

Wistron Corporation

Investor Presentation



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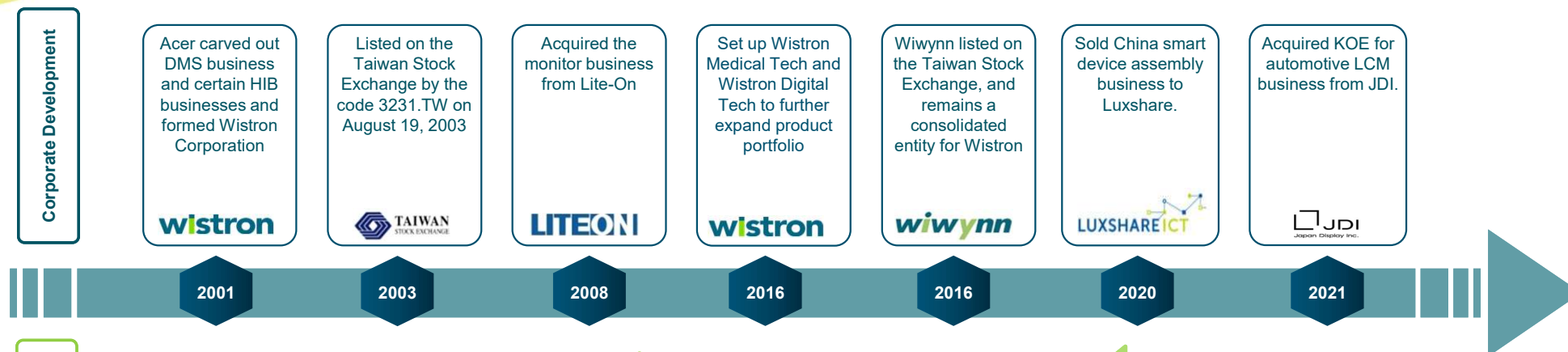
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Corporate Overview

