



Disclaimer

The information in this presentation and the contents under discussion are based on existing information, in which we stated with regard to financial and relevant information may include some of Company's forward-looking statements. Such statements involved may be easily affected by significant risks and uncertainties which lead to different consequences from those statements.

The Company does not undertake any obligation to update any forward-looking statement as a result of new information, future events or otherwise.

The purpose of the contents as presented is for information circulation only, not for investment proposal.



Company Profile

Product: Fine Chemicals, Agrochemicals, Polymer, Synthetic Resin

Start up: Year 1974

Employees: 501 (as at 31 Aug 2023)

Capital: NT \$1,849 millions

Revenues: NT \$3,008 millions for FY2022



Supply Chain Briefing

Upstream

- Petrochemical raw materials
- Ethylene
 - Propylene >
 - **Butadiene** \
 - Benzene \
 - Phenol...

Mid stream

- Petrochemical intermediate
- PTA \ Surfactant \
 Synthetic resin \
 Polymer additive...

Downstream

Plastic product `
 Detergent ` Dye `

 Agrochemicals `
 Rubber ` Artificial fiber ` Adhesive `
 Cosmetic...





Agrochemicals

- **♦** Bendiocarb
- ◆ Formetanate
- Methomyl
- ◆ Carbaryl
- **♦** Carbofuran
- ◆ Carbosulfan
- Oxamyl









Fine Chemicals Antioxidant

Prevents thermal oxidative degradation of plastics and rubbers.

- ♦ K-NOX 168
- ◆ K-NOX 148
- ◆ K-NOX 230
- ◆ K-NOX 57
- ♦ K-NOX 1520
- ♦ K-NOX 1726







Fine Chemicals Curing Agent

A raw material for golf ball core.

◆ K-CURE 339





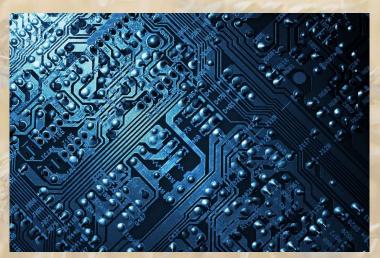


Fine Chemicals Reducing Agent

In Black Oxide process, DMAB prevents "pink ring" defects in later-stage acid treatment by reducing CuO layer to Cu2O, while enhancing the resin bonding of surface texture.

♦ K-MARS 110



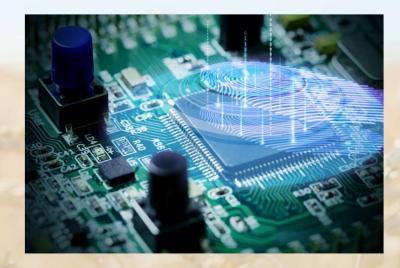


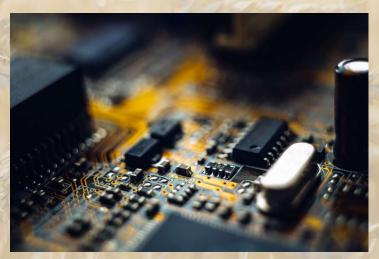


Fine Chemicals Non-halogenated Flame Retardant

Reaction with flame retardant, the epoxy resin has relatively high glass transition temperature, good flame retardancy, and thermal stability

- DOPO & derivatives
- Polyphosphazene Flame Retardant







Fine Chemicals Clarifying Agent

An additive to polypropylene (PP), Clarifying Agent can increase transparency and rigidity of polypropylene products.

- ♦ K-CLEAR 34
- ♦ K-CLEAR 34i
- ♦ K-CLEAR 34N1
- K-CLEAR 40









Polymer TPU · TPV

Applications:

Footwear, Textile, Adhesive Construction Materials, Car Materials, Plastics Processing

- ◆ URELON® TPU
- ◆ KUOTANE® TPU
- ◆ Elastoplas® TPV
- ◆ ETPU (Expanded TPU)
- ETPV (Expanded TPV)

