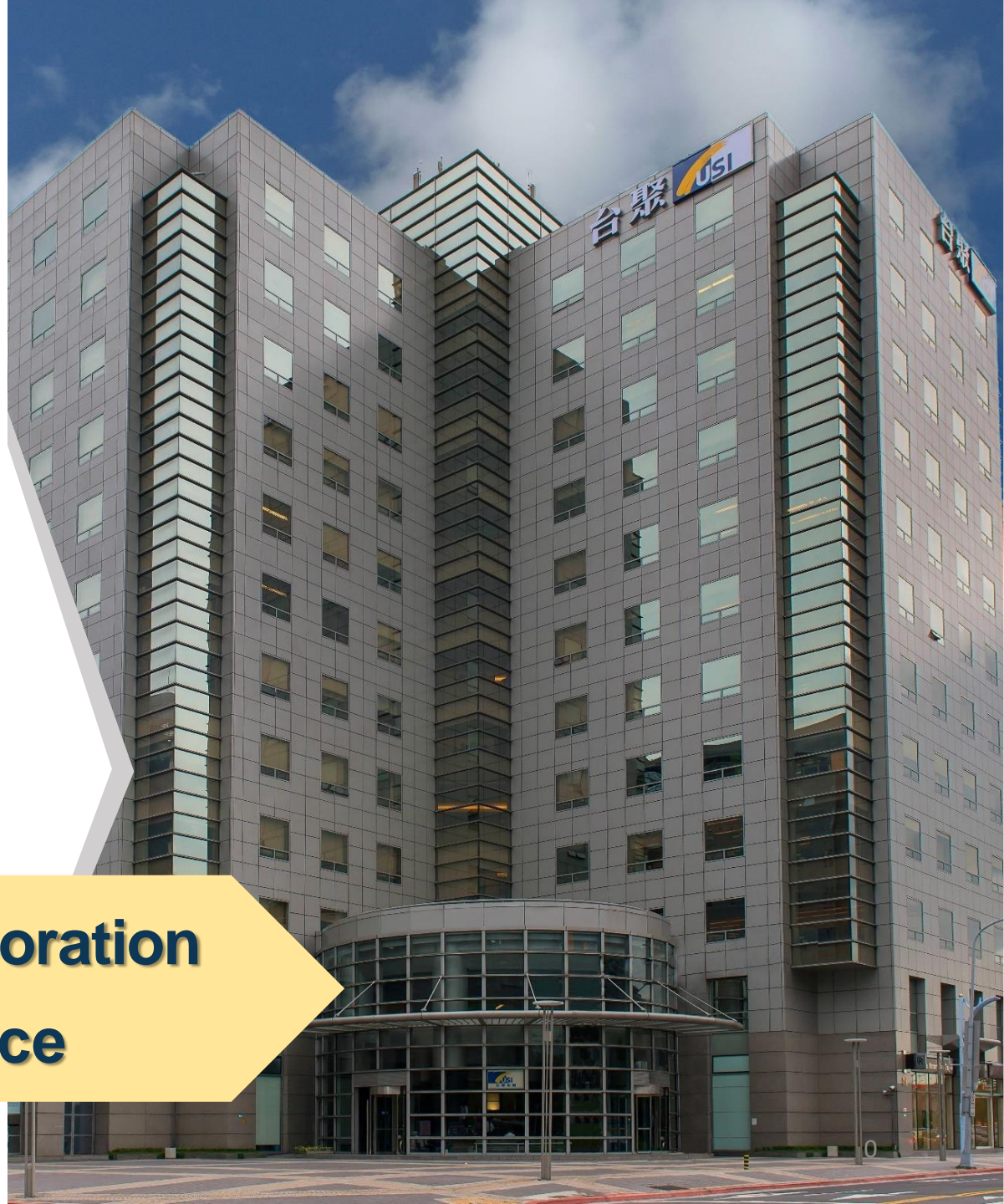


2024
05/14



台聚集團

Asia Polymer Corporation Investor Conference





Disclaimer



This presentation includes the Company's current information and any developments or adjustments thereof will be published according to laws, regulations or rulings. The Company is not obligated to update or revise this presentation.

The information in this presentation is not for investment advices.

Contents

01

Brief Introduction to APC

02

Business Review and Outlook

03

Finance Information

04

Q & A

Contents

01

Brief Introduction to APC

02

Business Review and Outlook

03

Finance Information

04

Q & A

APC

**Reported By: Dave Tseng
(Sales Director)**



Brief Introduction to APC



Established Date

Jan.25,1977

Capital

NT \$5,940M

No. of Employees

233 (2024.3.31)

Revenue(2023)

