

PSA

PASSIVE SYSTEM ALLIANCE

HannStar Board Corporation

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HannStar Board Corporation (5469)

2019 Investor Conference

2019/5/15

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PSA
HannStar Board Corporation

Safe Harbor Statement

The statements in this release are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual performance, financial condition or results of operations of Hannstar Board Corporation (the “Company”) to be materially different from what may be implied by such forward-looking statements.

The Company undertakes no obligation to update these forecasts and forward-looking statements for events or circumstances that occur subsequent to such date.

The statements in respect of historical matters may contain unaudited information, which may have certain deficiency or weakness so as not to fairly present financial condition or the result of operations of the Company.

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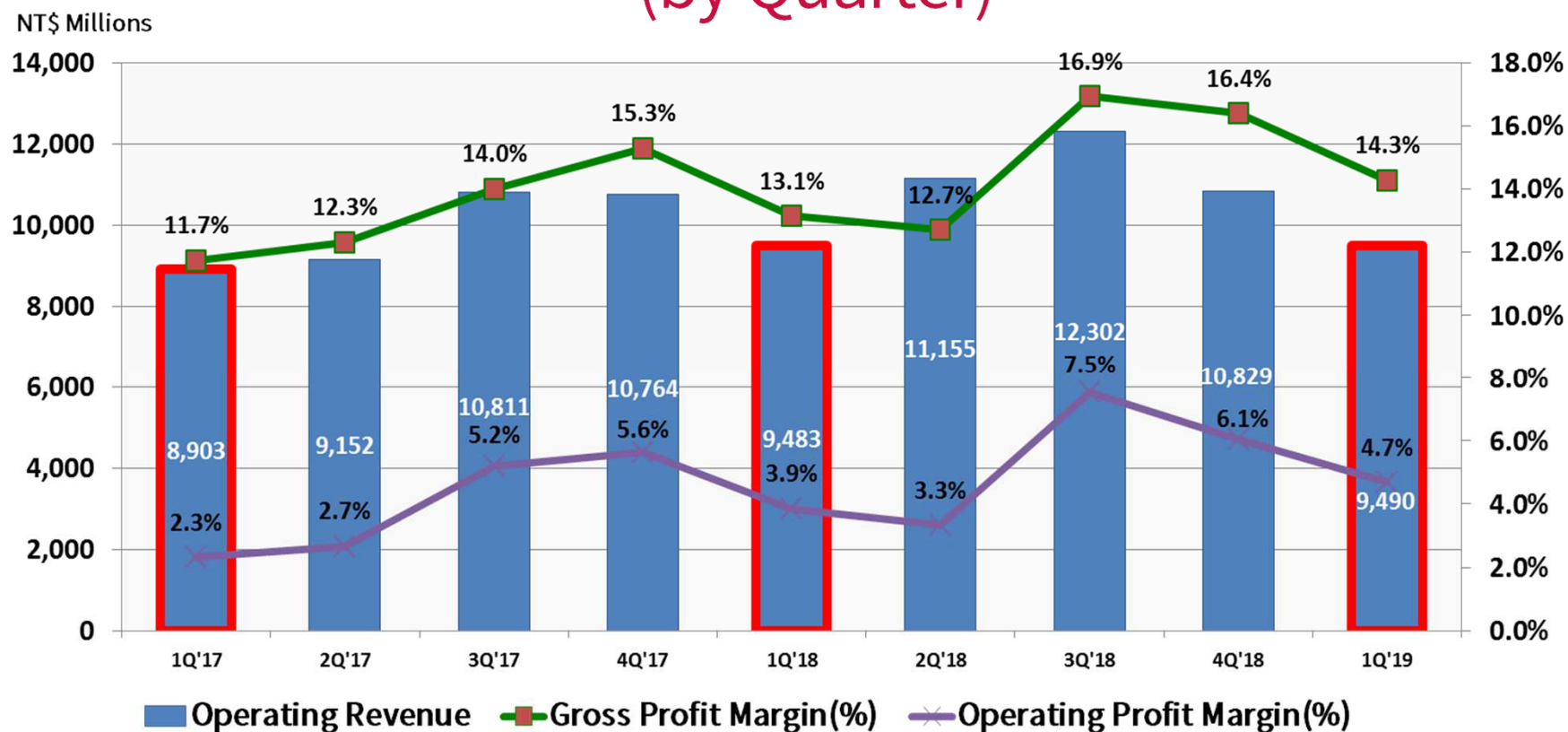
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Financial Results

