

INVESTOR RELATIONS

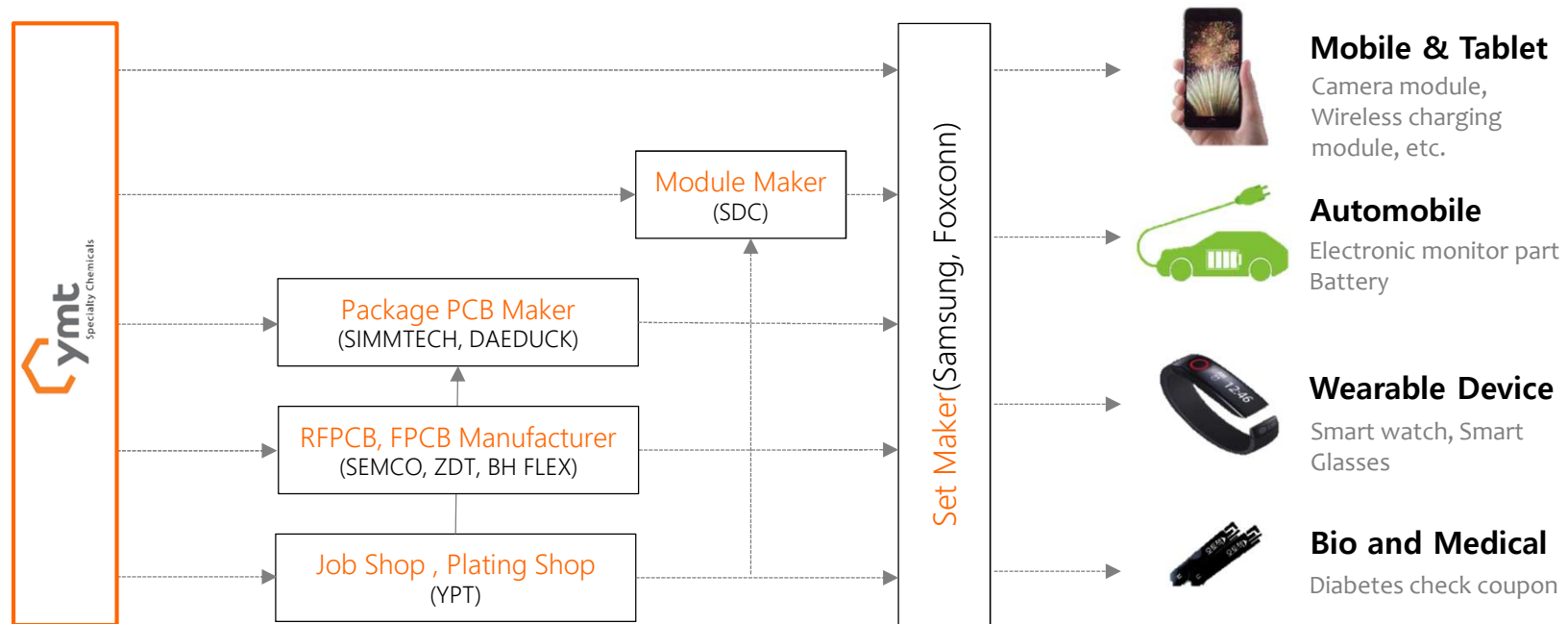
2019. 2Q YMT IR BOOK

Your Most trustworthy



Company Introduction

YMT is a global company that directly researches, produces, and supplies high value-added plating chemicals for high-end PCB manufacturing processes.



YMT is chemical & electronic materials supplier for F/RF-PCB manufacturers located in Korea, China, and Vietnam. Based on plating, technology in PCB field, YMT is expanding the market to PKG PCB and electronic materials.

