



WPG Holdings Ltd.

(3702.TT/3702.TW)

4Q23 Earning Release

March 12th, 2024

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**

- **4Q23 Financial Highlights & 1Q24 Outlook** **Cliff Yuan/
Scott Lin**

- **Q&A** **Scott Lin/
Cliff Yuan**

Result Highlights



Unit: NT\$ million

item	4Q23	4Q23 Forecast	3Q23	4Q22	QoQ(%)	YoY(%)	2023	2022	YoY(%)
Net Sales	183,090	170 ~ 180B	187,355	176,488	(2.3)	3.7	671,888	775,232	(13.3)
Gross Margin	3.74%	3.70% ~ 3.90%	3.65%	3.74%	+9 bp	-1 bp	3.78%	3.82%	-4 bp
Operating Expenses	(3,819)		(3,874)	(3,461)	(1.4)	10.3	(14,991)	(14,888)	0.7
Operating Income	3,023		2,964	3,146	2.0	(3.9)	10,395	14,700	(29.3)
Operating Margin	1.65%	1.6% ~ 1.8%	1.58%	1.78%	+7 bp	-13 bp	1.55%	1.90%	-35 bp
Net Income	3,515	3,512 ~ 4,154	1,592	1,410	120.8	149.4	8,109	10,512	(22.9)
EPS (NT\$) ⁽¹⁾	2.09	2.09 ~ 2.47	0.95	0.84			4.59	6.02	
Net Book Value (NT\$) ⁽¹⁾	43.86								
Total Assets	314,371		324,068	316,220			314,371	316,220	
Total Liabilities	229,727		238,502	234,306			229,727	234,306	
Total Equity	84,644		85,566	81,913			84,644	81,913	
Net Working Capital	148,442		143,690	151,052			148,442	151,052	
Free Cash Flow	2,326		(6,784)	26,969			16,204	(6,088)	
KEY Indices⁽²⁾									
ROWC	8.1%		8.3%	8.3%	-10 bp	-19 bp	7.0%	9.7%	-273 bp
NWC/Sales	0.20		0.19	0.21			0.22	0.19	
ROE	17.1%		7.7%	7.4%	+939 bp	+963 bp	9.8%	13.9%	-403 bp
Gearing	1.17		1.20	1.35			1.17	1.35	
(1).Weighted average common shares outstanding	1,679		1,679	1,679			1,679	1,679	

Statements of Comprehensive Income



Unit:NT\$million

Item	4Q23	3Q23	QoQ(%)	4Q22	YoY(%)	2023	2022	YoY(%)
Revenue	183,090	187,355	(2.3)	176,488	3.7	671,888	775,232	(13.3)
COGS	(176,249)	(180,516)	(2.4)	(169,881)	3.7	(646,502)	(745,644)	(13.3)
Gross Profit	6,842	6,838	0.0	6,607	3.5	25,386	29,588	(14.2)
Gross Margin	3.74%	3.65%		3.74%		3.78%	3.82%	
Operating Expenses	(3,819)	(3,874)	(1.4)	(3,461)	10.3	(14,991)	(14,888)	0.7
Operating Income	3,023	2,964	2.0	3,146	(3.9)	10,395	14,700	(29.3)
Operating Margin	1.65%	1.58%		1.78%		1.55%	1.90%	
Net Non-operating Items	894	(1,066)	NM	(1,470)	NM	(113)	(1,990)	(94.3)
Net Financing costs	(1,830)	(1,571)	16.4	(1,737)	5.3	(6,312)	(4,631)	36.3
FX Gains/Losses	147	318	(53.7)	(10)	NM	648	582	11.3
Investment Income/Losses	2,508	119	2,009.4	247	913.5	5,246	1,853	183.1
Others	68	69	(0.4)	30	128.0	306	207	48.0
Profit Before Tax	3,917	1,898	106.4	1,677	133.6	10,282	12,710	(19.1)
Tax	(369)	(277)	33.4	(259)	42.3	(2,084)	(2,133)	(2.3)
Minority	(32)	(29)		(8)		(88)	(65)	
Profit After Tax	3,515	1,592	120.8	1,410	149.4	8,109	10,512	(22.9)
Net Margin	1.92%	0.85%		0.80%		1.21%	1.36%	
EPS (NT\$) ⁽¹⁾	2.09	0.95		0.84		4.59	6.02	
Tax %	9%	15%		15%		20%	17%	
(1).Weighted average common shares outstanding	1,679	1,679		1,679		1,679	1,679	

Balance Sheet



Unit: NT\$million

item	4Q23		3Q23		4Q22	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	21,798	7	16,057	5	17,956	6
Accounts Receivable - Trade	130,915	42	133,719	41	120,667	38
Inventory	103,539	33	108,042	33	111,737	35
Current Assets	273,029	87	278,483	86	276,009	87
Others	41,341	13	45,584	14	40,211	13
Total Assets	314,371	100	324,068	100	316,220	100
Current Interest-bearing Debt	101,879	32	86,427	27	96,795	31
Accounts Payable	86,012	27	98,071	30	81,353	26
Accrued Liabilities and Others	17,393	6	16,160	5	18,908	6
Current Liabilities	205,284	65	200,657	62	197,056	62
Long-term Interest-bearing Debt	20,369	6	33,446	10	33,532	11
Others	4,074	1	4,399	1	3,718	1
Total Liabilities	229,727	73	238,502	74	234,306	74
Total Equity	84,644	27	85,566	26	81,913	26

KEY Indices⁽¹⁾

Net Working Capital (NT\$million)	148,442	143,690	151,052
AR Turnover (Days)	66	59	67
Inventory Turnover (Days)	55	52	67
AP Turnover (Days)	48	44	48
Average Collection Periods (Days)	73	67	86
Current Ratio	133%	139%	140%
Gearing	1.17	1.20	1.35

