



**WPG Holdings Ltd.
(3702.TT/3702.TW)
3Q22 Earning Release**

Nov 15th, 2022

Safe Harbor Notice



- **These forward-looking statements, which may include statements regarding WPG' future results of operations, financial condition or business prospects, are subject to significant risks and uncertainties and are based on WPG' current expectations.**
- **Actual results may differ materially from those expressed or implied in these forward-looking statements for a variety of reasons, including, among other things: the cyclical nature of our industry; our dependence on introducing new products on a timely basis; our dependence on growth in the demand for our products; our ability to compete effectively; our ability to successfully expand our capacity; our dependence on key personnel; general economic and political conditions, including those related to the IC industry; possible disruptions in commercial activities caused by natural and human-induced disasters, including terrorist activity and armed conflict; and fluctuations in foreign currency exchange rates.**
- **Our release of financial forecasts and forward-looking statements at any particular time does not create any duty of disclosure beyond that which is imposed by law, and we expressly disclaim any obligation to publicly update or revise any forecasts or forward-looking statements, whether as a result of new information, future events or otherwise.**

Agenda



■ **Welcome**

■ **3Q22 Financial Highlights & 4Q22 Outlook** **Cliff Yuan/
Scott Lin**

■ **Q&A** **Scott Lin/
Cliff Yuan**

Statements of Comprehensive Income



Unit: NT\$ million

Item	3Q22	2Q22	QoQ(%)	3Q21	YoY(%)	Ytd22	Ytd21	YoY(%)
Revenue	189,823	199,056	(4.6)	201,890	(6.0)	598,744	579,231	3.4
COGS	(182,668)	(191,325)	(4.5)	(193,961)	(5.8)	(575,763)	(556,701)	3.4
Gross Profit	7,155	7,730	(7.4)	7,929	(9.8)	22,981	22,530	2.0
Gross Margin	3.77%	3.88%		3.93%		3.84%	3.89%	
Operating Expenses	(3,597)	(3,955)	(9.1)	(4,029)	(10.7)	(11,427)	(12,002)	(4.8)
Operating Income	3,558	3,775	(5.8)	3,900	(8.8)	11,554	10,528	9.7
Operating Margin	1.87%	1.90%		1.93%		1.93%	1.82%	
Net Non-operating Items	(293)	(179)	63.3	(28)	945.5	(520)	308	NM
Net Financing costs	(1,362)	(899)	51.6	(537)	153.6	(2,895)	(1,471)	96.8
FX Gains/Losses	359	127	182.2	15	2,269	592	(15)	NM
Investment Income/Losses	662	508	30.4	607	9.1	1,606	1,538	4.4
Others	48	84	(42.6)	(113)	NM	177	256	(31.0)
Profit Before Tax	3,265	3,596	(9.2)	3,872	(15.7)	11,034	10,836	1.8
Tax	(492)	(694)	(29.1)	(648)	(24.0)	(1,874)	(1,916)	(2.2)
Minority	(11)	(5)		(39)		(57)	(128)	
Profit After Tax	2,762	2,897	(4.7)	3,185	(13.3)	9,103	8,792	3.5
Net Margin	1.45%	1.46%		1.58%		1.52%	1.52%	
EPS (NT\$) ₍₁₎	1.64	1.49		1.90		5.18	5.00	
Tax %	15%	19%		17%		17%	18%	
(1).Weighted average common shares outstanding	1,679	1,679		1,679		1,679	1,679	

Balance Sheet



Unit: NT\$million item	3Q22		2Q22		3Q21	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	14,618	4	12,645	4	10,661	4
Accounts Receivable - Trade	139,175	39	146,126	43	141,652	47
Inventory	137,535	39	118,872	35	91,386	31
Current Assets	314,817	88	296,001	88	259,256	87
Others	42,242	12	40,989	12	40,053	13
Total Assets	357,060	100	336,990	100	299,310	100
Current Interest-bearing Debt	116,969	33	104,420	31	100,252	33
Accounts Payable	96,066	27	89,198	26	86,589	29
Accrued Liabilities and Others	20,029	6	23,663	7	15,504	5
Current Liabilities	233,064	65	217,282	64	202,345	68
Long-term Interest-bearing Debt	35,628	10	41,102	12	25,352	8
Others	3,907	1	2,762	1	2,822	1
Total Liabilities	272,599	76	261,146	77	230,519	77
Total Equity	84,460	24	75,844	23	68,791	23

KEY Indices⁽¹⁾

Net Working Capital (NT\$million)	180,643	175,800	146,450
AR Turnover (Days)	69	68	66
Inventory Turnover (Days)	64	52	40
AP Turnover (Days)	46	42	40
Average Collection Periods (Days)	86	78	66
Current Ratio	135%	136%	128%
Gearing	1.60	1.74	1.66

