



**2023 Second Quarter
Investor Conference**

August 4, 2023

Safe Harbor Statement

- WT's forward-looking statements, which may include statements regarding its results of operations, financial condition or business prospects, are subject to significant risks and uncertainties and are based on WT's 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 dependence on key personnel; general economic and political conditions; 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.
- In addition, any financial information contained here within is presented in conformity with International Financial Reporting Standards (IFRSs).
- Except as required by law, our release of financial forecasts and forward-looking statements at any particular time does not create any duty of disclosure, 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

- 1. Overview**
- 2. ESG Performance**
- 3. Financial Update**
- 4. Business Outlook**
- 5. Questions and Answers**

1. Overview

A leading Asian semiconductor distributor (72% of global market)

- Founded in 1993
- Headquartered in TWN
- Listed in 2000 (ticker: 3036 TT)
- Top 5% Governance ranking for three consecutive years (TWSE)
- Taiwan High Salary 100 Index (TWSE)
- Taiwan Dividend+ Index (TWSE)
- Taiwan Customized Environment Sustainability Dividend+ Index (TWSE)

NT\$571B

**Y2022 NR 28%
YoY**

10K+

Customers

80+

Product Lines

3,500+

**Employees
around Asia**

#52 / #5

**Operation Sites /
Warehouses**

29B+

**Delivered Chips
annually**

2. ESG Performance

➤ Environment

- ✓ **Green Logistics** – Introduced advanced electronic system to reduce shipment trips by 64.91% in Y22
- ✓ **Green Procurement** – 5% increase to NT\$15.66 million in Y22
- ✓ **Carbon Reduction** – GHG Emissions intensity in Y22 reduced by 27.18% compared to Y18 (base year)

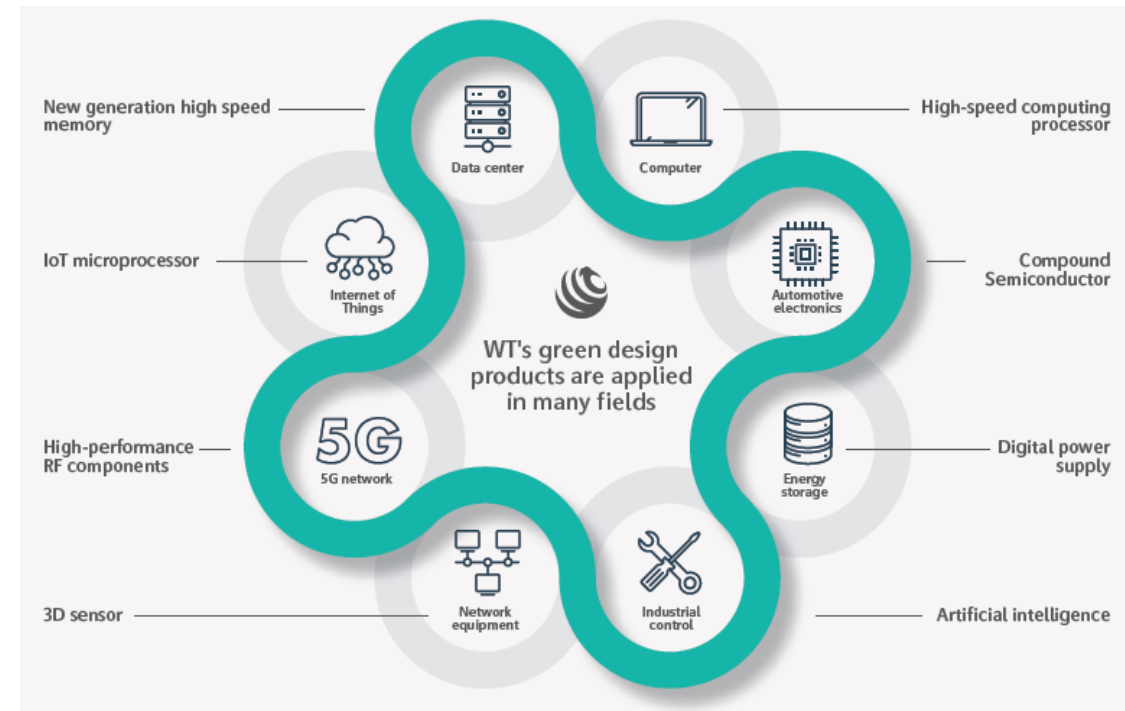
➤ Social

- ✓ **Promoting Green Design** – Reached 9.86% low-carbon revenue of total revenue in Y22 and targeting 20% in Y30
- ✓ **Happy Enterprise** – Average salary of non-executive employees increased in the past consecutive 4 years and added 3.79% to NT\$1,425 thousand in Y22
- ✓ **Give Back to Society** – WT Education Foundation's couple of plans to take care rural children and total NT\$11.06 million donation in Y22.

