

# Foxconn Technology (2354.TW)



June 2024

# Disclosures

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- This document and relevant information herein may contain internal and external forward-looking information and constitute forward-looking statements.
- Such forward-looking statements are 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 statements.
- Financial numbers in this document contains unaudited and unreviewed information. All information is for reference only.
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# Current Business & Outlook

## 公司現況與發展



# Investment Highlights

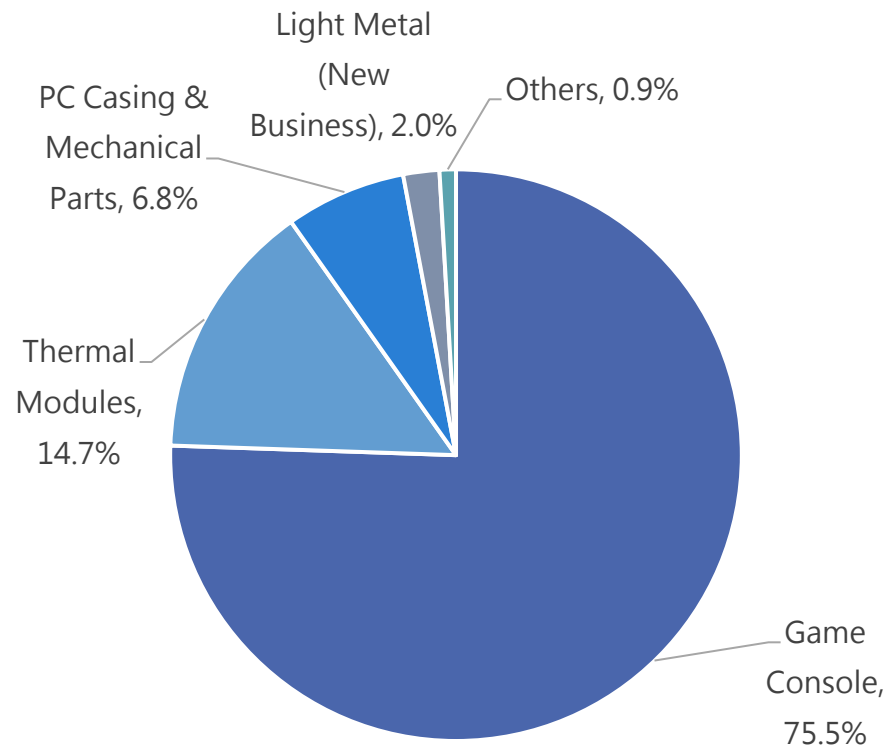
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1. Expand end-market applications from game consoles, thermal modules and casing, to automotive components, servers and networking, Edge AI, and robotics applications.
2. Focus on light metal and mechanical key component product development. Expand from 3C electronics manufacturing to other AI hardware applications.
3. Continue to develop game console, air-cooled technologies, and casing-related technologies to support existing customers.
4. Adjust medical-related exposure and corporate development investments.
5. Diligently develop green design manufacturing and recycle-able materials, in support of customers and their ESG goals.

