



**WPG Holdings Ltd.
(3702.TT/3702.TW)
2Q21 Earning Release**

Aug 13th., 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**

■ **2Q21 Financial Highlights & 3Q21 Outlook** **Cliff Yuan**

■ **Q&A** **Scott Lin/
Cliff Yuan**

Statements of Comprehensive Income



Unit:NT\$million

Item	2Q21	1Q21	QoQ(%)	2Q20	YoY(%)	1H21	1H20	YoY(%)
Revenue	200,226	177,115	13.0	149,811	33.7	377,341	280,855	34.4
COGS	(192,197)	(170,544)	12.7	(143,923)	33.5	(362,740)	(269,695)	34.5
Gross Profit	8,029	6,571	22.2	5,887	36.4	14,601	11,160	30.8
Gross Margin	4.01%	3.71%		3.93%		3.87%	3.97%	
Operating Expenses	(4,388)	(3,585)	22.4	(3,313)	32.4	(7,973)	(6,394)	24.7
Operating Income	3,642	2,986	22.0	2,574	41.5	6,628	4,766	39.1
Operating Margin	1.82%	1.69%		1.72%		1.76%	1.70%	
Net Non-operating Items	342	(6)	NM	2	16,235	336	(183)	NM
Net Financing costs	(499)	(435)	14.6	(484)	3.1	(934)	(1,058)	(11.8)
FX Gains/Losses	13	(43)	NM	165	(91.8)	(30)	462	NM
Investment Income/Losses	536	396	35.3	290	84.7	931	365	154.9
Others	292	77	281.5	31	847.2	368	48	673.2
Profit Before Tax	3,984	2,980	33.7	2,576	54.6	6,964	4,582	52.0
Tax	(745)	(524)	42.1	(436)	70.7	(1,269)	(776)	63.5
Minority	(52)	(37)		(20)		(89)	(27)	
Profit After Tax	3,188	2,419	31.8	2,120	50.3	5,607	3,779	48.4
Net Margin	1.59%	1.37%		1.42%		1.49%	1.35%	
EPS (NT\$) ₍₁₎	1.66	1.44		1.19		3.10	2.18	
Tax %	19%	18%		17%		18%	17%	
(1).Weighted average common shares outstanding	1,679	1,679		1,679		1,679	1,679	

Balance Sheet



Unit:NT\$million	2Q21		1Q21		2Q20	
Cash & Marketable Securities	11,977	4	13,952	5	12,693	5
Accounts Receivable - Trade	150,288	51	132,946	49	111,497	47
Inventory	77,685	26	72,930	27	69,940	29
Current Assets	253,568	86	236,295	87	208,643	87
Others	40,664	14	36,217	13	30,795	13
Total Assets	294,232	100	272,512	100	239,439	100
Current Interest-bearing Debt	96,503	33	84,128	31	79,256	33
Accounts Payable	83,245	28	80,458	30	60,420	25
Accrued Liabilities and Others	20,361	7	13,236	5	16,216	7
Current Liabilities	200,109	68	177,822	65	155,892	65
Long-term Interest-bearing Debt	24,490	8	23,350	9	18,507	8
Others	3,158	1	2,752	1	1,911	1
Total Liabilities	227,757	77	203,924	75	176,310	74
Total Equity	66,475	23	68,588	25	63,129	26

KEY Indices₍₁₎

Net Working Capital (NT\$million)	144,728	125,417	121,017
AR Turnover (Days)	65	63	67
Inventory Turnover (Days)	36	35	48
AP Turnover (Days)	39	38	42
Average Collection Periods (Days)	61	59	73
Current Ratio	127%	133%	134%
Gearing	1.63	1.34	1.33