(1).Annualized

Cash Flows



Unit: NT\$million

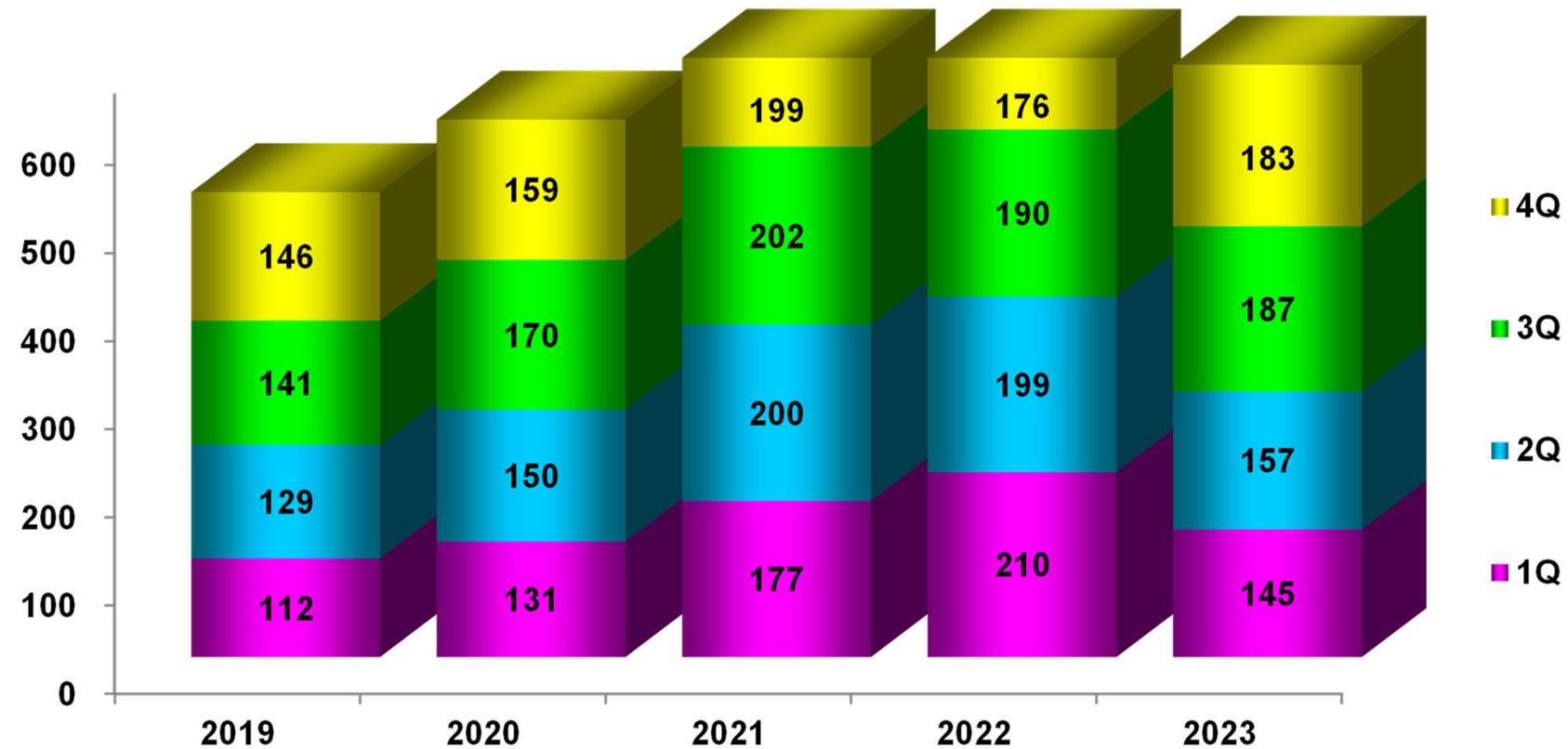
	4Q23	3Q23	4Q22	2023	2022
-Income before Income Tax	3,917	1,898	1,677	10,282	12,710
-Changes of NWC	(4,624)	(11,869)	29,632	3,270	(6,567)
-Adjustment & Others	3,033	3,187	(4,340)	2,651	(12,231)
From Operation	2,326	(6,784)	26,969	16,204	(6,088)
-Other Financial Instruments	(361)	8	927	39	(956)
-Capital Expenditure	(164)	(110)	(111)	(643)	(564)
-Acquisition of subsidiaries	-	(42)	-	(282)	-
-Marketable Financial Instruments	11	6	(97)	50	(974)
-Others	5,049	(211)	123	4,862	(137)
From Investment	4,536	(350)	842	4,027	(2,630)
-Financial Debt	2,376	12,266	(22,269)	(8,740)	8,951
-Cash Dividends	-	(6,864)	-	(6,864)	(6,277)
-Others	(117)	(148)	(127)	(373)	(623)
From Financing	2,259	5,254	(22,396)	(15,977)	2,051
Cumulative translation adjustments	(4,717)	3,390	(3,254)	(407)	8,990
Net Cash Position Change	4,403	1,510	2,161	3,847	2,323
Ending Cash Balance	21,796	17,393	17,950	21,796	17,950

