

Wistron Corporation

Investor Presentation



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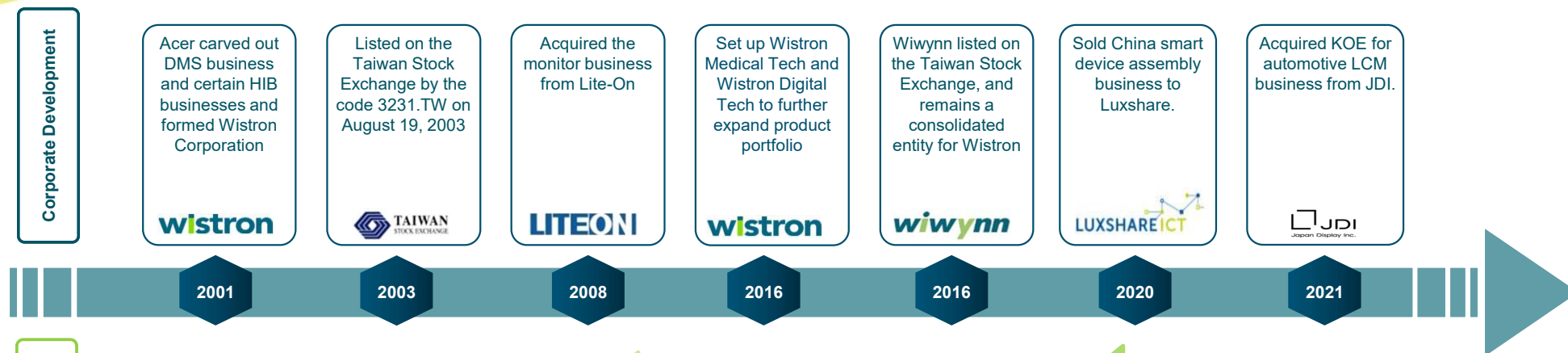
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Corporate Overview

