

2Q 2022 Results Investor Conference

111年第二季法人說明會

August, 2022

2022.08.18

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.

2Q '22 Income Statement

NT\$ mn	2Q '22	1Q '22	QoQ Change %	2Q '21	YoY Change %
Net sales	4,493	4,956	(9%)	8,067	(44%)
Gross profit	484	748	(35%)	3,776	(87%)
Operating income	150	294	(49%)	3,128	(95%)
EBITDA	814	960	(15%)	3,739	(78%)
Income (loss) before Tax	48	(362)	-	3,248	(99%)
Net income (loss)	19	(429)	-	2,743	(99%)
Net income (loss) per share ¹	0.01	(0.15)	-	0.91	(99%)
Gross margin	11%	15%	-4 pts	47%	-36 pts
Operating margin (loss)	3%	6%	-3 pts	39%	-35 pts
EBITDA margin	18%	19%	-1 pts	46%	-28 pts
Net margin (loss)	1%	(9%)	9 pts	34%	-34 pts

Source: Company financials based on Taiwan IFRS, reviewed.

¹Basic EPS is based on 2,940.33 million shares in 2Q22, 2,929.23 million shares in 1Q22 and 3,027.19 million shares in 2Q21.

(Weighted average outstanding shares)

2Q '22 Balance Sheet

NT\$ mn	2Q '22	1Q '22	QoQ Change %	2Q '21	YoY Change %
Cash and cash equivalents	6,243	4,873	28%	7,125	(12%)
Inventory	1,662	1,766	(6%)	1,625	2%
Short term debt	418	411	2%	479	(13%)
Long term debt	492	509	(3%)	10	4,901%
Total Stockholders' equity	48,492	50,812	(5%)	51,736	(6%)
Total Assets	61,611	61,920	(0%)	62,419	(1%)
Inventory Turnover days ¹	39	40		31	
Debt to equity ratio	2%	2%		1%	
Net debt to equity ratio ²	(11%)	(8%)		(13%)	

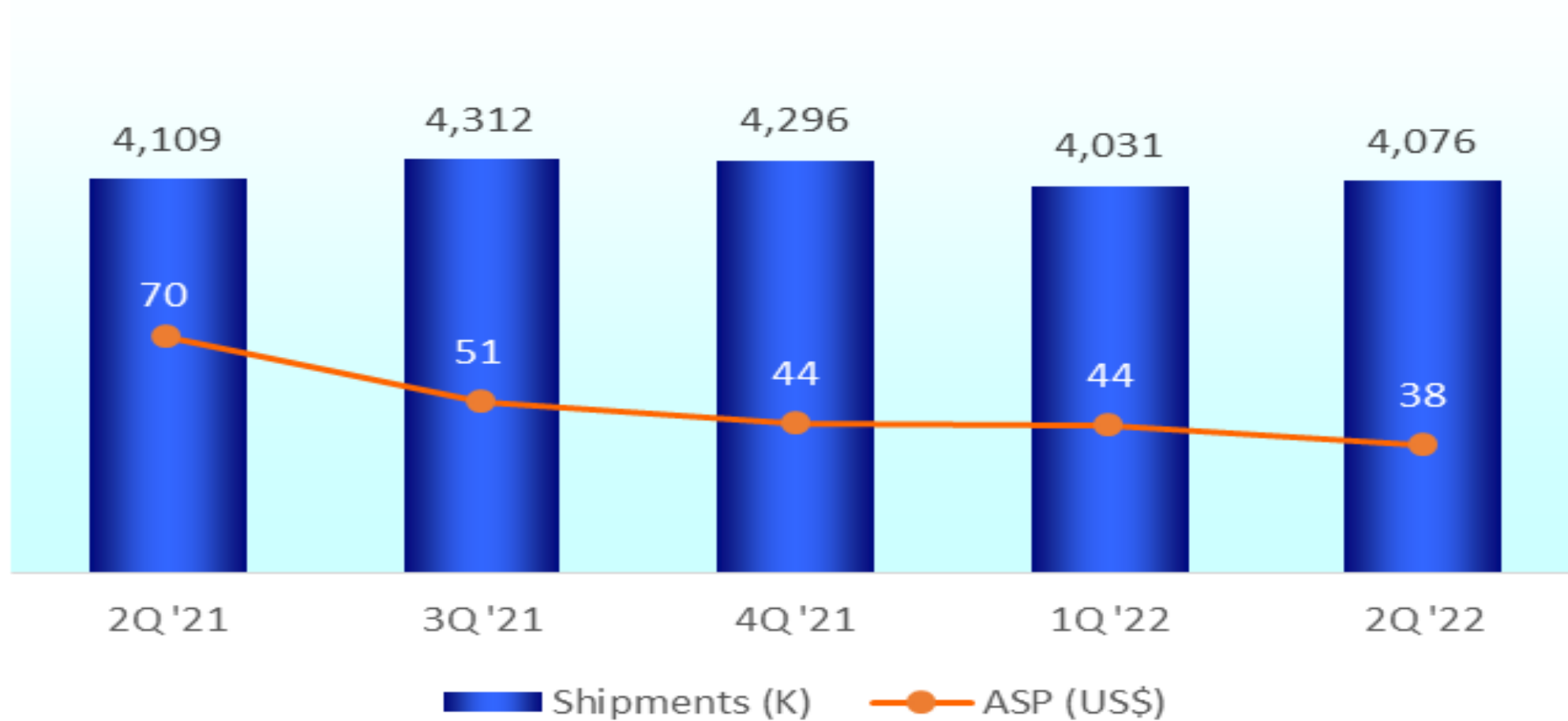
Source: Company financials based on Taiwan IFRS, reviewed.

