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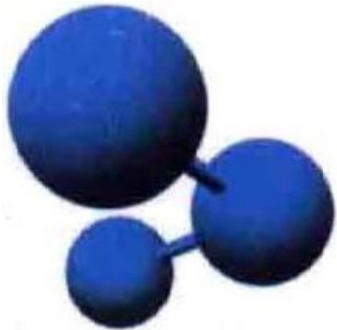


Mechema Chemicals

Your Total Solution Provider

April 1 , 2022

Spokesman: leslie Tsai (03-4833788)



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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 3 decades & metals recovery 2 decades.

Over 30 years expertise in metals sourcing & price negotiation.

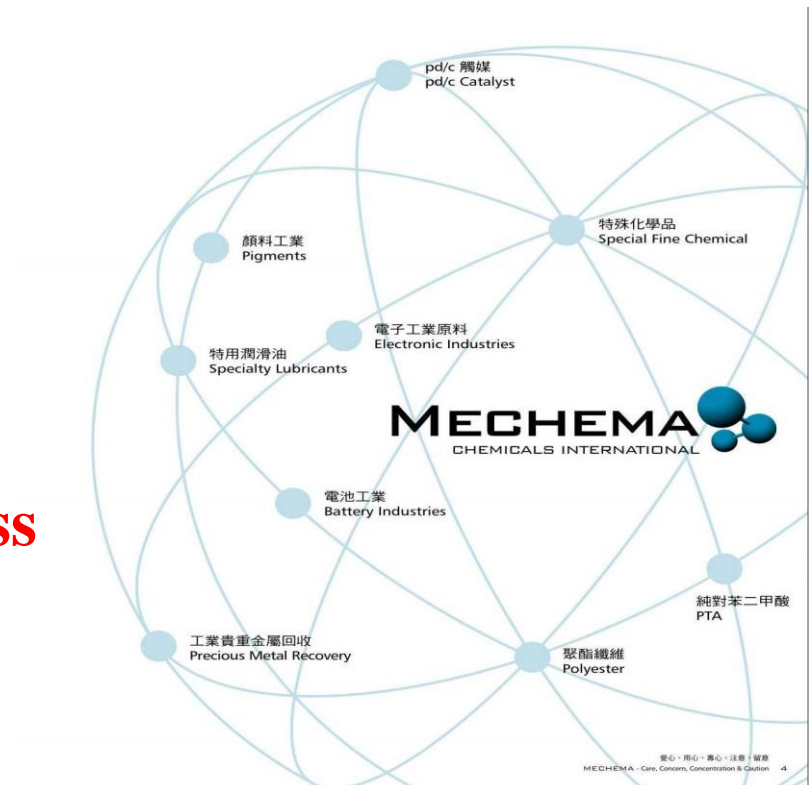
- ▶ Moved To Taiwan:1992
- ▶ Taiwan Listing Co. Since 2001,Code:4721 (OTC)
- ▶ Paid-in Capital: NTD 749,863 Thousand
- ▶ Group Employees:120 (incl'd METC)



ORIGINAL MECHEMA UK.PLANT
SINCE : 1930

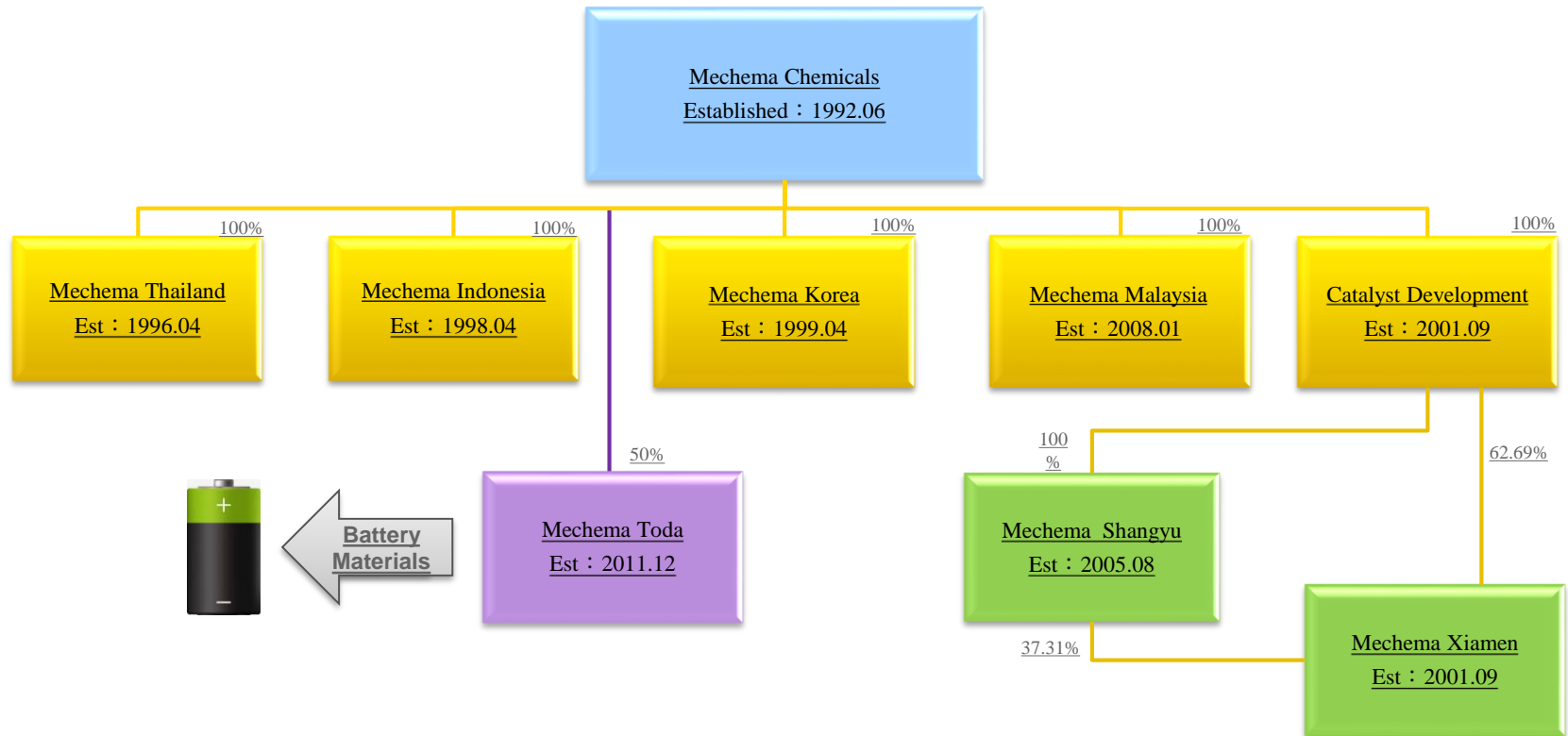
Our Strategy:

- Technology Development
- Continuing Improvement
- Best Quality & Service
- **Glocalization**
- **Total solution Provider**
 - **Recovery Technology**
 - **Integration with PTA Process**
 - **Inventory Maintenance**
 - **Process Knowledge Sharing**
 - **Vertical Integration**



MECHEMA Worldwide Group

Date : March, 2022



Global Network : 8 Plants



Main Products & Applications

Products

Applications



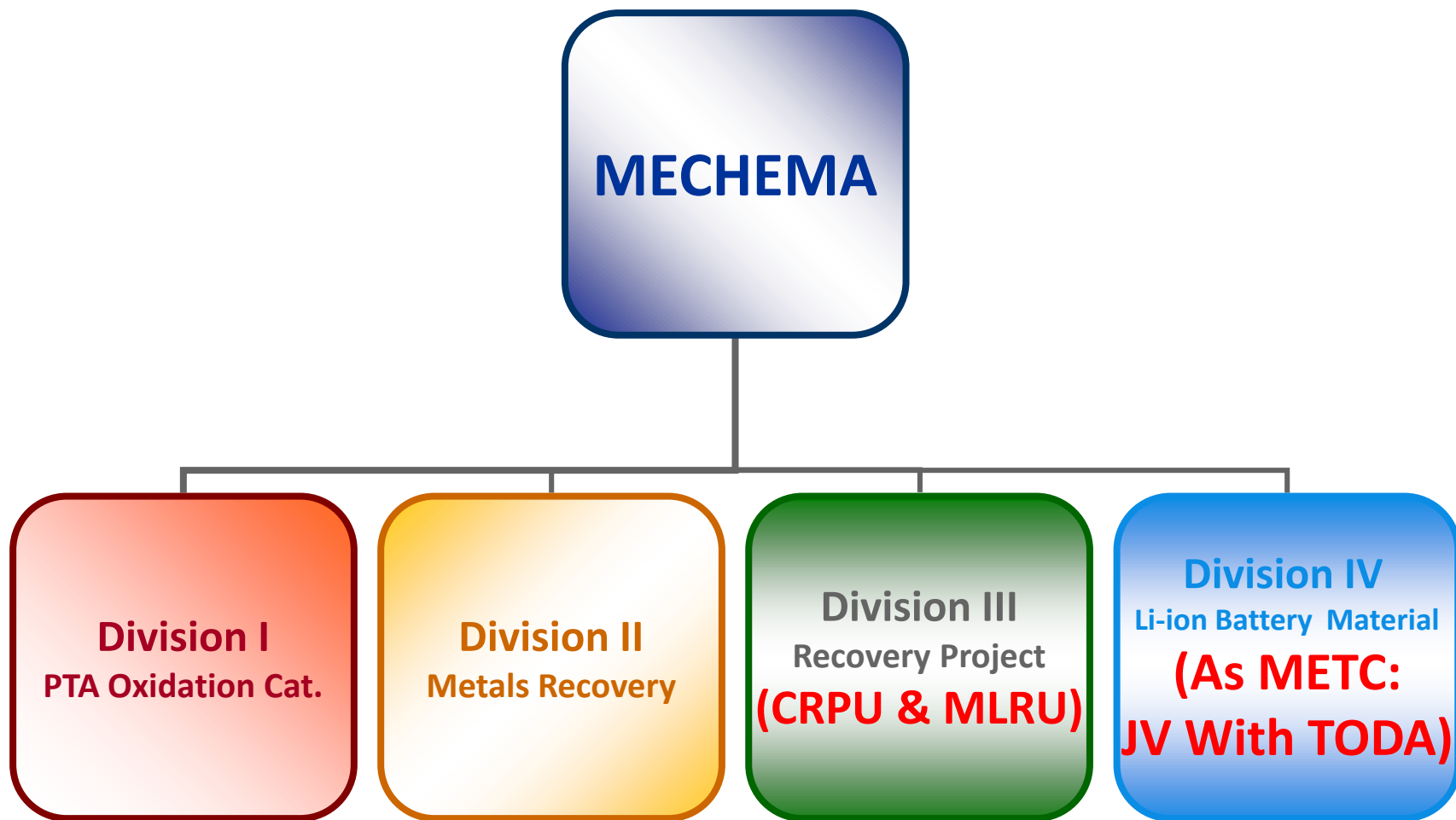
PTA Catalyst



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

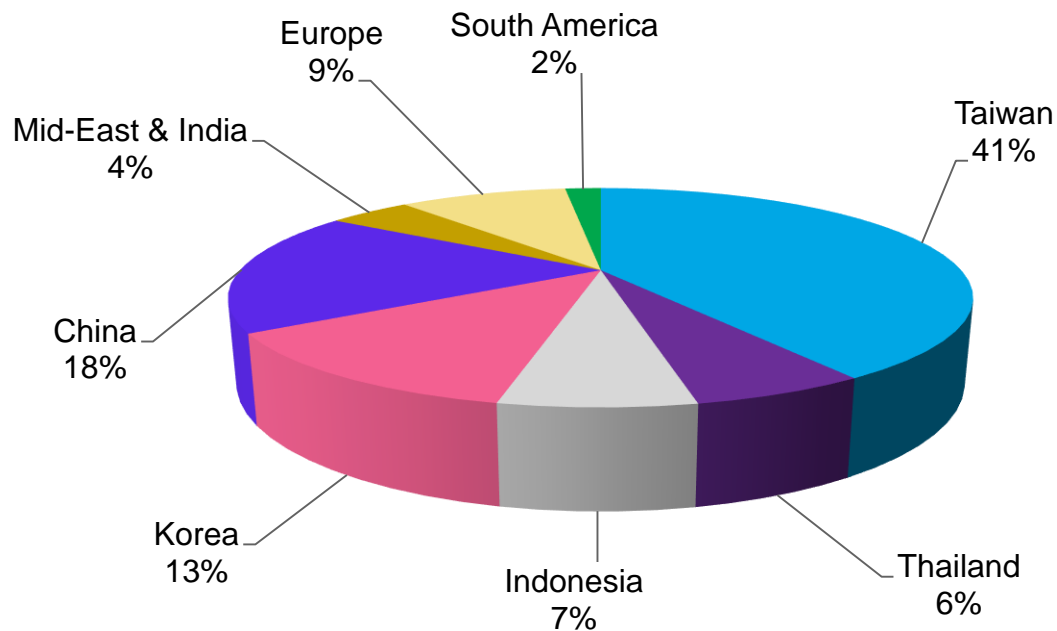
– **MECHEMA's Unique patented Technology**

Specific LOW CORROSSIVE CMB

CMB solution made from CB/MB with low free acid

(Received Patent in China/Taiwan, and waiting approval in USA)