Consolidated Revenue

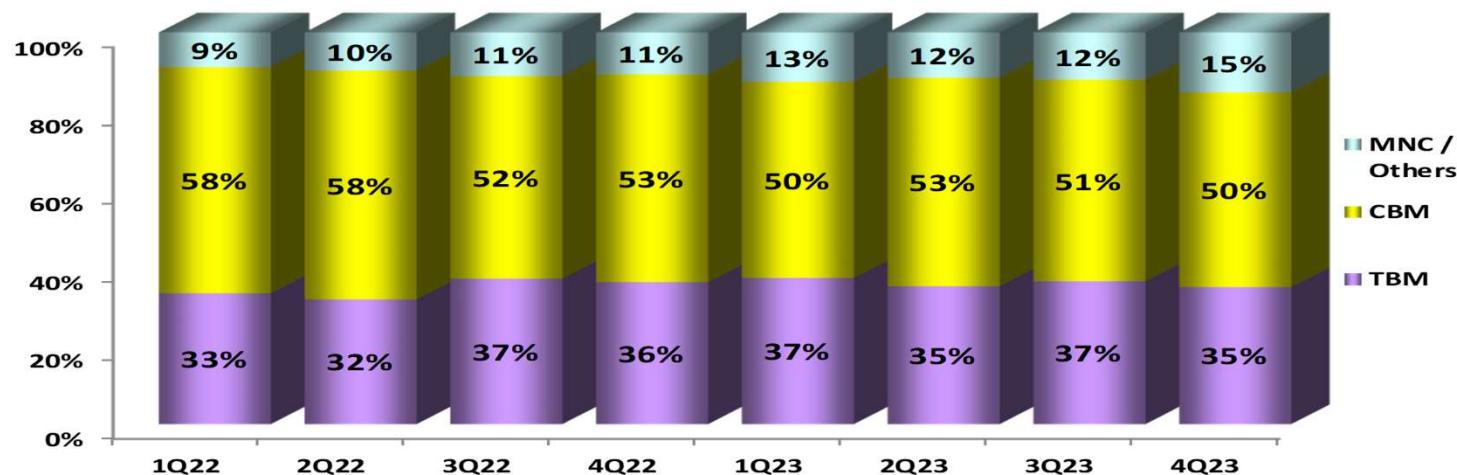
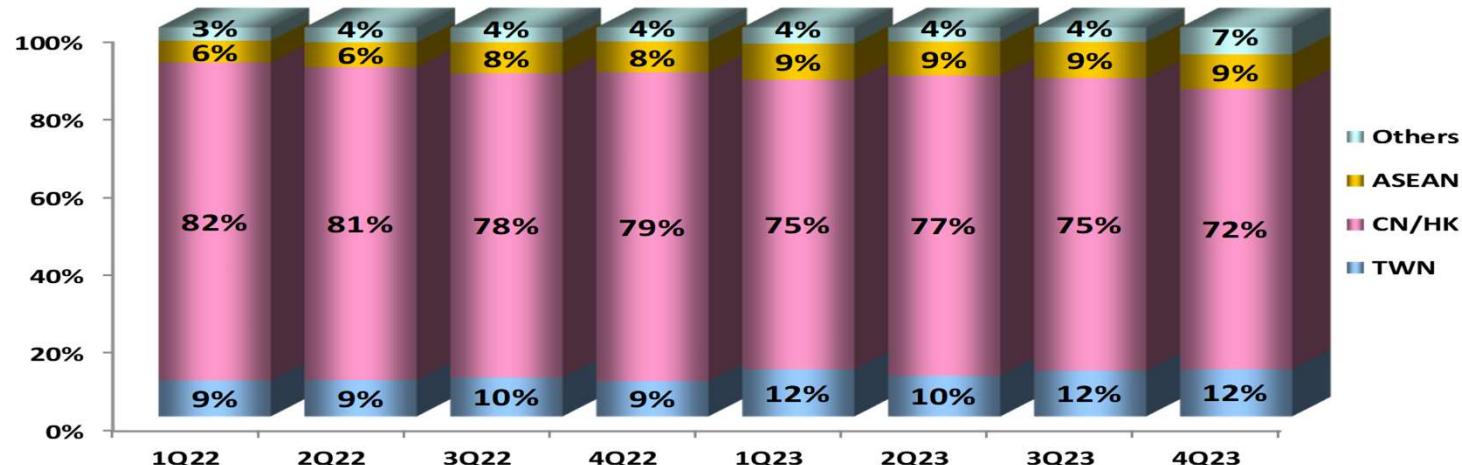


Unit: NT\$billion

-17.0% YoY (in USD)
