



2018

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 2018**
- **Global Auto Market**
- **New applications in Cars**
- **Q&A**

Introduction

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

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\$ 15.20 billions (Sep 2018)

Revenue : NT\$ 23.65 billions (2017)

Employee : 8,600+ (Taiwan 3,700+ , China 3,600+ , Thailand 1,300+)

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

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



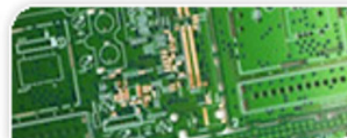
Metal PCB

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

Global Network

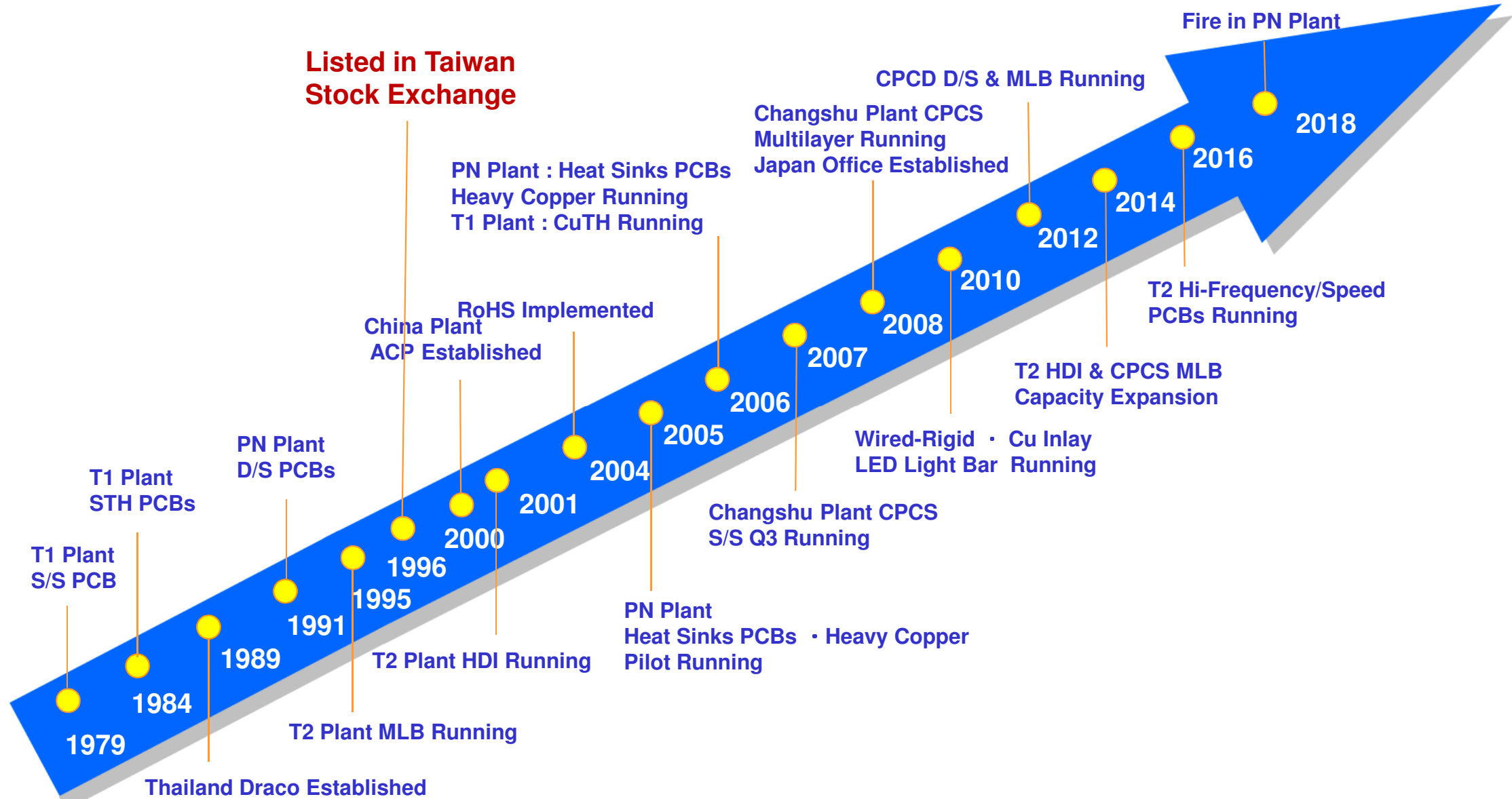


U.K.
Spain
Netherlands
Germany

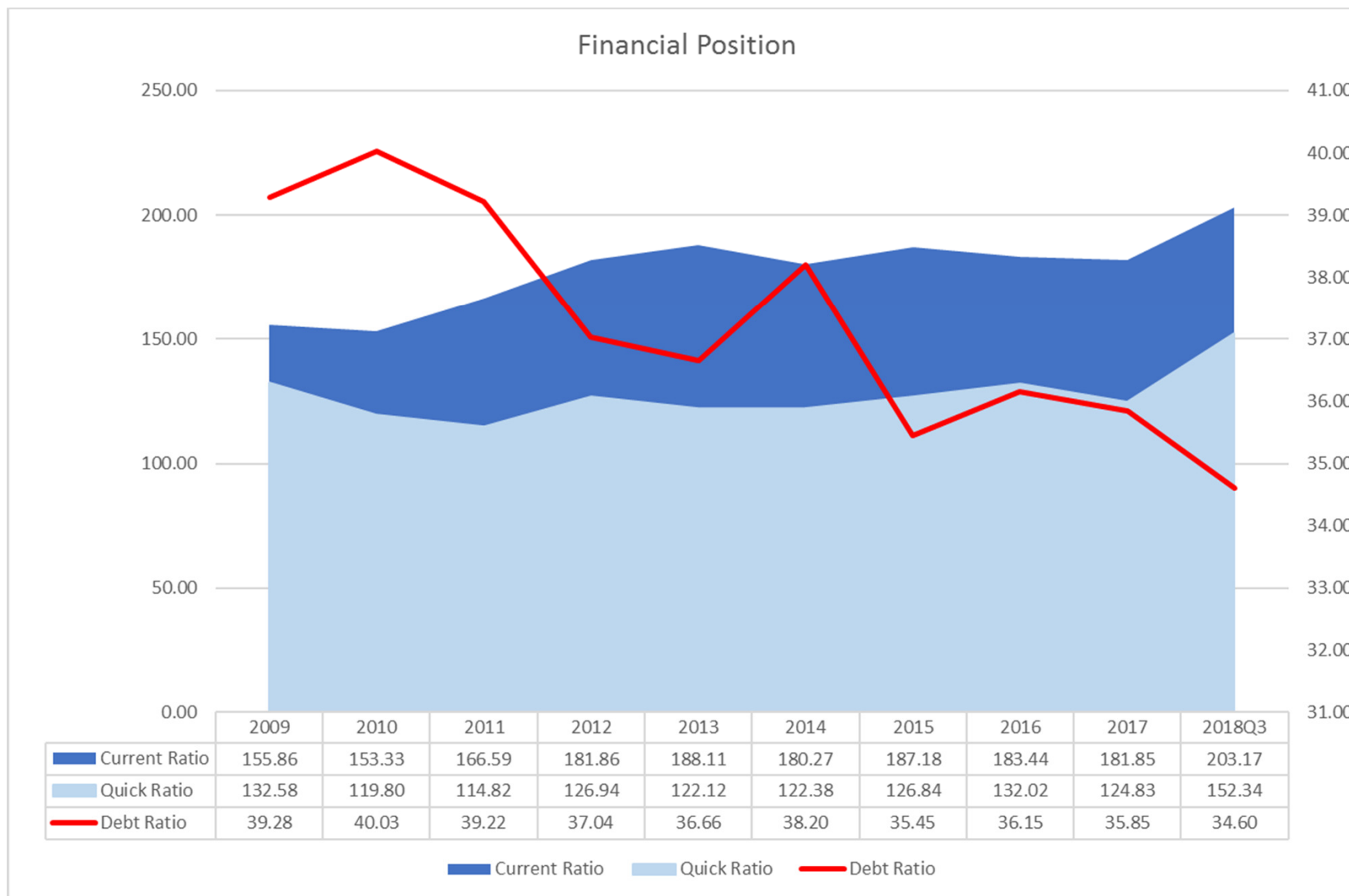
China
Korea
Japan
Taiwan
Thailand
Malaysia