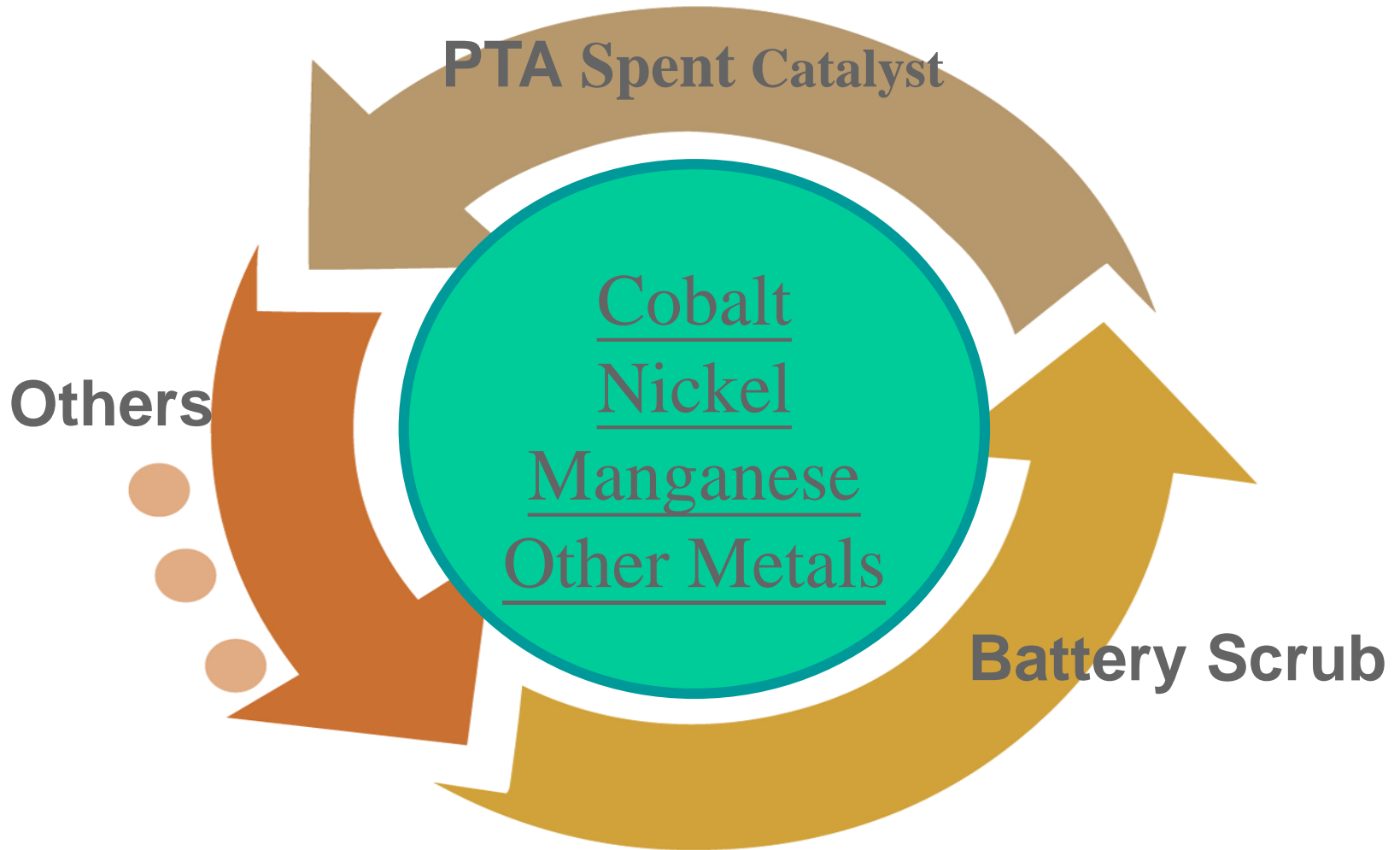
2021 PTA Catalyst Volume by Regions



Business Division II

Metals Recovery

Business Division II

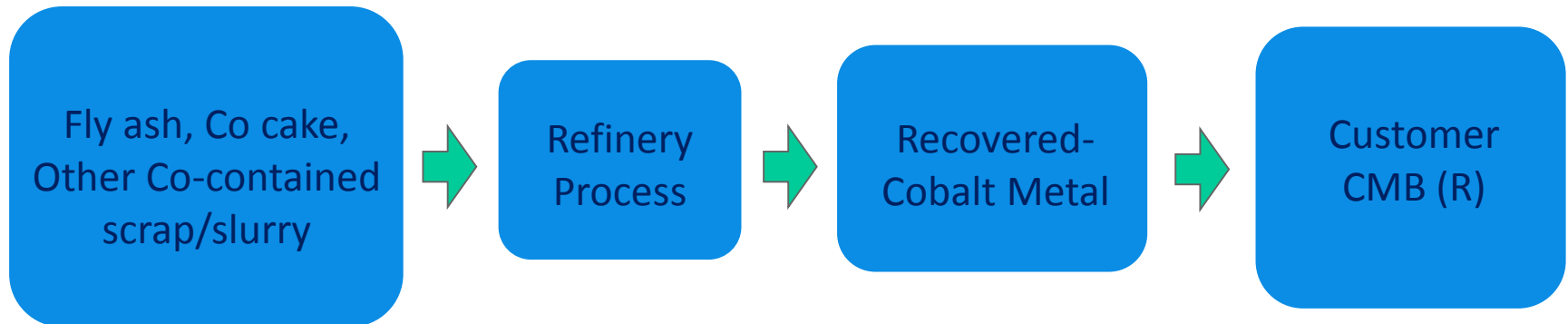


Business Division II

Metal Recovery Refinery Reuse

Recover waste Co-ion back to Metal form.

→ Ensure the Co catalyzing activity.



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

Low impurity content, High catalyzing activity

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

Business Division III

Recovery Project

Business Division III

- CTA Residue Pretreatment Unit (CRPU)

