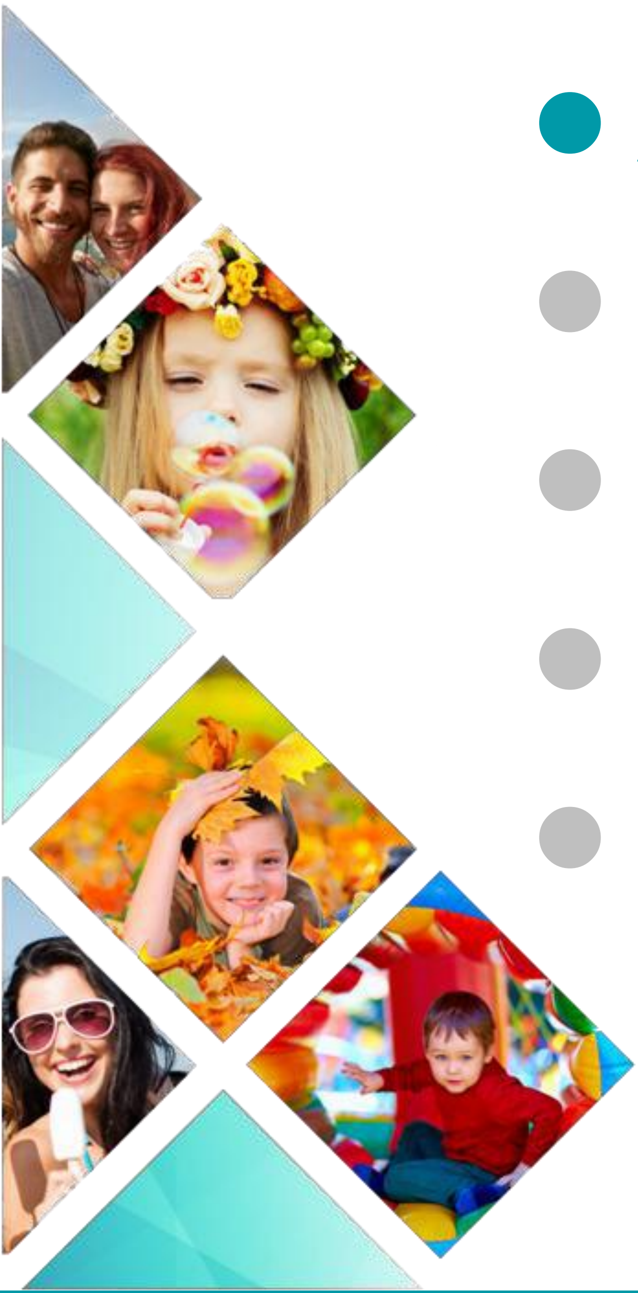
Hiti Digital Inc.
Corporate presentation 2024

19. Dec. 2024

- About Hiti
- Corporate Culture
- Core Competiveness
- Future Outlook
- Financial Status



