



2023 Second Quarter Investor Conference

August 11, 2023

Safe Harbor Notice

- Walsin's statements of its current expectations are forward looking 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

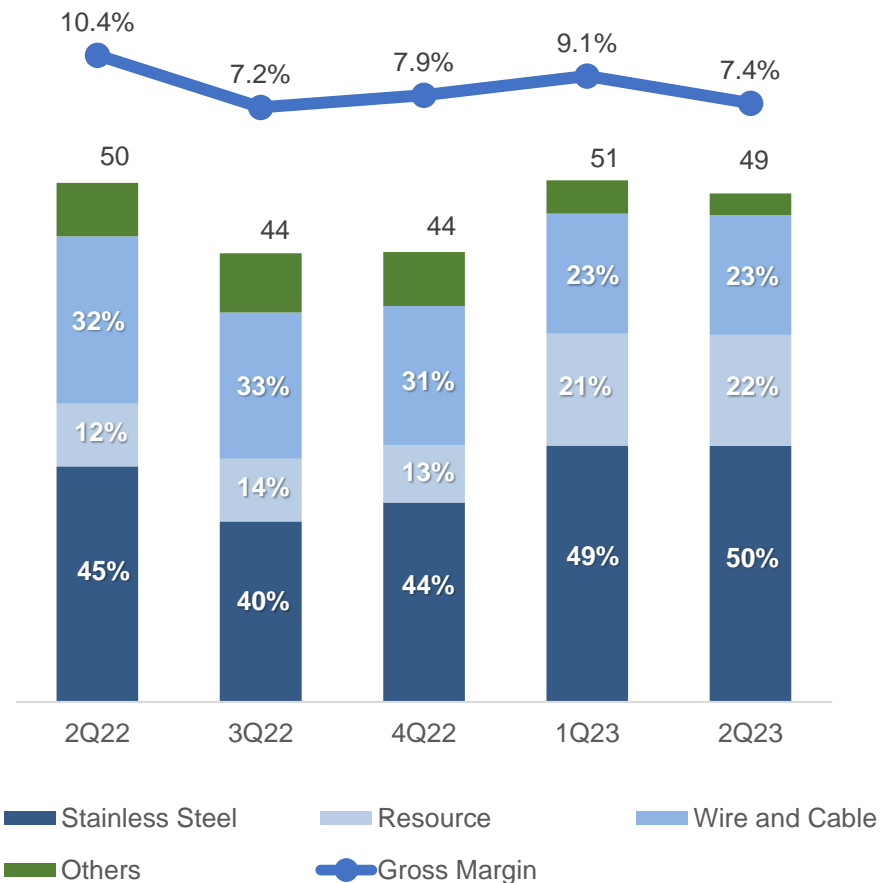
- **2Q23 Financial Results**
- **3Q23 Outlook and Recap of Recent Major Events**
- **Q&A**

Statements of Comprehensive Income

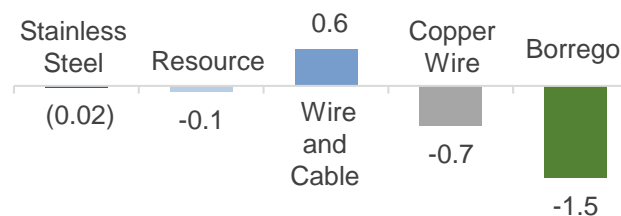
<i>(In NT\$ billions unless otherwise noted)</i>	1Q23	2Q23	2Q22	2Q23 Over 1Q23	2Q23 Over 2Q22
Operating Revenue	49	51	50	-2%	-2%
Gross Margin	7.4%	9.1%	10.4%	-1.7ppts	-3.0ppts
Operating Expenses	(2)	(2)	(2)	6%	-5%
Operating Margin	3.4%	5.4%	6.2%	-2.0ppts	-2.8ppts
Non-Operating Income and Expenses	0.5	0.4	3	33%	-85%
Net Profit Attributable to Owners	1	2	5	-51%	-81%
Profit Margin	2.1%	4.1%	10.8%	-2.1ppts	-8.7ppts
EPS (NT Dollar)	0.27	0.56	1.59	(0.29)	(1.32)
EBITDA	4	5	8	-12%	-44%

