



2020 Second Quarter Result Overview

Agenda

1. Overview

2. Financial Update



1. Overview

Strong secular growth with economies of scale

- A leading Asian semiconductor distributor, founded in 1993 and listed in 2000 (ticker: 3036 TT)
- Strategic focus on Asia region and Automotive & Internet of Things (IoT) applications
- 2019 revenues of NT\$335bn, up 23% YoY
- 45 offices in Asia (28 offices in China and 17 offices in Korea, Taiwan, and South Asia) with over 9,000 customers
- Over 2,300 headcounts (over 700 sales, 250 PMs, and 450 FAEs)
- Completion of warehouse semi automation (total 6 warehouses in Taiwan, HK, Shenzhen China, Shanghai China, Korea, and Singapore)
- Completion of B2B service platform for major vendors and customers
- “Digital Transformation” on going (More details in [2019 WT CSR Report](#))

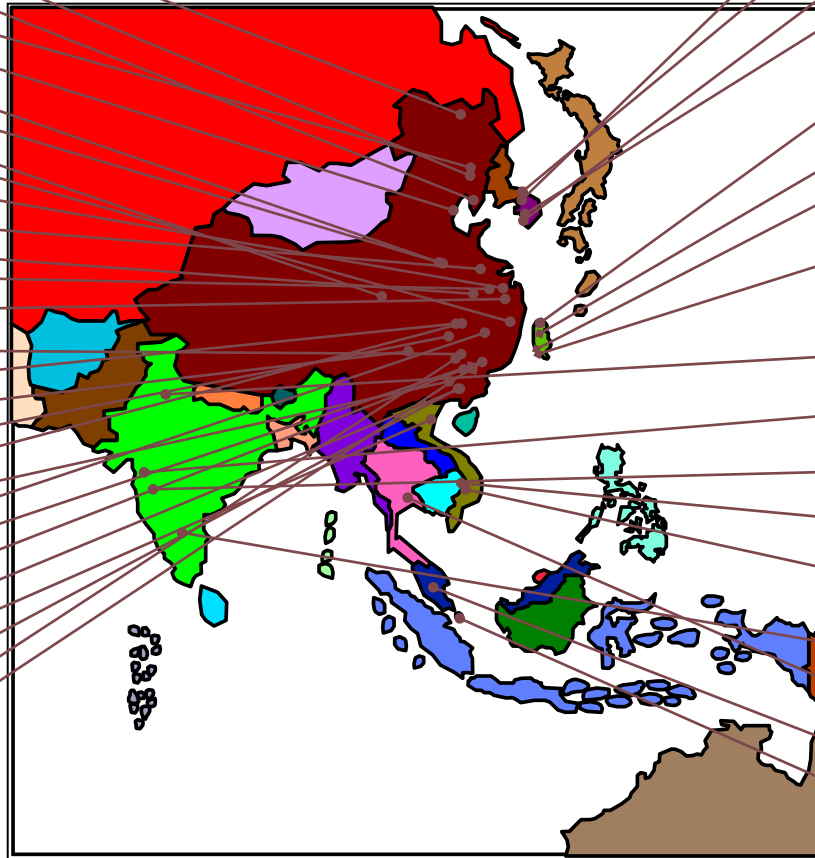


1. Overview

China Offices (28)

Harbin
Shenyang
Dalian
Beijing
Qingdao
Zhengzhou
Jinan
Xian
Ningbo
Shanghai
Wuxi
Suzhou
Nanjing
Hangzhou
Wenzhou
Hefei
Chengdu
Chongqing
Changsha
Wuhan
Fuzhou
Xiamen
Dongguan
Foshan
Guangzhou
Zhuhai
Hong Kong
Shenzhen

Offices Across Asia



Korea Offices (4)

Seoul
Gyeonggi-do
Daegu
Gwangju

Taiwan Offices (4)