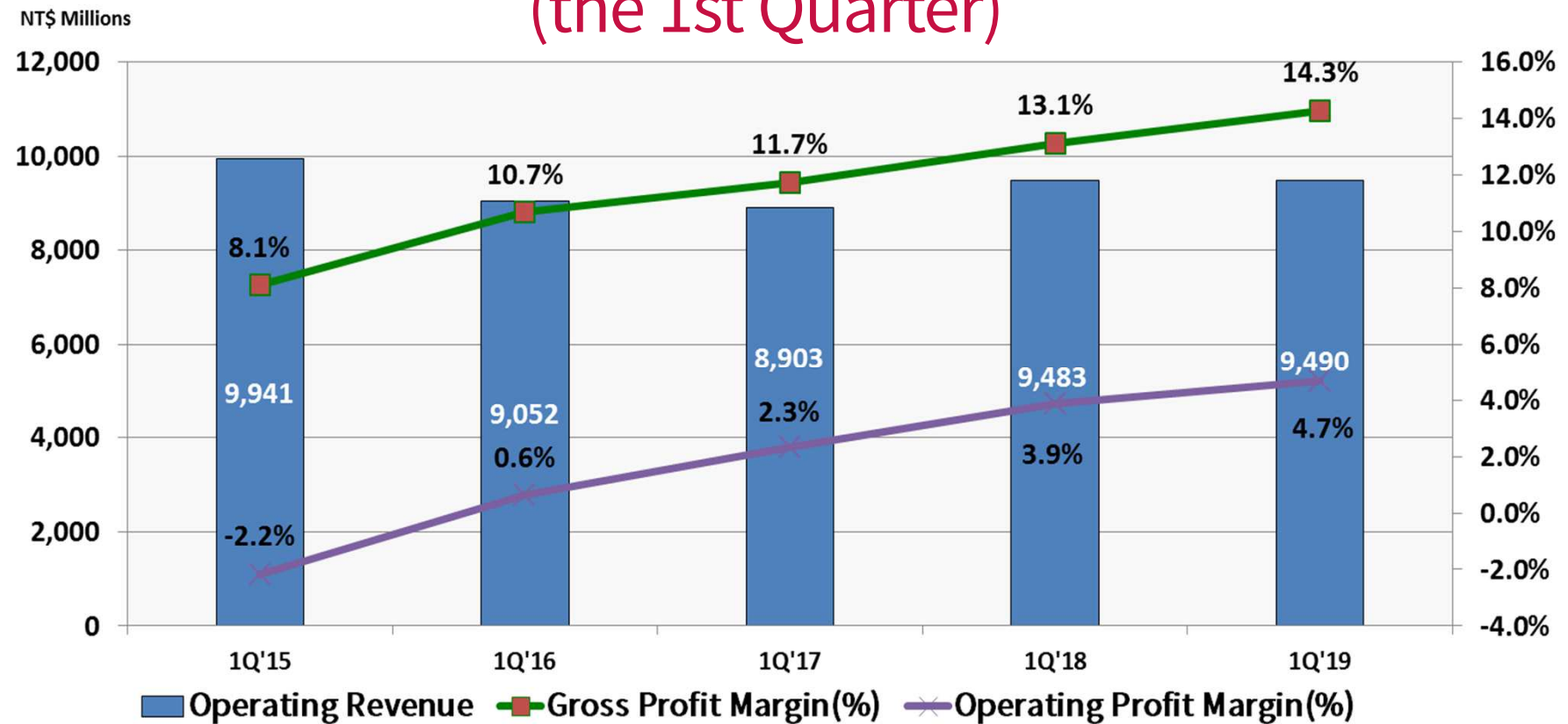
Statement of Comprehensive Income (YoY)

NT\$ Millions	2017	2018	Growth(%)	1Q'19
Operating Revenue	39,629	43,769	10%	9,490
Gross Profit	5,335	6,521	22%	1,355
Operating Profit	1,621	2,321	43%	444
Net Profit Before Tax	1,693	2,602	54%	520
Net Profit	1,088	1,744	60%	402
Net Income to Shareholders of the Parent Company	856	1,595	86%	339
Contribution From GBM	168	230	37%	76
Contribution From HSB	688	1,365	98%	263
EPS (NT Dollar)	1.90	3.55	87%	0.75
Gross Profit Margin(%)	13.5%	14.9%	1.4%	14.3%
Operating Profit Margin(%)	4.1%	5.3%	1.2%	4.7%
Net Profit Margin(%)	2.7%	4.0%	1.3%	4.2%

