

Elite Material Co., Ltd.

Global leader of eco-friendly laminates

Presentation
August, 2021

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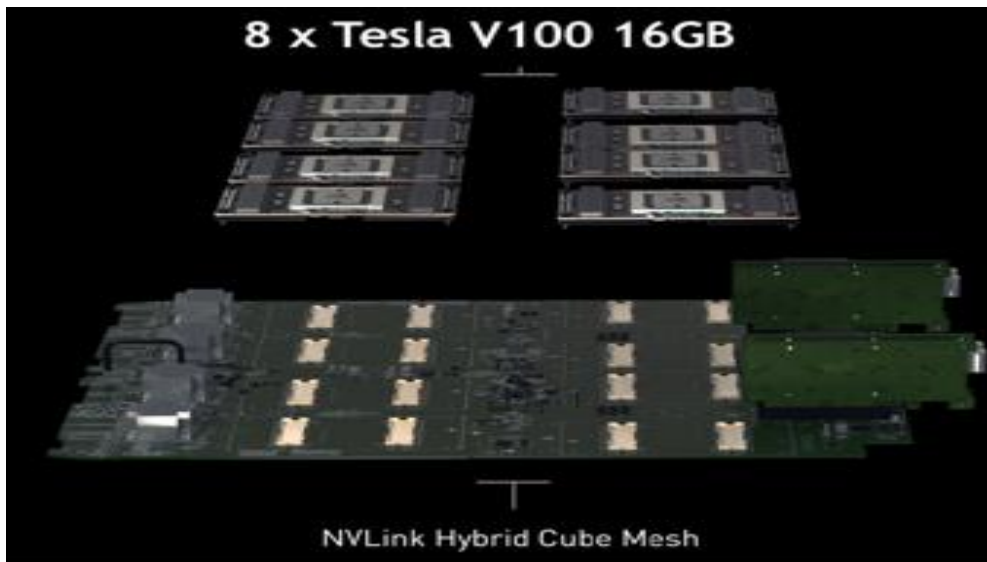
Content

- **Industry outlook**
- **Financial performance**
- **Appendix**

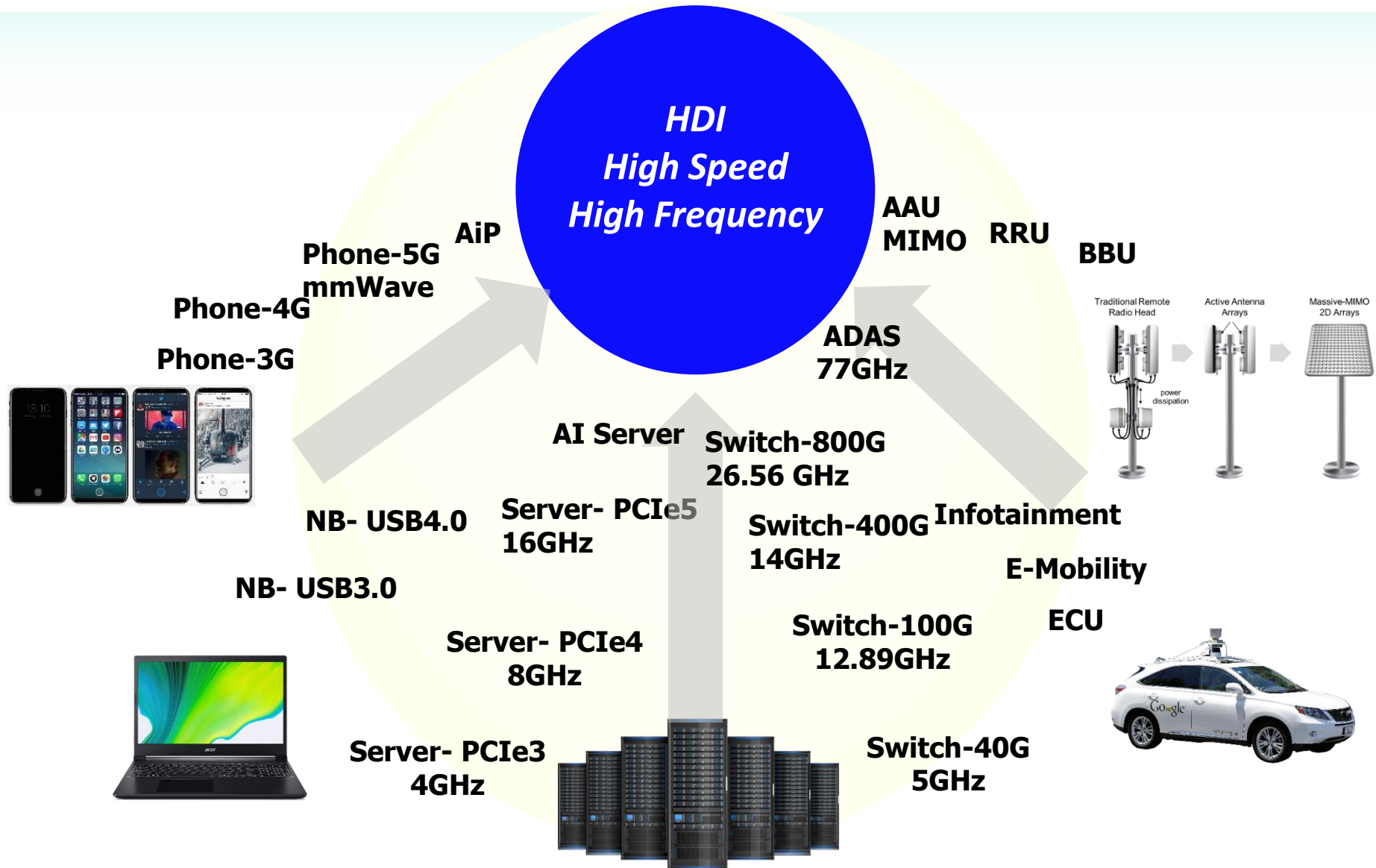
PCB design of networking infrastructure is migrating

