Code:4721

Mechema Chemicals

Your Total Solution Provider

November 24 , 2023

MECHEMA
CHEMICALS INTERNATIONAL

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Company Overview

Originated from MECHEMA UK, established in 1930.

In 1992, Mechema Taiwan acquired Mechema UK and inherited Mechema's brand name and technology.

We have developed Cobalt-derivative & Nickel-derivative products over 3 decades & metals refinery 2 decades.

Over 30 years expertise in metals sourcing & price negotiation.

- **Moved To Taiwan:1992**
- **Taiwan Listing Co. Since 2001,Code:4721 (OTC)**
- **Paid-in Capital: NTD 749,863 Thousand**
- **Group Employees:120 (incl'd METC)**

ORIGINAL MECHEMA UK.PLANT
SINCE : 1930

Globalization & Diversification

1992 — acquired Mechema UK
Mechema originate

1997 — TAOYUAN plant

1996 — M. THAILAND &
M. INDONESIA

1999 — M. KOREA

MECHEMA INTERNATIONAL GROUP 4721

2001 — OTC listing

2001 — M. XIAMEN

2005 — M. SHANGYU

2008 — M. MALAYSIA

TODA
TODA CORPORATION

2013 — JV with TODA

2022 — 30 YEARS ANNIVERSARY

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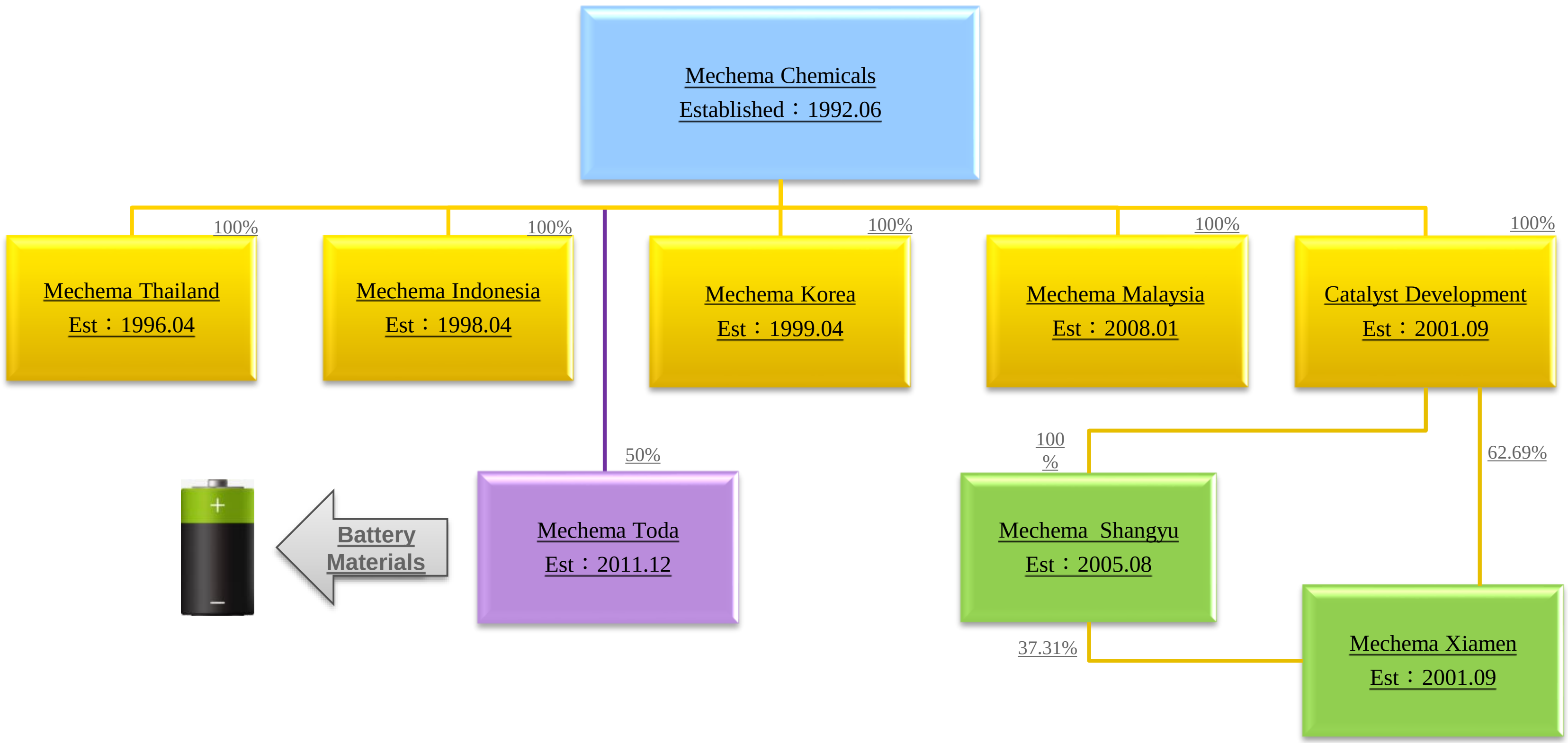
Globalization- Worldwide Subsidiaries

