

vtech

VTech Communications Ltd

About VTech Group

Established in **1976** with headquarters in Hong Kong and state-of-the-art manufacturing facilities

3

Core Businesses

14

Countries & Regions

25,300

Employees Worldwide

1,600

R&D Employees

#303

HK Stock Exchange

Electronic Learning Products (ELP)

We create innovative and age-appropriate electronic learning toys that enrich children's development and make learning fun

Telecommunication Products (VTT)

With superior design and functionality, our cordless phones and other telecommunication products continue to be the number one choice for consumers worldwide

Contract Manufacturing Services (CMS)

Flexibility in service, excellence in product quality, manufacturing know-how in several product categories and a strong reputation are the key factors that have made us a top 50 EMS provider globally

Sustainability

5 Sustainability Pillars



Governance and Business Ethics

Uphold the highest ethical standards of business integrity and foster a culture of compliance throughout the company



Product Responsibilities and Value Chain Management

Incorporate sustainability concepts into product design for the well-being of our customers and the society



Environment

We are committed to minimizing the potential environmental impacts from our operations



Our People

We provide a supportive, pleasant and healthy workplace for our employees, and a caring community in workplace

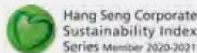


Society

Use our expertise and resources to support the communities



Industry awards received:



VTech constantly reviews and monitors its sustainability progress along the business development. We recognize that we have to build on the foundation that we have established since we started our sustainability journey in FY2006.



22.7%

GHG emission reduction per production output in assembly factories since FY2014



44.2%

Water consumption decreased since FY2014



14.3%

Electricity usage reduction per production output in assembly factories since FY2014



79.9%

Recycling rate of the reusable materials since FY2014

Financial performance

\$2,372.3M

Revenue
FY21

\$266.2M

Profit before tax
FY21

\$86M

R&D expenses
FY21

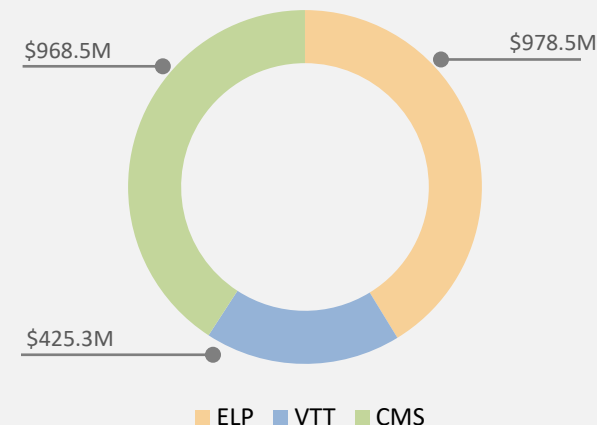
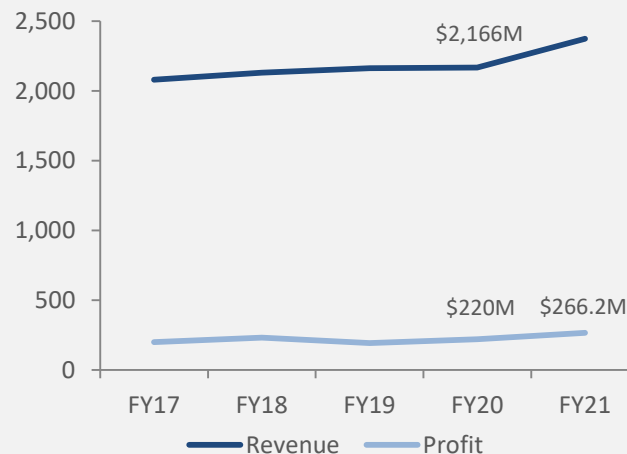
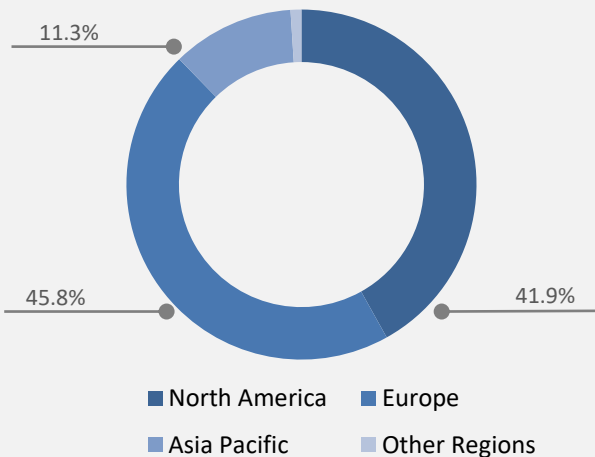
\$344M

