

偉詮電子股份有限公司 Weltrend Semiconductor, Inc.

Investor Conference

Tony Lin
CEO

Robby Tsai
COO

Cindy Guo
CFO and Spokesperson

November 11, 2024

Safe Harbor Notice

Forward-looking Statements

Weltrend's statements and any others in this release that refer to business outlook, future plans, and expectations are forward-looking statements that involve a number of risks and uncertainties. Statements that refer to or are based on projections, uncertain events or assumptions also identify forward-looking statements. Such statements are based on management's expectations as of the date of this earnings release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements. Weltrend presently considers the following to be important factors that could cause actual results to differ materially from the company's expectations.

1~9/24 Consolidated Income Statement (YoY)

(Expressed in NT\$K)

	1~9/24	%	1~9/23	%	YoY %
Net sales	2,258,432	100	2,091,516	100	8
Gross Profit	668,045	30	532,311	25	25
Operating Exp.	(546,264)	(24)	(554,124)	(26)	(1)
Selling & Adm.	(226,034)	(10)	(222,100)	(10)	2
R & D Exp.	(320,230)	(14)	(332,024)	(16)	(4)
Operating Income(Loss)	121,781	6	(21,813)	(1)	658
Net Non-Operating Income(Loss)	117,128	5	242,583	11	(52)
Income Before Tax	238,909	11	220,770	10	8
Income Tax Exp.	(35,009)	(2)	(29,882)	(1)	17
Net Income	203,900	9	190,888	9	7
EPS	1.09		1.07		2

3Q24 Consolidated Income Statement (YoY)

(Expressed in NT\$K)

	3Q24	%	3Q23	%	YoY %
Net sales	847,481	100	821,671	100	3
Gross Profit	254,582	30	210,479	26	21
Operating Exp.	(170,520)	(20)	(193,695)	(24)	(12)
Selling & Adm.	(73,268)	(9)	(77,754)	(10)	(6)
R & D Exp.	(97,252)	(11)	(115,941)	(14)	(16)
Operating Income	84,062	10	16,784	2	401
Net Non-Operating Income	(67,863)	(8)	91,716	11	(174)
Income Before Tax	16,199	2	108,500	13	(85)
Income Tax Exp.	(2,472)	(0)	(24,682)	(3)	(90)
Net Income	13,727	2	83,818	10	(84)
EPS	0.08		0.46		(83)

3Q24 Consolidated Income Statement (QoQ)

(Expressed in NT\$K)

	3Q24	%	2Q24	%	QoQ %
Net sales	847,481	100	745,942	100	14
Gross Profit	254,582	30	225,157	30	13
Operating Exp.	(170,520)	(20)	(186,240)	(25)	(8)
Selling & Adm.	(73,268)	(9)	(78,597)	(11)	(7)
R & D Exp.	(97,252)	(11)	(107,643)	(14)	(10)
Operating Income(loss)	84,062	10	38,917	5	116
Net Non-Operating (Loss)Income	(67,863)	(8)	72,832	10	(193)
Income Before Tax	16,199	2	111,749	15	(86)
Income Tax Exp.	(2,472)	(0)	(18,081)	(2)	(86)
Net Income	13,727	2	93,668	13	(85)
EPS	0.08		0.51		(84)

Balance Sheet Summary

(Expressed in NT\$K)

	2024/9/30	2024/6/30
Cash & Marketable Securities	2,279,623	2,523,328
Notes & Accounts receivable	988,556	923,466
Inventories	799,009	657,817
Property, Plant and Equipment	202,683	205,162
Goodwill & Intangible assets	1,037,301	1,045,352
Other assets	680,410	793,921
Total assets	5,987,582	6,149,046
Short-Term Loan	313,485	138,251
Other current liabilities	1,578,313	742,496
Noncurrent liabilities	180,971	1,247,732
Stockholders' equity	3,914,813	4,020,567
Net Asset Value per Share	19.20	19.67