U.S.A.
Mexico

Milestone



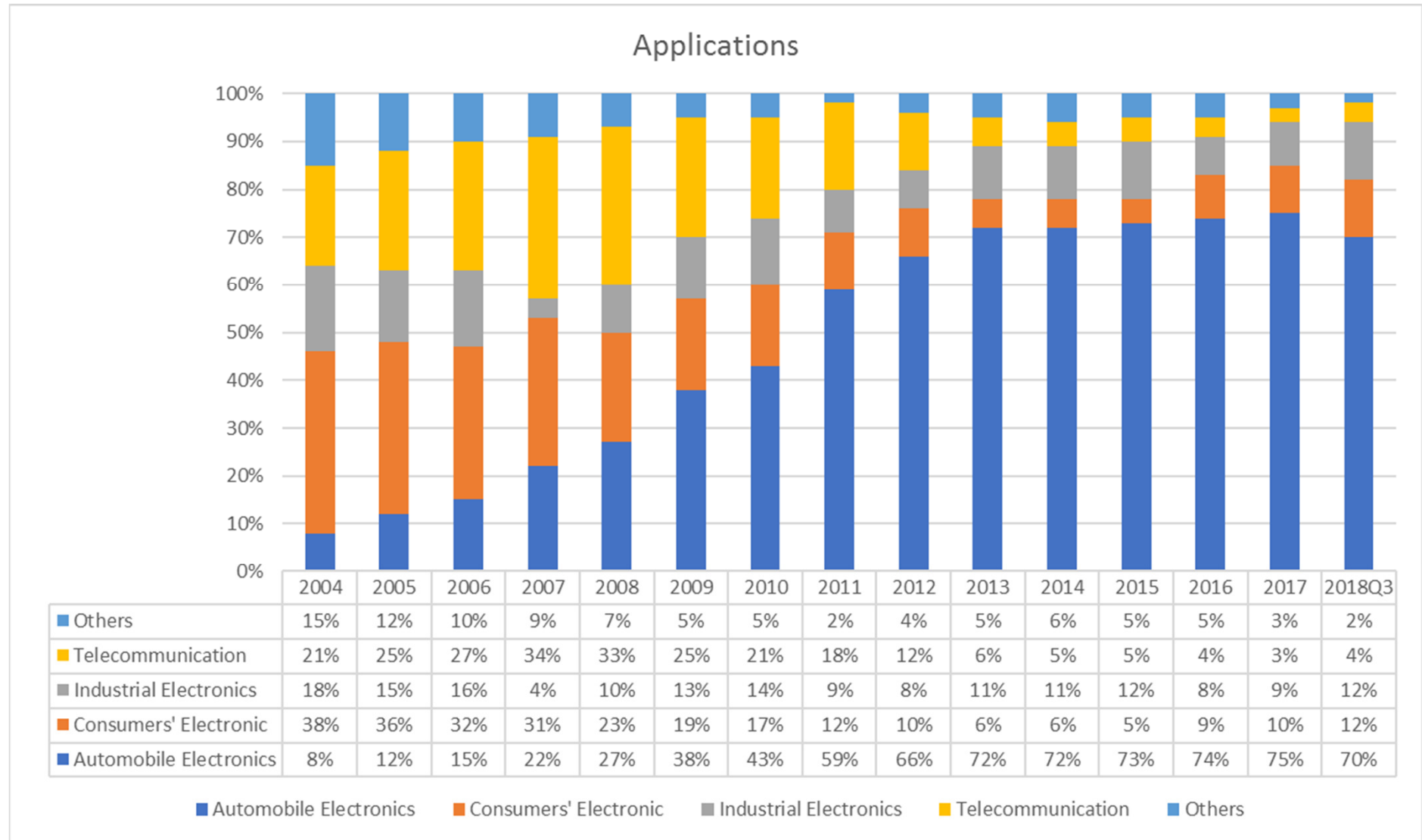
Strong Financial Position



Market Capitalization and ROE



Specialty on Auto PCB



Top 1 Auto PCB Maker in 2017

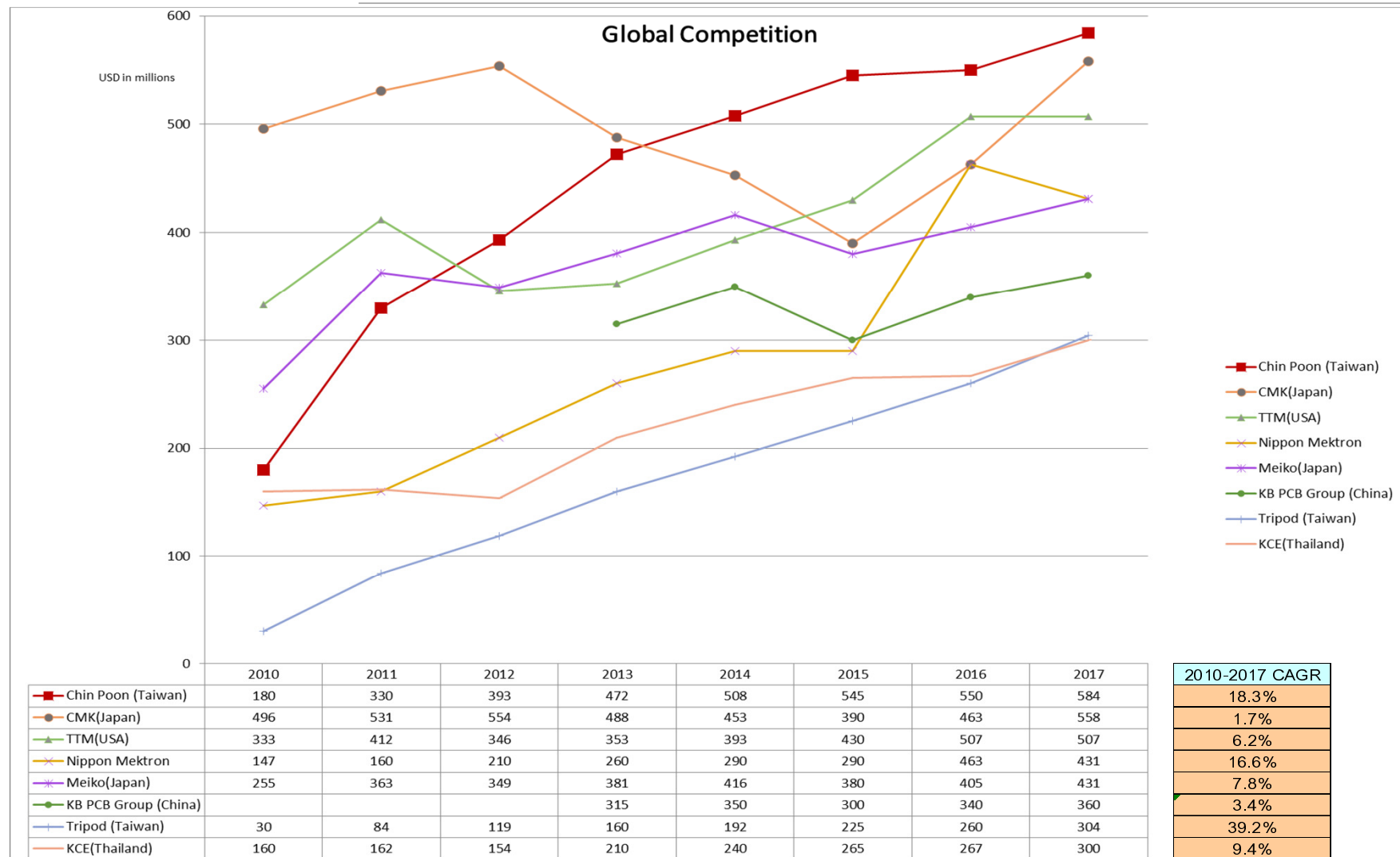
USD in millions

Rank	Auto PCB Maker	Nationality	Total Revenue	Automotive PCB	Auto Ratio	Market Share
1	Chin Poon	Taiwan	780	584	75%	9.1%
2	CMK Corporation	Japan	756	558	74%	8.7%
3	TTM Technologies	USA	2,659	507	19%	7.9%
4	Nippon Mektron	Japan	3,224	445	14%	7.0%
5	Meiko Electronics	Japan	969	431	44%	6.7%
6	KB PCB Group	China	1,056	360	34%	5.6%
7	Tripod Technology	Taiwan	1,505	304	20%	4.8%
8	KCE Electronics	Thailand	430	300	70%	4.7%
9	AT&S	Austria	1,110	250	23%	3.9%
10	Wus	Taiwan	937	200	21%	3.1%
	Top 10 Total			3,939		61.5%

1. Sources: N.T. Information Ltd (September 2018)

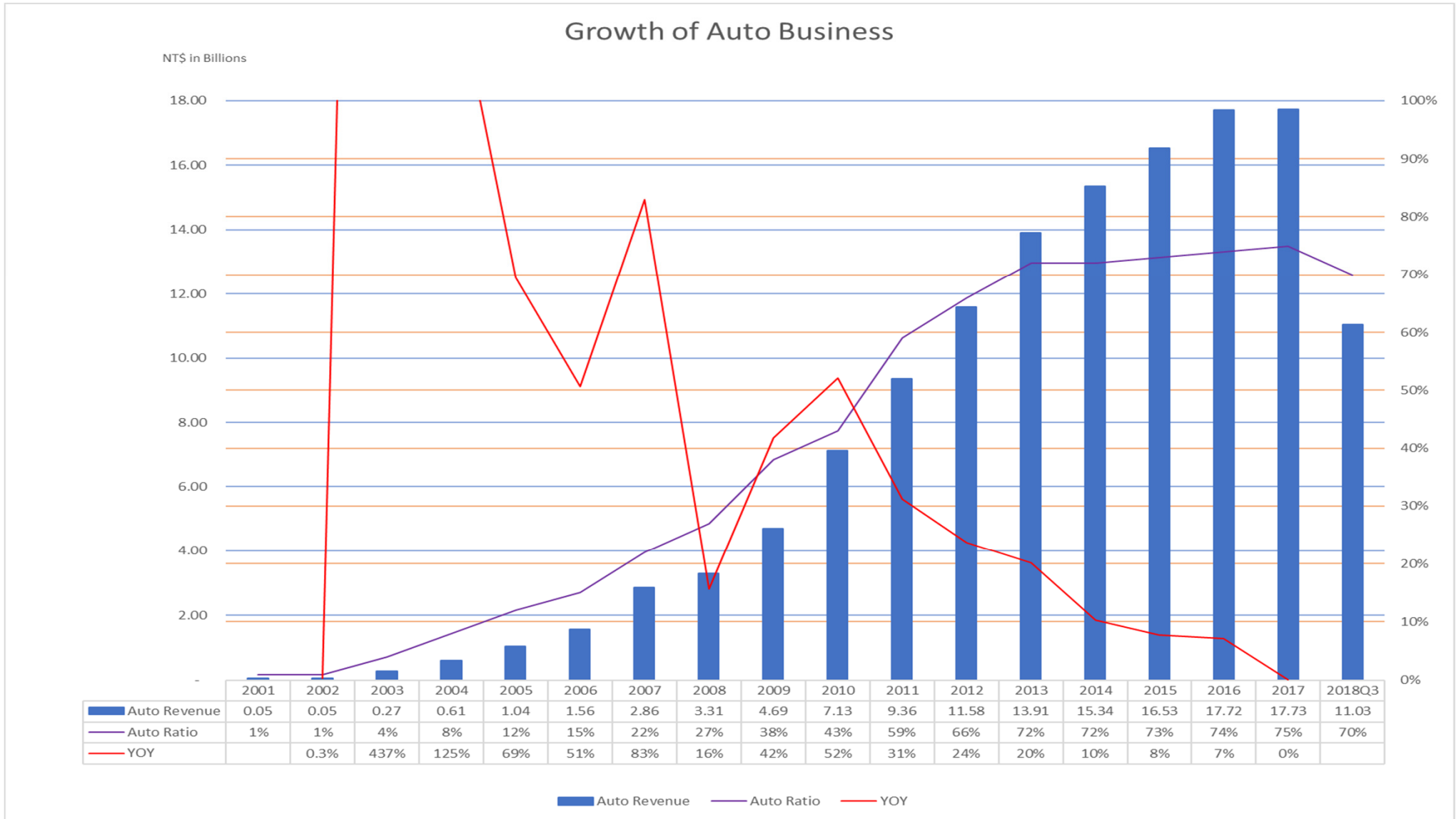
2. N.T. Information Ltd estimated that the global revenue of Auto PCB was 6.4 billion US Dollars.

