



**WPG Holdings Ltd.  
(3702.TT/3702.TW)  
1Q20 Earning Release**

May. 27th, 2020

# 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**

■ **1Q20 Financial Highlights**

**Cliff Yuan**

■ **Q&A**

**Scott Lin /  
Cliff Yuan**

# Result Highlights



Unit: NT\$million

| item                                 | 1Q20    | 4Q19    | 1Q19    | QoQ(%) | YoY(%) |
|--------------------------------------|---------|---------|---------|--------|--------|
| Net Sales                            | 131,045 | 145,773 | 111,832 | (10.1) | 17.2   |
| Gross Margin                         | 4.02%   | 3.97%   | 4.45%   | +5 bp  | -42 bp |
| Operating Expenses                   | (3,082) | (3,273) | (2,909) | (5.9)  | 5.9    |
| Operating Income                     | 2,191   | 2,515   | 2,064   | (12.9) | 6.2    |
| Operating Margin                     | 1.67%   | 1.73%   | 1.85%   | -5 bp  | -17 bp |
| Net Income                           | 1,659   | 1,735   | 1,304   | (4.4)  | 27.2   |
| EPS (NT\$) <sub>(1)</sub>            | 0.99    | 1.03    | 0.78    |        |        |
| Net Book Value (NT\$) <sub>(1)</sub> | 32.97   |         |         |        |        |

|                     |         |         |         |
|---------------------|---------|---------|---------|
| Total Assets        | 248,922 | 230,347 | 188,164 |
| Total Liabilities   | 183,065 | 166,380 | 131,710 |
| Total Equity        | 65,857  | 63,967  | 56,455  |
| Net Working Capital | 118,806 | 116,830 | 98,789  |

|                |       |     |       |
|----------------|-------|-----|-------|
| Free Cash Flow | (308) | 998 | 9,293 |
|----------------|-------|-----|-------|

## KEY Indices<sub>(2)</sub>

|           |       |       |      |         |        |
|-----------|-------|-------|------|---------|--------|
| ROWC      | 7.4%  | 8.6%  | 8.4% | -123 bp | -98 bp |
| NWC/Sales | 0.23  | 0.20  | 0.22 |         |        |
| ROE       | 10.3% | 11.8% | 9.5% | -148 bp | +84 bp |
| Gearing   | 1.23  | 1.18  | 1.05 |         |        |

(1).Weighted average common shares outstanding

|       |       |       |
|-------|-------|-------|
| 1,679 | 1,679 | 1,679 |
|-------|-------|-------|

(2).Annualized

# Statements of Comprehensive Income



Unit: NT\$million

| Item  | 1Q20      | 4Q19      | QoQ(%) | 1Q19      | YoY(%) |
|---|-----------|-----------|--------|-----------|--------|
| Revenue                                     | 131,045   | 145,773   | (10.1) | 111,832   | 17.2   |
| COGS  | (125,772) | (139,985) | (10.2) | (106,858) | 17.7   |
| Gross Profit                                | 5,273     | 5,788     | (8.9)  | 4,974     | 6.0    |
| Gross Margin                                | 4.02%     | 3.97%     |        | 4.45%     |        |
| Operating Expenses                          | (3,082)   | (3,273)   | (5.9)  | (2,909)   | 5.9    |
| Operating Income                            | 2,191     | 2,515     | (12.9) | 2,064     | 6.2    |
| Operating Margin                            | 1.67%     | 1.73%     |        | 1.85%     |        |
| Net Non-operating Items                     | (186)     | (397)     | (53.2) | (409)     | (54.7) |
| Net Financing costs                         | (575)     | (573)     | 0.3    | (619)     | (7.2)  |
| Foreign Exchange Gains/Losses               | 297       | 110       | 170.2  | 152       | 95.0   |
| Others                                      | 92        | 66        |        | 58        |        |
| Profit Before Tax                           | 2,006     | 2,118     | (5.3)  | 1,655     | 21.2   |
| Tax   | (340)     | (365)     | (7.0)  | (342)     | (0.7)  |
| Minority                                    | (7)       | (17)      |        | (8)       |        |
| Profit After Tax                            | 1,659     | 1,735     | (4.4)  | 1,304     | 27.2   |
| Net Margin                                  | 1.27%     | 1.19%     |        | 1.17%     |        |
| EPS (NT\$) <sub>(1)</sub>                   | 0.99      | 1.03      |        | 0.78      |        |
| Tax %                                       | 17%       | 17%       |        | 21%       |        |
| (1).Weighted average common shares outstand | 1,679     | 1,679     |        | 1,679     |        |

