



# Coremax Corporation

## 2021 Performance Conference - Automotive industry Supply Chain



Reporter : President, Eugene Ho

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# Safe Harbor Notice

- The presentation and discussion is explanation of historical financial statements and operating results.
- This document is not and cannot be construed as an offer to purchase or sell securities or other financial products or solicitation of an offer.

# Agenda

- Group Structure
- Financial Results
- Operation Report
- Q & A





# Group Structure



# Group Structure

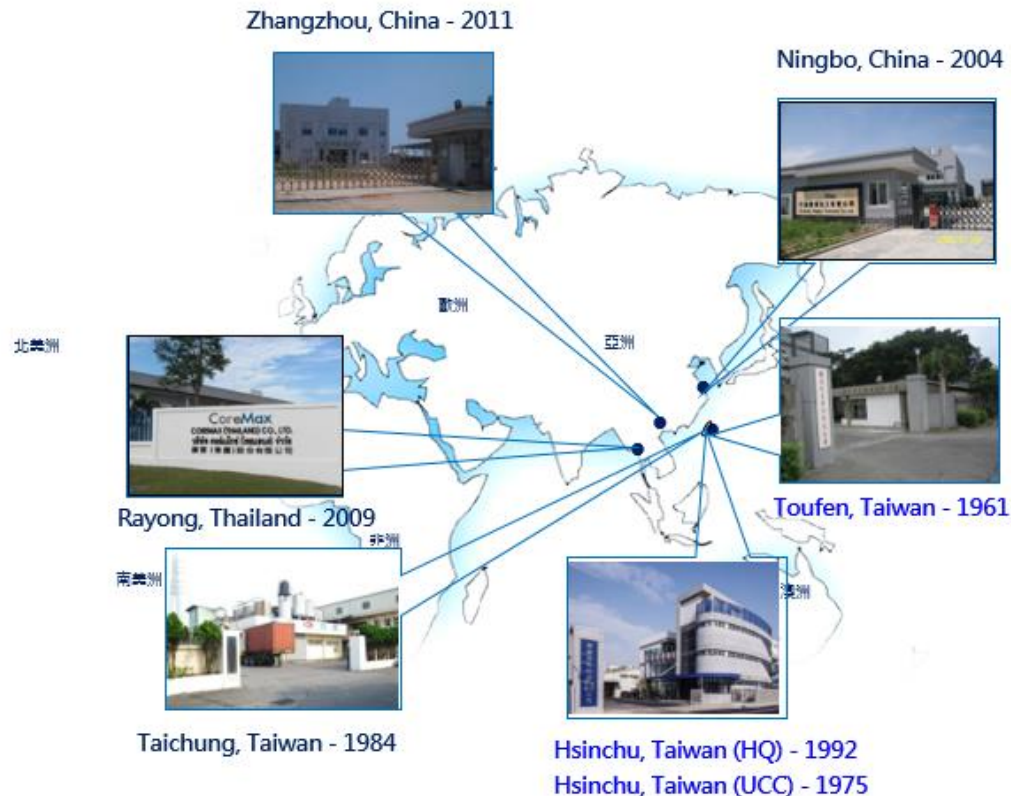
- ❑ Founded in June 16 , 1992
- ❑ Capital NTD1,060 million
- ❑ Employee : 420 Persons
- ❑ Head Office :  
11 Wenhua Rd.,  
Hsinchu Industrial Park
- ❑ Main Products

Catalyst

Battery  
Materials

Chemical  
Fertilizers

Specialty  
Chemicals



# Group Structure

- Catalyst
- Battery Materials
- Advanced materials

CoreMax



CoreMax

Largest upstream cathode material manufacturing plant in Taiwan

- Specialty chemicals - Oxalic acid
- Battery Materials - Cobalt Sulfate

Uranus Chemicals



The only oxalic acid supplier in Taiwan

- Chemical Fertilizers
- Specialty chemicals - Electronic Grade Sulfuric Acid

Heng I Chemical



Electronics grade sulfuric acid in collaboration with Japanese companies  
The second private fertilizer plant in Taiwan



