Elite Material Co., Ltd.

Global leader of high end eco-friendly laminates

Presentation

November, 2022

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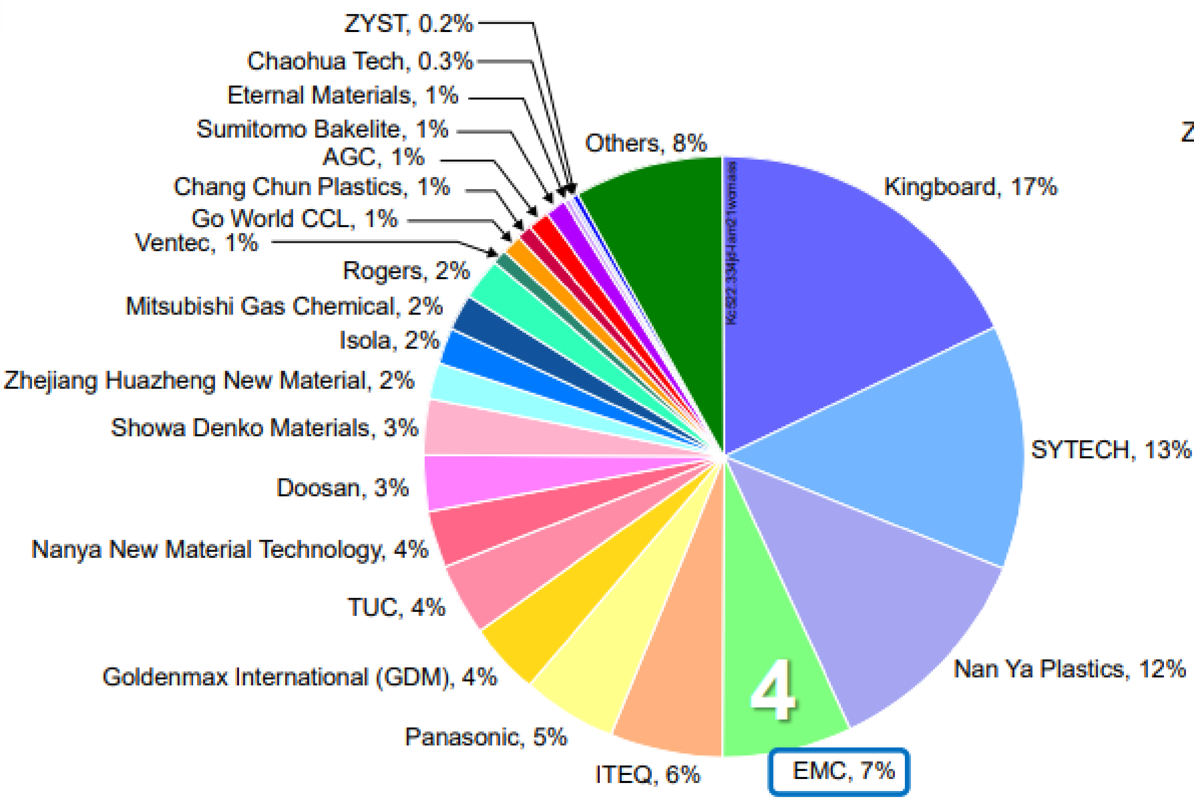
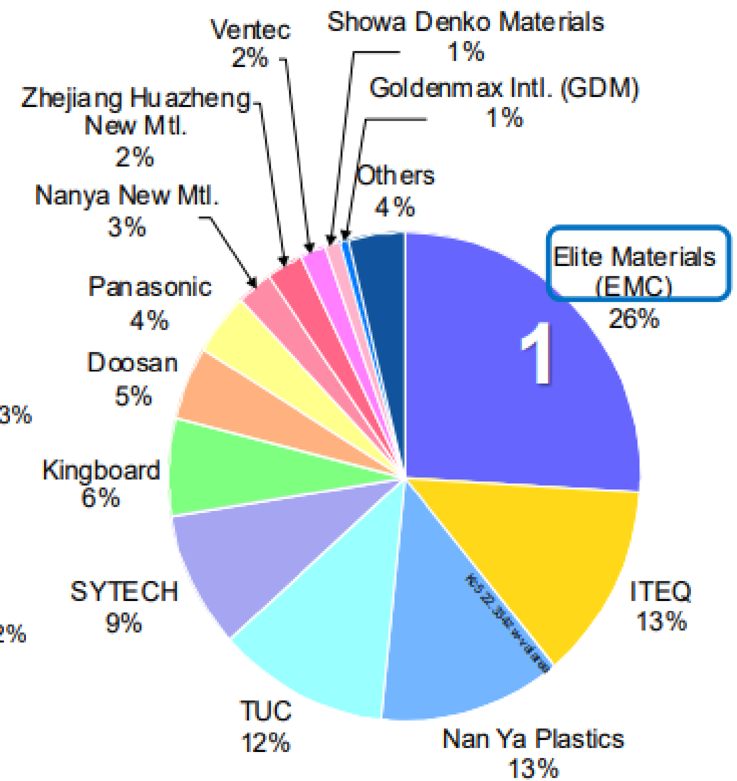
World #1 HF material supplier in 2021

