



**3672**

## **Connection Technology Systems Inc.**

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Investor Conference

President/ Antony Chen

CFO/ Ella Chien

October 19, 2022

# Disclaimer

This presentation is based on the information obtained from various sources which the Company believes to be reliable. But at same point in the future, there are a variety of factors which could cause actual results to differ materially from those statements. Therefore, please refer to the information on MOPS website as the main basis if any adjustment has been made.



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# Company Profile

<b>Stock Code</b>	3672
<b>Listed on TPEX</b>	April 20 <sup>th</sup> , 2015
<b>Issued Capital</b>	NT\$317,904,000
<b>President</b>	Antony Chen
<b>Employees</b>	142 (Taiwan: 122, Overseas: 20)
<b>Revenue</b>	NT\$853,577,000 ( 2021 )
<b>Address</b>	18F.-6, No. 79, Sec. 1, Xintai 5th Rd., Xizhi District, New Taipei City

# Competitive advantage

## In-house Designer

- Participate in regional events
- Host user forums and workshops to understand user and applications

## Networking Consultant

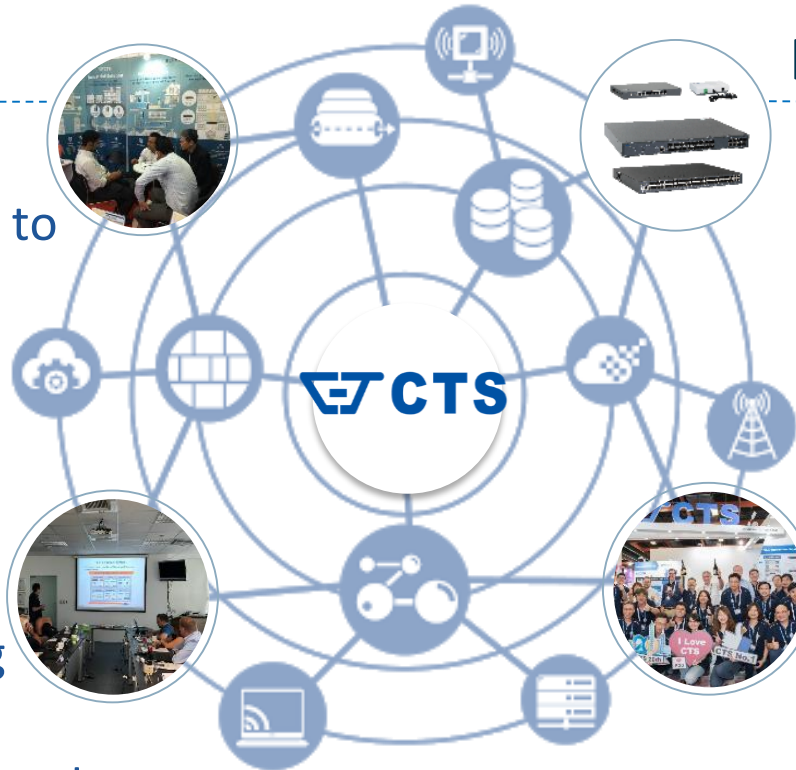
- 24+ years FTTX trouble shooting experiences
- Qualified vendor and preferred partner for top tier telecoms, network operators and Internet service providers

