



# 2024 First Quarter Investor Conference

May 03, 2024

# 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

- 1Q24 Financial Results
- 2Q24 Outlook
- Q&A

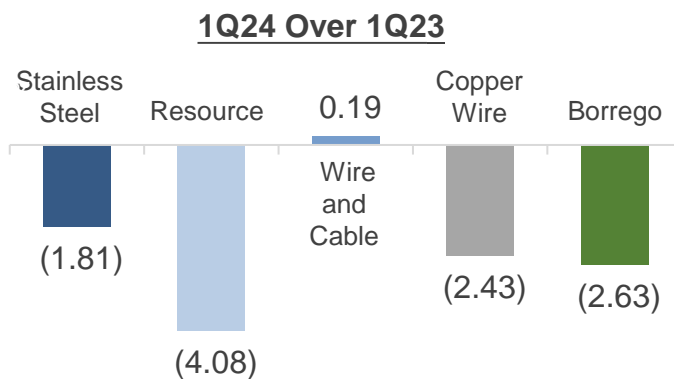
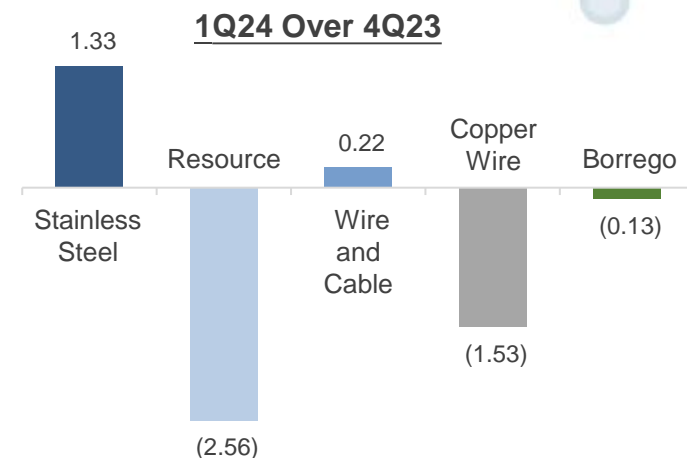
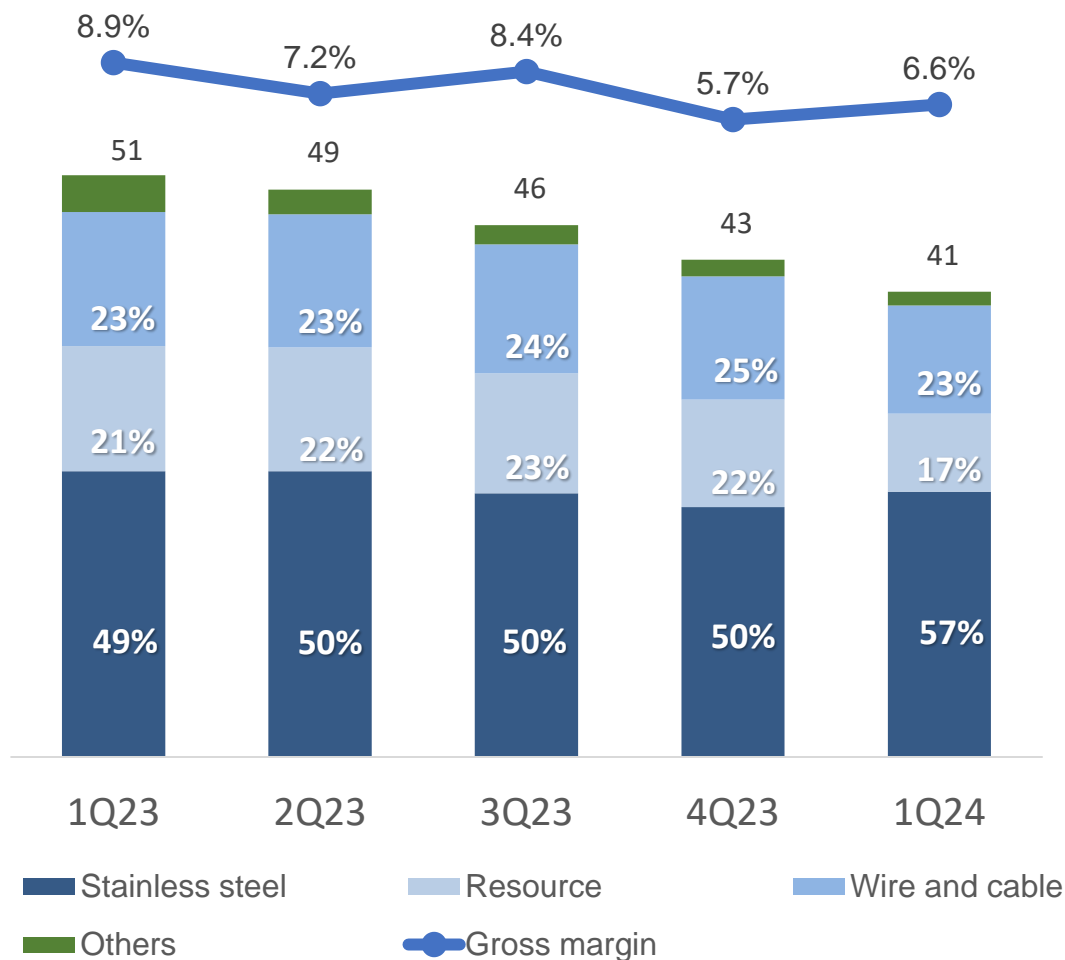
# Statements of Comprehensive Income

