

RUENTEX

 Ruentex Materials Co., Ltd. (8463)

2022 Investor Conference

2022/12

Disclaimer

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AGENDA

About Ruentex Materials

Financial Overview

Operating Strategy

Q&A



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Company

Chairman	Mr. Mo, Wei Han
President	Mr. Chen, Hsueh Hsien
Established Date	Established in 1992
Head Office Address	10F, No.308, Sec.2, Bade Road, Taipei, Taiwan , R.O.C.
Factory Address:	1. No. 357, Da-An Road, Dongshan Township, Yilan County , Taiwan 2. No. 1-7, 8 th Neighborhood, Zhongnan, Ligang Township, Pingtung County, Taiwan
Paid-in Capital	NT\$ 1,500,000,000
Main Profit Driver	Cement, Ready-mixed Mortar, Interior Design & Decoration Engineering



Business



Ruentex Interior Design

interior design , decoration
engineering , landscape design
engineering , Special building
materials sales agent

Interior Design

Construction

Ruentex Materials

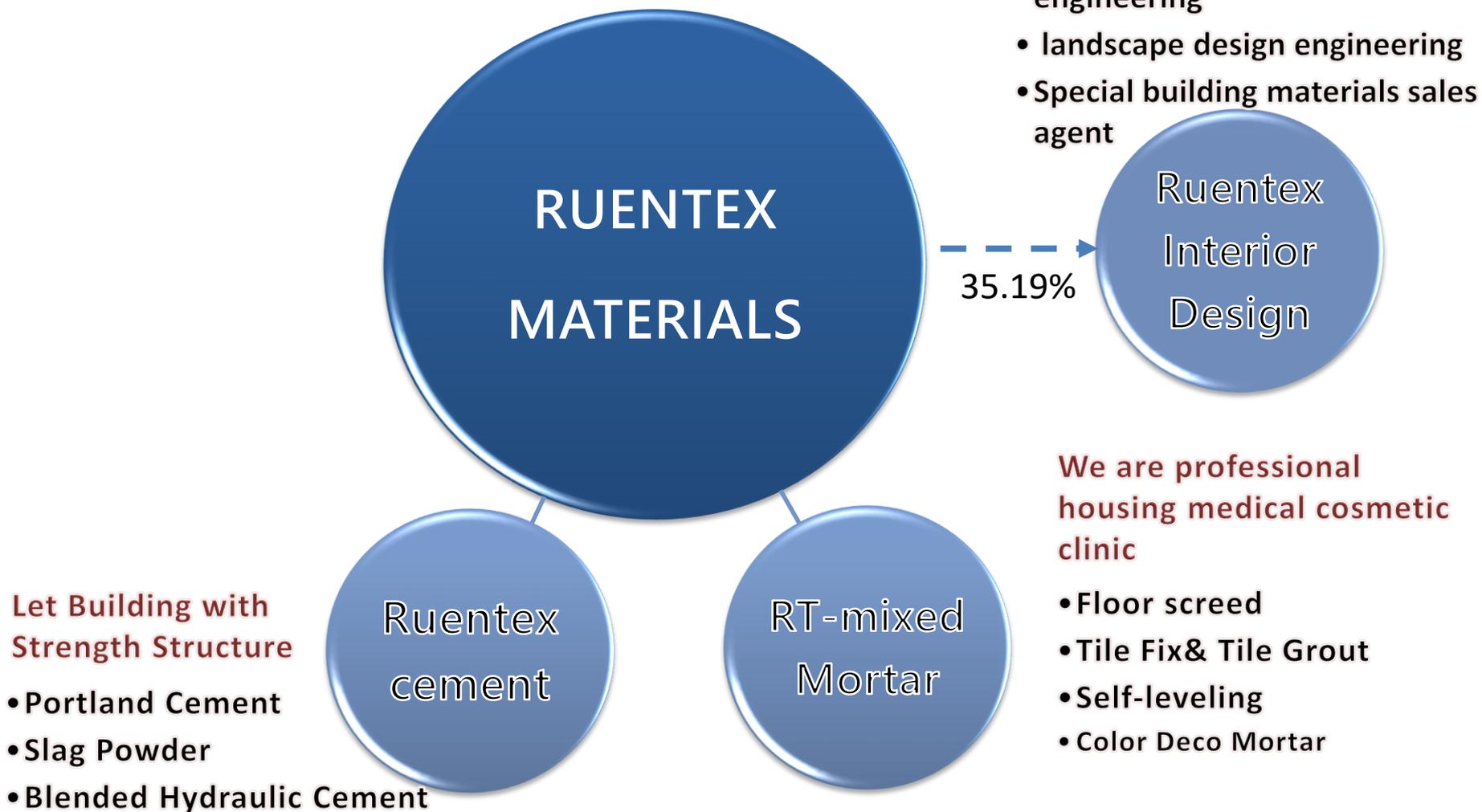
Cement, Slag, Ready-mixed Mortar,
Mud Construction

Building Materials Supply

Architectural Design

Land Development

Product



Deep cultivation throughout Taiwan, full marks for service



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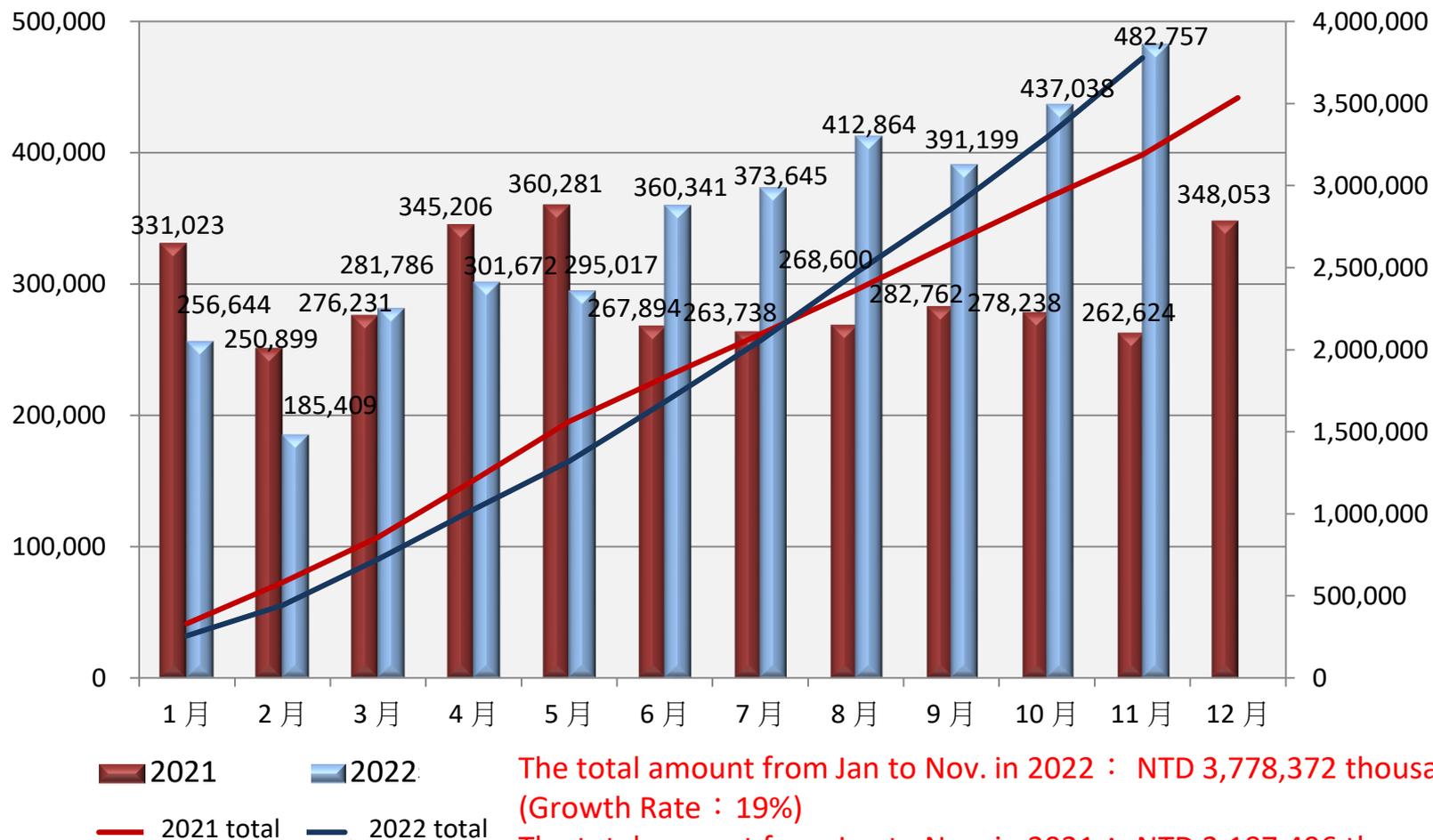
Financial Overview - Balance Sheets