Global Competition among Top Auto PCB Makers

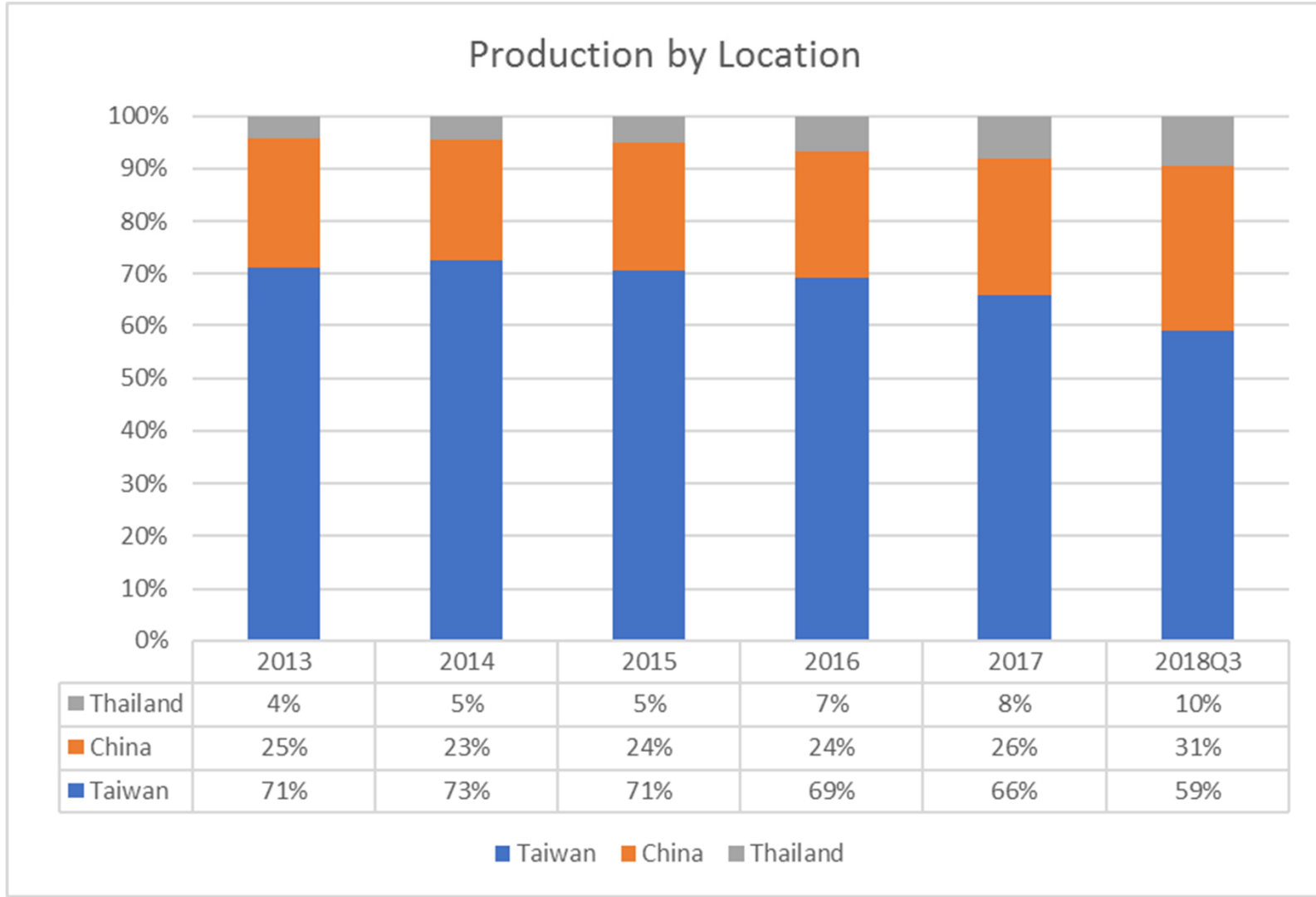


1. Sources: N.T. Information Ltd. except for the figures of 2012. The calculation of the figures for 2012 is based on N.T. Information's Top 100 Ranking and each company's auto ratio.
2. The revenues of TTM before 2015 belonged to Viasystems who was acquired by TTM in 2015.
3. KB PCB Group's CAGR is for the period of 2013 ~ 2017.

