

SUNKO INK CO., LTD

Investor Conference

13 Jun. 2025



Disclaimer

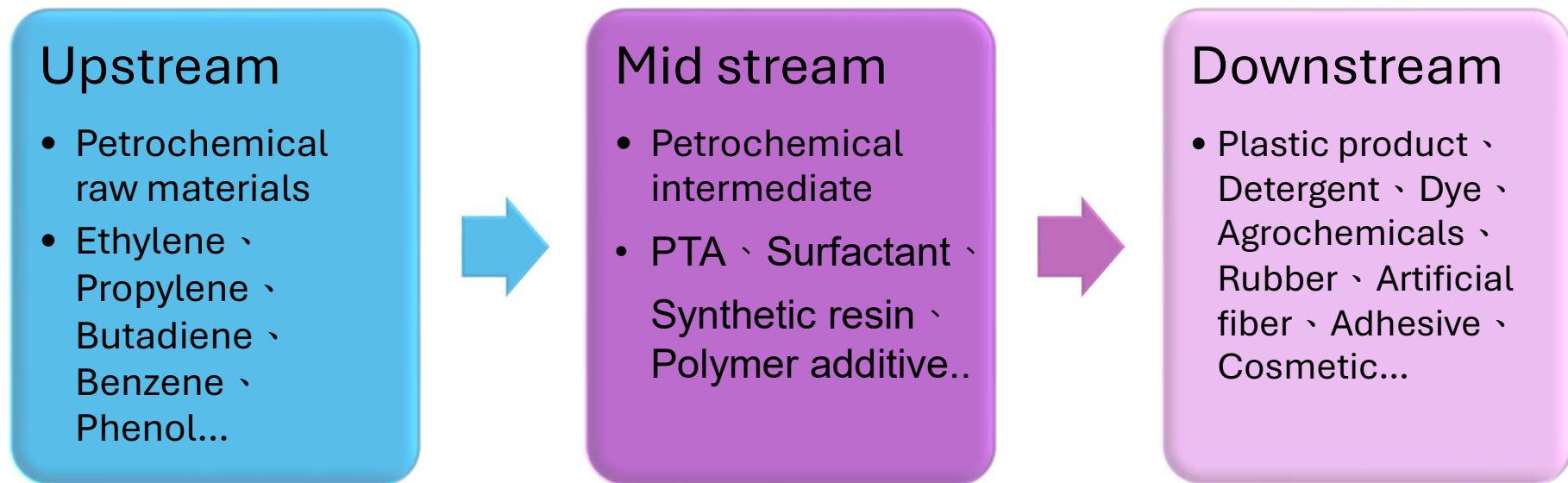
- ① The information in this presentation and the contents under discussion are based on existing information, in which we stated with regard to financial and relevant information may include some of Company's forward-looking statements. Such statements involved may be easily affected by significant risks and uncertainties which lead to different consequences from those statements.
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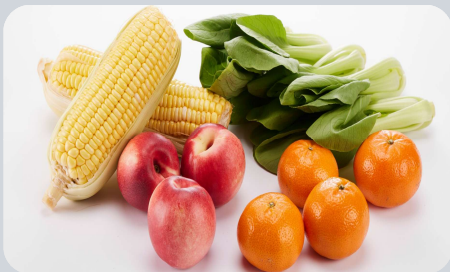
Company Profile

- Product : Fine Chemicals, Agrochemicals, Polymer, Synthetic Resin.
- Employees : 439人 (as on 31 May 2025)
- Capital : NT \$1,849 millions
- Revenues : NT \$2,287 millions for FY2024

Snapshot - Supply Chain



Main Products



Agrochemicals



Fine Chemicals



Polymer



Synthetic Resin

Agrochemicals



Pesticides used in agriculture.

Fine Chemicals-Antioxidant



Prevents thermal oxidative degradation of plastics and rubbers.

Fine Chemicals-Curing Agent



A raw material for golf ball core.