Taipei, Headquarters
Hsinchu
Taichung
Tainan

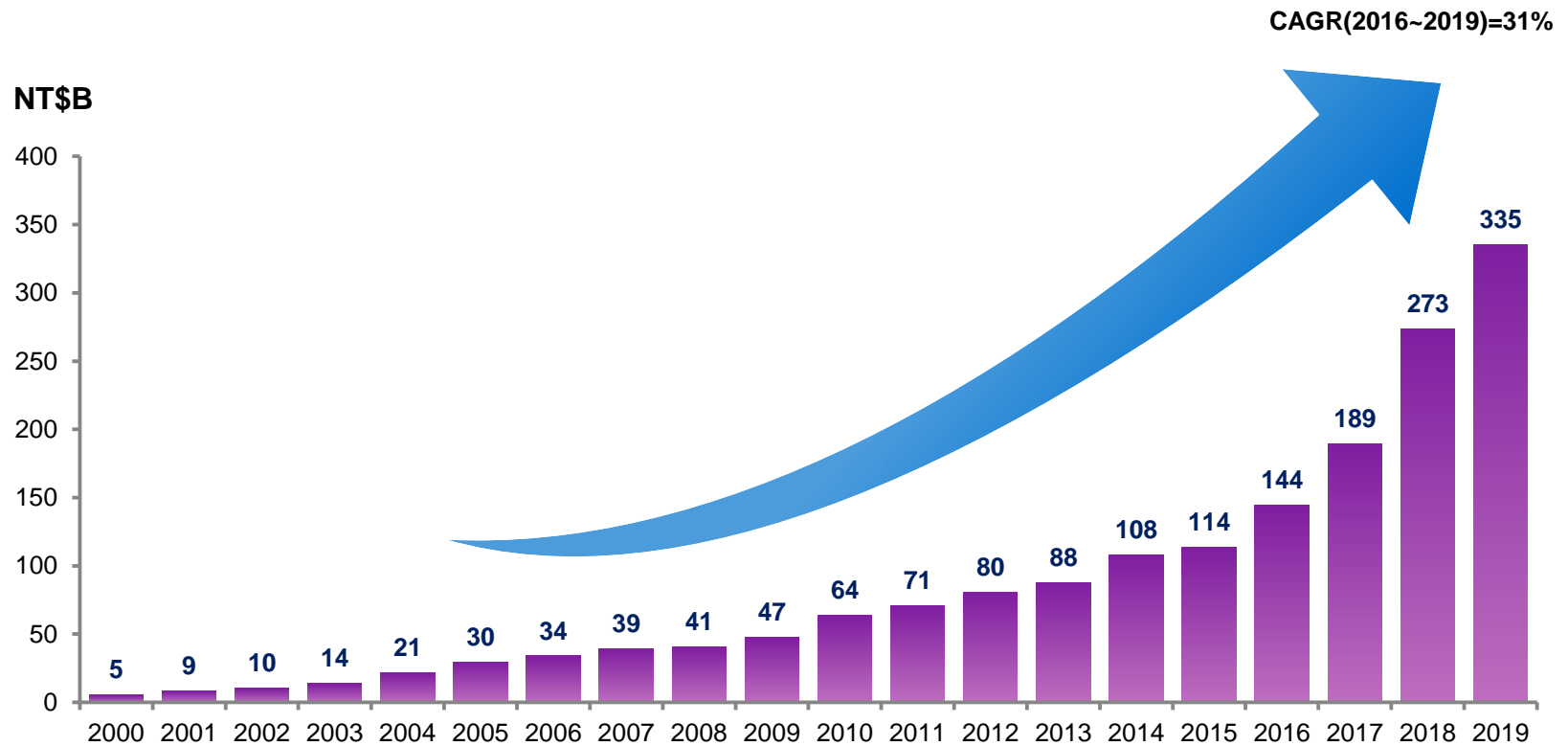
South Asia Offices (9)

New Delhi, N. India
Mumbai, N. India
Pune, N. India
Hanoi, Vietnam
Ho Chi Min, Vietnam
Bangalore, S. India
Bangkok, Thailand
Penang, Malaysia
Singapore



1. Overview

NR (Net Revenue)



2. Financial Update

Statement of Comprehensive Income

Unit: NT\$M

Key accounts	2Q20		1Q20		QoQ	2Q19		YoY
	Amount	%	Amount	%		Amount	%	
Net Operating revenues	74,724	100.00%	77,476	100.00%	-4%	74,748	100.00%	0%
Gross profit	2,503	3.35%	2,480	3.20%	1%	2,687	3.59%	-7%
Operating expenses	(1,317)	-1.76%	(1,325)	-1.71%	-1%	(1,363)	-1.82%	-3%
Operating income	1,186	1.59%	1,155	1.49%	3%	1,324	1.77%	-10%
Financing costs	(249)	-0.33%	(403)	-0.52%	-38%	(486)	-0.65%	-49%
Others	48	0.07%	34	0.04%		23	0.03%	
Earning before tax	985	1.32%	786	1.01%	25%	861	1.15%	14%
Income tax expense	(196)	-0.26%	(170)	-0.22%	15%	(239)	-0.32%	-18%
Profit after tax	789	1.06%	616	0.80%	28%	622	0.83%	27%
EPS (in dollars)	1.07		1.04			1.06		
Weighted average shares (M shares)	737		592			588		