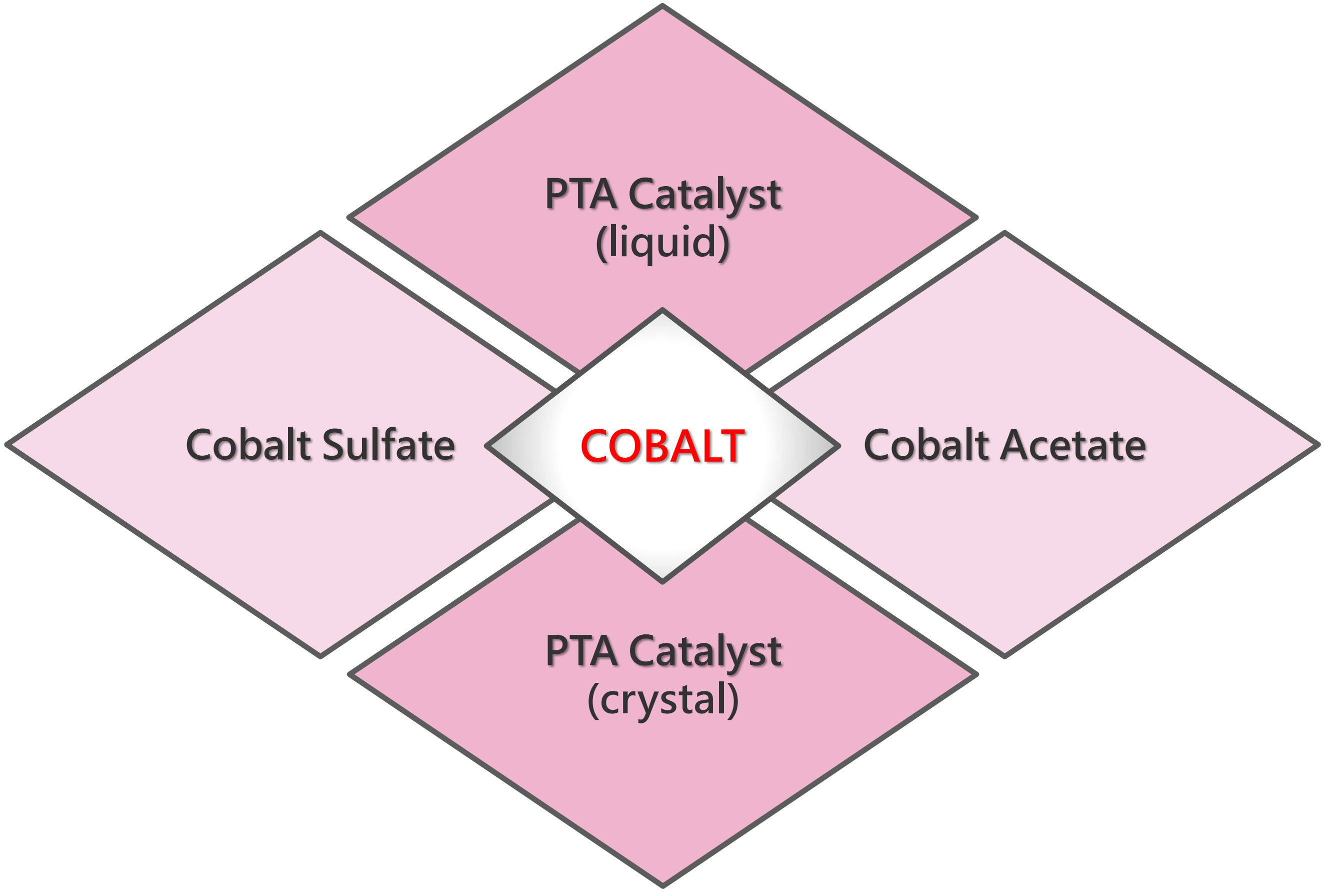
Date：October, 2023



Globalization : 8 Plants Worldwide

Concentric Diversification

Cobalt-derivatives



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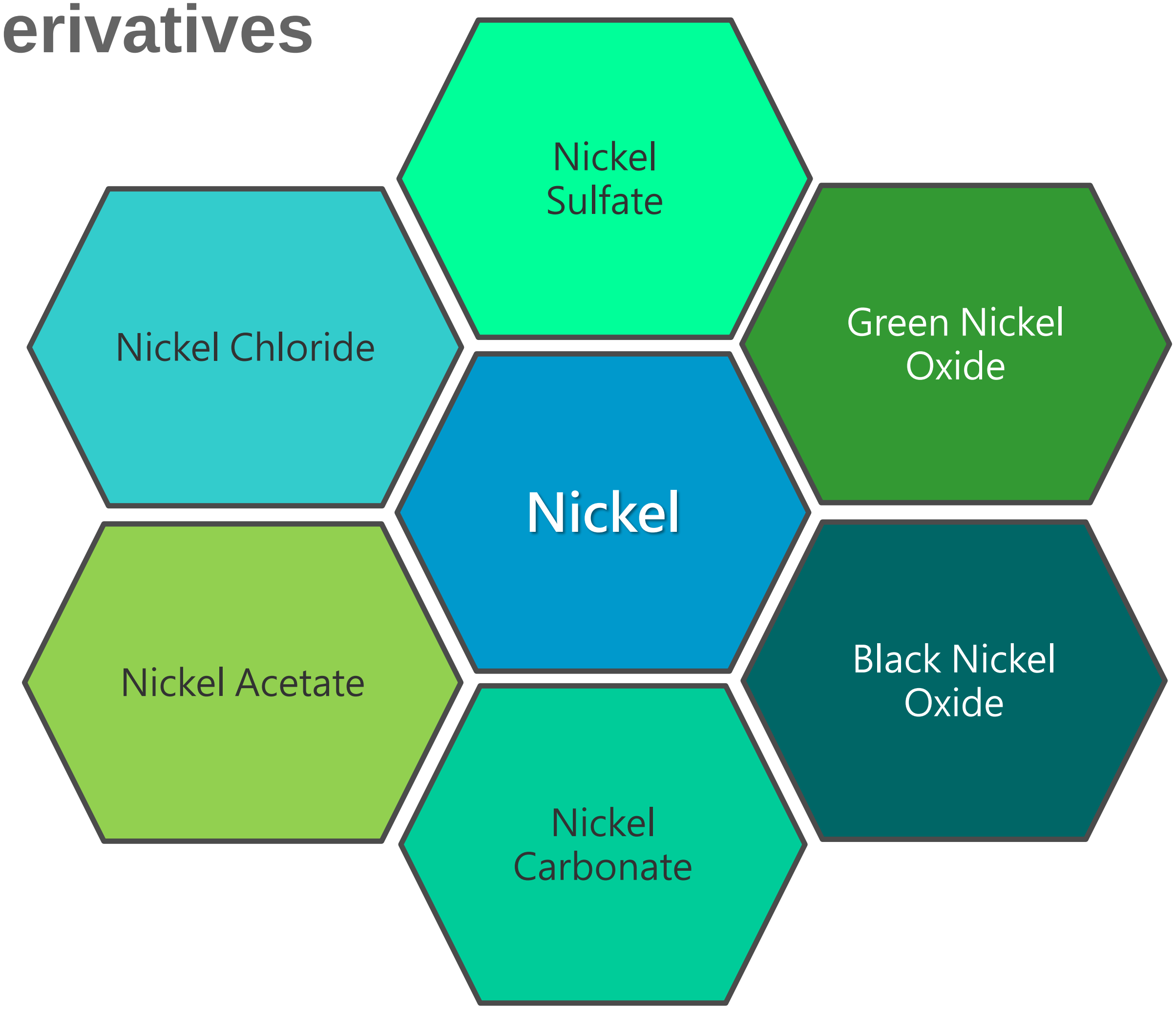
Concentric Diversification

