

# United Fiber Optic Communication Inc. Investor Conference



## Disclaimer

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- The above statements that pertain to future projections constitute the expectations, opinions, outlooks, or predictions of our company and its affiliates based on information available at the time the statements were made. Such statements may be affected by known and unknown risks and inherent uncertainties, the existence or emergence of facts or factors that differ from the assumptions, suppositions, or judgments of the Company, or other factors. Consequently, there may be significant discrepancies between actual results pertaining to the Company's future earnings, management results, financial conditions, and other matters as explicitly or implicitly referred to in the statements and the content of such statements. The presentation is run exclusively for the purpose of providing information and not for the purpose of soliciting investments or recommending the buying or selling of specific shares or products. Company makes no warranty concerning the accuracy or completeness of the information and will not be liable for any damages arising out of use of the Information thereof.

# Executive Summary

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## Consolidated Financial Statements for the Nine Months Ended September 30, 2023

# Consolidated Balance Sheets

(In Thousands of New Taiwan Dollars)	2023.09.30		2022.12.31			2022.09.30		
	Amount	%	Amount	%	Difference	Amount	%	Difference
Cash and cash equivalents	593,609	47	127,016	11	466,593	153,016	14	440,593
Current financial assets at amortised cost, net	52,393	4	66,063	6	(13,670)	65,984	6	(13,591)
Current contract assets	181,500	15	480,695	42	(299,195)	378,346	34	(196,846)
Notes receivable, net	47	-	176	-	(129)	10,610	1	(10,563)
Accounts receivable, net	30,568	2	35,519	3	(4,951)	63,036	6	(32,468)
Other receivables, net	7	-	7	-	-	16	-	(9)
Current tax assets	525	-	535	-	(10)	2,649	-	(2,124)
Inventories	79,227	6	78,980	7	247	83,494	8	(4,267)
Construction deposits paid	131,397	11	170,930	15	(39,533)	147,085	13	(15,688)
Other current assets	25,693	2	19,832	1	5,861	17,196	2	8,497
Non-current assets	1,094,966	87	979,753	85	115,213	921,432	84	173,534

# Consolidated Balance Sheets

(In Thousands of New Taiwan Dollars)	2023.09.30		2022.12.31			2022.09.30		
	Amount	%	Amount	%	Difference	Amount	%	Difference
Non-current financial assets at amortised cost, net	41,117	3	41,095	4	22	41,044	4	73
Investments accounted for using equity method, net	-	-	-	-	-	-	-	-
Property, plant and equipment	70,913	6	81,095	7	(10,182)	84,908	9	(13,995)
Right of use assets	30,765	3	22,339	2	8,426	25,034	3	5,731
Intangible assets	4,883	-	6,115	1	(1,232)	6,563	1	(1,680)
Goodwill	-	-	-	-	-	25,349	3	(25,349)
Deferred tax assets	-	-	-	-	-	-	-	-
Guarantee deposits paid	11,717	1	8,340	1	3,377	6,211	-	5,506
Net defined benefit asset, non-current	-	-	1,696	-	(1,696)	1,303	-	(1,303)
Non-current assets	159,395	13	160,680	15	(1,285)	190,412	20	(31,017)
Total assets	1,254,361	100	1,140,433	100	113,928	1,111,844	100	142,517

# Consolidated Balance Sheets

(In Thousands of New Taiwan Dollars)	2023.09.30		2022.12.31			2022.09.30		
	Amount	%	Amount	%	Difference	Amount	%	Difference
Short-term borrowings	50,000	4	50,000	4	-	80,141	7	(30,141)
Current contract liabilities	37,312	3	14,957	1	22,355	14,257	1	23,055
Notes payable	30,019	2	1,050	-	28,969	-	-	30,019
Accounts payable	99,219	8	347,987	31	(248,768)	220,836	20	(121,617)
Other payables	36,356	3	32,148	4	4,208	39,070	4	(2,714)
Current provisions	1,365	-	14,535	1	(13,170)	14,893	1	(13,528)
Lease liabilities-current	12,387	1	8,957	1	3,430	10,526	1	1,861
Other current liabilities	995	-	1,716	-	(721)	1,455	-	(460)
Long-term borrowings, current portion	-	-	8,947	1	(8,947)	8,954	1	(8,954)
Current liabilities	267,653	21	480,297	43	(212,644)	390,132	35	(122,479)