Individual : NT \$6,500M
Consolidated : NT \$6,700M

LDPE/EVA Plant

Production Facility

- 4 sets of High-Pressure autoclave production lines

Annual Capacity

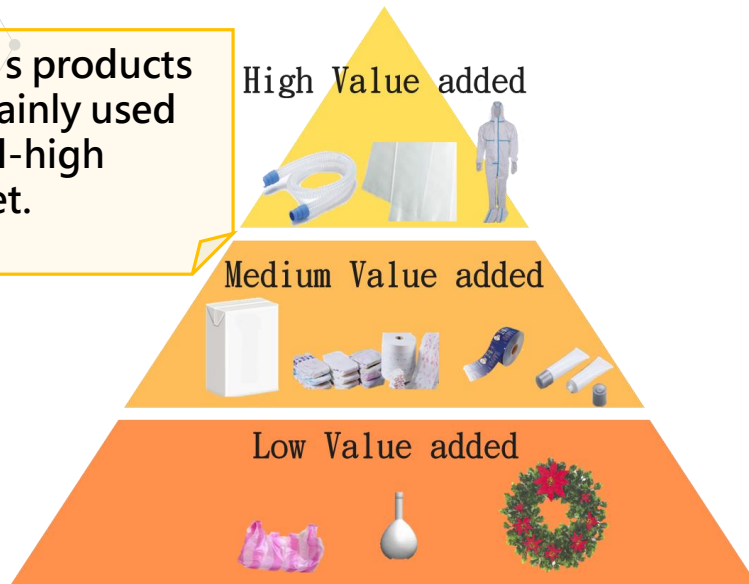
- Total at 150KMT

Main Products

- Low Density Polyethylene Resin (Lamination/Injection /Film Grades)
- Ethylene-Vinyl Acetate Copolymer Resin(High-Elastic Foaming/Extrusion Coating/PV/W&C Grades)

Differential/Tailor-made Products

APC's products are mainly used in mid-high market.



High-end applications

semiconductor packaging, low-gel protective film, medical device

Mid-range applications

food packaging, electronic packaging, medical supplies, cosmetic packaging

Low-end applications

carrying bag, garbage bag, hardware packaging, home accessories

In 2023, Taiwan LDPE demand was around 160 KT, and APC accounted for about 18% market share.

EVA major application



EVA Solar Grade



EVA Coating Grade



shoe's material

Contents

01

Brief Introduction to APC

02

Business Review and Outlook

03

Finance Information

04

Q & A

APC

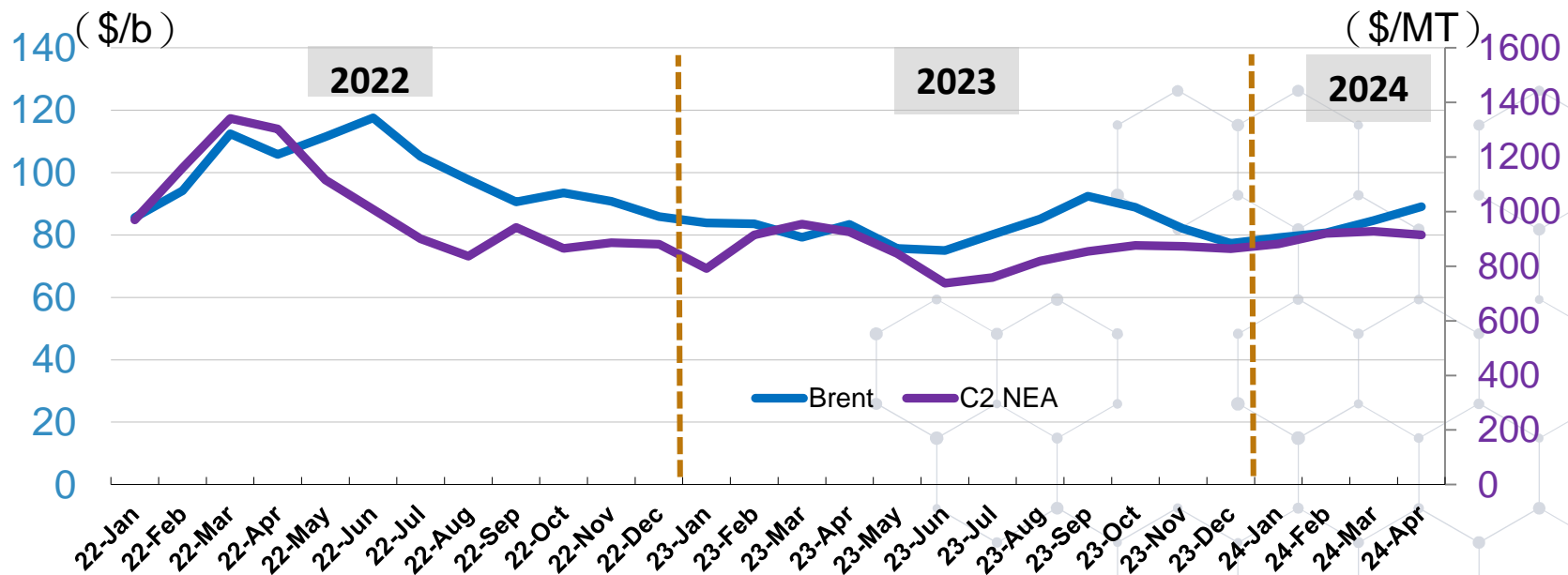
**Reported By: Dave Tseng
(Sales Director)**



Business Review and Outlook

Crude Oil / Ethylene Monomer Review

- After the Lunar New Year in 2023, the price of ethylene was stimulated by the lifted lockdown in China, which drove up the price. In Q2, due to the large supply of ethylene in the US and the Middle East, the price dropped. In Q3, owing to the rise of crude oil price, ethylene was also affected accordingly. It reversed upwards from US\$730/MT in early July. In Q4, ethylene mostly remained at US\$850-890/MT. However, due to the low water supply in the Panama Canal and the geographical influence of the Red Sea area, the overseas ethylene supply decreased significantly. The Asian spot price was also affected. The price began to rise slightly at the end of December and reached US\$955/MT by the end of February 2024. Overseas cargoes were expected to arrive in April and the price began to fall.

