



**WPG Holdings Ltd.
(3702.TT/3702.TW)
3Q23 Earning Release**

November 16th, 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**

■ **3Q23 Financial Highlights & 4Q23 Outlook**

**Cliff Yuan/
Scott Lin**

■ **Q&A**

**Scott Lin/
Cliff Yuan**

Result Highlights



Unit:NT\$million

item	3Q23	3Q23 Forecast	2Q23	3Q22	QoQ(%)	YoY(%)	Ytd23	Ytd22	YoY(%)
Net Sales	187,355	164 ~ 174B	156,690	189,823	19.6	(1.3)	488,798	598,744	(18.4)
Gross Margin	3.65%	3.7% ~ 3.9%	3.88%	3.77%	-23 bp	-12 bp	3.79%	3.84%	-4 bp
Operating Expenses	(3,874)		(3,620)	(3,597)	7.0	7.7	(11,172)	(11,427)	(2.2)
Operating Income	2,964		2,466	3,558	20.2	(16.7)	7,372	11,554	(36.2)
Operating Margin	1.58%	1.5% ~ 1.7%	1.57%	1.87%	+1 bp	-29 bp	1.51%	1.93%	-42 bp
Net Income	1,592	1,191 ~ 1,514	2,317	2,762	(31.3)	(42.4)	4,594	9,103	(49.5)
EPS (NT\$) ₍₁₎	0.95	0.71 ~ 0.90	1.14	1.64			2.50	5.18	
Net Book Value (NT\$) ₍₁₎	44.43								

Total Assets	324,068		289,946	357,060			324,068	357,060	
Total Liabilities	238,502		210,105	272,599			238,502	272,599	
Total Equity	85,566		79,841	84,460			85,566	84,460	
Net Working Capital	143,690		131,935	180,643			143,690	180,643	

Free Cash Flow	(6,784)		5,243	(3,345)			13,877	(33,057)	
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KEY Indices₍₂₎

ROWC	8.3%		7.5%	7.9%	+77 bp	+37 bp	6.8%	8.5%	-169 bp
NWC/Sales	0.19		0.21	0.24			0.22	0.23	
ROE	7.7%		11.6%	14.3%	-390 bp	-666 bp	7.4%	15.8%	-837 bp
Gearing	1.20		1.15	1.60			1.20	1.60	

(1).Weighted average common shares outstanding

1,679

1,679

1,679

1,679

1,679

(2).Annualized

Statements of Comprehensive Income



Unit:NT\$million

Item	3Q23	2Q23	QoQ(%)	3Q22	YoY(%)	Ytd23	Ytd22	YoY(%)
Revenue	187,355	156,690	19.6	189,823	(1.3)	488,798	598,744	(18.4)
COGS	(180,516)	(150,603)	19.9	(182,668)	(1.2)	(470,254)	(575,763)	(18.3)
Gross Profit	6,838	6,087	12.4	7,155	(4.4)	18,544	22,981	(19.3)
Gross Margin	3.65%	3.88%		3.77%		3.79%	3.84%	
Operating Expenses	(3,874)	(3,620)	7.0	(3,597)	7.7	(11,172)	(11,427)	(2.2)
Operating Income	2,964	2,466	20.2	3,558	(16.7)	7,372	11,554	(36.2)
Operating Margin	1.58%	1.57%		1.87%		1.51%	1.93%	
Net Non-operating Items	(1,066)	1,135	NM	(293)	264.1	(1,006)	(520)	93.5
Net Financing costs	(1,571)	(1,402)	12.1	(1,362)	15.3	(4,482)	(2,895)	54.8
FX Gains/Losses	318	66	382.2	359	(11.6)	501	592	(15.5)
Investment Income/Losses	119	2,366	(95.0)	662	(82.0)	2,738	1,606	70.5
Others	69	105	(34.8)	48	42.0	237	177	34.5
Profit Before Tax	1,898	3,601	(47.3)	3,265	(41.9)	6,365	11,034	(42.3)
Tax	(277)	(1,268)	(78.2)	(492)	(43.8)	(1,716)	(1,874)	(8.4)
Minority	(29)	(16)		(11)		(56)	(57)	
Profit After Tax	1,592	2,317	(31.3)	2,762	(42.4)	4,594	9,103	(49.5)
Net Margin	0.85%	1.48%		1.45%		0.94%	1.52%	
EPS (NT\$) ₍₁₎	0.95	1.14		1.64		2.50	5.18	
Tax %	15%	35%		15%		27%	17%	
(1).Weighted average common shares outstanding	1,679	1,679		1,679		1,679	1,679	

Balance Sheet



Unit:NT\$million

item	3Q23		2Q23		3Q22	
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>
Cash & Marketable Securities	16,057	5	14,542	5	14,618	4
Accounts Receivable - Trade	133,719	41	107,759	37	139,175	39
Inventory	108,042	33	99,617	34	137,535	39
Current Assets	278,483	86	244,564	84	314,817	88
Others	45,584	14	45,382	16	42,242	12
Total Assets	324,068	100	289,946	100	357,060	100
Current Interest-bearing Debt	86,427	27	80,070	28	116,969	33
Accounts Payable	98,071	30	75,440	26	96,066	27
Accrued Liabilities and Others	16,160	5	22,696	8	20,029	6
Current Liabilities	200,657	62	178,206	61	233,064	65
Long-term Interest-bearing Debt	33,446	10	27,536	9	35,628	10
Others	4,399	1	4,362	2	3,907	1
Total Liabilities	238,502	74	210,105	72	272,599	76
Total Equity	85,566	26	79,841	28	84,460	24

KEY Indices⁽¹⁾

Net Working Capital (NT\$million)	143,690	131,935	180,643
AR Turnover (Days)	59	61	69
Inventory Turnover (Days)	52	61	64
AP Turnover (Days)	44	44	46
Average Collection Periods (Days)	67	79	86
Current Ratio	139%	137%	135%
Gearing	1.20	1.15	1.60