Trend of Revenue and Gross Margin-Consolidated (by Quarter)



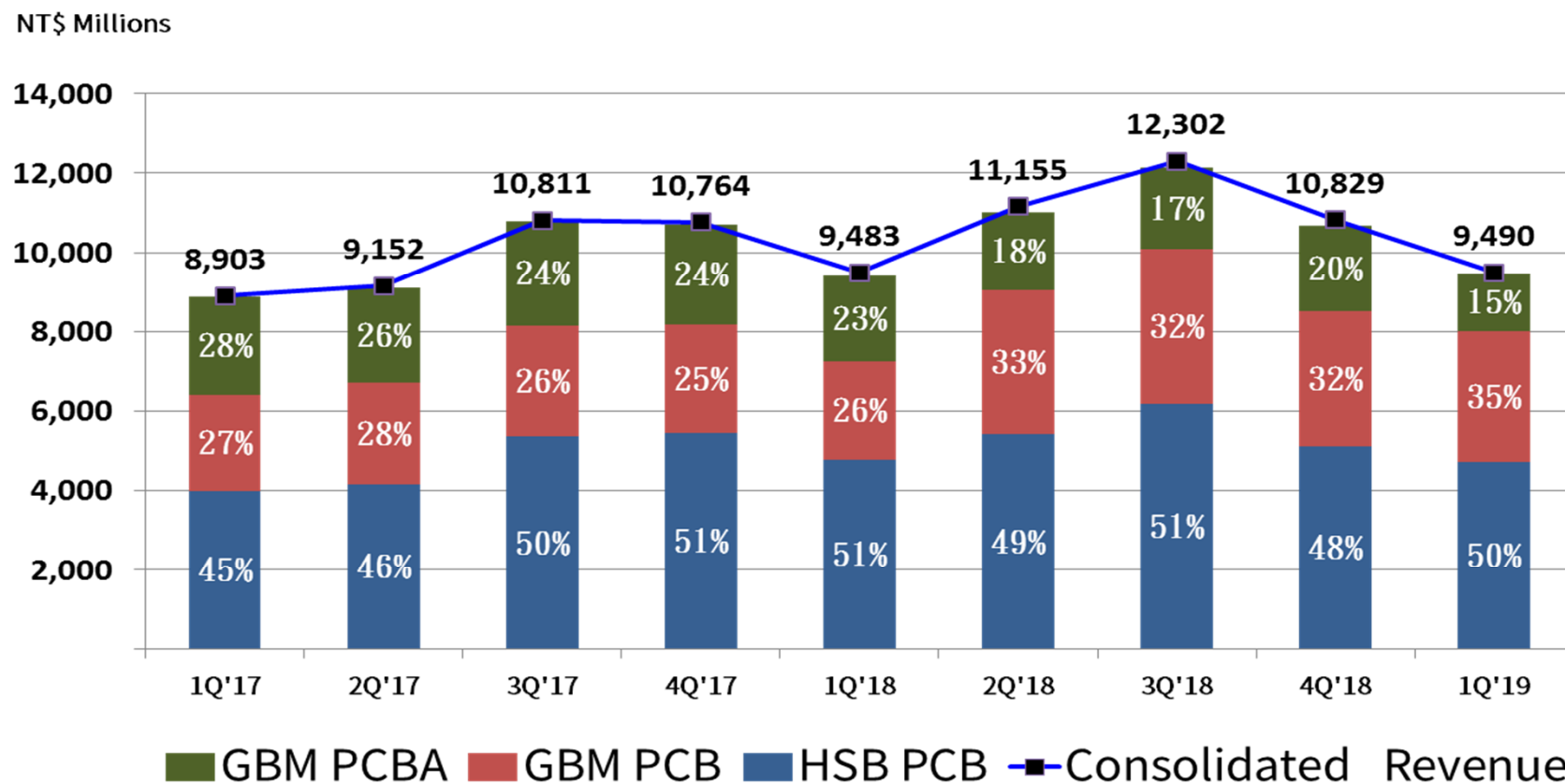
Trend of Revenue and Gross Margin- Consolidated (the 1st Quarter)