2Q23 Operating Revenue by Business Groups (BG)

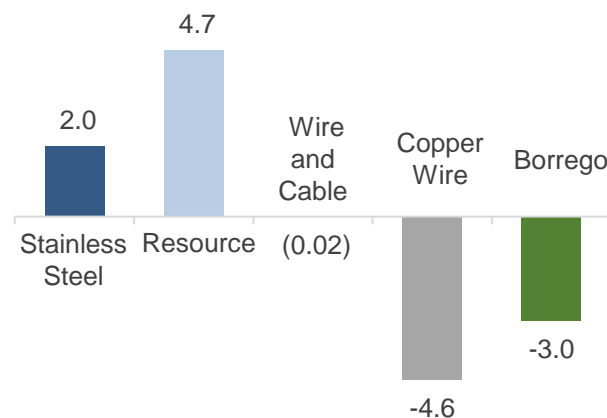
(In NT\$ billions)



2Q23 Over 1Q23

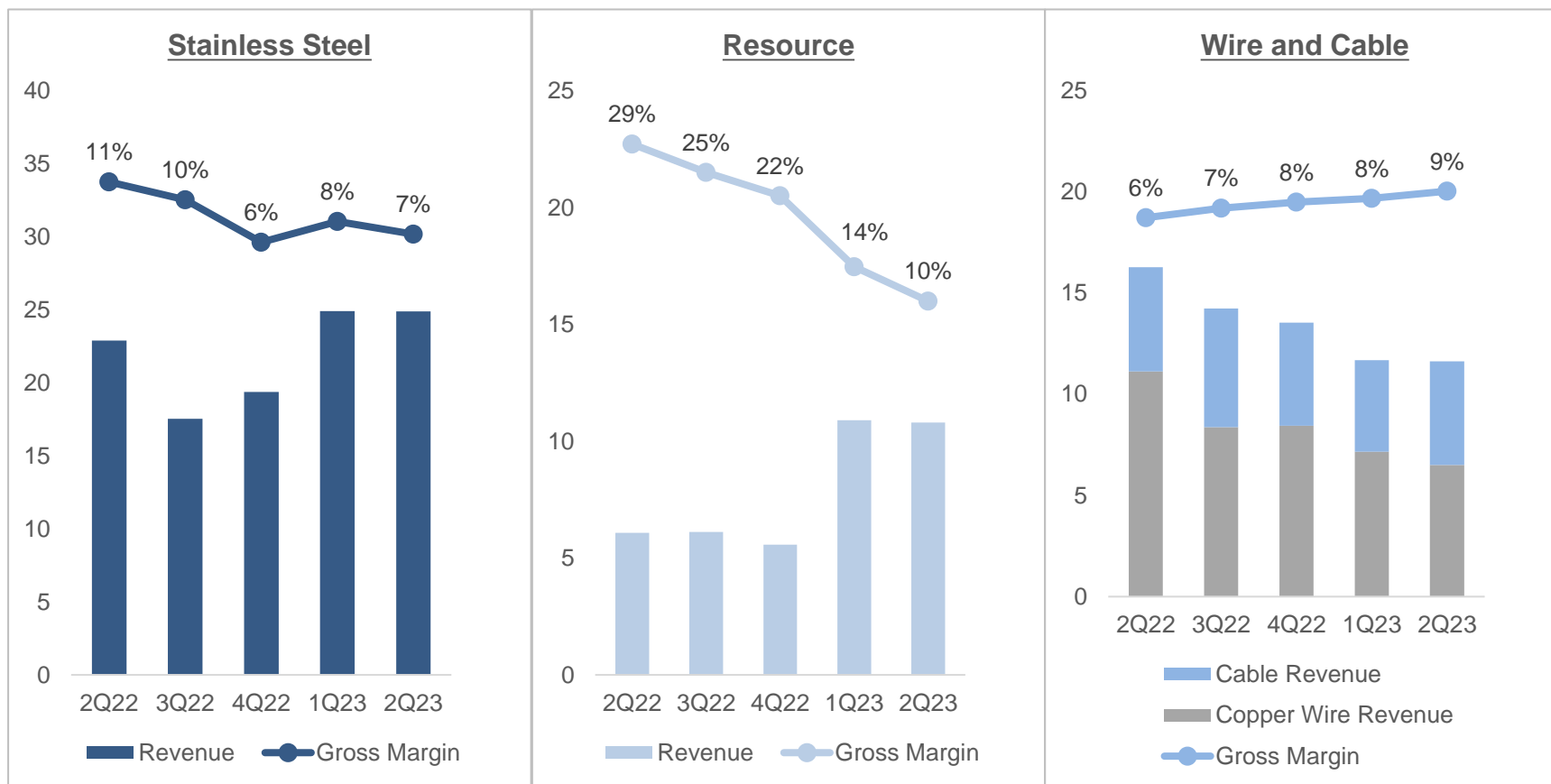


