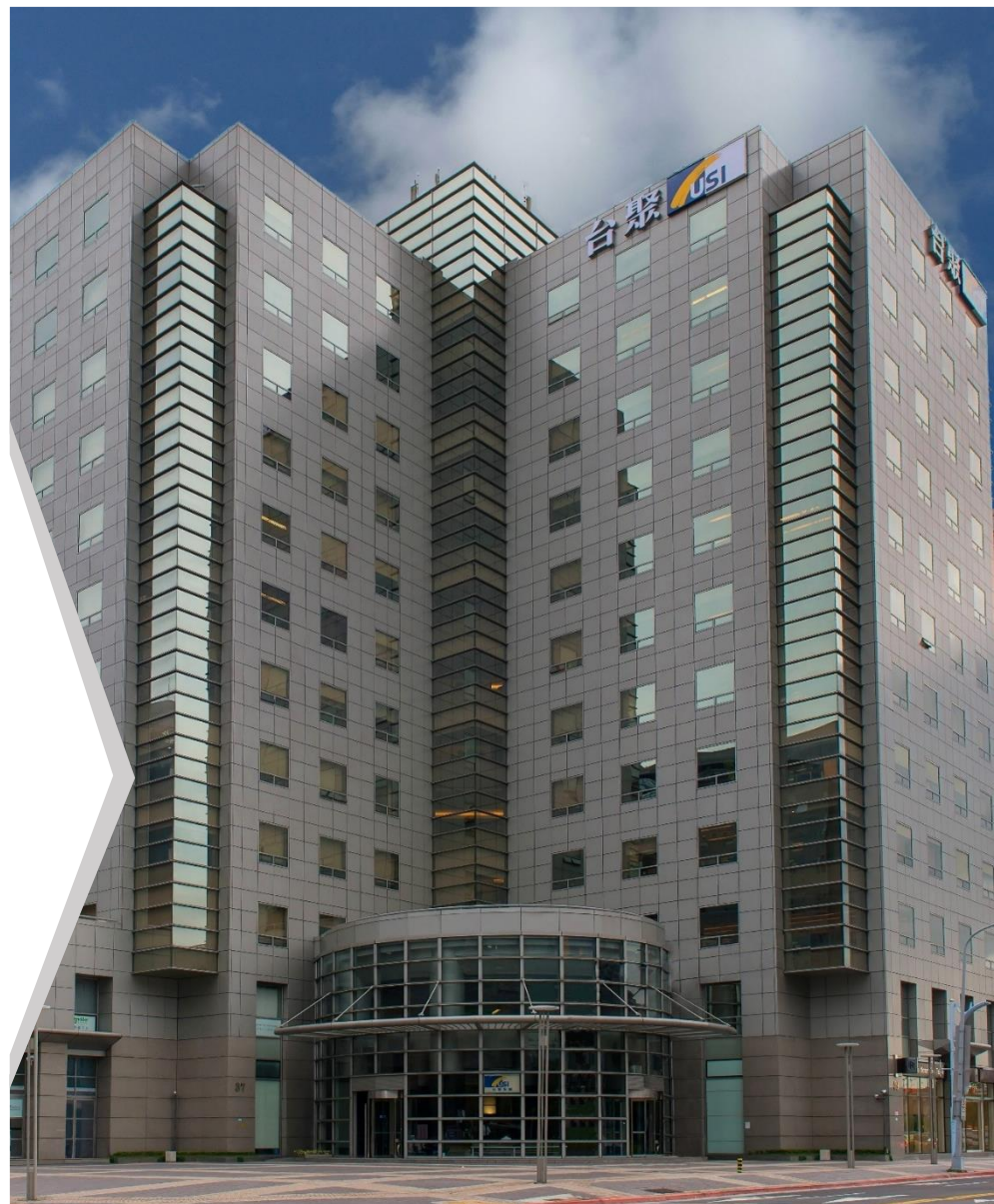


2025
03/25




Asia Polymer Corporation Investor Conference





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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.

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APC

**Reported By: Kevin Huang
(Sales Director)**

Brief Introduction to APC



Established Date

Jan.25,1977

Capital

NT \$5,940M

No. of Employees

231 (2025.3.01)

Revenue(2024)

Individual : NT \$5,820M
Consolidated : NT \$6,030M

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 to high end applications.



Medical Device



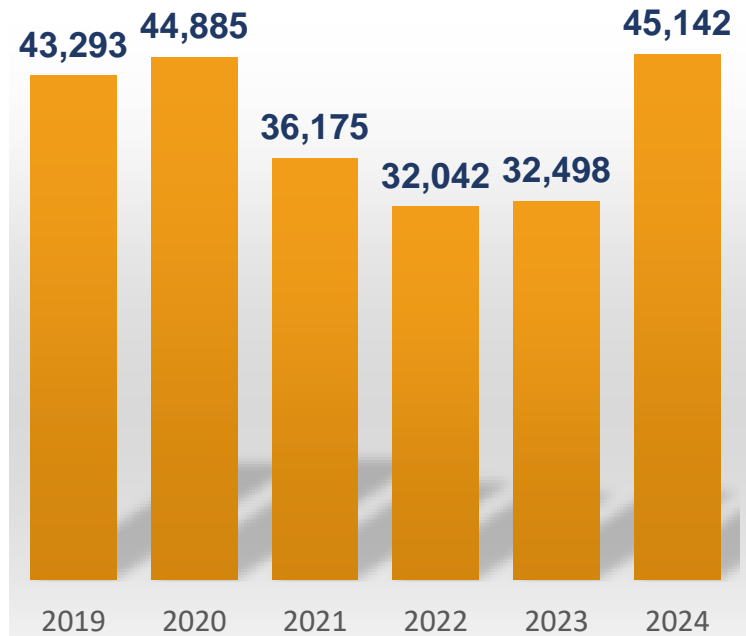
Food packaging



Cosmetic packaging

High-end applications
semiconductor packaging, low-gel protective film, medical uses

Mid-range applications
food packaging, electronic packaging, cosmetic packaging, hygiene products



Unit:MT/Yr.

