



LCY TECHNOLOGY CORP.

2021/11



Differentiation · Innovation · Green

Disclaimer

- The financial numbers hereby are based on international Financial Reporting Standards(IFRSs) and reviewed or audited by CPA.
- 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. Operation report
4. Improvement of process
5. Q & A



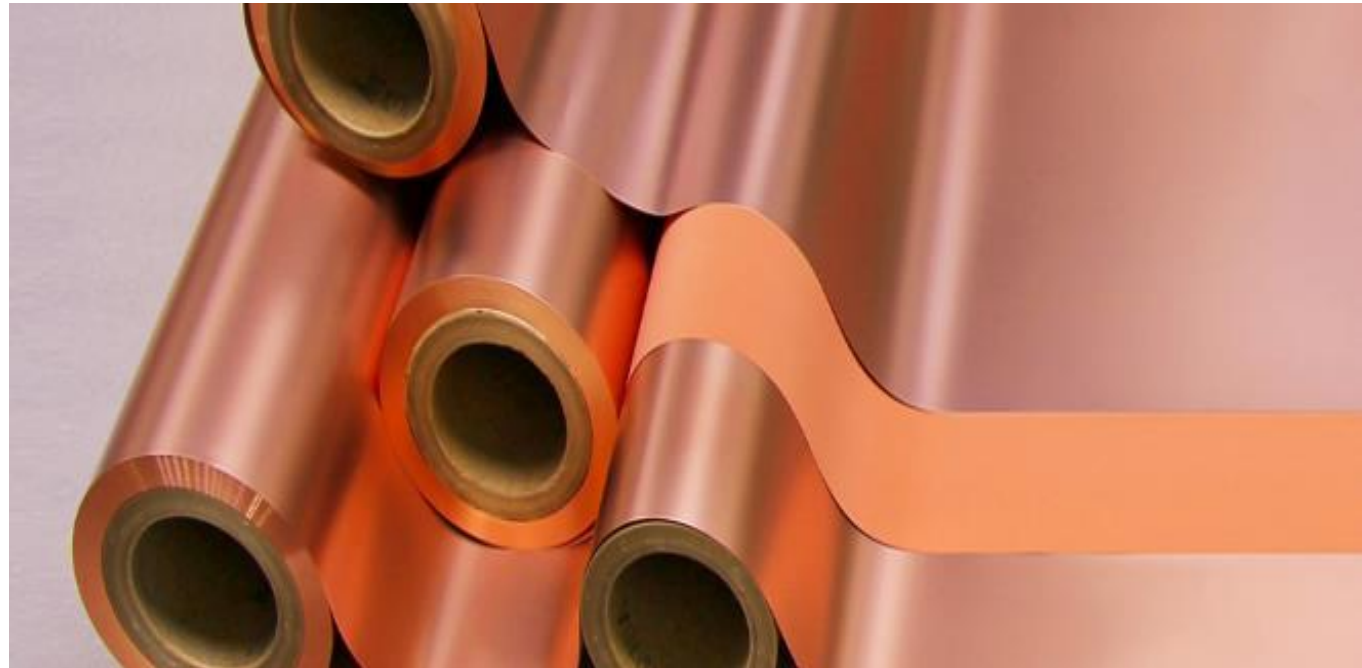
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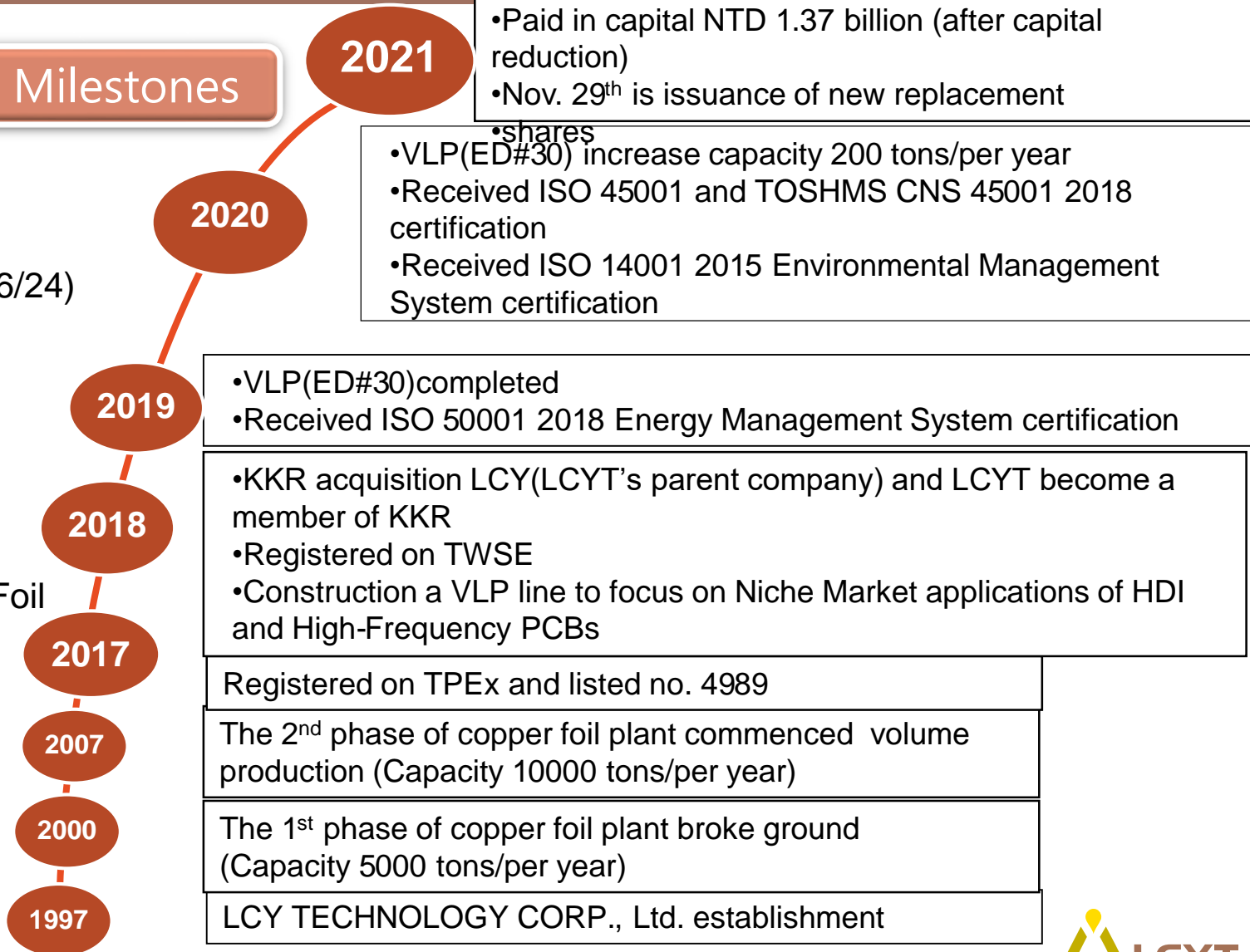


Company Profile

Basic Info.

