



Stock Code: 4739

Coremax Group

Coremax Corporation 2017 Q3 Investor Conference

Presented by : Jim Ho
Date : 2017.12.11



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The presentation and discussion contain certain forward-looking statements with respect to the results of operation, financial condition and current expectation. The forward-looking statements are subject to known and unknown uncertainties and risks that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties include but are not limited to the impact of competitive products and pricing, ability to ramp new products into volume, industry wide shifts in supply and demand for products, industry overcapacity, availability of manufacturing capacity, financial stability in end markets, and other risks.

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Agenda

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- 2017 Q3 Financial Results (Certified by Accountant)
 - **Consolidated Statements of Comprehensive Income**
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- Development of New Energy Vehicles Affected Nickel Demand
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- Main Application of Cathode Material
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Company Profile

- **Founded in 1992**
- **Capital: NTD 7.57 Billion**
- **Number of Employees**
376 Persons
- **Head Office**
11 Wenhua Rd.,
Hsinchu Industrial Park
- **Main Products**
Catalyst
Power Battery Materials
Chemical Fertilizer
Specialty Chemicals

North
America

South
America

Europe

Africa

Asia

Australia



Jiangxi, China – 2000

Plant Size : 17,034m²



Zhuhai, China – 2001

Plant Size : 13,334m²



Rayong, Thailand – 2009

Plant Size : 5,288m²



Zhangzhou, China - 2011

Plant Size : 21,361m²



Ningbo, China – 2004

Plant Size : 10,036m²



Hsinchu, Taiwan (HQ) – 1992

Plant Size : 14,190m²



Taichung, Taiwan – 1984

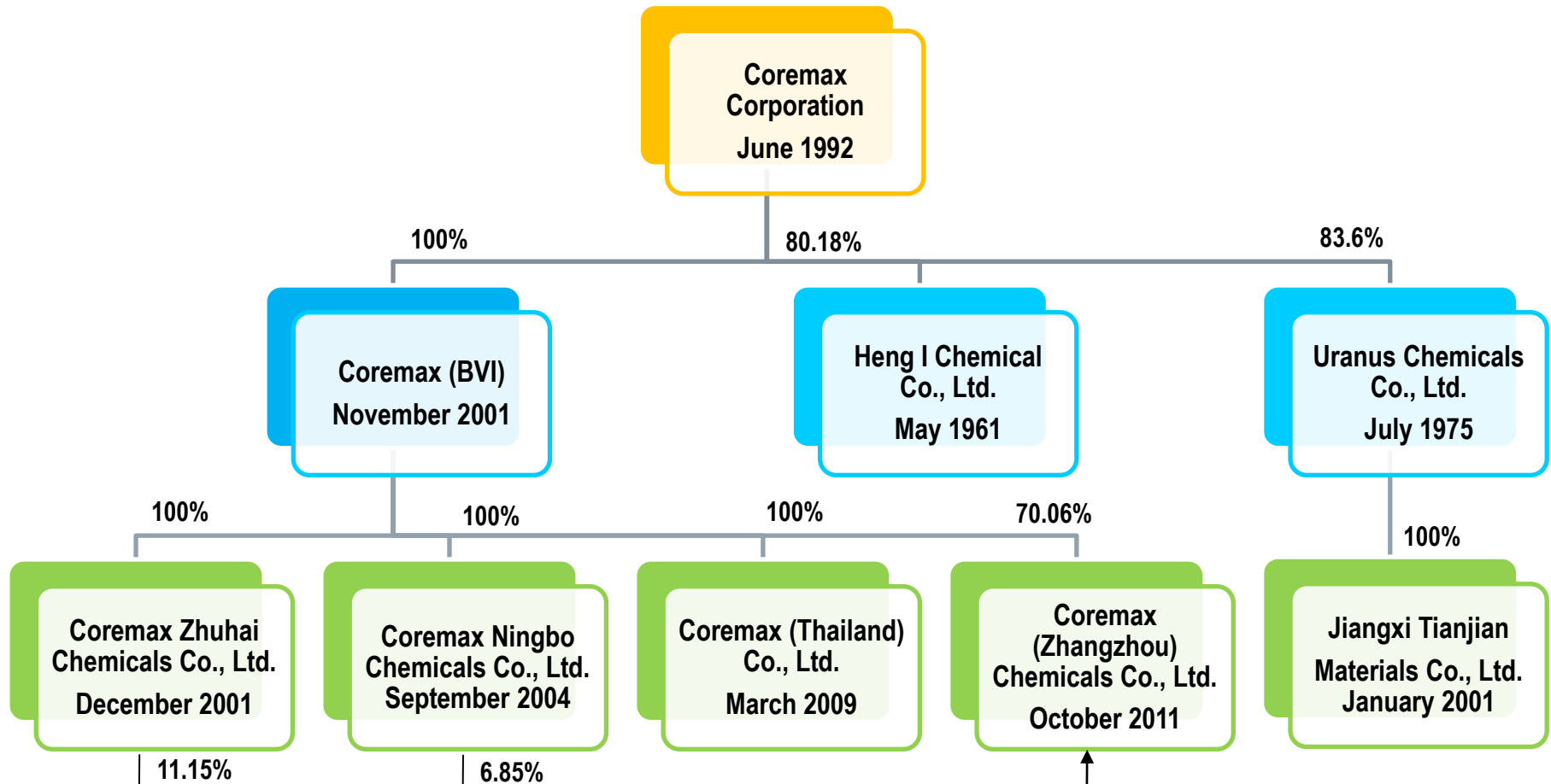
Plant Size : 7,938m²



Toufen, Taiwan – 1961

Plant Size : 71,263m²

Group Structure

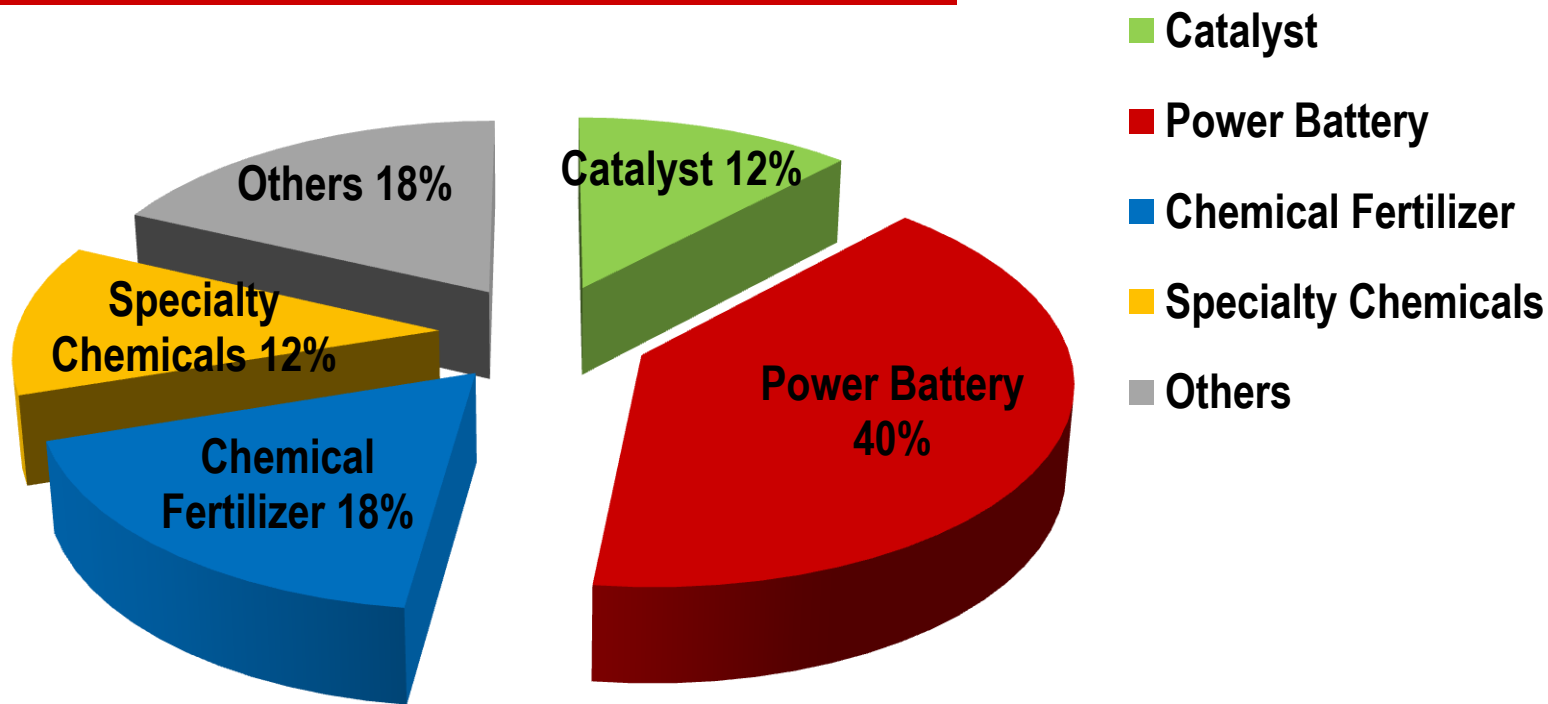


Consolidated Statements of Comprehensive Income

Unit : NTD Thousand

Item	2017Q1-Q3	2017Q1-Q2	2016Q1-Q3	QoQ	YoY
Sales Revenue	3,656,712	2,359,195	2,982,446	55%	23%
Gross Margin	15%	14%	9%	0.01	0.06
Operating Expenses	165,444	110,652	156,768	50%	6%
Operating Margin	10%	9%	3%	0.01	0.07
Non-operating incomes and expenses	11,022	3,521	154,820	213%	-93%
Net Income	317,604	188,166	212,183	69%	50%
Net Margin	9%	8%	7%	0.01	0.02
EPS	3.92	2.36	2.76	66%	42%

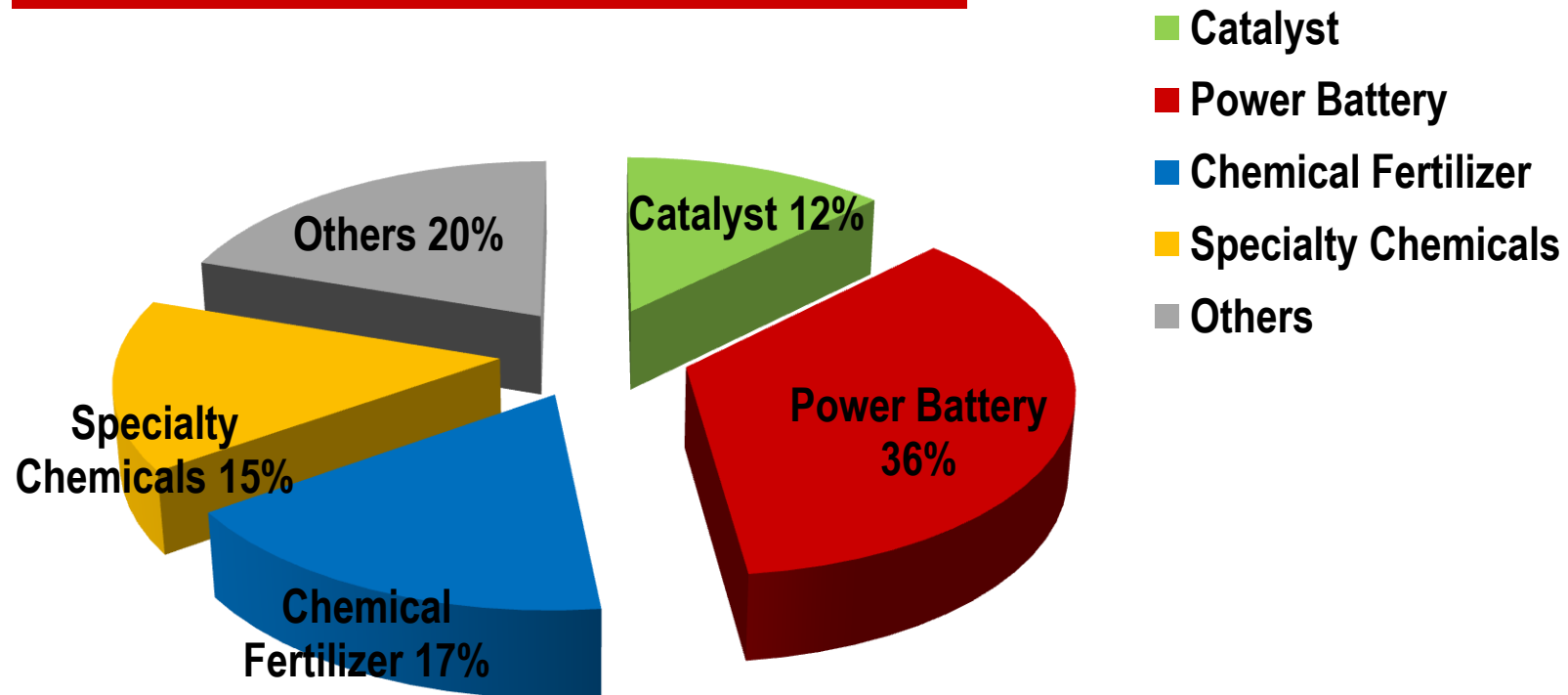
2017Q3 Sales Breakdown by Products



Unit : NTD Thousand

Catalyst	Power Battery	Chemical Fertilizer	Specialty Chemicals	Others	Total Sales Revenue
156,109	518,959	232,107	156,686	233,656	1,297,517

2017Q1-Q3 Sales Breakdown by Products



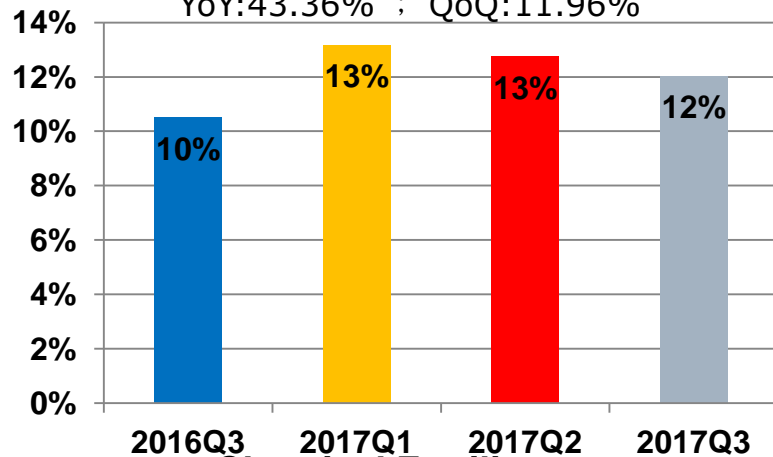
Unit : NTD Thousand

Catalyst	Power Battery	Chemical Fertilizer	Specialty Chemicals	Others	Total Sales Revenue
462,179	1,298,283	623,763	549,224	723,262	3,656,712

