



LCY TECHNOLOGY CORP.

2019/12



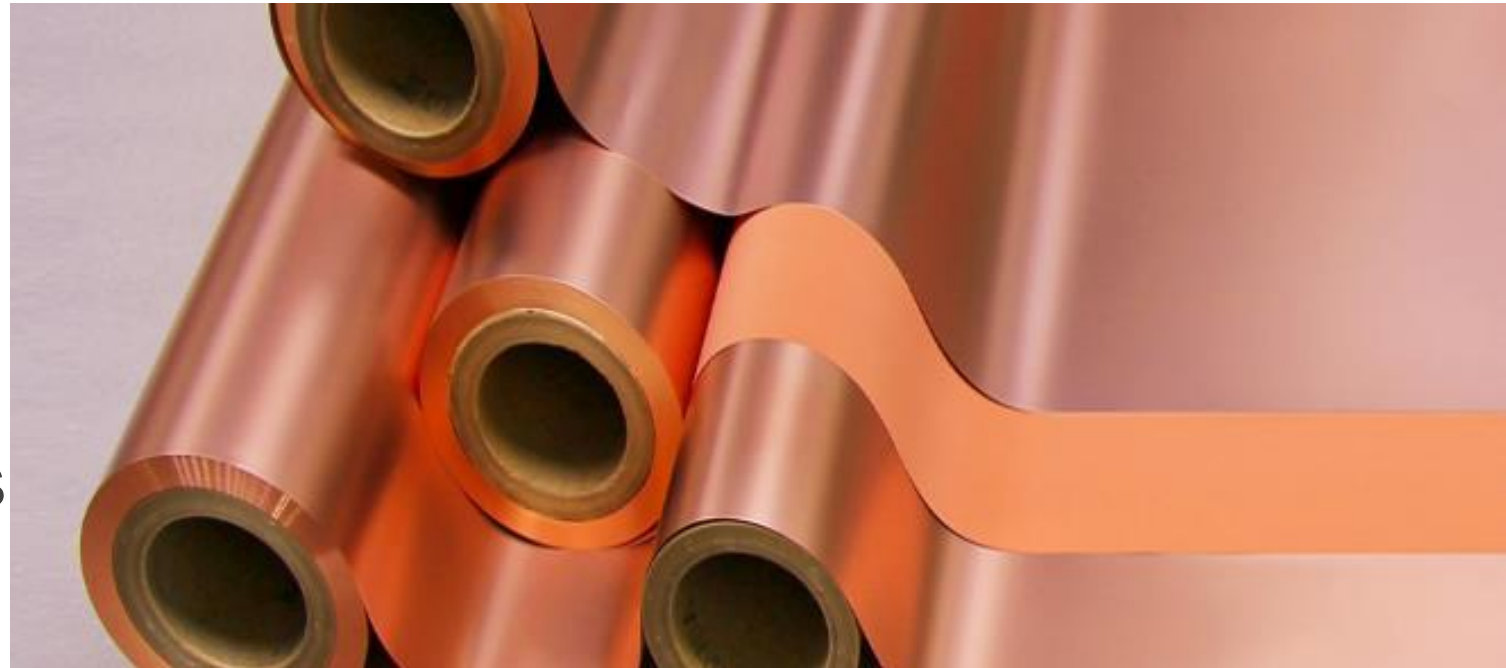
Differentiation · Innovation · Green

Disclaimer

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- This document contains forward-looking statements that are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.
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Agenda

1. Company Profile
2. Industry Overview
3. Products & Markets
4. Operation Performance
5. Philosophy & Prospects
6. Q & A