- Date of establishment : 1997/1/16
- Chairman : Seng Wui Lim (newly elected in 2020/6/24)
- G.M : Paul Chen
- Date of registered on TWSE : 2018/6/28
- Paid-in Capital : NTD1.37 billion
- Business Item : Manufacture and sale of Copper Foil
- Plant : Xiaogang Dist., Kaohsiung
(No. 3-1, Zhonglin Rd.)
- Employee : 226人(as of 2021/10/30)

Milestones



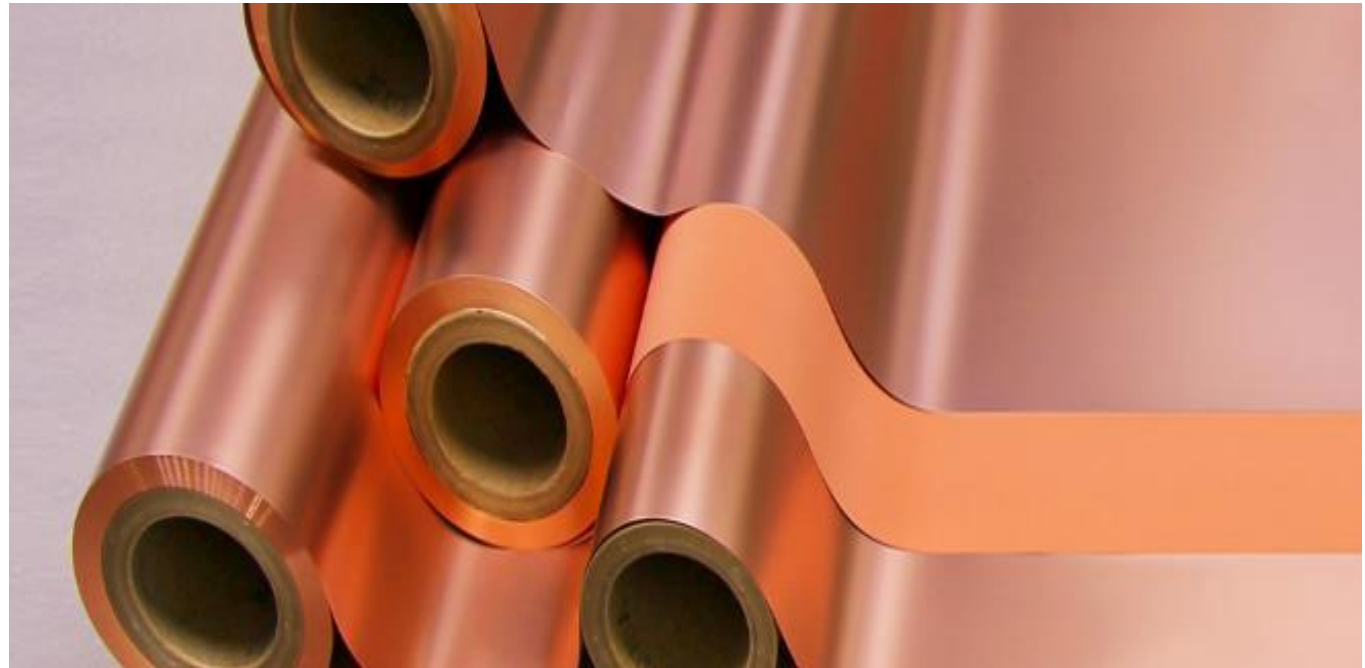
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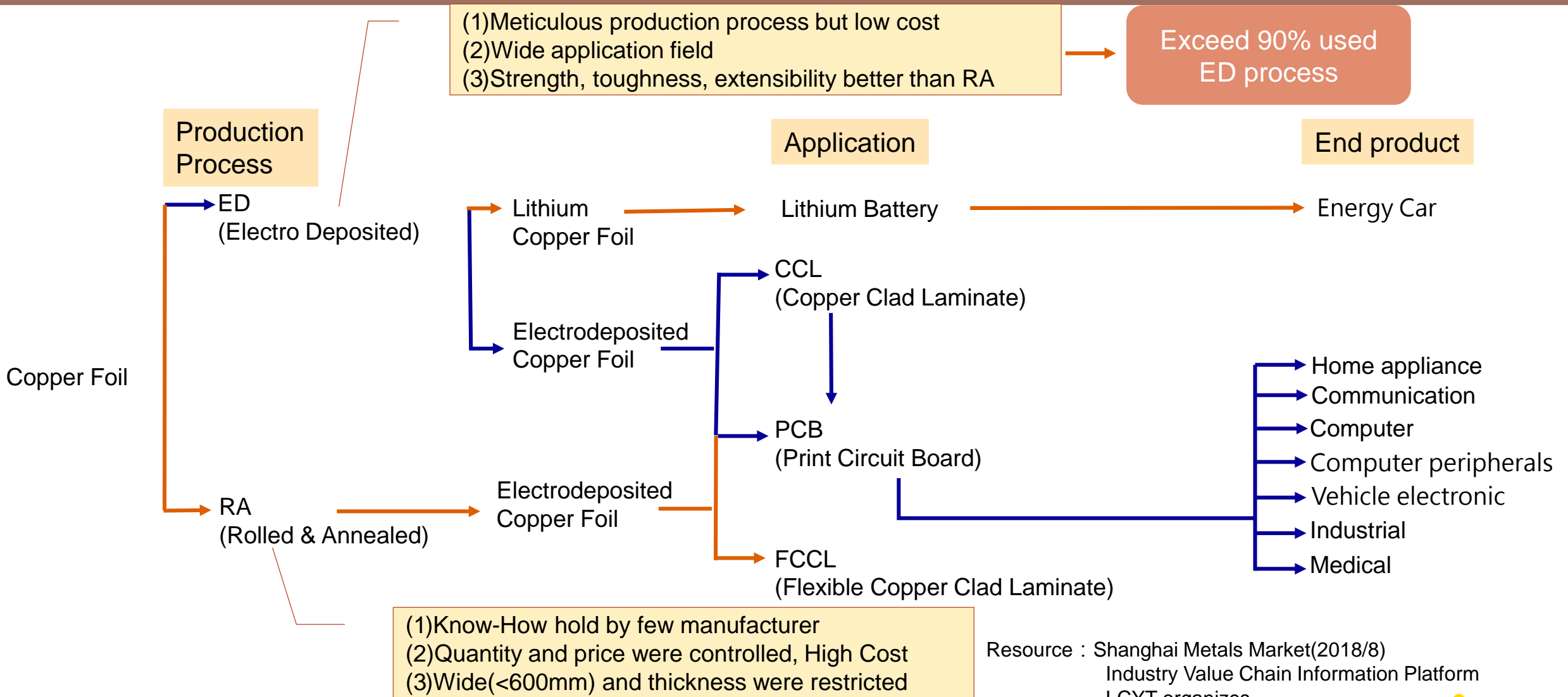
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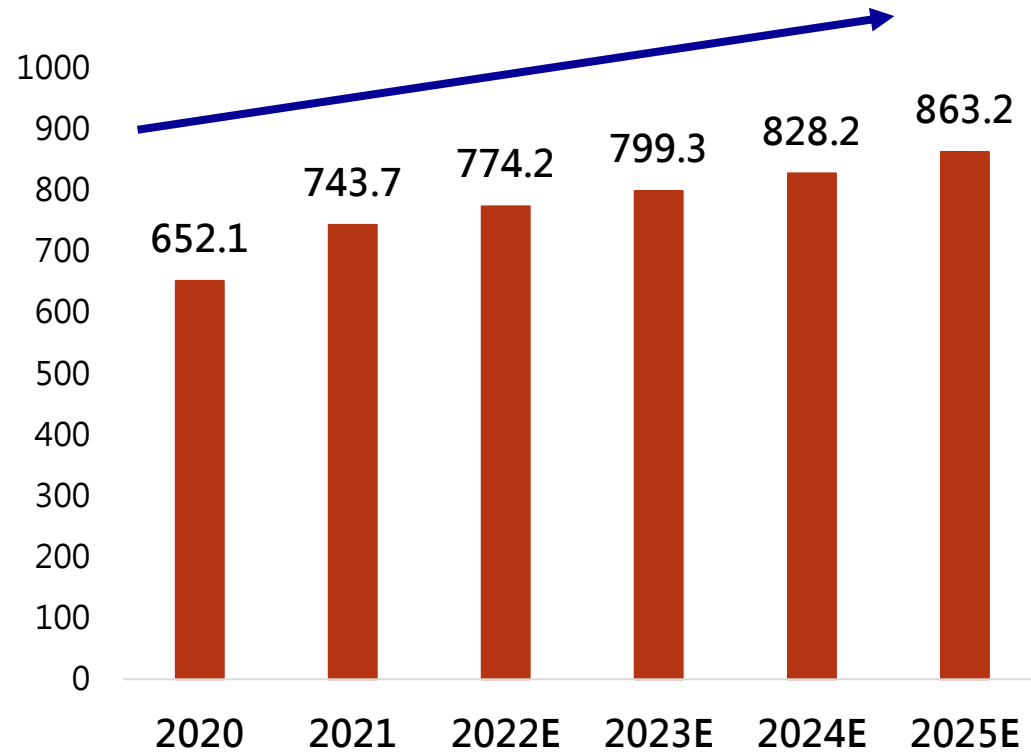
Industry Overview