➤ Governance

- ✓ **Governance Ranking** – Top 5% for three consecutive years (TWSE)
- ✓ **Board** – Add 1 independent director (50% portion) in Y23
- ✓ **Information Security** – Set up dedicated division and obtained ISO 27001 certification

Green Design – Promoting low energy loss and highly efficient semiconductor components



WT Sustainability Report

3. Financial Update

2Q23 Statement of Comprehensive Income

Unit: NT\$M

Key accounts	2Q23	1Q23	QoQ	2Q22	YoY
	Amount	Amount		Amount	
Net Operating revenues	117,460	120,103	-2%	130,121	-10%
Gross profit	4,206	4,143	2%	5,017	-16%
Gross margin	3.58%	3.45%		3.86%	
Operating expenses	(2,165)	(2,160)	0%	(1,798)	20%
Operating profit	2,041	1,983	3%	3,219	-37%
Operating margin	1.74%	1.65%		2.47%	
Financing costs	(1,040)	(1,158)	-10%	(362)	187%
Others	335	152	120%	130	158%
Earning before tax	1,336	977	37%	2,987	-55%
Income tax expense	(336)	(238)	41%	(792)	-58%
Profit attributable to owners of the parent	965	723	33%	2,206	-56%
EPS (in dollars)	0.79	0.82		2.25	
Weighted average shares (M shares)	883	880		861	
Pro forma EPS (in dollars)	0.78	0.82		2.19	
Outstanding shares as of period end (M shares)	887	887		884	

Note: 2Q23 and 2Q22 EPS are calculated by profit attributable to owners of the parent minus NT\$ 270 mn dividends of preferred stock.

3. Financial Update

1H23 Statement of Comprehensive Income

Unit: NT\$M

Key accounts	1H23	2H22	HoH	1H22	YoY
	Amount	Amount		Amount	
Net Operating revenues	237,563	313,133	-24%	258,064	-8%
Gross profit	8,349	9,948	-16%	9,884	-16%
Gross margin	3.51%	3.18%		3.83%	
Operating expenses	(4,325)	(4,400)	-2%	(3,649)	19%
Operating profit	4,024	5,548	-27%	6,235	-35%
Operating margin	1.69%	1.77%		2.42%	
Financing costs	(2,198)	(1,847)	19%	(599)	267%
Others	487	422	15%	152	220%
Earning before tax	2,313	4,123	-44%	5,788	-60%
Income tax expense	(574)	(911)	-37%	(1,400)	-59%
Profit attributable to owners of the parent	1,688	3,207	-47%	4,424	-62%
EPS (in dollars)	1.61	3.65		5.00	
Weighted average shares (M shares)	882	879		831	
Pro forma EPS (in dollars)	1.60	3.63		4.70	
Outstanding shares as of period end (M shares)	887	884		884	

Note: 1H23 and 1H22 EPS are calculated by profit attributable to owners of the parent minus NT\$ 270 mn dividends of preferred stock..

3. Financial Update

Balance Sheet

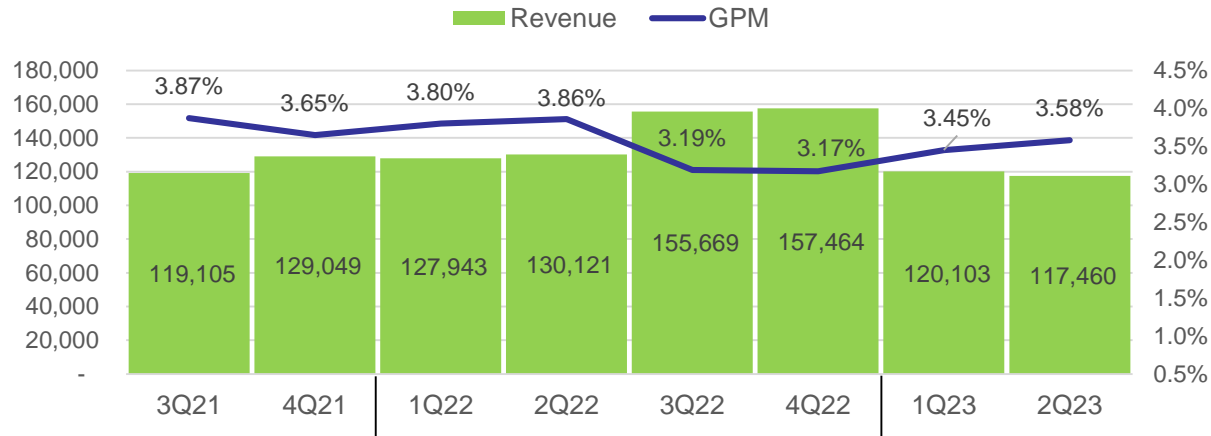
Unit: NT\$M

Key accounts	2Q23		1Q23		2Q22	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	6,127	3	5,817	3	6,136	3
Accounts receivable	67,872	35	68,423	36	84,388	43
Inventory	93,837	49	90,830	48	85,001	44
Other current assets	4,145	2	2,597	2	2,628	1
Non-current assets	20,585	11	21,134	11	17,061	9
Total Assets	192,566	100	188,801	100	195,214	100
Short-term loans	28,542	15	37,063	20	38,359	20
Accounts payable	83,504	43	66,623	35	75,725	39
Other current liabilities	9,521	5	6,222	3	10,041	5
Long-term loans	10,754	6	16,116	9	15,132	8
Other liabilities	2,811	1	2,793	1	1,396	1
Total Liabilities	135,132	70	128,817	68	140,653	72
Total Equity	57,434	30	59,984	32	54,561	28
Indices	2Q23		1Q23		2Q22	
Current ratio	141%		153%		144%	
Liabilities/Assets ratio	70%		68%		72%	
Liabilities/Equity ratio	235%		215%		258%	
Gearing ratio	0.59		0.80		0.87	