2Q23 Over 2Q22



2Q23 Operating Revenue and Gross Margin by BG

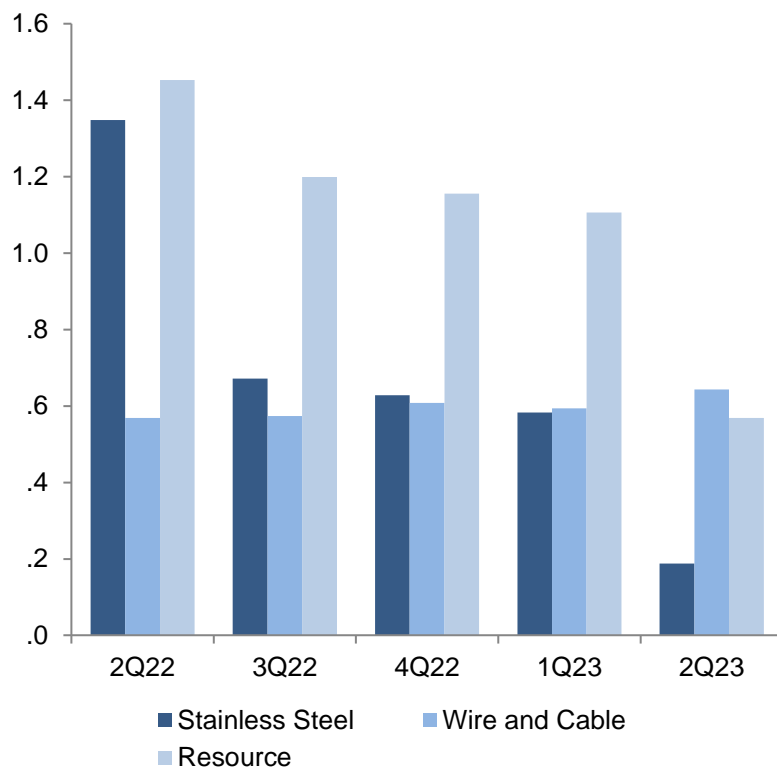
(In NT\$ billions)