Quarterly Sales Breakdown by Products

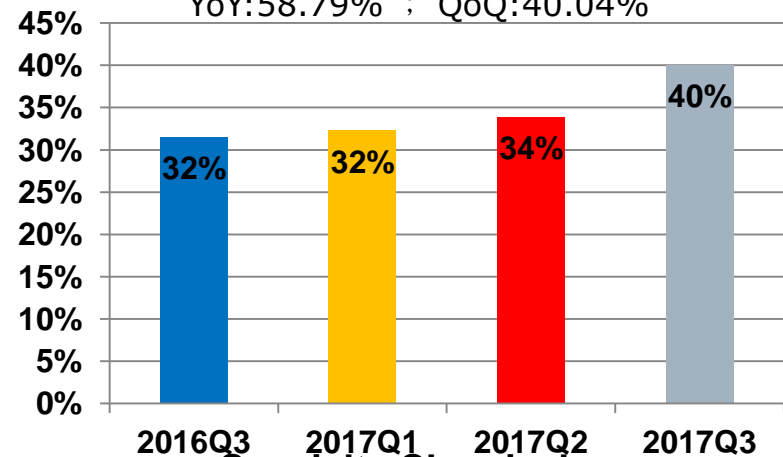
Catalyst

YoY:43.36% ; QoQ:11.96%



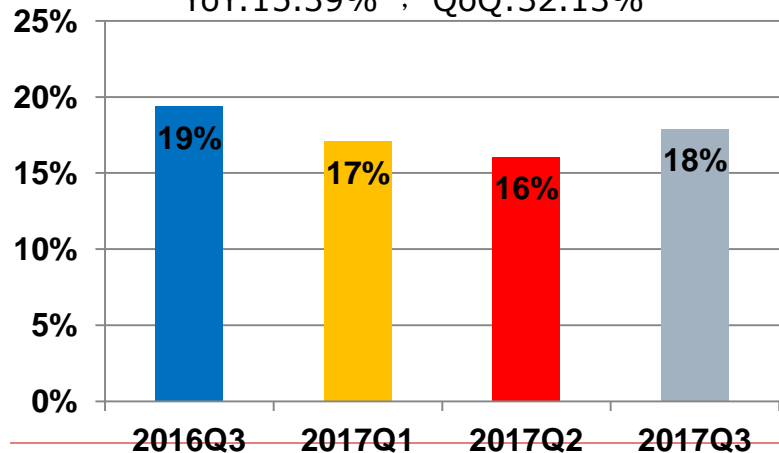
Power Battery

YoY:58.79% ; QoQ:40.04%



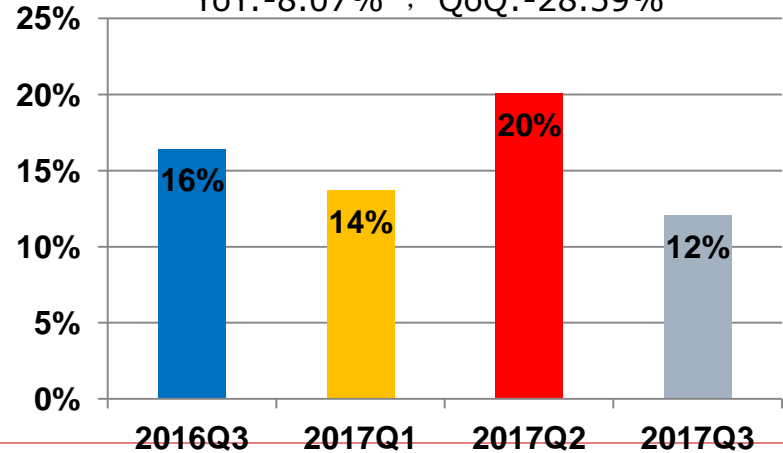
Chemical Fertilizers

YoY:15.39% ; QoQ:32.13%

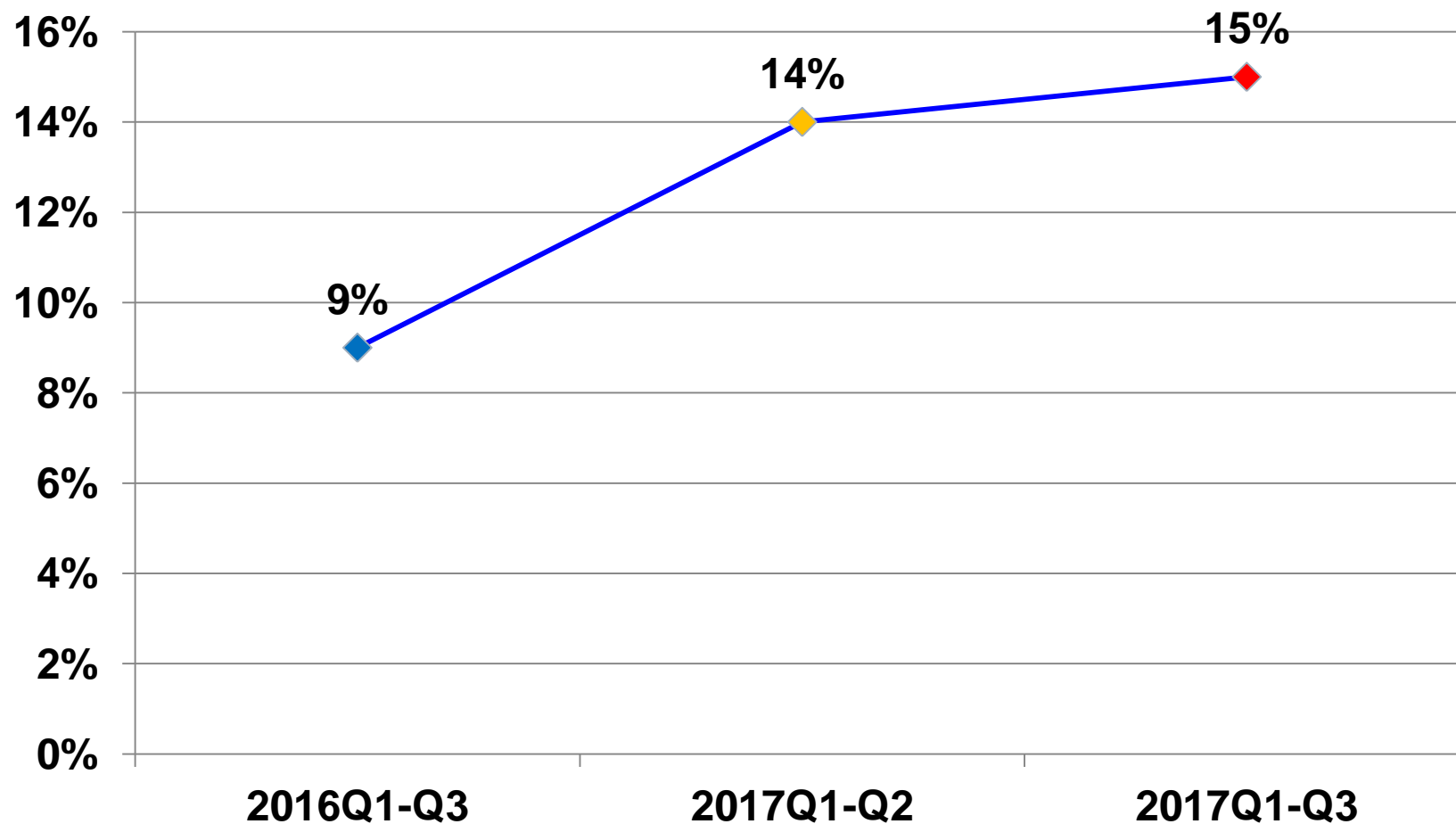