Demand in Market

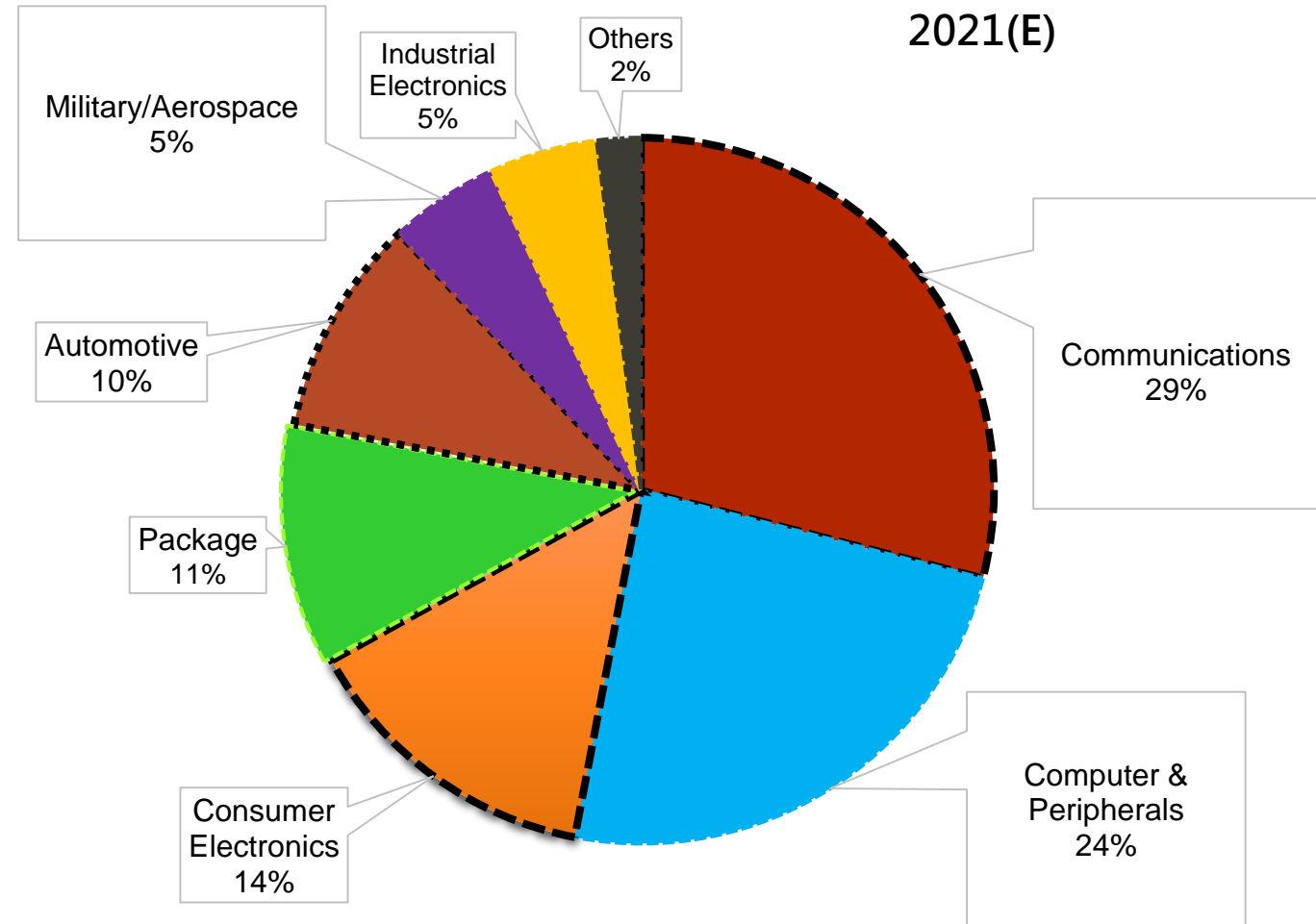
PCB output value scale 2020~2025

unit : 100 million USD



source : Prismark (2021/05)

