



*Compound Semiconductor Solutions  
from RF to Lightwave*

穩懋半導體

# WIN Semiconductors 3Q2023 Investor Conference

October 2023



# Safe Harbor Notice

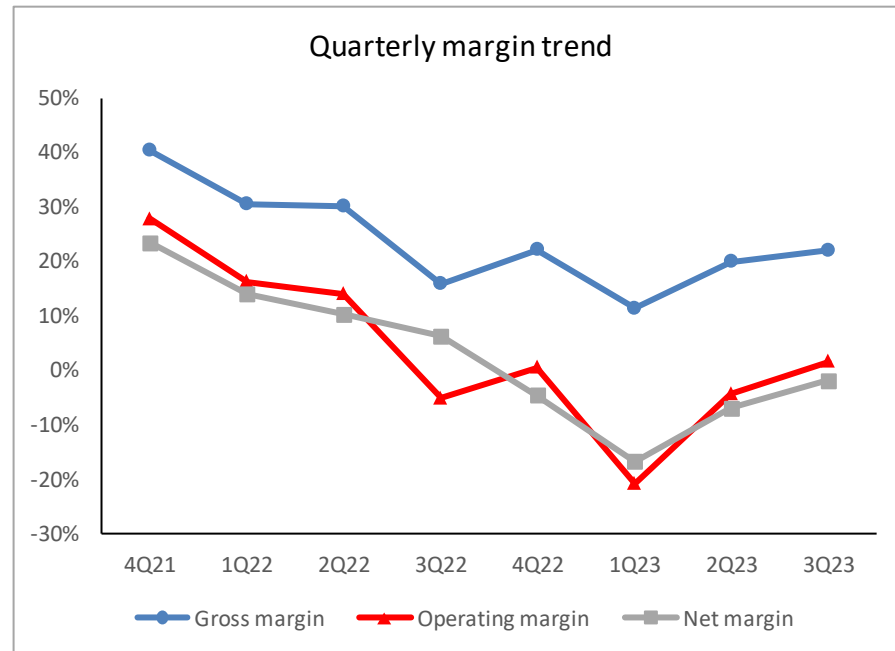
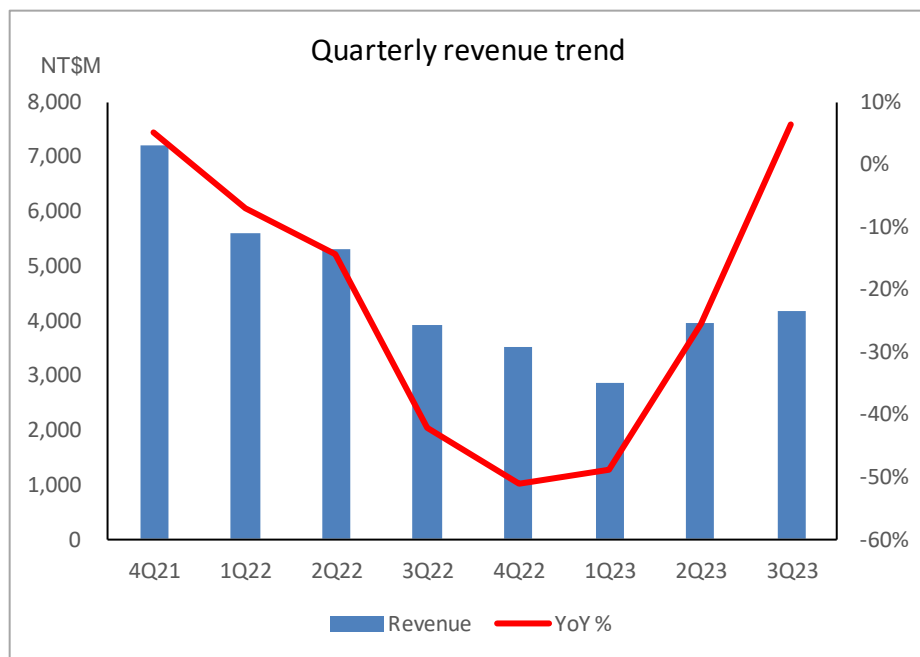


- **This presentation contains certain forward-looking statements that are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.**
- **Except as required by law, we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.**