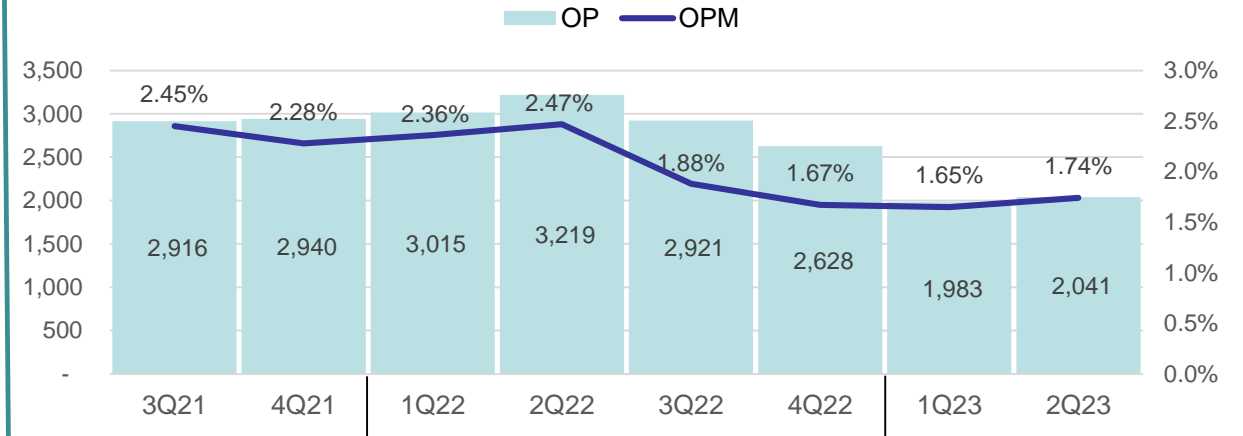
3. Financial Update

Unit: NT\$M

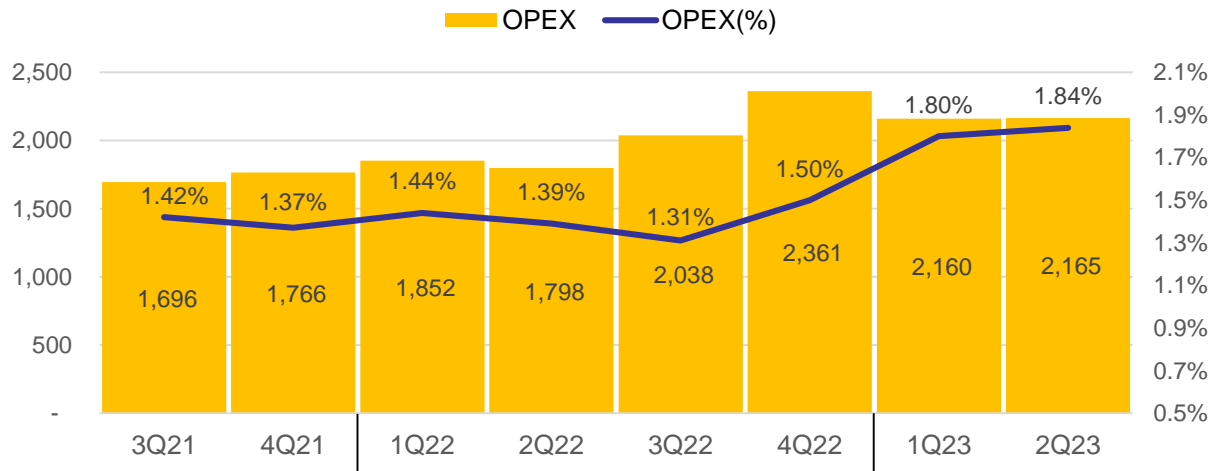
Revenue vs GPM



