

Walsin Lihwa Corporation Investor Conference for 2022 Q2

2022/08/05



Disclaimer

- Walsin's statements of its current expectations are forward looking statements subject to significant risks and uncertainties and actual results may differ materially from these forward-looking statements.
- Except as required by law, Walsin assumes no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Agenda

- **Future Strategies for Walsin**
- **2022 Q2 Operating Results**
- **Appendix**
 - Segment Definitions

Future Strategies for Walsin

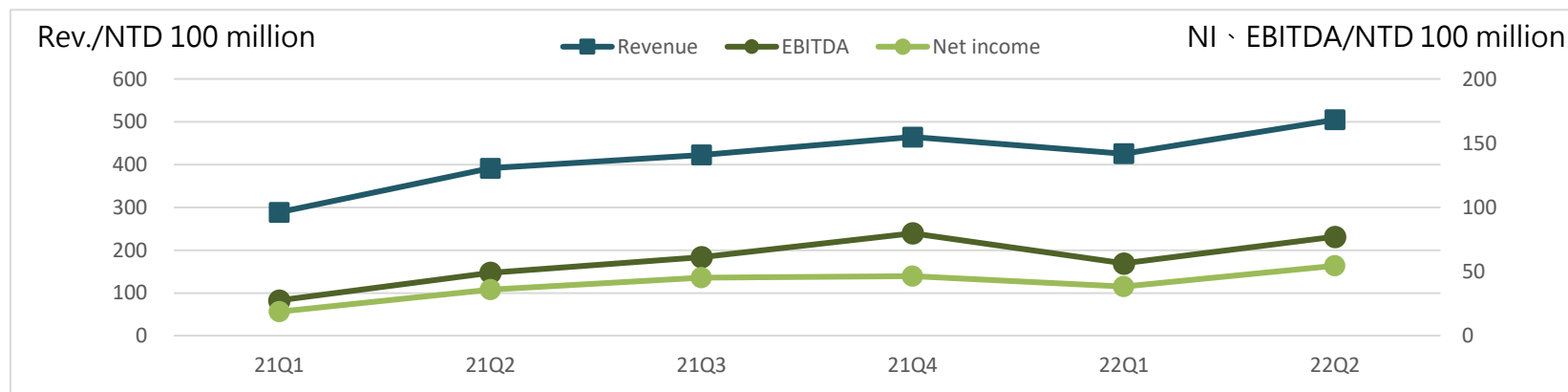
- **Stainless Steel Business - Engage in High Value Stainless Steel Products, Expand Product Portfolio, and Achieve Global Market Strategies.**
 - Invest smart manufacture in Yantai including the project of Cold Finished Bar and Wire Rod which will integrate the supply chain in mainland China in Q3'23.
 - Accomplish the acquisition of CAS in 2023 to expand and develop products for certification markets.
- **Resources Business - Secure Key Raw Materials for Stainless Steel Production, Increase Nickel Production Capacity, Expand Into the Renewable Energy Sector with Nickel-based Energy Storage**
 - Increase Nickel Production Capacity - Through investments in PT. Sunny Metal and PT. Westrong Metal in Indonesia, each including a 380MW power plant and capable of producing 55,000MT of nickel per year in Nickel Matte. The two plants are expected to enter volume production in Q1'23 and Q1'24. At full production based on equity ownership we will produce 84,000MT of nickel per year in the form of Nickel Pig Iron (NPI) and Nickel Matte.
 - Secure Key Raw Materials to Better Mitigate Raw Material Pricing Risks - In addition to Nickel Pig Iron, this year we further invested in an Indonesian Coal Mine, capable of 5~6 million tons per year with full production in Q1'24. Having control of these key raw materials improves our purchasing and hedging capabilities.
- **Wire and Cable Business - Strive for Efficient and Intelligent Production, to Seize Opportunities Created by the Carbon Emission Reduction and Renewable Energy Movement**
 - Expanding production capacity while offering improved customer experience with the High Efficiency Intelligent Production Line at the Yangmei Plant.
 - Construction of the Kaohsiung Submarine Cable production line, to align with the Government's renewable energy policy promoting domestic production of offshore wind turbine submarine cables.
- **Real Estate Business - Property Leasing Creates Stable Cashflow.**

2022 Q2 Financial Results

- The Net Income for 2022Q2 was NT\$ 5.46 billion, with EPS of NT\$ 1.59.