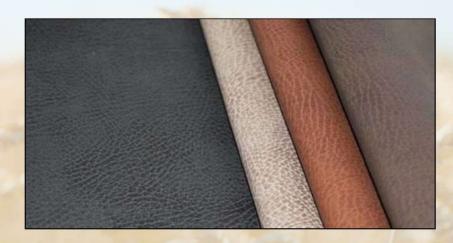






Synthetic Resin

- PU Adhesives
- ◆ PU Glazing Agent
- ◆ PU Matting Agent

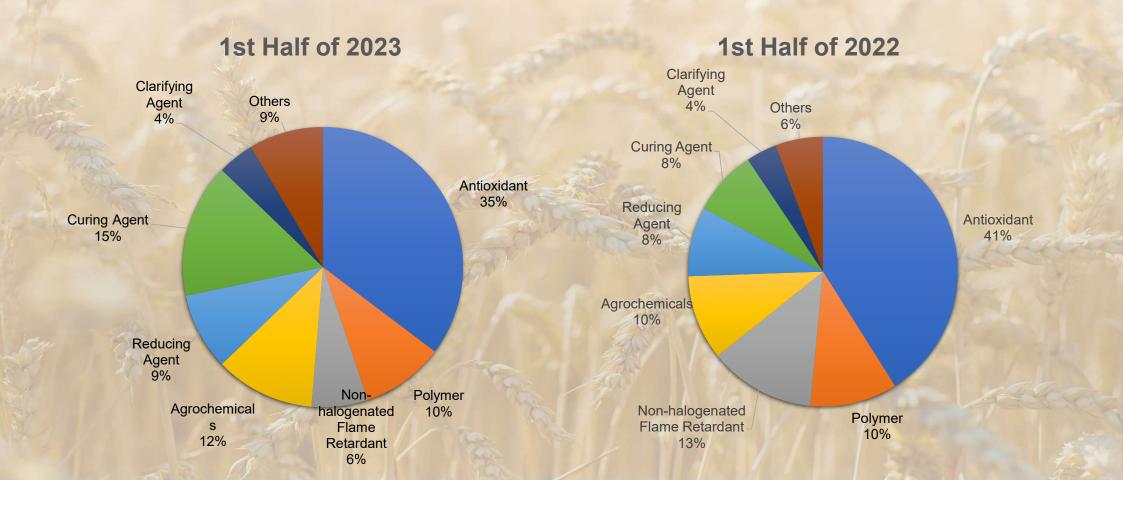


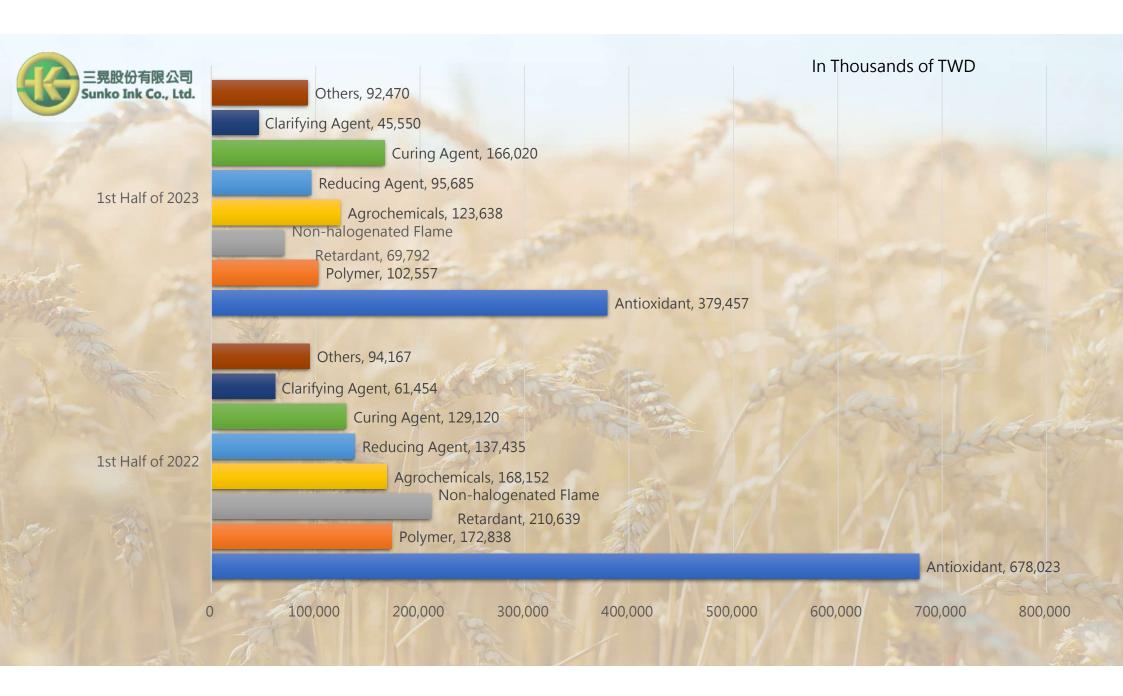






Products Mix







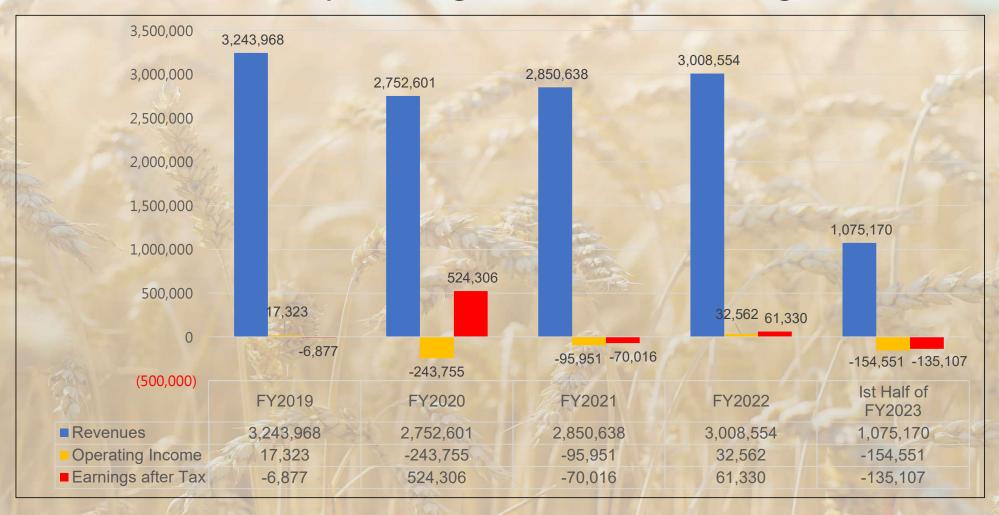
Statement of Comprehensive Income

In Thousands of TWD or Otherwise stated

	1st Half of 2023	1st Half of 2022	YOY Variance
Revenues	1,075,170	1,651,828	(34.91)%
Cost of Goods Sold	(1,133,846)	(1,473,168)	
Gross Margin	(58,676)	178,660	(132.84)%
Margin %	(5.00%)	10.82%	
Operating Expenses	(95,875)	(119,072)	16.96%