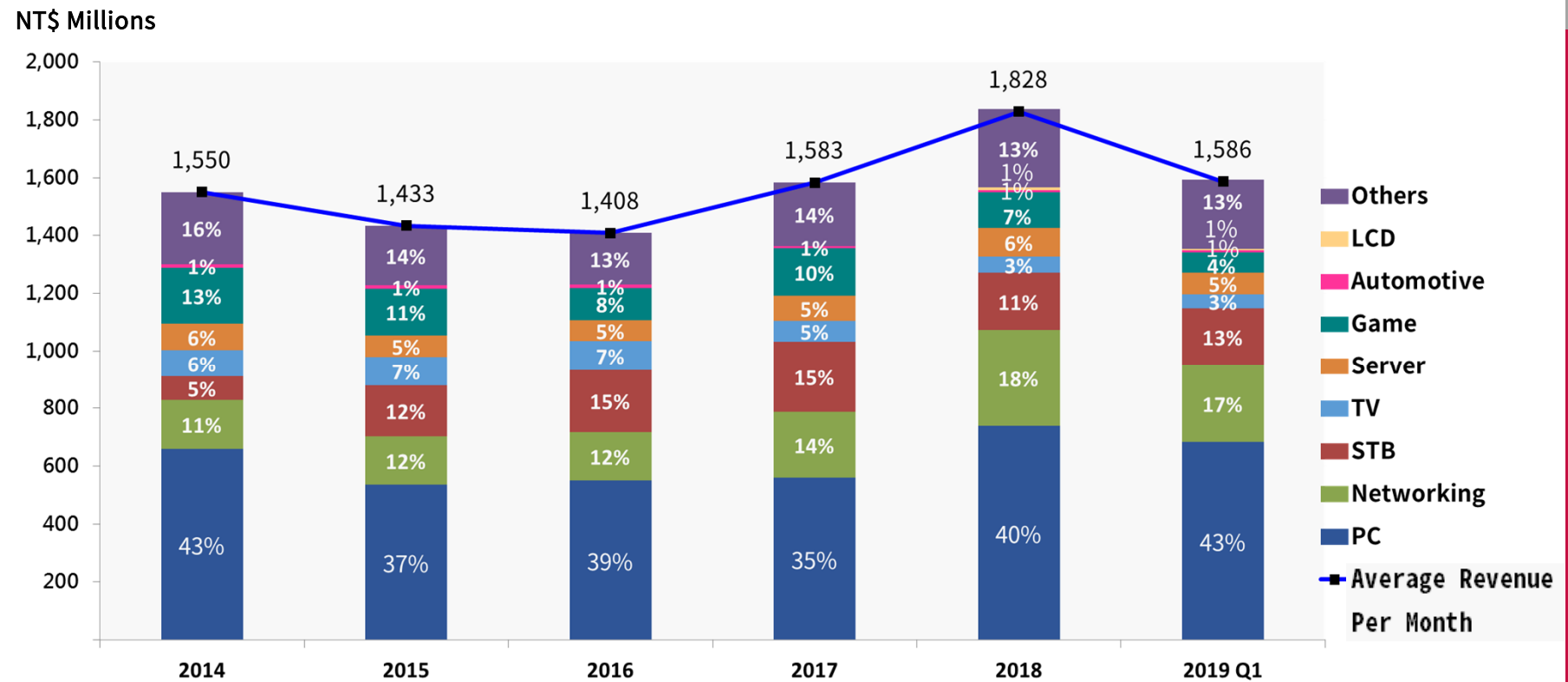
Balance Sheet -Consolidated

NT\$ Millions	Dec.31 '17	%	Dec.31 '18	%	Mar.31 '19	%
Current Assets	35,004	61%	34,821	56%	32,908	52%
Non-Current Assets	22,391	39%	27,369	44%	30,795	48%
Total Assets	57,395	100%	62,190	100%	63,703	100%
Current Liabilities	23,039	40%	22,575	36%	19,728	31%
Non-Current Liabilities	10,827	19%	12,016	19%	12,663	20%
Total Liabilities	33,866	59%	34,591	56%	32,391	51%
Total Equity Attributable to						
Owners of the Company	15,618	27%	18,733	30%	21,438	34%
Non-Controlling Interests	7,911	14%	8,866	14%	9,874	16%
Total Equity	23,529	41%	27,599	44%	31,312	49%
Liabilities and Equity	57,395	100%	62,190	100%	63,703	100%
Net Asset Value						
Per share(NT\$Dollors)	34.67		41.59		47.59	