# Financial Results



# Financial Results – Income Statement

Item	2021Q2	2021Q1	2020Q2	Q1oQ4	YoY
Sales Revenue	1,824,815	1,693,130	1,232,590	8%	48%
Gross Profit	248,420	214,423	98,930	16%	151%
Gross Margin	14%	13%	8%	1%	6%
Operating Expenses	76,227	100,271	61,434	-24%	24%
Net operating income	172,193	114,152	37,496	51%	359%
Non-operating incomes and expenses	(21,318)	11,340	(23,884)	-288%	-11%
Net Income before Tax	150,875	125,492	13,612	20%	1008%
Income Tax	(28,516)	(30,100)	(3,332)	-5%	756%
Net Income after Tax	122,359	95,392	10,280	28%	1090%
Net Margin	7%	6%	1%	0.011	0.06
Shareholds of the parent	113,564	94,657	4,037	20%	2713%
EPS	1.14	1	0.04	14%	2750%



# Financial Results – Balance Sheet

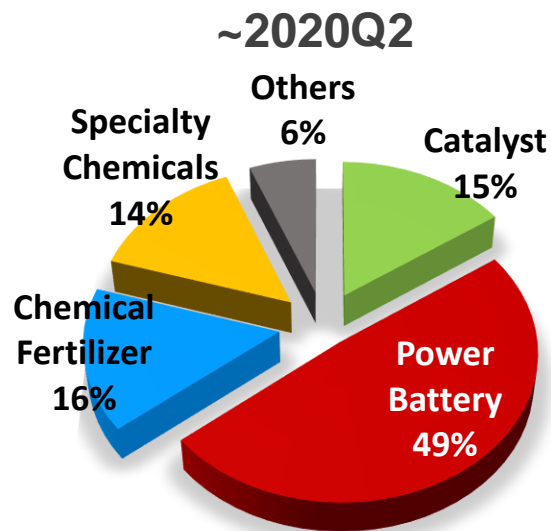
Item	2021.Q2	%	2020.Q4	%	2020.Q2	%	YoY
Cash and cash equivalents	1,530,350	18%	705,820	10%	753,571	11%	103%
Notes receivable, Accounts receivable	807,426	9%	621,491	9%	626,985	9%	29%
Inventories	1,161,656	14%	1,055,685	15%	1,123,995	16%	3%
Other current assets	776,784	9%	597,658	8%	329,883	5%	135%
<b>Total current assets</b>	<b>4,276,216</b>	<b>50%</b>	<b>2,980,654</b>	<b>41%</b>	<b>2,834,434</b>	<b>41%</b>	<b>51%</b>
Property, plant and equipment	4,006,813	47%	3,977,135	55%	3,925,943	57%	2%
Other non-current assets	298,602	3%	259,760	4%	178,236	3%	68%
<b>Total non-current assets</b>	<b>4,305,415</b>	<b>50%</b>	<b>4,236,895</b>	<b>59%</b>	<b>4,104,179</b>	<b>59%</b>	<b>5%</b>
<b>Total assets</b>	<b>8,581,631</b>	<b>100%</b>	<b>7,217,549</b>	<b>100%</b>	<b>6,938,613</b>	<b>100%</b>	<b>24%</b>
Short-term borrowings, Short-term notes and bills payable	2,153,764	25%	1,618,966	22%	1,530,032	22%	41%
Notes payable, Accounts payable	181,013	2%	170,315	2%	149,599	2%	21%
Other current liabilities	298,358	3%	316,176	4%	465,635	7%	-36%
<b>Total current liabilities</b>	<b>2,633,135</b>	<b>31%</b>	<b>2,105,457</b>	<b>29%</b>	<b>2,145,266</b>	<b>31%</b>	<b>23%</b>
Long-term borrowings	898,344	10%	814,622	11%	657,312	9%	37%
Other non-current liabilities	328,205	4%	327,041	5%	315,983	5%	4%
<b>Total non-current liabilities</b>	<b>1,226,549</b>	<b>14%</b>	<b>1,141,663</b>	<b>16%</b>	<b>973,295</b>	<b>14%</b>	<b>26%</b>
<b>Total liabilities</b>	<b>3,859,684</b>	<b>45%</b>	<b>3,247,120</b>	<b>45%</b>	<b>3,118,561</b>	<b>45%</b>	<b>24%</b>
<b>Total equity</b>	<b>4,721,947</b>	<b>55%</b>	<b>3,970,429</b>	<b>55%</b>	<b>3,820,052</b>	<b>55%</b>	<b>24%</b>

