

An aerial photograph of a modern cable-stayed bridge with two tall, white, A-frame pylons. The bridge spans a river and is surrounded by lush green hills. In the background, there are industrial facilities, including large storage tanks and buildings. The sky is clear and blue.

Investor Conference

L&K

Group

Disclaimer

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Agenda

01 L&K Introduction

02 Operational Summary

03 Strategy and Prospect

04 Financial Summary

L&K Introduction

Innovation. Leadership. Professionalism. Waste Reduction. Responsibility

**In the past, we got a foothold in Taiwan.
Nowadays, we strive to expand our business in China.
Future, we expect to service the whole Asia.**

History and Growth



L&K Founded

1978

2001

2002

2003

2006

2008

2009

2010

2016



Established L&K
Engineering (Suzhou)
Co., Ltd.

Established the R&D
Center of L&K (Suzhou)
(Self-owned Chemical
Analysis Laboratory
Started Operation in
2014)



CONSTRUCTORS & ENGINEERS

Privatized RSEA
Engineering
Corporation through
JV.

L&K Engineering
(Suzhou) Co., Ltd. was
Listed as an A-Shares
on Shanghai Stock
Exchange.
(Code: 603929)



Established
Singapore Branch
and Shanghai
Representative
Office.

L&K Engineering
Co., Ltd. was Listed
on Taiwan Stock
Exchange.
(Code : 6139)

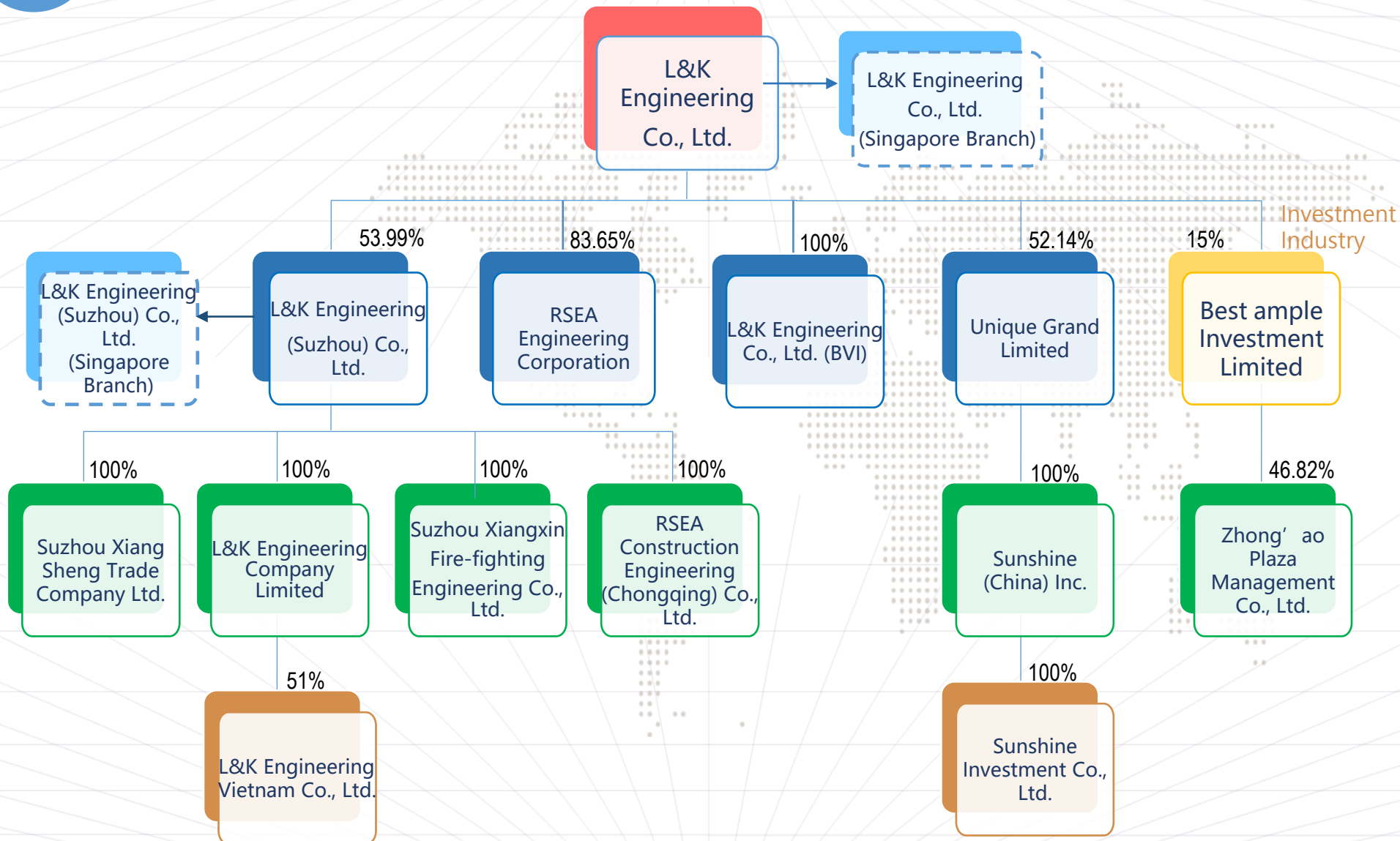


Established L&K
Engineering
Vietnam Co., Ltd.

Established Unique
Grand Limited in
Hong Kong and
Reinvest Sunshine
(China) Inc.

➤ 2021 Engineering Company's Revenues Survey
of Common Wealth Magazine-L&K ranked 10th place
in 2020.

