



September 27, 2024

Forward-Looking Statements

Sunresin New Materials Co.,Ltd. (SZ.300487, “Sunresin” or the “Company”) announced the unaudited results PowerPoint for the first half 2024 on September 27, 2024.

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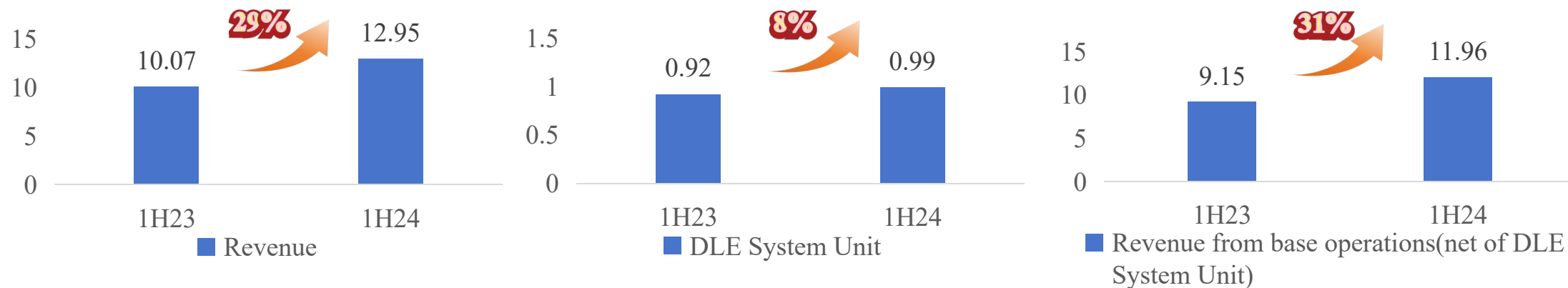
- **Results Summary**
- **Results Highlight**
- **Financials**
- **Q&A**



PART1 Results Summary

■ Revenue Overview

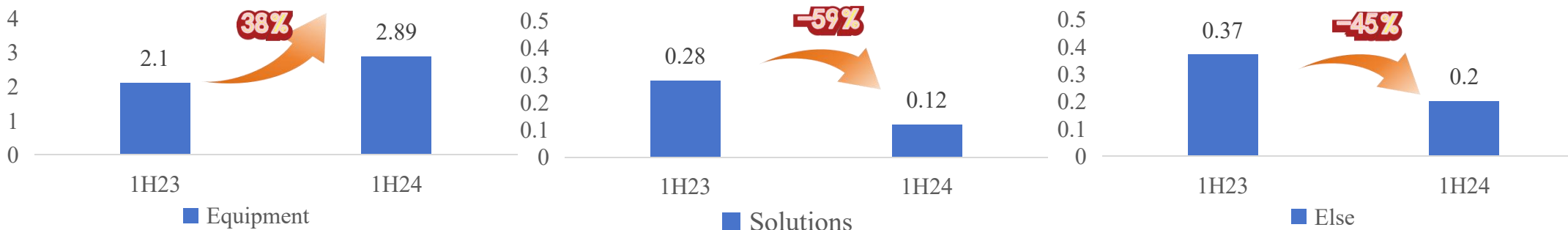
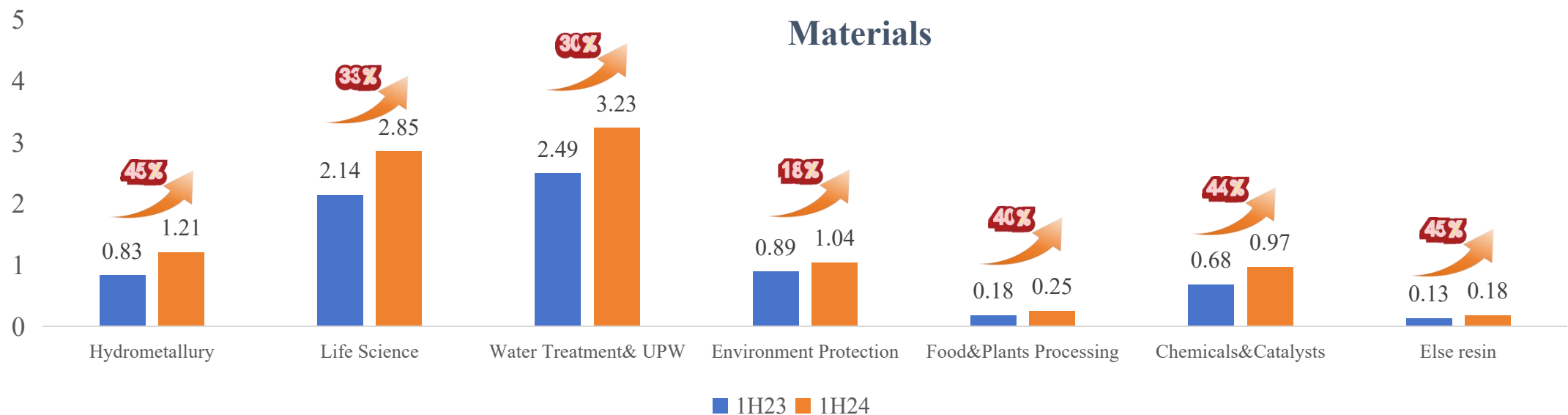
| | 1H2024 (100M/CNY) | 2023年1-6月 (100M/CNY) | YoY |
|--|----------------------|-------------------------|-----|
| Revenue | 12.95 | 10.07 | 29% |
| DLE System Unit | 0.99 | 0.92 | 8% |
| Revenue from base operations(net of DLE System Unit) | 11.96 | 9.15 | 31% |