<i>In NT\$ billions unless otherwise noted</i>	1Q24	4Q23	1Q23	1Q24 over 4Q23	1Q24 over 1Q23
Operating Revenue	40.5	43.3	50.7	(6%)	(20%)
<b>Gross Margin</b>	<b>6.6%</b>	<b>5.7%</b>	<b>8.9%</b>	<b>0.9ppts</b>	<b>-2.3ppts</b>
Operating Expenses	2.2	2.4	1.9	(8%)	15%
<b>Operating Margin</b>	<b>1.2%</b>	<b>0.3%</b>	<b>5.2%</b>	<b>0.9ppts</b>	<b>-4.0ppts</b>
Non-Operating Income and Expenses	0.2	0.2	0.4	(24%)	(50%)
Net Profit Attributable to Owners	0.9	0.4	2.1	127%	(58%)
<b>Profit Margin</b>	<b>2.1%</b>	<b>0.9%</b>	<b>4.1%</b>	<b>1.2ppts</b>	<b>-2.0ppts</b>
EPS (NT Dollar)	0.22	0.08	0.56	0.14	(0.34)
EBITDA <sup>1</sup>	2.7	3.4	4.5	(20%)	(39%)

<sup>1</sup> EBITDA= Operating Income + Depreciation+ Amortization + Cash Dividend from Investment under Equity Method