1 L&K Group and Affiliates



Company Overview

Company	<ul style="list-style-type: none"> L&K Engineering Co., Ltd. 	<ul style="list-style-type: none"> RSEA Engineering Corporation 	<ul style="list-style-type: none"> L&K Engineering (Suzhou) Co., Ltd. 	<ul style="list-style-type: none"> Sunshine (China) Inc.
Profile	<ul style="list-style-type: none"> Founded by Yao Chu Shiang (Kenneth Yao) in 1978. Listed on Taiwan Stock Exchange in 2003, Stock Code 6139 	<ul style="list-style-type: none"> Founded by Veterans Affairs Commission of Executive Yuan, R.O.C in 1956. Joint-venturing with L&K Engineering Co., Ltd. in Oct. 2009. 	<ul style="list-style-type: none"> Founded by Yao Chu Shiang (Kenneth Yao) in 2002. Listed on Shanghai Stock Exchange in 2016, Stock Code 603929. 	<ul style="list-style-type: none"> Reinvested through Unique Grand Limited by L&K Taiwan in 2010.
Capital	<ul style="list-style-type: none"> NT\$ 3.5 Billion (Paid-in Capital is NT\$ 2.255 Billion) 	<ul style="list-style-type: none"> NT\$ 5 Billion (Paid-in Capital is NT\$ 3.228 Billion) 	<ul style="list-style-type: none"> CNY \$ 213.36 Million 	<ul style="list-style-type: none"> US\$99.8 Million
Service Scope	<ul style="list-style-type: none"> EPC Turnkey (Design, Procurement, Construction) Clean room Construction and Products Manufacture 	<ul style="list-style-type: none"> Comprehensive Construction Enterprises and Construction Management 	<ul style="list-style-type: none"> EPC Turnkey MEP Installation Class 1 	<ul style="list-style-type: none"> Development and construction of tourist facilities Natural ecological science and engineering research and development Development and research of energy saving technologies for green resources Corporate and Engineering Management Consulting Environmental Protection Information Service
Employee	<ul style="list-style-type: none"> 479 Employees (as of Nov.2021) 	<ul style="list-style-type: none"> 1,115 Employees (as of Nov.2021) 	<ul style="list-style-type: none"> 625 Employees (as of Nov.2021) 	<ul style="list-style-type: none"> 42 Employees (as of Nov.2021)
Phone	<ul style="list-style-type: none"> +886-2-2691-9099 	<ul style="list-style-type: none"> +886-2-8691-7366 	<ul style="list-style-type: none"> +86-512-67027000 	<ul style="list-style-type: none"> +86-028-67778813
Website	<ul style="list-style-type: none"> http://www.lkeng.com.tw 	<ul style="list-style-type: none"> http://www.rseaec.com.tw 	<ul style="list-style-type: none"> http://www.lkeng.com.cn 	

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Location of Subsidiaries and Branches



1 Scope of Marketing Industries

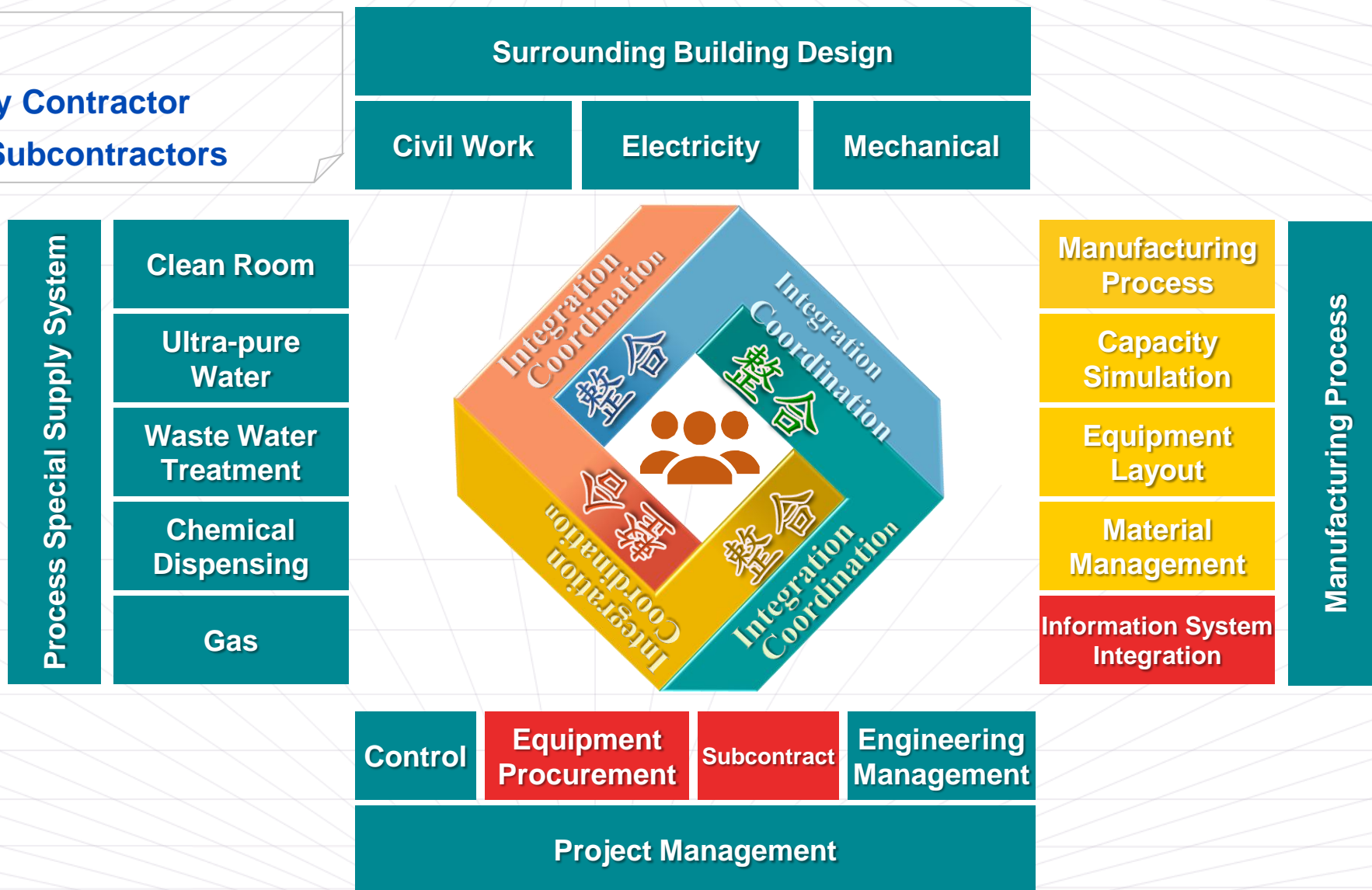
With More Than 43 Years Engineering Experiences, L&K has Progressively Expanded Our Scope of Services Which are Including Hospitals, Pharmaceutical Plants, Commercial Buildings, Residential Buildings, Solar Cell and Module Plants, Solar Energy, Semiconductor Facilities, Optoelectronic Plants, Utility Plants, Petrochemical Plants, ESCO Services, etc.



