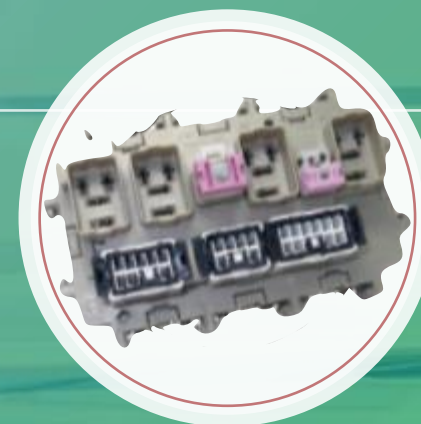




胡連精密股份有限公司  
Hu Lane Associate Inc.

Connect the World  
創新胡連，連接世界



# CONTENTS

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



# Company Profile



# Company Profile



Foundation  
1977年



Chairman

**T.H. Chang**

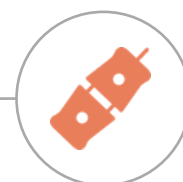
General Manager

**S.C. Hu**



Capital

**USD \$34.2 Millions**



Main Products

**Housing/Terminal/Rubber Seal**



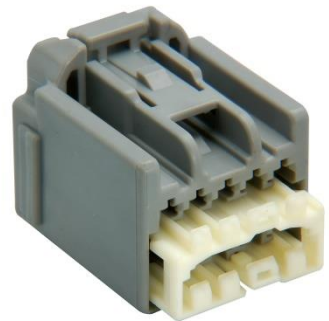
