



**WPG Holdings Ltd.
(3702.TT/3702.TW)
1Q23 Earning Release**

May 22th, 2023

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**

■ **1Q23 Financial Highlights & 2Q23 Outlook**

**Cliff Yuan/
Scott Lin**

■ **Q&A**

**Scott Lin/
Cliff Yuan**

Result Highlights



Unit:NT\$million

item	1Q23	1Q23 Forecast	4Q22	1Q22	QoQ(%)	YoY(%)
Net Sales	144,754	145 ~ 155B	176,488	209,865	(18.0)	(31.0)
Gross Margin	3.88%	3.7% ~ 3.9%	3.74%	3.86%	+14 bp	+2 bp
Operating Expenses	(3,678)		(3,461)	(3,875)	6.3	(5.1)
Operating Income	1,941		3,146	4,220	(38.3)	(54.0)
Operating Margin	1.34%	1.45% ~ 1.59%	1.78%	2.01%	-44 bp	-67 bp
Net Income	685	731 ~ 802	1,410	3,444	(51.4)	(80.1)
EPS (NT\$) ₍₁₎	0.41	0.44 ~ 0.48	0.84	2.05		
Net Book Value (NT\$) ₍₁₎	42.76					
Total Assets	283,927		316,220	323,620		
Total Liabilities	201,269		234,306	245,501		
Total Equity	82,657		81,913	78,120		
Net Working Capital	135,317		151,052	164,822		
Free Cash Flow	15,418		26,969	(20,204)		
KEY Indices₍₂₎						
ROWC	5.7%		8.3%	10.2%	-259 bp	-450 bp
NWC/Sales	0.23		0.21	0.20		
ROE	3.4%		7.4%	18.7%	-408 bp	-1,530 bp
Gearing	1.18		1.37	1.60		
(1).Weighted average common shares outstanding	1,679		1,679	1,679		
(2).Annualized						

Statements of Comprehensive Income



Unit: NT\$ million

Item	1Q23	4Q22	QoQ(%)	1Q22	YoY(%)
Revenue	144,754	176,488	(18.0)	209,865	(31.0)
COGS	(139,134)	(169,881)	(18.1)	(201,770)	(31.0)
Gross Profit	5,619	6,607	(15.0)	8,096	(30.6)
Gross Margin	3.88%	3.74%		3.86%	
Operating Expenses	(3,678)	(3,461)	6.3	(3,875)	(5.1)
Operating Income	1,941	3,146	(38.3)	4,220	(54.0)
Operating Margin	1.34%	1.78%		2.01%	
Net Non-operating Items	(1,075)	(1,470)	(26.8)	(48)	2,148.1
Net Financing costs	(1,509)	(1,737)	(13.1)	(634)	138.2
FX Gains/Losses	117	(10)	NM	106	11
Investment Income/Losses	253	247	2.3	436	(41.9)
Others	64	30	112.7	44	44.6
Profit Before Tax	866	1,677	(48.3)	4,173	(79.2)
Tax	(171)	(259)	(34.2)	(687)	(75.2)
Minority	(11)	(8)		(41)	
Profit After Tax	685	1,410	(51.4)	3,444	(80.1)
Net Margin	0.47%	0.80%		1.64%	
EPS (NT\$) ₍₁₎	0.41	0.84		2.05	
Tax %	20%	15%		16%	
(1).Weighted average common shares outstanding	1,679	1,679		1,679	

Balance Sheet



Unit:NT\$million

item	1Q23		4Q22		1Q22	
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>
Cash & Marketable Securities	14,310	5	16,603	5	14,885	5
Accounts Receivable - Trade	101,015	36	120,667	38	150,304	46
Inventory	103,038	36	111,737	35	99,474	31
Current Assets	241,092	85	274,413	87	280,262	87
Others	42,835	15	41,807	13	43,359	13
Total Assets	283,927	100	316,220	100	323,620	100
Current Interest-bearing Debt	83,985	30	96,795	31	100,625	31
Accounts Payable	68,736	24	81,353	26	84,955	26
Accrued Liabilities and Others	15,681	6	18,908	6	17,006	5
Current Liabilities	168,402	59	197,056	62	202,587	63
Long-term Interest-bearing Debt	29,227	10	33,532	11	40,165	12
Others	3,640	1	3,718	1	2,749	1
Total Liabilities	201,269	71	234,306	74	245,501	76
Total Equity	82,657	29	81,913	26	78,120	24

KEY Indices⁽¹⁾

Net Working Capital (NT\$million)	135,317	151,052	164,822
AR Turnover (Days)	70	67	62
Inventory Turnover (Days)	70	67	42
AP Turnover (Days)	49	48	36
Average Collection Periods (Days)	91	86	68
Current Ratio	143%	139%	138%
Gearing	1.18	1.37	1.60