Fine Chemicals-Reducing Agent



In Black Oxide process, DMAB prevents “pink ring” defects in later-stage acid treatment by reducing CuO layer to Cu_2O , while enhancing the resin bonding of surface texture.

Fine Chemicals

Non-halogenated Flame Retardant



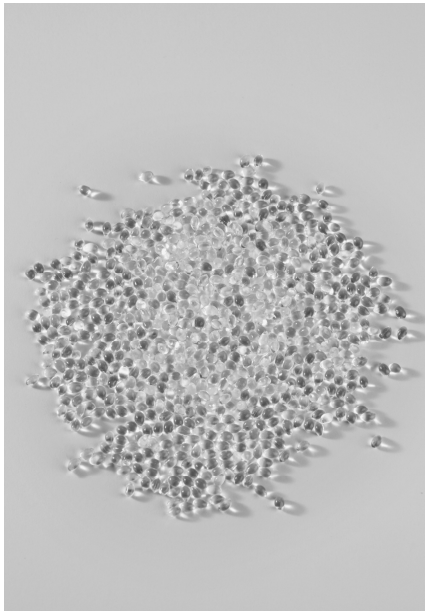
Reaction with flame retardant, the epoxy resin has relatively high glass transition temperature, good flame retardancy, and thermal stability.

Fine Chemicals-Clarifying Agent



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

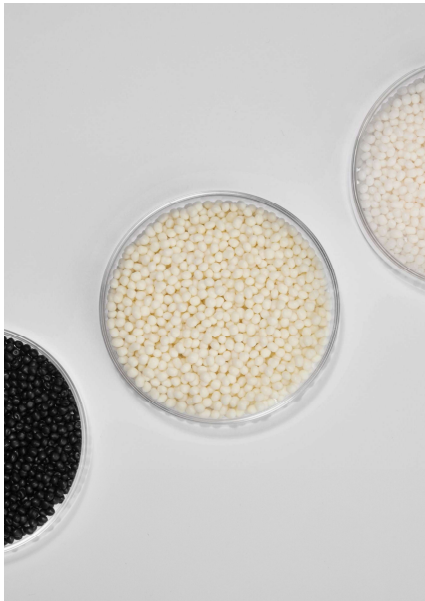
Polymer-TPU



TPU is a copolymer made from polyol and MDI. It is biodegradable in natural environments, making it an eco-friendly material. TPU can replace plastic products.

Applications: footwear, textiles, tubes and hoses, wheels, and adhesives.

Polymer-TPV



TPV are mainly consisted of different species of EPDM/PP with set composition ratios and vulcanized (or dynamically crosslinked) to afford the elastomers in a wide range of hardness and with unique properties.

Characteristics: Permanent deformation 、 Good flexibility and high tear strength 、 Excellent resistance to hydrolysis and weather 、 recyclable.

