



# **2024 First Quarter Investor Conference**

**May 7, 2024**

# 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 Taiwan International Financial Reporting Standards (T-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. Business Outlook**

**3. Financial Update**

**4. Questions and Answers**

# 1. Overview

## A Leading Global Electronic Components Distributor

- Founded in 1993 and listed in 2000 (ticker: 3036 TT)
- Dual-headquartered in Taipei and Montreal
- Acquired Future Electronics in April 2024
- Top 5% Governance ranking for four consecutive years (TWSE)
- S&P ESG – Top 6% among 460 ITC Electronic Equipment, Instruments & Components Companies

**No. 1**

in global  
semiconductor  
distribution market  
share\*

**25K+**

Customers

**400+**

Product Lines

**48**

Countries & Regions

**160+**

Operation Sites

**8,500+**

Employees Globally

# 1. Overview – the Acquisition of Future Electronics



Global Coverage

Comprehensive Product Offerings

Full Coverage of Customer Categories

Enhanced Services to Business Partners

Compelling Financial Benefits

## Synergies

### Revenue Synergies

- Expand **distribution territories** for suppliers and enable **cross-sell opportunities** to customers
- Expand business through **global coverage**
- Better utilize **market intelligence** in business operation

### Cost Synergies

- Enhance **economies of scale and operating efficiency**
- Manage **capital funding efficiently** by tapping the equity and loan markets

## Integration Plan

### Corporate Structure / Governance

- **Dual-headquartered** structure in Taipei and Montreal
- Fully committed **Future management team**, who shares similar entrepreneurial spirit and culture with WT
- Future CEO to join **the WT's board of directors** post deal completion
- Maintain **complementary business models** of WT and Future

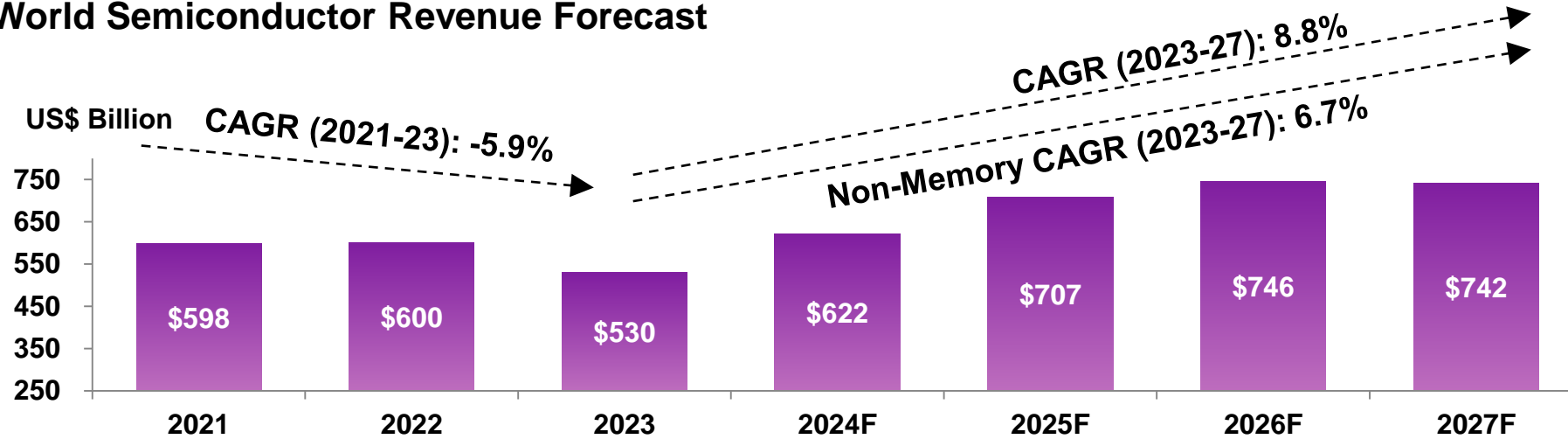
### Business Operation

- **Global service team** for major suppliers and customers
- **Know-how sharing** to ensure best practices
- **Optimization** of global resources in key functions

