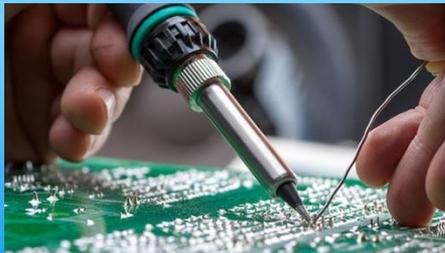


FORWARD

FORWARD ELECTRONICS



FORWARD Review 2022 Q3

Safe Harbor Statement

- This presentation contains forward-looking statements subject to significant risks and uncertainties. Actual results may differ significantly from those contained in the forward-looking statements. The forward-looking statements should not be interpreted as legally binding commitments, but rather as flexible information subject to change occasionally.

Outline

- Company Overview
- Financial Overview
 - Consolidated P/L for Q3 2022
 - Consolidated B/S for Q3 2022
 - Financial Index
- Main Products & Application
- SWOT Analysis
- Q&A

Company Overview

- Headquarter : No. 393, Section 1, Zhongzheng Road, Sanxia District, New Taipei City, Taiwan
- Founded : August 31, 1970
- OTC Listing (Code 8085) : March 1, 2004
- Paid-in Capital : NT\$ 1.39983 billion
- Number of Employees : Approx. 260 employees

Company Overview

Forward Electronics was founded in 1970 and is headquartered in Taiwan. It is a company with integrated and professional R&D and manufacturing capabilities. From the company's inception period with TV tuners and precision electronic components as its main products, Forward has gradually developed into a company that provides diversified products and services.

Today, our products are mainly developed for the market of optoelectronics, information communication and automotive electronics industries, in order to comply with the market trend and expand the business territory. In addition, Forward 's quality management system has also been recognized internationally with the certification of ISO 9001, ISO 14001, ISO / TS 16949, ISO45001, and ISO27001.

Through the close cooperation of the Sanxia Plant in Taiwan, the Kaohsiung Plant and the Wujiang Plant in Mainland China, we can provide flexible production and capacity adjustment corresponding capabilities to meet the needs of different customers.

Global base



Sanxia Headquarter



Kaohsiung Plant



Suzhou Wujiang Plant



Consolidated income statement for Q3 2022

In thousand NT\$

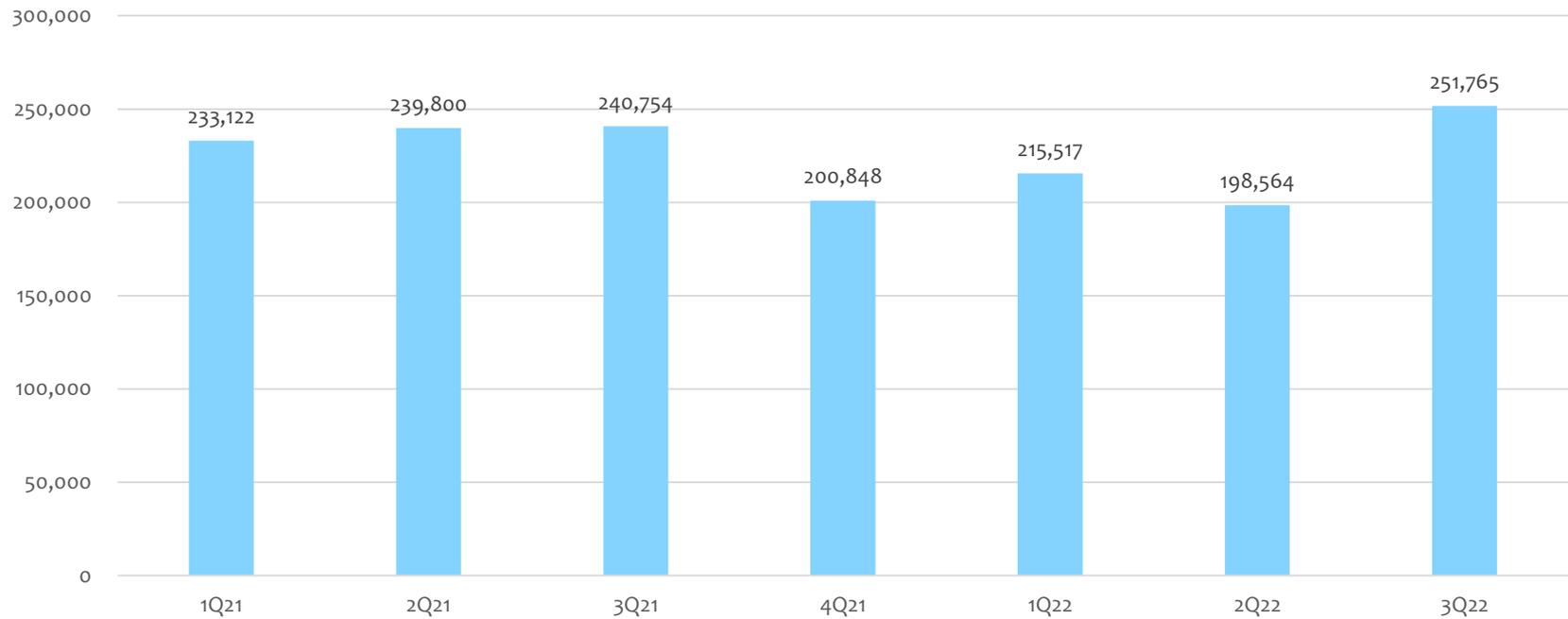
	2022 Q3		2022 Q2		QOQ	2022 Q1~Q3		2021 Q1~Q3		YOY
	\$	%	\$	%	%	\$	%	\$	%	%
Net Sales	251,765	100.0%	198,564	100.0%	26.8%	665,846	100.0%	713,676	100.0%	-6.7%
COGS	224,024	89.0%	183,604	92.5%	22.0%	604,742	90.8%	642,048	90.0%	-5.8%
Gross Profit	27,741	11.0%	14,960	7.5%	85.4%	61,104	9.2%	71,628	10.0%	-14.7%
Operating Expense	33,562	13.3%	23,855	12.0%	40.7%	84,472	12.7%	88,688	12.4%	-4.8%
Operating Income	(5,821)	-2.3%	(8,895)	-4.5%	-34.6%	(23,368)	-3.5%	(17,060)	-2.4%	37.0%
Non-Operating	67,567	26.8%	24,495	12.3%	175.8%	116,551	17.5%	47,735	6.7%	144.2%
Income before Tax	61,746	24.5%	15,600	7.9%	295.8%	93,183	14.0%	30,675	4.3%	203.8%
Net Income	82,828	32.9%	20,199	10.2%	310.1%	122,100	18.3%	30,419	4.3%	301.4%
EPS (After-tax)*	0.59		0.14			0.87		0.22		

