



**WPG Holdings Ltd.
(3702.TT/3702.TW)
1Q22 Earning Release**

May 17th., 2022

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**

■ **1Q22 Financial Highlights & 2Q22 Outlook** **Cliff Yuan**

■ **Q&A** **Scott Lin/
Cliff Yuan**

Result Highlights



Unit:NT\$million

item	1Q22	1Q22 Forecast	4Q21	1Q21	QoQ(%)	YoY(%)
Net Sales	209,865	180 ~ 190B	199,342	177,115	5.3	18.5
Gross Margin	3.86%	3.7% ~ 3.9%	3.60%	3.71%	+26 bp	+15 bp
Operating Expenses	(3,875)		(3,895)	(3,585)	(0.5)	8.1
Operating Income	4,220		3,276	2,986	28.8	41.3
Operating Margin	2.01%	1.65% ~ 1.85%	1.64%	1.69%	+37 bp	+32 bp
Net Income	3,444		2,705	2,419	27.3	42.4
EPS (NT\$) ₍₁₎	2.05		1.61	1.44		
Net Book Value (NT\$) ₍₁₎	40.05					
Total Assets	323,620		287,739	272,512		
Total Liabilities	245,501		216,513	203,924		
Total Equity	78,120		71,225	68,588		
Net Working Capital	164,822		144,670	125,417		
Free Cash Flow	(20,204)		9,510	(16,409)		
KEY Indices₍₂₎						
ROWC	10.2%		9.1%	9.5%	+119 bp	+72 bp
NWC/Sales	0.20		0.18	0.18		
ROE	18.7%		15.9%	14.5%	+274 bp	+416 bp
Gearing	1.60		1.49	1.34		

(1).Weighted average common shares outstanding

1,679

1,679

1,679

(2).Annualized

Statements of Comprehensive Income



Unit: NT\$million

Item	1Q22	4Q21	QoQ(%)	1Q21	YoY(%)
Revenue	209,865	199,342	5.3	177,115	18.5
COGS	(201,770)	(192,171)	5.0	(170,544)	18.3
Gross Profit	8,096	7,171	12.9	6,571	23.2
Gross Margin	3.86%	3.60%		3.71%	
Operating Expenses	(3,875)	(3,895)	(0.5)	(3,585)	8.1
Operating Income	4,220	3,276	28.8	2,986	41.3
Operating Margin	2.01%	1.64%		1.69%	
Net Non-operating Items	(48)	63	NM	(6)	701
Net Financing costs	(634)	(582)	8.9	(435)	45.6
FX Gains/Losses	106	40	164.8	(43)	NM
Investment Income/Losses	436	909	(52.1)	395	10.5
Others	44	(304)	NM	78	(43.3)
Profit Before Tax	4,173	3,339	25.0	2,980	40.0
Tax	(687)	(611)	12.5	(524)	31.1
Minority	(41)	(23)		(37)	
Profit After Tax	3,444	2,705	27.3	2,419	42.4
Net Margin	1.64%	1.36%		1.37%	
EPS (NT\$) ₍₁₎	2.05	1.61		1.44	
Tax %	16%	18%		18%	
(1).Weighted average common shares outstanding	1,679	1,679		1,679	

Balance Sheet



Unit:NT\$million	1Q22		4Q21		1Q21	
Cash & Marketable Securities	14,885	5	14,416	5	13,952	5
Accounts Receivable - Trade	150,304	46	134,392	47	132,946	49
Inventory	99,474	31	86,215	30	72,930	27
Current Assets	280,262	87	246,449	86	236,295	87
Others	43,359	13	41,290	14	36,217	13
Total Assets	323,620	100	287,739	100	272,512	100
Current Interest-bearing Debt	100,625	31	89,898	31	84,128	31
Accounts Payable	84,955	26	75,937	26	80,458	30
Accrued Liabilities and Others	17,006	5	16,389	6	13,236	5
Current Liabilities	202,587	63	182,224	63	177,822	65
Long-term Interest-bearing Debt	40,165	12	31,478	11	23,350	9
Others	2,749	1	2,811	1	2,752	1
Total Liabilities	245,501	76	216,513	75	203,924	75
Total Equity	78,120	24	71,225	25	68,588	25
KEY Indices₍₁₎						
Net Working Capital (NT\$million)	164,822		144,670		125,417	
AR Turnover (Days)	62		63		63	
Inventory Turnover (Days)	42		42		35	
AP Turnover (Days)	36		39		38	
Average Collection Periods (Days)	68		67		59	
Current Ratio	138%		135%		133%	
Gearing	1.60		1.49		1.34	

