Ampoc Far-East Co., Ltd.

Investor Conference

2017/05/11

DISCLOSURE

For the convenience of readers, this presentation has been translated into English from the original Chinese version. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language presentation shall prevail.

- Ampoc Profile
- Company History
- Products Introduction and Application
- Financial Information
- Future Outlook

Company Profile

Company：AMPOC Far-East Co., Ltd.
Address：17F., No.171, Sung-Teh Road,
Taipei, Taiwan
Tel：(02) 2726-2220
Fax：(02) 2726-2227
E-mail：1service@ampoc.com.tw
Responsible Person：
Chairman & C.E.O., Mr. Ronald S. Su
Executive VP & C.O.O., Mr. Alden Chiao
Since：November 1, 1980
Paid-up Capital：NT$ 1,144 Million
Employee：280

Chairman & C.E.O.,
Mr. Ronald S. Su

Company History

AMPOC's

History

2006/12	• Ampoc merged Yang Shin Investment Co., Ltd which Ampoc owned 100%.
2002/01	• Ampoc was approved to list on the Taiwan Stock Exchange, Stock Code: 2493.
2001/06	• Stock dividend was issued, resulting in total capital of NT$905 million.
2000/10	• Paid-in capital was increased to NT$73.7 million.
1999/12	• Ampoc merged with TTCM and issued additional 21,107,000 shares, paid-in capital increased to NT$57.1 million.
1998/12	• Ampoc was approved as public company. Ampoc was engaged in capitalization of NT$10.2 million, paid-in capital increased to NT$30 million.
1998/03	• Ampoc established the inspection lab. with precision instruments to enhance our service quality.
1997/03	• Ampoc purchased the office which located at 17F, No.171, Sung-Teh Rd., Sinyi District, Taipei.
1987/05	• TCM in Japan which was a master manufacturer of PCB Wet Process established TTCM in CHUNG-LI industrial zone, Taiwan. Ampoc invested in TTCM and obtained the sole global distribution agreement except in Japan.
1980/11	• Ampoc was founded in Taipei with initially registered capital of NT$1 million.

Products Introduction and Applications

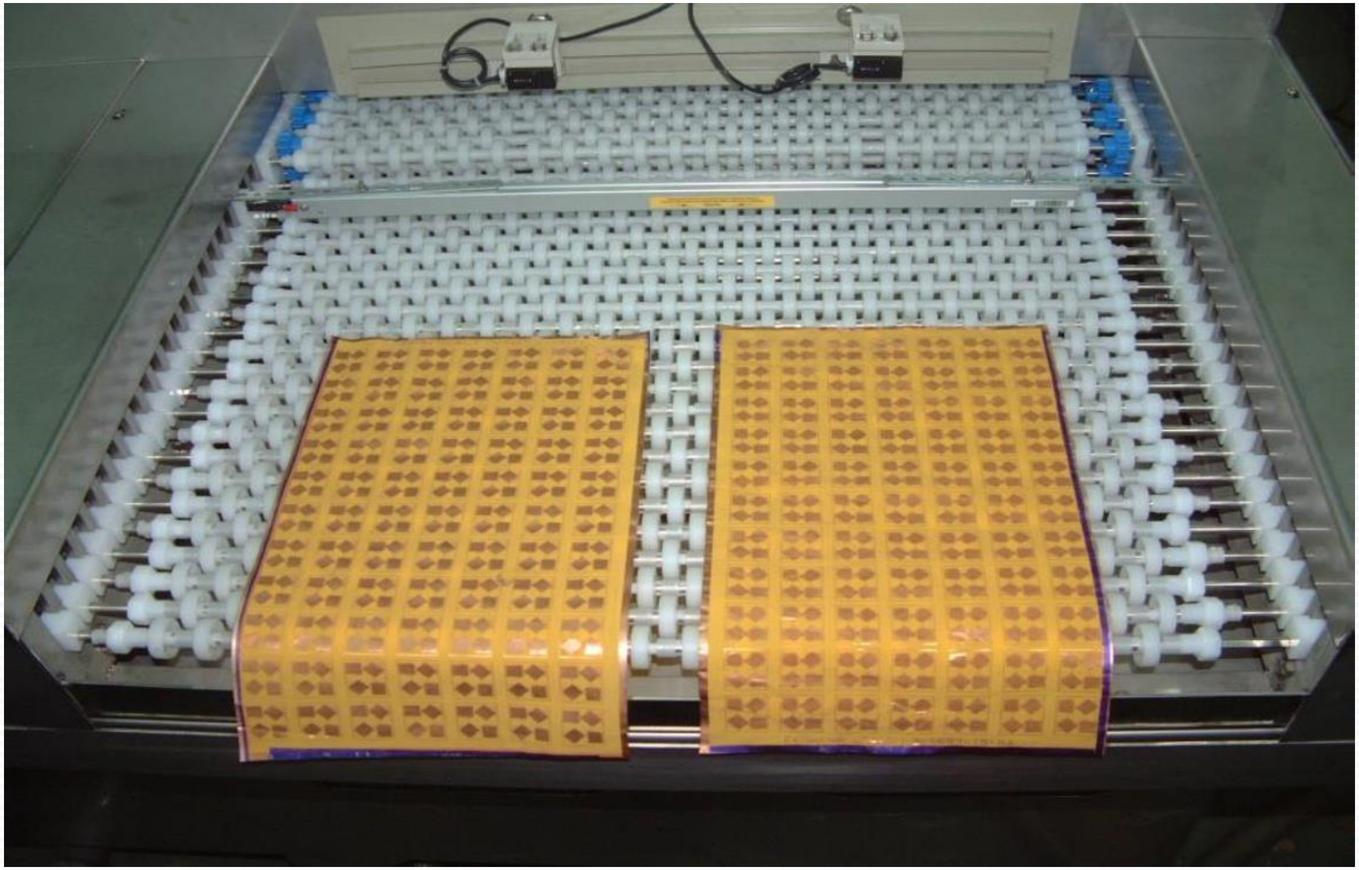
- Products Introduction
  - Ampoc Wing Vertical System
  - Conventional horizontal System: contact of board surface and roller may cause scratches and contamination