EPS and Cash Dividends for the Past 5 Years

	2019	2020	2021	2022	2023
EPS (NT\$)	1.84	1.94	4.25	0.83	1.18
Cash Dividend (NT\$/share)	1.50	1.6	3	1.20	1.20

A 35-year IC Design Company

Founded

Founded in the Hsinchu Science Park in July, 1989

Capital

NT\$1.78 billion (US\$59.3 millions)

Headcount

293 Weltrend-only; 350+ group total (as end of 3Q24)



Main Business

- Weltrend and Sentelic-branded IC products and ASICs
- Value-added resale (VAR) for international name brand components (ex. ROHM)

Honors

- 1995 – Taiwan’s 4th National Award of Outstanding Small & Medium Enterprises, being the first company from Science Park to win the title.
- 1997 – IPO on Taiwan OTC market and then subsequently listed on TWSE in 2000 (2436)
- 2008 – Awarded with “Taiwan Technology Fast 50” by Deloitte and named multiple times as one of companies with best ROE and ROI by renowned financial magazines in Taiwan.
- 2015 – ADAS R&D Team Awarded with the 17th Annual Technology Management Award by CSMOT.
- 2016 – Ranked Top 20% in Corporate Governance Evaluation and Awarded Most Improved Company.
- 2019 – Named “Top 10 Consumer Electronics Solution Provider in APAC – 2019” by Embedded Advisor magazine
- 2021 – EE Awards Asia’s Best Power IC of the Year Award
- 2023 – Receives “Medium-sized Enterprises M&A Deal Award” from 2023 MAPECT Taiwan M&A Awards



Power and Motor as dual growth engines plus image solutions for niche applications and MCU foundation

Power Management

- AC/DC switching regulators
 - PWM controllers
 - Synchronous rectifier (SR)
- USB PD controllers
 - DFP (Source) controllers
 - DRP (Source/Sink) controllers
- Fast charge protocol controllers
 - Sink controllers
 - Source controllers
- E-marker IC
- Supervisor ICs
- Wireless power controllers
- LED drivers

Amplifiers

- Op amps
 - General-purpose op amps
 - Power op amps

Imaging Solutions

- ADAS SoCs
- Barcode decoders
- Display MCUs
- Imaging processors
- Projector processors
- Video display processors

Interfaces

- Boosted NFC cards
- Smart card interface ICs and Magnetic stripe decoders
- Touch screen controllers
- USB
 - USB-C connectivity
 - USB-based HID controllers

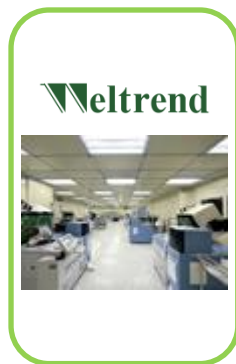
Motor

- Motor drivers
- BLDC motor drivers and controllers

Microcontrollers (MCUs)

- 8-bit MCUs
 - General-purpose MCUs
- 32-bit MCUs
 - Andes-based 32-bit MCUs
 - Arm-based 32-bit MCUs
- Application-specific MCUs
 - USB-based HID controllers
 - USB host and SD port file management controllers
 - Vital sign measurement MCUs

High Quality Supply Chain



Weltrend
Product
Development

Foundries

Weltrend
In-house
Testing (CP)

Taiwan-based
Packaging
Houses

Weltrend
In-house
Testing (FT)

Weltrend
Sales and
Services

- Highest quality wafer fabs
- In-house CP and FT production testing
- Complete quality certifications



Major Customers



1~9/24 Product Mix (YoY)

(Expressed in NT\$K)

	1~9/24	%	1~9/23	%	YoY
Power	900,436	40%	868,677	42%	4%
Smart Applications	630,858	28%	488,277	23%	29%
Own Brand Products	1,531,294	68%	1,356,954	65%	13%
Distribution Products	727,138	32%	734,562	35%	-1%
Total	2,258,432	100%	2,091,516	100%	8%

