日勝化工集團
EVERMORE CHEMICAL GROUP

# Evermore Chemical

## - Past, Present and the Future

Charles Huang GM

2023.12.06

# EMC Profile

日勝化工集團
EVERMORE CHEMICAL GROUP

- 9 subsidiary company，6 production，4 Trading company.
- CommonWealth Megazine ranking year 2022 Taiwan 2,000 production company:
- Sales 2.95 Billion NTD，ranking 831
- Sales growth -7.62 %，ranking 986
- Profit 1.18 %，ranking 1031
- Products: PU，acrylic，crosslinking agent，coating additives…

# Financial Highlights

日勝化工集團 EVERMORE CHEMICAL GROUP

## Consolidated statement of comprehensive income：

KNT$

| Item | Jan. to Setp. 2023 | Jan. to Setp. 2022 | 2022 |
|---|---|---|---|
| Operating revenue | 1,750,026 | 2,327,755 | 2,957,191 |
| Operating cost | 1,438,679 | 2,028,495 | 2,571,177 |
| Gross profit | 311,347 | 299,260 | 386,014 |
| Gross margin | 17.8% | 12.9% | 13.1% |
| Operating expenses | 256,784 | 320,979 | 389,307 |
| Operating income(Loss) | 54,563 | (21,719) | (3,293) |
| Non-operating income and expenses | 11,021 | 36,326 | 46,515 |
| Profit before tax | 65,584 | 14,607 | 43,222 |
| Profit | 51,631 | 12,776 | 35,210 |
| Basic EPS(NTD$) | 0.52 | 0.13 | 0.35 |

# Financial Highlights

日勝化工集團 EVERMORE CHEMICAL GROUP

## Consolidated statement of comprehensive income：KNT$

| Item | Jan. to Setp. 2023 | Jan. to Setp. 2022 | Increase (Decrease) |
|---|---|---|---|
| Operating revenue | 1,750,026 | 2,327,755 | -577,729 |
| Operating cost | 1,438,679 | 2,028,495 | -589,816 |
| Gross profit | 311,347 | 299,260 | 12,087 |
| Gross margin | 17.8% | 12.9% | 4.9% |
| Operating expenses | 256,784 | 320,979 | -64,195 |
| Operating income(Loss) | 54,563 | (21,719) | 76,282 |
| Non-operating income and expenses | 11,021 | 36,326 | -25,305 |
| Profit before tax | 65,584 | 14,607 | 50,977 |
| Profit | 51,631 | 12,776 | 38,855 |

# Financial Highlights

日勝化工集團 EVERMORE CHEMICAL GROUP

## Consolidated Balance Sheet ：

KNT$

| Item | 2023.09.30 | 2022.12.31 | 2022.09.30 |
|---|---|---|---|
| Current assets | 1,652,458 | 1,696,346 | 2,133,792 |
| Non-current assets | 1,692,090 | 1,692,496 | 1,712,803 |
| **Total assets** | 3,344,548 | 3,388,842 | 3,846,595 |
| Current liabilities | 1,450,819 | 1,438,502 | 1,884,488 |
| Non-current liabilities | 398,608 | 454,841 | 475,742 |
| Total equity | 1,495,121 | 1,495,499 | 1,486,365 |
| **Total liabilities and equity** | 3,344,548 | 3,388,842 | 3,846,595 |

# Financial Highlights

日勝化工集團 EVERMORE CHEMICAL GROUP

## Consolidated Balance Sheet ：

KNT$

| Item | 2023.09.30 | 2022.12.31 | Increase (Decrease) |
|---|---|---|---|
| Current assets | 1,652,458 | 1,696,346 | -43,888 |
| Non-current assets | 1,692,090 | 1,692,496 | -406 |
| **Total assets** | 3,344,548 | 3,388,842 | -44,294 |
| Current liabilities | 1,450,819 | 1,438,502 | 12,317 |
| Non-current liabilities | 398,608 | 454,841 | -56,233 |
| Total equity | 1,495,121 | 1,495,499 | -378 |
| **Total liabilities and equity** | 3,344,548 | 3,388,842 | -44,294 |

# EMC Group

日勝化工集團
EVERMORE CHEMICAL GROUP

| | | |
|---|---|---|
| 日勝化工股份有限公司<br>EVERMORE CHEMICAL INDSUTRY CO., LTD. | Taiwan<br>1989 | PU、CLA<br>UVmonomer/ oligomer |
| 東莞寶建高分子材料有限公司<br>Pou Chien Chemical CO., LTD. | China<br>2005 | PU |
| 肯美特材料科技股份有限公司<br>CHEM-MAT TECHNOLOGIES CO., LTD. | Taiwan<br>2007 | UV Curing Resin |
| U-BEST VIET NAM POLYMER INDUSTRY CO., LTD<br>Công ty TNHH U-Best Việt Nam Polymer Industry | Vietnam<br>2020 | PU、CLA |
| VIET NAM SUN YAD TECHNOLOGY LIMITED.<br>Công ty trách nhiệm hữu hạn SunYad Việt Nam Technology | Vietnam<br>2020 | PU、CLA |
| 博帝(上海)貿易有限公司<br>TOPCO(SHANGHAI) CO., LTD. | China<br>2005 | Trading |
| 克哲國際貿易股份有限公司<br>GIANT STAR TRADING CO., LTD. | Taiwan<br>2009 | Trading |
| 利哲興(上海)貿易有限公司<br>LEADERSHIP (SHANGHAI) CO., LTD. | China<br>2017 | Trading |
| TOP WELL ELASTIC TECHNOLOGY CO.,LTD. | Thailand<br>2017 | Trading |