Recovery Project - CRPU pictures



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

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

Paradigm Shift

- Third-Wave Transportation Revolution

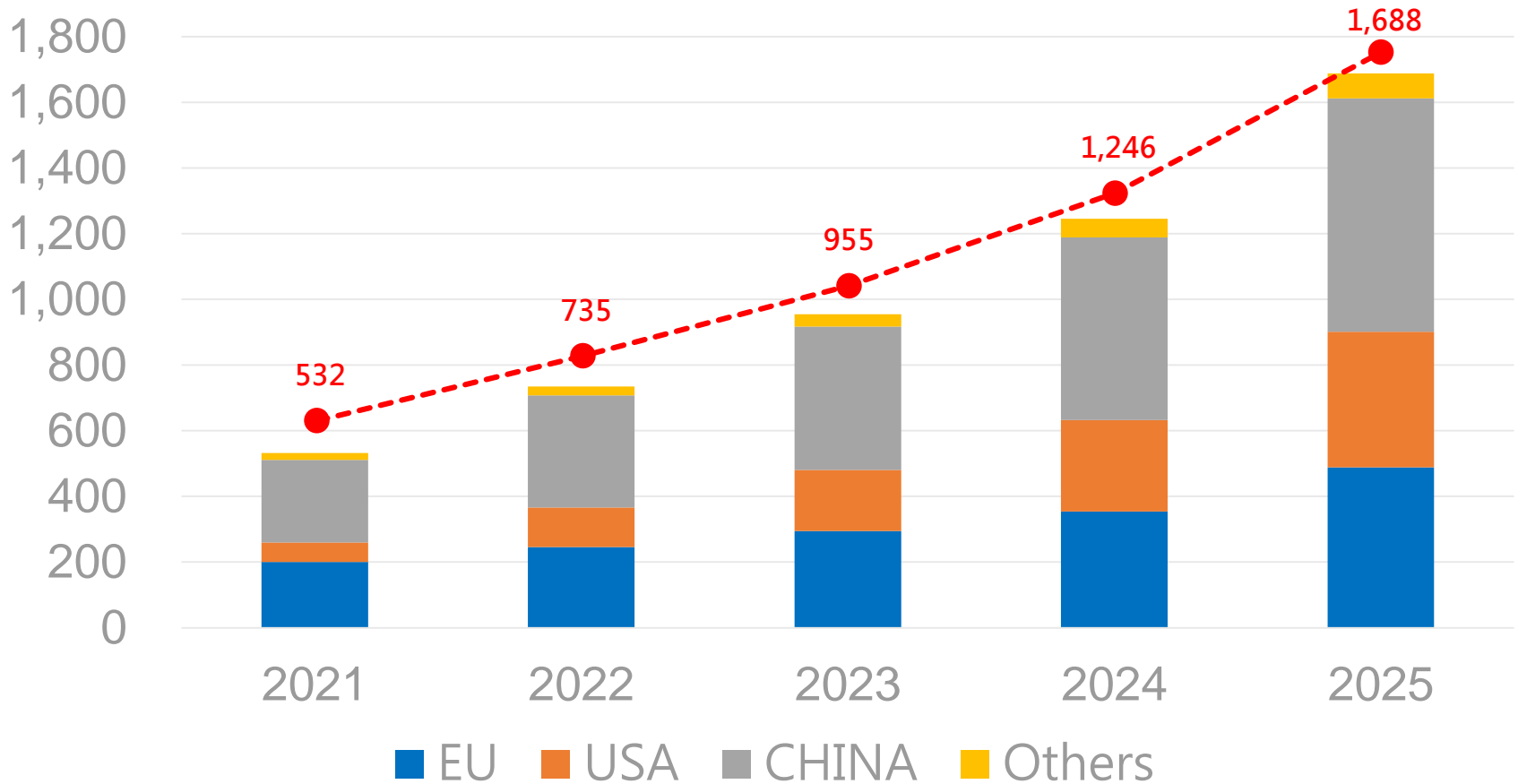


Elon Musk

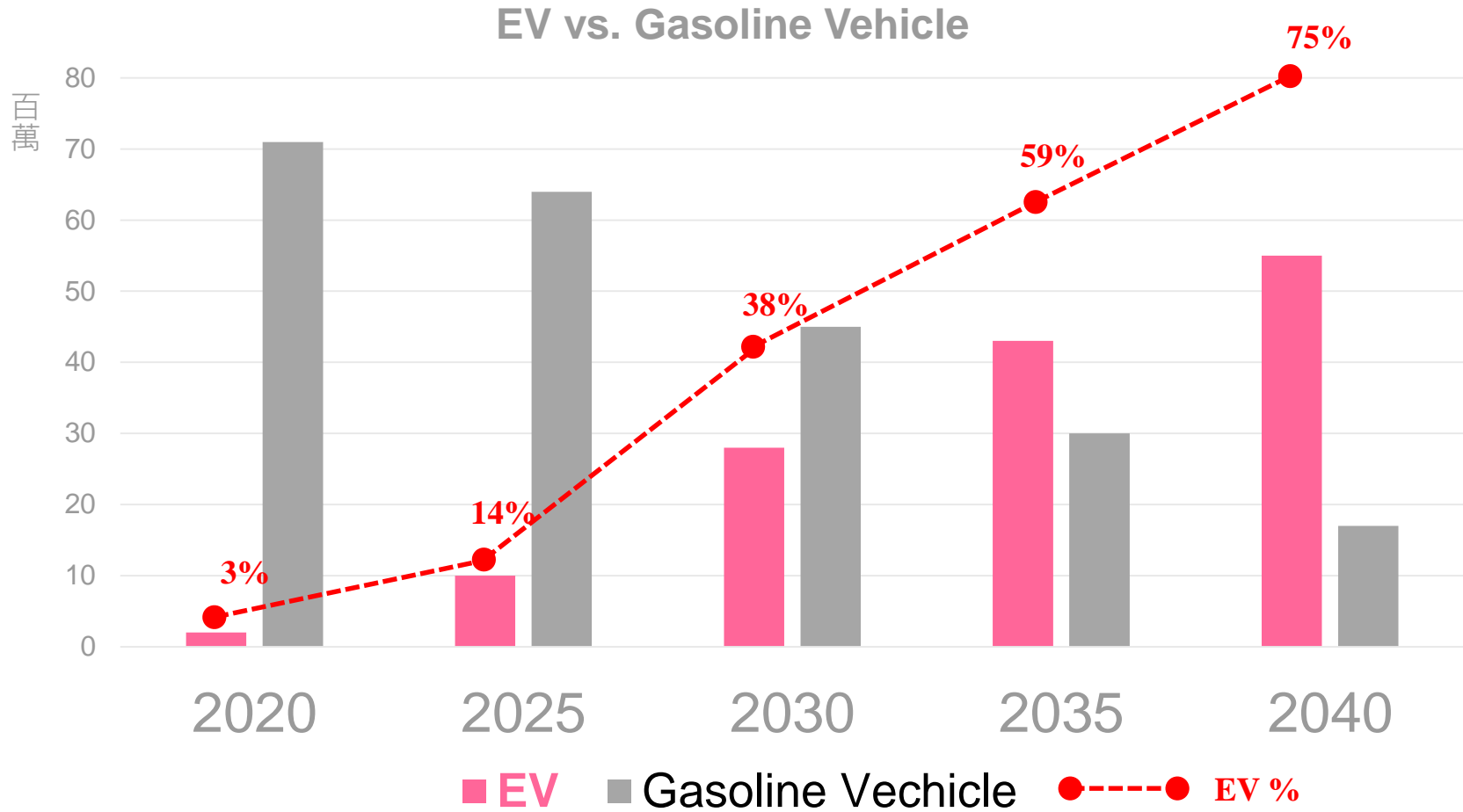
Financial Time's Person of the Year

2021~2025 Globe EV Volume by Area