(1).Annualized

Cash Flows



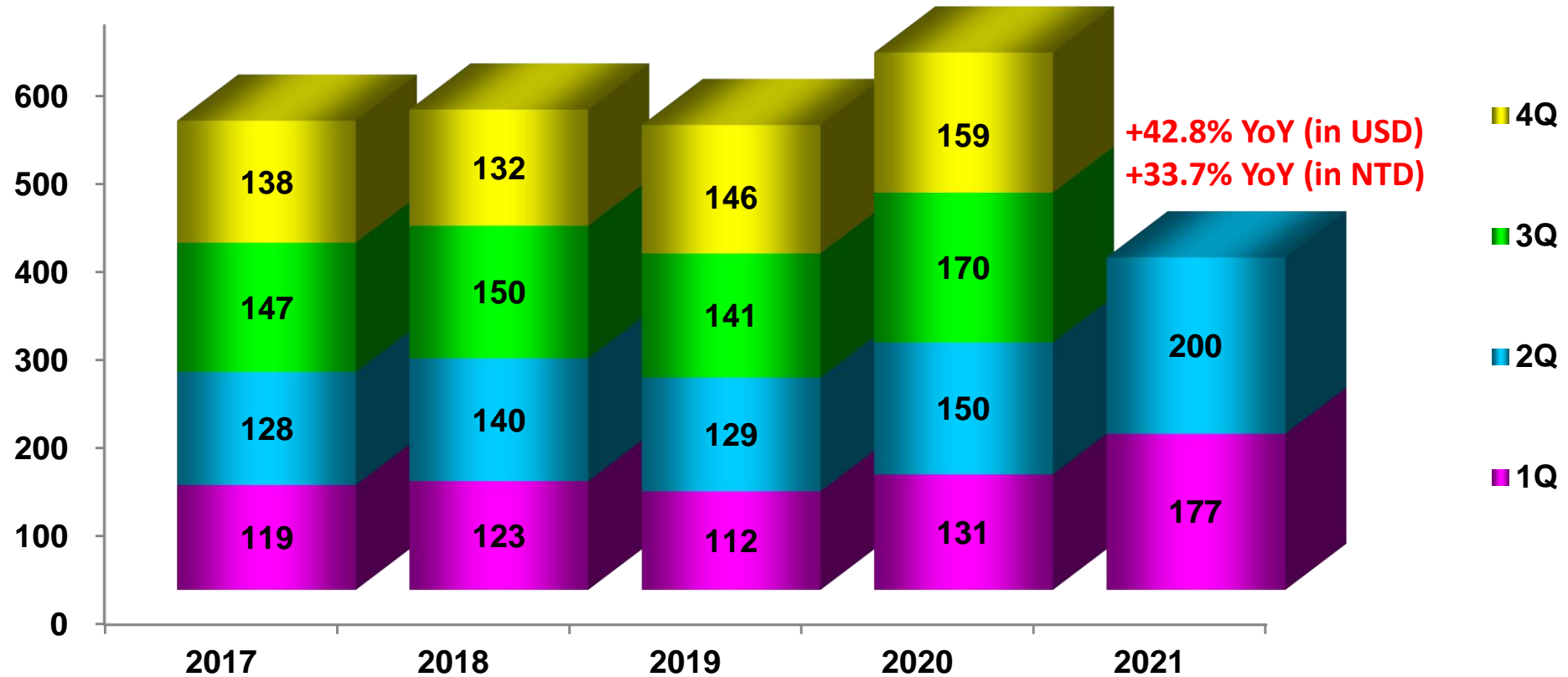
Unit:NT\$million

	2Q21	1Q21	2Q20	1H21	1H20
-Income before Income Tax	3,984	2,980	2,576	6,964	4,582
-Changes of NWC	(19,426)	(19,911)	(2,312)	(39,337)	(4,393)
-Adjustment & Others	2,526	521	(1,189)	3,047	(1,422)
From Operation	(12,916)	(16,409)	(925)	(29,325)	(1,233)
-Other Financial Instruments	458	995	17	1,453	588
-Capital Expenditure	177	(284)	(269)	(106)	(5,355)
-Marketable Financial Instruments	(100)	(89)	(66)	(189)	(54)
-Others	(1,196)	7	0.5	(1,188)	(45)
From Investment	(660)	630	(317)	(31)	(4,865)
-Financial Debt	13,515	18,432	2,623	31,948	10,482
-Others	302	2	(66)	304	(178)
From Financing	13,818	18,434	2,557	32,252	10,305
Cumulative translation adjustments	(2,194)	176	(1,893)	(2,018)	(1,550)
Net Cash Position Change	(1,953)	2,830	(579)	878	2,656
Ending Cash Balance	11,898	13,850	12,649	11,898	12,649

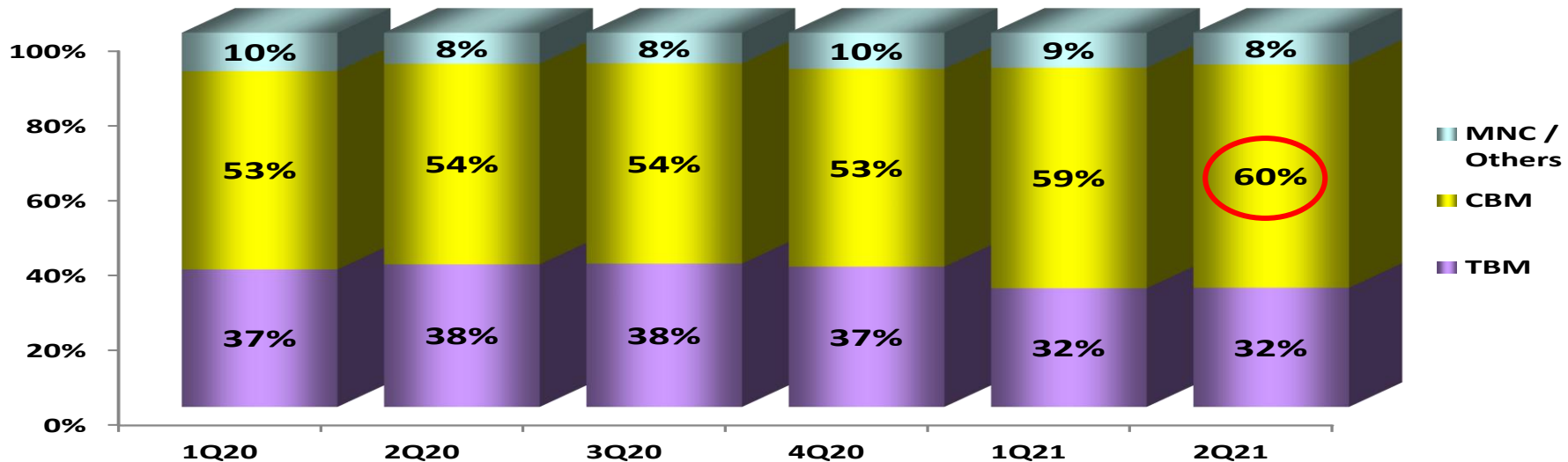
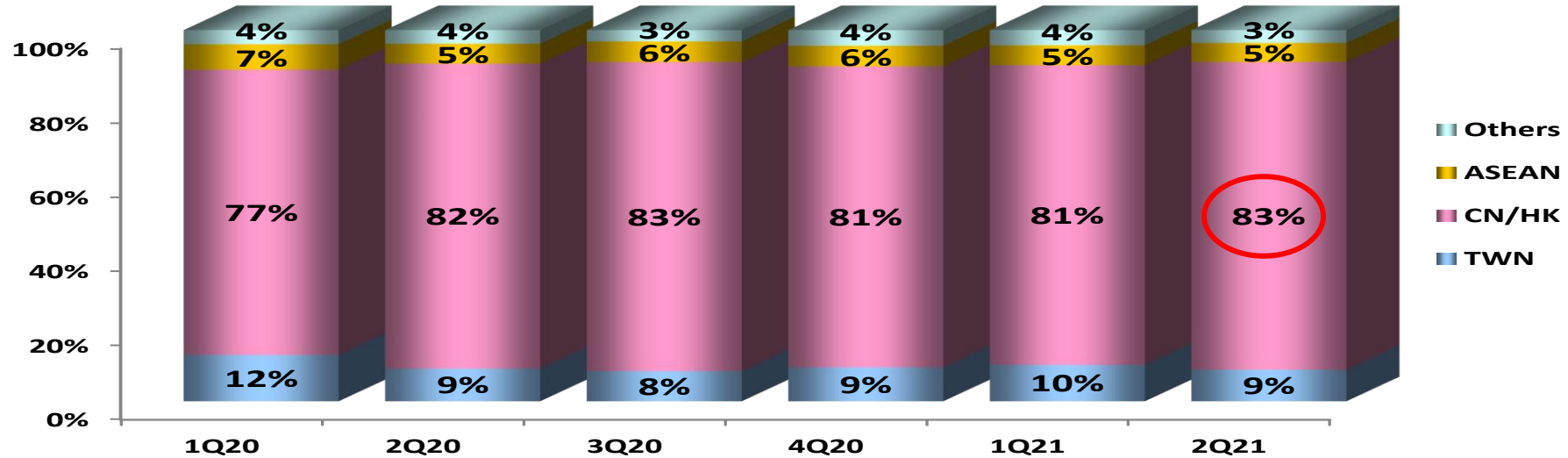
Consolidated Revenue