# QUARTERLY RESULTS & GUIDANCE

# Revenue & Margin Trend

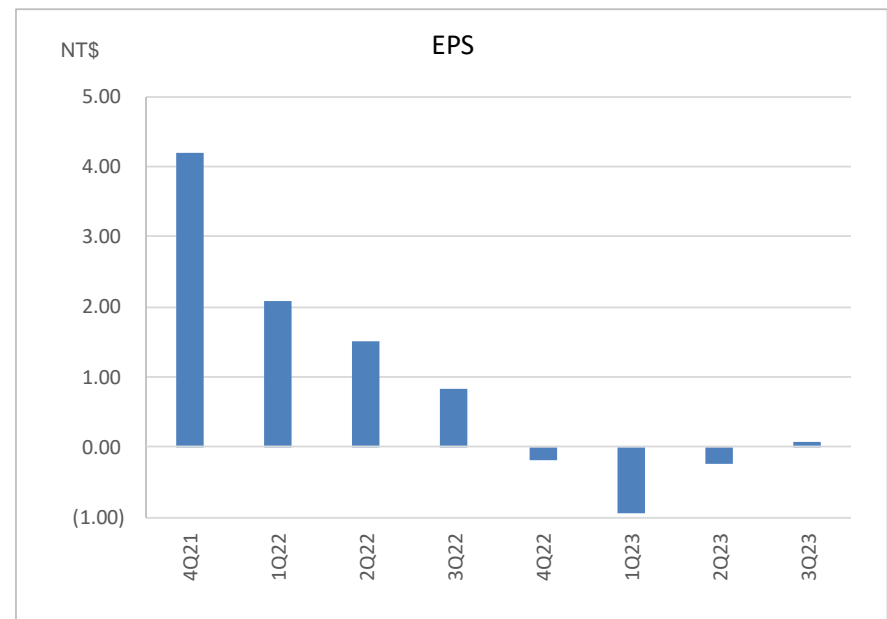
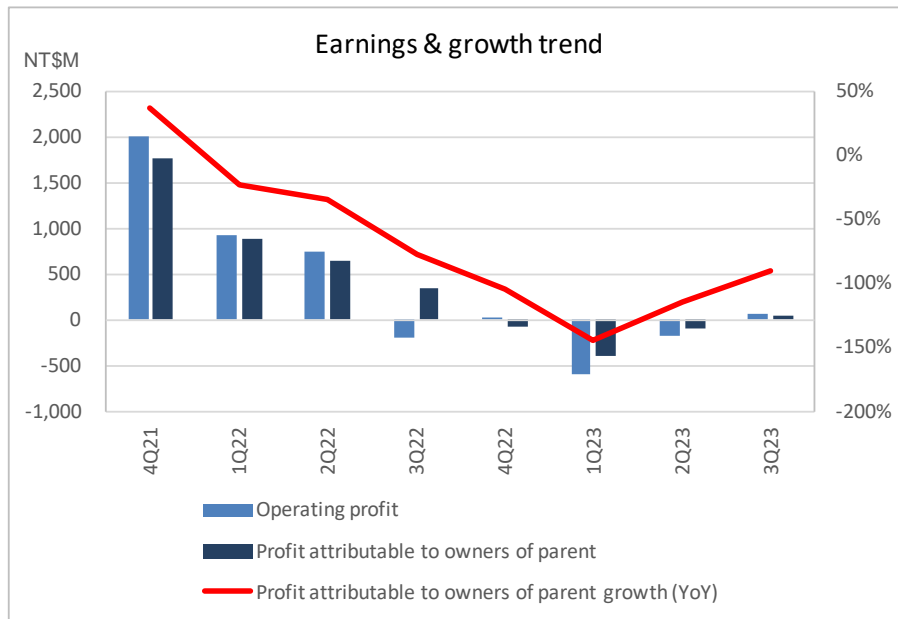
- 3Q23 revenue was NT\$4.2b, up 6% QoQ and up 7% YoY.
- In 3Q23, driven by the increase in capacity utilization coupled with a slightly better-than-expected product mix, gross margin increased by 2 pp sequentially to 22.1% and operating margin increased by 6 pp sequentially to 1.7%.



Source: company.

# Earnings Trend

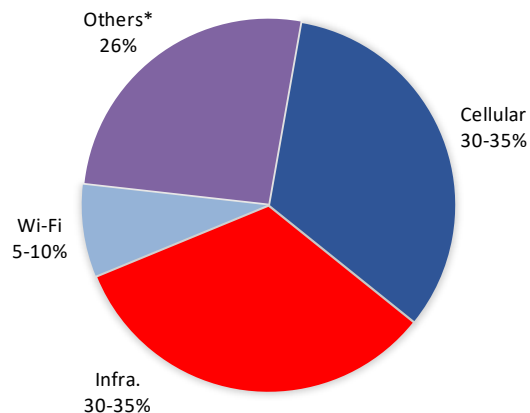
- In 3Q23, with the order recovery from customers and better capacity utilization, net profit attributable to the parent company was NT\$34m. EPS was NT\$0.08, compared to NT\$-0.23 in 2Q23.