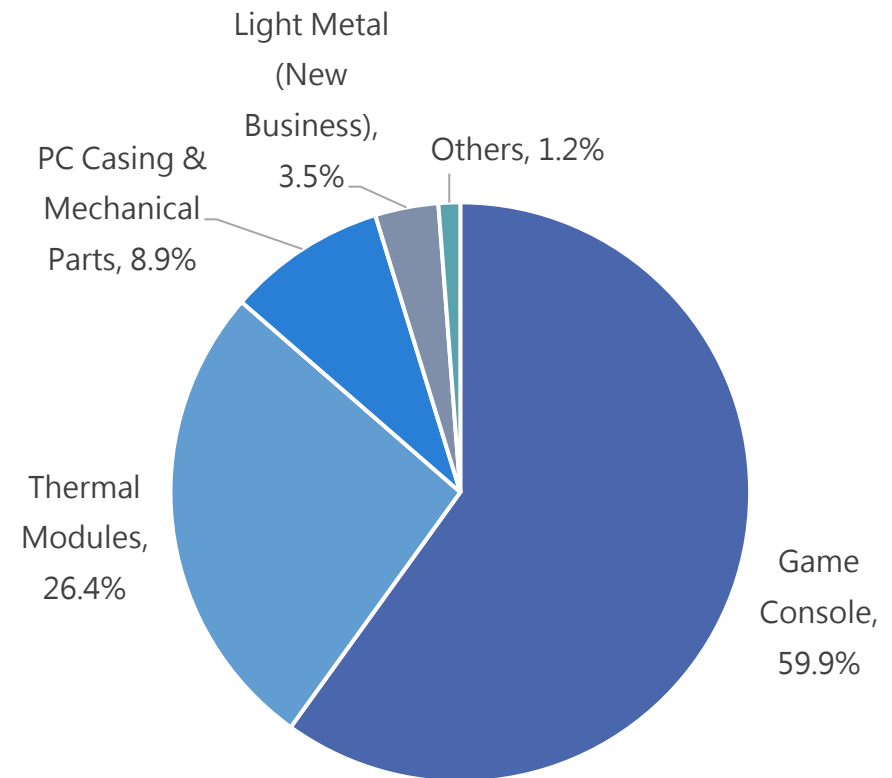
## Product mix shifts due to mature products in game console segment.

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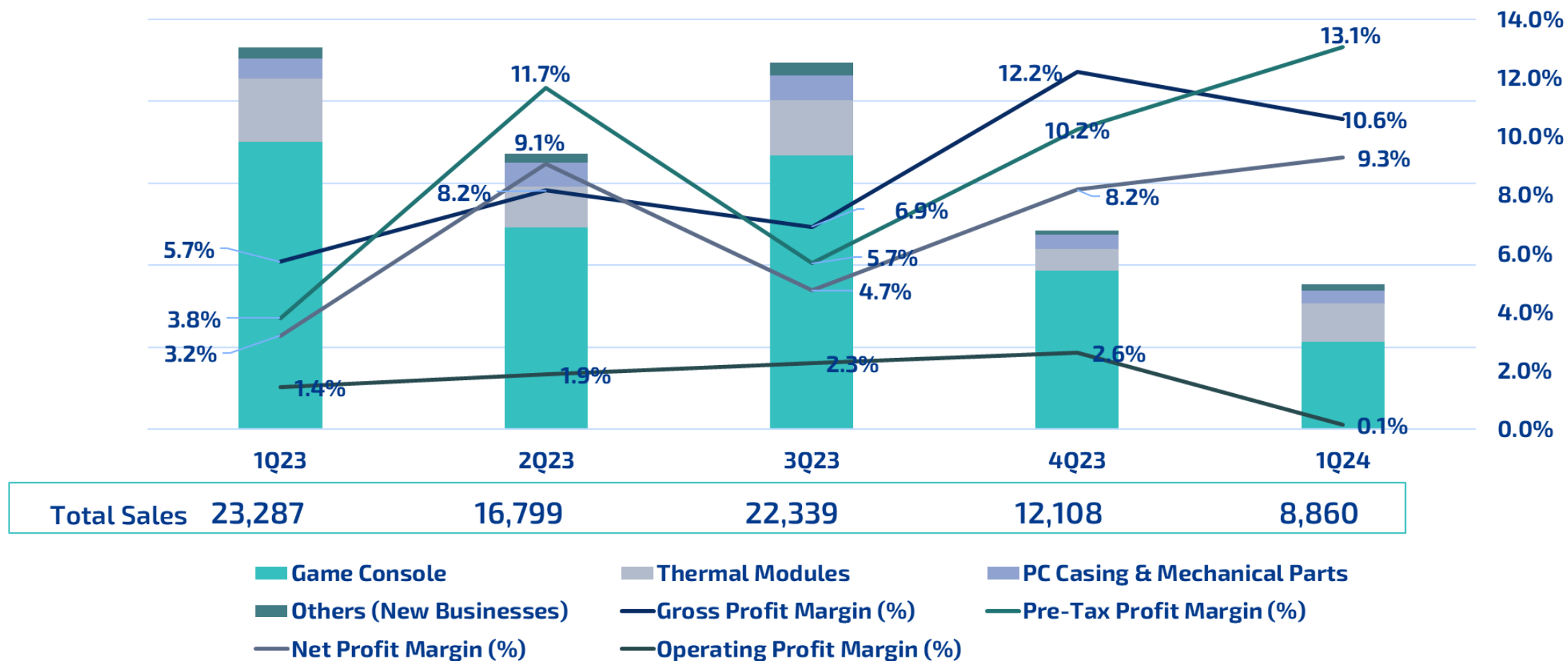
FY 2023