Operating (Loss)Income	(154,551)	59,588	
Non-operating Profit	(2,197)	31,739	
E(L)BT	(156,748)	91,327	
Income (Loss) After Tax	(135,107)	78,038	
E(L)PS (in Dollar)	(0.73)	0.42	

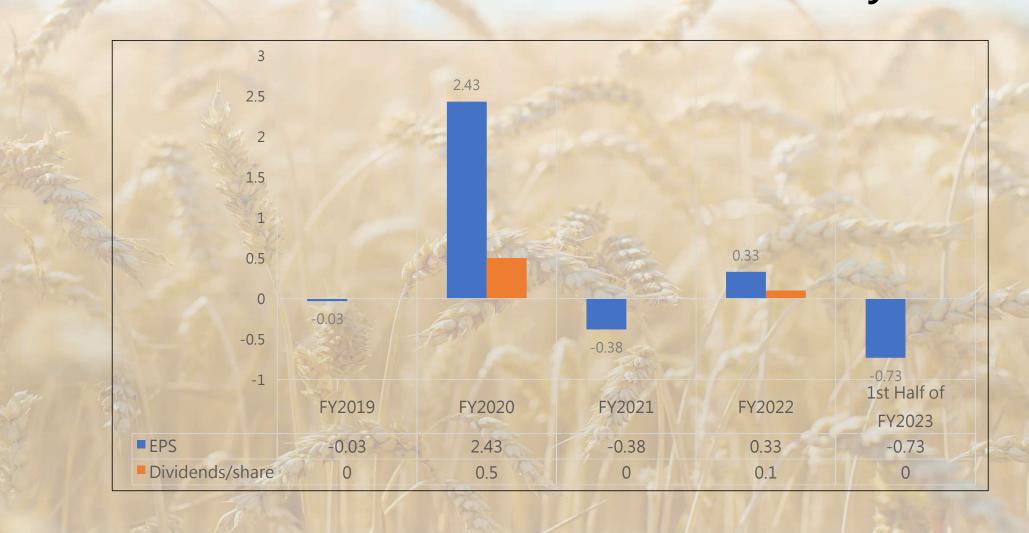


Con Reveneus, Operating Income & Earnings after Tax





Basic EPS & Dividends Policy





Overview 1st Half of 2023

Market:

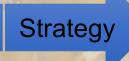
Operating performance is weak as orders remain stagnated in consequence of continuing inflation, rising interest rates, economic contraction in the Mainland China, and continuing war in Ukraine.