(1).Annualized

Cash Flows

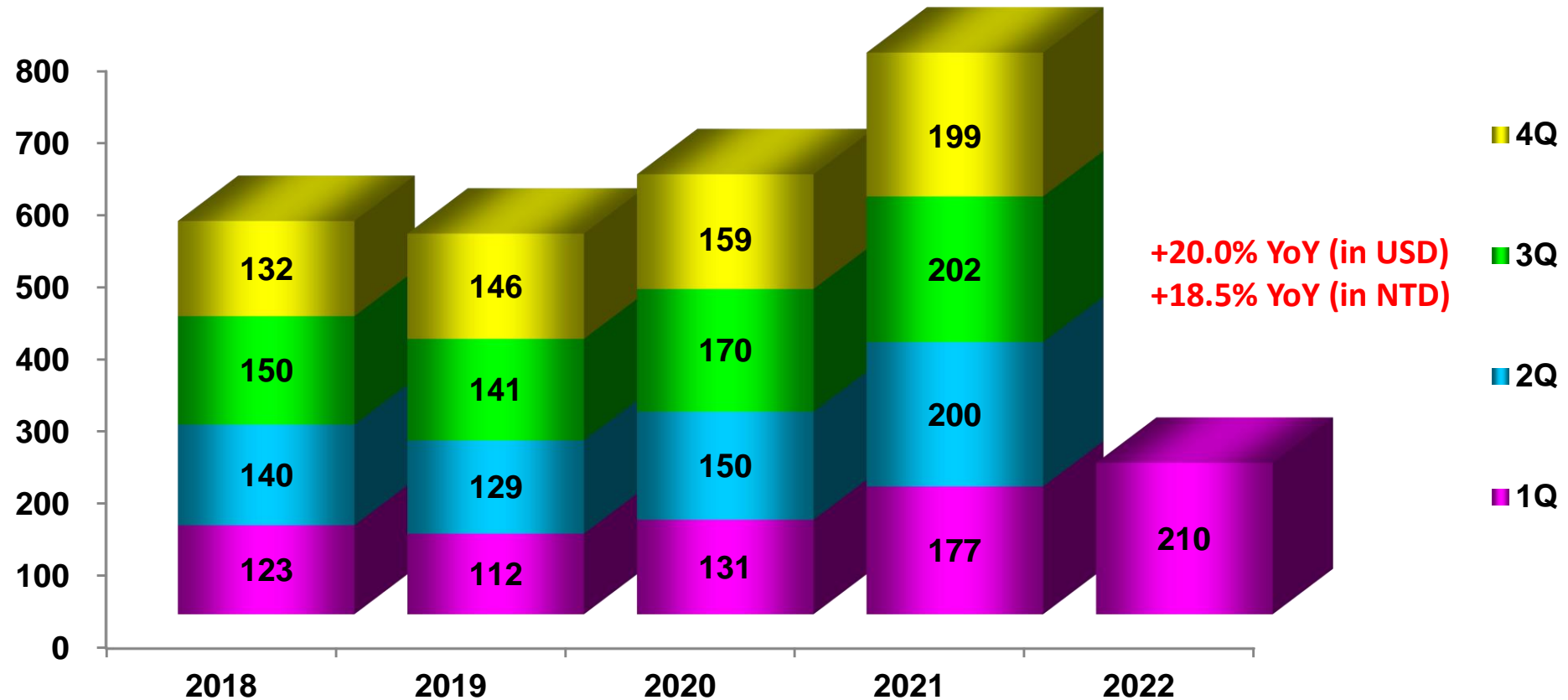


Unit:NT\$million	1Q22	4Q21	1Q21
-Income before Income Tax	4,173	3,339	2,980
-Changes of NWC	(20,127)	1,796	(19,911)
-Adjustment & Others	(4,250)	4,375	521
From Operation	(20,204)	9,510	(16,409)
-Other Financial Instruments	(221)	41	995
-Capital Expenditure	(231)	(240)	(284)
-Marketable Financial Instruments	(836)	(63)	(89)
-Others	(105)	(25)	7
From Investment	(1,393)	(286)	630
-Financial Debt	19,413	(4,227)	18,432
-Others	(212)	(326)	2
From Financing	19,201	(4,554)	18,434
Cumulative translation adjustments	2,868	(910)	176
Net Cash Position Change	473	3,761	2,830
Ending Cash Balance	14,881	14,408	13,850

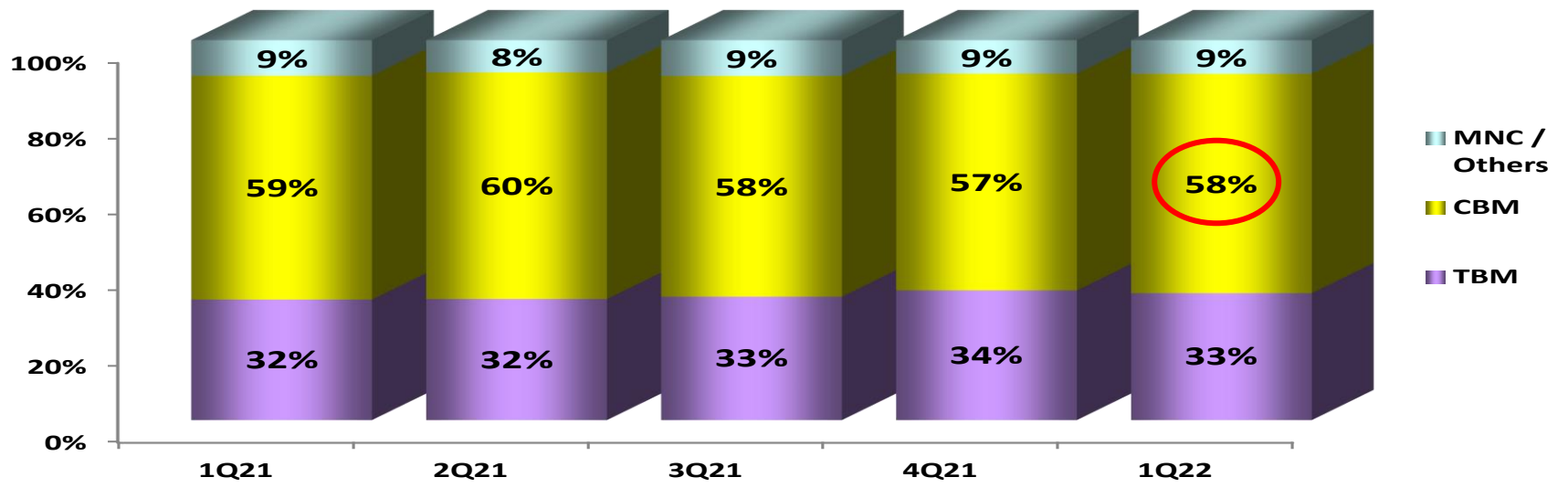
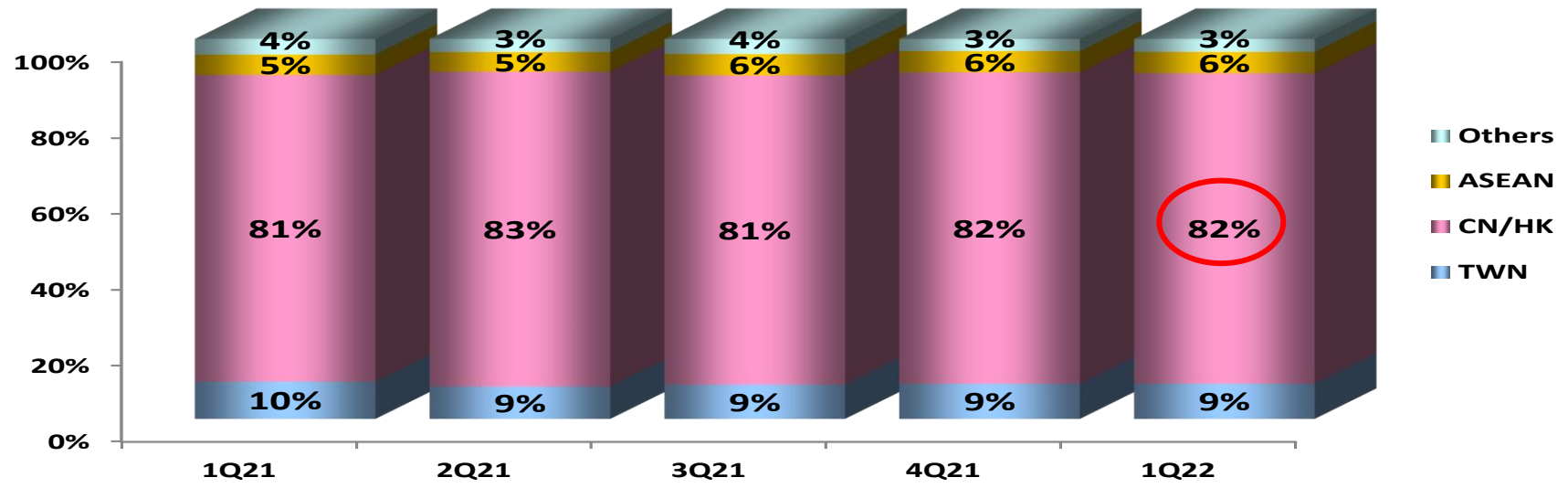
Consolidated Revenue



