



禾伸堂企業股份有限公司 (TW3026)
Holy Stone Enterprise Co., Ltd.

A Partner You Can Trust



Holy Stone Enterprise Co., Ltd.

Earnings Performance

2019 Q3



Safe Harbor Notice



The presentation and discussion contain certain forward-looking statements with respect to the results of operation, financial condition and current expectation.

The forward-looking statements are subject to known and unknown uncertainties and risks that could cause actual results to differ materially from those expressed or implied by such statements.

Agenda



- ❑ Company Snapshot

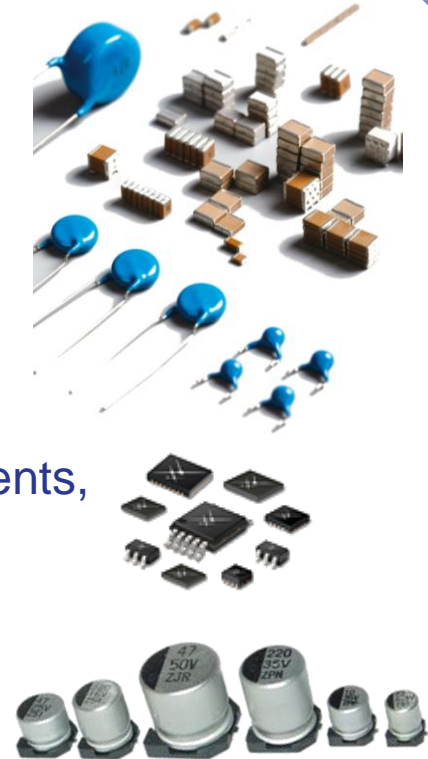
- ❑ Earnings Performance and Revenue Trend

- ❑ Q&A

Company Snapshot



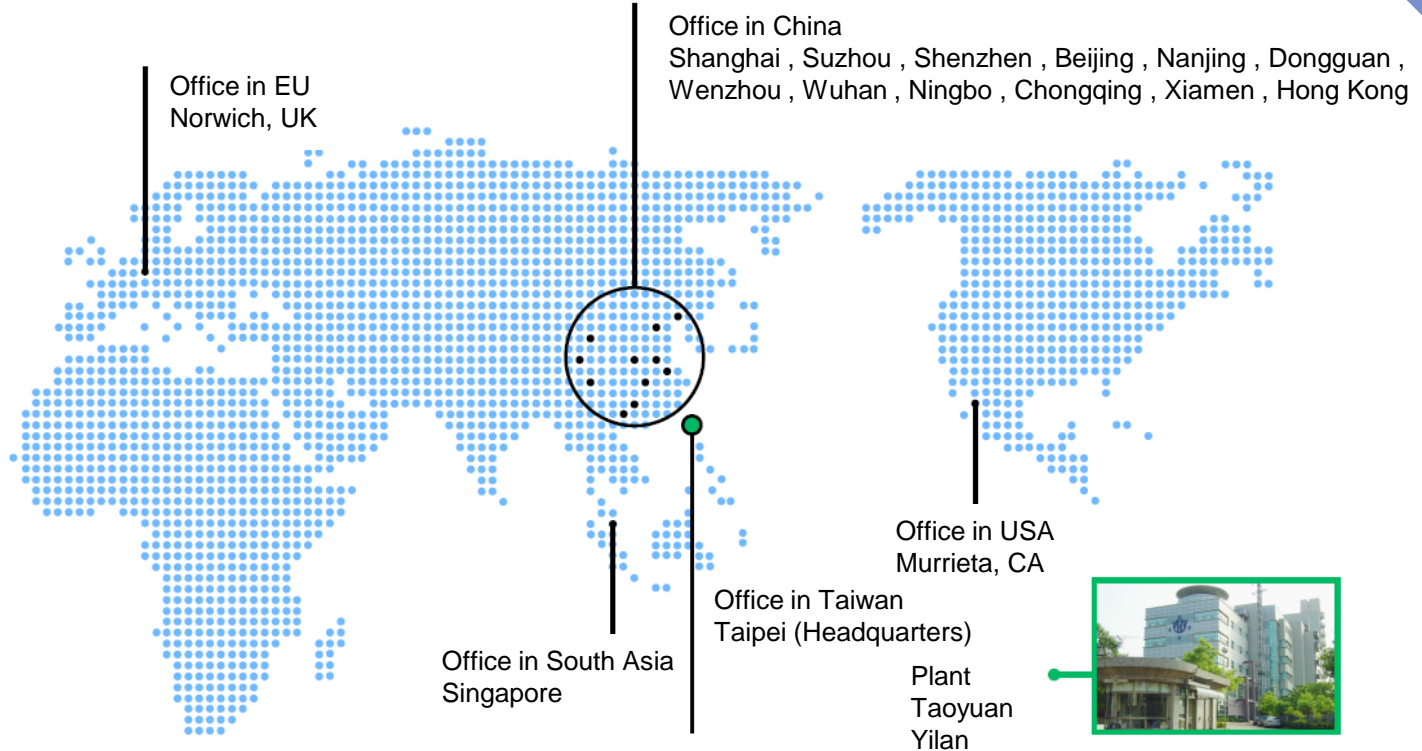
- ❑ Capital Stock: NT\$ 1,580 million
- ❑ Headquarters: Taipei, Taiwan
- ❑ Employees: 1,156 as of Dec. 31st, 2018
- ❑ Factory Site: Lungtan and Yilan, Taiwan
- ❑ Product Line: Passive Components, Active Components, System & Module, and Others (peripherals)