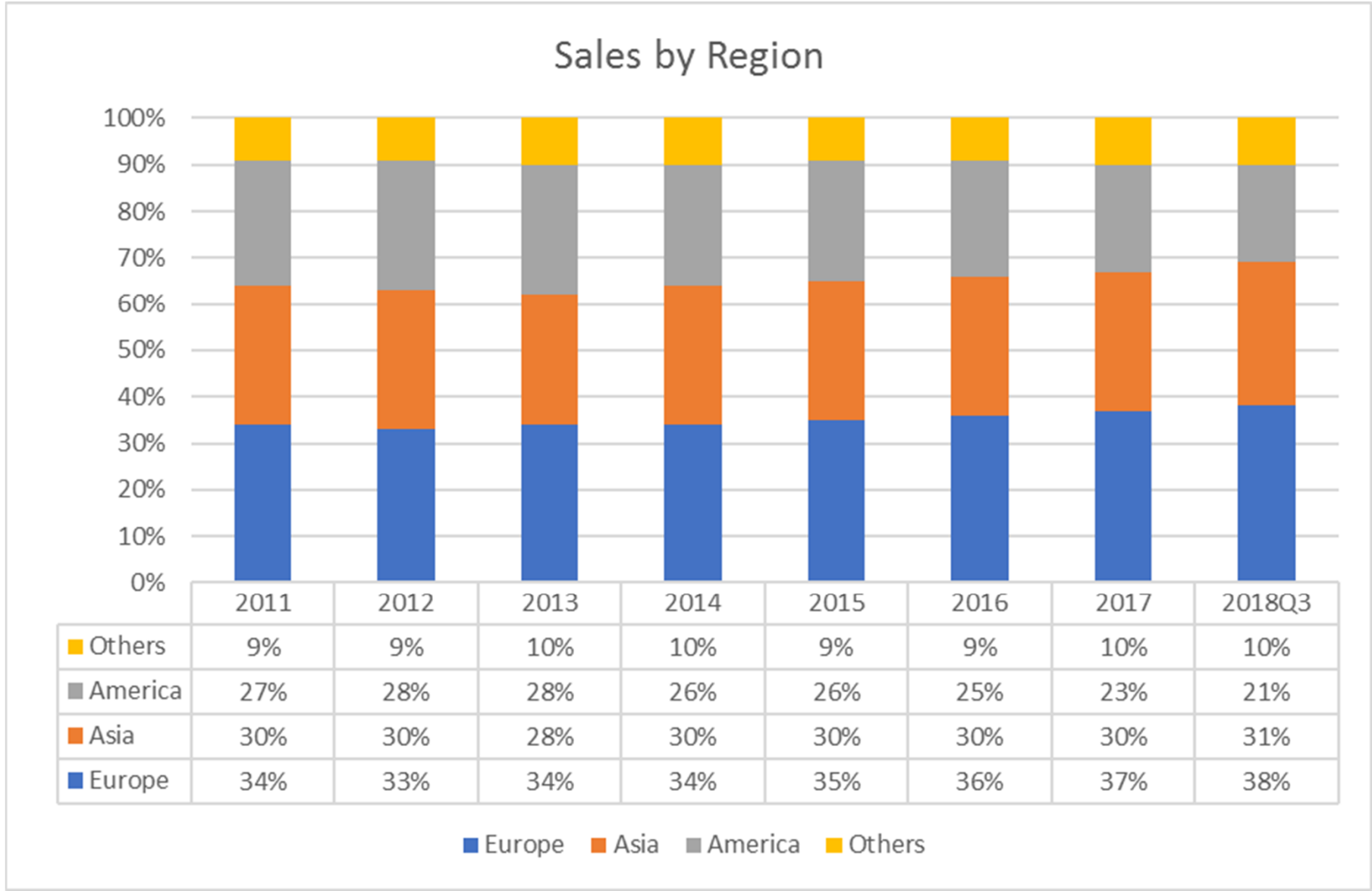
Growth of Chin Poon's Auto Business



59% of Production in Taiwan



Chin Poon's Sales by Region



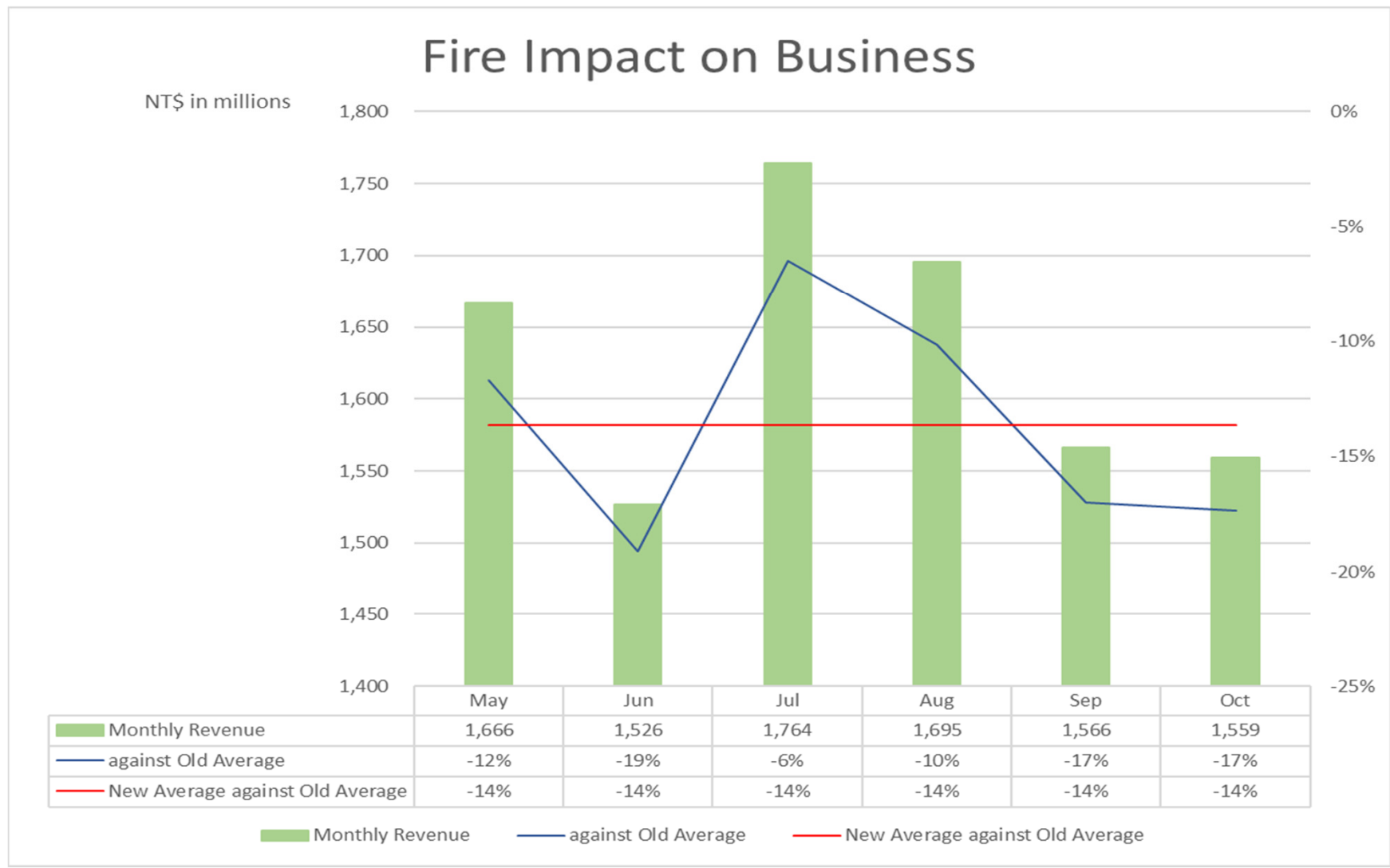
Investors' Focus

- **Fire Impact**
- **Revenue Growth**
- **Profit Growth**
- **Payout Ratio**

Fire Impact on Finance

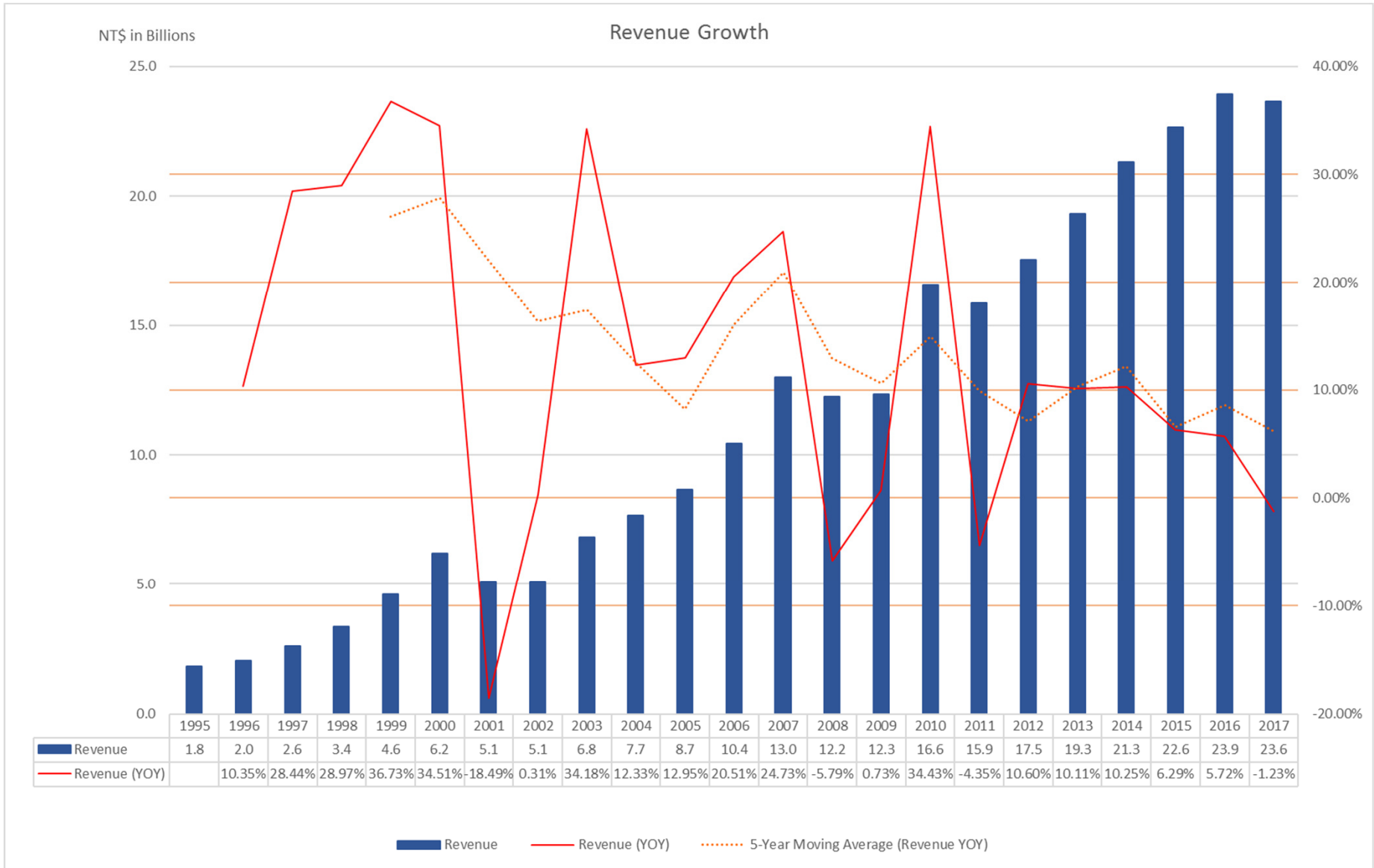
NT\$ in thousands	Loss	Insurance Claim	Impact on Finance	Remarks
Property Loss	(820,127)	350,000	(470,127)	Main insurance claim is expected be received in the future. And the total actual claim amount will depend on the claim reveiw of insurance companies.
Clearing-up Expense	(390,831)	0	(390,831)	There are several items in the future, such as the expense for clearing up the fire site.
Total Impact until October 2018	(1,210,958)	350,000	(860,958)	