Expressed in Thousands of New Taiwan Dollars

Asset	2022/09		2021/12		Liabilities and Equity	2022/09		2021/12	
	Amount	%	Amount	%		Amount	%	Amount	%
Cash and cash equivalents	313,752	5	610,599	10	Short-term borrowings & notes and bills payable	649,810	10	239,824	4
Receivables	643,642	10	615,622	10	Payables	668,114	10	553,620	9
Inventories	759,283	11	559,955	9	Other current Liabilities	199,833	2	286,166	5
Other current assets	625,245	9	298,243	5	Long-term loans payable	2,780,000	42	2,500,000	40
					Other non-current Liabilities	76,021	1	101,085	2
Current assets	2,341,922	35	2,084,419	34	Total Liabilities	4,373,778	65	3,680,695	60
Financial asset at fair value through profit or loss -Non-current	509,103	8	300,072	5	Capital Stock-common stock	1,500,000	22	1,500,000	24
Property, plant, equipment	3,564,135	53	3,461,873	56	Capital surplus	711,624	11	696,548	11
Other non-current assets	272,648	4	334,139	5	Retained earnings	62,881	1	62,642	1
					Other equity	(217,413)	-3	(15,717)	-
					Equity attributable to shareholders of the parent	2,057,092	31	2,243,473	36
					NON-CONTROLLING INTERESTS	256,938	4	256,335	4
					Total equity	2,314,030	35	2,499,808	40
Total assets	6,687,808	100	6,180,503	100	Total liabilities and equity	6,687,808	100	6,180,503	100

The Monthly Revenue – 2021~2022

(Expressed in Thousands of New Taiwan Dollars)



Financial Overview - Comprehensive Income

Expressed in Thousands of New Taiwan Dollars, except EPS

項目	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2022 Q1~Q3
Operating revenue	723,851	957,017	1,177,709		2,858,577
Operation costs	(718,550)	(849,084)	(1,042,088)		(2,609,722)
Gross profit	5,301	107,933	135,621		248,855
Operating expenses	(62,377)	(57,831)	(59,641)		(179,849)
Operating profit (loss)	(57,076)	50,102	75,980		69,006
Total non-operating	(4,529)	(9,329)	22,048		8,190
Income (Loss)before tax	(61,605)	40,773	98,028		77,196
Net income (loss)for the year	(65,272)	26,891	88,767		50,386
Total comprehensive income (loss)	10,801	(138,711)	(46,528)		(174,438)
Net income (loss) attributable to: Shareholders of the parent	(71,405)	8,975	62,669		239
Earnings(Loss) per share	(0.48)	0.06	0.42		0.002

Income before tax in 2022Q1-Q3 is NTD 77,196 thousands
 Loss before tax in 2021Q1-Q3 is NTD (94,768) thousands
 (If excluding impairment, Income before tax is NTD 44,595 thousands)

Although production costs continue to rise this year (coal prices, electricity bills, etc.), but with stable production and growth in sales volume, this year's net profit has increased compared with last year, and has turned from loss to profit

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Environmental Protection • Marketing • Niche Product

Original/Fuel Substitution • Circular Economy

Ready-mixed Mortar Deep Cultivation and Promotion

Innovative R&D of Niche Products : New developments and special functional products

Develop High Performance Niche Products : Localization Green Energy supply chain material

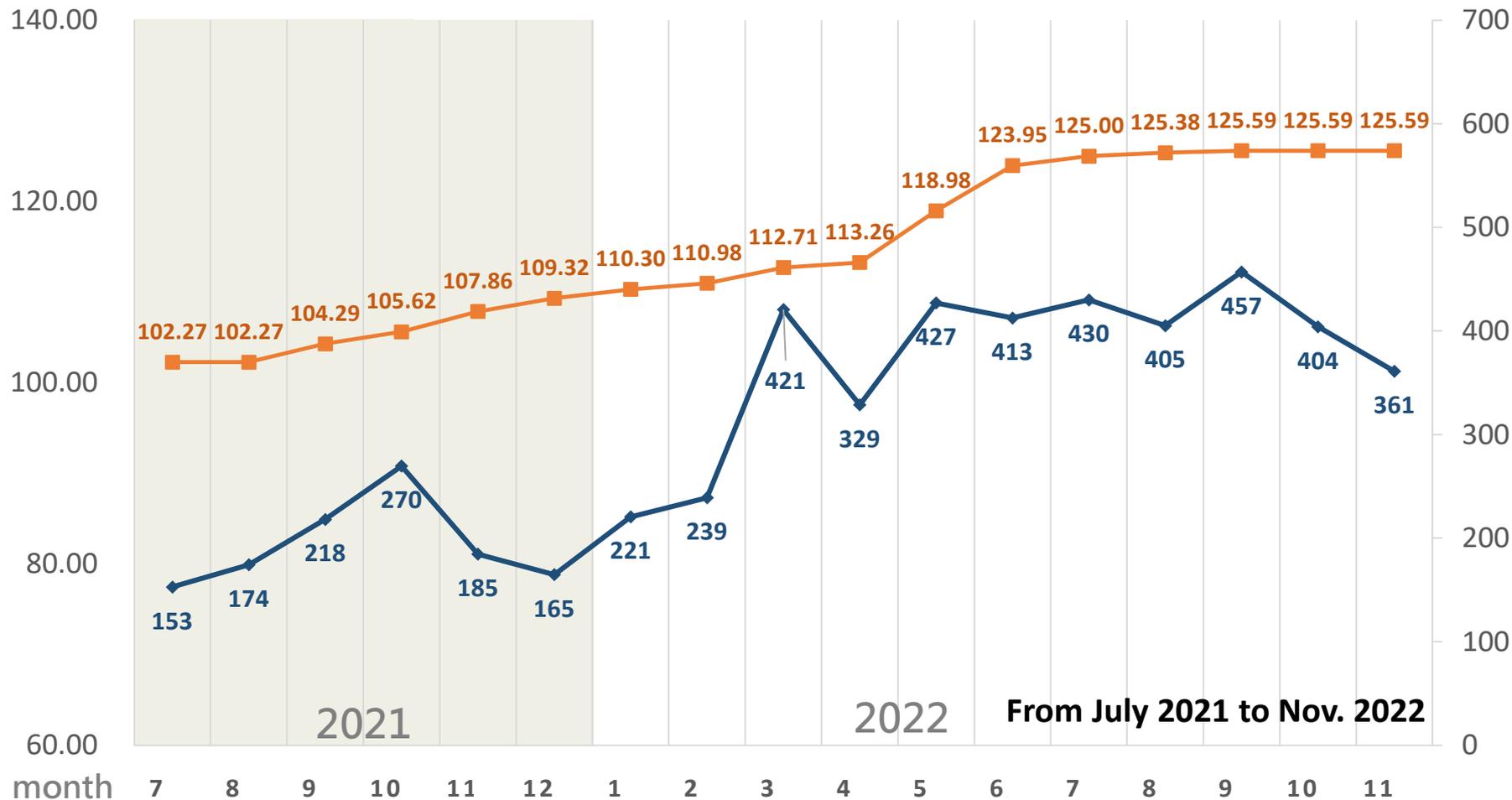
Interior & Landscape Design Engineering and Building Material Agent

COMPARISON OF INTERNATIONAL COAL PRICE AND CEMENT PRICE INDEX IN TAIWAN

Unit : Price Index

—■— Cement Price Index in Taiwan —◆— International Coal Price

Unit : USD/Ton



The Trends of Cement Industry



Industrial Transition

Manufacturing Sector

3 aspects - 11 measures

Process Improvement

- Replacement of old appliances
- Energy saving (Digitalization)
- Development of hydrogen technology
- Reduction of F-gases