(1).Annualized

Cash Flows



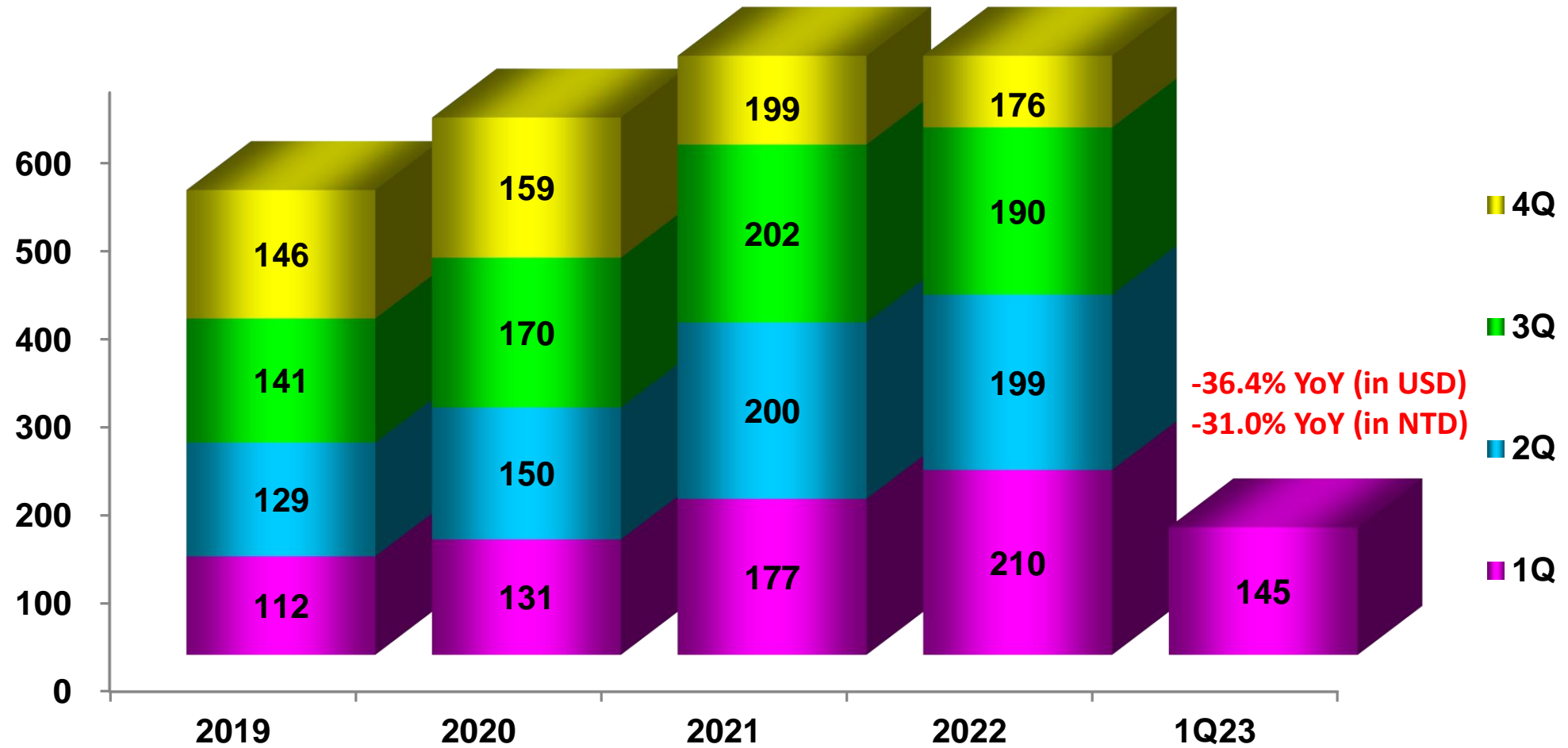
Unit:NT\$million

	1Q23	4Q22	1Q22
-Income before Income Tax	866	1,677	4,173
-Changes of NWC	15,526	29,632	(20,127)
-Adjustment & Others	(974)	(4,340)	(4,250)
From Operation	15,418	26,969	(20,204)
-Other Financial Instruments	503	927	(221)
-Capital Expenditure	(90)	(111)	(231)
-Marketable Financial Instruments	21	(97)	(836)
