

The Sustainable Growth of CWTC

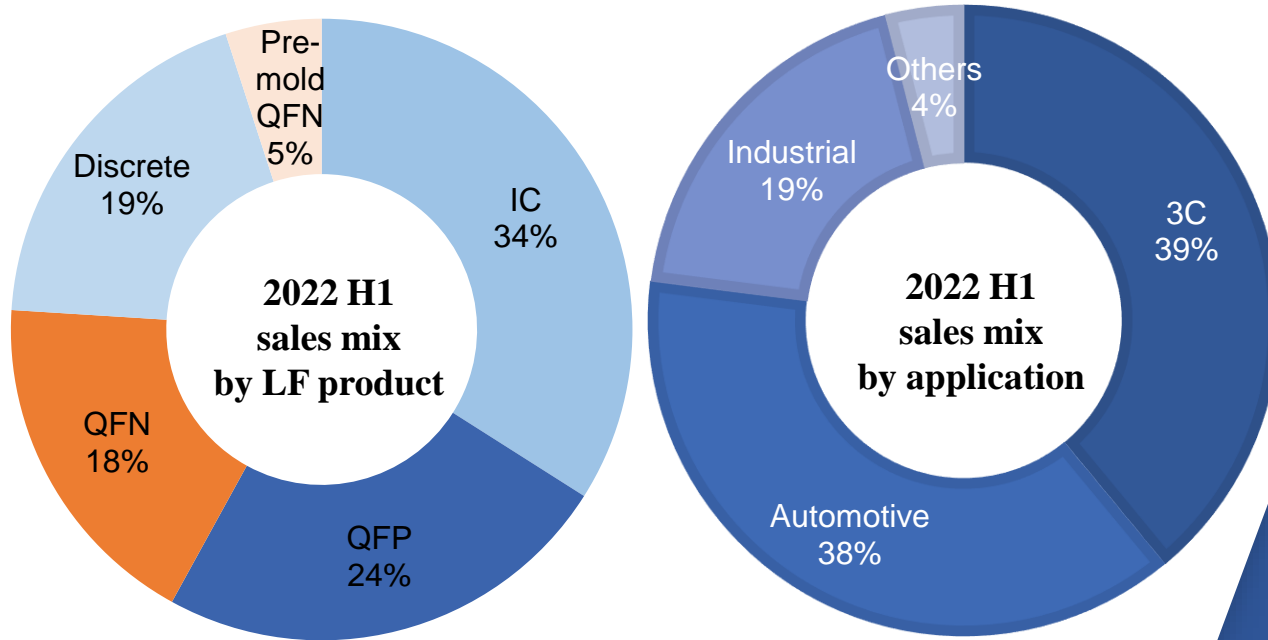
2022 Investor Presentation
Canon Huang, Chairman of CWTC (6548 TT)

Forward-looking Statement

Information included in this press release that are not historical in nature are "forward looking statements". CWTC cautions readers that forward looking statements are based on CWTC's reasonable knowledge and current expectations and are subject to various risks and uncertainties. Actual results may differ materially from those contained in such forward looking statements for a variety of reasons including without limitation, risks associated with demand and supply change, manufacturing and supply capacity, design win, time to market, market competition, industrial cyclicalities, customer's financial condition, exchange rate fluctuation, legal actions, amendments of the laws and regulations, global economy change, natural disasters, and other unexpected events which may disrupt CWTC's business and operations. Accordingly, readers should not place reliance on any forward looking statements. Except as required by law, CWTC undertakes no obligation to update any forward looking statement, whether as a result of new information, future events, or otherwise.

A Leading Lead Frame(LF) Solution Expert

- Ticker: 6548 TT
- Market Cap (Sep. 15th, 2022): US\$1.05bn
- Client Scope: Outsourcing Semiconductor Assembly & Testing (OSAT), Integrated Device Manufacturers (IDM) and IC Design



QFN : Quad-Flat No-Leads. Discrete : Small-Outline transistor, SOT
QFP : Quad Flat Package
IC : SOP, TSSOP, TSOP,etc.