Company Introduction

GLOBAL NETWORK

YMT HQ

- Incheon, Korea
- 141 employees (HQ), / 250 employees (Total)
- 2 R&D Centers
- Main Manufacturing location

YMT China (Shenzhen) Co., Ltd

No.509, Hongan Business Center, Xiqiao Integration BLDG, Beihuan RD, Shajing St, Baoan District, Shenzhen, CN518125
Tel +86-755-2946-6201

YMT China (Shenzhen) Kunshan Branch

Lujia Town, Kunshan City, Jiangsu Province Hefeng Villang, Jinzhu Road No.18 CN215331
Tel +86-0512-3669-8439

YMT Taiwan Branch

1F, No.51, Housheng RD, Luzhu City, Taoyuan County 338, Taiwan
Tel +886-3-3220808

Rizhao Factory

South of Shanghai RD, West of Xian Dai RD, Rizhao Economic Development Zone Rizhao City, Shandong Province, China 276800
Tel +86-633-227-8778

YMT Vina(Vietnam) Co., Ltd

F6, Room602, MB Bac Ninh Building, No.24, Ly Thai To Street, Bac Ninh City, Vietnam
Tel. +84-24-1625-1238 Fax. +84-24-1625-1288

YMT Europe Office

Drahobejova 1019/27, Praha 9 - Libeň (Zip : 19000)

본사/1공장 HQ/Factory 1

인천광역시 남동구 남동대로 153번길 30
Tel, 032-821-8277 Fax, 032-821-8271

2공장 Factory 2

인천광역시 남동구 청능대로 337
Tel, 032-821-8277 Fax, 070-4009-0403

와이피티(주) YPT Co., Ltd.

경기도 안산시 단원구 신원로 147
Tel, 031-492-8278 Fax, 031-493-8278

부산출장소

부산광역시 강서구 녹산산단 382로 14번가길 20
부산청정도금센터 406호
Tel, 070-7596-2510 Fax, 051-714-5270



Customer List

PCB Maker Direct Customer	    
	    
	    
Set Maker	     
Semi-conductor Maker	   
Display Maker	  

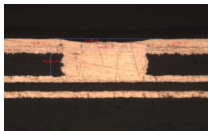
Products Introduction

Chemical Business



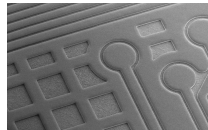
Finish Plating Chemical

- Plating PCB surfaces by using precious metals such as gold and palladium.
 - ✓ 1st in global market share in gold plating for F/RF-PCB
 - ✓ Adopted by Apple, Samsung



Copper Plating Chemical

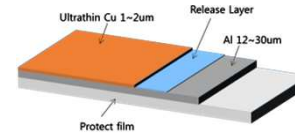
- Process for forming an electrical connection between layers of Multi layer substrate
 - ✓ Electroless Copper plating
 - ✓ Electronic Copper plating



Process Chemical

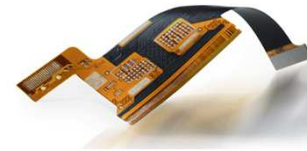
- Etching, developing and other chemical to form circuitry of substrate
 - ✓ Etching, developing and other chemical for PCB
 - ✓ Process Chemical for MSAP
 - ✓ Flux Cleaner

Others



Electronic Materials

- Materials
 - ✓ Ultra-thin copper Foil
 - ✓ EMI Shield
- Roll to Roll
 - ✓ RTR copper plating outsourcing



Plating Outsourcing [YPT]

- Gold plating outsourcing
 - ✓ FPCB, RFPCB
 - ✓ PCB for Camera module
- Via-fill copper plating outsourcing

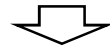


Facility [Beyond Solution]

- Gold and copper plating facility sales, installation and maintenance services
 - ✓ Selling bundled with YMT chemical
 - ✓ Via-fill facility improvement, customer relocation to Vietnam, etc.

2019 Business Forecast

1) Launching of Foldable Smartphone, 2) Opening of 5G Market.