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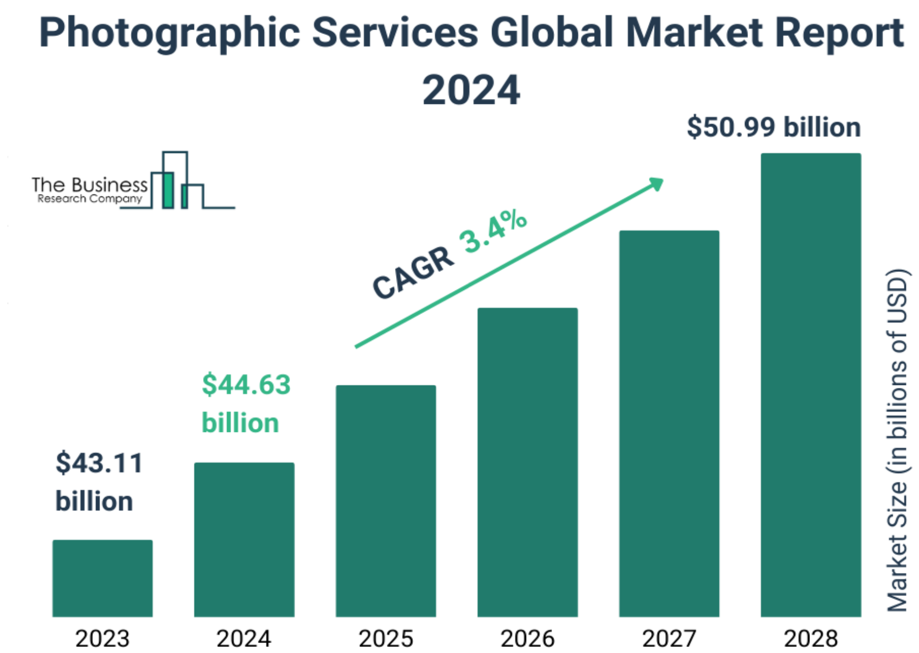
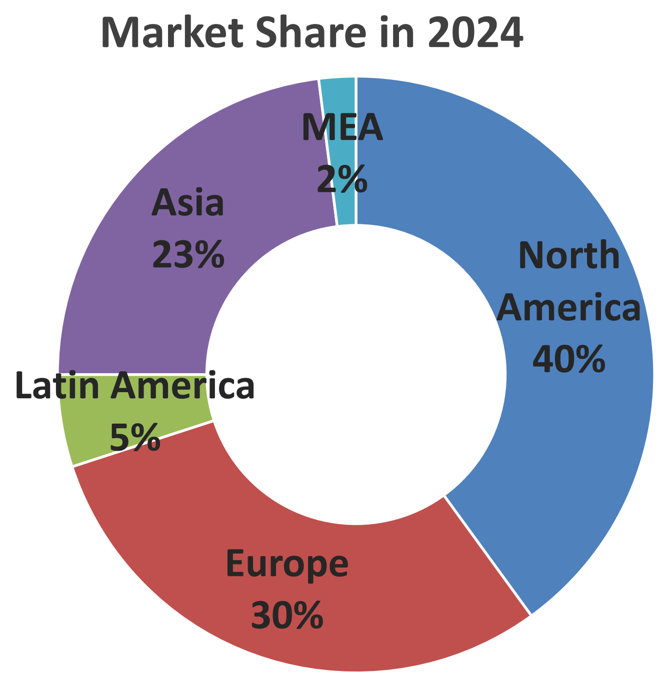
Global Photo Printing Market Overview

2024 Global Photo Printing Market Value is estimated to be around **44.63 billion USD, showing an increase from 43.11 billion USD in 2023, with an annual growth rate of 3.5%. It is forecasted that by 2028, the photo printing market will reach **50.99 billion USD, with a compound annual growth rate (CAGR) of 3.4%.**

(reference : https://www.thebusinessresearchcompany.com/report/photographic-services-global-market-report





Global Photo Printing Market (Kiosk)

**Europe, the United States, and developing countries show great growth potential. Advances in AI digital technology are expected to introduce innovative features in kiosks. These factors will drive market growth and attract new investments. In 2024, the market value is estimated to be 1.933 billion USD, and it is expected to reach 2.62 billion USD by 2030, with a compound annual growth rate (CAGR) of 5.2%.
(reference: https://reports.valuates.com/market-reports/QYRE-Auto-9H12337/global-photo-printing-kiosk

Hiti Digital Inc.

Hiti Digital Inc. was established in 2001, with its headquarters located in New Taipei City. It went public in 2007 and changed its English name to HiTi Digital, Inc. to focus more on the development of dye-sublimation technology. Currently, Hiti Digital Inc. , together with ChienHua Technology, form the Hiti Group, becoming one of the top three suppliers of dye-sublimation printers and consumables in the world.

HIGH-TOUCH

IMAGING

TECHNOLOGY

INNOVATION

Hiti Digital Inc.

Hiti Group

Hiti Digital Inc.

Main Business:

Research and development, manufacturing, marketing, and after-sales service of dye-sublimation printers.

Assembly, production, and marketing of dye-sublimation printer consumables.