## Innovative Solutions

- Total quality management
- Future-proof design

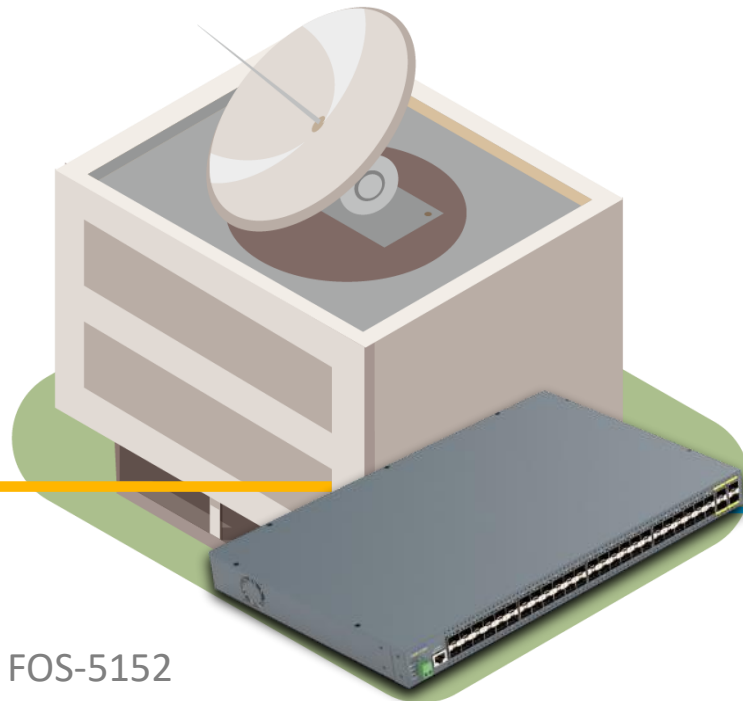
## Excellent Customer Services

- Regional on-site support
- Localization and customization

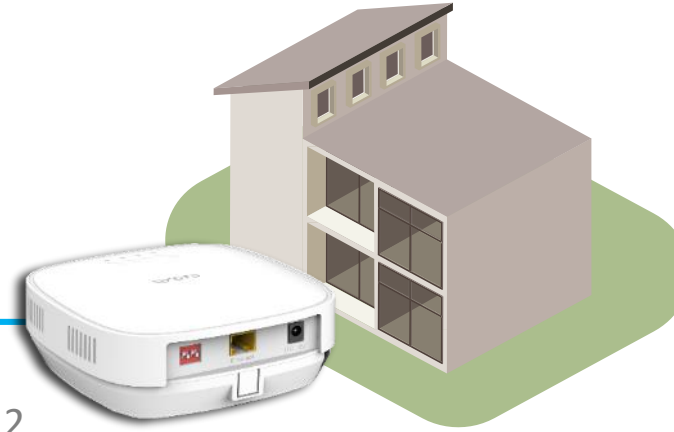


# CTS Broadband Application

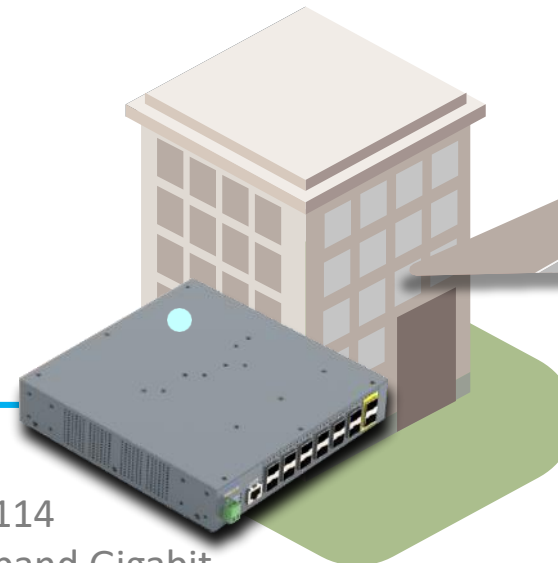
- Optical fiber broadband equipment from access to home user
- Optical fiber building solution and indoor installation
- Fixed broadband + Wi-Fi 6 subscription-based services