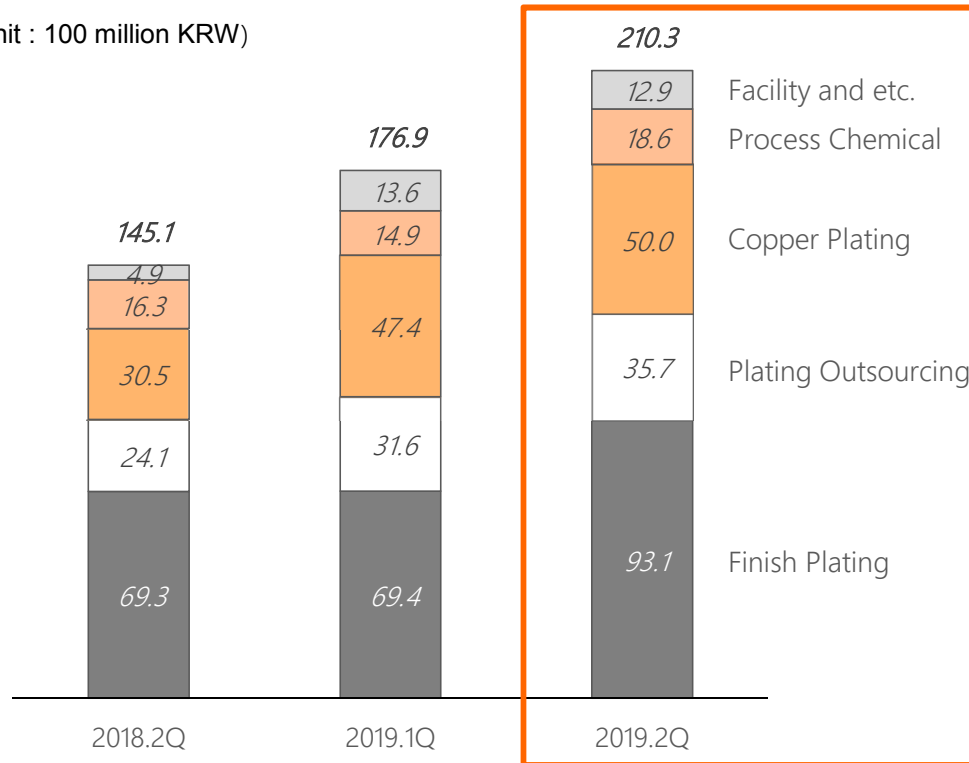


Increased number of PCBs per unit	High-Specification of PCB	Material change
<ul style="list-style-type: none"> • Increased mounting of display panels <ul style="list-style-type: none"> ✓ 2 panels in a Galaxy Fold ✓ This increases PCB for display. • Increased PCB for batteries <ul style="list-style-type: none"> ✓ Increased battery pack as display area and number of displays increase • Increase the number of camera modules <ul style="list-style-type: none"> ✓ Total of 6 camera modules • Changing antenna specifications from LDS to FPCB <ul style="list-style-type: none"> ✓ Switching to thin FPCB due to increasing number of antennas for 5G high frequency 	<ul style="list-style-type: none"> • Expanding the SLP market <ul style="list-style-type: none"> ✓ Insufficient space due to expansion of modules such as batteries ✓ Essential HDI miniaturization • Fine pitch needs increased <ul style="list-style-type: none"> ✓ PCB area is reduced, but circuit area in PCB is increased ✓ Increasing high-specific chemical needs • Extend high-layer PCB <ul style="list-style-type: none"> ✓ Increased needs for high-layer PCBs as PCB areas are reduced ✓ Expanding market needs for high-end, high-layer PCB technologies such as Via-fill 	<ul style="list-style-type: none"> • Increased needs for ultra-thin copper foil <ul style="list-style-type: none"> ✓ Material essential to PCB's light, thin, short, small trend as like SLP • Change of EMI shielding materials <ul style="list-style-type: none"> ✓ Mobile shielding materials change for 5G high frequency • Material change to prevent loss of signal transmission rate <ul style="list-style-type: none"> ✓ Change of materials and processes are required to prevent signal loss, which is most important in 5G. ✓ Released Low-roughness ultra-thin copper foil, Non etching low profile roughness chemicals, etc.
<p>Prospect to benefit major customers Scale up the PCB overall market</p>	<p>Expectations of chemical ASP's rise Initial sell to major customers is currently under way</p>	<p>Nanotus(Non etching process) is under development. Testing in ultra-thin copper foil with major customers</p>

Sales Result

- Finish Plating
- Plating Outsourcing
- Copper Plating
- Process Chemical
- Facility and etc.