Global Laminate Market	Global Green Laminate Market



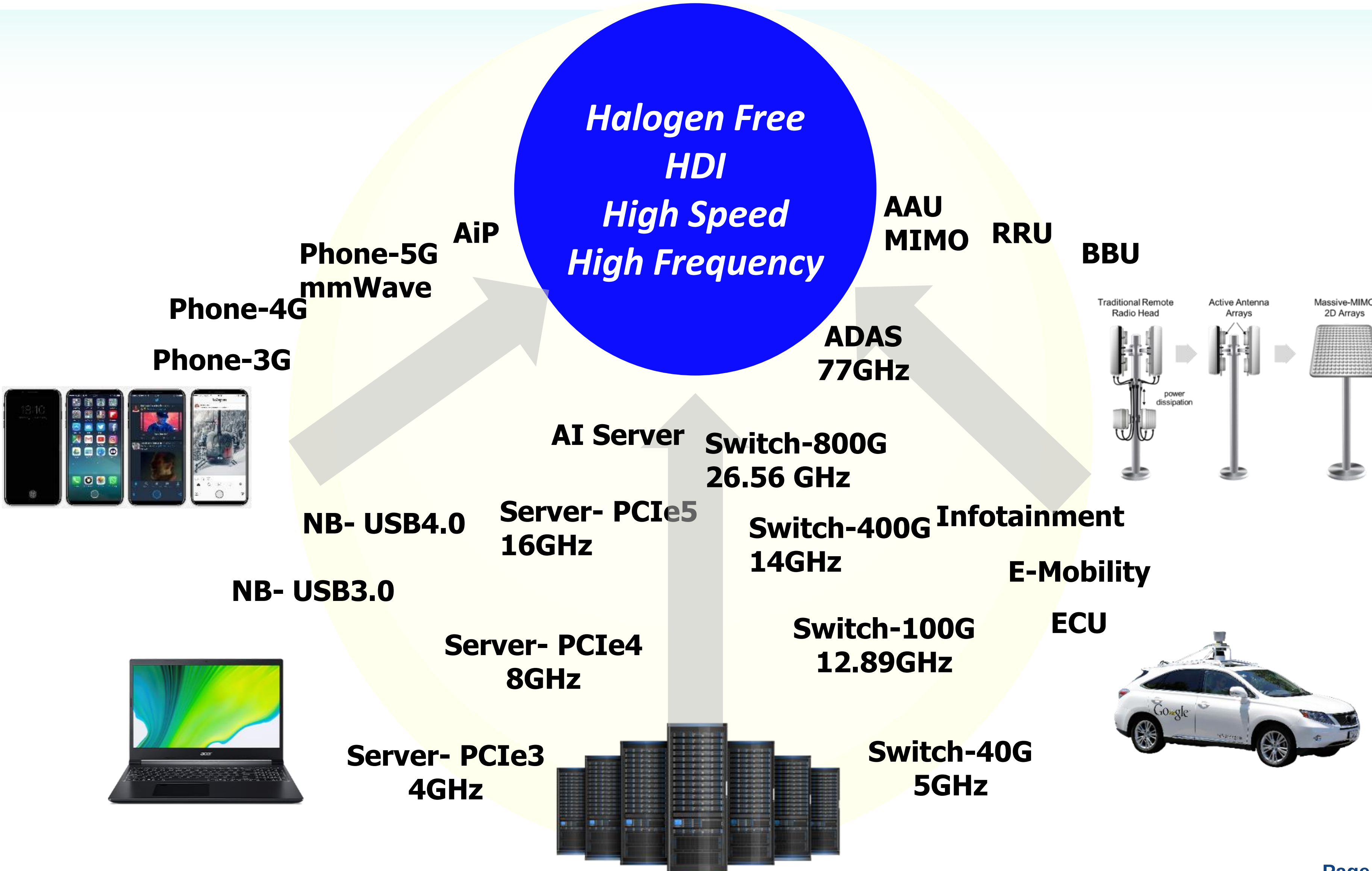


PRISMARK
May 2022

TOTAL: $18.8Bn

Mass Lam sales is excluded.

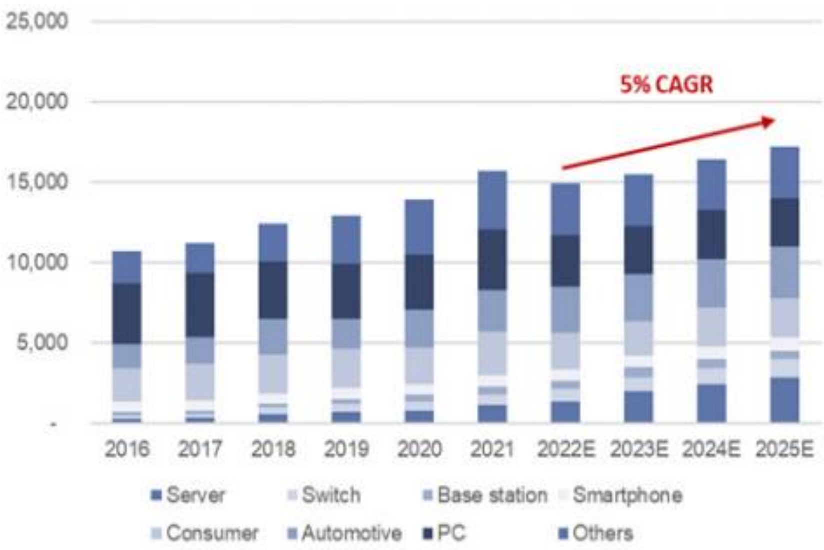
Trend of 5G infrastructure development: HF, HDI, High Speed, High Frequency



High-end CCL(HDI & High-speed/ frequency)

- **High-end CCL market grows at 16% CAGR (2022-2025)**
- **Overall CCL market grows at 5% CAGR (2022-2025)**