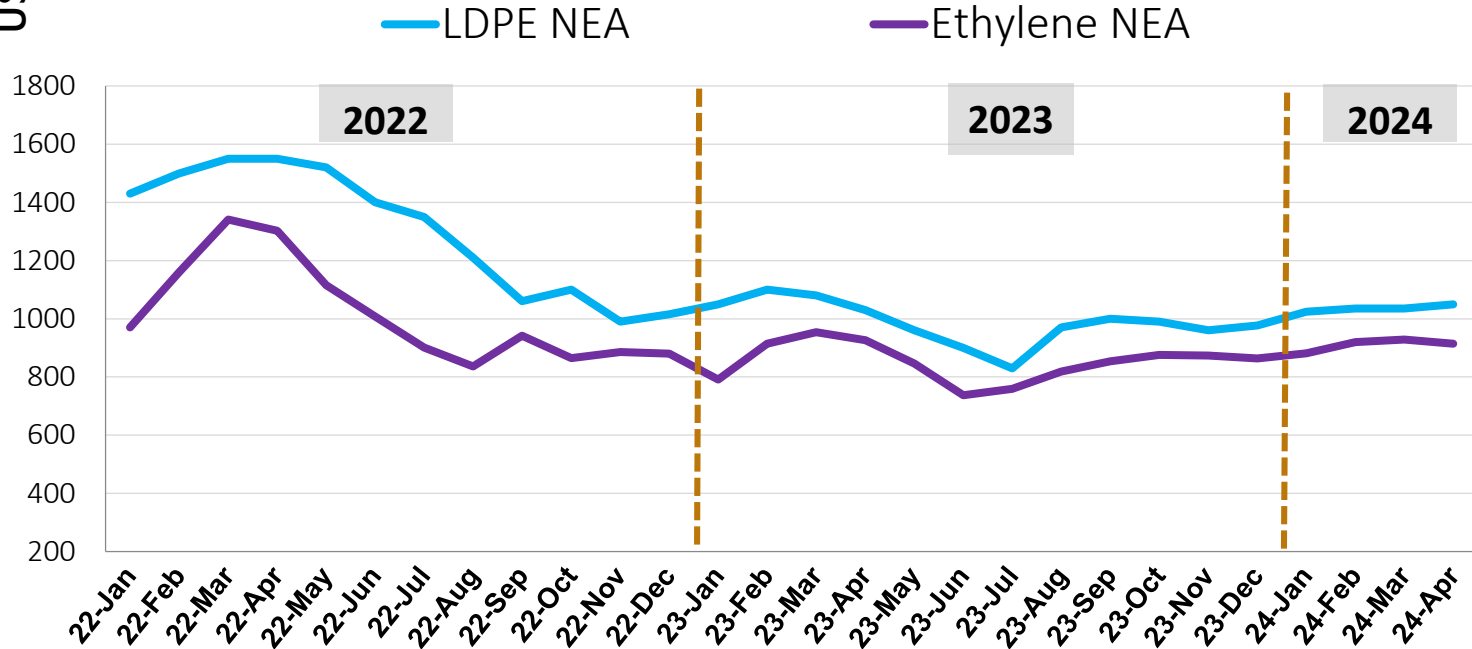


Source from : ICIS

PE Market Review

USD/MT

PE Price Trend



Source from: Platts /ICIS

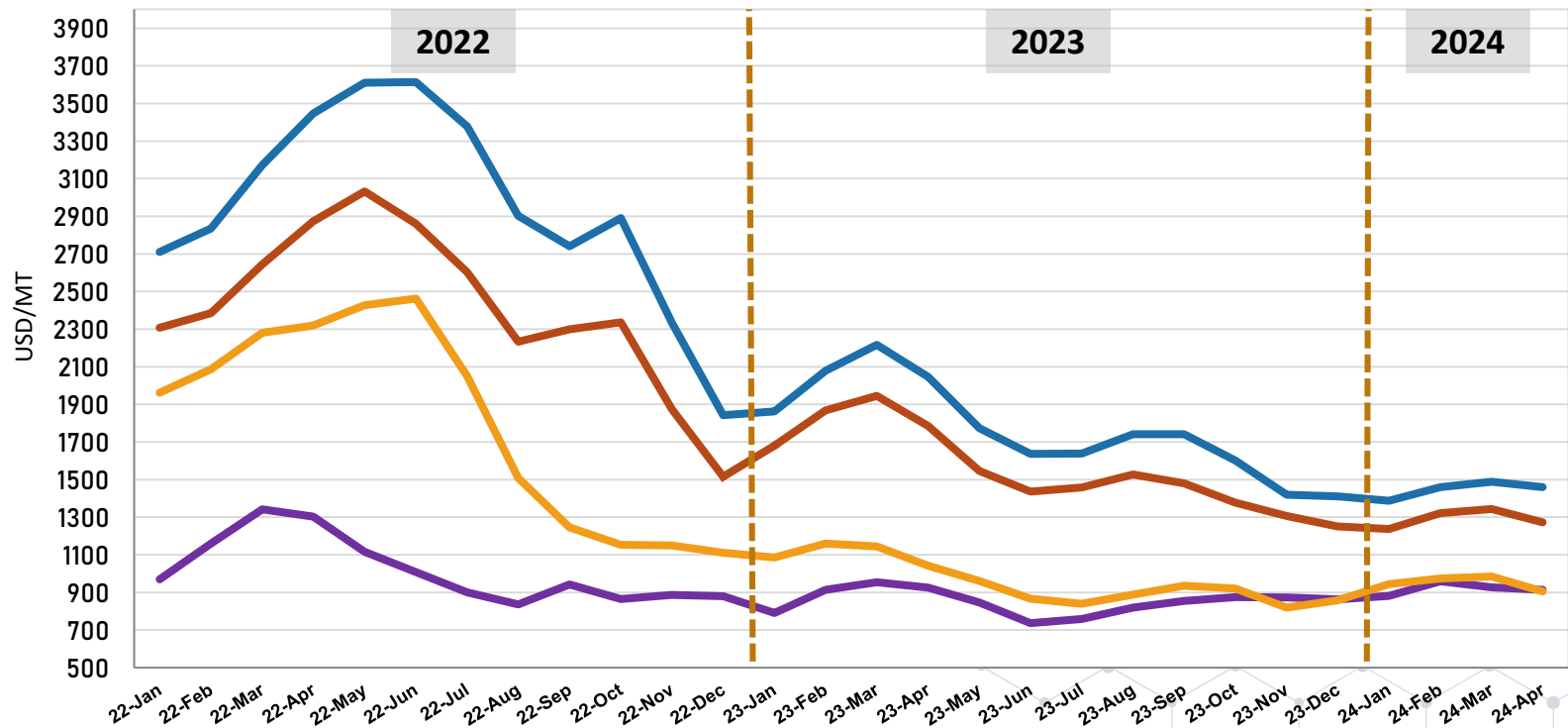
Business Review of 2023—LDPE

- The global economy continued being sluggish, economic recovery was slow, inflation affected consumption in end market, and PE downstream demand was weak.
- The new production capacity of PE was mainly for HDPE/LLDPE. The new production capacity with autoclave equipment was mostly for EVA production. The new production capacity of coating grade LDPE was rare.
- The demand and profit of EVA were better than that of LDPE. One production line was kept for LDPE manufacturing. The sales in 2023 increased by 1% compared with last year.

EVA Market Review

— EVA 14%~20% CFR CMP
— Ethylene CFR NEA

— EVA 22%~30% CFR NEA
— VAM



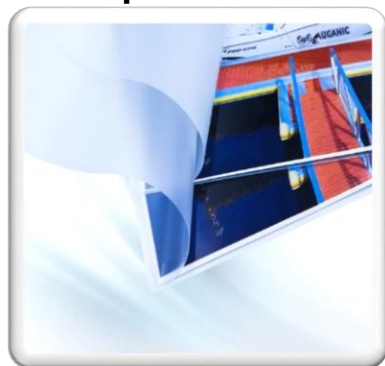
Source from: ICIS

Business Review of 2023—EVA

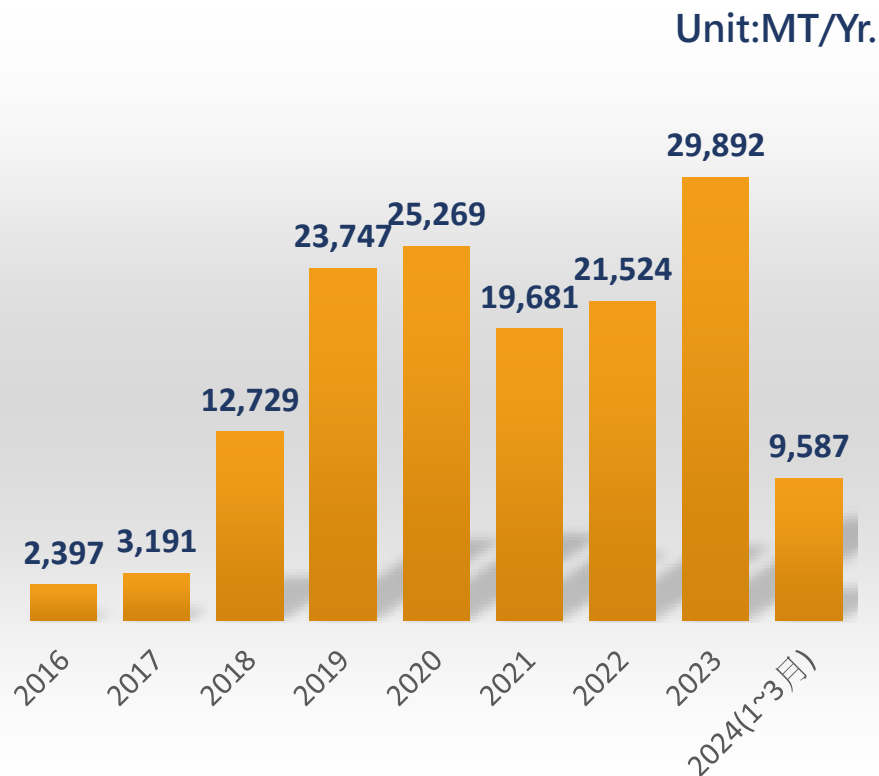
- At the beginning of the year, traders were actively entering the market to purchase materials. Coupled with the improvement in PV demand, the price rose from the low point. From late March, downstream demand was weak and the price turned downwards. In addition, EVA plant of Gulei Petrochemical was about to be put into production. The market sat on the fence and the price continued to fall. Gulei EVA was put into production in May. The market believed that the low point had been reached, and the willingness to enter the market to purchase materials increased. The price started to rise from the bottom in late July. In late September, the inventory of PV factories was high but the demand turned weak, thus the price began to fall. There was no improvement until the end of the year. The sales in 2023 decreased by 2% compared with last year.
- Lamination grade EVA is a major product to the Company. The manufacturers of lamination grade EVA are limited. Its price fluctuation is not as much as that of foaming and PV grades. Sales volume in 2023 increase by approximately 39% compared with last year which reached a record high.