Unit: NT\$billion

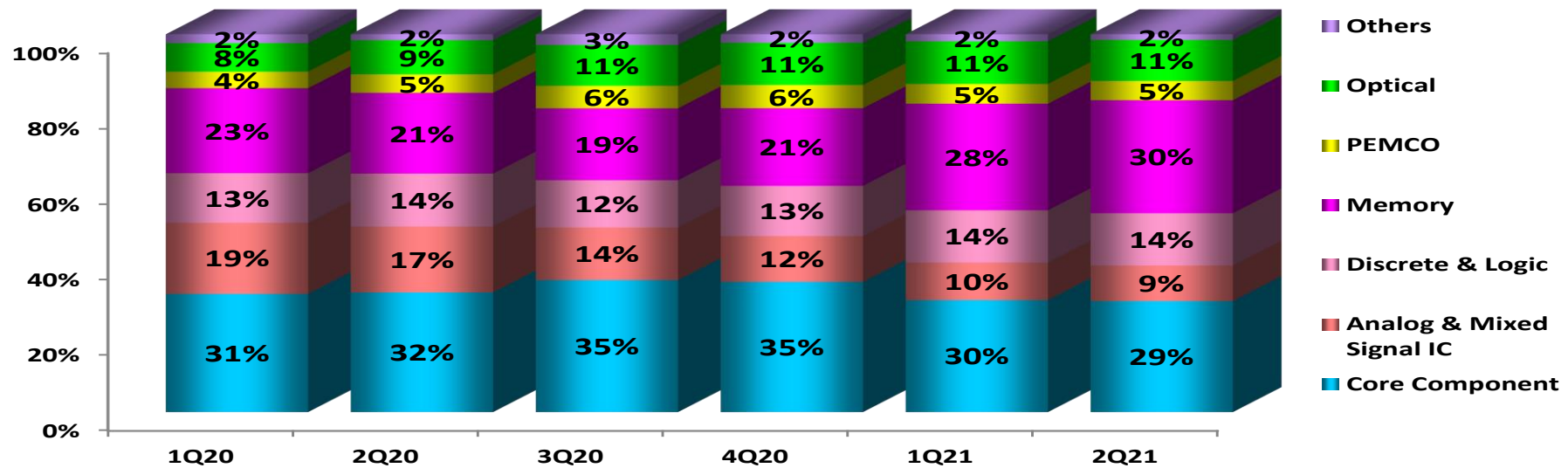
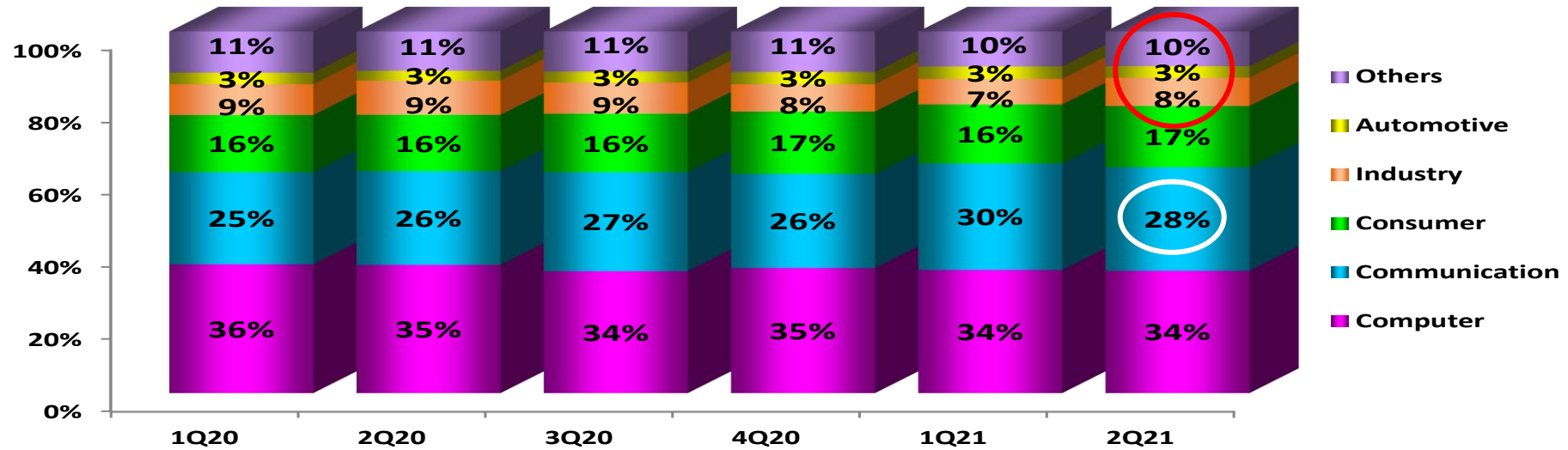