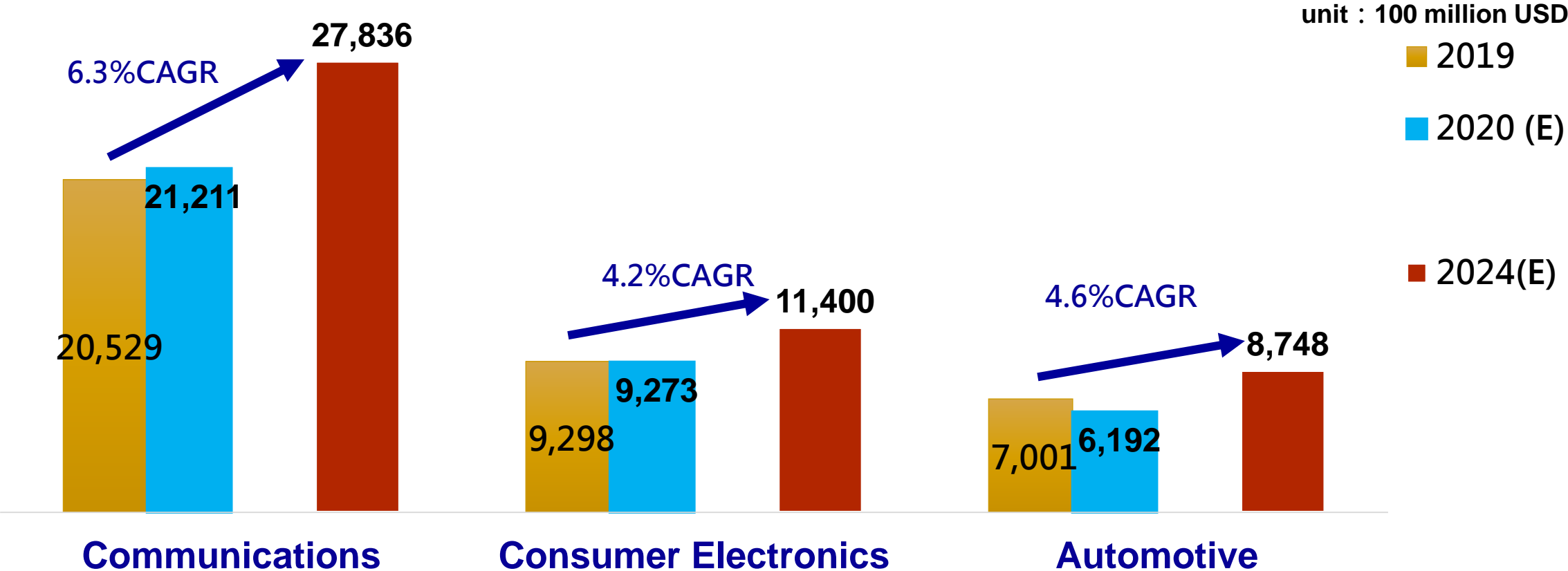
PCB application market share 2021(E)



source : Prismark

Demand in Market

PCB application output value & 2019-2024(E)CAGR



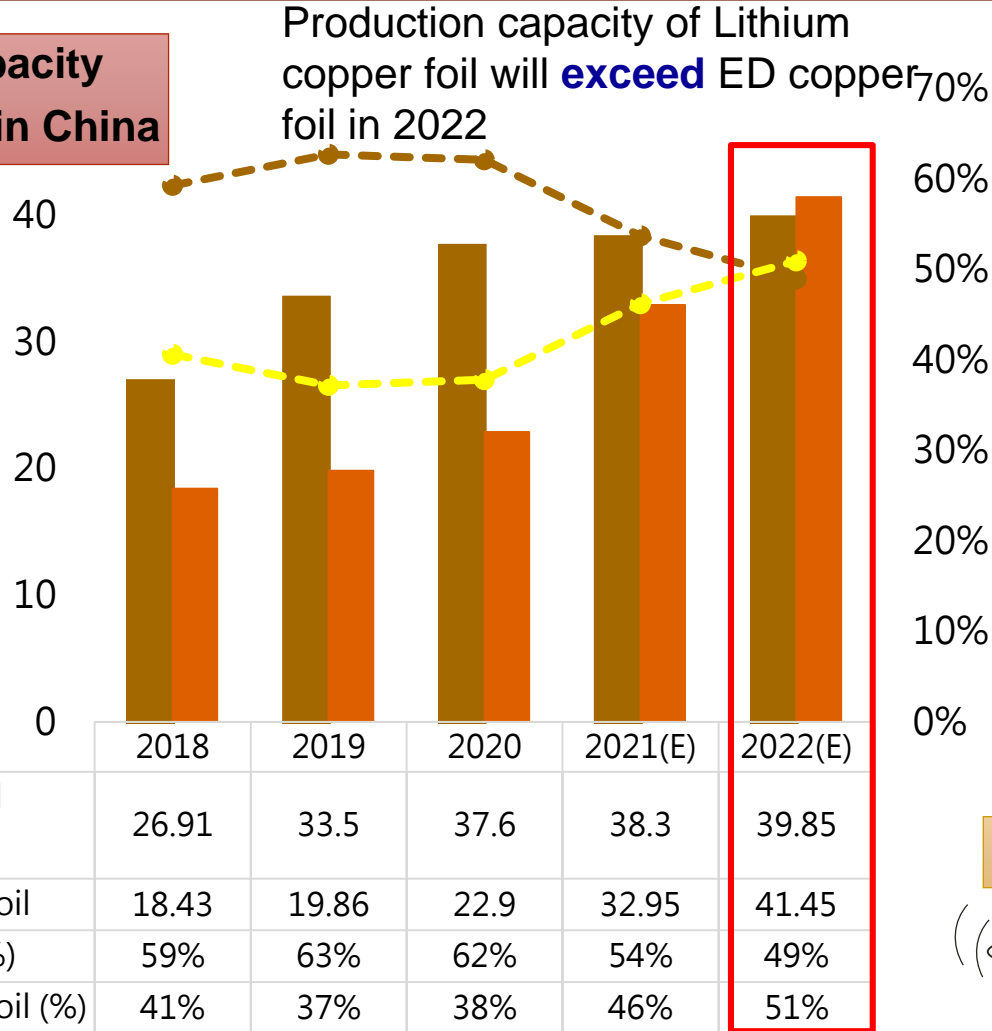
source : Prismark(2020/10)



Supply in Market

Production capacity of ED copper foil in China

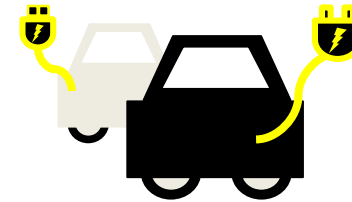
Unit : 10,000 ton



resource : China Electronics Materials Association Industry Copper Foil sub-Association