# Balance Sheet



| Unit:NT\$million                 |                                   | 1Q20           |            | 4Q19           |            | 1Q19           |            |
|----------------------------------|-----------------------------------|----------------|------------|----------------|------------|----------------|------------|
|                                  | item                              | <i>Amount</i>  | %          | <i>Amount</i>  | %          | <i>Amount</i>  | %          |
|                                  | Cash & Marketable Securities      | 13,262         | 5          | 10,332         | 4          | 5,603          | 3          |
|                                  | Accounts Receivable - Trade       | 108,632        | 44         | 112,731        | 49         | 83,484         | 44         |
|                                  | Inventory                         | 81,536         | 33         | 67,722         | 29         | 69,387         | 37         |
|                                  | Current Assets                    | 219,773        | 88         | 205,966        | 89         | 171,609        | 91         |
|                                  | Others                            | 29,149         | 12         | 24,381         | 11         | 16,555         | 9          |
|                                  | <b>Total Assets</b>               | <b>248,922</b> | <b>100</b> | <b>230,347</b> | <b>100</b> | <b>188,164</b> | <b>100</b> |
|                                  | Current Interest-bearing Debt     | 78,538         | 32         | 79,950         | 35         | 51,491         | 27         |
|                                  | Accounts Payble                   | 71,363         | 29         | 63,623         | 28         | 54,082         | 29         |
|                                  | Accrued Liabilities and Others    | 14,576         | 6          | 13,386         | 6          | 10,503         | 6          |
|                                  | Current Liabilities               | 164,477        | 66         | 156,959        | 68         | 116,076        | 62         |
|                                  | Long-term Interest-bearing Debt   | 16,602         | 7          | 7,331          | 3          | 13,344         | 7          |
|                                  | Others                            | 1,986          | 1          | 2,090          | 1          | 2,289          | 1          |
|                                  | <b>Total Liabilities</b>          | <b>183,065</b> | <b>74</b>  | <b>166,380</b> | <b>72</b>  | <b>131,710</b> | <b>70</b>  |
|                                  | <b>Total Equity</b>               | <b>65,857</b>  | <b>26</b>  | <b>63,967</b>  | <b>28</b>  | <b>56,455</b>  | <b>30</b>  |
| <b>KEY Indices<sup>(1)</sup></b> |                                   |                |            |                |            |                |            |
|                                  | Net Working Capital (NT\$million) | 118,806        |            | 116,830        |            | 98,789         |            |
|                                  | AR Turnover (Days)                | 77             |            | 69             |            | 74             |            |
|                                  | Inventory Turnover (Days)         | 54             |            | 45             |            | 57             |            |
|                                  | AP Turnover (Days)                | 49             |            | 41             |            | 46             |            |
|                                  | Average Collection Periods (Days) | 82             |            | 72             |            | 86             |            |
|                                  | Current Ratio                     | 134%           |            | 131%           |            | 148%           |            |
|                                  | Gearing                           | 1.23           |            | 1.18           |            | 1.05           |            |

