



**WPG Holdings Ltd.
(3702.TT/3702.TW)
3Q21 Earning Release**

Nov 16th., 2021

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**
- **3Q21 Financial Highlights & 4Q21 Outlook** **Cliff Yuan**
- **Q&A** **Scott Lin/
Cliff Yuan**

Statements of Comprehensive Income



Unit: NT\$million

| Item | 3Q21 | 2Q21 | QoQ(%) | 3Q20 | YoY(%) | Ytd21 | Ytd20 | YoY(%) |
|--|-----------|-----------|--------|-----------|--------|-----------|-----------|--------|
| Revenue | 201,890 | 200,226 | 0.8 | 169,987 | 18.8 | 579,231 | 450,842 | 28.5 |
| COGS | (193,961) | (192,197) | 0.9 | (163,830) | 18.4 | (556,701) | (433,525) | 28.4 |
| Gross Profit | 7,929 | 8,029 | (1.3) | 6,157 | 28.8 | 22,530 | 17,317 | 30.1 |
| Gross Margin | 3.93% | 4.01% | | 3.62% | | 3.89% | 3.84% | |
| Operating Expenses | (4,029) | (4,388) | (8.2) | (3,398) | 18.6 | (12,002) | (9,793) | 22.6 |
| Operating Income | 3,900 | 3,642 | 7.1 | 2,759 | 41.4 | 10,528 | 7,524 | 39.9 |
| Operating Margin | 1.93% | 1.82% | | 1.62% | | 1.82% | 1.67% | |
| Net Non-operating Items | (28) | 342 | NM | 48 | NM | 308 | (135) | NM |
| Net Financing costs | (537) | (499) | 7.7 | (418) | 28.4 | (1,471) | (1,477) | (0.4) |
| FX Gains/Losses | 15 | 13 | 12.9 | 155 | (90.2) | (15) | 617 | NM |
| Investment Income/Losses | 607 | 536 | 13.3 | 290 | 109.3 | 1,538 | 655 | 134.7 |
| Others | (113) | 292 | NM | 21 | NM | 256 | 69 | 270.2 |
| Profit Before Tax | 3,872 | 3,984 | (2.8) | 2,807 | 37.9 | 10,836 | 7,389 | 46.6 |
| Tax | (648) | (745) | (13.0) | (522) | 24.1 | (1,916) | (1,298) | 47.7 |
| Minority | (39) | (52) | | (28) | | (128) | (55) | |
| Profit After Tax | 3,185 | 3,188 | (0.1) | 2,257 | 41.1 | 8,792 | 6,036 | 45.7 |
| Net Margin | 1.58% | 1.59% | | 1.33% | | 1.52% | 1.34% | |
| EPS (NT\$) ₍₁₎ | 1.90 | 1.66 | | 1.34 | | 5.00 | 3.53 | |
| Tax % | 17% | 19% | | 19% | | 18% | 18% | |
| (1).Weighted average common shares outstanding | 1,679 | 1,679 | | 1,679 | | 1,679 | 1,679 | |

Balance Sheet



| Unit: NT\$million | 3Q21 | | 2Q21 | | 3Q20 | |
|---------------------------------|----------------|------------|----------------|------------|----------------|------------|
| Cash & Marketable Securities | 10,661 | 4 | 11,977 | 4 | 13,048 | 6 |
| Accounts Receivable - Trade | 141,652 | 47 | 150,288 | 51 | 113,513 | 48 |
| Inventory | 91,386 | 31 | 77,685 | 26 | 56,721 | 24 |
| Current Assets | 259,256 | 87 | 253,568 | 86 | 200,700 | 86 |
| Others | 40,053 | 13 | 40,664 | 14 | 33,749 | 14 |
| Total Assets | 299,310 | 100 | 294,232 | 100 | 234,450 | 100 |
| Current Interest-bearing Debt | 100,252 | 33 | 96,503 | 33 | 61,333 | 26 |
| Accounts Payable | 86,589 | 29 | 83,245 | 28 | 69,261 | 30 |
| Accrued Liabilities and Others | 15,504 | 5 | 20,361 | 7 | 12,315 | 5 |
| Current Liabilities | 202,345 | 68 | 200,109 | 68 | 142,909 | 61 |
| Long-term Interest-bearing Debt | 25,352 | 8 | 24,490 | 8 | 24,647 | 11 |
| Others | 2,822 | 1 | 3,158 | 1 | 2,745 | 1 |
| Total Liabilities | 230,519 | 77 | 227,757 | 77 | 170,301 | 73 |
| Total Equity | 68,791 | 23 | 66,475 | 23 | 64,149 | 27 |

KEY Indices⁽¹⁾

| | | | |
|-----------------------------------|---------|---------|---------|
| Net Working Capital (NT\$million) | 146,450 | 144,728 | 100,973 |
| AR Turnover (Days) | 66 | 65 | 60 |
| Inventory Turnover (Days) | 40 | 36 | 35 |
| AP Turnover (Days) | 40 | 39 | 36 |
| Average Collection Periods (Days) | 66 | 61 | 60 |
| Current Ratio | 128% | 127% | 140% |
| Gearing | 1.66 | 1.63 | 1.12 |