Fire Impact on Business

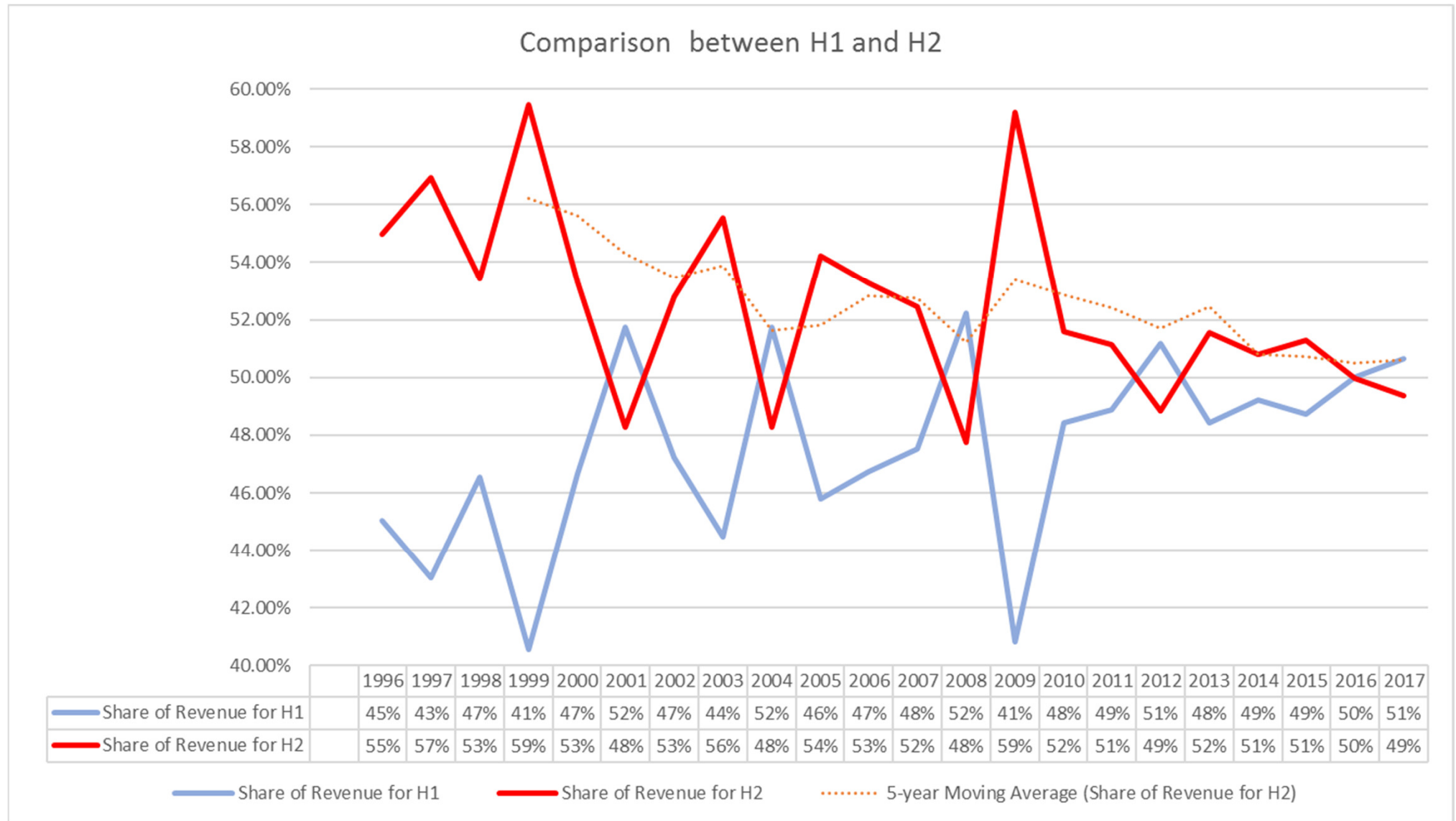


1. Old Average means monthly average from Jan to Apr.
2. New Average means monthly average from May to Oct.

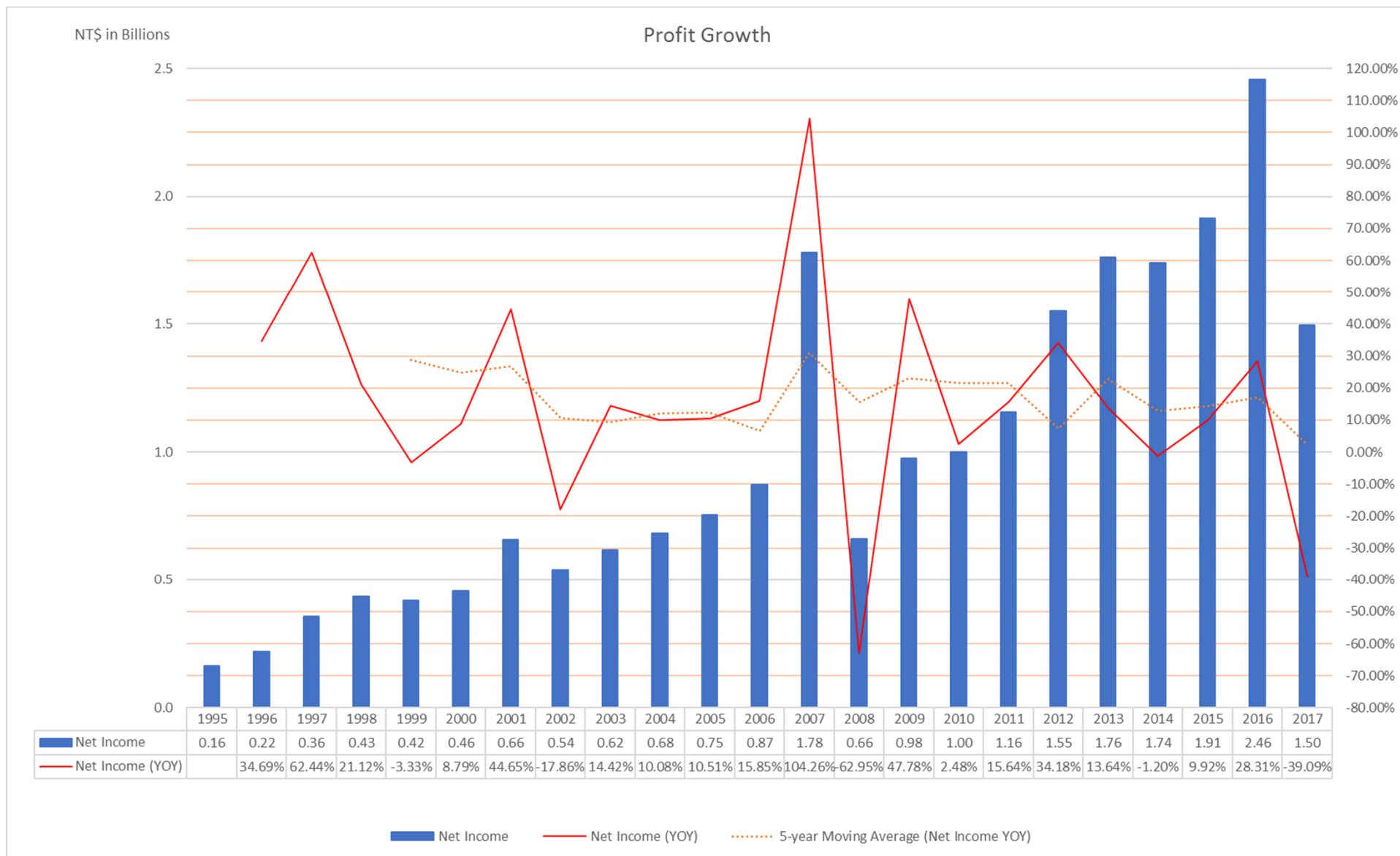
Revenue Growth



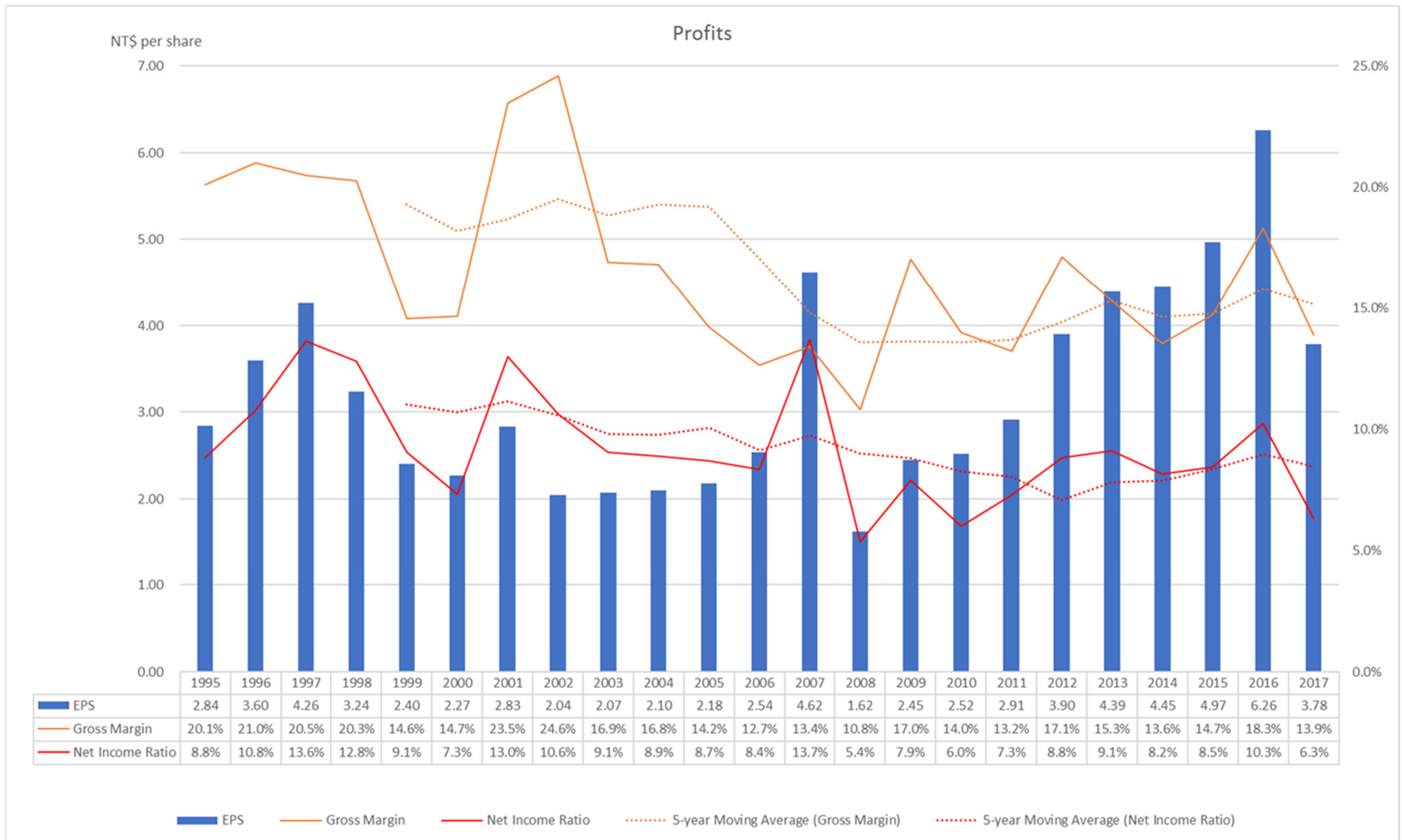
Comparison of Revenue between H1 and H2



