



**WPG Holdings Ltd.
(3702.TT/3702.TW)
1Q21 Earning Release**

May 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**

■ **1Q21 Financial Highlights & 2Q21 Outlook** **Cliff Yuan**

■ **Q&A**

Scott Lin/

Cliff Yuan

Result Highlights



Unit:NT\$million

item	1Q21	4Q20	1Q20	QoQ(%)	YoY(%)
Net Sales	177,115	159,044	131,045	11.4	35.2
Gross Margin	3.71%	3.60%	4.02%	+11 bp	-31 bp
Operating Expenses	(3,585)	(3,207)	(3,082)	11.8	16.3
Operating Income	2,986	2,525	2,191	18.2	36.3
Operating Margin	1.69%	1.59%	1.67%	+10 bp	+1 bp
Net Income	2,419	2,087	1,659	15.9	45.8
EPS (NT\$) ₍₁₎	1.44	1.24	0.99		
Net Book Value (NT\$) ₍₁₎	34.56				
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Total Assets	272,512	233,977	248,922		
Total Liabilities	203,924	167,974	183,065		
Total Equity	68,588	66,003	65,857		
Net Working Capital	125,417	105,747	118,806		
<hr/>					
Free Cash Flow	(16,409)	(1,152)	(308)		
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KEY Indices ₍₂₎					
ROWC	9.5%	9.6%	7.4%	-3 bp	+215 bp
NWC/Sales	0.18	0.17	0.23		
ROE	14.5%	12.9%	10.3%	+155 bp	+420 bp
Gearing	1.34	1.15	1.23		

(1).Weighted average common shares outstanding

1,679 1,679 1,679

(2).Annualized

Statements of Comprehensive Income



Unit:NT\$million

Item	1Q21	4Q20	QoQ(%)	1Q20	YoY(%)
Revenue	177,115	159,044	11.4	131,045	35.2
COGS	(170,544)	(153,311)	11.2	(125,772)	35.6
Gross Profit	6,571	5,733	14.6	5,273	24.6
Gross Margin	3.71%	3.60%		4.02%	
Operating Expenses	(3,585)	(3,207)	11.8	(3,082)	16.3
Operating Income	2,986	2,525	18.2	2,191	36.3
Operating Margin	1.69%	1.59%		1.67%	
Net Non-operating Items	(6)	(27)	(78.0)	(186)	(96.8)
Net Financing costs	(435)	(413)	5.5	(575)	(24.3)
FX Gains/Losses	(43)	62	NM	297	NM
Investment Income/Losses	396	225	76.0	75	424.9
Others	77	98	(22.0)	17	354.7
Profit Before Tax	2,980	2,498	19.3	2,006	48.6
Tax	(524)	(389)	34.6	(340)	54.3
Minority	(37)	(22)		(7)	
Profit After Tax	2,419	2,087	15.9	1,659	45.8
Net Margin	1.37%	1.31%		1.27%	
EPS (NT\$) ₍₁₎	1.44	1.24		0.99	
Tax %	18%	16%		17%	
(1).Weighted average common shares outstanding	1,679	1,679		1,679	

Balance Sheet



Unit:NT\$million item	1Q21		4Q20		1Q20	
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>
Cash & Marketable Securities	13,952	5	11,107	5	13,262	5
Accounts Receivable - Trade	132,946	49	111,610	48	108,632	44
Inventory	72,930	27	57,100	24	81,536	33
Current Assets	236,295	87	198,011	85	219,773	88
Others	36,217	13	35,966	15	29,149	12
Total Assets	272,512	100	233,977	100	248,922	100
Current Interest-bearing Debt	84,128	31	70,402	30	78,538	32
Accounts Payable	80,458	30	62,963	27	71,363	29
Accrued Liabilities and Others	13,236	5	13,291	6	14,576	6
Current Liabilities	177,822	65	146,656	63	164,477	66
Long-term Interest-bearing Debt	23,350	9	18,643	8	16,602	7
Others	2,752	1	2,675	1	1,986	1
Total Liabilities	203,924	75	167,974	72	183,065	74
Total Equity	68,588	25	66,003	28	65,857	26

KEY Indices⁽¹⁾

Net Working Capital (NT\$million)	125,417	105,747	118,806
AR Turnover (Days)	63	65	77
Inventory Turnover (Days)	35	34	54
AP Turnover (Days)	38	39	49
Average Collection Periods (Days)	59	59	82
Current Ratio	133%	135%	134%
Gearing	1.34	1.15	1.23

