



2025/11/18

Sesoda Corporation

Investor Conference

SESODA
www.sesoda.com.tw

Disclaimer

Disclaimer of outlook and financial reports

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OUTLOOK

We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

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IFRS

The financial numbers herewith are based on International Financial Reporting Standards(IFRS).

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CPA

Cumulative consolidated numbers have been reviewed by the CPA.

Company Profile

Sesoda Corporation was established in 1957 in collaboration with the government's chemical industry projects.

◆ Main Businesses

Potassium Sulfate (SOP)

Liquid Calcium Chloride(CaCl₂)

Soda Ash, Sodium Bicarbonate

Bulk vessel shipping

◆ Employees

Total: 196

Average Year of Service: 10.55 years

◆ Office & Factories

Taipei Head office, Suao Factory,

Taichung Warehouse, Changhua Warehouse



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Potassium Sulfate

Looking ahead in 2026, the global price of potassium sulfate is expected to be stable to soft. The regional SOP/MOP supply is sufficient, therefore, the price gap will be narrowed gradually!

◆ Capacity

There has total 14 production lines with annual SOP is 140,000mt and the by-products are HCl and CaCl2.

◆ Sales Strategy

98% of produced SOP exports to the global markets and to reduce the risk of only few markets.



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Potassium Sulfate

◆ Market Review of 2025

- The global SOP market recovered after the high costs of raw material in previous years, hence, the operation rate was at the low end. SOP demand in 2025 is going to reach over 8 million tons worldwide. However, supply side, there are quite a few new expansions and new players, such as Egypt, Pakistan, Vietnam, Uzbekistan, and Australia. The competition will be getting fierce. Given to this challenge, additionally, the demand of SOP turns softer in Q3 that impacts the price gap of SOP/MOP and squeeze the profit.
- China is a big SOP producer, the government's restricting exporting policy in SOP to secure the domestic needs. Uzbekistan's low price sales strategy impacts certain degrees of SOP market price. Regardless, we continue the sales strategy of selling off what being produced.
- Due that US new tariff, the freight rates get more dynamic and complex. Meanwhile, China's oversupply and involution phenomenon even trigger freight rate fluctuated more that affect the profitability!



Domestic Market

Liquid CaCl2 Sales

To meet the expansion demand of domestic semiconductor industry, we are eager to develop CaCl2 sales business and to increase the capacity in order to contribute better profit.

Future Outlook

In 2026, to stabilize supply sources and to foresee the sales volume will go up, contributing more profit.



Domestic Market

Soda Ash/Sodium Bicarb/Traded Goods Sales

Trading business mainly focuses on the domestic basic chemicals market.

Caused by China's involution situation, the exported prices are low that induces the domestic sales volume drop and the profitability comes down.

Future Outlook

Secure Suppliability and Develop New Market

In view of 2025, fierce competition as well as market downturn, the customers shop around and the selling prices are relatively low.

We anticipate the selling prices and market will be hanging flat in 2026. By planning to adapt the flexible and cooperative procurement strategy, hope to sustain market share and move forwards cautiously.



ESG Outlook

- ◆ Evaluate the feasibility of installing solar power systems to introduce renewable energy, aiming to achieve RE85 for selected product lines by 2030.
- ◆ Assess the feasibility of introducing carbon capture technology, with a plan to convert process-generated CO₂ into liquid CO₂.
- ◆ Commission domestic academic institutions to conduct research on capturing process-generated CO₂ for algae cultivation and biofuel conversion, realizing a circular carbon utilization model.



Shipping

Sesoda established Sesoda Steamship Corporation in 1995. Sesoda Steamship Corporation is a 100% owned subsidiary and also the holding company of the shipping business.

Currently, we have 14 handy-size (28,000DWT~38,000DWT) vessels in operation. Our shipping business accounts for approximately 28% of the company's total revenues until the 3rd quarter of this year.

◆ Short or long terms

All vessels are chartered on a time-charter basis covering the three major oceans. We sign long-term and short-term charter contracts to balance peak and off-peak seasons and economic cycles.



Shipping Outlook

The markets for different types of bulk carriers will compete with each other, but generally speaking, handysize bulk carriers have a wider range of river/sea areas to navigate than Capesize and Panamax bulk carriers, so their charter rates are more stable compared to other types of bulk carriers.

◆ Revenue

In 2025, bulk cargo transportation was generally stable. China's gradually slowing demand for mineral transportation was gradually replaced by the growing construction demand from developing countries in Southeast Asia, Latin America, and Africa. Due to environmental protection requirements and the replacement of outdated vessels, the supply of shipping capacity did not increase significantly, so the daily charter rate for ships only decreased slightly.

◆ Cost

The shipping industry is a capital-intensive sector, and the Federal Reserve's interest rate cuts directly reduce the interest burden on shipping companies, which also significantly curbs the impact of inflation.

◆ Outlook

The IMF projects global economic growth of 3.1% in 2026. Handysize bulk carrier will be supported by increased demand for shipping capacity in developing countries because handysize vessels are more competitive in developing countries due to their less developed port facilities.



Statement of Comprehensive Income

Selected Items from Statements of Comprehensive Income	2025 Q1~Q3	2024 Q1~Q3
Net Revenue	4,525	4,680
Gross Margin	31%	34%
Operating Expenses	605	648
Operating Margin	18%	20%
Non-Operating Items	(96)	3
Net Income to Shareholders of the Parent Company	548	773
Net Profit Margin	12%	16%
EPS(NT Dollar)	2.20	3.10
ROE	8%	12%

- In NT\$ millions unless otherwise noted.
- The weighted average number of shares outstanding were 249 m shares at 9/30/25.
- ROE is based on average equity attributable to shareholders of parent company.

Balance Sheets

Selected Items from Balance Sheets	2025 Q3	2024 Q3
Cash & Marketable Securities	2,034	2,366
Accounts & Notes Receivable	777	738
Inventories	702	610
Long-term Investments	236	219
NET PP&E	8,617	9,280
Others	306	615
Total Assets	12,672	13,828
Current Liabilities	3,442	3,804
Non-current Liabilities	2,302	3,158
Total Liabilities	5,744	6,962
Total Shareholders' Equity	6,928	6,866

• In NT\$ millions.

Statement of Cash Flows

Selected item from Statements of Cash Flows	2025 Q3	2024 Q3
Beginning Balance	2,114	1,601
Cash from operating activities	989	1,430
Capital expenditures	(225)	(243)
Cash dividends	(498)	(374)
Short-term borrowings	54	52
Long-term debts	(656)	(61)
Investments and Others	244	(41)
Ending Balance	2,022	2,364

- In NT\$ millions.

Q & A

Contact Us

Sesoda Corporation



[\(+886\)-2-2704-7272](tel:+886227047272)



taipei@sesoda.com.tw



www.sesoda.com.tw