Nickel-derivatives



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Main Products & Applications

Products | **Applications**

PTA Catalyst

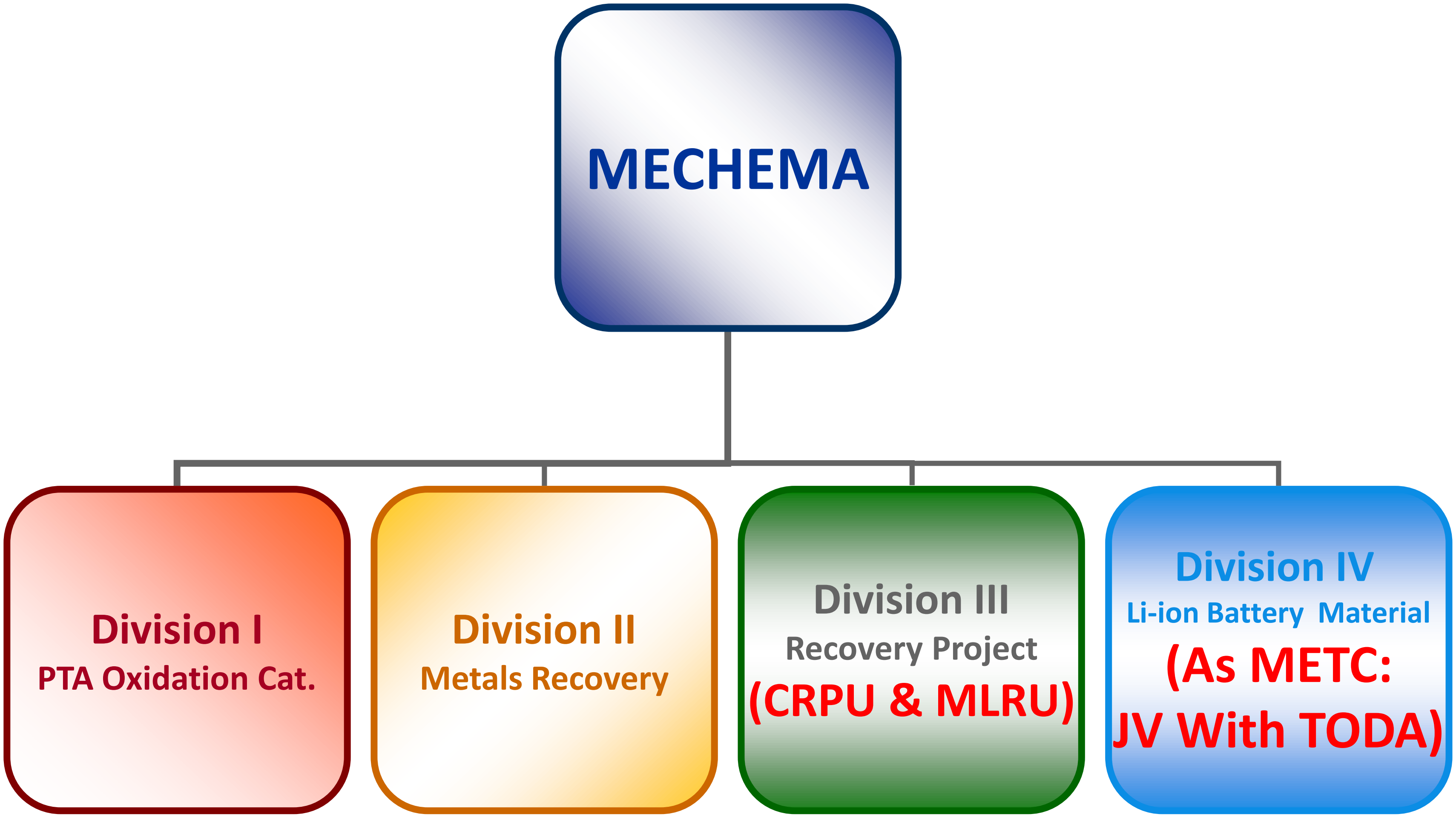



Battery Materials






MECHEMA Business Structure



Business Division I

PTA Catalyst

Business Division I

Innovation of Catalyst

Gen 1 – CoAc2 crystal + MnAc2 crystal + HBr liquid

Gen 2 – CMA solution + HBr liquid

Gen 3 – CMB solution (made from CA/MA/HBr)