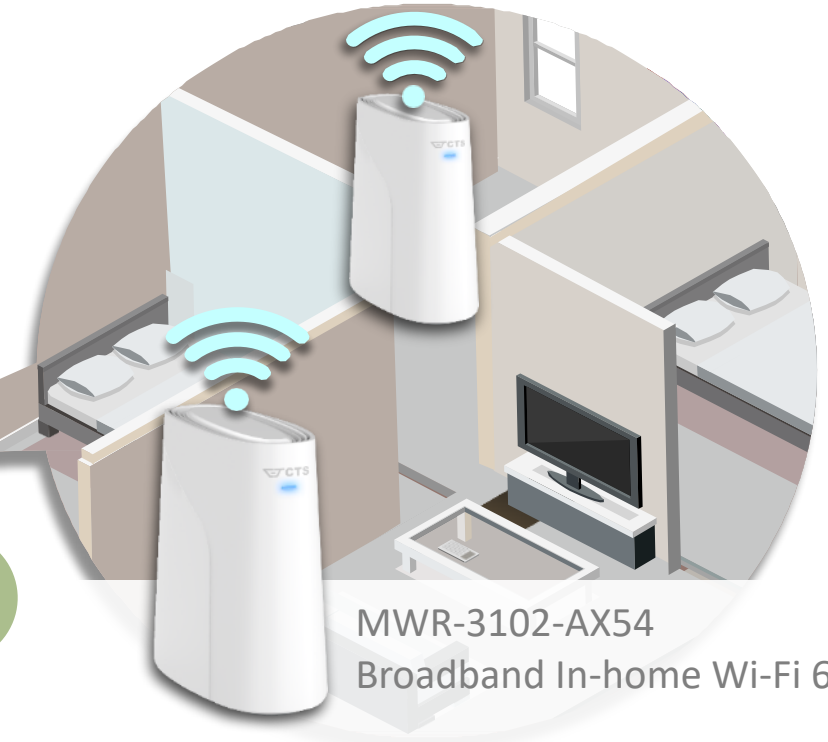
FOS-5152  
Broadband 10G uplink  
Fiber Access