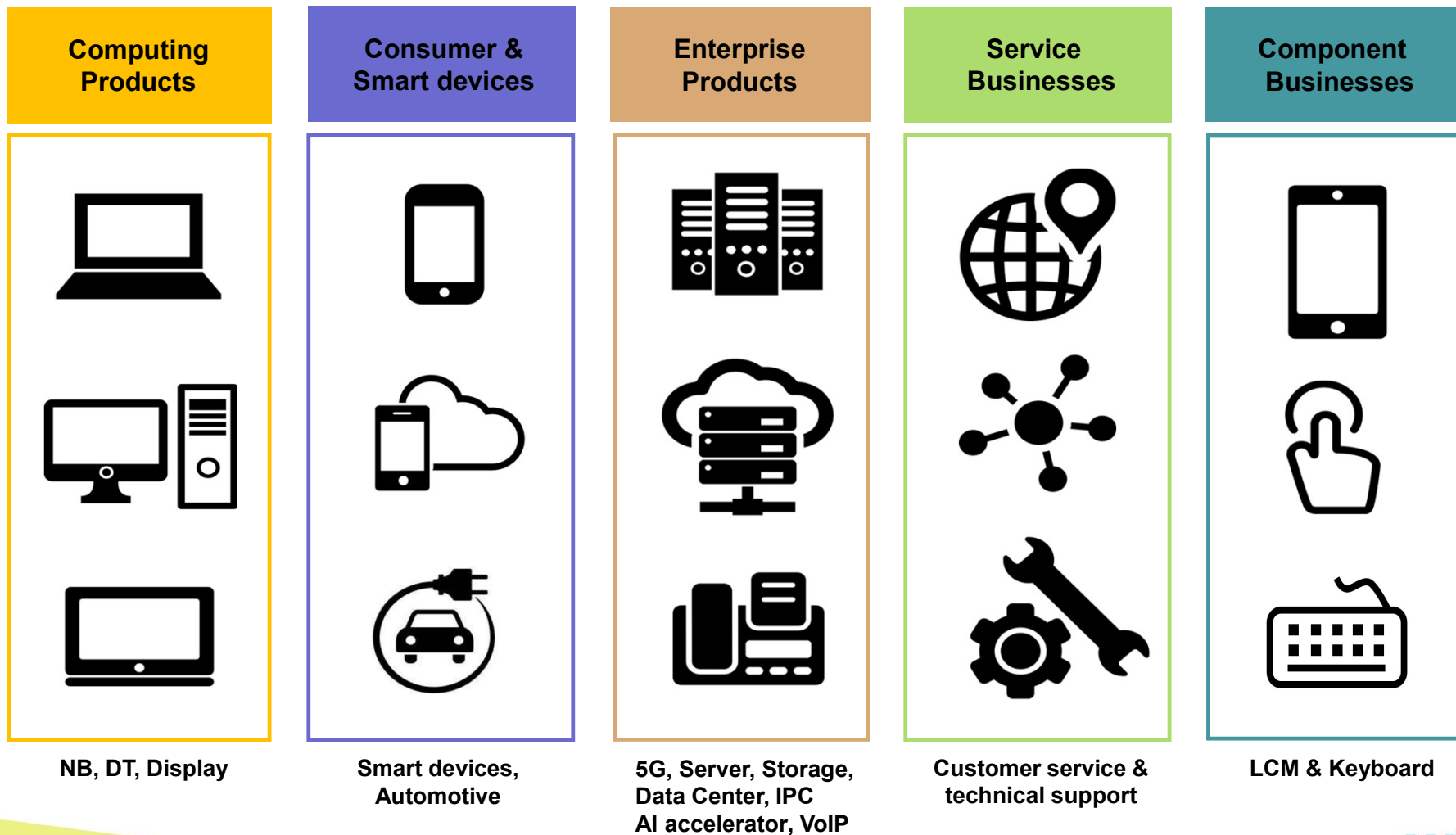


Financial Snapshot

NT\$ B	2016	2017	2018	2019	2020	2021
Revenue	659.9	836.1	889.5	878.3	845.0	862.0
Gross Profit	31.6 4.8%	31.6 3.8%	37.6 4.2%	42.2 4.8%	46.0 5.4%	51.1 5.9%
Operating Profit	6.0 0.9%	5.9 0.7%	10.8 1.2%	13.3 1.5%	14.4 1.7%	16.4 1.9%
Net Profit	3.0 0.4%	3.9 0.5%	4.9 0.6%	6.8 0.8%	8.6 1.0%	10.5 1.2%