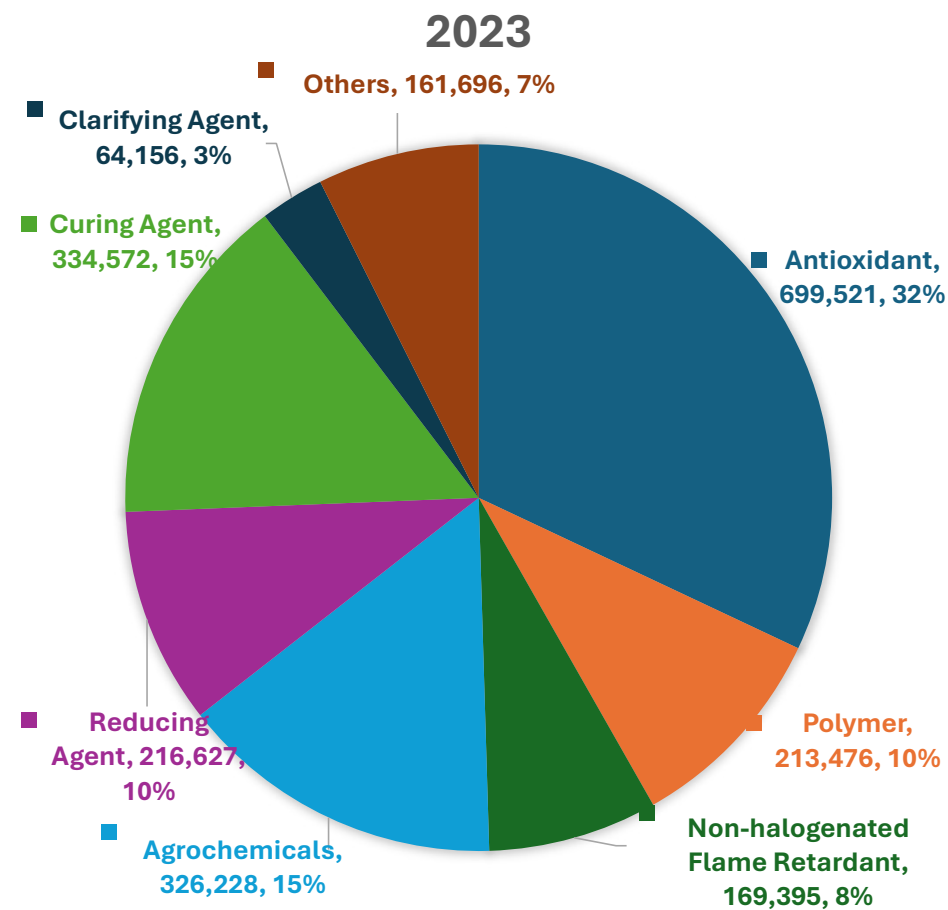
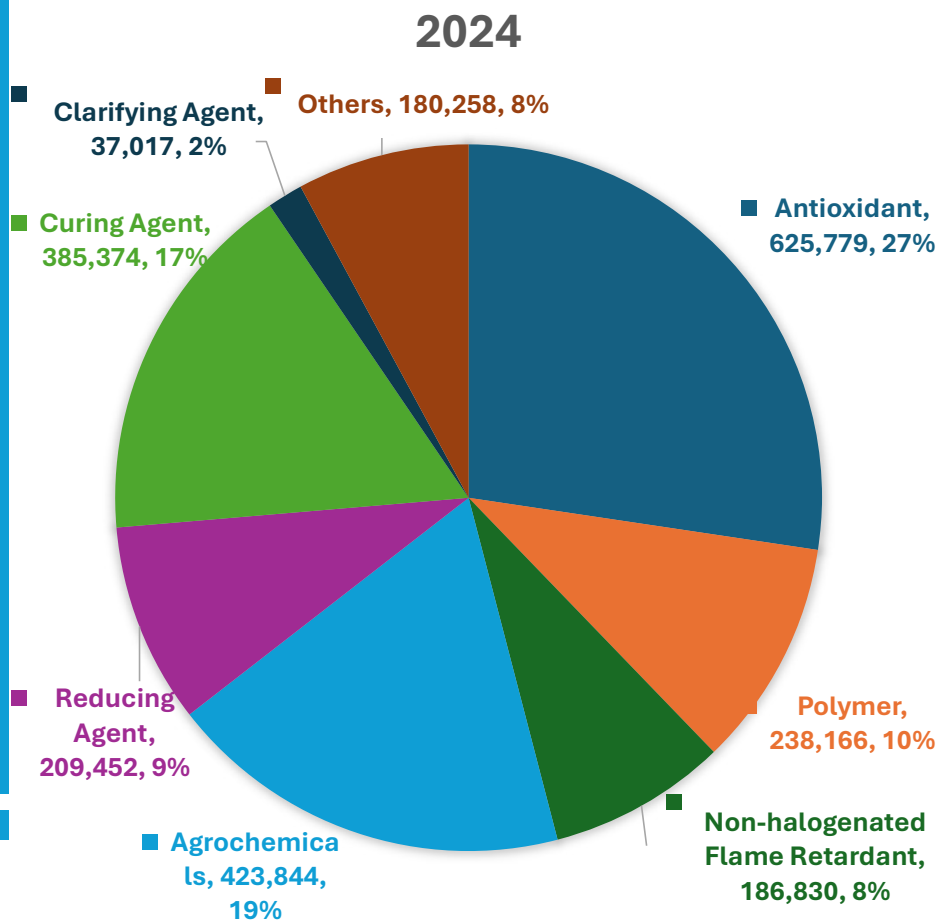
Applications: sheath 、 non-slip parts 、 automotive seals 、 window seals 、 hoses 、 sporting goods.