# Consolidated Balance Sheets

(In Thousands of New Taiwan Dollars)	2023.09.30		2022.12.31			2022.09.30		
	Amount	%	Amount	%	Difference	Amount	%	Difference
Long-term borrowings	-	-	6,602	1	(6,602)	8,829	1	(8,829)
Non-current provisions	-	-	3,466	-	(3,466)	81,516	8	(81,516)
Deferred tax liabilities	16	-	16	-	-	25	-	(9)
Lease liabilities-non current	18,746	2	13,845	1	4,901	14,985	1	3,761
Guarantee deposits received	363	-	573	-	(210)	1,122	-	(759)
Non-Current liabilities	19,125	2	24,502	2	(5,377)	106,475	10	(87,350)
Total liabilities	286,778	23	504,799	45	(218,021)	496,607	45	(209,829)
Ordinary share	1,040,515	83	690,515	61	350,000	1,002,793	90	37,722
Capital surplus	24,850	2	-	-	24,850	-	-	24,850
Accumulated deficit	(145,755)	(12)	(85,603)	(8)	(60,152)	(407,312)	(37)	261,557
Other equity interest	-	-	(19,664)	(2)	19,664	(19,664)	(2)	19,664
Non-controlling interests	47,973	4	50,386	4	(2,413)	39,420	4	8,553
Total equity	967,583	77	635,634	55	331,949	615,237	55	352,346

## Consolidated Statements of Comprehensive Income

(In Thousands of New Taiwan Dollars)	2023.01~2023.09		2022.01~2022.09		Difference
	Amount	%	Amount	%	
Operating revenue	470,511	100	581,428	100	(110,917)
Operating costs	413,493	88	500,476	86	(86,983)
Gross profit from operations	57,018	12	80,952	14	(23,934)
Gross profit margin	12.12%		13.92%		
Operating expenses :					
Selling expenses	43,262	9	49,288	8	(6,026)
Administrative expenses	54,962	12	62,703	11	(7,741)
Research and development expenses	1,912	-	6,224	1	(4,312)
Total operating expenses	100,136	21	118,215	20	(18,079)
Net operating loss	(43,118)	(9)	(37,263)	(6)	(5,855)