3Q24 Product Mix (YoY)

(Expressed in NT\$K)

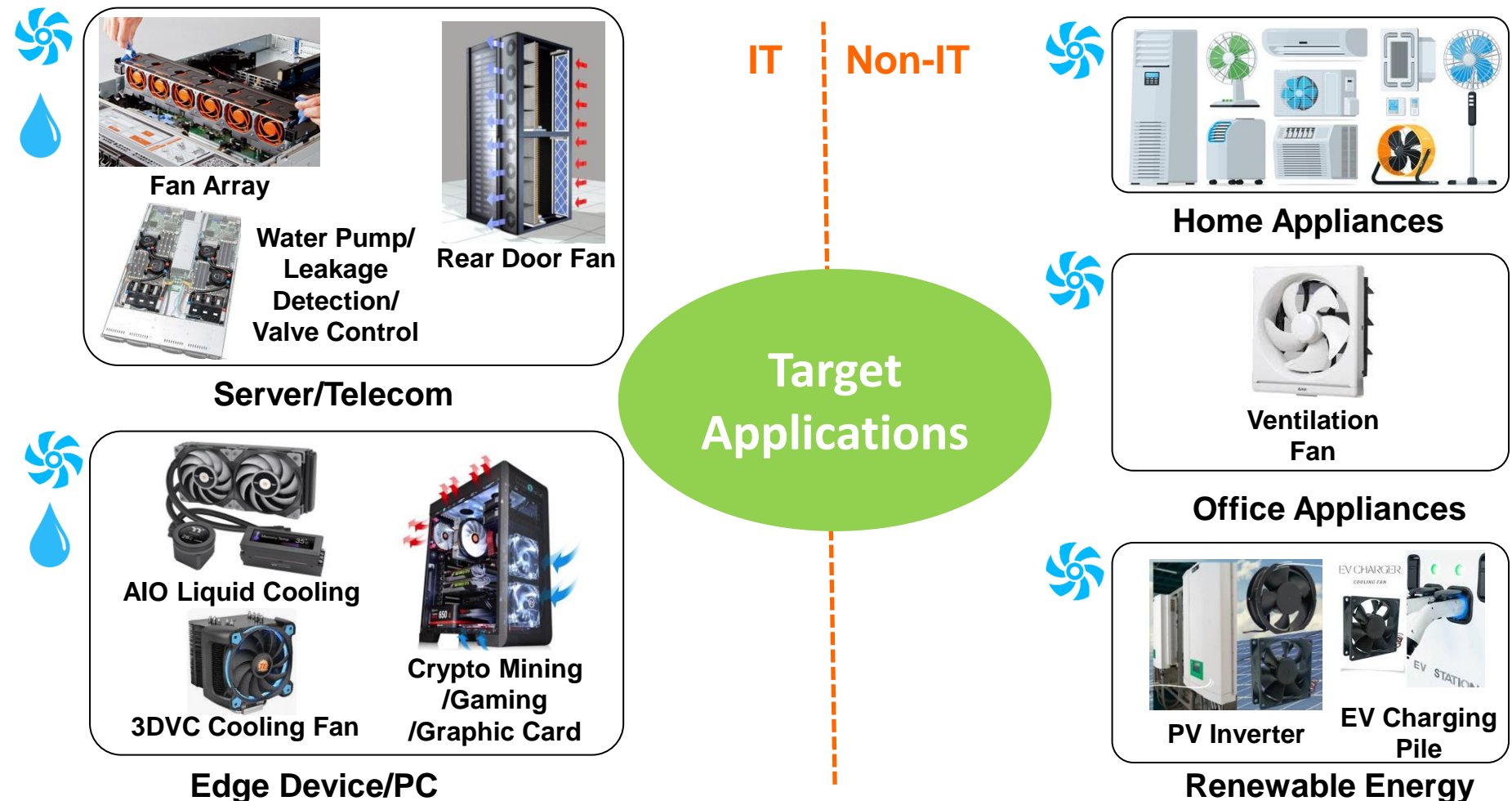
	3Q24	%	3Q23	%	YoY
Power	349,338	41%	376,160	46%	-7%
Smart Applications	241,429	29%	197,093	24%	22%
Own Brand Products	590,767	70%	573,253	70%	3%
Distribution Products	256,714	30%	248,418	30%	3%
Total	847,481	100%	821,671	100%	3%