- **Trend 1: Halogen-free.** HF laminates are preferred or required.
New platforms of PCIe 4 include, but are not limited to, Intel's Whitely, request only halogen-free laminates.
- **Trend 2: HDI.** AI semiconductors, GPUs and CPUs, and heterogeneous integration of semiconductors increase pin counts substantially.
Fine line/pitch HDI architecture design by PCB constructors becomes common.
- **Trend 3: The manufacturing technique of HDI becomes the must handicraft art of high-end networking board.**
- **Decades of experiences and knowledge EMC accumulated in HF and HDI now a competitive advantage unrivalled by peers.**

Multi-GPUs make a super high speed computing AI Server

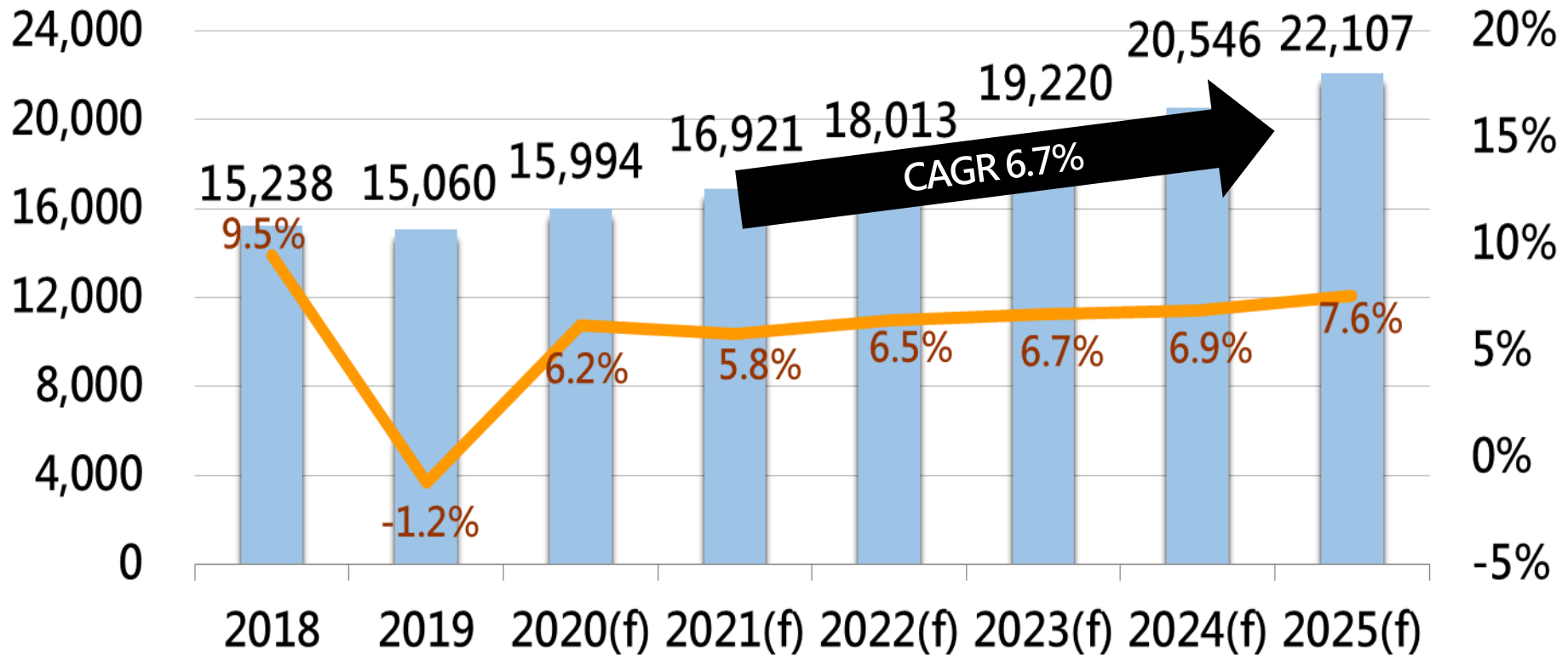


Trend of 5G infrastructure development: HDI, High Speed, High Frequency



Global server shipment is increasing for next 5 years

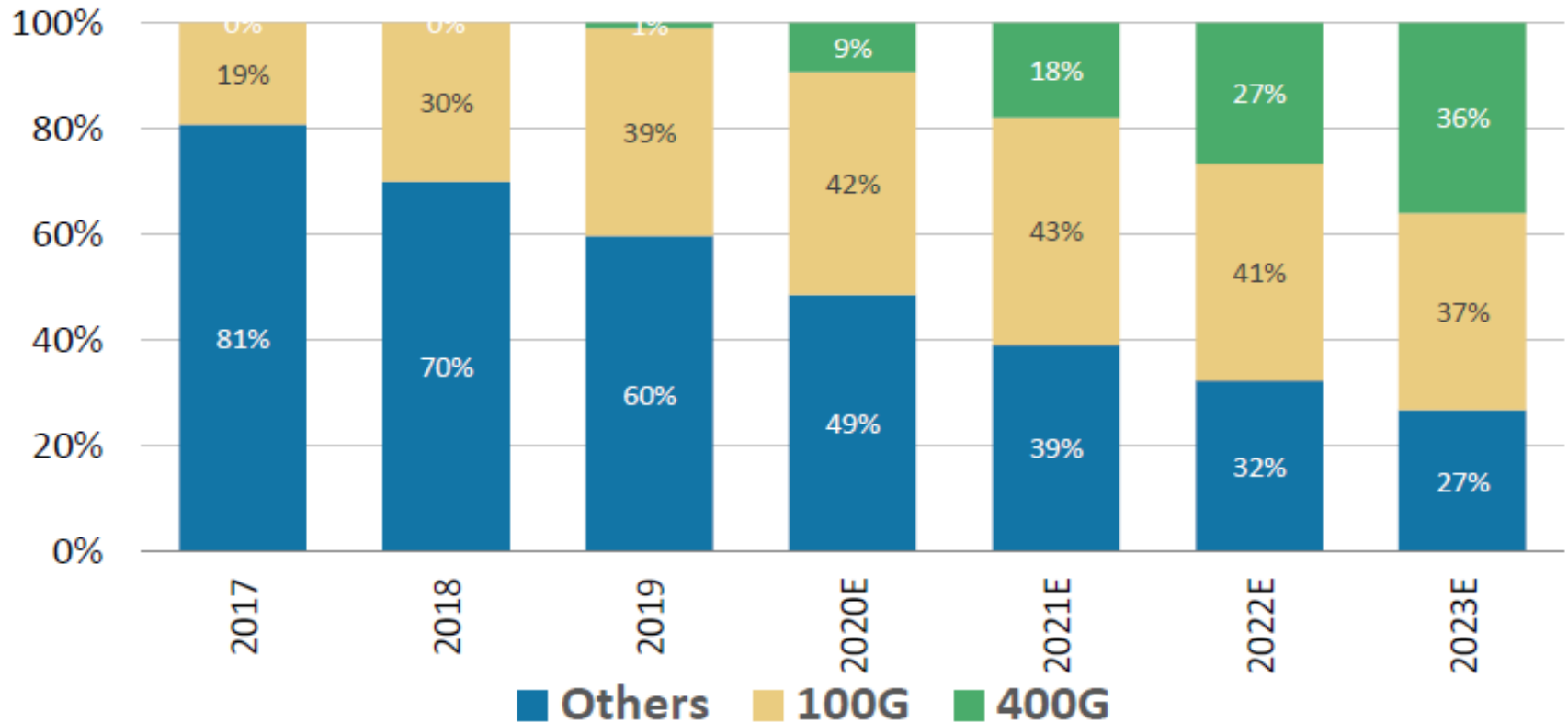
Unit : k set



