

2024

11/27



台聚集團

# Asia Polymer Corporation Investor Conference





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# 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**

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**Capital**

**NT \$5,940M**

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**No. of Employees**

**234 (2024.10.31)**

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**Revenue(2023)**

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

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# LDPE/EVA Plant

## Production Facility

- 4 sets of High-Pressure autoclave production lines

## Annual Capacity

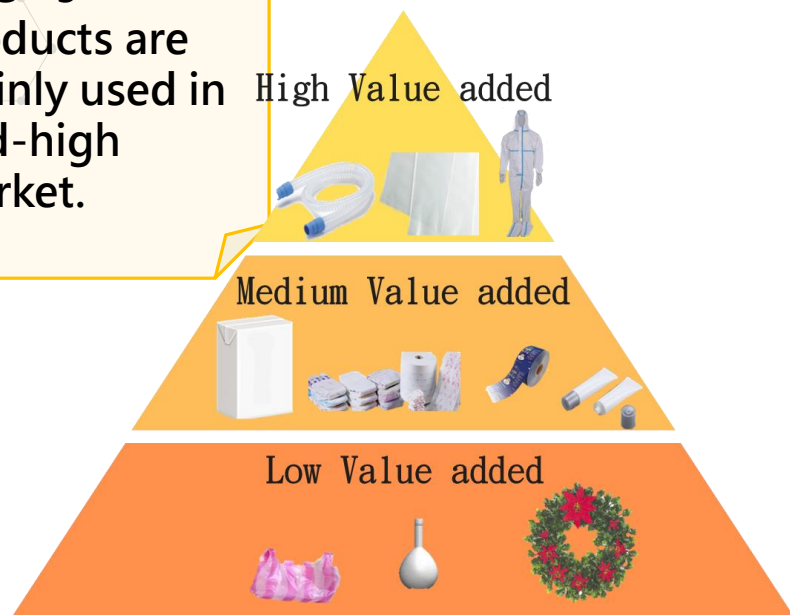
- Total at 150KMT

## 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 2024 Q1~Q3, Taiwan LDPE demand was around 120 KT, and APC accounted for about 20% market share.