APC EVA major application



EVA Solar Grade



EVA Coating Grade



Shoe' s material



Wire & Cable

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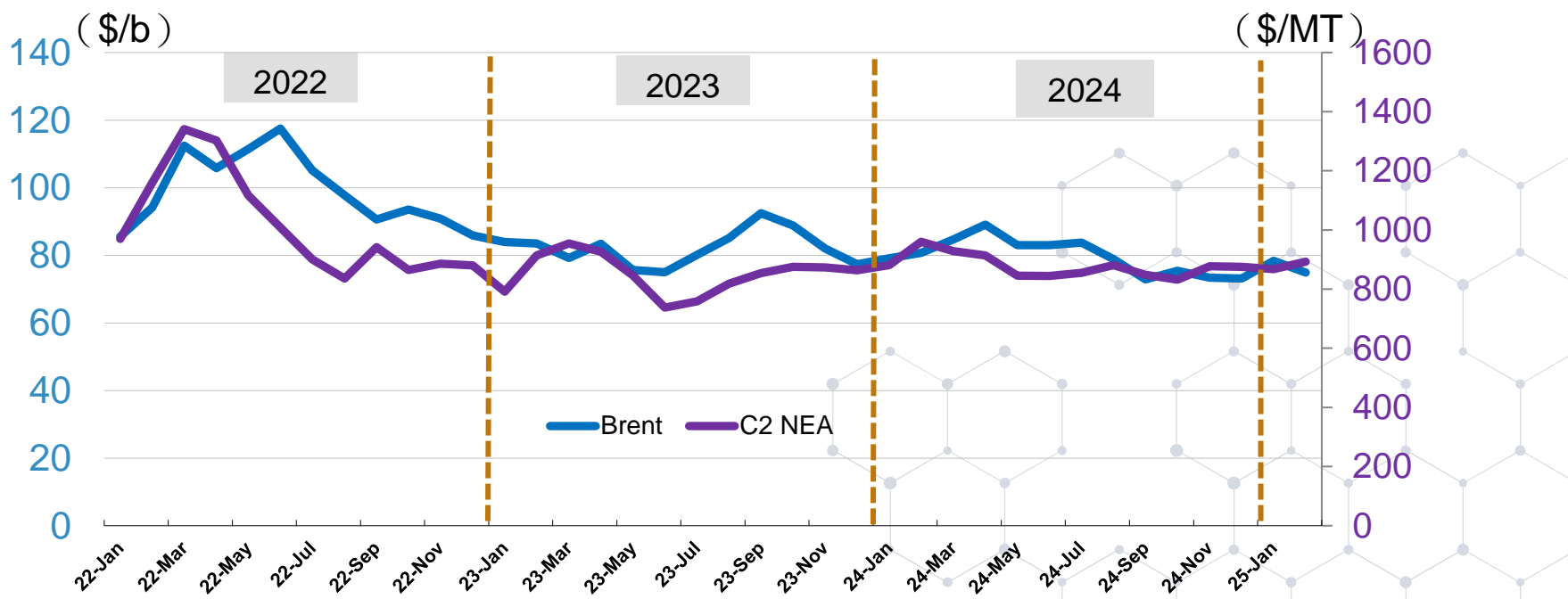
Q & A

APC
Reported By: Kevin Huang
(Sales Director)