Expansion of the production capacity of lithium copper foil



Raise up the demand at new energy vehicles

Fierce Competition in Lithium Copper Foil



General Type of Copper Foil

Supply > Demand

Changing of product structure



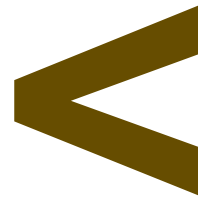
High Technology Copper Foil

Demand > Supply

The Demand of PCB Copper Foil in Global Market Keeps Strongly and The Demand Exceeds The Supply

The production capacity of PCB copper foil in Global market

**2021-2025 CAGR
3%**



The growth demand of PCB

**2021-2025 CAGR
3.8%**

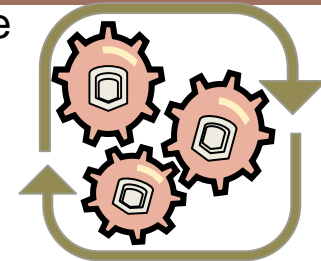
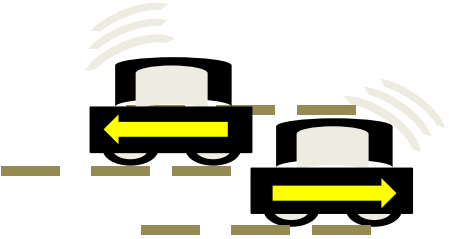
resource: Prismark

Requirements of 5G

Strictly require (1) data transmission volume
(2) time, (3) reliability

Use in: **driverless car**

industrial automation



Ultra-reliable and low-latency Communications
(URLLC)

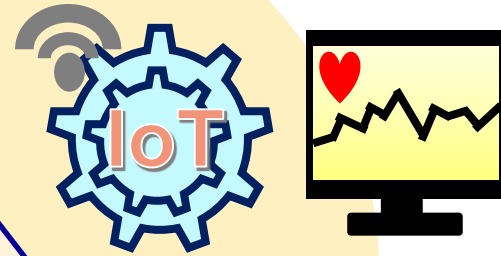


Improve the transmission efficiency of communication Services

Use in: **virtual reality**

augmented reality

Enhanced mobile broadband
(eMBB)

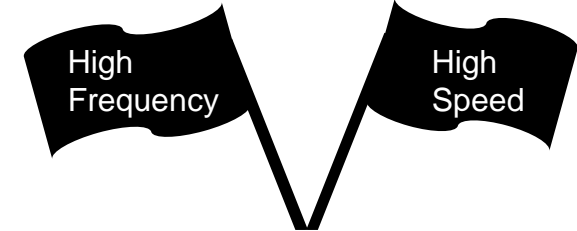


Connect a large number of Components and equipment

Use in: **medical care**

internet of things

Massive machine type communications
(mMTC)



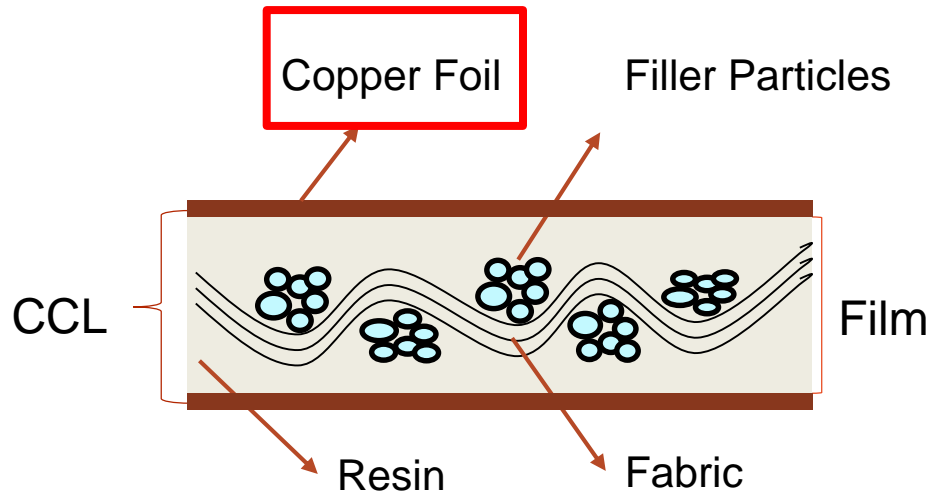
	Print Circuit Board	Material of PCB
Subject	Reduce transmission distance	Reduce signal loss
Solution	High Density Interconnect and Fine Line/Space	Low DK and Low roughness

Very Low Profile

meet the High Frequency and High Speed requirements

Resource : Industrial Technology Research Institute (2020/8)

Copper Foil in 5G



Resource: Industrial Technology Research Institute (2020/8)

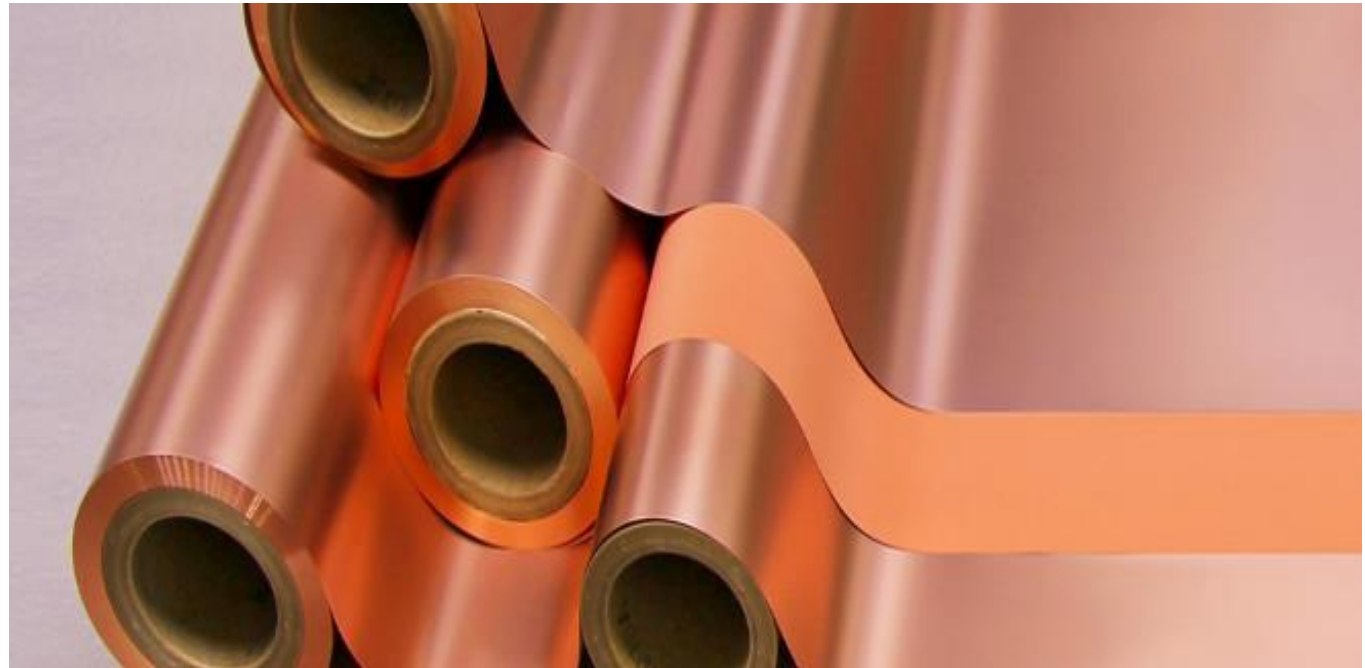
Important factor in signal transmission quality