# APC 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

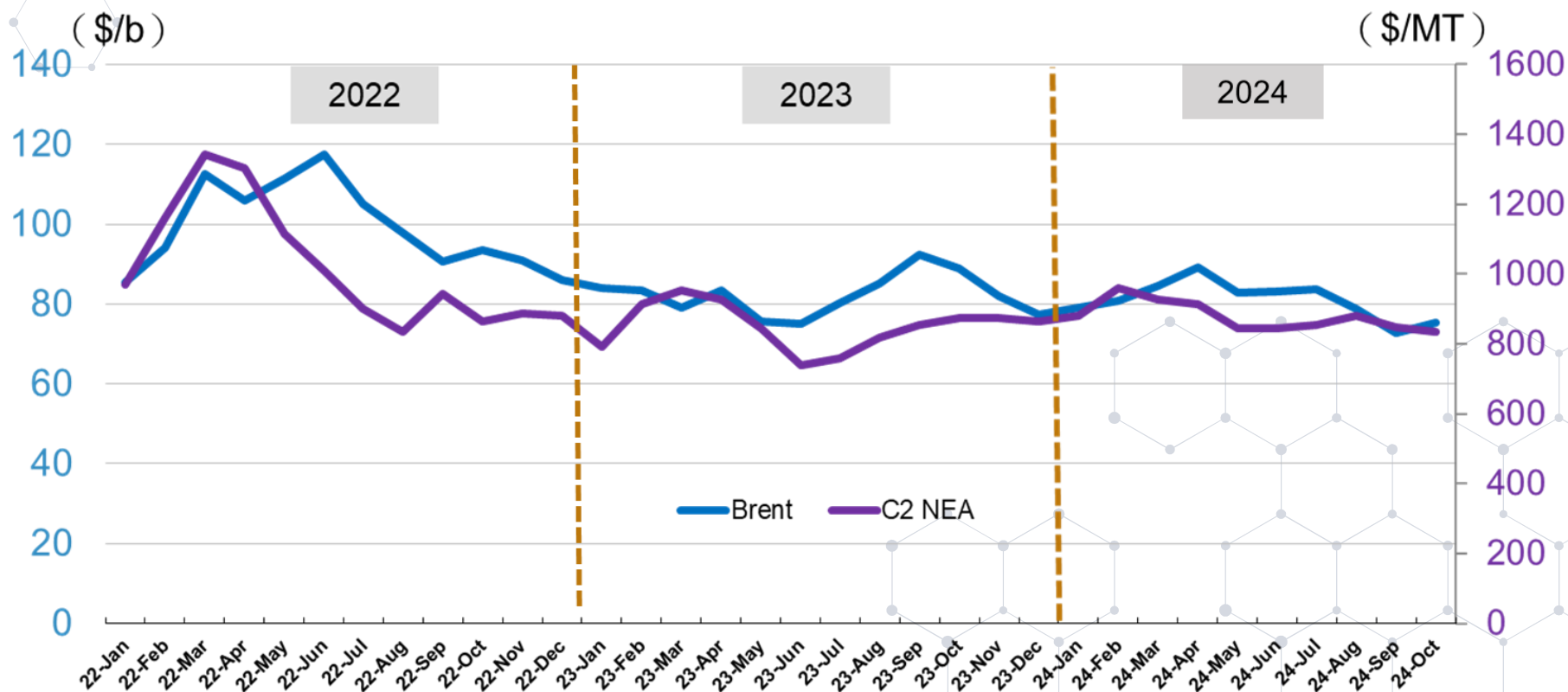
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**Reported