

Wiwynn Introduction

2019.05.14



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Born for the New Business Model

New Business Model

The decline of PC market and the rise of cloud computing have made Wistron determined to become a TSP

CSPs such as FB and MSFT approached Taiwanese ODMs for hyperscale data center optimized IT solutions





- ◆ Established on April 2, 2012
- ◆ Listed on the Taiwan Emerging Stock on Nov. 13, 2017

A Value Partner for Customers in Cloud Service Business



$$\text{Customer Value} = \frac{\text{Workload Performance}}{\text{Total Cost of Ownership}}$$



Mission

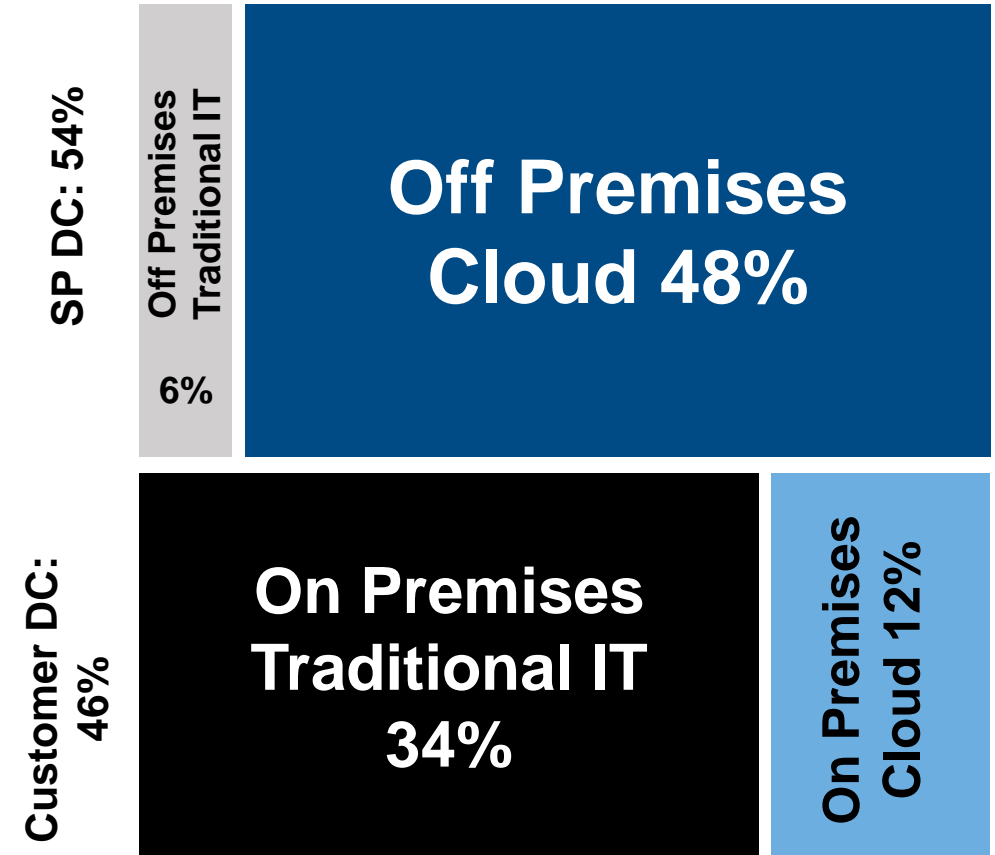
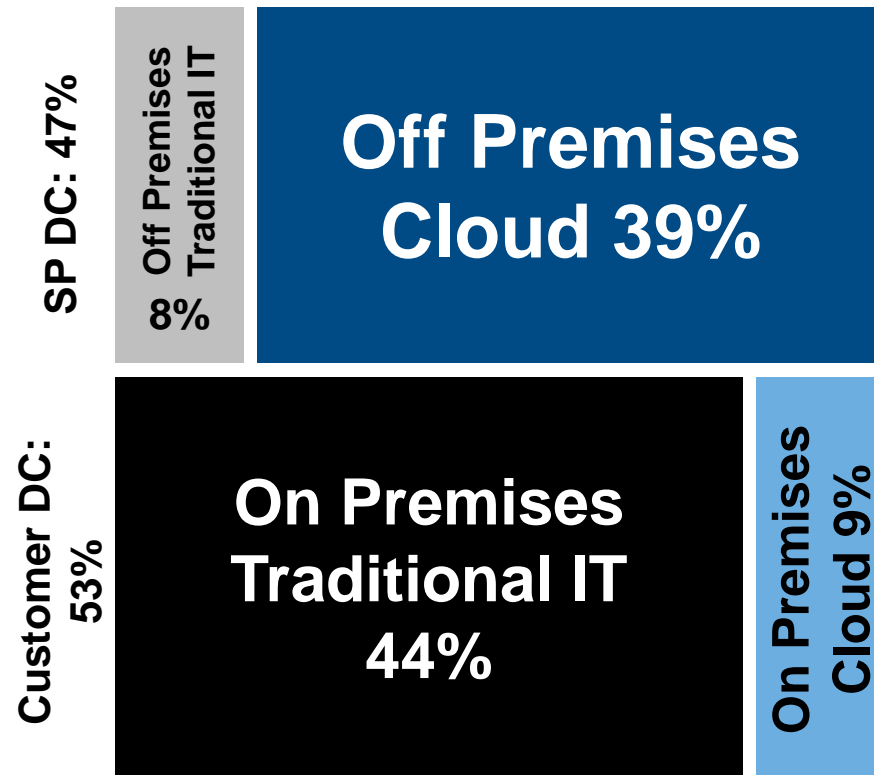
“Provide Data Centers with Workload-Optimized IT Solutions and the Best TCO”