-Others	5	123	(105)
From Investment	439	842	(1,393)
-Financial Debt	(17,115)	(22,269)	19,413
-Others	(54)	(127)	(212)
From Financing	(17,170)	(22,396)	19,201
Cumulative translation adjustments	(984)	(3,387)	2,868
Net Cash Position Change	(2,296)	2,027	473
Ending Cash Balance	14,301	16,597	14,881

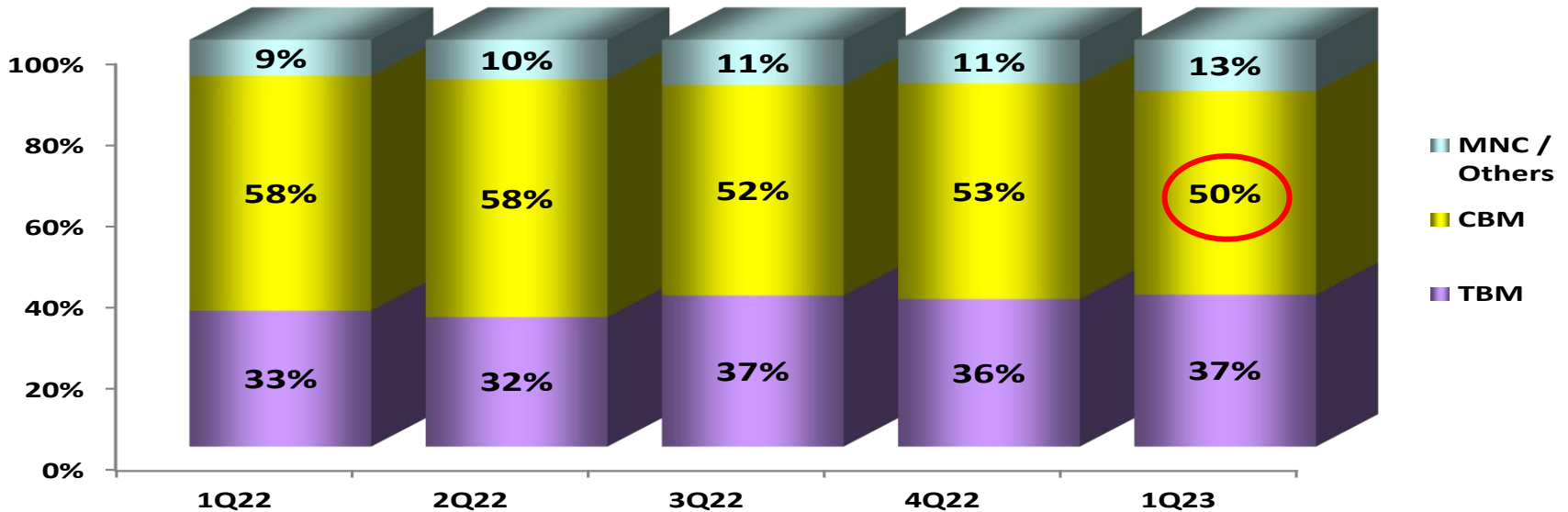
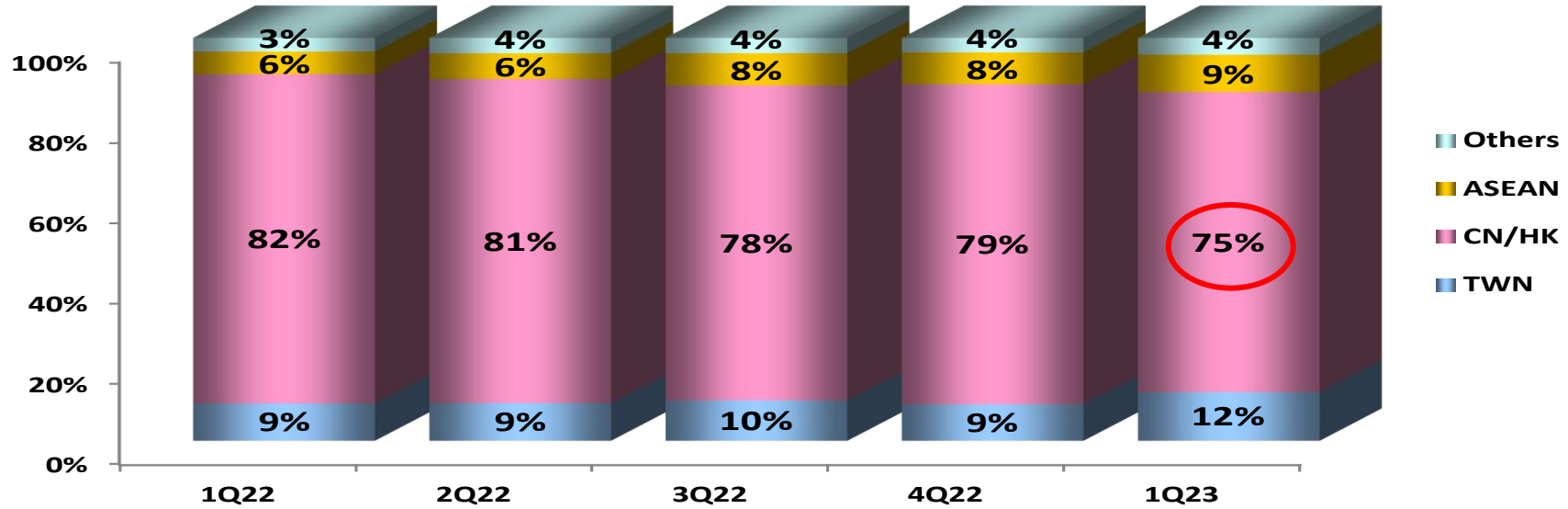
Consolidated Revenue