Sales Volume of EVA Lami

**thermal
laminating
pouches**

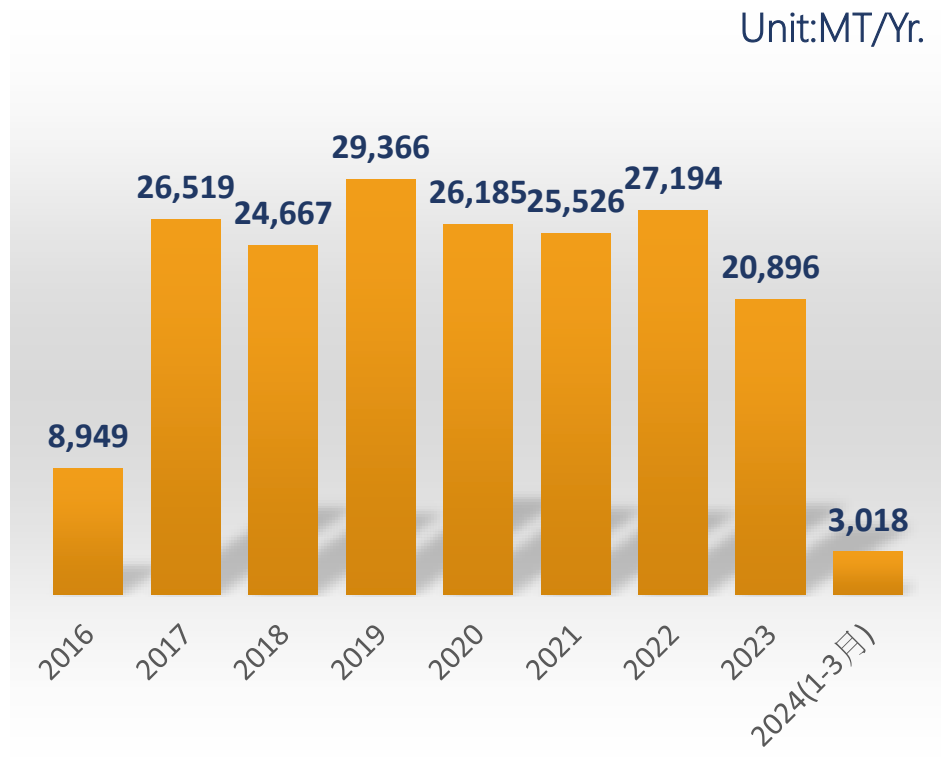
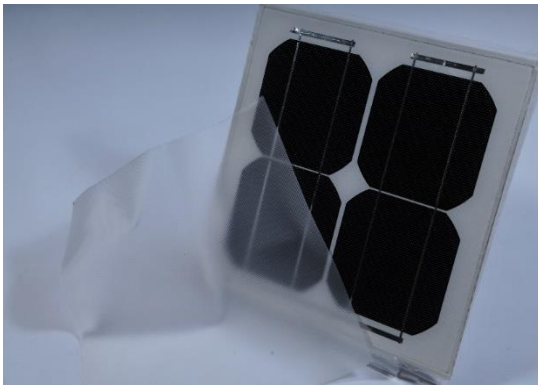