Company Snapshot



❑ Holy Stone Worldwide



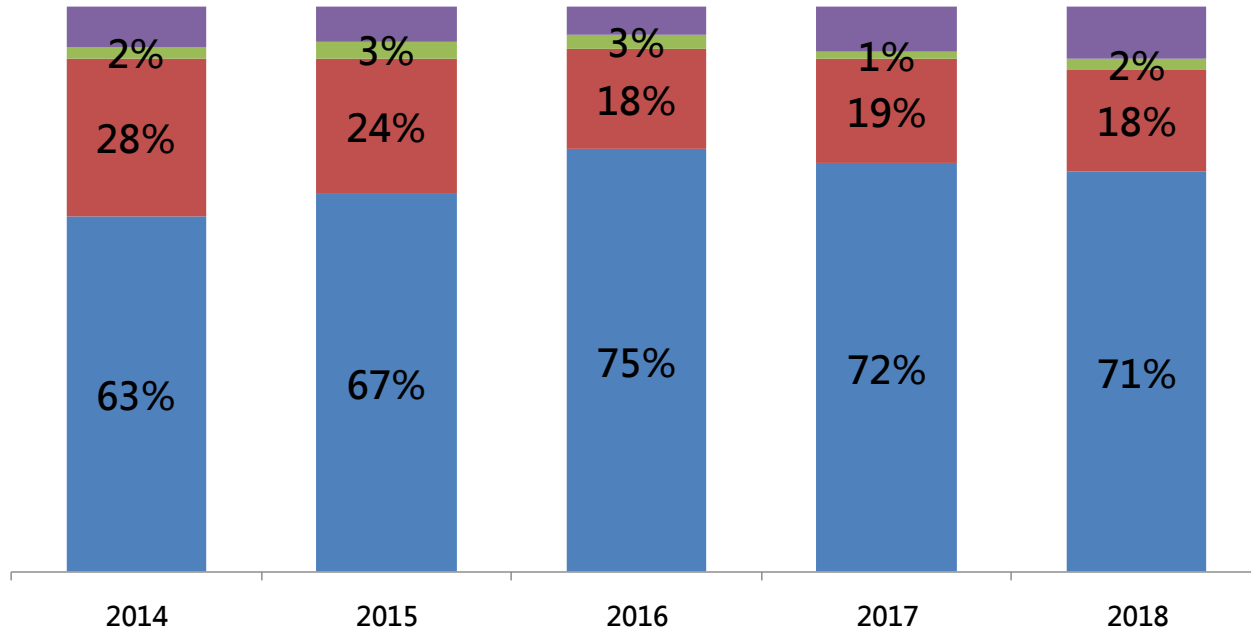
Earnings Performance



Financials

Consolidated Revenue By Territory

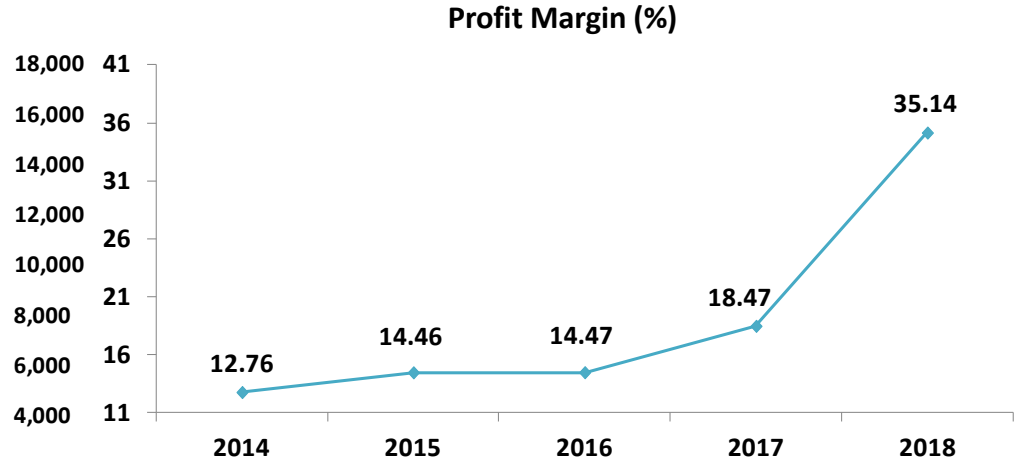
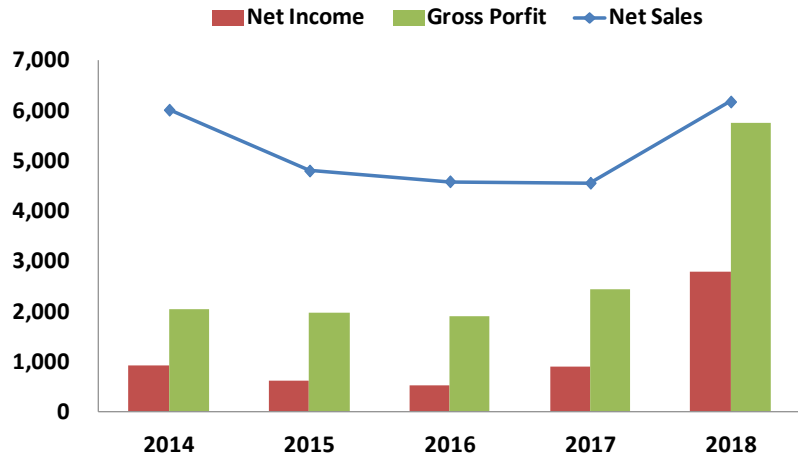
■ China ■ Taiwan ■ USA ■ Others



Earnings Performance



Financials



Earnings Performance



Consolidated P/L

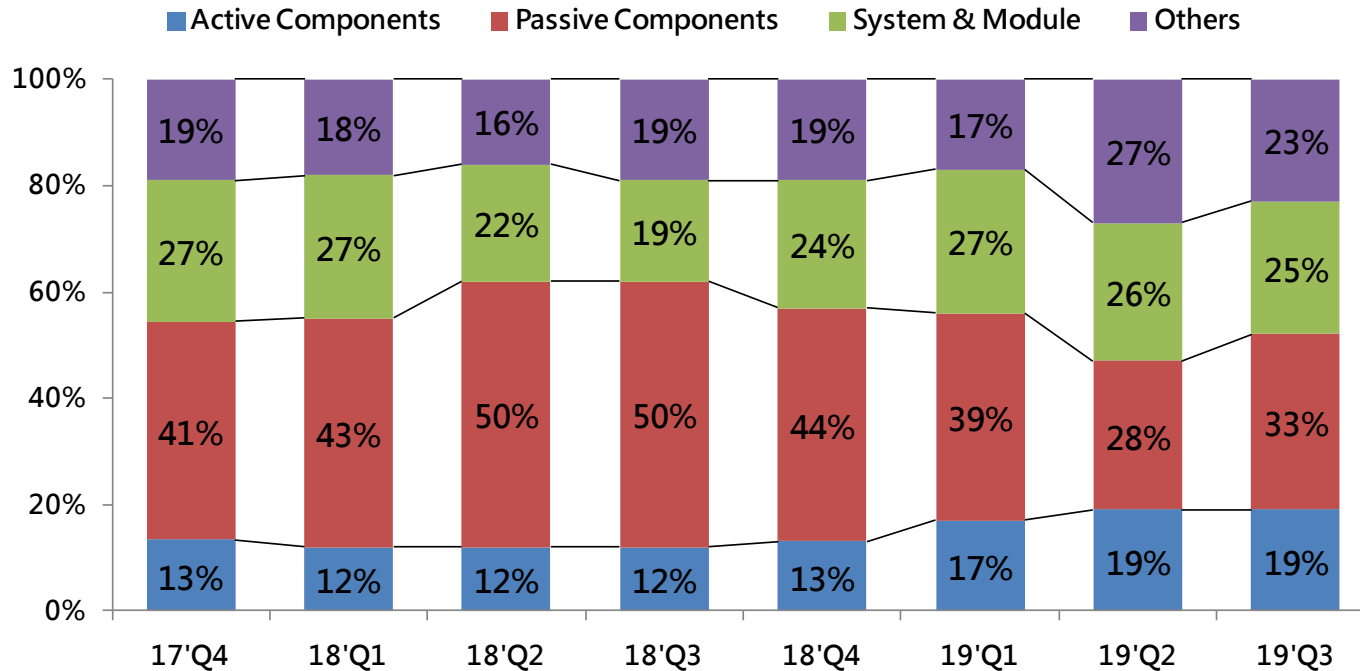
(In NT\$ Millions)	2019 Q3	2019 Q2	2018 Q3	QoQ	YoY
Net Sales	\$ 4,053	\$ 3,753	\$ 5,056	8%	-20%
Gross Margin	20.1%	19.7%	39.8%	2%	-49%
Operating Expenses	(415)	(431)	(574)	-4%	-28%
Operating Income	402	309	1,440	30%	-72%
Operating Margin	9.9%	8.2%	28.5%	20%	-65%
Non-operating Items	(2)	35	21	-106%	-111%
Net Income to Parent Company	343	264	1,170	30%	-71%
EPS (NTD)	2.17	1.67	7.41		