WW Cloud IT Infrastructure Market Forecast by Deployment Type (USD)

2018: \$136.6B

2023: \$168B

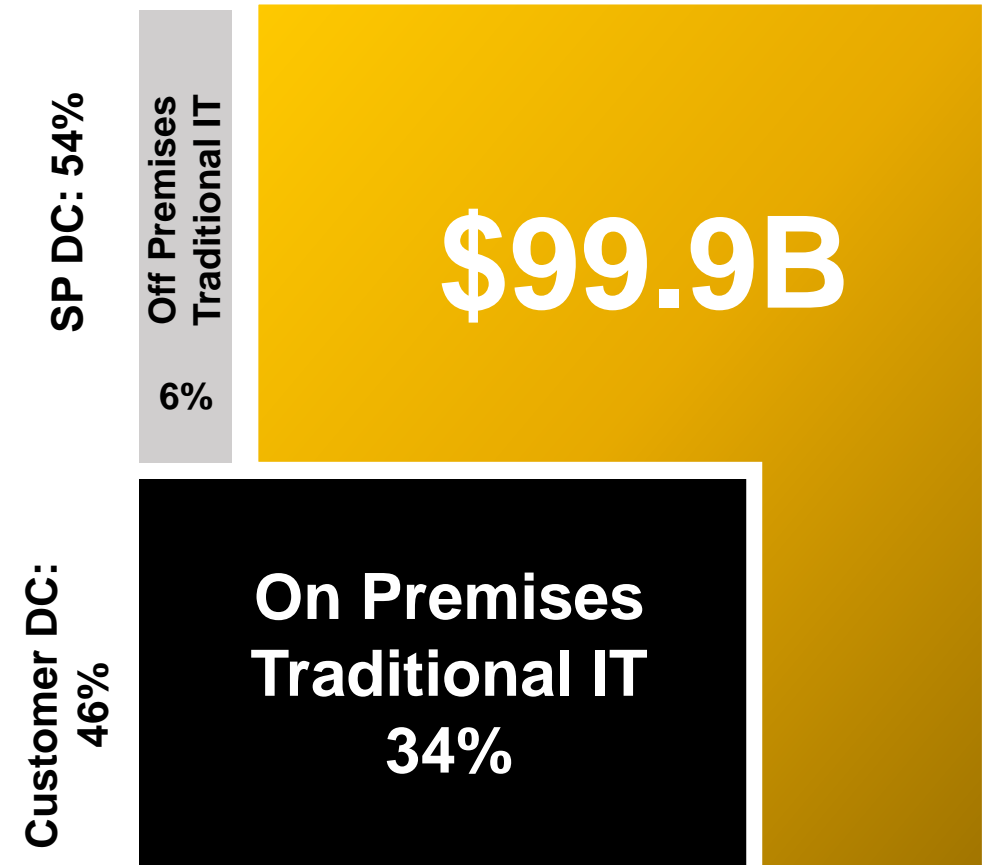
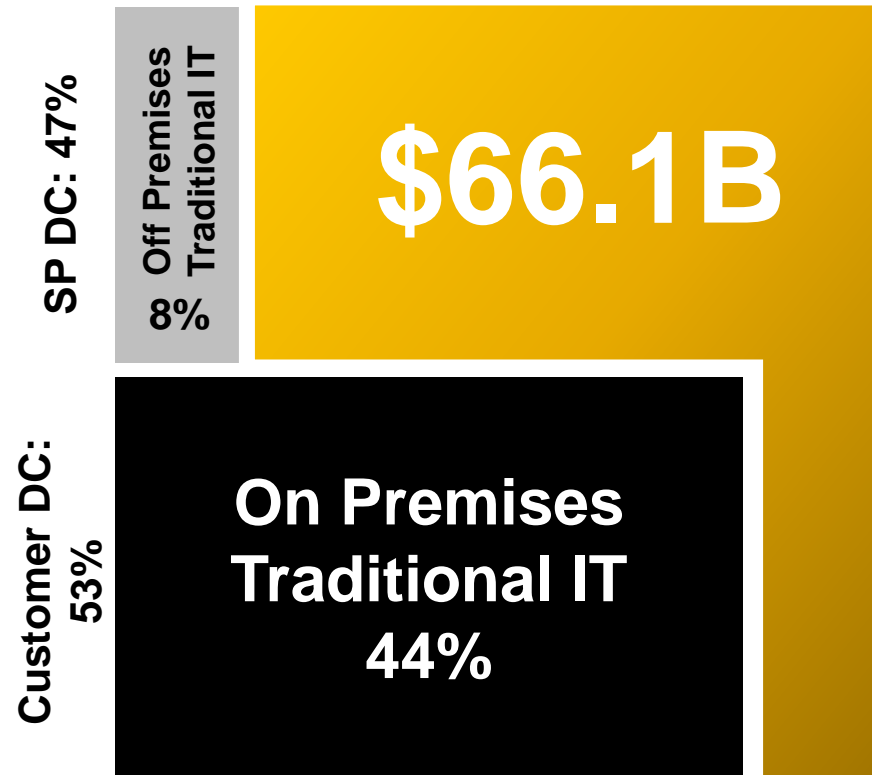