**pre-coated
thermal
lamination film**

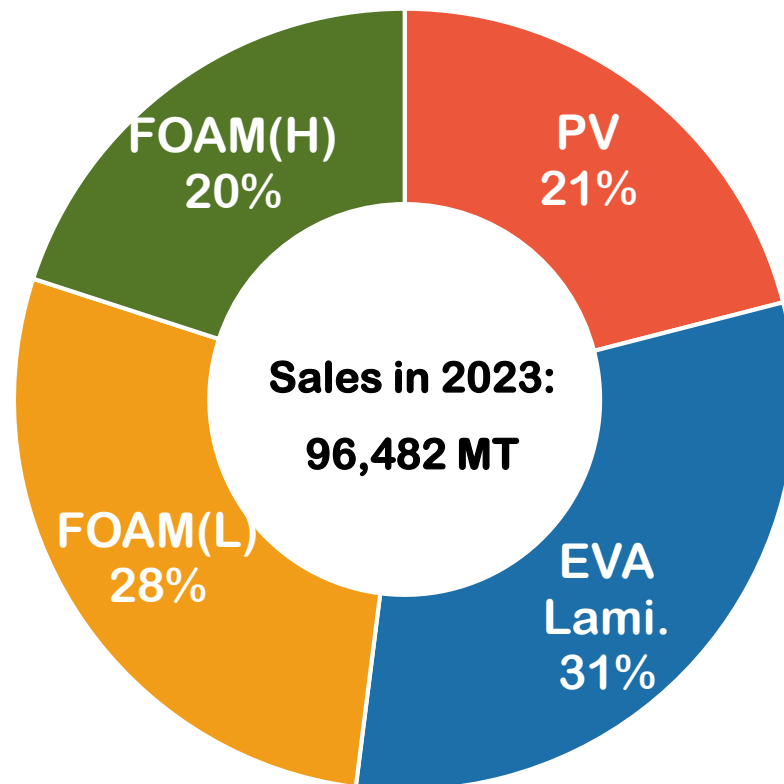
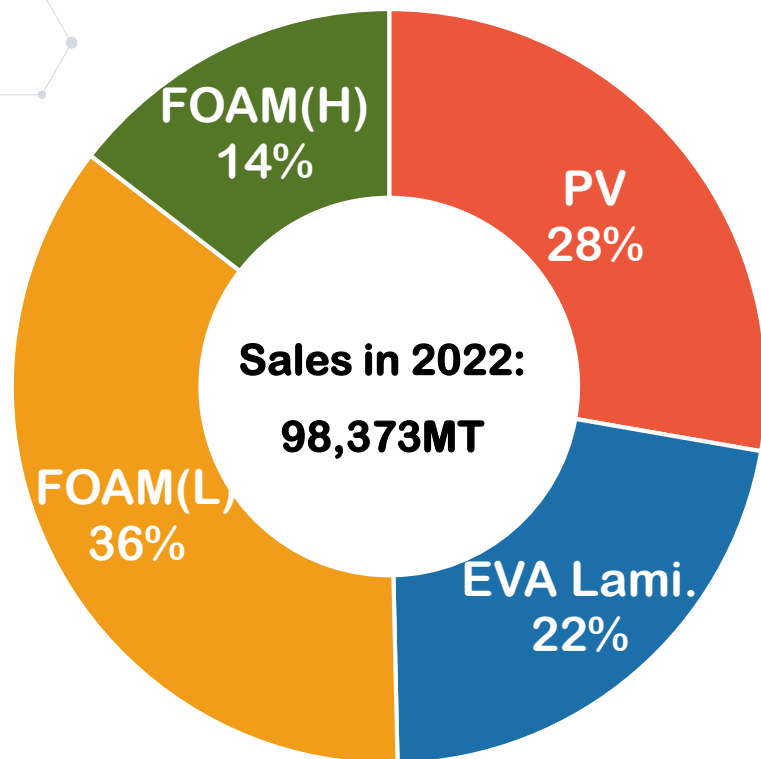