 **Client**

 **Turnkey Contractor**

 **Other Subcontractors**

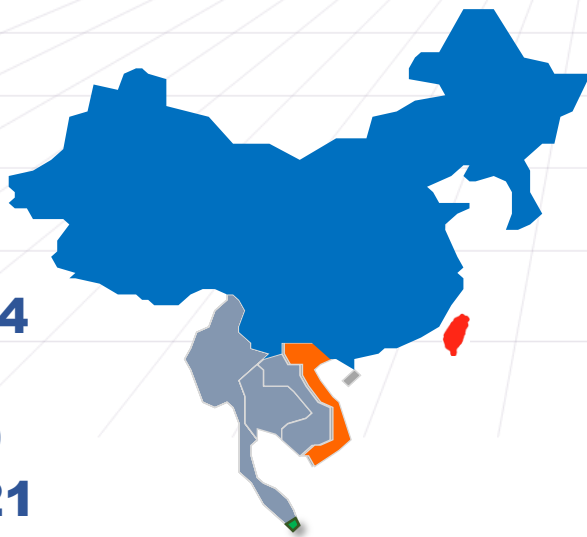


1 Group Employee Skill Profile

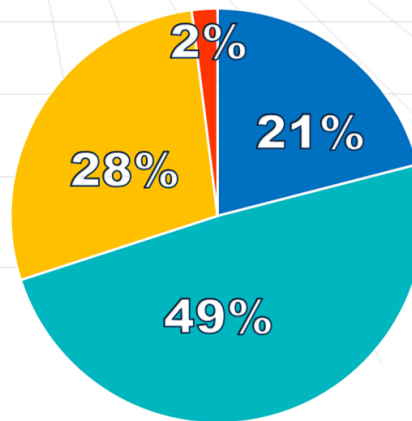
Group Employee

2,261

Taiwan	1,594
China	597
Vietnam	49
Singapore	21



Employees

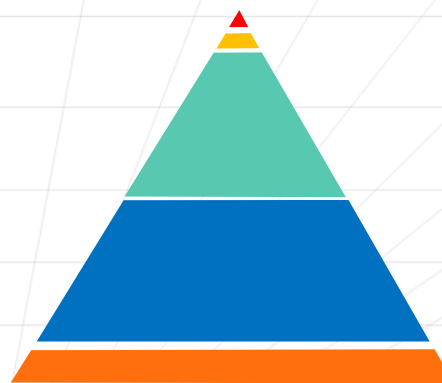


	Percentage Employees %	
L&K	21%	479
RSEA	49%	1,115
L&K (Suzhou)	28%	625
Sunshine (China)	2%	42
(Total)		2,261

Skill Profile

Design	200人	9%
Project	1,076人	48%
Technician	666人	29%
Others	319人	14%

Education



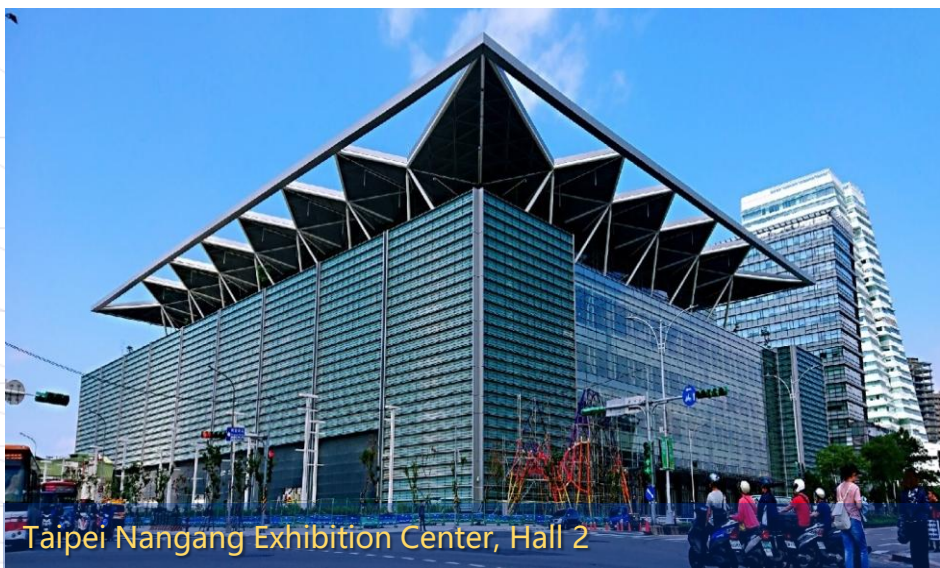
	Percentage Employees %	
Doctor's Degree	1%	15
Master's Degree	7%	161
Bachelor's Degree	43%	969
Associate Degree	39%	871
Senior High School and Under	10%	245