Fuel Switching

- Expanding usage of natural gas
- Expanding usage of bioenergy
- Adopting clean energy/hydrogen

Circular Economy

- Raw material replacement
- Refuse Derived Fuel (RDF)
- Energy Resources Integration
- CCU technology

Emissions :

- Up to 750 kg-CO₂/t-cem
- 38% reduction in carbon emissions compared to 1990

Implementation method :

- thermal efficiency
- savings from waste fuels ("alternative fuels")
- use of decarbonated raw materials
- carbon capture at cement plants



Cooperate with the policy and continue to implement the carbon reduction method of "substitution of raw materials and fuels" to reduce carbon emissions and reduce production costs

Environmental Protection • Marketing • Niche Product

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Interior & Landscape Design Engineering and Building Material Agent

工種薪資變化

CBC東森新聞HD

油漆	2500 /天	▶▶ 2800 /天
木工	3200 /天	▶▶ 3500 /天
水電	2300 /天	▶▶ 2500 /天
泥作	3000 /天	▶▶ 3500 /天

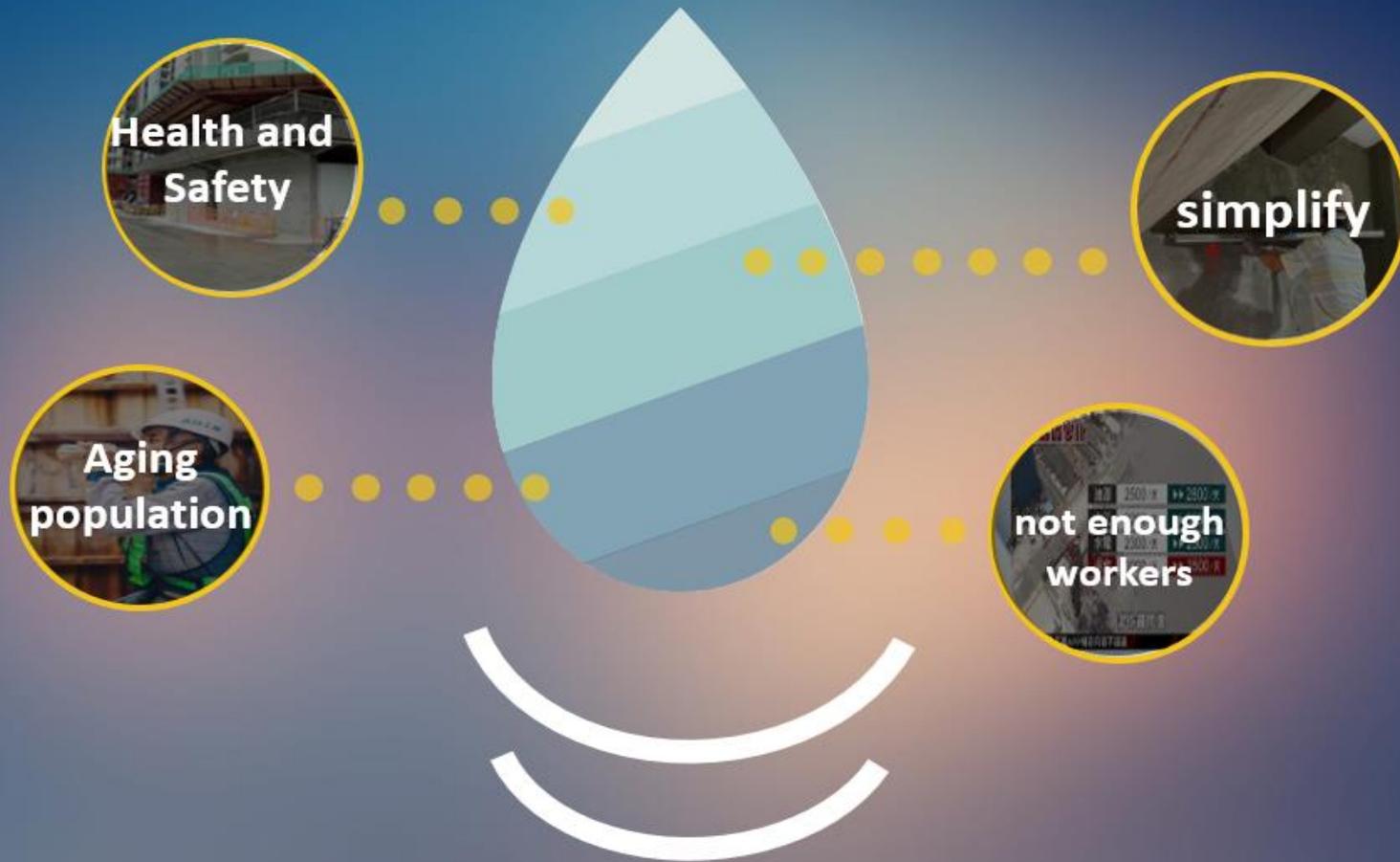
泥作最誇張

CBC NEWS 下載APP精彩內容不錯過

not enough
workers



Aging
population



fast / Error Proofing
precast / standardization / automation

【ready-mixed cement mortar ?】



RT-MIX ready-mixed cement mortar

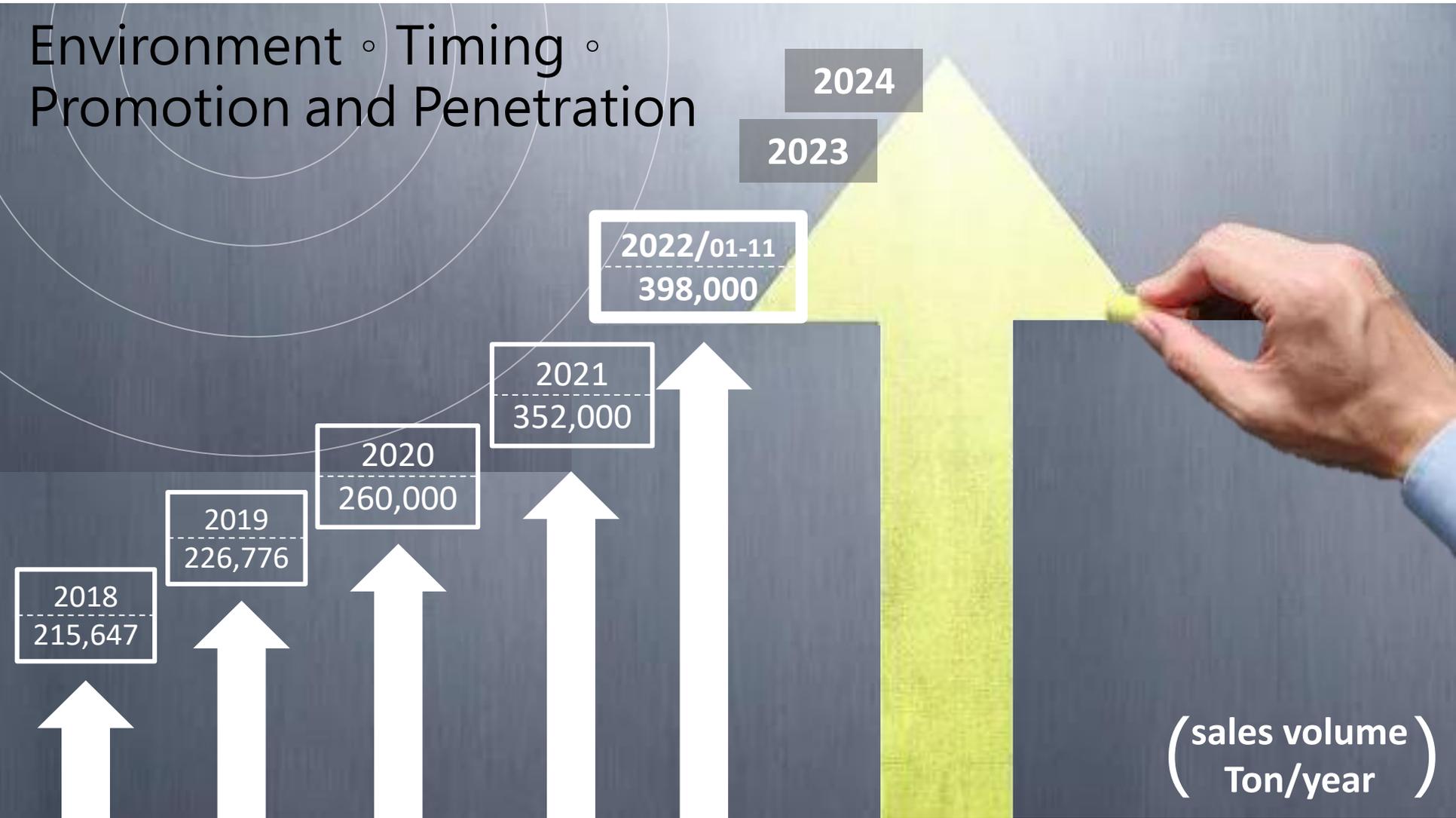
Through the strict control and accurate calculation of sand and cement then mixed automatically and precisely. Packing and palletizing on pallets, clean and neat.