2. Financial Update

Statement of Comprehensive Income

Unit: NT\$M

Key accounts	1H20		2H19		HoH	1H19		YoY
	Amount	%	Amount	%		Amount	%	
Net Operating revenues	152,200	100.00%	192,965	100.00%	-21%	142,222	100.00%	7%
Gross profit	4,983	3.27%	5,791	3.00%	-14%	5,009	3.52%	-1%
Operating expenses	(2,642)	-1.73%	(2,884)	-1.49%	-8%	(2,663)	-1.88%	-1%
Operating income	2,341	1.54%	2,907	1.51%	-19%	2,346	1.65%	0%
Financing costs	(652)	-0.43%	(940)	-0.48%	-31%	(1,013)	-0.71%	-36%
Others	82	0.05%	(9)	0.00%		18	0.01%	
Earning before tax	1,771	1.17%	1,958	1.01%	-10%	1,351	0.95%	31%
Income tax expense	(366)	-0.24%	(434)	-0.22%	-16%	(344)	-0.25%	6%
Profit after tax	1,405	0.92%	1,524	0.79%	-8%	1,007	0.71%	40%
EPS (in dollars)	2.11		2.58			1.74		
Weighted average shares (M shares)	665		591			580		



2. Financial Update

Balance Sheet

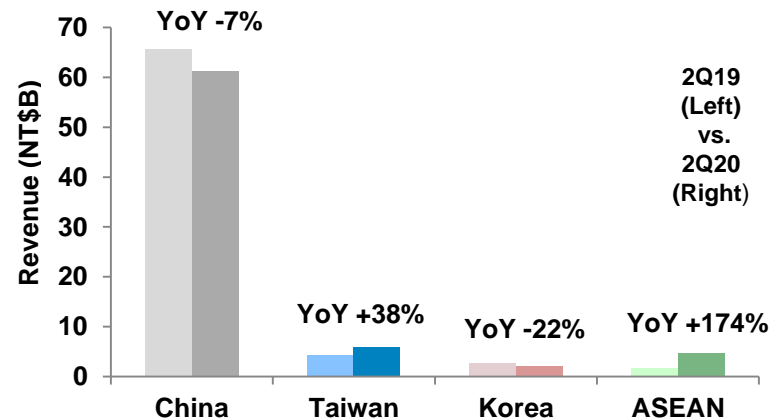
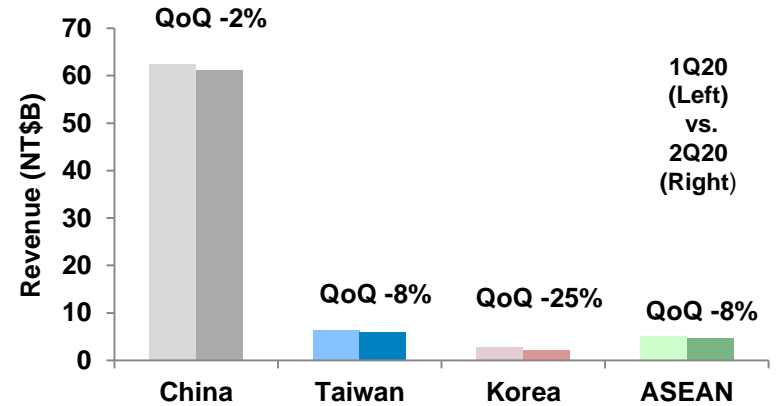
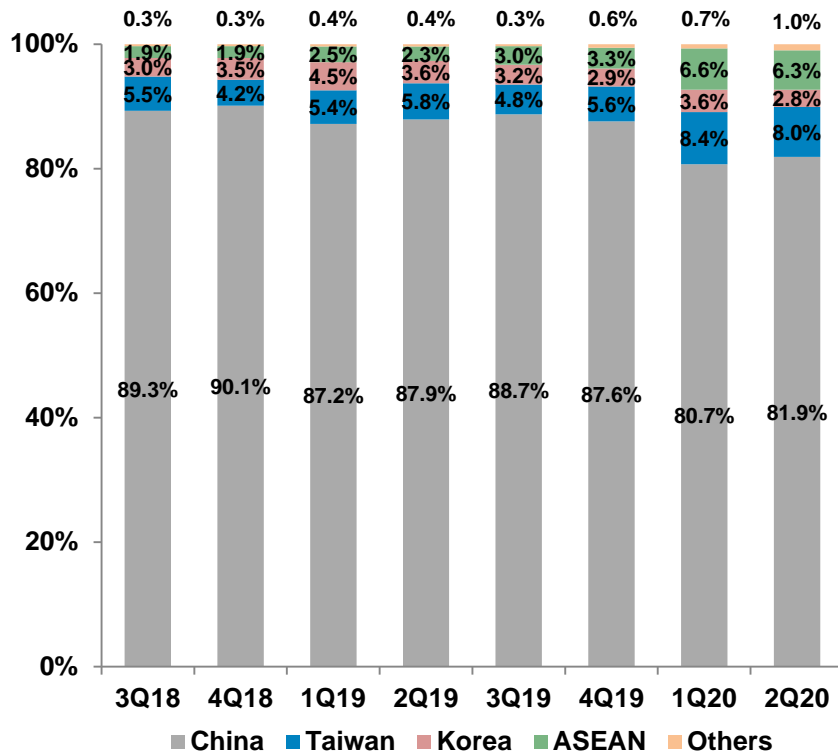
Unit: NT\$M