(1).Annualized

Cash Flows



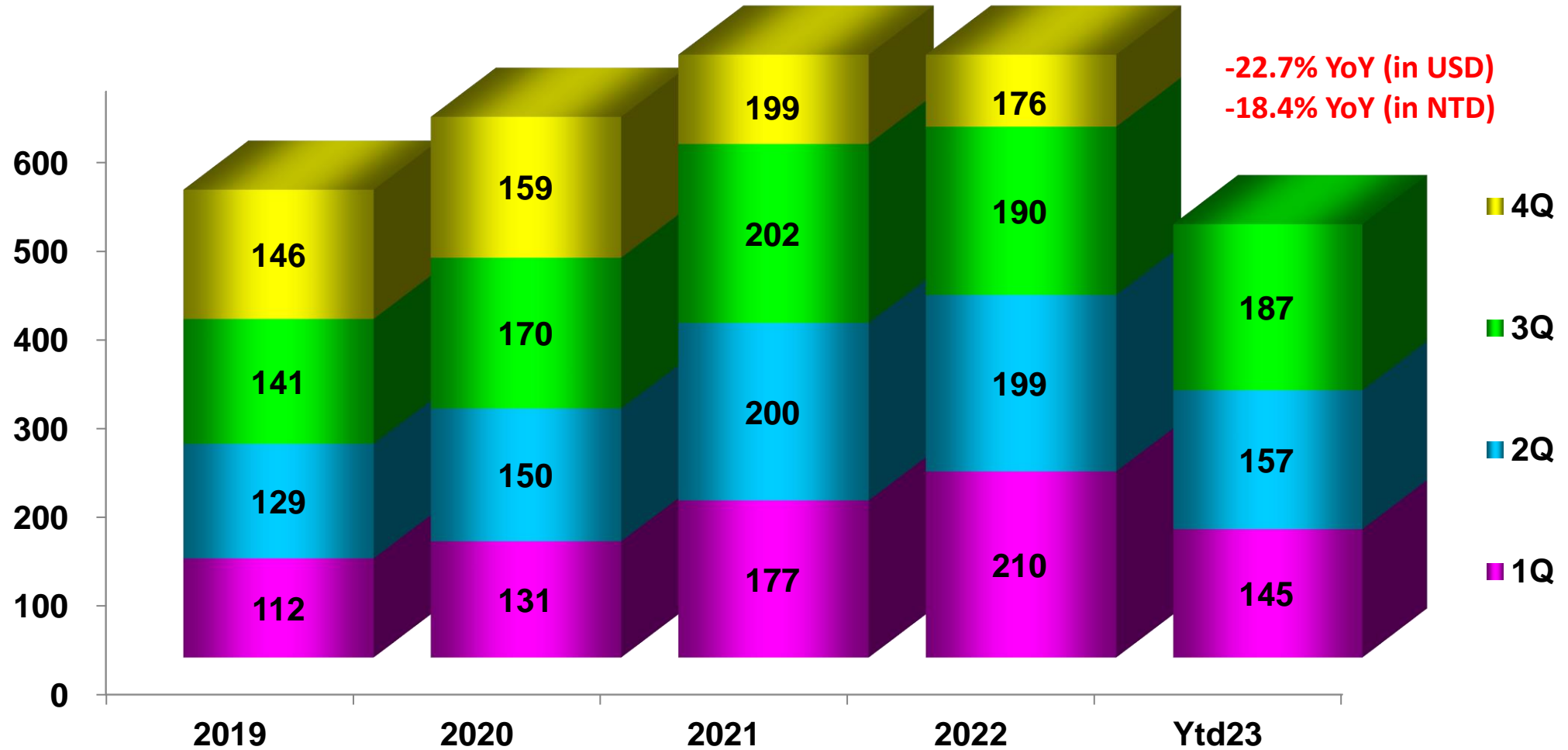
Unit:NT\$million

	3Q23	2Q23	3Q22	Ytd23	Ytd22
-Income before Income Tax	1,898	3,601	3,265	6,365	11,034
-Changes of NWC	(11,869)	4,237	(4,979)	7,894	(36,199)
-Adjustment & Others	3,187	(2,596)	(1,632)	(382)	(7,892)
From Operation	(6,784)	5,243	(3,345)	13,877	(33,057)
-Other Financial Instruments	8	(110)	(1,443)	400	(1,883)
-Capital Expenditure	(110)	(279)	(70)	(479)	(453)
-Acquisition of subsidiaries	(42)	(240)	-	(282)	-
-Marketable Financial Instruments	6	12	(38)	39	(876)
-Others	(211)	19	(129)	(187)	(260)
From Investment	(350)	(598)	(1,680)	(509)	(3,472)
-Financial Debt	12,266	(6,266)	7,075	(11,116)	31,220
-Cash Dividends	(6,864)	-	(6,277)	(6,864)	(6,277)
-Others	(148)	(53)	(185)	(255)	(496)
From Financing	5,254	(6,320)	613	(18,236)	24,447
Cumulative translation adjustments	3,390	1,904	6,351	4,311	12,244
Net Cash Position Change	1,510	230	1,939	(557)	162
Ending Cash Balance	16,041	14,531	14,570	16,041	14,570

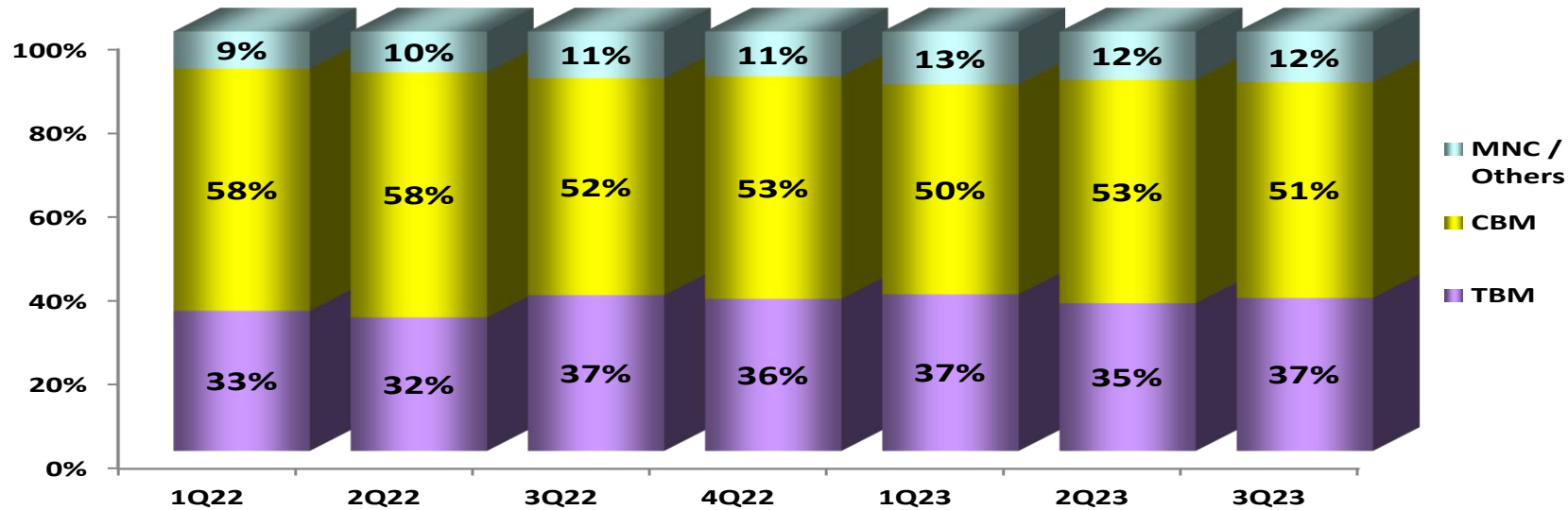
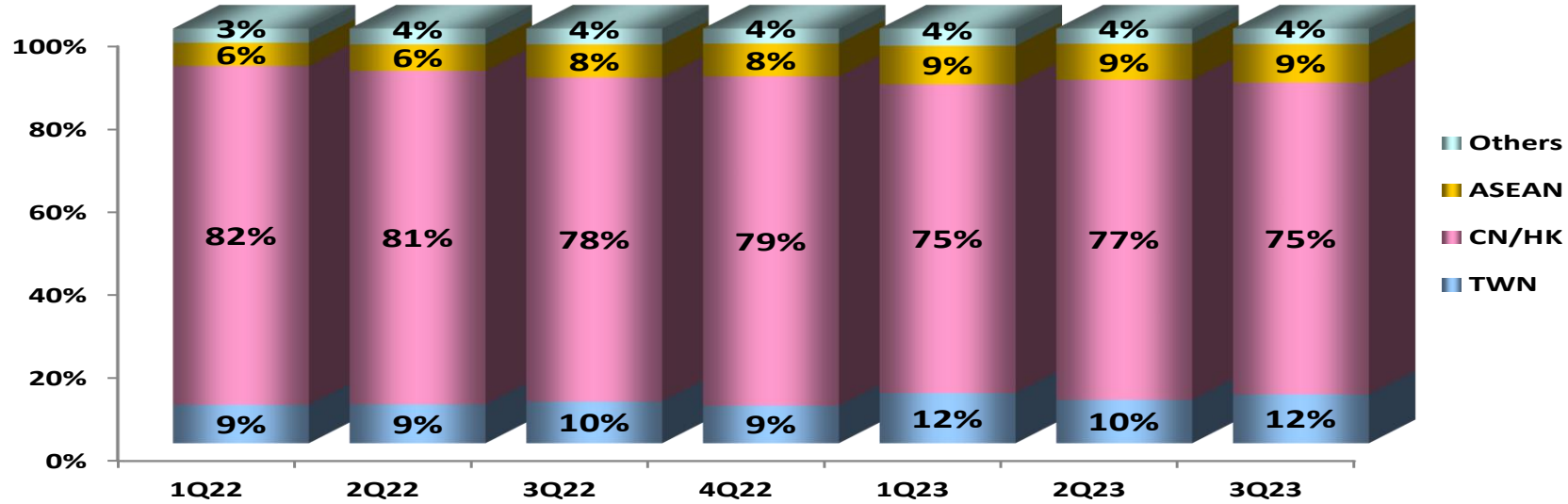
Consolidated Revenue