Overall CCL Market

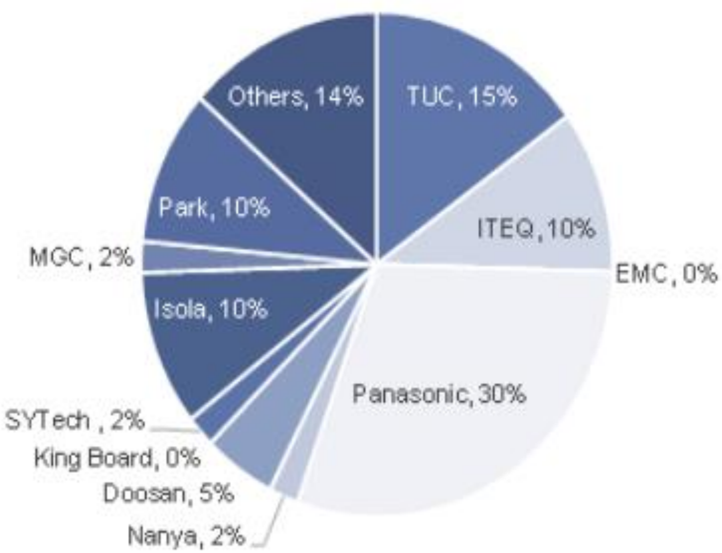


High-end CCL Market

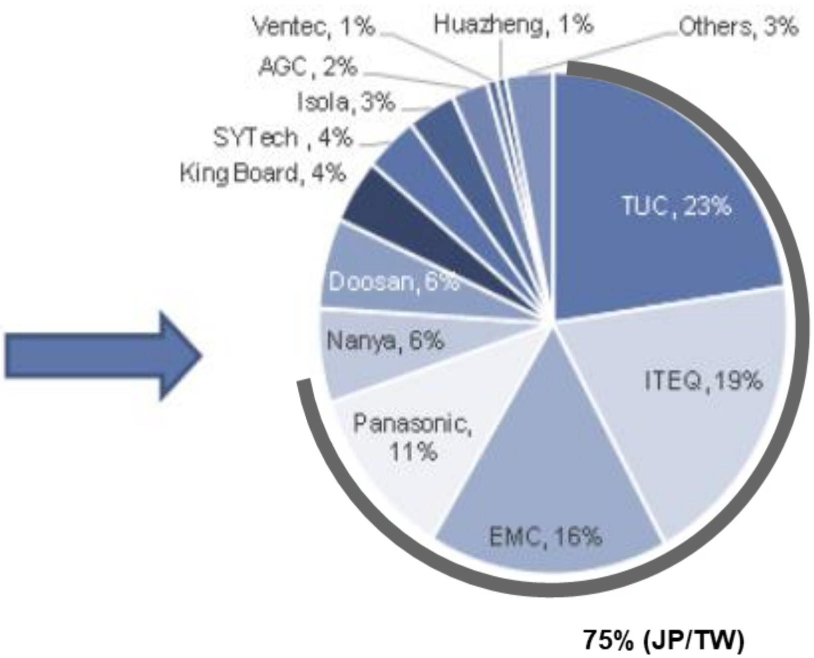
Source: Goldman Sachs Global Investment Research, Oct 2022