FTC-3012  
Broadband Gigabit  
Fiber to the Home



FOS-3114  
Broadband Gigabit  
Fiber to the Building



MWR-3102-AX54  
Broadband In-home Wi-Fi 6

# CTS Broadband Solutions



Broadband Access Switch



Broadband FTTH CPE



In-Home Wi-Fi 6

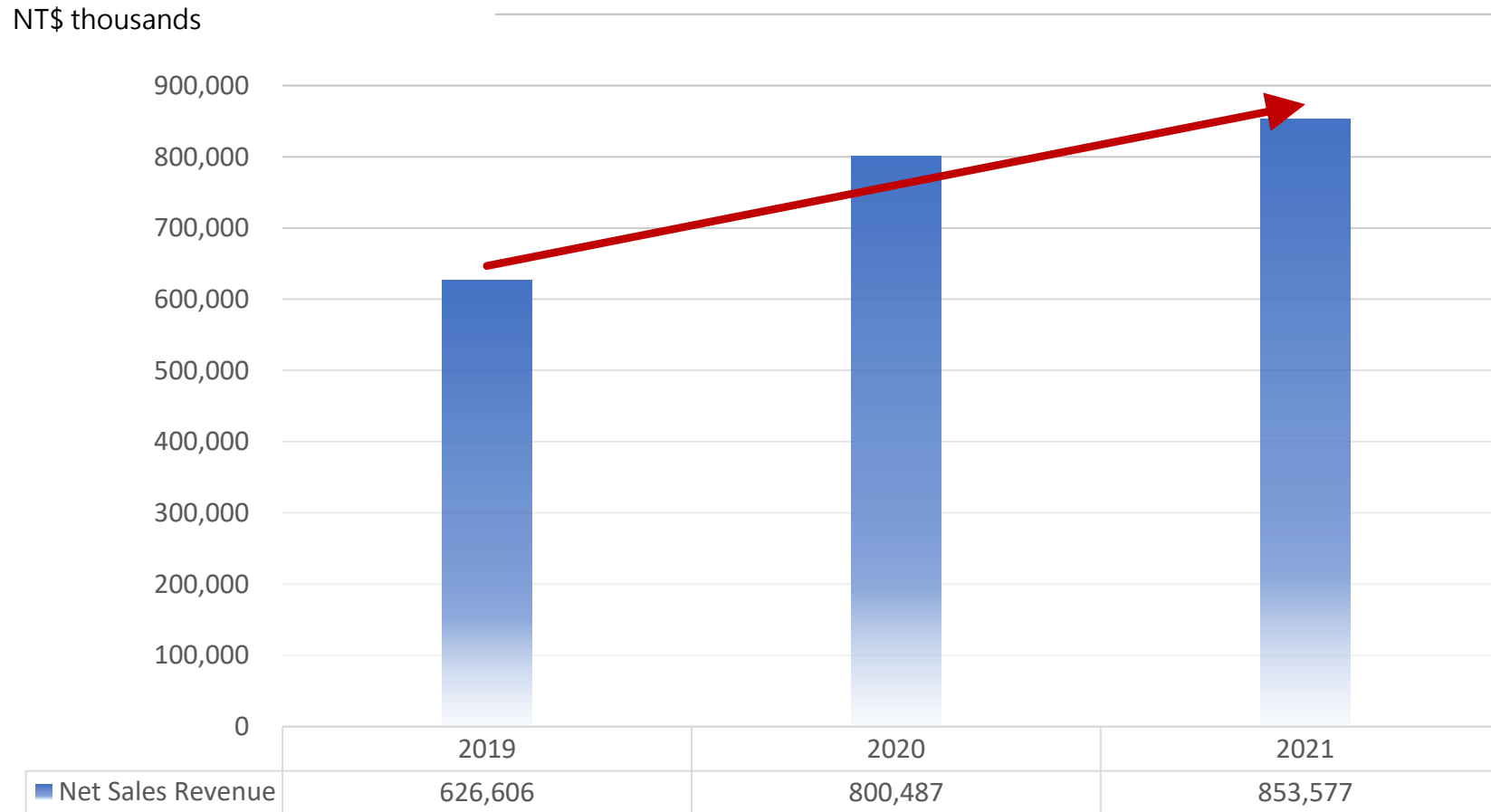


Industrial PoE



Fiber Ethernet Transmission

# Consolidated Revenue – Last three years





# Comprehensive Income Statement

In thousands of TWD, except Earning per share

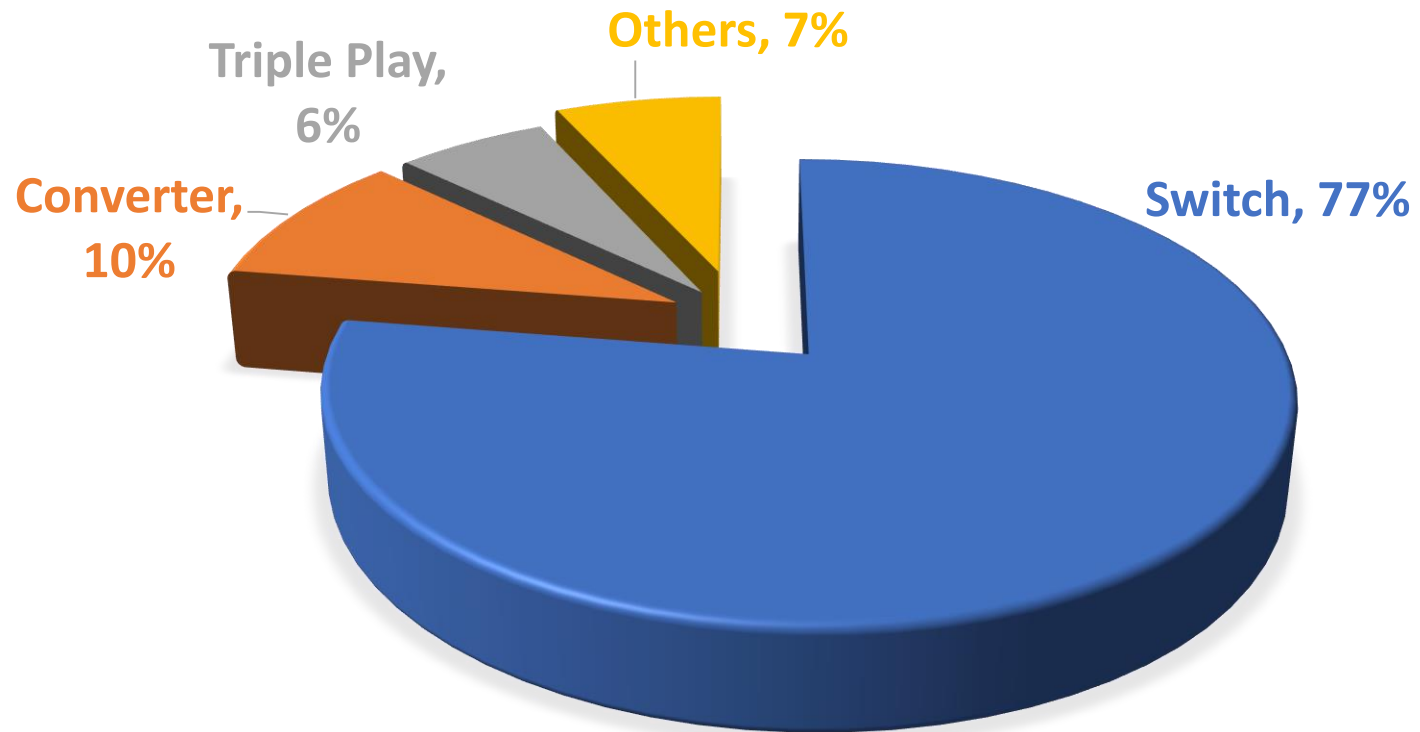
	2021H1	%	2022H1	%	YOY
Net Sales Revenue	364,275	100.00%	384,167	100.00%	5.46%
Cost of goods sold	253,320	69.54%	261,937	68.18%	3.40%
Gross profit	110,955	30.46%	122,230	31.82%	10.16%
Operation expense	111,004	30.47%	119,865	31.20%	7.98%
Operation Income	-49	-0.01%	2,365	0.62%	4926.53%
Non-operation Income/Loss	-1,140	-0.31%	8,715	2.27%	864.47%
Net Earning before Tax	-1,189	-0.33%	11,080	2.88%	1031.88%
Tax expense or income	5,894	1.62%	6,694	1.74%	13.57%
Net earning after Tax	-7,083	-1.94%	4,386	1.14%	161.92%
Income attributable to parents	-6,425	-1.76%	5,448	1.42%	184.79%
Earnings(Loss) Per Share	-0.21		0.18		
Gross profit rate(%)	30%		32%		