Specialty Chemicals

YoY:-8.07% ; QoQ:-28.59%

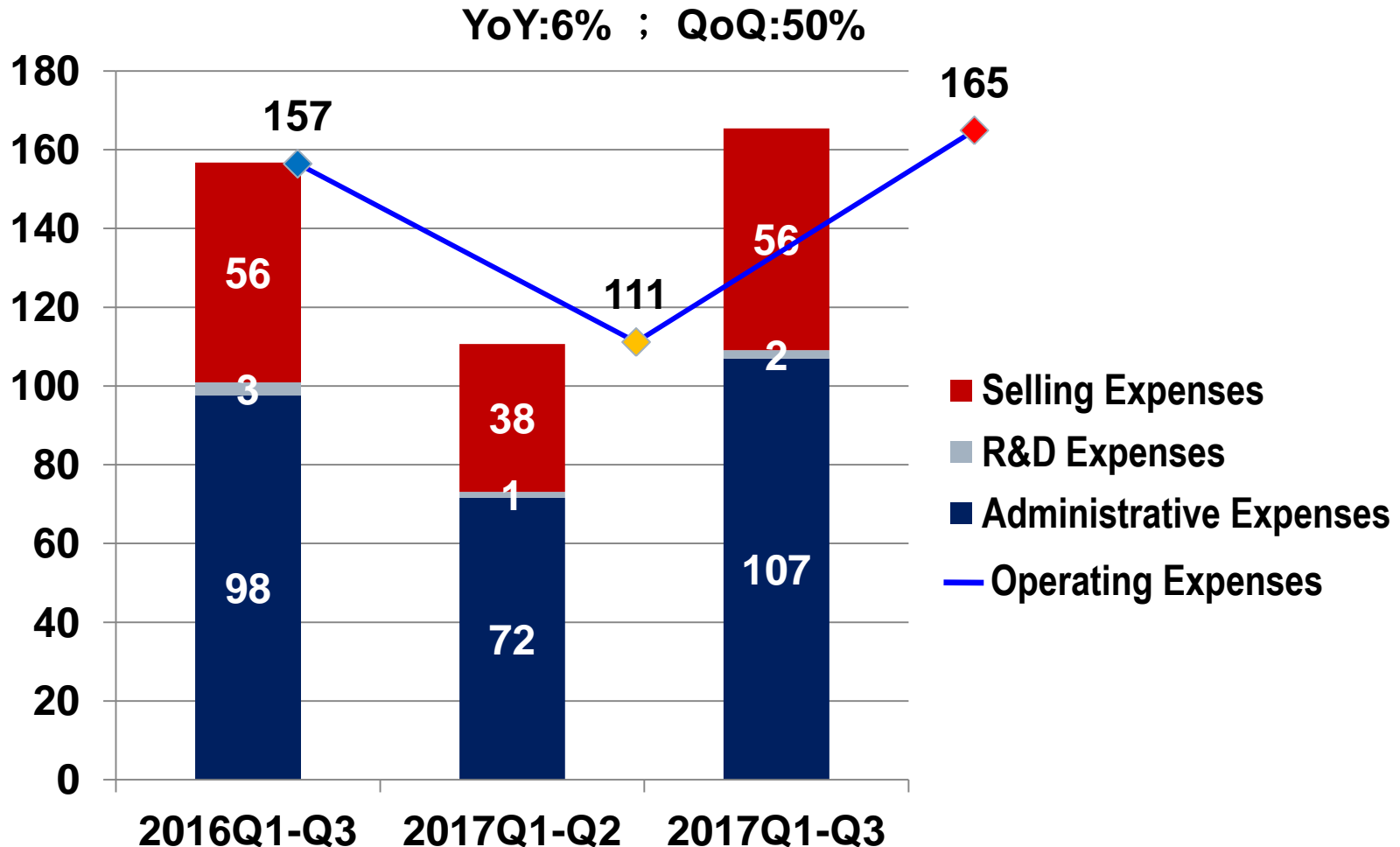


Consolidated Gross Margin



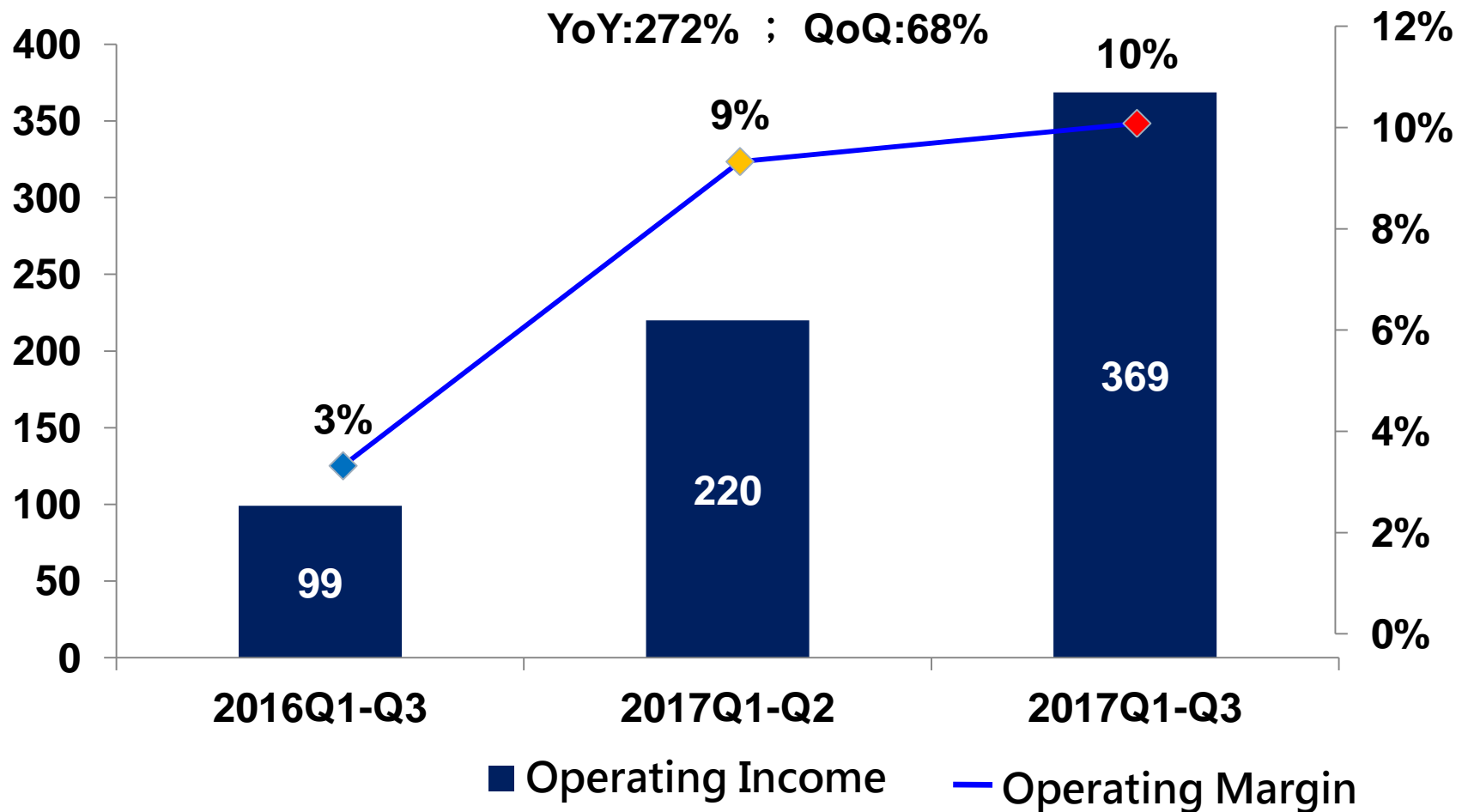
Consolidated Operating Expenses

Unit : NTD Million



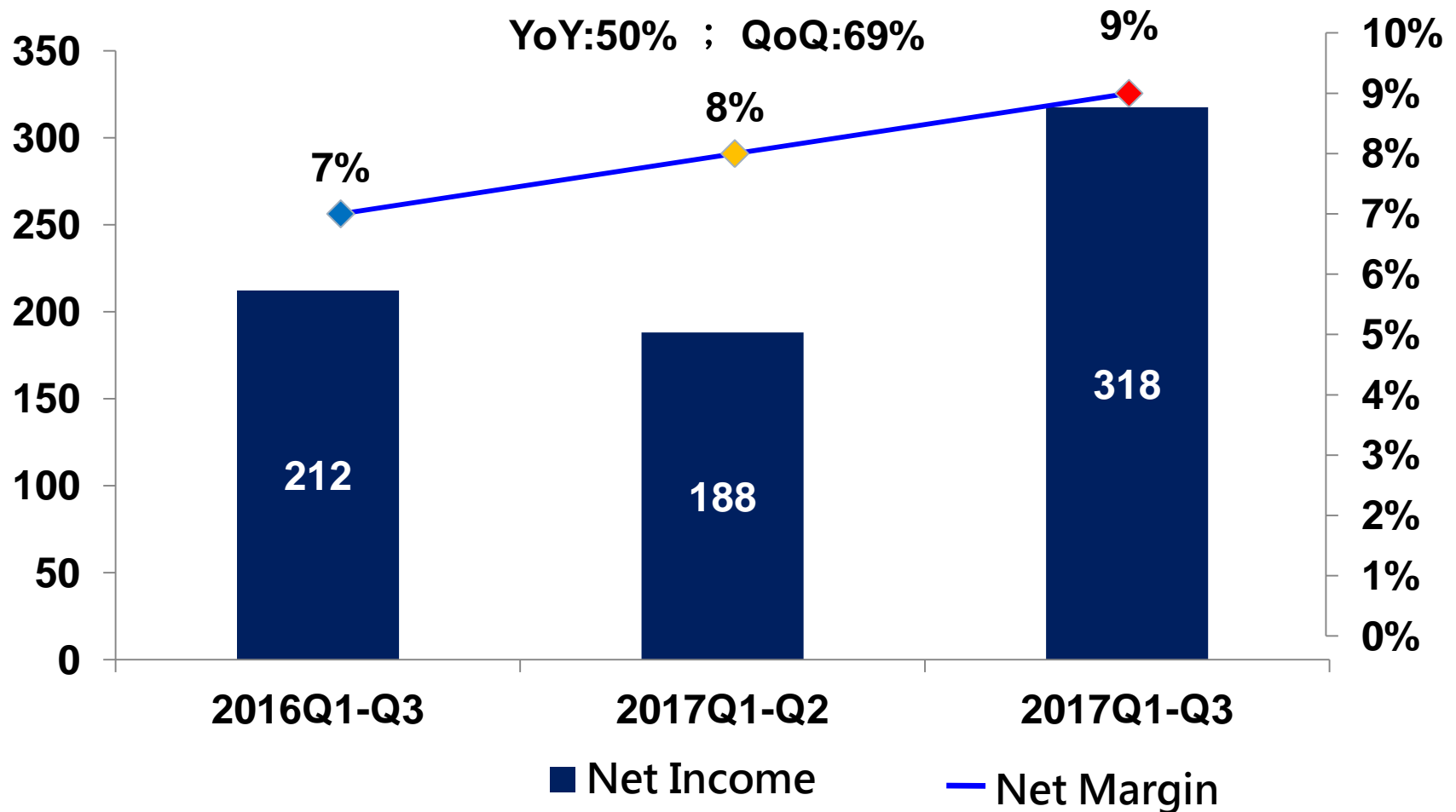
Consolidated Operating Income

Unit : NTD Million



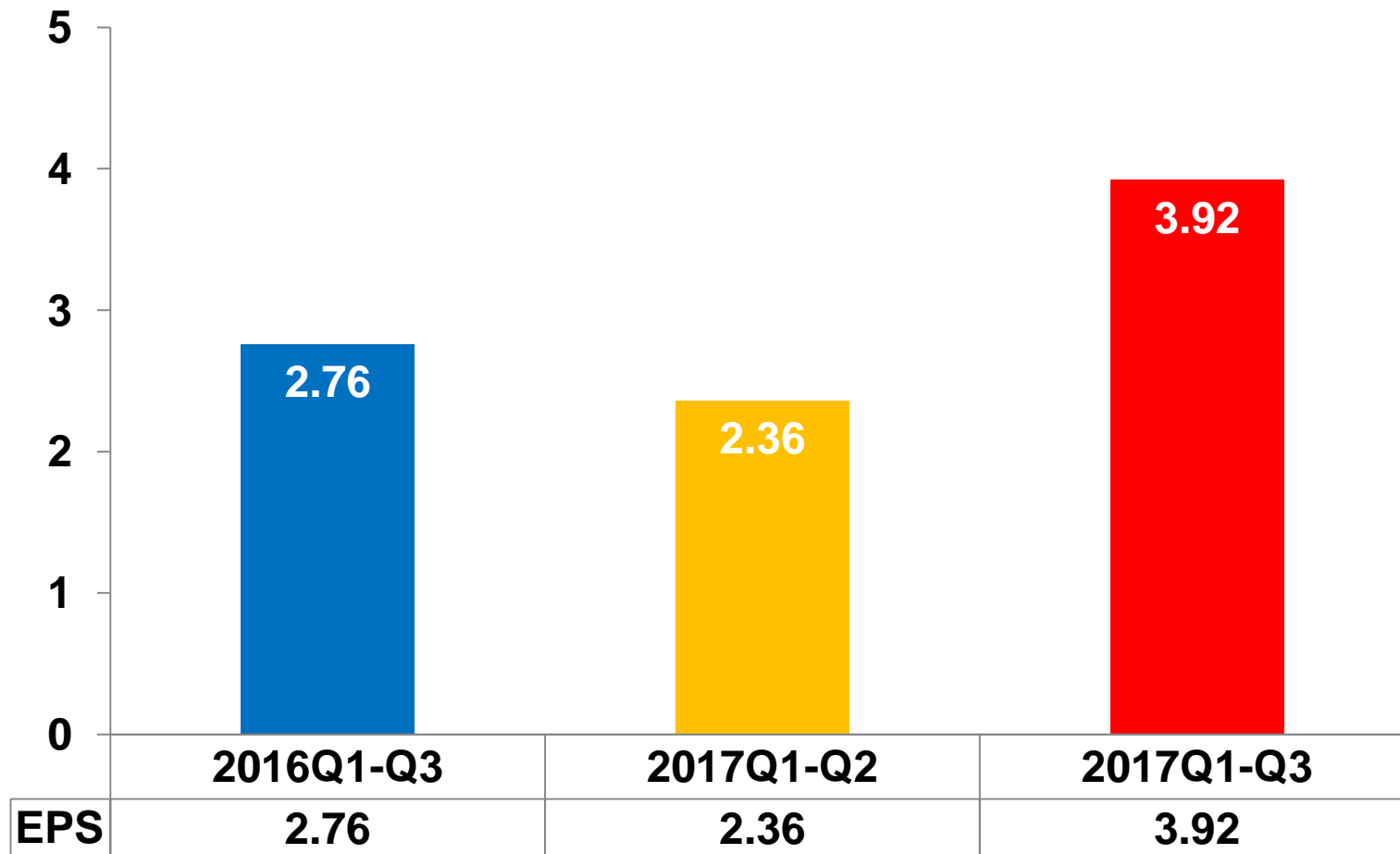