- ▶ Gen 3.1 – Co/Mn = 1/2 ~ 2/1
- ▶ Gen 3.2 – Co/Mn = 1/1

Gen 4

– MECHEMA's Unique patented Technology

Specific LOW CORROSSIVE CMB

CMB solution made from CB/MB with low free acid

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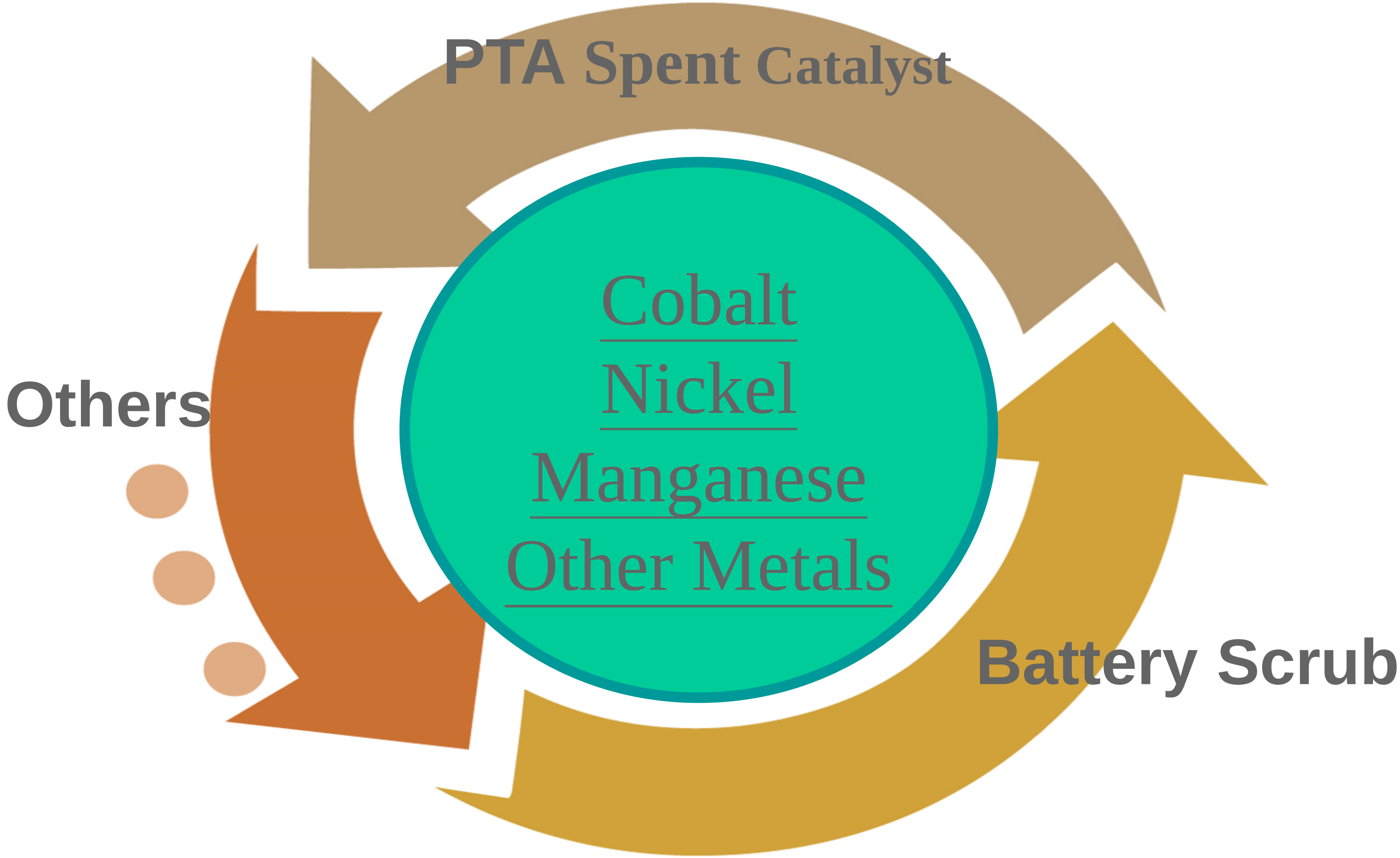
Business Division II

Metals Refinery

Business Division II



Business Division II - PTA

Metals Refinery, Recovery & Reuse

Recover waste Co-ion back to metal form.

→ Ensure the Co catalyzing activity.

Fly ash, Co cake, Other Co-contained scrap/slurry → Refinery Process → Recovered-Cobalt Metal → Customer CMB (R)