Consolidated Revenue Trend (HSB+GBM)

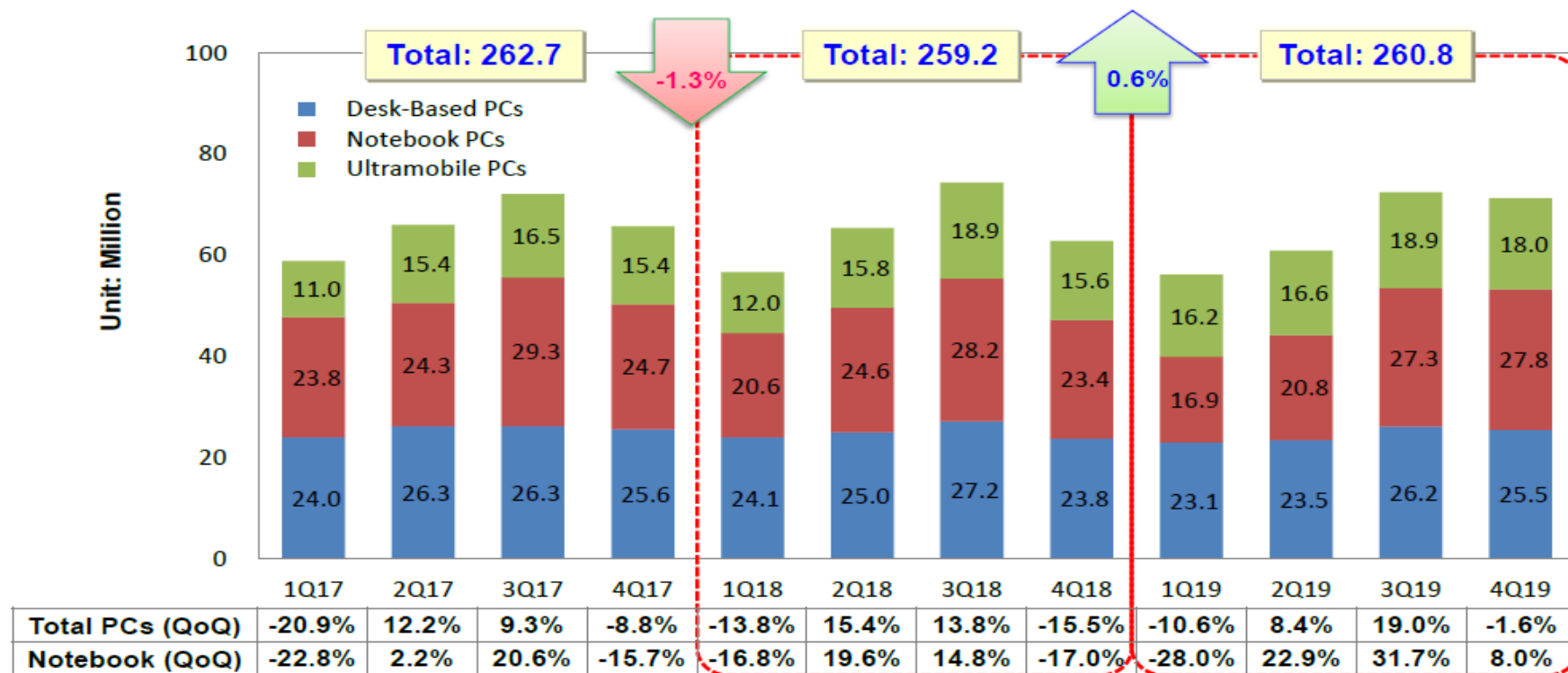


Product Mix – By Application(HSB only)