■ Revenue(100M/CNY)

| | | 1H23 | 1H24 | YoY |
|---------------|--------------------------|-------|-------|------|
| Materials | Hydrometallurgy | 0.83 | 1.21 | 45% |
| | Life Science | 2.14 | 2.85 | 33% |
| | Water Treatment & UPW | 2.49 | 3.23 | 30% |
| | Environment Protection | 0.89 | 1.04 | 18% |
| | Food & Plants Processing | 0.18 | 0.25 | 40% |
| | Chemicals & Catalysts | 0.68 | 0.97 | 44% |
| | Other resin | 0.13 | 0.18 | 45% |
| Equipment | | 2.1 | 2.89 | 38% |
| Solutions | | 0.28 | 0.12 | -59% |
| Sum | | 9.71 | 12.74 | 31% |
| Other | | 0.37 | 0.2 | -45% |
| Total Revenue | | 10.07 | 12.95 | 29% |

■ Revenue(100M/CNY)



■ Comparison of Key Financial Data

| | 1H2024 (100M/CNY) | 1H2023 (100M/CNY) | YoY | Reason |
|---|----------------------|----------------------|----------|---|
| Revenue from Operations | 12.95 | 10.07 | 28.50% | Mainly due to the increase in sales of materials and equipment |
| Cost of Goods Sold(COGS) | 6.80 | 5.25 | 29.56% | Mainly due to the increase in sales revenue |
| Sales Expenses | 0.40 | 0.32 | 23.09% | Mainly due to the increase in employee compensation and travel expenses |
| Administrative Expenses | 0.42 | 0.48 | -13.27% | No significant changes occurred |
| Financial Expense | 0.0031 | -0.42 | 100.75% | Mainly due to the decrease in exchange gains and the increase in interest expenses |
| Income Tax Expense | 0.36 | 0.25 | 48.64% | Mainly due to the increase in revenue and the impact of tax policies |
| R&D Expenses | 0.75 | 0.61 | 22.79% | Mainly due to the increase in direct R&D investment |
| Net Cash Flow from Operating Activities | 2.11 | 1.82 | 16.08% | No significant changes occurred |
| Net Cash Flow from Investing Activities | -1.89 | -1.67 | -13.44% | No significant changes occurred |
| Net Cash Flow from Fundraising Activities | -0.29 | 4.91 | -105.97% | Mainly due to the issuance of convertible bonds in the same period of the previous year |
| Net Increase in Cash and Cash Equivalents | -0.42 | 5.41 | -100.78% | Mainly due to the issuance of convertible bonds in the same period of the previous year |

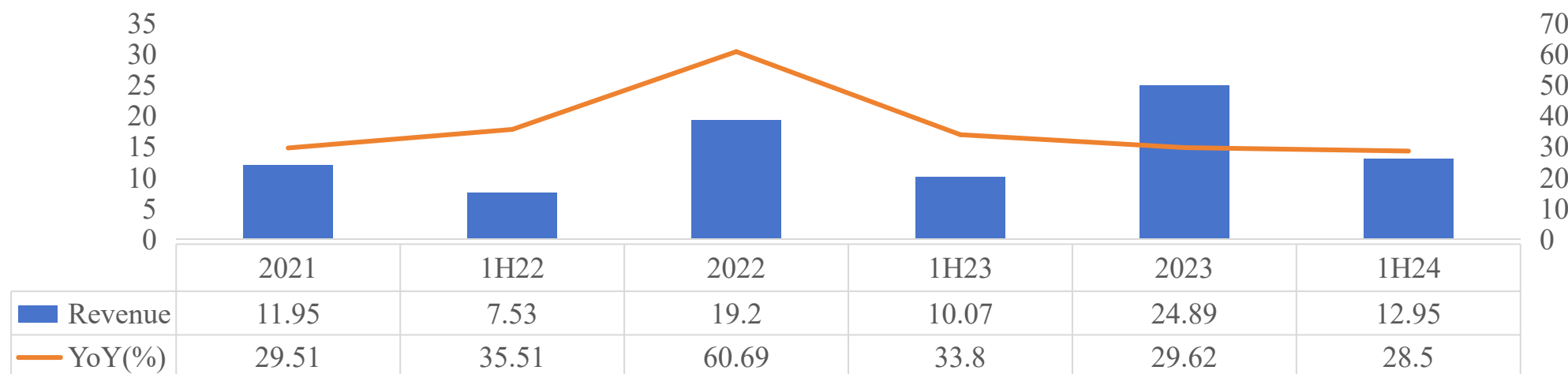


PART2 Results Highlights

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Total revenue quadrupled in three years, 2022 by the DLE successive delivery acceptance of the positive contribution of the year-on-year growth rate as high as 61%. After 2023 , it returned to the 30% growth rate.