A Technology Powerhouse for ICT Products



Multiple Growth Drivers In Place



Core Business

- Notebook
- Desktop
- Server
- Monitor
- Smart Device



Value-added Business

- AI Compute
- Professional display
- AIoT
- Industrial Compute
- Components
- Environmental Solutions
- LCM

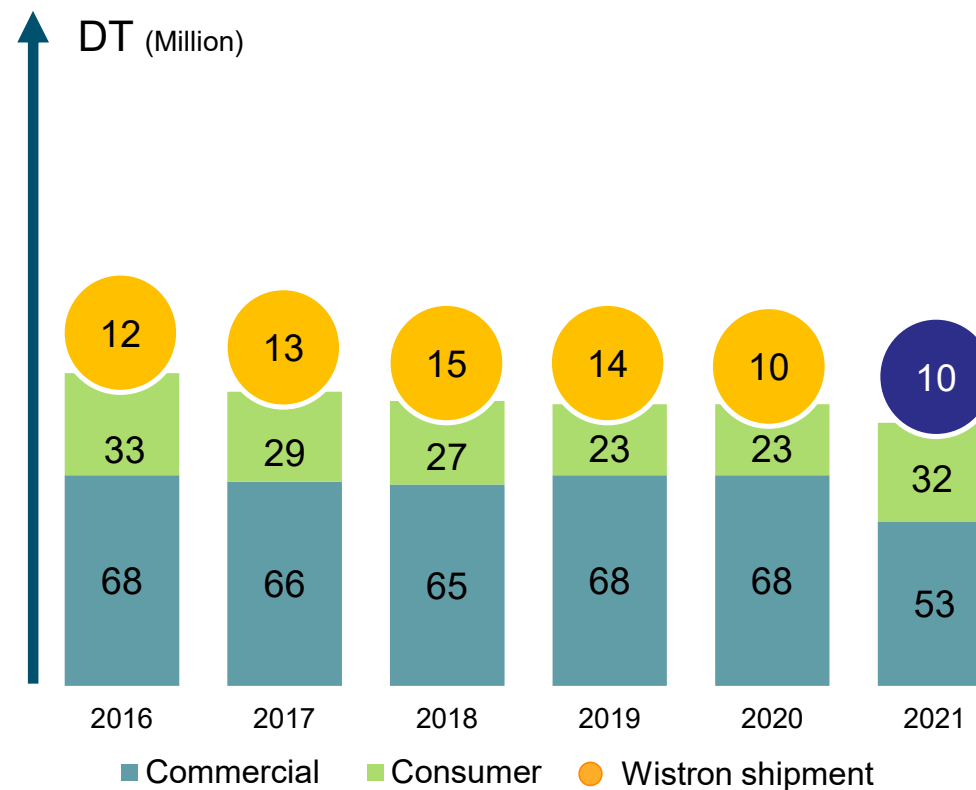
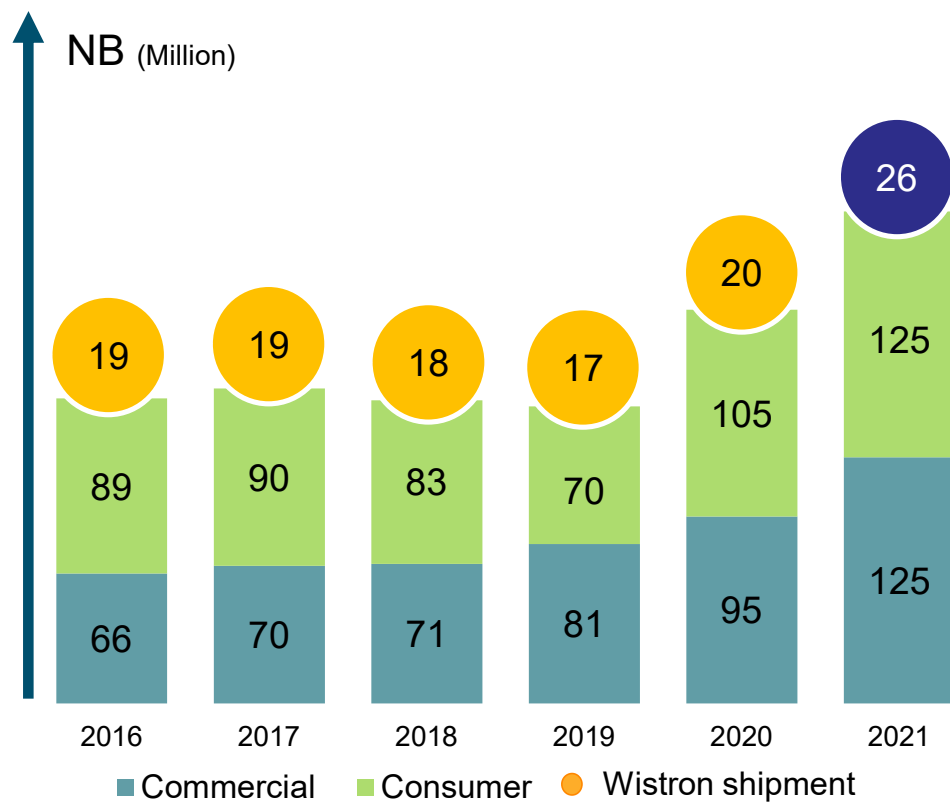