Business Review and Outlook

Crude Oil / Ethylene Monomer Review

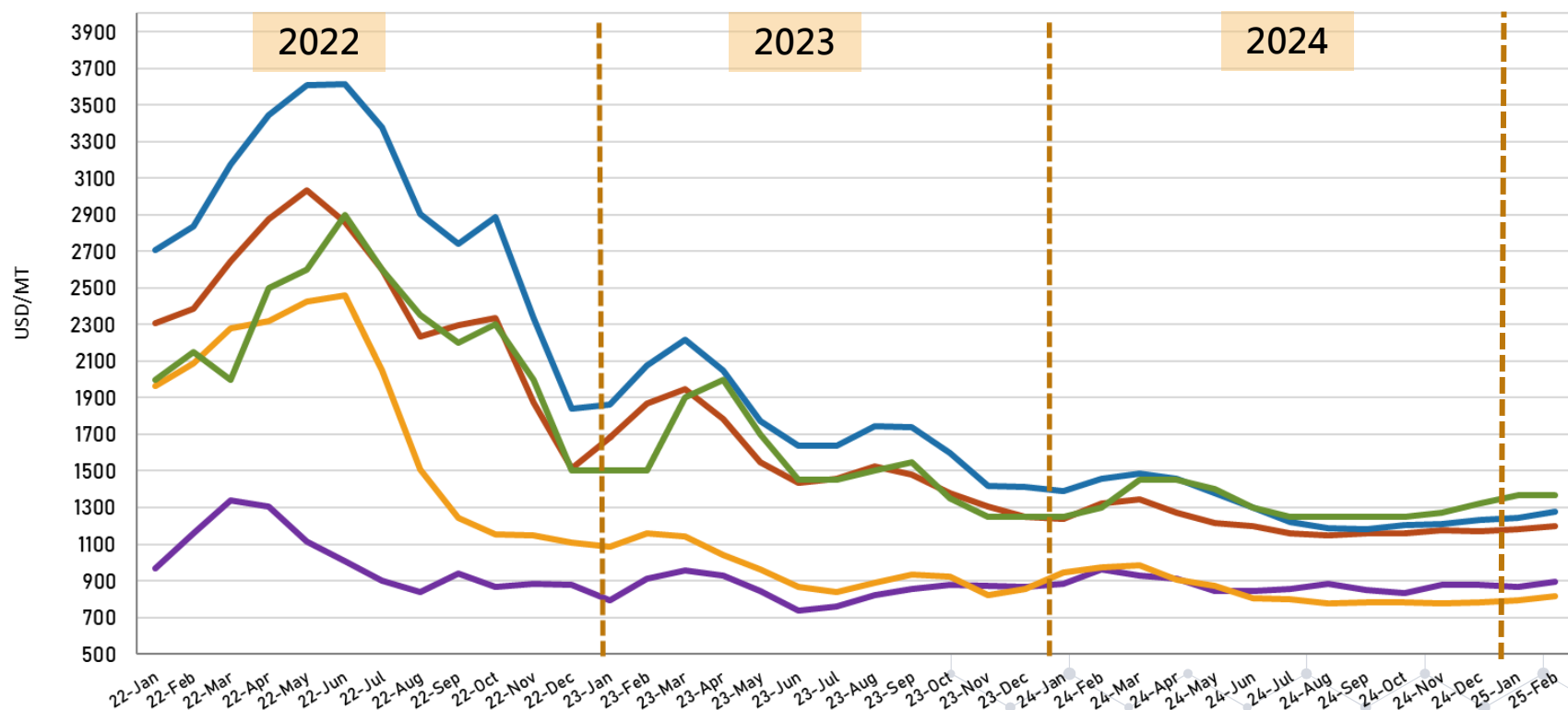
- International geopolitical conflicts, and OPEC+ production cuts made oil prices continue to rise in the first quarter of 2024. The prices began to decline in April, but remained on high level above US\$70/barrel for the whole year. Capacity expansion of China petrochemical plants pushed up demand for naphtha, resulting in high cost C2.



