



February 22, 2023

VisEra 4Q22 Quarterly Management Report

VisEra Technologies Company Ltd. (TWSE: 6789) today announced net revenue of NT\$1,916 million, income from operations of NT\$226 million, net income of NT\$237 million, and basic earnings per share of NT\$0.75 for the fourth quarter ended December 31, 2022.

Summary (Amounts are in NT\$ millions unless otherwise noted)

Topics in This Report

- I. Revenue Analysis
- II. Gross Margin Analysis
- III. Expense Analysis
- IV. Net Profit & EPS
- V. Financial Condition Review
- VI. Cash Flow Analysis

	4Q22	3Q22	4Q21	QoQ	YoY
Net Revenue	1,916	2,215	2,383	-13%	-20%
Gross Profit	538	798	898		
Gross Margin	28.1%	36.0%	37.7%	-7.9 pts	-9.6 pts
Operating Expenses	334	357	254	-6%	32%
Operating Income	226	458	651		
Operating Margin	11.8%	20.7%	27.3%	-8.9 pts	-15.5 pts
Net Income	237	382	520		
Net Profit Margin	12.4%	17.2%	21.8%	-4.8 pts	-9.4 pts
EPS (NT\$ per share)	0.75	1.21	1.78	-38%	-58%

Spokesperson

Kevin Tsai

Vice President,
Finance Organization

Tel: 886-3-6668788

Email:

invest@viseratech.com

Fourth Quarter 2022

- Net revenue was NT\$1,916 million, representing a 13% decrease from NT\$2,215 million in 3Q22 and a 20% decrease from NT\$2,383 million in 4Q21.
- Gross margin was 28.1%, 7.9 percentage points lower than 3Q22 and 9.6 percentage points lower than 4Q21.
- Operating margin was 11.8%, down 8.9 percentage points from 3Q22 and down 15.5 percentage points from 4Q21.
- Net Profit Margin was 12.4%, down 4.8 percentage points compared to 3Q22 and 9.4 percentage points lower than 4Q21.
- EPS was NT\$0.75, which decreased 38% compared to 3Q22 and also decreased 58% from 4Q21.



February 22, 2023

I. Revenue Analysis

Net Revenue % by Product	4Q22	3Q22	4Q21
Image Sensor	35%	44%	58%
Micro-Optical Elements	62%	55%	40%
Others	3%	1%	2%

From the product perspective, the major revenue contribution was still coming from Image Sensor and Micro-Optical Elements.

II. Gross Margin Analysis

(In NT\$ millions)	4Q22	3Q22	4Q21
Net Revenue	1,916	2,215	2,383
Cost of Revenue	<u>1,378</u>	<u>1,417</u>	<u>1,485</u>
Gross Profit	538	798	898
Gross Margin	28.1%	36.0%	37.7%

Gross Margin was 28.1% in 4Q22, decreasing compared to 36.0% in 3Q22 and 37.7% in 4Q21, which was mainly due to lower capacity utilization.

III. Expense Analysis

(In NT\$ millions)	4Q22	3Q22	4Q21
SG&A	157	187	96
Research & Development	<u>177</u>	<u>170</u>	<u>158</u>
Total Operating Expenses	334	357	254
Operating Income	226	458	651
Operating Margin	11.8%	20.7%	27.3%

Operating expenses increased on a YoY basis in 4Q22 due to the increase of start-up costs for new Longtang fab and research and development expense for new projects.

IV. Net Profit & EPS

(In NT\$ millions)	4Q22	3Q22	4Q21
Net Income	237	382	520
Net Profit Margin	12.4%	17.2%	21.8%
EPS (NT\$ per share)	0.75	1.21	1.78

Net income in 4Q22 was NT\$237 million and EPS was NT\$0.75, decreasing 38% compared to 3Q22 and it also decreased 58% on a YoY basis.



February 22, 2023

V. Financial Condition Review

(In NT\$ millions)	12/31/22	9/30/22	12/31/21
Cash and cash equivalents	11,949	8,590	3,233
Contract assets	314	245	248
Accounts receivable, net	764	1,437	1,314
Other current assets	<u>251</u>	<u>237</u>	<u>206</u>
Total current assets	13,278	10,509	5,001
Property, plant and equipment	11,919	11,767	9,774
Other non-current assets	<u>403</u>	<u>295</u>	<u>314</u>
Total assets	<u>25,600</u>	<u>22,571</u>	<u>15,089</u>
Current liabilities	<u>3,637</u>	<u>2,615</u>	<u>2,625</u>
Non-current liabilities	<u>5,073</u>	<u>3,304</u>	<u>3,548</u>
Total liabilities	<u>8,710</u>	<u>5,919</u>	<u>6,173</u>
Total equity	<u>16,890</u>	<u>16,652</u>	<u>8,916</u>
Total liabilities and equity	<u>25,600</u>	<u>22,571</u>	<u>15,089</u>
Net working capital	9,641	7,894	2,376
Current ratio	3.7	4.0	1.9

(In NT\$ millions)	4Q22	3Q22	4Q21
Days of Receivable	52	59	58
Days of Inventory	6	7	6

VI. Cash Flow Analysis

(In NT\$ millions)	4Q22	3Q22	4Q21
Net Operating Sources/(Uses)	1,600	515	1,930
Net Investing Sources/(Uses)	(213)	(1,017)	(677)
Net Financing Sources/(Uses)	<u>1,972</u>	<u>(602)</u>	<u>(19)</u>
Cash Position Net Changes	3,359	(1,104)	1,234
Beginning Cash Balance	<u>8,590</u>	<u>9,694</u>	<u>1,999</u>
Ending Cash Balance	11,949	8,590	3,233

Liquidity Analysis

At the end of 4Q22, total assets were NT\$25,600 million, increased by NT\$3,029 million as the increase in cash and cash equivalents. Total liabilities were NT\$8,710 million, increased by NT\$2,791 million. Overall movements were mainly due to payments for property, plant and equipment and proceeds from long-term borrowings in 4Q22.

Total equity was NT\$16,890 million, increased by NT\$238 million which was mainly contributed by net income this quarter.

Net working capital was NT\$9,641 million and current ratio was 3.7 in 4Q22.

Receivable and Inventory days

Days of receivable decreased 6 days compared to 4Q21.

Days of inventory have remained unchanged compared to 4Q21.

During 4Q22, cash generated from operating activities totaled NT\$1,600 million, mainly including income before tax and depreciation expenses. Net cash used in investing activities was NT\$213 million in 4Q22, primarily attributable to capital expenditures. Net cash generated from financing activities was NT\$1,972 million, mainly attributable to proceeds from long-term borrowings.