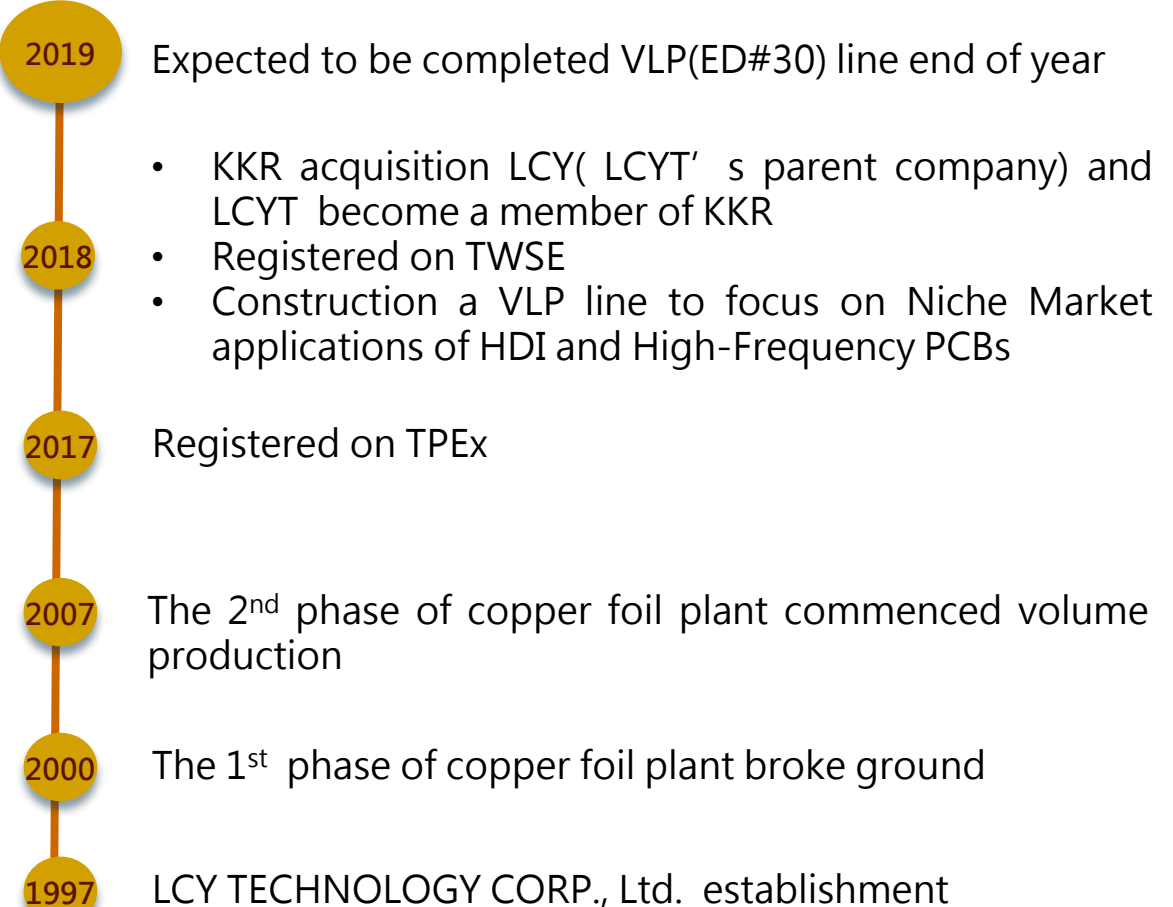


Company Profile

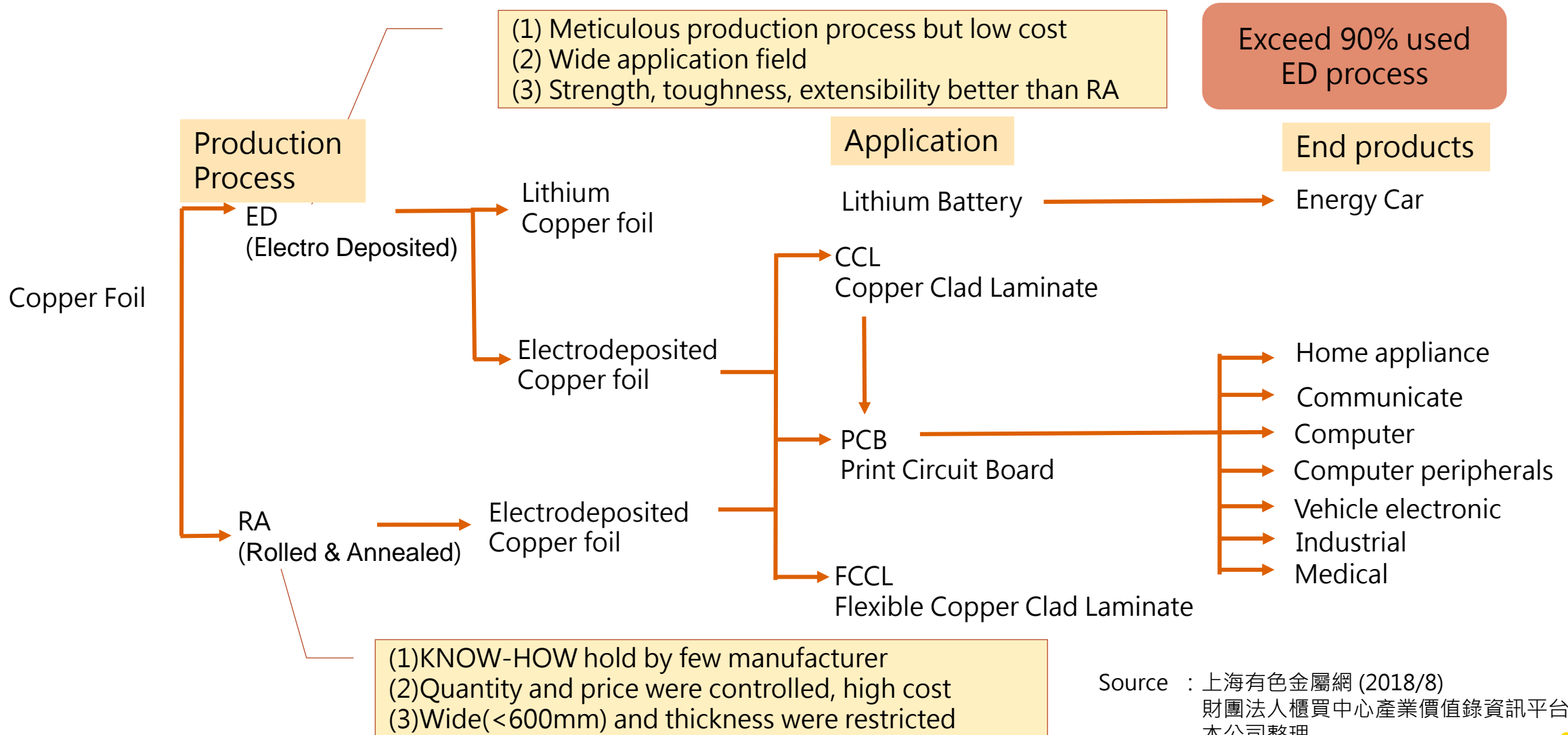
Basic Info.