In NTD 100 million	2021H1	2022H1	2021Q2	2022Q1	2022Q2
Revenue	679.8	930.4	391.4	425.6	504.8
Gross profit	60.7	107.6	36.6	54.9	52.6
Net Income	54.7	92.9	35.9	38.3	54.6
Earnings Per Share (NTD)	1.60	2.71	1.05	1.12	1.59
EBITDA	76.6	133.5	49.1	56.3	77.1

Financial Results (Quarterly)

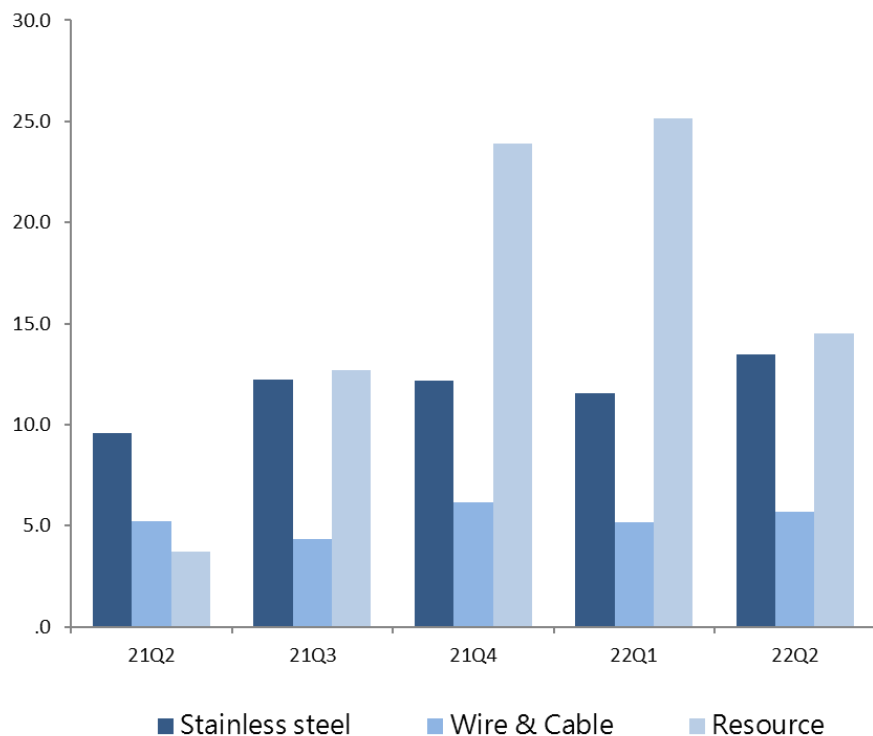


2022 Q2 Operating Results by Segment

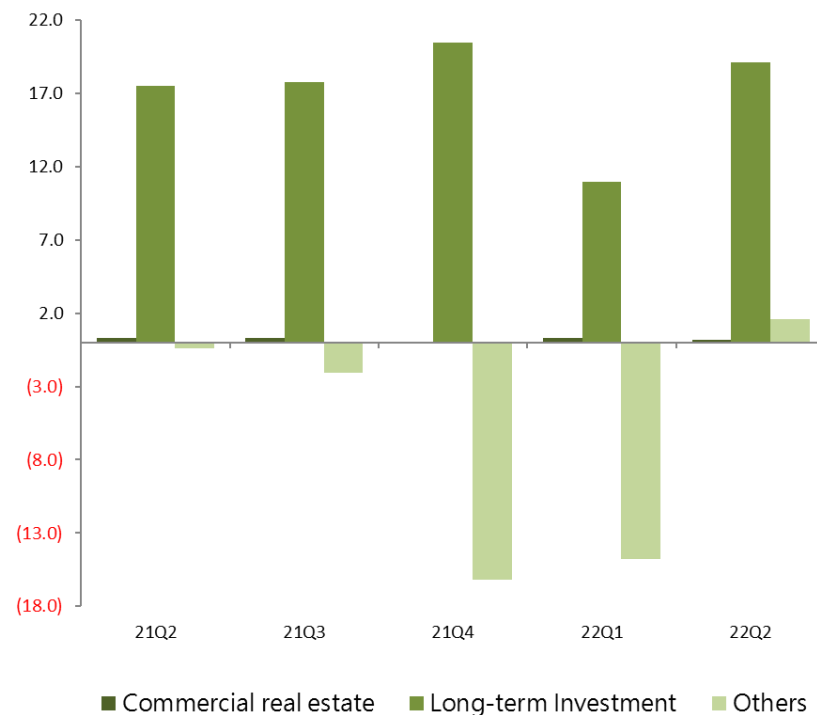
Manufacturing Segments

Commercial Real Estate, Long-Term Investments, Others

NTD 100 million



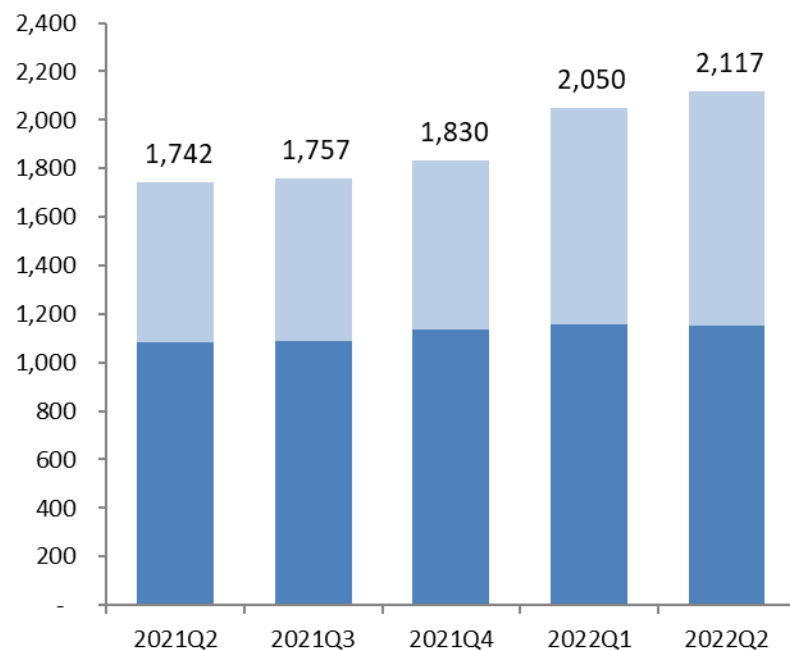
NTD 100 million