# Location in Asia

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TOPCO(2005)
Shanghai, China


LEADERSHIP(2017)
Shanghai, China


POU CHIEN (1999)
Dong Guan, China

TOPWELL ( 2017 )
Bangkok, Thailand

U-BEST VIET NAM (2020)
Dong Nai, Vietnam

VIET NAM SUN YAD(2020)
Dong Nai, Vietnam





HQ：EVERMORE(1989)
Nantou, Taiwan
DaYuan, Taiwan

CHEM-MAT(2007)
Nantou, Taiwan

GIANT STAR(2009)
Taichung, Taiwan

UTION

# Core Business Strategy

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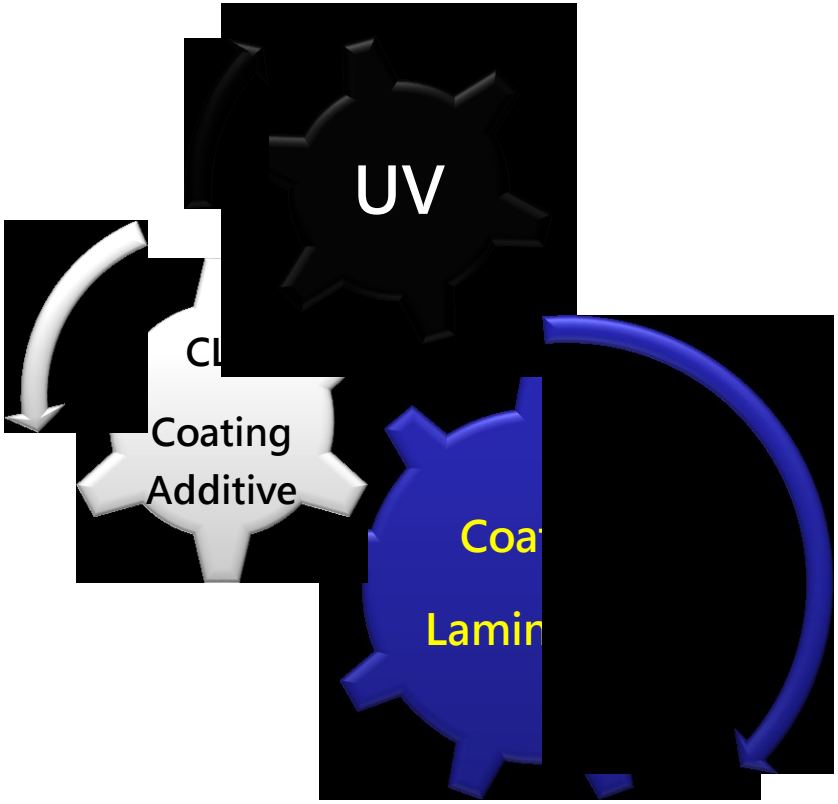
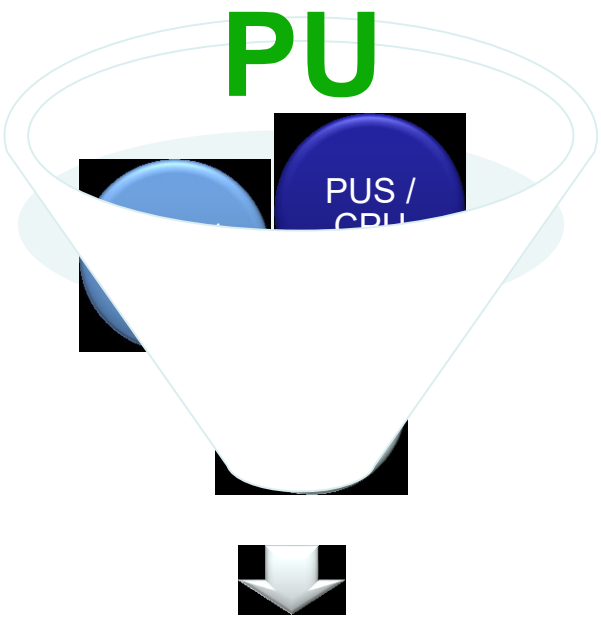



## 塗料特化與架橋劑(SC，CLA)
(Coating，Special Chemicals & CLA)

Business : Coating、Adhesive...

Products : CLA、UV、Oligomer、Monomer...(EMC，CMT，TOPCO，Giant Star)




## 生活及運動產業 (SLS)
(Sport & Life Style)

Customer : Brands、T1、T2、post treatment

Business : Shoes、Apparel、Equipment

Products : **PU**...(EMC，BRT)