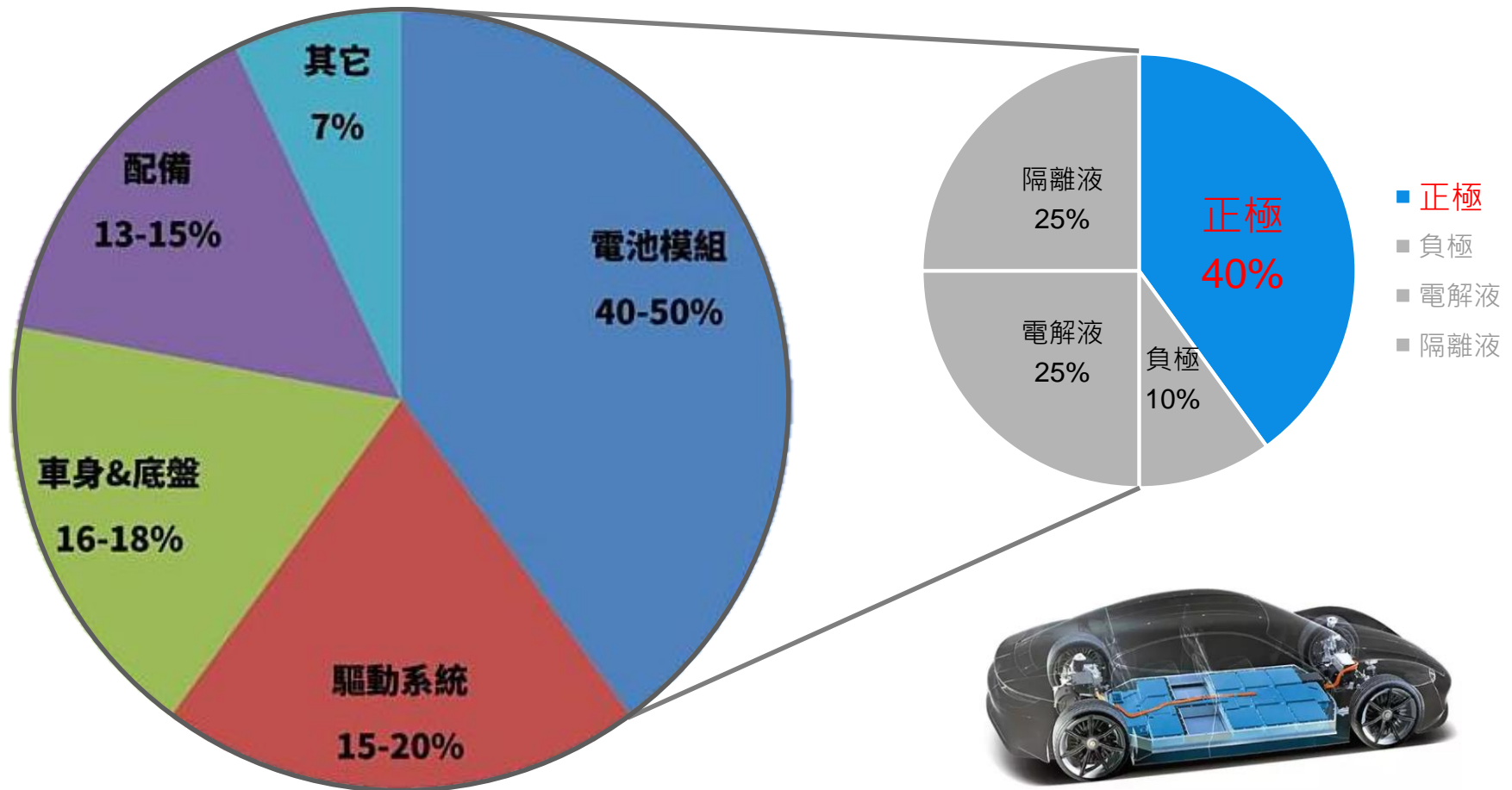
Unit :10K



PREDICTION:EV v.s. Gasoline Vehicle



Battery Accounts 40~50% Cost of EV



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

MECHEMA & MTEC v.s. EV



BATTERY MATERIALS



BATTERY MATERIALS



MECHEMA



MECHEMA

+

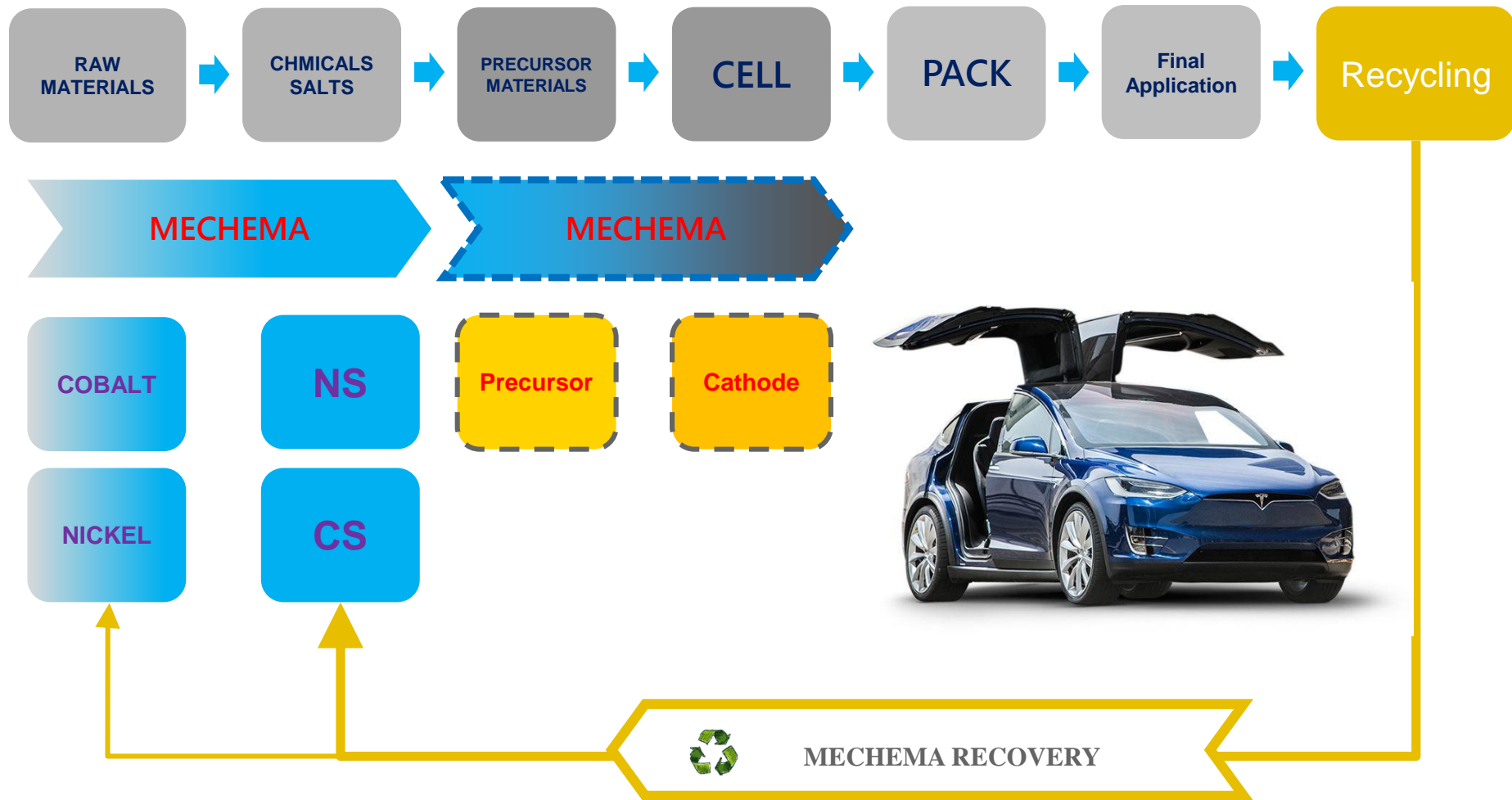
TODA



METC (美戸先進)