Revenue(100M/CNY)&YoY(%)

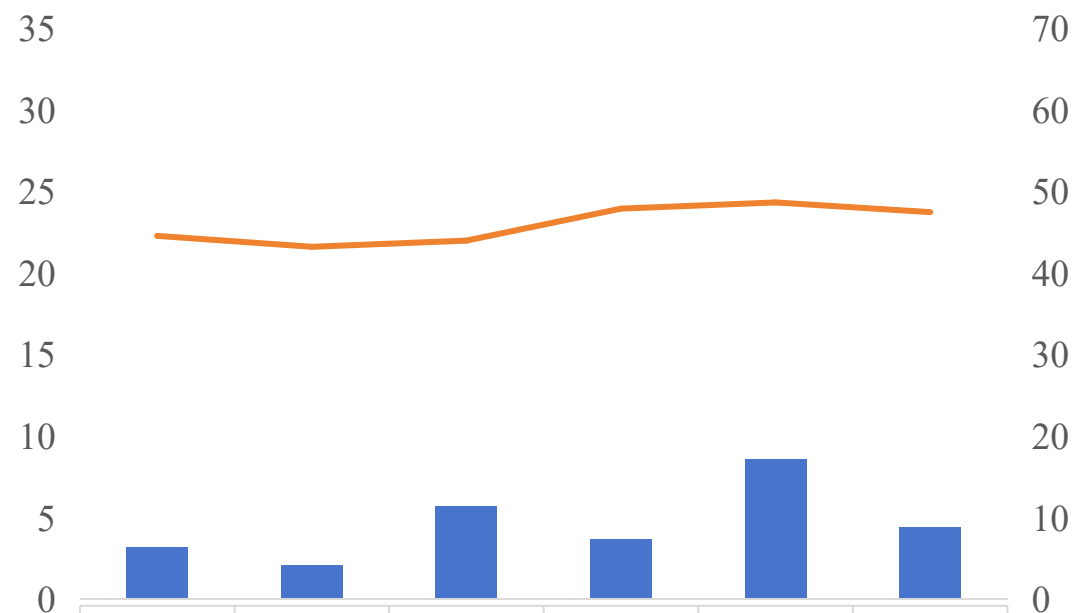




Gross Profit & Gross Profit Margin



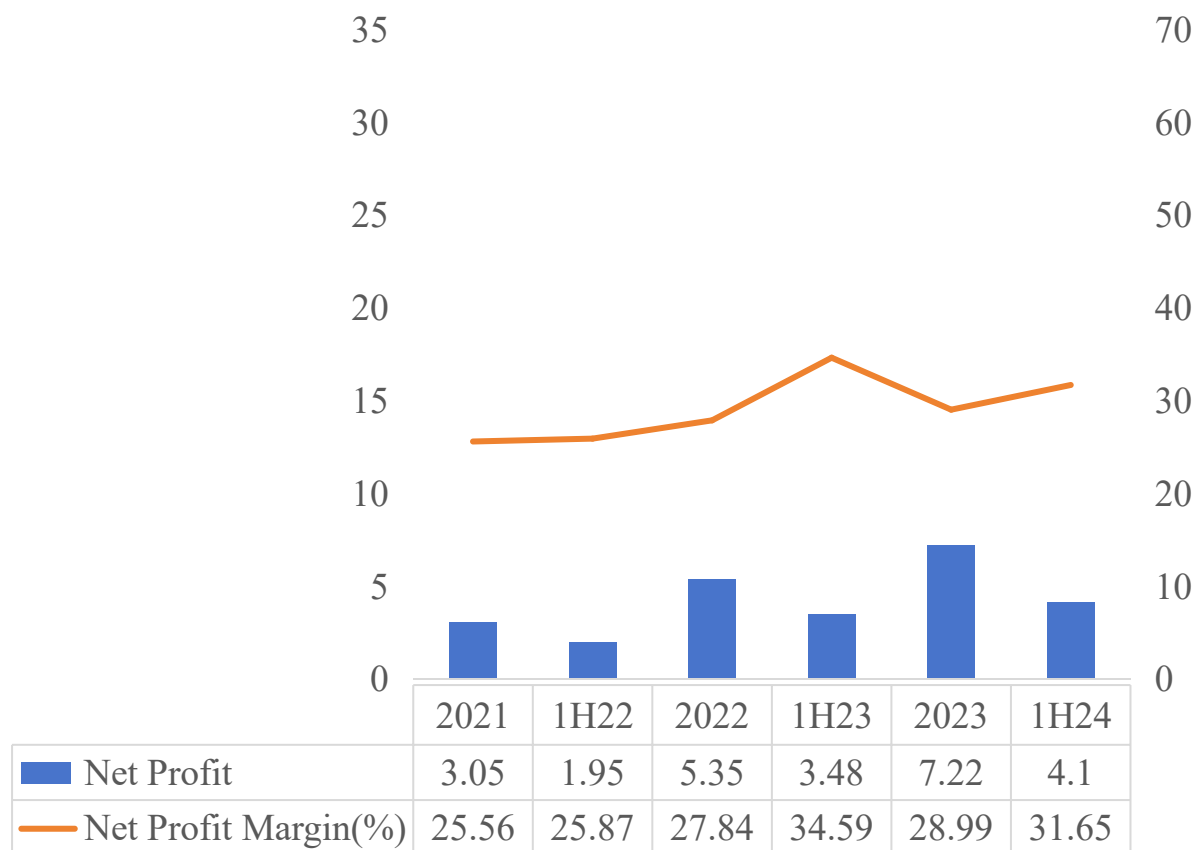
The company's gross profit continued to climb, and the consolidated gross profit margin was close to 50%, maintaining a high level. On the one hand, this is due to the faster growth rate and increased share of high gross profit areas such as life sciences and metal resources; on the other hand, it is also due to the refinement of production and the strengthening of cost control.