(1).Annualized

Cash Flows



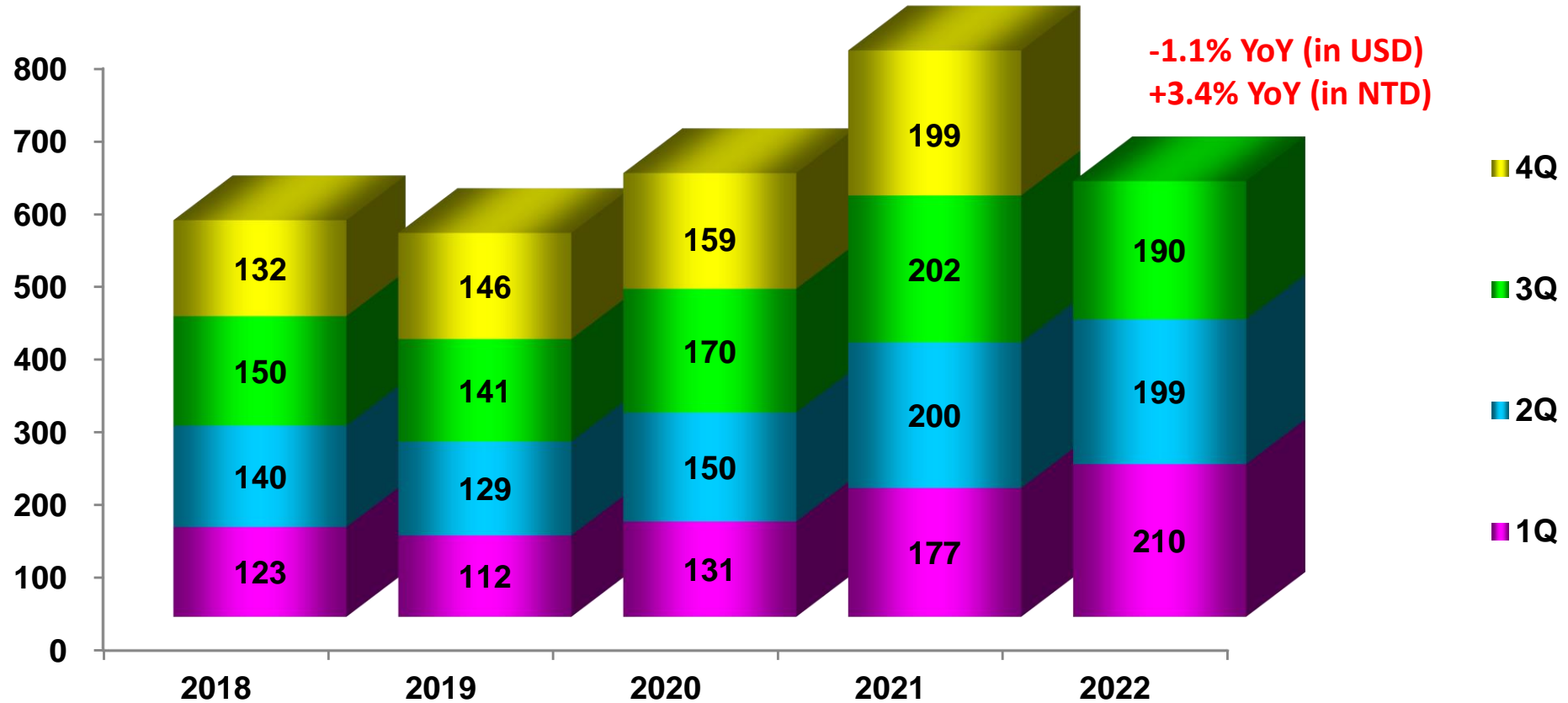
Unit: NT\$ million

	3Q22	2Q22	3Q21	Ytd22	Ytd21
-Income before Income Tax	3,265	3,596	3,872	11,034	10,836
-Changes of NWC	(4,979)	(11,094)	(1,404)	(36,199)	(40,741)
-Adjustment & Others	(1,632)	(2,010)	(1,687)	(7,892)	1,360
From Operation	(3,345)	(9,508)	781	(33,057)	(28,544)
-Other Financial Instruments	(1,443)	(218)	125	(1,883)	1,578
-Capital Expenditure	(70)	(152)	(727)	(453)	(833)
-Marketable Financial Instruments	(38)	(3)	(80)	(876)	(269)