Key accounts	2Q20		1Q20		2Q19	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	5,050	4	11,800	11	5,018	5
Accounts receivable	43,322	38	46,695	43	37,211	40
Inventory	46,753	41	43,566	40	44,285	47
Other current assets	2,147	1	2,347	1	2,317	2
Non-current assets	17,938	16	5,040	5	5,268	6
Total Assets	115,210	100	109,448	100	94,099	100
Short-term loans	30,037	26	47,059	43	33,089	35
Accounts payable	42,989	37	32,940	30	31,396	33
Other current liabilities	4,402	4	4,783	4	4,639	5
Other liabilities	1,547	2	2,185	2	2,305	2
Total Liabilities	78,975	69	86,967	79	71,429	76
Total Equity	36,235	31	22,481	21	22,670	24
Indices	2Q20		1Q20		2Q19	
Current ratio	126%		123%		129%	
Debt/Assets ratio	69%		79%		76%	
Debt/Equity ratio	218%		387%		315%	
Gearing ratio	0.69		1.57		1.24	



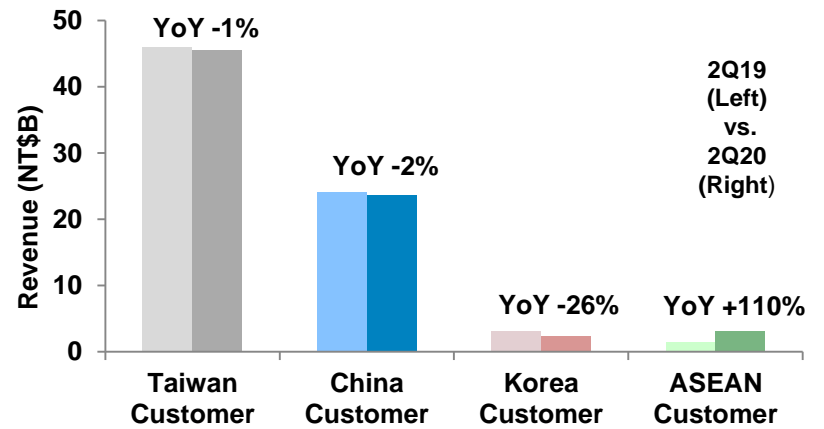
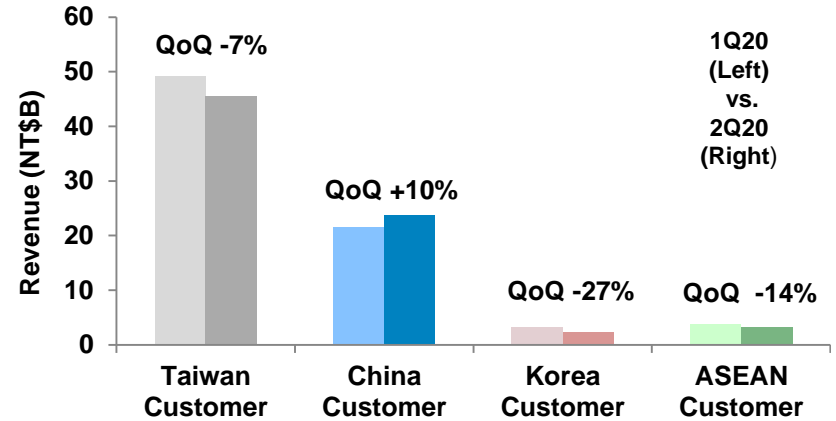
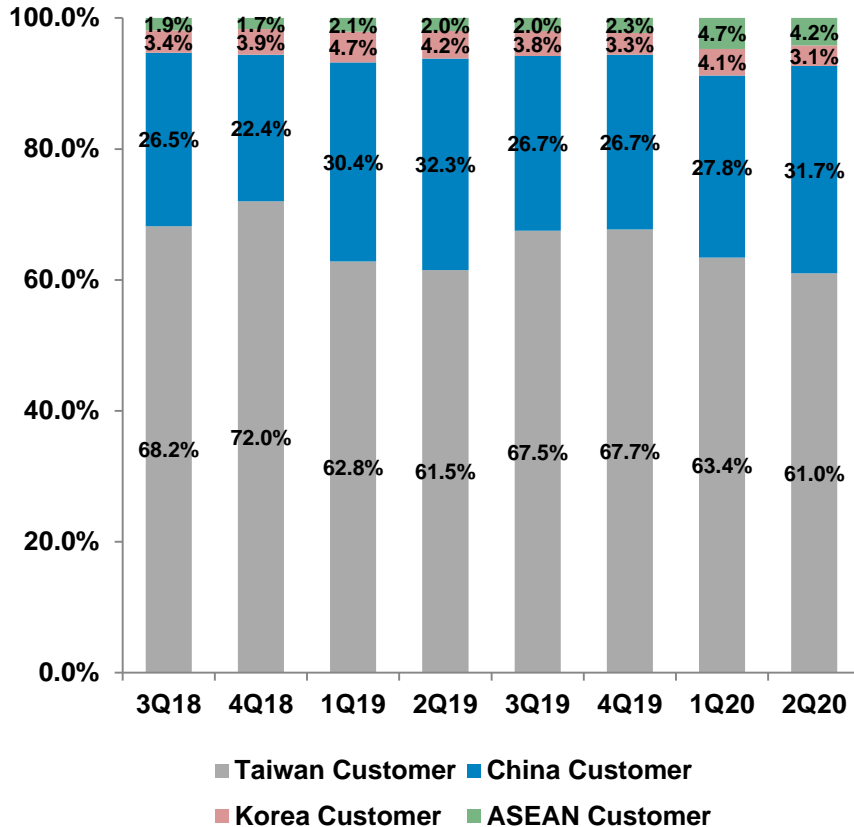
2. Financial Update