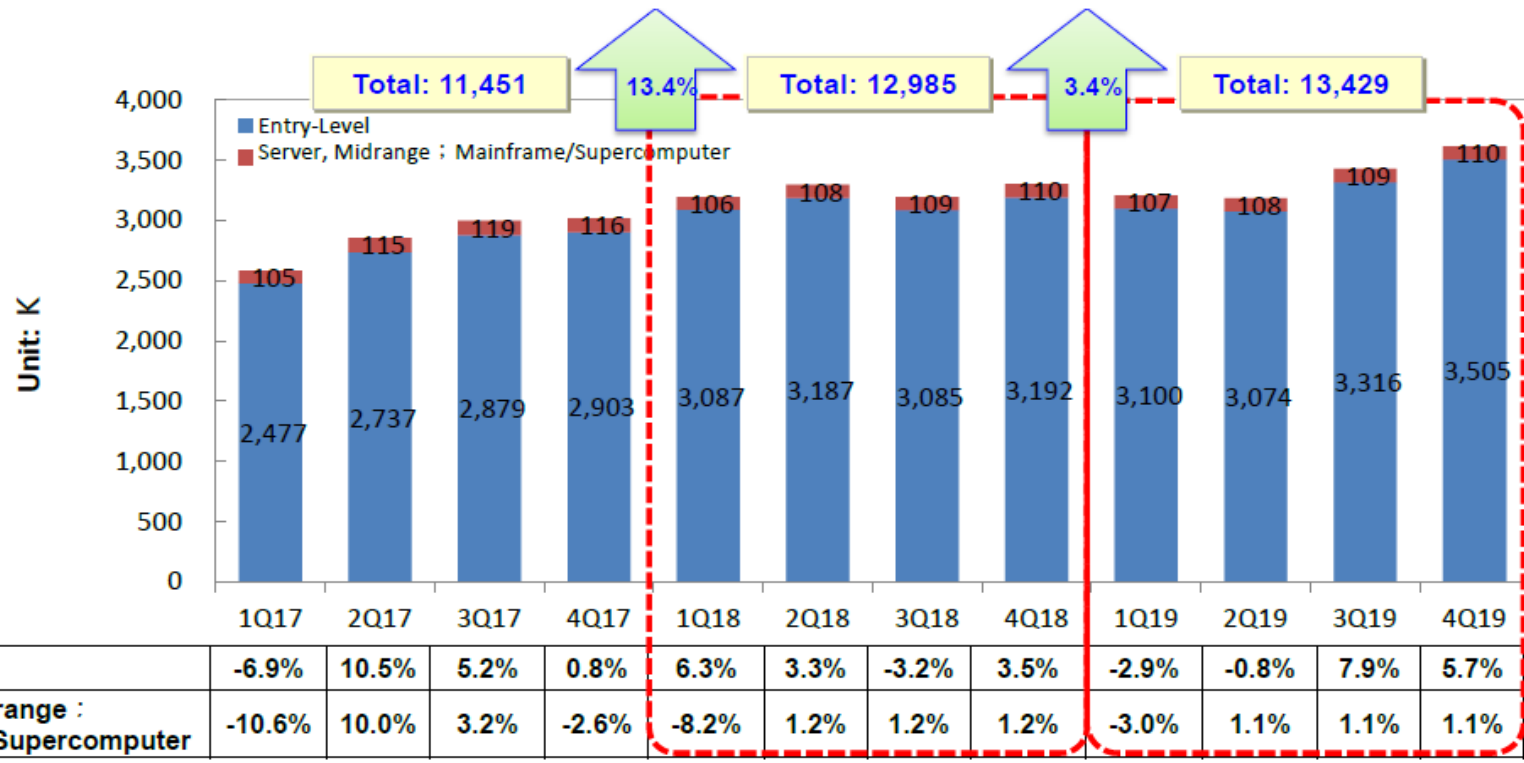
Market Review & Outlook

Demand Forecast of PC in 2019



Resource: ITRI (2019/02), TPCI.