By: Dave Tseng  
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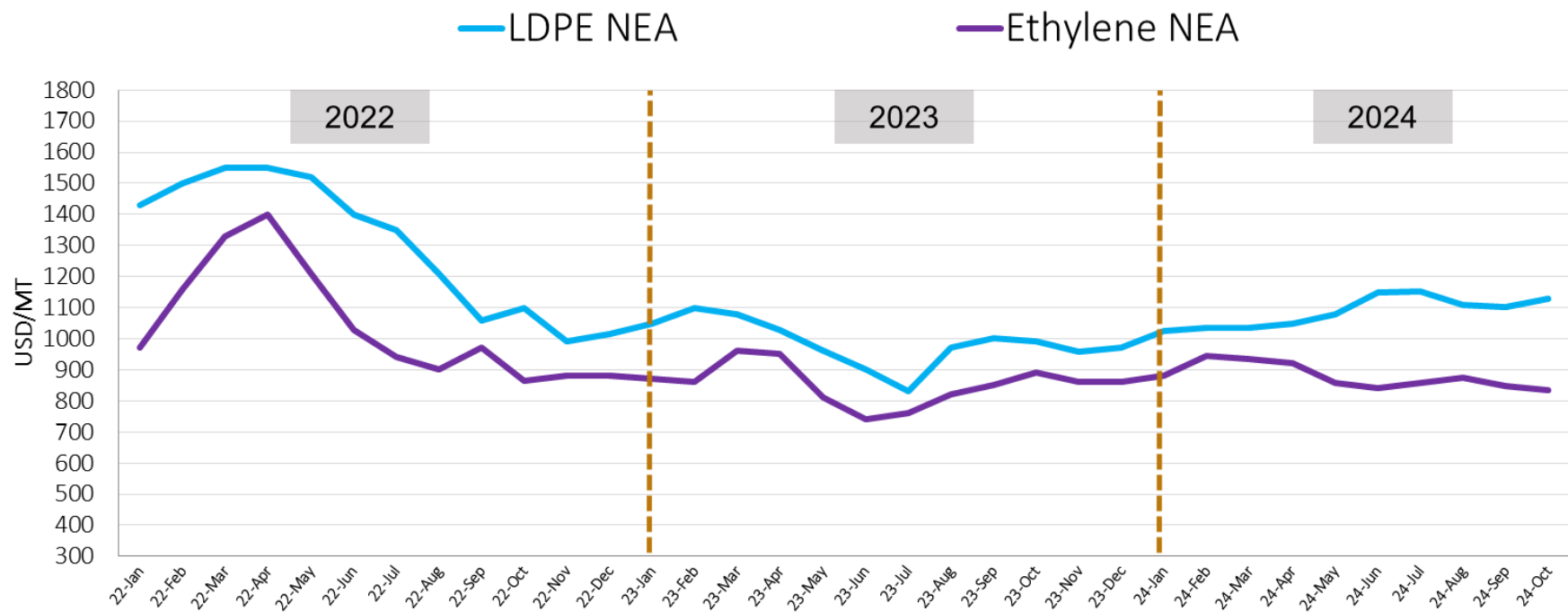
# Business Review and Outlook