- Date of establishment : 1997/1/16
- Chairman : SR Wang (Adjunct CEO)
- G.M. : Paul Chen
- Date of registered on TWSE : 2018/6/28
- Paid-up Capital : NTD 1.53 billion
- Business Item : Manufacture and sale of Copper foil

Milestones

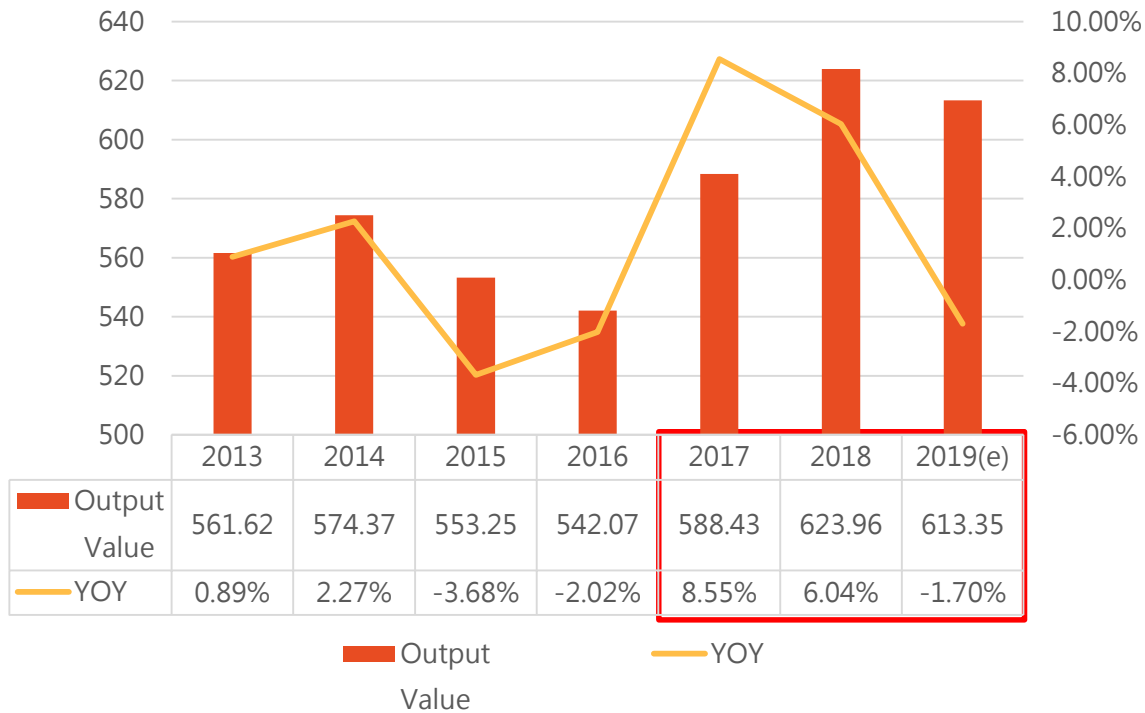
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- 2019 Expected to be completed VLP(ED#30) line end of year
 - 2018
 - KKR acquisition LCY(LCYT' s parent company) and LCYT become a member of KKR
 - Registered on TWSE
 - Construction a VLP line to focus on Niche Market applications of HDI and High-Frequency PCBs
 - 2017 Registered on TPEX
 - 2007 The 2nd phase of copper foil plant commenced volume production
 - 2000 The 1st phase of copper foil plant broke ground
 - 1997 LCY TECHNOLOGY CORP., Ltd. establishment