Future Investment

- AI and 5G Network Compute
- Cloud Application
- Automotive
- Medical

Digital Transformation

Historical PC Demand





End-to-End Solutions Offering One-Stop Shop

Design

- Software
- Industrial design
- Electronic / mechanical engineering

Manufacturing & Logistics

- Assembly services
- Quality management and control services
- Global supply chain management

After-Sales Services

- Managed customer support services
- Project / program planning

Technical Services

- LCM modules
- Recycling
- Industrial computers
- Enterprise storage

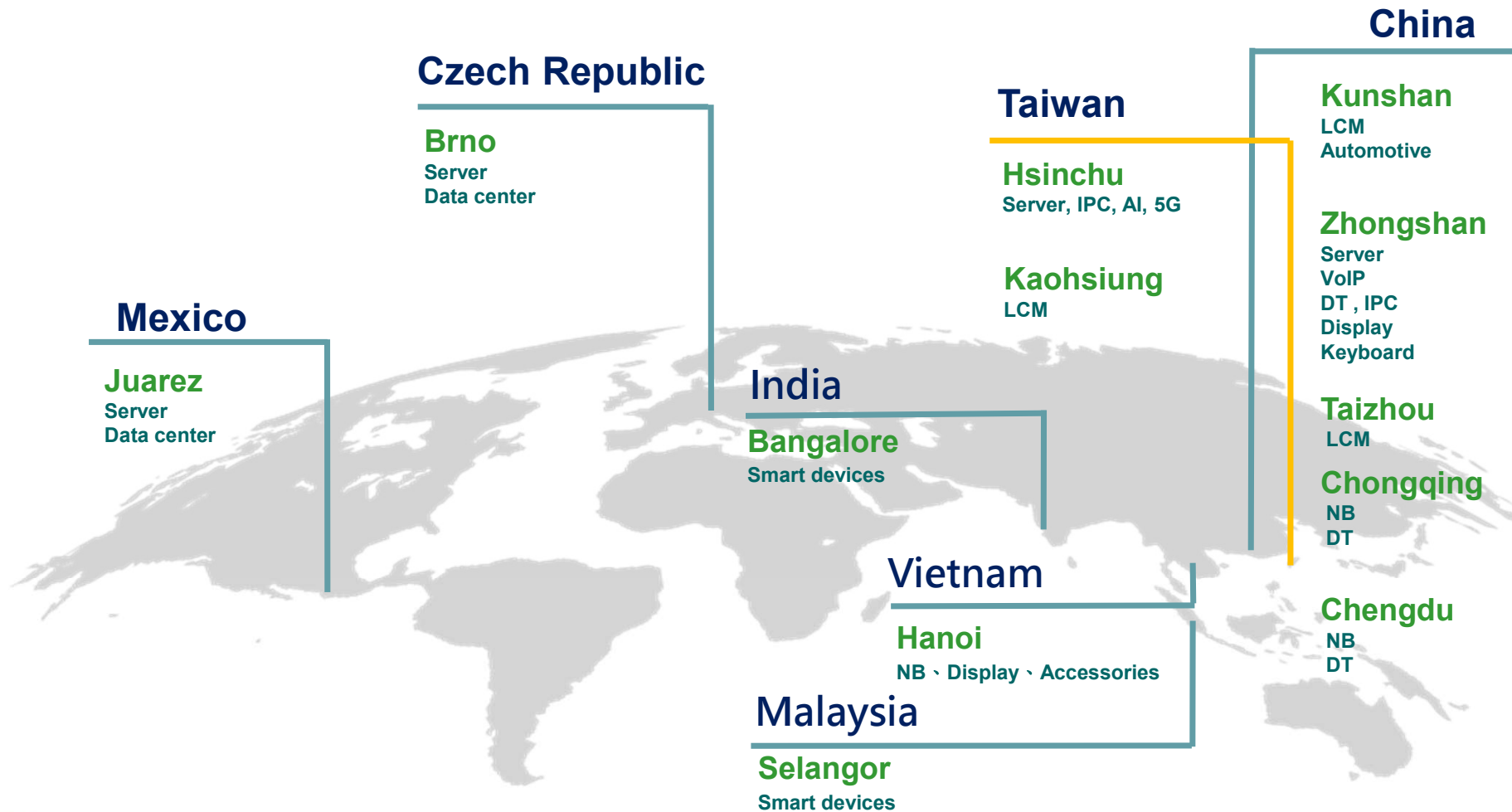


End-to-End Extensive Services from Product Concept to After-Sales Support

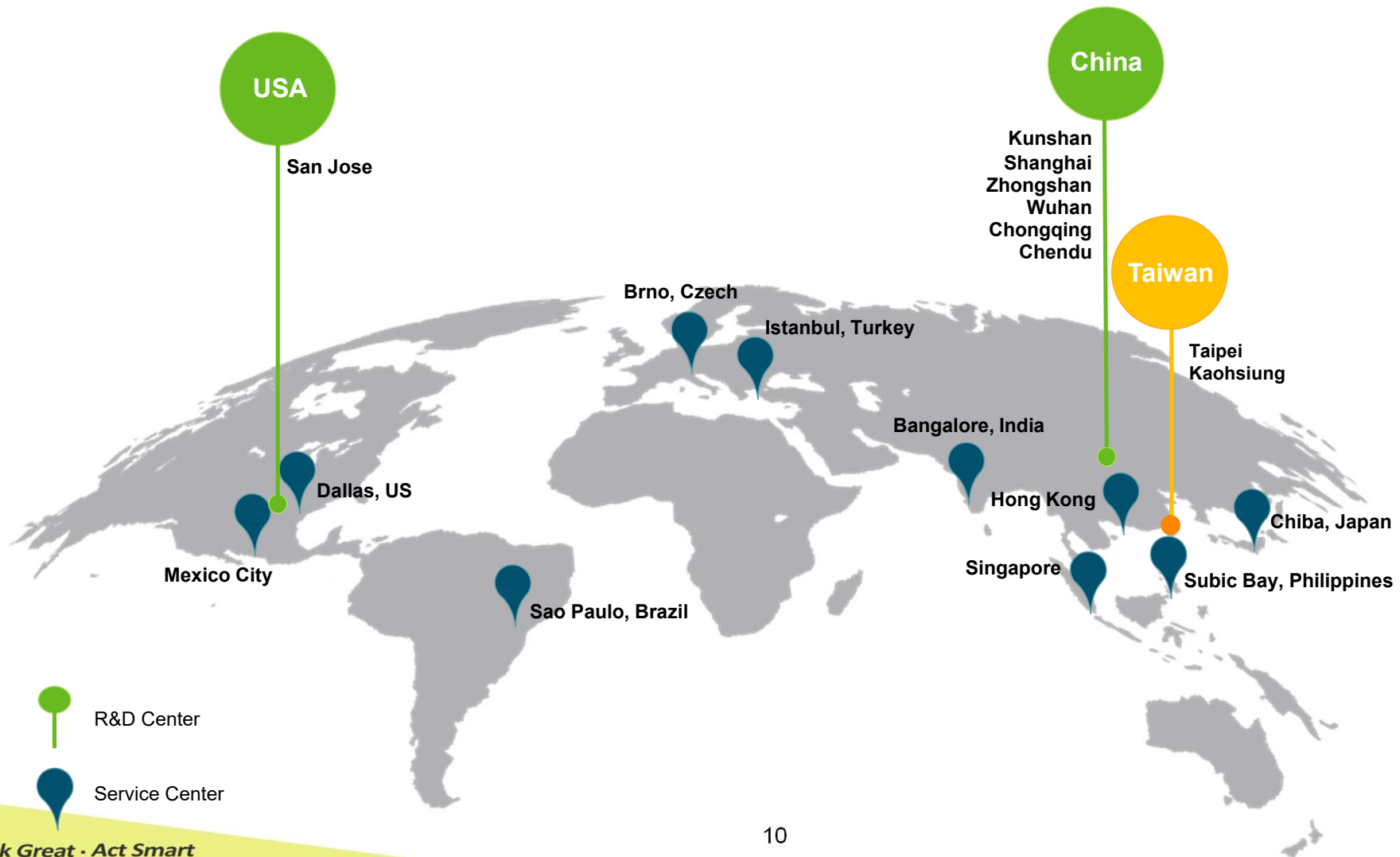


- ✓ 1,500 Software Engineers
- ✓ 8,800 Engineers