1Q24



# Segment revenues impacted, but maintain pre-tax profitability



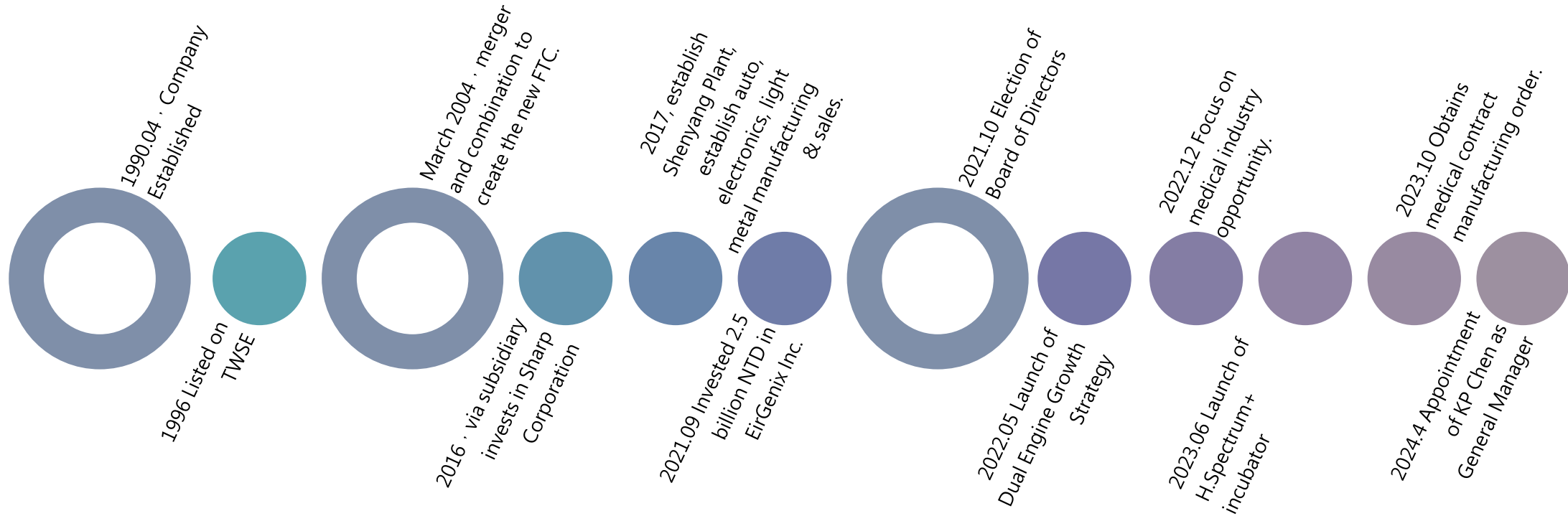
# Strategic Transformation

## 策略轉型



# Milestones

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Establishment as a ODM & fast growth phase

Maturation of casing business & diversification

Expansion to medical & new management team

Refocus & Growth



## 多元化到重新調整增長動能

## From diversification to refocused growth

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Leading Phone Casing  
Original Design Manufacturer



Casing &  
Thermal  
Modules



Lightweight  
motor housing



Medical  
Device  
Contract  
Manufacturing

From 3C electronics ODM services and casing manufacturer, to a light metal advanced material R&D solutions partner.

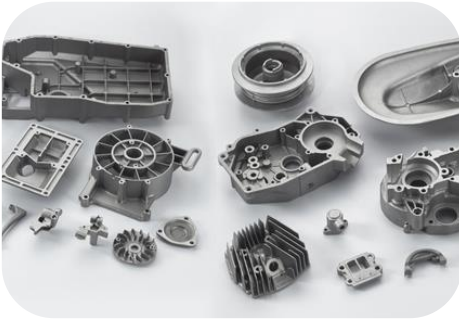
Opportunities in Edge AI, Energy Storage, and Robotics Solutions.