Industry Overview

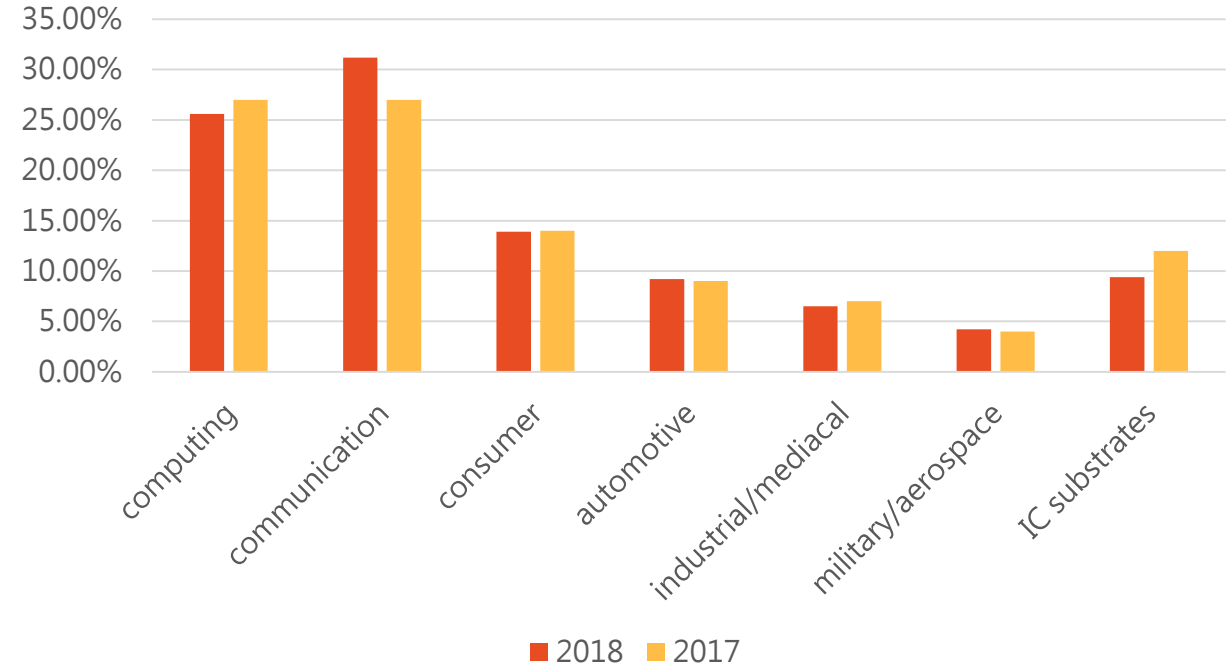


Products & Markets

PCB Output Value unit : 100 million USD



Proportion



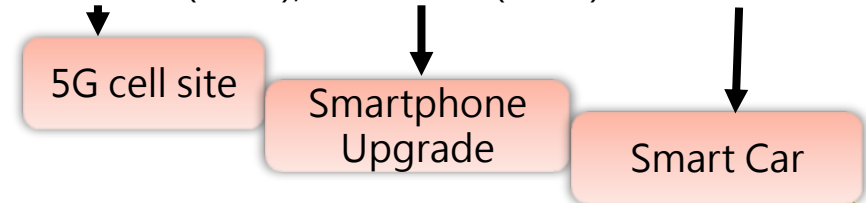
2017
Automotive, consumer and communication bring a new PCB cycle

2018
Technical improvement of 5G, smartphone, big data and automotive

2019

- Demend of netcom and cell site
- US-China trade war

Prismark : The main driving force for PCB industry growth include Communication(3.5%), Consumer(4.2%) and Automotive(3.9%)