-Others	(129)	(26)	(143)	(260)	(1,331)
From Investment	(1,680)	(399)	(825)	(3,472)	(856)
-Financial Debt	7,075	4,732	4,610	31,220	36,558
-Cash Dividends	(6,277)	-	(5,605)	(6,277)	(5,605)
-Others	(185)	(99)	(225)	(496)	79
From Financing	613	4,633	(1,219)	24,447	31,032
Cumulative translation adjustments	6,351	3,025	12	12,244	(2,006)
Net Cash Position Change	1,939	(2,249)	(1,251)	162	(373)
Ending Cash Balance	14,570	12,631	10,647	14,570	10,647

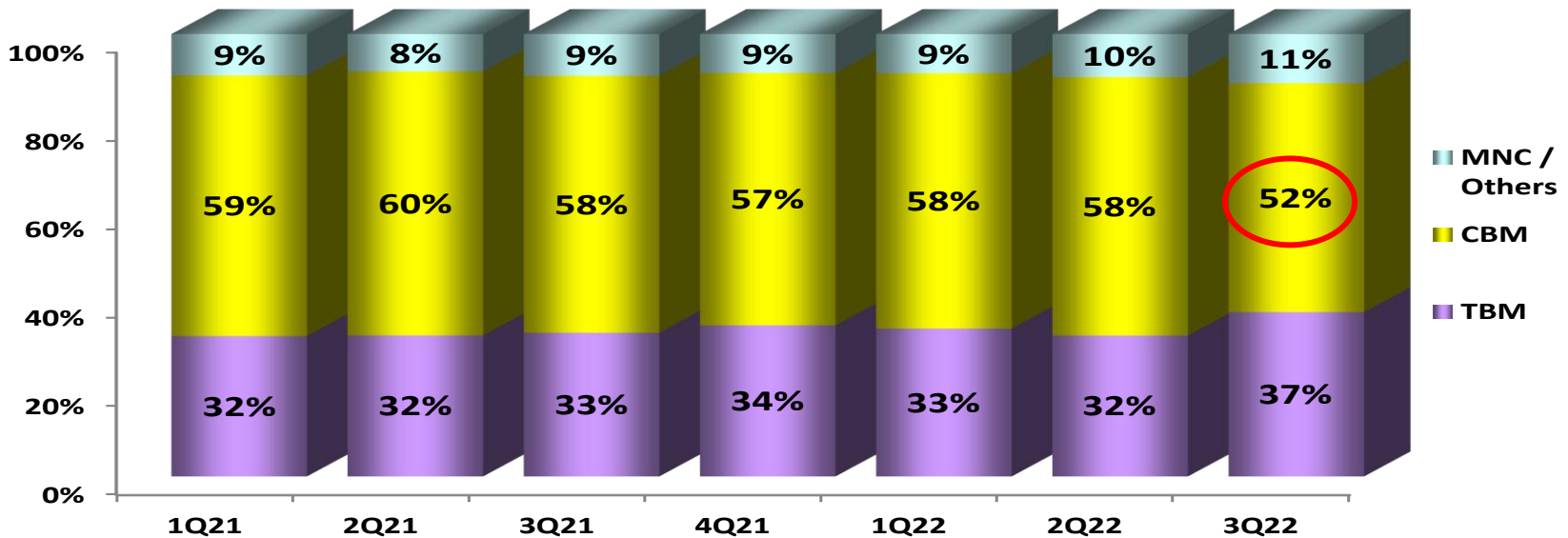
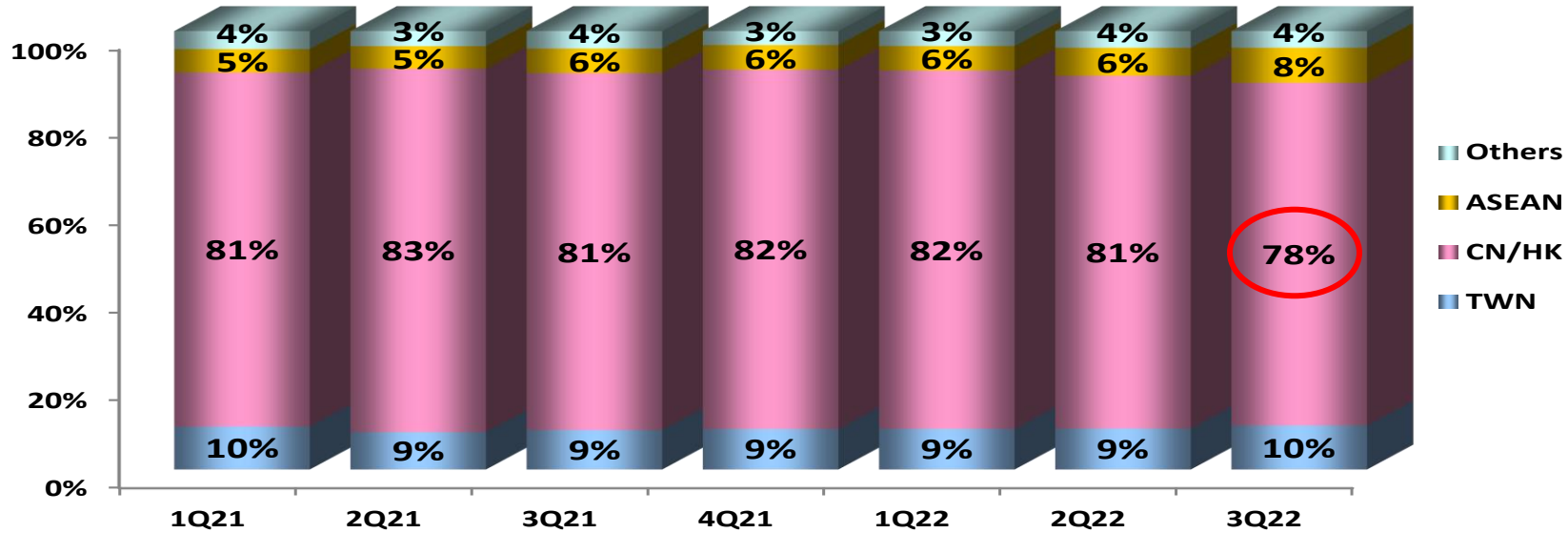
Consolidated Revenue



