



2017

CHIN POON

Investor Conference

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Website: www.chinpoon.com

Disclaimer

The presentation contains projections & estimates of financial information as well as market and product developments for future periods. These projections & estimates are based on information currently available which we believe to be reliable, but they involve risks & uncertainties. Our actual results of operations & financial condition may differ significantly from those contained in projections & estimates. The projections & estimates should not be interpreted as legally binding commitments, but rather as flexible information subject to change occasionally.

Main Topics

- **Introduction**
- **Investors' Focus**
- **Performance in 2017 H1**
- **New applications in Cars**
- **Q&A**

Introduction

- **Company Profile**
- **Global Network**
- **Financial Position and ROE**
- **Specialty on Auto PCB**
- **Top 1 Auto PCB Maker**
- **Competitive Edges**

Company Profile

Company Name : Chin-Poon Industrial Co., Ltd.

Established : September 26th,1979 (Listed since October 1996)

Representative : Vincent Huang / Chairman

Business : Rigid Printed Circuit Board

Products : HDI, Multilayer, Single-Sided, Double-Sided

Heavy Copper, Heat Sinks, Semiflex, CuInlay

STH(Silver Paste Through Hole), CuTH(Copper Paste Through Hole)

Capital : NT\$ 3.97 billions

Equity : NT\$ 15.39 billions (June 2017)

Revenue : NT\$ 23.94 billions (2016)

Employee : 9,875 (Taiwan 5,000+ , China 3,000+ , Thailand 1,000+)

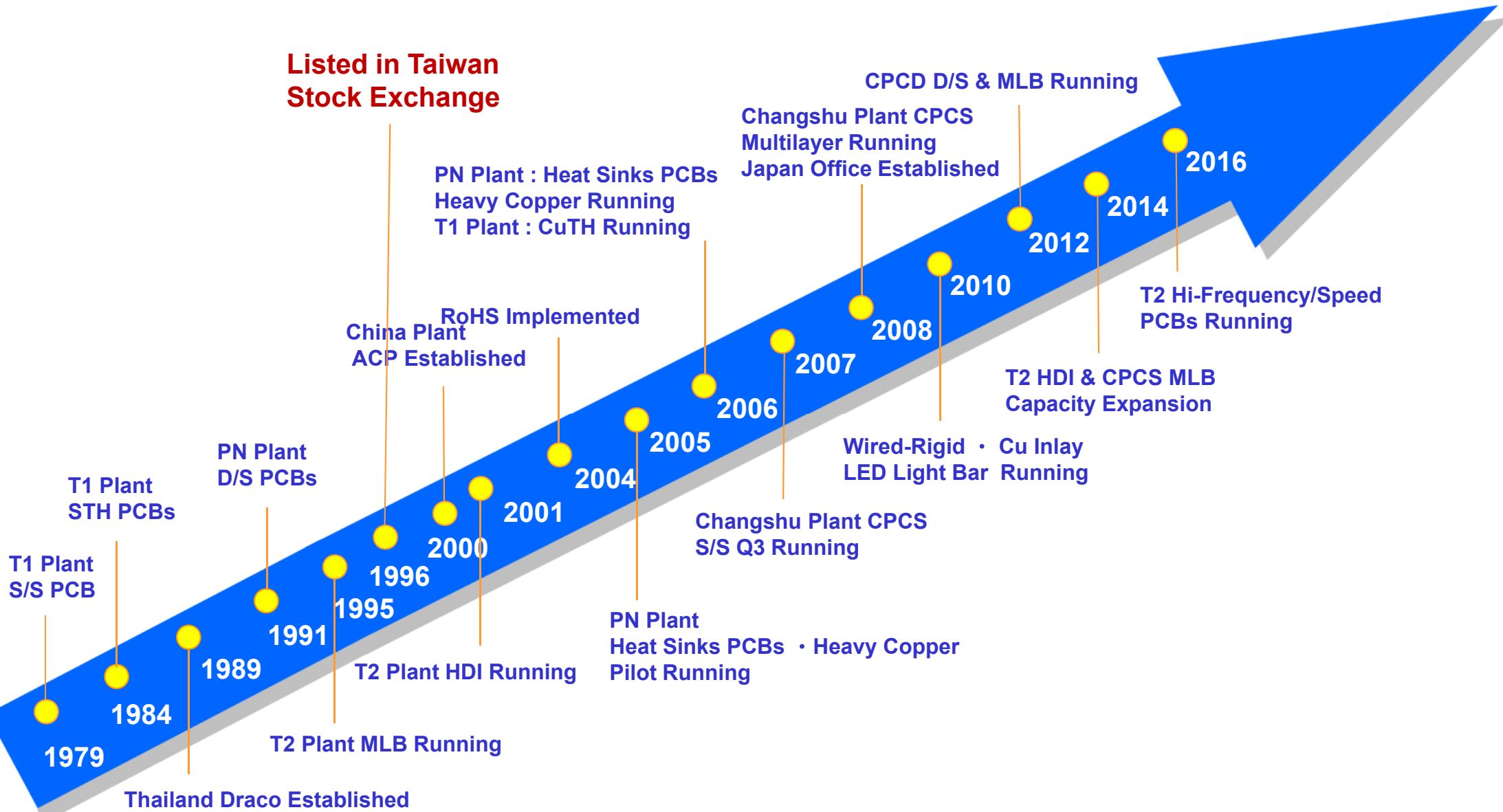
Address : No.17, Ln. 5, Sec. 2, Nanshan Rd., Luzhu Dist., Taoyuan City 33852, Taiwan