Sales Volume of EVA PV

PV film



APC's EVA Application Proportion

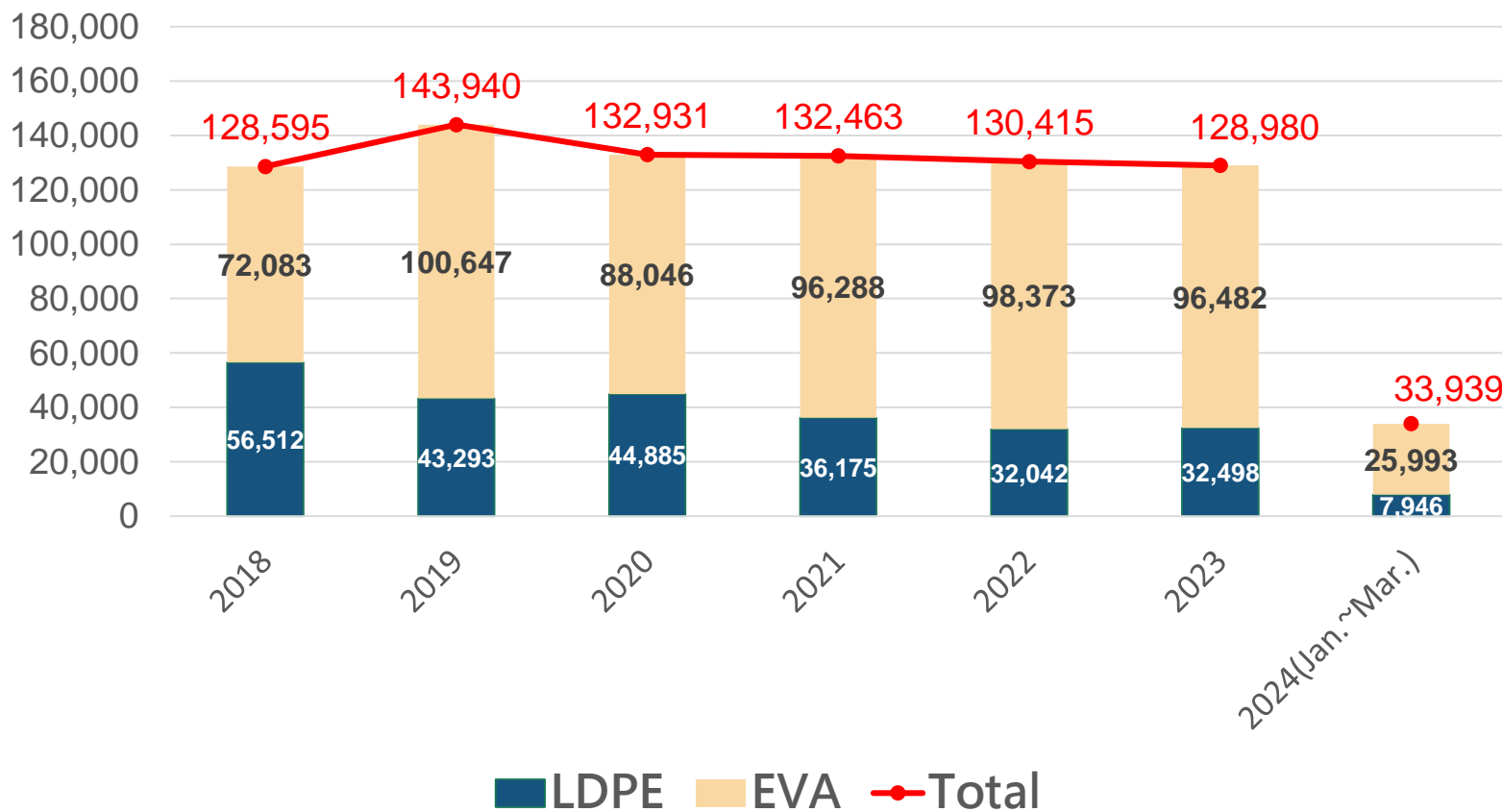


Operation Review : 2023 to Jan. – Mar. 2024

LDPE/EVA Sales Volume Comparison

Sales Volume (KMT)	2022	2023	2024 (Jan.~Mar.)
LDPE	32	33	8
EVA	98	96	26
Total	130	129	34

Sales Volume in Recent Six Years



Operation Outlook in H1

- **Crude oil :**

Frequent international geopolitics and wars caused oil prices to continue to rise in the first quarter. While the Israel-Hamas truce agreement is on-going, and the FED will not reduce interest rates in the second quarter, the global economic recovery is slow. It is difficult to maintain high oil prices.

- **Ethylene :**

The dry water of the Panama Canal caused freight rates to rise sharply. Cargoes in the US were unable to come to Asia, and unexpected shot-downs occurred in SEA which pushed up the ethylene price, reaching a high level of US\$955/MT at the end of February. Later, it was expected that overseas cargoes would begin to arrive in April, and the price began to fall. The rainy season in Panama is approaching, and ocean freight rates may steadily decline. Cargoes from the US resume coming to Asia, and the spot price of ethylene is expected to be weak.

- **VAM :**

Most equipment is undergoing maintenance, along with the new year stimulates the growth of PVA demand, which drive up prices significantly. With the completion of equipment maintenance, the stable new capacity production of 300 KMT VAM, and major EVA manufacturers are expected to focus on maintenance in April and May, supply is expected to be relatively loose.

Operation Outlook in H1

LDPE/EVA :

- For LDPE market, the international economic recovery is slow, and PE demand has not improved. The Company's LDPE is supplied mainly to the domestic market, so the demand is relatively stable.
- PV demand is still strong. China's newly installed capacity was 129 GW in 2023. It is an increase of 148% over the same period last . The installed capacity in 2024 is expected to maintain or grow slightly. The demand in PV industry is still the key to affecting the EVA market, but the market fluctuations are not expected to be huge.
- Coating grade EVA has higher entry barriers and limited supply manufacturers. The Company actively explores new coating grade markets outside of China. At present, the sales proportion outside China is about 20%. In addition, the Company flexibly adjusts the products mix based on the price difference between coating grade and foaming grade.