NR by Geography (Ship-to Destination)



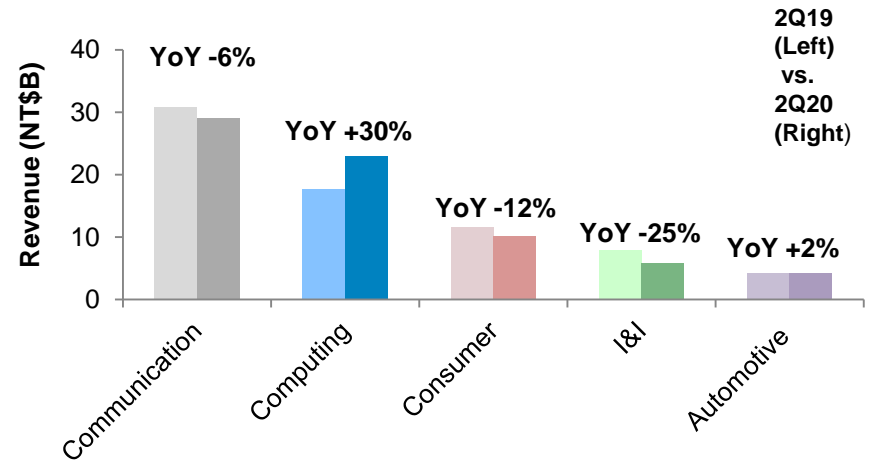
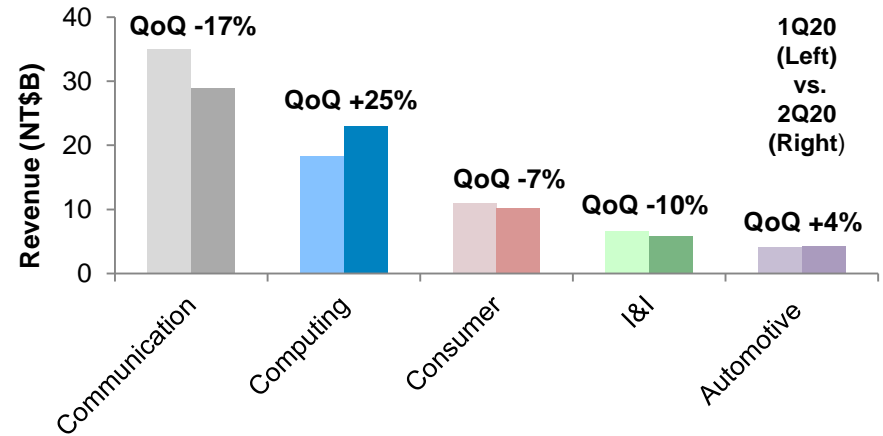
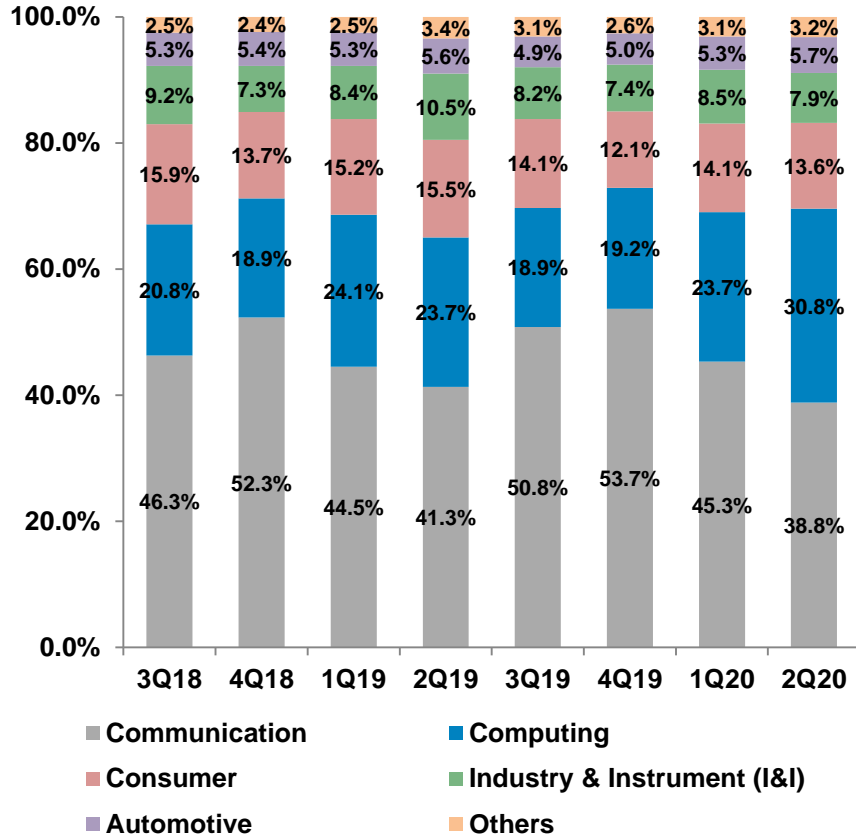
2. Financial Update