Global Network

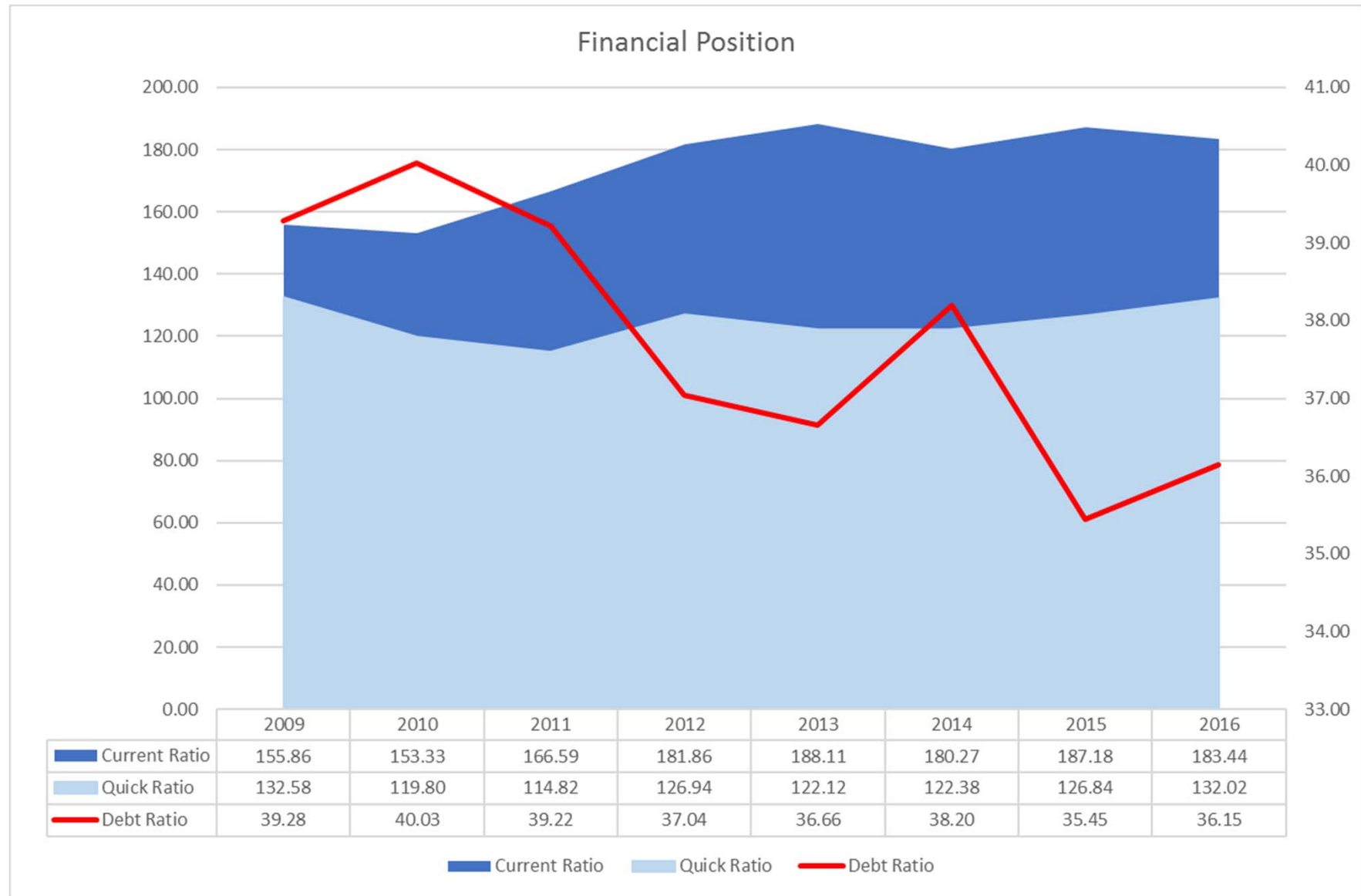


Milestone

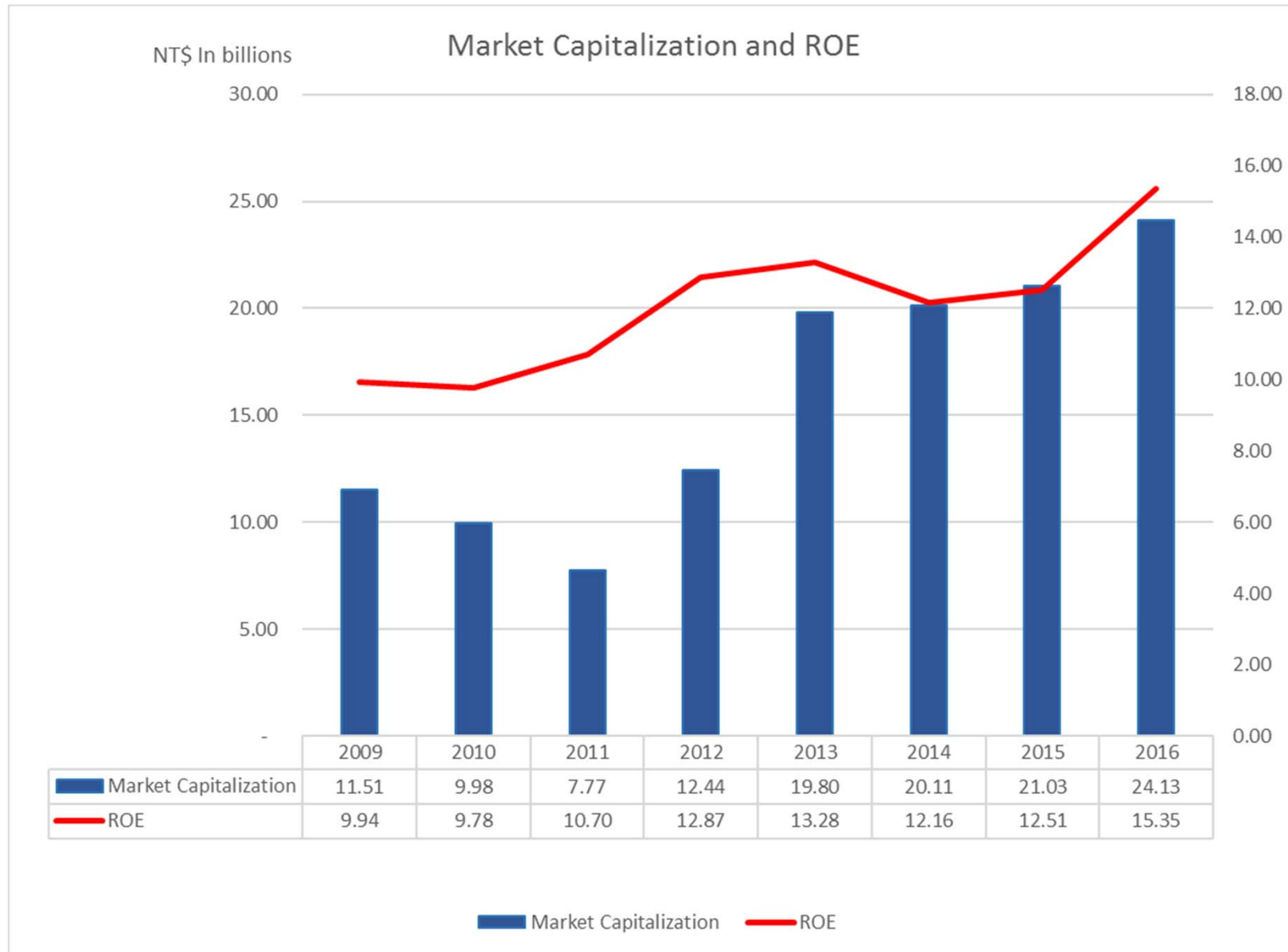
Listed in Taiwan
Stock Exchange



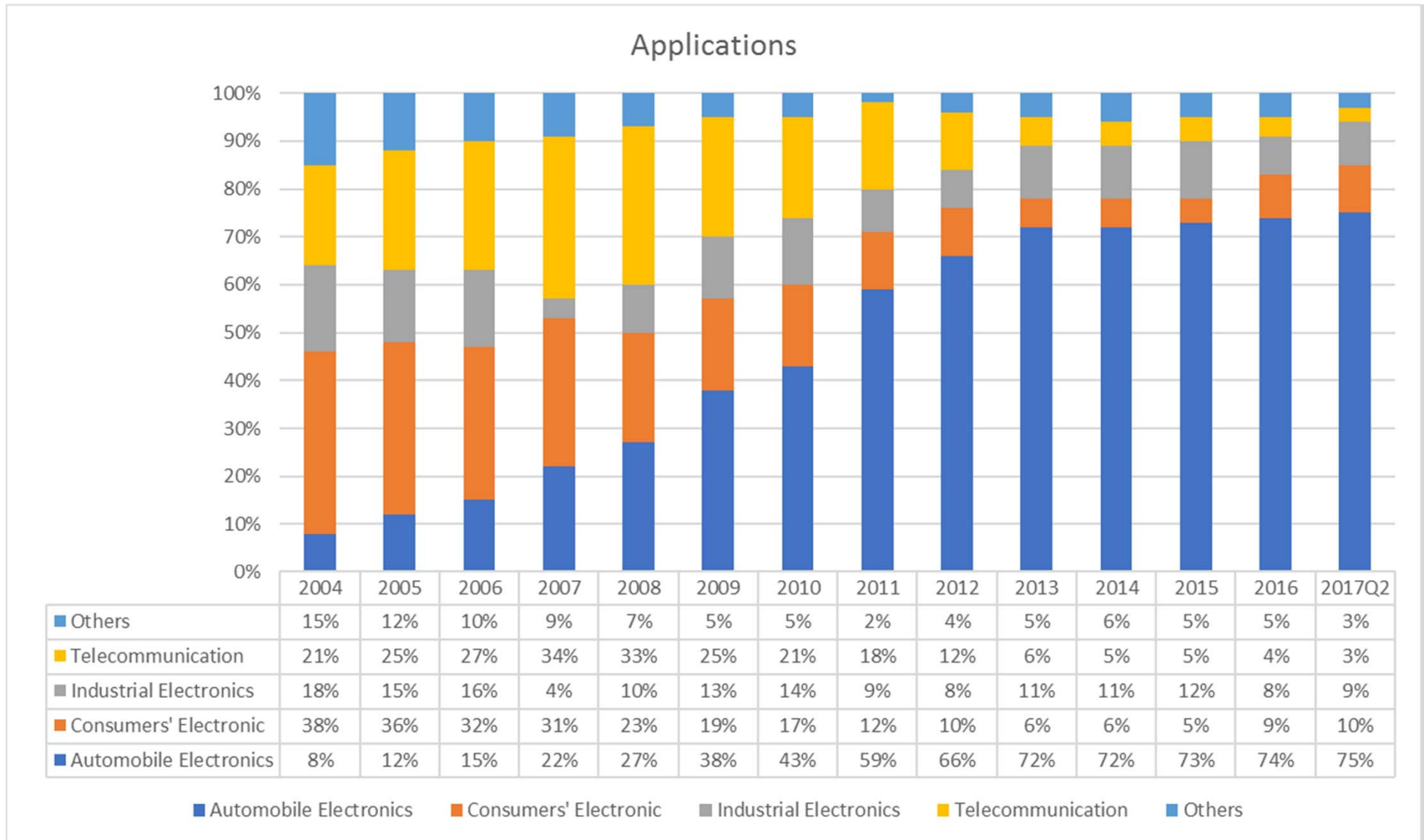
Strong Financial Position



Market Capitalization and ROE



Specialty on Auto PCB

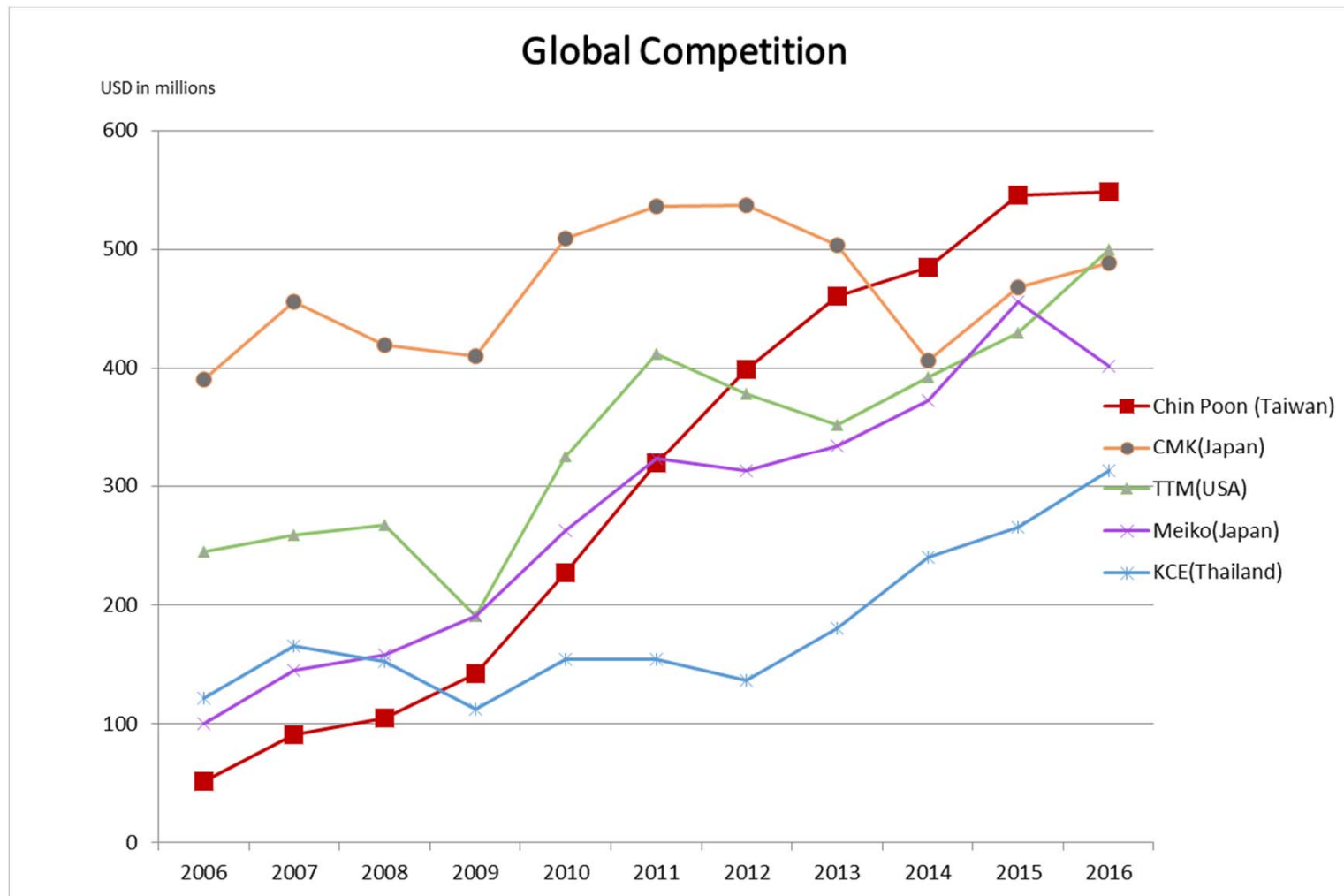


Top 1 Auto PCB Maker in 2016

Rank	Name	Auto Ratio	Total Revenue	Auto Revenue	Market Share A	Market Share B	Market Share C
1	Chin Poon	74%	741	548	13.1%	11.7%	10.0%
2	TTM Technologies	20%	2,533	500	11.9%	10.7%	9.1%
3	CMK Corporation	70%	693	488	11.7%	10.4%	8.9%
4	Meiko Electronics	46%	882	402	9.6%	8.6%	7.3%
5	KCE Electronics	80%	391	313	7.5%	6.7%	5.7%

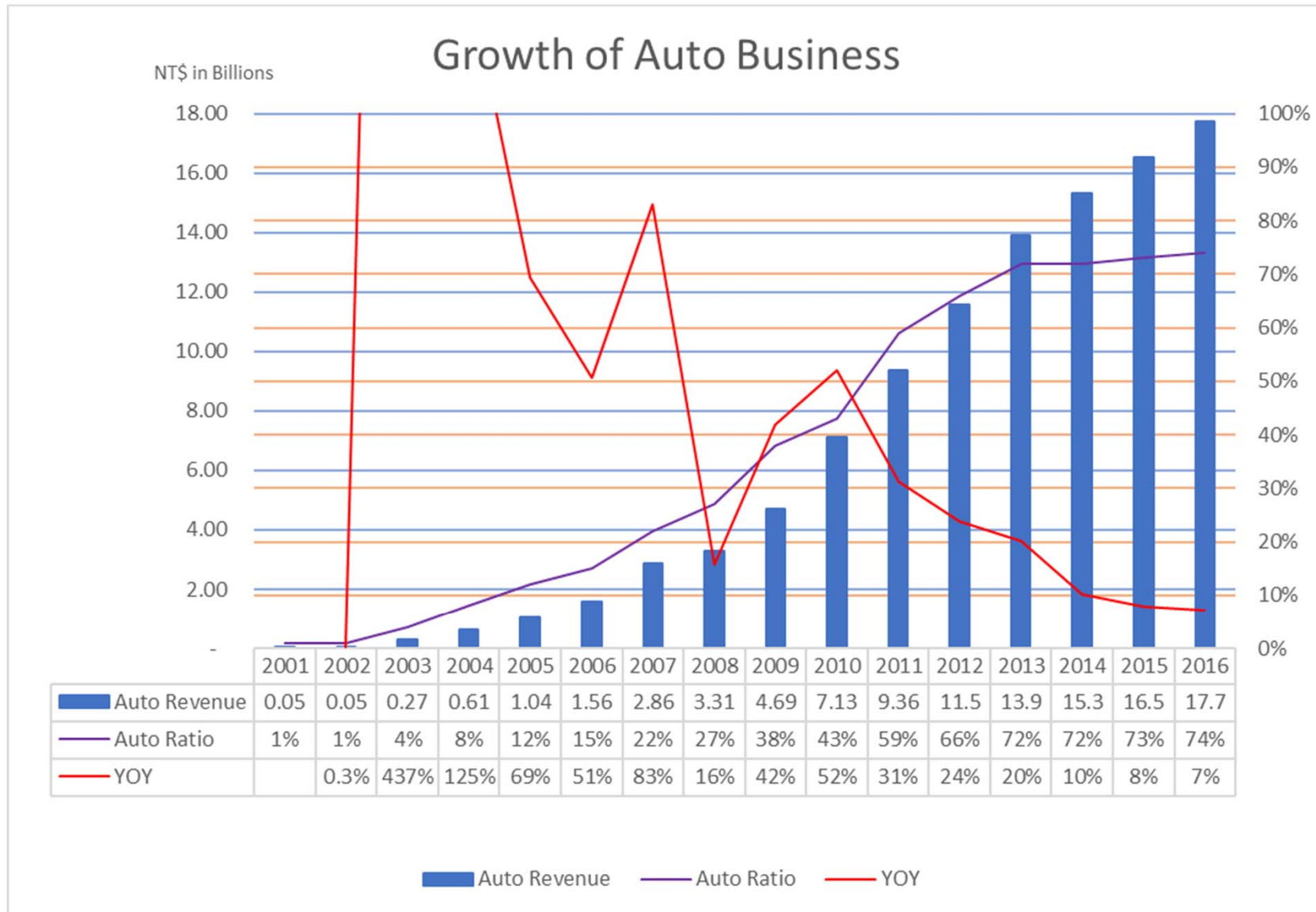
1. The revenues and auto ratios were based on the releases by the related companies.