Contents

01

Brief Introduction to APC

02

Business Review and Outlook

03

Finance Information

04

Q & A

APC

**Reported By: David Chang
(Accounting Manager)**

Finance Information

Consolidated Statements of Income

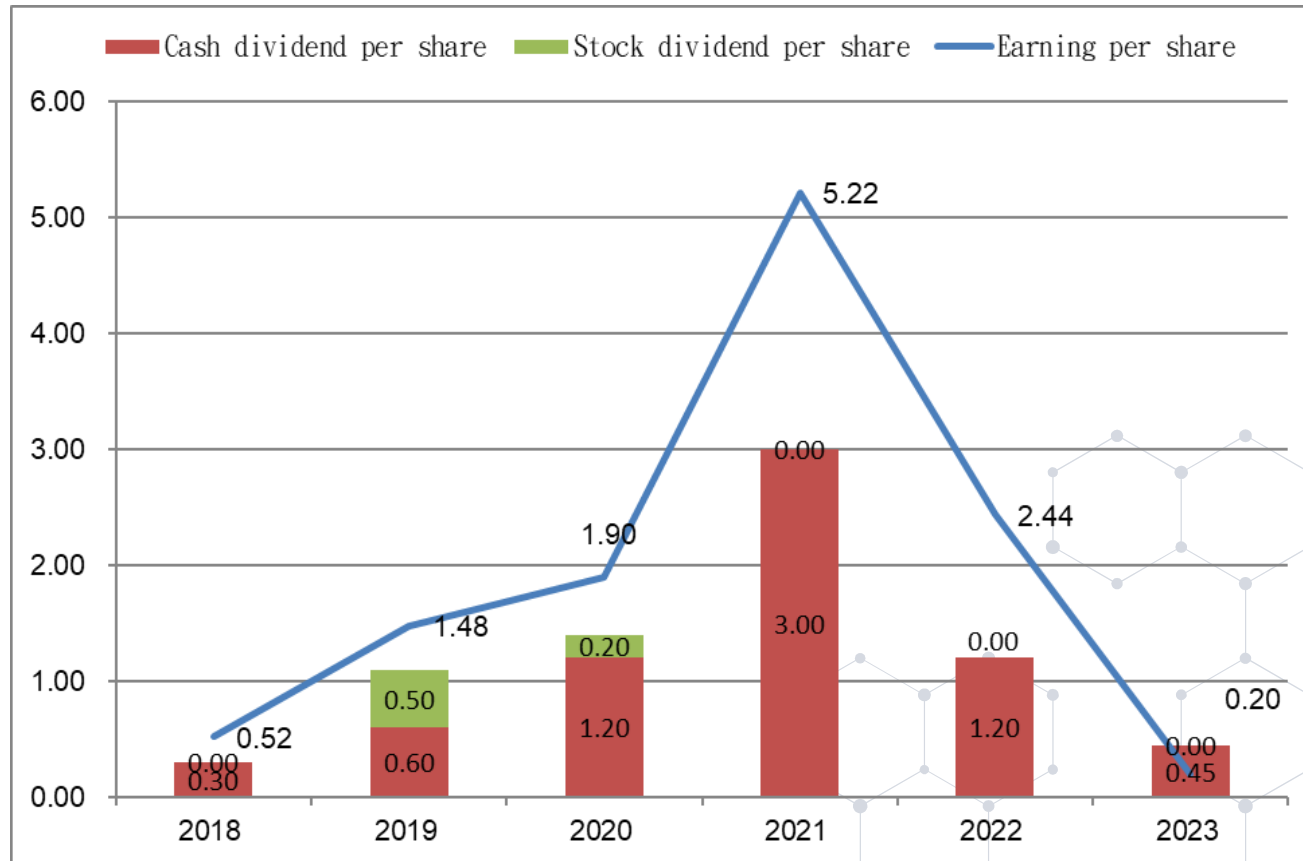
(In millions of NTD, except per share data)

	2024Q1	2023Q1	QoQ%	2023	2022	YoY%	2021
Sales	1,561	1,569	0%	6,717	9,815	-32%	9,566
Cost of goods sold	1,554	1,256	24%	5,571	6,582	-15%	5,968
Gross profit	8	313	-98%	1,146	3,233	-65%	3,598
gross profit ratio	0%	20%		17%	33%		38%
Operating expenses	61	60	3%	222	286	-22%	278
Operating income(loss)	(54)	253	-121%	924	2,947	-69%	3,319
operating income(loss) ratio	-3%	16%		14%	30%		35%
Non-operating income(loss)	(178)	(287)	-38%	(773)	(1,129)	-32%	419
Income(Loss) before income taxes	(232)	(33)	596%	151	1,818	-92%	3,738
Income taxes expense(benefit)	(44)	(8)	438%	35	370	-91%	637
Net income(loss)	(188)	(25)	647%	116	1,447	-92%	3,101
net income ratio	-12%	-2%		2%	15%		32%
Earnings(Loss) per share	(0.32)	(0.04)		0.20	2.44		5.22

Financial Ratio Analysis

	2024Q1	2023Q1	2023	2022	2021
Operating income(loss) margin(%)	(3.4)	16.1	13.8	30.0	34.7
Net income(loss) margin(%)	(12.0)	(1.6)	1.7	14.7	32.4
Debt ratio(%)	11	12	11	13	19
Current ratio(%)	327	285	324	244	211
Quick ratio(%)	254	229	243	199	173
Accounts receivable turnover days	23	48	40	46	41
Inventory turnover days	33	40	39	31	27

EPS vs DPS



Contents

01

Brief Introduction to APC

02

Business Review and Outlook

03

Finance Information

04

Q & A



Thanks for attending and kind support



Company Website : <http://www.apc.com.tw>