NR by Customer Base



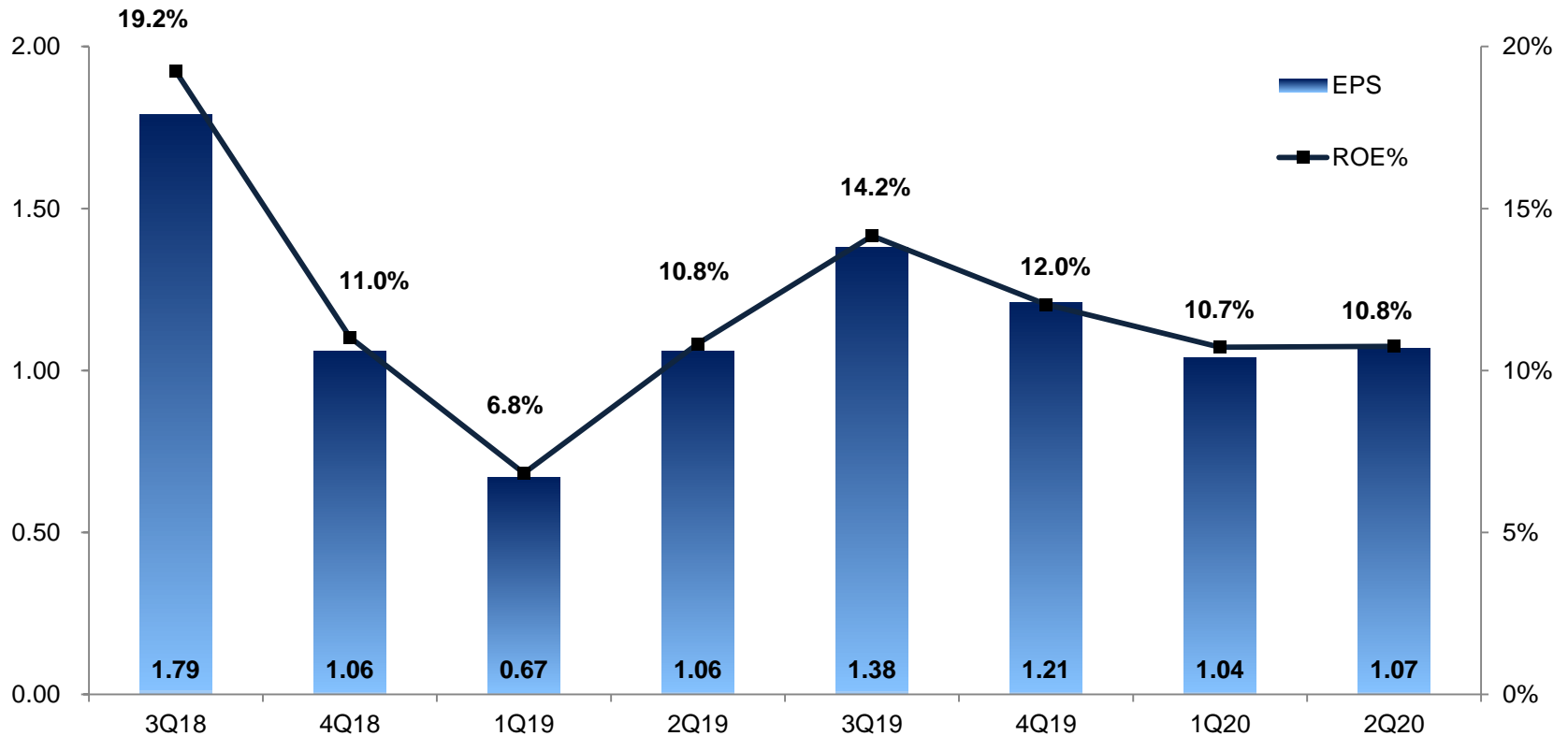
2. Financial Update

NR by Application