資料來源: Platts

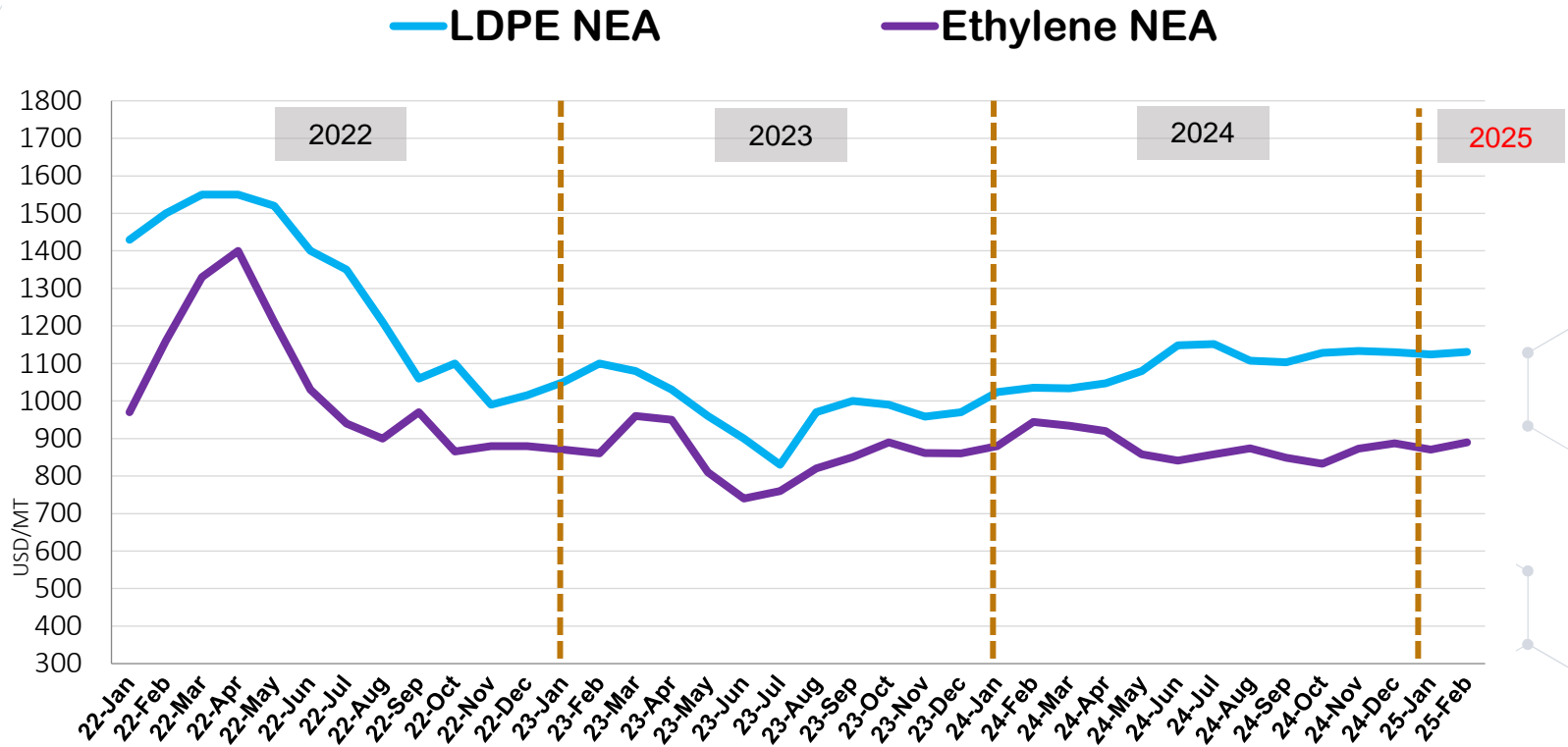
EVA Prices Review

— EVA 14%~20% CFR CMP — EVA 22%~30% CFR NEA — Ethylene CFR NEA
— VAM — Lami-EVA CIF CMP



Source from: ICIS

PE Price Review



Source from: ICIS

LDPE Market Review

- Domestic sales are stable. Sales increase in 2024 was mainly for export.
- In recent years, new production capacity of lamination grade LDPE is very limited. In Q2~Q3 2024, Mainland China LDPE lamination grade was in short supply, and the price was higher than that of foam grade EVA. The Company adjusted an EVA production line from the late May to the early September to support the production of LDPE lamination grade to optimize product profits. LDPE sales in 2024 increased by about 39% compared with the same period last year.

EVA Market Review

- New production capacity put into production, Mainland China economic growth slowed down, and PV demand growth was not as expected. The supply and demand situation of EVA is gradually changing.
- EVA price rebounded in Q1, 2024, and turned into a decline again after April. By mid-October, many people still had pessimistic views on the future market. Due to excessive bearishness, the supply chain continued to reduce inventory. Meanwhile some petrochemical plants shut down or switched to LDPE. In late October, it was found not easy to restock inventory. Mainland China domestic prices stopped falling and rebounded since the end of October.