Sales breakdown by Geography/ Customer



TBM : Taiwan-Based Customers
 CBM : China Based Customers

Sales breakdown by Application/ Device Type

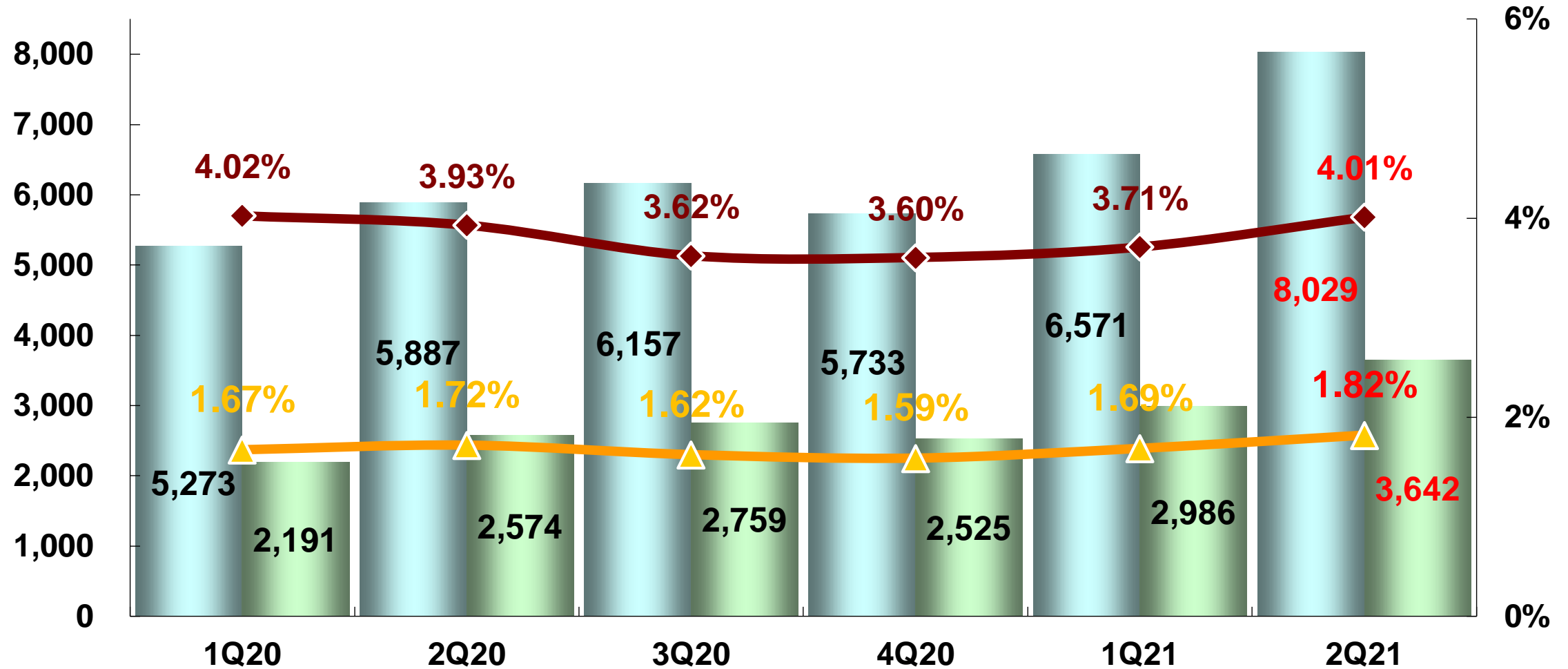


Gross Margin vs. Operating Margin