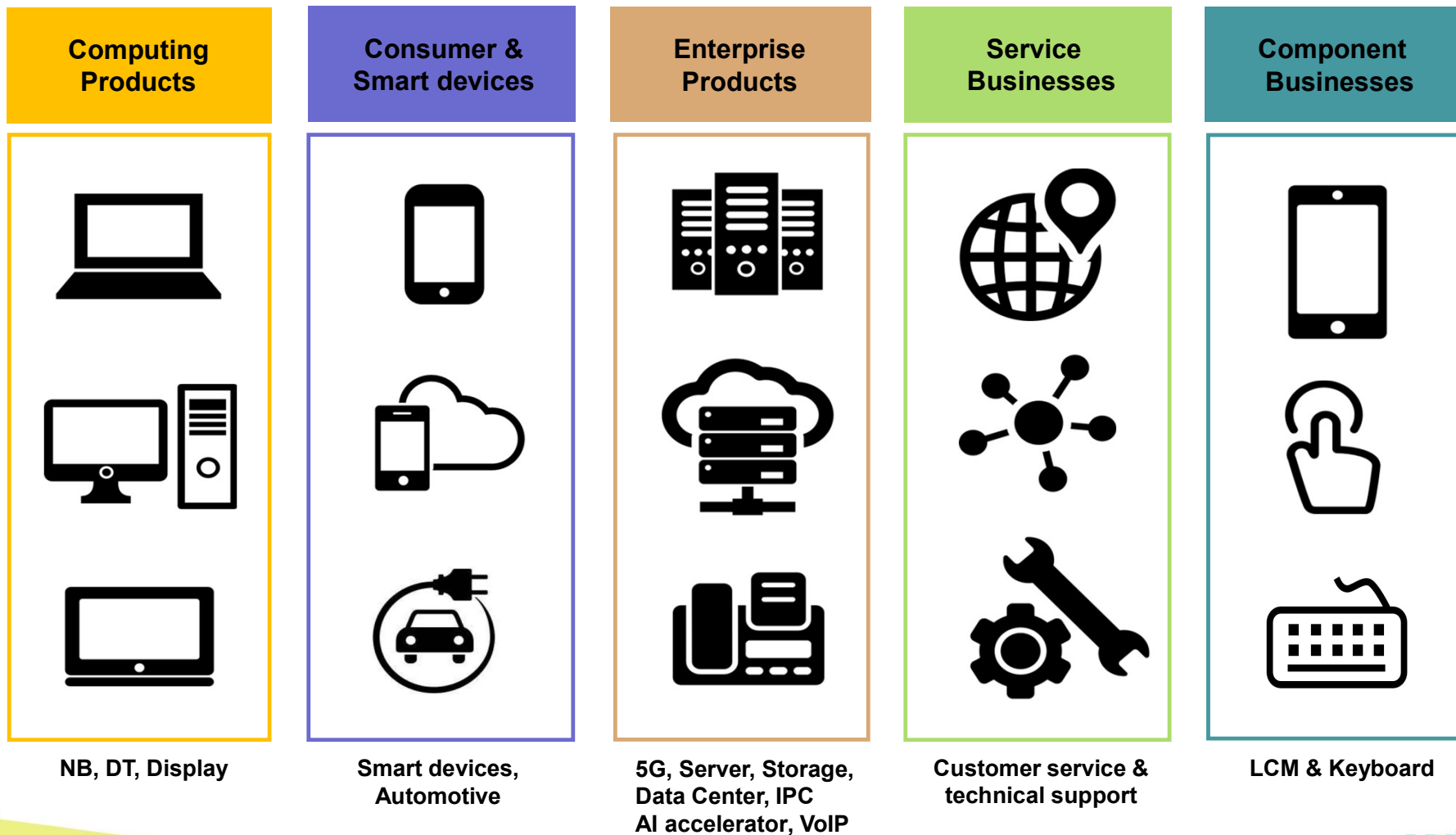


Financial Snapshot

NT\$ B	2016	2017	2018	2019	2020	2021'1-3Q
Revenue	659.9	836.1	889.5	878.3	845.0	598.6
Gross Profit	31.6 4.8%	31.6 3.8%	37.6 4.2%	42.2 4.8%	46.0 5.4%	35.6 5.9%
Operating Profit	6.0 0.9%	5.9 0.7%	10.8 1.2%	13.3 1.5%	14.4 1.7%	10.9 1.8%
Net Profit	3.0 0.4%	3.9 0.5%	4.9 0.6%	6.8 0.8%	8.6 1.0%	5.1 0.9%