-13.3% YoY (in NTD)



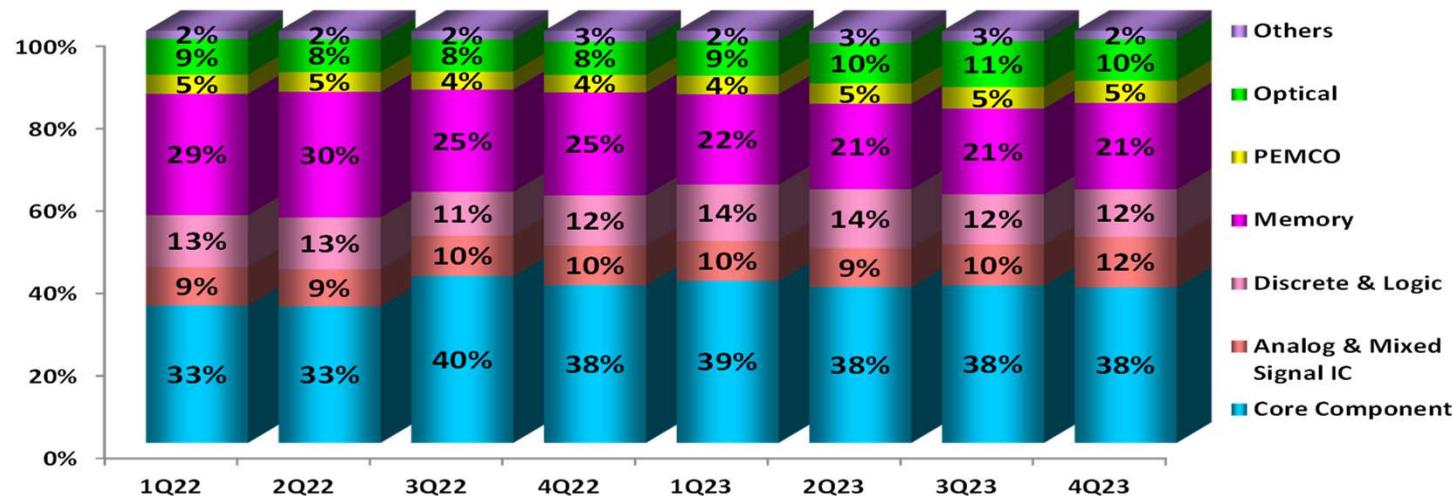
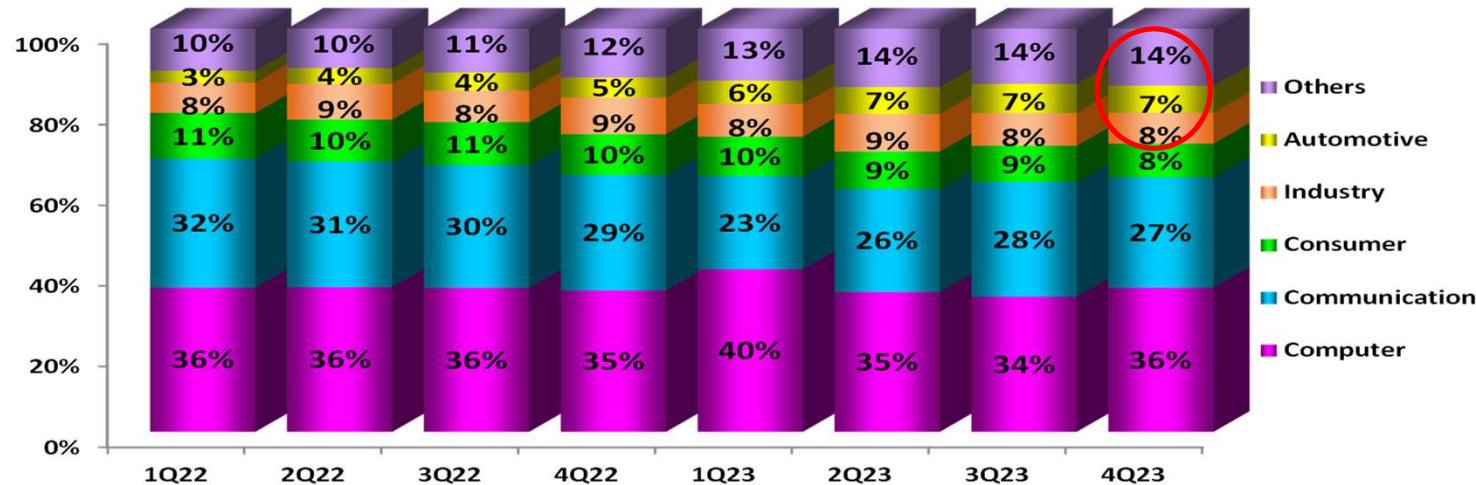
Sales breakdown by Geography/ Customer