(1).Annualized

Cash Flows

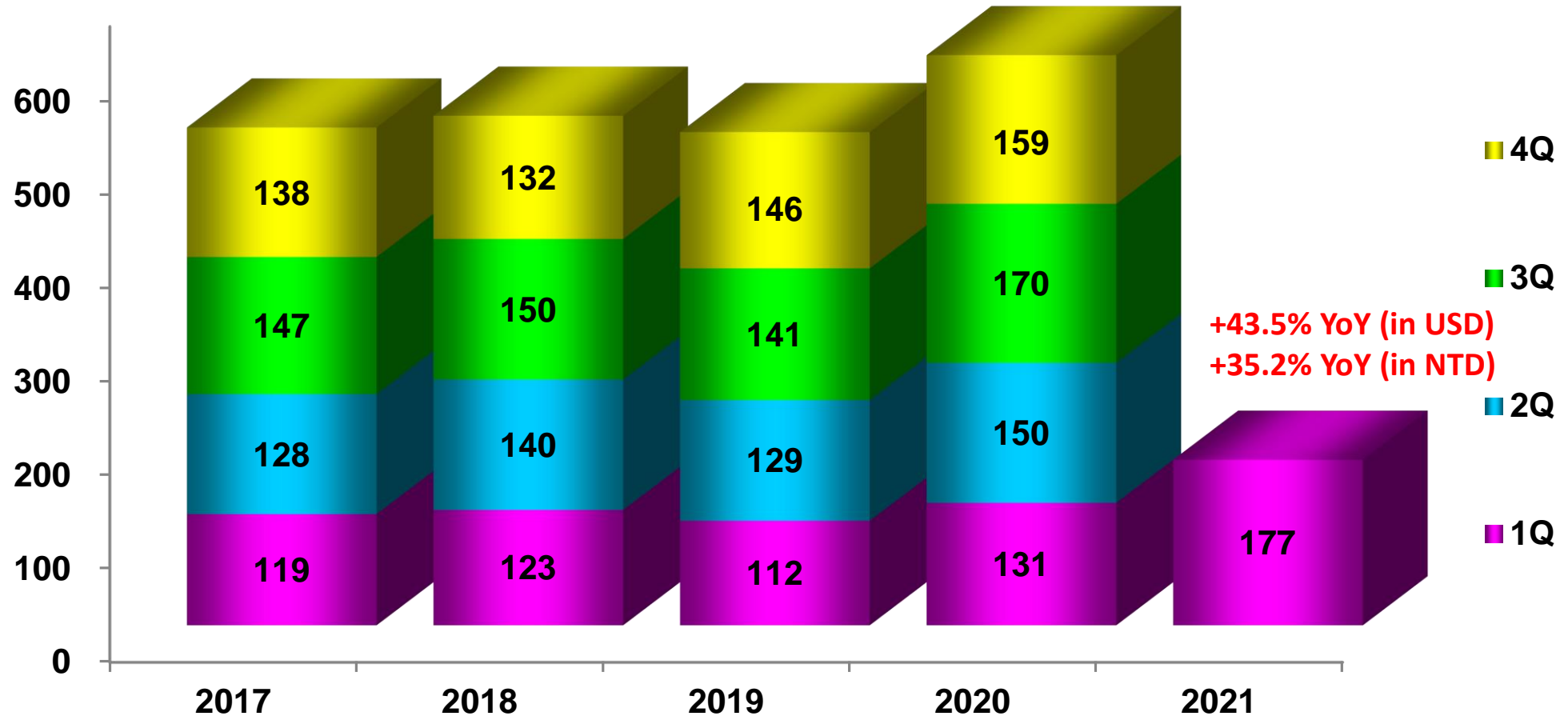


Unit:NT\$million	1Q21	4Q20	1Q20
-Income before Income Tax	2,980	2,498	2,006
-Changes of NWC	(19,911)	(4,564)	(2,081)
-Adjustment & Others	521	914	(233)
From Operation	(16,409)	(1,152)	(308)
-Other Financial Instruments	995	(1,155)	571
-Capital Expenditure	(284)	(473)	(5,086)
-Marketable Financial Instruments	(89)	(1,251)	11
-Others	7	1,106	(45)
From Investment	630	(1,773)	(4,548)
-Financial Debt	18,432	3,066	7,859
-Others	2	(203)	(112)
From Financing	18,434	2,863	7,748
Cumulative translation adjustments	176	(1,871)	343
Net Cash Position Change	2,830	(1,933)	3,235
Ending Cash Balance	13,850	11,020	13,228