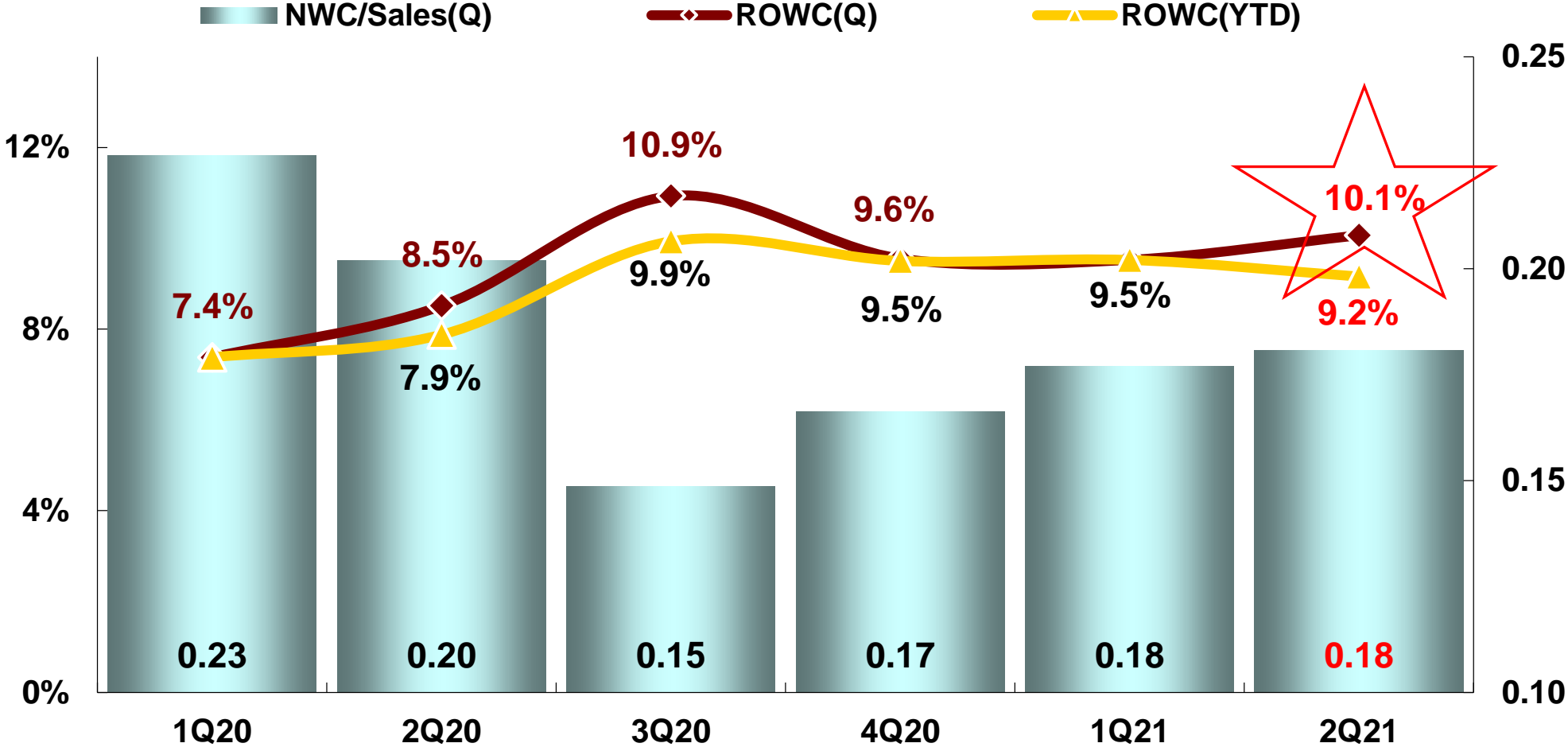


■ Gross Profit ■ Operating Income ◆ Gross Margin ▲ Operating Margin

NT\$million

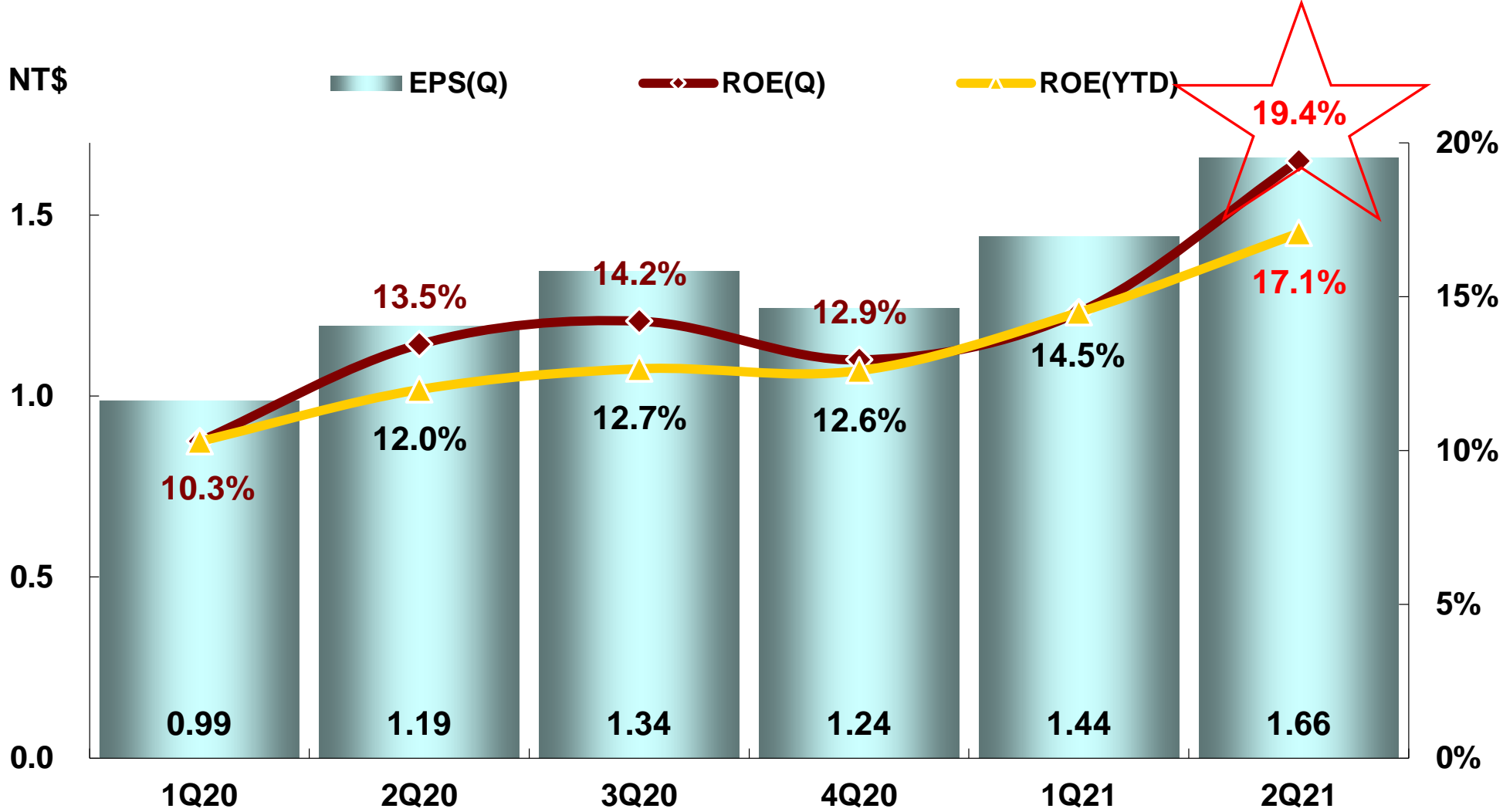


ROWC vs. NWC/Sales