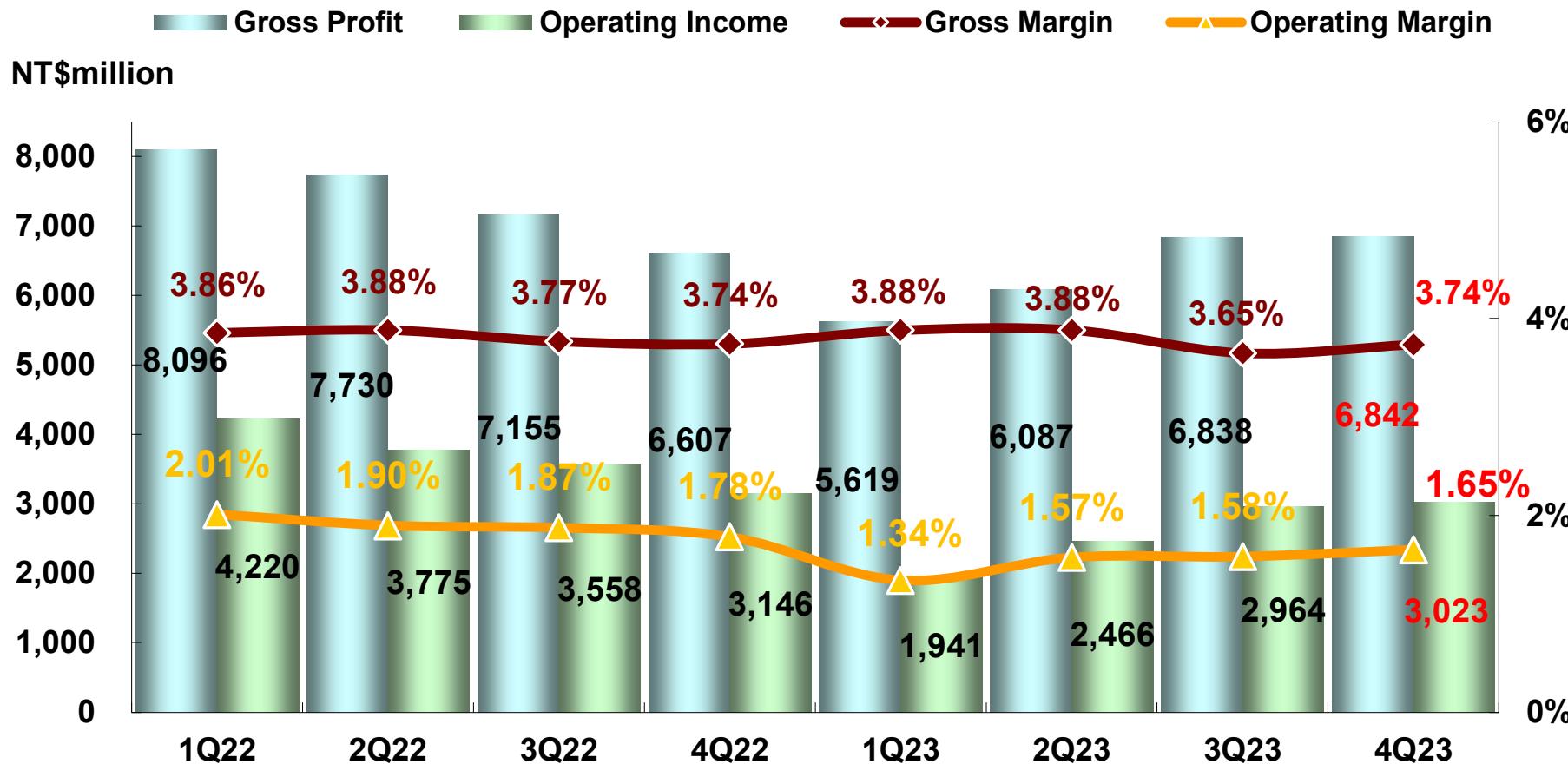
TBM : Taiwan-Based Customers

CBM : China Based Customers

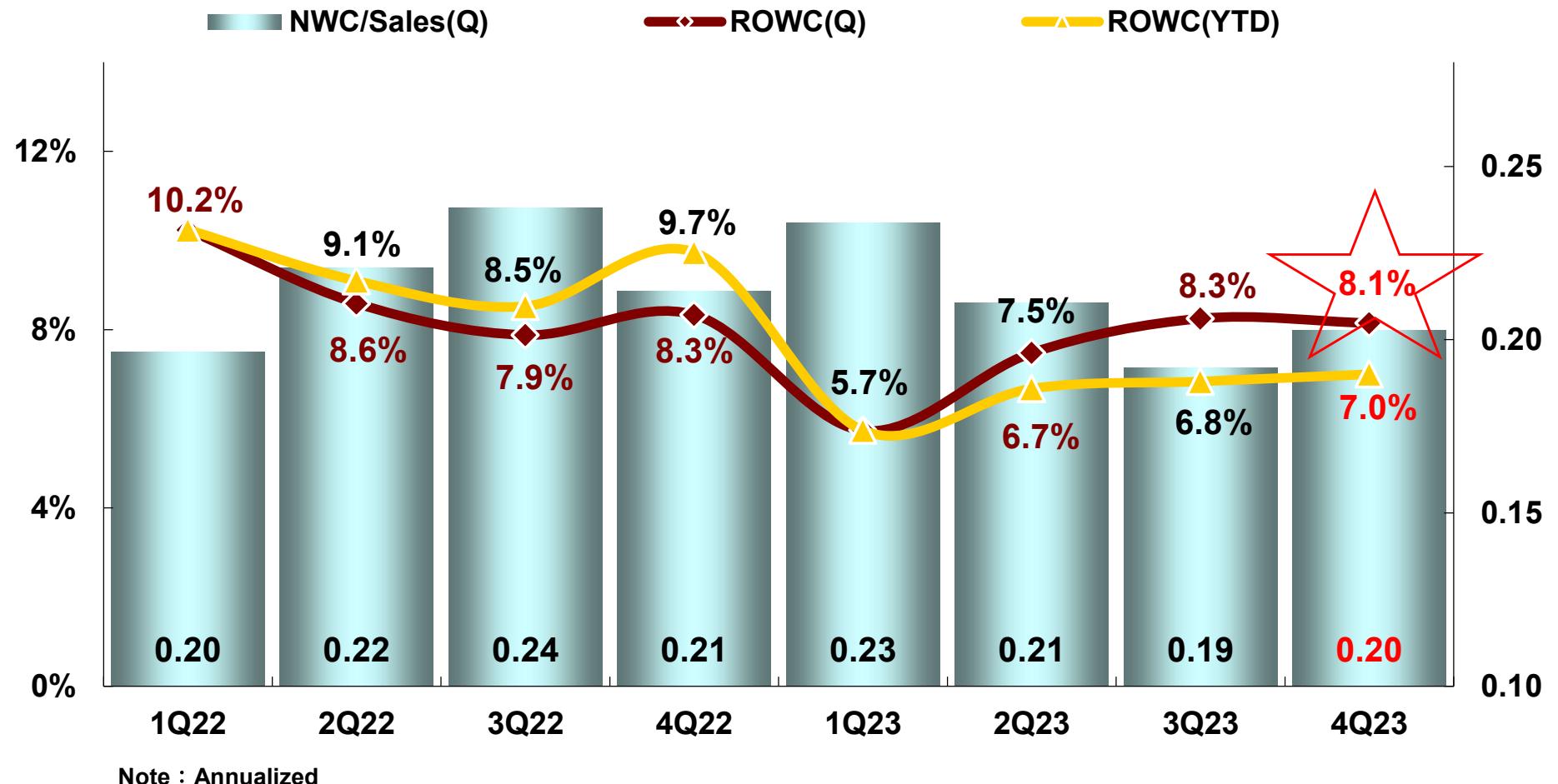
Sales breakdown by Application/ Device Type