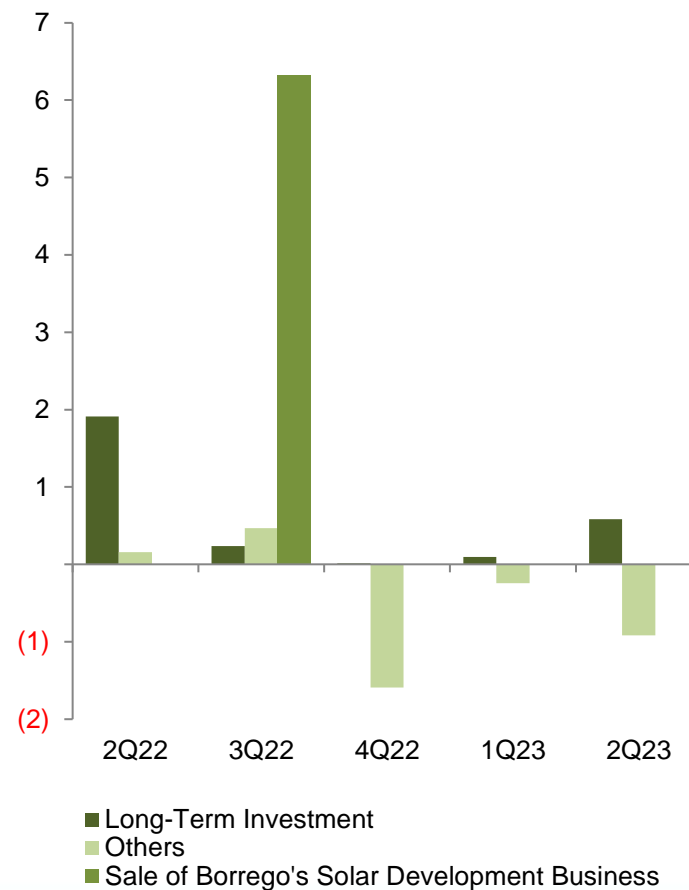
2Q23 Net Profit by BG

(In NT\$ billions)

Manufacturing Segment



Long-Term Investments and Others



Balance Sheets & Key Indices

Selected Items from Balance Sheets <i>(In NT\$ billions)</i>	2Q23		1Q23		2Q22	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	24	9%	8	3%	8	4%
Accounts Receivable	21	8%	21	8%	17	8%
Inventory	33	12%	36	14%	38	18%
Long-Term Investments*	68	26%	66	26%	53	25%
PPE & Investment Properties	89	34%	88	35%	57	27%
Total Assets	266	100%	251	100%	212	100%
Current Liabilities	56	21%	60	24%	57	27%
Long-term Interest-bearing Debts	50	19%	47	19%	40	19%
Total Liabilities	118	45%	120	48%	104	49%
Total Shareholders' Equity	147	55%	131	52%	108	51%
Key Indices						
Average Collection Days	39		39		31	
Average Turnover Days	69		72		77	
Current Ratio	1.7		1.4		1.7	
Ratio of Long-Term Capital to Non-Current Assets**	1.2		1.2		1.3	

*Long-Term Investments includes Prepayments for Investments

** Ratio of Long-Term Capital to Non-Current Assets = (Total Shareholders' Equity + Non-Current Liabilities) / Non-Current Assets

Cash Flows

<i>(In NT\$ billions)</i>	2Q23	1Q23	2Q22
Beginning Balance	8	19	14
Cash from Operating Activities	3	4	(9)
Capital Expenditure	(4)	(5)	(2)
Equity Investments	(0.4)	-	(2)
Long and Short-Term Borrowing	(2)	(9)	7
Bonds Payable	5	-	-
Capital Injection	12	-	-
Others	1	(0.1)	(0.5)
Ending Balance	24	8	8

3Q23 Outlook *(compared with 2Q23)*

- **Stainless Steel BG** *(less resilient)*
 - China – unknown if there will be recovery of demand in 3Q23
 - Europe – decreased demand due to vacations and has remaining stock to offload
- **Wire and Cable BG** *(stable)*
 - Increased continuous demand from construction of technology firms' plants
 - Steady orders from Taipower for Grid Resilience Strengthening Construction Plan
 - Gross margins of sales to construction industry remain stable
- **Resource BG** *(strong)*
 - Continues to utilize a zero inventory sales strategy; selling price is in accordance with the market price
 - Lower cost of production reflects falling raw material costs

Recap of Recent Major Events

- **Issued GDR for capital injection of c.NT\$12 billions**
- **Increased shareholding of Sunny Metal to 79.6% through share transaction with JV partner**
 - To optimize subsidiary management and integrate nickel matte production capacity
 - Post the transaction, attributable production capacity of nickel products will remain at 8.4k tons per year
- **Acquired British stainless steel and nickel-based alloy manufacturer SMP**
 - Approved by Taiwan's Fair Trade Commission and is subject to UK's Cabinet Office's approval



Q&A

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