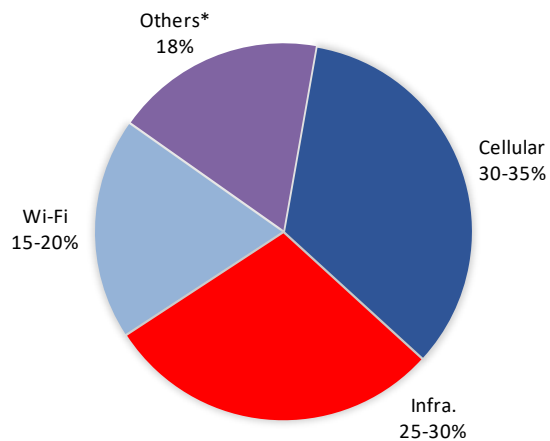
Source: company.

# Product Mix

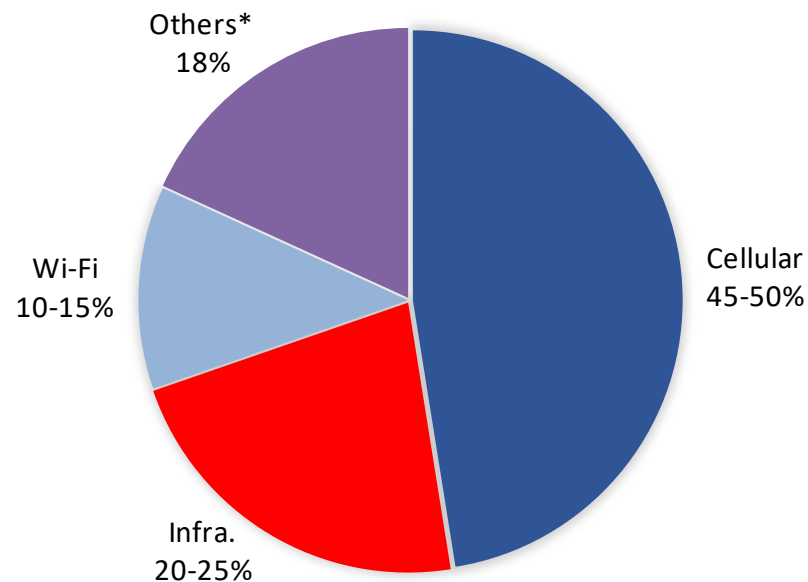
**3Q22**



**2Q23**



**3Q23**



\* Others: Revenue not attributable to main product segments and additional revenue being consolidated in accordance with IFRS.

Source: company.

# 4Q23 Guidance



- We expect 4Q23 revenue to increase low-teens QoQ.
- We expect 4Q23 gross margin will be around the level of mid-twenties.

# FINANCIAL SUMMARY

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# Consolidated Statements of Comprehensive Income - Quarterly

Unit: NTD Million	3Q'22	2Q'23	3Q'23 (unaudited)	QoQ	YoY
<b>Net revenue</b>	<b>3,909</b>	<b>3,944</b>	<b>4,165</b>	<b>+6%</b>	<b>+7%</b>
Gross profit	624	791	919	+16%	+47%
<i>Gross margin (%)</i>	<i>16.0%</i>	<i>20.1%</i>	<i>22.1%</i>		
Operating expenses	(825)	(961)	(849)	-12%	+3%
<i>Operating expenses rate (%)</i>	<i>-21%</i>	<i>-24%</i>	<i>-20%</i>		
<b>Operating income (loss)</b>	<b>(200)</b>	<b>(170)</b>	<b>70</b>	<b>-</b>	<b>-</b>
<i>Operating margin (%)</i>	<i>-5.1%</i>	<i>-4.3%</i>	<i>1.7%</i>		
Non-operating incomes and expenses	500	(191)	(114)		
Income (Loss) before income tax	299	(362)	(44)	+88%	-
Income tax (expense) income	(55)	86	(37)		
<b>Net income (loss)</b>	<b>245</b>	<b>(276)</b>	<b>(81)</b>	<b>+71%</b>	<b>-</b>
<i>Net margin (%)</i>	<i>6.3%</i>	<i>-7.0%</i>	<i>-1.9%</i>		
Other comprehensive income, net	154	249	871		
<b>Comprehensive income</b>	<b>399</b>	<b>(27)</b>	<b>790</b>	<b>-</b>	<b>+98%</b>
<b>Profit (loss) attributable to owners of parent</b>	<b>352</b>	<b>(97)</b>	<b>34</b>	<b>-</b>	<b>-90%</b>
<b>EPS (NT\$)</b>	<b>0.83</b>	<b>(0.23)</b>	<b>0.08</b>	<b>-</b>	<b>-90%</b>
ROE(%)	4%	-1%	0.4%		
Approx. Utilization (%)	40%	40%	50%		
Depreciation	1,038	1,172	1,182		
CAPEX	1,908	540	1,880		