The 100/400G switch is becoming the main stream

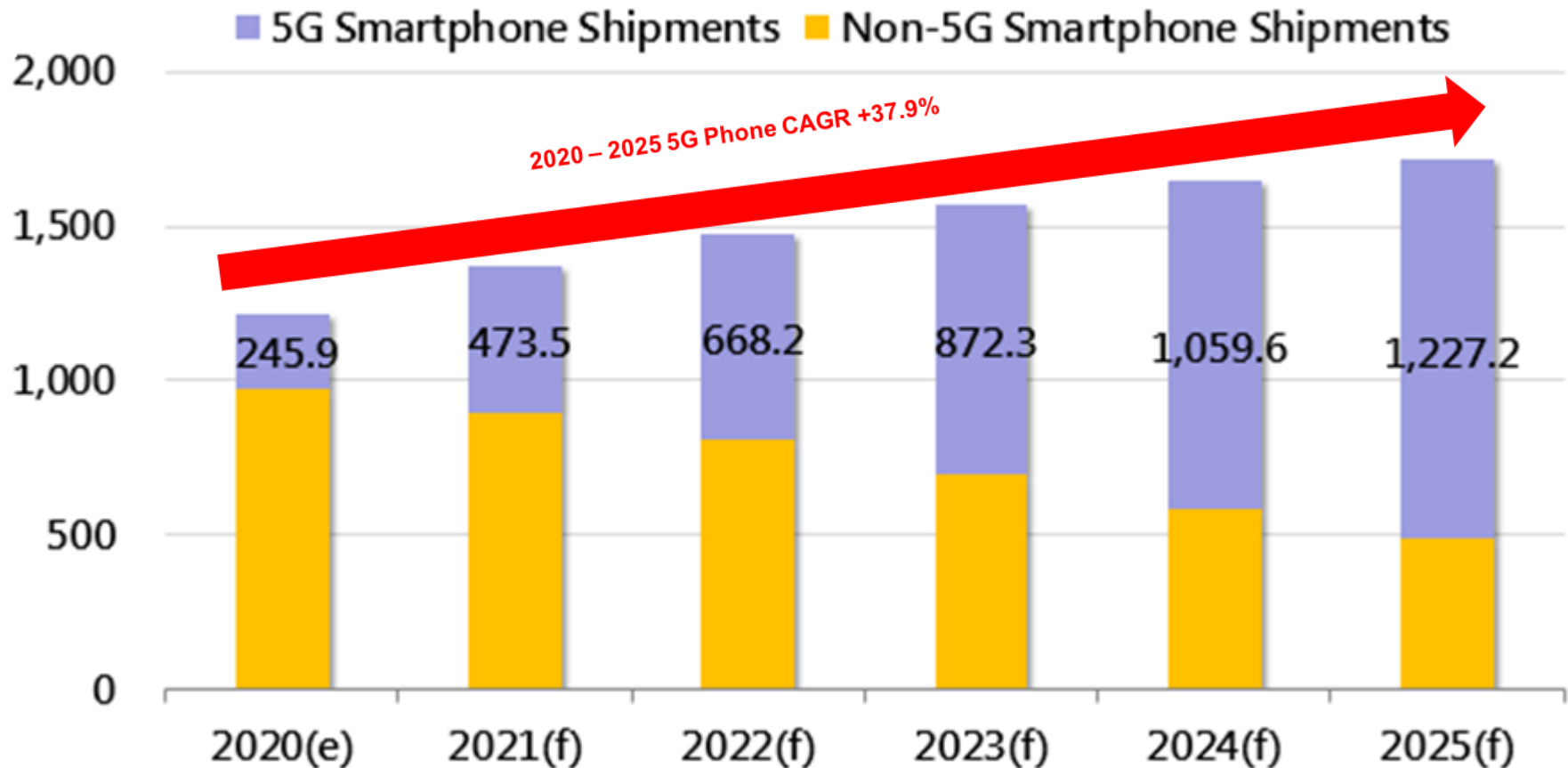


2017~2023 switch split

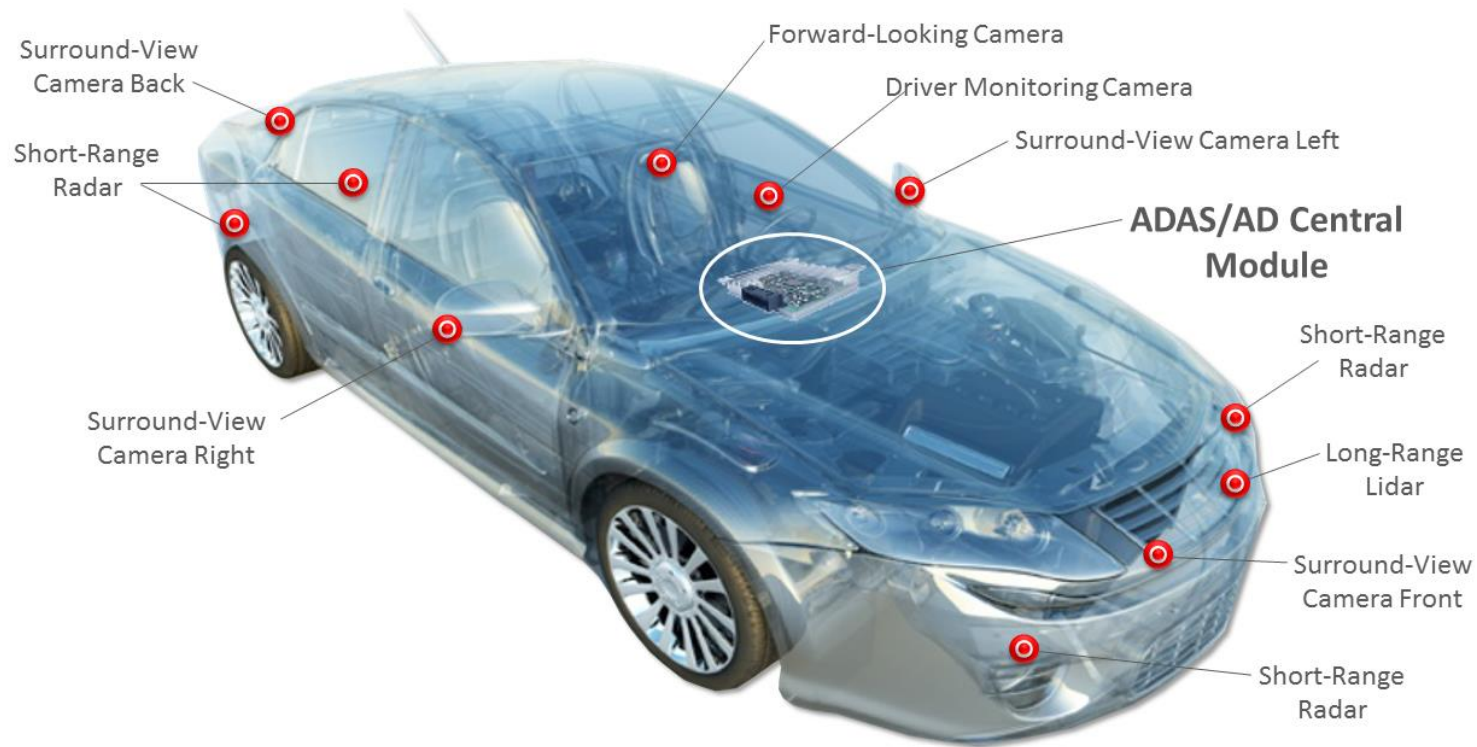


The CAGR of 5G Smartphone is 37.9%

Unit: Million



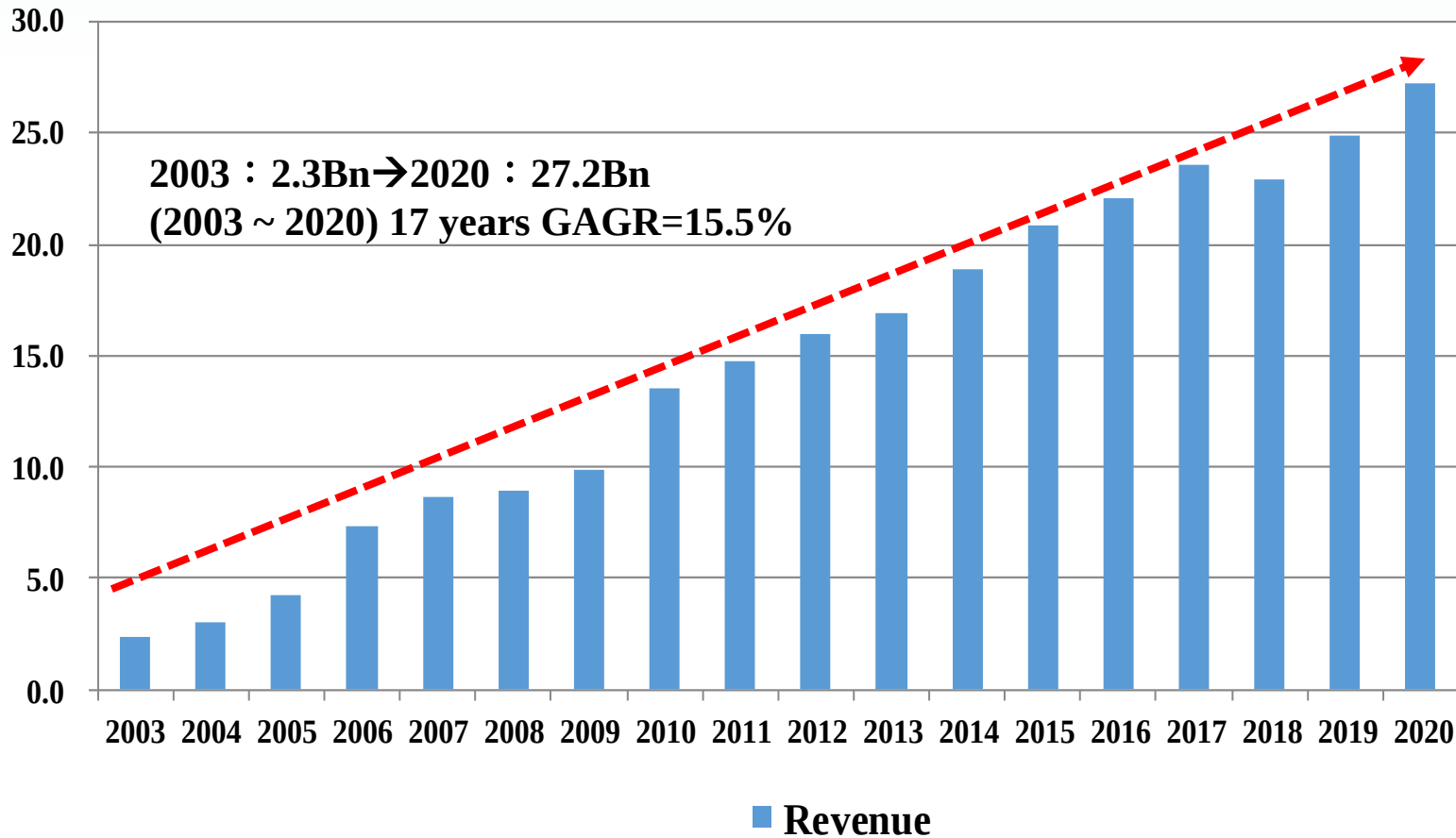
HDI is a must trend of wide varieties of automotive electronics applications