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

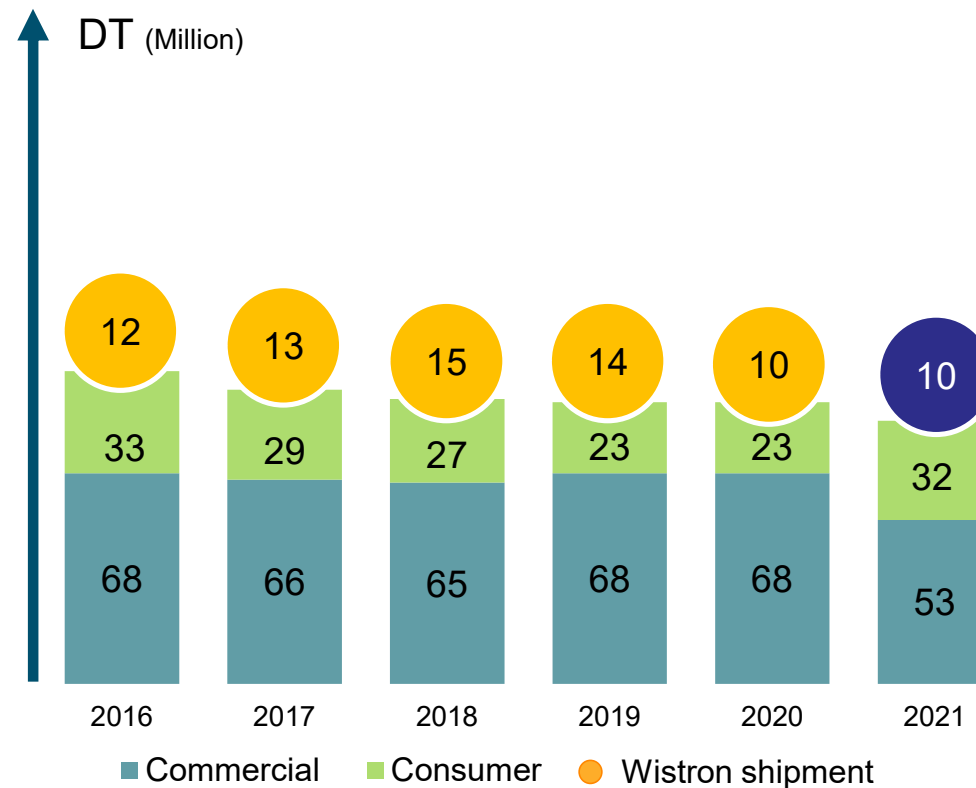
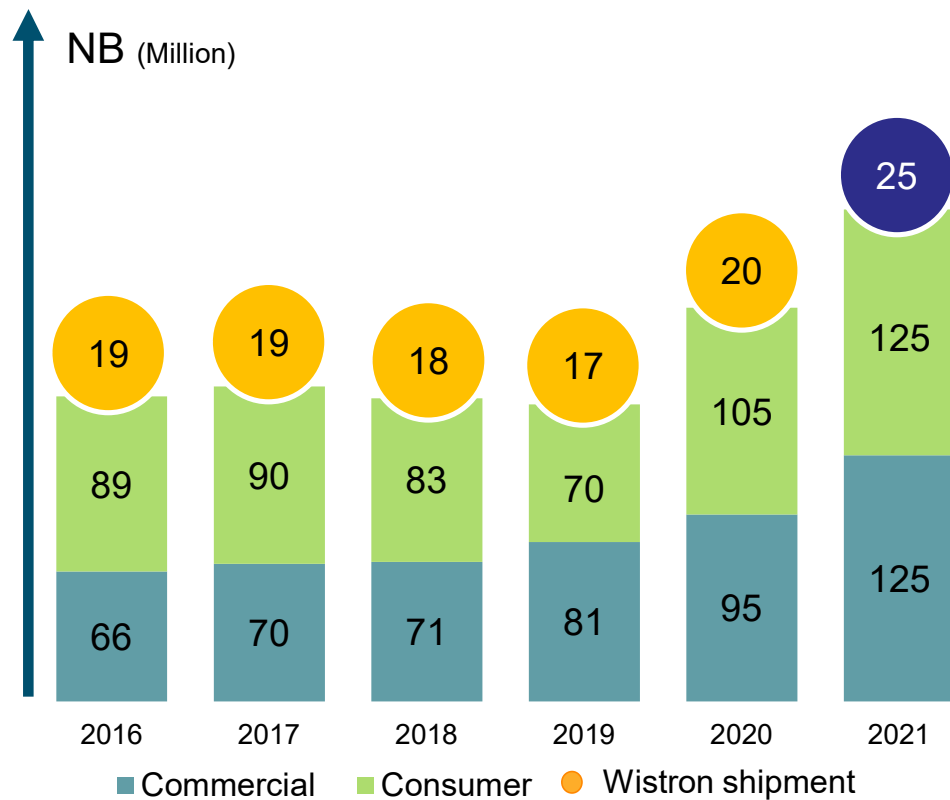


Future Investment

- 5G – Network Compute & Edge
- 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