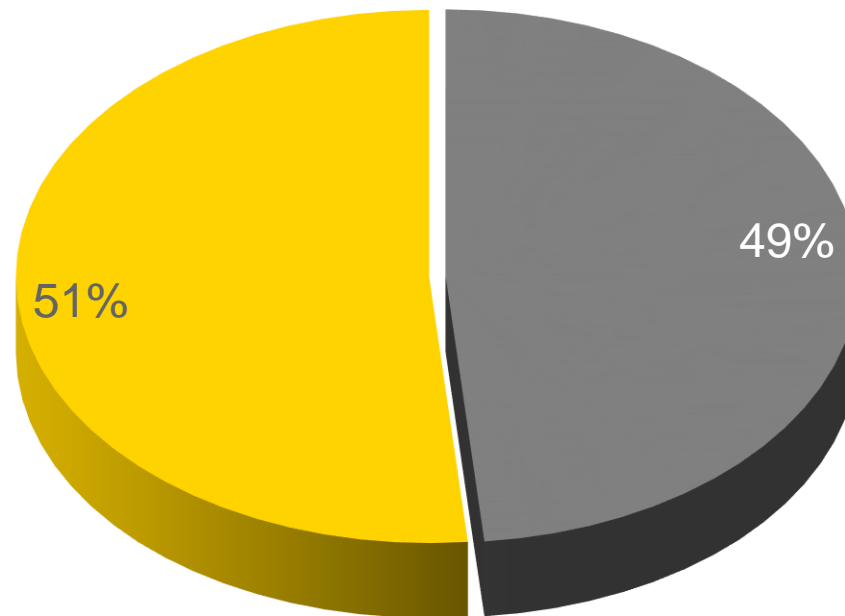
Mechema's Capabilities in EV Battery Materials



Financial Performance

Financial Performance

- 2021 Sales by products

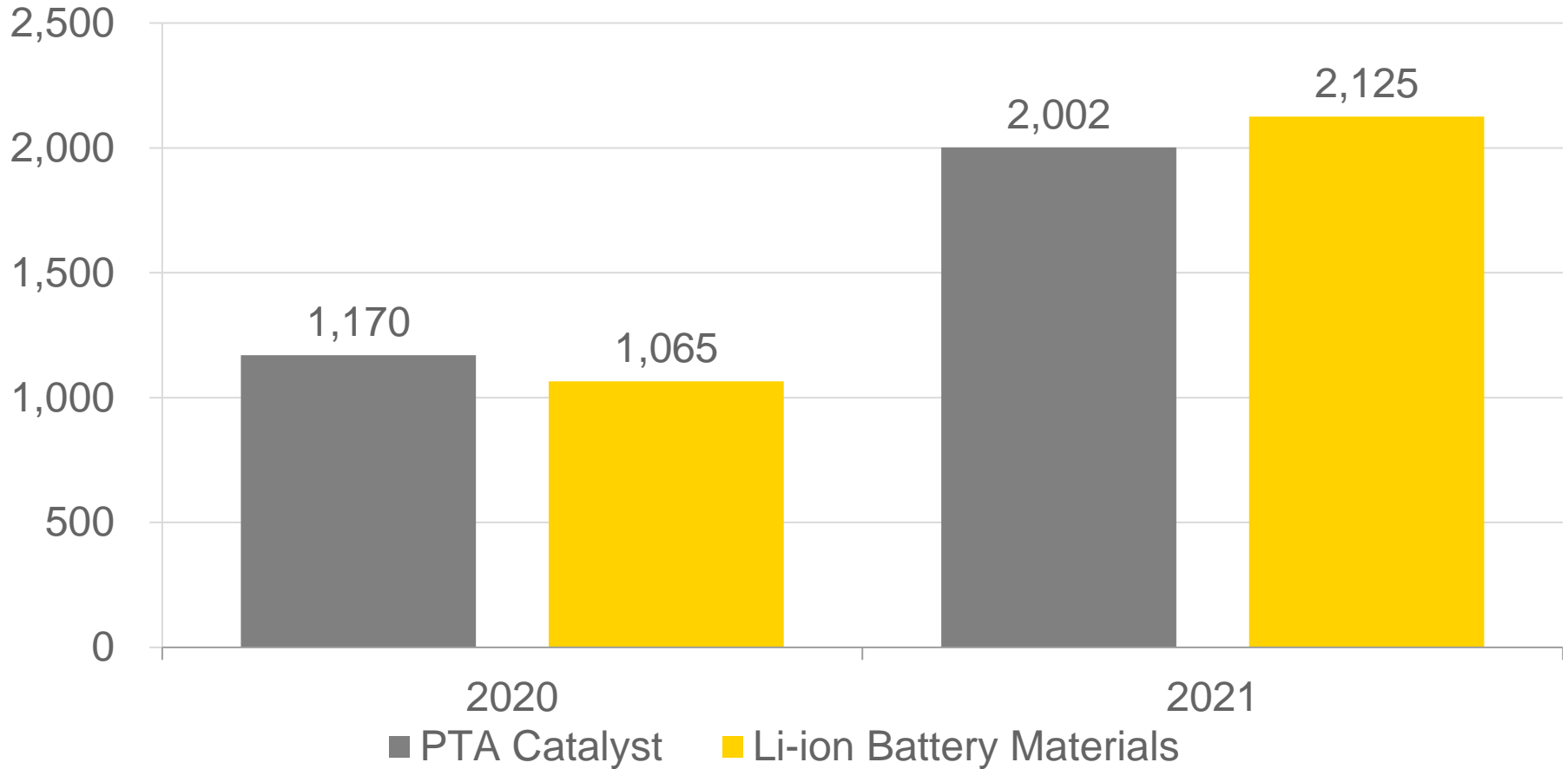


- PTA Catalyst
- Li-ion Battery Materials

Financial Performance - YoY by Products

Consolidated Sales

NTD Million



Financial Performance

- Balance Sheets

<i>(NT Thousands)</i>	2021.12.31	%	2020.12.31	%	2019.12.31	%
Cur. Assets	1,931,623	79	1,073,003	68	1,465,917	74
Non-Cur. Assets	513,129	27	503,711	32	536,524	26
Total Assets	2,444,752	100	1,576,714	100	2,002,441	100
Cur. Liabilities	1,058,994	44	408,789	26	767,007	32
Total Liabilities	1,063,366	44	412,192	26	771,537	32
Total Equity	1,381,386	56	1,164,522	74	1,230,904	68
Liabilities and Equity	2,444,752	100	1,576,714	100	1,656,993	100