(1).Annualized

# Cash Flows

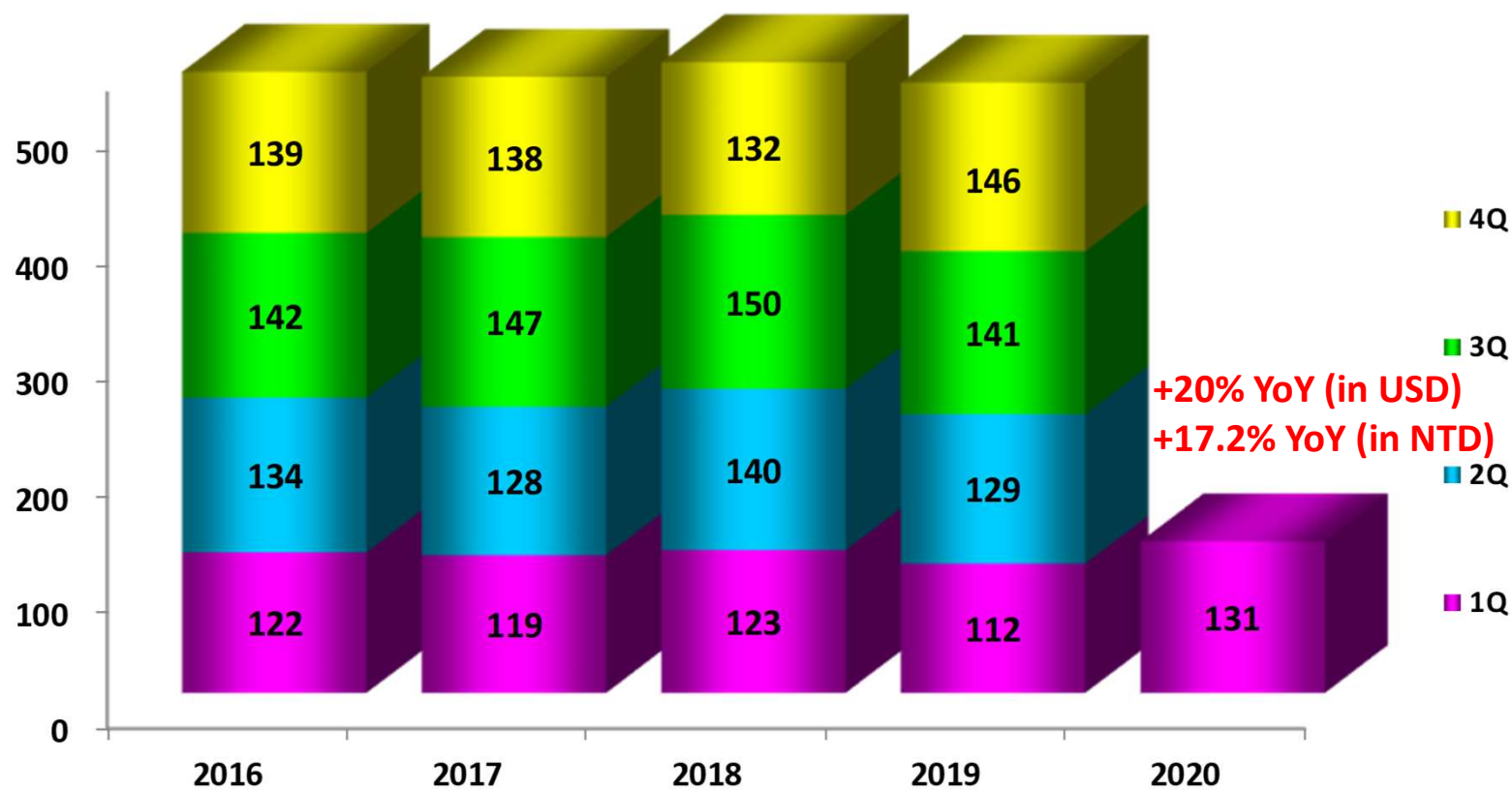


| Unit: NT\$million                         | 1Q20           | 4Q19           | 1Q19            |
|---|----------------|----------------|-----------------|
| -Income before Income Tax                 | 2,006          | 2,118          | 1,655           |
| -Changes of NWC                           | (2,081)        | (3,063)        | 11,038          |
| -Adjustment & Others                      | (233)          | 1,944          | (3,400)         |
| <b>From Operation</b>                     | <b>(308)</b>   | <b>998</b>     | <b>9,293</b>    |
|   |                |                |                 |
| -Other Financial Instruments              | 636            | (935)          | 297             |
| -Capital Expenditure                      | (5,086)        | (112)          | (96)            |
| -Marketable Financial Instruments         | (100)          | 134            | 2               |
| -Others                                   | 1              | (8,135)        | (19)            |
| <b>From Investment</b>                    | <b>(4,548)</b> | <b>(9,048)</b> | <b>184</b>      |
|   |                |                |                 |
| -Financial Debt                           | 7,859          | 11,544         | (11,196)        |
| -Others                                   | (112)          | (104)          | (108)           |
| <b>From Financing</b>                     | <b>7,748</b>   | <b>11,440</b>  | <b>(11,304)</b> |
|   |                |                |                 |
| <b>Cumulative translation adjustments</b> | <b>343</b>     | <b>(2,998)</b> | <b>283</b>      |
| <b>Net Cash Position Change</b>           | <b>3,235</b>   | <b>392</b>     | <b>(1,544)</b>  |
| <b>Ending Cash Balance</b>                | <b>13,228</b>  | <b>9,993</b>   | <b>5,573</b>    |

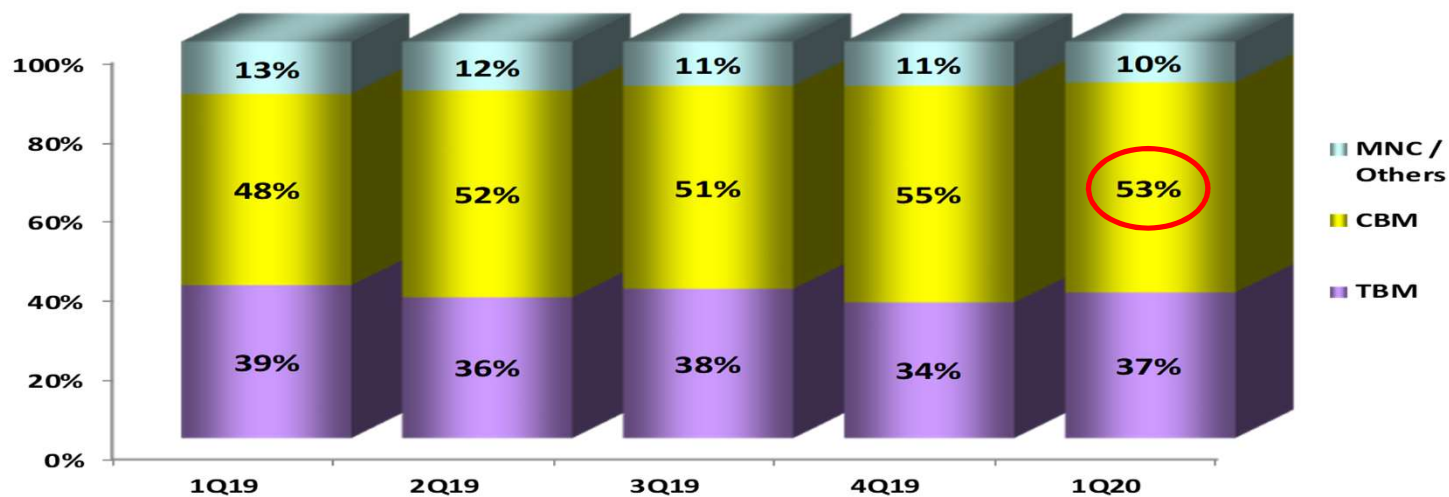
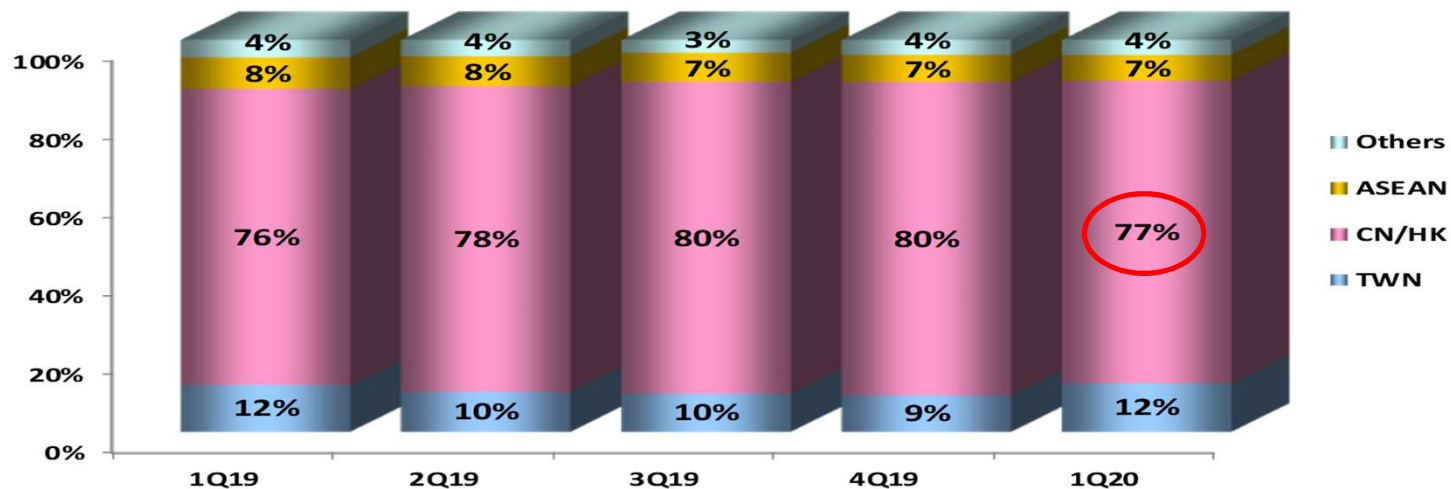
# Consolidated Revenue