# 2023 1-9 Sales Revenue 1.75 Billion NTD

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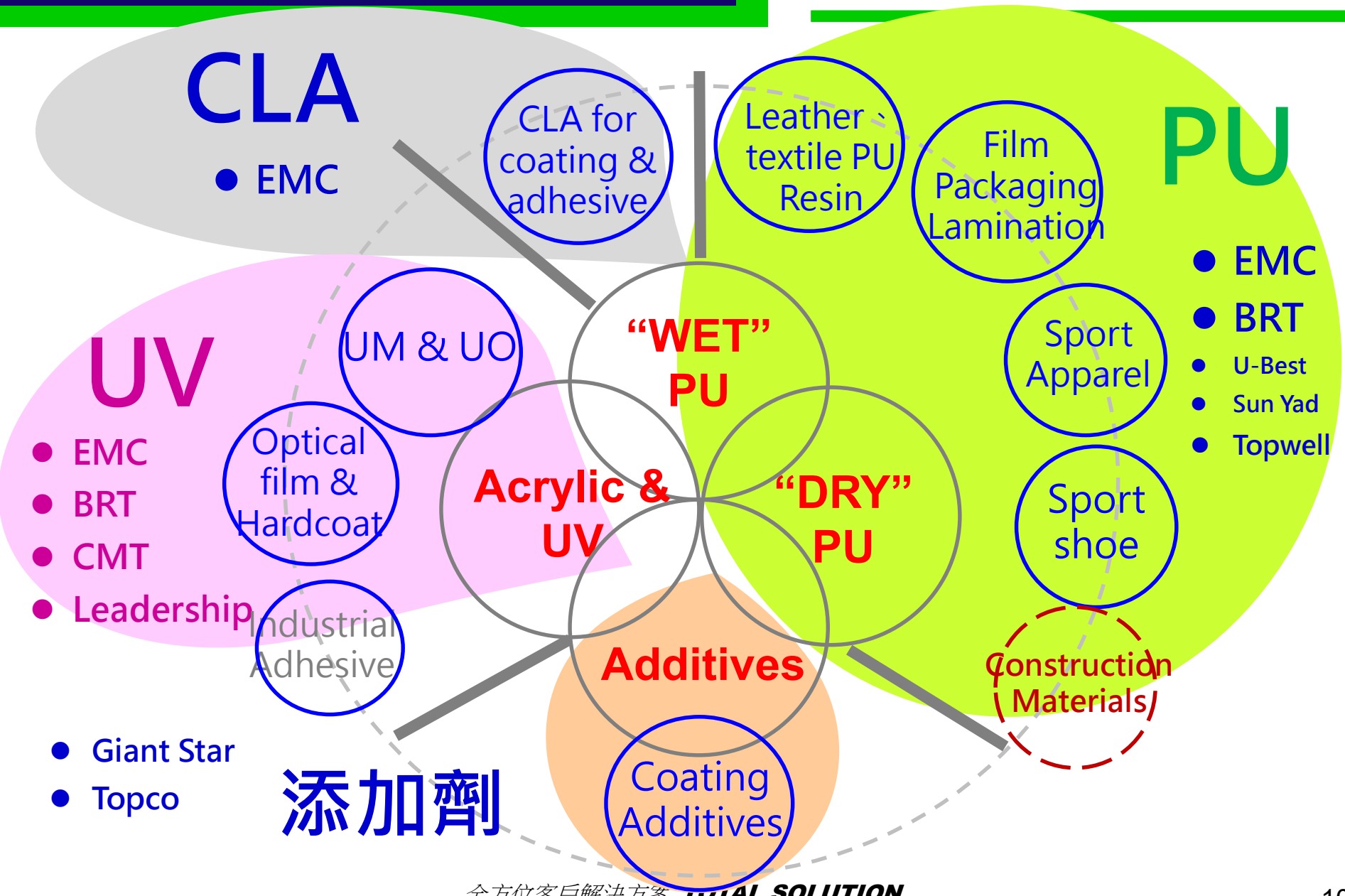

# Core Products/Application

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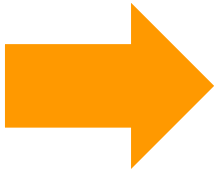
- Polyester Polyol
- PU Resin
- PU System
- TPU
- Crosslinking Agent
- UV Materials



Applied on

- Synthetic Leather
- Split Leather
- Fabric & Textile
- Coating & Ink
- Footwear
- Optical Film
- Flexible Packaging
- Other Industry

# PU Resin

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## Synthetic Leather，Textile Coating/Lamination，Ink Carrier

- Solvent Based
- Water Based
- Reactive Hot Melt
- 2-K Non-solvent

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# PU System

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## Microcellular PU Foam for Footwear Soling Materials

- Outsole System
- Midsole System
- Insole System

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# Balenciaga Triple S

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# TPU

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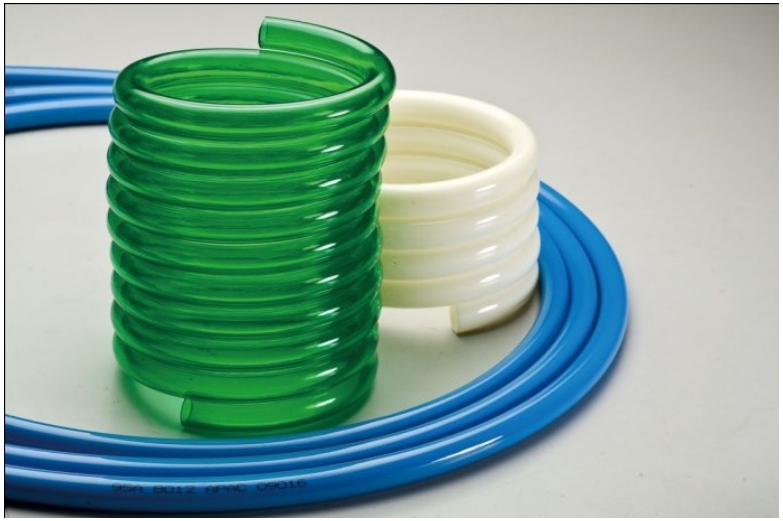
- Injection Grade
- Extrusion Grade
- Calendar Grade
- Film Grades (high & low temp.)
- Special Grade (super abrasion TPU)