# Crude Oil / Ethylene Monomer Review



Source from : ICIS

# PE Market Review



Source from: ICIS

# LDPE Operation Review : Jan. – Sep. 2024

- The global economic recovery was slow, inflation affected end market consumption, and the overall downstream demand for PE was plain.
- The new production capacity of PE was mainly for HDPE/LLDPE. The new production capacity with autoclave equipment was mostly for EVA production. Although some producers switched to LDPE production, the new production capacity of coating grade LDPE was rare.
- From Q2 to Q3, there was a shortage of coating grade LDPE in the market, and the price was higher than foaming grade EVA. The Company adjusted an EVA production line from the end of May to the beginning of September to support the production of coating grade LDPE to optimize profit. From January to September 2024, LDPE sales increased by about 43% compared with the same period last year.

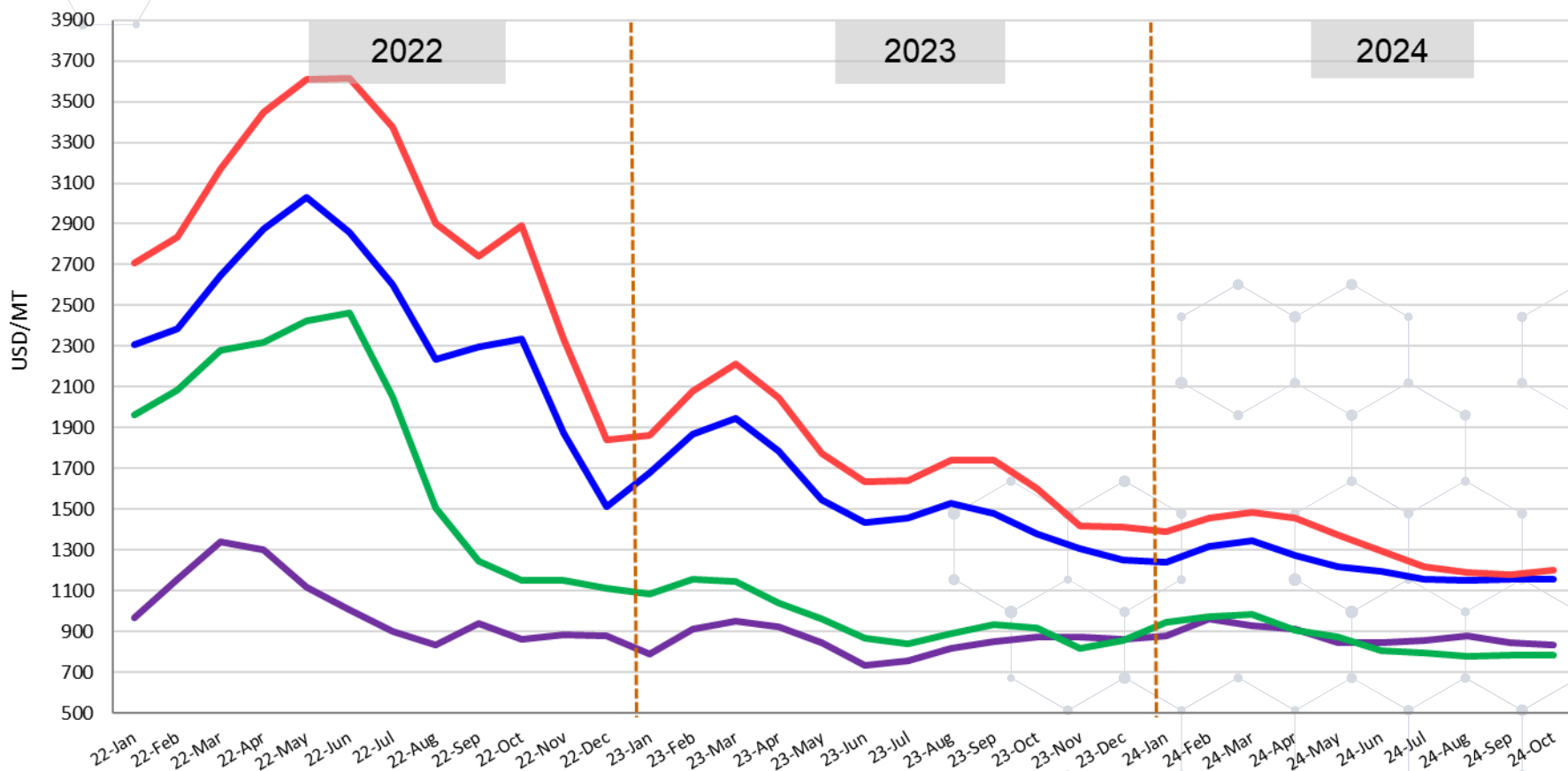
# EVA Market Review

— EVA 14%~20% CFR CMP

— EVA 22%~30% CFR NEA

— Ethylene CFR NEA

— VAM CFR NEA



Source from: ICIS

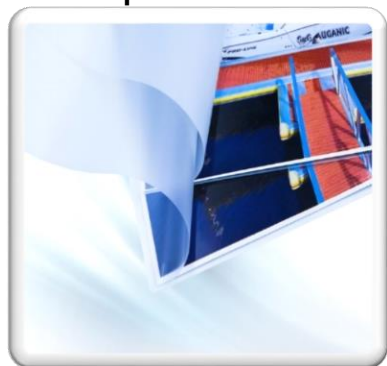
# EVA Operation Review : Jan. – Sep. 2024

- In Q1, EVA prices rose slightly from the low end. In Q2, due to poor PV demand and the lack of demand for foaming, wires and cables, and other applications, the market fell. In Q3, EVA prices were still weak: demand was sluggish, supply exceeded demand, market prices fluctuated slightly and fell, and the overall market was bearish.
- Lamination grade EVA is a major product to the Company. The manufacturers of lamination grade EVA are limited. Due to fierce competition in foaming and PV grades, the Company actively strives for Lami EVA orders. Sales volume from January to September 2024 increased by approximately 30% compared with the same period in 2023.