Unit: NT\$billion

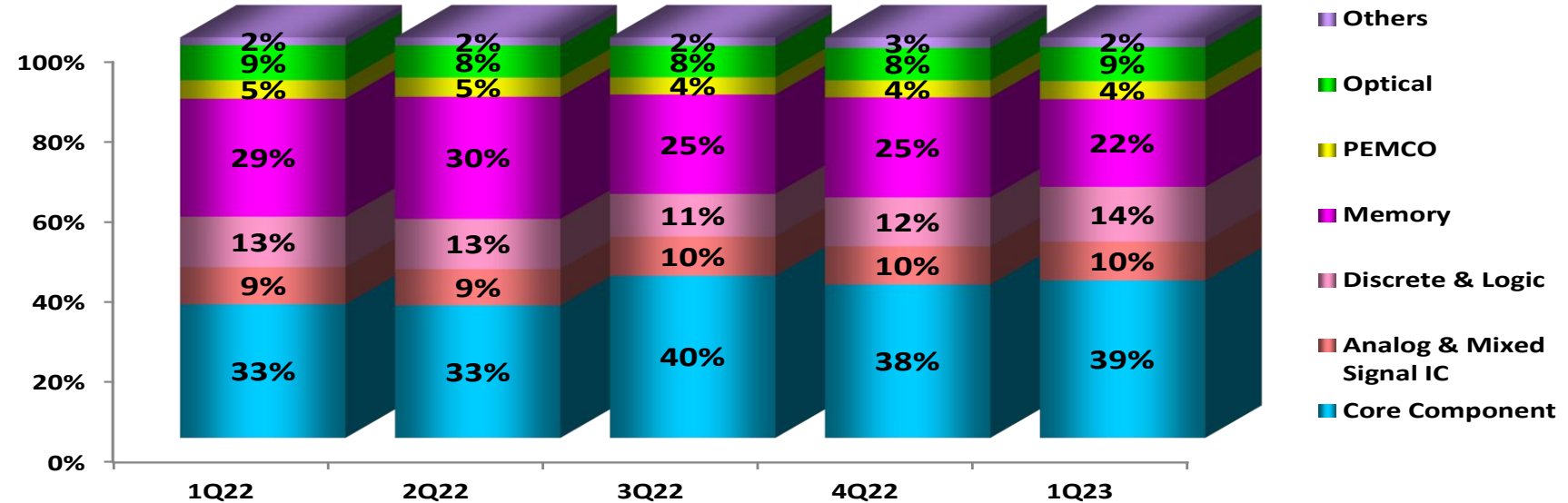
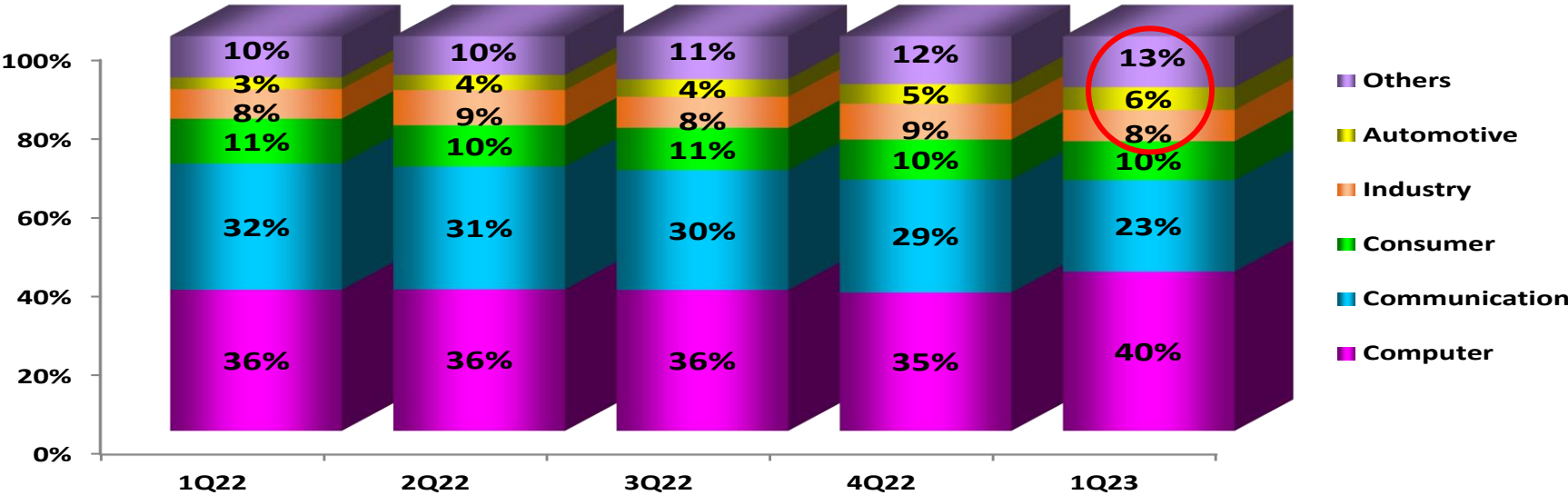