Cash on hand
FY21

#303

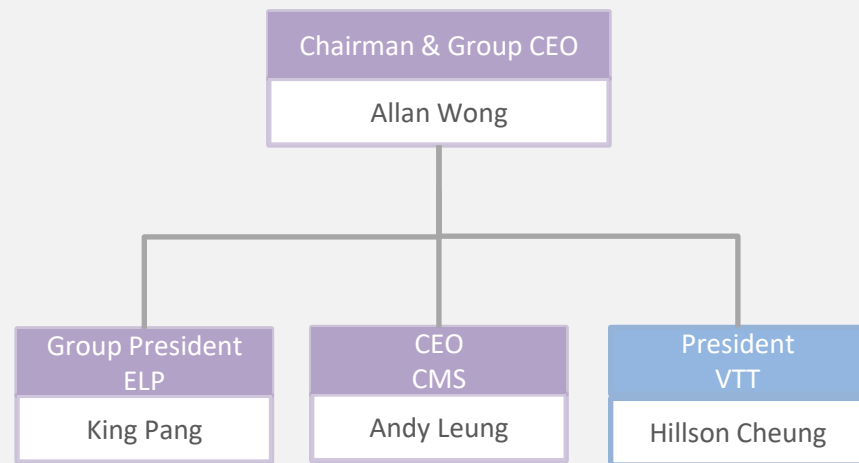
HK Stock Exchange

Group revenue of 1H FY2022 decreased 0.8% to US\$1,114.8 million, impacted by global material shortages, supply chain disruptions and rising costs. VTech's financial position and customers' demand remained strong.