WW Cloud IT Infrastructure Market Forecast by Deployment Type

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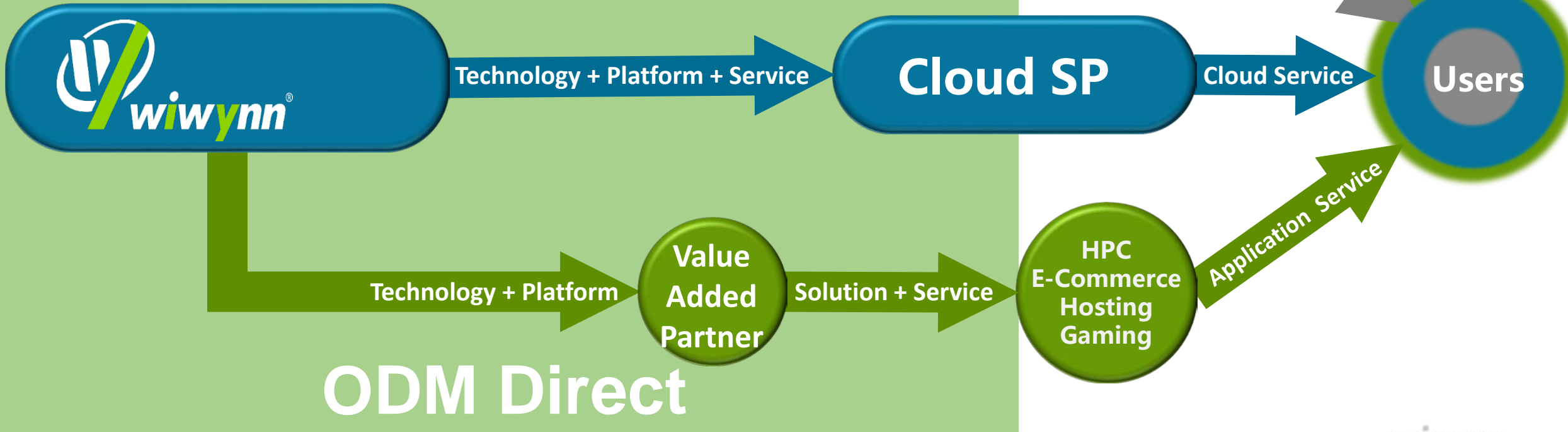
2023: \$168B