Unit: NT\$billion

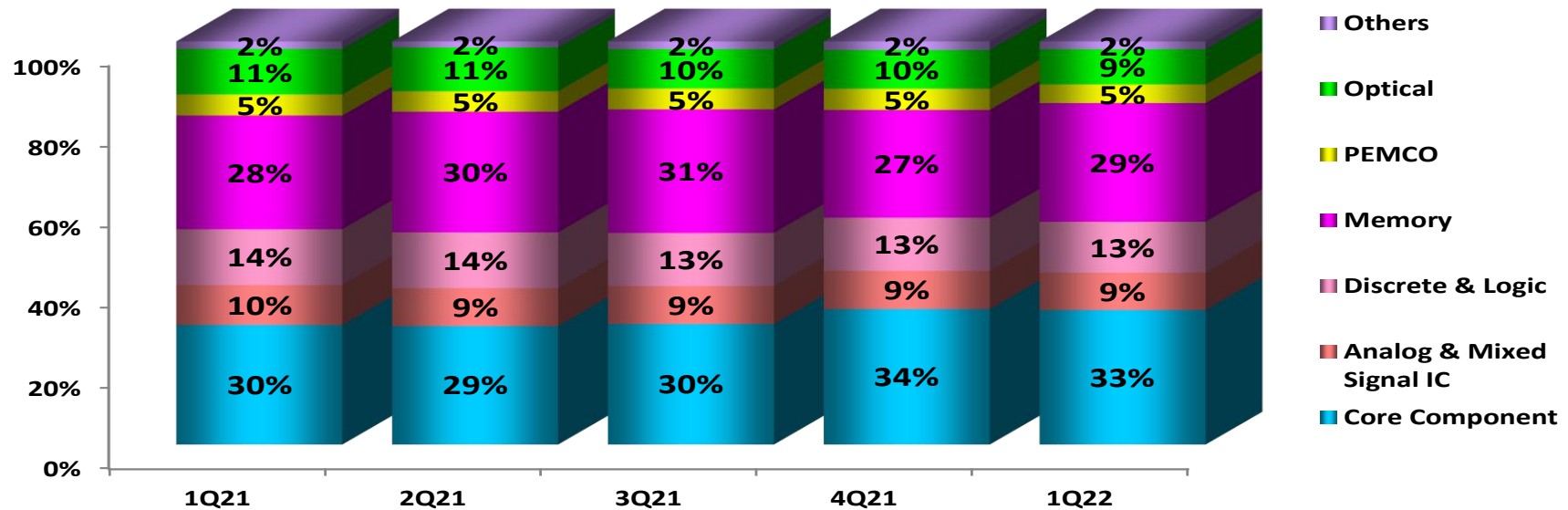
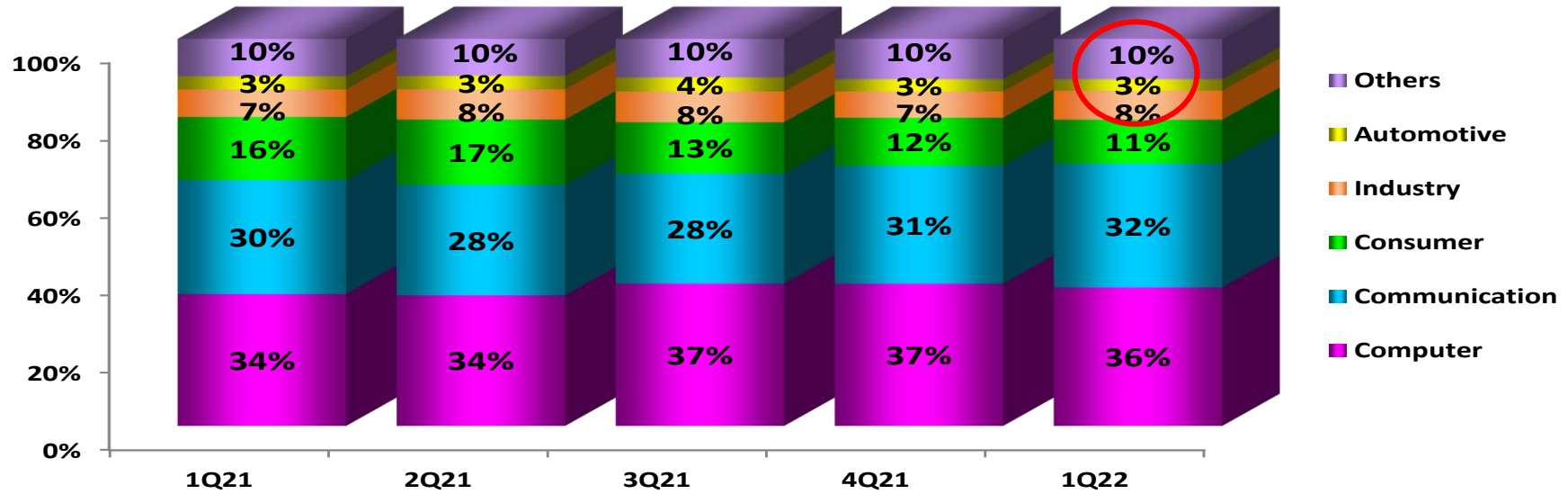