Note 1: EPS calculation is based on the weighted average outstanding shares at the quarter end.

Sales by Product



Quarterly Trend



Earnings Performance



Consolidated Balance Sheet

Selected items from Balance Sheet (In NT\$ Millions)	2019 Q3		2019 Q2		2018 Q3	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	\$ 3,418	26%	\$ 4,620	32%	\$ 3,477	25%
Accounts Receivable	3,084	23%	2,664	19%	4,294	30%
Inventory	2,189	16%	2,551	18%	2,468	17%
TOTAL ASSETS	13,405	100%	14,306	100%	14,229	100%
Short-term Debt	1,001	7%	571	4%	1,218	9%
Long-term Debt	92	1%	47	0%	59	0%
TOTAL LIABILITIES	3,854	29%	5,058	34%	4,164	29%
TOTAL EQUITY	9,551	71%	9,248	66%	10,065	71%

Earnings Performance



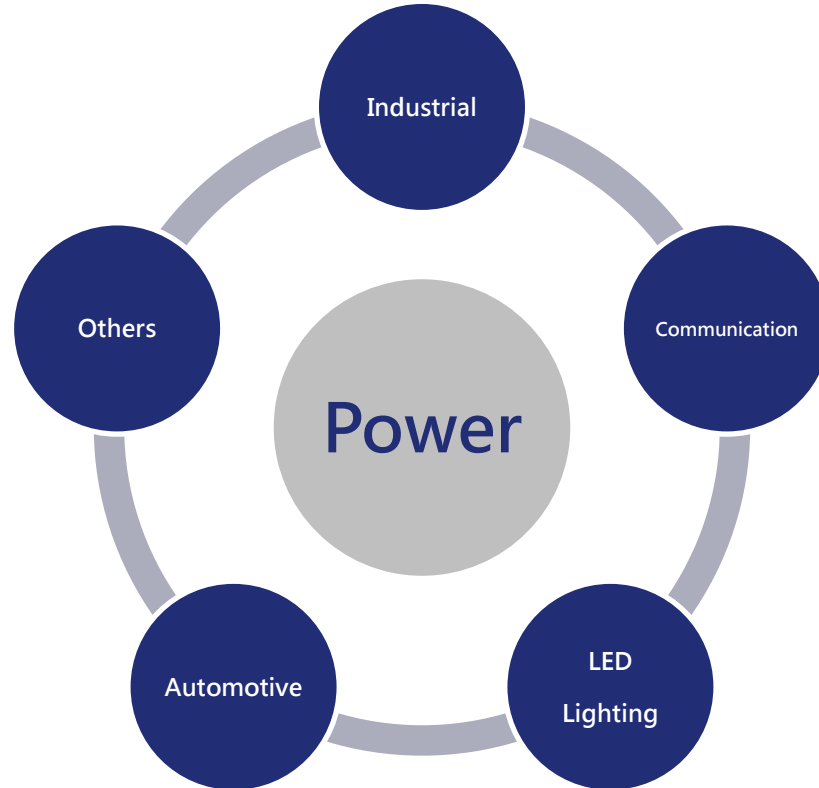
Consolidated Cash Flow Statement

(In NT\$ Millions)