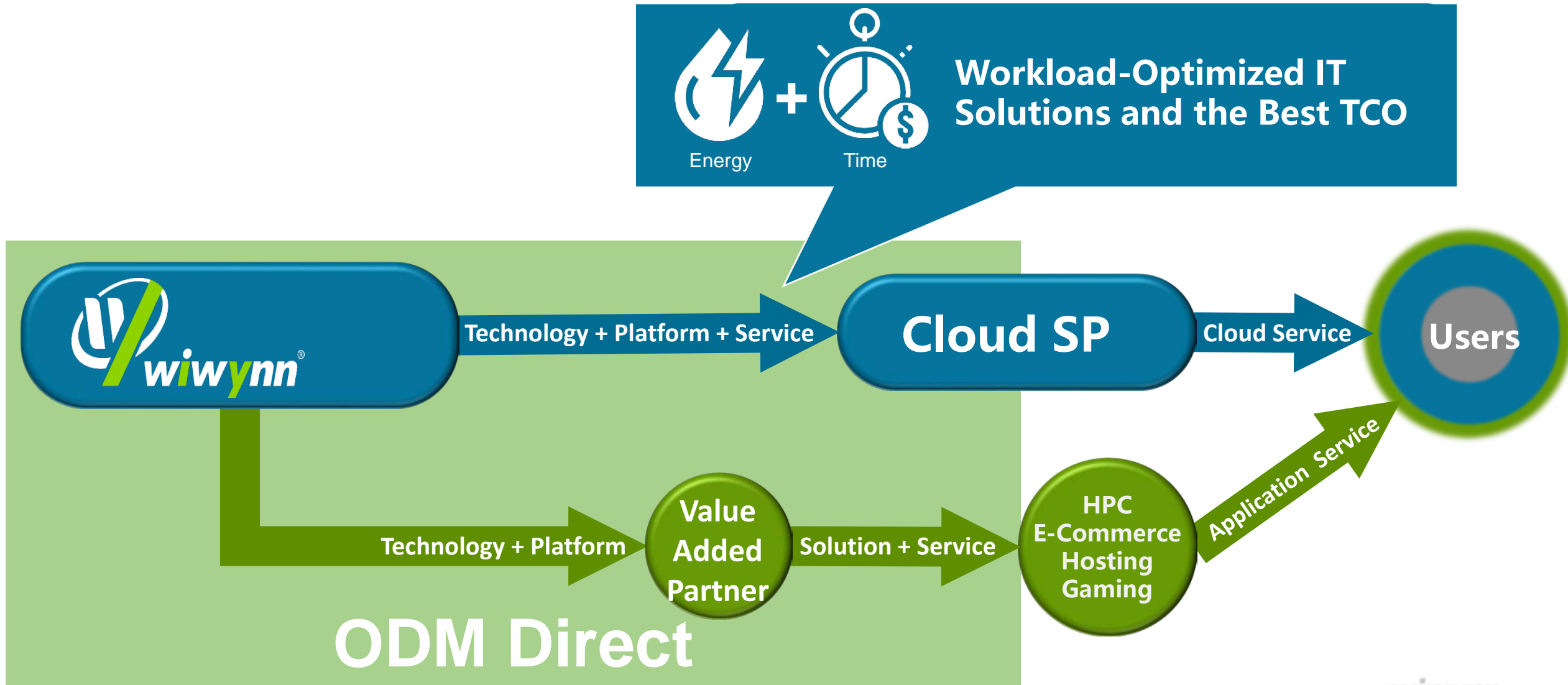


ODM Direct – New Business Model Enabled by Cloud SP

Traditional ODM



ODM Direct – New Business Model Enabled by Cloud SP





Target Market Segments

Top 7 CSP

facebook