Unit: NT\$billion

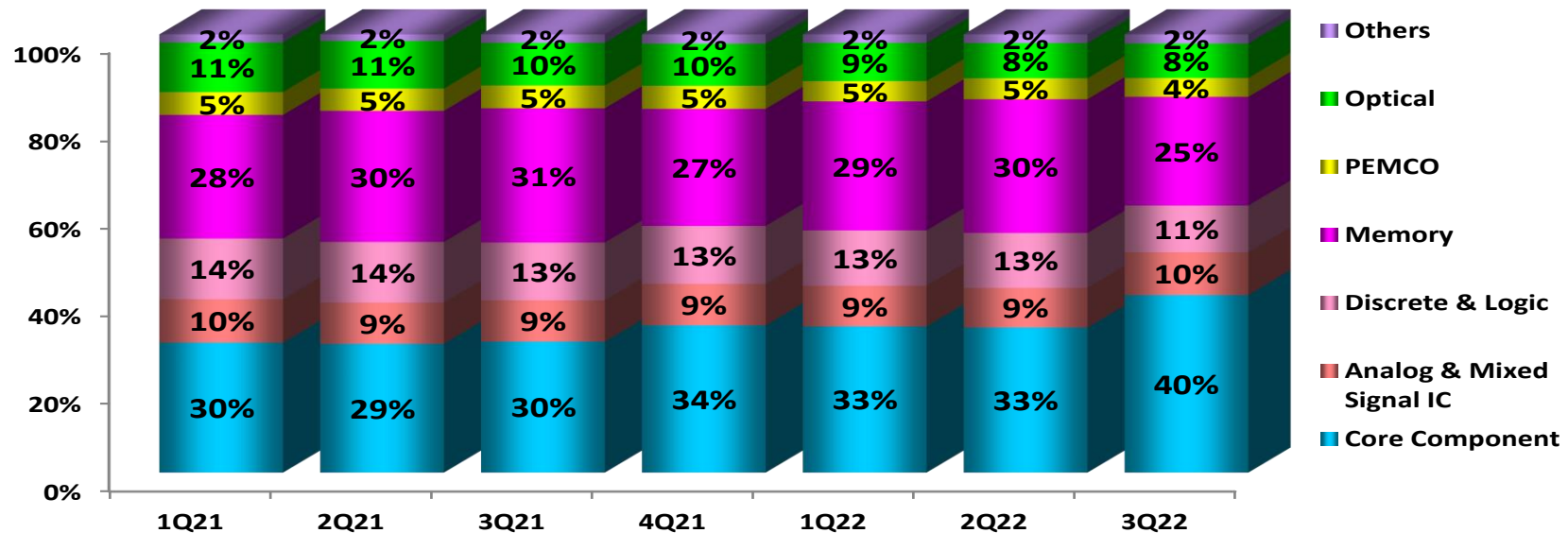
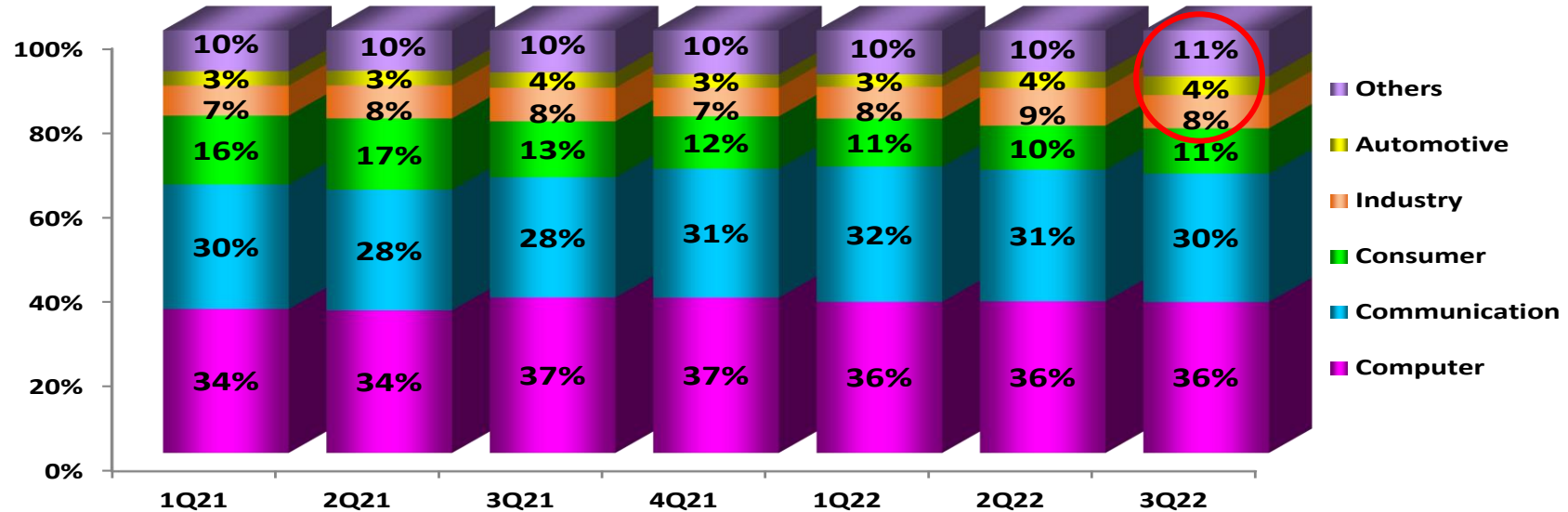