- roughness
- surface finish

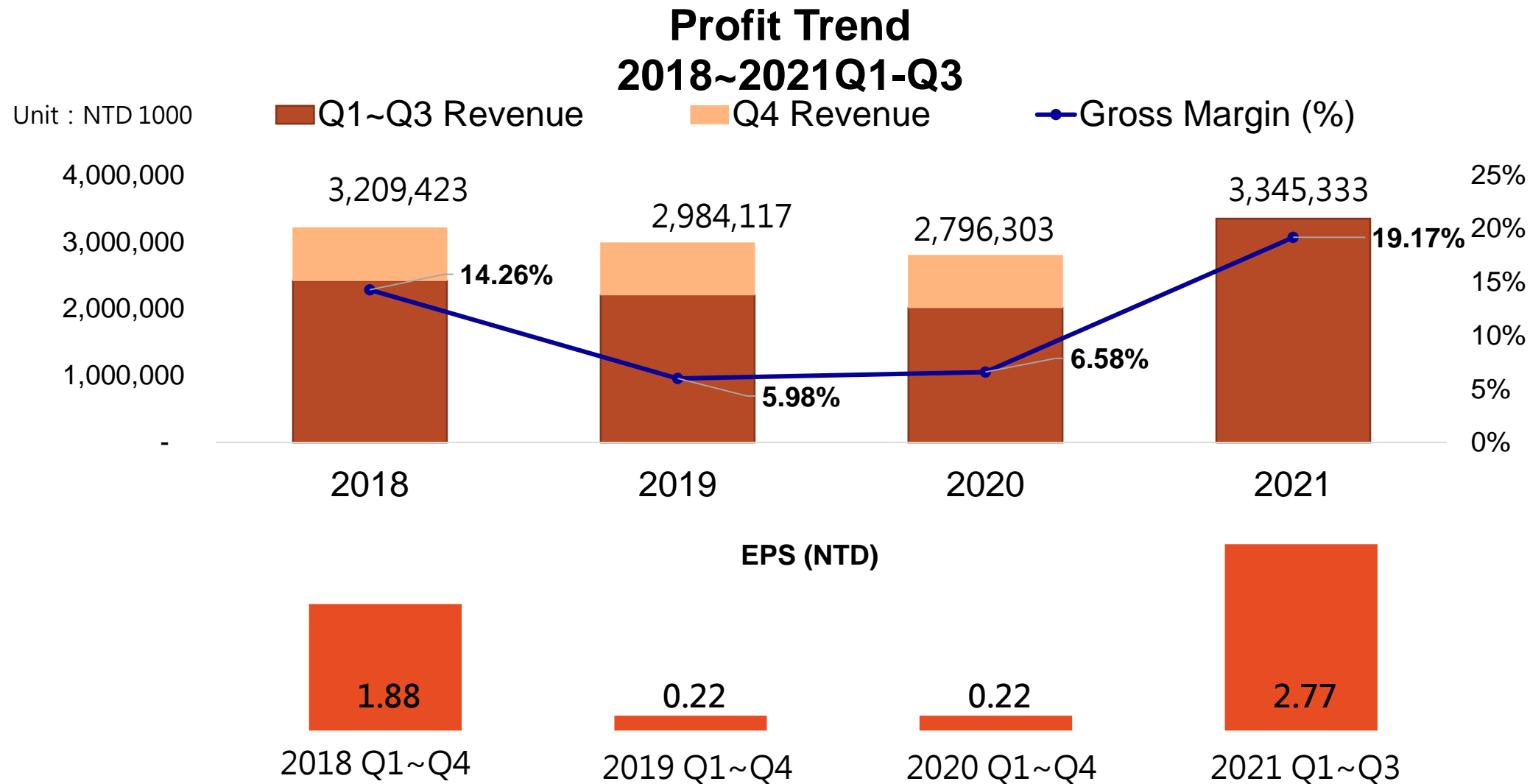
Roughness Table of ED Copper Foil

	Standard foil (low-profile class 3, LP3)	Reverse-treated foil (RTF)	HVLP
$Rz > 3.5$	standard HTE standard HTE, 9&12 μm		
$Rz < 3.5$		RTF	DSS-LLX VLP
$Rz < 2.0$		2RT RTF2	DSS-2LX HVLP

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Operation Report_Profit Trend



Operation Report-Consolidated I/S(Brief)