aws

Microsoft

Google

Alibaba.com™

Tencent 腾讯

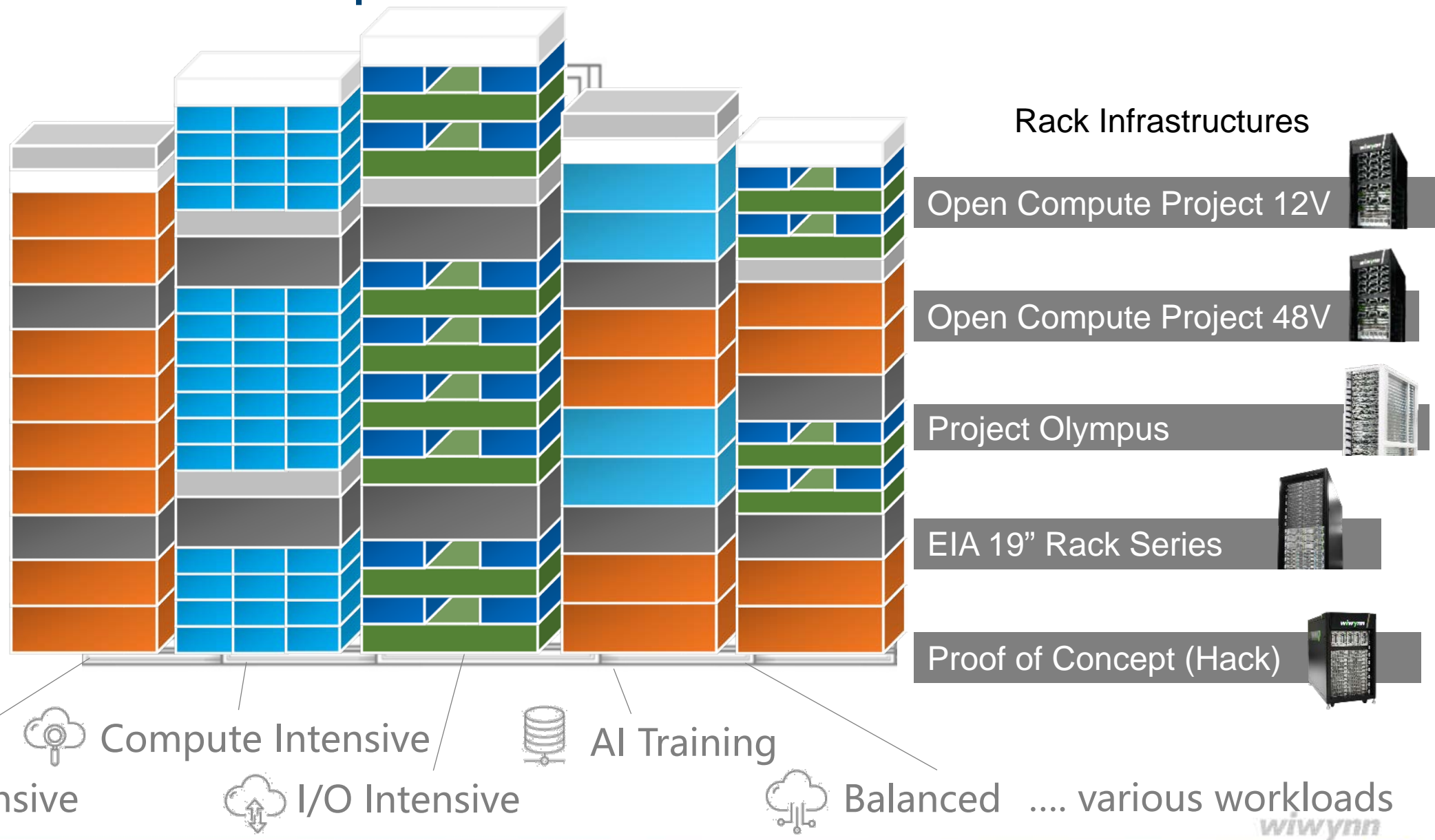
Baidu 百度

Next Wave





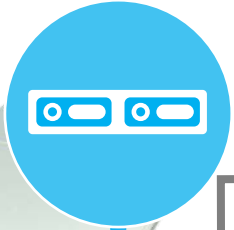
Wiwynn Racks - Optimized for Various Workloads