# Consolidated Balance Sheet

In thousands of TWD

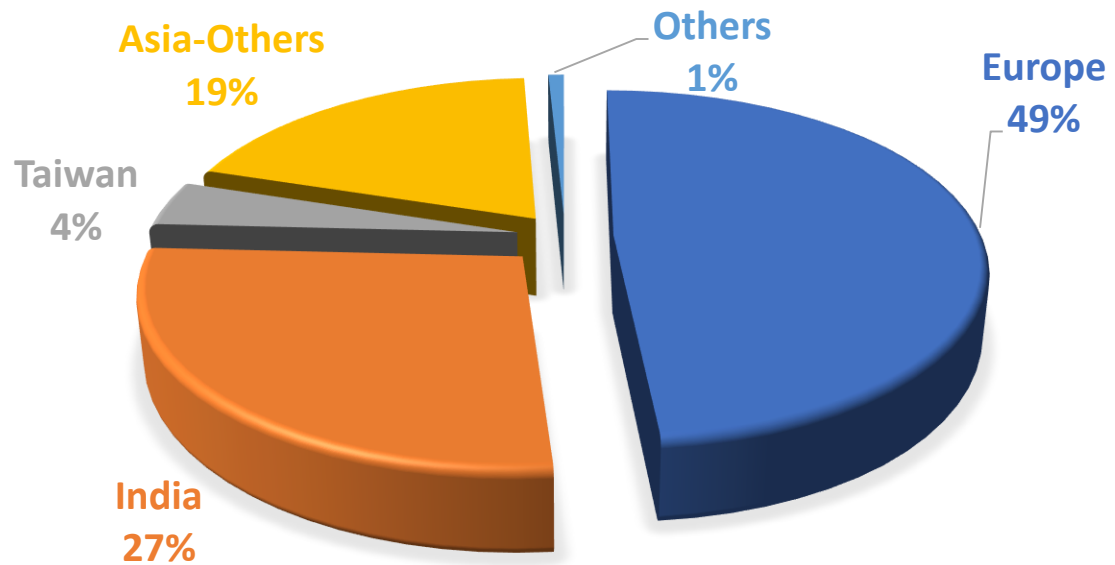
	111-06-30	110-12-31	110-06-30
Current assets	586,821	631,942	576,963
Net property, plant and equipment	105,896	108,447	109,709
Intangible assets	5,748	5,748	5,748
Other assets	80,202	80,832	85,597
Total assets	778,667	826,969	778,017
Current liabilities	336,703	370,377	325,534
Non-Current liabilities	49,954	64,733	71,839
Total liabilities	386,657	435,110	397,373
Equity Attributable To Owners Of Parent	392,757	391,665	380,367
Non-controlling Interests	-747	194	277
Total shareholder's equity	392,010	391,859	380,644
Total liabilities and shareholder's equity	778,667	826,969	778,017