→ **CMB-R has the same quality as CMB Fresh!**

Low impurity content, High catalyzing activity

→ Guarantee at least **90%** of recovery yield

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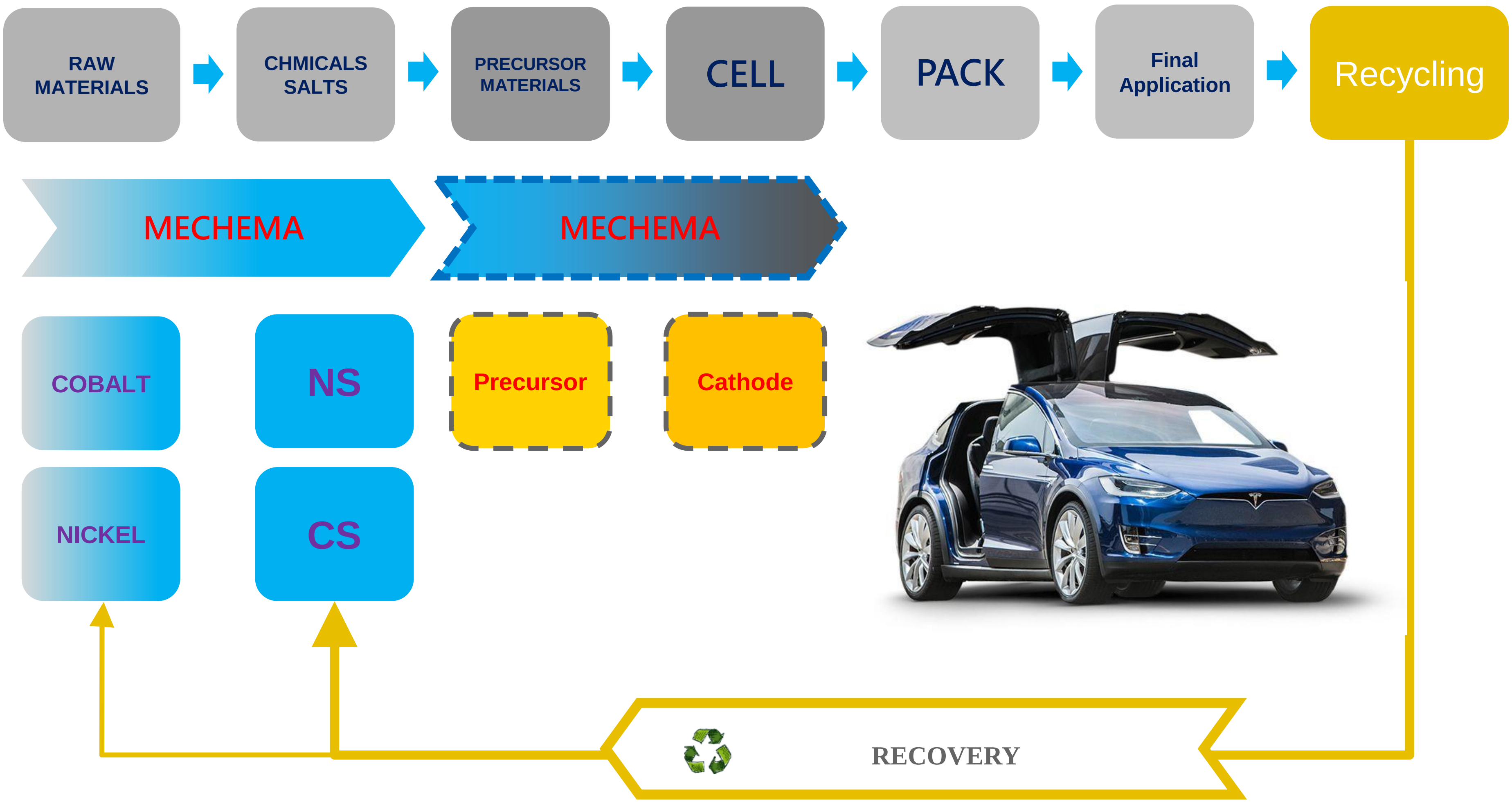
Business Division II - Battery



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Business Division III

Recovery Project

Business Division III

- CTA Residue Pretreatment Unit (CRPU)

Recovery Project - CRPU pictures

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Business Division III

CRPU Commercial Running References

#	Customer Name	Location	License	Capacity (MT/Year)	System Install Year
1	Lotte Petrochemicals	Korea	Tecnimont	1,200,000	2002
2	Xiang-Lu Petrochemicals	China	Hitachi	1,500,000	2003
3	BP AMI	Indonesia	BP Amoco	650,000	2003
4	TPT Petrochemicals (Indorama Group)	Thailand	Tecnimont	600,000	2004
5	TPI Petrochemicals	Taiwan	Tecnimont	420,000	2005
6	BP CAPCO	Taiwan	BP Amoco	1,500,000	2008
7	SABIC (Ibn Rushd)	Saudi Arabic	Hitachi	420,000	2010
8	OPSC	China	Invista	600,000	2013
9	OPTC	Taiwan	Invista	1,500,000	2016

Business Division III

- Mother Liquid Recovery Unit (MLRU)

Recovery Project - MLRU pictures

XL China

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Business Division III

MLRU Commercial Running References

#	Customer Name	Location	License	Capacity (MT/Year)	System Install Year
1	BP AMI	Indonesia	BP Amoco	650,000	2006
2	RPCM (Reliance Group)	Malaysia	BP Amoco	650,000	2007
3	Xiang-Lu Petrochemicals	China	Hitachi	1,500,000	2009
4	HG Petrochemical	China	CTIEI	1,200,000	2012
5	Indorama Montreal	Canada	Tecnimont	600,000	2012
6	OPTC	Taiwan	Invista	1,500,000	2016
7	PW Petrochemical	China	CTIEI	600,000	2018