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# Crosslinking Agent

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## Polyisocyanate Series

- Aromatic Type (For Wood Coating)
  - Trimer
  - Adduct (low free monomer)
- Aliphatic Type (For Textile、Leather Coating)
  - Trimer/Biuret
  - Adduct (For Flexible Food Packaging Adhesive)


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# UV Materials

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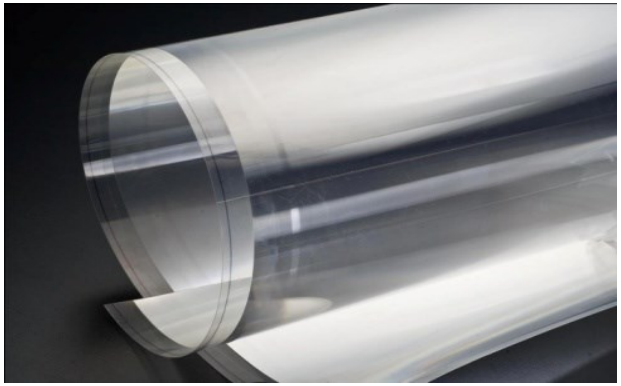
## UV Monomers 單體

- Monofunctional monomer
- Difunctional monomer
- Multifunctional monomer

## UV Oligomers 寡聚物

- Urethane Acrylic Oligomer
- Ester Acrylic Oligomer

## UV Overprint Varnish 紙上光



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# UV Core Products Technology

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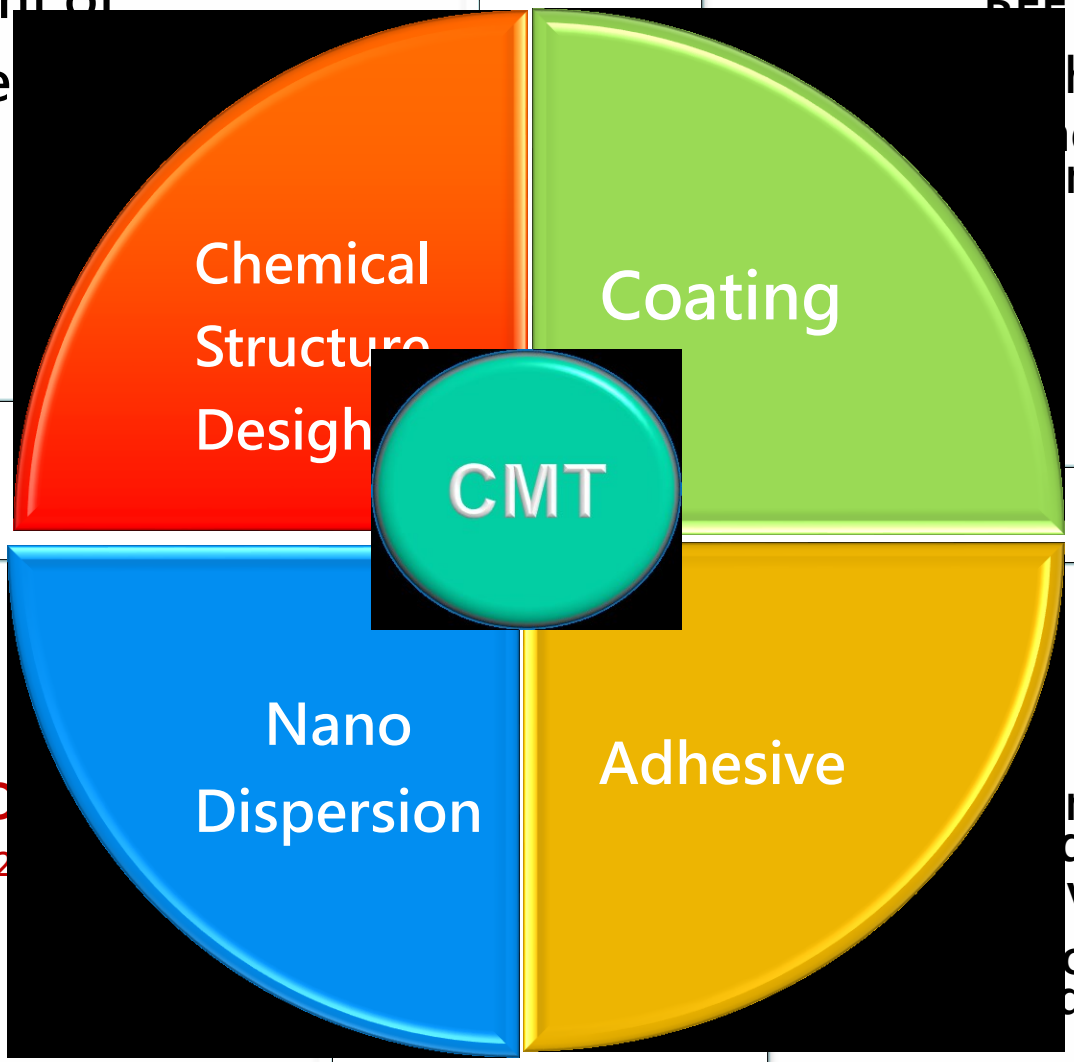
- Development of
  Key Interme