Depending on worker's experience

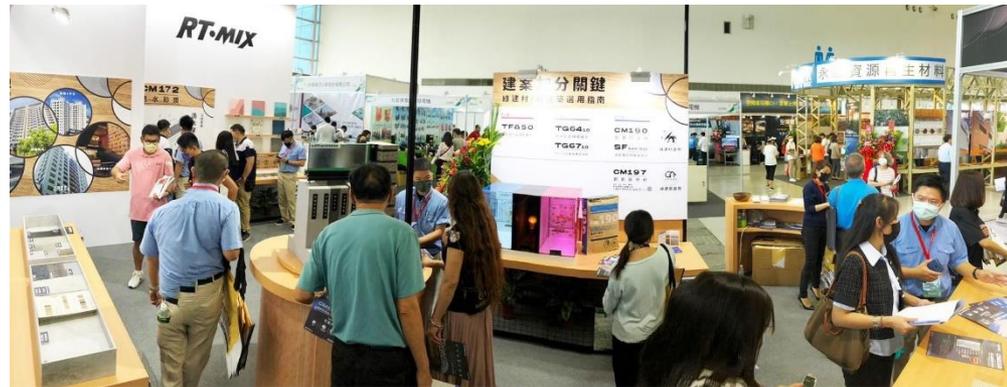
Mixing on the ground with water, unsourced sand/material and scale and dust polluting on site.

Environment · Timing · Promotion and Penetration



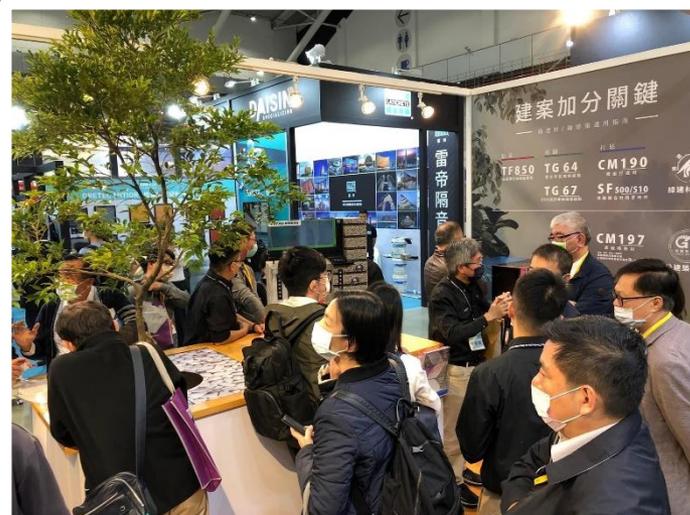
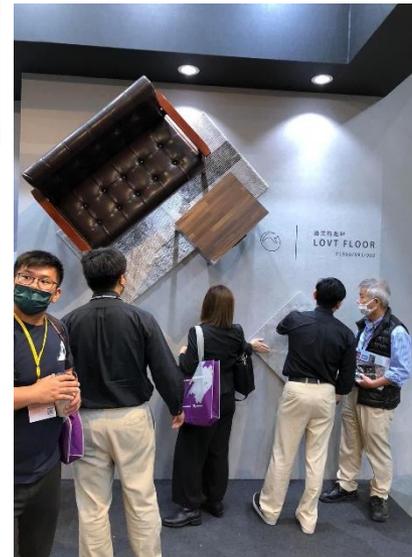
Exhibitions • Seminars • Visits •
Increase product popularity

2022/09 Kaohsiung Building Show



Exhibitions • Seminars • Visits •
Increase product popularity

2022/12 Taipei Building Show



Exhibitions • **Seminars** • Visits • Increase product popularity

2022 Seminar in Kaohsiung



Exhibitions • Seminars • Visits • Increase product popularity

2022 visit the factory in Ligang Township



2022 visit the factory in Ligang Township

FUTURE

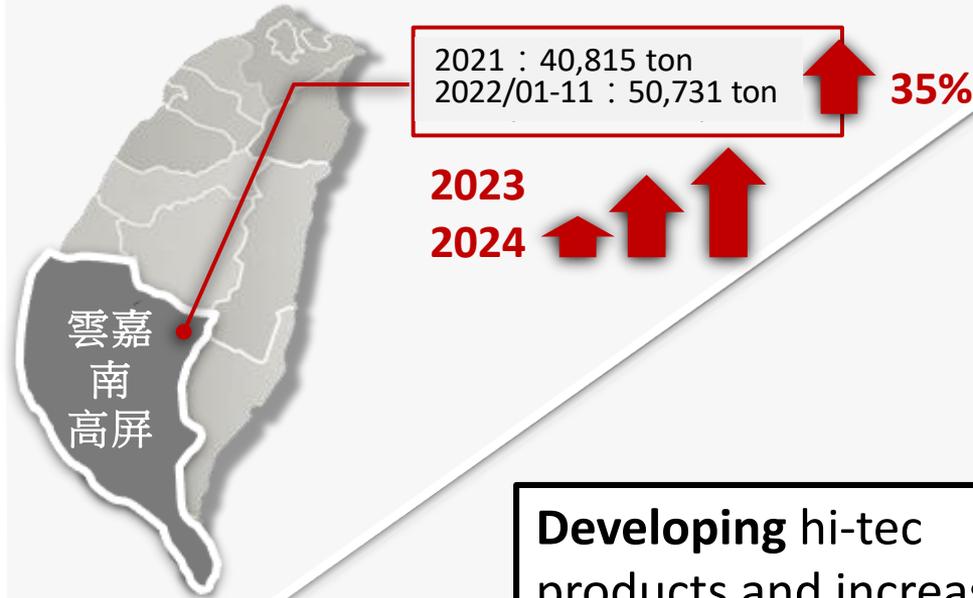


Consistently **developing and deep plowed** business.

Promoting time and labor saving materials.

Developing hi-tec products and increasing industry value.

Consistently developing and deep plowed business.



Developing hi-tec products and increasing industry value.



Promoting time and labor saving materials.



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Interior & Landscape Design Engineering and Building Material Agent

Expected Effect

Product Differentiation

Product Competitiveness

New Product Development

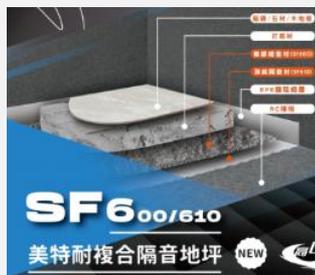
SD690 Top Sleeve Grout

- Nangang Yucheng case used high strength screw rebar (SD690) coupler mortar
- TOP JOINT Passed SA Level



Second generation Soundproof floor compound

- Cost is more competitive
- The effect of soundproof passed construction technical standard
- Proof of TABC Certified



LOFT Floor

- Performance is similar to PANDOMO
- For interior high-quality floor
- Customized design color and aggregates



Product optimization

- The anti-efflorescence tile adhesive has been developed
- Using modified cement as the main raw material
- Anti-efflorescence property is better than competing products . Mass production in Q2 of 2022
- After using the product on jobsite, the customers is satisfied with the performance of anti-efflorescence



Improving building quality
and Increasing height

Nangang Yucheng case used high strength screw rebar(SD690) coupler mortar

- Reduce the number of steel bars, reduce the cross-sectional area of beams and columns, and increase the living space
- Compared with the traditional method of steel bar design, the material usage is effectively reduced
- The height of buildings can be nearly doubled with high-strength