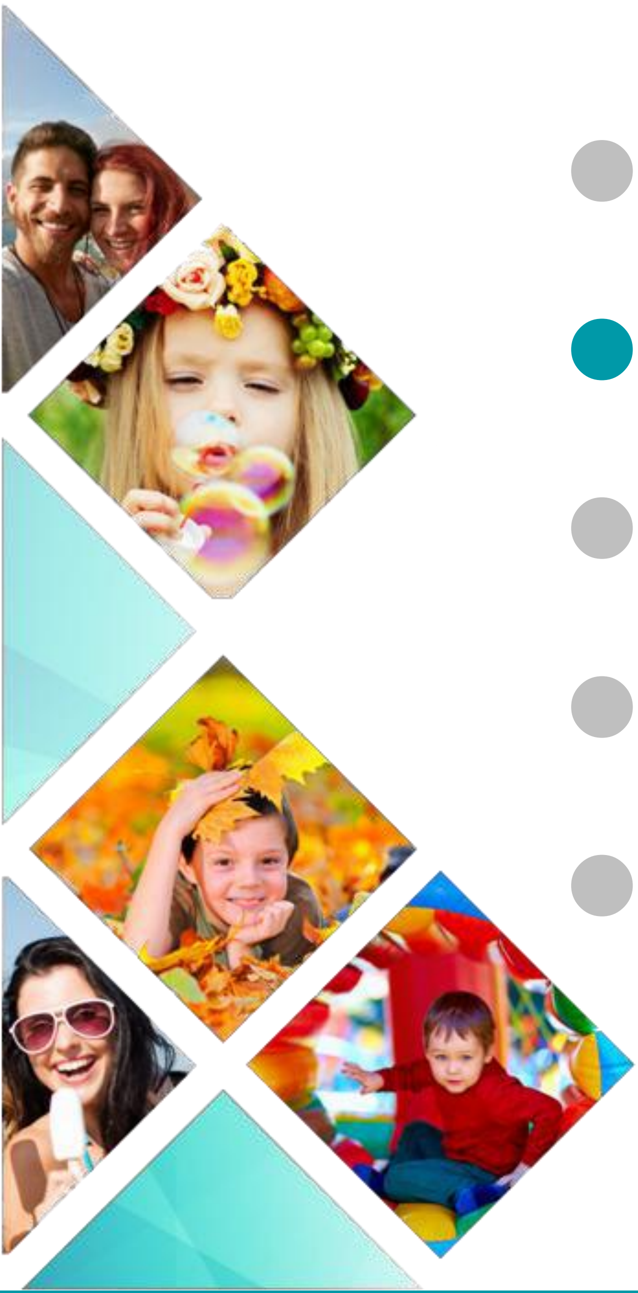
ChienHua Tech.

Main Business:

Development of key components for dye-sublimation printers.Development of consumable formulas and new materials.

Supply of raw materials and semi-finished products for dye-sublimation consumables.

HIGH-TOUCH
IMAGING
TECHNOLOGY
INNOVATION



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ESG Carbon Reduction and Solar Power Generation

In 2016, Hiti Digital Inc. began installing solar panels. The total number of solar panel modules is 5,022, covering an area of 19,213 square meters. As of the end of November 2024, the total power generation has reached 12.24 million kWh, with a total carbon reduction equivalent to approximately 17.23 Central Parks in New York.

	Y2017~2020	Y2021	Y2022	Y2023	Y2024	Total
Phase 1	2,711,525kWh	221,840kWh	417,900kWh	645,798kWh	633,515kWh	4,630,578kWh
Phs.2/3	3,624,072kWh	663,806kWh	835,800kWh	1,255,999kWh	1,237,881kWh	7,617,558kWh
				(Total)		12,248,136kWh
		Annual Carbon Absorption of Central Park, N.Y.	453,590	Carbon reduction		7,814,311 kgCO2e
			# of Central Park, New York			**17.23**

一度電約等於0.638 kgCO2e

Revolutionary Innovation

Traditional photo paper

Dye Receiving Layer(DRL)
Primer
BOPP

Glue

PE extrusion
Raw paper
PE extrusion

Glue

PET
Polybutylene(PB)