Sales breakdown by Geography/ Customer



TBM : Taiwan-Based Customers
 CBM : China Based Customers

Sales breakdown by Application/ Device Type

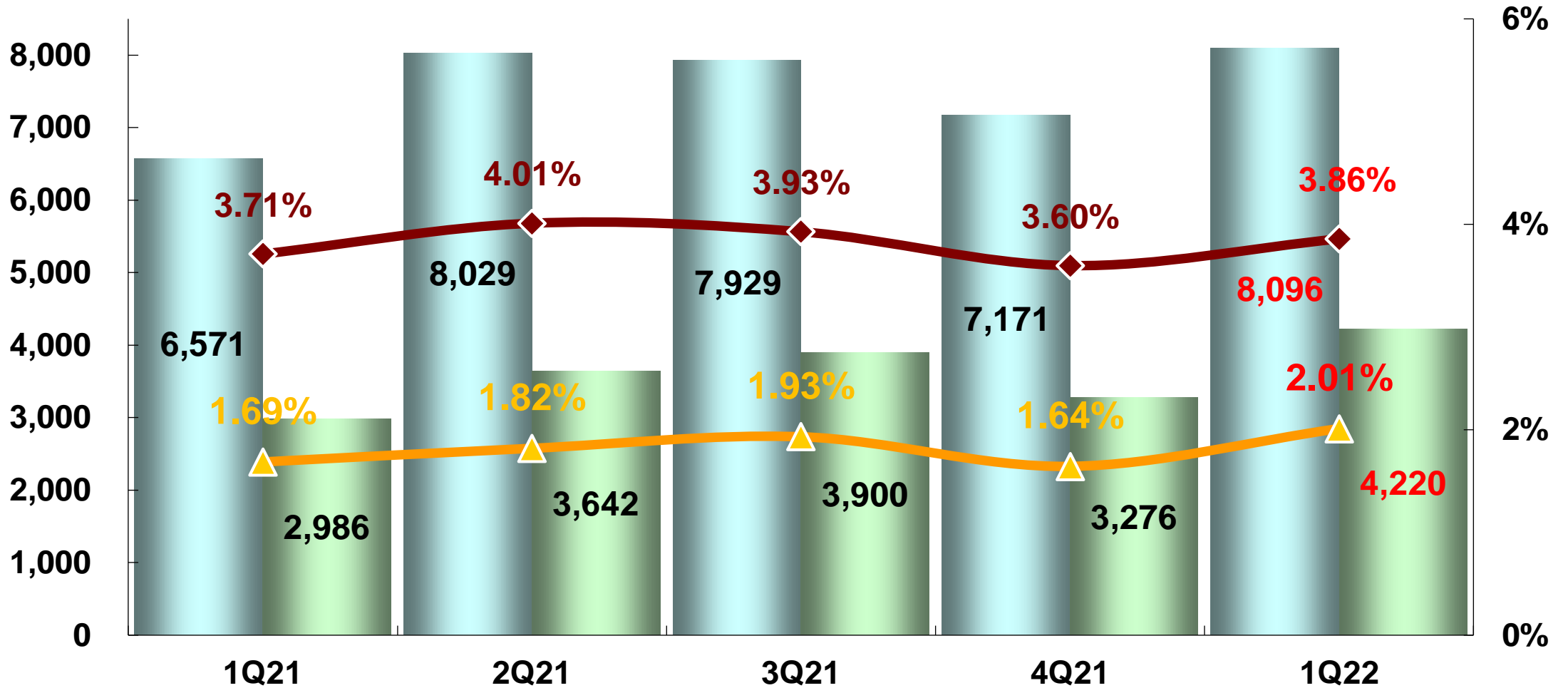


Gross Margin vs. Operating Margin