	2019 Jan.-Sep.	2018 Jan.-Sep.
Income before Income Tax	\$ 1,069	\$ 3,218
Net cash generated from operating activities	963	1,672
Net cash generated from (used in) investing activities	(535)	(620)
Additions to property, plant and equipment	(694)	(674)
Net cash generated from (used in) financing activities	(1,449)	(590)
Net increase in cash and cash equivalents	(1,024)	467
Free Cash Flow	428	1,052
Net Cash Flow	(1,021)	462

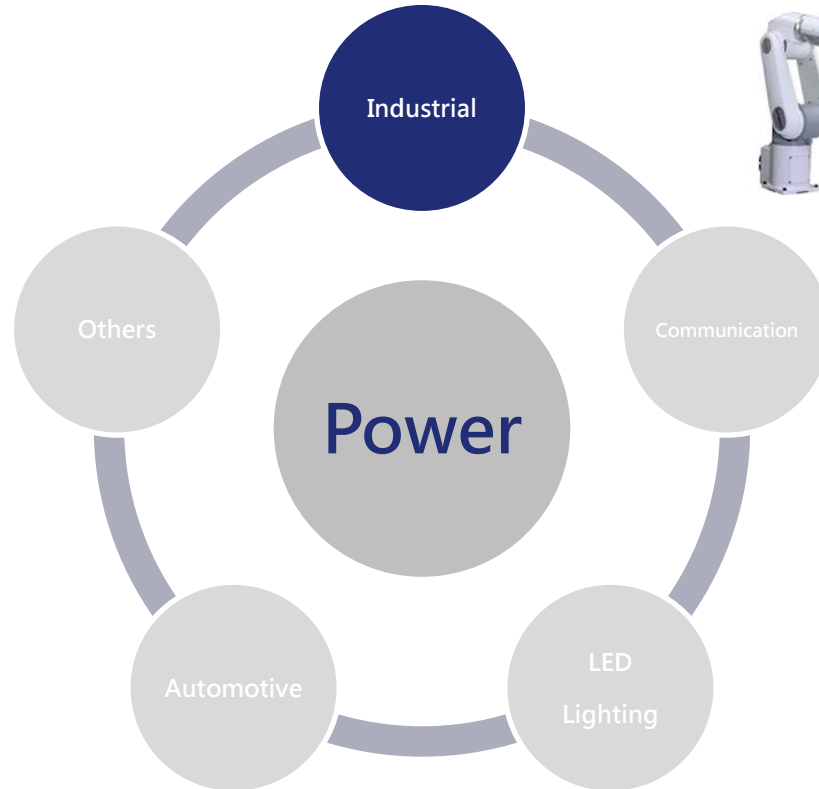
Application

Product Portfolio (Passive Component)