Sales breakdown by Geography/ Customer

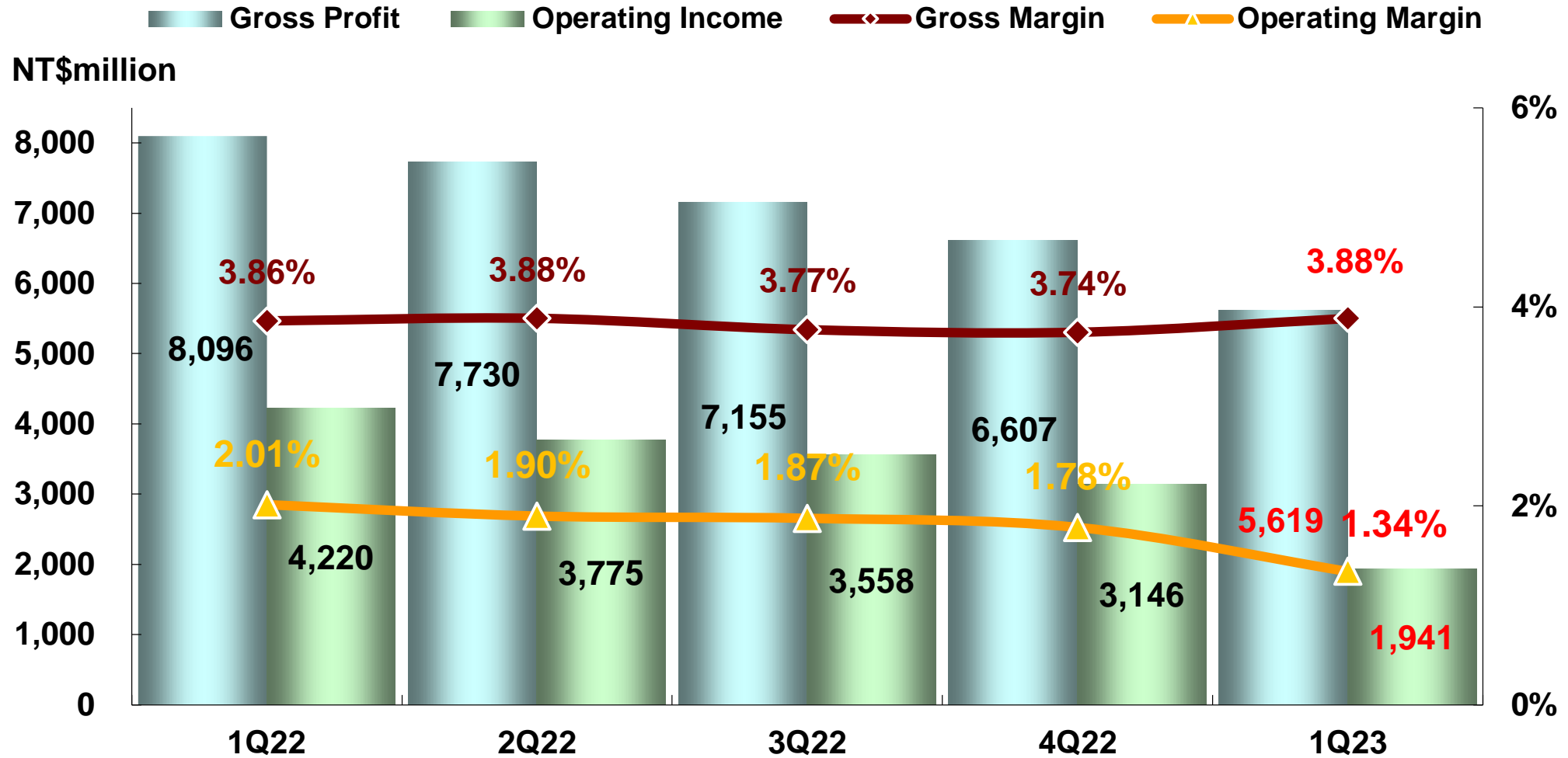


TBM : Taiwan-Based Customers
 CBM : China Based Customers

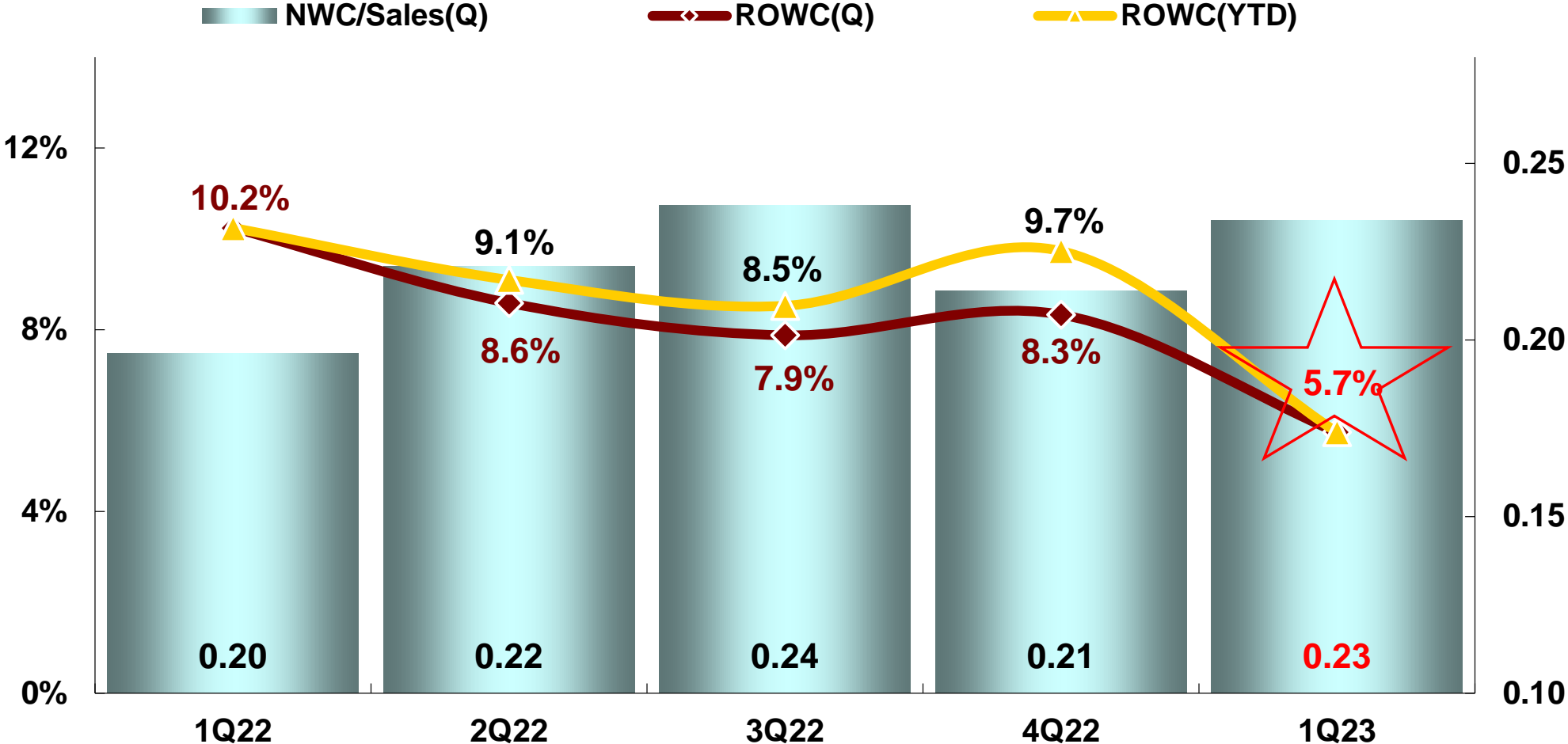
Sales breakdown by Application/ Device Type