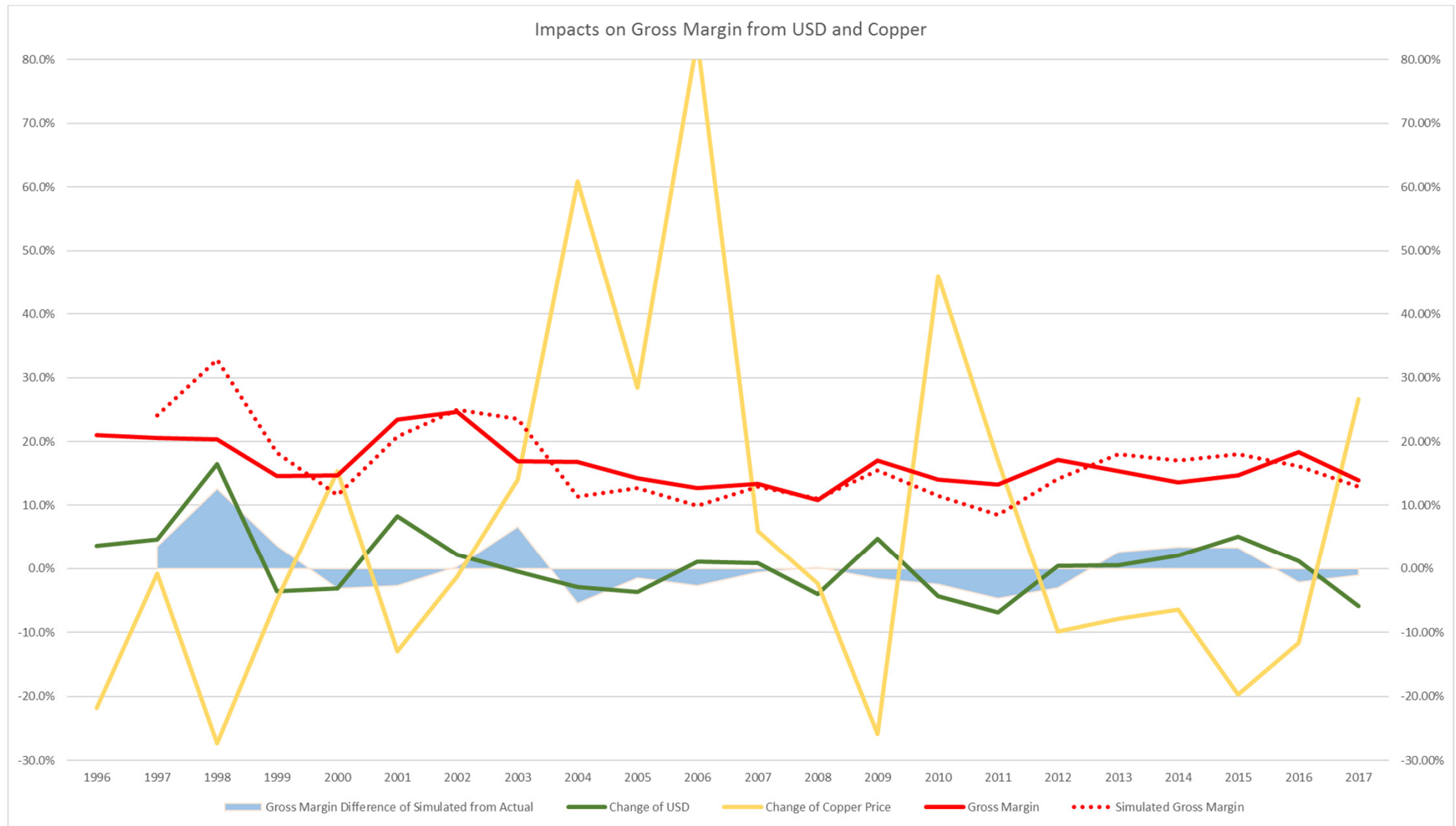
Profit Growth



Gross Margin and Net Income Ratio

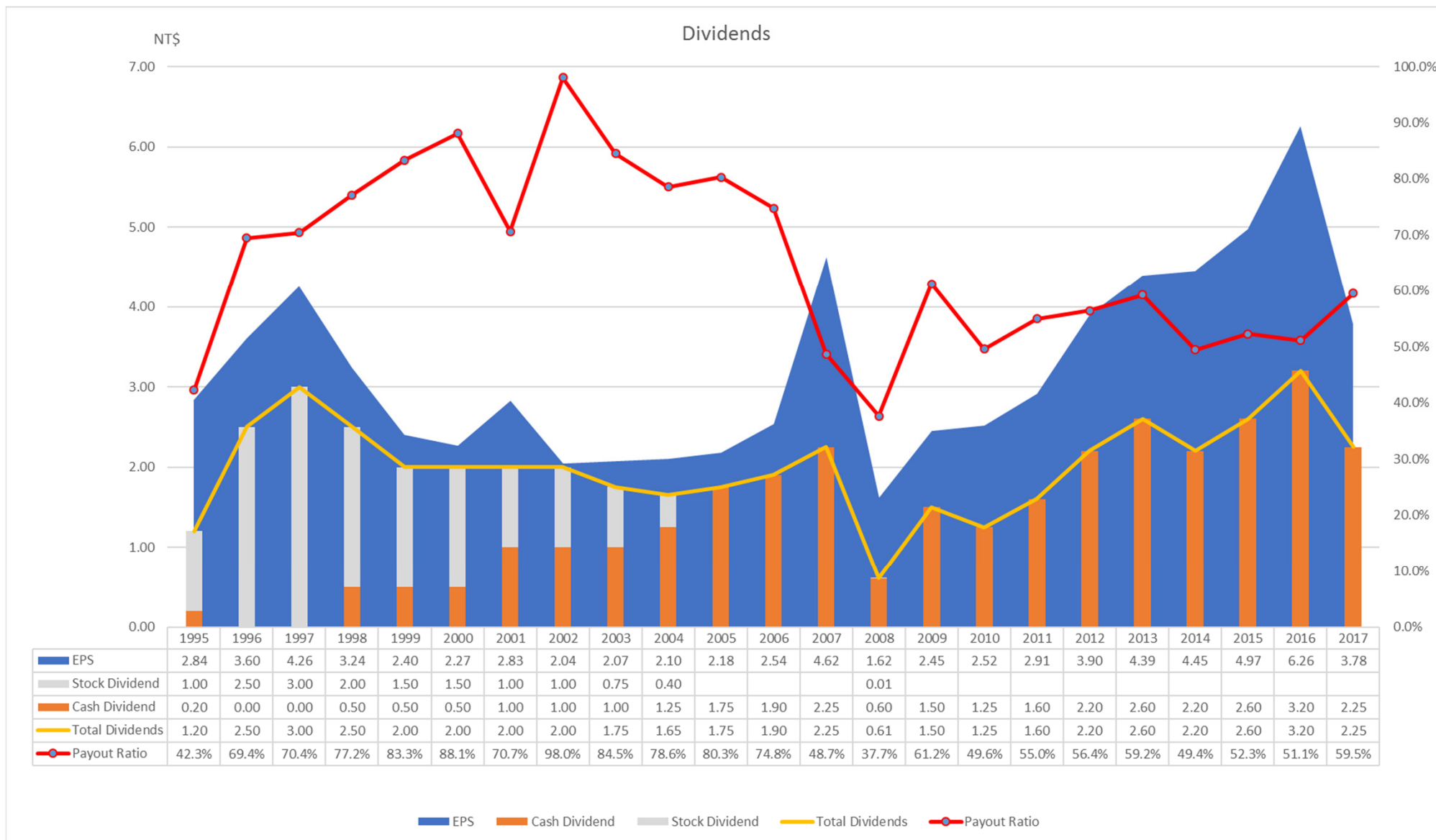


Impacts on Gross Margin from USD and Copper

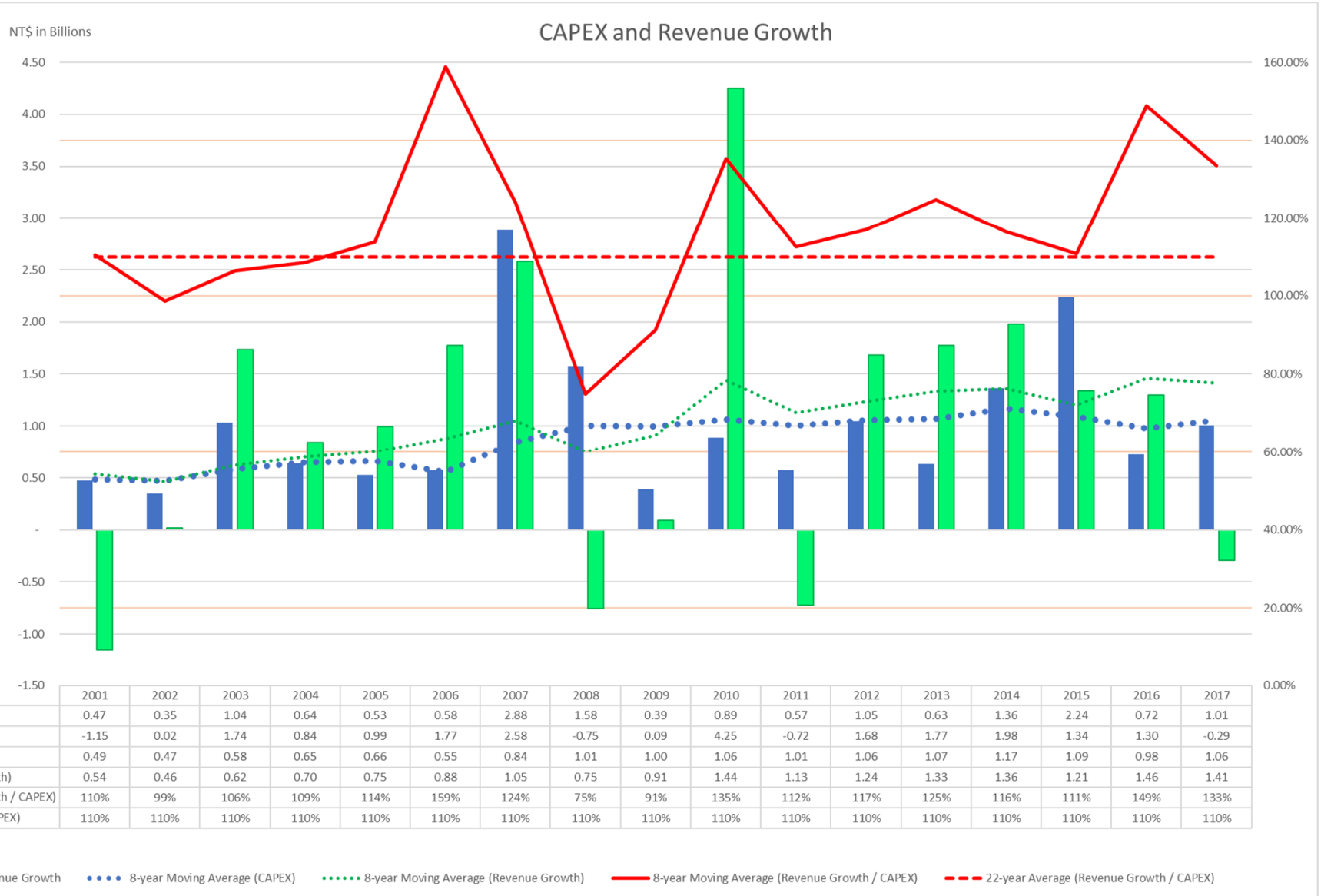


Note: Simulated Gross Margin = Previous Gross Margin + 0.65 * Change of