2. The average foreign exchange rate in 2016 was used to convert the revenues in different currencies into the revenues in USD, 32.301 for Taiwan Dollars, 108.76 for Japanese Yen and 35.296 for Thai Baht
3. Market Share A was based on total auto PCB revenue in 2016 of USD 4.19 billion forecasted by Fuji Chimera Research Institute.
4. Market Share B was based on total auto PCB revenue in 2016 of USD 4.68 billion which was estimated by multiplying PCB usage per car of USD 50 by 93.57 million new cars in 2016 (HIS).
5. Market Share C was based on total auto PCB revenue in 2016 of USD 5.50 billion forecasted by N. T. Information.

Global Competition among Top Auto PCB Makers

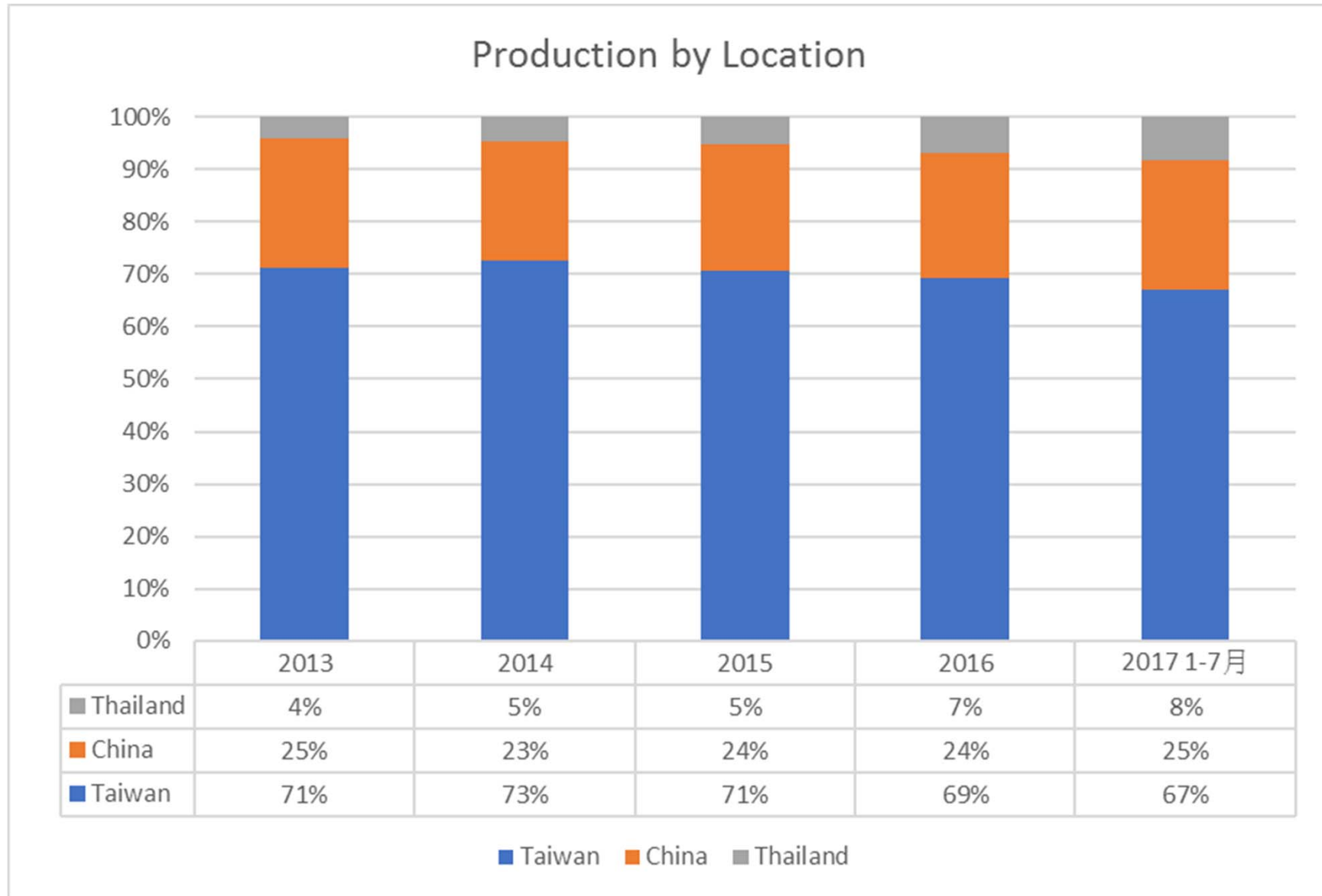


1. The figures in USD will be different if you use different foreign exchange rates to convert those figures in different currencies.
2. The revenues of TTM before 2015 belonged to Viasystems who was acquired by TTM in 2015.