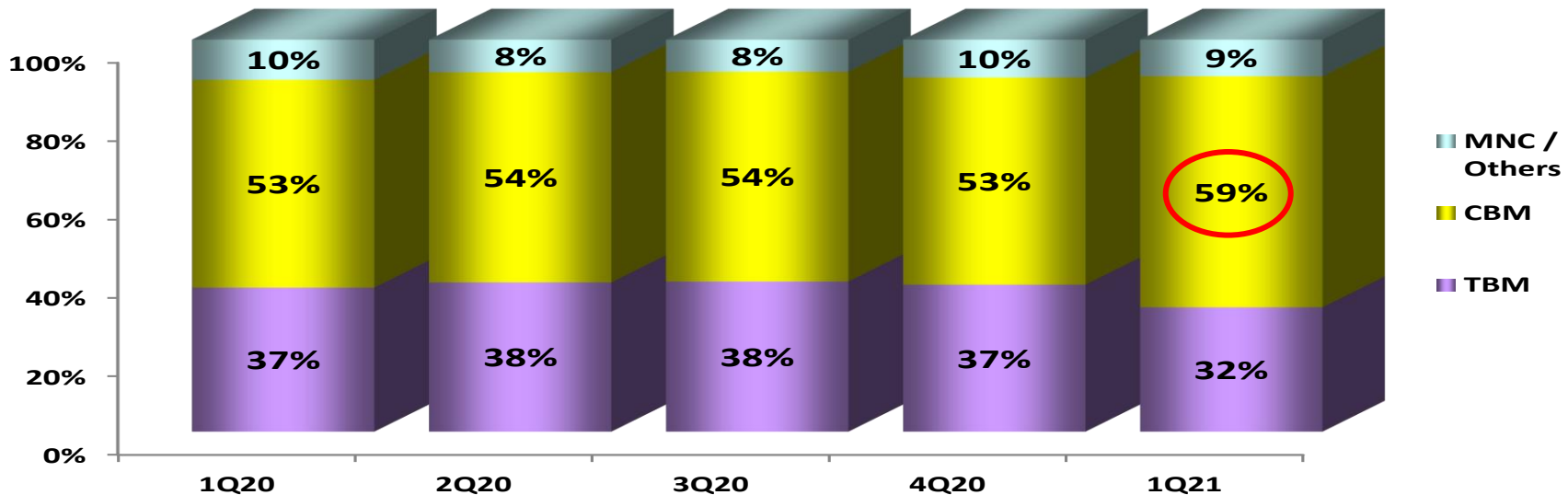
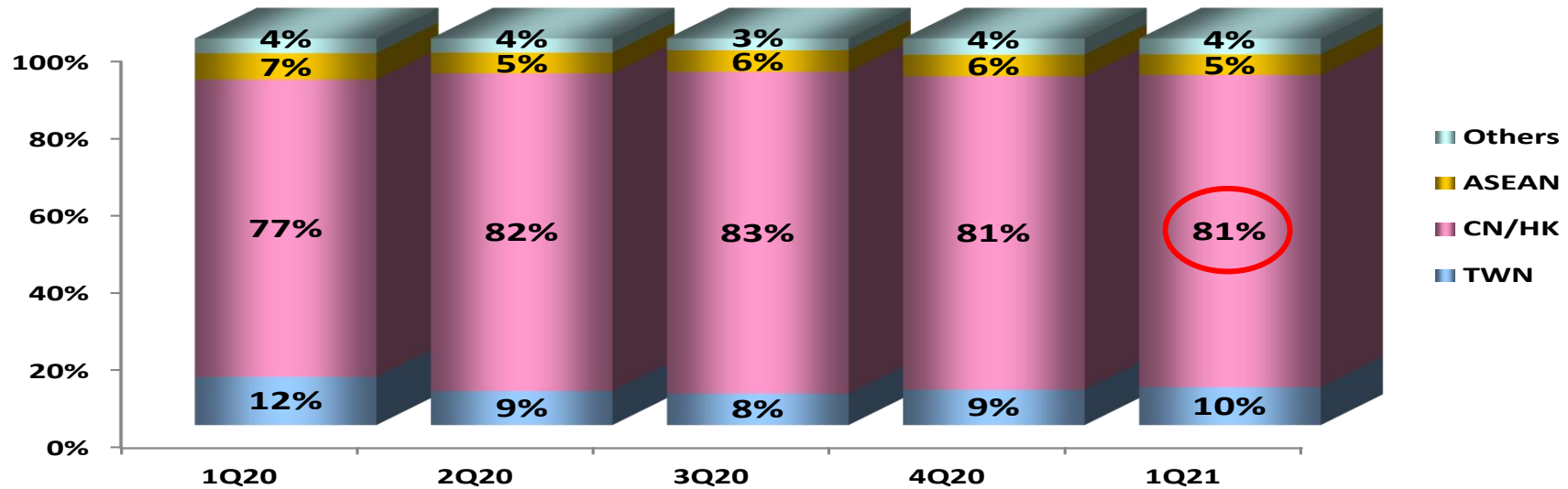
Consolidated Revenue