(1).Annualized

Cash Flows



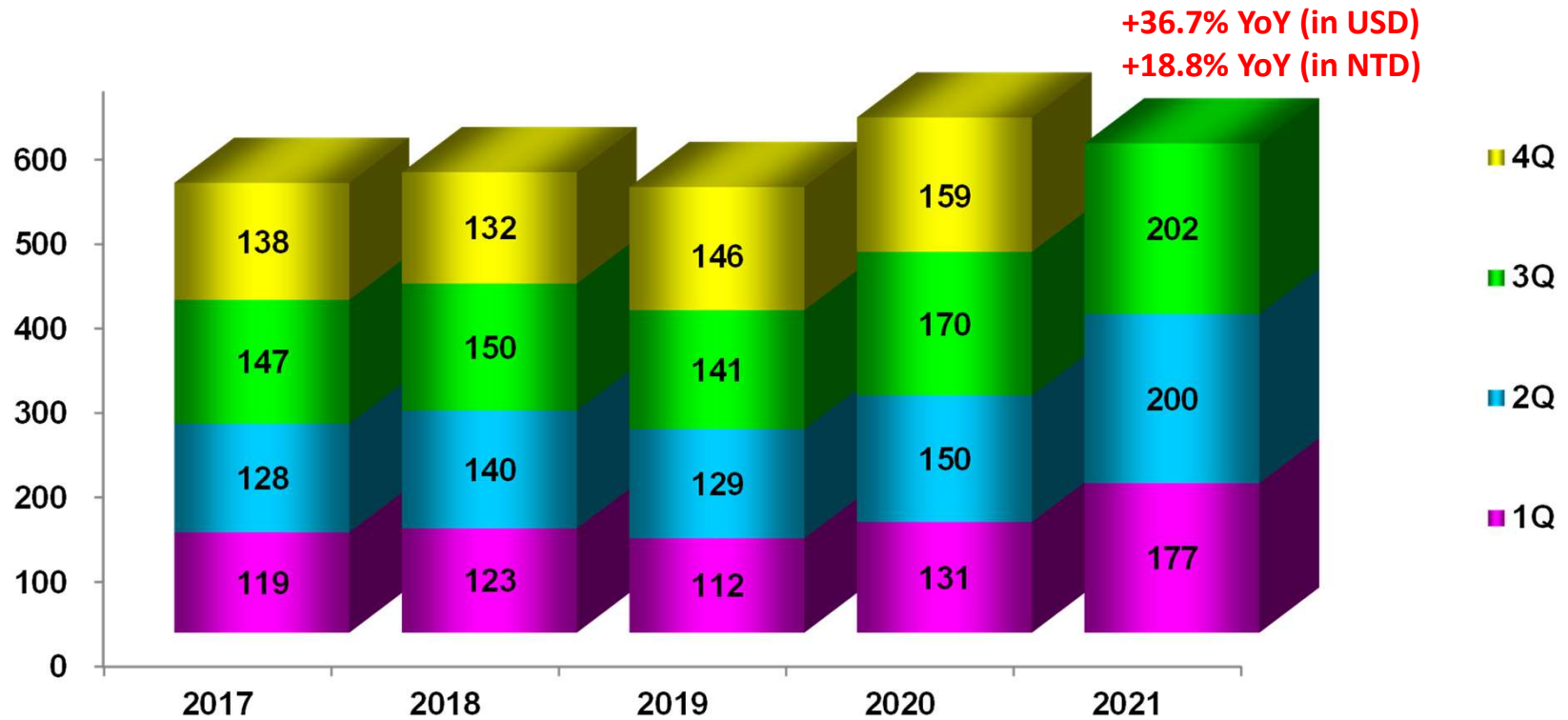
Unit: NT\$ million

| | 3Q21 | 2Q21 | 3Q20 | Ytd21 | Ytd20 |
|---|----------------|-----------------|-----------------|-----------------|----------------|
| -Income before Income Tax | 3,872 | 3,984 | 2,807 | 10,836 | 7,389 |
| -Changes of NWC | (1,404) | (19,426) | 20,031 | (40,741) | 15,638 |
| -Adjustment & Others | (1,687) | 2,526 | (2,628) | 1,360 | (4,050) |
| From Operation | 781 | (12,916) | 20,210 | (28,544) | 18,977 |
| -Other Financial Instruments | 125 | 458 | (342) | 1,578 | 247 |
| -Capital Expenditure | (727) | 177 | (210) | (833) | (5,565) |
| -Marketable Financial Instruments | (80) | (100) | (399) | (269) | (453) |
| -Others | (143) | (1,196) | (1,505) | (1,331) | (1,550) |
| From Investment | (825) | (660) | (2,456) | (856) | (7,322) |
| -Financial Debt | 4,610 | 13,515 | (11,783) | 36,558 | (1,300) |
| -Cash Dividends | (5,605) | - | (4,145) | (5,605) | (4,145) |
| -Others | (225) | 302 | 6 | 79 | (172) |
| From Financing | (1,219) | 13,818 | (15,922) | 31,032 | (5,617) |
| Cumulative translation adjustments | 12 | (2,194) | (1,528) | (2,006) | (3,078) |
| Net Cash Position Change | (1,251) | (1,953) | 305 | (373) | 2,961 |
| Ending Cash Balance | 10,647 | 11,898 | 12,953 | 10,647 | 12,953 |