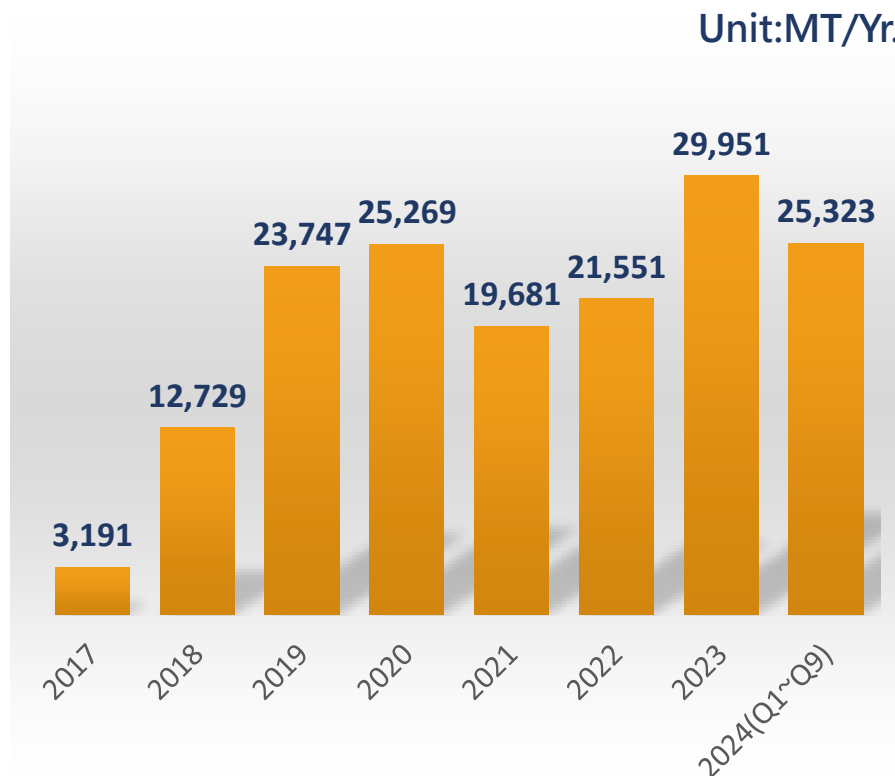


# Sales Volume of EVA Lami

thermal  
laminating  
pouches

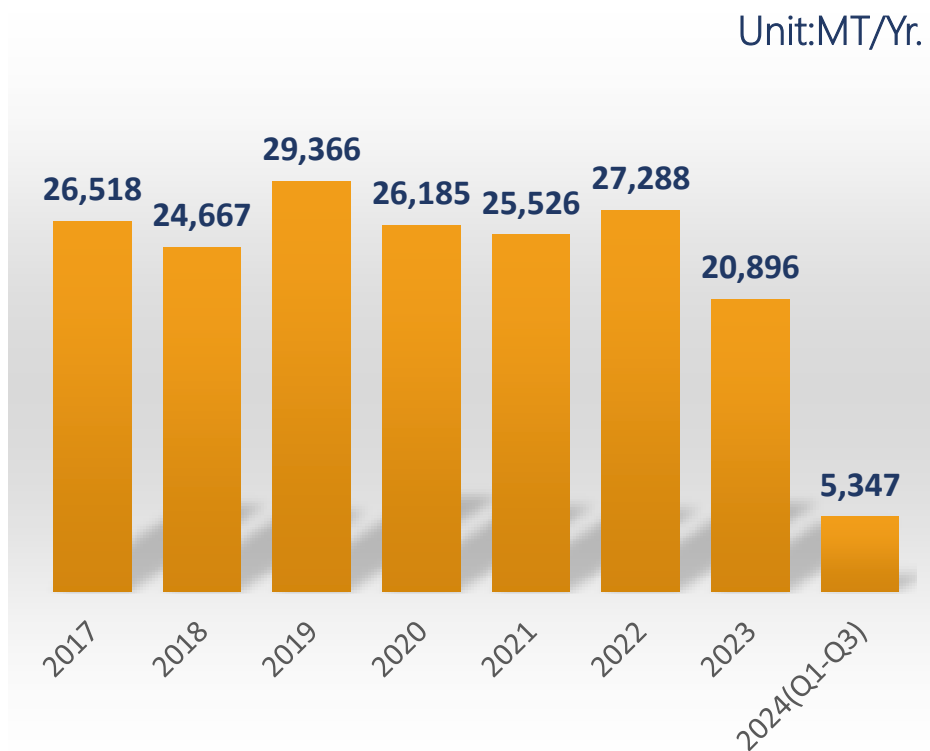
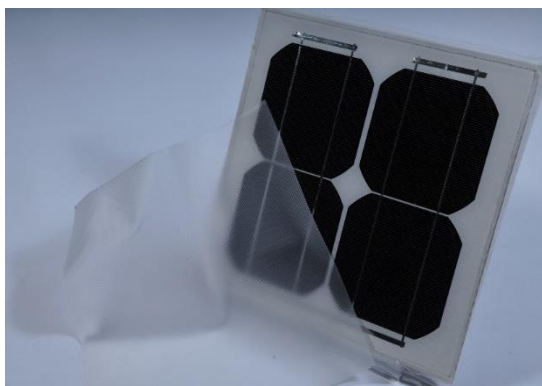