Consolidated Net Income

Unit : NTD Million



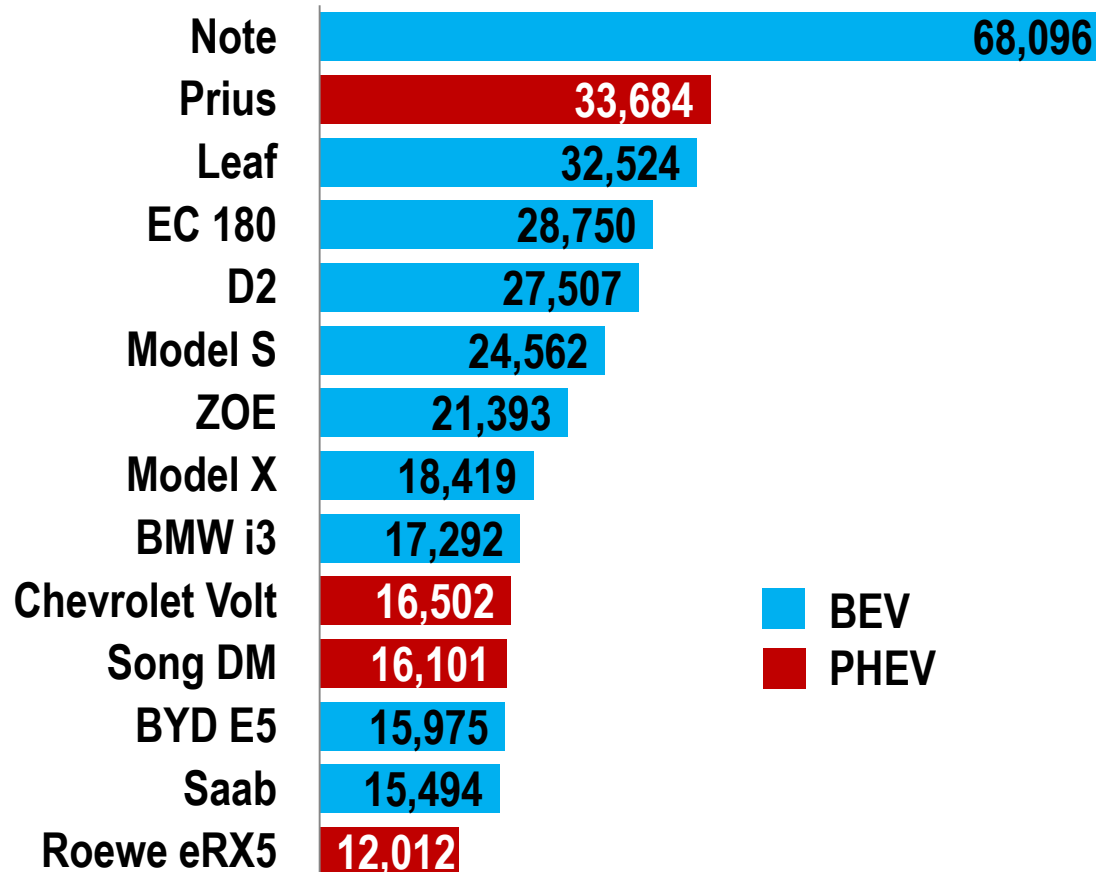
Consolidated EPS

Unit : NTD



From Jan. to Aug. 2017 Global Market of New Energy Vehicles

Top 10 Sales of New Energy Vehicles From Jan. to Aug. 2017



Top 15 Sales from Jan. to Aug. : 366,000 units. The market share is around 56%.