Gross Profit(100M/CNY)&Gross Profit Margin (%)



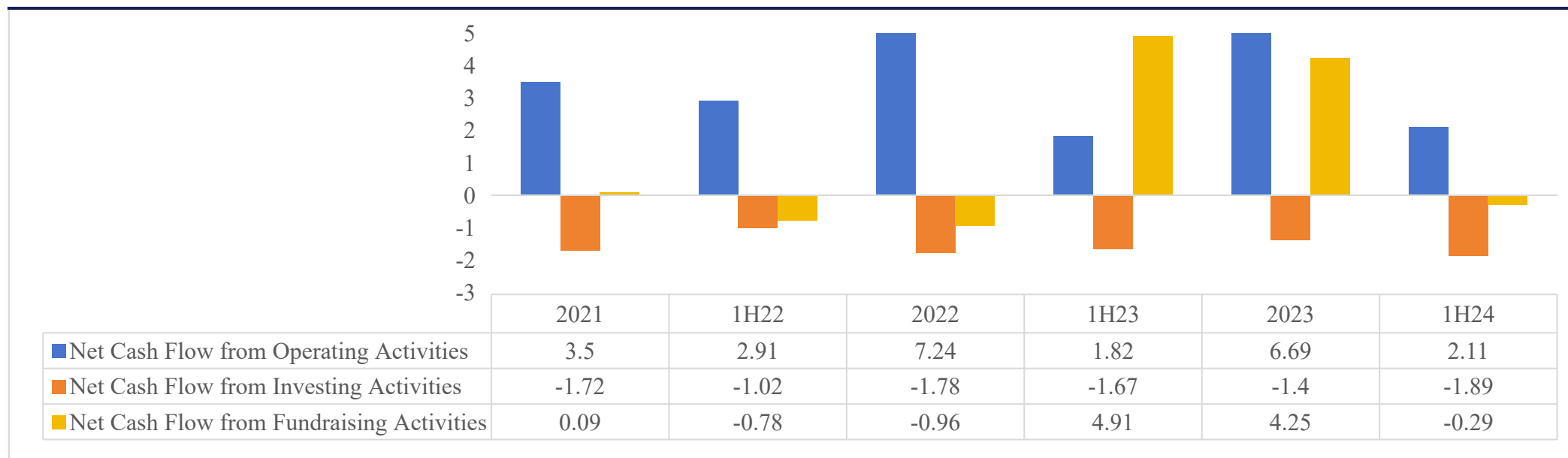
| | | | | | | |
|--|-------|-------|-------|-------|-------|-------|
|  Gross Profit | 3.21 | 2.08 | 5.73 | 3.72 | 8.63 | 4.46 |
|  Gross Profit Margin(%) | 44.57 | 43.23 | 43.99 | 47.91 | 48.67 | 47.48 |

Net Profit(100M/CNY)&Net Profit Margin (%)



Net Profit & Net Profit Margin

The Company's net profit continued to climb and its net profit margin also improved to over 30%. The Company has continued to improve its cost control and revenue management, and has high profitability and market competitiveness.



Net Cash Flow from Operating Activities

Net cash flow from operating activities showed some volatility over the three-year period, but overall remained at a relatively healthy level.



Net Cash Flow from Investing Activities

The Company makes scientific decisions and prudent investments to expand business scale, enhance production capacity and carry out technological optimization and upgrading.



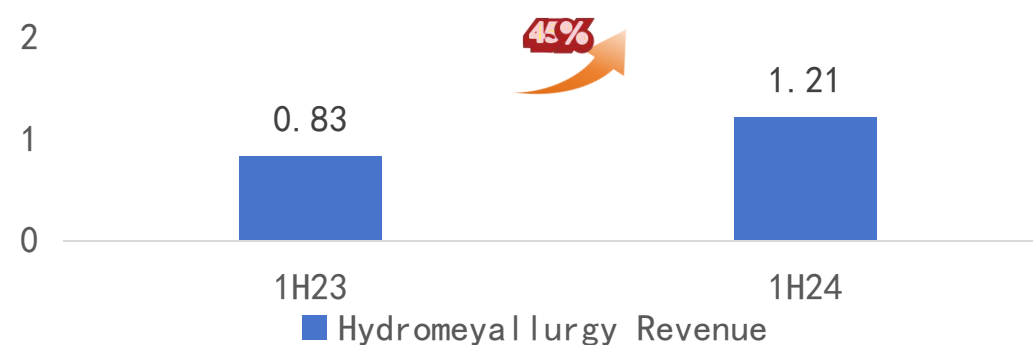
Net Cash Flow from Fundraising Activities

The Company adjusts its financing strategy at the right time and opportunity according to the strategic development needs and market conditions, and has good financing and debt-servicing ability.