Sales breakdown by Geography/ Customer



TBM : Taiwan-Based Customers
 CBM : China Based Customers

Sales breakdown by Application/ Device Type

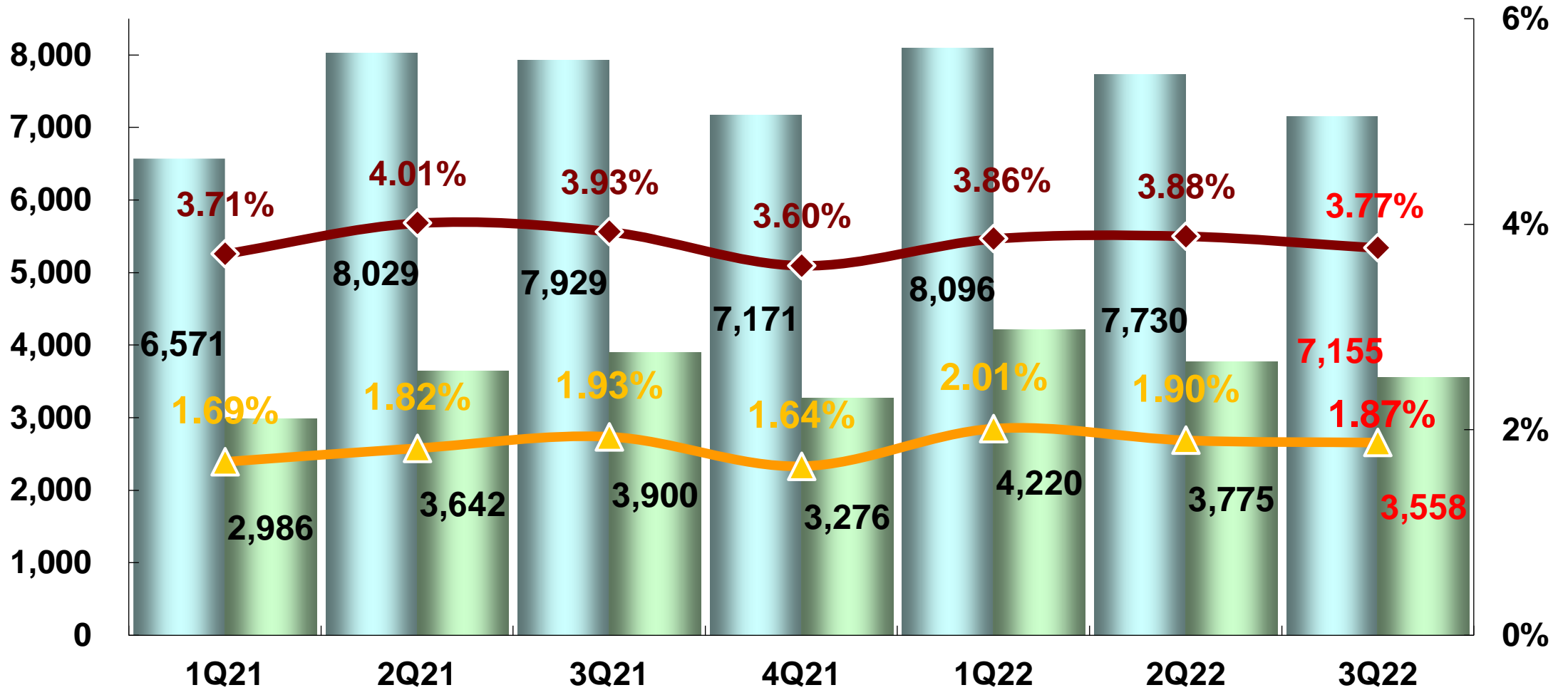


Gross Margin vs. Operating Margin

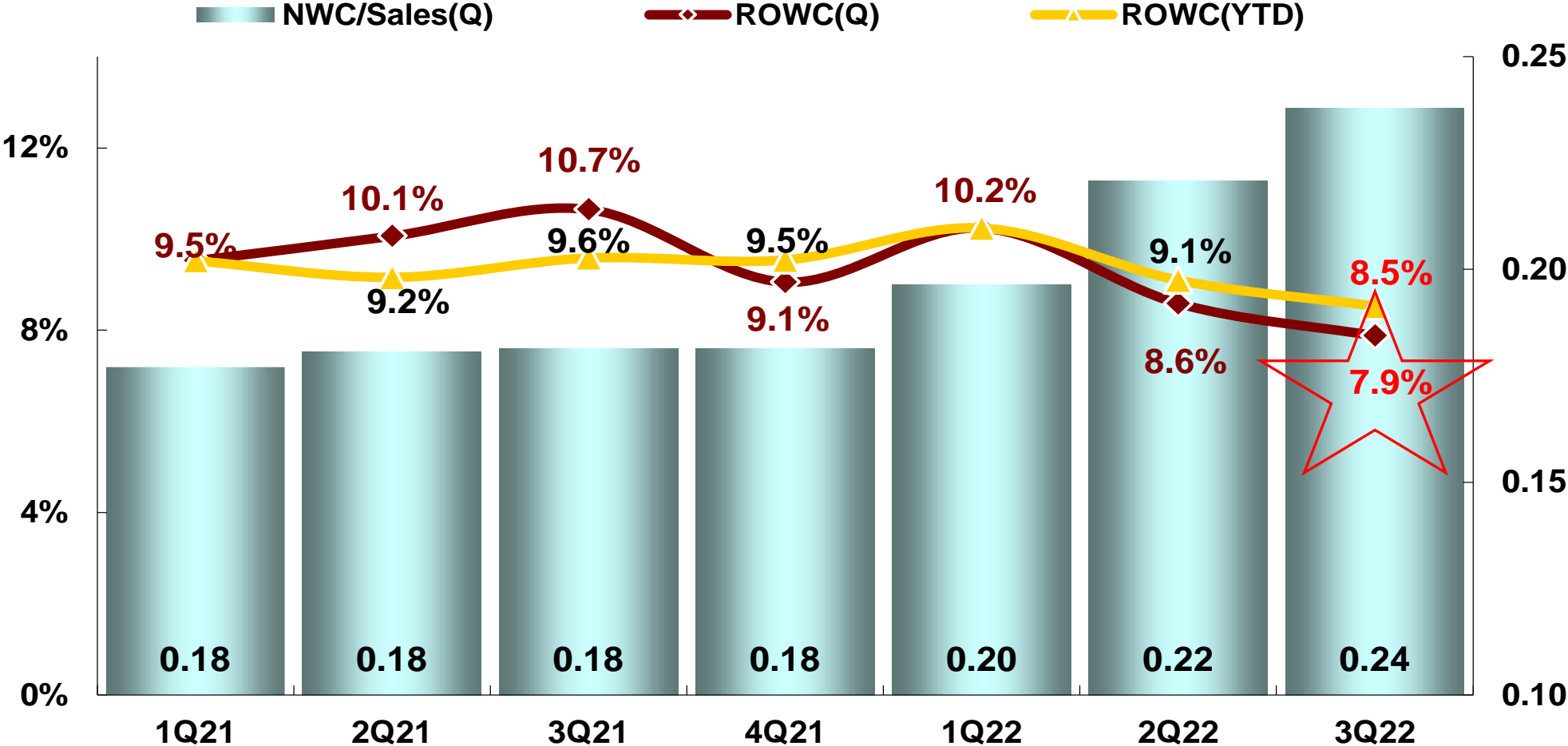


■ Gross Profit ■ Operating Income ◆ Gross Margin ▲ Operating Margin

