



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

Q1 2018



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



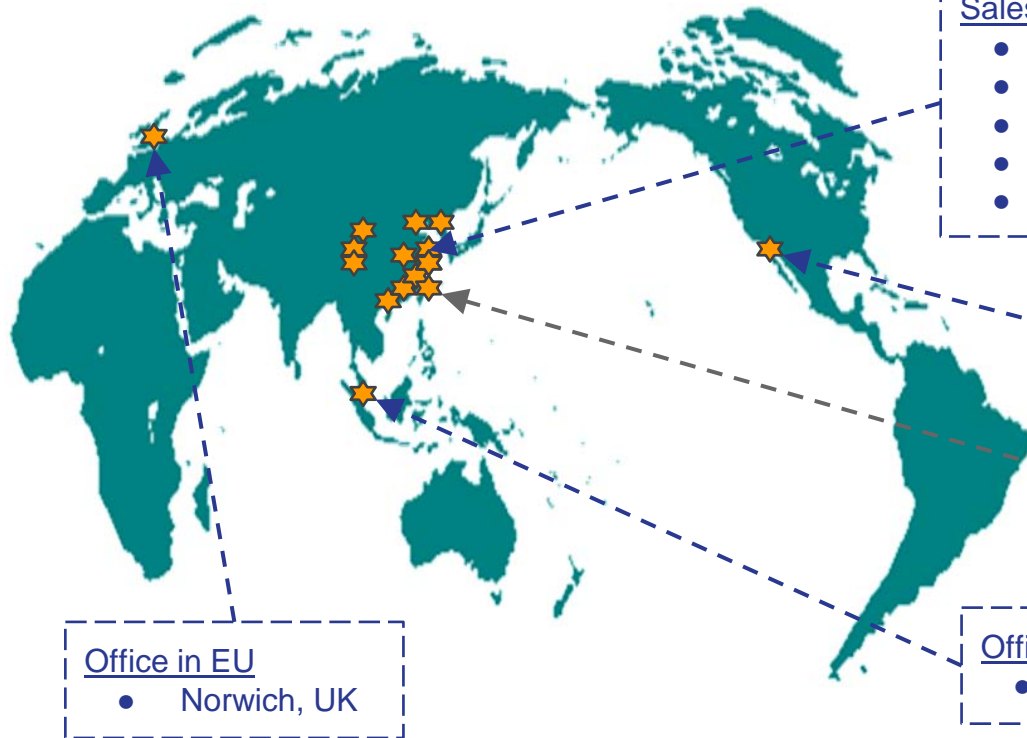
- ❑ Capital Stock: NT\$ 1,580 million
- ❑ Headquarters: Taipei, Taiwan
- ❑ Employees: 1,033 as of Dec. 31st, 2017
- ❑ Factory Site: Lungtan and Yilan, Taiwan
- ❑ Product Line: Passive Components, Active Components, System & Module, and Others (peripherals)



Company Snapshot



□ Holy Stone Worldwide



Sales Offices in China

- Beijing
- Hangzhou
- Ningbo
- Suzhou
- Xiamen
- Chongqing
- Hong Kong
- Shanghai
- Wenzhou
- Xian
- Dongguan
- Nanjing
- Shenzhen
- Wuhan
- Zhongshan