# Milestone

- 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



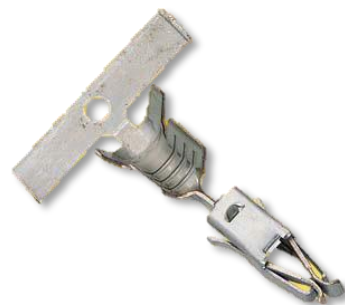
High  
Frequency



EV Connector



Terminal



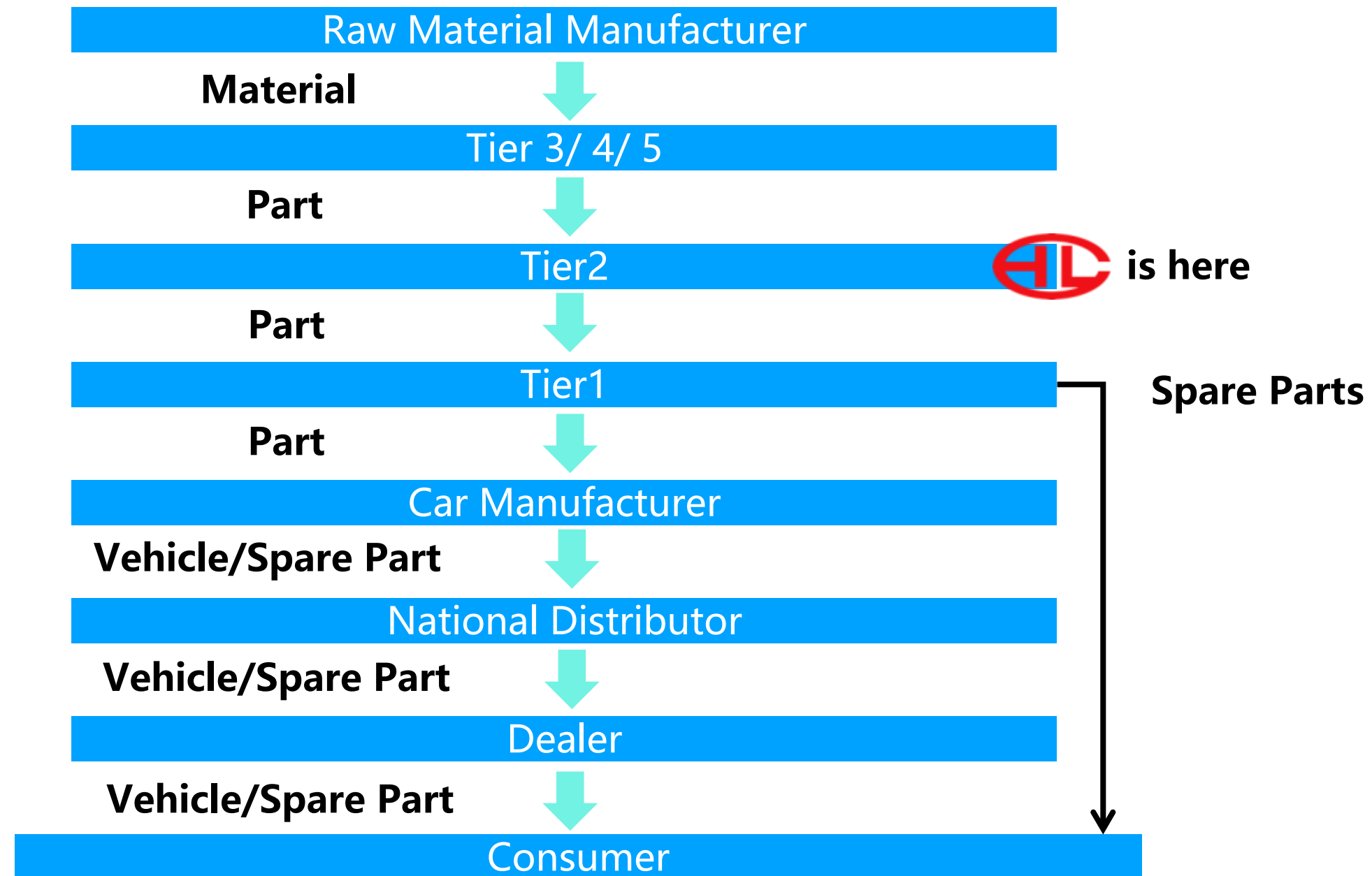
Waterproof  
Connector



Rubber Seals

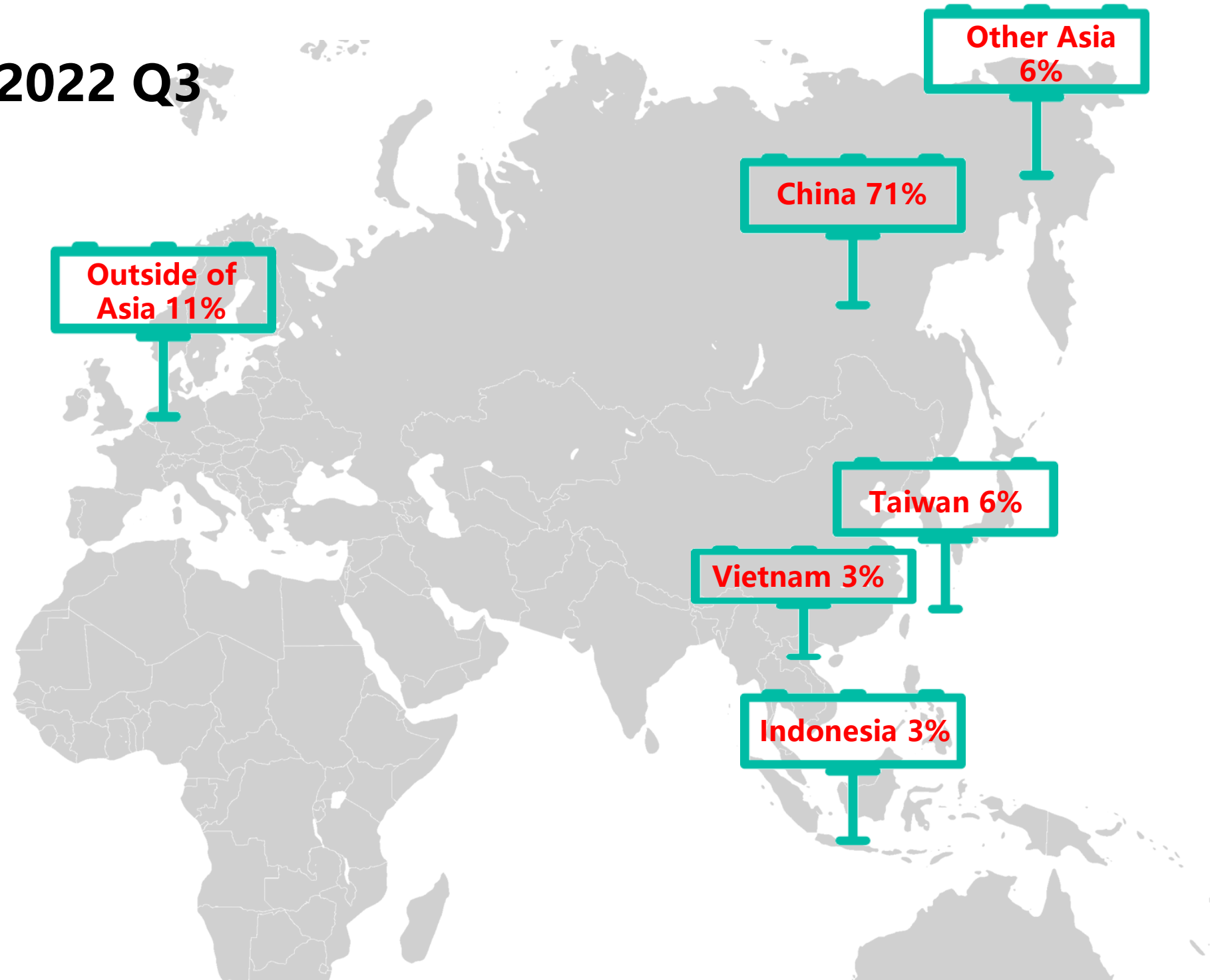


# The automotive supply chain

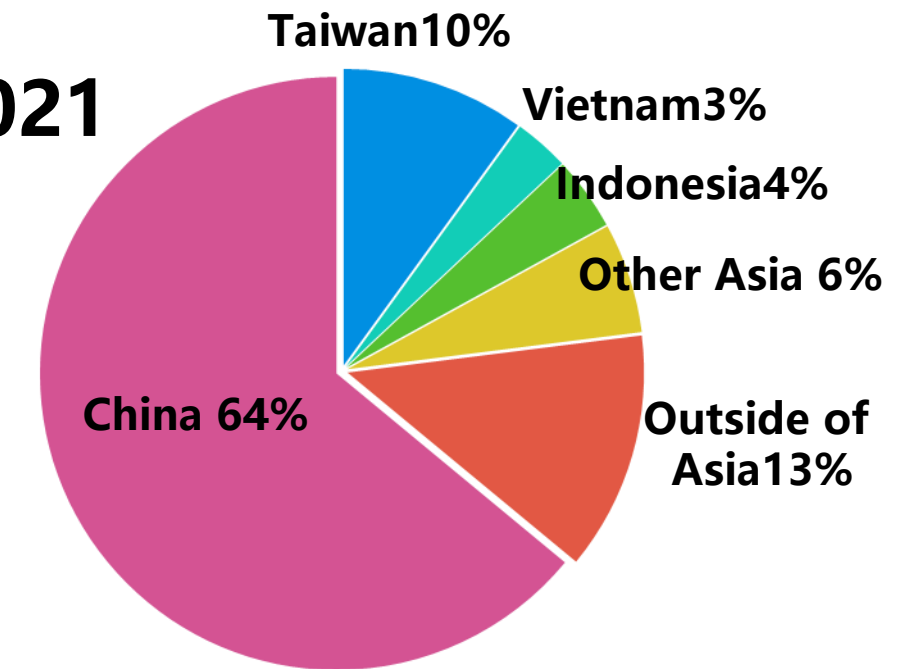


# Sales Revenue by Geographic Area

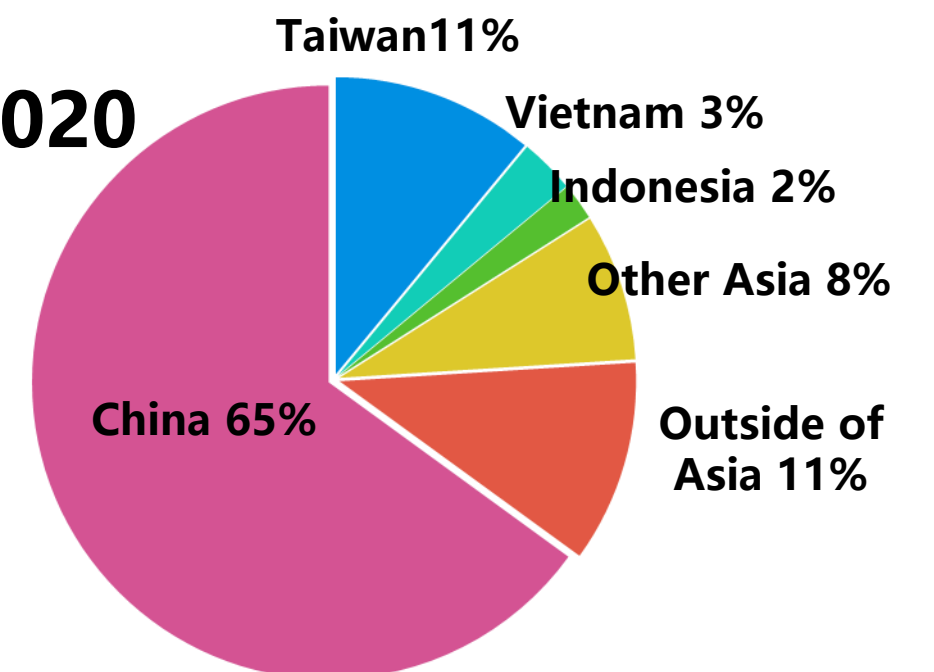
2022 Q3



2021



2020





# Capacity

| Category          | Press Machine |      | Injection Machine |      | Rubber Machine |      | %of total capacity |
|-------------------|---------------|------|-------------------|------|----------------|------|--------------------|
| Facility Location | amount        | %    | amount            | %    | amount         | %    |                    |
| Taipei            | 43            | 44%  | 62                | 26%  | -              | -    | 30%                |
| Nan Jing *        | 24            | 25%  | 108               | 45%  | 13             | 76%  | 41%                |
| Vietnam           | 6             | 6%   | 33                | 14%  | -              | -    | 11%                |
| Dongguan          | 24            | 25%  | 35                | 15%  | 4              | 24%  | 18%                |
| Total             | 97            | 100% | 238               | 100% | 17             | 100% | 100%               |