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Major Project Achievements in 5 Years



Major Project Achievements in 5 Years



1

Major Project Achievements in 5 Years



United BioPharma, Inc.-Protein Plant Turkey Project



Academia Sinica –
National Biotechnology Research Park Turnkey Project



National Yang-Ming University Hospital-
Interior Decoration and MEP Project



National Kaohsiung Center for the Arts-Special Facility Project

1

Major Project Achievements in 5 Years



Taiwan Apple LLC, Taiwan Branch-LY3 Expansion Project



Taiwan Semiconductor Manufacturing Co., Ltd.-
tsmc F15 P7 MEP Project



Macronix International Co., Ltd.-FAB5 MEP Expansion Project



Nanya Technology Corporation-
FAB 3AN Clean Room Expansion Project (3AN/3AN P9-1)



TSMC Nanjing Company Limited
12 "Wafer Fab PHASE 1 Expansion and the New
Manufacturing Line (First Plant Decorating Engineering) EPCM



Semiconductor Manufacturing South China Corporation -
Fab8 P2 Power Phase I -CUS Procurement and Installation
Fab8 P2 Phase IV CUS System Expansion/ PCW & PV System
Project



HeJian Technology (Suzhou) Co., Ltd. -
77k Clean Room Project



Fujian Jinhua Integrated Circuit Co., Ltd. -
CR Package A-1, Process Pipeline Package, Hook Up Project

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過去五年主要工程實績



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過去五年主要工程實績





1

過去五年主要工程實績





Operational Summary

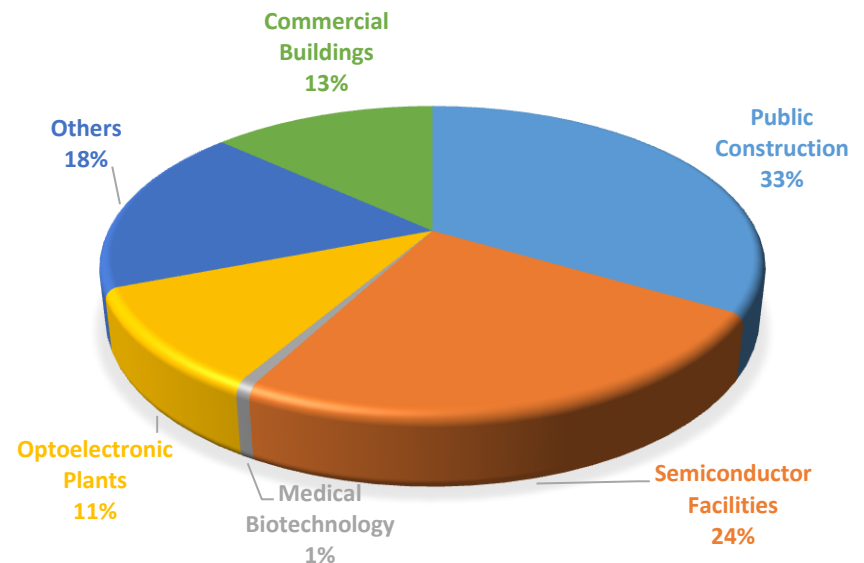
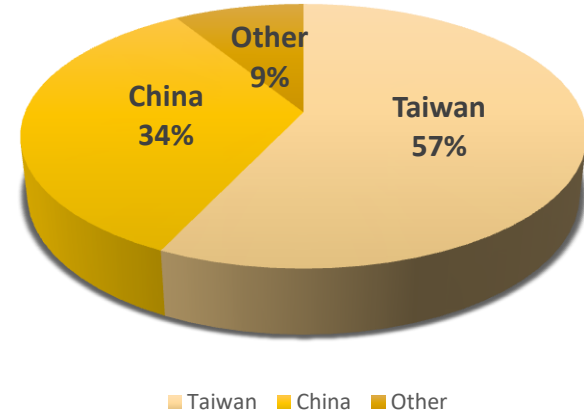
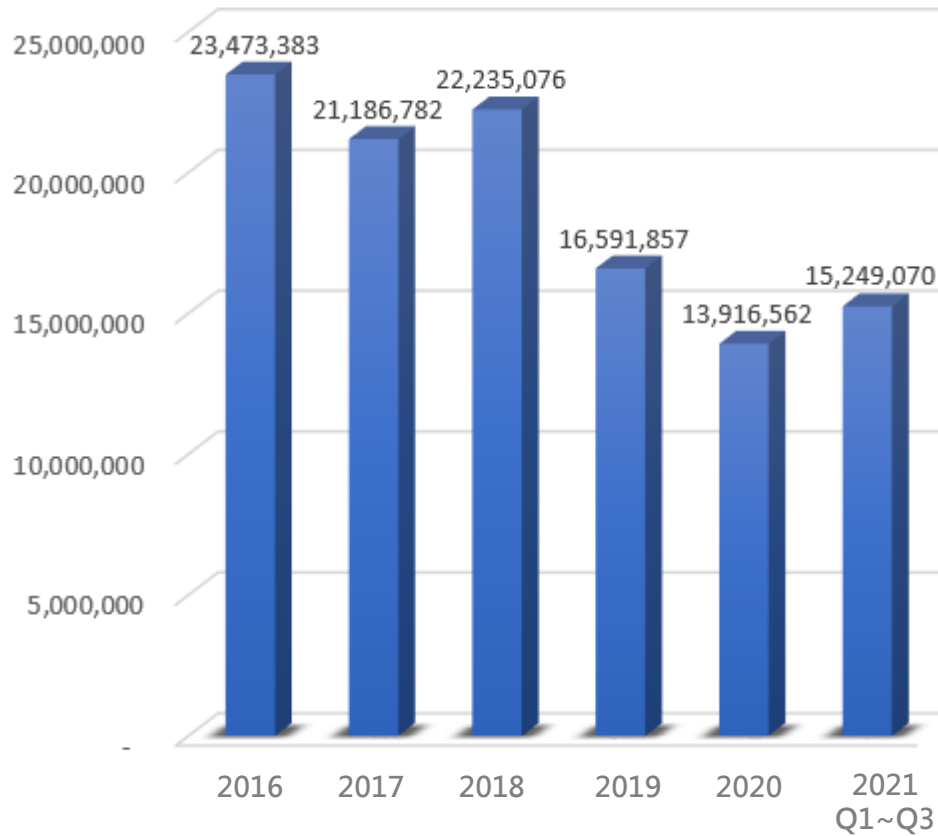
Design 、 Procurement 、 Construction 、 Performing 、 After-sales Service ...