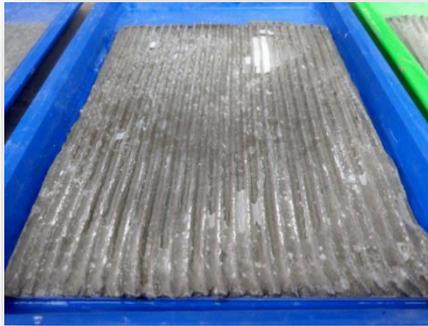




The solution to
efflorescence on
exterior wall

Anti-efflorescence property of tile adhesive is excellent

100%



《 Anti-efflorescence test of tile adhesive 》

< 50%



< 30%



< 10%

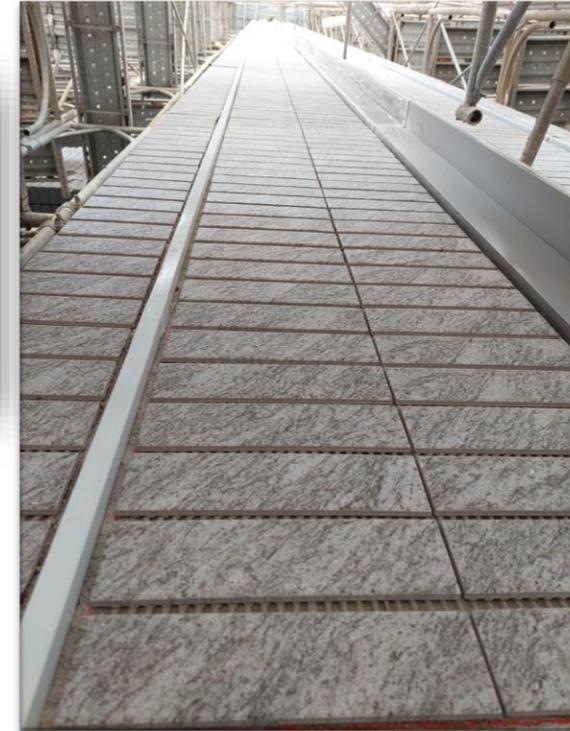


Cement

Competing
Products

Current
Product

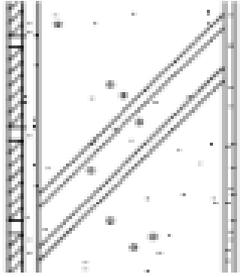
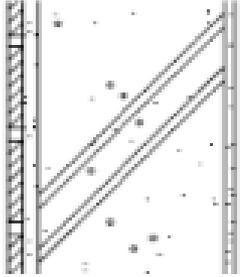
New Production



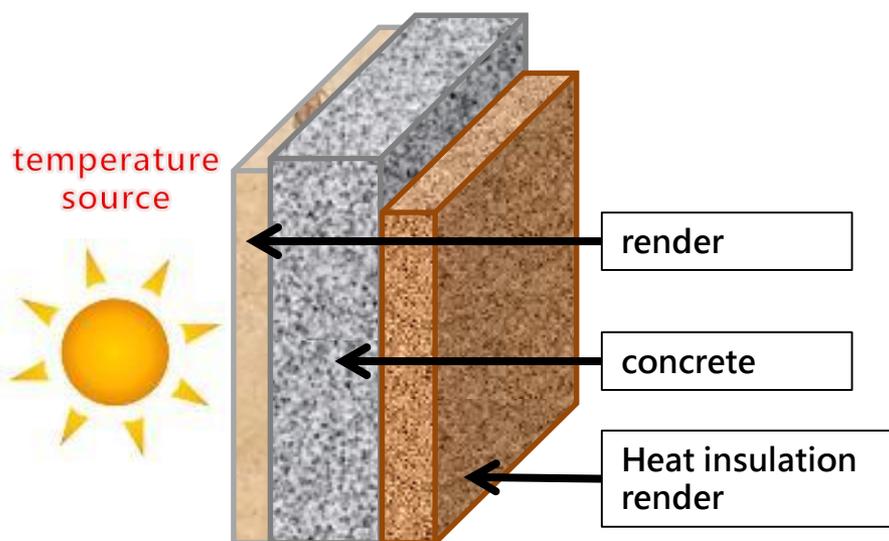


Heat insulation
render !

Heat insulation render can be used in interior walls

Item	structure	Wall structure	Thickness dx m	Thermal resistivity 1/kx m.K/W	Thermal transmittance $U=1/R$ W/(m ² .K)	
1	15cm thicknsss RC wall Tiling exterior walls General cement render Total wall thickness 22.5 cm		Outdoor Air layer Tile Tile adhesive General cement render RC General cement render Finish gray render Indoor Air layer	---- 0.0100 0.0050 0.0250 0.1500 0.0300 0.0050 ----	1/23.000 1/1.300 1/1.500 1/1.500 1/1.400 1/1.500 1/1.500 1/9.000	3.20
2	15cm thicknsss RC wall Tiling exterior walls Heat insulation render Total wall thickness 22.5 cm		Outdoor Air layer Tile Tile adhesive General cement render RC Heat insulation render Finish gray render Indoor Air layer	---- 0.0100 0.0050 0.0250 0.1500 <u>0.0300</u> 0.0050 ----	1/23.000 1/1.300 1/1.500 1/1.500 1/1.400 <u>1/0.140</u> 1/1.500 1/9.000	<u>1.97</u>

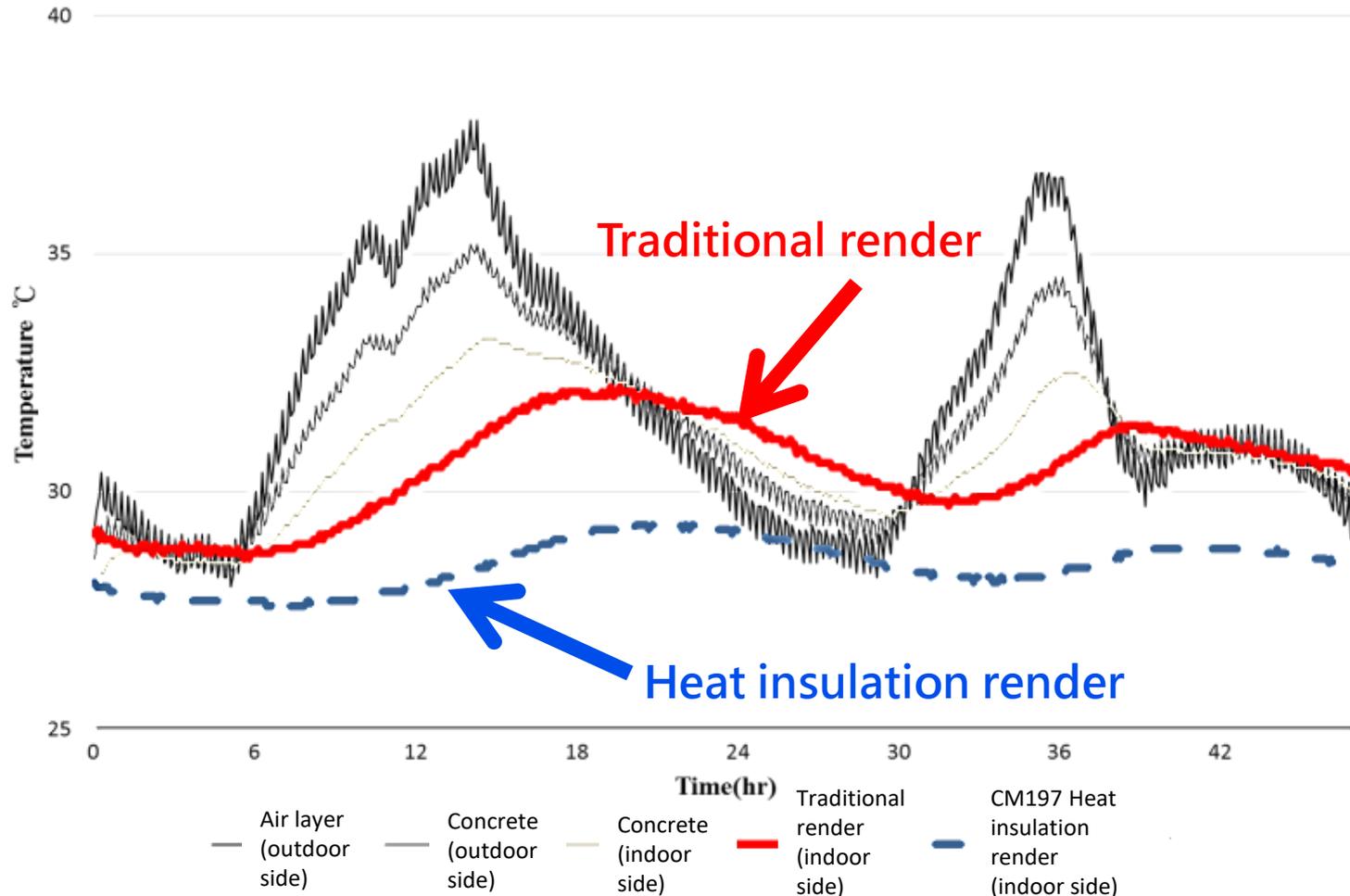
Standard Test Method for Thermal Performance of Building Materials and Envelope Assemblies by Means of a Hot Box Apparatus(ASTM C1363)