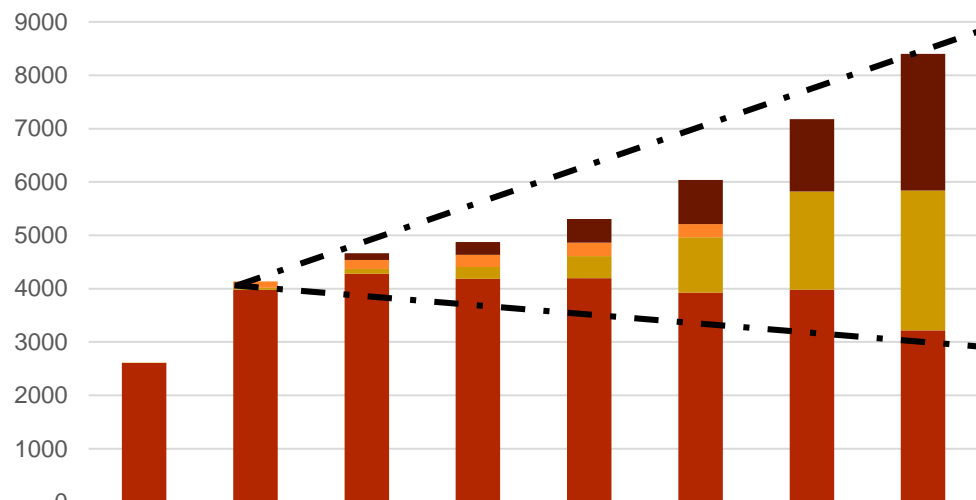
Products & Markets

Demand

5G Netcom infrastructure

unit : 1,000 station

Cell site build and upgrade trends



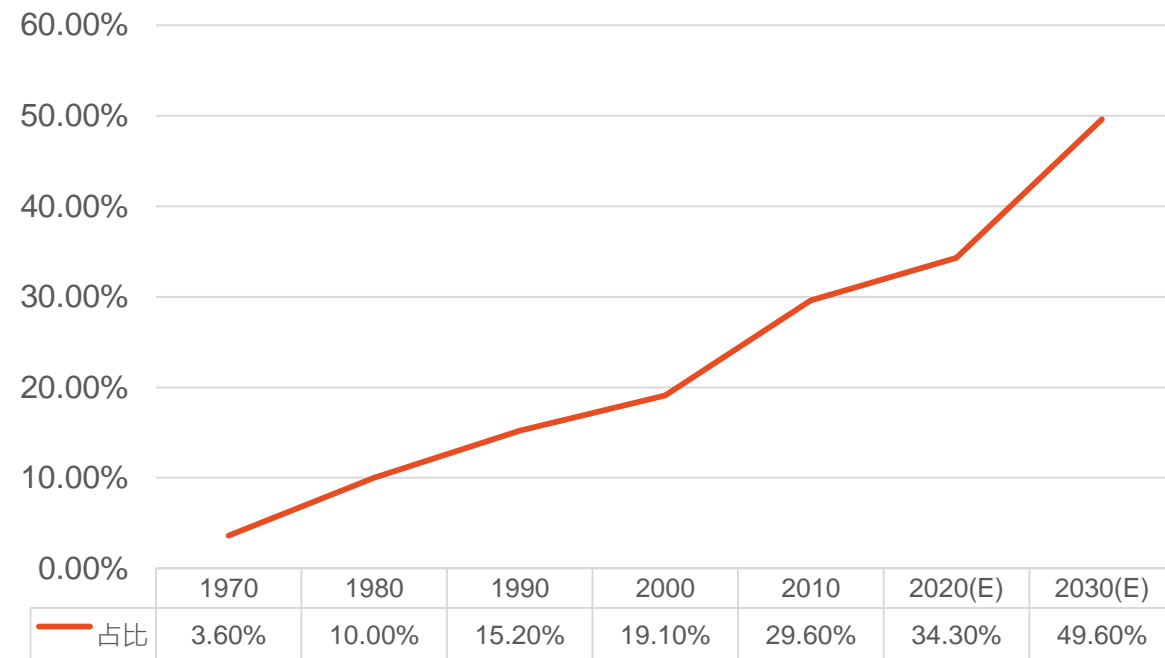
5G NR standalone	0	0	125	241	443	829	1353	2562
5G NR Non-Standalone	0	118	167	227	249	245	0	0
5G/4G combined BTS	2	34	92	222	416	1035	1843	2621
LTE or 3G/4G	2604	3982	4279	4185	4197	3928	3982	3220

■ LTE or 3G/4G ■ 5G/4G combined BTS ■ 5G NR Non-Standalone ■ 5G NR standalone

Source : SCF、資策會 MIC、2019/7

Vehicle System

Vehicle system proportion of a car



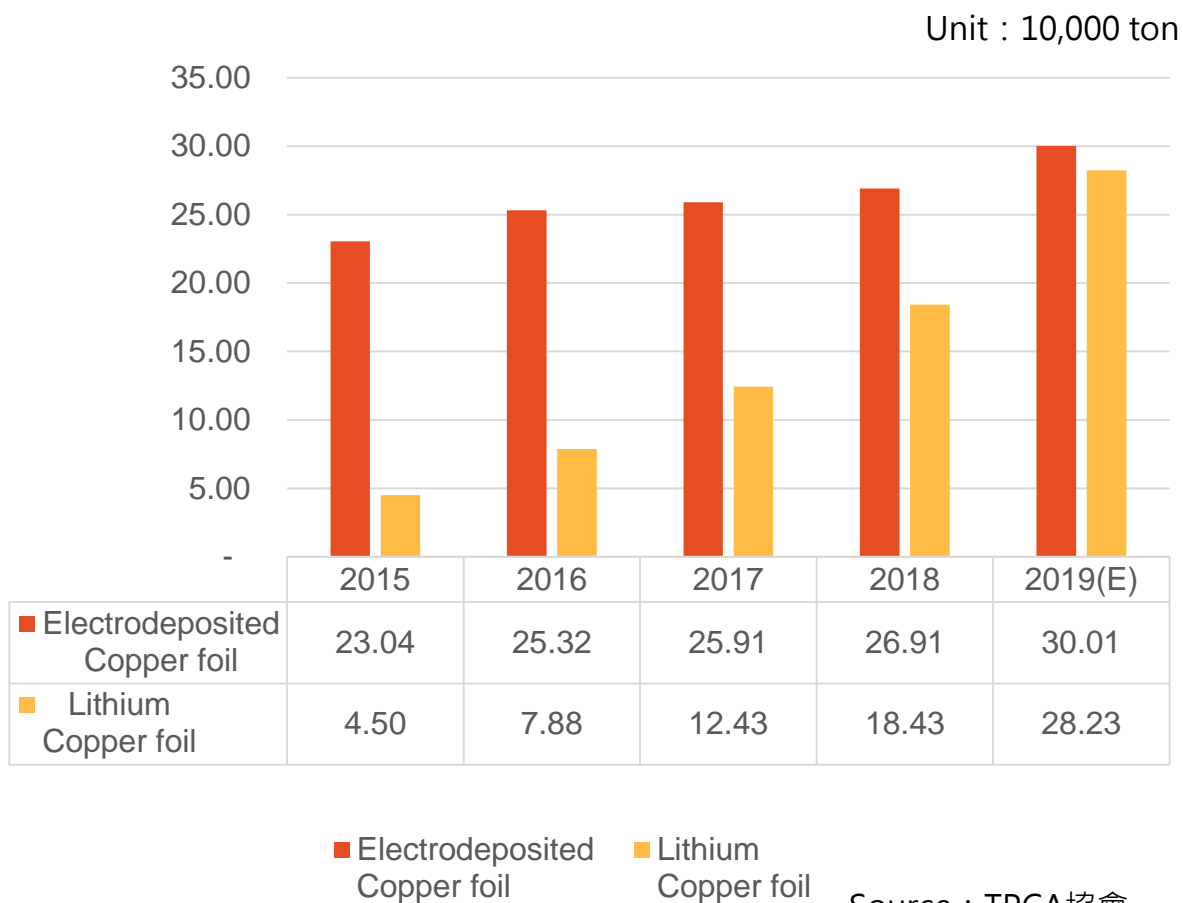
High speed interconnect technology for server improve IoV