Unit: NT\$billion

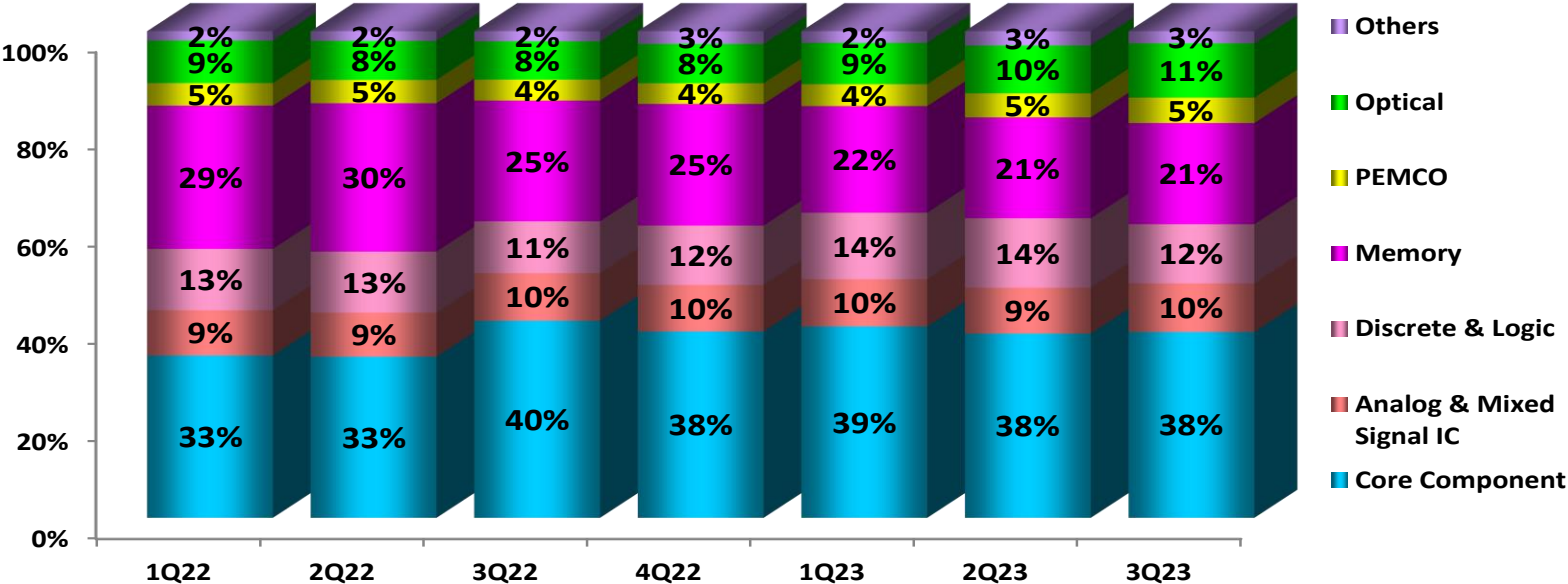
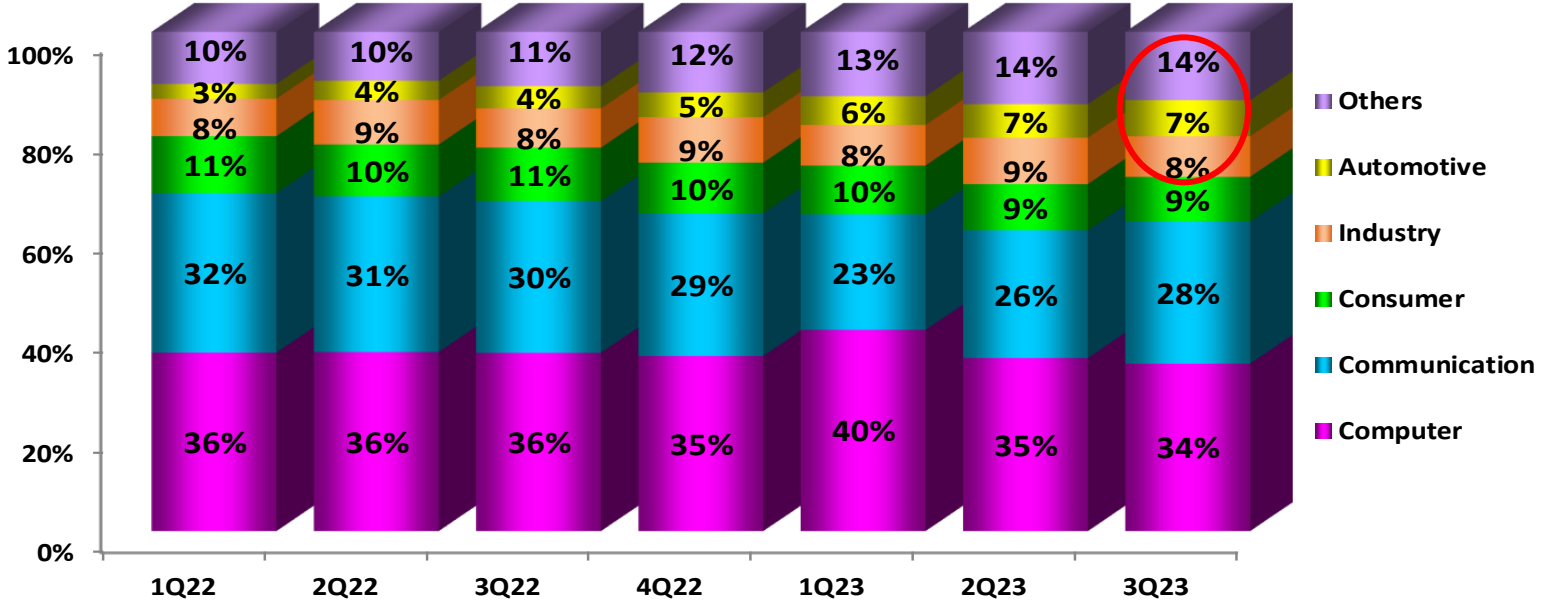