# 2. Business Outlook

## Well-positioned to Address a Massive US\$1 Trillion Market Opportunity

World Semiconductor Revenue Forecast



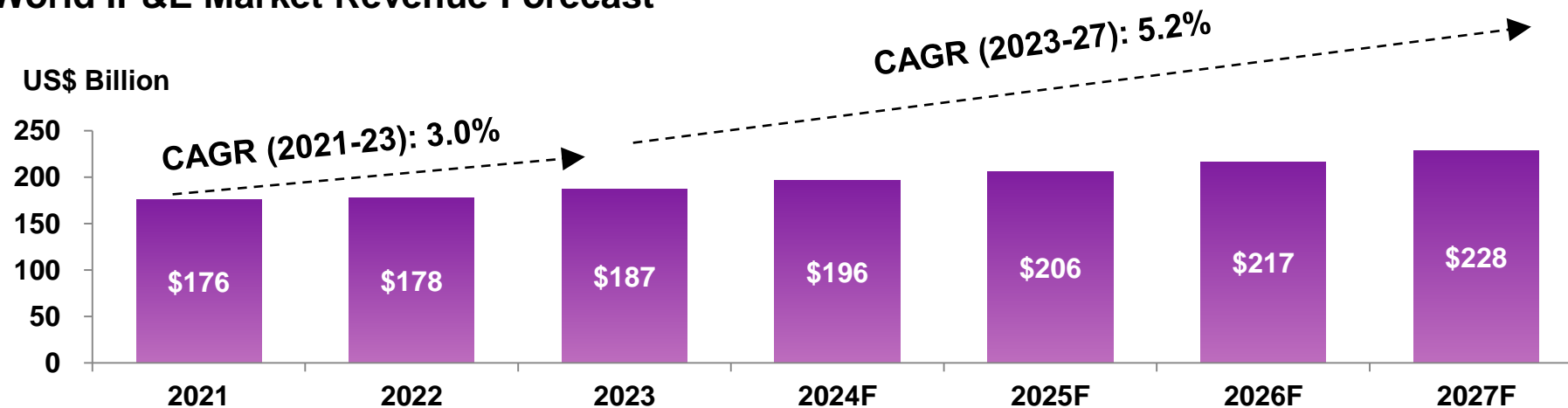
Semiconductor Market  
2023-27F CAGR vs.  
forecast 3 months ago

✓ +8.8% vs. +9.4%

Non-Memory  
Semiconductor Market  
2023-27F CAGR vs.  
forecast 3 months ago

✓ +6.7% vs. +7.0%

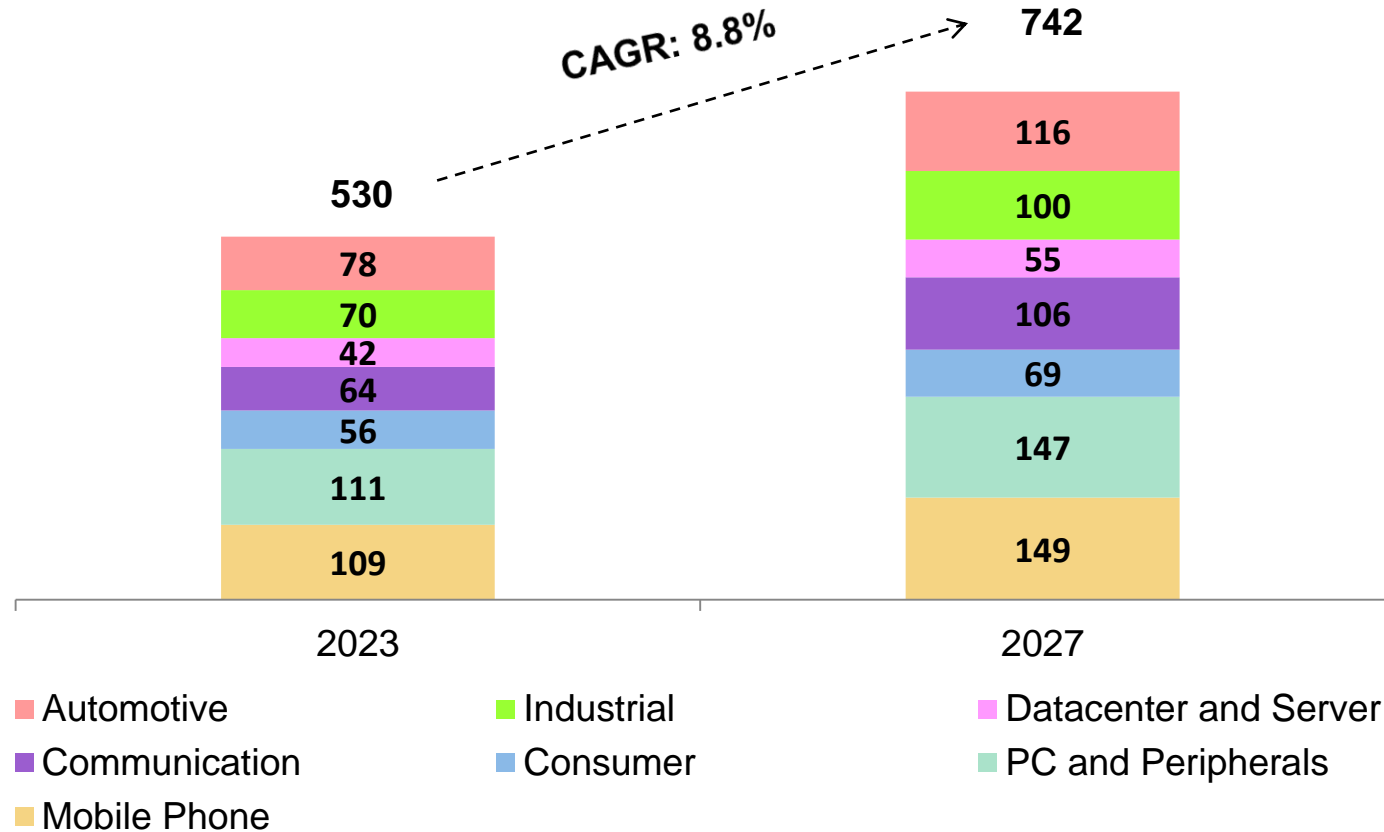
World IP&E Market Revenue Forecast



# 2. Business Outlook

## Global Semiconductor Market Forecast by Application

(US\$ Billion)