1. Excluding time deposit with maturity longer than 3 months (NT\$ 15,070 m in 2Q22, NT\$ 17,604 m in 1Q22 , and NT\$ 19,216 m in 2Q21)
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.

2Q '22 Cash Flow

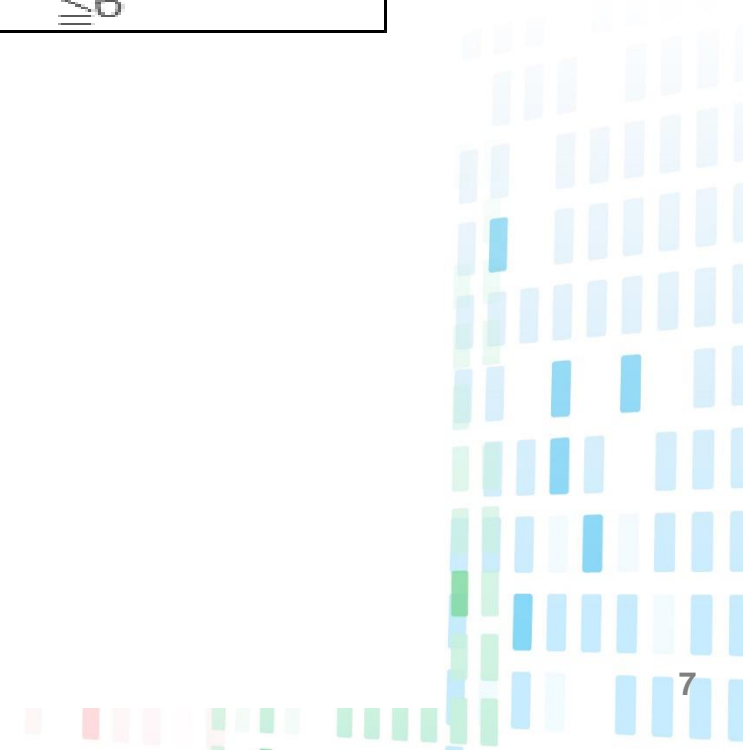
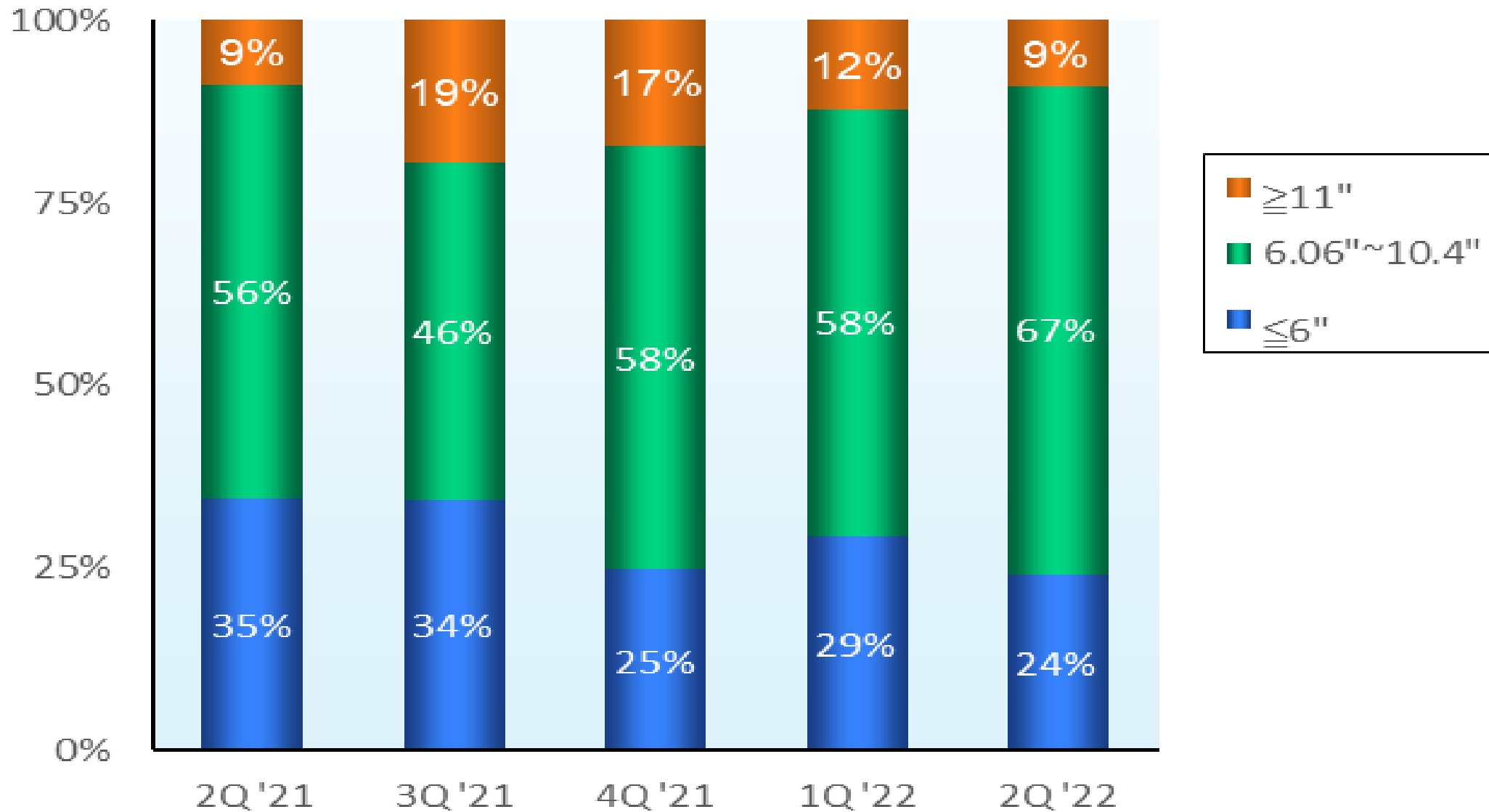
NT\$ mn	QoQ			YoY	
	2Q '22	1Q '22	Change %	2Q '21	Change %
Net income (loss)	48	(362)	-	3,248	(99%)
Depreciation and amortization	664	666	(0%)	611	9%
Dividend income	(160)	(4)	4,071%	0	-
Current financial assets at fair value through profit or loss	439	775	(43%)	(30)	-
Changes in operating assets & liabilities	(538)	(110)	391%	361	-
Cash flow from operating activities	453	965	(53%)	4,190	(89%)
Additions to property, plant and equipment	(1,255)	(698)	80%	(1,735)	(28%)
Acquisition of financial assets at fair value through income	(168)	(1,042)	(84%)	(796)	(79%)
Increase(decrease) in Acquisition of current financial assets at amortised cost	2,308	35	6,488%	(1,008)	-
Changes in investing assets & liabilities	6	(105)	-	(0)	-
Cash flow from investing activities	891	(1,810)	-	(3,539)	-
Increase(decrease) in short-term debt	7	63	(88%)	(162)	-
Increase(decrease) in long-term debt	(3)	538	-	0	-
Employee execution stock options	0	210	-	0	-
Repayments of lease principal	(30)	(31)	(4%)	(2)	1,847%
Changes in financing assets & liabilities	(8)	(6)	37%	(9)	(5%)
Cash flow from financing activities	(34)	774	-	(173)	(80%)
Effect of changes in exchange rates	61	44	39%	(43)	-
Net change in cash	1,370	(27)	-	435	215%

Shipment & ASP Trend



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

Sales Breakdown by Size



Q & A



<http://www.hannstar.com>
ir@hannstar.com



Thank You