Unit: NT\$billion

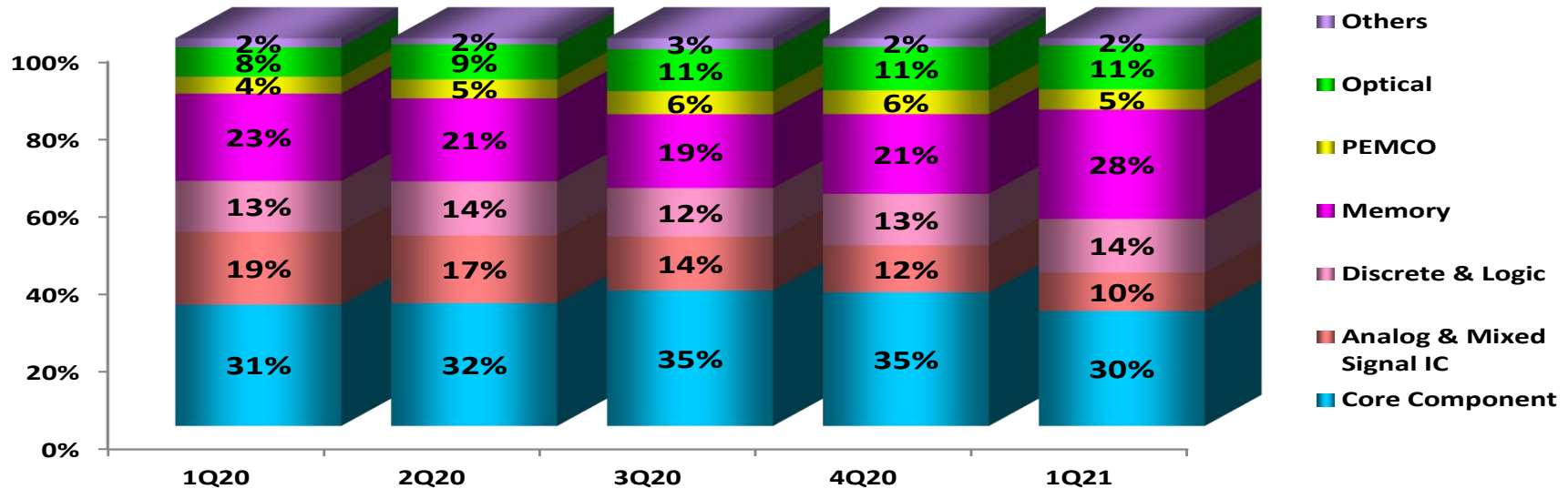
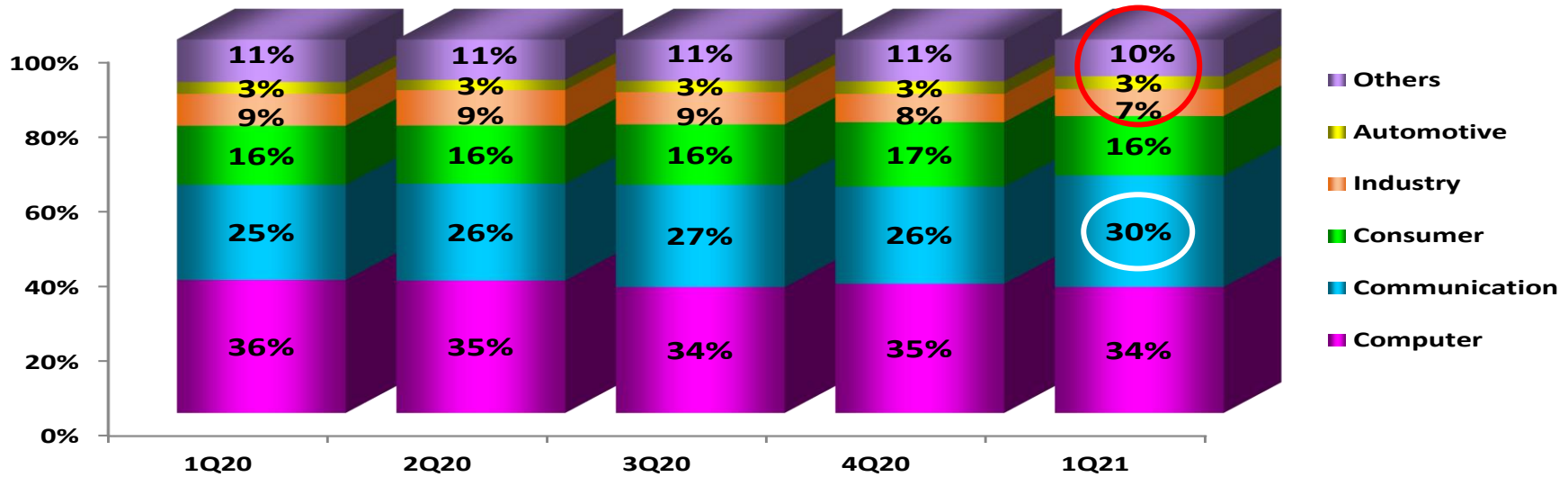