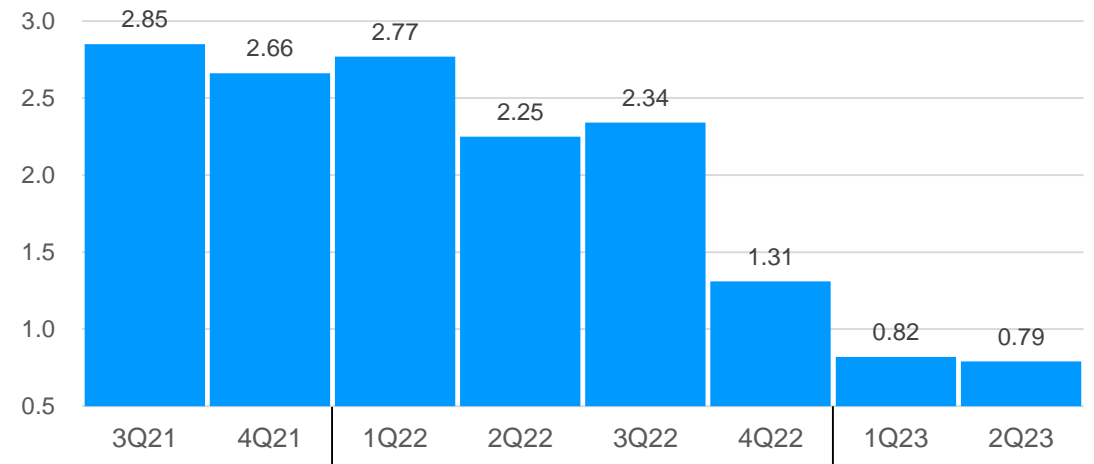
OP vs OPM



OPEX vs. OPEX ratio

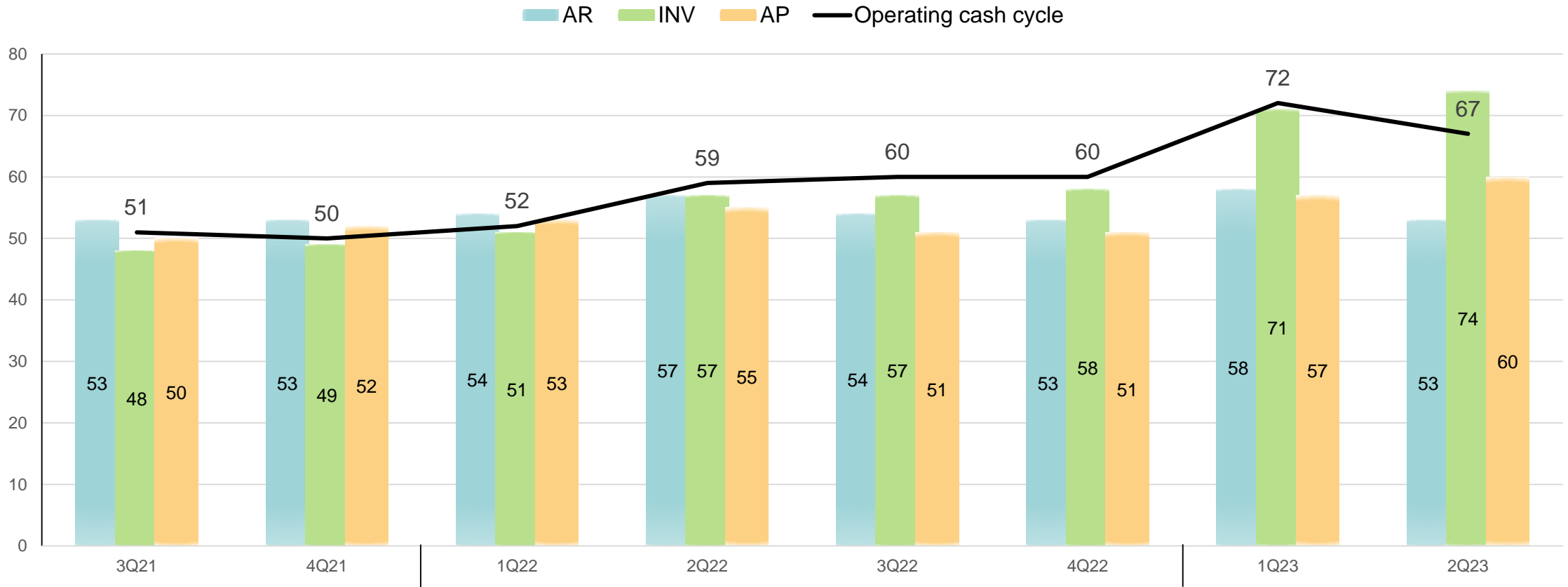


EPS (NTD)