Sales breakdown by Geography/ Customer

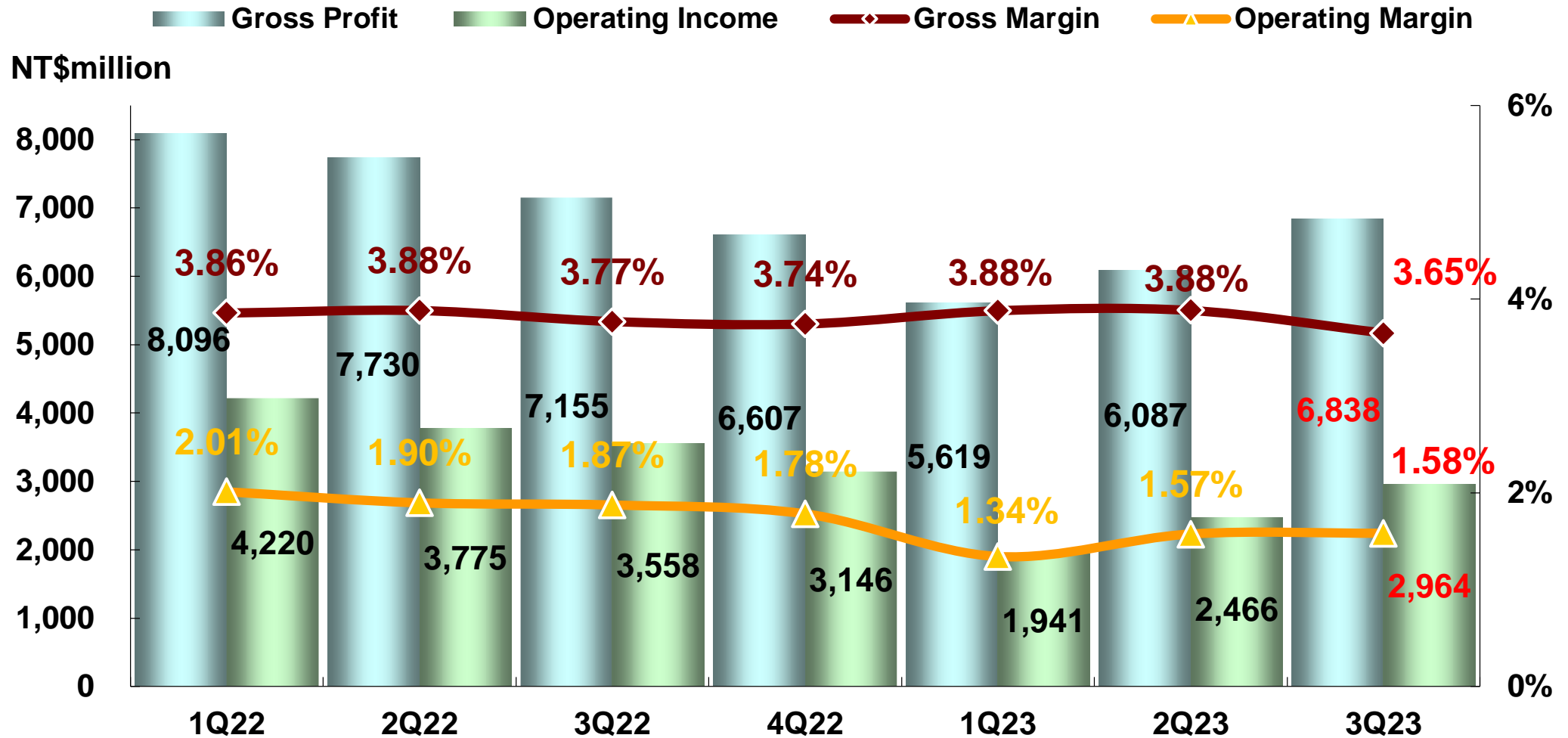


TBM : Taiwan-Based Customers
 CBM : China Based Customers

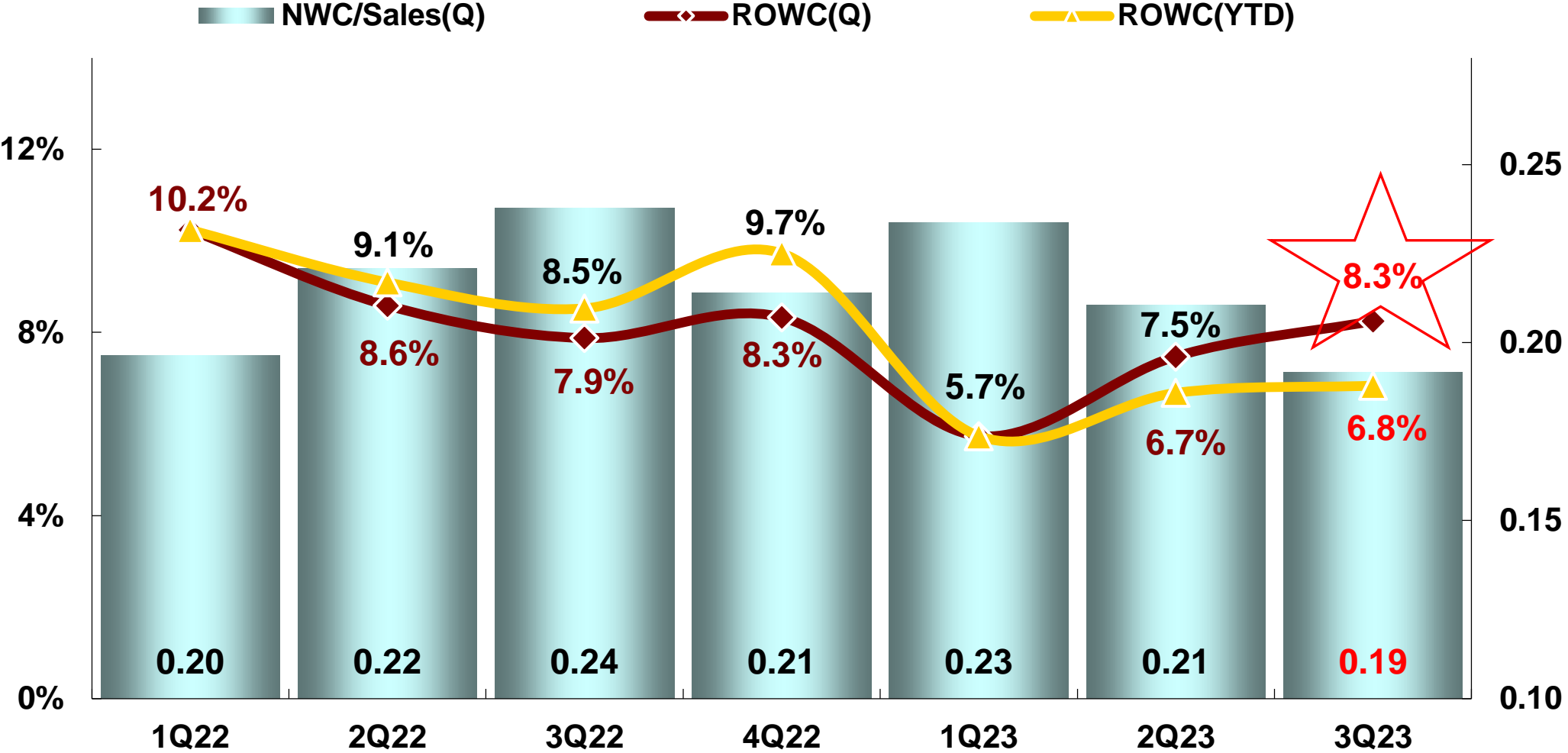
Sales breakdown by Application/ Device Type



