



**3Q 2021 Results Investor Conference**

**110年第三季法人說明會**

**November, 2021**

# Safe Harbor Notice



Except for historical information contained herein, the statements set forth in this press release are forward-looking statements that are subject to significant risks and uncertainties that could cause actual results to differ materially, and a number of these risks have increased as a result of the current COVID-19 pandemic, including, among others, risks associated with cyclical and market conditions in the TFT-LCD industry, world wide demand for, market supply of and average selling price for TFT-LCD, actual timing of completion of the various phases of our next generation fab, changes in technology, our ability to reduce unit manufacturing costs of our principal products, changes in availability and prices of raw materials and component parts, our success in implementing next generation fab technology in our production process, loss of a key customer or the postponement or cancellation of orders from a key customer, changes in end-users' spending patterns, our customers' adjustments in their inventory, natural disasters and other unexpected events, which may disrupt our production process, our ability to maintain high production yields, our ability to manage our growth, our ability to retain our key management personnel, intense competition, our ability to manufacture our products within the acceptable range of quality, our ability to introduce, develop, license or acquire advance technologies and design products utilizing those technologies, our ability to obtain, preserve and defend our intellectual property rights, and fluctuations in foreign exchange rates.

The forward-looking statements in this press release reflect the current belief of HannStar Display Corporation as of the date of this press release. Except as required by applicable law or regulation, we expressly disclaims any guarantees as to our future results or the events set forth herein, and HannStar Display Corporation undertakes no obligation to update these forecasts and forward-looking statements for events or circumstances that occur subsequent to such date or otherwise.



# Major developments in 3Q '21

**Total shipment of small & medium size panel reached 128.08 M pcs**

**Total shipment of large size panel reached 1.21 M pcs**

**Total shipment of Hannspree products reached 0.08 M sets**

# 3Q '21 Income Statement



NT\$ mn	3Q '21	2Q '21	QoQ Change %	3Q '20	YoY Change %
Net sales	6,114	8,067	(24%)	5,438	12%
Gross profit	1,586	3,776	(58%)	2,004	(21%)
Operating income	1,137	3,128	(64%)	1,472	(23%)
EBITDA	1,817	3,739	(51%)	2,067	(12%)
Income before Tax	1,601	3,248	(51%)	1,635	(2%)
Net income	1,362	2,743	(50%)	1,636	(17%)
Net income per share <sup>1</sup>	0.45	0.91	(51%)	0.52	(13%)
Gross margin	26%	47%	-21 pts	37%	-11 pts
Operating margin	19%	39%	-20 pts	27%	-8 pts
EBITDA margin	30%	46%	-17 pts	38%	-8 pts
Net margin	22%	34%	-12 pts	30%	-8 pts

Source: Company financials based on Taiwan IFRS, reviewed.

1. Basic EPS is based on 3,027.19 million shares in 3Q21, 3,027.19 million shares in 2Q21 and 3,084.45 million shares in 3Q20.

(Weighted average outstanding shares)

# 3Q '21 Balance Sheet



NT\$ mn	3Q '21	2Q '21	QoQ Change %	3Q '20	YoY Change %
Cash and Financial assets at fair value through profit or loss	6,931	8,340	(17%)	4,305	61%
Inventory	2,055	1,625	26%	1,210	70%
Short term debt	459	479	(4%)	483	(5%)
Long term debt	10	10	0%	10	0%
Total Stockholders' equity	50,728	51,736	(2%)	40,831	24%
Total Assets	61,947	62,419	(1%)	49,257	26%
Inventory Turnover days <sup>1</sup>	37	31		34	
Debt to equity ratio	1%	1%		1%	
Net debt to equity ratio <sup>2</sup>	(13%)	(15%)		(9%)	

Source: Company financials based on Taiwan IFRS, reviewed.

1. Excluding time deposit with maturity longer than 3 months (NT\$ 19,648 m in 3Q21, NT\$ 19,216 m in 2Q21 , and NT\$ 11,860 m in 3Q20 )
2. Average period of the designated period divided by annualized and multiplied by 365 days
3. Interest bearing debt less cash and financial assets at fair value through profit of loss, then divided by total equity.

