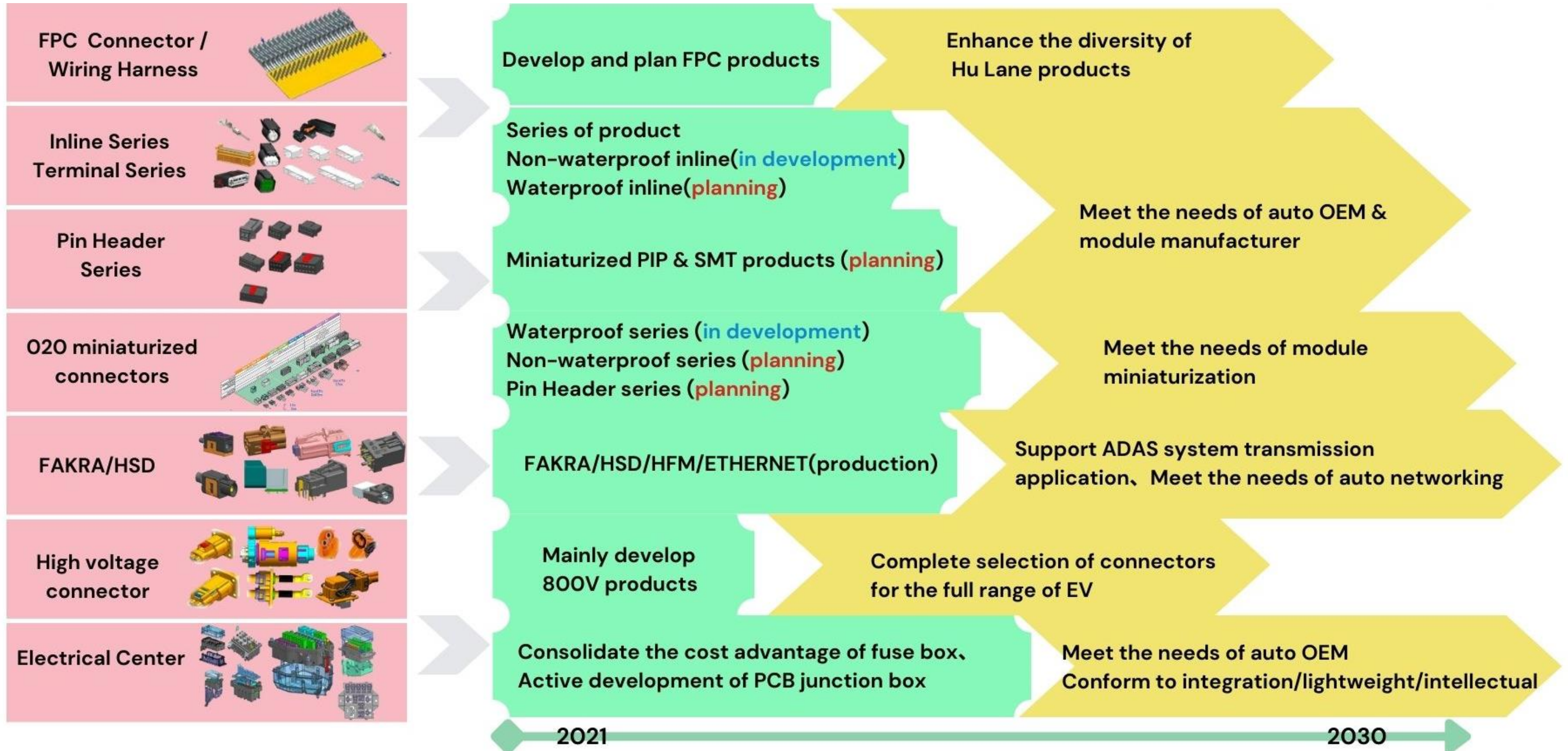
2022Q3 Financial Highlights

In NTD thousands	2022 Q3	2021 Q3	年變化
Operating Revenue	1,782,259	1,154,663	54% ↑
Gross Margin	30%	34%	↓ 4%
Operating Margin	17%	17%	-
Profit before income tax	508,482	201,489	152% ↑
EPS(NTD)	4.62	1.73	167% ↑
Net cash generated from operating activities	433,983	539,462	↓ 20%
Capital expenditures	666,379	403,115	65% ↑
ROE	8.90%	3.75%	5.15% ↑