### Semiconductor Market

2023-27F semiconductor revenue CAGR by application

✓ Automotive: +10.4%

✓ Industrial: +9.4%

✓ Communication: +7.0%

✓ Datacenter and Server: +13.4%

✓ Consumer: +5.4%

✓ PC and Peripherals: +7.3%

✓ Mobile Phone: +8.0%

# 3. Financial Update

## 1Q24 Statement of Comprehensive Income

Unit: NT\$M

Key accounts	1Q24	4Q23	QoQ	1Q23	YoY
	Amount	Amount		Amount	
Net Operating revenues	192,651	189,696	2%	120,103	60%
Gross profit	4,870	4,996	-3%	4,143	18%
Gross margin	2.53%	2.63%		3.45%	
Operating expenses	(2,259)	(3,079)	-27%	(2,160)	5%
Operating profit	2,611	1,917	36%	1,983	32%
Operating margin	1.36%	1.01%		1.65%	
Financing costs	(846)	(766)	10%	(1,158)	-27%
Others	217	108	101%	152	43%
Earning before tax	1,982	1,259	57%	977	103%
Income tax expense	(366)	(293)	25%	(238)	54%
<b>Profit attributable to owners of the parent</b>	<b>1,590</b>	<b>1,044</b>	<b>52%</b>	<b>723</b>	<b>120%</b>
<b>EPS (in dollars)</b>	<b>1.57</b>	<b>1.18</b>		<b>0.82</b>	
Weighted average shares (M shares)	1,013	885		880	
<b>Pro forma EPS (in dollars)</b>	<b>1.54</b>	<b>1.18</b>		<b>0.82</b>	
Outstanding shares as of period end (M shares)	1,031	888		887	