(Unit : 100 million KRW)



- **The biggest revenue in 2Q is achieved with 21 billion KRW**
 - ✓ 6.5 billion KRW (45%) increase compared to the same period of last years.
- **Continued growth of the chemicals**
 - ✓ Sales of Finish Plating increase 2.4 billion KRW (34.3%) compared to the same period of last years.
 - ✓ Sales of Copper Plating increase 2 billion KRW (64.1%) compared to the same period of last years.
 - ✓ Expect amplification effect within 3Q, full-scale mass-production period of customers
- **Plating outsourcing(YPT) revenue are recovering.**
 - ✓ Recovery of Finish Plating outsourcing such as PCBs for camera modules
 - ✓ Small increase of Via-fill outsourcing

2019. 3Q Business Forecast

Market Forecast

- North America and domestic mobile vendors are in mass production of new models from June.
- Chemical and plating outsourcing sales expected to rise, due to mass production schedule of major customers

Chemical Business

Finish Plating Chemical

- Prospects for expanding sales of materials related to increasing PCB for OLED
- Growth in sales of materials for camera modules in China due to expansion of dual or triple camera adoption
- Expect growth in the market with the start of mass-production of customers in Vietnam

Copper Plating Chemical

- Growth is expected due to increased market volume and market share within customers
- Expand new sales related to electronic copper plating (Via-Fill)

Process Chemical

- Prospects to increase sales and acquire new customers related to SLP and PKG PCBs
- Entering the new process market for 5G, as like Nanotus, low-roughness etching process, etc.

Others

Plating Outsourcing

- Vietnam plant was completed in June, gold plating outsourcing will be mass-produced in 2st half of this year
- YPT expects to start Via-fill mass-production in this year and sales will be increased than last year

Electronic Materials

- EMI shielding materials are currently being mounted on Tablet PC model of domestic mobile vendors
- Facility expansion is under review due to increased demand from customers and for localization of materials.
- Increased demand as basic materials (FCCLs) for F-PCBs

Facility and etc.

- Increase in facility sales due to transfer of customers to foreign countries and increase sales of high-quality PCB plating facilities
- Launch of facility business in China market

Income Statement

(Unit : 100 million won)

	2019. 2Q	%	2018. 2Q	%
I. Sales	387.2	100%	301.7	100%
II. Cost of sales	240.0	62.0%	192.9	64.0%
III. Gross profit	147.2	38.0%	108.8	36.0%
Sales and administrative expenses	53.5	13.8%	62.3	20.6%
IV. Operating income	93.7	24.2%	46.5	15.4%
Other gains	9.3	2.4%	4.7	1.6%
Other losses	7.1	1.8%	8.0	2.7%
Finance income	10.2	2.6%	10.6	3.5%
Finance costs	5.6	1.4%	6.8	2.3%
Losses on equity method	0.1	0.0%	-	-
V. Profit before tax	100.6	26.0%	47.0	15.5%
Income tax expense	22.1	5.7%	10.0	3.3%
VI. Profit	78.5	20.3%	37.0	12.2%

Profitability Indicator

	2019.2Q	2018.2Q
Operating profit ratio	24.2%	15.4%
Capital net profit rate	20.3%	12.2%
EBITDA (percent margin)	123.3 (31.85%)	67.8 (17.51%)
ROE	4.58%	2.27%
Asset turnover ratio	28.80%	32.88%

Balance Sheet

(Unit : 100 million won)

	2019.2Q	2018
Assets		
Cashable assets	310.1	276.1
Trade receivable	242.5	206.6
Tangible assets	595.5	560.5
Other assets	270.1	227.6
Total assets	1,418.2	1,270.8
Liabilities		
Trade payables	46.9	37.8
Borrowings	349.6	329.9
Convertible bond	69.1	68.9
Other liabilities	132.6	90.1
Total liabilities	598.2	526.7
Equity		
Issued capital	37.0	37.0
Capital surplus	219.5	219.5
Retained earnings	463.6	403.4
Other equity	99.9	84.2
Total equity	820.0	744.1
Total equity and liabilities	1,418.2	1,270.8

Cash Flow

(Unit : 100 million won)

	2019.2Q	2018.2Q
Cash at beginning of period	276.0	224.2
Cash flows from operating activities	64.8	47.0
Profit	78.5	37.0
Depreciation cost	21.2	15.1
Bad debt expense	(11.3)	0.7
Cash flows from investing activities	(51.8)	(69.1)
Purchase of tangible asset	(53.1)	(50.0)
Cash flows from financing activities	15.6	58.4
Proceeds (repayments) of borrowings	19.8	(11.6)
CB issue	-	70.0
Net increase in cash	28.6	36.4
Effect of exchange rate changes	5.5	7.1
Cash at end of period	310.1	267.7

END OF DOCUMENT

Thank you.