Source : Prismark、中國產業信息網、2019/8

Products & Markets

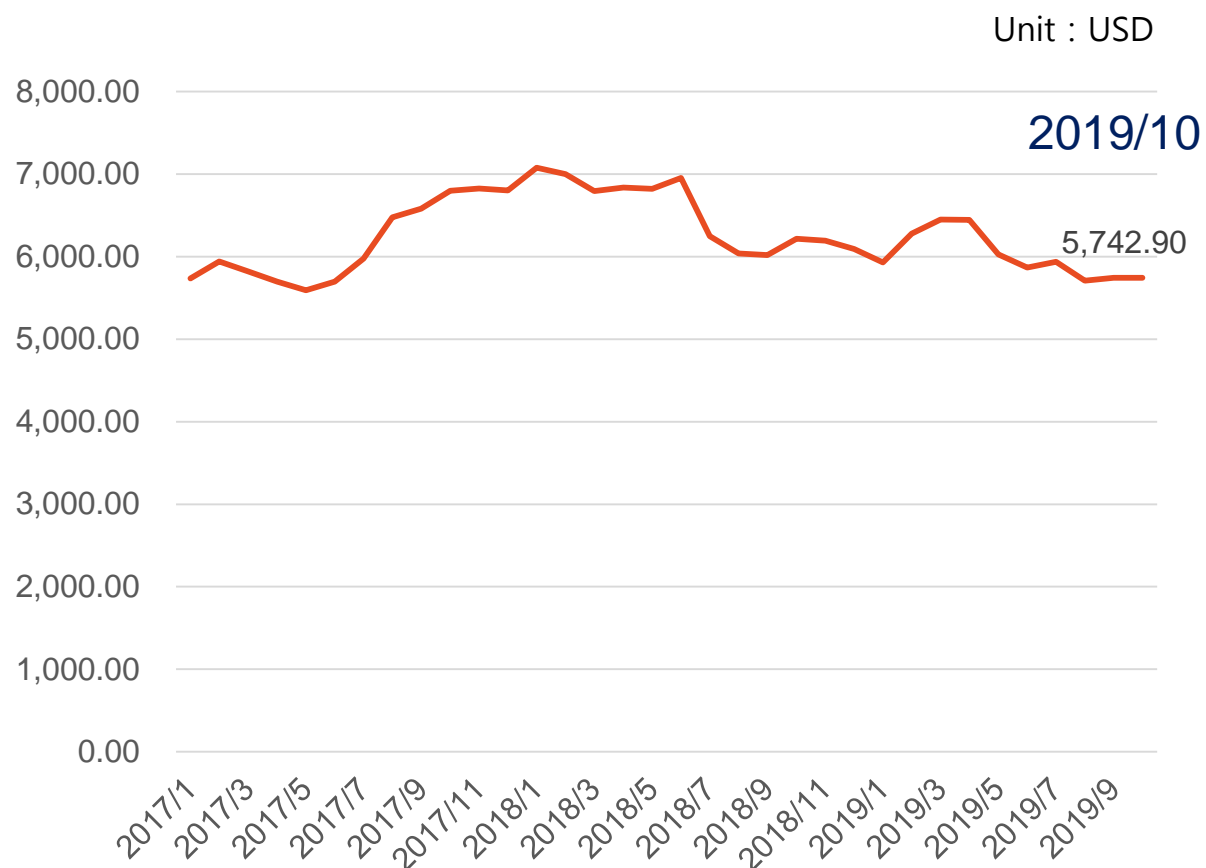
Supply

Production capacity of ED



Source : TPCA協會

LME Copper price



資料來源：臺灣區電線電纜工業同業公會、本公司整理



Products & Markets

Application	Electrodeposited Copper foil
5G communication Automotive	High frequency High speed
Substrate	Thickness 9μm
CU inlay PCB	Thickness 2oz ~ 6 oz
Mobile	Two-tier structure
HDI	High Density Assembly

Product

- PK-HTE-LP3**

PK-HTE-LP3 is matte side treated E.D. copper foil, characterized by high temperature elongation property. By precisely controlling the plating, the copper nodule can be well controlled in size and distribution. That can offer proper roughness and adequate bonding to prepregs