Simulation of wall insulation effect with standard meteorological year TMY2 temperature

ASTM C1363 · Confirm insulation effectiveness

Verified by National Taiwan University Civil Engineering Research Center, Heat insulation render can reduce at least 3 °C



Heat insulation render is easy to apply



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Interior & Landscape Design Engineering and Building Material Agent



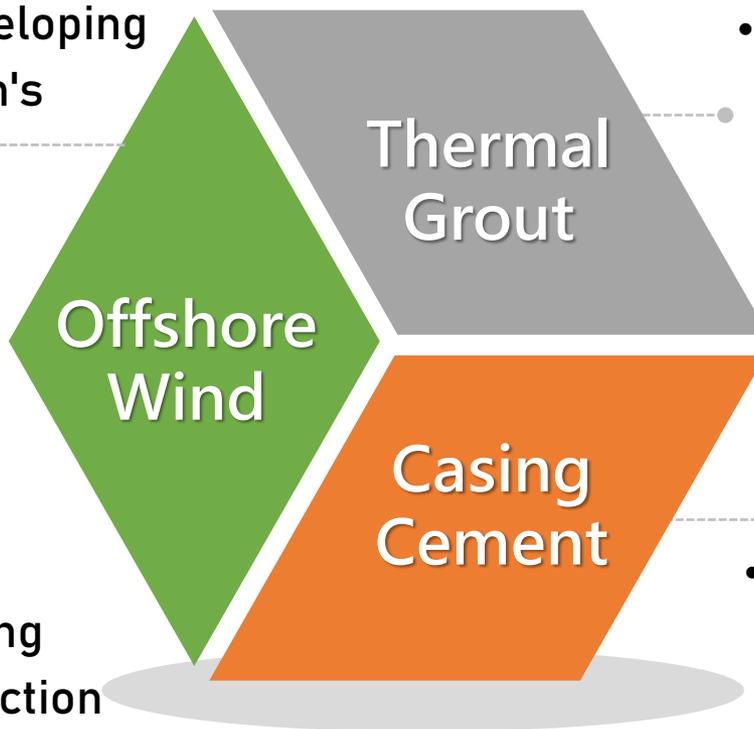
Localization Green Energy Supply Chain Material

U799 / U769

- One of three groups developing offshore wind foundation's grouting material
- Ruentex own two DNV certification both for U799 and U769 in 2023

G705

- Offshore under base filling material specially for Suction bucket foundation



T508 Series

- Windfarm onshore cable with Horizontal Directional Drilling

G Type Cement

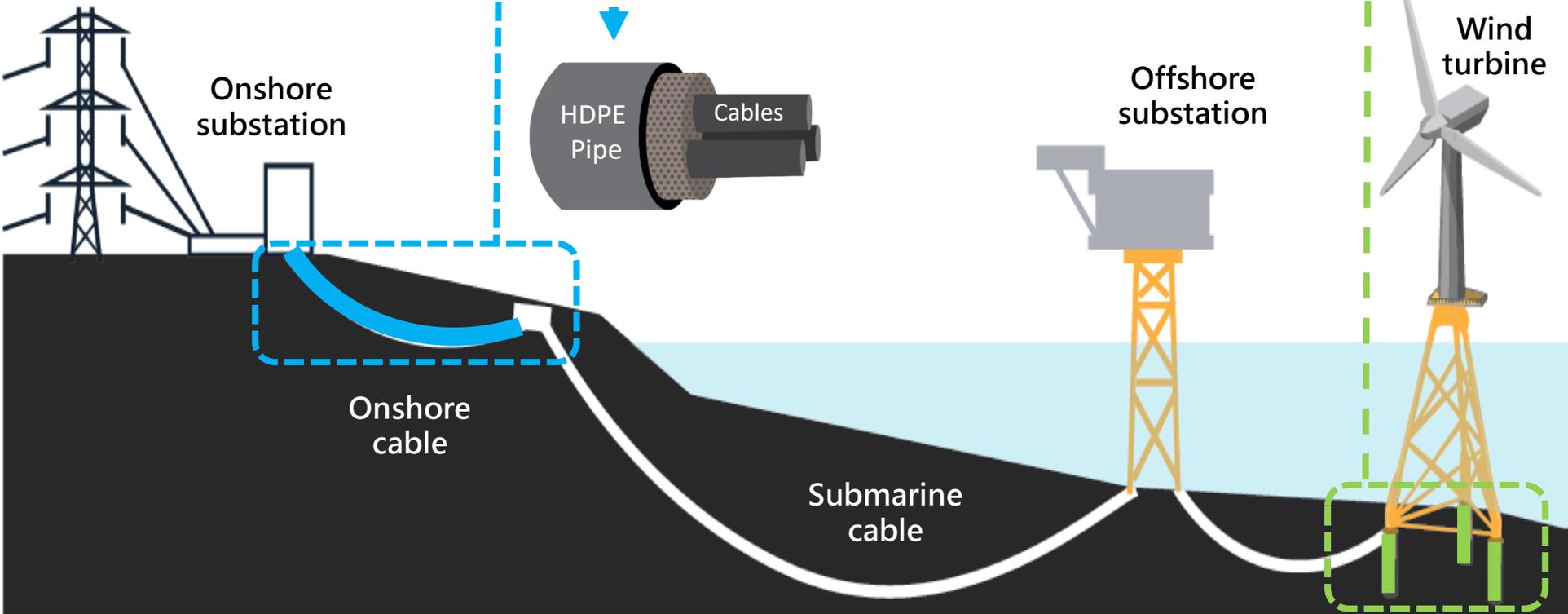
- Carbon Capture 、 Geothermal Casing Cement



Offshore Wind related products

ShifuGrout T508series
(Thermal grout)
Horizontal Directional Drilling

ShifuGrout U799/U769
(turbine foundation
grouting material)



ShifuGrout U799 / U769

(Foundation Ultra High Strength Grout)

High Early Strength

28 days > 18,000psi

Ordinary concrete only 5,000psi at 28 days

U799/U769 3 days can have over 10,000psi

Workability

U799 > 2 hours

U769 > 4 hours

(ordinary concrete < 1hr)

Anti-Washout

Ordinary concrete will spread in water

U799/U769 has **great viscosity**
strong cohesion in water

High Early Strength

Workability

Anti-Washout

Instant Dispersion

Instant Dispersion

< 6 minutes/tonne

Ordinary concrete need 12mins/tonne to mix

U799/U769 can well mix with 6mins/tonne

Effectively reduce working hours

U799
Big Bag

U769
Silo

Foundation
Grouting Methods
Difference

Three stage of Taiwan's offshore wind energy

01

Phase #1

Demonstration Reward

2019: Formosa I
Miaoli /128 MW

2021: TPC I
Changhua/109.2 MW

02

Phase #2

Potential Site

2015: Public Site

2018:
Selection **3.8 GW**
Bidding **1.7 GW**

2025: 5.5 GW

03

Phase #3

Zonal Development

2026-2035:
Total capacity **15GW**
1.5 GW per year

Two-stage business
selection strategy

Incorporate localization
as considerations

Three stage of Taiwan's offshore wind energy



Localization Green Energy supply chain material

經濟部

3. Industry related policy implementation plan

Additional points Commitment List : The item, quantity and the self-decribe core energy will be choice by Developer itself.