Selling Price:

Unit prices keep downward as China makers dump significant quantities into global market with extreme unreasonable low prices in view of depressed domestic needs in the Mainland.

Cost:

Fixed cost is still at a high peak due to some pricy inventory in stock and parts of raw materials being tagged as more pricy as the ones prior because of port congestion and exorbitant shipping cost in 2022.



- 1) Closely monitoring operating cost
- 2) Accelerate developing high-profile products
- 3) Upgrading production technology for the global trend of lowcarbon products

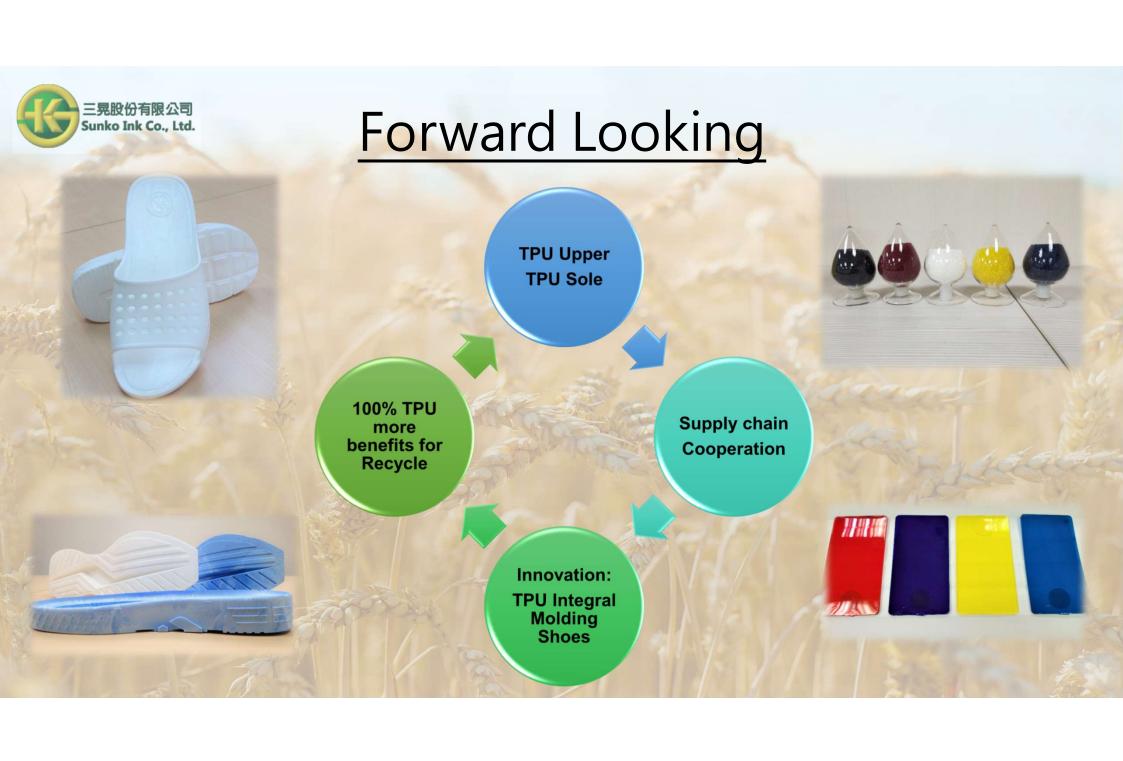


Forward Looking

Due to the sustainable trend of the Brand, look for low-carbon and recyclable solutions

Recycle: Eco-friendly TPU Material

- Super Critical Foaming
- > 3D Print
- > Jelly color TPU
- ➤ 惰性 TPU





Forward Looking

- 3D Print isn't limited by molds, design whatever you want.
- Structural design can adjust material properties °
- Mold design isn't necessary, it has cost advantage.



Forward Looking

Triazine UV Absorber:

- Triazine UV absorbers enable polymer retain color, gloss, and physical properties under long term UV light exposure, which enhance the performance of polymers in coatings, plastics, cosmetics, and many applications.
- Sunko's Technique:
 Significant wastewater from chemical washing is reduced based on Sunko's research results on altering formulation of materials and adjusting reaction procedures.