*Note : EPS are based on the shares outstanding of 139,983K shares in Q3 2022.

Quarterly Revenues Trend

In thousand NT\$

Consolidated revenue

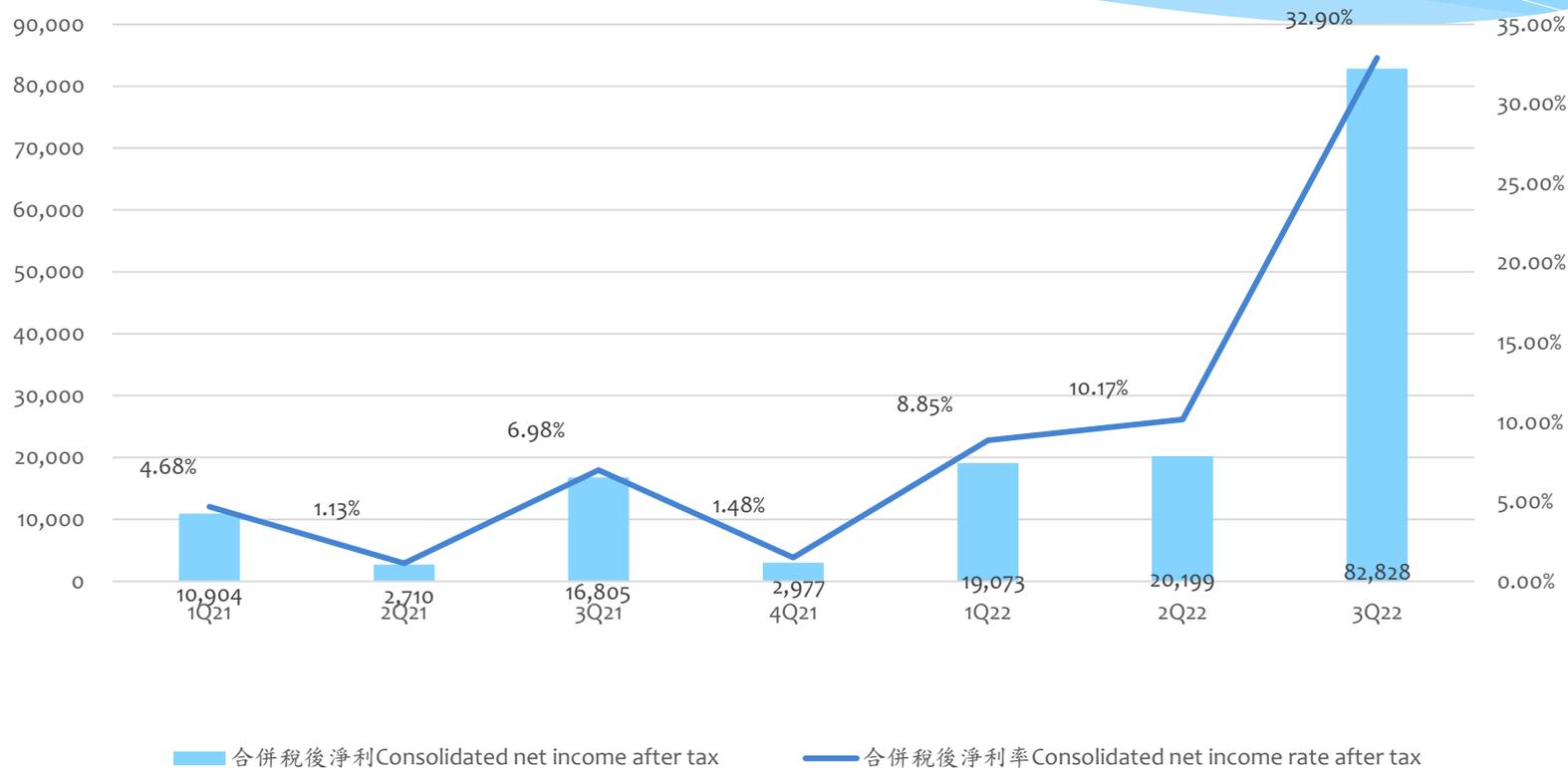


■ 合併營業收入 Consolidated revenue

Quarterly Net Income after Tax

In thousand NT\$

Consolidated net income after tax



Consolidated B/S for Q3 2022

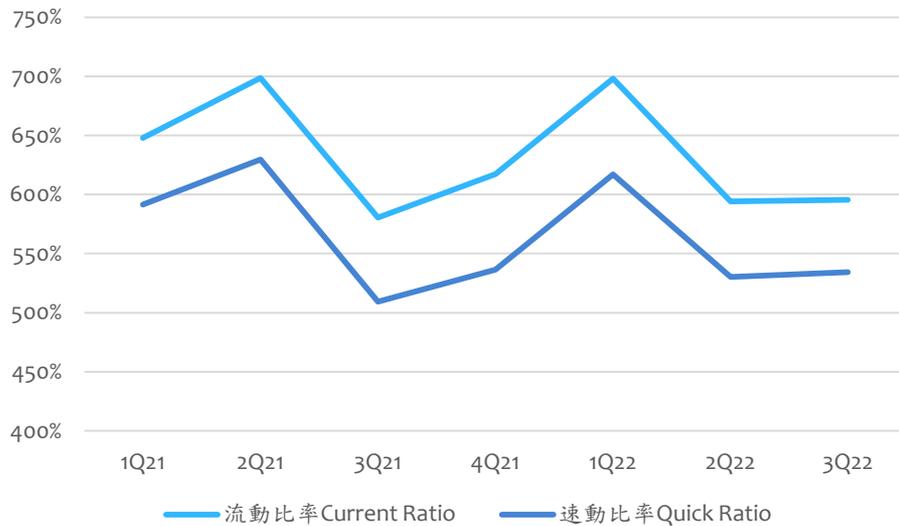
In thousand NT\$

	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
Cash & Equiv.	359,230	327,367	218,576	289,066	365,835	855,844	743,518
Financial Assets	1,158,965	1,150,814	1,032,314	963,602	909,743	385,658	514,002
Net AR	225,512	251,408	271,281	253,215	248,491	292,004	334,724
Inventories	137,072	154,572	179,686	188,842	179,585	166,207	160,639
Other Current Assets	29,425	35,246	33,433	37,642	20,847	18,415	21,893
Non Current Assets	856,877	839,805	1,097,006	1,094,830	1,121,579	1,122,945	1,117,013
Total Assets	2,767,081	2,759,212	2,832,296	2,827,197	2,846,080	2,841,073	2,891,789
Net AP	220,860	226,070	245,041	226,124	186,507	232,172	220,438
Other Current Liabilities	73,977	48,650	53,865	54,545	60,503	56,979	77,651
Long term loan	709,590	737,000	734,000	731,000	728,000	725,000	722,000
Non Current Liabilities	327,049	330,771	331,332	324,853	299,879	291,353	259,052
Total Liabilities	1,331,476	1,342,491	1,364,238	1,336,522	1,274,889	1,305,504	1,279,141
Equity	1,435,605	1,416,721	1,468,058	1,490,675	1,571,191	1,535,569	1,612,648