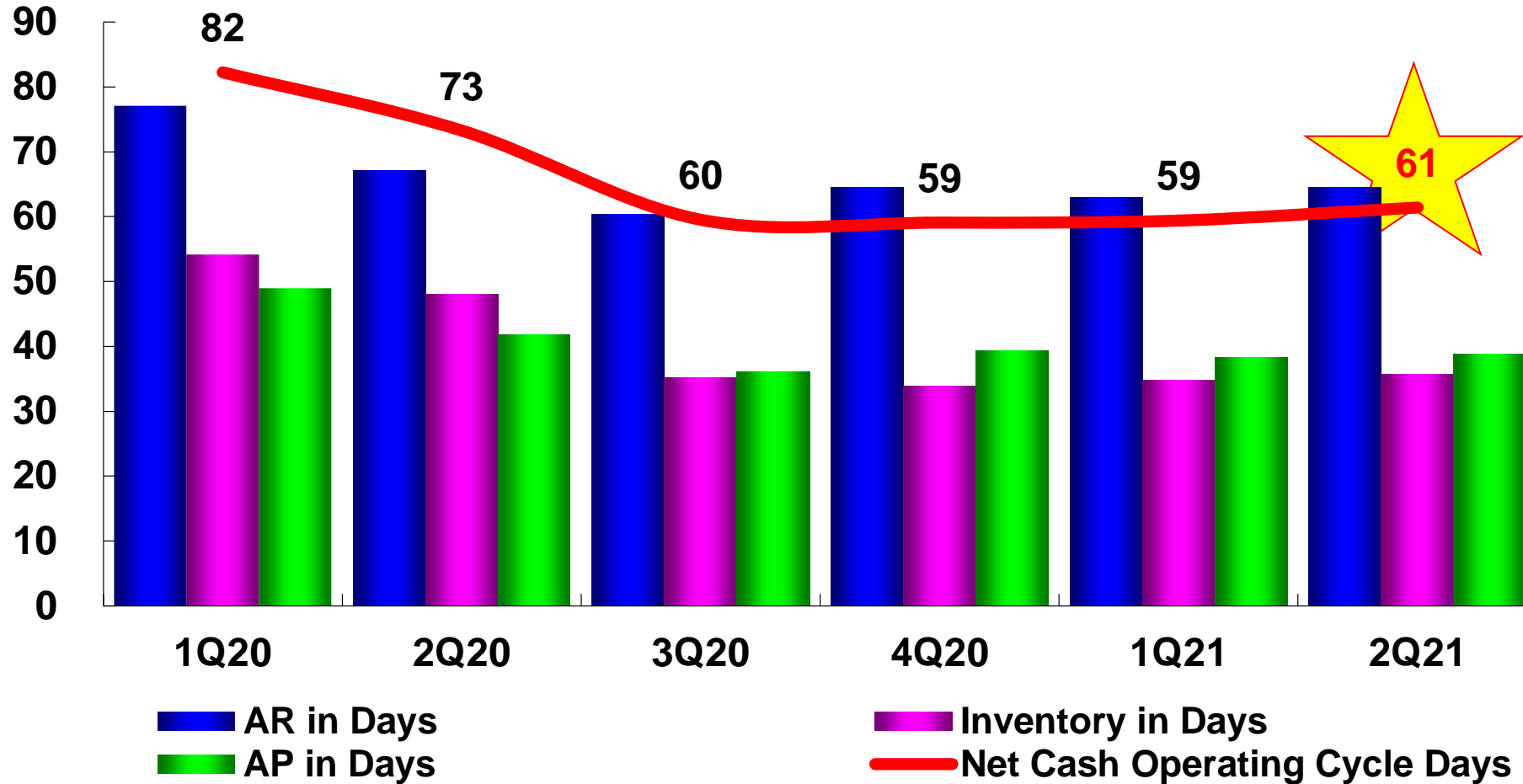
Note : Annualized

ROE vs. EPS



Note : Annualized

Operating Cash Cycle



Note : Annualized

3Q21 Summary Forecast



Based on our current business outlook, management expects :