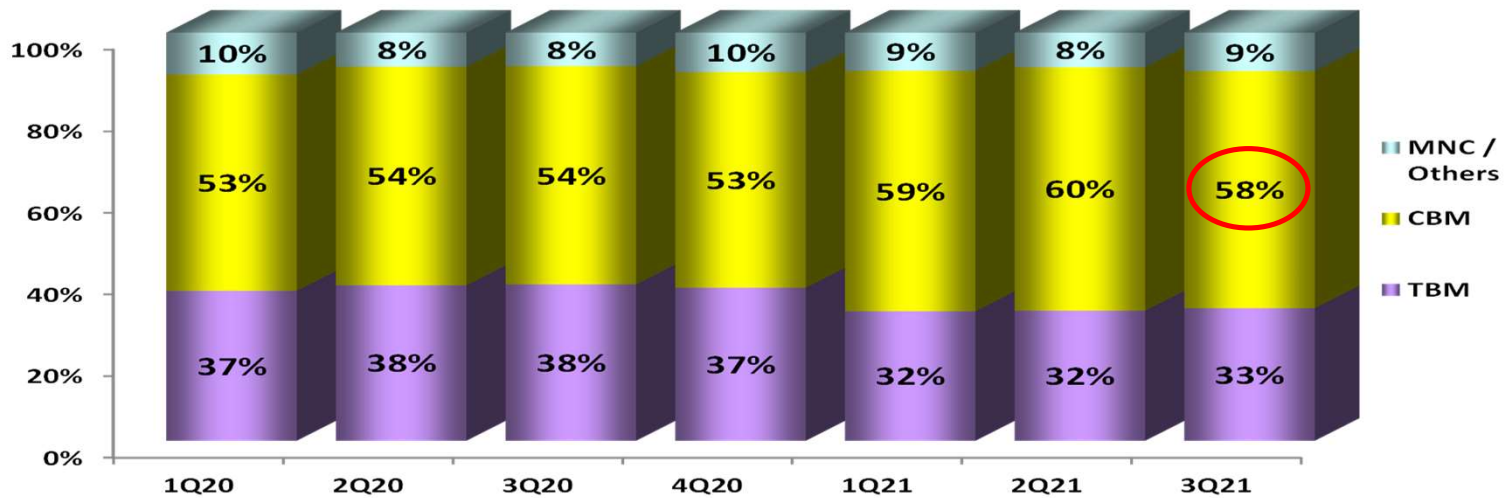
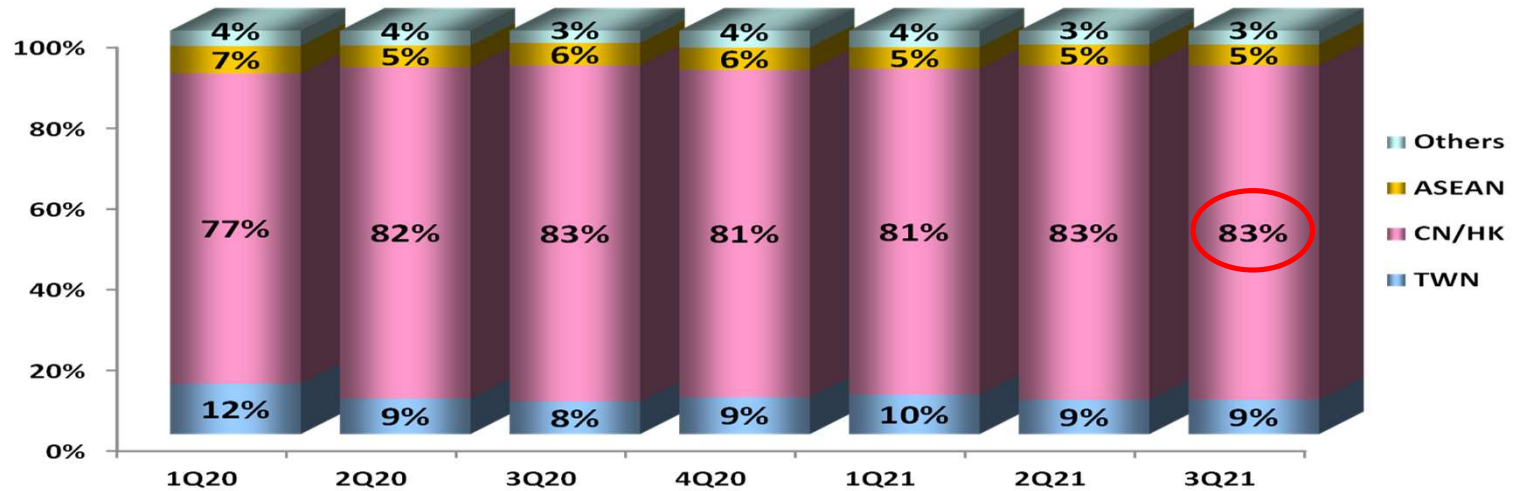
Consolidated Revenue