High-speed CCL – JP/TW with 75% Share

High speed CCL 2017 market share



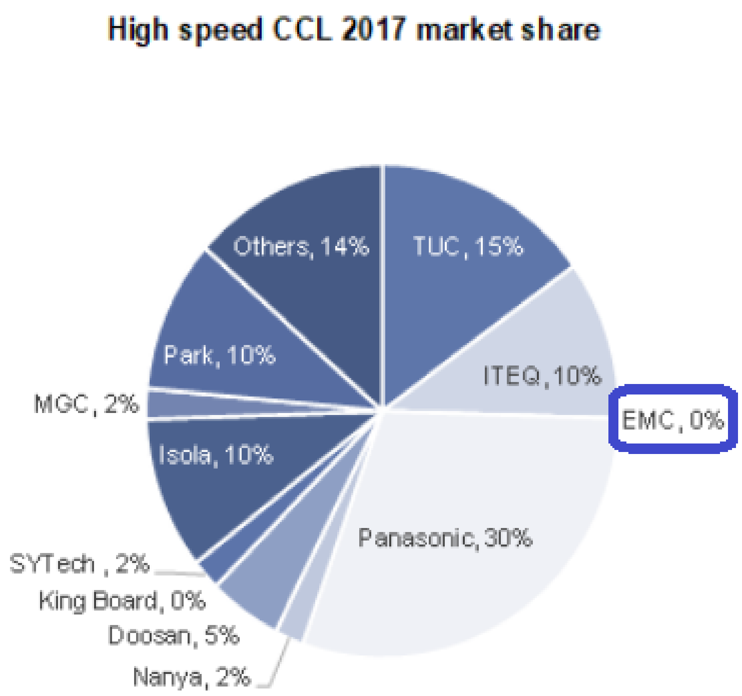
High speed CCL 2021 market share

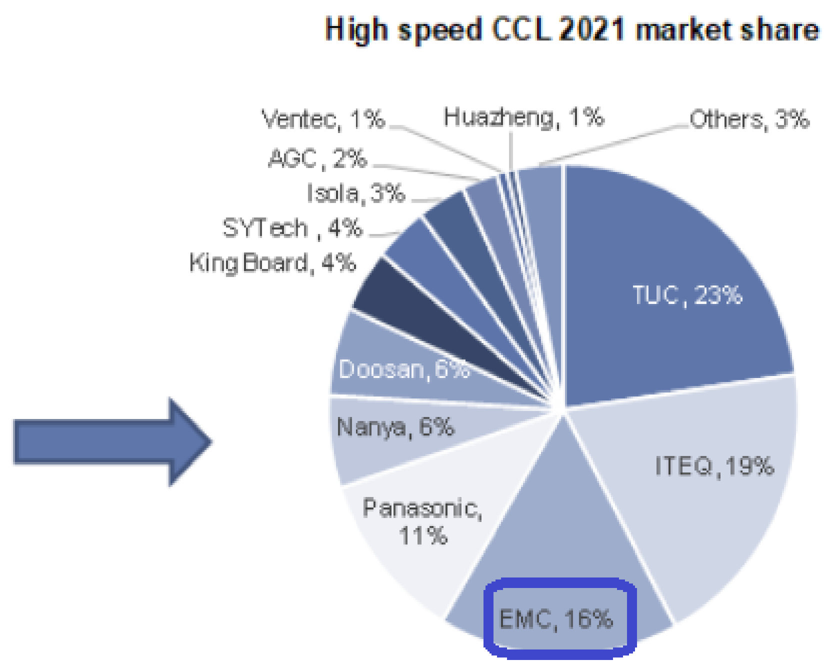


Source: Goldman Sachs Global Investment Research, Oct 2022

EMC Momentum in High speed CCL – from Nothing to 16% Global Share in 4 years

Driven by HF and HDI requirement

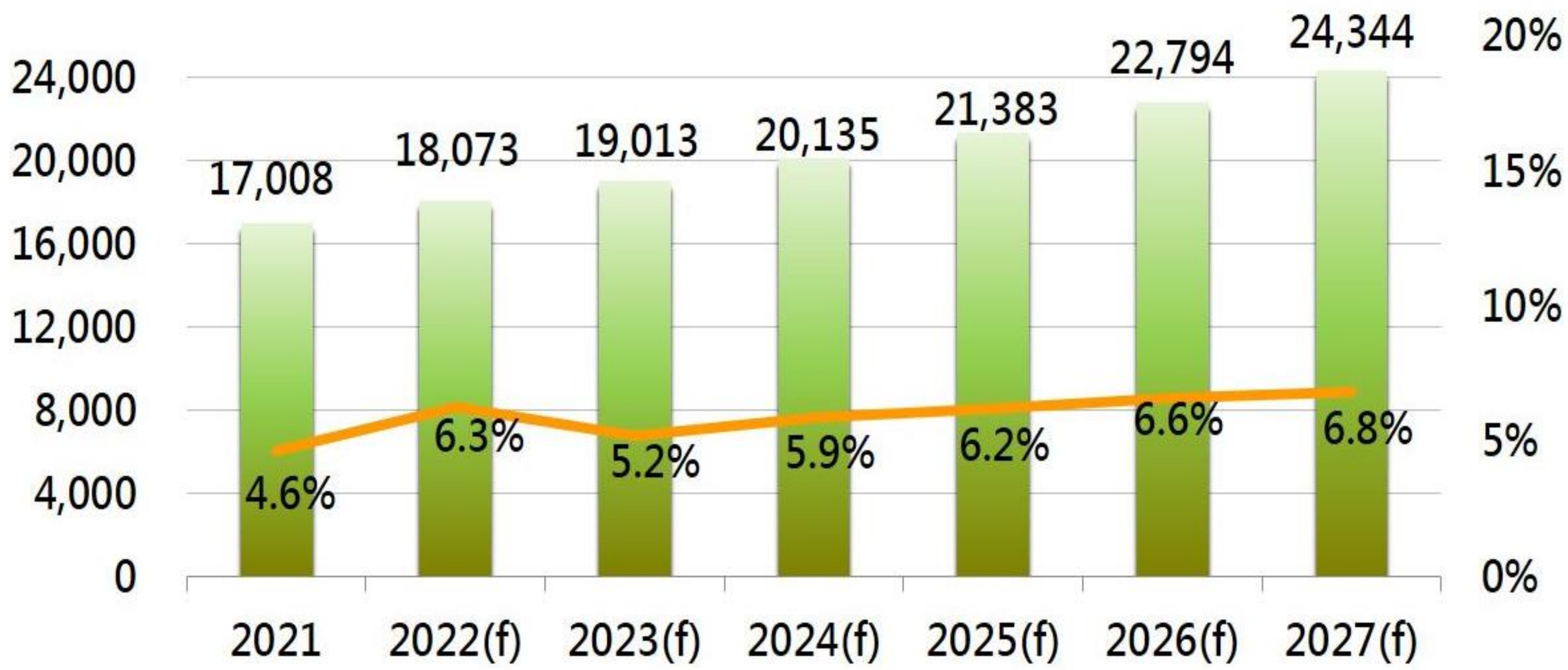




Source: Goldman Sachs Global Investment Research, Oct 2022

Global server shipment expected to have strong growth in the coming five years

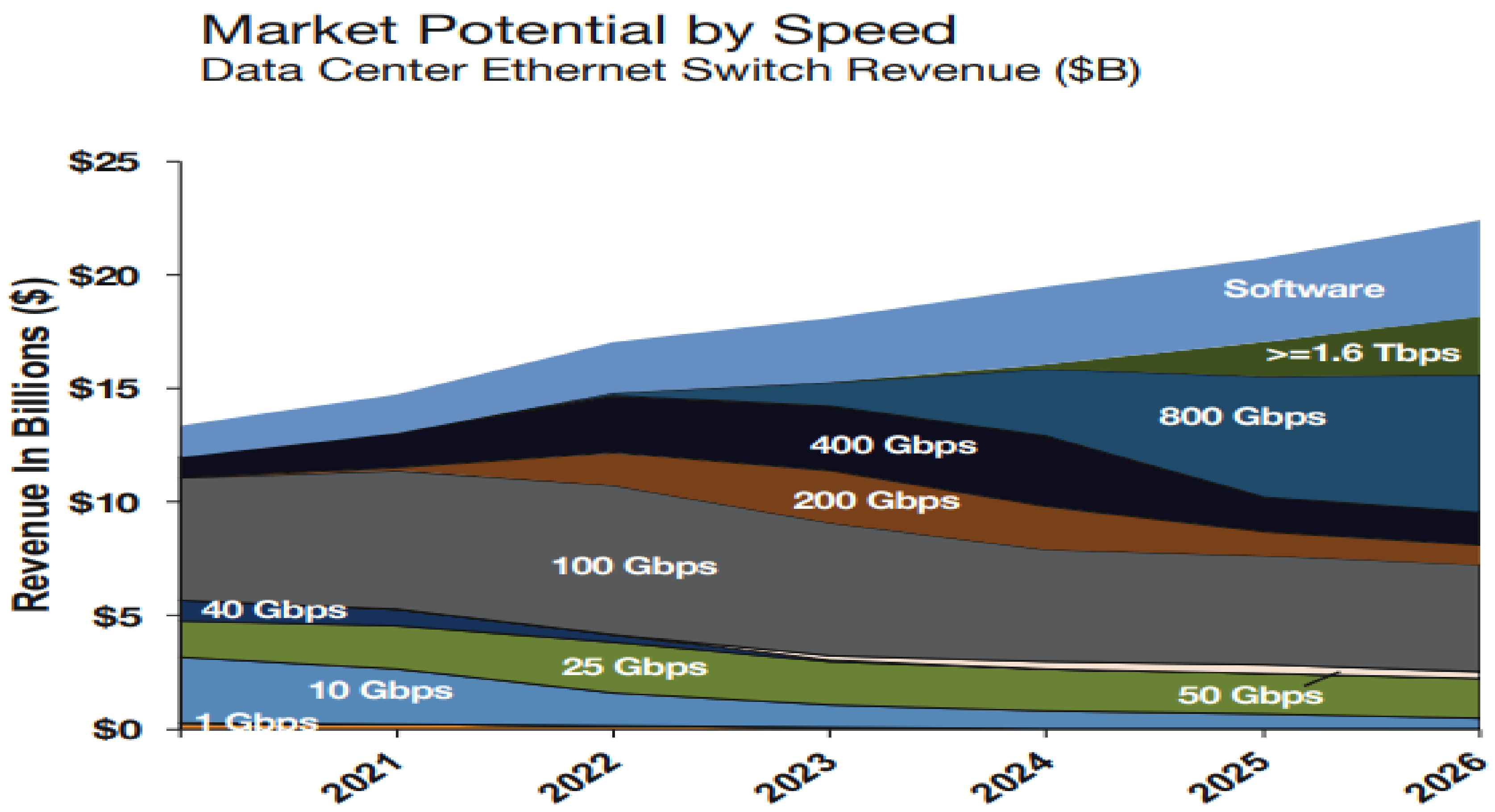
EMC expects to gain significant share in next generation platform