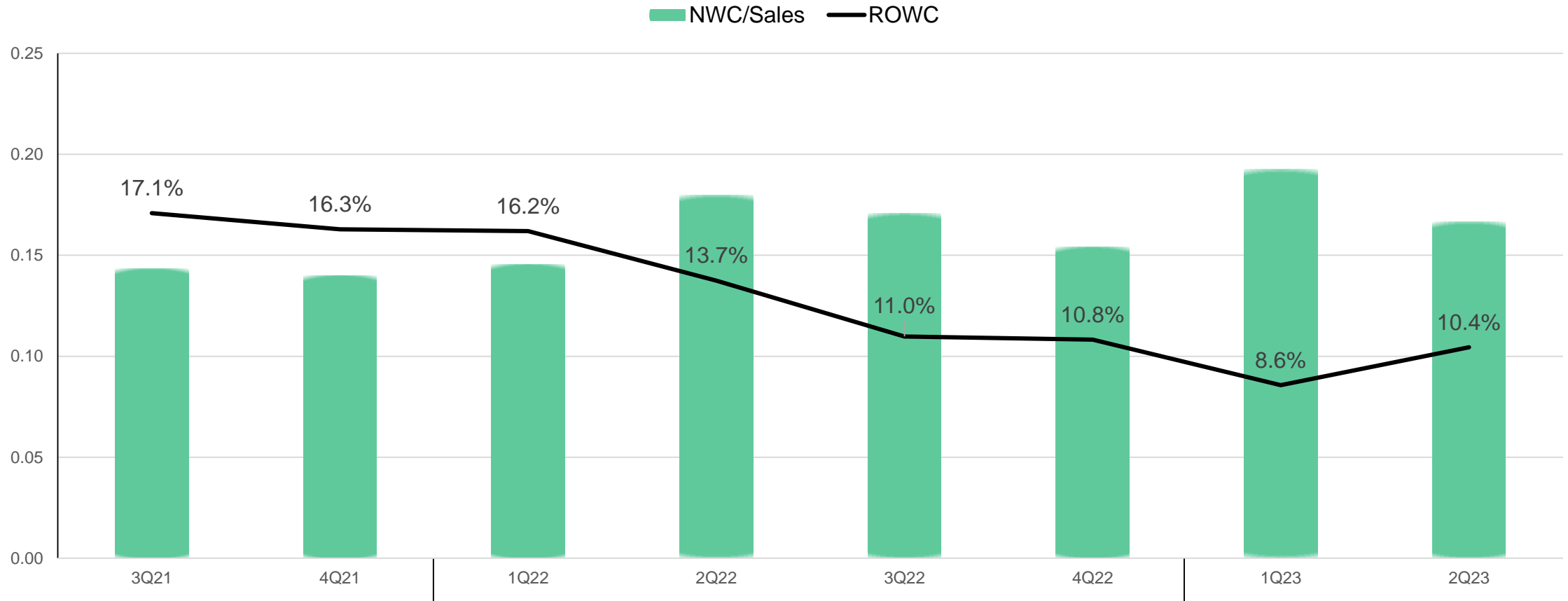
3. Financial Update

Operating Cash Cycle



3. Financial Update

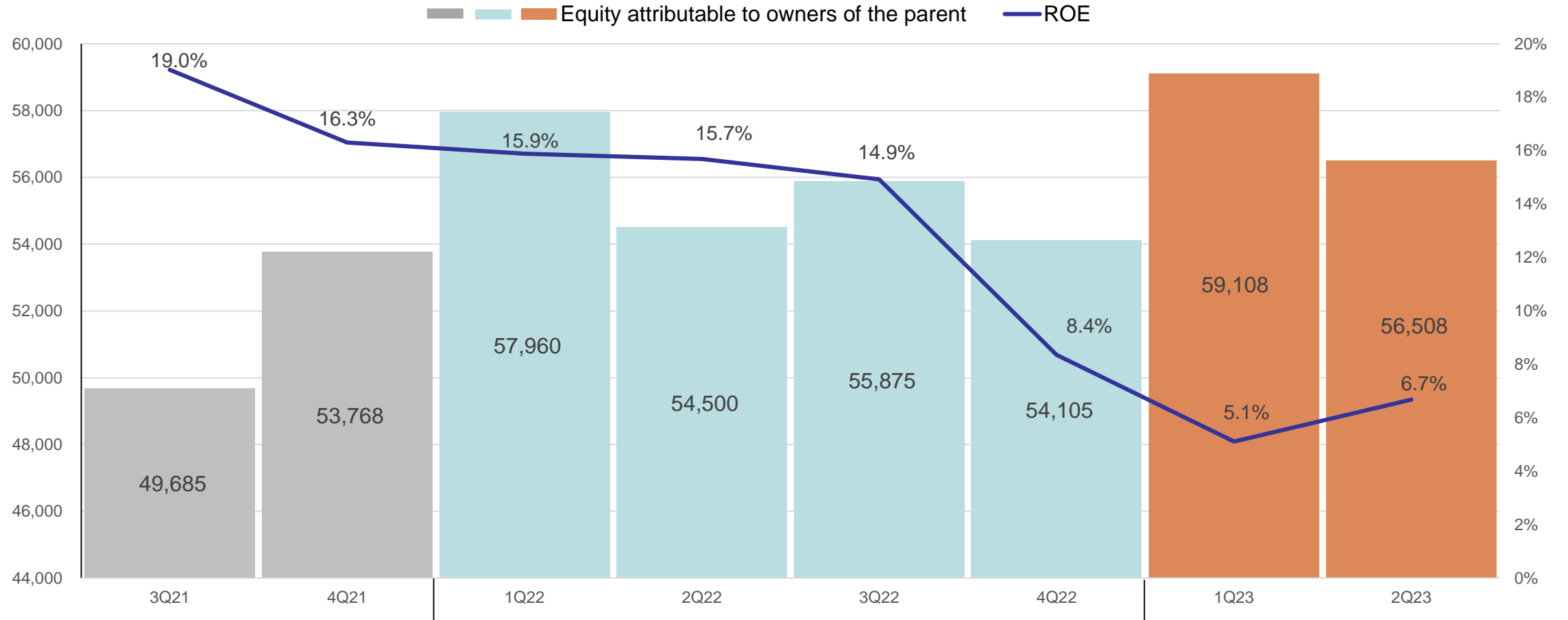
ROWC vs. NWC/Sales



3. Financial Update

ROE vs. Equity

Unit: NT\$M



4. Business Outlook

We currently expect 3Q23 :