# Financial Results – Cash Flow

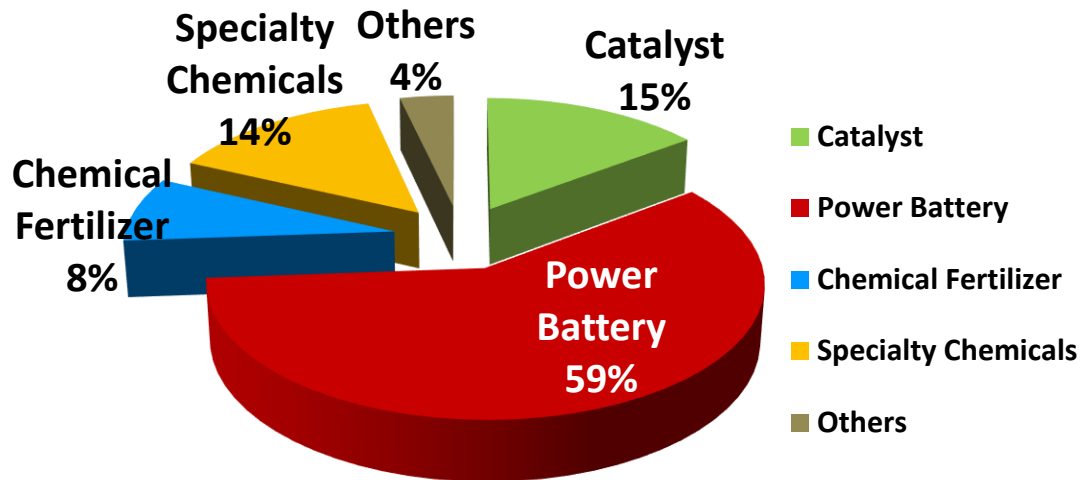
Item	2021Q2	2020Q2	YoY
<b>Net cash flows from operating activities</b>	<b>(79,982)</b>	<b>177,431</b>	<b>-145%</b>
Depreciation	144,322	136,198	6%
Inventories	(91,159)	327,406	-128%
Other non-current assets	(133,145)	(286,173)	-53%
<b>Net cash flows from investing activities</b>	<b>(280,856)</b>	<b>(293,755)</b>	<b>-4%</b>
Acquisition of property, plant and equipment	(160,141)	(250,965)	-36%
<b>Net cash flows from financing activities</b>	<b>1,131,688</b>	<b>71,777</b>	<b>1477%</b>
Issuance of new shares for cash by subsidiaries	544,464	0	100%
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(34,170)</b>	<b>(6,482)</b>	<b>427%</b>
<b>Net decrease in cash and cash equivalents</b>	<b>736,680</b>	<b>(51,029)</b>	<b>-1544%</b>

# Operation Report

Revenue by Product  
in Pie



~2021Q2



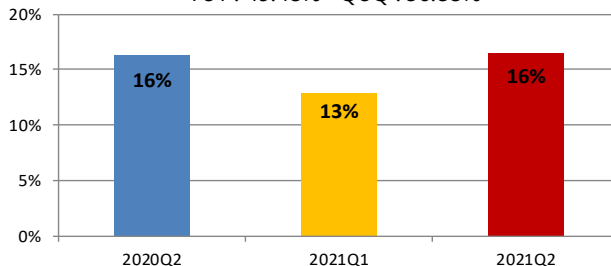
Catalyst	Power Battery	Chemical Fertilizer	Specialty Chemicals	Others	Total Sales Revenue
519,214	2,079,143	282,777	509,309	127,502	3,517,945
15%	59%	8%	14%	4%	100%