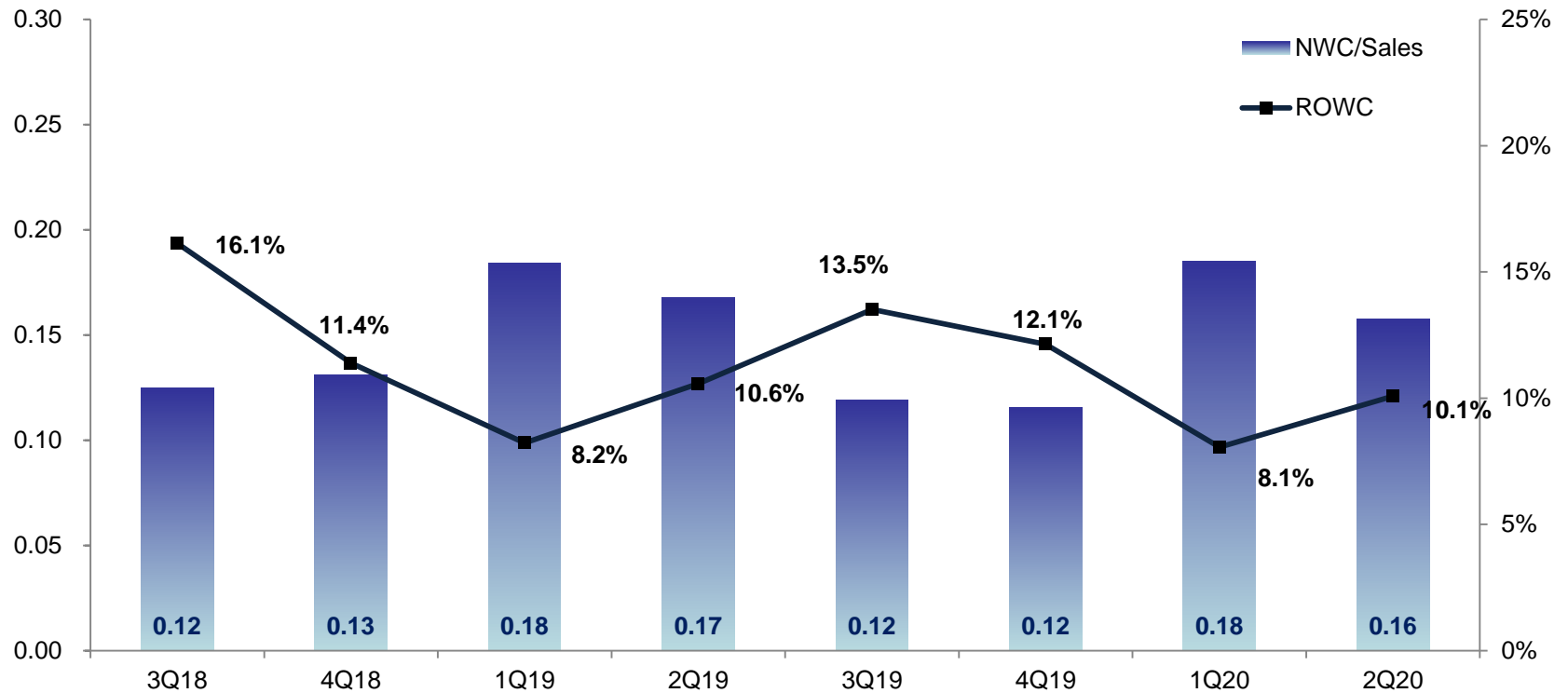
2. Financial Update

ROE vs. EPS



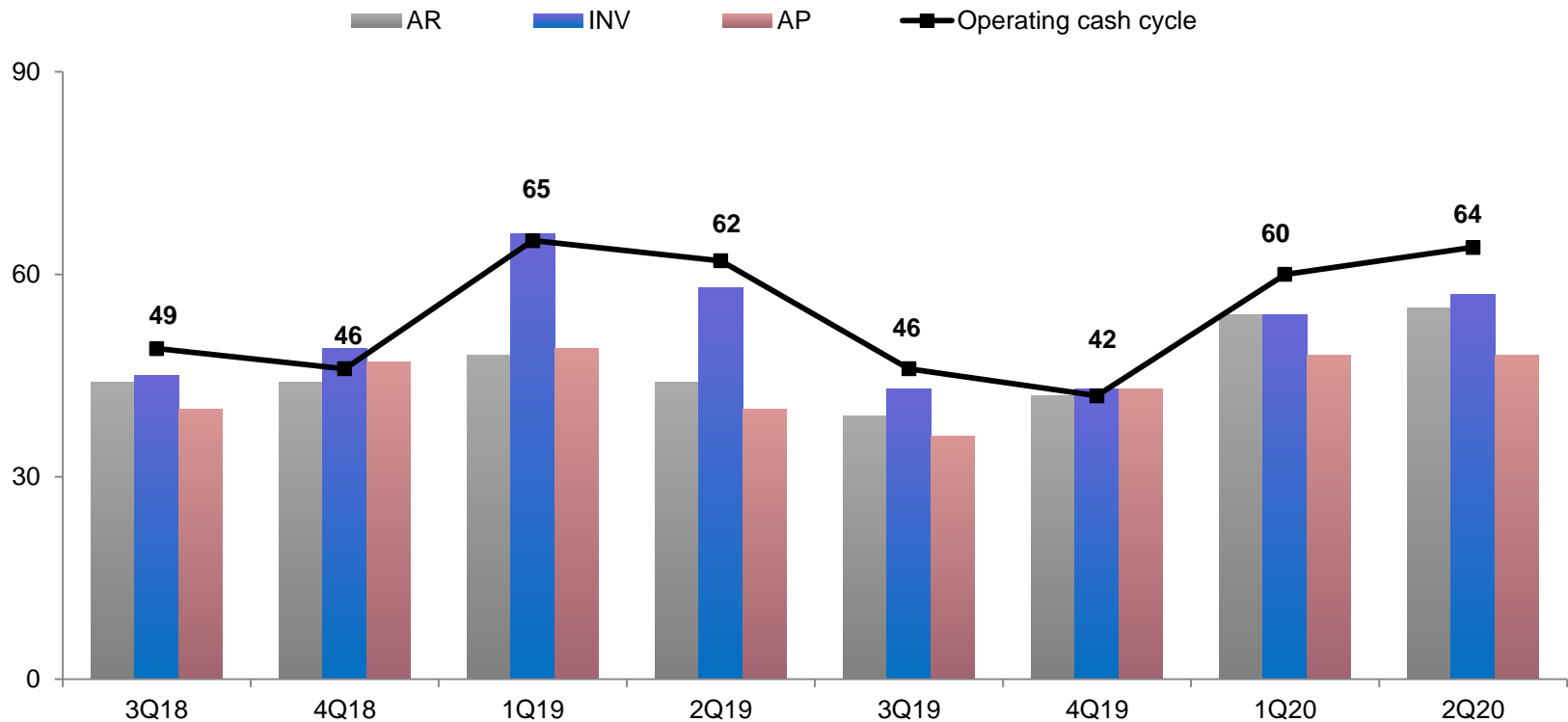
2. Financial Update

ROWC vs. NWC/Sales



2. Financial Update

Operating Cash Cycle



Thank You !

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