Consolidated Revenue and Distribution

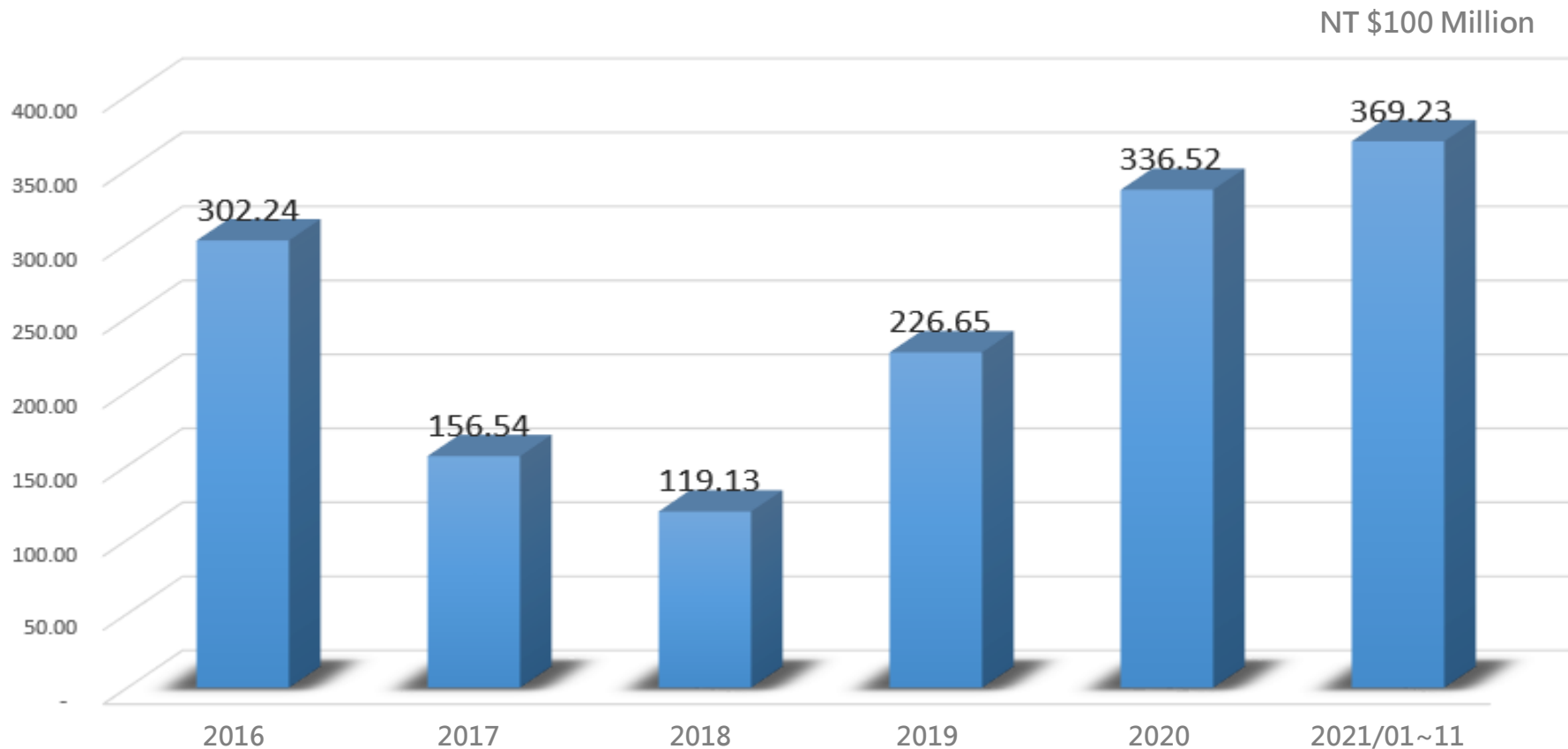
NT \$1,000

2021 Q1~Q3

Consolidated Revenue



2 Annual Contract Amount



- ◆ The total amount of new contracts is NT\$36.923 billion. (as of November 30th, 2021)
- ◆ The balance of not under construction contracts is NT\$70.322 billion.
(As of November 30th, 2021)