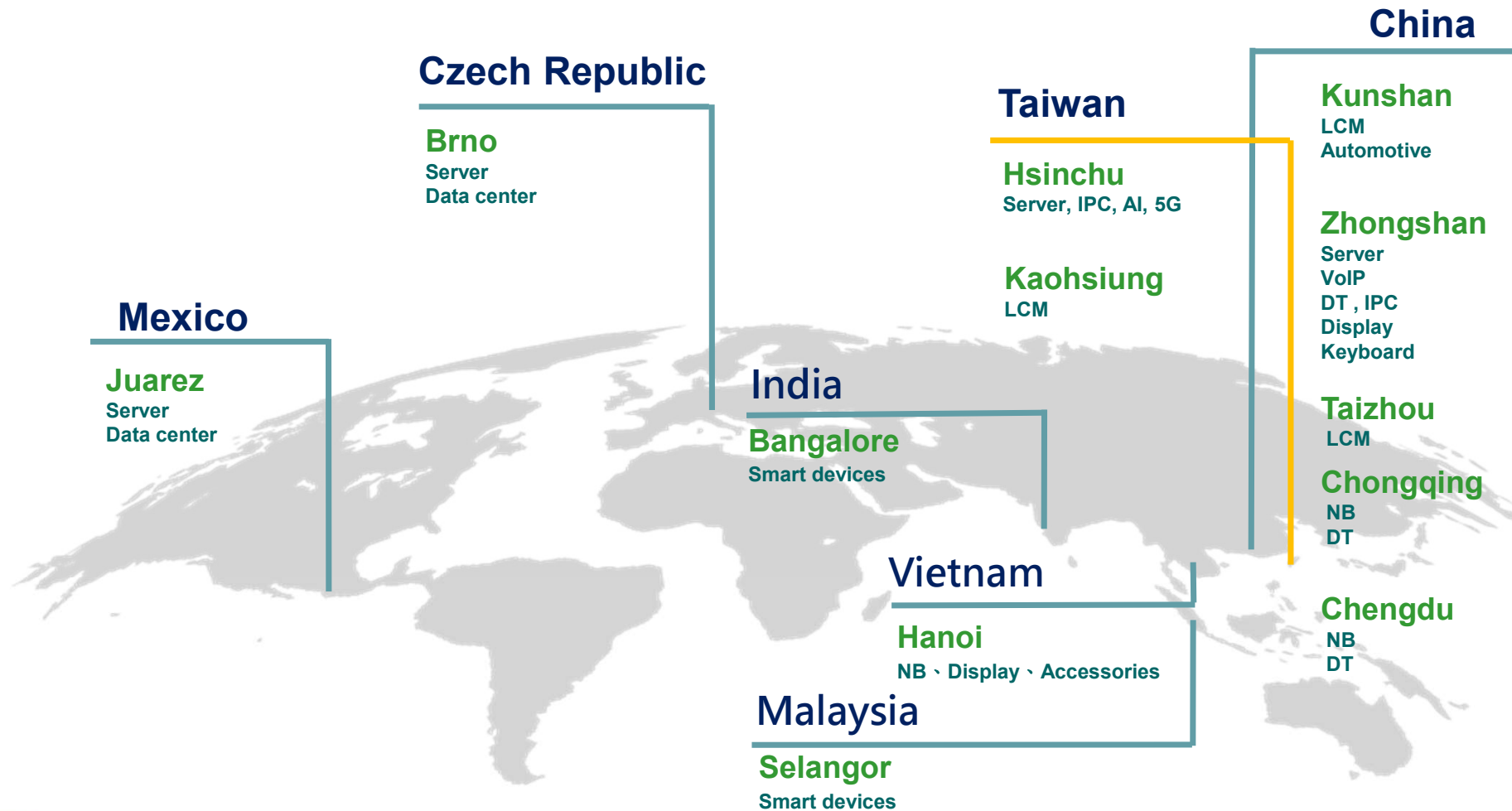


End-to-End Extensive Services from Product Concept to After-Sales Support

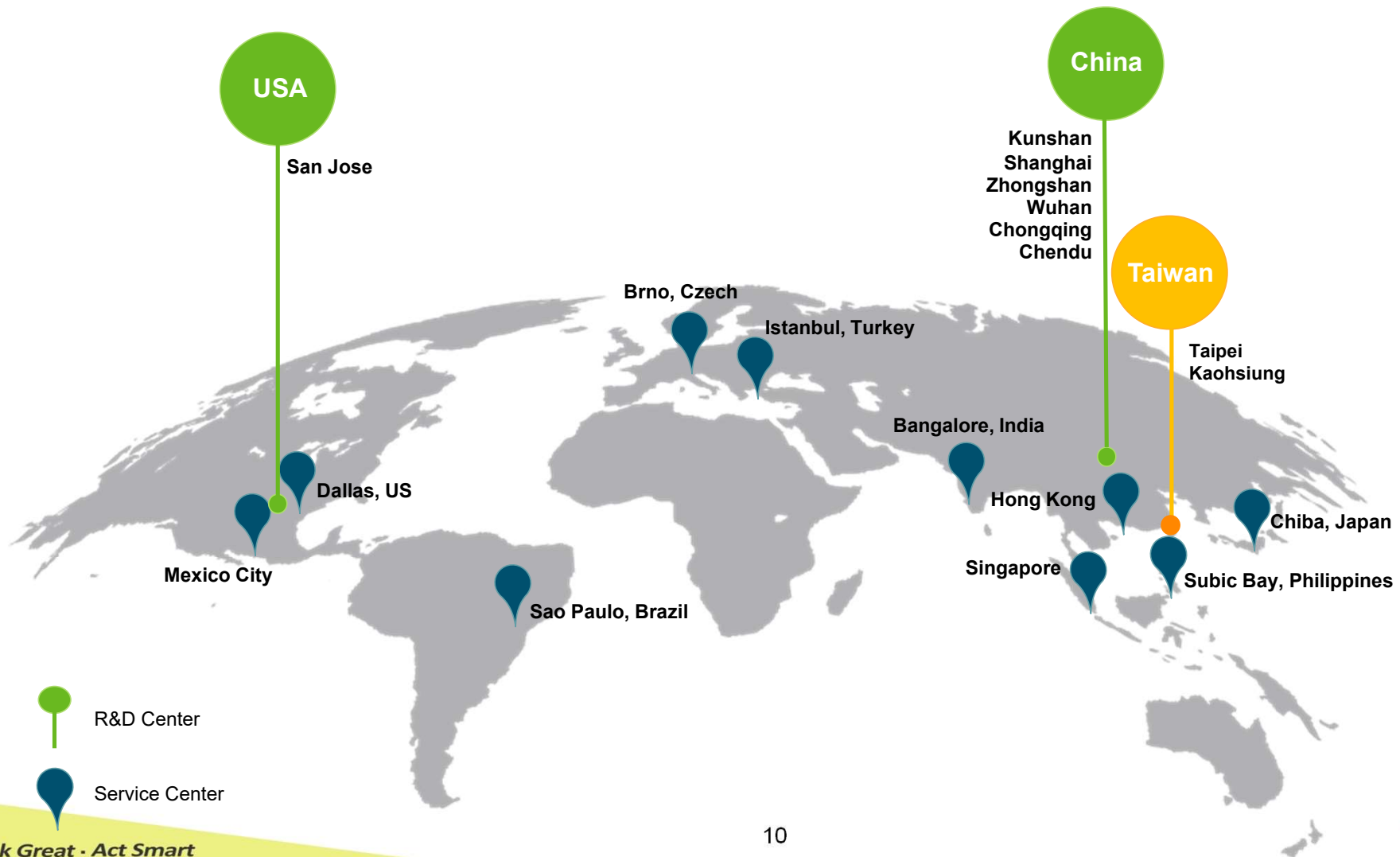


- ✓ 1,500 Software Engineers
- ✓ 8,800 Engineers
- ✓ 6,500 Patents
- ✓ 1,900 U.S.A. Utility Patents

Global Manufacturing Footprint



Global Coverage – R&D and Service Centers