- In 2024, the apparent demand in China shrank by about 300 KMT. On one hand, due to the market bearishness, the supply chain had greatly reduced inventory. On the other hand, the self-sufficiency rate of China had increased significantly. Downstream manufacturers, especially solar film makers, did not need to prepare a large amount of stock. The actual demand estimate was roughly equivalent to 2023.

EVA Market Review

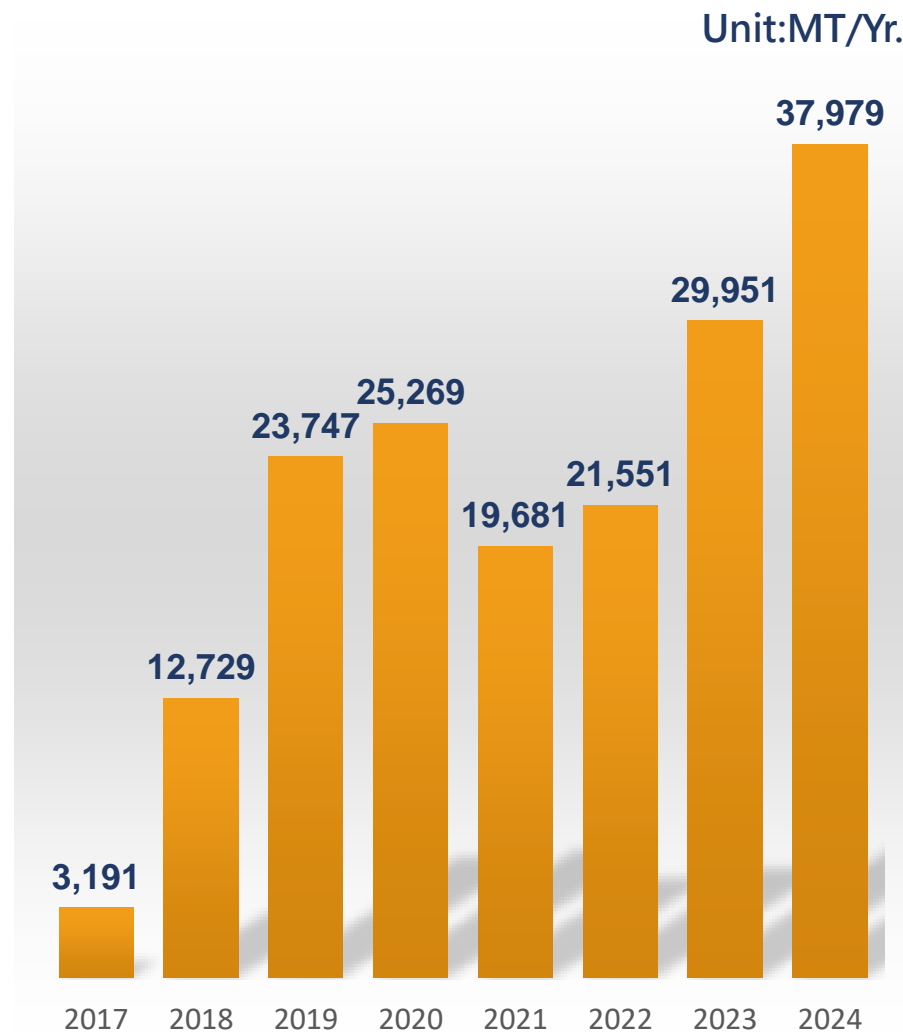
- The price competition in general-grade EVA market in Mainland China were severe, especially for PV grades, foam grades, and wire and cable grades.
- The production technology of lamination grade EVA is high. Chinese makers could only supply low-end products with small quantities for the time being. Although the lamination grade had less impact by new capacity, they were still inevitably suppressed.
- Developing differential products, flexible allocation of production lines, and increasing the LDPE production made the sales volume of LDPE and EVA in 2024 increased by more than 3,500 MT compared with 2023.