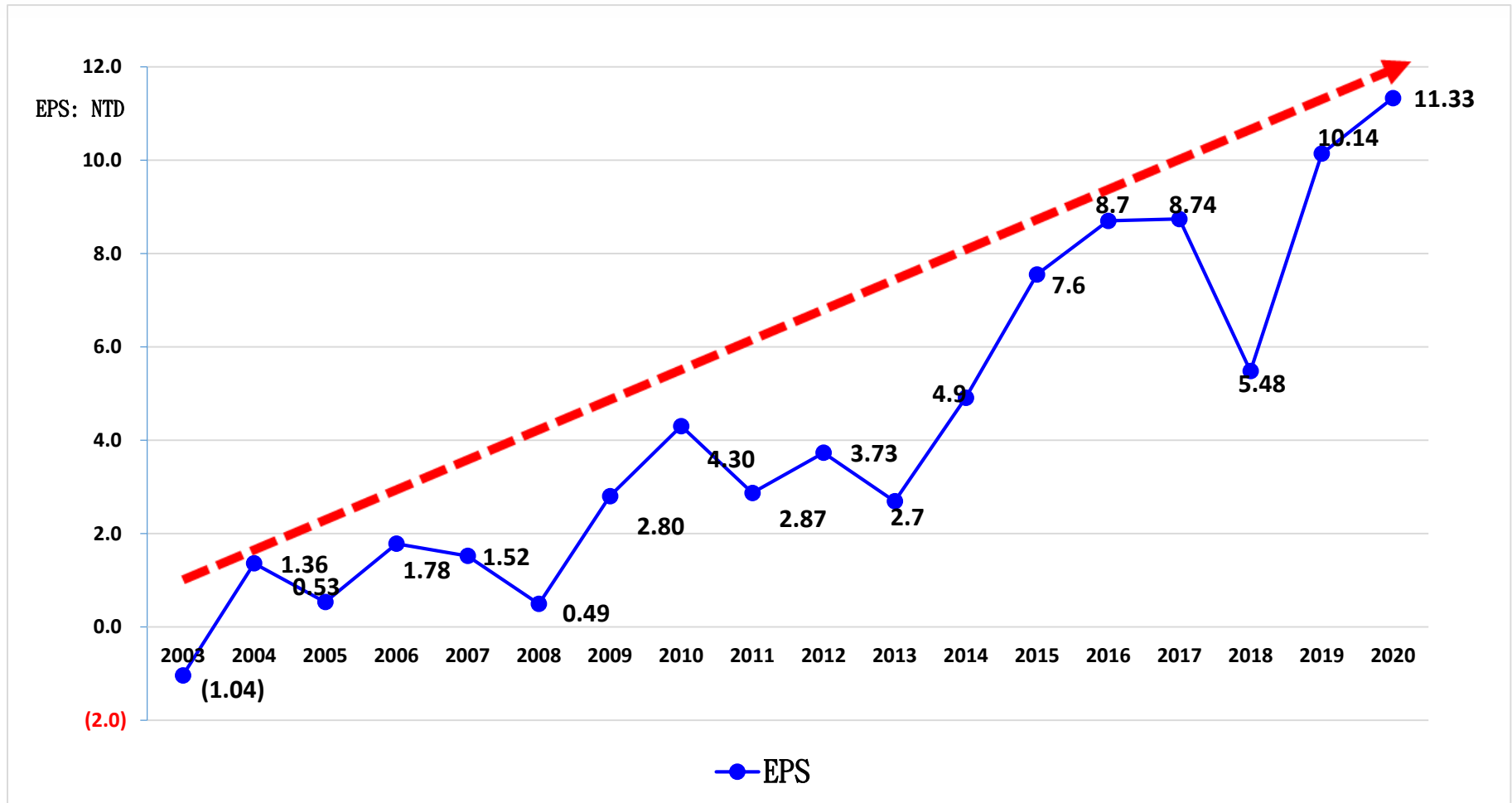
HDI (High-Density Interconnection) PCB adoption in automotive electronics is set to rise in the next 10 years in step with higher penetration of ADAS (advanced driver assistance systems), infotainment systems and telematic systems.