# Operation Report

## Revenue by Product in Portion YoY, QoQ

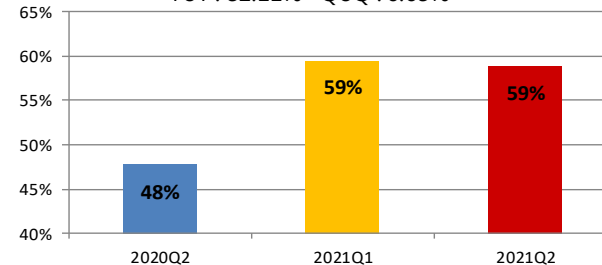
### Catalyst

YoY : 49.48% QoQ : 36.88%



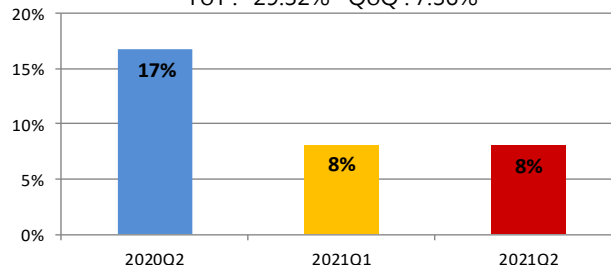
### Power Battery

YoY : 82.11% QoQ : 6.65%



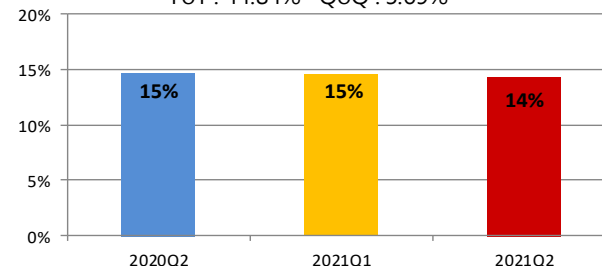
### Chemical Fertilizer

YoY : -29.32% QoQ : 7.36%



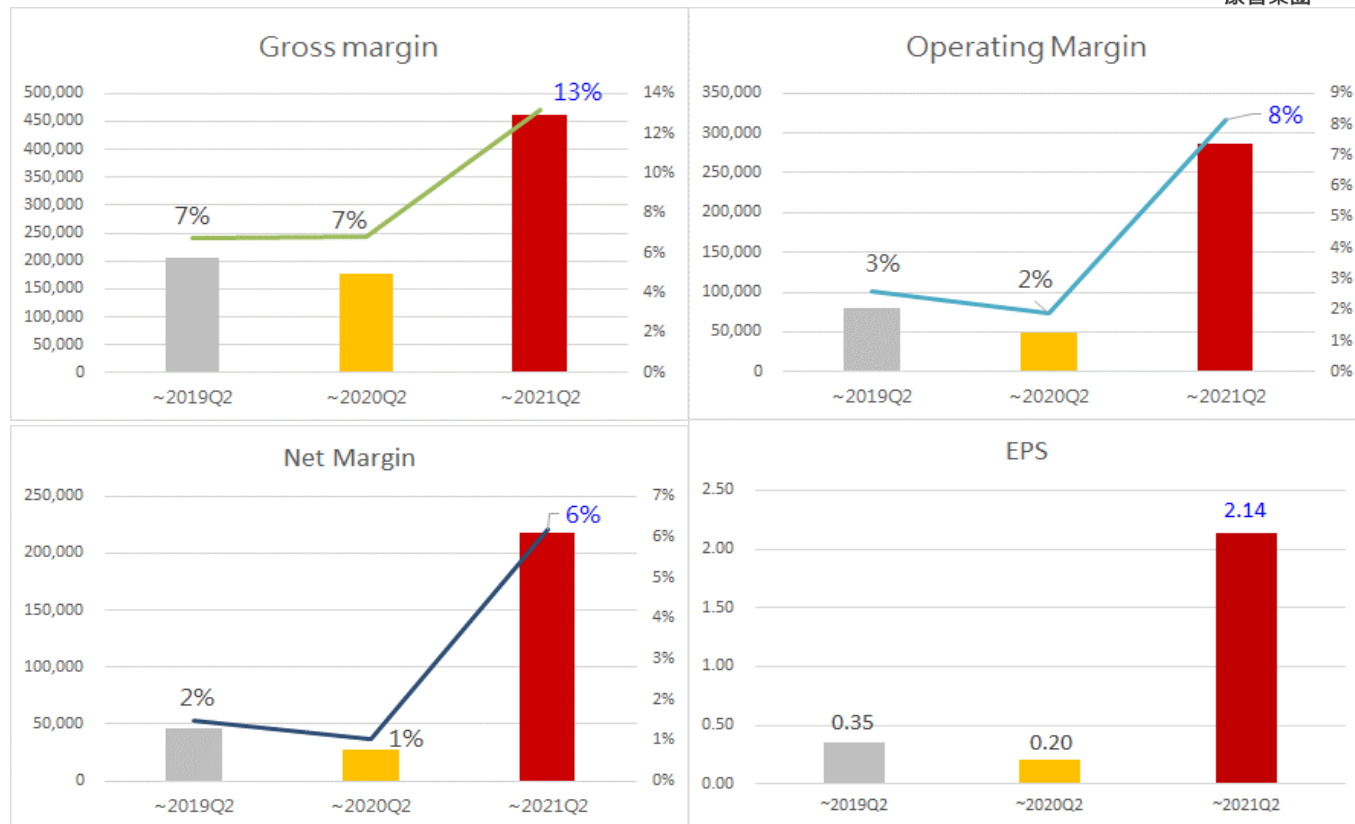
### Specialty Chemicals

YoY : 44.84% QoQ : 5.69%



# Operation Report

## Key Financial Index





# Operation Report



# Operation Report- Product Evolution

+60y : Chemical acid manufacturing  
+50y : Rare precious metal processing  
+30y : Co metal processing and recycle  
+Cooperate with Japanese chemical company

Chemical  
Fertilizers

- Fertilizers
- Oxalic Acid, sulfuric acid

Specialty  
Chemical

Electronic grade  
sulfuric acid

Rare  
Earth

- Rare precious metal processing

Catalyst

- Cobalt metal processing
- Recovery cycle

Battery  
Materials

- **Multiple material sources: intermediates, recycled**
- Li-Ion battery material Developing