There are 4 PHEV of the top 15 Sales : Prius 、 Chevrolet volt 、 BYD Song DM 、 Roewe eRX5 , Total 78,000 Units.

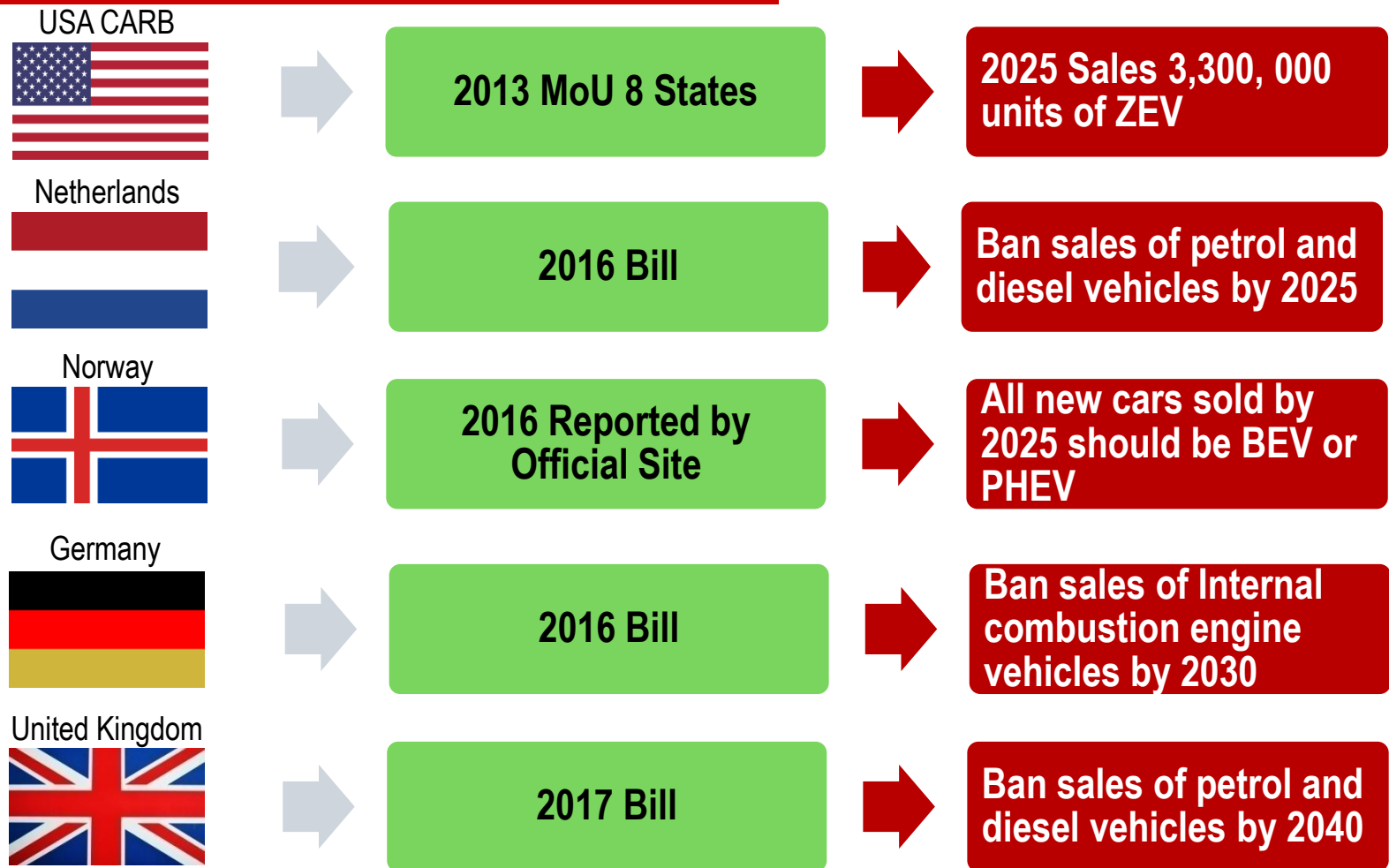
Top 1 sales is Nissan Note with huge advantages. Total Sales 68,000 units.

There are 6 Self-owned brands. Total Sales 116,000 units. The market share is around 18%.

Sources : 2017 China International Nickel & Cobalt Industrial Forum

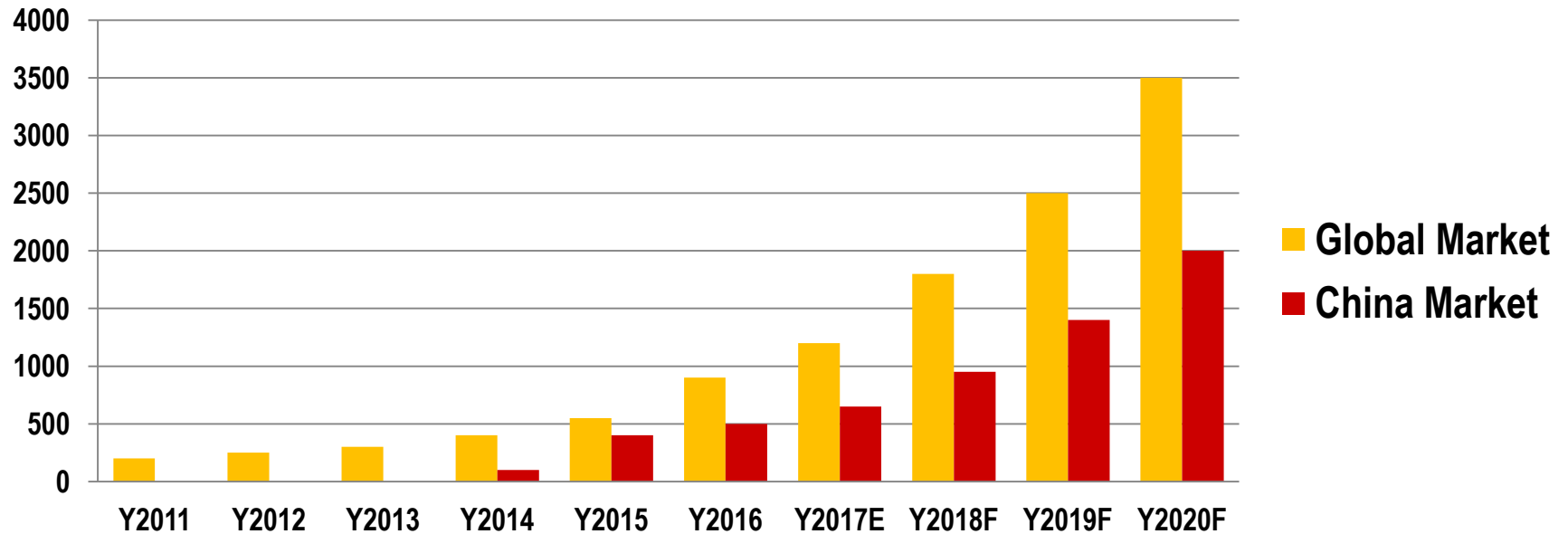
Unit: Units

End Sales of Petrol and Diesel Vehicles Plans — By Country



LiB Market— Sales Forecast of New Energy Vehicles

Sales Forecast of New Energy Vehicles (KUnits / Year)