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

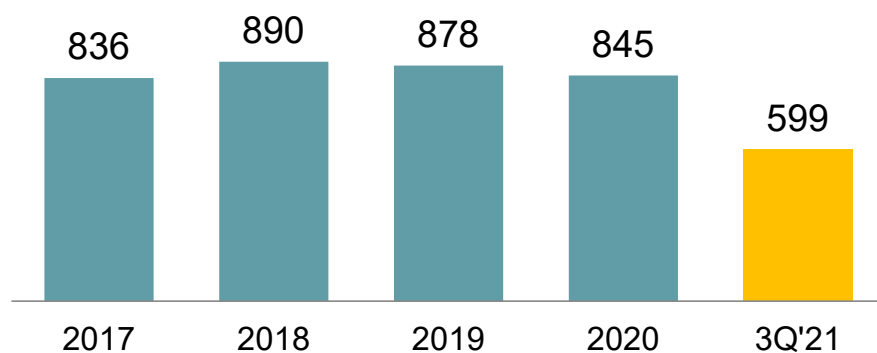
Industry-leading provider of
broadband communications, IoT,
and automotive products

Awards and Recognition

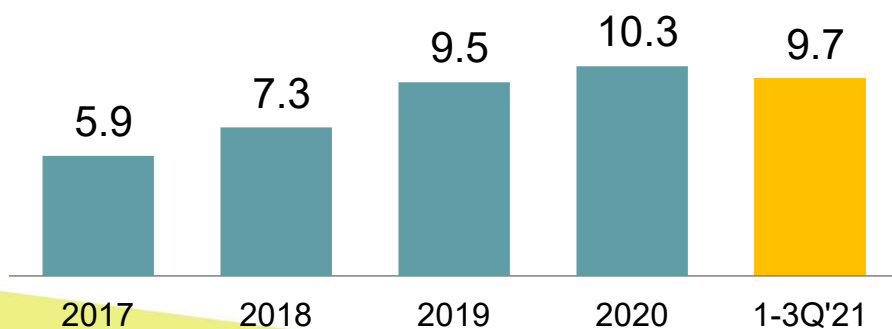


Financial Highlights - 1

Revenue (NT\$ B)

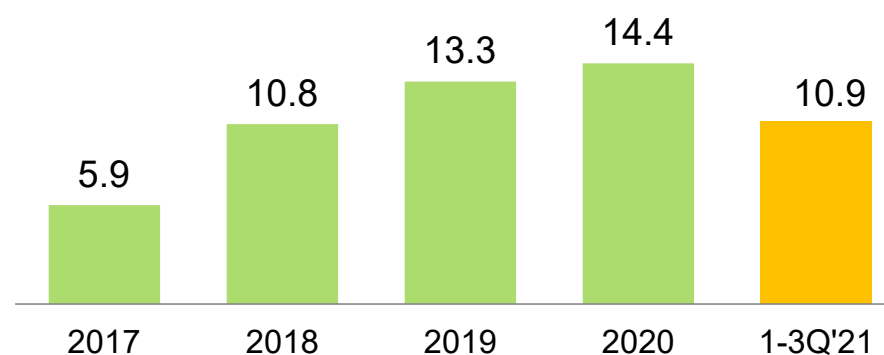


ROE (%)