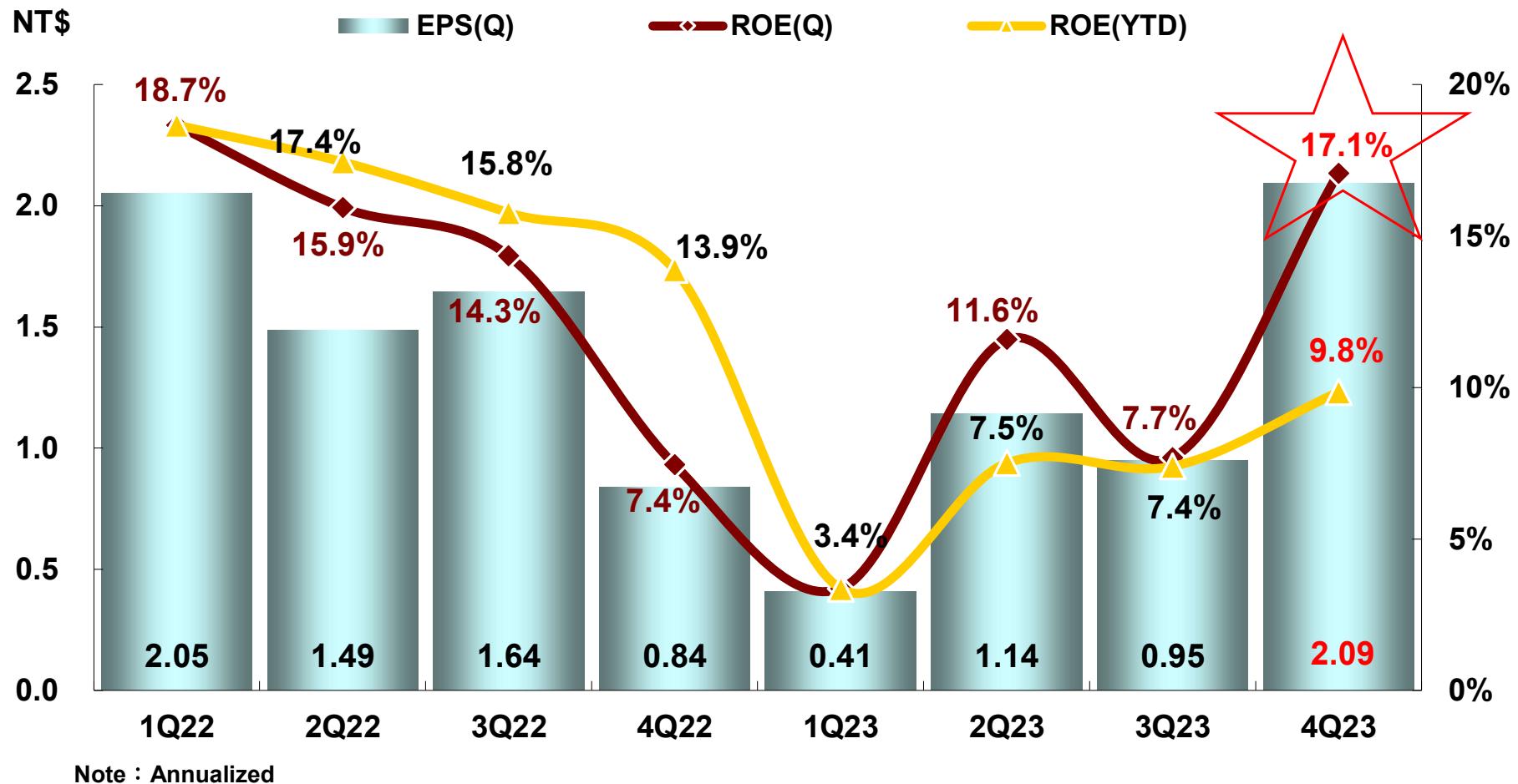
Gross Margin vs. Operating Margin



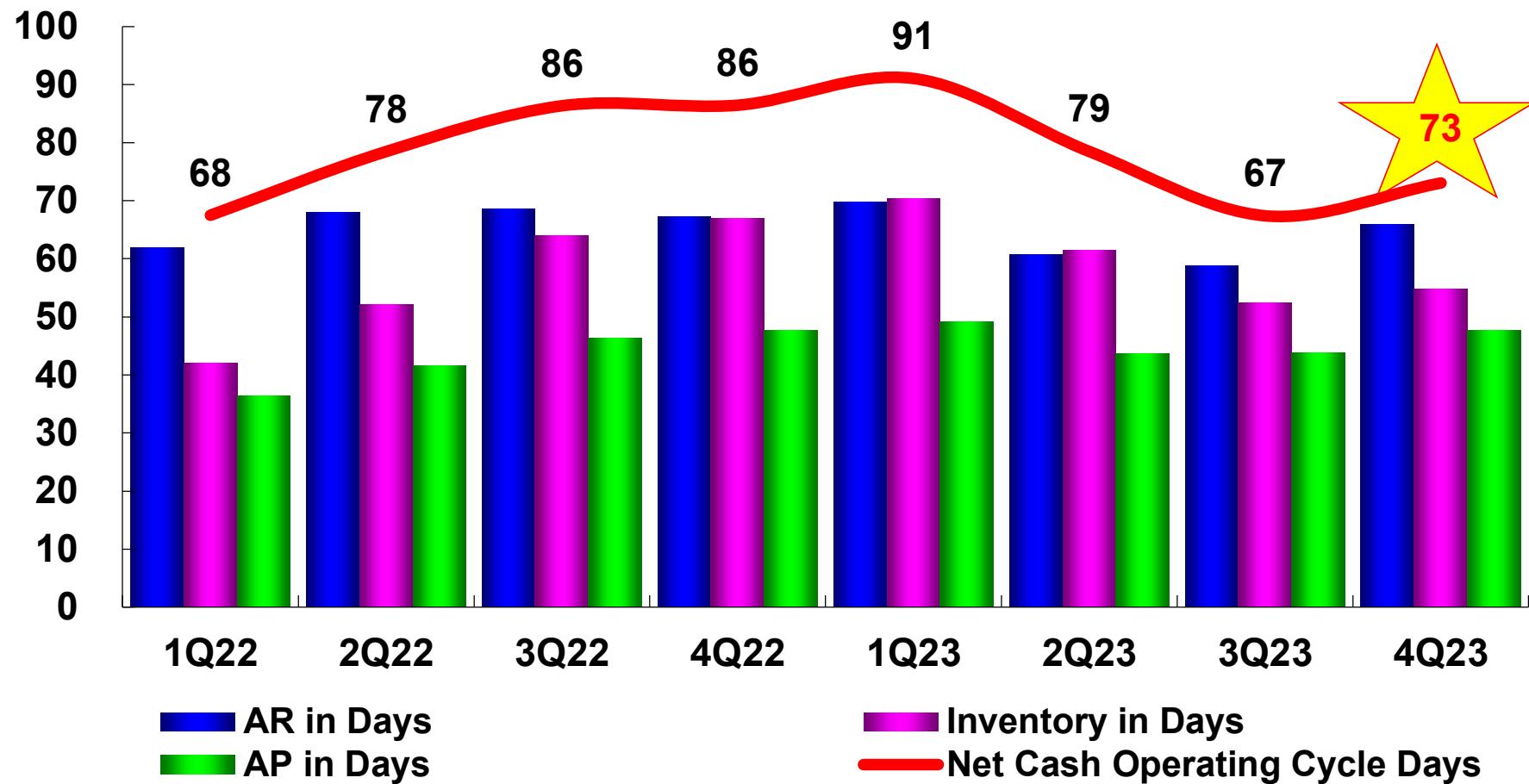
ROWC vs. NWC/Sales



ROE vs. EPS



Operating Cash Cycle



Note : Annualized

1Q24 Summary Forecast



Based on our current business outlook, management expects :