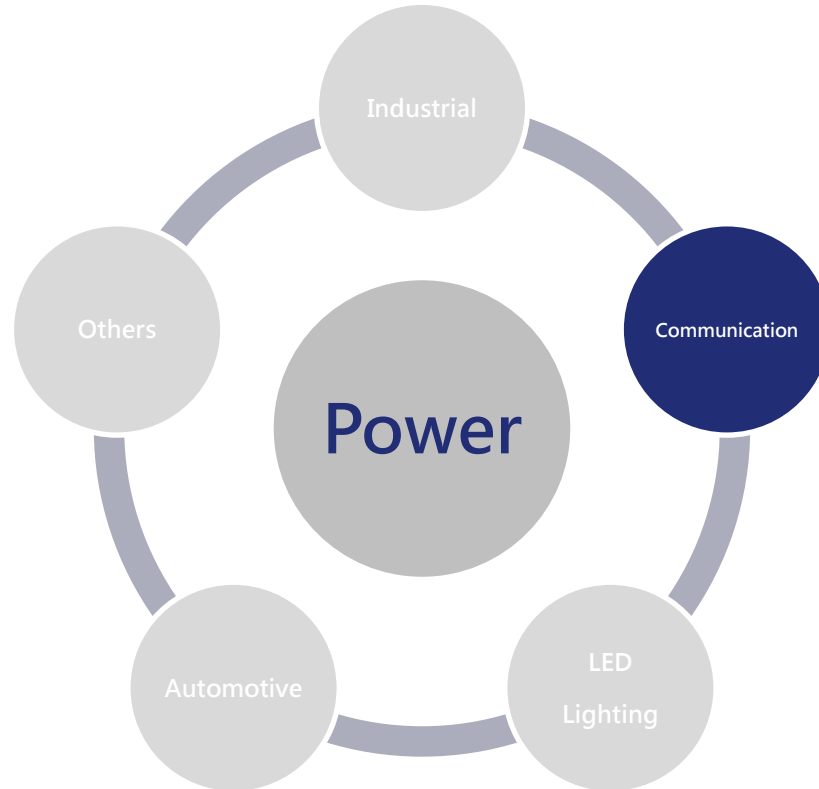
Application

Product Portfolio (Passive Component)



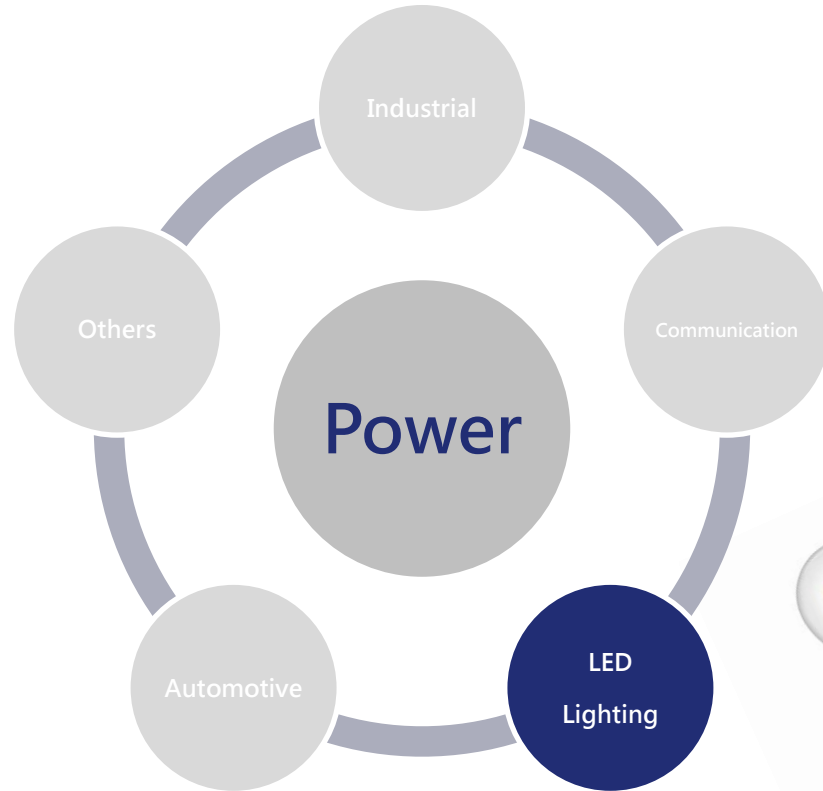
Application

Product Portfolio (Passive Component)