VTech Group

VTech Group Organization Chart



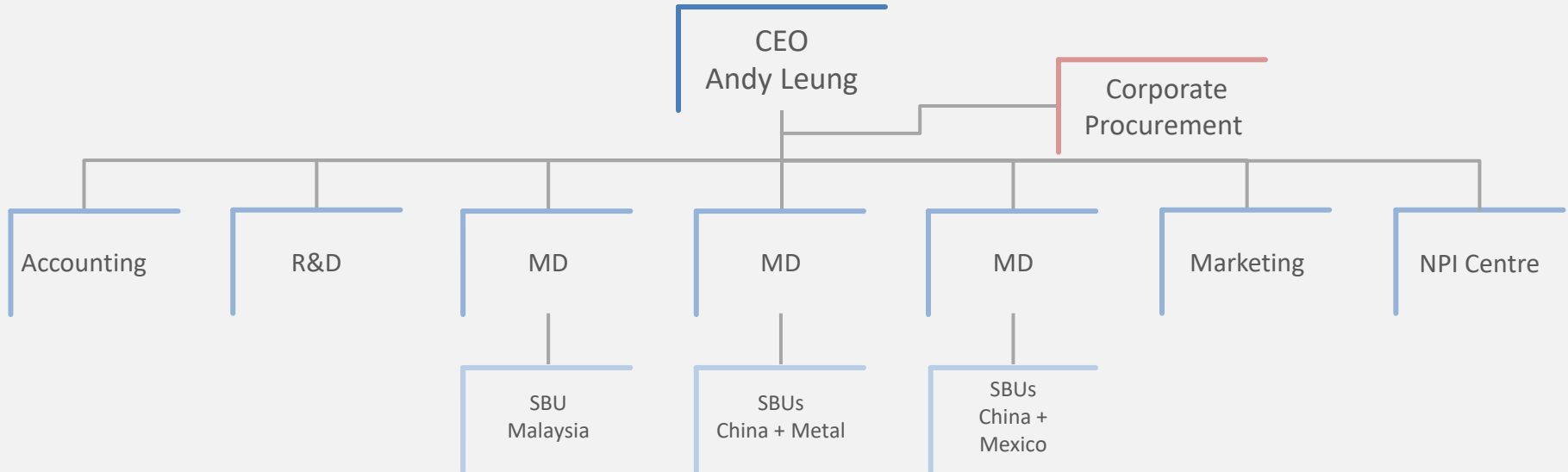
Group Executive Director



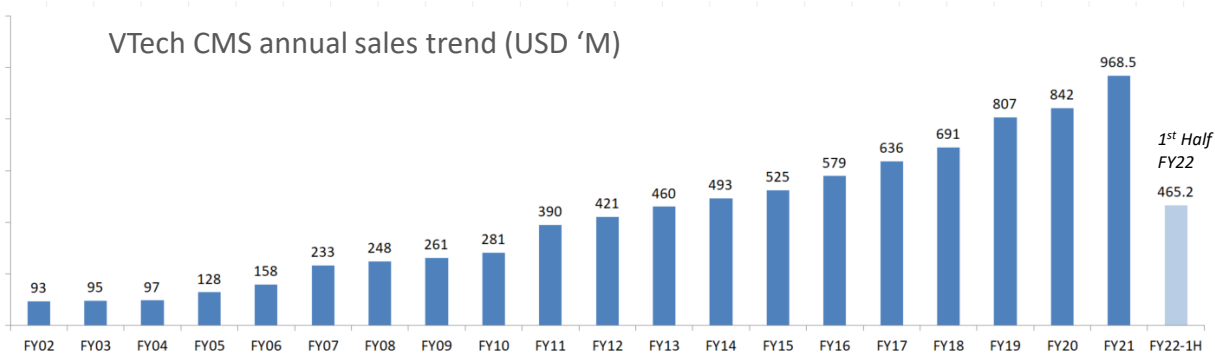
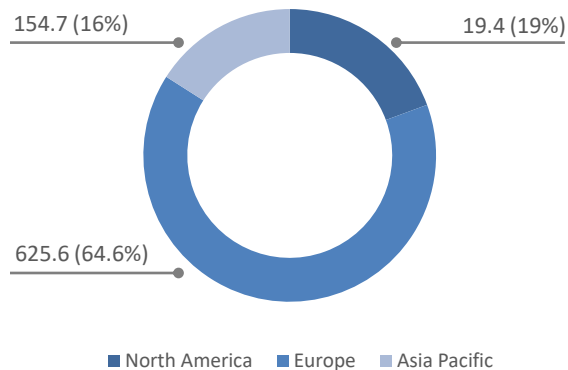
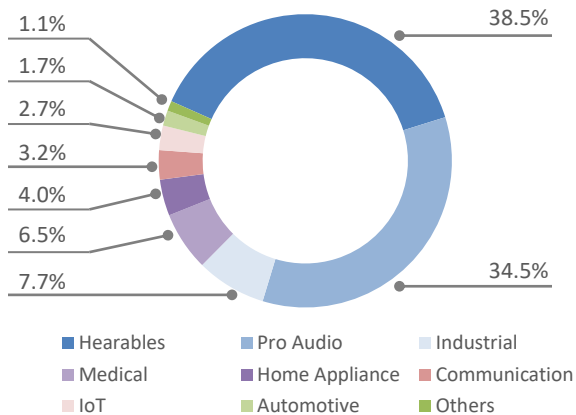
Senior Management

Organization Chart

- Growth by Organic with Selective Acquisition
- Customers Focus
- Global supply chain management
- Flexibility in High Mix-Low Volume and Low Mix – High Volume
- Full turnkey CMS service
- From concept to scale production