Unit: NT\$billion

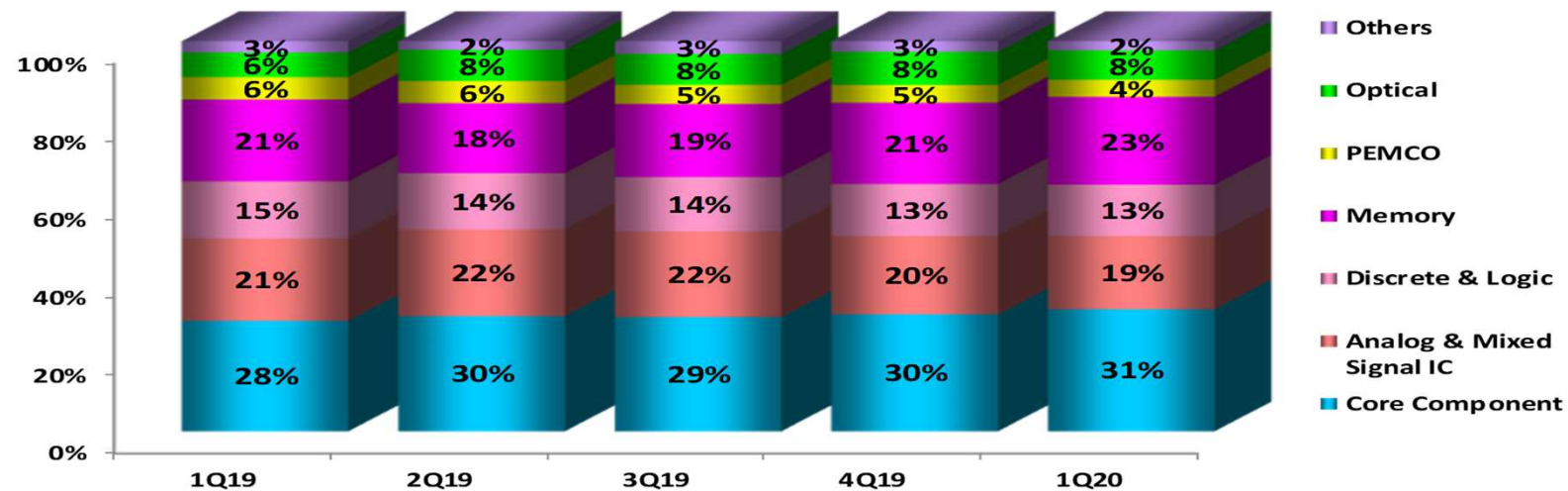
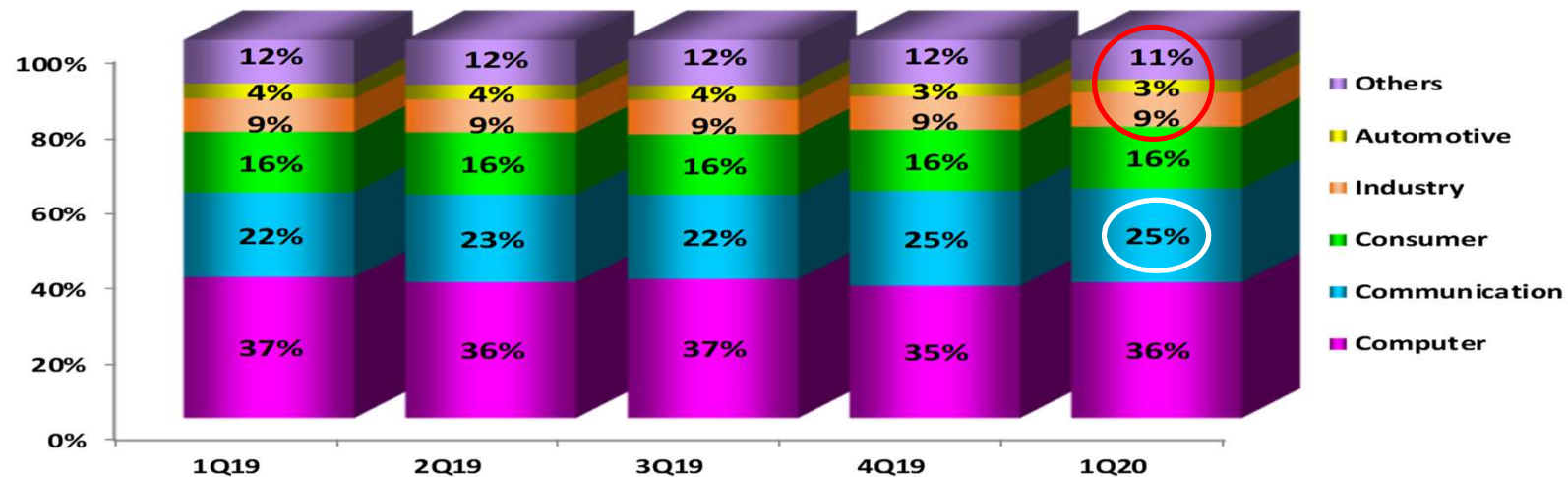