Unit:NT\$million

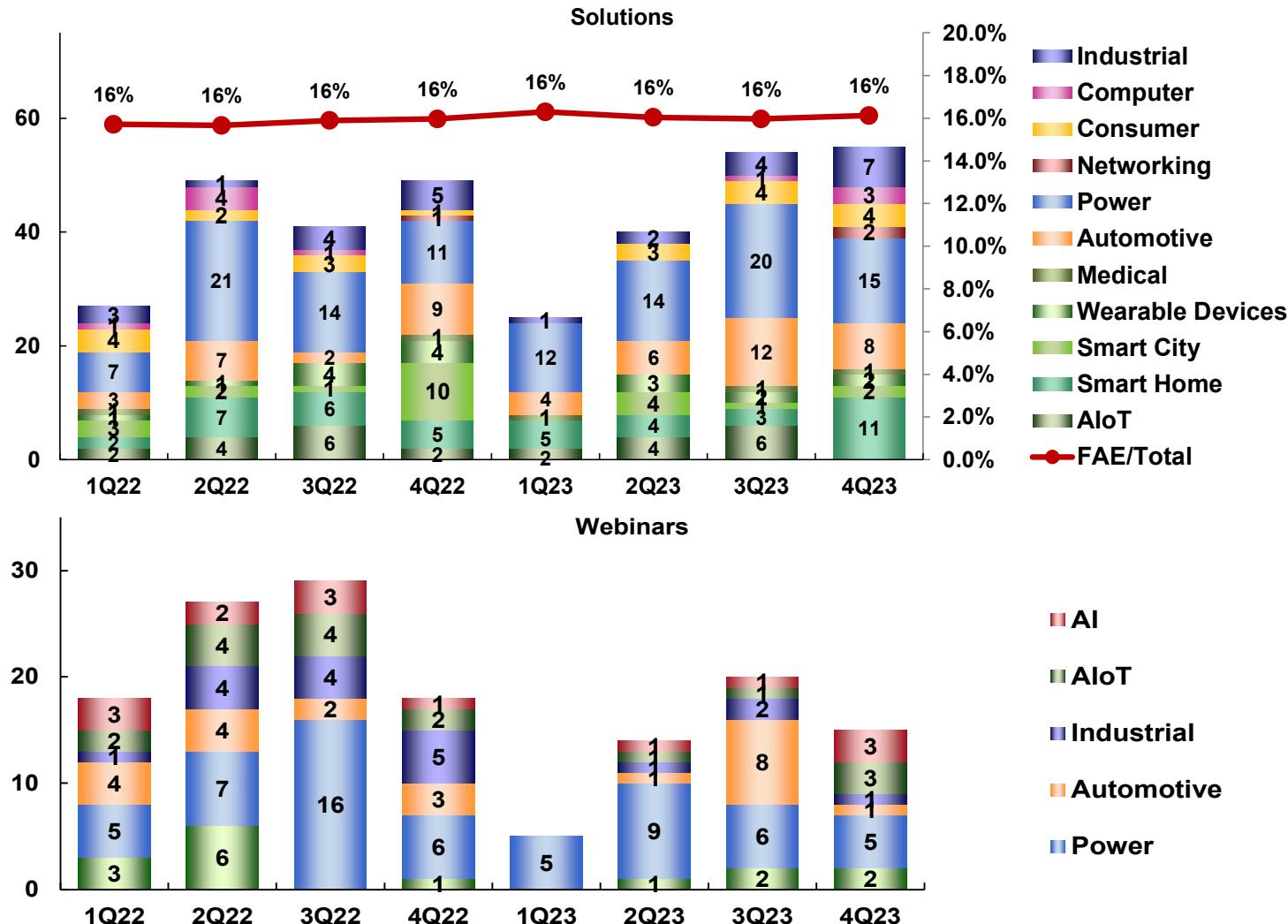
Item	1Q24 Forecast (2)	4Q23 (1)
Revenue	160,000 ~ 170,000	183,090
Gross Profit	5,920 ~ 6,630	6,842
Gross Margin	3.70% ~ 3.90%	3.74%
Operating Expenses	3,520 ~ 3,740	3,819
Operating Income	2,400 ~ 2,890	3,023
Operating Margin	1.50% ~ 1.70%	1.65%
Profit Before Tax	1,076 ~ 1,463	3,917
Profit After Tax	900 ~ 1,210	3,515
EPS (NT\$)	0.54 ~ 0.72	2.09

(1). Reviewed

(2). At a forecast FX rate of 31 NT dollars to 1 US dollar averaged over 1Q24.

Prepared by WPG based on IFRS.

More Solutions and Webinars



55 Solutions Launched in 4Q23



智能家居

- ▶ NBIO/WiFi/BT/GNSS功能提供之整合型智慧通訊方案 2023-12-27
- ▶ 低功耗電池IP Camera方案 2023-12-07
- ▶ SOI_F38P的IP Camera方案 2023-12-05
- ▶ SOI_K306P的IP Camera方案 2023-11-27
- ▶ SOI_K303的IP Camera方案 2023-11-08
- ▶ WiFi&BT Comb 之藍牙IoT網關方案 2023-11-01
- ▶ SOI_F37P的IP Camera方案 2023-10-30
- ▶ 冰箱壓縮機變頻方案 2023-10-24
- ▶ FOC洗衣機電機驅動方案 2023-10-20
- ▶ Matter Thread 無線模組方案 2023-10-19
- ▶ 頻帶多樣化選擇路由方案 2023-10-18

智慧醫療

- ▶ 實現智能額頭溫感解決方案 2023-12-28



Bluetooth
BroadcastSolution



Matter Thread Solution

智慧城市

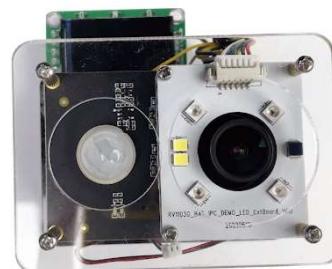
- ▶ 1/1.8 英寸兩千萬像素CMOS數位圖像傳感器方案 2023-12-25
- ▶ 冷鏈溫度記錄儀方案 2023-11-03