Battery  
Materials

- Cobalt and nickel metal chemical processing
- Automobile certification

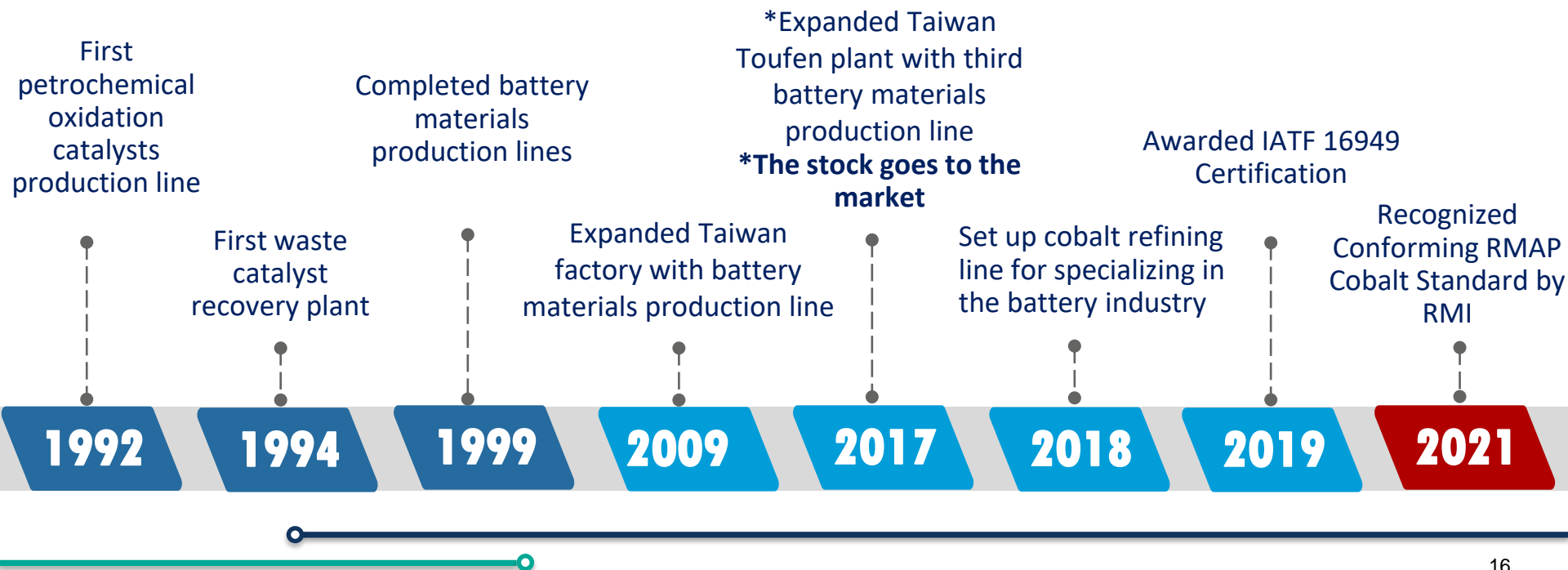
Former

Now

Forward Looking

# Operation Report- Historical Evolution

## □ Historical Evolution of battery materials - cobalt, nickel, automobile certification

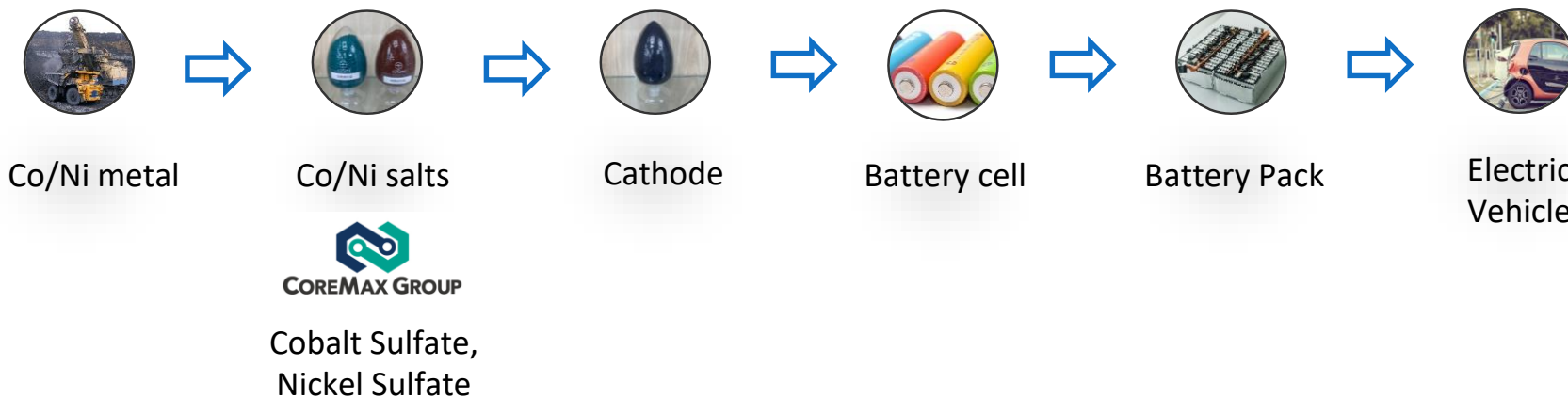




# Operation Report

## □ Y2021 outlook - Battery Materials product

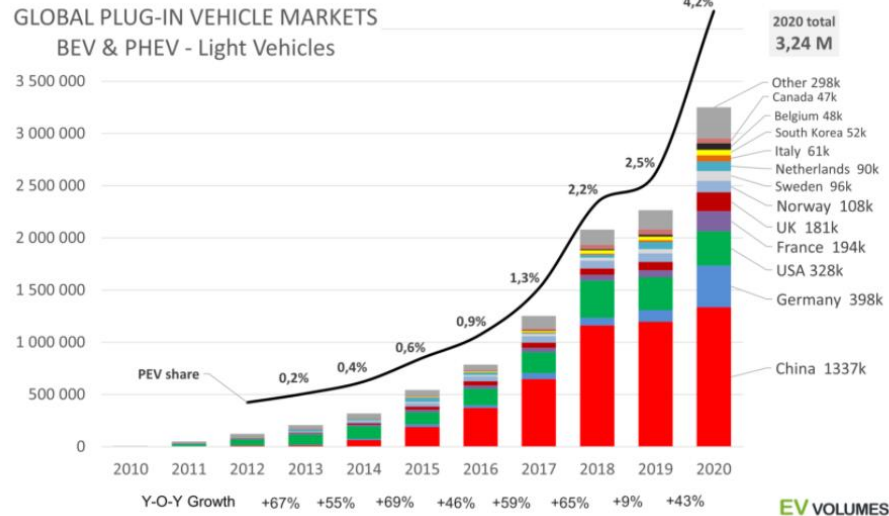
### Industry chain of the electric vehicle cathode material