USD - 0.06 * Change of Copper Price of the previous period

Payout Ratio



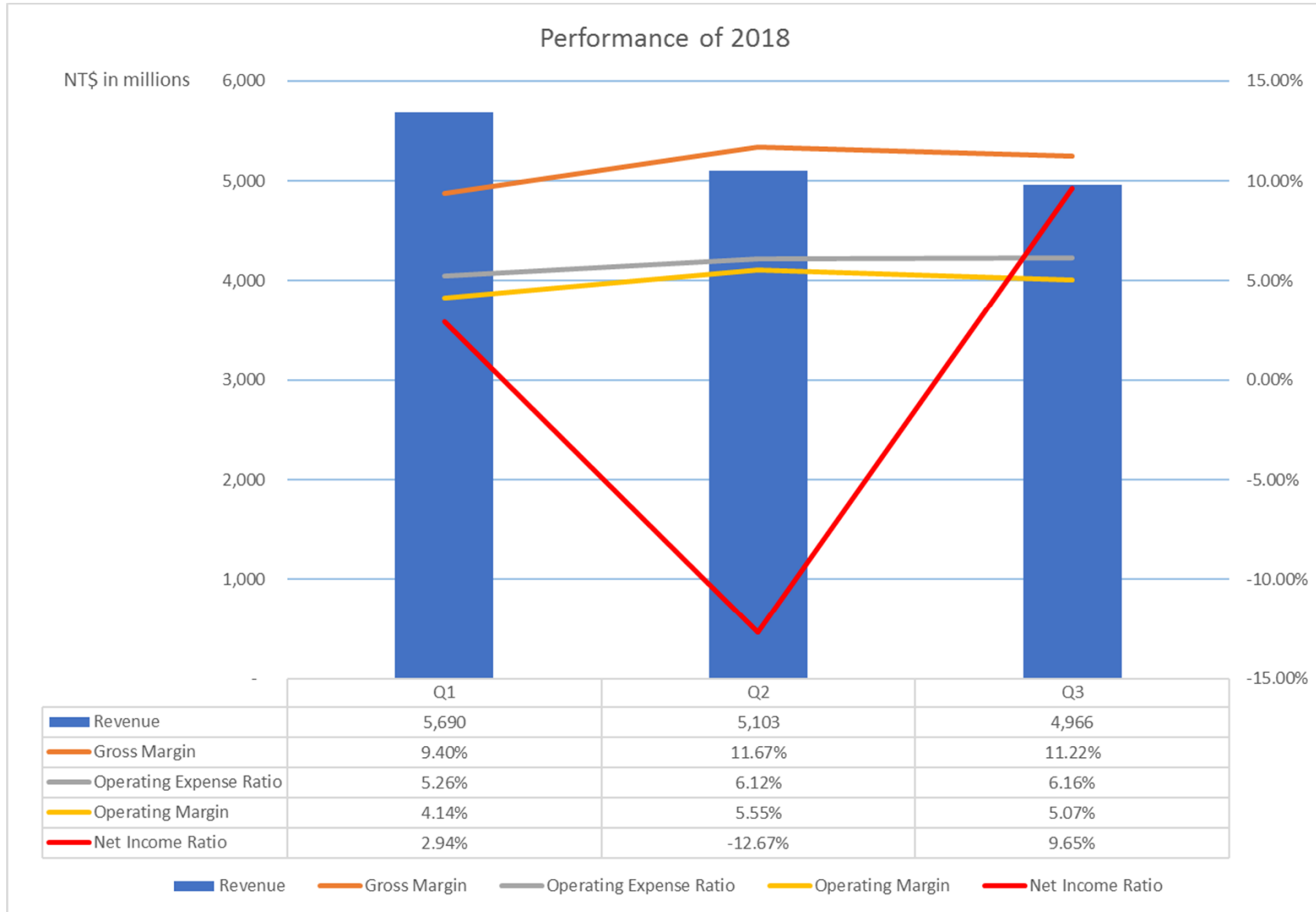
CAPEX and Revenue Growth



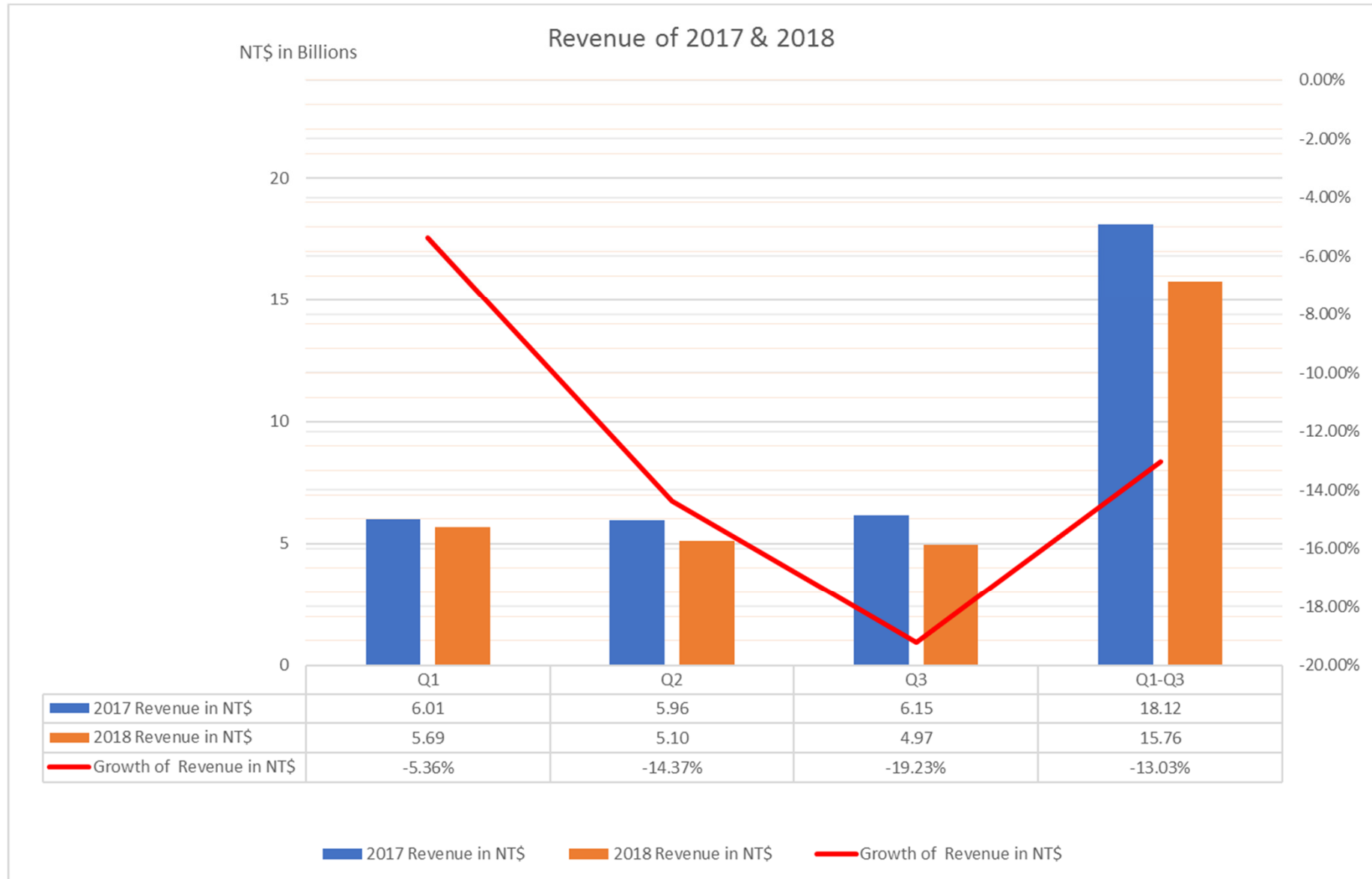
Performance in 2018

- **Performance of 2018**
- **Revenue of 2018**
- **Profit of 2018**
- **Impacts on Profit of 2018**