Gross Margin vs. Operating Margin

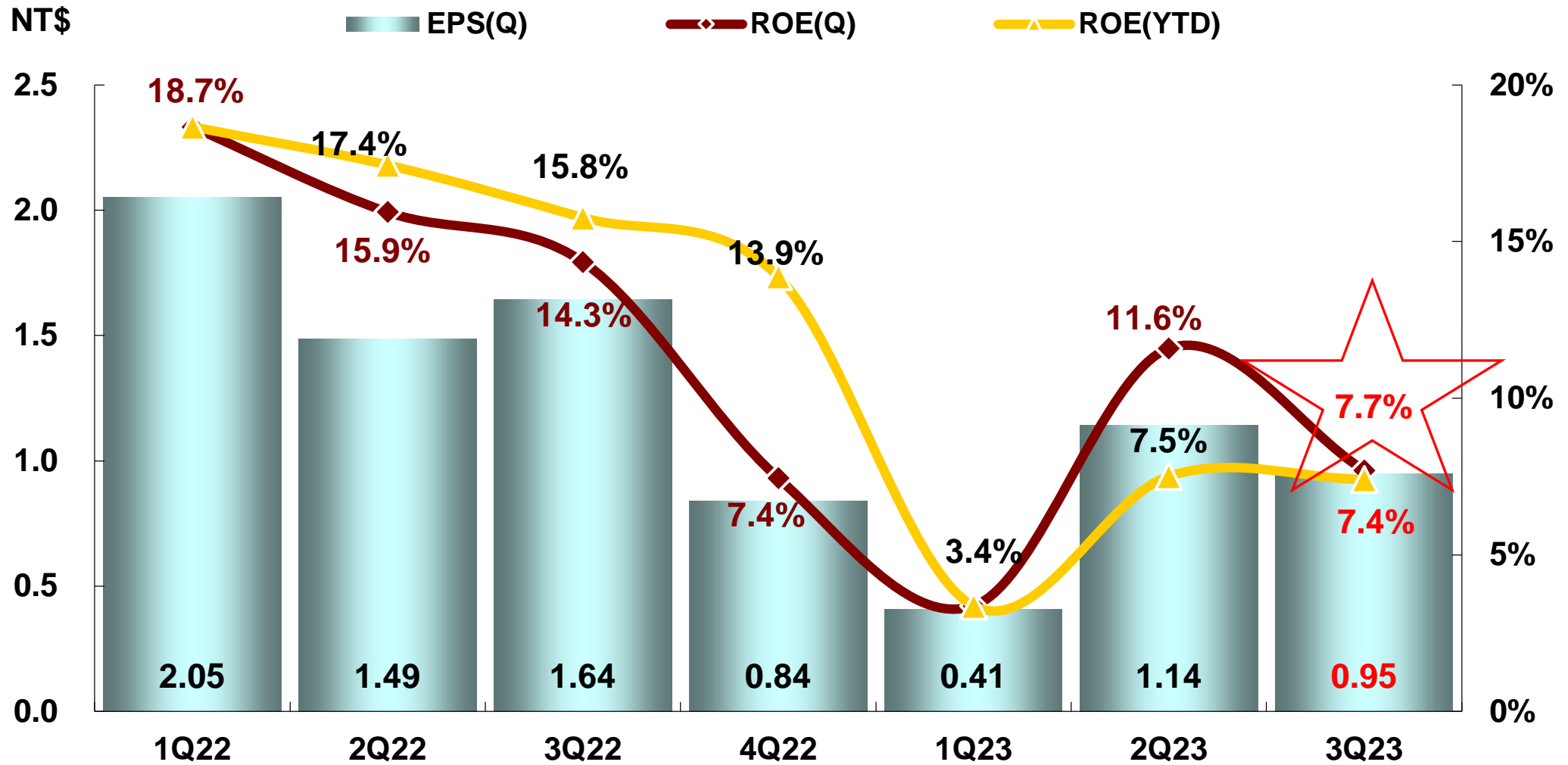


ROWC vs. NWC/Sales



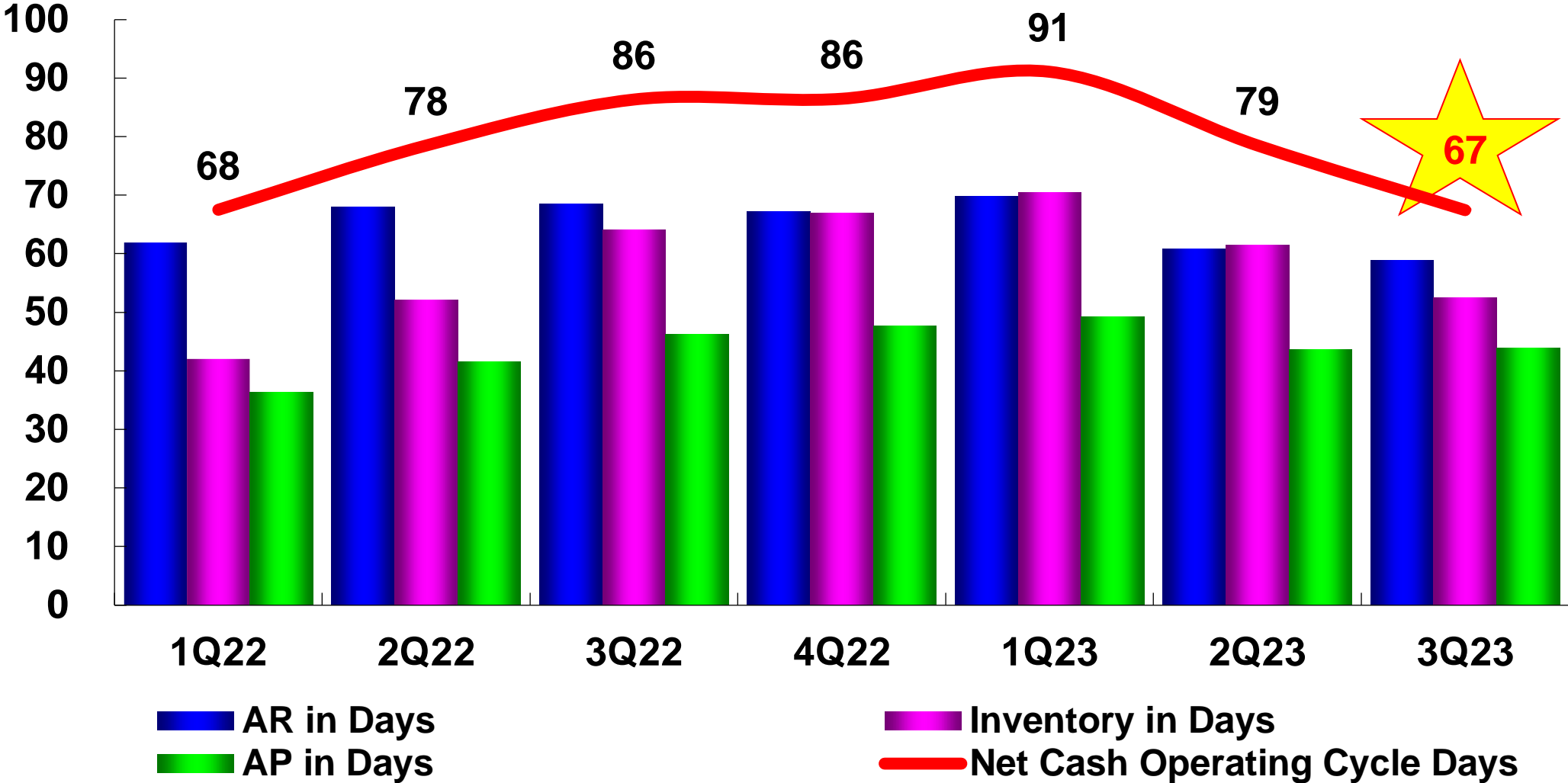
Note : Annualized

ROE vs. EPS



Note : Annualized

Operating Cash Cycle