- At a forecast exchange rate of 31.1 NT Dollars to 1 US Dollar

Unit: NT\$M

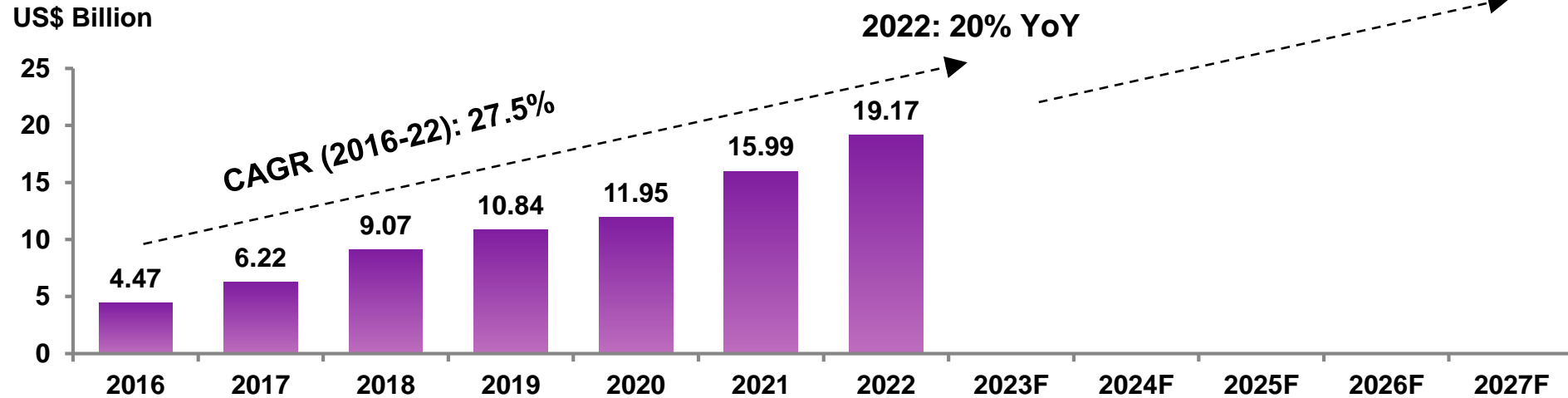
Item	3Q23	2Q23
	Forecast	Amount
Revenue	140,000 ~ 150,000	117,460
Gross Profit	4,480 ~ 5,100	4,206
Gross Margin	3.20% ~ 3.40%	3.58%
Operating Expenses	2,172 ~ 2,322	2,165
Operating Profit	2,308 ~ 2,778	2,041
Operating Margin	1.65% ~ 1.85%	1.74%
Profit Before Tax	1,428 ~ 1,773	1,336
Profit attributable to owners of the parent	1,142 ~ 1,408	965
EPS (NT\$)	1.29 ~ 1.59	0.79
Weighted average shares (M shares)	884	883

Note : 2Q23 EPS calculated by profit attributable to owners of the parent minus NT\$270 millions dividends of preferred stock.

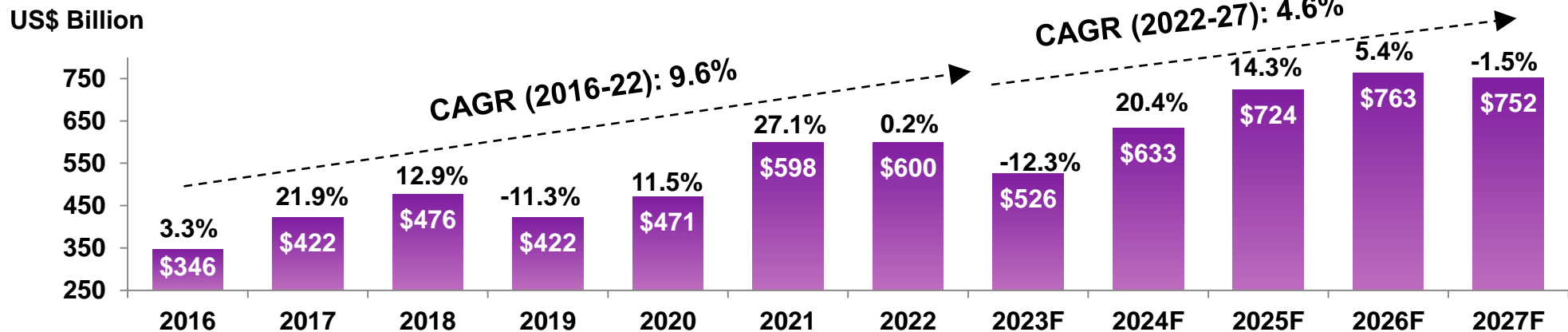
4. Business Outlook

WT continues gaining market share by targeting faster growth and higher margin sectors and successful M&As and integration