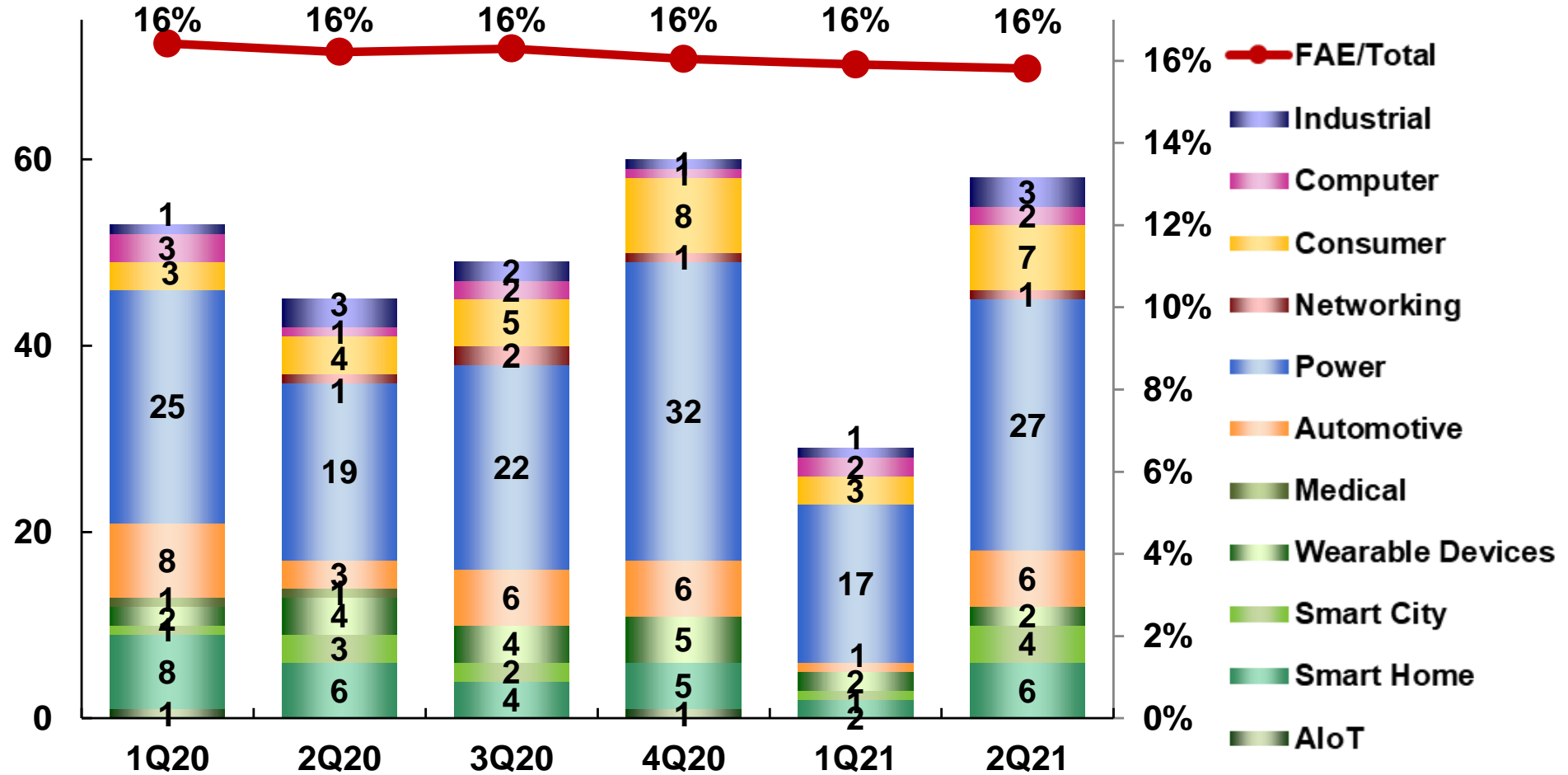
Unit:NT\$million

Item	3Q21 Forecast ⁽²⁾	2Q21 ⁽¹⁾
Revenue	190,000 ~ 200,000	200,226
Gross Profit	7,030 ~ 7,800	8,029
Gross Margin	3.70% ~ 3.90%	4.01%
Operating Expenses	3,990 ~ 4,200	4,388
Operating Income	3,040 ~ 3,600	3,642
Operating Margin	1.60% ~ 1.80%	1.82%
Profit Before Tax	3,066 ~ 3,600	3,984
Profit After Tax	2,562 ~ 2,989	3,188
EPS (NT\$)	1.53 ~ 1.78	1.66

(1). Reviewed

(2). At a forecast FX rate of 28 NT dollars to 1 US dollar averaged over 3Q21.

More Solutions Launched



58 Solutions Launched in 2Q21



消費電源

- ▶ 500W with STB電競桌機電源 2021-06-24
- ▶ MCU+Gate Driver 92W-BLDC高速風筒方案 2021-06-22
- ▶ 直流無刷電機控制的蝸牛排氣扇方案 2021-06-21
- ▶ 白色家電和工業設備的45W輔助電源 2021-06-17
- ▶ 45W PoE to USB PD 電源 2021-06-16
- ▶ 60W 超小型 USB PD3.0 方案 2021-06-09
- ▶ MagSafe無線充電方案 2021-06-08
- ▶ 讓Active Bridge IC解決你POWER效率不足的煩惱 2021-05-06
- ▶ 多相式同步整流降壓控制晶片之顯示晶片電源解決方案 2021-04-30
- ▶ 高壓BLDC風扇方案 2021-04-27
- ▶ 高效率低成本_65W USB-PD解決方案 2021-04-15
- ▶ GAN--65W 1A1C -超小尺寸PD快充電源方案 2021-04-08
- ▶ 3相Sensor-less BLDC Motor Pre-Driver 之廚房抽油煙機方案 2021-04-06
- ▶ 1KW 馬達驅動器解決方案 2021-04-02
- ▶ 15W隔離型智能空調用電源方案 2021-04-01

照明電源

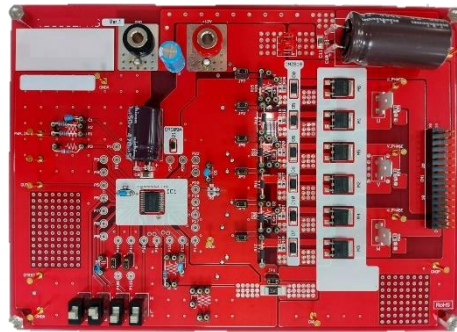
- ▶ 200W LED Power解決方案 2021-06-29
- ▶ 240W智能調光LED電源方案 2021-05-26
- ▶ Single-Stage & PSR LED 照明方案 2021-05-13
- ▶ 300W LED數字電源方案 2021-04-20

通訊電源

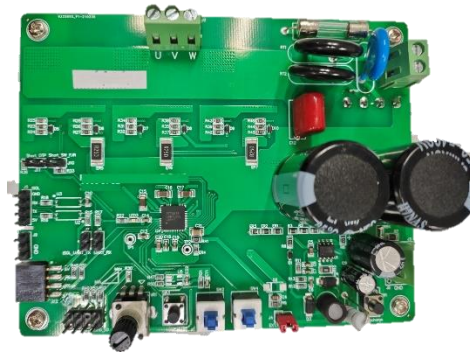
- ▶ 750W高效能通訊電源方案 2021-04-21
- ▶ 物聯網通訊模組電源之POL 65V6A Voltage Mode Buck Regulator 2021-04-12