# Sales breakdown by Geography/ Customer

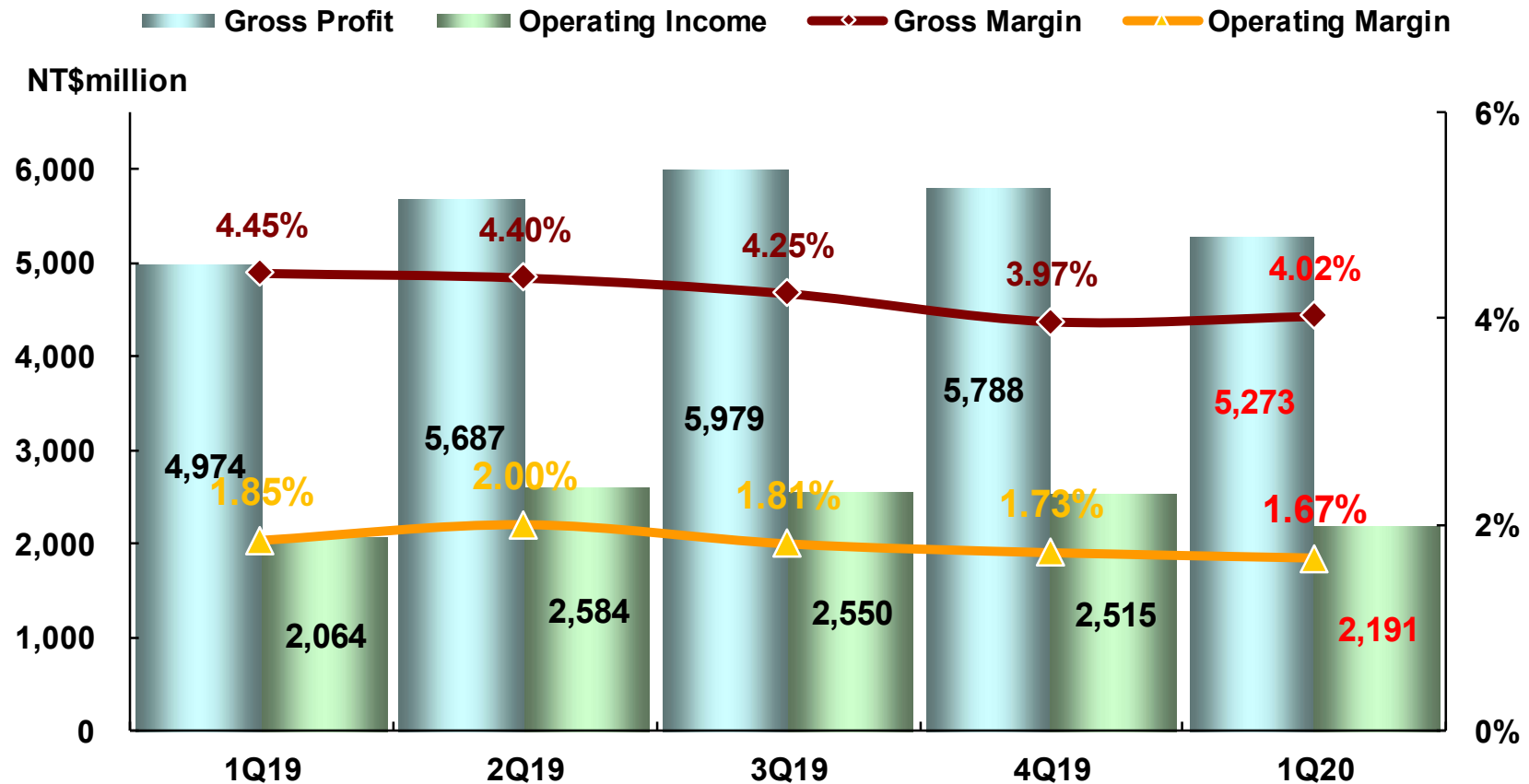


TBM : Taiwan-Based Customers  
CBM : China Based Customers

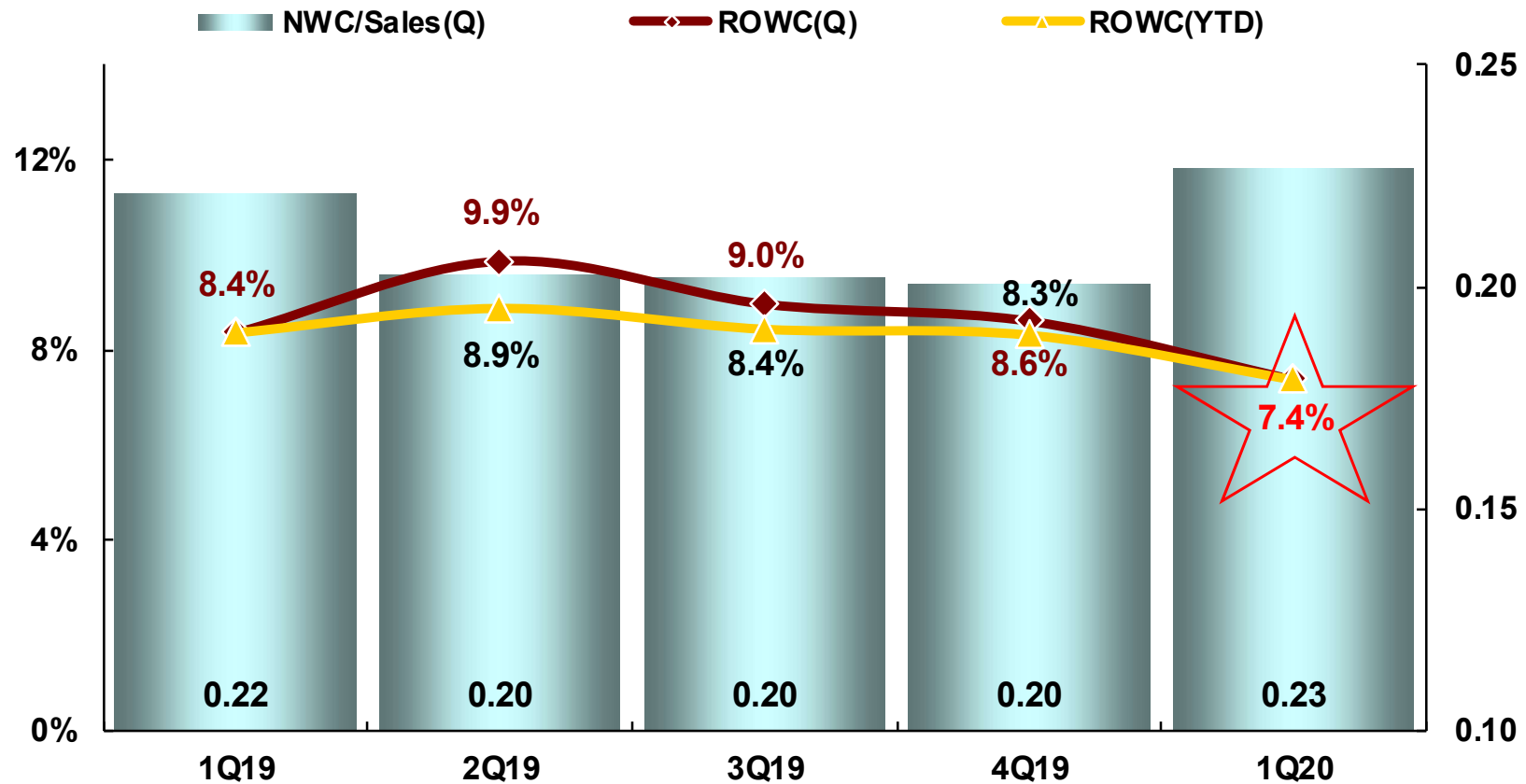
# Sales breakdown by Application/ Device Type