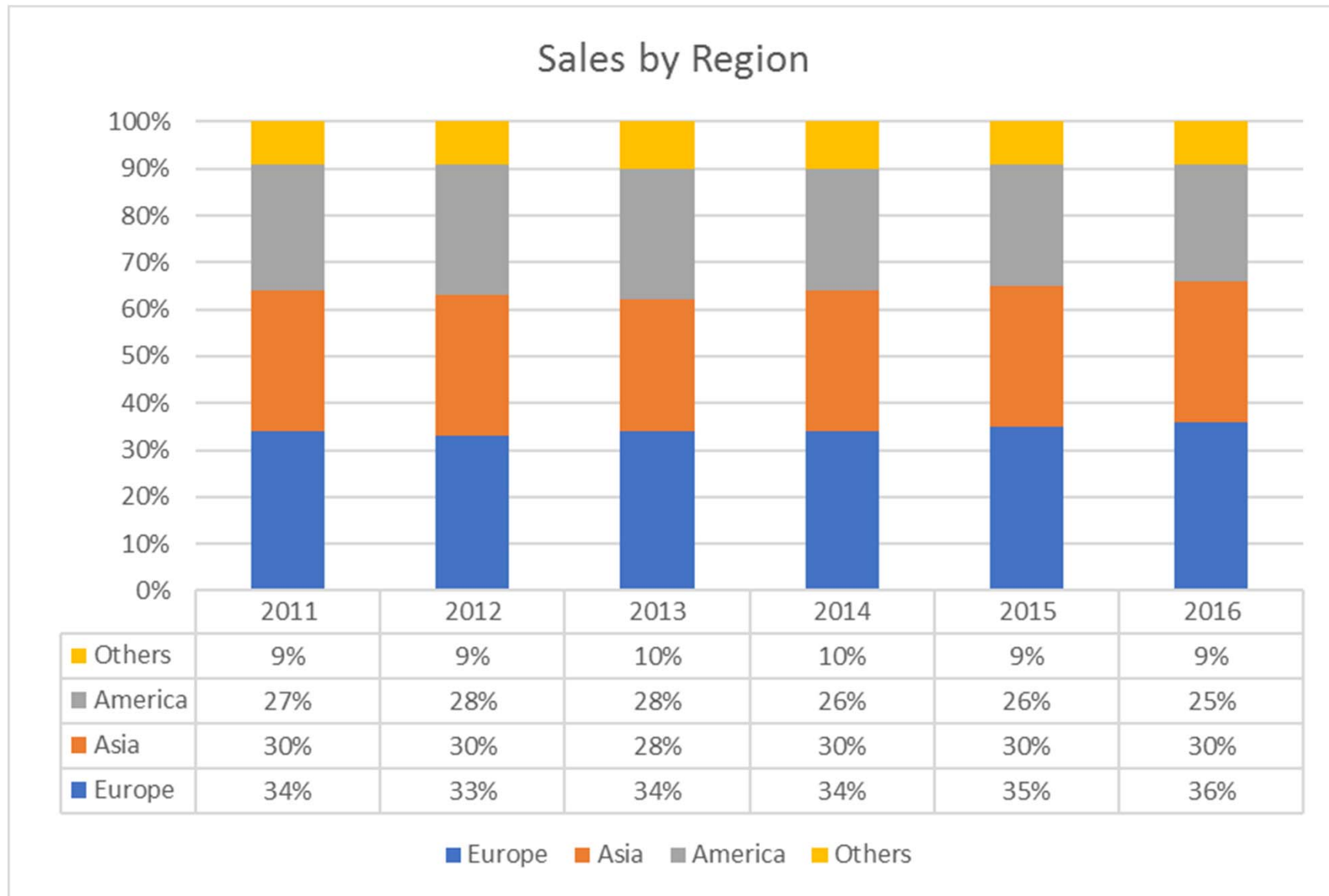
Growth of Chin Poon's Auto Business



70% of Production in Taiwan



Chin Poon's Sales by Region



Total Solutions for Rigid PCB



HDI

Main Application: mobile phone 、 PDA 、 V8 、 Digital Camera



Multi-layer Board

Main Application: Telecom 、 Computer Peripheral 、 Aero Industry



Double Side board

Main Application: Consumer 、 Telecom 、 Industrial 、 Aero Industry



Metal PCB

Main Application: Power Supply 、 ABS 、 Engine Control Module 、 Lighting Fixture 、 Back light Module