Key Performance



1st

Among all EMS providers in Hong Kong

19th

Consecutive year of sales growth

24th

Among world's top 50 EMS providers

Our customers in different industries and markets



Professional Audio



IoT & Communications



Industrial Electronics



LED lightings

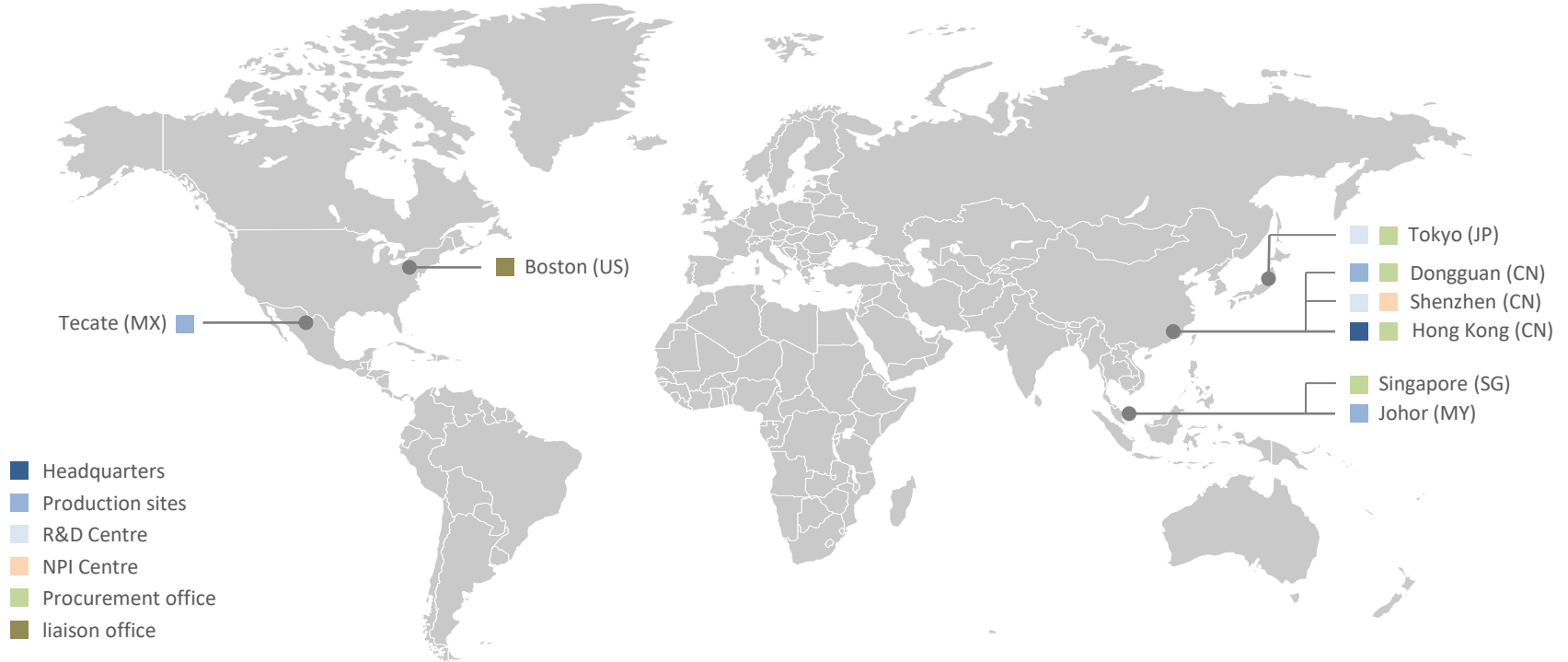


Health Care & Medical



Hearable & Wearable

Global presence



Manufacturing



VTech China Manufacturing Plant

100,000
sq meter

6
manufacturing buildings

5,500+
Employees

34
SMT lines

VTech Malaysia Manufacturing Plant

30,000
sq meter

30+
years experiences

1,250+
Employees

18
SMT lines



VTech Mexico Manufacturing Plant

10,000
sq meter

45
Mins drive from San Diego

+1
Asia+ Strategy

1st
CMS factory
in America



Manufacturing Capabilities

- 7 buildings with over 130K Sq. M. manufacturing Area
- Smart factory concept
- ANSI ESD S20.20 for all production floors
- 34+ 18 SMT Lines, State-of-the-Art Equipment
- In-housed design and fabrication for ICT, AOI, ATE, FAT
- Chip on Board in Class 1,000 Clean Room
- Class 10,000 Clean Room for precise products
- Burn-in Chambers, X-Ray Inspection, Conformal Coating
- Reliability life tests e.g. drop test, high/low temp cycle
- Intensive Core Processes Automation

Conformal Coating



SMT implementation
PCB: 534 x 620mm
Chip size: 008004 min
BGA pitch: 0.4mm



Discrete implementation
PCB: 450 x 450mm
Radial pitch: 2.0 / 5.0mm

Wave soldering
PCB: 450mm width max





VTech CMS

Automation

VTech CMS continues to enhance automation & smart technologies implementation, moving toward to the world of Industrie 4.0. Automated, smart warehouse, fully automated testing solutions, Manufacturing Information System (MIS) with big data analysis

Auto
screwing

Auto
coating

Auto
soldering

Laser
soldering

Auto
Testing

Auto
Marking

See more in our channel:

Click:



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VTech CMS

Metal capabilities

Our metal shop provides one-stop service for sheet metal and assembly productions. Precision NC machines eliminate tooling needs for orders of small-quantity, high mix low volume and prototyping.

In-house tooling design and fabrications ensure effective control and monitoring on quality, cost and schedule.

VTech metal shop also serves 3rd party non-EMS business partners.

40+
years experience
in metal parts

100+
press machines

2
Auto painting
coating lines

8
NC punching
bending set up

Industrie 4.0

VTech is moving towards smart factory



Digitalization

We have digitalized our processes from product level to all factories for getting real-time data.