# Gross Margin vs. Operating Margin

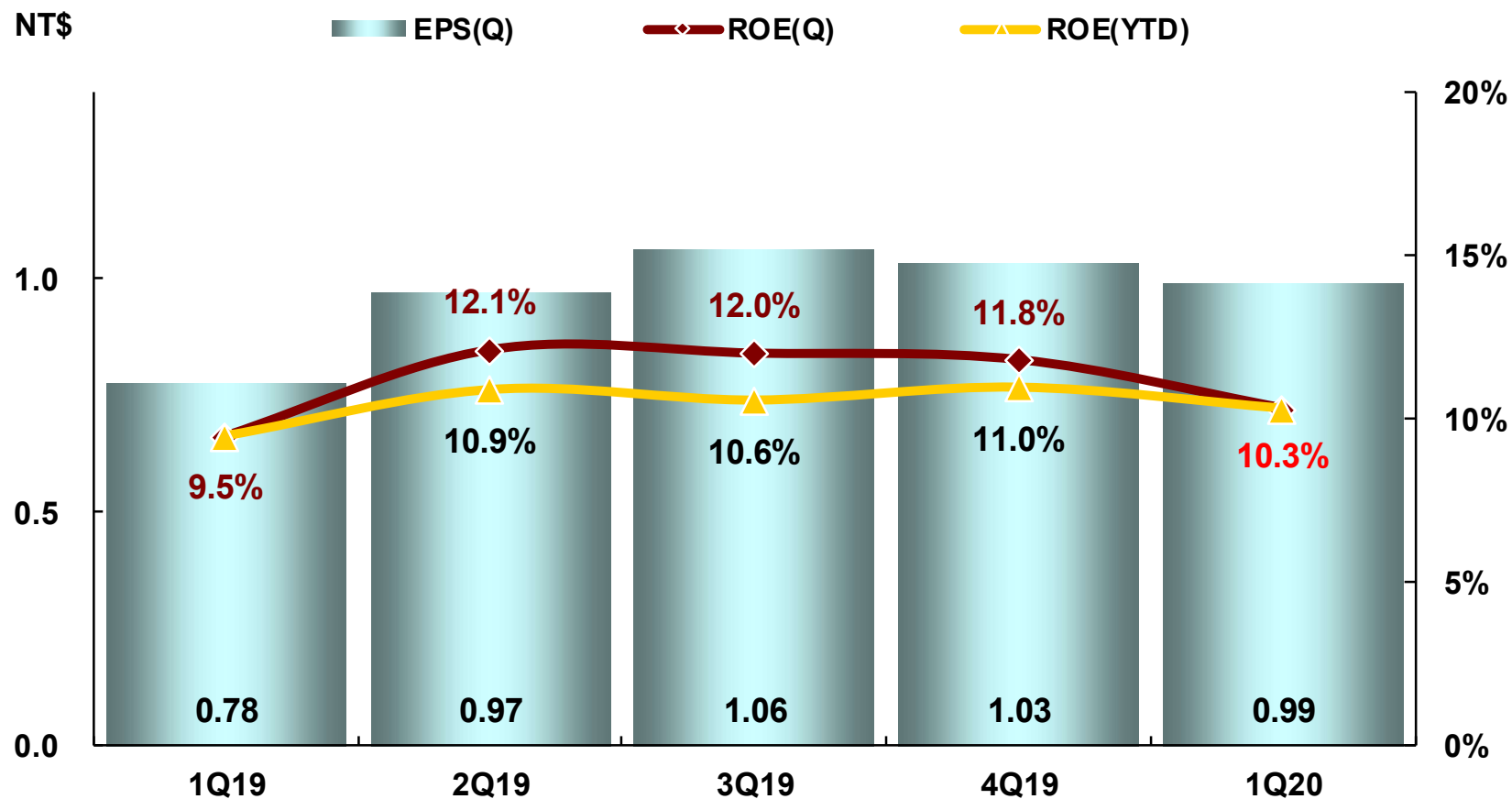


# ROWC vs. NWC/Sales



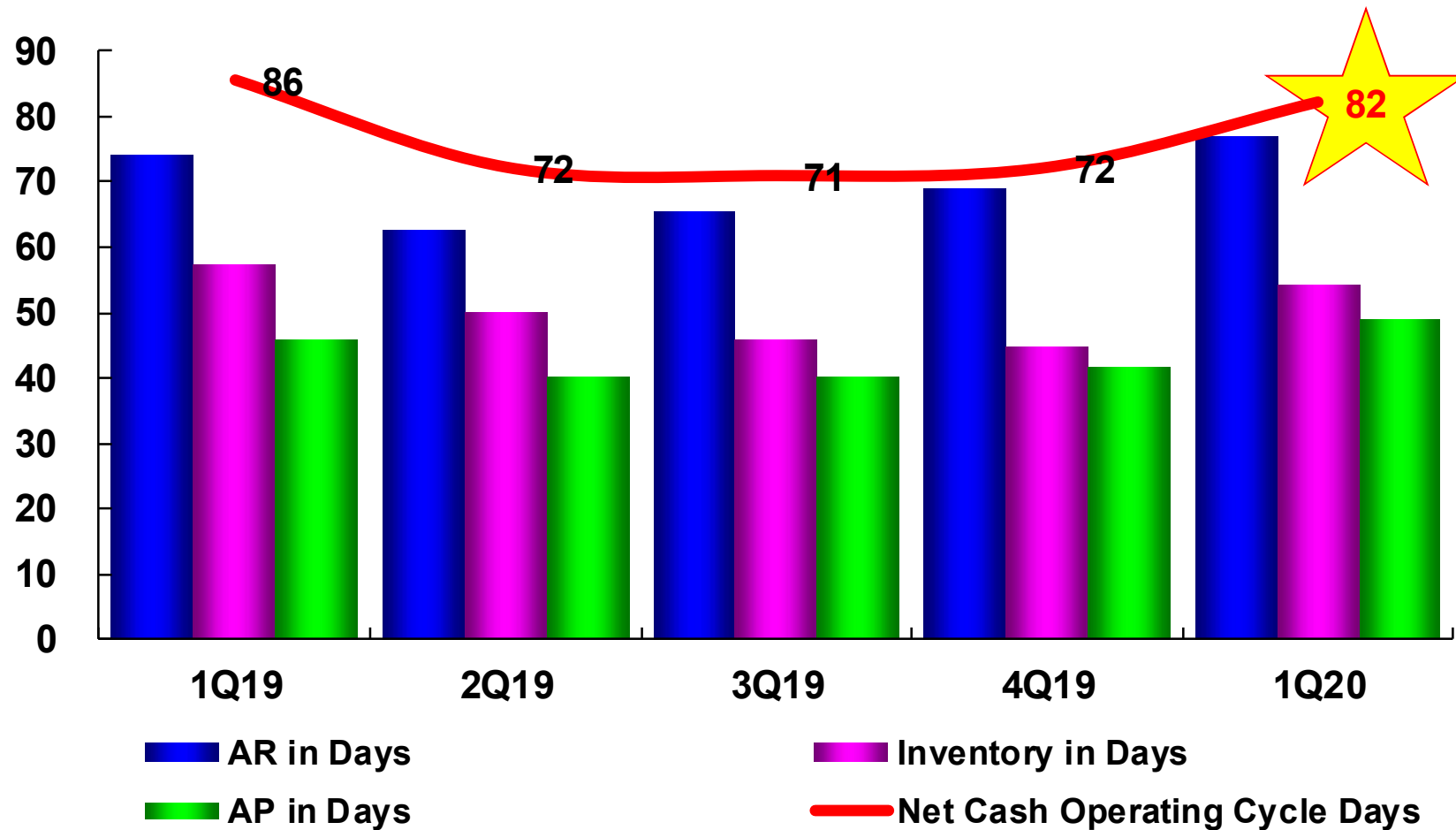
Note : Annualized

# ROE vs. EPS



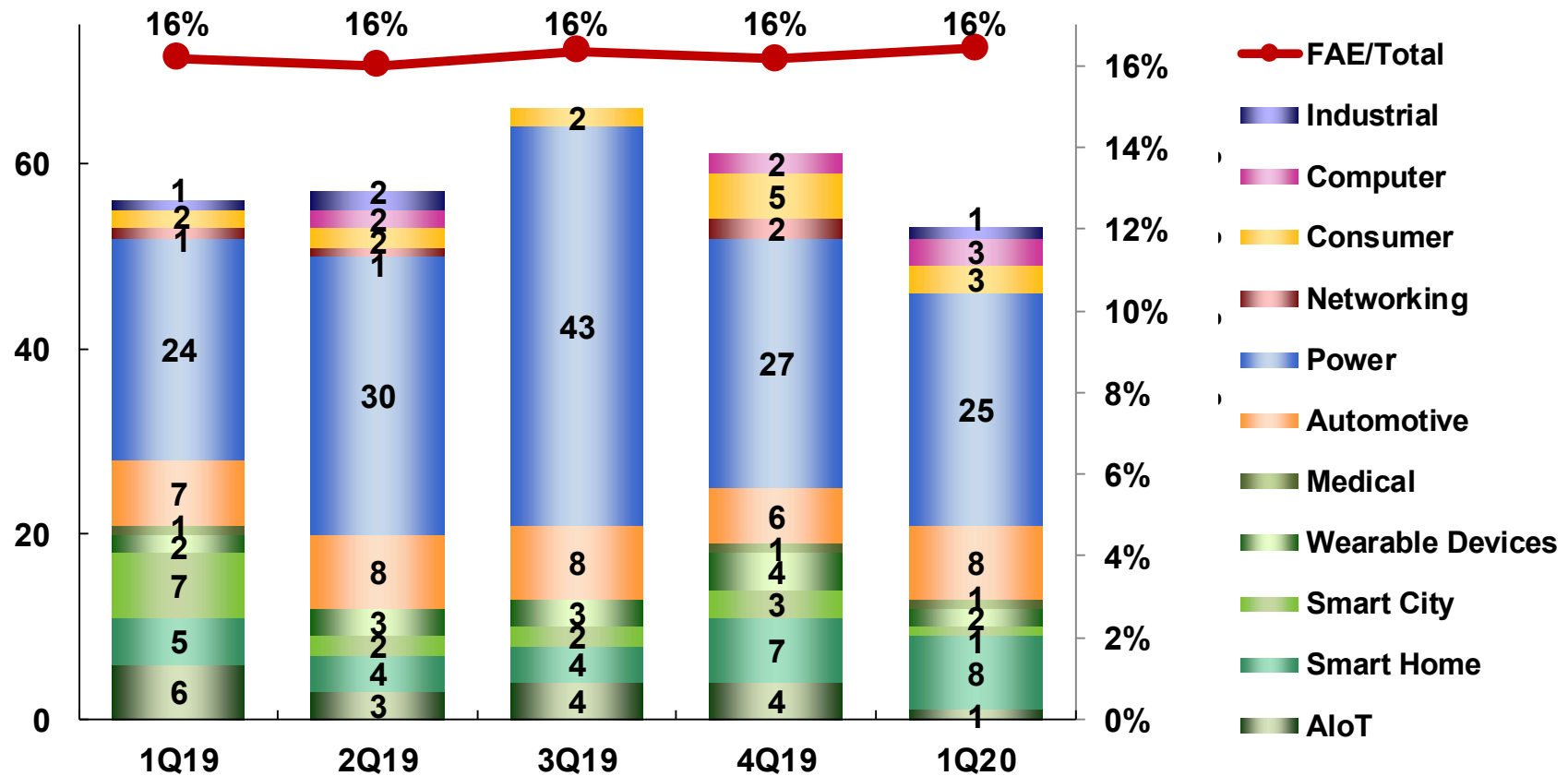
Note : Annualized

# Operating Cash Cycle



Note : Annualized

# More Solutions Launched



# 53 Solutions Launched in 1Q20



## 電腦&週邊

- ▶ type-c转换HDMI的方案 2020-03-02
- ▶ 微控制器高品質OLED動畫顯示解決方案 2020-02-21
- ▶ 用於筆記本電腦的降低射頻能量人體傷害方案 2020-02-14



## 工業類

- ▶ 工業物聯網方案 2020-01-15



## 智慧醫療

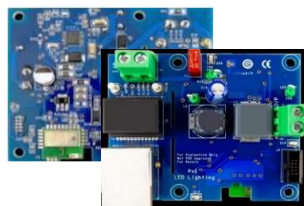
- ▶ AI頭皮檢測方案 2020-03-11



500W Medical Power Solution



Printer Power Supply Solution



PoE LED Driver Solution



Gaming Power Solution



## 電源

- ▶ 55V輸入降壓晶片在智能後視鏡上的應用方案 2020-03-27
- ▶ 50W Open frame 電源方案 2020-03-24
- ▶ 80W無線控制街燈照明方案 2020-03-23
- ▶ 3W家用電器及電表電源方案 2020-03-19
- ▶ 具有藍牙低功耗(BLE)功能的以太網供電(PoE)供電的45W LED驅動器控制方案 2020-03-17
- ▶ 500W高功率醫療電源方案 2020-03-16
- ▶ PMIC之固態硬碟SSD應用方案 2020-03-10
- ▶ TYPE-C PD車充方案 2020-03-09