Sales Revenue

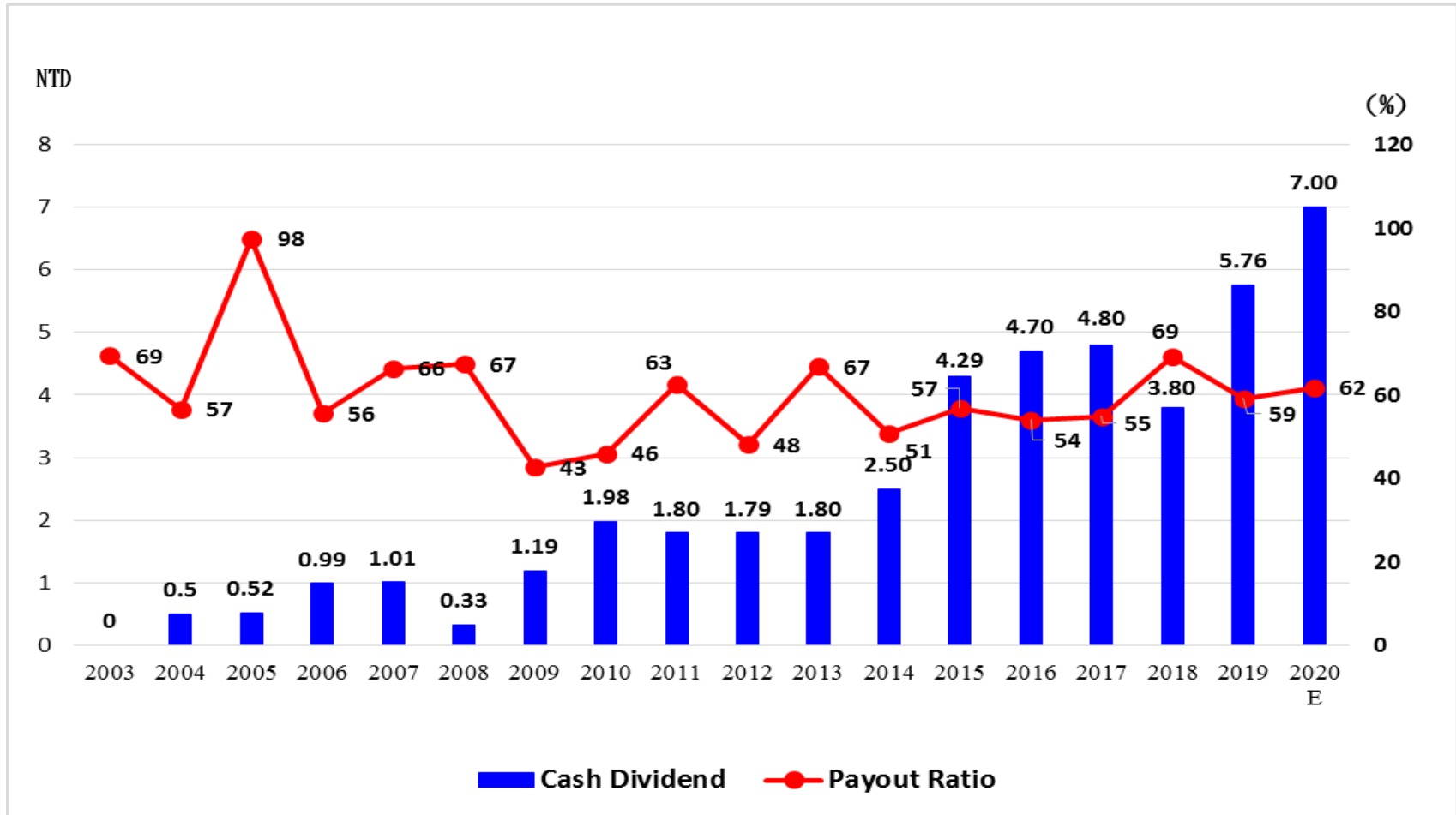
NTD : Billion



Operation Performance



History of Cash dividend and Payout ratio



Q21 P&L summary

Unit: NT\$ million

	2Q21	1Q21	QoQ	2Q20	YoY
Revenue	9,558	8,004	19.4%	6,301	51.7%
Gross profit	2,346	1,887	24.3%	1,675	40.0%
Operating profit	1,596	1,233	29.4%	1,106	44.3%
Income before tax	1,598	1,224	30.5%	1,165	37.2%
Tax expenses	(347)	(260)	33.5%	(305)	13.8%
Net income	1,251	965	29.6%	861	45.3%
EPS (NT\$) - basic	3.75	2.89	29.8%	2.69	39.4%
Gross margin (%)	24.5%	23.6%		26.6%	
Operating margin (%)	16.7%	15.4%		17.6%	
Net margin (%)	13.1%	12.1%		13.7%	

1Q21 Abstracted Balance Sheet

Unit:NT\$ million

	2Q21		1Q21		2Q20	
	Amount	%	Amount	%	Amount	%
Cash & Equivalent	6,696	20.0%	6,567	21.5%	6,941	26.4%
A/R+N/R	11,970	35.7%	10,495	34.3%	8,465	32.2%
Inv	4,837	14.4%	4,386	14.3%	3,325	12.7%
PPE	7,437	22.2%	6,729	22.0%	5,872	22.4%
Total Assets	33,516	100.0%	30,609	100.0%	26,253	100.0%
Short term Debt	1,574	4.7%	1,496	4.9%	847	3.2%
A/P	8,262	24.7%	7,018	22.9%	5,017	19.1%
Long term Debt	300	0.9%	300	1.0%	594	2.3%