- ✓ 6,500 Patents
- ✓ 1,900 U.S.A. Utility Patents

Global Manufacturing Footprint



Global Coverage – R&D and Service Centers



Think Great - Act Smart

Wistron Group Companies

wistron

**Wistron
Corporation**

Industry-leading provider of
ICT products, services and
systems



**Wiwynn
Corporation**

The best solution provider
for customer in cloud
services business

wistron
Wistron ITS

**Wistron Information
Technology & Services
Corporation**

A leader in contract
software development

WNC
Wistron NeWeb Corp.

**Wistron NeWeb
Corporation**

Industry-leading provider of
broadband communications, IoT,
and automotive products

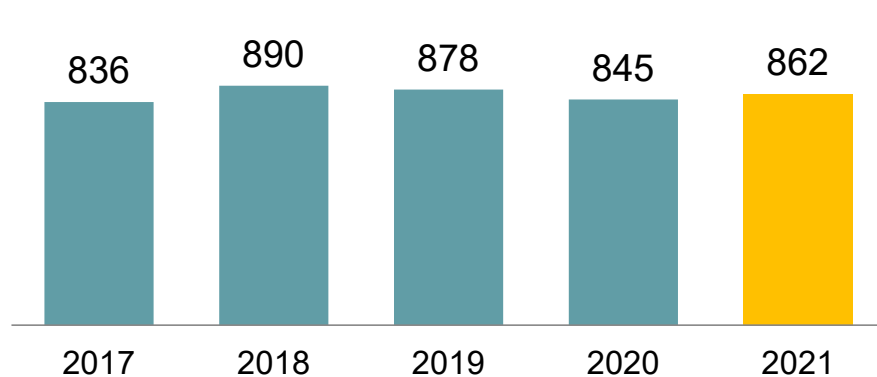
Awards and Recognition



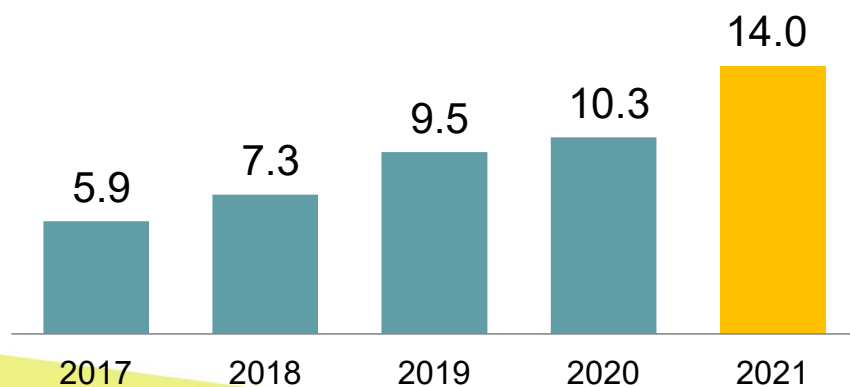


Financial Highlights - 1

Revenue (NT\$ B)