Silver Through Hole

Main Application: Telecom 、 Computer peripheral



Copper Through Hole

Main Application: Consumer



Heavy Copper Board

Main Application: Consumer 、 Telecom 、 Industrial Peripheral 、 Aero Industry



Single Side Board

Main Application: Consumer 、 Telecom 、 Industrial 、 Aero Industry



Silver Jumper

Main Application: Consumer 、 Telecom 、 Industrial Peripheral 、 Aero Industry



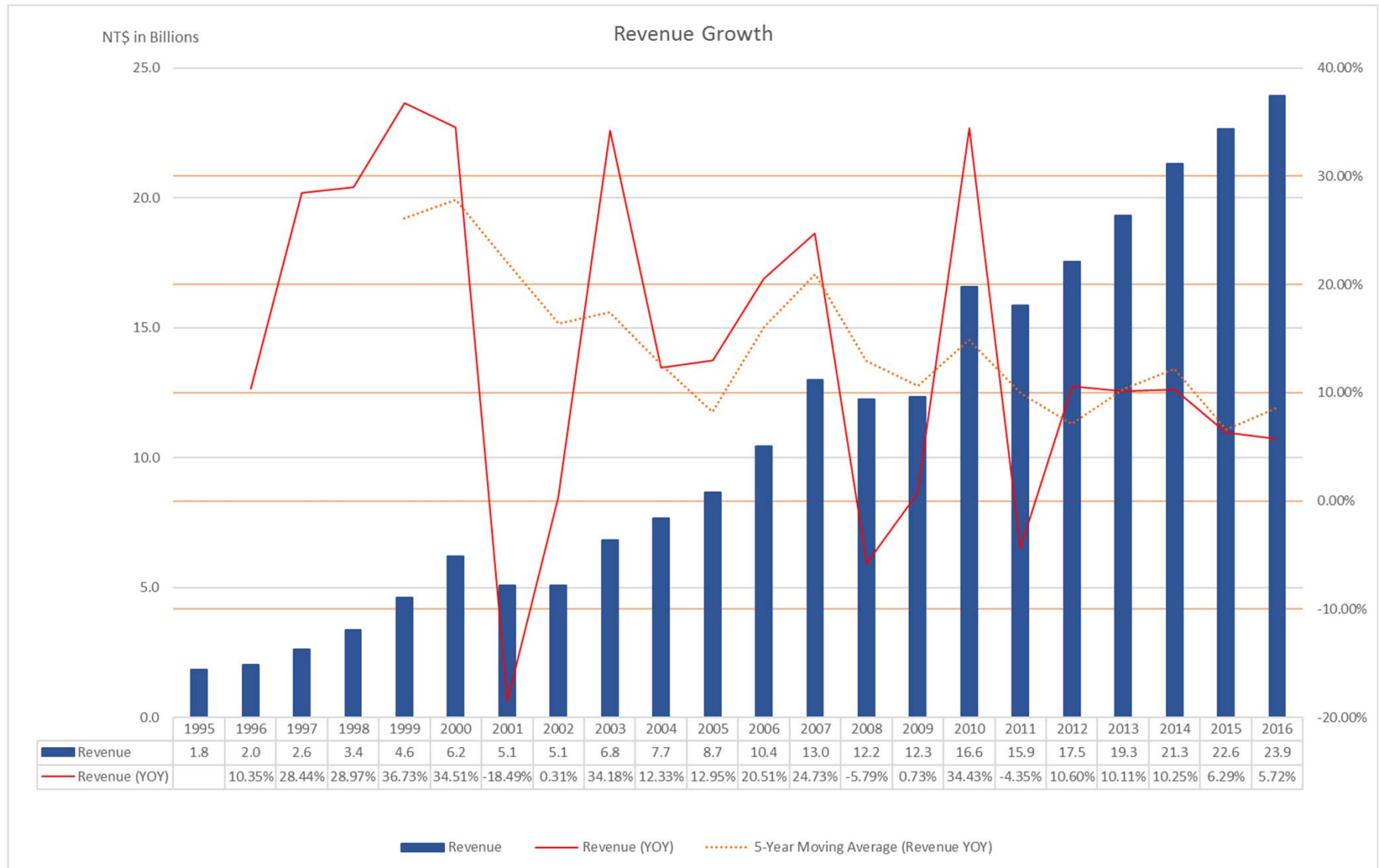
Carbon Jumper

Main Application: Consumer Peripheral 、 Telecom 、 Industrial 、 Aero Industry

Investors' Focus

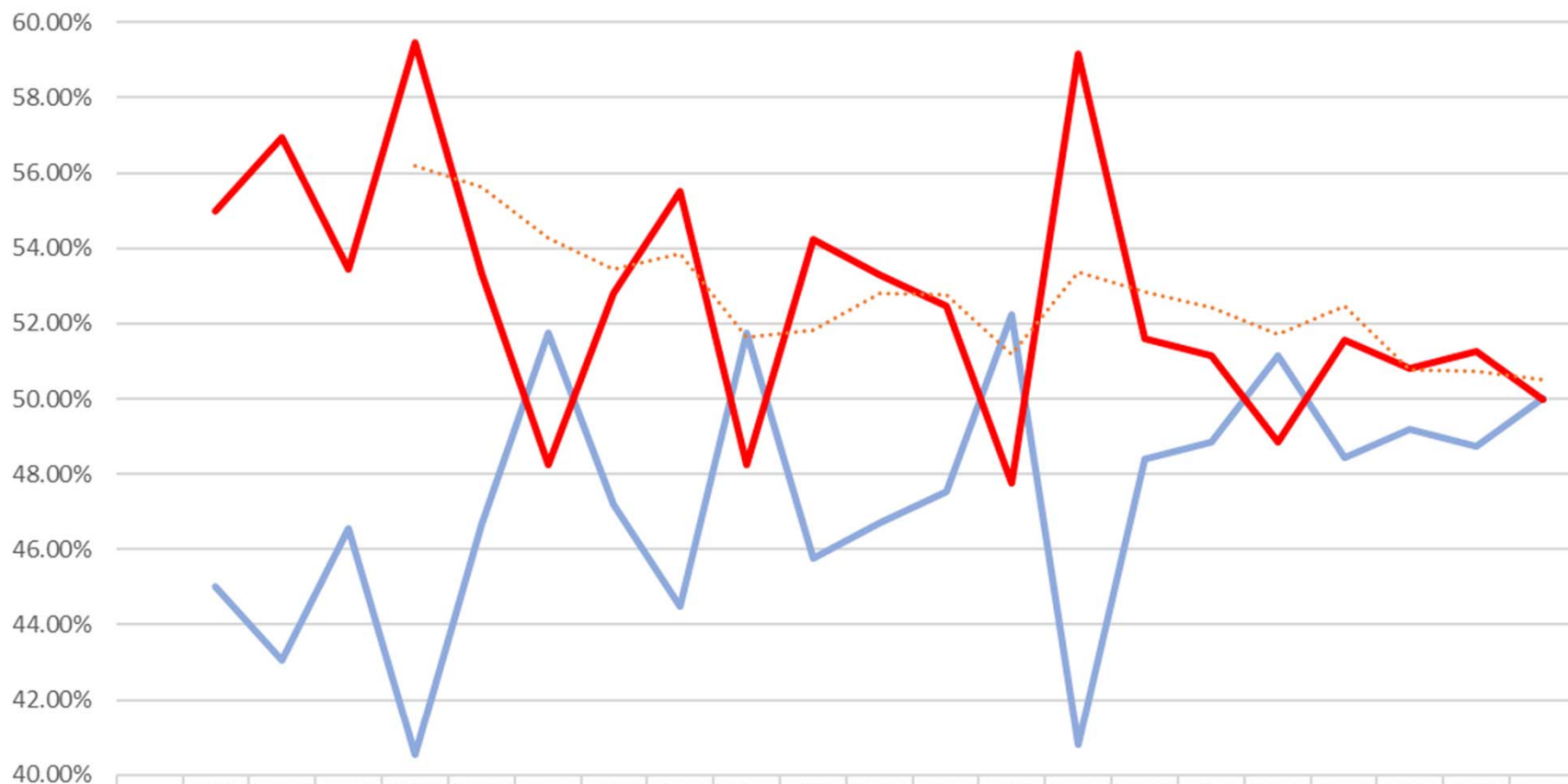
- **Revenue Growth**
- **Profit Growth**
- **Payout Ratio**

Revenue Growth



Comparison of Revenue between H1 and H2

Comparison between H1 and H2



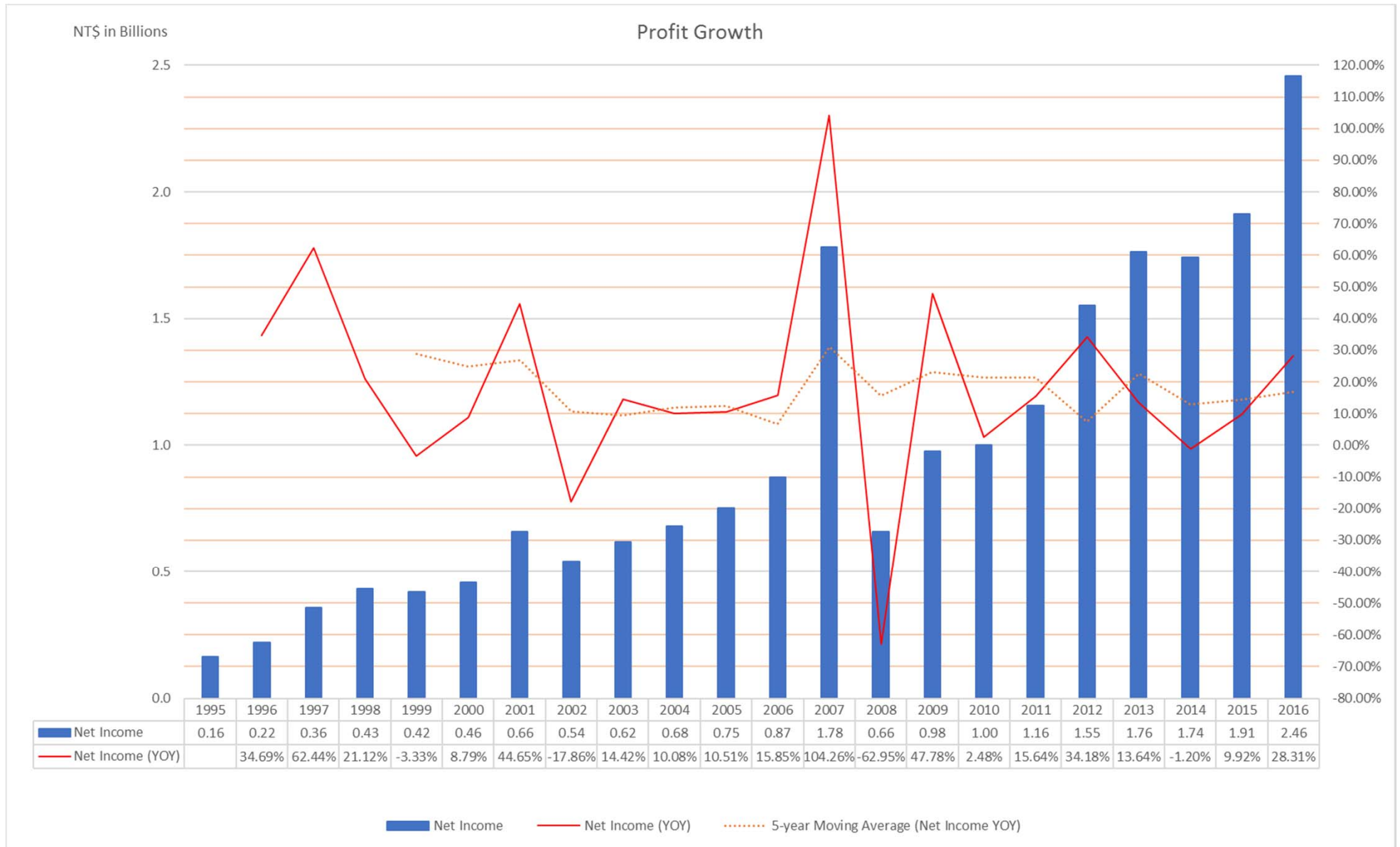
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Share of Revenue for H1	45%	43%	47%	41%	47%	52%	47%	44%	52%	46%	47%	48%	52%	41%	48%	49%	51%	48%	49%	49%	50%
Share of Revenue for H2	55%	57%	53%	59%	53%	48%	53%	56%	48%	54%	53%	52%	48%	59%	52%	51%	49%	52%	51%	51%	50%

— Share of Revenue for H1

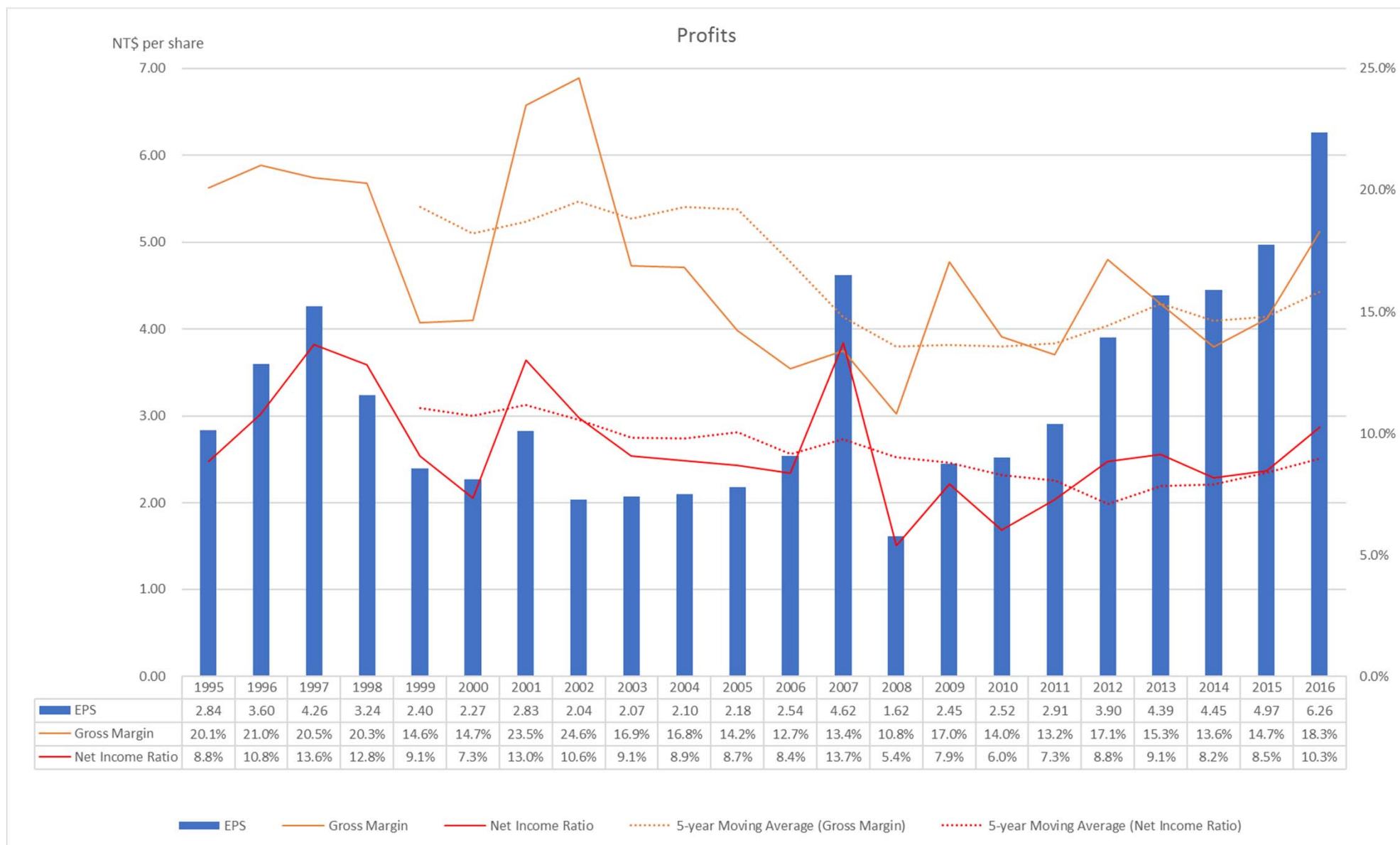
— Share of Revenue for H2

..... 5-year Moving Average (Share of Revenue for H2)