30+ years

LF experience

US\$447mn

2021 Total sales

90+

No. of global LF patents

2,000+

No. of global employees

Our Execution Plan

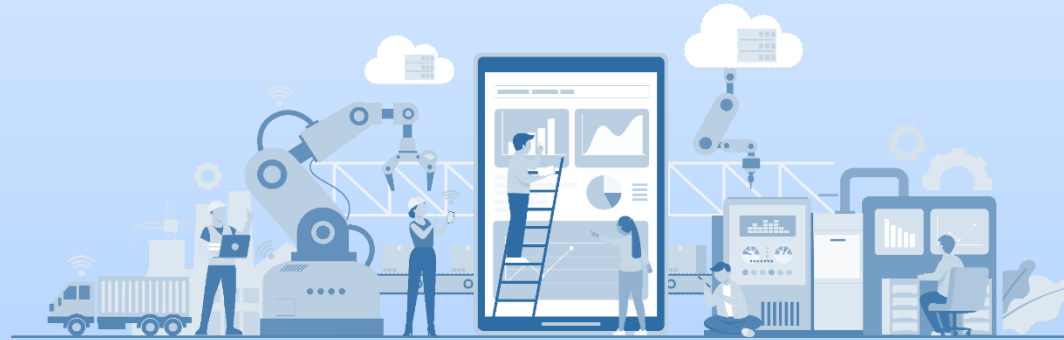
QFP

QFN

aQFN

Pre-mold

SOT



Stamping

Etching

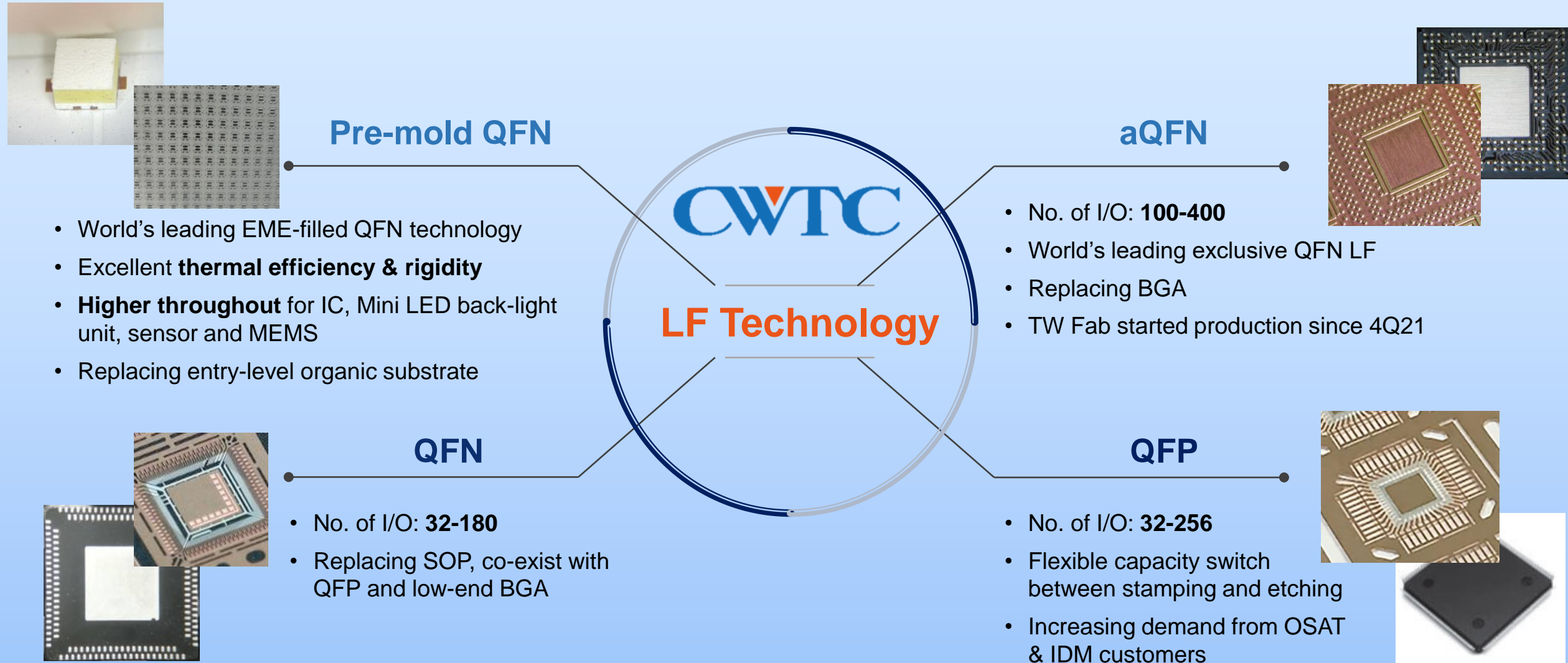
Plating

Molding

**LF
Growth Drivers**

Disciplined Investment

Our Technology Leadership



Agenda

Lead Frame Growth Drivers

Disciplined Investment