Source: DIGITIMES, 2022/9

The switch market continues to enjoy high growth in the coming years

EMC expects to gain significant share in 400G platform

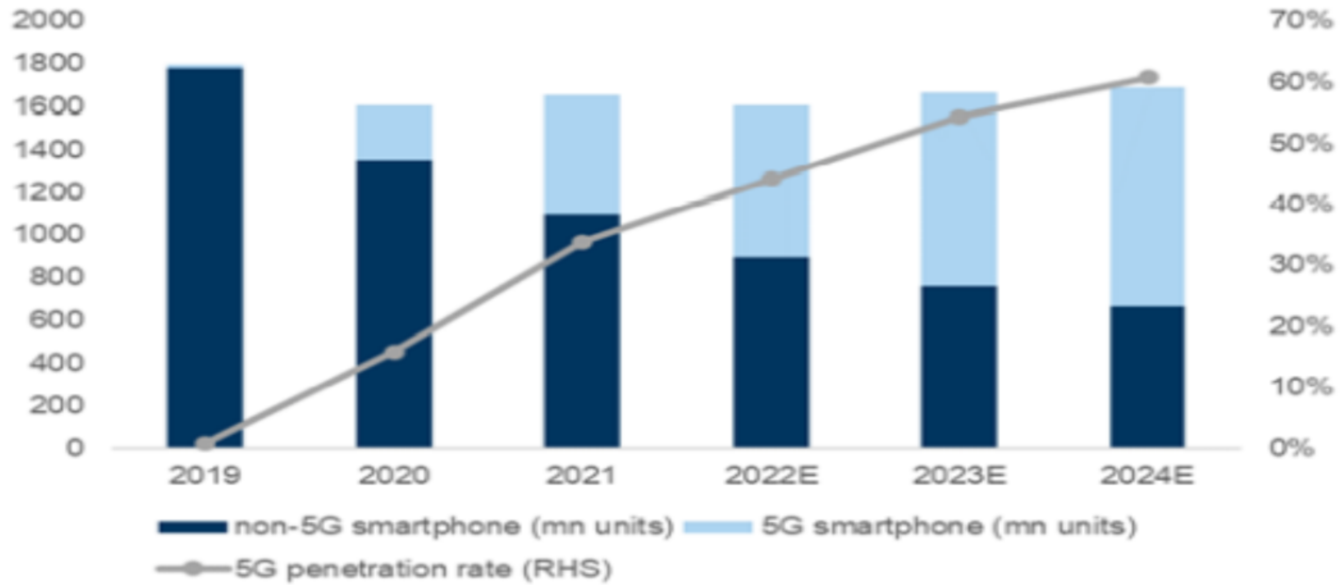


Source: Arista, 2022/5

The strong 5G smartphone shipment

EMC takes the majority share in the 5G smart phone，CAGR is 22% from 2022-2024

Unit: Million



Source：Goldman Sachs Global Investment Research, Oct 2022

CCL Production in the USA

EMC is the only CCL manufacturer, among all Taiwanese & Chinese makers, having production capacity in the USA meeting President Biden's "Made in USA" initiative requirement.

ARLON
ELECTRONIC MATERIALS

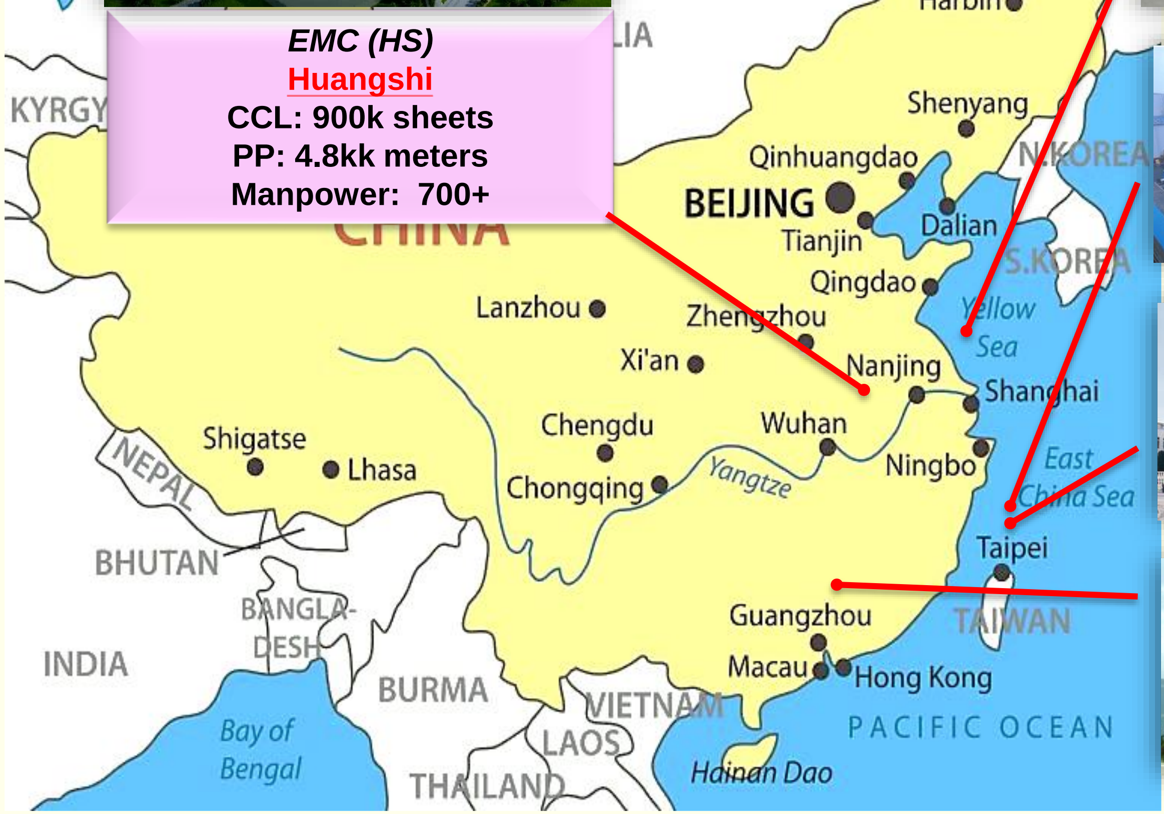
**9433 Hyssop Dr,
Rancho Cucamonga, CA 91730, United States**

Arlon, a CA-based company at Rancho Cucamonga, makes specialty laminates and prepregs for PCBs used in the aerospace, defense and semiconductor industries, also known as Arlon EMD.