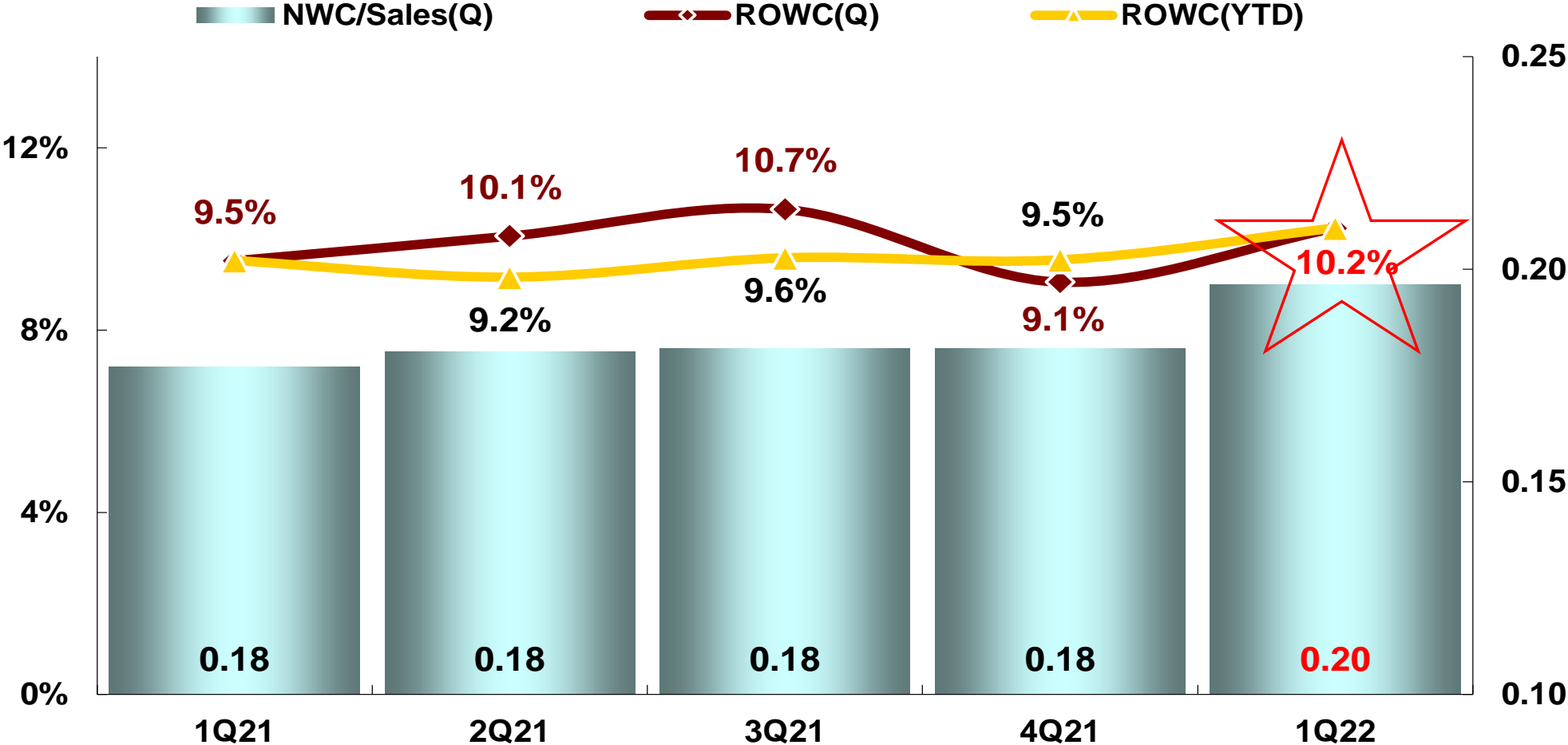


■ Gross Profit ■ Operating Income ◆ Gross Margin ▲ Operating Margin

NT\$million

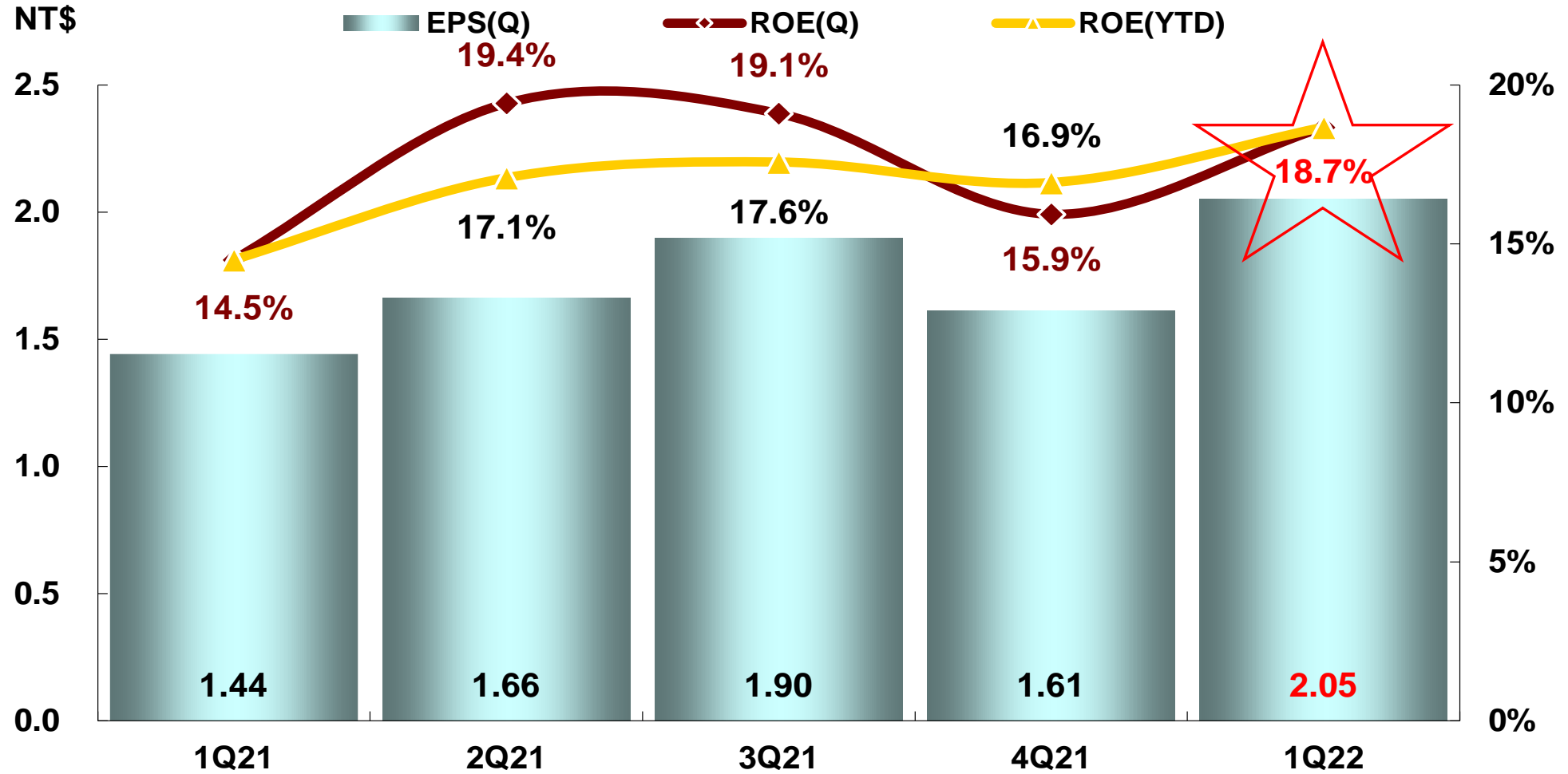


ROWC vs. NWC/Sales