Financial Performance

- Statements of Comprehensive Income

(NT Thousands)

	2021	2020	Amount Diff.	YoY(%)
Sales	4,126,416	2,234,584	1,891,832	85%
Gross Profit	556,430	257,390	299,040	116%
Margin(%)	13.5%	11.5%	2%	17%
Op. Exp	139,362	105,964	33,398	31%
Op. Profit	417,068	151,426	265,642	175%
Non- Op. Profit	43,257	9,632	33,625	349%
Profit Before Tax	460,325	161,058	299,267	185%
Tax	99,691	37,790	61,901	163%
Effective Tax Rate	21.6%	23.4%	(1.8)%	(7) %
Profit After Tax	360,634	123,268	237,366	192%
EPS (NT Dollar)	4.81	1.64	3.17	193 %

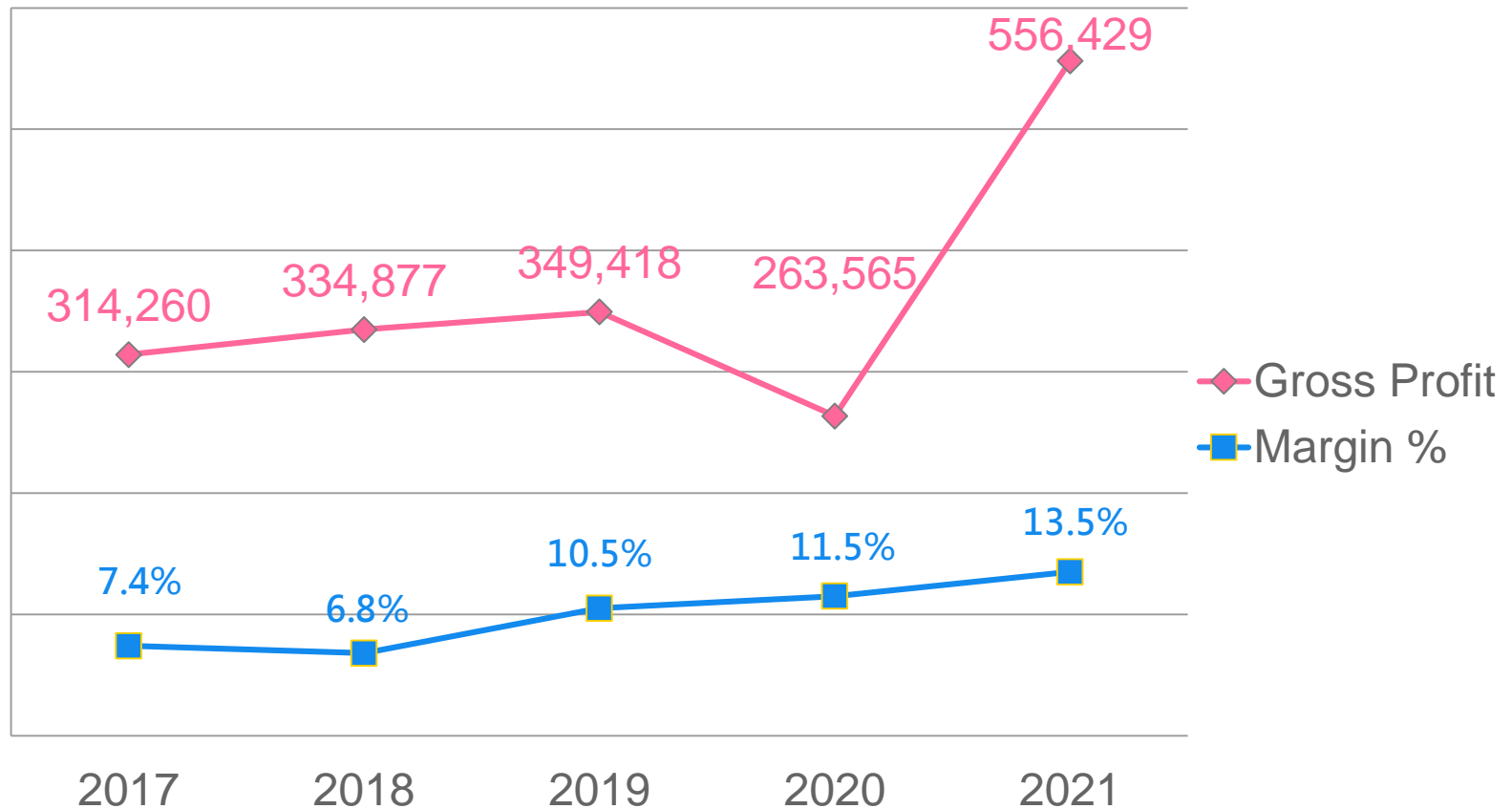
Financial Performance

- Cash Flow