# 3. Financial Update

## Balance Sheet

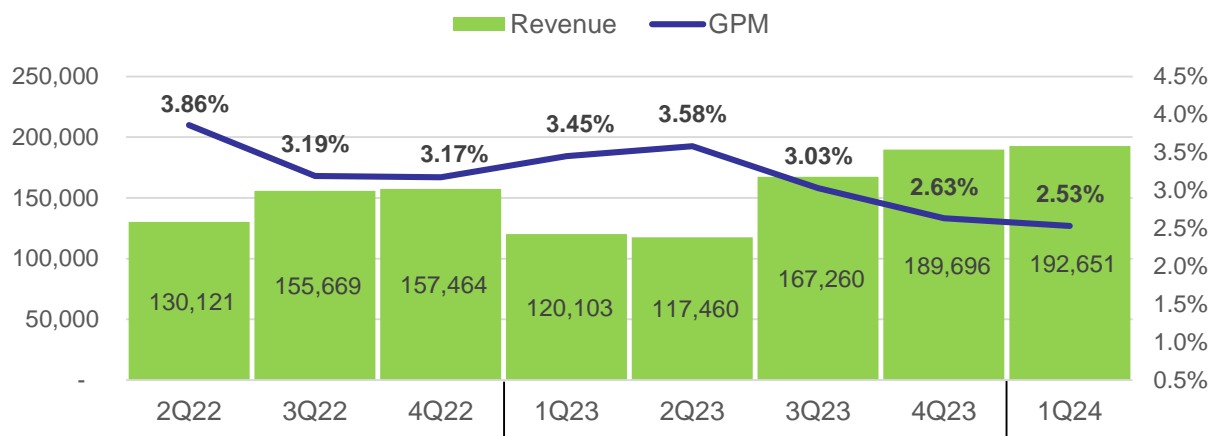
Unit: NT\$M

Key accounts	1Q24		4Q23		1Q23	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	55,010	19	22,748	9	5,817	3
Accounts receivable	108,529	37	111,637	42	68,423	36
Inventory	100,361	34	95,715	36	90,830	48
Other current assets	10,430	3	8,647	3	2,597	2
Non-current assets	21,147	7	26,438	10	21,134	11
<b>Total Assets</b>	<b>295,477</b>	<b>100</b>	<b>265,185</b>	<b>100</b>	<b>188,801</b>	<b>100</b>
Short-term loans	27,405	9	20,260	8	37,063	20
Accounts payable	148,628	50	147,955	56	66,623	35
Other current liabilities	10,524	4	9,674	3	6,222	3
Long-term loans	19,747	7	12,644	5	16,116	9
Other liabilities	2,715	1	2,706	1	2,793	1
<b>Total Liabilities</b>	<b>209,019</b>	<b>71</b>	<b>193,239</b>	<b>73</b>	<b>128,817</b>	<b>68</b>
<b>Total Equity</b>	<b>86,458</b>	<b>29</b>	<b>71,946</b>	<b>27</b>	<b>59,984</b>	<b>32</b>
Ratios	1Q24		4Q23		1Q23	
Current ratio	147%		134%		153%	
Liabilities/Assets ratio	71%		73%		68%	
Liabilities/Equity ratio	242%		269%		215%	
Gearing ratio	(0.09)		0.14		0.80	