Wiwynn Product Lines

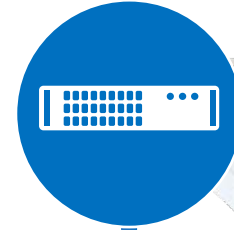
Compute Server



01

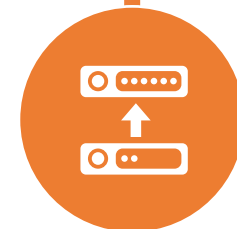
02

Edge & Front-End Server



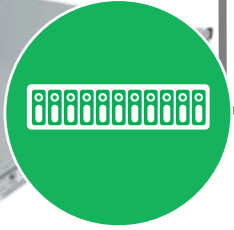
04

03



JBOX —
HDD, All Flash, GPU

Multi-Purpose & Storage Server





Our Core Technologies

**High
Power Efficiency**



**High
Speed**



**Thermal
Solution**



**Reliability
Serviceability**



APPLICATIONS
Various Evolving
Applications

Wiwynn technologies are focused on developing high power, high speed and thermal technologies to meet the needs of future data centers

DEMANDS

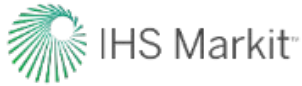
Fundamental Demands
For Various Applications

INFRASTRUCTURE

Build Blocks & IT Gears on
Advanced Technologies

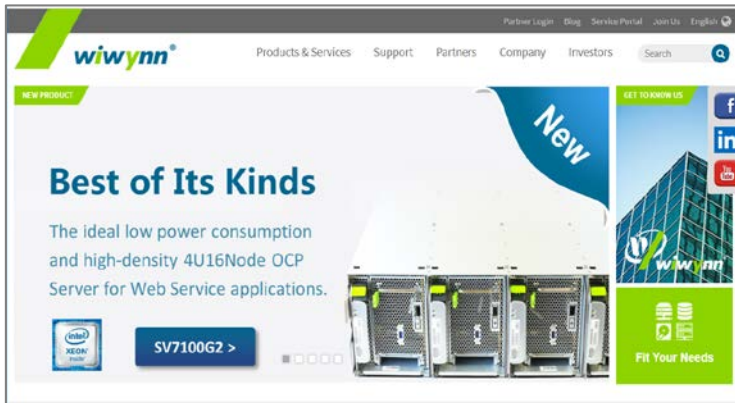


Branding Trilogy



External Relationship
(foundations, research firms, media)