pre-coated  
thermal  
lamination film

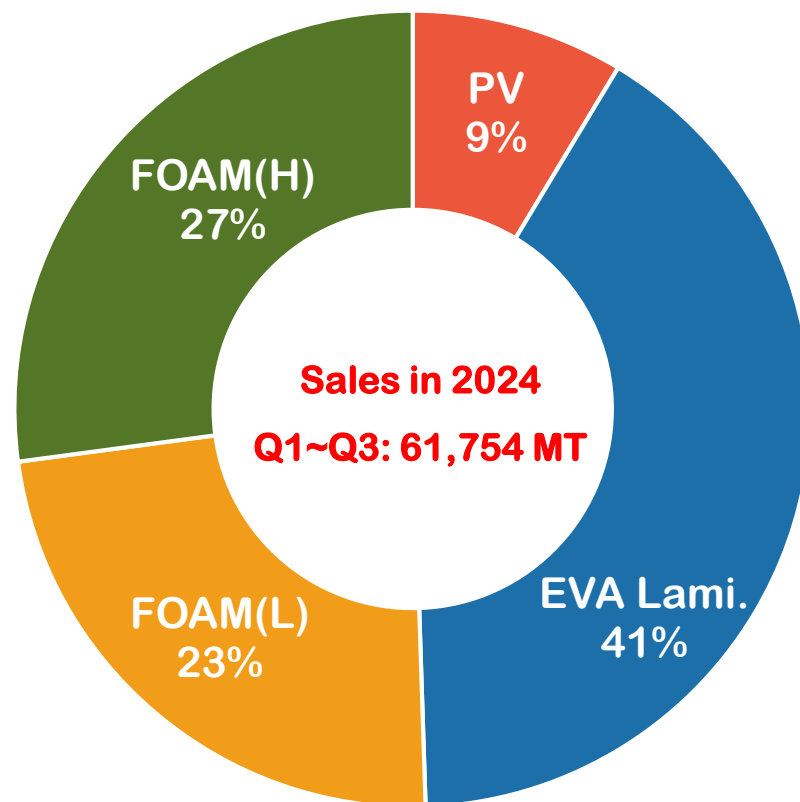
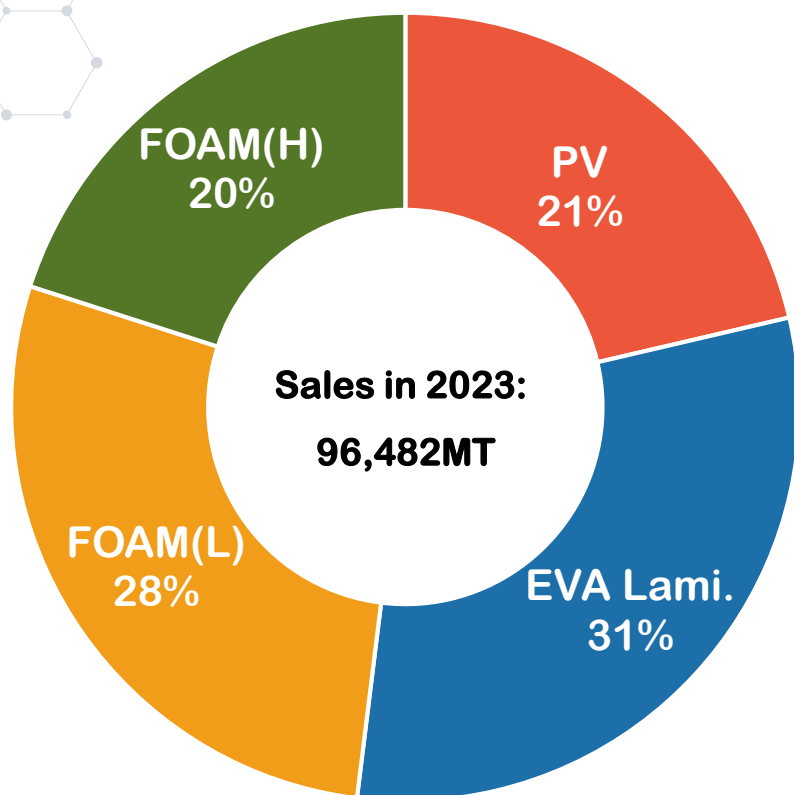