Sales breakdown by Geography/ Customer

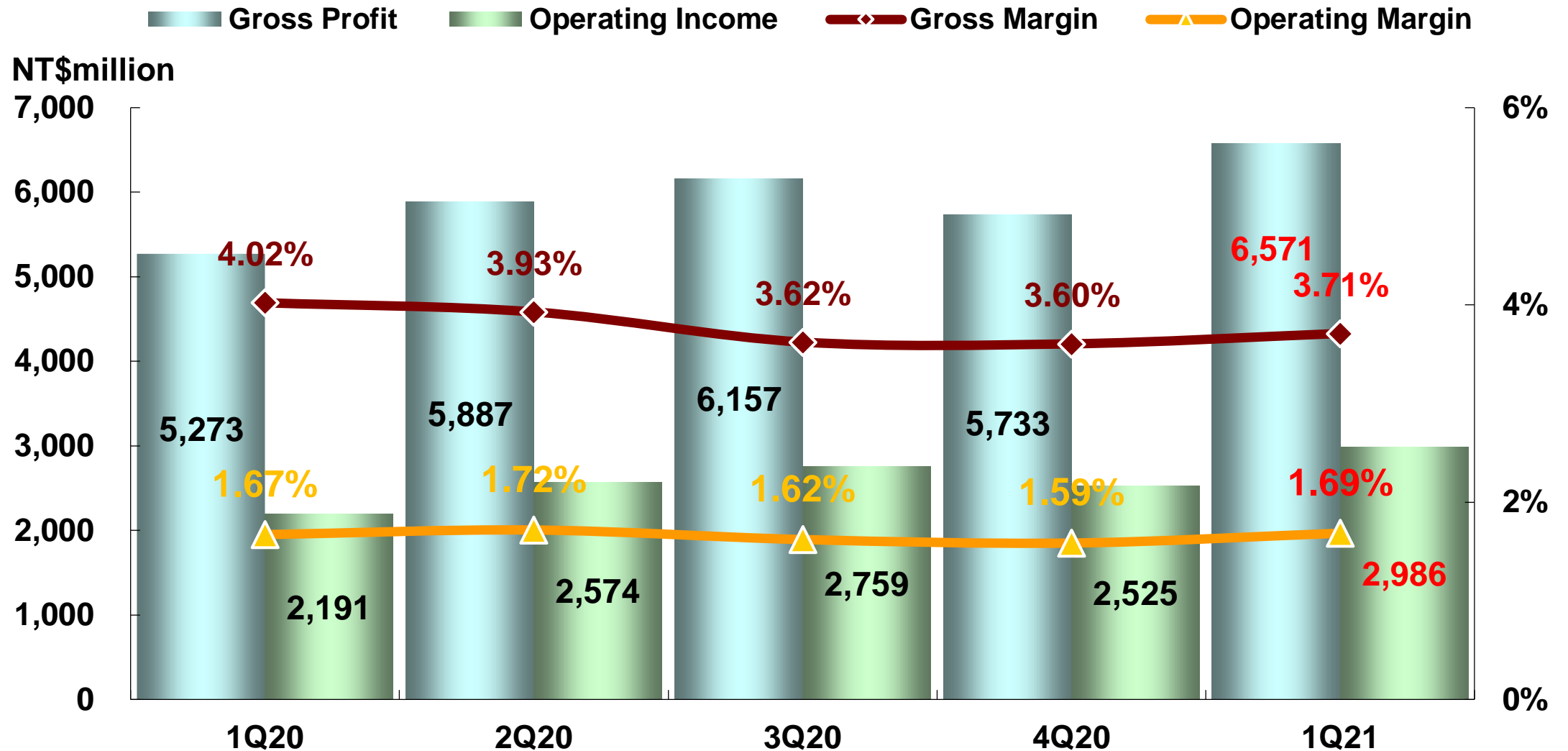


TBM : Taiwan-Based Customers
 CBM : China Based Customers

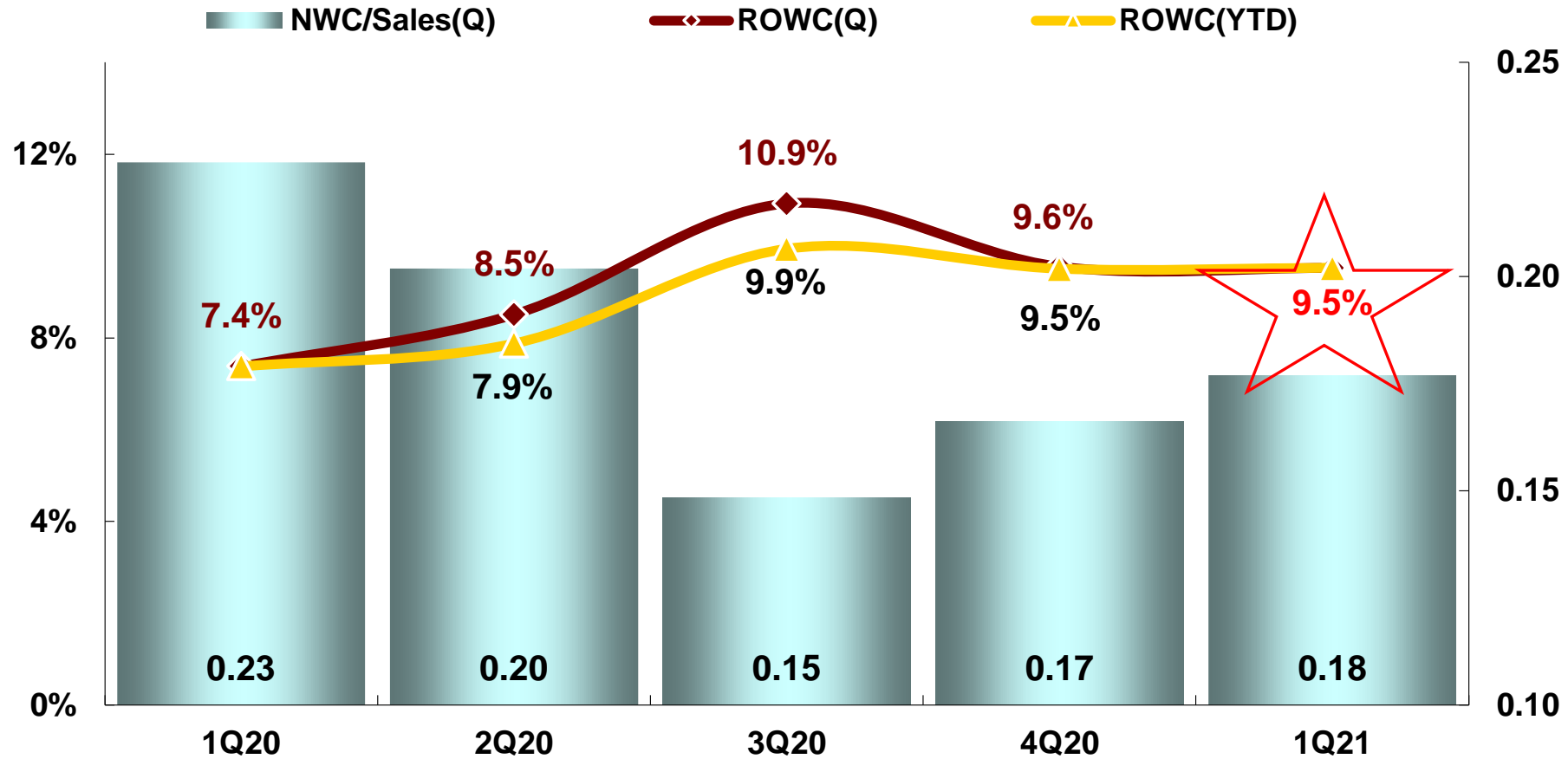
Sales breakdown by Application/ Device Type