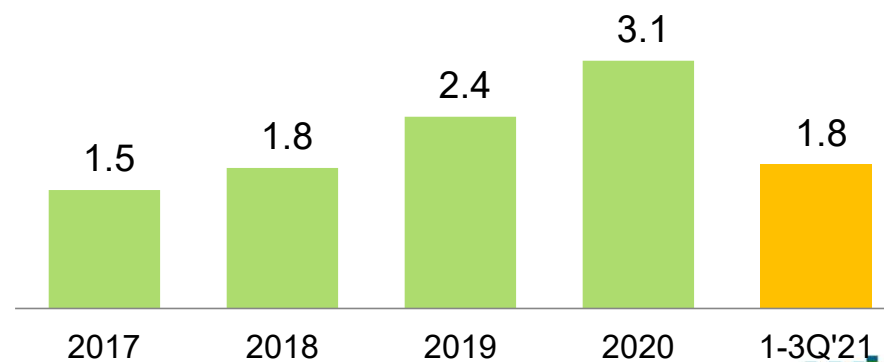


Think Great · Act Smart

Operating Income (NT\$ B)



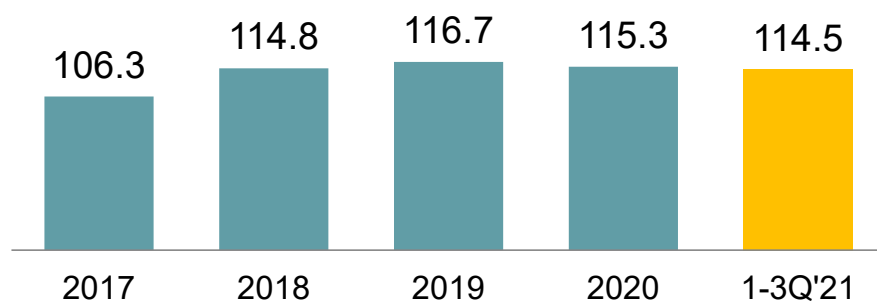
EPS (NT\$)



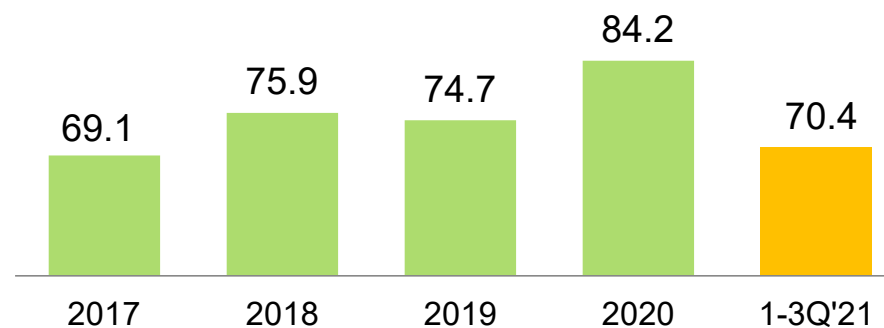


Financial Highlights - 2

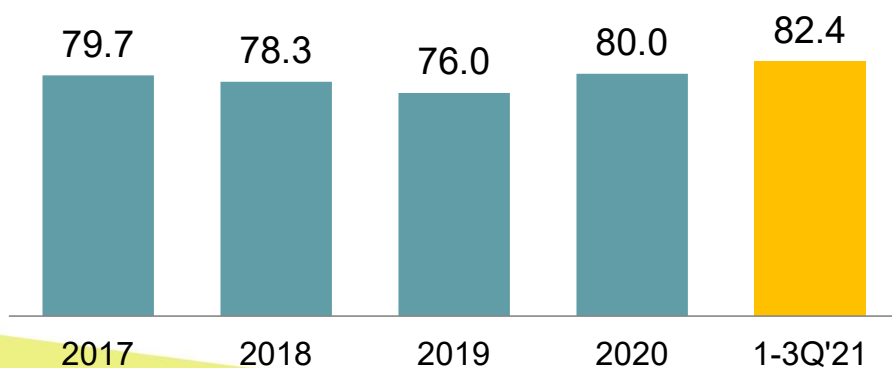
Current Ratio (%)