Gross Margin vs. Operating Margin

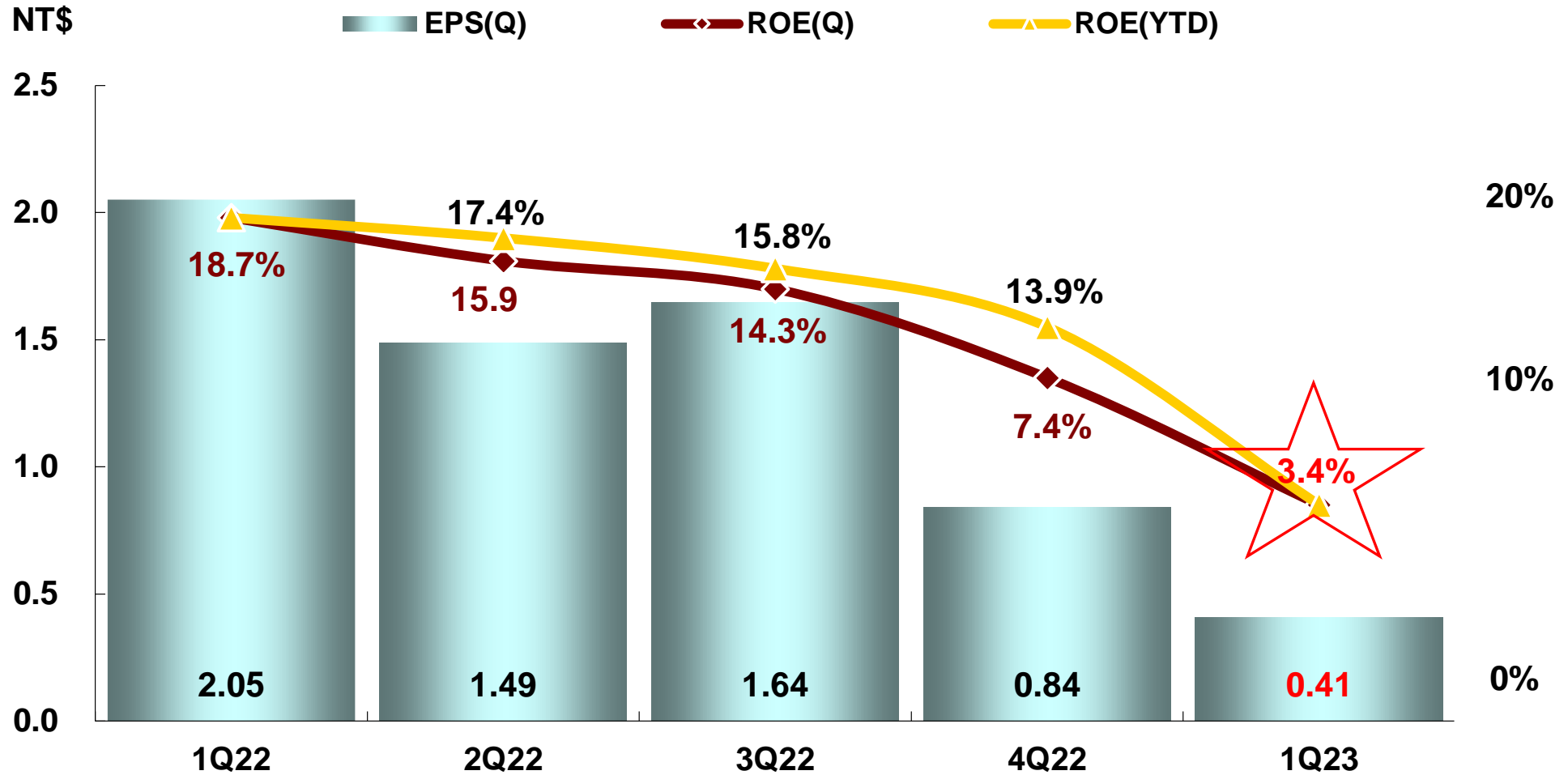


ROWC vs. NWC/Sales



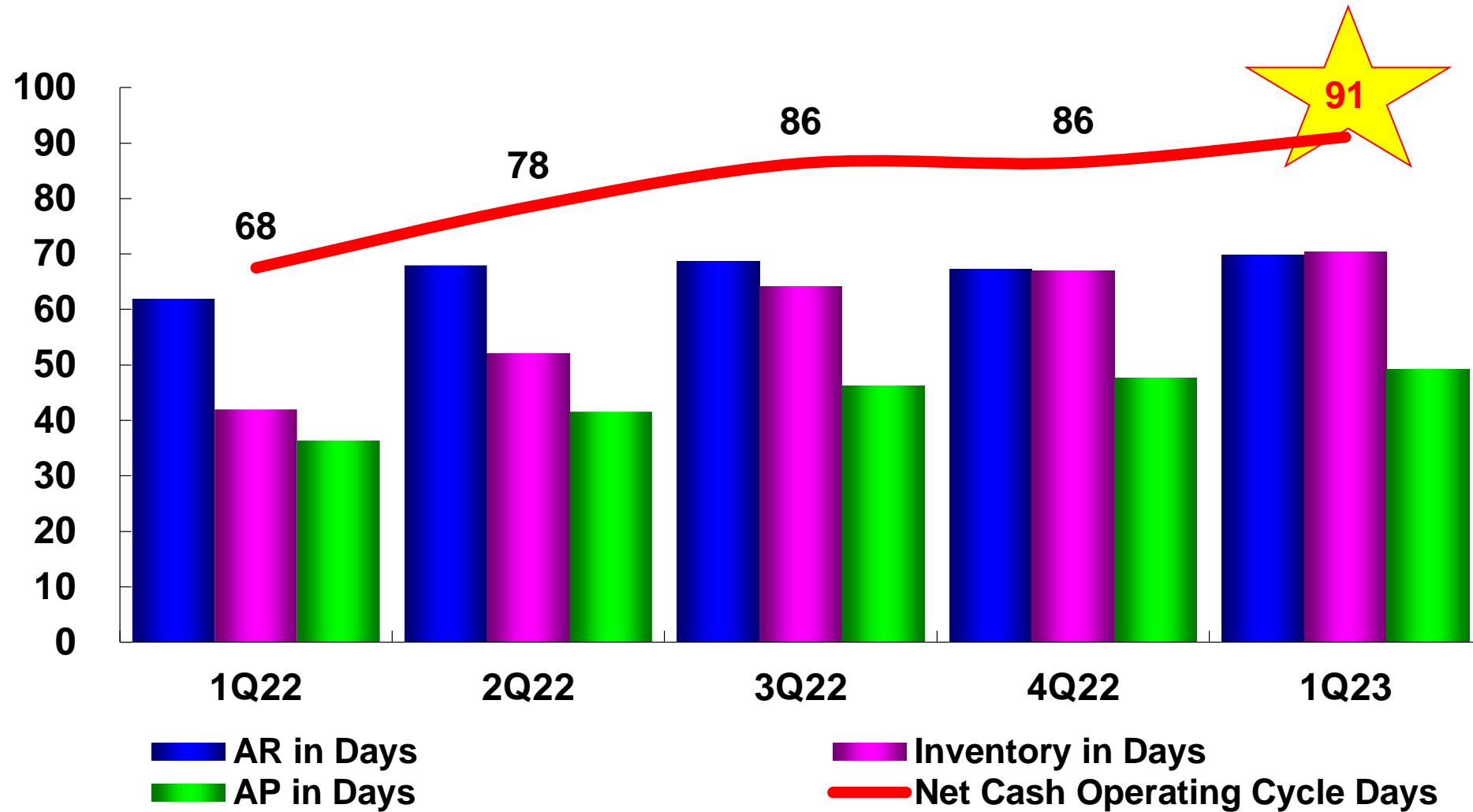
Note : Annualized

ROE vs. EPS



Note : Annualized

Operating Cash Cycle



Note : Annualized

2Q23 Summary Forecast



Based on our current business outlook, management expects :