Gross Margin vs. Operating Margin

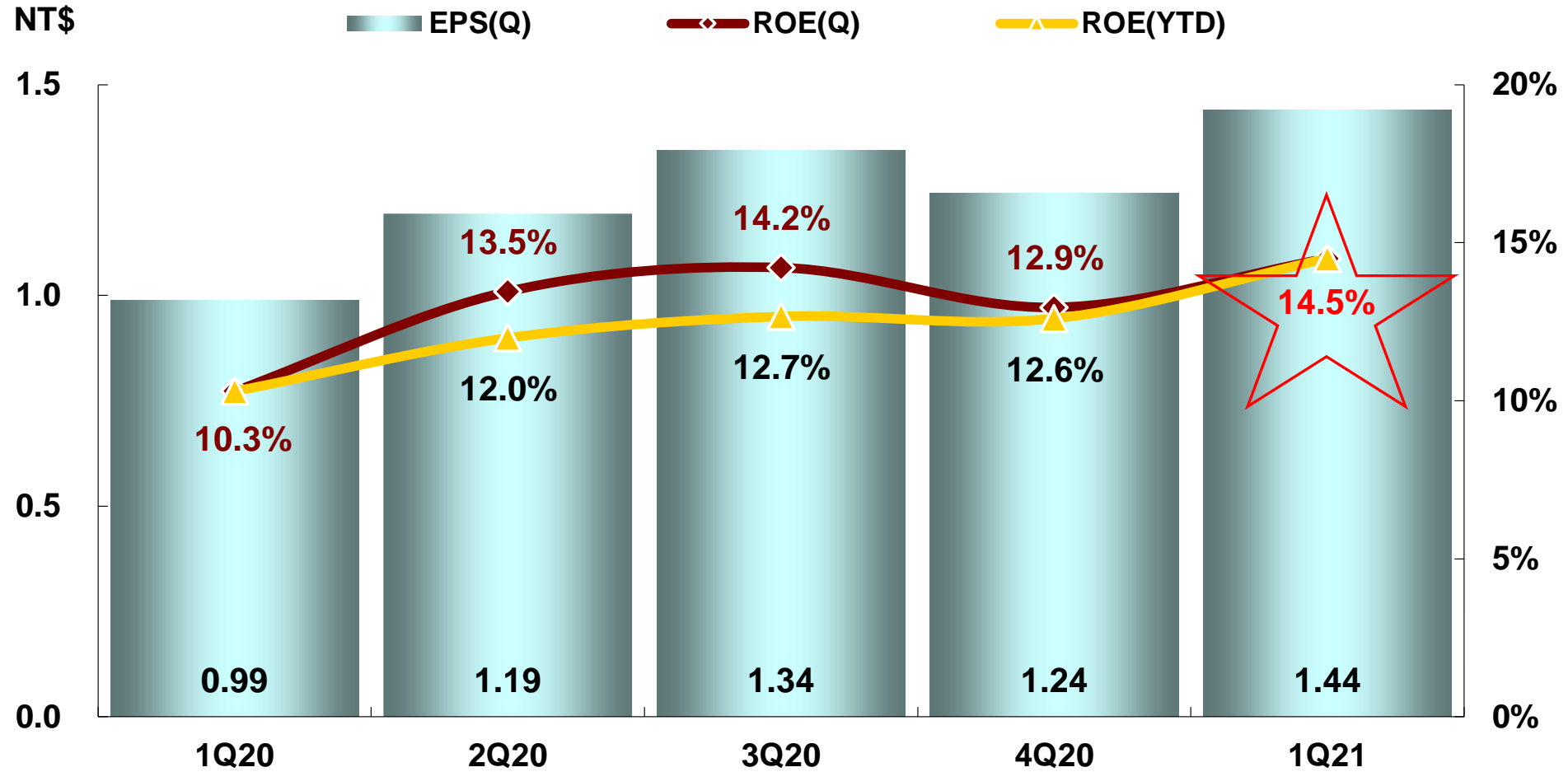


ROWC vs. NWC/Sales



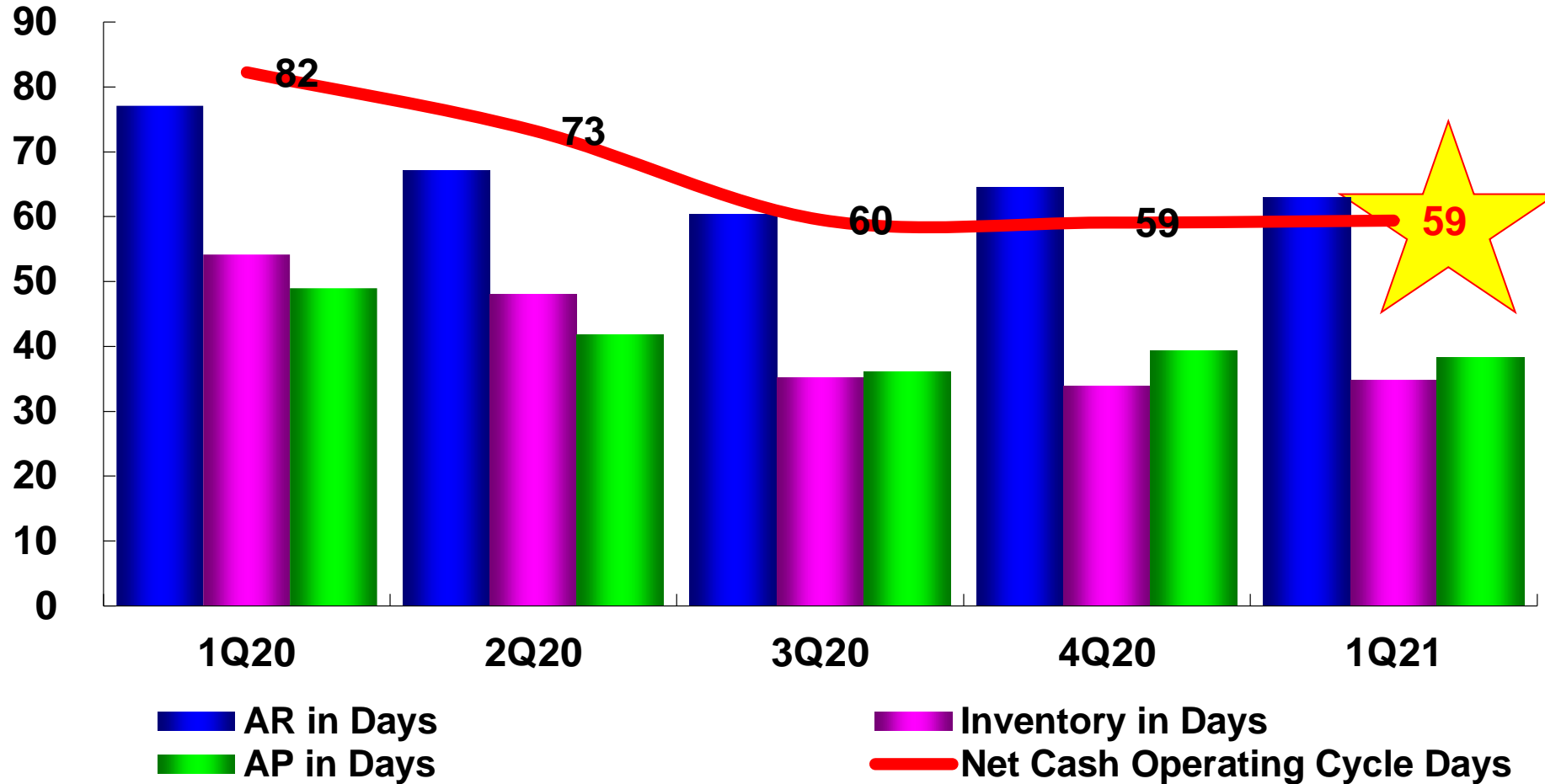
Note : Annualized

ROE vs. EPS



Note : Annualized

Operating Cash Cycle



Note : Annualized

2Q21 Summary Forecast



Based on our current business outlook, management expects :

Unit:NT\$million

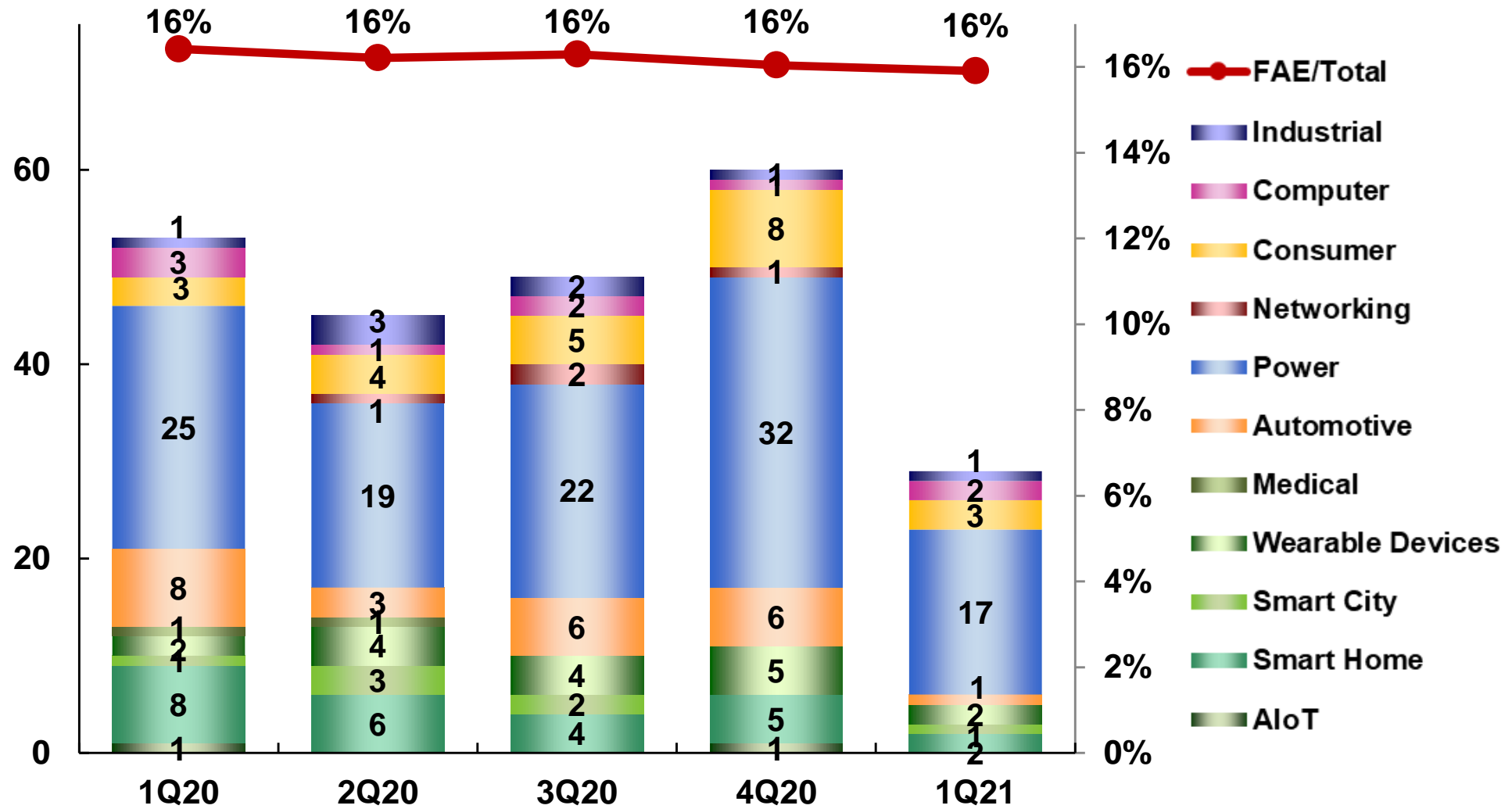
Item	2Q21 Forecast (3)	1Q21 (1)
Revenue	185,000 ~ 193,000	177,115
Gross Profit	6,660 ~ 7,334	6,571
Gross Margin	3.60% ~ 3.80%	3.71%
Operating Expenses	3,700 ~ 3,860	3,585
Operating Income	2,960 ~ 3,474	2,986
Operating Margin	1.60% ~ 1.80%	1.69%
Profit Before Tax	3,062 ~ 3,557	2,980
Profit After Tax	2,347 ~ 2,743	2,419
Comprehensive Income	1,931 ~ 2,327	2,410
EPS (NT\$) ₍₂₎	1.16 ~ 1.40	1.44
Disposal of Major Assets	807 ~ 808	0