汽車電源

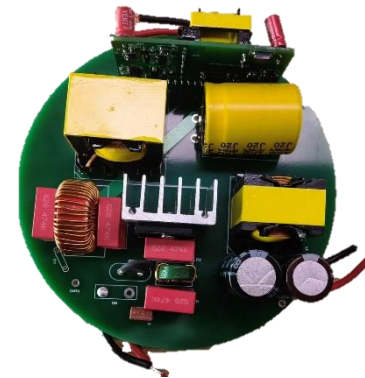
- ▶ 3.6 kW PFC 數位電源方案 2021-05-10
- ▶ 雙向15KW三相雙向充電樁電源方案 2021-04-22



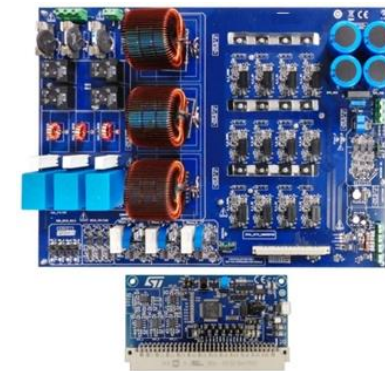
Range Hood Solution



92W-BLDC
Fast Hair dryer Solution



240W Smart Dimmable
LED Power Solution



15KW Charger Solution

58 Solutions Launched in 2Q21



工業電源

- ▶ 25W模塊型DC/DC鐵路電源方案 2021-06-07
- ▶ 45W隔離型通用變頻器輔助電源方案 2021-06-03

醫療電源

- ▶ 影像識別USB Camera方案 2021-05-24
- ▶ 500W之防疫醫療儀器電源方案 2021-04-01

穿戴裝置

- ▶ 小體積超低功耗語音喚醒耳機方案 2021-06-10
- ▶ TWS骨傳導藍牙耳機方案 2021-04-28

智能家居

- ▶ 智能燈泡方案 2021-06-23
- ▶ 無線智能WIFI6路由方案 2021-06-18
- ▶ ZigBee Super Dongle 方案 2021-06-02
- ▶ 高幀率相機模組與低功耗藍牙模組的智能相機方案 2021-05-18
- ▶ 監控錄影DVR方案 2021-05-12
- ▶ 智能煙霧探測方案 2021-04-07

智慧城市

- ▶ LoRaEdge 追蹤器閘道器設計方案 2021-06-15
- ▶ 人臉識別解決方案 2021-05-31
- ▶ AI人臉辨識解決方案 2021-05-14
- ▶ 安防監控方案 2021-04-29



Face Recognition Solution



Inverters Ventilator auxiliary power Solution



Surveillance cameras DVR Solution



500W Epidemic Prevention Medical Equipment Adapter Solution

58 Solutions Launched in 2Q21



消費類

- ▶ 微控制器的吸塵器電動機解決方案 2021-06-30
- ▶ 變頻空調一體機解決方案 2021-05-17
- ▶ 智慧電吉他音效器的設計方案 2021-05-11
- ▶ 2.1CH音源擴大機參考設計方案 2021-05-07
- ▶ ToF 測距方案 2021-04-19
- ▶ 三軸智能人臉跟拍雲台方案 2021-04-16
- ▶ 音樂播放器方案 2021-04-14

電腦及周邊

- ▶ 電競產品ARGB LED控制解決方案 2021-06-28
- ▶ BLE5.0技術應用於藍牙鍵盤 2021-06-11

通訊類

- ▶ OpenWRT之Software Router方案 2021-06-04

車身安全

- ▶ SerDes 讓你入門 Full HD 全景監控 2021-05-27
- ▶ AI智能車載終端解決方案 2021-04-13

車身電子

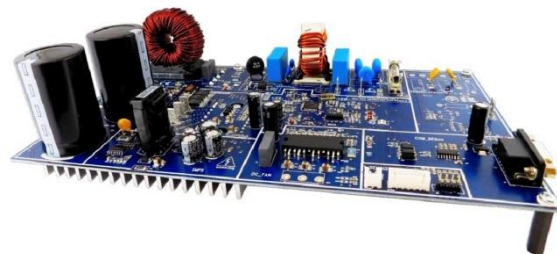
- ▶ PSoC和驅動IC的貫穿式尾燈方案 2021-06-25
- ▶ 汽車自適應大燈方案 2021-06-01
- ▶ 汽車照明低成本通用單片機方案 2021-05-21
- ▶ CAN/LIN 通訊矩陣式大燈方案 2021-04-23

工業類

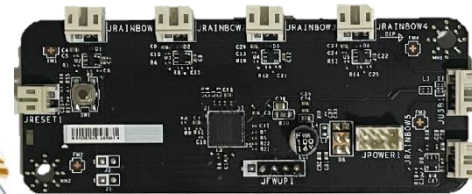
- ▶ 智能機器手臂之視覺系統方案 2021-05-28
- ▶ 圖控分析平台解決方案 2021-05-25
- ▶ Hall Sensor之600W BLDC馬達驅動器於電動工具方案 2021-04-26



Smart Electric Guitar
Effect design Solution



Frequency Conversion
Air-conditioner AIO
Solution



Esports Product ARGB
LED control Solution



Electric Tools Solution

2021 ESG Highlights



- Appointed former Vice-Chairman Mr. KD Tseng as Chief Sustainability Officer (2021/01)
- Introduced Employee Stock Ownership Trust (ESOT) with over 90% participation rate (2021/01)
- Smart warehouse: Acquired new Linkou location, Dongguan location expected to start operation in 4Q (2021/06)
- Elected Ms. Kai Charn (Kathy) Young as Independent Director at 2021 AGM to strengthen board diversity (investment/risk management) (2021/08)
- Pledged to achieve Net Zero Emissions by 2050 and Net Zero in own operations including office buildings and warehouses by 2030 (2021/08)

Recap of Recent Major Events



- Ms. Kai Charn (Kathy) Young was Elected as Independent Director.
(2021/8/3)
- WPG Holdings Approved Cash dividend of NT\$3.1 and NT\$2 per Common Share and Preferred Share A, and pledges 2030 Net Zero Emissions at 2021 Annual Shareholders' Meeting. (2021/8/3)



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