Unit: NT\$billion

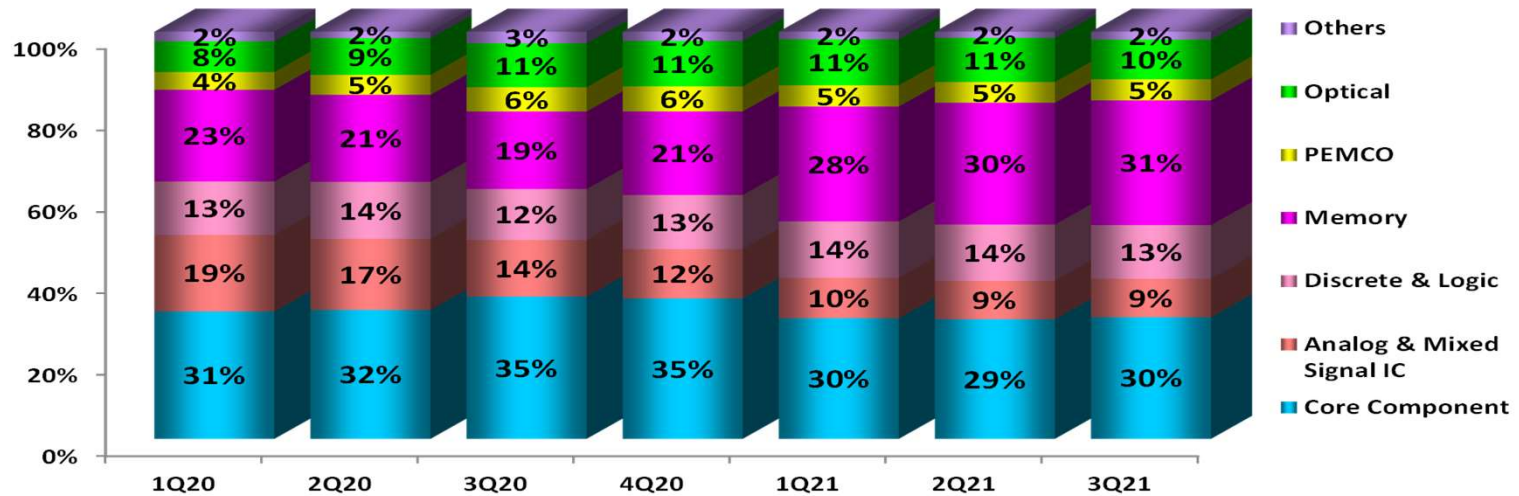
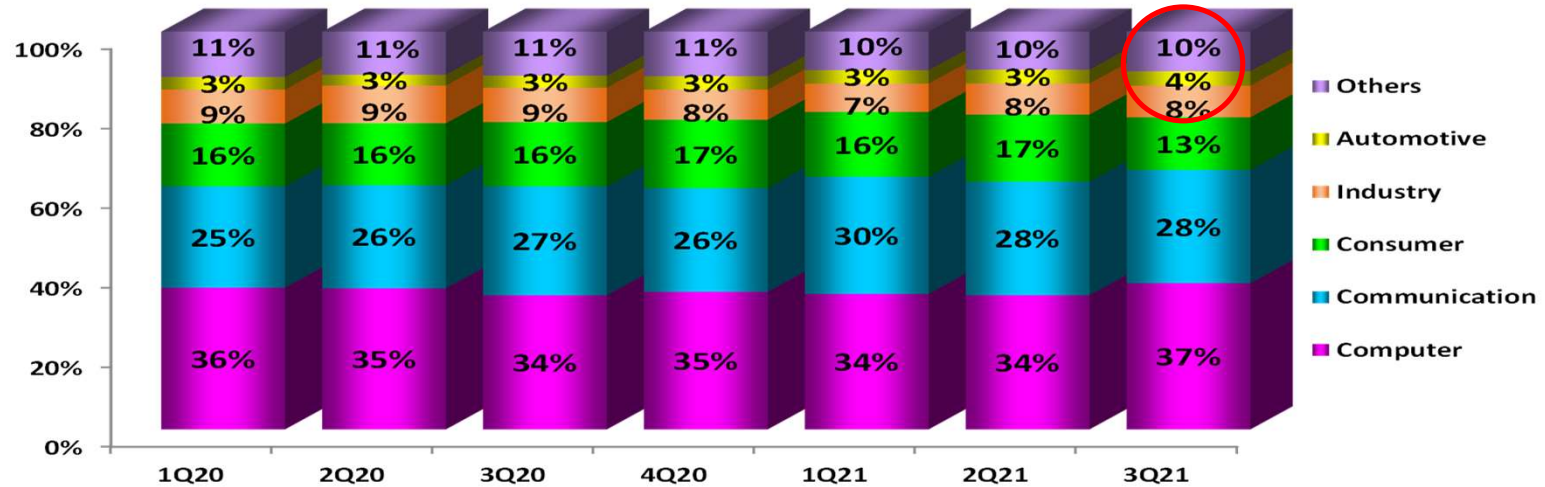