■ Hydrometallurgy

| | 1H2024 (100M/CNY) | 1H2023 (100M/CNY) | YoY |
|-------------------------|----------------------|----------------------|-----|
| Hydrometallurgy Revenue | 1.21 | 0.83 | 45% |

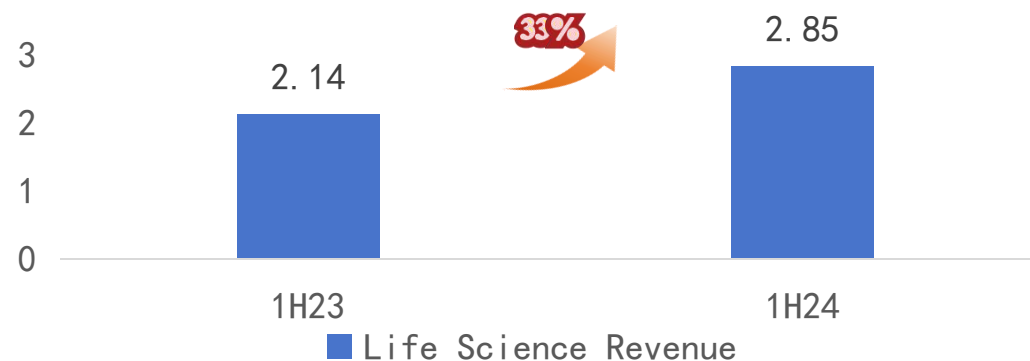
Up to 1H24, the total capacity of Li₂CO₃/LiOH was nearly 100,000 tons. In addition, the market price of gallium and uranium has risen relative to the same period last year, and the industry of gallium and uranium maintains a high degree of prosperity.



■ Life Science

| | 1H2024 (100M/CNY) | 1H2023 (100M/CNY) | YoY |
|----------------------|----------------------|----------------------|-----|
| Life Science Revenue | 2.85 | 2.14 | 33% |

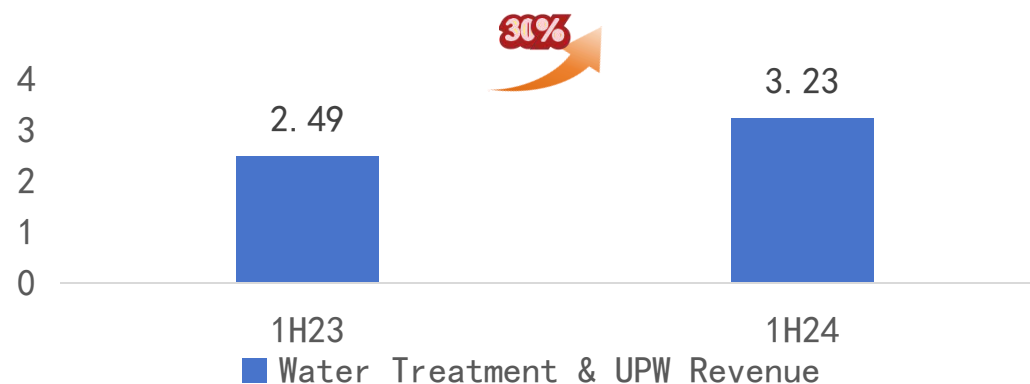
Benefited from the growth of downstream GLP-1 peptide drug sales, life sciences products maintain a high growth rate. With high-volume, high-quality production capacity and stable supply, Sunresin continues to be the leading resin supplier in the peptide field.



■ Water Treatment & UPW

| | 1H2024 (100M/CNY) | 1H2023 (100M/CNY) | YoY |
|-------------------------------|----------------------|----------------------|-----|
| Water Treatment & UPW Revenue | 3.23 | 2.49 | 30% |

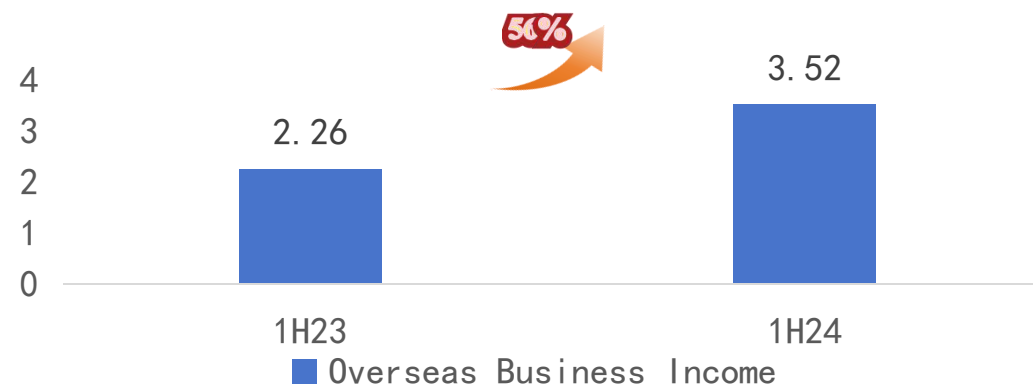
Sunresin has met the strict requirements of electronic grade manufacturing. The panel business has promoted the localization of resins. High-end drinking water market penetration rate has increased continuously. UPW has also developed further.