Develop New Product Introduction (NPI) Capabilities, assist customers in solving electro-mechanical component issues.

## 輕量化金屬材料技術應用

## Light Metal Material Applications

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Auto Parts



Server Thermal  
Solutions & Casing



Casing &  
Mechanical Parts



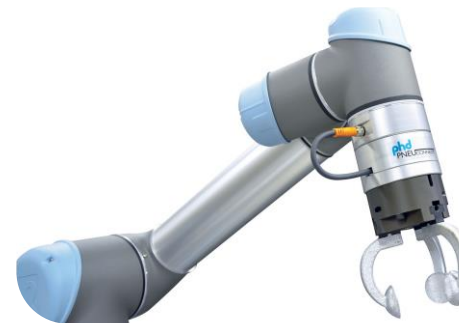
Medical Devices



Battery Housing



Energy Storage  
Housing Solutions



AI & Robotics  
Applications



Edge AI  
Applications

# Strategic Plan

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- Exposure to medical devices contract manufacturing, to refocus on diverse applications including automotive, lightweight materials and key component development.
- The next phase will focus on advanced materials and mechanical engineering market opportunities for organic growth.
- Refocus on material R&D, integration of light metal and mechanical parts technologies, energy saving and heat dissipation solutions and corporate development resources.
- Strengthen the value creation from materials and weather proofing technologies, use group resources to support global tier 1 clients.
- Focus on execution and R&D solutions, aggressively pursue electric-mechanical integration and technological requirements from the AI revolution.