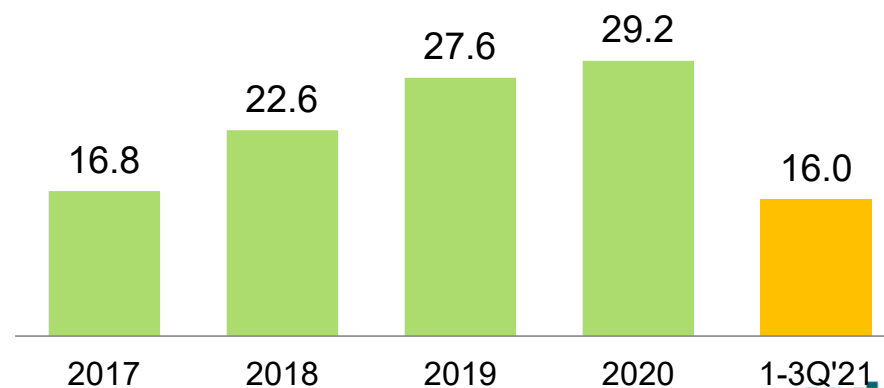
Quick Ratio (%)



Debt Ratio (%)



EBITDA (NTD\$ B)



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wistron



Historical Income Statement

NT\$ M	2020		2019		2018		2017	
Net Revenue	845,012		878,255		889,536		836,081	
Realized gross profit	46,053	5.4%	42,158	4.8%	37,559	4.2%	31,639	3.8%
Operating expenses								
Selling	(8,866)	-1.0%	(9,243)	-1.1%	(9,226)	-1.1%	(8,181)	-1.0%
Administrative	(3,667)	-0.4%	(3,417)	-0.4%	(3,164)	-0.4%	(2,843)	-0.3%
Research and development	(19,049)	-2.3%	(16,198)	-1.8%	(14,404)	-1.7%	(14,701)	-1.8%
Total operating expenses	(31,582)	-3.7%	(28,858)	-3.3%	(26,793)	-3.2%	(25,726)	-3.1%
Operating income	14,471	1.7%	13,300	1.5%	10,766	1.2%	5,914	0.7%
Non-operating income/(expenses)								
Interest income/(expense), net	(460)		(2,757)		(3,676)		(1,677)	
LT investment income/(expense), net	447		339		409		308	
Exchange gain/(loss), net	1,230		761		1,386		862	
Other income/(expense)	1,157		1,133		774		752	
PBT	16,845		12,776		9,659		6,158	
Tax	(3,937)	-23.4%	(3,050)	-23.9%	(2,374)	-24.6%	(1,797)	-29.2%
Minority interest	(4,226)		(2,925)		(2,377)		(476)	
PAT	8,682		6,801		4,908		3,886	
Outstanding shares (M)	2,840		2,840		2,842		2,749	

Source: Company consolidated financials



Income Statement (1-3Q'21 vs. 1-3Q'20)

NT\$ M	1-3Q 2021		1-3Q 2020		YoY
Net revenue	598,630		612,472		-2.3%
Realized gross profit	35,654	5.96%	32,943	5.38%	8.2%
Selling	(6,807)	-1.14%	(6,449)	-1.05%	5.6%
Administrative	(3,051)	-0.51%	(2,546)	-0.42%	19.8%
Research & development	(14,930)	-2.49%	(13,782)	-2.25%	8.3%
Total operating expenses	(24,788)	-4.14%	(22,777)	-3.72%	8.8%
Operating Income	10,866	1.82%	10,166	1.66%	6.9%
Non-operating Income/(Expenses)					
Interest income/(expense), net	(193)		(276)		
LT investment income/(expense), net	95		333		
Exchange gain/(loss), net	983		496		
Other income/(expense)	(1,237)		1,339		
PBT	10,514		12,058		-12.8%
Tax	(2,478)	-23.57%	(2,822)	-23.40%	-12.2%
Minority interest	(2,944)		(2,880)		
PAT	5,092		6,356		-19.9%
EPS	1.83		2.26		-19.0%



Income Statement (Q3'21 vs. Q2'21 and Q3'20)