2 Major On-going Project –Taiwan

Client	Project
1.Utility Plants -Mass Rapid Transit Project	
Department of Rapid Transit Systems, New Taipei City	San-Ying Line MRT Project (D&B)
South District Project Office, Department of Rapid Transit Systems, Taipei City Government	Wanda-Zhonghe-Shulin Line Project Phase 1 Contract No.CQ850
Land Transport Authority (LTA) Singapore	Construction of Mount Pleasant Station and Tunnel for Thomson Line T215
2.Utility Plants - Railway/ Highway Project	
Railway Reconstruction Bureau, MOTC	Railway Technology Research and Verification Center Civil Engineering for C1, C2 Factory of Test and Verification Equipments
Railway Reconstruction Bureau, MOTC	Contract CE02,Civil Engineering of Railway Technology Research and Verification Center
Railway Reconstruction Bureau, MOTC	Kaohsiung Station Canopy (Roof Truss) Project
Railway Reconstruction Bureau, MOTC	AACL212 Kaohsiung Railway Underground (Cut and Cover Construction) Project
3. Utility Plants - Water Environment and Energy Project	
Taiwan Power Company	Civil Works of Engineering, Procurement, Construction and Commissioning Works for LNG Storage Tanks of LNG Receiving Terminal Project for Taichung Power Plant
Taiwan Power Company	Coal Storage Silo System (D&B) Project, Talin Power Plant Renewal Program

2 Major On-going Project –Taiwan

Client	Project
4. Utility Plants -Zone Expropriation	
Land Administration Department, New Taipei City Government	Contract 1-1, Xin-Tai Yuzizhen Area Urban Land Readjustment and Development Project, New Taipei City
Land Administration Department, New Taipei City Government	Contract 1-2, Xin-Tai Yuzizhen Area Urban Land Readjustment and Development Project, New Taipei City
5. Utility Plants –Construction Project	
Taoyuan International Airport Corporation Ltd.	Civil and Architecture Construction Tender for Terminal Building, Taiwan Taoyuan International Airport Terminal 3 Area
New Construction Office, Public Works Department, Taipei City Government	General Building and Underground Parking Lot Project ,Taipei Jingmei Girls High School
Taiwan Life Insurance Co., Ltd.	Taiwan Life C3 Project(Main Contractor Project Of Taipei City Nangang District Jingmao Section Land serial no.15 Superficies)
Taiwan Obayashi Corporation, Farglory Construction, Obayashi Corporation Taiwan Branch Joint Venture	Taipei Dome Complex-Large Indoor Stadium Project - Mechanical & Electrical Construction
Department of Rapid Transit Systems, Taipei City Government (the First District Project Office)	Taipei Performing Arts Center Theater Equipment Phase One 〈 TP4 〉

2 Major On-going Project –Taiwan

Client	Project
6. High-Tech Plants	
Photronics DNP Semiconductor Mask Corp.	PDMC-1D Cleanroom Expansion Project –Design Project
Powerchip Semiconductor Manufacturing Corporation	PSMC P5 –Clean Room Construction Project Phase I (20K)
United Microelectronics Corp.	FAB 12A L6 Clean Room and MEP Turnkey Project
Taiwan Semiconductor Manufacturing Co., Ltd.	F18 P1/P2/P3/P4/P5/P6/7 & F14P8 Underground Piping System (Tainan Science Park)
GlobalWafers Co., Ltd. - Taisil Branch	New Fab and EPI PCW System Expansion Project
Nan Ya Printed Circuit Board Corporation	Shulin Plant-Clean Room & HVAC System
Taiwan Semiconductor Manufacturing Co., Ltd.	RD Center underground piping package(Hsinchu Science Park)
Macronix International Co., Ltd.	FAB5 BAY29/30 Clean Room Construction Project & Phase I MEP Expansion Project
Winbond Electronics Corp.	Phase I MEP Construction Project of Kaohsiung Plant

Client	Project
1. Wafer Industry	
SMIC Jingcheng Integrated Circuit Manufacturing (Beijing) Co., Ltd.	Fab3 P1 PCW/PV/HV Project
Semiconductor Manufacturing International (Tianjin) Corporation	Fab7 P3 CUS Project/PCW Project
Semiconductor Manufacturing International (Shenzhen) Corporation	2021 SZ Fab6 Qianhai Project Factory Power Equipment Installation Expansion Project
TSMC Nanjing Company Limited	12 " Wafer Fab PHASE 1 Expansion and the New Manufacturing Line(First Plant Decorating Engineering) EPCM
Nexchip Semiconductor Co.,Ltd.	L40 Clean Room Engineering Installation
Semiconductor Manufacturing International (Shanghai) Corporation	2021 SH Fab1 Dengfeng Project Phase II Power Expansion Project
HeJian Technology (Suzhou) Co., Ltd.	85K Expansion Project Clean Room
Semiconductor Manufacturing International (Shanghai) Corporation	SH Fab1 Dengfeng Project Phase I Project CR Part Expansion Power Part Expansion
Qingdao Kore Semiconductor Co., Ltd.	High-end Sealed and Tested Workshop Project Clean Room System Engineering Power Part Expansion
Hangzhou Xiaoshan International Science and Technology Innovation Center Development Co., Ltd.	Zhejiang University Hangzhou International Science and Technology Innovation Center Project Phase I EPC Project General Contract Micro-nano Ultra-clean Laboratory Platform Phase I Design and Construction Integration Project