# Financial Performance

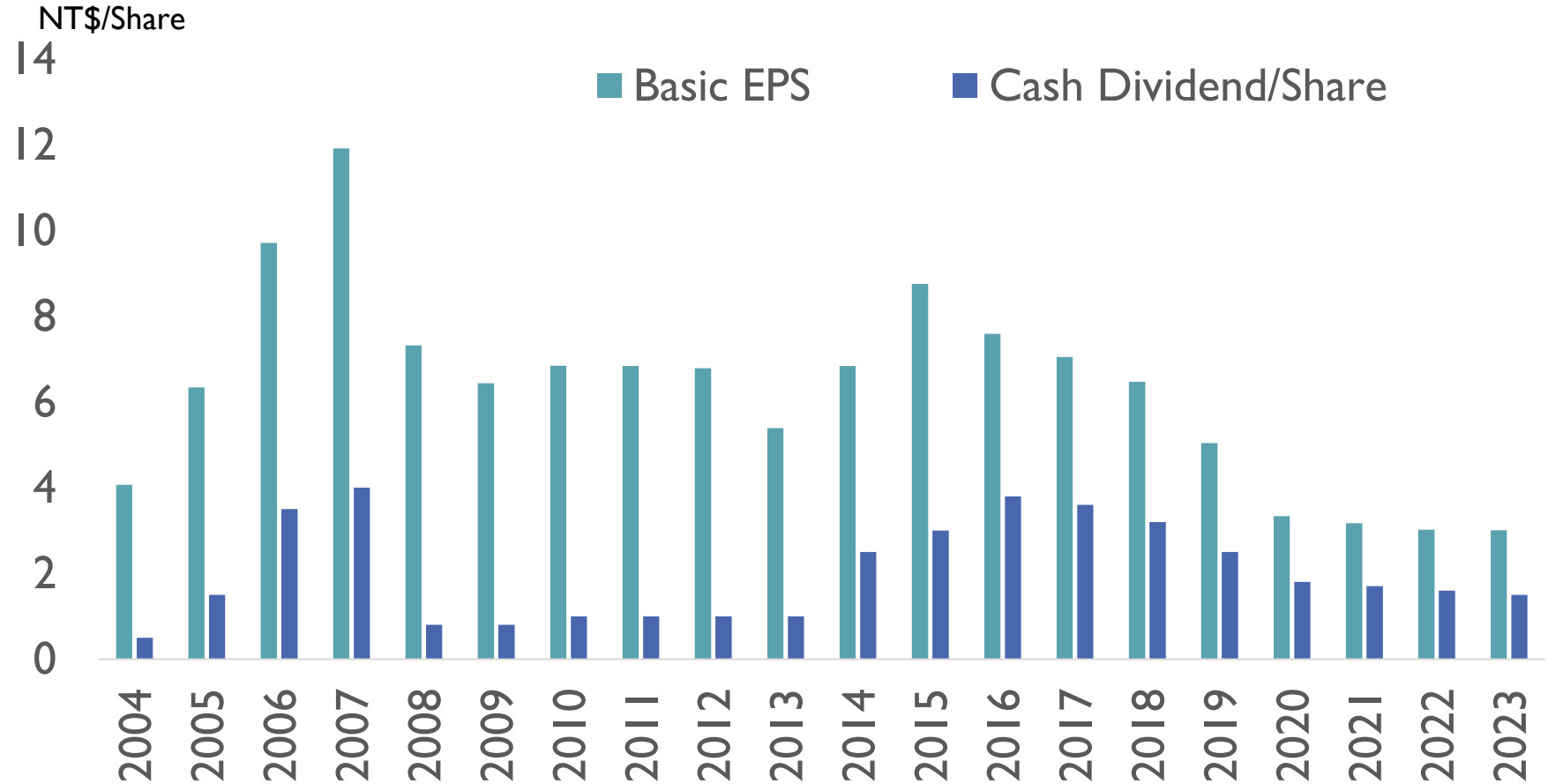
## 財務表現



# 20 year history of profits & cash dividends

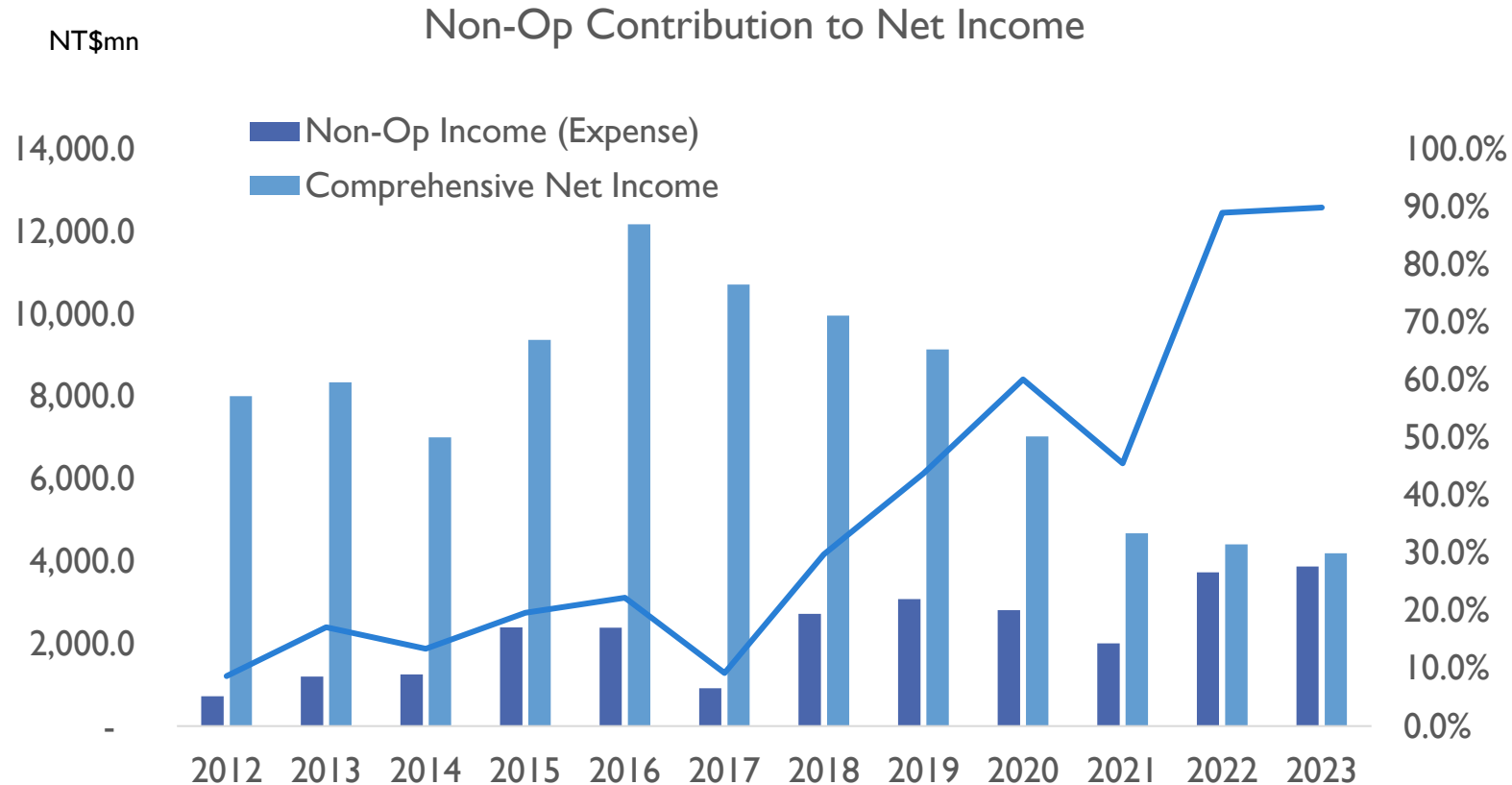
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- 20 year history of profits, demonstrates the unique value of business group resource integration, cost controls, and technological developments.
- Dividend payout of 52% in the past 5 years.