3Q24 Product Mix (QoQ)

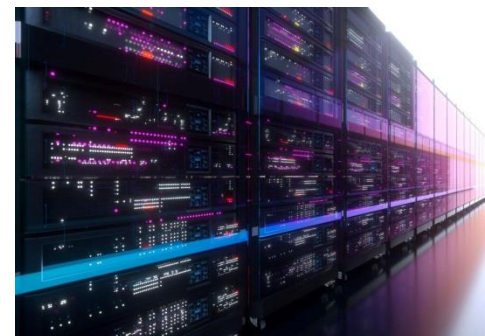
(Expressed in NT\$K)

	3Q24	%	2Q24	%	QoQ
Power	349,338	41%	304,242	41%	15%
Smart Applications	241,429	29%	196,256	26%	23%
Own Brand Products	590,767	70%	500,498	67%	18%
Distribution Products	256,714	30%	245,444	33%	5%
Total	847,481	100%	745,942	100%	14%

Cooling Solutions – *Air Cooling and Liquid Cooling Total Solution*



Analogy between USB-C power adapter for notebook PC and Server Cooling Fan – *Well positioned for another global market share leader*



	USB-C Power Adapter for NB	Server Cooling Fan
Application Market	Notebook PC	Server
TAM	170m	15.5m
Weltrend IC per Unit	1	~10
Weltrend IC TAM (Units)	153m (excluding Apple)	155m
Weltrend ASP (US\$)	~\$0.3	~\$0.3+
Weltrend TAM (US\$)	~\$46m	~\$46m
Weltrend Market Share	70%+ (#1)	20%+

Recent Business Highlights

2022.5	Weltrend Announces Availability of USB-C/DisplayPort to HDMI 2.0/VGA Converters with USB PD 3.1
2022.5	Weltrend Announces Availability of the WT6620F USB PD 3.1 Controller with DisplayPort Alternate Mode
2022.7	Weltrend Announces Appointments of New President and Senior Executives
2022.8	Weltrend Successfully Completed the Tender Offer to Acquire the Shares of Sentelic at a Price of NT\$72.9
2023.1	Transphorm and Weltrend Semiconductor Partner to Release Integrated GaN System-in-Package
2023.9	Weltrend issued Company's 1 st Domestic Unsecured Convertible Corporate Bonds for a face value of NT\$1.10bn
2023.11	Weltrend Passes ISO 14064 Greenhouse Gas Emission Verification
2023.12	Weltrend receives “ Medium-sized Enterprises M&A Deal Award ” from the 2023 MAPECT Taiwan M&A Awards

Q & A

www.weltrend.com.tw

偉詮電子股份有限公司
Weltrend Semiconductor, Inc.

Headquarters

2F, No. 24, Industry E. 9th Rd.
Hsinchu Science Park
Hsinchu City 30075, Taiwan
Tel: +886-3-578-0241

Taipei Office

11F-6, No. 736, Chungcheng Rd.
Chungho District
New Taipei City 23511, Taiwan
Tel: +886-2-8226-1899

Kaohsiung Branch

22F-6., No. 211, Chungcheng 4th Rd.
Cianjin District
Kaohsiung City 801, Taiwan
Tel: +886-7-971-8868

www.weltrend.com

THANK YOU!