■ Overseas Business

| | 1H2024 (100M/CNY) | 1H2023 (100M/CNY) | YoY |
|--------------------------|----------------------|----------------------|-----|
| Overseas Business Income | 3.52 | 2.26 | 56% |

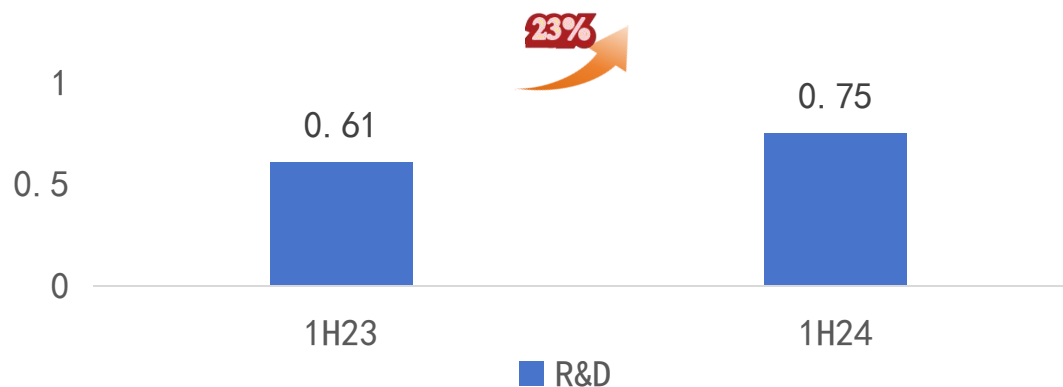
1H24, Overseas Business performs well. Life sciences, water treatment and other markets increased international influence, overseas business grew at a high rate.



■ R&D Expense

| | 1H2024 (100M/CNY) | 1H2023 (100M/CNY) | YoY |
|-------------|----------------------|----------------------|-----|
| R&D Expense | 0.75 | 0.61 | 23% |

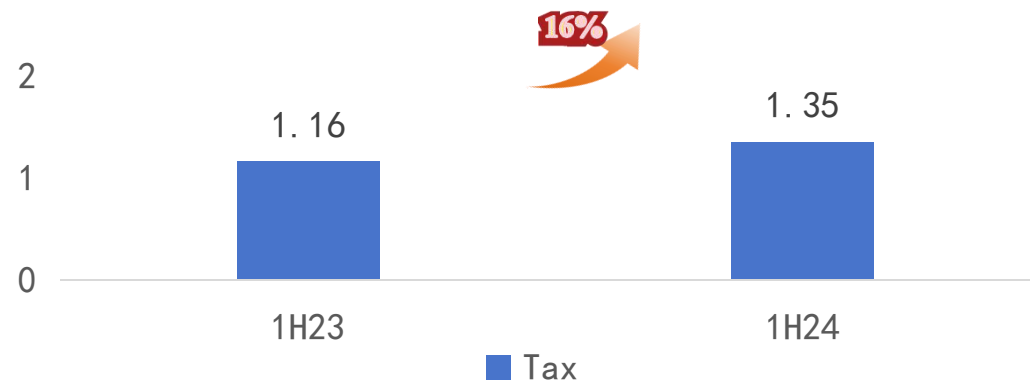
1H24, Sunresin continued to strengthen the investment in R&D Expense, and innovation has achieved a number of results.



■ Tax

| | 1H2024 (100M/CNY) | 1H2023 (100M/CNY) | YoY |
|-----|----------------------|----------------------|-----|
| Tax | 1.35 | 1.16 | 16% |

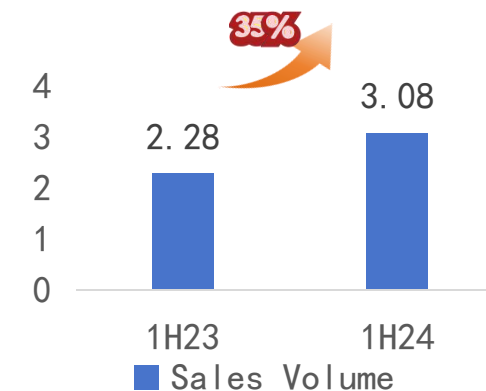
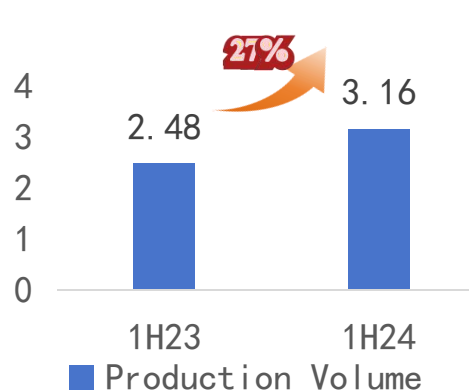
1H24, Sunresin actively undertook the tax obligations, reflecting social responsibility.



■ Production and Sales Volume

| | 1H2024 (10000t) | 1H2023 (10000t) | YoY |
|-------------------|--------------------|--------------------|-----|
| Production Volume | 3.16 | 2.48 | 27% |
| Sales Volume | 3.08 | 2.28 | 35% |

1H24, downstream demand increased, production capacity has been released, production and sales further improved.