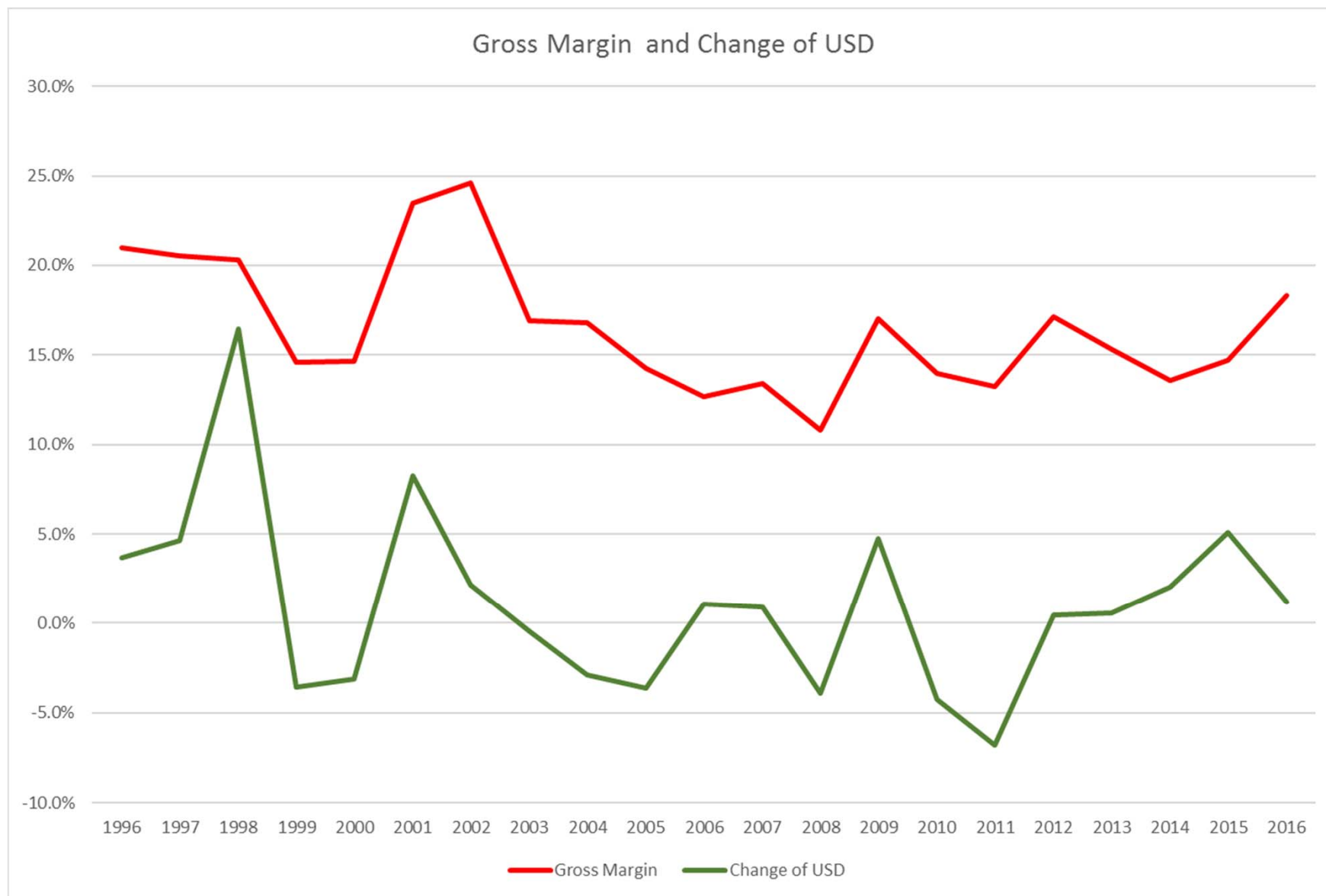
Profit Growth



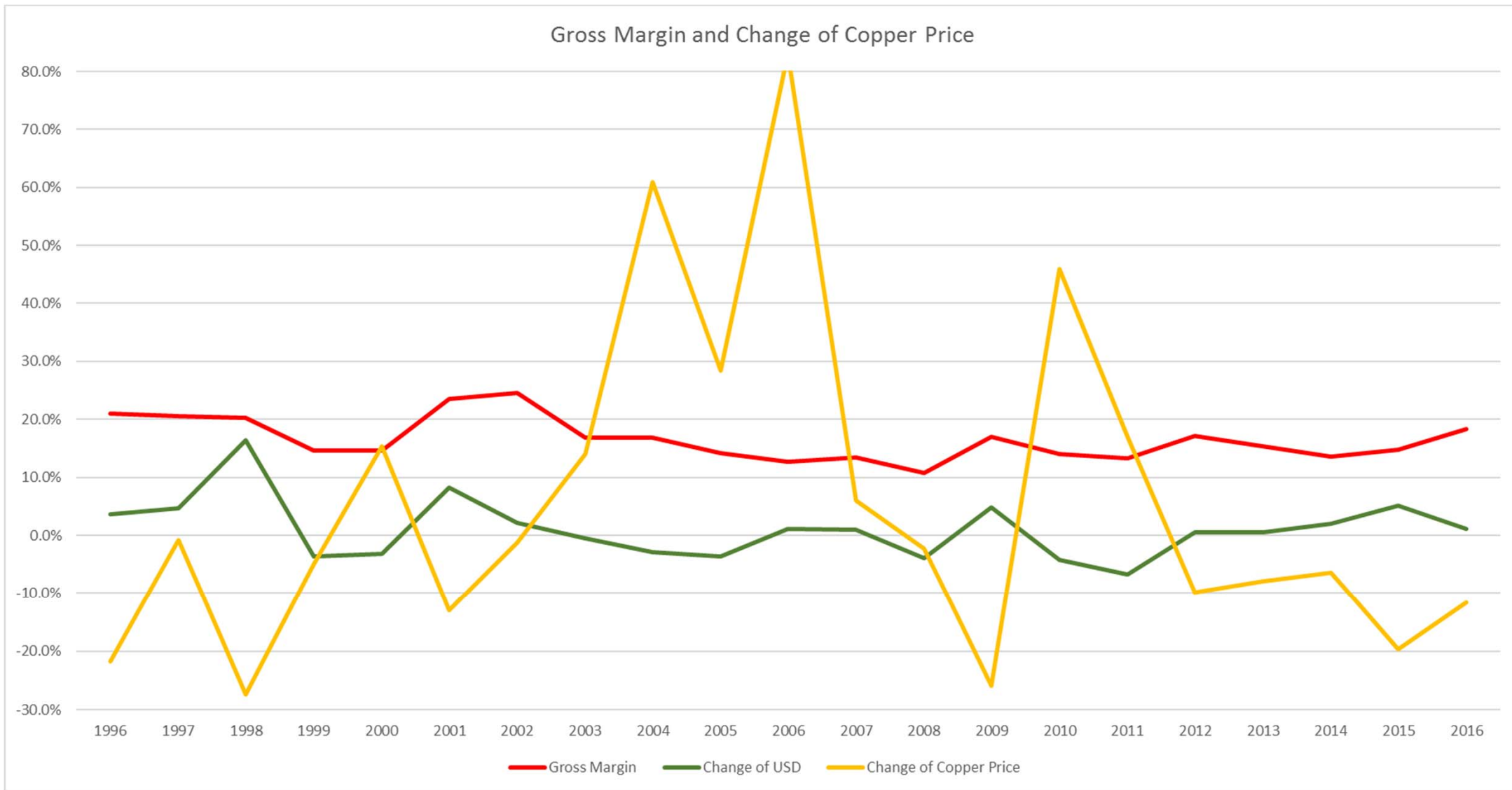
Gross Margin and Net Income Ratio



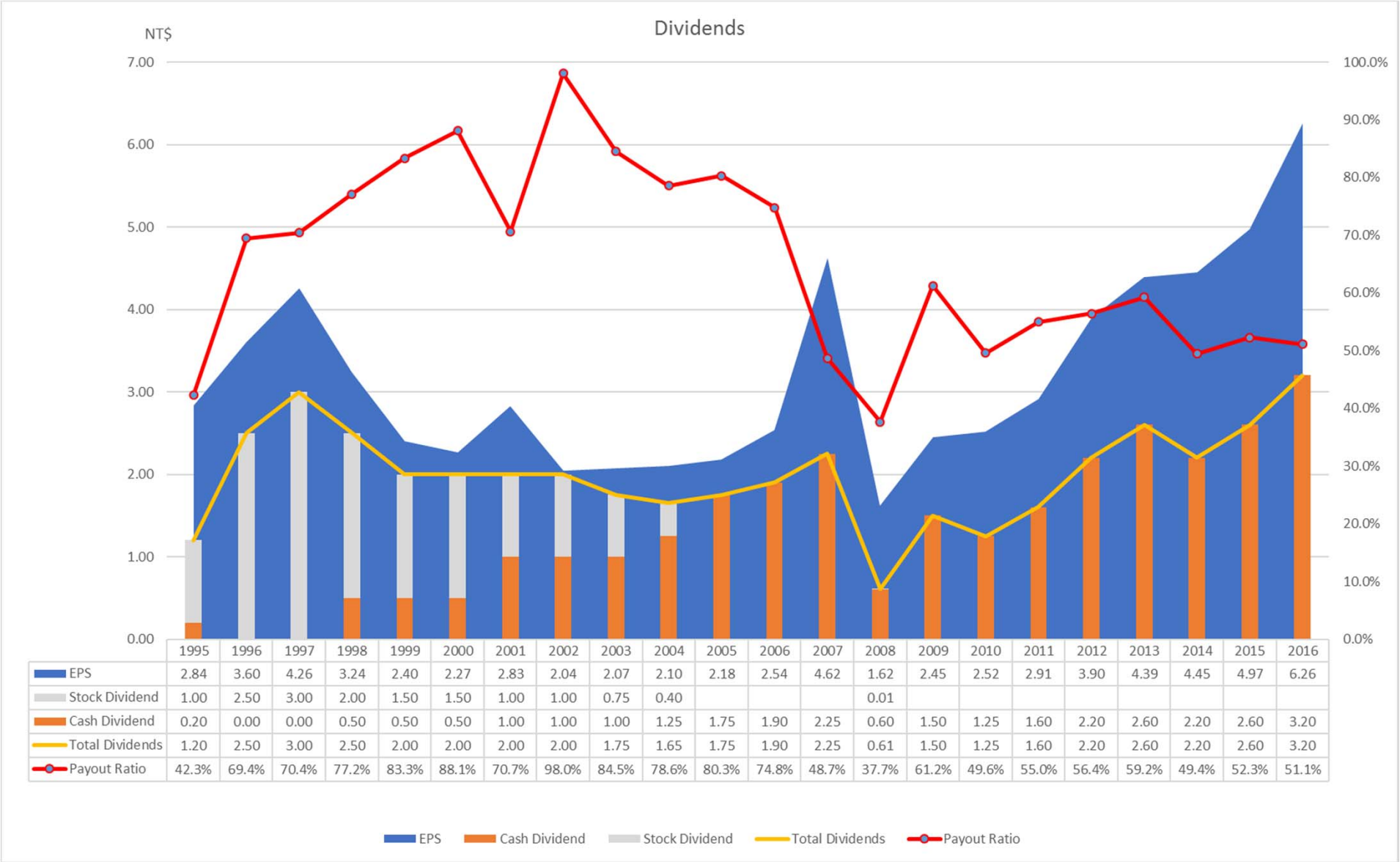
Impact from USD



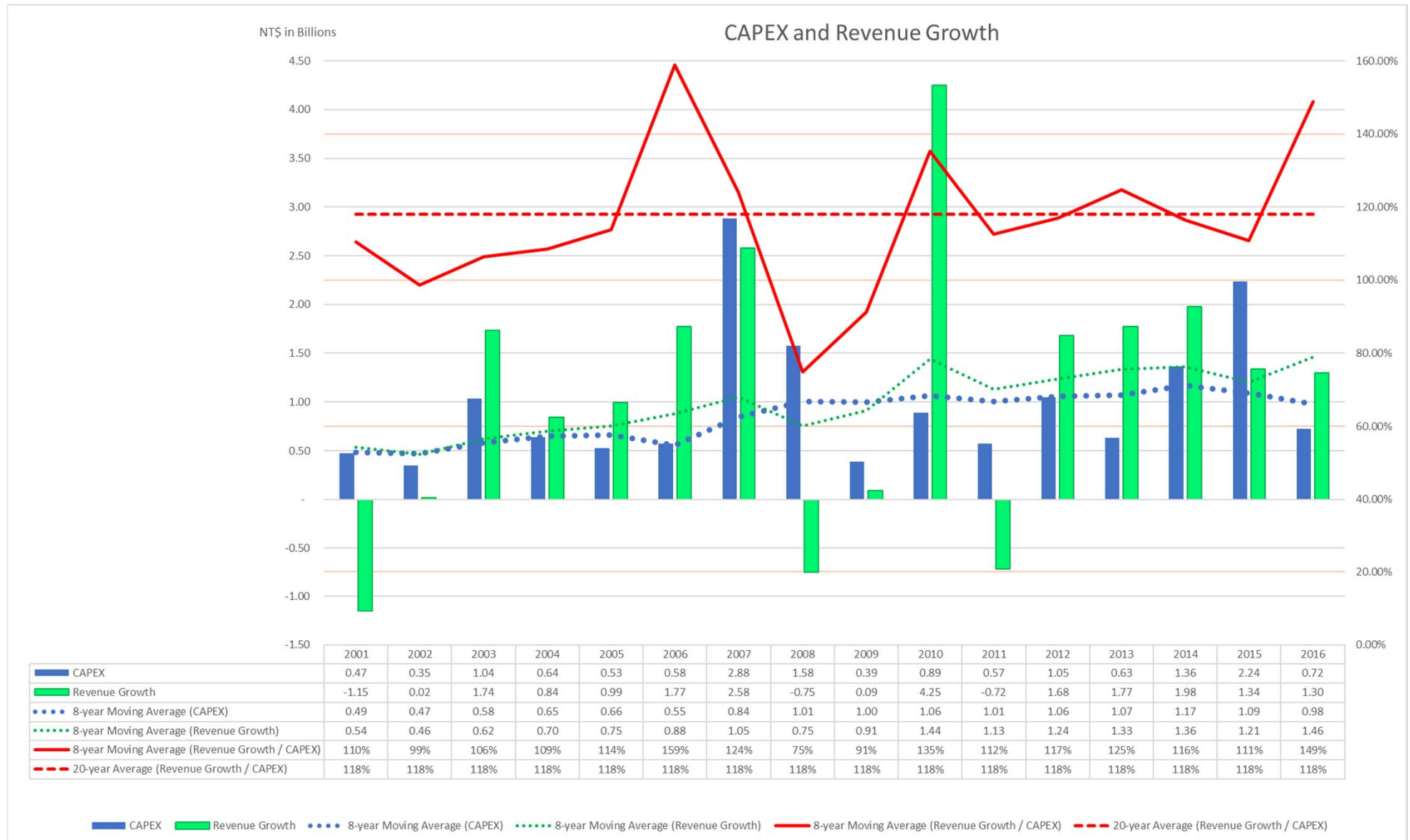
Impact from Copper



Payout Ratio



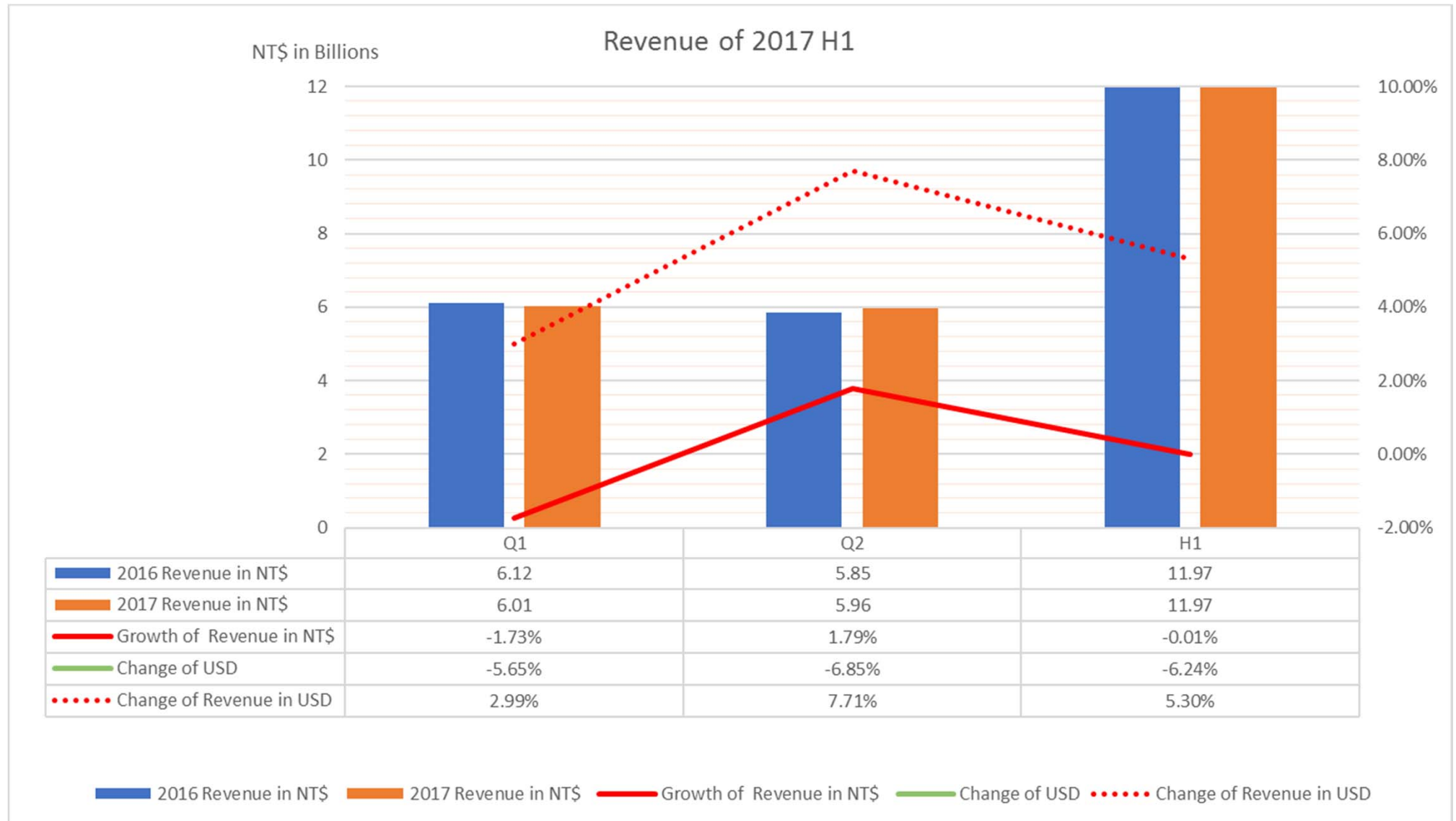
CAPEX and Revenue Growth



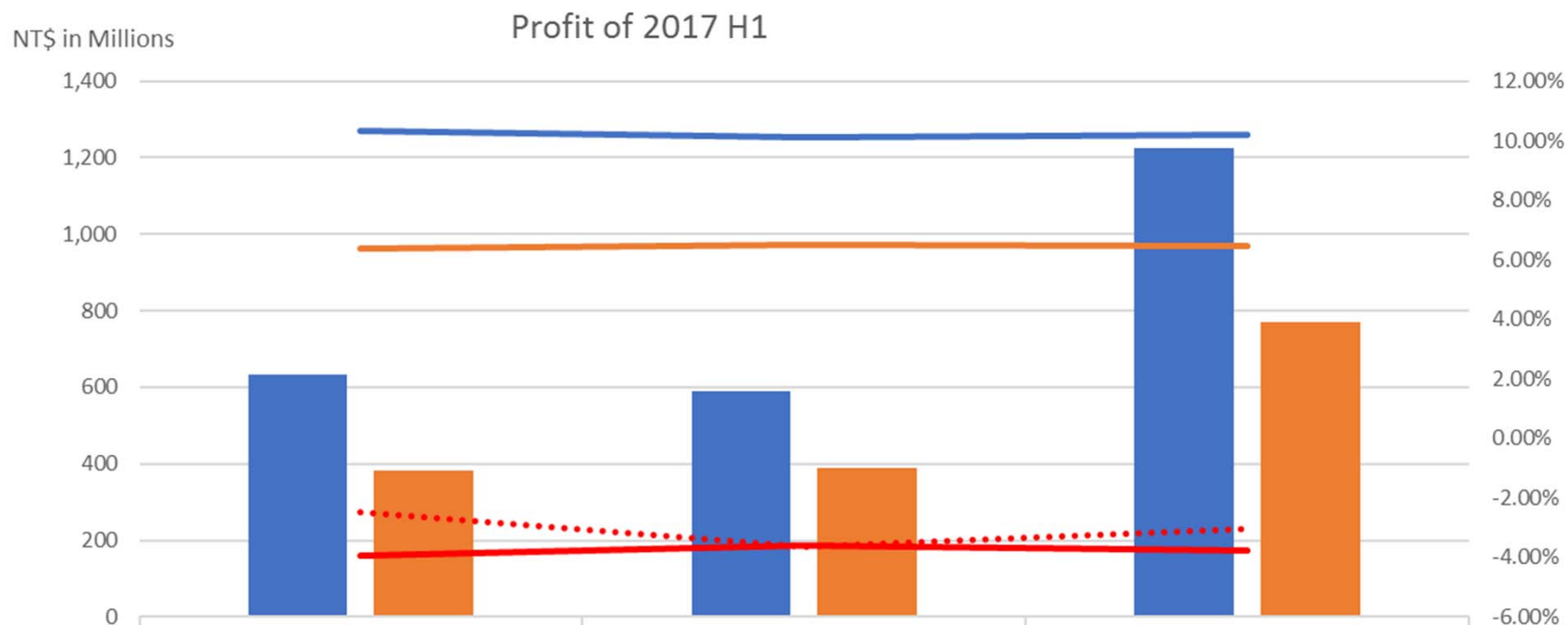
Performance in 2017 H1

- Revenue of 2017 H1
- Profit of 2017 H1

Revenue of 2017 H1



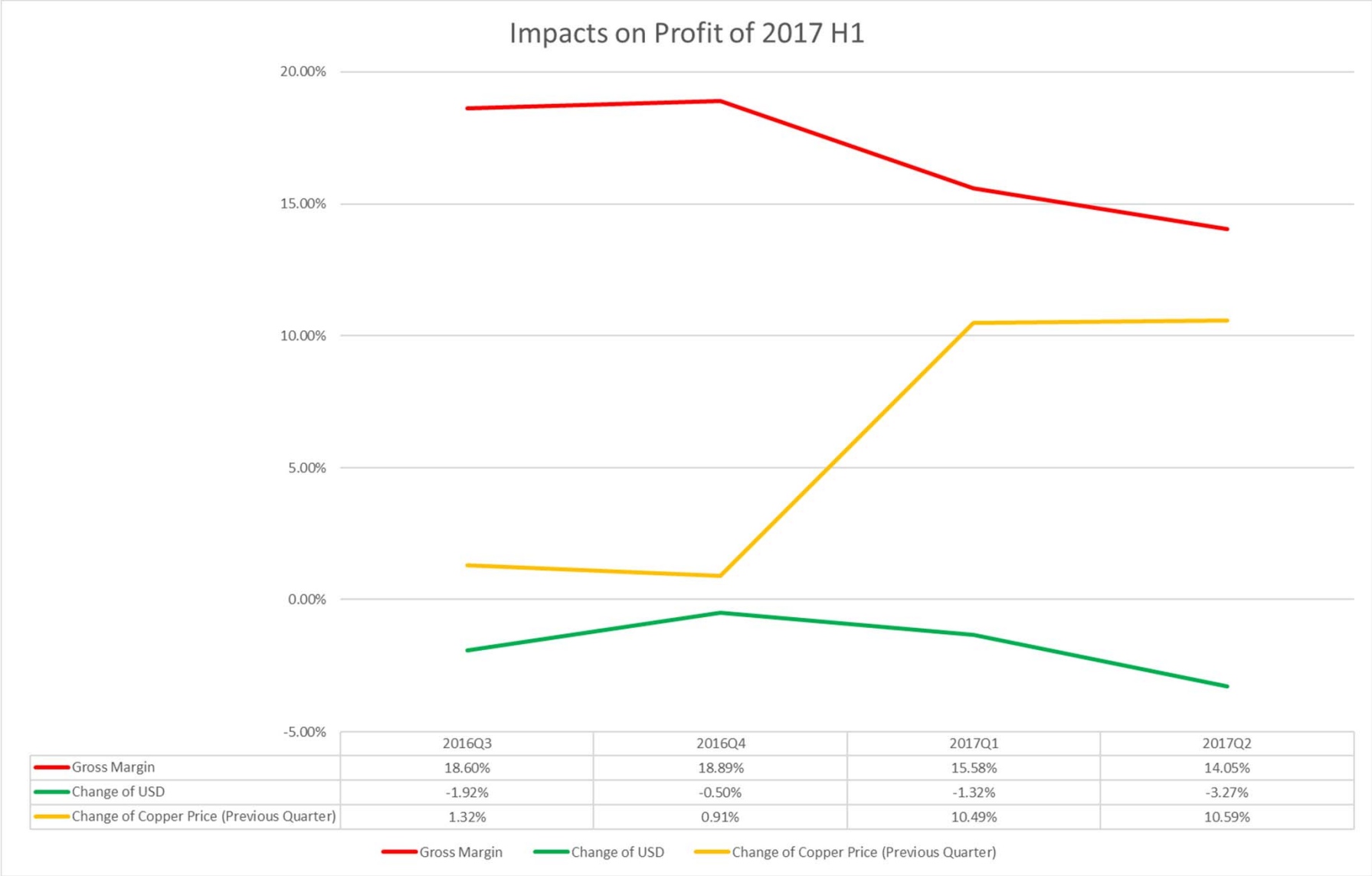
Profit of 2017 H1



2016 Net Income	632	591	1,223
2017 Net Income	384	387	771
Difference of Gross Margin	-2.49%	-3.62%	-3.06%
2016 Net Income Ratio	10.34%	10.09%	10.22%
2017 Net Income Ratio	6.38%	6.50%	6.44%
Difference of Net Income Ratio	-3.95%	-3.59%	-3.78%