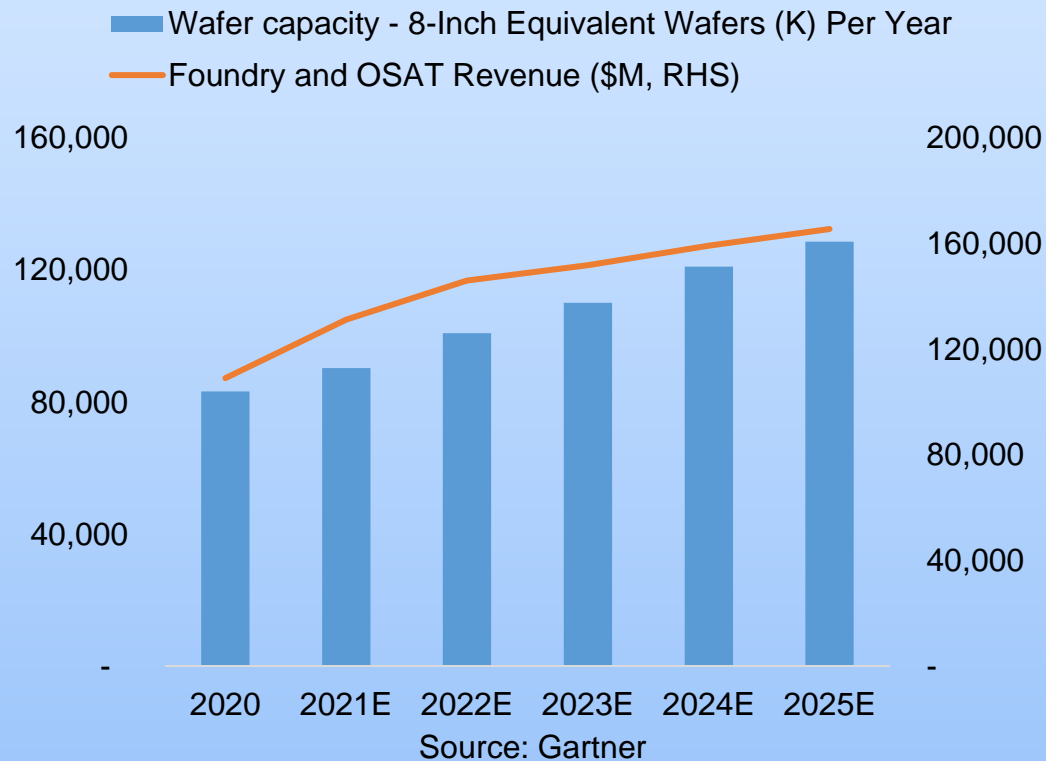
Our Commitments to Shareholders

Financial Performance

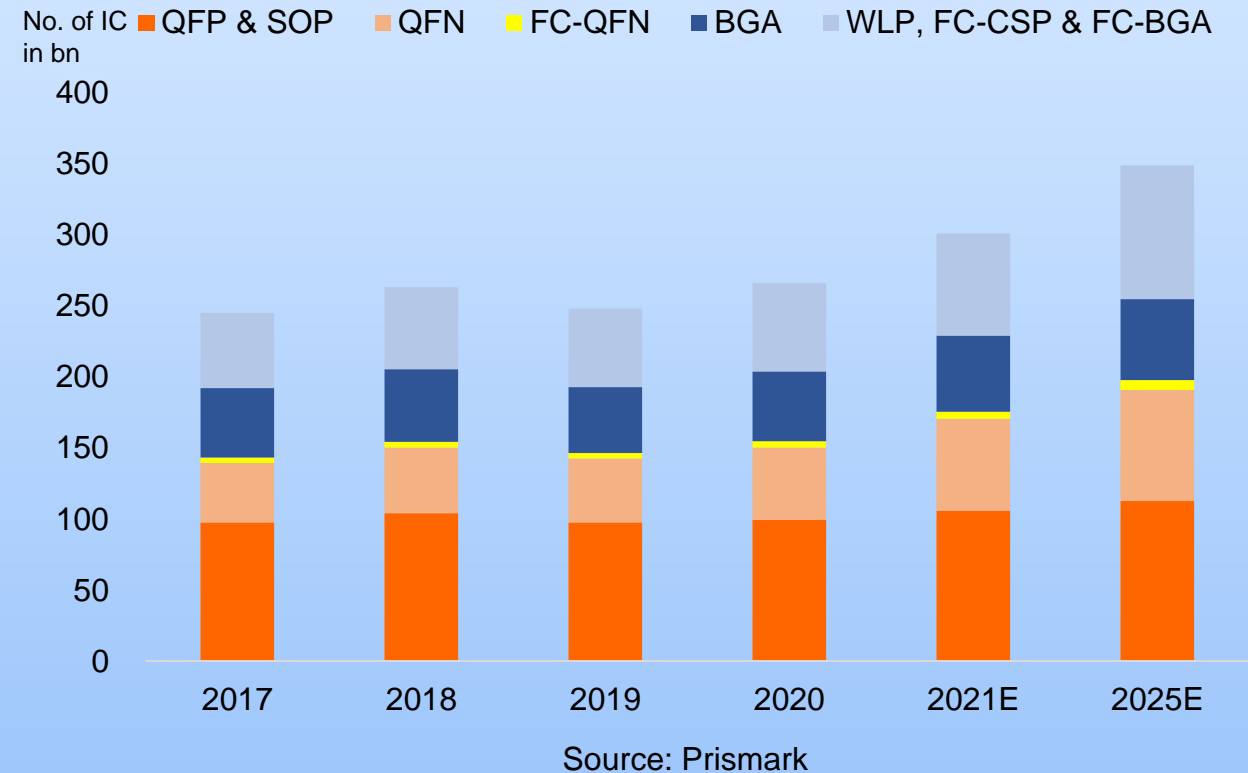
Lead Frame Growth Drivers

Increasing LF Demand

Wafer capacity expansion fuels industry's 9% CAGR. No. of IC will grow faster due to node migration, e.g. 65/40nm to 28/22nm.



Same with industry trend, we've seen growing QFP & QFN demand from global tier-one customers, including IDM, OSAT and IC design.