Sales of Lami-grade EVA

thermal laminating
pouches

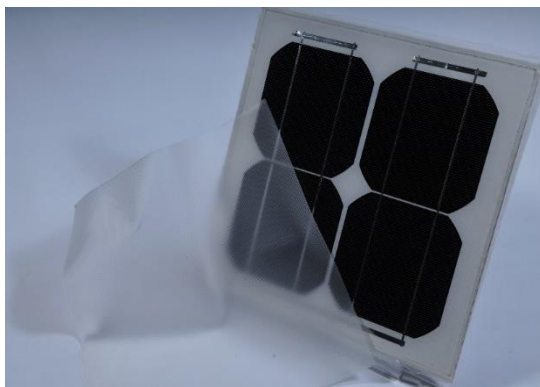


pre-coated thermal
lamination film

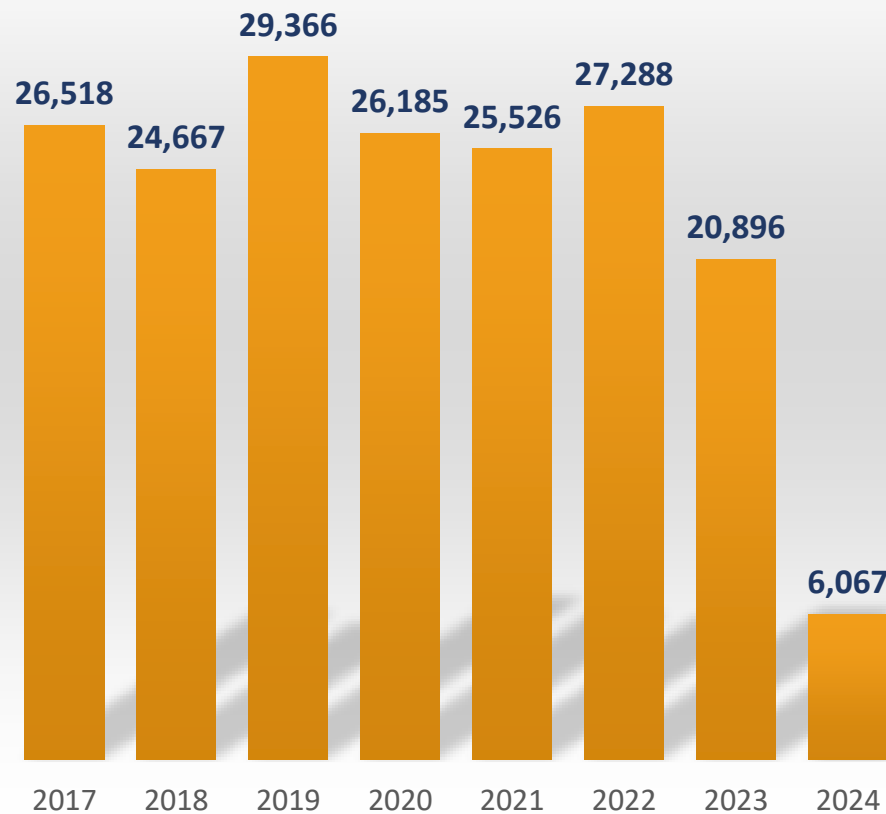


Sales of PV Grade EVA

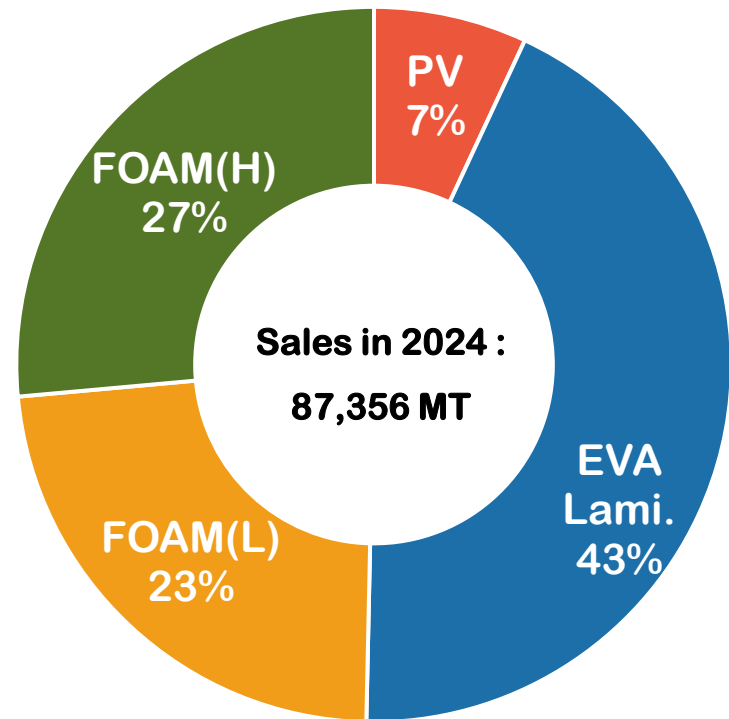
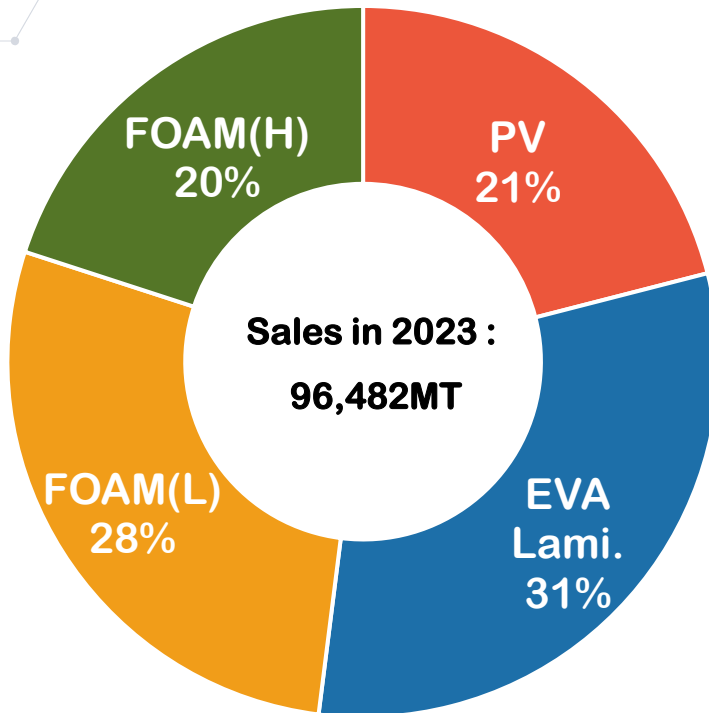
PV Film



Unit:MT/Yr.