Automation and robotics

Our automation experts integrate latest technologies into automation and robotics across our factories. We take the advantage of automation to replace repetitive tasks, maintain consistence quality as well as improve ergonomics for our people.



Smart warehouse

Digitalized smart warehouse improves logistic efficiency and reduce returns rate.

VTech CMS manufacturing future

- Machine-to-machine communications
- Auto testing
- Miniature product automation
- Auto labeling
- Implementation of RFID, AI and laser technology
- Auto decision making

Embracing the evolving way of manufacturing world, VTech CMS continues to enhance automation & smart technologies implementation moving toward to the world of Industry 4.0.

VTech CMS

Quality System

VTech CMS has an established, integrated Quality Model, which upholds our commitment to providing the highest quality manufacturing services.

Quality System



Regulatory & Directives Compliance / FDA Registered



Continues Improvement & Quality Sustainability



We Do It Right In The First Time

We strictly adhere to all industry standards but also have the flexibility to support our client's individual quality requirements and procedures. Our VTech Traceability System is in place such that manufacturing history of products and components throughout the entire manufacturing process can be easily traceable. Quality data can be accessible via VTech's Intranet system in real time.

VTech CMS

NPI Centre

With many customers facing difficulties during New Product Introduction, VTech's NPI Centre is dedicated to offering our professional solutions to overcome these challenges. With the backup of VTech CMS's world-class EMS experience and manufacturing facilities, our NPI team support customers to turn their idea into a marketable product and be ready for scale production.

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Our NPI Centre offers swift and customizable solutions to meet our individual customers' particular budget and schedule requirements.



Full Prototyping Capability

Prototyping is an essential step in the product development process

"Prototypes help designers and developers build partial product implementations, which potential end-users or customers use to provide feedback to the development team before full-scale development begins" - Wikipedia



Small-scale CNC



Workshop



Testing Laboratory



Pick & Place SMT



Selective Soldering

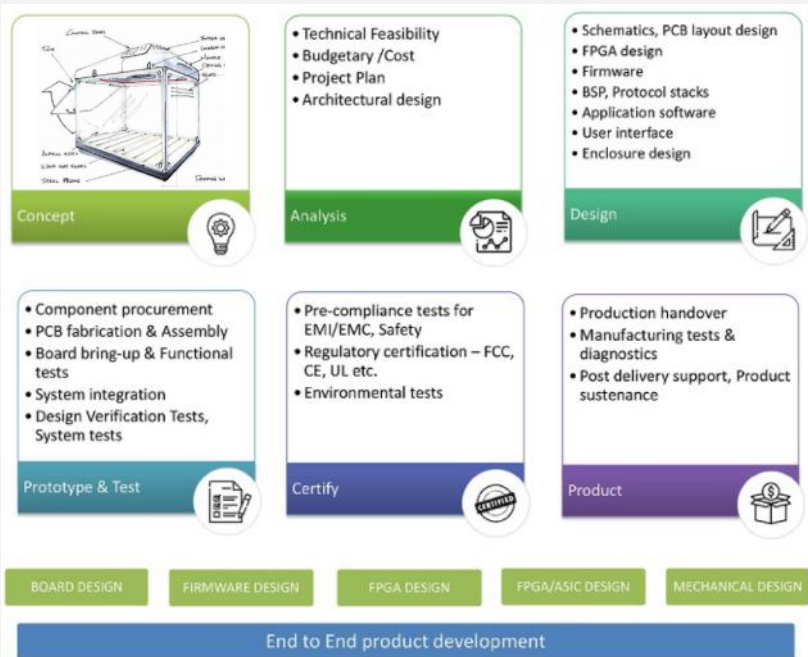


Additive 3D Printing



Engineering Design Support

We offer engineering design support on the periphery of our client's product, which let our clients concentrate more on core design development in their area of expertise.



VTech was established and continues as an innovative, technology driven company. We differentiate ourselves by providing superior technical support to our customers. By applying Lean Process concept, our engineering and design teams excel at offering a range of value-added services.

VTech CMS

Our 7 ways to outstand

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VTech is one of the top 25 EMS worldwide

- | | | |
|---|------------------------------|-------------------------------|
| 1 | Customer focus & flexibility | SBU organization |
| 2 | Business sustainability | Green, Ethics & Integrity |
| 3 | Excellence in quality | Do It Right In The First Time |
| 4 | Industrie 4.0 | Automation & Smart |
| 5 | Total EMS solution | From concept to scale |
| 6 | Supply Chain Management | Strategic Sourcing |
| 7 | Global locations | China + |



Thank you