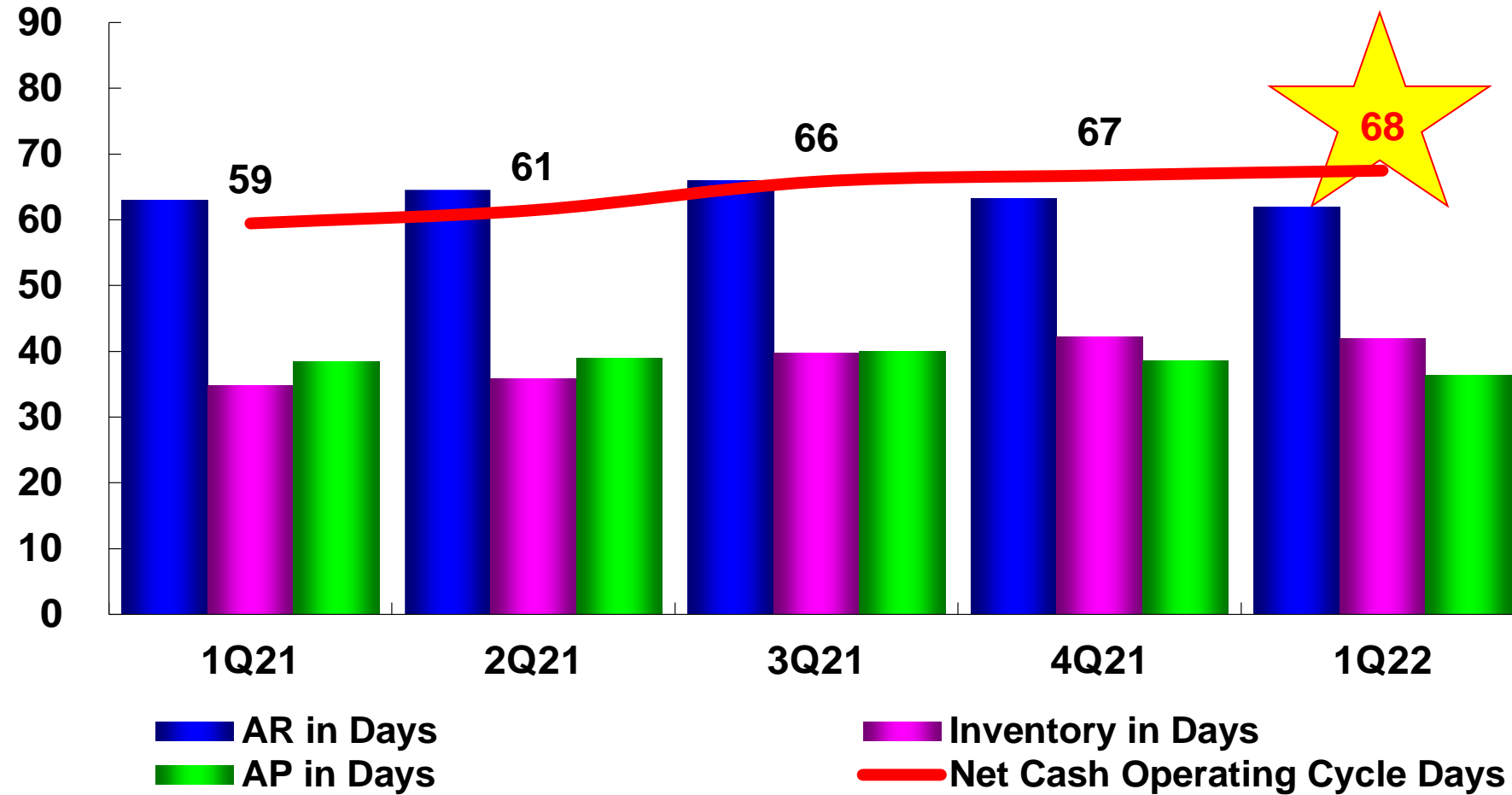
Note : Annualized

ROE vs. EPS



Note : Annualized

Operating Cash Cycle



Note : Annualized

2Q22 Summary Forecast



Based on our current business outlook, management expects :