(1). Audited

(2). NT\$400 Million preferred dividends included

(3). At a forecast FX rate of 28.4 NT dollars to 1 US dollar averaged over 2Q21.

More Solutions Launched



29 Solutions Launched in 1Q21



消費電源

- ▶ 240W/10A的大功率適配器設計 2021-03-19
- ▶ BLDC電動手工具方案 2021-03-08
- ▶ 緊湊型高效率27W USB Type-C PD3.0與PPS適配器參考設計 2021-02-09
- ▶ 雙管正激的300W電源 2021-02-03
- ▶ 無線充電接收方案 2021-02-01
- ▶ 高度整合型電源應用於 AX Router 方案 2021-01-27
- ▶ 24W-BLDC吊扇解決方案 2021-01-13
- ▶ PD 65W電源管理方案 2021-01-12
- ▶ Battery charger方案 2021-01-08
- ▶ 具高度編程之2串鋰電池升壓充電器方案 2021-01-07
- ▶ 20W PD快充方案 2021-01-05



Stepping Motor Driver Solution



48V Electric Vehicle Traction Inverter Solution

照明電源

- ▶ 節能可調光9W LED交通號誌燈方案 2021-02-10

工業電源

- ▶ 48W服務器輔助電源方案 2021-03-30

汽車電源

- ▶ 自適應頭燈的步進馬達驅動方案 2021-02-24
- ▶ 48V電動車牽引逆變器解決方案 2021-01-15

通訊電源

- ▶ 240W 5G open frame解決方案 2021-02-22



27W USB Type-C PD3.0 & PPS Adapter Power



5G Open Frame Solution

29 Solutions Launched in 1Q21



智能家居

- ▶ 未來建案的剛性需求！多元化電子門鎖 2021-03-12
- ▶ 智慧音箱模組設計方案 2021-01-11

穿戴裝置

- ▶ TWS藍芽5.1耳機方案 2021-03-25
- ▶ TWS耳機方案 2021-03-05

智慧城市

- ▶ LoRa無線傳輸看板方案 2021-01-14

醫療電源

- ▶ 呼吸器的高效率低待載功耗90W電源適配器方案 2021-01-04

消費類

- ▶ 後疫情時代·無死角消毒觸碰介面設計大公開 2021-03-31
- ▶ 音效放大器之家庭娛樂音效產品方案 2021-03-22
- ▶ 飛行時間感測器的保持社交安全距離感測器解決方案 2021-03-15

工業類

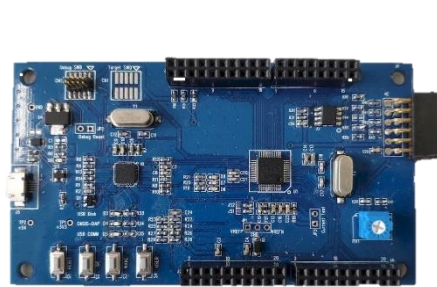
- ▶ NFC通訊方案 2021-03-17

車身電子

- ▶ 觸摸按鍵&滑條應用方案 2021-03-10

電腦及周邊

- ▶ USB to SATA/PCIe bridge儲存&指紋加密應用方案 2021-03-24
- ▶ Type C轉HDMI2.0之擴展塢方案 2021-01-06



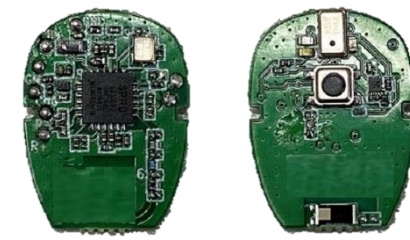
NFC Communication Solution



Time-of-Flight Sensor Solution



Ventilator 90W Adapter Power Solution



TWS Headphones Solution

Recap of Recent Major Events



- **Board of Directors Approved NT\$3.1 Cash Dividends Per Common Share and NT\$2 Cash Dividends Per Preferred Shares A (2021/04/27)**
- **WPG Nominates Ms. Kai Charn Young as Candidate for Independent Director By-election. (2021/04/27)**



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