# Consolidated Statements of Comprehensive Income - YTD

Unit: NTD Million	2022Q1-3	2023Q1-3 (unaudited)	YoY
<b>Net revenue</b>	<b>14,803</b>	<b>10,968</b>	-26%
Gross profit	3,939	2,036	-48%
<i>Gross margin (%)</i>	<i>26.6%</i>	<i>18.6%</i>	
Operating expenses	(2,476)	(2,731)	+10%
<i>Operating expenses rate (%)</i>	<i>-17%</i>	<i>-25%</i>	
<b>Operating income (loss)</b>	<b>1,463</b>	<b>(695)</b>	—
<i>Operating margin (%)</i>	<i>9.9%</i>	<i>-6.3%</i>	
Non-operating incomes and expenses	496	(267)	
Income (Loss) before income tax	1,959	(961)	—
Income tax (expense) income	(384)	126	
<b>Net income (loss)</b>	<b>1,575</b>	<b>(836)</b>	—
<i>Net margin (%)</i>	<i>10.6%</i>	<i>-7.6%</i>	
Other comprehensive income, net	57	1,551	
<b>Comprehensive income</b>	<b>1,631</b>	<b>715</b>	-56%
<b>Profit (loss) attributable to owners of parent</b>	<b>1,878</b>	<b>(465)</b>	—
<b>EPS (NT\$)</b>	<b>4.43</b>	<b>(1.10)</b>	—
ROE(%)	7%	-2%	
Approx. Utilization (%)	55%	40%	
Depreciation	3,147	3,431	
CAPEX	6,208	2,957	

# Non-operating Items

Unit: NTD Million	3Q'22	3Q'23 (unaudited)	2022Q1-3	2023Q1-3 (unaudited)
Foreign exchange gains (losses)	71	(121)	510	(777)
Gains (losses) on disposals of property, plant and equipment	29	4	36	(19)
Gains on repurchase of bonds payable	360	157	360	713
Gains on financial assets (liabilities) at fair value through profit or loss, net	19	(122)	(561)	26
Share of gains (losses) of associates and joint ventures accounted for using equity method	53	28	214	(5)
Others	(32)	(61)	(63)	(204)
<b>Total</b>	<b>500</b>	<b>(114)</b>	<b>496</b>	<b>(267)</b>

# Consolidated Balance Sheets

(Unit: NTD Million)	Major Item	2022/9/30		2023/6/30		2023/9/30 (unaudited)	
		\$	%	\$	%	\$	%
	Cash and cash equivalents	10,880	15%	7,054	11%	6,352	10%
	Current financial assets at fair value through profit or loss	600	0.9%	103	0.2%	143	0.2%
	Notes and accounts receivable, net	1,312	2%	971	1%	1,206	2%
	Inventories	5,511	8%	4,996	8%	5,157	8%
	Long-term investments	13,754	20%	15,494	24%	15,643	24%
	Net property, plant and equipment	34,677	49%	32,843	50%	33,964	51%
	<b>Total Assets</b>	<b>70,398</b>	<b>100%</b>	<b>65,110</b>	<b>100%</b>	<b>66,081</b>	<b>100%</b>
	Current liabilities	5,523		14,586		13,740	
	Current portion of bonds payable	-		6,214		5,272	
	Current portion of long-term borrowings	989		3,518		3,518	
	Bonds payable	11,778		-		-	
	Long-term borrowings	16,413		15,366		16,398	
	<b>Total Liabilities</b>	<b>35,021</b>	<b>50%</b>	<b>31,045</b>	<b>48%</b>	<b>31,224</b>	<b>47%</b>
	Common stock	4,239		4,239		4,239	
	Total equity attributable to owners of parent	33,407		32,477		33,323	
	<b>Total Equity</b>	<b>35,376</b>	<b>50%</b>	<b>34,064</b>	<b>52%</b>	<b>34,857</b>	<b>53%</b>
	Book value per share (NT\$) <sup>1</sup>	78.80		76.61		78.60	
	<b>Key Indices</b>						
	Current ratio ( <i>Current assets / Current liabilities</i> )	338%		92%		97%	
	Debt ratio ( <i>Total liabilities / Total assets</i> )	50%		48%		47%	

<sup>1</sup> Book value per share = total equity attributable to owners of parent / number of common shares

# Q & A

For more information regarding WIN  
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