WT Revenue Trend



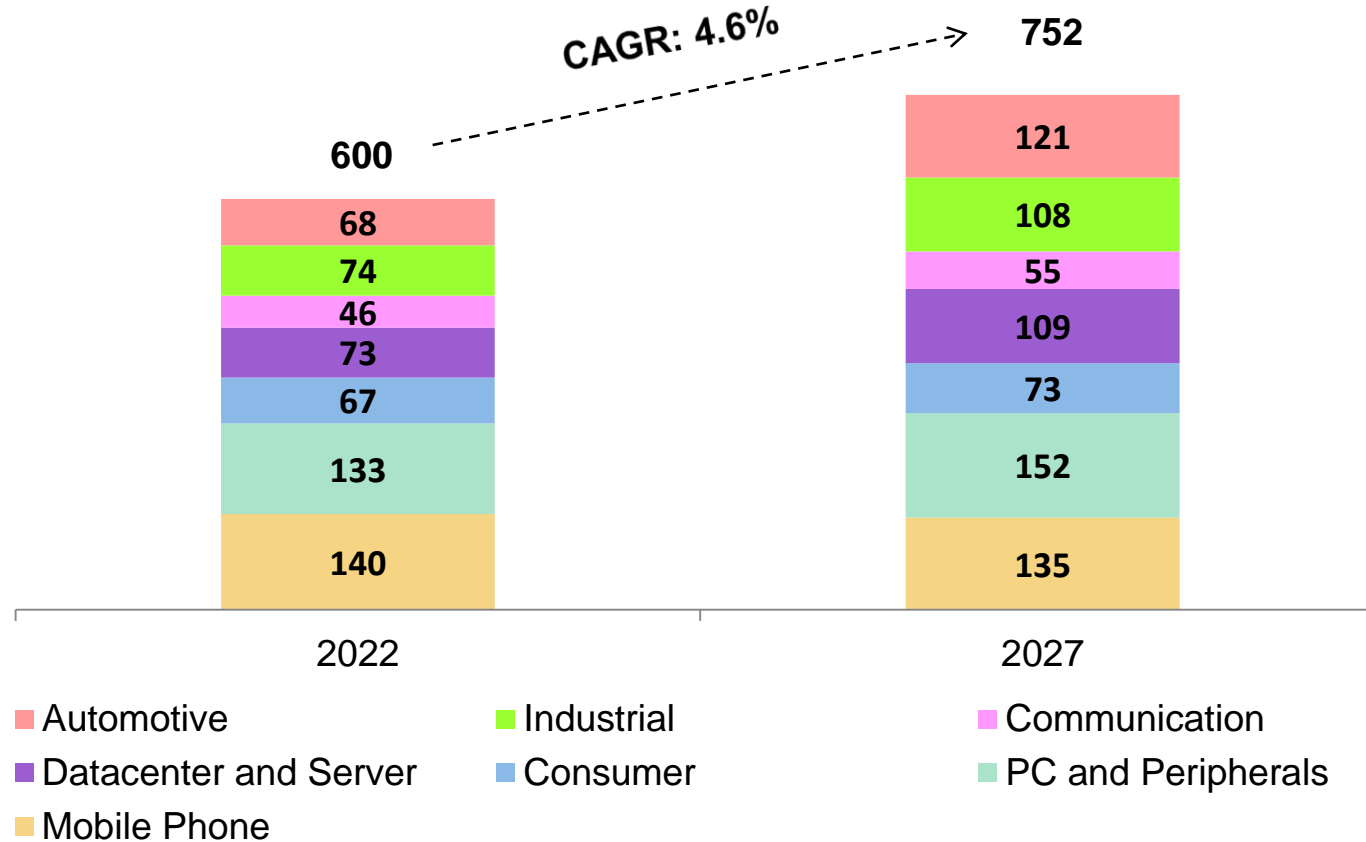
World Semi Revenue Forecast



4. Business Outlook

Global Semiconductor Market Forecast by Electronic Equipment Category

(US\$ Billion)