Website



Blog



LinkedIn

Online Activities

Branding

Industry Exhibitions

OCP Summit @ San Jose



Computex @ Taipei



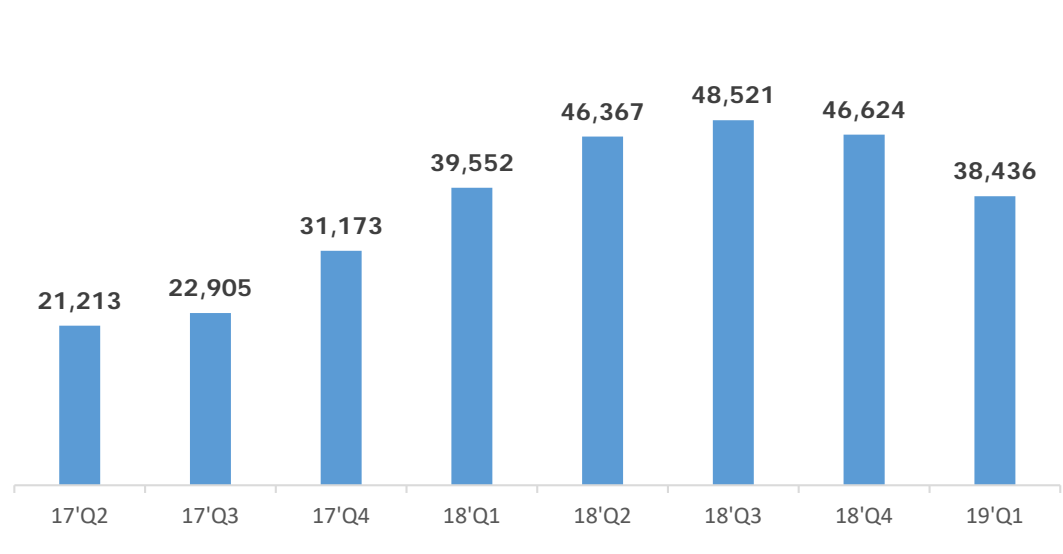
CloudFest @ Germany



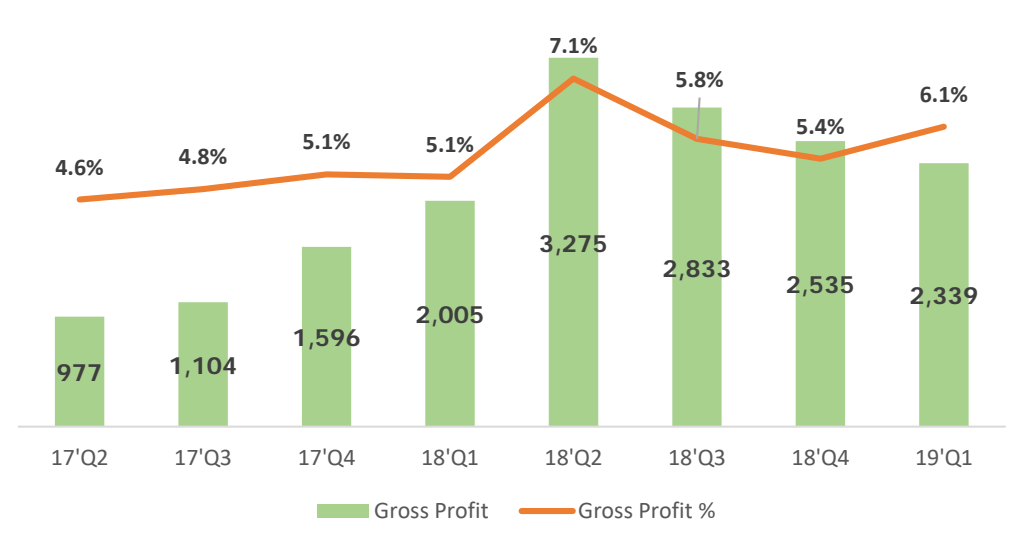


Financial Highlights

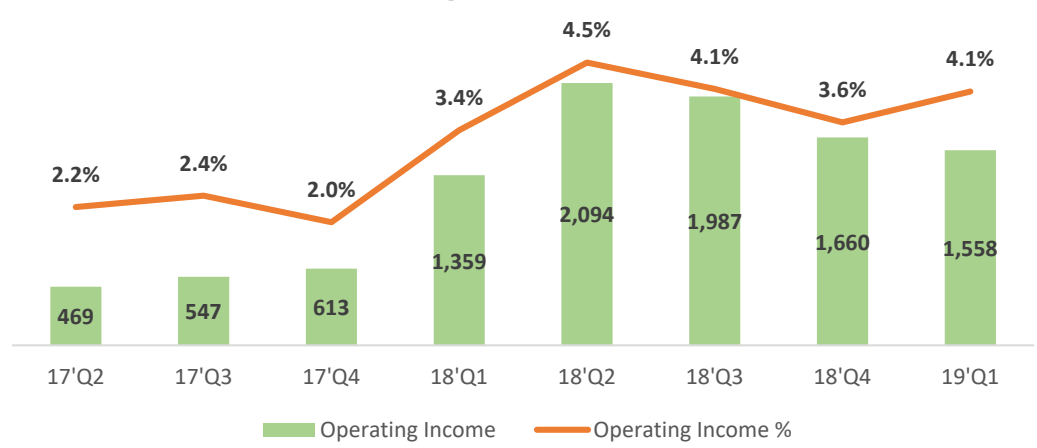
Revenue (NT\$ M)