Business Division IV

Battery Raw materials

MECHEMA & MTEC v.s. EV

TOYOTA

BATTERY MATERIALS

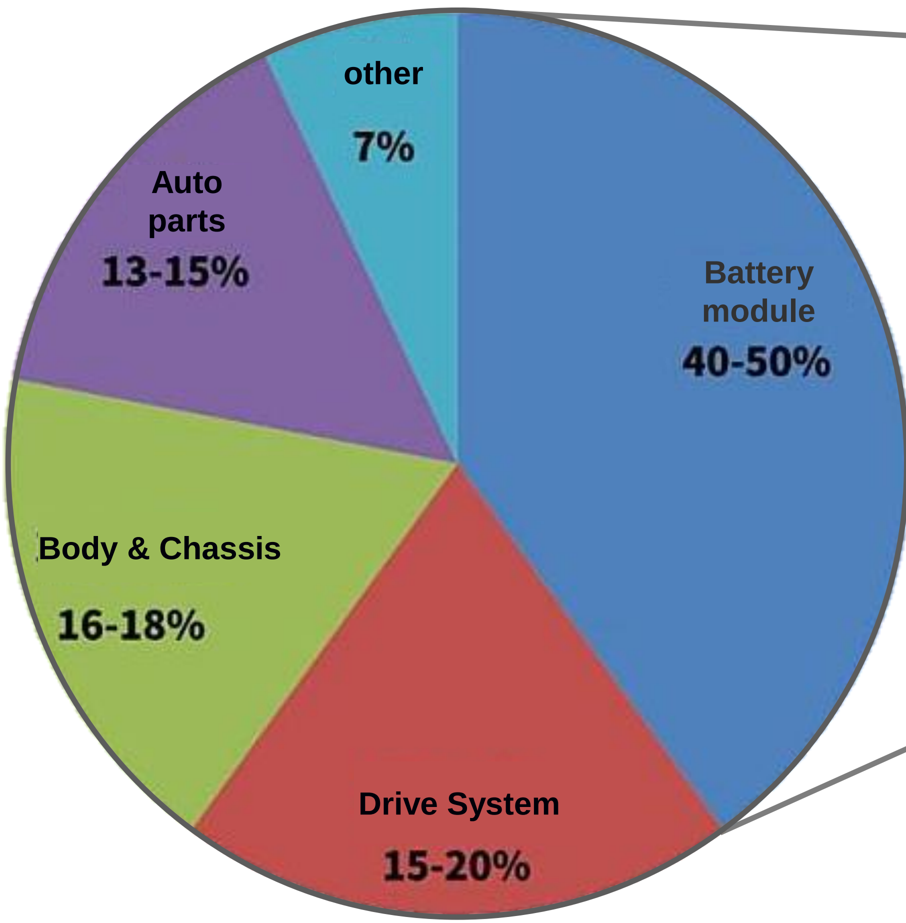
BATTERY MATERIALS

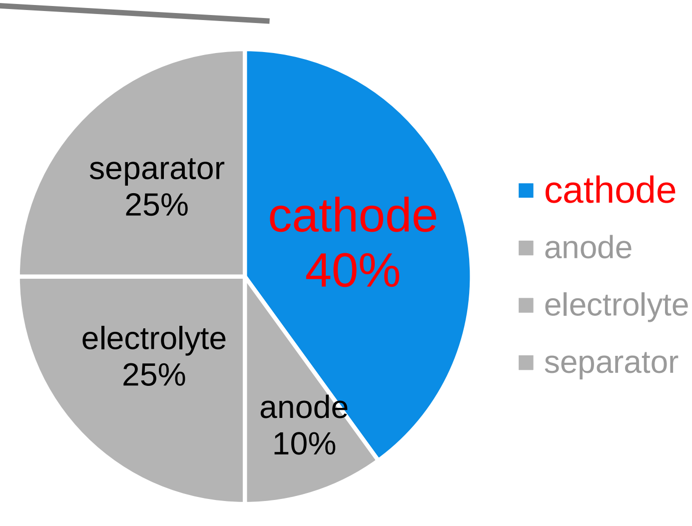
MECHEMA

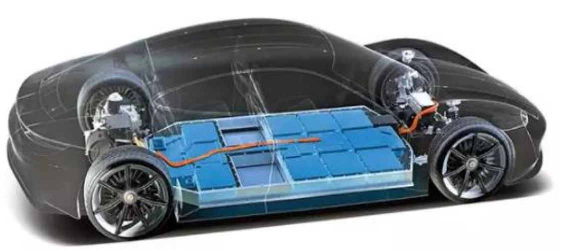
MECHEMA
+
TODA

METC (美戶先進)

Materials Provider of Battery Cathode







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NCM(A) v.s. LFP
- Non-Zero-Sum Competition

	NCM(A)	LFP
Cruising Range(Density)	✓	
Measurement	✓	
Temperature-Resistance	✓	
Cost		✓
Life-Cycle		✓
Safety		✓
Auto-Segments	Mid ~ Hi-end Market	Low-End Market & Bus
Main Market	U.S.A、E.U.	China

Financial Performance

Financial Performance
- Balance Sheets

(NT Thousands)	2023.09.30	%	2022.12.31	%	2022.09.30	%
Cur. Assets	1,348,246	74	1,965,459	79	2,596,911	83
Non-Cur. Assets	476,999	26	537,604	21	527,188	17
Total Assets	1,825,245	100	2,503,063	100	3,124,099	100
Cur. Liabilities	666,835	37	996,432	40	1,594,298	51
Total Liabilities	707,256	39	1,001,853	40	1,598,208	51
Total Equity	1,117,989	61	1,501,210	60	1,525,891	49
Liabilities and Equity	1,825,245	100	2,503,063	100	3,124,099	100

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Financial Performance
- Statements of Comprehensive Income

(NT Thousands)	2023.Q1~Q3	2022.Q1~Q3	Amount Diff.	YoY(%)
Sales	1,830,902	4,269,691	(2,438,789)	(57)%
Gross Profit	166,707	486,288	(319,581)	(66)%
Margin(%)	**9.1%**	**11.4%**	**(2.3)%**	**(20)%**
Op. Exp	90,487	116,506	(26,019)	(22)%
Op. Profit	76,220	369,782	(293,562)	(79)%
Non- Op. Profit	(92,480)	145,722	(238,202)	(163)%
Profit Before Tax	(16,260)	515,504	(531,764)	(103)%
Tax	(24,725)	(102,211)	77,489	(76)%
Effective Tax Rate	**-**	**19.8%**	**-**	**-**
Profit After Tax	(40,985)	413,293	(454,278)	(110)%
EPS (NT Dollar)	**(0.55)**	**5.51**	**(6.06)**	**(110) %**

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Financial Performance - Cash Flow