Office in USA

- Murrieta, CA

Production Plant

- Lungtan, TW
- Yilan, TW

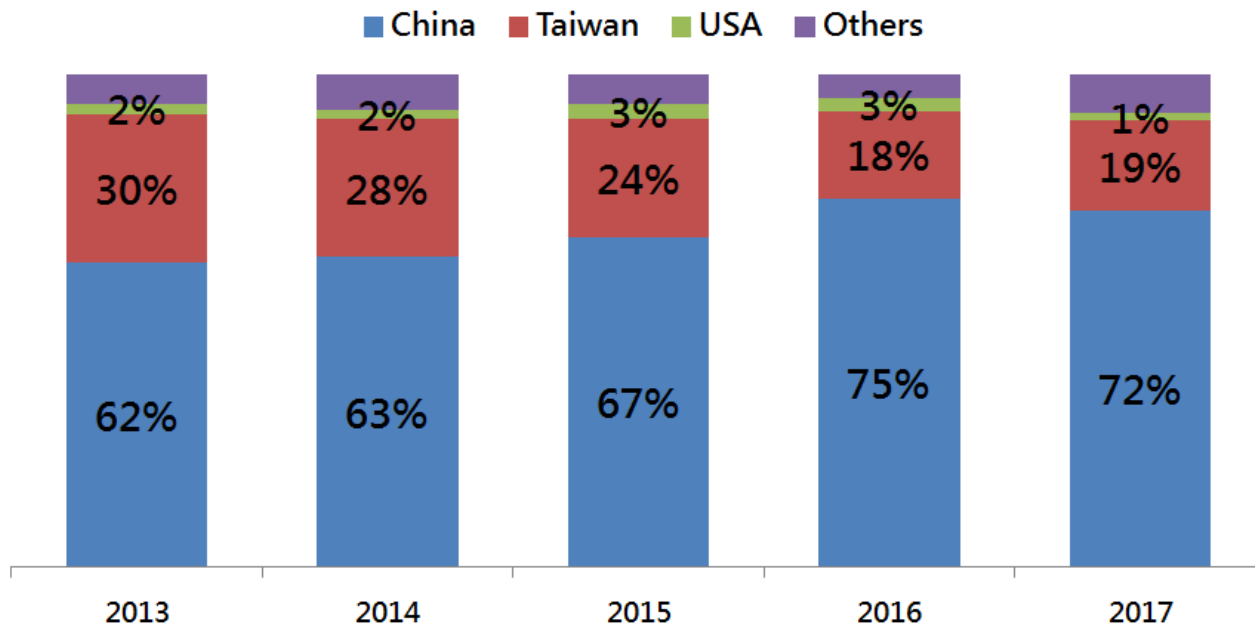


Earnings Performance



Financials

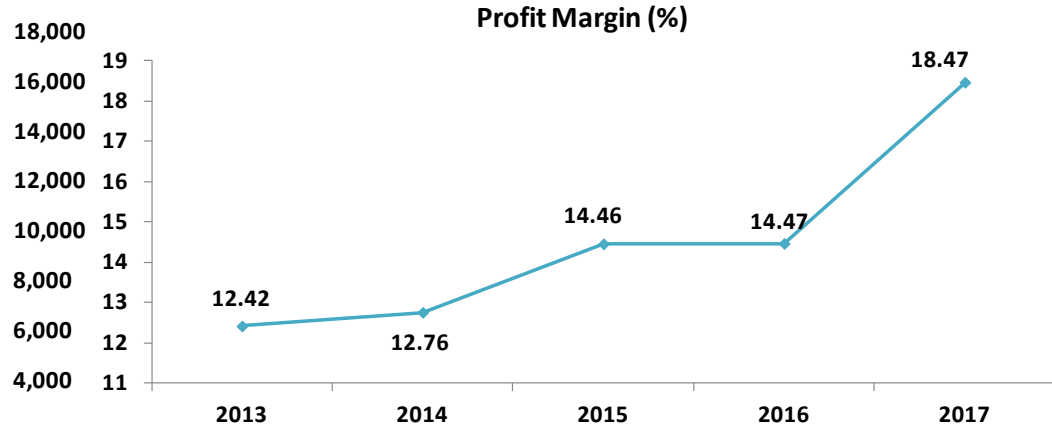
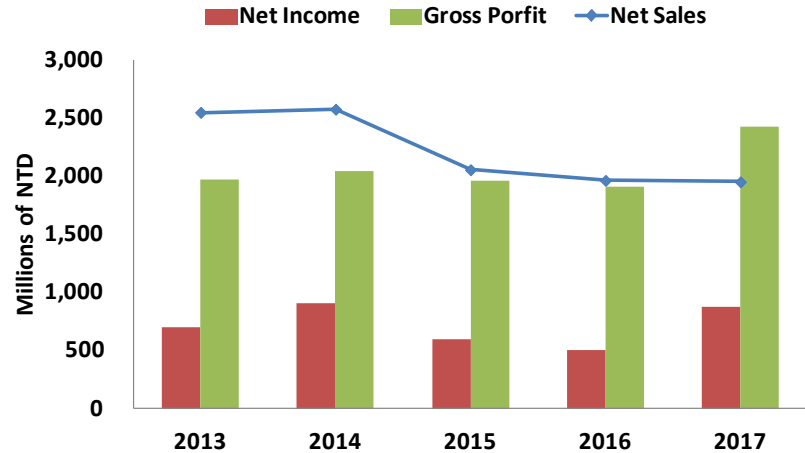
Consolidated Revenue By Territory