- UV coating for
  hard Coat
  d Paint (MMA
  n)




- Alumina ($Al_2O$
- Zirconia ($ZrO_2$

naerobic
dhesive
V adhesive
onductive
dhesive

# EMC & AICA Synergy

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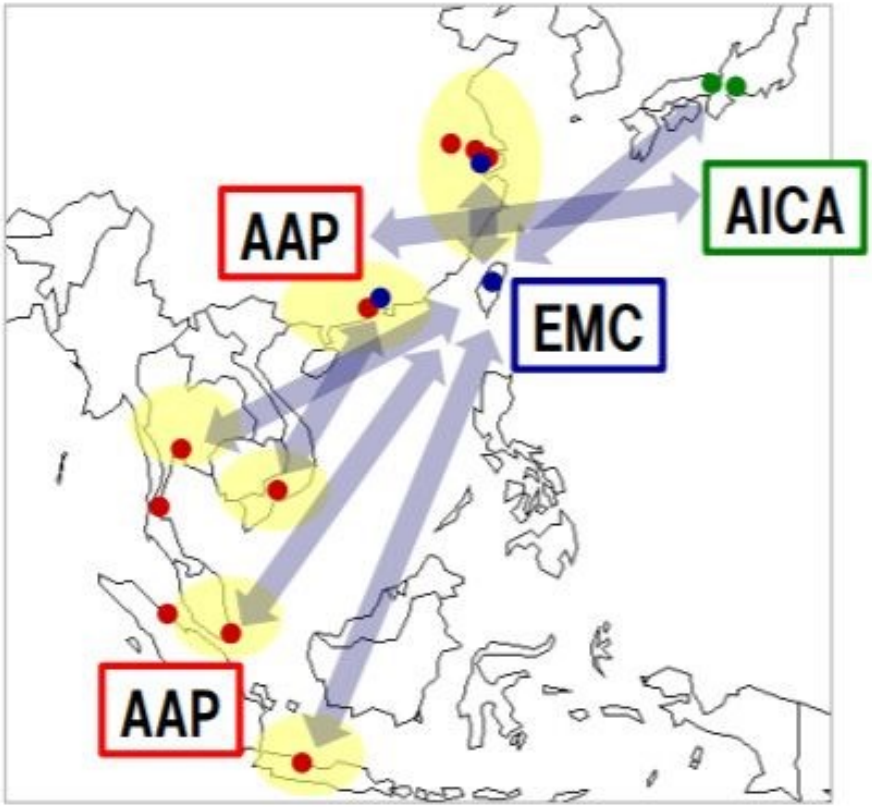
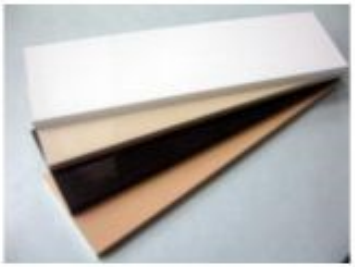
## 化成品セグメント 方策(機能材料)

AICA

■エバモア社(EMC)・AAP各社・アイカ工業のシナジー創出




**反応性ホットメルト(建材用)**



**UV硬化型樹脂**

海外展開　M&Aシナジーの創出

# EMC UV Portfolio

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| Company | Factory | Products | Application |
|---|---|---|---|
| (日勝) EMC | (南崗工廠) NK Factory | • UV Monomer | • All Industries |
| | | • UV Oligomer | • All Industries |
| | | • UV Coating | • OPV* |
| | (大園工廠) DY Factory | • UV Oligomer | • All Industries |
| | | • UV Coating | • OPV |
| | | • OEM | • Electronic |
| (肯美特) CMT | (南崗工廠) NK Factory | • UV Coating | • BEF**<br>• Hard Coat |
| | | • Nano Dispersion<br>- $Al_2O_3$<br>- $ZrO_2$ | • Optical Electronic |