(NT Thousands)	2023.09.30	2022.09.30	YoY Dif.
Beginning Balance	$366,480	$432,593	$(66,113)
Cash from operating activities	484,685	50,965	433,720
Investments and others	(43,885)	(40,389)	(3,496)
Cash dividend	(344,937)	(284,948)	(59,989)
Short-term loans	(247,006)	580,000	(827,006)
Long-term loans	35,000	-	35,000
Others	2,283	(84,789)	87,072
Ending Balance	$252,620	$653,432	$(400,812)

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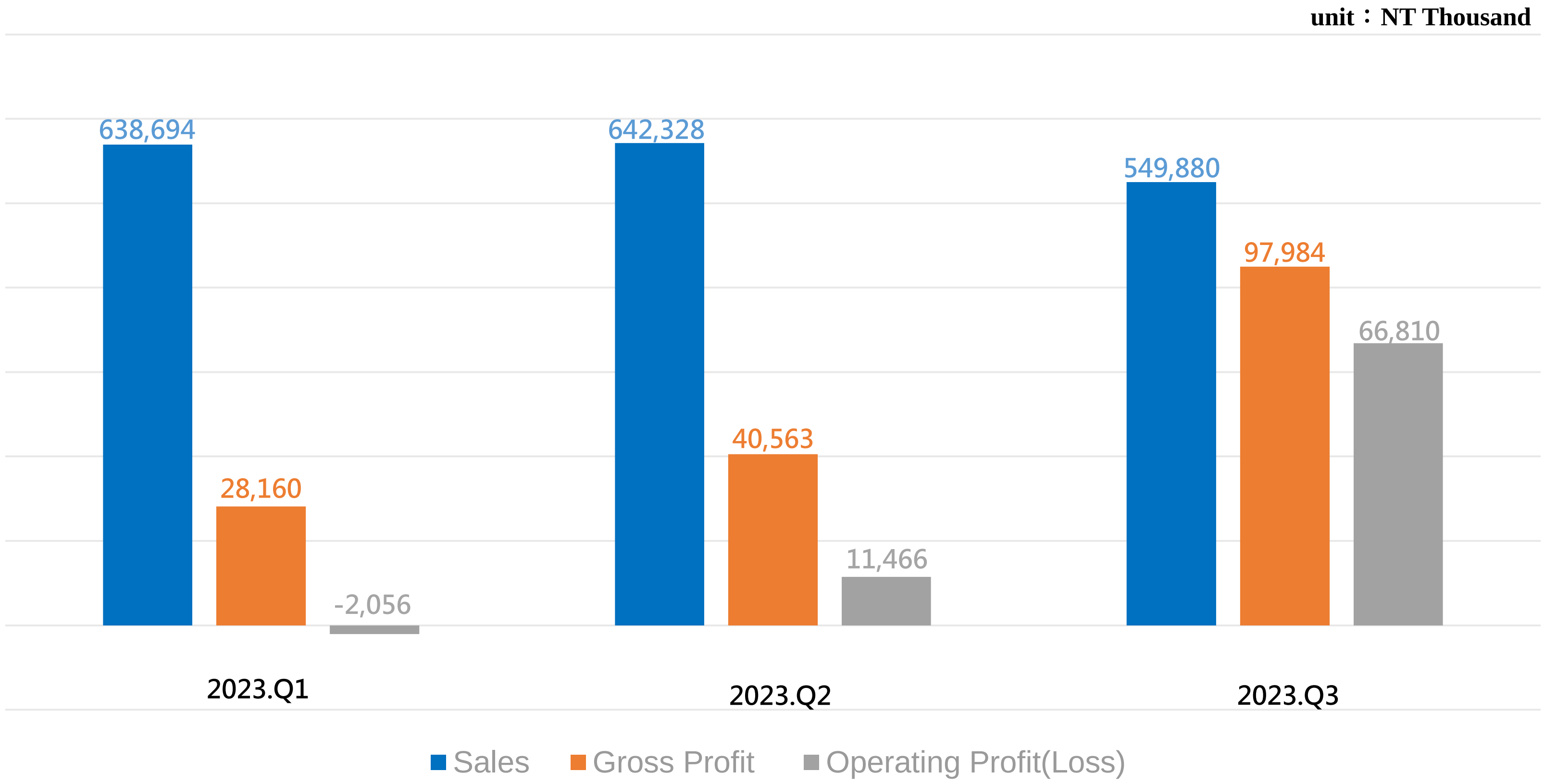
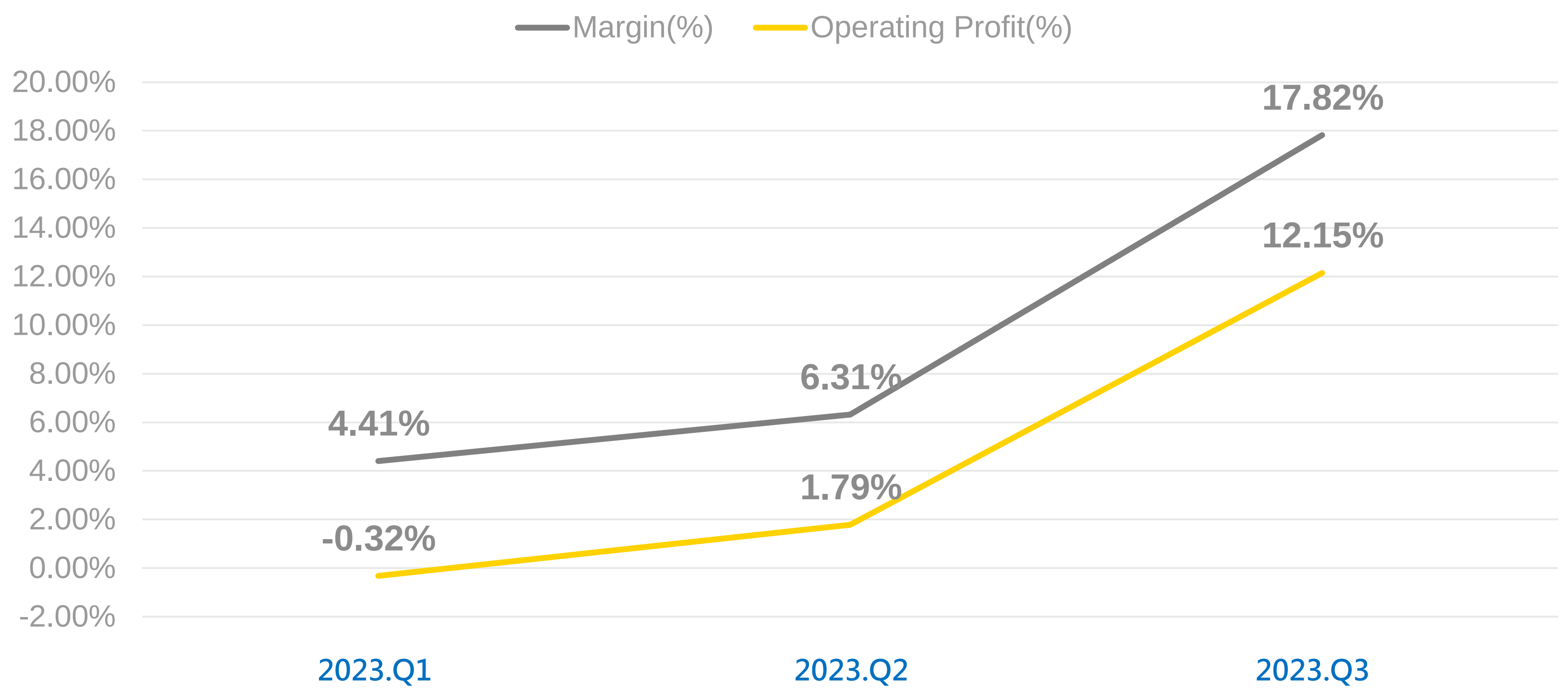
2023 Q1~Q3 – Sales, Gross & Operating Profit