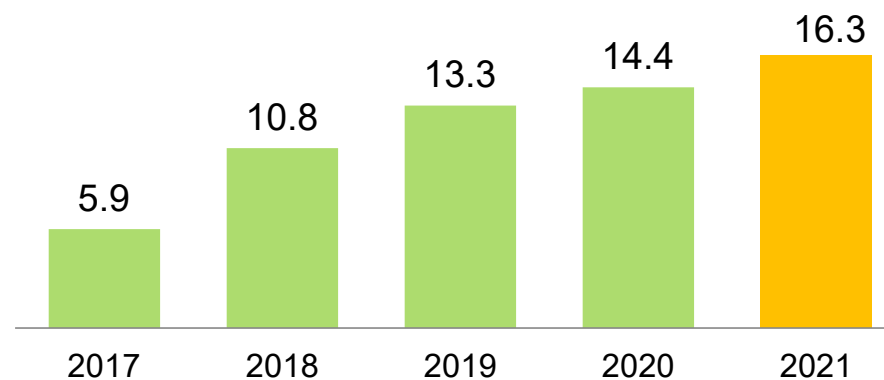


ROE (%)

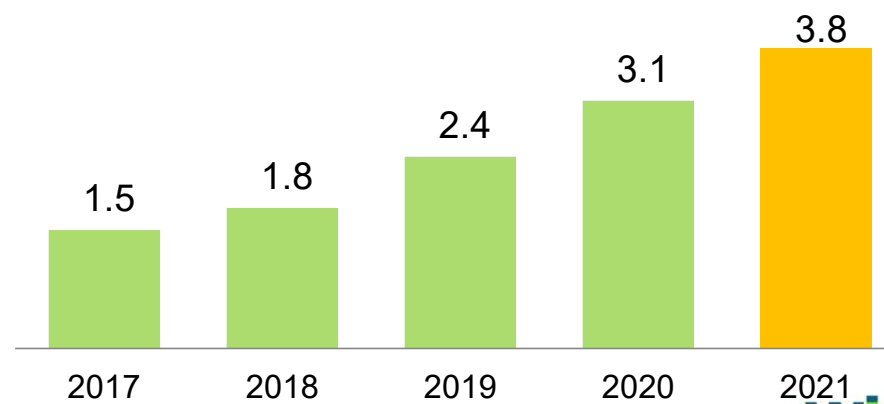


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Operating Income (NT\$ B)



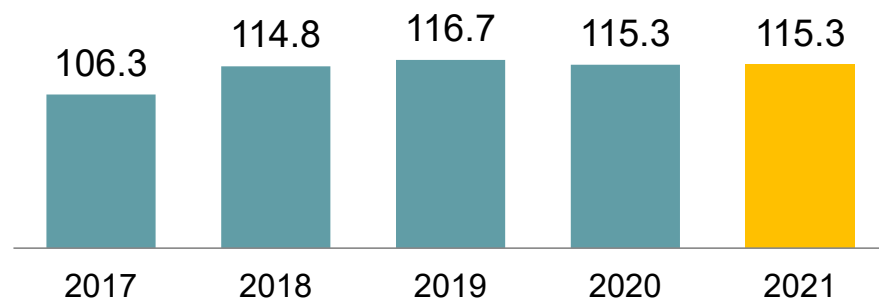
EPS (NT\$)



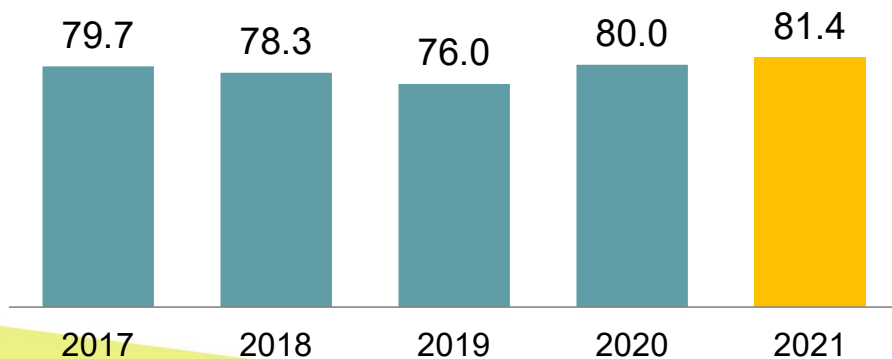


Financial Highlights - 2

Current Ratio (%)

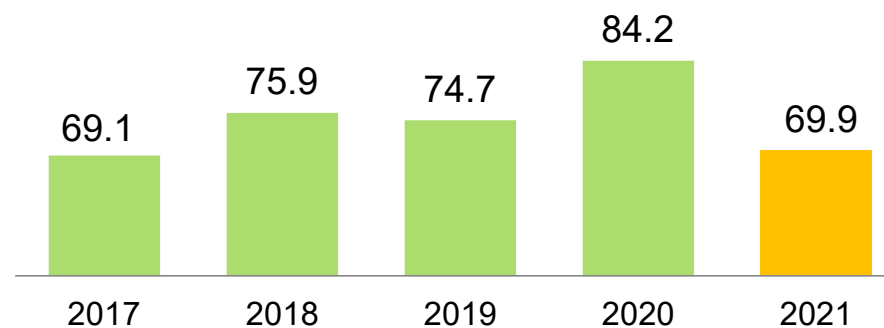


Debt Ratio (%)