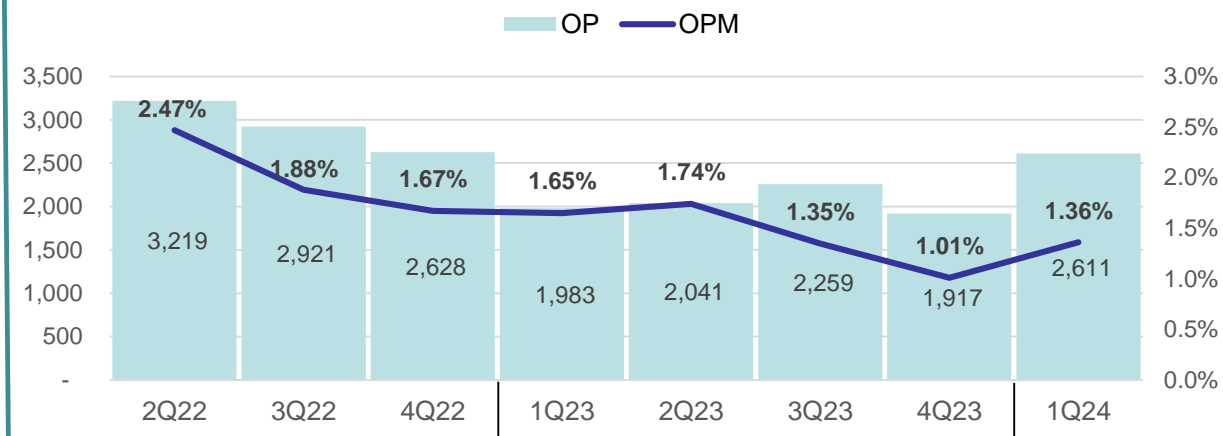
# 3. Financial Update

Unit: NT\$M

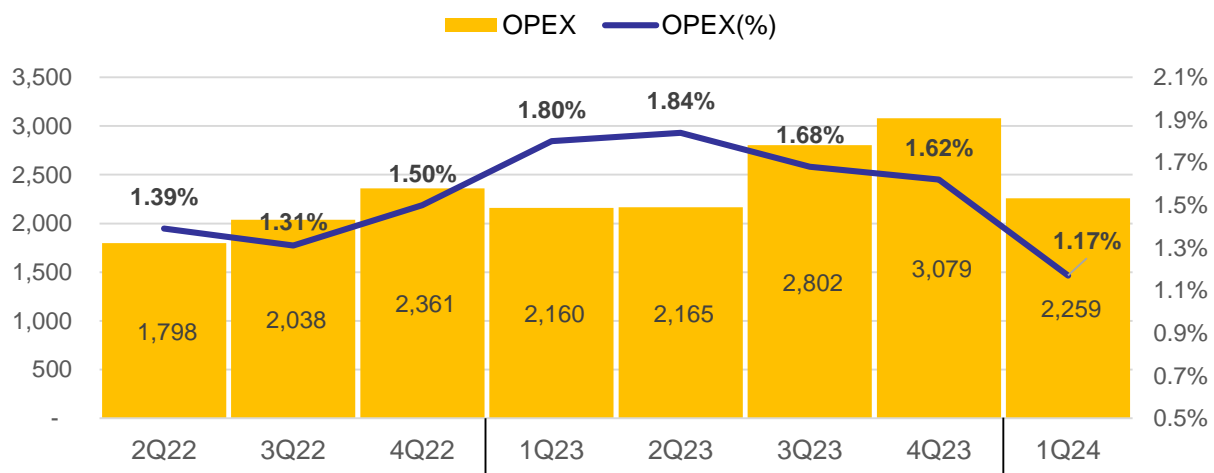
### Revenue vs GPM



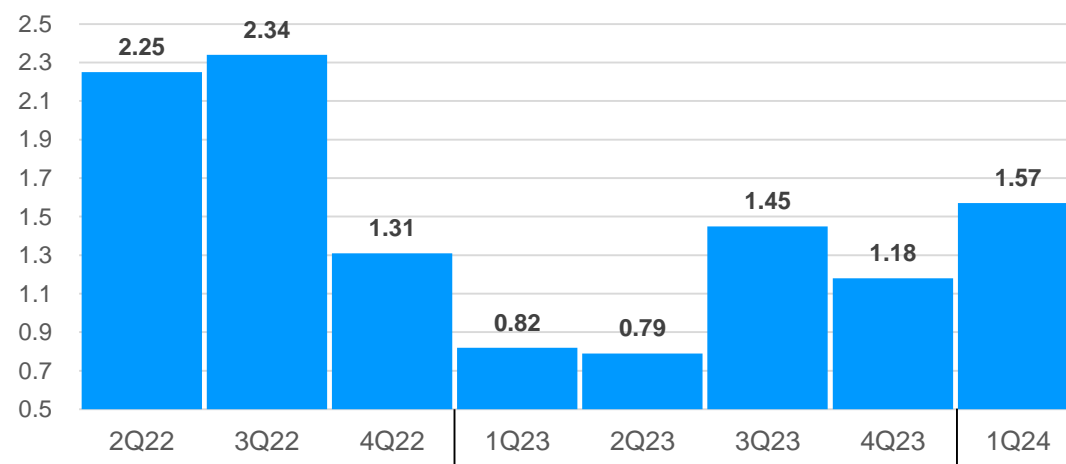
### OP vs OPM



### OPEX vs. OPEX ratio

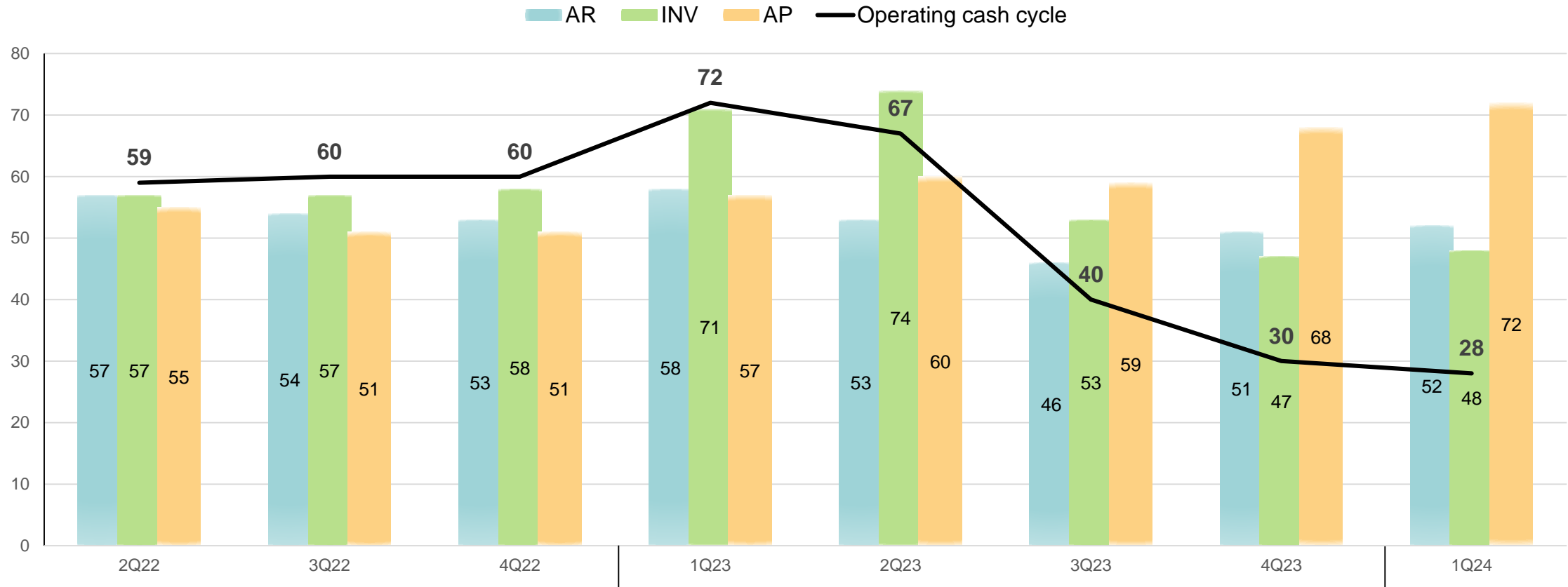


### EPS (NTD)



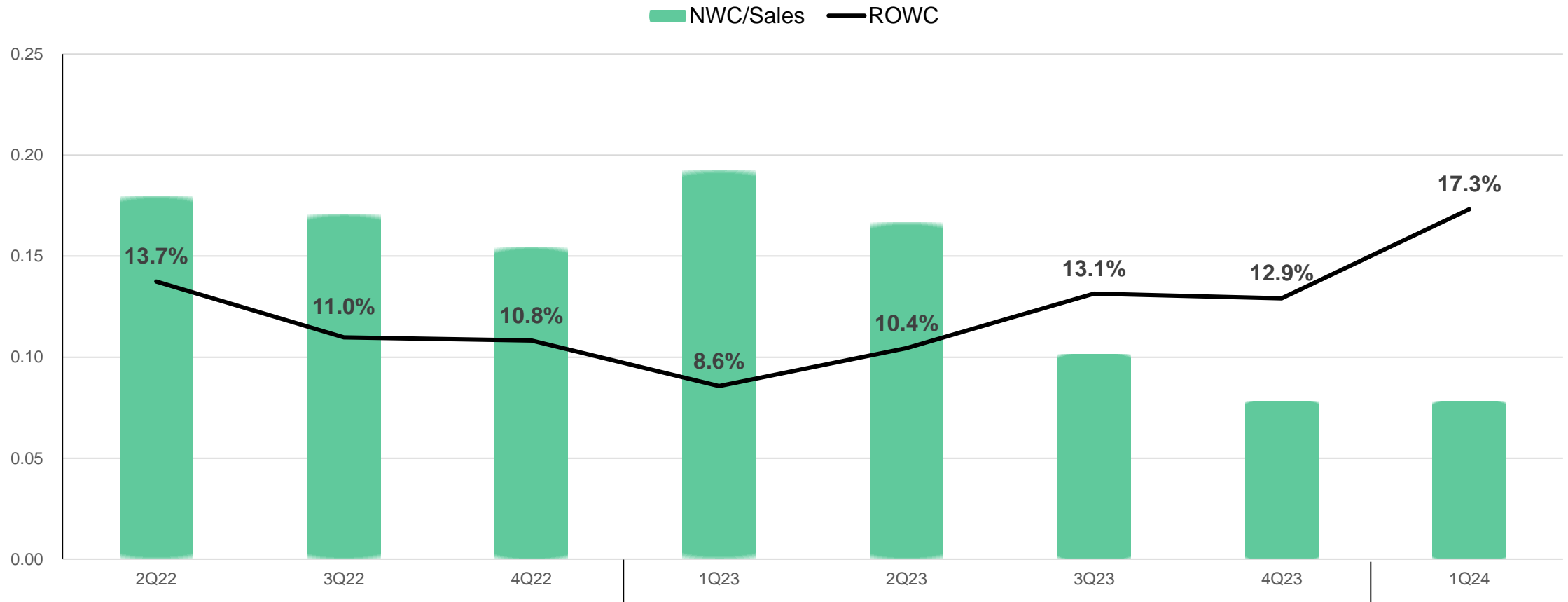
# 3. Financial Update

## Operating Cash Cycle



# 3. Financial Update

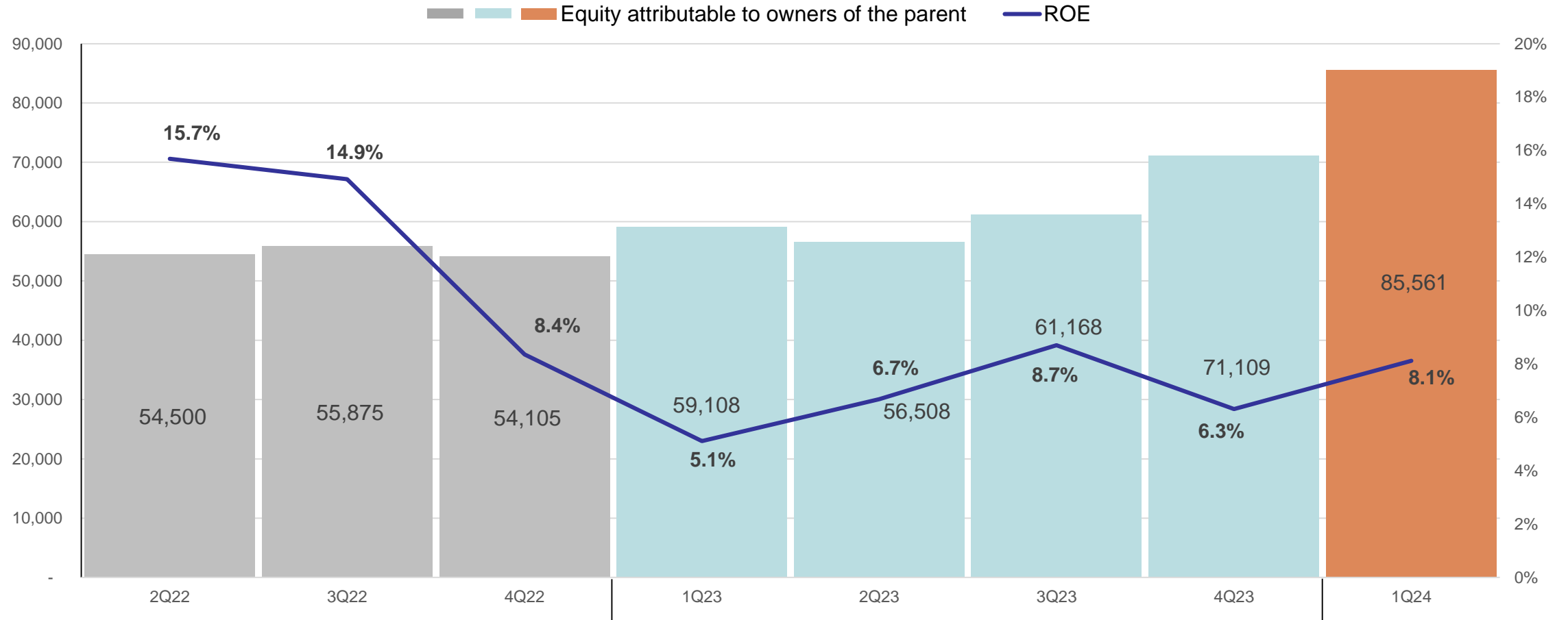