2023 Q1~Q3 –
Margin & Operating Profit(%)



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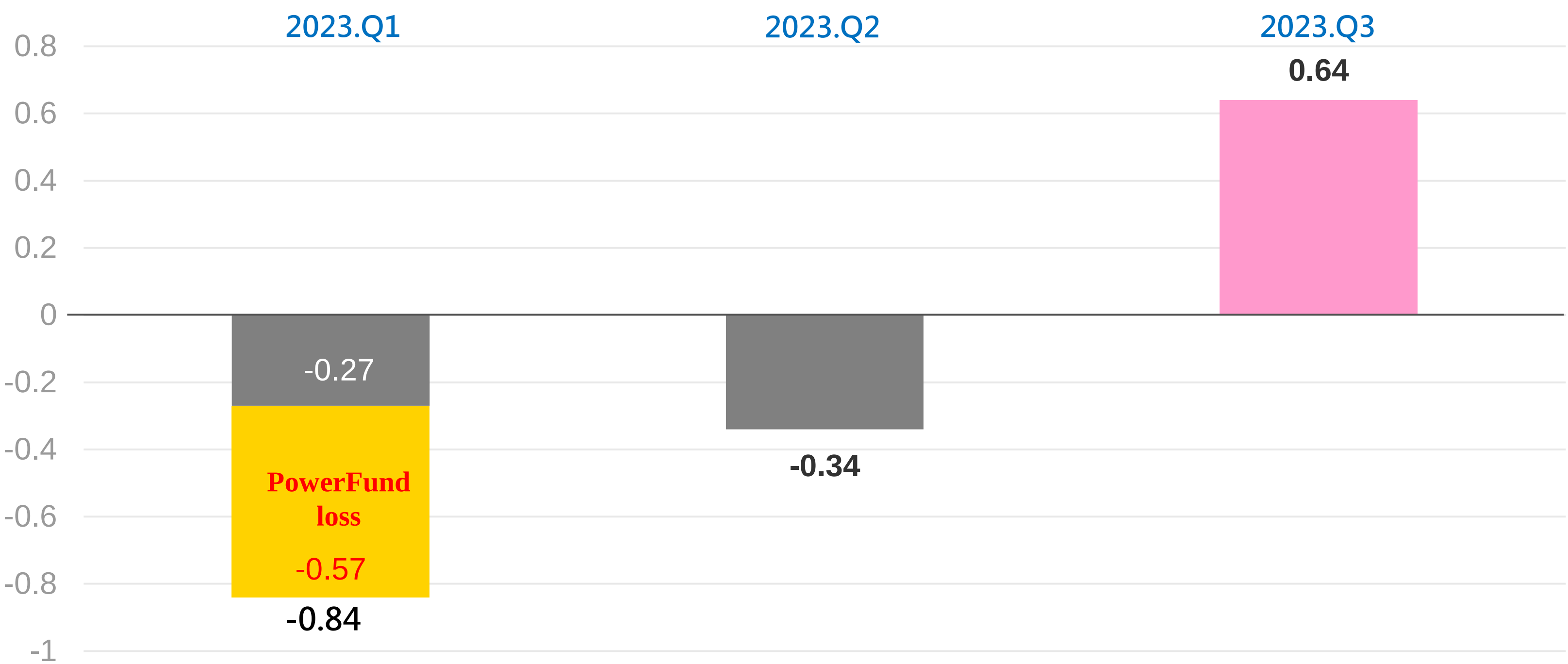
2023 Q1~Q3 EPS



Outlook - ESG Strategy

ESG	Environmental	Social	Corporate Governance
Policies	Circular economy	Employee fulfillment	Responsible sourcing
Commitments	Green/low-carbon products	Friendly workplace	Sustainability supply-chain
Partners	Customers/ suppliers	Employees	Stockholders/ stakeholders

Q & A