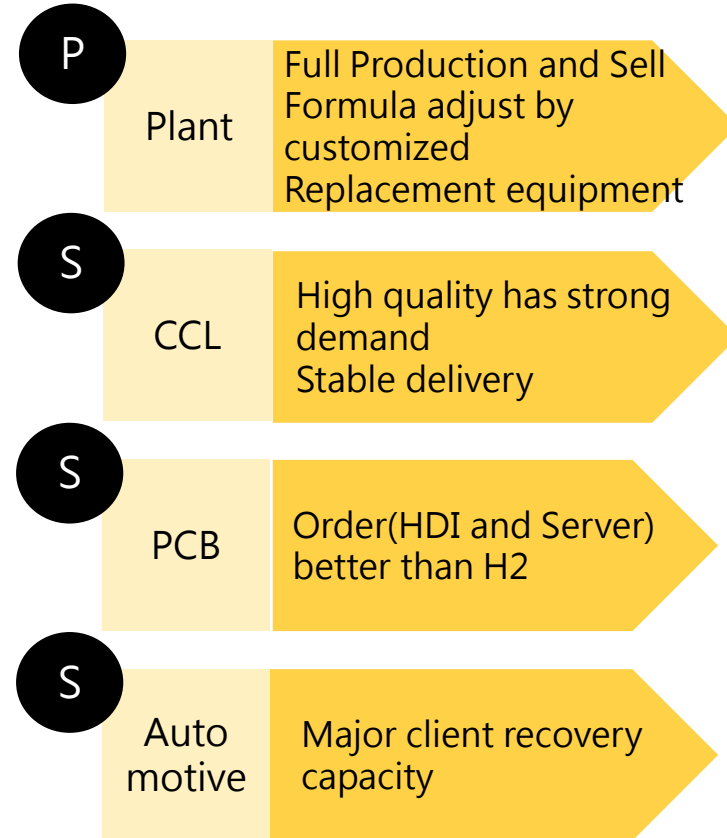
- PK-HTE-RTF**

PK-HTE-RTF is shiny side treated E.D. copper foil, characterized by high temperature elongation property. By precisely controlling the plating on the shiny side, the copper nodule can be well controlled in size and distribution. That can offer lower roughness and proper bonding to prepregs.

- BR-DSS-LX series**

BR-DSS-LX Series is double shiny side base foil and single side treated E.D. copper foil, characterized by high temperature elongation property. By precisely controlling the plating on the shiny side, the copper nodule can be well controlled in size(sub-micron) and distribution. That can offer very low roughness(Rz<2um) and proper bonding to prepregs.

Production and Sales

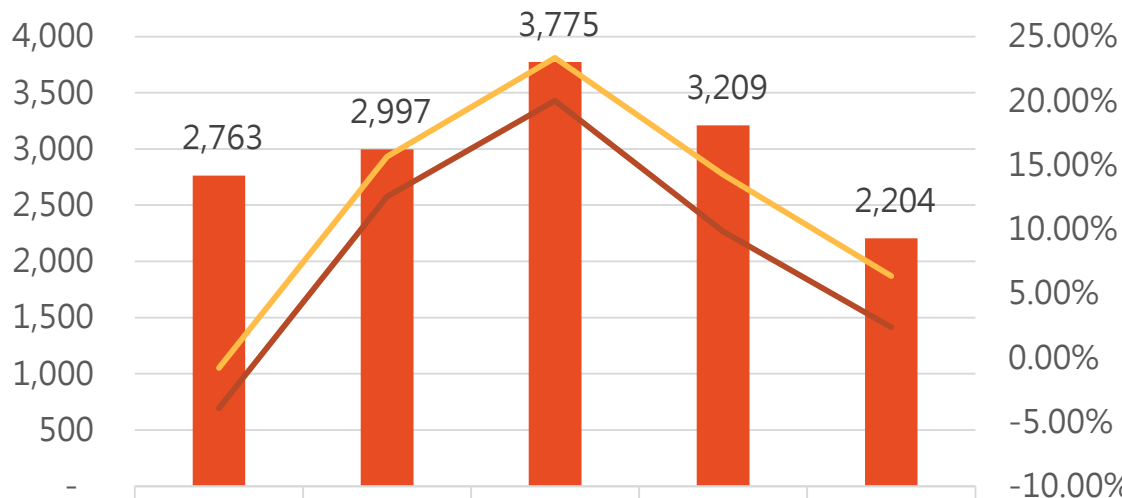


資料來源：電子銅箔資訊第41期 · 2018/8

Operation Performance

Unit : NTD million

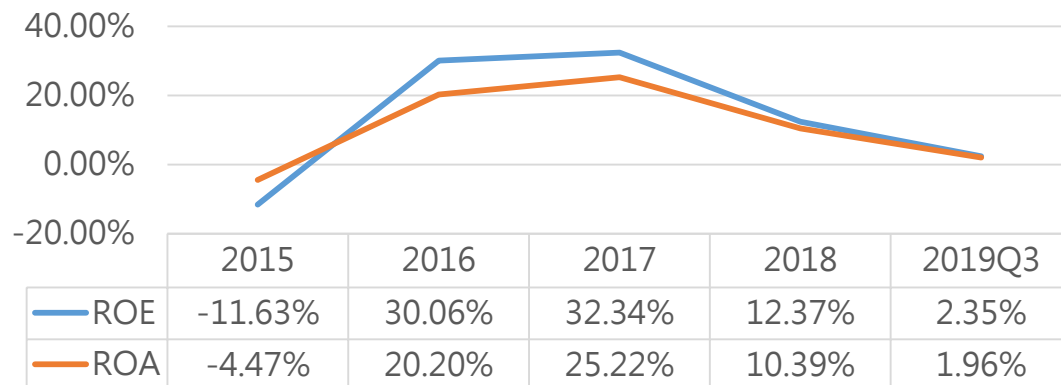
Revenue and Profitability



Net Sales	2,763	2,997	3,775	3,209	2,204
Profit margin	-0.79%	15.65%	23.33%	14.26%	6.35%
Operating profit margin	-3.93%	12.53%	20.01%	9.82%	2.36%