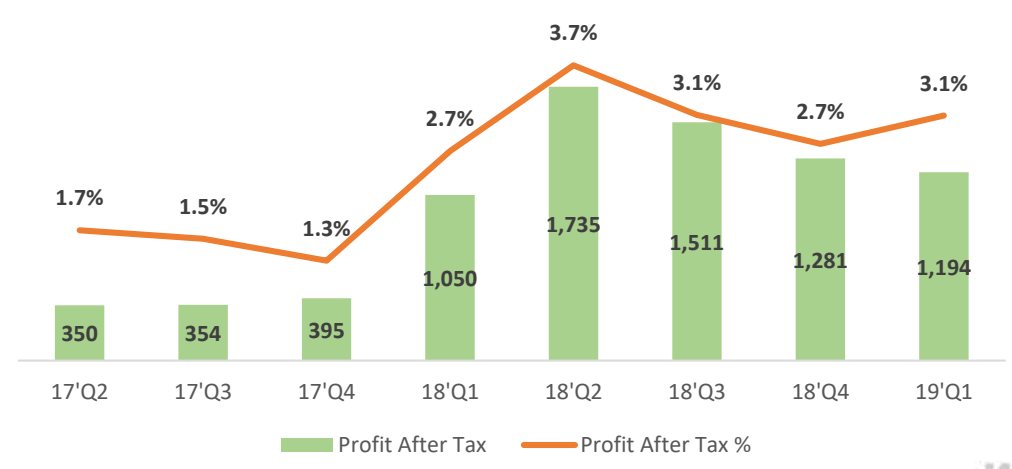
Gross Profit (NT\$ M)



Operating Income (NT\$ M)



Profit After Tax (NT\$ M)





2019 Q1 Income Statement QoQ (Consolidated)

(in NT\$ Million)

	19'Q1		18'Q4		QoQ
Revenue	38,436	100%	46,624	100%	-17.6%
Gross Profit	2,339	6.1%	2,535	5.4%	-7.7%
Operating Expense	781	2.0%	875	1.9%	-10.7%
Operating Income	1,558	4.1%	1,660	3.6%	-6.1%
Non-operating Income/(Loss)	(61)	-0.2%	(58)	-0.1%	6.6%
Profit Before Tax	1,497	3.9%	1,602	3.4%	-6.6%
Profit After Tax	1,194	3.1%	1,281	2.7%	-6.8%
EPS Basic (NTD \$)	7.77		8.38		
EPS Diluted (NTD \$)	7.71		8.29		



2019 Q1 Income Statement YoY (Consolidated)

(in NT\$ Million)

	19'Q1		18'Q1		YoY
Revenue	38,436	100%	39,552	100%	-2.8%
Gross Profit	2,339	6.1%	2,005	5.1%	16.7%
Operating Expense	781	2.0%	646	1.6%	20.9%
Operating Income	1,558	4.1%	1,359	3.4%	14.6%
Non-operating Income/(Loss)	(61)	-0.2%	(48)	-0.1%	28.0%
Profit Before Tax	1,497	3.9%	1,311	3.3%	14.1%
Profit After Tax	1,194	3.1%	1,050	2.7%	13.6%
EPS Basic (NTD \$)	7.77		8.02		
EPS Diluted (NTD \$)	7.71		7.69		



2019 Q1 Balance Sheet (Consolidated)

(in NT\$ Million)

	3/31/2019		12/31/2018		QoQ		3/31/2018		YoY	
Cash	8,279	24.1%	1,404	5.0%	6,876	489.9%	2,396	6.2%	5,883	245.5%
AR	8,354	24.3%	9,586	34.0%	(1,232)	-12.8%	18,827	48.5%	(10,473)	-55.6%
Inventory	16,604	48.4%	13,864	49.2%	2,740	19.8%	17,201	44.3%	(597)	-3.5%
Others asset	1,100	3.2%	3,351	11.9%	(2,251)	-67.2%	429	1.1%	671	156.5%
Total asset	34,337	100%	28,204	100%	6,133	21.7%	38,853	100%	(4,516)	-11.6%
Bank loan	4,896	14.3%	8,485	30.1%	(3,589)	-42.3%	2,600	6.7%	2,296	88.3%
AP	7,423	21.6%	5,402	19.2%	2,021	37.4%	27,624	71.1%	(20,201)	-73.1%
Other liability	3,844	11.2%	3,541	12.6%	303	8.6%	2,081	5.4%	1,763	84.7%
Total liability	16,163	47.1%	17,427	61.8%	(1,265)	-7.3%	32,305	83.1%	(16,142)	-50.0%
Total Equity	18,174	52.9%	10,777	38.2%	7,397	68.6%	6,549	16.9%	11,626	177.5%

Thank You
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