H2 Photo Paper

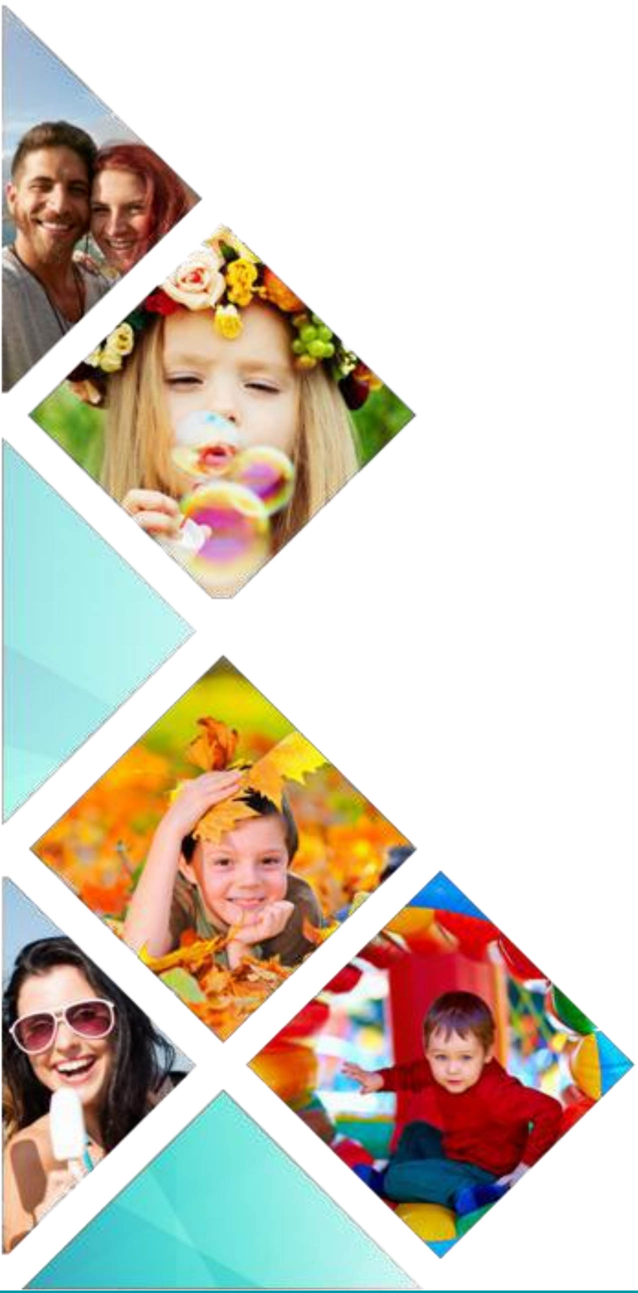
Dye Receiving Layer(DRL)
Primer
BOPP

Glue

Raw paper

PP extrusion

Simplified Manufacturing Processing
Reduced Use of Organic Solvents



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Technology Development & Patent

A strong and experienced R&D team, covering five major areas: **electronics, mechanics, software, firmware, and color**. With professional digital imaging printing technology, we respond quickly to market demands and have been recognized with numerous global awards for many consecutive years!

we have also elite R&D personnel in **chemistry, chemical engineering, and materials**, optimizing and enhancing consumable formulas to make products both cost-effective and competitive in the market. Our goal is to become the world's largest supplier of dye-sublimation consumables.

Complete Patent Ownership

- Holds 68 Global Patents
- 16 Patent Applications in Progress (as of November 2024)

Printer and Consumables Assembly

Hiti Digital Inc.