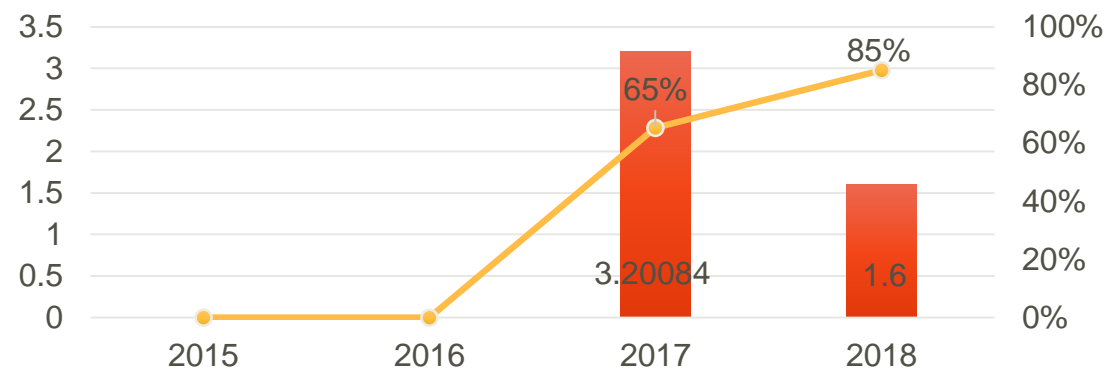
■ Net Sales
 —●— Profit margin
 —●— Operating profit margin

ROE/ROA



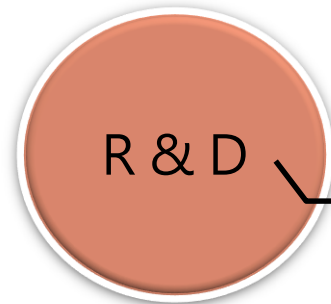
—●— ROE —●— ROA

History Dividend



■ Cash dividend
 —●— Dividend Payout Ratio

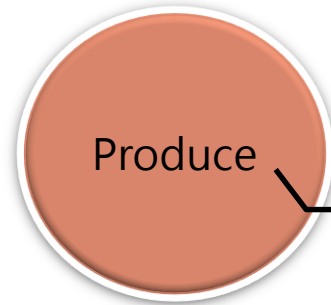
Philosophy & Prospects



In response to demand :
(1)CCL : improve tear strength
(2)PCB : Low Dk
Low Df

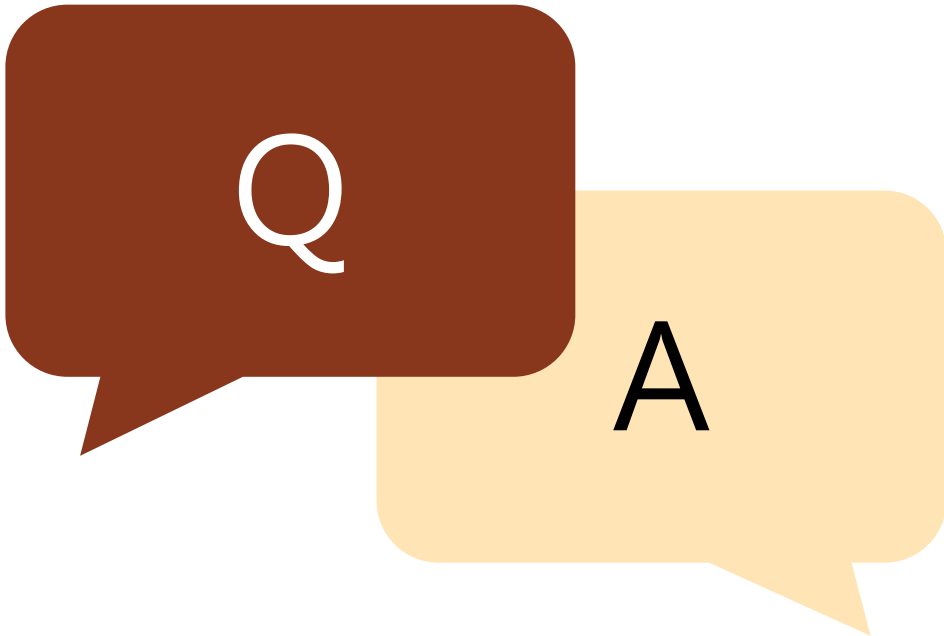


(1)Specific customer complete clinical audit
(2)Sales layout : China(70%) 、 Thailand(9%) 、
Taiwan(12%) 、 Europe(1%)



(1)High stability 、 (2)High added value
(3)NiChe products

Q & A



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- Acting spokesperson : Berry Tsai
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- E-mail : lcyt@lcygroup.com
- Website : www.lcyt.com.tw



Thanks for your attention!

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