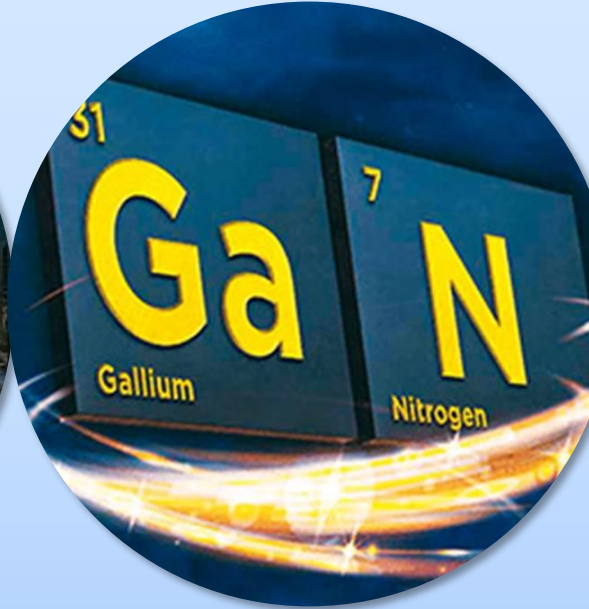
Our Multiple Applications



Automotive



**5G & WiFi
Connectivity**



**III-V
Semiconductor**



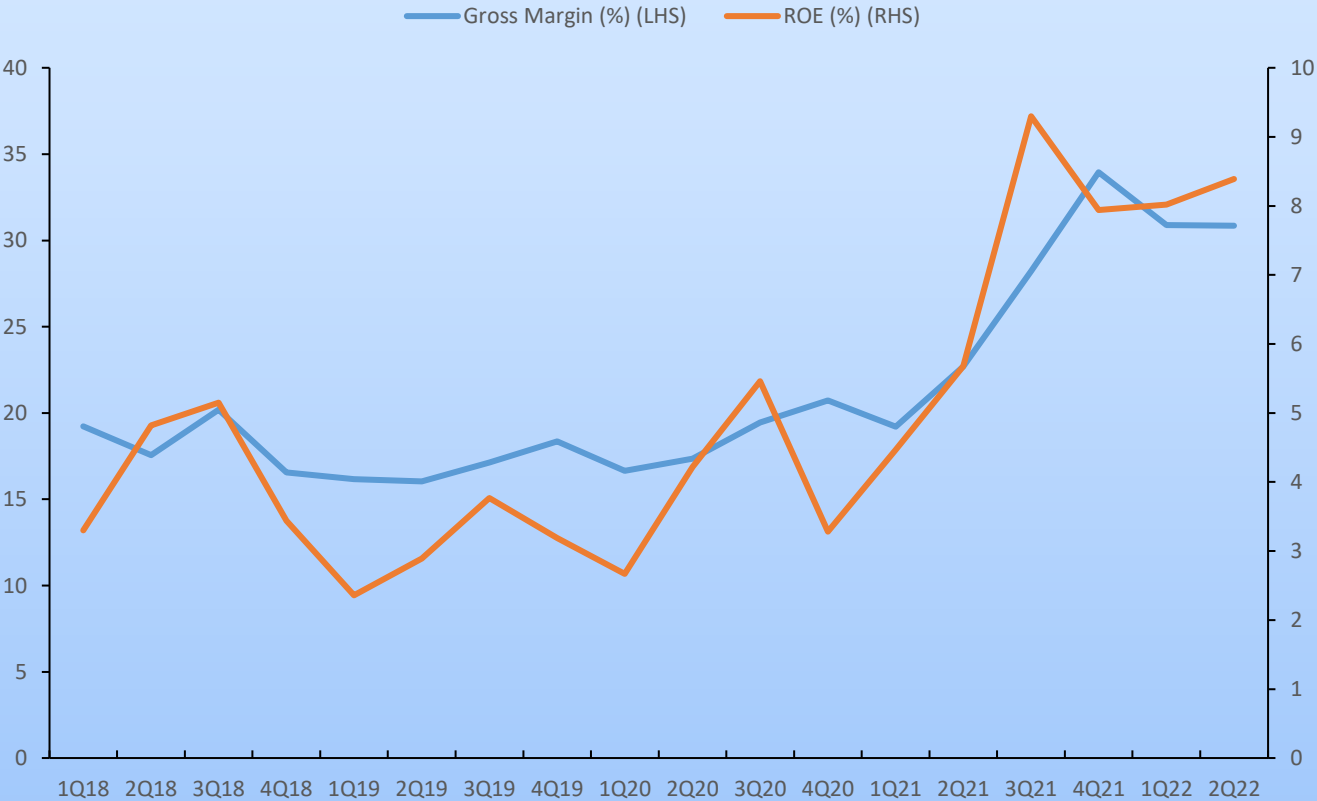
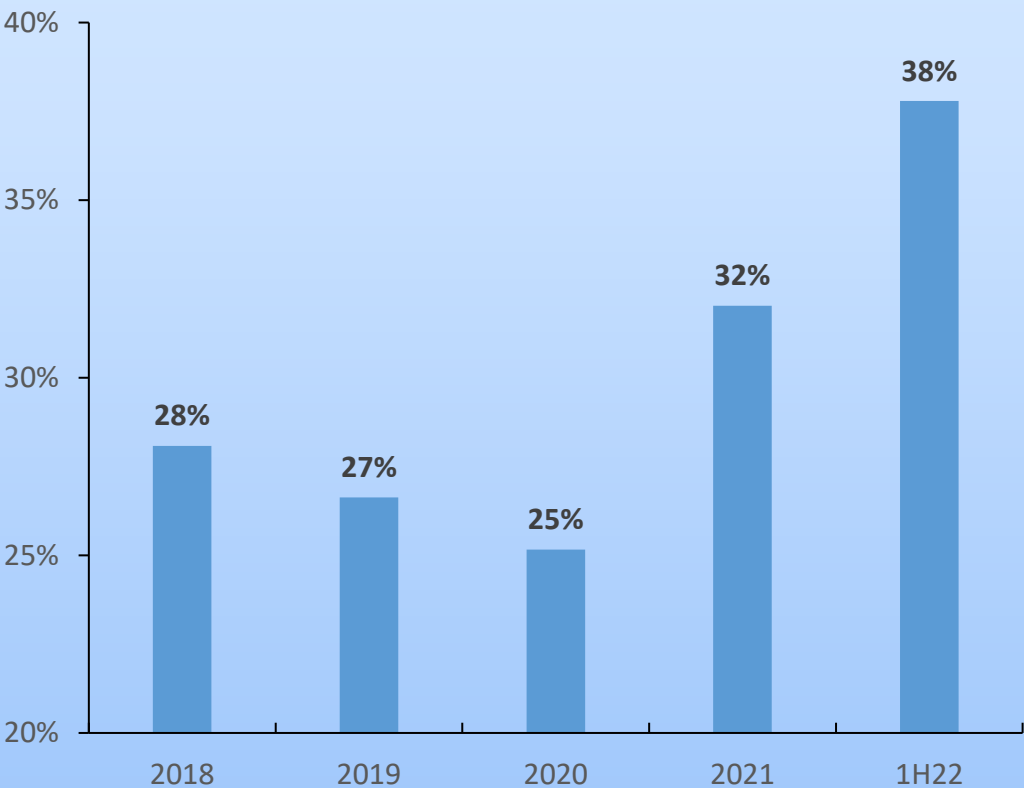
Mini LED