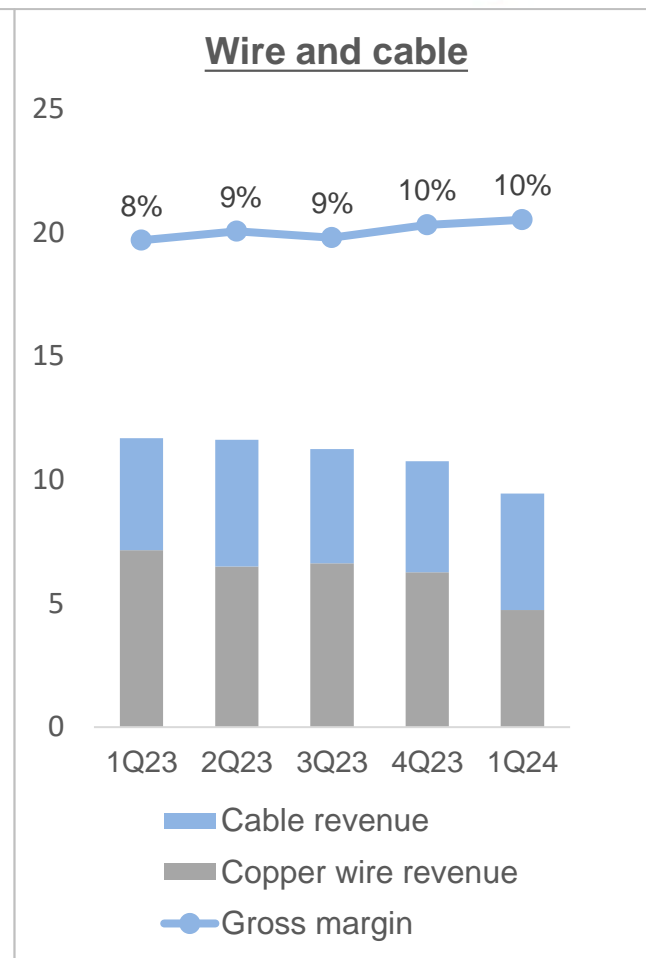
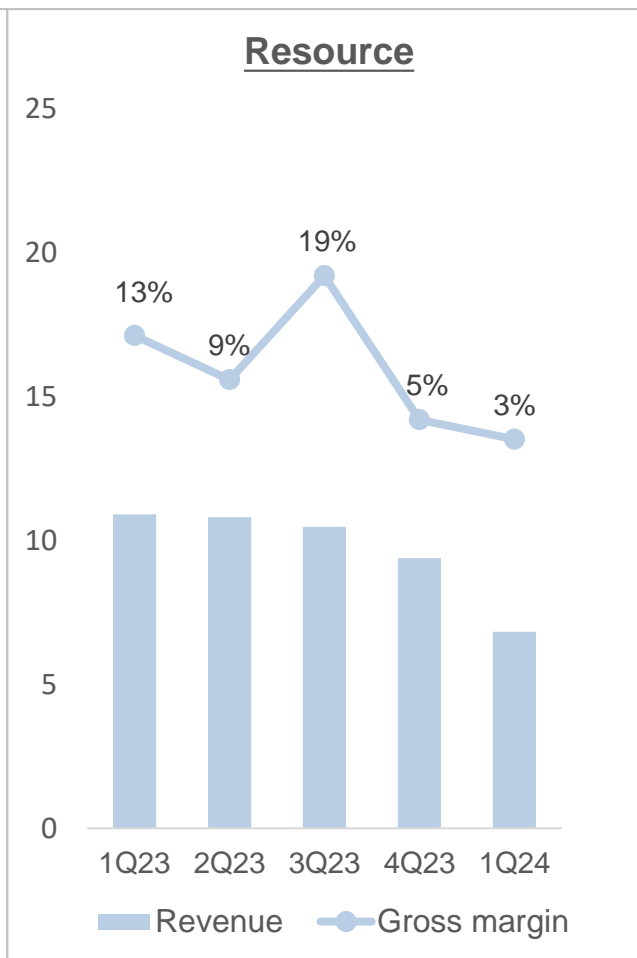
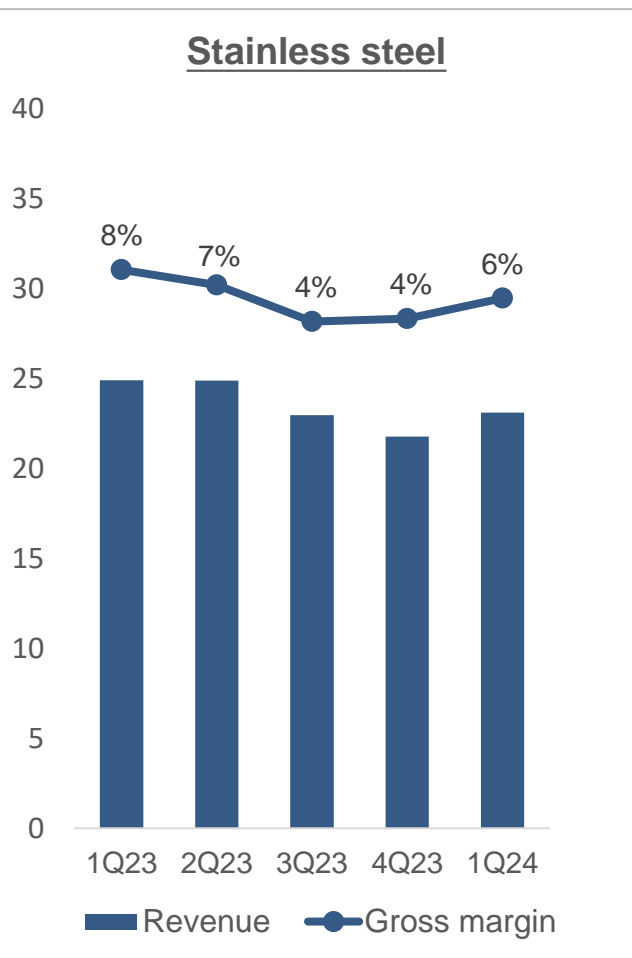
# 1Q24 Operating Revenue by Business Groups (BG)