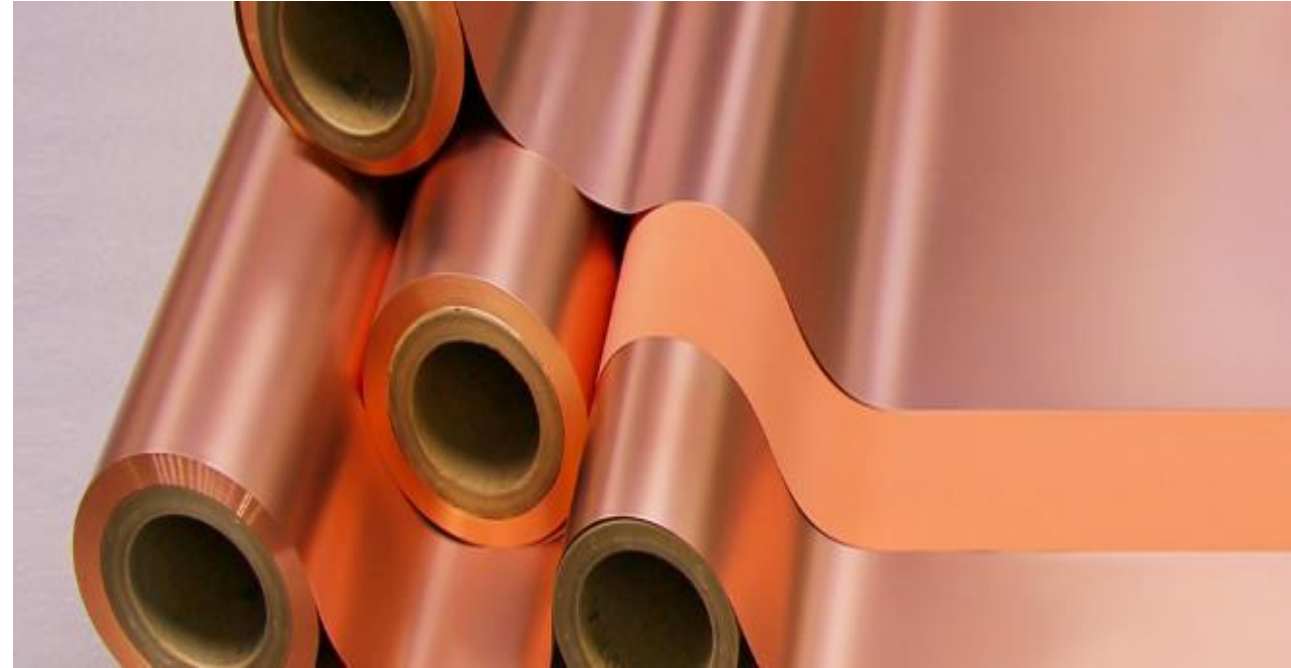
Unit : NTD 1000

項目	2021 Q3		2020		2019		2018	
Revenue	3,345,333	100%	2,796,303	100%	2,984,117	100%	3,209,423	100%
Cost	2,074,189	81%	2,612,402	93%	2,805,701	94%	2,751,788	86%
Gross Profit	641,144	19%	183,901	7%	178,416	6%	457,635	14%
Operating Expense	102,860	3%	115,520	4%	125,771	4%	142,492	5%
Operating Income	538,284	16%	68,381	2%	52,645	2%	315,143	9%
Non-Operating Rev. & Exp.	(8,236)	-1%	(2,548)	-1%	(9,547)	-1%	36,404	1%
Net Income before Tax	530,084	15%	42,903	1%	43,098	1%	351,547	10%
Net Income	424,038	13%	34,323	1%	34,113	1%	276,552	8%
EPS(dollar)	2.77		0.22		0.22		1.88	
Cash Dividend (dollar)			0.6		0.60		1.60	

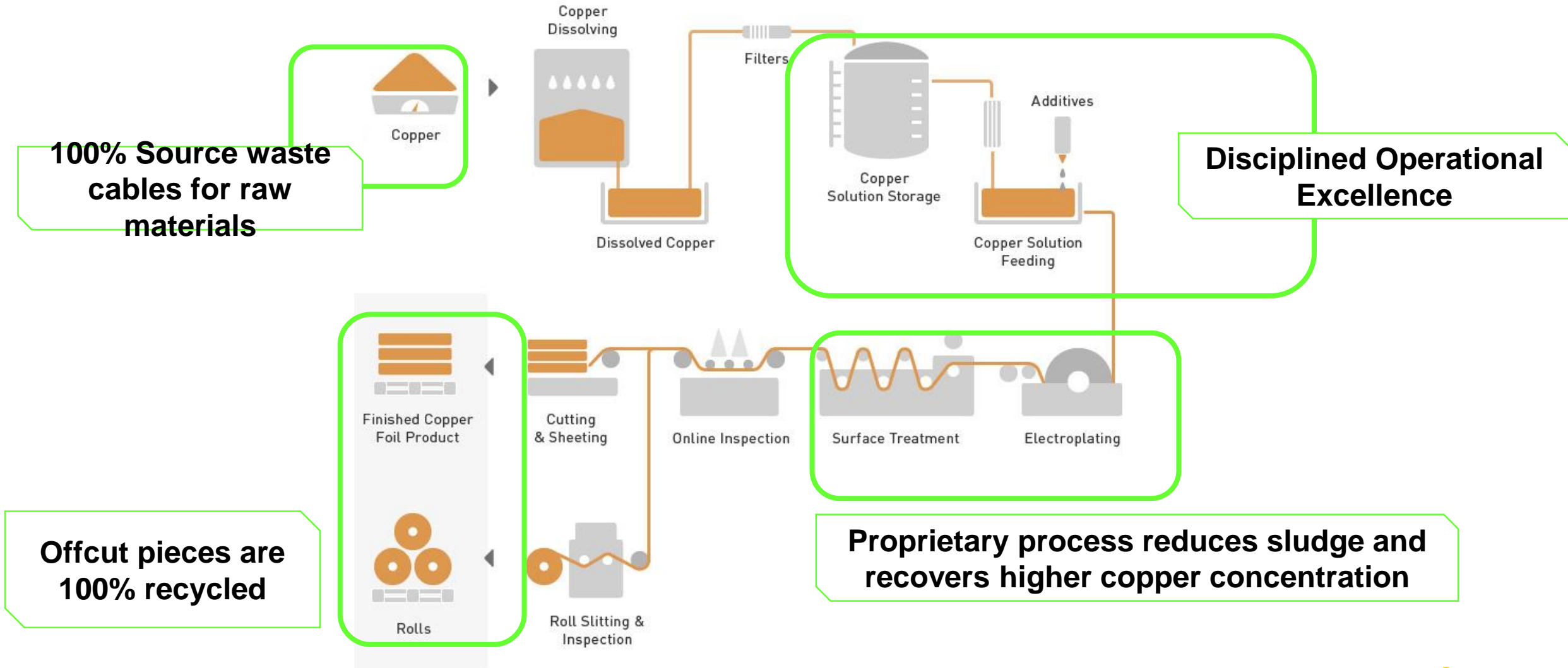


- 1 Full Production and Sale
- 2 Testing Development & Optimal product mix
- 3 Equipment Upgrade & Energy Saving

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Our Green Operational Excellence End-to-end Product Stewardship



Improvement of process

Process Optimization



End of 2020

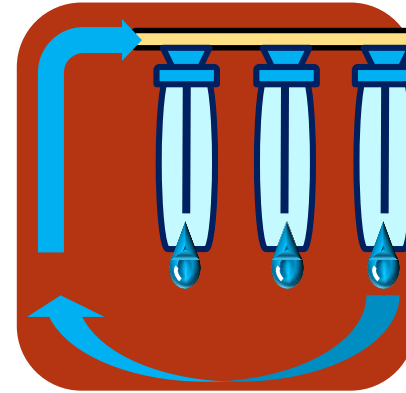
Test for
Production Machine

2020
Completion

Process Optimization



Recycling Copper



End of 2020

Test and Import
In Process

2020

Completion

Equipment Construction



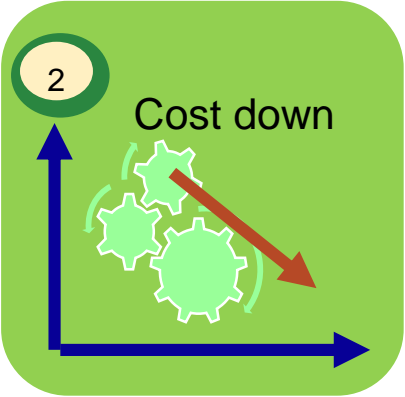
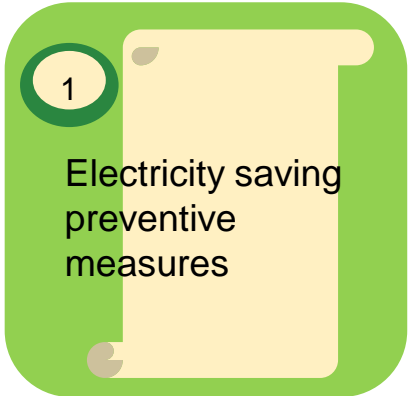
Improvement of process