- TaiChung (Taiwan)
  - **Printer Assembly**
    - Cutsheet printer, Roll type printer, DTC card printer Assembly
  - **Consumables Assembly**
    - Cutsheet media , Roll type media and DTC card media Assembly

Consumable Production

ChienHua Technology

- TaiChung (Taiwan)
  - **Dyesub media Production**
    - Ribbon coating
    - Paper production
    - BOPET
    - Paper/Ribbon Slitting

Powered by

Consumable Production

Powered by

Brückner BOPET Production Equipment
For ribbon base film

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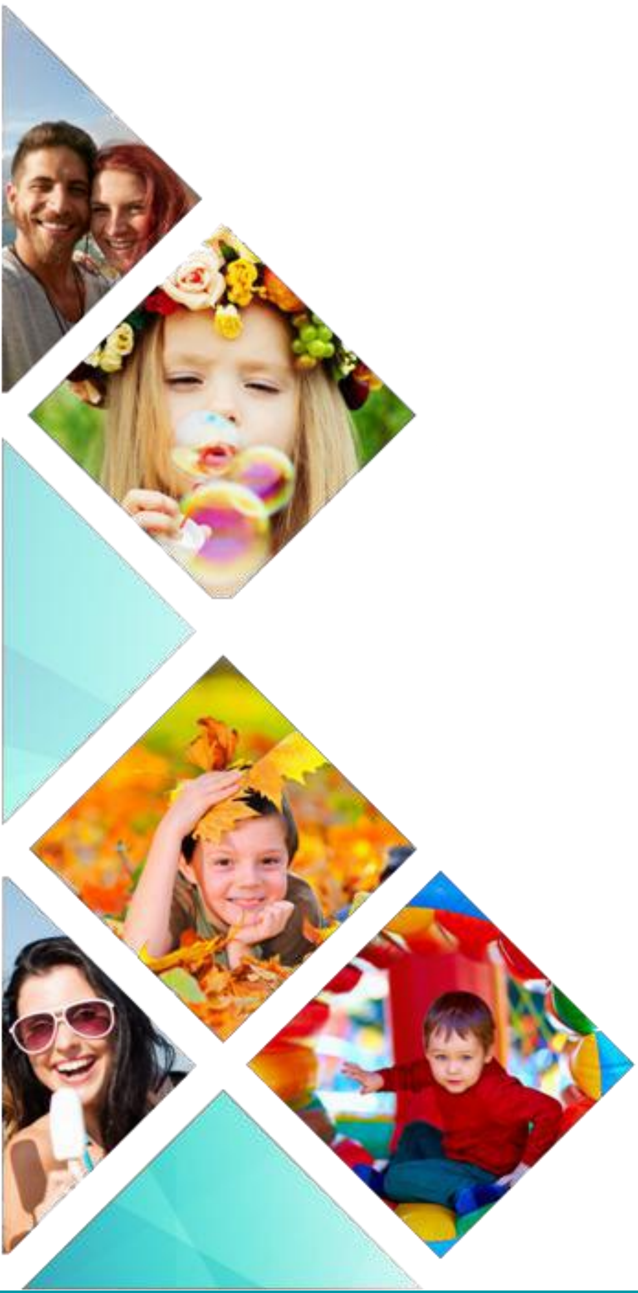

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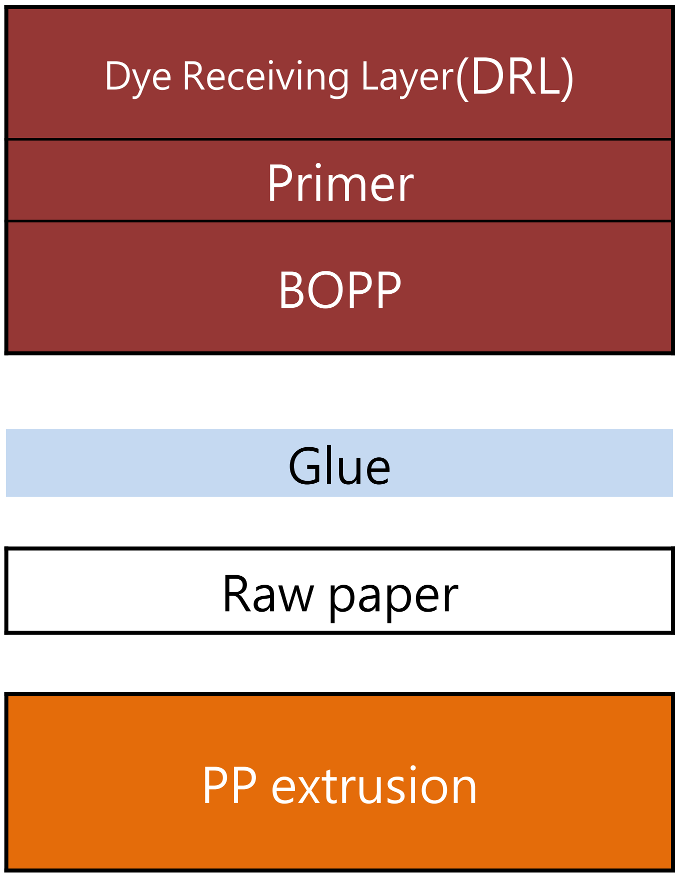
New H2 Photo paper