(In NT\$ billions)



# 1Q24 Operating Revenue and Gross Margin by BG

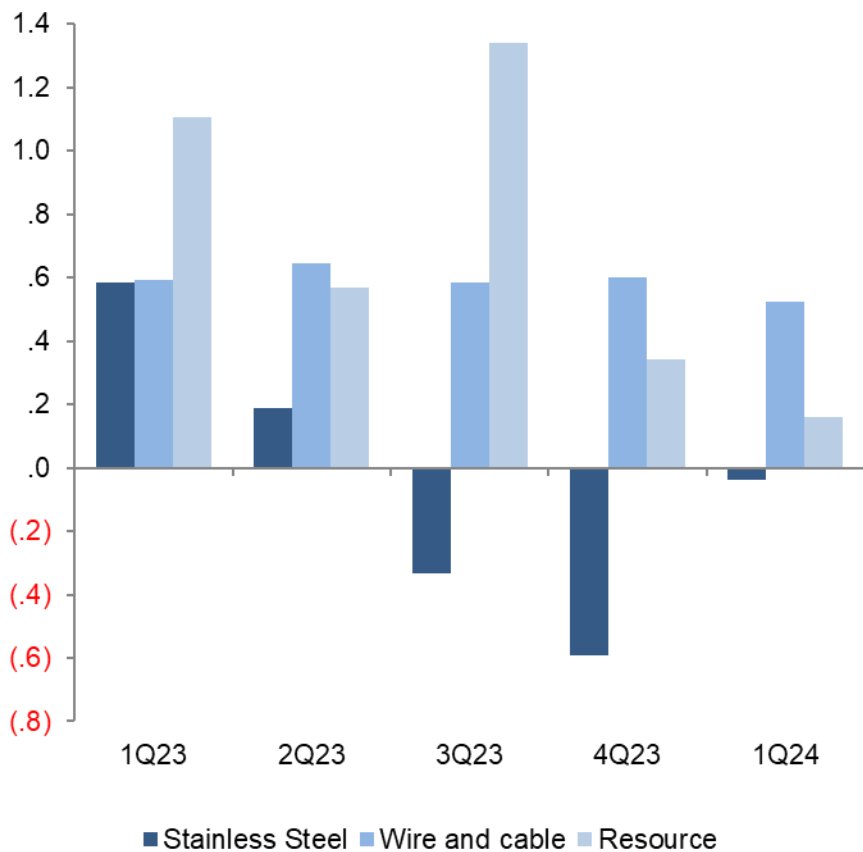
(In NT\$ billions)