Manufacturing Locations and Capacity Expansion

EMC monthly laminate capacity will increase by **30%** and reach **4.6mn** sheets/mon in **3Q,2023**

EMC (HS)
Huangshi
CCL: 900k sheets
PP: 4.8kk meters
Manpower: 700+



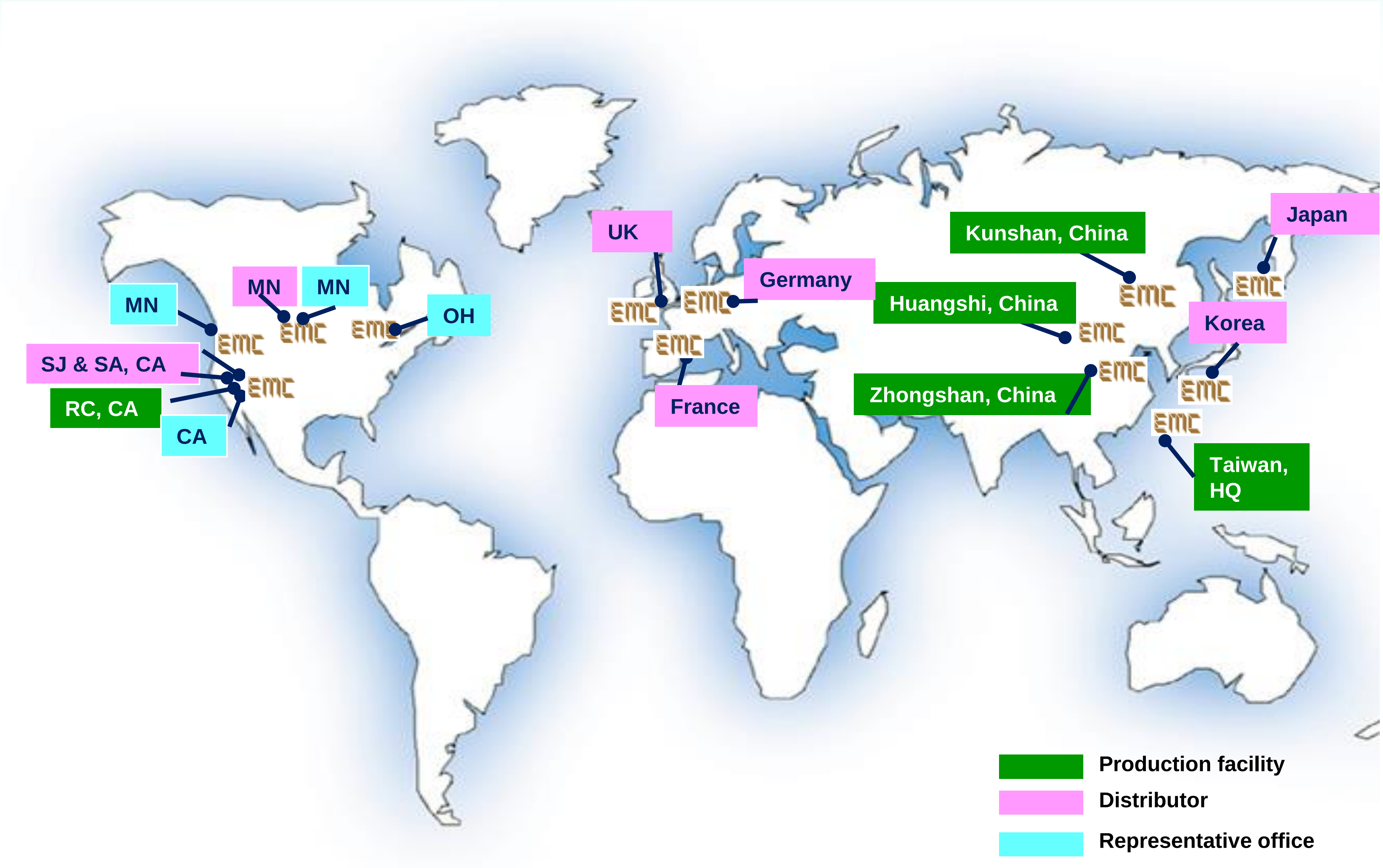
EMC (KS)
Kunshan
CCL: 1.35kk sheets
PP: 3.3kk meters
Manpower: 1,200+
+300K SHT/M in 1Q, 2023
+450K SHT/M in 3Q,2023

EMC (TW)
Taoyuan
CCL: 500k sheets
PP: 1.8kk meters
Manpower: 600+
+300K SHT/M in 2024

EMC (TW)
Hsinchu
CCL: 150k sheets
PP: 1.1kk meters
Mass Lam: 800k ft2
Metal Core: 40k pnls
Manpower: 200+