## Consolidated Statements of Comprehensive Income

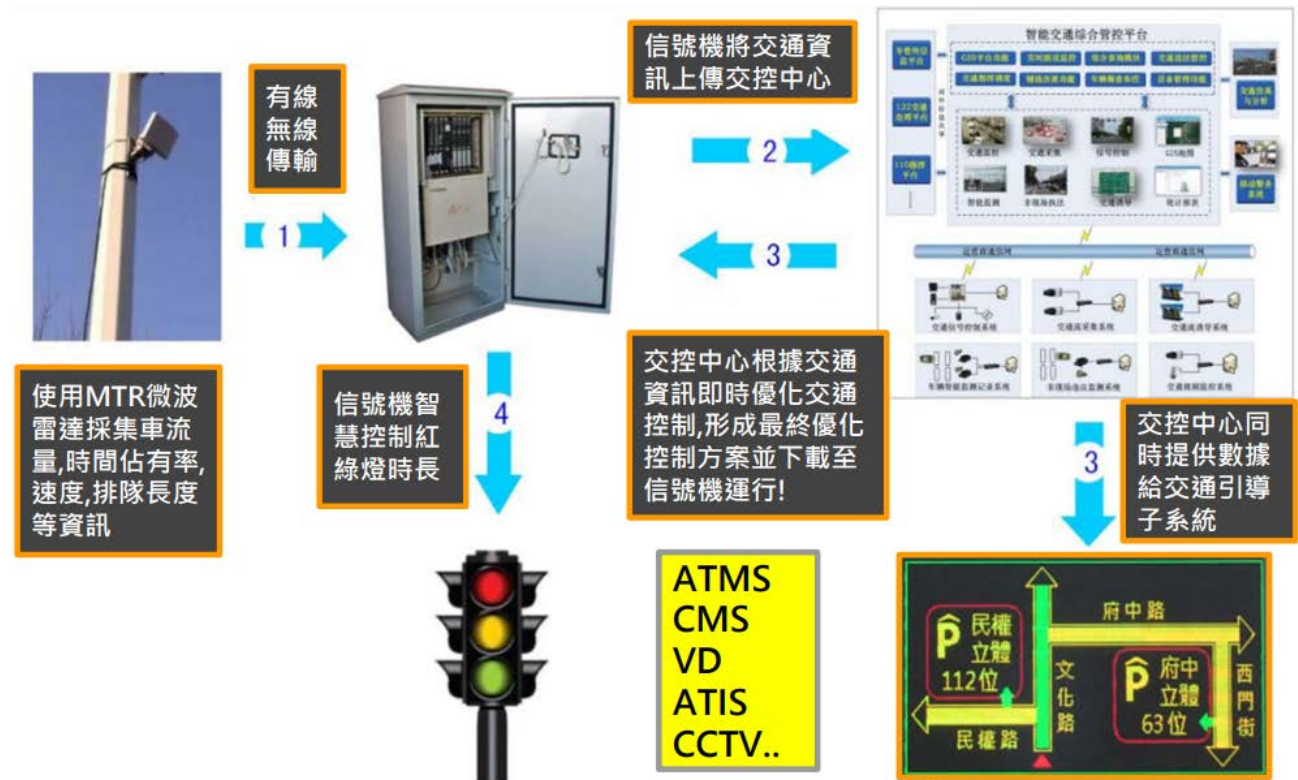
(In Thousands of New Taiwan Dollars)	2023.01~2023.09		2022.01~2022.09		Difference
	Amount	%	Amount	%	
Non-operating income and expenses :					
Interest income	1,254	-	119	-	1,135
Other income	2,610	1	1,706	-	904
Other gains and losses	(2,029)	(1)	(72,740)	(13)	70,711
Finance costs	(1,618)	-	(4,242)	(1)	2,624
Total non-operating income and expenses	217	-	(75,157)	(14)	75,374
Loss before tax	(42,901)	(9)	(112,420)	(20)	69,519
Less: Income tax expenses	-	-	1,551	-	(1,551)
Net loss	(42,901)	(9)	(113,971)	(20)	71,070

# Transportation Engineering

United Optical Fiber Communications Co., Ltd. is a provider of comprehensive solutions for communication system integration that has been involved in system integration projects for many years. Our services include product development and engineering services to provide state-of-the-art solutions to customers such as telecom operators, metros, highways/highway authorities, TRA, THSRC and others.