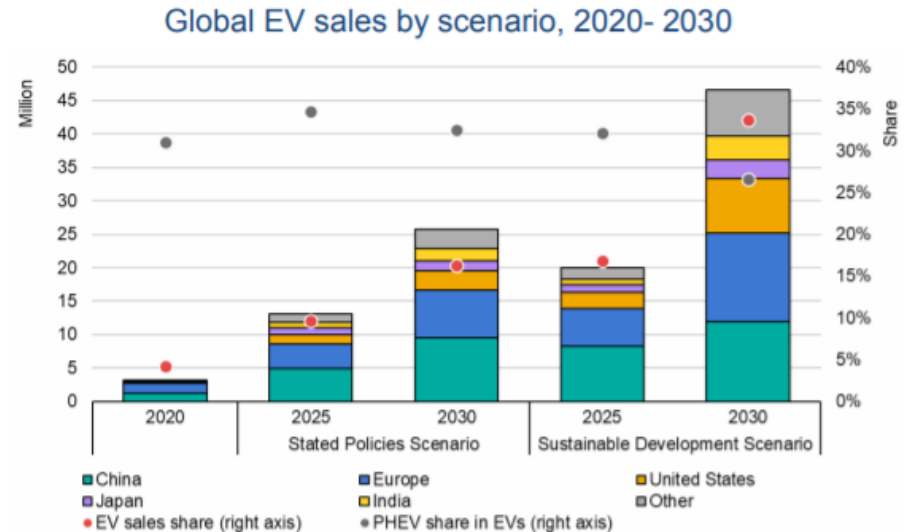
# Operation Report

## □ Y2021 outlook - Battery Materials product

### EV Sales Volumes



### IEA EV sales forecast



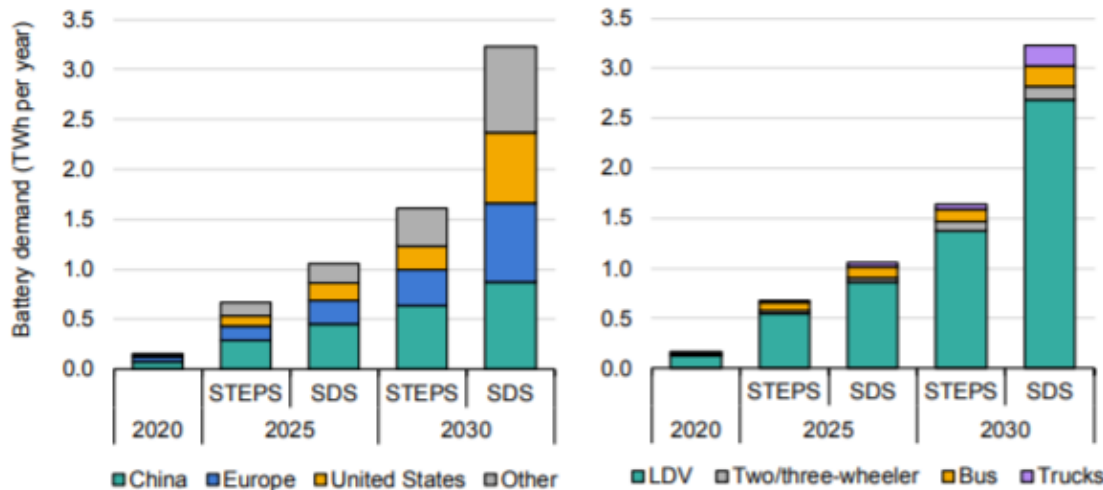
Data : EV Volumes

Data : IEA Global EV Outlook 2021

# Operation Report

## □ Y2021 outlook - Battery Materials product

Annual EV battery demand projections by region (left), mode and scenario (right), 2020-2030



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# Operation Report

## □ Y2021 outlook

- Catalyst

- Chemical Fertilizers

- Specialty Chemicals





# Thanks!

Any questions?