EMC (ZS)
Zhongshan
CCL: 950k sheets
PP: 2.1kk meters
Manpower: 900+

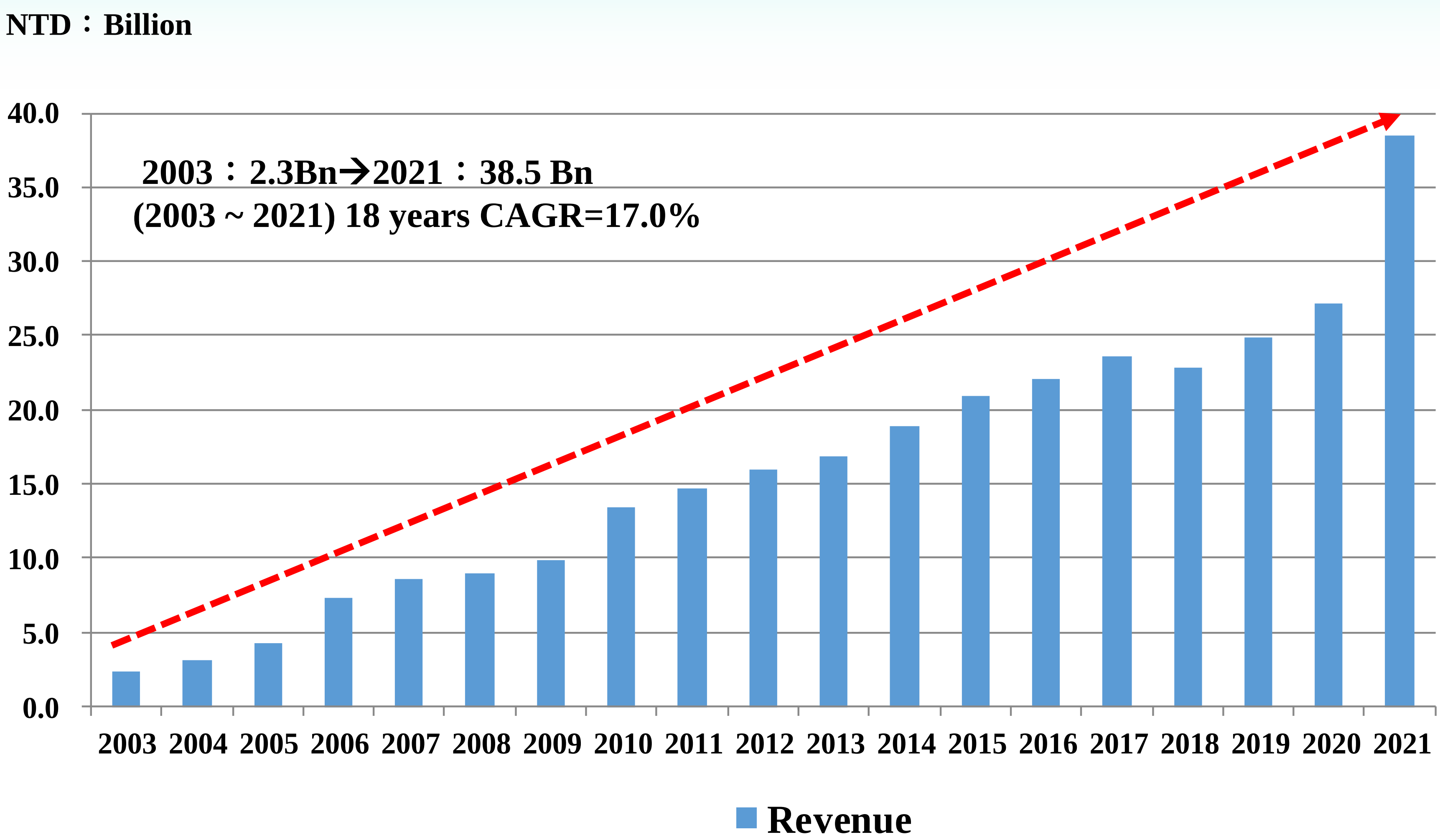
Global Footprint- pan US, pan EU & pan Asia sales distribution network



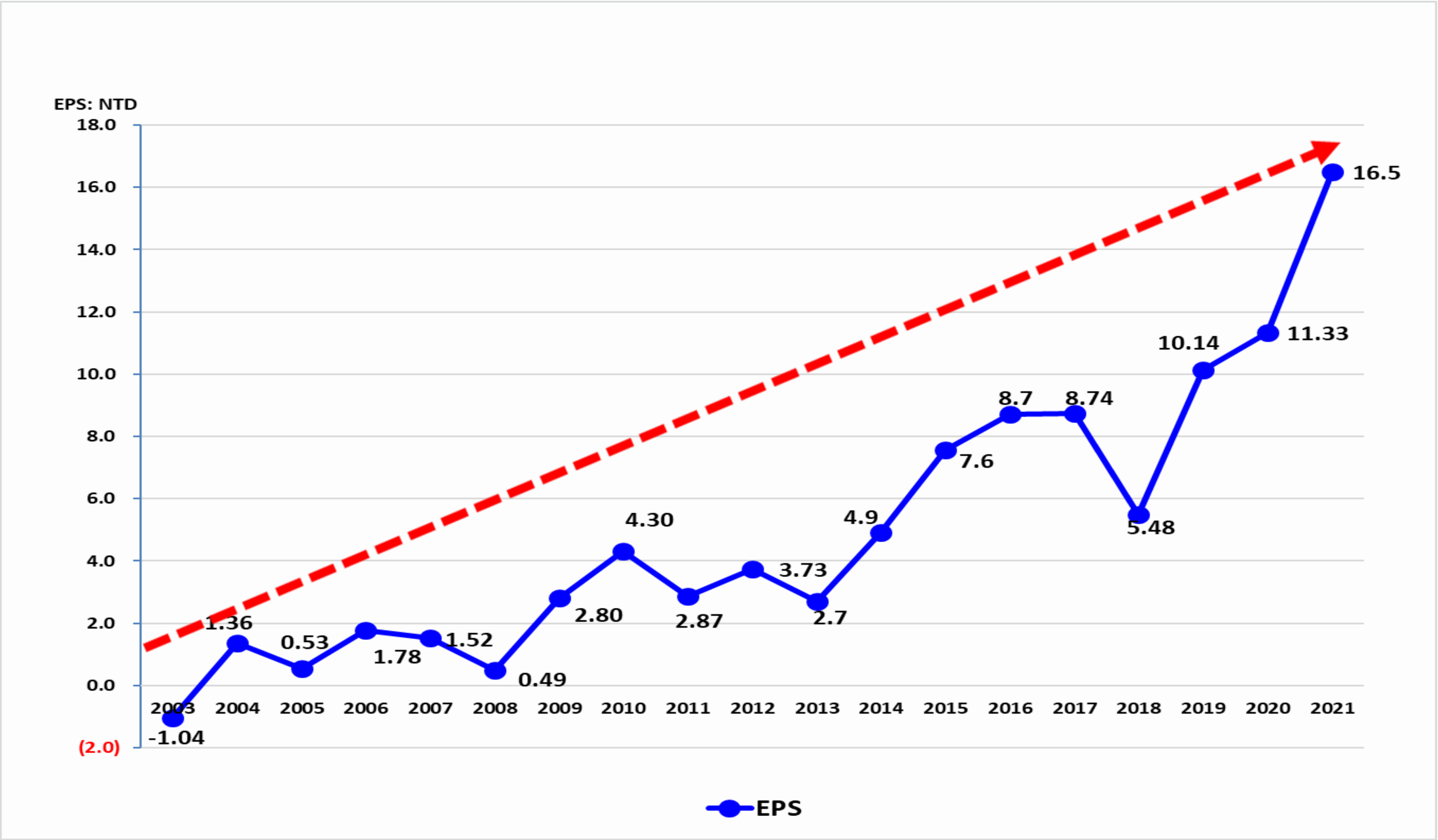
The Corporate Social Responsibility Report