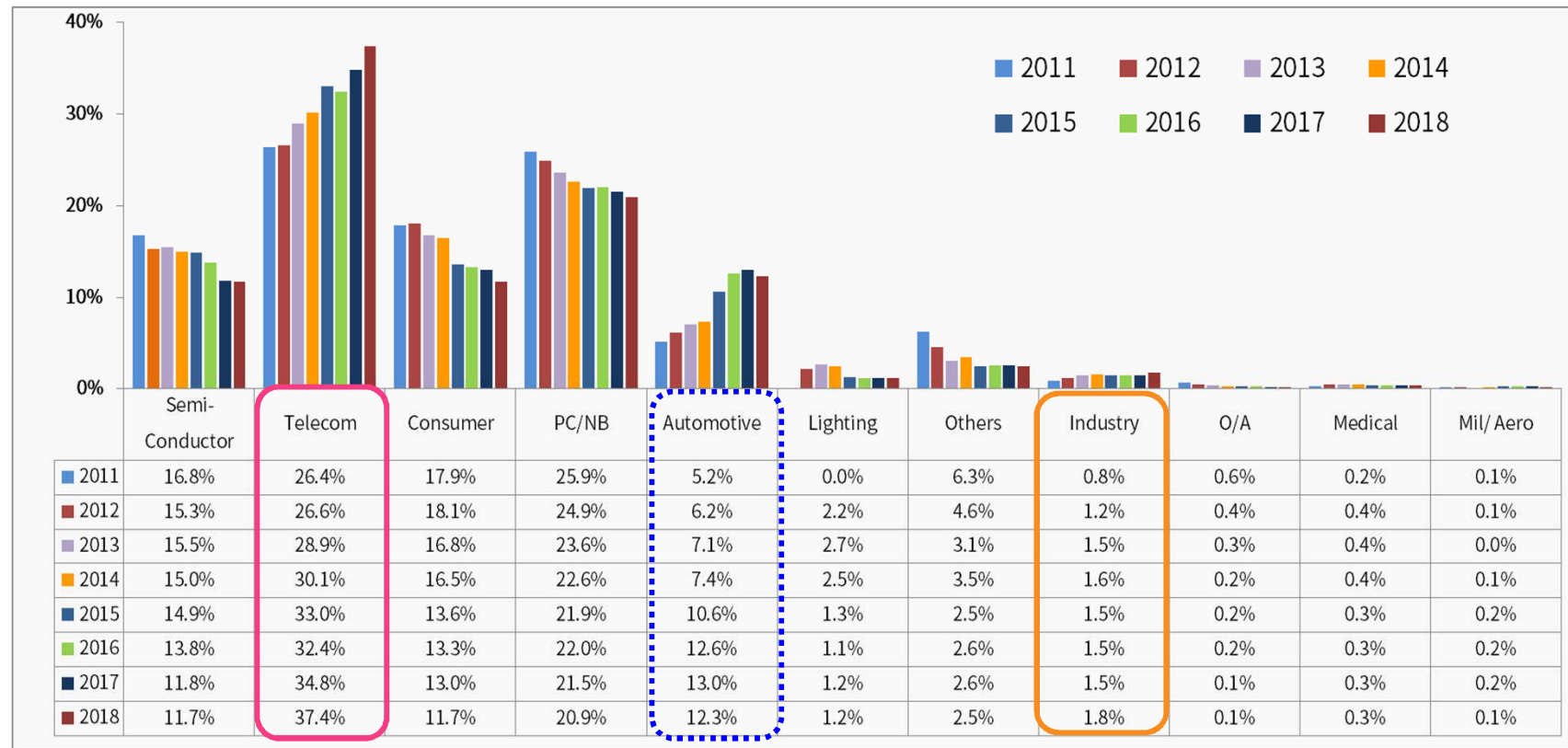
Demand Forecast of Server in 2019



Resource: ITRI (2019/02), TPCI.