Note : Annualized

4Q23 Summary Forecast



Based on our current business outlook, management expects :

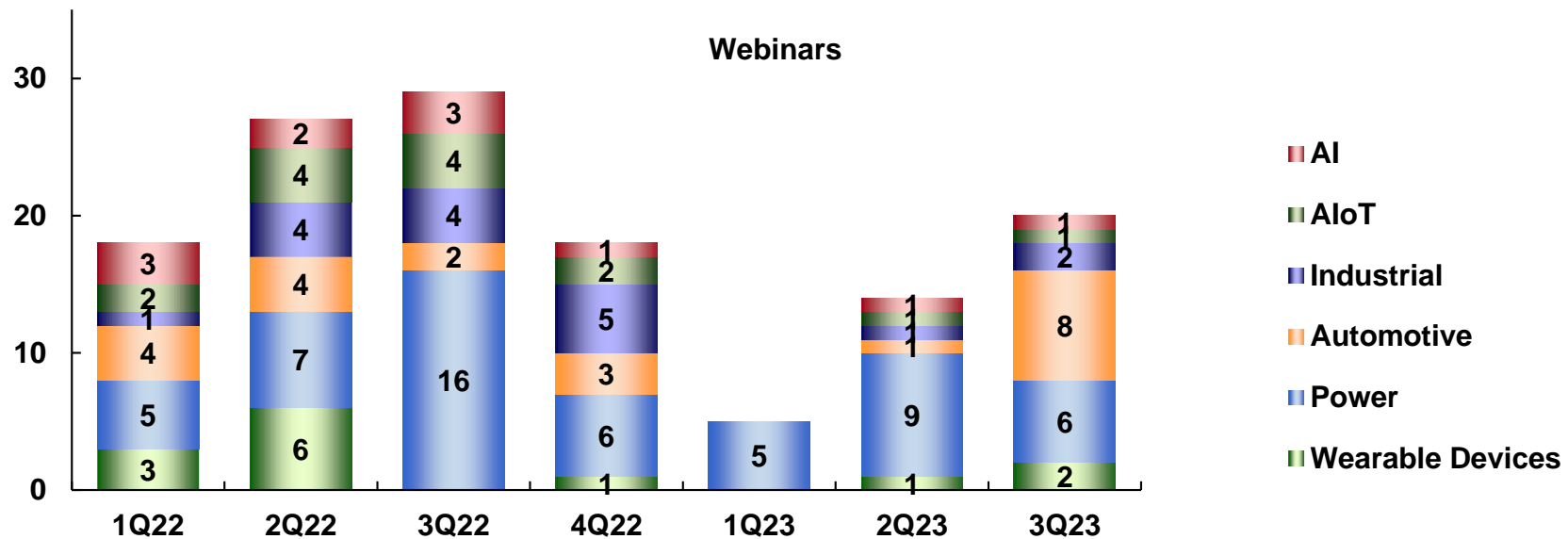
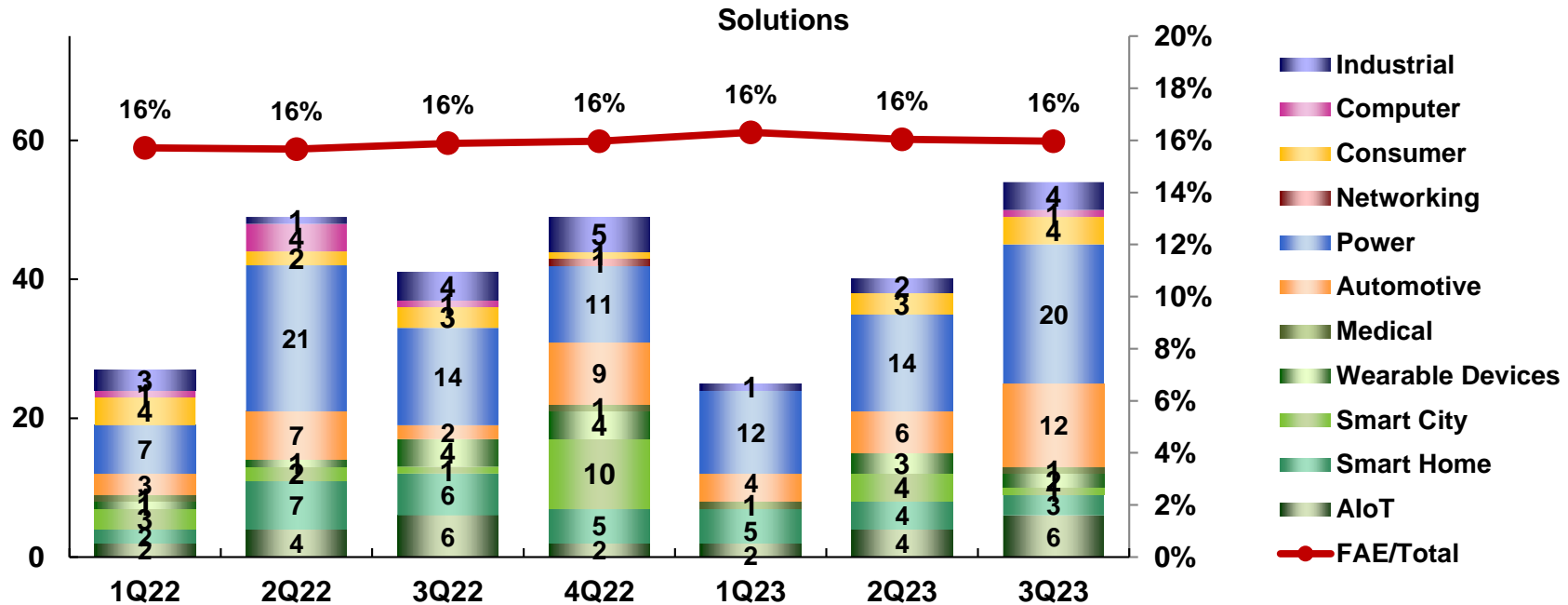
Unit:NT\$million