By Royal Charter

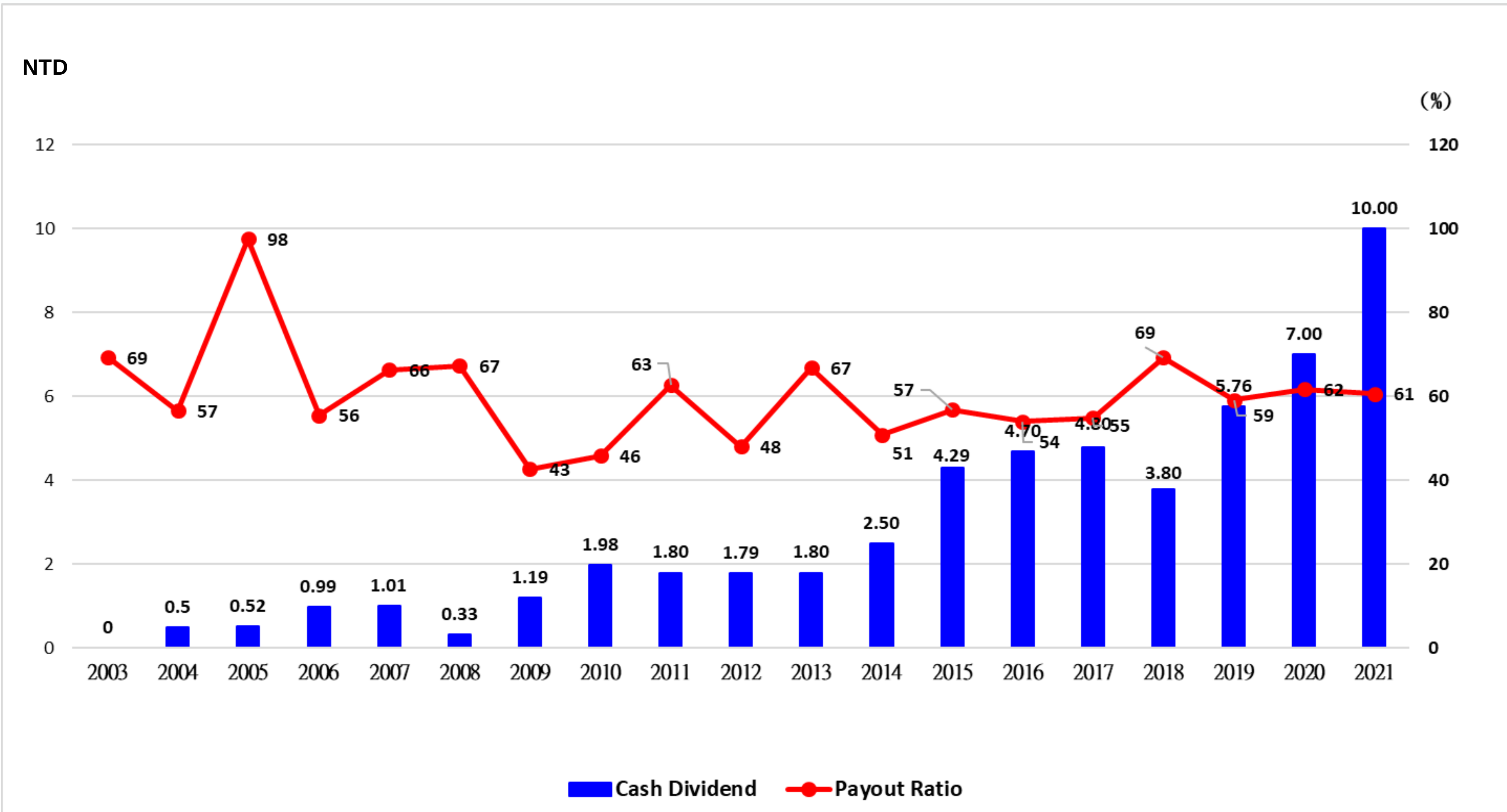
Steadily Sales Growth



Sustainable Operation Performance



History of Cash dividend and Payout ratio



3Q22 P&L summary

Unit: NT$ million

	3Q22	2Q22	QoQ	3Q21	YoY
Revenue	9,883	9,983	-1.0%	10,776	-8.3%
Gross profit	2,549	2,297	11.0%	3,078	-17.2%
Operating profit	1,598	1,454	9.9%	2,250	-29.0%
Income before tax	1,630	1,448	12.6%	2,264	-28.0%
Tax expenses	(322)	(364)	11.5%	(471)	31.7%
Net income	1,308	1,084	20.7%	1,793	-27.1%
EPS (NT$) - basic	3.93	3.25	20.9%	5.38	-27.0%
Gross margin (%)	25.8%	23.0%		28.6%	
Operating margin (%)	16.2%	14.6%		20.9%	
Net margin (%)	13.2%	10.9%		16.6%	

3Q22 Abstracted Balance Sheet

Unit:NT$ million	3Q22		2Q22		3Q21	
	Amount	%	Amount	%	Amount	%
Cash & Equivalent	7,526	18.1%	9,596	21.5%	5,568	15.9%
A/R+N/R	13,309	31.9%	13,246	29.7%	13,631	38.9%
Inv	4,710	11.3%	6,196	13.9%	5,336	15.2%
PPE	13,742	33.0%	12,711	28.5%	7,883	22.5%
Total Assets	41,688	100.0%	44,653	100.0%	35,059	100.0%
Short term Debt	4,730	11.3%	3,942	8.8%	2,827	8.1%
A/P	6,880	16.5%	8,869	19.9%	8,828	25.2%
Long term Debt	3,969	9.5%	3,674	8.2%	964	2.8%
Shareholder's Equity	20,948	50.2%	19,421	43.5%	18,178	51.8%
Total Debt and Equity	41,688	100.0%	44,653	100.0%	35,059	100.0%

Q & A