- Applications
  - Semiconductor (Back-end)
  - PCB

Production Introduction

Ampoc Wing Vertical System

Conventional horizontal System



Market trend for high-end PKG in 2017

In these years, each semicon plant is eager to develop lighter, thinner and better chips. Under the challenge of Moore's law, foundries are aiming not only at bump, but also self-made high-end package by building new plants. The trend will be relentless and make those global packaging providers turn to develop FOPLP process to stop the foundries from taking their business. Moreover, all plants are investing more than 10 billion NTD for high-end packaging process, which shows that the prosperity of the industry has yet come to the end. Semicon related production equipment makers and special material suppliers are also entering to the market. As one of the predecessors in high-end packaging market for more than a decade, with our high reputation in the market, we will keep on giving the promise of offering the best service in the future.

Taiwan PCB industry review 2016 and outlook 2017

- 2016 market share of PCB industry (by country):

  Taiwan (30.2%)

  Japan (21.6%)

  Korea (17.6%)

  China (16.8%)
- The country is gobbling up other rivals, such as Taiwan, Japan and Korea, with its growing market share.
- The growth of electronic product shipment in 2016 is being limited. The price of conventional PCs and tablets is continuously dropping for 3 years, however, small-volume, large- variety orders for niche products still have huge growth potential.

Taiwan PCB industry review 2016 and outlook 2017

- Regarding the outlook for 2017, with the trigger of growing demand of US and China markets, global electronic products are possibly having greater momentum of growth. The demand for PCB will then turn to be more optimistic.

Taiwan PCB industry review 2016 and outlook 2017

- 2017 Equipment demand checkpoints:
  1. The change of smartphone spec will stimulate the demand for substrate-like PCB production tools.
  2. Chinese suppliers also join the competition of high-end products, including HDI and soft substrate production tools.
  3. The increase of automobile PCB suppliers also stimulates the demand for related production tools.

Semiconductor

- Wafer back-end:
- Plating chemicals for Flip chip bump (lead / lead-free)
- 3D-IC, FOWLP interconnection high-speed plating

- chemicals
- UBM layer high selective etching solutions
- High resolution photoresist

Semiconductor

- IC Package:
- Leadframe metal finish (Sn,Sn-Pb,Sn-Bi)
- QFN leadframe EDPR
- High-end fine pitch MLO on probe card

PCB

- HDI board / substrate
- High-speed TH/Via filling Cu plating solutions
- High-quality ink, peelable paste
- High stability Sn plating solutions
- Photoresist/stripper
- Flashing etch
- Adhesion promoting

Financial Information

- Condensed Statement of Comprehensive Income from 2014 to 2016
- Condensed Balance Sheet from 2014 to 2016
- Financial Analysis from 2014 to 2016

Condensed Statement of Comprehensive Income from 2014 to 2016

Unit: NT$ thousands (Except EPS: NT$)

Year Item	2014	2015	2016
Net Revenue	**2,359,316**	**2,200,585**	**2,312,375**
Gross profit	**706,219**	**617,928**	**749,415**
Gross margin(%)	**29.93**	**28.08**	**32.41**
Operating income	**395,740**	**305,660**	**390,622**
Net income after tax	**374,998**	**286,899**	**326,235**
EPS	**3.28**	**2.51**	**2.85**

Condensed Balance Sheet from 2014 to 2016

Unit: NT$ thousands (Except EPS: NT$)

Year Item	2014	2015	2016
Current Assets	**2,610,138**	**2,370,950**	**2,310,668**
Non-current Assets	**643,953**	**657,258**	**685,653**
Total Assets	**3,254,091**	**3,028,208**	**2,996,321**
Current Liabilities	**942,313**	**748,692**	**657,291**
Non-current Liabilities	**101,372**	**98,100**	**111,804**
Total Liabilities	**1,043,685**	**846,792**	**769,095**
Equity	**2,210,406**	**2,181,416**	**2,227,226**