Various LF Spec. Requirement: No. of I/O, Form factor, Reliability, Thermal conductivity and Electrical performance

CWTC's Growing Automotive Business

CWTC's automotive sales contribution has increased from 28% in 2018 to 38% in 1H22. We expect automotive lead frame business to continue to be one of growth drivers of our sustainable profitability.

Automotive Business Revenue Share



Disciplined Investment

Products Manufacturing Process

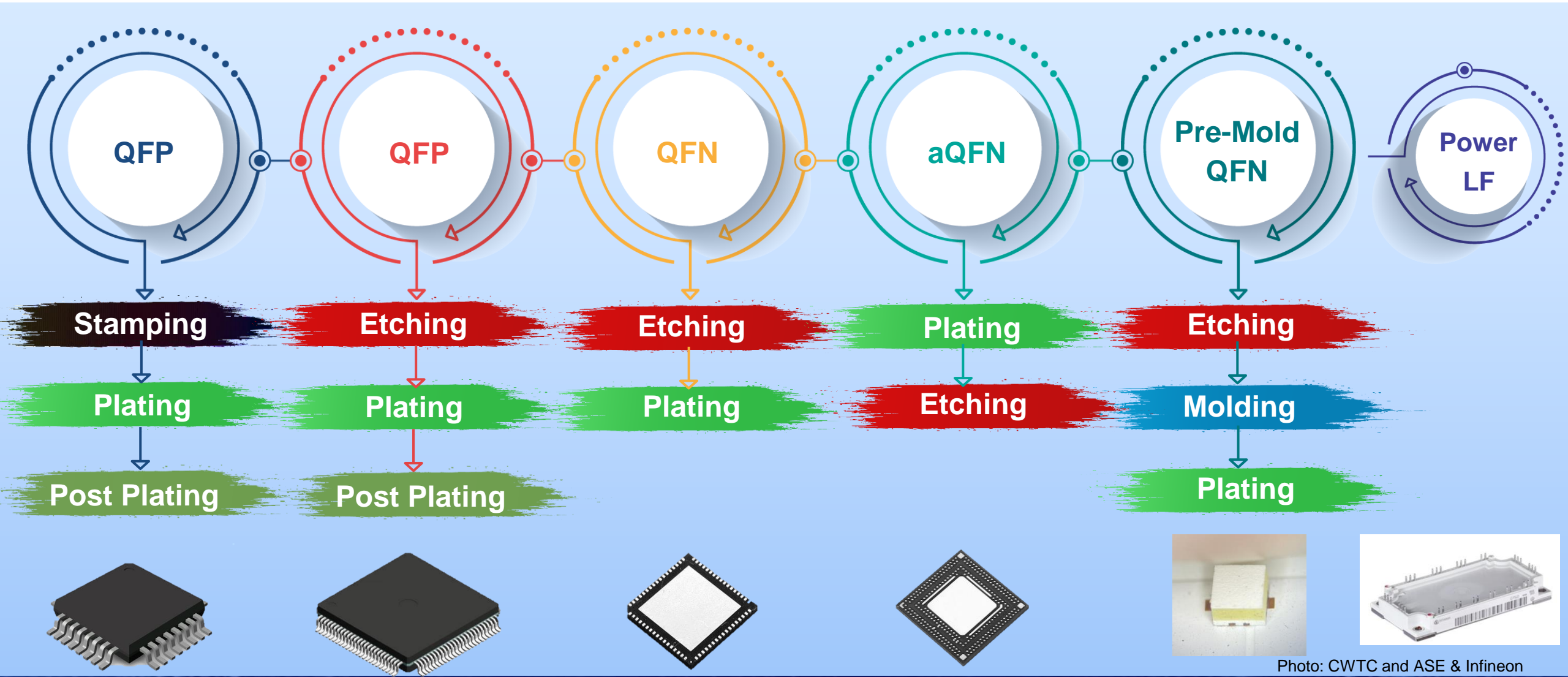



Photo: CWTC and ASE & Infineon

Our Commitments to Shareholders

We Aim to Produce the Highest Return in the IC Manufacturing Industry

Through efficient investment in capex and LF diversity, we expect to outgrow the semiconductor manufacturing industry and deliver an ROE in excess of 20% from 2021E to 2025E.

