



February 21, 2024

## VisEra 4Q23 Quarterly Management Report

VisEra Technologies Company Ltd. (TWSE: 6789) today announced net revenue of NT\$1,880 million, loss from operations of NT\$3 million, net income of NT\$32 million, and basic earnings per share of NT\$0.11 for the fourth quarter ended December 31, 2023.

### 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

	4Q23	3Q23	4Q22	QoQ	YoY
Net Revenue	1,880	1,829	1,916	3%	-2%
Gross Profit	217	255	538		
Gross Margin	11.5%	13.9%	28.1%	-2.4 pts	-16.6 pts
Operating Expenses	250	227	334	10%	-25%
Operating Income (Loss)	(3)	45	226		
Operating Margin	(0.2%)	2.4%	11.8%	-2.6 pts	-12.0 pts
Net Income	32	67	237		
Net Profit Margin	1.7%	3.7%	12.4%	-2.0 pts	-10.7 pts
EPS (NT\$ per share)	0.11	0.21	0.75	-48%	-85%

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#### Fourth Quarter 2023

- Net revenue was NT\$1,880 million, representing a 3% increase from NT\$1,829 million in 3Q23 and a 2% decrease from NT\$1,916 million in 4Q22.
- Gross margin was 11.5%, 2.4 percentage points lower than 3Q23 and 16.6 percentage points lower than 4Q22.
- Operating margin was -0.2%, down 2.6 percentage points from 3Q23 and down 12 percentage points from 4Q22.
- Net Profit Margin was 1.7%, down 2 percentage points compared to 3Q23 and 10.7 percentage points lower than 4Q22.
- EPS was NT\$0.11, which decreased 48% compared to 3Q23 and decreased 85% from 4Q22.



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## I. Revenue Analysis

Net Revenue % by Product	4Q23	3Q23	4Q22
Image Sensor	56%	48%	35%
Micro-Optical Elements	42%	50%	62%
Others	2%	2%	3%

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)	4Q23	3Q23	4Q22
Net Revenue	1,880	1,829	1,916
Cost of Revenue	1,663	1,574	1,378
Gross Profit	217	255	538
Gross Margin	11.5%	13.9%	28.1%

Gross margin was 11.5% in 4Q23, down from 13.9% in 3Q23 and 28.1% in 4Q22, which was primarily due to different product mix and recognition of depreciation of new Longtan fab, respectively.

## III. Expense Analysis

(In NT\$ millions)	4Q23	3Q23	4Q22
SG&A	48	46	157
Research & Development	202	181	177
Total Operating Expenses	250	227	334
Operating Income (Loss)	(3)	45	226
Operating Margin	(0.2%)	2.4%	11.8%

Operating expenses decreased on a YoY basis in 4Q23. Because the new Longtan fab has started ramping since 2Q23, its expenses are now recognized as cost of goods sold.

## IV. Net Profit & EPS

(In NT\$ millions)	4Q23	3Q23	4Q22
Net Income	32	67	237
Net Profit Margin	1.7%	3.7%	12.4%
EPS (NT\$ per share)	0.11	0.21	0.75

Net income in 4Q23 was NT\$32 million and EPS was NT\$0.11, decreasing 48% compared to 3Q23 and decreasing 85% on a YoY basis.



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## V. Financial Condition Review

(In NT\$ millions)	12/31/23	9/30/23	12/31/22
Cash and cash equivalents	12,467	12,422	11,949
Contract assets	367	272	314
Accounts receivable, net	903	915	764
Other current assets	<u>341</u>	<u>280</u>	<u>251</u>
Total current assets	14,078	13,889	13,278
Property, plant and equipment	10,742	11,111	11,920
Other non-current assets	<u>358</u>	<u>371</u>	<u>402</u>
<b>Total assets</b>	<b><u>25,178</u></b>	<b><u>25,371</u></b>	<b><u>25,600</u></b>
Current liabilities	<u>3,928</u>	<u>3,517</u>	<u>3,637</u>
Non-current liabilities	<u>4,619</u>	<u>5,256</u>	<u>5,073</u>
<b>Total liabilities</b>	<b><u>8,547</u></b>	<b><u>8,773</u></b>	<b><u>8,710</u></b>
Total equity	<u>16,631</u>	<u>16,598</u>	<u>16,890</u>
<b>Total liabilities and equity</b>	<b><u>25,178</u></b>	<b><u>25,371</u></b>	<b><u>25,600</u></b>
Net working capital	10,150	10,372	9,641
Current ratio	3.6	3.9	3.7

### Liquidity Analysis

At the end of 4Q23, total assets were NT\$25,178 million, decreased by NT\$193 million due to the decrease in property, plant and equipment.

Total liabilities were NT\$8,547 million, decreased by NT\$226 million. Overall movements were mainly due to repayments of long-term borrowings in 4Q23.

Total equity was NT\$16,631 million, increased by NT\$33 million mainly contributed by net income from this quarter.

Net working capital was NT\$10,150 million and current ratio was 3.6 in 4Q23.

(In NT\$ millions)	4Q23	3Q23	4Q22
Days of Receivable	44	46	52
Days of Inventory	5	5	6

### Receivable and Inventory days

Days of receivable decreased 8 days compared to 4Q22.

Days of inventory decreased 1 day compared to 4Q22.

## VI. Cash Flow Analysis

(In NT\$ millions)	4Q23	3Q23	4Q22
Net Operating Sources/(Uses)	838	631	1,600
Net Investing Sources/(Uses)	(236)	(258)	(213)
Net Financing Sources/(Uses)	<u>(557)</u>	<u>(1,126)</u>	<u>1,972</u>
Cash Position Net Changes	45	(753)	3,359
Beginning Cash Balance	<u>12,422</u>	<u>13,175</u>	<u>8,590</u>
Ending Cash Balance	12,467	12,422	11,949

During 4Q23, cash generated from operating activities totaled NT\$838 million, mainly including net income. Net cash used in investing activities was NT\$236 million in 4Q23, primarily attributable to capital expenditures. Net cash used in financing activities was NT\$557 million, mainly attributable to repayments of long-term borrowings.