Synthetic Resin



PU resin is widely used in surface coatings and adhesives of artificial leather, functional textiles, sports materials, and industrial materials.

Product Portfolio



Operating income analysis

- ❑ YoY 2024 Revenue grow by \$101 million TWD
- ❑ Increasing Triggers
 - ① Agrochemicals : New permissions to Brazil, and market expansion in Central and South America
 - ② Curing Agent : Stable golfing market orders
- ❑ Decreasing Items
 - ① Antioxidant & Clarifying Agent : Market price keeps in slump due to overcapacity in the petrochemical industry.
 - ② Non-halogenated Flame Retardant : Market of consumer electronics is weaker than expected.

Statements of Comprehensive Income

In Thousands of TWD or Otherwise stated

	<u>2025Q1</u>	<u>2024</u>	<u>2023</u>	<u>YOY</u>
Revenues	504,910	2,286,760	2,185,670	4.63%
Cost of Goods Sold	501,651	2,280,331	2,247,942	
Gross Margin (Loss)	3,259	6,389	(62,272)	(110.26%)
Margin %	0.65%	0.28%	-2.85%	
Operating Expenses	47,393	188,074	195,772	(3.93%)
Operating Loss	(44,134)	(181,685)	(285,044)	
Non-operating Profit	323	(4,200)	(37,615)	
Loss Before Tax	(43,811)	(185,885)	(295,659)	
Loss After Tax	(43,766)	(182,576)	(277,967)	
Loss Per share(in Dollar)	(0.24)	(0.98)	(1.50)	

Review of Operating Result

- ❑ Gross loss lower :
 - ① Stable profit contribution from Agrochemicals and Curing Agent
 - ② Destocking of high-priced inventories and raw materials
 - ③ Adjust product portfolio by mitigating products with low margin
- ❑ Market briefing :
 - ① Petrochemical industry in China produce more than demands, triggering marketing prices slumped
 - ② Turmoil in global market by US-China competition, reciprocal tariffs, and geopolitics imposed by US
- USD to TWD plummeting depreciating in May worsen operating loss. Refer to the notes of 2025Q1 Consolidated Financial Statement 'When NTD strengthens/weakens against USD by 1%, the profit for the years ended 31 March 2025 is decreased / increased by \$2,177 thousand'.

Forward Looking

- ❑ Mature products are in oversupply due to China's capacity expansion. Communications and AI server hosts are booming, with an upgrade of specifications for PCB and CCL materials. Sunko's new product development is focusing on developing chemical materials required by the electronics industry.
 - ① BMI : good thermal stability, mechanical properties, high glass transition temperature (T_g) and high toughness. It is commonly used in Copper Clad Laminate.
 - ② PPE : It's a general engineering plastic after modification that has excellent electrical properties, low mold shrinkage, ensuring excellent dimensional stability and dimensional precision, highly resistant to acids and alkalis. Modified PPE can be used as a low dielectric resin in high-end printed circuit substrates.
 - ③ Phosphorus flame retardant : Better flame retardancy, meeting the requirements of high-end circuit boards ◦

Forward Looking

- Triazine UV Absorber : Triazine UV absorbers provide excellent protection across the entire UV spectrum. Sunko independently develops innovative processes. Compared with the traditional process, it uses less reaction equipment, occupies a smaller area, only requires room temperature control and does not require a lot of water for wet clean, which is keeping up with the trend of energy conservation and carbon reduction, environmentally friendly.



Thank You!

Q & A

Corp. Website : <https://www.sunko.com.tw>