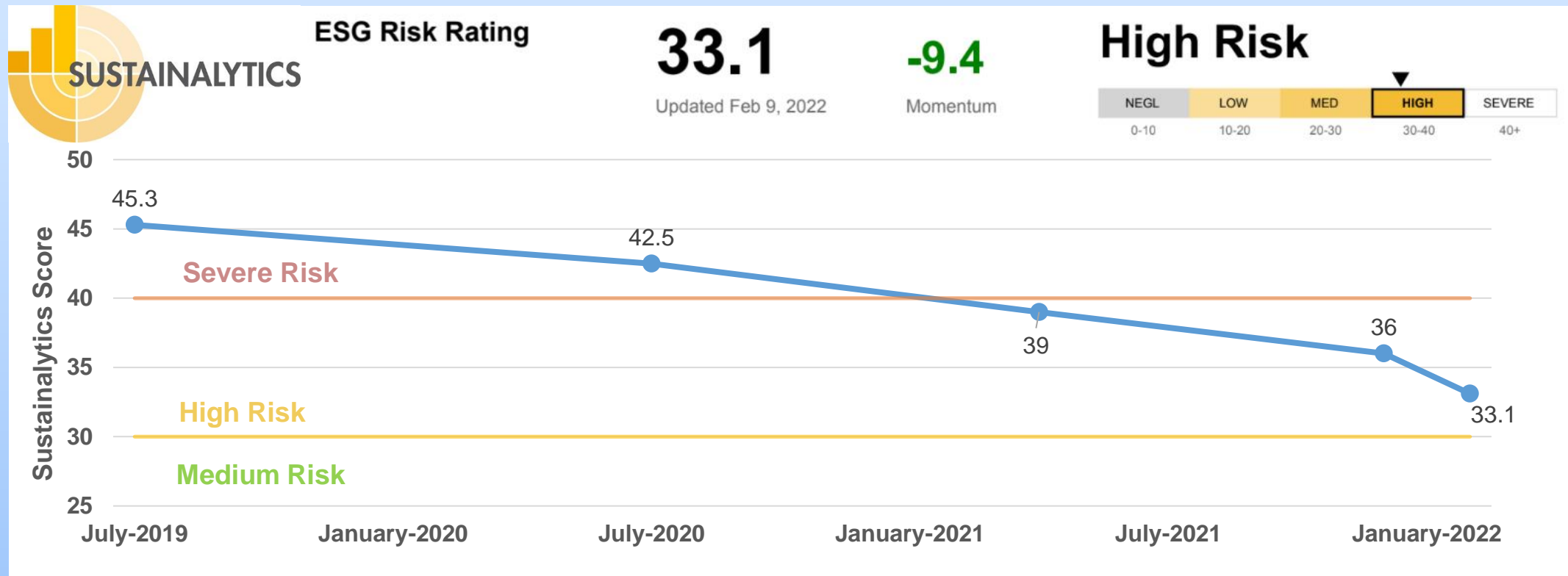
2021E-2025E	Capex-to-Sales ratio	Capex Efficiency*		Sales CAGR	GP CAGR	FCF CAGR
CWTC	Mid-to-High single digit%	2~3x	 Capex Efficiency and LF Diversity	<i>Above Industry Average</i>		
Foundry	36%	0.4x		14%	14%	12%
OSAT	11%	1.0x		7%	8%	24%

* Capex efficiency: Additional sales in year N+1 / capex in year N

Source: Bloomberg and Gartner. Foundry including TSMC, UMC, VIS while OSAT includes ASE, Powertech, KYEC, Chipbond, ChipMOS and Greatek

Our Ever-Improving ESG Performance

- Year over year improvement in our Sustainalytics ESG Score
- We expect further improvement into the medium risk category by 2022



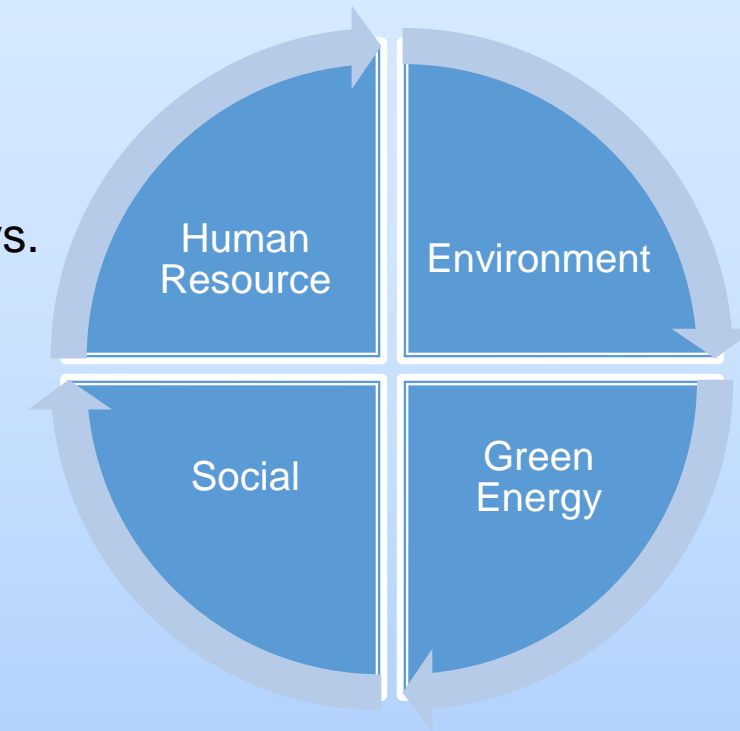
We Pursuit Our Sustainable Growth in an Eco-friendly Approach

Environment:

- Reclaimed water usage reached **20%** in 2021 vs. 13.6% in 2019.
- **4%** of electricity demand at the new factory will be supplied from solar energy vs. existing factory of only 0.3%.