* OPV: Overprint Varnish

** BEF: Brightness Enhancement Film

# EMC Sales Products (2023 ~Q3)

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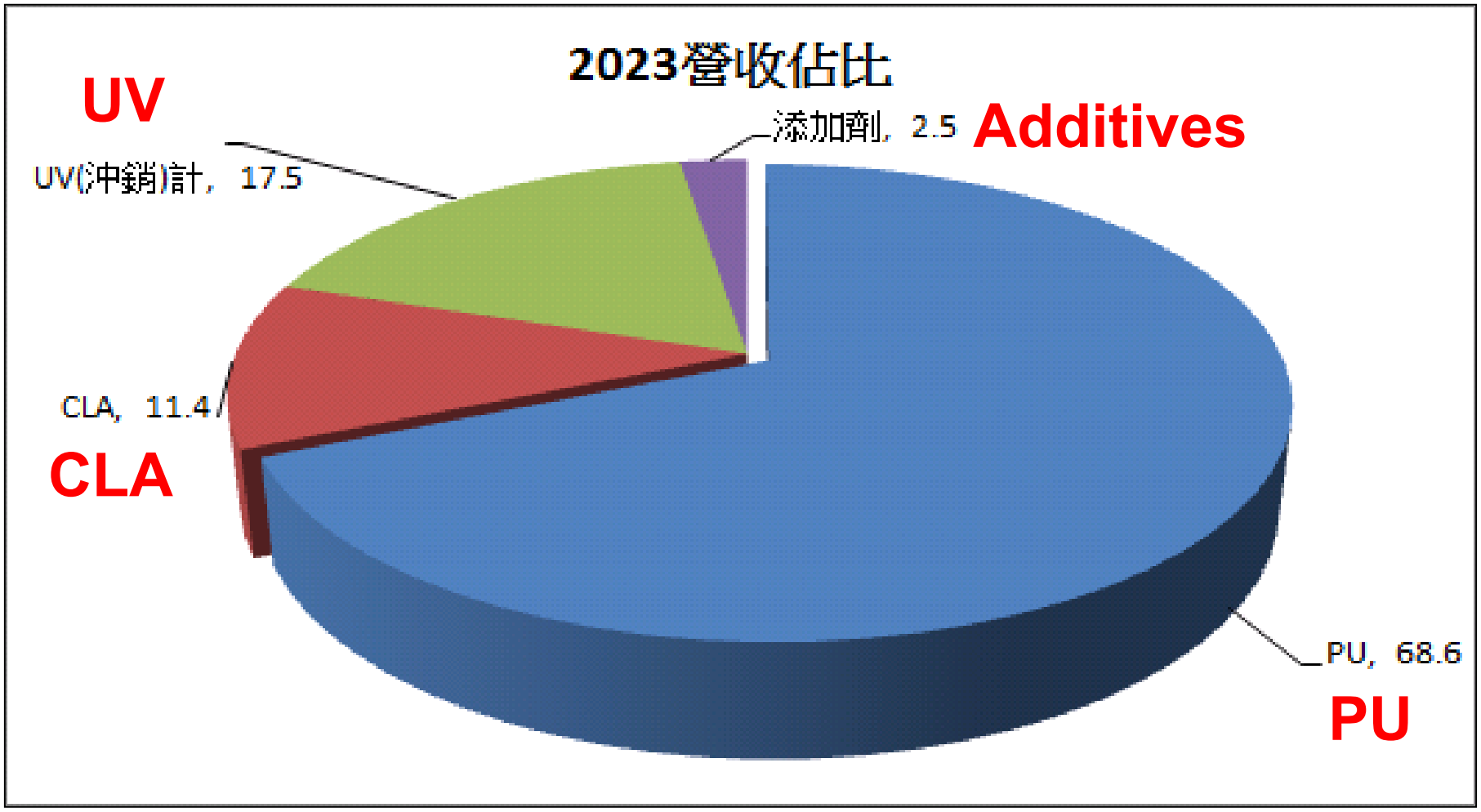
POU CHIEN CHEMICAL



# EMC Sales Region Distribution

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泰國曼谷
TOPWELL

U-BEST Vietnam
Sun Yad Vietnam

# EMC Sales Area (2023~Q3)

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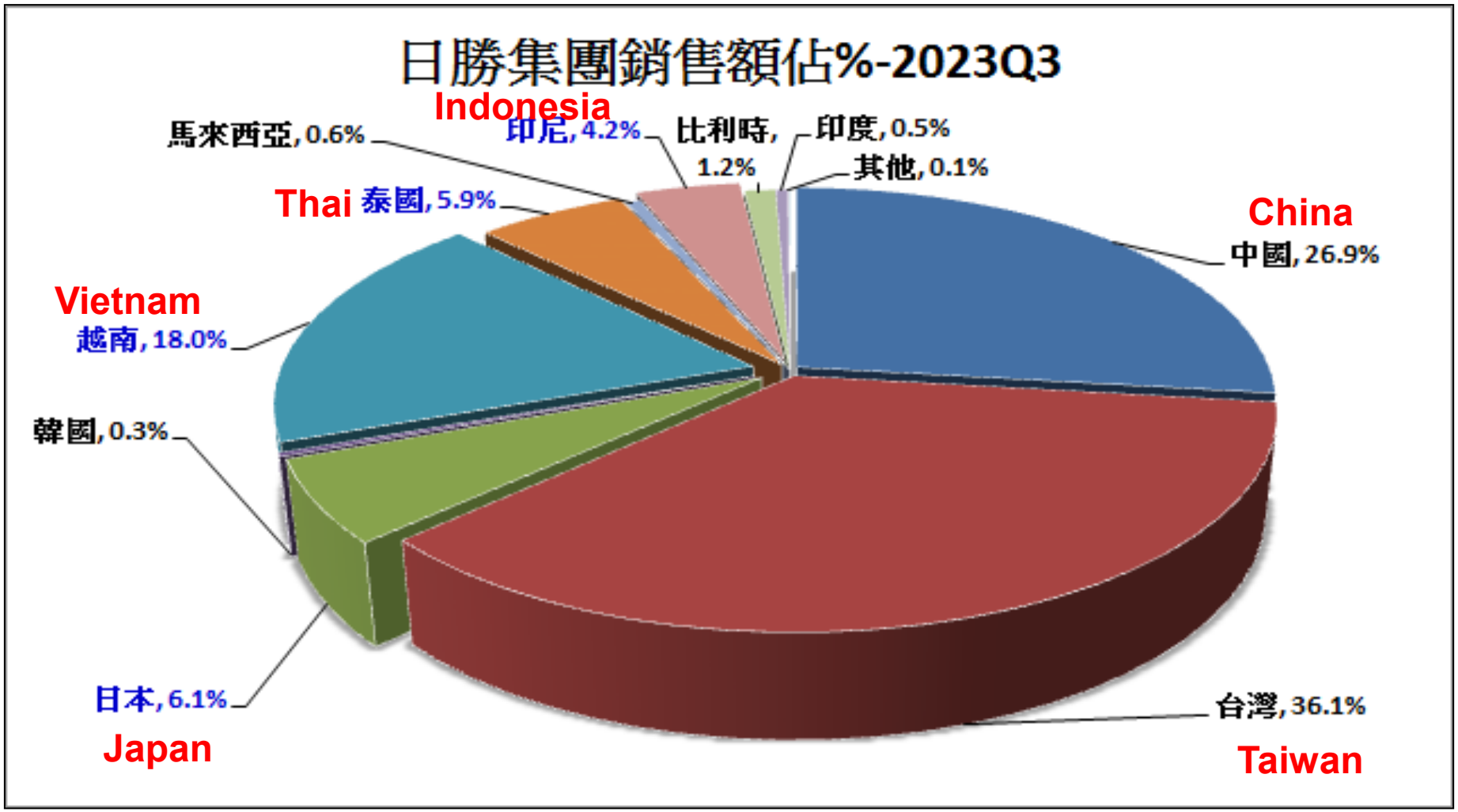