# Product Category Analysis

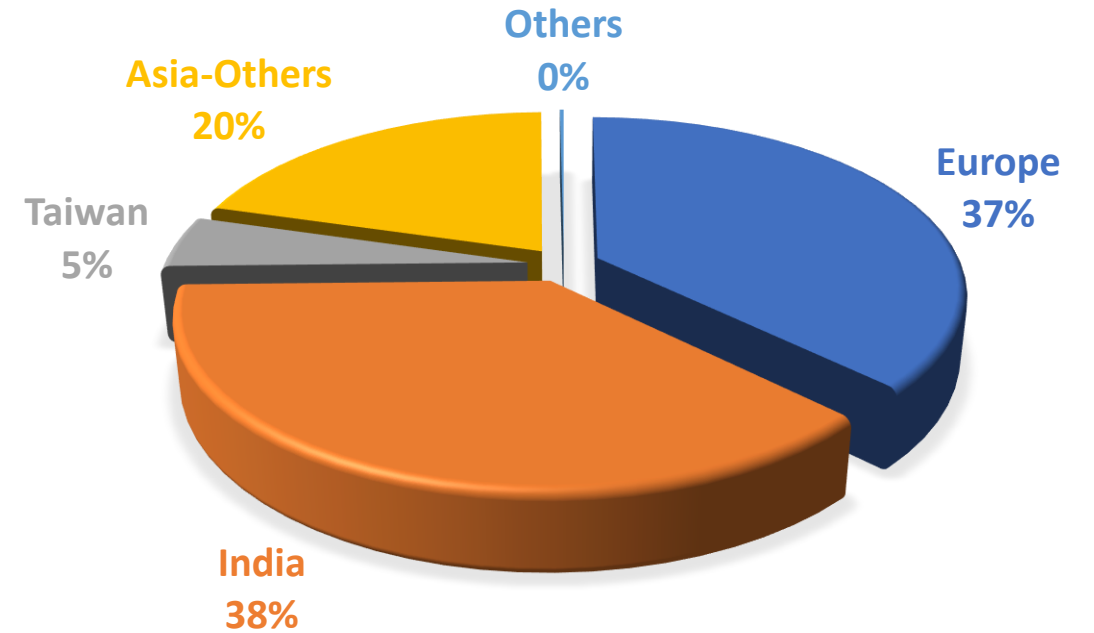


2022 H1 BY PRODUCTS

# Regional Market Analysis



2021 H1 BY MARKET



2022 H1 BY MARKET

# Broadband Service Market Trend



The global broadband services market is expected to expand at a compound annual growth rate (CAGR) of 6% from 2021 to 2026, of which the FTTH/B technology architecture will expand its market share with a double-digit annual growth rate.



High-definition video streaming, multimedia and even the application requirements of the Metaverse, users need more bandwidth to enhance their visual experience.



Wi-Fi 6 and 6E are expected to surpass Wi-Fi 5 to become mainstream technology in 2022. And the IEEE plans to approve and publish the 802.11be(Wi-Fi 7) amendment by mid-2024.