穿戴裝置

- ▶ 嵌入傳感器融合功能和靜電傳感器方案 2023-12-04
- ▶ 實現Auracast藍牙廣播方案 2023-10-11

電腦及周邊

- ▶ 電競視覺方程式方案 2023-12-19
- ▶ Wi-Fi6 遊戲手柄方案 2023-10-27
- ▶ MCU USB Type-C 和電力傳輸分析儀方案 2023-10-09



Low Power Battery Solution



Temperature Recorder
Solution

55 Solutions Launched in 4Q23



車身電子

- ▶ 電池管理系統模塊方案 2023-12-01
- ▶ 汽車LED驅動器4通道評估套件方案 2023-11-30
- ▶ 無線充電之車載快充應用方案 2023-11-07
- ▶ 汽車電子觸摸設計方案 2023-11-06
- ▶ 電動尾門解決方案 2023-11-02
- ▶ 柵極驅動晶片電機驅動方案 2023-10-16

車聯網

- ▶ 高精度組合定位系統 P-Box方案 2023-11-10

車身安全

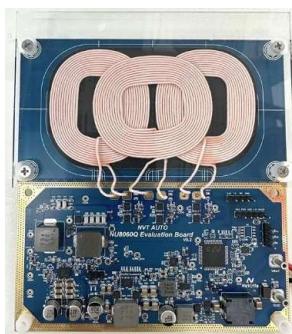
- ▶ 热管理方案 2023-11-13

消費類

- ▶ 開發套件CW3086，作為Audio Transmitter應用方案 2023-12-11
- ▶ 小型化光伏能量管理的方案設計方案 2023-11-28
- ▶ 超低功耗藍牙模塊全雙工音頻流傳輸解決方案 2023-11-20
- ▶ 兩發一收超低延時無線麥克風解決方案 2023-10-17

工業類

- ▶ 基於LPC845 EVK介紹方案 2023-12-29
- ▶ BMS方案使用MCU與AFE 2023-12-21
- ▶ 工業數字輸出擴展板方案 2023-12-20
- ▶ 無刷馬達控制方案 2023-12-14
- ▶ 雙馬達驅動方案 2023-11-21
- ▶ 降壓穩壓器和電源管理評估板方案 2023-11-09
- ▶ MPU雲連接的邊緣處理解決方案 2023-10-04



Wireless Charge Solution



BMS Solution



LPC845 EVK Solution



Wireless Mic Solution

55 Solutions Launched in 4Q23



消費電源

- ▶ 30W Flyback Auxiliary Power Platform方案 2023-12-18
- ▶ 45W Platform 電源解決方案 2023-12-15
- ▶ 藍牙音箱適配器方案 2023-11-24
- ▶ 50W LED power方案 2023-11-22
- ▶ 三合一高集成電機驅動方案 2023-10-25
- ▶ CrM PFC 160W 設計方案 2023-10-23
- ▶ 自驅半有源橋整流方案 2023-10-12
- ▶ 硅基半導體電源解決方案 2023-10-07

汽車電源

- ▶ 60W 於800Vdc Bus with 50-1000Vdc Input方案 2023-12-12
- ▶ 應用於100W車內空調循環扇的方案 2023-11-28
- ▶ EM的12V/24V EEA方案 2023-11-17

工業電源

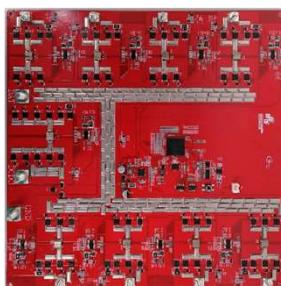
- ▶ 三相開關磁阻電機驅動方案 2023-10-31
- ▶ 240w高效GaN電源方案 2023-10-25
- ▶ 晶片&第三代功率半導體之工業電源方案 2023-10-13

照明電源

- ▶ 點亮21世紀的LED方案 2023-11-02

通訊類

- ▶ OP-Pascia - Ubuntu 桌面系統方案 2023-11-23
- ▶ OP-Aphelandra - Debian 桌面系統方案 2023-11-23



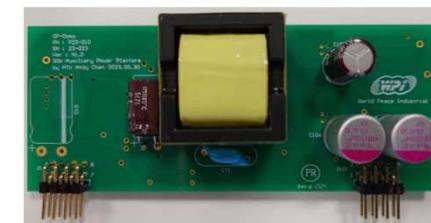
12V/24V EEA Solution



50-1000Vdc Input Solution



Motor Drive Solution



Power Platform Solution

Solution Webinars in 4Q23



Recap of Recent Major Events

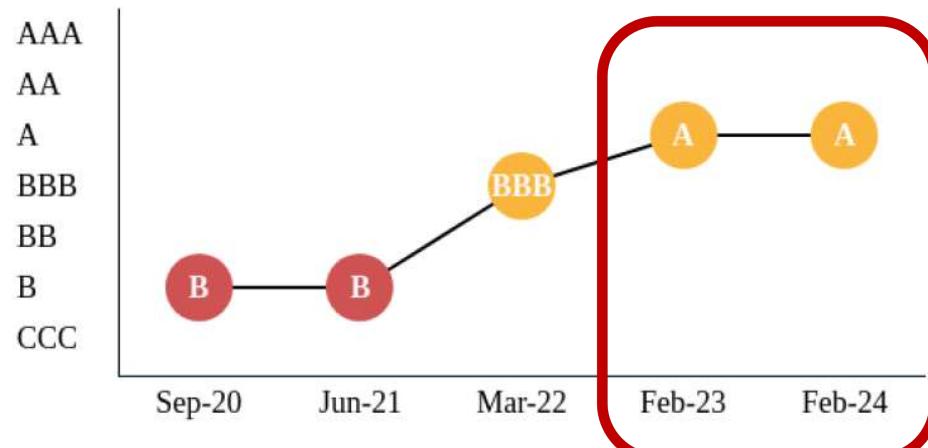


- WPG Board of Directors Resolved to Convene the 2024 Annual Shareholders' Meeting on May 24th. (2024/2/29)
- WPG MSCI ESG Rating Has Been Rated "A" for Two Consecutive Years. (2024/2/27)



RATING ACTION DATE: February 27, 2024
LAST REPORT UPDATE: February 27, 2024

ESG Rating history





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