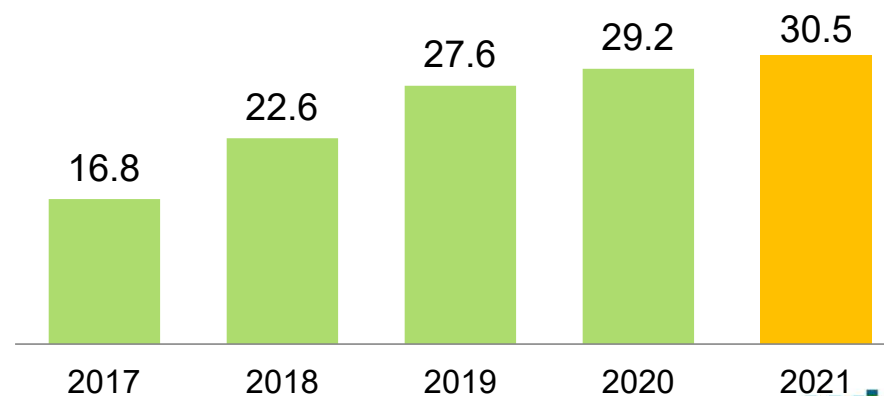


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Quick Ratio (%)



EBITDA (NTD\$ B)





Historical Income Statement

NT\$ M	2021		2020		2019		2018	
Net Revenue	862,083		845,012		878,255		889,536	
Realized gross profit	51,135	5.9%	46,053	5.4%	42,158	4.8%	37,559	4.2%
Operating expenses								
Selling	(9,467)	-1.1%	(8,866)	-1.0%	(9,243)	-1.1%	(9,226)	-1.1%
Administrative	(4,531)	-0.5%	(3,667)	-0.4%	(3,417)	-0.4%	(3,164)	-0.4%
Research and development	(20,761)	-2.4%	(19,049)	-2.3%	(16,198)	-1.8%	(14,404)	-1.7%
Total operating expenses	(34,760)	-4.0%	(31,582)	-3.7%	(28,858)	-3.3%	(26,793)	-3.2%
Operating income	16,375	1.9%	14,471	1.7%	13,300	1.5%	10,766	1.2%
Non-operating income/(expenses)								
Interest income/(expense), net	(573)		(460)		(2,757)		(3,676)	
LT investment income/(expense), net	117		447		339		409	
Exchange gain/(loss), net	1,350		1,230		761		1,386	
Other income/(expense)	1,965		1,157		1,133		774	
PBT	19,234		16,845		12,776		9,659	
Tax	(4,506)	-23.4%	(3,937)	-23.4%	(3,050)	-23.9%	(2,374)	-24.6%
Minority interest	(4,260)		(4,226)		(2,925)		(2,377)	
PAT	10,468		8,682		6,801		4,908	
Outstanding shares (M)	2,782		2,840		2,840		2,842	

Source: Company consolidated financials



Income Statement (2021 vs. 2020)

NT\$ M	2021		2020		YoY
Net revenue	862,083		845,012		2.0%
Realized gross profit	51,135	5.93%	46,053	5.45%	11.0%
Selling	(9,467)	-1.10%	(8,866)	-1.05%	6.8%
Administrative	(4,531)	-0.53%	(3,667)	-0.43%	23.6%
Research & development	(20,761)	-2.41%	(19,049)	-2.25%	9.0%
Total operating expenses	(34,760)	-4.03%	(31,582)	-3.74%	10.1%
Operating Income	16,375	1.90%	14,471	1.71%	13.2%
Non-operating Income/(Expenses)					
Interest income/(expense), net	(573)		(460)		
LT investment income/(expense), net	117		447		
Exchange gain/(loss), net	1,350		1,230		
Other income/(expense)	1,965		1,157		
PBT	19,234		16,845		14.2%
Tax	(4,506)	-23.43%	(3,937)	-23.37%	14.5%
Minority interest	(4,260)		(4,226)		
PAT	10,468		8,682		20.6%
EPS	3.76		3.10		21.3%



Income Statement (Q4'21 vs. Q3'21 and Q4'20)