PART3 Financials

■ Balance Sheet Summary(100M/CNY)

| | 2024-06-30 | 2023-12-31 | 2023-06-30 | 2022-12-31 | 2022-06-30 | 2021-12-31 | 2021-06-30 |
|--|------------|------------|------------|------------|------------|------------|------------|
| Current Assets | 44.61 | 42.31 | 39.18 | 31.90 | 26.56 | 19.15 | 14.90 |
| Fixed Assets | 6.70 | 6.97 | 7.40 | 7.51 | 6.13 | 6.42 | 6.53 |
| Cash and Cash Equivalents (By Currency) | 8.63 | 11.89 | 9.44 | 7.07 | 4.70 | 2.38 | 2.60 |
| Accounts Payable | 7.55 | 6.22 | 4.69 | 4.48 | 4.40 | 2.82 | 3.28 |
| Total Assets | 59.68 | 56.95 | 53.12 | 45.63 | 38.48 | 31.05 | 27.60 |
| YoY (%) | 12.35 | 24.59 | 38.03 | 46.97 | 39.40 | 21.60 | 12.70 |
| Current Liabilities | 18.25 | 17.13 | 17.45 | 17.09 | 14.13 | 8.17 | 6.56 |
| Contract Liabilities | 8.53 | 8.39 | 9.98 | 9.37 | 7.85 | 3.93 | 2.07 |
| Total Liabilities | 23.89 | 22.39 | 22.39 | 18.26 | 16.02 | 10.05 | 8.55 |
| YoY (%) | 6.71 | 22.61 | 39.73 | 81.66 | 87.46 | 14.22 | -14.01 |
| Shareholders' Equity | 35.79 | 34.56 | 30.73 | 27.36 | 22.46 | 20.99 | 19.06 |
| Equity Attributable to Parent Company Shareholders | 35.54 | 34.37 | 30.56 | 27.22 | 22.31 | 20.82 | 18.85 |
| YoY (%) | 16.30 | 26.26 | 36.97 | 30.74 | 18.35 | 26.16 | 31.90 |
| Unallocated Profit | 19.90 | 18.73 | 15.50 | 14.19 | 11.19 | 10.16 | 8.76 |

■ Income Statement Summary(100M/CNY)

| | 2024-06-30 | 2023-12-31 | 2023-06-30 | 2022-12-31 | 2022-06-30 | 2021-12-31 | 2021-06-30 |
|--|------------|------------|------------|------------|------------|------------|------------|
| Total Operating Revenue | 12.95 | 24.89 | 10.07 | 19.20 | 7.53 | 11.95 | 5.56 |
| YoY (%) | 28.50 | 29.62 | 33.80 | 60.69 | 35.51 | 29.51 | 27.60 |
| Total Operating Costs | 8.49 | 16.26 | 6.35 | 13.47 | 5.45 | 8.74 | 4.01 |
| Operating Income | 4.46 | 8.18 | 3.73 | 6.12 | 2.07 | 3.47 | 1.61 |
| YoY (%) | 19.60 | 33.70 | 80.04 | 76.41 | 28.59 | 61.51 | 37.53 |
| Total Profit / Loss | 4.46 | 8.17 | 3.73 | 6.12 | 2.07 | 3.47 | 1.62 |
| YoY (%) | 19.61 | 33.63 | 80.13 | 76.29 | 27.62 | 60.05 | 39.08 |
| Net Profit | 4.10 | 7.22 | 3.48 | 5.35 | 1.95 | 3.05 | 1.48 |
| YoY (%) | 17.57 | 34.88 | 78.90 | 75.02 | 31.45 | 56.21 | 31.03 |
| Net Profit Attributable to Parent Company Shareholders | 4.04 | 7.17 | 3.46 | 5.38 | 1.97 | 3.11 | 1.50 |
| YoY (%) | 16.79 | 33.35 | 75.26 | 72.91 | 31.37 | 53.85 | 29.40 |
| Non-recurring Gains and Losses | 0.11 | -0.06 | 0.09 | 0.48 | 0.06 | 0.14 | 0.09 |
| Net Profit Attributable to Shareholders of the Parent Company (after Non-recurring P&L) | 3.93 | 7.23 | 3.37 | 4.90 | 1.91 | 2.96 | 1.41 |
| YoY (%) | 16.41 | 47.63 | 76.52 | 65.27 | 35.52 | 63.08 | 26.57 |
| R&D Expenditure | 0.75 | 1.47 | 0.61 | 1.21 | 0.57 | 0.77 | 0.36 |
| EBIT | 4.40 | 8.34 | 3.29 | 5.17 | 1.82 | 3.38 | 1.69 |
| EBITDA | 5.13 | 9.63 | 3.93 | 6.22 | 2.33 | 4.36 | 2.16 |

■ Cash Flow Statement Summary(100M/CNY)

| | 2024-06-30 | 2023-12-31 | 2023-06-30 | 2022-12-31 | 2022-06-30 | 2021-12-31 | 2021-06-30 |
|--|------------|------------|------------|------------|------------|------------|------------|
| Cash Received from Sales of Goods and Services | 9.59 | 19.17 | 9.35 | 17.46 | 8.06 | 9.83 | 3.98 |
| Net Cash Flow from Operating Activities | 2.11 | 6.69 | 1.82 | 7.24 | 2.91 | 3.50 | 0.93 |
| Net Cash Flow from Investing Activities | -1.89 | -1.40 | -1.67 | -1.78 | -1.02 | -1.72 | -0.49 |
| Net Cash Flow from Fundraising Activities | -0.29 | 4.25 | 4.91 | -0.96 | -0.78 | 0.09 | 0.66 |
| Net Increase in Cash | -0.04 | 9.73 | 5.41 | 4.88 | 1.29 | 1.72 | 1.05 |
| EOP Cash Balance | 21.40 | 21.44 | 17.12 | 11.71 | 8.11 | 6.82 | 6.16 |
| Depreciation and amortization | 0.73 | 1.29 | 0.64 | 1.05 | 0.51 | 0.98 | 0.48 |