Sales breakdown by Geography/ Customer



TBM : Taiwan-Based Customers
 CBM : China Based Customers

Sales breakdown by Application/ Device Type

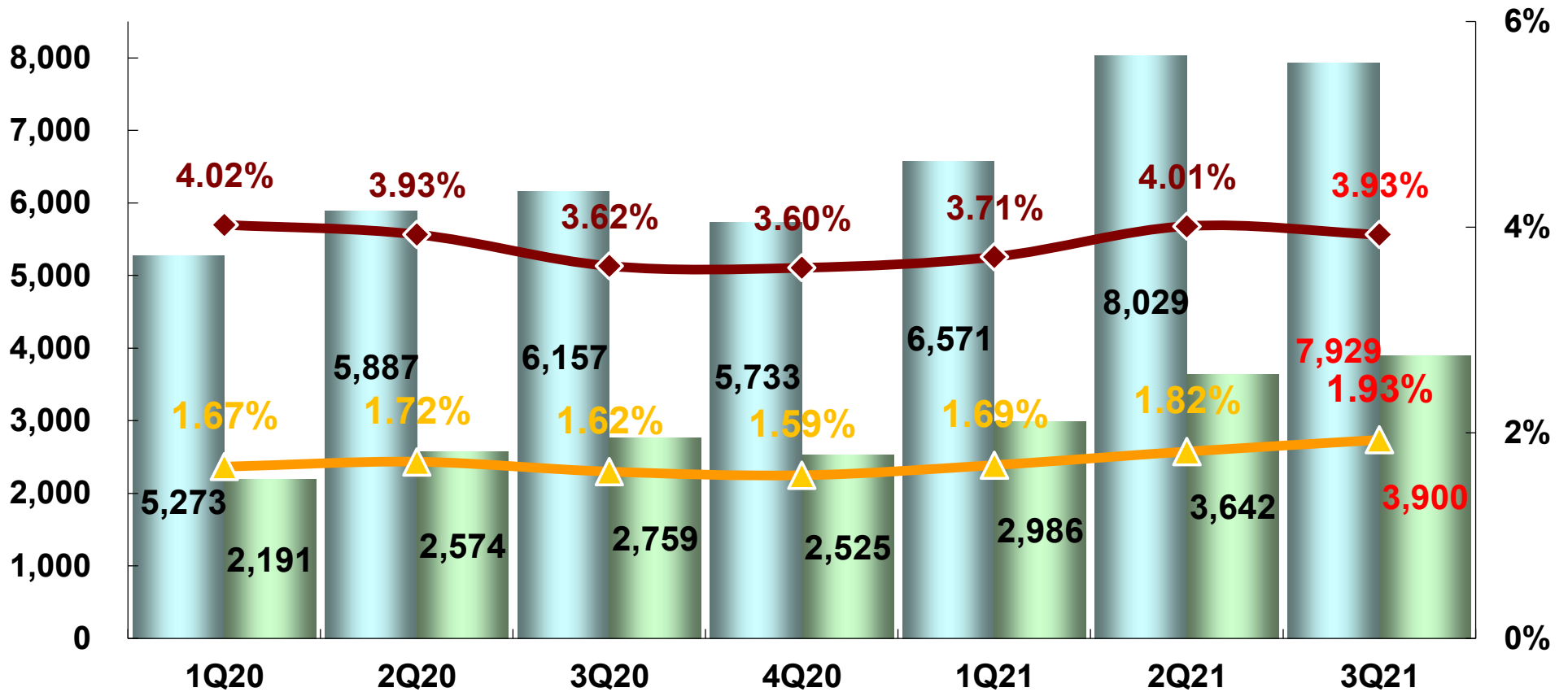


Gross Margin vs. Operating Margin

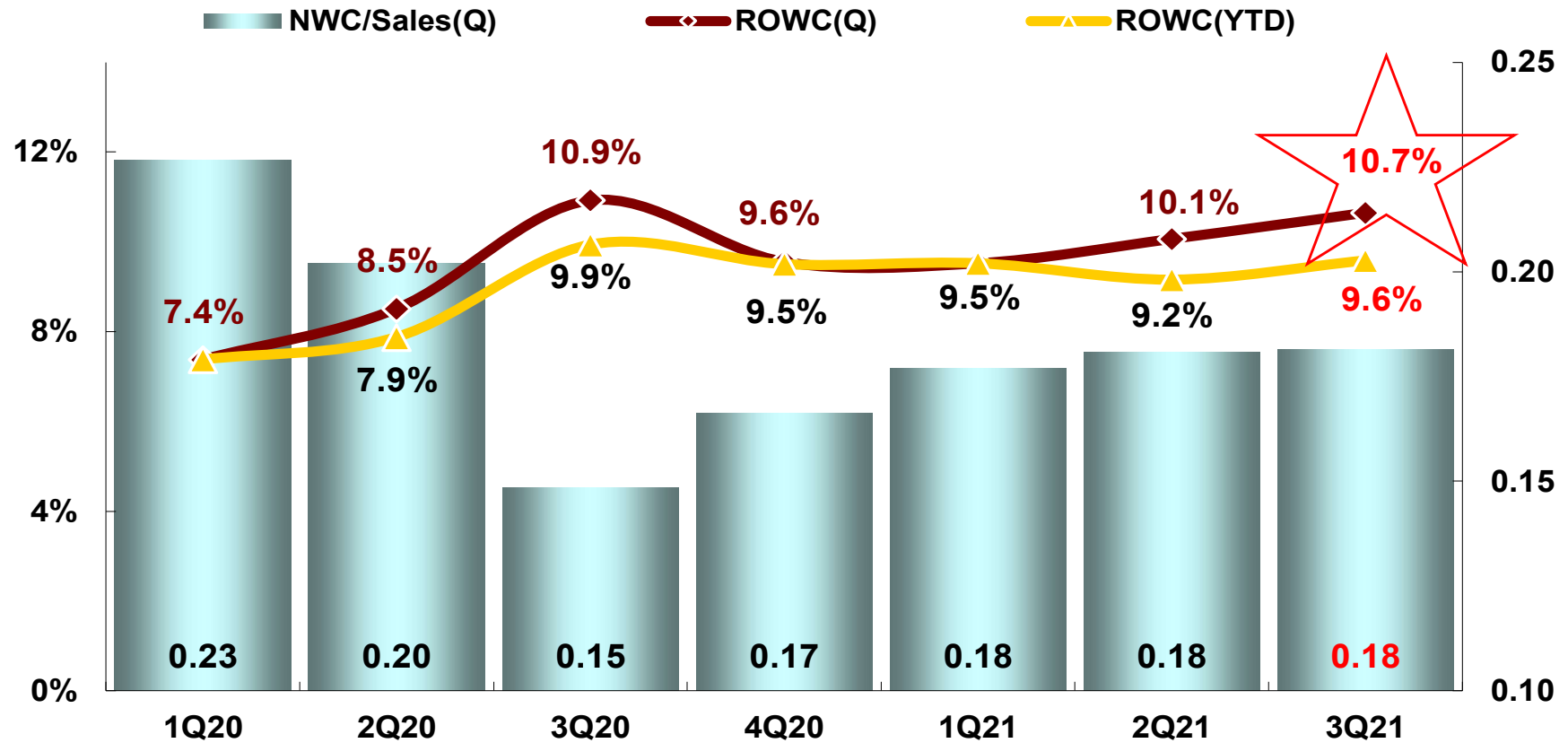


■ Gross Profit
 ■ Operating Income
 ◆ Gross Margin
 ▲ Operating Margin

NT\$million

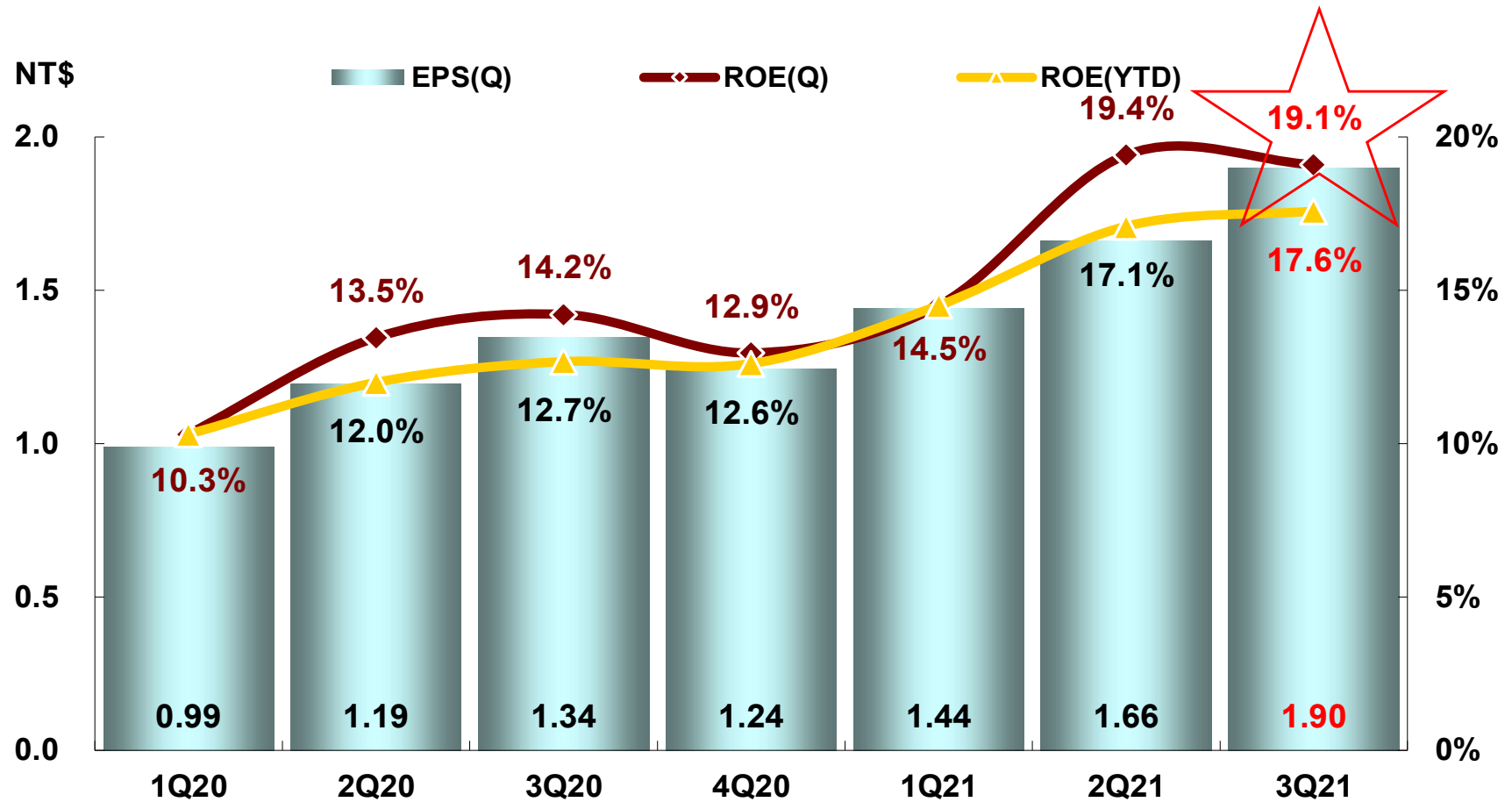


ROWC vs. NWC/Sales