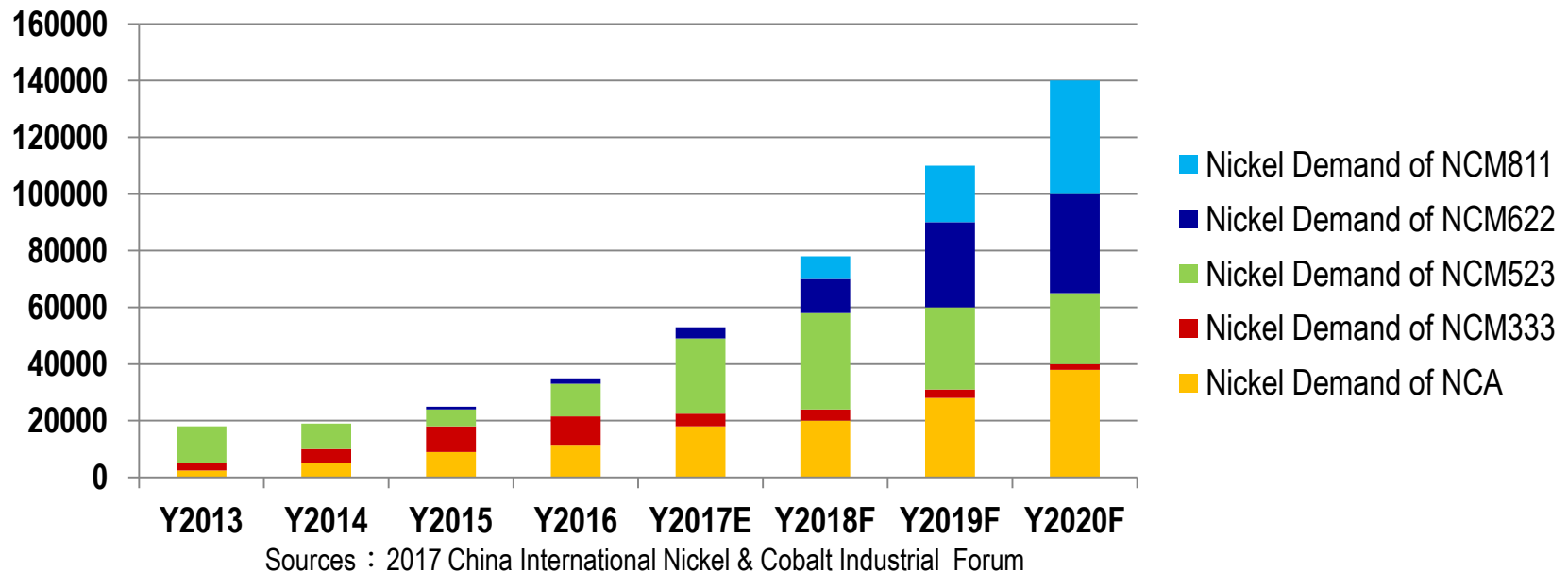


Sources : 2017 China International Nickel & Cobalt Industrial Forum

- Forecast sales of new energy vehicles in 2017 will be expected to reach 1200K units. The sales in China will be around 650K units;
- Forecast sales of new energy vehicles in 2020 will be expected to reach 3500K units. The sales in China will be around 2000K units.

Development of New Energy Vehicles Affected Nickel Demand

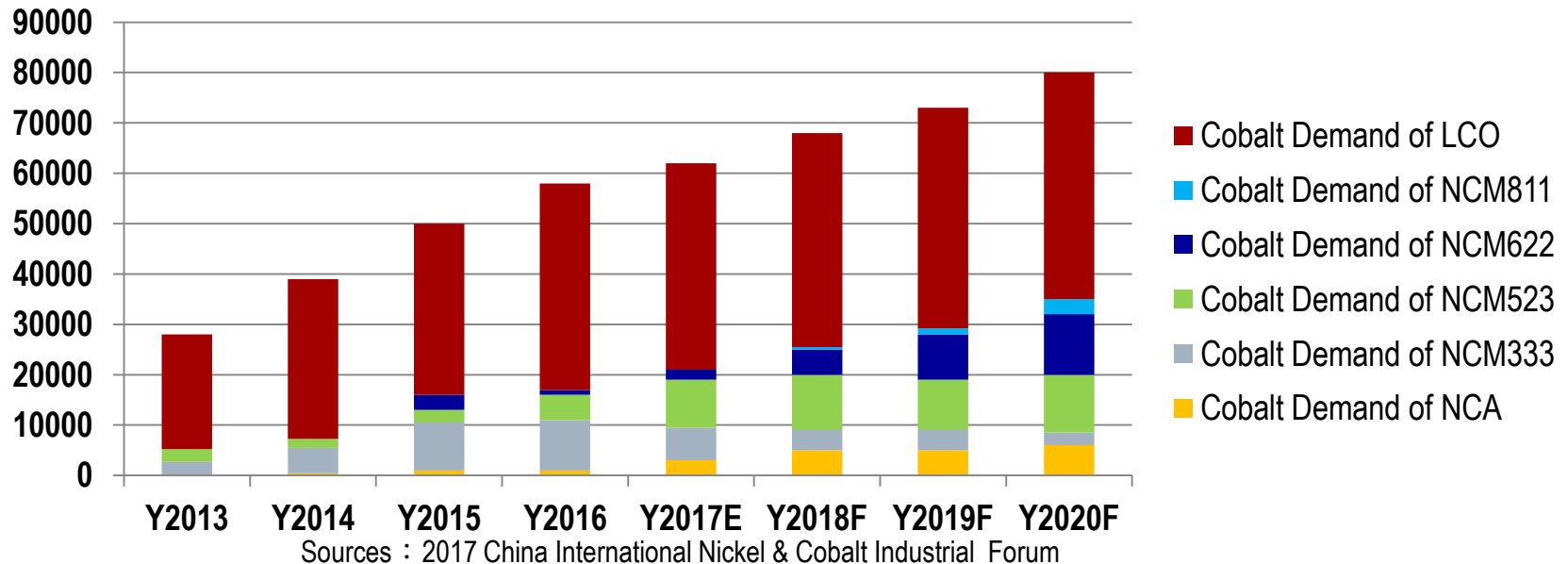
Nickel Demand of LiB Cathode Material (Ton / Year)



- Forecast nickel demand of cathode material in 2017 will be expected to reach 53,000 tons. 50% of the nickel demand comes from NCM523;
- Forecast nickel demand of cathode material in 2020 will be expected to reach 140,000 tons. Over 50% (over 70K tons) of the nickel demand comes from nickel-rich NCA and NCM811;