■ Key Ratios

| | 2024-06-30 | 2023-12-31 | 2023-06-30 | 2022-12-31 | 2022-06-30 | 2021-12-31 | 2021-06-30 |
|---|------------|------------|------------|------------|------------|------------|------------|
| Weighted ROE (%) | 11.11 | 23.12 | 11.66 | 22.63 | 8.97 | 16.43 | 8.77 |
| Diluted ROE after Non-recurring P&L (%) | 11.05 | 21.05 | 11.04 | 17.99 | 8.57 | 14.23 | 7.48 |
| ROE(TTM) | 21.81 | 20.86 | 22.45 | 19.75 | 16.04 | 14.93 | 12.53 |
| ROIC(%) | 10.43 | 21.68 | 11.01 | 21.32 | 8.39 | 14.28 | 7.67 |
| Gross Profit Margin (%) | 47.48 | 48.67 | 47.91 | 43.99 | 43.23 | 44.57 | 46.75 |
| Net Profit Margin (%) | 31.65 | 28.99 | 34.59 | 27.84 | 25.87 | 25.56 | 26.67 |
| Asset-liability Ratio (%) | 40.03 | 39.32 | 42.15 | 40.03 | 41.64 | 32.38 | 30.97 |

■ Per Share Indicators

| | 2024-06-30 | 2023-12-31 | 2023-06-30 | 2022-12-31 | 2022-06-30 | 2021-12-31 | 2021-06-30 |
|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Basic EPS | 0.80 | 1.43 | 0.69 | 1.63 | 0.60 | 1.43 | 0.69 |
| Diluted EPS | 0.80 | 1.41 | 0.68 | 1.60 | 0.59 | 1.42 | 0.69 |
| EPS (Diluted) | 0.80 | 1.42 | 0.69 | 1.60 | 0.60 | 1.41 | 0.68 |
| Basic EPS after Non-recurring P&L | 0.78 | 1.44 | 0.67 | 1.48 | 0.58 | 1.37 | 0.65 |
| BPS | 6.69 | 6.46 | 5.73 | 8.12 | 6.72 | 9.39 | 8.50 |
| Sales Per Share (SPS) | 2.56 | 4.93 | 2.00 | 5.73 | 2.28 | 5.44 | 2.53 |
| Operating Cash Flow Per Share (OCFPS) | 0.42 | 1.33 | 0.36 | 2.16 | 0.88 | 1.59 | 0.42 |
| Cash Flow Per Share (CFPS) | -0.01 | 1.93 | 1.08 | 1.46 | 0.39 | 0.78 | 0.48 |
| FCFF Per Share | 0.44 | 1.10 | 0.23 | 2.00 | 0.67 | 0.31 | 0.73 |
| P/E (TTM) | 28.03 | 36.11 | 53.10 | 60.28 | 66.11 | 78.43 | 70.73 |
| P/B (MRQ) | 6.15 | 8.75 | 10.93 | 9.64 | 9.37 | 10.93 | 10.07 |
| P/S (TTM) | 8.05 | 11.55 | 15.02 | 15.74 | 16.29 | 19.11 | 17.12 |



PART4 Q&A

Q1: What are the reasons for the company's adsorption and separation materials consolidated gross margins to remain high? Will this trend be maintained?

A1: The company's comprehensive gross profit margin of 47.5%, of which the adsorbent material gross profit margin of 51.0%, an increase of 1.5%; gross profit margin changes mainly stem from the optimization of the product structure; life sciences, metals and other high gross profit product growth rate significantly led to the improvement of the overall gross profit margin. The development in recent years has shown that the company's base position is very solid, with strong customer adhesion and business tenacity, and the revenue growth rate is maintained at about 30%. The company's basic business organism is healthy, coupled with the optimization of the structure of high-margin products, the company will continue to develop healthily in the future.

Q2: What is the progress of the company's lithium extraction project with Guoneng Mining?

A2: Guoneng Mining is the company's annual key project, in order to ensure stable and good operation of the project, the company builds production lines in batches, and at present, there are more than 50 technical and production personnel at the project site in Ali, Tibet. The company will seize the golden period of the development of lithium extraction from salt lake project in Tibet, and seize the project commissioning trial. Strive to overcome the challenges of high altitude, construction and operation difficulties, and adopt environmentally friendly technology, and strive to build the first industrial-grade “DLE” benchmark project in Tibet.

Q3: Is there any pressure on the company's capacity and is the new capacity positioned? What are the future capex plans?

A3: In the first half of 2024, the company's production and sales volume increased significantly, the production of adsorption and separation materials reached 31,600 tons, a year-on-year increase of 27%; sales reached 30,800 tons, a year-on-year increase of 35%. 2024 July, the company held a shareholders' general meeting to consider and pass the Y motion, plans to build 20,000 tons of high-end material production capacity, to meet the needs of high-end application market expansion, covering ultra-pure water, food and other high-value-added species Adsorption and separation materials. In addition, the company also combined with the company's strategy and macro-environmental changes, the production capacity of multiple areas of integrated planning.



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