NT\$million

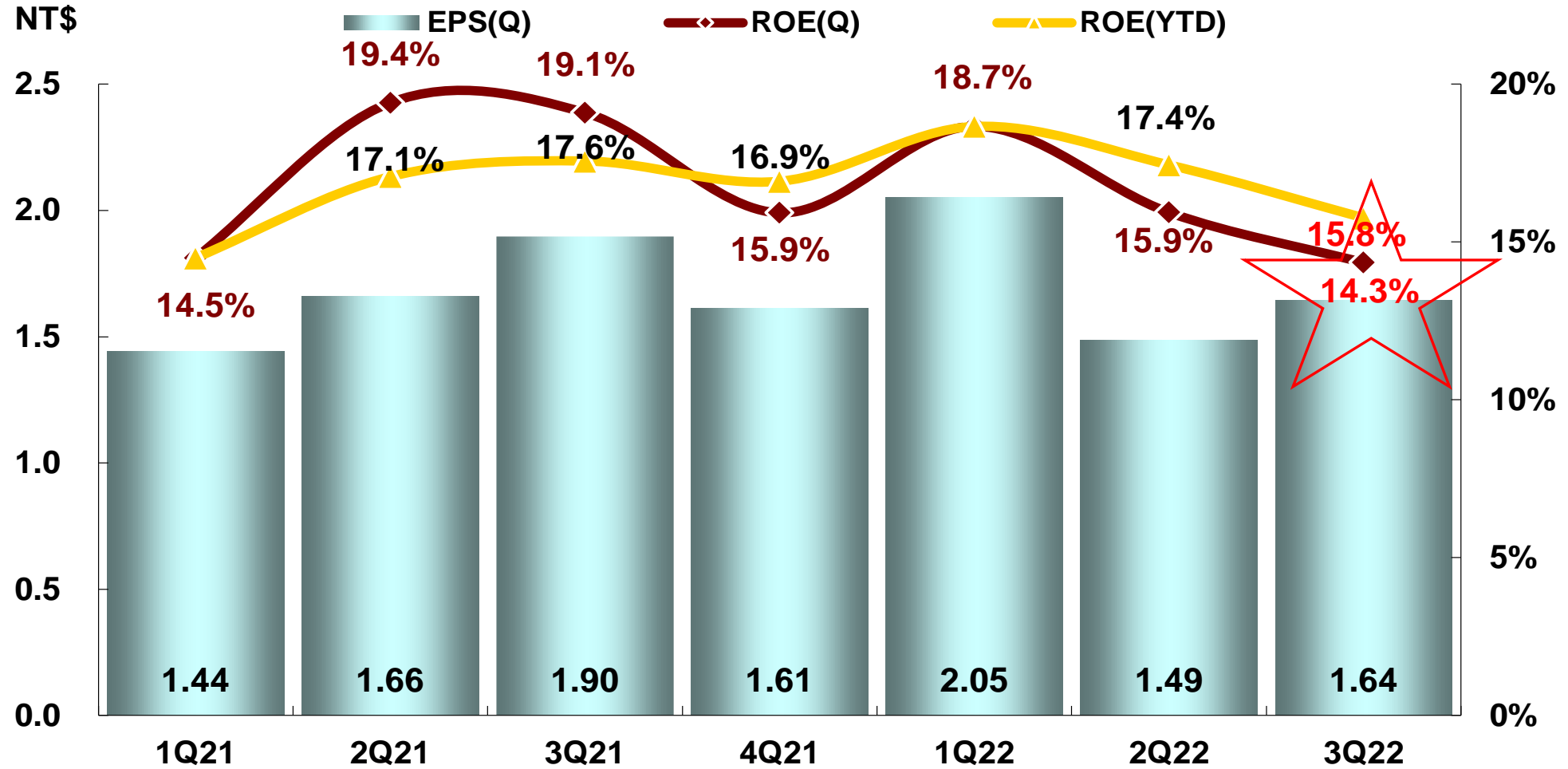


ROWC vs. NWC/Sales



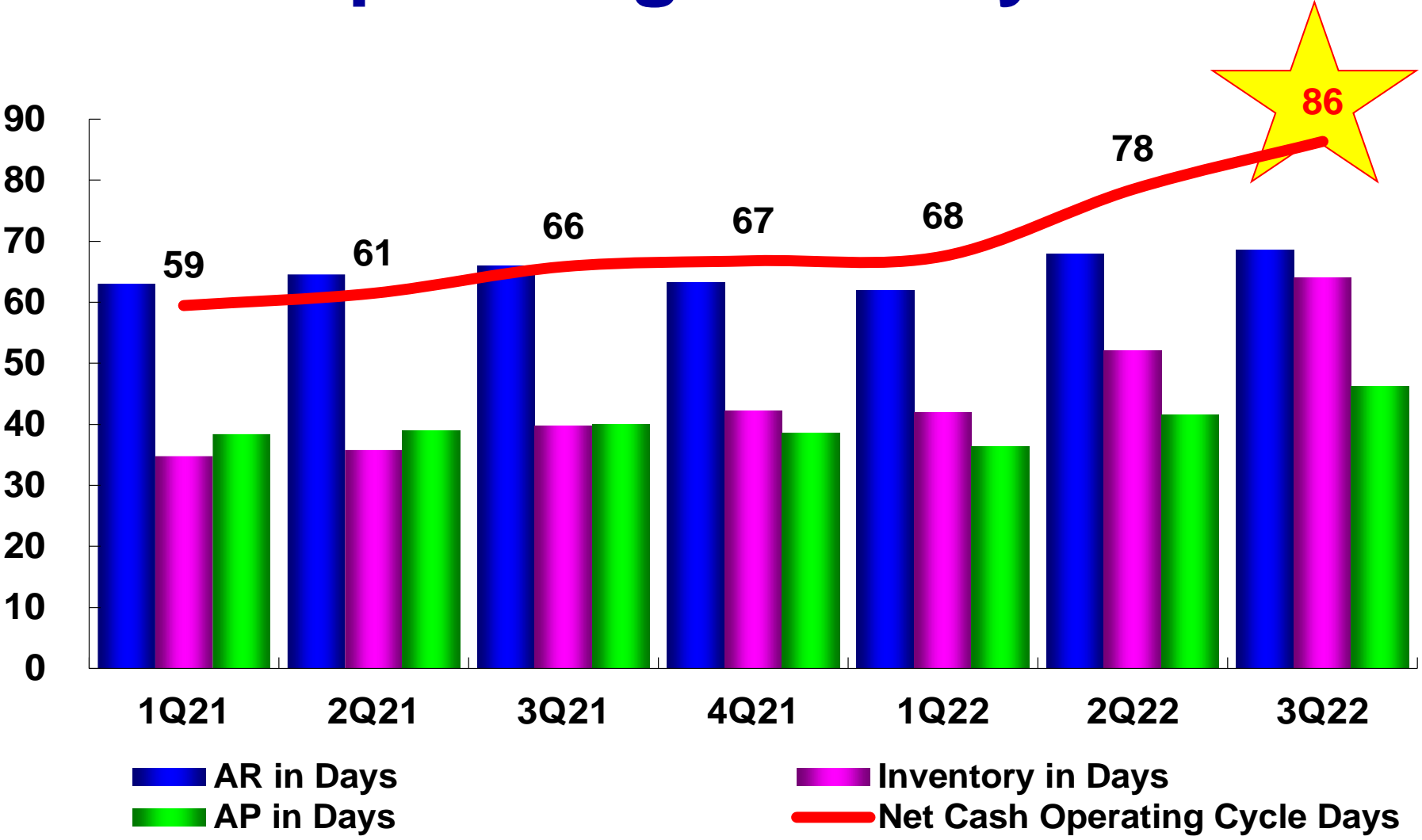
Note : Annualized

ROE vs. EPS



Note : Annualized

Operating Cash Cycle



Note : Annualized

4Q22 Summary Forecast



Based on our current business outlook, management expects :