Semiconductor Market

2022-27F semiconductor segment revenue CAGR

✓ Automotive: +12.3%

✓ Industrial: +7.9%

✓ Communication: +3.3%

✓ Datacenter and Server: +8.3%

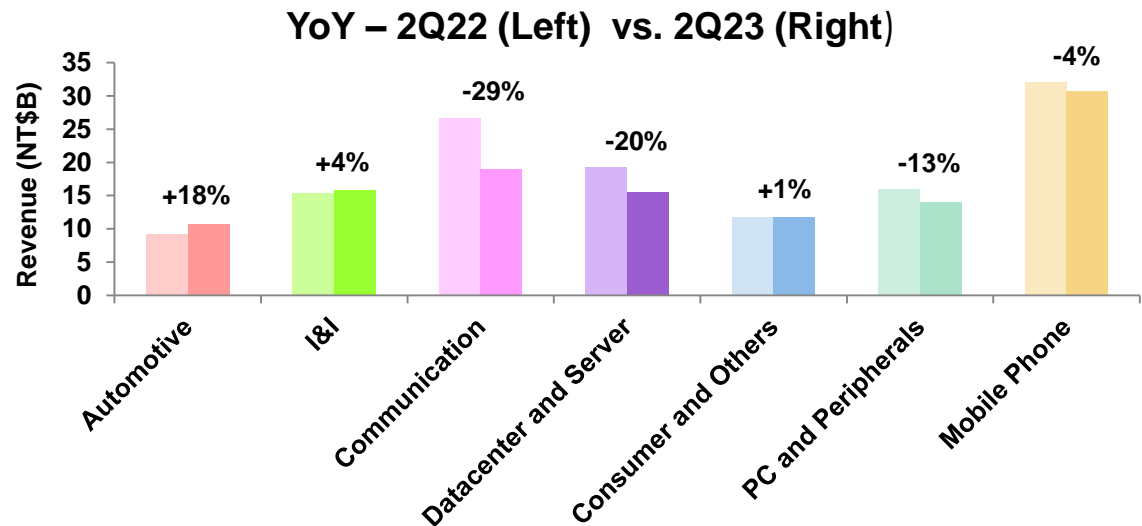
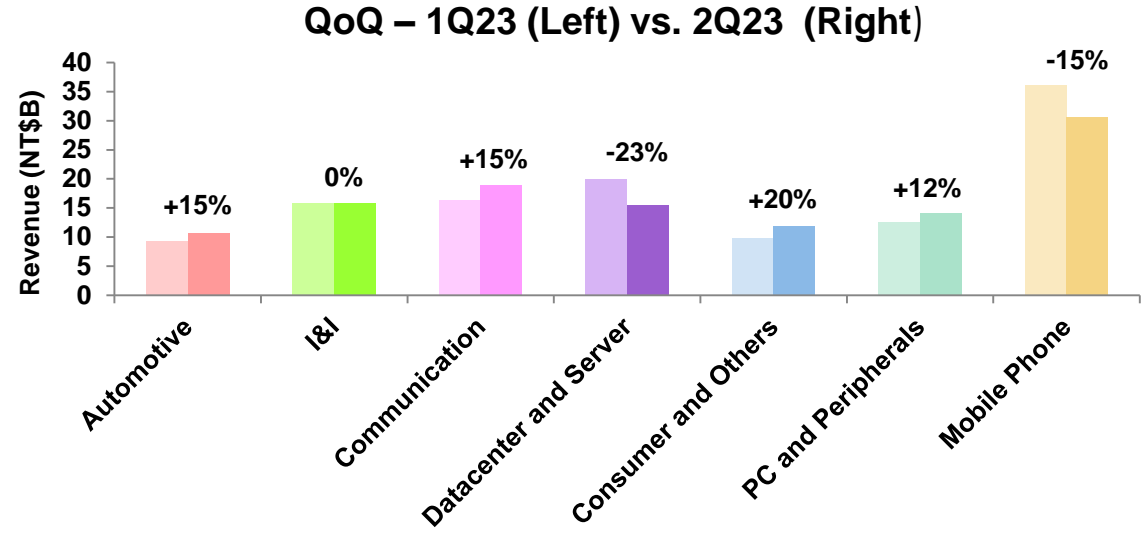
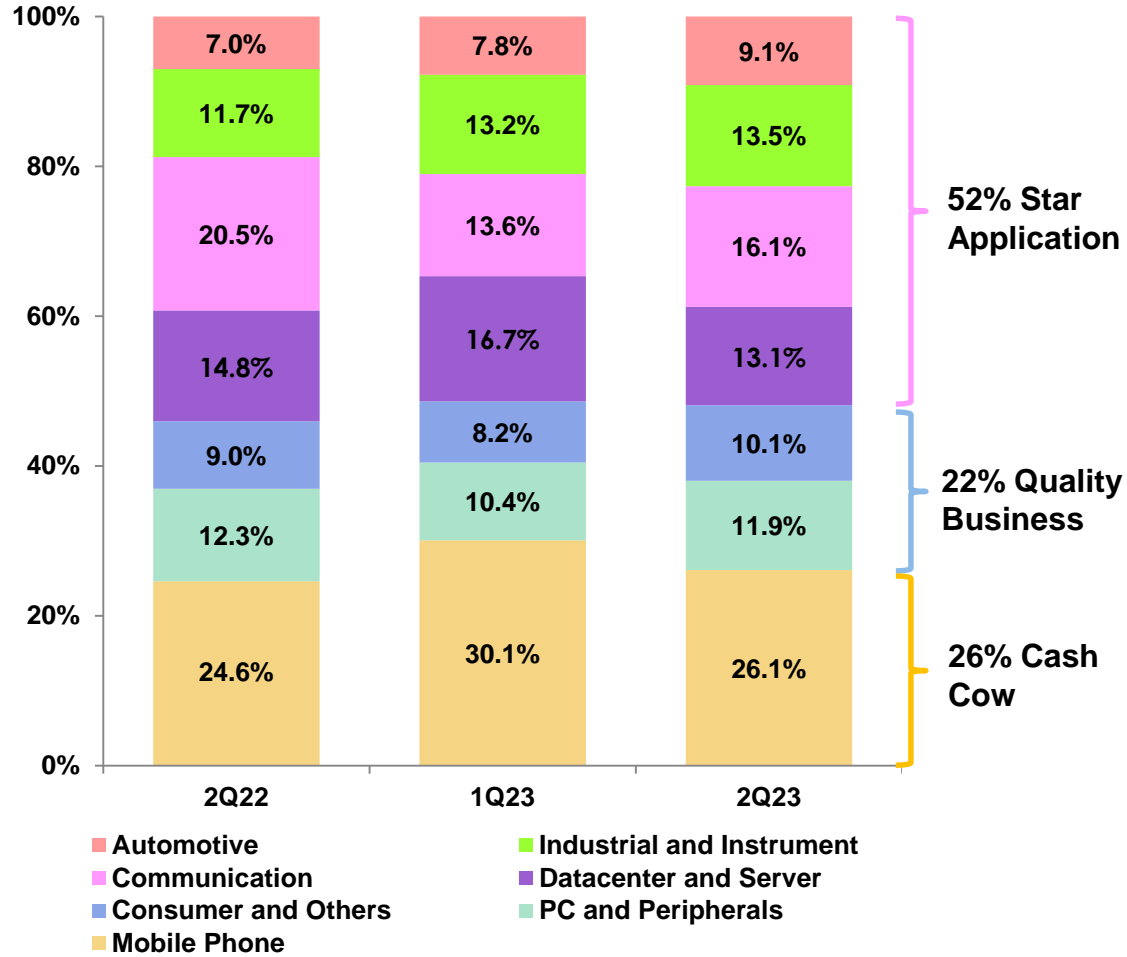
✓ Consumer: +1.8%

✓ PC and Peripherals: +2.8%

✓ Mobile Phone: -0.7%

4. Business Outlook

2Q23 Revenue Breakdown by Application



Q & A



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Thank You!



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