■ 2016 Net Income ■ 2017 Net Income ●●●● Difference of Gross Margin
— 2016 Net Income Ratio — 2017 Net Income Ratio — Difference of Net Income Ratio

Impacts on Profit of 2017 H1



New applications in Cars

- **ADAS**
(Advanced Driver Assistance Systems)
- **EV**
(Electric Vehicle)

ADAS

ADAS	ADAS Sensing
Assisted & Automated Driving Control Unit	Solid state LIDAR
Adaptive Cruise Control	Long-range Radar (LRR) 80m to more than 200m
Blind Spot Detection	Mid-range Radar (MRR) in the 30-80m range
Parking Assistance	Short-range Radar (SRR) 0.2 to 30m range
Drowsiness Detection	High Resolution Video Cameras
Night Vision	Infrared (IR) Cameras (Night Vision Camera)
Lane Departure Warning	Ultrasonic Sensors
Passenger Detection	
Pre-Crash Warning	

EV

EV

Electric Car Batteries

Electric Car Motors

Controller

DC to DC Converters

Inverters

Electronic Vehicle Charge Systems

Positive News of EV

- France to ban sales of petrol and diesel cars by 2040.
- UK to follow France in banning petrol and diesel cars by 2040.
- All Volvo cars to be electric or hybrid by 2019.
- Jaguar Land Rover to make only electric or hybrid cars from 2020.
- **VOLKSWAGEN** has announced that it is investing \$84 billion investment in electric cars and batteries. Of this, \$50 billion will be invested in battery production in order to support its ambitions to create a vast range of electric vehicles. VW is aiming to bring 300 electric vehicle models to the market by 2030.

Q & A



Thank You

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