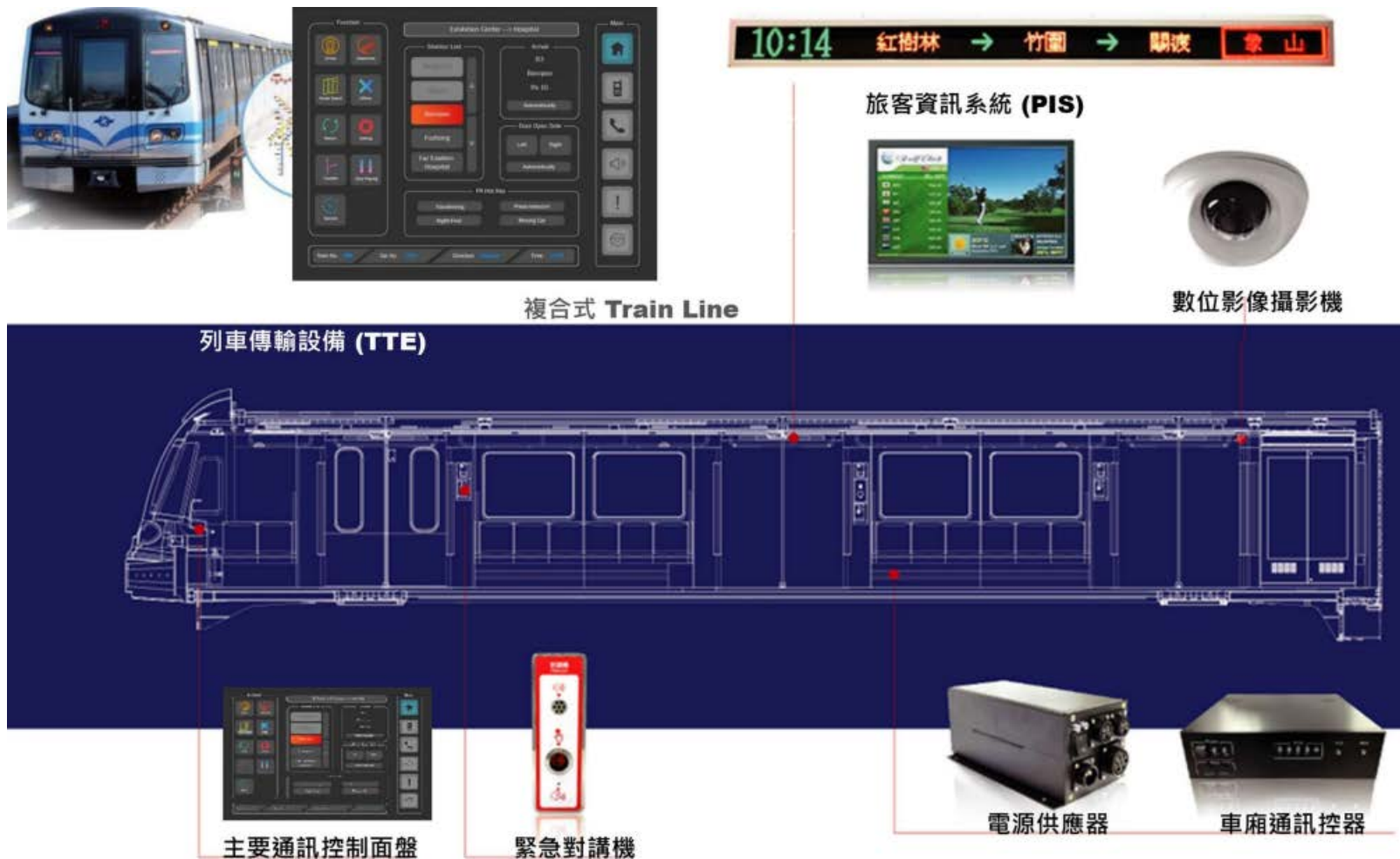
Information communication system integration and IDC monitoring project

road traffic control and rail systems



# Transportation Engineering

## The Self-Developed On-board Communication System Apparatuses



# Fiber Optic Cable Engineering

## WTR fiber optics

- small outer jacket diameter, easy installation, suitable for future high-capacity network transmission.



CHT will continue to build base stations in 2024 to improve signal coverage and quality, thereby bringing opportunities for fiber optic cable installation. Due to the reduction in the frequency of construction excavation, the reduction of the outer diameter of optical cables is a recent trend and the best solution in Taiwan. Since 2022, we have been cooperating with telecom operators such as CHT to promote the new optical cable technology of 600C WTR optical cable and have obtained projects. Our WTR cables are the best process solutions and products for tomorrow's networks.

# TPC Power and Information Technology Services

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The main business areas are smart electric grid system integration and information and communication integration in TELECOMM.

The project refers to TPC MPLS/DWDM/RODAM transmission construction, 5G experimental network, ultra-high voltage transmission lines, etc. For telecom transmission, FET's successful DWDM/ROADM projects and ongoing projects include cable modem terminal systems and telecom submarine cable landing station applications.



# Cloud Access and Information Security Services

Our services are direct sales of cloud and information security products and data center project planning. The cloud industry and big data computing are growing rapidly, and cloud services are the first choice for developing creative applications for enterprises. Cloud security services can optimize enterprise cloud environments, use AI smart monitoring and management platforms to reduce enterprise information management system costs, smart service planning, and one-stop cloud services to drive digital transformation of enterprises. Enterprises can deploy their applications and services in the cloud and integrate them with local information systems through deployment in data centers and clouds.