## ROWC vs. NWC/Sales



# 3. Financial Update

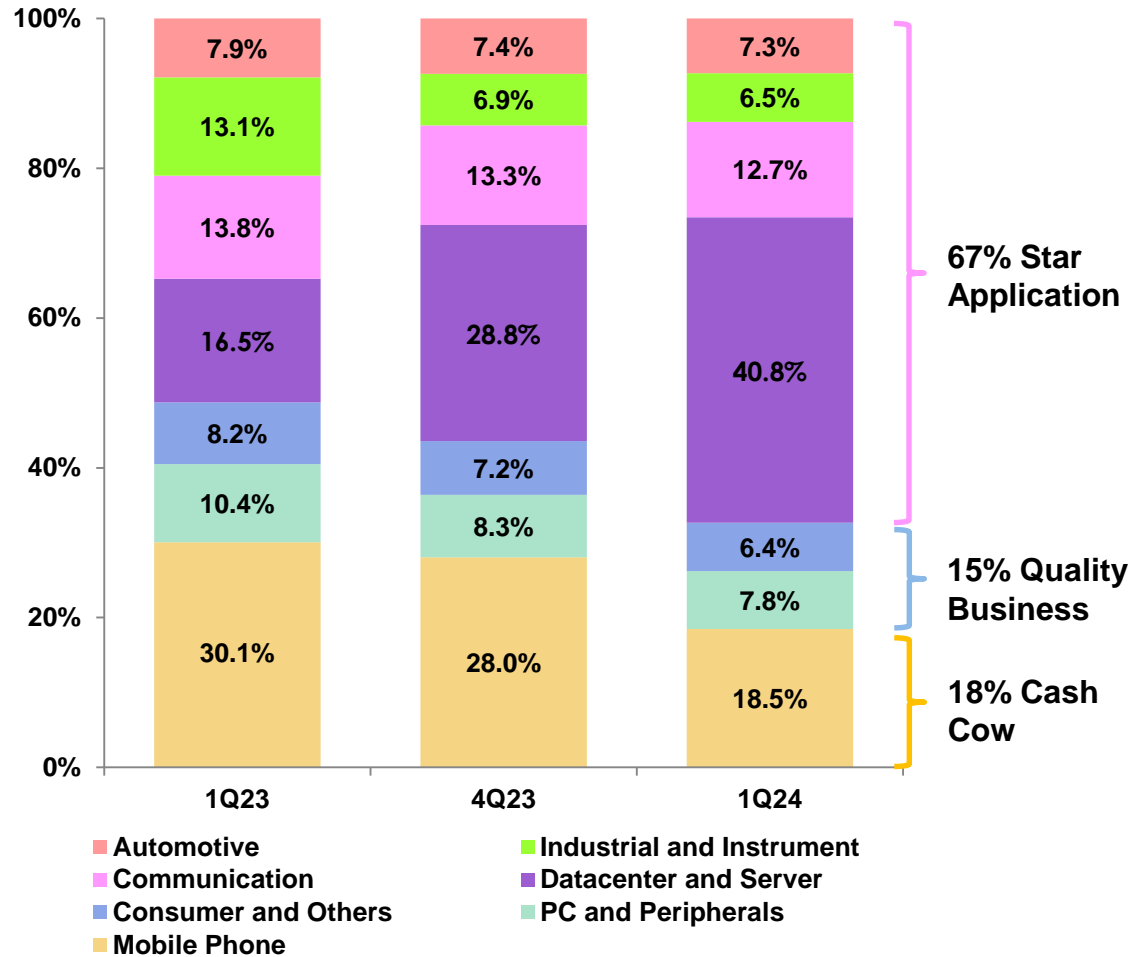
## ROE vs. Equity

Unit: NT\$M

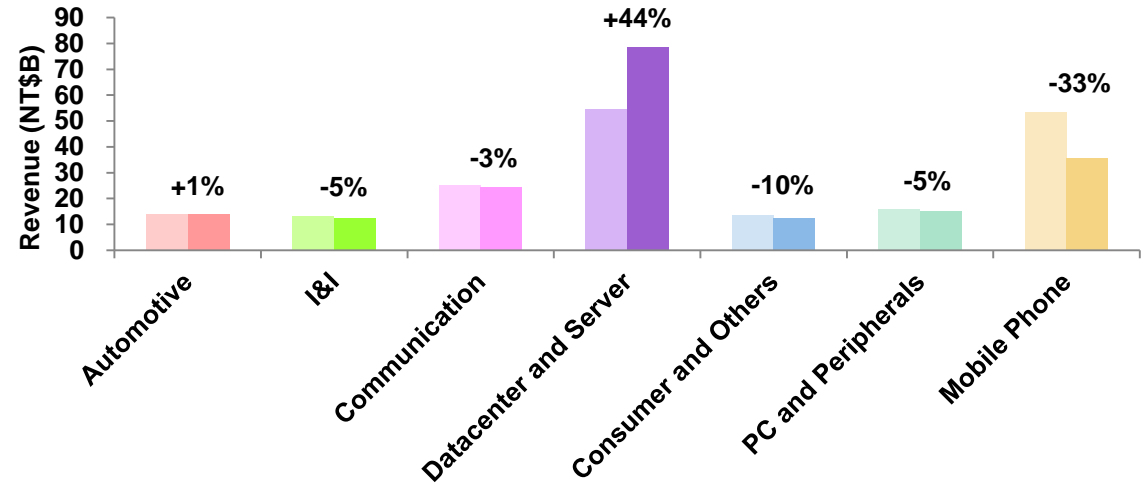


# 3. Financial Update

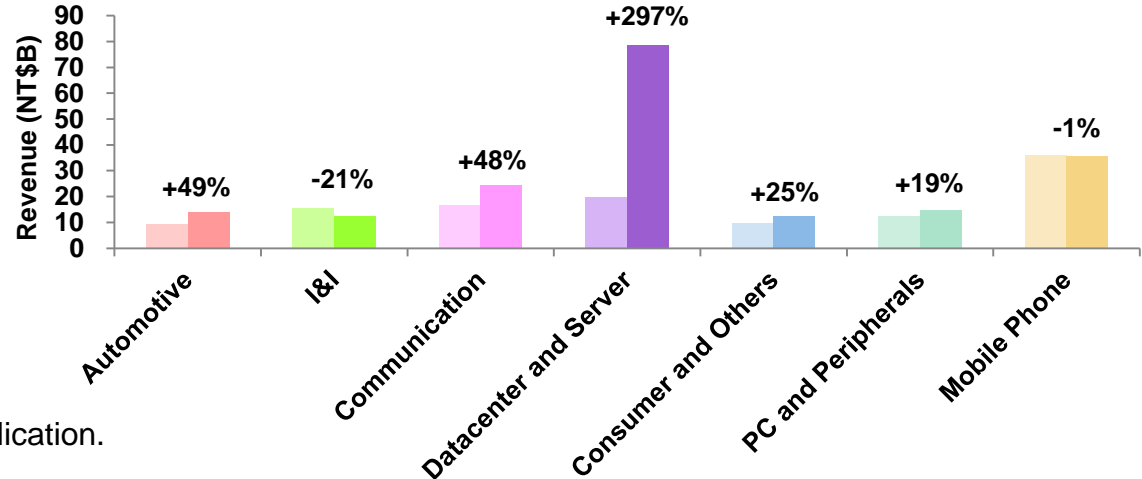
## 1Q24 Revenue Breakdown by Application



QoQ – 4Q23 (Left) vs. 1Q24 (Right)



YoY – 1Q23 (Left) vs. 1Q24 (Right)



Note: The “Others” segment will continue to be adjusted to the appropriate application.

# 3. Financial Update

**We currently expect 2Q24 :**

- At a forecast exchange rate of 32.3 NT Dollars to 1 US Dollar

Unit: NT\$M

Item	2Q24	1Q24
	Forecast	Amount
Revenue	233,000 ~ 253,000	192,651
Gross Profit	10,482 ~ 11,893	4,870
<b>Gross Margin</b>	<b>4.50% ~ 4.70%</b>	<b>2.53%</b>
Operating Expenses	6,638 ~ 7,211	(2,259)
Operating Profit	3,844 ~ 4,682	2,611
<b>Operating Margin</b>	<b>1.65% ~ 1.85%</b>	<b>1.36%</b>
Profit Before Tax	2,399 ~ 3,003	1,982
Profit attributable to owners of the parent	1,802 ~ 2,247	1,590
<b>EPS (NT\$)</b>	<b>1.39 ~ 1.79</b>	<b>1.57</b>
Weighted average shares (M shares)	1,104	1,013

Note: The calculation of EPS for 2Q24 is based on the net profit attributable to owners of the parent, deducting NT\$270 million for preferred share dividends.

# Q & A



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Website : [www.wtmec.com](http://www.wtmec.com)

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# Thank You!



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