Automotive Industry Outlook

- * According to the IHS Markit and PwC Global, the sales of EV account for 17.9% of the overall auto market in 2021, and the EV market will further grow to 20.9 million in 2022, maintaining a high growth rate of 44.1% compared with 2021. The overall EV market penetration rate will further increase to 25.2%, and the sales will reach 51 million in 2027. At that time, the sales of EV will surpass traditional fuel vehicles, and traditional fuel vehicles will gradually withdraw from the auto market.
- * According to Bishop & Associates, the global & China auto connector market in 2019 reached USD 15.2 billion & USD 3 billion, and will reach USD 19.45 billion & USD 4.47 billion in 2025, with a CAGR of 4.2% & 6.86%. With the increasing application of auto electrification and intelligence, the growth rate of high voltage and high speed/high frequency connectors will be much higher than the global auto connector market.

RD Roadmap

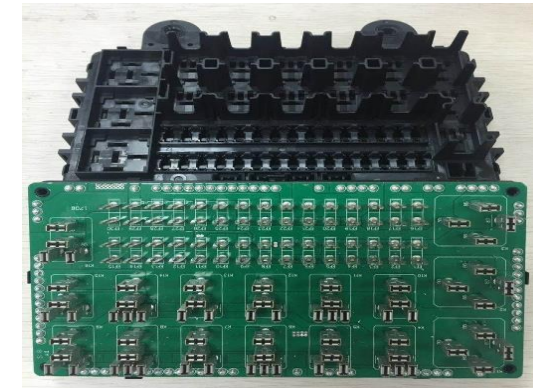


Product Development Strategy

FAKRA



PCB Junction Box



HSD



Ethernet



Market Development Strategy

China: Expand the penetration in existing customers and develop new customers

OEM	2022/1~10 number of production(YoY)	Cooperation with OEM
 长安汽车 CHANGAN	1,080,944(10%)	New models adopt fuse box platform.
 BYD AUTO Build Your Dreams	1,411,298(+158%)	Continued acquirement of new product development.
 GEELY	1,169,310(14%)	New models adopt fuse box platform.
 CHERY	974,650(47%)	Continued acquirement of new product development.
 SAIC	1,052,711(10%)	New product introduction increases the penetration
 上海通用汽车 SHANGHAI GM	976,638(-6%)	HL collaborated with the customer based on the functional requirements to design new products in new models.

Market Development Strategy

Taiwan

Cooperate with electric motorcycle manufacturers, in addition to meeting the domestic market, there are opportunities for exporting overseas.

Indonesia

Set up Indonesia subsidiary to manage the auto and motorcycle connector market.

Global

Continue to work with global Tier-1 module suppliers for systematic integration development

Dividend Policy

Item \ Year	2015	2016	2017	2018	2019	2020	2021
EPS Before Tax	10.56	11.42	12.43	7.44	5.79	6.82	9.53
EPS	8.25	9.24	10.00	6.00	4.78	5.59	7.91
Dividend	5.6	6.0	8.0	4.0	3.25	4.0	5.0
Cash	5.6	6.0	8.0	4.0	3.0	4.0	*5.0
Stock	0	0	0	0	0.25	0	0
Dividend Payout Ratio	68%	65%	80%	67%	68%	72%	63%

* NTD1/per share is paid by Additional Paid In Capital

Connect the World

Hu Lane continued to invest in Taiwan. In 2022, the new headquarter is completed which integrates the operation management、automated production and warehouse to improve the group's overall efficiency.



Q&A





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