NT\$ M	Q3 2021		Q2 2021		QoQ		Q3 2020		YoY
Net revenue	220,392		200,879		9.7%		217,594		1.3%
Realized gross profit	12,993	5.90%	12,112	6.03%	7.3%		11,695	5.37%	11.1%
Selling	(2,414)	-1.10%	(2,286)	-1.14%	5.6%		(2,123)	-0.98%	13.7%
Administrative	(902)	-0.41%	(1,164)	-0.58%	-22.5%		(986)	-0.45%	-8.5%
Research & development	(5,229)	-2.37%	(5,320)	-2.65%	-1.7%		(4,962)	-2.28%	5.4%
Total operating expenses	(8,545)	-3.88%	(8,770)	-4.37%	-2.6%		(8,072)	-3.71%	5.9%
Operating Income	4,448	2.02%	3,341	1.66%	33.1%		3,623	1.67%	22.8%
Non-operating Income/(Expenses)									
Interest income/(expense), net	(161)		(38)				(17)		
LT investment income/(expense), net	66		(54)				141		
Exchange gain/(loss), net	298		470				240		
Other income/(expense)	(2,256)		3,159				1,093		
PBT	2,395		6,879		-65.2%		5,081		-52.9%
Tax	(590)	-24.63%	(1,598)	-23.23%	-63.1%		(1,195)	-23.52%	-50.6%
Minority interest	(978)		(1,129)				(1,102)		
PAT	827		4,152		-80.1%		2,784		-70.3%
EPS	0.30		1.49		-79.9%		1.00		-70.0%



Balance Sheets

NT\$M	2021/09/30		2021/06/30		2020/09/30	
Cash & ST Investments	69,050	15%	51,908	13%	45,137	12%
A/R	148,530	32%	140,524	35%	119,681	33%
Inventory	143,301	31%	114,556	28%	108,706	30%
Other current Assets	25,577	6%	26,201	6%	24,888	7%
Total Current Assets	386,458	84%	333,189	83%	298,412	82%
LT equity investments	7,047	2%	7,082	2%	6,661	2%
Property, plant and equipment	41,047	9%	38,284	9%	40,265	11%
Other assets	25,036	5%	24,947	6%	20,160	6%
Total Assets	459,588	100%	403,502	100%	365,498	100%
ST Borrowing	127,795	28%	107,980	27%	104,330	29%
Current Portion of LT Debt	1,226	0%	1,226	0%	10,474	3%
A/P	157,499	34%	117,530	29%	118,172	32%
Other current liabilities	50,670	11%	59,732	15%	45,451	12%
Total Current Liabilities	337,190	73%	286,468	71%	278,427	76%
LT Debt	25,472	2%	26,474	7%	836	0%
Bonds payable	9,436	1%	4,992	1%	-	0%
Other liabilities	6,474	1%	5,744	1%	5,123	1%
Total Liabilities	378,572	82%	323,678	80%	284,386	78%
Shareholders' Equity	81,016	18%	79,824	20%	81,112	22%



Cash Flows

NT\$M	1-3Q 2021	1-3Q 2020
Cash* (Beginning of period)	66,204	47,411
Cash flow from Operation		
Consolidated PBT	10,514	12,058
Depreciation & amortization	6,773	7,548
Profit/loss of financial assets & liabilities at fair value	5,103	(723)
Changes in A/R	(22,770)	9,958
Changes in A/P	44,751	(17,560)
Changes in inventories	(50,219)	(26,032)
Others	(5,463)	4,890
Cash provided by operating activities	(11,311)	(9,861)
Cash flow from Investment		
Capex	(9,928)	(6,663)
Others	(3,828)	(16,972)
Cash provided by investing activities	(13,756)	(23,635)
Cash flow from Finance		
Increase (decrease) in ST borrowings	27,931	50,333
Bonds	4,442	(6,422)
LT debt	6,826	(5,681)
Payment on cash dividends	(6,258)	(1,607)
Treasury stock transferred to employees	-	-
Change in non-controlling interests	(2,474)	(1,976)
Others	(914)	(1,041)
Cash provided by financing activities	29,553	33,606
Effect of exchange rate change & subsidiaries consolidated	(1,640)	(2,385)
Cash (End of period)	69,050	45,137

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



Dividend History

	2016	2017	2018	2019	2020
Cash (NT\$)	1.2	1.2	1.5	2.0	2.2
Stock (NT\$)	0.3	0.3	-	-	-
EPS (NT\$)	1.20	1.48	1.76	2.40	3.10
Cash Dividend Payout (%)	100%	81%	85%	83%	71%
Total Dividend Payout (%)	125%	101%	85%	83%	71%