# 3Q '21 Cash Flow



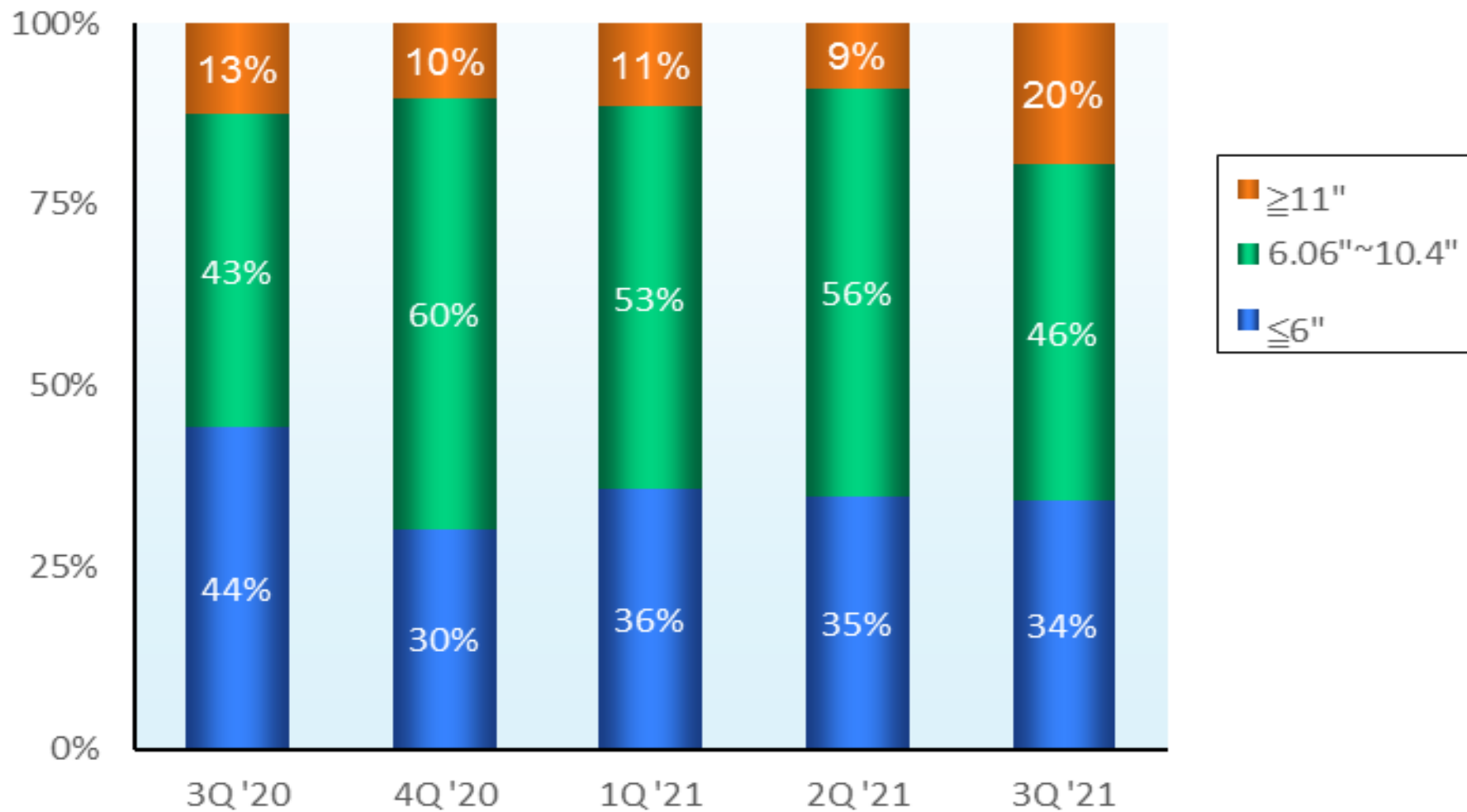
NT\$ mn	QoQ			YoY	
	3Q '21	2Q '21	Change %	3Q '20	Change %
Net income (loss)	1,601	3,248	(51%)	1,635	(2%)
Depreciation and amortization	680	611	11%	595	14%
Dividend income	(167)	0	-	(51)	226%
Gain on disposal of investments	(129)	0	-	0	-
Changes in operating assets & liabilities	(739)	408	-	(163)	352%
<b>Cash flow from operating activities</b>	<b>1,133</b>	<b>4,190</b>	<b>(73%)</b>	<b>2,041</b>	<b>(44%)</b>
Additions to property, plant and equipment	(380)	(1,735)	(78%)	(559)	(32%)
Procedures for Acquisition or Disposal of Coretronic & Yuanta Fund	(220)	(796)	(72%)	(12)	1,764%
Acquisition of investments accounted for under equity method	(180)	0	-	0	-
Dividends received	274	0	-	147	86%
Increase(decrease) in Acquisition of current financial assets at amortised cost	(431)	(1,943)	(78%)	(1,231)	(65%)
Increase(decrease) in Acquisition of non-current financial assets at amortised cost	0	935	-	2,000	-
<b>Cash flow from investing activities</b>	<b>(924)</b>	<b>(3,539)</b>	<b>(74%)</b>	<b>385</b>	<b>-</b>
Increase(decrease) in short-term debt	(20)	(162)	(88%)	(404)	(95%)
Decrease (increase) in treasury stock	0	0	-	(1,279)	-
Cash dividends paid	(1,514)	0	-	0	-
<b>Cash flow from financing activities</b>	<b>(1,559)</b>	<b>(173)</b>	<b>802%</b>	<b>(1,617)</b>	<b>(4%)</b>
Effect of changes in exchange rates	4	(43)	-	(91)	-
<b>Net change in cash</b>	<b>(1,345)</b>	<b>435</b>	<b>-</b>	<b>718</b>	<b>-</b>

# Shipment & ASP Trend



Notes: G5.3 small & medium size are converted to 19" equivalent units.

# Sales Breakdown by Size





<http://www.hannstar.com>  
[ir@hannstar.com](mailto:ir@hannstar.com)