# Future in Industries

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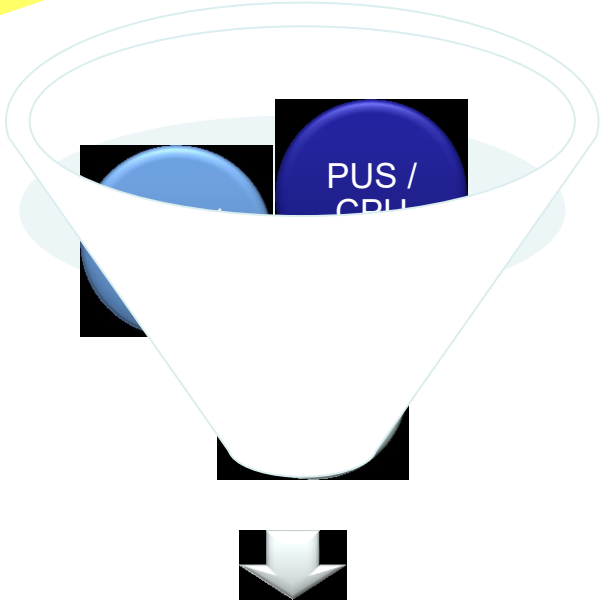
POU CHIEN CHEMICAL

AUTO、
Electronic、
Construction

**Undergoing Development Projects**


塗料與特化
(Coating & Special Chemicals)

生活及運動產業: S&LS
(Sport & Life Style)

# Sustainability

# = EPS + ESG

# Carbon reduction path planning

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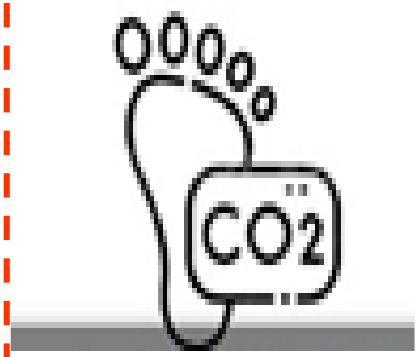
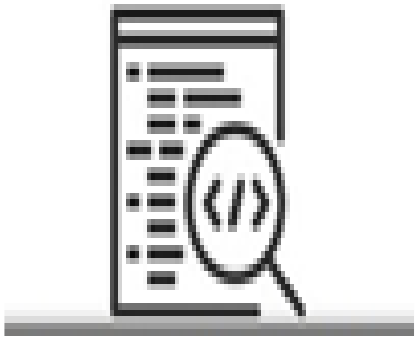
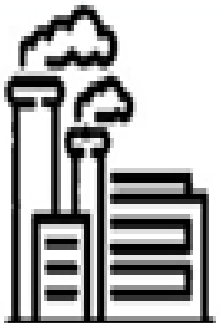
Carbon management capability





Organizational inspection:
- Corporate Carbon Reduction Foundation
- Specific Industry Promotion
- Compatible with CBAM

Product carbon footprint:
- Key consumer products
- Footprint calculation extends to supply chain
- Invest human resources /High costs

Reduction goals and plans:
- Positive attitude in carbon reduction
- Import human/ technical/ funding and other resources

Exchange and transaction: Complete relevant systems and market mechanisms

Carbon Interrogation → Carbon Reduction → Carbon Neutral

Time

# Carbon Footprint Verification/ Standard

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| Carbon Verification | | Carbon Footprint |
|---|---|---|
| ISO 14064-1 | *ISO International Standard* | ISO 14067 |
| Greenhouse Gases-Specifications for Organizational Level Greenhouse Gas Emissions and Removal Quantification and Reporting Guidelines. | | Greenhouse Gas-Product Carbon Footprint Quantification Requirements and Guidelines. |
| | *Executive Main Points* | |
| 1. Calculate the carbon emissions of the whole plant.<br>2. Be necessary to obtain the company's own data (such as electricity bills).<br>3. Acquisition of carbon emission coefficient (Environmental Protection Agency announcement).<br>4. The ability to calculate independently through simple tools. | | 1. Calculate carbon emissions of product life cycle.<br>2. Need to obtain product upstream and downstream supply chain data.<br>3. Use the database (paid) to obtain the coefficient.<br>4. The calculation is complicated, and there are no simple tools available. |
| | *Execution Objects* | |
| 1. According to the Environmental Protection Agency's announcement, the first batch of emission sources that should be checked and registered for greenhouse gas emissions (annual emissions greater than 25,000 tons, 288 registered in 2010.); according to the temperature control law, carbon inventory must be carried out and the emission information must be registered on the platform of the Environmental Protection Agency.<br>2. For those who are not regulated, it is voluntary. | | There is no regulatory requirement, and it is voluntary. |