# Sales Volume of EVA PV

PV film



# APC's EVA Application Proportion

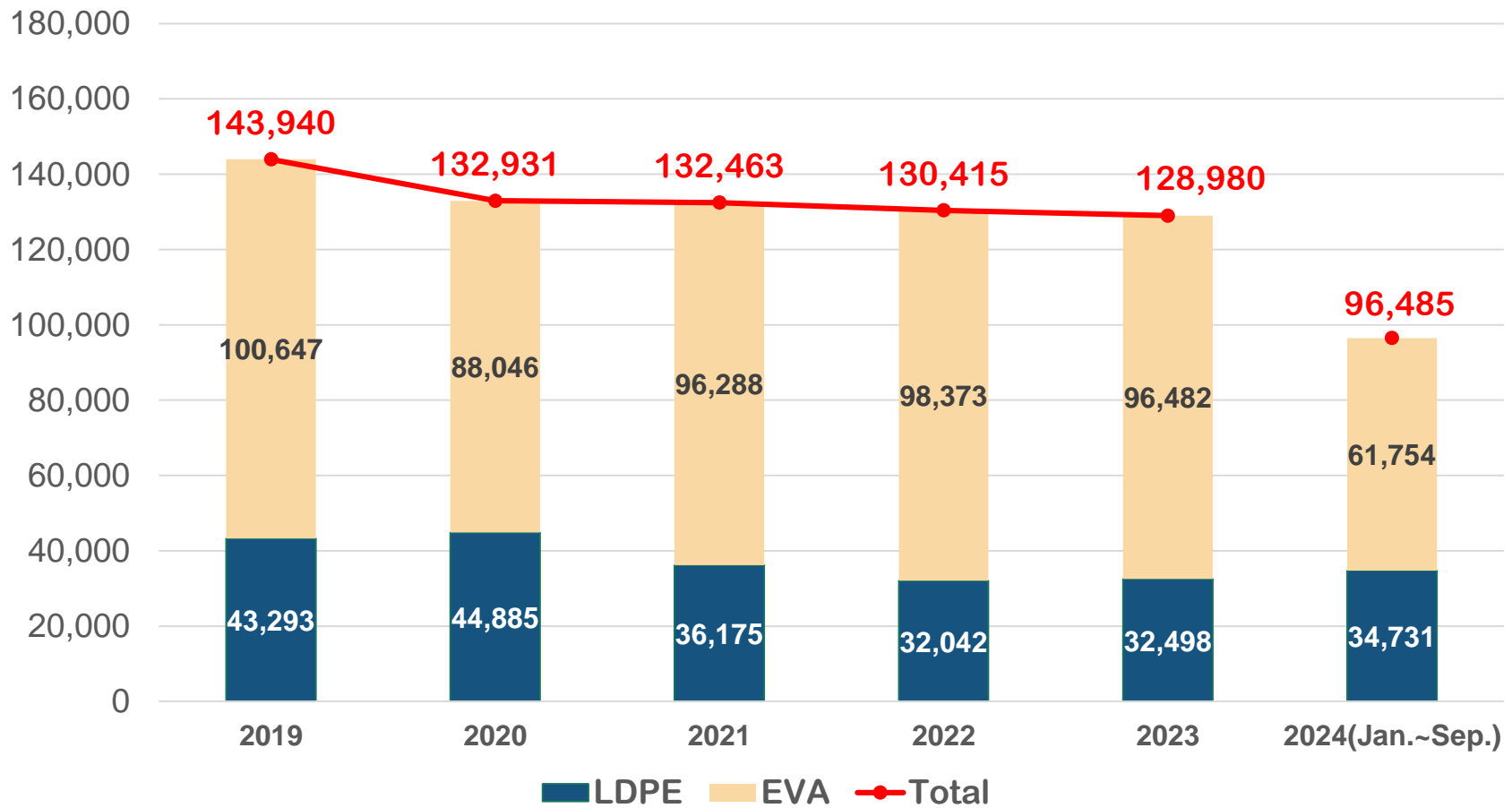


# Operation Review : 2022 to Jan. – Sep. 2024

## LDPE/EVA Sales Volume Comparison

Sales Volume (KMT)	2022	2023	2024 (Jan.~Sep.)
LDPE	32	33	35
EVA	98	96	62
Total	130	129	97

# Sales Volume in Recent Six Years



# Operation Outlook in Q4

## ● Crude oil :

From the perspective of supply and demand, oil price is expected to be weak. Yet geopolitical risks still affect market sentiment, the average Brent price is expected to fluctuate in the range of US\$70~80/barrel.

## ● Ethylene :

A new cracker plant starts up for its downstream production lines in November, which increases the demand for ethylene procurement. Meanwhile, new contracts for next year will be negotiated at the end of the year. To raise prices, some suppliers reduce spot sales. In addition, goods from the US have not yet arrived in Asia. All resulting in a reduction of supply in Asian market, and ethylene price is expected to rise slightly.

## ● VAM :

On the supply side, new production capacity continues to come out. Baihong's 100 KMT production capacity is expected to be put into operation by the end of the year. Amid weak demand, Q4 supply is expected to be ample.

# Operation Outlook in Q4

## LDPE/EVA :

- For LDPE market, the international PE market demand is plain. The Company' s LDPE is supplied mainly to the domestic market, so the demand is relatively stable. Depending on the interest rate difference between LDPE and EVA, the production line will be adjusted accordingly.
- PV demand is average. From January to September, China's newly installed photovoltaic capacity was 129GW, with an increase of 25% over the same period last year. The strength of PV demand affects EVA market significantly. From October to November, the market in China has improved slightly. Whether it can continue remains to be seen.