- ▶ 15W之無線充電方案 2020-03-04
- ▶ 應用於電機逆變器的高壓輔助電源方案 2020-02-26
- ▶ 130W街燈照明之電源方案 2020-02-20
- ▶ 數位功率因數控制器的170W交換式電源方案 2020-02-17
- ▶ NFC小功率高效率之手環無線充電方案 2020-02-13
- ▶ 20W智慧音箱電源方案 2020-02-12
- ▶ 3.3KW OBC方案 2020-02-10
- ▶ 數位功率因數控制器的1 KW車載充電方案 2020-02-07
- ▶ 160W TV Power內置方案 2020-02-05
- ▶ 80V,6A同步降壓轉換器之通信電源方案 2020-02-04
- ▶ Type-C PD輸入15W無線充電方案 2020-01-21
- ▶ 40W台式印表機電源方案 2020-01-20
- ▶ 27W PD & PPS解決方案 2020-01-17
- ▶ 13V/5A & 90V/0.7A 130W TV電源方案 2020-01-14
- ▶ 300W超高功率密度之高效能電競電源方案 2020-01-09
- ▶ 應用於家具的無線充電模組方案 2020-01-08
- ▶ 汽車GPS TRACK電源方案 2020-01-03

# 53 Solutions Launched in 1Q20



## 穿戴裝置

- ▶ 帶骨傳導功能耳機方案 2020-03-05
- ▶ 低延時低功耗之網絡主播耳機方案 2020-02-25



## AIoT

- ▶ 搭配流量計感測器的智能飲水機語音控制方案 2020-03-12



## 智能家居

- ▶ ZigBee3.0智能家居開關面板方案 2020-03-20
- ▶ IOT連接開發套件方案 2020-03-18
- ▶ 使用LoRa技術的智慧家庭無線-電動窗簾無線化方案 2020-02-27
- ▶ ZigBee中繼路由方案 2020-02-18
- ▶ 使用LoRa技術的智慧家庭無線-智慧插座方案 2020-02-11
- ▶ 語音控制智慧窗簾方案 2020-02-03
- ▶ 手勢控制相互結合的方案 2020-01-13
- ▶ 使用LoRa技術的智慧家庭無線-室內空氣品質偵測方案 2020-01-06