Social:

- We are committed to complying with the Responsible Business Alliance (RBA), the Global e-Sustainability Initiative (GeSI), and also the Responsible Minerals Initiative (RMI).
- ESOP program transferred over **1,341,000** shares to employees
- Our new fab expect to create more than **150** new job opportunity.
- Stringent Environmental, Health, & Safety Policy across all of our Asia factories.

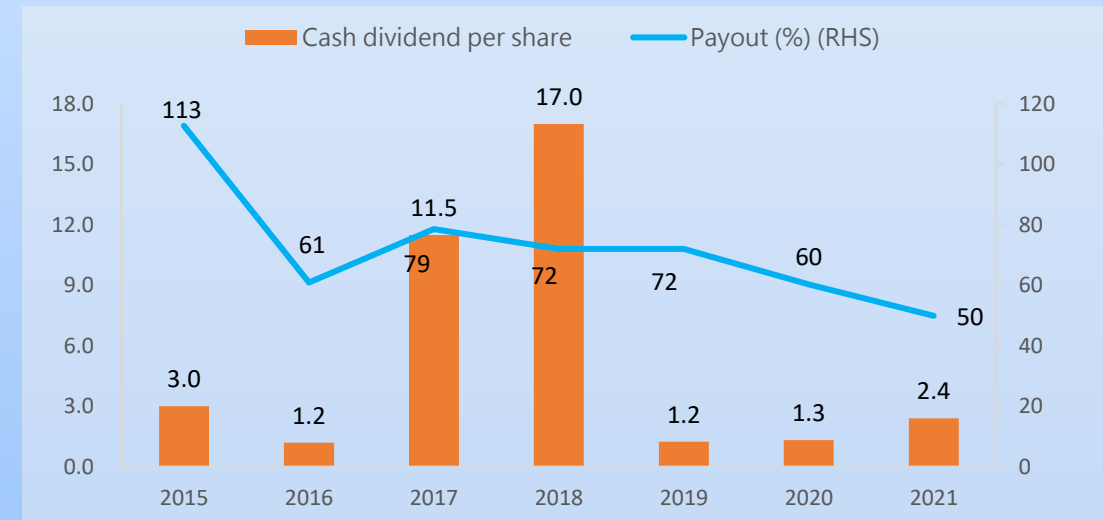
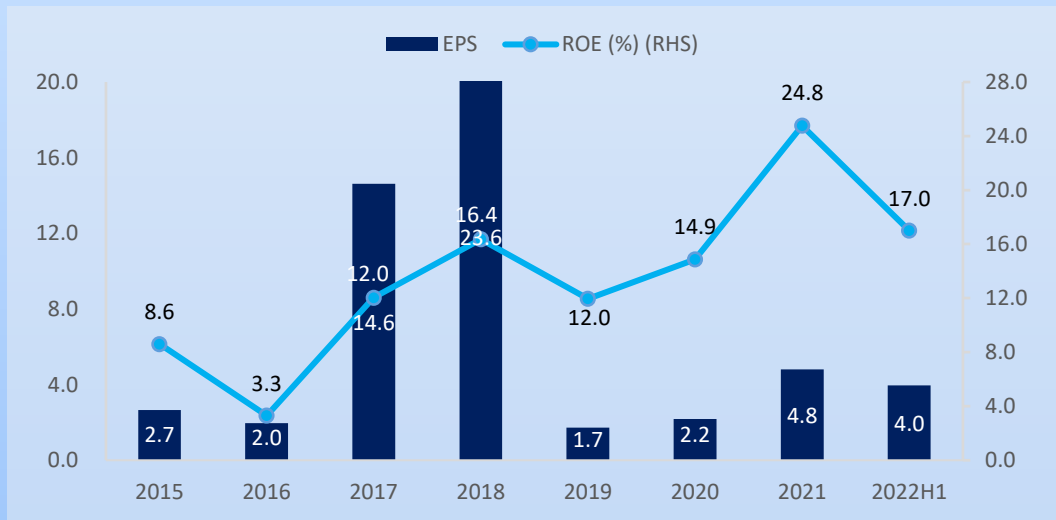
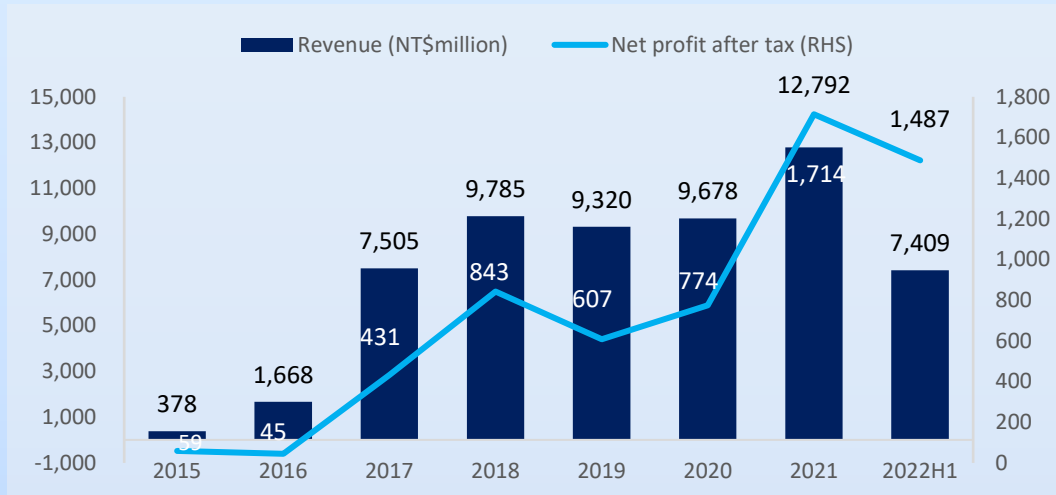