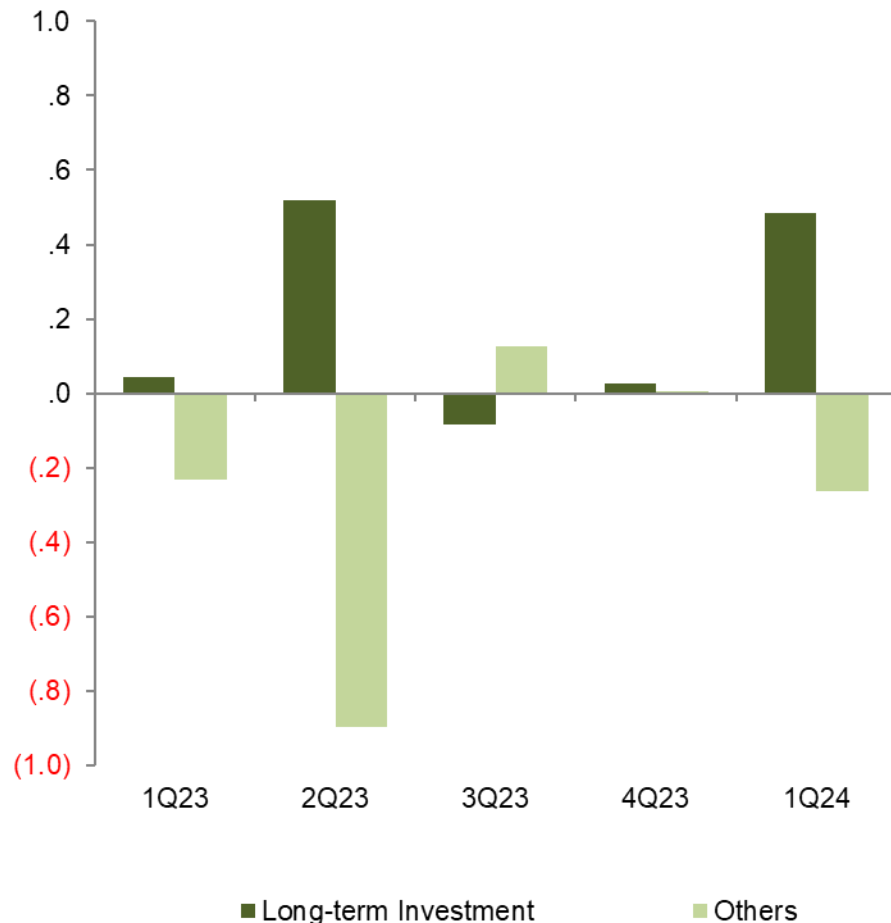
# 1Q24 Net Profit by BG

(In NT\$ billions)

## Manufacturing Segment



## Long-Term Investments and Others



# Balance Sheets & Key Indices

Selected Items from Balance Sheets <i>(In NT\$ billions)</i>	1Q24		4Q23		1Q23	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	12.3	5%	16.3	6%	8.3	3%
Accounts Receivable	18.1	7%	15.9	6%	21.1	8%
Inventory <sup>1</sup>	39.7	15%	36.7	14%	41.9	16%
Long-Term Investments <sup>2</sup>	64.8	24%	69.8	26%	65.5	26%
Property, Plant, and Equipment <sup>3</sup>	114.8	43%	110.5	42%	97.4	38%
<b>Total Assets</b>	<b>265.7</b>	<b>100%</b>	<b>266.4</b>	<b>100%</b>	<b>255.3</b>	<b>100%</b>
Current Liabilities	53.6	20%	50.8	19%	60.1	24%
Long-term Interest-bearing Debts	47.9	18%	47.9	18%	47.2	18%
<b>Total Liabilities</b>	<b>114.2</b>	<b>43%</b>	<b>111.9</b>	<b>42%</b>	<b>119.5</b>	<b>47%</b>
<b>Total Shareholders' Equity</b>	<b>151.5</b>	<b>57%</b>	<b>154.5</b>	<b>58%</b>	<b>135.8</b>	<b>53%</b>
<b>Key Indices</b>						
Average Collection Days	<b>38</b>		<b>40</b>		<b>39</b>	
Average Turnover Days	<b>85</b>		<b>77</b>		<b>71</b>	
Current Ratio	<b>1.5</b>		<b>1.6</b>		<b>1.4</b>	
Ratio of Long-Term Capital to Non-Current Assets <sup>4</sup>	<b>1.1</b>		<b>1.1</b>		<b>1.1</b>	

<sup>1</sup> Inventory includes prepayment for purchases

<sup>2</sup> Long-term investments includes prepayments for investments

<sup>3</sup> Property, Plant, and Equipment (PPE) includes intangible assets

<sup>4</sup> 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>	1Q24	4Q23	1Q23
<b>Beginning Balance</b>	<b>16.3</b>	<b>13.5</b>	<b>19.4</b>
Cash from Operating Activities	(4.1)	13.4	3.5
Capital Expenditure	(3.0)	(3.8)	(5.2)
Equity Investments	2.8	0.9	-
Acquisition of Subsidiaries	(3.7)	(1.3)	-
Earn-out from Disposal of Borrego	1.3	-	-
Long and Short-Term Borrowing	0.9	(3.0)	(9.5)
Others	1.8	(3.4)	0.1
<b>Ending Balance</b>	<b>12.3</b>	<b>16.3</b>	<b>8.3</b>

## 2Q24 Outlook (compared with 1Q24)

- **Stainless Steel BG** (*strong*)
  - The demand steadily increases with improved order visibility, and prices are gradually catching up.
- **Resource BG** (*strong*)
  - The demand for stainless steel in the Chinese market is on the rise, with an expected increase in overall nickel demand. The price of NPI is still under observation, while nickel matte prices are expected to track the rebound of LME nickel prices.
- **Wire and Cable BG** (*strong*)
  - After the Lunar New Year, construction of plants in both the technology and traditional industry sectors begins.
  - Demand for power cables for private use rebounds with increased real estate sales volume.
  - Steady orders from Taipower for Grid Resilience Strengthening Construction Plan.



**Please dial +886 2 3396 1191  
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**Thank you**

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