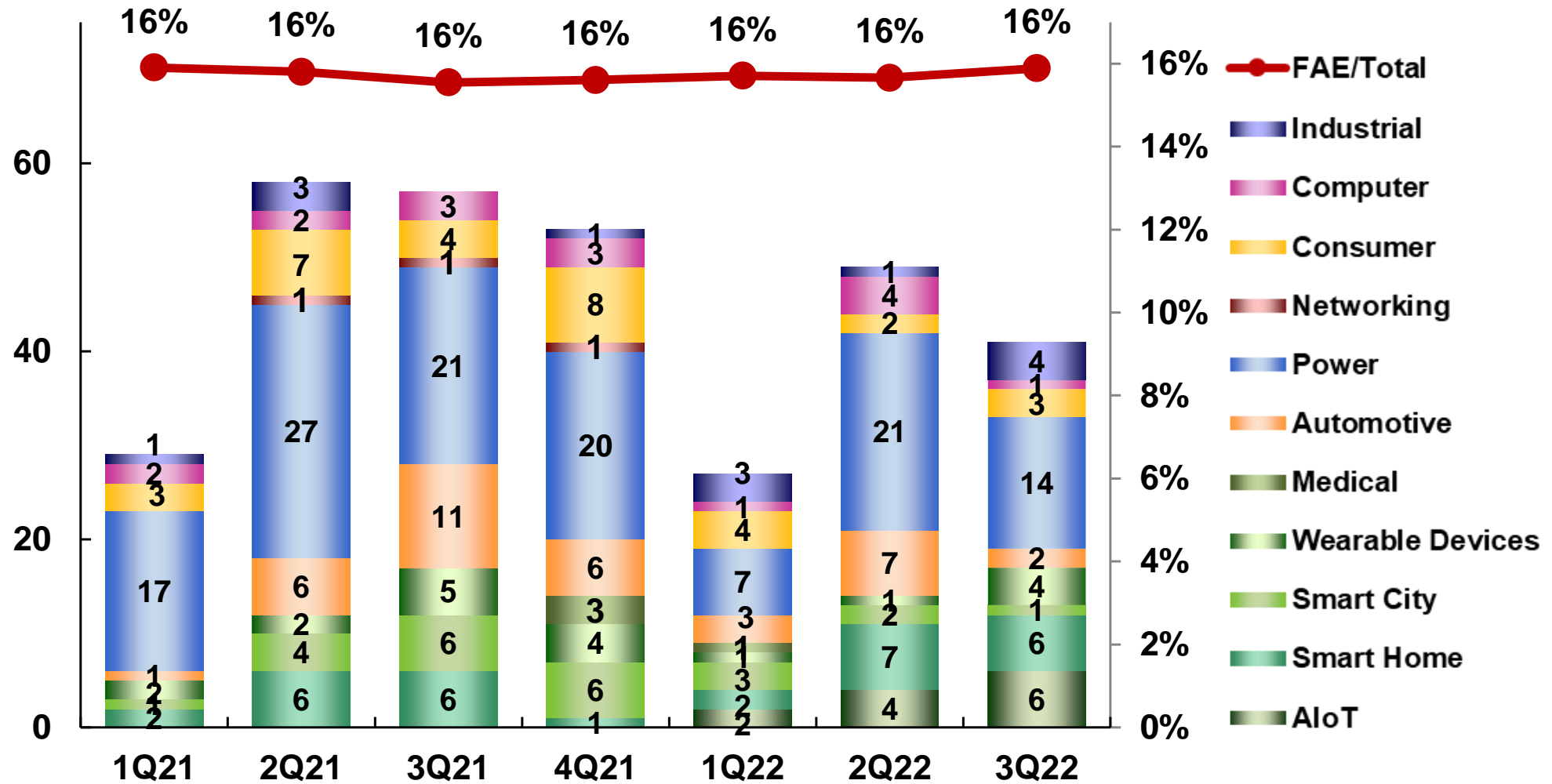
Unit:NT\$million

Item	4Q22 Forecast ⁽²⁾	3Q22 ⁽¹⁾
Revenue	175,000 ~ 185,000	189,823
Gross Profit	6,475 ~ 7,215	7,155
Gross Margin	3.70% ~ 3.90%	3.77%
Operating Expenses	3,500 ~ 3,700	3,597
Operating Income	2,975 ~ 3,515	3,558
Operating Margin	1.70% ~ 1.90%	1.87%
Profit Before Tax	1,572 ~ 2,114	3,265
Profit After Tax	1,312 ~ 1,746	2,762
EPS (NT\$)	0.78 ~ 1.04	1.64

(1). Reviewed

(2). At a forecast FX rate of 32 NT dollars to 1 US dollar averaged over 4Q22.

More Solutions Launched



41 Solutions Launched in 3Q22



消費電源

- ▶ 多模式PFC 500W設計方案 2022-09-27
- ▶ 1-4 cell Battery Charger方案 2022-09-19
- ▶ PD 100W雙向充放電參考設計方案 2022-08-22
- ▶ 吊扇方案 2022-08-15
- ▶ TYPE-C PD 備援電源方案 2022-08-08
- ▶ 低THD 350W CCM PFC 前置穩壓器方案 2022-07-13
- ▶ 高效率控制風扇曲線之PC電源供應器方案 2022-07-06
- ▶ USB PD Sink Controller之無線電動工具方案 2022-07-01

通訊電源

- ▶ MCU的數字控制3KW通信電源方案 2022-07-04

消費類

- ▶ 割草機控制器方案 2022-09-28
- ▶ HDMI2.1切換器方案 2022-08-18
- ▶ 觸控式調光LED燈光控制方案 2022-07-11

照明電源

- ▶ 無頻閃7W球泡燈方案 2022-09-30
- ▶ 150瓦氮化鎵高效LED驱动电源 2022-07-25

工業電源

- ▶ 1KW 雙BOOST PFC電源方案 2022-09-23

汽車電源

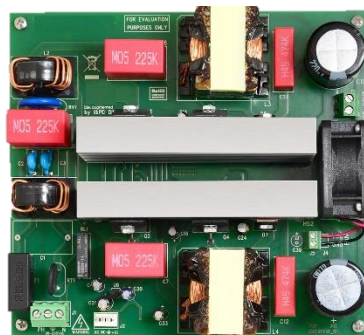
- ▶ 400W汽車電子水泵解決方案 2022-09-22
- ▶ 15W多線圈無線充電發射端參考設計 2022-08-04

工業類

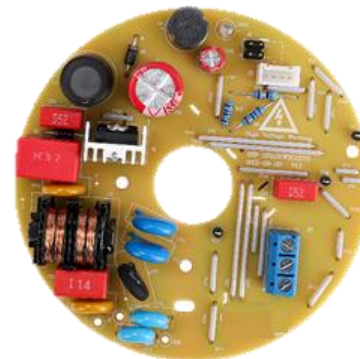
- ▶ 低壓無刷電動工具解決方案 2022-09-02
- ▶ 低壓無刷電機應用方案 2022-08-29
- ▶ 3D印表機方案 2022-08-12
- ▶ 工業儲能電池監測方案 2022-07-15



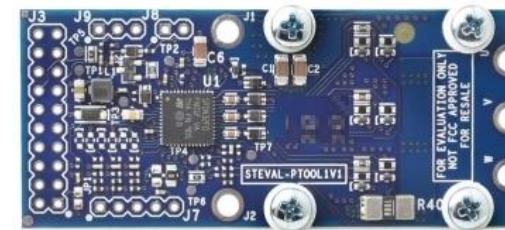
150W GaN LED Driver Solution



1KW Double-Boost PFC Solution



Ceiling Fan Solution



BLDC Electric Tools Solution

41 Solutions Launched in 3Q22



車身電子

- ▶ 數字車鑰匙解決方案 2022-09-29
- ▶ 厘米級定位的汽車數字鑰匙方案 2022-09-15

穿戴裝置

- ▶ 多功能MEMS Sensor的TWS方案 2022-08-31
- ▶ 心率血氧檢測方案 2022-08-29
- ▶ 低壓差充電倉方案 2022-07-20
- ▶ 極致通話降噪 三麥克風通話降噪方案 2022-07-14

智慧城市

- ▶ 科技防疫 電子哨兵方案 2022-07-05

電腦及周邊

- ▶ 無線充電之無線鼠標應用 2022-09-20

智能家居

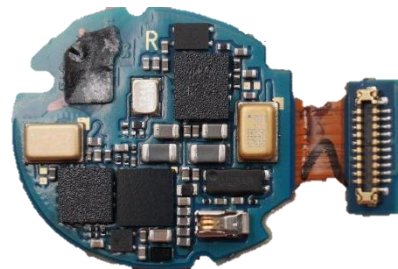
- ▶ 通話音質高保真的混合降噪方案 2022-09-26
- ▶ TV Application方案 2022-09-08
- ▶ 智能門鎖方案 2022-09-05
- ▶ AI演算方案進行人體存在檢測 2022-08-11
- ▶ 人體感應檢測方案 2022-08-05
- ▶ Wi-Fi 6 居家空氣品質監測方案 2022-07-07

AIoT

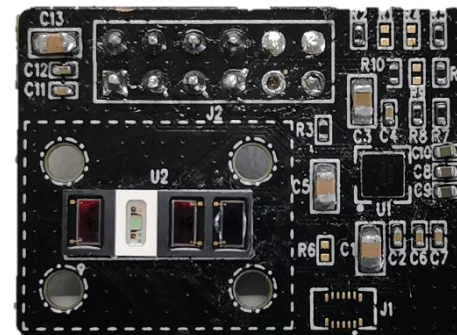
- ▶ AI臉部辨識之門禁系統方案 2022-08-09
- ▶ 有線級聯會議音響方案設計 2022-08-01
- ▶ 人工智能解決方案 2022-07-28
- ▶ IPC方案 2022-07-22
- ▶ 設備雲智聯系統 2022-07-19
- ▶ 示教器方案 2022-07-18