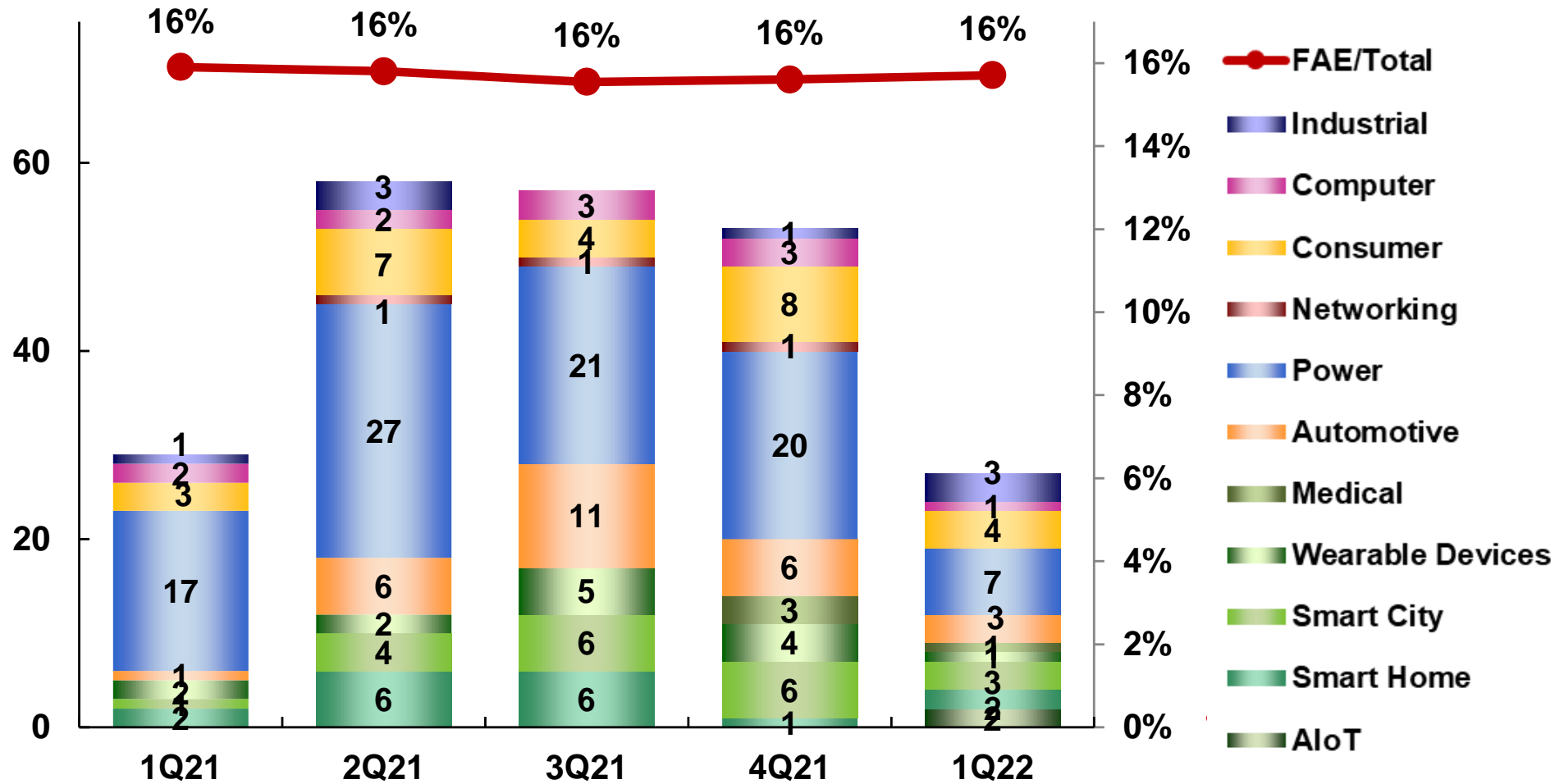
Unit:NT\$million

Item	2Q22 Forecast ⁽²⁾		1Q22 ⁽¹⁾
Revenue	190,000	~ 200,000	209,865
Gross Profit	7,030	~ 7,800	8,096
Gross Margin	3.70%	~ 3.90%	3.86%
Operating Expenses	3,800	~ 4,000	3,875
Operating Income	3,230	~ 3,800	4,220
Operating Margin	1.70%	~ 1.90%	2.01%
Profit Before Tax	2,981	~ 3,508	4,173
Profit After Tax	2,303	~ 2,725	3,444
EPS (NT\$)	1.13	~ 1.38	2.05

(1). Reviewed

(2). At a forecast FX rate of 29 NT dollars to 1 US dollar averaged over 2Q22.