Financial Analysis from 2014 to 2016

Year Item	2014	2015	2016
Debts Ratio (%)	**32.07**	**27.96**	**25.67**
Current Ratio(%)	**276.99**	**316.68**	**351.54**
Average Inventory Turnover (Times)	**2.38**	**2.15**	**2.37**
Return on Equity (%)	**17.44**	**13.07**	**14.80**

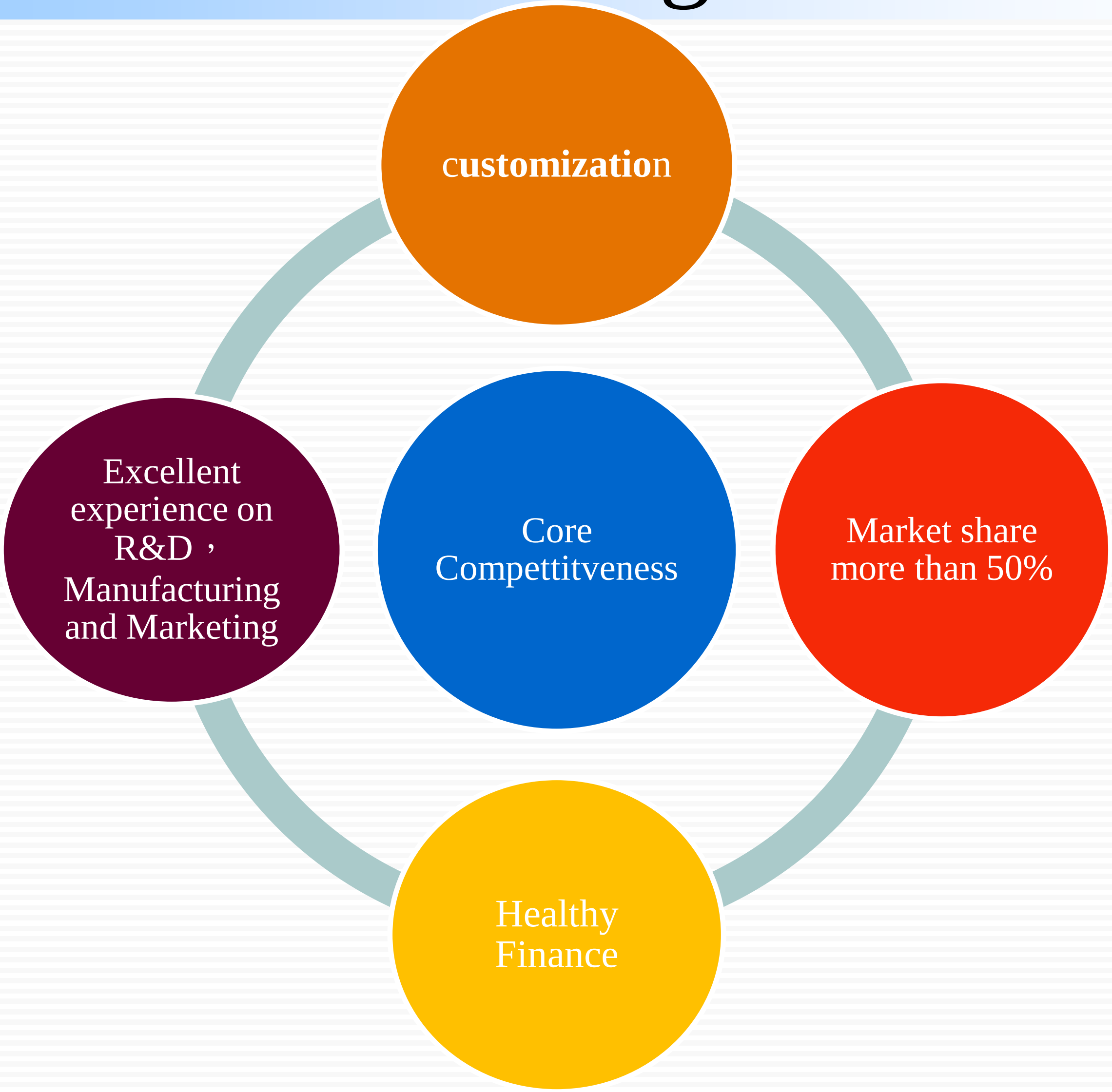
Future outlook

- Business development direction
- Competitive Advantage
- Unfavorable factors and countermeasures

Business development direction

- Developing innovative technology equipment
  - PCB substrate-like process equipment
  - FPCB and Rigid PCB process equipment
  - Automotive substrate process equipment
- Developing new market
  - Southeast Asia
  - India

Competitive Advantage



customization

Excellent experience on R&D，Manufacturing and Marketing

Core Competttitveness

Market share more than 50%

Healthy Finance

Unfavorable factors and countermeasures

- Low price competition
  - Ampoc is going to keep R&D investment and continue to develop all kinds of new technology equipment to receive our customer’s trust and orders.
- Increase of manpower and material
  - Ampoc is going to reduce high price material through widely usage of computer and robot.