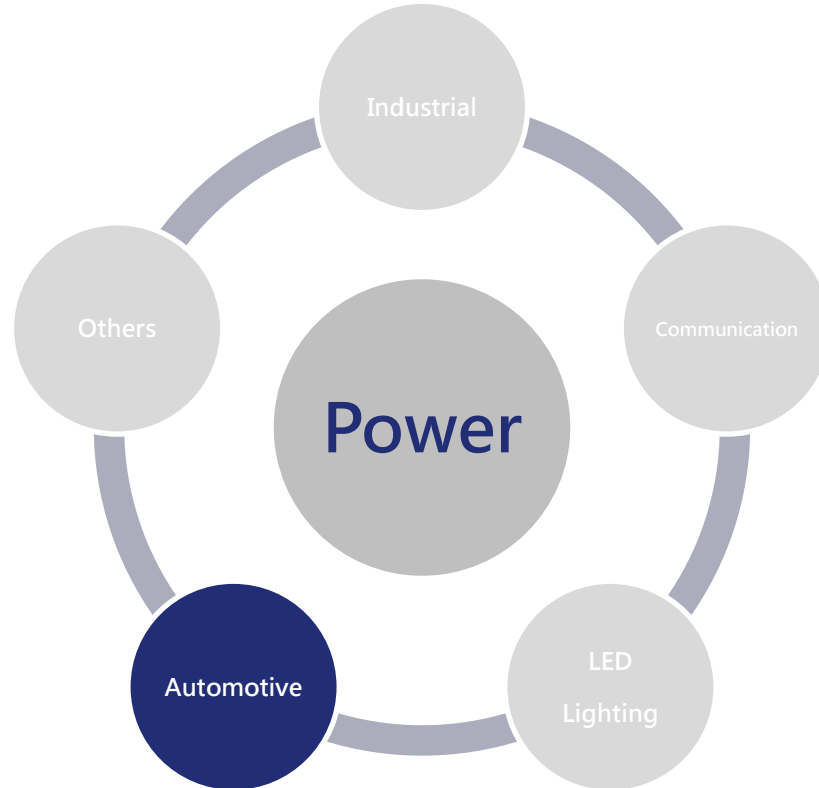
Application

Product Portfolio (Passive Component)



Application

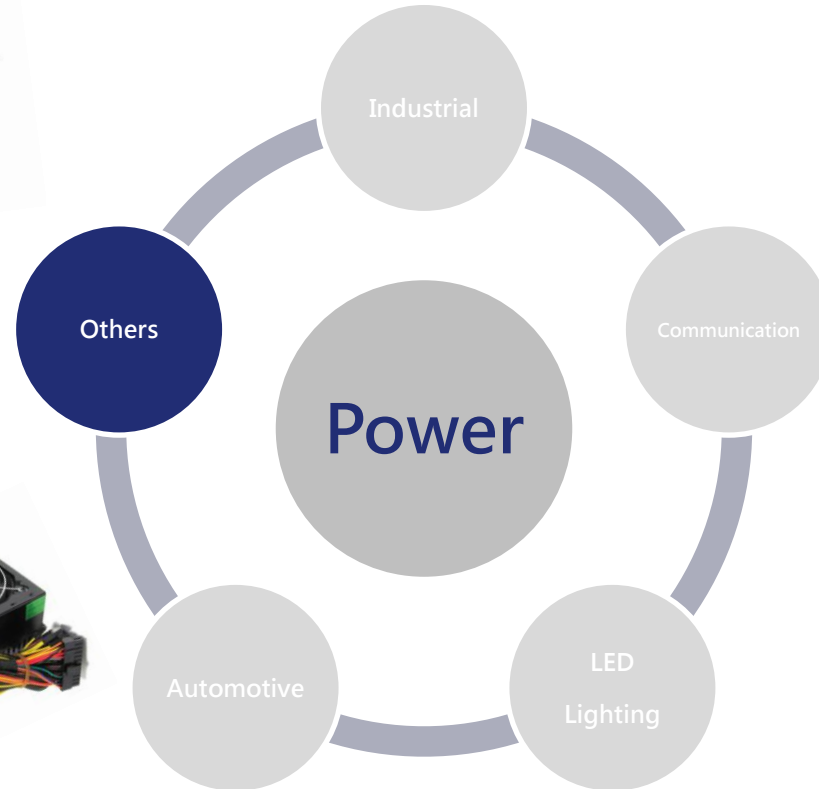
Product Portfolio (Passive Component)



Application



Product Portfolio (Passive Component)



Recent Major Events



- ❑ Holy Stone focus on its own strength and technical innovation. The company has just recognized by the Ministry of Economic Affairs on continuously improving competitiveness, thus awarded The “5th Taiwan Mittelstand Award”.
- ❑ Upgraded product techniques can effectively provide MLCC demand to industrial, communication (5G) and automotive markets.
- ❑ Looking into Q4, market inventory for passive components have been degraded to a considerable level, as well as continuous increase on rush order. Therefore, factory utilization rate has gradually increase. Due to unresolved problem between Sino-U.S trade war and uncertainties in long-term market demand, Holy Stone will continue to keep an eye on the situations and take actions to respond properly.

Q&A



Thank you for listening!

Can't find the answer to your question?

Please drop us an e-mail at IR@holystone.com.tw,
and we will get back to you shortly in response to your
query.