Client	Project
1. Wafer Industry	
Semiconductor Manufacturing North China (Beijing) Co., Ltd.	2020 BJ Fab2 P2 Hengshan Project Factory Power System Installation Expansion Project 2020 BJ Fab2 P2 Yanshan Project Factory Power System Equipment Installation Expansion Project
INNOTRON MEMORY CO.,LTD.	Expansion of Small Line Substation Small Line Bulk Gas Main/ Submain Expansion Project
2. Panel Industry	
Changsha HKC Optoelectronics Co., Ltd	200K L20 Clean Room Renovation Project
Shenzhen China Star Optoelectronics Semiconductor Display Technology Co., Ltd.	Phase2 Secondary Package of the 11 th Generation of New Ultra High Definition Display Device Production Line Project
Zhejiang Taijia Photoelectric Technology Co., Ltd.	Made in China 2025 Industrial Park Construction Project (Phase II Project) EPC General Contract Project
Shenzhen China Star Optoelectronics Technology Co., Ltd.	Clean Room Renovation Project of t1t2 Experimental Line Modification Project
Changsha HKC Optoelectronics Co., Ltd	The Production Line of the 8.6 Generation Ultra-high Resolution Novel Display Device Project - and Power Hook Up Project 1

Client	Project
3.Others	
Ningbo Nanda Optoelectronic Materials Co., Ltd	Phase II Expansion Project of A-2 Workshop
Hong Heng Sheng Electronical Technology (Huaian) Co., Ltd.	Interior Decoration, Dust-free Room and Primary Distribution Project of ZA03 Phase II in Huai 'an Comprehensive Protection Area
4.Overseas	
VIETNAM ZHONGJU INDUSTRIAL COMPANY LIMITED	Main Building Engineering and Electrical and Mechanical Projects
VIETNAM PINCHUAN TECHNOLOGY CO., LTD.	Main Building and Electromechanical System Engineering

Strategy and Prospect

3 Taiwan Market

Public Construction

➤ Railway and Road Construction

- North and South section of the Circular Line (Taipei Metro)
- Wanda-Zhonghe-Shulin Line Project Phase II
- Taoyuan Metropolitan Area Railway Underground Plan
- Taoyuan Airport MRT Added A14 Station
- Taoyuan Metropolitan Area MRT Green Line and Land Integration Development Plan
- Taoyuan MRT Green Line and Extend to Zhongli
- Chiayi City Railway Elevated Plan(Contract C612)
- Kaohsiung Metropolitan Area MRT Gangshan and Lujhu Extension Line(Phase II)
- The West Coast Expressway-Zengwen River Bridge Construction Project

➤ Military Barracks Construction

- Hukou Military Barracks Construction Project(Contract I.II.III)

➤ Harbor Engineering and Energy Engineering

- N-WH Plan-Wharf and Dock Project
- Dalin Storage and Transportation Center Turnkey Project-Two 30,000 Kiloliter Ethylene/Propylene Freezing Tanks and Related Facilities
- Taichung Plant-Gasification Facilities and Overall Pipeline Turnkey Project(Phase III)

3 Taiwan Market

Commercial Building

➤ Commercial Building

-Asia · Silicon Valley Innovation R&D Center (Turnkey)

High-Tech Plants

- Semiconductor Manufacture(Silicon Wafer, Foundry, RAM, Equipment)
- High-end Circuit Board and IC Substrate
- Biomedical Pharmaceuticals and Vaccines
- Offshore Wind Power
- Information Center

3 China Market

High-Tech Plants

- Presently, L&K Engineering (Suzhou) Co., Ltd. has focused on the market of semiconductor industry and display screen industry. The market of the investment in construction of clean room related projects in 2021 is pretty well and the market will continue to be optimistic in 2022.

Southeast Asia

- Taiwan-funded and China-funded electronics manufacturers have mainly invested in back-end assembly plants in Southeast Asia now. These plants have promoted the demand of building plants of the supply chain. Therefore, there will be continuous investment and construction projects in the future.

3 China (Chengdu) Market

The subsidiary-Sunshine Enterprise Group

- The subsidiary, Sunshine Enterprise Group, was established in Chengdu City, China, and mainly located in the core area of Tianfu Agricultural Expo Park, Chengdu City, which Sunshine Industrial Co., Ltd. holds 617.6 are for commercial land and Sunshine Investment Co., Ltd. holds 3,374 are for Residential and commercial land. Tianfu Agricultural Expo Park was opened on September 23rd this year. As a major investment project in Sichuan Province in recent years, this park focuses on the integration of agriculture, commerce, culture, travel and sports with local industries and is set as a national 4A-level scenic spot. It is not only expected that various trade shows, exhibitions and travel activities will bring a considerable number of people after operation, but also expected to promote the commercial and economic activities in the region, and this will continuously increase potential for the land assets held by Sunshine Enterprise Group.
- At present, the market value of the land held by Sunshine Enterprise Group is much higher than the book cost. We will evaluate the rolling development in stages, participate in the future development of the local region, and create a return on investment for the company.