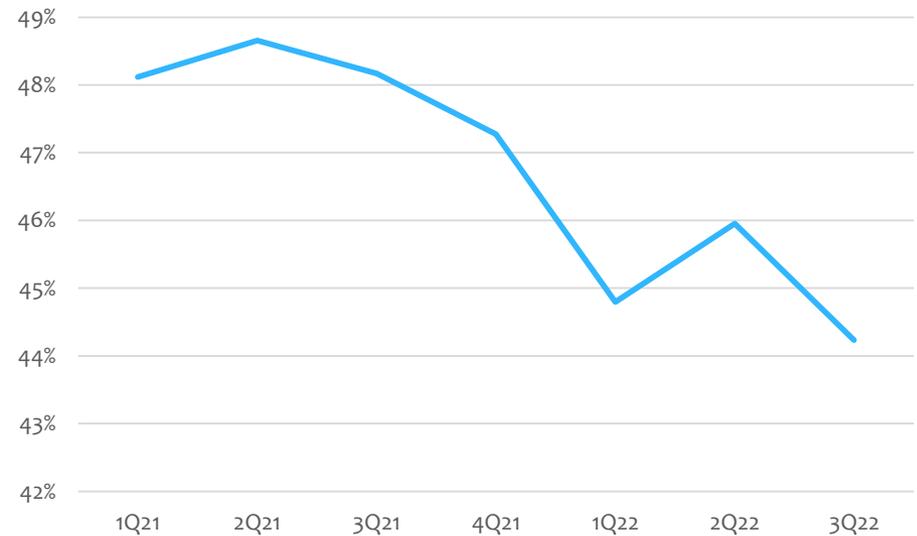
Main financial ratio Q3 2022

	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
Current Ratio	648%	699%	581%	617%	698%	594%	595%
Quick Ratio	591%	630%	509%	537%	617%	530%	534%
Debt Ratio	48%	49%	48%	47%	45%	46%	44%
NAV / share	9.13	9.01	9.34	10.65	11.22	10.97	11.52

流動比率Current Ratio、速動比率Quick Ratio



負債比率Debt Ratio



Main Products & Application



電子零組件

Precision Components Products



光電類

Optoelectronic Products



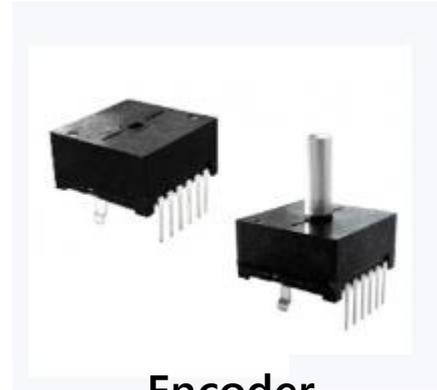
專業代工

Professional OEM/ODM

Precision Components Products



Switch



Encoder



Sensor



Potentiometer

Optoelectronic Products

Backlight Module



5.8" Back light module



10.1" Back light module



14" Back light module

Professional OEM/ODM

SMT Production Line



Scheduling system
One shift



Manpower
configuration
10 person

Professional OEM/ODM

DIP production line



Scheduling system
One shift



Manpower
configuration
17 person

Professional OEM/ODM

Assembly line



Scheduling system
One shift



Manpower
configuration
16 person

SWOT Analysis

Strength

- Products Profolio and Combo Mix
- Brand awareness, customer base & sales channel spread out emerging markets
- Solid financial & cash conversion

Weakness

- Climbing raw material and OH cost, volatile currency fluctuation
- Still under economic business scale
- Complicate business management
- Logistic & fly high cost problem will remian for a period of time.

SWOT Analysis

Opportunity

- Resurgence of the needs for basic computing accessories and peripheral devices with changes in macro economic and social environment.
- COVID-19 & High Speed Internet (5G, WiFi 6) fuels the needs for distance learning, remote working, cloud desktop and the likes.
- Bridge people to smart devices, apps and content in faster ways to provide higher productivity and with better user experience!

Threats

- Trade Battle
- Mature industry, slow even no growth
- Fake, naked, and local brand competition
- Global Inflation & monetary tightening

Industrial Environment Analysis and Opportunity Inventory

1. Continue to develop new technology and high value-added products, and form market segments with high-tech products leading the industry.
2. Accelerate the automatic production of traditional models, and make good use of Suzhou Fuhua for cross-strait production deployment, reduce costs, increase production capacity, differentiate the market, strengthen competitiveness and prevent competitors.
3. Develop industrial applications: expand from the sound effect market to multiple industries such as lighting control, industrial control, medical equipment, sports equipment, and network peripheral equipment.
4. Expand sales to overseas European and American markets:
 - (1) Increase brand awareness and visibility by participating in foreign exhibitions, and target direct access to end customers.
 - (2) Joint distributors indirectly expand sales in the European and American markets.
5. Cost reduction: Through the introduction of alternative materials, elimination of bottleneck processes, planning of automated production, etc., manufacturing costs are reduced, and costs are reduced.

Thank You