# Strategic Transformation supported by non-operating income

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- Advanced material development requires less capital resources and more R&D capabilities.
- Capital restructuring from high-capex manufacturing to strategic corporate development and investments.

# Improve Profitability and R&D

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## Consolidated P&L - QoQ

NT\$million, except Per Share Data	1Q24	4Q23	QoQ	1Q23	YoY
<b>Net Sales</b>	8,860	12,108	-27%	23,287	-62%
Cost of Goods Sold	7,922	10,631	-25%	21,954	-64%
<b>Gross Profit</b>	938	1,477	-37%	1,334	-30%
Operating Expenses	925	1,162	-20%	1,001	-8%
<b>Operating Income</b>	13	315	-96%	332	-96%
Net-operating Income, net	1,144	926	24%	552	107%
<b>Pre-tax Income</b>	1,156	1,241	-7%	884	31%
Taxes	333	250	33%	142	135%
<b>Net Income</b>	<b>824</b>	<b>991</b>	<b>-17%</b>	<b>742</b>	<b>11%</b>
Other Comprehensive Income	1,318	(76)	-1832%	1,044	26%
Comprehensive Income	2,141	915	134%	1,786	20%
<b>Basic EPS (NT\$)</b>	0.60	0.75	-20%	0.54	11%
<b>R&amp;D Expenses</b>	314	378	-17%	352	-11%
<b>R&amp;D as a % of Sales</b>	3.54%	3.12%		1.51%	

- Game consoles suffered parts shortages in 2022, resulting in delayed shipments to 4Q22 and 1Q23, resulting in above average Net Sales in 1Q23, and lower R&D expenses as a % of sales.

# ESG Strategy





# Pathway to RE100

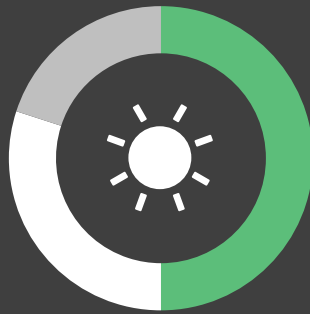
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2025

## RE 30

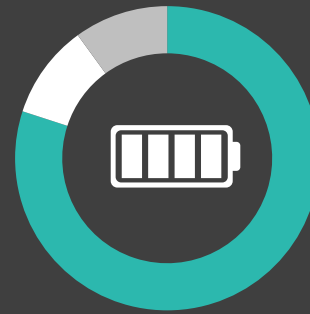
- Overseas purchase of renewable certificates
- Launch energy transformation plan