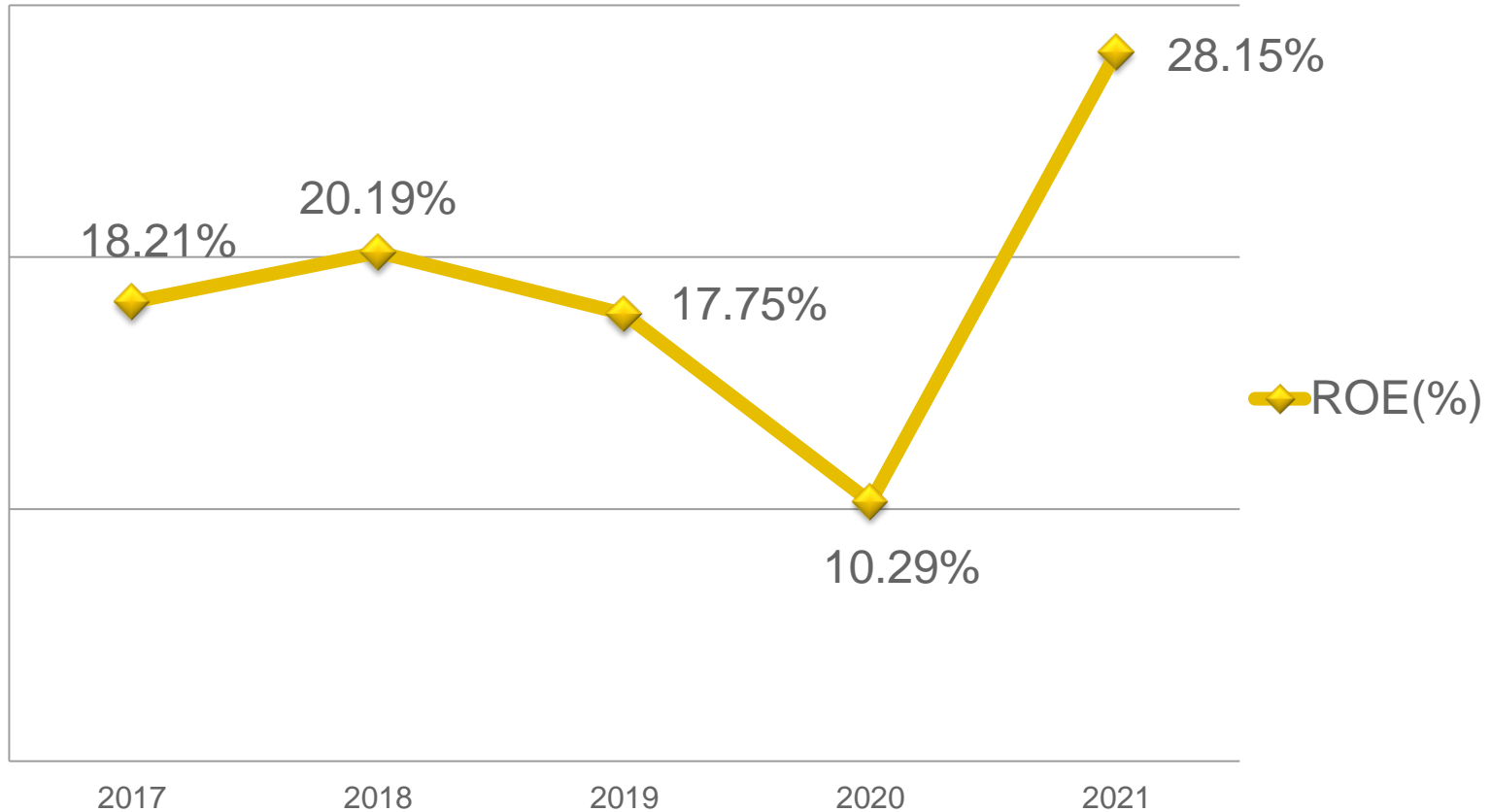
<i>(NT Thousands)</i>	2021.12.31	2020.12.31	YoY Dif.
Beginning Balance	\$256,205	\$465,588	\$(209,383)
Cash from operating activities	(316,118)	377,594	(693,712)
Investments and others	28,922	(25,414)	54,336
Cash dividend	(104,231)	(182,967)	78,736
Short-term loans	601,092	(365,072)	966,164
Long-term loans	-	-	-
Others	(33,277)	(13,524)	(19,753)
Ending Balance	\$432,593	\$256,205	\$176,388

2017~2021 GP & Margin %

Unit: NT Thousand



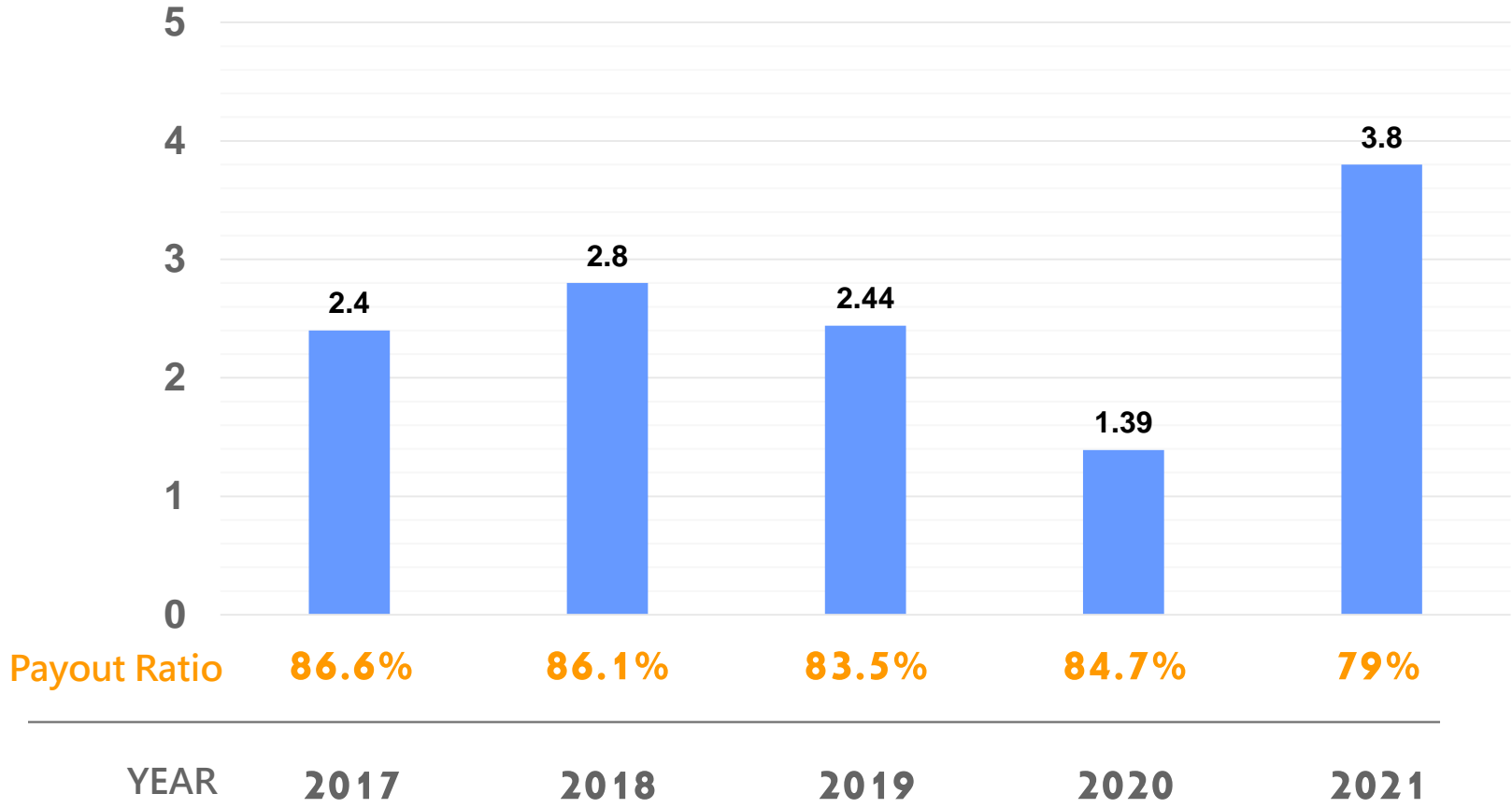
2017~2021 ROE Trend



Dividend Policy

- Consistency in High Payout Ratio

Cash Dividend (NT dollar)



Q & A