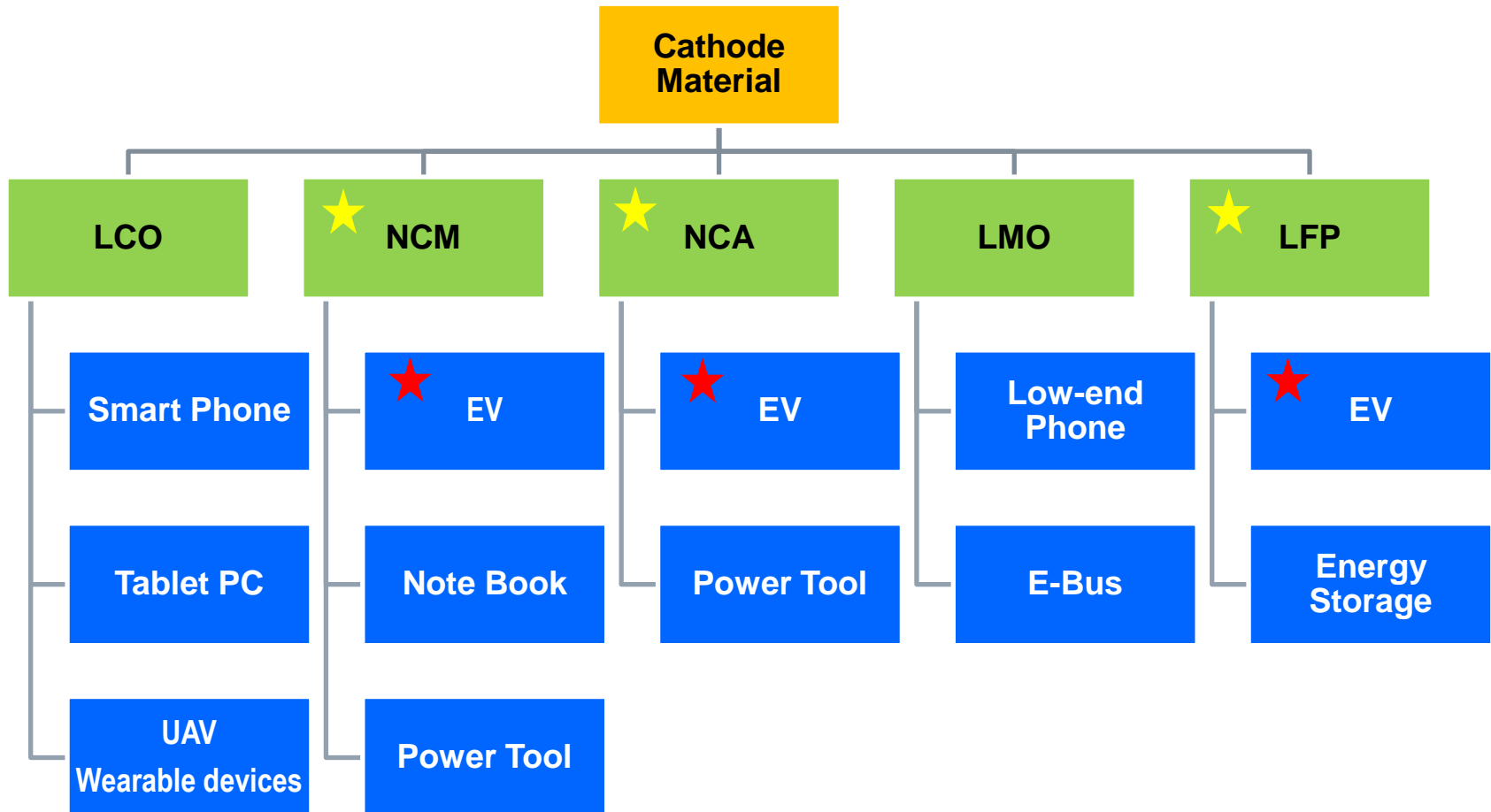
Development of New Energy Vehicles Affected Cobalt Demand

Cobalt Demand of LiB Cathode Material (Ton / Year)



- Forecast cobalt demand of cathode material in 2017 will be expected to reach 60,000 tons. 67% of the cobalt demand (41,000 tons) comes from LCO. 33% of the cobalt demand (21,000 tons) comes from NCM & NCA.
- Forecast cobalt demand of cathode material in 2020 will be expected to reach 80,000 tons. 56% of the cobalt demand (45,000 tons) comes from LCO. 44% of cobalt demand (35,000 tons) comes from NCM & NCA.

Main Application of Cathode Material



Sources : 2017 China International Nickel & Cobalt Industrial Forum

Important Event

- ❑ At 10/31, # 47392, convertible bond II , roughly NT \$36.2 million has not been converted, the expected conversion shares of about 682,000 shares.
After the \$36.2 million converted, the capital will be NT \$868 million.
- ❑ The company's third power battery material production line is operation now, the current production rate is about 50%, still under process adjustment stage.



CoreMax *Your Best Choice! Best Partner!*

Thank you for your attention!







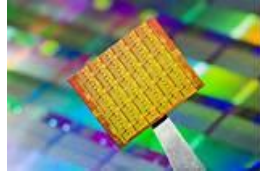




Annex I Corporate Milestone-1

- 1992** First catalyst production line started.
- 1994** First recovery catalyst production line completed.
- 1996** Company name changed to Coremax Taiwan Corporation.
Passed ISO 9002 certificate.
- 1999** Completed production line of advanced material and battery material.
- 2000** Obtained the Ministry of Economic Affairs subsidies for Development plan of High performance LiB cathode material .
Company name changed to Coremax Corporation.
- 2001** Set up “Coremax Malaysia Sdn. Bhd.” to supply BP 、Exxon Mobil PTA
Set up “Coremax Zhuhai Chemicals Co., Ltd.” to exclusive supply catalyst to BP PTA
- 2004** Set up “Coremax Ningbo Chemical Co., Ltd.” to supply Formosa Chemicals (Ningbo) and Ningbo Mitsubishi Chemical.
- 2009** Set up “Coremax (Thailand) Co., Ltd. “ to supply TPT PTA and Siam Mitsui PTA
Passed ISO 14000 certificate.
Expanded battery material production line in Hsinchu Taiwan.
Invested Heng-I Chemical Co., Ltd.

Annex I Corporate Milestone-2

- 2010** Set up battery material production line in Toufen Taiwan.
Listed at emerging stock market.
- 2011** Set up “Coremax (Zhangzhou) Chemicals Co., Ltd to exclusive supply Xianglu PTA.
Introduced Itochu Corporation to overall arrangement catalyst and battery material business.
Listed at over-the-counter market
- 2013** Constructed sulfuric acid plant at Heng-I Chemical
- 2014** Set up Cobalt Sulfate production line and second Nickel Sulfate production line.
Heng-I Chemical added wasted sulfuric recovery business.
Invested Uranus Chemicals Co., Ltd.
- 2015** Introduced JCAM AGRI and set up JCAM Taiwan.
- 2016** Acquired 100% share of Uranus Chemicals Co., Ltd.
- 2017** Set up third battery material production line at Toufen Taiwan.
Listed at stock exchange market.

Annex II Product Categories and Applications

Sales Percentage	Application	End Products
Catalyst (≒ 12%)	PTA、PIA、PET	  
Power Battery (≒ 36%)	Lithium battery-precursor、 Printed circuit board	  
Specialty Chemicals (≒ 12%)	Tire adhesive promoter, Semiconductors、 Panel	  
Chemical Fertilizer (≒ 17%)	Agriculture	 

Annex III Production Capacity-1

➤ Catalyst Products

- **Co Acetate** : Hsinchu Plant - 1,200 MT/Year (100 MT/Month)
Ningbo Plant - 600 MT/Year (50 MT/Month)
Rayong Plant - 360 MT/Year (30 MT/Month)
- **Mn Acetate** : Hsinchu Plant - 1,200 MT/Year (100 MT/Month)
Ningbo Plant - 600 MT/Year (50 MT/Month)
Rayong Plant - 360 MT/Year (30 MT/Month)
- **Co/Mn Liquid** : Hsinchu Plant - 9,000 MT/Year (750 MT/Month)
Zhuhai Plant - 2,400 MT/Year (200 MT/month)
Ningbo Plant - 9,000 MT/Year (750 MT/Month)
Rayong Plant - 6,000 MT/Year (500 MT/Month)
Zhangzhou Plant - 9,000 MT/Year (750 MT/Month)



Annex III Production Capacity-2

➤ Power Battery Products

- **Co Oxide** : Hsinchu Plant - 960 MT/Year (80 MT/Month)
- **Co Sulfate** : Hsinchu Plant - 4,800 MT/Year (400 MT/Month)
- **Ni Sulfate** : Toufen Plant L1 & L2 - 14,400 MT/Year (1,200 MT/Month)
Toufen Plant L3 - 18,000 MT/Year (1,500 MT/Month)



Annex III Production Capacity-3

➤ Specialty Chemicals

- **Co Hydroxide** : Hsinchu Plant - 1,680 MT/Year (140 MT/Month)
- **Industrial Grade Sulfuric Acid** : Toufen Plant - 99,000 MT/Year (8,250 MT/Month)
- **Electronic Grade Sulfuric Acid** : Toufen Plant - 66,000 MT/Year (5,500 MT/Month)
- **Etching Solution** : Hsinchu Plant - 9,000 MT/Year (750 MT/Month)
- **Oxalic Acid** : Taichung Plant - 3,000 MT/Year (250 MT/Month)



➤ Chemical Fertilizer Products

- **N.P.K. Mixed Fertilizer** : Toufen Plant - 72,000 MT/Year (6,000 MT/Month)
- **Organic Compound Fertilizer** : Toufen Plant - 30,000 MT/Year (2,500 MT/Month)
- **Ammonium Sulfate** : Toufen Plant - 7,500 MT/Year (625 MT/Month)