# Product Solutions and Services



Meet **broadband service** requirement, create energy-efficiency solution  
10G broadband switches and efficient energy distribution

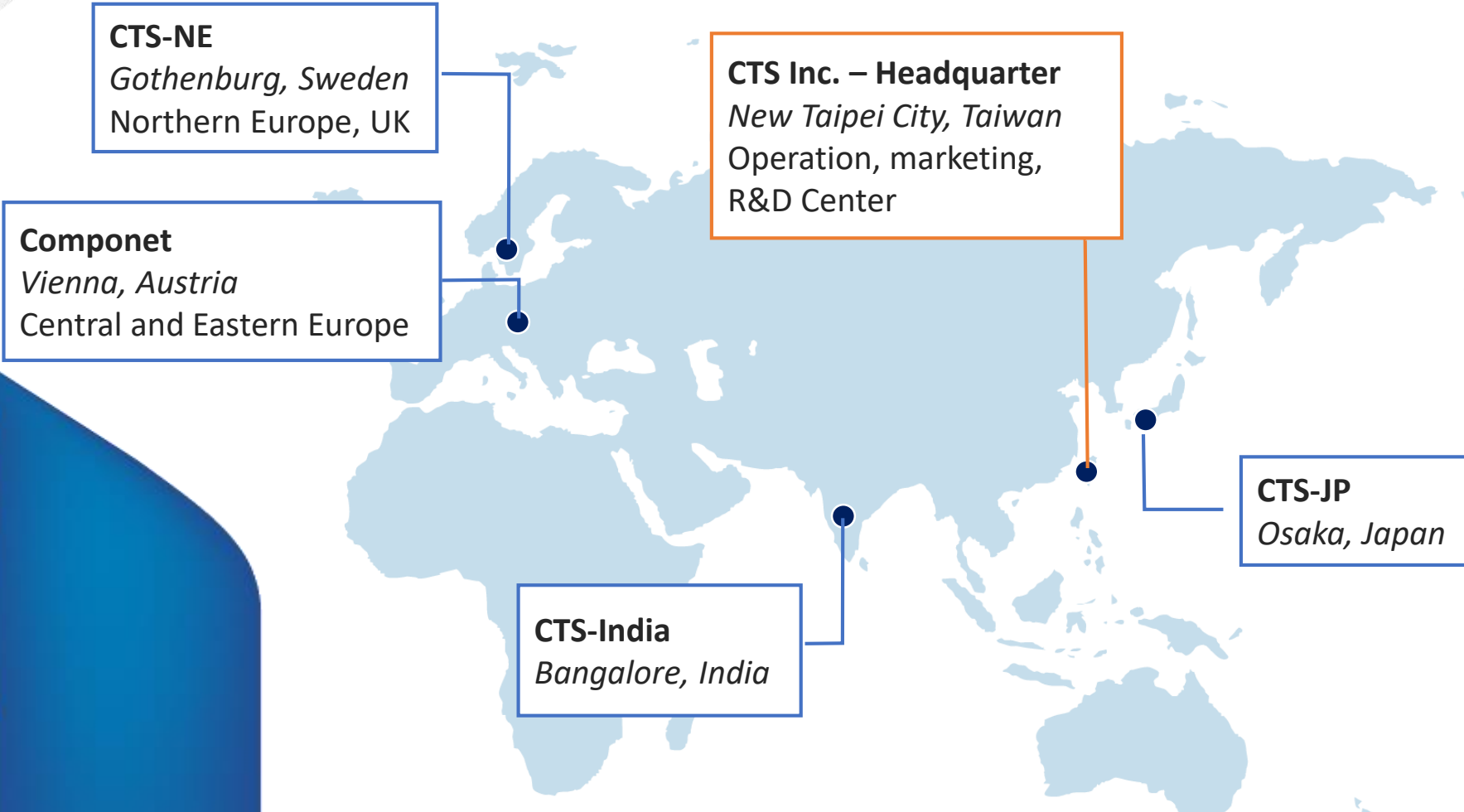


Provide **Wi-Fi-as-a-Service**, invest in wireless equipment  
Reduce network delay, increase transmission rate, and ensure a smooth wireless network



Build **IoT-as-a-Service**, fulfill smart home applications  
Apply technologies to create a simple, faster, safer, and convenient life

# Global Presence





Q&A

THANK YOU