NT\$ M	Q4 2021		Q3 2021		QoQ	Q4 2020		YoY
Net revenue	263,453		220,392		19.5%	232,539		13.3%
Realized gross profit	15,480	5.88%	12,993	5.90%	19.1%	13,110	5.64%	18.1%
Selling	(2,660)	-1.01%	(2,414)	-1.10%	10.2%	(2,417)	-1.04%	10.1%
Administrative	(1,480)	-0.56%	(902)	-0.41%	64.1%	(1,121)	-0.48%	32.0%
Research & development	(5,832)	-2.21%	(5,229)	-2.37%	11.5%	(5,267)	-2.26%	10.7%
Total operating expenses	(9,972)	-3.79%	(8,545)	-3.88%	16.7%	(8,805)	-3.79%	13.3%
Operating Income	5,509	2.09%	4,448	2.02%	23.9%	4,305	1.85%	28.0%
Non-operating Income/(Expenses)								
Interest income/(expense), net	(380)		(161)			(184)		
LT investment income/(expense), net	22		66			114		
Exchange gain/(loss), net	367		298			734		
Other income/(expense)	3,202		(2,256)			(182)		
PBT	8,721		2,395		264.1%	4,787		82.2%
Tax	(2,029)	-23.27%	(590)	-24.63%	243.9%	(1,115)	-23.29%	82.0%
Minority interest	(1,316)		(978)			(1,346)		
PAT	5,376		827		550.1%	2,326		131.1%
EPS	1.93		0.30		543.3%	0.83		132.5%



Balance Sheets

NT\$M	2021/12/31		2021/09/30		2020/12/31	
Cash & ST Investments	70,154	14%	69,050	15%	66,204	15%
A/R	161,179	32%	148,530	32%	127,533	30%
Inventory	161,378	32%	143,301	31%	95,054	22%
Other current Assets	29,076	6%	25,577	6%	73,169	17%
Total Current Assets	421,787	85%	386,458	84%	361,960	84%
LT equity investments	14,306	3%	12,680	3%	12,874	3%
Property, plant and equipment	42,210	8%	41,047	9%	36,572	9%
Other assets	18,995	4%	19,403	4%	17,416	4%
Total Assets	497,298	100%	459,588	100%	428,822	100%
ST Borrowing	140,900	28%	127,795	28%	102,040	24%
Current Portion of LT Debt	1,218	0%	1,226	0%	-	0%
A/P	168,385	34%	157,499	34%	114,691	27%
Other current liabilities	55,080	11%	50,670	11%	96,968	23%
Total Current Liabilities	365,583	74%	337,190	73%	313,699	73%
LT Debt	23,237	2%	25,472	6%	20,332	5%
Bonds payable	9,436	1%	9,436	2%	4,992	1%
Other liabilities	6,557	1%	6,474	1%	5,873	1%
Total Liabilities	404,813	81%	378,572	82%	344,896	80%
Shareholders' Equity	92,485	19%	81,016	18%	83,926	20%



Cash Flows

NT\$M	2021	2020
Cash* (Beginning of period)	66,204	47,412
Cash flow from Operation		
Consolidated PBT	19,234	16,845
Depreciation & amortization	9,225	10,060
Profit/loss of financial assets & liabilities at fair value	1,322	(816)
Changes in A/R	(34,763)	1,820
Changes in A/P	54,936	(12,407)
Changes in inventories	(68,003)	(32,799)
Others	(3,487)	6,628
Cash provided by operating activities	(21,536)	(10,669)
Cash flow from Investment		
Capex	(14,556)	(11,139)
Others	(2,042)	(5,140)
Cash provided by investing activities	(16,598)	(16,279)
Cash flow from Finance		
Increase (decrease) in ST borrowings	41,537	54,389
Bonds	4,442	4,992
LT debt	4,707	2,877
Payment on cash dividends	(6,258)	(5,681)
Treasury stock buy-back	-	(1,607)
Treasury stock transferred to employees	-	-
Partial disposal of interests in subsidiaries without loss of control	4,028	-
Change in non-controlling interests	(2,474)	(1,934)
Others	2,639	(2,013)
Cash provided by financing activities	44,593	51,023
Effect of exchange rate change & subsidiaries consolidated	(2,509)	(1,940)
Cash (End of period)	70,154	69,546

* Capex = Acquisition to property, plant and equipments + Addition to equity-accounted investees
+ Acquisition of financial assets at fair value through other comprehensive income
+ Additons to intangible assets



Dividend History

	2017	2018	2019	2020	2021
Cash (NT\$)	1.2	1.5	2.0	2.2	2.2
Stock (NT\$)	0.3	-	-	-	-
EPS (NT\$)	1.48	1.76	2.40	3.10	3.76
Cash Dividend Payout (%)	81%	85%	83%	71%	59%
Total Dividend Payout (%)	101%	85%	83%	71%	59%