Item	4Q23 Forecast ⁽²⁾	3Q23 ⁽¹⁾
Revenue	170,000 ~ 180,000	187,355
Gross Profit	6,290 ~ 7,020	6,838
Gross Margin	3.70% ~ 3.90%	3.65%
Operating Expenses	3,570 ~ 3,780	3,874
Operating Income	2,720 ~ 3,240	2,964
Operating Margin	1.60% ~ 1.80%	1.58%
Profit Before Tax	3,767 ~ 4,493	1,898
Profit After Tax	3,512 ~ 4,154	1,592
EPS (NT\$)	2.09 ~ 2.47	0.95

(1). Reviewed

(2). At a forecast FX rate of 32.2 NT dollars to 1 US dollar averaged over 4Q23.

More Solutions and Webinars



54 Solutions Launched in 3Q23



消費電源

- ▶ 65W 9V7A電源方案 2023-09-25
- ▶ 應用於USB PD3.0 Type-C 65W適配器設計方案 2023-09-08
- ▶ 易沖半導體(CPS)高集成無線充電充電發射IC MPP Qi2 Power Bank 方案 2023-08-28
- ▶ High density 3 kW Using SiC MOSFETs方案 2023-08-24
- ▶ 65W低成本電源適配器方案 2023-08-16
- ▶ 500W氮化鎵之遊戲筆記型電腦適配器方案 2023-08-10
- ▶ Type C PD 65W產品之應用方案 2023-08-07
- ▶ Vcore controller for CPU MTL Platform 電源解決方案 2023-08-04
- ▶ 300W適配器電源方案 2023-08-01
- ▶ 30W電源的設計參考方案 2023-07-19
- ▶ TPPFC+LLC PD3.1方案 2023-07-04

新能源電源

- ▶ 3.3KW高功率密度雙向全橋相移方案 2023-09-06

工業電源

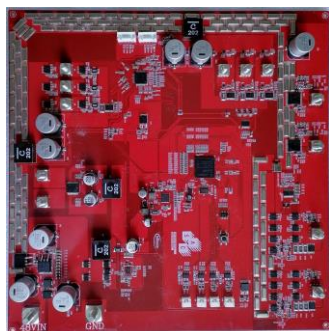
- ▶ 諧振式LLC IC應用於High power及低功耗240W電源供應器設計方案 2023-07-10

通訊電源

- ▶ 2KW PSU 服務器電源方案 2023-07-31
- ▶ 1KW DCDC 電源模塊方案 2023-07-28

汽車電源

- ▶ 7 KW車載充電器 (OBC) 解決方案 2023-09-21
- ▶ 48V EEA方案 2023-09-07
- ▶ 12v新能源汽車車載DCDC解決方案 2023-08-02
- ▶ 汽車域控制器電源管理解決方案 2023-07-25
- ▶ 電動汽車充電的 6 kW 高壓 DC-DC 轉換器解決方案 2023-07-06



48V EEA Solution



7 KW OBC Solution



1KW DCDC Power Module Solution



300W Adapter Power Solution

54 Solutions Launched in 3Q23



穿戴裝置

- ▶ 心率血氧檢測 Sensor Board 方案 2023-09-19
- ▶ 智能穿戴開發板方案 2023-08-25

智能家居

- ▶ 電磁爐觸控板方案 2023-08-29
- ▶ 1/2.9英寸8百萬像素CMOS數位圖像傳感器方案 2023-07-13
- ▶ 咖啡機彩屏解決方案 2023-07-07

智慧城市

- ▶ 無人機 FOC 電調方案 2023-09-21

智慧醫療

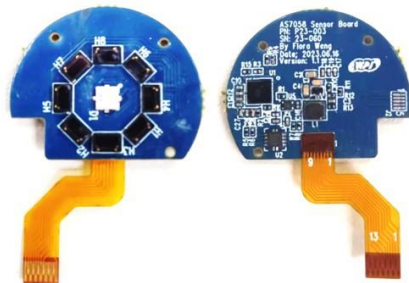
- ▶ 應用於PC USB 3.0 信号延长設計方案 2023-09-26

AIoT

- ▶ AI移除人像背景方案 2023-09-28
- ▶ 後端智能影像分析解決方案 2023-09-11
- ▶ FaceMe人臉識別方案 2023-09-05
- ▶ 藍牙5.4的LE Audio廣播音箱方案 2023-08-11
- ▶ 智慧攝像頭與雙軸雲台組合應用方案 2023-08-03
- ▶ 方形影像感測器方案 2023-07-20

工業類

- ▶ 4K 60幀高清圖像方案 2023-09-18
- ▶ 乙太網即時多軸位置控制的伺服驅動解決方案 2023-08-14
- ▶ 儲能消防方案 2023-07-27
- ▶ emWin AppWizard人機介面解決方案 2023-07-12



Sensor Board Solution



Energy Storage Fire Protection Solution



Back-End Intelligent Image Analysis Solution



Square Image Sensor Solution

54 Solutions Launched in 3Q23



車身電子

- ▶ UWB 結合手機的測距及範圍定位功能演示介紹方案 2023-09-04
- ▶ UWB定位演算法方案 2023-08-30
- ▶ 多合一動力域控制器解決方案 2023-08-23
- ▶ 車載電空調壓縮機應用方案 2023-08-18
- ▶ BCM車身控制解決方案 2023-07-26
- ▶ 汽車ISD智能交互燈設計方案 2023-07-24
- ▶ 方向盤離手檢測方案 2023-07-17
- ▶ 12V 24V 48V的HVAC 汽車空調鼓風機方案 2023-07-14

車身安全

- ▶ 汽車通用評估板方案 2023-09-14
- ▶ 短距雷達方案 2023-08-31
- ▶ 1.5MP近紅外低功耗光車用全局快門圖像傳感器方案 2023-07-11

車載娛樂

- ▶ 汽車儀錶方案 2023-08-15

電腦及周邊

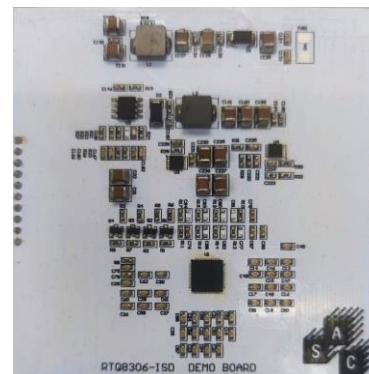
- ▶ 4-CH Programmer方案 2023-08-09

消費類

- ▶ K306P的IPC方案 2023-08-22
- ▶ K302P的IPC方案 2023-08-21
- ▶ 電動滑板車方案 2023-07-18
- ▶ 觸控運動傳感器檯燈方案 2023-07-03