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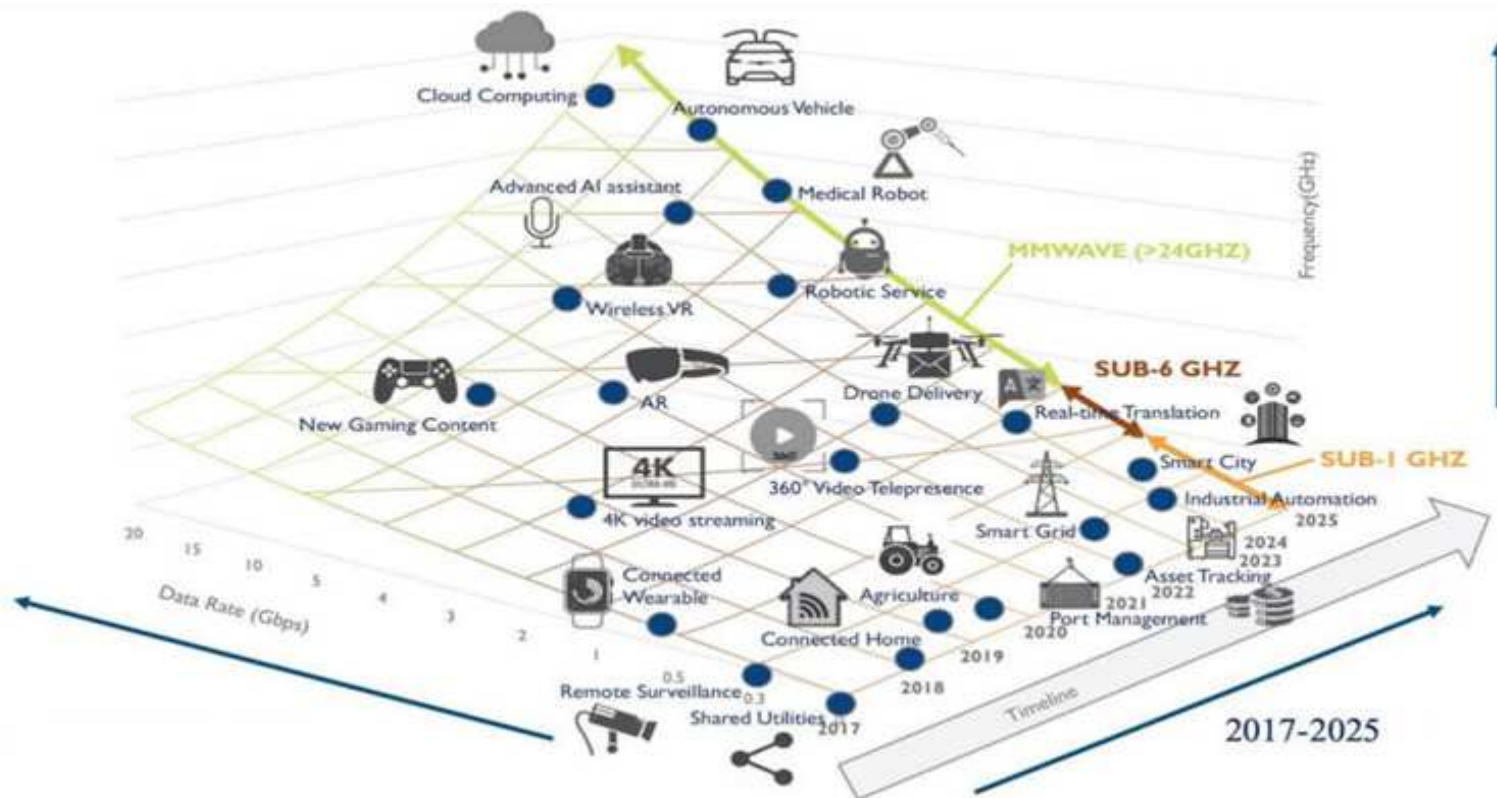
Telecommunication Products Have Been Driving High Growth in PCB Industry



Resource: ITRI (2019/02), TPCI.

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5G Applications Timeline & main technical specifications



Resource : Yole Développement , CSC Financial Co., Ltd..

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The PCB Requirements for 5G Technology

	Infrastructure		Mobile	Client Terminal Equipment	5G Applications
	Base station	Microcell	Smart Phone	Router, Switch	Internet Equipment
Applications					
Key Modules	Wireless, PA, Communication cabinet backplane	Hi Speed-HLC, Hi Frequency Microwave	Antenna 、 RF Products	Antenna, Hi Speed HLC	Internet Module
Spec. Required	Big Size, HLC, Hi-Speed/ Frequency	Hi-Speed/ Frequency, Hybrid Material	Flex Antenna 、 AiP (Antenna in Package)	Hi-Speed/ Frequency, Hybrid Material	Big Size, HLC, Hi-Speed/ Frequency, Metal PCB
Market Potential	Huge	Huge	Big	Middle	Big
Market Launching	2018~	2019~	2020~	2020~	2021~

Resource: ITRI (2019/02), TPCI.

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Business Overlook

- To get a hold of latest market frontiers, with proactive participation in 5G related product segments development process, strengthening on services to end customers, and full support to customers certifications and spec-ins(designations).
- The product mix will not only focus on current stage products with large quantity ,but also will increase niche type and high-mix products.
- To have continuous management and control of automation equipment and process capabilities
- All affiliated plants will be specialized in its best category, and enhance production efficiency and yield rate.

Thank you!

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