3 Outlook for Entire Market



Financial Summary



Financial Summary

2021 Third Quarter Consolidated Statements of Comprehensive Income

NT \$1,000

	2021/09/30		2020/09/30		YOY
Operating Income	15,249,070	100%	9,384,150	100%	62.50%
Gross Profit	896,447	5.9%	584,850	6.2%	53.28%
Operating Expenses	(844,099)	5.5%	(622,502)	6.6%	35.60%
Net Operating Income	52,348	0.3%	(37,652)	0.4%	239.03%
Income before Income Tax	151,417	1.0%	294,025	3.1%	-48.50%
Net Income	128,674	0.8%	203,673	2.2%	-36.82%
Net Income Attributable to the Parent Company	148,950		273,228		
Basic Earnings Per Share(Dollar)	0.66		1.21		

Data source :

Audited and certified report and Independent Auditors' Review
Report by a certified public accountant.

Financial Summary

2021 Third Quarter Consolidated Balance Sheets

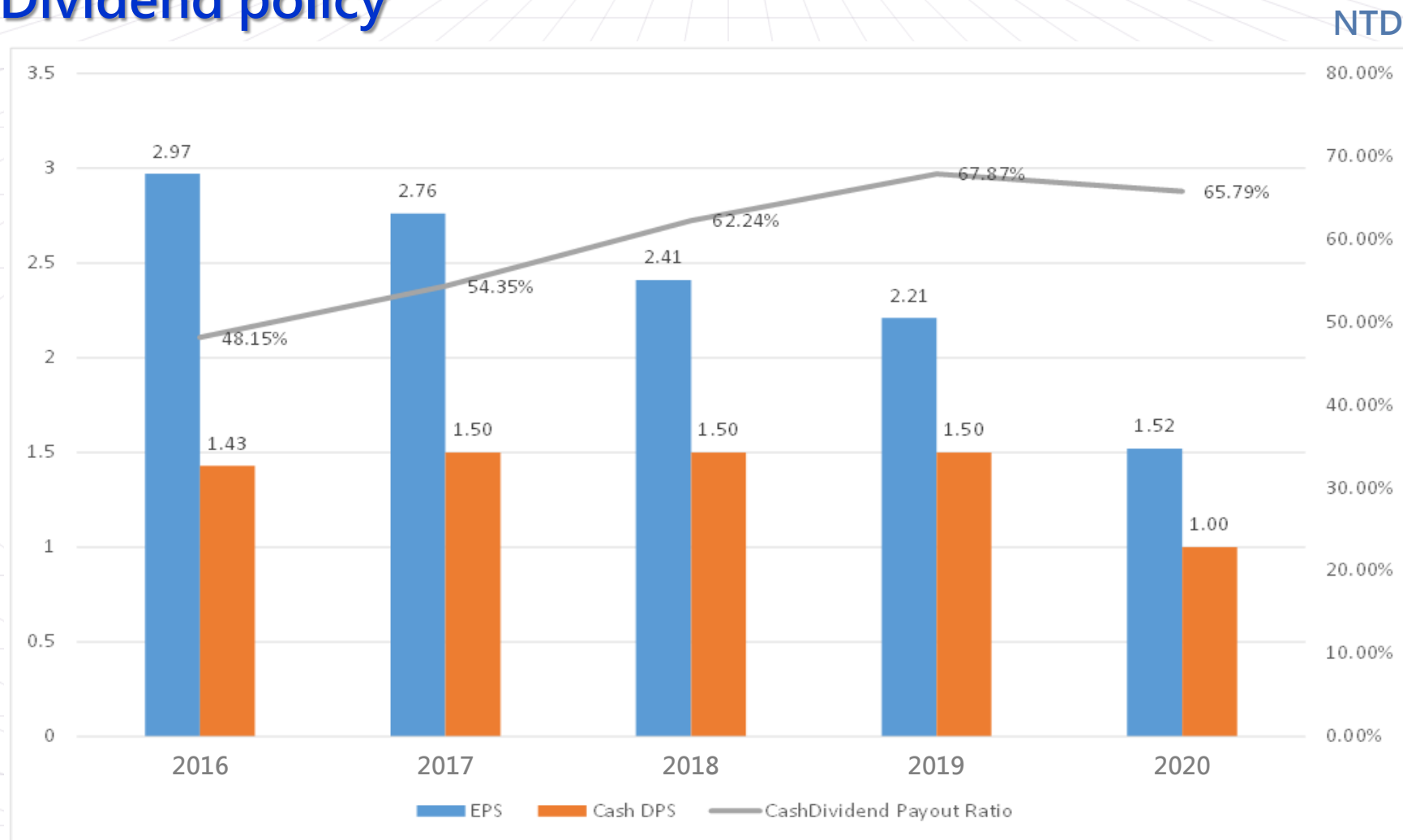
NT \$1,000

	2021/09/30	2020/09/30		2021/09/30	2020/09/30
Liquefiable Assets	9,557,153	10,096,562	Current Liabilities	11,485,922	10,758,225
Receivables to Customers on Construction Contracts	11,718,304	10,044,183	Contract Liability	4,696,004	5,201,724
Other Financial Assets - current	3,360,712	4,779,950	Long-term Borrowings	1,361,148	1,851,273
Property, Plant and Equipment	760,739	739,316	Other Non-current Liabilities	437,942	428,137
Right-of-use Asset	2,719,585	2,763,695	Total Liabilities	17,981,016	18,239,359
Other Non-current Assets	914,124	1,002,384	Total Shareholders' Equity	11,049,601	11,186,731
Total Assets	29,030,617	29,426,090	Total Liabilities and Equity of	29,030,617	29,426,090

Data source :

Audited and certified report and Independent Auditors' Review
Report by a certified public accountant.

Dividend policy



Data source :

Audited and certified report and Independent Auditors' Review
Report by a certified public accountant.



Thank you



Q & A