Unit:NT\$million

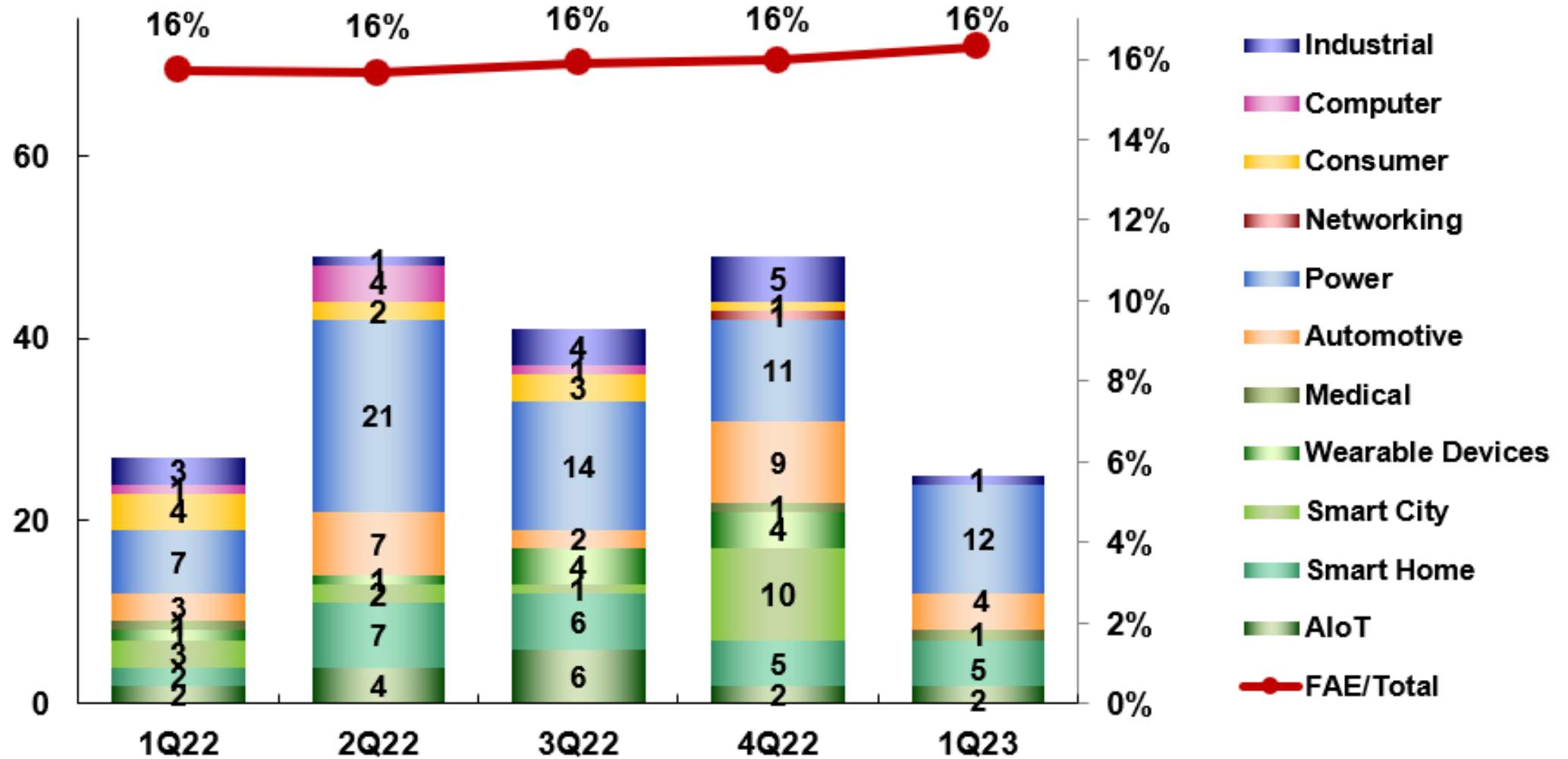
Item	2Q23 Forecast ⁽²⁾	1Q23 ⁽¹⁾
Revenue	142,000 ~ 152,000	144,754
Gross Profit	5,254 ~ 5,928	5,619
Gross Margin	3.70% ~ 3.90%	3.88%
Operating Expenses	3,408 ~ 3,724	3,678
Operating Income	1,846 ~ 2,204	1,941
Operating Margin	1.30% ~ 1.45%	1.34%
Profit Before Tax	2,435 ~ 2,692	866
Profit After Tax	1,898 ~ 2,103	685
EPS (NT\$)	0.89 ~ 1.01	0.41

(1). Reviewed

(2). At a forecast FX rate of 30.4 NT dollars to 1 US dollar averaged over 2Q23.

Prepared by WPG based on IFRS.

More Solutions Launched



25 Solutions Launched in 1Q23



消費電源

- ▶ 符合PD3.1的ERP能效標準的參考電源設計 2023-03-29
- ▶ 65W電源供應器設計方案 2023-03-24
- ▶ 變頻控制應用方案 2023-03-17
- ▶ 快充方案 2023-03-13
- ▶ USB Type-C PD 3.1解決方案 2023-03-07
- ▶ 高效家用電器的輔助SMPS 2023-03-06
- ▶ 高集成無線充電充電發射IC方案 2023-02-23
- ▶ 適用於工業輕型電動汽車的電池充電器參考設計 2023-02-02

工業電源

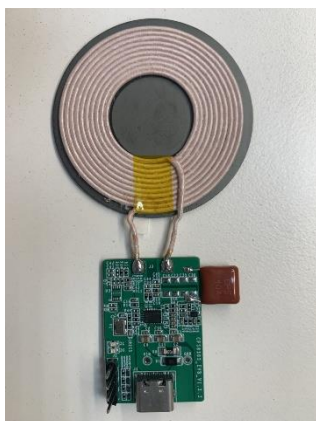
- ▶ 應用於500W風機的方案介紹 2023-02-27

汽車電源

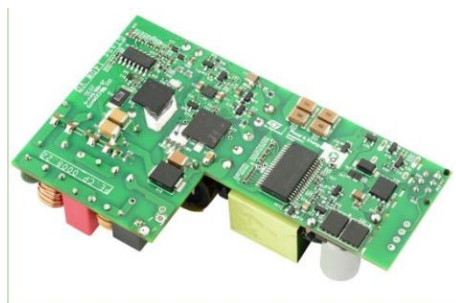
- ▶ 初級側穩壓隔離反激式轉換器方案 2023-03-01
- ▶ 汽車充電器解決方案 2023-01-05

通訊電源

- ▶ 降壓轉換器 2023-03-03



DC/DC Power Supply Solution



ERP Energy Efficiency Standard Solution



Frequency Control Solution



500w Fan Solution

25 Solutions Launched in 1Q23



智能家居

- ▶ 3D 印表機方案 2023-03-31
- ▶ AI 相機應用方案 2023-03-22
- ▶ 智能語音頭盔方案設計 2023-03-20
- ▶ 無線連接空氣品質監測解決方案 2023-02-07
- ▶ IP CAM方案 2023-01-06

AIoT

- ▶ 工業狀態監測感測器解決方案 2023-02-13
- ▶ 傳感器及圖像處理器方案 2023-01-04

智慧醫療

- ▶ 頸掛式藍牙助聽器方案 2023-01-12

車身電子

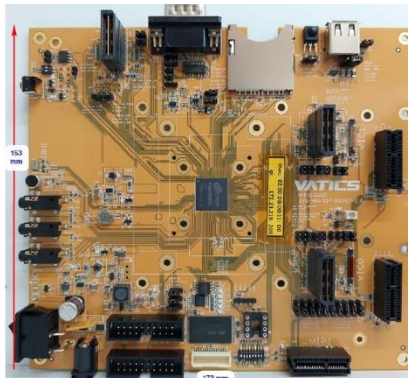
- ▶ 評估板方案 2023-03-09
- ▶ BCM 方案 2023-02-13
- ▶ 傳感器及圖像處理器方案 2023-01-10