# Schedule Planning of Greenhouse Gas Interrogation

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According to the Letter No. 1110004505 of the Taiwanese Stock Exchange Center on 21st March 2022:

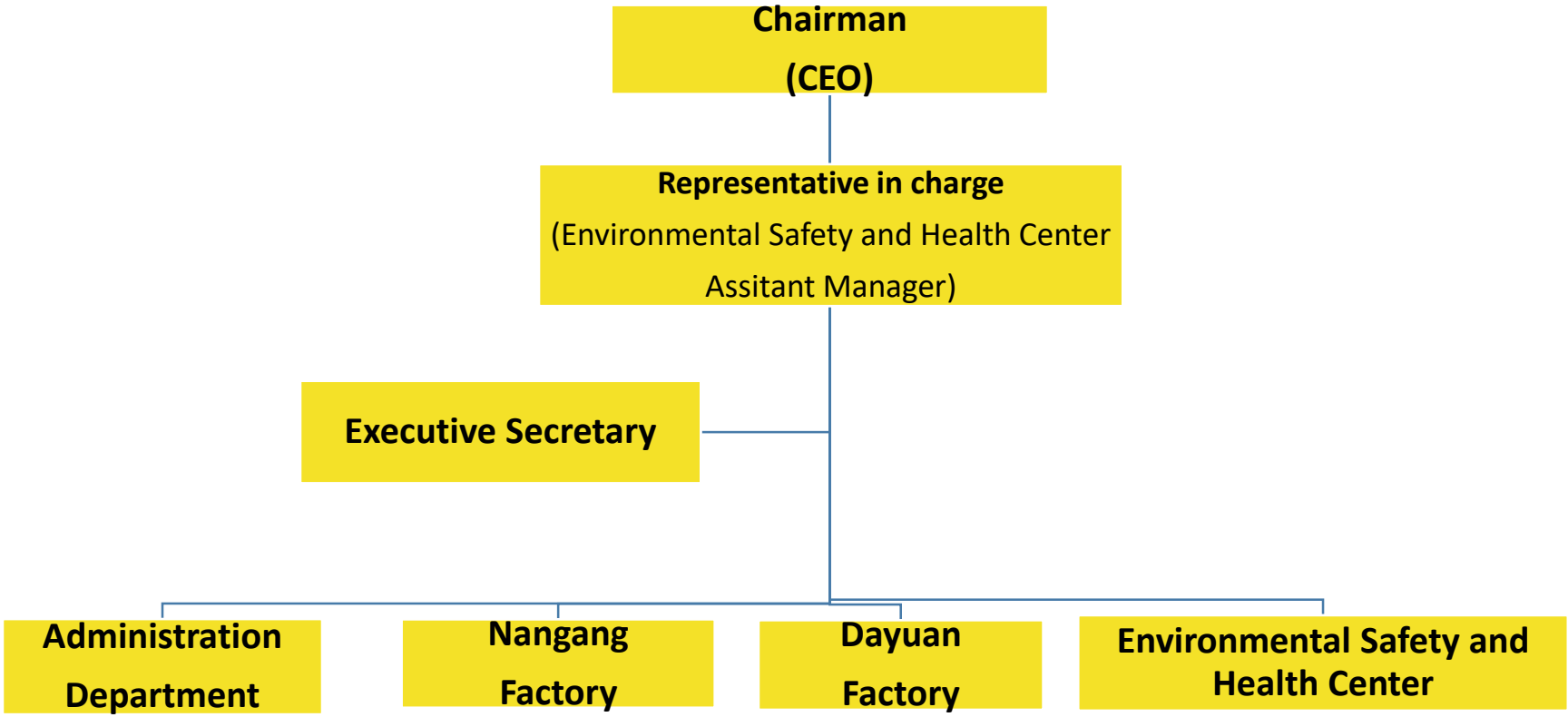
First, the parent company's greenhouse gas interrogation and verification schedule is reported to the board of directors for control and management on a quarterly.

| Projects | Estimated finish time |
|---|---|
| Set up full-time (part-time) units, assess the number of full-time (part-time) staffs and their scope of responsibility, and set up internal verification units. | Dec 2022 |
| Formulate talent training, strategic objectives, control mechanisms, internal and external verification plans. | Jun 2023 |
| Completion of greenhouse gas interrogation. | Apr 2026 |
| Conduct external verification. | May 2028 |

Second, the subsidiaries' greenhouse gas interrogation and verification schedule is reported to the board of directors for control and management on a quarterly.

| Projects | Estimated finish time |
|---|---|
| Set up full-time (part-time) units, assess the number of full-time (part-time) staff and their scope of responsibility, and set up internal verification units. | Dec 2023 |
| Formulate talent training, strategic objectives, control mechanisms, internal and external verification plans. | Jun 2024 |
| Completion of greenhouse gas interrogation. | Apr 2027 |
| Conduct external verification. | May 2029 |

# Organizational Chart of Greenhouse Gas Interrogation



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# 樸 實 剛 毅

挑戰と創造