LoRa-based Wireless  
Electric Curtain Solution



On-Board Charger  
Solution



## 消費類

- ▶ PD/QC sink要電方案 2020-03-30
- ▶ Touch Slider方案 2020-03-13
- ▶ 商用條形屏顯示方案 2020-03-06



## 智慧城市

- ▶ OCPP交流充電樁方案 2020-03-25



## 汽车电子

- ▶ 高性能CIP外設開發的汽車四合一帶流水轉向LED大燈數字SEPIC拓撲驅動方案 2020-03-03
- ▶ LED驅動器的防眩目自適應汽車遠光燈系統(ADB)方案 2020-02-24
- ▶ 影像識別追蹤行人(Object Tracking) ADAS方案 2020-02-19
- ▶ GPS定位+ADAS深度學習辨識方案 2020-02-06
- ▶ 車用7端口網路交換器方案 2020-01-16
- ▶ 車載域控制器方案 2020-01-10
- ▶ 藍牙車充播放器 2020-01-07
- ▶ 低成本流水轉向燈解決方案 2020-01-02



Bluetooth Car Charger FM  
Transmitter Solution



AC Electric Vehicle  
Charger Solution

# Recap of Recent Major Events



- **Board of Directors Resolved to Convene the 2020 Annual Shareholders' Meeting on June 24, 2020 (2020/03/24)**
- **Board of Directors Approved NT\$2.4 Cash Dividend Per Common Share and NT\$0.57534247 Cash Dividend Per Preferred Shares A (2020/04/28)**



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