Points to be scored according to the promise quantity and the self-decribe core energy.

Second: Under Water foundation (Monopile or Jacket subtotal 4 points; Floating foundation subtotal 5 points)

item	Details	Points	Description
Monopile	Transition piece Main Pipe Fittings	1	<ul style="list-style-type: none"> ● Key Development Project Excess Points ● Implemented quantity exceeds 60% of applied capacity will be included ● 1 point will be scored according to the implemented quantity reaching 100% of the proposed capacity, and those who fail to reach will be scored according to the proportion of the promised quantity and self-reported core energy
Jacket	Transition piece Main Pipe Fittings Foundation		
★ ★ Floating Foundation		2	<ul style="list-style-type: none"> ● Scored according to the percentage of the implemented quantity to the proposed capacity ● 2 point will be scored according to the implemented quantity reaching 100% of the proposed capacity, and those who fail to reach will be scored according to the proportion of the promised quantity and self-reported core energy
Grouting Materials		1	<ul style="list-style-type: none"> ● Scored according to the percentage of the implemented quantity to the proposed capacity ● 1 point will be scored according to the implemented quantity reaching 100% of the proposed capacity, and those who fail to reach will be scored according to the proportion of the promised quantity and self-reported core energy
Coating		1	
Corrosion protection system: sacrificial anode or impressed current protection		1	

Phase 3 Wind Farm and future promotion plan

Participate Developer



- Already provide quotation to all developer above
- Phase 3-1-1 estimated 60,000 te grout material requirement

Future Promotion

- **Involved:**
Visit wind turbine design company, persuade them to design the structure base on our material
- **Track Record:**
Oil platform, Natural Gas receiving station, Offshore substation
- **Volume Up:**
To join every seminars, forums, exhibitions

Related Business Process

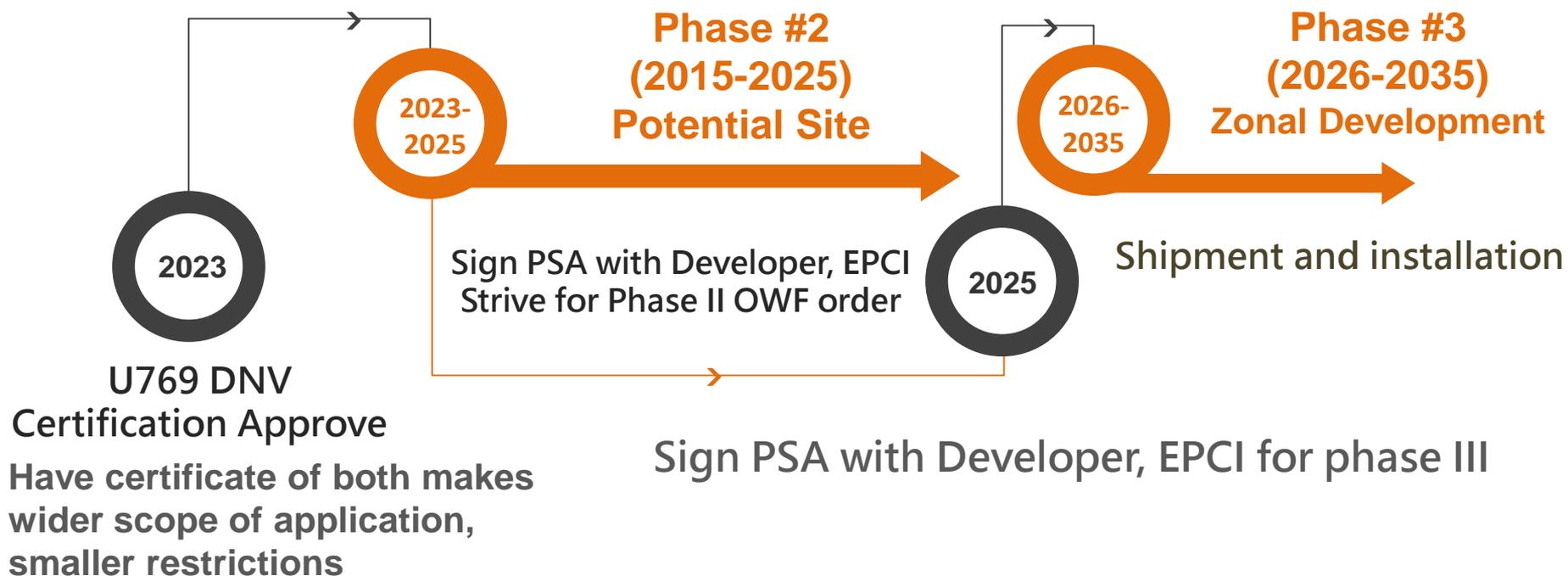
Estimated requirements
150,000 tons

Total capacity **15GW**

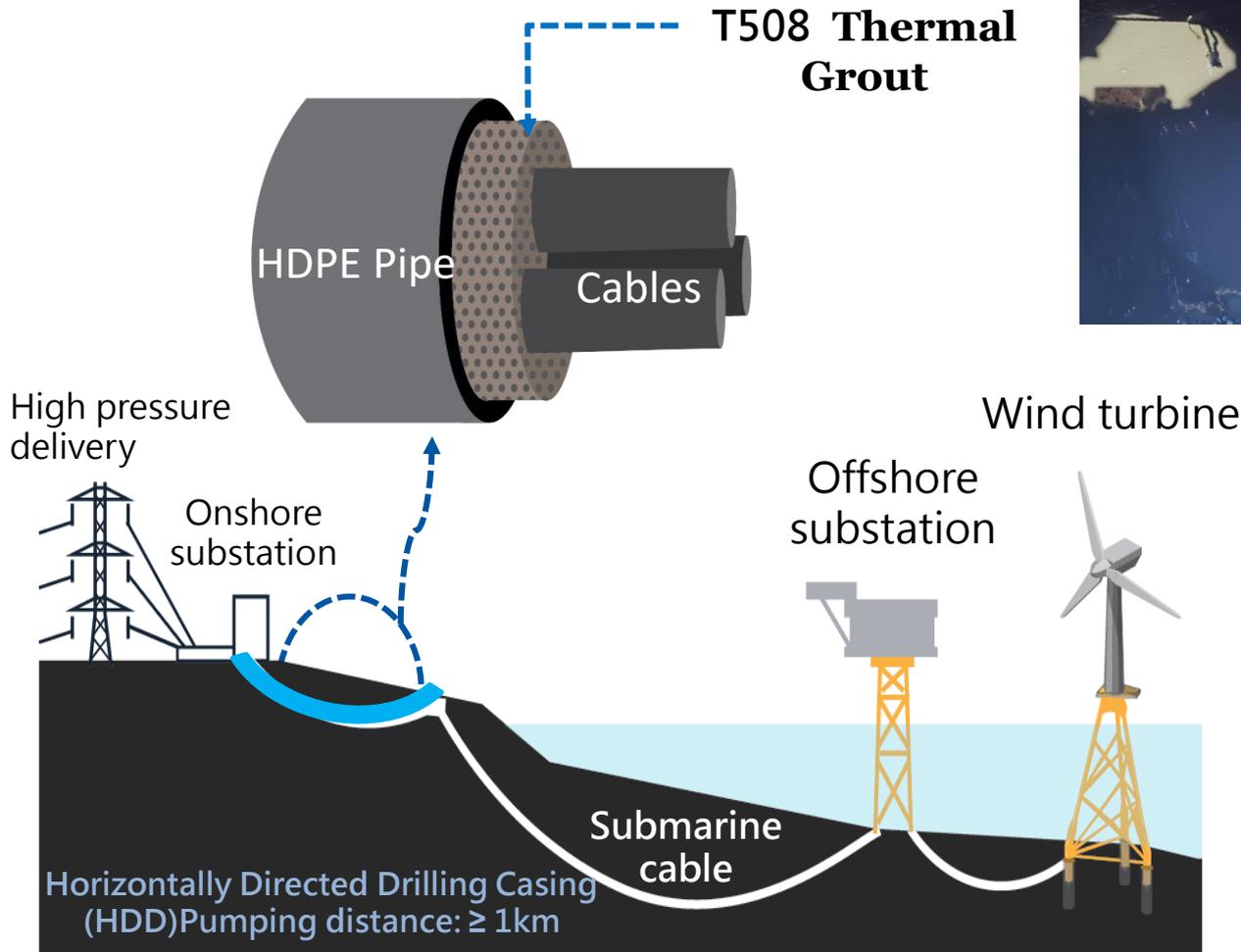
2026-2031 Capacity 9 GW

Bidding schedule: **2022 Q3 / 2023 Q2 / 2024 Q2**

2032-2035 Capacity 6 GW



ShifuGrout T508 Series (Thermal Grout)