**\* Daily Capacity of Fuse & Relay Box Automation Assembly is 5,160 PCS**  
Update to 2022/12/31

# 2022Q3 Financial Highlights

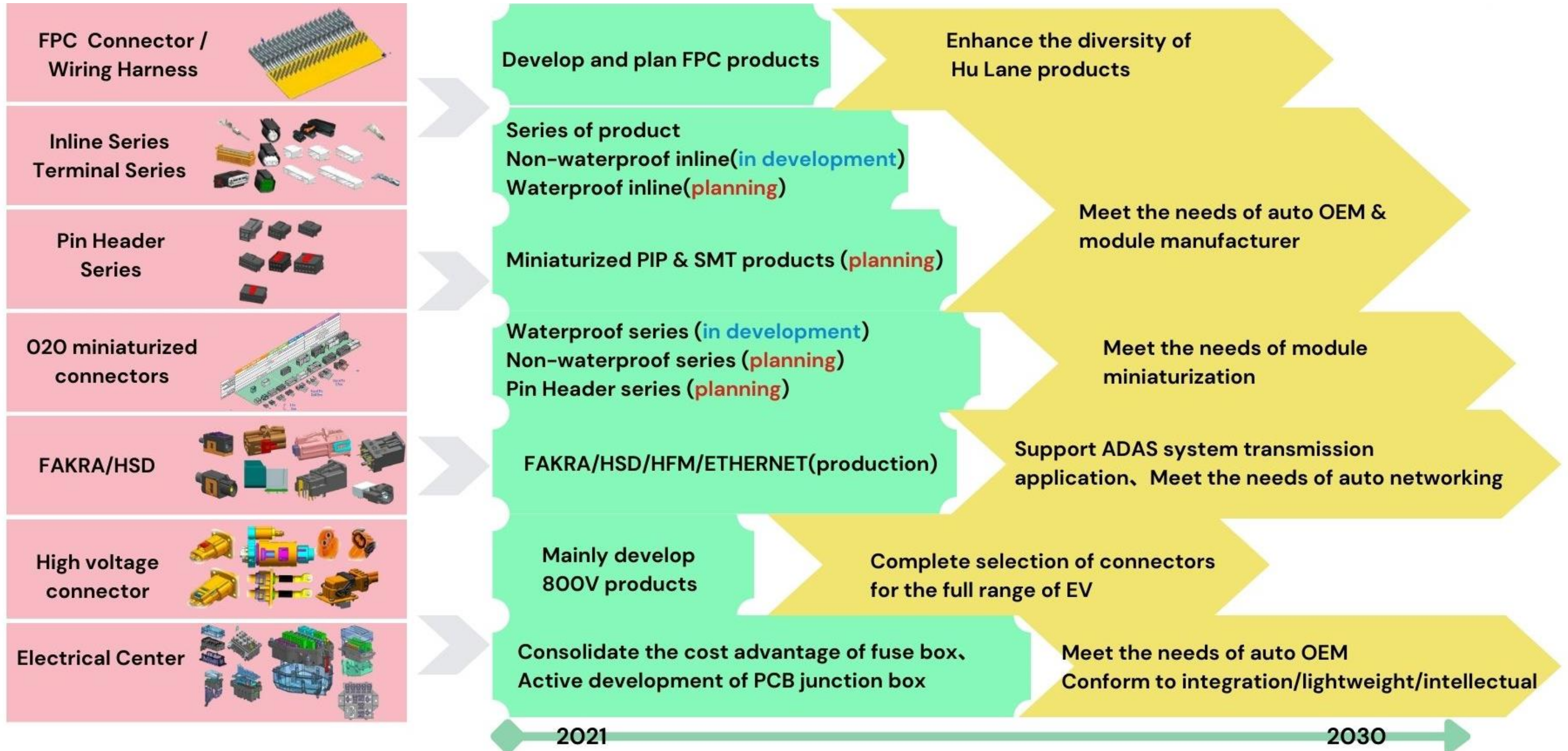
| In NTD thousands                             | 2022 Q3   | 2021 Q3   | 年變化     |
|----------------------------------------------|-----------|-----------|---------|
| Operating Revenue                            | 1,782,259 | 1,154,663 | 54% ↑   |
| Gross Margin                                 | 30%       | 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

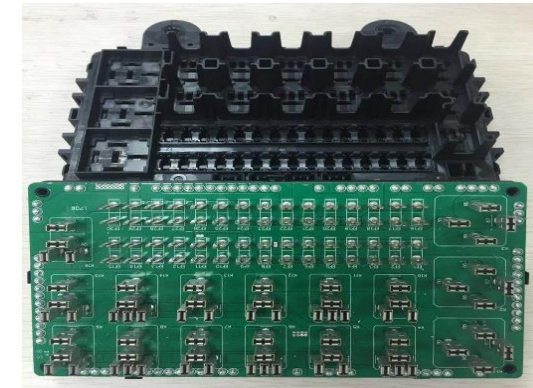


# Product Development Strategy

## 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 wholesale(YoY) | Cooperation with OEM                                                                                         |
|------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------|
|  长安汽车<br>CHANGAN                | 1,230,012(7.6%)                    | New models adopt fuse box platform.                                                                          |
|  BYD AUTO<br>Build Your Dreams | 1,628,005(155.8%)                  | Continued acquirement of new product development.                                                            |
|  GEELY                        | 1,286,971(10.1%)                   | New models adopt fuse box platform.                                                                          |
|  CHERY                        | 1,059,523(37.5%)                   | Continued acquirement of new product development.                                                            |
|  SAIC                         | 1,136,300(3.7%)                    | New product introduction increases the penetration                                                           |
|  上海通用汽车<br>SHANGHAI GM        | 1,075,906(-8.1%)                   | 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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