CWTC 2021
ESG
Report



Financial Performance

Robust Financial Performance



2017-1H22 Income Statement

NT\$m	2017	2018	2019	2020	2021	1H22	YoY (%)					
							2017	2018	2019	2020	2021	1H22
Revenue	7,505	9,785	9,320	9,678	12,792	7,409	350.0	30.4	-4.7	3.8	32.2	27.9
Gross Profit	1,444	1,802	1,581	1,805	3,406	2,287	559.6	24.8	-12.3	14.2	88.7	87.6
Operating Expenses	- 607	- 708	- 748	- 845	- 1,196	-614	397.9	16.5	5.7	12.9	41.6	32.6
Operating Profit	837	1,094	833	960	2,210	1,673	763.1	30.7	-23.9	15.3	130.1	121.3
Pretax Income	1,071	1,206	899	966	2,249	1,895	362.6	12.6	-25.4	7.5	132.7	161.0
Tax Expenses	- 251	- 354	- 280	- 176	- 511	-393	955.8	40.9	-20.8	-37.3	190.8	138.2
Net Income to Parent	431	843	607	774	1,714	1,487	858.0	95.5	-27.9	27.4	121.5	170.9
Basic EPS (NT\$)	14.62	23.60	1.72	2.19	4.81	3.96	642.1	61.4	-92.7	27.3	119.6	155.5
Key Financial Ratios (%)												
Gross Margin	19.2	18.4	17.0	18.6	26.6	30.9						
Operating Expense Ratio	8.1	7.2	8.0	8.7	9.3	8.3						
Operating Margin	11.1	11.2	8.9	9.9	17.3	22.6						
Effect Tax Rate	23.4	29.3	31.2	18.2	22.7	20.7						
Net Margin	5.7	8.6	6.5	8.0	13.6	20.3						

2017-1H22 Balance Sheet

NT\$m	2017	2018	2019	2020	2021	1H22	YoY (%)					
							2017	2018	2019	2020	2021	1H22
Total Assets	9,100	9,788	10,544	12,164	14,842	17,858	290.1	7.6	7.7	15.4	22.0	33.1
Cash	2,131	2,304	3,076	2,502	3,796	5,173	244.7	8.1	33.5	-18.7	51.7	79.2
AR & NR	1,825	1,927	2,003	2,114	2,858	3,251	248.6	5.6	4.0	5.5	35.2	31.8
Inventories	1,267	1,437	1,296	1,437	2,196	2,589	1456.6	13.4	-9.8	10.9	52.9	41.0
Fixed Assets	2,318	2,441	2,210	2,252	2,475	2,995	615.4	5.3	-9.5	1.9	9.9	27.2
Total Liabilities	3,970	4,617	5,558	6,738	6,430	8,140	1229.0	16.3	20.4	21.2	-4.6	5.5
AP & NP	957	1,019	1,148	1,105	1,337	1,485	430.7	6.5	12.6	-3.8	21.0	19.3
Total Equity	5,130	5,171	4,986	5,426	8,412	9,718	152.2	0.8	-3.6	8.8	55.0	70.6
Key Financial Ratios												
A/R Turnover Days	56.3	69.0	75.9	76.6	70.0	75.3						
Inventory Turnover Days	40.0	61.0	63.5	62.5	69.7	85.2						
A/P Turnover Days	33.8	44.6	50.4	51.5	21.2	50.3						
Cash Conversion Days	62.6	85.4	89.0	87.5	118.4	110.2						
ROE (%)	12.0	16.4	12.0	14.9	24.8	17.0						
ROA (%)	7.5	8.9	6.0	6.8	12.7	9.3						

Appendix

Glossary

- SO/SOP: Small Outline and Small Outline Package
- TSSOP: Thin Shrink Small Outline Package
- TSOP: Thin Small Outline Package
- COL: Chip-n-Lead
- QFP: Quad Flat Package
- SQFP: Small Quad Flat Package
- TQFP: Thin profile Quad Flat Package
- LQFP: Low profile Quad Flat Package
- PDIP: Plastic Dual In-line Package
- PLCC: Plastic Leaded Chip Carrier
- VSO: Very Small Outline Package
- PMFP: Plastic Micro Flat Package
- BCC: Bump Chip Carrier

- QFN: Quad Flat No-lead
- DRQFN: Dual Row Quad Flat No-Lead Package
- aQFN: advanced Quad Flat No-lead
- VQFN: Very Thin Quad Flat No-lead Package