Hybrid ANC Solution



Multifunction MEMS Sensor
TWS Solution



Heart Rate & Blood Oxygen
Measure Solution



FlexPendant Solution

Recap of Recent Major Events



WPG Wins TCSA Two Award :

- Corporate Comprehensive Performance Award : Top 100 Sustainable Model Enterprises
- Sustainability Reporting Awards : Gold Award in Service

ESG Technology Innovation Promotion Alliance

Initiator



Business Weekly

Partner

Lite-On
Technology

Qisda

Advantech

SYSTEX

China
Development
Financial

ADATA

EDOM

Innovation x **M**arket x **V**alue

Why/What/How

- **Why** : Starting from **our own core capabilities**, combined with stakeholders to link up the ecosystem cooperation, support technological innovation, and jointly practice environmental sustainability
- **What** : Focus on two themes with contest of Innovation Award and Innovation Proposal

Theme 1

Agriculture, Fishery,
Husbandry Innovation

Theme 2

Energy Saving Innovation

How : Dual-rail parallel mode

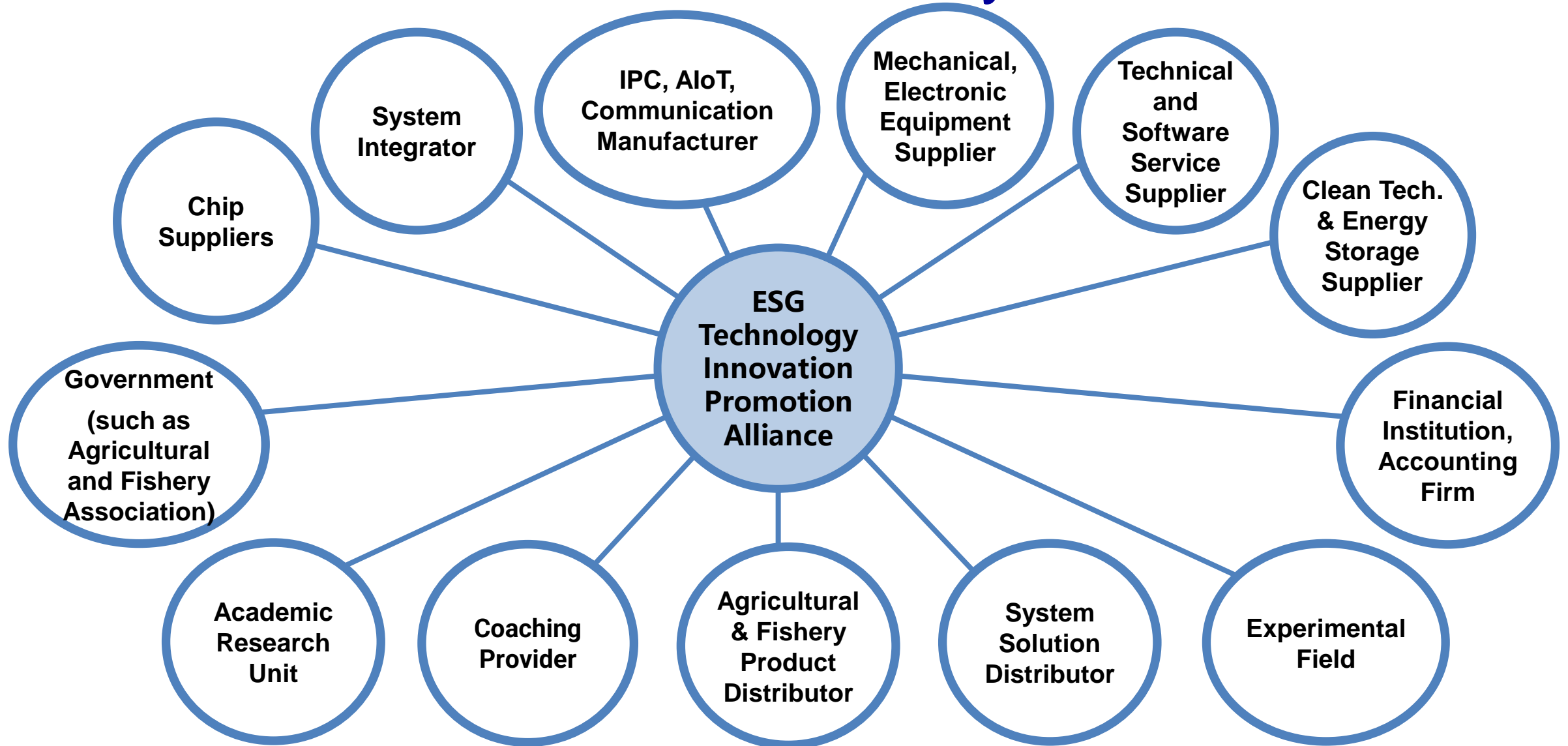
Innovation Award

Support the company with products or solutions in the fields of agriculture, fishery, husbandry, and energy saving innovation

Innovation Proposal

Individuals, teams, and research institute with unincorporated business such as student and university are open to participate

Cross-border Cooperation, Co-create a Sustainable Ecosystem



Significance and Contribution to WPG



1 Expand own business opportunities
and attract talents

2 Technology empowers
traditional industries and
assists in transformation,
cultivate innovative
company and teams

Project and Achievements



>20

Media Reports

This project was reported by 26 different mainstream media outlets, including 2 TV media outlets and 24 print media outlets.

10

**Online and
offline
conferences**

Conferences were held in varied forms to reach potential audiences, to promote the concept of sustainable development and to advertise this project

169

**Competition
teams**

169 teams joined the competition, including 85 for Innovation Award and 84 for Innovation Proposal. Over half of these teams focused on agriculture, energy saving and carbon reduction.



Alliance established press conference



Innovation Proposal Workshop



Innovation Proposal Workshop



Hualien Seminar

ESG Technology Innovation Promotion Alliance



Advocate



Business Weekly



Partners

LITE-ON Technology

Qisda Corporation

Advantech Co., Ltd.

SYSTEX Corporation

China Development Financial Holding

ADATA TECHNOLOGY CO., LTD.

EDOM TECHNOLOGY CO., LTD.

Innovation x **M**arket x **V**alue



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