Earnings Performance



Financials



Earnings Performance



Consolidated P/L

(In NT\$ Millions)

	2018 Q1	2017 Q4	2017 Q1	QoQ	YoY
Net Sales	\$ 3,354	\$ 3,399	\$ 3,138	-1%	7%
Gross Margin	30.5%	25.6%	13.8%	19%	121%
Operating Expenses	(441)	(470)	(328)	-6%	34%
Operating Income	581	399	105	46%	455%
Operating Margin	17.3%	11.7%	3.3%	48%	419%
Non-operating Items	8	22	8	-64%	-3%
Net Income to Parent Company	490	381	126	29%	290%
EPS (NTD)	3.10	2.07	0.56		
EPS after capital reduction(NTD)		2.41	0.79		

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

Earnings Performance



Consolidated Balance Sheet

Selected items from Balance Sheet
(In NT\$ Millions)

	2018 Q1		2017 Q4		2017 Q1	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	\$ 3,398	28%	\$ 3,010	25%	\$ 3,825	31%
Accounts Receivable	2,997	24%	3,105	26%	2,918	24%
Inventory	2,193	18%	2,193	18%	1,891	15%
TOTAL ASSETS	12,270	100%	11,927	100%	12,400	100%
Short-term Debt	1,384	11%	1,093	9%	1,632	13%
Long-term Debt	69	1%	68	1%	17	0%
TOTAL LIABILITIES	3,594	29%	3,604	30%	3,514	28%
TOTAL EQUITY	8,675	71%	8,323	70%	8,887	72%

Earnings Performance



Consolidated Cash Flow Statement

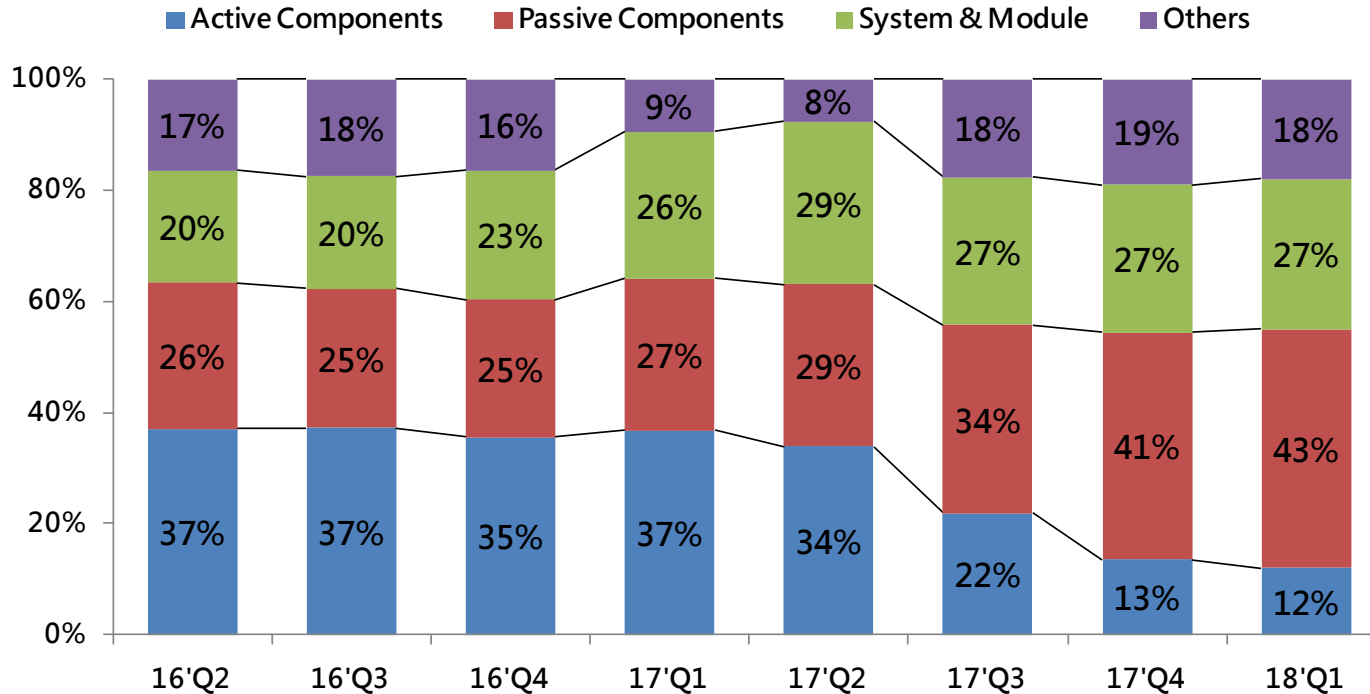
(In NT\$ Millions)