Shareholder's Equity	16,436	49.0%	17,633	57.6%	13,445	51.2%
Total Debt and Equity	33,516	100.0%	30,609	100.0%	26,253	100.0%

APPENDIX

Company profile- Global Footprint

EMC Group Outline

TAIEX listing code: 2383
 Established: 1992
 Manpower: 3,200+
 Capacity: 3.55 KK sheets/ month (CCL)
 10.7 KK m/ month (PP)
 800 K SF/ month (Mass Lam)
 40K panels/ month (MCCCL)
 Paid-in capital: USD 96 million
 Revenue in 2020: USD 920 million
 Qualification: ISO-9001, ISO-14001, IATF-16949,
 ISO-45001, QC080000, AS9100C
 and Sony Green Partner
 UL file number: E150504



Production facility
 Distributor
 Representative office

Manufacturing Locations and Monthly Capacity



EMC (HS) Huangshi

CCL: 600k sheets
PP: 2.4kk meters
Manpower: 500+
+300K SHT/ Month
by June, 2022



EMC (KS) Kunshan

CCL: 1.35kk sheets
PP: 3.3kk meters
Manpower: 1,000+
+300K SHT/M in Q3,2022



EMC (TW) Taoyuan

CCL: 500k sheets
PP: 1.8kk meters
Manpower: 600+



EMC (TW) Hsinchu

CCL: 150k sheets
PP: 1.1kk meters
Mass Lam: 800k ft2
Metal Core: 40k pnls
Manpower: 300+



EMC (ZS) Zhongshan

CCL: 950k sheets
PP: 2.1kk meters
Manpower: 800+