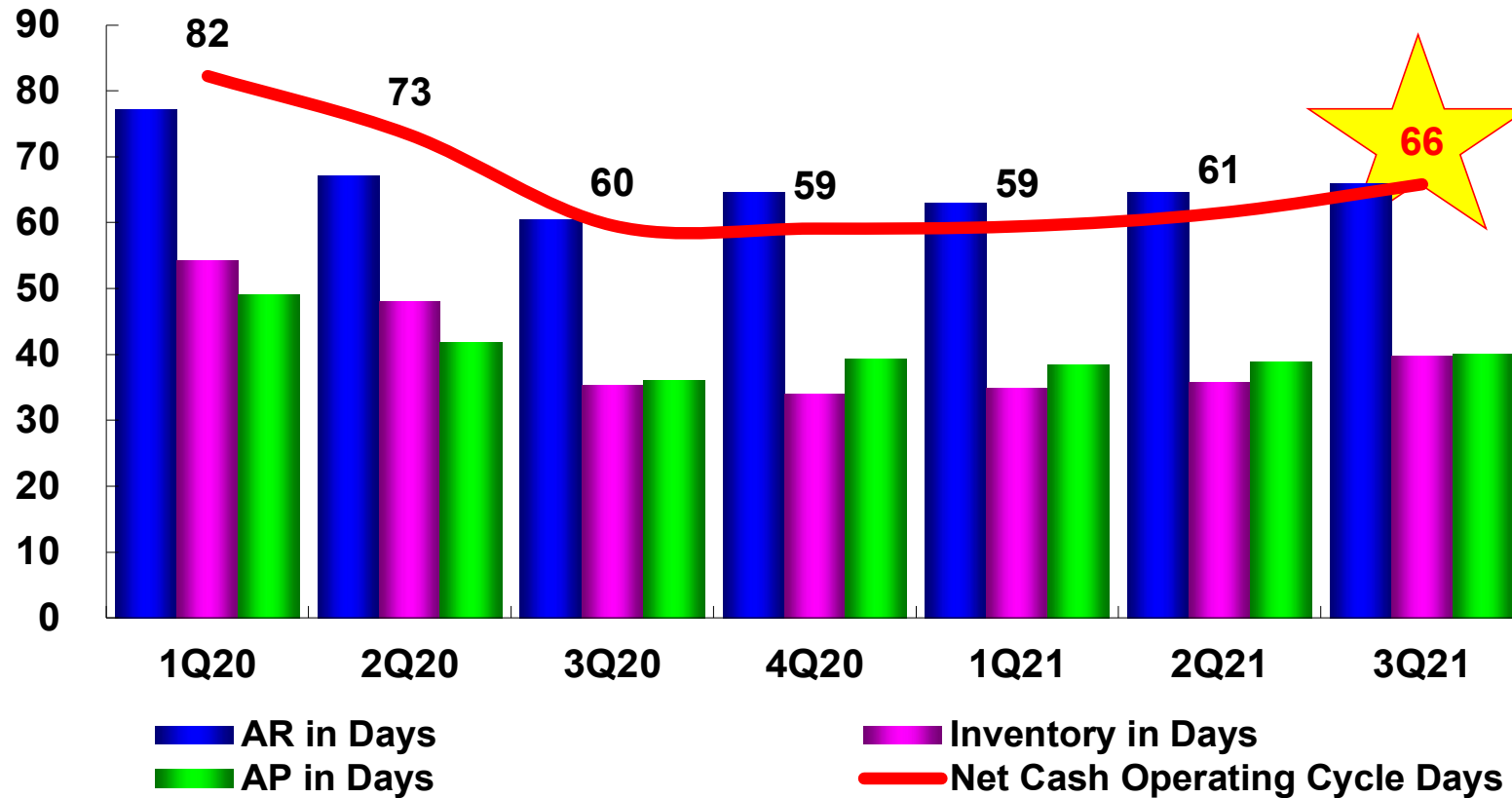
Note : Annualized

ROE vs. EPS



Note : Annualized

Operating Cash Cycle



Note : Annualized

4Q21 Summary Forecast



Based on our current business outlook, management expects :

Unit:NT\$million

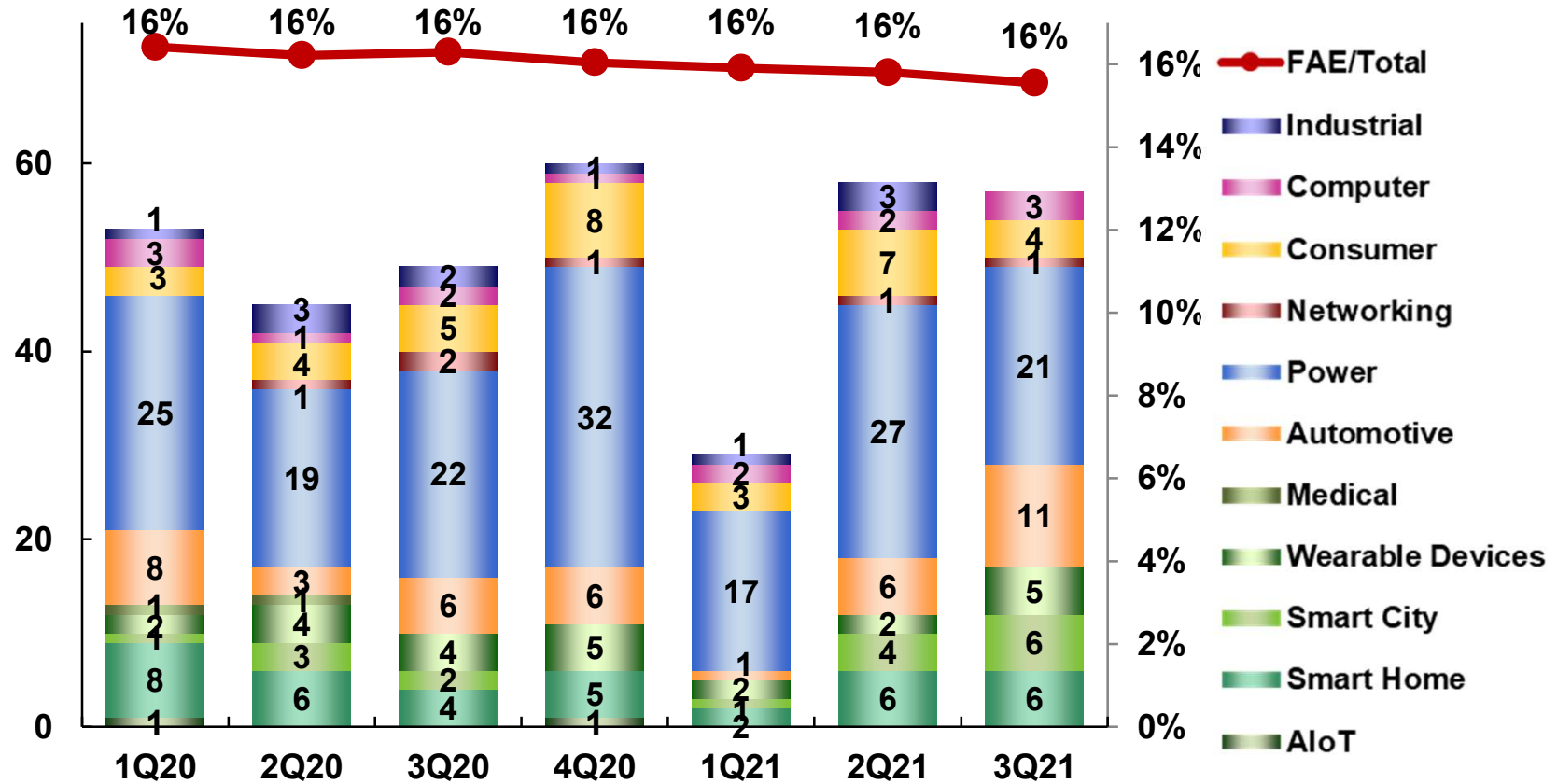
| Item | 4Q21 Forecast ⁽²⁾ | 3Q21 ⁽¹⁾ |
|--------------------|------------------------------|---------------------|
| Revenue | 175,000 ~ 185,000 | 201,890 |
| Gross Profit | 6,475 ~ 7,215 | 7,929 |
| Gross Margin | 3.70% ~ 3.90% | 3.93% |
| Operating Expenses | 3,588 ~ 3,793 | 4,029 |
| Operating Income | 2,887 ~ 3,422 | 3,900 |
| Operating Margin | 1.65% ~ 1.85% | 1.93% |
| Profit Before Tax | 2,865 ~ 3,370 | 3,872 |
| Profit After Tax | 2,318 ~ 2,722 | 3,185 |
| EPS (NT\$) | 1.38 ~ 1.62 | 1.90 |

(1). Reviewed

(2). At a forecast FX rate of 27.9 NT dollars to 1 US dollar averaged over 4Q21.