	2018 Q1	2017 Q1
Income before Income Tax	\$ 589	\$ 113
Net cash generated from operating activities	316	507
Net cash generated from (used in) investing activities	(213)	(19)
Additions to property, plant and equipment	(214)	(32)
Net cash generated from (used in) financing activities	290	(19)
<u>Net increase in cash and cash in bank</u>	<u>388</u>	<u>418</u>
Free Cash Flow	103	488
Net Cash Flow	393	469

Sales by Product



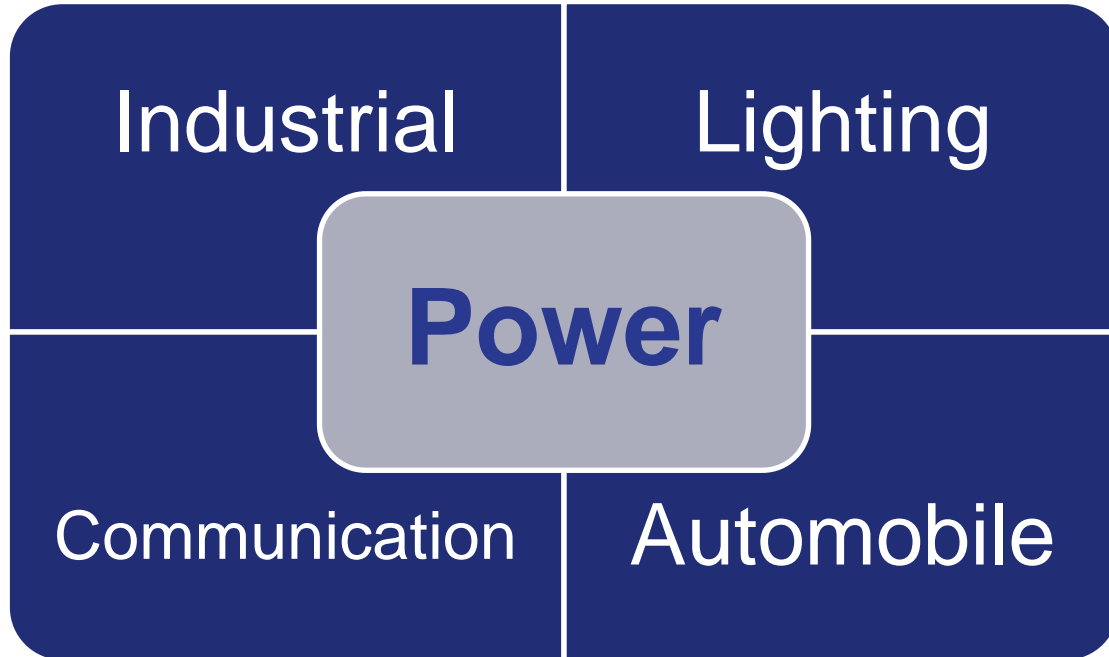
Quarterly Trend



Sales by Product



- ❑ Product Portfolio (Passive Component)



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.