More Solutions Launched



27 Solutions Launched in 1Q22



消費電源

- ▶ TYPE-C PD電源輸出方案 2022-03-15
- ▶ 專為消費性電子供電的同步降壓轉換器 2022-03-01
- ▶ 高效率主動式橋式整流器電源方案 2022-01-18

照明電源

- ▶ 大功率240W可調光電源方案 2022-01-20

通訊電源

- ▶ 同步降壓IC應用於5G基地台電源配置 2022-03-10

工業電源

- ▶ 驅動IC應用於工業馬達控制器 2022-01-04

醫療電源

- ▶ 原邊調節準諧振AC/DC醫療級插牆式10W適配器 2022-03-24

車聯網

- ▶ 車聯網暨駕駛行為解決方案 2022-03-07

車身電子

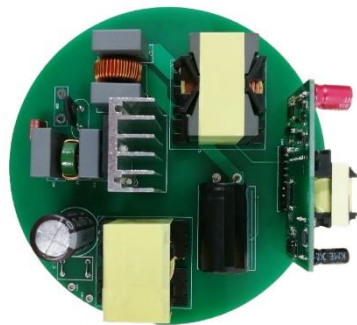
- ▶ 汽車LED前大燈方案 2022-03-31
- ▶ CAN總線警示氛圍燈 2022-02-09

工業類

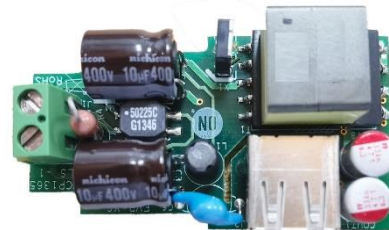
- ▶ 1KW600V工業馬達驅動器整合方案 2022-03-22
- ▶ Non-Auto BMS 方案 2022-03-17
- ▶ 低壓無刷電機應用方案 2022-02-22

電腦及周邊

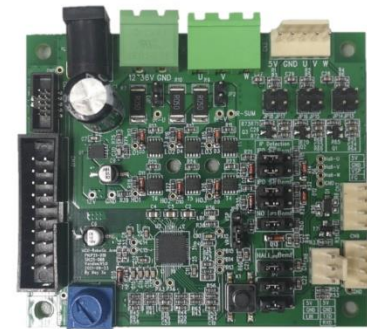
- ▶ BLE鍵盤方案 2022-02-14



240W Dimmable Power Solution



AD DC Medical Plug Wall 10W Adapter Solution



BLDC Motor Solution



Industrial Motor Controller Solution

27 Solutions Launched in 1Q22



智能家居

- ▶ Wi-Fi 6 多媒體互動情境燈光聖誕樹解決方案 2022-03-02
- ▶ Wi-Fi6 SmartHome之屏控方案 2022-01-12

智慧城市

- ▶ 工業數據採集終端方案 2022-02-16
- ▶ 三相並聯電錶解決方案 2022-01-25
- ▶ 超低功耗藍牙技術應用於超市及廠庫產品管控的便捷電子標籤 2022-01-10

AIoT

- ▶ 無所不能的 AI! 讓你做出 Killer 應用!! 2022-01-06
- ▶ Wi-Fi 6 AIoT 邊緣運算語音辨識方案 2022-01-01

穿戴裝置

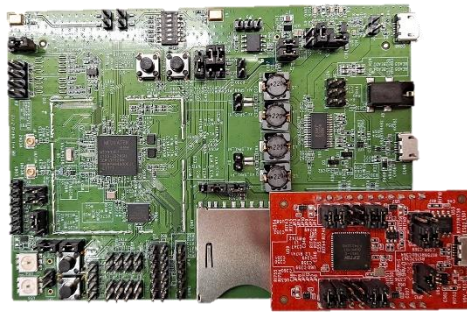
- ▶ TWS耳機上的應用 2022-01-14

智慧醫療

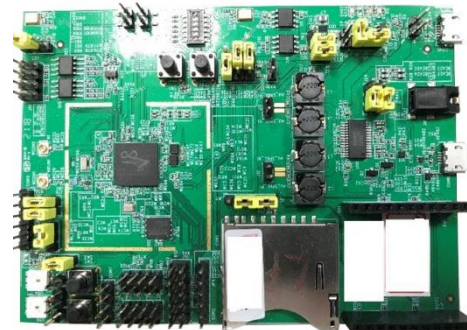
- ▶ 即時互動智慧醫療解決方案 2022-03-28

消費類

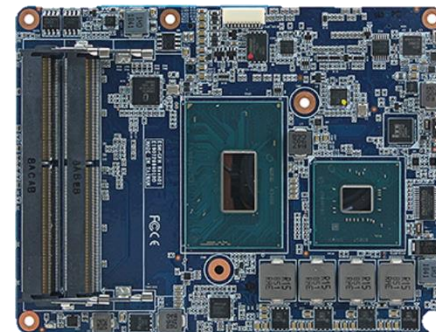
- ▶ 高性能電動滑板車電機驅動方案 2022-02-23
- ▶ 高集成電機控制方案 2022-02-07
- ▶ 5M高速TYPE-C CABLE線的設計方案 2022-01-27
- ▶ 便攜式LED燈具方案 2022-01-07



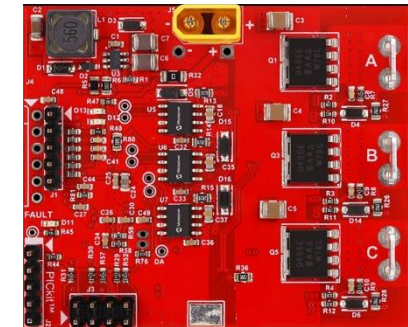
AIoT Edge Computing
Speech recognition Solution



Wi-Fi 6 Multimedia Interactive
Situation Christmas tree Solution



AI Smart Medical Solution



Electric Scooter Motor Control Solution

Recap of Recent Major Events



- WPG Board of Directors Resolved to Convene the 2022 Annual Shareholders' Meeting on May 26th., 2022. (2022/2/28)
- WPG Board of Directors Resolved to Acquire Privately Placed Common Shares of EDOM Technology Co., Ltd. (2022/3/8)
- Board of Directors Approved NT\$3.5 Cash Dividends Per Common Share and NT\$2 Cash Dividends Per Preferred Shares A. (2022/03/22)
- WPG's MSCI ESG Rating has Upgraded to "BBB".



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