Prepared by WPG based on IFRS.

More Solutions Launched



<https://www.wpgdatatong.com/tw>

57 Solutions Launched in 3Q21



消費電源

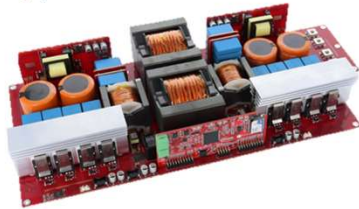
- ▶ 高彈性設計的鋰電池18W充電方案 2021-09-27
- ▶ 數字多模式PFC+LLC組合控制器 TV POWER應用 2021-09-09
- ▶ 氮化鎵系統的65瓦PD電源方案 2021-09-07
- ▶ 用於優質音訊電源的高性能單軌線性穩壓電源 (PSU) 設計製作 2021-09-01
- ▶ 15W小家電電源供應器方案 2021-08-30
- ▶ 65W PD電源適配器方案 2021-08-27
- ▶ 200W LED電視電源解決方案 2021-07-26
- ▶ Type-C 65W PD快充方案 2021-07-07
- ▶ 65W PD充電器方案 2021-07-02
- ▶ 網路攝影機 (Webcam) 電源方案 2021-07-01

工業電源

- ▶ 2000W之 PFC 數位電源方案 2021-09-22
- ▶ MOSFET高壓隔離驅動器應用於高頻小型化工業電源 2021-09-17
- ▶ 300W超高效網通電源 2021-08-20
- ▶ 100W超寬範圍反激式轉換器解決方案 2021-07-19

醫療電源

- ▶ 電流模式固定頻率的反激轉換器應用於65W醫療電源配置 2021-07-21



11kW DC-DC Converter Solution



Lithium battery 18W Charge Solution

汽車電源

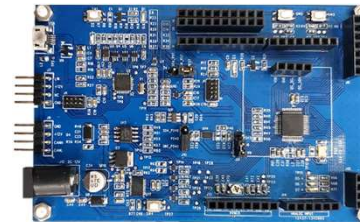
- ▶ 11kW DC-DC變換器方案 2021-09-29
- ▶ 汽車LED燈照明方案 2021-08-03
- ▶ 250W汽車電動燃油泵解決方案 2021-07-29
- ▶ 新一代多通道汽車LED大燈方案 2021-07-28
- ▶ 多協議USB Type C車載快充方案 2021-07-27
- ▶ 車載Type C PD 60W充電器 2021-07-09

車身電子

- ▶ BMS方案 2021-09-24
- ▶ PEPS無鑰匙進入方案 2021-09-13
- ▶ 汽車通用評估板方案 2021-09-03
- ▶ LIN通訊貫穿式尾燈方案 2021-08-10
- ▶ UWB厘米級定位技術全新升級汽車數字鑰匙 2021-08-05
- ▶ 汽車無鑰匙進入PEPS方案 2021-07-02
- ▶ 車用動態資訊LED顯示器方案 2021-07-02

電腦及周邊

- ▶ IR鼠標解決方案 2021-08-16
- ▶ 無線電競耳機方案 2021-07-30
- ▶ 秒控鍵盤應用方案 2021-07-23



Car PEPS Solution



IR Mouse Solution

57 Solutions Launched in 3Q21



穿戴裝置

- ▶ 藍芽5.1助聽(Hearing Device)耳機方案 2021-09-23
- ▶ 智能充電倉彈窗功能的無線耳機充電座倉設計方案 2021-08-13
- ▶ 智能手錶方案 2021-08-02
- ▶ 低功耗藍牙音頻 (LE Audio)方案 2021-07-16
- ▶ 通話藍牙耳機方案 2021-07-12

智能家居

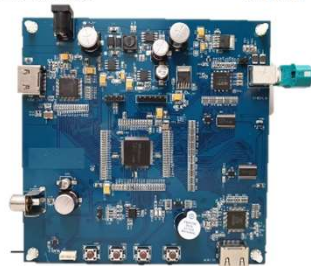
- ▶ 智能家居控制面板方案 2021-09-15
- ▶ 路由器方案 2021-09-14
- ▶ Zigbee網關應用方案 2021-08-18
- ▶ WiFi6高速網絡路由器之上網不受限方案 2021-08-17
- ▶ WiFi6 AX1800射頻前端解決方案 2021-07-22
- ▶ MCU的單晶片安全智能門鎖方案 2021-07-14

消費類

- ▶ AR眼鏡應用方案 2021-09-10
- ▶ 智能翻譯筆方案 2021-09-06
- ▶ 電梯TFT LCD顯示屏的驅動方案 2021-08-04
- ▶ 8MIC 強力回聲消除聲源定位會議音響方案 2021-07-06



Zigbee Gateway Solution



ADAS Smart HD Camera Solution

智慧城市

- ▶ LoRa模組開發之家用地下油槽存量監測方案 2021-08-12
- ▶ OpenWRT 網關設計 2021-08-11
- ▶ 室內空氣質量檢測方案 2021-08-09
- ▶ 車牌辨識應用方案 2021-08-06
- ▶ 智能電表解決方案 2021-07-13
- ▶ LoRaEdge 定位追蹤器方案 2021-07-08

車身安全

- ▶ ADAS高清智能攝像頭方案 2021-09-29
- ▶ 功能安全直流無刷電機控制方案 2021-07-20
- ▶ DMS方案 2021-07-15

車載娛樂

- ▶ 車載智能免提Speakerphone方案 2021-08-24

通訊類

- ▶ WiFi6路由器設計方案 2021-08-23



Smart Electric Meter Solution



WiFi6 Router Design Solution



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