APC' s EVA Application Proportion

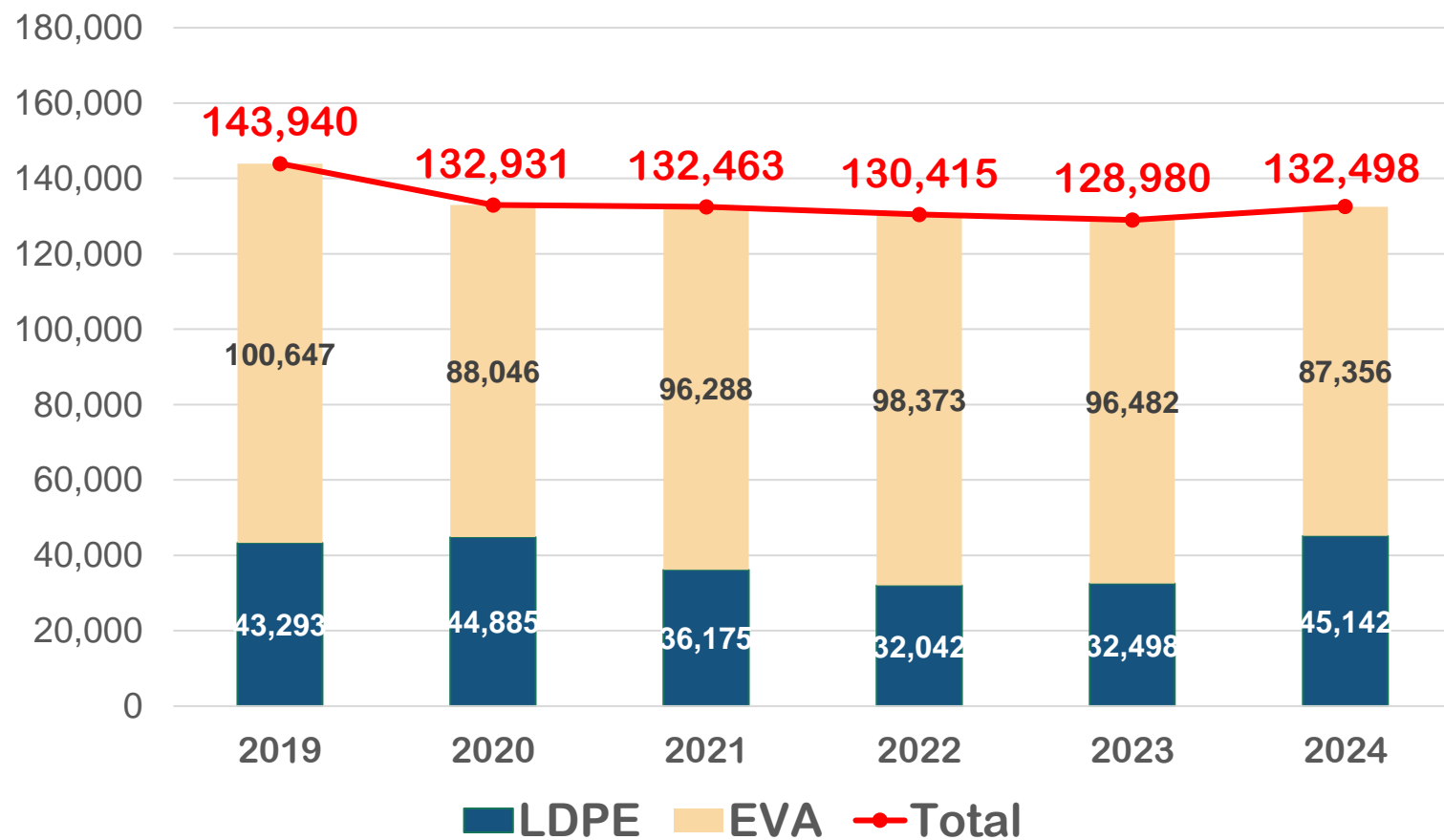


Sales Review: 2022 to 2024

LDPE/EVA Sales Volume Comparison

| Sales Volume (KMT) | 2022 | 2023 | 2024 |
|--------------------|------|------|------|
| LDPE | 32 | 33 | 45 |
| EVA | 98 | 96 | 87 |
| Total | 130 | 129 | 132 |

Sales Volume in Recent Six Years

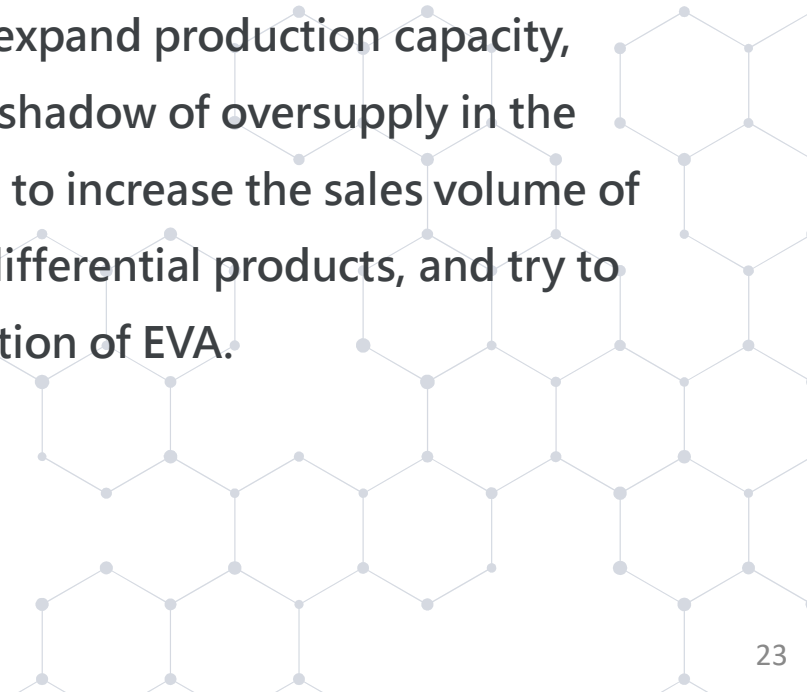


Business Outlook for Q1 2025

- **Crude oil:** The trade conflict has prolonged, bringing hidden worries to global economic growth, the Russia-Ukraine war has shown the dawn of a ceasefire, OPEC+ plans to increase production in April, and crude oil has gradually slipped after reaching a high point in mid-January.
- **In terms of ethylene raw materials:** The downstream production (LDPE, EG/EO) of Wanhua Chemical in Mainland China was launched ahead of the cracker, increasing the demand of spot ethylene, and there were petrochemical plants shut down in South Korea and Malaysia, resulting in a firm spot price in January to February. In early March, with the decline in oil prices and the restart of operations in South Korea, ethylene prices fell. We will pay close attention to the operation of downstream and upstream of C2 derivatives and the impact on spot prices.
- **Vinyl acetate raw materials:** Although there is new VAM capacity expansion in China in Q1, there are also new EVA and VAE capacity expansions. The oversupply of VAM may gradually ease.



Business Outlook for Q1 2025

- In H1, the demand for PV is booming, and the inventory of most petrochemical plants is still low. So far in Q1, EVA price remains rebounding. In the second half of the year, we still need to pay close attention to the EVA demand situation and the progress of new production capacity in China and South Korea.
 - Petrochemical plants in China continue to expand production capacity, and the EVA market may still be under the shadow of oversupply in the next few years. The Company will continue to increase the sales volume of LDPE and lamination grade EVA, develop differential products, and try to avoid price war in general purpose application of EVA.
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APC
Reported By: David Chang
(Accounting Manager)