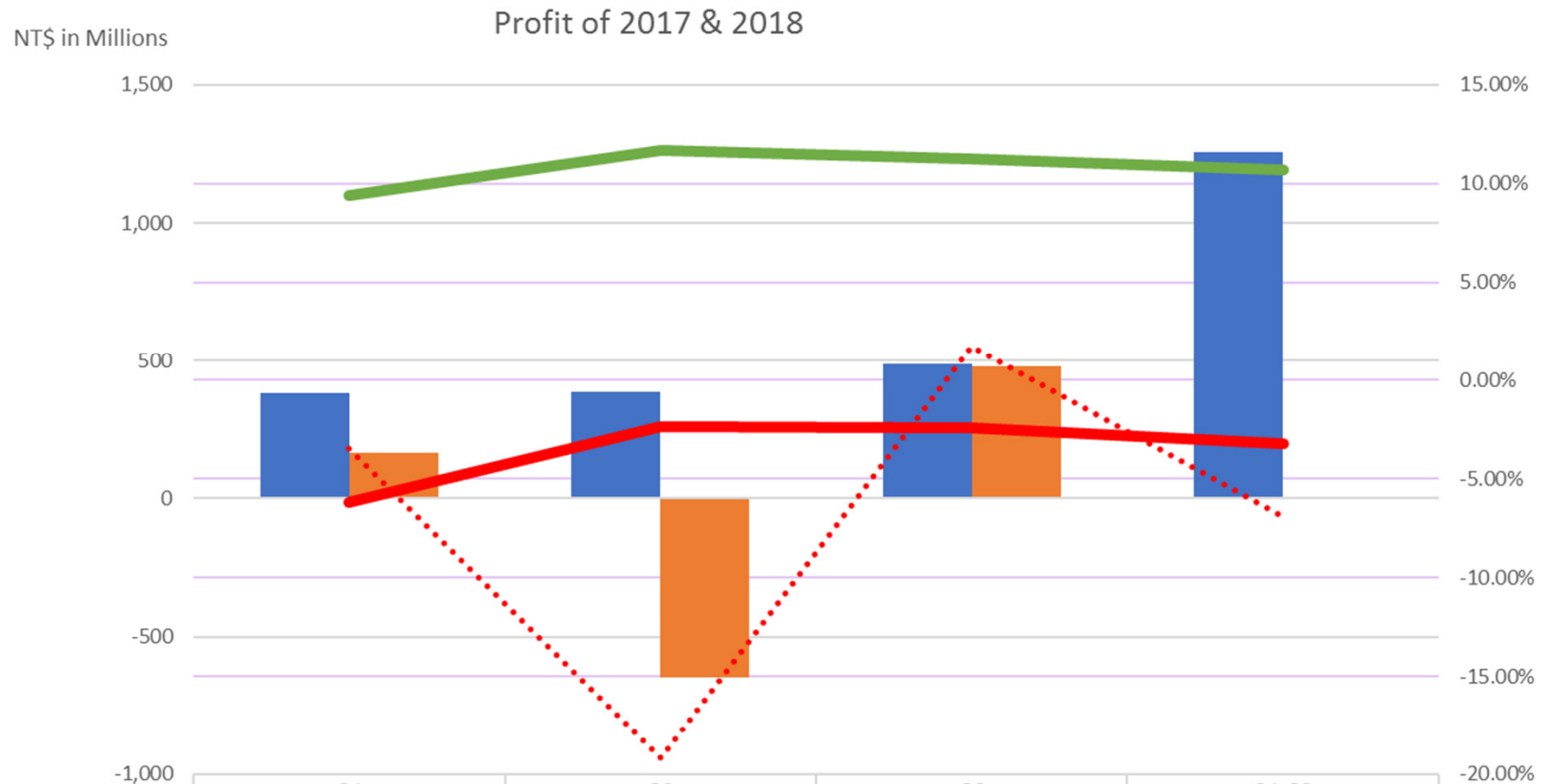
Performance of 2018



Revenue of 2017 & 2018



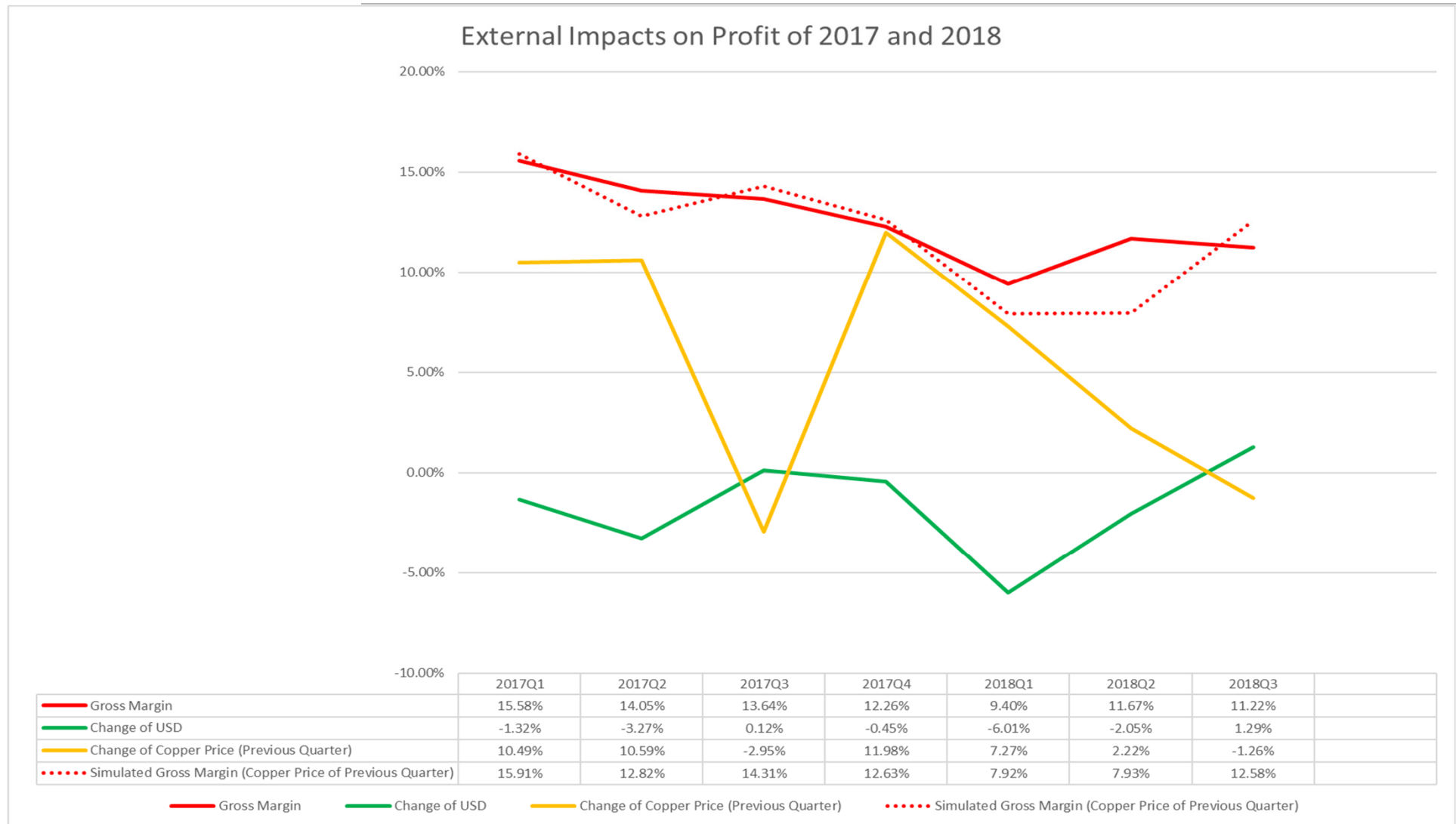
Profit of 2017 & 2018



	Q1	Q2	Q3	Q1-Q3
2017 Net Income	384	387	486	1,258
2018 Net Income	167	-647	479	0
2018 Gross Margin	9.40%	11.67%	11.22%	10.71%
Difference of Gross Margin	-6.18%	-2.38%	-2.42%	-3.21%
Difference of Net Income Ratio	-3.44%	-19.17%	1.74%	-6.94%

■ 2017 Net Income
 ■ 2018 Net Income
 — 2018 Gross Margin
 — Difference of Gross Margin
 ⋯ Difference of Net Income Ratio

External Impacts on Profit of 2017 & 2018



Note: Simulated Gross Margin = Previous Gross Margin + 0.65 * Change of USD - 0.06* Change of Copper Price of the previous period

Thank You

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