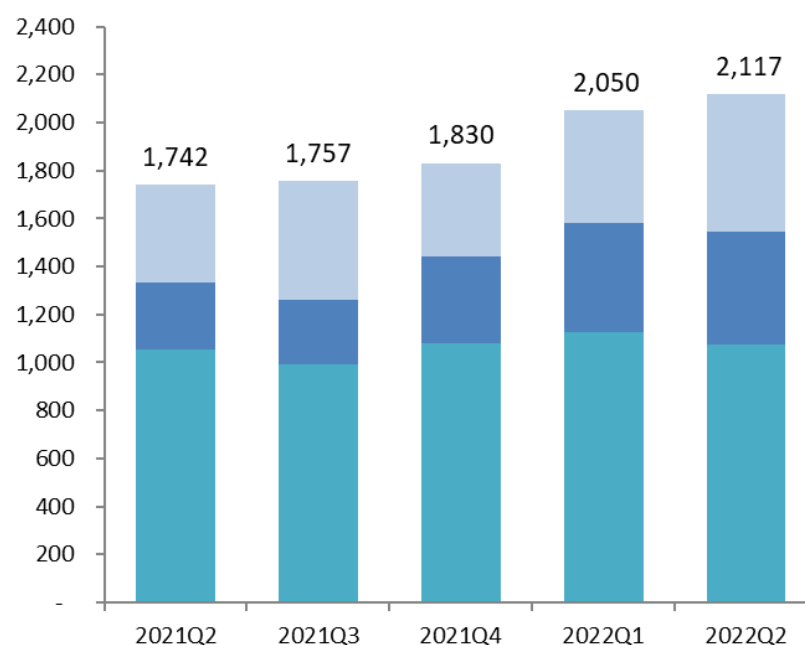
2022 Q2 Financial Results

■ Total Assets and Liabilities

NTD 100 million ■ Non-Current Assets ■ Current Assets



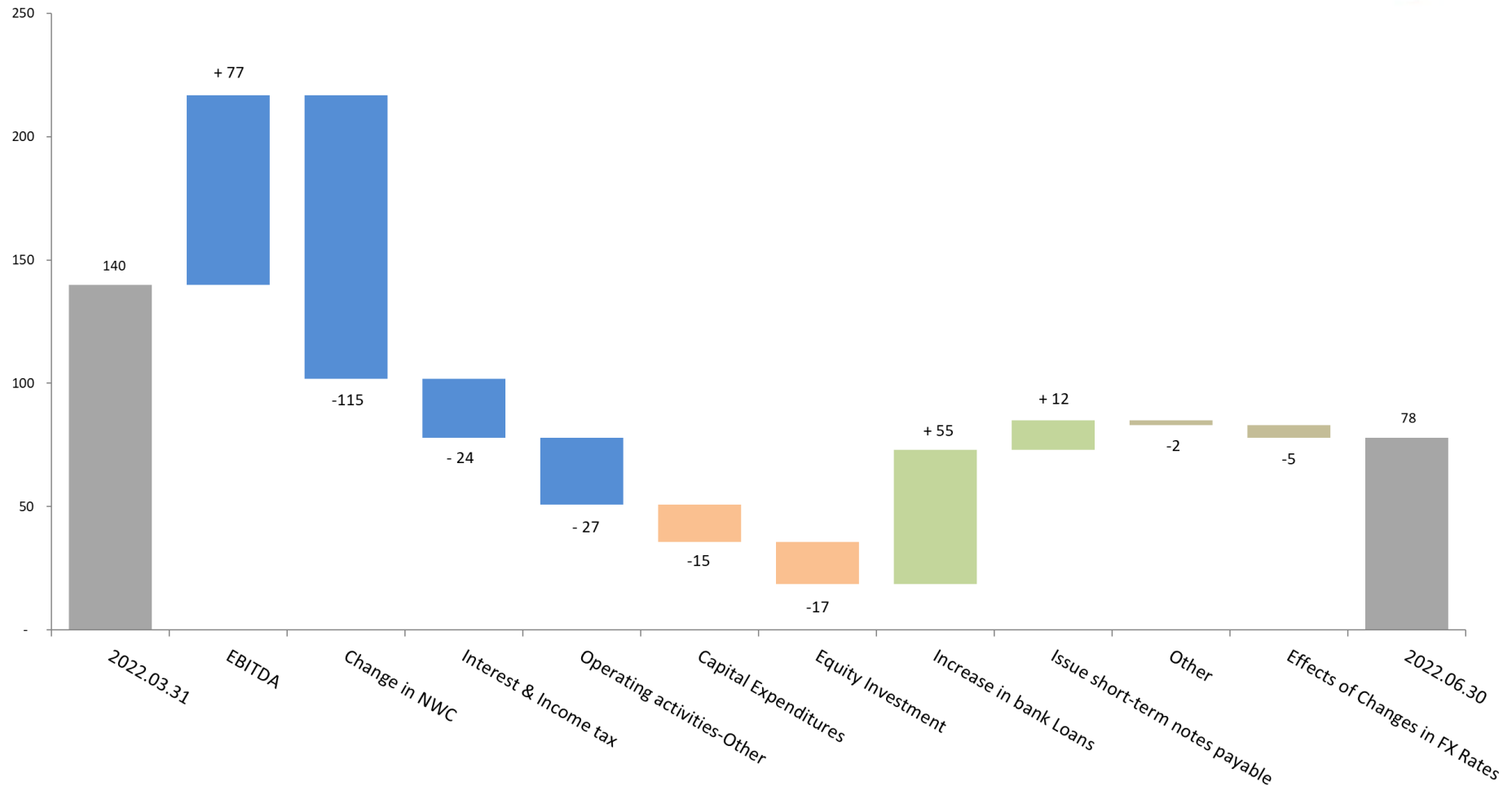
NTD 100 million ■ Total Equity ■ Non-Current Liabilities ■ Current Liabilities



2022 Q2 Financial Results

■ Cash Flow

NTD 100 million





Appendix

Segment Definitions

- **Stainless Steel Segment:** Yenshui Plant, Taichung Plant, Yantai Walsin, Jiangying Walsin (Alloy), Changshu Walsin and Jiangying Walsin (Steel & Wire)
- **Wire and Cable Segment:** Hsinchuang Plant, Yangmei Plant, Dongguan Walsin, Shanghai Walsin
- **Resource Business:** WNII(Nickel pig iron sale and production), Procurement and risk management, Material trading business
- **Long-term Investment:** Winbond, Walsin Technology Corporation, Walton Advanced Engineering, Hannstar Display Corporation, Hannstar Broad Corporation, Borrego, Lippo, WPT, Hangzhou Walsin Power Cable & Wire Co., Ltd. and Jinxin Investment
- **Others:** Derivatives valuation gains/losses and others



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