Features

- Simplified manufacturing process, reducing costs by 20%.
- Reduced use of organic solvents, promoting environmental sustainability.
- High color saturation, vivid and bright colors.
- White paper with a good rigid feel.
- UV-resistant, not easy to fade.

New RT printer P630

New chip MMS support
Easy expansion

ADS auto detection
Energy saving, Cost reduction

Compact design
Save space

ECO design
Reduce plastics

High resolution
High speed

New ID card printer CS260

New platform
MMS expansion

New ribbon
design

RFID
detection

ECO design
Reduce Plastics

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Financial Status-Balance Sheets

Item (Unit：NTD. K)	2024Q3	%	2023	%	2022	%
Current Assets	356,706	22	374,136	21	516,379	20
Property, Plant, and Equipment	1,259,096	65	1,301,689	66	1,376,416	66
Other Assets	219,484	13	240,594	13	270,280	14
Total Assets	1,835,286	100	1,916,419	100	2,163,075	100
Current Liabilities	1,032,767	19	916,549	32	455,450	29
Non-current Liabilities	311,400	41	411,530	22	843,093	18
Total Liabilities	1,344,167	60	1,328,079	54	1,298,543	47
Total Equity	491,119	40	588,340	46	864,532	53
Average Collection Period	13.01		14.48		15.28	
Return on Equity (%)	(0.181)		(0.382)		(0.372)	

Financial Status-Income Statement

Item (Unit：NTD. K.)	2024Q3	%	2023	%	2022	%
Operating Revenue	696,033	100	675,907	100	540,303	100
Operating Costs	589,477	85	637,112	94	552,178	102
Gross Profit	106,556	15	38,795	6	(11,875)	(2)
Operating Expenses	171,437	25	254,614	38	323,009	60
Operating Loss	(64,881)	(9)	(215,819)	(32)	(334,884)	(62)
Non-operating Income and Expenses	(32,748)	(5)	49,584	7	19,609	4
Pre-Tax Loss	(97,629)	(14)	(265,403)	(39)	(354,493)	(58)
Income Tax Expenses and Benefit)	0	0	(12,081)	(2)	(94)	(0)
Net Loss for the Period	(97,629)	(14)	(277,484)	(37)	(354,587)	(58)
Loss per Share (NT$)	0.54		(1.52)		(1.94)	

Financial Status – Comparative Analysis

Item (Unit：NTD K.)	2024Q3	2023Q3	Change Ratio%
Operating Revenue	696,033	516,082	34.87
Operating Costs	589,477	455,228	29.49
Gross Profit	106,556	60,854	75.10
Operating Expenses	171,437	199,080	(13.89)
Operating Loss	(64,881)	(138,226)	(53.06)
Non-operating Income and Expenses	(32,748)	(31,103)	5.29
Pre-tax Loss	(97,629)	(169,329)	(42.34)
Income Tax Benefit	0	(9,707)	(100.00)
Net Loss for the Period	(97,629)	(179,036)	(45.47)
Loss per Share (NT$)	(0.54)	(0.76)	(28.95)

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Q & A

Thanks for your visit.

Your guidance is greatly appreciated.