2026-2030

## RE 50

- Sign CPPA
- Overseas purchase of renewable certificates
- Construct Solar Energy Facilities



2031-2040

## RE 80

- Sign CPPA, provide renewable energy to the grid (Solar, Wind)
- Overseas purchase of renewable certificates



2041-2050

## RE 100

- Achieve RE100 Target, Taiwan and Overseas locations

# FTC Community Outreach

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## Donated to the Chi Po Lin Foundation

Filmed Beyond Beauty:  
Taiwan from Above 3

Coming Soon in 2024

員工活動-  
參與「看見台灣10周年攝影巡迴展」

**齊柏林基金會「看見台灣10週年攝影巡迴展」**  
鴻準專場限定導覽 活動介紹

2013年齊柏林導演執導的紀錄片《看見台灣》，讓我們看見台灣的美麗與哀愁，喚起了環境永續的重要性。10年後，鴻準亦貢獻一己之力支持正在拍攝的『看見台灣III』，延續齊導對於土地及環境關懷的精神。同時與齊柏林基金會合作，透過基金會「看見台灣10週年攝影巡迴展」的專場導覽，以影像的力量，傳遞關懷土地、永續環境的真諦，邀請同仁一起投入友善環境的行動。

- ✓ 活動時間：2023/9/10 (日)  
上午10點~12點
- ✓ 活動地點：松山文創園區-1號  
倉庫 A1 (台北市信義區光復南路133號)
- ✓ 活動行程：
  - 9:30-9:50 倉庫前集合
  - 10:00-11:00 專場導覽
  - 11:00-11:30 影片觀賞



## 2023 Launch Event Photos



出品人  
看見·齊柏林基金會  
Chi Po-lin Foundation

主要贊助

Wistron 緯創人文基金會

富邦文教基金會

震旦集團  
AURORA GROUP

特別贊助

FamilyMart  
華豐商店 誠意支持

贊助單位

大聯大控股  
WPG Holdings

中台資源科技股份有限公司  
CHUNG TAI RESOURCE TECHNOLOGY CORP.

ZEISS  
Seeing beyond

DELTA 台達  
台達電子文教基金會

TECO  
東元電機

信義房屋

Sabrina 蘇美娜  
SABRINA FASHION INDUSTRIAL CORP.

FOXCONN  
鴻準精密工業股份有限公司

(依序重疊)

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## FTC x Chi Po-lin Foundation Partnership

Continue to make an impact in  
2024

# SUSTAINALYTICS ESG Rating

Foxconn Technology Co., Ltd.

Technology Hardware Taiwan TAI:2354

CORE FRAMEWORK

## ESG Risk Rating

ESG Risk Score

12.7

Full Update Date Feb 9, 2023

Last Update Nov 1, 2023

-1.9

Momentum

ESG Risk Rating

Low Risk

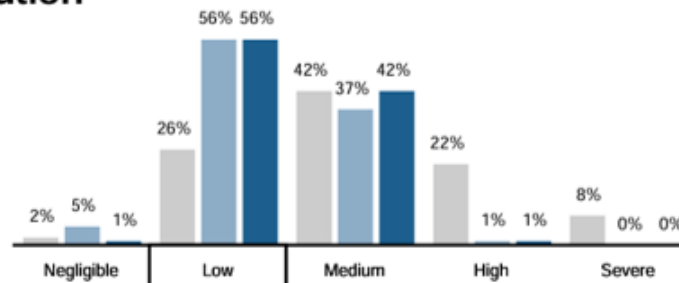


ESG Globes Rating



## ESG Risk Rating Score Change Log

## ESG Risk Rating Category Distribution



## ESG Risk Rating Ranking

UNIVERSE	RANK (1 <sup>st</sup> = lowest risk)	PERCENTILE (1 <sup>st</sup> = lowest risk)
Global Universe	893/15906	7th
Technology Hardware INDUSTRY	113/653	18th
Technology Hardware SUBINDUSTRY	10/118	9th

Low Company  
ESG Risk  
Ratings and  
scores

# Q&A

## Contact Information:

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