車身安全

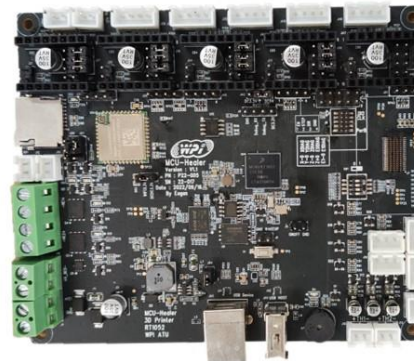
- ▶ AI行車狀態檢測解決方案 2023-01-03

工業類

- ▶ 智能負載管理解決方案 2023-02-21



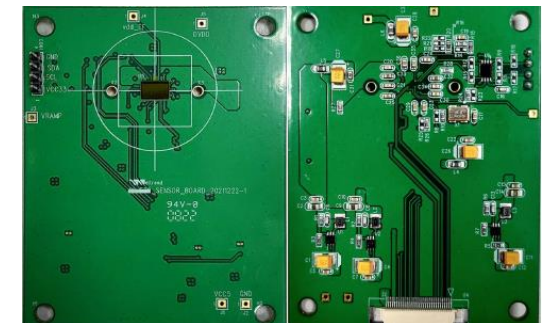
AI Camera Application Solution



3D Printer Solution

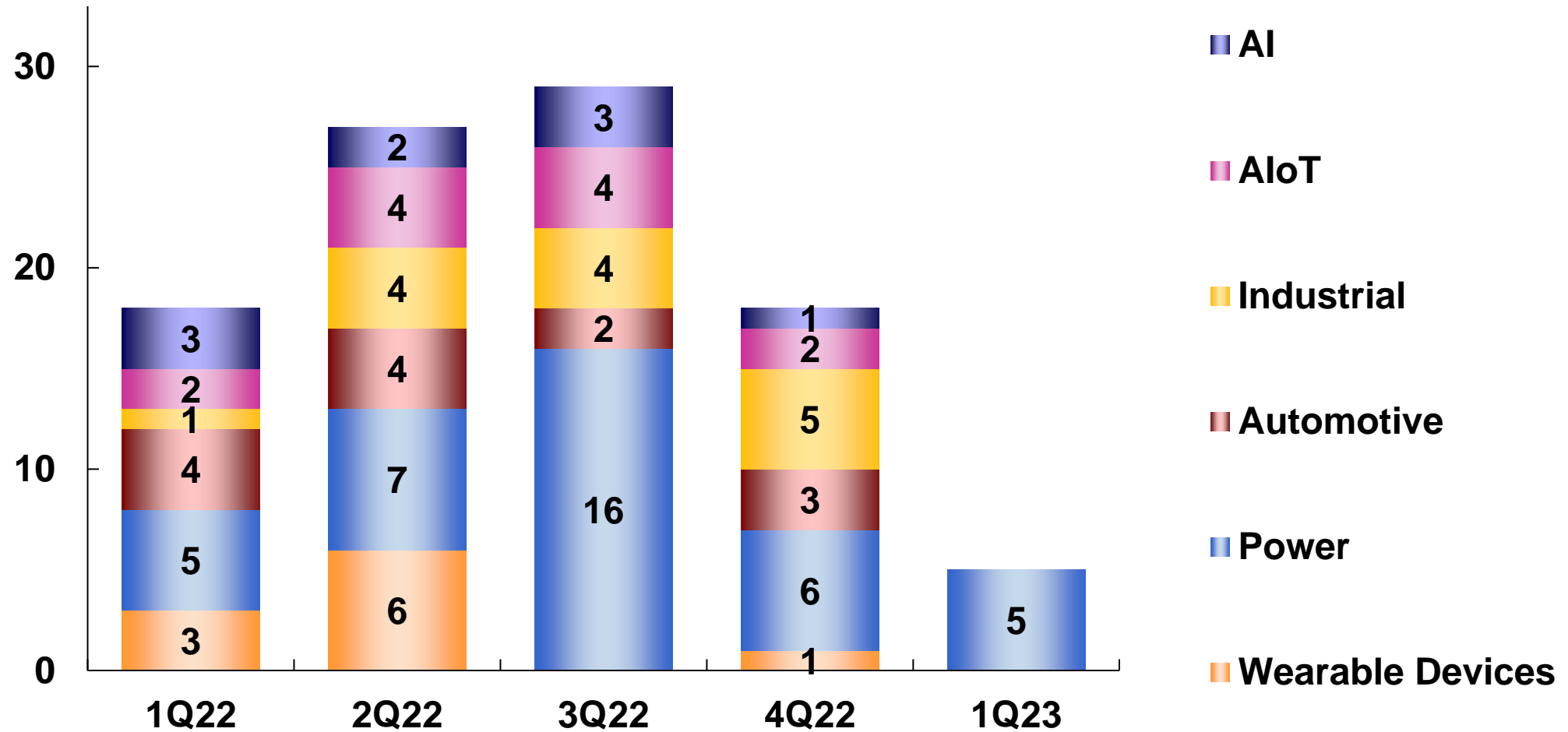


Evaluation Board Solution



Sensor and Image Processor Solution

Nearly 100 Solutions Webinar



Solutions Webinar in 1Q23



微控制器(MCU)
在数字电源中的应用

2023.03.21 / 在线研讨会
10:00-11:00 / 即刻报名

线上研讨会

深度解析智能座舱电源需求
与您共创电动车世代

03/28 AM 10:00-11:00

立即报名



Dadatong Webinar

LIVE

全桥的LLC方案

2023 / 02 / 23 (四) AM 10:00

立即报名



22KW OBC
& 3KW DC-DC
combo system
解决方案

07/Mar/2023
AM 10:00 - 12:00
Dadatong Webinar

立即报名

LIVE

功率器件助力
Solar Inverter & ESS

Webinar | 立即报名

2023/2/21(二) 10:00-11:00



Recap of Recent Major Events



- Board of Directors Approved NT\$3.85 Cash Dividends Per Common Share and NT\$2 Cash Dividends Per Preferred Shares A. (2023/3/28)
- WPG's Corporate Governance Evaluation System Rating has Upgraded to Top 5%. (2023/4/27)



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Q&A



Thank you

The Benchmark of Distribution