Energy Saving



Beginning of 2021

Equipment Improvement



Water Treatment

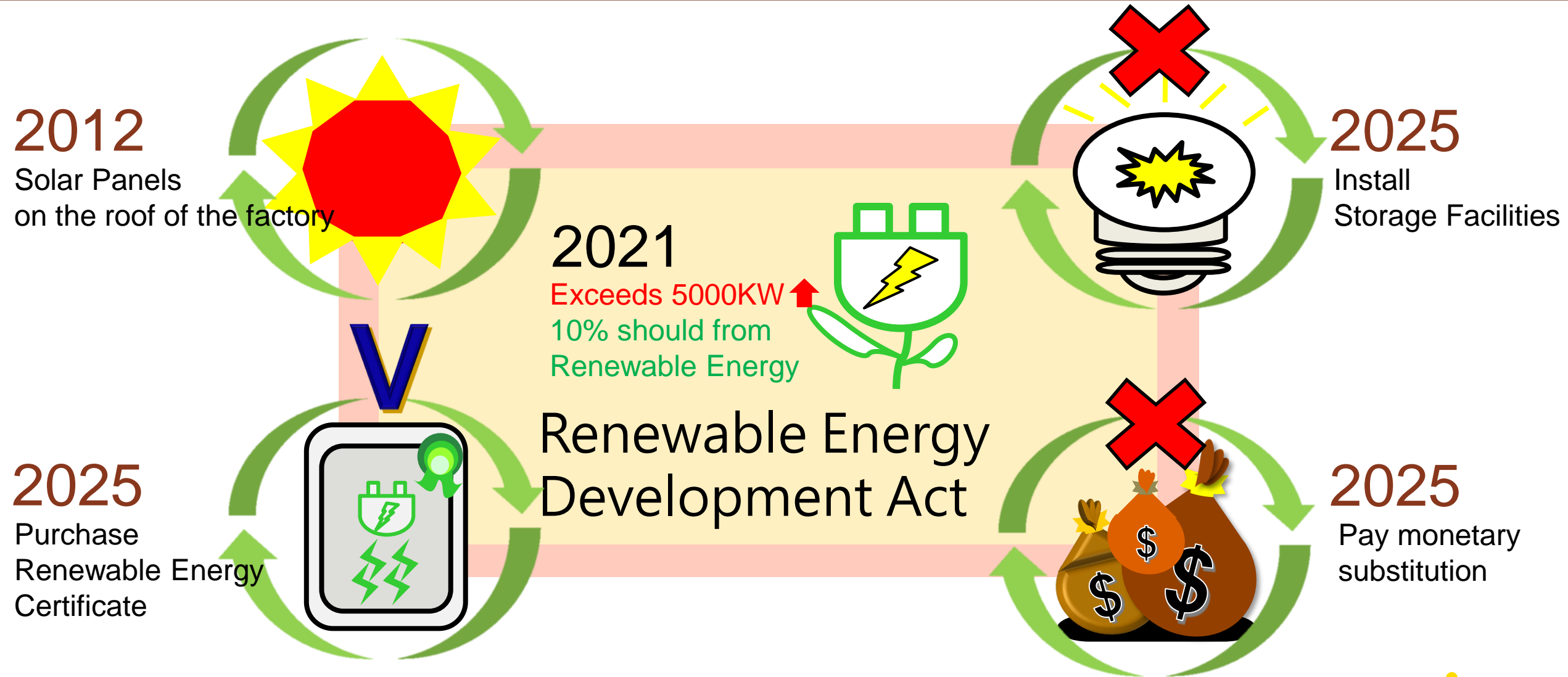


Beginning of 2021

Reclaimed Water of Using



Issues of renewable energy



ESG Performance

LCYT's ESG key figures

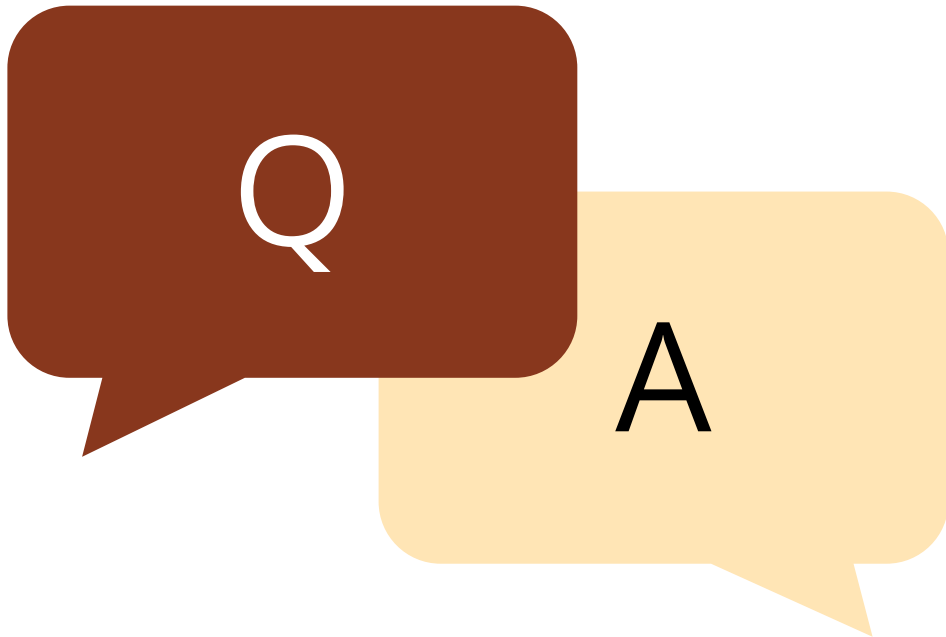
- ✓ **7%** **Electrical energy saved**
 - ✓ **14%** **Reduction of water**
 - ✓ **33%** **Reduction of sludge**
 - ✓ **1.8X** **Higher copper recovery from waste sludge**
- 

LCYT in the PCB Value Chain

The Trusted Green Electronic Materials Partner for a Smarter World



Q & A



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- Website : www.lcyt.com.tw



Thanks for your attention!

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