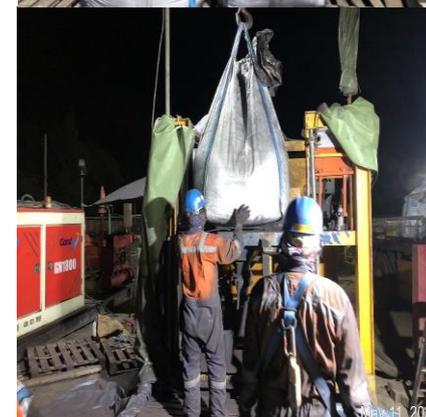


ShifuGrout T508 Series (Thermal Grout)

01 **Taiwan Only** Thermal Grout Supplier

02 **2 offshore track records**, and a total of seven ducts have been implemented (HDD)

03 Work with Experience **Local** Grouting Company



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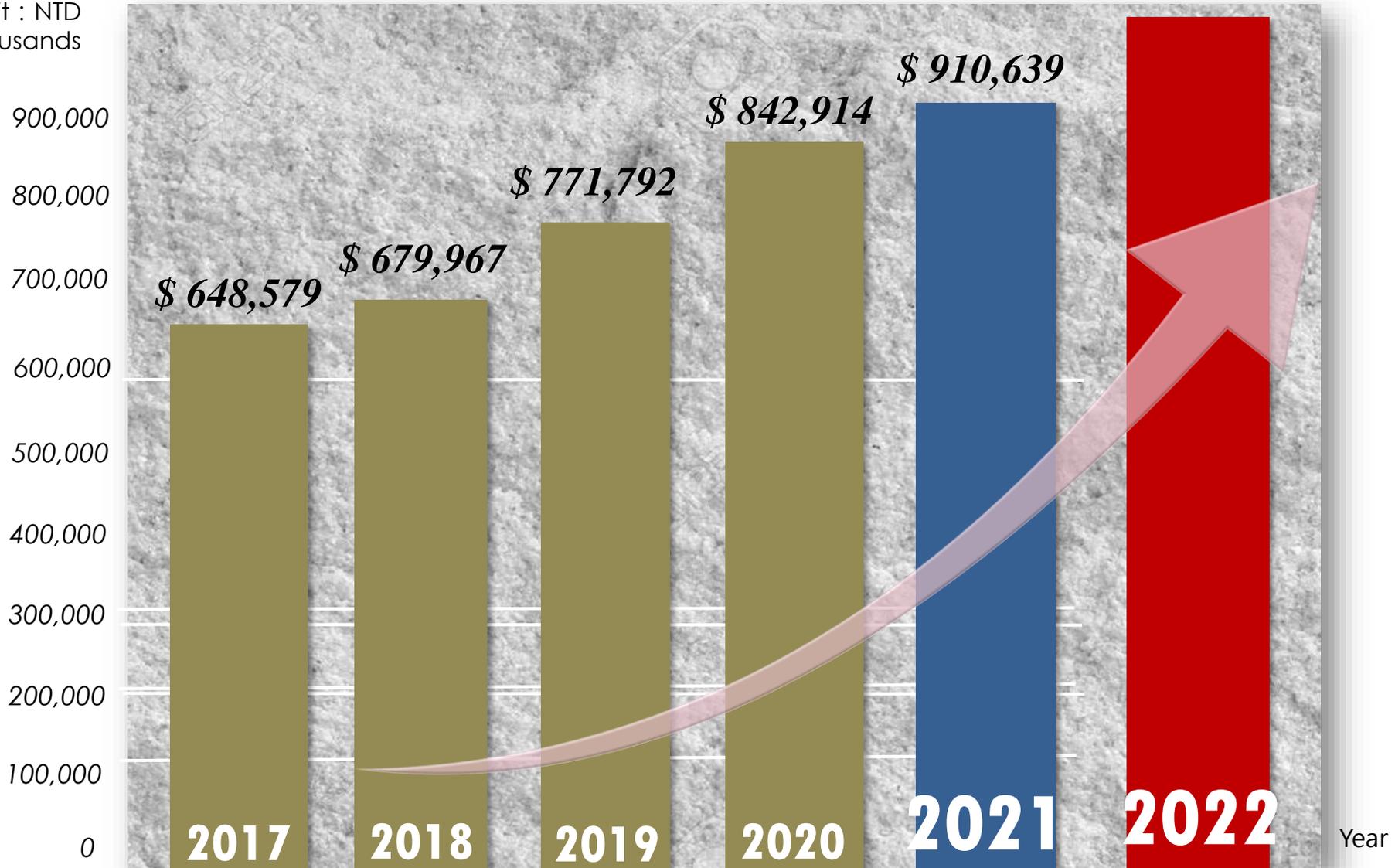
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Ruentex Interior Design Business Performance – The Annual Revenue

Unit : NTD
Thousands



Major Events of Ruentex Interior Design (RID) in 2021&2022

2021.05.19 During SEO of RID, shareholder's Meeting of Ruentex Materials decided to give up the its stock option right to its shareholders.

2021.08.10 RID's board of directors decided to proceed SEO.

2021.09.14 It's the reference date of SEO. Ruentex Materials's shareholding ratio decreased to 38.89%.

2021.11.26 RID held shareholder's meeting and planned to apply for emerging stock market.

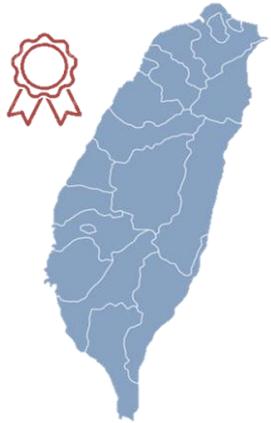
2022.07.19 Ruentex Materials allocated 500,000 shares of RID for underwriting and counseling brokers to subscribe. Ruentex Material's shareholding ratio decreased to 35.19%.

2022.07.25 RID registered in emerging stock market (6881) and became a new recruit stock under Ruentex Group.

Ruentex Interior Design has the ability to undertake indicative large-scale space and landscape design projects

1

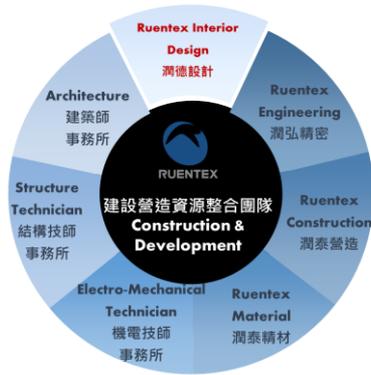
The only interior decoration design company under the top 5 groups in Taiwan



Credit guarantee Sustainable service

2

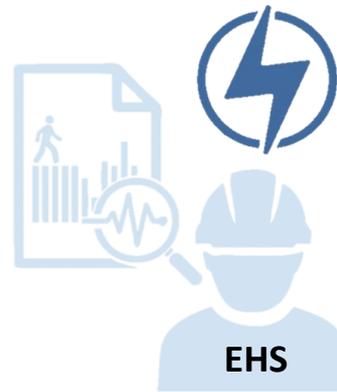
Group construction business group
Resource Sharing



**Stable and good quality subcontractor support
No delay in construction period during the epidemic**

3

Own mechatronic design department
Quality Labor Safety Management Department



**No subcontracting costs
Greatly improved control efficiency**

4

The only one in the industry
Action I PAD Quality Management System



**Exclusive Site patrol system
EHS and QC detection**

Clients



Clients



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Thank You for Your Attention