- Sailboat' s new EVA production capacity of 200 KMT in China has been put into operation in October. It mainly produces LDPE in the initial stage and is expected to switch to EVA production before the end of the year. The remaining new capacity is expected to be put into production after Q2 of 2025.
- Coating grade EVA has higher entry barriers and limited supply manufacturers. Its price is relatively stable due to less market manipulation. The Company actively explores new coating grade markets outside of China.

# 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)

	2024 Jan.~Sep.	2023 Jan.~Sep.	QoQ%	2023	2022	YoY%
Sales	4,478	5,040	-11%	6,717	9,815	-32%
Cost of goods sold	4,363	4,065	7%	5,571	6,582	-15%
Gross profit	115	975	-88%	1,146	3,233	-65%
gross profit ratio	3%	19%		17%	33%	
Operating expenses	180	165	9%	222	286	-22%
Operating income(loss)	(65)	810	-108%	924	2,947	-69%
operating income(loss) ratio	-1%	16%		14%	30%	
Non-operating income(loss)	(531)	(461)		(773)	(1,129)	
Income(Loss) before income taxes	(596)	349	-271%	151	1,818	-92%
Income taxes expense(benefit)	(122)	81	-250%	35	370	-91%
Net income(loss)	(474)	268	-277%	116	1,447	-92%
net income (loss) ratio	-11%	5%		2%	15%	
Earnings(Loss) per share	(0.80)	0.45		0.20	2.44	

# Financial Ratio Analysis

	2024 Jan.~Sep.	2023 Jan.~Sep.	2023	2022
Operating income margin(%)	(1.5)	16.1	13.8	30.0
Net income margin(%)	(10.6)	5.3	1.7	14.7
Debt ratio(%)	12	10	11	13
Current ratio(%)	239	370	324	244
Quick ratio(%)	164	272	243	199
Accounts receivable turnover days	24	48	40	46
Inventory turnover days	43	38	39	31

# 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>**