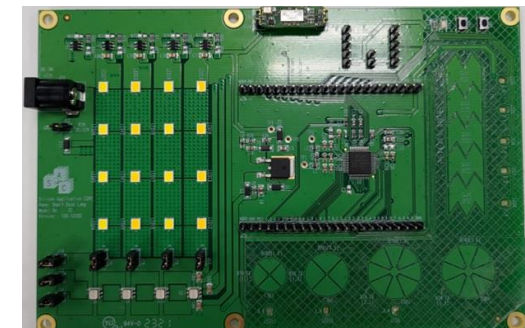
Steering Wheel Hands-Off Detection Solution



Automotive ISD Intelligent Interactive Light Design Solution



Automobile Instrument Solution



Touch Motion Sensor Desk Lamp Solution

Solution Webinars in 3Q23



**疲勞駕駛與艙內監控
專用智能影像傳感器解決方案**

2023/09/19(二) AM 10:00 - 11:00

SIGN UP

LIVE Webinar

2023/9/26 10:00-11:00

WEBINAR

Power Integrations offers low component count, isolated and non-isolated integrated flyback and buck controller ICs ideal for the internal housekeeping supplies within an OBC. With the move to 800 V vehicle architectures, these solutions can operate at input voltages above 1000 V.

>>>

立即報名

PI實現高效小型化於車用電源
碳化矽與氮化鎵的電源解決方案

新一代電子電氣架構
空間域/功能域連接器系統

線上研討會 9/12(週二) 10:00-11:00 am

立即報名

**汽車系統電源管理
功能安全上值得信賴的夥伴**

8/22(週二)
10:00-11:00 a.m.

立即報名
Live webinar

USB Type-C PD充電 / 適配器解決方案

11/Jul/2023
AM10:00 - 11:00
Dadotong Webinar

SIGN UP LIVE

LUXEON
高功率及COB新品簡介

24/Aug/2023
AM10:00 - 11:00

SIGN UP

**MCU & TMOS
紅外線感測器線上研討會**

2023/08/03 AM10:00-11:00

立即報名 >>>

LIVE Webinar

毫米波雷達
於家電上之應用

8/31(四) a.m.10:00-11:00

立即報名

LIVE STREAMING

2023年
安防監控系統趨勢
及最新平台NT98690介紹

2023/7/20(四) | 10:00-11:00

立即報名

Recap of Recent Major Events



WPG Wins TCSA Two Awards :

- Corporate Comprehensive Performance Award : Top 100 Sustainable Model Enterprises
- Sustainability Reporting Award : Gold Award in Service



<http://www.WPGholdings.com>
IR@WPGholdings.com



Q&A

4Q'23 & 2H'23 Market Watch



(Percentage in Production Quantity)

Nov. updated FCST	2022												2023										2024			
	1Q		2Q		3Q		4Q		H			Y	1Q		2Q		3Q		4Q(e)		H			Y	1Q(f)	
	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	1H'22 YoY	2H'22 YoY	2H'22 vs 1H'22	Y22 vs Y21	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	1H'23 YoY	2H'23 YoY	2H'23 vs 1H'23	Y23 vs Y22	QoQ	YoY
NB	-9%	-3%	-17%	-22%	-2%	-25%	-13%	-36%	-13%	-30%	-17%	-22%	-14%	-39%	17%	-14%	8%	-5%	-18%	-11%	-28%	-8%	6%	-19%	-7%	-4%
Power	-11%	-11%	3%	-14%	-11%	-22%	-12%	-28%	-12%	-25%	-15%	-19%	-18%	-34%	16%	-26%	12%	-7%	0%	5%	-30%	-1%	20%	-17%	-8%	18%
Power_NB	-11%	-13%	3%	-15%	-12%	-24%	-14%	-31%	-14%	-27%	-17%	-21%	-19%	-37%	19%	-27%	13%	-6%	0%	8%	-32%	0%	23%	-17%	-9%	23%
Power_PC	-6%	1%	3%	-8%	-14%	-22%	-5%	-21%	-4%	-22%	-15%	-13%	-14%	-28%	7%	-25%	10%	-3%	1%	3%	-26%	0%	15%	-14%	-8%	10%
Power_SERVER	-9%	6%	6%	7%	6%	10%	-5%	-3%	6%	3%	6%	5%	-10%	-4%	-5%	-14%	-3%	-22%	-5%	-21%	-9%	-22%	-8%	-16%	0%	-13%
MB	6%	-1%	-18%	-20%	-19%	-31%	-3%	-33%	-11%	-32%	-28%	-21%	7%	-32%	6%	-12%	4%	14%	-13%	2%	-23%	8%	0%	-10%	NA	NA
Server	-12%	30%	-2%	17%	2%	-2%	-11%	-22%	23%	-12%	-5%	3%	-9%	-19%	-1%	-19%	-3%	-22%	12%	-2%	-19%	-13%	3%	-16%	-5%	3%
China Mobile Market	NA	NA	-2%	NA	-10%	NA	1%	NA	NA	NA	-10%	NA	-19%	-28%	26%	-7%	0%	3%	18%	21%	-18%	12%	22%	-4%	NA	NA

*Note:
 1. Data were based on production
 2. China Mobile Market – China production data started to be collected in 2022. No data available in 2021.

*Data source: Edited by WPG

2023 Market Watch & Pre-Covid Comparison



- In most markets, 2023 FCST were estimated to drop double-digit YoY due to stagnant economy.
- Most markets showed no signs of bouncing back to 2019 pre-covid level.

Nov. updated FCST (M unit)	2019	2020	2021	2022			2023				
	TTL	TTL	TTL	1H	2H	TTL	1H	2H(e)	TTL	Y2023 v.s Y2019	Y2023 v.s Y2022
NB	165.9	200.6	249.5	106.6	88.3	194.9	76.9	81.5	158.4	-5%	-19%
Power	220.2	246.1	298.9	131.5	111.4	242.9	91.8	110.0	201.9	-8%	-17%
Power_NB	179.4	208.4	257.1	111.3	92.6	203.9	75.6	93.0	168.6	-6%	-17%
Power_PC	28.1	23.9	27.0	12.7	10.8	23.5	9.4	10.8	20.2	-28%	-14%
Power_SERVER	12.7	13.8	14.8	7.5	8.0	15.5	6.8	6.3	13.1	3%	-16%
MB	86.6	79.5	86.4	39.9	28.5	68.4	30.8	30.8	61.6	-29%	-10%
Server	14.1	15.0	15.9	8.4	8.0	16.3	6.8	7.0	13.7	-2%	-16%
China Mobile Market	NA	NA	NA	248.2	222.6	470.8	204.2	249.8	454.0	NA	-4%

*Note:

1. Data were based on production
2. China Mobile Market – China production data started to be collected in 2022. No data available in 2019.

*Data source: Edited by WPG



Thank you

The Benchmark of Distribution