Finance Information

Consolidated Statements of Income

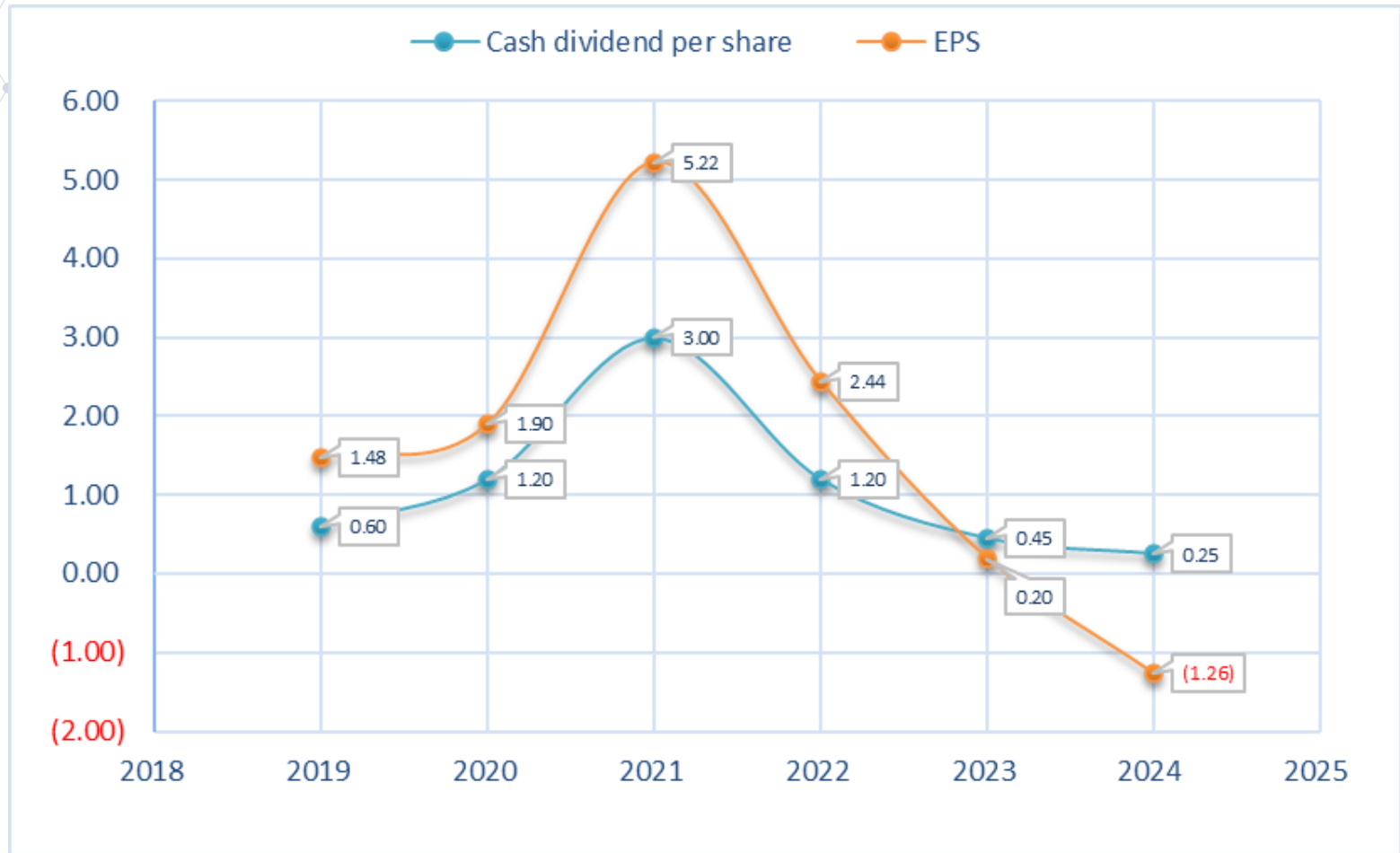
(In millions of NTD, except per share data)

| | 2024 FY (Parent Company Only) | 2024 FY (Consolidated) | Increase (Decrease) | 2023 FY (Consolidated) | 2022 FY (Consolidated) | 2021 FY (Consolidated) | 2020 FY (Consolidated) |
|---|--|------------------------------|------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Sales | 5,817 | 6,031 | (686) | 6,717 | 9,815 | 9,566 | 5,704 |
| Cost of goods sold | 5,701 | 5,896 | 325 | 5,571 | 6,582 | 5,968 | 4,574 |
| Gross profit | 116 | 135 | (1,011) | 1,146 | 3,233 | 3,598 | 1,129 |
| gross profit ratio | 2% | 2% | -15% | 17% | 33% | 38% | 20% |
| Operating expenses | 237 | 244 | 22 | 222 | 286 | 278 | 207 |
| Operating income(loss) | (121) | (109) | (1,033) | 924 | 2,947 | 3,319 | 922 |
| operating income ratio | -2% | -2% | -16% | 14% | 30% | 35% | 16% |
| Non-operating income(loss) | (803) | (811) | (38) | (773) | (1,129) | 419 | 363 |
| Income(Loss) before income taxes | (924) | (920) | (1,071) | 151 | 1,818 | 3,738 | 1,285 |
| Income tax expense (benefit) | (174) | (170) | (205) | 35 | 370 | 637 | 182 |
| Net (Loss)Income | (751) | (751) | (867) | 116 | 1,447 | 3,101 | 1,104 |
| net (loss)/income ratio | -13% | -12% | -14% | 2% | 15% | 32% | 19% |
| Basic Earnings(loss) Per Share | (1.26) | (1.26) | (1.46) | 0.20 | 2.44 | 5.22 | 1.86 |

Financial Ratio Analysis-Consolidated

| | 2024 FY | 2023 FY | 2022 FY | 2021 FY | 2020 FY |
|-----------------------------------|------------|------------|------------|------------|------------|
| Operating income(loss) margin(%) | (2) | 14 | 30 | 35 | 16 |
| Net income(loss) margin(%) | (12) | 2 | 15 | 32 | 19 |
| Debt ratio(%) | 16 | 11 | 13 | 19 | 28 |
| Current ratio(%) | 299 | 324 | 244 | 211 | 200 |
| Quick ratio(%) | 225 | 243 | 199 | 173 | 171 |
| Accounts receivable turnover days | 25 | 40 | 46 | 41 | 48 |
| Inventory turnover days | 38 | 39 | 31 | 27 | 28 |

EPS vs DPS



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Thanks for attending and kind support!



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

